

October 24, 2017

For Immediate Release

REIT Securities Issuer
Hoshino Resorts REIT, Inc.
Representative: Kenji Akimoto, Executive Director
(Code: 3287)

Asset Management Company
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Notice Concerning Determination on Prices and Other Matters for Issuance of New Investment Units and Secondary Offering of Investment Units

In relation to the issuance of new investment units and secondary offering of investment units resolved at the Board of Directors meeting of Hoshino Resorts REIT, Inc. (hereinafter "HRR") dated October 11, 2017, the Board of Directors of HRR determined the issue price, the offer price, and other matters today as follows:

1. Issuance of New Investment Units through Public Offering (Primary Offering)

- (1) Paid-in amount (issue value): 514,063 yen per unit
- (2) Total paid-in amount 19,616,644,080 yen
(total issue value):
- (3) Issue price (offer price): 531,508 yen per unit
- (4) Total issue price (offer price): 20,282,345,280 yen
- (5) Subscription period: From October 25, 2017 (Wednesday) to October 26, 2017 (Thursday)
- (6) Payment date: November 1, 2017 (Wednesday)
- (7) Transfer date: November 2, 2017 (Thursday)

(Note) The underwriters will purchase and underwrite investment units with the paid-in amount (issue value) and offer with the issue price (offer price).

2. Secondary Offering of Investment Units (Over-Allotment)

- (1) Number of investment units 1,908 units
to be offered:
- (2) Offer price: 531,508 yen per unit
- (3) Total offer price: 1,014,117,264 yen
- (4) Subscription period: From October 25, 2017 (Wednesday) to October 26, 2017 (Thursday)
- (5) Transfer date: November 2, 2017 (Thursday)

Disclaimer: This press release is a document for public announcement concerning the determination on prices and other items for issuance of new investment units and secondary offering of investment units by HRR, and has not been prepared for the purpose of solicitation for investment. Investors are advised to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by HRR before they invest and that they make decisions on investment at their own responsibility and discretion.

3. Issuance of New Investment Units to be Offered by Way of Third-Party Allotment

- (1) Paid-in amount (issue value): 514,063 yen per unit
 - (2) Total paid-in amount (total issue value) (maximum): 980,832,204 yen
 - (3) Subscription period (Subscription date): November 27, 2017 (Monday)
 - (4) Payment date: November 28, 2017 (Tuesday)
- (Note) If there is no subscription for all or a part of the investment units on or before the subscription period (subscription date) described in (3) above, the issuance of the investment units will be canceled.

<Reference>

1. Calculation of Issue Price and Offer Price

- (1) Calculation reference date and the investment unit price on the date: October 24, 2017 (Tuesday) 557,000 yen
 - (2) Discount rate (Note) (Note) 2.50%
- (Note) Discount rate is calculated after subtracting the forecast distribution amount for the 9th fiscal period ending October 2017 (11,863 yen) from the investment unit price (closing price) on the calculation reference date.

2. Syndicated Cover Transaction Period

From October 27, 2017 (Friday) to November 20, 2017 (Monday)

3. Use of Funds to be Procured

The net proceeds of 19,616,644,080 yen HRR will receive from the primary offering will be used as part of acquisition funds for new specified assets (as defined in Paragraph 1 of Article 2 of the Act on Investment Trusts and Investment Corporations) which HRR is scheduled to acquire, described in "Notice Concerning Acquisition and Leasing of Domestic Real Estate" dated October 11, 2017. The maximum amount of proceeds (980,832,204 yen) HRR will receive from the Third-Party Allotment which was resolved on the same day as the primary offering will be retained as cash on hand, deposited in financial institutions, and will be used as a part of funds for future acquisition of specified assets or a portion of repayment of borrowings.

* Hoshino Resorts REIT, Inc. website address: <http://www.hoshinoresortsreit.net/>

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