

TRANSLATION

April 3, 2014

Real Estate Investment Trust Securities Issuer  
Sekisui House SI Investment Corporation  
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Representative: Koji Sakamoto, Executive Director  
(Securities Code: 8973)

Asset Management Company  
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Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units

Sekisui House SI Investment Corporation (the “Investment Corporation”) hereby announces that it has resolved at the Board of Directors’ meeting held today concerning issuance of new investment units and secondary offering of investment units, as described below.

1. Issuance of New Investment Units through Public Offering (Primary Offering)

- (1) Total number of investment units to be offered : 111,600 units
- (2) Paid-in amount (issue amount) : To be determined  
(The amount shall be determined at a meeting of Board of Directors to be held on a date between April 14, 2014 (Monday) and April 16, 2014 (Wednesday) (the “Pricing Date”) in accordance with the method stated in Article 25 of the Regulations Concerning Underwriting, Etc. of Securities adopted by the Japan Securities Dealers Association. The paid-in amount (issue amount) shall be the paid-in amount for legal purposes under the Act on Investment Trusts and Investment Corporations, and represent the proceeds per investment unit of the Investment Corporation (the “Investment Units”) paid in by the Underwriters (as defined below) and received by the Investment Corporation.
- (3) Total paid-in amount (total issue amount) : To be determined
- (4) Issue price (offer price) : To be determined  
(The price shall provisionally be calculated by multiplying the closing price of the Investment Units in a regular trading session at the Tokyo Stock Exchange, Inc. (the “TSE”) on the Pricing Date (if the closing price is not available on such date, the closing price on the immediately preceding date) by a factor of 0.90 to 1.00 (amounts less than one yen to be rounded down), in accordance with the method provided in Article 25 of the Regulations Concerning Underwriting, Etc. of Securities adopted by the Japan Securities Dealers Association, and then be determined by taking into account market demand and other conditions.)
- (5) Offering method : The offering of the Investment Units shall be through a public offering, and underwritten in full by Mizuho Securities Co., Ltd. and SMBC Nikko Securities Inc. (collectively referred to as the “Joint Lead Managers”) along with Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., Nomura Securities Co., Ltd., Daiwa Securities Co., Ltd. and Goldman Sachs Japan Co., Ltd. (the above six companies are collectively referred to as the “Underwriters”).

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- (6) Underwriting agreement : The Underwriters shall pay the total paid-in amount (total issue amount) to the Investment Corporation on the payment date identified in (9) below. The difference between the total issue price (total offer price) and the total paid-in amount (total issue amount) in the public offering shall be the proceeds of the Underwriters. The Investment Corporation will pay no underwriting fee to the Underwriters.
- (7) Subscription unit : One unit or more in multiples of one unit
- (8) Subscription period : From April 17, 2014 (Thursday) to April 18, 2014 (Friday)  
The above subscription period may be brought forward in consideration of demand conditions and other factors, as follows:  
(i) From April 15, 2014 (Tuesday) to April 16, 2014 (Wednesday) if the Pricing Date is April 14, 2014 (Monday);  
(ii) From April 16, 2014 (Wednesday) to April 17, 2014 (Thursday) if the Pricing Date is April 15, 2014 (Tuesday); and  
(iii) From April 17, 2014 (Thursday) to April 18, 2014 (Friday) if the Pricing Date is April 16, 2014 (Wednesday).
- (9) Payment date : April 23, 2014 (Wednesday)  
The above payment date may be brought forward in consideration of demand conditions and other factors, as follows:  
(i) April 21, 2014 (Monday) if the Pricing Date is April 14, 2014 (Monday);  
(ii) April 22, 2014 (Tuesday) if the Pricing Date is April 15, 2014 (Tuesday); and  
(iii) April 23, 2014 (Wednesday) if the Pricing Date is April 16, 2014 (Wednesday).
- (10) Delivery date : The business day following the payment date
- (11) The issue price (offer price), paid-in amount (issue amount) and other items necessary for the issuance of the new investment units shall be determined at future Board of Directors' meeting.
- (12) Each of the aforementioned items shall be subject to the effectiveness of the filing of the securities registration statement in accordance with the Financial Instruments and Exchange Act of Japan.

