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MCUBS MidCity Investment Corporation

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

24 th Period

INVESTOR PRESENTATION – Appendix –

Fiscal Period ended June 30, 2018

Securities Code **3227**

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* Fractions of the stated amounts are cut off and those of the ratios and years are rounded off unless otherwise indicated. Therefore, the aggregation of the figures stated hereupon are not necessarily identical to the total.

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1. FINANCIAL HIGHLIGHTS

Overview of financial results for the fiscal period ended June 30, 2018 (24th Period)

	Fiscal Period ended Dec. 31, 2017 (23 rd Period) (184 days)	Fiscal Period ended Jun. 30, 2018 (24 th Period)(181 days)	Compared to the 23 rd Period
Distribution per unit ^(Note 1)	1,622yen (8,110yen)	1,684yen	+ 62yen
Occupancy rate	97.0 %	98.1 %	+1.1 pt
No. of properties under management	20	23	3
Asset size ^(Note 2)	238,144 mn. yen	261,349 mn. yen	+ 23,205 mn. yen
NOI ^(Note 3)	4,850 mn. yen	5,330 mn. yen	+ 480 mn. yen
Average NOI yield ^(Note 3) (Annual base)	4.1 %	4.3 %	+0.2 pt
Interest-bearing debt	104,975 mn. yen	115,975 mn. yen	+ 11,000 mn. yen
LTV (Book value base) ^(Note 4)	42.2 %	42.5 %	+0.3 pt
LTV (Appraisal value base) ^(Note 5)	42.1 %	41.8 %	-0.3 pt
Average remaining years of debt	3.5 years	3.4 years	-0.1 years
Issuer rating	R&I : A (Stable)	R&I : A (Stable) JCR : A+ (Positive)	—
NAV per unit ^{(Note 1) (Note 6)}	84,661 yen (423,305yen)	85,938yen	+ 1,277yen

Note 1: Based on the investment unit split with the effective date on January 1, 2018, one-fifth of the actual distribution per unit and NAV per unit (rounded down) for the 23rd Fiscal Period are indicated, with the actual figures prior to the investment unit split in parentheses.

Note 2: "Asset size" is based on acquisition price.

Note 3: "NOI" and "Average NOI yield" do not include dividends receivable of Nagoya Lucent Tower's silent partnership interest (hereinafter referred to as TK interest).

Note 4: LTV (Book value base)=Term-end debt/term-end total assets

Note 5: LTV (Appraisal value base)=term-end debt/(term-end total assets±unrealized gain/loss. Unrealized gain/loss means gap between book value and appraisal value).

Note 6: NAV per unit: [Total interest + (Term-end appraisal value - term-end book value)]/term-end outstanding # of units

24th Period financial results – Comparison to previous period

	Fiscal period ended Dec. 31, 2017 (23 rd Period)	Fiscal period ended Jun. 30, 2018 (24 th Period)	Difference
Operating revenue (mn. yen)	7,610	7,924	+313
Operating expenses (mn. yen)	4,627	4,555	-72
Operating income (mn. yen)	2,983	3,368	+385
Ordinary income (mn. yen)	2,400	2,769	+368
Income before income taxes (mn. yen)	2,406	2,769	+362
Net income (mn. yen)	2,405	2,767	+362
<hr/>			
Total distributions (mn. yen)	2,405	2,767	+361
Distribution per unit ^(Note) (yen)	1,622 (8,110)	1,684	+62
Gain/loss on real estate lease business (mn. yen)	3,593	4,002	+408
NOI (mn. yen)	4,850	5,330	+480
Occupancy rate at end of period	97.0%	98.1%	+1.1pt

Note: Based on the investment unit split with the effective date on January 1, 2018, one-fifth of the actual distribution per unit (rounded down) for the 23rd Period is indicated, with the actual figure prior to the investment unit split in parentheses.

(Unit: mn. yen)

Operating revenue	313
Rent revenue	295
Four properties acquired in 24 th Period	360
Office in Tokyo Area	25
Office in Osaka Area	-88
Others	-1
Other lease business revenue	20
Utilities revenue	-7
Other rent revenue	3
Other operating revenue	24
Gain on distribution of TK interest (Nagoya Lucent Tower)	-2
Operating expenses	-72
Expenses related to rent business (excl. depreciation and loss on retirement)	-164
Breakdown by property type	
Four properties acquired in 24 th Period	75
Office in Tokyo Area	-36
Office in Osaka Area	-132
Others	-70
Breakdown by items	
Taxes on property, plant and equipment	45
Utilities expenses	-74
Repair expenses	-150
Others	14
Depreciation and loss on retirement	71
Asset management fees	19
Other operating expenses	1

24th Period financial results – Comparison to initial forecasts

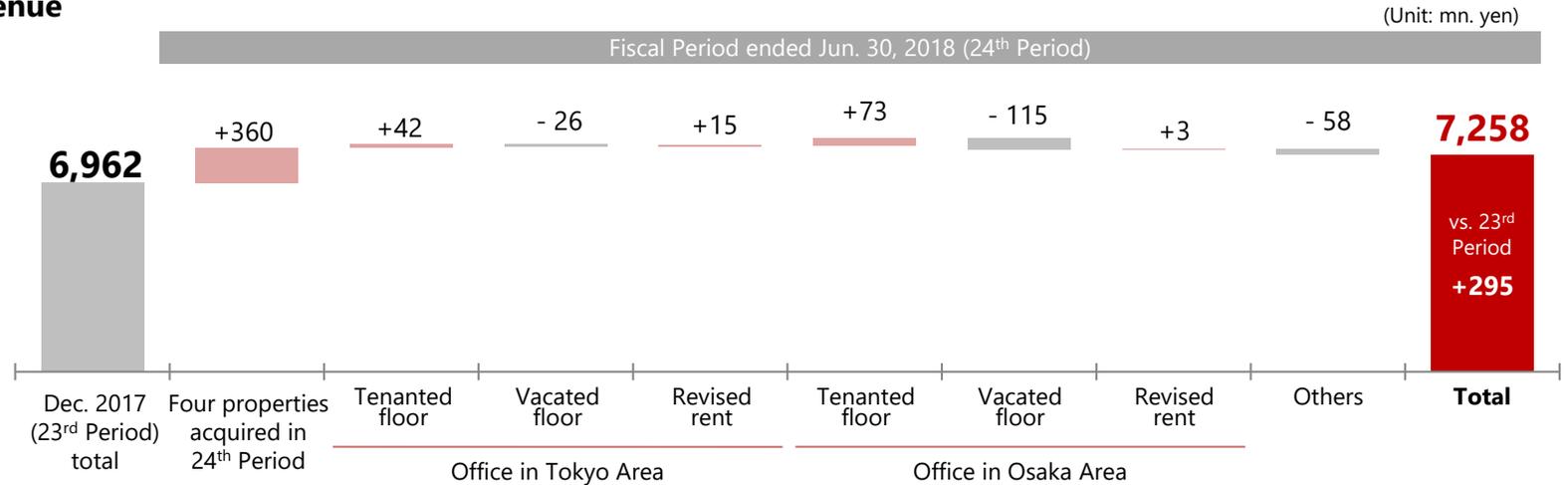
(Unit: mn. yen)

	Fiscal period ended Dec. 31, 2017 (23 rd Period) 2/20 Forecast	Fiscal period ended Jun. 30, 2018 (24 th Period)	Difference
Operating revenue (mn. yen)	7,888	7,924	+35
Operating expenses (mn. yen)	4,548	4,555	+7
Operating income (mn. yen)	3,340	3,368	+28
Ordinary income (mn. yen)	2,738	2,769	+31
Income before income taxes (mn. yen)	2,738	2,769	+31
Net income (mn. yen)	2,737	2,767	+30
<hr/>			
Total distributions (mn. yen)	2,735	2,767	+31
Distribution per unit (yen)	1,665	1,684	+19
Gain/loss on real estate lease business (mn. yen)	4,016	4,002	-14
NOI (mn. yen)	5,344	5,330	-14
Occupancy rate at end of period	97.3%	98.1%	+0.8pt

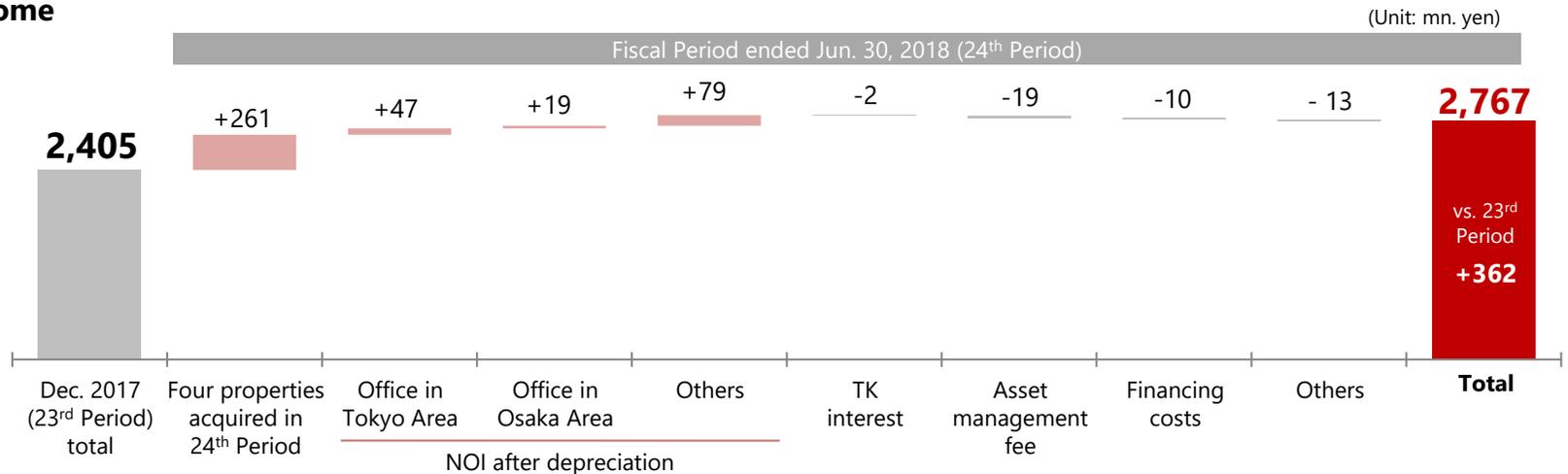
Operating revenue	35
Rent revenue	10
Four properties acquired in 24 th Period	-3
Office in Tokyo Area	1
Office in Osaka Area	11
Others	1
Other lease business revenue	12
Utilities revenue	-9
Other rent revenue	-10
Other operating revenue	32
Gain on distribution of TK interest (Nagoya Lucent Tower)	12
Operating expenses	7
Expenses related to rent business (excl. depreciation and loss on retirement)	36
Breakdown by property type	
Four properties acquired in 24 th Period	6
Office in Tokyo Area	5
Office in Osaka Area	27
Others	-3
.....	
Breakdown by items	
Taxes on property, plant and equipment	-0
Utilities expenses	3
Repair expenses	27
Others	6
Depreciation and loss on retirement	0
Asset management fees	1
Other operating expenses	-31

24th Period financial results – Breakdown of change from previous period

Rent revenue



Net income



Balance sheet

(Unit: amount of money (mn. yen), ratio (%))

Description	Fiscal Period ended Dec. 31, 2017 (23 rd Period) (as of Dec. 31, 2017)		Fiscal Period ended Jun. 30, 2018 (24 th Period) (as of Jun. 30, 2018)		Difference	
	(mn. yen)	(%)	(mn. yen)	(%)	(mn. yen)	(%)
	(Assets)					
I Total current assets	16,569	6.7	17,008	6.2	439	2.7
Cash and deposits	11,031		11,789		758	
Cash and deposits in trust	5,246		4,729		-517	
Operating accounts receivable	164		174		10	
Income taxes receivable	27		26		-1	
Consumption taxes receivable	-		251		251	
Prepaid expenses	42		37		-5	
Deferred tax assets	0		0		0	
Other	55		-		-55	
II Total non-current assets	232,161	93.3	255,518	93.7	23,357	10.1
1. Property, plant and equipment						
Buildings in trust	78,072		82,352		2,978	
Accumulated depreciation	-21,837		-23,139		-1,302	
Structures in trust	137		139		2	
Accumulated depreciation	-31		-34		-3	
Machinery and equipment in trust	7		7		0	
Accumulated depreciation	-3		-3		0	
Tools, furniture and fixtures in trust	585		635		50	
Accumulated depreciation	-422		-445		-23	
Land in trust	169,977		190,332		20,355	
Construction in progress in trust	4		14		10	
Total property, plant and equipment	226,489	91.0	249,859	91.6	23,369	10.3
2. Intangible assets						
Software	3		3		-0	
Trademark right	0		0		-0	
Total intangible assets	3	0.0	3	0.0	-0	-7.3
3. Investments and other assets						
Investment securities	5,085		5,085		0	
Lease and guarantee deposits	10		10		0	
Long-term prepaid expenses	573		560		-12	
Total investments and other assets	5,668	2.3	5,655	2.1	-12	-0.2
III Deferred assets	106	0.0	146	0.1	39	37.4
Total assets	248,837	100.0	272,674	100.0	23,836	9.6

Description	Fiscal Period ended Dec. 31, 2017 (23 rd Period) (as of Dec. 31, 2017)		Fiscal Period ended Jun. 30, 2018 (24 th Period) (as of Jun. 30, 2018)		Difference	
	(mn. yen)	(%)	(mn. yen)	(%)	(mn. yen)	(%)
	(Liabilities)					
I Total current liabilities	18,533	7.4	18,873	6.9	340	1.8
Operating accounts payable	508		412		-95	
Current portion of long-term loans payable	15,300		15,300		0	
Accounts payable - other	815		766		-48	
Accrued expenses	132		149		17	
Distribution payable	8		11		2	
Consumption taxes payable	305		-		-305	
Advances received	1,084		1,227		142	
Other	376		1,005		628	
II Total non-current liabilities	102,565	41.2	114,396	42.0	11,830	11.5
Investment corporation bonds	6,000		8,000		2,000	
Long-term loans payable	83,675		92,675		9,000	
Tenant leasehold and security deposits	12,726		13,721		994	
Tenant leasehold and security deposits in trust	164		-		-164	
Total liabilities	121,099	48.7	133,269	48.9	12,170	10.1
(Net assets)						
I Unitholders' equity	127,737	51.3	139,404	51.1	11,666	9.1
1. Unitholders' capital	125,148		136,452		11,304	
2. Surplus						
Voluntary reserve	183		183		0	
Unappropriated retained earnings (undisposed loss)	2,405		2,768		362	
Total surplus	2,589		2,951		362	
Total net assets	127,737	51.3	139,404	51.1	11,666	9.1
Total liabilities and net assets	248,837	100.0	272,674	100.0	23,836	9.6

CAPEX during the period: 597mn. yen

Income statement

Description	Fiscal Period ended Dec. 31, 2017 (23 rd Period) (Jul. 1, 2017–Dec. 31, 2017)		Fiscal Period ended Jun. 30, 2018 (24 th Period) (Jan. 1, 2018–Jun. 30, 2018)		Difference	
	(mn. yen)	(%)	(mn. yen)	(%)	(mn. yen)	(%)
	1. Operating revenue	7,610	100.0	7,924	100.0	313
Rent revenue - real estate		6,962		7,258		
Other lease business revenue		510		530		
Dividends income		138		135		
2. Operating expenses	4,627	60.8	4,555	57.5	-72	-1.6
Expenses related to rent business		3,879		3,786		
Asset management fee		624		643		
Asset custody fee		5		5		
Administrative service fees		33		36		
Directors' compensations		8		8		
Other operating expenses		76		73		
Operating income	2,983	39.2	3,368	42.5	385	12.9
3. Non-operating income	2	0.0	0	0.0	-1	-72.2
Interest income		0		0		
Reversal of distribution payable		1		0		
Interest on refund		1		0		
Other		0		0		
4. Non-operating expenses	584	7.7	599	7.6	15	2.6
Interest expenses		399		410		
Corporate bonds interest		16		17		
Borrowing related expenses		139		137		
Amortization of bond issuance costs		4		4		
Amortization of investment units issuance cost		23		28		
Other		0		0		
Ordinary income	2,400	31.5	2,769	34.9	368	15.3
Extraordinary income	5	0.1	50	0.6	44	799.3
Subsidy income		-		50		
Gain on donation of fixed assets		5		-		
Extraordinary losses	-	-	50	0.6	50	-
Advanced depreciation deduction of property and equipment		-		50		
Income before income taxes	2,406	31.6	2,769	34.9	362	15.1
Income taxes	0	0.0	1	0.0	0	51.8
Income taxes - current		0		1		
Income taxes - deferred		0		-0		
Net income	2,405	31.6	2,767	34.9	362	15.1
Retained earnings brought forward	0	-	0	-	-0	-7.4
Unappropriated retained earnings (undisposed loss)	2,405	-	2,768	-	362	15.1

(Unit: amount of money (mn. yen), ratio (%))

Details of rent revenue

Rent revenue	5,869
CAM revenue	1,163
Parking revenue	225

Details of expenses related to rent business

Property management fees	875
Utilities expenses	644
Real Estate taxes	640
Insurance premiums	9
Repair expenses	217
Depreciation	1,328
Other lease business expenses	70



2. FORECASTS FOR THE 25TH AND 26TH FISCAL PERIOD

Forecasts for the 25th and 26th fiscal periods

(Unit: mn. yen)

	Fiscal period ended Jun. 30, 2018 (24 th Period)	Fiscal period ending Dec. 31, 2018 (25 th Period)	Fiscal period ending Jun. 30, 2019 (26 th Period)	Difference 25 th –24 th	Difference 26 th –25 th
Operating revenue (mn. yen)	7,924	10,780	10,205	+2,856	-575
Operating expenses (mn. yen)	4,555	5,499	4,724	+943	-775
Operating income (mn. yen)	3,368	5,281	5,480	+1,912	+199
Ordinary income (mn. yen)	2,769	4,577	4,840	+1,808	+263
Income before income taxes (mn. yen)	2,769	4,577	4,840	+1,808	+263
Net income (mn. yen)	2,767	4,576	4,839	+1,808	+263
Allocation to reserve (mn. yen)	-	434	459	+434	+24
Total distributions (mn. yen)	2,767	4,140	4,378	+1,373	+238
Distribution per unit (yen)	1,684	2,520	2,665	+836	+145
Gain/loss on real estate lease business (mn. yen)	4,002	4,239	4,320	+237	+80
NOI (mn. yen)	5,330	5,580	5,557	+249	-22
Occupancy rate at end of period	98.1%	97.8%	97.7%	-0.3pt	-0.1pt

■ Breakdown of Change between 25th and 24th Periods

Operating revenue	2,856
Rent revenue	476
Four properties acquired in 24 th Period	185
One property to be acquired in 25 th Period	369
Two properties to be disposed in 25 th Period	-322
Office in Tokyo Area	106
Office in Osaka Area	136
Others	0
Other lease business revenue	96
Utilities revenue	97
Other rent revenue	0
Other operating revenue	-0
Gain on distribution	19
Gain on sales of property	2,263
Operating expenses	943
Expenses related to rent business (Excl. depreciation and loss on retirement)	324
Taxes on property, plant and equipment	8
Utilities expenses	140
Repair expenses	152
Others	22
Depreciation and loss on retirement	11
Losses on sales of property	433
Asset management fees	142
Others	31

■ Breakdown of Change between 26th and 25th Periods

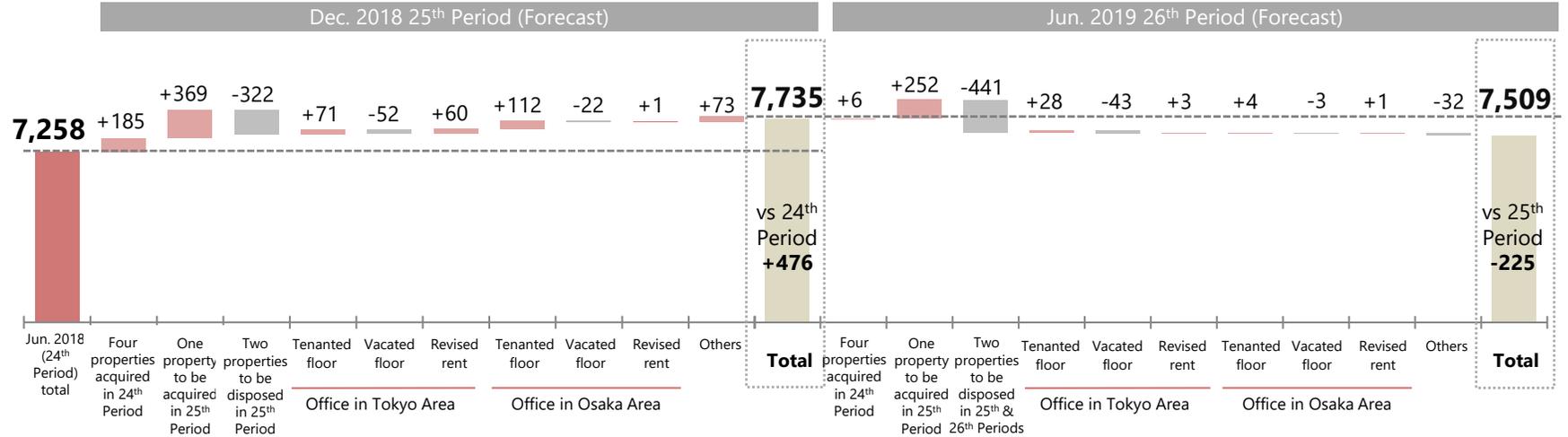
Operating revenue	-575
Rent revenue	-225
Four properties acquired in 24 th Period	6
One property to be acquired in 25 th Period	252
Two properties to be disposed in 25 th & 26 th Periods	-441
Office in Tokyo Area	-28
Office in Osaka Area	-8
Others	-5
Other lease business revenue	-72
Utilities revenue	-42
Other rent revenue	0
Other operating revenue	-30
Gain on distribution	-
Gain on sales of property	-277
Operating expenses	-775
Expenses related to rent business (Excl. depreciation and loss on retirement)	-274
Taxes on property, plant and equipment	-8
Utilities expenses	-112
Repair expenses	-100
Others	-53
Depreciation and loss on retirement	-103
Losses on sales of property	-433
Asset management fees	30
Others	6

Breakdown of change from previous period



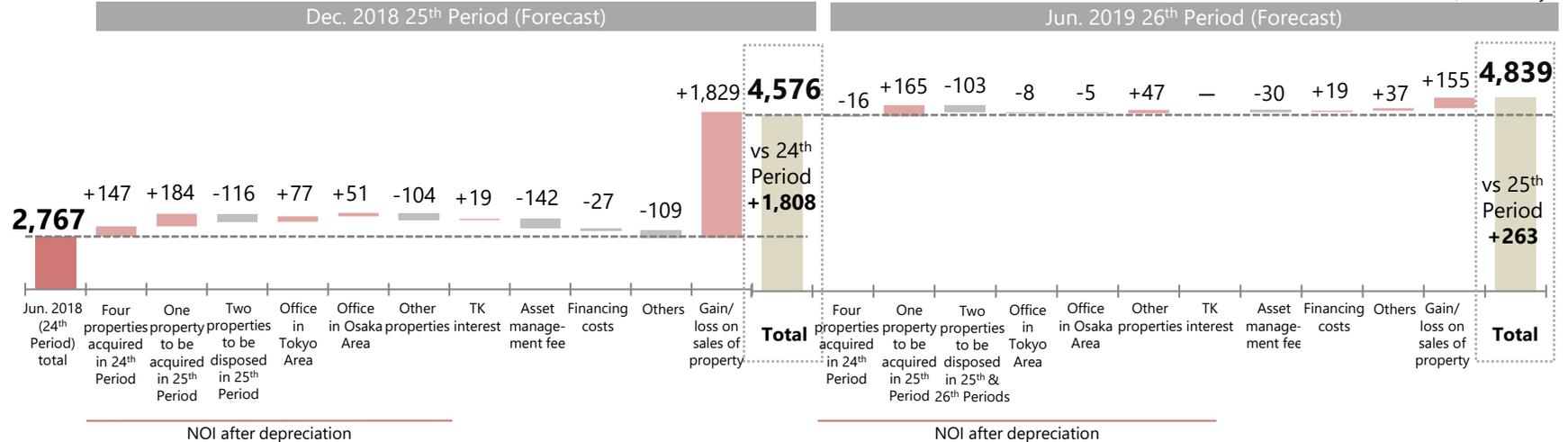
Rent revenue

(Unit: mn. yen)



