

March 16, 2021

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 Acquisition of Real Estate Trust Beneficiaries in Japan
(“CAINZ MALL Hikone (land)” and “MaxValu Takatori (land)”)

Mitsui Bussan & IDERA Partners Co., Ltd. (hereinafter the “Asset Manager”), the asset management company of MIRAI Corporation (hereinafter “MIRAI”) announces that MIRAI has decided to make the acquisition (hereinafter the “Acquisition”) of assets as follows.

1. Overview of the Acquisition

(1) Assets to be Acquired

Asset Category/ Asset Type (Note 1)		Name	Agreement Date (Note 2)	Acquisition Date	Seller	Acquisition Price (million yen) (Note 3)
Core Asset	Retail	CAINZ MALL Hikone (land)	March 16, 2021	March 31, 2021	Not Disclosed (Note 4)	3,598
		MaxValu Takatori (land)			JINUSHI Private REIT Investment Corporation	950
Total						4,548

(Note 1) “Asset Category/Asset Type” is a classification based on the usage of assets. For details, please refer to Reference Material 2 “Descriptions of the details of Asset to be Acquired.”

(Note 2) “Agreement Date” is the signing date of the sale and purchase agreement with the seller.

(Note 3) “Acquisition Price” shows the sale and purchase value of Asset to be Acquired that is stated in the sale and purchase agreement entered with the seller. The sale and purchase values do not include national or local consumption tax or expenses necessary for the acquisition, and it is rounded down to the nearest million yen. The same shall apply hereinafter.

(Note 4) “Not disclosed” due to the absence of the seller’s consent.

(2) Funds for Acquisition:

Own funds (including disposition proceeds of Hillcoat Higashi-Shinjuku and Nippo Hommachi Building)

(Note) For details of the disposition of Hillcoat Higashi-Shinjuku and Nippo Hommachi Building, please refer to the “Notice Concerning Disposition of Real Estate Trust Beneficiaries in Japan (“Hillcoat Higashi-Shinjuku” and “Nippo Hommachi Building”)”.

(3) Payment Method: The entire amount will be paid on the date of acquisition

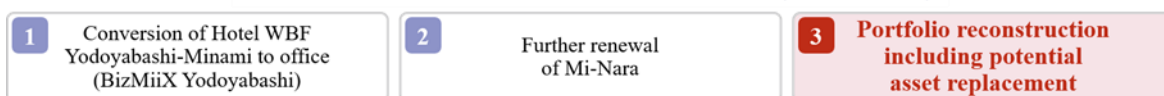
2. Reasons for Acquisition

Point

- **Asset replacement project that improves “defensiveness and profitability” of the portfolio (5th action)**
- **Neighborhood shopping centers with solid performance even under the influence of COVID-19 while land assets offer stable cashflow.**
- **Improvement of NAV through acquisition at discount (14.2% difference between acquisition price against appraisal value)**

MIRAI suspended the expanded mid-term management plan “Repower 2020-ER” given the impact of novel coronavirus (COVID-19) and announced “MIRAI Revitalization Plan” to construct a portfolio that matches the post-COVID-19 market and to recover and grow DPU in “Investor Presentation for Fiscal Period ended April 30, 2020 (8th Fiscal Period)” dated June 16, 2020. One of the challenges MIRAI focuses on under the “MIRAI Revitalization Plan” is the portfolio reconstruction including potential asset replacement and MIRAI aims to create more solid portfolio leveraging on the strength as diversified REIT while keeping in mind the maximization of unitholder value (pursuit of growth) and the combination of more defensive asset types. MIRAI conducted a few asset sale and purchase transactions in order to reconstruct the portfolio and the Acquisition is an action following the disposition of “Comfort Hotel Shin-Yamaguchi” and the acquisition of “Odawara Material and Delivery Center (land)” announced on November 2020, the acquisition of “TCA Building” announced on January 2021 and the disposition of “Hillcoat Higashi-Shinjuku” and “Nippo Hommachi Building” announced on March 2021.

Overview of MIRAI Revitalization Plan (~Mid 2021)



(Note) Progress of “Conversion of Hotel WBF Yodoyabashi-Minami to office (BizMiiX Yodoyabashi)” and “Further renewal of Mi-Nara” are as stated in “Presentation Material for Fiscal Period Ended October 31, 2020 (9th FP)” dated December 15, 2020 and “Notice Concerning Completion of Conversion Work of Hotel to Office (BizMiiX Yodoyabashi)” dated January 29, 2021. The conversion work of “BizMiiX Yodoyabashi” has completed in January 2021 and the tenants have already started to move in. Furthermore, the actions in Further renewal of “Mi-Nara” are progressing in line with the “MIRAI Revitalization Plan” such as review of tenant mix, etc.

MIRAI plans to **focus on acquisition of neighborhood shopping centers that offer solid performance even under the impact of COVID-19 and land assets with stable cashflow** based on the portfolio reconstruction policy under the “MIRAI Revitalization Plan”. The Assets to be Acquired are neighborhood shopping centers located in central regional cities with increasing population and solid demand can be expected even under the impact of COVID-19 with their differentiation from the perspective of size, tenant mix, and convenience of transport and hence are in line with the above acquisition policy. Further, they are land assets and highly “defensive” with stable cash flow from long-term contracts with major industry players while continued occupancy can be expected as neighborhood shopping centers. The acquisition will also improve NAV (Net Asset Value – based on appraisal value) as acquisition price is lower than appraisal value by 14.2%.

