

Think bold today for a brighter tomorrow.



28th Period

INVESTOR PRESENTATION

Fiscal Period ended June 30, 2020



Securities Code 3227

**MCUBS MidCity
Investment Corporation**

<https://www.midcity-reit.com/english>

Highlights of 28th Fiscal Period (Fiscal Period Ended June 30, 2020)

- Continued growth in distribution per unit
- Limited impact of the COVID-19
- Achieved a record high in the number of rent increases
- Continue proactive ESG initiatives

<Other Topics>

- Achieved repayment deadline leveling through refinancing of 14.3 billion yen
- Announced Merger with Japan Retail Fund Investment Corporation, in response to Environmental Changes

3227

MCUBS MidCity Investment Corporation

This is Okamoto, President & CEO of Mitsubishi Corp.- UBS Realty Inc.

Thank you for attending MCUBS MidCity's financial results presentation for the 28th fiscal period.

Firstly, I would like to report that MCUBS MidCity has executed a merger agreement with the Japan Retail Fund Investment Corporation as of today. We believed that the environment surrounding real estate is changing with the digital revolution such as digital transformation and shift in social structure such as the work-style reform, and establishing a structure that can flexibly respond to the change in environment will contribute to the enhancement of the shareholder value. With the spread of COVID-19 infections, changes that were expected to happen in the future are accelerating. To quickly respond to the rapidly changing environment and provide flexible real estate operation needed by the urban residents, we have decided to merge the two investment corporations.

After this, Mr. Matsuo, Head of the Offices Division will explain you about MCUBS MidCity's financial results for the 28th fiscal period and the forecast for the 29th fiscal period.

Financial summary

	Fiscal period ended Dec. 2019 (27 th Period)	Fiscal period ended Jun. 2020 (28 th Period)	Difference from 27 th Period	Difference from forecasts*
Operating revenue	8,569 mn.yen	9,061 mn.yen	+5.7%	-0.5%
Operating income	3,983 mn.yen	4,276 mn.yen	+7.4%	+0.7%
Net income	3,388 mn.yen	3,657 mn.yen	+7.9%	+0.9%
Total distributions (Reversal of reserve for reduction entry of property)	3,487 mn.yen (98 mn.yen)	3,655 mn.yen	+4.8%	—
Distribution per unit	1,955 yen	2,049 yen	+4.8%	+0.9%

* Compared with forecasts in "SUMMARY OF FINANCIAL RESULTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2019" released on February 20, 2020.

This is Matsuo, Head of the Office Division.

We are pleased to explain the MCUBS MidCity's financial results for the 28th fiscal period ended June 30, 2020.

During the fiscal period under review, our portfolio performed well, owing to the full-period contribution by the three new properties acquired in November 2019 and achievement of record high in the number of upward revision of rent for existing portfolio. Despite the spread of the novel coronavirus pandemic during the 28th fiscal period, its impact was limited, and we recorded an increase in revenue and profit. Operating revenue was ¥9,061 million, up 5.7% from the previous period, and net income was ¥3,657 million, up 7.9% from the previous period.

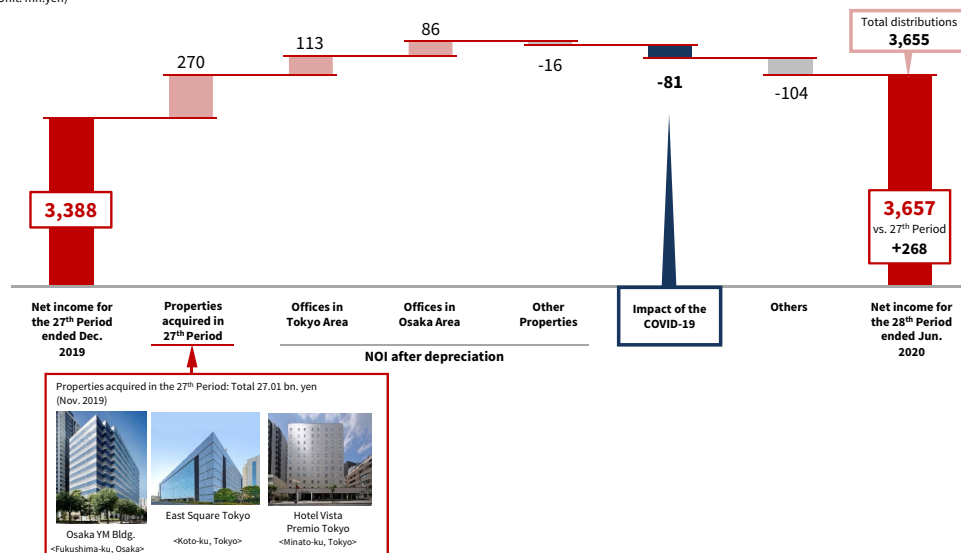
Distribution per unit was ¥2,049, up 4.8% from the previous period, and up 0.9% from the initial forecast.

