



 SIA REIT, Inc.

Presentation Material for the Sixth Fiscal Period (Ended August 2016)

October 17, 2016

Simplex REIT Partners Inc.

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1 Executive Summary

1 – 1. Highlights of the First Public Offering

- On August 19, 2016, announced first public offering and property acquisitions after being listed.
- Made further progress in solving issues through series of measures including changing sponsor to Mizuho Trust & Banking Co., Ltd. and public offering.

■ Overview of Offering

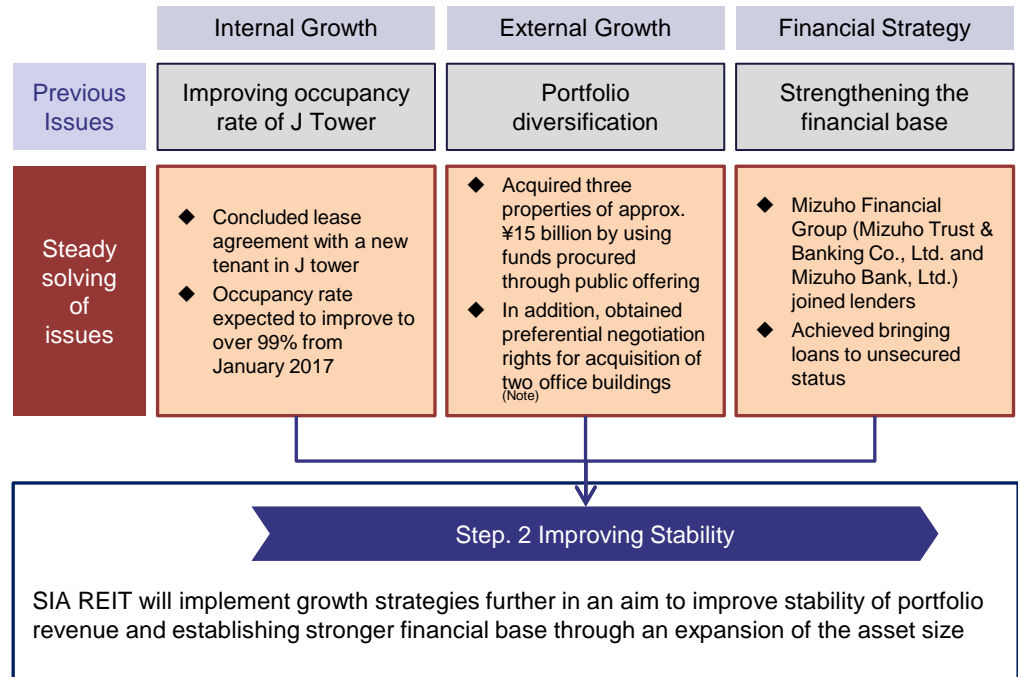
Offering method	Domestic public offering
Offering schedule	<p>Issuance resolution date: Aug. 19, 2016 (Friday)</p> <p>Pricing date: Aug. 30, 2016 (Tuesday)</p> <p>Payment date: Sept. 6, 2016 (Tuesday)</p> <p>Transfer date: Sept. 7, 2016 (Wednesday)</p>
Issue price	¥390,975
Issue value	¥377,742
Discount rate	2.5%
Number of units offered	<p>Primary offering: 18,900 units</p> <p>Over-allotment: 945 units (ratio of over-allotment: 5.0%)</p> <p>Total: 19,845 units</p>
Offering amount (based on issue price)	<p>Primary offering: ¥7.39 billion</p> <p>Over-allotment: ¥0.37 billion</p> <p>Total: ¥7.76 billion</p>

Purpose of Offering

Steadily solve issues through series of measures including changing sponsor and public offering

Mizuho Trust & Banking Co., Ltd. became the new sponsor in December 2015

Step.1 Establishing the base for growth



(Note) Number of properties indicated in prospectus is shown. As of today, SIA REIT holds preferential negotiation rights for three properties.

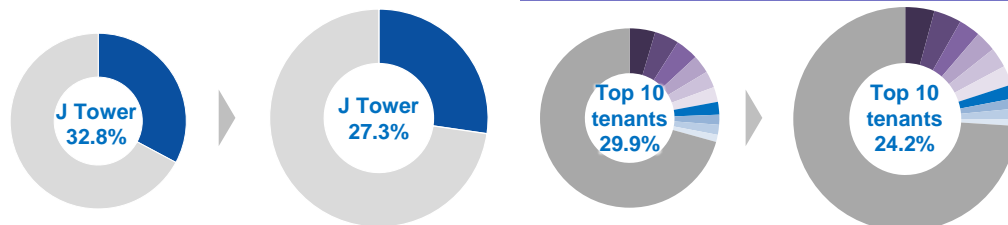
1 – 1. Highlights of the First Public Offering

■ Progress in Portfolio Diversification

■ Overview of Acquired Assets

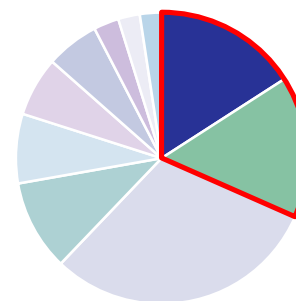
Property name	Glass City Motoyoyogi	Okachimachi CY Building	Nagoya Fushimi Square Building
Photo			
Location	Shibuya Ward, Tokyo	Taito Ward, Tokyo	Nagoya City, Aichi Prefecture
Property type	Office building	Office building	Office building
Acquisition price	¥7,500 million	¥2,700 million	¥4,812 million
Appraisal value	¥7,730 million	¥2,780 million	¥4,910 million
Source ^(Note 1)	Asset Management Company	SIA Group ^(Note 3)	Mizuho Trust & Banking
Establishment of scheme ^(Note 2)	SIA Group ^(Note 3)	(Direct transaction with the seller)	Mizuho Trust & Banking

Ratio of J Tower

Tenant Diversification ^(Note 4)

■ Strengthening the financial base

■ Expanded the Bank Formation

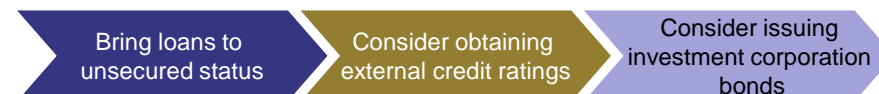


- Mizuho Financial Group (Mizuho Trust & Banking Co., Ltd. and Mizuho Bank, Ltd.) joined lenders by taking the largest share
- Number of lenders increased from 9 to 10

■ Decreased Financial Costs

Borrowing period	Change in spread of interest	
	Before refinancing	After refinancing
1 year	+0.60%	+0.25%
3 years	+0.70%	+0.45%

■ Achieved Unsecured Status



(Note 1) "Source" column shows the provider of property information for asset acquisitions by SIA REIT or acquisitions by bridge fund, etc. which held preferential negotiation rights.

(Note 2) "Establishment of scheme" column shows the provider of support for acquisition of acquired assets or acquisitions by bridge fund, etc. which held preferential negotiation rights, through such as providing funds or know-how regarding fund procurement, etc. by the concerned bridge fund, etc.

(Note 3) In this page, "SIA Group" refers to Simplex Investment Advisors Inc. (SIA) or Simplex Real Estate Management Inc.

(Note 4) Ratio indicated in the tenant diversification are the figures indicated in prospectus.

1 – 2. Highlights of the Sixth Fiscal Period (Ended August 2016)

- Dividends per unit were ¥11,549, 649 higher (+6.0%) than the forecast announced most recently of ¥10,900.
- Achieved actual performance of ¥849 higher (+7.9%) than the initial forecast for dividends per unit of ¥10,700.

Actual Performance and Dividends

(Millions of yen)	Second Fiscal Period (Ended Aug. 2014)	Third Fiscal Period (Ended Feb. 2015)	Fourth Fiscal Period (Ended Aug. 2015)	Fifth Fiscal Period (Ended Feb. 2016)	Sixth Fiscal Period (Ended Aug. 2016)	
	Actual	Actual	Actual	Actual	Most recent forecast	Actual
Operating revenue	3,179	3,056	3,053	3,019	2,959	2,967
Operating profit	1,326	1,227	1,198	1,214	1,130	1,177
Recurring profit	1,034	916	888	905	819	868
Net income	1,033	915	887	904	818	867
Dividends per unit	¥13,760	¥12,196	¥11,822	¥12,050	¥10,900	¥11,549

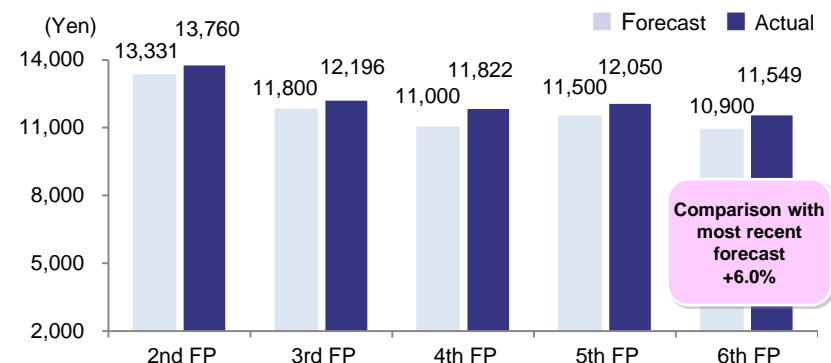
Number of properties at period end (Note 1)	20	19	19	19	19
Total acquisition price	74,726	74,347	74,347	74,347	74,347
Portfolio occupancy rate at period end	91.4%	91.4%	96.3%	98.3%	94.0%
Leasing NOI (Note 2)	1,891	1,878	1,913	1,951	1,904
NAV per unit (Note 3)	¥450,000	¥455,000	¥464,000	¥488,000	¥509,000

(Note 1) The number of properties at period end does not include the properties owned by SPC in which SIA REIT invests through silent partnership.

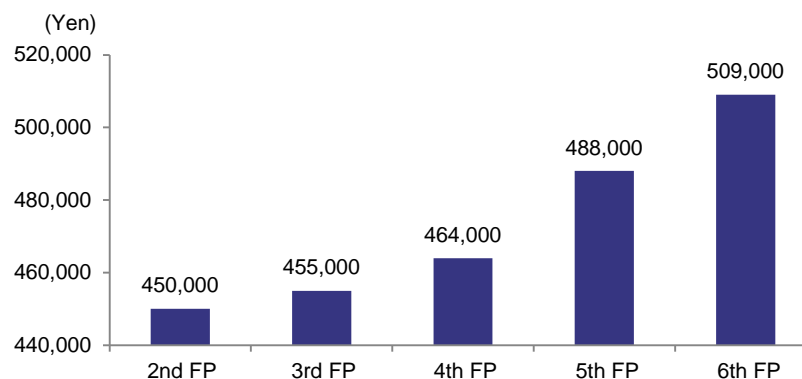
(Note 2) Leasing NOI is calculated by the formula [Property-related operating revenue – Property-related operating expenses (excluding depreciation)] and does not include dividends received through silent partnership equity interest.

(Note 3) NAV per unit is calculated by dividing the sum of the period-end unitholders' capital and unrealized gain on real estate (the sum of the differences of appraisal value and book value for the properties owned as of the end of each period) by the period-end outstanding number of investment units. Amounts are rounded down to the nearest thousand yen.

Dividends per Unit



NAV per Unit





2 Overview of Financial Results and Earnings Forecasts

Overview of financial results:

The sixth fiscal period (ended August 2016)

Earnings forecasts:

The seventh fiscal period (ending February 2017) and
the eighth fiscal period (ending August 2017)

2 – 1. Overview of Financial Results | Sixth Fiscal Period (Ended August 2016)

- Revenues from tenants attracted in the past contributed over the full 6 months, but impact of the move-out of a tenant at J Tower was significant, and dividends per unit was ¥11,549, ¥501 lower than the actual performance of the previous period (fifth fiscal period) of ¥12,050.

Sixth Fiscal Period Results and Comparison with Previous Period

(Millions of yen)	Fifth Fiscal Period (Ended Feb. 2016) Actual	Sixth Fiscal Period (Ended Aug. 2016) Actual	Comparison
Operating revenue	3,019	2,967	-52
Operating profit	1,214	1,177	-37
Recurring profit	905	868	-37
Net income	904	867	-37
Dividends per unit	¥12,050	¥11,549	¥-501
Leasing NOI	1,951	1,904	-47
Depreciation	443	450	+7
Period-end book value	73,823	73,601	-221
Period-end appraisal value	77,896	79,190	+1,294
Period-end total assets	80,439	79,723	-715
Total interest-bearing debt	41,492	41,293	-199
LTV ^(Note 1)	51.6%	51.8%	+0.2%
Period-end net assets	33,543	33,505	-37
NAV per unit	¥488,000	¥509,000	¥+21,000

(Note 1) LTV (%) is calculated with the formula [Period-end balance of interest-bearing debt ÷ Period-end total assets] and is rounded to the first decimal place.

(Note 2) Amounts are rounded down to the nearest million yen.

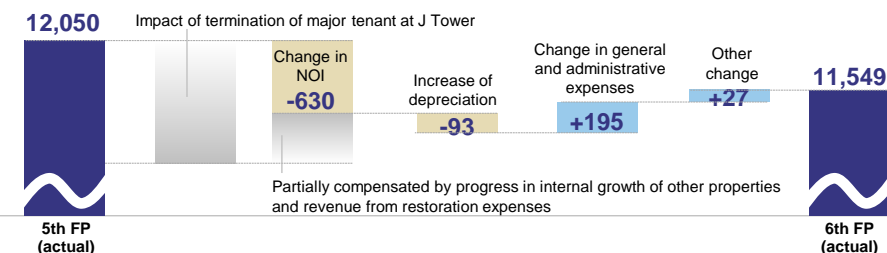
Factors in Profit Change

(in comparison with results of previous period)

(Millions of yen)

	Comparison	Major factors (breakdown)
Operating revenue	-52	Rent and common area revenue -89 Utilities revenue -24 Other revenue +64
Expenses related to rent business	-0	Utilities expenses +18 Repairs expenses +10 Property management fees -21 Depreciation -7
General and administrative expenses	+14	Decrease of asset management fees +14
Operating profit	-37	
Non-operating income and expenses	-0	
Recurring profit	-37	
Net income	-37	

Factors for change in dividends per unit (Yen)



2 – 2. Earnings Forecasts| Seventh Fiscal Period (Ending February 2017) and Eighth Fiscal Period (Ending August 2017)

- The forecast dividends per unit for the seventh fiscal period was increased from ¥11,000 (most recent forecast) to ¥11,120 due to factors such as a review of asset management fee 3 and the decision on number of investment units issued through third-party allotment.
- Dividend per unit is forecast at ¥10,980 for the eighth fiscal period due to factors such as expensing of taxes and public dues for the properties acquired in the previous period and increase in management fee in line with increase in assets, although factors such as increase in revenue due to start of the lease term of a major tenant and decrease in financial costs are expected.

(Million of yen)	Sixth Fiscal Period (Ended Aug. 2016) Actual	Seventh fiscal period (Ending Feb. 2017) Forecast	Comparison	Eighth fiscal period (Ending Aug. 2017) Forecast	Comparison
Operating revenue	2,967	3,343	+375	3,427	+84
Lease business revenue	2,577	3,013	+435	3,077	+64
Other lease business revenue	386	329	-57	348	+19
Dividends received	3	0	-2	0	-0
Operating profit	1,177	1,404	+227	1,357	-47
Recurring profit	868	1,053	+185	1,040	-13
Net income	867	1,052	+185	1,039	-13
Dividends per unit	¥11,549	¥11,120	¥-429	¥10,980	¥-140
Period-end occupancy rate	94.0%	96.5%	+2.5%	96.5%	±0%
Leasing NOI	1,904	2,204	+299	2,229	+25
Depreciation	450	503	+53	513	+9

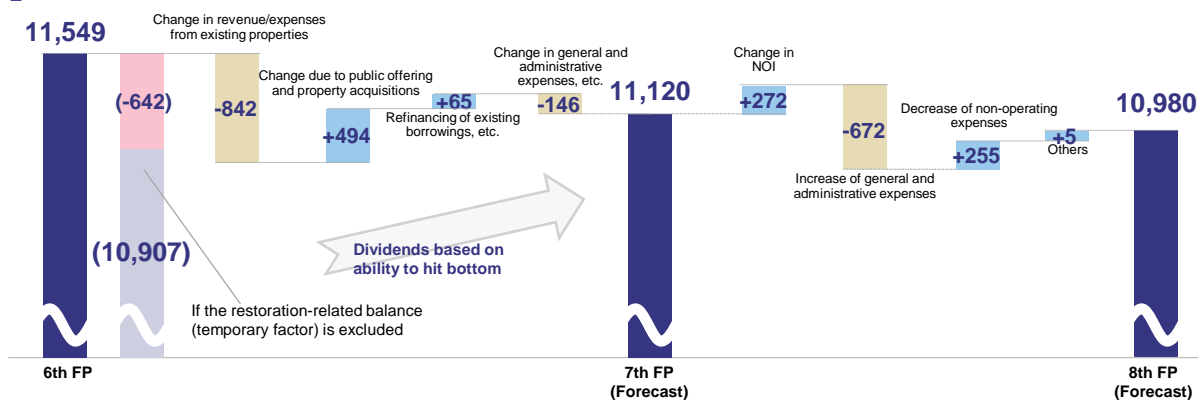
Major Factors in Profit Change

6th FP → 7th FP

(Millions of yen)

	Comparison	Major factors (breakdown)
Operating revenue	+375	Increase of revenue due to additional acquisition of 3 properties Decrease of other revenue -64
Expenses related to rent business	-131	Increase of expenses due to additional acquisition of 3 properties (before expensing of fixed asset and city planning tax)
General and administrative expenses	-16	
Operating profit	+227	
Non-operating income and expenses	-41	Increase of expenses due to new borrowings Refinance related expenses
Net income	+185	

Factors for change in dividends per unit (Yen)



7th FP → 8th FP

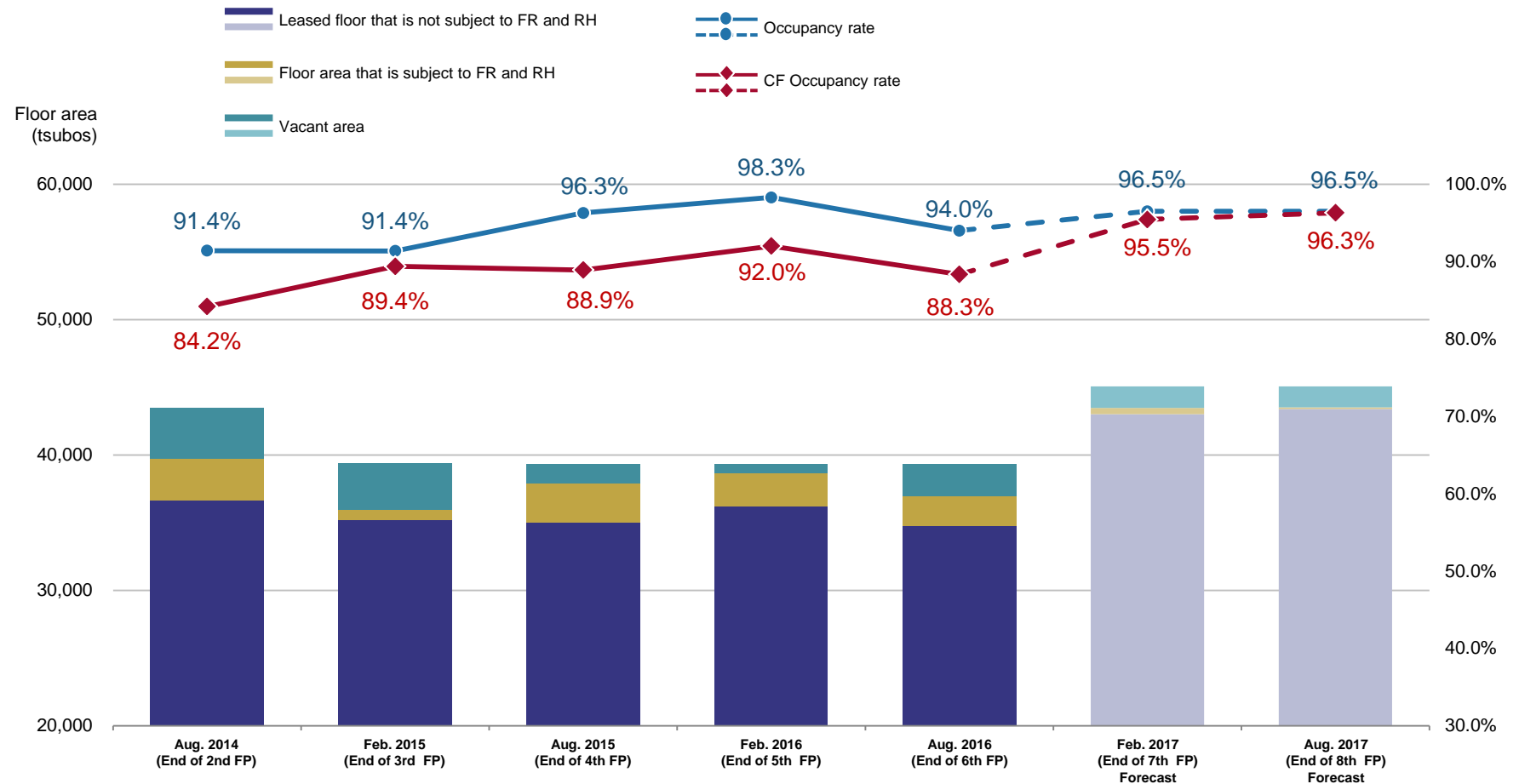
(Millions of yen)

Change in NOI	+25
Increase of general and administrative expenses	-63
Decrease of non-operating expenses	+24
Change in depreciation, etc.	+0
Net income	-13

(Note) Amounts are rounded down to the nearest million yen or nearest yen.

