

MIRAI Corporation

Investor Presentation (5th Fiscal Results)

May 1, 2018 to October 31, 2018

投資法人 みらい



Security Code:3476

Mitsui Bussan & IDERA Partners Co., Ltd.

<http://3476.jp/en>

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Section1. 5th Fiscal Period Financial Summary & Forecasts

Progress of Portfolio Growth

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Achieved a highly stable portfolio with higher stability with further risk diversification through two consecutive fiscal period of PO and external growth including acquisition of two Growth Assets.

	2 nd FP (17/04)	3 rd FP (17/10)	4 th FP (18/04)	5 th FP (18/10)	Announcement of the 5 th FP result (18/12)
DPU	3,260 yen	5,175 yen	5,807 yen (including 458 yen gained on sales)	5,668 yen	5,700 yen (6 th FP/7 th FP forecasts) (Note 1)
NAV per unit (Note 2)	182,570 yen	185,470 yen	184,070 yen	188,000 yen	187,070 yen
Average investment unit price during the period (Based on closing price) (Note 2)	166,960 yen	169,360 yen	182,040 yen	189,030 yen	-
Portfolio diversification (Based on acquisition price)					
Top 3 assets (Based on acquisition price)	64.7%	56.6%	49.3%	43.6%	37.3%
Number of tenants (Note 3)	97	120	217	231	234
Number of properties/AUM (Based on acquisition price)					
Major assets acquired during the period	Shinjuku Eastside Square Shinagawa Seaside Parktower	Tokyo Front Terrace Mi-Nara	Ise City Hotel Annex Comfort Hotel Kitakami Comfort Hotel Nagano	MI Terrace Nagoya-Fushimi Hotel Wing International Select Ueno/Okachimachi	Rokko Island DC Smile Hotel Naha City Resort

Note 1: This forecast is calculated based on certain assumptions as of December 13, 2018 and subject to change due to conditions such as change in rent income through tenant turnovers, acquisition and disposition of assets, and additional unit issuance. The forecast should not be construed as guarantee of DPU.

Note 2: Monetary amounts are rounded down to ten yen.

Note 3: Based on lease contract in place with end tenants as of each relevant date in principal. For assets acquired on November 1, 2018, based on lease contract in place on the date of acquisition.



Growth Support Fully Backed by Two Sponsors

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Mitsui & Co AM Holdings and IDERA Capital Management offer the growth support.



Examples of Growth Support

- Corporation in sourcing activities including assets developed or held
 -  Mitsui & Co., Realty Management
 -  IDERA Capital Management
- Assistance in leasing activities
 - Replacement of tenant (Daiki Izumi-Chuo)
 - Releasing concluded (Kawasaki/Tokyo Front Terrace/Hillcoat Higashi-Shinjuku)
- Engineering function offered through MAH's facility management division
 - Process management of renewal work, carry out asset enhancement work (Mi-Nara)
 - Renovation of entrance area (Kawasaki)
 - Monitoring and follow up in case of natural disasters
- Secondment of management and core staff, assistance in recruiting
 - 4 executive directors and 4 core staff are seconded
 - Assistance in recruiting of full-time employee (8 people so far)
- Assistance in maintenance and improvement of internal control and corporate governance
 - Internal audit by shareholders' group

Note: As of end of November 2018. Fosun International owns stake in IDERA Capital Management through a number of foreign and domestic corporations.

Financial Results (5th Fiscal Period ended October 2018)

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Stabilized DPU steadily grew despite DPU declining by 139 yen compared to previous fiscal period due to lack of disposition gain.

		Results (A) (4 th FP)	Results (B) (5 th FP)	Changes (B) - (A)
Operating revenue	(million yen)	3,958	4,417	459
Lease business revenue	(million yen)	2,993	3,256	263
Office	(million yen)	1,930	1,870	(59)
Retail	(million yen)	711	882	171
Hotel	(million yen)	351	502	151
Other lease business revenue	(million yen)	829	1,160	330
Gain on sales of real estate	(million yen)	134	-	(134)
Operating expenses	(million yen)	1,216	1,456	240
NOI	(million yen)	2,606	2,960	353
Depreciation	(million yen)	412	452	40
General Administrative expenses	(million yen)	421	385	(36)
Non-operating expenses	(million yen)	209	255	45
Net Profit	(million yen)	1,706	1,922	216
DPU	(yen)	5,807	5,668	(139)
Capital expenditure	(million yen)	1,244	249	(994)
NCF	(million yen)	1,362	2,710	1,348
FFO per unit	(yen)	6,752	7,003	251
Payout ratio	%	86.0	80.9	(5.1)
Number of Properties		21	24	3
Occupancy rate as of the end of fiscal period	%	100.0	99.4	(0.6)
Appraisal value	(million yen)	113,426	129,805	16,379
Unrealized gain margin	%	2.0	3.3	1.3
Outstanding interest-bearing debts	(million yen)	57,500	64,200	6,700
LTV (Note 2)	%	49.1	48.7	(0.4)
Total number of outstanding investment units	(unit)	293,750	339,210	45,460
BPS (Note 3)	(yen)	176,654	175,868	(786)
NAV per unit (Note 3)	(yen)	184,079	188,008	3,929

Note 1: Monetary amounts are rounded down to millions or thousands of yen. Percentage figures are rounded off to the nearest tenth. Hereinafter, the definition is the same in this material.

Note 2: LTV=Outstanding interest-bearing debt/Total assets. Hereinafter, the definition is the same in this material.

Note 3: BPS=Unitholders' capital/Total number of outstanding investment units. NAV=Unitholders' capital + Unrealized gain. Hereinafter, the definition is the same in this material.

Major Topics

- DPU summary
 - Stabilized DPU +319 yen
 - Drop off of disposition gain of Shinagawa Seaside Parktower (458) yen
 - Office
 - Partial disposition (Shinagawa) (238) million yen
 - New acquisition (Nagoya) +165 million yen
 - New acquisition (Hakata) +21 million yen
 - Retail
 - Renewal open (Mi-Nara) +165 million yen
 - Hotel
 - Full period contribution (Ise/Kitakami/Nagano) +67 million yen
 - New acquisition (Ueno) +81 million yen
-
- Non-operating expenses
 - Investment unit issuance expense (44) million yen
 - Capital expenditure
 - Reduction of renewal work (Mi-Nara) (781) million yen

	Results (A) (4 th FP)	Results (B) (5 th FP)	Changes (B) - (A)
Operating expenses	1,216	1,456	240
Outsourcing services	227	323	96
Utilities expenses	346	523	177
Taxes and dues	267	319	52
Repair expenses	107	53	(54)
Other	267	235	(31)

Expected DPU of 5,700 yen (pre-split) as announced in October 2018.

		5 th FP Results (A)	6 th FP Forecasts (Note 1) (B)	Changes (B) – (A)	7 th FP Forecasts (Note 1) (C)	Changes (C) – (B)
Operating revenue	(million yen)	4,417	4,956	539	5,025	69
Lease business revenue	(million yen)	3,256	4,065	808	4,199	134
Office	(million yen)	1,870	2,053	182	2,107	53
Retail	(million yen)	882	909	26	972	63
Hotel	(million yen)	502	841	338	858	17
Industrial	(million yen)	-	260	260	260	-
Other lease business revenue	(million yen)	1,160	891	(269)	826	(65)
Operating expenses	(million yen)	1,456	1,447	(9)	1,462	15
NOI	(million yen)	2,960	3,509	549	3,563	53
Depreciation	(million yen)	452	560	107	570	10
General administrative expenses	(million yen)	385	432	47	495	62
Non-operating expenses	(million yen)	255	261	6	242	(19)
Net profit	(million yen)	1,922	2,253	331	2,254	0
DPU	(yen)	5,668	5,700	32	5,700 (Note 2)	-
Capital expenditure	(million yen)	249	539	289	351	(187)
NCF	(million yen)	2,710	2,970	259	3,211	241
FFO per unit	(yen)	7,003	7,117	114	7,145(Note 2)	28
Payout ratio	%	80.9	80.1	(0.8)	79.8	(0.3)
Number of Properties		24	29	5	29	-
Occupancy rate as of the end of fiscal period	%	99.40	99.95	0.55	99.98	0.03
Outstanding interest-bearing debts	(million yen)	64,200	74,700	10,500	74,700	-
LTV	%	48.7	49.0	0.3	49.0	-
Total number of outstanding investment units	(unit)	339,210	395,410	56,200	395,410(Note 2)	-

Note 1: This forecast is calculated based on certain assumptions as of December 13, 2018 and subject to change due to conditions such as change in rent income through tenant turnovers, acquisition and disposition of assets, and additional unit issuance. The forecast should not be construed as guarantee of DPU.

Note 2: Pre-split figures are shown for comparison although four-for-one investment unit split will be carried out effective May 1st, 2019. Post-split DPU is 1,425 yen, FFO per unit is 1,786 yen and the total number of investment units outstanding is 1,581,640 units.

Major Topics

6th FP (Apr. 2019)

- Office
 - Full period contribution (Nagoya) +171 million yen
 - Full period contribution (Hakata) +21 million yen
 - Replacement of tenant (7) million yen in large scale offices
- Hotel
 - New acquisition +326 million yen (Naha/Hakata/Nagoya/Yodoyabashi)
- Growth Asset
 - New acquisition (Rokko) +260 million yen

7th FP (Oct. 2019)

- Expiry of free rent period (Izumi) +44 million yen
- Recovery in occupancy and expiry of FR period (Large scale offices) +53 million yen
- Replacement of tenant (Shibuya) +20 million yen

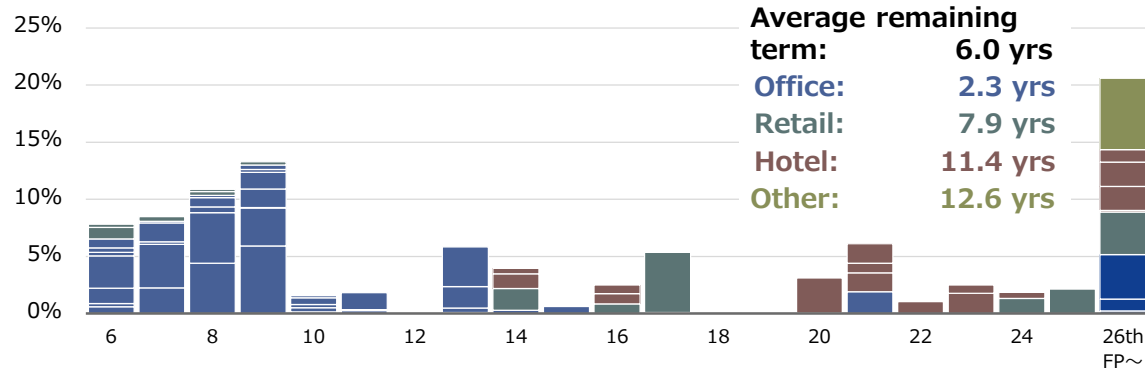
	5 th FP Results	6 th FP Forecasts	Changes	7 th FP Forecasts	Changes
Operating expenses	1,456	1,447	(9)	1,462	15
Outsourcing services	323	346	23	327	(19)
Utilities expenses	523	458	(65)	491	33
Taxes and dues	319	336	16	396	60
Repair expenses	53	85	31	57	(27)
Other	235	221	(14)	189	(31)

Tenant Diversification (As of announcement of the 5th FP result)

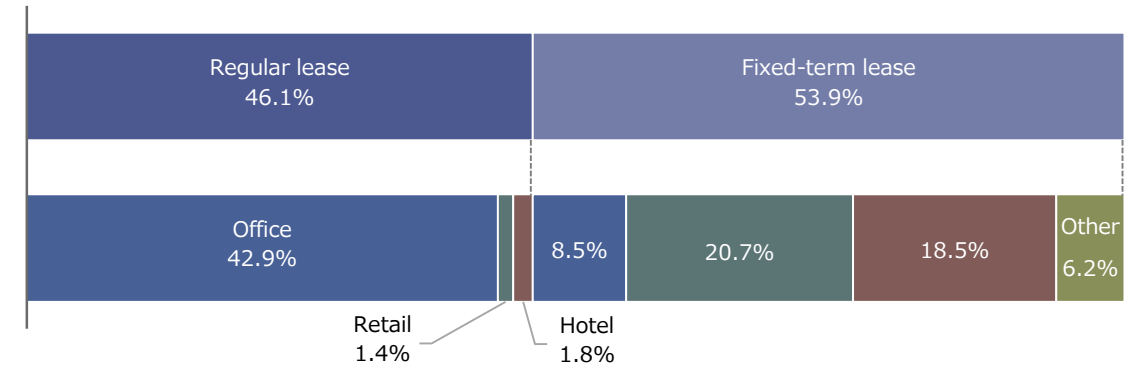
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Continued to renew 2-year regular lease contracts for office buildings and lengthened maturity of contract due to acquisition of hotel and industrial assets with long term fixed lease contract.

Diversification of Lease Maturity (based on rent)



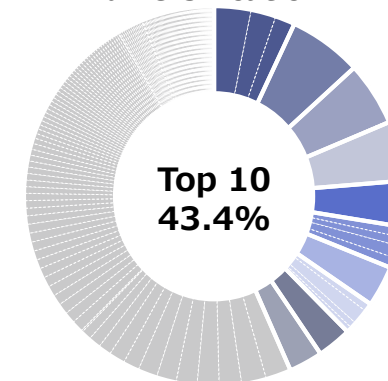
Breakdown of lease contracts type (based on rent)



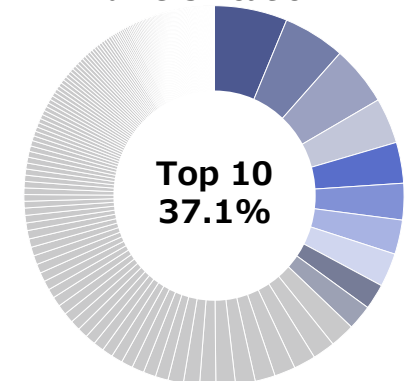
Top 10 tenants ^(Note) (based on rent)

	Company name	Property	Ratio
1.	Hospitality Operations	3 Smile Hotels (Naha, Hakata, Nagoya)	6.9%
2.	HAVI Supply Chane Solutions Japan	Rokko Island DC	6.2%
3.	AEON Retail	AEON Kasai/Shinagawa Seaside Parktower	-
4.	NTT Comware	Shinagawa Seaside Parktower	-
5.	PRADA Japan	MIUMIU Kobe	3.9%
6.	Super Hotel	4 Super Hotels (Sendai, Osaka, Saitama and Kyoto)	3.6%
7.	Chubu Telecom	MI Terrace Nagoya-Fushimi	-
8.	Greens	Ise City Hotel Annex 3 Comfort Hotels (Shin-Yamaguchi, Kitakami, Nagano)	-
9.	BIGLOBE	Shinagawa Seaside Parktower	-
10.	(Not disclosed)	Kawasaki Tech Center	-

Tenants diversification



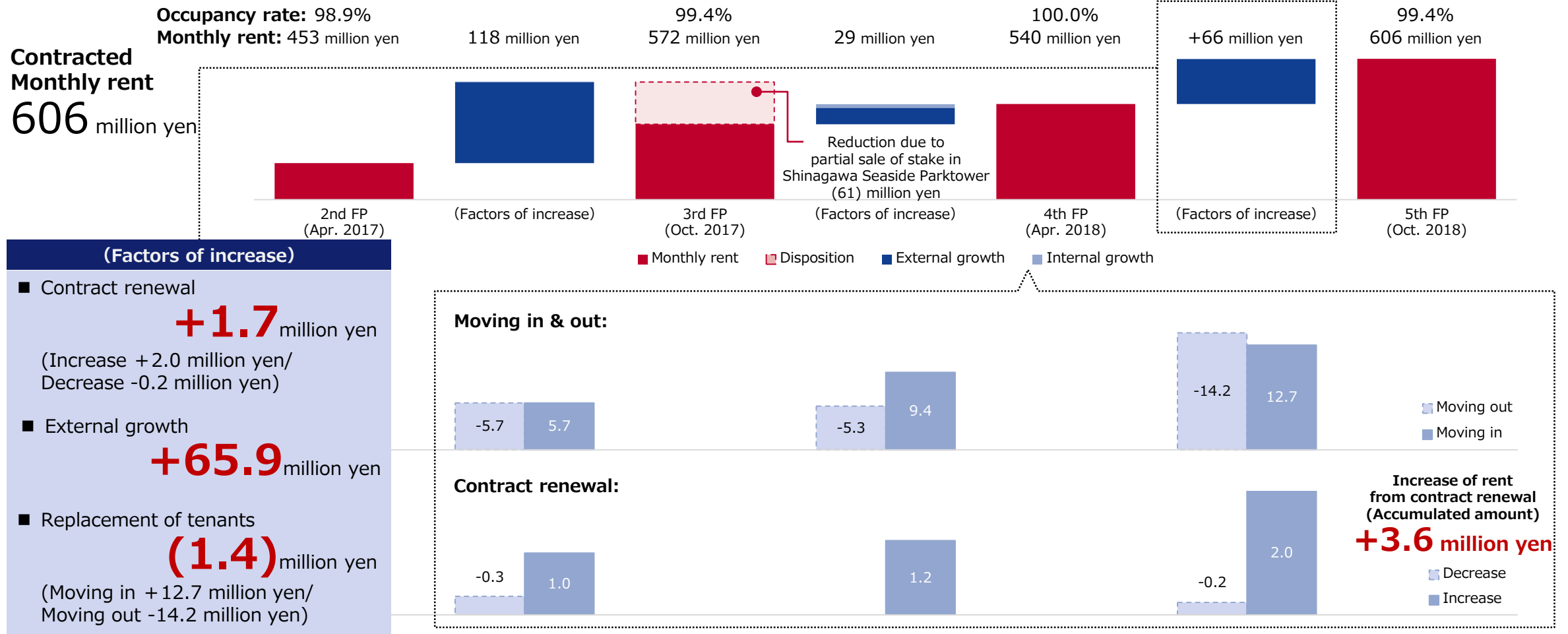
Lease contracts diversification



Note: Based on lease contract in place with end tenants as of end of October 2018. For assets acquired on November 1, 2018, based on lease contract in place on the date of acquisition.

Succeeded in rent increase in large scale office and continued solid internal growth.

The end of 5th FP



Note: Rent change is based on monthly rent. For Mi-Nara, based on minimum guaranteed monthly rent of 70 million yen based on the master lease agreement with GK Nara Heijo Plaza.

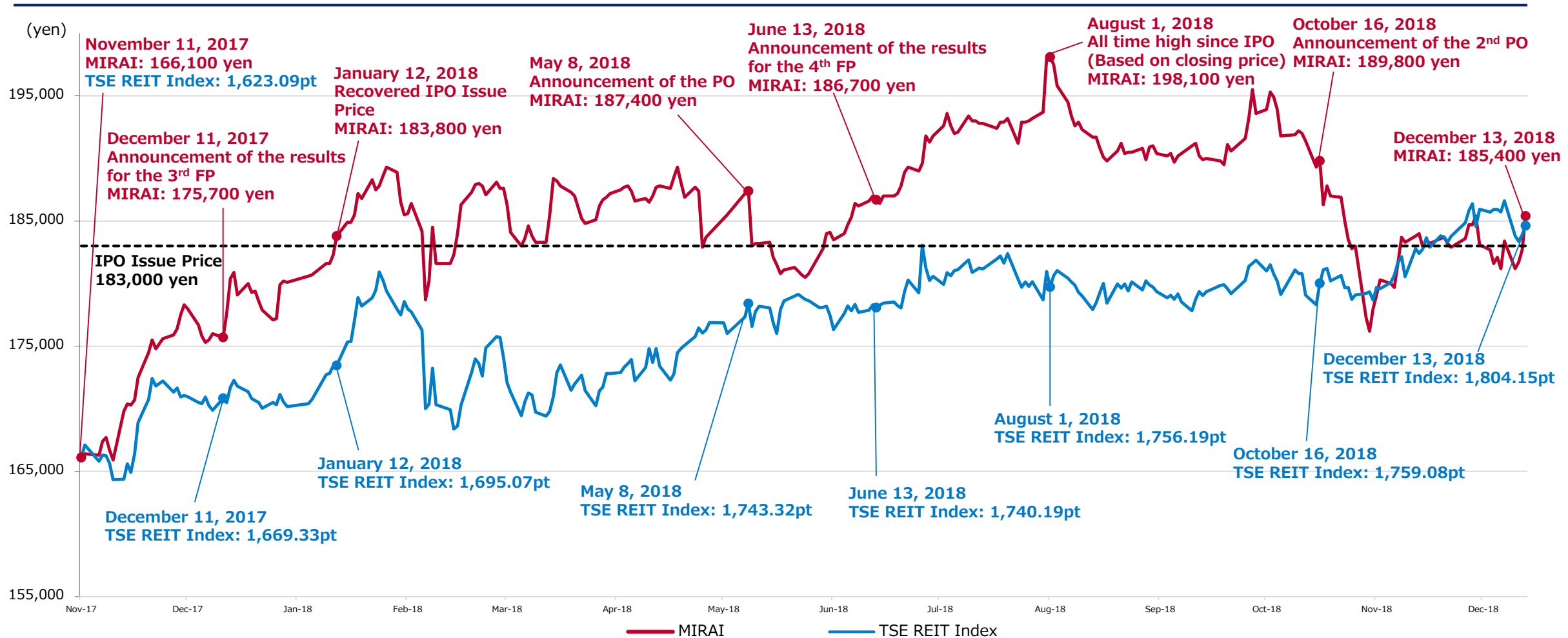
Historical Investment Unit Price

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All time high since IPO was recorded following PO in May 2018.

Although investment unit price has seen weakness following PO in October 2018, it is on recovery trend lately.

Historical Investment Unit Price



Note: As of December 13, 2018. Relative performance of TSE REIT Index is calculated based on investment unit price of MIRAI as of November 1, 2017.