## 2. Secondary Offering of Investment Units (Over-Allotment)

- (1) Seller : Mizuho Securities Co., Ltd.
- (2) Number of investment units to be offered : 5,615 units  
The above-mentioned number indicates the maximum number of investment units to be offered through the secondary offering (over-allotment). There may be cases where this number is reduced or the secondary offering (over-allotment) itself is not conducted, depending on demand conditions and other factors. The number of investment units to be offered through the secondary offering shall be determined at the Board of Directors' meeting to be held on the Pricing Date taking into account the demand conditions and other factors.
- (3) Offer price : To be determined  
(The offer price will be determined on the Pricing Date, and shall be same as the issue price (offer price) for the public offering.)
- (4) Total offer price : To be determined
- (5) Offering method : In consideration of the demand conditions and other factors of the public offering, Mizuho Securities Co., Ltd. shall, aside from the public offering, offer the Investment Units (up to 5,615 units) borrowed from Sekisui House, Ltd. (the "Borrowed Investment Units"), a unitholder of the Investment Corporation.
- (6) Subscription unit : One unit or more in multiples of one unit
- (7) Subscription period : Same as the subscription period for the public offering
- (8) Delivery date : Same as the delivery date for the public offering
- (9) If the public offering is suspended, the secondary offering through over-allotment shall also be suspended.
- (10) The offer price and other items necessary for the secondary offering through over-allotment shall be determined at a future Board of Directors' meeting.

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- (11) Each of the aforementioned items shall be subject to the effectiveness of the filing of the securities registration statement in accordance with the Financial Instruments and Exchange Act of Japan.

### 3. Issuance of New Investment Units to be Offered by Way of Third-Party Allotment

- (1) Number of investment units to be offered : 5,615 units
- (2) Paid-in amount (issue amount) : To be determined  
(The paid-in amount (issue amount) shall be determined on the Pricing Date, and shall be same as the paid-in amount (issue amount) for the public offering.)
- (3) Total paid-in amount (total issue amount) : To be determined
- (4) Third party allottee and number of investment units to be issued to the third party allottee : Mizuho Securities Co., Ltd.  
5,615 units
- (5) Subscription unit : One unit or more in multiples of one unit
- (6) Subscription period (Subscription date) : May 21, 2014 (Wednesday)
- (7) Payment date : May 22, 2014 (Thursday)
- (8) If there are no subscription for all or a part of the investment units on or before the subscription period (subscription date) described in (6) above, the issuance of such investment units shall be canceled.
- (9) If the public offering is suspended, the issuance of new investment units by way of third-party allotment (the “Third-Party Allotment”) shall also be suspended.
- (10) The paid-in amount (issue amount) and other items necessary for the Third-Party Allotment shall be determined at a future Board of Directors’ meeting.
- (11) Each of the aforementioned items shall be subject to the effectiveness of the filing of the securities registration statement in accordance with the Financial Instruments and Exchange Act of Japan.

#### <Reference Information>

##### 1. Details of the Secondary Offering (Over-Allotment)

- (1) Taking into account the demand conditions and other factors upon the public offering, Mizuho Securities Co., Ltd. may implement a secondary offering of the Borrowed Investment Units (up to 5,615 units) (secondary offering through over-allotment) borrowed from Sekisui House, Ltd., a unitholder of the Investment Corporation, aside from the public offering. The number of investment units in the secondary offering through over-allotment is the maximum amount. The number may decrease or the secondary offering through over-allotment itself may not take place at all, depending on demand conditions and other factors.

In order to allow Mizuho Securities Co., Ltd. to acquire the Investment Units needed to return the Borrowed Investment Units upon the secondary offering through over-allotment, the Investment Corporation has resolved at its Board of Directors’ meeting held today to issue the Investment Units for 5,615 units by way of the Third-Party Allotment, to Mizuho Securities Co., Ltd. as the allottee with the payment date on May 22, 2014 (Thursday).

