

July 29, 2020

For Immediate Release

Real Estate Investment Trust Securities Issuer
Star Asia Investment Corporation
Representative: Atsushi Kato, Executive Director
(Securities Code: 3468)

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

Asset Management Company
Star Asia Investment Management Co., Ltd.
Representative: Atsushi Kato, President and CEO
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Notice Concerning the Support System Etc. after the Merger between
Star Asia Investment Corporation and Sakura Sogo REIT Investment Corporation

Star Asia Investment Corporation (“SAR”) and its asset manager Star Asia Investment Management Co., Ltd. (“Asset Manager”) today decided to enter into a “Comprehensive Support Agreement regarding Properties Acquisition and Properties Management” (“Comprehensive Support Agreement”) with NIPPON KANZAI Co. Ltd. (“Nippon Kanzai”) and its 100% subsidiary, Tokyo Capital Management Co., Ltd. (“Tokyo Capital”, and together with Nippon Kanzai collectively referred to as the “Two Firms”). Furthermore, the Asset Manager, in anticipation of the management system to be in place after the merger (the “Merger”) between SAR and Sakura Sogo REIT Investment Corporation (“SSR”), has decided to sign an agreement regarding cancellation of the “Master Property Management Commissioning Agreement” (“MPM Agreement”) with respect to the 9 properties held by SSR (the “MPM Agreement Cancellation Agreement”), and to newly enter into the “Property Management Agreement” (“New PM Agreement”) with respect to the 10 properties held by SSR. By entering into these agreements, after the Merger, SAR will have Nippon Kanzai and Tokyo Capital as “Sub-sponsors”, and it is expected that SAR will be able to receive various support from the Sub-sponsors with respect to properties held by SAR or properties to be considered for acquisition. After the Merger, SAR and the Asset Manager will continue operations in pursuit of maximization of unitholders’ interests under the support of Star Asia Group as before, and also by receiving strong support from Nippon Kanzai and Tokyo Capital. Please see below for details of the support system etc.

1. Comprehensive Support Agreement

(1) Main purpose of signing the Comprehensive Support Agreement

The post-Merger SAR will position the Two Firms which have contributed to the management and operations of SSR’s held properties as “Sub-sponsors”, and the Comprehensive Support Agreement will be signed under the expectation to receive even more stronger support than before from them. SAR and the Asset Manager after the Merger will continue to pursue maximization of unitholders’ interests going forward, using the Two Firm’s expert knowledge of building management and operations, as well as their information gathering capabilities leveraging on their broad network. The Comprehensive Support Agreement is to come into effect on August 1, 2020 which is the expected date of effectuation of the Merger.

(2) General Description of the Comprehensive Support Agreement

Contract Parties	SAR, the Asset Manager, Nippon Kanざai and Tokyo Capital
Contract Signing Date	July 29, 2020
Contract Effective Date	August 1, 2020
General Description of Support	<ul style="list-style-type: none"> - Nippon Kanざai or Tokyo Capital will provide to the Asset Manager, except under certain circumstances, sale and purchase information regarding properties held by third parties which have been acquired by Nippon Kanざai or Tokyo Capital. - If requested by the Asset Manager, Nippon Kanざai or Tokyo Capital will (1) provide advice on preparation of the management and operations plan regarding properties considered for acquisition by SAR, (2) provide advice regarding the management and operations of properties held by SAR, and (3) provide cooperation to secure human resources at the Asset Manager, including secondment sending staff on secondment from Nippon Kanざai or Tokyo Capital. - The Asset Manager and Nippon Kanざai or Tokyo Capital will set a venue for periodic discussions, and share information concerning SAR's growth strategy etc. as necessary, and consider methods to contribute to the maximization of unitholders' interests.

