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**For Immediate Release**

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(Securities Code: 8980)

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**Notice concerning Issuance of New Investment Units**  
**by way of Third-Party Allotment**

LCP Investment Corporation (the “Investment Corporation”) announced that it has adopted a resolution to issue new investment units by way of a third-party allotment on March 13, 2007, as follows.

**1. Issuance of New Investment Units**

- (1) Number of New Investment Units: 32,500 units
- (2) Scheduled Recipient of Allotment and Number of Investment Units:  
New Mission Funding Corporation, 32,500 units
- (3) Payment Amount (Issue Price): 434,425 yen per unit
- (4) Total of Payment Amount (Issue Price): 14,118,812,500 yen
- (5) Offering Period (Offering Date): Thursday, March 29, 2007
- (6) Payment Due Date: Thursday, March 29, 2007
- (7) Offering Units: Minimum of one unit and in increments of one unit

Note: This document is a public announcement regarding the issuance of new investment units by way of a third-party allotment and has not been prepared as an inducement or invitation for investment. We caution readers to undertake investment decisions at their own examination and responsibility.

(8) Placement Agent for New Investment Units: UBS Securities

UBS Securities is entrusted with business concerning the placement of the subscription for investment units.

(9) The aforementioned items are on the condition that the Securities Registration Statement takes effect under the Securities and Exchange Law of Japan.

## **2. Changes in Total Number of Issued Investment Units by the Issuance of the New Investment Units**

Total current number of issued investment units: 59,300 units

Increase in the number of investment units by issuance: 32,500 units

Total number of issued investment units after issuance: 91,800 units

## **3. Reason for Issuance and Use of Funds, etc.**

(1) Reason for Issuance

As shown in the “Notice concerning Business Cooperation with GE Real Estate,” LCP REIT Advisors Co., Ltd. (the “Asset Management Company”), which is the asset manager of the Investment Corporation, has concluded the Business Cooperation Agreement with GE Real Estate Corporation, Japan (“GE Real Estate”) in order to aim for the continuous and stable growth of the Investment Corporation through (i) the support of the improvement of asset management through cooperation concerning a source of manpower of the Asset Management Company and (ii) the expansion of acquisition opportunities regarding residential properties of the Investment Corporation by an information service concerning real estate, etc. and the grant of preferential negotiation rights to the Asset Management Company.

Additionally, as announced in the “Notice concerning Acquisition of Assets” as of today, the Investment Corporation has concluded the Sales Agreements of Beneficiary Right in Trust with Condition Precedent related to the acquisition of seven properties (the “Assets of Scheduled Acquisition”) with GE Real Estate and its subsidiaries (Total Acquisition Amount: 37.47 billion yen). Through this acquisition, the portfolio of the Investment Corporation will grow 64.3 % from the total asset amount of 54.56 billion yen to 89.63 billion yen. This shall contribute to the wide expansion of scale, especially the asset portfolio in the Tokyo Metropolitan area where stable rent income is expected.

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As a part of the business cooperation with GE Real Estate and the asset portfolio contribution by GE Real Estate and its subsidiaries, the Investment Corporation will raise a part of the acquisition funds concerning the Assets of Scheduled Acquisition by issuance of investment units of the Investment Corporation by way of a third-party allotment to New Mission Funding Corporation, which belongs to the GE group, to which GE Real Estate also belongs.

GE Real Estate and the aforementioned recipient of allotment have entered into an agreement with the Investment Corporation and the Asset Management Company as mentioned in item (4) below with respect to disposition and additional acquisition of investment securities of the Investment Corporation issued by way of a third-party allotment, therefore it is expected that a cooperative relationship based on the Business Cooperation Agreement with GE Real Estate will develop due to the holding of investment securities of the Investment Corporation.

(2) Basis for Calculation of Issue Price (Payment Amount)

We set the Issue Price as 434,425 yen (which is 60,575 yen and 12.24% lower than the closing price of the Tokyo Stock Exchange, Inc. on the date prior to that of the issuance resolution) which equals the average price of the closing price of investment securities which show investment units of the Investment Corporation on each transaction date of the Tokyo Stock Exchange, Inc. for the last six months until the date prior to that of the issuance resolution (from September 13, 2006 to March 12, 2007).