Limited impact of the COVID-19 Increasing in the rent led to higher revenues and profits



Breakdown of Net Income Changes between 28th Period and 27th Period

(Unit: mn.yen)



Let me explain detailed breakdown of the profit for the 28th fiscal period under review. Operating Income increased due to the increase of investment income from ¥270 million full-period contribution of the three new properties, upward revision of rent in Tokyo and Osaka areas, and the reduction of utility expenses. The impact of decrease in rent from COVID-19 for the whole portfolio was limited to ¥81 million, and the net income increased by ¥268 million from the previous period to ¥3,657 million, inclusive of the negative impact from COVID-19.

Limited impacts of the COVID-19 on portfolio



Impacts of the COVID-19 on portfolio

Limited-time rent reduction support for tenants whose business has been severely affected by the declaration of a state of emergency

Type	Rent structure	Jun. 2020 Period 【Actual】 28th (for 6 months)	Feb. 2021 Period 【Forecast】 29th (for 8 months)
Office Bldg.	87%		
Office	82%	Few tenants request for rent reduction	<input type="checkbox"/> Anticipated impacts of lower occupancy rate due to partial evictions (10 cases)* <input type="checkbox"/> Some variable income items were planned conservatively.
Shop	4% (incl. restaurant 2%)	Especially restaurant tenants request for rent reduction	
Hotel	3%	Request for rent reduction	
Retail facility	10%	—	—
Amount of the impact (per unit)		- 81 mn yen (- 46 yen)	- 53 mn yen (- 30 yen)*

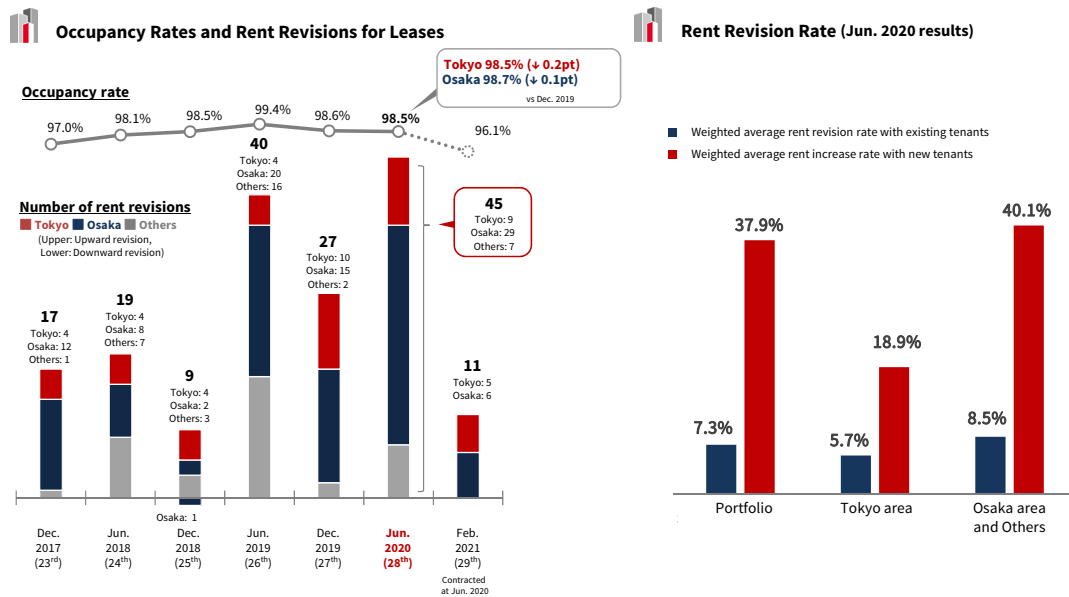
* Including the Forecast of Feb.2021 Period

The portion of Hotels and shops (restaurants) are small on our portfolio

The impact of COVID-19 mainly involved request for reduction of the rent by restaurant tenants and hotel operators, but the proportion of restaurants and hotels in our portfolio is limited to about 5% in total.

When the state of emergency was declared in April 2020, some of the restaurant tenants and hotel operators were forced to temporarily suspend business, and we agreed to reducing the rent for a limited time after discussion with each tenant. To date, there have been very few requests for reduction of the rent from office tenants. Total impact of reduction of rent for the 28th fiscal period was ¥81 million yen, or 1.2% of the total rental revenues for the portfolio, which is minimal. As presently known impact on the 29th fiscal period, we have received cancel notification from some tenants, and the forecast for the 29th fiscal period incorporates a fall in the occupancy rate and rental revenues. At this point, total amount of the impact is limited to -¥53 million from small tenants believed to be affected by the pandemic, and the vacated area will not have significant effect compared to the past.