2 – 3. Forecast Occupancy Rate and Cash Flow Occupancy Rate

- Cash flow occupancy rate is expected to move closer to agreement-based occupancy rate as the free rent of existing tenants will dissolve eventually.
- Both occupancy rate and cash flow occupancy rate are anticipated to be stable.



(Note) The forecast figures for the seventh fiscal period (ending February 2017) and the eighth fiscal period (ending August 2017) are based on the assumptions of earnings forecasts for these periods.

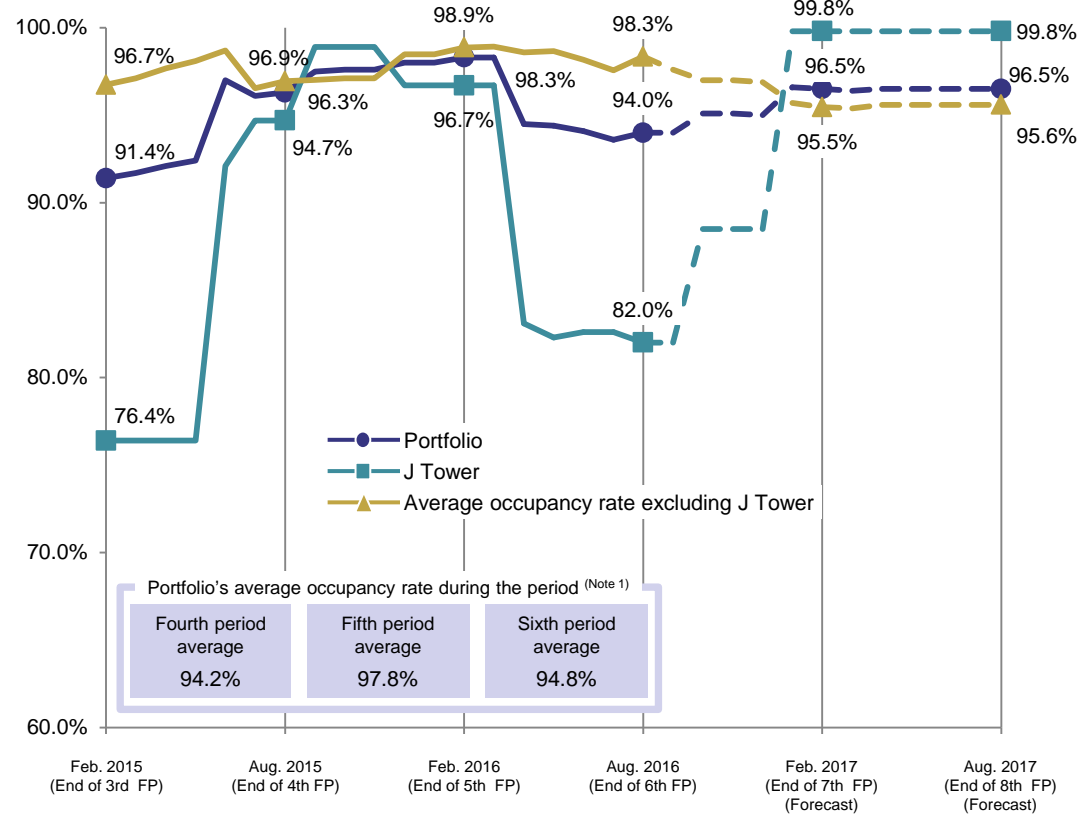


3 Internal Growth

3 – 1. Management Status| Occupancy Rate

- The portfolio occupancy rate at the end of the sixth fiscal period (ended Aug. 2016) was 94.0% (down 4.3% from the fifth fiscal period) due mainly to the impact of the move-out of a major tenant at J Tower.
- Going forward, portfolio occupancy rate is also expected to be stable due to refilling the vacated spaces at J Tower.

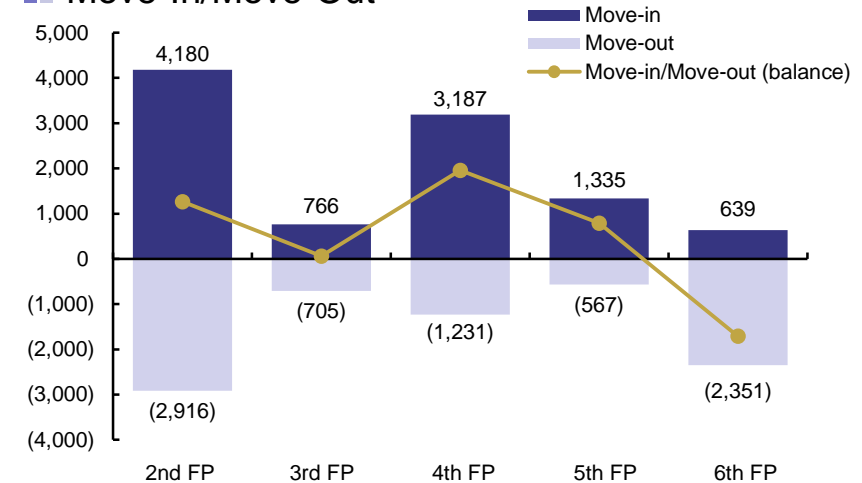
■ Occupancy Rate



(Note 1) The average occupancy rate during the period (%) is calculated with the formula [Sum of total leased floor area as of the end of each month ÷ Sum of total leasable floor area as of the end of each month] and is rounded to the first decimal place.

(Note 2) The forecast figures are calculated based on the assumptions of the earnings forecasts and may vary due to the progress in leasing, new move-out of tenants and other factors.

■ Move-In/Move-Out



	2nd FP Floor area (Number of tenants)	3rd FP Floor area (Number of tenants)	4th FP Floor area (Number of tenants)	5th FP Floor area (Number of tenants)	6th FP Floor area (Number of tenants) (Note 3)
Move-in	4,180 tsubos (25)	766 tsubos (13)	3,187 tsubos (18)	1,335 tsubos (12)	639 tsubos (14)
Move-out	2,916 tsubos (12)	705 tsubos (9)	1,231 tsubos (10)	567 tsubos (7)	2,351 tsubos (16)
Change	+1,264 tsubos	+61 tsubos	+1,955 tsubos	+768 tsubos	-1,712 tsubos

(Note 3) Calculated excluding the relocation of a tenant (parking lot operation company) at Niigata Higashibori-dori Parking Building.

3 – 1. Management Status | Expected Occupancy Rate and Status of Initiatives

Property No.	Property name	Total Leasable Floor Area (tsubo)	Occupancy rate			Initiative status, actual results, etc. ^(Note 2)
			End of 6th FP (actual)	End of 7th FP (forecast) (Note 1)	End of 8th FP (forecast) (Note 1)	
OT-1	J Tower	10,334	82.0%	99.8%	99.8%	Occupancy rate is scheduled to recover as lease term with a new tenant will start from January 2017.
OT-2	SIA Kanda Square	1,591	100.0%	100.0%	100.0%	–
OT-3	Tachikawa Nishiki-cho Building	1,704	100.0%	100.0%	100.0%	–
OT-4	CP10 Building	1,060	100.0%	100.0%	100.0%	–
OT-5	Yokohama AP Building	1,355	87.0%	74.1%	74.1%	Received application for 152 tsubos out of approximately 300 tsubos of vacant spaces in two floors.
OT-6	Yushima First Genesis Building	895	96.4%	76.3%	76.3%	Focusing on external leasing by appointing a leasing manager (vacant space: approximately 210 tsubos).
OT-7	Miyaji Building	942	100.0%	100.0%	100.0%	–
OT-8	36 Sankyo Building	1,126	100.0%	100.0%	100.0%	–
OT-9	Minami-Shinagawa JN Building	1,933	95.2%	98.2%	98.2%	Continuing external leasing although vacancies are at appropriate level.
OT-10	Minami-Shinagawa N Building	1,656	97.4%	86.1%	86.1%	Received application for 186 tsubos out of approximately 230 tsubos of vacant spaces.
OT-11	Minami-Shinagawa J Building	1,111	100.0%	100.0%	100.0%	–
OT-12	MY Atsugi Building	1,164	92.8%	88.4%	88.4%	There were several inquiries concerning approximately 200 tsubos of vacant spaces.
OT-13	Hachioji SIA Building	832	93.9%	90.5%	96.6%	Continuing external leasing although vacancies are at appropriate level.
OT-14	Glass City Motoyoyogi	2,312	–	100.0%	100.0%	–
OT-15	Okachimachi CY Building	888	–	88.2%	88.2%	Focusing on external leasing by appointing a leasing manager (vacant space: approximately 100 tsubos).
OO-1	Central Shin-Osaka Building	2,843	100.0%	90.6%	90.6%	Received application for 133 tsubos out of approximately 260 tsubos of vacant spaces in one floor.
OO-2	Karasuma Plaza 21	2,689	100.0%	100.0%	100.0%	–
OO-3	Stoke Building Nagoya	1,755	100.0%	100.0%	100.0%	–
OO-4	MY Kumamoto Building	1,135	100.0%	95.5%	93.6%	Inquiries increased after the occurrence of the 2016 Kumamoto Earthquake. Continuing leasing (vacant space: approximately 70 tsubos).
OO-5	Nagoya Fushimi Square Building	2,547	–	96.3%	96.3%	Concluded an agreement for 49 tsubos out of approximately 90 tsubos of vacant spaces.
R-1	fab Minami-Osawa	2,543	100.0%	100.0%	100.0%	–
R-2	Niigata Higashibori-dori Parking Building	2,639	100.0%	100.0%	100.0%	The tenant (parking lot operation company) switched in June 2016 and profitability improved.
Entire portfolio		45,063	94.0%	96.5%	96.5%	

(Note 1) The expected figures are calculated based on the assumptions of the earnings forecasts and may vary due to the progress in leasing, new move-out of tenants and other factors.

(Note 2) As for initiative status, it shows status of activities based on occupancy rate which is the subject of the assumptions of the earnings forecasts.

3 – 1. Management Status: J TOWER



(As of the end of the sixth fiscal period)

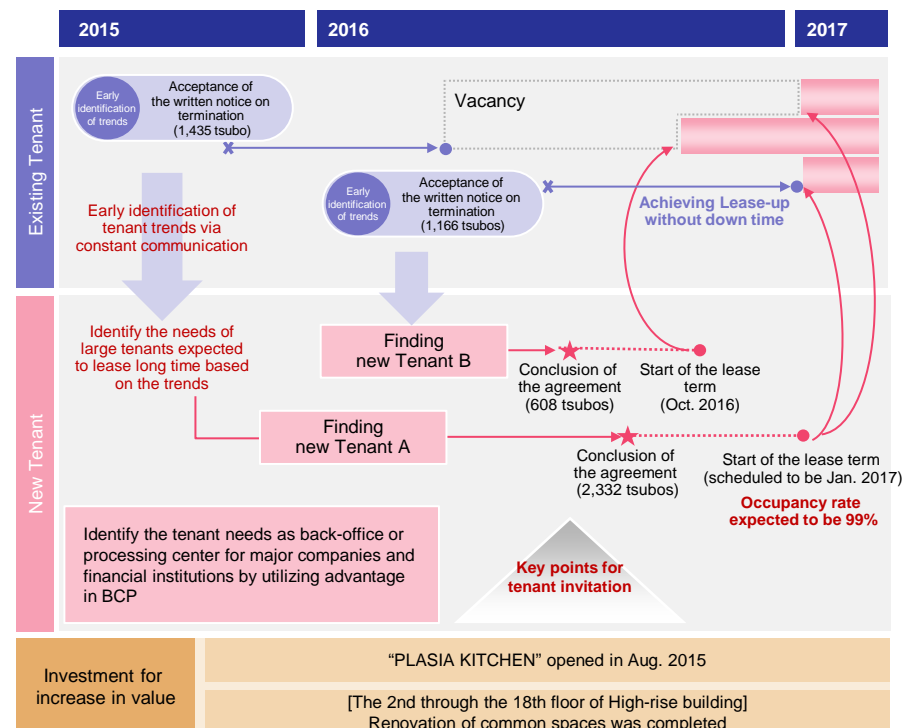
Property Name	J TOWER
Location	Fuchu City, Tokyo
Completed	March 1992
Number of Floors	B2/18F
Total Leasable Floor Area	10,334.52 tsubos
Occupancy Rate	82.0%

Realize Strategic Attraction of Tenants

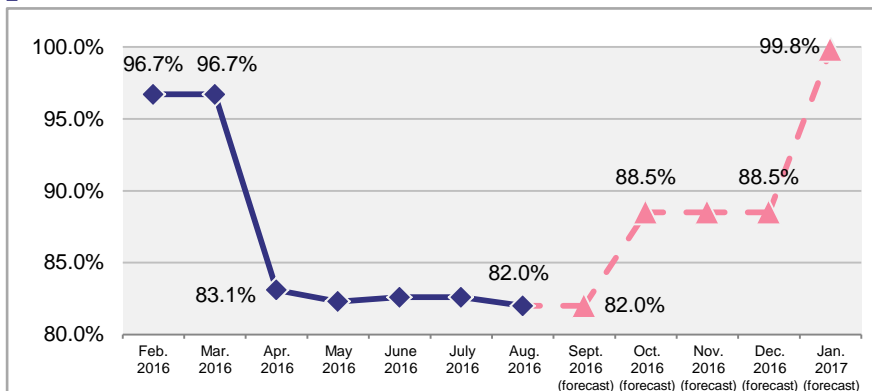
- Implement aggressive value enhancing investment such as installation of a cafeteria, renovation of common spaces in the high-rise building and adding parking lots in an aim to improve convenience for tenants, and make progress in preparing office environment preferred by tenants.
- In June 2016, we succeeded in securing new tenants for a vacant space occurred by the move-out of a tenant in March 2016 and for a space expected to be vacant due to the tenant's intention to leave, which we identified at an early date through communication with existing tenants, by conducting strategic tenant leasing.
- Planning to realize effective lease-up with no downtime for a part of the vacated space.

Features of J Tower: Property having both “Safety” and “Convenience”

	Characteristics of the Location	Characteristics of the Property
Safety	<ul style="list-style-type: none"> Obtained assessment of “Rating 1,” which is believed to have lowest risk even when compared to other communities, in “Community Earthquake Risk Assessment Study (announced in September 2013)” by the Tokyo Metropolitan Government. 	<ul style="list-style-type: none"> Facilities that respond to needs of tenants for BCP purposes <ul style="list-style-type: none"> Have space for tenants' emergency power generators Have hovering space, etc.
Convenience	<ul style="list-style-type: none"> Favorable access to central Tokyo as it takes approximately 21-minute train ride to Shinjuku Station. Other than Keio Line, JR Nambu Line and Musashino Line are available and superior in commuting from Kawasaki areas or Saitama areas. 	<ul style="list-style-type: none"> Approximately 470 tsubos of standard floor without pillar Fully equipped with post office, clinic, convenience store, etc. within the building A cafeteria opened in August 2015 and dining facility further enhanced



Occupancy Rate

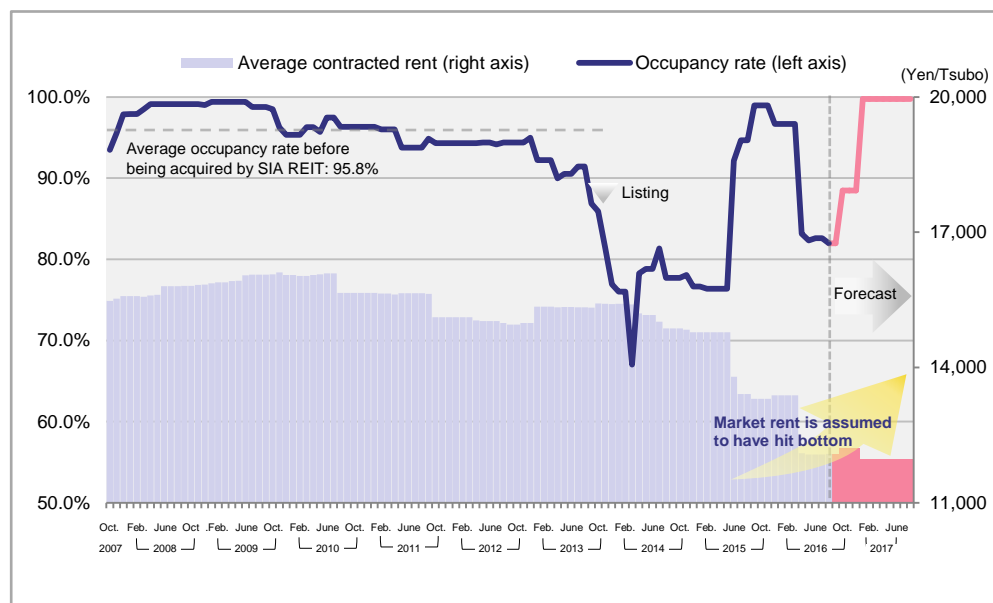


(Note) The forecast figure is calculated based on the assumptions of the earnings forecasts.

3 – 1. Management Status: Characteristics of the Tenants in J Tower

Occupancy Rate and Average Rents

- Decrease in occupancy rate which happened around the listing of SIA REIT (Oct. 2013) was due to lease agreement termination caused by the tenant reviewing its bases with the company reorganization at the background.
- Average occupancy rate ^(Note 1) during the period from SIA Group's acquisition of J Tower to the acquisition by SIA REIT (Oct. 2007 to Sept. 2013) was 95.8%.
- Average contracted rent ^(Note 2) of currently occupying tenants is roughly at the level of lower limit of market rent ^(Note 3), and the rent gap is believed to have dissolved.



(Note 1) Average occupancy rate (%) is calculated with the formula [total leased floor area as of the end of each month during the subject period ÷ total leasable floor area as of the end of each month during the subject period] and is rounded to the first decimal place.

(Note 2) "Contracted rent" refers to rent and common space charges contracted per tsubo per month, without considering the impact of free rent, etc.

