

(Amendment)

“Financial Results for the 7th Fiscal Period Ended July 2019”as announced on September 13, 2019

1. Amendment Point

-1.Page.18 Operating results for the 7th fiscal period ended July 2019 (5) Future Key Issues ~Current leasing status of Baraki Logistics etc.

-2.Page.24 Future Initiatives (3) SAR’s Abundant Pipeline of Properties: Enable Us to Conduct Various Action Plans

2. Amendment Details

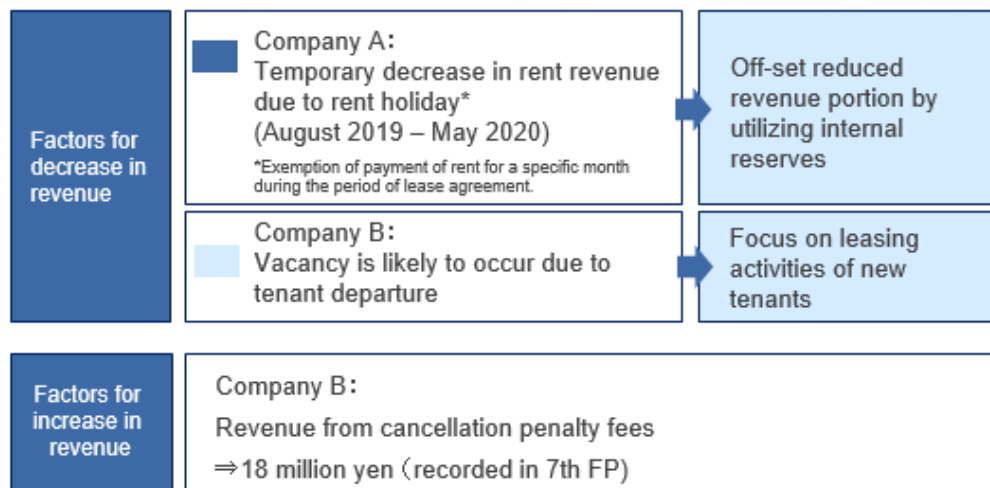
Please look at the next page.

The amended parts are green circled.

<Before Revision>

-1

Current Status of Baraki Logistics




Current Status of Leasing Activities etc. for Baraki Logistics

Company A Rent holiday (8th Fiscal Period - 5 months, 9th Fiscal Period - 4 months)

- To be off-set by using the internal reserves up to the 7th Fiscal Period, excluding revenue reduction factors
- The lease is non-cancellable up to July 2023, and it is recognized to become a stable revenue source after the rent holiday is over

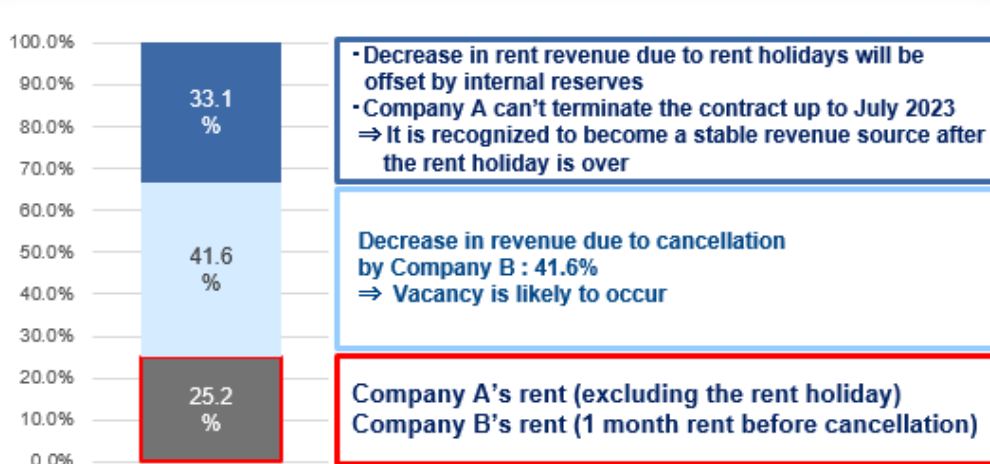
Leasing activities for the cancelled floor space of Company B