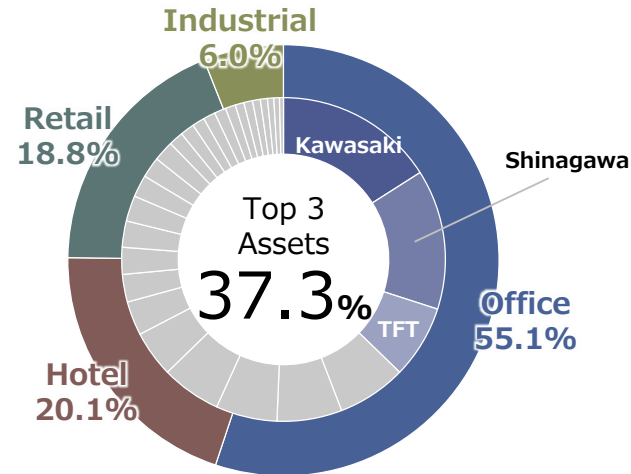
Section2. Mid-term Management Plan “Repower 2020-ER”

Improved issues that were weaker in comparison against other J-REIT especially the risk diversification.
Investment unit price recovered from 150,100 yen to 183,100 yen. (Note 1)

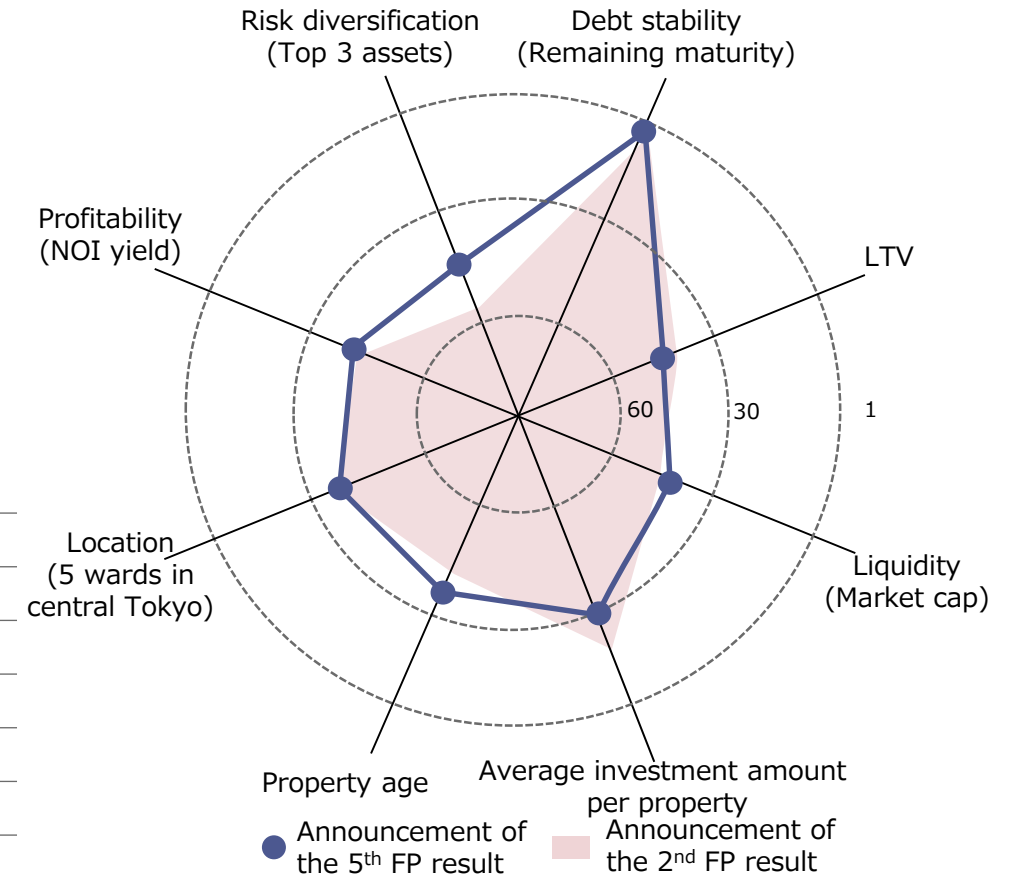
Announcement of the 5th FP result

Positioning analysis (Note 3)

Portfolio diversification



Top 10 lease contracts (Note 2)	37.1%
Total number of tenants (Note 2)	234
Number of properties	29
AUM (Total acquisition price)	145 billion yen
NOI/NOI yield after depreciation	5.0%/4.2%
3 metropolitan areas	88.1%
Property age	19.7 years



Note 1: Comparison of closing price as of end of November 2018 against end of April 2017.

Note 2: Based on lease contract in place with end tenants as of end of October 2018. For assets acquired on November 1, 2018, based on lease contract in place on the date of acquisition.

Note 3: Comprised by the Asset Manager based on disclosure of each listed J-REIT as of end of November 2018 and may not be accurate.

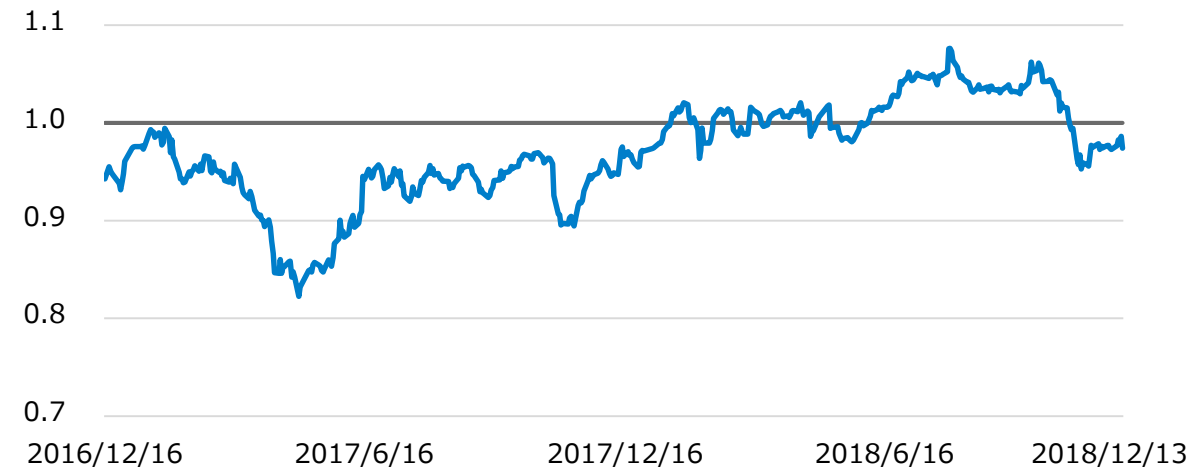
Achieved Mid-term Management Plan “Repower 2020”

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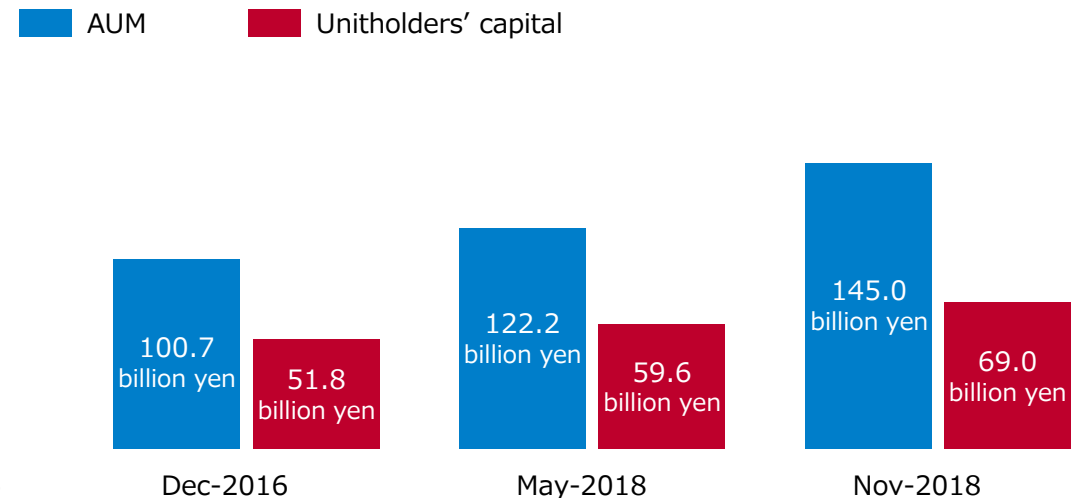
Achieved quantitative targets one and half years ahead of original schedule through acquisition of assets that contribute to improvement of portfolio profitability and PO for two consecutive fiscal periods.

Quantitative targets		Announcement of the 5 th FP result		
Mid-term management plan Repower 2020	DPU (5,700 yen ~)	Forecast DPU (stabilized)	5,700 yen	✓
	Top 3 assets (Up to 40%)	Top 3 assets	37.3%	✓
	NOI yield after depreciation (4.0% ~)	NOI yield after depreciation	4.2%	✓
	LTV (Up to 50%)	LTV	48.8%	✓

Improvement of P/NAV



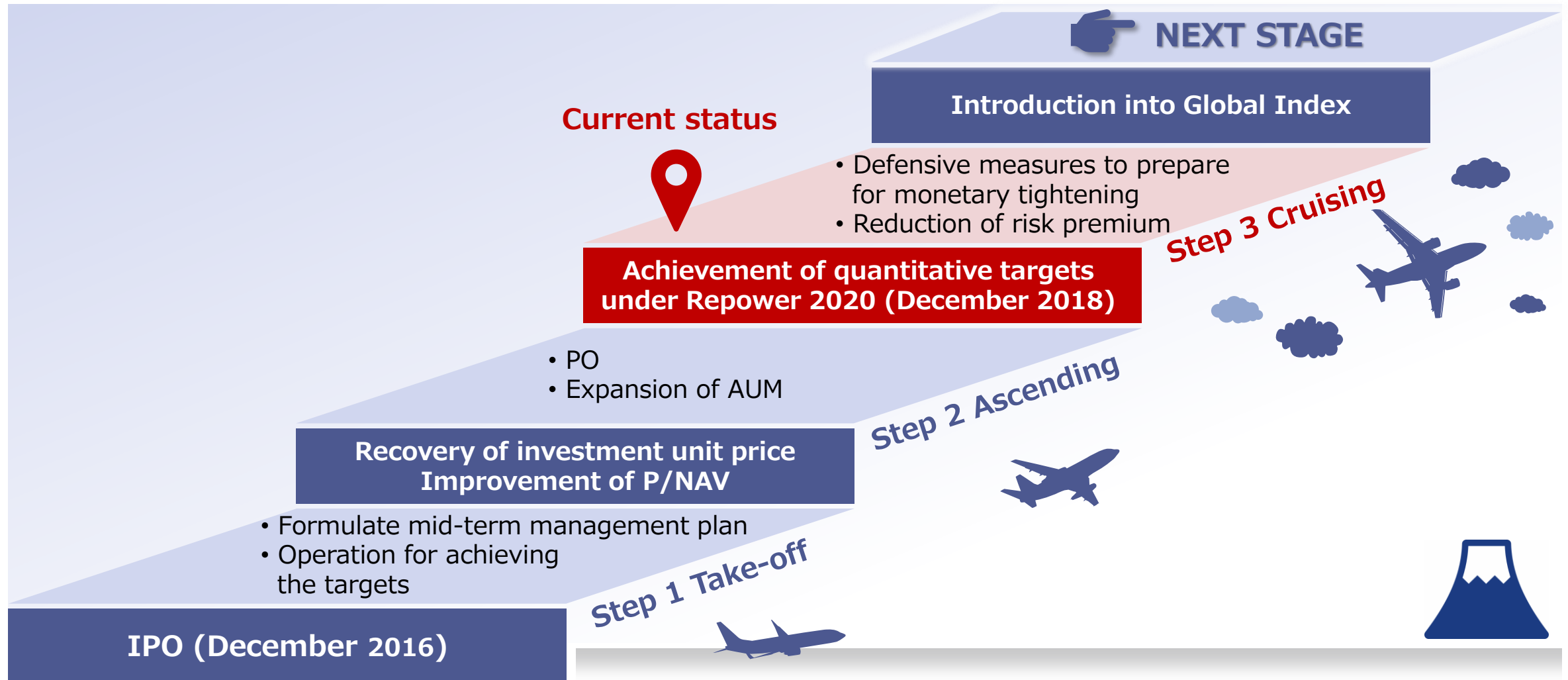
Returned to growth path through PO



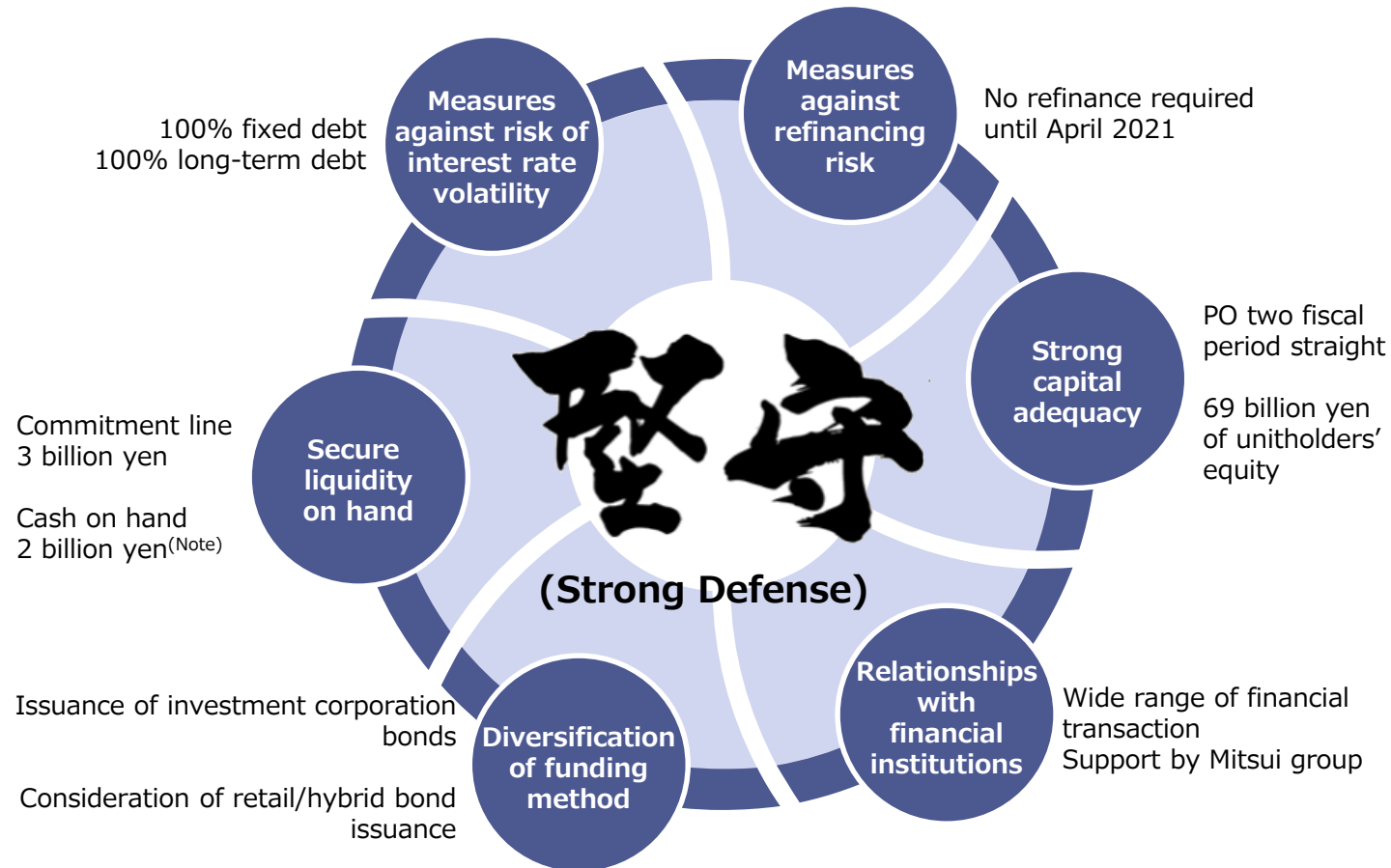
Final Stage for Formulating The Base for Next Stage of Growth

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Reached the cruising altitude following take-off and ascending.
Setting realistic growth target capturing the changes in market.



As part of measures for sustainable growth, defensive measures against monetary tightening being considered.



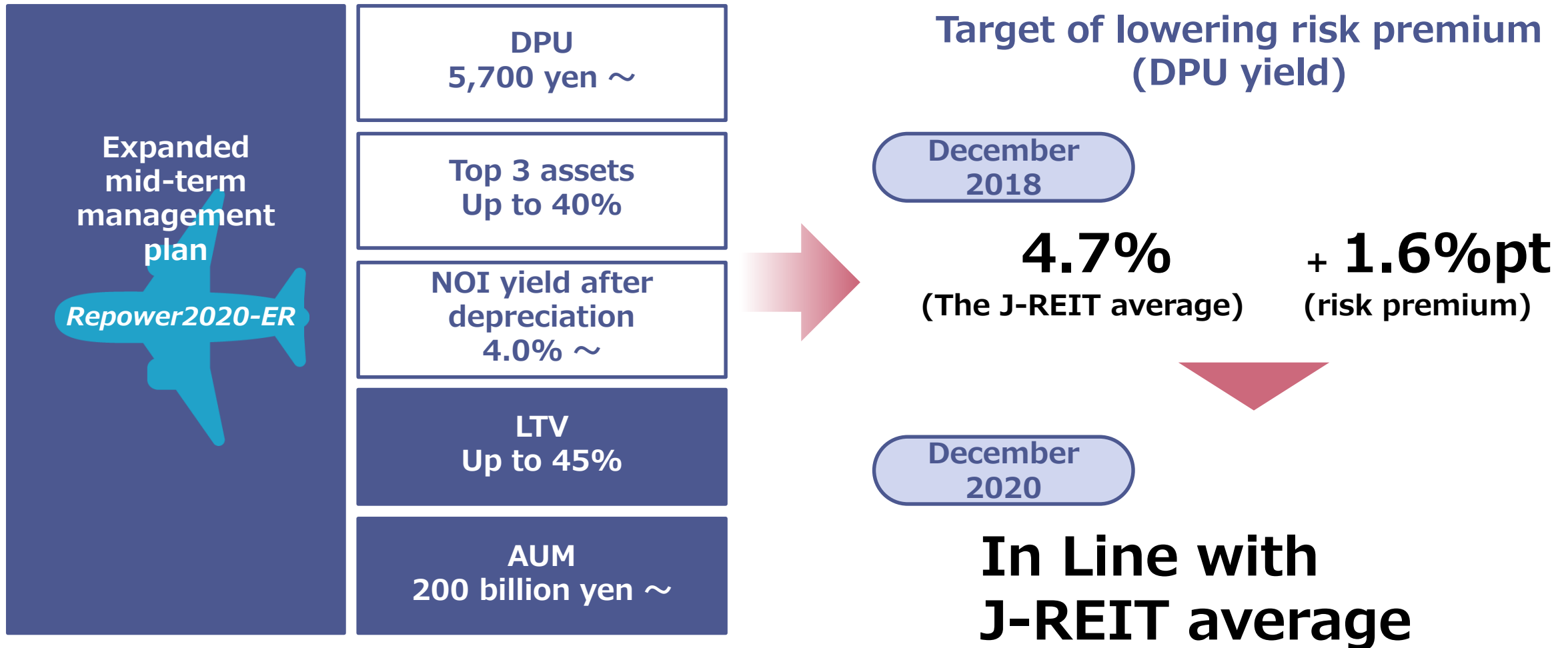
Purpose of formulating "Repower 2020"

- To increase the investment unit price which remained low following IPO to the level that allows for PO so as to return to the growth path
- To improve transparency of the management by setting quantitative targets
- Price to NAV has improved and achieved target prior to original schedule through for PO for two consecutive periods
- Strengthen financial defensive measures for monetary tightening while maintaining some of the framework and targets

Concepts of "Repower 2020-ER"

- To focus on reducing risk premium under the current circumstances where actual DPU growth does not lead to increase in investment unit price
- To aim for AUM of 200 billion yen while maintaining the quantitative targets as there is further room for portfolio risk diversification
- To reduce total risk by lowering the LTV ratio in line with the industry average by increasing the proportion of equity funding at the time of asset acquisition
- Expanded version of original mid-term management plan named "Repower 2020-ER (Extended Range)" with the target schedule as end of 2020

Aim for reduction of risk premium by further lowering risk through lower LTV ratio and asset expansion.



Section3. 5th Fiscal Period Highlights

Selective investment through analysis of geographical area and asset class. Consider new acquisition method as well.

	Office	Hotel	Retail (Sale of Goods/Service/F&B)
Topics of Management	<ul style="list-style-type: none"> ■ Multiple application received for Kawasaki Tech Center and 60% of vacant area is expected to start generating rent revenue starting spring 2019. ■ Rent increase expected for Tokyo Front Terrace through negotiations at contract renewal. ■ Leasing environment for large scale office with below 20,000 yen/tsubo rent continue to be strong. Strong demand for internal expansion for vacancy as well. 	<ul style="list-style-type: none"> ■ Slight negative impact from supply and demand balance disruption in urban area due to supply of private lodging. ■ Inbound effect has expanded to regional cities where limited private lodgings are offered and operators in regional cities are performing well. ■ Newly acquired Ueno asset continues to show strength maintaining above 95% occupancy with ADR of above 10,000 yen despite it is newly opened. 	<ul style="list-style-type: none"> ■ Shibuya WE, located in Miyashita Koen Mae where redevelopment is underway, upward revision of rent was achieved through replacement of tenant at maturity of fixed lease contract. (revenue contribution to start in April 2019) ■ Daiki Izumi-Chuo closed operation and vacated by the end of October. Succeeding tenant started lease in November and store opening is expected be around February 2019. ■ Although occupancy ratio is almost full, Mi-Nara still has room for upside from variable rent
Acquisition Policy	<ul style="list-style-type: none"> ■ Absolute level of yield of central Tokyo office is not justified against cost of equity. Consider acquisition of stake in fund as well as co-ownership with a third party ■ In order to maintain profitability and to aim for upside, focus mainly on grade B locations such as surrounding area of 3 major metropolitan area and other ordinance designated cities. 	<ul style="list-style-type: none"> ■ Controlling the proportion of investment up to 25% of total asset while carefully selecting the location and operator. ■ Cautious on areas with numerous development project targeting inbound tourists. 	<ul style="list-style-type: none"> ■ To forgo investment of retail properties that are mostly focused on sale of goods until significant changes in profitability can be seen. ■ Assets focusing on service and F&B tenants have solid demand. Consider investment in these assets so long as yield can be secured.
Deal Sourcing Conditions	<p>(Tokyo Area) Number of Projects : 186 Value per Property : 0.5-35 billion yen Yield : low 3% to mid 4%</p> <p>(Others) Number of Projects : 105 Value per Property : 0.5-16 billion yen Yield : 4% to mid 5%</p>	<p>(Tokyo Area) Number of Projects : 57 Value per Property : 0.7-100 billion yen Yield : mid 3% to mid 4%</p> <p>(Others) Number of Projects : 129 Value per Property : 0.5-34 billion yen Yield : 4% to 6%</p>	<p>(Tokyo Area) Number of Projects : 113 Value per Property : 0.5-65 billion yen Yield : 3% to mid 5%</p> <p>(Others) Number of Projects : 121 Value per Property : 0.7-22 billion yen Yield : 4% to 7%</p>

Overview of Portfolio: Large scale office 1: Market condition

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Vacancy extremely low with tight supply and demand balance. Continue to see strength in leasing.