(Note 3) "Market rent" is based on the opinion of Simplex REIT Partners Inc., the Asset Management Company.

(Note 4) "Purpose of use" and "Reason for move-out" is based on the opinion of the Asset Management Company, which used results of interviewing tenants as the basis.

Move-out of Major Tenants

(1,000 tsubos or more) after the Time around Listing of SIA REIT

	Category	Leased floor area (tsubo)	Period from initial contract to move-out	Purpose of use (Note 4)	Reason for move-out (Note 4)
A	Communication (listed)	Approx. 1,400	24 years	Installation of communication facility	Ending use of the facility
B	Financial	Approx. 2,300	7 years and 1 month	System department	Reviewing bases in accordance with group reorganization
C	Electric equipment (listed)	Approx. 1,100	2 years and 9 months	Sales and marketing department	Reviewing bases in accordance with group reorganization

Status of Main Tenants

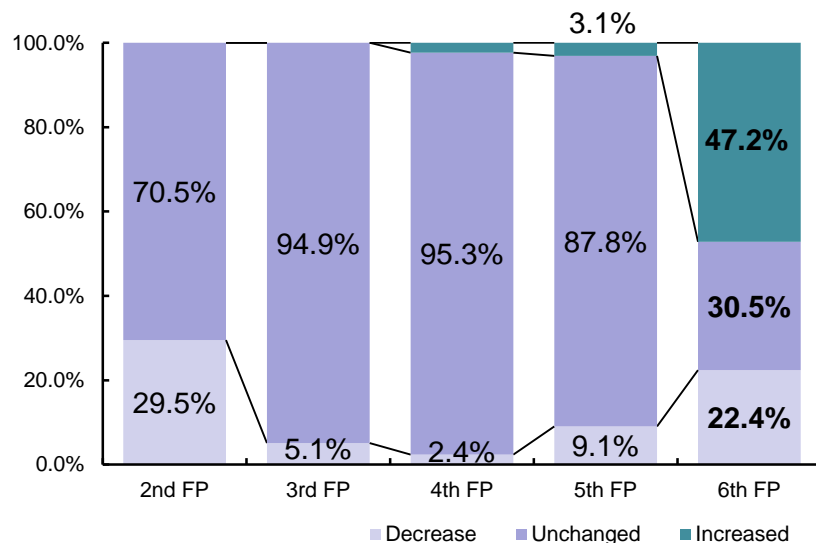
(including those occupying or concluded agreement with)

	Category	Leasing area (Tsubos)	Start of lease term	Purpose of use (Note 4)
a	Computer system (subsidiary of a listed company)	Approx. 1,000	June 1994	System department
b	Food (listed)	Approx. 500	September 1994	System department
c	Public entity	Approx. 700	December 2003	Administration department
d	Financial	Approx. 1,600	June 2015	System department
e	Public entity	Approx. 600	October 2016	Administration department
f	Financial	Approx. 2,300	January 2017	Administration department

Occupying over a long-term after moving in

3 – 2. Analysis of Tenant Trends

Rent Renewal^(Note 1) Trends

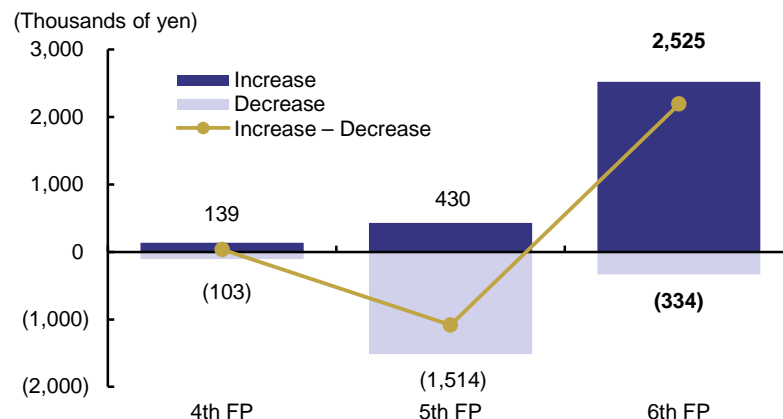


	2nd FP Floor area (Number of tenants)	3rd FP Floor area (Number of tenants)	4th FP Floor area (Number of tenants)	5th FP Floor area (Number of tenants)	6th FP Floor area (Number of tenants)
Increased	- (-)	- (-)	139 tsubos (2)	333 tsubos (2)	1,256 tsubos (7)
Unchanged	5,798 tsubos (57)	4,777 tsubos (33)	5,763 tsubos (60)	9,365 tsubos (65)	811 tsubos (14)
Decreased	2,431 tsubos (4)	255 tsubos (2)	142 tsubos (2)	966 tsubos (2)	595 tsubos (4)
Total	8,229 tsubos (61)	5,033 tsubos (35)	6,044 tsubos (64)	10,664 tsubos (69)	2,664 tsubos (25)

(Note 1) With regard to lease agreements that were updated or whose rent revisions had become effective during each period, the increase and decrease of rents before and after the update, floor area (tsubos) of the measures and number of tenants were tallied.

(Note 2) The ratios in the above graph are calculated based on floor area.

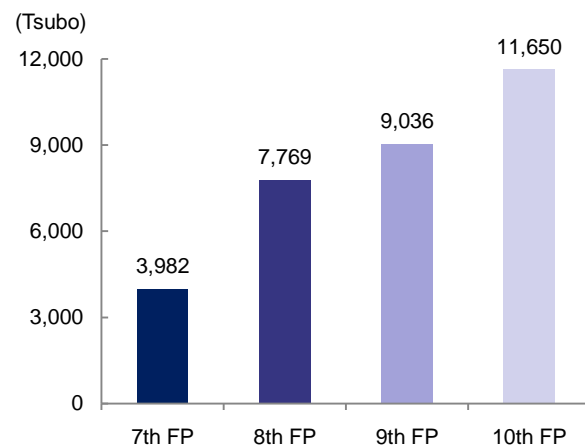
Amount of Change in Revised Rents (Monthly Rent)



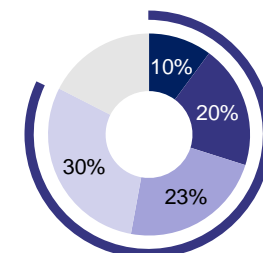
• Made continuous efforts to negotiate for increasing rent with the improved and stabilized portfolio occupancy rate at the background, and achieved net increase of ¥2 million per month, calculated by subtracting decreased amount from increased amount.

• Continuing efforts for upward revisions, and rent revisions in the seventh fiscal period are showing good results as well.

Scheduled Maturing of Agreements



The ratio of contracted area maturing within 2 years from September 2016 is **82.5%** of the total leasable floor area.

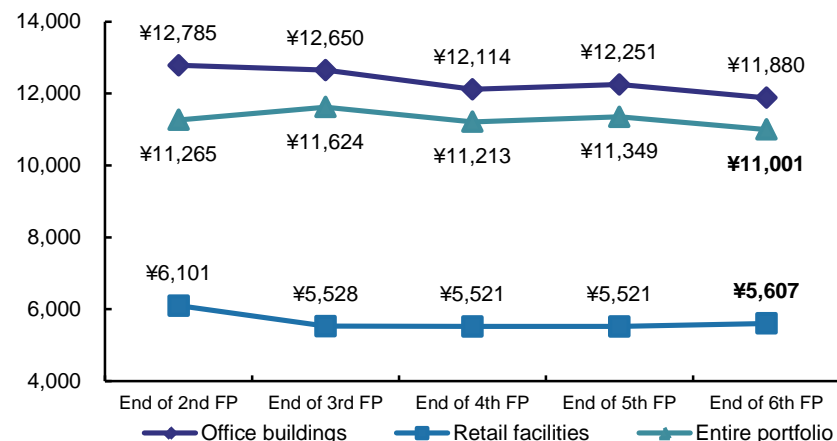


Total leasable floor area
39,315 tsubos

(as of the end of the sixth fiscal period)

3 – 2. Analysis of Tenant Trends

Average Rent (Note 1)



	Office buildings		Retail facilities	Entire portfolio
	Tokyo metropolitan area	Ordinance-designated cities, etc.		
End of 2nd FP	¥13,892/tsubo	¥9,750/tsubo	¥12,785/tsubo	¥11,265/tsubo
End of 3rd FP	¥13,755/tsubo	¥9,719/tsubo	¥12,650/tsubo	¥11,624 /tsubo
End of 4th FP	¥12,935/tsubo	¥9,738/tsubo	¥12,114/tsubo	¥11,213/tsubo
End of 5th FP	¥13,085/tsubo	¥9,757/tsubo	¥12,251/tsubo	¥11,349/tsubo
End of 6th FP	¥12,555/tsubo	¥10,008/tsubo	¥11,880/tsubo	¥11,001/tsubo
Change from end of previous period	¥-530	¥+251	¥-371	¥-348

- Succeeded in increasing contracted rent at some properties, contributing to the improvement of average rent.

(Note 1) "Average Rent" is calculated by dividing the sum of each tenant's monthly rent and the common space charges indicated in their lease agreements by the leased floor space and does not include floor area in which lease agreements are yet to begin or where lease agreements are not yet concluded.

Top Tenants

(As of the end of the sixth fiscal period)

	Name of tenant	Leased floor area (Tsubo) (Note 2)	% of total leasable floor area (Note 3)	Property occupied
1	TOHO Cinemas, Ltd.	1,731.84	4.4%	fab Minami-Osawa
2	American Family Life Assurance Company of Columbus	1,632.47	4.2%	J Tower
3	Tokyo Toshi Service Co., Ltd.	1,301.64	3.3%	J Tower
4	Japan Radio Co., Ltd. (Note 4)	1,166.05	3.0%	J Tower
5	AGREX Inc.	1,002.74	2.6%	J Tower
6	Nakanihon Engineering Consultants Co., Ltd.	917.52	2.3%	Stoke Building Nagoya
7	TDS Co., Ltd.	703.08	1.8%	36 Sankyo Building
8	National Federation of Workers and Consumers Insurance Cooperatives	699.62	1.8%	J Tower
9	Yamazaki Baking Co., Ltd.	528.31	1.3%	J Tower
10	TOSHIBA LIGHTING & TECHNOLOGY CORPORATION	459.62	1.2%	Minami-Shinagawa JN Building
Total of top 10 tenants		10,142.89	25.8%	

(Note 2) The "Leased floor area" column shows the floor area indicated in the lease agreements with each tenant effective as of August 31, 2016. Leased floor area for Niigata Higashibori-dori Parking Building, parking spaces and land provided for other uses are not included.

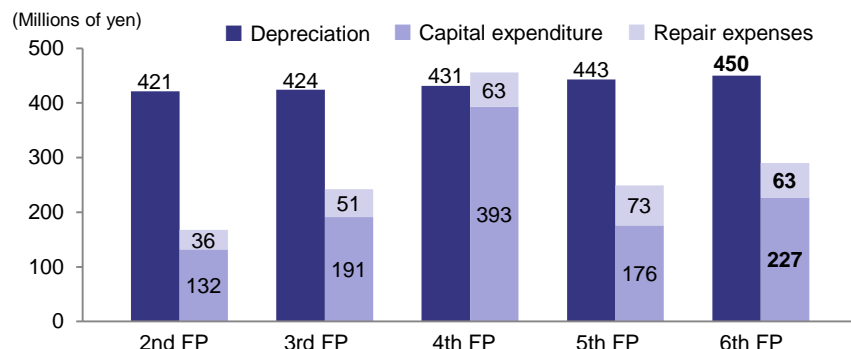
(Note 3) The "% of total leasable floor area" column shows each tenant's percentage of the total leasable floor area of all the assets SIA REIT owns (excluding the properties owned by SPC in which SIA REIT invests through silent partnership) and is rounded to the first decimal place.

(Note 4) A notice of termination was received from the concerned tenant on May 27, 2016, and all leased floor area is scheduled for termination on December 31, 2016.

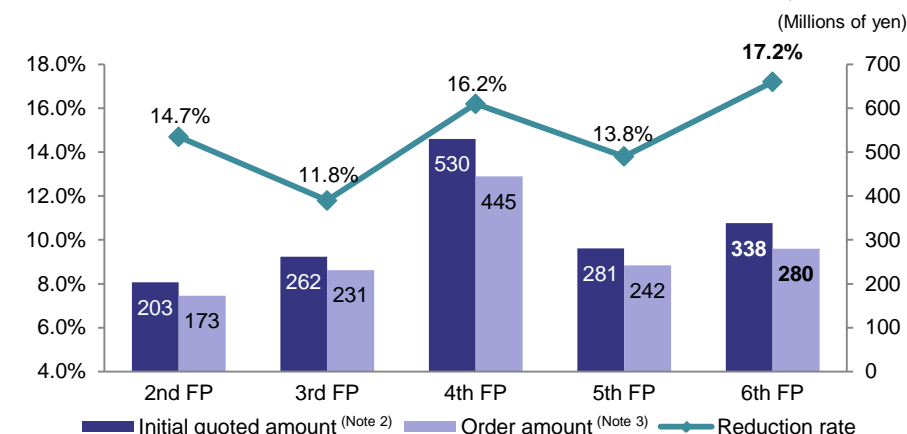
3 – 3. Efforts Toward Maintaining and Increasing Property Value

- Utilizing the SIA Group's know-how on facility management, strategic value-adding investment continues to be implemented in light of the challenges of each property

■ Depreciation Work



■ Effects of Assessment of Construction Costs, Etc.



(Note 1) "Effects of Assessment of Construction Costs, Etc." is prepared by tallying data concerning works, etc. for which initial quoted amount per work was ¥100,000 or more (excluding tax) for the respective fiscal period when the works, etc. were inspected and accepted.

(Note 2) "Initial quoted amount" is the quoted amount initially submitted by contractors entrusted with the works, etc. upon implementing the works, etc. (refers to renovation or repair of building, interior, etc., new installation, updating, repair, checking or cleaning of facility or equipment, exchange or purchase of parts and works incidental to implementation of these).

(Note 3) "Order amount" is the actual order amount produced following verification, assessment and negotiation by the Asset Management Company.

■ Status of MY Kumamoto Building

(As of the end of the sixth fiscal period)



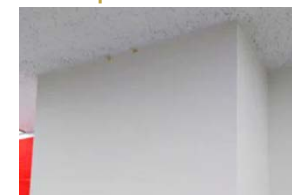
Property Name	MY Kumamoto Building
Location	Kumamoto City, Kumamoto Prefecture
Completed	October 1987
Number of Floors	9F
Occupancy rate	100.0%
PML	5.08%

- Research by a third-party research company had been conducted in the wake of the 2016 Kumamoto Earthquake. SIA REIT received a report saying that although there were minor damages such as cracks, falling, etc. of exterior tiles, there were no changes in the building's seismic capacity from before the earthquake and the building is able to be used.
- Repair expenses for the property during the sixth fiscal period (ended Aug. 2016) increased from the initial forecast of ¥0.6 million to ¥13 million (sixth fiscal period's result) due to works concerning the earthquake, but the impact to performance is limited.
- Impact of repair expenses for the seventh fiscal period (ending Feb. 2017) and after are also expected to be minor.

After the earthquake



After repair work





4 External Growth

4 – 1. External Growth Strategy

- External growth target: Aim to achieve an asset size of ¥100 billion at an early stage and of ¥200 billion over medium-term (target: by 2020)

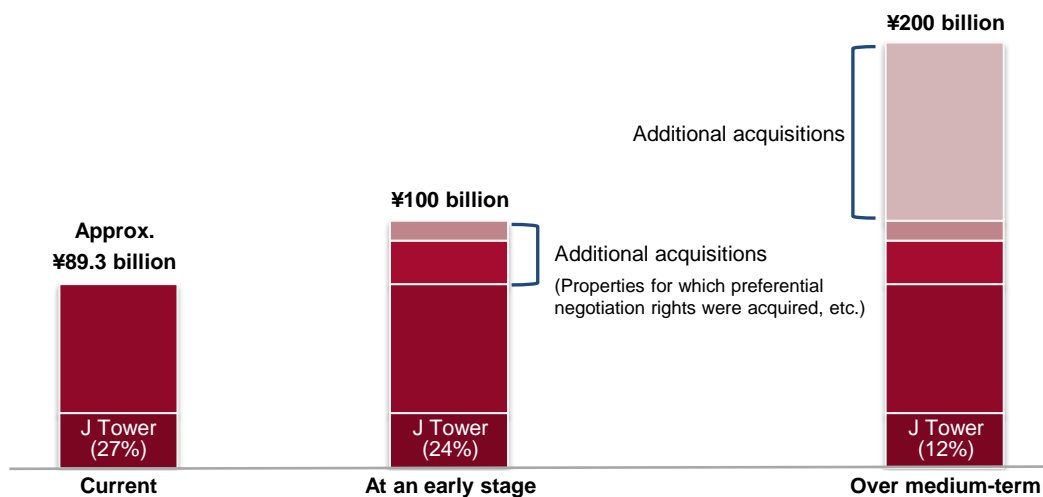
Policy for Initiatives

- Targeted yield: NOI yield at 4%-4.5% after depreciation
→ Incorporate several candidate properties for acquisition centering on the Tokyo metropolitan area, and aim to secure yields
- Selective investments: Avoid excessive price competition by pursuing negotiation or limited bidding opportunities
- Utilization of sponsor: Secure candidate properties by utilizing bridge funds and bridge functions

(1) Increase and stabilize dividends (2) Strengthen the financial base

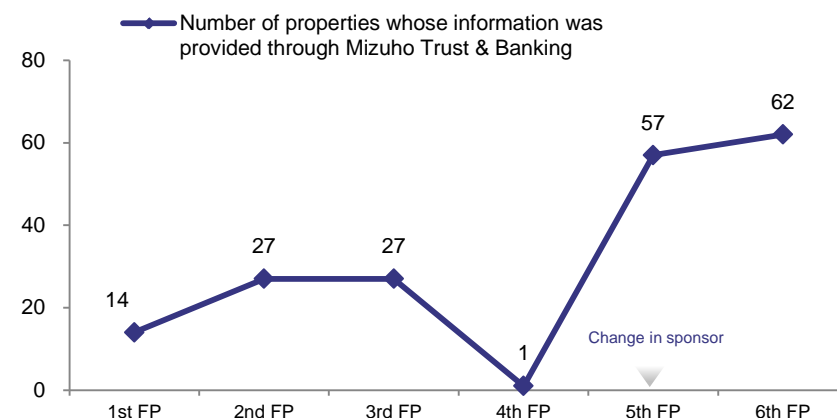
Aim to achieve an asset size of
¥100 billion at an early stage

Aim to achieve an asset size of
¥200 billion over medium-term



Property Information by Information Route (Sixth fiscal period)

Information route	Property information		Property information still being considered	
	Number of properties	Percentage	Number of properties	Percentage
Seller	3	1.6%	0	0.0%
Sponsor/support companies	111	57.5%	11	91.7%
Brokers and others	79	40.9%	1	8.3%
Total	193		12	



As of late (October 7, 2016), we are continuing to consider mainly middle-sized class five office buildings (totaling approx. ¥35 billion)

4 – 2. Status of Pipelines

- As of the day of this document, three pipeline properties of approx. ¥15.8 billion are owned. Together with the existing portfolio with a total acquisition price of ¥89.3 billion, the target asset size of ¥100 billion is coming into view
- We will continue the creation of pipelines utilizing the support of Mizuho Trust & Banking and Simplex Real Estate Management Inc.

■ Properties for which Preferential Negotiation Rights are Acquired

(Millions of yen)

Property name	Minimum purchase price (Note 1)	Period allowed for sale	
Daihakata Building	10,650	Sept. 1 2016	Mar. 30 2018
Daido Life Omiya Building	3,000	Mar. 1 2017	May 20 2018
Yamagami Building	2,200	Mar. 1 2017	May 20 2018
Three properties total	15,850		
Total acquisition price of existing 22 properties	89,359		

(Note 1) Of the minimum purchase prices of each building, the lowest amount is indicated.