Achieved a record high in the number of rent increases



I will explain about the rent revisions for the 28th fiscal period on this page.

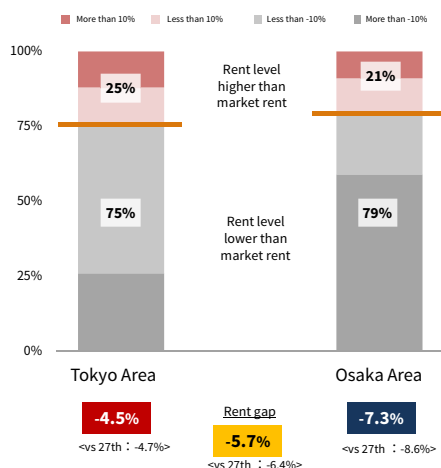
We maintained high occupancy rate of 98.5%, down 0.1% from the previous period, and rent revisions continued to rise. We engaged in rent discussion with tenants that had significant rent gaps, providing detailed explanation on how low their rent was compared to the market rate. We believe this effort has contributed to the accumulation of upward revisions.

The average rent revision rate for the portfolio was 7.3%, slightly lower due to the impact of COVID-19. Average rent increase rate with new tenants in Osaka area was extremely high at 40.1%, continuing the strong performance. This was due to the extremely favorable leasing status of the Osaka YM Building acquired last autumn. However, we are feeling slight change in the tone in rent revision discussions with the tenants since the COVID-19 outbreak. Based on the interim financial results of corporations, fall in occupancy rate and contraction of leased floor space may occur, and we will continue to engage in close dialogue with tenants through our day-to-day relationship.

Continuing Steady Internal Growth



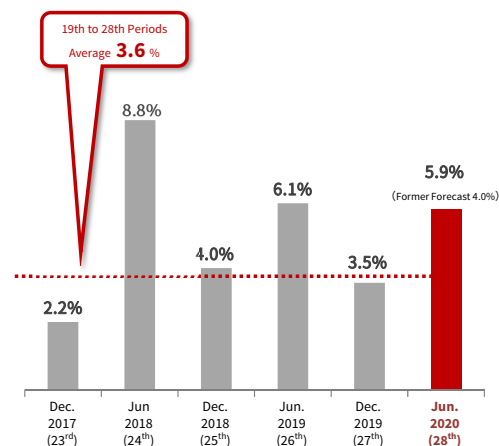
Rent gaps (contract rent-based *)



* Market rent refers to estimated contract rent of standard floor of each property assessed by CBRE K.K. as of December 2019. The rent equal to the market rent is included in "Less than 10%".



Annualized LFL NOI Growth*



* LFL (like-for-like) NOI Growth is an annualized change of total NOI from all properties owned for past two full periods. Unrecognized real estate taxes are adjusted for newly acquired properties.

Rent gaps in Osaka area remain larger than in Tokyo area, and above 50% of tenants continue to lease space at levels more than 10% below the market rent. We believe the gap is closing from April 2020, due to the social circumstances under the COVID-19 pandemic (with consideration to tenant's situation and the size of the rent gap) and on-going rent revision discussions. We stated on the previous page that there has been 11 upward rent revision during the 29th fiscal period, and will continue to revise rent with tenants that have significant rent gaps through detailed discussion.

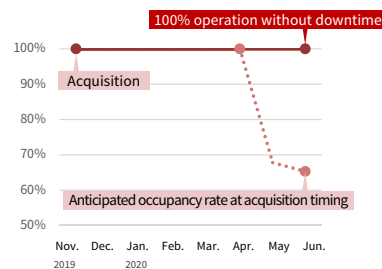
The graph to the right indicates NOI growth for the existing portfolio. In addition to the increase in rental revenue, reduction of utilities and repairs expenses resulted in strong growth of 5.9% for this fiscal period. We have maintained the 3-4% internal growth rate for the 28th fiscal period.

Example of internal growth and Upside potential



Osaka YM Bldg.

- **Execution of a lease agreement without downtime** for large tenant cancellations that were expected at the time of acquisition
- Closed the rent gap by replacing tenants and achieved **a rent increase rate of approximately 84%**
- Achieved **a rent increase rate of approximately 25%** even with rent revisions with some existing tenants



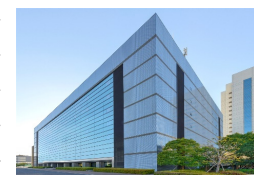
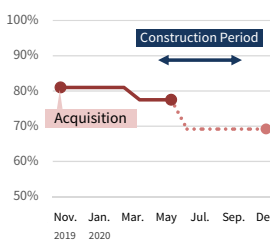
M-City Edogawabashi Bldg.

