



MID REIT, Inc.
(Securities Code: 3227)

13th Period Results
(Ended December 31, 2012)

<http://www.midreit.jp/>

MID REIT Management Co., Ltd.



Toka-Ebisu (a festival held on January 10 in honor of Ebisu, the god of wealth)
Osaka Imamiya-Ebisu Shrine

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Osaka Business Park (OBP)
Twin 21 and Matsushita IMP Bldg.



1. Financial Highlights

13th Period Business Results

Decrease in income compared to both the 12th Period Results and the 13th Period Initial Forecasts



Initial Forecasts and Results

Item	12th Period Results (Jan. 1, 2012 - June 30, 2012)	13th Period Initial Forecasts (July 1, 2012 - Dec. 31, 2012) (as at Aug. 16, 2012)	13th Period Results (July 1, 2012 - Dec. 31, 2012)		
				Comparison with 12th Period Results	Comparison with 13th Period Initial Forecasts
Net operating days	182	184	184	-	-
Operating revenue (million yen)	5,717	5,702	5,628	- 88	- 73
Operating income (million yen)	2,072	1,923	1,881	- 191	- 42
Ordinary income (million yen)	1,441	1,364	1,325	- 115	- 38
Net income (million yen)	1,439	1,362	1,323	- 115	- 38
Distribution per unit (yen)	7,840	7,418	7,210	- 630	- 208

Primary Causes of Difference

(Unit : Million yen)

	Primary Causes of Difference Between the 12th Period (Results) and 13th Period (Results)	Primary Causes of Difference Between the 13th Period (Initial Forecasts) and 13th Period (Results)
Impact on operating income	<p>Operating revenue -88: decrease from conclusion of memorandum to change lease agreement on leased units with Panasonic and recording gain on sale of MID Shibakanasugibashi Bldg., etc.</p> <p>Operating expenses +102: increase in utilities due to seasonal factors, etc.</p>	<p>Operating revenue -73: decrease from conclusion of memorandum to change lease agreement on leased units with Panasonic and recording gain on sale of MID Shibakanasugibashi Bldg., etc.</p> <p>Operating expenses -31: decrease in commissions payment and utilities, etc.</p>
Impact on ordinary income	Non-operating expenses -90: decrease in interest expenses - 14; decrease in borrowing related expenses - 76	Non-operating expenses -2: decrease in interest expenses - 2

Financial Highlights

Poured effort into internal growth



Distributions	<ul style="list-style-type: none"> ■ Distribution per unit : 7,210 yen <div> <ul style="list-style-type: none"> ■ Compared to initial forecasts (as at Aug. 16, 2012) - 208 yen, or - 2.8% ■ Compared to revised forecasts (as at Aug. 29, 2012) - 587 yen, or - 7.5% ■ Compared to revised forecasts (as at Oct. 31, 2012) + 138 yen, or + 2.0% ■ Compared to the 12th Period - 630 yen, or - 8.0% </div>
Internal Growth	Maintained tenant relations <ul style="list-style-type: none"> ■ With the backdrop of a global economic slowdown and such, corporate earnings in Japan have been weak primarily in the industrial sector, and amid the stagnating economic environment, MID REIT focused on maintaining tenant relations under cooperation with the property management company and the building management company, and continued to outperform the market. ■ Reached an agreement with Panasonic with regard to their continued use of the entire Twin 21 OBP Panasonic Tower from April 2013. ■ Succeeded in bringing in a tenant that manages rental conference rooms to Midosuji MID Bldg.; Renovated rental conference rooms at Twin 21 and Matsushita IMP Bldg. and increased convenience for tenants in the buildings. ■ Occupancy rate at end of period: 97.6% (up 0.6 points compared to the 12th Period) and NOI yield from property leasing: 4.3% (see page 23 and 40 for details.)
External Growth	Continued collection of a wide range of property information <ul style="list-style-type: none"> ■ Did not implement new acquisitions, but promoted activities to collect information on a broad range of areas and asset types. ■ Considering acquisition including sponsor properties with funds gained from the sale of MID Shibakanasugibashi Bldg.
Financial Strategy	Maintained stable financial base <ul style="list-style-type: none"> ■ Refinancing of 14.5 billion yen was finished (see page 30 and 31 for details). ■ Issuer rating of “A (negative)” changed to “A - (Stable)” on Dec. 17, 2012. (Rating and Investment Information, Inc. (R&I)) ■ LTV ratio: 40.9% (Interest-bearing debt at end of period ÷ Total assets at end of period)

14th and 15th Period Forecasts

Decrease of revenue and income expected due to impact of agreement renewal with Panasonic and departure of existing tenants, etc.



Forecasts of Business Results

Item	13th Period Results (July 1, 2012 – Dec. 31, 2012)	14th Period Forecasts (Jan. 1, 2013 - June 30, 2013)		15th Period Forecasts (July 1, 2013 – Dec. 31, 2013)	
			Comparison with 13th Period Results		Comparison with 14th Period Forecasts
Operating revenue (million yen)	5,628	5,454	-174	5,115	-338
Operating income (million yen)	1,881	1,856	-24	1,601	-254
Ordinary income (million yen)	1,325	1,326	0	1,079	-246
Net income (million yen)	1,323	1,324	0	1,077	-246
Distribution per unit (yen)	7,210	7,210	0	5,868	-1,342

Preconditions

Utilities (property leasing expenses) (million yen)	538	504	-34	589	85
Property tax, etc. (million yen)	529	523	-6	523	0
Repairs (million yen)	204	145	-58	66	-79
Interest expenses (million yen)	432	421	-10	420	-1
Borrowing related expenses (million yen)	126	109	-16	103	-6
Portfolio occupancy rate at end of period (%)	97.6	92.3	-5.3	93.7	1.4

Primary Causes of Difference

(Unit : Million yen)

	Primary Causes of Difference Between the 13th Period (Results) and 14th Period (Forecasts)		Primary Causes of Difference Between the 14th Period (Forecasts) and 15th Period (Forecasts)	
Impact on operating income	Operating revenue	-174: decrease in rent revenue – real estate due to rent reductions and tenant cancellations	Operating revenue	-338: decrease in rent revenue – real estate due to rent reductions and tenant cancellations
	Operating expenses	-149: decrease in utilities due to seasonal factors -34; decrease in repairs -58	Operating expenses	-84: increase in utilities due to seasonal factors + 85 decrease in repairs -79
Impact on ordinary income	Non-operating expenses	-26: decrease in interest expenses -10; decrease in borrowing related expenses -16	Non-operating expenses	-8: decrease in interest expenses -1; decrease in borrowing related expenses -6

Notes:

- The above forecasts are based on the assumption that the number of units issued and outstanding in each period is 183,625 units.
- The above forecasts are based on certain criteria for calculation and reflect the situation as of Feb. 14, 2013. Actual operating revenue, operating income, ordinary income, net income and distribution per unit may differ from the forecasts due to such factors as changes in the occupancy rate or rent of existing properties, acquisition/disposal of properties, changes in the real estate market environment and changes in the environment surrounding MID REIT going forward. Furthermore, the forecasts shall not be construed as a guarantee of distribution amount.

Agreement Renewal with Panasonic

Continued use of all of Twin 21 OBP Panasonic Tower by Panasonic



Related Schedule

October 3, 2012	Panasonic announces closure of showrooms at Twin 21 OBP Panasonic Tower and Panasonic Osaka Kyobashi Bldg. and establishment of new showroom at Grand Front Osaka
October 31, 2012	MID REIT announces press releases concerning conclusion of memorandum to change lease agreement on leased units with Panasonic and departure of a tenant at Osaka Kyobashi Bldg.
November 1, 2012	Memorandum to change lease agreement on leased units with Panasonic takes effect
End of December 2012	Closure of showroom at OBP Panasonic Tower
April 2013 (scheduled)	Closure of showroom at Panasonic Osaka Kyobashi Bldg.
End of May 2013 (scheduled)	Tenant renting all of Panasonic Osaka Kyobashi Bldg. departs

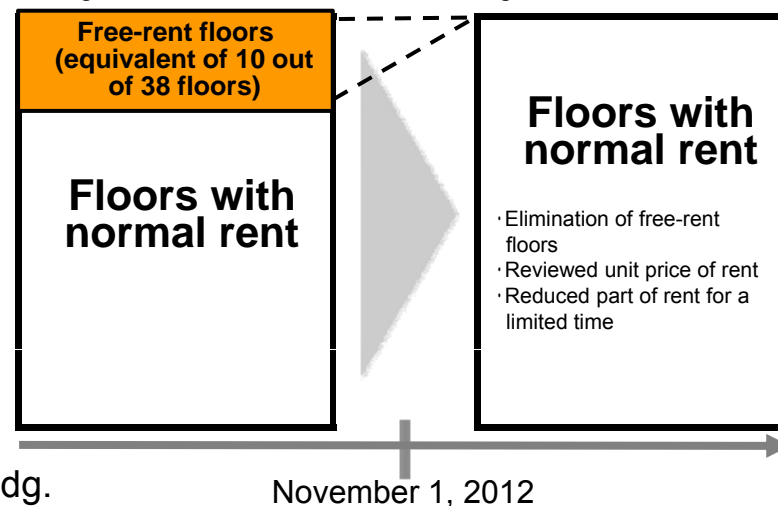


Press Releases Concerning Agreement Renewal with Panasonic

- Changed period of agreement for rent of all of OBP Panasonic Tower to March 31, 2017 (Initially period was until March 31, 2013)
- Reviewed unit price of rent and ended free-rent floor setting (Note)
- Implemented partial reduction of rent between November 1, 2012 and April 30, 2013

Note: Please see the press releases "Notice Regarding Conclusion of Memorandum to Change Lease Agreement on Leased Units with a Major Tenant" dated April 30, 2010 and "Notice Regarding Conclusion of Memorandum to Change Lease Agreement on Leased Units with a Major Tenant, etc." dated February 16, 2012 for information on free-rent floors.

Image of OBP Panasonic Tower after Agreement Renewal



Future Issues of OBP Panasonic Tower and Panasonic Osaka Kyobashi Bldg.

- Early lease-up of Panasonic Osaka Kyobashi Bldg. from which the single tenant will depart at the end of May 2013
- Monitoring of trends after departure of showrooms at OBP Panasonic Tower and Panasonic Osaka Kyobashi Bldg.

2. Market Data

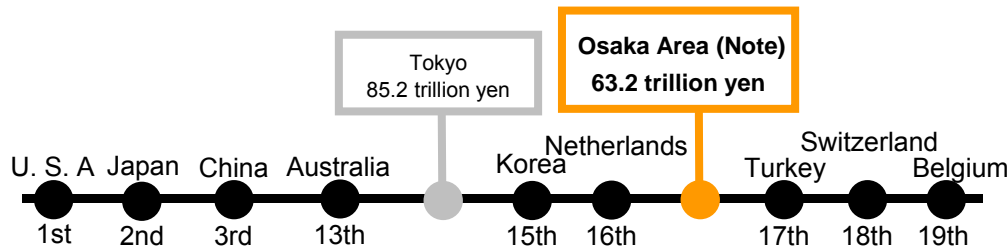
Characteristics of the Osaka Area

Potential of the Osaka area



World-Class Economic Size

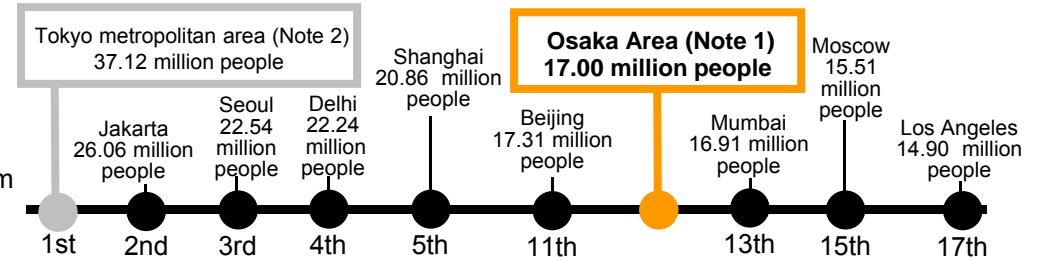
World GDP Ranking



Source: Government of Japan Cabinet Office's "Annual Report on Prefectural Accounts for Fiscal 2009" and "Annual Report on National Accounts," and IMF's "World Economic Outlook Database: April 2012 Edition"

Note: Osaka area refers to Osaka Prefecture, Hyogo Prefecture and Kyoto Prefecture.

Core Cities Population Ranking



Source: Demographia World Urban Areas: 8th Annual Edition (Apr. 2012) , and National Statistics Center's "Social Indicators by Prefecture"(2012)

Notes:

1. Osaka area refers to Osaka Prefecture, Hyogo Prefecture and Kyoto Prefecture.
2. Tokyo metropolitan area includes most of Tokyo, Kanagawa Prefecture, Chiba Prefecture and Saitama Prefecture, and part of Gunma Prefecture, Tochigi Prefecture and Ibaraki Prefecture.
3. The figures for other countries are the population of urban areas as defined by Demographia.

Large-Scale Development Forging the Future of the Osaka Area

Enhancement of Value of Entire Osaka Area

With the completions of Nakanoshima Festival Tower (2012), Grand Front Osaka (2013 scheduled) and Abeno Harukas (2014 scheduled), though there are worries of a loosening of supply and demand in the short term, but it is expected that these will contribute to a value enhancement of the entire Osaka area in the medium to long term.

Prosperity of the Osaka Area

Due to the enhancement of retail facilities including the full refurbishment of Hankyu Department Store, the Osaka area is expected to become more and more prosperous



Hankyu Umeda Building
(Hankyu Department Main Store)



Nakanoshima Festival Tower



Grand Front Osaka

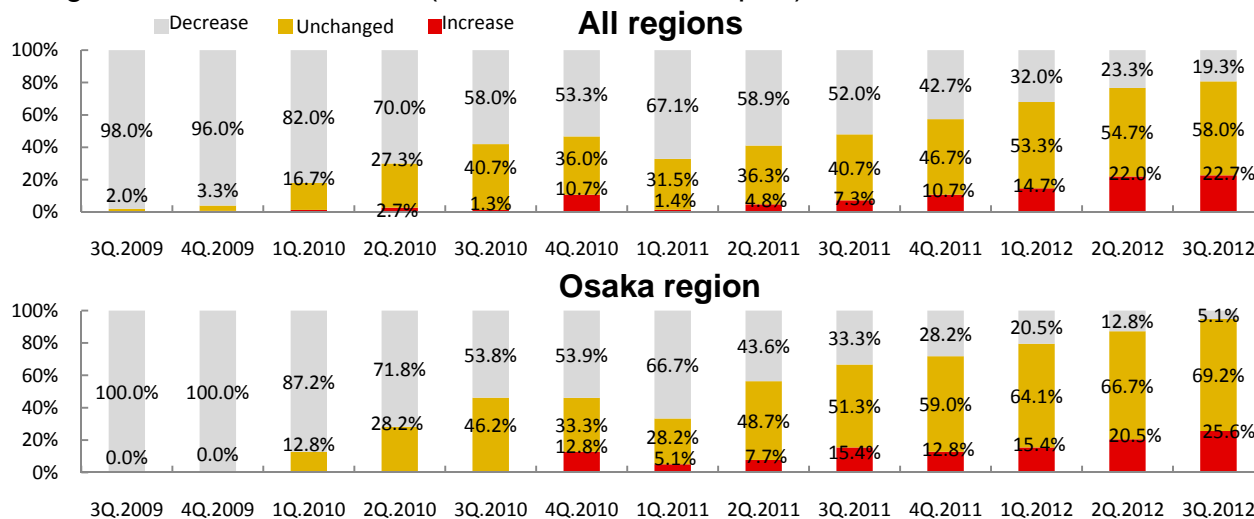
Note: None of the above property is scheduled to be acquired by MID REIT.

