



"Financial Results for the 1st Fiscal Period
Ending July 2016"

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For Investors

A diversified REIT developing its
portfolio with diversified assets mainly
in Greater Tokyo

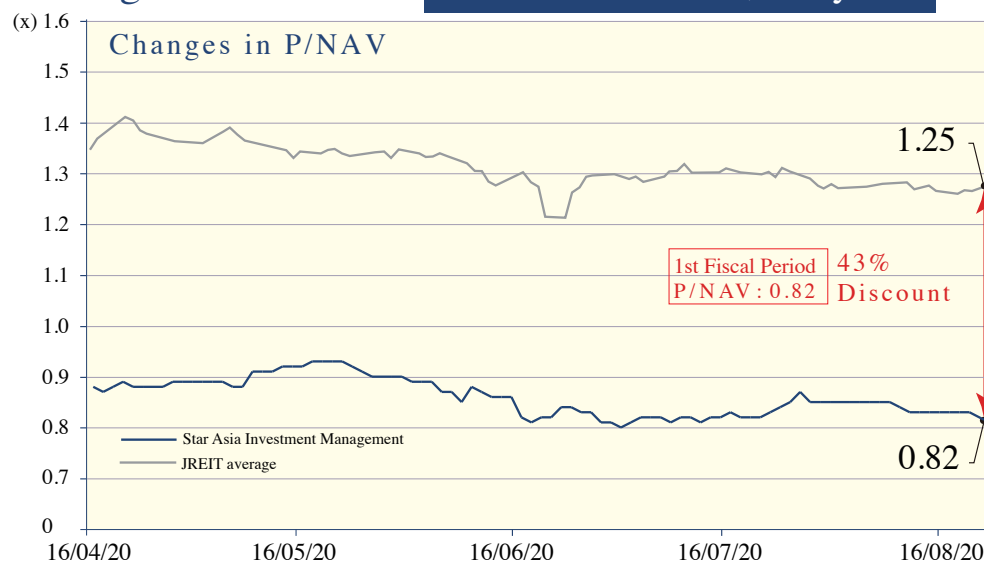
Overview of offering

Offering Format	Domestic Offering
Offer Price	JPY100,000
Offering Size (incl. OA)	JPY24,770 mil
Newly Issued Units	247,700 units (incl. OA)
Listing Date	April 20, 2016
Securities CODE	3468
Bookrunners	Nomura / Mizuho

Issued Units **344,700 units**

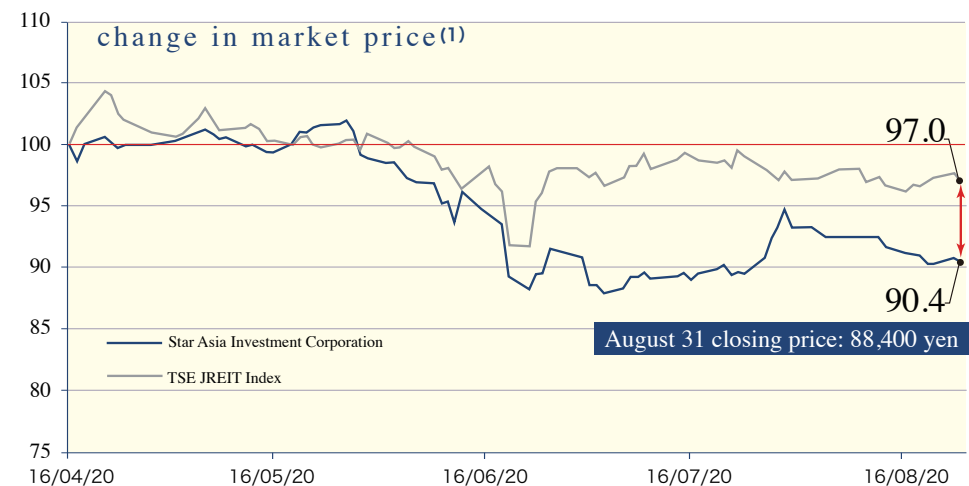
Same-boat investment
by the Star Asia Group : **28.1%**

Changes in P/NAV NAV/Unit:107,492yen



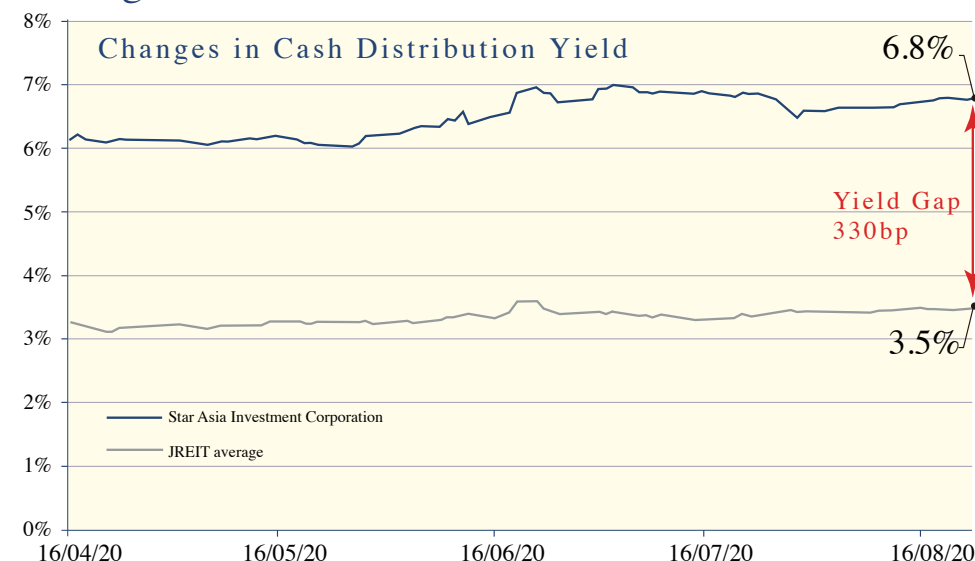
Calculation method: JREIT average is the average of the results of JREITs that have settled their accounts for a fiscal period

Changes in market price



(1) TSE JREIT Index and SAR's closing price indexed to 100 at April 20, 2016

Changes in Cash Distribution Yield



Calculation method: SAR's yield is based on the assumed yield for the 2nd fiscal period.
JREIT average is calculated by: (Forecast cash distribution for period under review + Forecast cash distribution for next period) / Investment unit price.

About Sponsor

Steady Growth

Utilizing Star Asia's know-how and abundant assets under management against the backdrop of its real estate investment strategy

About Star Asia Group



Managing Partner

"Malcolm F. MacLean IV"

Received a bachelor's degree from Trinity College

Malcolm MacLean is a founder of Star Asia and currently serves as its Managing Partner. He is also co-founder of Mercury Real Estate Advisor LLC and formerly served as its Portfolio Manager and Head Trader. He has an abundance of experience, including over 24 years in real estate related asset investment and involvement in establishing listed and non-listed real estate securities and real estate investment in the U.S., Europe and Asia. Prior to that, he advised listed and non-listed companies on the issuance of stocks and bonds as well as M&As while working at the Real Estate Investment Banking Groups of Paine Webber Incorporated and Kidder, Peabody & Co., Inc. (current UBS AG) and closed many transactions as the team leader of origination, structuring and execution. MacLean studied economics at Cambridge University in the U.K. and obtained a bachelor's degree in economics and law from Trinity College in Hartford, Connecticut, U.S.A.



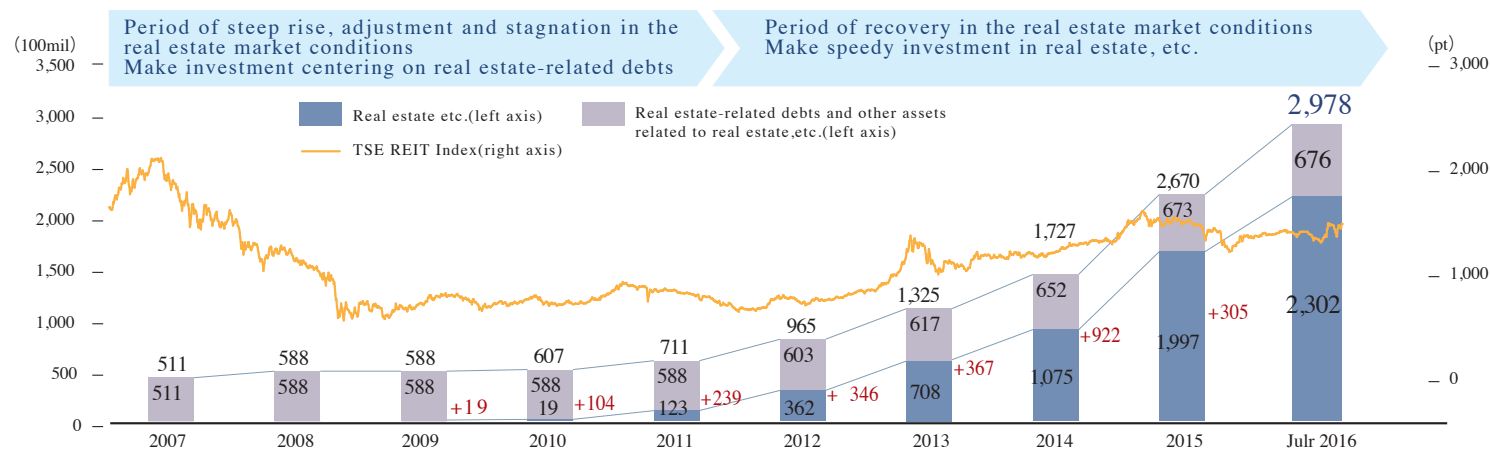
Managing Partner

"Taro Masuyama"

"Received a bachelor's degree from Waseda University Received a master's degree from Columbia University"

Taro Masuyama is a founder of Star Asia and currently serves as its managing partner. He formerly served as Managing Director and Head of the Asia-Pacific region's Structured Credit Products and Japan Credit Sales and Marketing at Merrill Lynch and managed the origination, structuring, trading and marketing of all structured credit as well as fund products in the Asia-Pacific region in addition to sales marketing of Japanese credit products. During his seven-year stint at Merrill Lynch, his team was involved in securitizations with over 2.8 trillion yen in underlying assets including securitizations of major Japanese banks' loan portfolios that won several awards from various media. Before joining Merrill Lynch in April 1999, he provided various structured balance sheet solutions primarily to Japanese banks as Vice President of Global Credit Derivatives at Bankers Trust. Prior to that, he was involved in the streamlining of headquarters functions at various international companies as a consultant at Andersen Consulting in Tokyo, Chicago and Los Angeles. Masuyama obtained a bachelor's degree from Waseda University and an MBA from Columbia Business School.