Net income

(Unit: mn. yen)

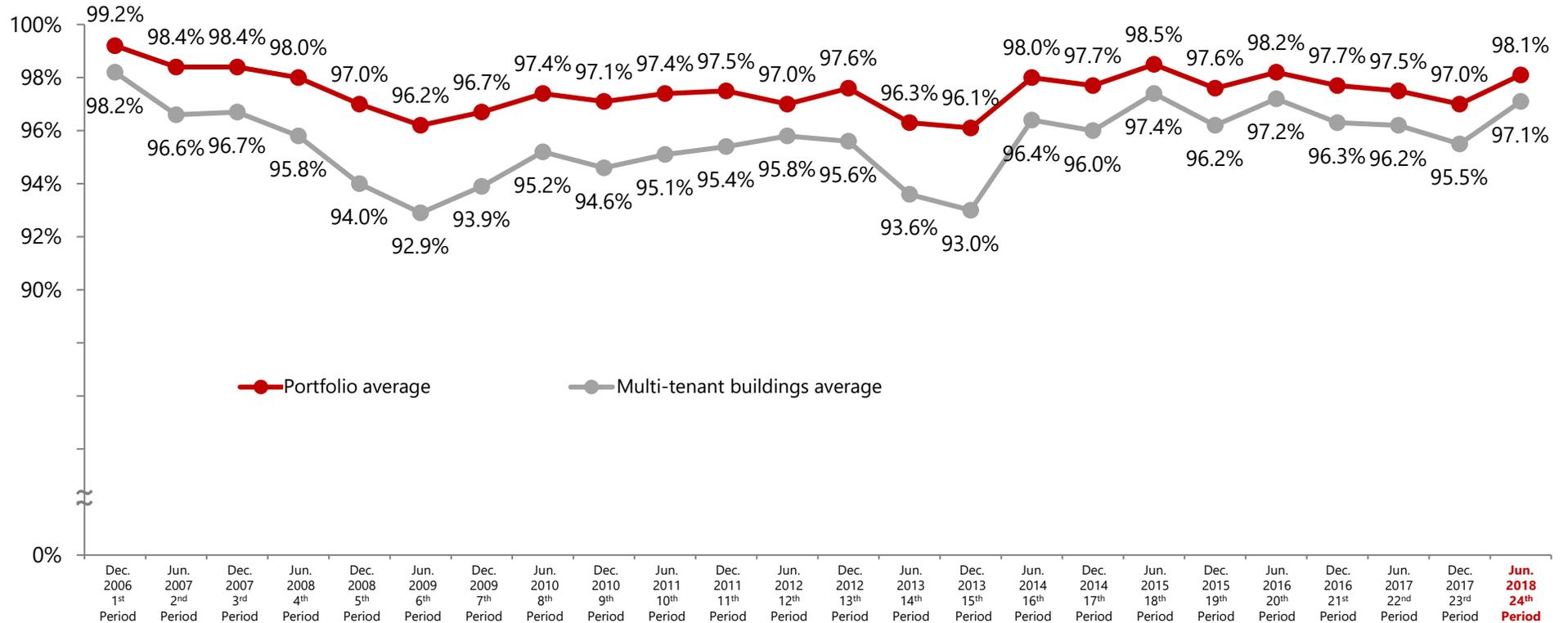




3. RESULTS FOR THE 24TH FISCAL PERIOD

Occupancy

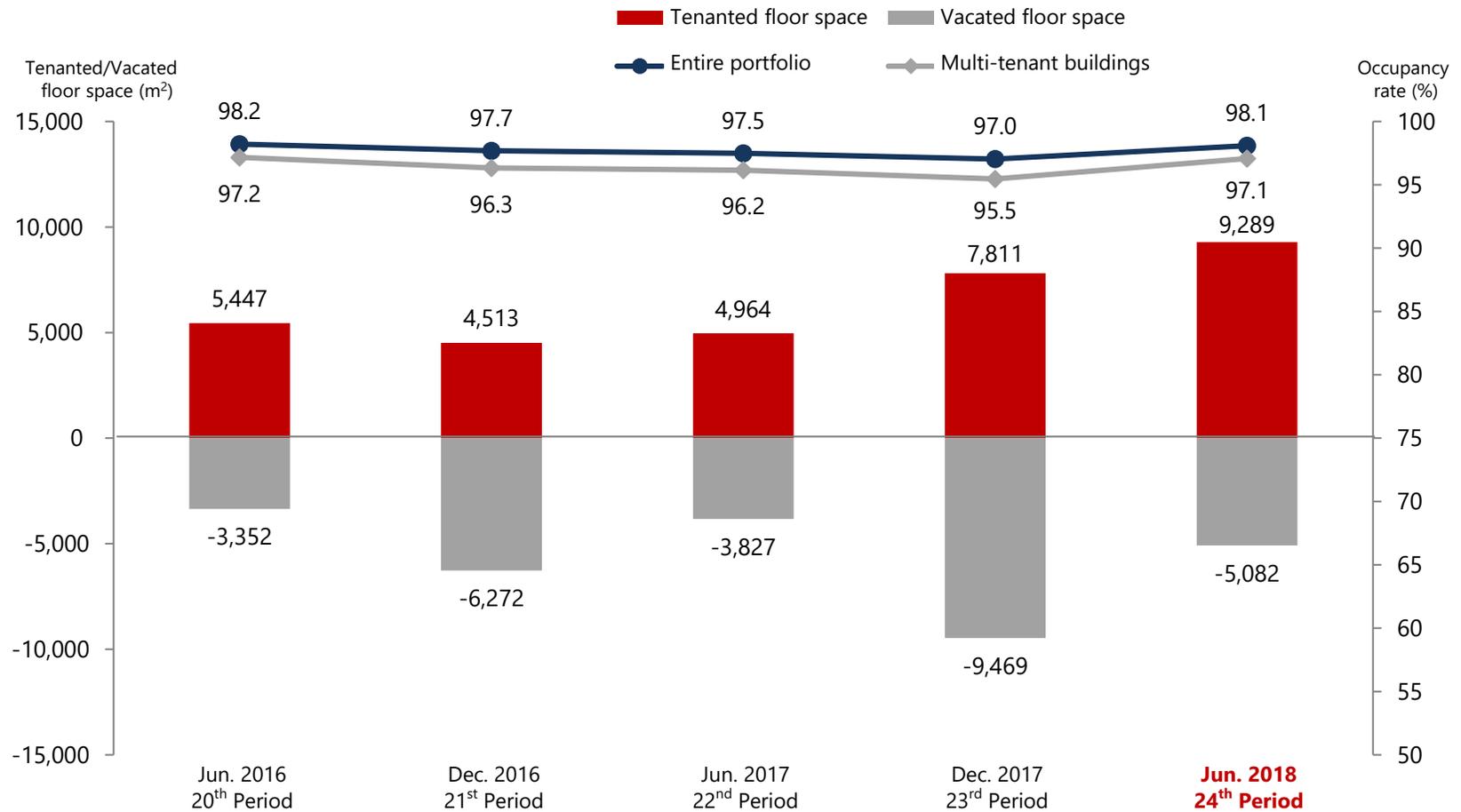
Occupancy (1st Period End to 24th Period End)



Note: Multi-tenant buildings at the end of 24th Period include :
 Sumitomo Fudosan Ueno Bldg. No.6,G-Square Shibuya Dogenzaka, Shibuya Sakuragaoka Square, Yokohama Creation Square, Cube Kawasaki , Higashi-Nihombashi Green Bldg., Sasazuka Center Bldg., USC Bldg., Yoshiyasu Kanda Bldg., M-City Akasaka 1-chome Bldg., Twin 21, Matsushita IMP Bldg., MID Imabashi Bldg., Kitahama MID Bldg., MID Nishihommachi Bldg., Higobashi MID Bldg. and Sendai Capital Tower

Portfolio operation

Tenanted/Vacated floor space and occupancy



Occupancy by property

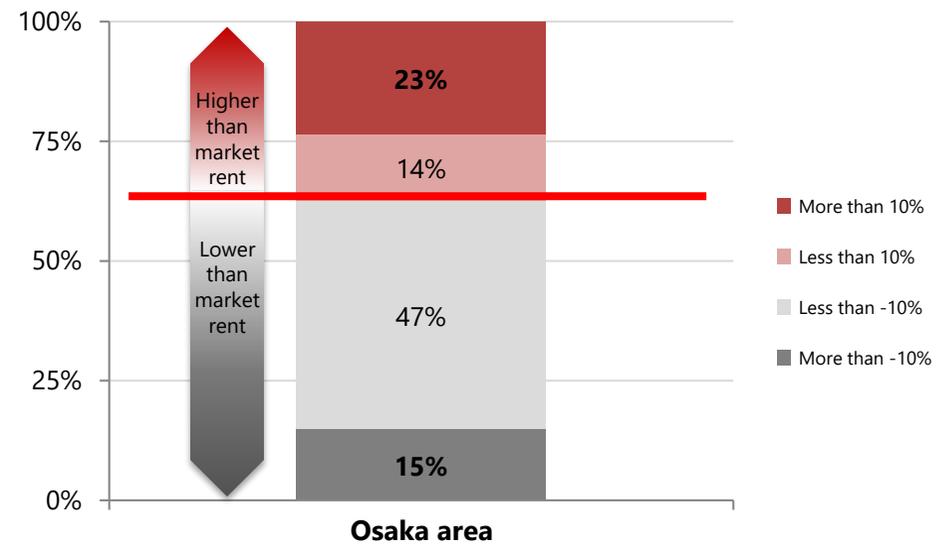
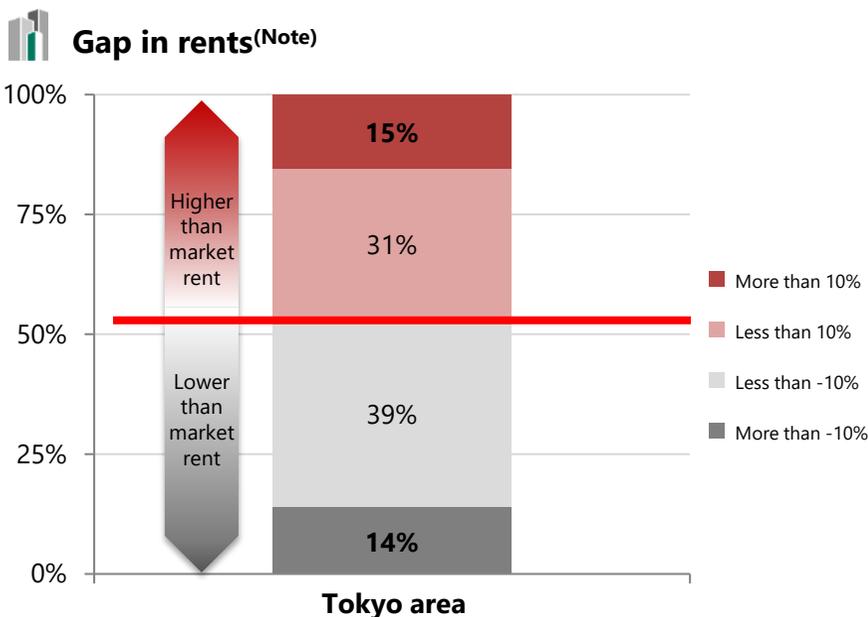
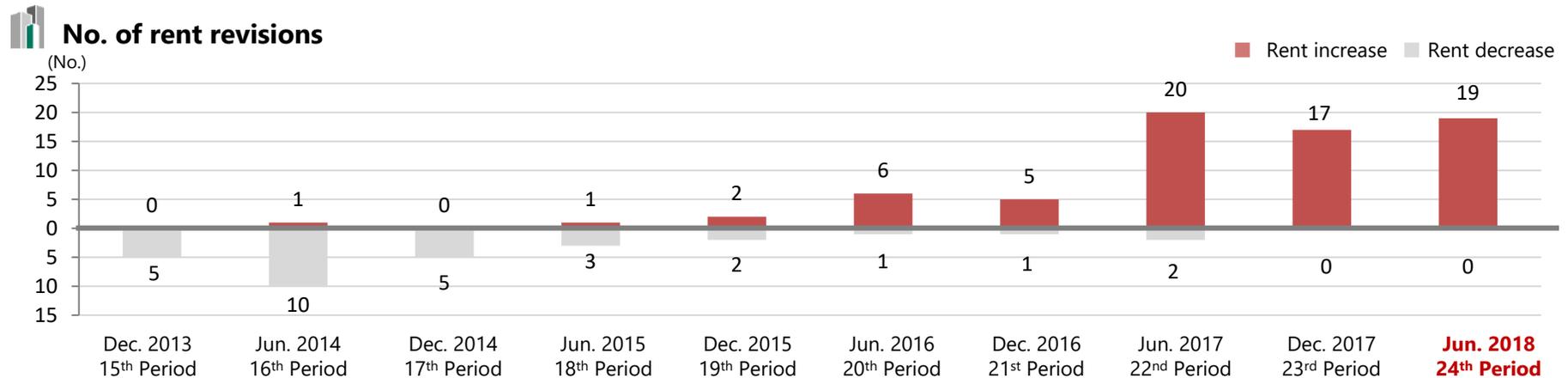
Type	Property Name	Leasable Space (㎡)	①Occupancy rate as of Dec. 31, 2017 (23 rd Period End)(%)	②Occupancy rate as of Jun. 30, 2018 (24 th Period End)(%)	Difference ② - ① (points)	Tenant movements during 24 th Period (Jan. 1, 2018–Jun. 30, 2018)			
						New tenant occupancy (㎡)	Increase in leased space for existing tenants(㎡)	Cancellation (㎡)	Decrease in leased space for existing tenants(㎡)
Office	Sumitomo Fudosan Ueno	6,858.16	100.0	100.0	-	-	-	-	-
	G-Square Shibuya Dogenzaka	5,010.68	100.0	100.0	-	-	528.48	-529.54	-
	Shibuya Sakuragaoka Square	6,379.66	100.0	100.0	-	-	-	-	-
	Yokohama Creation Square	12,717.13	87.4	91.8	4.4	181.20	761.00	-185.07	-199.25
	Cube Kawasaki	24,494.06	100.0	100.0	-	-	-	-	-
	Higashi-Nihombashi Green Bldg.	3,254.77	100.0	90.5	-9.5	-	-	-310.62	-
	Sasazuka Center Bldg.	8,219.90	85.6	89.6	4.0	-	330.86	-	-
	USC Bldg.	12,489.08	100.0	93.9	-6.1	703.22	1,378.00	-1,133.61	-792.78
	Yoshiyasu Kanda Bldg.	3,149.30	-	100.0	-	-	-	-	-
	TOYOTA MOBILITY SERVICE Bldg.	6,123.81	-	100.0	-	-	-	-	-
	M-City Akasaka 1-chome Bldg.	2,608.95	-	100.0	-	231.96	-	-259.63	-
	Twin 21	82,304.84	97.8	98.1	0.3	1,217.16	-	-731.71	-213.23
	Matsushita IMP Bldg.	37,299.98	86.7	95.8	9.1	3,694.65	-	-309.59	-
	MID REIT Kyobashi Bldg.	4,833.88	100.0	100.0	-	-	-	-	-
	MID Imabashi Bldg.	4,277.63	100.0	100.0	-	-	-	-	-
	Kitahama MID Bldg.	10,189.49	100.0	100.0	-	-	-	-	-
	MID Nishihommachi Bldg.	3,881.74	100.0	97.4	-2.6	-	-	-99.38	-
	Higobashi MID Bldg.	4,655.57	96.5	100.0	3.5	162.40	-	-	-
	Sendai Capital Tower	12,999.51	95.2	93.5	-1.7	73.68	27.15	-318.25	-
	Other	AEON MALL Tsudanuma	101,210.44	100.0	100.0	-	-	-	-
Konami Sports Club Kyobashi		9,586.26	100.0	100.0	-	-	-	-	-
Dormy Inn Hakata Gion		5,554.91	100.0	100.0	-	-	-	-	-
Occupancy rate by type	Office Occupancy rate	251,748.14	95.6	97.2	1.6	6,264.27	3,025.49	-3,877.40	-1,205.26
	Non-Office Occupancy rate	116,351.61	100.0	100.0	-	-	-	-	-
	Total	368,099.75	97.0	98.1	1.1	6,264.27	3,025.49	-3,877.40	-1,205.26

Increased by
9,289.76㎡

Decreased by
-5,082.66㎡

Net increase +4,207.10㎡

Revisions and gaps in rents



Note: Market rent refers to market's estimated concluded rent (standard floor) of each property appraised as of Dec. 2017 by CBRE. The rents identical with market rent are included in "within 10%".

Surveys on tenants' satisfaction

Targeted buildings: 7 properties in East Japan (G-Square Shibuya Dogenzaka, Shibuya Sakuragaoka Square, Yokohama Creation Square, Cube Kawasaki, Higashi-Nihombashi Green Bldg., Sasazuka Center Bldg. and Sendai Capital Tower)
6 properties in Osaka (Twin 21 (MID Tower), Matsushita IMP Bldg., MID Imabashi Bldg., Kitahama MID Bldg., MID Nishihommachi Bldg. and Higobashi MID Bldg.)

Survey period: Oct. 18, 2017 to Nov. 13, 2017

Sample: 349 tenants

Survey conducted by: Kanden CS Forum Inc.

▶ Survey findings – Level of CSI (Note 1)

Factors	2013	2014	2015	2016	2017		
					Total	(East Japan)	(Osaka)
Surrounding environment	79.7	82.3	73.7	72.4	71.9	69.1	74.7
Behavior of MF (property management firm)	76.9	78.4	78.4	78.8	79.5	76.8	81.5
Comforts of building	57.2	58.6	55.3	54.5	56.8	54.8	58.8
Manner of management firm's staff	74.2	75.2	75.1	74.7	74.8	74.3	75.3
Behavior of PM	71.6	72.5	72.8	73.0	72.4	68.9	74.9
Measures for safety	69.7	70.4	69.2	66.3	68.3	65.4	71.2
Quality of common area	66.8	67.4	65.7	64.3	64.5	63.2	65.9
Usability of building facilities & equipment	67.4	67.9	66.5	67.5	65.4	63.0	67.1
Cleanliness of building	72.0	71.3	70.3	69.6	69.9	68.3	71.4

Note 1: CSI: Abbreviation for Customer Satisfaction Index. We had building facilities, services and others evaluated by customers, and the gap between each item's needs (expectations) and satisfaction was weighted before calculating each item's evaluation with the full score of 100.

Note 2: Properties targeted in the survey:

2013~: Twin 21, Matsushita IMP Bldg., MID Imabashi Bldg., Kitahama MID Bldg., MID Nishihommachi Bldg., Midosuji MID Bldg., MID Midosujikawaramachi Bldg., Higobashi MID Bldg.

2015~: Twin 21, Matsushita IMP Bldg., MID Imabashi Bldg., Kitahama MID Bldg., MID Nishihommachi Bldg., Midosuji MID Bldg., MID Midosujikawaramachi Bldg., Higobashi MID Bldg., G-Square Shibuya Dogenzaka, Yokohama Creation Square, Cube Kawasaki

2016~: Twin 21, Matsushita IMP Bldg., MID Imabashi Bldg., Kitahama MID Bldg., MID Nishihommachi Bldg., Midosuji MID Bldg., MID Midosujikawaramachi Bldg., Higobashi MID Bldg., G-Square Shibuya Dogenzaka, Yokohama Creation Square, Cube Kawasaki, Higashi-Nihombashi Green Bldg.

2017~: Twin 21, Matsushita IMP Bldg., MID Imabashi Bldg., Kitahama MID Bldg., MID Nishihommachi Bldg., Higobashi MID Bldg., G-Square Shibuya Dogenzaka, Shibuya Sakuragaoka Square, Yokohama Creation Square, Cube Kawasaki, Higashi-Nihombashi Green Bldg., Sasazuka Center Bldg., Sendai Capital Tower

Initiatives in Properties in the Portfolio

Events for better office environment

▶ Renovation of common space

MID Imabashi Bldg.

Removal of the built-in counter at the reception area that was not used and installation of sofas for visitors' relaxation purpose brightened the atmosphere of the entrance.

We also decorated the corridors, installed LED lights at the parking space and took other measures intended for enhancement of comfort and convenience, with the aim of improving competitiveness of this property.

[Before]



[After]

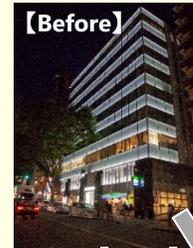


▶ Event

Participation in "Light-Down Campaign" for the first time

We joined the campaign organized by the Ministry of Environment under the slogan "expressing gratitude to the earth on the night of the Light-Down Campaign," and turned off almost all the lights of some of the portfolio properties for two hours to take part in efforts to prevent global warming.

11 participating properties in our portfolio:
Sumitomo Fudosan Ueno Bldg. No. 6, G-Square Shibuya Dogenzaka (photo), Shibuya Sakuragaoka Square, Cube Kawasaki, Higashi-Nihombashi Green Bldg., USC Bldg., Sasazuka Center Bldg., M-City Akasaka 1-chome Bldg., Higobashi MID Bldg., MID Imabashi Bldg., and Sendai Capital Tower



(Reference) Effect of recent natural disasters

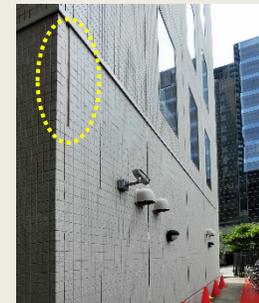
Effects of the recent earthquake in the Northern part of Osaka prefecture in June 2018 and the recent heavy rain in July 2018 are as follows:

Effects of the earthquake in the Northern part of Osaka prefecture

- Detached tiles from the exterior wall and minor cracks on the interior walls and ceiling boards of some properties have been discovered
- The total cost of damage is estimated at approximately 14 million yen

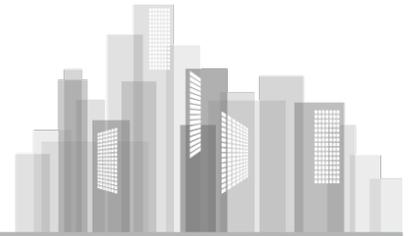
Effects of the heavy rain in the Western region of Japan

- No portfolio properties are located in the area affected by the heavy rain and therefore no major impact



Detached tiles from the exterior wall

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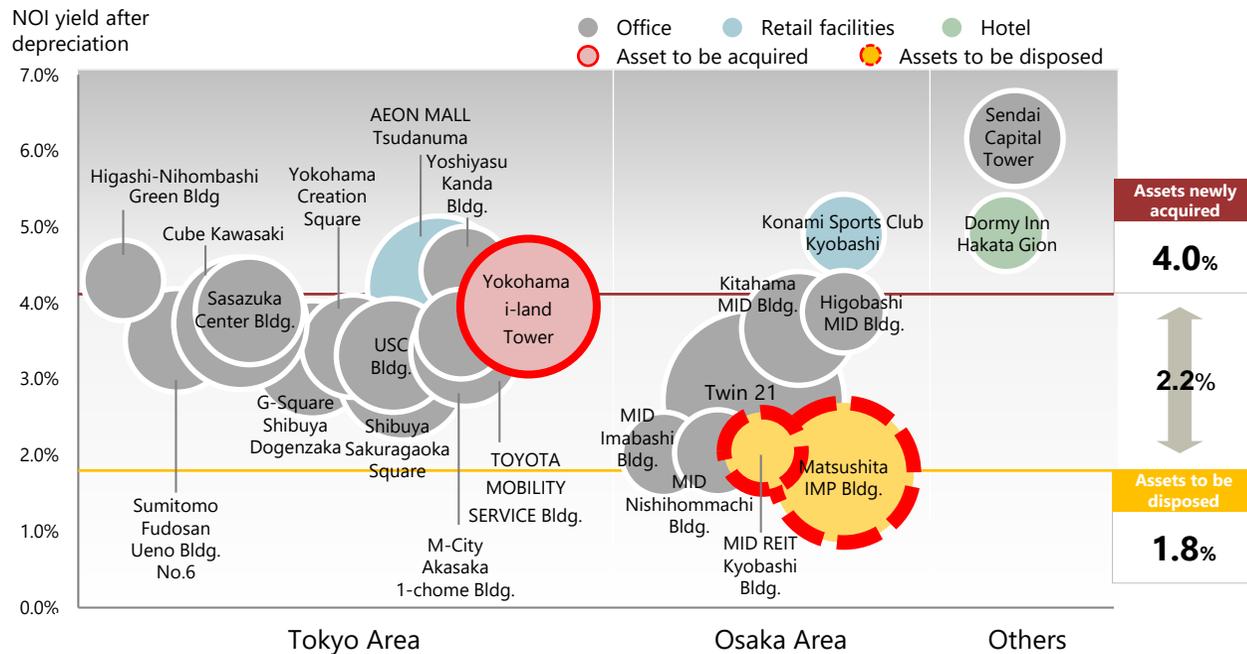


4. PORTFOLIO

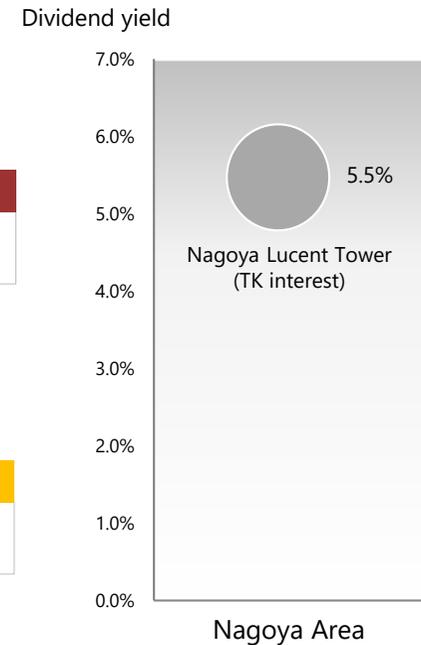
Portfolio profitability

	As of the end of Dec. 2017	As of the end of Jun. 2018	As of the end of Mar. 2019 (Note 2)
Average NOI yield (Note 1)	4.1%	4.3%	4.4%
Average NOI yield after depreciation (Note 1)	3.1%	3.2%	3.5%

NOI yield after depreciation of each property by area (Note 3)



Dividend yield of TK interest



Note 1: TK interest of Nagoya Lucent Tower is not included.

