Fiscal Period Ended August 2025 (13th Fiscal Period)
Financial Results Briefing Materials

October 17, 2025

SANKEI REAL ESTATE

SANKEI REAL ESTATE Inc.

Asset Management Company | SANKEI BUILDING ASSET MANAGEMENT CO.,LTD.

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Sankei Building Asset Management Co., Ltd.
Finance & IR Department
Phone: +81-3-5542-1316

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1. Financial Results Highlights

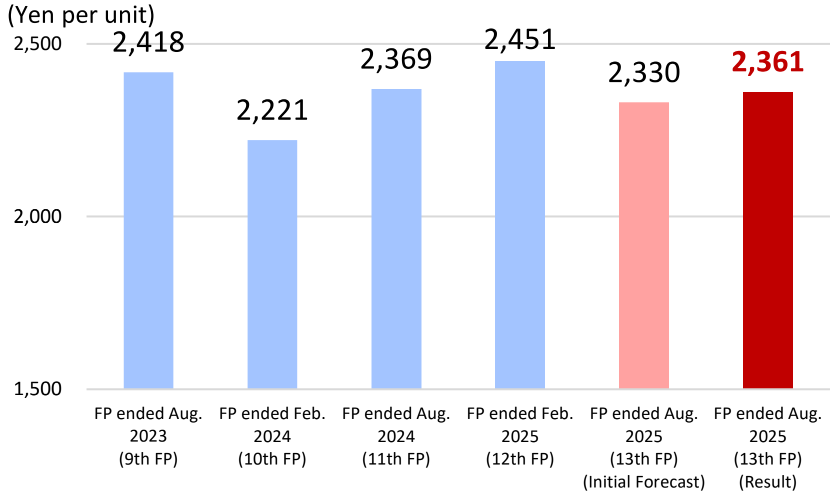
Financial Results Highlights: (1) Summary

■ **Financial results for the current period saw increases in both revenues and profits compared with the forecast**

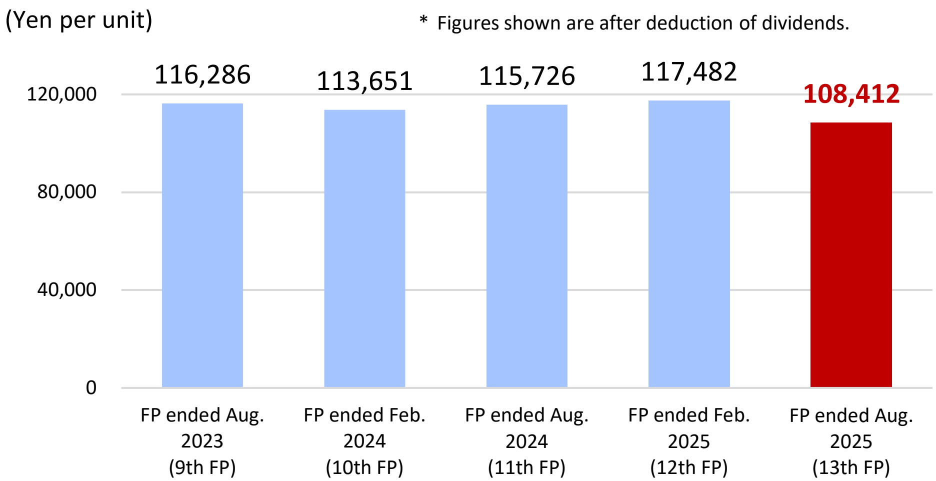
Financial Summary for Fiscal Period Ended August 2025 (13th FP)

	Results	Comparison with forecasts	Comparison with previous fiscal period
Operating revenue	**2,611 million yen**	+30 million yen (+1.2%)	+95 million yen (+3.8%)
Operating income	**1,347 million yen**	+3 million yen (+0.3%)	-4 million yen (-0.4%)
Net income	**1,102 million yen**	+14 million yen (+1.3%)	-41 million yen (-3.6%)
Distribution per unit	**2,361 yen/unit**	+31 yen/unit (+1.3%)	-90 yen/unit (-3.7%)

Change in DPU (distribution per unit)



Change in NAV (net asset value) per unit

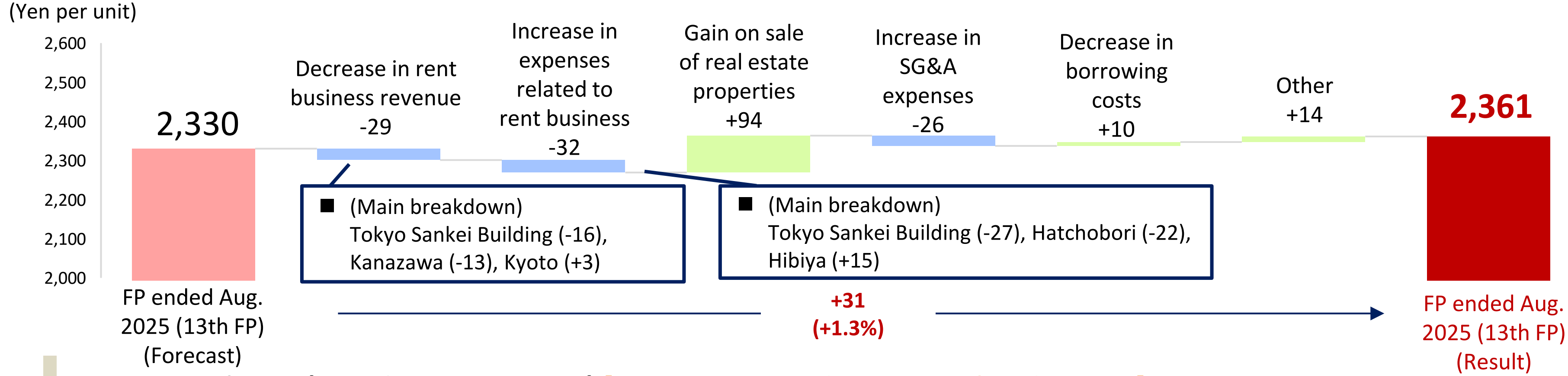


* Unless otherwise specified, the amounts in this document are rounded down to the nearest unit and percentages are rounded to one or second decimal place. The same applies below.

Financial Results Highlights: (2) Summary of DPU

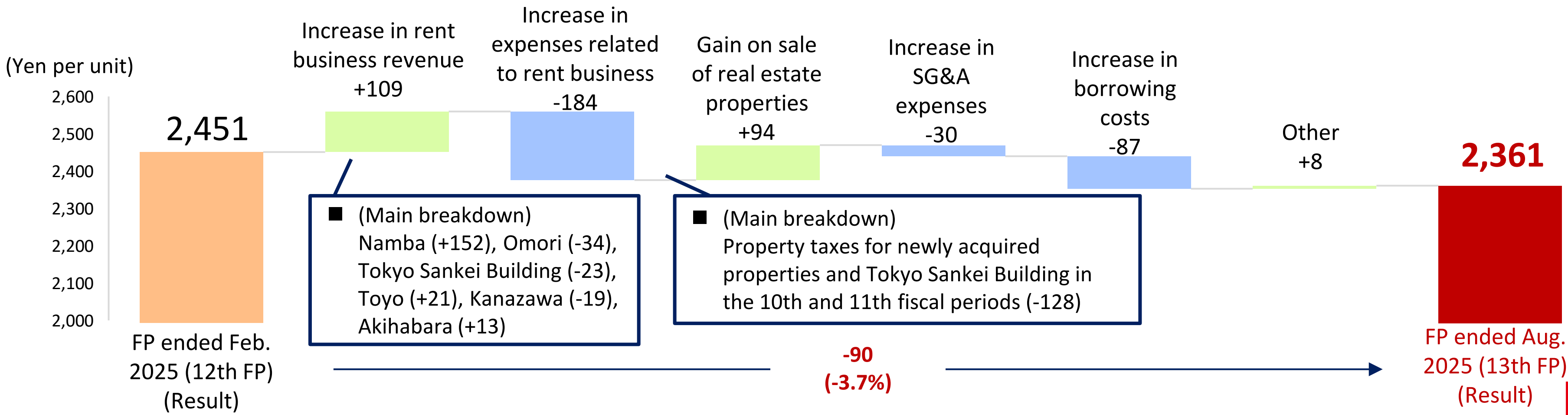
Summary of DPU (distribution per unit) [Comparison with forecasts]

- **DPU increased compared with forecast. Increase of 31 yen/unit compared with the forecast due to a gain from the sale of real estate and a decrease in borrowing costs despite lower-than-expected earnings from the rental business and higher-than-expected SG&A expenses**



Summary of DPU (distribution per unit) [Comparison with previous fiscal period]

- **DPU decreased from the previous period. The main factors were an increase in expenses related to the rent business and borrowing costs compared with the previous period due to the inclusion of property taxes for properties newly acquired in the 10th and 11th periods as expenses for the current period**



Financial Results Highlights: (3) Profit and Loss Comparison

(million yen)	FP ended Feb. 2025 (12th FP) Results (A)	FP ended Aug. 2025 (13th FP) Forecast (B)	FP ended Aug. 2025 (13th FP) Results (C)	Comparison with forecasts (C-B)	Comparison with previous fiscal period (C-A)
Operating revenue	2,516	2,580	2,611	+30	+95
Total rent business revenue	2,516	2,580	2,567	-13	+51
Rental and CAM revenue	2,396	2,458	2,447	-11	+50
Parking revenue	25	24	24	-0	-1
Utilities reimbursement	86	89	87	-2	+1
Other revenue	8	8	8	+0	+0
Gain on sale of real estate properties	-	-	44	+44	+44
Operating expenses	1,163	1,237	1,264	+26	+100
Total expenses related to rent business	839	911	926	+14	+86
Outsourcing expenses	117	116	121	+4	+4
Utilities expense	95	103	95	-7	+0
Repair expenses	36	44	51	+7	+14
Property taxes	246	300	311	+11	+64
Depreciation	320	324	324	-0	+3
Other expenses	23	22	21	-0	-1
Operating income (loss) from rent business	1,676	1,669	1,641	-28	-35
Total other operating expenses	324	326	338	+12	+14
Asset management fee	249	252	251	-1	+1
Other expenses	74	73	87	+13	+12
Operating income	1,352	1,343	1,347	+3	-4
Non-operating income	4	3	8	+5	+3
Non-operating expenses	212	257	252	-4	+40
Ordinary income	1,145	1,089	1,103	+14	-41
Net income	1,144	1,088	1,102	+14	-41
Distribution per unit	2,451 yen/unit	2,330 yen/unit	2,361 yen/unit	+31 yen/unit	-90 yen/unit
Rental NOI	1,997	1,994	1,965	-29	-31

Major Factors for the Difference (Comparison with Forecast) (C - B)

[Rent business revenue]

- <Rental and CAM revenue>
  Tokyo Sankei Building (-7), Kanazawa (-6), Kyoto (+1)
- <Utilities reimbursement>
  Akasaka (-1), Hatchobori (-1)

[Expenses related to rent business]

- <Outsourcing expenses>
  Omori (+6), Miyazakidai (-1)
- <Utilities expense>
  Omori (-3), Tokyo Sankei Building (-1), Akasaka (-1)
- <Repair expenses>
  Hatchobori (+11), Hibiya(-7), Tokyo Sankei Building (+2), Nihonbashi (+2)
- <Property taxes>
  Tokyo Sankei Building (+12), Namba (-1)

Major Factors for the Difference (Comparison with Previous Fiscal Period) (C - A)

[Rent business revenue]

- <Rental and CAM revenue>
  Namba (+71), Omori (-14), Tokyo Sankei Building (-10), Kanazawa (-9), Toyo (+8), Akihabara (+5), Kyoto (-2)
- <Utilities reimbursement>
  Omori (-1)

[Expenses related to rent business]

- <Outsourcing expenses>
  Omori (+7), Toyo (-5), Akasaka (+1), Hibiya (+1), Hatchobori (+1)
- <Repair expenses>
  Hibiya (+10), Hatchobori (+9), Omori (-9), Tokyo Sankei Building (+1)
- <Property taxes>
  Tokyo Sankei Building (+12), Kyoto (+12), Nihonbashi (+11), Namba (+8), Kanazawa (+7), Susukino (+6)
- <Depreciation>
  Omori (+1)

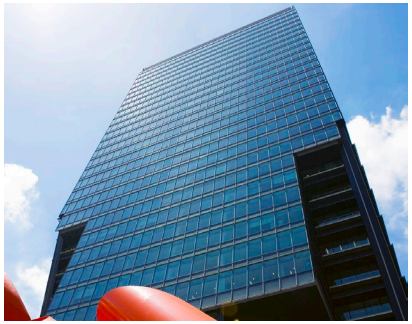
2. Management Highlights

Management Highlights Transfer of Tokyo Sankei Building

Action that contributes to "strengthening the portfolio," one of the growth strategies promoted by SANKEI REAL ESTATE

Overview of the Transfer

Property name	Tokyo Sankei Building (2% co-ownership interest)
Date of transfer	Aug. 1, 2025
Acquisition price	2,509 million yen
Transfer price	2,685 million yen
Appraisal value	2,680 million yen
Building age	24.9 years



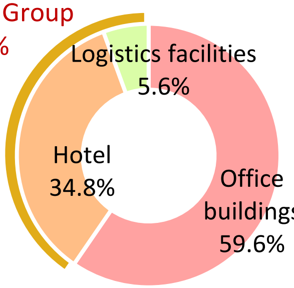
* The building age is as of the date of transfer.