Star Asia Group's investment track record in Japan



Features and Strategy

1.A Diversified REIT

A diversified REIT building its portfolio with diversified assets located mainly in Greater Tokyo

2.Steady growth

Steady growth utilizing Star Asia's deep and experience team, strong and long-term relationships, and superior track record which support SAR's investment strategy

3.Unitholders' interest-first

Maximization of unitholders' interests through thorough implementation of "unitholders' interest-first" mindset as well as strong financial alignment

Investment Policy

- Prioritized, focused investment in the Tokyo area
Tokyo area with a 70% or higher
- Gaining income stability and growth through diversification of asset types
Investment ratio for each asset type shall be 50% or less in principle.
- Investment primarily in middle-size assets
Less than 10 billion yen.
- Strategic investment in large-size assets exclusively in 5 central wards of Tokyo
More than 10 billion yen or higher

Developing its portfolio with diversified assets mainly in Greater Tokyo

Total Acquisition Price

61.5 billion yen

Number of acquired properties

18

Tokyo Area

78.4%

NOI yield (%)

4.8%

In case Property taxes are expensed

Occupancy Rate
As of July 31, 2016

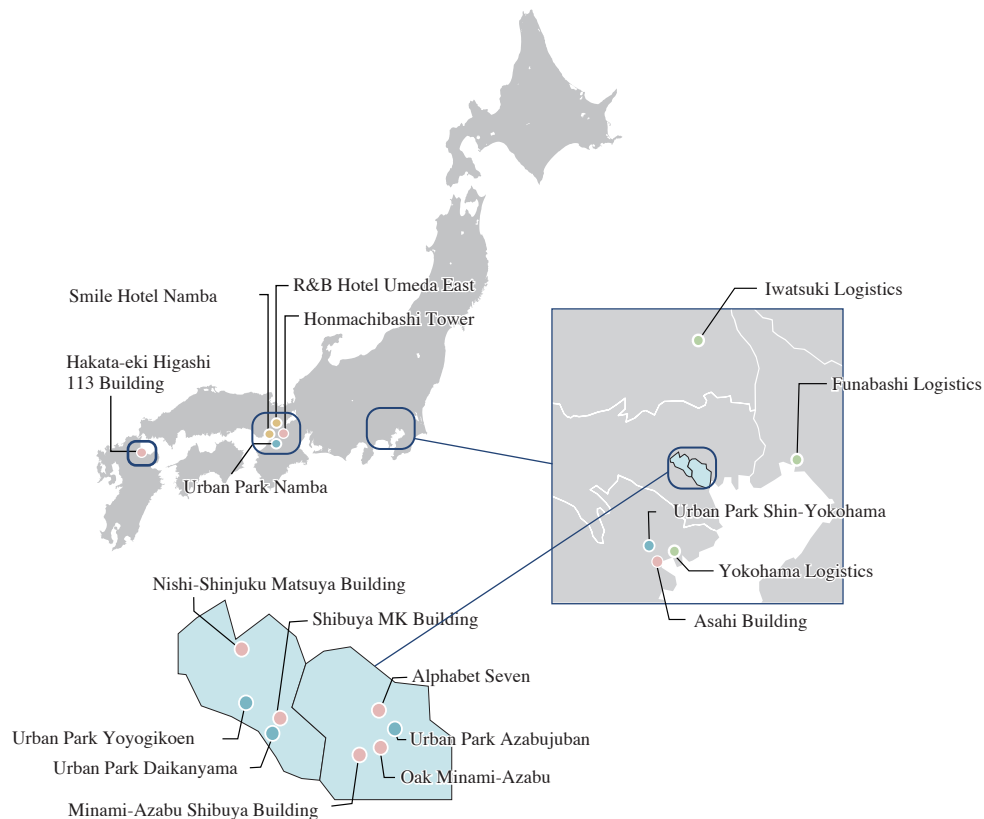
95.9%

Prioritized, focused investment in the Tokyo area

(Composition ratio by investment target area)

As of July 31, 2016

Tokyo area 78.4%		Other 21.6%
Central wards of Tokyo 34.2%	Other areas in Greater Tokyo 44.3%	



Achieving a portfolio with both “stability” and “growth” of income

(Composition ratio by asset type)

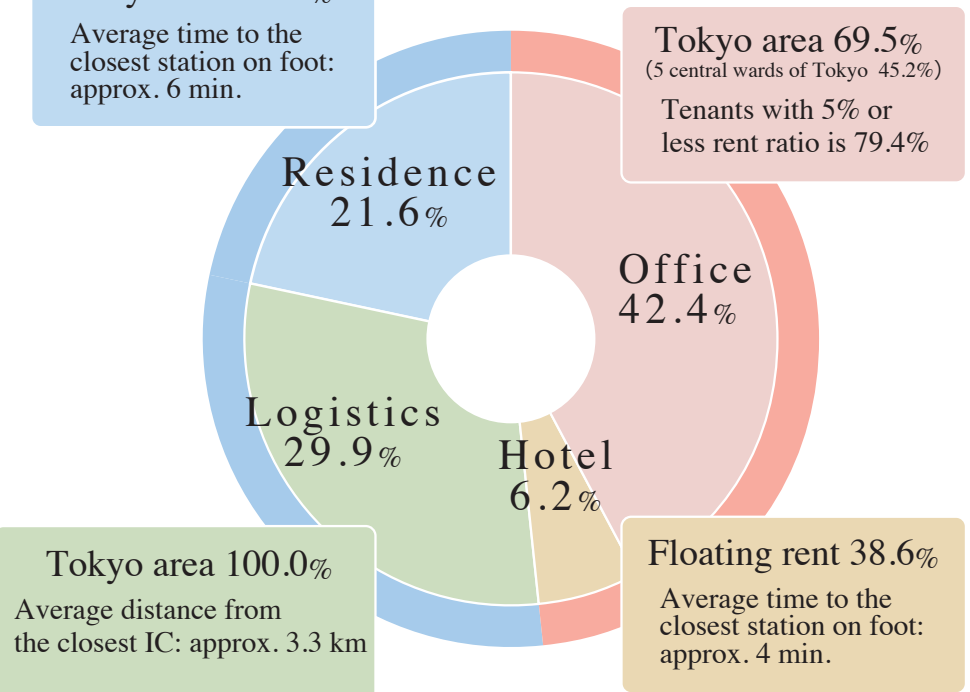
As of July 31, 2016

Focus on
income stability

Focus on
income growth

Tokyo area 88.8%
Average time to the
closest station on foot:
approx. 6 min.

Tokyo area 69.5%
(5 central wards of Tokyo 45.2%)
Tenants with 5% or
less rent ratio is 79.4%



(Note) “Tokyo area” refers to Tokyo’s 23 wards, Kawasaki city and Yokohama city for office properties and retail facilities, and Tokyo and three prefectures of Kanagawa, Saitama and Chiba for residential properties, logistics facilities and hotels.

Cash Distribution Per Unit and Yield Results and Forecasts

1st Fiscal Period Results

Cash Distribution per Unit **968** yen

yield **3.90%**

Forecast cash distributions (2nd Fiscal Period Ending January 2017)

JPY **3,046**

yield **6.87%**

Forecast cash distributions (3rd Fiscal Period Ending July 2017)

JPY **2,726**

yield **6.25%**

Expensing of fixed property taxes, city planning taxes, etc. starting from 3rd fiscal period (approx. 166 million yen)

*Monetary figures are rounded down to the nearest specified unit, and percentage figures are rounded to the second decimal place.

*Yield for the 1st fiscal period is calculated based on the number of days from the date of listing (April 20, 2016).

*Yield is calculated based on the investment unit price at the end of the 1st fiscal period (87,900 yen as of July 29, 2016).

Highlights of 1st Fiscal Period

External Growth Strategy

- Commenced asset management with acquisition of 11 properties in January 2016
- Additionally acquired 7 properties upon listing in April 2016 (Total: 18 properties; Asset size: approx. 61.5 billion yen)
- Obtained preferential negotiation rights (2 properties: 6,160 million yen)

Internal Growth Strategy

- Realization of early lease-up
- Implementation of renovation work to make more attractive to tenants

Financial Strategy

- Unsecured and unguaranteed debt financing
- Conversion of interest rates into long-term fixed rates through interest rate swaps
- Same-boat investment by the Sponsor: 28.1%

Initiatives for 2nd and Subsequent Fiscal Periods

External Growth Strategy

- Securing of room for external growth through obtainment of preferential negotiation rights
- Strategic investment by identifying trends of asset types
- External growth target: "200 billion yen by 2020"

Internal Growth Strategy

- Promotion of further lease-up
- Realization of increase in amount of rent to reach market level
- Implementation of strategic renovation work with occupancy rate and rent increase in mind

Financial Strategy

- Partial loan repayment using consumption tax refund as source of funds
- Assumed LTV at end of 2nd fiscal period: 45.2%

1st Fiscal Period Results

2nd Fiscal Period and 3rd Fiscal Period Performance Forecasts

Forecast cash distributions
(2nd Fiscal Period Ending January 2017) **JPY3,046**

Forecast cash distributions
(3rd Fiscal Period Ending July 2017) **JPY2,726**

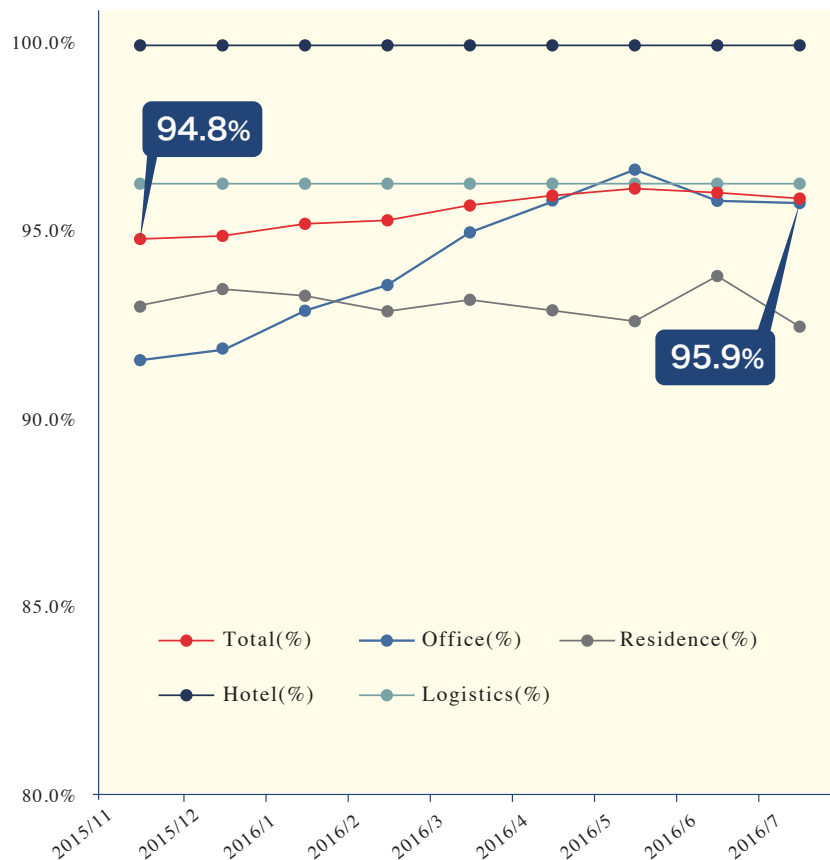
(Unit: million yen))

	1st Fiscal Period Ended July 31, 2016 Results	2nd Fiscal Period Ending Jan. 31, 2017 Forecasts	Period-on-Period Growth Rate (Rate of Increase)	3rd Fiscal Period Ending July 31, 2017 Forecasts	Period-on-Period Growth Rate (Rate of Increase)	
Operating revenue	1,859	1,987	+128	2,000	+12	<ul style="list-style-type: none">• Expects increase in rent revenue mainly due to lease-up of office buildings in 2nd through 3rd fiscal periods.• Implement enhancement of value in 2nd fiscal period that will lead to increase in revenue in 3rd fiscal period; however, expects increase in operating expenses for that reason.• Operating expenses to increase by 166 million yen in 3rd fiscal period due to expensing of fixed property taxes, city planning taxes, etc. starting from 3rd fiscal period.• Recorded the following in 1st fiscal period<ul style="list-style-type: none">Organization expenses 62millionInvestment unit issuance expenses 111millionInvestment corporation bond issuance expenses 12millionBorrowing related expenses 453million• 3rd fiscal period cash distribution per unit to be 2,726 yen, the level that SAR expects to attain under normal operations
Operating income	1,147	1,169	+21	1,052	△117	
Ordinary income	335	1,051	+715	940	△110	
Net income	333	1,050	+716	939	△110	
Cash Distribution per Unit	968 yen	3,046 yen	+2,078 yen	2,726 yen	△320 yen	
Yield <small>(calculated based on July 29, 2016 closing price: 87,900 yen)</small>		6.87%		6.25%		
Operation Days	200 d	184 d		181 d		

1st Fiscal Period Results: Status of Occupancy Rate

Occupancy rate at end of period: 95.9%

Portfolio occupancy rate increased to 94.8%-95.9%



Information presented is that from at the end of November 2015 received from the previous owners.

