

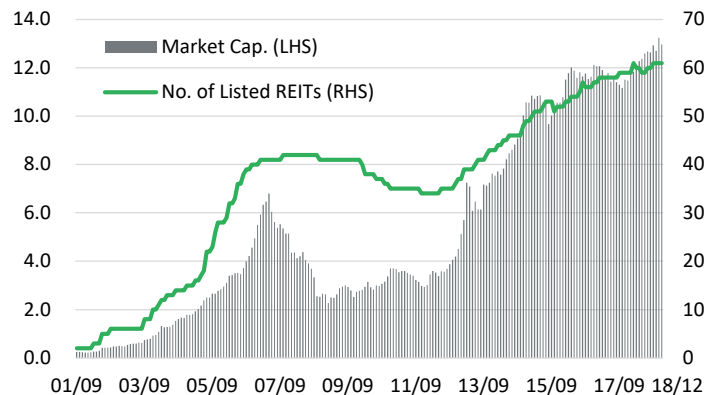
Section 5 – JREIT Sector & Peer Comparison

JREIT Sector

- Total market capitalization as at end December of ¥13.0 trillion
- 61 JREITs as at end January 2019 with 4 new entrants in 2018
- The volume of IPOs and POs has increased relative to the level of last year
- The DPU yield gap of larger vs smaller REIT's remains wide

Number of Listed JREITs and Market Capitalisation¹

(¥ Trillion)



Number of Listed JREITs and Market Capitalisation³

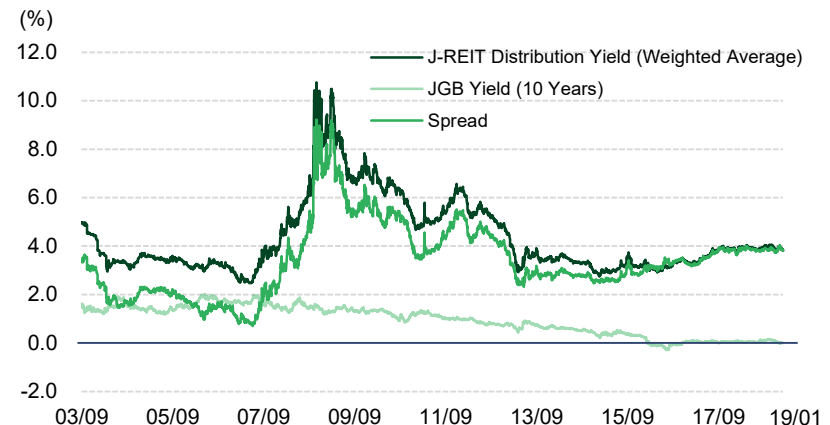
Year	IPO		PO		IPO+PO		J-REIT Total Market Cap (USDm)
	Volume	Value (USDm)	Volume	Value (USDm)	Volume	Value (USDm)	
2012	4	2,555	11	2,004	15	4,559	41,447
2013	6	4,155	37	6,865	43	11,020	69,928
2014	6	2,182	30	5,329	36	7,510	97,148
2015	5	1,103	35	6,445	40	7,548	96,982
2016	7	2,814	30	5,032	37	7,846	111,335
2017	2	907	25	4,155	27	5,061	105,382
2018	4	1,098	32	5,418	36	6,516	119,113

Note: Exchange rate as of 31 January 2019 (1 USD=¥108.89)

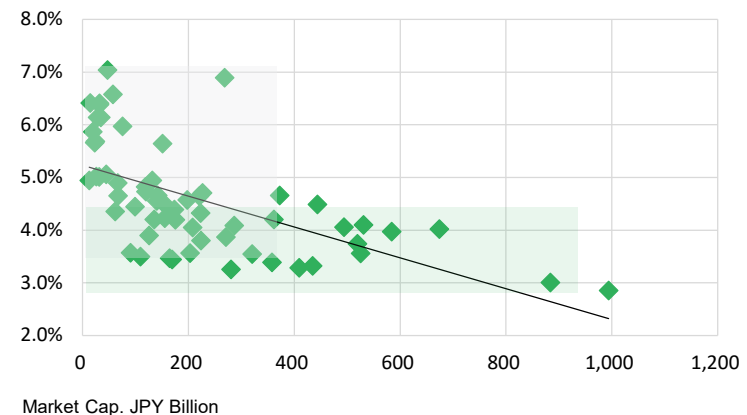
¹ Source: ARES ² Source: Bloomberg

³ Source: ARES ⁴ Source: Capital IQ

JREIT DPU Yields – Spread with JGBs still attractive²



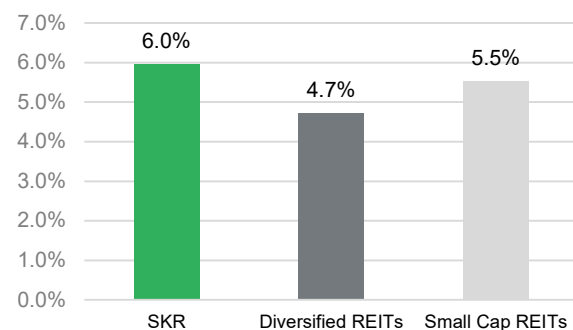
JREIT DPU Yields – Significant gap between small and large cap JREITs⁴



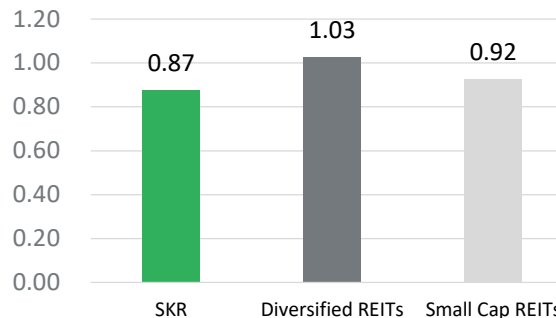
JREIT Peer Comparison¹

- SKR undervalued compared to Diversified and Small Cap REIT peers (less than ¥100 billion market cap)
- SKR's forecast DPU yield is 130 basis points ("bps") higher than Diversified REITs and 50bps higher than Small Cap REITs as at 31 January 2019
- Based on current trading price SKR's implied NOI cap rate is 5.9%, 160 bps higher than Diversified REITs
- SKR has a greater proportion of its portfolio (by value) located in Tokyo's central five wards relative to:
 - The average for Diversified REITs
 - The average for Small Cap REITs

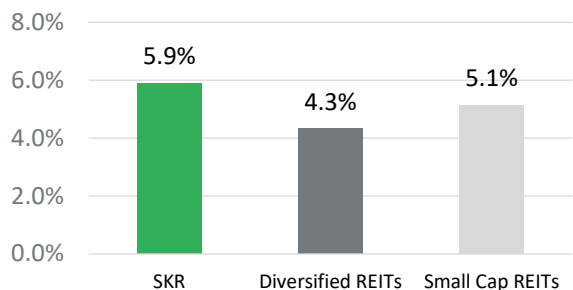
Annualised DPU Yield¹



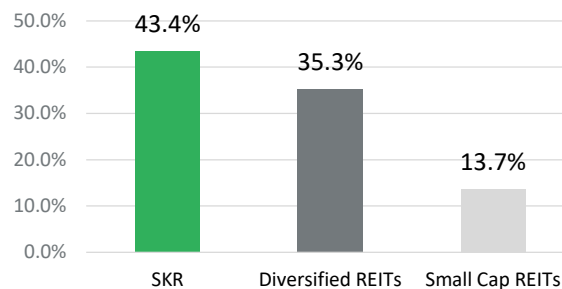
Price / Net Asset Value²



Implied Capitalization Rate²



% of Portfolio located in Tokyo Central Five Wards³





(a)	(Thu) Sep. 8, 2016	SKR listed on the stock market.
(b)	(Mon) Oct. 31, 2016	SKR included in TSE REIT INDEX.
(c)	(Mon) Nov. 14, 2016	Released revision of earnings forecast and interim financial results.
(d)	(Mon) Apr. 3, 2017	Announced execution of pipeline support agreements by asset management company.
(e)	(Thu) Apr. 13, 2017	Released Financial Results for the 1 st fiscal period.
(f)	(Mon) Jul. 31, 2017	Announced acquisition of "Abode Yoyogi Parkside".
		Announced disposition of "Royal Hill Kobe Sannomiya II".
(g)	(Mon) Aug. 28, 2017	Released revision of operating and distribution forecasts for the fiscal periods ending Aug. 2017 and Feb. 2018. (JPY 2,700, JPY 3,460)
		Announced debt refinancing of short and long term borrowings.