Note 2: Properties held as of the end of June 2018 are based on the actual NOI yield at the same point, while one property newly acquired is based on figures stated in the respective appraisal report.

Note 3: Size of each bubble is proportionate to the acquisition price of each asset.

Portfolio overview (as of the end of Jun. 2018 / 23 properties base)

Area	Property No.	Property name	Location	Completion date	Acquisition date	Acquisition price (mn. yen)	Appraisal value (mn. yen)	NOI yield (Note1) (%)	NOI yield after depreciation (Note1) (%)	Leasable Space (Note2) (m)	Occupancy rate (%)	
Office												
Three major metropolitan areas	Tokyo metropolitan area	OT-1	Sumitomo Fudosan Ueno Bldg. No.6	Taito-ku, Tokyo	Nov. 1993	May 2015	7,460	8,300	4.5%	3.5%	6,858.16	100.0%
		OT-2	G-Square Shibuya Dogenzaka	Shibuya-ku, Tokyo	Oct. 2009	Aug. 2015	12,220	14,600	3.8%	3.3%	5,010.68	100.0%
		OT-3	Shibuya Sakuragaoka Square	Shibuya-ku, Tokyo	Mar. 2010	Aug. 2015 Feb. 2017	5,000 12,130	19,400	3.7%	3.0%	6,379.66	100.0%
		OT-4	Yokohama Creation Square	Kanagawa-ku, Yokohama	Mar. 1994	Aug. 2015	7,080	7,960	4.1%	3.4%	12,717.13	91.8%
		OT-5	Cube Kawasaki	Kawasaki-ku, Kawasaki	May 1982	Aug. 2015	20,050	22,500	4.2%	3.7%	24,494.06	100.0%
		OT-6	Higashi-Nihombashi Green Bldg.	Chuo-Ku, Tokyo	Mar. 1988	Dec. 2015	2,705	3,070	4.9%	4.3%	3,254.77	90.5%
		OT-7	Sasazuka Center Bldg.	Shibuya-ku, Tokyo	Mar. 1995	Mar. 2017	8,700	9,290	4.4%	3.9%	8,219.90	89.6%
		OT-8	USC Bldg.	Koto-ku, Tokyo	Jan. 1990 Expansion in Jan. 2007	Apr. 2017 Feb. 2018	5,000 5,800	11,400	3.9%	3.3%	12,489.08	93.9%
		OT-9	Yoshiyasu Kanda Bldg.	Chiyoda-Ku, Tokyo	May 1989 Partial demolition in Aug. 2008	Feb. 2018	4,000	4,270	4.7%	4.4%	3,149.30	100.0%
		OT-10	TOYOTA MOBILITY SERVICE Bldg.	Chuo-Ku, Tokyo	Jun. 2008	Mar. 2018	9,200	10,200	4.3%	3.4%	6,123.81	100.0%
	OT-11	M-City Akasaka 1-chome Bldg.	Minato-Ku, Tokyo	Mar. 1985	Mar. 2018	4,205	4,300	3.7%	3.6%	2,608.95	100.0%	
	Osaka metropolitan area	OO-1	Twin 21	Chuo-ku, Osaka	Mar. 1986	Aug. 2006	68,700	55,800	4.0%	2.7%	82,304.84	98.1%
		OO-2	Matsushita IMP Bldg.	Chuo-ku, Osaka	Feb. 1990 Expansion in Nov. 2003	Aug. 2006	24,600	22,300	4.1%	1.8%	37,299.98	95.8%
		OO-4	MID REIT Kyobashi Bldg.	Miyakojima-ku, Osaka	Feb. 2000	Aug. 2006	2,300	1,460	3.4%	2.1%	4,833.88	100.0%
		OO-5	MID Imabashi Bldg.	Chuo-ku, Osaka	Oct. 1990	Apr. 2007	3,270	2,340	3.5%	2.0%	4,277.63	100.0%
OO-7		Kitahama MID Bldg.	Chuo-ku, Osaka	Feb. 2008	Apr. 2008	10,800	9,520	4.4%	3.7%	10,189.49	100.0%	
	OO-8	MID Nishihommachi Bldg.	Nishi-ku, Osaka	Mar. 1989	Oct. 2008	3,550	2,240	3.2%	2.0%	3,881.74	97.4%	
	OO-9	Higobashi MID Bldg.	Nishi-ku, Osaka	Jan. 2010	Jun. 2013	3,000	3,770	5.4%	3.9%	4,655.57	100.0%	
Other	Other major cities	OR-1	Sendai Capital Tower	Aoba-ku, Sendai	Mar. 1974	Feb. 2017	5,500	6,570	7.0%	6.2%	12,999.51	93.5%
Subtotal (Office)						225,270	219,290	4.2%	3.1%	251,748.14	97.2%	
Other than Office Bldg.												
Three major metropolitan areas	Tokyo metropolitan area	RT-1	AEON MALL Tsudanuma	Narashino-shi, Chiba	Sep. 2003 Expansion in Dec. 2007	Aug. 2006	26,100	28,500	5.1%	4.2%	101,210.44	100.0%
	Osaka metropolitan area	RO-1	Konami Sports Club Kyobashi	Miyakojima-ku, Osaka	Jun. 1999	Aug. 2006	2,780	3,400	6.2%	4.9%	9,586.26	100.0%
Other	Other major cities	HR-1	Dormy Inn Hakata Gion	Hakata-ku, Fukuoka	Jan. 2009	Sep. 2013	2,280	3,410	6.6%	4.9%	5,554.91	100.0%
Subtotal (Other than Office)						31,160	35,310	5.3%	4.3%	116,351.61	100.0%	
Total						256,430	254,600	4.3%	3.2%	368,099.75	98.1%	
TK Interest for Office												
Three major metropolitan areas	Nagoya metropolitan area	TK-1	Nagoya Lucent Tower (TK interest)	Nishi-ku, Nagoya	—	Aug. 2015	4,919	—	—	—	—	
Total						261,349	—	—	—	—	—	

Note 1: NOI yield and NOI yield after depreciation are based on annualized NOI in the 24th Period.

Note 2: Leasable space is based on data as of Jun. 30, 2018 which only includes the area of leasable room, and excludes those for warehouses, halls and parking lots.

However, the leasable spaces of Konami Sports Club Kyobashi and AEON Mall Tsudanuma, the entire buildings of which are leased, include the common area and parking lot area, and those of MID REIT Kyobashi Bldg. and Dormy Inn Hakata include common area, respectively.

Portfolio overview (after acquisition and dispositions / 22 properties base)

Area	Property No.	Property name	Location	Completion date	Acquisition date	Acquisition price (mn. yen)	Appraisal value (Note 1) (mn. yen)	NOI yield (Note 2) (%)	NOI yield after depreciation (Note 2) (%)	Leasable Space (Note 3) (㎡)	Occupancy rate (Note 4) (%)	
Office												
Three major metropolitan areas	Tokyo metropolitan area	OT-1	Sumitomo Fudosan Ueno Bldg. No.6	Taito-ku, Tokyo	Nov. 1993	May 2015	7,460	8,300	4.5%	3.5%	6,858.16	100.0%
		OT-2	G-Square Shibuya Dogenzaka	Shibuya-ku, Tokyo	Oct. 2009	Aug. 2015	12,220	14,600	3.8%	3.3%	5,010.68	100.0%
		OT-3	Shibuya Sakuragaoka Square	Shibuya-ku, Tokyo	Mar. 2010	Aug. 2015	5,000	19,400	3.7%	3.0%	6,379.66	100.0%
						Feb. 2017	12,130					
		OT-4	Yokohama Creation Square	Kanagawa-ku, Yokohama	Mar. 1994	Aug. 2015	7,080	7,960	4.1%	3.4%	12,717.13	91.8%
		OT-5	Cube Kawasaki	Kawasaki-ku, Kawasaki	May 1982	Aug. 2015	20,050	22,500	4.2%	3.7%	24,494.06	100.0%
		OT-6	Higashi-Nihombashi Green Bldg.	Chuo-Ku, Tokyo	Mar. 1988	Dec. 2015	2,705	3,070	4.9%	4.3%	3,254.77	90.5%
		OT-7	Sasazuka Center Bldg.	Shibuya-ku, Tokyo	Mar. 1995	Mar. 2017	8,700	9,290	4.4%	3.9%	8,219.90	89.6%
		OT-8	USC Bldg.	Koto-ku, Tokyo	Expansion in Jan. 2007	Jan. 1990	5,000	11,400	3.9%	3.3%	12,489.08	93.9%
						Feb. 2018	5,800					
		OT-9	Yoshiyasu Kanda Bldg.	Chiyoda-Ku, Tokyo	May 1989 Partial demolition in Aug. 2008	Feb. 2018	4,000	4,270	4.7%	4.4%	3,149.30	100.0%
	OT-10	TOYOTA MOBILITY SERVICE Bldg.	Chuo-Ku, Tokyo	Jun. 2008	Mar. 2018	9,200	10,200	4.3%	3.4%	6,123.81	100.0%	
OT-11	M-City Akasaka 1-chome Bldg.	Minato-Ku, Tokyo	Mar. 1985	Mar. 2018	4,205	4,300	3.7%	3.6%	2,608.95	100.0%		
OT-12	Yokohama I-land Tower	Naka-ku, Yokohama	Feb. 2003	Sep. 2018	22,100	23,700	5.0%	4.0%	25,496.88	94.0%		
Osaka metropolitan area	OO-1	Twin 21	Chuo-ku, Osaka	Mar. 1986	Aug. 2006	68,700	55,800	4.0%	2.7%	82,304.84	98.1%	
	OO-5	MID Imabashi Bldg.	Chuo-ku, Osaka	Oct. 1990	Apr. 2007	3,270	2,340	3.5%	2.0%	4,277.63	100.0%	
	OO-7	Kitahama MID Bldg.	Chuo-ku, Osaka	Feb. 2008	Apr. 2008	10,800	9,520	4.4%	3.7%	10,189.49	100.0%	
	OO-8	MID Nishihommachi Bldg.	Nishi-ku, Osaka	Mar. 1989	Oct. 2008	3,550	2,240	3.2%	2.0%	3,881.74	97.4%	
	OO-9	Higobashi MID Bldg.	Nishi-ku, Osaka	Jan. 2010	Jun. 2013	3,000	3,770	5.4%	3.9%	4,655.57	100.0%	
Other	Other major cities	OR-1	Sendai Capital Tower	Aoba-ku, Sendai	Mar. 1974	Feb. 2017	5,500	6,570	7.0%	6.2%	12,999.51	93.5%
Subtotal (Office)							220,470	219,230	4.3%	3.3%	235,111.16	97.0%
Other than Office Bldg.												
Three major metropolitan areas	Tokyo metropolitan area	RT-1	AEON MALL Tsudanuma	Narashino-shi, Chiba	Sep. 2003 Expansion in Dec. 2007	Aug. 2006	26,100	28,500	5.1%	4.2%	101,210.44	100.0%
	Osaka metropolitan area	RO-1	Konami Sports Club Kyobashi	Miyakojima-ku, Osaka	Jun. 1999	Aug. 2006	2,780	3,400	6.2%	4.9%	9,586.26	100.0%
Other	Other major cities	HR-1	Dormy Inn Hakata Gion	Hakata-ku, Fukuoka	Jan. 2009	Sep. 2013	2,280	3,410	6.6%	4.9%	5,554.91	100.0%
Subtotal (Other than Office)							31,160	35,310	5.3%	4.3%	116,351.61	100.0%
Total							251,630	254,540	4.4%	3.5%	351,462.77	98.0%
TK Interest for Office												
Three major metropolitan areas	Nagoya metropolitan area	TK-1	Nagoya Lucent Tower (TK interest)	Nishi-ku, Nagoya	—	Aug. 2015	4,919	—	—	—	—	
Total							256,549	—	—	—	—	

Note 1: Appraisal value is as of Jun. 30, 2018 (for Asset newly acquired, Jul. 1, 2018)

Note 2: With regard to NOI yield and NOI yield after depreciation, legacy properties are based on annualized actual NOI for the 24th Period, while Asset newly acquired is based on NOI according to a direct income method stated in the respective appraisal report

Note 3: Leasable space is based on data as of Jun. 30, 2018 which only includes the area of leasable room, and excludes those for warehouses, halls and parking lots. However, the leasable spaces of Konami Sports Club Kyobashi and AEON Mall Tsudanuma, the entire buildings of which are leased, include the common area and parking lot area, and those of MID REIT Kyobashi Bldg. and Dormy Inn Hakata include common area, respectively.

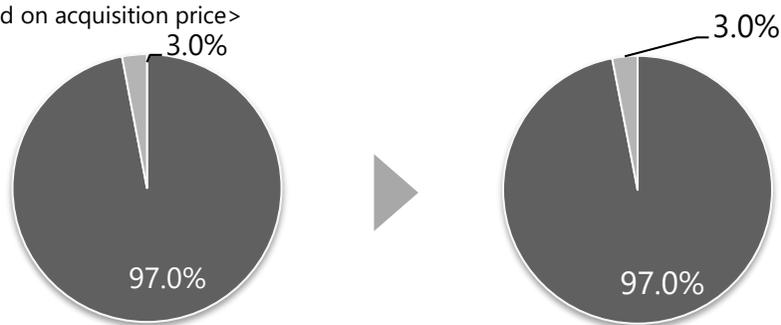
Note 4: Occupancy rate is represented by rates as of the end of Jun. 2018

Portfolio data 1

Left : as of the end of Jun. 2018 / 23 properties base
 Right : as of the end of Mar. 2019 / 22 properties base

By area

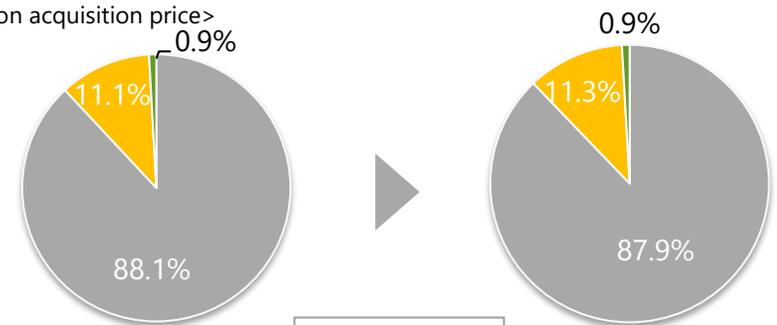
<Based on acquisition price>



- Three major metropolitan areas
- Others

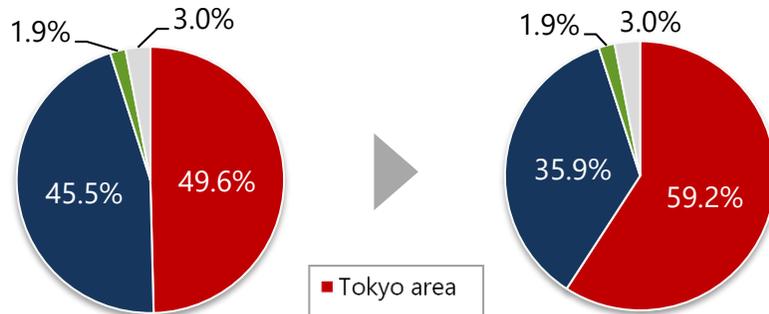
By asset type

<Based on acquisition price>



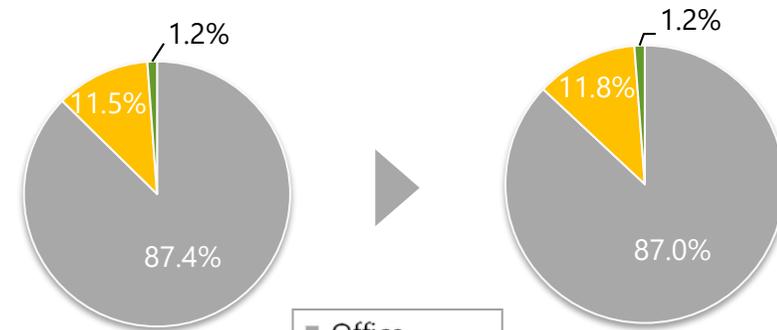
- Office
- Retail facility
- Hotel

<Based on acquisition price>



- Tokyo area
- Osaka area
- Nagoya area
- Others

<Based on rent and CAM revenues^(Note)>



- Office
- Retail facility
- Hotel

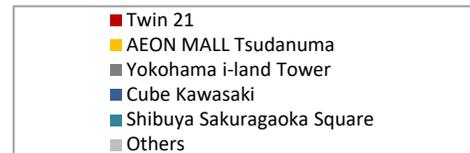
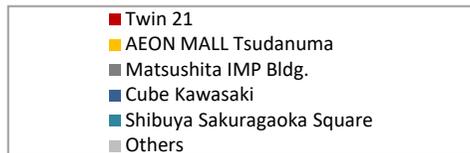
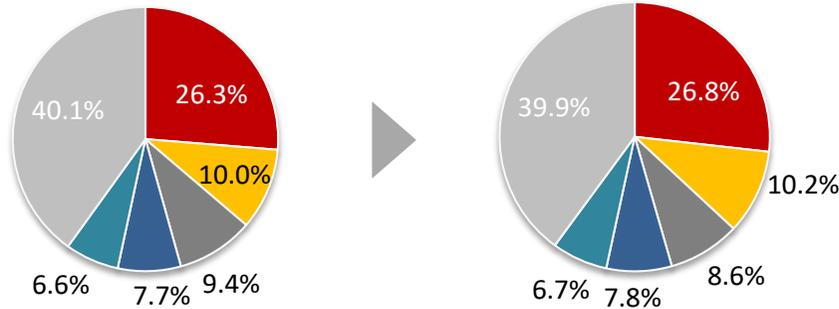
Note: TK interest of Nagoya Lucent Tower is not included.

Portfolio data 2

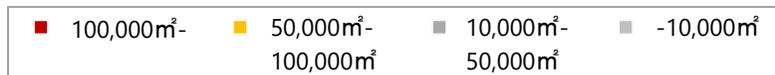
Left : as of the end of Jun. 2018 / 23 properties base
 Right : as of the end of Mar. 2019 / 22 properties base

By asset size

<Based on acquisition price>

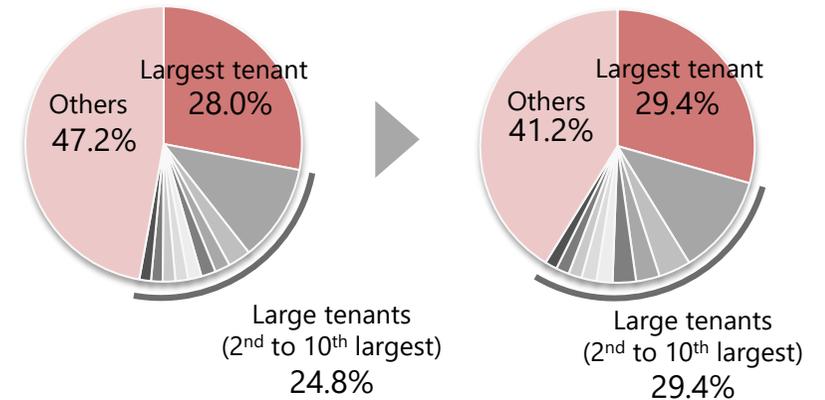


<Based on acquisition price^(Note)>

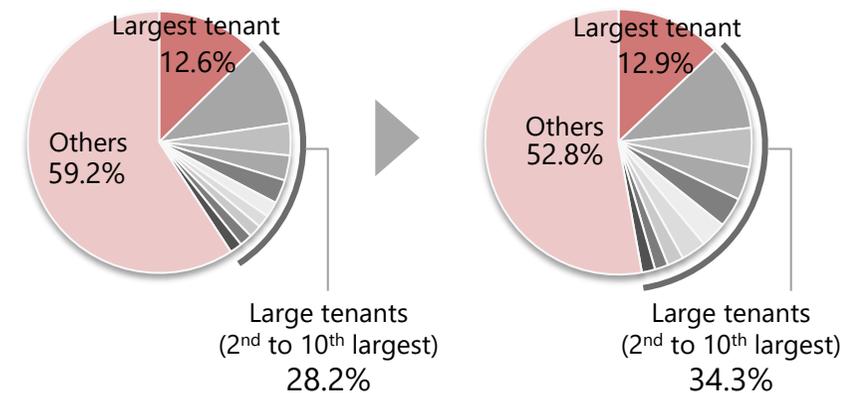


By tenant

<Based on leased area^(Note)>



<Based on rent and CAM revenues^(Note)>



Note: TK interest of Nagoya Lucent Tower is not included.

Revenue and expenses by property 1

(Fiscal period ended Jun. 30, 2018)

(Unit: mn. yen)

	Sumitomo Fudosan Ueno Bldg. No.6	G-Square Shibuya Dogenzaka	Shibuya Sakuragaoka Square	Yokohama Creation Square	Cube Kawasaki	Higashi-Nihombashi Green Bldg.	Sasazuka Center Bldg.	USC Bldg. (Note 1)	Yoshiyasu Kanda Bldg. (Note 2)	TOYOTA MOBILITY SERVICE Bldg. (Note 2)	M-City Akasaka 1-chome Bldg. (Note 2)
Operating days	181	181	181	181	181	181	181	181	135	122	122
Rent revenue	—	231	287	180	514	51	187	144	55	—	51
CAM revenue	—	29	52	91	77	24	43	70	13	—	3
Parking revenue	—	3	4	16	2	3	7	9	5	—	0
Rent revenue - real estate	—	263	344	287	594	78	238	224	75	—	55
Utilities revenue	—	18	22	11	47	4	9	16	6	—	3
Early-withdrawal penalties received	—	—	—	—	—	—	0	—	—	—	5
Other revenue	—	1	2	9	1	4	1	5	0	—	0
Other lease business revenue	—	20	25	21	49	8	10	22	6	—	9
① Property leasing revenue	—	284	369	309	643	87	249	246	82	—	65
Property management fees	Not Disclosed	11	12	86	63	7	23	29	5	Not Disclosed	4
Utilities expenses		15	23	30	75	5	16	23	5		4
Real estate taxes		23	17	26	63	5	12	7	—		—
Insurance premiums	—	0	0	0	0	0	0	0	0	—	0
Repair expenses	—	4	3	0	19	0	2	2	0	—	3
Other lease business expenses	—	0	0	20	0	1	4	1	0	—	0
② Expenses related to rent business	—	54	57	163	223	21	60	64	12	—	12
③ NOI (①—②)	166	229	312	145	420	66	189	181	69	131	52
④ Depreciation	36	31	54	24	49	8	20	28	4	28	2
⑤ Loss on retirement of non-current assets	—	—	—	—	—	—	—	—	—	—	—
⑥ Property leasing income (③—④—⑤)	129	197	258	120	371	57	168	153	65	103	50
CAPEX	3	2	1	6	35	19	4	4	14	0	2

Note 1: For USC Bldg., MCUBS MidCity's share of ownership has reached 100%, having acquired an additional 54/108 (approx. 54%) of quasi co-ownership interest in the building on February 16, 2018.

