



May16, 2016

For Immediate Release

Issuer of real estate investment trust securities:
Invesco Office J-REIT, Inc.
6-10-1, Roppongi, Minato-ku Tokyo
Yoshifumi Matsumoto, Executive Director

(TSE code: 3298)

Asset Management Company:
Invesco Global Real Estate Asia Pacific, Inc.
Yasuyuki Tsuji, Representative in Japan
Inquiries: Hiroto Kai, Head of Portfolio Management Department
TEL. +81-3-6447-3395

Notice Concerning the Forecasts of Investment Management Performance and the Estimated Distributions per Unit for the Fiscal Period Ending October 31, 2016 (5th period)

Invesco Office J-REIT, Inc. (hereinafter referred to as the "Investment Corporation") announces the forecasts of investment management performance and the estimated distributions per unit for the fiscal period ending October 31, 2016 (5th period).

There are no changes to the forecasts of investment management performance and the estimated distributions per unit for the fiscal period ended April 30, 2016 (4th period) as announced in the "Notice Concerning Revisions to the Forecasts of Investment Management Performance and the Estimated Distributions per Unit for the Fiscal Period Ending April 30, 2016 (4th period)" on April 11, 2016.

1. Details of disclosures

Details of the forecasts of investment management performance and the estimated distributions per unit for the fiscal period ending October 31, 2016 (from May 1, 2016 to October 31, 2016)

	Operating revenues	Operating income	Ordinary profit	Current net income	Distributions per unit (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit
Forecasts	¥5,642m	¥2,513m	¥2,117m	¥2,115m	¥2,590	¥—

(Information)

Fiscal period ending October 31, 2016 (5th period): the estimated number of issued investment units as of the end of the period is 816,810 and the estimated current net income per unit is ¥2,590.

(Note 1) The estimated number of issued investment units in the forecasts of investment management performance for the fiscal period ending October 31, 2016 (5th period) is calculated based on the assumptions set forth under "Investment units" in Attachment 1 hereto, "Assumptions for the Forecasts of Investment Management Performance and the Estimated Distributions per Unit for the Fiscal Period Ending October 31, 2016 (5th period)."

(Note 2) The revised and estimated figures above are calculated as of the date hereof based on the assumptions set forth in Attachment 1 hereto, "Assumptions for the Forecasts of Investment Management Performance and the Estimated Distributions per Unit for the Fiscal Period

Note: This press release is a document for making a public announcement concerning the forecasts of investment management performance for the fiscal period ending October 31, 2016 (5th period), and has not been prepared for the purpose of soliciting investment. Investors are requested to make an investment based on their own responsibility and judgment after reading the prospectus on the issuance and secondary offering of investment units, as well as any revisions thereto, prepared by the Investment Corporation.



Ending October 31, 2016 (5th period).” Accordingly, the subsequent acquisition of additional real estate, etc., disposal of real estate, etc., change in rent revenues due to changes of lessees or other reasons, unexpected repair costs incurred and any other changes in management circumstances, interest rate fluctuations, quantity and issue price of new investment units actually determined, or the additional issue, etc. of new investment units will cause the assumed conditions to deviate, and thus actual operating revenues, operating income, ordinary profit, current net income and distributions per unit (excluding distributions in excess of earnings) may differ from the estimated figures. In addition, the forecasts above do not guarantee the amount of the distributions.

(Note 3) If a deviation from the forecasts above is expected to or beyond a certain extent, they may be revised.

(Note 4) Figures above certain units are rounded down, and percentages are shown rounded off to one decimal place.

2. Reasons for disclosures

The Investment Corporation has resolved, at a meeting of the board of directors held today, to issue new investment units for the purpose of partially allocating them to the fund for acquiring five new specified assets (as such term is defined in Paragraph 1 of Article 2 of the Act on Investment Trusts and Investment Corporations) set forth in the “Notice Concerning Issue of New Investment Units and Sale of Investment Units” announced today. Along with the resolution, as of today, the Investment Corporation announces the forecast of investment management performance and the estimated distribution per unit for the Fiscal Period Ending October 31, 2016 (5th period).

<Information 1>

Details of the forecast of investment management performance and the estimated distribution per unit for the fiscal period ended April 30, 2016 (from November 1, 2015 to April 30, 2016) which was announced in the in the “Notice Concerning Revisions to the Forecasts of Investment Management Performance and the Estimated Distributions per Unit for the Fiscal Period Ending April 30, 2016 (4th period)” on April 11, 2016.

