

**MIRAI Corporation**  
**Q&A from result announcement for fiscal period ended April 2025**  
**(The 18<sup>th</sup> fiscal period)**

Date of the result announcement: July 17, 2025 (Thursday) \*Held online

**Q1.**

**What are the specific scenarios for achieving the quantitative targets of the new mid-term management plan?**

A1.

We will aim to achieve our targets by accumulating the growth factors listed on page 8 of the IR material. In terms of internal growth, we will take action to eliminate the rent gap in offices and while for Smile Hotel Naha City Resort whose earnings have yet to recover to pre-COVID-19 level, we will exchange information with the operator and provide support where possible to improve the earnings. In terms of external growth, we will continue with asset replacements while watching the timing. Some items will take time to achieve, but we will implement initiatives starting with what is feasible.

**Q2.**

**I would like to know about the situation of the office market and its outlook in the bay area.**

A2.

As shown on page 14 of the IR material, vacancy rates in the Tennozu and Higashi-Shinagawa areas have declined in the most recent quarter, and asking rents are also showing an upward trend. We have received information that vacancies in the Harumi area are being filled steadily, and we do not believe that the situation is as pessimistic as recently reported. Rather, as large spaces in central Tokyo become increasingly scarce, we anticipate that demand will spill over to surrounding areas, including the bay area. In addition, it was announced that the space that had been vacated by a large tenant at a neighboring Higashi-Shinagawa office building will be converted into an R&D section. In a way, this is taking spaces competing for normal office use out of competition, while we will pay close attention to whether leasing for R&D use, which can be considered a new demand, will be successful.

We were dividing large sections into smaller ones for leasing previously, but currently there is demand for several large sections, and we are in negotiations with several potential tenants. As mentioned above, there are almost no large vacant spaces in central Tokyo, so we feel that demand for large sections is shifting to the bay area.

**Q3.**

**Please explain the future outlook for your hotels by area based on trends in inbound and domestic travel demand.**

A3.

With regard to Smile Hotel Osaka Tennoji and Smile Hotel Kyoto Karasumagojo, we believe that the growth in inbound demand and demand related to EXPO 2025, which will be held from April to October, are reflected in their performances. Furthermore, demand is expected for construction work related to the integrated resort (IR) project that began in April this year, and we believe that the Kansai region will continue to see solid demand even after the Expo ends.

Smile Hotel Hakataeki-Mae continued to perform at a high level, and Smile Hotel Nagoya-Sakae also maintained its strong performance.

On the other hand, Smile Hotel Naha City Resort in Okinawa is seeing a slight delay in recovery, but with international flights at Naha Airport returning to pre-COVID-19 levels in the 2025 summer schedule and a new theme park scheduled to open in July, demand is expected to grow in the future. According to data released by the Okinawa Prefecture Culture, Tourism, and Sports Department, the number of tourists visiting Okinawa Prefecture in April 2025 increased by approximately 70% compared to April last year for inbound tourists and by 15% including domestic tourists. Based on this trend, we expect recovery to begin this summer.

Incidentally, although based on preliminary figures, the operating performance of variable-rent hotels in general remained strong in May.

(End)

\*In addition to questions from investors, FAQs (frequently asked questions) prepared by the asset manager may also be included.