(Reference) Profitability of Assets to be Acquired

Name	Acquisition Price (million yen)	Appraisal Value (million yen)	Appraisal NOI Yield (Note 1)	NOI Yield after Depreciation (Note 2)
CAINZ MALL Hikone (land)	3,598	4,260	5.1%	5.1%
MaxValu Takatori (land)	950	1,040	4.6%	4.6%
Total/Average	4,548	5,300	5.0%	5.0%

(Note 1) “Appraisal NOI Yield” is calculated by dividing the appraisal NOI by the expected acquisition price rounding to the nearest tenth. “Appraisal NOI Yield” in the “Total/Average” shows “Average Appraisal NOI Yield”. The “Average Appraisal NOI yield” is weighted average of “Appraisal NOI Yield” by the Acquisition Price of each asset. Appraisal NOI refers to the net operating income (NOI) obtained by subtracting operating expenses from operating revenues stated in the appraisal report, and it is income before subtracting depreciation. It differs from net cash flow (NCF) which is derived by adding investment management profits on investment from security deposit and subtracting the capital expenditures. The above appraisal NOI means the 1st year NOI under DCF method (if any specific factors for the 1st year, it means the 2nd or the 3rd year NOI).

(Note 2) “NOI Yield after Depreciation” is calculated by subtracting depreciation from the appraisal NOI and dividing by the expected acquisition price rounding to the nearest tenth. “NOI Yield after Depreciation” in the “Total/Average” shows “Average NOI Yield after Depreciation”. “Average NOI Yield after Depreciation” is weighted average of “NOI Yield after Depreciation” by the Acquisition Price of each asset. Depreciation is estimated value calculated by the Asset Manager using straight-line method with certain assumptions. The same shall apply hereinafter.

Under the “MIRAI Revitalization Plan”, MIRAI embarked on a project to convert a hotel into an office. **Ratio of Hotel of the portfolio (based on the acquisition price) is expected to be lowered to 17.2% through asset replacement project including the Acquisition and completion of the conversion project compared to 19.0% as of the end of Fiscal Period ended April 30, 2020 (8th fiscal period), prior to the announcement of “MIRAI Revitalization Plan”.**

The asset replacement project which had been ongoing since November 2020 is complete for now however, MIRAI will continue to take proactive initiatives aiming for portfolio construction that matches the post-COVID-19 market.

Points of Portfolio Reconstruction

Acquisition





- **Defensive assets that match the post-COVID-19 market**
- “Utility Assets” (Note)
- Assets with long-term upside potential

Disposition

- Assets with lower profitability than the portfolio average
- Assets with risk of being impacted by COVID-19
- Assets with risk of mid-to long-term operational challenges (renewal and repair cost burden, etc.)

(Note) Utility Assets refer to mixed use assets located near central urban area which can attract service sector tenant and can be converted to satellite office.

(Reference) Overview of asset replacement project including the Acquisition

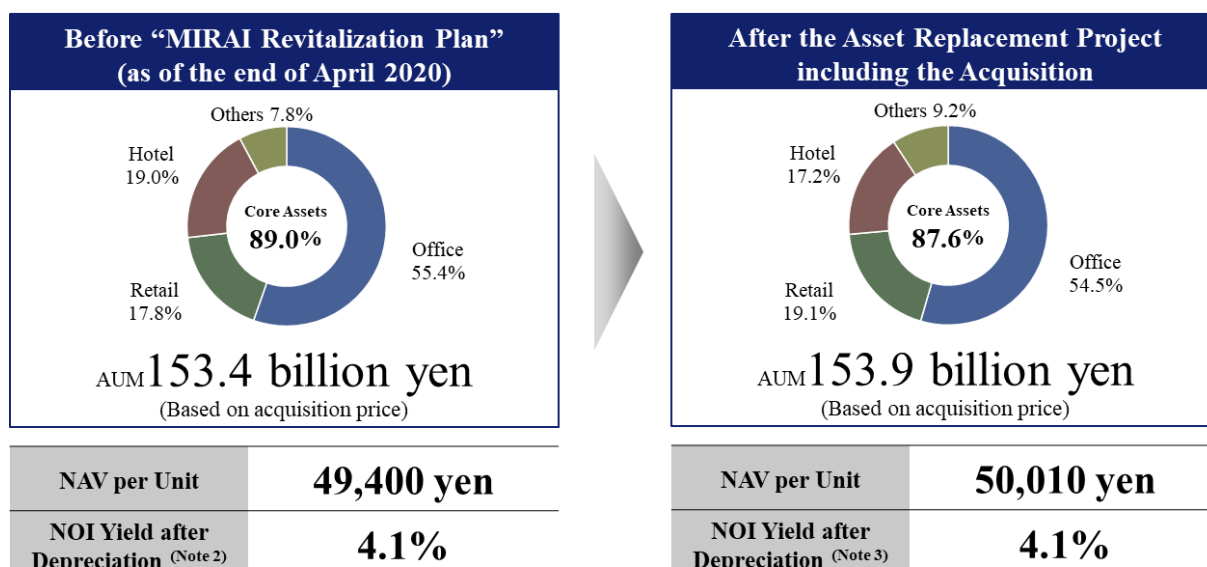
Acquisition					
Name	 TCA Building	 Odawara Material Storage and Delivery Center (land)	 CAINZ MALL Hikone (land)	 MaxValu Takatori (land)	<div style="border: 1px solid black; padding: 5px;"> Total Acquisition Price 8,968 million yen Average NOI Yield after Depreciation 4.7% </div>
Asset Type	Office (Utility Asset)	Industrial (New Type)	Retail (Community Based)	Retail (Community Based)	
Address	Osaka-shi, Osaka	Odawara-shi, Kanagawa	Hikone-shi, Shiga	Hiroshima-shi, Hiroshima	
Acquisition Date	January 28, 2021	March 1, 2021	March 31, 2021	March 31, 2021	
Acquisition Price	2,120 million yen	2,300 million yen	3,598 million yen	950 million yen	
NOI Yield after Depreciation (Note)	3.8%	4.9%	5.1%	4.6%	