(h)	(Mon) Sep. 11 2017	Announced of completion of disposition of "Royal Hill Kobe Sannomiya II".
(i)	(Mon) Oct. 16 2017	Released Financial Results for the 2 nd fiscal period.
(j)	(Wed) Dec. 13 2017	FOMC announced lifting federal funds target rate by 25 basis points, to a 1.25 to 1.50 percent range.
(k)	(Mon) Apr. 16 2018	Financial Results for the 3 rd Fiscal Period
(l)	(Thu) May. 10 2018	Notice Concerning the Change of Fiscal Period
(m)	(Thu) Jun. 28 2018	Notice Concerning Disposition of Domestic Trust Beneficiary Right of "Conformall Sapporo"
(n)	(Wed) Aug. 15 2018	Financial Results for the 4 th Fiscal Period
(o)	(Wed) Aug. 22 2018	Announced debt refinancing of short and long term borrowings.

¹ As of 31 January 2019. Indexation by using SKR offer price (JPY 91,000).

² Dividend yield calculated using current DPU forecast for FP6 & FP7 (JPY 2,634 and JPY 2,427 respectively) and January 31st 2019 SKR closing price (JPY 84,700)

Source: Bloomberg

Section 6 – The Sponsors

Leverage off of the complementary skill sets of Nippon Kanzai Group and Galileo Group

Sakura Real Estate Funds Management, Inc. ("the Asset Management Company") receives extensive support for external and internal growth based on the Sponsor Support Agreements executed with Nippon Kanzai Group's core companies and Galileo Group¹

Support Provided	
External Growth Support	Sales information on properties held and granting first rights of refusal
	Information on external properties
	Warehousing functions
	Information on the real estate transaction market and results of market analysis
	Joint ownership of opportunities
Internal Growth Support	Advice on investment strategies and global offerings
	Advice on the management and operation of properties
	Support and cooperation with sourcing, redevelopment and renovations
	Staff secondment and other human resource support

Same Boat Investment by the Nippon Kanzai Group and Galileo Group

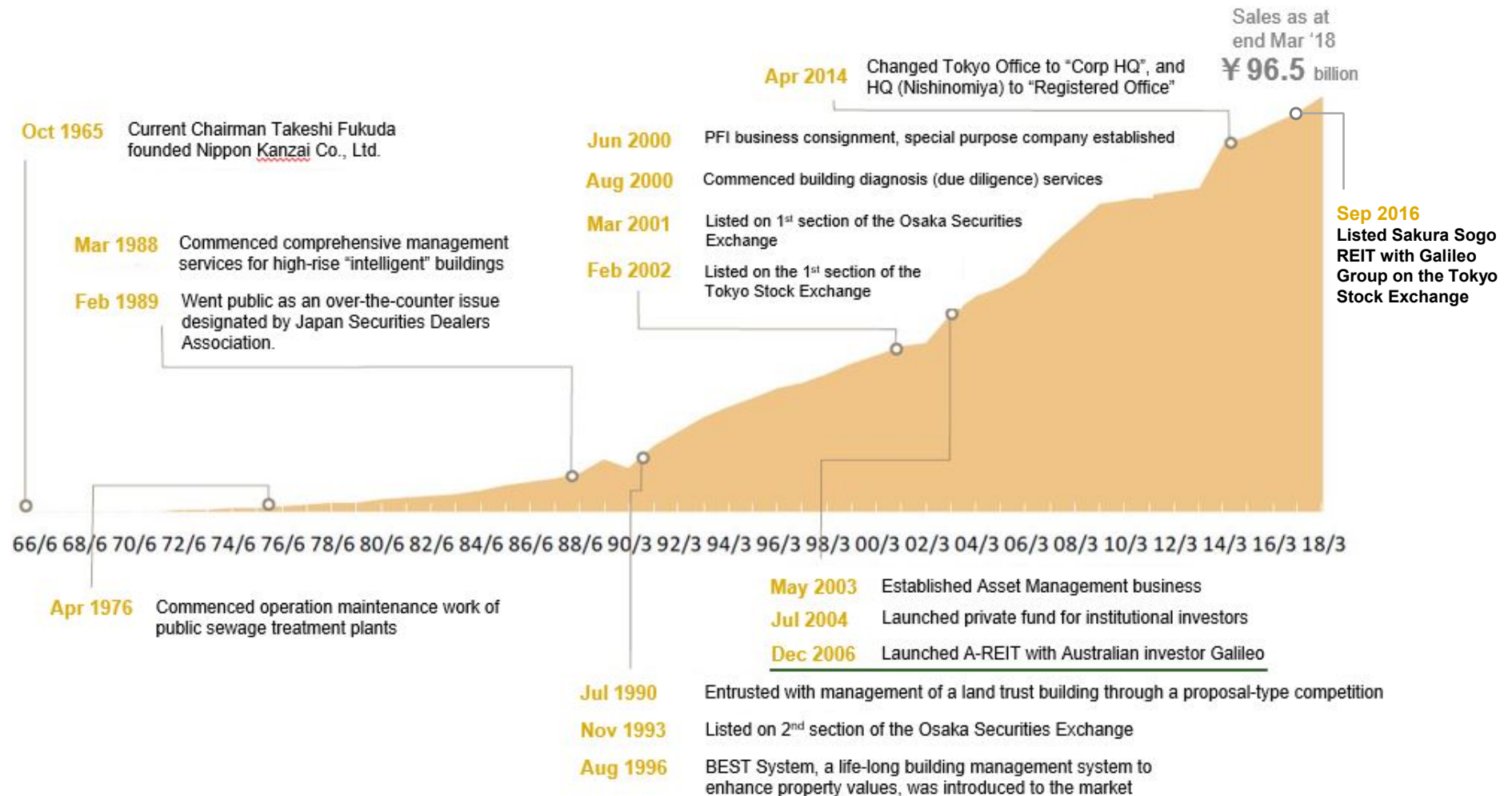
Both sponsors² acquired investment units of the Investment Corporation at the time of IPO in order to align their interests with those of the unitholders'. As a result, each owns 2.6% of investment units issued and outstanding (5.2% in total by both sponsors)



¹ "Nippon Kanzai Group's core companies" refers to Nippon Kanzai, Tokyo Capital Management and Japan Property Solutions

