



March 12, 2020

For Immediate Release

Real Estate Investment Trust Securities Issuer

Sakura Sogo REIT Investment Corporation

Representative: Toru Sugihara, Executive Director  
(Code: 3473)

Asset Management Company

Star Asia Investment Management Co., Ltd.

Representative: Atsushi Kato, President and CEO

Inquires: Akiko Kanno, Director and CFO

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GALAXY JREIT PTY Withdraws Petition for Provisional Disposition; All Court Proceedings Dismissed or Withdrawn

As announced in the press release dated February 21, 2020 entitled "Notice Concerning Petition for an Order of Provisional Disposition to Record the Agenda Items Proposed by Unitholder (in Japanese only), Sakura Sogo REIT Investment Corporation ("SSR") has been subject to a petition for provisional disposition (the "Petition") filed by GALAXY JREIT PTY LIMITED ("Petitioning Unitholder") requesting, in relation to the general meeting of unitholders scheduled to be held on March 30, 2020 (the "Unitholders' Meeting"), that the contents of the unitholder's proposal be recorded in the convocation notice and the reference documents for the Unitholders' Meeting. However, we have recently been informed by the Tokyo District Court that the Petition has been withdrawn by the Petitioning Unitholder. Details are as follows.

1. Court and Date of Withdrawal

- (1) Court of withdrawal: Tokyo District Court
- (2) Date of acceptance: March 11, 2020

2. The Unitholder which filed the Petition

- (1) Name: GALAXY JREIT PTY LIMITED
- (2) Address: Level 4, 15 Lime Street, Sydney, New South Wales, Australia
- (3) Title and name of representative: Neil R.J. Werret, Representative Member

3. SSR's Response Policy and Future Outlook

As of today, there is no impact on SSR's business performance due to withdrawal of the Petition. Going forward, if timely disclosure should become necessary, such disclosure will be promptly made.

For details of court proceedings filed against SSR or SSR's executive director to date by the Petitioning Unitholder or Sakura Real Estate Fund Management, Inc., voting rights of which are fully owned by the Petitioning Unitholder, and court decisions declared for such proceedings to date, please see the attached reference material "Past Court Proceedings and Court Decisions".

(Reference material)

("Past Court Proceedings and Court Decisions")

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

*This is an English translation of the announcement in Japanese dated March 12, 2020. However, no assurance or warranties are given for the completeness or accuracy of this English translation.*

("Past Court Proceedings and Court Decisions")

As of March 12, 2020, Galaxy JREIT Pty Ltd ("Galaxy") and Sakura Real Estate Fund Management, Inc. ("Previous Asset Manager"), voting rights of which are fully owned by Galaxy, have filed six court proceedings in total, including a litigation and petitions for preliminary injunctions, against SSR and SSR's executive director. Regarding all of these court proceedings, decisions by the Tokyo High Court and Tokyo District Court have been issued or petitions were withdrawn as of March 12, 2020.

Details of these litigation and petitions for preliminary injunctions, as well as decisions made by March 12, 2020 are as follows.

(1) Action seeking rescission of the resolutions adopted at the unitholders' meeting

(a) Contents of the litigation

On September 12, 2019, Galaxy filed an action with the Tokyo District Court against SSR, seeking rescission of item 2 through item 4 of the resolutions adopted at the unitholders' meeting held by Lion Partners GK on August 30, 2019 ("Lion Unitholders' Meeting"), which is based on the convocation permission of the Director of the Kanto Local Finance Bureau, on the ground that the method of convocation and resolution are illegal or extremely unfair. Contents of the resolutions of Lion Unitholders' Meeting are (i) appointment of executive director Toru Sugihara, (ii) cancellation of the asset management entrustment agreement with Sakura Real Estate Funds Management, Inc. and (iii) entering into an asset management entrustment agreement with Star Asia Investment Management Co., Ltd. ("Current Asset Manager")

(b) Contents of the decision

The Tokyo District Court dismissed Galaxy's action in its entirety on February 27, 2020.

(2) Petition for an order of injunction to suspend the performance of duties and to appoint an acting representative for SSR's executive director

(a) Contents of the petition

On September 12, 2019, Galaxy filed a petition with the Tokyo District Court against SSR and SSR's executive director Toru Sugihara, seeking an order of injunction to suspend the performance of duties and to appoint an acting representative for SSR's executive director whose nomination process contains deficiency, on the ground that the resolutions adopted at Lion Unitholders' Meeting shall be rescinded.

(b) Contents of the decision

The Tokyo District Court dismissed Galaxy's petition on February 27, 2020.

(3) Petition for an order of injunction to suspend the effect and execution of resolutions of general meeting of unitholders, etc.

(a) Contents of the petition

On October 2, 2019, Galaxy filed a petition with the Tokyo District Court against SSR and SSR's executive director Toru Sugihara, seeking an order of injunction to suspend the effect of resolution regarding cancellation of the asset management entrustment agreement with the Previous Asset Manager and to suspend execution of resolution regarding entering into an asset management entrustment agreement with the Current Asset Manager, each of which was adopted at Lion Unitholders' Meeting, on the ground that the resolutions adopted at Lion Unitholders' Meeting shall be rescinded.

(b) Contents of the decision

The Tokyo District Court dismissed Galaxy's petition on December 9, 2019. Although Galaxy has filed an immediate appeal to that decision on December 23, 2019, the Tokyo high court dismissed such immediate appeal on February 20, 2020.

(4) Petition for an order of injunction to prohibit certain acts on the basis of seeking to preserve the right to seek an injunction against illegal acts

(a) Contents of the petition

On October 3, 2019, Galaxy filed a petition with the Tokyo District Court against SSR's executive director Toru Sugihara, seeking an order of injunction to prohibit his acts towards (i) cancellation of the asset management entrustment agreement with Sakura Real Estate Funds Management, Inc., (ii) entering into an asset management entrustment agreement with the Current Asset Manager and (iii) execution of merger between SSR and Star Asia Investment Corporation, on the basis of seeking to preserve the right to seek an injunction against illegal acts.

(b) Contents of the decision

Galaxy withdrew its petition on December 27, 2019.

(5) Petition for an order of provisional disposition to preserve rights based on asset management agreement

(a) Contents of the petition

On December 26, 2019, the Previous Asset Manager, voting rights of which are fully owned by Galaxy, filed a petition with the Tokyo District Court against SSR, seeking an order of provisional disposition to preserve its rights as asset manager based on its asset management agreement.

(b) Contents of the decision

The Tokyo District Court dismissed the petition from the Previous Asset Manager on March 10, 2020.

(6) Petition for an order of provisional disposition to record unitholder's proposal items etc.

(a) Contents of the petition

On February 18, 2020, Galaxy filed a petition with the Tokyo District Court against SSR, seeking an order of provisional disposition to record unitholder's proposal items on convocation notice and reference documents for the general meeting of unitholders of SSR, on the basis of unitholder's rights to propose its agenda and request notification of details of the agenda.

(b) Contents of the decision

Galaxy withdrew its petition on March 9, 2020.

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