Main reasons for transfer

- The investment yield of the Property is relatively low compared with the portfolio average.
- Capital expenditures are on the rise, which may lead to a gradual decline in profitability

Gain on transfer will be fully distributed (44 million yen)

Portfolio after the transfer

	End of FP ended Aug. 2025 (13th FP)
Asset size	93.9 billion yen
Number of properties	16 properties
Investment ratio by asset type	
Average appraisal NOI yield	3.9%
Average occupancy rate	97.0%
Average building age	17.0 years

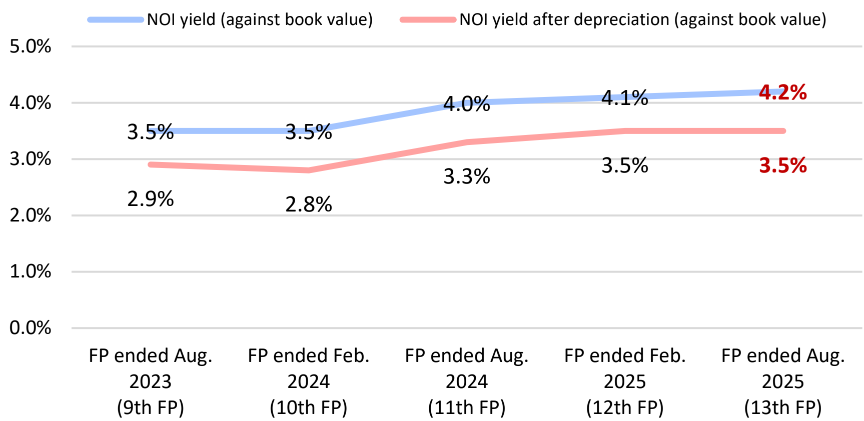
Use of cash on hand through transfer

- Part of the proceeds was used for repayment of borrowings (on September 2, 2025)
- The remaining amount will be used as a source of funds for future allocations

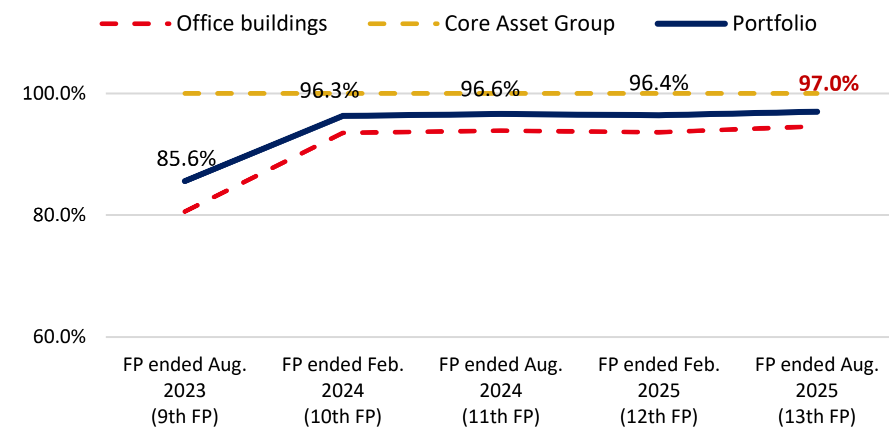
Management Highlights Internal Growth: (1) Portfolio-1

- **Portfolio yields were maintained and improved. Period-end occupancy rate recovered to 97.0%, exceeding the plan (96.4%).**

Change in Portfolio Yields

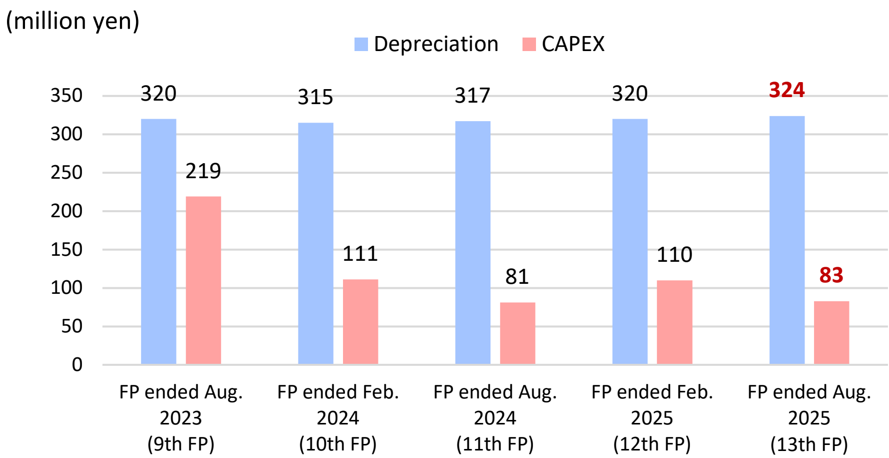


Change in Occupancy Rate at End of Period



* The above figures indicate the portfolio occupancy rates.

Change in Depreciation and CAPEX



Assumed Occupancy Rate of Portfolio (based on leased area)

FP ending Feb. 2026 (14th FP)

- End of period 82.0%
- Period average 84.5%

FP ending Aug. 2026 (15th FP)

- End of period 85.4%
- Period average 84.4%

* The above figures are calculated taking into account the vacant space at the Hitachi Kyusyu Building, which was terminated by mutual agreement with the tenant on September 30, 2025. The calculation is based on the exclusive area assuming the property is multi-tenanted, and the exclusive area may change in the future due to restoration work, etc.

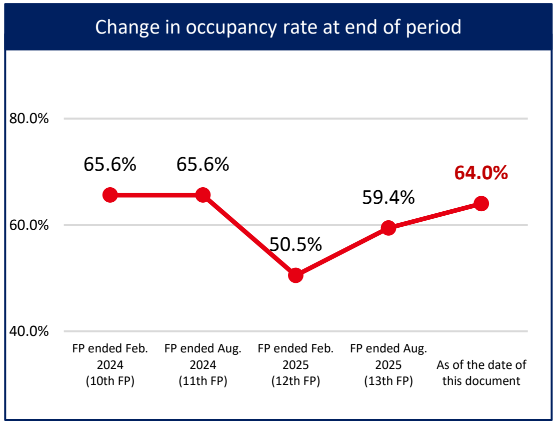
Management Highlights Internal Growth: (1) Portfolio-2

■ Signs of recovery in occupancy rate at Omori Park Building, which had struggled with leasing

Major internal growth results of office buildings owned

A-9 **Omori Park Building**

- Signed contracts with two new tenants during the period (total of 304.16 tsubo)
- Succeeded in attracting tenants by differentiating itself from competing properties by taking advantage of the floor characteristics (3,000 mm ceiling height on the 1st floor and efficient loading/unloading routes)
- Achieved early contract closings and the generation of rent by accelerating the construction period for LED lighting in the exclusive areas of the desired floors and reducing downtime
- Occupancy rate recovered to 64.0% (as of the date of this document)



A-5 **Hibiya Sankei Building**

- Revised rent increase with two existing tenants (effect of increase will occur in the 14th period)
- Conducted aggressive negotiations against the backdrop of the scarcity of the location and favorable market conditions, and concluded favorable terms, with an average increase of 14.8%
- Appraisal value increased 90 million yen from the previous period

A-11 **Miyazakidai Garden Office**

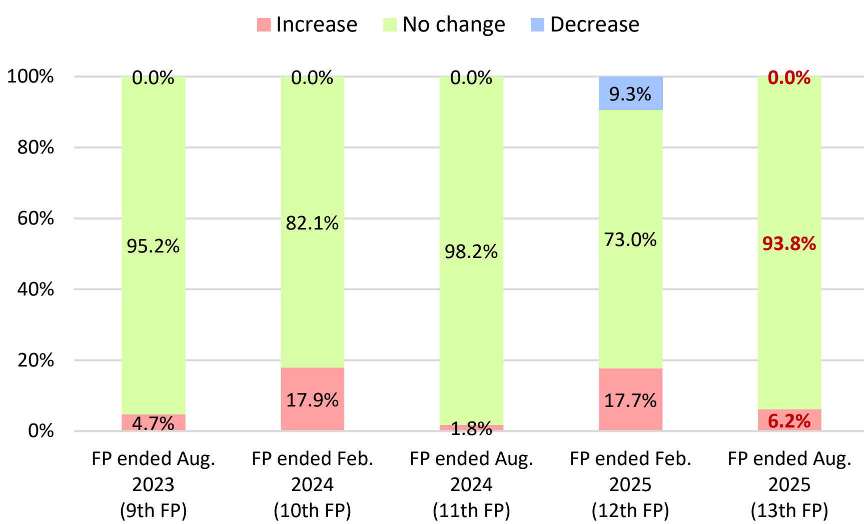
- Revised rent increase with three existing tenants (effect of increase will occur in the 14th period)
- To compensate for the recent rise in building management costs, tenacious negotiations were conducted with each tenant to increase rents, and an average increase of 2.7% was reached
- Appraisal value increased 20 million yen from the previous period

SANKEI REAL ESTATE Inc.

- **Through active negotiations, rents were increased for 60% of the target tenants. Rent increase rate (average) increased by 11.6% compared with previously**

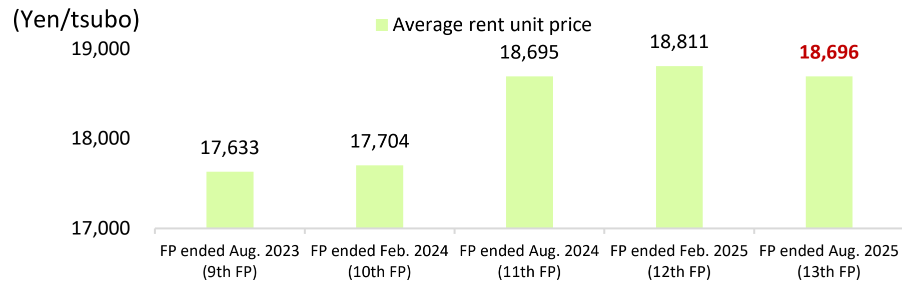
Change in Rent Revision Performance

Percentages of rent revision results (Leased area basis)



		FP ended Aug. 2023 (9th FP)	FP ended Feb. 2024 (10th FP)	FP ended Aug. 2024 (11th FP)	FP ended Feb. 2025 (12th FP)	FP ended Aug. 2025 (13th FP)
Number of targeted tenants		30 cases	14 cases	13 cases	22 cases	10 cases
	Increase	12 cases	4 cases	1 case	7 cases	6 cases
	No change	16 cases	10 cases	12 cases	14 cases	4 cases
	Decrease	2 cases	0 cases	0 cases	1 case	0 cases
Targeted leased area (tsubo)		10,885	1,333	8,974	2,161	9,094
Rate of rent increase		4.3%	38.5%	8.0%	6.4%	11.6%

Trends in Average Rent Unit Price and Rent Gap

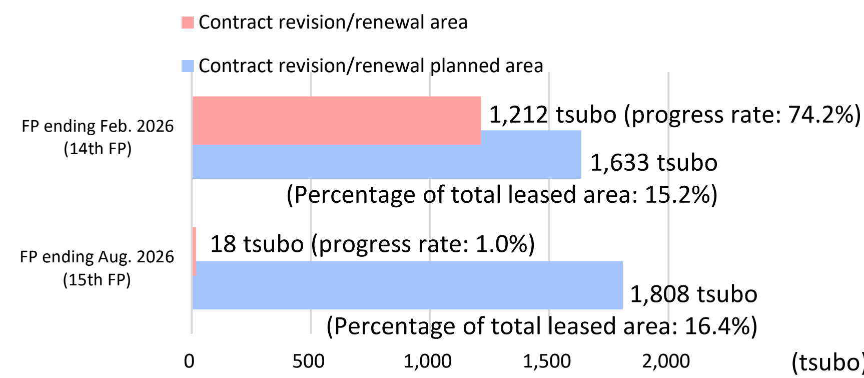


	FP ended Aug. 2023 (9th FP)	FP ended Feb. 2024 (10th FP)	FP ended Aug. 2024 (11th FP)	FP ended Feb. 2025 (12th FP)	FP ended Aug. 2025 (13th FP)
Rent Gap	-1.8%	-2.5%	-1.9%	-3.0%	-4.2%

* Average rent per unit is calculated excluding properties that have been transferred and entire office buildings for rent.

* The rent gap is the average of office buildings owned. Negative values indicate room for internal growth, and the smaller the negative value, the more progress has been made in increasing rents to levels closer to market rents.

Schedule of Contract Revision/ Renewal and Transition of its Progress



* The above progress covers lease agreements executed as of October 1, 2025, and the total leased area refers to office buildings owned. The calculation excludes the Hitachi Kyusyu Building, which was terminated by mutual agreement with the tenant on September 30, 2025.

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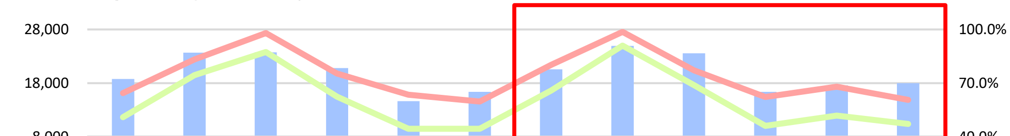
Management Highlights Internal Growth: (3) Hotel-1

■ The three listed hotels, which are the internal growth drivers of the portfolio, are expected to continue to perform well

Operating status of the three hotel properties that combine fixed and floating rents

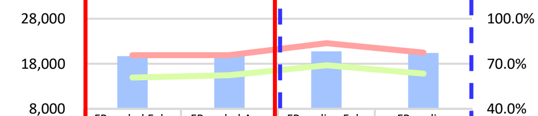
B-4 **Hotel Intergate Kyoto Shijo Shinmachi**

FP ended Aug. 2025 (13th FP) Results



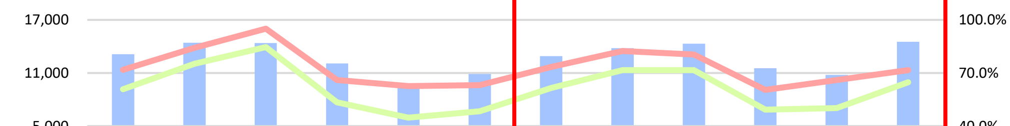
	September 2024	October	November	December	January 2025	February	March	April	May	June	July	August
Occupancy rate (right axis)	72.3%	87.0%	87.2%	78.3%	59.8%	65.0%	77.6%	90.7%	86.6%	65.0%	68.7%	69.9%
ADR (left axis)	16,107	22,411	27,300	19,745	15,837	14,544	21,370	27,547	20,356	15,378	17,324	14,866
RevPAR (left axis)	11,647	19,500	23,802	15,469	9,473	9,459	16,590	24,984	17,635	9,991	11,896	10,387

Results | Assumptions for earnings forecasts

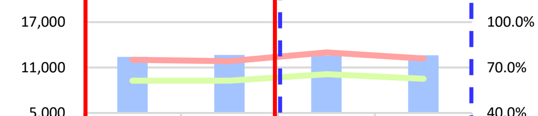


	FP ended Feb. 2025 (12th FP)	FP ended Aug. 2025 (13th FP)	FP ending Feb. 2026 (14th FP)	FP ending Aug. 2026 (15th FP)
Occupancy rate (right axis)	75.1%	77.7%	78.3%	77.2%
ADR (left axis)	19,917	19,926	22,576	20,456
RevPAR (left axis)	14,950	15,475	17,670	15,783

B-5 **Hotel Intergate Kanazawa**

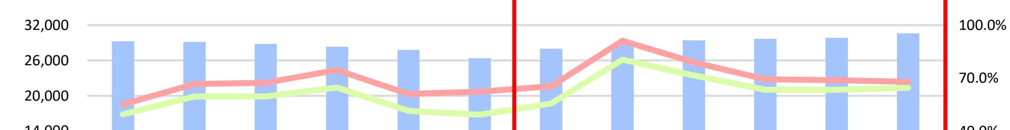


	September 2024	October	November	December	January 2025	February	March	April	May	June	July	August
Occupancy rate (right axis)	80.7%	87.1%	87.0%	75.5%	62.5%	69.4%	79.6%	84.1%	86.6%	72.7%	68.9%	87.7%
ADR (left axis)	11,345	13,833	16,007	10,213	9,545	9,649	11,703	13,476	13,087	9,099	10,214	11,341
RevPAR (left axis)	9,151	12,051	13,928	7,708	5,965	6,701	9,317	11,338	11,335	6,856	7,038	9,950

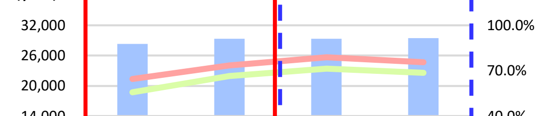


	FP ended Feb. 2025 (12th FP)	FP ended Aug. 2025 (13th FP)	FP ending Feb. 2026 (14th FP)	FP ending Aug. 2026 (15th FP)
Occupancy rate (right axis)	77.1%	78.3%	77.9%	78.2%
ADR (left axis)	12,022	11,842	12,997	12,175
RevPAR (left axis)	9,268	9,268	10,125	9,519

