



MID REIT, Inc.
(Securities Code : 3227)

14th Period Results
(Ended June 30, 2013)

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

MID REIT Management Co., Ltd.



Namba Yasaka Shrine, Osaka
Funatogyo ritual on Dotonbori River

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Higobashi MID Building

1. Financial Highlights

14th Period Business Results

Decrease in income in both the 13th Period results and the 14th Period initial forecasts due to the recording of loss on sale of Panasonic Osaka Kyobashi Bldg.



Initial Forecasts and Results

Item	13th Period Results (July 1, 2012 - Dec. 31, 2012)	14th Period Initial Forecasts (Jan. 1, 2013 - June 30, 2013) (as at Feb. 14, 2013)	14th Period Revised Forecasts (Jan. 1, 2013 - June 30, 2013) (as at May 29, 2013)	14th Period Results (Jan. 1, 2013 - June 30, 2013)		
					Comparison with 13th Period Results	Comparison with 14th Period Initial Forecasts
Net operating days	184	181	181	181	-	-
Operating revenue (million yen)	5,628	5,454	5,449	5,457	-171	2
Operating income (million yen)	1,881	1,856	609	646	-1,234	-1,209
Ordinary income (million yen)	1,325	1,326	78	105	-1,219	-1,220
Net income (million yen)	1,323	1,324	76	104	-1,219	-1,219
Distribution per unit (yen)	7,210	7,210	418	567	-6,643	-6,643

Primary Causes of Difference

(Unit : Million yen)

Primary Causes of Difference Between the 13th Period (Results) and 14th Period (Results)	Primary Causes of Difference Between the 14th Period (Initial Forecasts) and 14th Period (Results)
Operating revenue -171: Decrease of revenue due to cancellation of major tenant Operating expenses +1,065: Loss on sale of Panasonic Osaka Kyobashi Building Non-operating expenses -14: decrease in interest expenses and borrowing related expenses, etc.	Operating expenses +1,212: Loss on sale of Panasonic Osaka Kyobashi Building

Financial Highlights

Improving portfolio quality and stabilizing revenue by implementing asset replacement



Distributions	<ul style="list-style-type: none"> ■ Distribution per unit : 567 yen <ul style="list-style-type: none"> · Compared to initial forecasts (as at Feb. 14, 2013) -6,643 yen, -92.1% · Compared to revised forecasts (as at May 29, 2013) +149 yen, +35.6% · Compared to the 13th Period -6,643 yen, -92.1%
Internal Growth	<p>Maintained and improved tenant relations</p> <ul style="list-style-type: none"> ■ While the portfolio's occupancy rate dropped due to the departure of a major tenant at Matsushita IMP Bldg. (approx. 1,141 tsubo), a high occupancy rate was maintained by attracting new tenants, etc. <ul style="list-style-type: none"> · Occupancy rate at end of period: 96.3% (difference from previous period end: -1.3%) (see page 24 for details) ■ Aimed to increase satisfaction and convenience of existing tenants with renewal of Twin 21's common areas, while increasing property competitiveness to attract new tenants (see page 23 for details).
External Growth	<p>Improved portfolio's quality</p> <ul style="list-style-type: none"> ■ Implemented asset replacements utilizing the sponsor pipeline (sold Panasonic Osaka Kyobashi Bldg., acquired Higobashi MID Bldg.). <ul style="list-style-type: none"> · Sold Panasonic Osaka Kyobashi Bldg. (large unrealized loss; loss on sale of approx. 1.3 billion yen). · Acquired Higobashi MID Bldg. (unrealized gain), thereby improving unrealized gain/loss of the entire portfolio (improvement of about 2.9 billion yen (=1.1p)) (see page 6 and 7 for details).
Financial Strategy	<p>Maintained stable financial base</p> <ul style="list-style-type: none"> ■ Completed refinancing due for repayment of borrowings (28.5 billion yen) on July 31, 2013 <ul style="list-style-type: none"> · Of the 28.5 billion yen, 6 billion yen was repaid and the remaining 22.5 billion yen was refinanced (see pages 32 and 33 for details) ■ LTV ratio: 41.3% (Interest-bearing debt at end of period ÷ Total assets at end of period) (LTV after refinance: 39.2% (assumed)). ■ Issuer rating: A-(Stable) (Rating and Investment Information, Inc. (R&I).)

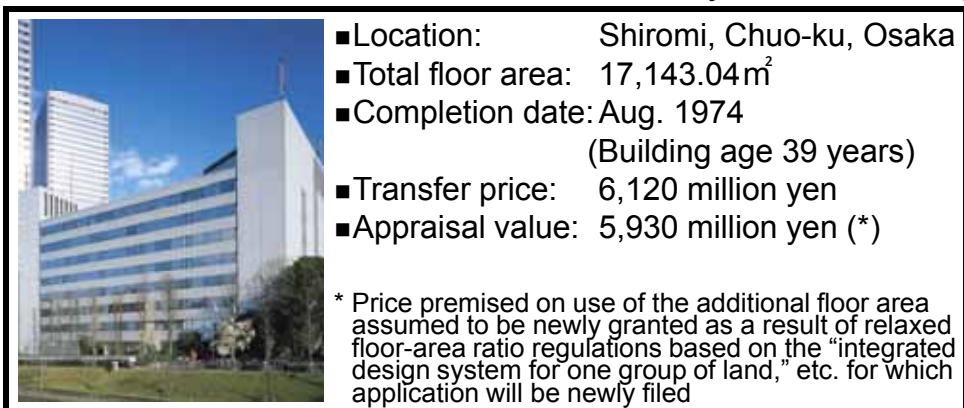
Asset Replacement Effects of Panasonic Osaka Kyobashi Bldg. / Higobashi MID Bldg.



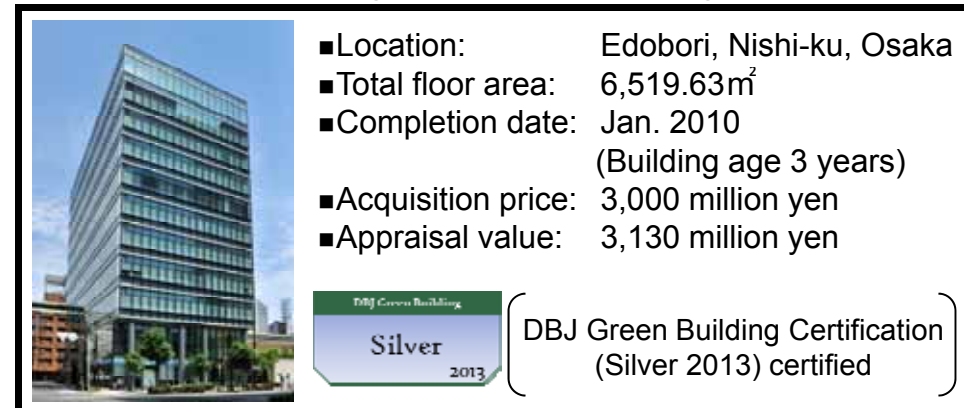
Improvement of portfolio quality

Transferred asset and acquired asset

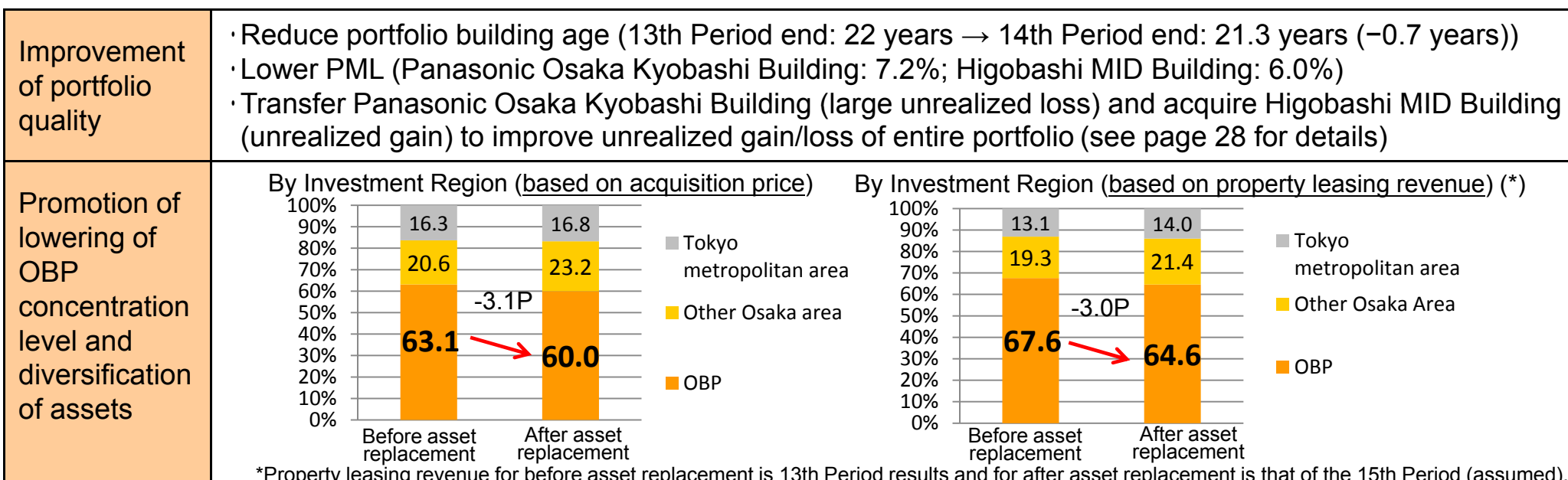
Transferred asset : Panasonic Osaka Kyobashi Building



Acquired asset : Higobashi MID Building



Relaxation of Portfolio Risks and Improvement of Portfolio Quality



Properties Acquired in the 14th Period

Utilized the sponsor pipeline to acquire an office building in Osaka developed by a sponsor



Properties acquired in the 14th period

Higobashi MID Building



- Location: Edobori, Nishi-ku, Osaka
- Total land space: 797.86m²
- Total floor area: 6,519.63m²
- Completion date: Jan. 2010
- Structure: S
- Floors: B1 / 11F
- Acquisition price: 3,000 million yen
- Appraisal value: 3,130 million yen
- NOI yield: 5.5% (*)

* Calculated by dividing NOI (according to the appraisal report of the asset to be acquired) by the acquisition price, rounded to the first decimal place.

- DBJ Green Building Certification (Silver 2013) certified



- CASBEE Osaka Class A certification

*Honorable mention in 2010 Osaka Sustainable Building Awards



Rooftop terrace



15th and 16th Period Forecasts

15th and 16th fiscal periods expected to be in the 6,000 yen level



Forecasts of Business Results

Item	14th Period Results (Jan. 1, 2013 – June 30, 2013)	15th Period Forecasts (July 1, 2013 – Dec. 31, 2013)		16th Period Forecasts (Jan. 1, 2014 – June 30, 2014)	
			Comparison with 14th Period Results		Comparison with 15th Period Forecasts
Operating revenue (million yen)	5,457	5,182	-274	5,028	-154
Operating income (million yen)	646	1,640	993	1,586	-53
Ordinary income (million yen)	105	1,159	1,053	1,112	-46
Net income (million yen)	104	1,157	1,052	1,110	-46
Distribution per unit (yen)	567	6,300	5,733	6,044	-256

Preconditions

Utilities (property leasing expenses) (million yen)	490	571	80	496	-74
Property tax, etc. (million yen)	528	505	-22	512	7
Repairs (million yen)	138	74	-63	76	2
Interest expenses (million yen)	417	388	-28	386	-2
Borrowing related expenses (million yen)	109	93	-16	89	-4
Portfolio occupancy rate at end of period (%)	96.3	96.0	-0.3	97.9	1.9

Primary Causes of Difference

(Unit : Million yen)

Primary Causes of Difference Between the 14th Period (Results) and 15th Period (Forecasts)		Primary Causes of Difference Between the 15th Period (Forecasts) and 16th Period (Forecasts)	
Operating revenue	-274: Decrease in rent revenue - real estate due to property transfer and tenant cancellation	Operating revenue	-154: decrease in rent revenue – real estate due to rent reductions and tenant cancellations
Operating expenses	-1,268: Decrease due to lack of loss on sale posted last period	Operating expenses	-100: decrease in utilities due to seasonal factors
Non-operating expenses	-61: Decrease in interest expenses and borrowing related expenses due to repayment of borrowings	Non-operating expenses	-6: Decrease in interest expenses and borrowing related expenses due to repayment of borrowings

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 Aug.16, 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.