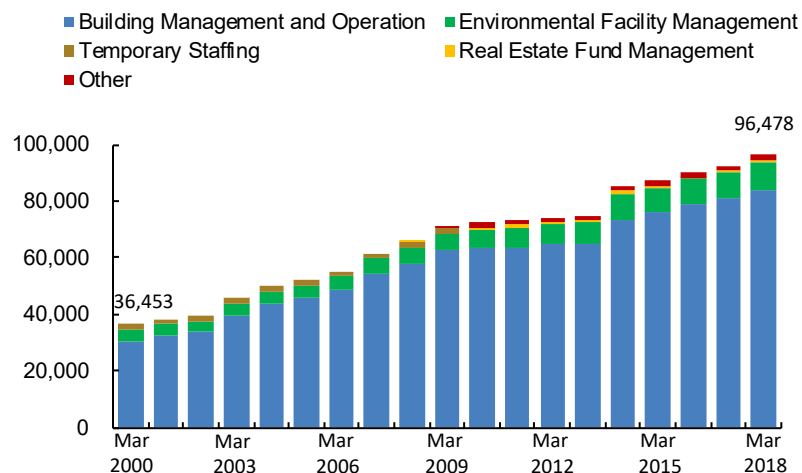
² "Sponsors" refers to Nippon Kanzai, Tokyo Capital Management and Galileo which have executed Sponsor Support Agreements

Nippon Kanzai Co. Ltd. – Main History¹

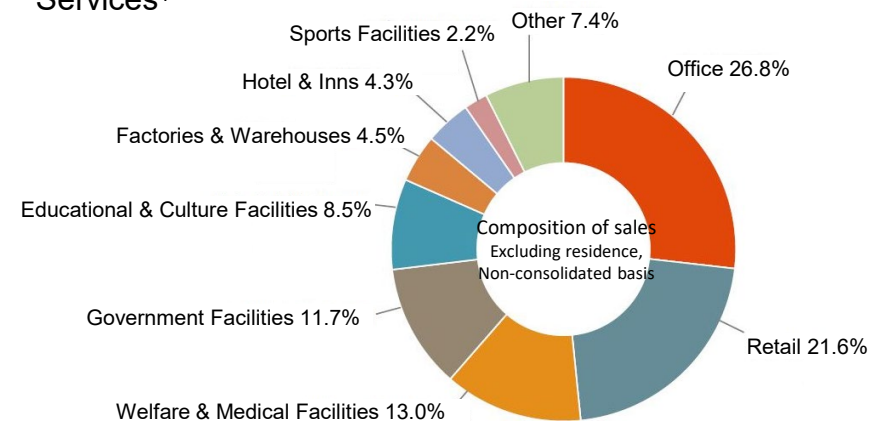


Nippon Kanzai Group, established in 1965, is a corporate group headed by Nippon Kanzai Co., Ltd., a company in Japan involved in the building management and operation business that also offers a full line of real estate management services.

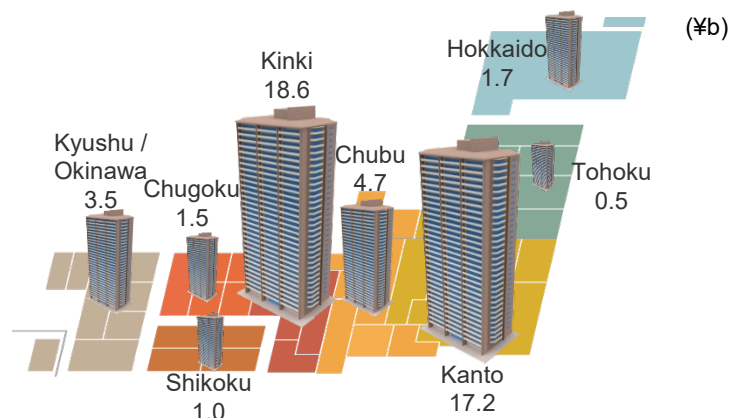
Historical Trend of Revenue and Revenue Breakdown¹



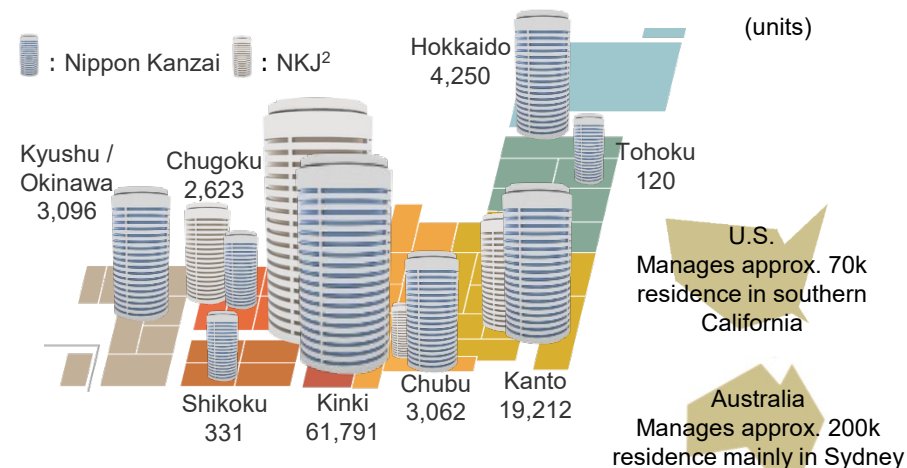
Composition of Net Revenue for Management and Operation Services¹



Geographical Breakdown of Building Management and Operation¹

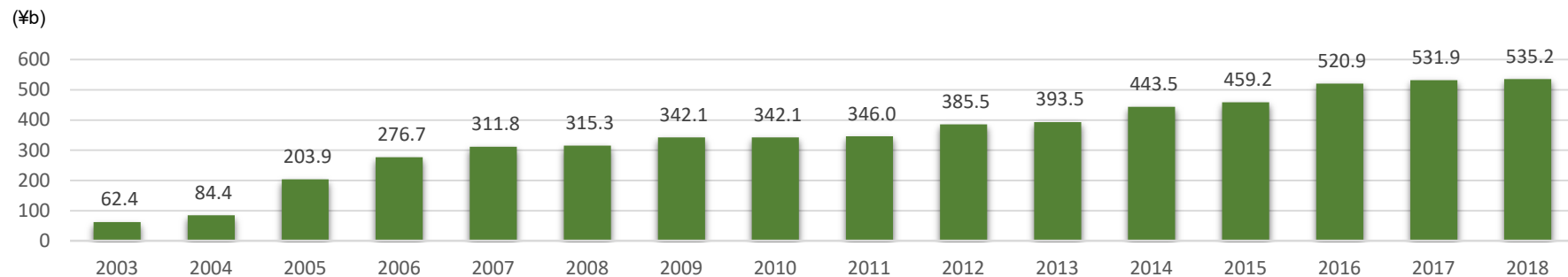


Geographical Breakdown of Residential Management¹

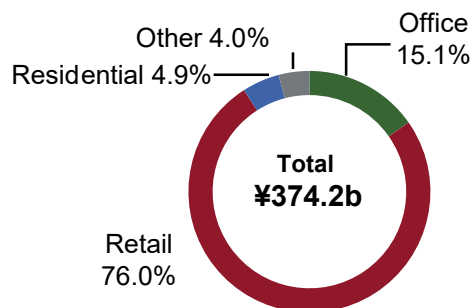


As an independent real estate developer and fund management group based in Australia, Galileo group has managed significant real estate in Australia, Japan and the U.S. It has listed **2 A-REITs** on the Australian Stock Exchange and **1 J-REIT** on the Tokyo Stock Exchange. In addition, its management team has been involved in the listing process and management of an additional **6 A-REITs**.