Note 2: Yoshiyasu Kanda Bldg. acquired on February 16, 2018, TOYOTA MOBILITY SERVICE Bldg. and M-City Akasaka 1-chome Bldg. acquired on March 1, 2018.

Revenue and expenses by property 2

(Fiscal period ended Jun. 30, 2018)

(Unit: mn. yen)

	Twin 21	Matsushita IMP Bldg.	MID REIT Kyobashi Bldg.	MID Imabashi Bldg.	Kitahama MID Bldg.	MID Nishi-hommachi Bldg.	Higobashi MID Bldg.	Sendai Capital Tower	AEON MALL Tsudanuma	Konami Sports Club Kyobashi	Dormy Inn Hakata Gion	Total
Operating days	181	181	181	181	181	181	181	181	181	181	181	181
Rent revenue	1,590	705	—	78	223	68	86	179	726	—	—	5,869
CAM revenue	423	109	—	4	49	6	19	45	—	—	—	1,163
Parking revenue	64	50	—	8	8	3	2	18	—	—	—	225
Rent revenue - real estate	2,078	865	—	91	280	78	109	243	726	—	—	7,258
Utilities revenue	139	75	—	6	37	8	10	16	—	—	—	446
Early-withdrawal penalties received	0	—	—	—	—	—	—	—	—	—	—	6
Other revenue	27	4	—	0	1	0	0	15	—	—	—	77
Other lease business revenue	167	79	—	7	38	9	10	32	—	—	—	530
① Property leasing revenue	2,245	945	—	98	319	88	120	275	726	—	—	7,788
Property management fees	309	170	Not Disclosed	14	29	10	12	34	2	Not Disclosed	Not Disclosed	875
Utilities expenses	229	108		8	27	9	9	34	—			644
Real estate taxes	196	122		12	22	8	12	12	61			640
Insurance premiums	2	1	—	0	0	0	0	0	0	—	—	9
Repair expenses	101	21	—	5	4	2	4	3	0	—	—	217
Other lease business expenses	25	15	—	—	0	1	0	0	0	—	—	70
② Expenses related to rent business	866	439	—	40	83	32	39	85	65	—	—	2,458
③ NOI (①－②)	1,379	505	38	57	235	56	80	190	660	86	75	5,330
④ Depreciation	452	289	14	24	39	20	22	22	115	18	19	1,328
⑤ Loss on retirement of non-current assets	—	—	—	—	—	—	—	—	—	—	—	—
⑥ Property leasing income (③－④－⑤)	927	216	23	32	196	35	57	168	545	67	55	4,002
CAPEX	305	151	2	6	0	20	0	14	—	—	—	597

Appraisal values by property

Type	Region	Property name	Acquisition price (Note 1) (mn yen)	Appraisal value as of Dec. 31, 2017 (23 rd Period End) (mn. yen)	Book value as of Jun. 30, 2018 (24 th Period End) (Note 2) (mn. yen)	Appraisal value as of Jun. 30, 2018 (24 th Period End) (Note 3) (mn. yen)	Difference from previous period end (%)	Difference from book value (%)	Appraisal company	23 th Period appraisal value rate (Note 4) (%)	24 th Period appraisal value rate (Note 4) (%)
Office	Three major metropolitan areas (Tokyo / Osaka / Nagoya)	Sumitomo Fudosan Ueno Bldg. No.6	7,460	8,300	7,614	8,300	-	9.0%	Tanizawa Sogo Appraisal Co., Ltd.	3.9%	3.9%
		G-Square Shibuya Dogenzaka	12,220	14,500	12,217	14,600	0.7%	19.5%	Japan Real Estate Institute	3.3%	3.3%
		Shibuya Sakuragaoka Square	17,130	19,500	17,453	19,400	-0.5%	11.2%	Daiwa Real Estate Appraisal Co., Ltd.	3.1%	3.1%
		Yokohama Creation Square	7,080	7,960	7,057	7,960	-	12.8%	Tanizawa Sogo Appraisal Co., Ltd.	4.3%	4.3%
		Cube Kawasaki	20,050	22,300	20,460	22,500	0.9%	10.0%	Daiwa Real Estate Appraisal Co., Ltd.	4.0%	4.0%
		Higashi-Nihombashi Green Bldg.	2,705	3,030	2,848	3,070	1.3%	7.8%	Japan Real Estate Institute	4.3%	4.2%
		Sasazuka Center Bldg.	8,700	9,290	9,079	9,290	-	2.3%	Daiwa Real Estate Appraisal Co., Ltd.	4.0%	4.0%
		USC Bldg. (Note 5)	10,800	5,230	11,154	11,400	-	2.2%	Tanizawa Sogo Appraisal Co., Ltd.	4.1%	4.1%
		Yoshiyasu Kanda Bldg.	4,000	-	4,200	4,270	-	1.6%	Daiwa Real Estate Appraisal Co., Ltd.	-	3.7%
		TOYOTA MOBILITY SERVICE Bldg.	9,200	-	9,591	10,200	-	6.3%	Daiwa Real Estate Appraisal Co., Ltd.	-	3.8%
		M-City Akasaka 1-chome Bldg.	4,205	-	4,276	4,300	-	0.5%	Japan Real Estate Institute	-	3.5%
		Twin 21	68,700	54,500	65,985	55,800	2.4%	-15.4%	JLL Morii Valuation & Advisory K.K.	4.4%	4.3%
		Matsushita IMP Bldg.	24,600	21,700	22,434	22,300	2.8%	-0.6%	Tanizawa Sogo Appraisal Co., Ltd.	4.4%	4.4%
		MID REIT Kyobashi Bldg.	2,300	1,460	2,063	1,460	-	-29.3%	Tanizawa Sogo Appraisal Co., Ltd.	5.0%	5.0%
		MID Imabashi Bldg.	3,270	2,330	3,096	2,340	0.4%	-24.4%	Tanizawa Sogo Appraisal Co., Ltd.	4.5%	4.5%
		Kitahama MID Bldg.	10,800	9,290	10,327	9,520	2.5%	-7.8%	Japan Real Estate Institute	4.2%	4.1%
		MID Nishihommachi Bldg.	3,550	2,180	3,356	2,240	2.8%	-33.3%	Japan Real Estate Institute	4.5%	4.4%
		Higobashi MID Bldg.	3,000	3,620	2,817	3,770	4.1%	33.8%	Japan Real Estate Institute	4.1%	4.1%
	Other metropolitan area	Sendai Capital Tower	5,500	6,510	5,587	6,570	0.9%	17.6%	Tanizawa Sogo Appraisal Co., Ltd.	4.6%	4.6%
	Subtotal			225,270	191,700	221,623	219,290	-	-1.1%		-
Other	Three major metropolitan areas	AEON MALL Tsudanuma	26,100	28,400	23,724	28,500	0.4%	20.1%	Daiwa Real Estate Appraisal Co., Ltd.	4.5%	4.5%
		Konami Sports Club Kyobashi	2,780	3,380	2,376	3,400	0.6%	43.1%	Daiwa Real Estate Appraisal Co., Ltd.	5.0%	5.0%
	Other metropolitan area	Dormy Inn Hakata Gion	2,280	3,420	2,120	3,410	-0.3%	60.8%	Tanizawa Sogo Appraisal Co., Ltd.	4.2%	4.2%
Subtotal			31,160	35,200	28,220	35,310	-	25.1%		-	-
Total			256,430	226,900	249,844	254,600	-	1.9%		-	-

Note 1: "Acquisition price" is the transaction price which is stated in the contract for respective trust beneficiary interest, etc. (excluding acquisition-related expenses, property taxes and consumption taxes, etc.).

Note 2: "Book value" is the applicable asset's acquisition price (including various acquisition expenses) less accumulated depreciation.

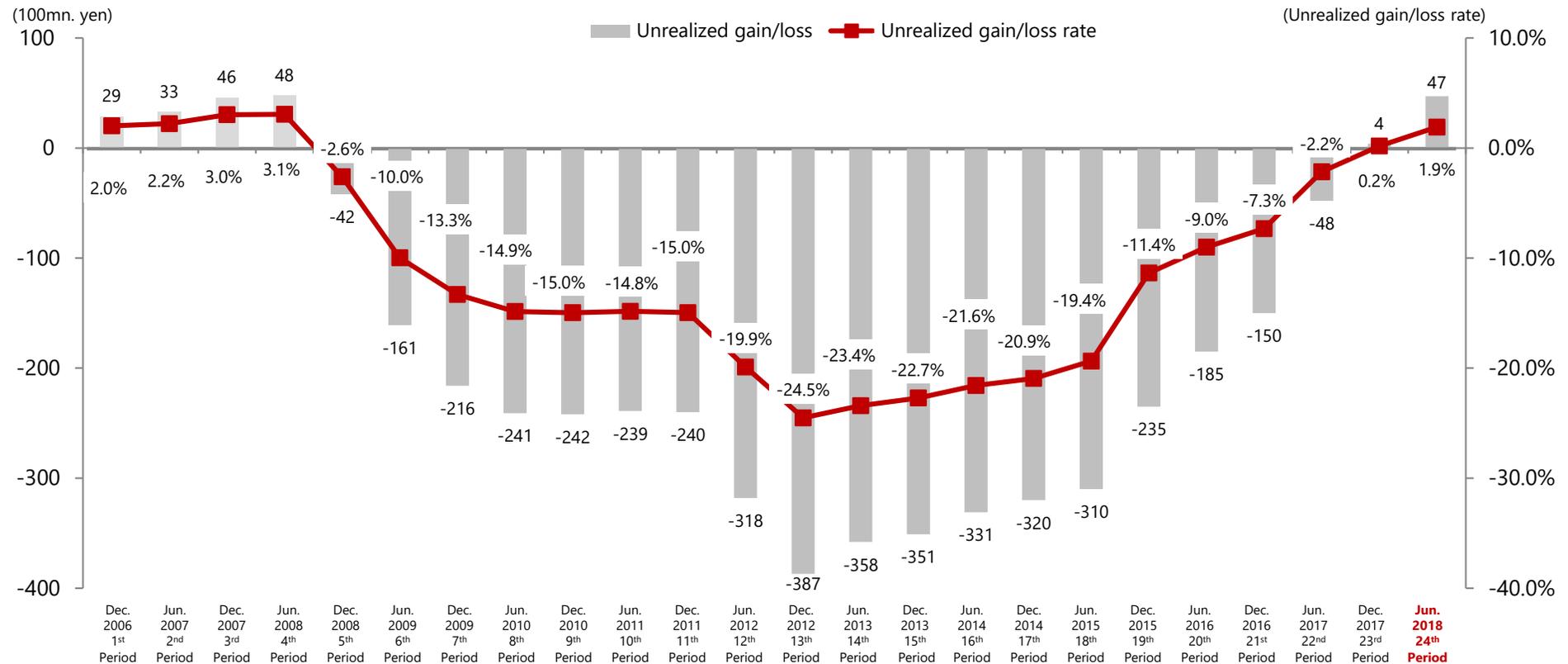
Note 3: "Appraisal value" is as of the end of the fiscal period based on the appraisal report with the market value as of Jun. 30, 2018 prepared by JLL Morii Valuation & Advisory K.K., Tanizawa Sogo Appraisal Co., Ltd., Daiwa Real Estate Appraisal Co., Ltd. or Japan Real Estate Institute pursuant to the Regulations Concerning Accounting of Investment Corporations, methods and criteria for asset valuation defined in MCUBS MidCity's Articles of Incorporation and rules of The Investment Trusts Association, Japan.

Note 4: "Appraisal value rate" is the cap rate based on the direct capitalization method.

Note 5: Appraisal value of USC Bldg. as of the end of the 23rd Period is the appraisal value for the quasi co-ownership portion by MCUBS MidCity (50/108). Acquired additional co-ownership on Feb. 16, 2018. The appraisal value as of the end of the 24th Period is based on 100% ownership.

Unrealized gain/loss

Unrealized gain/loss and unrealized gain/loss rate (Dec. 2006 (1st Period) – Jun. 2018 (24th Period))



As of 24th Period End (ended Jun. 2018)

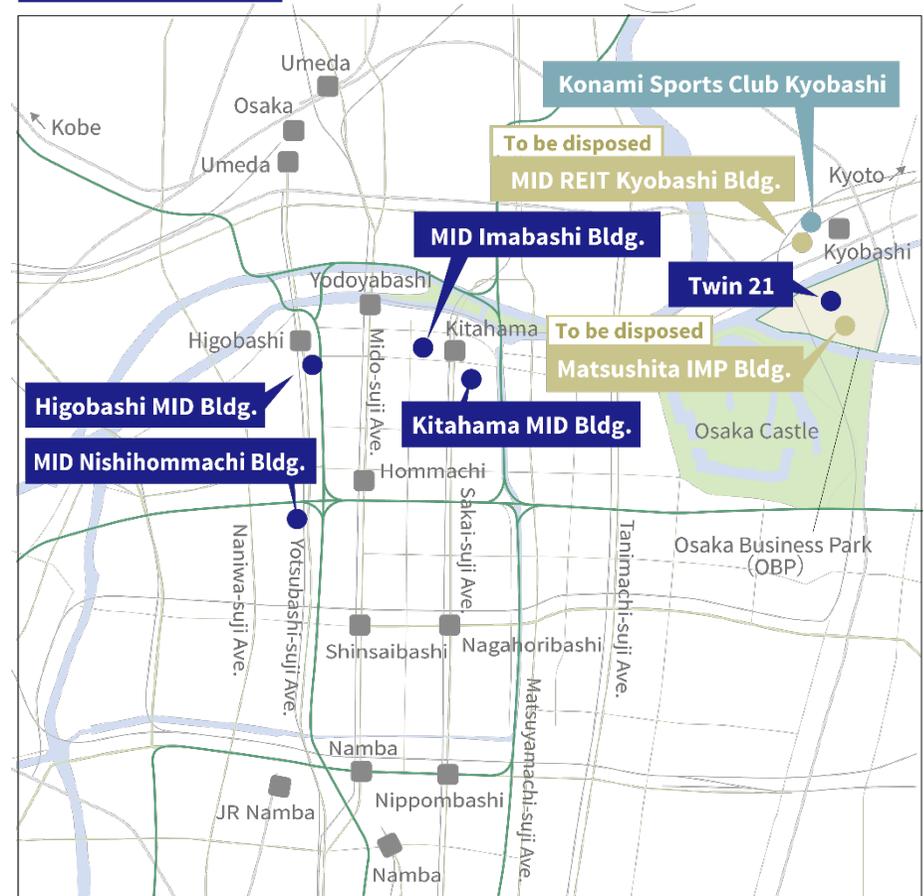
Book value:	249.8 bn. Yen
Appraisal value:	254.6 bn. yen
Unrealized gain:	4.7 bn. yen

Portfolio overview – Tokyo area and Osaka area

Tokyo area



Osaka area

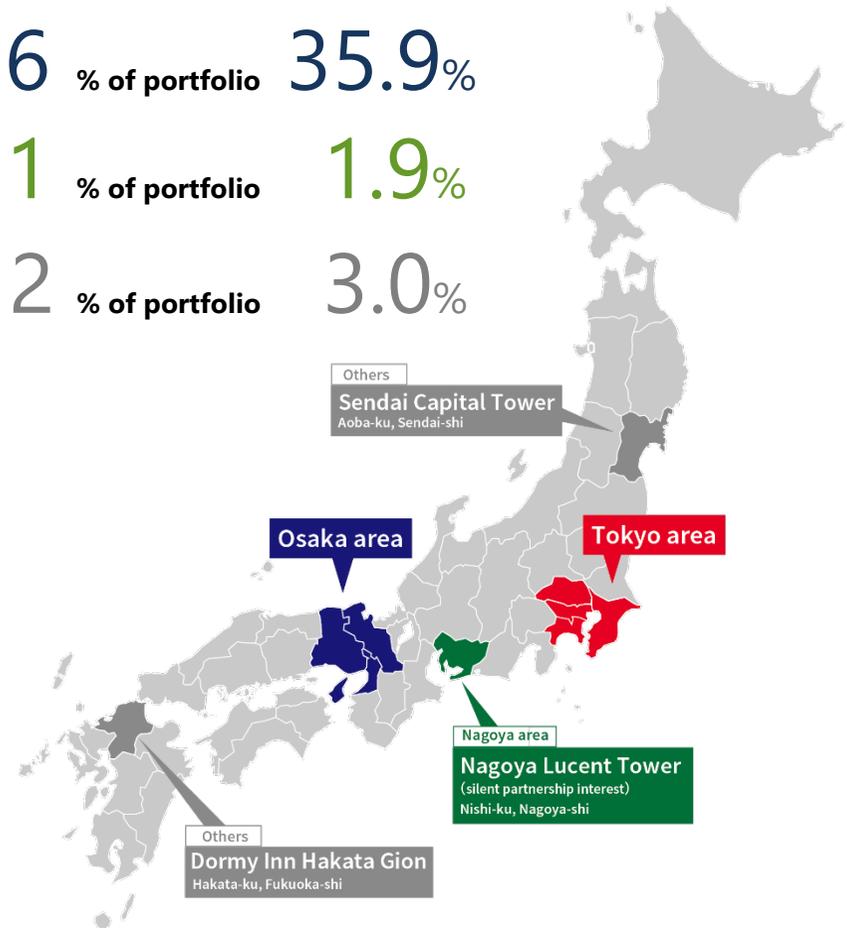
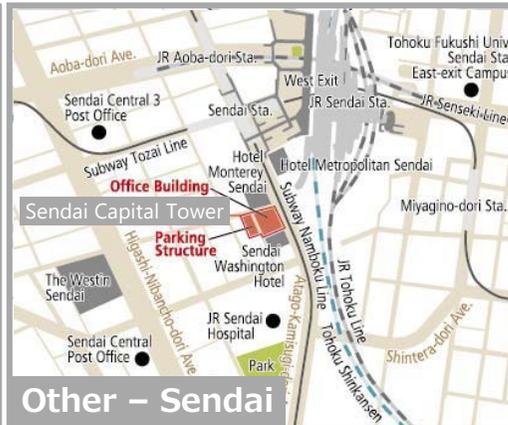
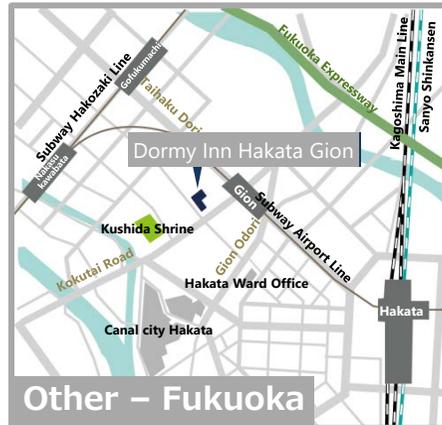


Portfolio overview - Nagoya area and others

<As of Mar, 2019>



Tokyo Area	No. of assets	13	% of portfolio	59.2%
Osaka Area	No. of assets	6	% of portfolio	35.9%
Nagoya Area	No. of assets	1	% of portfolio	1.9%
Other Major Cities	No. of assets	2	% of portfolio	3.0%



Note: Based on acquisition price. TK interest of Nagoya Lucent Tower is included in the acquisition price.

Portfolio overview - Office in Tokyo area 1



Sumitomo Fudosan Ueno Bldg. No.6

- ✓ Office building with the standard floor area of over 200 tsubo, with high scarcity value in Ueno Area
- ✓ Stable occupancy by leasing the entire building to a major manufacturer group

Location	Taito-ku, Tokyo
Total land space	1,323.78㎡
Total floor space	9,631.83㎡
Structure/scale	SRC/B2F-11F
Completion date	Nov. 1993
Acquisition price	7,460 mn. yen
Acquisition Date	May 1, 2015



G-Square Shibuya Dogenzaka

- ✓ Located in Shibuya/Ebisu, an area with one of the lowest vacancy rates in Tokyo
- ✓ Recently built high-grade office building, which is rare in Shibuya area
- ✓ Two-minute walk from Shibuya Mark City, and three-minute walk from Shibuya Station on the Tokyo Metro lines

Location	Shibuya-ku, Tokyo
Total land space	918.49㎡
Total floor space	6,565.87㎡
Structure/scale	S•SRC/B2F-9F
Completion date	Oct. 2009
Acquisition price	12,220 mn. yen
Acquisition Date	Aug. 3, 2015



Shibuya Sakuragaoka Square

- ✓ Located in Shibuya/Ebisu, an area with one of the lowest vacancy rates in Tokyo
- ✓ Located in the area with a lot of office buildings facing National Route 246
- ✓ Four-minutes walk from Shibuya Station. Newly-built mid-sized office building with a standard floor area of approx. 190 tsubo

Location	Shibuya-ku, Tokyo
Total land space	1,200.08㎡
Total floor space	8,655.61㎡
Structure/scale	S•RC/B1F-10F
Completion date	Mar. 2010
Acquisition price	17,130 mn. yen
Acquisition Date	Aug. 3, 2015, Feb. 1, 2017

Portfolio overview - Office in Tokyo area 2



Yokohama Creation Square

- ✓ Located in the vicinity of the east exit of Yokohama Station, where large office buildings concentrate
- ✓ An office building with a large floor allowing a variety of layouts ranging from approximately 20 to 230 tsubo

* Sectional ownership

Location	Kanagawa-ku, Yokohama
Total land space	5,244.81㎡ (ratio of right of site 75.4%)
Total floor space	21,054.60㎡ (ratio of exclusive area: 96.5%)
Structure/scale	SRC・S/B1F-20F
Completion date	Mar. 1994
Acquisition price	7,080 mn. yen
Acquisition Date	Aug. 3, 2015



Cube Kawasaki

- ✓ Closely located to JR Kawasaki Station that offers a good transportation access
- ✓ A rare property with a standard floor area of approx. 780 tsubo that addresses demand for large office spaces

Location	Kawasaki-ku, Kawasaki
Total land space	6,247.94㎡
Total floor space	41,290.91㎡
Structure/scale	SRC/B2F-10F
Completion date	May 1982
Acquisition price	20,050 mn. yen
Acquisition Date	Aug. 7, 2015



Higashi-Nihombashi Green Bldg.

- ✓ Highly convenient location for transport with easy access to four stations of four railway lines
- ✓ Highly-visible and well-lit office building located at the corner of Kiyosugi-dori, an arterial road

Location	Chuo-Ku, Tokyo
Total land space	599.07㎡
Total floor space	4,210.72㎡
Structure/scale	SRC/10F
Completion date	Mar. 1988
Acquisition price	2,705 mn. yen
Acquisition Date	Dec. 21, 2015

Portfolio overview - Office in Tokyo area 3



Sasazuka Center Bldg.

- ✓ Location with traffic convenience, within five-minute walk from Sasazuka Station of the Keio Line, which is one station or about five minutes away from Shinjuku Station
- ✓ Good access by car, as it faces a boulevard and is located near the Hatagaya Ramp of the Metropolitan Expressway
- ✓ Building differentiated from other buildings in the area with the standard floor area of approximately 300 tsubo

Location	Shibuya-ku, Tokyo
Total land space	3,032.26㎡
Total floor space	11,973.11㎡
Structure/scale	SRC/B2F-8F
Completion date	Mar. 1995
Acquisition price	8,700 mn. yen
Acquisition Date	Mar. 22, 2017



USC Bldg.

- ✓ Location within seven-minute walk from Toyoko Station of the Tokyo Metro Tozai Line
- ✓ Building differentiated from other buildings in the area with many mid and small-sized buildings, for its size with the total floor area of approximately 5,600 tsubo and the standard floor area of approximately 600 tsubo
- ✓ Convenience in vehicle use with more than 100 parking lots, attracting vehicle-user tenants

Location	Koto-ku, Tokyo
Total land space	4,565.21㎡
Total floor space	18,506.16㎡
Structure/scale	Main Building: S・SRC/B1F-8F Annex: RC/1F
Completion date	Jan. 1990 and other
Acquisition price	10,800 mn. yen
Acquisition Date	Apr. 6, 2017, Feb. 16, 2018



Yoshiyasu Kanda Bldg.

