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For Immediate Release

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

(Code: 3468)

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Star Asia Group Supports Nippon Kanzai's Views on Merger
Star Asia Also Strongly Believes Merger Between Star Asia REIT and Sakura Sogo REIT Is in the Best
Interest of All Unitholders

Star Asia Investment Corporation ("SAR") and Star Asia Investment Management Co., Ltd. (the "Asset Manager"), the asset manager for SAR, received a notice today from Lion Partners GK ("LPGK", Representative Director: Toru Sugihara), an affiliate of Star Asia Group. LPGK is one of the largest unitholders of Sakura Sogo REIT Corporation ("SSR") holding 3.6% of the total investment units as of June 30, 2019. The notice from LPGK is related to the statement announced by Nippon Kanzai Co. Ltd. (hereinafter "Nippon Kanzai") yesterday (July 24, 2019) entitled "Our View regarding the 'Notice Concerning Proposal for Merger between Sakura Sogo REIT Investment Corporation and Star Asia Investment Corporation' " (hereinafter referred to as the "NK Statement"). Details are as follows:

1. Star Asia Group's Response Regarding the Opinions of Nippon Kansai Announced in the NK Statement.

<Nippon Kanzai's Comment (1)>

We firmly believe that having SSR and SAR proceed with discussions in an amicable manner, with the objective of maximizing the enterprise value of SSR should be most beneficial to the interests of all SSR unitholders.

< Star Asia Group's Response>

Star Asia Group strongly believes that SSR as well as SSR's Executive Director and Representative Director have repeatedly taken actions which clearly contradict their claims that they wish to maximize unitholders' value. In fact, SSR has continually rejected legitimate and lawful requests from unitholders to convene a general meeting of all unitholders. However, as soon as the official permission to convene the unitholders' meeting was granted to LPGK by the Kanto Finance Bureau, SSR made the improper decision to hold its own unitholders' meeting on the same day as the unitholders' meeting to be held called by unitholders. Clearly, SSR could have decided to hold its own general meeting at the request and for the benefit of unitholders for weeks prior but refused to do so. Furthermore, SSR has unlawfully rejected legitimate requests made by unitholders to inspect and receive a copy of the unitholders register. Subsequently, SSR was ordered by the Court to allow for the inspection and copying of the

unitholders register. Currently, SSR is yet again rejecting the legitimate and lawful request for the inspection and receipt of a copy of the meeting minutes for the SSR board of directors' meetings. SSR has already received the recommendation from the Kanto Finance Bureau to comply with such request to disclose such documents.

As described above, SSR has repeatedly taken actions which do not comply with the legitimate and lawful requests from unitholders and therefore are not acting in the best interest of unitholders. Given these detrimental and bad faith acts by SSR, Star Asia Group has recognized that it would be extremely difficult to have constructive discussions with SSR which might lead to a beneficial path forward. However, if Nippon Kansai, as one of the sponsors of SSR, could act as a mediator and create a forum to have constructive discussions, Star Asia Group is prepared to seriously consider participating in such discussions.

<Nippon Kansai's Comment (2)>

Up to now, our Group has provided various building-related services to enhance the values of properties, including the introduction of additional properties to SSR since before its establishment. In particular, we have contributed to the long-term performance of SSR by proposing the optimum maintenance and management cost structures which we have developed as a building management company, and also by providing persistent rent negotiations in leasing activities aiming towards improvement of profitability, and proposing large-scale renovation works to improve the value of buildings, etc.. Our Group's basic policy with respect to the building management contract with SSR is to continue to provide the same building services as we have provided to date, and to continue to cooperate with SSR's development.

<Star Asia Group's Response>

Star Asia Group has been a very active and successful real estate investor in Japan for many years. Based on this extensive experience, Star Asia Group truly recognizes the role and track record of the on-site property management company is an extremely important factor in maintaining and increasing the value of real estate properties. Nippon Kansai has been entrusted with the building management for the assets owned by SAR as well, and have performed very well. Given this track record as well as the overall strong reputation of Nippon Kansai Group, Star Asia Group believes that Nippon Kansai is one of the most highly regarded and capable property management companies in Japan.

Star Asia Group believes that Nippon Kansai, which has been entrusted with the management of SSR-owned properties for several years dating back to SSR's predecessor, Galileo Japan Trust, understands the specific characteristics and nuances of the SSR owned properties better than any group. Therefore, Star Asia strongly asserts that Nippon Kansai must continue to act as the onsite building management company after the merger between SSR and SAR. Nippon Kansai's ability to materially contribute to the maintenance and improvement of the property values in the middle and long-term, will undoubtedly lead to maximizing value for all unitholders of the merged SAR and SSR companies.

2. Reference Information

Please also refer to the following press releases for further information.

<Disclosed on May 10th, 2019>

- Notice Concerning Proposal for Merger between Sakura Sogo REIT Investment Corporation and Star Asia Investment Corporation
- Supplementary Explanatory Material Regarding Today's Timely Disclosure (1)
~Proposal Material from the Star Asia Group to all unitholders of Sakura Sogo REIT Investment Corporation~
- Supplementary Explanatory Material Regarding Today's Timely Disclosure (2)
~Explanatory Material to all unitholders of Star Asia Investment Corporation~

<Disclosed on May 16th, 2019>

- Notice Concerning Application for Permission of Holding Sakura Sogo REIT Investment Corporation's Unitholders' Meeting by Star Asia Group

<Disclosed on June 28th, 2019>

- Star Asia Group Receives Approval to Hold Unitholders' Meeting of Sakura Sogo REIT Investment Corporation

<Disclosed on July 1st, 2019>

- Notice Concerning Holding Unitholders' Meeting of Sakura Sogo REIT Investment Corporation By Star Asia Group

<Disclosed on July 4th, 2019>

- Lion Partners Files Petition with Tokyo District Court Seeking Injunction Given Illegal Acts Conducted by the Executive Director of Sakura Sogo REIT ("SSR"). Also Takes Other Further Actions to Protect and Defend the Best Interests of SSR Unitholders

<Disclosed on July 5th, 2019>

- Supplementary Explanatory Material Regarding Timely Disclosure announced on July 4th, 2019

<Disclosed on July 17th, 2019>

- Lion Partners to Acquire Additional Investment Units of Sakura Sogo REIT

<Disclosed on July 19th, 2019>

- Lion Partners — Further Increases Amount of Additional Acquisition of Sakura Sogo REIT Units —

<Disclosed on July 25th, 2019>

- Important Notice Regarding the Sakura Sogo REIT Unitholders' Meeting to be Convened by Lion Partners (Scheduled to begin from 10:00 am on Friday August 30, 2019)

3. Future Policy

If circumstances should arise which warrant further disclosures, such matters shall be disclosed as deemed appropriate in a timely manner.

* SAR HP URL: <http://starasia-reit.com>

* Star Asia Group HP URL: <http://starasiamanagement.com/>

* SAR official YouTube channel URL: <https://www.youtube.com/channel/UCYasJn4xrns2fhyZFKMAELw>

This is an English translation of the announcement in Japanese dated July 25, 2019. However, no assurance or warranties are given for the completeness or accuracy of this English translation.