

September 24, 2019

For Translation Purpose Only

To All Concerned Parties

REIT Securities Issuer
Sakura Sogo REIT Investment Corporation
Representative: Toru Sugihara, Executive
Director:
(Securities Code 3473)

Asset Management Company:
Sakura Real Estate Funds Management, Inc.
Representative: Makoto Muranaka,
Representative Director and
President
Contact: Mayumi Kobiki,
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Announcement Concerning Cancellation Notice of Merger Agreement
by and between MIRAI Corporation and Sakura Sogo REIT Investment Corporation

Sakura Sogo REIT (hereinafter “SAKURA”) announces that as of September 20, 2019 it has sent out a cancellation notice (arriving today) to MIRAI Corporation regarding the merger agreement entered into by and between SAKURA and MIRAI Corporation announced in “Notice Concerning Execution of Merger Agreement by and between MIRAI Corporation and Sakura Sogo REIT Investment Corporation” dated August 5, 2019 (hereinafter the “Merger Agreement”). The details are as follows.

1. Cancellation Notice Date of the Merger Agreement
September 20, 2019
2. Background Leading to Cancellation Notice of the Merger Agreement
On August 30, 2019, at the 3rd General Meeting of Unitholders held by SAKURA, a resolution for an approval of an absorption-type merger agreement with MIRAI Corporation was not concluded due to a lack of the quorum required for the resolution. As a result, it became impossible to complete obtaining the approval of the General Meeting of Unitholders of SAKURA by October 31, 2019, which is the day preceding the effective date of the merger provided for in the Merger Agreement, and therefore, after meeting with MIRAI Corporation in advance to provide an explanation of its intention to cancel the Merger Agreement, SAKURA sent out to MIRAI Corporation a written notice to the effect that SAKURA has cancelled the Merger Agreement as of September 20, 2019 in accordance with the provisions of the Merger Agreement. The Memorandum of Understanding for Merger entered into by and between SAKURA and MIRAI Corporation, which was announced in “Notice Concerning Execution of Memorandum of Understanding regarding Merger of MIRAI Corporation and Sakura Sogo REIT Investment Corporation” dated July 19, 2019, is considered to cease to be effective pursuant to the provisions thereof, and the Agreement on Exclusive Negotiation set out in the Memorandum of Understanding is also considered to cease to be effective, thus SAKURA also notified to that effect in the above cancellation notice.
3. Outlook
Future other responses based on the results of the General Meeting of Unitholders held by Lion Partners Godo Kaisha on August 30, 2019 and the General Meeting of Unitholders held by Sakura Sogo REIT Investment Corporation on August 30, 2019, and impacts on business performance for the fiscal year ending in December 2019 are under consideration as of today and will be announced when determined.

Sakura Sogo REIT Investment Corporation website address: <http://sakurasogoreit.com/en/>