Office Market Data (1): Basic Market Data and Changes in the Vacancy Rate

Signs of settling down from considerable fall in land price trends after the Great East Japan Earthquake



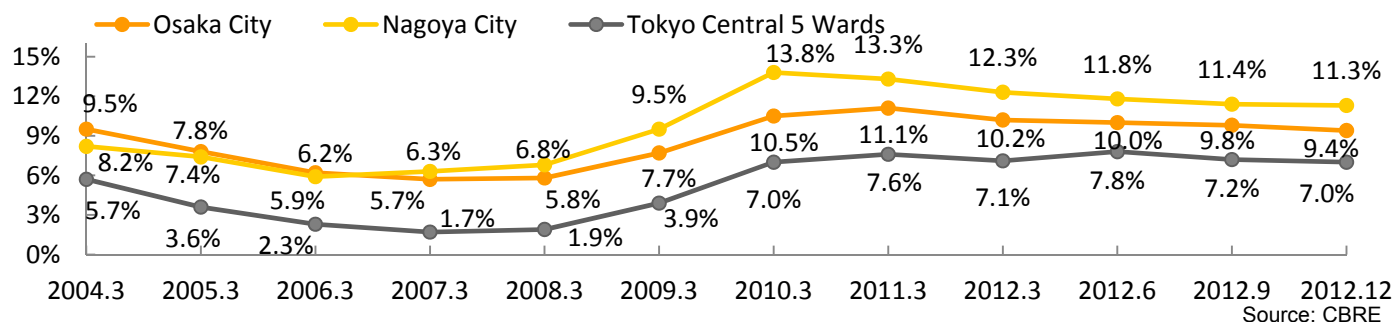
Changes in Land Price Trends (Land Price LOOK Report)



- Notes:
- For each year, 1Q refers to January 1 to April 1, 2Q refers to April 1 to July 1, 3Q refers to July 1 to October 1 and 4Q refers to October 1 to January 1.
 - With respect to figures for the 1Q and 2Q of 2011 for all regions, investigations were conducted by excluding the 4 regions for which market data for a certain period of time was lacking, as they were directly impacted by the Great East Japan Earthquake.

Source: Ministry of Land, Infrastructure, Transport and Tourism

Changes in Office Building Vacancy Rates (Osaka City, Nagoya City and Tokyo Central 5 Wards)



- Notes:
- Osaka City refers to the 22 zones that are key office areas in Osaka, comprised of Yodoyabashi, Kitahama, Hommachi, Sakaisujihommachi, Temmabashi, Tanimachi 4-chome, OBP, Shinsaibashi, Nagahoribashi, Namba, Higobashi, Nishihommachi, Yotsubashi, Umeda, Dojima/Nakanoshima, Nishitemma, Minamimorimachi/Higashitemma, Nakatsu, Fukushima, Shin-Osaka, Tennoji/Abeno, and Esaka.
 - Nagoya City refers to the 9 zones that are key office areas in Nagoya, comprised of Meieki, Meieki Nishi, Fushimi, Sakae, Marunouchi, Izumi/Takatake, Shin-Sakae, Kanayama and Chikusa.
 - Tokyo Central 5 Wards are Chiyoda Ward, Chuo Ward, Minato Ward, Shinjuku Ward and Shibuya Ward.
 - A September 2011 revision of the office buildings for which data is computed included change from the past principle of all properties to office buildings with total floor space of 500 tsubo or more.

Vacancy Rates of the 22 Zones that are Osaka's Key Office Areas (as of End of Dec. 2012)

Zone	Vacancy Rate	Comparison with end of June 2012
Yodoyabashi	6.2%	0.8p
Kitahama	8.3%	-0.9p
Hommachi	14.5%	-0.2p
Sakaisujihommachi	13.1%	0.0p
Temmabashi	12.9%	0.1p
Tanimachi 4-chome	13.8%	-0.3p
OBP	3.1%	0.2p
Shinsaibashi	9.5%	-2.9p
Nagahoribashi	13.6%	-1.7p
Namba	7.6%	-5.6p
Higobashi	12.3%	0.6p
Nishihommachi	9.7%	-0.8p
Yotsubashi	12.8%	-0.4p
Umeda	6.0%	-1.1p
Dojima/Nakanoshima	5.7%	-0.1p
Nishitemma	8.6%	0.2p
Minamimorimachi/Higashitemma	10.3%	0.4p
Nakatsu	6.3%	-1.3p
Fukushima	3.7%	-0.6p
Shin-Osaka	9.6%	-0.1p
Tennoji/Abeno	5.0%	-6.2p
Esaka	13.2%	-0.5p

Source: CBRE

Office Market Data (2): New Supply of Office Buildings

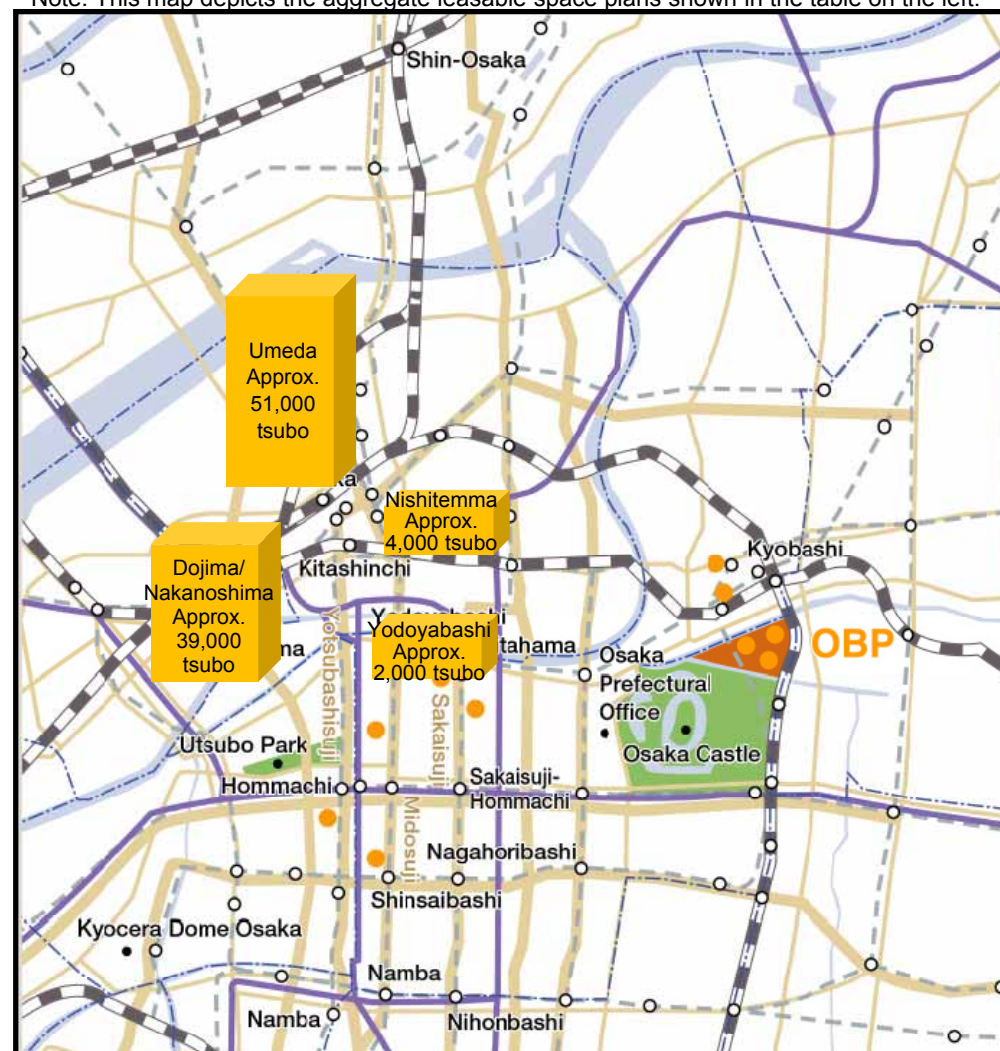
Large new supply centered on Grand Front Osaka in 2013



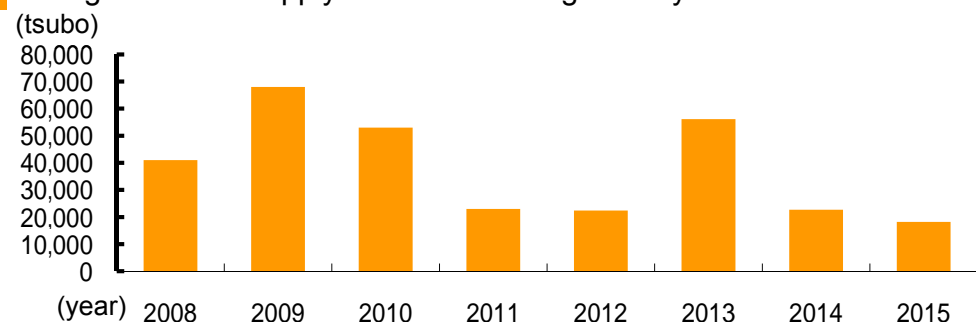
New Office Building Construction Plans and Leasable Space by Area in Key Office Areas in Osaka (Note)

Completion	Leasable Space by Year	No.	Area	Property Name	In tsubo; () in m ²
					Leasable Space (plan)
2013	56,100 (185,130)	1	Dojima/Nakano-Shima	Daibiru Honkan	7,700 (25,410)
		2	Umeda	Grand Front Osaka block B (North, South)	24,000 (79,200)
		3	Umeda	Grand Front Osaka block A	22,000 (72,600)
		4	Yodoyabashi	Yodoyabashi Mid Cube	2,400 (7,920)
2014	22,700 (74,910)	5	Tennoji/Abeno	Abeno Harukas	18,800 (62,040)
		6	Nishitemma	Ujiden Building (tentative name)	3,900 (12,870)
2015	18,200 (60,060)	7	Umeda	Seiwa Umeda Building (tentative name)	4,600 (15,180)
		8	Dojima/Nakano-shima	New Shin Daibiru Building (tentative name)	13,600 (44,880)
2017	17,600 (58,080)	9	Dojima/Nakano-shima	Nakanoshima Project (west area)	17,600 (58,080)

Note: This map depicts the aggregate leasable space plans shown in the table on the left.



Changes in New Supply of Office Buildings in Key Office Areas in Osaka (Note)



Note: Tally of office buildings with generally leased floor space of 1,500 tsubo (4,950m²) or more. Properties for which leasable space are yet to be determined are not included.

Office Market Data (3): Market Status

Drop in expected cap rate and market cap rate seen in part of market area



Expected Cap Rate vs. Market Cap Rate

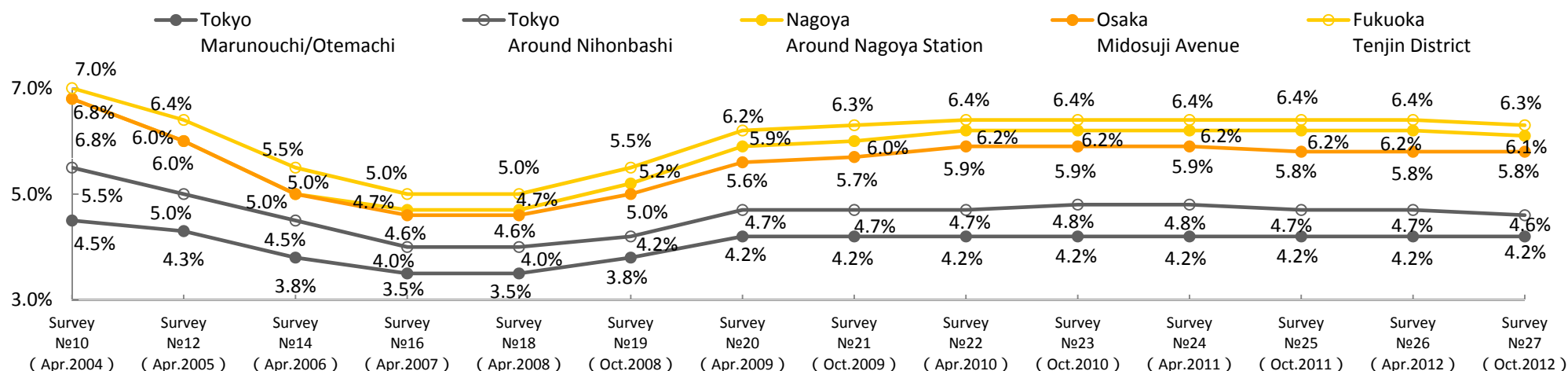
Expected Cap Rate and Market Cap Rate of Average-Sized Class A Office Building in Various Locations

() shows previous survey data (as of April 2012)

Location	Expected Cap Rate	Market Cap Rate
Tokyo Around Marunouchi/Otemachi	4.5% (4.5%)	4.2% (4.2%)
Tokyo Around Nihonbashi	4.8% (4.9%)	4.6% (4.7%)
Nagoya Around Nagoya Station	6.4% (6.4%)	6.1% (6.2%)
Osaka Midosuji Avenue	6.0% (6.0%)	5.8% (5.8%)
Fukuoka Tenjin District	6.5% (6.5%)	6.3% (6.4%)

Source: Japan Real Estate Institute's "The Japanese Real Estate Investor Survey No. 27" (as of October 2012)

Changes in Market Cap Rate of Average-Sized Class A Office Building in Various Locations



Source: Japan Real Estate Institute's

3. About MID REIT

A REIT Focusing on the Osaka Area and Office Properties

Investment target is 70% or higher in the Osaka area and 70 % or higher in office properties