Disposition				
Name	 Comfort Hotel Shin-Yamaguchi	 Hillcoat Higashi-Shinjuku	 Nippo Hommachi Building	<div style="border: 1px solid black; padding: 5px;"> Total Disposition Price 7,000 million yen Average NOI Yield after Depreciation 3.4% </div>
Asset Type	Hotel (Core)	Office (Core)	Office (Core)	
Address	Yamaguchi-shi, Yamaguchi	Shinjuku-ku, Tokyo	Osaka-shi, Osaka	
Disposition Date	November 30, 2020	March 26, 2021	March 26, 2021	
Disposition Price	920 million yen	4,380 million yen	1,700 million yen	
NOI Yield after Depreciation (Note)	3.9%	3.0%	4.2%	

(Note) The figures of acquisition are calculated based on the acquisition price to the appraisal NOI and the figures of disposition are calculated based on the book value to actual results for the fiscal period ended October 2020 (9th fiscal period).

(Reference) Changes of ratio by asset type after asset replacement project including the Acquisition (based on the acquisition price)



(Note 1) “BizMiiX Yodoyabashi” is classified as office by adding the additional investment related to conversion on the acquisition price.

(Note 2) “NOI Yield after Depreciation” is calculated by dividing the total appraisal NOI (stated in the appraisal report as of the end of April 2020) after depreciation by the total acquisition price, rounded to the nearest tenth.

(Note 3) “NOI Yield after Depreciation” is calculated by dividing the total appraisal NOI (stated in the appraisal report as of the end of February 2021 for CAINZ MALL Hikone, as of February 1, 2021 for MaxValu Takatori, and as of the end of October 2020 for others) after depreciation by the total acquisition price, rounded to the first decimal place.

3. Details of Assets to be Acquired

<CAINZ MALL Hikone (land)>

Property Name	CAINZ MALL Hikone (land)	Asset Category	Core Asset
		Asset Type	Retail

Overview of the Specified Asset

Acquisition Date	March 31, 2021	Type of Specified Assets		Trust Beneficiaries	
Acquisition Price	3,598 million yen	Overview of Trust Beneficiaries	Trustee	Mitsubishi UFJ Trust and Banking Corporation	
Appraisal Value (Appraisal Date)	4,260 million yen (February 28, 2021)		Expiry Date of Trust	March 31, 2031	
Nearest Station	30-minute walk from “Hikone” Station of JR				
Address (Residential Address)	2-1-1, Bamba, Hikone-shi, Shiga				
Land	Lot Number	1-2, Tanaka, 2-chome, Bamba, Hikone-shi, Shiga Other 23 parcel of land	Building	Date of Building	-
	Building Coverage Ratio	70% (Note 1)		Structure	-
	Floor Area Ratio	200%		Usage	-
	Use Districts	Industrial district		Gross Floor Area	-
	Site Area	85,830.98 sqm		Number of Parking Spaces	-
	Ownership Structure	Ownership (Note 2)		Ownership Structure	-
PM Company	Toyo Real Estate Property Management Co., Ltd.	ML Company	-		

Special Comment

According to the agreement of the establishment of the superficies between the trustee, the land lessee and Shiga Prefecture, if the trustee or the land lessee is to transfer the ownership or the lease right to a third party, they must obtain prior agreement of Shiga Prefecture. The above is not applicable to the transfer of the trust beneficiary right.

(Note 1) Specified building coverage ratio is 60%. However, it is 70% due to mitigation by corner lots.

(Note 2) A superficies is established with Shiga Prefecture as superfiary for a part of the asset to be made available as road.

Overview of Lease

Total Rentable Area	85,323.95 sqm	Occupancy Ratio	100%
Principal Tenant	CAINZ Corporation	Number of Tenants	1
Annual Rent	Not disclosed (Note)	Guarantee Deposit	Not disclosed (Note)

(Note) Not disclosed due to the absence of a tenant's consent.

Overview of Summary of Engineering Report (Note)

Survey Company	-	Urgent Repairs	-
Date of the Report	-	Long-term Repairs	-

(Note) MIRAI has separately obtained the “Soil Contamination Risk Assessment Report” by Daiwa Real Estate Appraisal Co., Ltd

Overview of Seismic Risk Analysis

Survey Company	-	PML	-
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Collateral

Not applicable

Overview of the Real Estate Appraisal Report

Appraisal Value	4,260 million yen
Appraiser	Daiwa Real Estate Appraisal Co., Ltd
Appraisal Date	February 28, 2021

(million yen)

Item	Details	Remarks, etc.
Valuation	4,260	
Value based on the capitalization method over a definite term (Inwood Method)	4,270	
Operating revenues	Not disclosed (Note)	
Potential gross revenues:		
Sum of (a) through (d)		
(a) Rental revenues from rooms for rent including common area charges		
(b) Utilities revenues		
(c) Parking revenues		
(d) Other revenues		
Losses from vacancy, etc.		
Operating expenses		
Maintenance expenses		
Utilities expenses		
Repair expenses		
PM fees		
Advertisement and leasing expenses, etc.		
Taxes and public dues		
Property and casualty insurance premiums		
Other expenses		
Net operating income	182	
Investment gains on lump-sum payment	0	Assessed based on comprehensive view of the management status of lump-sum payment from both investment management and funding aspects.
Capital expenditures	-	
Net cash flow	183	
Discount rate	4.5%	Based on combination of comparison against similar real estate transactions and yield on financial assets adjusted for the individual characteristics of the property, while also taking interviews with investors into consideration.
Value based on DCF method	4,250	
Discount rate	4.5%	Assessed based on comparison against discount rate on other similar real estate transactions and return on other financial products.
Terminal capitalization rate	-	
Other matters to which the appraiser pays attention in the appraisal	Not applicable	