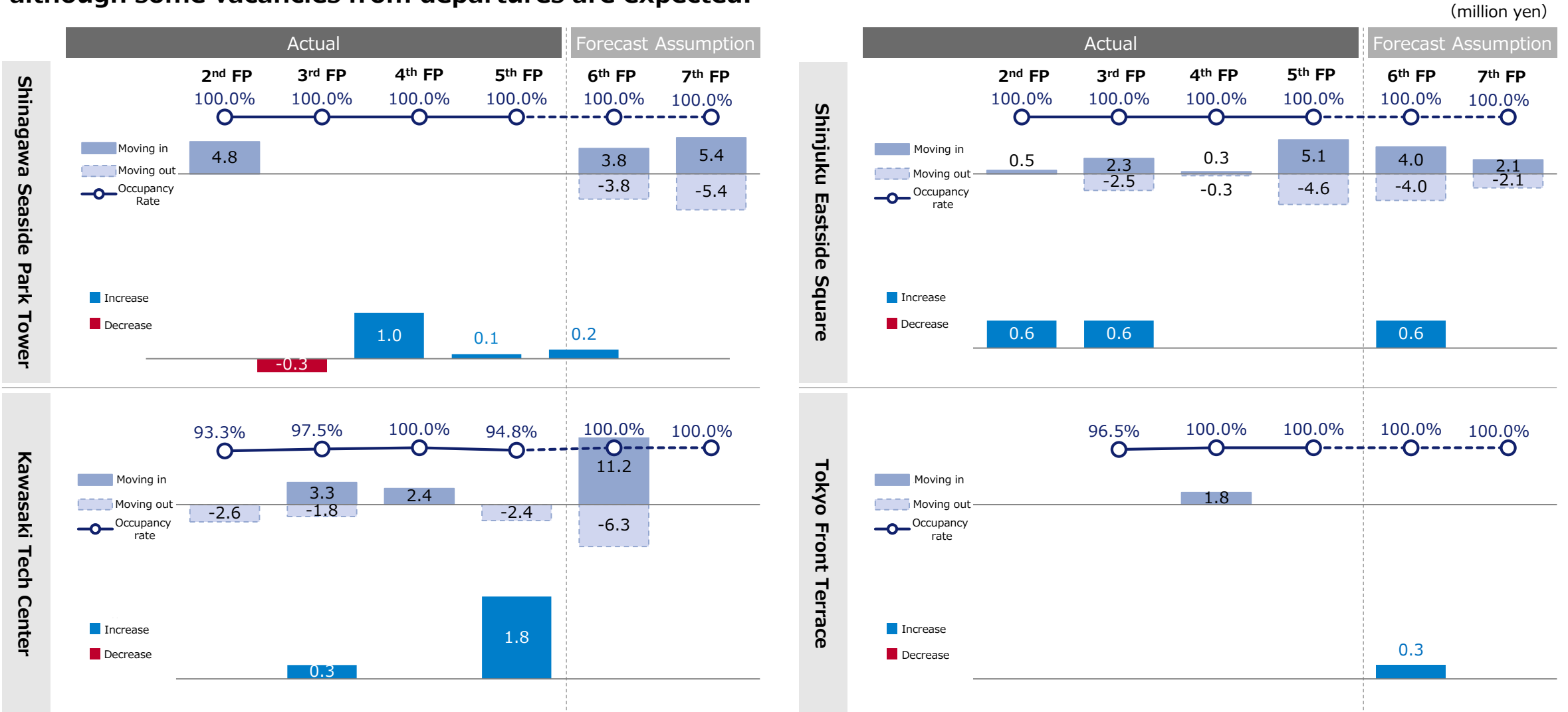


Note: This figures show the comparison with the occupancy status of the competing properties in the same areas as the properties owned by MIRAI. Based on research by IDERA Capital Management and the Asset Manager and actual figures may be different.

Overview of Portfolio: Large scale office 2: Occupancy and Outlook

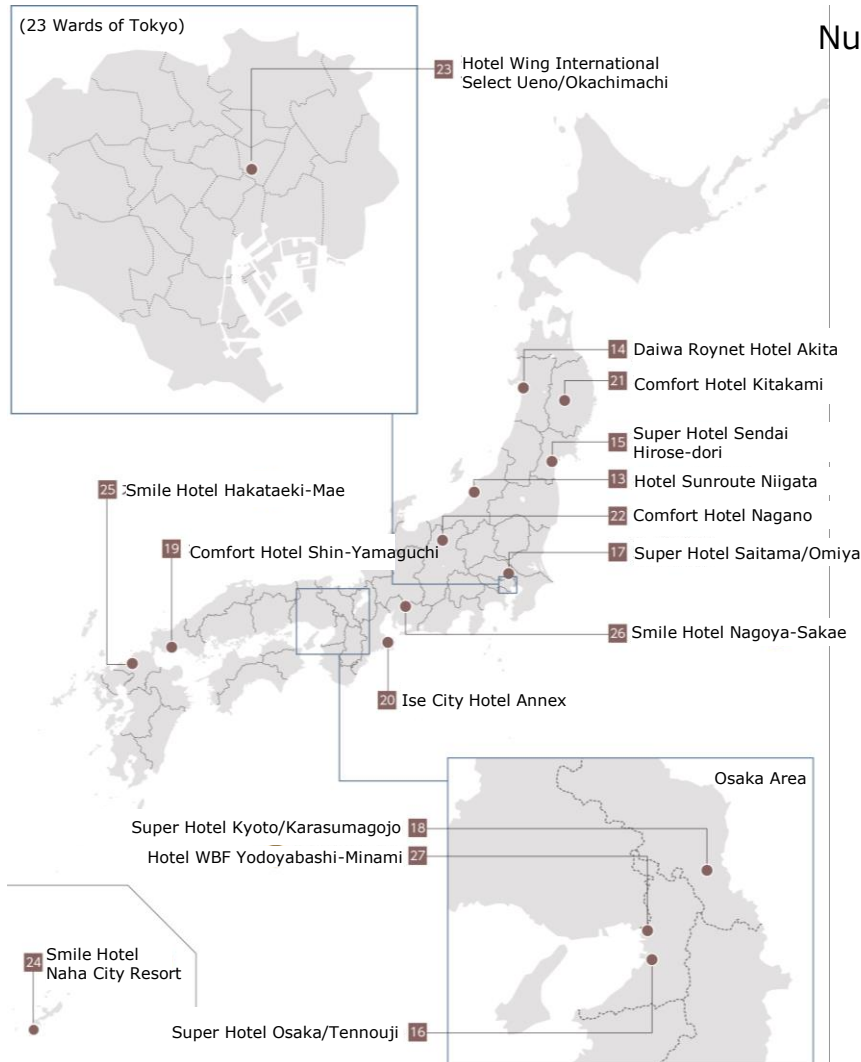
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Smooth completion of leasing expected as there are enough interests although some vacancies from departures are expected.



Note: Rent change is based on monthly rent.

Construct the hotel portfolio taking into consideration diversification of geographical area and operator groups.



Number of Property

15

AUM (Hotel)

29.1 billion yen

Rooms

2,231

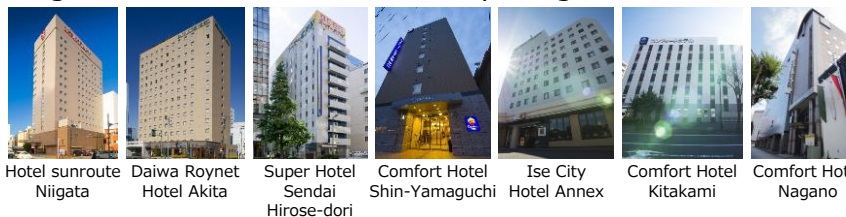
Urban Areas/Fixed Rent



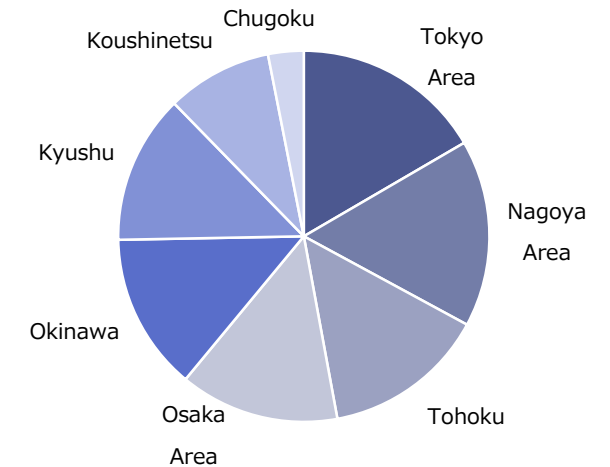
Variable Rent



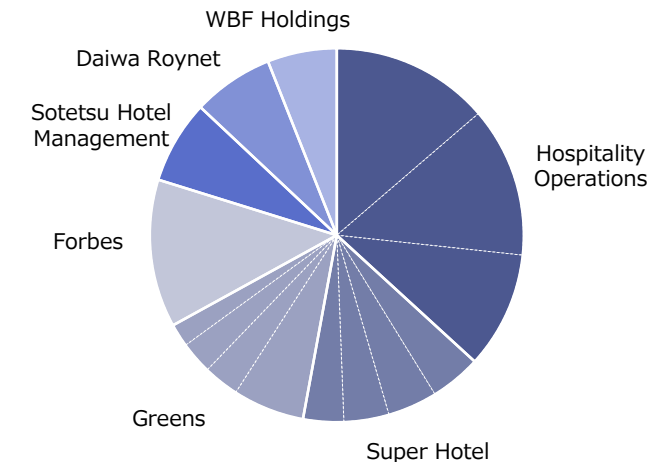
Regional Cities/Fixed Rent (except Niigata)



Area diversification (note)



Operator group diversification (note)



Note: Based on acquisition price.

Overview of Portfolio: Hotel 2: Occupancy

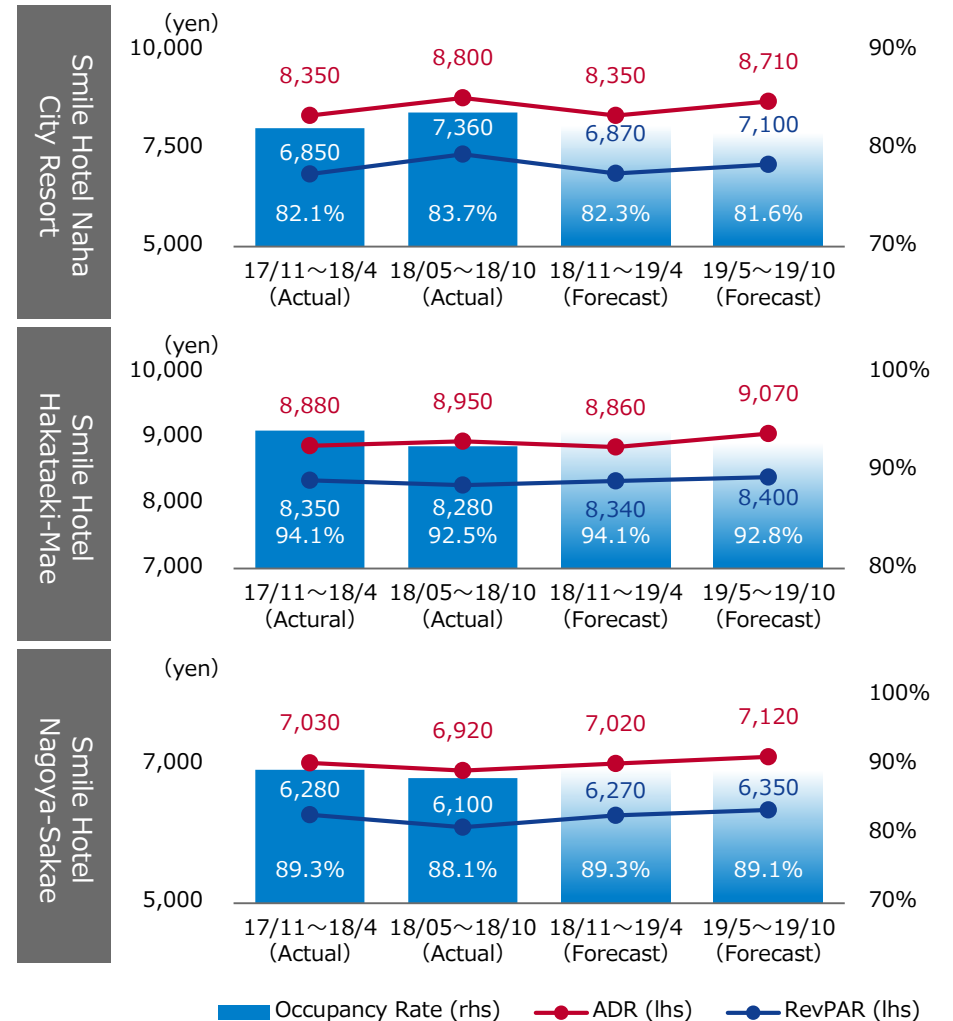
22

Started introduction of assets with minimum guaranteed rent + variable rent into the hotel portfolio.
Controlling the variable portion at about slightly above 20% of total rent.

	Fixed rent	Fixed rent + Variable rent	Minimum guaranteed rent + Variable rent	Total
Calculation method of variable rent	—	% of excess GOP above plan	Actual GOP – (Minimum guaranteed rent + Operator fee)	—
Rent revenue (Note)	944 million yen	140 million yen	580 million yen	1,665 million yen
Fixed /Minimum guaranteed	944 million yen (100.0%)	140 million yen (100.0%)	215 million yen (37.1%)	1,300 million yen (78.1%)
Variable	-million yen (0.0%)	-million yen (0.0%)	364 million yen (62.9%)	364 million yen (21.9%)
Number of property/AUM	11 /16.3 billion yen (55.9%)	1 /2.1 billion yen (7.2%)	3 /10.7 billion yen (36.9%)	15 /29.1 billion yen (100%)
Assets	<ul style="list-style-type: none"> ■ Daiwa Roynet Hotel Akita ■ Super Hotel (4 Properties) ■ Comfort Hotel (3 Properties) ■ Ise City Hotel Annex ■ Hotel WBF Yodoyabashi-Minami 			<ul style="list-style-type: none"> ■ Hotel Sunroute Niigata ■ Smile Hotel (3 Properties)
Based on Rent	<div> <div>78.1%</div> <div>21.9%</div> </div>			
Based on AUM	<div> <div>55.9%</div> <div>44.1%</div> </div>			

■ Fixed ■ Variable

Occupancy record and assumption of the assets with variable rent

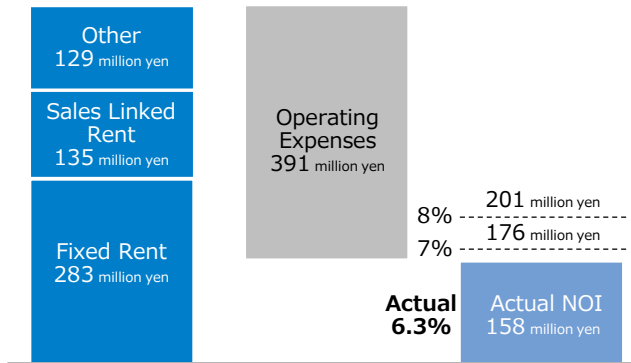


Note: Based on lease contract as of end of October 2018. For the assets with "Minimum guaranteed rent + Variable rent" structure, based on the recent 12 months total rent paid by the tenant.

Fully opened in August 2018.

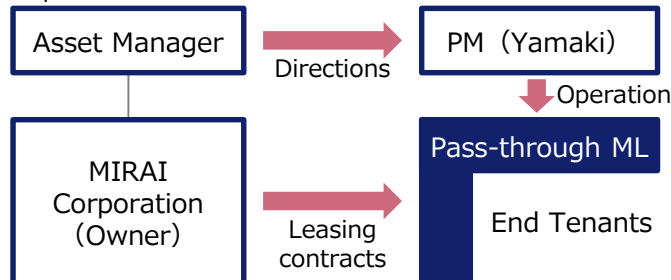
Focus on improvement measures to address the local consumption demand and to capture tourist demand.

Performance since renewal opening



<Operational structure>

The Asset Manager holds weekly progress meeting with the Property Manager at local office on operational management, tenant introduction and attracting inbound tourists, working to aim for upside.



Challenge 1: Sales of tenants with sales linked rent

<Current situation>

- Sales at apparel, accessory and food court tenants with sales linked rent are below original expectation.
- While traffic is secured following the opening of Round One, there is limited linkage to tenant sales.

<Actions>

- Stimulate the local demand by improving advertisement including social media and organizing various events and raise sales.



- Plan to offer discount at the facility for the visitors to Round One



Challenge 2: Introduction of tenants in vacant space

<Current situation>

- There are some vacancies in spaces for stores for goods and services on 2nd and 3rd floor. Continue the leasing activity.
- Need to promptly improve traffic by improving ability to attract customers especially on the 2nd floor.

<Actions>

- Introduced Deco Home (NITORI Group / first store in western Japan) and Y Mobile on the main line of movement on the 1st floor.
- Work to promote leasing by improving traffic through attracting inbound tourists.



- Continue leasing activities for vacancies and introduce measures to improve traffic on the 2nd floor.



Events

- Pet shop

Prospective tenants

- Education service
- Mah-jongg club
- General shop

Challenge 3: Attracting tourist/ Inbound tourists

<Current situation>

- Efforts to attract inbound tourist slowed down temporarily due to delay in arranging drop off and pick up point for tour buses and impact from a number of natural disasters.
- Delay in attracting tourist and school trips in cooperation with local tourist association and tour agents.

<Actions>

- Corporation with Nara City Tourist Association and tour agents in attracting tourist and coverage by travel magazines.
- Strengthen attracting tour groups by packaging F&B/Gold Fish and Ninja Museum.
- Collaborations to attract more inbound / individual tourists



- Attract repeat customers by continuously offering different events and cultural activities. Distribute special discount coupon for unit holders.



**Shibuya World East Building to see improved traffic due to redevelopment of Miyashita Koen Mae.
Store opening by the new tenant around February 2019 at former Daiki Izumi-Chuo.**

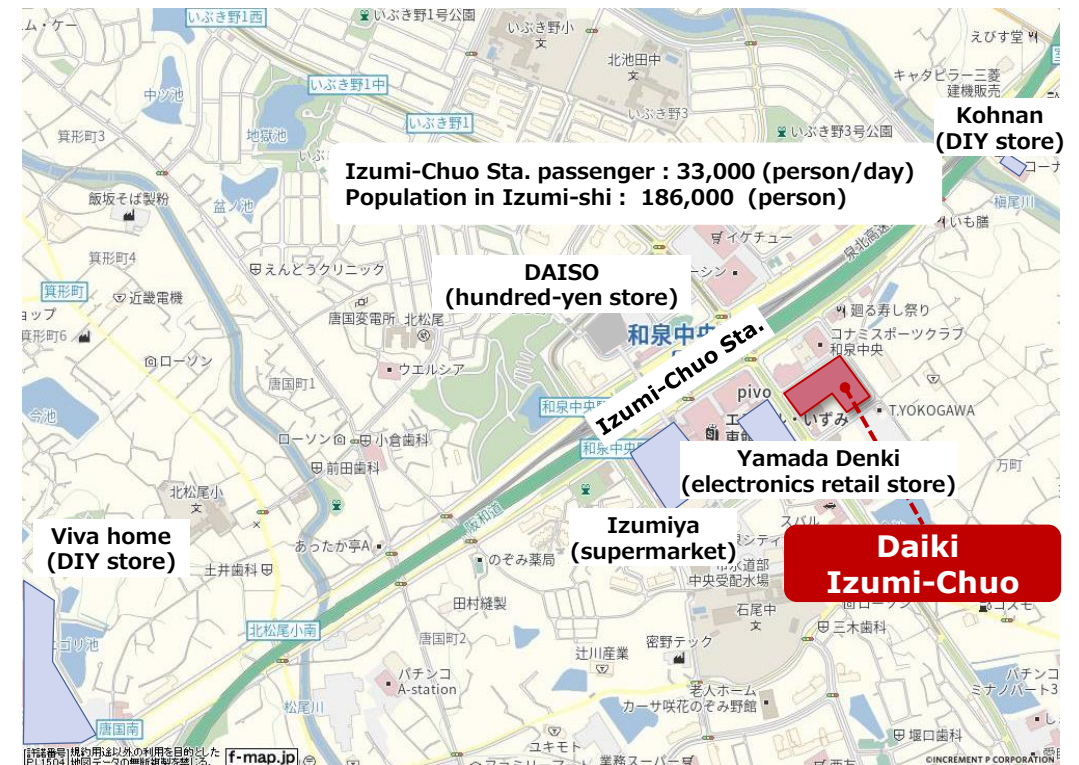
Shibuya World East Building

- Meiji Dori and Cat Street traffic is expected to improve due to scheduled reopening of Miyashita Koen redevelopment area in March 2020.
- Replaced tenant to aim for upside following the maturity of fixed lease contract (expected opening in Spring 2019).



