

August 23, 2019

To All Concerned Parties

REIT Securities Issuer  
3-8-11 Kudan Minami, Chiyoda-ku, Tokyo  
Sakura Sogo REIT Investment Corporation  
Representative: Makoto Muranaka,  
Executive Director:  
(Securities Code 3473)

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### Notice Concerning Debt Refinancing

Sakura Sogo REIT Investment Corporation (hereinafter the “Investment Corporation”) announces its resolution to undertake a refinancing of short and long term borrowings (hereinafter the “Debt Refinancing”) as follows.

#### 1. Details of the Debt Refinancing

Classification	Lender	Borrowing amount (billion yen)	Interest rate (Note 1)	Fixed/ Floating	Date of borrowing	Repayment date	Method of borrowing	Method of repayment	Security (Note 2)
Short term	A syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation as an arranger (Note 3)	4.9	Base rate + 0.20% (Note 4)	Floating	August 30, 2019	February 28, 2020	Borrowing based on a loan agreement to be concluded with the banks shown in the column of lenders to the left	Bullet repayment at maturity	Unsecured and unguaranteed

(Note 1) Loan fees and other charges to be paid to the lenders are not included in the “Interest rate”.

(Note 2) The loan agreement will provide some financial covenants such as reserving certain amount of cash in accordance with the financial situation of the Investment Corporation.

(Note 3) The syndicate of lenders consists of Sumitomo Mitsui Banking Corporation, Shinsei Bank, Limited, Aozora Bank, Ltd., Resona Bank, Limited, THE NISHI-NIPPON CITY BANK, LTD., The Bank of Fukuoka, Ltd. and Sumitomo Mitsui Trust Bank, Limited.

(Note 4) The first interest payment will be due on September 30, 2019, and subsequent interest payments will be due at the end of every month and on the principal repayment date. If a payment date is not a business day, payment will be made on the next business day; provided, however, that if such payment date falls in the next month, payment will be made on the immediately preceding business day. The “Base rate” applicable to the period for the calculation of the interest payable on an interest payment date is the one-month Japanese yen Tokyo Interbank Offered Rate (TIBOR) published by the Japanese Bankers Association (“JBA”) TIBOR Administration as of two business days prior to the most recent interest payment date of each interest payment date. The base rate will be reviewed on every payment date. However, if there is no base rate that corresponds to the interest calculation period, the base rate corresponding to the period calculated based on the method defined in the agreement will apply. The first period for the calculation of the interest payable is from August 30, 2019 to September 30, 2019. For changes in the JBA Japanese Yen TIBOR, which is the base rate, please refer to JBA TIBOR Administration’s website (<http://www.jbatibor.or.jp/rate/>).

## 2. Reason for the Debt Refinancing

The Debt Refinancing consists of refinancing a long-term loan of ¥4.0 billion and a short-term loan of ¥0.9 billion (hereinafter “existing borrowings”) due on 30 August 2019. As announced in “ Notice Concerning Execution of Merger Agreement by and between MIRAI Corporation and Sakura Sogo REIT Investment Corporation” dated August 5, 2019, the Investment Corporation plans to implement an absorption-type merger, with MIRAI Corporation (hereinafter “MIRAI”) as the surviving corporation and the Investment Corporation as the absorbed corporation (hereinafter the “Merger”) with the effective date being November 1, 2019, and MIRAI and the Investment Corporation have entered into a merger agreement (hereinafter the “Merger Agreement”) dated August 5, 2019. Therefore the loan term of the Debt Refinancing is only 6 months in anticipation of more beneficial refinancing based on the credit worthiness MIRAI Corporation has if the Merger is effective.

## 3. Total amount of loan proceeds, purpose of use and effective date

- (1) Total amount of loan proceeds: 4.9 billion yen
- (2) Purpose of use: Refinancing of existing borrowings
- (3) Disbursement date (scheduled): August 30, 2019

## 4. Loans status after the Debt Refinancing

(Unit: million yen)

	Before	After	Increase (Decrease)
Short-Term Loans (Note 6)	900	4,900	4,000
Long-Term Loans (Note 6)	28,300	24,300	(4,000)
Total Loans	29,200	29,200	0
Total Interest-bearing liabilities	29,200	29,200	0
Average remaining years (Note 7)	1.96	2.04	0.08

(Note 6) Short-term loans refer to loans with a maturity period of one year or less from the date of borrowing, and long-term loans refer to loans with a maturity period of more than one year from the date of borrowing.

(Note 7) Average remaining years is calculated by weighted average remaining loan period as of August 30, 2019 based on each remaining interest-bearing debt and remaining loan amount and is rounded to the second decimal place.

## 5. Future Outlook

The Debt Refinancing has been reflected in the forecast as announced in the “Notice Concerning Forecast of Operating Results for the Fiscal Period Ending October 2019 (the Final Fiscal Period) and Payment on the Merger” dated August 5, 2019. As a result there are no revisions to forecasts for the fiscal periods ending October 2019 (from July 1, 2019 to October 31, 2019), the final fiscal period of the Investment Corporation before the Merger and payment on the Merger to be paid instead of cash distributions to the unitholders of the Investment Corporation if the Merger is effective.



6. Additional Items Required to Ensure Appropriate Understanding and Judgments by Investors Regarding Relevant Information

Concerning the risks as they chiefly pertain to the repayment of the funds, please refer to “Part 1. Fund information, I. Aspects of fund, 3. Investment risks” stated in the Annual Security Report submitted on March 28, 2019.

Sakura Sogo REIT Investment Corporation website address: <http://sakurasogoreit.com/en/>