Daihakata Building

Support status ^(Note 2)	Mizuho Trust & Banking Co., Ltd., SRM
Location	Hakata Ward, Fukuoka City, Fukuoka
Completed	August 1975
Number of Floors	B3/14F
● Overview of preferential negotiation right	
Period allowed for sale	From Sept. 1, 2016 to March 30, 2018
Minimum purchase price	The following price is set according to the transaction date.
Transaction date	Minimum purchase price (excluding tax)
1. From Sept. 1, 2016 to Feb. 28, 2017	¥10,700 million
2. From Mar. 1, 2017 to Mar. 30, 2018	¥10,650 million

Daido Life Omiya Building

Support status ^(Note 2)	SRM
Location	Omiya Ward, Saitama City, Saitama
Completed	October 1991
Number of Floors	8F
● Overview of preferential negotiation right	
Period allowed for sale	From Mar. 1, 2017 to May 20, 2018
Minimum purchase price	¥3,000 million (excluding tax)

Yamagami Building

Support status ^(Note 2)	Mizuho Trust & Banking Co., Ltd., SRM
Location	Toshima Ward, Tokyo
Completed	September 1991
Number of Floors	B2/8F
● Overview of preferential negotiation right	
Period allowed for sale	From Mar. 1, 2017 to May 20, 2018
Minimum purchase price	¥2,200 million (excluding tax)

(Note 2) "Support status" column shows the party who conducted sourcing (provision of property information upon acquisition of preferential negotiation rights-held property by bridge fund, etc.) or establishment of scheme (provision of funds or know-how regarding launch of the concerned bridge fund, etc. or fund procurement by the concerned bridge fund, etc. upon acquisition of preferential negotiation rights-held property by bridge fund, etc.).

4 – 3. Preferential Negotiation Rights-Held Property| Daihakata Building

- SIA REIT conducted ¥10 million of equity investment in silent partnership of a bridge fund on March 28, 2016. SIA REIT also gained the Preferential Negotiation Rights to Daihakata Building which the bridge fund acquires
- Utilization of sponsor support: Fund formation arranged by Simplex Real Estate Management Inc. and financial aspects for fund formation supported by Mizuho Trust & Banking

Outline of Daihakata Building

Location	Hakataekimae, Hakata Ward, Fukuoka City, Fukuoka
Nearest Station	1-minute walk from Gion Station on the Subway Kuko Line
Completed	August 1975
Appraisal Value (Note 1)	¥10,900 million
Total leasable area (Note 2)	15,946.65 m ²
Leased area (Note 2)	15,912.44 m ²
Occupancy rate (Note 2)	99.8%
Total number of tenants (Note 2)	79

(Note 1) Appraisal date: February 29, 2016

(Note 2) Indicates status as of August 31, 2016 and based on information acquired from entity from which SIA REIT obtained the preferential negotiation rights.

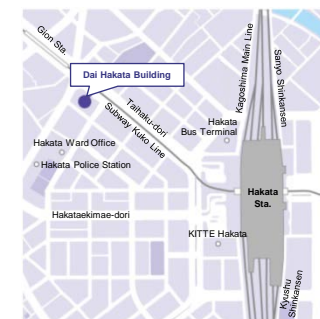
Property Characteristic

- Highly visible office building on Taihaku-dori, located a 6-minute walk from JR Hakata Station and a 1-minute walk from Gion Station on the Kuko subway line
- The property can be accessed by underground passage from JR Hakata Station and the area has excellent transportation convenience
- Being in the Hakata Station front area which has strong rental office demand even in Fukuoka City and having completed renovations of the entrance, common spaces, etc., ongoing stable tenant demand is expected for this property

Outline of the Preferential Negotiation Rights

Exercise period	From March 30, 2016 to March 30, 2018
Period allowed for sale	From September 1, 2016 to March 30, 2018
Minimum purchase price	The following price is set according to the transaction date.

Transaction period	Minimum purchase price (excluding tax)
1. From September 1, 2016 to February 28, 2017	¥10,700 million
2. From March 1, 2017 to March 30, 2018	¥10,650 million



4 – 3. Preferential Negotiation Rights-Held Property| Daido Life Omiya Building

- Preferential negotiation right for Daido Life Omiya Building for which the Asset Management Company provided the information, was acquired on May 20, 2016.
- Utilized the sponsor support: Simplex Real Estate Management established the scheme.

Outline of Daido Life Omiya Building

Location	Kishiki-cho, Omiya Ward, Saitama City, Saitama
Nearest Station	Nine-minute walk from Omiya station of JR and other lines
Completed	October 1991
Total leasable area (Note)	3,574.03 m ²
Leased area (Note)	3,491.50 m ²
Occupancy rate (Note)	97.7%
Total number of tenants (Note)	16

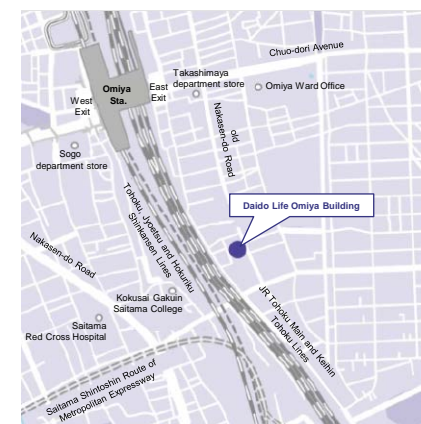
(Note) Indicates status as of July 31, 2016 and based on information acquired from entity from which SIA REIT obtained the preferential negotiation rights.

Property Characteristic

- A mid-sized office building located within a nine-minute walk from the Omiya station of JR and other lines, along the old Nakasen-do Road.
- Location enjoying excellent transportation convenience boasting easy access to Saitama Shintoshin Route of Metropolitan Expressway and other highways.
- As the rental space has a shape that can be flexibly divided to offer office space of various sizes, be it large or small, the property is expected to meet the stable demand from tenants in the office building leasing market in the Omiya area going forward.

Outline of the Preferential Negotiation Rights

Exercise period	From May 20, 2016 to May 20, 2018
Period allowed for sale	From March 1, 2017 to May 20, 2018
Minimum purchase price	¥3,000 million (excluding tax)



4 – 3. Preferential Negotiation Rights-Held Property| Yamagami Building

- Preferential negotiation right for Yamagami Building was acquired on September 9, 2016.
- Utilized the sponsor support: Obtained property information through Mizuho Trust & Banking and Simplex Real Estate Management established the scheme.

Outline of Yamagami Building

Location	Higashi-Ikebukuro, Toshima Ward, Tokyo
Nearest Station	Eight-minute walk from Ikebukuro station of JR and other lines
Completed	September 1991
Total leasable area (Note)	2,677.80 m ²
Leased area (Note)	2,545.23 m ²
Occupancy rate (Note)	95.0%
Total number of tenants (Note)	6

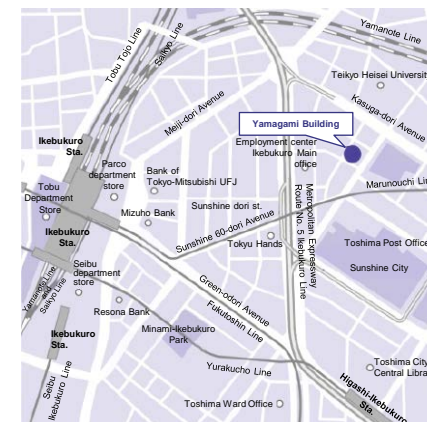
(Note) Indicates status as of October 1, 2016 and based on information acquired from entity from which SIA REIT obtained the preferential negotiation rights.

Property Characteristic

- An office building located within an eight-minute walk from the Ikebukuro station of JR and other lines.
- The area having concentration of medium to small office buildings and can expect leasing needs of affiliate companies of tenants housed in the nearby Sunshine City 60 as well as of IT system-related companies.
- Since the rental space is mostly regular-shaped and office space that suits the demand of medium to small-sized tenants is available, stable demand from tenants is anticipated to continue in the office building leasing market in the Ikebukuro area going forward.

Outline of the Preferential Negotiation Rights

Exercise period	From September 9, 2016 to May 20, 2018
Period allowed for sale	From March 1, 2017 to May 20, 2018
Minimum purchase price	¥2,200 million (excluding tax)



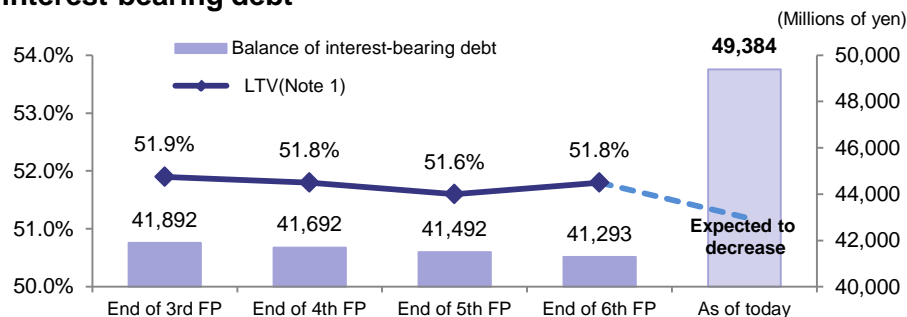


5 Financial Strategy

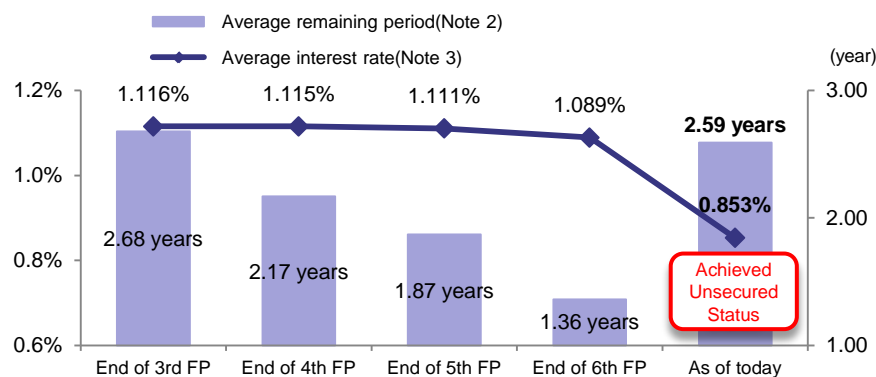
5 – 1. Financial Status| Main Financial Indicators

- Succeeded in reducing average interest rate and worked to extend borrowings and fix interest rates through new debt financing and refinancing.
- At the same time, worked to bring loans to unsecured status and made progress in strengthening the financial base. With such strengthened financial base at the background, aim to acquire external credit rating.

LTV (interest-bearing debt ratio) and the balance of interest-bearing debt



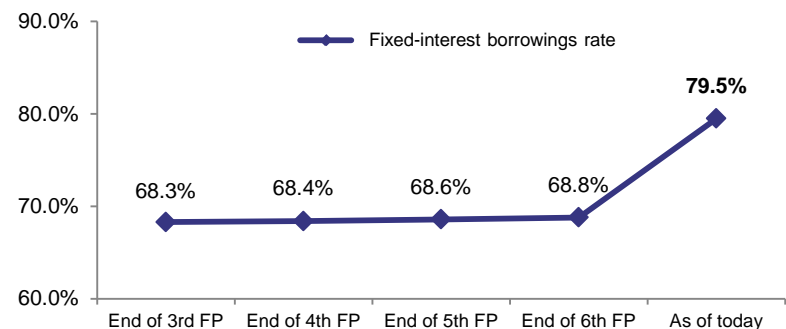
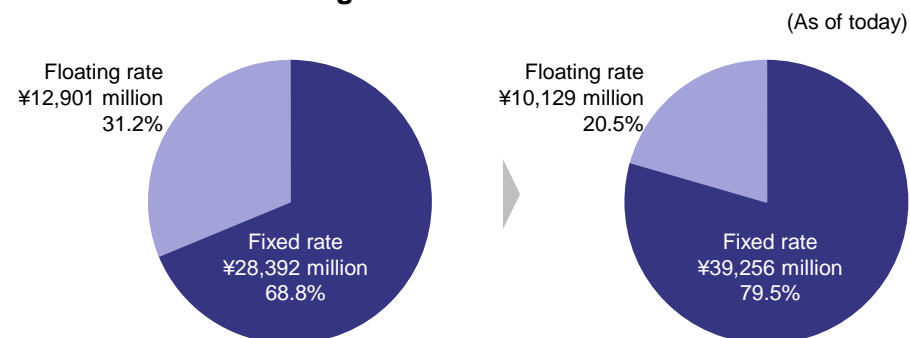
Average remaining period / Average interest rate



(Note 1) LTV (%) is calculated with the formula [Period-end balance of interest-bearing debt ÷ Period-end total assets] and is rounded to the first decimal place.

(Note 2) The average remaining period is calculated by seeking the weighted average of remaining period as of the end of each period according to the balance of interest-bearing debt and is rounded down to the second decimal place.

Fixed-interest borrowings rate (Note 4)



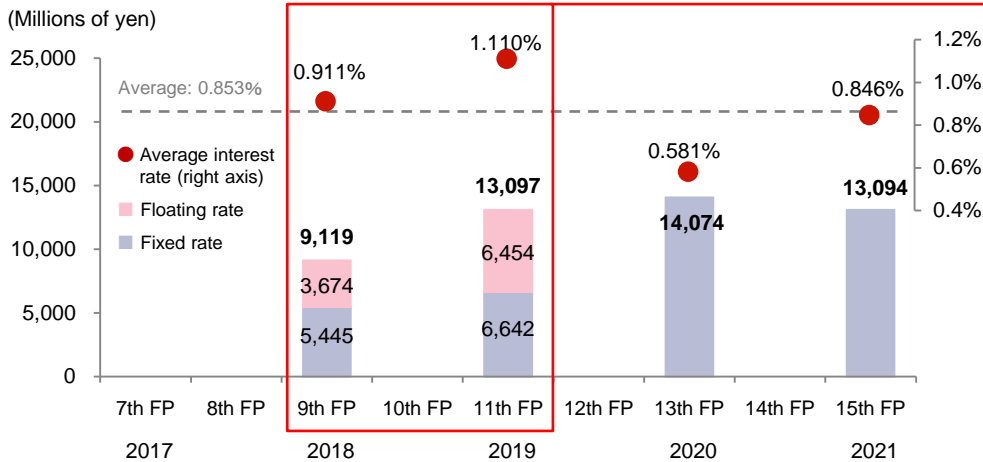
(Note 3) The average interest rate is calculated by seeking the weighted average of interest rate as of the end of each period according to the balance of interest-bearing debt and is rounded down to the third decimal place. Amortization such as for upfront fees are not included.

(Note 4) The fixed-interest borrowings rate (%) is calculated with the formula [Total amount of interest-bearing debts procured with fixed interest rates in each period ÷ Total amount of interest-bearing debt in each period] and is rounded to the first decimal place.

5 – 1. Financial Status

- Mizuho Financial Group (Mizuho Trust & Banking Co., Ltd. and Mizuho Bank, Ltd.) joined lenders by taking the largest share and bank formation have expanded.

■ Diversification of Repayment Periods and Average Interest Rate (As of today)



(Reference 2) Trial calculation of DPU for lowered average interest rate (Note 1)

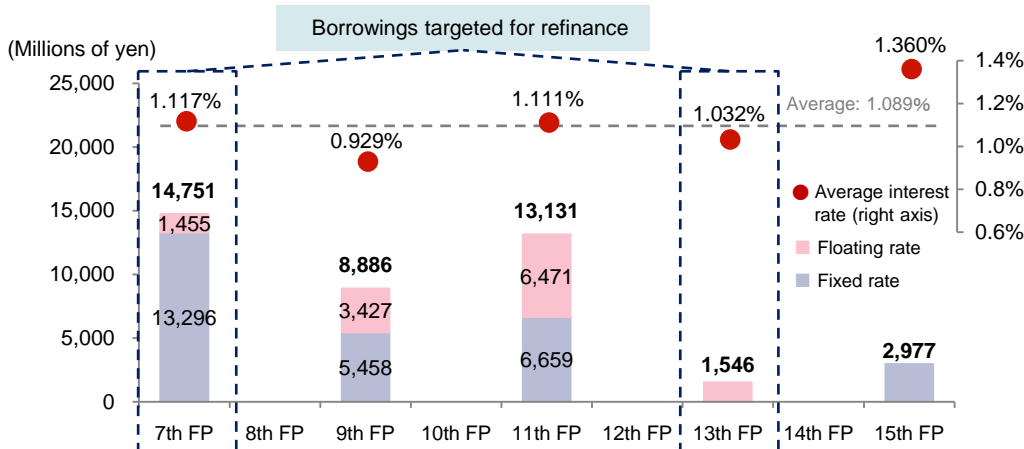
		Maturity of borrowings targeted for estimation (Yen/unit)	
		9th FP 2018	11th FP 2019
Reduced interest rates	-0.10%	48	69
	-0.15%	72	103
	-0.20%	96	138
	-0.25%	120	172

(Note 1) It is calculated with the formula (balance of targeted borrowings X reduced interest rate (%) ÷ 2) ÷ total number of investment units issued and outstanding.

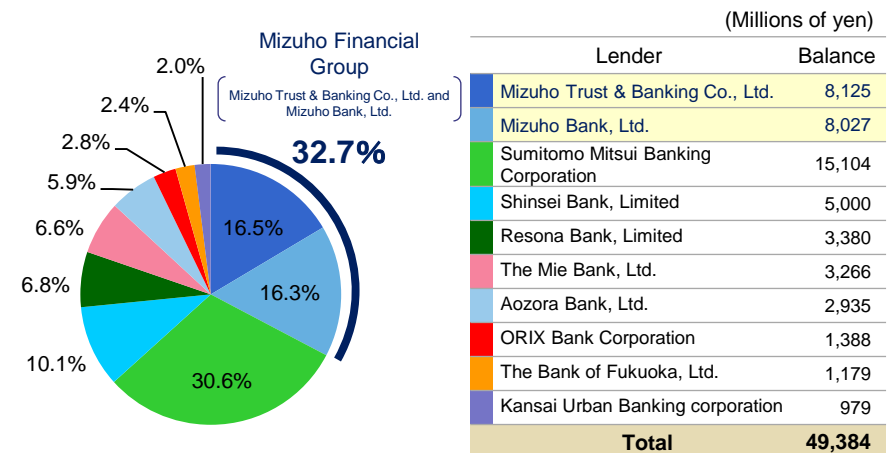
(Note 2) Assumption of the total number of investment units issued and outstanding : 94,649 units.

(Note 3) Figures are rounded down to nearest yen.

(Reference 1) Diversification of Repayment Periods and Average Interest Rate (As of the end of Sixth Fiscal Period)



■ Balance of Borrowings by Lender (As of today)



(Note) Amount is rounded down to nearest million yen.