(Note) The reason for "Not disclosed" shown above is that applicable items include information without consents from lessee for disclosure or information that could be used to deduce these amounts. Disclosure of these information could endanger maintenance of long-term lease contract due to the relationship with the lessee being damaged, and therefore may be detrimental to unitholder's value. Therefore, except in instances where it was deemed that no harm would result from disclosure, the information is not disclosed.

Characteristics of the Property

<Location>

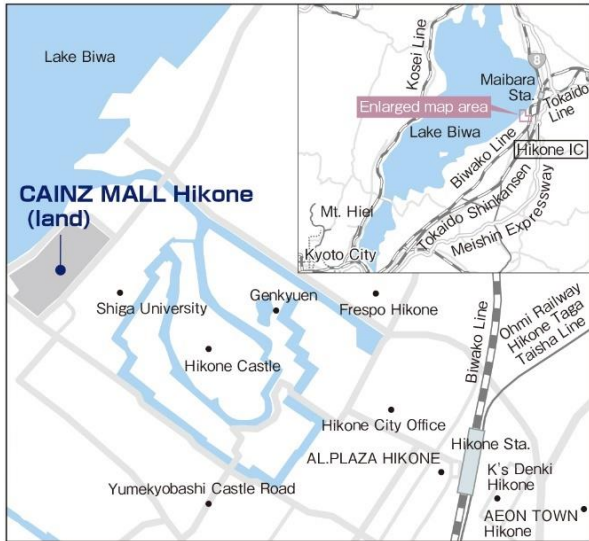
- Located at 3.9 km from the Hikone Interchange (IC) of Meishin Expressway and facing Shiga Prefectural Road route 2 (Sazanami Kaido) which runs along the Lake Biwa, the asset has high visibility. Shiga Prefectural Road route 2 tends to have less traffic jam compared to other roads where competing facilities are located and with multiple entrances, it is easy for customers to visit.
- Population of Hikone City where the asset is located is on increasing trend and the surrounding area has high proportion of households with families as well as residents in their twenties with Shiga University and University of Shiga Prefecture located nearby.

<Specification>

- It is a highly stable land asset as fixed-term commercial land leasehold agreement from October 31, 2019 to July 19, 2035 is concluded with CAINZ Corporation as the tenant (land lessee) with no early termination in principle.
- It is a neighborhood shopping center with CAINZ home improvement center and Beisia supermarket as core tenants. Solid demand can be expected even under the impact of COVID-19 with its differentiation from the competing facilities in the area in size and tenant mix. Home improvement center can attract customers from wider area and synergies between the supermarket is also expected.
- Independent stores including secondhand store which is in tune with the times, a café (Starbucks) and a gas station are situated on large parking lot in front of the mall building in which home improvement center and supermarket are located. In addition, WORKMAN plus, a well-known clothing store plans to open a store which will further improve the ability to attract customer traffic.

<Others>

- CAINZ was the largest home improvement center in sales in FY2019 and continues to maintain strong performance capturing demand which is in tune with the times such as goods related to stay-at-home etc. under COVID-19. It focuses on the private brand products and pursuing differentiation from the competitors and strategy for post-COVID-19 market with a vision to become an "IT retailer".
- Acquisition price is 15.5% discount to appraisal value through utilization of the sourcing network of the Asset Manager.

Pictures	Map of property
 	

<Max Valu Takatori (land)>

Property Name	Max Valu Takatori (land)	Asset Category	Core Asset
		Asset Type	Retail

Overview of the Specified Asset

Acquisition Date	March 31, 2021	Type of Specified Assets		Trust Beneficiaries	
Acquisition Price	950 million yen	Overview of Trust Beneficiaries	Trustee	Sumitomo Mitsui Trust Bank, Limited	
Appraisal Value (Appraisal Date)	1,040 million yen (February 1, 2021)		Expiry Date of Trust		March 31, 2031
Nearest Station	2-minute walk from “Takatori” station of Hiroshima New Transit Line 1 (Astram Line) of Hiroshima Rapid Transit				
Address (Residential Address)	3-16-18, Takatorikita, Asaminami-ku, Hiroshima-shi, Hiroshima				
Land	Lot Number	3-89-4, Takatorikita, Asaminami-ku, Hiroshima-shi, Hiroshima Other 7 parcel of land	Building	Date of Building	-
	Building Coverage Ratio	77.44% (Note 1)		Structure	-
	Floor Area Ratio	224.81% (Note 2)		Usage	-
	Use Districts	Neighborhood commercial district, Category 1 residential district, Category1 exclusively low-rise residential district		Gross Floor Area	-
	Site Area	5,748.81 sqm		Number of Parking Spaces	-
	Ownership Structure	Ownership		Ownership Structure	-
PM Company	Global Community Co., Ltd.	ML Company	-		

Special Comment

According to the lease agreement between the trustee and the land lessee, if the trustee is to dispose of the asset, the land lessee has priority over others on acquisition negotiation while prior written agreement is required from the land lessee when the trustee is to transfer the asset to a third party. The above is not applicable to the transfer of the trust beneficiary right.

