

Securities Code **3227**

MCUBS MidCity

<http://www.midcity-reit.com/>

20th Period Investor Presentation



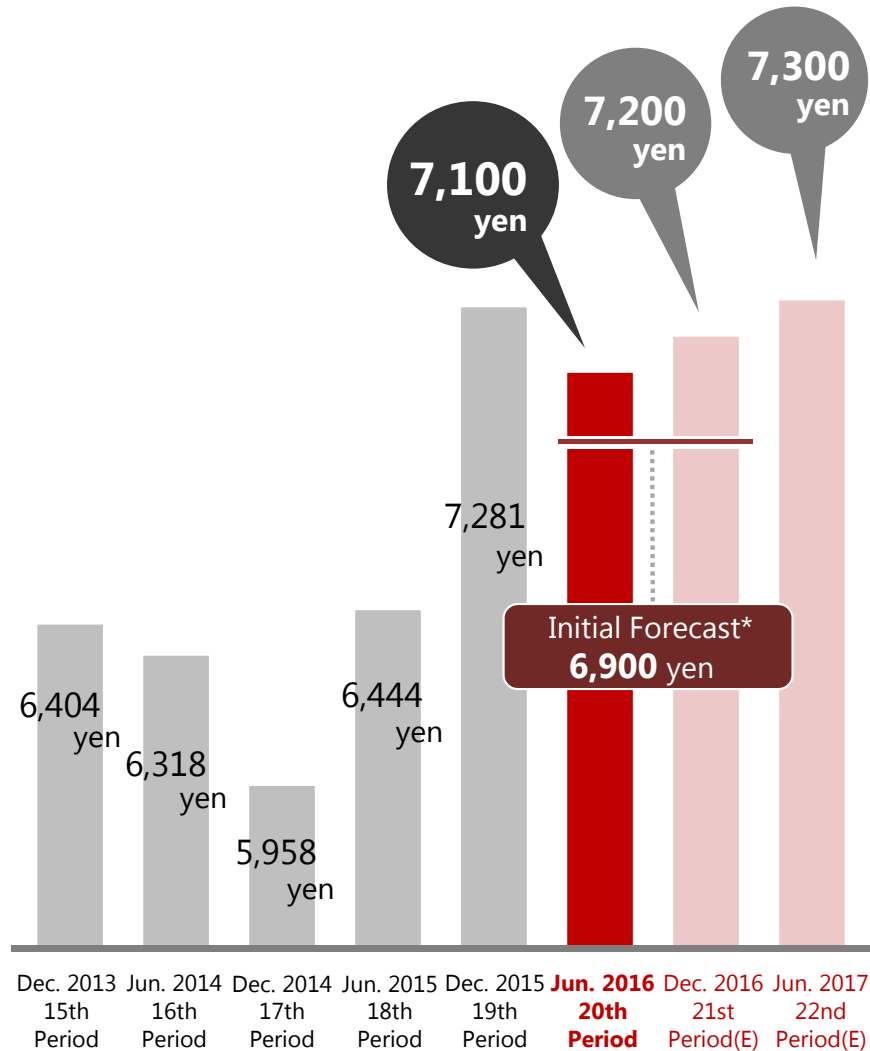
Fiscal Period ended June 30, 2016 (20th Period)



