

September 20, 2019

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.

Representative: Yuichi Ota

President and Chief Executive Officer

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Notice Concerning Determination of the Number of New Investment Units
to be Issued through Third-Party Allotment

SANKEI REAL ESTATE Inc. ("SANKEI REAL ESTATE") announces that it has received a notice from the allottee that it will purchase all of the new investment units scheduled to be issued through third-party allotment (the "Third-Party Allotment") which was resolved concurrently with the issuance of new investment units through public offering (primary offering) and the secondary offering of investment units (secondary offering through over-allotment) at the meeting of the board of directors of SANKEI REAL ESTATE held on August 6, 2019 and August 21, 2019, as follows.

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| (1) Number of new investment units to be issued: | 5,581 units |
| | (number of investment units scheduled to be issued:
5,581 units) |
| (2) Amount to be paid in (issue amount): | 114,471 yen per unit |
| (3) Total amount of amount to be paid in (issue
amount): | 638,862,651 yen |
| (4) Allottee: | A joint lead manager of the primary offering |
| (5) Subscription period (subscription due date): | September 25, 2019 (Wednesday) |
| (6) Payment due date: | September 26, 2019 (Thursday) |

<Reference>

1. The Third-Party Allotment was resolved concurrently with the issuance of new investment units through public offering (primary offering) and the secondary offering of investment units (secondary offering through over-allotment) at the meeting of the board of directors of SANKEI REAL ESTATE held on August 6, 2019 and August 21, 2019.

(Note) For details of the Third-Party Allotment, please refer to "Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units" dated August 6, 2019 and "Notice Concerning Pricing, Etc. for Issuance of New Investment Units and Secondary Offering of Investment Units" dated August 21, 2019.

2. Changes in total number of investment units issued and outstanding due to the Third-Party Allotment

Total number of investment units issued and outstanding at present:	351,219 units
Increase in number of investment units due to the Third-Party Allotment:	5,581 units
Total number of investment units issued and outstanding after the Third-Party Allotment:	356,800 units

Disclaimer: This press release is a document for making a public announcement concerning the issue of new investment units of SANKEI REAL ESTATE Inc. through third-party allotment, and has not been prepared for the purpose of soliciting investment.

3. Use of funds to be procured through the Third-Party Allotment

The proceeds from the issuance of new investment units through the Third-Party Allotment (638,862,651 yen) are scheduled to be used as part of the funds for acquisition of specified assets (defined 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.

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