

February 26, 2018

For Immediate Release

Real Estate Investment Trust:

MIRAI Corporation

Michio Suganuma, Executive Director

(Securities Code: 3476)

Asset Management Company:

Mitsui Bussan & IDERA Partners Co., Ltd.

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Notice Concerning Borrowing of Funds

MIRAI Corporation (hereinafter “MIRAI”) announces that it has decided to borrow of funds. Details are as follows.

1. Reason of Borrowing of Funds

MIRAI announces that it has decided to execute borrowing of total 3.5 billion yen as fund for 1) acquisition of real estate beneficiary interest and part of expenses pertaining to the acquisition as announced in “Notice Concerning Acquisition of Real Estate Trust Beneficiaries in Japan (3 Hotels)” dated February 20, 2018 and 2) part of additional investment for renewal project of “Nara Heijo Plaza (tentative)” announced in “Notice Concerning Acquisition and Start of Lease / Partial Disposition and Lease Cancellation of Real Estate Trust Beneficiaries in Japan” dated October 23, 2017.

2. Details of Loan

Lender	Borrowing amount	Interest rate	Borrowing date	Maturity date	Term of Maturity	Interest payment	Remarks
Shinsei Bank, Limited	1.0 billion yen	Base rate (Note1) +0.330%	March 1, 2018	January 30, 2026	7 years 11months	(Note4)	(Note7) (Note8)
Resona Bank, Limited	0.5 billion yen						
Mizuho Bank, Ltd	1.0 billion yen	Fixed rate (Note2)		January 31, 2024	5 years 11months	(Note5)	
Mizuho Bank, Ltd (Commitment Line)	1.0 billion yen	Base rate (Note3) +0.500%		September 1, 2018	6 months	(Note6)	

(Note 1) The base rates are three-month Japanese yen TIBOR rates published by the TIBOR Administration of the Japanese Banker Association (JBA) (Two-month Japanese yen TIBOR rates before the first reset). For fluctuations in JBA Japanese yen TIBOR rates, please check the website of the JBA TIBOR Administration(<http://www.jbatibor.or.jp/rate/>). We are planning to fix the interest rates by executing interest swap agreements and will announce the details when they are determined.

(Note 2) The applicable interest rate will be decided and announced on February 27, 2018.

(Note 3) The base rates are one-month Japanese yen TIBOR rates published by the TIBOR Administration of the Japanese Banker Association (JBA). For fluctuations in JBA Japanese yen TIBOR rates, please check the website of the JBA TIBOR Administration(<http://www.jbatibor.or.jp/rate/>).

(Note 4) The initial interest payment date is set at the end of April 2018 and subsequent interest payment dates are set at the end of April, July, October and

January each year and on the principal maturity date (if each payment date is not a business day, the following business day, and if the payment date falls in the following month, the immediately preceding business day shall be applied).

(Note 5) The initial interest payment date is set at the end of April 2018 and subsequent interest payment dates are set at the end of April and October each year and on the principal maturity date (if each payment date is not a business day, the following business day, and if the payment date falls in the following month, the immediately preceding business day shall be applied).

(Note 6) The initial interest payment date is set on April 1, 2018 and subsequent interest payment dates are set on the first of every month and on the principal maturity date (if each payment date is not a business day, the following business day, and if the payment date falls in the following month, the immediately preceding business day shall be applied).

(Note 7) Unsecured and unguaranteed, bullet repayment at maturity.

(Note 8) The fund will be applied for 1) acquisition of real estate beneficiary interest and part of expenses pertaining to the acquisition as announced in “Notice Concerning Acquisition of Real Estate Trust Beneficiaries in Japan (3 Hotels)” dated February 20, 2018 and 2) part of additional investment for renewal project of “Nara Heijo Plaza (tentative)” announced in “Notice Concerning Acquisition and Start of Lease / Partial Disposition and Lease Cancellation of Real Estate Trust Beneficiaries in Japan” dated October 23, 2017.

3. Status of Loans, etc. after the Borrowing of Funds

(Unit : million yen)

	Before	After	Increase/ Decrease
Short-term borrowings	-	1,000	+1,000
Long-term borrowings	54,000	56,500	+2,500
Total borrowings	54,000	57,500	+3,500
Investment corporation bonds	-	-	-
Total of borrowings and investment corporation bonds	54,000	57,500	+3,500
Other interest-bearing debt	-	-	-
Total interest-bearing debt	54,000	57,500	+3,500
LTV (based on total assets) (Note)	48.0%	49.6%	+1.6%

(Note) LTV (based on total assets) = Outstanding interest-bearing debt ÷ Total assets. Total asset prior to execution of the borrowings is estimate for the fiscal period ending April 2018 based on the earning estimate announced on December 11, 2017, while that of post execution of the borrowings is the value obtained by adding acquisition value (inclusive or related expenses) of the three new hotel assets to be acquired (Ise City Hotel Annex, Comfort Hotel Kitakami, Comfort Hotel Nagano) to the total asset prior to execution of the borrowings.

4. Other Matters Required for Investors to Understand and Assess the Information Provided Appropriately

The risks associated with the repayment of the Borrowing, etc. remain unchanged from the description in “3. Investment Risks” under “Section 1: Status of the Funds” of “Chapter 1: Information on the Funds” in the securities report submitted on January 31, 2018.

(End)

* Homepage address for MIRAI: <http://3476.jp/en>

This press release is English translation of the announcement in Japanese on MIRAI’s website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

(Reference press release, etc.)

Dated 10/23/2017” Notice Concerning Acquisition and Start of Lease/ Partial Disposition and Lease Cancellation of Real Estate Trust Beneficiaries in Japan”

Dated 2/20/2018” Notice Concerning Acquisition of Real Estate Trust Beneficiaries in Japan (3 Hotels)”