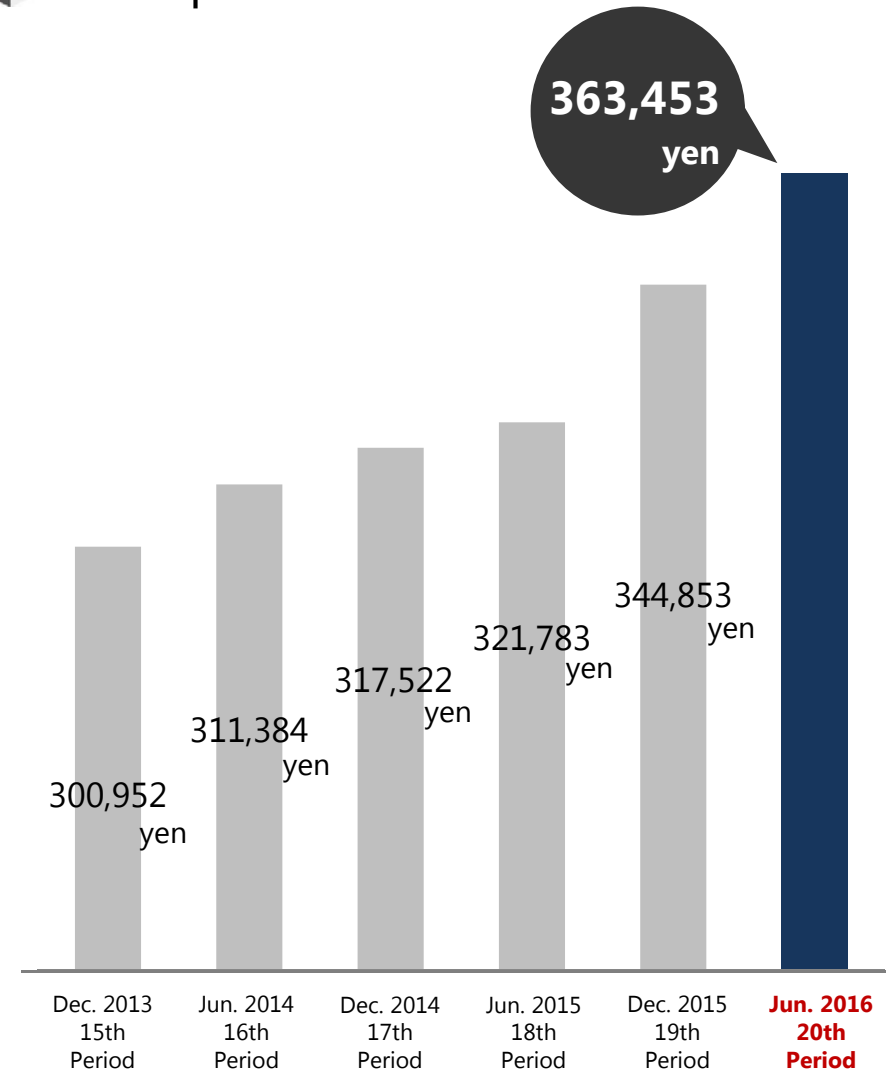
MCUBS MidCity Investment Corporation

Sustainable Growth of Unitholder Value

 Distribution per Unit

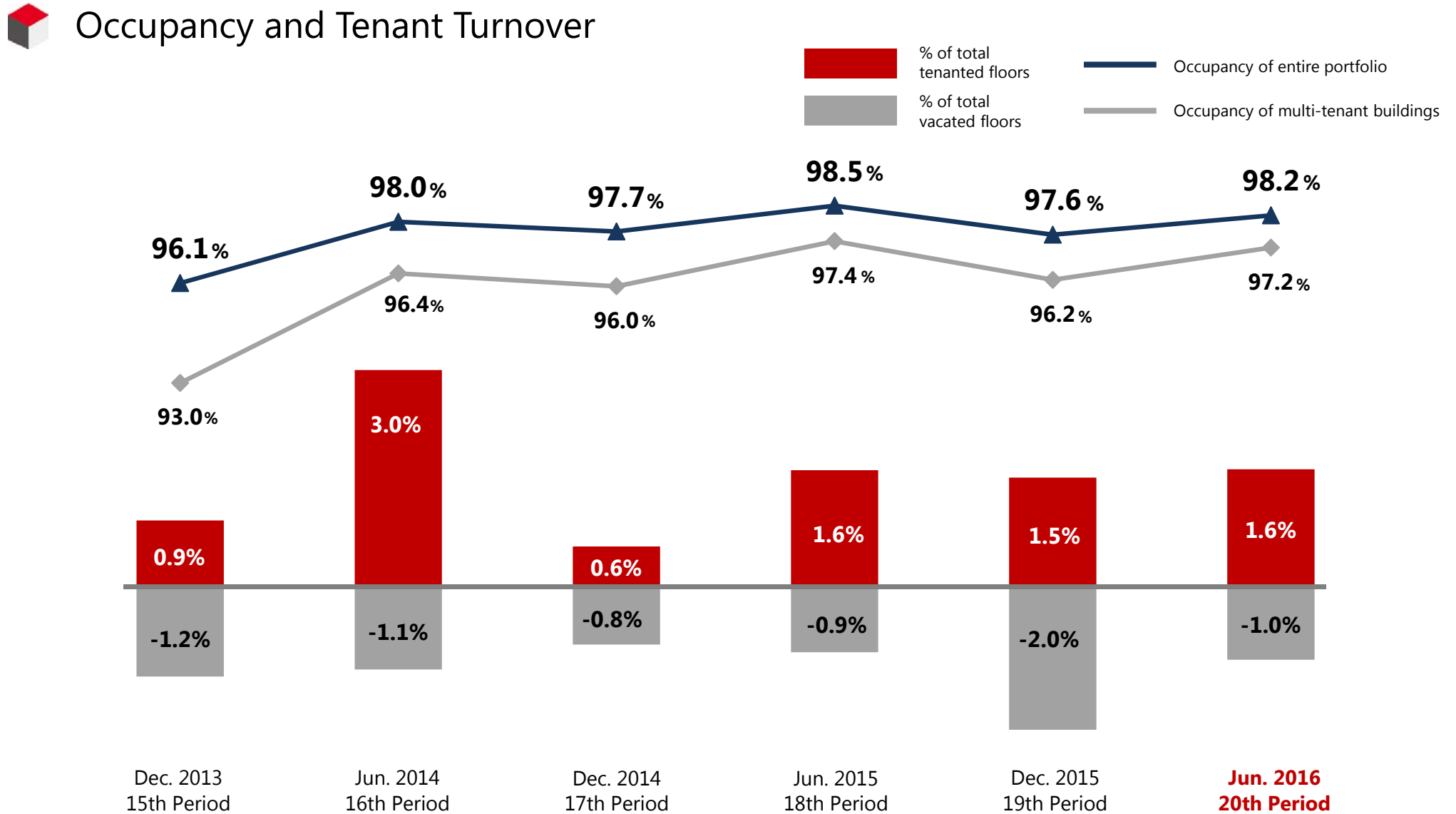


 NAV per Unit



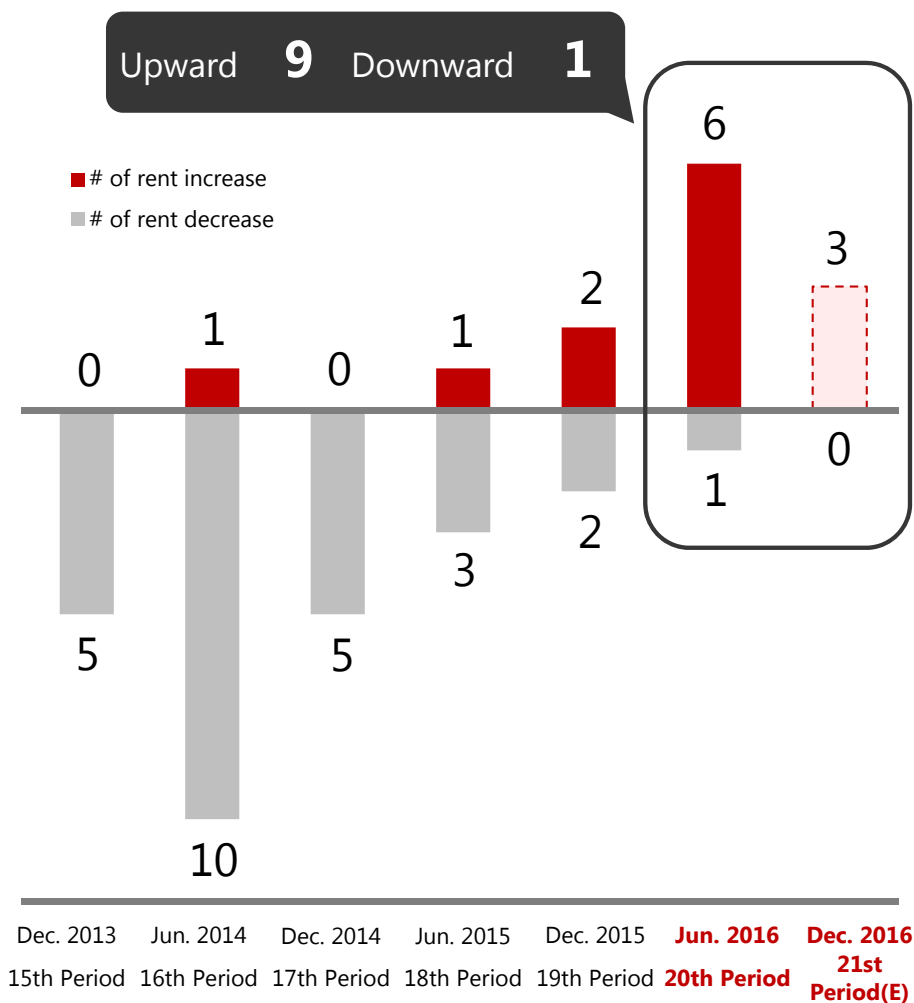
*As of February 15, 2016

Continued High Occupancy

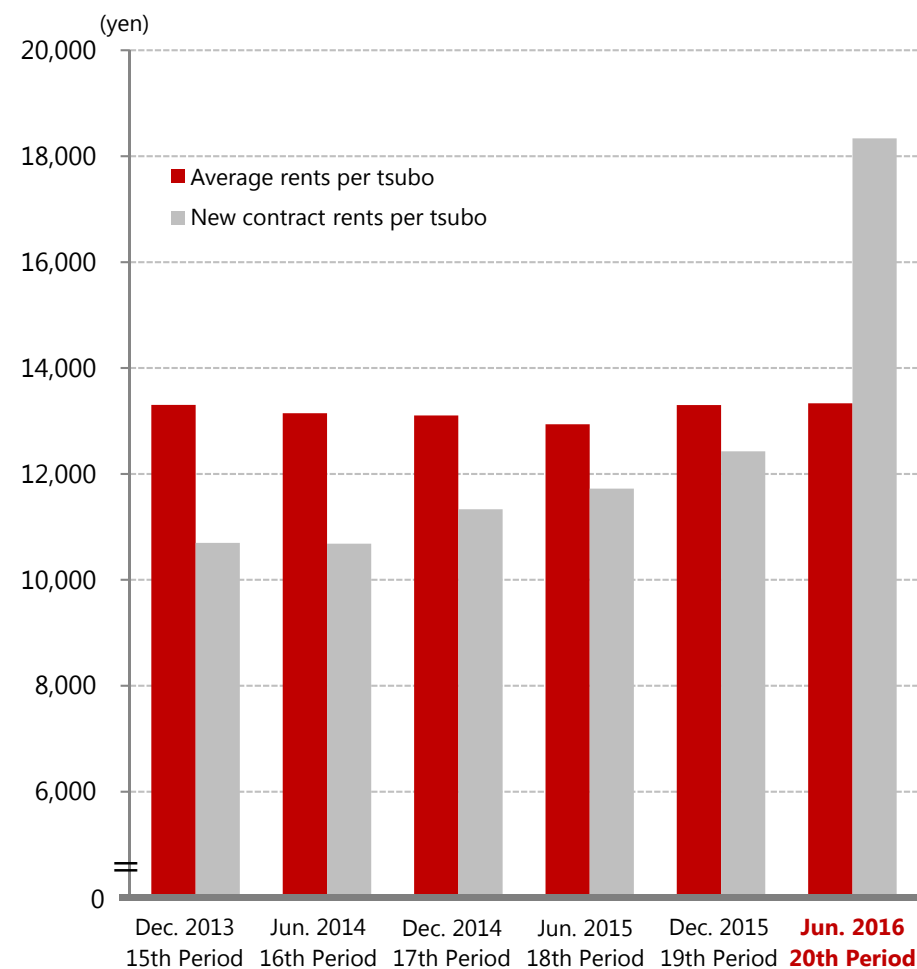


