

For Immediate Release

Real Estate Investment Trust Securities Issuer
MORI TRUST REIT, Inc.
Representative: Masayuki Yagi, Executive Director
(Securities Code: 8961)

Asset Management Company
MORI TRUST Asset Management Co., Ltd.
Representative: Hiroshi Naito,
President and Representative Director

Contact: Nobuyuki Aizawa,
Director, General Manager,
Strategic Management Department
(TEL: +81-3-6435-7011)

Notice Concerning Treatment of Fractional Investment Units of
Less Than One Unit in Connection with the Merger

Following the absorption-type merger (the “Merger”) of MORI TRUST REIT, Inc. (“MTR” which changed its trade name from MORI TRUST Sogo Reit, Inc. as of March 1, 2023) and MORI TRUST Hotel Reit, Inc. (“MTH”) that took effect on March 1, 2023, investment units of MTR were allocated to unitholders stated or recorded on MTH’s final unitholders’ register as of February 28, 2023 (“Unitholders Subject to Allocation”). However, among the investment units granted to some Unitholders Subject to Allocation are fractional units of less than one (“Fractional Investment Units”).

These Fractional Investment Units will be sold through market transactions in accordance with the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, including amendments) and the proceeds will be granted to the Unitholders Subject to Allocation in accordance with the fractional units allocated to them.

Applicable Unitholders Subject to Allocation will be notified of details including the amount and method of delivery separately by mail, and these payments are scheduled to begin in May 2023.

1. Allocation of Investment Units

The right to receive an allotment of MTR investment units has been granted to Unitholders Subject to Allocation (unitholders who held MTH investment units on February 24, 2023, the final trading day with rights).

	MTR	MTH
Allocation of investment units under the Merger	1	1.84

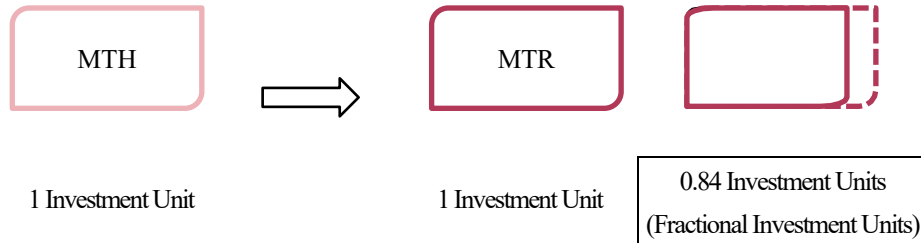
(Note) The number of new MTR investment units issued as a result of the Merger: 920,000

2. Method of Calculation for Allocation of Investment Units

Formula: Number of MTH investment units owned x 1.84 = Number of MTR investment units to be allocated

(1) For unitholders who held 1 MTH investment unit as of the record date
 The number of MTR investment units to be allocated due to the Merger is 1.84.

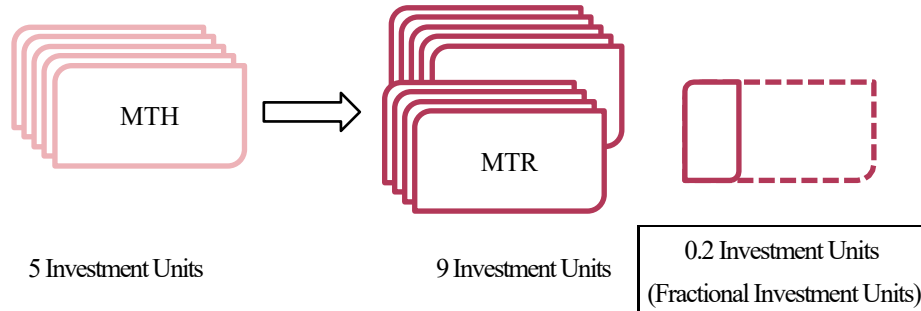
(For reference)



→ The proceeds from the sale of the 0.84 investment units, which is the portion that is less than one unit, will be paid.

(2) For unitholders who held 5 MTH investment units as of the record date
 The number of MTR investment units to be allocated due to the Merger is 9.2.

