

Press Release

Issuer of Real Estate Investment Trust Securities

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Notice of Tenant's Vacation

Tokyo, July 29, 2016 - MORI TRUST Sogo Reit, Inc. (MTR) has announced that it received a notice from a tenant advising the termination of the lease agreement for Ito-Yokado Shin-Urayasu (hereinafter "the Property"), which is owned by MTR. Details are as follows:

1. Outline of Tenant's Vacation

(1) Name of tenant	: Ito-Yokado Co., Ltd.
(2) Property name	: Ito-Yokado Shin-Urayasu
(3) Terminated leased area	: 57,621.38 m ²
(4) Percentage of total rentable area of the Property	: 100.0% (Note 1)
(5) Percentage of total rentable area of MTR's portfolio	: 11.8% (Note 2)
(6) Monthly rent	: 63,027,520 yen
(7) Security deposit/ key money	: 756,330,240 yen
(8) Scheduled termination date	: July 30, 2017

(Note 1) Total rentable area of the Property (as of June 30, 2016): 57,621.38 m²

(Note 2) Total rentable area of MTR (as of June 30, 2016): 486,662.04 m²

2. Investment management policy

The Shin-Urayasu area in which the Property is located offers an excellent living environment. Convenient facilities for everyday living, educational facilities, park facilities, and other facilities are all systematically laid out. In addition, many of the households that live there are young families with a relatively high income level. The area has seen growth in its population over the last few years. In addition, because the area is close to large resort facilities, it has seen an increased number of both foreign tourists to Japan and Japanese tourists, which has led to the recent active development of hotels.

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In light of these trends, the Shin-Urayasu area is expected to further develop in the future. The Property can accommodate different forms of use, such as new leasing and disposal. Going forward, MTR will consider the different choices available and strive to maintain and improve the profitability of the entire portfolio.

3. Performance forecasts after tenant's vacation

Because the scheduled termination date of the tenant is July 30, 2017, the vacating of the Property by the tenant will have no effect on MTR's operation for the fiscal period ending September 30, 2016 and the fiscal period ending March 31, 2017. Therefore, MTR will make no changes to its performance forecasts for these periods.

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