★ Office occupancy rate

Up 4.2% from that at end of November 2015
(when held by previous owner)
Leased up 8 tenants(Rent space: 2,228.88㎡) during our operation

★ Residential occupancy rate

- Hovered at around 93%
 - Contract renewals and new contracts with increase in amount of rent
- <Upon renewal>
- Number of contracts with increase in amount of rent: 4 contracts / 24 contracts
 - Number of contracts with no change in amount of rent: 20 contracts / 24 contracts
- <New> (comparison with previous tenant)
- Number of contracts with increase in amount of rent: 9 contracts / 24 contracts
 - Number of contracts with no change in amount of rent: 1 contracts / 24 contracts
 - Number of new contracts of units that were vacant: 10 contracts / 24 contracts
 - Number of contracts with decrease in amount of rent: 4 contracts / 24 contracts

★ Logistics facility and hotel occupancy rate

Stable occupancy due to long-term contracts
(ratio of logistics facilities on fixed-term building lease contracts: 92.4%)

1st Fiscal Period Results: Realization of Lease-Up

Oak Minami - Azabu Lease-Up Performance



POINT

- Cooperation with brokerage companies
- Collaboration with property management companies
- Holding of property viewings

Lease-up of 3 contracts
(contract area totaling 1,103.57 m²)
Occupancy rate up 11.7%
(77.9% ⇒ 89.6%)

Shibuya MK Building: Lease-Up and Rent Revision Performance



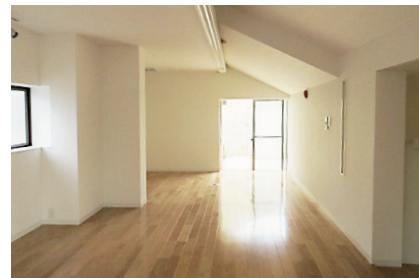
POINT

- Rent revision
Upon periodic building lease contract renewal, renewed at approx. 16% higher rent than previous rent
- New lease-up
After tenant exit and without downtime, contracted at 15% higher rent than previous rent

Contributed to increase in rent
revenue for 1st fiscal period

1st Fiscal Period Results: Implementation of Value Enhancement, etc.

Alphabet Seven • Value-Up



Implemented period: Jul 2016
Construction costs: 4.5 million
Construction details:
Value enhancement work
(including restoration work)
Flooring, lighting and
balcony renovations

Enhanced tenant satisfaction
More attractive to new tenants
in leasing

R&B Hotel Umeda East • Large-scale repair



Implemented period: Feb, 2016
Construction costs: 77 million
Construction details:
Air-conditioning equipment
upgrading work on all 219 guest
rooms and common-use areas

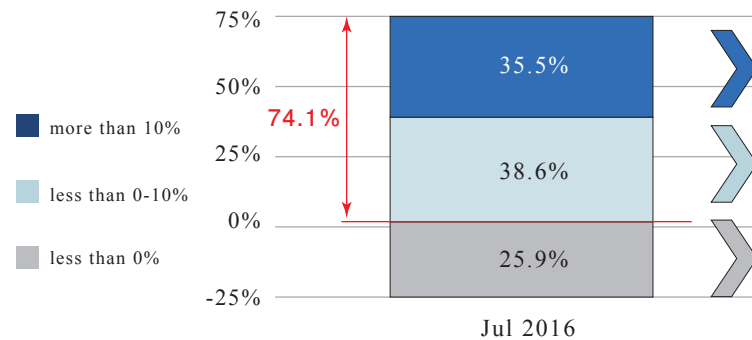
Lower maintenance costs
Greater air-conditioning efficiency
Degree of reduction in tenants'
electricity and gas use : $\triangle 35.3\%$
compared with same period from March to
July of previous year

Future Internal Growth Strategy: Office

- Office building rent gap^{※1} approx. 7.6% at end of 1st fiscal period.
- Rent gap seen to exist for approx. 74.1% of total, meaning there is plenty of room for upward revision in amount of rent

※1 Market rent refers to the median of each property's expected new contract rent (range) assessed as at the end of the period by CBRE K.K., and rent gap refers to the disparity between the market rent and each tenant's contract rent.

Status of Distribution of Rent Gap as at End of Period (on area basis)

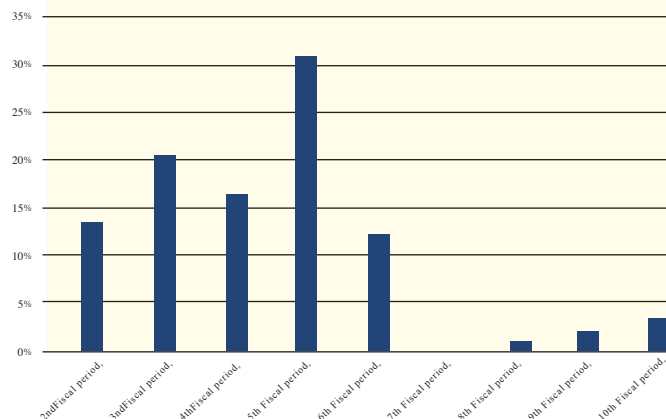


For tenants with rent gap of 10% or more, the plan is to pursue active negotiations for upward revision in the amount of rent at the time of contract renewal.

For tenants with rent gap of 0% to 10%, or less, the plan is to hold negotiations for upward revision in the amount of rent based on a comprehensive consideration of also other leasing terms and conditions, etc. at the time of contract renewal.

For tenants with rent gap of less than 0%, the plan is to keep engaging in a relationship with tenants on a regular basis to enhance tenant satisfaction in an aim to extend tenancy and maintain the current rent level.

Distribution of Contract Renewal Periods (on rent basis)



Contract up for renewal at many properties between 2nd fiscal period and 6th fiscal period

Opportunities to close rent gap

※The graph is based on all rent up for contract renewal between the 2nd fiscal period and 10th fiscal period as the denominator, and does not factor in the second contract renewal.

Future Internal Growth Strategy:Residence

Increase in Occupancy Rate and Enhancement of Revenue

- Even if occupancy is stable, aim for further increase in occupancy rate
- Property management approach based on the situation on a property-by-property basis
- Maintain and enhance occupancy rate through cooperation with property management companies
- Increase amount of rent upon contract renewal and upon tenant replacement

Urban Park Daikanyama

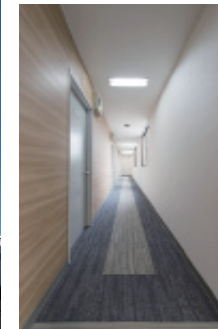
Implementation of Renovation Work on Common-Use Areas

Implemented Period : Sep,2016 – Dec, 2016

Construction Costs : 27mil

Construction details : Exterior wall tile sealing replacement work

- Enhanced tenant satisfaction
- More attractive to potential new tenants in leasing



Urban Park Azabujuban

Consideration of Renovation Work on Exclusive Elements

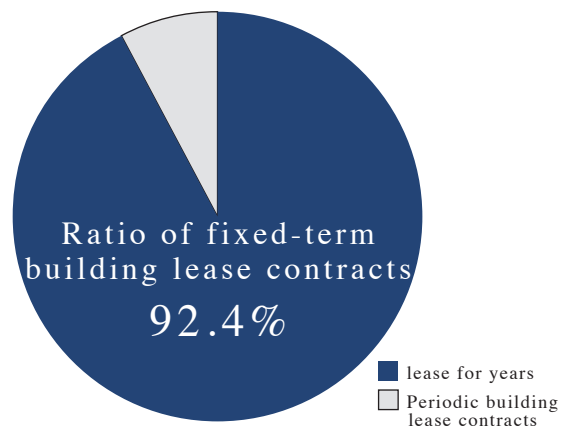
For units that have become vacant, depending on the interior state of the units, consider renovation work for the purpose of maintaining competitiveness and increasing the amount of rent



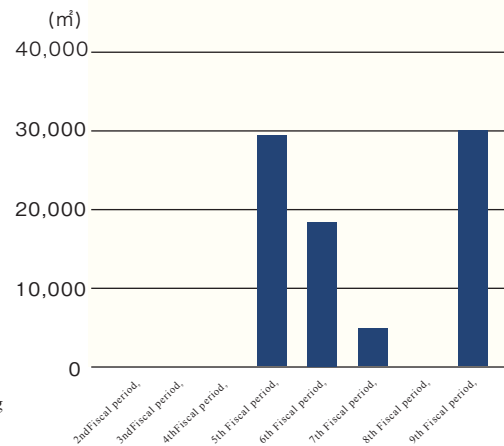
Future Internal Growth Strategy : Logistics & Hotel

Logistics

Ratio of Fixed-Term Building Lease Contracts (on area basis)



Distribution of Contract Renewals (on area basis)



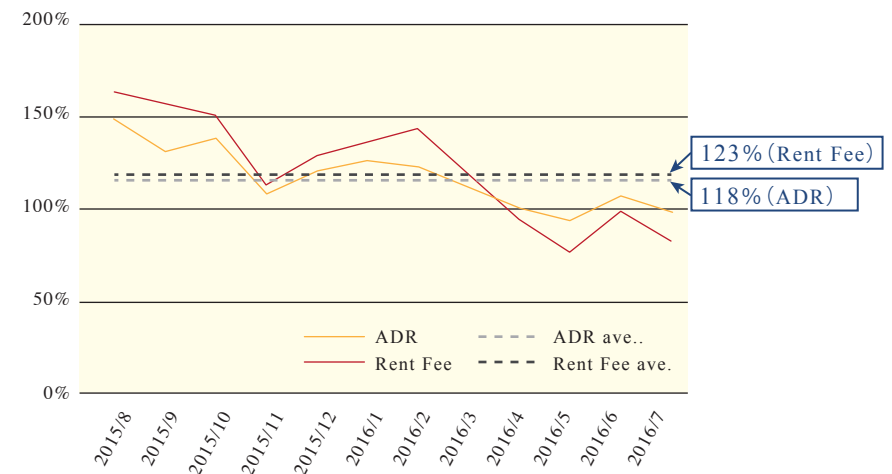
High ratio of fixed-term building lease contracts securing stable cash flows and opportunities for rent revision

Staggering of contract renewal periods enabling risk diversification and agile recontract negotiations

Hotel

- Enhancing hotel revenue through collaboration with hotel operators, and maintaining and enhancing facility competitiveness through strategic capital expenditures

Smile Hotel Namba, which has sales-linked rent setting, has ADR and rent of approx. 120% in comparison with same month of previous year on average (chart to right)



External Growth Strategy • preferential negotiation rights ①

Logistics



Baraki Logistics

Address : Ichikawa Chiba
Minimum purchase price : 4,700 million
Total Floor areas : 12,471.50 m²

Hotel



BEST WESTERN Tokyo Nishikasai

Address : Edogawa Tokyo
Minimum purchase price : 3,805million
Total Floor areas : 5,293.88 m²



BEST WESTERN Yokohama

Address : Yokohama Kanagawa
Minimum purchase price : 3,185million
Total Floor areas : 4,686.09 m²

Residence



Urban Park Kashiwa

Address : Kashiwa Chiba
Minimum purchase price : 1,186million
Total Floor areas : 4,243.71 m²



Joytel Gokokuji

Address : Toshima Tokyo
Minimum purchase price : 1,460million
Total Floor areas : 2,451.72 m²

Obtained preferential negotiation rights in total amount of 16,591 million yen

Points to Investment

Office

Benefit from stability and growth by investing in offices for which tenant demand is steady within the Fukuoka (Hakata) area where further revitalization is expected

Hotel

Benefit from stability and growth by investing in business hotels in Greater Tokyo where accommodation demand (both business and tourism) is steady

Logistics

Benefit from stability by investing in state-of-the-art logistics facilities in the Ichikawa, Chiba area where access to central Tokyo is favorable (within 30km of Tokyo Station)

Residence

Benefit from stability by investing in family-type and single-type residential properties in Greater Tokyo that is highly attractive to tenants

Office



Hakata-eki East Place

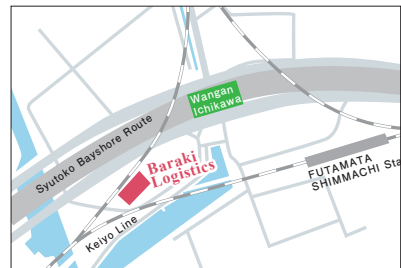
Address : Hakata, Fukuoka
Minimum purchase price : 2,255million
Total Floor areas : 6,243.13 m²

External Growth Strategy • preferential negotiation rights ②

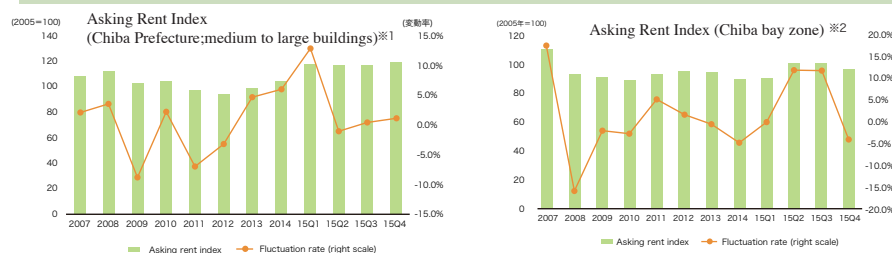
◇Logistics Baraki Logistics



Minimum purchase price: 4,700 million
 Asset type: Logistics
 Structure/Floor: RC S 9F
 Address: Ichikawa Chiba
 Lot area: 6,240.96㎡
 Total floor areas: 12,471.50㎡
 Completion: 2015.8



Market analysis



The rent index has remained almost flat and stable since 2014 and it is expected to remain solid going forward.