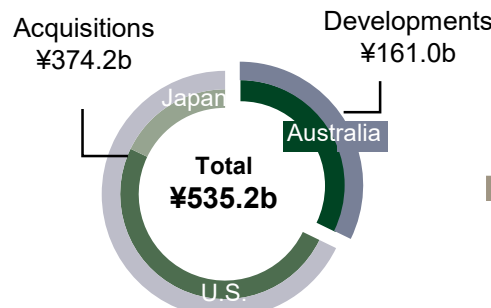
Cumulative Acquisitions and Developments (including sold properties) in Australia, Japan and the U.S.¹



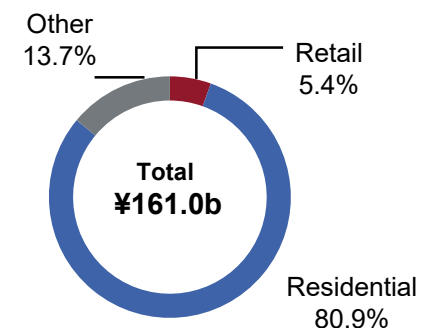
Acquisitions by Asset Type (U.S. / Japan)²



Total Acquisitions and Developments by Area²



Developments by Asset Type (Australia)²

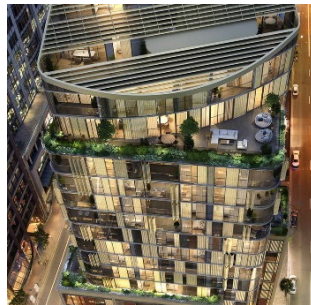


Galileo Group - impressive development track record

- Delivered some of Australia's most attractive and successful residential apartment and land subdivision projects
- Equity partnerships with a number of leading Australian financial institutions and superannuation funds
- Land and construction financing with a range of major Australian banking institutions
- Galileo considering opportunities to expand development operations in Japan
- Japan focus - development of small / mid size assets. Potential pipeline for Sakura Sogo REIT ("SKR")

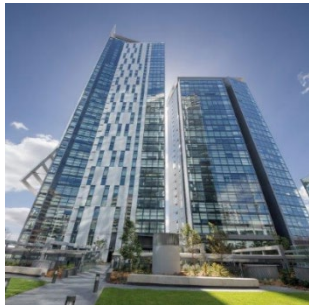
Examples of current / recent key projects in Australia

King & Phillip



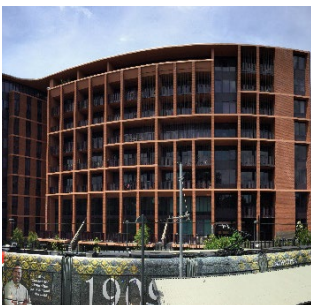
Location	Sydney
Apartments	104
Value	¥27bn
Completion	2020

Metro Residences



Location	Sydney
Apartments	553
Value	¥40bn
Completion	2015

Arlington Grove



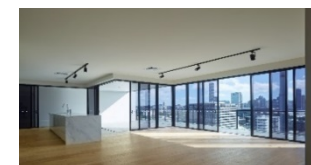
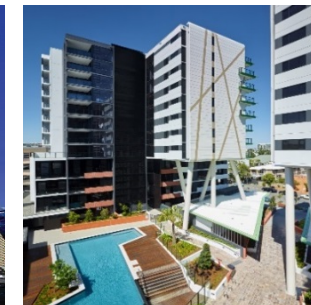
Location	Sydney
Apartments	246
Value	¥16bn
Completion	2018

The Residences



Location	Sydney
Apartments	87
Value	¥25bn
Completion	2014

Arena



Location	Brisbane
Apartments	191
Value	¥8bn
Completion	2015

Palisade

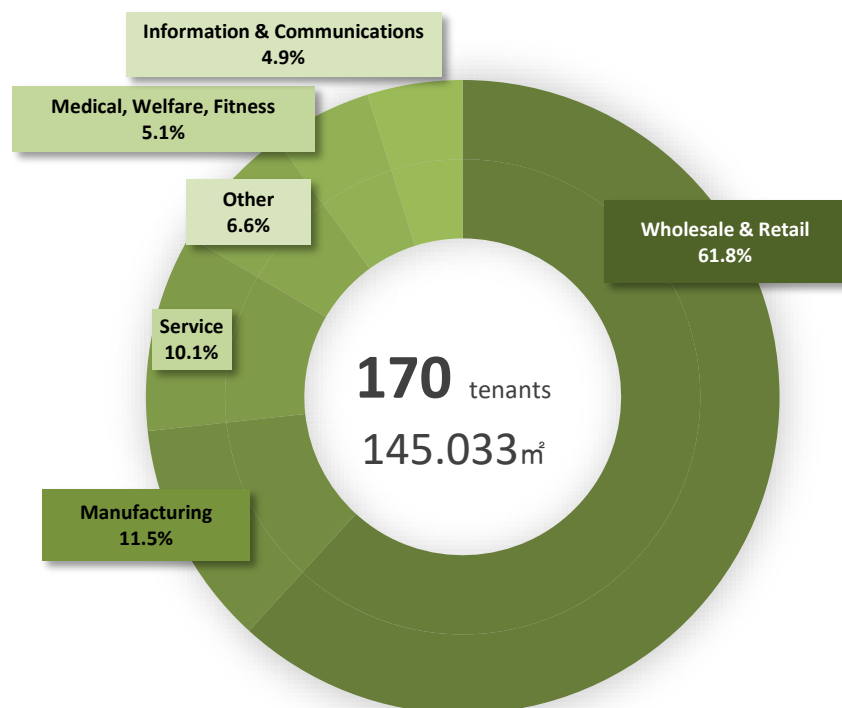


Location	Sydney
Apartments	245
Value	¥13bn
Completion	2018

Appendix

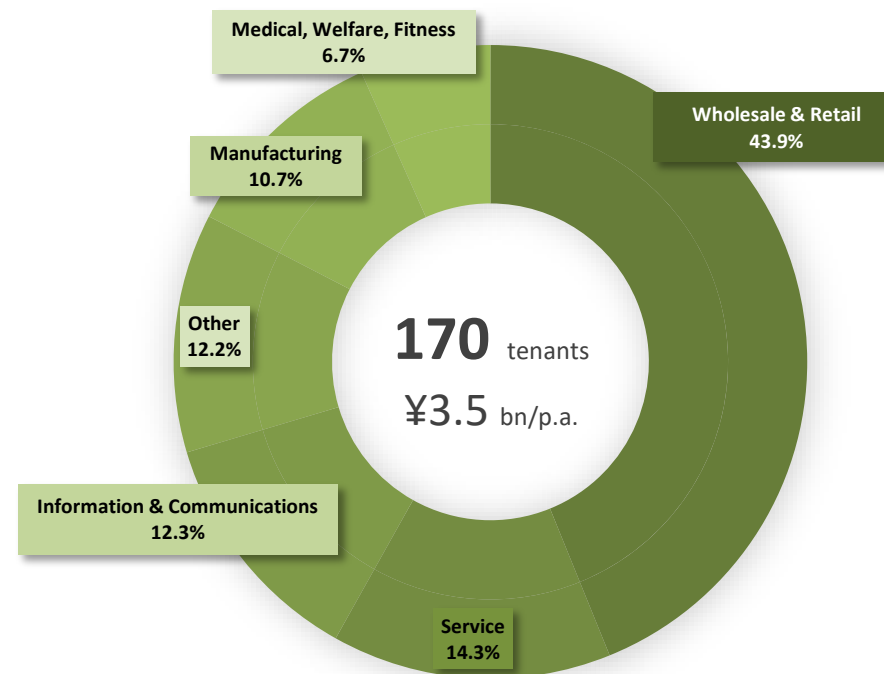
At 31 December 2018 (excluding Residential portfolio)

■ By leaseable area¹



Industry	Leased area (m ²)
Wholesale & Retail	89,597
Manufacturing	16,674
Service	14,709
Other	9,576
Medical, Welfare, Fitness	7,433
Information & Communications	7,044
Total	145,033

■ By rent per annum²



Industry	Rent (¥mil p.a.)
Wholesale & Retail	1,530
Service	498
Information & Communications	428
Other	426
Manufacturing	374
Medical, Welfare, Fitness	233
Total	3,489

¹ Indicates the ratio of leased area (including storage, but excluding car park) with respect to the total leaseable area.