For the purpose of returning the Borrowed Investment Units, Mizuho Securities Co., Ltd. may also purchase the Investment Units up to the number of units for the secondary offering (over-allotment) at the TSE (the “syndicated cover transaction”) during the period from the day following the close of the subscription period for the public offering and the secondary offering (over-allotment) to May 16, 2014 (Friday) (the “syndicated cover transaction period.”) All of the Investment Units purchased by Mizuho Securities Co., Ltd. through the syndicated cover transaction shall be used to return the Borrowed Investment Units. There may be cases in which Mizuho Securities Co., Ltd. does not conduct the syndicated cover transaction at all or ends the syndicated cover transaction with the number of Investment Units that are smaller than the number of the Investment Units offered through the secondary offering (over-allotment), at its sole discretion.

Moreover, Mizuho Securities Co., Ltd. may conduct stabilizing transactions in correlation with the public offering and the secondary offering (over-allotment). The Investment Units purchased through such stabilizing transactions may be used, in whole or in part, to return the Borrowed Investment Units.

Mizuho Securities Co., Ltd. intends to agree to the Third-Party Allotment to acquire the Investment Units for the

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number of the Investment Units obtained by subtracting the number of Investment Units that are purchased through the syndicated cover transaction and the stabilizing transactions and used to return the Borrowed Investment Units from the number of the Investment Units for the secondary offering (over-allotment). As a result, there may be cases in which there will be no subscription to the Investment Units offered by way of the Third-Party Allotment in whole or in part, and accordingly the final number of the Investment Units issued by way of the Third-Party Allotment will decrease to that extent due to forfeiture of rights, or such issuance itself will not take place at all.

(2) Mizuho Securities Co., Ltd. shall conduct the transactions described in the above (1) upon consultation with SMBC Nikko Securities Inc.

## 2. Changes in Number of Investment Units Outstanding after This Issuance of New Investment Units

Total number of Investment Units outstanding at present	798,025 units
Number of new Investment Units to be issued through public offering	111,600 units
Total number of Investment Units outstanding after new issuance through public offering	909,625 units
Number of new Investment Units to be issued by way of the Third-Party Allotment	5,615 units (Note)
Total number of Investment Units outstanding after the Third-Party Allotment	915,240 units (Note)

(Note) The number is on the assumption that Mizuho Securities Co., Ltd. subscribes to all the Investment Units to be issued by the Third-Party Allotment and all such units are issued.

## 3. Reason for and Purpose of New Issuance

Having considered and investigated market trends, the levels of distributions, the loan-to-value ratio and other factors, the Investment Corporation decided to issue new Investment Units with an aim of enhancing the stability of the portfolio through steady expansion of its asset size by acquiring new Specified Assets (as defined in Article 2-1 of the Act on Investment Trusts and Investment Corporations; the same applies for below).

## 4. Amount of Funds to be Procured, Use of Proceeds and Scheduled Expenditure Date

(1) Amount of funds to be procured (approximate net balance the Investment Corporation will obtain)  
11,527 million yen (maximum)

(Note) The above-mentioned amount represents the sum of 10,975 million yen in net proceeds the Investment Corporation will receive from the public offering and the maximum amount of 552 million yen the Investment Corporation will receive from the Third-Party Allotment. Moreover, the amount is an estimate calculated on the basis of the closing price of the Investment Units in a regular trading session at the TSE as of March 28, 2014 (Friday)

(2) Specific use of the funds to be procured and scheduled expenditure date

The Investment Corporation plans to use the net proceeds (10,975 million yen) it will receive from the public offering for the acquisition of new Specified Assets described in the press release titled “Notice Concerning Acquisition of Trust Beneficiary Interests in Domestic Real Estate (Esty Maison KINSHICHO II and 3 Other Properties)” separately announced today. Furthermore, the maximum amount of proceeds (552 million yen) the Investment Corporation will receive from the issuance of new Investment Units by way of the Third-Party Allotment will be used for part of the miscellaneous expenses incidental to the acquisition and the remaining funds, if any, will be kept as cash on hand and be used for future acquisition of Specified Assets or repayment of borrowings.