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6 Future Growth Strategies

6 – 1. Management Strategy

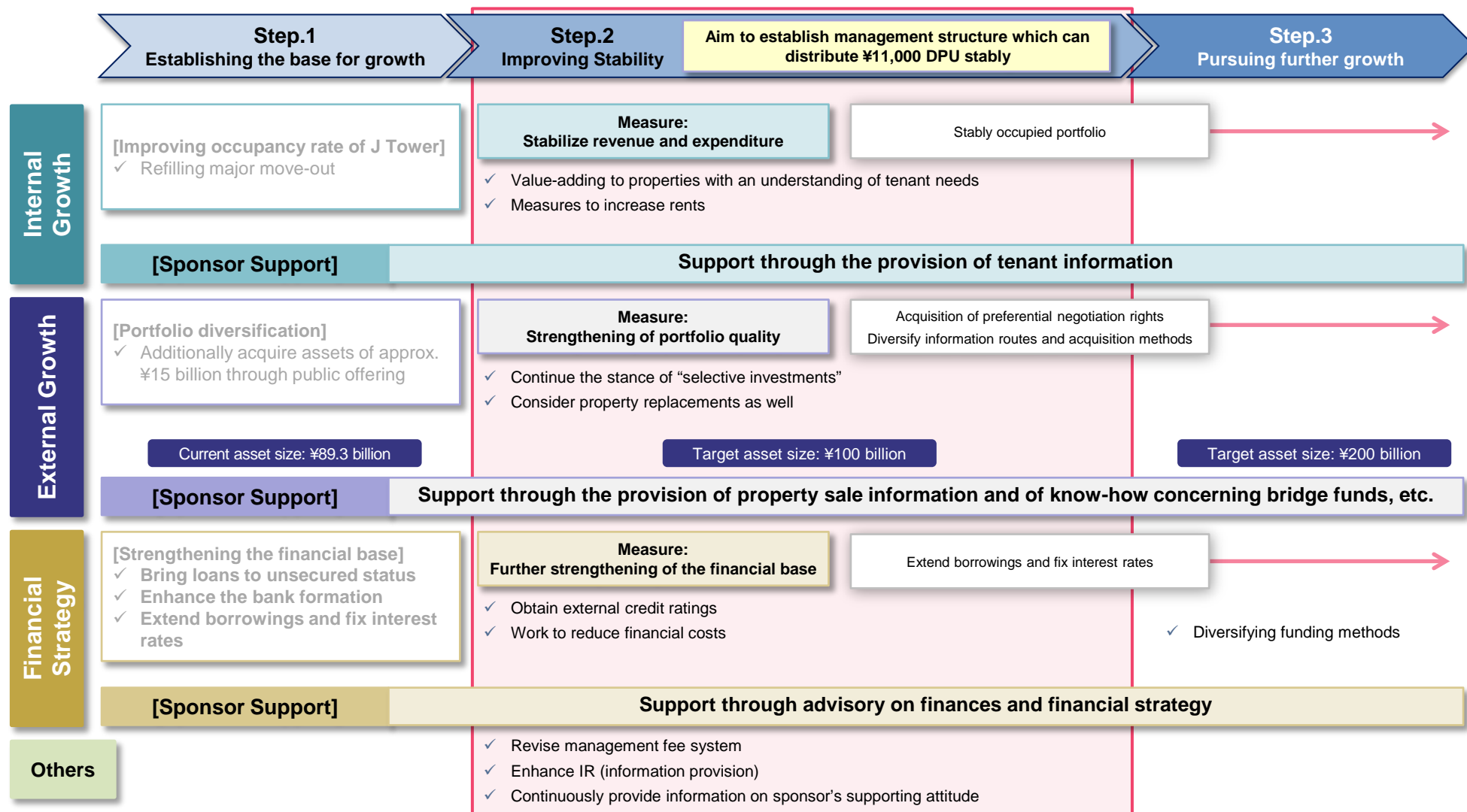
Basic Strategy

- ✓ Maximum utilization of management resources such as the sponsor's information-gathering skills and ability to create business as well as the real estate management know-how of Simplex Real Estate Management Inc. to promote ongoing acquisitions of high-quality assets and increase of the value of assets under management, and promote the improvement of the stability of the financial base backed by the high credibility of the sponsor in an aim to realize medium- to long-term growth.
- ✓ Focus on securing stable revenues in the medium- to long-term together with the pursuit for increasing revenues in an aim to maximize unitholder value.

	Overview of measures	Action plan
Internal growth strategy	Stabilize portfolio revenue and expenditure	<ul style="list-style-type: none"> ✓ Promote leasing at an early stage for some properties with vacant spaces remaining. ✓ Work to increase CF backed by the improvement and stabilization of the occupancy rates of the properties and of the portfolio. ✓ Reduce the risk of move-outs by utilizing facility management functions of SIA Group as well, and by continuing value enhancing investment with an understanding of tenant needs.
External growth strategy	Strengthening of portfolio quality	<ul style="list-style-type: none"> ✓ Continuously obtain property information and secure opportunities to acquire properties through bridge funds, etc. ✓ While aiming to increase the liquidity of investment units through an expansion of the asset size, firmly maintain the stance of "selective investments" when acquiring preferential negotiation rights or properties. ✓ Carefully consider property acquisitions that involve public offering as well by taking investment unit price levels into consideration. ✓ Conduct measures toward strengthening portfolio quality by flexibly considering portfolio replacements in addition to property acquisitions.
Financial strategy	Further strengthening of the financial base	<ul style="list-style-type: none"> ✓ Aim to obtain external credit ratings with improved credibility through changing sponsor, stabilized portfolio occupancy rate and other factors at the background. ✓ Work to further enhance the bank formation, reduce financial costs, extend borrowings, fix interest rates and such by utilizing the sponsor's financial support and advisory on financial strategy.
Others	Establish various environments that contribute to increasing unitholder value	<ul style="list-style-type: none"> ✓ Implement reviewing of management fee system based on responses and evaluations from the market which obtained through public offering. ✓ Enhance IR (information provision) activities so our management status will be widely acknowledged.

6 – 2. Future Action Plan

- Maximum utilization of sponsor support to pursue growth in an aim to maximize unitholder value from every aspect of external growth, internal growth and financial strategy.



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7 Appendix

About the Sponsor| Sponsor Overview

- Mizuho Trust & Banking provides diverse solutions for real estate business such as real estate brokerage, real estate asset management, and financial advisory, and has a reputation as one of the strongest players in the Japanese real estate market

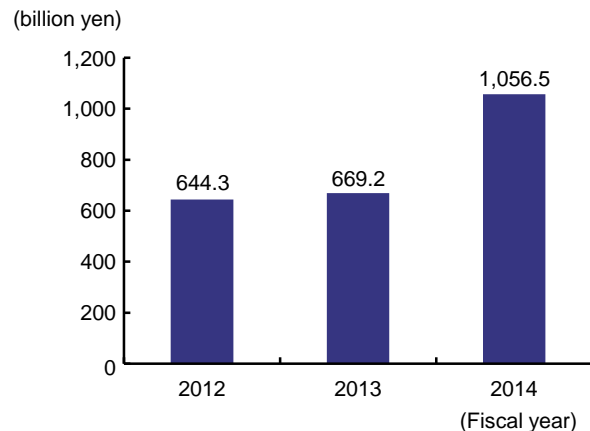
■ Overview of Mizuho Trust & Banking Co., Ltd. and Mizuho Financial Group, Inc.

Name	Mizuho Trust & Banking Co., Ltd.
Address	1-2-1 Yaesu, Chuo-ku, Tokyo
Representative	Takeo Nakano, President & CEO
Line of Business	Trust services, banking services
Established	May 9, 1925
Large shareholder and shareholding ratio	Mizuho Financial Group, Inc.: 100% (excluding treasury stock)

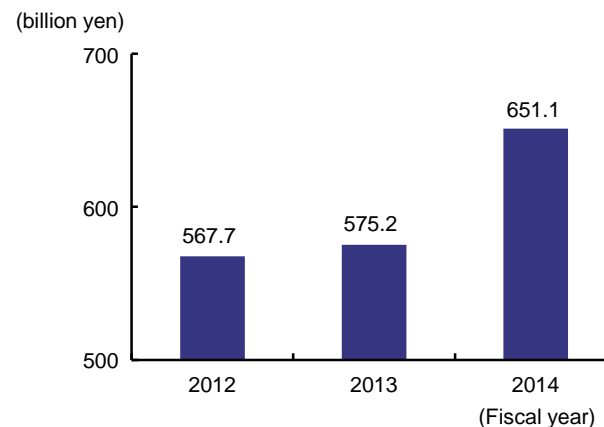
Name	Mizuho Financial Group, Inc.
Address	1-5-5 Otemachi, Chiyoda-ku, Tokyo
Representative	Yasuhiro Sato, President & Group CEO
Line of Business	Bank holding company
Established	January 8, 2003

■ Track Record of Real Estate Business by Mizuho Trust & Banking

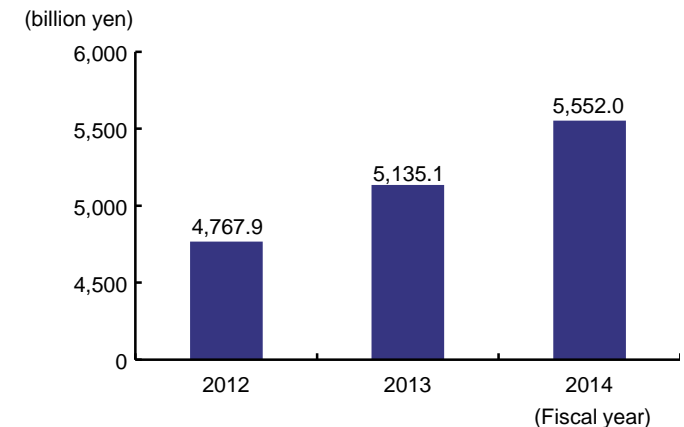
■ Real Estate Brokerage Business



■ AM Business



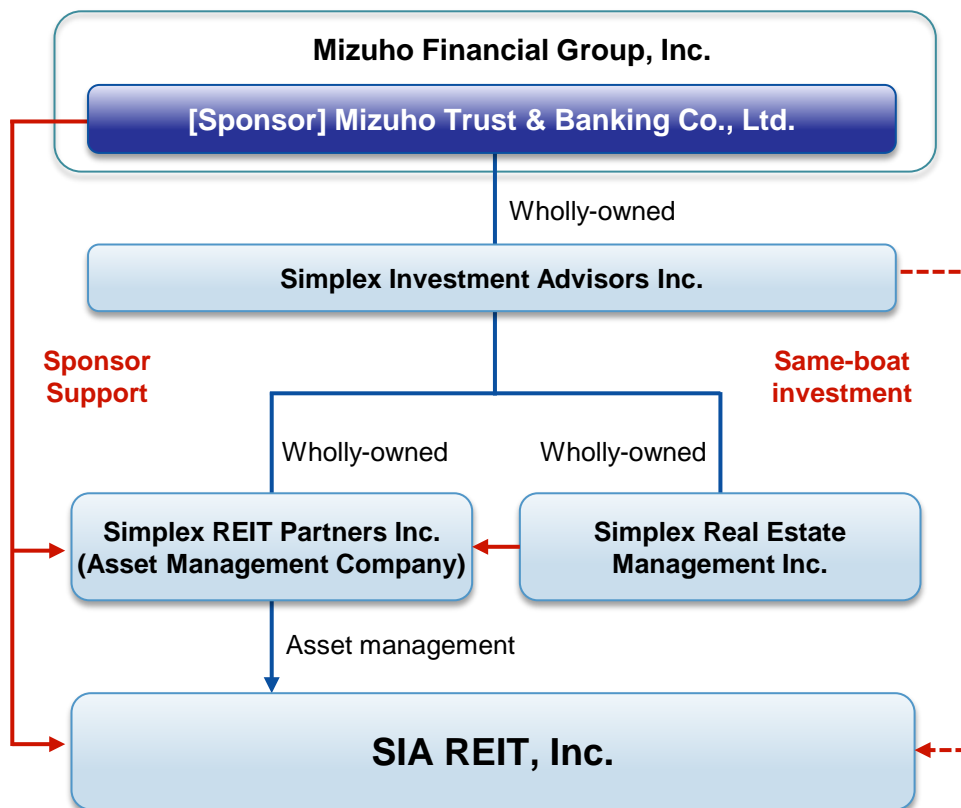
■ Entrusted Balance of Real Estate Securitization



About the Sponsor| Sponsor Support System

- Aim to achieve sustainable and stable growth by utilizing sponsor support from Mizuho Trust & Banking

■ Schematic



■ Overview of the Sponsor Support Agreement

<p>External growth support</p> <p>Internal growth support</p>	<ul style="list-style-type: none"> ▶ Share information about assets in the market that meets SIA's investment strategy → Increase AUM and improve portfolio quality ▶ Provide know-how about bridge fund → Future pipeline of asset acquisition ▶ Advise and support on asset acquisition and asset management, support on planning of leasing strategy → Acquire AM know-how and improve portfolio profitability ▶ Provide information about potential tenant → Improve occupancy rate ▶ Provide information about real estate market update → Improve investment strategy
<p>Financial strategy support</p>	<ul style="list-style-type: none"> ▶ Advise on financing structure such as ① debt financing, ② formation of syndicate banks → Improve B/S and Bank formation ▶ Advise and support about financing → Improve financial stability
<p>Other support</p>	<ul style="list-style-type: none"> ▶ Same-boat investment → Share interests with unitholders ▶ Cooperative structure of sending experienced directors and employees to pursue investment management → Build an effective structure for growth of SIA REIT

About the SIA Group | Corporate Overview

Simplex
Real Estate Management

Simplex Real Estate Management Inc.
(SRM)

Fully-owned

Simplex
Investment Advisors

Simplex Investment Advisors Inc.
(SIA)

Fully-owned

Simplex
REIT Partners

Simplex REIT Partners Inc.
(SRP)

Line of business	Real estate investment advisory services for investors in Japan and abroad	Administration of subsidiaries	Management of the Investment Corporation's assets
Established	September 10, 2007	October 28, 2015	July 1, 2005
Capital	¥100 million	¥100 million	¥50 million
Representative	Kiyohiko Tsukada, CEO	Kiyohiko Tsukada, CEO	Hiroyuki Katsuno, President and Representative Director
Address of head office	Urbannet Nihonbashi 2-chome Building 4th Floor, 2-1-3 Nihonbashi, Chuo Ward, Tokyo	Urbannet Nihonbashi 2-chome Building 4th Floor, 2-1-3 Nihonbashi, Chuo Ward, Tokyo	Urbannet Nihonbashi 2-chome Building 4th Floor, 2-1-3 Nihonbashi, Chuo Ward, Tokyo
No. of directors/employees	35 (as of October 1, 2016) ^(Note 1)	26 (as of October 1, 2016) ^(Note 1)	23 (as of October 1, 2016) ^(Note 1)
Membership	Japan Investment Advisors Association		The Investment Trusts Association, Japan
Licenses, etc.	1. Financial Instruments Business Operator (Type II Financial Instruments Business; Investment Advisory and Agency Business; Investment Management Business): Kanto Financial Bureau (Kinsho) No.1915		1. Real Estate Brokerage License: Issued by the Governor of Tokyo (3), No.84787 2. Financial Instruments Business Operator (Investment Management Business): Kanto Financial Bureau (Kinsho) No.342 3. License No. 46 issued by the Minister of Land, Infrastructure, Transport and Tourism (Trading Agency Etc., License)

(Note 1) Includes full time auditors, contracted employees and employees on postings from other companies, and excludes outside directors and temporary staff. Includes members holding concurrent positions among SIA Group companies.

(Note 2) Simplex Investment Advisors Inc., Simplex REIT Partners Inc. (the Asset Management Company) and Simplex Real Estate Management Inc. are collectively referred to as the "SIA Group."

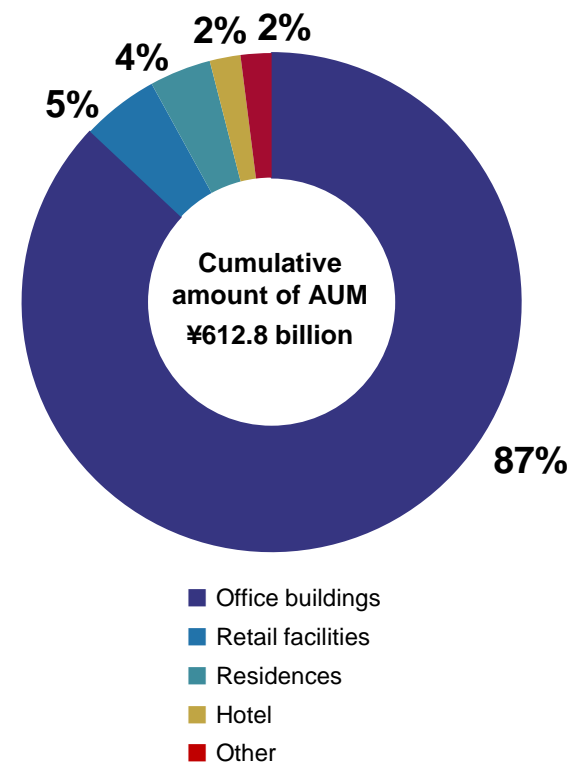
About the SIA Group | History

- Real estate investment and fund management record with asset size of over ¥610 billion since its founding in 2002

History

2002	June	Nikko Cordial Securities Inc. (at the time) and Simplex Holdings Inc. establish Simplex Investment Advisors Inc. (former SIA) ^(Note) to offer real estate investment advisory services
2005	June	Former SIA listed on Tokyo Stock Exchange Mothers market
	July	Simplex REIT Partners Inc. (SRP) established for entry in the J-REIT market
2007	September	Simplex Real Estate Management Inc. (SRM) established for the purpose of splitting up real estate investment advisory services
	November	Takeover bid of former SIA shares by the Aetos Group and Goldman Sachs Group completed
2011	February	Financial base strengthened through public offering with the Aetos Group's underwriting and long-term refinancing with financial institutions; the Aetos Group acquires the Goldman Sachs Group's former SIA shares at the same time, becoming the sole shareholder
2013	October	SIA REIT listed on the J-REIT section of the Tokyo Stock Exchange
2015	December	Mizuho Trust & Banking acquired all of the shares of SRM and SRP through its subsidiary Simplex Investment Advisors Inc. (SIA)

Fund Formations and Management (cumulative)^{(Note 2)(Note 3)}



(Note 1) While the former SIA has the same trade name as Simplex Investment Advisors Inc., the parent company of the Asset Management Company as of the date of this document, it is a separate company from the parent company of the Asset Management Company as of the date of this document.

(Note 2) Indicates fund formation and management records in SIA Group (includes Simplex Investment Advisors Inc. which seceded from the sponsor of SIA REIT on November 30, 2015; a separate company from Simplex Investment Advisors Inc., the parent company of the Asset Management Company as of the date of this document) which was invested in by investors other than SIA Group from the establishment in 2002 through the end of May 2016. The figures are calculated from the cumulative amount of acquisition prices as of the end of May 2016.

(Note 3) Includes funds that have ended and have refunded equity interests.

Statement of Income

(Thousands of yen)

	Fifth fiscal period (Ended February 2016)	Sixth fiscal period (Ended August 2016)
Operating revenue (total)	3,019,785	2,967,677
Lease business revenue	2,672,204	2,577,832
Other lease business revenue	346,752	386,836
Dividends received	828	3,008
Operating expenses (total)	1,804,814	1,790,250
Expenses related to rent business	1,510,299	1,510,388
Asset management fees	235,502	221,208
Asset custody fees	3,518	3,554
Administrative service fees	14,993	15,363
Directors' compensations	3,876	3,876
Other operating expenses	36,624	35,859
Operating profit	1,214,971	1,177,427
Non-operating income (total)	587	520
Interest income	571	28
Insurance income	–	492
Other	16	–
Non-operating expenses (total)	309,685	309,726
Interest expenses	231,486	228,095
Borrowing related expenses	78,199	81,631
Recurring profit	905,872	868,220
Net income before income taxes	905,872	868,220
Income taxes – current	900	891
Income taxes – deferred	0	0
Total income taxes	901	892
Net income	904,971	867,328
Profit brought forward	31	48
Unappropriated retained earnings (undisposed loss)	905,003	867,376

(Note) Amounts are rounded down to the nearest thousand yen.