- ✓ Location in a convenient area, accessible from four stations of seven railway and subway lines
- ✓ Property maintaining a stable occupancy as majority of tenants are long-term tenants (longer than 10 years)
- ✓ Location in an area of Chiyoda-ku where relatively older mid-to-high-rise retail stores and office buildings line side-by-side

Location	Chiyoda-ku, Tokyo
Total land space	715.69㎡
Total floor space	4,554.00㎡
Structure/scale	SRS・S/9F
Completion date	May 1989 and other
Acquisition price	4,000 mn. yen
Acquisition Date	Feb. 16, 2018

Portfolio overview - Office in Tokyo area 4



TOYOTA MOBILITY SERVICE Bldg.

(Former SSP Bldg.)

- ✓ Acquisition through negotiation with a CRE proposal utilizing the sponsor network, in consideration of secured stability in profitability
- ✓ Relatively new building (10 years) with a high-grade feel, competitive in terms of scale and high usage efficiency of office space
- ✓ Location in Chuo-ku, Tokyo, and three minutes' walk from Hamacho Station

Location	Chuo-ku, Tokyo
Total land space	1,135.18m ²
Total floor space	8,123.17m ²
Structure/scale	S/10F
Completion date	Jan. 2008
Acquisition price	9,200 mn. yen
Acquisition Date	Mar. 1, 2018



M-City Akasaka 1-chome Bldg.

- ✓ Location in a convenient area, about one-minute walk from Tameike-Sanno Station
- ✓ Sufficient demand expected from potential tenants due to its location in an area suitable for offices
- ✓ Location in Akasaka area, which is increasingly expected to become an attractive office district, as large-scale redevelopment projects are currently under way

Location	Minato-ku, Tokyo
Total land space	510.22m ²
Total floor space	3,308.20m ²
Structure/scale	SRC/10F
Completion date	Mar. 1985
Acquisition price	4,205 mn. yen
Acquisition Date	Mar. 1, 2018



Yokohama i-land Tower

To be acquired on Sep. 14, 2018

- ✓ Located at a cross-point of the Minato Mirai 21 area and the Kannai area, directly connected to the station
- ✓ With total floor area of approximately 12,500 tsubo and standard floor area of approximately 320 tsubo, it is one of the largest office buildings in the area
- ✓ First ever acquisition through PRE proposal by use of capability of the sponsor

* Sectional ownership

Location	Naka-ku, Yokohama
Total land space	3,840.76m ²
Total floor space	41,154.75m ²
Structure/scale	S·SRC·RC/B3F-27F
Completion date	Feb. 2003
Acquisition price	22,100 mn. yen
Acquisition Date (expected)	Sep. 14, 2018

Portfolio overview - Office in Osaka area 1



Twin 21

- ✓ 38-storied sky-scraper office towers as a symbol of Osaka Business Park (OBP)
- ✓ Directly connected to Kyobashi Station, one of the biggest terminal stations in Osaka
- ✓ Mainly consisted of two buildings: OBP Panasonic Tower which is leased to Panasonic and MID Tower to leading corporations and consulates

Location	Chuo-ku, Osaka
Total land space	28,163.07m ²
Total floor space	146,034.98m ²
Structure/scale	SRC/B1F-38F
Completion date	Mar. 1986
Acquisition price	68,700 mn. yen
Acquisition Date	Aug. 31, 2006



Matsushita IMP Bldg.

To be disposed on
Sep. 5, 2018: 55%
Mar. 8, 2019: 45%

- ✓ 26-storied high-rise complex building consisted of large office space, commercial facilities and event halls
- ✓ Directly connected to Osaka Business Park Station of the Osaka Municipal Subway Nagahori-Tsurumi Line
- ✓ Operated together with Twin 21, with which the building is connected through Skyway

Location	Chuo-ku, Osaka
Total land space	14,968.25m ²
Total floor space	84,952.57m ²
Structure/scale	S·SRC/B2F-26F
Completion date	Feb. 1990 added on to in Nov. 2003 and other
Acquisition price	24,600 mn. yen
Acquisition Date	Aug. 31, 2006



MID REIT Kyobashi Bldg.

To be disposed
on Sep. 4, 2018

- ✓ Located near Kyobashi Station of the Osaka Municipal Subway Nagahori-Tsurumi Line, and within walking distance from Kyobashi Station of the JR Kanjo Line and the Keihan Main Line

Location	Miyakojima-ku, Osaka
Total land space	1,062.53m ²
Total floor space	4,833.88m ²
Structure/scale	S/9F
Completion date	Feb. 2000
Acquisition price	2,300 mn. yen
Acquisition Date	Aug. 31, 2006

Portfolio overview - Office in Osaka area 2



MID Imabashi Bldg.

- ✓ Located in the Yodoyabashi and Kitahama business district
- ✓ Three-minute walk from Kitahama Station of the Osaka Municipal Subway Sakaisuji Line and the Keihan Main Line, and five-minute walk from Yodoyabashi Station of the Osaka Municipal Subway Midosuji Line and the Keihan Main Line
- ✓ High-grade office building with sophisticated appearance with the granite-covered outer wall

Location	Chuo-ku, Osaka
Total land space	1,187.43m ²
Total floor space	7,482.53m ²
Structure/scale	S•RC/B2F-11F
Completion date	Oct. 1990
Acquisition price	3,270 mn. yen
Acquisition Date	Apr. 3, 2007



Kitahama MID Bldg.

- ✓ Located close to Sakaisuji, one of the artery roads in Osaka, and nearby Kitahama Station of the Osaka Municipal Subway Sakaisuji Line and the Keihan Main Line
- ✓ Vibration controlled-building to reduce potential earthquake damages
- ✓ High-spec building with a floor with pillarless space of 176 tsubo, which addresses various layout/space needs

Location	Chuo-ku, Osaka
Total land space	1,802.49m ²
Total floor space	14,648.13m ²
Structure/scale	S•SRC/B1F-18F
Completion date	Feb. 2008
Acquisition price	10,800 mn. yen
Acquisition Date	Apr. 24, 2008



MID Nishihommachi Bldg.

- ✓ Favorable location facing Yotsubashisuji Boulevard and Chuo-Odori Street, with one-minute walk from Hommachi Station of the Osaka Municipal Subway
- ✓ High-quality office building supporting tenants' business activities with its comfortableness and traffic convenience, partly thanks to the vicinity to the Awaza Ramp on Hanshin Expressway

Location	Nishi-ku, Osaka
Total land space	659.86m ²
Total floor space	6,260.16m ²
Structure/scale	S•RC/B3F-9F
Completion date	Mar. 1989
Acquisition price	3,550 mn. yen
Acquisition Date	Oct. 30, 2008

Portfolio overview - Office in Osaka, others and TK interest



Higobashi MID Bldg.

- ✓ Located in the Higobashi business district
- ✓ Located along Yotsubashisuji Boulevard, with one-minute walk from Higobashi Station of the Osaka Municipal Subway Yotsuboashi Line and six-minute walk from Yodoyabashi Station of the Osaka Municipal Subway Midosuji Line and Watanabebashi Station of the Keihan Nakanoshima Line
- ✓ Quake-resistant building with its vibration control structure, obtaining environmental certification

Location	Nishi-ku, Osaka
Total land space	797.86m ²
Total floor space	6,519.63m ²
Structure/scale	S/B1F-11F
Completion date	Jan. 2010
Acquisition price	3,000 mn. yen
Acquisition Date	Jun. 21, 2013



Sendai Capital Tower

- ✓ Location within four-minute walking distance from JR Sendai Station and two-minute from Sendai Station of the Sendai Subway Namboku Line and the Tozai Line
- ✓ Scarcity for its size in the area with many small to medium-sized buildings, with a total floor area of approximately 7,200 tsubo and a standard floor area of approximately 240 tsubo, and the parking lots for more than 100 vehicles

Location	Aoba-ku, Sendai-shi, Miyagi
Total land space	3,420.02m ²
Total floor space	23,702.00m ² (including Parking Space)
Structure/scale	Office building : SRC/B2F-19F Parking structure : RC/B1F-6F
Completion date	Mar. 1974
Acquisition price	5,500 mn. yen
Acquisition Date	Feb. 1, 2017



Nagoya Lucent Tower

- ✓ Favorable location close to Nagoya Station, an area in which the strongest demand from tenants is expected within Nagoya City
- ✓ Highly visible 42-storied building (with 3 basement floors) for its arch-shaped characteristic appearance

Location	Nishi-ku, Nagoya
Completion date	Nov. 2006
Acquisition price	4,919 mn. yen
Acquisition Date	Aug. 3, 2015

*1 MCUBS MidCity owns the TK interest with R40 GK as the operator (TK interest B: equity interest of 40%) backed by real estate in trust for the trust beneficiary interests with 33.9% co-ownership interest (and 29.5% right of site) of the sectional ownership of this asset (sections of the building excluding the special high voltage substation building and part of the extra high voltage substation building)

*2 The property overview as above represents that of the underlying asset of such TK interest

*TK interest

Portfolio overview - Other than the office



AEON Mall Tsudanuma

- ✓ Large commercial facility directly connected to Shin Tsudanuma Station of the Shin-Keisei Line
- ✓ Three-minute walk from Tsudanuma Station of the JR Sobu Line
- ✓ Urban-type shopping center with AEON Mall as a core store

Location	Narashino-shi, Chiba
Total land space	29,397.03m ²
Total floor space	96,033.49m ²
Structure/scale	S/B1F-5F
Completion date	Sep. 2003 and other
Acquisition price	26,100 mn. yen
Acquisition Date	Aug. 31, 2006 and other



Konami Sport Club Kyobashi

- ✓ Located nearby Kyobashi Station of the Osaka Municipal Subway Nagahori-Tsurumi Line, and two-minute walk from Kyobashi Station of the JR Kanjo Line and the Keihan Main Line
- ✓ Located in an area where a sports club may have strong potential of attracting clients

Location	Miyakojima-ku, Osaka
Total land space	2,339.35m ²
Total floor space	9,433.34m ²
Structure/scale	S/7F
Completion date	Jun. 1999
Acquisition price	2,780 mn. yen
Acquisition Date	Aug. 31, 2006



Dormy Inn Hakata Gion

- ✓ Favorable location with two-minute walk from Gion Station of the Fukuoka City Subway Kuko Line, the next station of Hakata Station
- ✓ Hotel with expected demand from both business people and tourists for its good access to Fukuoka Airport, Hakata Station and Tenjin Area

Location	Hakata-ku, Fukuoka
Total land space	1,002.19m ²
Total floor space	5,633.28m ²
Structure/scale	RC/10F
Completion date	Jan. 2009
Acquisition price	2,280 mn. yen
Acquisition Date	Sep. 30, 2013

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5. FINANCING STRATEGY

Major financing-related figures and investment corporation bonds

Changes in financing-related figures

	As of the end of Dec. 2017	As of the end of Jun. 2018
LTV (based on appraisal value)	42.1%	41.8%
Ratio of long-term debts	100.0%	100.0%
Ratio of fixed interest rate	77.4%	77.5%
Average remaining years of debts	3.5 years	3.4 years
Average interest rate on debts	1.06%	1.01%
Issuer rating	R&I: A (stable) (Oct. 3, 2017)	R&I: A (stable) (Oct. 3, 2017)
	—	JCR: A+ (positive) (Apr. 9, 2018)



Forecast for Mar. 2019
41.7% (Note 1)
100.0%
84.0%
3.7 years
0.99% (Note 2)
Aim for further improvement

Investment corporation bonds

	Issuance	Term	Nominal Coupon	Amount issued
1 st	May 2016	5 yrs	0.340%	1.5 bn. yen
2 nd	May 2016	10 yrs	0.810%	1.5 bn. yen
3 rd	May 2017	5 yrs	0.260%	1.0 bn. yen
4 th	May 2017	10 yrs	0.670%	2.0 bn. yen
5 th	May 2018	10 yrs	0.590%	2.0 bn. yen
Total				8.0 bn. yen

<Reference> Media Coverage (Extract from Capital Eye News)
(For translation purposes only)

MCUBS MidCity's 10-year investment corporation bond ("bond") priced on May 18, 2018. The following is the review of the deal.

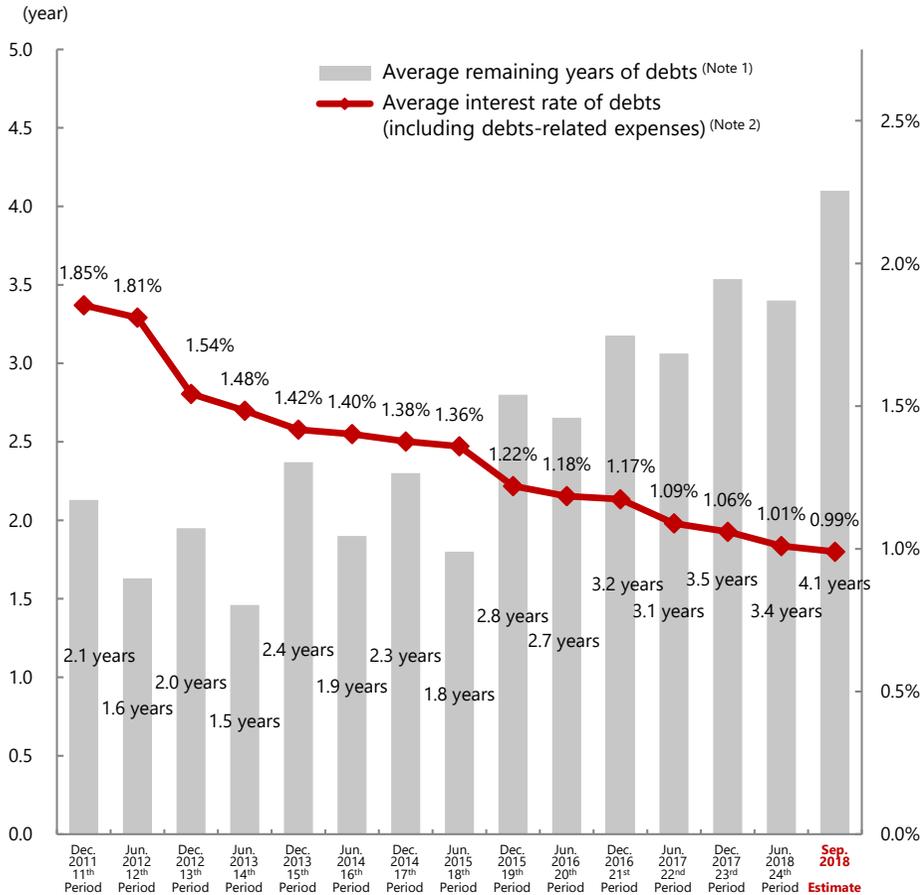
- It has been nearly a year since the last issuance of 10-year bond in May 2017 (JPY 2 bn., 0.67%, JGB+62.0bp (Calculated by Capital Eye. The same shall apply hereafter), underwriters: Mizuho/ SMBC Nikko/ Mitsubishi UFJ Morgan Stanley ("Mitsubishi UFJ MS"). With the outlook rated "Positive" and the strong sponsor name of Mitsubishi Corporation, combined with the "robust demand for 10-year financial products" (Mizuho), the bond priced at a competitive rate of 0.59% p.a.
- Recent bond issuance by other investment corporations with similar credit ratings, such as NIPPON REIT Investment Corporation (Apr. 18, A: JCR, JPY 1 bn., JGB+66.5bp, underwriters: Mitsubishi UFJ MS/ Mizuho), Kenedix Retail REIT Corporation (Apr. 20, A+:JCR, +65.5bp, book runner: SMBC Nikko/ Daiwa/ Mitsubishi UFJ MS/ Mizuho), Heiwa Real Estate REIT (Apr. 26, A-:JCR, +63.5bp, book runner: SMBC Nikko/ Daiwa/ Mitsubishi UFJ MS), had all priced at 0.70%. Pre-hearing indicated range of high 0.5% to low 0.6%, and marketing commenced on May 14 in the range 0.58-0.62%.
- "Due to the strong name of the investment corporation, the order came in smoothly, mainly from regional investors" (SMBC Nikko). To differentiate from recent precedent deals by attempting to keep the rate at low 0.6%, on the second day of marketing, range indicated was 0.58-0.61% (1bp cut from upper bound of range). With precedent deals having been priced at 0.70%, in the morning on the last day of marketing, there was a further 1bp cut on both ends, leading to range of 0.59-0.60%. "The strong sponsor name has provided comfort to the market" (Mizuho/ SMBC Nikko/ Mitsubishi UFJ MS), leading to pricing at 0.59%.
- The bond priced at 11bps tighter than the rate at which recent deals have been priced. Japan Retail Fund, also sponsored by Mitsubishi Corporation, has successfully priced a 5-year Green Bond (AA-: R&I, JPY 8 bn., 0.21%, JGB+30.3bp, underwriters: Mizuho/ SMBC Nikko/ Mitsubishi UFJ MS) on May 11. This, combined with the strong sponsor name, has "contributed to pricing below 0.6%" (Mitsubishi UFJ MS). The bonds have been allocated to regional investors (incl. financial institutions and corporations). The overall demand was 1.2x.

Note 1: Calculated in consideration of new borrowings since July 2018, acquisition of a new property and disposition of two properties and early repayment of the new borrowings, etc., based on market capitalization as of the end of Jun. 30, 2018 (24th Period). The same shall apply hereafter.

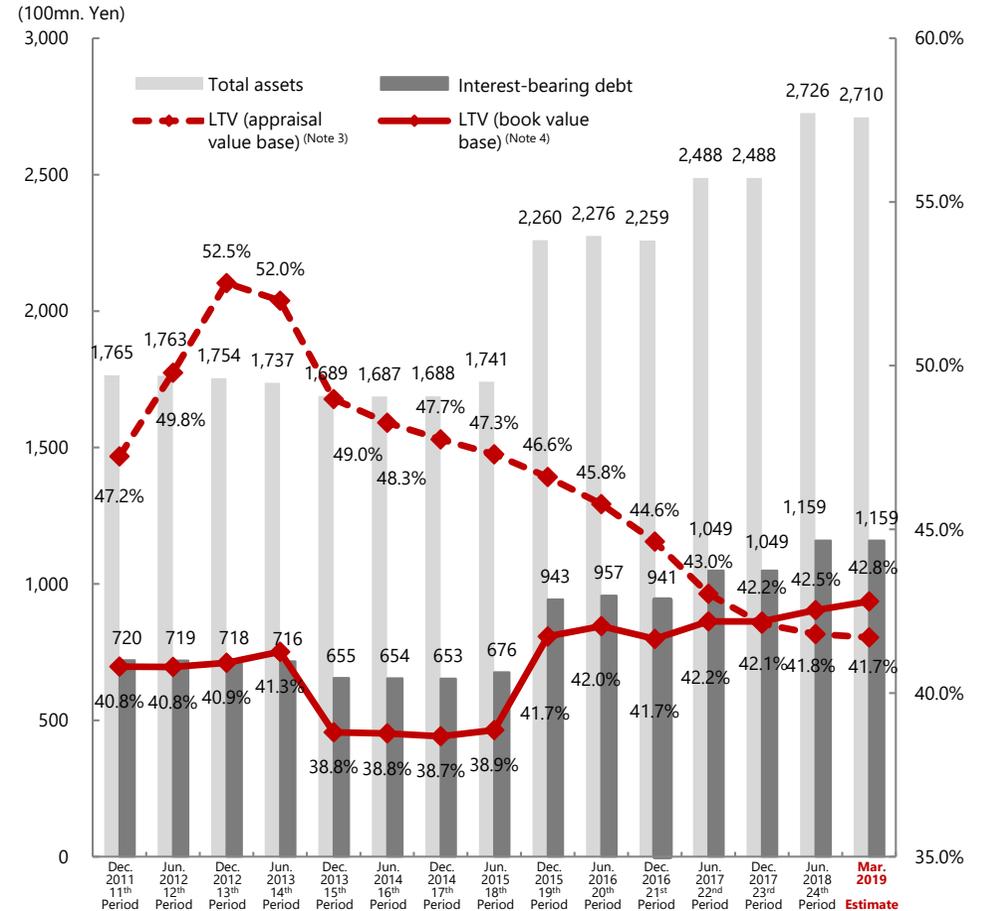
Note 2: Calculated by dividing estimated financial costs for the fiscal period ending Jun. 2019 (26th Period) by estimated average debt balance for the same fiscal period.

Financial status

Average remaining years and average interest rate of debts



Total assets and debts



Note1: Average remaining years of debts is using the weighted average of remaining years of debts until maturity based on the respective balance of debts.

Note2: Average interest rate of debts (including borrowing-related expenses) = Financing costs in each fiscal period / Average debt balance in the fiscal period.

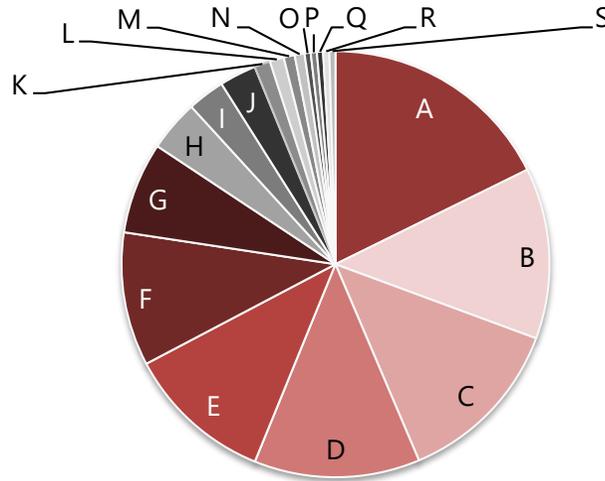
Note3: LTV (appraisal value base) = Term-end debts / (Term-end total assets ± Unrealized gain/loss). Unrealized gain/loss is the difference between book value and appraisal value

Note4: LTV (book value base) = Term-end debts / Term-end total assets

Note5: Calculated in consideration of new borrowings since July 2018, acquisition of a new property and disposition of two properties and early repayment of the new borrowings, etc. In addition, the figure presented for average interest rate of debts (including debts-related expenses) for March 2019 (Estimate) takes into consideration the above-mentioned events and is therefore the estimate for the fiscal period ending June 30, 2019 (26th Period)

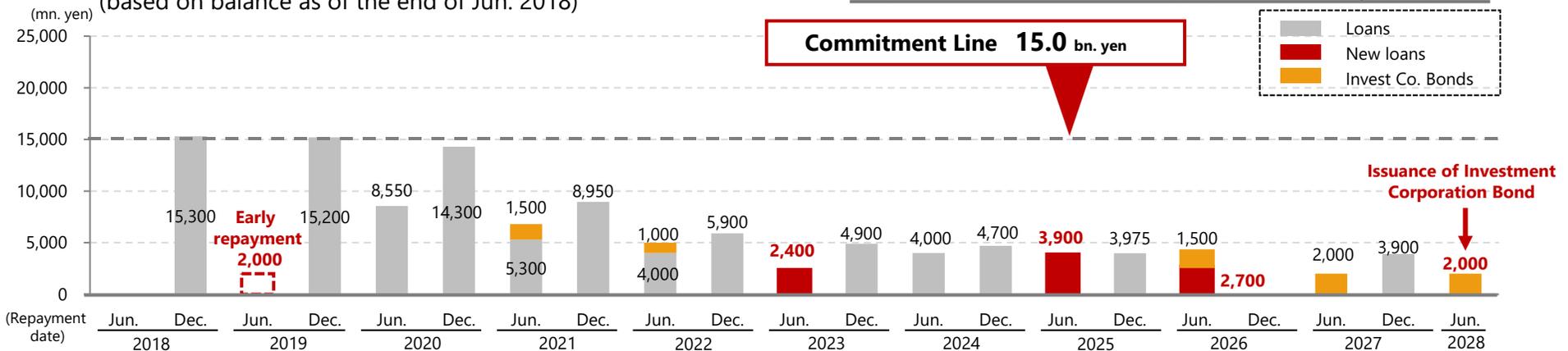
Lender composition and maturity ladder (as of the end of Jun. 2018)

Lenders composition (Loans as of the end of Jun. 2018)



