

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

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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 3, 2019
- v. Borrowing method: Conclusion of individual loan agreement on August 29, 2019 with the lenders shown above
- vi. Maturity date: September 3, 2020
- vii. Repayment method: Lump-sum repayment at maturity
- viii. Security: Unsecured and non-guaranteed

(Note) Payment of settlement money, etc. will be required with the Early Repayment but the impact on SANKEI REAL ESTATE will be minimal.

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

600 million yen

## (3) Scheduled date of the Early Repayment

October 7, 2019

## (4) Funds for repayment

The partial amount of proceeds from the issuance of new investment units through third-party allotment with September 26, 2019 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 today.

## 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	5,969	5,369	(600)
Long-term borrowings	29,200	29,200	0
Total borrowings	35,169	34,569	(600)
Investment corporation bonds	—	—	—
Total borrowings and investment corporation bonds	35,169	34,569	(600)
Other interest-bearing liabilities	—	—	—
Total interest-bearing liabilities	35,169	34,569	(600)

(Note 1) "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.

(Note 2) Figures are rounded down to the nearest specified unit.

## 3. Other

Concerning the risks associated with the Early Repayment, there is no significant change from the content of "Part 2. Fund Information; Section 1. Status of Fund; (3) Investment Risks" in the securities registration statement submitted on August 6, 2019.

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