- The main tenant will move out in September 2020
- Potential for revenue growth through tenant replacement



East Square Tokyo

- Construction to convert to office space is underway as planned at the time of acquisition
- Potential to improve profitability through optimization



Next, I would like to explain about examples of internal growth and upside potential. Osaka YM Building was acquired with the understanding that existing tenants had about 30% rent gap from the market rent, and increased revenue can be achieved through rent revision at the time of change of tenants and rent revision with existing tenants.

A large tenant existed at the end of April 2020, but lease up was completed without down time, and we achieved an extremely high rent increase of 84%.

We have started rent revision discussions with some of the existing tenants, and achieved average rent increase of about 25%.

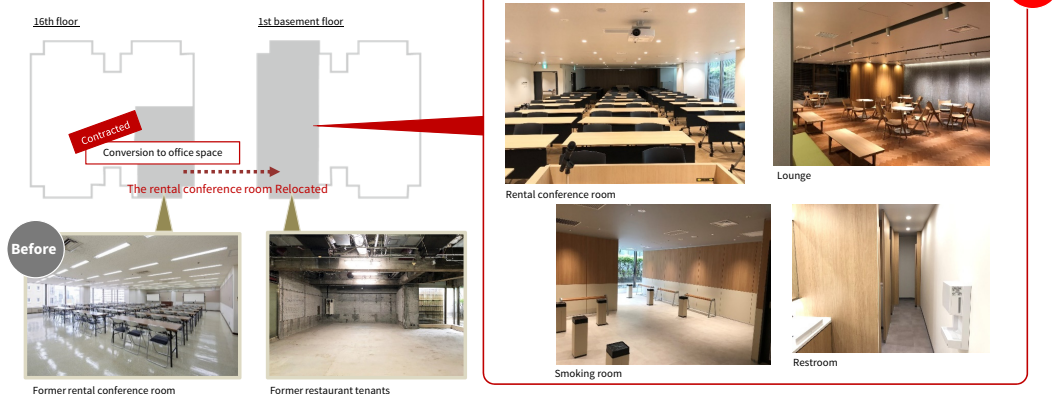
We received a cancel notification from a relatively small tenant during the 28th fiscal period, but the exiting “M-City Edogawabashi Bldg.” tenant is relatively large. The exit is scheduled in September 2020, and the now we are searching new tenant for that space. “East Square Tokyo” is under renovation to convert the section formerly used as a data center to an office space, and we are aiming for completion at the end of October. Both of these properties currently have low occupancy and will lower the overall portfolio occupancy rate, but we hope to lease the space quickly as the office leasing market environment is changing. The space is accounted for as vacant for the outlook for the 29th fiscal period, so they both present upside revenue potential.

Example of internal growth: Sendai Capital Tower



Implementation of floor management to increase the added value of the building

- ✓ 28th period : The rental conference room on the 16th floor was relocated to the 1st basement floor, and the common area was renewed at the same time.
- ✓ 29th period : Conversion of the former rental conference room on the 16th floor to office space (increase in leasable office space) and partial renovation of the building facade and entrance area



Now, I will explain about the renovation of the “Sendai Capital Tower”.

The basement floor had poor visibility, occupied by restaurant tenants at the time of acquisition, but they did not have good customer traffic. On the other hand, there was strong demand for the office building located in front of the Sendai Station terminal. So from the time of acquisition, we believed moving the rental conference rooms used by the tenants on the 16th floor to the basement and leasing the previous rental conference room as office space would be the optimal use. We think the new office will be appreciated by the tenants offering comfortable space for communication. We are pleased to have finally started the renovation process.

Progress in decentralizing repayment deadlines



Credit ratings

Rating/announcement date
Japan Credit Rating Agency, Ltd. (JCR)
AA- (Stable)
<May 2020>
Rating and Investment Information, Inc. (R&I)
A+ (Stable)
<September 2019>



New borrowings and refinancing of borrowings

New borrowing in January 2020

Lenders	Amount	Period	Interest rate
Sumitomo Mitsui Trust Bank	1.6 bn. yen	9 years	Fixed (Interest swap)
Shinkin Central Bank, The Nishi-Nippon City Bank	2.6 bn. yen	7.5 years	Fixed
Sumitomo Mitsui Banking	1.5 bn. yen	7 years	Fixed (Interest swap)
The Hyakugo Bank	0.75 bn. yen	6.5 years	Fixed
Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking	2.1 bn. yen	4.5 years	Floating
Total / Weighted Average	8.55 bn. yen	6.9 years	0.502%