² Indicates the ratio of all-in rent revenue (including storage) from each tenant with respect to total portfolio rent revenue excluding residential portfolio.

At 31 December 2018 (excluding residential portfolio)

■ By leaseable area

Tenant	Property	Leased area (m2) ¹	% of total portfolio leaseable area (%) ²	Lease expiry date	Type of lease
Seiyu GK	Seiyu Minakuchi	23,814.87	16.4	Non-disclosure ⁴	Standard
Nagasakiya Co., Ltd.	La Park Kishiwada	15,356.34	10.6	18-Oct-34	Standard
Non-disclosure ⁴	Funabashi Hi Tech Park I	Non-disclosure ⁴	Non-disclosure ⁴	Non-disclosure ⁴	Non-disclosure ⁴
Mr. Max	Suoy Mall Chikushino	7,997.08	5.5	03-Jul-27	Fixed term
Sakoda Co., Ltd.	Suoy Mall Chikushino	Non-disclosure ⁴	Non-disclosure ⁴	Non-disclosure ⁴	Fixed term
Nobuta Enterprises	La Park Kishiwada	7,555.88	5.2	19-Jul-27	Fixed term
Edion Corporation	Suoy Mall Chikushino	5,010.98	3.5	03-Jul-27	Fixed term
Sanki Co., Ltd.	La Park Kishiwada	4,281.62	3.0	22-Jul-23	Fixed term
Non-disclosure ⁴	Funabashi Hi Tech Park II	Non-disclosure ⁴	Non-disclosure ⁴	Non-disclosure ⁴	Non-disclosure ⁴
Sanki Co., Ltd.	Suoy Mall Nagamine	2,693.38	1.9	26-Sep-27	Fixed term

■ By rent revenue

Tenant	Property	Asset Type	% of total portfolio rent revenue (%) ³	Lease expiry date	Type of lease
Seiyu GK	Seiyu Minakuchi	Retail	Non-disclosure ⁴	Non-disclosure ⁴	Standard
Nagasakiya Co., Ltd.	La Park Kishiwada	Retail	7.0	18-Oct-34	Standard
Nobuta Enterprises	La Park Kishiwada	Retail	5.1	19-Jul-27	Standard
Vinxus Corporation	NK Building	Office	Non-disclosure ⁴	Non-disclosure ⁴	Non-disclosure ⁴
Sakoda Co., Ltd.	Suoy Mall Chikushino	Retail	Non-disclosure ⁴	Non-disclosure ⁴	Fixed term
Mr. Max Co., Ltd.	Suoy Mall Chikushino	Retail	Non-disclosure ⁴	3-Jul-27	Fixed term
Non-disclosure ⁴	Funabashi Hi Tech Park I	Other	Non-disclosure ⁴	Non-disclosure ⁴	Non-disclosure ⁴
Spectris Co., Ltd.	Tsukasamachi Building	Office	2.5	30-Sep-20	Standard
Jorudan Co., Ltd.	Seishin Building	Office	2.5	31-Jan-20	Standard
Edion Corporation	Suoy Mall Chikushino	Retail	Non-disclosure ⁴	03-Jul-27	Fixed term

¹ Indicates the leased area (including storage, but excluding car park) indicated in each lease agreement pertaining to each tenant as at 30 June 2018.

² Indicates the ratio of leased area with respect to the total leaseable area.

³ Indicates the ratio of all-in rent revenue (including storage) from each tenant with respect to total portfolio rent revenue excluding residential portfolio.

⁴ Tenant would not allow disclosure

Balance Sheet

Sakura Sogo REIT Investment Corporation

Unit: ¥mil

	FP4 30 Jun 2018	FP5 31 Dec 2019	Variance	Comments
Assets				
Current assets	6,177	5,058	-1,119	
Cash and deposits	1,664	500	-1,164	Booked gain on sale of Confomall Sapporo in FP4
Cash and deposits in trust	4,257	4,282	25	
Other	254	275	21	
Non-current assets	56,575	56,585	10	
Property, plant equipment	55,568	55,528	-40	Increase in capital expenditures by ¥200m, FP5 depreciation expenses ¥240m
Intangible fixed assets	688	686	-2	Increase in long-term prepaid expenses (refinance fee) and decrease in depreciation expenses (¥31m). Increase in management cooperative reserve funds for Shiroy Logiman and Hiei Kudan Bldg. (¥22m).
Investments and other assets	318	371	53	
Total assets	62,752	61,643	-1,109	
Liabilities				
Current liabilities	8,261	5,708	-2,553	
Operating accounts payable	153	238	85	Exterior wall repair, bicycle rack repair and repair expenses from typhoon damage at Matsuya Residence Sekime (¥31m), HVAC renewal at Takadanobaba Access (¥26m), refurbishment works at 4-office properties (¥15m), repair works at La Park Kishiwada including CapEx (¥16m) and other expenses (¥9m)
Short-term loan payable	1,400	900	-500	Due to short-term loan repayment and refinance
Repayment long term loan within one year	6,000	4,000	-2,000	At the end of FP4 ¥132m accrual related to investment unit issuance related expenses and ¥16m AM fee related to the Confomall sale were recorded. ¥31m from La Park Kishiwada typhoon damage repair expenses were accrued in FP5
Accounts payable-other	311	177	-134	
Advances received	356	339	-17	
Other	39	54	15	
Non-current liabilities	24,621	25,794	1,173	
Long-term loans payable	21,600	22,700	1,100	Due to refinancing
Tenant leasehold and security deposits in trust	3,021	3,094	73	
Total liabilities	32,882	31,502	-1,380	
Net assets				
Total unitholders' equity	29,870	30,141	271	
Unitholders' capital	29,254	29,254	0	
Surplus	615	886	271	
Total net assets	29,870	30,141	271	
Total liabilities and equity	62,752	61,643	-1,109	