## 5. Designated Destination of Distribution

None

## 6. Future Outlook

Please refer to the press release titled “Notice Concerning Revisions to Management Status Forecast for the 17th Fiscal Period Ended March 2014 and Management Status Forecast for the 18th Fiscal Period Ending September 2014” separately announced today.

## 7. Operating Results of Past Three Fiscal Periods and Status of Equity Financing, Etc.

### (1) Operating results of past three fiscal periods

	Fiscal period ended September 2012	Fiscal period ended March 2013	Fiscal period ended September 2013
Net income per unit	2,070 yen (10,350 yen)	2,095 yen (10,475 yen)	2,144 yen (10,723 yen)
Distribution per unit	2,070 yen (10,351 yen)	2,091 yen (10,459 yen)	2,107 yen (10,537 yen)
Payout ratio	100.0%	100.0%	99.9%
Net assets per unit	89,883 yen (449,417yen)	86,362 yen (431,813 yen)	87,686 yen (438,432 yen)

(Note 1) The Investment Corporation executed a five-for-one split of investment units on April 1, 2014, and, taking into account the effect of this unit split, “Net income per unit”, “Distribution per unit” and “Net assets per unit” indicated above are those obtained by dividing the actual figures in parentheses by 5 and rounded down to the nearest whole number.

(Note 2) “Net assets per unit” is calculated by dividing current net income by the day-weighted average number of investment units during the relevant period.

(Note 3) “Payout ratio” is rounded down to the first decimal place.

### (2) Recent status of investment unit price (Note 1)

#### 1) Status in the last three fiscal periods

	Fiscal period ended September 2012	Fiscal period ended March 2013	Fiscal period ended September 2013
Opening price	69,700 yen (348,500 yen)	70,800 yen (354,000 yen)	104,600 yen (523,000 yen)
Highest price	73,000 yen (365,000 yen)	112,000 yen (560,000 yen)	110,600 yen (553,000 yen)
Lowest price	59,800 yen (299,000 yen)	68,100 yen (340,500 yen)	84,100 yen (420,500 yen)
Closing price	70,700 yen (353,500 yen)	106,600 yen (533,000 yen)	101,600 yen (508,000 yen)

#### 2) Status in the last six months

	November 2013	December 2013	January 2014
Opening price	98,900 yen (494,500 yen)	98,600 yen (493,000 yen)	103,000 yen (515,000 yen)
Highest price	100,000 yen (500,000 yen)	103,200 yen (516,000 yen)	108,000 yen (540,000 yen)
Lowest price	95,000 yen (475,000 yen)	95,000 yen (475,000 yen)	100,000 yen (500,000 yen)
Closing price	99,400 yen (497,000 yen)	102,400 yen (512,000 yen)	106,800 yen (534,000 yen)

	February 2014	March 2014	April 2014 (Note 2)
Opening price	106,800 yen (534,000 yen)	104,800 yen (524,000 yen)	102,600 yen
Highest price	108,400 yen (542,000 yen)	111,000 yen	106,200 yen
Lowest price	100,400 yen (502,000 yen)	102,500 yen	102,600 yen
Closing price	105,800 yen (529,000 yen)	102,600 yen	106,200 yen

(Note 1) The Investment Corporation executed a five-for-one split of investment units on April 1, 2014, and the investment units have been traded at one-fifth of the ex-rights unit price on and after March 27, 2014. Taking into account the effect of this unit split, the opening, highest, lowest and closing prices of investment unit price on or before March 27, 2014 indicated above are those obtained by dividing the actual figures in parentheses by 5.

(Note 2) The investment unit prices for April 2014 show the figures as of April 2, 2014.

