

August 28, 2017

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)

Asset Management Company:  
Sakura Real Estate Funds Management, Inc.  
Contact: Makoto Muranaka,  
Representative Director and  
President  
Tel:+81-3-6272-6608

### 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)	1.4	Base rate + 0.20% (Note 4) (Note 5)	Floating	August 31, 2017	August 31, 2018	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
Long term		5.6	Base rate + 0.80% (Note 4) (Note 5)			August 31, 2022			

(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, Resona Bank, Limited and Sumitomo Mitsui Trust Bank, Limited.

(Note 4) 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 agreements will apply. The first period for the calculation of the interest payable is from August 31, 2017 to September 30, 2017. 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/>).

(Note 5) The first interest payment will be due on September 30, 2017, 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.

## 2. Reason for the Debt Refinancing

The Debt Refinancing results in the refinancing of certain short term loans and the repayment of certain short-term loans entered into at the Initial Public Offering in 2016, all of which have a maturity date of August 31, 2017 (7.0 billion yen in total).

## 3. Loans status after the Debt Refinancing

(Unit: million yen)

	Before	After	Increase (Decrease)
Short-Term Loans (Note 6)	7,000	1,400	(5,600)
Long-Term Loans (Note 6)	22,000	27,600	5,600
Total Loans	29,000	29,000	-
Total Interest-bearing liabilities	29,000	29,000	-
Average remaining years (Note 7)	2.55	2.95	0.40

(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 on IPO acquisition date (September 9, 2016) was 2.79.

## 4. Future Outlook

The Debt Refinancing is included in the “Notice Concerning Revision to Operating and Distribution Forecasts for the Fiscal Periods Ending August 2017 and February 2018” dated July 31, 2017. As a result there are no revisions to forecasts for the fiscal periods ending August 2017 (March 1, 2017 to August 31, 2017) and February 2018 (September 1, 2017 to February 28, 2018). Forecast cash distributions remain unchanged at yen 2,803 and yen 3,330 per unit respectively.

## 5. 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 May 29, 2017.

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