Rise in Average Rents

Revision of Lease Agreements



Historical Average Rents

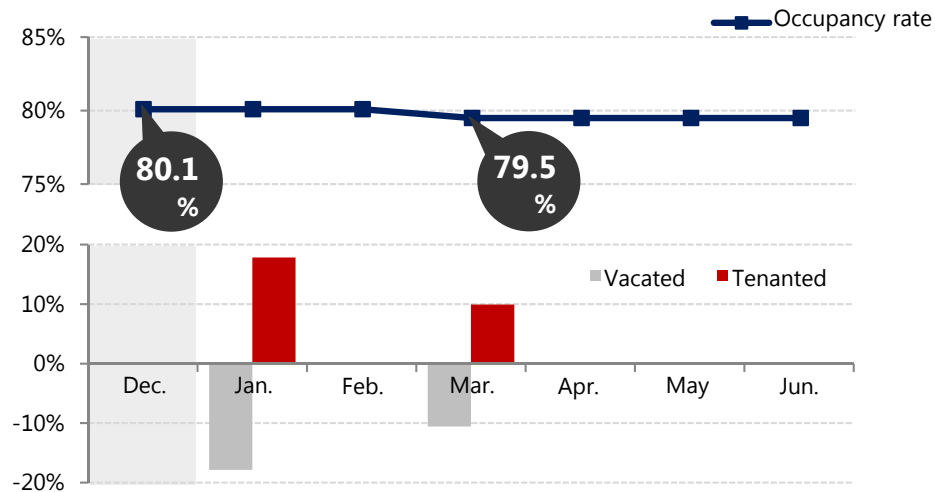


*Dec. 2016 21st Period (E) is based on lease agreements settled by Jul. 31, 2016

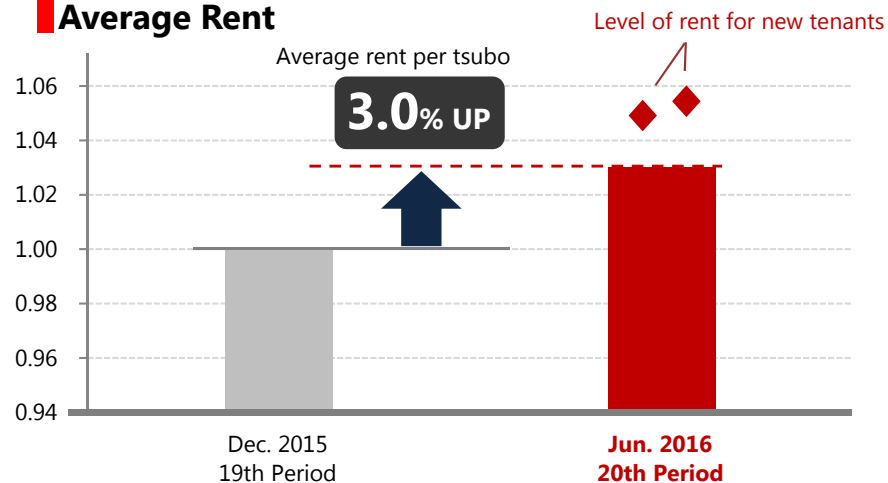
Upward Rent Revision at Two Properties in Tokyo Area

