

July 19, 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 Issuance of Investment Corporation Bond and Repayment of Loans before Due Date

MIRAI Corporation (hereinafter “MIRAI”) announces that it has decided to issue investment corporation bond based on the comprehensive resolution made on June 13, 2018, as well as to repay loans before due date. Details are as follows.

1. Summary of investment corporation bond

- | | |
|---------------------------------|--|
| (1) Name of the bond | MIRAI Corporation. #1 st Unsecured Bond (with special pari passu conditions among the specified investment corporation bond)
(Hereinafter “the Bond”) |
| (2) Total amount of the bond | 1 billion yen |
| (3) Form of bond certificate | Under the applicable Act on Book-Entry Transfer of Corporate Bonds and Shares. No bond certificate for the Bond will be issued. |
| (4) Proceeds | 100 yen per face value of 100 yen |
| (5) Redemption price | 100 yen per face value of 100 yen |
| (6) Coupon | 0.640% per annum |
| (7) Denomination of each bond | 100 million yen |
| (8) Subscription method | Public offering |
| (9) Subscription period | July 19, 2018 (Thursday) |
| (10) Payment date | July 26, 2018 (Thursday) |
| (11) Collateral/Guarantee. | Neither collateral nor guarantee is provided for the Bond, and no assets are reserved as security specifically for the Bond. |
| (12) Redemption method and date | The entire amount will be redeemed on July 26, 2028. The Bond may be repurchased at any time after the date of payment unless otherwise specified by Japan Securities Depository Center. |
| (13) Interest payment date | The end of April and October each year. (The initial payment date is October 31, 2018. If the interest payment date is a bank holiday, then the bank business day preceding it shall be deemed to be the interest payment date.) |
| (14) Financial Covenants | Negative pledge among unsecured bonds |
| (15) Credit rating | A+ (Japan Credit Rating Agency, Ltd.) |

- (16) Depository Japan securities Depository Center, Inc
- (17) Financial, issuing and paying agent Sumitomo Mitsui Trust Bank, Ltd.
- (18) Underwriters SMBC Nikko Securities Inc.
Mizuho Securities Co., Ltd.
Daiwa Securities Co. Ltd.
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

2. Reasons for the issuance

Through the Bond issuance, MIRAI intends to lengthen long-term fixed interest debt ratio, flatten debt maturity ladder, and diversify financing instruments in order to build solid balance sheet.

3. Amount of funds to be procured, use of proceeds, and scheduled expenditure date

- (1) Amount of funds to be procured (approximate net proceeds)
987 million yen

- (2) Use of proceeds, and scheduled expenditure date

Repayment of short-term loan of 1 billion yen on August 1, 2018 (original maturity date is September 1, 2018).

4. Details of Loan to be repaid

Lender	Borrowing amount	Repayment amount (Balance after repayment)	Interest rate	Borrowing date	Maturity date	Term of maturity	Remarks
Mizuho Bank, Ltd. (Commitment line)	1 billion yen	1 billion yen (0 billion yen)	Base rate (Note 1) +0.500%	March 1, 2018	August 1, 2018 (Note 2)	6 months	(Note 3)

(Note 1) 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 2) The original maturity date is September 1, 2018.

(Note 3) Unsecured, unguaranteed and repaid in full by the due date.

5. Status of loans payable, etc. after the issuance of the bond

(Unit: million yen)

	Before	After	Increase/ Decrease
Short-term borrowings	1,000	-	-1,000
Long-term borrowings	61,500	61,500	±0
Total borrowings	62,500	61,500	-1,000
Investment corporation bonds	-	1,000	+1,000
Total of borrowings and investment corporation bonds	62,500	62,500	±0
Other interest-bearing debt	-	-	-
Total interest-bearing debt	62,500	62,500	±0
LTV (based on total asset) (Note)	48.2%	48.2%	±0%

(Note) LTV (based on total asset) = Total interest-bearing debt / Total asset.

Total asset is 129,628 million yen which is the sum of 1) total asset as of end of April 2018 (4th fiscal period) and 2) total acquisition price of “Hotel Wing International Select Ueno/Okachimachi” and “MI Terrace Nagoya-Fushimi”

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

The risks of associated with the Issuance and repayment of the Bond, etc. remain unchanged from the description in “Section 2 Supplementary information, Part 2 Additional information for supplementary documents, 6 Investment risk” of the shelf registration supplements on July 19, 2018.

(End)

* URL: <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 6/13/2018 “Notice Concerning Comprehensive Resolution on Issuance of Investment Corporation Bonds”