	Operating revenues	Operating income	Ordinary profit	Current net income	Distributions per unit (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit
Details of investment management performance for the fiscal period ended April 30, 2016	¥4,171m	¥1,709m	¥1,448m	¥1,446m	¥2,668	¥—

<Information 2>

Considering that the forecasts of investment management performance and the estimated distributions per unit for the fiscal period ending October 31, 2016 (5th period) announced today reflect the effects of the issuance, etc. of new investment units as set forth in the “Notice Concerning Issue of New Investment Units and Sale of Investment Units” announced today, and the acquisition of assets to be acquired, etc. as set forth in the “Notice Concerning Asset Acquisition and Leasing” announced on the same day (hereinafter collectively referred to as the “acquisition of assets to be acquired, etc.”), the Investment Corporation has conducted a trial calculation of the investment management performance and distributions per unit for the fiscal period ending October 31, 2016 (5th period) for the assumed case, in which the acquisition of assets to be acquired, etc. has not been implemented, for the purpose of showing, in a straightforward manner, the effects that the acquisition of assets to be acquired, etc. is assumed to have on the investment management performance of the Investment Corporation in the fiscal period

Note: This press release is a document for making a public announcement concerning the forecasts of investment management performance for the fiscal period ending October 31, 2016 (5th period), and has not been prepared for the purpose of soliciting investment. Investors are requested to make an investment based on their own responsibility and judgment after reading the prospectus on the issuance and secondary offering of investment units, as well as any revisions thereto, prepared by the Investment Corporation.



ending October 31, 2016 (5th period) (hereinafter, the “ trial calculation of the investment management performance that do not reflect the acquisition of assets to be acquired, etc.”), and has shown the result in Attachment 2, “Comparisons between the Investment Management Performance and Estimated Distributions per Unit for the Fiscal Period Ending October 31, 2016 (5th period) and a Trial Calculation of the Investment Management Performance and Distributions per Unit for the Fiscal Period Ending October 31, 2016 (5th period) that do not Reflect the Acquisition of Assets to be Acquired, etc.”

Please note that the trial calculation of investment management performance that does not reflect the acquisition of assets to be acquired, etc. does not contain the meaning of the forecasts for the fiscal period ending October 31, 2016 (5th period). For more information, including the details of the method for the trial calculation of the investment management performance that do not reflect the acquisition of assets to be acquired, etc., please refer to Attachment 2, “Comparisons between the Investment Management Performance and Estimated Distributions per Unit for the Fiscal Period Ending October 31, 2016 (5th period) and a Trial Calculation of the Investment Management Performance and Distributions per Unit for the Fiscal Period Ending October 31, 2016 (5th period) that do not Reflect the Acquisition of Assets to be Acquired, etc.”

* This material will be distributed to the Kabuto Club, the kisha club of the Ministry of Land, Infrastructure, Transport and Tourism, and the kisha club specializing in construction of the Ministry of Land, Infrastructure, Transport and Tourism.

* Website address for the Investment Corporation: <http://www.invesco-reit.co.jp/en/>

Note: This press release is a document for making a public announcement concerning the forecasts of investment management performance for the fiscal period ending October 31, 2016 (5th period), and has not been prepared for the purpose of soliciting investment. Investors are requested to make an investment based on their own responsibility and judgment after reading the prospectus on the issuance and secondary offering of investment units, as well as any revisions thereto, prepared by the Investment Corporation.



[Attachment 1]

Assumptions for the Forecasts of Investment Management Performance and the Estimated Distributions per Unit for the Fiscal Period Ending October 31, 2016 (5th period)