- This property is very close to Tokyo which is a super consumption region, and it is also within walking distance from the nearest train station, so there are many potential tenants
- A preview event was held at the time of restoration of the property to its original state towards cancellation by Company B at the end of August 2019
- Currently negotiating with multiple tenant candidates.
- Business forecast has been conservatively prepared



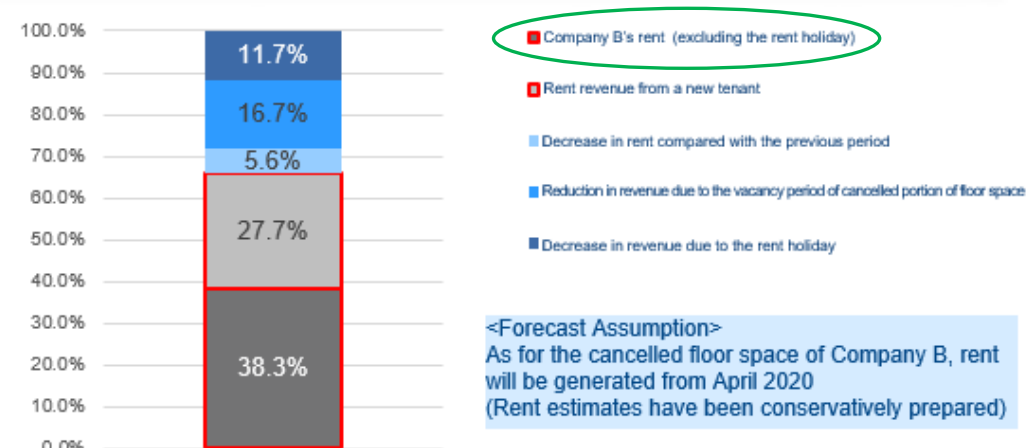
<Baraki Logistics>

Forecast Assumptions (8th FP)



The index is prepared assuming that the aggregate rent amount during normal periods (for 6 months) is 100

Forecast Assumptions (9th FP)



The index is prepared assuming that the aggregate rent amount during normal periods (for 6 months) is 100

Properties with Preferential Negotiation Rights and Star Asia Group's Pipeline

- Properties in (1) are stable and have set minimum selling prices and yields exceeding SAR's current portfolio.
- Properties in (2) are still in development or lease-up and will be considered for acquisition once the revenue stabilizes

(1) SAR has Preferential Negotiation Rights

Total Appraisal Value: **¥13.6bn**(Note16)

Tachikawa OHA bldg.

Nishi-Ikebukuro 1-Chome bldg.

Urban Park Mitsuike Koen

Urban Park Tokiwadai Koen

Chrysanthemum-Ichigao

Greater Tokyo Area Office

Tokyo area Retail

Tokyo area Residence

Tokyo area Residence

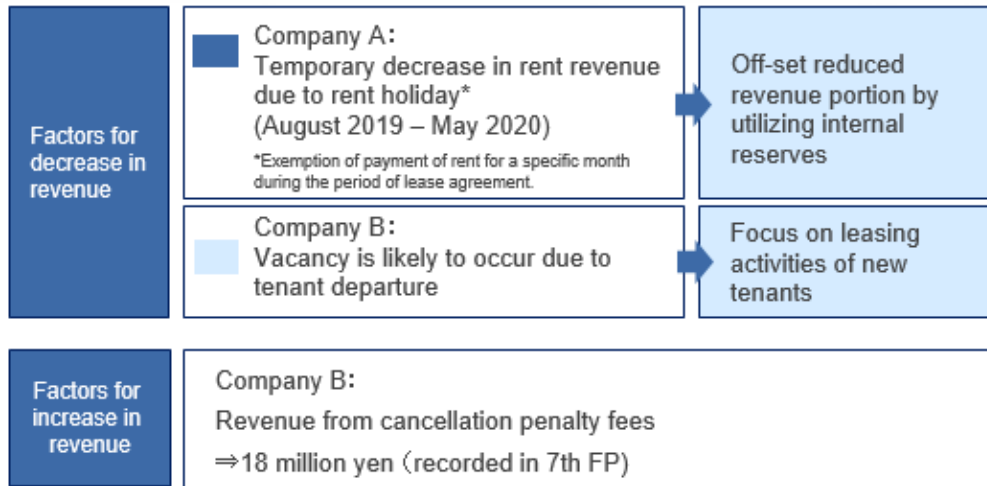
Tokyo area Residence



Avg. appraised cap rate: 4.9% (Note17)

