



August 27, 2008

**For Translation Purpose Only**

MID REIT, Inc.  
1-4-4 Dojimahama, Kita-ku, Osaka  
Yukinobu Izumi  
Executive Officer  
(Securities Code: 3227)

MID REIT Management Co., Ltd.  
Nobuo Moroizumi  
President and CEO  
Inquiries:  
Hiroshi Uemura  
Director  
General Manager, Planning & Finance Division  
TEL. +81-6-6456-0700

## **Notice Concerning Interest-Rate Swap Agreement**

MID REIT, Inc. (hereafter “MID REIT”) today announced its decision to enter into interest-rate swap agreement, as outlined below, for the borrowings announced on August 22, 2008 (“Term Loans”).

### **1 . Rationale**

This agreement was reached for the purpose of fixing interest rates payable and hedging against the risk of interest-rate volatility in relation to loans outlined in Details of borrowings (2 years contracts, 2 years and 11 months contracts) (Note) are scheduled to execute on August 29, 2008.

(Note) For more details regarding these borrowings, please refer to the aforementioned press release.

### **2 . Details of Interest-Rate Swap Agreements**

- (1) Interest-Rate Swap Agreement (2 years contracts)
  - (a) Lender: Shinsei Bank, Limited
  - (b) Notional Principal Amount: ¥3.5 billion
  - (c) Interest Rate: Fixed interest payable: 0.97%  
Floating interest rate receivable: TIBOR (Tokyo Interbank Offered Rate) for Japanese Yen published by the Japanese Bankers Association (However, the first interest calculation period shall be from August 29, 2008 through November 28, 2008, with an interest rate of 0.85167%)
  - (d) Commencement Date: August 29, 2008

Note: This press release provides information regarding MID REIT's debt financing, and is not prepared as an inducement or invitation for investment. All readers are advised to consult their own investment advisors before investing in MID REIT. Investment decisions are investors' sole discretion and responsibility and are made at their own risk. MID REIT and its affiliates disclaim any responsibility or liability for the consequence of investment in MID REIT.



- (e) Termination Date: August 31, 2010 (Should this date not fall on a business day, the effective date will be the first business day following August 31, 2010. If this following business day falls into the next month, the effective date will be the business day immediately prior to August 31, 2010.)
  - (f) Interest Payment Date: The first payment shall be November 28, 2008, followed by subsequent payments on the last business days in February, May, August and November of each year, as well as the principal repayment date.
- (2) Interest-Rate Swap Agreement (2 years and 11 months contracts)
- (a) Lender: Aozora Bank, Ltd
  - (b) Notional Principal Amount: ¥17.8 billion
  - (c) Interest Rate: Fixed interest payable: 1.0257%  
Floating interest rate receivable: TIBOR for Japanese Yen published by the Japanese Bankers Association (However, the first interest calculation period shall be from August 29, 2008 through October 31, 2008, with an interest rate of 0.81250%)
  - (d) Commencement Date: August 29, 2008
  - (e) Termination Date: July 31, 2011 (Should this date not fall on a business day, the effective date will be the first business day following July 31, 2011. If this following business day falls into the next month, the effective date will be the business day immediately prior to July 31, 2011.)
  - (f) Interest Payment Date: The first payment shall be October 31, 2008, followed by subsequent payments on the last business days in January, April, July and October of each year, as well as the principal repayment date.