Items	Assumptions												
Calculation period	➤ Fiscal Period Ending October 31, 2016 (5th period) (from May 1, 2016 to October 31, 2016) (184 days)												
Assets managed	<p>➤ Based on the assumption of eight properties which the Investment Corporation owns as the date hereof and the five additional properties (hereinafter, the “assets to be acquired”) which are to be acquired by the Investment Corporation on June 1, 2016, as set forth in the following table.</p> <table border="1" data-bbox="493 741 1398 1019"> <thead> <tr> <th data-bbox="497 748 807 777">Number of the Property</th> <th data-bbox="807 748 1393 777">Property names</th> </tr> </thead> <tbody> <tr> <td data-bbox="497 777 807 822">9</td> <td data-bbox="807 777 1393 822">Shinagawa Seaside East Tower</td> </tr> <tr> <td data-bbox="497 822 807 866">10</td> <td data-bbox="807 822 1393 866">Akiba CO Building</td> </tr> <tr> <td data-bbox="497 866 807 911">11</td> <td data-bbox="807 866 1393 911">Sun Towers Center Building</td> </tr> <tr> <td data-bbox="497 911 807 956">12</td> <td data-bbox="807 911 1393 956">Sendai Honcho Building</td> </tr> <tr> <td data-bbox="497 956 807 1001">13</td> <td data-bbox="807 956 1393 1001">Hakata Prime East</td> </tr> </tbody> </table> <p>➤ It is based on the assumption that there will be no changes in managed assets except the above (such as the acquisition of new properties or the disposal of owned properties) until the end of the fiscal period ending October 31, 2016. In fact, however, there is the possibility of fluctuations depending on changes in managed assets.</p> <p>➤ For details of the assets to be acquired, please refer to the “Notice Concerning Asset Acquisition and Leasing” announced today.</p>	Number of the Property	Property names	9	Shinagawa Seaside East Tower	10	Akiba CO Building	11	Sun Towers Center Building	12	Sendai Honcho Building	13	Hakata Prime East
Number of the Property	Property names												
9	Shinagawa Seaside East Tower												
10	Akiba CO Building												
11	Sun Towers Center Building												
12	Sendai Honcho Building												
13	Hakata Prime East												
Operating revenues	➤ Based on the operating revenues from “Assets managed” above. The revenues from the leasing business for the owned assets are calculated, considering the lease agreements that are effective as of the date of this document, tenant circumstances, market circumstances, etc., and based on the assumption that no tenants will fail to pay or default on rents. The revenues from the leasing business for the assets to be acquired are calculated in consideration of information provided by the current owners or current trustees (current owners etc.) of the respective assets to be acquired, the lease agreements that will be effective as of the scheduled date of the acquisition, market circumstances and other factors, and based on the assumption that no tenants will fail to pay or default on rents.												

Note: This press release is a document for making a public announcement concerning the forecasts of investment management performance for the fiscal period ending October 31, 2016 (5th period), and has not been prepared for the purpose of soliciting investment. Investors are requested to make an investment based on their own responsibility and judgment after reading the prospectus on the issuance and secondary offering of investment units, as well as any revisions thereto, prepared by the Investment Corporation.