Balance Sheet

(Thousands of yen)

	Fifth fiscal period (Ended February 2016)	Sixth fiscal period (Ended August 2016)
Assets		
Current assets (total)	6,398,636	5,947,588
Cash and deposits	2,104,704	2,120,619
Cash and deposits in trust	4,065,051	3,620,648
Operating accounts receivable	77,569	83,523
Prepaid expenses	151,248	121,835
Deferred tax assets	14	13
Income taxes receivable	48	416
Other	—	531
Noncurrent assets (total)	74,040,821	73,776,052
Property, plant and equipment (total)	70,457,667	70,236,348
Buildings	3,299,928	3,236,657
Structures	8,160	7,842
Machinery and equipment	32,055	25,853
Land	3,770,347	3,770,347
Buildings in trust	27,748,186	27,574,553
Structures in trust	34,471	36,314
Machinery and equipment in trust	83,124	95,304
Tools, furniture and fixtures in trust	57,212	64,144
Land in trust	35,420,175	35,420,175
Construction in process in trust	4,004	5,154
Intangible assets (total)	3,368,722	3,368,355
Leasehold rights in trust	3,365,647	3,365,647
Other	3,074	2,708
Investment and other assets (total)	214,432	171,348
Investment in securities	51,029	60,599
Lease and guarantee deposits	16,330	16,330
Long-term prepaid expenses	147,072	94,419
Total assets	80,439,457	79,723,640

	Fifth fiscal period (Ended February 2016)	Sixth fiscal period (Ended August 2016)
Liabilities		
Current liabilities (total)	16,332,003	17,595,700
Operating accounts payable	167,021	196,726
Short-term loans payable	1,459,130	1,455,470
Current portion of long-term loans payable	13,654,720	14,969,720
Accounts payable	377,473	339,323
Accrued expenses	139,717	142,227
Income taxes payable	692	689
Consumption taxes payable	54,913	42,594
Advances received	478,100	446,009
Other	234	2,940
Noncurrent liabilities (total)	30,563,975	28,622,087
Long-term loans payable	26,379,050	24,867,940
Tenant lease and security deposits	275,712	275,605
Tenant lease and security deposits in trust	3,909,213	3,478,542
Total liabilities	46,895,979	46,217,788

	Fifth fiscal period (Ended February 2016)	Sixth fiscal period (Ended August 2016)
Net assets		
Unitholders' equity (total)	33,543,478	33,505,851
Unitholders' capital	32,638,475	32,638,475
Surplus (total)	905,003	867,376
Unappropriated retained earnings (undisposed loss)	905,003	867,376
Total net assets	33,543,478	33,505,851
Total liabilities and net assets	80,439,457	79,723,640

(Note) Amounts are rounded down to the nearest thousand yen.

Characteristics of SIA REIT

- SIA REIT will aim to maximize unitholder interests through the pursuit of “profitability” and “stability” by investing in office buildings and retail facilities for which the SIA Group possesses ample management know-how

Stable rental demand secured and relatively high returns expected for the portfolio

1. We will establish a portfolio centering on “Class-A^(Note 1) and Class-B^(Note 1) office buildings” and “urban retail facilities”^(Note 2)

Office buildings

Primary investment target: Class-A and Class-B office buildings

- Acquisition opportunities for returns that are at a higher level relative to those of Class-S office buildings are expected
- Relatively stable rental demand and rent level are expected due to large numbers of prospective tenants

Investment ratio by property type

70% or more

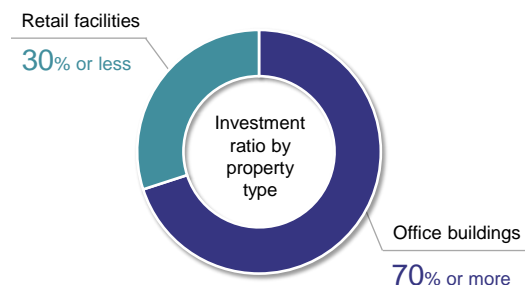
Retail facilities

Primary investment target: Urban retail facilities

- Stability of profits through tenant diversification, etc. is expected as the number of prospective tenants is larger than for suburban retail facilities
- Contracts tend to be of longer terms than those of office buildings

Investment ratio by property type

30% or less



2. With investment centering on the “Tokyo metropolitan area,” we will also carefully select investments in areas such as “ordinance-designated cities,” etc.

While centering on investment in the Tokyo metropolitan area which has a relatively large market and from which stable lease demand is expected in the mid to long term, we will also carefully select investments in areas such as ordinance-designated cities, etc. at which relatively higher returns than in the Tokyo metropolitan area are expected

Tokyo metropolitan area

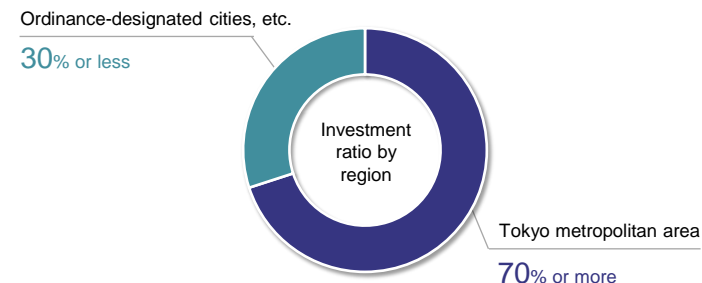
Investment ratio by region

70% or more

Ordinance-designated cities, etc.

Investment ratio by region

30% or less



(Note 1) 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 or more but less than 200 tsubos and office buildings located in the Tokyo metropolitan area outside the three central wards, Osaka, Nagoya, Sapporo and Fukuoka with a standard floor area of more than 200 tsubos or 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 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 or their equivalent other than Osaka, Nagoya, Sapporo or Fukuoka with a standard floor area of 100 tsubos or more.

(Note 2) 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

Portfolio List| As of the end of Sixth Fiscal Period (Ended August 2016)

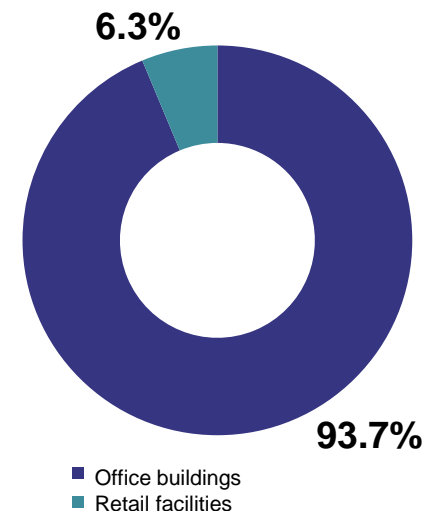
Number of properties: 19 properties

Asset size: ¥74.3 billion (based on acquisition price)

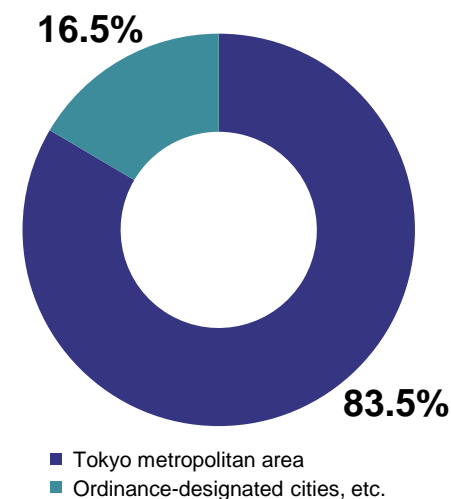
(Millions of yen)

Property type and region	Property No.	Property name	Location	Acquisition price	Investment ratio (Note 1)	Appraisal value (Note 2)	Book value (Note 2)	Occupancy rate (Note 2)	
Office buildings	Tokyo metropolitan area	OT-1	J Tower	Fuchu City, Tokyo	24,394	32.8%	25,200	24,370	82.0%
		OT-2	SIA Kanda Square	Chiyoda Ward, Tokyo	7,350	9.9%	8,260	7,040	100.0%
		OT-3	Tachikawa Nishiki-cho Building	Tachikawa City, Tokyo	3,264	4.4%	3,850	3,355	100.0%
		OT-4	CP10 Building	Taito Ward, Tokyo	3,229	4.3%	3,260	3,197	100.0%
		OT-5	Yokohama AP Building	Yokohama City, Kanagawa Prefecture	3,110	4.2%	3,610	3,092	87.0%
		OT-6	Yushima First Genesis Building	Bunkyo Ward, Tokyo	2,751	3.7%	3,010	2,706	96.4%
		OT-7	Miyaji Building	Nakano Ward, Tokyo	2,880	3.9%	3,140	2,863	100.0%
		OT-8	36 Sankyo Building	Shinjuku Ward, Tokyo	2,395	3.2%	2,630	2,368	100.0%
		OT-9	Minami-Shinagawa JN Building	Shinagawa Ward, Tokyo	2,165	2.9%	2,014	2,193	95.2%
		OT-10	Minami-Shinagawa N Building	Shinagawa Ward, Tokyo	2,292	3.1%	2,150	2,267	97.4%
		OT-11	Minami-Shinagawa J Building	Shinagawa Ward, Tokyo	2,020	2.7%	2,170	1,980	100.0%
		OT-12	MY Atsugi Building	Atsugi City, Kanagawa Prefecture	1,240	1.7%	1,310	1,205	92.8%
		OT-13	Hachioji SIA Building	Hachioji City, Tokyo	730	1.0%	813	715	93.9%
	Ordinance-designated cities, etc.	OO-1	Central Shin-Osaka Building	Osaka City, Osaka Prefecture	4,612	6.2%	4,990	4,463	100.0%
		OO-2	Karasuma Plaza 21	Kyoto City, Kyoto Prefecture	3,700	5.0%	3,680	3,723	100.0%
		OO-3	Stoke Building Nagoya	Nagoya City, Aichi Prefecture	2,381	3.2%	2,680	2,365	100.0%
		OO-4	MY Kumamoto Building	Kumamoto City, Kumamoto Prefecture	1,152	1.5%	1,280	1,127	100.0%
Subtotal • Average				69,665	93.7%	74,047	69,037	93.1%	
Retail facilities	R-1	fab Minami-Osawa	Hachioji City, Tokyo	4,250	5.7%	4,550	4,133	100.0%	
	R-2	Niigata Higashibori-dori Parking Building	Niigata City, Niigata Prefecture	432	0.6%	593	430	100.0%	
	Subtotal • Average				4,682	6.3%	5,143	4,564	100.0%
Total • Average				74,347	100.0%	79,190	73,601	94.0%	

[Investment ratio^(Note 1): By property type]



[Investment ratio^(Note 1): By region]



(Note 1) Investment ratios are calculated based on acquisition price.

(Note 2) All figures are as of the end of August 2016 (end of the sixth fiscal period).

Portfolio List| Occupancy Rate

Property type and region	Property No.	Property name	First fiscal period	Second fiscal period	Third fiscal period	Fourth fiscal period	Fifth fiscal period	Sixth fiscal period						
			End of Feb. 2014	End of Aug. 2014	End of Feb. 2015	End of Aug. 2015	End of Feb. 2016	End of Mar. 2016	End of Apr. 2016	End of May 2016	End of June 2016	End of July 2016	End of Aug. 2016	
Office buildings	Tokyo metropolitan area	OT-1	J Tower	76.0%	77.7%	76.4%	94.7%	96.7%	96.7%	83.1%	82.3%	82.6%	82.6%	82.0%
		OT-2	SIA Kanda Square	99.0%	100.0%	100.0%	71.5%	99.0%	100.0%	99.0%	99.0%	100.0%	100.0%	100.0%
		OT-3	Tachikawa Nishiki-cho Building	96.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OT-4	CP10 Building	85.2%	100.0%	70.2%	90.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OT-5	Yokohama AP Building	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	87.0%	87.0%
		OT-6	Yushima First Genesis Building	47.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	96.4%
		OT-7	Miyaji Building	100.0%	94.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OT-8	36 Sankyo Building	86.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OT-9	Minami-Shinagawa JN Building	93.8%	72.1%	85.2%	88.6%	87.2%	87.2%	95.5%	93.6%	93.6%	93.6%	95.2%
		OT-10	Minami-Shinagawa N Building	88.8%	81.4%	84.3%	96.4%	100.0%	100.0%	95.9%	84.6%	84.6%	84.6%	97.4%
		OT-11	Minami-Shinagawa J Building	93.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OT-12	MY Atsugi Building	94.3%	96.2%	93.2%	97.1%	97.1%	97.1%	94.6%	92.8%	91.1%	91.1%	92.8%
		OT-13	Hachioji SIA Building	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	93.9%	93.9%	93.9%	93.9%
		Average occupancy rate			85.3%	87.3%	86.8%	94.5%	97.5%	97.6%	92.0%	91.7%	90.9%	90.2%
	Ordinance-designated cities, etc.	OO-1	Central Shin-Osaka Building	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OO-2	Karasuma Plaza 21	79.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OO-3	Stoke Building Nagoya	78.4%	87.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OO-4	MY Kumamoto Building	95.7%	100.0%	100.0%	98.1%	97.3%	97.3%	92.8%	92.8%	100.0%	100.0%	100.0%
		Average occupancy rate			88.3%	97.5%	100.0%	99.7%	99.6%	99.6%	99.0%	99.0%	100.0%	100.0%
	Average occupancy rate			86.1%	89.8%	90.1%	95.8%	98.0%	98.1%	93.7%	93.5%	93.2%	92.7%	93.1%
Retail facilities	R-1	fab Minami-Osawa	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	R-2	Niigata Higashibori-dori Parking Building	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	R-3	NEXT21	94.3%	93.6%										
	Average occupancy rate			97.5%	97.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Overall average occupancy rate			88.5%	91.4%	91.4%	96.3%	98.3%	98.3%	94.5%	94.4%	94.1%	93.6%	94.0%	
Reference:														
Average occupancy rate excluding J Tower			92.4%	95.7%	96.7%	96.9%	98.9%	98.9%	98.6%	98.7%	98.2%	97.6%	98.3%	

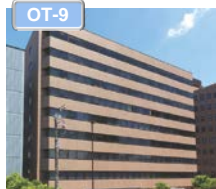
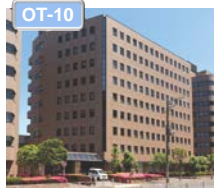
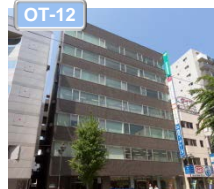
Portfolio Map



J-Tower



SIA Kanda Square

Minami-Shinagawa
JN BuildingMinami-Shinagawa
N BuildingMinami-Shinagawa
J Building

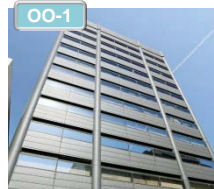
MY Atsugi Building



Okachimachi CY Building



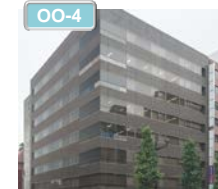
fab Minami-Osawa

Niigata Higashibori-
dori Parking BuildingCentral Shin-Osaka
Building

Karasuma Plaza 21



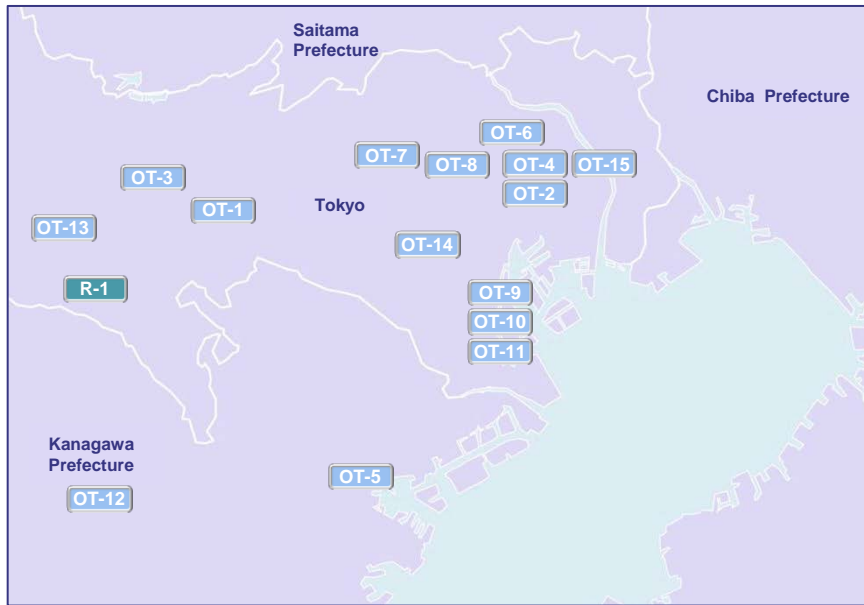
Stoke Building Nagoya



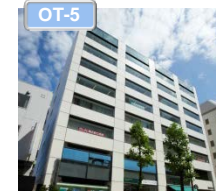
MY Kumamoto Building

Nagoya Fushimi Square
Building

■ Tokyo metropolitan area

Tachikawa Nishiki-cho
Building

CP10 Building



Yokohama AP Building

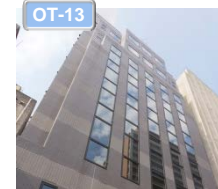
■ Ordinance-designated cities, etc.

Yushima First Genesis
Building

36 Sankyo Building



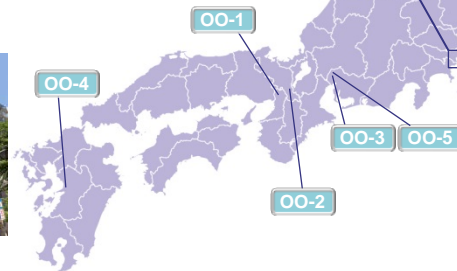
Miyaji Building



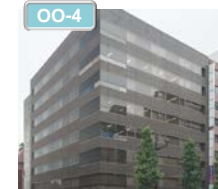
Hachioji SIA Building



Glass City Motoyoyogi



Stoke Building Nagoya



MY Kumamoto Building

Nagoya Fushimi Square
Building




Overview of Individual Properties (1)

(As of August 31, 2016 (the end of the sixth fiscal period))

Property Name	OT-1 J-Tower	OT-2 SIA Kanda Square	OT-3 Tachikawa Nishiki-cho Building	OT-4 CP10 Building	OT-5 Yokohama AP Building
					
Location	Fuchu City, Tokyo	Chiyoda Ward, Tokyo	Tachikawa City, Tokyo	Taito Ward, Tokyo	Yokohama City, Kanagawa Prefecture
Nearest Station	Fuchu Station on Keio Line	Kanda Station on JR Line	Tachikawa Station on JR Line	Okachimachi Station on JR Line	Yokohama Station on JR Line
Completed	March 1992	April 2007	June 1991	March 1989	May 1983
Acquisition Price	¥24,394 million	¥7,350 million	¥3,264 million	¥3,229 million	¥3,110 million
Appraisal Value	¥25,200 million	¥8,260 million	¥3,850 million	¥3,260 million	¥3,610 million
Structure	S/RC/SRC	SRC	SRC	SRC	RC
Number of Floors	B2/18F	10F	8F	B1/7F	B1/8F
Total Floor Area	53,685.80 m ²	7,145.42 m ²	8,026.84 m ²	4,454.05 m ²	5,648.65 m ²
Total Leasable Area	34,165.51 m ²	5,262.44 m ²	5,633.29 m ²	3,506.66 m ²	4,480.98 m ²
PML	2.80%	6.06%	4.51%	3.51%	10.17%
Occupancy Rate	82.0%	100.0%	100.0%	100.0%	87.0%
Number of Tenants	30	30	21	7	9

Overview of Individual Properties (2)

(As of August 31, 2016 (the end of the sixth fiscal period))

Property Name	OT-6 Yushima First Genesis Building	OT-7 Miyaji Building	OT-8 36 Sankyo Building	OT-9 Minami-Shinagawa JN Building	OT-10 Minami-Shinagawa N Building
					
