

May 27, 2016

To All Concerned Parties

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Notice concerning Tenant Relocation (Lease Termination)

TOKYO, May 27, 2016 – SIA REIT, Inc. (hereafter referred to as “SIA REIT”) announced that a tenant of J Tower, which is one of the properties in its portfolio, is scheduled for relocation as follows.

1. Background for the Termination of the Lease

SIA REIT today received the lease agreement termination notice from the tenant concerning the lease agreement described in “2. Overview of the Lease Agreement to be Terminated” below.

2. Overview of the Lease Agreement to be Terminated

(1)	Name of tenant	Japan Radio Co., Ltd. (hereafter referred to as the “Tenant”)
(2)	Name of property	J Tower (hereafter referred to as the “Property”)
(3)	Total leased area in the lease agreement	3,854.70m ²
(4)	Ratio of leased area applicable to the total leasable area of the Property (Note 1)	11.3%
(5)	Ratio of leased area applicable to the total leasable area of SIA REIT’s portfolio (Note 2)	3.0%
(6)	Monthly rent (including common area charges)	Undisclosed (Note 3)
(7)	Lease and guarantee deposits, etc.	Undisclosed (Note 3)
(8)	Date termination notice was received	May 27, 2016
(9)	Scheduled date of termination	December 31, 2016

(Note 1) Based on the total leasable area of the Property as of April 30, 2016 (34,165.50m²), the figure is rounded to the first decimal place.

(Note 2) Based on the total leasable area of the SIA REIT’s portfolio as of April 30, 2016 (129,983.26m²), the figure is rounded to the first decimal place.

(Note 3) The information is undisclosed as consent for disclosure has not been obtained from the Tenant.

3. Future Leasing Activities

“Fuchu Intelligent Park,” where the Property is located, is a district known as an area where back offices and other company facilities are concentrated, with a number of intelligent buildings, such as the computer centers of banks and companies, training centers for companies, and large-scale office buildings. We believe that the Property is a highly convenient and competitive office building that can supply a large office space because of factors including a high-rise building (18 stories above ground) with a standard floor area of approximately 1,550m² (470 tsubos) used

mainly for offices, a rarity among such properties, as well as a three-story low-rise building equipped with service functions. It has a unique quality as a BCP response base for companies, a result of being located in an area with high safety against earthquakes and having the capacity for emergency power generators, as well as being highly convenient in terms of value enhancement through actions such as the installation of a cafeteria and recent renovations of common use spaces in the high-rise building due to demands from tenants.

As for the space scheduled to be vacant (9,895.73m² in total) including space covered in the lease agreement scheduled to be terminated, in a written document dated May 18, 2016, SIA REIT has confirmed with its succeeding tenant candidate that, in the instance SIA REIT receives the lease agreement termination notice, SIA REIT intends to conclude a lease agreement for the space scheduled to be vacant (7,709.40m² in total) including space covered in the lease agreement scheduled to be terminated as soon as conditions such as gaining approval from the authorized organization of the concerned succeeding tenant candidate, are met. In addition, for the 2,010.70 m² of the space scheduled to be vacant in the Property, SIA REIT is conducting specific negotiations with another tenant candidate in an aim to conclude a lease agreement. The conclusion of the lease agreement is included in the financial results forecast indicated in “Summary of Financial Results for the Fiscal Period Ended February 2016 (REIT)” announced on April 14, 2016, based on the negotiation status. SIA REIT intends to focus on sourcing the next tenant for the vacant space in the Property at an early stage including procedures toward concluding the lease agreement with the succeeding tenant candidates.

4. Outlook for Financial Results

As the Tenant’s scheduled termination date is December 31, 2016, there will be no impact on the financial results for the fiscal period ending August 2016 (sixth fiscal period: March 1, 2016 to August 31, 2016) and the forecast of financial results will not be revised. Furthermore, as the impact on the financial results for the fiscal period ending February 2017 (seventh fiscal period: September 1, 2016 to February 28, 2017) is minimal, there is no revision to the financial results forecast.

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