Income Statement

Sakura Sogo REIT Investment Corporation

Unit: ¥mil

	From Mar 2018 to Jun 2018	FP4 Adjusted to 6 months ¹	FP5 From Jul 2018 to Dec 2018	Variance	Comments
Operating revenue	1,768	2,426	2,362	-64	
Leasing business revenue	1,400	2,100	2,031	-69	Decrease primarily due to sale of Confomall
Other leasing business revenue	225	326	331	5	
Capital gain from real estate disposition	142	0	0	0	
Operating expense	913	1,341	1,316	-25	
Expense related to rent business	718	1,077	1,063	-14	Decrease in utilities expenses due to sale of Confomall and seasonal usage fluctuations
Asset management fee	117	175	172	-3	Difference in AM fee amount based on NOI component
Asset custody fee / Administration service fee	21	28	23	-5	Decrease in accounting fees and underwriting (securities agency administrative) fees
Directors' compensation	4	6	6	0	
Other operating expenses	52	55	50	-5	Due to non-deductible consumption tax (FP4 sale of Confomall)
Operating profit	854	1,084	1,046	-38	
Non-operating expense	238	153	161	8	
Interest expenses	74	111	117	6	
Borrowing related expenses	27	41	42	1	
Other costs associated with issuance of investment units	136	0	0	0	
Ordinary profit	615	931	885	-46	
Extraordinary income	-	-	82	82	
Insurance	-	-	82	82	Insurance revenue relating to damage from the September Osaka typhoon
Extraordinary expense	-	-	81	81	
Repair costs related to typhoon	-	-	81	81	Repair costs relating to damage from the September Osaka typhoon
Net profit before income taxes	615	931	887	-44	
Net profit	615	930	886	-44	
Unappropriated retained earnings	615		886		

¹ Fiscal period end dates were changed to the end of June and December in May 2018. As a result FP4 represented a 4 month period only from 1 March 2018 to 30 June 2018. In order to provide a "like for like" comparison with FP5 Actuals, FP4 actuals were adjusted as follows: "one off" gain on sale of Confomall ¥142m and non-operating expenses of ¥136m were excluded. All other items are multiplied by 6/4.

Unit: ¥'000

Property #	Property	Acq	Ratio (%)	AR	Ratio (%)	BV	AR NOI	Depr	NOI cap	Post Depr (%)	NRA (tsubo)	Age (yr)	Occupancy (%)	PML (%)
OF-01	Seishin Building	7,880	14.1	8,900	15.0	7,958	356	27	4.0	3.7	1,699	29.8	92.0	5.5
OF-02	NK Building	3,730	6.7	4,010	6.8	3,766	176	14	4.4	4.0	1,027	27.2	100.0	8.4
OF-03	Tsukasamachi Building	3,820	6.8	4,060	6.8	3,869	180	16	4.4	4.0	983	31.0	100.0	9.4
OF-04	Takadanobaba Access	3,330	5.9	3,550	6.0	3,416	161	18	4.5	4.0	1,117	25.0	100.0	3.5
OF-05	Azabu Amerex Building	2,020	3.6	2,310	3.9	2,037	98	4	4.3	4.1	678	30.5	100.0	9.3
OF-06	Hiei Kudan Building	1,960	3.5	2,120	3.6	1,970	98	5	4.6	4.4	695	27.3	100.0	3.5
OF-07	Shin Yokohama Nara Bldg	1,910	3.4	2,030	3.4	1,951	109	18	5.4	4.5	1,228	26.8	100.0	4.4
Total/Average		24,650	44.0	26,980	45.4	24,971	1,180	105	4.4	4.0	7,426	28.6	98.2	-
RT-01	LaPark Kishiwada	6,460	11.5	6,650	11.2	6,485	396	85	6.0	4.7	12,354	24.4	97.8	14.8
RT-02	Suoy Mall Chikushino	7,670	13.7	7,790	13.1	7,581	438	65	5.6	4.8	9,728	11.5	99.6	1.7
RT-03	Seiyu Minakuchi	4,150	7.4	4,140	7.0	4,051	253	86	6.1	4.0	7,204	19.6	100.0	4.2
RT-04	Suoy Mall Nagamine	4,180	7.5	4,470	7.5	4,132	249	35	5.6	4.8	3,812	11.4	99.3	8.1
Total/Average		22,460	40.0	23,050	38.8	22,252	1,337	272	5.8	4.6	33,098	16.7	99.0	-
RS-01	Shiroi Logiman	2,180	3.9	2,170	3.7	2,135	147	37	6.8	5.1	6,646	23.7	97.8	3.6
RS-02	Matsuya Residence Sekime	1,820	3.2	1,970	3.3	1,895	122	24	6.2	5.0	2,350	29.4	97.9	11.6
RS-04	Urban Plaza Imazato	940	1.7	949	1.6	938	55	11	5.8	4.6	1,406	27.0	97.1	12.0
RS-05	Adobe Yoyogi Parkside	1,600	2.9	1,680	2.8	1,616	69	9	4.1	3.6	389	1.3	91.3	7.3
Total/Average		6,540	11.7	6,769	11.4	6,585	394	83	5.8	4.6	10,791	20.3	97.5	-
OT-01	Funabashi Hi-Tech Park I	1,720	3.1	1,800	3.0	1,701	110	18	6.1	5.1	2,523	15.6	100.0	4.6
OT-02	Funabashi Hi-Tech Park II	710	1.3	782	1.3	688	48	6	6.2	5.4	1,281	17.3	100.0	4.6
Total/Average		2,430	4.3	2,582	4.3	2,390	158	24	6.2	5.2	3,804	16.1	100.0	-
		56,080	100.0	59,381	100.0	56,199	3,071	486	5.2	4.4	55,120	22.3	98.6	3.9

Income and Expenditure by Property for FP5 (184 operating days)

Sakura Sogo REIT Investment Corporation

Unit: ¥ '000

	OF-01	OF-02	OF-03	OF-04	OF-05	OF-06	OF-07	RT-01	RT-02
	Seishin Building	NK Building	Tsukasamachi Building	Takadanobaba Access	Azabu Amerex Building	Hiei Kudan Building	Shin Yokohama Nara Building	La Park Kishiwada	Suoy Mall Chikushino
Operating revenue from real estate leasing	235,007	121,497	111,131	107,417	70,553	67,637	82,832	513,912	297,849
Leasing business revenue	211,202	107,520	98,267	87,674	63,694	65,054	67,858	384,595	293,808
Other Leasing business revenue	23,804	13,977	12,864	19,742	6,858	2,582	14,974	129,316	4,041
Operating expenses from real estate leasing	56,806	35,894	25,217	35,322	21,170	18,581	30,320	296,305	73,425
Management fees	18,204	14,182	7,920	14,616	7,685	10,783	12,942	131,249	38,478
Utilities expenses	15,672	9,463	7,133	9,286	4,115	20	7,871	114,334	4,000
Insurance premium	237	155	145	175	89	131	162	1,239	674
Repair & Maintenance	712	480	1,597	1,067	1,158	124	647	847	847
Trust Fees	750	750	750	750	375	750	750	1,850	750
Property Tax	20,757	10,577	7,377	8,996	7,613	6,674	7,718	44,474	19,675
Other expenses	471	285	292	428	132	96	227	2,309	8,998 ¹
Leasing NOI	178,200	85,603	85,913	72,095	49,383	49,055	52,511	217,606	224,424
Depreciation	13,862	7,129	8,045	9,497	2,291	2,731	9,309	42,666	32,582
Operating income (loss) from real estate leasing	164,338	78,474	77,867	62,597	47,092	46,323	43,202	174,940	191,842










Income and Expenditure by Property for FP5 (184 operating days)

