

TRANSLATION

February 22, 2013

Real Estate Investment Trust Securities Issuer
Sekisui House SI Investment Corporation
2-12 Kojimachi, Chiyoda-ku, Tokyo
Representative: Junichi Inoue, Executive Director
(Securities Code: 8973)

Asset Management Company
Sekisui House SI Asset Management, Ltd.
2-12 Kojimachi, Chiyoda-ku, Tokyo
Representative: Junichi Inoue, President
Inquiries: Nobuyoshi Sato, General Manager
IR & Financial Affairs Department
TEL: +81-3-5215-8973 (main)

Notice Concerning Issuance of Investment Corporation Bonds

Sekisui House SI Investment Corporation (the “Investment Corporation”) hereby announces that it has decided on the issuance of investment corporation bonds today as described below with an aim to diversify funding methods based on a general resolution on the issuance of investment corporation bonds adopted by the Investment Corporation’s Board of Directors at its meeting held on February 5, 2013. For details on the above general resolution on the issuance of investment corporation bonds, please refer to the press release “Notice Concerning General Resolution on the Issuance of Investment Corporation Bonds” dated February 5, 2013.

1. Outline of Investment Corporation Bonds

(1) Name of Investment Corporation Bond

Sekisui House SI Investment Corporation First Series Unsecured Investment Corporation Bonds (with *pari passu* clause among specified investment corporation bonds) (the “Bond #1 (5-year Bond)”)

Sekisui House SI Investment Corporation Second Series Unsecured Investment Corporation Bonds (with *pari passu* clause among specified investment corporation bonds) (the “Bond #2 (7-year Bond)”)

The Bond #1 (5-year Bond) and the Bond #2 (7-year Bond) are hereinafter referred to collectively as the “Bonds.” In the following items, matters common to the Bond #1 (5-year Bond) and the Bond #2 (7-year Bond) are not described separately.

(2) Total Issue Amount

| | |
|-----------------------|---------------|
| Bond #1 (5-year Bond) | 4 billion yen |
| Bond #2 (7-year Bond) | 2 billion yen |
| Total | 6 billion yen |

(3) Certificates of Investment Corporation Bonds

Pursuant to the provision of the Act on Book-Entry Transfer of Company Bonds, Shares, etc. that is applicable to the Bonds, no bond certificates for the Bonds will be issued.

(4) Issue Price

100 yen per par value of 100 yen for each investment corporation bond

(5) Redemption Value

100 yen per par value of 100 yen for each investment corporation bond

(6) Coupon Rates

| | |
|------------------------|-----------------|
| Bond #1 (5-year Bond): | 0.63% per annum |
| Bond #2 (7-year Bond): | 1.00% per annum |

(7) Amount of Each Investment Corporation Bond

100 million yen

(8) Offering Method

Public offering

(9) Subscription Date

February 22, 2013 (Friday)

(10) Payment Date

February 28, 2013 (Thursday)

(11) Collateral / Guarantees

The Bonds will be issued on an unsecured, unguaranteed basis and no assets are reserved as security specifically for the Bonds.

(12) Redemption Method and Redemption Date

| | |
|------------------------|--|
| Bond #1 (5-year Bond): | The total principal amount of the Bond #1 (5-year Bond) will be redeemed on February 28, 2018. |
| Bond #2 (7-year Bond): | The total principal amount of the Bond #2 (7-year Bond) will be redeemed on February 28, 2020. |

The Bonds may be repurchased and cancelled by the Investment Corporation at any time on and after the date following the payment date, unless otherwise determined by the book-entry transfer agent.

(13) Interest Payment Dates

February 28 and August 28 of each year

(14) Financial Covenants

“Negative Pledge Clause” is contained.

(15) Rating

A A- (Japan Credit Rating Agency, Ltd.)

(16) Fiscal Agent, Issuing Agent and Paying Agent

The Bank of Tokyo-Mitsubishi UFJ, Ltd.

(17) Underwriters

Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.; and Mizuho Securities Co., Ltd.

2. Purpose of Issuance

The Investment Corporation plans to use the funds to be procured to repay existing borrowings and to cover a part of the costs for the acquisition of domestic real estate trust beneficiary rights.

3. Amount, Use and Schedule for Expenditures of Funds to be Procured

(1) Amount of Funds to be Procured

5,960 million yen (approximate net proceeds)

(2) Specific Use and Schedule for Expenditure of Funds to be Procured

(i) Specific use of funds:

The Investment Corporation plans to use the funds to be procured to repay existing borrowings and to cover a part of the costs for the acquisition of domestic real estate trust beneficiary rights that are scheduled to be acquired on March 1, 2013.

Details on repayment of borrowings will be announced when determined. For details on domestic real estate trust beneficiary rights that are scheduled to be acquired on March 1, 2013, please refer to the press release “Notice Concerning Acquisition of Trust Beneficiary Interests in Domestic Real Estate (KAWARAMACHI Flats and Kensington Mansion NISHITENMA)” dated February 15, 2013.

(ii) Schedule for expenditure:

March, 2013

4. Status of Loans, etc. after the Issuance of the Bonds

The status of interest-bearing debt of the Investment Corporation immediately after the issuance of the Bonds (as of February 28, 2013) is as follows:

(million yen)

| | Before Issuance | Immediately After Issuance (Note 1) | Increase (Decrease) |
|--|-----------------|--|---------------------|
| Short-term loans | 3,800 | 3,800 | 0 |
| Current portion of long-term loans (to be repaid within one year or less) | 15,342 | 15,342 | 0 |
| Long-term loans | 46,733 | 46,733 | 0 |
| Investment Corporation Bonds | - | 6,000 | 6,000 |
| Subtotal | 65,875 | 71,875 | 6,000 |
| Interest-bearing security deposits (Note 2) | 370 | 370 | 0 |
| Total interest-bearing debt | 66,245 | 72,245 | 0 |
| Interest-bearing debt ratio (Note 3) | 53.4% | 55.6% | 2.2 points |

(Note 1) Each amount, etc. in the “Immediately After Issuance” column is the estimated figures as of February 28, 2013 that are calculated based on the assumption that there will be no new borrowing, etc. through to February 28, 2013.

(Note 2) This is the security deposit received from Ito-Yokado Co., Ltd. The principal of such security deposit is being returned over 120 equal installments starting from November 30, 2005 with 2% per annum interest charged on the balance outstanding at the end of every month, after a deferment period of five years started from the store opening date (November 30, 2000) (no interest during the deferment period).

(Note 3) The interest-bearing debt ratio is calculated as follows:

“interest-bearing debt ratio” = “interest-bearing debt” / (“interest-bearing debt” + “unitholders’ capital”) × 100%;
and rounded to the first decimal place. For “unitholders’ capital”, the unitholders’ capital as of the date of this document, which is 57,755,115,550 yen, is used.

(Note 4) Amounts are rounded down to the nearest specified unit.

5. Others

Concerning the risks associated with the redemption, etc of the Bonds., there is no change from the “Investment Risks” stated in the semi-annual securities report submitted on December 26, 2012, that would have material negative impact to the Investment Corporation.

* Sekisui House SI Investment Corporation website: <http://www.shsi-reit.co.jp/eng/>