G-Square Shibuya Dogenzaka

■ Occupancy and Tenant Turnover



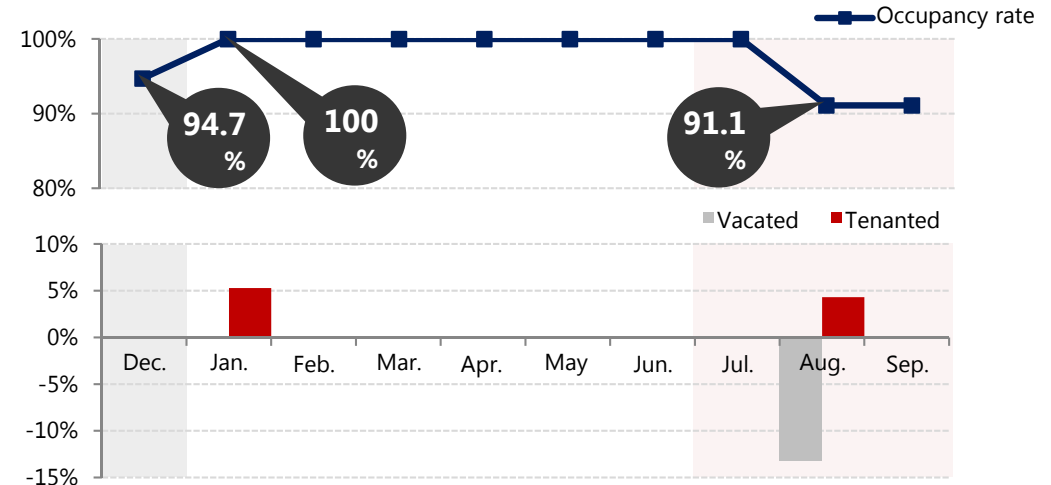
■ Average Rent



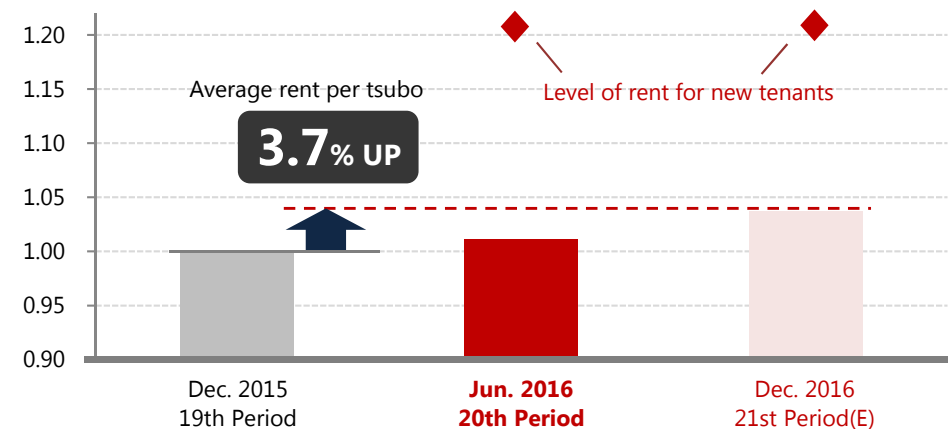
*Dec. 2016 21st Period (E) is based on lease agreements settled by Jul. 31, 2016