Sakura Sogo REIT Investment Corporation








Unit: ¥'000

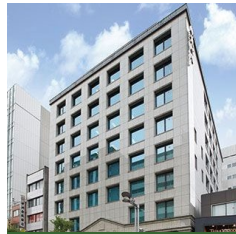
	RT-03	RT-04	RS-01	RS-02	RS-04	RS-05	OT-01	OT-02
	Seiyu Minakuchi	Suoy Mall Nagamine	Shiroi Logiman	Matsuya Residence Sekime	Urban Plaza Imazato	Abode Yoyogi Parkside	Funabashi Hi-Tech Park I	Funabashi Hi-Tech Park II
Operating revenue from real estate leasing	Non-disclosure	187,268	148,523	85,487	39,586	43,612	Non-disclosure	Non-disclosure
Leasing business revenue	Non-disclosure	150,348	130,195	78,782	37,568	40,419	Non-disclosure	Non-disclosure
Other Leasing business revenue	Non-disclosure	36,920	18,327	6,705	2,018	3,193	Non-disclosure	Non-disclosure
Operating expenses from leasing business	37,002	61,953	49,204	29,601	13,137	7,997	6,446	5,095
Management fees	6,039	15,602	21,933	12,658	5,883	4,385	990	990
Utilities expenses	0	29,500	13	2,895	518	233	0	0
Insurance premium	526	263	628	251	120	42	121	76
Repair & Maintenance	1,070	1,969	9,779	7,872	2,760	798	0	0
Trust Fees	750	750	1,244	375	375	500	750	750
Property Tax	11,820	13,104	13,986	5,246	3,228	1,851	4,568	3,262
Other expenses	16,795 ¹	762	1,619	304	250	186	16	16
Leasing NOI	Non-disclosure	125,315	99,319	55,885	26,449	35,614	Non-disclosure	Non-disclosure
Depreciation	43,188	17,908	18,979	12,282	5,905	4,729	9,152	3,178
Operating income (loss) from real estate leasing	Non-disclosure	107,407	80,339	43,602	20,543	30,885	Non-disclosure	Non-disclosure

at 31 December 2018

Asset Type No.	Office							Retail	
	OF-01	OF-02	OF-03	OF-04	OF-05	OF-06	OF-07	RT-01	RT-02
									
Property Name	Seishin Building	NK Building	Tsukasamachi Building	Takadanobaba Access	Azabu Amerex Building	Hiei Kudan Building	Shin Yokohama Nara Building	La Park Kishiwada	Suroy Mall Chikushino
Address	Shinjuku-ward, Tokyo	Chiyoda-ward, Tokyo	Chiyoda-ward, Tokyo	Shinjuku-ward, Tokyo	Minato-ward, Tokyo	Chiyoda-ward, Tokyo	Kohoku-ward, Yokohama	Kishiwada city, Osaka	Chikushino, Kyushu
Acquisition Price	7,880	3,730	3,820	3,330	2,020	1,960	1,910	6,460	7,670
Book value @ FP4 (¥mn)	7,963	3,771	3,862	3,384	2,037	1,970	1,960	6,491	7,606
Book Value @ FP5 (¥mn)	7,958	3,766	3,869	3,416	2,037	1,970	1,951	6,485	7,581
Appraisal @ FP4 (¥mn)	8,860	4,000	4,050	3,540	2,290	2,110	2,020	6,640	7,790
Appraisal @ FP5 (¥mn)	8,900	4,010	4,060	3,550	2,310	2,120	2,030	6,650	7,790
NOI Yield @ FP4 (%)	3.9	4.4	4.4	4.6	4.2	4.6	5.4	6.0	5.6
NOI Yield @ FP5 (%)	4.0	4.4	4.4	4.5	4.3	4.6	5.4	6.0	5.6
NOI Yield @ FP4 post depr (%)	3.6	4.0	4.0	4.0	4.0	4.4	4.4	4.7	4.7
NOI Yield @ FP5 post depr (%)	3.7	4.0	4.0	4.0	4.1	4.4	4.5	4.7	4.8
Direct return method @FP4 (%)	3.7	4.0	4.1	4.0	4.0	4.1	4.8	5.0	5.4
Direct return method @FP5 (%)	3.8	4.0	4.1	4.0	4.0	4.1	4.8	5.0	5.4
DCF method DR @FP4 (%)	3.5	3.8	3.9	3.8	3.8	3.9	4.6	4.8	5.2
DCF method DR @FP5 (%)	3.6	3.8	3.9	3.8	3.8	3.9	4.6	4.8	5.2
DCF method TCR @FP4 (%)	3.9	4.2	4.3	4.2	4.2	4.3	5.0	5.2	5.6
DCF method TCR @FP5 (%)	4.0	4.2	4.3	4.2	4.2	4.3	5.0	5.2	5.6
Unrealized gain (loss) @FP4	896	229	188	155	252	140	60	148	183
Unrealized gain (loss) @FP5	941	243	191	133	272	150	78	164	208
PoP change in Appraisal (¥mn)	40	10	10	10	20	10	10	10	—

at 31 December 2018

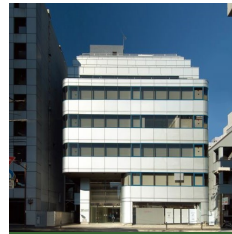
Asset Type No.	Retail		Residential				Other		Total (17 properties)
	RT-03	RT-04	RS-01	RS-02	RS-04	RS-05	OT-01	OT-02	
									
Property Name	Seiyu Minakuchi	Suroy Mall Nagamine	Shiroi Logiman	Matsuya Residence Sekime	Urban Plaza Imazato	Abode Yoyogi Parkside	Funabashi Hi-Tech Park I	Funabashi Hi-Tech Park II	
Address	Koka city, Shiga	Kumamoto city, Kumamoto	Shiroi city, Chiba	Osaka city, Osaka	Osaka city, Osaka	Shibuya-ward, Tokyo	Funabashi city, Chiba	Funabashi city, Chiba	
Acquisition Price	4,150	4,180	2,180	1,820	940	1,600	1,720	710	
Book value @ FP4 (¥mn)	4,079	4,150	2,150	1,848	937	1,621	1,710	692	
Book Value @ FP5 (¥mn)	4,051	4,132	2,135	1,895	938	1,616	1,701	688	
Appraisal @ FP4 (¥mn)	4,230	4,470	2,160	1,930	945	1,630	1,800	781	
Appraisal @ FP5 (¥mn)	4,140	4,470	2,170	1,970	949	1,680	1,800	782	
NOI Yield @ FP4 (%)	6.0	5.6	6.9	6.4	5.9	4.2	6.1	6.2	5.2
NOI Yield @ FP5 (%)	6.1	5.6	6.8	6.2	5.8	4.1	6.1	6.2	5.2
NOI Yield @ FP4 post depr (%)	3.8	4.8	5.1	5.1	4.7	3.7	5.0	5.4	4.3
NOI Yield @ FP5 post depr (%)	4.0	4.8	5.1	5.0	4.6	3.6	5.1	5.4	4.4
Direct return method @FP4 (%)	5.8	5.4	5.7	5.1	5.1	4.1	6.0	6.0	—
Direct return method @FP5 (%)	5.9	5.4	5.6	5.0	5.0	4.0	6.0	6.0	—
DCF method DR @FP4 (%)	5.6	5.2	5.5	4.9	4.9	3.9	5.8	5.8	—
DCF method DR @FP5 (%)	5.7	5.2	5.4	4.8	4.8	3.8	5.8	5.8	—
DCF method TCR @FP4 (%)	6.0	5.6	5.9	5.3	5.3	4.3	6.2	6.2	—
DCF method TCR @FP5 (%)	6.1	5.6	5.8	5.2	5.2	4.2	6.2	6.2	—
Unrealized gain (loss) @FP4	150	320	9	82	7	9	89	89	3,007
Unrealized gain (loss) @FP5	88	337	34	75	11	63	98	93	3,182
PoP change in Appraisal (¥mn)	-90	—	10	40	4	50	—	1	135