Portfolio Building Policy

Basic Policy

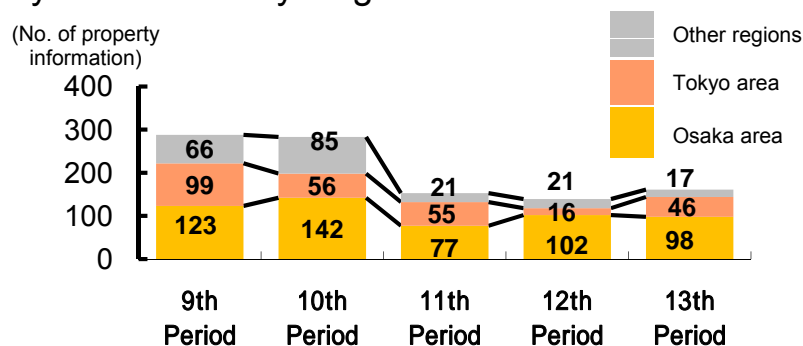
· Conduct asset management in pursuit of securing stable revenue and achieving steady growth of assets under management from a medium- to long-term perspective

Image of Long-term External Growth

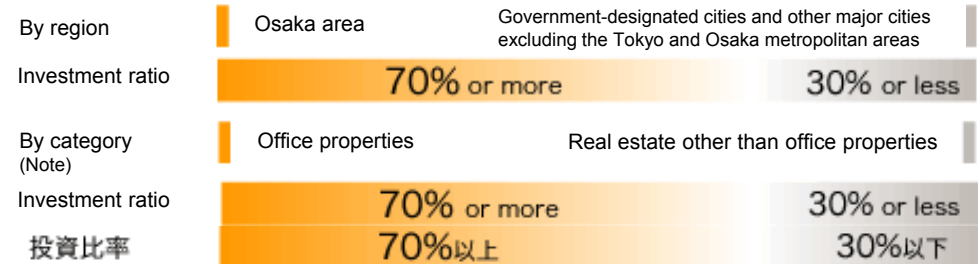
Portfolio asset size of 200 billion yen	· Aim for 200 billion yen in portfolio asset size through such measures as acquiring competitive properties when they are relatively new
OBP concentration level at the 50~59% range	· Seek to lower the OBP concentration level to the 50~59% range (based on acquisition price)

Status of Property Information Acquisition

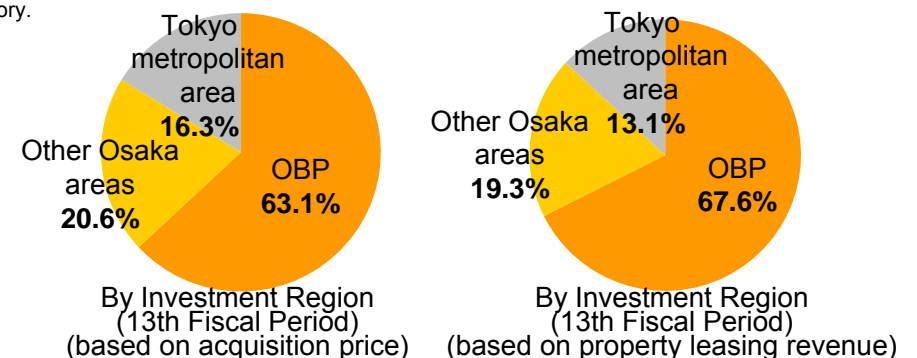
Property Information by Region



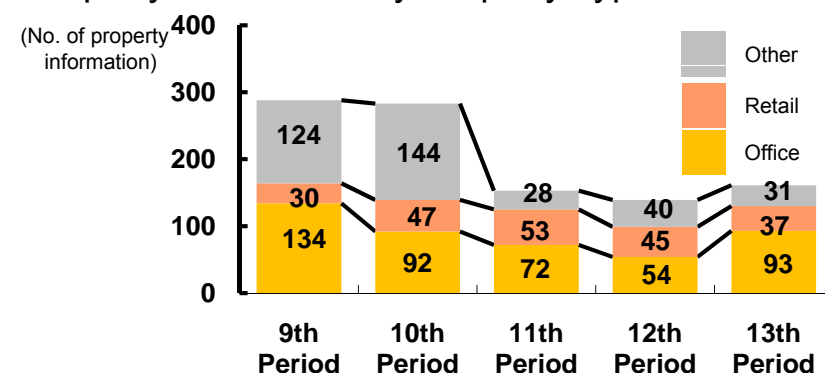
Targeted Investment Regions and Categories (Types)



Note: When properties have multiple uses, we determine which category they belong to based on what the majority of leasable floor space for the real-estate-related assets of the portfolio as a whole are used for, and the total acquisition cost of said real-estate-related asset is included in the acquisition cost of said category.



Property Information by Property Type



Portfolio with Large-Scale Office Buildings in OBP as Core Assets

OBP featuring business base, convenient access and information/culture base combined



Characteristics of the OBP

Business Base

Total land space	Approx. 260,000m ²										
No. of buildings	Total 15 buildings (including Panasonic, Fujitsu, NEC, KDDI, Sumitomo Life Insurance, Tokio Marine & Nichido Fire Insurance, Yomiuri Telecasting and other large businesses)										
No. of offices (as of June 1, 2012)	Total 544 (restaurants 55, retails 99 and offices 390)										
No. of workers (as of June 1, 2012)	Total 35,803 people (restaurants 1,057 people, retails 2,611 people and offices 32,135 people)										
No. of parking	<table border="0"> <tr> <td>Twin 21 Parking</td><td>approx. 400 vehicles</td></tr> <tr> <td>Matsushita IMP Bldg. Parking</td><td>approx. 300 vehicles</td></tr> <tr> <td>MID Shiromi Parking</td><td>approx. 200 vehicles</td></tr> <tr> <td>...etc.</td><td></td></tr> <tr> <td colspan="2">totaling approx. 3,000 vehicles</td></tr> </table>	Twin 21 Parking	approx. 400 vehicles	Matsushita IMP Bldg. Parking	approx. 300 vehicles	MID Shiromi Parking	approx. 200 vehicles	...etc.		totaling approx. 3,000 vehicles	
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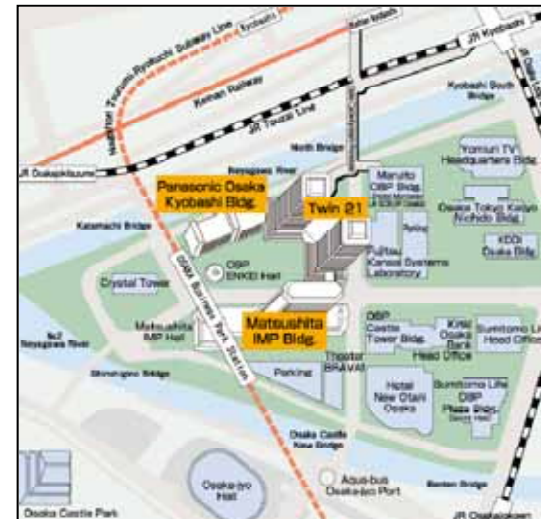
OBP

Convenient Access as the “Gateway to Eastern Osaka”

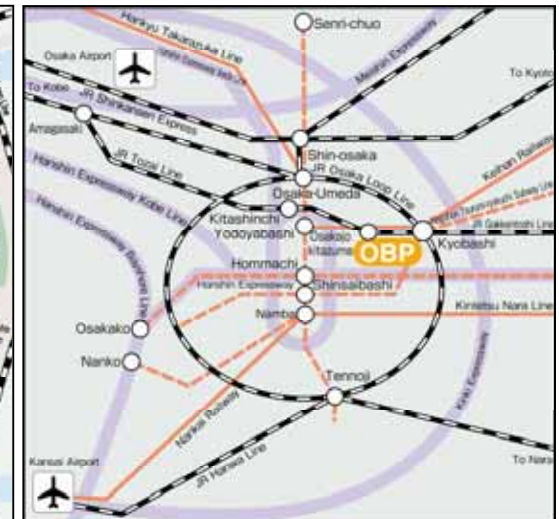
Access to 6 stations on 4 lines	JR Osaka Loop Line (Kyobashi Sta. and Osakajyo Koen Sta.) JR Tozai Line (Kyobashi Sta. and Osakajyo Kitazume Sta.) Keihan Main Line (Kyobashi Sta.) Subway Tsurumi-Ryokuchi Line (Osaka Business Park Sta. and Kyobashi Sta.)
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Information/Culture Base

Multi-purpose halls	Osaka-Jo Hall, OBP Enkei Hall, Matsushita IMP Hall, Theater BRAVA!, Izumi Hall, etc.
Extensive lodging facilities	Hotel New Otani Osaka, Hotel Monterey La Soeur Osaka
Consular offices	Consulate general of Australia, consulate general of the Netherlands, consulate general of the Philippines



OBP Area Map



OBP Access Map

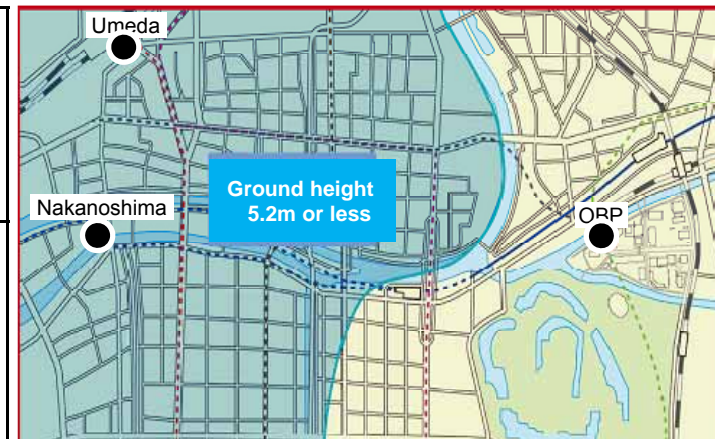
Safety of Osaka Business Park (OBP)

Exhibits superior capacity even among business areas in Osaka business area to withstand earthquakes, tsunamis and flooding disasters

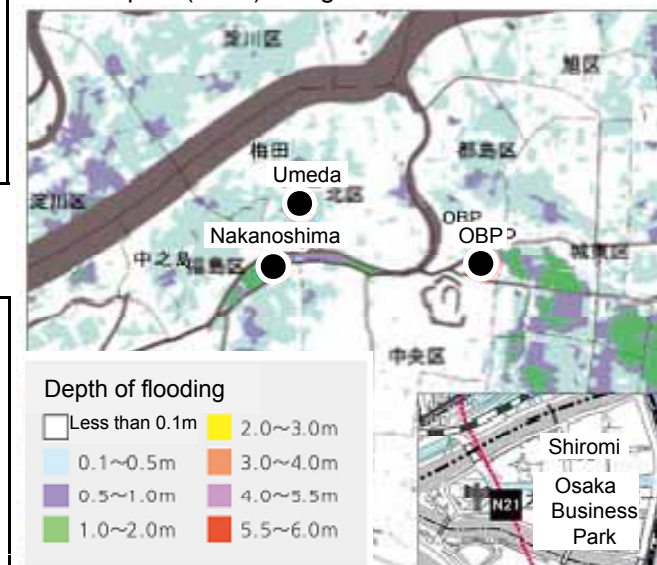


Safety of OBP

Earthquakes	Compared to other business areas, the OBP area has a relatively low expected seismic intensity and risk of liquefaction when it comes to large-scale earthquakes that can be expected to occur. (Based on announcement by Osaka City on March 14, 2009)
Tsunamis	Even if the tsunami is twice as high as expected in the past (5.2m) the OBP area is outside areas that would be flooded. (Based on announcement by Osaka Prefectural Government on July 6, 2011)
Flooding	Compared to other business areas, the OBP area has relatively lower risk of flooding and, in the case where flooding occurs from local rainfall as well as from rivers, OBP is outside the expected flooding zones. (Based on announcement by Osaka City on October 27, 2011)



Comparison of tsunami twice the height as expected in the past (5.2m) and ground altitude



Case of flooding from rainfall (note)

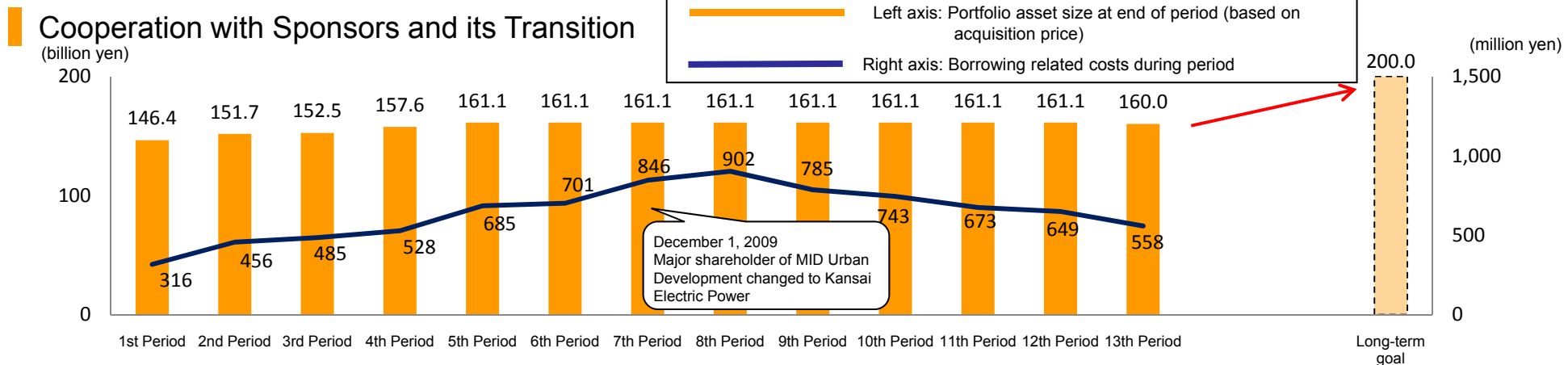
Note: Flooding from rainfall is flooding resulting from the accumulation of local rain that is not able to be fully drained by sewers and other drainage systems.