<p>Operating expenses</p>	<ul style="list-style-type: none"> ➤ Among the expenses for the leasing business, which is a major operating expense, the expenses other than the depreciation expenses are calculated reflecting variable factors of expenses based on the past actual figures for owned assets. The assets to be acquired are calculated in consideration of information provided by the current owners, etc., and reflecting the variable factors of expenses based on the past actual figures. ➤ The depreciation expenses are calculated including any incidental expenses, etc. according to the straight-line method. The estimates are ¥715 million. ➤ Generally, in sales and purchases of real estate, etc., the fixed asset tax and the city planning tax, among others, are adjusted with the current owners etc. by calculation on a pro-rata basis for the relevant period upon the acquisition of the relevant real estate, etc. However, the Investment Corporation will not record the relevant adjusted amounts for the fixed asset tax, the city planning tax and other taxes under the expenses for the fiscal period during which the acquisition occurs because the said adjusted amounts will be included in the acquisition cost. Accordingly, the fixed asset tax, the city planning tax and other taxes of the assets to be acquired will not be recorded under expenses for the fiscal period ending October 31, 2016 (5th period). (If the fixed asset tax, the city planning tax and other taxes are recorded as expenses on a full-year basis, the estimated amount is ¥118 million). In addition, the estimated total amount of the fixed asset tax, the city planning tax and other taxes to be included in the acquisition cost of the assets to be acquired is estimated at ¥165 million. ➤ In terms of repair costs, the asset management company (Invesco Global Real Estate Asia Pacific, Inc.) records the estimated cost amounts for each property as expenses. However, an increase in repair costs or additional repair costs may arise due to unpredictable causes, and thus the actual costs may differ substantially from the estimated costs.
<p>Non-operating expenses</p>	<ul style="list-style-type: none"> ➤ The estimated interest expenses and other loan-related costs are expected to be ¥[370] million. ➤ Temporary expenses of ¥[25] million are expected to arise for the fiscal period ending October 31, 2016 (5th period) pertaining to the issue, etc. of investment units as set forth in the “Notice Concerning Issue of New Investment Units and Sale of Investment Units” announced today.
<p>Loans</p>	<ul style="list-style-type: none"> ➤ While the Investment Corporation has a balance of borrowings amounting to ¥56,200 million as of today, it plans to refinance the existing loan of ¥6,600 million which comes due on June 30, 2016 at the same day of repayment. It will then undertake additional long-term borrowings of ¥25,100 million on June 1, 2016 to use as part of the funds for acquiring the assets to be acquired (the “Borrowing”). Afterwards, the balance of borrowings will amount to ¥81,300 million (hereinafter referred to as the “balance of borrowings after the acquisition of the assets to be acquired”) (please refer to the “Notice Concerning <u>Borrowing of Funds</u>” as of today.). However, the balance after the Borrowing and the acquisition of the assets to be acquired may change, depending on the final number of units and amounts of new investment units, in conjunction with new investments to be issued through public offering (hereinafter referred to as the “Offering”) as resolved at a meeting of the board of directors of the Investment Corporation held today, as well as by third-party allotment (hereinafter referred to as the “Third-party allotment;” for details of the Offering and the Third-party allotment, please refer to the “Notice Concerning Issue of New Investment Units and Sale of Investment Units” announced today), resolved on the same day. ➤ The LTV ratio, which stood at 47.7% at the end of the fiscal period ended October 31, 2015 (3rd period), is estimated at about 47.7% after the acquisition of the assets to be acquired. However, the balance after the Borrowing and the

Note: This press release is a document for making a public announcement concerning the forecasts of investment management performance for the fiscal period ending October 31, 2016 (5th period), and has not been prepared for the purpose of soliciting investment. Investors are requested to make an investment based on their own responsibility and judgment after reading the prospectus on the issuance and secondary offering of investment units, as well as any revisions thereto, prepared by the Investment Corporation.



	<p>acquisition of the assets to be acquired may change, the LTV ratio after the acquisition of the assets may change accordingly.</p> <p>The LTV ratio after the acquisition of the assets to be acquired is calculated according to the following formula.</p> <p>LTV ratio = (Balance of borrowings after the acquisition of the assets to be acquired) / (Total asset value after the acquisition of the assets to be acquired)</p> <p>*Total asset value after the acquisition of the assets to be acquired = Total assets as of the end of the fiscal period ended October 31, 2015 (3rd period) + funds to be procured associated with the acquisition of the assets to be acquired + deposits and guarantees pertaining to the acquisition of the assets to be acquired</p>
Investment units	<ul style="list-style-type: none"> ➤ Based on the assumption of 816,810 units, which is derived by adding 274,600 units planned to be issued by June 30, 2016 through the Offering (261,500 units) and the Third-party allotment (upper limit of 13,100 units), to 542,210 units already issued as of the date hereof. (For details of the Offering and the Third-party allotment, please refer to the "Notice Concerning Issue of New Investment Units and Sale of Investment Units" announced today.) ➤ Based on the assumption that the upper limit of 13,100 units will be issued fully as additional investment units by the Third-party allotment. ➤ In addition to the above, it is assumed that there will be no additional issue of investment units until October 31, 2016.
Distributions per unit (excluding distributions in excess of earnings)	<ul style="list-style-type: none"> ➤ The distributions per unit (excluding distributions in excess of earnings) are calculated based on the monetary distribution policy provided for under the rules of the Investment Corporation. ➤ The distributions per unit may change due to various reasons, including a change in rent revenues arising from a change in managed assets or tenants or unexpected repairs.
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> ➤ Currently, the distribution of money arising from sources in excess of net income is not scheduled.
Other	<ul style="list-style-type: none"> ➤ Based on the assumption that there will be no revisions to laws, regulations, the tax system, accounting standards, listing rules, rules of the Investment Trusts Association, Japan, etc. that will affect the estimated figures described above. ➤ Based on the assumption that there will be no unexpected material changes in general economic trends, real estate market circumstances, etc.