Daiki Izumi-Chuo

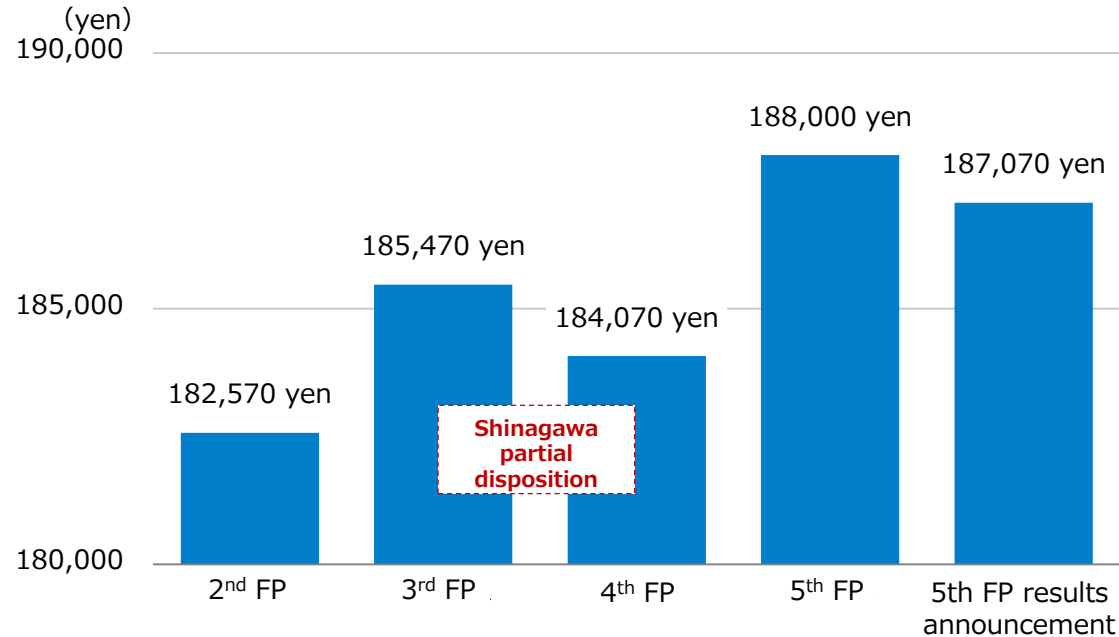
- Former tenant DCM Daiki closed its store in July 2018 and completed departure at the end of October 2018. (Plan to change the property name when ready.)
- Succeeding tenant is expected to start operation around February 2019. Currently undergoing work by tenant and staff recruitment.



Section4. Financial /IR /ESG Initiatives

Unrealized gain steadily improved from revaluation of existing assets and asset enhancement work.

NAV per unit (Note 1)



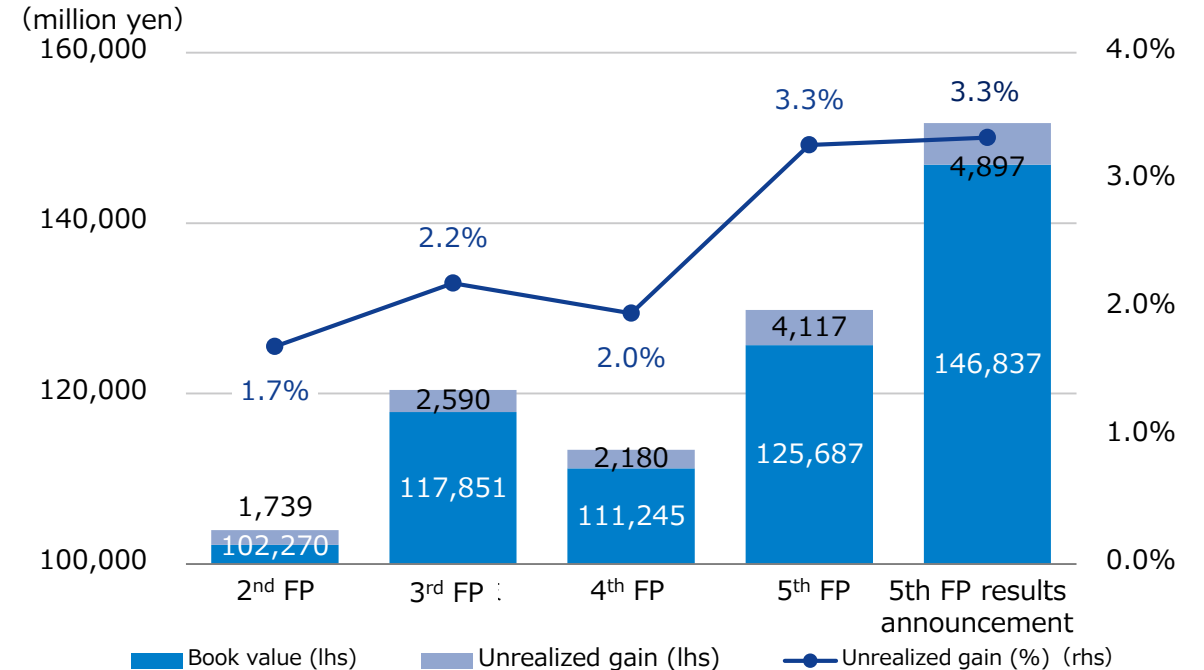
	2nd FP	3rd FP (Note 2)	4th FP	5th FP	5th FP results announcement (Note 3)
Unrealized gain per unit (Note 1)	5,920	8,820	7,420	12,140	12,380
BPS (Note 1)	176,650	176,650	176,650	175,860	174,690
Unrealized gain as % of NAV	3.2%	4.8%	4.0%	6.5%	6.6%

Note 1: Per unit numbers are rounded down to nearest 10 yen.

Note 2: Unrealized gain at the end of 3rd FP adds renewal investment of 844 million yen for Mi-Nara on the book value at the end of the FP.

Note 3: Unrealized gain at 5th FP result announcement adds the difference between appraisal value and acquisition price of assets acquired on November 1, 2018 on top of unrealized gain at the end of 5th fiscal period.

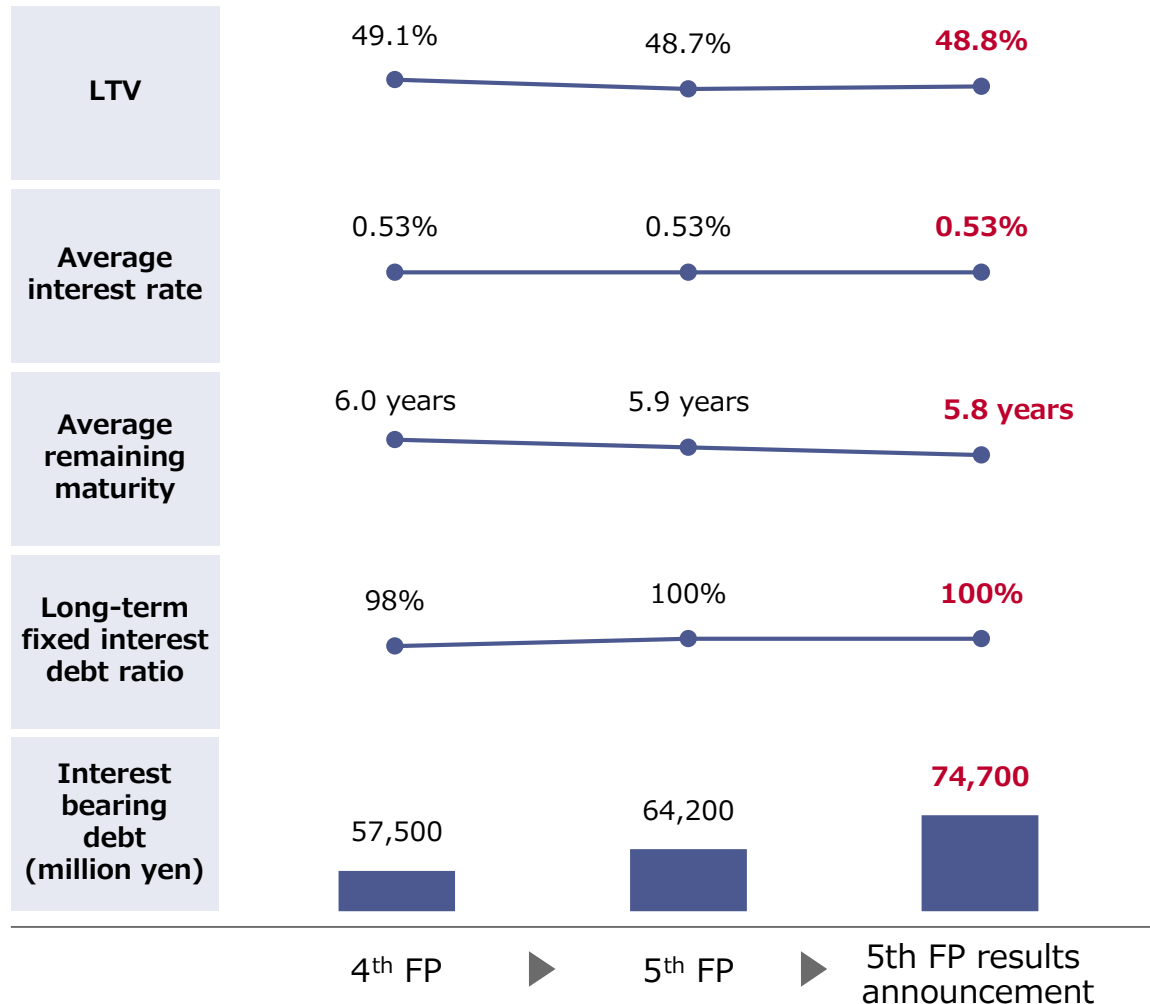
Appraisal Value/ Unrealized Gain



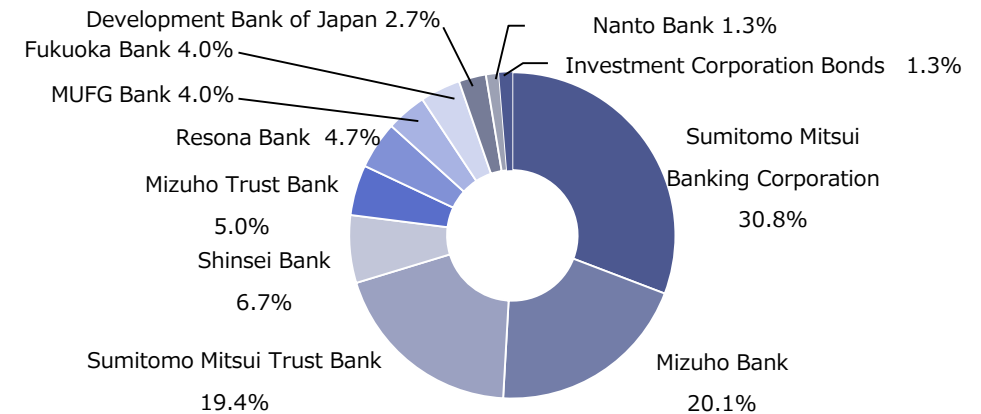
	2nd FP	3rd FP (Note 2)	4th FP	5th FP	5th FP results announcement (Note 3)
Appraisal value	104,010	120,442	113,426	129,805	151,735
Unrealized gain	1,739	2,590	2,180	4,117	4,897
Unrealized gain (%)	1.7%	2.2%	2.0%	3.3%	3.3%

Stabilized financial base by establishing business relationship with mostly mega banks and major trust banks.
No refinance required until 2021.

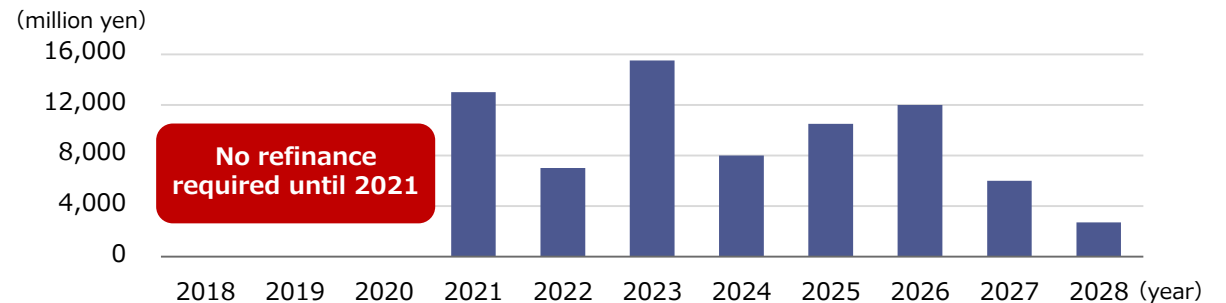
Financial Highlights



Diversified Funding Source (As of December 13, 2018)



Debt Maturity Ladder (As of December 13, 2018)



Japan Credit Rating Agency, Ltd.

Rating **A+** (stable)

Rating and Investment Information, Inc.

Rating **A** (stable)

In addition to two consecutive fiscal period of PO, issued investment corporation bond to diversify the funding method. Aim to expand investor base through 4-for-1 investment unit split.

Equity/Debt

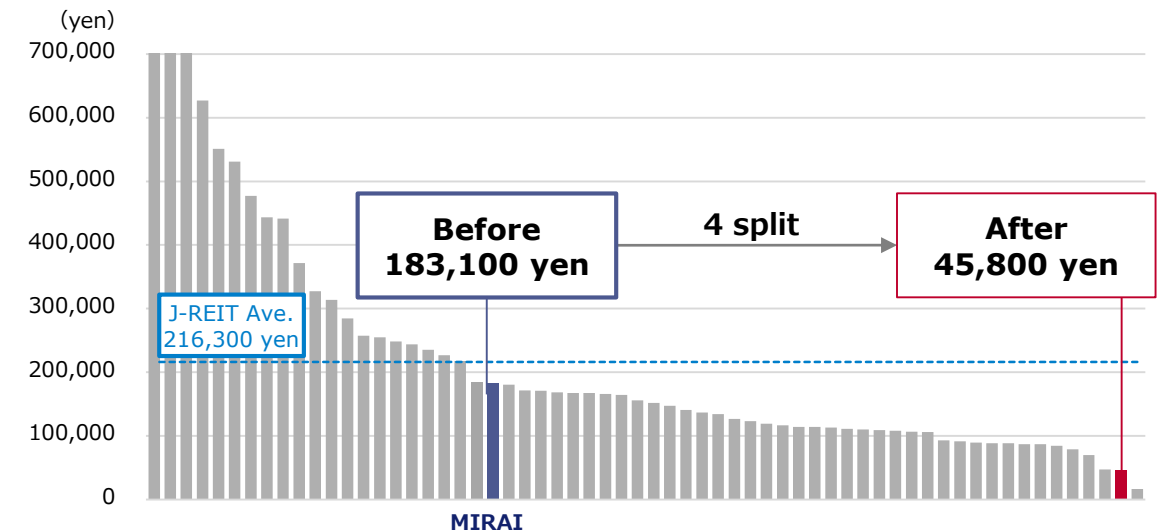
	Public offering
Type of allotment	Domestic
Number of investment to be offered	56,200 units (including third-party allotment)
Issue price	173,452 yen (Closing price on the pricing date: 183,500 yen)
Paid-in amount	167,581 yen per unit
Total paid-in amount	9.4 billion yen
Determined date	October 16, 2018
Pricing date	October 24, 2018
Settlement date (Public offering)	November 1, 2018
	The 1 st investment corporation bonds
Total amount to be issued	1.0 billion yen
Interest rate	0.64%
Issued date	July 26, 2018
Redemption date	July 26, 2028 (10 years)
Credit Rating	A+ (Japan Credit Rating Agency, Ltd.)

Split of Investment Units

- To split investment units with record date of April 30, 2019.
- Aim to expand investor base and improve liquidity through lower minimum investment amount.

	Overview of the split
Method of the split	Four-for-one split
Record date	April 30, 2019
Effective date	May 1, 2019

Changes of Investment Unit Price (Note)



Continue to engage in pioneering IR activities such as introduction of video streaming and virtual reality technology with wide range of investor in mind.

YouTube

5th FP Results



Financial summary comic



IR Event for individual investors

Nomura IR Fair 2019



VR introducing asset

Mi-nara



Upcoming Schedule

December	<ul style="list-style-type: none"> ■ Announcement of 5th FP results
January	<ul style="list-style-type: none"> ■ Nomura IR Fair 2019 ■ IR presentation for individual investors (Tokyo) ■ IR Overseas (Singapore/Hong Kong)
February	<ul style="list-style-type: none"> ■ IR presentation for individual investors (Osaka) ■ Mizuho Securities (Himeji) ■ SMBC Nikko securities (Takasaki) ■ Nomura Global Real Estate Forum 2019 (Tokyo)
March	<ul style="list-style-type: none"> ■ IR Overseas (Taiwan)
April	<ul style="list-style-type: none"> ■ Period ended April 30, 2019

Actively working to address ESG issues for global future (future = “MIRAI”)

“E”nvironment

■ Environmental certification: 32.8% of assets obtained (note)



MIUMIU Kobe



Shinagawa Seaside Parktower



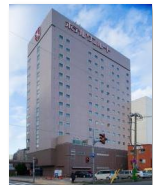
■ Initiatives to lower environmental load

Shinagawa: LED lighting introduced
Kasai : LED lighting introduced
Shibuya : Renewal of HVAC system
Niigata : Renewal of water cooling and heating system



■ Green Lease Contract

Scheme where the owner of the property bears expenses related to introduction of equipment/system for environmental consideration while tenant pays usage fee of such equipment / system. Green lease contract was introduced upon renewal work of Hotel Sunroute Niigata.



■ Measures against natural disasters (seismic equipment/ emergency generator)

Kawasaki/Tokyo Front Terrace : Large emergency generator
Shinagawa/Shinjuku East Side : Vibration dumper

“S”ocial

■ Working with and contributing to local society



Nursery in Mi-Nara



IBSA Blind Soccer WGP2018 is co-sponsored by MIRAI



Kawasaki: Training against terrorist attack



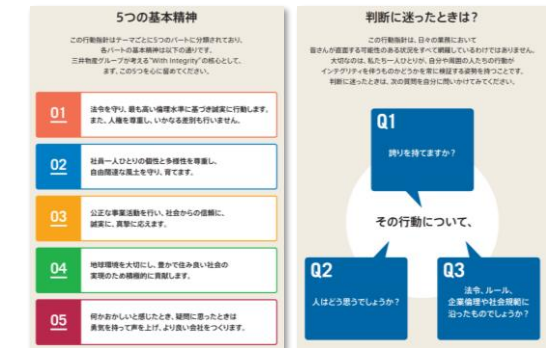
■ Facilitating for better working environment for employees

Mitsui & Co., AM Holdings group including the Asset Manager have been working to create working environment where officers and employees are able to continue to work with the sense of fulfillment and to realize office diversity.

“G”overnance

■ Mitsui & Co., Group “Integrity”

As part of Mitsui & Co., group of companies, in order for the Asset Manager to become a truly trustworthy corporate group for society, the Asset Manager make serious efforts to heighten awareness among all officers and employees of the importance of upholding “Integrity”. “Integrity” here means more than compliance with laws, regulations and rules, and it refers to an employee’s ability to act honestly and ethically with a high degree of dignity and respectability, to use good judgement in connection with his/her business activities, and to behave with common courtesy and in accordance with business ethics and social norms.



■ Acquisition of investment units by employees of the Asset Manager (Accumulative investment system)

In order to create the same boat investment system for the Asset Manager and MIRAI, accumulative investment system under which employees can acquire investment units are introduced.

The Asset Manager formulated ‘Basic policy of investment corporation-centric operation’ in September 2018.

1. Offer best asset management service for the investment corporation

(1) Pursuit of best interest of the investment corporation

As an asset management company that is charged with the management of the investment corporation, the Asset Manager will aim for the best interest of the investment corporation through creativity and ingenuity with high level of expertise and ethics. In addition, as part of KPI of this strategy, the Asset Manager will formulate mid-term management plan of the investment corporation and work toward realizing the target.

- **Quantitative targets under the mid-term management plan “Repower 2020” have been achieved ahead of original schedule and expanded plan targeting the end of 2020 have been set.**

(2) Improvement of sustainability

The Asset Manager will work together with the investment corporation to aim for improvement of sustainability of the society through investment management activities. The Asset Manager will actively promote to address issues centering on EGS (Environmental, Social and Governance).

- **As part of the sustainability effort, update on ESG initiative are included in result presentation materials.**

(3) Appropriate management of conflict of interest

The Asset Manager will comply with the laws, regulations and internal rules and understand accurately the potential conflict of interest in relations to transactions. Where there is a potential of conflict of interest, due care is taken to manage the potential conflict properly such as deliberation by the compliance committee which has outside specialist prior to the transaction.

- **3 transactions with potential conflict of interest were discussed in 8 compliance committee meetings during the 5th fiscal period.**

2. Measures to make important information easily understood

(1) Ensure transparency of asset management business

In order to ensure transparency of the asset management operation, the Asset Manager will do its best to disclose important information related to the investment corporation in a speedy, accurate, fair and easy to understand manner as much as possible.

- **Important information is quickly disclosed through TDnet and on the website of investment corporation for dissemination.**

(2) Improve disclosure of the investment corporation to the unitholders

The Asset Manager will actively disclose information that may impact the investment decision of investors through the website, result presentation materials and semi-annual reports in addition to legally required disclosures, always from the point of view of the investment corporation and its investors. In addition, the Asset Manager will strive to present materials that are easy to understand and friendly to those investors who have little knowledge and experience of finance and trading.

- **In addition to the conventional result presentation materials and semi-annual reports, the Asset Manager will pursue unique way to present information such as video streaming and utilization of virtual reality technologies for easier understanding.**

(3) Clarify fees

The Asset Manager will clearly state the fee structure to be paid by the investment corporation and will disclose the actual figures of each item in result announcement of the investment corporation.