Cube Kawasaki

■ Occupancy and Tenanted/Vacated Floor

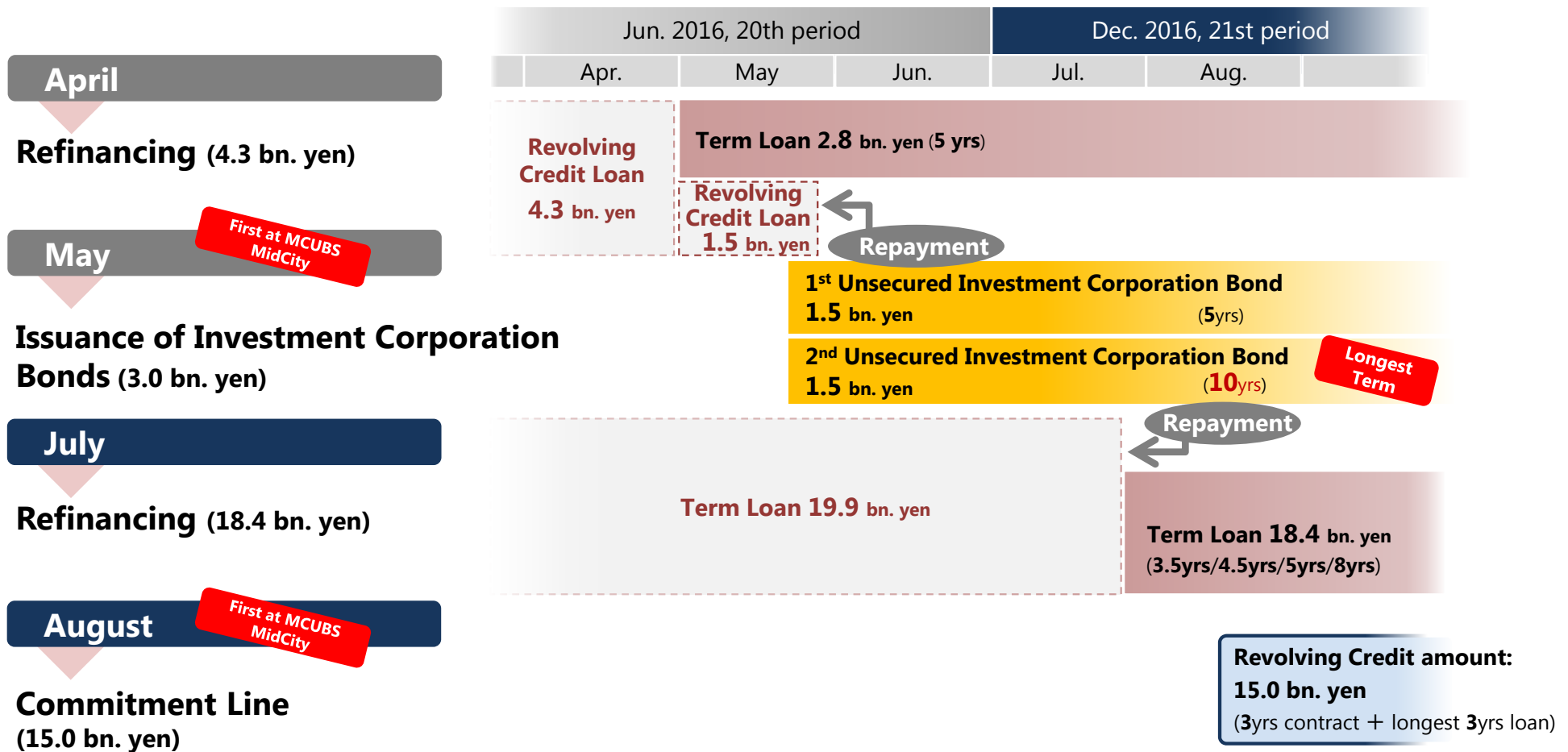


■ Average Rent



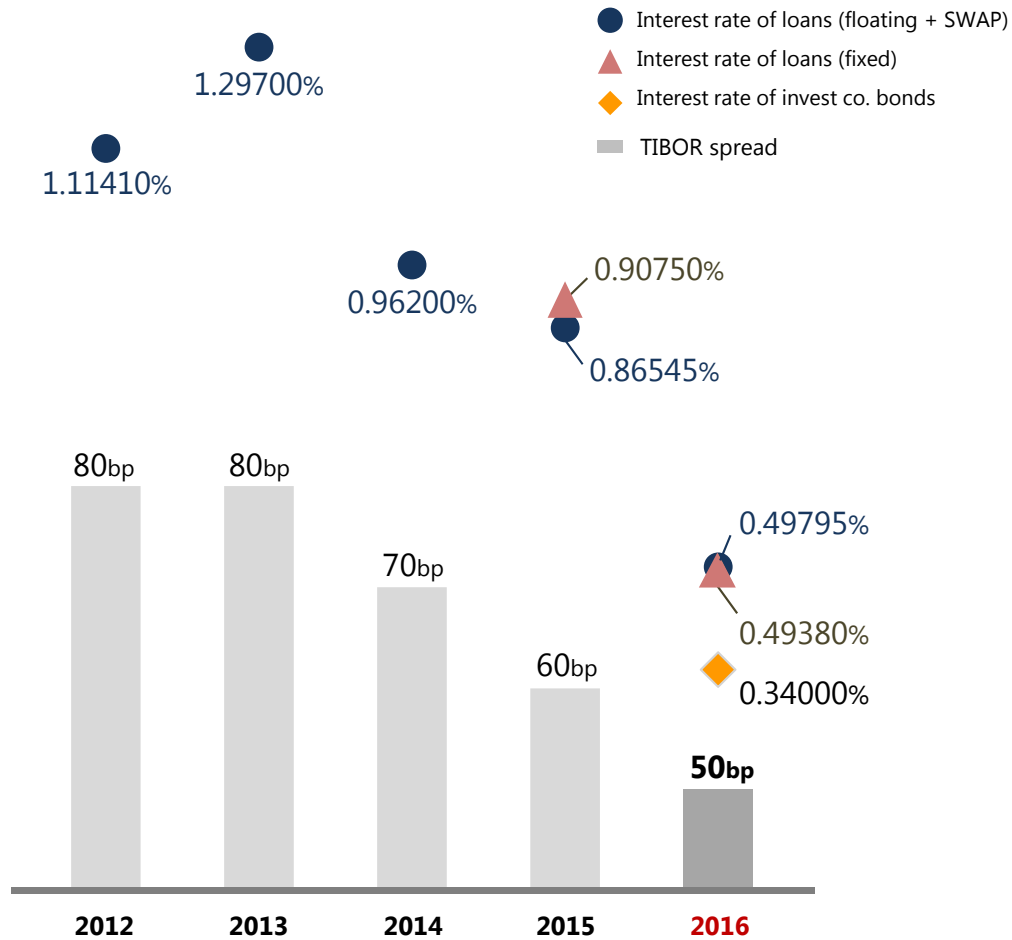
Initiatives for Financial Improvement

 Financial Initiatives Implemented in 20th and 21st Periods

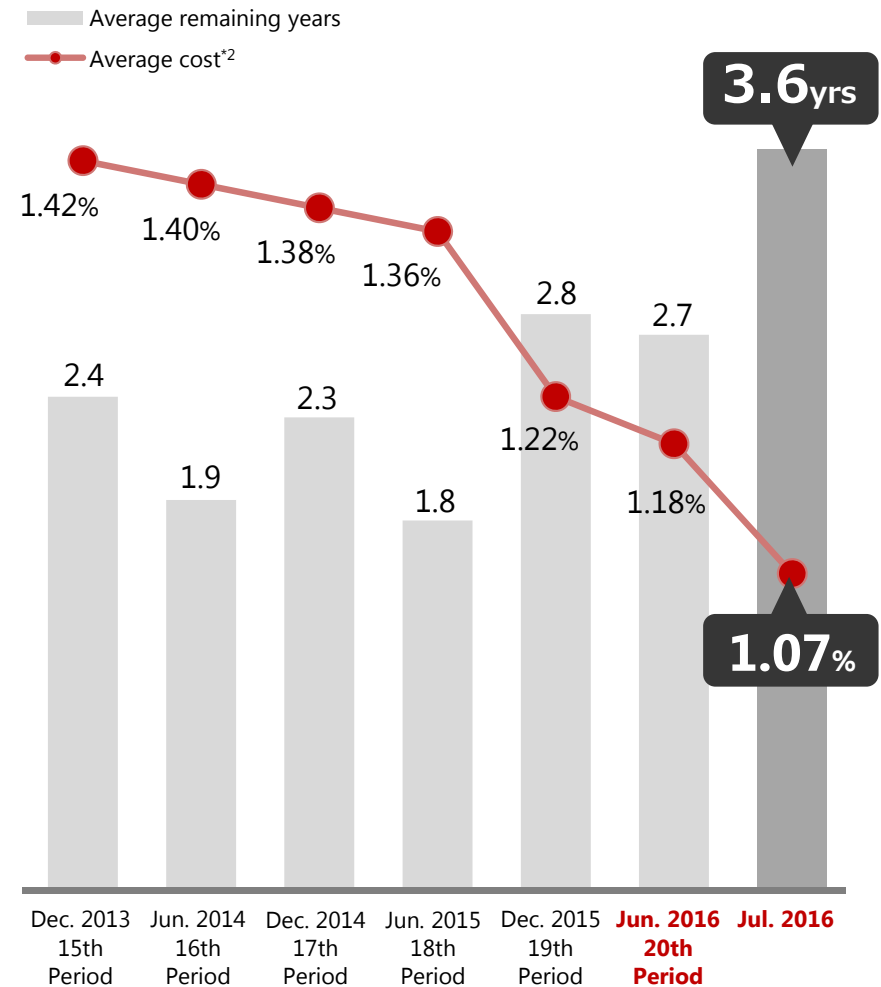


Reduction in Financial Costs

Interest Rate for 5-yr Debt^{*1}



Average Cost and Remaining Years of Debt

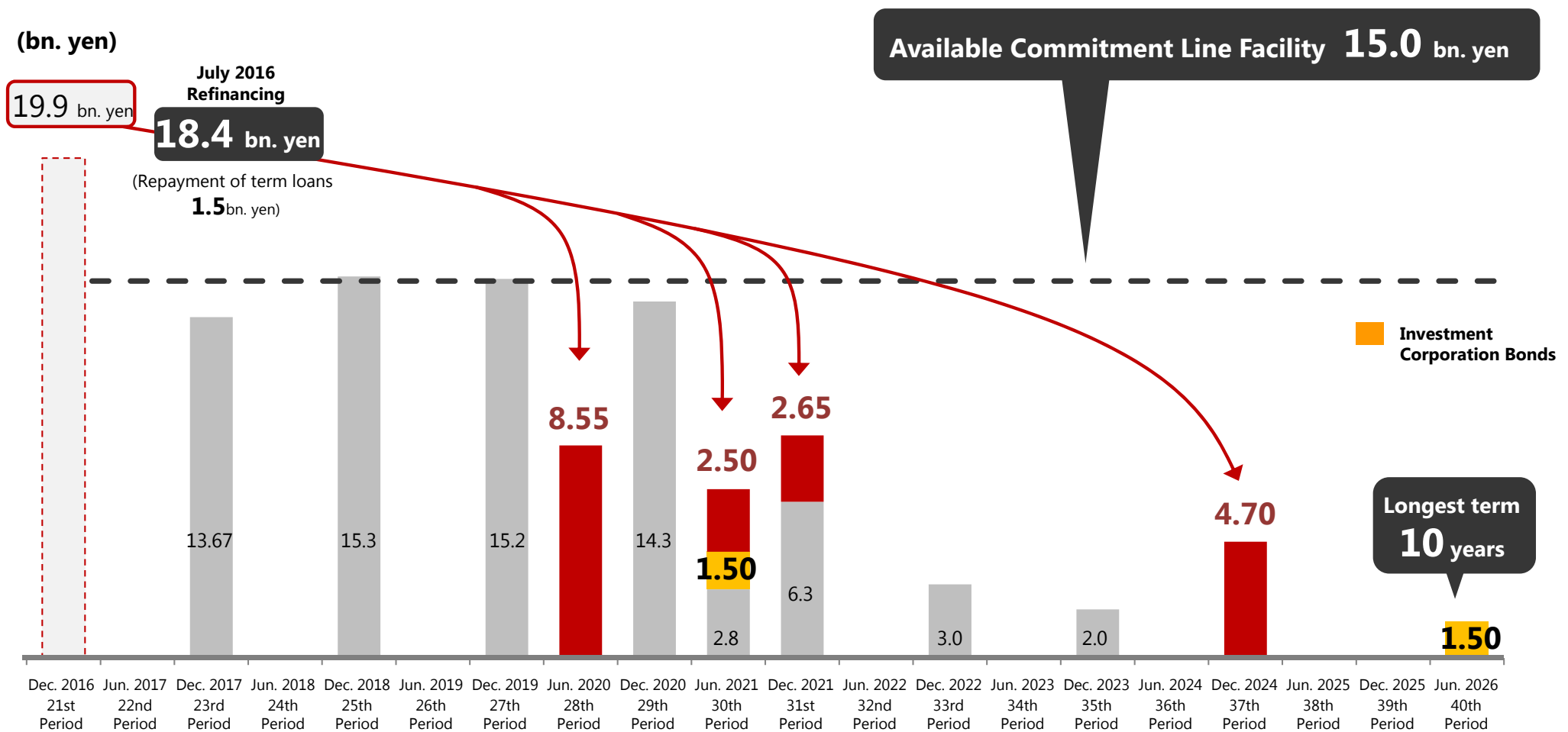


*1 Excluding related costs

*2 All-in costs including related costs

Significant Improvement in Financial Stability

Debt Maturity Ladder



Unitholder's Value Improvement

Sustainability

- ▶ Evaluation and certification by external organizations

■ DBJ Green Building Certification ■ CASBEE Property Appraisal

★★★

- Twin 21
- Matsushita IMP Bldg.
- Kitahama MID Bldg.
- Higobashi MID Bldg.



Appraisal of Rank A

- G-Square Shibuya Dogenzaka
- Higobashi MID Bldg.