Utilization to Leasing

- With the increased awareness of corporate BCP, there is a surge in demand for safety provision and business continuation in preparation for times of disasters
- Inquiries from crisis-conscious companies such as foreign companies and financial institutions increased as a result of using pamphlets about the safety of OBP's area for leasing
- Such is being used as a strategy construction tool to promote superiority and differentiation with other areas and office buildings

Growth Strategy Utilizing the Collective Capacity of the MID Group

Cooperation with the MID Group and its major shareholder



1st Stage: Major Shareholder of MID Urban Development is Aetos Japan

- Growth strategy actively utilizing the pipeline of Aetos Japan in addition to MID Group
 - Portfolio asset size grew by approx. 10% (based on acquisition price) in the 2 years since being listed
- Acquisition price at 1st Fiscal Period end: 146,450 million yen → Acquisition price at 5th Fiscal Period end (end of December 2008): 161,170 million yen

2nd Stage: Major Shareholder of MID Urban Development Changed to Kansai Electric Power (December 2009)

- MID REIT greatly affected by the sudden deterioration of the financial environment following the Lehman Shock
- Financial health significantly improved with background of creditworthiness and support of Kansai Electric Power

Security interest	Unsecured debt financing for all existing debt
Extension of loan period	8th Period end (Jun. 30, 2010) remaining years: 1.2 years → 13th Period end (Dec. 31, 2012) remaining years: 2 years
Reduction of borrowing related costs (interest + borrowing related fees)	7th Period (ended Dec. 31, 2009): 846 million yen → 13th Period (ended Dec. 2012): 558 million yen

Activities Implemented to Enhance Basic Capabilities for New Growth Stage

- Maintaining policy of a long-term target for the portfolio asset size of about 200 billion yen by utilizing the sponsor pipelines
- Aim to return to 7,000 yen distribution per unit level, a distribution level under normal operations
- Taking various measures to return to a growth path

Portfolio Overview

Properties under management : 11 properties (9 office buildings and 2 retail facilities)



Type	Area	Property Name	Location	Completion Date	Acquisition Date	Acquisition Price (million yen) (Note 1)	Investment Ratio (%) (Note 2)	Leasable Space (㎡) (Note 3)	PML (%) (Note 4)
Office Bldg	Osaka area	Twin 21 (Note 5)	Chuo-ku, Osaka	March 1986	August 2006	68,700	42.9	82,396.79	3.5
		Matsushita IMP Bldg.	Chuo-ku, Osaka	February 1990, added on to in Nov. 2003	August 2006	24,600	15.4	37,160.95	3.2
		Panasonic Osaka Kyobashi Bldg.	Chuo-ku, Osaka	August 1974	August 2006	7,620	4.8	12,684.52	7.2
		Midosuji MID Bldg.	Chuo-ku, Osaka	October 1980, added on to in Dec. 2009	August 2006 October 2007	8,290	5.2	10,461.32	8.7
		MID REIT Kyobashi Bldg.	Miyakojima-ku, Osaka	February 2000	August 2006	2,300	1.4	4,833.88	7.8
		MID Imabashi Bldg.	Chuo-ku, Osaka	October 1990	April 2007	3,270	2.0	4,279.69	6.2
		MID Midosujikawaramachi Bldg.	Chuo-ku, Osaka	March 1998	May 2007	2,000	1.2	3,097.39	6.2
		Kitahama MID Bldg.	Chuo-ku, Osaka	February 2008	April 2008	10,800	6.7	10,189.49	3.0
		MID Nishihommachi Bldg.	Nishi-ku, Osaka	March 1989	October 2008	3,550	2.2	3,875.17	5.6
Subtotal (9 properties)			-	-	-	131,130	82.0	168,979.20	-
Non-Office Bldg.	Osaka area	Konami Sports Club Kyobashi	Miyakojima-ku, Osaka	June 1999	August 2006	2,780	1.7	9,586.26	5.7
	Other major cities	AEON MALL Tsudanuma	Narashino-shi, Chiba	September 2003, added on to in Dec. 2007	August 2006	26,100	16.3	101,210.44	4.0
Subtotal (2 properties)			-	-	-	28,880	18.0	110,796.70	-
Total (11 properties)			-	-	-	1610,010	100.0	279,775.90	2.9

Notes:

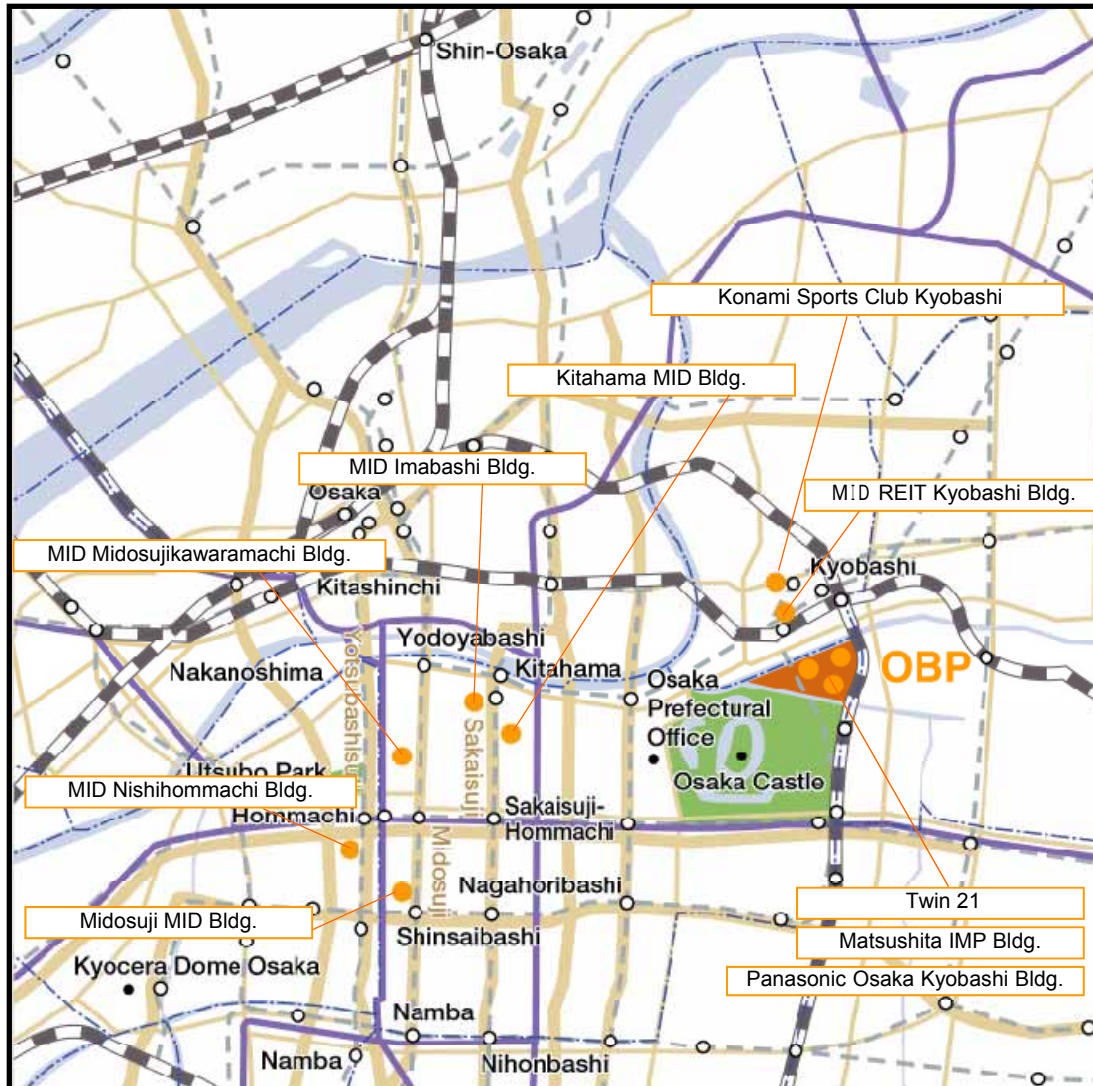
1. "Acquisition Price" states the sale price which is stated in the sales contract for the respective trust beneficiary interest, etc. (excluding various acquisition expenses, property taxes and consumption taxes, etc.).
2. "Investment Ratio" indicates the ratio of the acquisition price of the applicable asset to the total amount of acquisition prices and is rounded to the first decimal place. Accordingly, the entered amounts do not necessarily add up to the figures presented in the "Subtotal" and "Total" rows.
3. "Leasable Space" represent the total leasable floor space as of Dec. 31, 2012. (Figures are for leasable units only and exclude the floor space for storage, halls, parking, etc. However, the leasable space of Konami Sports Club Kyobashi and AEON MALL Tsudanuma include the floor space for common areas and parking, while the leasable space of the MID REIT Kyobashi Bldg. include the floor space for common areas, each of which is leased in its entirety to a sole tenant.)
4. Expressed as a percentage, "PML" indicates [total estimated loss for a building in proportion to an exceedance probability of 0.211% (reoccurrence period of once in 475 years)] ÷ [replacement cost]. The equation was calculated based upon the "Risk Curve" developed by Engineering Risk & Services Corporation and OYO RMS Corporation. The Risk Curve indicates the relationship between the total loss amount upon the occurrence of an earthquake and the annual exceedance probability. The total PML represents the PML for the entire portfolio (11 properties) after Transfer of MID Shibakanasugibashi Bldg..
5. Including the trust beneficiary interest of Twin 21 (partial ownership of leased land).
6. In addition to the assets listed in the table above, MID REIT acquired silent partnership interests in Sakura Dori MID Bldg..

Portfolio Map

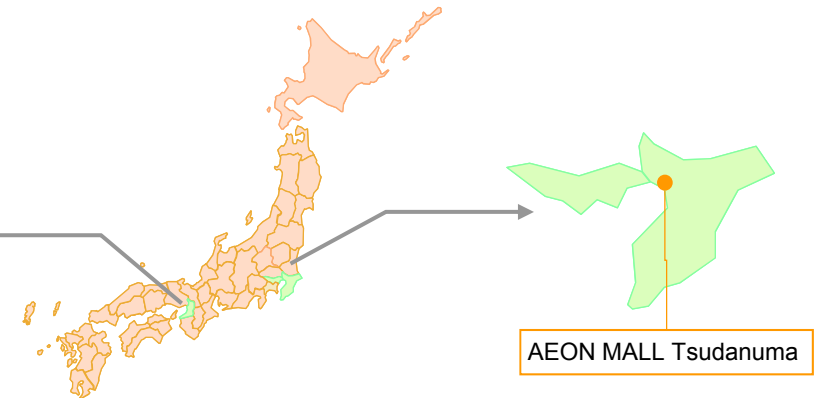
Portfolio centering on the Osaka area



Portfolio Data



Central Osaka



AEON MALL Tsudanuma




Osaka Business Park (OBP)

Overview of Properties

10 properties located in Osaka City (3 of which are OBP properties), while 1 property in Chiba prefectures



Use		Osaka Metropolitan Area								
Office Building	Osaka Business Park (OBP)									
		Twin 21	Matsushita IMP Bldg.	Panasonic Osaka Kyobashi Bldg.	Kitahama MID Bldg.	MID Nishihommachi Bldg.	Midosuji MID Bldg.	MID Midosujikawaramachi Bldg.	MID Imabashi Bldg.	MID REIT Kyobashi Bldg.
Other than Office Buildings	Osaka Metropolitan Area	Other (Chiba)				Silent Partnership Interests				
										
		Konami Sports Club Kyobashi	AEON MALL Tsudanuma				<p>Silent partnership interests operated by Sakura Dori Development LLC, the owner of Sakura Dori MID Bldg.(Located in Nagoya *) (Comprising 10% of Silent Partnership Interests) *86.0% occupancy rate as of the end of Dec. 2012</p>			

4. Business Results

Policy on Internal Growth

Strategic leasing activities and establishment of multifaceted relationships by making use of the comprehensive strengths of the MID Group



Policy

Maintain and enhance property revenue	<ul style="list-style-type: none"> · Closely monitoring office market trends, strengthening the attracting of new tenants and strengthening relationships with existing tenants · Aim to enhance tenant satisfaction by conducting repairs and capital expenditures of appropriate content and at the right timing for safe and secure property management · Implement upgrading and renewal to energy-saving and CO₂-reduction equipment in light of the needs for a low-carbon society
Strategy on existing tenants aimed at maintaining high occupancy rates	<ul style="list-style-type: none"> · Accurately discern tenant needs, such as for larger floor space within the facility, and proactively make proposals by conducting well-thought-out visits and tenant satisfaction surveys · Maintain and enhance relationships of trust with tenants and minimize contract cancellation risks through flexible and sincere response
Strategy on leasing to attract new tenants	<ul style="list-style-type: none"> · Implementation of efforts focused on shortening the duration of vacancy and enhancing occupancy rates by accurately discerning market conditions and property characteristics as well as promptly responding to the various needs of new tenants · Proactively implement leasing activities to the group companies of existing tenants and client companies · Engage in effective activities that leverage the strengths of having a comprehensive real estate business group that primarily operates in the Osaka region as a sponsor
Boost property competitiveness	<ul style="list-style-type: none"> · Carry out systematic upgrading, reflecting tenant satisfaction surveys, matters pointed out and requested by tenants, etc.
Address energy saving and CO ₂ reduction	<ul style="list-style-type: none"> · Appropriately respond to the requests of society via CO₂ reduction efforts through the introduction of energy-saving facilities and equipment

Activities to Maintain and Enhance Property Revenue (example)

Midosuji MID Bldg. (Osaka)

Succeeded in bringing in a tenant that manages rental conference rooms



TKP Corporation (TKP Osaka Shinsaibashi Conference Center)

Twin 21, Matsushita IMP Bldg. (Osaka)

Renovated rental conference rooms and increased convenience of the buildings



MID Property Management (Conference Room in OBP)

Capital Expenditures (CAPEX)

Actual Major CAPEX During 13th Period

Renewal of common areas of typical floor plate (Twin21)	51 million yen
Upgrading of the general receiving system (Twin21)	49 million yen
Upgrading of the general receiving system (Matsushita IMP Bldg.)	49 million yen
Construction for maintenance of air conditioning system (Matsushita IMP Bldg.)	44 million yen
Construction for setting rope-guard of elevator (Twin21)	23 million yen

Major CAPEX Expected (14th, 15th Period)

Construction for the attracting of tenants (Matsushita IMP Bldg.)	86 million yen
Renewal of common areas of typical floor plate (WC) (Twin21) (14th Period)	73 million yen
Renewal of common areas of typical floor plate (WC) (Twin21) (15th Period)	75 million yen
Upgrading of light control system of Enkei Hall (Twin21)	59 million yen
Upgrading of the general receiving system (Twin21)	53 million yen

Occupancy Conditions by Property

Portfolio occupancy rate raised 0.6% partially due to completing transfer of MID Shibakanasugibashi Bldg.