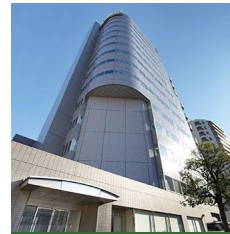
OF-01 Seishin Bldg



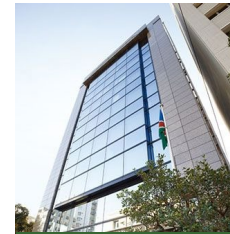
OF-02 NK Bldg



OF-03 Tsukasamachi Bldg



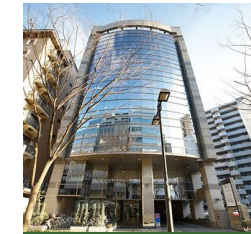
OF-04 Takadanobaba Access



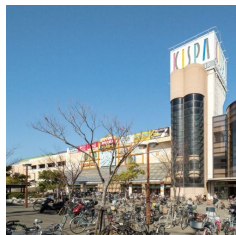
OF-05 Azabu Amerex Bldg



OF-06 Hiei-Kudan Bldg



OF-07 Shin-Yokohama Nara Bldg



RT-01 La Park Kishiwada



RT-02 Suroy Mall Chikushino



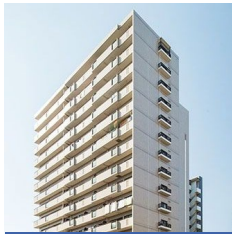
RT-03 Seiyu Minakuchi



RT-04 Suroy Mall Nagamine



RS-01 Shiroy Logiman



RS-02 Matsuya Residence Sekime



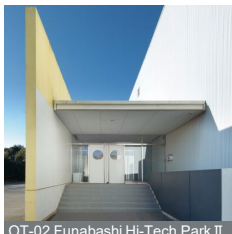
RS-04 Urban Plaza Imazato



RS-05 Abode Yoyogi Parkside



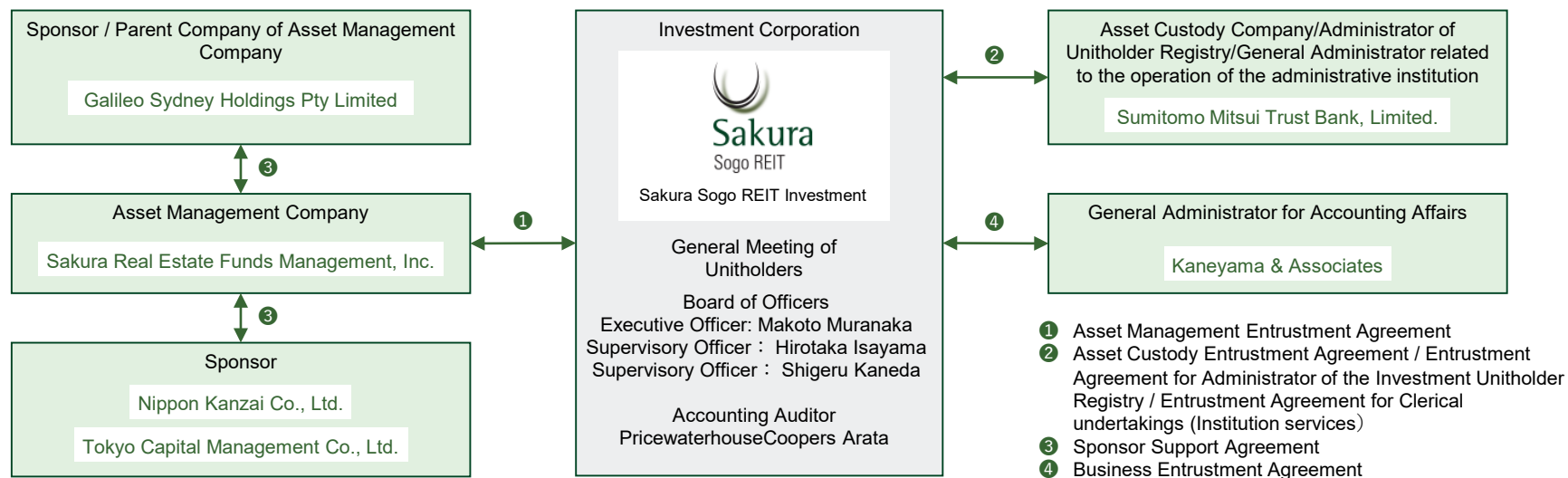
OT-01 Funabashi Hi-Tech Park I



OT-02 Funabashi Hi-Tech Park II

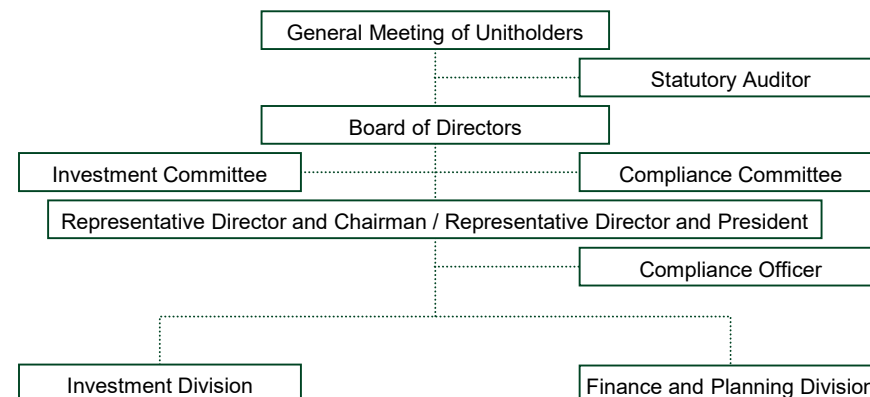


Schematic Diagram of the Investment Corporation's Structure



Overview of Asset Management Company

Trade Name	Sakura Real Estate Funds Management, Inc.
Date of Incorporation	July 7, 2015
Stated Capital	101.52 million yen
Shareholder Composition	Galaxy JREIT Pty Limited 50% Tokyo Capital Management Co., Ltd. 50% (based on voting rights: Galaxy JREIT Pty Limited 100%)
Principal Lines of Business	Discretionary Investment Business, management of Investment Corporation's assets
Officers	6 Directors (2 Full-time Directors), 1 Statutory Auditor
Financial Instrument Business Registration	Reg. No.: Director of Kanto Local Finance Bureau (FI) No. 2907 Member of Investment Trusts Association, Japan
Real estate agency business license	License No.: Tokyo Metropolitan Governor (1) No. 98232
Approval as Entrustment - Based Agency Services for Transactions	Approval No.: Minister of Land, Infrastructure, Transport and Tourism No. 100



This presentation material has been prepared solely for the purpose of providing information, and not for soliciting investments in certain products.

The presentation material includes, in addition to a description of Sakura Sogo REIT Investment Corporation (hereinafter the “Investment Corporation”), charts, data, etc. prepared by Sakura Real Estate Funds Management, Inc. (hereinafter the “Asset Management Company”) based on data and indices published by third parties. Furthermore, it includes present analysis, judgements and other opinions of the Asset Management Company regarding such information.

The contents of the presentation material have not been audited, and their accuracy nor integrity is guaranteed. The analysis and judgement by the Asset Management Company are its current opinions and the contents may be modified or repealed without any advance notice.

The Investment Corporation or the Asset Management Company bear no responsibility with regard to the accuracy of the data or indices published by third parties (including data based on real estate appraisal reports).

The content of this presentation material include statements on forecast and future operating results. Such statements are based on the information available at the time of preparation of this presentation material and certain assumptions for unforeseeable factors, and thus do not guarantee future operating results of the Investment Corporation and may differ from actual operating results.