Future Strategies

Aim to return to the 7,000-yen-range distribution per unit level under normal operations



Distribution Level

- Although the 14th Period saw a temporary drop due to a significant loss on sale of real estate properties, distribution per unit will return to the 6,000 yen level for the 15th and 16th periods

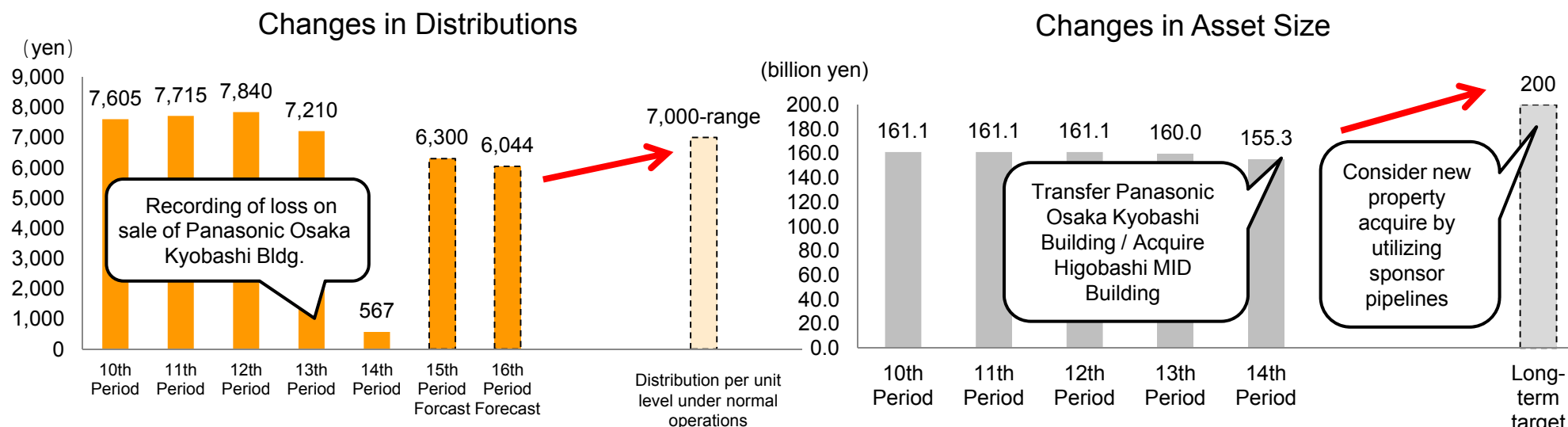
Asset Size

Internal Growth

- Strengthen new tenant leasing to raise occupancy rates
- Maintain and enhance relationships of trust with existing tenants and minimize contract cancellation risks

External Growth

- Maintain policy of setting long-term target for portfolio asset size at about 200 billion yen by utilizing sponsor pipelines
- While considering mainly office buildings in Osaka area, also flexibly consider other areas and various asset types



Future Strategies

Work to increase earning capacity aiming to further improve the portfolio's quality



Portfolio growth strategy

Increase of asset size (155.3 billion yen as of end of 14th period)	· Utilize MID Urban Development's sponsor pipeline and such to acquire competitive properties with stable cash flow and aim to increase the asset size (200 billion yen) as well as have OBP concentration in the 50% level (acquisition price base).
Decrease OBP concentration (60% at the end of the 14th period)	

Major properties developed by MID Urban Development (including development management projects utilized SPC scheme)

Development and trends

* The numbers correspond to the properties in "Overview of developed properties" below. Although the property No. and are owned by MID REIT, the property No. are not.

Completion period	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Property								(Scheduled)	(Scheduled)	

Overview of developed properties

					<div><div><div>(tentative name) MID Kyoto Shijo Project</div><div>Use: Hotel</div><div>Location: Shimogyo-ku, Kyoto</div></div><div><div>(tentative name) New Kyobashi MID Bldg. Project</div><div>Use: Office</div><div>Location: Chuo-ku, Tokyo</div></div></div>
Kitahama MID Bldg. Use: Office Location: Chuo-ku, Osaka Total floor space:14,648.13m ²	Sakuradori MID Bldg. Use: Office Location: Naka-ku, Nagoya-shi Total floor space:14,875.17m ²	Comfort Hotel Hamamatsu Use: Hotel Location: Naka-ku, Hamamatsu-shi Total floor space: 4,173.92m ²	Dormy Inn Hakata Gion Use: Hotel Location: Hakata-ku, Fukuoka-shi Total floor space: 5,880.72m ²	Higobashi MID Bldg. Use: Office Location: Nishi-ku Osaka-shi Total floor space:6,519.63m ²	
MID REIT, Inc. Acquired in 2008 (4 th Period)	MID REIT, Inc. Silent partnership interest (owns 10% stake)			MID REIT, Inc. Acquired in 2013 (14 th Period)	(previous) Kyobashi MID Bldg. MID REIT, Inc. Sold in 2008 (4 th Period)

Growth Strategy Utilizing the Collective Capacity of the MID Group

Cooperation with the MID Group and its major shareholder



Cooperation with Sponsors

Sourcing of property information, etc. by MID Urban Development









- Provision of information on the sale of properties that it developed, owns or manages (preferential negotiation rights for office buildings)
- Provision of information on the sale of properties it is contracted to broker
- Provision of warehousing functions

Major properties owned by MID Urban Development

* These properties are not owned by MID REIT.

Overview of MID Urban Development Co., Ltd. (as of August 1, 2013)

Representative	Ryoichi Hanai, President, Member of the Board (former Senior Corporate Auditor of The Kansai Electric Power Co., Inc.)
Principal Business	Building business and housing business
Shareholder	The Kansai Electric Power Co., Inc. (ratio of shares held: 99.36%)
URL	http://www.mid.co.jp/ (financial results for the fiscal year ended March 31, 2013 are available)

Use	Osaka Metropolitan Area		Tokyo		
Office Building	 Naniwa Sujimotocho MID Bldg. (Nishi-ku, Osaka)	 Kobe Itocho Bldg. (Chuo-ku, Kobe-shi)	 Yaesu MID Bldg. (Chuo-ku, Tokyo)	 Nishigin MID Bldg. (Chuo-ku, Tokyo)	 MID Nihonbashi Horidomecho Bldg. (Chuo-ku, Tokyo)
Other than Office Buildings	Other Areas				
	 Dormy Inn Hakata Gion (Hotel) (Hakata-ku, Fukuoka-shi)	 Comfort Hotel Hamamatsu (Hotel) (Naka-ku, Hamamatsu-shi)	 MaxValu Kurume (Retail) (Kurume-shi, Fukuoka)		

2. Market Data

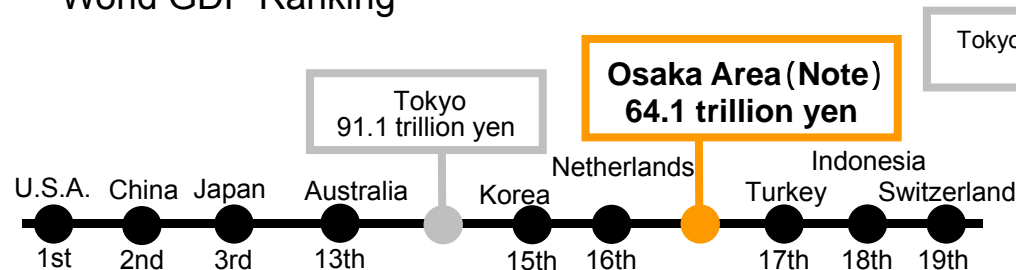
Characteristics of the Osaka Area

Potential of the Osaka area



World-Class Economic Size

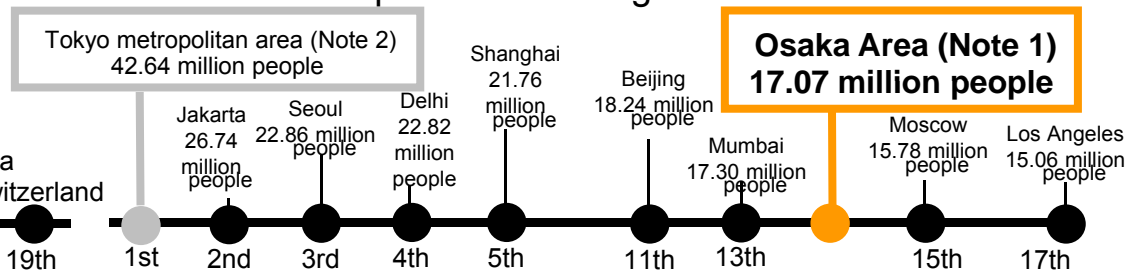
World GDP Ranking



Source: Government of Japan Cabinet Office's "Annual Report on Prefectural Accounts for Fiscal 2010" and "Annual Report on National Accounts," and IMF's "World Economic Outlook Database: April 2013 Edition"

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

Core Cities Population Ranking



Source: Demographia World Urban Areas: 9th Annual Edition (Mar. 2013) , and National Statistics Center's "Social Indicators by Prefecture"(2013)

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.

Topics in Center of Osaka

Opening of Umekita

- The complex facility "Grand Front Osaka" opened on April 26 in the area north of JR Osaka Station known as the Umekita district.
- Being designated as a special economic zone of Japan, the highlights are "Knowledge Capital" and the retail facility which will feature 266 shops, including a first ever Japanese branch, in the approx. 44,000m² site.

Retail facilities continue to increase

- 2011 and 2012 saw the openings of "Daimaru Umeda Store (floor expansion)", "JR Osaka Mitsukoshi Isetan", "LUCUA" and "Hankyu Umeda Main Store (floor expansion)".
- The shop area of retail facilities in Osaka City has increased significantly, partially due to the 2013 openings of "Grand Front Osaka" and "Abeno Harukas Kintetsu Main Sote (floor expansion)" in the Abeno district.



GRAND FRONT OSAKA

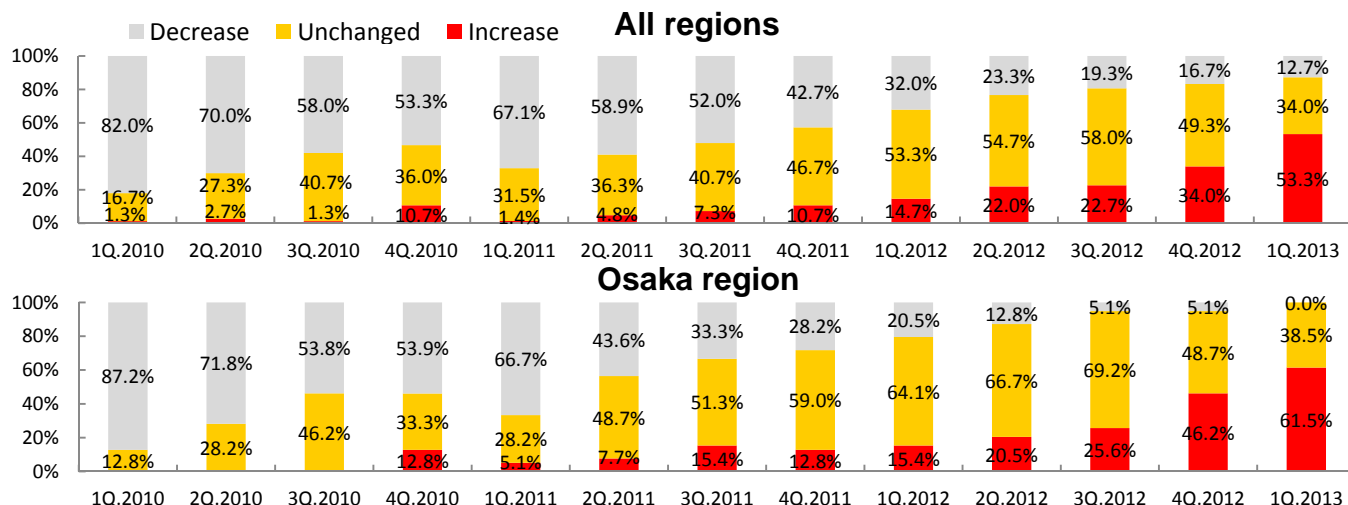
Note: MID REIT does not plan to acquire these properties.

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



Land prices have continued to steadily move upward in the last year

Changes in Land Price Trends (Land Price LOOK Report)

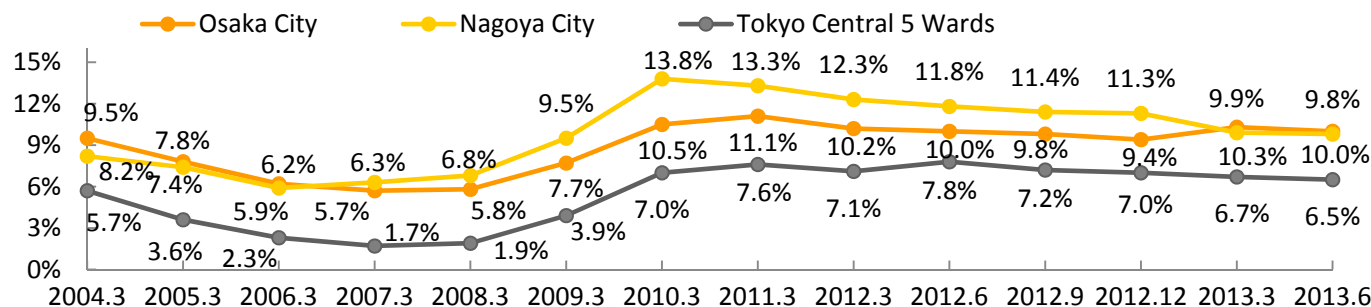


Notes:

- 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.