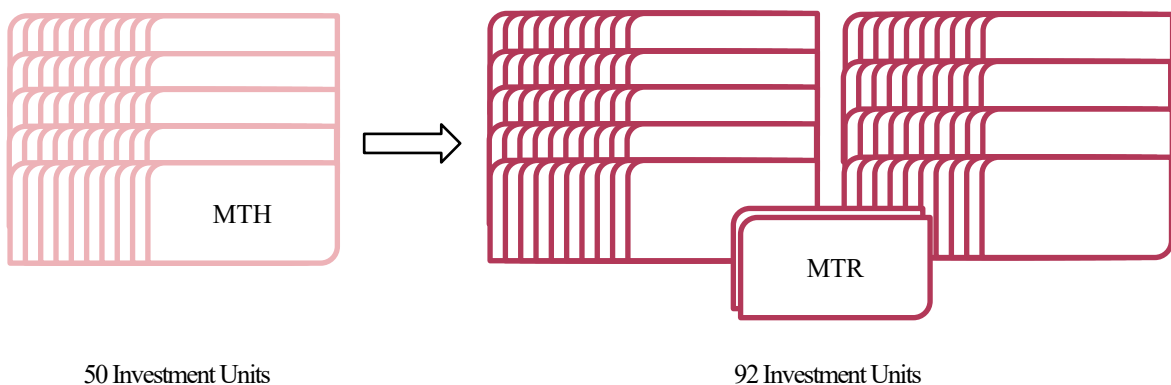
(For reference)



→ The proceeds from the sale of the 0.2 investment units, which is the portion that is less than one, will be paid.

(3) For unitholders who held 50 MTH investment units as of the record date
 The number of MTR investment units to be allocated due to the Merger is 92.

(For reference)



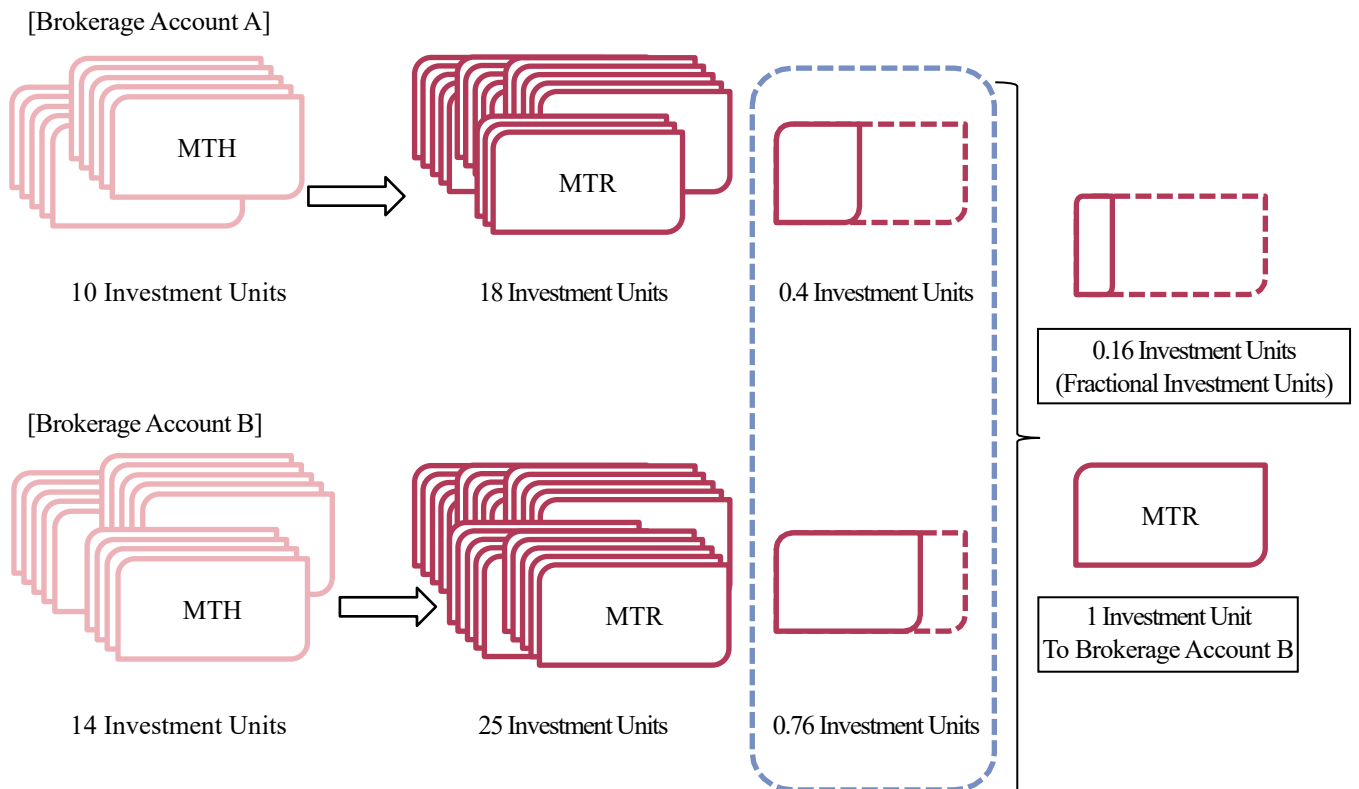
→ Because there are no fractions, no proceeds from the sale of Fractional Investment Units will be paid.

