



MID REIT, Inc.

**Supplemental Material
for Press Releases on
Revision of Business
Results**

April 30, 2010

(Asset Management Company)
MID REIT Management Co., Ltd.

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

Disclaimer

- **This material provides information regarding MID REIT's business results, and is not prepared as an inducement or invitation for investment. Investment decisions are made at the investors' sole discretion and responsibility and are made at their own risk.**
- **The market prices of investment securities issued by real estate investment trusts (REITs) fluctuate in line with changes in: (1) real estate prices; (2) markets for REIT-issued and other marketable securities; (3) interest rates; and (4) the prices and appraisal value of securitized real estate. Fluctuations in market prices may cause investor losses. In addition, changes in the business conditions and asset status of MID REIT and MID REIT Management Co., Ltd., MID REIT's asset management company, may result in fluctuations in the market prices of investment securities issued by MID REIT. In such cases, investors may incur losses.**
- **This material is not a disclosure document or an asset management report based on the Financial Instruments and Exchange Law or the Law Concerning Investment Trusts and Investment Corporations ("Investment Trust Law"), or government and ministerial ordinances, Cabinet Office orders, TSE listing rules or any other relevant rules and regulations pertaining thereto.**
- **This material has been prepared, with due care, based on information that was available to MID REIT as of the date of preparation. Therefore, MID REIT does not guarantee that the data herein is accurate, complete, reliable, appropriate or fair. Furthermore, any item of data may be changed or removed without prior notice.**
- **This material contains various forward-looking statements which are based on current projections of the future with assumptions drawn on currently available information. Such statements may be affected by unknown risks, uncertainties, assumptions and other factors. Accordingly, these statements shall not be construed to guarantee the projected performance of MID REIT.**
- **Unauthorized redistribution and reproduction of this material and its contents is strictly prohibited.**

Conclusion of Memorandum to Change Lease Agreement on Leased Units with Major Tenant (Panasonic)

Twin 21 Panasonic Tower

- Change of agreement period to April 1, 2009 – March 31, 2013 (agreement period of the original agreement: April 1, 2009 – March 31, 2011)
- Setting up floors exempt from payment of rent and common-area fees and promotion of efforts for eliminating such
- Prohibiting agreement cancellation

Execution of Agreement concerning Property, etc. that MID REIT Owns through Ownership of Trust Beneficiary Interests (Agreement on Promoting Use of and Discussing Redevelopment of Osaka Business Park)

Twin 21, Matsushita IMP Building, Panasonic Denko Building

- The parties to the Agreement are Panasonic, Kansai Electric Power, MID Urban Development and MID REIT Management
- MID REIT Management and Panasonic will mutually cooperate to promote activities that promote the continued use of the entire Panasonic Tower by the Panasonic Group
- MID Urban Development and MID REIT Management will discuss redevelopment of the owned property located in the Osaka Business Park (OBP), and Panasonic and Kansai Electric Power will cooperate through providing proposals on products and technology, etc. from the perspective of new town development that leads in the realization of a low-carbon society

Execution of Comprehensive Basic Agreement on Discussing the Introduction of Utility Services with Kanden Energy Solution

- The parties to the Agreement are Kanden Energy Solution and MID REIT Management
- Start of discussion for introduction of utility services
- Expected effects of introduction of utility services
 - (1) Realization of energy conservation and CO₂ emission reduction by optimizing facility management and maintenance
 - (2) Long-term equalization of future facility renewal costs through Kanden Energy Solution's ownership of facilities
 - (3) Reduction of required funds by decreasing capital expenditures

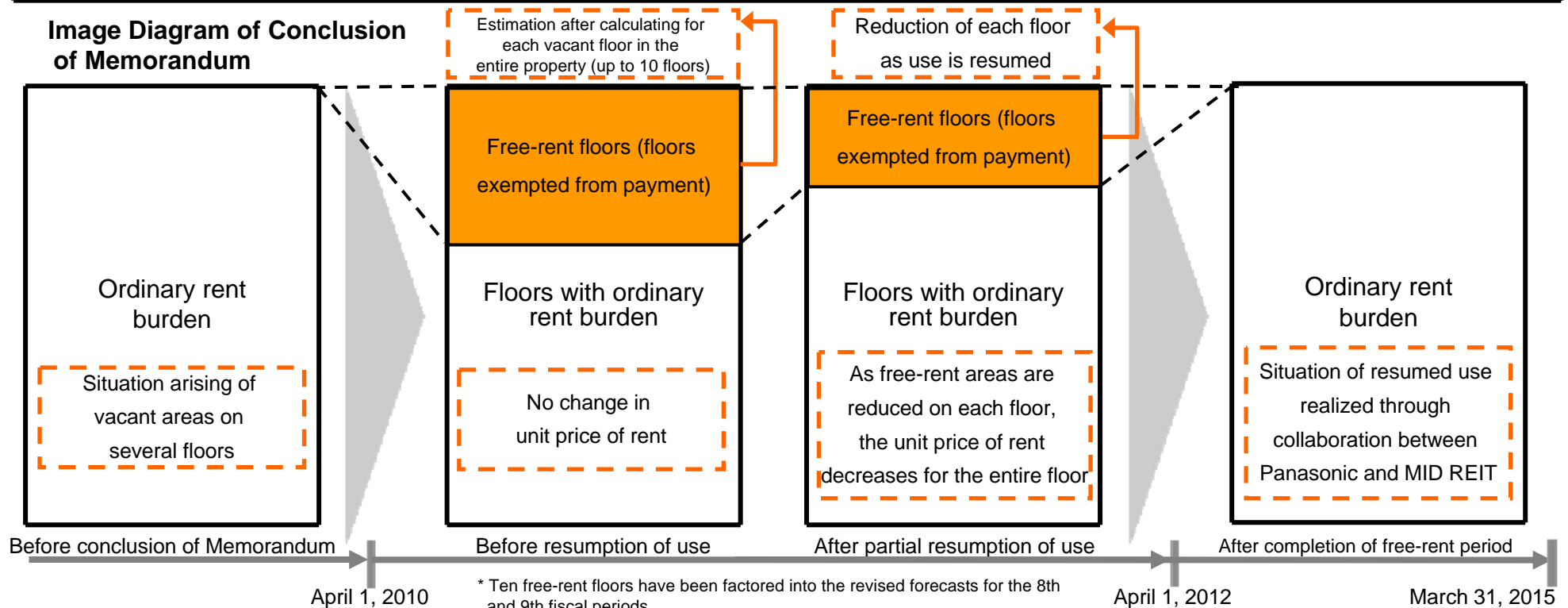
Conclusion of Memorandum to Change Lease Agreement on Leased Units of Twin 21 Panasonic Tower