Source: CBRE

Vacancy Rates of the 22 Zones that are Osaka's Key Office Areas (as of End of June 2013)

Zone	Vacancy Rate	Comparison with end of Dec. 2012
Yodoyabashi	4.9%	-1.3 p
Kitahama	7.7%	-0.6 p
Hommachi	13.1%	-1.4 p
Sakaisujihommachi	11.3%	-1.8 p
Temmabashi	12.6%	-0.3 p
Tanimachi 4-chome	14.5%	0.7 p
OBP	3.5%	0.4 p
Shinsaibashi	10.2%	0.7 p
Nagahoribashi	12.8%	0.8 p
Namba	8.8%	1.2 p
Higobashi	12.4%	0.1 p
Nishihommachi	8.8%	-0.9 p
Yotsubashi	10.8%	-2.0 p
Umeda	13.5%	7.5 p
Dojima/Nakanoshima	6.1%	0.4 p
Nishitemma	9.6%	1.0 p
Minamimorimachi/Higashitemma	9.5%	-0.8 p
Nakatsu	5.1%	-1.2 p
Fukushima	2.9%	-0.8 p
Shin-Osaka	8.3%	-1.3 p
Tennoji/Abeno	11.3%	6.3 p
Esaka	12.6%	-0.6 p

Source: CBRE

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

Large new supply will peak in 2013

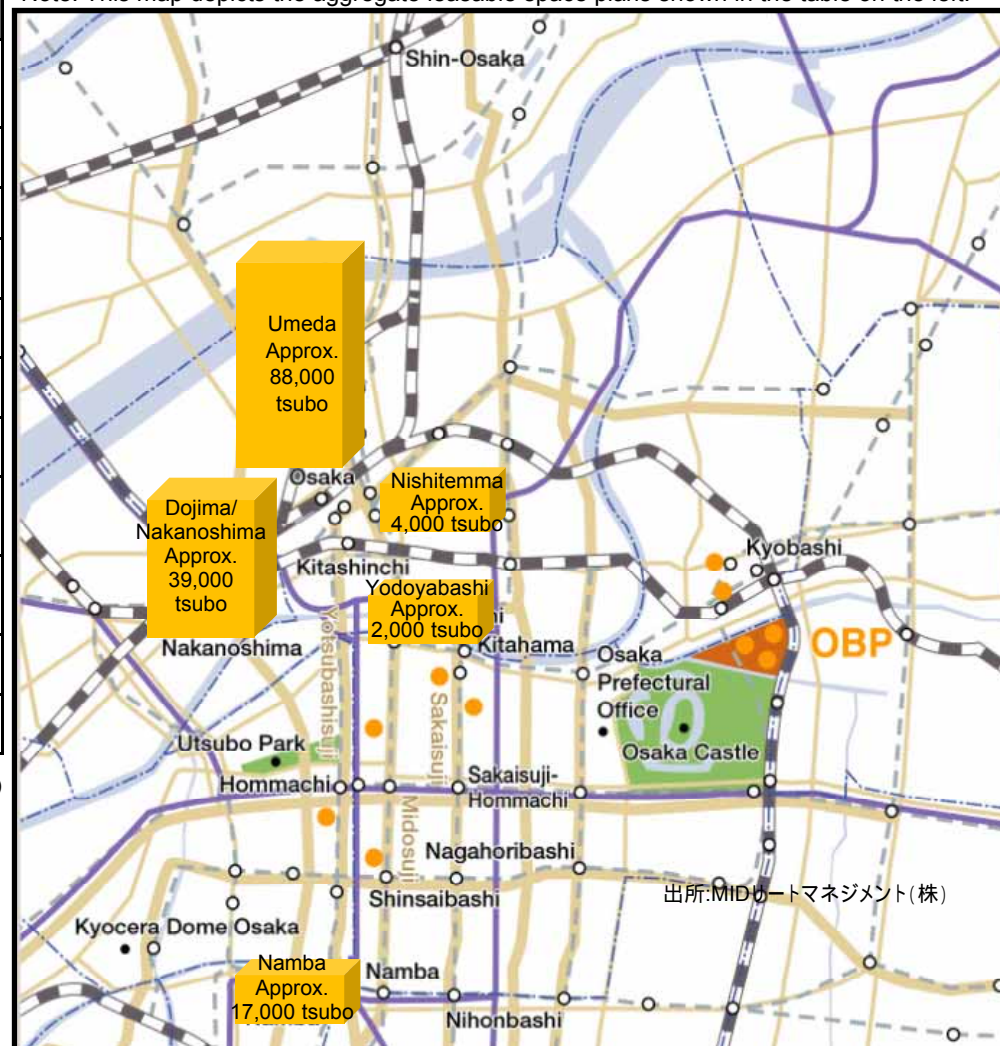


New Office Building Construction Plans and Leasable Space by Area in Key Office Areas in Osaka (Note)

In tsubo; () in m²

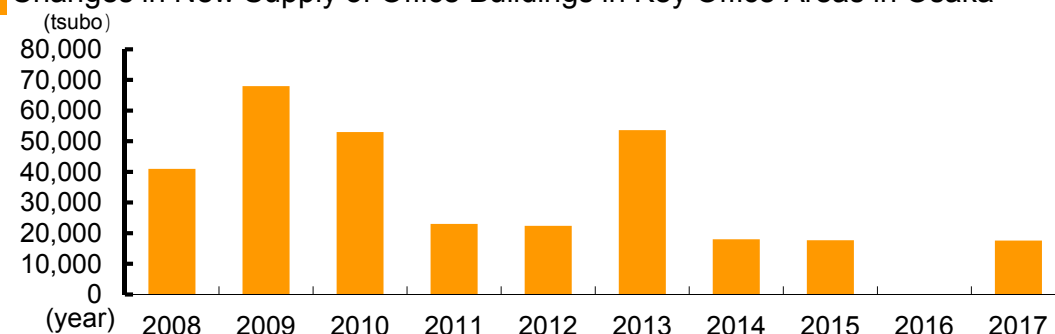
Completion	Leasable Space by Year	No.	Area	Property Name	Leasable Space (plan)
2013	53,600 (176,880)	1	Dojima /Nakano-Shima	Daibiru Honkan	7,600 (25,080)
		2	Umeda	Grand Front Osaka block B (North, South)	24,000 (79,200)
		3	Umeda	Grand Front Osaka block A	22,000 (72,600)
2014	18,000 (59,400)	4	Yodoyabashi	Yodoyabashi Mid Cube	2,400 (7,920)
		5	Tennoji /Abeno	Abeno Harukas	11,700 (38,610)
		6	Nishi-temma	Ujiden Building (tentative name)	3,900 (12,870)
2015	17,700 (58,410)	7	Umeda	Seiwa Umeda Building (tentative name)	4,100 (13,530)
		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)
2019	17,000 (56,100)	10	Namba	Nankai Kaikan Building Reconstruction Project	17,200 (56,760)
2023	38,000 (125,400)	11	Umeda	Umeda 1-chome 1-banchi Project	38,000 (125,400)

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



Source: MID REIT Management Co., Ltd

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 2,000 tsubo (6,600m²) or more.

MID REIT, Inc. Properties for which leasable space are yet to be determined are not included.

Note: Orange dots in the map indicate the locations of properties under management as of the end of the 14th fiscal period.

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

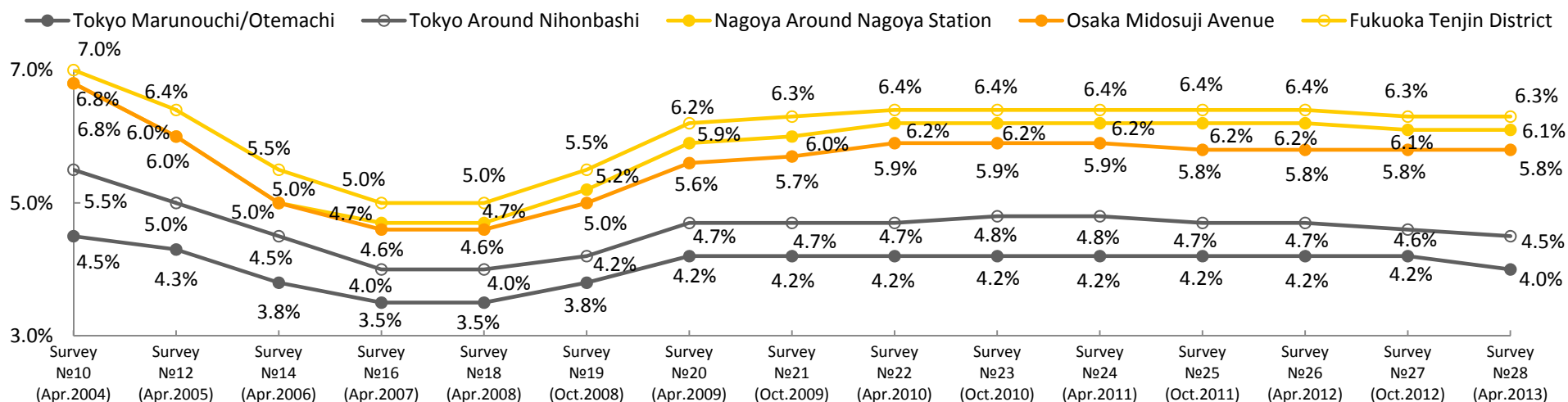
Expected Cap Rate and Market Cap Rate of Average-Sized Class A Office Building in Various Locations

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

Location	Expected Cap Rate	Market Cap Rate
Tokyo Around Marunouchi/Otemachi	4.3% (4.5%)	4.0% (4.2%)
Tokyo Around Nihonbashi	4.7% (4.8%)	4.5% (4.6%)
Nagoya Around Nagoya Station	6.3% (6.4%)	6.1% (6.1%)
Osaka Midosuji Avenue	6.0% (6.0%)	5.8% (5.8%)
Fukuoka Tenjin District	6.5% (6.5%)	6.3% (6.3%)

Source: Japan Real Estate Institute's "The Japanese Real Estate Investor Survey No. 28" (as of April 2013)

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

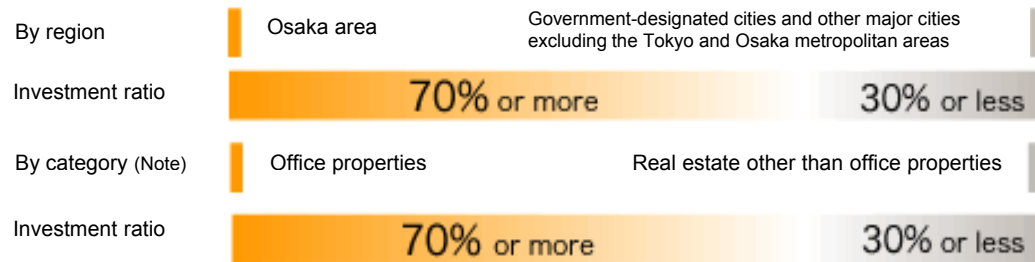


Portfolio Building Policy

Basic Policy

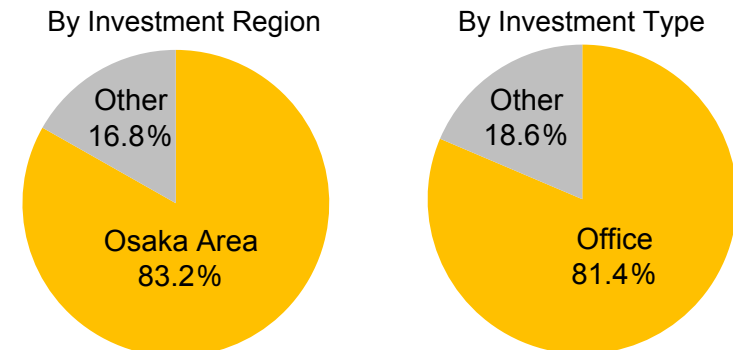
Conduct asset management in pursuit of securing stable revenue and achieving steady growth of assets under management from a medium- to long-term perspective

Targeted Investment Regions and Categories (Types)