B-6 **GRIDS PREMIUM Hotel Osaka Namba**



	September 2024	October	November	December	January 2025	February	March	April	May	June	July	August
Occupancy rate (right axis)	90.8%	90.4%	89.4%	87.8%	85.9%	81.2%	86.6%	89.1%	91.3%	92.2%	92.8%	95.4%
ADR (left axis)	18,528	21,963	22,199	24,366	20,315	20,670	21,589	29,337	25,683	22,797	22,632	22,373
RevPAR (left axis)	16,824	19,863	19,848	21,395	17,452	16,775	18,690	26,133	23,438	21,013	20,995	21,349

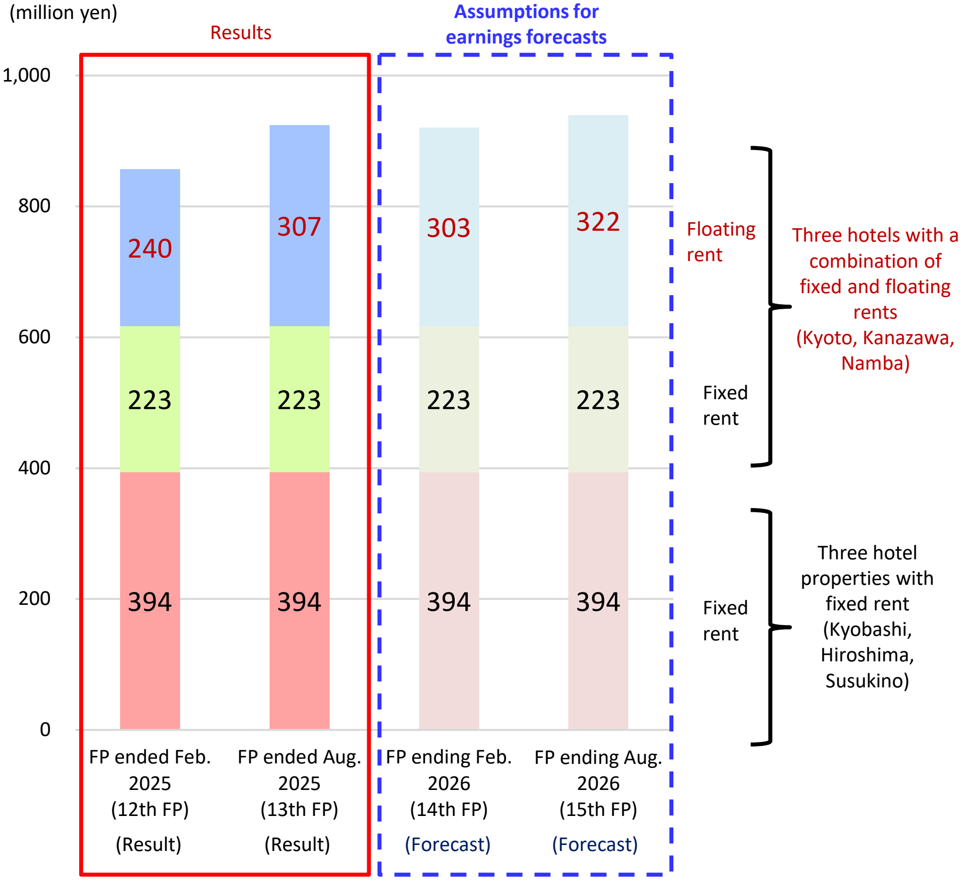


	FP ended Feb. 2025 (12th FP)	FP ended Aug. 2025 (13th FP)	FP ending Feb. 2026 (14th FP)	FP ending Aug. 2026 (15th FP)
Occupancy rate (right axis)	87.7%	91.2%	91.2%	91.5%
ADR (left axis)	21,363	24,026	25,665	24,672
RevPAR (left axis)	18,729	21,919	23,411	22,576

* The estimated values for the results forecast are figures independently assumed by the Asset Management Company.

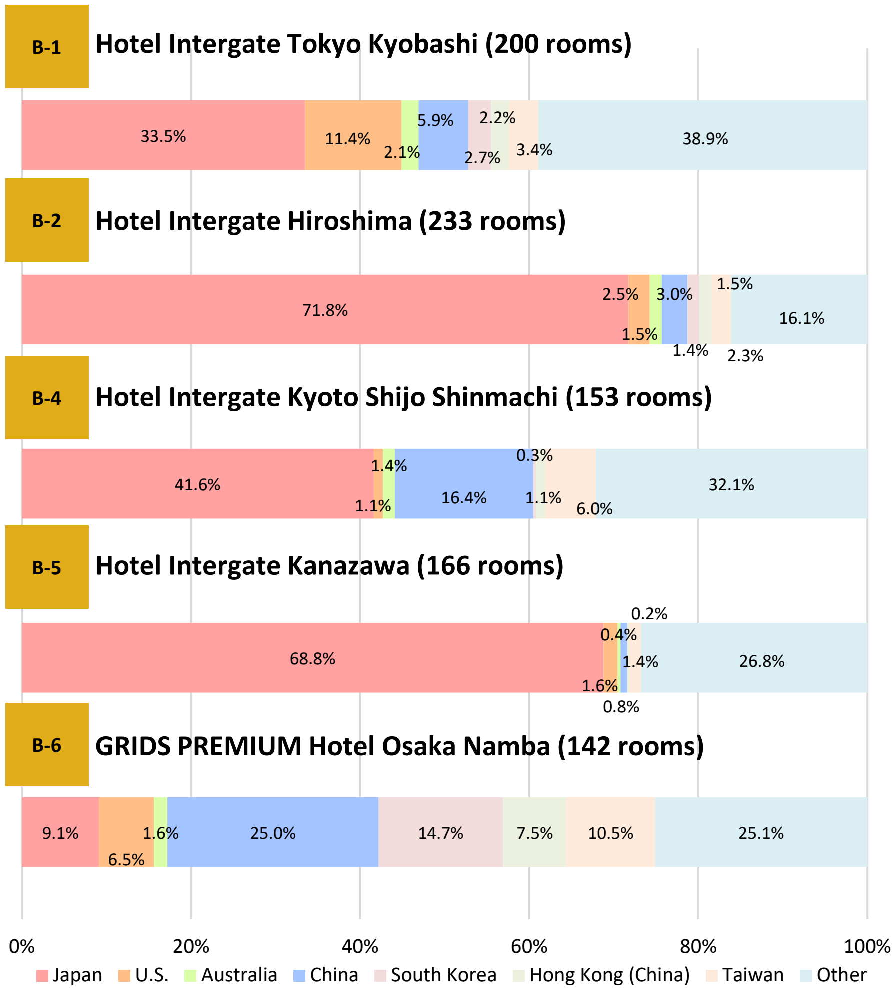
Management Highlights Internal Growth: (3) Hotel-2

Rental revenue's results and forecasts by contract type for hotels owned



* Floating rent for fiscal period ended Aug. 2025 (13th period) and fiscal period ending Aug. 2026 (15th period) includes the annual floating rent for GRIDS PREMIUM Hotel Osaka Namba.

Data by region for guests staying at each hotel (August 2025)



* Of the hotels we own, only those that are able to publish regional data on guests are listed.

Management Highlights: Financial Operation

Selected a floating rate in recent refinancing. Formulating earnings forecasts in anticipation of gradual interest rate increases

Financial Highlights (as of September 2, 2025)

Balance of interest-bearing liabilities	Ratio of long-term debt	LTV	Long-Term Issuer Rating (JCR)
49.5 billion yen	79.4%	47.5%	A+ (Stable)

Average financing interest rate	Ratio of fixed-rate debt	Average remaining time to maturity
0.87%	68.9%	2.2 years

Current Financing Status (loan execution as of September 2, 2025)

Amount financed	Years of borrowing	Borrowing rate	Fixed/Floating
5.5 billion yen	3.5 years	Base interest rate + 0.425%	Floating

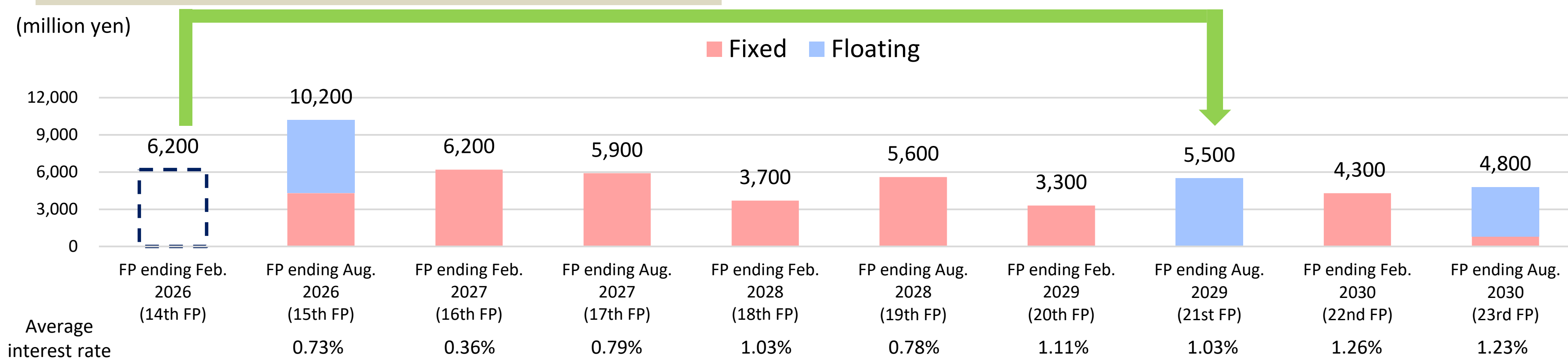
(*Of the 6.2 billion yen subject to refinancing, 0.7 billion yen was repaid on the due date)

Interest expenses on earnings forecast

	FP ending Feb. 2026 (14th FP)	FP ending Aug. 2026 (15th FP)
Interest expenses (DPU conversion)	229 million yen (491 yen/unit)	289 million yen (619 yen/unit)

* This calculation anticipates two policy interest rate hikes after the date of this document.

Maturity Ladder for Interest-Bearing Liabilities (as of September 2, 2025)

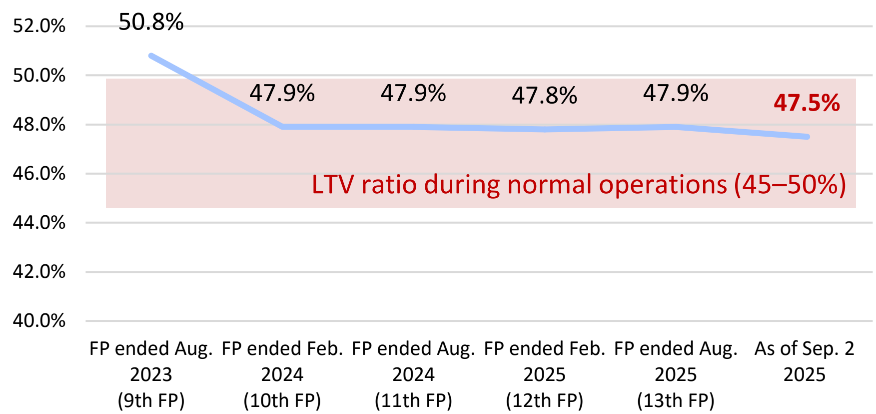


* It is the weighted average interest rate of borrowings due in each period.

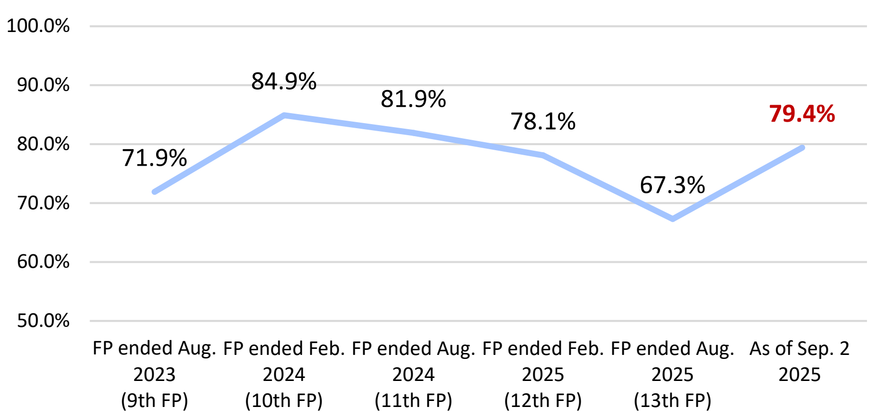
Management Highlights: Financial Operation

■ **The current fixed interest rate ratio of around 70% is set to a lower limit of 60% for the time being**