(Note 1) Specified building coverage ratio is 60%. However, it is 77.44% due to mitigation by corner lots.

(Note 2) The property covers zones with 3 use districts. The weighted average floor area ratio is 224.81% based on areas in respective zones.

Overview of Lease

Total Rentable Area	5,748.81 sqm	Occupancy Ratio	100%
Principal Tenant	Maxvalu Nishinohon Co., Ltd.	Number of Tenants	1
Annual Rent	Not disclosed (Note)	Guarantee Deposit	Not disclosed (Note)

(Note) Not disclosed due to the absence of a tenant's consent.

Overview of Summary of Engineering Report (Note)

Survey Company	-	Urgent Repairs	-
Date of the Report	-	Long-term Repairs	-

(Note) MIRAI has separately obtained the “Soil Contamination Risk Assessment Report” by Daiwa Real Estate Appraisal Co., Ltd.

Overview of Seismic Risk Analysis

Survey Company	-	PML	-
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Collateral

Not applicable

Overview of the Real Estate Appraisal Report

Appraisal Value	1,040 million yen
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Appraisal Date	February 1, 2021

(million yen)

Item	Details	Remarks, etc.
Valuation	1,040	
Value based on the capitalization method over a definite term (Inwood Method)	1,070	
Operating revenues	Not disclosed (Note)	
Potential gross revenues:		
Sum of (a) through (d)		
(a) Rental revenues from rooms for rent including common area charges		
(b) Utilities revenues		
(c) Parking revenues		
(d) Other revenues		
Losses from vacancy, etc.		
Operating expenses		
Maintenance expenses		
Utilities expenses		
Repair expenses		
PM fees		
Advertisement and leasing expenses, etc.		
Taxes and public dues		
Property and casualty insurance premiums		
Other expenses		
Net operating income	43	
Investment gains on lump-sum payment	0	Assessed based on trends in market interest rates, etc.
Capital expenditures	-	
Net cash flow	43	
Discount rate	4.3%	Assessed based on build-up method which adds specific risk premium of the asset to the base rate and comparison against transaction yield of other land asset transactions while comprehensively taking into consideration the content of the current lease agreement, level of rent, duration of lease agreement and business risk, etc.
Value based on DCF method	1,040	
Discount rate	4.2% (1 st -4 th year) 4.3% (after 5 th year)	Assessed taking into account the possibility of sale as vacant land and discount rate based on build-up method which adds specific risk premium of the asset to the base rate and comparison against transaction yield of other land asset transactions while comprehensively taking into consideration the content of the current lease agreement, level of rent, duration of lease agreement and business risk, etc.
Discount rate of reversionary value	4.4%	Assessed taking into account the possibility of sale as vacant land and discount rate based on DCF method.
Other matters to which the appraiser pays attention in the appraisal	Not applicable	

(Note) The reason for “Not disclosed” shown above is that applicable items include information without consents from lessee for disclosure or information that could be used to deduce these amounts. Disclosure of these information could endanger maintenance of long-term lease contract due to the relationship with the lessee being damaged, and therefore may be detrimental to unitholder’s value. Therefore, except in instances where it was deemed that no harm would result from disclosure, the information is not disclosed.

Characteristics of the Property

<Location>

- It is conveniently located within 2-minutes' walk from "Takatori" station of Hiroshima New Transit Line 1 (Astram Line) of Hiroshima Rapid Transit Co., Ltd., and along the Hiroshima Prefectural Road route 38 Hiroshima-Toyohira Line which has high traffic. It has superior access by cars over competing properties as it has 3 entry ways with 79 parking spaces.
- Population of Asaminami Ward where the asset is located is on increasing trend and the ward has higher proportion of families with children. The asset is rare as the surrounding area is residential area which is becoming urbanized as commuter town in the suburb of Hiroshima City and there is no supermarket north of Hiroshima Prefectural Road route 38 other than the asset.
- Ridership of the Astram Line is on increasing trend and with the decision on the extension project already made, further improvement of convenience and ridership is expected in the future.

<Specification>

- Fixed-term commercial land leasehold agreement is concluded with MaxValu Nishinohon Co., Ltd. as the tenant (land lessee) from September 13, 2014 to September 12, 2034. It is a highly stable land asset as no termination is allowed for 10 years from the commencement of the agreement while tenant considers the asset to be an important base to secure the surrounding trade catchment area with expansive residential area.
- Multiple facilities in similar category are located within the 500-meter radius however, it is better located to capture trade catchment area in the north. Further, there is a differentiation from the neighboring discount stores and GMS (Note) as Maxvalu Nishinohon adopts strategy to open smaller stores in areas with high population density.

<Others>

- Acquisition price is 8.7% discount to appraisal value through utilization of the sourcing network of the Asset Manager.

(Note) "GMS" is an abbreviation for General Merchandise Store and refers to a general supermarket that carries a comprehensive lineup of various goods used in daily life, including not only groceries and daily necessities, but also clothing, home appliances and furniture, etc.

Pictures	Map of property
  	 <p>"Danchi" = Housing complex</p>

4. Overview of sellers

The seller of “CAINZ MALL Hikone (land)” is a Japanese corporation. However, the name is not disclosed because their consent has not been obtained. The seller is not defined as interested person, etc. in Article 201 of the Act on Investment Trust and Investment Corporations (Act No. 198 of 1951, as amended), nor Article 123 of the Order for Enforcement of the Act on Investment Trusts and Investment Corporations (Cabinet Order No. 480 of 2000, as amended) (hereinafter the “Interested Parties”), and not a related party under the internal rules regarding related party transactions of the Asset Manager. The seller of “MaxValu Takatori (land)” is as a below.