(Reference) Pre-borrowing conditions

↓
3.5 years ↓
0.375%

Refinancing in July 2020

Lenders	Amount	Period	Interest rate
Mizuho Bank, Aozora Bank, Mizuho Trust Bank	3.35 bn. yen	10 years	Fixed
MUFG Bank	1.1 bn. Yen	10 years	Fixed
Mizuho Bank, Development Bank of Japan, Risona Bank	3.7 bn. Yen	9.5 years	Fixed
MUFG Bank	0.7 bn. Yen	9.5 years	Fixed
Fukuoka Bank	0.75 bn. Yen	9 years	Fixed
Sumitomo Mitsui Trust Bank	1.7 bn. Yen	8 years	Fixed (Interest swap)
Minato Bank	0.8 bn. Yen	7.5 years	Fixed
Sumitomo Mitsui Banking	1.7 bn. Yen	5 years	Fixed (Interest swap)
Hiroshima Bank	0.5 bn. Yen	4.5 years	Fixed
Total / Weighted Average	14.3 bn. yen	8.6 years	0.628%

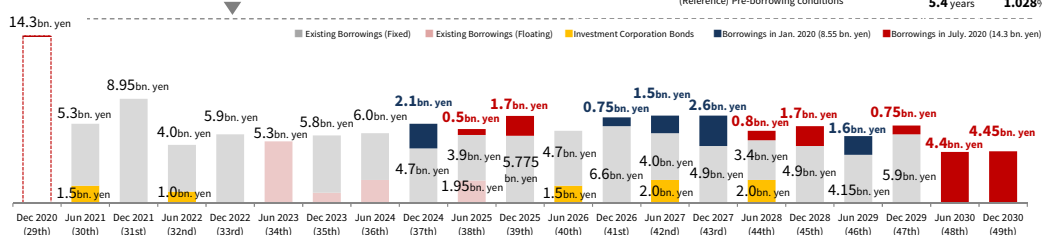
(Reference) Pre-borrowing conditions

↓
5.4 years ↓
1.028%



Debt Maturity Ladder

Commitment line limit of 15.0 bn. yen



* The fiscal period before the change in fiscal period end is shown.

Next, let me explain about our financial status.

In May 2020, JCR reviewed our rating and maintained the AA rating.

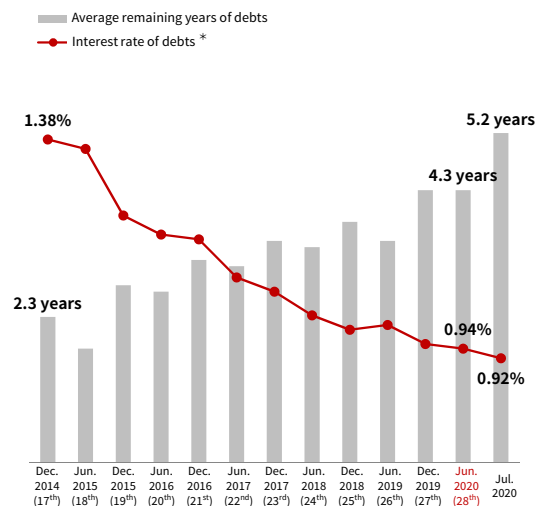
We believe our continuous efforts on financial improvement and steady portfolio management results have been appreciated.

Refinancing of ¥14.3 billion executed in July was realized with continued support from our lender, with extended loan period and lower interest rate. Five years have passed since MC-UBS started managing MidCity, and we believe we have been achieved one of the original target with the diversification of the balance of interest-bearing debts.

Reinforcement of robust financial base



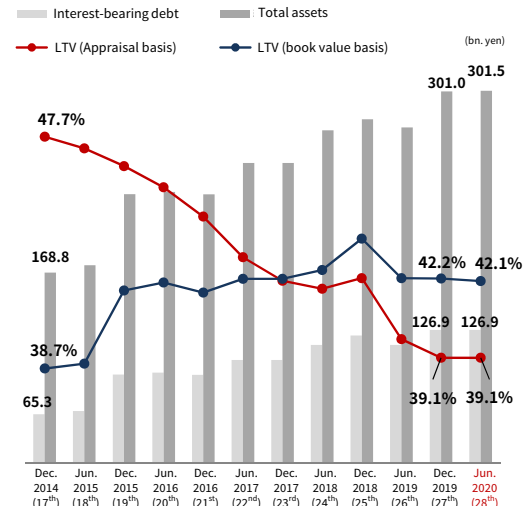
Average Remaining Years and Average Interest Rate of Debts



* All-in-cost including debts-related expenses



LTV



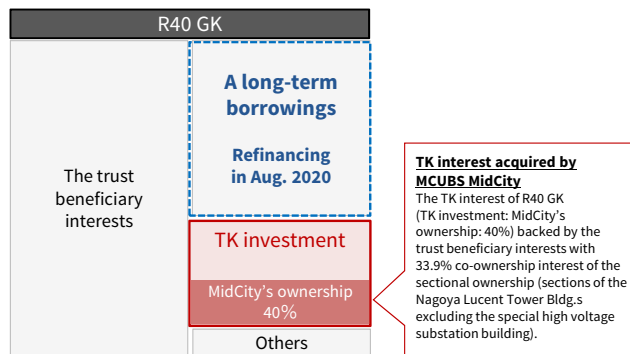
As a result, we achieved longest average duration of loans with the lowest level of interest rates. LTV was 39.1%, maintaining the sufficient buffer similar to the 27th fiscal period, allowing for stable fund operation under the uncertain economic environment.

