SANKEI REAL ESTATE Inc.

June 11, 2020

For Immediate Release

Real Estate Investment Trust Securities Issuer
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SANKEI REAL ESTATE Inc.
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(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:	456,000,000 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)
456,000,000 yen

(3) Scheduled date of the Early Repayment
June 25, 2020

(4) Funds for repayment
Consumption tax refund for the property acquired by SANKEI REAL ESTATE on September 3, 2019 is scheduled 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	456	0	(456)
Long-term borrowings	33,500	33,500	0
Repayment due within one year	4,800	4,800	0
Total borrowings	33,956	33,500	(456)
Investment corporation bonds	—	—	—
Total borrowings and investment corporation bonds	33,956	33,500	(456)

(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

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 27, 2020.

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