

July 19, 2019

For Immediate Release

Real Estate Investment Trust Securities Issuer
Star Asia Investment Corporation
Representative: Atsushi Kato, Executive Director

(Code: 3468)

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Lion Partners

— Further Increases Amount of Additional Acquisition of Sakura Sogo REIT Units —

Star Asia Investment Corporation (“SAR”) and Star Asia Investment Management Co., Ltd. (the “Asset Manager”), the asset manager for SAR, received a notice today from Lion Partners GK (“LPGK”, Representative Director: Toru Sugihara), an affiliate of Star Asia Group. Currently LPGK is one of the largest unitholders of Sakura Sogo REIT Corporation (“SSR”) holding over 3.6% of total units outstanding. Details are as follows:

1. Increase in the Acquisition Funds Limit Amount in relation to the Additional Acquisition of SSR Investment Units

As announced in the notice “Lion Partners to Acquire Additional Investments of SRR Investment Units” dated July 17, 2019 (hereinafter referred to as the “Investment Units Additional Acquisition Notice 1”), LPGK is currently proceeding with the acquisition of SSR investment units through open market purchases at the Tokyo Stock Exchange (TSE), up to a maximum amount of JPY 200,000,000, through discretionary transactions under a discretionary investment contract. The purchases are being executed with the objective to not have a large impact on the day-to-day market pricing formulation of the investment units. Furthermore, an additional JPY 300,000,000 has been added to the acquisition funds limit amount. As a result, the the total acquisition funds limit will now be JPY 500,000,000.

The purpose of the increase in the acquisition funds limit amount is to reinforce the thinking behind LPGK’ additional acquisition of SSR investment units, which was announced in the Investment Units Additional Acquisition Notice 1 (please see reference below).

- LPGK, within its proposal to merge SSR with SAR, has called for “A merger of the unitholders, by the unitholders, and for the unitholders”. By acquiring additional investment units of SSR and thereby increasing its alignment with all SSR unitholders, LPGK wants to clearly reiterate its strategy and focus on maximizing unitholders’ value for all unitholders.
- At the same time, LPGK aims to have all SSR unitholders understand that Star Asia Group is fully committed to supporting SSR.
- LPGK firmly believes by replacing the Executive Director (and appointment of Toru Sugihara as the new Executive Director) and the replacement of the asset management company (and having the Asset

Manager enter into a more favorable asset management entrustment agreement with SSR), SAR's active management strategy will be implemented for SSR's operations as well. This will result in a much improved unitholders' value for all SSR unitholders. There is a large gap between the trading price of SSR investment units in today's markets and the potential value which LPGK believes the SSR investment units will have.

2. Reference Information

Please also refer to the following press releases for further information.

<Disclosed on May 10th, 2019>

- Notice Concerning Proposal for Merger between Sakura Sogo REIT Investment Corporation and Star Asia Investment Corporation
- Supplementary Explanatory Material Regarding Today's Timely Disclosure (1)
~Proposal Material from the Star Asia Group to all unitholders of Sakura Sogo REIT Investment Corporation~
- Supplementary Explanatory Material Regarding Today's Timely Disclosure (2)
~Explanatory Material to all unitholders of Star Asia Investment Corporation~

<Disclosed on May 16th, 2019>

- Notice Concerning Application for Permission of Holding Sakura Sogo REIT Investment Corporation's Unitholders' Meeting by Star Asia Group

<Disclosed on June 28th, 2019>

- Star Asia Group Receives Approval to Hold Unitholders' Meeting of Sakura Sogo REIT Investment Corporation

<Disclosed on July 1st, 2019>

- Notice Concerning Holding Unitholders' Meeting of Sakura Sogo REIT Investment Corporation By Star Asia Group

<Disclosed on July 4th, 2019>

- Lion Partners Files Petition with Tokyo District Court Seeking Injunction Given Illegal Acts Conducted by the Executive Director of Sakura Sogo REIT ("SSR"). Also Takes Other Further Actions to Protect and Defend the Best Interests of SSR Unitholders

<Disclosed on July 5th, 2019>

- Supplementary Explanatory Material Regarding Timely Disclosure announced on July 4th, 2019

<Disclosed on July 17th, 2019>

- Lion Partners to Acquire Additional Investment Units of Sakura Sogo REIT

3. Future Policy

If circumstances should arise which warrant further disclosures, such matters shall be disclosed as deemed appropriate in a timely manner.

* SAR HP URL: <http://starasia-reit.com>

* Star Asia Group HP URL: <http://starasiamanagement.com/>

* SAR official YouTube channel URL: <https://www.youtube.com/channel/UCYasJn4xrns2fhyZFKMAELw>

This is an English translation of the announcement in Japanese dated July 19, 2019. However, no assurance or warranties are given for the completeness or accuracy of this English translation.