

August 24, 2021

For Immediate Release

Real Estate Investment Trust Securities Issuer
1-7-2 Otemachi, Chiyoda-ku, Tokyo
SANKEI REAL ESTATE Inc.
Representative: Yuichi Ota, Executive Director
(TSE code: 2972)

Asset Management Company
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Notice Concerning Pricing, Etc. for Issuance of New Investment Units and Secondary Offering of Investment Units

SANKEI REAL ESTATE Inc. ("SANKEI REAL ESTATE") hereby announces that, concerning the issuance of new investment units and secondary offering of investment units for which was resolved at the meeting of the board of directors of SANKEI REAL ESTATE held on August 16, 2021, the following offer price, secondary offering price, etc. were determined at the meeting of the board of directors of SANKEI REAL ESTATE held today.

1. Issuance of new investment units through public offering (primary offering)

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| (1) Number of investment units to be offered: | 105,047 units
16,545 units of the abovementioned number of investment units to be offered will be sold to overseas investors in overseas markets mainly in Europe and Asia (excluding the U.S. and Canada). |
| (2) Amount to be paid in (issue amount): | 116,971 yen per unit |
| (3) Total amount to be paid in (total issue amount): | 12,287,452,637 yen |
| (4) Offer price: | 121,327 yen per unit |
| (5) Total amount of offer price: | 12,745,037,369 yen |
| (6) Subscription period: | From August 25, 2021 (Wednesday)
to August 26, 2021 (Thursday) |
| (7) Payment due date: | September 1, 2021 (Wednesday) |
| (8) Delivery due date: | September 2, 2021 (Thursday) |

(Note) The underwriters shall purchase and underwrite at the amount to be paid in (issue amount) and offer at the offer price.

2. Secondary offering of investment units (secondary offering through over-allotment)

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| (1) Number of investment units to be offered: | 5,252 units |
| (2) Secondary offering price: | 121,327 yen per unit |
| (3) Total amount of secondary offering price: | 637,209,404 yen |
| (4) Subscription period: | From August 25, 2021 (Wednesday)
to August 26, 2021 (Thursday) |
| (5) Delivery due date: | September 2, 2021 (Thursday) |

3. Issuance of new investment units through third-party allotment

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|--|--------------------------------|
| (1) Amount to be paid in (issue amount): | 116,971 yen per unit |
| (2) Total amount to be paid in (total issue amount): | 614,331,692 yen |
| (3) Subscription period (subscription due date): | September 28, 2021 (Tuesday) |
| (4) Payment due date: | September 29, 2021 (Wednesday) |

(Note) The investment units not subscribed for by the subscription period (subscription due date) stated in (3) above shall not be issued.

Disclaimer: This press release is a document for making a public announcement concerning the issuance of new investment units and the secondary offering of investment units of SANKEI REAL ESTATE Inc., and has not been prepared for the purpose of soliciting investment. We caution readers to undertake investment decisions based on their own judgement and responsibility. This press release does not constitute an offer of securities in the United States of America. The securities referred to above have not been, and will not be registered under the United States Securities Act of 1933, as amended (hereinafter referred to as the "Securities Act"). The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be offered, publicly or otherwise, in the United States.

<Reference>

1. Calculation of offer price and secondary offering price

- (1) Reference date of calculation and price: August 24, 2021 (Tuesday) 127,300 yen
(2) Discount rate (Note): 2.50%

(Note) The offer price and secondary offering price are calculated by applying the discount rate to the result of closing price in regular trading of SANKEI REAL ESTATE investment units on Tokyo Stock Exchange, Inc. on the reference date of calculation, less the forecast distribution per unit for the fiscal period ending August 31, 2021 of 2,862 yen.

2. Syndicate covering transaction period

From August 27, 2021 (Friday) to September 24, 2021 (Friday)

3. Specific use and planned outlay schedule of funds to be procured

The proceeds from the primary offering (12,287,452,637 yen) are planned to be used as part of the funds for acquisition of real estate trust beneficiary rights to be acquired by SANKEI REAL ESTATE (Note). Furthermore, the maximum amount of proceeds from the issuance of new investment units through the third-party allotment (614,331,692 yen) are planned to be used as part of the funds for acquisition of specified assets (the meaning set forth in Article 2, Paragraph 1 of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended)) or part of the funds for repayment of borrowings in the future, until which the funds will be deposited with a financial institution as funds on hand.

(Note) For details of the real estate trust beneficiary rights to be acquired by SANKEI REAL ESTATE, please refer to “Notice Concerning Acquisition and Leasing of Trust Beneficiary Rights in Domestic Real Estate” announced on August 16, 2021.

* SANKEI REAL ESTATE Inc. website: <https://www.s-reit.co.jp/en/>

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