Potential for external growth: Nagoya Lucent Tower (silent partnership interest)



Refinancing of a long-term borrowings

- ✓ R40 GK, in which MCUBS MidCity has a silent partnership, has reached the maturity date of the loan in August 2020, and completes refinancing into a floating loan.
- ✓ Economic conditions have improved and dividends receivable from investments in silent partnerships will be increased.



Name	Nagoya Lucent Tower
Location	Nishi-ku, Nagoya-shi, Aichi
Access	5min walk from Nagoya station
Acquisition Price	4,919 mn yen
Construction Completion	Nov. 2006 (14 years)
Floor	B3/42F
Date Acquired	Aug., 2015
Total Floor Space	14,100.54㎡ ※Total
Total land space	137,115.68㎡ ※excluding the special high voltage substation building

Now, let me report on the “Nagoya Lucent Tower”. We hold a silent partnership interest in this property. With the maturity of a loan in August 2020, we converted from fixed interest to variable interest loan, and improved the terms and conditions at the same time.

We believe this refinance will contribute additionally about 10 yen in DPU per fiscal period, and also created external growth potential.

Office Market Outlook and Management Policy in the post-COVID-19

New supply of office buildings in both Tokyo and Osaka will be small until 2022, and **no major adjustments will occur** from a supply perspective



Due to changes in work styles and economic stagnation triggered by the shift to IT, the shift to DX, and COVID-19, **Need to be alert to a decline in office floor demand**



In the short term, demand for office floor space may decline in urban centers. On the other hand, it also creates **demand for satellite offices, demand for more space per person**



The office is a necessary space for advanced communication/creating creative ideas with Co-Workers

It is necessary to **provide new value-added services** to meet the needs of the office, which is undergoing a major transformation.

To that end, **it is essential that the ability to acquire and operate properties that "support new ways of working".**



At the opening, Mr. Okamoto provided a simple explanation on the change in environment surrounding real estate, and I would like to add a quick explanation about our approach, focusing on the impact on the office market. New supply of office buildings in both Tokyo and Osaka will be small until 2022, and we believe no major adjustments will occur from a supply perspective. In terms of demand, the COVID-19 pandemic may trigger a new style of working and promote change such as working from home, leading to a fall in the demand for office space.

In addition, there is concern over decrease in office demand for cost cutting purposes as the pandemic causes economic stagnation.

We cannot make a definitive projection of office demand, but as the combination of working at home and office becomes the mainstream style of work, offices that require commuting should acquire status as a special place for high level of communication and for generating creative ideas. Consequently, providing new added values that differ from the conventional office to support the new work-style will become critical. The merger with Japan Retail Fund will enable us to utilize the network of tenants and know-how for creating space where people gather and interact that it cultivated through operation of commercial facilities.

Announced a merger with Japan Retail Fund Investment Corporation

As [the largest diversified REITs in Japan](#) investing in real estate assets constituting the basis for urban living, announced a merger with Japan Retail Fund Investment Corporation, which is managed by the same asset management company.

Significantly improved portfolio stability with [approximately 1.2 trillion yen in asset size](#)

Name of the new investment corporation	Japan Metropolitan Fund Investment Corporation (Abbreviation : JMF)	
Method of the Merger	Absorption-type merger Surviving corporation: Japan Retail Fund Investment Corporation (JRF) Dissolving corporation: MCUBS MidCity Investment Corporation (MMI)	
M&A Schedule	August 28, 2020	Execution of the Merger Agreement
	September 13, 2020	Record date for meeting of unitholders
	October 22, 2020	Meeting of unitholders
	February 25, 2021	Delisting
	March 1, 2021	Effective date of the Merger
Asset Manager	Mitsubishi Corp.-UBS Realty Inc.	

*** For details, please refer to the "Investor Presentation for the Merger" dated Aug. 28, 2020 and the press release.**

The merger will create one of the largest diversified REIT in Japan, allowing for active property management. The schedule of the merger is shown here. Subject to a resolution at the meeting of unitholders in October, the merger shall become effective as of March 1, 2021.