	Lender	Balance (mn. yen)	Share
A	Mizuho Bank, Ltd.	19,100	17.7%
B	Sumitomo Mitsui Trust Bank, Limited	14,000	13.0%
C	Sumitomo Mitsui Banking Corporation	14,000	13.0%
D	Development Bank of Japan, Inc.	13,525	12.5%
E	MUFG Bank, Ltd.	12,000	11.1%
F	Aozora Bank, Ltd.	10,950	10.1%
G	Resona Bank, Limited	7,500	6.9%
H	Shinkin Central Bank	4,200	3.9%
I	The Senshu Ikeda Bank, Ltd.	3,050	2.8%
J	The Nishi-Nippon City Bank, Ltd.	3,000	2.8%
K	Mizuho Trust & Banking Co., Ltd.	1,300	1.2%
L	The Hyakugo Bank, Ltd.	1,150	1.1%
M	The Bank of Fukuoka, Ltd.	900	0.8%
N	The Minato Bank, Limited	800	0.7%
O	The Nanto Bank, Ltd.	500	0.5%
P	The Hiroshima Bank, Ltd.	500	0.5%
Q	Sony Bank Incorporated	500	0.5%
R	Tokio Marine & Nichido Fire Insurance Co., Ltd.	500	0.5%
S	Nippon Life Insurance Company	500	0.5%
Total		107,975	100.0%

Diversified maturity ladder of debts
(based on balance as of the end of Jun. 2018)



Outstanding borrowings (as of the end of Jun. 2018)

Type	Loan Term	Lenders	Balance (mn. yen)	Floating/Fixed	Interest rate (Note 3)	Drawdown date	Repayment date (Note 4)	Repayment method
Long term loans payable (Note 1)	7 years	Development Bank of Japan	1,700	Fixed	1.52375%	2012/7/31	2019/7/31	Bullet payment
	5 years	Mizuho Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking, Aozora Bank	4,800	Fixed (Note 2)	1.29700%	2013/7/31	2018/7/31	Bullet payment
	7 years	Development Bank of Japan, Minato Bank	1,800	Fixed	1.70875%	2013/7/31	2020/7/31	Bullet payment
	5 years	Mizuho Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking, Resona Bank	4,000	Fixed (Note 2)	0.96200%	2014/7/31	2019/7/31	Bullet payment
	6 years	Mizuho Bank, The Hiroshima Bank, Sony Bank	2,000	Fixed (Note 2)	1.24000%	2014/7/31	2020/7/31	Bullet payment
	7 years	Mizuho Bank, Aozora Bank	1,800	Fixed	1.47806%	2014/7/31	2021/7/31	Bullet payment
	3 years	Mizuho Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking, Aozora Bank, Resona Bank, Senshu Ikeda Bank, MUFG Bank, Nishi-Nippon City Bank, Mizuho Trust & Banking, Hyakugo Bank	10,500	Floating	0.46909%	2015/7/31	2018/7/31	Bullet payment
	4 years	Mizuho Bank, Sumitomo Mitsui Banking, Resona Bank, MUFG Bank, Shinkin Central Bank, Senshu Ikeda Bank, The Nanto Bank	9,500	Floating	0.56909%	2015/7/31	2019/7/31	Bullet payment
	5 years	Mizuho Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking, Aozora Bank, Resona Bank, MUFG Bank, Mizuho Trust & Banking	9,300	Fixed (Note 2)	0.86545%	2015/7/31	2020/7/31	Bullet payment
	5 years	Development Bank of Japan	1,200	Fixed	0.90750%	2015/7/31	2020/7/31	Bullet payment
	6 years	Mizuho Bank, Sumitomo Mitsui Banking, Resona Bank, MUFG Bank, Senshu Ikeda Bank	4,500	Fixed (Note 2)	1.03350%	2015/7/31	2021/7/31	Bullet payment
	7 years	Mizuho Bank, Aozora Bank, MUFG Bank, Mizuho Trust & Banking	2,200	Fixed (Note 2)	1.20235%	2015/7/31	2022/7/31	Bullet payment
	7 years	Development Bank of Japan	800	Fixed	1.23250%	2015/7/31	2022/7/31	Bullet payment
	8 years	Mizuho Bank	1,000	Fixed (Note 2)	1.38430%	2015/7/31	2023/7/31	Bullet payment
	8 years	Mizuho Bank	500	Fixed (Note 2)	1.38430%	2015/7/31	2023/7/31	Bullet payment
	8 years	Development Bank of Japan	500	Fixed	1.40000%	2015/7/31	2023/7/31	Bullet payment
	5 years	Mizuho Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking	2,800	Fixed (Note 2)	0.49795%	2016/4/28	2021/4/30	Bullet payment
	3.5 years	Sumitomo Mitsui Banking, Shinkin Central Bank	3,700	Floating	0.37909%	2016/7/29	2020/1/31	Bullet payment
	3.5 years	Nishi-Nippon City Bank, Hyakugo Bank	2,250	Fixed	0.37315%	2016/7/29	2020/1/31	Bullet payment
	3.5 years	Sumitomo Mitsui Trust Bank	2,600	Fixed	0.37315%	2016/7/29	2020/1/31	Bullet payment
	4.5 years	Mizuho Bank, Development Bank of Japan, MUFG Bank, Senshu Ikeda Bank	2,500	Fixed	0.45065%	2016/7/29	2021/1/31	Bullet payment
	5 years	Development Bank of Japan, Aozora Bank, MUFG Bank, Senshu Ikeda Bank	2,650	Fixed	0.49380%	2016/7/29	2021/7/31	Bullet payment
	8 years	Mizuho Bank, Development Bank of Japan, Aozora Bank, MUFG Bank	4,700	Fixed	0.73500%	2016/7/29	2024/7/31	Bullet payment
	5 years	Mizuho Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking, Development Bank of Japan, MUFG Bank	4,000	Fixed	0.64691%	2017/1/31	2022/1/31	Bullet payment
	7 years	Mizuho Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking, Development Bank of Japan, MUFG Bank	4,000	Fixed	0.80938%	2017/1/31	2024/1/31	Bullet payment
	5 years	Sumitomo Mitsui Trust Bank, Tokio Marine & Nichido Fire Insurance, Nippon Life Insurance Company	2,900	Fixed	0.52420%	2017/7/31	2022/7/29	Bullet payment
	6 years	Shinkin Central Bank, Senshu Ikeda Bank	1,900	Fixed	0.68000%	2017/7/31	2023/7/31	Bullet payment
	6 years	Sumitomo Mitsui Banking	1,000	Fixed	0.68792%	2017/7/31	2023/7/31	Bullet payment
	8 years	Mizuho Bank, Development Bank of Japan	3,975	Fixed	0.85630%	2017/7/31	2025/7/31	Bullet payment
	10 years	Mizuho Bank, Development Bank of Japan, Aozora Bank	3,900	Fixed	1.04000%	2017/7/31	2027/7/31	Bullet payment
	5 years	Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking	2,400	Floating	0.36909%	2018/2/28	2023/2/28	Bullet payment
	7 years	MUFG Bank	1,200	Fixed	0.64000%	2018/2/28	2025/2/28	Bullet payment
	7 years	Aozora Bank, Nishi-Nippon City Bank	2,700	Fixed	0.71880%	2018/2/28	2025/2/28	Bullet payment
8 years	Mizuho Bank, Development Bank of Japan	2,700	Fixed	0.80000%	2018/2/28	2026/2/27	Bullet payment	
Total			107,975					

Note 1: Syndicated loans by the indicated financial institutions.

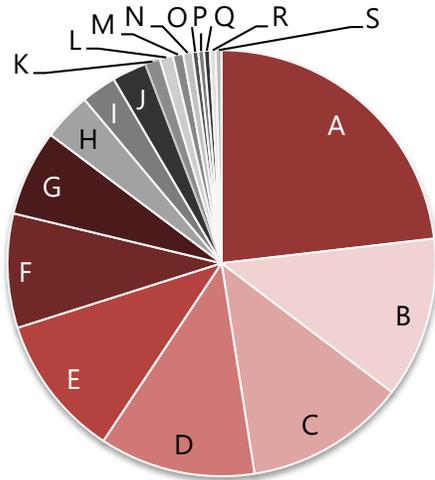
Note 2: Interest rate swaps are concluded to fix the interest rates.

Note 3: Interest rate is applied as of the end of Jun. 2018.

Note 4: If such date does not fall on any business day, the next business day shall be applied. If such next business day is included in the next month, the business day immediately preceding the initial repayment date shall be applied.

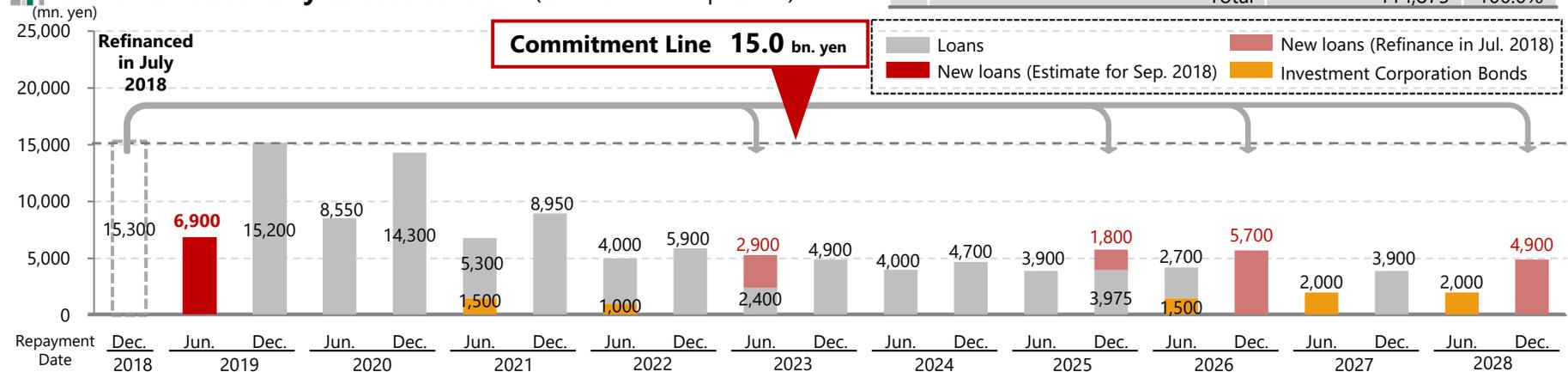
Lender composition and maturity ladder (Estimate for Sep. 2018)

Lenders composition (Estimate for Sep. 2018)



	Lender	Balance (mn. yen)	Share
A	Mizuho Bank, Ltd.	26,600	23.2%
B	Sumitomo Mitsui Trust Bank, Limited	14,000	12.2%
C	Sumitomo Mitsui Banking Corporation	14,000	12.2%
D	Development Bank of Japan, Inc.	13,525	11.8%
E	MUFG Bank, Ltd.	12,400	10.8%
F	Aozora Bank, Ltd.	9,950	8.7%
G	Resona Bank, Limited	7,500	6.5%
H	Shinkin Central Bank	4,200	3.7%
I	The Senshu Ikeda Bank, Ltd.	3,050	2.7%
J	The Nishi-Nippon City Bank, Ltd.	3,000	2.6%
K	Mizuho Trust & Banking Co., Ltd.	1,300	1.1%
L	The Hyakugo Bank, Ltd.	1,150	1.0%
M	The Bank of Fukuoka, Ltd.	900	0.8%
N	The Minato Bank, Limited	800	0.7%
O	The Nanto Bank, Ltd.	500	0.4%
P	The Hiroshima Bank, Ltd.	500	0.4%
Q	Sony Bank Incorporated	500	0.4%
R	Tokio Marine & Nichido Fire Insurance Co., Ltd.	500	0.4%
S	Nippon Life Insurance Company	500	0.4%
	Total	114,875	100.0%

Diversified Maturity Ladder of debts (Estimate for Sep. 2018)



Outstanding borrowings (Estimate for Sep. 2018)

Type	Loan Term	Lenders	Balance (mn. yen)	Floating/ Fixed	Interest rate (Note 3)	Drawdown date	Repayment date (Note 4)	Repayment method
Long term loans payable (Note 1)	7years	Development Bank of Japan	1,700	Fixed	1.52375%	2012/7/31	2019/7/31	Bullet payment
	7years	Development Bank of Japan, Minato Bank	1,800	Fixed	1.70875%	2013/7/31	2020/7/31	Bullet payment
	5years	Mizuho Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking, Resona Bank	4,000	Fixed (Note 2)	0.96200%	2014/7/31	2019/7/31	Bullet payment
	6years	Mizuho Bank, The Hiroshima Bank, Sony Bank	2,000	Fixed (Note 2)	1.24000%	2014/7/31	2020/7/31	Bullet payment
	7years	Mizuho Bank, Aozora Bank	1,800	Fixed	1.47806%	2014/7/31	2021/7/31	Bullet payment
	4years	Mizuho Bank, Sumitomo Mitsui Banking, Resona Bank, MUFG Bank, Shinkin Central Bank, Senshu Ikeda Bank, The Nanto Bank	9,500	Floating	0.56909%	2015/7/31	2019/7/31	Bullet payment
	5years	Mizuho Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking, Aozora Bank, Resona Bank, MUFG Bank, Mizuho Trust & Banking	9,300	Fixed (Note 2)	0.86545%	2015/7/31	2020/7/31	Bullet payment
	5years	Development Bank of Japan	1,200	Fixed	0.90750%	2015/7/31	2020/7/31	Bullet payment
	6years	Mizuho Bank, Sumitomo Mitsui Banking, Resona Bank, MUFG Bank, Senshu Ikeda Bank	4,500	Fixed (Note 2)	1.03350%	2015/7/31	2021/7/31	Bullet payment
	7years	Mizuho Bank, Aozora Bank, MUFG Bank, Mizuho Trust & Banking	2,200	Fixed (Note 2)	1.20235%	2015/7/31	2022/7/31	Bullet payment
	7years	Development Bank of Japan	800	Fixed	1.23250%	2015/7/31	2022/7/31	Bullet payment
	8years	Mizuho Bank	1,000	Fixed (Note 2)	1.38430%	2015/7/31	2023/7/31	Bullet payment
	8years	Mizuho Bank	500	Fixed (Note 2)	1.38430%	2015/7/31	2023/7/31	Bullet payment
	8years	Development Bank of Japan	500	Fixed	1.40000%	2015/7/31	2023/7/31	Bullet payment
	5years	Mizuho Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking	2,800	Fixed (Note 2)	0.49795%	2016/4/28	2021/4/30	Bullet payment
	3.5years	Sumitomo Mitsui Banking, Shinkin Central Bank	3,700	Floating	0.37909%	2016/7/29	2020/1/31	Bullet payment
	3.5years	Nishi-Nippon City Bank, Hyakugo Bank	2,250	Fixed	0.37315%	2016/7/29	2020/1/31	Bullet payment
	3.5years	Sumitomo Mitsui Trust Bank	2,600	Fixed	0.37315%	2016/7/29	2020/1/31	Bullet payment
	4.5years	Mizuho Bank, Development Bank of Japan, MUFG Bank, Senshu Ikeda Bank	2,500	Fixed	0.45065%	2016/7/29	2021/1/31	Bullet payment
	5years	Development Bank of Japan, Aozora Bank, MUFG Bank, Senshu Ikeda Bank	2,650	Fixed	0.49380%	2016/7/29	2021/7/31	Bullet payment
	8years	Mizuho Bank, Development Bank of Japan, Aozora Bank, MUFG Bank	4,700	Fixed	0.73500%	2016/7/29	2024/7/31	Bullet payment
	5years	Mizuho Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking, Development Bank of Japan, MUFG Bank	4,000	Fixed	0.64691%	2017/1/31	2022/1/31	Bullet payment
	7years	Mizuho Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking, Development Bank of Japan, MUFG Bank	4,000	Fixed	0.80938%	2017/1/31	2024/1/31	Bullet payment
	5years	Sumitomo Mitsui Trust Bank, Tokio Marine & Nichido Fire Insurance, Nippon Life Insurance Company	2,900	Fixed	0.52420%	2017/7/31	2022/7/29	Bullet payment
	6years	Shinkin Central Bank, Senshu Ikeda Bank	1,900	Fixed	0.68000%	2017/7/31	2023/7/31	Bullet payment
	6years	Sumitomo Mitsui Banking	1,000	Fixed	0.68792%	2017/7/31	2023/7/31	Bullet payment
	8years	Mizuho Bank, Development Bank of Japan	3,975	Fixed	0.85630%	2017/7/31	2025/7/31	Bullet payment
	10years	Mizuho Bank, Development Bank of Japan, Aozora Bank	3,900	Fixed	1.04000%	2017/7/31	2027/7/31	Bullet payment
	5years	Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking	2,400	Floating	0.36909%	2018/2/28	2023/2/28	Bullet payment
	7years	MUFG Bank	1,200	Fixed	0.64000%	2018/2/28	2025/2/28	Bullet payment
	7years	Aozora Bank, Nishi-Nippon City Bank	2,700	Fixed	0.71880%	2018/2/28	2025/2/28	Bullet payment
	8years	Mizuho Bank, Development Bank of Japan	2,700	Fixed	0.80000%	2018/2/28	2026/2/27	Bullet payment
	4.5years	Sumitomo Mitsui Banking	2,900	Floating	0.34409%	2018/7/31	2023/1/31	Bullet payment
7years	Senshu Ikeda Bank, Nishi-Nippon City Bank, Hyakugo Bank	1,800	Fixed	0.74250%	2018/7/31	2025/7/31	Bullet payment	
8years	Resona Bank	800	Fixed	0.83380%	2018/7/31	2026/7/31	Bullet payment	
8years	Sumitomo Mitsui Trust Bank	2,900	Fixed (Note 2)	0.77700%	2018/7/31	2026/7/31	Bullet payment	
8years	MUFG Bank	2,000	Fixed	0.77000%	2018/7/31	2026/7/31	Bullet payment	
10years	Mizuho Bank	3,400	Fixed (Note 2)	0.92250%	2018/7/31	2028/7/31	Bullet payment	
10years	Aozora Bank, Mizuho Trust & Banking	1,500	Fixed	1.01880%	2018/7/31	2028/7/31	Bullet payment	
Short term loans payable	0.6years	Mizuho Bank	6,900	Floating	To be determined	2018/9/12	2019/4/30	Bullet payment
Total			114,875					

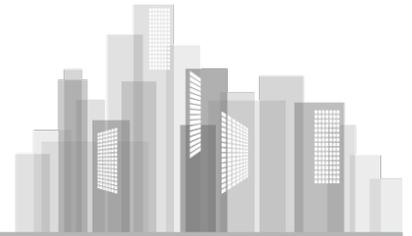
Note 1: Syndicated loans by the indicated financial institutions.

Note 2: Interest rate swaps are concluded to fix the interest rates.

Note 3: Interest rate is applied as of the end of Jul. 2018. If interest rate is shown as "To be determined", the interest rate will be determined based on the loan agreement prior to loan drawdown.

Note 4: If such date does not fall on any business day, the next business day shall be applied. If such next business day is included in the next month, the business day immediately preceding the initial repayment date shall be applied.

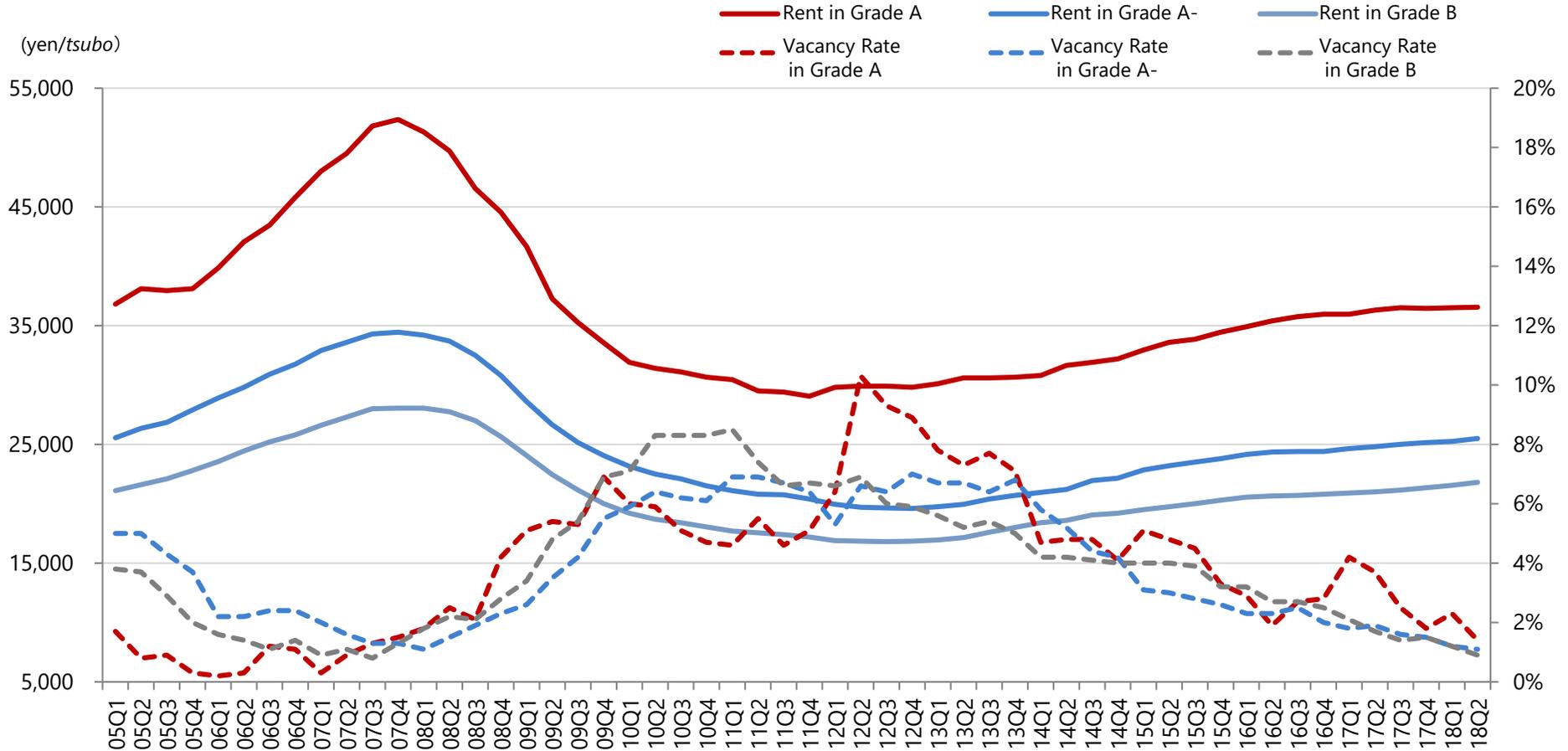
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6. MARKET ENVIRONMENT

Office market data 1 (Tokyo 23 districts)

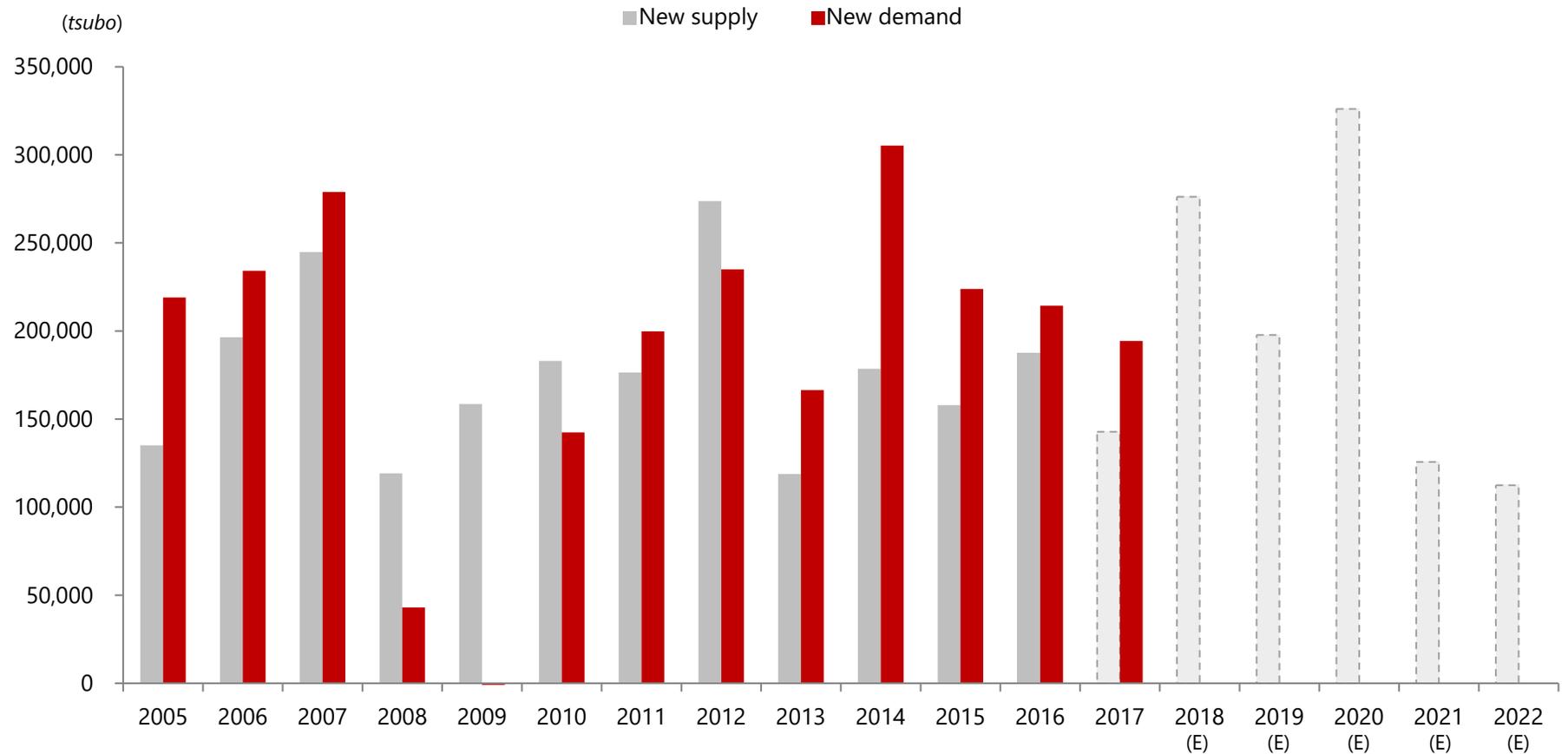
 Average rent and vacancy rate of Tokyo



Source: Prepared by the Asset Manager based on the data obtained from CBRE K.K.