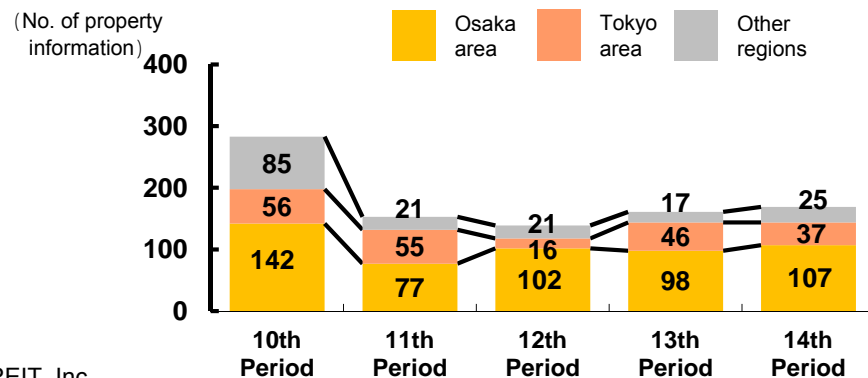
Note: When properties have multiple uses, we determine which category they belong to based on what the majority of leasable floor space for the real-estate-related assets of the portfolio as a whole are used for, and the total acquisition cost of said real-estate-related asset is included in the acquisition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

Portfolio at the end of 14th Period (Acquisition Price Basis)

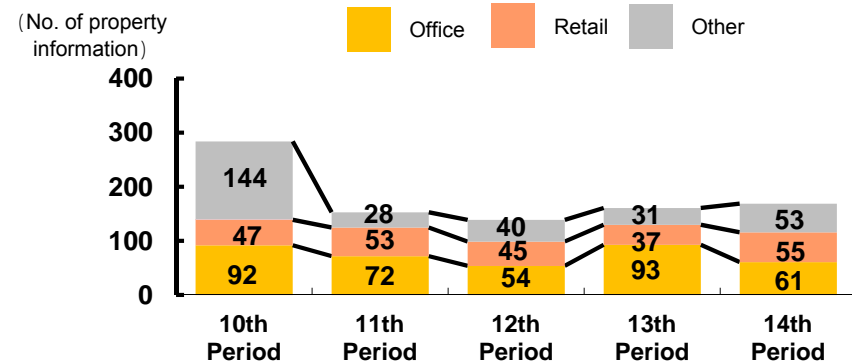


Status of Property Information Acquisition

Property Information by Region



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, 2013)	Total 501 (restaurants 54, retails 93 and offices 354)
No. of workers (as of June 1, 2013)	Total 32,962 people (restaurants 906 people, retails 2,447 people and offices 29,609 people)
No. of parking	<div> <div>Twin 21 Parking</div> <div>approx. 400 vehicles</div> </div> <div> <div>Matsushita IMP Bldg. Parking</div> <div>approx. 300 vehicles</div> </div> <div> <div>MID Shiromi Parking</div> <div>approx. 200 vehicles</div> </div> <div> <div>...etc.</div> <div>totaling approx. 3,000 vehicles</div> </div>



Convenient Access as the “Gateway to Eastern Osaka”

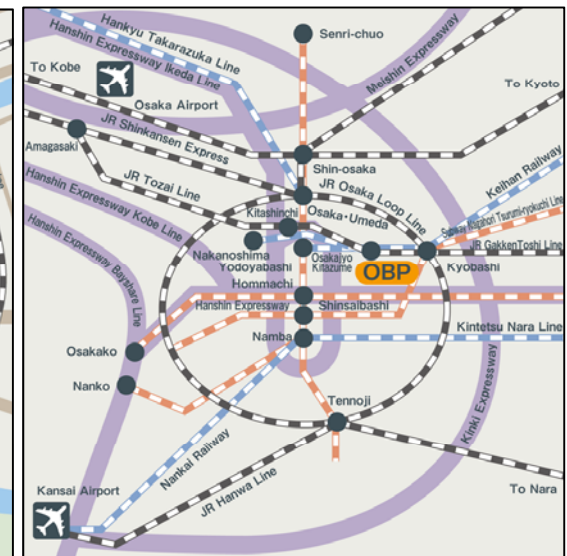
Access to 6 stations on 4 lines	JR Osaka Loop Line (Kyobashi Sta. and Osakajyo Koen Sta.) JR Tozai Line (Kyobashi Sta. and Osakajyo Kitazume Sta.) Keihan Main Line (Kyobashi Sta.) Subway Tsurumi-Ryokuchi Line (Osaka Business Park Sta. and Kyobashi Sta.)
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Information/Culture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

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	44.9	82,396.80	3.5
		Matsushita IMP Bldg.	Chuo-ku, Osaka	February 1990, added on to in Nov. 2003	August 2006	24,600	15.8	37,375.89	3.2
		Midosuji MID Bldg.	Chuo-ku, Osaka	October 1980, added on to in Dec. 2009	August 2006 October 2007	8,290	5.3	10,461.32	8.7
		MID REIT Kyobashi Bldg.	Miyakojima-ku, Osaka	February 2000	August 2006	2,300	1.5	4,833.88	7.8
		MID Imabashi Bldg.	Chuo-ku, Osaka	October 1990	April 2007	3,270	2.1	4,279.52	6.2
		MID Midosujikawaramachi Bldg.	Chuo-ku, Osaka	March 1998	May 2007	2,000	1.3	3,097.39	6.2
		Kitahama MID Bldg.	Chuo-ku, Osaka	February 2008	April 2008	10,800	7.0	10,189.49	3.0
		MID Nishihommachi Bldg.	Nishi-ku, Osaka	March 1989	October 2008	3,550	2.3	3,877.38	5.6
		Higobashi MID Bldg.	Nishi-ku, Osaka	January 2010	June 2013	3,000	1.9	4,655.58	6.0
Subtotal (9 properties)			-	-	-	126,510	81.4	161,167.25	-
Non-Office Bldg.	Osaka area	Konami Sports Club Kyobashi	Miyakojima-ku, Osaka	June 1999	August 2006	2,780	1.8	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	16.8	101,210.44	4.0
Subtotal (2 properties)			-	-	-	28,880	18.6	110,796.70	-
Total (11 properties)			-	-	-	155,390	100.0	271,963.95	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 June 30, 2013. (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.
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 centering on the Osaka area



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

Worked to increase the occupancy rate and began upgrading Twin 21's common areas

Renewed common areas of Twin 21 MID Tower to increase tenant satisfaction and convenience and furthermore to maintain and increase the property's competitiveness to attract new tenants

[Elevator halls on lower floors of MID Tower (2F to 4F)] [MID Tower's standard floor restroom]

Before upgrade



After upgrade



Before upgrade



After upgrade



Capital Expenditures (CAPEX)

Actual Major CAPEX During 14th Period

Construction for the attracting of tenants (Matsushita IMP Bldg.)	81 million yen
Renewal of common areas of typical floor plate (WC) (Twin21)	65 million yen
Upgrading of light control system of Enkei Hall (Twin21)	59 million yen
Upgrading of the general receiving system(Twin21)	42 million yen

Major CAPEX Expected (15th, 16th Period)

Renewal of common areas of typical floor plate (WC) (Twin21)	158 million yen
Replacement of air circuit breaker (Twin21)	60 million yen
Update of security box (Matsushita IMP Bldg.)	50 million yen
Air conditioning work (Matsushita IMP Bldg.)	49 million yen

Occupancy Conditions by Property

The portfolio occupancy rate dropped 1.3 points due to cancellation of a major tenant at Matsushita IMP Bldg.



Type	Property Name	Leasable Space (m ²) (Note 1)	①13th Period Occupancy Rate as of Dec 31, 2012 (%) (Note 2)	②14th Period Occupancy Rate as of June 30, 2013 (%) (Note 2)	Difference ② - ① (points)	Movements During 14th 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	82,396.80	95.3	95.3	-	1,092.20	388.28	-1,339.46	-132.40
	Matsushita IMP Bldg.	37,375.89	94.8	86.3	-8.5	1,297.74	86.72	-4,014.43	-337.98
	Panasonic Osaka Kyobashi Bldg. (Note 4)	-	100.0						
	Midosuji MID Bldg.	10,461.32	100.0	100.0	-	342.11		-342.11	
	MID REIT Kyobashi Bldg.	4,833.88	100.0	100.0	-	-	-	-	-
	MID Imabashi Bldg.	4,279.52	91.1	91.3	0.2	379.49	-	-373.03	-
	MID Midosujikawaramachi Bldg.	3,097.39	100.0	100.0	-	-	-	-	-
	Kitahama MID Bldg.	10,189.49	98.2	98.2	-	-	-	-	-
	MID Nishihommachi Bldg.	3,877.38	91.6	96.7	5.1	83.94	126.40	-	-8.69
	Higobashi MID Bldg. (Note 5)	4,655.58	-	93.1	-	<div> <div>Increase in floor space</div> <div>Decrease in floor space</div> <div>Net</div> <div>3,796.88m²</div> <div>-6,548.10m²</div> <div>-2,751.22m²</div> </div>			
Non- Office Bldg.	Konami Sports Club Kyobashi	9,586.26	100.0	100.0	-				
	AEON MALL Tsudanuma	101,210.44	100.0	100.0	-				
Occupancy Rate by Type (Note 3)	Office Bldg. Occupancy Rate	161,167.25	96.0	93.8	-1.3	3,195.48	601.40	-6,069.03	-479.07
	Non-Office Bldg. Occupancy Rate	110,796.70	100.0	100.0	-	-	-	-	-
Total		271,963.95	97.6	96.3	-1.3	3,195.48	601.40	-6,069.03	-479.07

Notes:

1. "Leasable Space" represent the total leasable floor space as of June 30, 2013. (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 Panasonic Osaka Kyobashi Bldg. on June 21, 2013.
5. MID REIT acquired Higobashi MID Bldg. on June 21, 2013.

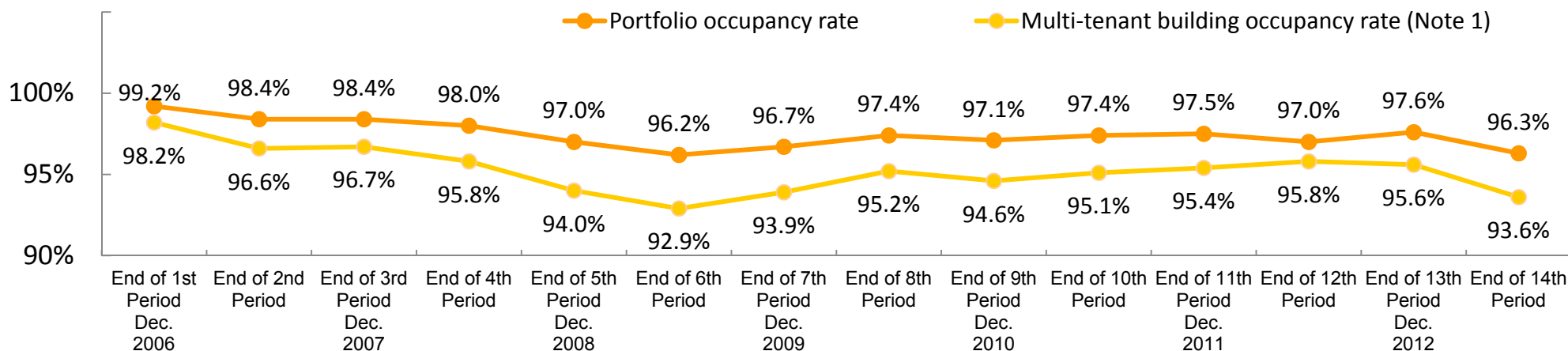
MID REIT, Inc.