(4) For unitholders who held MTH investment units in multiple brokerage accounts

In the event that MTH investment units were held in multiple brokerage accounts as of the record date, Fractional Investment Units will be processed based on the total number of combined units. If the aggregate of Fractional Investment Units from the brokerage accounts is greater than one, investment units will be recorded in whole numbers in the brokerage account with the largest number of MTH investment units. In addition, any Fractional Investment Units present after aggregation will be treated as fractions of less than one as described in (1) or (2) above.

(For reference)

(Example) For unitholders who held 10 MTH investment units in Brokerage Account A and 14 MTH investment units in Brokerage Account B as of the record date.



→ The aggregate of Fractional Investment Units taken from the brokerage accounts is 1.16. Of this, 1 MTR investment unit will be recorded in the brokerage account that had the largest number of MTH investment units (in the example above, Brokerage Account B). In addition, the portion that is less than one (0.16) after aggregation will be treated as Fractional Investment Units and the proceeds from its sale will be paid.

3. Upcoming Schedule (tentative)

Late March 2023	Sending of notice regarding number of investment units allocated (Note 1)
May 2023	Commence payment of proceeds from sale of Fractional Investment Units (Note 2)
May 2023	Commence payment of money delivered due to merger (Note 3)

(Note 1) With February 28, 2023, as the record date, notices will be sent to unitholders recorded on MTH’s final unitholders’ register as of said record date.

(Note 2) Because the timeframe, etc., required for the sale of Fractional Investment Units through market transactions is not yet known, the commencement date for payment of proceeds from the sale of Fractional Investment Units may be earlier or later than scheduled. The proceeds from the disposal of Fractional Investment Units are scheduled to be delivered to all Unitholders Subject to Allocation with fractional units by sending them a receipt for the proceeds from the disposal of Fractional Investment Units, which can then be exchanged for cash at the designated financial institutions.

(Note 3) The surviving corporation of the Merger, MTR, plans to pay money delivered due to merger equivalent to the cash distribution amount of the final business period to Unitholders Subject to Allocation or investment unit pledge holders for their investment units as a cash dividend in lieu of cash distributions for MTH’s final business period ended February 28, 2023 (fiscal period ended February 2023: September 1, 2022, to February 28, 2023). The following is an overview of the expected money delivered due to merger as announced by MTH in “Notice Concerning Revisions to Forecast of Management Status and Forecast of Money Delivered Due to Merger for Fiscal Period Ending February 2023” dated February 24, 2023. The amount of money delivered due to merger is currently undetermined and will be announced once confirmed.

(Reference)

MTH’s operating results forecast for the final business period (fiscal period ended February 2023: September 1, 2022, to February 28, 2023) and forecast for money delivered due to the Merger (published by MTH on February 24, 2023)

	Operating Revenue	Operating Income	Ordinary Income	Net Income	Money Delivered Due to Merger per Unit
	million yen	million yen	million yen	million yen	yen
Operating results forecast for MTH’s final business period (fiscal period ended February 2023)	1,730	930	704	703	1,407

* MORI TRUST REIT’s website: <https://www.mt-reit.jp/en/>