Office market data 2 (Tokyo 23 districts)

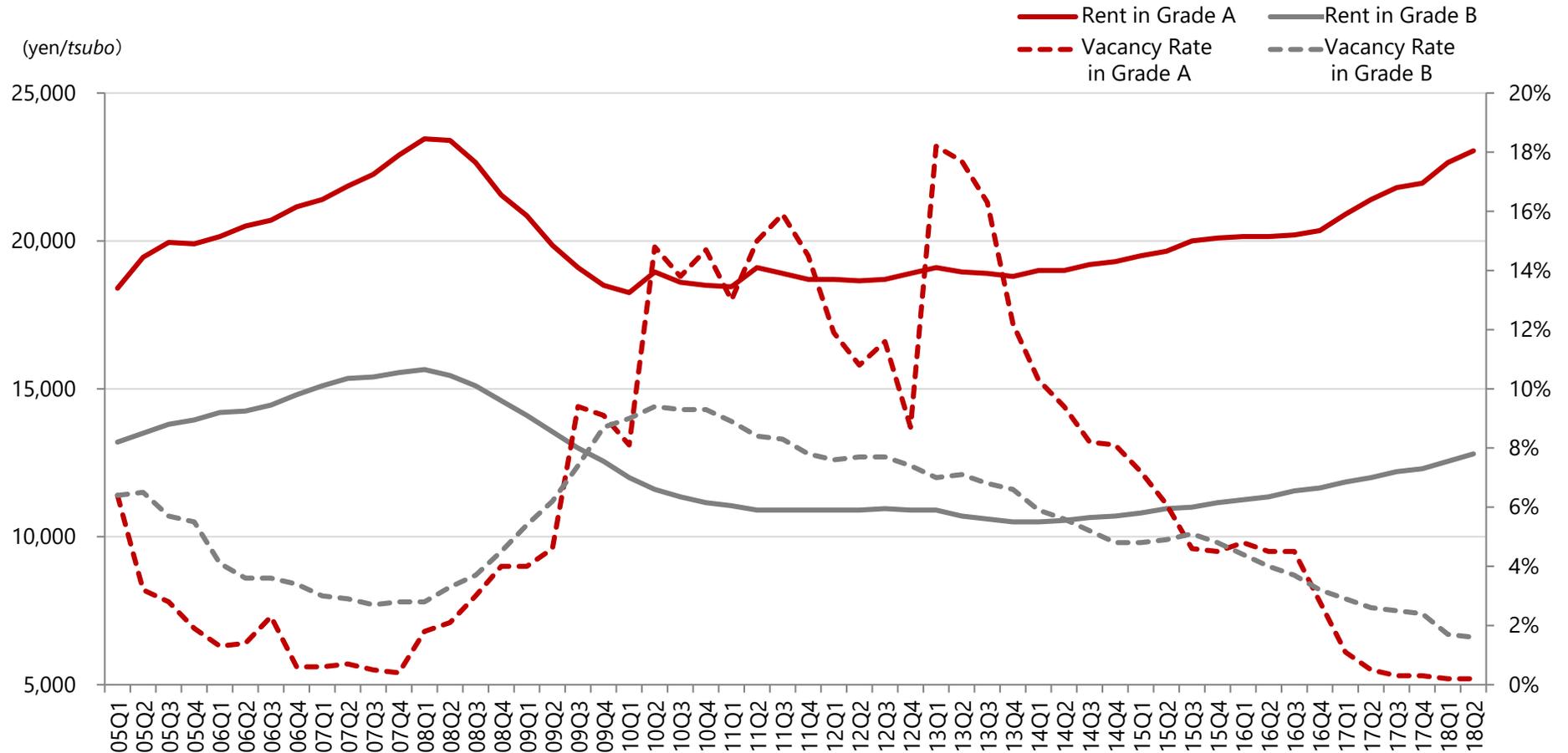
Supply and demand of Tokyo



Source: Prepared by the Asset Manager based on the data obtained from CBRE K.K.

Office market data 3 (Osaka)

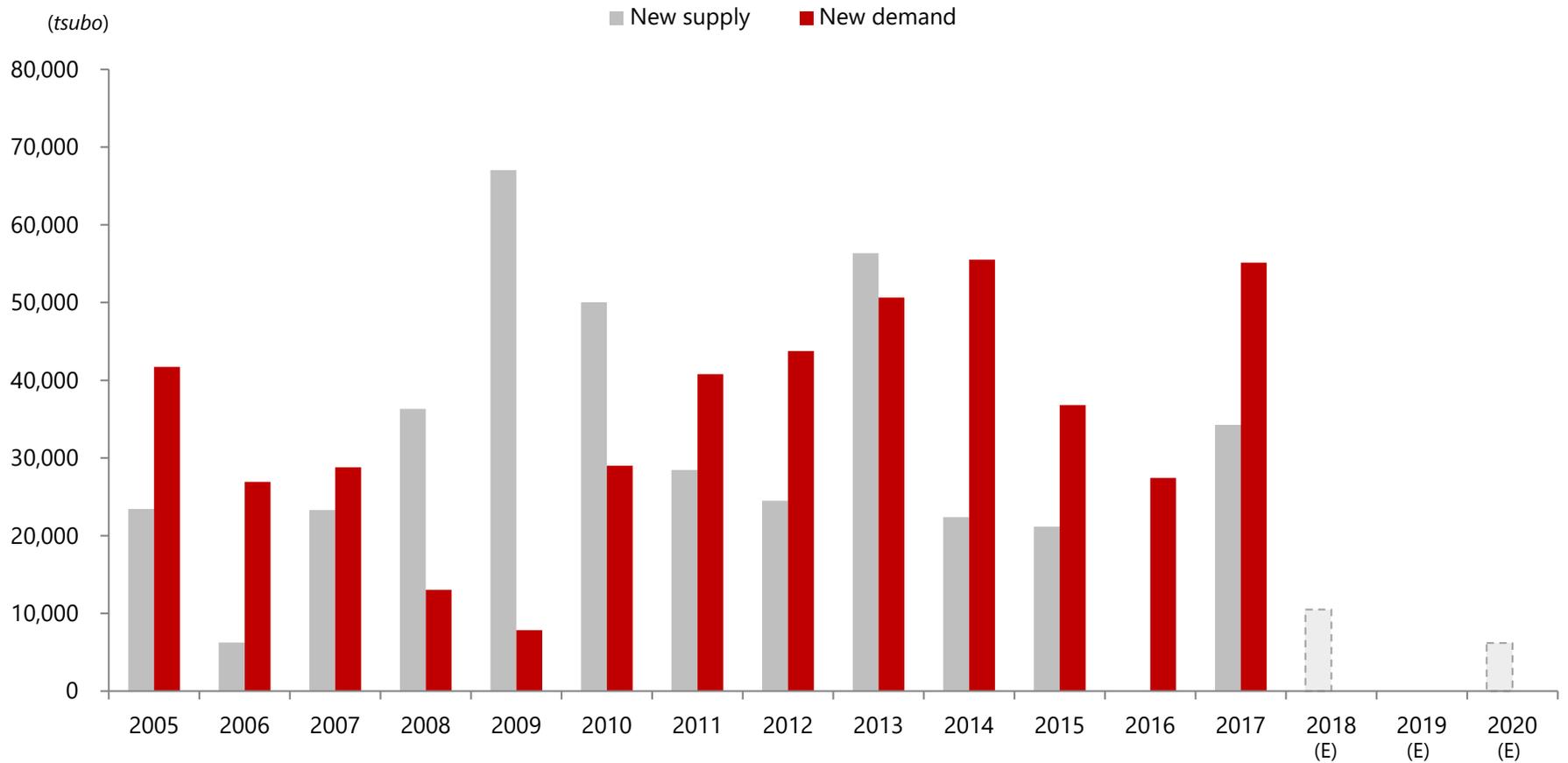
 Average rent and vacancy rate of Osaka business districts



Source: Prepared by the Asset Manager based on the data obtained from CBRE K.K.

Office market data 4 (Osaka)

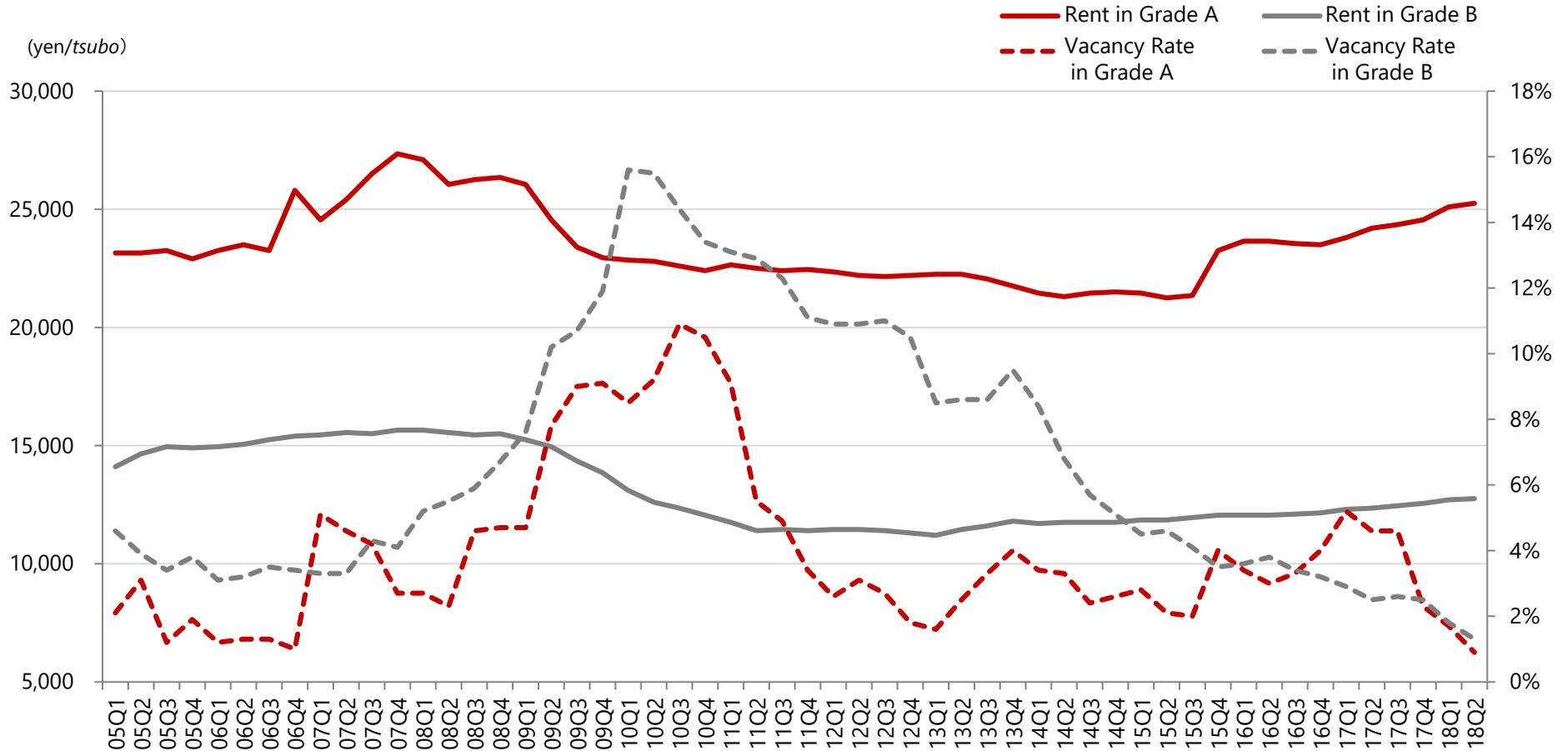
 Supply and demand of Osaka business districts



Source: Prepared by the Asset Manager based on the data obtained from CBRE K.K.

Office market data 5 (Nagoya)

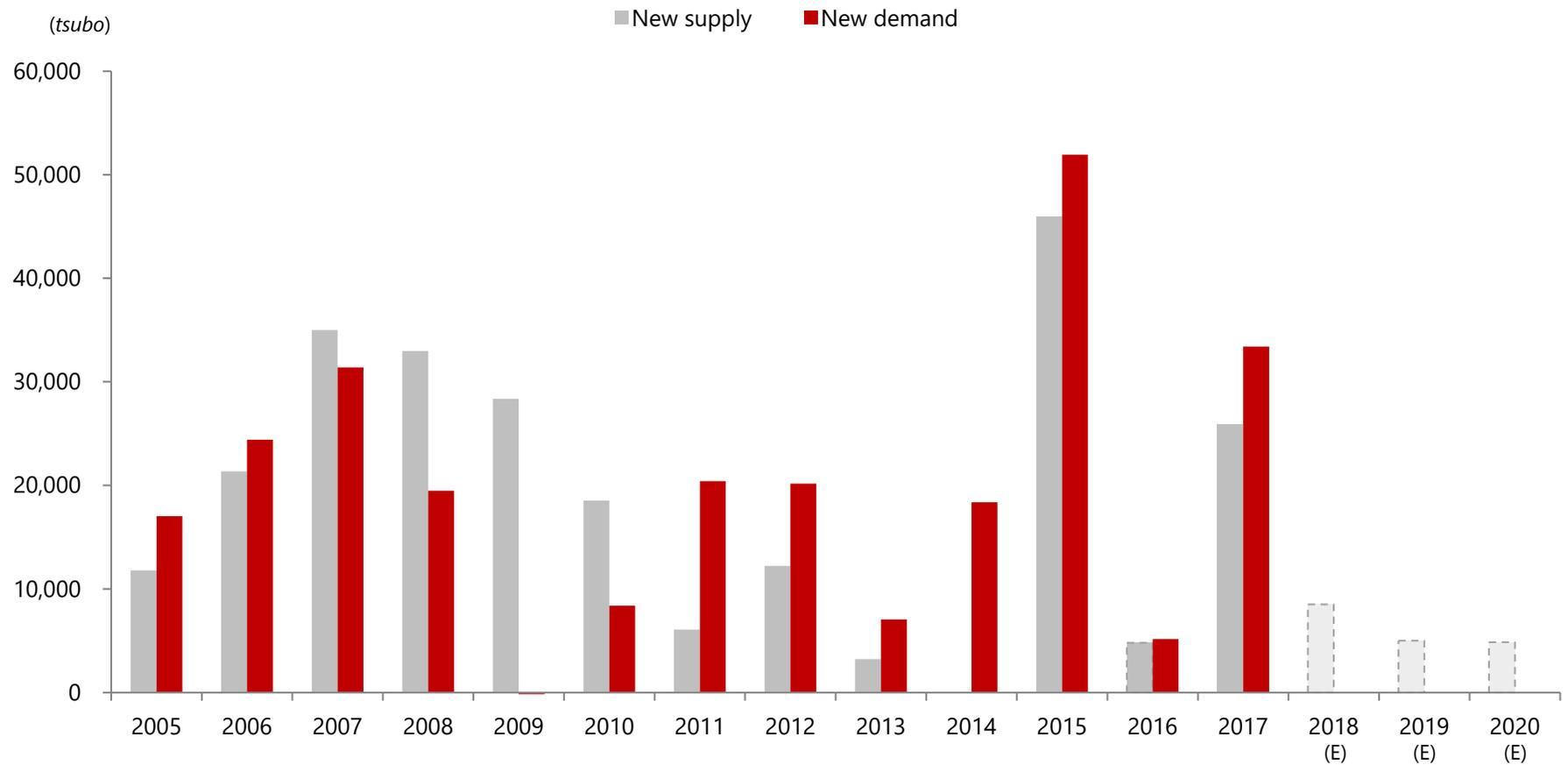
 Average rent and vacancy rate of Nagoya



Source: Prepared by the Asset Manager based on the data obtained from CBRE K.K.

Office market data 6 (Nagoya)

Supply and demand of Nagoya business districts

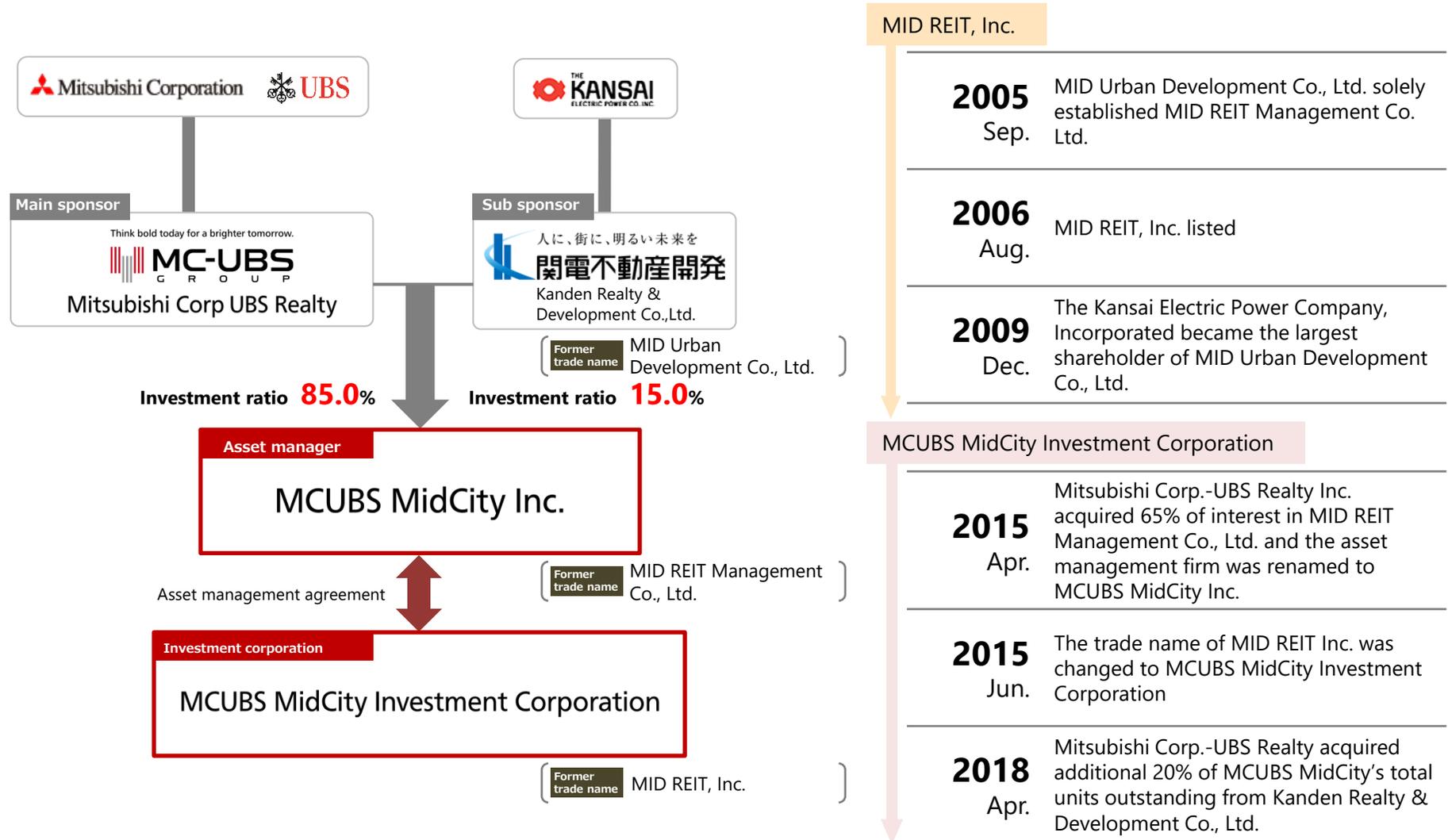


Source: Prepared by the Asset Manager based on the data obtained from CBRE K.K.



7. OVERVIEW OF MCUBS MIDCITY

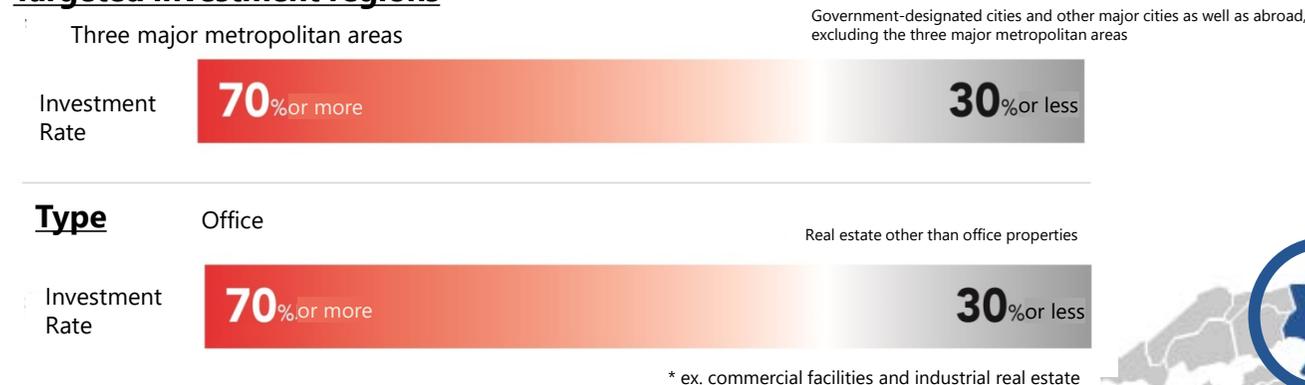
Overview of MCUBS MidCity Investment Corporation



Characteristics of MCUBS MidCity Investment Corporation

- ◆ Target areas: Expand from “Osaka area” to **“three major metropolitan areas (Tokyo, Osaka and Nagoya)^(Note)”**
- ◆ Target properties (asset type): focus on **“Office Buildings”**
- ◆ Consider **investing in overseas properties**

Targeted investment regions

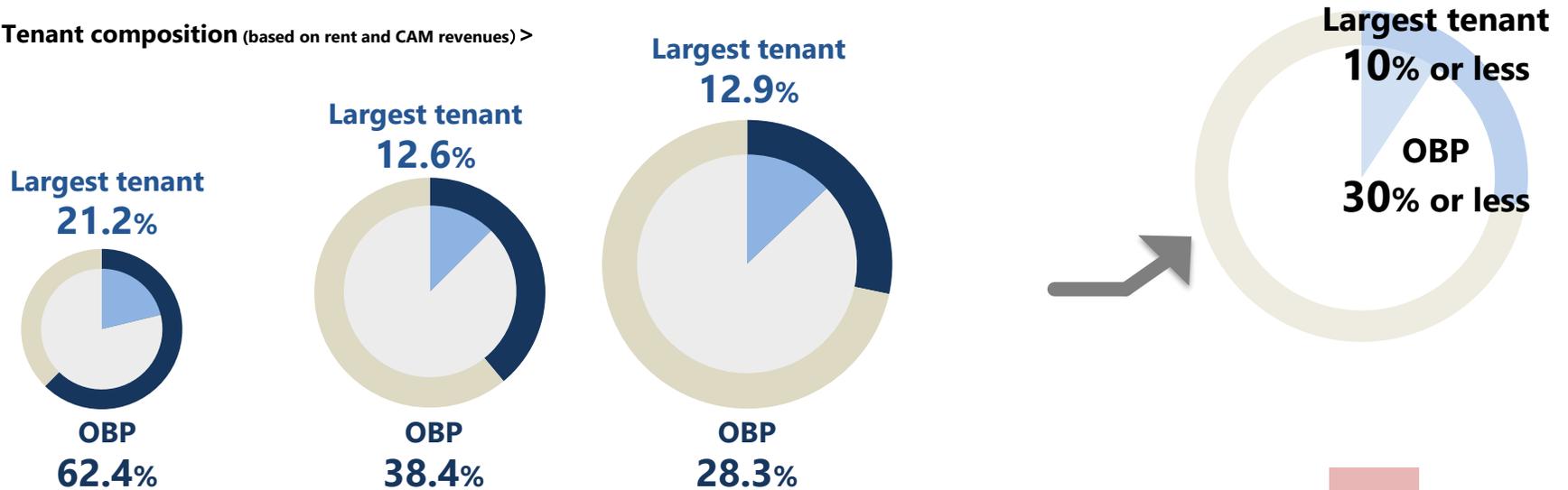


Note: Tokyo metropolitan area includes Tokyo, Kanagawa, Chiba and Saitama; Osaka metropolitan includes Osaka, Kyoto and Hyogo; and Nagoya metropolitan includes Aichi.