Changes in Occupancy Rates

Since listing, MID REIT has maintained high occupancy rate, exceeding that of Osaka's business area



Changes in Occupancy Rates (End of 1st Period to End of 14th Period)



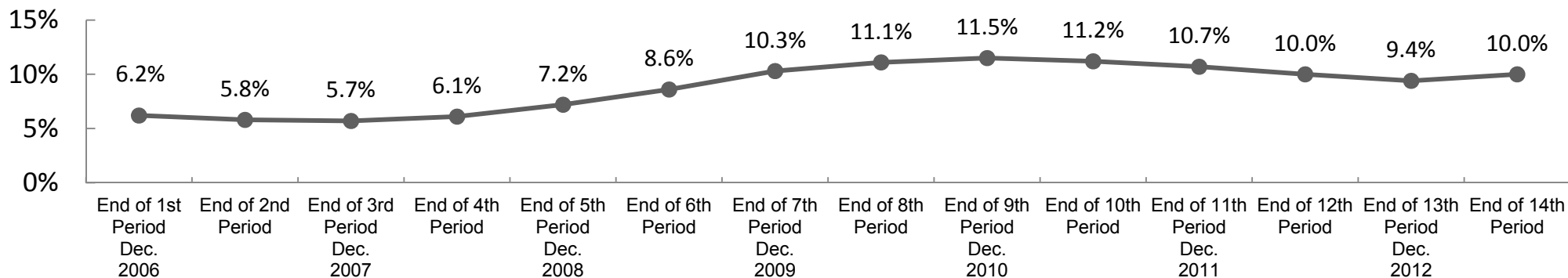
Notes:

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 to May 2013: Twin 21, Matsushita IMP Bldg., MID Imabashi Bldg., MID Midosujikawaramachi Bldg., Kitahama MID Bldg., MID Nishihommachi Bldg. and Midosuji MID Bldg.
- g. June 2013 and after: Twin 21, Matsushita IMP Bldg., MID Imabashi Bldg., MID Midosujikawaramachi Bldg., Kitahama MID Bldg., MID Nishihommachi Bldg., Midosuji MID Bldg. and Higobashi 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 14 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

Request for rent reductions from existing tenants continued before the end of the contract period but the majority renewed contracts with unchanged rent



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	1	59.56	0
	Unchanged	76	16,019.22	
	Downward revision	8	3,343.83	-12
Total				-12

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	0	0.00	
	Downward revision	6	2,244.78	-13
Total				-13

New Contracts (Note 3)

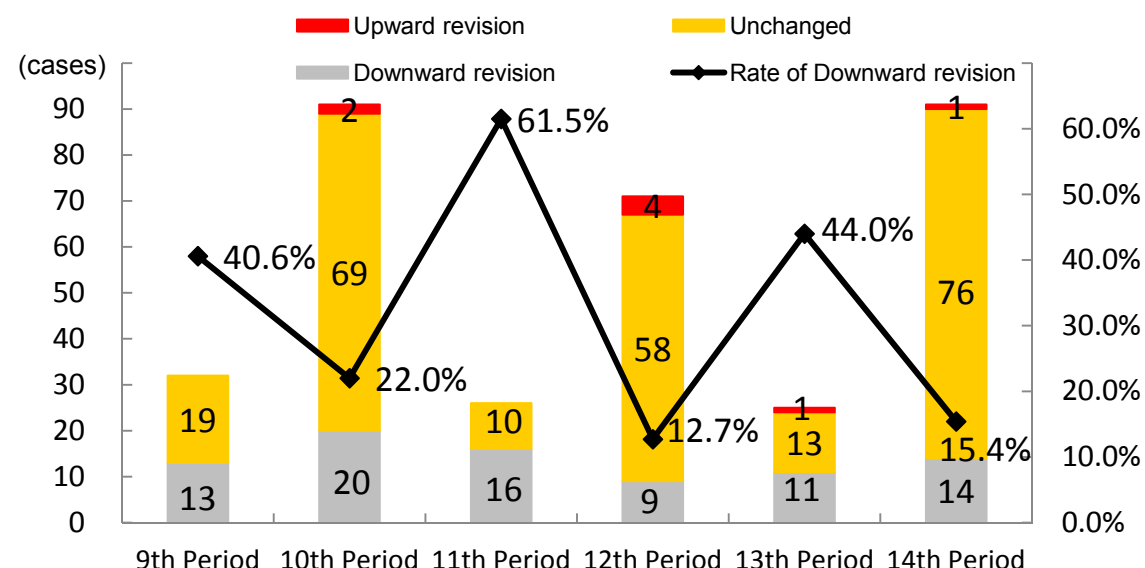
		Number of Tenants	Floor Space (m ²)	Amount Difference (million yen) *Monthly amount × 6
Comparison of Rent Amount with Most Recent Unit Price (Note 4)	Up	1	258.56	0
	Same	0	0.00	
	Down	15	3,538.32	-35
Total				-34

Notes:

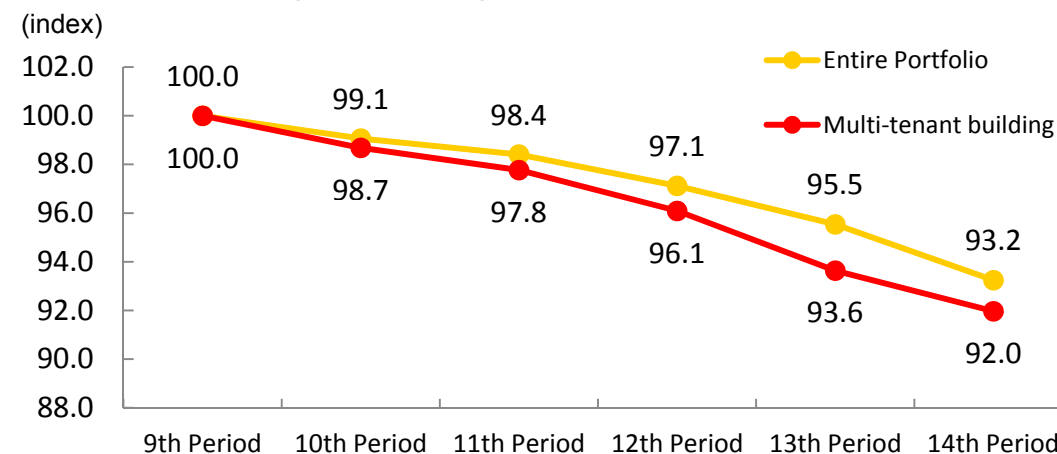
1. Based on contract renewals, etc. with tenants whose contracts expired during the 14th Period.
2. Based on contract modifications with tenants whose contracts were active but were modified during the 14th Period.
3. Based on contracts signed with new tenants during the 14th Period and contracts newly signed with existing tenants for larger floor space, etc. during the 14th 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



Relative change in average rent unit price



Note: The average unit price of rent for properties owned from the end of the 9th Period to the 14th Period is indicated as 100 at the end of the 9th Period.

Overview of Properties

10 properties located in Osaka City (2 of which are OBP properties), while 1 property in Chiba prefectures



Use		Osaka Metropolitan Area			
Office Building	Osaka Business Park (OBP)	<div>       </div> <div> <p>Twin 21</p> <p>Matsushita IMP Bldg.</p> <p>Kitahama MID Bldg.</p> <p>MID Nishihommachi Bldg.</p> <p>Midosuji MID Bldg.</p> <p>MID Midosujikawaramachi Bldg.</p> <p>MID REIT Kyobashi Bldg.</p> <p>Newly Acquired (14th Period)</p> </div>			
Other than Office Buildings	Osaka Metropolitan Area	Other (Chiba)		Silent Partnership Interests	
	 <p>Konami Sports Club Kyobashi</p>	 <p>AEON MALL Tsudanuma</p>		 <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 June 2013</p>	

List of Appraisal Values

Appraisal value dropped by 1.1 billion yen for the properties that have been owned; All cap rates are either flat or decreased



Type	Region	Property Name	Acquisition Price (million yen) (Note 1)	Appraisal Value as of 13th Period End (million yen) (Note 2)	Book Value as of 14th Period End (million yen) (Note 3)	Appraisal Value at 14th Period End (million yen) (Note 2)	Difference from Acquisition Price (%)	Difference from Previous Period End (%)	Difference from Book Value (%)	Appraisal Company	13th Period Appraisal Value Rate (%) (Note 5)	14th Period Appraisal Value Rate (%) (Note 5)
Office Bldg.	Osaka area	Twin 21 (Note 4)	68,700	47,200	68,581	46,800	-31.9	-0.8	-31.8	Morii Appraisal & Investment Consulting, Inc.	5.2	5.2
		Matsushita IMP Bldg.	24,600	18,800	23,650	18,200	-26.0	-3.2	-23.0	Tanizawa Sogo Appraisal Co., Ltd.	5.5	5.4
		Midosuji MID Bldg.	8,290	6,790	8,872	6,720	-18.9	-1.0	-24.3	Tanizawa Sogo Appraisal Co., Ltd.	4.9	4.9
		MID REIT Kyobashi Bldg.	2,300	1,260	2,199	1,280	-44.3	1.6	-41.8	Tanizawa Sogo Appraisal Co., Ltd.	6.1	6.0
		MID Imabashi Bldg.	3,270	2,270	3,273	2,230	-31.8	-1.8	-31.9	Tanizawa Sogo Appraisal Co., Ltd.	5.5	5.4
		MID Midosujikawaramachi Bldg.	2,000	1,360	1,958	1,370	-31.5	0.7	-30.0	Tanizawa Sogo Appraisal Co., Ltd.	5.9	5.8
		Kitahama MID Bldg.	10,800	8,210	10,709	8,130	-24.7	-1.0	-24.1	Japan Real Estate Institute	5.1	5.1
		MID Nishihommachi Bldg.	3,550	2,060	3,469	2,070	-41.7	0.5	-40.3	Japan Real Estate Institute	5.4	5.4
		Higobashi MID Bldg. (Note 6)	3,000	-	3,036	3,140	4.7	-	3.4	Japan Real Estate Institute	-	5.1
Subtotal			126,510	87,950	125,662	89,940	-28.9	-	-28.4	-	-	-
Non-Office Bldg.	Osaka area	Konami Sports Club Kyobashi	2,780	2,850	2,542	2,900	4.3	1.8	14.0	Daiwa Real Estate Appraisal Co., Ltd.	6.0	5.9
	Other major cities	AEON MALL Tsudanuma	26,100	24,400	24,871	24,400	-6.5	0.0	-1.9	Daiwa Real Estate Appraisal Co., Ltd.	5.3	5.3
Subtotal			28,880	27,250	27,414	27,300	-5.5	0.2	-0.4	-	-	-
Total			155,390	115,200	153,077	117,240	-24.6	-	-23.4	-	-	-

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 June 30, 2013 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.
6. MID REIT acquired Higobashi MID Bldg. on June 21, 2013.

Tenant Trends

Major tenants are AEON Retail and Panasonic



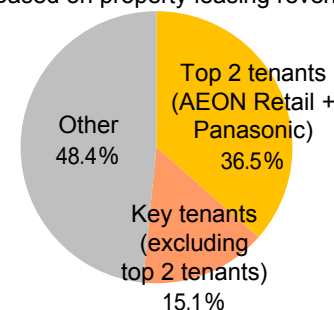
Overview of Key Tenants

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	38.6
Panasonic Corporation	Twin21	Mar. 31, 2017	40,787.33	15.6
Konami Sports & Life Co., Ltd.	Konami Sports Club Kyobashi	- (Note 3)	9,586.26	3.7
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, 2015	4,833.88	1.8
Human Academy Co., Ltd.	Midosuji MID Bldg.	- (Note 3)	4,643.59	1.8
Asahi Breweries Co., Ltd.	Matsushita IMP Bldg.	Mar. 31, 2015	4,531.23	1.7
CTI Engineering Co., Ltd.	Kitahama MID Bldg.	- (Note 3)	4,077.50	1.6
SOHGO Security Services Co., Ltd.	Matsushita IMP Bldg.	Mar. 31, 2014	2,816.12	1.1
TKP Corporation	Midosuji MID Bldg.	- (Note 3)	2,710.60	1.0
Total			180,829.19	69.0

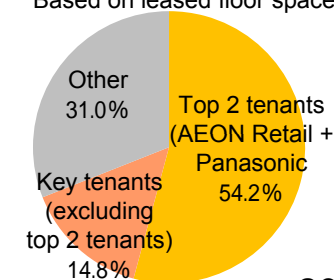
Notes:

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. No statement is made on the expiration date of the contract when the consent for disclosure could not be obtained from tenant.

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:

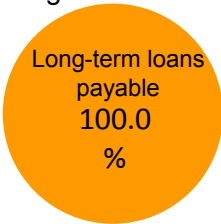
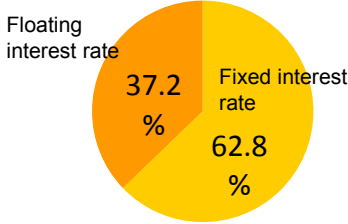
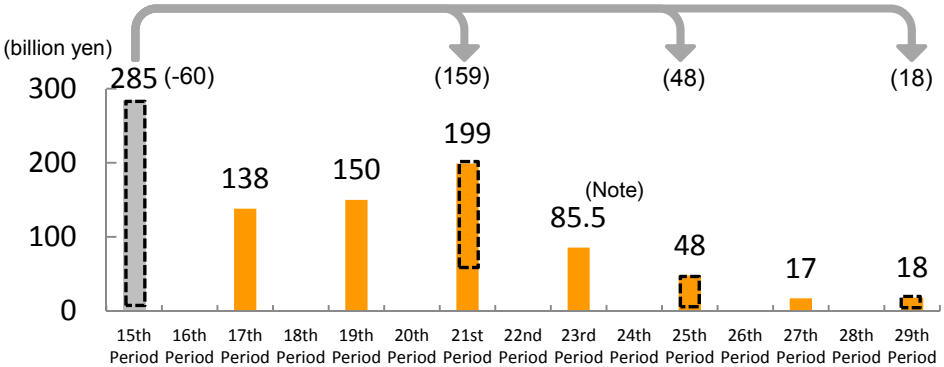
1. CSI: Customer Satisfaction Index. The results of the customer (tenant) evaluation of building facilities, services and other factors are weighted to adjust the difference between the levels of their needs (expectations) and satisfaction for each factor. Then, the level of their satisfaction for each 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 (as of July 31, 2013)