Location	Bunkyo Ward, Tokyo	Nakano Ward, Tokyo	Shinjuku Ward, Tokyo	Shinagawa Ward, Tokyo	Shinagawa Ward, Tokyo
Nearest Station	Hongo 3-chome Station on Tokyo Metro Line	Nakano Station on JR Line	Idabashi Station on JR Line	Aomono Yokocho Station on Keikyu Line	Aomono Yokocho Station on Keikyu Line
Completed	August 1991	August 1994	October 1991	July 1990	July 1994
Acquisition Price	¥2,751 million	¥2,880 million	¥2,395 million	¥2,165 million	¥2,292 million
Appraisal Value	¥3,010 million	¥3,140 million	¥2,630 million	¥2,014 million	¥2,150 million
Structure	SRC	S/SRC	RC	SRC	SRC
Number of Floors	B1/7F	B1/7F	B2/4F	B2/10F	B2/10F
Total Floor Area	5,048.99 m ²	4,316.75 m ²	4,687.65 m ²	9,621.66 m ²	8,570.72 m ²
Total Leasable Area	2,959.71 m ²	3,116.49 m ²	3,724.17 m ²	6,390.33 m ²	5,476.73 m ²
PML	7.00%	3.04%	8.85%	5.57%	5.50%
Occupancy Rate	96.4%	100.0%	100.0%	95.2%	97.4%
Number of Tenants	6	8	3	18	19

Overview of Individual Properties (3)

(As of August 31, 2016 (the end of the sixth fiscal period))

Property Name	OT-11 Minami-Shinagawa J Building	OT-12 MY Atsugi Building	OT-13 Hachioji SIA Building	OO-1 Central Shin-Osaka Building	OO-2 Karasuma Plaza 21
					
Location	Shinagawa Ward, Tokyo	Atsugi City, Kanagawa Prefecture	Hachioji City, Tokyo	Osaka City, Osaka Prefecture	Kyoto City, Kyoto Prefecture
Nearest Station	Aomono Yokocho Station on Keikyū Line	Honatsugi Station on Odakyū Line	Hachioji Station on JR Line	Shin-Osaka Station on JR Line	Karasuma Station on Hankyū Line
Completed	July 1992	September 1988	September 1993	June 1992	November 1986
Acquisition Price	¥2,020 million	¥1,240 million	¥730 million	¥4,612 million	¥3,700 million
Appraisal Value	¥2,170 million	¥1,310 million	¥813 million	¥4,990 million	¥3,680 million
Structure	SRC	RC/SRC	SRC	S	SRC
Number of Floors	B1/10F	8F	9F	B1/12F	B1/8F
Total Floor Area	5,529.02 m ²	5,040.07 m ²	3,920.36 m ²	13,624.65 m ²	11,998.02 m ²
Total Leasable Area	3,673.61 m ²	3,849.10 m ²	2,750.70 m ²	9,399.87 m ²	8,890.42 m ²
PML	3.70%	7.69%	4.53%	12.72%	5.18%
Occupancy Rate	100.0%	92.8%	93.9%	100.0%	100.0%
Number of Tenants	10	20	13	26	12

Overview of Individual Properties (4)

(As of August 31, 2016 (the end of the sixth fiscal period))

Property Name	OO-3 Stoke Building Nagoya	OO-4 MY Kumamoto Building	R-1 fab Minami-Osawa	R-2 Niigata Higashibori-dori Parking Building
				
Location	Nagoya City, Aichi Prefecture	Kumamoto City, Kumamoto Prefecture	Hachioji City, Tokyo	Niigata City, Niigata Prefecture
Nearest Station	Fushimi Station on Nagoya City Subway Line	Kumamoto Tram Kumamoto Castle/ City Hall Tram Stop	Minami-Osawa Station on Keio Line	Niigata Station on JR Line
Completed	April 1991	October 1987	December 2001	March 1993
Acquisition Price	¥2,381 million	¥1,152 million	¥4,250 million	¥432 million
Appraisal Value	¥2,680 million	¥1,280 million	¥4,550 million	¥593 million
Structure	S/SRC	S/RC	S	S
Number of Floors	B1/8F	9F	7F	10F
Total Floor Area	8,147.56 m ²	4,980.96 m ²	9,140.30 m ²	8,867.26 m ²
Total Leasable Area	5,801.80 m ²	3,752.96 m ²	8,409.23 m ²	8,725.90 m ²
PML	13.58%	5.08%	3.03%	6.08%
Occupancy Rate	100.0%	100.0%	100.0%	100.0%
Number of Tenants	5	19	14	1

Lease Business Revenue and Expenditure by Property (1)

Property number	OT-1	OT-2	OT-3	OT-4	OT-5	OT-6	OT-7	OT-8	OT-9	OT-10
Property name	J-Tower	SIA Kanda Square	Tachikawa Nishiki-cho Building	CP10 Building	Yokohama AP Building	Yushima First Genesis Building	Miyaji Building	36 Sankyo Building	Minami-Shinagawa JN Building	Minami-Shinagawa N Building
① Total property-related operating revenue (Thousands of yen)	819,949	203,794	148,219	105,736	130,446	98,760	115,016	86,459	113,351	102,190
Lease business revenue	655,794	193,150	140,890	91,945	115,475	89,406	105,122	75,834	106,016	93,890
Other lease business revenue	164,155	10,643	7,329	13,791	14,970	9,354	9,893	10,625	7,334	8,300
② Total property-related operating expenses (Thousands of yen)	380,753	31,481	38,225	23,829	28,919	23,015	26,435	24,413	72,023	43,921
Property management fees	119,576	12,879	15,101	6,675	9,293	7,633	7,953	5,522	18,670	11,725
Utilities expenses	177,527	8,542	9,830	9,668	7,266	6,344	7,052	8,353	21,486	8,234
Taxes and public dues	65,454	8,371	10,437	6,712	9,611	7,903	7,624	7,463	9,570	9,160
Insurance premiums	1,412	204	210	110	138	123	110	103	237	207
Repair expenses	16,282	1,483	2,144	164	2,111	511	3,195	2,470	6,034	1,803
Other expenses	500	—	500	500	500	500	500	500	16,024	12,790
③ Leasing NOI (= ① - ②) (Thousands of yen)	439,196	172,312	109,993	81,907	101,526	75,744	88,580	62,045	41,328	58,269
④ Depreciation (Thousands of yen)	123,987	70,286	24,460	15,453	10,452	12,674	10,216	8,336	16,191	14,040
⑤ Lease business profit (=③ - ④) (Thousands of yen)	315,208	102,026	85,533	66,453	91,073	63,070	78,363	53,709	25,136	44,228
⑥ Capital expenditures (Thousands of yen)	145,588	495	2,842	2,720	10,657	580	173	526	16,570	4,058
⑦ Leasing NCF(=③ - ⑥) (Thousands of yen)	293,607	171,817	107,151	79,186	90,868	75,164	88,406	61,519	24,757	54,211

(Note) Amounts are rounded down to the nearest thousand yen.

Lease Business Revenue and Expenditure by Property (2)

Property number	OT-11	OT-12	OT-13	OO-1	OO-2	OO-3	OO-4	R-1	R-2	Total for 19 properties
Property name	Minami-Shinagawa J Building	MY Atsugi Building	Hachioji SIA Building	Central Shin-Osaka Building	Karasuma Plaza 21	Stoke Building Nagoya	MY Kumamoto Building	fab Minami-Osawa	Niigata Higashibori-dori Parking Building	
① Total property-related operating revenue (Thousands of yen)	99,452	65,320	46,727	203,188	199,796	124,291	69,666			2,964,669
Lease business revenue	91,494	58,976	42,565	178,232	182,103	106,321	64,571			2,577,832
Other lease business revenue	7,958	6,343	4,162	24,955	17,693	17,970	5,095			386,836
② Total property-related operating expenses (thousands of yen)	29,916	23,444	22,691	60,802	76,734	35,246	35,712			1,060,100
Property management fees	5,622	8,915	9,991	19,399	32,262	10,142	10,186			334,078
Utilities expenses	7,281	7,156	5,898	22,238	20,359	11,817	7,101			381,406
Taxes and public dues	5,619	4,814	4,556	16,164	22,684	9,709	4,764			220,992
Insurance premiums	131	129	89	300	297	192	130			4,382
Repair expenses	2,020	1,929	1,656	2,200	631	2,883	13,028			63,063
Other expenses	9,241	500	500	500	500	500	500			56,176
③ Leasing NOI (= ① - ②) (Thousands of yen)	69,536	41,875	24,036	142,386	123,062	89,045	33,954	129,552	20,214	1,904,569
④ Depreciation (Thousands of yen)	11,475	12,530	5,237	32,877	14,505	18,710	12,232	32,439	4,179	450,288
⑤ Lease business profit (=③ - ④) (Thousands of yen)	58,060	29,345	18,798	109,509	108,556	70,335	21,722	97,112	16,035	1,454,280
⑥ Capital expenditures (Thousands of yen)	1,928	3,045	—	—	16,331	16,651	1,915	3,735	—	227,818
⑦ Leasing NCF(=③ - ⑥) (Thousands of yen)	67,607	38,830	24,036	142,386	106,730	72,393	32,039	125,816	20,214	1,676,750

(Note 1) Amounts are rounded down to the nearest thousand yen.

(Note 2) Lease business revenue and property-related expenses of fab Minami-Osawa and Niigata Higashibori-dori Parking Building are undisclosed due to unavoidable circumstances including a lack of tenant consent for the disclosure of lease business revenue.

Top Tenants

As of the end of Sixth Fiscal Period (Ended August 2016)

	Name of tenant	Leased floor area (Tsubo) (Note 2)	% of total leasable floor area (Note 3)	Property occupied
1	TOHO Cinemas, Ltd.	1,731.84	4.4%	fab Minami-Osawa
2	American Family Life Assurance Company of Columbus	1,632.47	4.2%	J Tower
3	Tokyo Toshi Service Co., Ltd.	1,301.64	3.3%	J Tower
4	Japan Radio Co., Ltd. (Note 3)	1,166.05	3.0%	J Tower
5	AGREX Inc.	1,002.74	2.6%	J Tower
6	Nakanihon Engineering Consultants Co., Ltd.	917.52	2.3%	Stoke Building Nagoya
7	TDS Co., Ltd.	703.08	1.8%	36 Sankyo Building
8	National Federation of Workers and Consumers Insurance Cooperatives	699.62	1.8%	J Tower
9	Yamazaki Baking Co., Ltd.	528.31	1.3%	J Tower
10	TOSHIBA LIGHTING & TECHNOLOGY CORPORATION	459.62	1.2%	Minami-Shinagawa JN Building
Total of top 10 tenants		10,142.89	25.8%	

After Property Acquisitions in September 2016 and Commencements of the Lease Terms of Tenants who will be in Top (Assumption)

	Name of tenant	Leased floor area (Tsubo) (Note 2)	% of total leasable floor area (Note 3)	Property occupied
1	(undisclosed) (Note 4)	2,332.10	5.2%	J Tower
2	TOHO Cinemas, Ltd.	1,731.84	3.8%	fab Minami-Osawa
3	American Family Life Assurance Company of Columbus	1,632.47	3.6%	J Tower
4	Tokyo Toshi Service Co., Ltd.	1,301.64	2.9%	J Tower
5	AGREX Inc.	1,002.74	2.2%	J Tower
6	Nakanihon Engineering Consultants Co., Ltd.	917.52	2.0%	Stoke Building Nagoya
7	TDS Co., Ltd.	703.08	1.6%	36 Sankyo Building
8	National Federation of Workers and Consumers Insurance Cooperatives	699.62	1.6%	J Tower
9	(undisclosed) (Note 4)	641.81	1.4%	J Tower, MY Atsugi Building
10	Original Engineering Consultants Co., Ltd.	591.31	1.3%	Glass City Motoyoyogi
Total of top 10 tenants		11,554.13	25.6%	

(Note 1) The "Leased floor area" column shows the floor area indicated in the lease agreements with each tenant effective as of respective date. Leased floor area for Niigata Higashibori-dori Parking Building, parking spaces and land provided for other uses are not included.

(Note 2) The "% of total leasable floor area" column shows each tenant's percentage of the total leasable floor area of all the assets SIA REIT owns (excluding the properties owned by SPC in which SIA REIT invests through silent partnership) as of the respective date and is rounded to the first decimal place. As for the properties acquired in September 2016, the figures are based on the leasable floor area as of the end of June 2016. For other existing properties, the figures are calculated based on the leasable floor area as of the end of August 2016.

(Note 3) A notice of termination was received from the concerned tenant on May 27, 2016, and all leased floor area of J Tower is scheduled for termination on December 31, 2016.

(Note 4) The information is undisclosed as consent for disclosure has not been obtained from either of the tenants.

(Note 5) It is based on the assumption that the indicated tenants will not terminate lease agreements for the leased floor area in part or in whole.

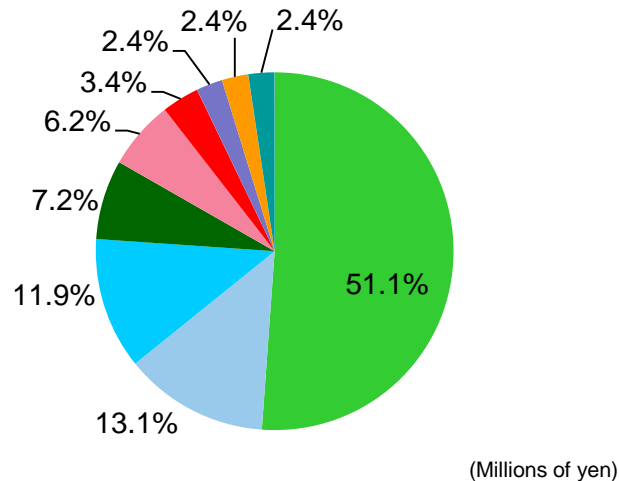
List of Appraisal Values

Property number	Property name	Acquisition price (Millions of yen)	End of sixth fiscal period (ended Aug. 2016)						End of fifth fiscal period (ended Feb. 2016)	
			Appraisal value (Millions of yen)	Direct cap rate	Book value (Millions of yen)	Unrealized gain (loss) (Millions of yen)	Appraisal value (Millions of yen)	Direct cap rate		
									Difference from end of previous period	Difference from end of previous period
OT-1	J Tower	24,394	25,200	0	4.9%	-0.1%	24,370	829	25,200	5.0%
OT-2	SIA Kanda Square	7,350	8,260	160	3.9%	-0.1%	7,040	1,219	8,100	4.0%
OT-3	Tachikawa Nishiki-cho Building	3,264	3,850	90	4.8%	-0.1%	3,355	494	3,760	4.9%
OT-4	CP10 Building	3,229	3,260	70	4.4%	-0.1%	3,197	62	3,190	4.5%
OT-5	Yokohama AP Building	3,110	3,610	40	4.6%	-0.1%	3,092	517	3,570	4.7%
OT-6	Yushima First Genesis Building	2,751	3,010	100	4.4%	-0.1%	2,706	303	2,910	4.5%
OT-7	Miyaji Building	2,880	3,140	80	4.7%	-0.1%	2,863	276	3,060	4.8%
OT-8	36 Sankyo Building	2,395	2,630	60	4.5%	-0.1%	2,368	261	2,570	4.6%
OT-9	Minami-Shinagawa JN Building	2,165	2,014	40	4.7%	-0.1%	2,193	-179	1,974	4.8%
OT-10	Minami-Shinagawa N Building	2,292	2,150	40	4.9%	-0.1%	2,267	-117	2,110	5.0%
OT-11	Minami-Shinagawa J Building	2,020	2,170	40	4.9%	-0.1%	1,980	189	2,130	5.0%
OT-12	MY Atsugi Building	1,240	1,310	0	5.8%	0%	1,205	104	1,310	5.8%
OT-13	Hachioji SIA Building	730	813	3	5.4%	0%	715	97	810	5.4%
OO-1	Central Shin-Osaka Building	4,612	4,990	110	4.7%	-0.1%	4,463	526	4,880	4.8%
OO-2	Karasuma Plaza 21	3,700	3,680	280	5.0%	-0.1%	3,723	-43	3,400	5.1%
OO-3	Stoke Building Nagoya	2,381	2,680	40	5.0%	-0.1%	2,365	314	2,640	5.1%
OO-4	MY Kumamoto Building	1,152	1,280	0	6.2%	0%	1,127	152	1,280	6.2%
R-1	fab Minami-Osawa	4,250	4,550	140	5.1%	-0.1%	4,133	416	4,410	5.2%
R-2	Niigata Higashibori-dori Parking Building	432	593	1	6.7%	0%	430	162	592	6.7%
Total		74,347	79,190	+1,294	—	—	73,601	5,588	77,896	—

(Note) Amounts are rounded down to the nearest million yen.

List of Borrowings| Balance as of August 31, 2016 (end of the sixth fiscal period)

■ Balance of Borrowings by Lender



	Sumitomo Mitsui Banking Corporation	21,118
	Aozora Bank, Ltd.	5,391
	Shinsei Bank, Limited	4,908
	Resona Bank, Limited	2,966
	The Mie Bank, Ltd.	2,572
	ORIX Bank Corporation	1,391
	Kansai Urban Banking Corporation	981
	The Bank of Fukuoka, Ltd.	981
	Sumitomo Mitsui Trust Bank, Limited	981
	Total	41,293

■ Balance of Borrowings by Repayment Date

Classification (Note 1)	Lender	Balance (Thousands of yen)	Interest rate (Fixed/floating)	Repayment date
Short-term Borrowings	Aozora Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited	1,455,470	0.63182% (Floating)	October 10, 2016
Short-term Borrowings	Sumitomo Mitsui Banking Corporation Shinsei Bank, Limited Aozora Bank, Ltd. Resona Bank, Limited	13,296,250	1.16976% (Fixed)	October 10, 2016
Long-term Borrowings	Sumitomo Mitsui Banking Corporation Aozora Bank, Ltd. The Bank of Fukuoka, Ltd. The Mie Bank, Ltd. ORIX Bank Corporation	3,427,660	0.68182% (Floating)	October 10, 2017
Long-term Borrowings	Sumitomo Mitsui Banking Corporation Resona Bank, Limited Aozora Bank, Ltd. ORIX Bank Corporation	5,458,750	1.08473% (Fixed)	October 10, 2017
Long-term Borrowings	Sumitomo Mitsui Banking Corporation Aozora Bank, Ltd. The Mie Bank, Ltd.	6,471,625	0.83182% (Floating)	October 10, 2018
Long-term Borrowings	Sumitomo Mitsui Banking Corporation Kansai Urban Banking Corporation	6,659,625	1.38226% (Fixed)	October 10, 2018
Long-term Borrowings	Sumitomo Mitsui Banking Corporation	1,546,250	1.03182% (Floating)	October 10, 2019
Long-term Borrowings	Sumitomo Mitsui Banking Corporation The Mie Bank, Ltd.	2,977,500	1.35961% (Fixed)	October 13, 2020
	Total	41,293,130		

(Note 1) "Short-term" refers to a period within one year to the repayment date and "Long-term" refers to a period of more than one year to the repayment date based on each point in time.

(Note 2) Amounts are rounded down to the nearest million yen.

