

September 5, 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,  
Chief Financial Officer  
Tel:+81-3-6272-6608

Announcement Concerning Notice of Termination of Asset Management Agreement

Sakura Sogo REIT (hereinafter “SAKURA”) announces that as of August 30, 2019 it notified Sakura Real Estate Funds Management, Inc., an asset management company to which SAKURA entrusts the management of its assets, that SAKURA has terminated its asset management agreement with said company. The details are as follows.

1. Summary of Counterparty of Asset Management Agreement to be Terminated

Name: Sakura Real Estate Funds Management, Inc.  
Address: 3-8-11 Kudan Minami, Chiyoda-ku, Tokyo  
Representative: Makoto Muranaka, Representative Director and President

2. Termination Date of Asset Management Agreement

February 29, 2020 (scheduled)

3. Background of Termination of Asset Management Agreement

On August 30, 2019, the termination of the asset management agreement with Sakura Real Estate Funds Management, Inc. and execution of an asset management agreement with Star Asia Investment Management Co., Ltd. were approved at the General Meeting of Unitholders of SAKURA held by Lion Partners Godo Kaisha, which is a minority unitholder of SAKURA. Following such approval, SAKURA notified Sakura Real Estate Funds Management, Inc. of the termination of the asset management agreement in writing as of August 30, 2019 in accordance with the provisions of the asset management agreement (note).

(Note) Under the asset management agreement between SAKURA and Sakura Real Estate Funds Management, Inc., the termination of the asset management agreement requires not only a resolution of the General Meeting of Unitholders of SAKURA but also not less than six months prior written notice.

4. Matters Concerning Succession of Asset Management Agreement

(1) Method for Succeeding to Asset Management Agreement

SAKURA plans to consult with Star Asia Investment Management Co., Ltd., and will announce the details once they are determined.

(2) Summary of Asset Management Company Succeeding to Asset Management Agreement

(i)	Name	Star Asia Investment Management Co., Ltd.
(ii)	Address	Atago Green Hills Mori Tower 18F, 2-5-1, Atago, Minato-ku, Tokyo
(iii)	Title and name of representative	Atsushi Kato, President and CEO
(iv)	Business details	a. Business concerning management of investment corporations' assets, as provided for in Article 2(8)(xii)(a) of the Financial Instruments and Exchange Act b. Real property management business, as provided for in Article 68(xiv) of the Cabinet Office Order on Financial Instruments Business, etc. (hereinafter the “Cabinet Office Order”) c. Business concerning real estate brokerage, as

		<p>provided for in Article 2(ii) of the Building Lots and Building Transaction Business Act (hereinafter the “Real Estate Brokerage Act”)</p> <p>d. Business concerning entrustment-based agency services for transactions, etc., as provided for in Article 50-2(1)(i) of the Real Estate Brokerage Act</p> <p>e. Acceptance of affairs related to the operation of an organ of an investment corporation, as provided for in Article 68(xviii) of the Cabinet Office Order</p> <p>f. Business as an organizer of an investment corporation</p> <p>g. Any business incidental or related to the above matters</p>
(v)	Stated capital	JPY 100,000,000
(vi)	Incorporation date	June 22, 2015
(vii)	Total liabilities and net assets for preceding fiscal year	JPY 231,263,000
(viii)	Major shareholder and shareholding ratio	Star Asia Asset Management, LLC; 100.0%
(ix)	SAKURA and Sakura Real Estate Funds Management, Inc.’s relationships with Star Asia Investment Management Co., Ltd.	
	Capital relationships	Not applicable
	Personnel relationships	Not applicable
	Business relationships	Not applicable
	Whether a “related party”	Not applicable
(x)	Status of admission to the Investment Trusts Association, Japan	Admitted into the Investment Trusts Association, Japan on December 17, 2015
(xi)	Status of approval provided for in Article 199 of the Act on Investment Trusts and Investment Corporations	Obtained approval for the entrustment-based agency services for transactions, etc. under the Real Estate Brokerage Act on November 10, 2015 (Approval number: approval of the Minister of Land, Infrastructure, Transport and Tourism No. 95)
(xii)	Summary of delegated business	<p>a. Business concerning management of SAKURA’s assets</p> <p>b. Business concerning financing of SAKURA</p> <p>c. Obligation to report to SAKURA</p> <p>d. Other business related or incidental to the above a. through c. that SAKURA delegates from time to time (including attending the board of directors meetings of SAKURA to make reports)</p>

## 5. Outlook

Future responses based on the termination of the asset management agreement and other results of the 3rd General Meeting of Unitholders held on August 30, 2019 (including handling of the merger agreement with MIRAI Corporation), 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/>