Type	Property Name	Leasable Space (m ²) (Note 1)	①12th Period Occupancy Rate as of June 30, 2012 (%) (Note 2)	②13th Period Occupancy Rate as of Dec. 31, 2012 (%) (Note 2)	Difference ② - ① (points)	Movements During 13th Period			
						New Tenant Occupancy (m ²)	Expansion of Leased Space by Existing Tenants (m ²)	Cancellation (m ²)	Decrease in Leased Space by Existing Tenants (m ²)
Office Bldg.	Twin 21	82,396.79	95.8	95.3	- 0.5	76.04	-	- 514.92	-
	Matsushita IMP Bldg.	37,160.95	96.6	94.8	- 1.8	972.85	-	- 1,620.40	-
	Panasonic Osaka Kyobashi Bldg.	12,684.52	100.0	100.0	-	-	-	-	-
	Midosuji MID Bldg.	10,461.32	91.4	100.0	8.6	2,710.60	-	1,807.18	-
	MID REIT Kyobashi Bldg.	4,833.88	100.0	100.0	-	-	-	-	-
	MID Imabashi Bldg.	4,279.69	86.4	91.1	4.7	203.81	-	-	-
	MID Midosujikawaramachi Bldg.	3,097.39	94.9	100.0	5.1	159.06	-	-	-
	Kitahama MID Bldg.	10,189.49	100.0	98.2	- 1.8	-	-	-	- 187.81
	MID Nishihommachi Bldg.	3,875.17	100.0	91.6	- 8.4	83.94	201.04	- 606.46	-
	MID Shibakanasugibashi Bldg. (Note 4)		0.0						
Non- Office Bldg.	Konami Sports Club Kyobashi	9,586.26	100.0	100.0	-	<div> <div>Increase in floor space</div> <div>4,407.34m²</div> <div>Decrease in floor space</div> <div>- 4,736.77m²</div> <div>Net</div> <div>- 329.43m²</div> </div>			
	AEON MALL Tsudanuma	101,210.44	100.0	100.0	-				
Occupancy Rate by Type (Note 3)	Office Bldg. Occupancy Rate	168,979.20	95.1	96.0	0.9	4,206.30	201.04	- 4,548.96	- 187.81
	Non-Office Bldg. Occupancy Rate	110,796.70	100.0	100.0	-	-	-	-	-
Total		279,775.90	97.0	97.6	0.6	4,206.30	201.04	- 4,548.96	- 187.81

Notes:

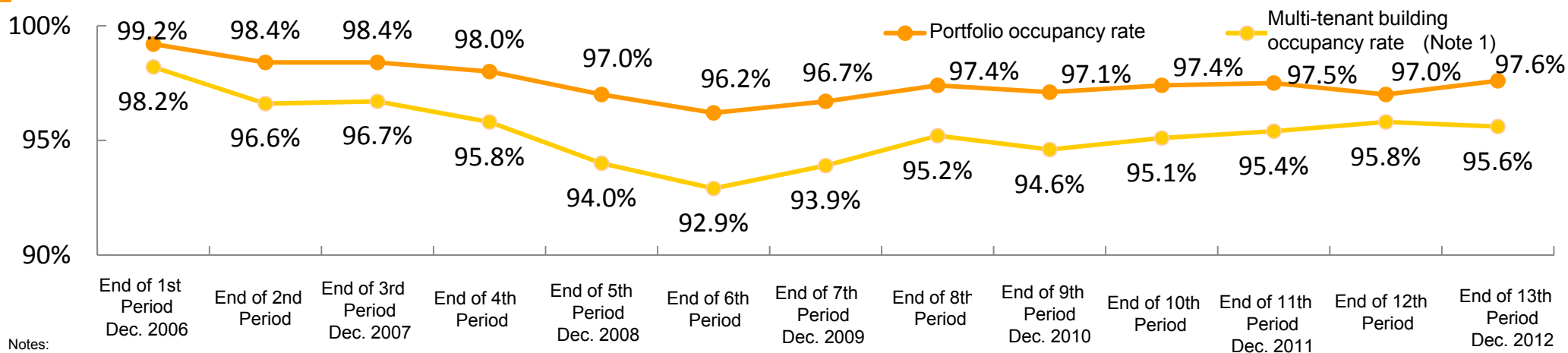
1. "Leasable Space" represent the total leasable floor space as of Dec. 31, 2012. (Figures are for leasable units only and exclude the floor space for storage, halls, parking, etc. However, the leasable space of Konami Sports Club Kyobashi and AEON MALL Tsudanuma include the floor space for common areas and parking, while the leasable space of the MID REIT Kyobashi Bldg. include the floor space for common areas, each of which is leased in its entirety to a sole tenant.)
2. "Occupancy rate" is presented as percentage figures, which are obtained by dividing the period-end leased space by the leasable space and rounded to the first decimal place.
3. Occupancy rate by type and portfolio occupancy rate are presented as percentages that are obtained by dividing the sum of the leased space of each group by the sum of the group's leasable space and rounded to the first decimal place.
4. MID REIT transferred MID Shibakanasugibashi Bldg. on Sep. 25, 2012.

Changes in Occupancy Rates

Maintaining a high occupancy rate since listing



Changes in Occupancy Rates (End of 1st Period to End of 13th Period)



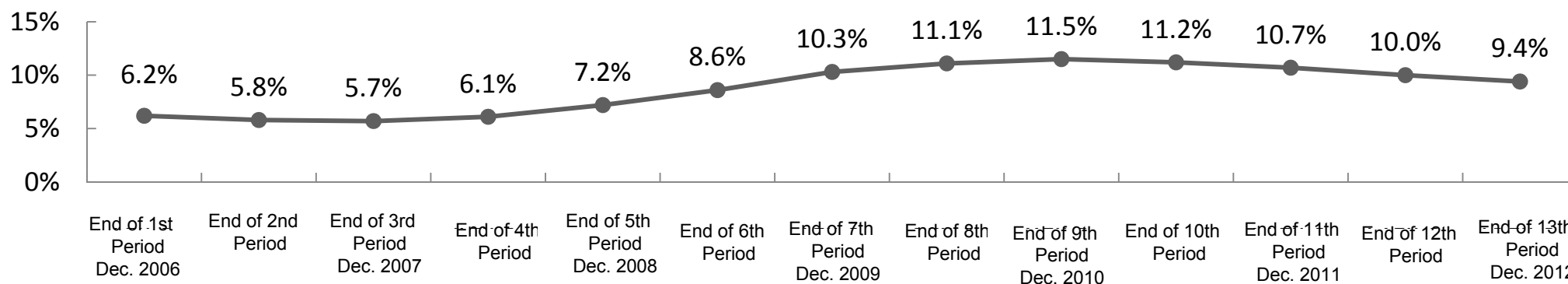
Notes:

1. Properties considered in the calculation are as follows.

- a. August 2006 to March 2007: Twin 21, Matsushita IMP Bldg. and Kyobashi MID Bldg.
- b. April 2007: Twin 21, Matsushita IMP Bldg., Kyobashi MID Bldg. and MID Imabashi Bldg.
- c. May 2007 to March 2008: Twin 21, Matsushita IMP Bldg., Kyobashi MID Bldg., MID Imabashi Bldg. and MID Midosujikawaramachi Bldg.
- d. April 2008 to September 2008: Twin 21, Matsushita IMP Bldg., MID Imabashi Bldg., MID Midosujikawaramachi Bldg. and Kitahama MID Bldg.
- e. October 2008 to March 2009: Twin 21, Matsushita IMP Bldg., MID Imabashi Bldg., MID Midosujikawaramachi Bldg., Kitahama MID Bldg. and MID Nishihommachi Bldg.
- f. April 2009 and after: Twin 21, Matsushita IMP Bldg., MID Imabashi Bldg., MID Midosujikawaramachi Bldg., Kitahama MID Bldg., MID Nishihommachi Bldg. and Midosuji MID Bldg.

2. The following figure shows changes in the office building vacancy rate in Osaka City as of the end of each fiscal period. Please see page 10 for details of the office building vacancy rate in Osaka City.

(Reference) Changes in Office Building Vacancy Rate in Osaka City



Source: CBRE

Rent Revisions

Existing tenants continue to request reductions before the end of the contract period



Rent Revisions during the Period

Contract Renewals with Existing Tenants (Note 1)

		Number of Tenants	Floor Space (m ²)	Amount Difference (million yen) *Monthly amount × 6
Revision of Rent Amount	Upward revision	0	0	—
	Unchanged	13	6,191.21	—
	Downward revision	4	1,207.80	- 1
Total				- 1

Contract Modifications with Existing Tenants (Note 2)

		Number of Tenants	Floor Space (m ²)	Amount Difference (million yen) *Monthly amount × 6
Revision of Rent Amount	Upward revision	1	9,586.26	1
	Downward revision	7	46,950.24	- 66
Total				- 65

New Contracts (Note 3)

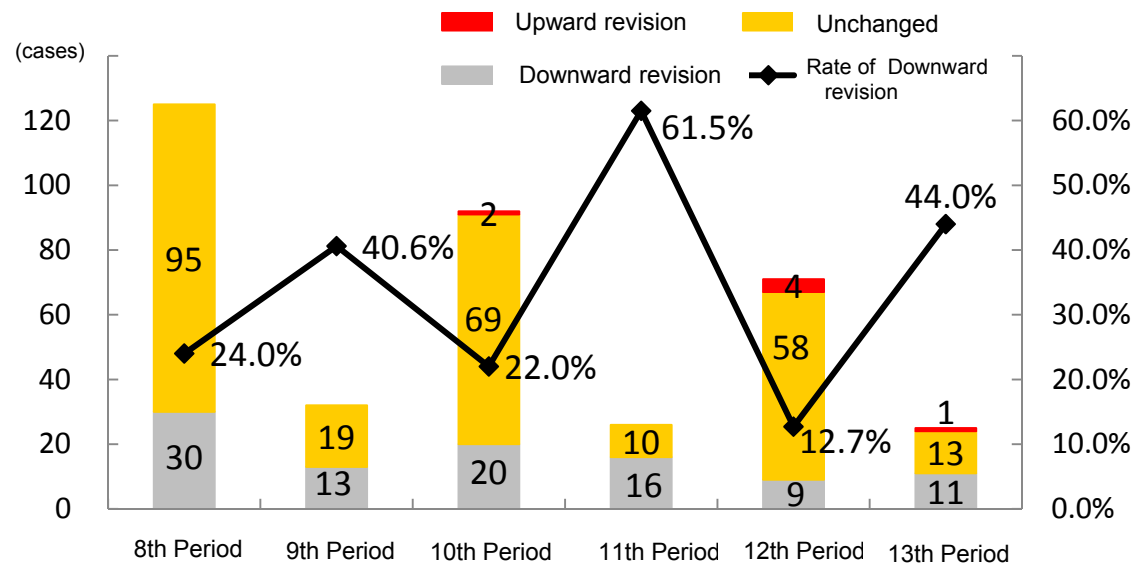
		Number of Tenants	Floor Space (m ²)	Amount Difference (million yen) *Monthly amount × 6
Comparison of Rent Amount with Most Recent Unit Price (Note 4)	Up	0	0.00	—
	Same	1	312.16	—
	Down	11	4,095.18	- 37
Total				- 37

Notes:

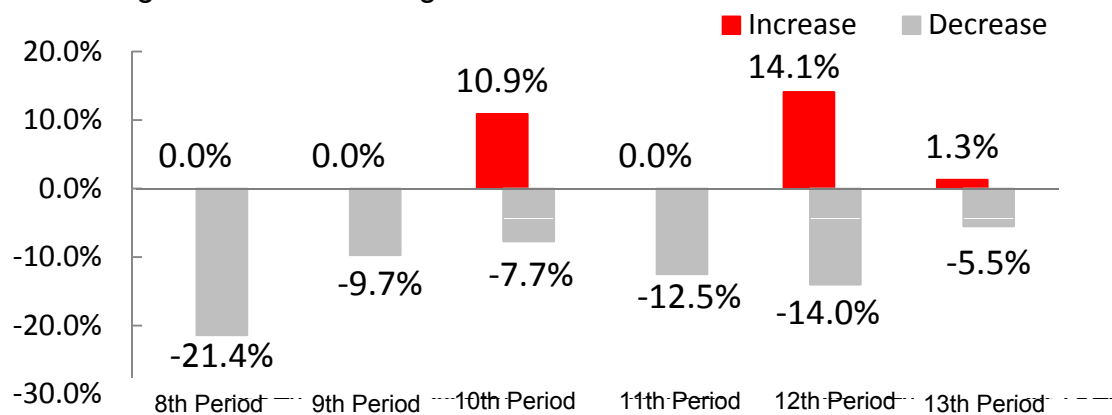
1. Based on contract renewals, etc. with tenants whose contracts expired during the 13th Period.
2. Based on contract modifications with tenants whose contracts were active but were modified during the 13th Period.
3. Based on contracts signed with new tenants during the 13th Period and contracts newly signed with existing tenants for larger floor space, etc. during the 13th Period.
4. Comparison of the unit price of rent paid by new tenants with the unit price of rent (most recent unit price) paid by tenants who had occupied the same rental units as the concerned new tenants since MID REIT's acquisition of the property.

Rent Revision Trends

Changes in Number of Cases



Changes in Rate of Change



Note: Based on contract renewals, etc. with tenants whose contracts expired during each period and contract modifications with tenants whose contracts were active but were modified during each period.

List of Appraisal Values

Twin 21 declined due to rent reduction from conclusion of memorandum to change lease agreement for Twin 21 OBP Panasonic Tower



Type	Region	Property Name	Acquisition Price (million yen) (Note 1)	Appraisal Value at 12th Period End (million yen) (Note 2)	Book Value as of 13th Period End (million yen) (Note 3)	Appraisal Value at 13th Period End (million yen) (Note 2)	Difference from Acquisition Price (%)	Difference from Previous Period End (%)	Difference from Book Value (%)	Appraisal Company	12th Period Appraisal Value Rate (%) (Note 5)	13th Period Appraisal Value Rate (%) (Note 5)
Office Bldg.	Osaka area	Twin 21 (Note 4)	68,700	51,000	68,770	47,200	-31.3	-7.5	-31.4	Morii Appraisal & Investment Consulting, Inc.	5.2	5.2
		Matsushita IMP Bldg.	24,600	19,700	23,789	18,800	-23.6	-4.6	-21.0	Tanizawa Sogo Appraisal Co., Ltd.	5.5	5.5
		Panasonic Osaka Kyobashi Bldg.	7,620	6,900	7,436	4,080	-46.5	-40.9	-45.1	Morii Appraisal & Investment Consulting, Inc.	5.6	5.5
		Midosuji MID Bldg.	8,290	7,040	8,833	6,790	-18.1	-3.6	-23.1	Tanizawa Sogo Appraisal Co., Ltd.	4.9	4.9
		MID REIT Kyobashi Bldg.	2,300	1,260	2,192	1,260	-45.2	-	-42.5	Tanizawa Sogo Appraisal Co., Ltd.	6.1	6.1
		MID Imabashi Bldg.	3,270	2,290	3,276	2,270	-30.6	-0.9	-30.7	Tanizawa Sogo Appraisal Co., Ltd.	5.5	5.5
		MID Midosujikawaramachi Bldg.	2,000	1,360	1,971	1,360	-32.0	-	-31.0	Tanizawa Sogo Appraisal Co., Ltd.	5.9	5.9
		Kitahama MID Bldg.	10,800	8,510	10,749	8,210	-24.0	-3.5	-23.6	Japan Real Estate Institute	5.1	5.1
		MID Nishihommachi Bldg.	3,550	2,160	3,480	2,060	-42.0	-4.6	-40.8	Japan Real Estate Institute	5.4	5.4
Subtotal			131,130	100,220	130,500	92,030	-29.8	-8.2	-29.5	-	-	-
Non-Office Bldg.	Osaka area	Konami Sports Club Kyobashi	2,780	2,840	2,560	2,850	2.5	0.4	11.3	Daiwa Real Estate Appraisal Co., Ltd.	6.0	6.0
	Other major cities	AEON MALL Tsudanuma	26,100	23,900	24,966	24,400	-6.5	2.1	-2.3	Daiwa Real Estate Appraisal Co., Ltd.	5.4	5.3
Subtotal			28,880	26,740	27,526	27,250	-5.6	1.9	-1.0	-	-	-
Total			160,010	126,960	158,027	119,280	-25.5	-6.1	-24.5	-	-	-

Notes:

1. "Acquisition Price" states the sale price which is stated in the sales contract for the respective trust beneficiary interest, etc. (excluding various acquisition expenses, property taxes and consumption taxes, etc.).
2. "Appraisal Value" is the appraisal value at the end of the fiscal period based on the appraisal report with Dec. 31, 2012 as the date of the value opinion prepared by Morii Appraisal & Investment Consulting, Inc., 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 MID REIT's Articles of Incorporation and rules of The Investment Trusts Association, Japan.
3. "Book Value" is the value appropriated to the balance sheets and is expressed as the applicable asset's acquisition price (including various acquisition expenses) less accumulated depreciation.
4. Including the trust beneficiary interest of Twin 21 (partial ownership of leased land).
5. Appraisal Value Rate" is the cap rate based on the direct capitalization method.

