

December 21, 2016

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.

Michio Suganuma, Representative Director, President

Contact: Takashi Ueno, Executive Director, CFO

TEL: +81-3-5771-9100

Notice Concerning Revisions to Forecasts
for the Fiscal Periods Ending April 30 and October 31, 2017

MIRAI Corporation (hereinafter “MIRAI”) announces that it has revised its forecasts for the fiscal period ending April 30, 2017 (the 2nd period: from November 1, 2016 to April 30, 2017) and the fiscal period ending October 31, 2017 (the 3rd period: from May 1, 2017 to October 31, 2017) that were published in the summary of financial results on December 16, 2016. Details are as follows.

1. Details of Revisions

	Operating revenue	Operating profit	Ordinary profit	Net profit	Distributions per unit (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit
Previous Forecasts (announced on December 16, 2016)						
Fiscal period ending April 30, 2017 (2nd period)	¥2,490m	¥1,279m	¥1,043m	¥1,042m	¥3,173	¥—
Fiscal period ending October 31, 2017 (3rd period)	¥3,430m	¥1,662m	¥1,542m	¥1,541m	¥5,074	¥—
Revised Forecasts						
Fiscal period ending April 30, 2017 (2nd period)	¥2,490m	¥1,279m	¥1,036m	¥1,035m	¥3,258	¥—
Amount of change	—	(0)	(6)	(6)	85	—
Rate of change	—	(0.0%)	(0.6%)	(0.6%)	2.7%	—
Fiscal period ending October 31, 2017 (3rd period)	¥3,430m	¥1,661m	¥1,499m	¥1,498m	¥5,100	¥—
Amount of change	—	(0)	(43)	(43)	26	—
Rate of change	—	(0.0%)	(2.8%)	(2.8%)	0.5%	—

Note: This press release is a document that will be released publicly relating to revisions to the forecast for the fiscal periods ending April 30 and October 31, 2017, and is not prepared for the purpose of solicitation for investment.

(Information)

Fiscal period ending April 30, 2017:

The estimated number of issued investment units as of the end of the period 293,750

The estimated current net income per unit ¥3,525

Fiscal period ending October 30, 2017:

The estimated number of issued investment units as of the end of the period 293,750

The estimated current net income per unit ¥5,100

(Note 1) The fiscal periods for MIRAI shall be as follows: the period from May 1 of a year to October 31 of the same year and the period from November 1 of a year to April 30 of the following year. However, the 1st fiscal period shall run from the date of establishment of MIRAI (December 4, 2015) to October 31, 2016.

(Note 2) Such forecast values are calculated as of this moment based on the assumptions stated in the Annex “Assumptions Underlying Forecasts for the Fiscal Periods Ending April 30 and October 31, 2017,” and actual operating revenue, operating profit, ordinary profit, net profit and distributions per unit (excluding distributions in excess of earnings) could change due to various factors such as the additional purchase or sale of real estate in the future, changes in the real estate market, the number of new investment units to be issued actually determined and changes in other circumstances surrounding MIRAI. In addition, these forecasts do not guarantee the amount of distributions.

(Note 3) If a deviation beyond a certain extent from the forecasts above is expected, they may be revised

(Note 4) Figures below certain units are rounded down and indicated.

2. Reasons for Revisions

As announced in the “Notice Concerning Result of Issue of New Investment Units through a Third-party Allotment”, MIRAI have decided to make revisions to its forecasts given that MIRAI will not prepay some loans in the fiscal period ending April 30, 2017 with the proceeds from the issue of new investment units through a third-party allotment due to MIRAI’s decision not to conduct the issue of new investment units through a third-party allotment, that the expected total number of investment units issued at the end of the period will change, and that an increase in interest expenses is expected due to the prolongation of short-term loans that we planned to prepay.

(End)

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

This press release is the 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.

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Assumptions Underlying Forecasts
for the Fiscal Periods Ending April 30 and October 31, 2017