<MaxValu Takatori (land)>

Name	JINUSHI Private REIT Investment Corporation
Address	Shin-Marunouchi Building 13F, 1-5-1, Marunouchi, Chiyoda-ku, Tokyo
Representative	Executive director Hirofumi Nishira
Business Description	The assets of the investment corporation are managed primarily as investments in specified assets such as real estate (assets specified in Article 2, Paragraph 1 of the Investment Trust Law).
Stated Capital	Not disclosed (Note)
Date of Establishment	September 28, 2016
Net Assets	Not disclosed (Note)
Total Assets	Not disclosed (Note)
Major shareholder	Not disclosed (Note)
Relationships between the company and MIRAI and the Asset Manager	
Capital	There is no capital relationship to state between the company and MIRAI and the Asset Manager.
Personnel	There is no personnel relationship to state between the company and MIRAI and the Asset Manager.
Business	There is no business relationship to state between the company and MIRAI and the Asset Manager.
Relevance to related party	The company does not fall under a related party of MIRAI and the Asset Manager.

(Note) Not disclosed due to the absence of the seller’s consent.

5. Description of seller

The sellers of “CAINZ MALL Hikone (land)” and “MaxValu Takatori (land)” are not stakeholder in relation to MIRAI and the Asset Manager.

6. Overview of Brokerage

The brokers are Japanese corporations. However, the names are not disclosed because their consents have not been obtained. There are no capital, personnel and business relationships between them and MIRAI and the Asset Manager. In addition, they are not stakeholders in relation to MIRAI and the Asset Manager.

7. Transactions with Interested Parties, etc.

There is no transaction with interested parties.

8. Future Outlook

Please refer to “Notice Concerning Revisions to Forecasts for the Fiscal Period Ending April 30, 2021 and October 31, 2021” announced today regarding the impact to the operation from the Acquisition for the fiscal period ending April 2021 (the 10th fiscal period) and the fiscal period ending October 2021 (the 11th fiscal period).

(End)

* URL: <https://3476.jp/en>

This press release is the English translation of the announcement in Japanese on MIRAI’s website. However, no

assurance or warranties are given for the completeness or accuracy of this English translation.

(Reference press release, etc.)

Dated 3/5/2021 “Notice Concerning Disposition of Real Estate Trust Beneficiaries in Japan (“Hillcoat Higashi-Shinjuku” and “Nippo Hommachi Building”)”

Dated 3/16/2021 “Notice Concerning Revisions to Forecasts for the Fiscal Period Ending April 30, 2021 and October 31, 2021”

Dated 3/16/2021 “Progress of MIRAI Revitalization Plan -Supplementary Material for the Press Release Dated March 16, 2021-”

<Reference Materials>

Reference Material 1: Portfolio List after the Acquisition

Reference Material 2: Descriptions of the details of Assets to be Acquired

Reference Material 1: Portfolio List after the Acquisition

Asset Category	Asset Type	Area	Property Name	Acquisition Price (million yen) (Note 1)	Ratio (%) (Note 2)	Acquisition Date
Core Asset	Office	Tokyo	Shinagawa Seaside Park Tower (quasi-co-ownership 63.4%) (Note 3)	20,288	13.2	December 16, 2016
	Office	Tokyo	Kawasaki Tech Center	23,182	15.1	December 16, 2016
	Office	Tokyo	Shinjuku Eastside Square (quasi-co-ownership 5%) (Note 3)	10,000	6.5	December 16, 2016
	Office	Tokyo	Tokyo Front Terrace (quasi-co-ownership 50.2%) (Note 3)	10,592	6.9	October 26, 2017
	Office	Nagoya	MI Terrace Nagoya-Fushimi	8,886	5.8	June 1, 2018
	Office	Other	Orico Hakataeki Minami Building	1,680	1.1	August 1, 2018
	Office	Tokyo	My Square Building	2,800	1.8	December 25, 2019
	Office	Other	Hiroshima Rijo-dori Building	2,250	1.5	March 31, 2020
	Office	Osaka	BizMiiX Yodoyabashi	2,041	1.3	November 1, 2018
	Office	Osaka	TCA Building	2,120	1.4	January 28, 2021
	Retail	Tokyo	Shibuya World East Building	3,200	2.1	December 16, 2016
	Retail	Tokyo	THINGS Aoyama	2,912	1.9	January 9, 2020
	Retail	Other	MI Cube Sendai Clisroad	1,330	0.9	March 31, 2020
	Retail	Tokyo	AEON Kasai (Note 3)	9,420	6.1	December 16, 2016
	Retail	Osaka	MEGA Don Quijote Izumi-Chuo	3,000	1.9	December 16, 2016
	Retail	Osaka	CAINZ MALL Hikoen (land)	3,598	2.3	March 31, 2021
	Retail	Other	MaxValu Takatori (land)	950	0.6	March 31, 2021
	Hotel	Other	Hotel Sunroute Niigata	2,108	1.4	December 16, 2016
	Hotel	Other	Daiwa Roynet Hotel Akita	2,042	1.3	December 16, 2016
	Hotel	Other	Super Hotel Sendai / Hirose-dori	1,280	0.8	December 16, 2016
	Hotel	Osaka	Super Hotel Osaka / Tennoji	1,260	0.8	December 16, 2016
	Hotel	Tokyo	Super Hotel Saitama / Omiya	1,123	0.7	December 16, 2016
	Hotel	Osaka	Super Hotel Kyoto Karasuma Gojo	1,030	0.7	December 16, 2016
	Hotel	Nagoya	Ise City Hotel Annex	1,800	1.2	March 1, 2018
	Hotel	Other	Comfort Hotel Kitakami	820	0.5	March 1, 2018
	Hotel	Other	Comfort Hotel Nagano	580	0.4	March 1, 2018
Hotel	Tokyo	Hotel Wing International Select Ueno/Okachimachi	3,720	2.4	May 15, 2018	
Hotel	Other	Smile Hotel Naha City Resort	4,000	2.6	November 1, 2018	
Hotel	Other	Smile Hotel Hakataeki-Mae	3,800	2.5	November 1, 2018	
Hotel	Nagoya	Smile Hotel Nagoya-Sakae	2,950	1.9	November 1, 2018	
Growth Asset (Core-plus Asset)	Retail	Osaka	Mi-Nara	4,944	3.2	October 26, 2017
Growth Asset (New Type Asset)	Industrial	Osaka	Rokko Island DC (quasi-co-ownership 92.45%) (Note 3)	7,996	5.2	November 1, 2018
	Industrial	Tokyo	Odawara Material Storage and Delivery Center (land)	2,300	1.5	March 1, 2021
	Educational	Tokyo	Tokyo Eiseigakuen Senmongakko	3,900	2.5	January 9, 2020
Total				153,904	100.0	-