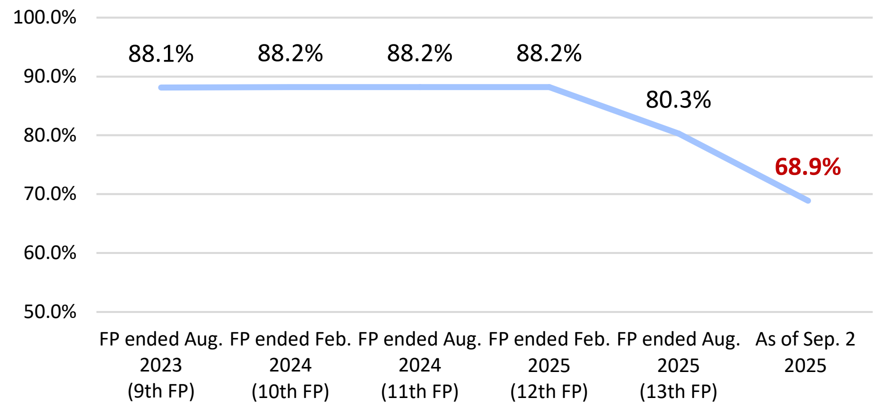
Change in LTV



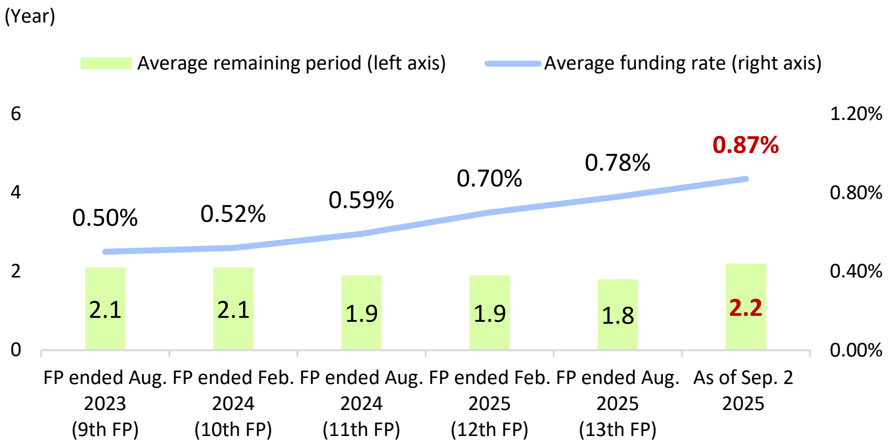
Trends in long-term debt ratio



Change in Ratio of Fixed-rate Debt



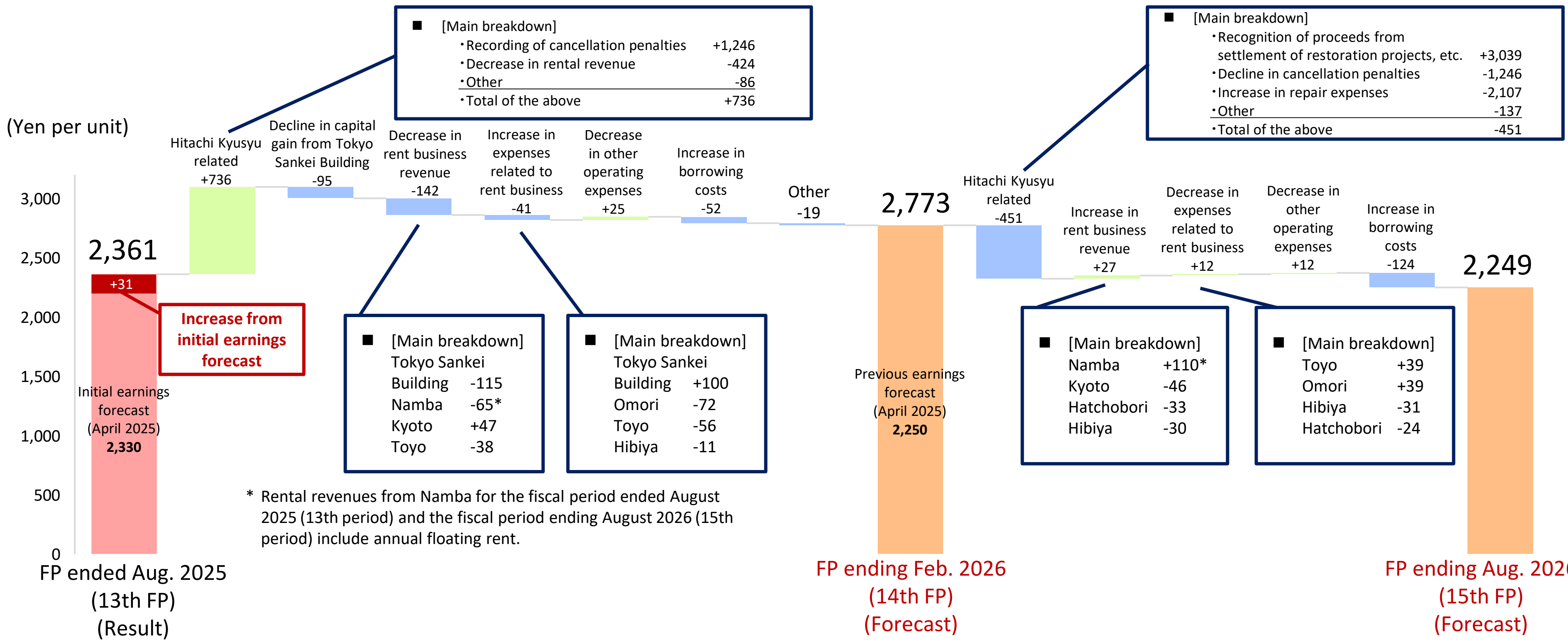
Changes in average remaining term and average funding interest rate



3. Earnings Forecast

Earnings Forecast: (1) Summary of DPU

- **The forecast for the current fiscal period (ending February 2026) and the next fiscal period (ending August 2026) was formulated taking into account the impact on income and expenditures of Hitachi Kyusyu Building, where a tenant has terminated its lease**



<Reference> Trends in DPU (initial forecast and results)

	FP ended Aug. 2023 (9th FP)	FP ended Feb. 2024 (10th FP)	FP ended Aug. 2024 (11th FP)	FP ended Feb. 2025 (12th FP)	FP ended Aug. 2025 (13th FP)
Initial Forecast	2,377 yen/unit	2,050 yen/unit	2,208 yen/unit	2,302 yen/unit	**2,330 yen/unit**
Results	2,418 yen/unit	2,221 yen/unit	2,369 yen/unit	2,451 yen/unit	**2,361 yen/unit**
Increase from initial forecast (%)	+41 yen/unit (+1.7%)	+171 yen/unit (+8.3%)	+161 yen/unit (+7.3%)	+149 yen/unit (+6.5%)	**+31 yen/unit (+1.3%)**

* The figures stated in the initial forecasts are the figures announced in the (REIT) Financial Report for the period immediately preceding the said period.

Earnings Forecast: (2) Profit and Loss Comparison

(million yen)	FP ended Aug. 2025 (13th FP) Results (A)	FP ending Feb. 2026 (14th FP) Forecast (B)	Comparison with Previous FP Result (B-A)	FP ending Aug. 2026 (15th FP) Forecast (C)	Comparison with Previous FP Forecasts (C-B)
Operating revenue	2,611	2,893	+281	3,707	814
Total rent business revenue	2,567	2,893	+325	3,707	814
Rental and CAM revenue	2,447	2,193	-254	2,161	-32
Parking revenue	24	31	+7	35	+4
Utilities reimbursement	87	78	-9	83	+5
Other revenue	8	590	+581	1,427	+837
Gain on sale of real estate properties	44	-	-44	-	±0
Operating expenses	1,264	1,319	+55	2,320	+1,001
Total expenses related to rent business	926	993	+67	2,000	+1,006
Outsourcing expenses	121	167	+46	184	+16
Utilities expense	95	119	+23	123	+4
Repair expenses	51	82	+31	1,058	+975
Property taxes	311	283	-27	289	+5
Depreciation	324	321	-2	327	+6
Other expenses	21	17	-4	17	-0
Operating income (loss) from rent business	1,641	1,899	+258	1,707	-186
Total other operating expenses	338	326	-11	320	-5
Asset management fee	251	258	+7	252	-5
Other expenses	87	68	-18	67	-0
Operating income	1,347	1,573	+225	1,386	-186
Non-operating income	8	-	-8	-	±0
Non-operating expenses	252	277	+24	335	+57
Ordinary income	1,103	1,295	+192	1,051	-244
Net income	1,102	1,295	+192	1,050	-244
Distribution per unit	2,361 yen/unit	2,773 yen/unit	+412 yen/unit	2,249 yen/unit	-524 yen/unit
Rental NOI	1,965	2,221	+256	2,035	-186

Major Factors for the Difference (Comparison with Previous FP Result) (B - A)

[Rent business revenue]

- <Rental and CAM revenue>
  Hitachi Kyushu (-198), Tokyo Sankei Building (-48), Namba (-30), Kyoto (+22), Toyo (-15), Kanazawa (+10), Akihabara (-7), Omori (+6)
- <Utilities reimbursement>
  Tokyo Sankei Building (-4), Toyo (-2), Hibiya (-2)
- <Other rental revenue>
  Hitachi Kyusyu (+582) (cancellation penalty)

[Expenses related to rent business]

- <Outsourcing expenses>
  Hitachi Kyushu (+22), Hibiya (+10), Omori (+8), Tokyo Sankei Building (-5), Akihabara (+4), Toyo (+4)
- <Utilities expense>
  Hitachi Kyushu (+27), Tokyo Sankei Building (-3), Toyo (-1)
- <Repair expenses>
  Toyo (+23), Omori (+22), Hibiya (-6), Hatchobori (-4), Tokyo Sankei Building (-3), Kyoto (+1), Akihabara (-1)
- <Property taxes>
  Tokyo Sankei Building (-25)
- <Depreciation>
  Hitachi Kyushu (-3), Tokyo Sankei Building (-3), Omori (+2)

Major Factors for the Difference (Comparison with Previous FP Forecast) (C - B)

[Rent business revenue]

- <Rental and CAM revenue>
  Namba (+51), Hitachi Kyushu (-39), Kyoto (-21), Hatchobori (-17), Hibiya (-15), Omori (+11), Kanazawa (-10)
- <Other rental revenue>
  Hitachi Kyushu (+837) (proceeds from settlement of restoration projects, etc.)

[Expenses related to rent business]

- <Outsourcing expenses>
  Hitachi Kyushu (+20), Hatchobori (+11), Omori (-7), Hibiya (-7), Akihabara (-4), Toyo (+3), Akasaka (+1)
- <Repair expenses>
  Hitachi Kyushu (+984), Toyo (-23), Hibiya (+21), Omori (-11), Akasaka (+6), Kyoto (-1), Miyazakidai (+1)

4. Growth Strategy

Growth Strategy (1) Review from the current period (13th FP) to the most recent period

[Asset] Strengthening portfolio/improving future NCF

- **External growth (explore rebalancing opportunities)**
  - Transfer of properties with relatively large unrealized losses that do not resolve over several years, low-yielding properties, or single-tenant risk properties
- **Internal growth (initiatives not to lower NCF)**
  - Increased revenue for hotels using a combination of fixed and floating rents (Kyoto, Kanazawa, Osaka Namba)
  - Improve occupancy rates of office buildings by ending lease contracts for low-occupancy properties (Omori and Toyo)
  - Actively negotiate rent increases with tenants who have a rent gap (room for internal growth)

Review from the current period (13th FP) to the most recent period

- Transfer of low-yielding properties (Tokyo Sankei Building)
- Hotels: Securely captured robust inbound demand
- Office: Achieved rent increases through persistent negotiations
- improvement in occupancy rate (Omori Park Building)
- Tenant cancellation (Hitachi Kyusyu Building)

[Debt] Controlling borrowing costs

- **Active adoption of floating interest rates**
- **Adjustment of borrowing term**
- **Repayment of borrowings (consider and decide when transferring a property)**
- **LTV Control**

- Partial repayment of borrowings (700 million yen)
- Lower borrowing costs (Refinanced with a 3.5-year loan term and floating interest rate)

[Equity] Capital Efficiency and Return to Unitholders

- **Reduction of equity capital through acquisition of own investment units**
- **Business management conscious of increasing unitholder value**

- ROE (FFO basis) for the current period (13th FP) = 5.6%
- Continue to consider acquisition of own investment units

* The above ROE is calculated as FFO (net income + depreciation ± gain/loss on sales of real estate) ÷ equity.

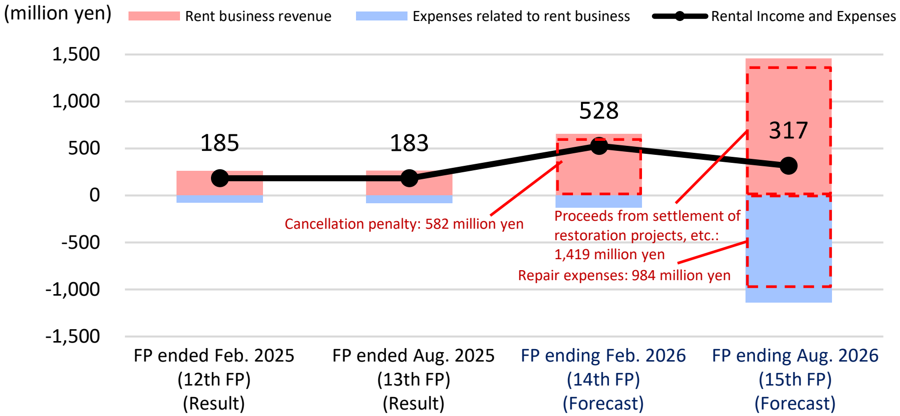
Growth Strategy (2) Eliminating the impact of the Hitachi Kyusyu Building

Limited negative impact on earnings from the fiscal period ending Feb. 2026 (14th FP) to the fiscal period ending Aug. 2026 (15th FP)

Overview of Tenant Cancellation (Agreed Termination)

Property name (Investment ratio)	Hitachi Kyusyu Building (10.6%)
Number of tenants	1 tenant
Leased area	26,513.33 m^2
Cancellation area	23,115.08 m^2
Date of cancellation	September 30, 2025
Other	Receive cancellation penalty in the fiscal period ending February 2026 (14th FP) Scheduled to receive the settlement amount of restoration projects, etc. in the fiscal period ending August 2026 (15th FP)

Trends in rental income and expenses for the Property



Options for resolving the current impact: Selection by the end of 2025, and start after January 2026 (planned)

Options	Overview	Decision Point [Expected Effects]	Decision Point [Points to Note]
Retenant	➢ The Property is a single-tenant, whole-building rental property (leased area = total floor area), so we are considering changing the specifications to multi-tenant (leased area = exclusive area) and re-tenanting the Property	➢ If tenant diversification progresses, profitability is expected to stabilize not only for the Property but also for the portfolio as a whole	➢ It is thought that it will take some time to reach the expiration of the lease contract ➢ If leasing progresses through multi-tenanting, revenue will be recorded in stages until the lease is up
Transfer (including rebalancing)	➢ We have been monitoring the Property as a transfer candidate in the portfolio rebalancing. In light of the recent tenant departure, we are also considering transferring it	➢ Reduce the risk of declining revenues until expiration of the lease contract ➢ Effects of allocation of funds from the transfer are expected **(1) Acquisitions of new properties** (rebalancing) **(2) Repayment of borrowings** (**reduction of borrowing costs**) **(3) Acquisition of own investment units** (**enhancement of capital efficiency**) **(4) Combination of (1) to (3) above**	➢ The expected effect may vary depending on the transfer price ➢ In the event of a rebalancing, the potential properties to be acquired have not yet been determined, and it is uncertain whether a property that exceeds the existing yield of the Property will be acquired

Growth Strategy (3) Various Simulations (for reference)

[Asset] Strengthening portfolio/improving future NCF

Increased revenues from the three hotel properties that combine fixed and floating rents

RevPAR increase rate	+1.0%	+3.0%	+5.0%
Hotel Intergate Kyoto Shijo Shinmachi	+4 yen/unit	+12 yen/unit	+21 yen/unit
Hotel Intergate Kanazawa	+3 yen/unit	+8 yen/unit	+13 yen/unit
GRIDS PREMIUM Hotel Osaka Namba	+6 yen/unit	+18 yen/unit	+30 yen/unit
Total of above three properties	+13 yen/unit	+38 yen/unit	+64 yen/unit

* The expected sensitivity of DPU is calculated based on RevPAR from the financial forecast for the fiscal period ending February 2026 (14th period).

Leasing up low-occupancy properties

	Omori Park Building	Toyo Park Building
Leasing area	814 tsubo	318 tsubo
Assumed increase in DPU	+108 yen/unit	+44 yen/unit

* The assumed increase in DPU is calculated when the above leasing areas are fully occupied at market rents.

Active rent increase negotiations with tenants with rent gaps (internal growth potential)

Increase in DPU if rent increase revisions are successful for all tenants whose contracts are due for renewal in the FP ending February 2026 (14th period) and the FP ending August 2026 (15th period) ▶ +25 yen/unit

* The period when the entire increase in DPU mentioned above will be realized will be from the FP ending February 2027 (16h period) onwards.

[Debt] Controlling borrowing costs

Loan Repayment Simulation

Repayment Amount	Interest expenses (per fiscal period)	LTV after implementation (assumed)	Effect on DPU
1 billion yen	-4,350 thousand yen	47.0%	+9 yen/unit
3 billion yen	-13,051 thousand yen	45.9%	+27 yen/unit
5 billion yen	-21,752 thousand yen	44.9%	+46 yen/unit

* Calculations are based on the assumption of an average funding rate of 0.87% as of September 2, 2025.