#### 3) Investment unit price on the business day preceding the resolution day of the issuance

	April 2, 2014
Opening price	104,500 yen
Highest price	106,200 yen
Lowest price	104,500 yen
Closing price	106,200 yen

(3) Status of equity financing conducted in the past three fiscal periods

1) Public offering

Issue date	October 1, 2012
Total procured amount	6,725,549,820 yen
Paid-in amount (issue amount)	328,717 yen per unit
Number of Investment Units outstanding before the public offering	115,070 units
Number of Investment Units issued through the public offering	20,460 units
Number of Investment Units outstanding after the public offering	135,530 units
Initial use of funds at the time of issuance	Property acquisitions and part of miscellaneous expenses incidental to acquisitions
Schedule of expenditure at the time of issuance	In and after October 2012
Status of expenditure to date	Entire amount of the procured funds has already been spent for the initial use

Issue date	April 22, 2013
Total procured amount	10,022,318,110 yen
Paid-in amount (issue amount)	467,677 yen per unit
Number of Investment Units outstanding before the public offering	137,070 units
Number of Investment Units issued through the public offering	21,430 units
Number of Investment Units outstanding after the public offering	158,500 units
Initial use of funds at the time of issuance	Property acquisitions and part of miscellaneous expenses incidental to acquisitions
Schedule of expenditure at the time of issuance	In and after May 2013
Status of expenditure to date	Entire amount of the procured funds has already been spent for the initial use

2) Third-party allotment

Issue date	October 26, 2012
Total procured amount	506,224,180 yen
Paid-in amount (issue amount)	328,717 yen per unit
Number of Investment Units outstanding before the third party allotment	135,530 units
Number of Investment Units issued by way of the third party allotment	1,540 units
Number of Investment Units outstanding after the third party allotment	137,070 units
Third party allottee	Mizuho Securities Co., Ltd.
Initial use of funds at the time of issuance	Property acquisitions and part of miscellaneous expenses incidental to acquisitions
Schedule of expenditure at the time of issuance	In and after October 2012
Status of expenditure to date	Entire amount of the procured funds has already been spent for the initial use

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Issue date	May 23, 2013
Total procured amount	516,783,085 yen
Paid-in amount (issue amount)	467,677 yen per unit
Number of Investment Units outstanding before the third party allotment	158,500 units
Number of Investment Units issued by way of the third party allotment	1,105 units
Number of Investment Units outstanding after the third party allotment	159,605 units
Third party allottee	Mizuho Securities Co., Ltd.
Initial use of funds at the time of issuance	Property acquisitions and part of miscellaneous expenses incidental to acquisitions
Schedule of expenditure at the time of issuance	In and after May 2013
Status of expenditure to date	Entire amount of the procured funds has already been spent for the initial use

#### 8. Restrictions on Sale and Additional Issuance of Investment Units, Etc.

- (1) Concerning the public offering, the Investment Corporation has agreed with the Joint Lead Managers that it will not additionally issue new Investment Units (except for an additional issuance in the case of the public offering, the Third-Party Allotment and a split of Investment Units, etc.) for a period of three months after the delivery date of the Investment Units through the public offering without prior written consent of the Joint Lead Managers.
- (2) Concerning the public offering, Sekisui House, Ltd. has agreed with the Joint Lead Managers that it will not sell, transfer, pledge as collateral or lend to any other party or otherwise dispose of the Investment Units it owns, except for lending them for the secondary offering (over-allotment), etc., for a period of six months after the delivery date without prior written consent of the Joint Lead Managers.
- (3) Concerning the public offering, Spring Investors Co., Ltd. has agreed with the Joint Lead Managers that it will not sell, transfer, pledge as collateral or lend to any other party or otherwise dispose of the Investment Units it owns for a period of six months after the delivery date without prior written consent of the Joint Lead Managers, except transferring or disposing of all or part of the Investment Units to its group companies or affiliates on the condition that they agree to subject to the obligation similar to the restriction imposed on Spring Investors Co., Ltd.
- (4) In the event of the above (1) through (3), the Joint Lead Managers have the rights to cancel the agreed matters in part or in whole, or to shorten the period limitation, at their discretion.

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