- **Each item of the Asset Manager’s fees is disclosed in the result presentation materials for clarification.**

3. Organization structure for investment corporation-centric operation

(1) Framework for appropriate motivation

In order for the Asset Manager to operate in a way that respects the interest of the investment corporation, the Asset Manager will introduce fee structure linked to the asset size and profit of the investment corporation and reflect properly to employees’ personnel evaluations. In addition, the Asset Manager will strive to ensure that investment corporation-centric operation is established as corporate culture.

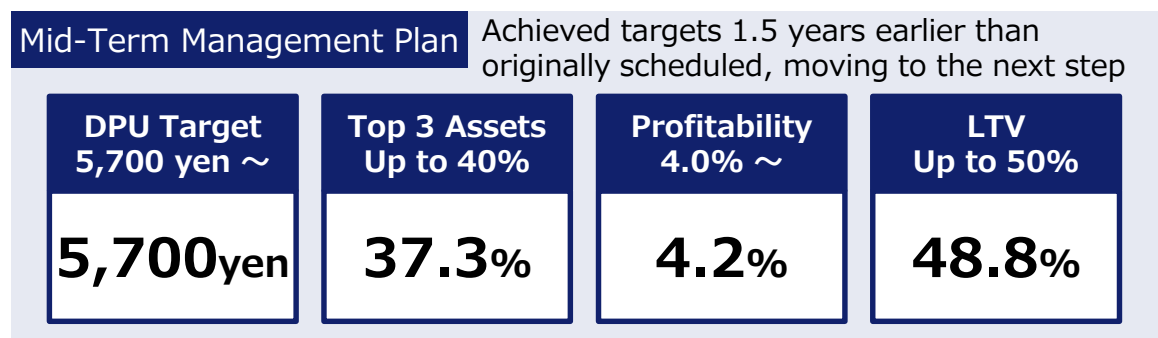
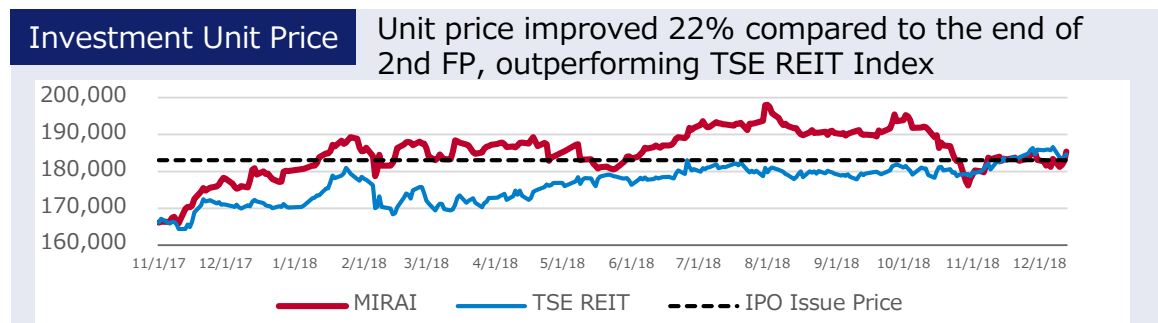
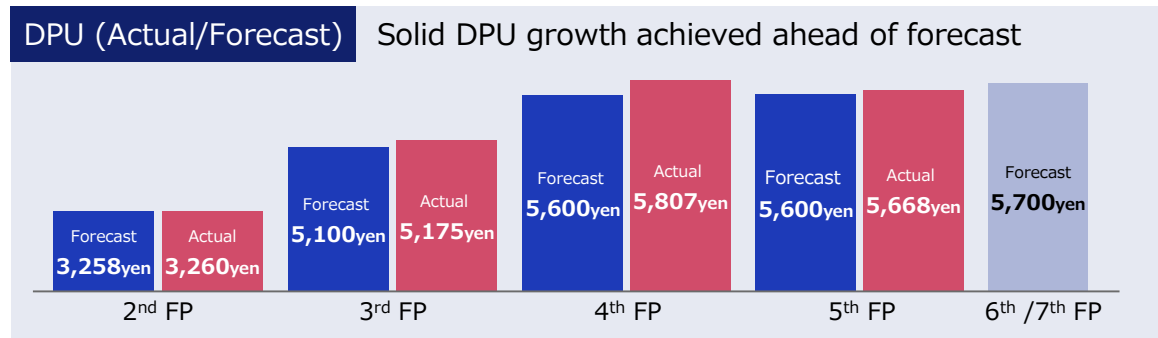
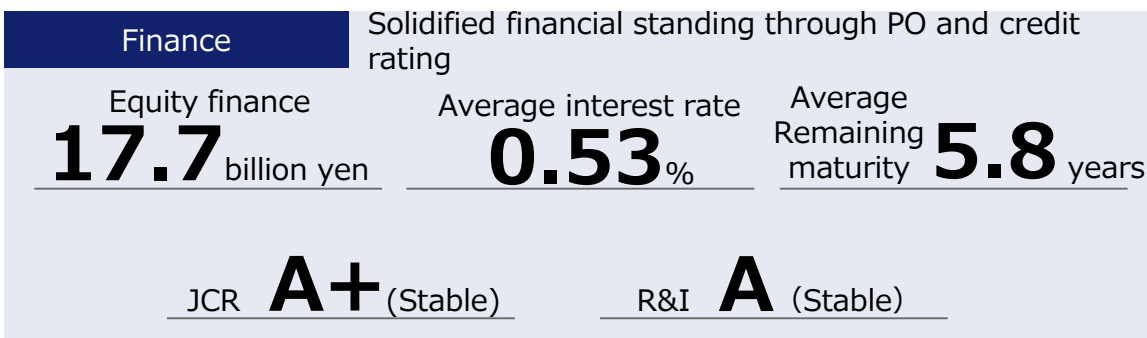
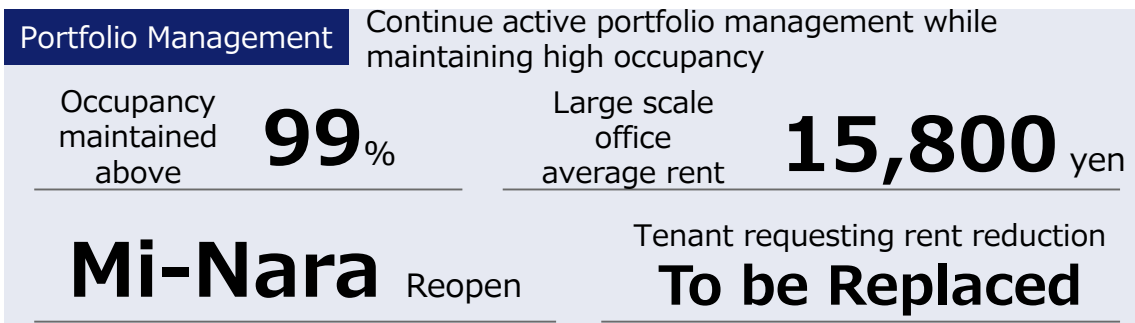
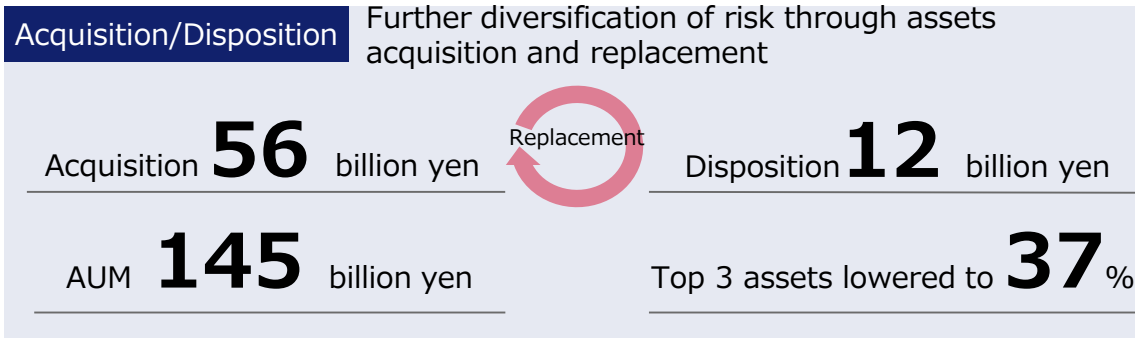
- **Fees of the Asset Manager will incorporate factors that links to the profitability of the investment corporation to align interest.**
- **Reflect contribution to the investment corporation as part of employees’ personnel evaluations so as to establish investment corporation-centric operation on daily basis.**

(2) Improve education / training for employees

In order to train employees that can offer high level of operational service to the investment corporation, the Asset Manager will improve in-house training and push for acquisition of qualifications by employees. Further, the Asset Manager will improve in-house education and training so that the employees are aware of the social responsibility of the Asset Manager and act accordingly.

- **Promote employment and in-house training to improve capability of the Asset Manager.**
- **Work to train employees with strong individuality through supporting of self-development of employees.**
- **Promote compliance training mindful of “Integrity” as part of Mitsui & Co., group.**

MIRAI achieved mid-term management plan ahead of original schedule and working to form a base for further growth. Also preparing for monetary tightening.



Appendix 1. Basic Information

Portfolio Strategy

- The portfolio consists mainly of large-scale offices with middle-class rents, which feature stable supply and demand.
- For retail properties and hotels, emphasis is placed on stability through long-term fixed contracts.
- Pursues upside scenario through the inclusion of Growth Asset



Financial Strategy

- Strong bank formation centering on the Mitsui Group
- Ranked among the highest of all J-REITs in terms of conditions for the debt procurement
- A+ (stable) from Japan Credit Rating Agency, Ltd. and A (stable) from Rating and Investment Information, Inc.

Average remaining
Maturity (Note)

5.8 years

Average interest
Rate (Note)

0.53 %

Credit rating
JCR A+ (stable)/ R&I A (stable)

Mid-term Management Plan Repower 2020

- Formulated Mid-term Management Plan with targets to be achieved by April 2020
- Achieved target prior to original schedule through for PO and acquisition announced on October 2018
- Formulated expanded version “Repower 2020-ER” preparing for monetary tightening

6th/7th FP
Forecast DPU
5,700 yen



DPU Target
5,700 yen
To be achieved

Double Sponsorship

- Double sponsorship by Mitsui & Co. AM Holdings LTD. and IDERA CM
- The sponsors proactively support deal sourcing, fundraising and leasing activities
- Started co-ownership of properties with Mitsui & Co., Private REIT Inc. in February 2018



MITSUI & CO.
ASSET MANAGEMENT
HOLDINGS LTD.

IDÉRA
CAPITAL MANAGEMENT

Portfolio centering on core assets in greater Tokyo area where stable cash flow can be expected.

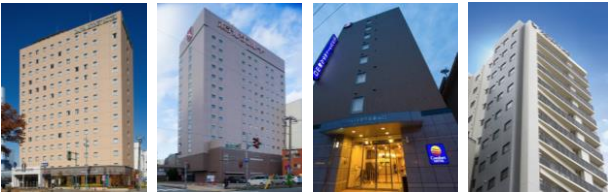
Core Assets

Core Assets
utilizing the strengths of the sponsors
in the real estate business

Office



Hotel

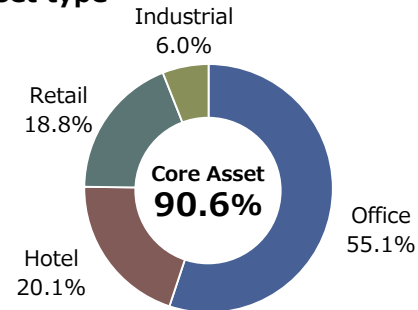


Retail

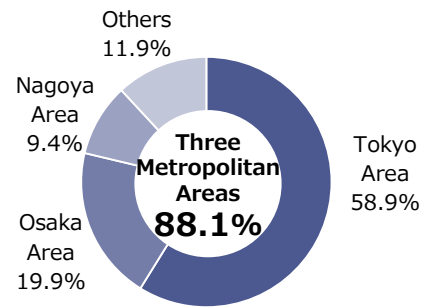


Focus on the three major
metropolitan areas of Japan (Note 1)
(Investment ratio: 70% or more)

Ratio by asset type (Note2)



Ratio by area (Note2)



Growth Assets

Limited Inclusion of Growth Assets
utilizing the competitive edge
of the sponsors

Core Plus

Assets targeting profitability improvement through
upside achieved by leasing, renovation or conversion



Mi-Nara

Acquisition price
4,944 million yen
Appraisal NOI yield
8.9 %

New Type (Note3)

Assets in Blue ocean, with less acquisition competition
and market expansion can be expected



Rokko Island DC

Acquisition price
8,650 million yen
Appraisal NOI yield
5.5 %

Note1: "3 major metropolitan area" refers to greater Tokyo (Tokyo prefecture, Kanagawa prefecture, Chiba prefecture and Saitama prefecture), greater Osaka (Osaka prefecture, Kyoto prefecture, Hyogo prefecture, Nara prefecture, Wakayama prefecture and Shiga prefecture), and greater Nagoya (Aichi prefecture, Mie prefecture and Gifu prefecture). The same shall apply hereinafter.

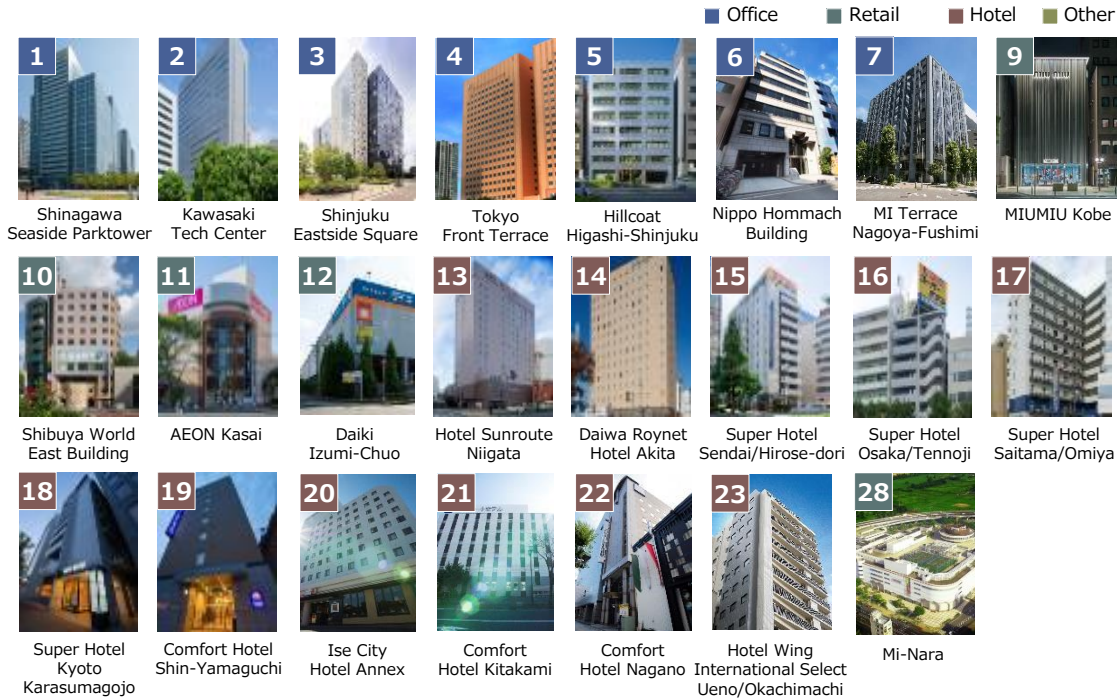
Note2: Based on acquisition price for portfolio as of December 13, 2018.

Note3: Acquisition of New Type Asset will be made when the Asset Manager's operational structure is ready (or when the legal framework is ready for some asset classes)

Portfolio Map (As of December 13, 2018)

36

Assets



Orico Hakataeki Minami Building

5th FP Acquired Assets



Smile Hotel Naha City Resort



Smile Hotel Hakataeki-Mae



Smile Hotel Nagoya-Sakae

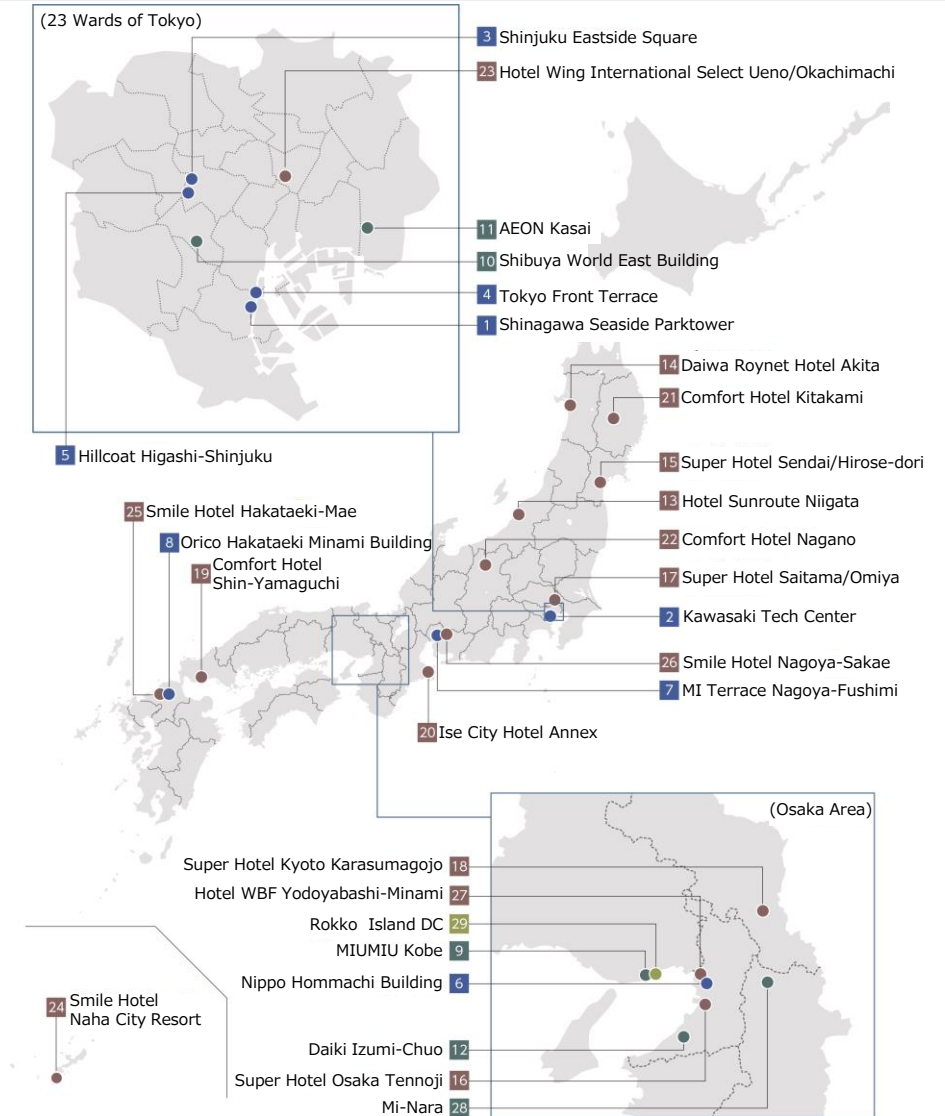


Hotel WBF Yodoyabashi-Minami



Rokko Island DC

6th FP Acquired Assets



Portfolio List (As of December 13, 2018)

37

	Asset Type		Property Name	Address	Date of Acquisition	Acquisition Price	% of the Portfolio	Appraisal NOI Yield (Note 1)	NOI Yield After Depreciation (Note 2)
Core Assets	Office	Large-Scale	Shinagawa Seaside Parktower	Shinagawa-ku, Tokyo	Dec. 2016	20,288	14.0%	4.4%	3.6%
			Kawasaki Tech Center	Kawasaki-shi, Kanagawa	Dec. 2016	23,182	16.0%	5.2%	4.4%
			Shinjuku Eastside Square	Shinjuku-ku, Tokyo	Dec. 2016	10,000	6.9%	3.9%	3.2%
			Tokyo Front Terrace	Shinagawa-ku, Tokyo	Oct. 2017	10,592	7.3%	4.1%	3.7%
		Mid-Sized	Hillcoat Higashi-Shinjuku	Shinjuku-ku, Tokyo	Dec. 2016	3,900	2.7%	4.1%	3.7%
			Nippo Hommachi Building	Osaka-shi, Osaka	Feb. 2018	1,465	1.0%	5.2%	4.6%
			MI Terrace Nagoya-Fushimi	Nagoya-shi, Aichi	Jun. 2018	8,886	6.1%	4.6%	4.2%
			Orico Hakataeki Minami Building	Fukuoka-shi, Fukuoka	Aug. 2018	1,680	1.2%	4.7%	4.4%
		Office (8 properties)				79,993	55.1%	4.5%	3.9%
	Retail	Urban	MIUMIU Kobe	Kobe-shi, Hyogo	(Note 4)	6,700	4.6%	4.7%	4.5%
			Shibuya World East Building	Shibuya-ku, Tokyo	Dec. 2016	3,200	2.2%	4.5%	4.3%
		Community Based	AEON Kasai	Edogawa-ku, Tokyo	Dec. 2016	9,420	6.5%	5.3%	4.7%
			Daiki Izumi-Chuo	Izumi-shi, Osaka	Dec. 2016	3,000	2.1%	4.5%	3.8%
		Retail (4 properties)				22,320	15.4%	4.9%	4.5%
	Hotel	Budget	Hotel Sunroute Niigata	Niigata-shi, Niigata	Dec. 2016	2,108	1.5%	6.4%	4.7%
			Daiwa Roynet Hotel Akita	Akita-shi, Akita	Dec. 2016	2,042	1.4%	5.8%	4.0%
			Super Hotel Sendai/Hirose-dori	Sendai-shi, Miyagi	Dec. 2016	1,280	0.9%	5.9%	4.8%
			Super Hotel Osaka/Tennoji	Osaka-shi, Osaka	Dec. 2016	1,260	0.9%	5.4%	4.8%
			Super Hotel Saitama/Omiya	Saitama-shi, Saitama	Dec. 2016	1,123	0.8%	5.4%	4.1%
			Super Hotel Kyoto/Karasumagojo	Kyoto-shi, Kyoto	Dec. 2016	1,030	0.7%	5.4%	4.7%
			Comfort Hotel Shin-Yamaguchi	Yamaguchi-shi, Yamaguchi	Dec. 2016	902	0.6%	5.7%	4.0%
			Ise City Hotel Annex	Ise-shi, Mie	Mar. 2018	1,800	1.2%	5.5%	4.7%
			Comfort Hotel Kitakami	Kitakami-shi, Iwate	Mar. 2018	820	0.6%	5.3%	3.0%
			Comfort Hotel Nagano	Nagano-shi, Nagano	Mar. 2018	580	0.4%	5.8%	4.8%
			Hotel Wing International Select Ueno/Okachimachi	Taito-ku, Tokyo	May. 2018	3,720	2.6%	4.4%	3.8%
			Smile Hotel Naha City Resort	Naha-shi, Okinawa	Nov. 2018	4,000	2.8%	5.9%	5.5%
			Smile Hotel Hakataeki-Mae	Fukuoka-shi, Fukuoka	Nov. 2018	3,800	2.6%	4.6%	4.1%
			Smile Hotel Nagoya-Sakae	Nagoya-shi, Aichi	Nov. 2018	2,950	2.0%	5.0%	4.5%
			Hotel WBF Yodoyabashi-Minami	Osaka-shi, Osaka	Nov. 2018	1,750	1.2%	4.7%	4.0%
		Hotel (15 properties)				29,165	20.1%	5.3%	4.4%
Growth Assets	Retail	Community Based	Mi-Nara	Nara-shi, Nara	Oct. 2017	4,944	3.4%	8.9%	6.8%
	Industrial	-	Rokko Island DC	Kobe-shi, Hyogo	Nov. 2018	8,650	6.0%	5.5%	4.2%
Total						145,072	100.0%	5.0%	4.2%