[Equity] Capital Efficiency and Return to Unitholders

Simulation of acquisition of own investment units (total acquisition amount: 1 billion yen)

Investment unit price at the time of implementation	Total number of investment units available for acquisition	LTV after implementation (assumed)	Effect on DPU
110,000 yen	9,090 units	48.5% (Up 1.0% pt from current level)	+44 yen/unit
100,000 yen	10,000 units		+49 yen/unit
90,000 yen	11,111 units		+54 yen/unit

5. Appendix

Balance Sheet

(thousand yen)

	FP ended Feb. 2025 (12th FP)	FP ended Aug. 2025 (13th FP)
Assets		
Current assets		
Cash and deposits	5,683,191	8,341,138
Cash and deposits in trust	2,446,894	2,442,985
Operating accounts receivable	37,213	56,928
Prepaid expenses	73,323	73,180
Income taxes refund receivable	-	267
Total current assets	8,240,624	10,914,499
Non-current assets		
Property, plant and equipment		
Buildings, net	158,398	-
Structures, net	421	-
Tools, furniture and fixtures, net	1,074	-
Land	2,457,766	-
Buildings in trust, net	21,296,926	21,056,499
Structures in trust, net	105,606	103,748
Machinery and equipment in trust, net	79,797	77,536
Tools, furniture and fixtures in trust, net	16,056	14,858
Land in trust	72,643,724	72,643,724
Total property, plant and equipment	96,759,772	93,896,367
Intangible assets		
Software	5,333	4,533
Total intangible assets	5,333	4,533
Investments and other assets		
Long-term prepaid expenses	77,957	73,522
Deferred tax assets	7	14
Lease and guarantee deposits	10,000	10,000
Total investments and other assets	87,965	83,537
Total non-current assets	96,853,071	93,984,438
Total assets	105,093,695	104,898,938

	FP ended Feb. 2025 (12th FP)	FP ended Aug. 2025 (13th FP)
Liabilities		
Current liabilities		
Operating accounts payable	137,160	167,301
Long-term loans due within one year	11,000,000	16,400,000
Accounts payable - other	290,507	291,099
Accrued expenses	66,973	71,408
Income taxes payable	240	-
Consumption taxes payable	171,785	92,585
Advances received	401,656	378,667
Deposits received	214	214
Total current liabilities	12,068,538	17,401,276
Non-current liabilities		
Long-term loans	39,200,000	33,800,000
Lease and guarantee deposits received	88,409	-
Lease and guarantee deposits received in trust	3,156,325	3,159,218
Total non-current liabilities	42,444,735	36,959,218
Total liabilities	54,513,273	54,360,494
Net assets		
Unitholders’ equity		
Unitholders’ capital	49,442,685	49,442,685
Deduction from unitholders’ capital	-7,136	-7,136
Unitholders’ capital (net)	49,435,549	49,435,549
Surplus		
Unappropriated retained earnings (undisposed loss)	1,144,872	1,102,893
Total surplus	1,144,872	1,102,893
Total unitholders’ equity	50,580,421	50,538,443
Total net assets	50,580,421	50,538,443
Total liabilities and net assets	105,093,695	104,898,938

Statement of Income and Retained Earnings

(thousand yen)

	FP ended Feb. 2025 (12th FP)	FP ended Aug. 2025 (13th FP)
Operating revenue		
Rent business revenue	2,396,675	2,447,470
Other rent business revenue	119,746	120,042
Gain on sale of real estate properties	-	44,317
Total operating revenue	2,516,422	2,611,829
Operating expenses		
Expenses related to rent business	839,931	926,054
Asset management fee	249,087	251,083
Asset custody fee	2,065	2,067
Administrative service fees	15,868	15,494
Remuneration for directors (and other officers)	3,600	3,600
Other operating expenses	53,382	65,839
Total operating expenses	1,163,936	1,264,139
Operating income	1,352,486	1,347,689
Non-operating income		
Interest income	3,444	7,740
Reversal of distributions payable	371	710
Insurance claim income	-	307
Interest on refund	457	-
Other	652	93
Total non-operating income	4,925	8,852
Non-operating expenses		
Interest expenses	167,245	197,483
Borrowing related expenses	44,762	55,267
Total non-operating expenses	212,007	252,750
Ordinary income	1,145,404	1,103,791
Net income before income taxes	1,145,404	1,103,791
Income taxes - current	767	917
Income taxes - deferred	7	-7
Total income taxes	775	910
Net income	1,144,628	1,102,881
Retained earnings brought forward	243	12
Unappropriated retained earnings (undisposed loss)	1,144,872	1,102,893

Statement of Cash Flows

(thousand yen)

	FP ended Feb. 2025 (12th FP)	FP ended Aug. 2025 (13th FP)
Cash flows from operating activities		
Net income before income taxes	1,145,404	1,103,791
Depreciation	321,647	324,807
Interest income	-3,444	-7,740
Interest expenses	167,245	197,483
Decrease (increase) in operating accounts receivable	25,943	-19,714
Decrease (increase) in consumption taxes refund receivable	205,433	-
Decrease (increase) in prepaid expenses	18,488	143
Increase (decrease) in operating accounts payable	-98,841	77,266
Increase (decrease) in accounts payable - other	-310	707
Increase (decrease) in consumption taxes payable	171,785	-79,199
Increase (decrease) in advances received	14,287	-22,988
Decrease (increase) in long-term prepaid expenses	9,159	4,434
Decrease due to the sale of property, plant and equipment	-	2,623,234
Subtotal	1,976,797	4,202,226
Interest received	3,444	7,740
Interest paid	-159,462	-193,048
Income taxes paid	-1,374	-1,425
Net cash provided by (used in) operating activities	1,819,404	4,015,492

	FP ended Feb. 2025 (12th FP)	FP ended Aug. 2025 (13th FP)
Cash flows from investing activities		
Purchase of property, plant and equipment	-534	-9,203
Purchase of property, plant and equipment in trust	-61,105	-121,760
Proceeds from lease and guarantee deposits received	250	596
Refund of lease and guarantee deposits received	-	-89,006
Proceeds from lease and guarantee deposits received in trust	35,952	48,261
Refund of lease and guarantee deposits received in trust	-1,530	-45,369
Net cash provided by (used in) investing activities	-26,966	-216,480
Cash flows from financing activities		
Proceeds from long-term loans	4,300,000	4,800,000
Repayments of long-term loans	-4,300,000	-4,800,000
Distributions paid	-1,106,682	-1,144,975
Net cash provided by (used in) financing activities	-1,106,682	-1,144,975
Net increase (decrease) in cash and cash equivalents	685,756	2,654,036
Cash and cash equivalents at beginning of period	7,444,330	8,130,086
Cash and cash equivalents at end of period	8,130,086	10,784,123

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Rental Income and Expenses by Property (1)

(thousand yen)

Property number	A-1	A-3	A-4	A-5	A-6	A-7	A-9	A-10	A-11	A-12
Asset type	Office buildings									
Property name	Tokyo Sankei Building	S-GATE NIHONBASHI-HONCHO	S-GATE AKIHABARA	Hibiya Sankei Building	Hatchobori Sankei Building	Toyo Park Building	Omori Park Building	S-GATE AKASAKA	Miyazakidai Garden Office	Hitachi Kyusyu Building
Rent business revenue	53,841	323,262	70,560	205,212	182,312	102,266	76,861		91,056	
Rental revenue	46,784	302,704	65,353	188,267	159,962	83,358	68,900		73,855	
Common area maintenance revenue	1,684	-	-	2,124	4,404	5,937	-		3,587	
Utilities reimbursement	4,002	14,666	4,757	12,102	13,853	9,644	4,996		10,709	
Parking revenue	769	5,598	396	1,662	2,580	3,087	2,700		1,598	
Other rental revenue	600	294	53	1,056	1,510	240	264		1,305	
Expenses related to rent business	47,151	96,735	26,453	108,971	79,946	37,593	83,432		37,057	
Outsourcing expenses	5,158	17,377	5,904	17,749	18,248	9,428	21,925	(Not disclosed)	6,540	(Not disclosed)
Utilities expense	3,631	14,545	4,017	12,040	16,320	8,700	17,769		9,738	
Property taxes	25,905	22,630	5,271	56,622	11,993	8,263	17,719		7,098	
Land rent	569	-	-	-	-	-	-		-	
Repair expenses	3,635	3,209	2,618	13,296	13,425	1,051	7,586		2,667	
Insurance premium	113	587	128	380	555	296	564		226	
Trust fee	-	350	400	250	250	350	350		350	
Depreciation	3,630	37,316	7,718	8,383	18,719	9,308	17,196		9,826	
Other expenses related to rent business	4,507	717	394	246	433	195	320		609	
Operating income (loss) from rent business	6,690	226,527	44,107	96,240	102,365	64,673	-6,570		53,999	
NOI	10,321	263,844	51,825	104,624	121,084	73,982	10,626		63,826	

* The Tokyo Sankei Building was transferred on August 1, 2025, and the above rental income/expenses are figures for the holding period.

Rental Income and Expenses by Property (2)

SANKEI REAL ESTATE Inc.

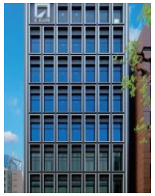
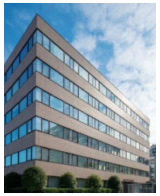
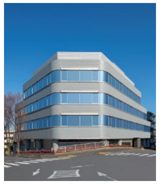
(thousand yen)

Property number	B-1	B-2	B-3	B-4	B-5	B-6	B-7	Total
Asset type	Hotel		Logistics facilities	Hotel				
Property name	Hotel Intergate Tokyo Kyobashi	Hotel Intergate Hiroshima	SANKEILOGI Settsu	Hotel Intergate Kyoto Shijo Shinmachi	Hotel Intergate Kanazawa	GRIDS PREMIUM Hotel Osaka Namba	Vessel Hotel Campana Susukino	
Rent business revenue	206,955	118,800	119,016	163,642	77,376	285,143		2,567,512
Rental revenue	206,955	118,800	118,531	163,642	77,376	282,725		2,429,732
Common area maintenance revenue	-	-	-	-	-	-		17,737
Utilities reimbursement	-	-	-	-	-	-		87,768
Parking revenue	-	-	-	-	-	2,418		24,012
Other rental revenue	-	-	485	-	-	-		8,261
Expenses related to rent business	55,770	44,290	34,845	37,199	34,715	44,014		926,054
Outsourcing expenses	1,200	1,200	900	900	900	900	(Not disclosed)	121,546
Utilities expense	-	-	-	-	-	-		95,798
Property taxes	27,012	16,673	12,694	12,379	7,768	8,599		311,526
Land rent	-	-	-	-	-	-		569
Repair expenses	-	-	480	-	-	239		51,276
Insurance premium	503	545	368	373	295	339		7,160
Trust fee	250	250	350	350	350	350		5,550
Depreciation	26,770	25,572	20,006	23,153	25,357	33,542		324,007
Other expenses related to rent business	35	48	46	44	44	44		8,618
Operating income (loss) from rent business	151,184	74,509	84,171	126,442	42,660	241,128		1,641,457
NOI	177,954	100,082	104,177	149,595	68,017	274,671		1,965,465

Key Performance Indicators (KPIs)

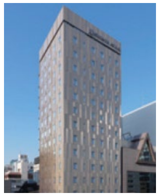
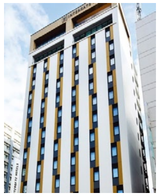
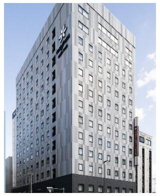
	FP ended Aug. 2023 (9th FP)	FP ended Feb. 2024 (10th FP)	FP ended Aug. 2024 (11th FP)	FP ended Feb. 2025 (12th FP)	FP ended Aug. 2025 (13th FP)
NOI yield (against book value)	3.5%	3.5%	4.0%	4.1%	4.2%
NOI yield (against appraisal value)	3.3%	3.4%	3.8%	3.9%	4.1%
NOI yield after depreciation (against book value)	2.9%	2.8%	3.3%	3.5%	3.5%
NOI yield after depreciation (against appraisal value)	2.7%	2.7%	3.2%	3.3%	3.5%
Implied cap rate (before depreciation)	3.7%	4.1%	4.6%	4.7%	4.5%
Implied cap rate (after depreciation)	3.1%	3.2%	3.8%	4.0%	3.8%
FFO (million yen)	1,286	995	1,425	1,466	1,383
AFFO (million yen)	1,066	883	1,343	1,355	1,299
FFO per unit	2,753 yen/unit	2,131 yen/unit	3,051 yen/unit	3,139 yen/unit	2,961 yen/unit
EPS	2,418 yen/unit	2,220 yen/unit	2,369 yen/unit	2,450 yen/unit	2,361 yen/unit
Distribution per unit	2,418 yen/unit	2,221 yen/unit	2,369 yen/unit	2,451 yen/unit	2,361 yen/unit
Distribution yield	5.2%	5.2%	5.8%	5.9%	4.9%
Investment unit price at end of period	93,300 yen	84,800 yen	82,300 yen	83,800 yen	95,800 yen
Net assets per unit (after deducting distribution)	105,835 yen/unit	105,835 yen/unit	105,835 yen/unit	105,835 yen/unit	105,835 yen/unit
Unrealized gains per unit	10,450 yen/unit	7,815 yen/unit	9,890 yen/unit	11,646 yen/unit	2,576 yen/unit
NAV per unit (after deducting distribution)	116,286 yen/unit	113,651 yen/unit	115,726 yen/unit	117,482 yen/unit	108,412 yen/unit
NAV multiple	0.8x	0.7x	0.7x	0.7x	0.9x
FFO multiple	16.9x	19.9x	13.5x	13.3x	16.2x
Payout ratio (FFO)	87.8%	104.2%	77.6%	78.1%	79.7%
Payout ratio (AFFO)	105.9%	117.4%	82.4%	84.5%	84.9%
PER	19.3x	19.1x	17.4x	17.1x	20.3x
PBR	0.9x	0.8x	0.8x	0.8x	0.9x
ROE	4.5%	4.1%	4.4%	4.5%	4.4%

Portfolio List (1)

Property number	A-3	A-4	A-5	A-6	A-7	A-9	A-10	A-11	A-12
Asset type	Office buildings								
Property name	S-GATE NIHONBASHI-HONCHO 	S-GATE AKIHABARA 	Hibiya Sankei Building 	Hatchobori Sankei Building 	Toyo Park Building 	Omori Park Building 	S-GATE AKASAKA 	Miyazakidai Garden Office 	Hitachi Kyusyu Building 
Location	Chuo-ku, Tokyo	Chiyoda-ku, Tokyo	Chiyoda-ku, Tokyo	Chuo-ku, Tokyo	Koto-ku, Tokyo	Ota-ku, Tokyo	Minato-ku, Tokyo	Miyamae-ku, Kawasaki-shi	Sawara-ku, Fukuoka-shi
Construction completion	Oct. 2018	Sep. 2017	Jun. 1992	Sep. 1965	Jun. 1991	May 1993	Jul. 2015	Feb. 1993	Feb. 1996
Acquisition year/month	Mar. 2019	Mar. 2019	Mar. 2019	Mar. 2019	Mar. 2019	Sep. 2019	Oct. 2020	Sep. 2021	Sep. 2021
Acquisition price (million yen)	14,148	2,055	5,829	4,959	3,782	5,400	7,000	2,800	10,000
Appraisal value (million yen)	15,800	2,720	6,880	5,160	3,470	4,890	7,550	2,730	5,370
Appraisal NOI yield	3.5%	4.3%	3.7%	5.0%	3.8%	3.7%	3.4%	4.5%	2.4%
Occupancy rate	100.0%	100.0%	100.0%	100.0%	92.3%	59.4%	100.0%	100.0%	100.0%
PML value	2.0%	2.2%	3.1%	0.3%	9.0%	5.6%	4.6%	9.5%	2.5%

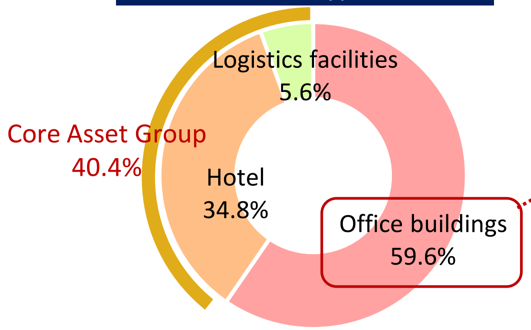
* Figures are as of the end of the FP ended August 2025 (13th FP) (hereinafter the same shall apply). Acquisition year/month is initial acquisition year/month.