Forecasts for Fiscal period ended Feb. 2021 (Jul. 1, 2020~ Feb. 28, 2021 (8month))

- Assuming that the merger takes effect, fiscal period ending Feb. 2021 is scheduled for 8 months.
- In consideration of unitholders' interests, reserve for reduction entry from the replacement of assets are **fully reversed as a cash payment upon the merger.**

	Fiscal Period ended Feb. 28, 2021 (29th Period) Forecast Jul. 1, 2020~ Feb. 28, 2021 (8month)	Prerequisite	Fiscal Period ended Jun. 30, 2020 (28th Period) Actual	Compared to the 28th Period Actual
Operating revenue	12,233 mn yen	Anticipate lower occupancy rates due to the COVID-19. Some variable income items were planned conservatively.	9,061 mn yen	+35.0%
Operating income	5,322 mn yen	The odd period is the period when utility costs are high. Repairs expenses were estimated conservatively.	4,276 mn yen	+24.5%
Net income	4,379 mn yen	Incl. 142 million yen in merger-related expenses	3,657 mn yen	+19.8%
Reversal of reserve for reduction entry	998 mn yen		—	—
Amount of payment upon the merger	5,377 mn yen	When the merger takes effect, calculated cash payment upon the merger that will be paid in lieu of cash equivalent to cash distributions for the last business period, assuming 29th Period is the last business period	Total distributions 3,655 mn yen	+47.1%
Payment upon the merger per unit	3,014 yen		Distribution per unit 2,049円	+47.1%

* The figures are based on assumptions in the "SUMMARY OF FINANCIAL RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2020" released on August 28, 2020.

Lastly, let me explain about the forecast of financial results for the fiscal period ending in February 2021.

As I explained in the previous slide, MCUBS MidCity will become a new fund as of March 1, 2021. The current fiscal period will end on February 28, 2021, creating an eight months fiscal period, extended by two months from the usual six months period. Consequently, the net income is expected to increase as shown on the table. Forecast revenue incorporates conservative operating revenue and income, and includes ¥142 million merger-related expenses.

In addition to the net income, ¥998 million reserved for reduction entry from gain on sale of properties will be fully reversed to distribute to the unitholders. As a result, the sum of ¥4,379 million net income and ¥998 million reserve for reduction entry will be the source of ¥5,377 million payment upon the merger. The payment upon the merger in lieu of cash equivalent to cash distributions for existing unitholders will be ¥3,014 per unit.

Continue proactive ESG initiatives

- Responding flexibly to changing demands for office functions such as “workability”, by continuing proactive ESG initiatives
- Maintaining a high reputation by external agencies through advanced initiatives to date



For the Next Generation Office

One of the most important ESG materiality is
"health, comfort and convenience for people (residents)".

□ Improved space for tenant employees

Renewed communication and refreshment areas

Example: Yokohama i-land Tower,
 Sendai Capital Tower



Yokohama i-land Tower

□ Acquired “CASBEE for Wellness Office” certification

Acquired “CASBEE for Smart Wellness Office” certification for the first time in J-REIT which comprehensively evaluates next-generation office models by acquiring both “CASBEE for Real Estate” certification and “CASBEE for Wellness Office” certification. (November 2019)



G-Square Shibuya Dogenzaka



Maintaining a high reputation by external agencies

□ Green Star in the GRESB for 4 consecutive years

- Acquired the highest Green Star for the fourth consecutive years



- Acquired the highest rating of 5 stars for two consecutive years

□ Received “AA” ESG rating from MSCI Japan for the first time in J-REIT and maintain the “AA” rating in 2020

- Included in MSCI Japan ESG Select Leaders Index (December 2018)
* Index in which GPIF makes passive investments linked to the index

- Acquired “AA” ESG rating for the first time in J-REIT (March 2019)

- Three Investment Corporations for which MCUBS is the asset manager ranked among the eight J-REITs included in the index

As of June 2020	ESG rating
MCUBS MidCity Investment Corporation	AA
Japan Retail Fund Investment Corporation	AA
Industrial & Infrastructure Fund Investment Corporation	A

Partly due to the impact of COVID-19, requirements for office functions are changing, such as the new focus on “workability.” As shown on page 15, we became the first J-REIT to acquire the “CASBEE for Smart Wellness Office” certification, which comprehensively evaluates next-generation office models, and we believe we can flexibly respond to the changing demands by continuing our active commitment to ESG initiatives. We were also the first J-REIT to receive “AA” in ESG rating from MSCI Japan in 2018, and have retained the rating since. We aim to maintain our strength and respond to future changes in the business environment.

This concludes the explanation on the financial results for the 28th fiscal period and the forecast for the 29th fiscal period. Thank you for your attention.

