

The name SIA REIT is scheduled to be changed to **One REIT**^(Note)

May 19, 2017

To All Concerned Parties

Name of REIT Issuer:

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Hiroyuki Katsuno, Executive Director

(TSE Code: 3290)

Contact:

Asset Management Company

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Notice concerning Partial Amendment to Asset Management Guideline

TOKYO, May 19 – SIA REIT, Inc. (hereinafter referred to as “SIA REIT”) announced that Simplex REIT Partners Inc. (hereinafter referred to as the “Asset Management Company”), the asset management company to which SIA REIT entrusts management of its assets, has decided today to make a partial amendment (hereinafter referred to as the “Amendment”) to the Asset Management Company’s or its asset management guideline, as described below.

1. Purpose of the Amendment

The Asset Management Company revised the portfolio building policy, etc. to build an excellent portfolio by conducting further selective investments aiming for the medium- to long-term growth of SIA REIT and maximization of unitholder value.

In addition, partial amendments to the asset management guideline will be made with an aim to further clarify the utilization of support from Mizuho Trust & Banking Co., Ltd. (hereinafter referred to as “Mizuho Trust & Banking”), a sponsor of SIA REIT, in addition to the utilization of operational know-how, management resources, etc. of SIA Group^(Note 1) which is being provided from before.

(Note 1) SIA Group is comprised of Simplex Investment Advisors Inc. and Simplex Real Estate Management Inc., in addition to the Asset Management Company.

2. Major Content of the Amendment

(1) Portfolio Building Policy by Property Type

Before Amendment	To build a portfolio comprising mainly Class-A ^(Note 2) and Class-B ^(Note 2) office buildings and urban retail facilities ^(Note 3) .
After Amendment	To build a portfolio while aiming to diversify investment targets by considering Middle-sized Office ^(Note 4) as a core investment target and also incorporating office buildings other than Middle-sized Office as well as urban retail facilities into the portfolio.

(Note 2) The category “Class-A” refers to office buildings located in the five central wards of Tokyo (Chiyoda, Chuo, Minato, Shinjuku and Shibuya) with a standard floor area of 100 tsubos (approx. 330 m²) or more but less than 200 tsubos and office buildings located in the Tokyo metropolitan area (Tokyo, Kanagawa, Saitama and Chiba prefectures) outside the three central wards, Osaka, Nagoya, Sapporo and Fukuoka with a standard floor area of 200 tsubos or

(Note) Scheduled to be changed on June 1, 2017 based on the conditions that the proposal on the amendments to the Articles of Incorporation is approved as originally proposed at the General Meeting of Unitholders of SIA REIT scheduled to be held on May 23, 2017.

more. The category “Class-B” refers to office buildings located in the five central wards of Tokyo with a standard floor area of 50 tsubos (approx. 165 m²) or more but less than 100 tsubos, office buildings located in the Tokyo metropolitan area outside the five central wards, Osaka, Nagoya, Sapporo and Fukuoka with a standard floor area of 100 tsubos or more but less than 200 tsubos, as well as office buildings in ordinance-designated cities (ordinance-designated cities located outside the Tokyo metropolitan area and non-ordinance-designated cities that are the location of a prefectural government and located outside the Tokyo metropolitan area or the equivalent) other than Osaka, Nagoya, Sapporo or Fukuoka with a standard floor area of 100 tsubos or more.

