

For Immediate Release

Real Estate Investment Trust Securities Issuer

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SANKEI REAL ESTATE Inc.

Representative: Yuichi Ota, Executive Director

(TSE code: 2972)

Asset Management Company

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Notice Concerning Early Repayment of Borrowings

SANKEI REAL ESTATE Inc. ("SANKEI REAL ESTATE") announces today that it decided to conduct early repayment of borrowings (the "Early Repayment"), as follows.

1. Early Repayment

(1) Details of borrowings to be repaid in the Early Repayment

- i. Lender: Mizuho Bank, Ltd.
Sumitomo Mitsui Banking Corporation
- ii. Borrowing amount: 600 million yen
- iii. Interest rate: Base rate (JBA 1-month Japanese Yen TIBOR) + 0.150%
- iv. Drawdown date: September 2, 2021
- v. Borrowing method: Conclusion of individual loan agreement on August 31, 2021 with the lenders shown above
- vi. Maturity date: August 31, 2022
- vii. Repayment method: Lump-sum repayment at maturity
- viii. Security: Unsecured and non-guaranteed

(2) Amount to be repaid in the Early Repayment (principal amount)

600 million yen

(3) Scheduled date of the Early Repayment

November 2, 2021

(4) Funds for repayment

The partial amount of proceeds from the issuance of new investment units through third-party allotment with September 29, 2021 as the payment date is scheduled to be allocated to the Early Repayment. For details, please refer to "Notice Concerning Determination of the Number of New Investment Units to be Issued through Third-Party Allotment" announced on September 24, 2021.

2. Status of borrowings, etc. after the Early Repayment

(Unit: million yen)

	Before the Early Repayment	After the Early Repayment	Increase (Decrease)
Short-term borrowings (Note)	1,000	400	(600)
Long-term borrowings (Note)	50,200	50,200	—
Repayment due within one year	11,500	11,500	—
Total borrowings	51,200	50,600	(600)
Investment corporation bonds	—	—	—
Total borrowings and investment corporation bonds	51,200	50,600	(600)

(Note) "Short-term borrowings" refers to borrowings for which the period from the drawdown date to the maturity date is one year or less.
 "Long-term borrowings" refers to borrowings for which the period from the drawdown date to the maturity date is more than one year.

3. Other

The risks associated with the Borrowings are as per "Part 2. Reference Information; Section 2. Supplementary Information on Reference Document; 3. Investment Risks" in the securities registration statement submitted on August 16, 2021.

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