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For Immediate Release

REIT Issuer

HEIWA REAL ESTATE REIT, Inc.

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Masaaki Higashihara, Executive Director

(Securities Code: 8966)

Asset Management Company

HEIWA REAL ESTATE Asset Management CO., LTD.

Takaya Ichikawa, President & Representative Director

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Notice Concerning Partial Amendment to the Articles of Incorporation and the Appointment of Directors

HEIWA REAL ESTATE REIT, Inc. (the “Investment Corporation”) announced today that it has decided to refer the partial amendment to the Articles of Incorporation and the appointment of directors to the 16th general meeting of investors (the “General Meeting of Investors”), as described below.

The following matters will go into effect upon approval by the General Meeting of Investors.

Details

1. Partial amendment to the Articles of Incorporation

The followings are reason for amending the Articles of Incorporation.

- (1) Pursuant to the tax reforms concerning mitigating tax burdens borne by investment corporations in fiscal 2015 and fiscal 2016 (including relevant laws and regulations), related rules will be amended.
(Items (1) and (2), Paragraph 1, Article 32 of the proposed amendment)
- (2) Other changes in the wording, changes to and the unification of expressions, etc. shall be made and conducted.
(Article 6; Items (14), Paragraph 4, Article 26; and Paragraph 2, Article 37 of the proposed amendment)

2. Appointment of directors

Because the respective terms of office of the executive director Masaaki Higashihara and the supervisory directors Taku Fukui and Hidekazu Kubokawa will expire on August 30, 2017 the proposal for appointing one (1) executive director and two (2) supervisory directors shall be submitted to the General Meeting of Investors.

In addition, the resolution for appointing Takaya Ichikawa as an alternate executive director shall cease to be effective on August 30, 2017. Therefore, the proposal for appointing one (1) alternate executive director shall be submitted in case the post of executive director becomes vacant or the number of directors does not satisfy the number specified by law.

- (1) Candidate for executive director
Masaaki Higashihara (reappointment)
- (2) Candidate for supervisory director
Hidekazu Kubokawa (reappointment)
Noriyuki Katayama (new appointment)
- (3) Candidate for alternate executive director
Takaya Ichikawa (reappointment)

3. Schedule

- July 26, 2017 : Approval of the proposals to be submitted to the 16th General Meeting of Investors by the board of directors
- August 14, 2017 : Issue of Notice of Calling the 16th General Meeting of Investors (scheduled)
- August 30, 2017 : The 16th General Meeting of Investors (scheduled)

End.

* Distribution: Kabuto Club, Ministry of Land, Infrastructure, Transport and Tourism Press Club, and Ministry of Land, Infrastructure, Transport and Tourism Press Club for Construction Publications

* Investment Corporation Website: <http://www.heiwa-re.co.jp/english/>