SANKEI REAL ESTATE Inc.

English Translation

September 30, 2025

For Immediate Release

Real Estate Investment Trust Securities Issuer
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Notice Concerning Revisions to Operating Forecasts and Distribution Forecasts for the Fiscal Period Ending February 28, 2026

SANKEI REAL ESTATE Inc. ("SANKEI REAL ESTATE") hereby announces the following revisions to the operating forecasts and distribution forecasts for the fiscal period ending February 28, 2026 (from September 1, 2025 to February 28, 2026) announced in "(REIT) Financial Report for the Fiscal Period Ended February 2025" dated April 15, 2025.
There is no revision to the operating forecasts and distribution forecasts for the fiscal period ended August 31, 2025 (from March 1, 2025 to August 31, 2025)

1. Details of Revisions to Operating Forecasts and Distribution Forecasts for the Fiscal Period Ending February 28, 2026 (from September 1, 2025 to February 28, 2026)

	Operating revenue (million yen)	Operating profit (million yen)	Ordinary profit (million yen)	Net profit (million yen)	Distribution per unit (yen) (including distributions in excess of earnings)	Distribution per unit (yen) (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit (yen)
Previous forecasts announced (A)	2,564	1,336	1,052	1,051	2,250	2,250	-
Revised forecasts (B)	2,893	1,573	1,295	1,295	2,773	2,773	-
Change (B-A)	329	237	243	244	523	523	-
Change rate	12.8 %	17.7 %	23.1 %	23.2 %	23.2 %	23.2 %	-

(Reference) Fiscal period ending February 28, 2026
Forecast number of investment units issued and outstanding at end of period: 467,099 units; Forecast net profit per unit: 2,772 yen

(Note 1) The operating forecasts and distribution forecasts for the fiscal period ending February 28, 2026, are made using information available at the time of this release, based on the assumptions stated in Attachment "Assumption Underlying the Operating Forecasts and Distribution Forecasts for the Fiscal Period Ending February 28, 2026." Actual operating revenue, operating profit, ordinary profit, net profit, distribution per unit (excluding distributions in excess of earnings) and distributions in excess of earnings per unit may differ as a result of variance from assumptions due to various factors, such as future additional acquisition or sale of real estate, trends in the real estate market, interest rate fluctuation, and other changes in circumstances surrounding SANKEI REAL ESTATE. In addition, the forecasts are not guarantees of the amount of distributions.

(Note 2) Figures are rounded down to the nearest specified unit, and change rate is rounded to one decimal place.

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2. Reason for Revisions to Operating Forecasts and Distribution Forecasts and Announcement of Such

Due to the change in tenant as described in the “Notice Concerning Change of Tenant (Termination of Lease Agreement with Major Business Partner (Partly Excluded)) (Hitachi Kyusyu Building)” released today, there have been changes to the “Assumptions for forecasting operating results for the fiscal period ending February 2026 (September 1, 2025, to February 28, 2026)” announced in the “(REIT) Financial Report for the Fiscal Period Ended February 2025” dated April 15, 2025. As a result, the operating revenue forecast for the fiscal period ending February 2026 is expected to differ by 10% or more, and the distribution forecast is expected to differ by 5% or more. Therefore, we will revise the forecasts for operating results and distribution for the fiscal period ending February 2026.

Since the termination date of the said tenant is September 30, 2025, this matter has no impact on SANKEI REAL ESTATE’s operating results for the period ended August 2025.

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

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[Attachment]

Assumptions Underlying the Operating Forecasts and Distribution Forecasts for the Fiscal Period Ending February 28, 2026 (from September 1, 2025 to February 28, 2025)