Portfolio List (2)

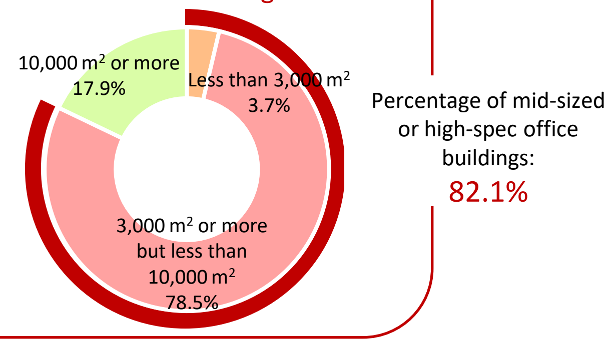
Property number	B-1	B-2	B-3	B-4	B-5	B-6	B-7	Total/Average
Asset type	Hotel		Logistics facilities	Hotel				
Property name	Hotel Intergate Tokyo Kyobashi 	Hotel Intergate Hiroshima 	SANKEI LOGI Settsu 	Hotel Intergate Kyoto Shijo Shinmachi 	Hotel Intergate Kanazawa 	GRIDS PREMIUM Hotel Osaka Namba 	Vessel Hotel Campana Susukino (40% co-ownership interest) 	
Location	Chuo-ku, Tokyo	Naka-ku, Hiroshima-shi	Settsu-shi, Osaka	Nakagyo-ku, Kyoto-shi	Kanazawa-shi, Ishikawa	Naniwa-ku, Osaka-shi	Chuo-ku, Sapporo-shi	-
Construction completion	Jan. 2018	Oct. 2018	Oct. 2022	Nov. 2017	Jan. 2019	Jan. 2021	Mar. 2019	-
Acquisition year/month	Mar. 2019	Sep. 2019	Mar. 2023	Feb. 2024	Feb. 2024	Feb. 2024	Mar. 2024	-
Acquisition price (million yen)	8,961	3,990	5,242	5,800	3,250	7,800	2,920	93,938
Appraisal value (million yen)	9,620	4,330	5,520	6,420	3,300	8,410	2,930	95,100
Appraisal NOI yield	3.9%	4.9%	4.0%	4.3%	4.8%	4.3%	4.2%	3.9%
Occupancy rate	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	97.0%
PML value	1.8%	2.1%	6.9%	10.5%	3.5%	7.2%	0.9%	-

Portfolio Summary

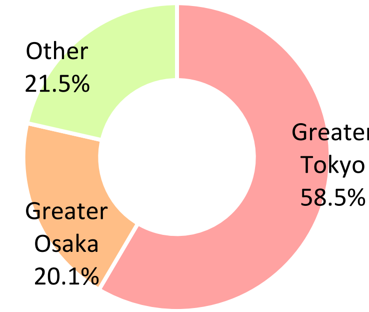
Investment Ratio by Asset Type



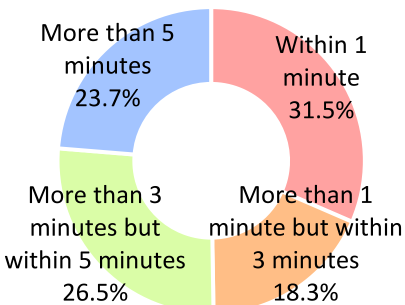
Percentage by total floor area of office buildings



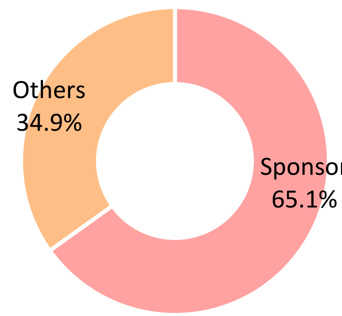
Investment Ratio by Geographic Area



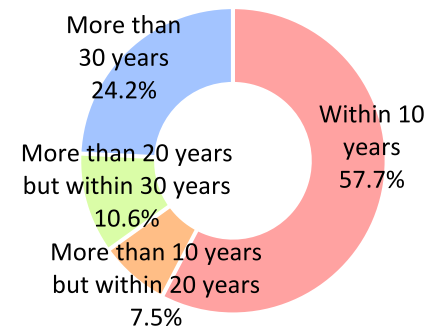
Percentage by Walking Time to the Nearest Station



Percentage of Sponsor Development



Percentage by Building Age



Summary by Asset Type

		Total acquisition price	Investment ratio	Number of properties	Occupancy rate	Appraisal NOI yield	Average building age
Office buildings		55.9 billion yen	59.6%	9	94.6%	3.6%	24.4 years
Core Asset Group	Hotel	32.7 billion yen	34.8%	6	100.0%	4.3%	6.6 years
	Logistics facilities	5.2 billion yen	5.6%	1	100.0%	4.0%	2.9 years
	Total/Average	93.9 billion yen	100.0%	16	97.0%	3.9%	17.0 years

* Figures are as of the end of the FP ended August 2025 (13th FP). In terms of the proportion of total floor area of an office building, “an office building with a total floor area of 3,000 m² or more and less than 10,000 m²” is defined as a “medium-sized office building.”

Summary of Appraisal

SANKEI REAL ESTATE Inc.

(million yen)

Property number	Property name	Acquisition price	End of February 2025 (end of 12th FP)		End of FP August 2025 (end of 13th FY)				Difference with previous FP	
			Appraisal value	Direct distribution yield	Appraisal value	Book value	Unrealized gain/loss	Direct distribution yield	Appraisal value	Direct distribution yield
A-3	S-GATE NIHONBASHI-HONCHO	14,148	15,800	3.1%	15,800	14,063	+1,736	3.1%	±0	±0
A-4	S-GATE AKIHABARA	2,055	2,720	3.2%	2,720	1,990	+729	3.2%	±0	±0
A-5	Hibiya Sankei Building	5,829	6,790	2.8%	6,880	6,104	+775	2.8%	+90	±0
A-6	Hatchobori Sankei Building	4,959	5,140	4.1%	5,160	4,957	+202	4.1%	+20	±0
A-7	Toyo Park Building	3,782	3,490	3.6%	3,470	3,848	-378	3.6%	-20	±0
A-9	Omori Park Building	5,400	4,950	3.7%	4,890	5,506	-616	3.7%	-60	±0
A-10	S-GATE AKASAKA	7,000	7,550	3.1%	7,550	6,999	+550	3.1%	±0	±0
A-11	Miyazakidai Garden Office	2,800	2,710	4.5%	2,730	2,864	-134	4.5%	+20	±0
A-12	Hitachi Kyusyu Building	10,000	10,300	4.2%	5,370	10,057	-4,687	3.9%	-4,930	-0.3
Subtotal		55,975	59,450	-	54,570	56,393	-1,823	-	-4,880	-
B-1	Hotel Intergate Tokyo Kyobashi	8,961	9,620	3.5%	9,620	8,763	+856	3.5%	±0	±0
B-2	Hotel Intergate Hiroshima	3,990	4,330	4.3%	4,330	3,744	+585	4.3%	±0	±0
B-3	SANKEILOGI Settsu	5,242	5,510	3.7%	5,520	5,227	+292	3.7%	+10	±0
B-4	Hotel Intergate Kyoto Shijo Shinmachi	5,800	6,250	3.8%	6,420	5,820	+599	3.8%	+170	±0
B-5	Hotel Intergate Kanazawa	3,250	3,300	4.5%	3,300	3,226	+73	4.5%	±0	±0
B-6	GRIDS PREMIUM Hotel Osaka Namba	7,800	8,170	3.8%	8,410	7,799	+610	3.8%	+240	±0
B-7	Vessel Hotel Campana Susukino	2,920	2,930	4.2%	2,930	2,921	+8	4.2%	±0	±0
Subtotal		37,963	40,110	-	40,530	37,503	+3,026	-	+420	-
Total		93,938	99,560	-	95,100	93,896	+1,203	-	-4,460	-

* The above acquisition prices are as of the end of the FP ended August 2025 (13th FP).

Status of Tenants

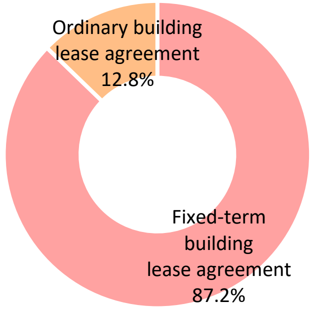
Top 10 tenants (as of the date of preparation of this material)

Name of end tenant	Total leased area (m²)	% of portfolio's total leased area	Property name
GRANVISTA Hotels & Resorts Co., Ltd.	26,373.81	32.3%	Four properties, including Hotel Intergate Tokyo Kyobashi
Keishin K.K.	14,748.33	18.1%	SANKEILOGI Settsu
Konoike Construction Co., Ltd.	4,985.76	6.1%	S-GATE NIHONBASHI-HONCHO
Vessel Hotel Development Co., Ltd.	4,427.11	5.4%	Vessel Hotel Campana Susukino
AB Accommo Co., Ltd.	4,353.79	5.3%	GRIDS PREMIUM Hotel Osaka Namba
Hakuhodo DY Holdings Inc.	3,147.12	3.9%	S-GATE AKASAKA
Toyo Sangyo Co., Ltd.	1,509.72	1.9%	Omori Park Building
loginet-japan Co., Ltd.	Not disclosed	Not disclosed	S-GATE NIHONBASHI-HONCHO
Ryochi Keiei Co., Ltd.	1,159.72	1.4%	Miyazakidai Garden Office
Not disclosed	Not disclosed	Not disclosed	Hibiya Sankei Building

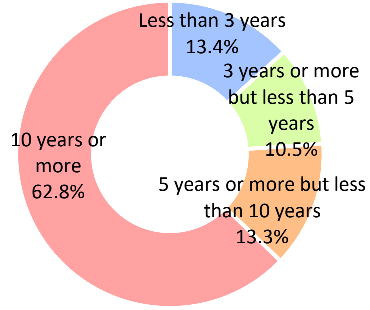
* The information is "Not disclosed" due to unavoidable circumstances in that such contains information for which consent for disclosure has not been obtained from the tenant, relevant party, etc. or information from which confidential information can be derived.

Status of Lease Agreements (as of the date of this document)

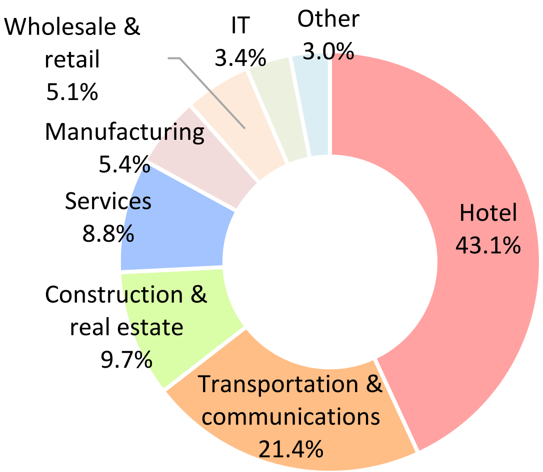
Percentage by Contract Form



Percentage by Lease Period



Tenant attributes (as of the date of preparation of this material)

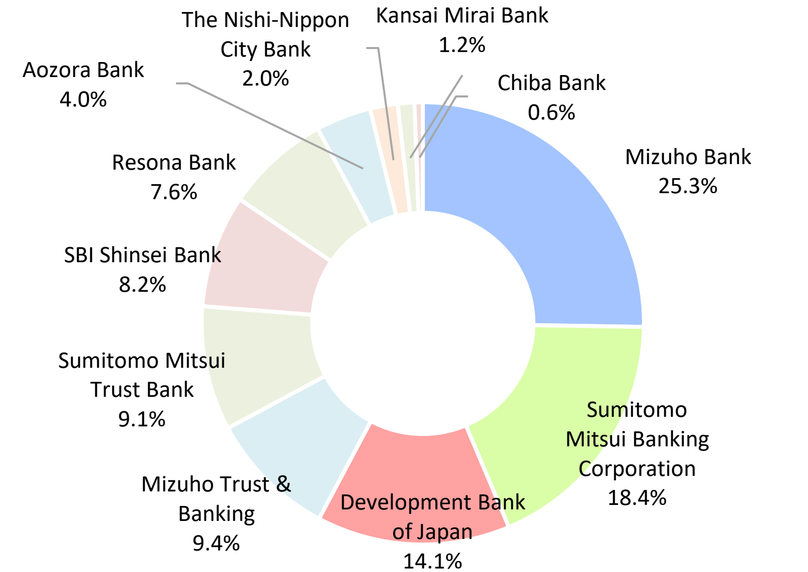


Status of Loans

List of Loans (as of September 2, 2025)

Loan amount (million yen)	Interest rate	Fixed/ Floating	Borrowing period	Borrowing date	Maturity date
6,200	0.36%	Fixed	5.0 years	Sep. 2, 2021	Sep. 2, 2026
4,300	0.38%	Fixed	4.5 years	Oct. 1, 2021	Apr. 1, 2026
5,600	0.78%	Fixed	6.0 years	Mar. 14, 2022	Mar. 14, 2028
5,900	0.79%	Fixed	4.5 years	Sep. 5, 2022	Mar. 5, 2027
3,700	1.03%	Fixed	4.5 years	Mar. 13, 2023	Sep. 13, 2027
5,900	0.98%	Floating	2.6 years	Sep. 4, 2023	Apr. 1, 2026
3,300	1.11%	Fixed	4.5 years	Mar. 12, 2024	Sep. 12, 2028
4,300	1.26%	Fixed	5.0 years	Sep. 12, 2024	Sep. 12, 2029
4,004	1.09%	Floating	5.0 years	Mar. 12, 2025	Mar. 12, 2030
796	1.90%	Fixed	5.0 years	Mar. 12, 2025	Mar. 12, 2030
5,500	1.03%	Floating	3.5 years	Sep. 2, 2025	Mar. 2, 2029
49,500	0.87%	-	4.5 years	-	