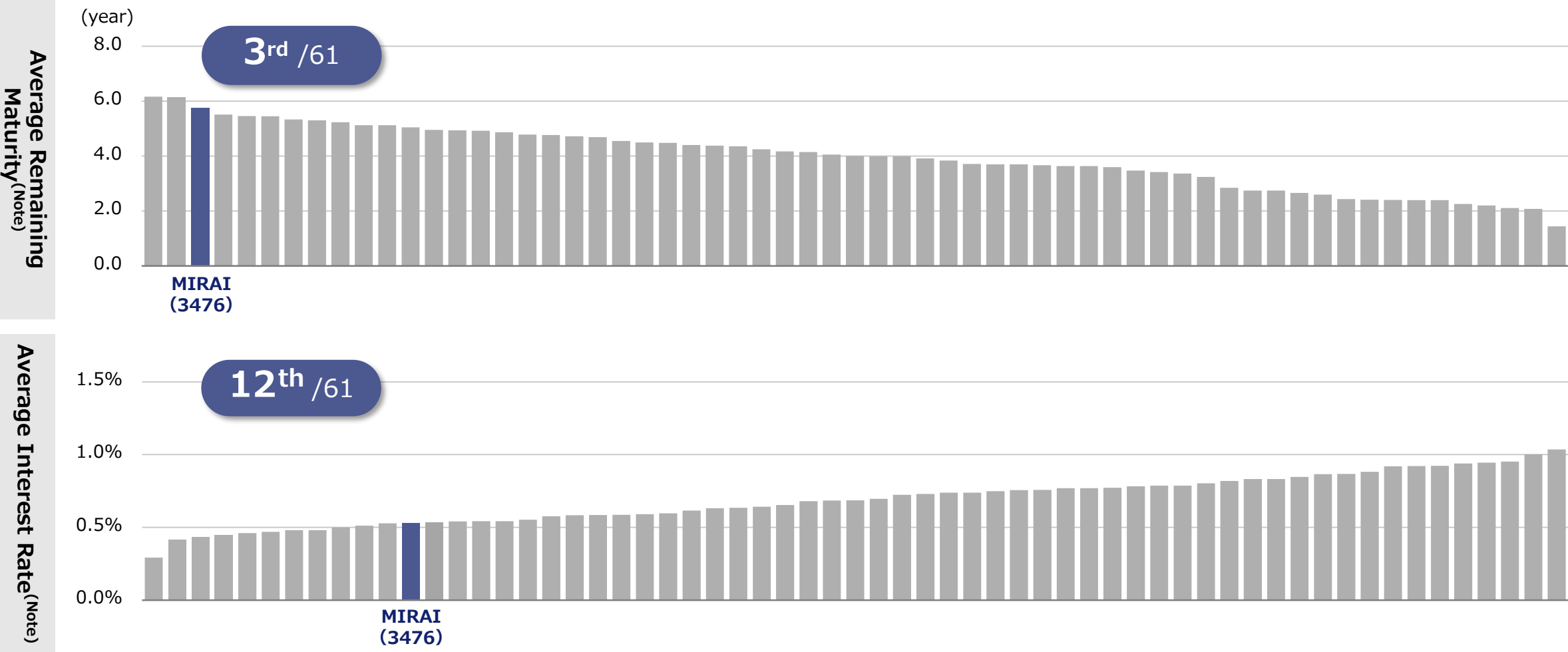
Note1: Calculated by dividing the "Appraisal NOI" by the acquisition price, rounded to the nearest tenth. "Appraisal NOI" refers to net operating income which is obtained by subtracting operating expenses from operating revenues stated in the appraisal reports. It is NOI before the depreciation and differs from Net Cash Flow which is derived by adding return on investment from security deposit to NOI and subtracting the capital expenditures. Above appraisal NOI is the first year NOI under DCF method (if there are any specific issues for the first year, it is the 2nd or the 3rd year). However, for real estate in trust that MIRAI has quasi-co-ownership of real estate trust beneficiary, value derived by multiplying the quasi-co-ownership stake to "Appraisal NOI" is used. The same shall apply hereinafter.

Note2: Calculated by dividing the value derived by subtracting the depreciation from "Appraisal NOI" by the acquisition price, rounded to the nearest tenth. Depreciation expense is tentatively calculated by the Asset Manager based on certain assumption utilizing straight-line method.

Note3: Based on condition as of end October 2018. For assets acquired on November 1, 2018, calculated based on effective lease contract on the date of acquisition.

Note4: The land was acquired on December 16, 2016 and the building was acquired on November 9, 2017.

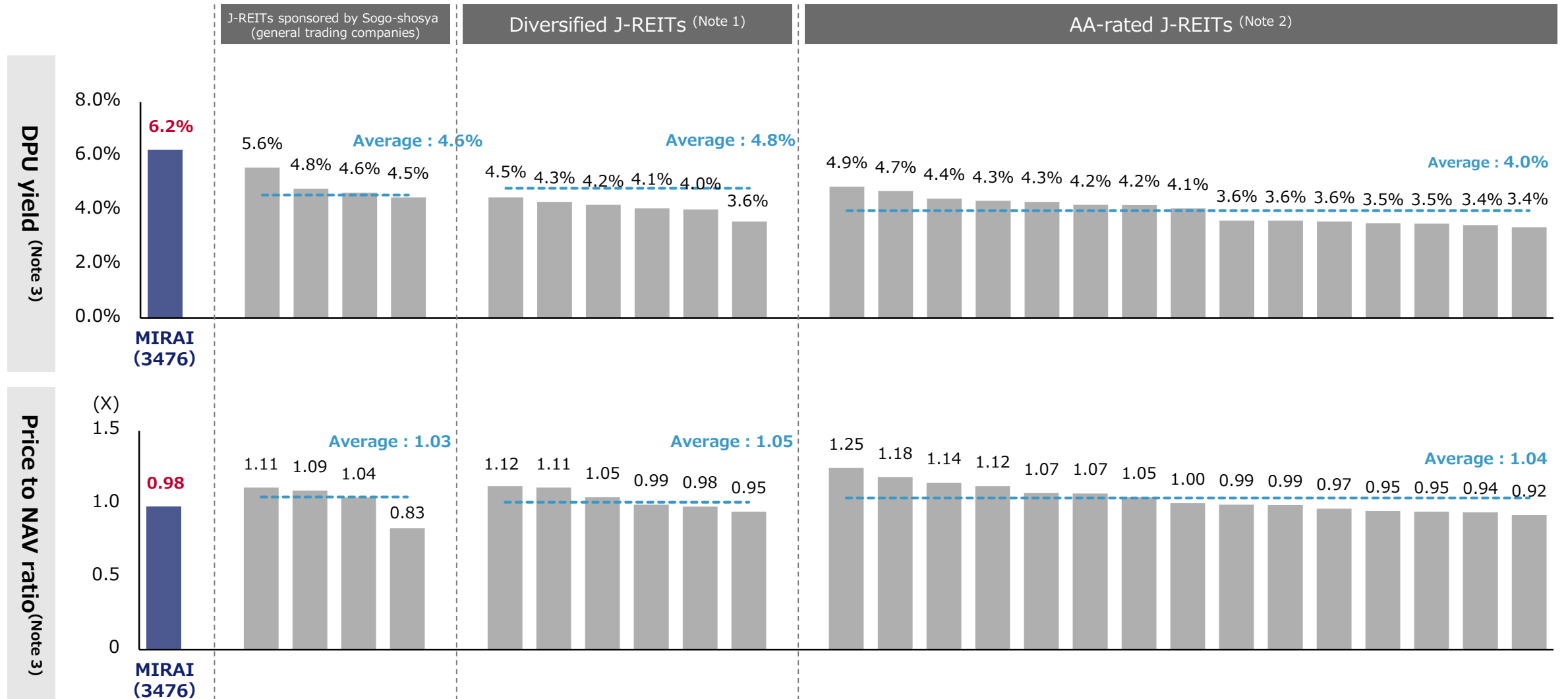
Comparison includes MIRAI and all AA- rated J-REITs (Note)



Note: Estimated by the Asset Manager based on the disclosed documents of each REIT as of end of November 2018 and may be different from actual.

Positioning of MIRAI Corporation (Valuation)

39



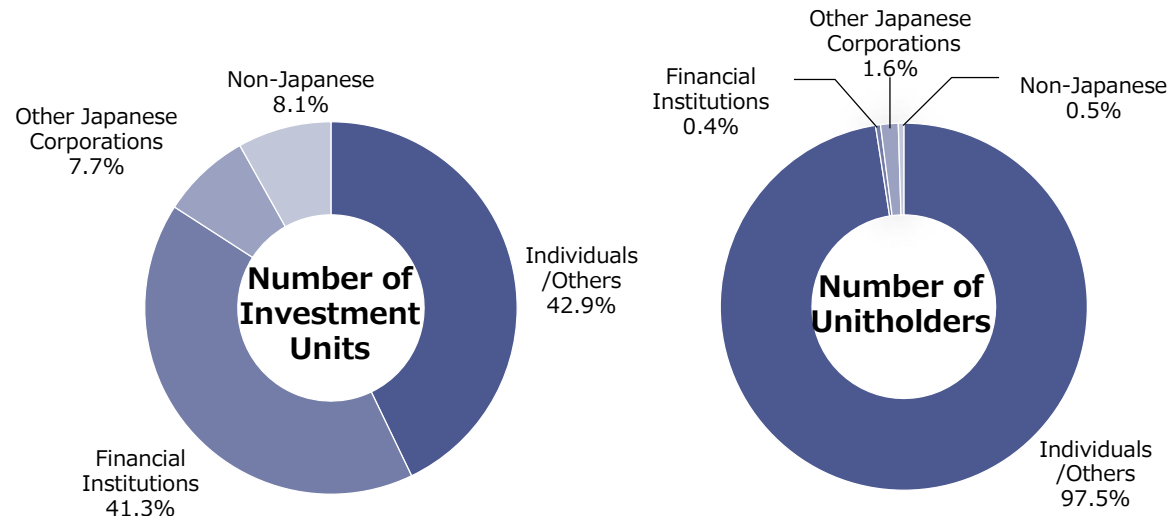
Note1: Comparison for each section is selected by the Asset Manager based on market cap etc.

Note2: J-REITs that obtained AA- credit rating from JCR.

Note3: DPU yield is based on the closing price of November 30, 2018. Price to NAV = Closing price of November 30, 2018 * Number of units issued / [Net asset following payment of DPU (most recently announcement figure) + unrealized gain (property appraisal value - book value)]

Number of Unitholders / Ownership by Investor Type

	Number of Investment Units	% of Total	vs. previous FP	Number of Unitholders	% of Total	vs. previous FP
Individuals /Others	145,416	42.9%	(4.3%)	17,805	97.5%	(0.2%)
Financial Institutions	139,941	41.3%	2.2%	80	0.4%	0.1%
Other Japanese Corporations	26,269	7.7%	(1.5%)	283	1.6%	0.0%
Non-Japanese	27,584	8.1%	3.7%	88	0.5%	0.1%
Total	339,210	100.0%	-	18,256	100.0%	-

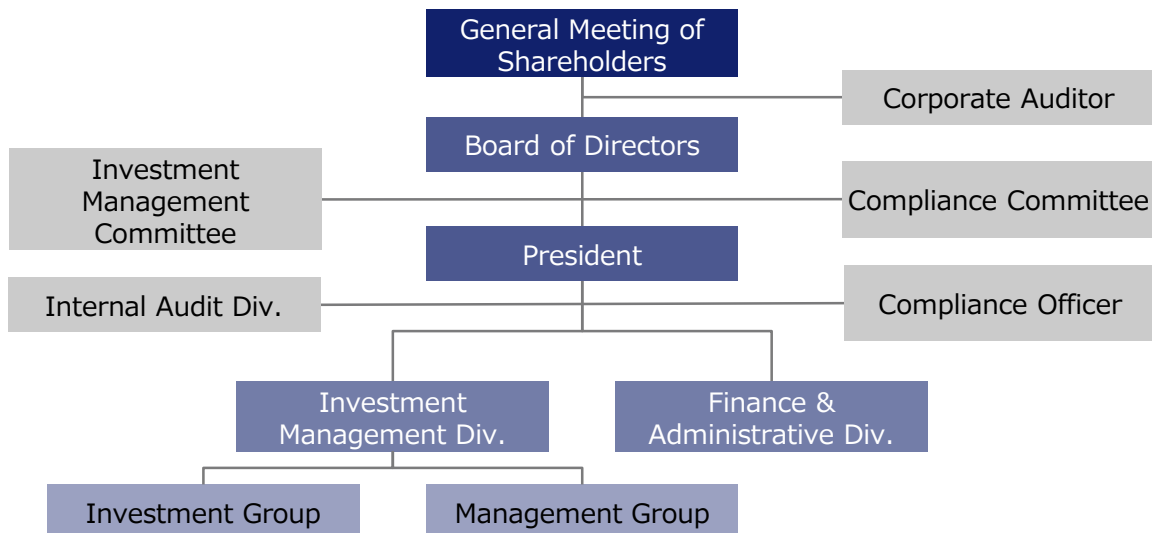


Major Unitholders

Unitholders	Number of Investment Units	% of Total
The Master Trust Bank of Japan, Ltd. (Trust account)	49,454	14.6%
Japan Trustee Services Bank, Ltd. (Trust account)	45,161	13.3%
The Nomura Trust and Banking Co., Ltd. (Investment trust account)	9,425	2.8%
Trust & Custody Service Bank, Ltd. (Securities investment trust account)	5,890	1.7%
BACLAYS CAPITAL SECURITIES LIMITED	5,560	1.6%
Mitsui & Co. Asset management Holdings Ltd.	5,000	1.5%
IDERA Capital Management Ltd.	5,000	1.5%
MSCO CUSTOMER SECURITIES	4,412	1.3%
The Hachijuni Bank Ltd	4,308	1.3%
Individual	2,700	0.8%
Total	136,910	40.4%

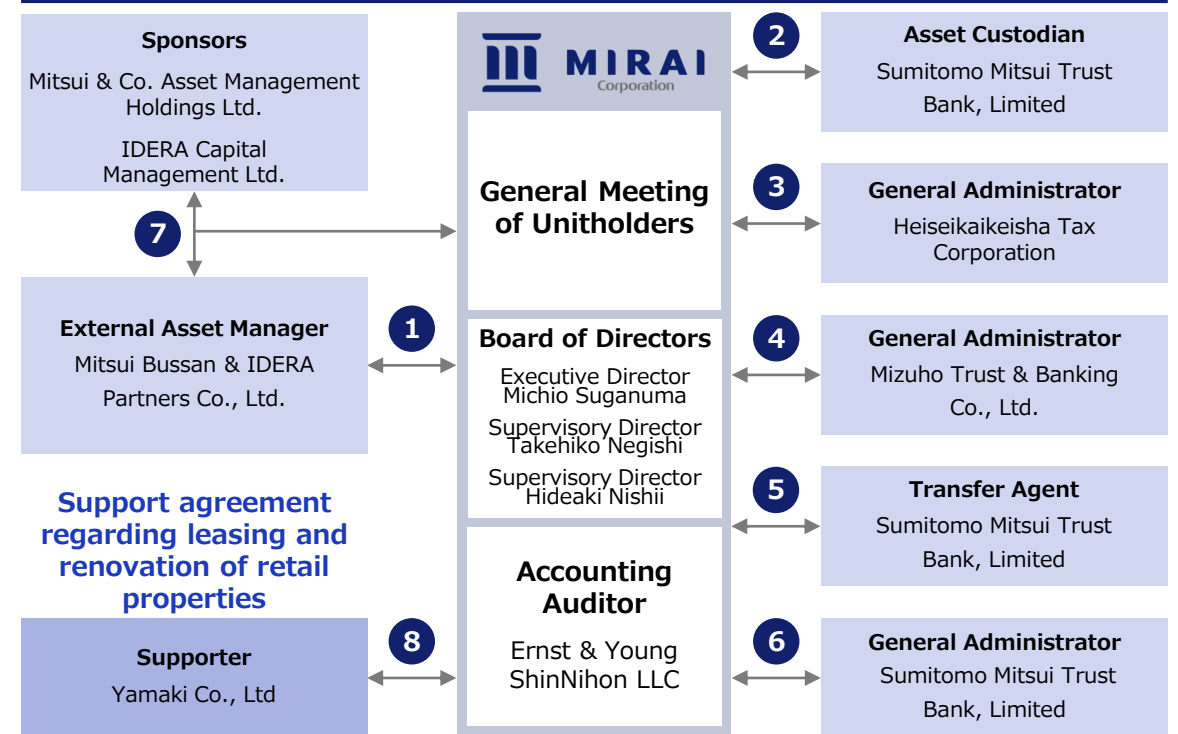
Asset Manager

Name	Mitsui Bussan & IDERA Partners co., Ltd.
Address	3-2-1 Nishi-kanda Chiyoda-ku, Tokyo 101-0065, Japan
Management	Representative Director, President/ Michio Suganuma Representative Director, Vice President CIO/ Shugo Yanagiya Executive Director, CFO, Head of Finance & Administrative Division/ Takashi Ueno Executive Director, Investment Management Division/ Hiroyuki Iwasaki Director (part-time)/ Toshifumi Nagahama Director (part-time)/ Takuya Yamada Corporate Auditor (part-time)/ Ichiro Tsutsumi
Shareholders	Mitsui & Co. Asset Management Holdings Ltd.(50%) IDERA Capital Management Ltd.(50%)
Paid-in capital	¥ 200 million
Registration & Licenses	Building lots and building transaction business; Tokyo Governor's Office license(1) No.98041 Discretionary transaction agent; Minister of Land, Infrastructure, and Transport Approval No.94 Financial Instruments Business Operator (Director of Kanto Finance Bureau(Kinsho) No.2876)



Note: Sponsor support agreements are entered into separately between each of the sponsor company and the Asset Management Company and MIRAI.