■ GRESB

Participated in GRESB (Global Real Estate Sustainability Benchmark) survey in 2016



▶ Environmental Performance for 2015



* Each performance is the sum of the performance of the 16 properties owned by MCUBS MidCity as of December 31, 2015 for the period between January and December 2015

* CO₂ emissions are calculated in accordance with the guideline of "A Standard for Calculation/Report/Disclosure of Greenhouse Effect Gas Emission" by Ministry of Environment of Japan and "Handbook of Reporting on Global Warming" by the Tokyo Metropolitan Government

Website Renewal

- ▶ Current URL after the renewal of websites

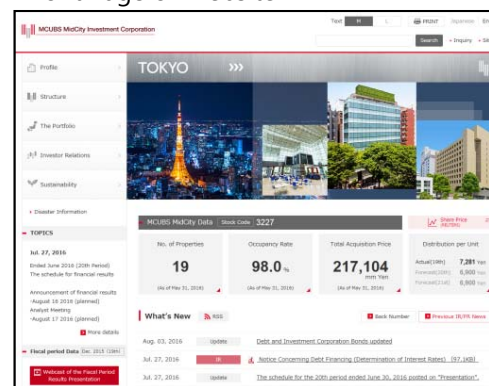
■ Investment Corporation

<http://www.midcity-reit.com/en/>

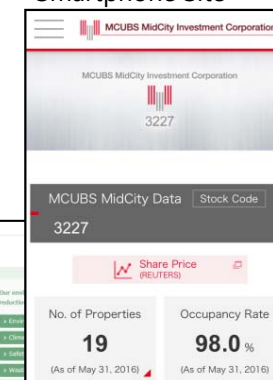
■ Asset Manager

<http://www.mcubs-midcity.com/en/>

Front Page of Website



Smartphone Site



Page of "Sustainability"