(3) General Description of the Contract Counterparties

Name	NIPPON KANZAI Co. Ltd.	Tokyo Capital Management Co., Ltd.
Location	2-1-10 Nihonbashi, Chuo-ku, Tokyo 5th Floor, Yanagiya Building	1-14-2 Nishishimbashi, Minato-ku, Tokyo, Shimbashi SY Bldg. 9F
Representative Director	Representative Director and President Shintaro Fukuda	Representative Director and President Akihiko Soga
Outline of Main Business	Building management and operations (building management, security services) Residential management Environmental facility management Real estate fund management Other businesses	Composition, management, and advice regarding domestic real estate funds
Capital	JPY 3 billion (Note 1)	JPY 100 million
Date of Foundation	October 1965	January 2007
Net Assets	53,029,912 thousand yen (Note 2)	Not disclosed (Note 3)
Total Assets	77,024,136 thousand yen (Note 2)	Not disclosed (Note 3)
Large Shareholders and Shareholdings Ratios	Nippon Service Master Yugen Kaisha 33.58% (Note 4)	NIPPON KANZAI Co. Ltd. 100%
Relationship with SAR and the Asset Manager		
Capital relationships	No capital relationships worthy of mention.	
Personal relationships	No personal relationships worthy of mention; however, SAR, the Asset Manager and the Two Firms have signed the Comprehensive Support Agreement on July 29, 2020, which provides for the Asset Manager to secure human resources including by secondment from Nippon Kanざai or Tokyo Capital. As of today, 2 persons have been seconded from Tokyo Capital to	

	the Asset Manager.
Business relationships	The Two Firms have been commissioned to manage etc. multiple properties held by SSR. Even after the Merger, the Two Firms will continue to be commissioned to manage etc. the multiple properties held by SAR, or will be expected to be newly commissioned. Furthermore, SAR, the Asset Manager, and the Two Firms have signed the Comprehensive Support Agreement on July 29, 2020, and if requested by the Asset Manager, Nippon Kanzai or Tokyo Capital will (1) provide advice on preparation of the management and operations plan regarding properties considered for acquisition by SAR, or (2) provide advice regarding the management and operations of properties held by SAR. (Please refer to “(2) General Description of the Comprehensive Support Agreement” above.)
Interested Parties Status	The Two Firms do not fall under interested parties etc. under the Investment Trust Act, and such provisions are not applicable.

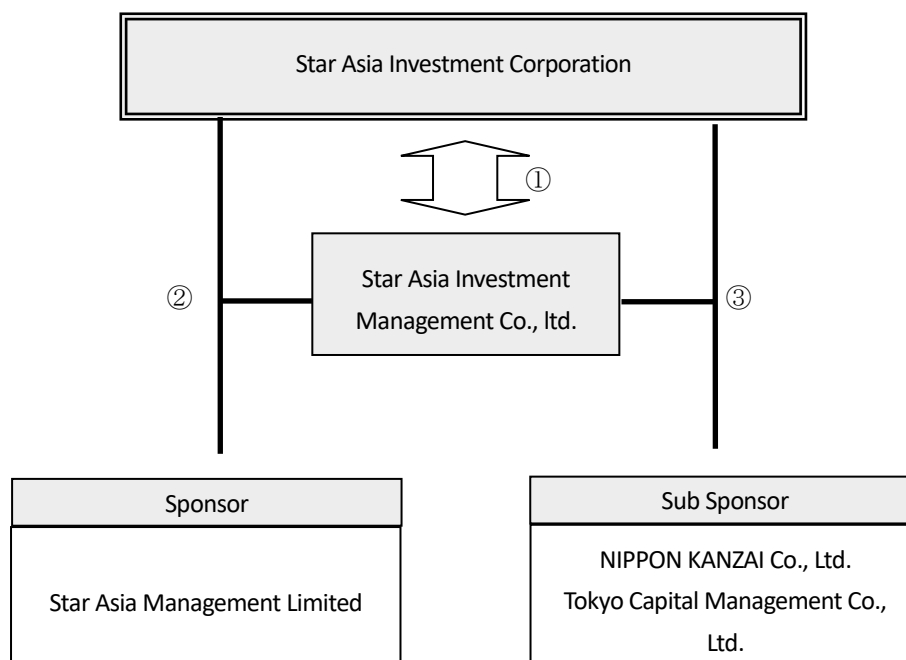
(Note 1) This figure is as of the fiscal period ended March 31, 2020.

(Note 2) These figures are from the consolidated balance sheet for the fiscal period ended March 31, 2020.

(Note 3) As the firm is not listed, these figures are not disclosed.

(Note 4) This is information for the fiscal period ended March 31, 2020.