(3) Use of Proceeds

Proceeds from the third-party allotment (14,118,812,500 yen) are appropriated as part of the acquisition funds of the scheduled acquisition of seven properties mentioned above.

(4) Restriction on Disposition and Additional Acquisition, etc.

New Mission Funding Corporation (the "Scheduled Recipient") has entered into an agreement with the Investment Corporation and the Asset Management Company that it shall not execute a sale, mortgage offer, loan or other disposition regarding 22,750 investment units acquired by way of a third-party allotment during the period from the Payment Due Date (including such date) to September 29, 2007 (including such date) without the prior written consent of the Investment Corporation and the Asset Management Company. In addition, the Scheduled Recipient and GE Real Estate (please refer to "6. Summary of Scheduled Recipient" below) have entered into an agreement with the Investment Corporation and the Asset Management Company that (I) in case where they are offered by the Investment Corporation and the Asset

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Management Company a negotiation regarding sales and other disposition of investment securities of the Investment Corporation by the Scheduled Recipient due to the necessity to meet the requirements of a taxation matter (so-called “*Doukansei Youken*”) related to the specific regulation of taxation of the Investment Corporation, they deal with the matter with respect to such disposition reasonably through sincere negotiation considering the intent of such offer, and (II) in case (i) where they intend to additionally acquire investment securities which exceeds the ratio of the number of investment securities held by the Scheduled Recipient immediately after the allotment in the total number of issued investment securities or (ii) where the third party with whom the Scheduled Recipient or GE Real Estate aims to exercise voting rights of the investment securities (the “Co-Investor”) intends to acquire the investment securities, the Scheduled Recipient or GE Real Estate shall notify the Investment Corporation and the Asset Management Company of the purpose, the number of investment securities scheduled to be acquired and the time of acquisition in advance, and in case where they are offered by the Investment Corporation and Asset Management Company a negotiation along with the submission of documents, which reasonably show the risks that (a) there is the case where the requirements of *Doukansei Youken* will not be satisfied by such additional acquisition or (b) there is the case where the interests of whole investors of the Investment Corporation will be harmed through the holdings of a major part of the total number of issued investment securities by the Scheduled Recipient and GE Real Estate and the Co-Investor, to show such risks, they deal with the matter with respect to such additional acquisition reasonably through sincere negotiation. Additionally, in cases such as where the Investment Corporation or the Asset Management Company violates the law seriously, the Scheduled Recipient is able to execute the sale and other disposition of the investment securities, and in some cases, the agreement will be terminated even during the above-mentioned period.

(5) Forecasts of Effect on Financial Results of the Investment Corporation

Regarding forecasts of the financial results of the Investment Corporation for the period ending August 31, 2007 (from March 1, 2007 to August 31, 2007), please refer to “Revisions of Forecasts of Financial Results for the Fiscal Period Ending August 31, 2007.”

**4. Profit Distribution, etc. to Investors**

We will make a profit distribution, etc. in accordance with the money distribution policy provided for in the Investment Corporation’s Articles of Incorporation.

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## 5. Condition of Equity Finance for Last Three Years, etc.

### (1) Condition of Equity Finance

(in thousands of yen)

Date	Abstract	Issue Amount	Total Invested Amount after Issuance	Note
September 20, 2005	Established through Private Offering	150,000	150,000	(*1)
May 23, 2006	Capital Increase through Public Offering	26,054,400	26,204,400	(*2)

(\*1) The Investment Corporation was established by setting the Issue Price as 500,000 yen per unit.

(\*2) We issued new investment units by public offering by setting the Offering Price as 460,000 yen per unit (Issue Price: 441,600 yen per unit) to raise the acquisition funds, etc. concerning acquisition properties at IPO.

### (2) Changes in Investment Unit Price for the last three fiscal periods and immediately before the date of this press release

	Fiscal Period Ending August 31, 2006	Fiscal Period Ending February 28, 2007	Fiscal Period Ending August 31, 2007
Opening Price	425,000 yen	399,000 yen	488,000 yen
High Price	446,000 yen	520,000 yen	495,000 yen
Low Price	391,000 yen	399,000 yen	458,000 yen
Closing Price	400,000 yen	492,000 yen	495,000 yen

(\*1) The Investment Corporation listed its investment securities on the Real Estate Investment Trust Section of the Tokyo Stock Exchange, Inc. on May 23, 2006., therefore, there is no relevant information concerning the investment unit price before such listing.