Memo

Appendix



3227

List of portfolios

Area	Property No.	Property name	Location	Acquisition price (mnyen)	Appraised value (mnyen)	Book value (mnyen)	Appraisal vs book value	Leasable space (m)	Occupancy rate (%)	No. of tenants
■ Office										
Tokyo area	OT-1	Sumitomo Fudosan Ueno Bldg. No. 6	Taito-ku, Tokyo	7,460	8,690	7,495	15.9%	6,858.16	100.0	2
	OT-2	G-Square Shibuya Dogenzaka	Shibuya-ku, Tokyo	12,220	17,000	12,098	40.5%	5,051.06	100.0	9
	OT-3	Shibuya Sakuragaoka Square	Shibuya-ku, Tokyo	17,130	19,700	17,251	14.2%	6,379.66	100.0	4
	OT-4	Yokohama Creation Square	Kanagawa-ku, Yokohama	7,080	8,250	6,967	18.4%	12,704.18	99.2	43
	OT-5	Cube Kawasaki	Kawasaki-ku, Kawasaki	20,050	23,600	20,539	14.9%	24,494.06	100.0	10
	OT-6	Higashi Nihombashi Green Bldg.	Chuo-ku, Tokyo	2,705	3,200	2,827	13.2%	3,254.77	100.0	7
	OT-7	Sasazuka Center Bldg.	Shibuya-ku, Tokyo	6,700	9,310	9,044	2.9%	8,240.30	100.0	9
	OT-8	USC Bldg.	Koto-ku, Tokyo	10,800	11,500	11,037	4.2%	12,487.73	93.9	9
	OT-9	Yoshiyasu-Kanda Bldg.	Chiyoda-ku, Tokyo	4,000	4,250	4,207	1.0%	3,149.39	100.0	7
	OT-10	TOYOTA MOBILITY SERVICE Bldg.	Chuo-ku, Tokyo	9,200	10,400	9,560	8.8%	6,123.81	100.0	1
	OT-11	M-City Akasaka 1-chome Bldg.	Minato-ku, Tokyo	4,205	4,470	4,379	2.1%	2,550.44	100.0	12
	OT-12	Yokohama I-land Tower	Naka-ku, Yokohama	22,100	23,900	23,640	1.1%	25,460.50	100.0	7
	OT-13	M-City Edogawabashi Bldg.	Bunkyo-ku, Tokyo	4,070	4,240	4,124	2.8%	3,472.70	100.0	2
	OT-14	East Square Tokyo	Koto-ku, Tokyo	9,500	9,760	9,924	-1.7%	12,208.42	77.5	12
Osaka area	OO-1	Twin 21	Chuo-ku, Osaka	68,700	60,300	65,443	-7.9%	82,304.82	98.0	103
	OO-5	MID Imabashi Bldg.	Chuo-ku, Osaka	3,270	2,670	3,043	-12.3%	4,277.63	100.0	21
	OO-7	Kitahama MID Bldg.	Chuo-ku, Osaka	10,800	11,500	10,216	12.6%	10,189.49	100.0	10
	OO-8	MID NishiHommachi Bldg.	Nishi-ku, Osaka	3,550	2,600	3,299	-21.2%	3,881.74	100.0	18
	OO-9	Higobashi MID Bldg.	Nishi-ku, Osaka	3,000	4,400	2,737	60.7%	4,655.57	100.0	12
	OO-10	Osaka YM Bldg.	Fukushima-ku, Osaka	6,310	8,180	6,602	23.9%	9,952.88	100.0	28
Others	OR-1	Sendai Capital Tower	Aoba-ku, Sendai	5,500	6,800	5,744	18.4%	12,999.80	95.2	75
Subtotal (Office/21 properties)				240,350	254,720	240,186	6.1%	260,697.11	97.7	401
■ Other than office										
Tokyo area	RT-1	AEON MALL Tsudanuma	Narashino-city, Chiba	26,100	29,000	23,276	24.6%	101,210.44	100.0	1
	HT-1	Hotel Vista Premio Tokyo	Minato-ku, Tokyo	11,200	11,000	11,660	-5.7%	4,236.46	100.0	2
Osaka area	RO-1	Konami Sports Club Kyobashi	Miyakojima-ku, Osaka	2,780	3,430	2,302	49.0%	9,586.26	100.0	1
Others	HR-1	Dormy Inn Hakata Gion	Hakata-ku, Fukuoka	2,280	4,560	2,043	123.1%	5,554.91	100.0	2
Subtotal (Other than office/4 properties)				42,360	47,990	39,282	22.2%	120,586.07	100.0	6
Subtotal				282,710	302,710	279,468	6.3%	381,285.18	98.5	407
■ TK interest for office										
Nagoya area	TK-1	Nagoya Lucent Tower (Equity Investments in Silent Partnership)	Nishi-ku, Nagoya	4,919	-	-	-	-	-	-
Total				287,629	302,710	279,468	8.3%	381,285.18	98.5	407

* As of the end of June 2020



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: Mitsubishi Corp.- UBS Realty Inc.

(Certified Financial Instruments Business Operator: Director of Kanto Local Financial Bureau (Kinsho) Registration No. 403, and Member of The Investment Trusts Association, Japan)