

NEWS & RELEASE

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SG Asset Max Corporation (SGAM)

SG Realty Co., Ltd. ("SGR") and Xymax Corporation ("Xymax") have established SG Asset Max Corporation ("SGAM"), an asset management company to run an unlisted open-ended real estate investment trust ("Private REIT").

Background

SGR was established in 2007 as a real estate business company to achieve the real estate strategy of SG Holdings Group ("SGH Group") led by SG Holdings Co., Ltd. ("SGH"). The main businesses of SGR are to own the real estate properties used by SGH Group companies and provide management services for such properties. The assets under management as of August 2013 were 450 logistics properties across Japan. The company is now providing a wider range of development projects and real estate management services beyond SGH Group, including the development project of a large multi-tenant logistics property in Kashiwa City, Chiba.

Xymax, since its establishment in 2000, has been providing real estate management services for a variety of investors during the expansion period of Japan's real estate securitization market. Also in the past, Xymax, then called Recruit Building Management Corporation, as a dedicated team to implement Recruit Group's real estate strategy, has established skills to manage the group-owned properties. Since then Xymax has been providing real estate strategy consulting services to general business companies. SGR has been one of the clients of Xymax since its start. Xymax sent the management team and provided business support to SGR.

After several discussions, SGH, SGR, and Xymax agreed that launching a Private REIT matches their corporate strategy and thus decided to establish SGAM.

About SGAM

Required licensing for SGAM is currently under process. SGAM's representative, business division staff, and compliance officer will be sent from SGH Group, and its head of investment management division, from Xymax. Details of SGAM are shown below.

Private REIT

The Private REIT to be launched is focused on income gain based on trust and operational

ability of SGH Group and total real estate services of Xymax. The initial portfolio is expected to include logistics properties owned and used by SGH Group and SGR-developed large multi-tenant logistics properties. The Private REIT is expected to offer med- to long-term stable income for investors through sustainable growth.

SG Realty Co., Ltd. (SGR)

Headquarters	68 Kami Toba Tsunodacho, Minami-ku, Kyoto City, Kyoto, Japan
Representative	Kenji Hisamori, President and CEO
Establishment	August 2007
Capital	JPY 20,000,000,000
Employees	91 (as of August 2013)
Revenue	JPY 23.4 billion (FY ended March 2013)
Achievement	450 logistics properties across Japan used by SGH Group companies and non-group tenants (as of August 2013)
Business	Real estate leasing and management business. Plan and propose corporate real estate strategy. Plan, develop and sales related services of logistics, retail, and residential properties.
Company website	http://www.sg-realty.co.jp/ (Japanese only)

Xymax Corporation

Headquarters	1-1-1, Akasaka, Minato-ku, Tokyo, Japan
Representative	Masafumi Shimada, President and CEO
Establishment	Founded in March 1990 as Recruit Building Management Corporation, a group company of Recruit. Became independent through MBO in January 2000.
Capital	JPY 2,612,865,000
Employees	3,714 (consolidated, as of April 2013)
Revenue	JPY 60.2 billion (consolidated, FY ended March 2013)
Achievement	Buildings (office, retail, etc.) under management (as of April 2013) Property management: 593 buildings (8,595,028 sq m) Building maintenance: 1,418 buildings Facility management: 8,196 sites

Business	Asset and property management, building maintenance, facility management, leasing of office buildings and retail buildings, real estate consulting, securitization arrangement, brokerage
Company website	http://www.xy max.co.jp/english

SG Asset Max Corporation (SGAM)

Headquarters	2F, SGH Building Shinsuna, 1-8-10, Shinsuna, Koto-ku, Tokyo, Japan
Representative	Hideki Nagao, President and CEO
Establishment	April 2013
Capital	JPY 200,000,000
Business	Investment management