Tenant Trends

Major tenants are AEON Retail and Panasonic



Overview of Key Tenants

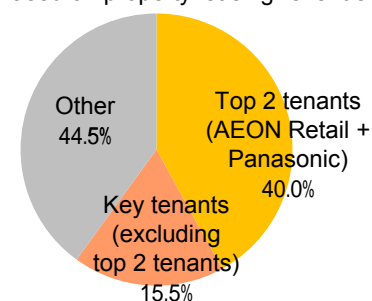
Tenant	Tenant of	Expiration Date of the Contract (Note 1)	Leased Floor Space (m ²)	As a Percentage of Total Leased Floor Space (%) (Note 2)
AEON Retail Co., Ltd.	AEON MALL Tsudanuma	Sep. 29, 2023	101,210.44	37.1
Panasonic Corporation	Twin21, Panasonic Osaka Kyobashi Bldg. (Note 3)	Mar. 31, 2017	53,641.12	19.6
Konami Sports & Life Co., Ltd.	Konami Sports Club Kyobashi	- (Note 4)	9,586.26	3.5
Nippon Computer System Co., Ltd.	Matsushita IMP Bldg.	Apr. 30, 2014	5,632.24	2.1
NTT Directory Services Co.	MID REIT Kyobashi Bldg.	Feb. 28, 2013	4,833.88	1.8
Human Academy Co., Ltd.	Midosuji MID Bldg.	- (Note 4)	4,643.59	1.7
Asahi Breweries Co., Ltd.	Matsushita IMP Bldg.	Mar. 31, 2015	4,531.23	1.7
CTI Engineering Co., Ltd.	Kitahama MID Bldg.	- (Note 4)	4,077.50	1.5
Mizushima & Aoyama Co., Ltd. (Note5)	Matsushita IMP Bldg.	Mar. 31, 2013	3,773.39	1.4
SOHGO Security Services Co., Ltd.	Matsushita IMP Bldg.	Mar. 31, 2014	2,816.12	1.0
Total			194,745.77	71.3

Notes:

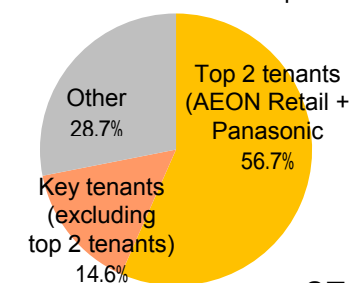
1. The expiration date of the contract with the largest leased floor space is stated if there are multiple leasing contracts, etc.
2. The leased floor space as a percentage of total leased floor space is rounded to the first decimal place. Therefore, figures may not add up to the total in the "Total" column.
3. On October 31, 2012, MID REIT received a letter of Panasonic Osaka Kyobashi Bldg. canceling its rental contract (space rented to the tenant: 12,684.52m²; effective date of contract cancellation: May 31, 2013). The property is currently leased in its entirety to the tenant, Panasonic Corporation.
4. No statement is made on the expiration date of the contract when the consent for disclosure could not be obtained from tenant.
5. MID REIT has received a notice of termination for lease agreement of Matsushita IMP Bldg. on August 31, 2012 (decrease in rented space: 3,773.39m²; termination date: March 31, 2013).

Top Tenants' Share

Based on property leasing revenue



Based on leased floor space



Tenant Satisfaction Survey

Satisfaction raised for “security measures” factors, which tenants emphasizing BCP measures look at



Tenant Satisfaction Survey

Applicable properties: Twin 21 MID Tower, Matsushita IMP Bldg., MID Imabashi Bldg., Kitahama MID Bldg., MID Nishihommachi Bldg., Midosuji MID Bldg. and MID Midosujikawaramachi Bldg.

Survey period: Oct. 22, 2012 to Nov. 26, 2012

Number sampled: 204 tenants

Surveyor: Kanden CS Forum Inc.(Note 2), Ad Dentsu Osaka Inc. and Dentsu Marketing Insight Inc.

Survey Results: Customer Satisfaction Index (CSI) (Note 1)

Factors	2008	2009	2010	2011	2012	Difference (2011 → 2012)
Security measures	68.0	63.0	66.2	66.9	69.1	+2.2
Ambience	75.3	73.0	79.5	79.3	81.0	+1.7
User-friendliness of building facilities and equipment	60.4	57.2	65.2	65.5	67.1	+1.6
Common-area functions	58.5	56.7	64.7	64.7	66.1	+1.4
Overall building comfort	54.2	52.2	55.1	56.5	57.8	+1.3
Effectiveness of property management	68.9	66.5	68.3	70.3	71.4	+1.1
Attitude of management staff	74.2	72.8	74.1	74.4	75.5	+1.1
Cleanliness	73.1	71.1	71.5	72.1	72.8	+0.7
Effectiveness of facility management	76.7	74.4	73.9	76.3	76.8	+0.5

Notes:

1. CSI: Customer Satisfaction Index. The results of the customer (tenant) evaluation of building facilities, services and other factors are weighted to adjust the difference between the levels of their needs (expectations) and satisfaction for each factor. Then, the level of their satisfaction for each factor is rated on a scale of zero to 100.
2. The addition of Kanden CS Forum Inc. as surveyor, starting from the 2010 survey, adds the Kansai Electric Power Group's perspective on customer satisfaction and makes it clear that the stance is to place further emphasis on such.
3. Surveyed properties are the following:
 2008: Twin 21, Matsushita IMP Bldg., MID Imabashi Bldg.
 2009: Twin 21, Matsushita IMP Bldg., MID Imabashi Bldg., Kitahama MID Bldg. and MID Nishihommachi Bldg.
 2010 and after: Twin 21, Matsushita IMP Bldg., MID Imabashi Bldg., Kitahama MID Bldg., MID Nishihommachi Bldg., Midosuji MID Bldg. and MID Midosujikawaramachi Bldg.

5. Financial Strategy

Financial Policy

Establishment of a stable financial base



LTV Control	<ul style="list-style-type: none"> The upper limit of LTV (Interest-bearing debt at end of period ÷ Total assets at end of period) is set at 60%, but we would like to control it within a stable range, targeting around 50% during normal operations (LTV was 40.9% at the end of the 13th fiscal period) 																														
Reduction of Interest-rate Fluctuation Risk	<ul style="list-style-type: none"> The goal is to balance out loan terms between long-term and short-term loans, and the form of interest rate between fixed and floating interest rates <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>Ratio of Long-term/Short-term Debt</p> <p>Long-term loans payable 100.0%</p> </div> <div style="text-align: center;"> <p>Fixed Interest Rate Ratio</p> <p>Floating interest rate 27.2%</p> <p>Fixed interest rate 72.8%</p> </div> </div>																														
Reduction of Refinancing Risk	<ul style="list-style-type: none"> Our goal is to diversify lenders, diversify procurement schemes (loans, investment corporate bonds, etc.) and to spread repayment and redemption deadlines, among others <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p style="text-align: center;">Debt Financing of Each Bank (million yen)</p> <table border="1"> <thead> <tr> <th>Lender</th><th>Balance</th></tr> </thead> <tbody> <tr><td>Mizuho Corporate Bank</td><td>10,500</td></tr> <tr><td>Sumitomo Mitsui Trust Bank</td><td>9,400</td></tr> <tr><td>Sumitomo Mitsui Banking</td><td>9,400</td></tr> <tr><td>Aozora Bank</td><td>9,300</td></tr> <tr><td>Development Bank of Japan</td><td>9,200</td></tr> <tr><td>Resona Bank</td><td>6,000</td></tr> <tr><td>Mitsubishi UFJ Trust and Banking</td><td>5,900</td></tr> <tr><td>Shinkin Central Bank</td><td>5,000</td></tr> <tr><td>Senshu Ikeda Bank</td><td>2,600</td></tr> <tr><td>Nishi-Nippon City Bank</td><td>2,000</td></tr> <tr><td>Hyakugo Bank</td><td>1,000</td></tr> <tr><td>Minato Bank</td><td>1,000</td></tr> <tr><td>Nanto Bank</td><td>500</td></tr> <tr><td>Total</td><td>71,800</td></tr> </tbody> </table> </div> <div style="width: 45%;"> <p style="text-align: center;">Diversification of Repayment Dates</p> <p>(billion yen)</p> <p>Notes: The 4.5 billion yen out of 8.8 billion yen due for repayment in the 23rd Period will be repaid as follows: 1. Repayment dates: The first repayment shall be January 31, 2011, followed by subsequent repayments on the last day of January and July of each year, with the final repayment on July 31, 2017 (Should said date not fall on a business day, the effective date will be the first business day following said date. If this following business day falls into the next month, the effective date will be the business day immediately prior to said date.) 2. Repayment method: From January 31, 2011 to last day of January 2017 Repayments of 125 million yen each time On July 31, 2017 Repayment of 3,375 million yen</p> </div> </div>	Lender	Balance	Mizuho Corporate Bank	10,500	Sumitomo Mitsui Trust Bank	9,400	Sumitomo Mitsui Banking	9,400	Aozora Bank	9,300	Development Bank of Japan	9,200	Resona Bank	6,000	Mitsubishi UFJ Trust and Banking	5,900	Shinkin Central Bank	5,000	Senshu Ikeda Bank	2,600	Nishi-Nippon City Bank	2,000	Hyakugo Bank	1,000	Minato Bank	1,000	Nanto Bank	500	Total	71,800
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Total	71,800																														

- Issuer rating of A - (stable)
(Rating and Investment Information, Inc. (R&I))

Details on Debt Financing

Finished refinancing borrowings that were due for repayment on July 31, 2012



Breakdown of Debt Financing

Type	Lenders		Drawdown Date	Balance	Interest Rate	Repayment Date	Repayment Method	Remarks
Long-term loans payable (Note 1)	Term loan (3 years and 3 months)	Mizuho Corporate Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking, Aozora Bank, Mitsubishi UFJ Trust and Banking, Shinkin Central Bank, The Nishi-Nippon City Bank.	Apr. 23, 2010	11,000 million yen	JBA Japanese Yen TIBOR + 0.8%	July 31, 2013	Bullet payment	Unsecured Unguaranteed
	Term loan (2 years and 11 months)	Mizuho Corporate Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking, Aozora Bank, Mitsubishi UFJ Trust and Banking, Senshu Ikeda Bank, Hyakugo Bank, Minato Bank	Aug. 31, 2010	17,500 million yen	JBA Japanese Yen TIBOR + 0.8% (Note 2)	July 31, 2013	Bullet payment	Unsecured Unguaranteed
	Term loan (4 years and 11 months)	Mizuho Corporate Bank, Resona Bank, Shinkin Central Bank, Nanto Bank	Aug. 31, 2010	6,500 million yen	JBA Japanese Yen TIBOR + 1.0% (Note 3)	July 31, 2015	Bullet payment	Unsecured Unguaranteed
	Term loan (6 years and 11 months)	Development Bank of Japan	Aug. 31, 2010	4,500 million yen	1.79507% (Note 6)	July 31, 2017	125 million yen every 6 months (end of January and July) 3,375 million yen on final principal repayment date	Unsecured Unguaranteed
	Term loan (3 years)	Mizuho Corporate Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking, Aozora Bank, Resona Bank, Shinkin Central Bank, Senshu Ikeda Bank	July 29, 2011	13,800 million yen	JBA Japanese Yen TIBOR + 0.6% (Note 4)	July 31, 2014	Bullet payment	Unsecured Unguaranteed
	Term loan (5years)	Mizuho Corporate Bank, Development Bank of Japan	July 29, 2011	4,000 million yen	1.36375% (Note 6)	July 31, 2016	Bullet payment	Unsecured Unguaranteed
	Term loan (3 years)	Mizuho Corporate Bank, Sumitomo Mitsui Banking, Resona Bank, Mitsubishi UFJ Trust and Banking, Senshu Ikeda Bank	July 31, 2012	8,500 million yen	JBA Japanese Yen TIBOR + 0.6%	July 31, 2015	Bullet payment	Unsecured Unguaranteed
	Term loan (5years)	Sumitomo Mitsui Trust Bank, Aozora Bank	July 31, 2012	4,300 million yen	JBA Japanese Yen TIBOR + 0.8% (Note 5)	July 31, 2017	Bullet payment	Unsecured Unguaranteed
	Term loan (7years)	Development Bank of Japan	July 31, 2012	1,700 million yen	1.52375% (Note 6)	July 31, 2019	Bullet payment	Unsecured Unguaranteed
Total				71.800 million yen				

Notes:

- Loans are co-financed by the banks in the list.
- In accordance with the interest-rate swap agreement, the actual interest rate is 1.142% (p.a.) up to the principal repayment date.
- In accordance with the interest-rate swap agreement, the actual interest rate is 1.447% (p.a.) up to the principal repayment date.

- In accordance with the interest-rate swap agreement, the actual interest rate is 1.0625% (p.a.) up to the principal repayment date.
- In accordance with the interest-rate swap agreement, the actual interest rate is 1.141% (p.a.) up to the principal repayment date.
- Interest rates are fixed.