List of Borrowings| After New Debt Financings and Refinancing (As of October 17, 2016)

■ Balance of Borrowings by Repayment Date

Classification (Note)	Lender	Balance (Thousands of yen)	Interest rate (Fixed/floating)	Repayment date
Short-term Borrowings	Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd.	255,000	0.29909% (Floating)	September 7, 2017
Long-term Borrowings	Sumitomo Mitsui Banking Corporation Aozora Bank, Ltd. The Bank of Fukuoka, Ltd. The Mie Bank, Ltd. ORIX Bank Corporation	3,419,050	0.68000% (Floating)	October 10, 2017
Long-term Borrowings	Sumitomo Mitsui Banking Corporation Resona Bank, Limited Aozora Bank, Ltd. ORIX Bank Corporation	5,445,000	1.08473% (Fixed)	October 10, 2017
Long-term Borrowings	Sumitomo Mitsui Banking Corporation Aozora Bank, Ltd. The Mie Bank, Ltd.	6,454,750	0.83000% (Floating)	October 10, 2018
Long-term Borrowings	Sumitomo Mitsui Banking Corporation Kansai Urban Banking Corporation	6,642,750	1.38226% (Fixed)	October 10, 2018
Long-term Borrowings	Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Shinsei Bank, Limited Resona Bank, Limited The Mie Bank, Ltd. The Bank of Fukuoka, Ltd.	5,925,000	0.58096% (Fixed)	September 7, 2019

Classification (Note)	Lender	Balance (Thousands of yen)	Interest rate (Fixed/floating)	Repayment date
Long-term Borrowings	Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Shinsei Bank, Limited Resona Bank, Limited	8,149,000	0.58096% (Fixed)	September 7, 2019
Long-term Borrowings	Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Shinsei Bank, Limited Resona Bank, Limited The Mie Bank, Ltd. The Bank of Fukuoka, Ltd.	1,975,000	0.69593% (Fixed)	September 7, 2020
Long-term Borrowings	Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Shinsei Bank, Limited Resona Bank, Limited	8,149,000	0.69593% (Fixed)	September 7, 2020
Long-term Borrowings	Sumitomo Mitsui Banking Corporation The Mie Bank, Ltd.	2,970,000	1.35961% (Fixed)	October 13, 2020
Total		49,384,550		

(Note) "Short-term" refers to a period within one year to the repayment date and "Long-term" refers to a period of more than one year to the repayment date based on each point in time..

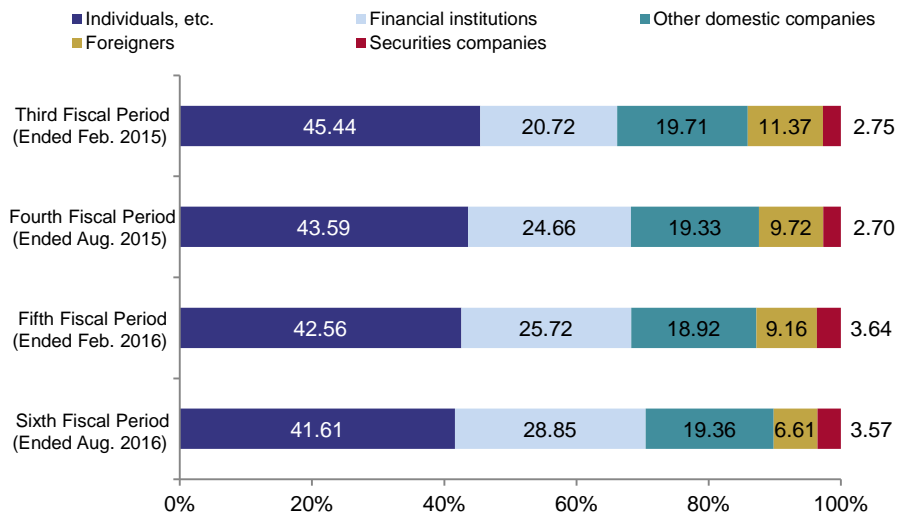
Unitholder Status| As of August 31, 2016 (end of the sixth fiscal period)

■ Number of Unitholders and Investment Units by Unitholder Type

	End of the sixth fiscal period (as of Aug. 31, 2016)			
	Number of unitholders	Percentage (Note)	Number of investment units	Percentage (Note)
Individuals, etc.	7,008	96.49%	31,249	41.61%
Financial institutions	21	0.29%	21,663	28.85%
Other domestic companies	140	1.93%	14,543	19.36%
Foreigners	68	0.94%	4,966	6.61%
Securities companies	26	0.36%	2,679	3.57%
Total	7,263	100.00%	75,100	100.00%

(Note) Percentages are rounded to the second decimal place.

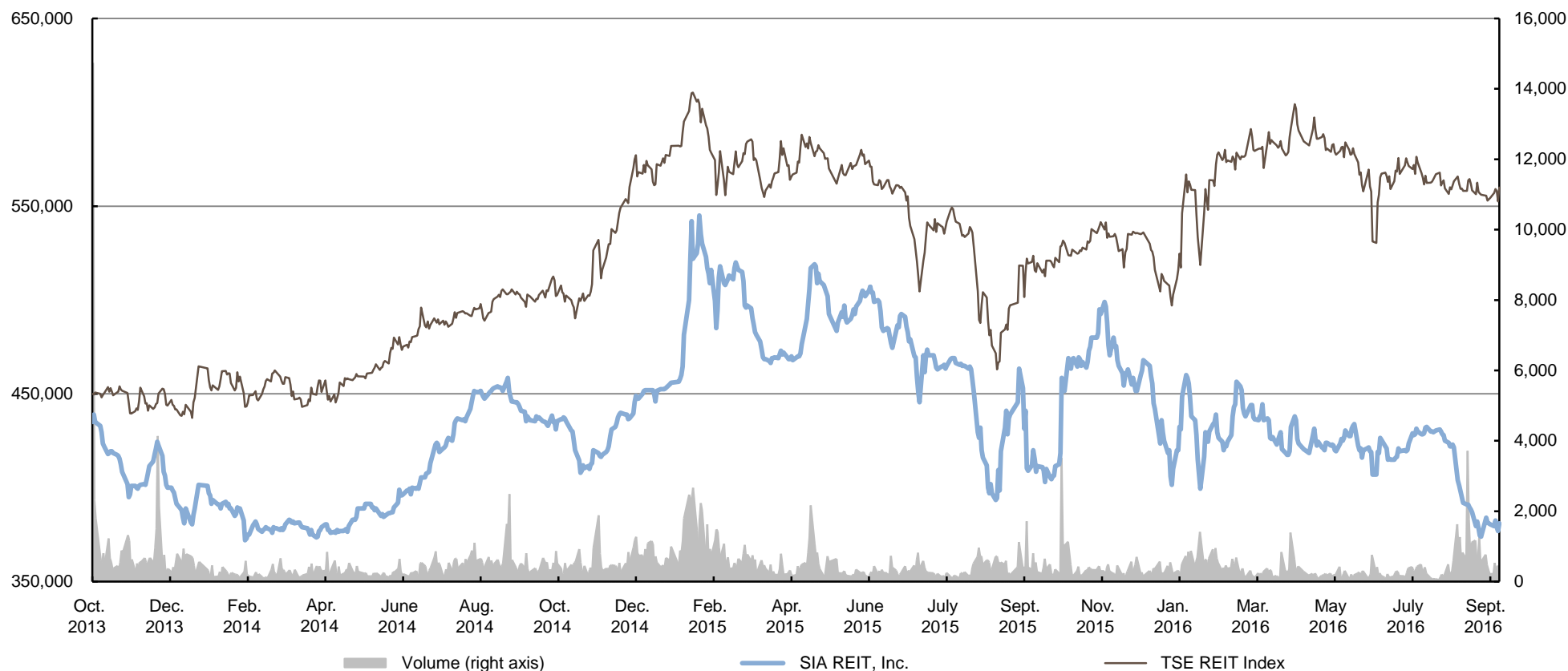
■ Investment Unit Ratios



■ Main Unitholders

Main unitholders	Number of investment units	Percentage
Simplex Investment Advisors Inc.	11,265	15.00%
Japan Trustee Services Bank, Ltd. (Trust Acct.)	8,722	11.61%
The Master Trust Bank of Japan, Ltd. (Trust Acct.)	5,432	7.23%
Trust and Custody Services Bank, Ltd. (Securities Investment Trust Acct.)	2,738	3.64%
The Nomura Trust and Banking Co., Ltd. (Trust Acct.)	1,939	2.58%
Japan Trustee Services Bank, Ltd. (Trust Acct. 9)	1,041	1.38%
Individual	758	1.00%
NOMURA BANK (LUXEMBOURG) S.A.	700	0.93%
CHASE MANHATTAN BANK GTS CLIENTS ACCOUNT ESCROW	638	0.84%
STATE STREET BANK AND TRUST COMPANY 505001	550	0.73%
Total	33,783	44.98%

Investment Unit Price



(Note 1) It indicates changes from October 9, 2013 (the day SIA REIT listed) to September 30, 2016.

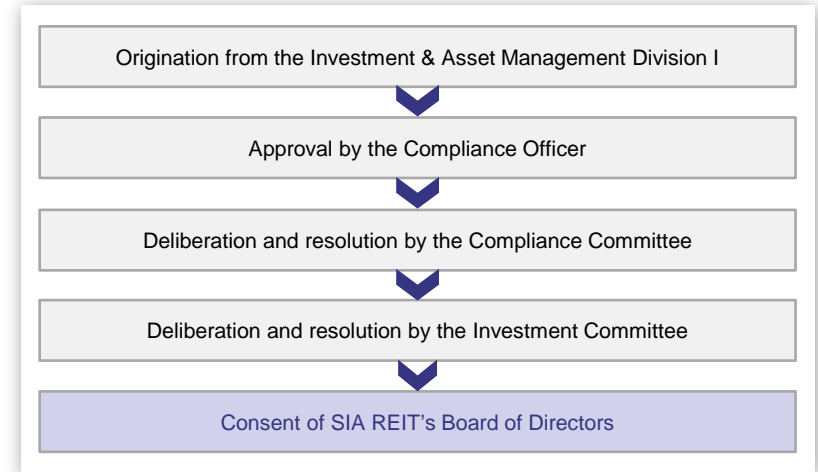
(Note 2) The closing price of the TSE REIT Index on October 9, 2013 of 1467.30 points is converted to SIA REIT's offer price at its point of listing of ¥450,000 and the relative performance of SIA REIT's investment unit price (closing price) is compared.

Governance System and Management Fee Scheme

Governance System

The Asset Management Company's procedures for making decisions concerning related-party transactions

Decisions on proposed acquisition or sale of assets are made by the Asset Management Company. They must originate from the Investment & Asset Management Division I, be approved by the Compliance Officer, and be authorized by resolution of the Compliance Committee and the Investment Committee. However, if the acquisition or sale of an asset would constitute a related-party transaction, the consent of SIA REIT's Board of Directors must also be obtained in addition to the above procedures.



Management Fee System

Management fee system		Calculation method	Maximum
Management fees	Management fee 1 ^(Note 1)	Total assets × 0.35% × (Number of months in the fiscal period / 12)	Total assets × 0.55% (annual rate)
	Management fee 2 ^(Note 1)	NOI ^(Note 2) × 5.5%	
	Management fee 3 ^(Note 3)	Total assets × DPU growth rate before deductions of management fee 3 (%) × (Number of months in the fiscal period / 12)	
Acquisition fees		Acquisition price × 1.0% (Transactions with interested parties: Acquisition price × 0.5%)	
Transfer fees		Transfer price × 1.0% (Transactions with interested parties: Transfer price × 0.5%)	

(Note 1) The rates of management fee 1 are 0.20% for the first and second fiscal periods. Management fee 2 will arise starting from the third fiscal period.

(Note 2) NOI is the amount arrived at after deducting property-related expenses (excluding depreciation and loss on retirement of noncurrent assets) from the total of the fiscal period's lease business revenues and silent partnership distributions.

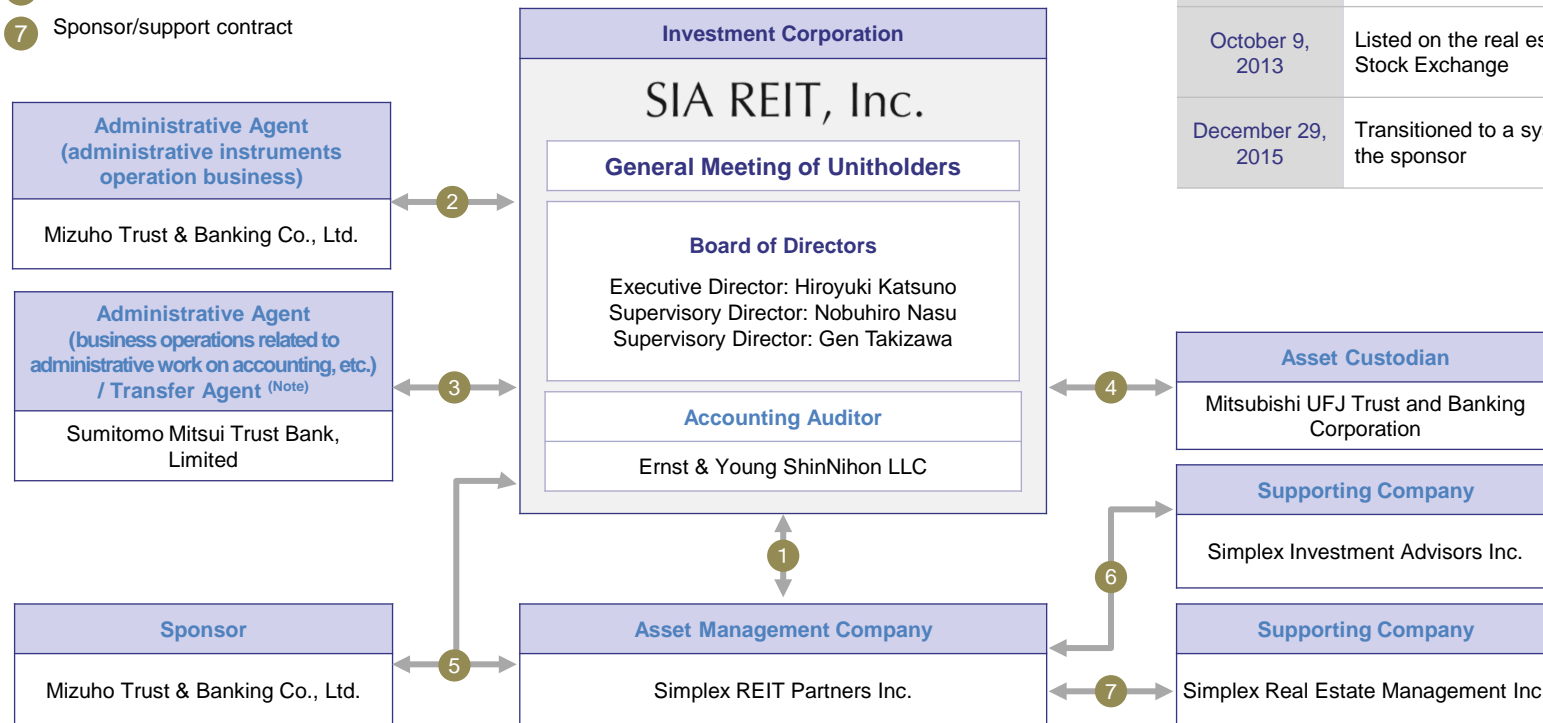
(Note 3) We reached an agreement on October 14, 2016 to change the system in which management fee 3 won't arise. Furthermore, we are planning to submit proposals on amending the Articles of Incorporation to the next general meeting of unitholders (scheduled to be held by the end of May 2017), so that stipulations concerning management fee 3 will be deleted.

Overview of SIA REIT | As of October 17, 2016

■ Profile

- 1 Asset management contract
- 2 Administrative agency entrustment (administrative instruments operation business)
- 3 Administrative agency entrustment (business operations related to administrative work on accounting, etc.) / transfer agency entrustment
- 4 Asset custodian entrustment
- 5 Sponsor/support contract
- 6 Business entrustment agreement
- 7 Sponsor/support contract

Name of Investment Company	SIA REIT, Inc.
Establishment	June 25, 2013
Representative	Hiroyuki Katsuno, Executive Director
Headquarter Address	1-8-2, Marunouchi , Chiyoda-ku, Tokyo



■ History

June 20, 2013	Notification of incorporation of SIA REIT by the organizer (Simplex REIT Partners Inc.) pursuant to Article 69 of the Investment Trusts Act
June 25, 2013	Registration of incorporation pursuant to Article 166 of the Investment Trusts Act, SIA REIT incorporated
July 8, 2013	Application for registration pursuant to Article 188 of the Investment Trusts Act
July 23, 2013	Registration approved by the Prime Minister pursuant to Article 189 of the Investment Trusts Act (Director General of the Kanto Local Finance Bureau Registration No. 85)
October 9, 2013	Listed on the real estate securities market of the Tokyo Stock Exchange
December 29, 2015	Transitioned to a system with Mizuho Trust & Banking as the sponsor

(Note)

Will be changed to Mizuho Trust & Banking Co., Ltd. on the latter date of either the day following date when the general meeting of unitholders is held, which is scheduled to be held by the end of May 2017, or the commencement date of distribution payment regarding the seventh fiscal period ending February 2017, as separately agreed upon.

Overview of the Asset Management Company

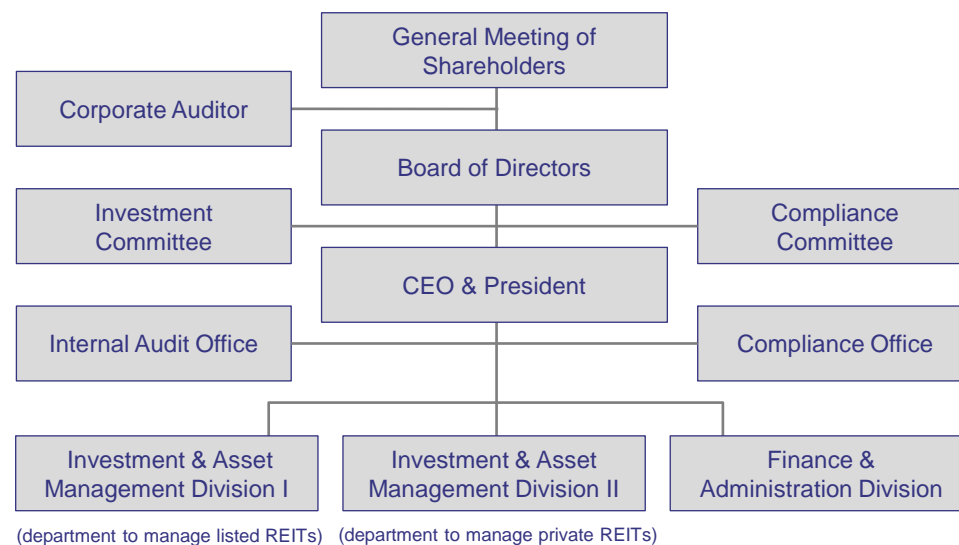


Name	Simplex REIT Partners Inc.
Established	July 1, 2005
Capital	¥50 million
Representative	Hiroyuki Katsuno, President and Representative Director
Address of head office	Urbannet Nihonbashi 2-chome Building 4th Floor, 2-1-3 Nihonbashi, Chuo Ward, Tokyo
No. of directors/employees	23 (As of October 1, 2016) ^(Note)
Shareholder	Simplex Investment Advisors Inc. (100%)
Membership	The Investment Trusts Association, Japan
Licenses, etc.	Investment Management Business: Director General of Kanto Local Finance Bureau (Financial Instruments) Registration No. 342 Building Lots and Buildings Transaction Business: Governor of Tokyo (3) Registration No. 84787 Trading Agency Etc. License: Minister of Land, Infrastructure, Transport and Tourism License No. 46

(Note) Includes full-time auditors, contract employees, and employees on postings from other companies.

Does not include outside directors or temporary staff. Includes members holding concurrent positions among SIA Group companies.

Organization



Disclaimer

The contents of this document are provided solely for informational purposes and are not intended for the purpose of soliciting investment in, or as a recommendation to purchase or sell, any specific products.

Besides descriptions of SIA REIT, Inc. (hereafter “SIA REIT”) this document contains charts, data, etc. prepared by Simplex REIT Partners Inc. (hereafter the “Asset Management Company”) based on data, indices, etc. released by third parties as well as descriptions of the Asset Management Company’s analysis, judgments and other opinions on these (materials) as of the date of this document.

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This document contains forward-looking statements regarding forecasts and performance. The forward-looking statements do not guarantee SIA REIT’s future performance, financial conditions, etc.

**Asset Management Company: Simplex REIT Partners Inc.
License No. 342, Director-General, Kanto Finance Bureau (Financial Instruments and Exchange Act),
Financial Instruments Business Operator; Member, The Investment Trusts Association, Japan**