



Oct.18.2019  
Shinoken Group Co., Ltd.

**~Shinoken's Domestic Real Estate Fund Business~  
Shinoken obtained the required license for Japanese REIT  
from Minister of Land, Infrastructure and Transport**

We are pleased to announce that Shinoken Asset Management, a 100% subsidiary of Shinoken Group (Tokyo Headquarters: Minato-ku, Tokyo, President Hideaki Shinohara, TSE Ticker 8909, further referred to as Shinoken, including the whole group) has obtained the government approval for "Entrustment-Based Agency Services for Transactions, etc." as of October 18, 2019. This approval is required for the management of REIT (Real Estate Investment Trust), according to Article 50-2 (1) in the Real Estate Brokerage Act of Japan.

### **Progress toward raising our Japanese REIT**

Since the disclosure on August 8<sup>th</sup> 2018 "Notice Concerning the Start of Preparations for the Establishment of Shinoken REIT", we have continuously held discussions with the competent authorities about the contents and timing, and as of October 18, 2019, "Entrustment-Based Agency Services for Transactions, etc.", required for the management of REIT has been approved by the Minister of Land, Infrastructure and Transport. Hereafter, we will swiftly proceed the registration of "Investment Management Business" according to the Financial Instruments and Exchange Act will take place, followed by the raising of the REIT, which will mainly consist of Real Estate for rent located within the Tokyo 23 wards. After that, while keeping a close watch on the Real Estate and Capital markets, we are planning to prepare for the REIT to be listed in the TSE (Tokyo Stock Exchange) after a certain period of management as a private REIT.

### **Providing Shinoken's products and services through the REIT**

Since our establishment in 1990, we have aimed to be a part of building the assets of our customers, and have developed and boosted sales of with strong commitment. Now, the

number of rooms exceeds 35,000, and the occupancy keeps a high level of over 98% (as of end of June, 2019). We consider this as a result only possible through the continuous support from our customers, toward our product concept of “Major cities, Close to Railroad Station, Designers property” based on our strong confidence of high demand.

As soon as the registration for “Investment Management Business” according to the Financial Instruments and Exchange Act takes place, we plan to raise and manage the REIT, and provide Shinoken’s attractive property to both Institutional and Individual Investors around the world.

## Expecting strong synergy effect with existing business

### Wider revenue bases!!

As mentioned above, the REIT that we aim to raise consists of properties developed and managed over the years by Shinoken, which are achieving high occupancy, and have high correlation with our existing business. Also, properties developed by Properst (Head Quarters: Minato-ku, Tokyo, President Masayuki Tsue, TSE Ticker 3236), our affiliated company accounted for by the equity-method, known for its development of high-quality design and competitive properties for rent, are planned to be part of the REIT.

For our investors, we can provide opportunities to invest in highly competitive, high occupancy properties. And for Shinoken, wider revenue bases can be expected by providing property management, LP Gas and Electricity supply and other services for the properties included in the REIT.

The effects on our consolidated financial results are currently under close examination, and we will immediately disclose whenever judged as necessary.

#### 《Outline of Shinoken Asset Management》

Trade name	Shinoken Asset Management Co., Ltd.	
Location	2-3-1 Hamamatscho, Minato-ku, Tokyo, Japan	
Representative	Hiroshi Uesaka	
License· Registration· Approval	Real Estate Brokerage	Governor of Tokyo (1) No. 102324
	Entrustment-Based Agency Services for Transaction	Minister of Land, Infrastructure and Transport No. 131

\*This is a press release to officially announce the “Notice Concerning Acquisition of Approval for Agent Transactions, etc. in the domestic fund business by Shinoken” to the public. It is not intended to be a solicitation for investment or similar acts.

-----  
Inquiries

Shinoken Group Co., Ltd. Public Relations Office  
(Tokyo HQ)

2-3-1, Hamamatsucho, Minato-ku, Tokyo

TEL +81-3-5777-0089 FAX +81-3-5777-0108

Mail [skg\\_pr@shinoken.co.jp](mailto:skg_pr@shinoken.co.jp)

Web Page <https://www.shinoken.co.jp/en/>