Overseas Property Investment

We are Considering Investing in Overseas Properties

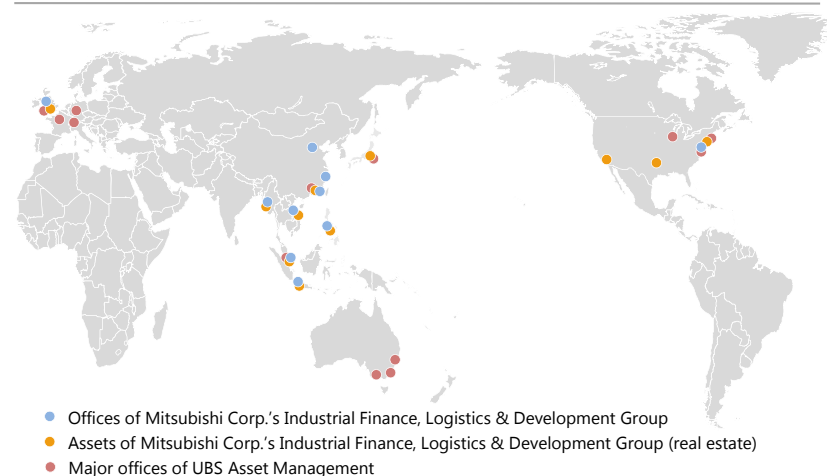
- As a part of 30% or less “other areas”
- Target to invest in properties located in the center of major cities (MidCity) of countries with growth prospects
- Taking advantage of global networks of Mitsubishi Corp. and UBS, the two shareholders of MCUBSR

- ✓ Plan to initiate with office properties located in **developed Asia Pacific**
- ✓ Plan to expand investment targets towards other Asia in the future
- ✓ Improve risk return profile of the portfolio

Portfolio construction policy (Targeted categories and regions)

Office	Others
70% or more	30% or less
Three major metropolitan areas	Other areas
70% or more	30% or less

Global networks of Mitsubishi Corp. and UBS



Overseas real estate investment by Mitsubishi Corp. and UBS

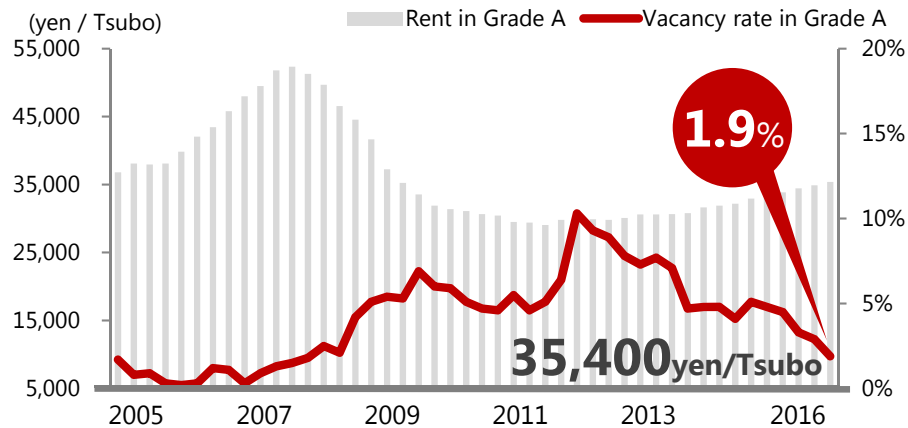
Development projects by Mitsubishi Corp.		Assets managed by UBS Asset Management	
The Philippines (Manila)	Indonesia (Jakarta)	Australia (Melbourne)	Australia (Sydney)
			
Forbes Media Tower	BSD Project (provisional name)	484 St Kilda Rd	19 Harris St

* MCUBS MidCity has no plans to acquire the properties above.