Avg. cap rate after depreciation: 4.3% (Note18)

Current Status of Baraki Logistics




Current Status of Leasing Activities etc. for Baraki Logistics

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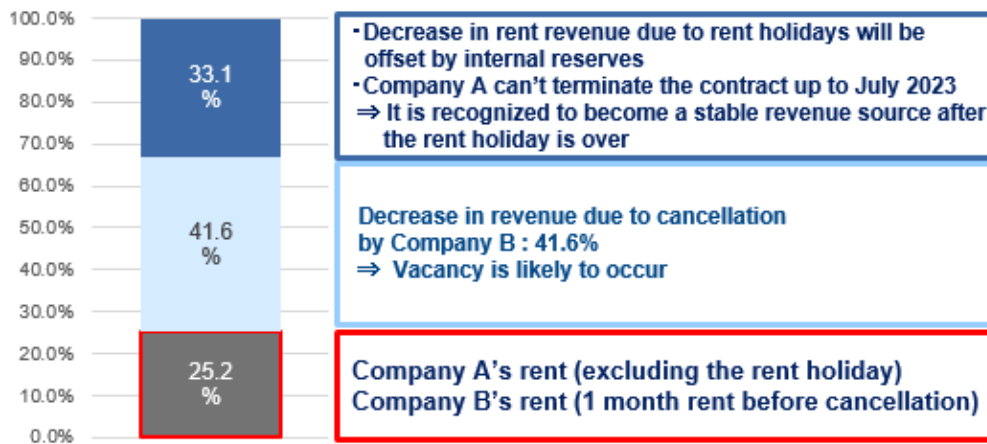
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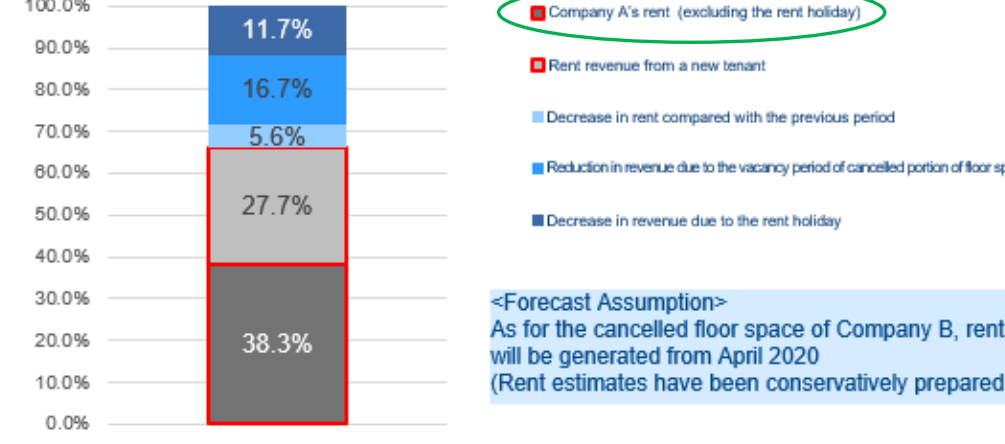
<Baraki Logistics>

Forecast Assumptions (8th FP)



The index is prepared assuming that the aggregate rent amount during normal periods (for 6 months) is 100

Forecast Assumptions (9th FP)



<Forecast Assumption>
 As for the cancelled floor space of Company B, rent will be generated from April 2020
 (Rent estimates have been conservatively prepared)

The index is prepared assuming that the aggregate rent amount during normal periods (for 6 months) is 100

Properties with Preferential Negotiation Rights and Star Asia Group's Pipeline

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(1) SAR has Preferential Negotiation Rights

Total Preferential Negotiation Prices: ¥13.6bn (Note16)

Tachikawa OHA bldg.	Nishi-Ikebukuro 1-Chome bldg.	Urban Park Mitsuike Koen	Urban Park Tokiwadai Koen	Chrysanthemum-Ichigao
Greater Tokyo Area Office	Tokyo area Retail	Tokyo area Residence	Tokyo area Residence	Tokyo area Residence
				

Avg. appraised cap rate: 4.9% (Note17)

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