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 after refinance: 39.2% (assumed)) 																														
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 data-bbox="667 432 1108 459">Ratio of Long-term/Short-term Debt</div> <div data-bbox="1279 427 1592 454">Fixed Interest Rate Ratio</div> </div> <div style="display: flex; justify-content: space-around;">   </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;"> <div style="flex: 1;"> <p>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 Bank, Ltd.</td><td>10,000</td></tr> <tr><td>Sumitomo Mitsui Trust Bank</td><td>8,100</td></tr> <tr><td>Sumitomo Mitsui Banking</td><td>8,100</td></tr> <tr><td>Aozora Bank</td><td>8,000</td></tr> <tr><td>Development Bank of Japan</td><td>9,950</td></tr> <tr><td>Resona Bank</td><td>6,000</td></tr> <tr><td>Mitsubishi UFJ Trust and Banking</td><td>5,000</td></tr> <tr><td>Shinkin Central Bank</td><td>4,400</td></tr> <tr><td>Senshu Ikeda Bank</td><td>2,300</td></tr> <tr><td>Nishi-Nippon City Bank</td><td>1,600</td></tr> <tr><td>Hyakugo Bank</td><td>800</td></tr> <tr><td>Minato Bank</td><td>800</td></tr> <tr><td>Nanto Bank</td><td>500</td></tr> <tr><td>Total</td><td>65,550</td></tr> </tbody> </table> </div> <div style="flex: 2;"> <p>Diversification of Repayment Dates</p>  <p>Notes: The 4.25 billion yen out of 8.55 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> <ul style="list-style-type: none"> Issuer rating of A - (stable) (Rating and Investment Information, Inc. (R&I)) 	Lender	Balance	Mizuho Bank, Ltd.	10,000	Sumitomo Mitsui Trust Bank	8,100	Sumitomo Mitsui Banking	8,100	Aozora Bank	8,000	Development Bank of Japan	9,950	Resona Bank	6,000	Mitsubishi UFJ Trust and Banking	5,000	Shinkin Central Bank	4,400	Senshu Ikeda Bank	2,300	Nishi-Nippon City Bank	1,600	Hyakugo Bank	800	Minato Bank	800	Nanto Bank	500	Total	65,550
Lender	Balance																														
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Nishi-Nippon City Bank	1,600																														
Hyakugo Bank	800																														
Minato Bank	800																														
Nanto Bank	500																														
Total	65,550																														

Details on Debt Financing (as of July 31, 2013)

Finished refinancing borrowings that were due for repayment on July 31, 2013



Breakdown of Debt Financing

Type	Lenders		Drawdown Date	Balance	Interest Rate	Repayment Date	Repayment Method	Remarks
Long-term loans payable (Note 1)	Term loan (4 years and 11 months)	Mizuho Bank, Resona Bank, Shinkin Central Bank, Nanto Bank	Aug. 31, 2010	6,500 million yen	JBA Japanese Yen TIBOR + 1.0% (Note 2)	July 31, 2015	Bullet payment	Unsecured Unguaranteed
	Term loan (6 years and 11 months)	Development Bank of Japan	Aug. 31, 2010	4,250 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 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 3)	July 31, 2014	Bullet payment	Unsecured Unguaranteed
	Term loan (5years)	Mizuho 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 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 (5 years)	Sumitomo Mitsui Trust Bank, Aozora Bank,	July 31, 2012	4,300 million yen	JBA Japanese Yen TIBOR + 0.8% (Note 4)	July 31, 2017	Bullet payment	Unsecured Unguaranteed
	Term loan (7 years)	Development Bank of Japan	July 31, 2012	1,700 million yen	1.52375% (Note 6)	July 31, 2019	Bullet payment	Unsecured Unguaranteed
	Term loan (3 years)	Mizuho Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking, Aozora Bank, Mitsubishi UFJ Trust and Banking, Shinkin Central Bank, Senshu Ikeda Bank, The Nishi-Nippon City Bank, Hyakugo Bank	July 31, 2013	15,900 million yen	JBA Japanese Yen TIBOR + 0.6%	July 29, 2016	Bullet payment	Unsecured Unguaranteed
	Term loan (5 years)	Mizuho Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking, Aozora Bank	July 31, 2013	4,800 million yen	JBA Japanese Yen TIBOR + 0.8% (Note 5)	July 31, 2018	Bullet payment	Unsecured Unguaranteed
	Term loan (7 years)	Development Bank of Japan, Minato Bank	July 31, 2013	1,800 million yen	1.70875% (Note 6)	July 31, 2020	Bullet payment	Unsecured Unguaranteed
Total				65,550 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 1.447% (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.
- In accordance with the interest-rate swap agreement, the actual interest rate is 1.297% (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 Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking	10.0 billion yen	Future new asset acquisition and payment of related expenses

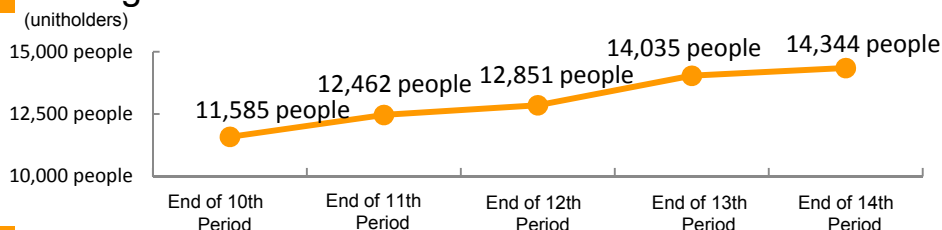
6. Details on Unitholders and Units Held

Unitholder Details

14,344 unitholders as of end of 14th Period, with foreign individuals increasing to record high

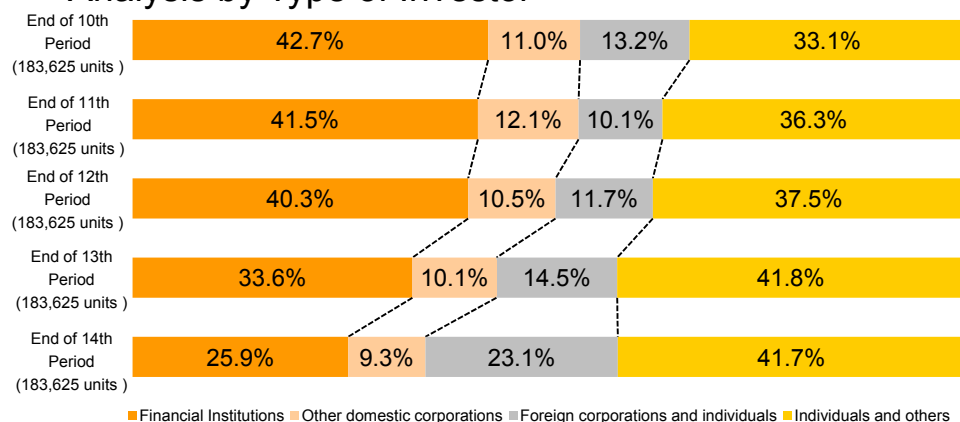


Changes in Number of Unitholders

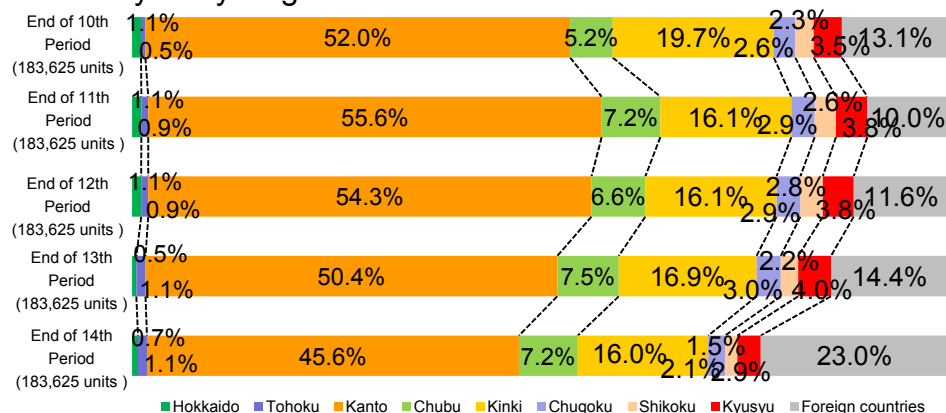


Analysis of Investor Attributes (Distribution of Number of Units Held)

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 from 13th period end
Japan Trustee Services Bank, Ltd. (Trust Account)	18,778	10.23	-9,540
MID Urban Development Co., Ltd.	9,200	5.01	0
JP Morgan Chase Bank 380180	9,162	4.99	+8,931
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	6,093	3.32	+1,841
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	5,831	3.18	-876
Goldman Sachs International	3,957	2.15	+3,676
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,991	1.63	-2,315
Prospect Japan Fund Limited	2,688	1.46	—
State Street Bank and Trust Company	1,613	0.87	+1,599
Nomura Bank (Luxembourg) S.A.	1,549	0.84	-2,301
Total	61,862	33.69	-

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 Aug. 2, 2013)

Submitter or name of joint unitholder	Number of units held	Ratio of units held to total units issued and outstanding (%) (Note)	Dates of latest submissions
Prospect Asset Management Inc.	14,439	7.86	June 7, 2013
Mizuho Asset Management Co., Ltd. Shinko Asset Management Co., Ltd.	10,430	5.68	July 22, 2013
MID Urban Development Co., Ltd.	9,200	5.01	January 10, 2007
The Fuji Fire and Marine Insurance Co., Ltd.	7,702	4.19	July 16, 2013

Notes:

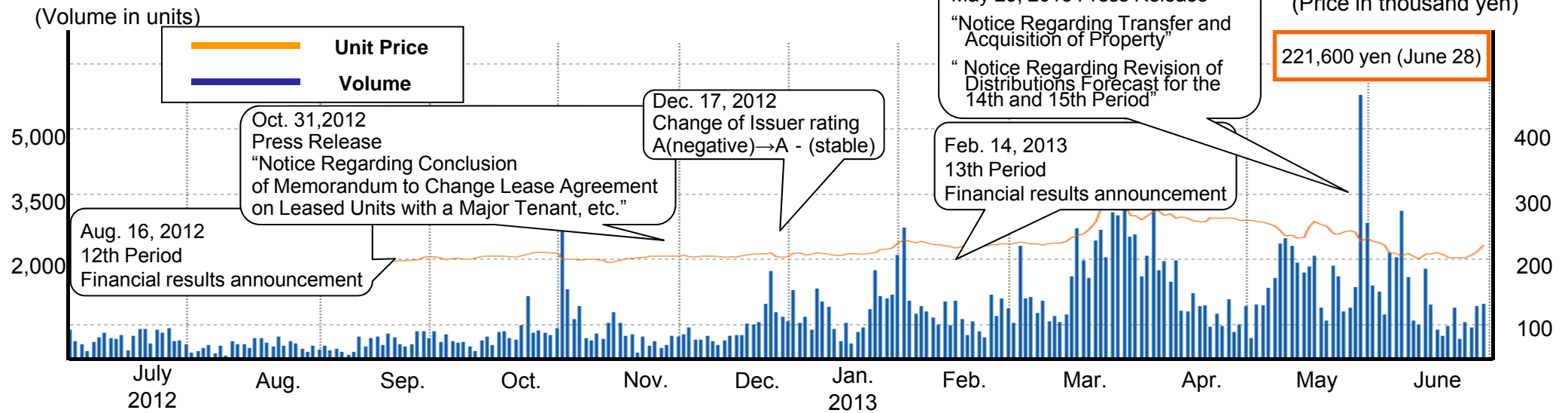
1. The ratios of units held to total units issued and outstanding are based on values recorded in large unitholding reports.

Unit Price Performance

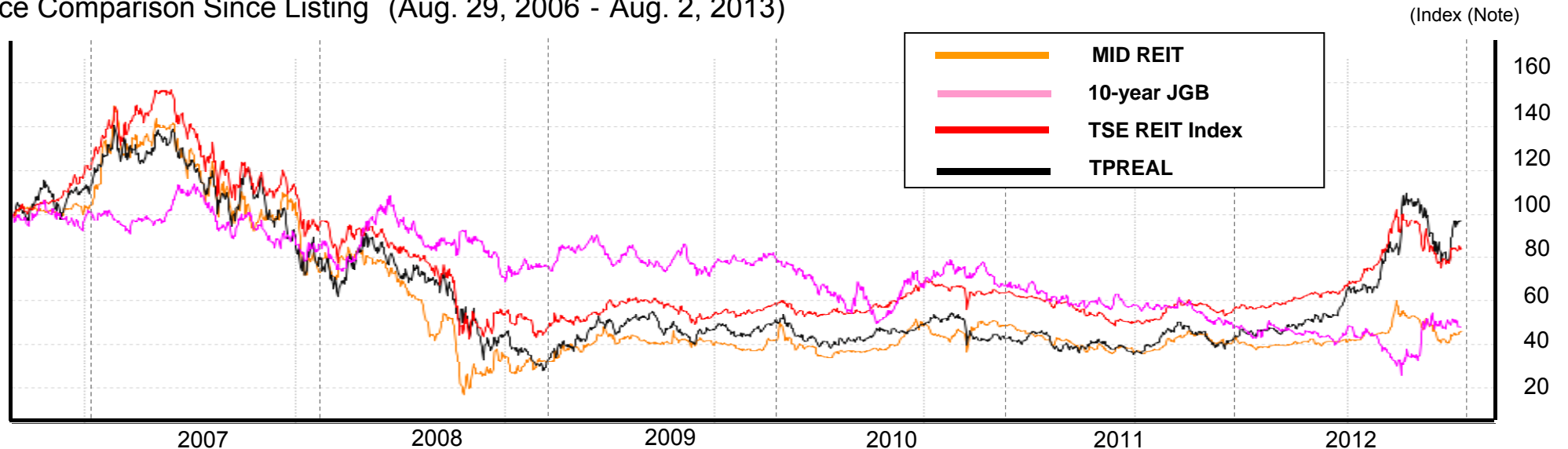
Generally stayed around the 200,000 yen level



Unit Price Performance for the Past 1 Year



Price Comparison Since Listing (Aug. 29, 2006 - Aug. 2, 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


Promotion of DBJ Green Building Certification Acquisition



Acquisition of DBJ Green Building Certification

Twin21		Matsushita IMP Bldg.		Kitahama MID Bldg.				
								