Governance Structure of MIRAI



- ① Asset management agreement
- ② Asset custody agreement
- ③ General administration agreement (accounting)
- ④ General administration agreement (institutional administration)
- ⑤ Transfer agency agreement
- ⑥ Fiscal Agency Agreement (investment corporation bonds)
- ⑦ Sponsor support agreement^(Note)
- ⑧ Support agreement

	Results of 4 th FP	Results of 5 th FP
AM Fee I (based on AUM) Up to 0.5% per year x total assets ^(Note)	305 million yen	294 million yen
AM Fee II (based on DPU) Up to 0.001% x DPU before AM Fee II x NOI after depreciation	28 million yen	31 million yen
Acquisition Fees Up to 1.0% x the acquisition price	50 million yen	142 million yen
Disposition Fees Up to 1.0% x the disposition price	120 million yen	
Merger Fees Up to 1.0% x the appraisal value of real estate related assets the counterparty of the merger holds at the time of merger to be transferred to and to be held by the new merged entity	None	None

Appendix 2. Financials in Detail

Statement of Income

(million yen)

Item	4th FP	5th FP
Operating revenue	3,958	4,417
Lease business revenue	2,993	3,256
Other lease business revenue	829	1,160
Operating expenses	134	-
Operating expenses	2,050	2,295
Expenses related to rent business	1,628	1,909
Asset management fee	333	326
Asset custody fee	4	5
Administrative service fees	11	12
Directors' compensations	3	3
Other operating expenses	68	36
Operating profit	1,907	2,122
Non-operating income	0	0
Non-operating expenses	209	255
Interest expenses	152	168
Amortization of investment corporation bond issuance costs /Borrowing related expenses	48	41
Investment unit issuance expenses	-	44
Other	9	-
Ordinary profit	1,698	1,867
Extraordinary income	175	56
Extraordinary losses	167	-
Income taxes	0	0
Profit	1,706	1,922
Retained earnings brought forward	119	61
Unappropriated retained earnings	1,825	1,984

Balance Sheet

(million yen)

Item	4th FP	5th FP
Current assets	5,359	5,620
Cash and deposits	2,964	2,958
Cash and deposits in trust	2,007	2,264
Consumption taxes receivable	-	151
Other	387	246
Non-current assets	111,662	126,139
Property, plant and equipment	111,245	125,687
Intangible assets/Other	417	451
Deferred assets	-	11
Total assets	117,022	131,772
Current liabilities	2,907	1,340
Operating accounts payable	906	405
Short-term loans payable	1,000	-
Accounts payable – other	374	385
Advances received	469	532
Other	156	18
Non-current liabilities	60,578	68,840
Investment corporation bond	-	1,000
Long-term loans payable	56,500	63,200
Tenant leasehold and security deposits in trust	4,016	4,640
Derivatives liabilities	61	-
Total liabilities	63,485	70,181
Unitholders' equity	53,598	61,579
Unitholders' capital	51,773	59,595
Surplus	1,825	1,984
Valuation and translation adjustments	(61)	11
Net assets	53,536	61,590
Total liabilities and net assets	117,022	131,772

Statement of Cash Flows

(million yen)

Item	4th FP	5th FP
Cash flows from operating activities	14,227	2,307
Profit before income taxes	1,707	1,923
Depreciation	412	453
Investment unit issuance expenses	-	44
Interest income	152	168
Loss on reduction of non-current assets	151	-
Decrease (increase) in operating accounts receivable	(23)	(26)
Decrease (increase) in accounts receivable - other	(151)	151
Decrease (increase) in prepaid expenses	(13)	5
Decrease (increase) in consumption taxes refund receivable	128	(151)
Increase (decrease) in operating accounts payable	267	(41)
Increase (decrease) in accounts payable - other	(126)	10
Increase (decrease) in accrued consumption taxes	140	(140)
Increase (decrease) in advances received	(20)	62
Decrease (increase) in long-term prepaid expenses	15	7
Decrease from sales of property, plant and equipment in trust	11,748	-
Other, net	(160)	(160)
Cash flows from investing activities	(6,502)	(14,762)
Purchase of property, plant and equipment in trust	(6,296)	(15,355)
Other, payment	(205)	592
Cash flows from financing activities	(8,017)	12,705
Increase(decrease) in short-term loans payable	(9,000)	(1,000)
Proceeds from long-term loans payable	2,500	6,700
Proceeds from issuance of investment corporation bonds	-	987
Proceeds from issuance of investment units	-	7,719
Dividends paid	(1,517)	(1,701)
Net increase (decrease) in cash and cash equivalents	(292)	250
Cash and cash equivalents at beginning of period	5,082	4,790
Cash and cash equivalents at end of period	4,790	5,040

Financial Summary by Property

(million yen)

	Shinagawa Seaside Parktower	Kawasaki Tech Center	Shinjuku Eastside Square	Tokyo Front Terrace	Hillcoat Higashi- Shinjuku	Nippo Hommachi Building	MI Terrace Nagoya- Fushimi	Orico Hakataeki Minami Building	MIUMIU Kobe	Shibuya World East Building	AEON Kasai	Daiki Izumi-Chuo
Operating revenue	756	972	249	321	74	54	247	Not disclosed (Note 1)	162	87	Not disclosed (Note 1)	Not disclosed (Note 1)
Lease business revenue	639	510	223	274	65	42	93		162	80		
Other lease business revenue	116	461	25	46	8	12	153		0	7		
Operating expense	291	367	65	115	22	14	44		4	23		
Outsourcing service expenses	55	82	24	18	6	5	20		0	4		
Utilities expenses	115	188	18	29	6	5	18		-	4		
Property and other taxes	72	52	17	37	8	-	0		3	5		
Repair expenses	5	11	2	9	0	2	2	-	-	0	-	-
Other expenses related to lease business	42	33	1	20	1	1	3		0	8		
NOI	464	604	183	205	51	40	202	21	158	63	247	107
Depreciation	81	89	38	19	8	4	17	2	5	2	26	9
Income (loss) from real estate leasing business	382	515	145	186	42	36	185	19	152	61	221	97
Capital expenditure	57	67	2	1	5	17	-	-	2	0	6	-
NCF	407	537	181	204	45	22	202	21	156	63	241	107
Book value	20,303	23,570	10,020	10,724	4,022	1,551	8,987	1,756	6,896	3,295	9,484	3,067
NOI yield (Note 2)	4.5%	5.1%	3.6%	3.8%	2.5%	5.2%	5.4%	4.8%	4.6%	3.9%	5.2%	6.9%
NOI yield after depreciation (Note 2)	3.7%	4.3%	2.9%	3.4%	2.1%	4.6%	4.9%	4.3%	4.4%	3.7%	4.6%	6.3%

Note1: Not disclosed because tenant's consent was not obtained.

Note2: Based on book value as of October 31,2018.

Financial Summary by Property

(million yen)

	Daiwa Roynet Hotel Akita	Super Hotel Sendai Hirose-dori	Super Hotel Osaka Tennoji	Super Hotel Saitama Omiya	Super Hotel Kyoto Karasumagojo	Comfort Hotel Shin- Yamaguchi	Ise City Hotel Annex	Comfort Hotel Kitakami	Comfort Hotel Nagano	Daiwa Roynet Hotel Akita	Hotel Wing International Select Ueno Okachimachi	Mi-Nara	Portfolio
Operating revenue	72	69	44	37	35	31	30	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	549	4,417
Lease business revenue	71	69	44	37	35	31	29					325	3,256
Other lease business revenue	0	-	-	-	-	0	0					223	1,160
Operating expense	13	9	6	4	4	3	5					391	1,456
Outsourcing service expenses	1	1	-	-	-	-	0					96	323
Utilities expenses	-	-	-	-	-	-	-					137	523
Property and other taxes	4	7	5	3	4	3	2					54	319
Repair expenses	6	-	-	-	-	-	1	52	25	17	80	6	53
Other expenses related to lease business	0	0	0	0	0	0	0					95	235
NOI	59	59	37	33	30	27	24					158	2,960
Depreciation	17	19	6	3	7	3	7	6	9	3	10	50	452
Income (loss) from real estate leasing business	41	40	31	29	23	23	16	46	16	14	70	107	2,507
Capital expenditure	19	-	2	-	-	-	0	1	-	0	-	63	249
NCF	40	59	35	33	30	27	23	51	25	16	80	95	2,710
Book value	2,173	2,024	1,278	1,267	1,114	1,034	901	1,876	854	606	3,872	5,003	125,687
NOI yield (Note 2)	5.4%	5.9%	5.9%	5.3%	5.5%	5.3%	5.3%	5.6%	6.0%	5.8%	4.5%	6.3%	4.7%
NOI yield after depreciation (Note 2)	3.8%	4.0%	4.9%	4.7%	4.2%	4.6%	3.7%	4.9%	3.8%	4.8%	3.9%	4.3%	4.0%

Note1: Not disclosed because tenant's consent was not obtained.

Note2: Based on book value as of October 31, 2018.

Appraisal Value Summary

Asset Type	Property Name	Book Value (million yen)	Appraisal Value (million yen)	Change		Value Calculated Using Cost Approach ^(Note) (million yen)	Capitalization Method		DCF Method	
				(million yen)	(ratio)		Value ^(Note) (million yen)	Capitalization Rate	Value ^(Note) (million yen)	Discount Rate
Office	Shinagawa Seaside Parktower	20,303	20,668	364	1.8%	19,907	20,668	4.2%	20,668	3.8%
	Kawasaki Tech Center	23,570	24,000	429	1.8%	16,700	24,300	4.4%	23,800	4.2%
	Shinjuku Eastside Square	10,020	10,150	129	1.3%	10,200	10,350	3.9%	9,900	3.7%
	Tokyo Front Terrace	10,724	10,893	169	1.6%	10,240	10,943	4.0%	10,793	3.7%
	Hillcoat Higashi-Shinjuku	4,022	3,890	(132)	(3.3%)	3,830	3,930	4.2%	3,850	3.9%
	Nippo Hommachi Building	1,551	1,550	(1)	(0.1%)	1,170	1,580	4.4%	1,520	4.2%
	MI Terrace Nagoya-Fushimi	8,987	9,630	642	7.2%	9,170	9,800	4.1%	9,460	3.9%
	Orico Hakataeki Minami Building	1,756	1,800	43	2.5%	1,600	1,810	4.2%	1,800	3.8%
	Office (8 properties)	80,936	82,581	1,645	2.0%	72,818	83,382	-	81,791	-
Retail	MIUMIU Kobe	6,896	7,370	473	6.9%	3,430	7,520	4.2%	7,310	4.0%
	Shibuya World East Building	3,295	3,860	564	17.1%	3,820	3,940	3.6%	3,780	3.4%
	AEON Kasai	9,484	9,580	95	1.0%	9,450	9,620	5.1%	9,540	4.7%
	Daiki Izumi-Chuo	3,067	2,500	(567)	(18.5%)	3,410	2,550	5.1%	2,480	4.9%
	Mi-Nara	5,003	5,520	516	10.3%	7,680	5,430	5.8%	5,560	5.6%
	Retail (5 properties)	27,746	28,830	1,083	3.9%	27,790	29,060	-	28,670	-
Hotel	Hotel Sunroute Niigata	2,173	2,260	86	4.0%	1,360	2,250	5.2%	2,260	5.0%
	Daiwa Roynet Hotel Akita	2,024	2,200	175	8.7%	1,150	2,170	5.3%	2,210	5.1%
	Super Hotel Sendai/Hirose-dori	1,278	1,540	261	20.4%	1,540	1,550	4.6%	1,520	4.4%
	Super Hotel Osaka/Tennoji	1,267	1,550	282	22.3%	936	1,570	4.3%	1,520	4.1%
	Super Hotel Saitama/Omiya	1,114	1,210	95	8.6%	1,120	1,220	4.7%	1,190	4.5%
	Super Hotel Kyoto/Karasumagojo	1,034	1,260	225	21.8%	1,010	1,280	4.3%	1,230	4.0%
	Comfort Hotel Shin-Yamaguchi	901	960	58	6.5%	513	957	5.2%	961	5.0%
	Ise City Hotel Annex	1,876	1,840	(36)	(2.0%)	502	1,860	5.0%	1,830	4.8%
	Comfort Hotel Kitakami	854	844	(10)	(1.2%)	666	845	5.1%	843	4.9%
	Comfort Hotel Nagano	606	600	(6)	(1.1%)	302	598	4.9%	601	4.7%
	Hotel Wing International Select Ueno/Okachimachi	3,872	4,130	257	6.7%	2,690	4,210	3.8%	4,090	3.6%
	Hotel (11 properties)	17,004	18,394	1,389	8.2%	11,789	18,510	-	18,255	-
Total		125,687	129,805	4,117	3.3%	112,397	130,952		128,716	

Note: Figures shown are amounts obtained by multiplying values listed on appraisal reports by quasi-co-ownership stakes for assets with quasi-co-ownership.

Appraisal Value Summary (Changes from previous period)

Asset Type	Property Name	Appraisal Value			Capitalization Rate		Discount Rate		Terminal Capitalization Rate	
		(million yen)	Changes in Appraisal (amount)	Changes in Appraisal (ratio)		(change)		(change)		(change)
Office	Shinagawa Seaside Parktower	20,668	63	0.3%	4.2%	-	3.8%	-	4.3%	-
	Kawasaki Tech Center	24,000	-	-	4.4%	-	4.2%	-	4.6%	-
	Shinjuku Eastside Square	10,150	100	1.0%	3.9%	-	3.7%	-	4.1%	-
	Tokyo Front Terrace	10,893	100	0.9%	4.0%	-	3.7%	-	4.1%	-
	Hillcoat Higashi-Shinjuku	3,890	20	0.5%	4.2%	-	3.9%	-	4.3%	-
	Nippo Hommachi Building	1,550	-	-	4.4%	-	4.2%	-	4.6%	-
	MI Terrace Nagoya-Fushimi	9,630	-	-	4.1%	-	3.9%	-	4.3%	-
	Orico Hakataeki Minami Building	1,800	-	-	4.2%	-	3.8%	-	4.4%	-
	Office (8 properties)	82,581	283	-	-	-	-	-	-	-
Retail	MIUMIU Kobe	7,370	30	0.4%	4.2%	-	4.0%	-	4.4%	-
	Shibuya World East Building	3,860	450	13.2%	3.6%	(0.1%)	3.4%	(0.1%)	3.8%	(0.1%)
	AEON Kasai	9,580	10	0.1%	5.1%	-	4.7%	-	5.3%	-
	Daiki Izumi-Chuo	2,500	(10)	(0.4%)	5.1%	-	4.9%	-	5.3%	-
	Mi-Nara	5,520	-	-	5.8%	-	5.6%	-	6.0%	-
	Retail (5 properties)	28,830	480	-	-	-	-	-	-	-
Hotel	Hotel Sunroute Niigata	2,260	-	-	5.2%	-	5.0%	-	5.4%	-
	Daiwa Roynet Hotel Akita	2,200	10	0.5%	5.3%	-	5.1%	-	5.5%	-
	Super Hotel Sendai/Hirose-dori	1,540	10	0.7%	4.6%	-	4.4%	-	4.8%	-
	Super Hotel Osaka/Tennoji	1,550	-	-	4.3%	-	4.1%	-	4.5%	-
	Super Hotel Saitama/Omiya	1,210	10	0.8%	4.7%	-	4.5%	-	4.9%	-
	Super Hotel Kyoto/Karasumagojo	1,260	-	-	4.3%	-	4.0%	-	4.6%	-
	Comfort Hotel Shin-Yamaguchi	960	2	0.2%	5.2%	-	5.0%	-	5.4%	-
	Ise City Hotel Annex	1,840	20	1.1%	5.0%	-	4.8%	-	5.2%	-
	Comfort Hotel Kitakami	844	1	0.1%	5.1%	-	4.9%	-	5.3%	-
	Comfort Hotel Nagano	600	3	0.5%	4.9%	-	4.7%	-	5.1%	-
	Hotel Wing International Select	4,130	-	-	3.8%	-	3.6%	-	4.0%	-
	Hotel (11 properties)	18,394	56	-	-	-	-	-	-	-
Total		129,805	819	-	-	-	-	-	-	-

Overview of Loans (As of December 13, 2018)

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	Debt Providers	Amount (million yen)	Interest Rate	Drawdown Date	Term	Maturity Date	Principal Repayment Method	Description
Long-term Loan	Sumitomo Mitsui Banking Corporation / Resona Bank, Limited.	8,000	0.75% ^(Note)	December 16, 2016	10 years	November 30, 2026	Bullet Repayment on Maturity	Unsecured and Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	5,000	0.59% ^(Note)		8 years	November 29, 2024		
	Sumitomo Mitsui Banking Corporation / The Bank of Fukuoka, LTD. Resona Bank, Limited.	10,000	0.50% ^(Note)		7 years	November 30, 2023		
	Development Bank of Japan Inc.	2,000	0.62%		6 years	November 30, 2022		
	Sumitomo Mitsui Trust Bank, Limited / Shinsei Bank, Limited	7,000	0.37% ^(Note)		5 years	November 30, 2021		
	Mizuho Bank, Ltd.	10,000	0.37%		7 years	April 30, 2024		
	Mizuho Trust & Banking Co., Ltd.	2,000	0.45%	April 28, 2017				
	Sumitomo Mitsui Trust Bank, Limited / Shinsei Bank, Limited	3,000	0.54% ^(Note)	October 26, 2017	7.8 years	July 31, 2025		
	The Nanto Bank, Ltd	1,000	0.54% ^(Note)		9.8 years	July 30, 2027		
	Resona Bank, Limited.	1,000	0.71% ^(Note)		10 years	October 29, 2027		
	Sumitomo Mitsui Banking Corporation / The Bank of Fukuoka, LTD.	5,000	0.73% ^(Note)	October 31, 2017				
	Shinsei Bank, Limited	1,000	0.57% ^(Note)	March 1, 2018	7.9 years	January 30, 2026		
	Resona Bank, Limited.	500	0.57% ^(Note)		5.9 years	January 31, 2024		
	Mizuho Bank, Ltd.	1,000	0.48%					
	Sumitomo Mitsui Banking Corporation	2,000	0.53% ^(Note)	May 15, 2018	7.0 years	April 30, 2025		
	Mizuho Bank, Ltd.	1,500	0.56%					
	MUFG Bank, Ltd.	1,500	0.31%	June 1, 2018	2.9 years	April 30, 2021		
	Mizuho Trust & Banking Co., Ltd.	1,700	0.62%	August 1, 2018	10 years	July 31, 2028		
	Mizuho Bank, Ltd.	2,500	0.68%	November 1, 2018	8 years	October 30, 2026		
	Sumitomo Mitsui Banking Corporation	3,000	0.57% ^(Note)		7 years	October 31, 2025		
	Sumitomo Mitsui Trust Bank, Limited / Shinsei Bank, Limited	3,500	0.42% ^(Note)		5 years	October 31, 2023		
	MUFG Bank, Ltd.	1,500	0.32%		3 years	October 29, 2021		
	Unsecured Bond #1	1,000	0.64%	July 26, 2018	10 years	July 26, 2028	-	
Total/Average		74,700	0.53%	7.2 years				

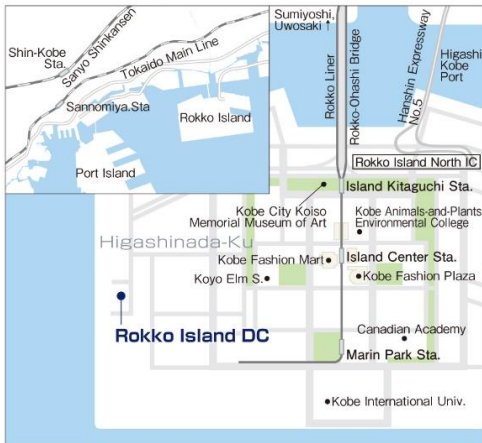
Note: MIRAI signed an interest rate swap agreement. Accordingly, the interest rate provided above has been fixed under the terms of this agreement and will be used in repayment.

Appendix 3. Portfolio in Detail

Rokko Island DC

Growth

Industrial



Acquisition Price **8,650** million yen

Appraisal NOI yield **5.5** %

- The asset to be acquired is located at about 2.5 km from Rokko Island North Exit (IC) of Route 5 Bayshore Line and there is also a bridge connecting the island to the mainland. It is a superior location in covering not only Hanshin area but overall western Japan area.
- In addition to 15-year long-term lease agreement, continuous usage of the property is expected as it serves as a core hub center in western Japan which will be an important function for the tenant.
- The asset is a large-scale logistics center with 3 temperature zones (frozen, chilled, room temperature) for a major restaurant chain and highly convenient for delivery as a facility dedicated for a tenant in food industry with automatic multi-level warehouse (room temperature and frozen) and storage and retrieval berths with dock shelter on both sides of the 1st floor.



Address	6-2-12, Koyo-cho-Nishi, Higashinada-ku, Kobe-shi, Hyogo
Land area	26,304.75m ²
Floor area	14,381.16m ²
Structure	S 2F
Occupancy rate (number of tenants)	100.0% (1)
Completion	May 2016

Orico Hakataeki Minami Building

Office



Acquisition Price **1,680** million yen

Appraisal NOI yield **4.7** %

- The property is located one-minute walk from "Eki-minami 3 chome" bus stop of Nishitetsu bus which has frequent bus services. It is also within walking distance of 12 minutes from "Hakata" station which is the large terminal station in Kyusyu.
- Numerous initiatives for large scale development and international focused development project including Tenjin Big Bang are ongoing in Hakata area. This property is located the area which is expected to see further development in the future.
- The property is an office building facing Hyakunobashi dori offering high visibility and 120 tsbu of space on standard floors.
- The tenant is Orient Corporation which is a major consumer finance company. The lease is a long term single tenant contract.



Address	3-7-30, Hakataeki-minami, Hakata-ku, Fukuoka-shi, Fukuoka
Land area	525.04m ²
Floor area	2,845.60m ²
Structure	S 7F
Occupancy rate (number of tenants)	100.0% (1)
Completion	August 2002

Smile Hotel Naha City Resort

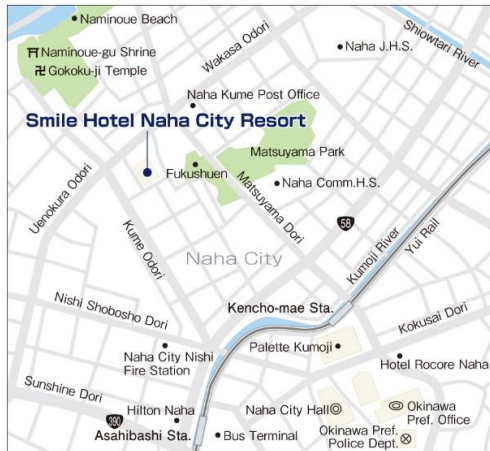
Hotel



Acquisition Price **4,000** million yen

Appraisal NOI yield **5.9** %

- The hotel is located nine-minute walk from Prefectural Office station of Okinawa Urban Monorail (Yui Rail) and 10 minutes away by car from Naha Airport.
- Majority of the guest rooms are 20m² standard twin rooms while other types of guest rooms ranging from 16m² to 90m² (Japanese-Western style room) are also offered and it can cater for expanding tourist demand, ranging from business, family and inbound tourists.
- MIRAI has signed a long-term lease agreement for the property. By introducing combination of minimum guarantee rent and variable rent, rent revenue increases and decreases based on the hotel's operating profit.
- K.K Hospitality Operations, the operator of the hotel, operates "Smile Hotel" as its core brand and is a hotel operating arm of Hospitality Partners Group. It operates total 60 hotels in Japan (as of October 5, 2018).



Address	2-32-1, Kume, Naha-shi, Okinawa
Land area	2,343.96m ²
Floor area	9,698.44m ²
Structure	S/RC 11F
Number of rooms	227
Occupancy rate (number of tenants)	100.0% (1)
Completion	June 1988

Smile Hotel Hakataeki-Mae

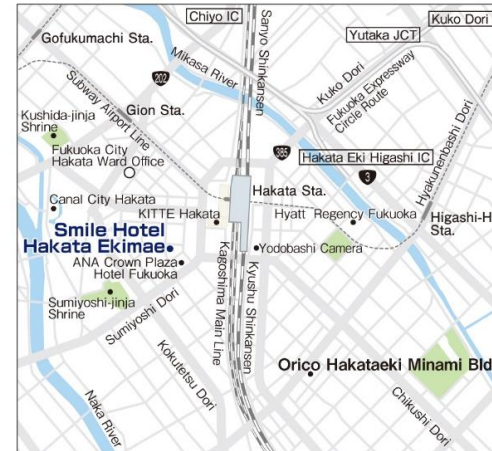
Hotel



Acquisition Price **3,800** million yen

Appraisal NOI yield **4.6** %

- The hotel is in Hakata district of Hakata city, which is the biggest city in Kyushu and is located four-minute walk from JR Hakata station.
- The hotel has 118 guest rooms. It will cater for both business and tourist demand by offering 97 single rooms, 10 double rooms, 10 twin rooms and 1 universal access room and is an efficient scale as a limited service hotel.
- MIRAI has signed a long-term lease agreement for the property. By introducing combination of minimum guarantee rent and variable rent, rent revenue increases and decreases based on the hotel's operating profit.
- K.K Hospitality Operations, the operator of the hotel, operates "Smile Hotel" as its core brand and is a hotel operating arm of Hospitality Partners Group. It operates total 60 hotels in Japan (as of October 5, 2018).