Items	Assumptions
Calculation period	<ul style="list-style-type: none"> • The Fiscal Period Ending April 30, 2017: from November 1, 2016 to April 30, 2017) (181 days) • The Fiscal Period Ending October 31, 2017: from May 1, 2017 to October 31, 2017) (184 days)
Properties	<ul style="list-style-type: none"> • The forecasts assume that MIRAI holds 15 properties as real estate trust beneficiaries (the “existing properties”) as of today. No other acquisitions and sales of properties is assumed until the fiscal period ending October 31, 2017. • In practice, this may change due to movements of investment assets.
Total number of investment units issued	<ul style="list-style-type: none"> • The forecasts assume 293,750 units outstanding as of today. • The total number of investment units issued is based on the assumption that there will be no changes in the total number of investment units due to the issuance of new investment units, etc. by the end of the fiscal period ending October 31, 2017.
Interest-bearing debt	<ul style="list-style-type: none"> • The interest-bearing debt outstanding as of the end of the fiscal periods ending April 30 and October 31, 2017 is expected to be 51,000 million yen respectively. • LTV as of the end of the fiscal periods ending April 30 and October 31, 2017 is expected to be approx. 47% respectively. • The following formula is used in the calculation of LTV: $\text{LTV} = \text{Total interest-bearing debt} / \text{Total assets} * 100$
Operating revenue	<ul style="list-style-type: none"> • Revenue fro leasing business of the existing properties is calculated taking into account of leasing contracts effective as of today and trends of real estate markets (vacancy rate and rent level, etc.).
Operating expenses	<ul style="list-style-type: none"> • Expenses for leasing business other than the depreciation, which are the principle operating expenses, are calculated by reflecting variables in expenses after taking the information provided by the present owners of the properties into account. • Generally, the fixed asset tax, city planning tax and depreciable assets tax (hereinafter the “Fixed Asset and City Planning Taxes, Etc.”) of assets to acquire in the fiscal year of acquisition are calculated by proportionally distributing the amount according to the period of ownership of MIRAI and the present owner and settled at the time of acquisition. However, because an amount equivalent to the settlement money is included in the acquisition cost, it is not expensed in the period to which the date of acquisition belongs. The total amount of the Fixed Asset and City Planning Taxes, Etc. of the Asset to be Acquired which is to be included in the acquisition cost is estimated to be ¥22 million (equivalent to those for 16 days). For the Asset to be Acquired, the Fixed Asset and City Planning Taxes, Etc. for fiscal 2017 will be expensed from the fiscal period ending April 30, 2017. • In reference to the engineering reports and the appraisals, repair expenses for buildings are calculated based on the repair plans formulate by Mitsui Bussan & Idera Partners Co., Ltd. However, actual repair expenses for each fiscal period may differ considerably from forecasts, mainly because unexpected repair expenses may be incurred due to building damage and other unforeseeable factors, the amount of repair expenses generally differs considerably from one fiscal period to another, and repair expenses, by nature, are not incurred on a regular basis. • Depreciation, including incidental expenses is calculated using the straight-line method.

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	<ul style="list-style-type: none"> • Breakdown of expenses for leasing business is as follows. <table style="margin-left: 40px; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">The fiscal period ending April 30, 2017</th> <th style="text-align: center;">The fiscal period ending October 31, 2017</th> </tr> </thead> <tbody> <tr> <td>Taxes and dues:</td> <td style="text-align: right;">¥37 million</td> <td style="text-align: right;">¥249 million</td> </tr> <tr> <td>Outsourcing services:</td> <td style="text-align: right;">¥151 million</td> <td style="text-align: right;">¥202 million</td> </tr> <tr> <td>Utilities expenses:</td> <td style="text-align: right;">¥332 million</td> <td style="text-align: right;">¥438 million</td> </tr> <tr> <td>Repair expenses:</td> <td style="text-align: right;">¥48 million</td> <td style="text-align: right;">¥48 million</td> </tr> <tr> <td>Other expenses for leasing business:</td> <td style="text-align: right;">¥109 million</td> <td style="text-align: right;">¥126 million</td> </tr> <tr> <td>Depreciation:</td> <td style="text-align: right;">¥295 million</td> <td style="text-align: right;">¥361 million</td> </tr> </tbody> </table> • Other operating expenses (asset management fees, administrative servicing fees, etc.) are assumed ¥236 million for the fiscal period ending April 30, 2017 and ¥342 million for the fiscal period ending October 31, 2017. 		The fiscal period ending April 30, 2017	The fiscal period ending October 31, 2017	Taxes and dues:	¥37 million	¥249 million	Outsourcing services:	¥151 million	¥202 million	Utilities expenses:	¥332 million	¥438 million	Repair expenses:	¥48 million	¥48 million	Other expenses for leasing business:	¥109 million	¥126 million	Depreciation:	¥295 million	¥361 million
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<p style="text-align: center;">Non-operating expenses</p>	<ul style="list-style-type: none"> • As temporary expenses, expenses for the listing of investment units and the issue of new investment units resolved at the meeting of the Board of Directors of MIRAI held on November 11, 2016 are expected to be ¥137 million in the fiscal period ending April 30, 2017. • Interest expenses and borrowing-related expenses are assumed ¥99 million for the fiscal period ending April 30, 2017 and ¥137 million for the fiscal period ending October 31, 2017. 																					
<p style="text-align: center;">Distributions per unit (excluding distributions in excess of earnings)</p>	<ul style="list-style-type: none"> • Distributions per unit (excluding distributions in excess of earnings) are calculated based on the cash distribution policy described in the Articles of incorporation of MIRAI. • The amount of distributions per unit (excluding distributions in excess of earnings) may fluctuate, due to various factors such as acquisitions and sales of assets, fluctuations in rent income caused by tenant movements, unexpected repairs incurred, interest rate fluctuations and so on. • The distributions per unit (exclusive of dividend from other sources) in the fiscal period ending April 30, 2017 are calculated by subtracting a loss carried forward (- 78 million yen) in the fiscal period ended October 31, 2016 from current net profit in the fiscal period ending April 30, 2017. 																					
<p style="text-align: center;">Distributions in excess of earnings per unit</p>	<ul style="list-style-type: none"> • Distributions in excess of earnings by decreasing unitholders' capital on taxation are not scheduled at present. 																					
<p style="text-align: center;">Others</p>	<ul style="list-style-type: none"> • It is assumed that no revisions which may have impacts on the above projections are made to laws, regulations, taxation, accounting standards, listing rules, the rules of the Investment Trusts Association, Japan, or others. • Also, no unforeseeable significant changes in the general economic trends, real estate market conditions are assumed. 																					

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