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For Immediate Release

Real Estate Investment Trust:

MIRAI Corporation

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(Securities Code: 3476)

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Notice Concerning Tenant in Hotel WBF Yodoyabashi-Minami (Follow-up)

MIRAI Corporation (hereinafter “MIRAI”) announces that it has come to an agreement to cancel the lease agreement with the tenant as stated in “Notice Concerning Tenant in Hotel WBF Yodoyabashi-Minami” on April 27, 2020.

1. Reasons for Cancellation

Hotel WBF Yodoyabashi-Minami (hereinafter the “Asset”) is a budget type hotel with good access to Umeda (Kita-Shinchi), Hommachi and Shinsaibashi which are the center of business and commerce in Osaka and is relatively newly built. However, its occupancy remained sluggish due to issues such as decline of inbound tourists stemming from worsening Japan-Korea relationship since August 2019, lower demand caused by natural disasters including major typhoon, and WBF Hotel & Resorts Co., Ltd. (hereinafter the “Tenant”) which is the tenant of the Asset couldn't take effective strategies to large supply of new hotels in central Osaka area. MIRAI has been in discussion with the Tenant to improve the operation while considering fundamental restructuring strategy including change of tenant as well as conversion of usage to other asset type since last year.

Given above mentioned circumstances, the Tenant has been requesting to lower rent when the new coronavirus (COVID-19) became more widespread domestically from the beginning of the year and MIRAI and the Tenant were in negotiation to unwind the lease agreement in order to implement a fundamental restructuring plan. On April 27, 2020, the Tenant has filed for a bankruptcy protection under the Civil Rehabilitation Law and MIRAI has come to an agreement today to cancel the lease agreement through the Tenant's legal representative.

Under the Asset's fundamental restructuring strategy, MIRAI plans to convert the asset to “ready-to-use serviced office” with leased and coworking space that is attractive to business corporates as well as start-ups following the departure of the Tenant given the solid fundamentals of Osaka office market and is formulating measures such as specifics of additional investment and tenant leasing together with the operating company. MIRAI plans to announce the details of the plan and the schedule of conversion as soon as they are finalized.

2. Overview of Lease Agreement to be Canceled

Name of asset	Hotel WBF Yodoyabashi-Minami
Name of tenant	WBF Hotel & Resorts Co., Ltd.
Leased area	1,842.15 sqm
Ratio to total rentable area of the property	100.0% (as of April 30, 2020)
Ratio to total rentable area owned by MIRAI	0.7% (as of April 30, 2020)
Monthly rent	Not disclosed (Note)
Tenant leasehold and security deposits	Not disclosed (Note)
Agreement date	May 29, 2020
Termination date	May 31, 2020

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

3. Future Outlook

As announced in “Notice Concerning Tenant in Hotel WBF Yodoyabashi-Minami” on April 27, 2020, the effect on its management situation in the fiscal period ended April 2020 (the 8th fiscal period) and the fiscal period ending October 2020 (the 9th fiscal period) is limited and there is no change to the forecasts. On the other hand, negotiations with tenants affected by the new coronavirus is continuing and MIRAI is closely monitoring the condition of the portfolio on daily basis based on the outlook of end of the epidemic and government subsidies and supports being provided.

MIRAI plans to announce the outlook in its operating result announcement for the fiscal period ended on April 30, 2020 (the 8th fiscal period) scheduled for mid-June 2020. MIRAI will timely and properly announce if there is any matter to be announced.

(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 4/27/2020 “Notice Concerning Tenant in Hotel WBF Yodoyabashi-Minami”