*1, *2 Source: CBRE K.K.

The Asset Manger's own analysis

Located in Chiba-Ichikawa Area (within 30km zone from Tokyo Station) and can be reached on foot from the nearest railway station; therefore, it is a cutting-edge logistics facility with strong appeal to tenants also in terms of securing a workforce.

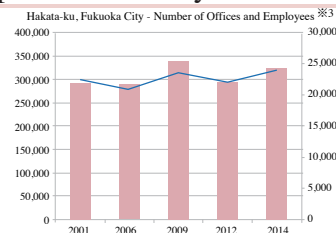
◇Office Hakata-eki East Place



Minimum purchase price: 2,255 million
 Asset type: office
 Structure/Floor: SRC 9F
 Address: Hakata, Fukuoka
 Lot area: 1,129.86㎡
 Total floor areas: 6,243.13㎡
 Completion: 1986.2



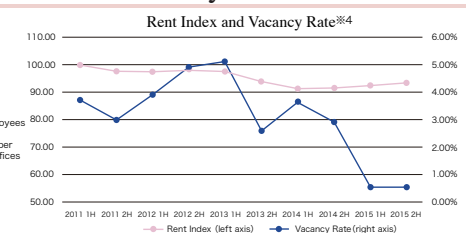
Population analysis



Although both numbers of offices and employees temporally decreased, they have turned to increases again during 2016.

*3 Source: Statistics Bureau, Ministry of Internal Affairs and Communications - "Economic Census for Business Frame"
 *4 Source: Prepared by the Japan Real Estate Institute based on data publicized by listed J-REITs (Fukuoka City, 21 to 35 year old office buildings with total floor area of 1,500 to 5,000 tsobos)

Market analysis



Rent has been on a recovering trend since 2014. Vacancy rate has been less than 1% since 2015, indicating that tenant demand is strong.

The Asset Manger's own analysis

An office building with steady tenant demand located in Fukuoka (Hakata) Area expected to be further vitalized by the completion of the Hakata Station area redevelopment project and the start of the "Tenjin Big Bang Project," etc.

External Growth Strategy • preferential negotiation rights ③

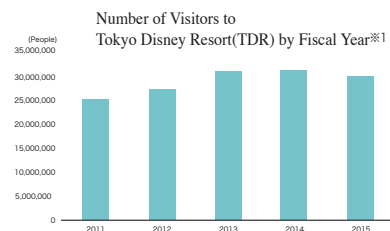
◇Hotel BEST WESTERN Tokyo Nishikasai



Minimum purchase price: 3,805 million
 Asset type: hotel
 Structure/Floor: SRC B1/9F
 Address: Edogawa Tokyo
 Lot area: 1,418.00㎡
 Total floor areas: 5,293.88㎡
 Completion: 1991.3



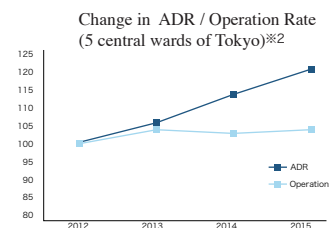
Population analysis



Since 2011, visitors to TDR have increased year-on-year, reaching 30 million in 2013. The number of visitors is likely to remain solid as one of Japan's leading theme parks going forward.

*1 Source: Website of Oriental Land Co., Ltd. The number of visitors is the total of visitors to the two parks
 *2 Source: Japan Hotel Appraisal Co., Ltd.

Market analysis



While ADR is on an increasing trend, it maintains a high operation rate, indicating a strong demand for lodging accommodations in the 5 central wards of Tokyo.

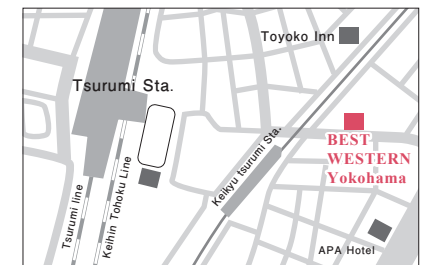
The Asset Manger's own analysis

LocA business hotel with high demand capable of taking in not only business demand but also tourist demand as it is located close to Tokyo Disney Resort, a theme park boasting to have Japan's strongest class of visitor attracting capabilities, in addition to its good access to central Tokyo.

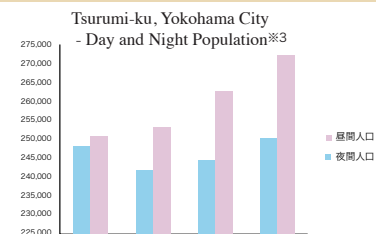
◇Hotel BEST WESTERN Yokohama



Minimum purchase price: 3,185 million
 Asset type: hotel
 Structure/Floor: SRC B1/9F
 Address: Yokohama Kanagawa
 Lot area: 782.66㎡
 Total floor areas: 4,686.09㎡
 Completion: 1987.9



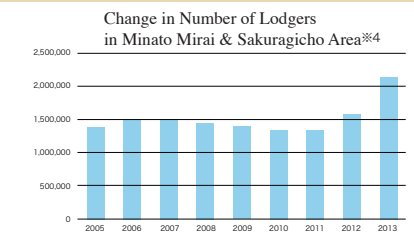
Market analysis



Day population temporarily decreased in 2000, but turned to an increase in 2005 and onwards. Night population is also on an increase since 1995.

*3 Source: Statistics Bureau, Ministry of Internal Affairs and Communications - "National census"

*4 Source: Prepared by the Japan Real Estate Institute based on the Yokohama City Statistics Book and Yokohama City's website



After hitting the bottom in 2010, the number of lodgers turned to an increase partly due to the impact of inbound tourists, and is particularly showing large an increase in recent years.

The Asset Manger's own analysis

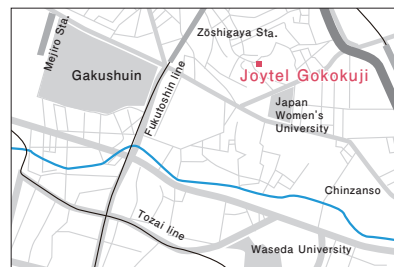
A business hotel with high demand capable of taking in high demand from inbound tourists as it is closely located to Yokohama area where lodgers have been on an increase recently, and has good access to Tokyo International Airport (Haneda).

External Growth Strategy · preferential negotiation rights ④

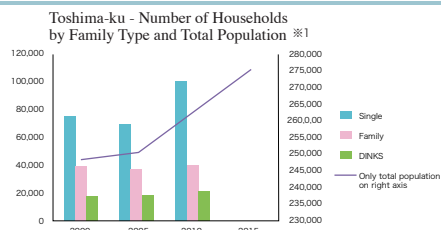
◇Residence Joytel Gokokuji



Minimum purchase price: 1,460 million
 Asset type: residence
 Structure/Floor: RC B1/5F
 Address: Toshima Tokyo
 Lot area: 942.66㎡
 Total floor areas: 2,451.72㎡
 Completion: 1990.2



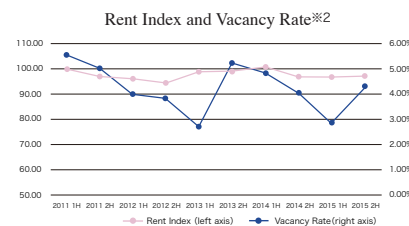
Population analysis



The number of single households turned to a significant increase from 2005 through 2010. Furthermore, the population has been increasing since 2000, and is particularly showing large increases in and after 2005.

*1 Source: Statistics Bureau, Ministry of Internal Affairs and Communications - "National census," Toshima-ku - "Population & households in Toshima-ku"
 *2 Source: Prepared by the Japan Real Estate Institute based on data published by listed J-REITs (Toshima-ku; 21 years or older single-type residences)

Market analysis



Rent has remained stable since 2011. Although the vacancy rate temporally increased in the latter half of 2015, it shows the solidness of the tenant demand.

The Asset Manger's own analysis

A single-type residence with high tenant demand due to such area characteristics as many universities and colleges in the vicinity and the increase in population and single households in Toshima-ku.

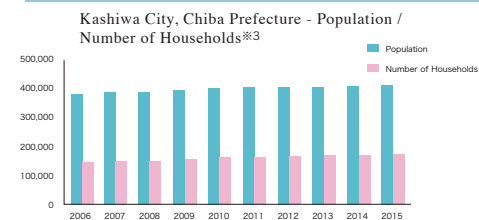
◇Residence Urban Park Kashiwa



Minimum purchase price: 1,186 million
 Asset type: residence
 Structure/Floor: SRC B1/8F
 Address: Kashiwa Chiba
 Lot area: 1,597.85㎡
 Total floor areas: 4,243.71㎡
 Completion: 1997.8

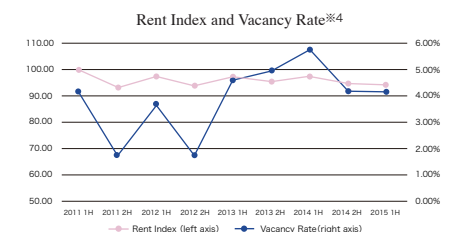


Market analysis



Population and the number of households are increasing every year, indicating rapid population inflow to Kashiwa City.

*3 Source: Kashiwa City's website - "Change in population and number of households by year"



Rent has remained stable since 2011 and the vacancy rate turned to a decrease since the latter half of 2014, indicating the solidness of tenant demand.