Lender Formation (as of September2, 2025)



(million yen)

Lender name	Borrowing amount	Lender name	Borrowing amount
Mizuho Bank	12,500	Resona Bank	3,780
Sumitomo Mitsui Banking Corporation	9,100	Aozora Bank	2,000
Development Bank of Japan	7,000	The Nishi-Nippon City Bank	1,000
Mizuho Trust & Banking	4,640	Kansai Mirai Bank	600
Sumitomo Mitsui Trust Bank	4,500	Chiba Bank	300
SBI Shinsei Bank	4,080	Total	49,500

ESG Initiatives (1)

Sustainability Policy

1. **[Preserving the Earth environment and reducing the environmental load of assets under management]**
   We will aim for the preservation of the Earth environment by promoting resource conservation, energy saving, water saving, effective use of water resources, waste reduction, recycling and other efforts at our assets under management for contribution towards a sustainable society and coexistence with nature. Moreover, specific initiatives will be stipulated for achieving environmental targets in greenhouse gas emissions, water consumption, waste output and such at our assets under management in an effort to reduce the environmental load.
2. **[Serving the local community]**
   We will endeavor to serve the local community and establish good relations in the surrounding area through our assets under management.
3. **[Cooperating with external stakeholders]**
   We will aim to establish good relations with the tenants, property management companies and master lease companies of our assets under management as well as other outside stakeholders and aim to put the sustainability policy into practice through collaboration and cooperation.
4. **[Working with executives and employees]**
   We will implement continuous education and awareness-raising activities concerning ESG to deepen the understanding of executives and employees with regard to ESG considerations and increase their abilities. Moreover, we will establish an environment where each executive and employee can exert their ability to the fullest by creating a healthy, safe and comfortable work environment, nurturing human resources and initiating work-life balance.
5. **[Observing compliance and establishing/maintaining an internal control system]**
   We will observe ESG-related laws and regulations as well as compliance and endeavor to further strengthen the internal control system to ensure fair transactions, appropriate management of information and prevention of conflicts of interest in an aim to meet the expectations of all stakeholders.
6. **[Disclosing ESG information and securing transparency]**
   We will endeavor to disclose information regarding ESG in a timely and appropriate manner and secure transparency by utilizing outside evaluations such as with the acquisition of environmental certifications and utilization of international standards.

External Evaluation and Global Initiatives

TCFD

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

TCFD Consortium

The Asset Management Company has expressed its support for the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD") and joined the "TCFD Consortium," a group of domestic companies that supports TCFD recommendations.

GRESB Real Estate Assessment

GRESB REAL ESTATE ★★☆☆☆ 2025

In the 2025 GRESB Real Estate Assessment, SANKEI REAL ESTATE received a "2 Stars" and a "Green Star" rating in the GRESB Rating, which is a five-level rating system based on the global ranking of the GRESB Overall Score.

Contribution to SDGs (Sustainable Development Goals)

SANKEI REAL ESTATE's efforts have contributed to the following SDGs.

SUSTAINABLE DEVELOPMENT GOALS

3 GOOD HEALTH AND WELL-BEING
7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

Target 3:	Ensuring prevention of the spread of infectious diseases, flexible work styles
Target 7:	LEDs, solar power, reduction of heat load
Target 8:	Rooftop terraces (worker-friendly buildings)
Target 11:	Green Building certification, seismic dampers, stockpiles
Target 12:	Appropriate treatment and recycling of industrial waste
Target 13:	Disaster countermeasures, intake of people having difficulty returning home

ESG Initiatives (2)

Environment

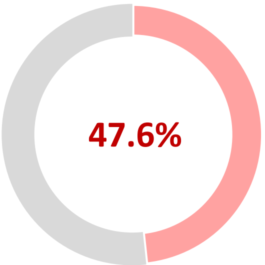
Indicators and Targets

➢ The indicators and targets used in the process of managing climate-related risks and opportunities are as follows:

Indicator	Targets
GHG (greenhouse gas) emissions	(1) Interim target: 30% reduction by 2030 (on an intensity basis) (2) Long-term target: Achieve net zero by 2050

List of Environmental Certifications Obtained

Percentage of portfolio with environmental certifications



Greenhouse gas (GHG) emissions

Item (Unit)	FY2019 (Base year)	FY2020	FY2021	FY2022	FY2023	FY2024
Scope1 (t-CO2)	458.9	579.5	569.4	527.0	614.7	248.6
Scope2 (t-CO2)	2,178.7	2,192.5	2,537.1	2,587.2	1,657.3	1,090.4
Scope3 (t-CO2)	3,336.6	3,356.7	4,847.3	5,252.6	4,679.1	7,212.5
Above total (t-CO2)	5,974.1	6,128.7	7,953.8	8,366.8	6,951.1	8,551.5
Emission unit (kWh/m^2)	139.7	123.0	119.1	114.7	102.6	110.3
Reduction rate compared with base year	-	-12.0%	-14.7%	-17.9%	-26.6%	-21.0%

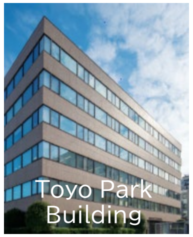
* Figures are subject to change due to a review of the calculation method, etc.

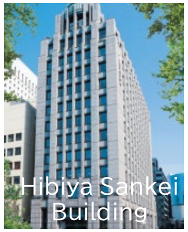
Introducing RE100 electricity

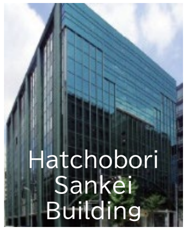
➢ Introduce "RE100" standard electricity, which is recognized as 100% renewable energy electricity, at the time of renewing electricity supply and demand contracts for five properties where electricity rate reductions can be expected

➢ One property to be added from December 2025 (Omori Park Building)

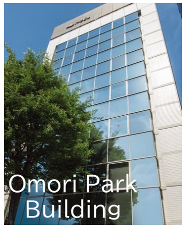
<RE100 powered properties>







Scheduled to be introduced from December 2025



ESG Initiatives (3)

Social

■ **Contribution to local communities (introduction of electric micro-mobility sharing service)**

■ **Conducting a tenant satisfaction survey (annual)**

■ **Status of professional qualifications (as of the end of March 2025)**

Qualification name	No. of qualified persons (acquisition rate)
Real estate agent	15 (62.5%)
Real estate securitization master	14 (58.3%)
Building management consultant	4 (16.7%)
Real estate appraiser	1 (4.2%)
Real estate consulting master	1 (4.2%)

■ **Training implementation status (as of the end of March 2025)**

Field of training	No. of training sessions
Compliance training	33 times

■ **Promotion of various work-life balance programs, implementation of employee surveys to improve the workplace environment, introduction of background music in the office, implementation of engagement surveys, etc.**

Governance

■ **Management Fee Structure**

Asset Management Fee I	Total assets × 0.5% (maximum)
Asset Management Fee II	Real estate rental business profits × 5.0% (maximum)
Acquisition Fee	Acquisition price × 1.0% (maximum)
Disposition Fee*	Disposition price × 1.0% (maximum)
Merger Fee	Appraisal value of succeeded assets × 1.0% (maximum)

* The disposition fee will be paid only if a capital gain is generated.

■ **Decision-making flow for transactions with interested parties (property trading)**

Proposal	Approval	Deliberation and approval	Deliberation and approval	Approval (when necessary)	Report	Report (when necessary)
Investment Management Department	Compliance officer	Compliance committee	Investment committee	SANKEI REAL ESTATE's board of directors	Board of directors	SANKEI REAL ESTATE's board of directors

■ **Introduction of the investment unit ownership system**

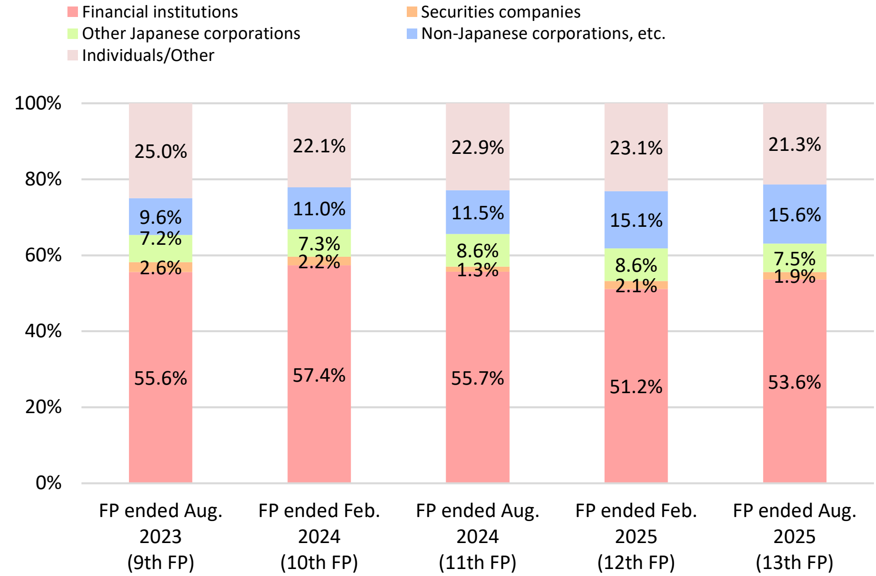
■ **The Asset Management Company publishes a report on its Fiduciary Duty Policy (policy regarding customer-oriented business operations) on its website (updated annually)**

■ **Status of support for employees (as of the end of March 2025)**

Category	Status of efforts
Support for external qualification training	5 cases
Assistance for training	24 cases
Per capita paid leave acquisition rate	64.4%
Number of learning sessions (in-house study sessions)	4 cases

Status of Unitholders

Breakdown of Investment Units by Unitholder Type



Number of Unitholders by Unitholder Type
(as of End of FP Ended Aug. 2025 (13th FP))

	Number of unitholders	Share of units owned	Number of units	Share of units owned
Financial institutions	42	0.3%	250,445 units	53.6%
Securities companies	22	0.2%	8,920 units	1.9%
Other Japanese corporations	211	1.7%	34,993 units	7.5%
Non-Japanese corporations, etc.	161	1.3%	73,049 units	15.6%
Individuals/Other	11,872	96.5%	99,692 units	21.3%
Total	12,308	100.0%	467,099 units	100.0%

Major Unitholders (as of End of FP Ended Aug. 2025 (13th FP))

Name of unitholder	Number of units owned (units)	Share of units owned (%)
Custody Bank of Japan, Ltd. (Trust Account)	100,361	21.48
The Master Trust Bank of Japan, Ltd. (Trust Account)	85,903	18.39
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	26,679	5.71
The Sankei Building Co., Ltd.	23,179	4.96
PERSHING ASIA PARTNERS LLC	23,172	4.96
STATE STREET BANK AND TRUST COMPANY 505001	6,210	1.32
JP MORGAN CHASE BANK 385781	5,981	1.28
Custody Bank of Japan, Ltd. (Trust Account 4)	3,844	0.82
JP MORGAN CHASE BANK 385864	3,408	0.72
Individuals	3,205	0.68
Total	281,942	60.36

* Each share of units owned above is rounded down to two decimal places.

Introduction of Unitholder Special Benefit Plan

Overview of Unitholder Special Benefit Plan

Eligible Unitholders	Unitholders listed or recorded in the unitholder register on the record date ・Record date: August 31, 2025 ・Number of investment units owned: 1
Details of Unitholder Special Benefits	5% discount off accommodation fees listed on the official booking site (Note 1)
Validity Period (Note 2)	From December 1, 2025, to May 31, 2026

Terms of Use and Restrictions	・You can use it any number of times during the validity period. ・Reservations are subject to availability. ・This offer cannot be used in conjunction with other accommodation discounts or coupons.

(Note 1) The accommodation fees on the official booking site are always the "Lowest Price Plans," which are more affordable than plans with the same conditions listed on other accommodation booking sites.

(Note 2) "Validity Period" refers to the period during which reservations can be made using the above special benefit plan, and the actual date of stay does not have to be within that period.

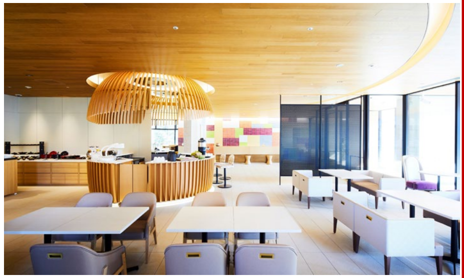
Eligible Hotels

Hotel Intergate Tokyo Kyobashi
(Chuo-ku, Tokyo)

Hotel Intergate Hiroshima
(Naka-ku, Hiroshima-shi, Hiroshima)

Hotel Intergate Kyoto Shijo Shinmachi
(Nakagyo-ku, Kyoto-shi, Kyoto)

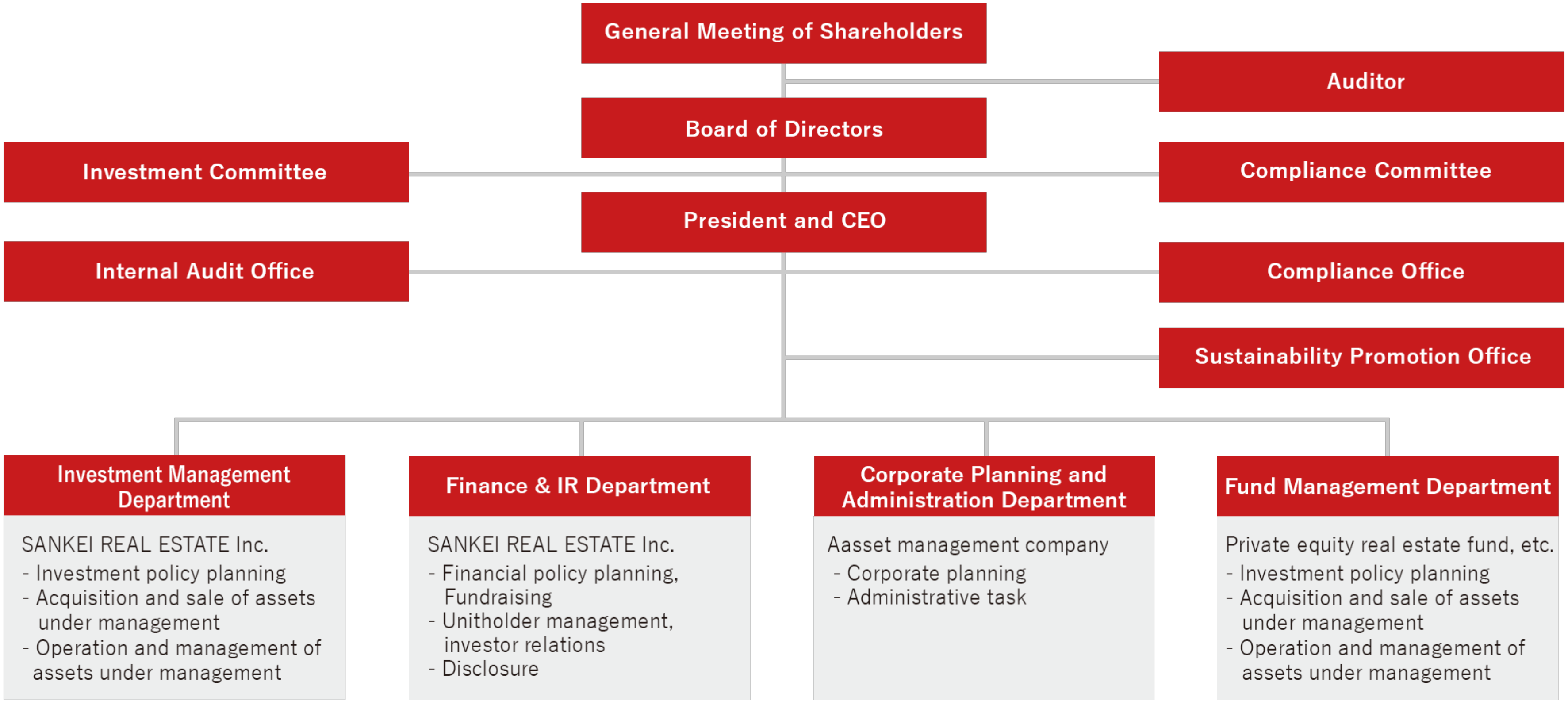
Hotel Intergate Kanazawa
(Kanazawa-shi, Ishikawa)