Address	3-8-18, Hakataeki-mae, Hakata-ku, Fukuoka-shi, Fukuoka
Land area	384.84m ²
Floor area	2,426.78m ²
Structure	RC 11F
Number of rooms	118
Occupancy rate (number of tenants)	100% (1)
Completion	February 2017

Details of Each Property (Newly Acquired Assets)(3/3)

54

Smile Hotel Nagoya-Sakae

Hotel



Acquisition Price **2,950** million yen

Appraisal NOI yield **5.0** %

- The hotel to be acquired offers convenient access, being located five-minute walk from Sakae station of Nagoya Municipal Subway.
- The hotel has 141 guest rooms, majority of which are double rooms. It will cater for both business and tourist demand.
- MIRAI has signed a long-term lease agreement for the property. By introducing combination of minimum guarantee rent and variable rent, rent revenue increases and decreases based on the hotel's operating profit.
- K.K Hospitality Operations, the operator of the hotel, operates "Smile Hotel" as its core brand and is a hotel operating arm of Hospitality Partners Group. It operates total 60 hotels in Japan (as of October 5, 2018).



Address	4-10-5, Sakae, Naka-ku, Nagoya-shi, Aichi
Land area	583.70m ²
Floor area	2,909.20m ²
Structure	RC 13F
Number of rooms	141
Occupancy rate (number of tenants)	100.0% (1)
Completion	September 2008

Hotel WBF Yodoyabashi-Minami

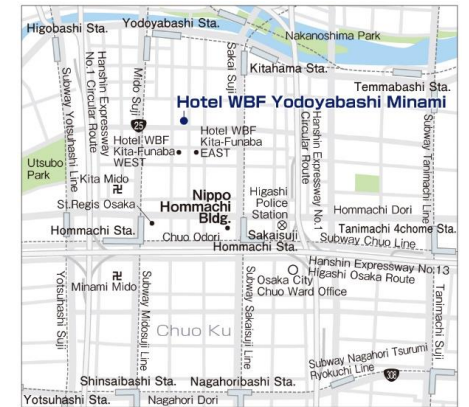
Hotel



Acquisition Price **1,750** million yen

Appraisal NOI yield **4.7** %

- The hotel offers convenient access, being located five-minute walk from Yodoyabashi station of Osaka Metro.
- The hotel has 96 guest rooms. It will cater for both business and tourist demand by offering 16 single rooms, 57 large single rooms, 15 twin rooms, 7 superior twin rooms and 1 universal access double room.
- White Bear Family Co., Ltd., the operator, is a group company of WBF holdings. WBF Group operates total 29 hotels in Japan (as of August 10, 2018).



Address	3-1-6, Hirano-machi, Chuo-ku, Osaka-shi, Osaka
Land area	295.42m ²
Floor area	1,821.56m ²
Structure	S 9F
Number of rooms	96
Occupancy rate (number of tenants)	100% (1)
Completion	January 2017

Shinagawa Seaside Parktower (63.4% quasi-co-ownership)^(Note 1)

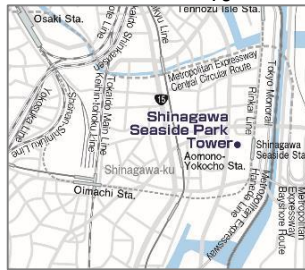
Office


Acquisition Price^(Note 1)

20,288 million yen

Appraisal NOI yield

4.4%



Address	4-12-4, Higashi-Shinagawa, Shinagawa-ku, Tokyo
Land area	17,386.11m ² (Note2)
Floor area	55,930.90m ² (the entire property) ^(Note2)
Structure	① Parking SRC 1F ② Office/Shop SRC/RC/S B2/25F ③ Parking SRC 1F
Occupancy rate (number of tenants)	100.0%(23)
Completion	① September 2002 ②③ July 2003

Shinjuku Eastside Square (5.0% quasi-co-ownership)

Office

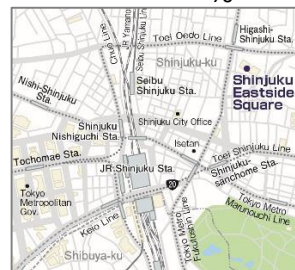


Acquisition Price

10,000 million yen

Appraisal NOI yield

3.9%



Address	6-27-30, Shinjuku, Shinjuku-ku, Tokyo
Land area	25,320.28m ² (the entire property)
Floor area	167,031.19m ² (the entire property)
Structure	S/RC B2/20F
Occupancy rate (number of tenants)	100.0%(40)
Completion	March 2012

Note1 : MIRAI has disposed of 36.6% quasi-co-ownership at the end of February 2018 and the ratio is calculated based on the figure after the disposition.

Note2 : MIRAI owns sectional ownership and part co-ownership of the property.

Note3 : The trust whose beneficiary interest MIRAI acquired holds the co-ownership interests concerning part of the entire site of "Sea Fort Square", including the site of the property. The proportion of the co-ownership interests is 3,675,562/10,000,000. Other sections of the entire site of "Sea Fort Square" are owned by third parties, with site usage right established under management agreement.

Note4 : The total floor area of the entire complex is presented. The trust whose beneficiary interests MIRAI acquired owns exclusive floor area equal to 28,954.48m² based on real estate register, corresponding to sectional ownership and co-ownership interest. MIRAI owns 50.2% of the quasi-co-ownership beneficiary interests of the trust.

Kawasaki Tech Center

Office



Acquisition Price

23,182 million yen

Appraisal NOI yield

5.2%



Address	580-16, Horikawa-cho, Saiwai-ku, Kawasaki-shi, Kanagawa
Land area	5,662.48m ²
Floor area	47,036.44m ²
Structure	S/RC/SRC B3/20F
Occupancy rate (number of tenants)	94.8%(22)
Completion	February 1988

Tokyo Front Terrace (50.2% quasi-co-ownership)

Office

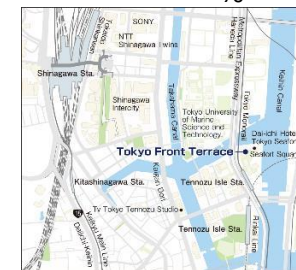


Acquisition Price

10,592 million yen

Appraisal NOI yield

4.1%



Address	2-3-14, Higashi-Shinagawa, Shinagawa-ku, Tokyo
Land area	17,189.24m ² (Note3)
Floor area	146,697.51m ² (Note4)
Structure	SRC B2/30F
Occupancy rate (number of tenants)	100.0%(23)
Completion	June 1992

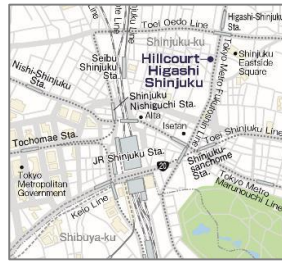
Hillcoat Higashi-Shinjuku

Office



Acquisition Price
3,900 million yen

Appraisal NOI yield
4.1 %



Address	2-2-15, Kabuki-cho, Shinjuku-ku, Tokyo
Land area	628.09㎡
Floor area	4,480.44㎡
Structure	SRC B1/8F
Occupancy rate (number of tenants)	100.0% (6)
Completion	July 1987

MI Terrace Nagoya-Fushimi

Office



Acquisition Price
8,886 million yen

Appraisal NOI yield
4.6 %



Address	1-10-1, Nishiki, Naka-ku, Nagoya-shi, Aichi
Land area	1,980.56㎡
Floor area	14,481.95㎡
Structure	S 12F
Occupancy rate (number of tenants)	100.0%(9)
Completion	February 1993

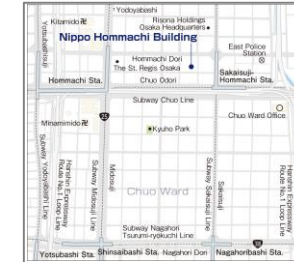
Nippo Hommachi Building

Office



Acquisition Price
1,465 million yen

Appraisal NOI yield
5.2 %



Address	2-4-6, Minami-Hommachi, Chuo-ku, Osaka-shi, Osaka
Land area	502.95㎡
Floor area	3,841.12㎡
Structure	SRC 11F
Occupancy rate (number of tenants)	92.0% (36)
Completion	August, 1990

MIUMIU Kobe

Retail



Acquisition Price
6,700 million yen

Appraisal NOI yield
4.7 %



Address	18-1, Akashi-cho, Chuo-ku, Kobe-shi, Hyogo
Land area	383.83㎡
Floor area	874.03㎡
Structure	S 3F
Occupancy rate (number of tenants)	100.0% (1)
Completion	July 2017

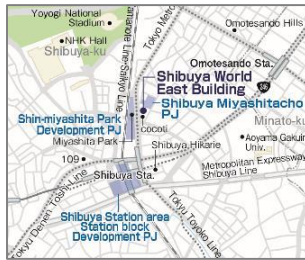
Shibuya World East Building

Retail



Acquisition Price
3,200 million yen

Appraisal NOI yield
4.5 %



Address	1-23-18, Shibuya, Shibuya-ku, Tokyo
Land area	267.99㎡
Floor area	1,880.68㎡
Structure	SRC 10F
Occupancy rate (number of tenants)	100.0%(8)
Completion	October 1984

Daiki Izumi-Chuo

Retail



Acquisition Price
3,000 million yen

Appraisal NOI yield
4.5 %



Address	5-6-17, Ibuki-no, Izumi-shi, Osaka
Land area	9,712.37㎡
Floor area	6,891.87㎡
Structure	S 3F
Occupancy rate (number of tenants)	100.0%(1)
Completion	October 2008

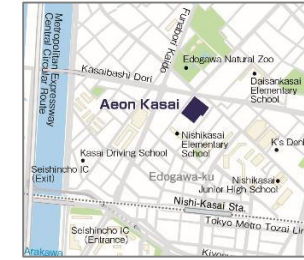
AEON Kasai

Retail



Acquisition Price
9,420 million yen

Appraisal NOI yield
5.3 %



Address	3-9-19, Nishi-Kasai, Edogawa-ku, Tokyo
Land area	20,063.51㎡ (the entire property)
Floor area	38,454.66㎡
Structure	① Store RC 5F ② Parking SRC 6F ③ Office SRC 5F
Occupancy rate (number of tenants)	100.0%(1)
Completion	① November 1982 ② May 1983 ③ April 1983

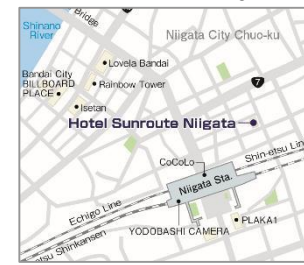
Hotel Sunroute Niigata

Hotel



Acquisition Price
2,108 million yen

Appraisal NOI yield
6.4 %



Address	1-11-25, Higashi-Odori, Chuo-ku, Niigata-shi, Niigata
Land area	1,402.51㎡
Floor area	8,255.81㎡
Structure	S/SRC/RC B1F/14F
Number of rooms	231
Occupancy rate (number of tenants)	100.0%(2)
Completion	August 1992

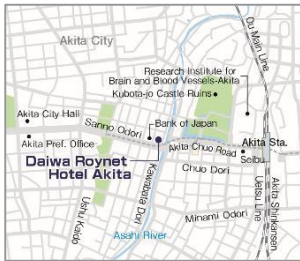
Daiwa Roynet Hotel Akita

Hotel



Acquisition Price
2,042 million yen

Appraisal NOI yield
5.8 %



Address	2-2-41, Omachi, Akita-shi, Akita
Land area	1,540.15㎡
Floor area	7,439.36㎡
Structure	S 14F
Number of rooms	221
Occupancy rate (number of tenants)	100.0%(1)
Completion	June 2006

Super Hotel Osaka/Tennoji

Hotel



Acquisition Price
1,260 million yen

Appraisal NOI yield
5.4 %



Address	2-3-3, Osaka, Tennoji-ku, Osaka-shi, Osaka
Land area	490.65㎡
Floor area	2,486.39㎡
Structure	RC 9F
Number of rooms	124
Occupancy rate (number of tenants)	100.0%(1)
Completion	January 2004

Super Hotel Sendai/Hirose-dori

Hotel



Acquisition Price
1,280 million yen

Appraisal NOI yield
5.9 %



Address	2-9-23, Chuo, Aoba-ku, Sendai-shi, Miyagi
Land area	549.10㎡
Floor area	3,251.77㎡
Structure	RC 10F
Number of rooms	180
Occupancy rate (number of tenants)	100.0%(1)
Completion	January 2007

Super Hotel Saitama/Omiya

Hotel



Acquisition Price
1,123 million yen

Appraisal NOI yield
5.4 %



Address	1-12-6, Sakuragi-cho, Omiya-ku, Saitama-shi, Saitama
Land area	597.25㎡
Floor area	2,946.55㎡
Structure	RC 10F
Number of rooms	157
Occupancy rate (number of tenants)	100.0%(1)
Completion	July 2006

Super Hotel Kyoto/Karasumagojo

Hotel



Acquisition Price

1,030 million yen

Appraisal NOI yield

5.4 %


Address	396-3, Osaka-cho, Gojo-sagaru, Karasuma-dori, Shimogyo-ku, Kyoto-shi, Kyoto
Land area	337.23m ²
Floor area	2,144.02m ²
Structure	RC 10F
Number of rooms	108
Occupancy rate (number of tenants)	100%(1)
Completion	January 2004

Ise City Hotel Annex

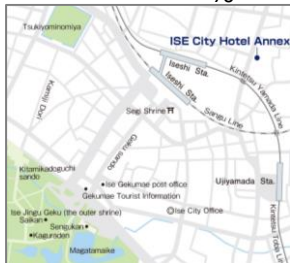
Hotel



Acquisition Price

1,800 million yen

Appraisal NOI yield

5.5 %


Address	2-5-11, Fukiage, Ise-shi, Mie
Land area	1,587.58m ²
Floor area	4,099.31m ²
Structure	SRC 10F
Number of rooms	143
Occupancy rate (number of tenants)	100%(1)
Completion	November, 1991

Comfort Hotel Shin-Yamaguchi

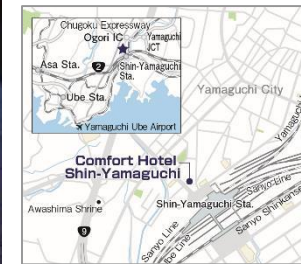
Hotel



Acquisition Price

902 million yen

Appraisal NOI yield

5.7 %


Address	1255-1, Shimogou, Ogori, Yamaguchi-shi, Yamaguchi
Land area	754.06m ²
Floor area	2,999.01m ²
Structure	S 8F
Number of rooms	139
Occupancy rate (number of tenants)	100%(1)
Completion	August 2007

Comfort Hotel Kitakami

Hotel



Acquisition Price

820 million yen

Appraisal NOI yield

5.3 %


Address	①(Hotel) 1-2-1, Kawagishi, Kitakami-shi, Iwate ②(Retail Store) 1-2-8, Kawagishi, Kitakami-shi, Iwate
Land area	2,809.93m ²
Floor area	①(Hotel) 2,775.65m ² ②(Retail Store) 177.36m ²
Structure	①(Hotel) RC 6F ②(Retail Store) S 1F
Number of rooms	129
Occupancy rate (number of tenants)	100% (2)
Completion	①(Hotel) January 2009 ②(Retail Store) October 2008

Comfort Hotel Nagano

Hotel



Acquisition Price

580 million yen

Appraisal NOI yield

5.8 %


Address	1-12-4, Minami-chitose, Nagano-shi, Nagano
Land area	396.28㎡
Floor area	1,921.45㎡
Structure	S 8F
Number of rooms	76
Occupancy rate (number of tenants)	100% (1)
Completion	August 1992

Growth

Retail

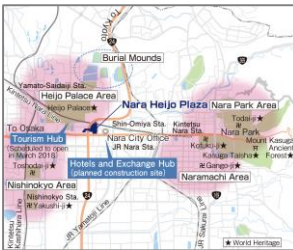
Mi-Nara



Acquisition Price

4,944 million yen

Appraisal NOI yield

8.9 %


Address	1-3-1, Nijo-Oji-Minami, Nara-shi, Nara
Land area	53,214.66㎡
Floor area	① 72,944.41㎡ (Department store) ② 4,543.32㎡ (Parking space)
Structure	① SRC 7F ② S 3F
Occupancy rate (number of tenants)	100%(1) ^(Note)
Completion	① September 1989 ② June 2003

Hotel Wing International Select Ueno/Okachimachi

Hotel



Acquisition Price

3,720 million yen

Appraisal NOI yield

4.4 %


Address	2-18-4, Higashi-ueno, Taito-ku, Tokyo
Land area	359.09㎡
Floor area	3,053.09㎡
Structure	RC B1/15F
Number of rooms	141
Occupancy rate (number of tenants)	100% (1)
Completion	April 2018

Portfolio PML / Average Property Age (As of December 13, 2018)

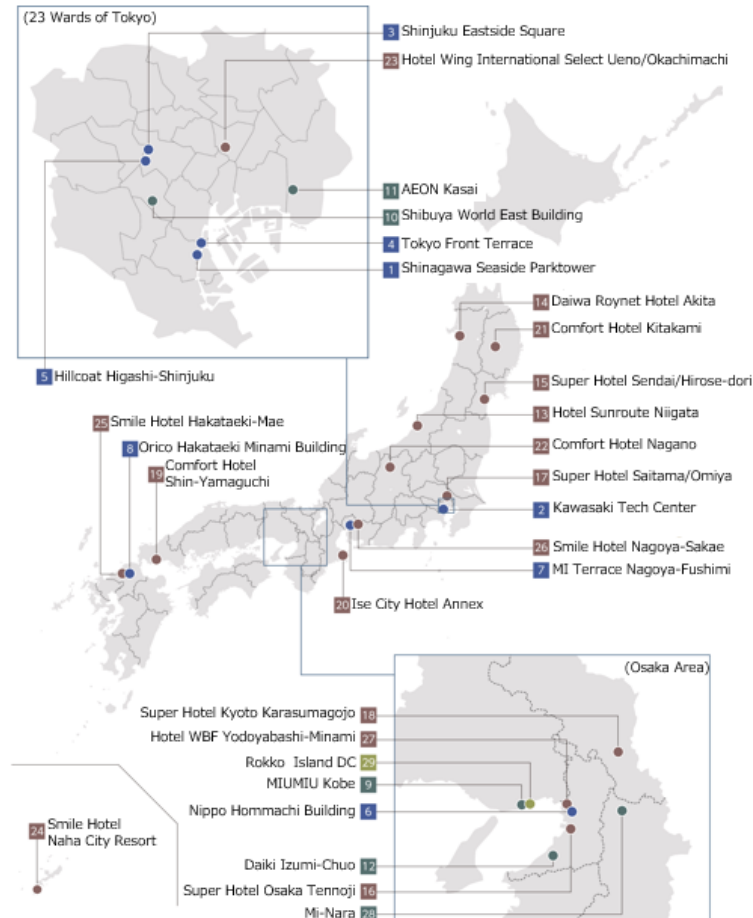
61

Portfolio PML

2.5% ※J-REITs Ave. 2.8% (Note 1)

Average property age(Note 2)

19.6years ※J-REITs Ave. 17.5 years (Note 1)



Name	Acquisition Price (million yen)	PML (%)	Property age (year)	Service Life (year)
Shinagawa Seaside Parktower	20,288	3.1	16.2	67
Kawasaki Tech Center	23,182	2.6	30.9	65
Shinjuku East Side Square	10,000	2.3	6.7	68
Tokyo Front Terrace	10,592	3.0	26.5	67
Hillcoat Higashi-Shinjuku	3,900	6.1	31.5	60
Nippo Hommachi Building	1,465	14.6	28.3	65
MI Terrace Naogya-Fushimi	8,886	4.9	25.8	60
Orico Hakataeki Minami Building	1,680	2.6	16.3	65
MIUMIU Kobe	6,700	7.6	1.6	65
Shibuya World East Building	3,200	9.1	34.2	67
AEON Kasai	9,420	10.2	36.1	60
Daiki Izumi-Chuo	3,000	14.0	10.2	65
Hotel Sunroute Niigata	2,108	7.7	26.4	65
Daiwa Roynet Hotel Akita	2,042	4.7	12.5	60
Super Hotel Sendai/Hirose-dori	1,280	5.9	12.0	50
Super Hotel Osaka/Tennoji	1,260	14.3	15.0	60
Super Hotel Saitama/Omiya	1,123	5.3	12.5	60
Super Hotel Kyoto/Karasumagojo	1,030	13.1	15.0	60
Comfort Hotel shin-Yamaguchi	902	7.7	11.4	65
Ise City Hotel Annex	1,800	6.9	27.1	65
Comfort Hotel Kitakami	820	10.2	9.9	65
Comfort Hotel Nagano	580	9.4	26.3	65
Hotel Wing International Select Ueno/Okachimachi	3,720	2.4	0.7	65
Smile Hotel Naha City Resort	4,000	2.5	30.5	65
Smile Hotel Hakataeki-Mae	3,800	2.7	1.8	65
Smile Hotel Nagoya-Sakae	2,950	2.6	10.2	65
Hotel WBF Yodoyabashi-Minami	1,750	5.7	1.9	65
Mi-Nara	4,944	9.9	29.3	65
Rokko Island DC	8,650	11.3	2.6	50

Note 1: The figure is compiled by the Asset Management Company based on available disclosure materials of each REITs and may not be accurate.

Note 2: Average property age is weighted averages based on acquisition price.

Disclaimer

Monetary amounts are rounded down to billions, millions or thousands of yen.

Percentage figures are rounded off to the first decimal place.

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