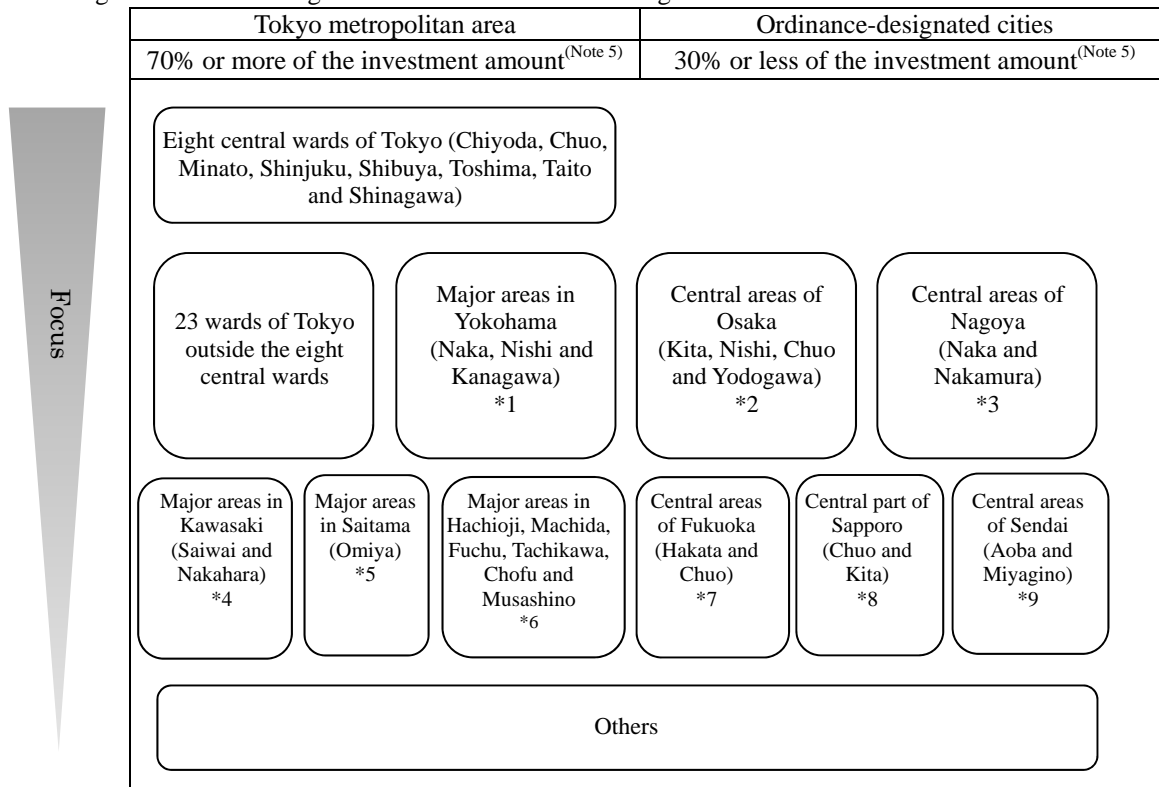
(Note 3) “Urban retail facility” refers to a retail facility located in an area adjacent to a terminal railway station in the Tokyo metropolitan area or ordinance-designated city or its equivalent or in a busy shopping area with traditionally large number of retail facilities or government services.

(Note 4) “Middle-sized Office” refers to office buildings whose total floor area is within the range of 3,300m² (approximately 1,000 tsubos) to 33,000m² (approximately 10,000 tsubos).

(2) Portfolio Building Policy by Region

Before Amendment	To build a regionally diversified portfolio through selective investments in areas such as ordinance-designated cities, or their equivalent which offer the prospect of relatively high returns, while maintaining the Tokyo metropolitan area as our primary investment target, as it offers the prospect of stable rental demand.
After Amendment	To build a regionally diversified portfolio by also including ordinance-designated cities or their equivalent which offer the prospect of certain rental demand to the investment target while maintaining the Tokyo metropolitan area as our primary investment target, as it offers the prospect of stable rental demand. In ordinance-designated cities or their equivalent, we will pursue stable occupancy of properties through investments in prime locations in central areas where steady rental demand can be expected. In addition, we will set core investment target areas within the investment target regions and conduct selective investment in both the Tokyo metropolitan area and ordinance-designated cities or their equivalent.

Image of investment target areas and core investment target areas.



*1 Especially around Yokohama Station, Sakuragicho Station and Minato Mirai.

*2 Especially areas between those around Osaka Station, Yodoyabashi Station and Honmachi Station, and Shin-Osaka

Station.

- *3 Especially areas between those around Nagoya Station, Fushimi Station and Sakae Station.
- *4 Especially around Kawasaki Station and Musashi-Kosugi Station.
- *5 Especially around Omiya Station.
- *6 Especially around Hachioji Station, Machida Station, Fuchu Station, Tachikawa Station, Chofu Station and Kichijoji Station.
- *7 Especially around Hakata Station and Tenjin Station.
- *8 Especially areas between those around Sapporo Station and Odori Station.
- *9 Especially around Sendai Station and Hirose-dori Station.

(Note 5) The amounts are based on acquisition price and consumption tax and other expenses related to acquisitions are excluded. Moreover, amounts may temporarily differ from the abovementioned percentage as a result of acquisition or sale of real-estate related assets.

(3) Revision of Growth Strategy

- (a) We added to the basic policy our aim to achieve external growth and internal growth through maximum utilization of the support backed by Mizuho Trust & Banking's wide range of information, capability to provide financial solutions, credibility, etc. in addition to the conventional support from SIA Group.
- (b) We specified our intent to sufficiently utilize know-how related to asset management backed by abundant facility management records such as operation and management, renewal, conversion, etc. especially for maintaining and enhancing competitiveness in the internal growth strategy utilizing the support from SIA Group.

3. Date of Amendment

May 19, 2017

4. Outlook for Financial Results

The Amendment will have no impact on the financial results.

5. Others

An extraordinary securities report has been submitted to the Director General of the Kanto Local Finance Bureau as of today.

SIA REIT corporate website: <http://www.sia-reit.com/en/>