(\*2) The investment unit price for the fiscal period ending August 31, 2007 shows figures as of March 12, 2007.

## 6. Summary of Scheduled Recipient

Scheduled Recipient (New Mission Funding Corporation) is summarized as follows.

Company Name	New Mission Funding Corporation
Location	1-12-32, Akasaka, Minato-ku, Tokyo
Title/Name of Representative	Representative Director/Osamu Fujie
Capital Amount (as of March 13, 2007) (*1)	2,499 million yen
Total Number of Issued Shares	1,756 shares

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Main Shareholders & Ratio of Shareholdings (as of March 13, 2007)	GE Capital Leasing Corporation 99.94%
Main Business	Investment
Relationship with the Investment Corporation or the Investment Trust Manager	-

(\*1) Capital amount less than one million yen is omitted.

(\*2) Both the Scheduled Recipient and GE Real Estate, with whom the Asset Management Company concluded the Business Cooperation Agreement as of March 13, 2007, are the group companies of US General Electric Company. With respect to the sale of each property to the Investment Corporation announced in the “Notice concerning Acquisition of Assets” as of today, GE Real Estate and its subsidiaries have concluded the Sales Agreements of Beneficiary Right in Trust with Condition Precedent contingent on the execution of the third-party allotment, etc. with the Investment Corporation as of today. Concerning the summary of GE Real Estate, please refer to the “Notice concerning Business Cooperation with GE Real Estate ” announced as of today.

## 7. Main Unit Holders after the Third-Party Allotment

Main unit holders after the third-party allotment are shown below.

Unit Holder Name	Number of Investment Units Held (Units)	Ratio of Number of Units Held to Total Number of Issued Investment Units (%)
New Mission Funding Corporation	32,500	35.40
NikkoCiti Trust and Banking Corporation	4,216	4.59
UBS AG London IPB Client Account	2,048	2.23
Japan Trustee Services Bank, Ltd. (Trust Unit)	1,712	1.86
Sumitomo Mitsui Banking Corporation	1,581	1.72
Hokuto Bank, Ltd.	1,159	1.26
Yamagata Bank, Ltd.	1,089	1.18
Trust & Custody Services Bank, Ltd. (Monetary Trust Unit)	1,035	1.12
The LCP Group, L.P.	1,026	1.11
Zecs Co., Ltd.	924	1.00
Total	47,290	51.51

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(\*1) Ratio of the number of investment units held to the total number of issued investment units is rounded down to the nearest tenth.

(\*2) The table above shows the condition of unit holders after the third-party allotment of new investment units on the assumption that the condition has not changed from the list of unit holders as of August 31, 2006. Therefore, the actual condition of unit holders might be different from the above.

(\*3) The status of the submission of large holding reports as of today is as follows.

The figure in brackets regarding the ratio of the number of investment units held to the total number of issued investment units in the table below shows the ratio of units held calculated on the basis of the total number of issued investment units after the issuance of new investment units by way of a third-party allotment (91,800 units).

Submission Date	Unit Holder Name	Number of Units Held (unit)	Ratio of Number of Units Held to Total Number of Issued Investment Units (%)	Purpose of Holdings
March 6, 2007	Prospect Asset Management, Inc.	5,075	8.56 (5.53)	Management of client assets based on the Investment Advisory Agreement
January 18, 2007	Nikko Asset Management Co., Ltd.	4,044	6.81 (4.41)	Net Investment
	Nikko Global Wrap, Ltd.	94	0.15 (0.10)	Net Investment
	Total	4,138	6.97 (4.51)	

\* This document is being distributed today to the Kabuto Club (the press club of the TSE) as well as to the press club for the Ministry of Land, Infrastructure and Transport and to the press club for specialty construction newspapers at the Ministry of Land, Infrastructure and Transport.

\* Website of the Investment Corporation: <http://www.lcp-reit.co.jp>

\* This English language notice is a translation of the Japanese language notice issued on the same day and was prepared solely for the convenience of and reference by, overseas investors. LCP Investment Corporation makes no warranties as to its accuracy or completeness.

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