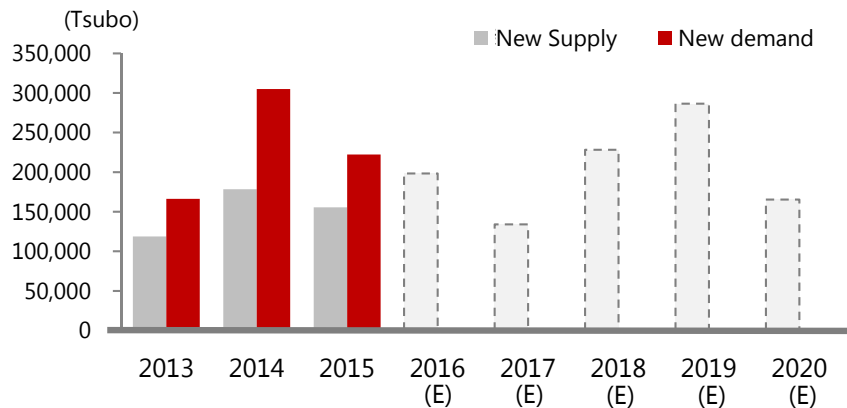
Real Estate Leasing Market

Tokyo Area

Occupancy and Rent

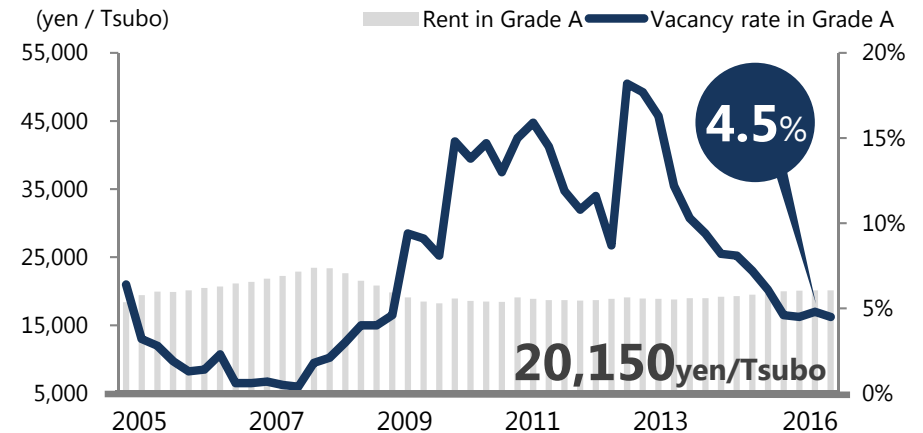


Supply and Demand

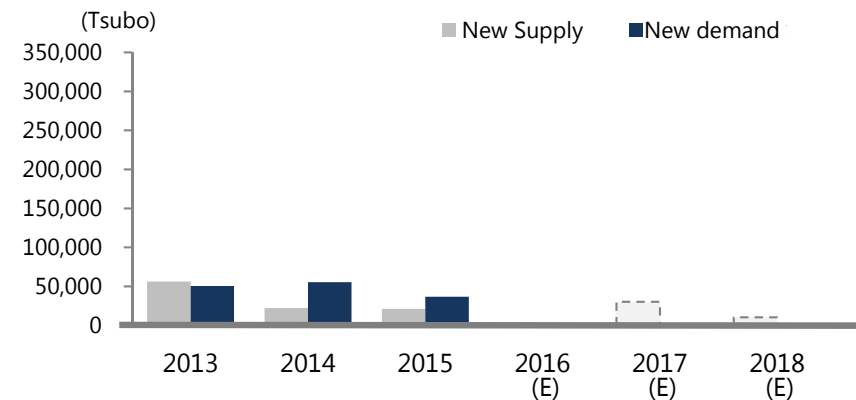


Osaka Area

Occupancy and Rent



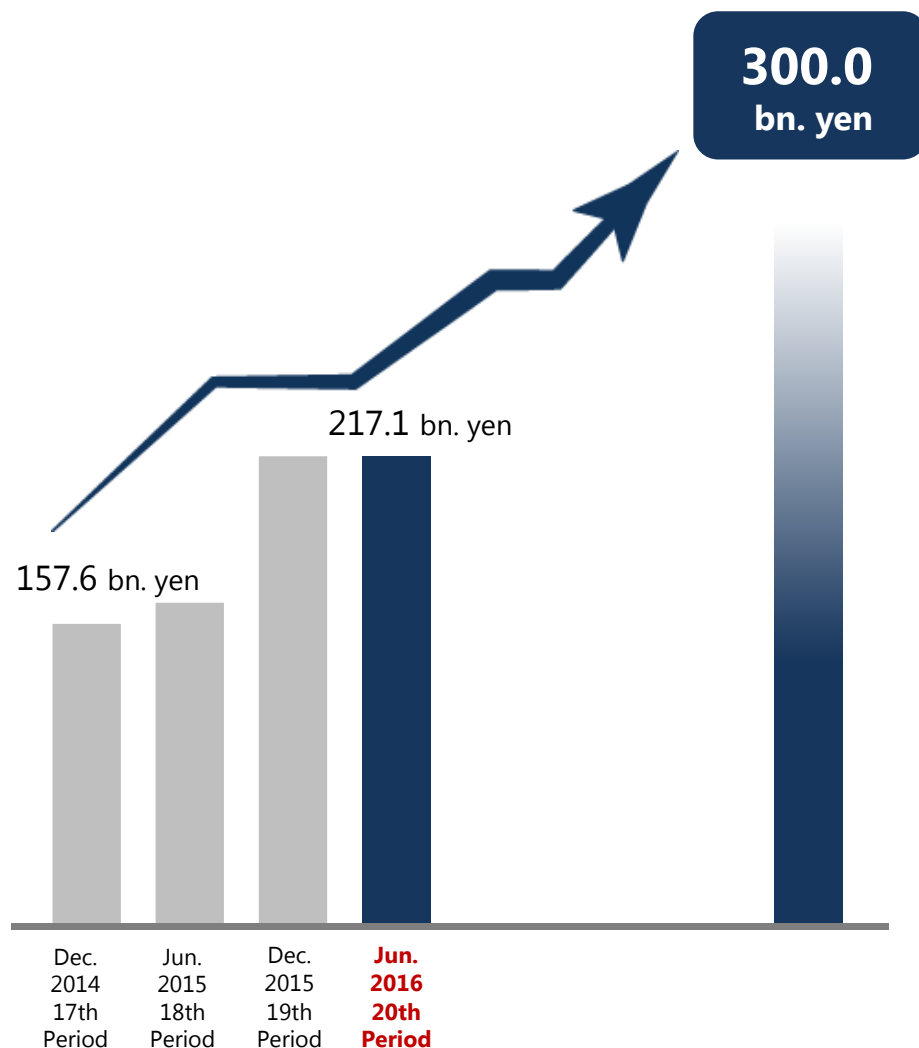
Supply and Demand



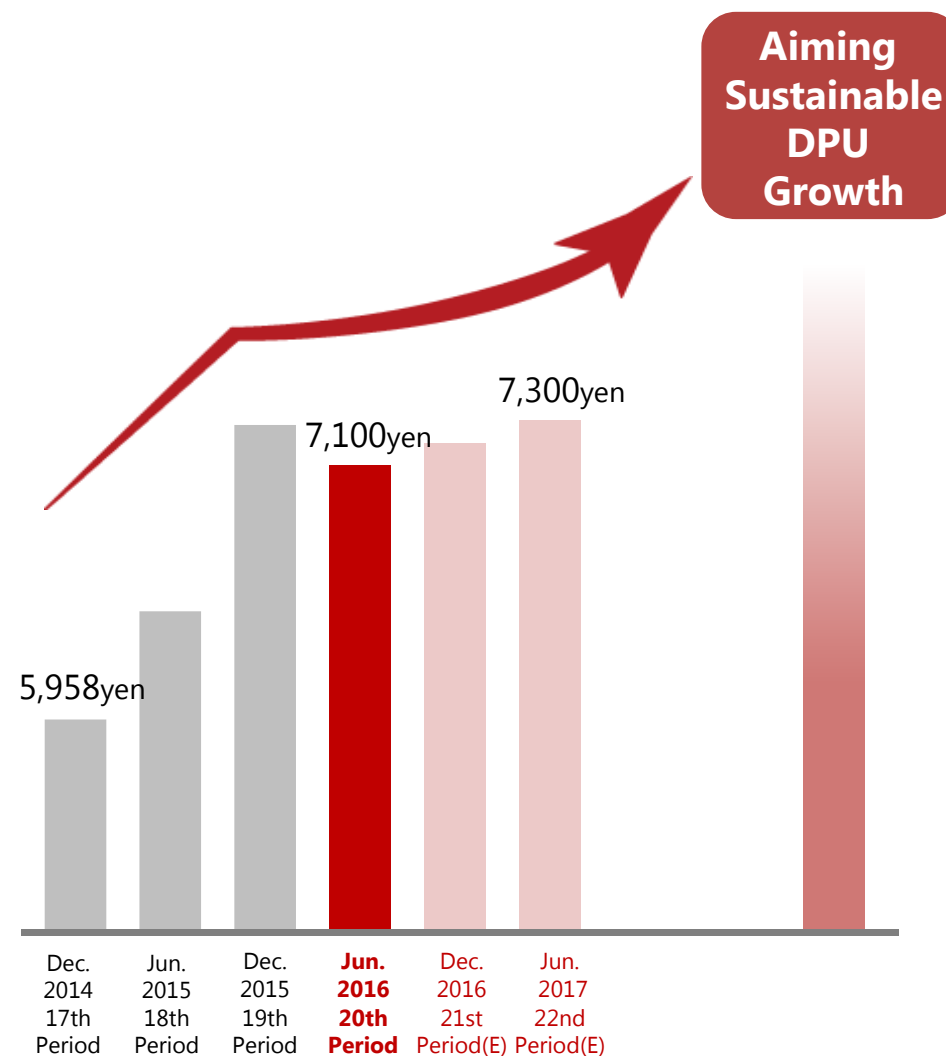
Source: CBRE

Growth Strategy

 Asset size



 Distribution per Unit



Memo



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