

4 February 2019

To All Concerned Parties

REIT Securities Issuer  
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Asset Management Company  
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### Notice Concerning Tenant Change at the Property (NK Building)

Sakura Sogo REIT Investment Corporation (hereinafter "Investment Corporation") hereby announces that it received a lease cancellation notice from a tenant at NK Building. Details are set forth below.

#### 1. Summary

Subject tenant	VINX CORP.
Property name	NK Building
Total building leasable area	3,395 (m2) 1,027 (tsubo)
Cancellation date and area subject to cancellation notice	1. 31 July 2019 B1F,2F,3F,6F,8F,9F 1,835 / 555 (m2/tsubo) 2. 30 September 2019 4F,7F 729 / 220 (m2/tsubo)
Percentage of total leasable area within NK Building subject to cancellation notice	75.5%
Percentage of total leasable area within the Investment Corporation's portfolio occupied by subject tenant (Note1)	1.4%
Monthly rent	Not disclosed (Note2)
Tenant security deposit	Not disclosed (Note2)

(Note1) Total leasable area within the Investment Corporation's portfolio occupied: 182,214m2

(Note2) These items are not disclosed because the consent of the tenant could not be obtained.

## 2. Future Outlook

The cancellation will occur during the Investment Corporation's seventh fiscal period ending on 31 December 2019 (1 July 2019 - 31 December 2019) and therefore will not impact the operating result for fiscal period five (1 July 2018 - 31 December 2018) or the forecast for fiscal period six (1 January 2019 - 30 June 2019).

SREFM will implement a leasing strategy for the upcoming vacant space to minimize any potential income void and to optimize both revenue and value from re-tenanting this space. Based on the most recent whole floor letting in the subject property in October 2018, the current passing rent is lower than market rent for the upcoming vacant space. SREFM will also undertake common area refurbishment works to optimize re-tenanting outcomes with respect to both new rental levels and asset value.

Overall, SREFM considers this cancellation as an opportunity to add value to the subject property by enhancing passing revenue and mitigating ongoing tenancy risk by releasing the upcoming vacant floors to multiple new tenants.

A further update relating to the leasing strategy and potential impact on future period financial forecasts will be provided at the Investment Corporation's announcement of financial results scheduled for 14 February 2019.

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