Credit Line

Type	Lenders	Credit Line	Use of Funds
Basic credit line agreement	Mizuho Corporate Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking	10.0 billion yen	Future new asset acquisition and payment of related expenses

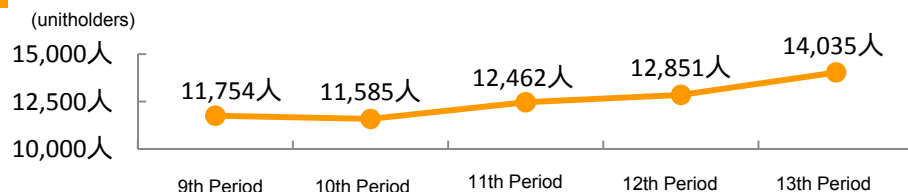
6. Details on Unitholders and Units Held

Unitholder Details

14,035 unitholders as of end of 13th Period, with individuals and foreign individuals increasing to record high

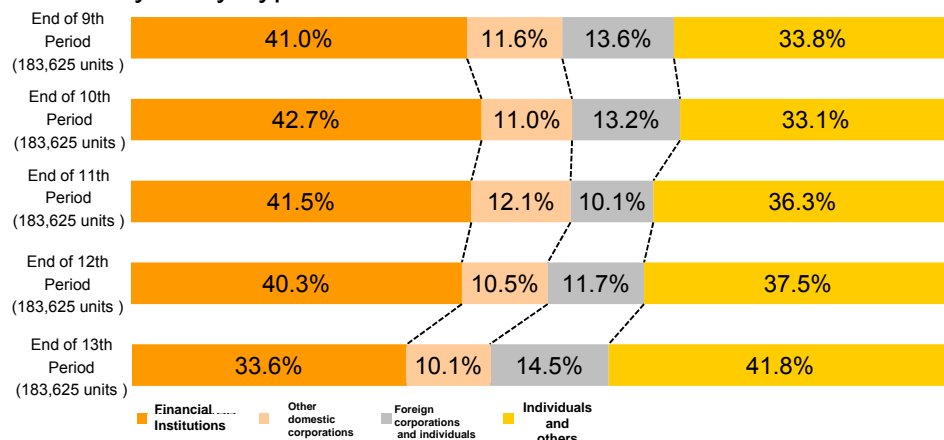


Changes in Number of Unitholders

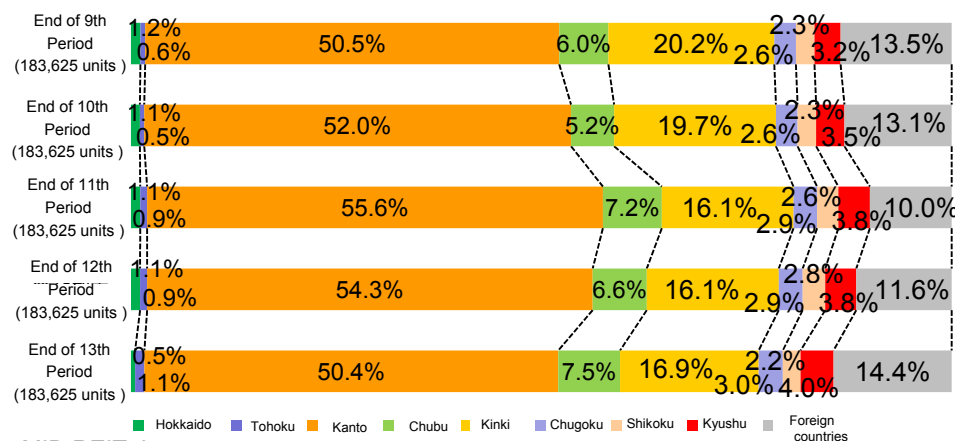


Analysis of Investor Attributes (Distribution of Number of Units Held)

Analysis by Type of Investor



Analysis by Region



Top Unitholders

Major Unitholders

Name	Number of units held	Ratio of units held to total units issued and outstanding (%) (Note)	Difference
Japan Trustee Services Bank, Ltd. (Trust Account)	28,318	15.42	-10,165
MID Urban Development Co., Ltd.	9,200	5.01	0
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	6,707	3.65	-1,968
The Master Trust Bank of Japan, Ltd. (Trust Account)	5,306	2.89	+615
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	4,252	2.32	+369
Nomura Bank (Luxembourg) S.A.	3,850	2.10	-610
The Hiroshima Bank, Ltd.	1,892	1.03	0
UBS AG LONDON A/C IPB SEGREGATED CLIENT ACCOUNT	1,683	0.92	+1,134
The Daisan Bank, Ltd.	1,465	0.80	0
Individuals	1,303	0.71	0
Total	63,976	34.84	-

Note: The ratios of units held to total units issued and outstanding are rounded off to two decimal places.

Status of Large Unitholding Reports Submitted (as of Feb. 1, 2013)

Submitter or name of joint unitholder	Number of units held	Ratio of units held to total units issued and outstanding (%) (Note 1) (Note 2)	Dates of latest submissions
The Fuji Fire and Marine Insurance Co., Ltd.	9,714	5.29	October 7, 2008
Mizuho Trust & Banking Co., Ltd. Mizuho Asset Management Co., Ltd. Shinko Asset Management Co., Ltd.	9,271	5.05	May 9, 2012
MID Urban Development Co., Ltd.	9,200	5.01	January 10, 2007

Notes:

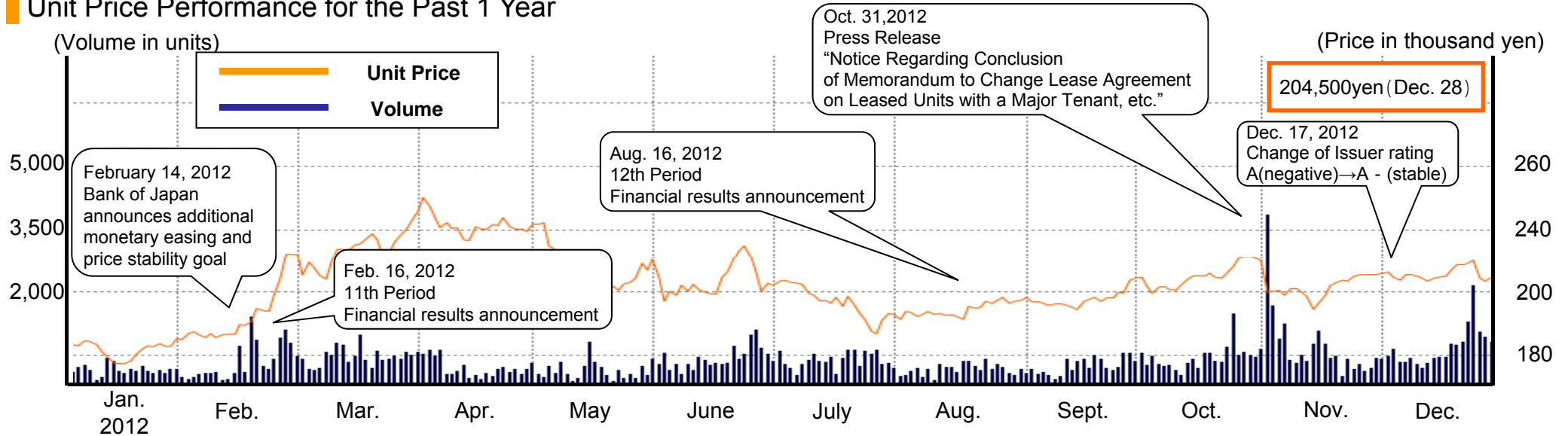
- The ratios of units held to total units issued and outstanding are based on values recorded in large unitholding reports.
- Only submitters and joint unitholders who hold 5% or more of total units issued and outstanding are presented in the table above.

Unit Price Performance

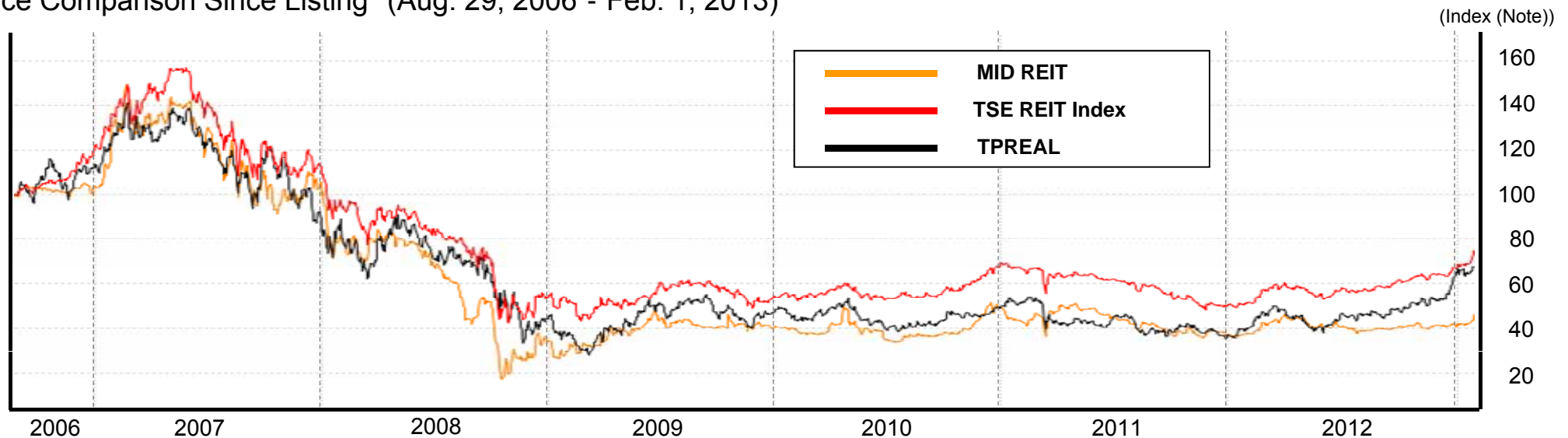
Generally stayed around 200,000 yen in 2012



Unit Price Performance for the Past 1 Year



Price Comparison Since Listing (Aug. 29, 2006 - Feb. 1, 2013)



Note: The TSE REIT Index and TOPIX Real Estate (TPREAL) are shown with prices as of August 29, 2006 set as 100.

MID REIT's unit price is shown with the closing price of MID REIT's units on August 29, 2006 (on which MID REIT's units were publicly listed) set as 100

Source: Bloomberg

7. Appendix

CSR Initiatives

Acquisition of DBJ Green Building Certification and Promotion of Disaster Prevention and BCP Measures



Acquisition of DBJ Green Building Certification Certified Properties

Certified Properties

Twin21 (Acquired certification in February 2012)	Matsushita IMP Bldg. (Acquired certification in February 2012)	Kitahama MID Bldg. (Acquired certification in February 2012)																																				
<div></div> <div><div>DBJ Green Building</div><div>Silver</div><div></div></div> <table><tr><td>Location</td><td>Shiomi, Chuo-ku, Osaka</td></tr><tr><td>Structure</td><td>SRC</td></tr><tr><td>Floors</td><td>B1/38F</td></tr><tr><td>Total floor space</td><td>146,034.98㎡</td></tr><tr><td>Construction completed</td><td>March 1986</td></tr><tr><td>Acquired</td><td>August 2006</td></tr></table>	Location	Shiomi, Chuo-ku, Osaka	Structure	SRC	Floors	B1/38F	Total floor space	146,034.98㎡	Construction completed	March 1986	Acquired	August 2006	<div></div> <div><div>DBJ Green Building</div><div>Silver</div><div></div></div> <table><tr><td>Location</td><td>Shiomi, Chuo-ku, Osaka</td></tr><tr><td>Structure</td><td>S, SRC</td></tr><tr><td>Floors</td><td>B2/26F</td></tr><tr><td>Total floor space</td><td>84,952.57㎡</td></tr><tr><td>Construction completed</td><td>February 1990 Added on to in November 2003</td></tr><tr><td>Acquired</td><td>August 2006</td></tr></table>	Location	Shiomi, Chuo-ku, Osaka	Structure	S, SRC	Floors	B2/26F	Total floor space	84,952.57㎡	Construction completed	February 1990 Added on to in November 2003	Acquired	August 2006	<div></div> <div><div>DBJ Green Building</div><div>Silver</div><div></div></div> <table><tr><td>Location</td><td>Doshomachi, Chuo-ku, Osaka</td></tr><tr><td>Structure</td><td>S, SRC</td></tr><tr><td>Floors</td><td>B1/18F</td></tr><tr><td>Total floor space</td><td>14,648.13㎡</td></tr><tr><td>Construction completed</td><td>February 2008</td></tr><tr><td>Acquired</td><td>April 2008</td></tr></table>	Location	Doshomachi, Chuo-ku, Osaka	Structure	S, SRC	Floors	B1/18F	Total floor space	14,648.13㎡	Construction completed	February 2008	Acquired	April 2008
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Promotion of Disaster Prevention and BCP Measures

Periodic Implementation of Firefighting and Emergency Drills(Matsushita IMP Bldg.)

Implementing emergency drills with the participation of tenants with the aim of teaching how to better respond to disasters and improve disaster prevention awareness through practical evacuation and firefighting drills under the instruction of the fire department.



Supplied Disaster Mitigation Equipment

At all 7 multi-tenant buildings, supplied disaster mitigation goods as part of follow-up for tenants in preparation of disasters.



