

February 22, 2007

**Financial Report for the First Fiscal Period (June 1, 2006 to December 31, 2006)**

MID REIT, Inc. is listed on the Tokyo Stock Exchange with the securities code number 3227. (URL: <http://www.midreit.jp/>)

Head Office: Osaka  
Inquiries: MID REIT Management Co., Ltd.  
(Asset Management Company)  
Hiroshi Uemura, Director  
General Manager, Planning & Finance Division  
TEL: +81-6-6456-0700

Board of Directors' Meeting  
for Approval of Financial Results: February 22, 2007  
Planned Commencement of Cash  
Distribution Payment: March 23, 2007

**PERFORMANCE FOR THE FIRST FISCAL PERIOD (June 1, 2006 to December 31, 2006)**

**(1) Business Results** Millions of yen rounded down, unless otherwise stated

	Operating revenue	Operating income	Ordinary income	Net income
First Fiscal Period	4,129 %	2,385 %	1,829 %	1,827 %

	Net income per unit (Yen)	Return on unitholders' Equity (ROE)	(Reference) Annualized	Ordinary income to total assets	(Reference) Annualized	Ordinary income to operating revenue
First Fiscal Period	9,990	2.0%	(6.0)%	1.1%	(3.3)%	44.3%

Notes:

1. For accounting purposes, the first fiscal period is from June 1, 2006 through December 31, 2006, a period of 214 days. The actual asset management period, however, commenced on August 31, 2006, for a period of 123 days.
2. Net income per unit is calculated utilizing the average number of investment units for the period. The average number of investment units for the fiscal period under review was 182,901 units (the average number of investment units for the actual asset management period). Net income per unit utilizing the number of investment units as of the first fiscal period-end (183,625 units) was ¥9,951.
3. Changes in accounting policies: None
4. Percentages for operating revenue, operating income, ordinary income and net income represent the percentage increase or decrease from the previous fiscal period. Accordingly, percentages are not provided in this report as the fiscal period under review is the first fiscal period.
5. Annualized percentage figures for the first fiscal period = Percentage figures for the first fiscal period / Actual number of asset management days (123 days) x 365 days.
6. Return on unitholders' equity and ordinary income to total assets are calculated using the average (net balance at beginning of period plus net balance at period-end divided by two) for both total assets and unitholders' equity. For the period under review, the figures are calculated using the date on which actual asset management commenced (August 31, 2006) as the beginning of the fiscal period.

**(2) Distributions**

Millions of yen rounded down, unless otherwise stated

	Distribution per unit [excluding distribution in excess of retained earnings] (Yen)	Total distributions	Distribution in excess of earnings per unit (Yen)	Total distributions in excess of earnings	Payout ratio	Distribution ratio to unitholders' equity
First fiscal period	9,951	1,827	0		99.9%	2.0%

Note: The payout ratio and distribution ratio to unitholders' equity are rounded down to the first decimal place.

**(3) Financial Position**

Millions of yen rounded down, unless otherwise stated

	Total assets	Total unitholders' equity	Unitholders' equity to total assets	Unitholders' equity per investment unit (Yen)
As of Dec. 31, 2006	166,268	92,199	55.5%	502,110

Note: The number of investment units outstanding as of December 31, 2006 totaled 183,625 units.

**FORECAST OF RESULTS FOR THE SECOND FISCAL PERIOD****(January 1, 2007 to June 30, 2007)**

Millions of yen rounded down, unless otherwise stated

	Operating revenue	Ordinary income	Net income	Distribution per unit [excluding distribution in excess of retained earnings] (Yen)	Distribution in excess of earnings per unit (Yen)
Second Fiscal Period	6,129	2,487	2,486	13,540	0

(Reference) Estimated net income per unit for the fiscal period ending June 30, 2007: ¥13,540

Note: Forecasts for operating revenue, ordinary income, net income and distribution per unit may differ significantly from actual results due to changes in operating conditions or a variety of other factors. Accordingly, the Investment Corporation does not guarantee payment of the forecast distribution amount.