*4 Source: Prepared by the Japan Real Estate Institute based on data published by listed J-REITs (Funabashi, Urayasu, Ichikawa and Matsudo Cities - Family-type residences)

The Asset Manger's own analysis

Residence with high appeal for family households due to living convenience owing to the Kashiwa Station area project and characteristics as an academic city centering on "Kashiwa-no-ha campus area"

External Growth Strategy • preferential negotiation rights⑤

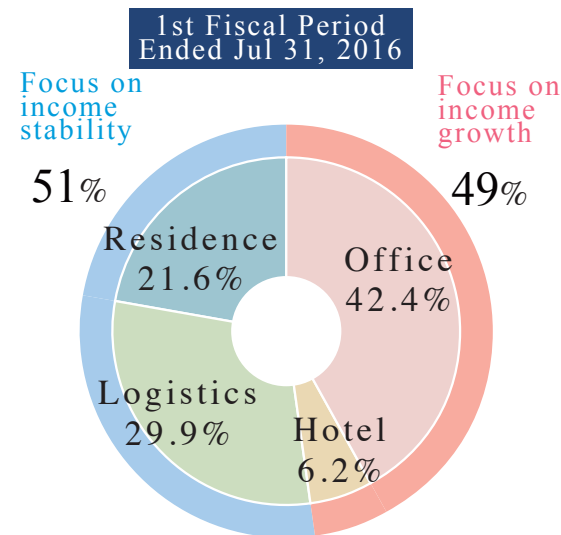
78,074 million asset size with possible 16,591 million growth brought by purchase of all assets with Preferential Negotiation Rights at the lowest price

Enhanced portfolio with diversified assets

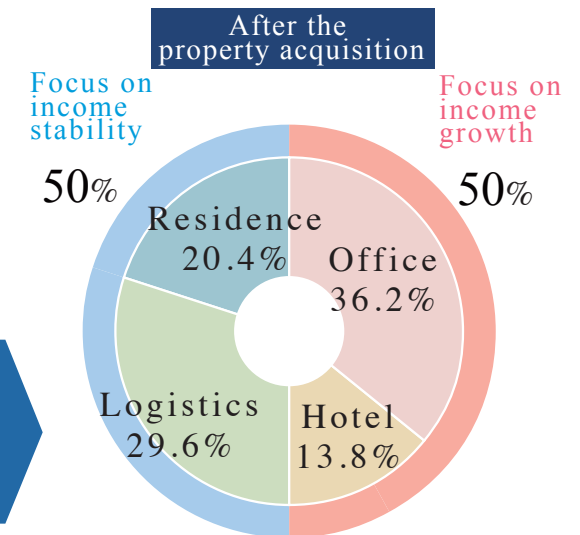
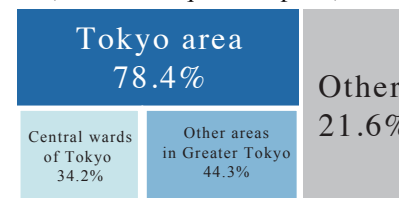
80.1% Tokyo-area investment ratio (1.7% increased)

(unit: mil)

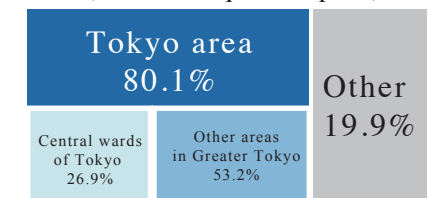
		Acquisition price	preferential negotiation rights	Total
office	Tokyo area	18,094	—	18,094
	other	7,950	2,255	10,205
	sub total	26,044	2,255	28,299
Residence	Tokyo area	11,763	2,646	14,409
	other	1,490	—	1,490
	sub total	13,253	2,646	15,899
Logistics	Tokyo area	18,377	4,700	23,077
	other	—	—	—
	sub total	18,377	4,700	23,077
Hotel	Tokyo area	—	6,990	6,990
	other	3,819	—	3,819
	sub total	3,819	6,990	10,809
Total	Tokyo area	48,234	14,336	62,570
	other	13,259	2,255	15,514
	sub total	61,493	16,591	78,084



Composition ratio by investment target area (based on acquisition price)



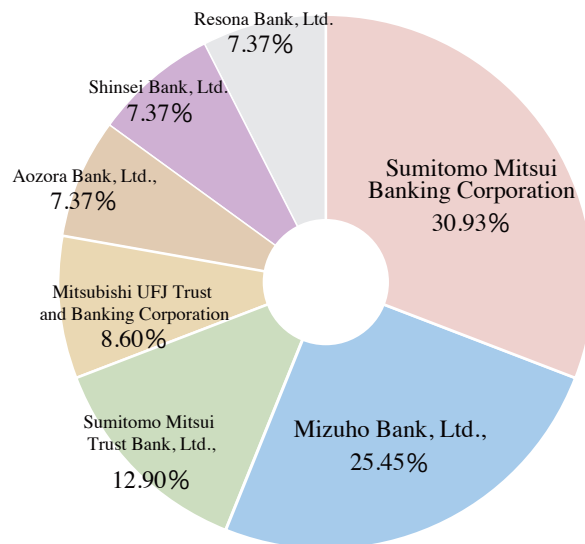
Composition ratio by investment target area (based on acquisition price)



Financial Strategy

- Borrowings were made from loan syndicates with Sumitomo Mitsui Banking Corporation and Mizuho Bank, Ltd. as arrangers.
- Diversification of repayment dates: Terms of 1, 2, 3, 4 and 5 years
- SAR plans to repay part of borrowings prior to the repayment date using consumption tax refunds during the 2nd fiscal period.

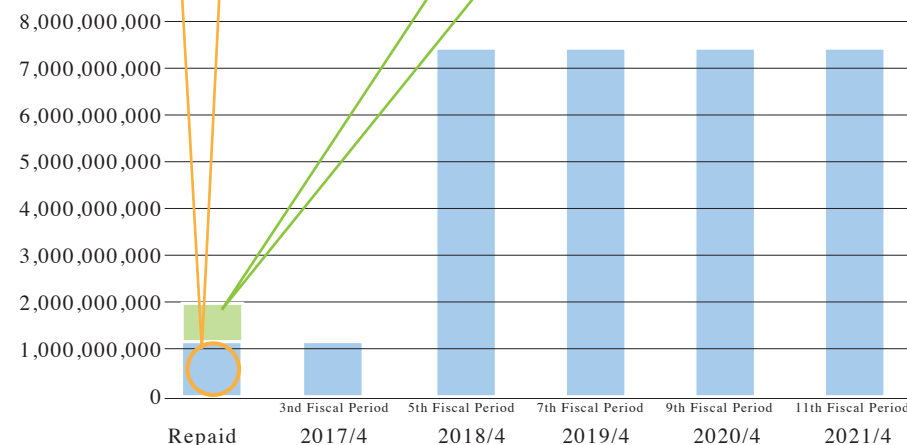
Bank Formation



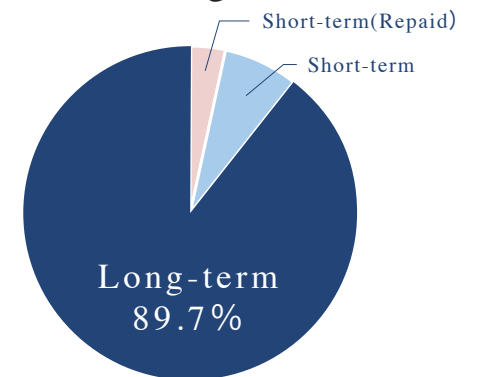
Status of Diversification of Repayment Dates

After the end of the fiscal period, we repaid part of borrowings prior to the repayment date.
Repayment amount: 1,137 million yen

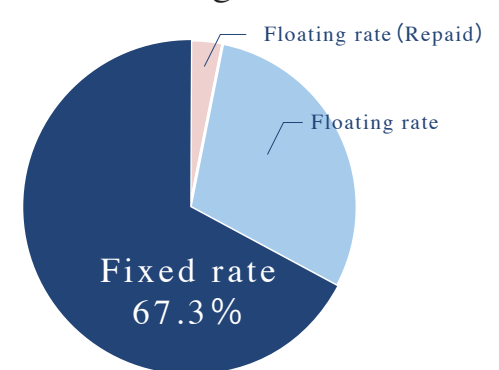
During the 2nd fiscal period, SAR plans to repay part of borrowings prior to the repayment date after receipt of the consumption tax refund. Repayment amount (planned): 1,218 million yen



Ratio of Long-term Borrowings (As of July 31, 2016)



Ratio of Fixed-rate Borrowings (As of July 31, 2016)



Financial Strategy

- LTV at the end of 1st fiscal period is 47.3%.
- After the end of the fiscal period, part of borrowings were repaid prior to the repayment date.
- The balance as of the date of announcing the financial results (Aug 31) is 31,418 million yen.

Status of Borrowings

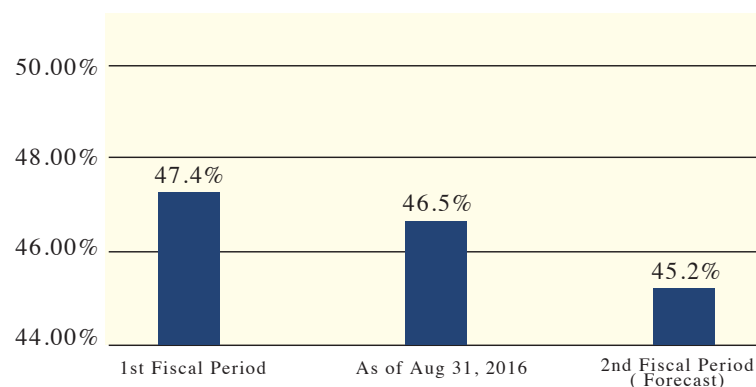
	Lender	Balance (million yen)					Interest rate	Repayment date
		End of the fiscal period	Amount repaid on August 22	Balance as of Aug 31	Amount of planned repayment in 2nd fiscal period	Planned balance as of end of 2nd fiscal period		
Short term	<A syndicate of lenders with Sumitomo Mitsui Banking Corporation and Mizuho Bank, Ltd. as arrangers> Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Aozora Bank, Ltd., Shinsei Bank, Ltd. and Resona Bank, Ltd.	3,355	1,137	2,218	1,218	1,000	Base rate (Note 1) + 0.20%	Apr 20, 2017
Long term		7,300	—	7,300	—	7,300	Base rate (Note 1) + 0.30%	Apr 20, 2018
		7,300	—	7,300	—	7,300	0.36400%(Note 2)	Apr 20, 2019
		7,300	—	7,300	—	7,300	0.48300%(Note 2)	Apr 20, 2020
		7,300	—	7,300	—	7,300	0.62500%(Note 2)	Apr 20, 2021
Total		32,555	1,137	31,418	1,218	30,200		
LTV (assumed LTV for the end of the fiscal period and after)		47.4%		46.5%		45.2%		

(Note 1) JBA 1 month JPY TIBOR

(Note 2) Interest rate taking into account the effect of interest rate swaps (fixing of interest rates) is indicated.

Forecast Change in LTV

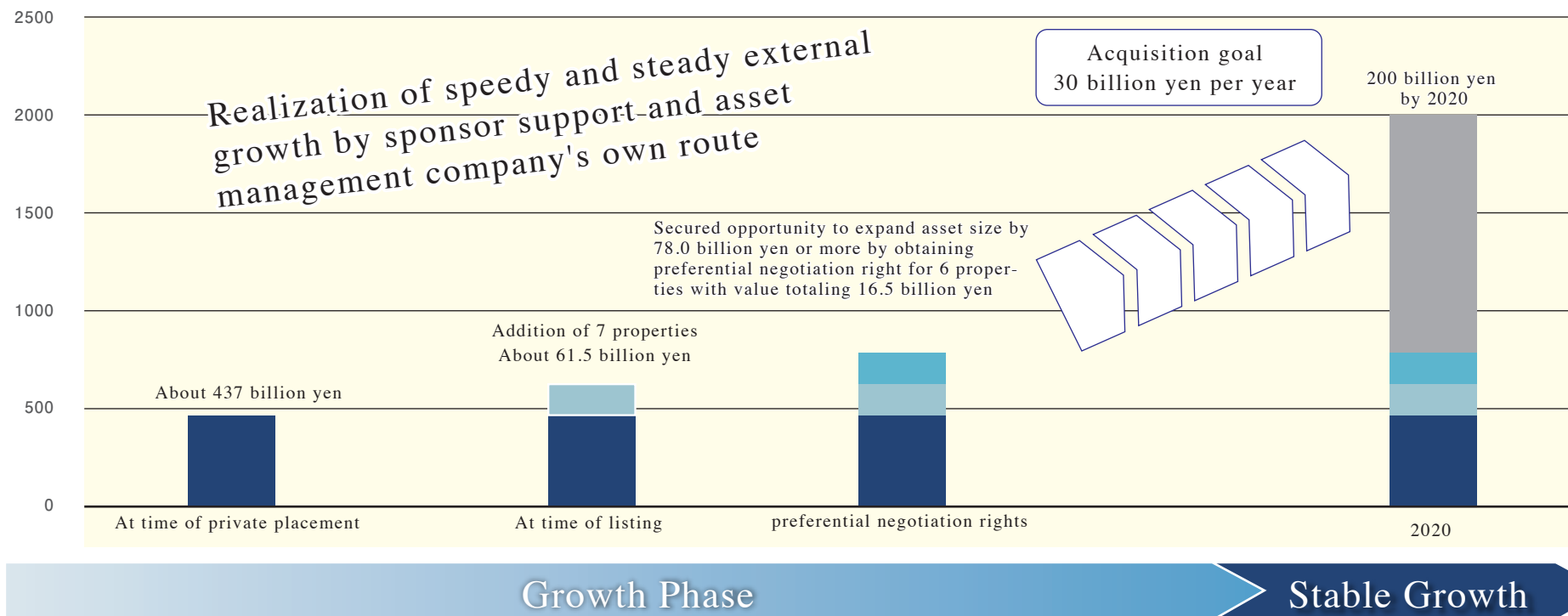
Change in LTV (forecast) with consideration of planned repayment of borrowings is as indicated on the right.