Financial Statements (1)



Balance Sheet

Description	12th Period (as of June 30, 2012)		13th Period (as of Dec. 31, 2012)		Difference	
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)
(ASSETS)						
Total Current Assets	15,774	8.9	16,821	9.6	1,047	6.6
Cash and deposits	10,093		11,263		1,169	
Cash and deposits in trust	5,507		5,398		-109	
Operating accounts receivable	138		135		-3	
Prepaid expenses	33		23		-10	
Deferred tax assets	0		0		-0	
Total Noncurrent Assets	160,526	91.1	158,624	90.4	-1,902	-1.2
1. Property, plant and equipment						
Buildings in trust	61,498		61,293		-1,146	
Accumulated depreciation	-11,127		-12,069			
Structures in trust	109		111		0	
Accumulated depreciation	-12		-14			
Tools, furniture and fixtures in trust	399		421		-3	
Accumulated depreciation	-144		-170			
Land in trust	109,210		108,456		-753	
Construction in progress in trust	1		1		-	
Total property, plant and equipment	159,933	90.7	158,029	90.1	-1,904	-1.2
2. Intangible assets						
Software	1		1		-0	
Right of trademark	0		0		-0	
Total intangible assets	1	0.0	1	0.0	-0	-9.4
3. Investments and other assets						
Investment securities	182		172		-9	
Lease and guarantee deposits	10		10		-	
Long-term prepaid expenses	398		410		11	
Total investments and other assets	591	0.3	593	0.3	2	0.3
Total Assets	176,300	100.0	175,445	100.0	-855	-0.5

Description	12th Period (as of June 30, 2012)		13th Period (as of Dec. 31, 2012)		Difference	
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)
(LIABILITIES)						
Total Current Liabilities	16,982	9.6	31,434	17.9	14,452	85.1
Operating accounts payable	292		366		73	
Current portion of long-term loans payable	14,750		28,750		14,000	
Accounts payable - other	721		700		-20	
Accrued expenses	138		129		-8	
Distribution payable	9		9		-0	
Income taxes payable	1		1		-0	
Accrued consumption taxes	26		44		18	
Advances received	688		592		-96	
Other	353		838		485	
Total Noncurrent Liabilities	67,506	38.3	52,314	29.8	-15,192	-22.5
Long-term loans payable	57,175		43,050		-14,125	
Tenant leasehold and security deposits	8,202		7,130		-1,072	
Tenant leasehold and security deposits in trust	2,128		2,133		5	
Total Liabilities	84,488	47.9	83,749	47.7	-739	-0.9
(NET ASSETS)						
Unitholders' Equity						
1. Unitholders' capital	90,372		90,372		-	
2. Surplus						
Unappropriated retained earnings (undisposed loss)	1,439		1,324		-115	
Total surplus	1,439		1,324		-115	
Total unitholders' equity	91,812		91,696		-115	
Total Net Assets	91,812	52.1	91,696	52.3	-115	-0.1
Total Liabilities and Net Assets	176,300	100.0	175,445	100.0	-855	-0.5

Includes CAPEX accrued during the period: 343 million yen
(see page 40 for details of properties)

Financial Statements (2)



Income Statement

Description	12th Period (Jan. 1, 2012 – June 30, 2012)		13th Period (July 1, 2012 – Dec. 31, 2012)		Difference	
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)
1. Operating revenue	5,717	100.0	5,628	100.0	-88	-1.6
Rent revenue - real estate	5,338		5,113			
Other lease business revenue	378		437			
Gain on sales of real estate properties	-		77			
2. Operating expenses	3,644	63.8	3,747	66.6	102	2.8
Expenses related to rent business	3,065		3,194			
Asset management fee	428		422			
Asset custody fee	8		8			
Administrative service fees	44		44			
Directors' compensations	9		5			
Other operating expenses	87		71			
Operating income	2,072	36.2	1,881	33.4	-191	-9.2
3. Non-operating income	18	0.3	3	0.0	-15	-82.9
Interest income	1		1			
Reversal of distribution payable	1		1			
Property taxes refund	15		-			
Other	0		-			
4. Non-operating expenses	649	11.4	558	9.9	-90	-14.0
Interest expenses	446		432			
Borrowing related expenses	202		126			
Other	0		0			
Ordinary income	1,441	25.2	1,325	23.5	-115	-8.0
5. Extraordinary income	-	-	4	0.0	4	-
Subsidy income	-		4			
6. Extraordinary loss	-	-	4	0.0	4	-
Loss on reduction of noncurrent assets	-		4			
Income before income taxes	1,441	25.2	1,325	23.6	-115	-8.0
Total income taxes	1	0.0	1	0.0	-0	-4.3
Income taxes - current	1		1			
Income taxes - deferred	0		0			
Net income	1,439	25.2	1,323	23.5	-115	-8.0
Retained earnings brought forward	0		0			
Unappropriated retained earnings (undisposed loss)	1,439		1,324		-115	-8.0

Details of rent revenue - real estate

Rent	3,998
CAM	969
Parking revenue	146

Details of expenses related to rent business

Property management fees	708
Utilities	538
Real estate taxes	529
Insurance premiums	31
Repairs	204
Depreciation and amortization	1,089
Loss on retirement of noncurrent assets	29
Other lease business expenses	63

Financial and Accounting Indices



Indices	12th Period Results (Jan. 1, 2012 – June 30, 2012)	13th Period Results (July 1, 2012 – Dec. 31, 2012)	Comments
Net operating days	182days	184days	-
NOI from property leasing	3,789million yen	3,474million yen	Property leasing income + Depreciation and amortization + Loss on retirement of noncurrent assets
NOI yield from property leasing (p.a.)	4.7%	4.3%	NOI from property leasing (annualized) ÷ Total acquisition price of portfolio properties (on an average daily balance basis)
Funds from operations (FFO)	2,577million yen	2,364million yen	Net income (excl. gain or loss on sales of real estate properties) + Depreciation and amortization + Loss on retirement of noncurrent assets
FFO per unit	14,038yen	12,878Yen	FFO ÷ Total investment units issued and outstanding at end of period
Return on assets (ROA)	1.6%	1.5%	Ordinary income [annualized] ÷ {(Total assets at beginning of period + Total assets at end of period) ÷ 2}
Return on equity (ROE)	3.1%	2.9%	Net income [annualized] ÷ {(NAV at beginning of period + NAV at end of period) ÷ 2}
NAV per unit	499,998yen	499,369yen	NAV at end of period ÷ Total investment units issued and outstanding at end of period
Loan to value (LTV)	40.8%	40.9%	Interest-bearing liabilities at end of period ÷ Total assets at end of period
Debt service coverage ratio (DSCR)	6.6	6.4	Net income before interest and depreciation (Net income + Interest expenses + Depreciation and amortization) ÷ Interest expenses
Price book-value ratio (PBR)	0.4	0.4	Unit price at end of period ÷ NAV per unit
Price earnings ratio (PER)	12.8	14.3	Unit price at end of period ÷ Net income per unit [annualized]
FFO multiple	7.2	7.8	Unit price at end of period ÷ FFO per unit [annualized]

Note: Unit price at end of period is 204,500 yen, which is the closing price on Dec. 28, 2012.
MID REIT, Inc.

Cash Flows from Properties



MID REIT
(Unit : million yen)

	Twin 21	Matsushita IMP Bldg.	Panasonic Osaka Kyobashi Bldg.	Midosuji MID Bldg.	MID REIT Kyobashi Bldg. (Note 2)	Konami Sports Club Kyobashi (Note 2)	AEON MALL Tsudanuma	MID Imabashi Bldg.	MID Midosuji-kawaramachi Bldg.	Kitahama MID Bldg.	MID Nishihommachi Bldg.
Operating days	184	184	184	184	184	184	184	184	184	184	184
Rent	1,538	723	242	220	-	-	726	62	44	229	65
CAM	533	254	52	29	-	-	-	21	12	55	10
Parking revenue	60	52	4	5	-	-	-	9	1	8	2
Rent revenue - real estate	2,132	1,029	299	255	-	-	726	93	58	293	79
Utilities	143	102	28	26	-	-	-	7	6	38	12
Early-withdrawal penalties received	-	-	-	6	-	-	-	-	-	-	0
Other revenue	10	4	2	45	-	-	-	0	0	1	1
Other lease business revenue	153	106	30	78	-	-	-	8	6	39	14
① Property leasing revenue	2,286	1,135	329	333	-	-	726	101	64	332	93
Property management fees	334	195	51	37	-	-	11	15	8	36	11
Commissions payment	0	3	-	-	-	-	-	0	0	-	0
Utilities	270	155	30	27	-	-	-	9	5	27	11
Real estate taxes	211	130	13	46	-	-	55	12	6	22	8
Insurance premiums	12	6	1	1	-	-	5	0	0	1	0
Repairs	123	50	7	3	-	-	2	5	1	2	3
Other lease business expenses	22	34	0	0	-	-	-	0	0	0	0
② Property leasing expenses	973	577	105	115	-	-	75	44	22	90	34
③ NOI (① - ②)	1,313	558	223	218	36	84	650	56	41	242	58
NOI yield (Acquisition price basis) (p.a.)	3.8%	4.5%	5.9%	5.3%	3.2%	6.1%	5.0%	3.5%	4.2%	4.5%	3.3%
④ Depreciation and amortization	486	259	38	60	14	18	115	23	12	39	17
⑤ Loss on retirement of noncurrent assets	-	25	-	-	32	-	-	-	-	-	0
⑥ Property leasing income (③ - ④ - ⑤)	826	273	185	157	19	66	534	33	29	203	40
CAPEX	216	112	0	0	5	-	-	0	1	1	5

Notes:

- Amounts of less than the nearest million yen are rounded down.
- No detailed statement is made except for those on NOI, depreciation and amortization, loss on retirement of noncurrent assets, and property leasing income when the consent for disclosure could not be obtained from the tenant.
- MID REIT transferred MID Shibakanasugibashi Bldg. on Sep. 25, 2012.

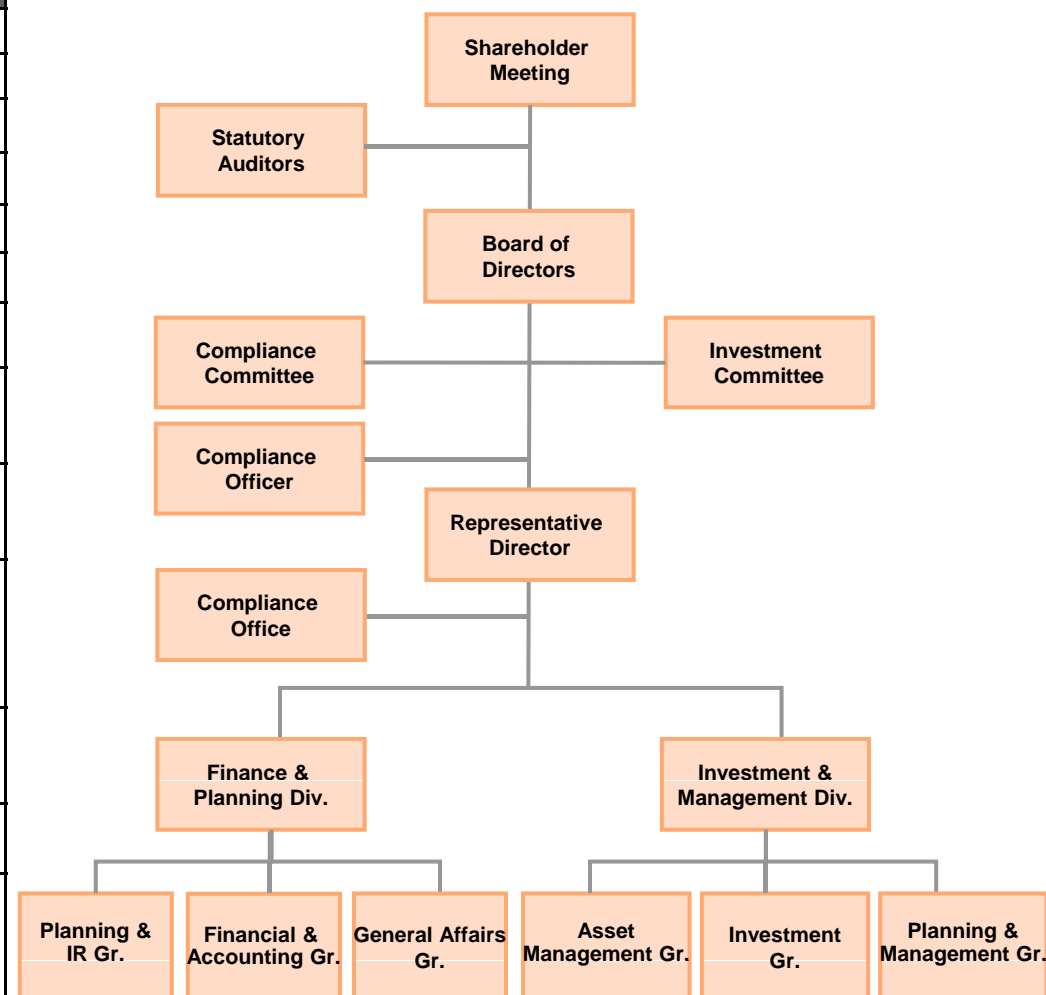
Overview of Asset Management Company



Company Overview

Company Overview (as of Feb. 1, 2013)		
Name	MID REIT Management Co., Ltd.	
Location	1-4-4 Dojimahama, Kita-ku, Osaka	
Establishment	September 1, 2005	
Capital	210 million yen	
Shareholder	MID Urban Development Co., Ltd. (ratio of shareholding: 100%)	
No. of employees	34 (inclusive of 5 temporary workers)	
Officers	President & CEO	Tomoyuki Goto
	Managing Director General Manager, Finance & Planning Division	Hiroataka Saito
	Managing Director General Manager, Investment & Management Division	Noriyuki Iijima
	Statutory Director	Yoshitsugu Nojiri (Chief Manager, Group Management Control Support Group, Group Management Promotion Headquarters, Kansai Electric Power Co., Inc.)
	Statutory Auditor	Atsushi Ishiguro (Director and Managing Executive Officer, MID Urban Development Co., Ltd.)
Business description	Investment management business	
Regulatory approval	Financial Instruments Firm (Director-General of Kinki Local Finance Bureau (Kinsho) Registration No. 43) Discretionary transaction agent license (Minister of Land, Infrastructure, Transport and Tourism Approval No. 50) Real estate agent license (Governor of Osaka Prefecture (2) No. 51806)	
Membership associations	A member of the Investment Trusts Association, Japan	

Structure



Checking System for Transactions with Sponsor Related Parties



Definition of Sponsor Related Parties	<p>(a) Interested persons as defined by the Investment Trust Law</p> <p>(b) Major shareholders of the asset management company (major shareholders of financial instruments firms defined under the Financial Instruments and Exchange Law of Japan) and subsidiaries/affiliates of the major shareholders of the asset management company as defined by regulations for consolidated financial statements ("Regulation for Terminology, Forms and Preparation of Consolidated Financial Statements"; same hereafter) (excluding those applicable to (a))</p> <p>(c) Funds or corporate entities, associations, trusts and other similar organizations that entrust investment management (discretionary investment) operations or investment advisory operations to parties described in (a) and (b) above (hereafter collectively called "corporate entities, etc." (including specific purpose companies, limited liability companies, stock companies, etc. as defined in the Act on Securitization of Assets))</p> <p>(d) Corporate entities, etc. in which parties described in (a) and (b) above hold a majority stake and in cases where shares issued by parties described in (a) above are listed on the financial instruments exchange as defined by regulations for consolidated financial statements (excluding those applicable to (a) through (c))</p>	
Transaction and Selection Criteria (Principles)	Property acquisition/disposal	Transaction has to comply with the following criteria: Acquisition price Appraised value, Appraised value Disposal price
	Property leasing	Leasing terms must be appropriately and fairly measured by prevailing market conditions
	Sale/Leasing agent commissions	Commissions must be within limits set by the Building Lots and Building Transaction Business Law
	Commissioning of property/building management	Examine comprehensively if company to be commissioned satisfies required conditions and terms, and if fee level is appropriate
	Contracting of construction works (over 1 million yen)	Check that quotations are not notably different from quotations by third parties
Decision-making Process	<pre> graph LR A[Each Group Proposal drafting] --> B[Compliance Officer Approval] B --> C[Compliance Committee (Notes 1 and 2) Approval] C --> D[Investment Committee (Notes 1 and 3) Examination decision] D --> E[Board of Directors (Note 1) Examination decision] E --> F[MID REIT Board of Directors Reporting] </pre>	
	<p>Notes:</p> <ol style="list-style-type: none"> Those who have status as a board member of sponsor related parties (excl. employees on loan or employees after transfer to the asset management company) cannot join resolutions. An external expert (lawyer) is included in deliberations as a member. An external expert (real estate appraiser) is included in deliberations as a member. 	

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