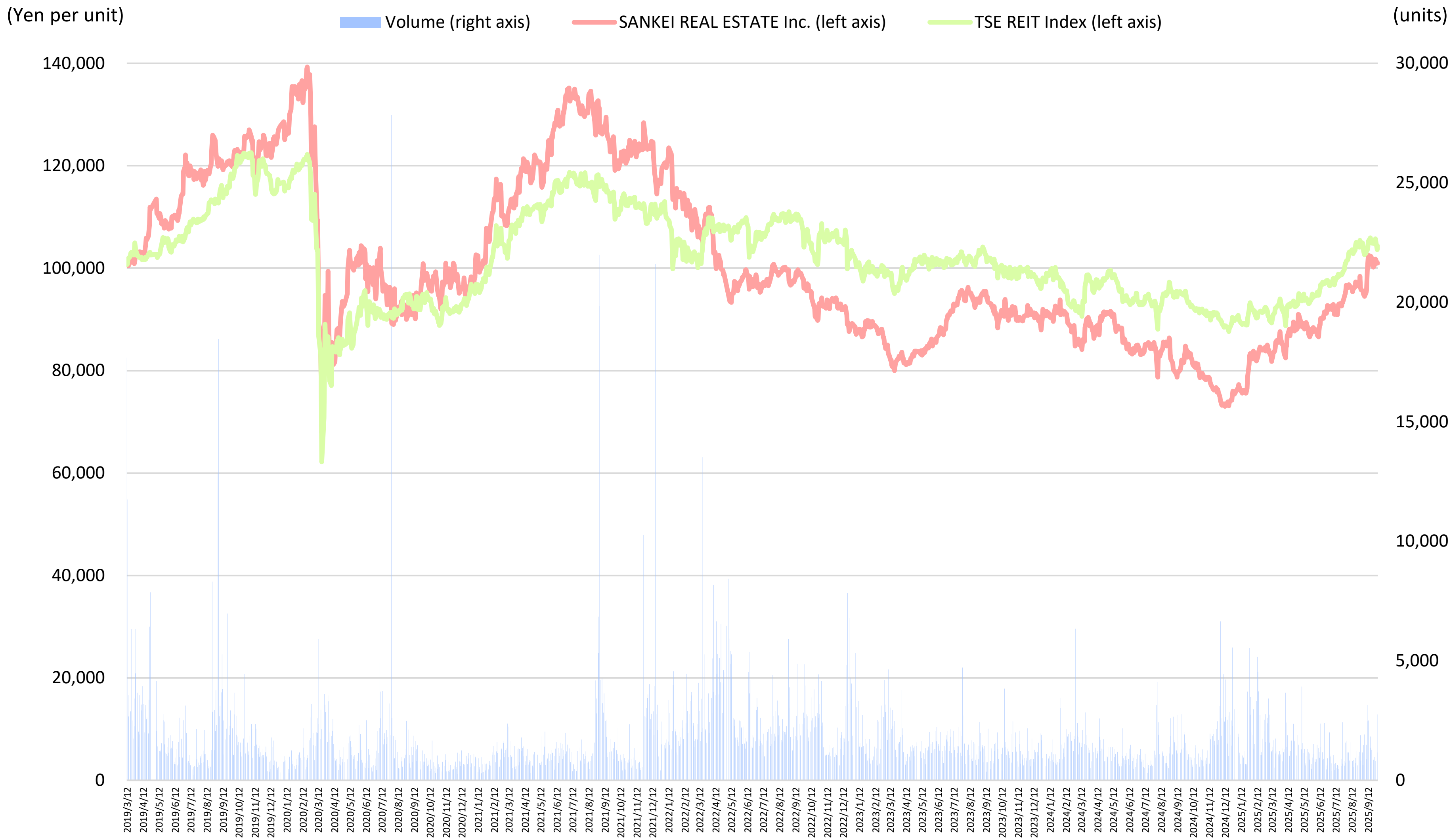
Profile of the Asset Management Company

Trade name	Sankei Building Asset Management Co., Ltd.
Established	April 13, 2018
Capital	100 million yen
Shareholder composition	The Sankei Building Co., Ltd. (100%)
Main line of business	Investment management business, investment advisory and agency business, type II financial instruments business

Location of head office	2-3-4 Uchikanda, Chiyoda-ku, Tokyo
Directors and auditors	5 directors, 1 auditor
Financial instruments business registration	Director-General of the Kanto Local Finance Bureau Registration (FIBO) No. 3094
Real estate brokerage license	Governor of Tokyo License (2) No. 102209
Discretionary transaction agency, etc. approval	Minister of Land, Infrastructure, Transport and Tourism Approval No. 125



Change in Investment Unit Price



* The above graph shows the change from March 12, 2019 (listing date) to September 30, 2025. The closing price of the TSE REIT Index on March 12, 2019 (1,854.41 pts) is converted into the offering price of SANKEI REAL ESTATE at the time of listing to show the relative performance with the change in unit prices (closing prices) of SANKEI REAL ESTATE.

Notes (1)

[Page 9]

1. "Portfolio yield" refers to the NOI yield calculated using the formula on the right for assets held. The same applies below. Portfolio yield = Portfolio NOI (annualized) / Period-end book value
2. "Occupancy rate at end of period" indicates the percentage of the total leased area(*ii) against the total leasable area(*i) of each of the acquired assets as of each base date.
   i. "Total leasable area" is the total area believed to be leasable (not including area for storage facilities, billboards, parking areas, etc. that are not the main use) based on lease agreements or building drawings, etc., pertaining to each of the acquired assets as of each base date shown.
   ii. "Total leased area" is the total leased area (not including area for storage facilities, billboards, parking areas, etc. that are not main use) shown in lease agreements for the building pertaining to each of the acquired assets as of each base date shown (excluding, however, lease agreements for which the lease period has not commenced). For the portion covered by a pass-through master lease, this is the total of the area for which a lease agreement has actually been concluded with an end tenant for said portion, and for which the lease period has commenced.

[Page 11]

1. "Change in Rent Revision Performance" applies to the assets acquired by SANKEI REAL ESTATE as of the end of each fiscal period that are categorized as "Office Buildings."
2. "Rent increase rate" refers to the figure calculated for lease agreements (the percentage is calculated based on agreement renewals with an existing tenant; also, this is limited to lease agreements that were concluded or renewed during the relevant period) that have been revised upward during each period by dividing the amount of difference between the average rent per unit after revision and the average rent per unit before revision by the average rent per unit before revision.
3. "Average Rent Unit Price" is calculated as "rental and CAM revenue for each accounting period divided by contract area."
4. "Rent Gap" refers to the figure arrived at when the amount of difference between the average rent for SANKEI REAL ESTATE's office building portfolio(*i) and the market rent(*ii) is divided by the market rent. If such figure is negative, SANKEI REAL ESTATE believes that there is room to negotiate with tenants to increase rent at the time of rent revision. This applies to the assets acquired by SANKEI REAL ESTATE as of the end of each fiscal period that are categorized as "Office Buildings."
   i. "Average rent of the office building portfolio" is calculated using the weighted average, based on leased area, of the total amount of monthly rent specified in lease agreements concluded as of the end of each period, for the office building portfolio (It includes CAM. Furthermore, it does not take into consideration free rent and rent holidays as of the same day and is based on the rent as of the end of each period, if there is an agreement to change rent in the future. If floating rent is included in an agreement with a tenant, the floating rent is not taken into account in the calculation. Consumption tax, etc. is not included).
   ii. "Market rent" is calculated using the weighted average, based on leased area, of the total median value of assumed new contract rent (including typical floorplate and CAM) as of September 2025 for office buildings subject to rent gap calculation within the acquired assets of SANKEI REAL ESTATE shown in the market report prepared by CBRE. Market rent is assessed by CBRE using its own methodology assuming the conclusion of new contracts with new tenants as of September 2025 based on information collected by CBRE, and the objectivity of the assessment as well as the validity and accuracy of the assessment content are not guaranteed. In particular, actual new contract rent fluctuates due to factors such as whether it is for a new tenant or rent revision with an existing tenant, the timing of the rent revision, the timing of moving in, the contract area and the region, and for this reason the rent in the CBRE-assessed rent may not be realized. Furthermore, the amount and level of actual new contract rent for the office building portfolio are not guaranteed, and there are no assurances or promises that the rent increases equivalent to the "rent gap" will be made.
5. "Scheduled Renewal with Contract Revision/Renewal and Transition of Progress" applies to lease agreements concluded as of October 1, 2025, stating the area subject to renewal with rent revision/renewal in the fiscal period ending February 2026 (14th FP) and the fiscal period ending August 2026 (15th FP).
6. "Percentage of total leased area" is the value calculated by dividing the total contract revision/renewal (planned) area for each contract revision/renewal period by the total leased area for each period.
7. "Progress rate" is the value calculated by dividing the total leased area for lease contracts that have been concluded as of October 1, 2025, and whose revision/renewal has been completed by the contract revision/renewal (planned) area for each contract revision/renewal period.

[Page 15]

1. "Balance of interest-bearing liabilities" shows the figure as of the date of mention.
2. "Ratio of long-term debt" is the ratio of the balance of the long-term interest-bearing debt (not including the current portion) included in the balance of interest-bearing liabilities as of the date of mention.
3. "LTV" is calculated by dividing the balance of interest-bearing liabilities by total assets LTV" and multiplied by 100.
4. "Average financing interest rate" is calculated using the weighted average, based the balance of interest-bearing debt, of the anticipated applicable interest rate of each interest-bearing liability as of the date of mention. Calculations are on an interest payable basis and do not include arrangement fee and other borrowing-related expenses.
5. "Ratio of fixed interest rate" refers to the ratio of the balance of interest-bearing liabilities with fixed interest included in the balance of interest-bearing liabilities as of the date of mention.
6. "Average remaining time to maturity" refers to the period determined by the weighted average, based on the balance of each interest-bearing liability, of the period until the repayment date or redemption date of each interest-bearing liability as of the date of mention.

Notes (2)

[Page 31]

1. NOI yield (against book value) = (Operating income from real estate rent business + depreciation) × 2 / Book value of real estate for lease
2. NOI yield (against appraisal value) = (Operating income from real estate rent business + depreciation) × 2 / Appraisal value of real estate for lease
3. NOI yield after depreciation (against book value) = Operating income from real estate rent business × 2 / Book value of real estate for lease
4. NOI yield after depreciation (against appraisal value) = Operating income from real estate rent business × 2 / Appraisal value of real estate for lease
5. Implied cap rate (before depreciation) = NOI (annualized; current FP results × 2) / (Total fair value + Interest-bearing liabilities – Cash and deposits + Leasehold deposits received)
6. Implied cap rate (after depreciation) = NOI after depreciation (annualized; current FP results × 2) / (Total fair value + Interest-bearing liabilities – Cash and deposits + Leasehold deposits received)
7. FFO = Net income + Depreciation + Amortization of software – Gain/loss on sale of real estate properties (including loss on retirement of non-current assets)
8. AFFO = FFO – Capital expenditure
9. FFO per unit = FFO / Total number of investment units issued and outstanding at end of period
10. EPS = Net profit / Total number of investment units issued and outstanding at end of period
11. Distribution per unit = Total distribution / Total number of investment units issued and outstanding at end of period
12. Distribution yield = Distribution per unit (annualized; current FP result × 2) / Investment unit price at end of period
13. Net assets per unit (after deducting distribution) = Amount of net assets at end of each FP (after deducting distribution at the end of each FP) / Number of investment units issued and outstanding at end of each period
14. Unrealized gain per unit = (Total appraisal value of assets held by SANKEI REAL ESTATE at end of each period – Total book value of assets held by SANKEI REAL ESTATE at end of each period) / Number of investment units issued and outstanding as of the end of each period
15. NAV per unit (after deducting distribution) = (at the end of each period, net assets per unit + unrealized gains/losses at the end of each period) / Number of investment units issued and outstanding at the end of each period
16. NAV multiple = Investment unit price at end of period / NAV per unit
17. FFO multiple = Investment unit price / FFO per unit (annualized; most recent FP result × 2)
18. Payout ratio (FFO) = Total distribution / FFO
19. Payout ratio (AFFO) = Total distribution / AFFO
20. PER (Price Earnings Ratio) = Investment unit price at end of period / EPS (annualized; most recent FP result × 2)
21. PBR (Price Book-value Ratio) = Investment unit price at end of period / Net assets per unit
22. ROE (Return on Equity) = Net income (annualized; most recent FP result × 2) / Net assets

[Pages 32 and33]

1. “Appraisal NOI yield” indicates the ratio of the net operating income to the acquisition price under the direct capitalization method stated in the real estate appraisal report. “Acquisition price” is shown as the transaction price of real estate and trust beneficiary rights shown on the transaction agreement pertaining to each of the acquired assets, excluding consumption tax, local consumption tax, and the various expenses required for the acquisition.
2. “PML value” refers to the probable maximum loss ratio in earthquake risk analysis, which is represented by the percentage of the probable maximum loss in relation to the replacement cost (value in the event of reconstructing the building) in the event of the largest anticipated earthquake during the period of use of the building (PML = probable maximum loss / replacement cost x 100).

[Page 34]

1. “Percentage by Walking Time to the Nearest Station” is categorized by walking time from the nearest station, assuming 1 minute per 80 meters of road distance, and is shown as a percentage by acquisition price.

[Page 36]

1. “% of portfolio’s total leased area of Top 10 tenants” refers to the total leased area expressed as a percentage of the entire portfolio’s total leased area. “Total leased area” and “% of portfolio’s total leased area” for properties leased through a master lessee are calculated using the areas stated in the lease agreements concluded with end tenants as the areas leased to the end tenants.
2. “Percentage by Contract Form” is the percentage of assets held based on leased area by contract form.
3. “Percentage by Lease Period” is the percentage of assets held based on leased area by lease period.
4. “Tenant attributes” is calculated as the percentage by leased area after classifying owned assets by tenant industry.

SANKEI REAL ESTATE Inc.

UD FONT

We use a universal design font that is easy to read and difficult to misread.