(Note) LTV after the end of 1st fiscal period has been calculated using "Total amount of borrowings / (Total assets at the end of the 1st fiscal period - Cash and deposits expected to decrease due to repayment of borrowings)."

Future Growth Strategy

Goal: Expand asset size to 200 billion yen by 2020



Realization of speedy and steady external growth by sponsor support and asset management company's own route

Appendix.

Financial Statements Fiscal Period Ended July 31, 2016

Balance Sheet

(Unit: thousand yen)







1st fiscal period (As of July 31, 2016)			
Assets		Liabilities	
Assets		Liabilities	
Current assets		Current liabilities	
Cash and deposits	2,006,136	Operating accounts payable	76,381
Cash and deposits in trust	2,557,948	Short-term loans payable	3,355,000
Operating accounts receivable	52,695	Accounts payable - other	319,011
Prepaid expenses	96,638	Accrued expenses	5,286
Deferred tax assets	32	Income taxes payable	1,490
Consumption taxes receivable	1,259,266	Advances received	265,383
Other	7,175	Other	12,875
Total current assets	5,979,894	Total current liabilities	4,035,429
Non-current assets		Non-current liabilities	
Property, plant and equipment		Long-term loans payable	29,200,000
Buildings in trust	20,056,951	Tenant leasehold and security deposits in trust	1,526,363
Accumulated depreciation	(246,543)	Other	26,238
Buildings in trust, net	19,810,407	Total non-current liabilities	30,752,602
Tools, furniture and fixtures in trust	4,396	Total liabilities	34,788,032
Accumulated depreciation	(141)	Net assets	
Tools, furniture and fixtures in trust, net	4,255	Unitholders' equity	
Land in trust	39,208,659	Unitholders' capital	33,541,125
Total property, plant and equipment	59,023,323	Surplus	
Intangible assets		Unappropriated retained earnings (undisposed loss)	333,916
Leasehold rights in trust	3,459,138	Total surplus	333,916
Total intangible assets	3,459,138	Total unitholders' equity	33,875,041
Investments and other assets		Valuation and translation adjustments	
Long-term prepaid expenses	164,478	Deferred gains or losses on hedges	(26,238)
Lease and guarantee deposits	10,000	Total valuation and translation adjustments	(26,238)
Total investments and other assets	174,478	Total net assets	33,848,802
Total non-current assets	62,656,940	Total liabilities and net assets	68,636,834
Total assets	68,636,834		

Statement of Income

(Unit: thousand yen)

1st fiscal period From: Dec. 1, 2015 To: July 31, 2016	
Operating revenue	
Lease business revenue	1,737,036
Other lease business revenue	122,389
Total operating revenue	1,859,425
Operating expenses	
Expenses related to rent business	568,022
Asset management fee	103,104
Asset custody and administrative service fees	12,718
Directors' compensations	3,200
Other operating expenses	24,681
Total operating expenses	711,726
Operating income	1,147,698
Non-operating income	
Interest income	37
Other	0
Total non-operating income	37
Non-operating expenses	
Interest expenses	133,353
Interest expenses on investment corporation bonds	38,052
Investment corporation bond issuance costs	12,604
Borrowing related expenses	453,952
Deferred organization expenses	62,950
Investment unit issuance expenses	111,409
Other	34
Total non-operating expenses	812,356
Ordinary income	335,379
Income before income taxes	335,379
Income taxes - current	1,496
Income taxes - deferred	(32)
Total income taxes	1,463
Net income	333,916
Unappropriated retained earnings (undisposed loss)	333,916



Portfolio List

Asset type	Office	Office	Office	Office	Office	Office
Property	Minami-Azabu Shibuya Building	Oak Minami-Azabu	Honmachibashi Tower	Nishi-Shinjuku Matsuya Building	Alphabet Seven	Shibuya MK Building
						
Acquisition price	2,973 mil yen	3,271 mil yen	6,065 mil yen	1,763 mil yen	1,725 mil yen	2,042 mil yen
Appraisal value	3,020 mil yen	3,400 mil yen	6,700 mil yen	2,230 mil yen	2,250 mil yen	2,330 mil yen
Structure/Floors	SRC B1/7F	SRC B1/14F	S/SRC B1/21F	SRC B1/9F	RC B1/6F	S 6F
Address	Minato , Tokyo	Minato , Tokyo	Osaka, Osaka	Shibuya , Tokyo	Minato , Tokyo	Shibuya , Tokyo
Lot area	766.11m ² (leasehold)	2,471.14m ²	1,274.37m ²	589.94m ² (surface right)	1,286.45m ²	620.42m ² (of which 2.62m ² leasehold)
Total floor areas	4,137.21m ²	10,454.93m ² (including 7.41m ² storehouse)	15,407.83m ²	5,117.80m ²	4,132.80m ²	1,982.86m ²
Property Features	<ul style="list-style-type: none"> ● Located in Minami-Azabu, a well-known high-class residential area that is also home to embassies of various countries. ● In addition to access by train, the area is well served by bus routes and provides convenient access to various locations within central Tokyo. ● The area is highly appealing to companies in fashion, mass media, and IT-related fields. 	<ul style="list-style-type: none"> ● Located in Minami-Azabu, a well-known high-class residential area that is also home to embassies of various countries. ● In addition to access by train, the area is well served by bus routes and provides convenient access to various locations within central Tokyo. ● The area is highly appealing to companies in fashion, mass media, and IT-related fields. 	<ul style="list-style-type: none"> ● Located in the Yodoyabashi /Hommachi area, one of Osaka's leading office districts. ● Situated near facilities such as the Osaka Chamber of Commerce and Industry, MyDome Osaka, and City Plaza Osaka, the area has a high concentration of office buildings. ● The residences on the upper floors of the building offer excellent views overlooking landmarks such as Osaka Castle. 	<ul style="list-style-type: none"> ● Located in the Nishi-Shinjuku area, which has a high concentration of office buildings. ● In addition to access by train, the area is well served by bus routes and provides convenient access to various locations within central Tokyo. ● The property is expected to attract strong demand from affiliated companies of tenants of large-scale buildings located in Shinjuku sub-center or its surrounding area 	<ul style="list-style-type: none"> ● Located in the Akasaka area, one of central Tokyo's leading office/commercial districts. ● The property is expected to attract strong demand from affiliated companies of tenants of the TBS building, Akasaka Biz Tower, etc. ● Thanks to the popularity of the area, location conditions, etc., there is also strong demand for the residential units of the property. 	<ul style="list-style-type: none"> ● Located in the Shibuya area, one of Japan's leading commercial districts, the property has a strong appeal for fashion and IT-related companies. ● Following the completion of the Shibuya Station area redevelopment project, further development is expected going forward.

Portfolio List

Asset type	Office	Office	Residence	Residence	Residence	Residence
Property	Hakata-eki Higashi 113 Building	Asahi Building	Urban Park Azabujuban	Urban Park Daikanyama	Urban Park Yoyogikoen	Urban Park Shin-Yokohama
						
Acquisition price	1,885mil yen	6,320mil yen	2,045mil yen	6,315mil	875mil	2,528mil
Appraisal value	1,950mil yen	6,390mil yen	2,130mil yen	7,120mil yen	1,000mil yen	2,560mil yen
Structure/Floors	SRC 8F	S/SRC B2/12F	SRC with slate roofing B1/12F	RC, B1/3F•RC, B1/9F	RC B1/4F	S B1/10F
Address	Fukuoka, Fukuoka	Yokohama, Kanagawa	Minato , Tokyo	Shibuya , Tokyo	Shibuya , Tokyo	Yokohama, Kanagawa
Lot area	950.75m ²	1,906.86m ²	417.67m ²	2,469.06m ²	894.46m ²	862.00m ²
Total floor areas	4,888.70m ² (including 17.25m ² pump room)	12,353.83m ²	2,564.94m ²	8,261.29m ² (for 2 buildings combined)	2,155.28m ²	5,171.12m ²
Property Features	<ul style="list-style-type: none"> ● Located in the Hakata-eki-higashi area where there is high concentration of office buildings. ● Thanks to the renovated entrance hall and common areas on each floor, it appeals to tenant companies from a wide range of fields. ● With the completion of the Hakata Station area redevelopment project, further development is expected going forward. 	<ul style="list-style-type: none"> ● Located in the Yokohama Station West Exit area where there is a high concentration of commercial and office buildings. ● The floors can be subdivided into smaller spaces, enabling the building to flexibly accommodate demand from branch offices of companies in various fields. ● With the completion of the Yokohama Station area redevelopment project and the Excite Yokohama 22 project, further development is expected going forward 	<ul style="list-style-type: none"> ● Located in Azabu-Juban, an area with an elegant image that also boasts popular appeal. ● In addition to a stately tiled facade, the property is fully equipped with premium household facilities. ● Adjacent to the Roppongi area, a leading shopping spot in central Tokyo. 	<ul style="list-style-type: none"> ● Located in the Daikanyama area, which produces the latest trends. In addition to a stately tiled facade, ● the property is fully equipped with premium household facilities. ● Adjacent to the Shibuya and Ebisu areas, which are leading shopping spots in central Tokyo. 	<ul style="list-style-type: none"> ● Located in the Yoyogi-Koen/Yoyogi-Uehara area among streets lined with luxury condominiums and mansions. ● In addition to a sophisticated facade, the building's units are fully equipped with multiple bathrooms and premium household facilities. ● The property is adjacent to Yoyogi Park and Shibuya, one of the leading shopping spots in central Tokyo, thereby combining convenience with a high-quality residential environment. 	<ul style="list-style-type: none"> ● Located in the Shin-Yokohama area, which provides convenient transportation access. ● In addition to an elegant facade, the building is fully equipped with premium household facilities. ● Access to central Tokyo will improve considerably with the opening of direct services linking the Sagami and Tokyu railway lines.