<table>
<tr><th>Item</th><th>Assumptions</th></tr>
<tr><td>Accounting period</td><td>・ Fiscal period ending February 28, 2026 (14th fiscal period) (from September 1, 2025 to February 28, 2026) (181 days)</td></tr>
<tr><td>Assets under management</td><td>・ The assumption for the real estate and real estate trust beneficiary rights (16 properties in total) held by SANKEI REAL ESTATE as of today (hereinafter, the “Existing Assets Under Management”) is that there will be no change until the end of the fiscal period ending February 2026.
・ In addition to the above, there is a possibility of changes due to the acquisition of other properties or disposition of owned properties.</td></tr>
<tr><td>Operating revenue</td><td>・ Rent business revenue of the Existing Assets Under Management is calculated by taking into account various factors, such as lease agreements that have been concluded and are valid during the calculation period of the Assumptions, tenant trends and market trends.
・ The assumption is that there will be no delinquent or unpaid rent by tenants.</td></tr>
<tr><td>Operating expenses</td><td>・ The principal items of operating expenses are as follows.
(Unit: million yen)
<table>
<tr><th></th><th>Fiscal Period ending Feb. 2026</th></tr>
<tr><td>Total expenses related to rent business</td><td>993</td></tr>
<tr><td>Outsourcing expenses</td><td>167</td></tr>
<tr><td>Utilities expenses</td><td>119</td></tr>
<tr><td>Repair expenses</td><td>82</td></tr>
<tr><td>Property taxes</td><td>283</td></tr>
<tr><td>Depreciation</td><td>321</td></tr>
<tr><td>Other expenses related to rent business</td><td>326</td></tr>
<tr><td>Asset management fee</td><td>258</td></tr>
</table>
・ Of expenses related to the rent business, which are the main operating expenses, expenses other than depreciation are calculated on the basis of historical data and by taking into consideration the factors causing fluctuation in each of the expenses.
・ Depreciation is calculated using the straight-line method.
・ In general, non-current asset tax, city planning tax, etc. are calculated on a pro rata basis and reimbursed at the time of property acquisition with the previous owner upon transactions of real estate, etc. At SANKEI REAL ESTATE, the amount equivalent to the reimbursement is included in the cost of acquisition and thus not expensed in the business period in which the property acquisition date falls in the case of the properties for which such reimbursement is made at the time of transaction.
・ Repair expenses for buildings is the amount estimated based on medium- to long-term repair plans formulated by Sankei Building Asset Management Co., Ltd. However, repair expenses possibly increasing in amount or additionally arising from unforeseeable factors may result in repair expenses differing materially from the forecast amount.</td></tr>
<tr><td>Non-operating expenses</td><td>・ Interest expenses and other borrowing-related expenses are estimated at 276 million yen for the fiscal period ending February 2026.</td></tr>
<tr><td>Interest-bearing liabilities</td><td>・ The assumption is that total interest-bearing liabilities will be 49,500 million yen at the end of the fiscal period ending February 2026.
・ It is assumed that there will be no change in the outstanding amount of borrowings by the end of the fiscal period ending February 2026.
・ LTV is expected to be 47.3% at the end of the fiscal period ending February 2026. LTV is calculated by the following formula and rounded to one decimal place.
LTV ratio = Total interest-bearing liabilities / Total assets × 100</td></tr>
</table>

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Item	Assumptions
Number of investment units issued and outstanding	・ The assumption is that the total number of investment units issued and outstanding as of today is 467,099 units and that there will be no change in the number of investment units due to issuance of new investment units, etc. until the end of the fiscal period ending February 2026. ・ Distribution per unit (excluding distributions in excess of earnings) is calculated based on the expected total number of investment units issued and outstanding at the end of the fiscal period ending February 2026, which is 467,099 units.
Distribution per unit (excluding distributions in excess of earnings)	・ Distribution per unit (excluding distributions in excess of earnings) is calculated based on the assumption that distribution of earnings will be in accordance with the policy on distribution of cash provided in SANKEI REAL ESTATE's articles of incorporation. ・ Distribution per unit (excluding distributions in excess of earnings) may vary due to various factors, such as fluctuation in rent business revenue accompanying change in assets under management, change in tenants or other events, or incurrence of unexpected repairs.
Distributions in excess of earnings per unit	・ No cash distribution in excess of earnings is planned to be made at this point in time.
Other	・ The assumption is that there will be no amendment of laws and regulations, tax systems, accounting standards, listing regulations provided by Tokyo Stock Exchange, Inc., rules provided by The Investment Trusts Association, Japan, etc. that will impact the forecast figures above. ・ The assumption is that there will be no unforeseen material change in general economic trends, real estate market conditions, etc.

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