

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

Sankei Building Asset Management Co., Ltd.

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President and Chief Executive Officer

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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

- i. Lender: Mizuho Bank, Ltd.
Sumitomo Mitsui Banking Corporation
- ii. Borrowing amount: 400 million yen
- iii. Interest rate: Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.150%
- iv. Borrowing date: September 2, 2021
- v. Borrowing method: Borrowing based on individual loan agreement dated 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)

400 million yen

(3) Scheduled date of the Early Repayment

July 4, 2022

(4) Funds for repayment

Consumption tax refund for the property acquired by SANKEI REAL ESTATE on September 2, 2021 is to be allocated to the Early Repayment.

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)	400	—	(400)
Long-term borrowings (Note)	50,200	50,200	—
Repayment due within one year	9,600	9,600	—
Total borrowings	50,600	50,200	(400)
Investment corporation bonds	—	—	—
Total borrowings and investment corporation bonds	50,600	50,200	(400)

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

"Long-term borrowings" refers to borrowings for which the period from the borrowing date to the maturity date is longer than one year.

3. Other

Concerning the risks associated with the Early Repayment, there is no significant change from the content of "Part 1. Fund Information; Section 1. Status of Fund; (3) Investment Risks" in the annual securities report submitted on May 30, 2022.

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