Portfolio List

Asset type	Residence	Logistics	Logistics	Logistics	Hotel	Hotel
Property	Urban Park Namba	Iwatsuki Logistics	Yokohama Logistics	Funabashi Logistics	R&B Hotel Umeda East	Smile Hotel Namba
						
Acquisition price	1,490mil yen	6,942mil yen	3,560mil yen	7,875mil yen	2,069mil yen	1,750mil yen
Appraisal value	1,590mil yen	7,000mil yen	3,860mil yen	8,210mil yen	2,220mil yen	2,060mil yen
Structure/Floors	RC 14F	Steel construction, zinc plated steel roofing, 5 floors	RC 8F	Building 1: Steel construction, flat roof, zinc-plated steel roofing, 8 floors Building 2: Reinforced concrete structure, flat roof, 5 floors	RC 9F	S 9F
Address	Osaka, Osaka	Saitama, Saitama	Yokohama, Kanagawa	Funabashi, Chiba	Osaka, Osaka	Osaka, Osaka
Lot area	670.39m ²	15,623.14m ²	10,565.95m ²	19,858.00m ²	730.26m ²	285.28m ²
Total floor areas	2,776.87m ²	29,729.72m ²	18,387.89m ² (including 256.15m ² of break areas, etc.)	38,871.45m ² (two buildings combined)	3,945.65m ²	1,711.42m ²
Property Features	<ul style="list-style-type: none"> ● Located near Namba, one of Osaka's leading commercial areas. ● In addition to an elegant facade, the building is fully equipped with premium household facilities. ● The influx of population into central Osaka due to the impact of strong in-bound demand has had a stabilizing effect on occupancy rates. 	<ul style="list-style-type: none"> ● Located in the Iwatsuki area, which offers access to the central Tokyo, northern Kanto, and Tohoku areas. ● Equipped with specifications that offer a high level of versatility, such as the vehicle berths, floor height, and column interval. ● The property is situated in a zone of Saitama City that offers incentives for logistics facilities and therefore benefits from considerable government support. 	<ul style="list-style-type: none"> ● Located in the Yokohama bay area, where there are many logistics facilities. ● Equipped with specifications that offer a high level of versatility, such as vehicle berths, floor height, and column interval. ● In addition to accessing Central Tokyo, it is possible to access the wider Tokyo area thanks to the opening of the Shinagawa section of the Shuto Expressway Central Circular Route. 	<ul style="list-style-type: none"> ● Located in the Chiba bay area, where there are many logistics facilities. ● Equipped with specifications that offer a high level of versatility, such as vehicle berths, floor height, and column interval. ● In addition to accessing Central Tokyo, it is possible to access the wider Tokyo area thanks to the opening of the Tokyo Outer Ring Road. 	<ul style="list-style-type: none"> ● Located near Umeda, one of Osaka's leading office and commercial areas. ● With over 200 single-occupancy rooms, the hotel is able to accommodate significant business- and tourism-based demand. ● Due to the impact of strong in-bound demand in Osaka, further hotel demand is expected. 	<ul style="list-style-type: none"> ● Located near Umeda, one of Osaka's leading office and commercial areas. ● With over 200 single-occupancy rooms, the hotel is able to accommodate significant business- and tourism-based demand. ● Due to the impact of strong in-bound demand in Osaka, further hotel demand is expected.

Balance of Payments of Individual Properties

(unit : thousand yen)

Name of property	Minami-Azabu Shibuya Building	Oak Minami-Azabu	Honmachibashi Tower	Nishi-Shinjuku Matsuya Building	Alphabet Seven	Shibuya MK Building	Hakata-eki Higashi 113 Building	Asahi Building	Office Total
Total of revenue real estate lease	98,909	120,886	235,320	50,713	38,152	34,402	39,755	113,250	731,392
Rent revenue real estate	92,286	113,515	207,469	46,737	34,583	31,568	37,318	103,158	666,639
Other lease business revenue	6,622	7,370	27,850	3,975	3,569	2,833	2,436	10,092	64,752
Total of expenses - real estate lease	23,250	43,490	45,633	14,036	8,940	9,125	8,478	19,874	172,829
PM fees	6,224	16,342	15,572	3,652	2,853	2,556	4,145	8,645	59,993
Trust fees	439	436	436	225	225	197	197	225	2,384
Utilities expenses	7,725	14,392	26,674	3,040	2,185	1,788	2,328	9,635	67,770
Insurance expenses	139	272	424	77	61	26	76	217	1,295
Repair expenses	81	3,420	1,437	225	2,101	17	1,592	629	9,503
Taxes and public dues	14	44	24	19	18	8	29	48	208
Others	8,626	8,581	1,063	6,795	1,494	4,530	109	472	31,673
NOI	75,659	77,396	189,687	36,677	29,212	25,277	31,276	93,376	558,563
Depreciation	10,855	6,645	53,153	3,585	1,522	1,530	3,504	13,433	94,231
Income from real estate property leasing	64,803	70,751	136,534	33,091	27,689	23,746	27,771	79,942	464,331
Capital expenditures	1,240	24,527	3,587	0	3,780	0	880	606	34,620
NCF	74,419	52,869	186,100	36,677	25,432	25,277	30,396	92,770	523,942

Balance of Payments of Individual Properties

(unit : thousand yen)

Name of property	Urban Park Azabujuban	Urban Park Daikanyama	Urban Park Yoyogikoen	Urban Park Shin-Yokohama	Urban Park Namba	Residence Total
Total of revenue real estate lease	57,705	200,635	23,908	42,930	27,767	352,946
Rent revenue real estate	56,163	192,371	23,908	39,503	27,362	339,308
Other lease business revenue	1,541	8,264	0	3,427	405	13,638
Total of expenses - real estate lease	9,174	25,441	11,481	7,330	3,567	56,995
PM fees	2,250	9,285	4,326	2,630	1,401	19,894
Trust fees	382	382	436	197	197	1,596
Utilities expenses	479	5,058	812	380	203	6,934
Insurance expenses	68	232	54	102	38	496
Repair expenses	3,518	5,639	3,899	2,397	714	16,169
Taxes and public dues	1	0	2	14	6	25
Others	2,473	4,842	1,949	1,608	1,005	11,879
NOI	48,530	175,193	12,426	35,600	24,199	295,951
Depreciation	4,439	13,488	2,000	10,907	4,847	35,682
Income from real estate property leasing	44,090	161,705	10,426	24,692	19,352	260,268
Capital expenditures	245	287	923	1,886	311	3,654
NCF	48,285	174,906	11,503	33,713	23,888	292,296

Balance of Payments of Individual Properties

(unit : thousand yen)

Name of property	Iwatsuki Logistics	Yokohama Logistics	Funabashi Logistics	Logistics Total	R&B Hotel Umeda East	Smile Hotel Namba	Hotel Total
Total of revenue real estate lease	220,889	non-disclosure	280,746	non-disclosure	70,359	72,938	143,298
Rent revenue real estate	206,079		261,051		70,359	72,938	143,298
Other lease business revenue	14,810		19,694		0	0	0
Total of expenses - real estate lease	22,124		36,779		10,497	2,945	13,422
PM fees	6,091		12,426		814	723	1,538
Trust fees	482		436		482	700	1,182
Utilities expenses	14,810		15,824		6	0	6
Insurance expenses	321		466		134	63	198
Repair expenses	0		7,310		6,468	1,064	7,533
Taxes and public dues	10		44		8	4	13
Others	408		271		2,582	388	1,970
NOI	198,765		243,967		59,862	69,992	129,855
Depreciation	51,861		29,856		9,976	13,823	23,800
Income from real estate property leasing	146,903		214,110		49,886	56,169	106,055
Capital expenditures	0		6,204		72,861	0	72,861
NCF	198,765		237,763		-12,999	69,992	56,994

Period-End Appraisal Value and Index

Appraisal value at end of 1st fiscal period : 66,020 million yen

Total book value : 62,482 million yen

Unrealized gains : 3,537 million yen

P/NAV per : 0.82

Net assets per unit : 98,197 yen

Unrealized gains per unit : 10,263 yen

NAV/Unit : 107,492 yen

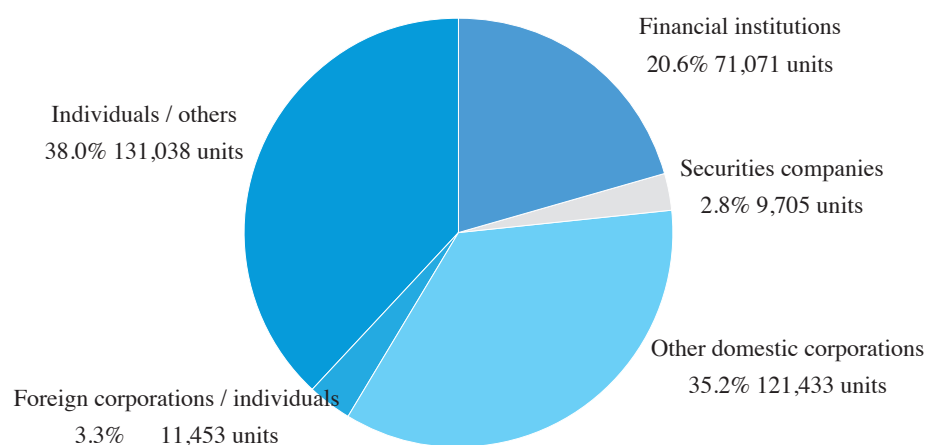
	Name of property	Acquisition price	Appraisal value at time of acquisition	Appraisal value at end of 1st fiscal period	Increase/decrease
office	Minami-Azabu Shibuya Building	2,973	3,000	3,020	20
	Oak Minami-Azabu	3,271	3,300	3,400	100
	Honmachibashi Tower	6,065	6,530	6,700	170
	Nishi-Shinjuku Matsuya Building	1,763	2,120	2,230	110
	Alphabet Seven	1,725	2,240	2,250	10
	Shibuya MK Building	2,042	2,150	2,330	180
	Hakata-eki Higashi 113 Building	1,885	1,920	1,950	30
	Asahi Building	6,320	6,370	6,390	20
	subtotal	26,044	27,630	28,270	640
Residence	Urban Park Azabujuban	2,045	2,130	2,130	0
	Urban Park Daikanyama	6,315	7,120	7,120	0
	Urban Park Yoyogikoen	875	1,040	1,000	-40
	Urban Park Shin-Yokohama	2,528	2,540	2,560	20
	Urban Park Namba	1,490	1,560	1,590	30
	subtotal	13,253	14,390	14,400	10
Logistics	Iwatsuki Logistics	6,942	7,000	7,000	0
	Yokohama Logistics	3,560	3,840	3,860	20
	Funabashi Logistics	7,875	8,200	8,210	10
	subtotal	18,377	19,040	19,070	30
Hotel	R&B Hotel Umeda East	2,069	2,210	2,220	10
	Smile Hotel Namba	1,750	1,860	2,060	200
	subtotal	3,819	4,070	4,280	210
Total		61,493	65,130	66,020	890

※unit price

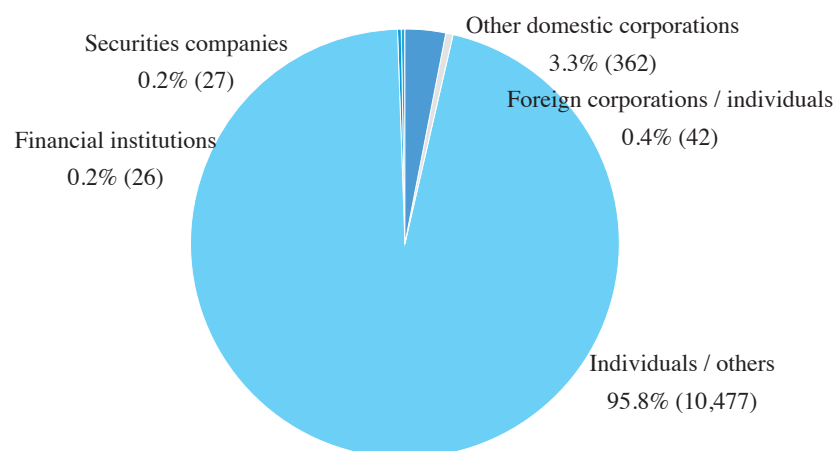
{(Net asset + Appraisal value - FBook value - retained earnings) ÷ Number of issued units}

Status of Unitholders

Number of Investment Units by Unitholder Type: Total 344,700 units



Number of Unitholders by Unitholder Type: Total 10,934



	Unitholder's name	Number of investment units	Unitholding ratio
1	SA1 Investment Business Limited Partnership Unlimited Liability Partner General Incorporated Association SA Holding 1	47,000	13.6%
2	SA3 Investment Business Limited Partnership Unlimited Liability Partner, General Incorporated Association SA Holding 3	25,620	7.4%
3	Japan Trustee Services Bank, Ltd. (Trust account)	25,185	7.3%
4	SA4 Investment Business Limited Partnership Unlimited Liability Partner, General Incorporated Association SA Holding 4	22,380	6.5%
5	The Nomura Trust and Banking Co., Ltd. (Investment Trust account)	11,856	3.4%
6	Trust & Custody Services Bank, Ltd. (Securities investment trust account)	11,195	3.2%
7	The Master Trust Bank of Japan ,Ltd. (Trust account)	10,751	3.1%
8	UBS Securities LLC - HFS Customer Segregated Account	6,374	1.8%
9	Matsui Securities Co., Ltd.	4,694	1.4%
10	Yamato Shinkin Bank	3,000	0.9%
	T o t a l	168,055	48.8%

Strategy to maximize unitholder's interests

Employment of a management fee system linked to net income per unit

SAR aims to align interests of unitholders and the Asset Manager by introducing a management fee system in which part of the fees is linked to net income per unit.