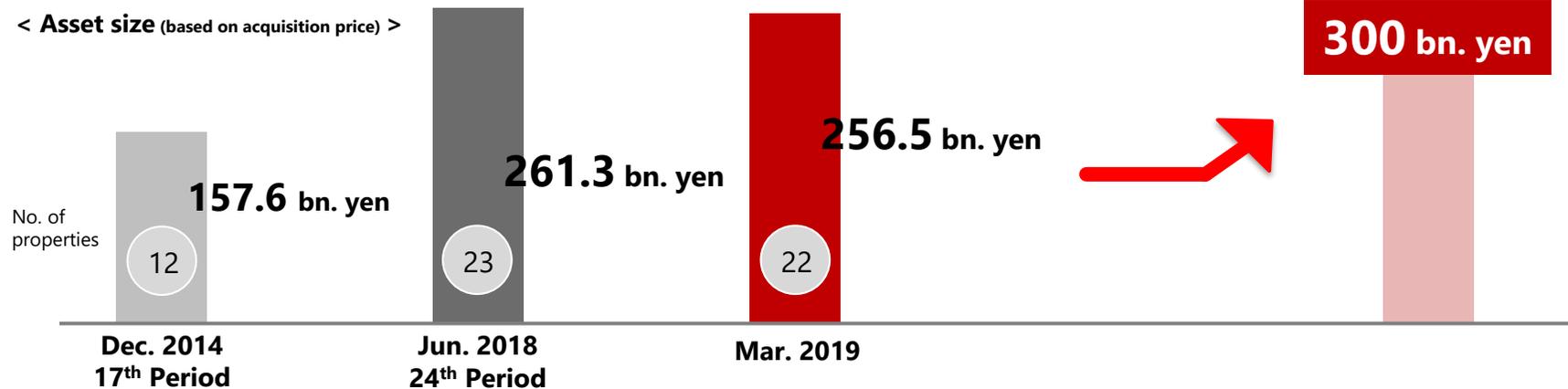
Medium-term portfolio strategy

Asset size and tenant composition

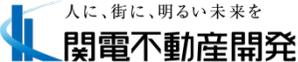
< Tenant composition (based on rent and CAM revenues) >

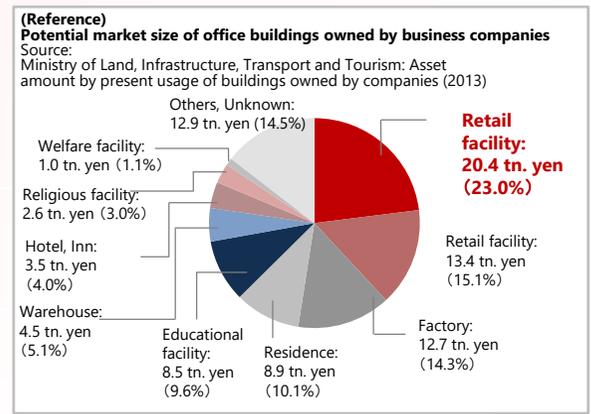


< Asset size (based on acquisition price) >



Advantage of various property information networks

Property acquisition route		Property acquisition method		
		Ownership / development (Seller: sponsor)	Market transaction (Seller: third party/sponsor)	Negotiated transaction / CRE proposal (Seller: third party)
Main Sponsor Group	<p>Think bold today for a brighter tomorrow.</p>  <p>Mitsubishi Corp UBS Realty</p>		 Sumitomo Fudosan Ueno Bldg. No.6  Cube Kawasaki  Higashi-Nihombashi Green Building  Yoshiyasu Kanda Bldg.  M-City Akasaka 1-chome Bldg.  Yokohama i-land Tower  G-Square Shibuya Dogenzaka  Yokohama Creation Square	 Nagoya Lucent Tower (Slient partnership interest)  Sendai Capital Tower  Shibuya Sakuragaoka Square  Sasazuka Center Bldg. <div style="border: 1px dashed gray; padding: 5px; display: inline-block;">  New </div>  TOYOTA MOBILITY SERVICE Bldg.  USC Bldg.
	 Mitsubishi Corporation			
	 UBS			
Sub Sponsor	<p>人に、街に、明るい未来を</p>  <p>関電不動産開発 Kanden Realty & Development Co.,Ltd.</p>			



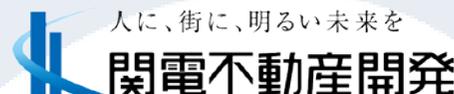
Selective acquisitions by leveraging sponsor's expertise

Think bold today for a brighter tomorrow.



Mitsubishi Corp UBS Realty

Make use of its supporting capacity in providing properties information, making CRE proposals, etc.

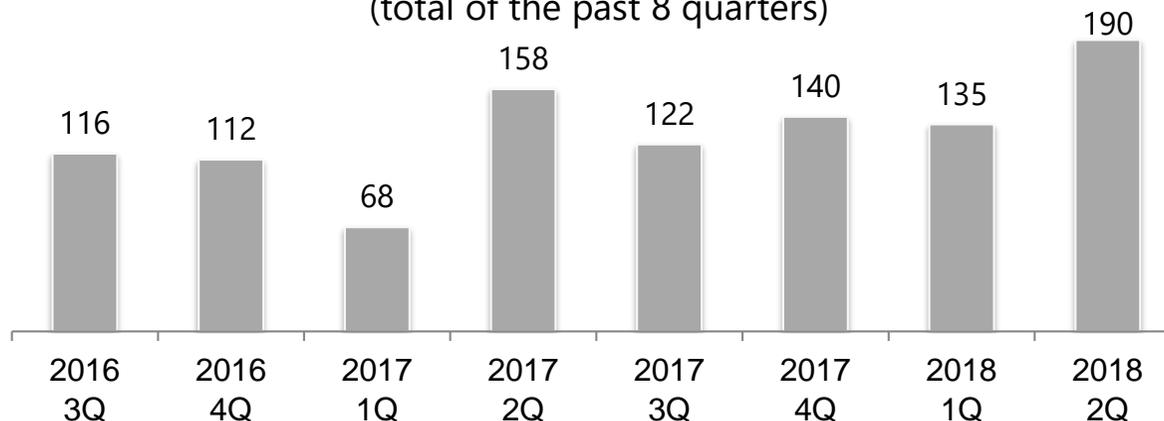


Kanden Realty & Development Co.,Ltd.

Make use of its supporting capacity in providing properties information, warehousing and other services

Total No. of properties the information of which was provided by sponsors: **1,041**

(total of the past 8 quarters)



Initiatives for sustainability

Policy for sustainability

MCUBS MidCity, together with its asset management company, MCUBS MidCity Inc., continues to make consideration to ESG (Environment, Social, Governance)



Actions implemented by Asset Management Company

- ◆ Set up "Environmental Charter"
- ◆ Set up "Basic Policy for Responsible Property Investment"
- ◆ Sign "Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century)"
- ◆ Support for UNHCR

Actions implemented by the main sponsor, Mitsubishi Corp.-UBS Realty

- ◆ In addition to the above: signing the Principles for Responsible Investment (PRI), Montreal Carbon Pledge, UNEP Finance Initiative (UNEP FI), UN Global Compact (UN GC)

Evaluation and certification by external organizations

GRESB

MCUBS MidCity received the highest grade "Green Star" for two consecutive years in 2017, and was awarded Four Stars at GRESB Rating



DBJ Green Building Certification

Four Star Certification

Four properties were certified as four stars as properties with high environmental and social awareness

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



BELS Certification

Three Star Certification

MCUBS MidCity received the certification for the first time in December 2016, with three stars given to one of the portfolio properties

- ★★★ •Kitahama MID Bldg.
- ★★ •G-Square Shibuya Dogenzaka
- ★★ •Higobashi MID Bldg.



CASBEE Property Appraisal

Appraisal of Rank A

Two properties were certified for their environmental performances

- G-Square Shibuya Dogenzaka
- Higobashi MID Bldg.



Establishment of disclosure regime

Renewal of website

The company website was completed renewed in Jun. 2016 to make it user-friendly.

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



TOP page



Mobile site



Portfolio map

Awards

Website Quality Ranking Survey among All Listed Companies in Japan (Conducted by Nikko Investor Relations Co., Ltd.)

FY2016

Candidates: 3,688 listed companies

- ★ AA Website (156th place overall)
- ★ AA Website (5th place REIT)



FY2017

Candidates: 3,713 listed companies

- ★ AAA Website (42nd place overall)
- ★ AA Website (2nd place REIT)



Overseas property investment

Decided NOT to invest in overseas properties

What we did

- Detailed examination in potential investments in office properties outside Japan
- Verification of a potential investment scheme from legal, tax and accounting perspectives
- Identification of potential investment targets and their economics

What we found

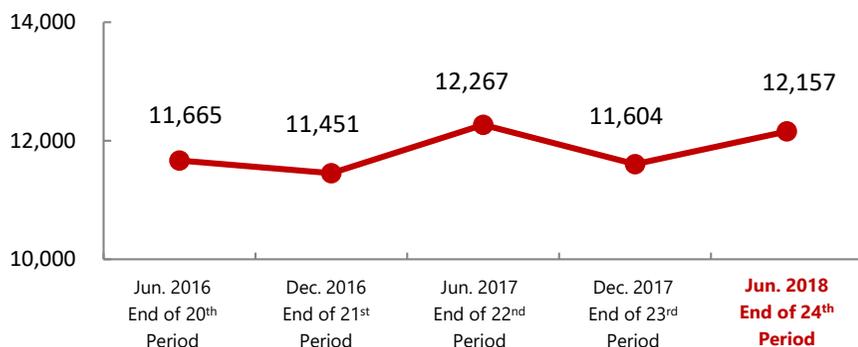
- Confirmation on that a scheme of investments would be available
- Confirmation on that it would be possible to make investments to improve portfolio profitability with increasing distributions
- Opinion saying that such investments would not contribute to MCUBS MidCity's growth as additional premiums would be required to address risks related to currencies, regulations and markets

Overseas Property Investment Policy

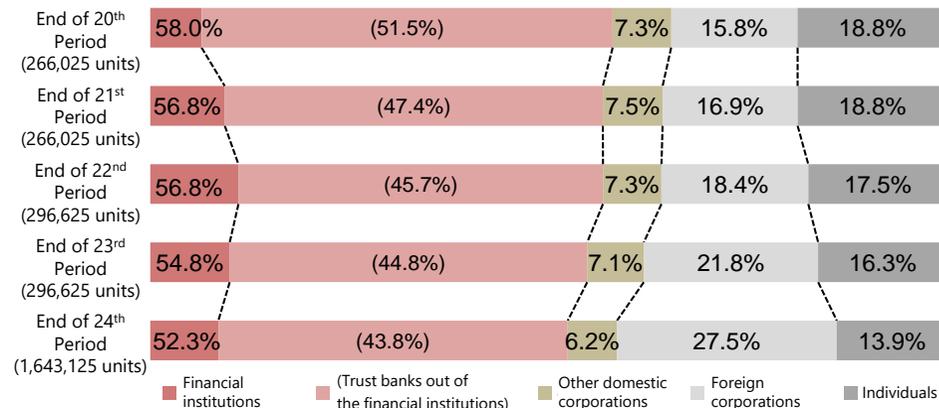
- Decided NOT to invest in overseas properties in the foreseeable future
- Took account of a potential risk that additional risk premiums with overseas investment may hinder the growth of unitholders' value
- MCUBS MidCity is to focus on unitholders' value creation through domestic property portfolio management
- May reconsider the option in the future based on discussions with investors when the risk tolerance get higher after the asset size expansion

Unitholder details

No. of unitholders



Breakdown by unitholder type (based on no. of units held)



Major unitholders

Rank	Name	Jun. 2018 (End of 24 th Period)		Difference from 23 rd Period End ^(Note 2)
		No. of units held	Share (%) ^(Note 1)	
1	Japan Trustee Services Bank, Ltd. (Trust Account)	272,813	16.60%	-6,467
2	The Master Trust Bank of Japan, Ltd. (Trust Account)	264,946	16.12%	+54,071
3	Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	87,292	5.31%	-1,902
4	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	66,978	4.07%	+2,518
5	THE BANK OF NEW YORK, NON-TREATY JASDEC ACCOUNT	49,914	3.03%	+16,794
6	Kanden Realty & Development Co.,Ltd.	46,000	2.79%	-
7	SIX SIS LTD.	38,962	2.37%	-2,313
8	STICHTING PENSIO ENFONDS METAAL EN TECHNIEK	35,867	2.18%	+22,472
9	STATE STREET BANK AND TRUST COMPANY 505012	29,141	1.77%	+2,536
10	NOMURA BANK (LUXEMBOURG) S.A.	26,130	1.59%	+25,630
	Total	918,043	55.87%	-

Note 1: Ratio of number of units owned to total number of units issued is calculated by rounding down to the nearest second decimal place.

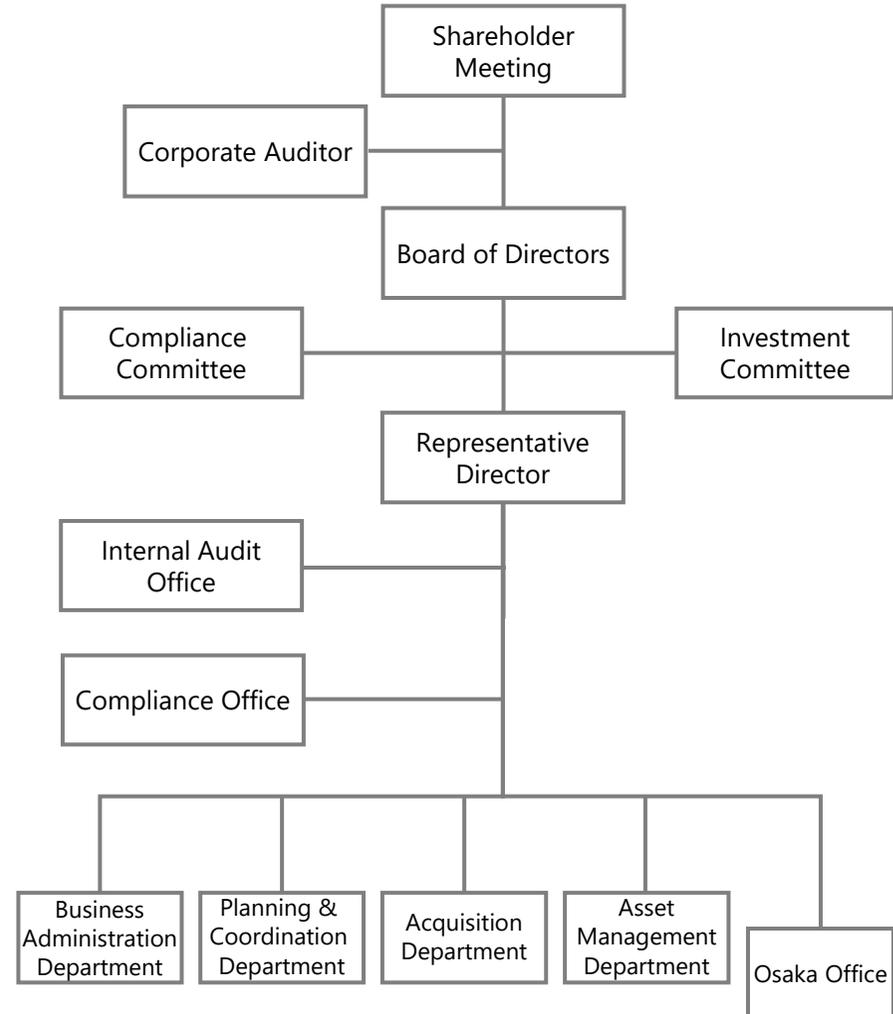
Note 2: Based on the investment unit split with the effective date on January 1, 2018, the difference from the 23rd Period end has been calculated based on comparison with actual number of units held as of the end of Dec. 2017 multiplied by 5.

Overview of asset management company

Company overview (as of Aug. 21, 2018)

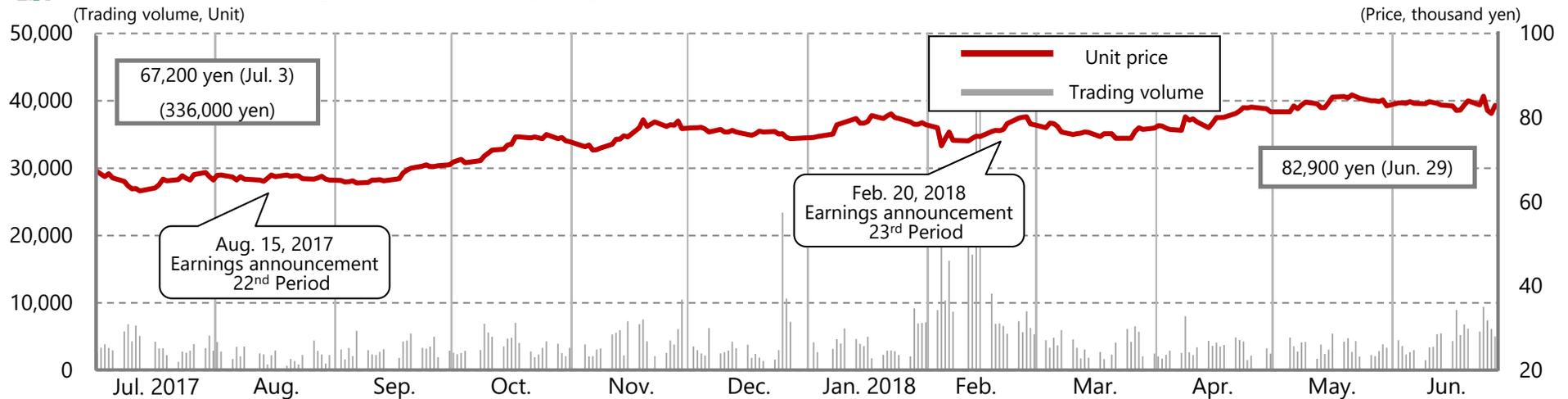
Name	MCUBS MidCity Inc.	
Location	2-7-3 Marunouchi, Chiyoda-ku, Tokyo	
Establishment	Sep. 1, 2005	
Capital	210 mn. yen	
Shareholders	Mitsubishi Corp. - UBS Realty Inc. : 85% Kanden Realty & Development Co.,Ltd. : 15%	
No. of employees	28	
Officers	President & CEO & Representative Director	Toyota Watanabe
	Deputy President & Representative Director	Naoki Suzuki
	Managing Director	Nobuo Inoue
	Director (part time)	Katsuhisa Sakai (President & CEO & Representative Director of Mitsubishi Corp.-UBS Realty Inc.)
	Director (part time)	Takanobu Yoshimoto (Deputy President & Representative Director of Mitsubishi Corp.-UBS Realty Inc.)
	Corporate Auditor (part time)	Yushi Kamatani (Executive Director, Mitsubishi Corp.-UBS Realty Inc.)
	Corporate Auditor (part time)	Shuji Isono (Corporate Auditor (full time), Mitsubishi Corp.-UBS Realty Inc.)

Structure (as of Aug. 21, 2018)



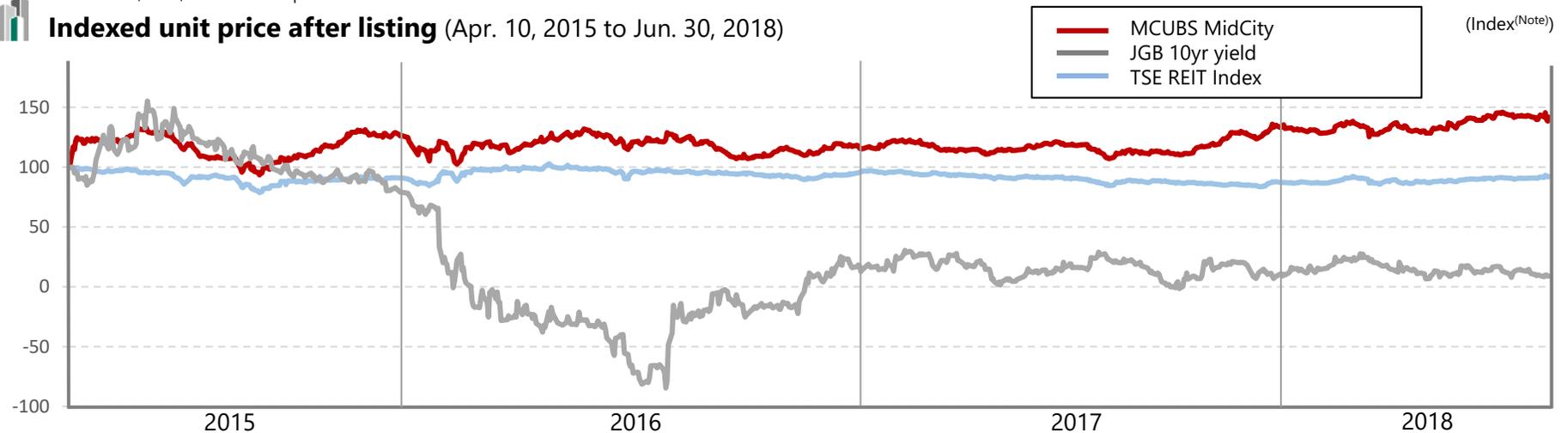
Historical unit price

Unit price and trading volume for the past year



Note: Based on the investment unit split with the effective date on January 1, 2018, one-fifth of the actual unit price (rounded down to the nearest yen) is indicated for figures on and before Dec. 26, 2017. For unit prices on and after Dec. 27, 2017, the actual unit prices are indicated.

Indexed unit price after listing (Apr. 10, 2015 to Jun. 30, 2018)



Note: TSE REIT Index, JGB 10yr yield and MCUBS MidCity's unit price are indexed to 100, as at the price on Apr. 10, 2015.

Source: Thomson Reuters

Think bold today for a brighter tomorrow.



MCUBS MidCity Investment Corporation

Disclaimer

- This material may contain forward-looking statements regarding results, plans, managerial targets and strategies. These forward-looking statements are based on current assumptions and preconditions for future events and trends of business circumstances, which are not necessarily correct. Actual results may vary widely from such statements according to various factors
- This material is prepared subject to the accounting principles generally accepted in Japan, unless otherwise stated
- This material is about analyses of financial results of MCUBS MidCity Investment Corporation (the "Investment Corporation"), and is not prepared for the purpose of inducement or invitation for any acquisition of investment securities of the Investment Corporation nor any execution of other financial transaction contracts. Investment decisions are to be made at investors' sole discretion and responsibility
- The Investment Corporation is a publicly-offered real estate investment corporation (J-REIT) investing in real estate and related assets the prices of which may fluctuate. Unitholders of the Investment Corporation may suffer loss when unit prices decline in the market or an amount of distributions declines, according to economic and interest rate circumstances, a balance of supply and demand for units, real estate market environment, fluctuations of prices of, and rent revenues from real estate properties under management, disasters, aggravation of financial status of the Investment Corporation and other reasons. For detail, please see "Investment Risk" stated in the Securities Registration Statement (offering circular) and the Securities Report of the Investment Corporation.

Asset Management Company: MCUBS MidCity Inc.

(Certified Financial Instruments Business Operator: Director of Kanto Local Financial Bureau (Kinsho) Registration No. 2888, and Member of The Investment Trusts Association, Japan)