Note: This press release is a document for making a public announcement concerning the forecasts of investment management performance for the fiscal period ending October 31, 2016 (5th period), and has not been prepared for the purpose of soliciting investment. Investors are requested to make an investment based on their own responsibility and judgment after reading the prospectus on the issuance and secondary offering of investment units, as well as any revisions thereto, prepared by the Investment Corporation.



[Attachment 2]

Comparisons between the Investment Management Performance and Estimated Distributions per Unit for the Fiscal Period Ending October 31, 2016 (5th period) and a Trial Calculation of the Investment Management Performance and Distributions per Unit for the Fiscal Period Ending October 31, 2016 (5th period) that do not Reflect the Acquisition of Assets to be Acquired, etc.

	Operating revenues	Operating income	Ordinary profit	Current net income	Distributions per unit (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit
Trial calculations of investment management performance and distributions per unit for the fiscal period ending October 31, 2016 (5th period) that do not reflect the acquisition of assets to be acquired, etc. (A)	¥4,249m	¥1,669m	¥1,391m	¥1,389m	¥2,562	¥—
Forecast of investment management performance and distributions per unit for the fiscal period ending October 31, 2016 (5th period) (B)	¥5,642m	¥2,513m	¥2,117m	¥2,115m	¥2,590	¥—
Change (B-A)	¥1,392m	¥844m	¥726m	¥726m	¥28	¥—
Rate to Change	32.8%	50.5%	52.2%	52.2%	1.1%	—%

<Assumptions for trial calculations of the investment management performance and distributions per unit for the fiscal period ending October 31, 2016 (5th period) that do not reflect the acquisition of assets to be acquired, etc.>

Trial calculations of the investment management performance and distributions per unit for the fiscal period ending October 31, 2016 (5th period) that do not reflect the acquisition of assets to be acquired, etc. are made based on the assumption of properties owned by the Investment Corporation and the number of investment units issued as of today, largely with the following adjustments to the estimated figures for the fiscal period ending October 31, 2016 (5th period), using Attachment 1 “Assumptions for the Forecasts of Investment Management Performance and

Note: This press release is a document for making a public announcement concerning the forecasts of investment management performance for the fiscal period ending October 31, 2016 (5th period), and has not been prepared for the purpose of soliciting investment. Investors are requested to make an investment based on their own responsibility and judgment after reading the prospectus on the issuance and secondary offering of investment units, as well as any revisions thereto, prepared by the Investment Corporation.



the Estimated Distributions per Unit for the Fiscal Period Ending October 31, 2016 (5th period)" as a base.

- Assumptions are that the acquisition of the assets to be acquired as set forth in the "Notice Concerning Asset Acquisition and Leasing" announced today is not implemented and that revenues and expenses from the real estate business pertaining to the assets to be acquired (including depreciation expenses) do not arise.
- Assumptions are that funds are not procured through interest-bearing debt associated with the issue of new investment units and the acquisition of the assets to be acquired as set forth in the "Notice Concerning Issue of New Investment Units and Sale of Investment Units" announced today, and that the resultant increases in the number of issued investment units, capital procurement-related expenses, interests, etc. do not arise.
- Assumptions are that operating expenses will decrease due to a decrease in the asset management reward, as such reward is calculated in consideration of the total asset value, operating profit and distributable amount, which change depending on the above assumptions.
- Deviations from the estimated figures for the period ending October 31, 2016 (5th period), which were announced today, occur as a result of trial calculations of estimated figures for the period ending October 31, 2016 (5th period) based on the above assumptions. Major items affected by the deviations and their changes are as follows.
 - Profit from real estate lease business: decrease of 930 million yen
 - Other operating expenses*: decrease of 82 million yen
 - Interest and other loan-related expenses: decrease of 92 million yen

* Operating expenses excluding expenses for the real estate lease business and including the asset management reward. Please note that the trial calculation of investment management performance does not have any intention of providing a forecast of investment management performance and estimate of distributions per unit for the fiscal period ending October 31, 2016 (5th period).

Note: This press release is a document for making a public announcement concerning the forecasts of investment management performance for the fiscal period ending October 31, 2016 (5th period), and has not been prepared for the purpose of soliciting investment. Investors are requested to make an investment based on their own responsibility and judgment after reading the prospectus on the issuance and secondary offering of investment units, as well as any revisions thereto, prepared by the Investment Corporation.