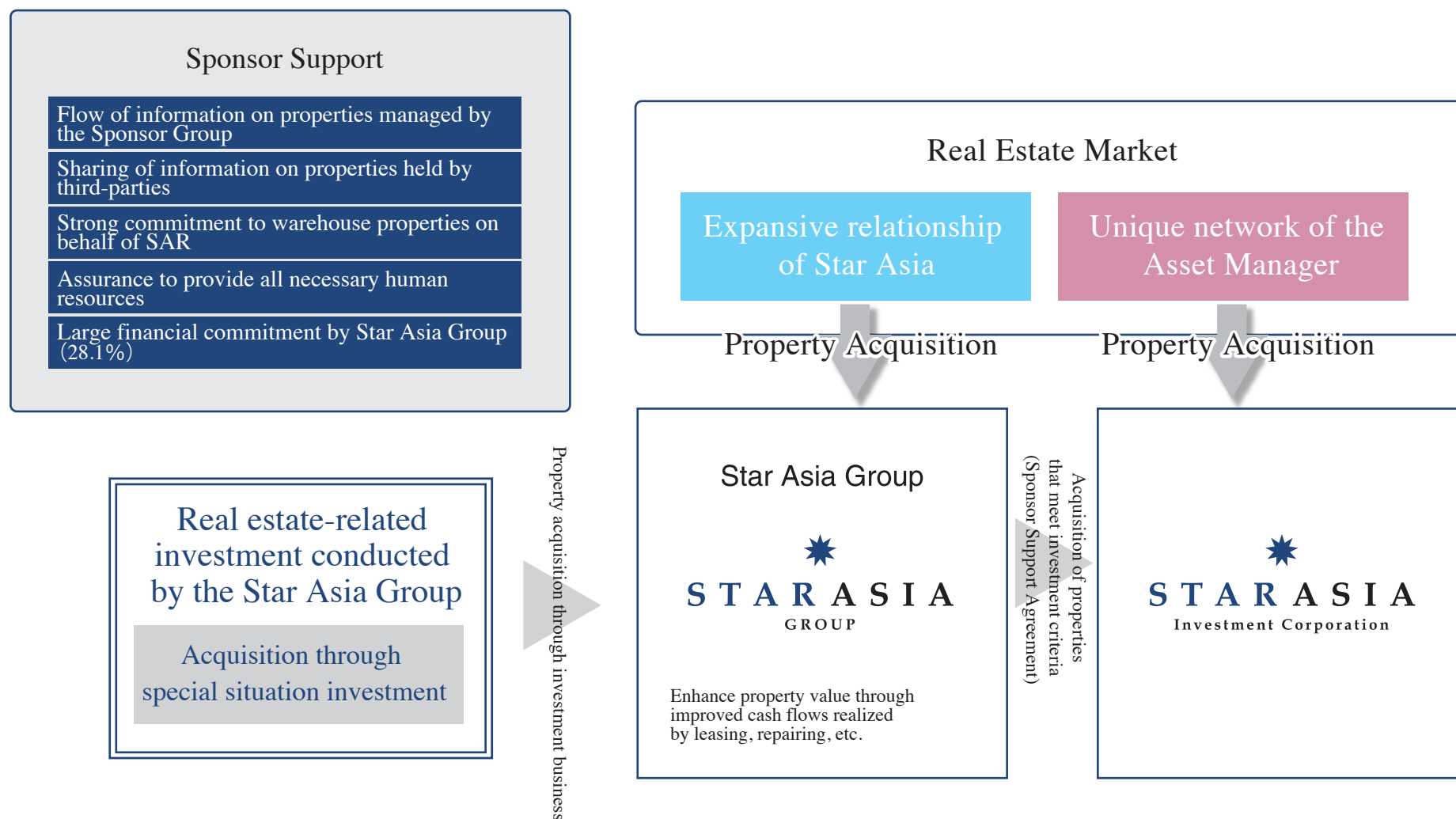
$$\begin{aligned}
 \text{Interim fees I} &= \left[\text{Whichever is lower of, the total acquisition prices for operating assets or appraisal value of operating assets at the end of the fiscal period} \right] \times \left[\frac{\text{Number of days of retaining operating assets in relevant fiscal period}}{\text{Number of days in the year}} \right] \times 0.3\% \\
 \text{Interim fees II} &= \left[\text{Cash distribution per unit before deduction of interim fees II} \right] \times \text{NOI} \times 0.0010\%
 \end{aligned}$$

Investment in mezzanine loan debt

The Asset Manager determines its investment stance believed to be optimal by identifying future trends while analyzing real estate markets and discussing proper investment activities suitable to real estate prices. As part of such an investment stance, the Asset Manager considers investment in mezzanine loan debt mortgaged/backed by real estate, etc. in order to diversify income opportunities and contribute to income stability and the growth of SAR in the real estate market revolving due to economic changes and other factors. However, the Articles of Incorporation stipulate that investment in mezzanine loan debt be always maintained at 5% or less of total assets of SAR.





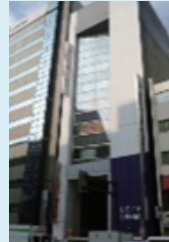







About Star Asia Group

Build the relationship with sponsor group to access the information about sales of properties under their management and those held by third parties based on sponsor support contract.



External Growth Strategy Diversified property acquisition methods by Star Asia Group

Acquisition of preferential negotiation rights Total value: 16,591 million yen

Acquisition method	Properties acquired by SAR		Pipeline properties	Properties for which preferential negotiation rights are granted		
Acquisition through special situation investment	<div><div><p>Nishi Shinjyuku Matsuya Building</p></div><div><p>Minami-Azabu Shibuya Building</p></div><div><p>Alphabet Seven</p></div></div>		<div><div><p>Toranomon Hills</p></div><div><p>Lei's Umeda</p></div></div>			
	<div><div><p>Iwatsuki Logistics</p></div><div><p>Yokohama Logistics</p></div><div><p>Funabashi Logistics</p></div><div><p>Asahi Building</p></div></div>		<div><div><p>BEST WESTERN Yokohama</p></div><div><p>BEST WESTERN Tokyo Nishikasai</p></div><div><p>Hakata-eki East Place</p></div></div>			
Negotiation transaction						
Acquisition through negotiation with information obtained from overseas investors, domestic financial institutions, etc.						
Expansive relationship of Star Asia						
Joint bid						
Acquisition through joint bids with Japanese real estate companies						

Name of property	Minimum acquisition price	Asset
Haraki Logistics	4,700	Logistics
BEST WESTERN Yokohama	3,185	Hotel
BEST WESTERN Tokyo Nishikasai	3,805	Hotel
Joytel Gokokuji	1,460	Residence
Urban Park Kashiwa	1,186	Residence
Hakata-eki East Place	2,255	Office

With regard to "Pipeline properties" and "Properties for which preferential negotiation rights are granted," as of today, there is no fact that SAR has decided to acquire any of these properties, and there is no guarantee that these properties will be incorporated in

With regard to "Pipeline properties" and "Properties for which preferential negotiation rights are granted," as of today, there is no fact that SAR has decided to acquire any of these properties, and there is no guarantee that these properties will be incorporated into the portfolio in the future.

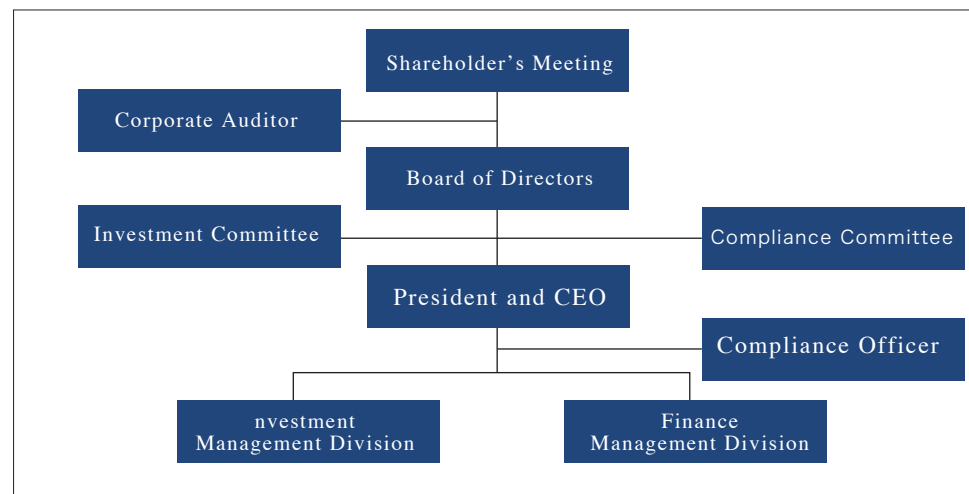
Organizational Framework of Asset Manager

Organization Chart




Atsushi Kato
President and CEO


After entering Nomura Real Estate Development Co., Ltd., he worked for Showa Ota Ernst & Young, and then entered Nomura Securities Co., Ltd. After being involved in the asset finance business including support in establishing J-REITs, he joined Star Asia Investment Management Co., Ltd.



Yukie Osonoe
Chief Compliance Officer

Judicial Scrivener
While at a leading law firm, he received many orders from real estate funds regarding TMK and TK-GK matters. Thereafter, he capitalized on such experience while being involved in compliance-related tasks such as management of internal corporate regulations, advising on investment, maintenance and management of agency registration on a legal compliance team of an LLC that had foreign funds as clients.

Investment Management Division	
Yoshikuni Taguchi Director and CIO	 Real Estate Appraiser Joined Star Asia Investment Management Co., Ltd. after working at Urban Development Real Estate Appraisers, Ken Corporation Ltd., Canal Investment Trust Co., Ltd. (currently, Heiwa Real Estate Asset Management Co., Ltd.) and Prudential Real Estate Investors (Japan) K.K. (currently, PGIM Real Estate (Japan) Ltd.).
Manager (male)	Assistant Real Estate Appraiser Was in charge of the acquisition of a total of over 100 billion yen in properties, asset management (AM) and finance tasks at a foreign-affiliated real estate investment company, prior to which he supervised acquisitions, AM and finance tasks at a REIT operating company.
Manager (male)	Was involved in asset management of a total of over 100 billion yen at an operating company for a leading logistics REIT, prior to which he was in charge of acquisitions, AM and finance tasks at a foreign-affiliated real estate investment company.
Manager (Female)	As a member of a startup team for a property management (PM) company, he was involved in PM tasks for office and commercial facilities with a total value of over 30 billion yen entrusted by private placement funds, individual owners, etc. Played an active role as a leader of AM middle-back tasks using experience from former duties,
Manager (Female)	Was in charge of cash management, leasing management, accounting, construction management tasks, etc. at an operating company of a leading REIT. Is in charge of AM middle-back tasks using experience from former duties.

Finance Management Division	
Toru Sugihara Director and CFO	 RAfter being involved in the investment banking business at Nomura Securities Co., Ltd., he worked at Barclays Securities Japan Limited and Kenedix, Inc. and joined Star Asia Management Japan, Ltd.
Manager (Female)	Involved in IR, management planning tasks, etc. in the general construction industry. Using experience obtained thereafter in startup work for an overseas base of a different business, is currently in charge of general financial management tasks while primarily working in IR.
Manager (male)	Certified Public Accountant After gaining experience as a member of an audit team of a REIT at an accounting office, he was involved in tasks of the planning department at a leading investment advisory company. Using his expert knowledge, he also contributes to the formulation of management strategies.
Manager (male)	After gaining experience in conducting duties at a leading bank and foreign-affiliated financial institute, gained experience in PM tasks for over 50 properties in total of REITs, private placement and individual owners at a leading PM company, and using such experience, conducts property cash management in cooperation with the Investment Management Division. He also contributes in other administrative tasks.
Associate (male)	In charge of a wide range of work as an assistant, using abundant experience from various duties.



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