(Note 1) "Acquisition Price" shows the purchase and sale value of each asset to be acquired that is stated in the sale and purchase agreement entered with the sellers. The purchase and sale values do not include national or local consumption tax or expenses necessary for the acquisition, and it is rounded down to the nearest million yen. Although the acquisition price of "Mi-Nara" on its sales and purchase agreement is 4,100 million yen, the acquisition price is defined as total investment amount of 4,944 million yen including the additional investment made following the acquisition for the renewal of the property. For "Mi-Nara", the total investment including the additional investment

of 4,944 million yen is defined as acquisition price. Also, the acquisition price of “BizMiiX Yodoyabashi” on its sale and purchase agreement is 1,750 million yen, the acquisition price is defined as total investment amount of 2,041 million yen including the additional investment made following the acquisition for the conversion of the property. For “BizMiiX Yodoyabashi”, the total investment including the additional investment of 2,041 million yen is defined as acquisition price.

(Note 2) “Ratio” is the ratio against the total of the acquisition price of each property, and the value is rounded to the first decimal place.

(Note 3) Where the asset is owned by sectional ownership or is quasi-co-owned, the value in relation to the sectional ownership and quasi-co-ownership interest belonging to MIRAI is shown.

Reference Material 2: Descriptions of the details of Assets to be Acquired

Items (A) to (M) below explain description in the columns of “3. Detail of Assets to be Acquired” above. The descriptions are as of acquisition date unless otherwise stated.

- A) “Asset Category/Asset Type”
- “Core Asset” means core assets of MIRAI’s portfolio. Specifically, it refers to traditional investment real estate such as offices, retail, hotels, residential and logistics facilities for which the utilization ratio is (or is likely to be) more than 80% and for which MIRAI judges that stable rent revenue can be expected.
 - “Growth Asset (New Type Asset)” refers to assets with less real estate investment and management track record in the market compared to core assets and are less competitive and MIRAI determines that there is a potential for market expansion in the future.
- B) “Nearest Station”
- The walking time required in the section “Nearest Station” is calculated on the assumption that one minute is required to walk 80 meters, and the calculated value is rounded up when a fraction beyond the first decimal point is included, based on the Fair Competition Rule on the indication of real property (Fair Trade Commission Notice No.23 in 2005) and the enforcement regulation on the Fair Competition Rule on the indication of real property (Approval No.107 by the Fair Trade Commission in 2005).
- C) “Address (Residential Address)”
- “Address (Residential Address)” shows the residence indication of the property. If the residence indication is not implemented, the location or locations (any one of them) of the building on the registry is shown.
- D) “Land”
- “Lot Number” is described based on the registry.
 - “Building Coverage Ratio” and “Floor Area Ratio” are the values provided by relevant laws such as the Building Standards Act and the Urban Planning Act. Depending on the asset planned to be acquired, certain easing measures or restrictions may be applied to the “Building Coverage Ratio” and “Floor Area Ratio” in the table below.
 - “Use Districts” describe the types of use districts under Article 8, Section 1, paragraph 1 of the Urban Planning Act.
 - “Site Area” is based on the description in the registry, and it may not match the current state. If asset to be acquired is a co-ownership stake of land, the entire parcel is shown.
 - “Ownership Structure” describes the type of rights that a beneficiary of the trust on the asset to be acquired holds or will hold.
- E) “Building”
- Not applicable
- F) “PM Company”
- “PM Company” describes the companies that will enter into a valid property management contract as of the acquisition date.
- G) “Master Lease Company”
- “Master Lease Company” describes the companies that will enter into a valid master lease contract as of the acquisition date.
- H) “Special Comment”
- In principle, “Special Comment” describes items that are considered critical based on the information as of February 28, 2021.
 - a) in terms of the interests and use of each asset; and
 - b) in consideration of the impact on the appraisal value of the asset, profitability and ease of disposal
- I) “Overview of Lease”
- “Overview of Lease” are based on figures and information provided by current owners of assets or trust beneficiaries to be acquired and shows contents of effective lease contracts as of February 28, 2021 unless otherwise stated.
 - For “Total Rentable Area”, the area that is rentable based on the lease contract or the building