	Location		Shiromi, Chuo-ku, Osaka		Location	Shiromi, Chuo-ku, Osaka	Location	Doshomachi, Chuo-ku, Osaka
	Structure		SRC		Structure	S, SRC	Structure	S, SRC
	Floors		B1/38F		Floors	B2/26F	Floors	B1/18F
	Total floor space		146,034.98㎡		Total floor space	84,952.57㎡	Total floor space	14,648.13㎡
	Construction completed		March 1986		Construction completed	February 1990 Added on to in November 2003	Construction completed	February 2008
	Acquired		August 2006		Acquired	August 2006	Acquired	April 2008

The newly acquired Higobashi MID Bldg. has already received DBJ Green Building Certification and other evaluation

Higobashi MID Bldg.	DBJ Green Building Certification (Silver, 2013)	CASBEE Osaka Class A certification (February 2010)												
<div></div> <div><div>DBJ Green Building</div><div>Silver</div><div>2013</div></div> <table><tr><td>Location</td><td>Edobori, Nishi-ku, Osaka</td></tr><tr><td>Structure</td><td>S</td></tr><tr><td>Floors</td><td>B1/11F</td></tr><tr><td>Total Floor Space</td><td>6,519.63㎡</td></tr><tr><td>Construction Completed</td><td>January 2010</td></tr><tr><td>Acquired</td><td>June 2013</td></tr></table>	Location	Edobori, Nishi-ku, Osaka	Structure	S	Floors	B1/11F	Total Floor Space	6,519.63㎡	Construction Completed	January 2010	Acquired	June 2013	<div>[Evaluation points]</div> <div>Excellent energy-saving design</div> <div><div>· Adoption of high-efficiency lighting at exclusive-use areas</div><div>· Adoption of dimming control system (brightness sensors)</div><div>· The design of common areas that allows in natural light.</div></div> <div>Excellent earthquake resistance</div> <div><div>· Reduction of swaying of buildings during earthquakes through adoption of seismic damping through quake-resistant walls formed by corrugated steel</div></div>	<div>[Evaluation points]</div> <div>Design that significantly reduces heat load</div> <div><div>· Common areas (core) such as EV, restroom, hallway, etc. placed on the south side of the site</div></div> <div>Resource-saving environmental efforts</div> <div><div>· Reused pile foundation of existing building</div></div> <div>*Honorable mention in 2010 Osaka Sustainable Building Awards</div>
Location	Edobori, Nishi-ku, Osaka													
Structure	S													
Floors	B1/11F													
Total Floor Space	6,519.63㎡													
Construction Completed	January 2010													
Acquired	June 2013													

Safety of Osaka Business Park (OBP)

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

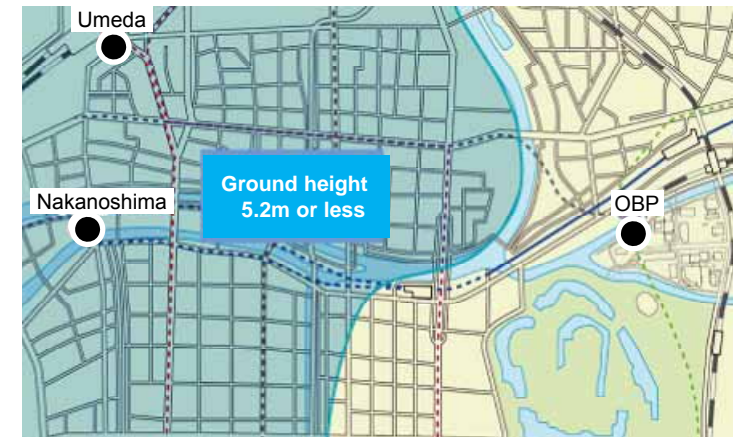


Safety of OBP

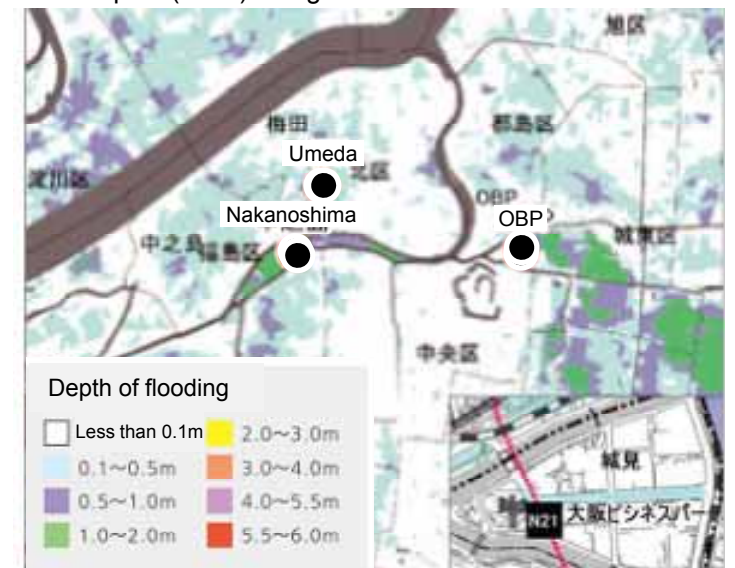
Earthquakes	Compared to other business areas, the OBP area has a relatively low expected seismic intensity and risk of liquefaction when it comes to large-scale earthquakes that can be expected to occur. (Based on announcement by Osaka City on March 14, 2009)
Tsunamis	Even if the tsunami is twice as 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)

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



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



Case of flooding from rainfall (note)

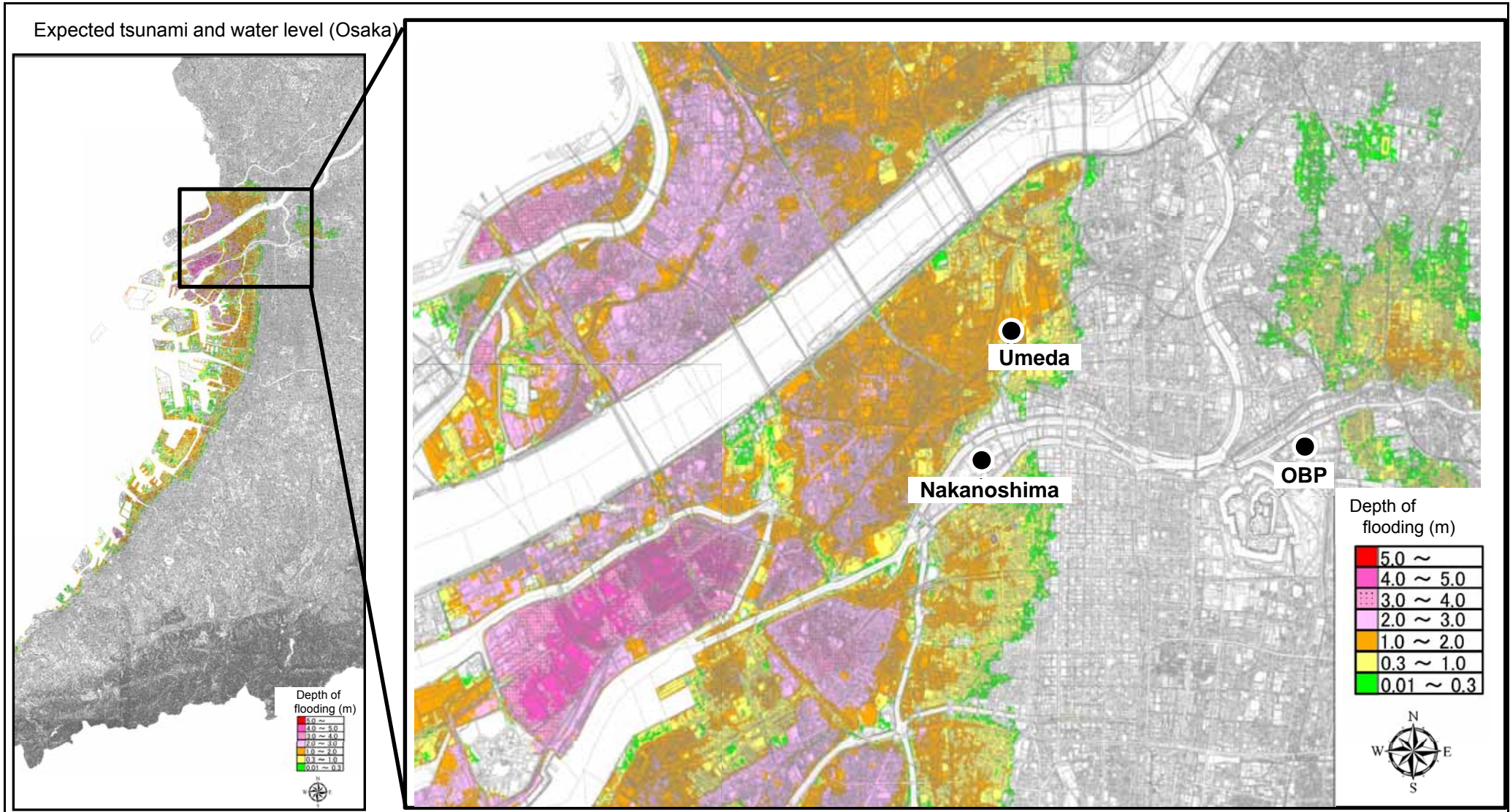
Note: Flooding from rainfall is flooding resulting from the accumulation of local rain that is not able to be fully drained by sewers and other drainage systems.

Safety of Osaka Business Park (OBP)

The possibility of inundation based on the expected tsunami and water level from a major Nankai Trough earthquake (magnitude of 9.1) is low



Expected tsunami and water level from the Osaka Municipal Government's Major Nankai Trough Earthquake Disaster Response Study Group Meeting held in Osaka on August 8, 2013



Source: Excerpt from the Osaka Municipal Government's documents on the third Major Nankai Trough Earthquake Disaster Response Study Group Meeting

Financial Statements (Balance Sheet)



Description	13th Period (as of Dec. 31, 2012)		14th Period (as of June 30, 2013)		Difference	
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)
(ASSETS)						
Total Current Assets	16,821	9.6	20,158	11.6	3,337	19.8
Cash and deposits	11,263		14,431		3,167	
Cash and deposits in trust	5,398		5,519		120	
Operating accounts receivable	135		124		-10	
Consumption taxes receivable	-		70		70	
Prepaid expenses	23		13		-10	
Deferred tax assets	0		0		0	
Total Noncurrent Assets	158,624	90.4	153,553	88.4	-5,071	-3.2
1. Property, plant and equipment						
Buildings in trust	61,293		62,009		243	
Accumulated depreciation	-12,069		-12,542			
Structures in trust	111		107		-4	
Accumulated depreciation	-14		-15			
Machinery and equipment in trust	-		7		7	
Accumulated depreciation	-		-0			
Tools, furniture and fixtures in trust	421		431		-18	
Accumulated depreciation	-170		-198			
Land in trust	108,456		103,277		-5,178	
Construction in progress in trust	1		-		-1	
Total property, plant and equipment	158,029	90.1	153,077	88.1	-4,952	-3.1
2. Intangible assets						
Software	1		0		-0	
Right of trademark	0		0		-0	
Total intangible assets	1	0.0	1	0.0	-0	-10.4
3. Investments and other assets						
Investment securities	172		162		-10	
Lease and guarantee deposits	10		10		-	
Long-term prepaid expenses	410		301		-108	
Total investments and other assets	593	0.3	474	0.3	-119	-20.1
Total Assets	175,445	100.0	173,711	100.0	-1,733	-1.0