(4) SAR’s Support System (Structure Diagram) after the Merger (on and after August 1, 2020)



(Note) The above structure diagram has been prepared by extracting only the support system portion, and does not cover all of the agreements entered into by SAR.

(1) Asset Management Agreement

(2) Sponsor Support Agreement

(3) Comprehensive Support Agreement regarding Properties Acquisition and Properties Management

2. Cancellation of the MPM Agreement and Signing of the New PM Agreement

(1) The Purpose of Cancellation of the MPM Agreement and signing of the New PM Agreement

In relation to the signing of the Comprehensive Support Agreement described above, upon entering into the Merger, in order to renew the management and operations system related to SSR-held properties, the MPM Agreement has been cancelled by agreement by signing the MPM Agreement Cancellation Agreement, and the New PM Agreement has been signed after careful examination and organization of the contents of work commissioned to Tokyo Capital under the agreement.

(2) General Description of the MPM Agreement Cancellation Agreement

Contract Parties	SSR, trustees of each property (Note 1), Tokyo Capital, and Master Lessee Mars Limited Godo Kaisha (Note 2)
Contract Signing Date	July 31, 2020
MPM Agreement Cancellation Date	July 31, 2020
Properties subject to the MPM Agreement Cancellation Agreement	<ul style="list-style-type: none"> ① NK BLDG. (Office) ② Takadanobaba Access (Office) ③ Azabu Amerex BLDG. (Office) ④ Shin-Yokohama Nara BLDG. (Office) ⑤ Suroy Mall Chikushino (Retail) ⑥ Seiyu Minakuchi (Retail) ⑦ Suroy Mall Nagamine (Retail) ⑧ Matsuya Residence Sekime (Residential) ⑨ Urban Plaza Imazato (Residential)

(Note 1) This refers to the trustees related to the properties (9 properties) subject to the MPM Agreement Cancellation Agreement: Sumitomo Mitsui Trust Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, or Aozora Bank, Ltd.

(Note 2) The master lessee related to the 9 properties subject to the MPM Agreement Cancellation Agreement. The same applies below.

(3) General Description of the New PM Agreement

Contract Parties	SSR (Note 3), trustees of each property (Note 4), Tokyo Capital, and Master Lessee Mars Limited Godo Kaisha
Contract Signing Date	July 31, 2020
Effective Date	August 1, 2020
Properties subject to the New PM Agreement	<ul style="list-style-type: none"> ① Seishin BLDG. (Office) ② NK BLDG. (Office) ③ Tsukasamachi BLDG. (Office) ④ Takadanobaba Access (Office) ⑤ Azabu Amerex BLDG. (Office) ⑥ Hiei-Kudan BLDG. (Office) ⑦ Shin-Yokohama Nara BLDG. (Office)

	⑧ The Portal Akihabara (Office) ⑨ Matsuya Residence Sekime (Residential) ⑩ Urban Plaza Imazato (Residential)
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(Note 3) With the Merger, the status of SSR under the New PM Agreement shall be comprehensively succeeded to by SAR.

(Note 4) This refers to the trustees of the properties (10 properties) subject to the New PM Agreement: Sumitomo Mitsui Trust Bank, Ltd., SMBC Trust Bank Limited, Mizuho Trust & Banking Co., Ltd., Aozora Bank, Ltd. and Mitsubishi UFJ Trust and Banking Corporation.

3. Future Outlook

The impact on the management status forecast for the fiscal period ending January 31, 2021 (August 1, 2020 to January 31, 2021) which was announced by SAR in the “Notice Concerning the Forecast of Operating Results and Distributions Subsequent to the Merger of Star Asia Investment Corporation and Sakura Sogo REIT Investment Corporation for the Fiscal Periods Ending January 31, 2021 and July 31, 2021” dated March 2, 2020 and in the “(REIT) Financial Report for Fiscal Period Ended January 31, 2020” dated March 13, 2020 due to signing etc. of the Comprehensive Support Agreement as described in this press release is minor, and there is no change to the forecast.

*Addresses of the websites of the Investment Corporations

Star Asia Investment Corporation: <http://starasia-reit.com/en/>

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

This is an English translation of the announcement in Japanese dated July 29, 2020. However, no assurance or warranties are given for the completeness or accuracy of this English translation.