- drawings of the building pertaining to each asset to be acquired as of February 28, 2021 is stated. In case of land asset, the area of the land is listed. However, the number of tenants of incidental areas such as parking lots and warehouses is not included. If Asset to be Acquired is a co-ownership or quasi-co-ownership, it is calculated based on the proportion of ownership.
- For “Occupancy Ratio”, the ratio of the total leased area to the total rentable area of each Asset to be Acquired as of February 28, 2021 is stated, rounded to one decimal place.
 - For “Principal Tenant”, the tenant with the largest leased area of the total leased area of each Asset to be Acquired as of end of February 28, 2021 is stated. For properties with a fixed-rent master lease under which MIRAI will receive a certain amount of rent regardless of changes in the rents of end tenants, the Master Lease Company under the agreement to be concluded on the Asset to be Acquired is stated. In addition, if consent regarding disclosure is not obtained from the end tenants, “Not disclosed” is stated in the “Principal Tenant” column.
 - For “Number of Tenants,” the number of tenants of each Asset to be Acquired is stated based on the lease contract of each Asset to be Acquired as of February 28, 2021 (limited to those who have already moved in as of this date). However, if a master lease contract is concluded for the Asset to be Acquired, the total number of end tenants (limited to those who have already moved in as of this date) is stated for properties with a pass-through master lease in which MIRAI receives rents from the end tenants as they are, in principle. For properties with a fixed-rent master lease under which MIRAI will receive a certain amount of rent, regardless of changes in the rents of end tenants, only the Master Lease Company is stated as the tenant in the number of tenants, and the number of tenants based on the lease contract between the Master Lease Company and the end tenants for the relevant Asset to be Acquired is stated in parentheses. In addition, if only land with leasehold is acquired, the total number of the land lessees is stated. However, the number of tenants of incidental areas such as parking lots and warehouses is not included.
 - For “Annual Rent,” the annualized amount calculated by multiplying the monthly rent (including rent for rooms and common area charges (if any) and excluding rent for incidental areas such as parking lots and warehouses) by 12 is stated for the building indicated in the lease contract of each Asset to be Acquired as of February 28, 2021 (limited to those who have already moved in as of this date), rounded down to the nearest million yen. In this calculation, the Annual Rent is calculated based on the upper limit of fixed rent provided for in the agreement. In addition, for properties in which The Master Lease Company becomes sublessor to tenants, the annualized amount that is calculated by multiplying the monthly rent in the lease contract concluded with the end tenants by 12 is stated for properties with a pass-through master lease in which MIRAI receives rents from the end tenants as they are, in principle, while the annualized amount that is calculated by multiplying the monthly rent in the master lease contract by 12 is stated for properties with a fixed-rent master lease in which MIRAI will receive a certain amount of rent, regardless of changes in the rents of end tenants. Free rent and rent holidays as of the same date are not taken into account. If consent regarding disclosure is not obtained from the end tenants, “Not disclosed” is stated. If Asset to be Acquired is a co-ownership or quasi-co-ownership, it is calculated based on the proportion of ownership.
 - For “Guarantee Deposits,” the total amount of guarantee deposits required under the lease contract of each Asset to be Acquired as of February 28, 2021 (limited to those for tenants who have already moved in as of this date) is stated, rounded down to the nearest million yen. However, guarantee deposits for incidental areas such as parking lots and warehouses are not included. If a master lease contract is concluded for the Asset to be Acquired, the total amount of guarantee deposits under the lease contract concluded with the end tenants is stated, rounded down to the nearest million yen. If consent regarding disclosure is not obtained from the end tenants, “Not disclosed” is stated. If Asset to be Acquired is a co-ownership or quasi-co-ownership, it is calculated based on the proportion of ownership.
 - For each of the assets to be acquired, lease contracts with end tenants are deemed to be in effect and are included in calculation for “Occupancy Ratio”, “Number of Tenants”, “Annual Rent”, “Guarantee Deposit” and others so long as the agreements are in effect at the acquisition date even if they may be cancelled or notice of cancellation may be submitted.
- J) “Overview of Summary of Engineering Report”
- Not applicable.
- K) “Collateral”

- “None” is stated when the collateral is canceled after the acquisition of the property.
- L) “Overview of the Real Estate Appraisal Report”
 - For “Overview of the Real Estate Appraisal Report,” the general description of the real estate appraisal reports (hereinafter “Appraisal Reports”) that were commissioned by MIRAI and prepared by Daiwa Real Estate Appraisal Co., Ltd. and Tanizawa Sogo Appraisal Co., Ltd. to appraise each Asset to be Acquired based on the points to note for the appraisal of real estate under the Act on Investment Trusts and Investment Corporations as well as the Act on Real Property Appraisal (Act No. 152 of 1963 including subsequent amendments; hereinafter “Act on Real Property Appraisal”) and the real property appraisal standards are stated. The real estate appraisals are only the judgements and opinions of the appraisers at a certain point in time, and do not guarantee the adequacy or accuracy of their content or tradability at the Appraisal Value.
 - There is no special interest between MIRAI and the Asset Manager and Daiwa Real Estate Appraisal Co., Ltd. and Tanizawa Sogo Appraisal Co., Ltd. which conducted the real estate appraisal.
 - Unless otherwise noted, amounts are rounded down to the nearest million yen. Values in percentages are rounded to one decimal place.
- M) “Characteristics of the Property”
 - For “Characteristics of the Property,” it indicates the point of view for property acquisition of MIRAI. In principle, it is based on the description of “Market Report” prepared by Nomura Real Estate Retail Properties Co., Ltd. and partially based on the material obtained by the Asset Manager to state the basic nature, characteristics, and features of the area in which each Asset to be Acquired is located. The reports are only the judgements and opinions of the external experts who created them at a certain point in time, and they do not guarantee the adequacy or accuracy of their content. Environmental changes, etc. after the reports were prepared are not reflected.