Description	13th Period (as of Dec 31, 2012)		14th Period (as of June 30, 2013)		Difference	
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)
(LIABILITIES)						
Total Current Liabilities	31,434	17.9	30,930	17.8	-504	-1.6
Operating accounts payable	366		290		-76	
Current portion of long-term loans payable	28,750		28,750		-	
Accounts payable - other	700		634		-66	
Accrued expenses	129		126		-3	
Distribution payable	9		9		0	
Income taxes payable	1		1		-0	
Accrued consumption taxes	44		-		-44	
Advances received	592		665		73	
Other	838		451		-387	
Total Noncurrent Liabilities	52,314	29.8	52,304	30.1	-9	-0.0
Long-term loans payable	43,050		42,925		-125	
Tenant leasehold and security deposits	7,130		7,140		10	
Tenant leasehold and security deposits in trust	2,133		2,238		105	
Total Liabilities	83,749	47.7	83,235	47.9	-514	-0.6
(NET ASSETS)						
Unitholders' Equity						
1. Unitholders' capital	90,372		90,372		-	
2. Surplus						
Unappropriated retained earnings (undisposed loss)	1,324		104		-1,219	
Total surplus	1,324		104		-1,219	
Total unitholders' equity	91,696		90,476		-1,219	
Total Net Assets	91,696	52.3	90,476	52.1	-1,219	-1.3
Total Liabilities and Net Assets	175,445	100.0	173,711	100.0	-1,733	-1.0

Includes CAPEX accrued during the period: 538 million yen
(see page 44 for details of properties)

Financial Statements (Income Statement)



Description	13th Period (July 1, 2012 – Dec. 31, 2012)			14th Period (Jan 1, 2013 – June 30, 2013)			Difference	
	(million yen)	(%)		(million yen)	(%)		(million yen)	(%)
1. Operating revenue	5,628		100.0	5,457		100.0	-171	-3.0
Rent revenue - real estate		5,113			4,751			
Other lease business revenue		437			705			
Gain on sales of real estate properties		77			-			
2. Operating expenses	3,747		66.6	4,810		88.2	1,063	28.4
Expenses related to rent business		3,194			3,020			
Loss on sales of real estate properties		-			1,296			
Asset management fee		422			356			
Asset custody fee		8			8			
Administrative service fees		44			43			
Directors' compensations		5			5			
Other operating expenses		71			79			
Operating income	1,881		33.4	646		11.8	-1,234	-65.6
3. Non-operating income	3		0.0	3		0.1	-0	-2.7
Interest income		1			1			
Reversal of distribution payable		1			1			
Other		-			0			
4. Non-operating expenses	558		9.9	543		10.0	-14	-2.7
Interest expenses		432			417			
Borrowing related expenses		126			109			
Other		0			16			
Ordinary income	1,325		23.6	105		1.9	-1,219	-92.0
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	1,325		23.6	105		1.9	-1,219	-92.0
Total income taxes	1		0.0	1		0.0	0	1.1
Income taxes - current		1			1			
Income taxes - deferred		0			-0			
Net income	1,323		23.5	104		1.9	-1,219	-92.1
Retained earnings brought forward	0			0				
Unappropriated retained earnings (undisposed loss)	1,324			104			-1,219	-92.1

Details of rent revenue - real estate

Rent	3,742
CAM	876
Parking revenue	132

Details of expenses related to rent business

Property management fees	683
Utilities	490
Real estate taxes	528
Insurance premiums	10
Repairs	138
Depreciation and amortization	1,113
Loss on retirement of noncurrent assets	18
Other lease business expenses	37

Financial and Accounting Indices



Indices	13th Period Results (July. 1, 2012 – Dec. 31, 2012)	14th Period Results (Jan. 1, 2013 – June 30, 2013)	Comments
Net operating days	184 days	181 days	-
NOI from property leasing	3,474 million yen	3,568 million yen	Property leasing income + Depreciation and amortization + Loss on retirement of noncurrent assets
NOI yield from property leasing (p.a.)	4.3%	4.5%	NOI from property leasing (annualized) ÷ Total acquisition price of portfolio properties (on an average daily balance basis)
Funds from operations (FFO)	2,364 million yen	2,532 million 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	12,878 yen	13,790 yen	FFO ÷ Total investment units issued and outstanding at end of period
Return on assets (ROA)	1.5%	0.1%	Ordinary income [annualized] ÷ {(Total assets at beginning of period + Total assets at end of period) ÷ 2}
Return on equity (ROE)	2.9%	0.2%	Net income [annualized] ÷ {(NAV at beginning of period + NAV at end of period) ÷ 2}
NAV per unit	499,369 yen	492,726 yen	NAV at end of period ÷ Total investment units issued and outstanding at end of period
Loan to value (LTV)	40.9%	41.3%	Interest-bearing liabilities at end of period ÷ Total assets at end of period
Debt service coverage ratio (DSCR)	6.4	7.0	Net income before interest and depreciation (Net income + Interest expenses + Depreciation and amortization) ÷ Interest expenses
Price book-value ratio (PBR)	0.4	0.5	Unit price at end of period ÷ NAV per unit
Price earnings ratio (PER)	14.3	193.7	Unit price at end of period ÷ Net income per unit [annualized]
FFO multiple	7.8	16.3	Unit price at end of period ÷ FFO per unit [annualized]

Note: Unit price at end of period is 221,600 yen, which is the closing price on June 28, 2013.

Cash Flows from Properties

	Twin 21	Matsushita IMP Bldg.	Panasonic Osaka Kyobashi Bldg. (Note 3)	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.	Higobashi MID Bldg. (Note 3)
Operating days	181	181	171	181	181	181	181	181	181	181	181	10
Rent	1,376	658	201	233	-	-	726	65	49	217	65	3
CAM	495	225	43	17	-	-	-	17	10	54	9	1
Parking revenue	50	50	3	5	-	-	-	8	1	8	2	0
Rent revenue - real estate	1,923	934	249	256	-	-	726	92	62	279	77	4
Utilities	141	93	17	24	-	-	-	6	5	36	11	0
Early-withdrawal penalties received	0	-	-	-	-	-	-	-	-	-	-	-
Other revenue	10	3	348	1	-	-	-	0	0	1	1	0
Other lease business revenue	152	97	365	26	-	-	-	6	6	37	12	0
① Property leasing revenue	2,075	1,031	614	282	-	-	726	98	68	317	89	5
Property management fees	326	185	49	33	-	-	12	16	7	35	11	0
Commissions payment	1	-	-	0	-	-	-	1	-	2	0	-
Utilities	250	139	19	26	-	-	-	8	5	28	11	0
Real estate taxes	210	129	20	45	-	-	56	12	6	22	8	-
Insurance premiums	4	2	0	0	-	-	1	0	0	0	0	0
Repairs	69	29	2	16	-	-	0	4	0	6	3	-
Other lease business expenses	20	8	0	0	-	-	-	-	0	0	-	-
② Property leasing expenses	883	496	92	123	-	-	69	43	20	95	35	1
③ NOI (① - ②) NOI yield (Acquisition price basis) (p.a.)	1,192 3.5%	535 4.4%	521 -	158 3.8%	37 3.3%	84 6.1%	656 5.0%	54 3.4%	47 4.8%	221 4.1%	54 3.1%	4 -
④ Depreciation and amortization	510	256	38	60	14	18	115	24	12	39	18	3
⑤ Loss on retirement of noncurrent assets	8	7	-	0	-	-	-	0	-	-	1	-
⑥ Property leasing income (③ - ④ - ⑤)	672	271	483	97	23	66	540	29	34	182	34	0
CAPEX	330	125	-	10	21	-	20	22	-	-	8	-

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 Panasonic Osaka Kyobashi Bldg. and acquired Higobashi MID Bldg. on June 21, 2013.

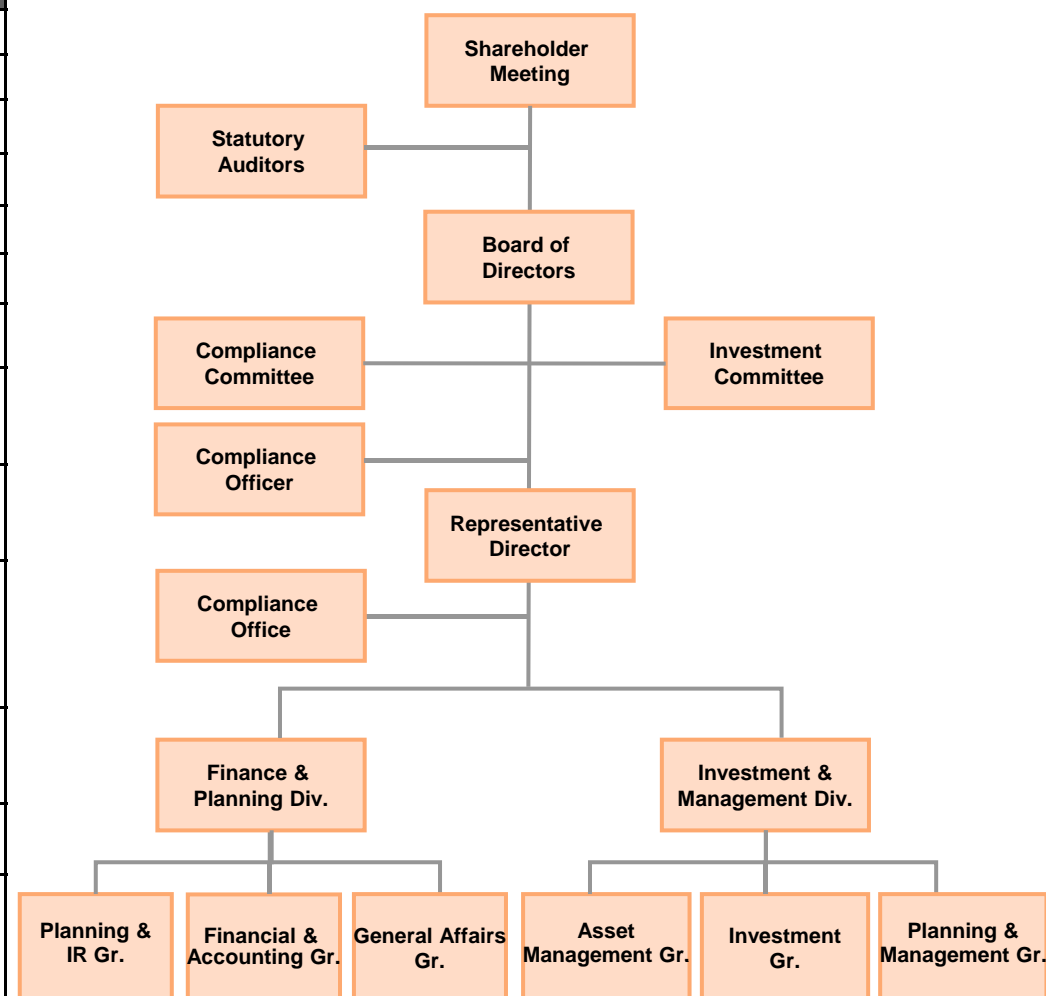
Overview of Asset Management Company



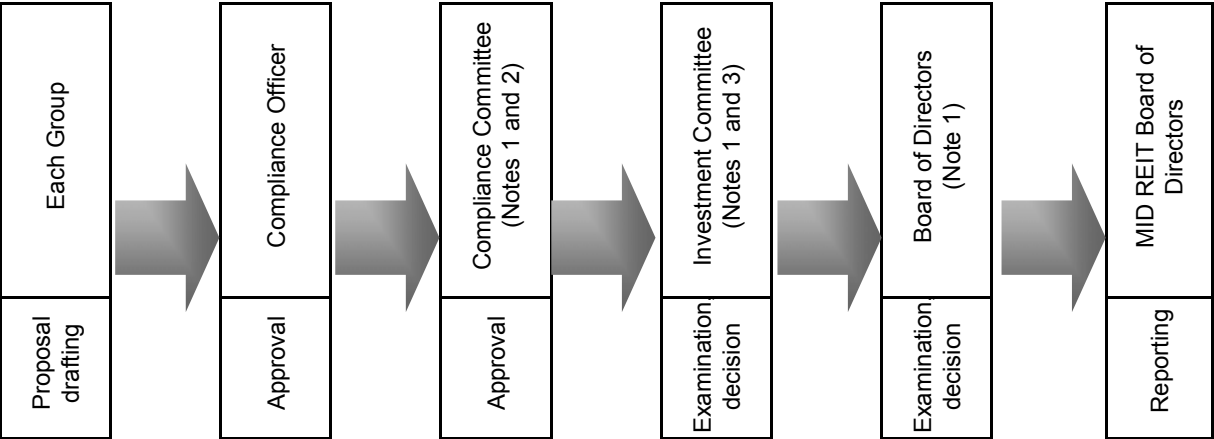
Company Overview

Company Overview (as of Aug. 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	32 (inclusive of 4 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"> 1. 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. 2. An external expert (lawyer) is included in deliberations as a member. 3. An external expert (real estate appraiser) is included in deliberations as a member. 	

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