Overview

- Of the 38-floor, 150-meter tall Twin Tower, one building is rented out in its entirety to Panasonic.
- Even after the conclusion of the Memorandum to Change the Lease Agreement on Leased Units Panasonic will continue use of the entire building.
- Change of agreement period to April 1, 2009 – March 31, 2013 (agreement period in original agreement: April 1, 2009 – March 31, 2011)
- Mid-term cancellation of the agreement is prohibited.
- Payment of rent and common-area fees will be exempted for a limited period from April 1, 2010 to March 31, 2012 for floors authorized by MID REIT (up to 10 floors) that can be confirmed to meet all certain conditions, such as the return of the key and security card to MID REIT and downtime of lighting and air-conditioning.
- Regarding floors for which payment of rent and common-area fees is exempted, Panasonic and MID REIT will work together in efforts toward resumption of use. Panasonic will be ensured incentives for promoting efforts toward resumed use through a reduction in the amount of the unit price of rent in proportion to the number of floors where use has been resumed.
- Both parties shall be able to terminate or change the details of the Memorandum on or after April 1, 2012, when agreed upon by both parties.

Image Diagram of Conclusion of Memorandum



Execution of Agreement concerning Property, etc. that MID REIT Owns through Ownership of Trust Beneficiary Interests (Agreement on Promoting Use of and Discussing Redevelopment of Osaka Business Park)



Overview

- Panasonic and MID REIT Management will mutually cooperate to promote activities that to promote the use of the Twin OBP Panasonic Tower so that the Panasonic Group may continue use of the entire building.
- MID Urban Development and MID REIT Management will promote discussions on medium- to long-term redevelopment of properties located in OBP that MID REIT owns. Panasonic and Kansai Electric Power will cooperate through providing proposals on products and technology, etc. from the perspective of new town development that leads in the realization of a low-carbon society.
- Project teams will be formed by Panasonic and MID REIT Management to promote activities for the continued use of the entire building, as well as by MID Urban Development and MID REIT Management to promote discussion of redevelopment of owned properties located in OBP. These project teams shall hold meetings to carry out periodic exchange of information, hold discussions and other activities.
- Promotion of the concerned efforts is expected to contribute to stable asset management of MID REIT while also contributing to bringing out the potential value of OBP and the surrounding area and even lead to revitalizing of the entire Osaka area.

Area Map of Osaka Business Park



Overview of MID REIT Properties in Osaka Business Park

	Twin 21	Matsushita IMP Building	Panasonic Denko Building
Type	Office building	Office building	Office building
Acquisition price	68,700 million yen	24,600 million yen	7,620 million yen
Leasable space	82,401.43m ²	37,146.98m ²	12,684.52m ²
Construction completed	March 1986	February 1990 Added onto in November 2003	August 1974
Floors	38 floors above ground, 1 floor below ground	26 floors above ground, 2 floors below ground	8 floors above ground, 1 floor below ground
Remarks	Comprised of 2 buildings – OBP Panasonic Tower occupied by Panasonic, and MID Tower, occupied by major corporations, consular offices, etc. – and other facilities.	A multi-use skyscraper with office areas, retail shops and event halls.	Panasonic Electric Works has been the tenant since its completion. 1st to 3rd floors used as Panasonic Living Showroom Osaka.



Execution of Comprehensive Basic Agreement on Discussing the Introduction of Utility Services



Utility Services of Kanden Energy Solution Co., Inc.

Response to need for complete outsourcing of utility facilities (electricity, air-conditioning, boiler, water treatment facilities, etc.)

[Overview]

- Regarding air-conditioning facilities, power receiving and substation facilities, etc., select optimal system in consideration of such factors as initial investment, running costs and environmental burden
- Precautionary checks for equipment failures and performance degradation through remote monitoring, carrying out maintenance and conserving equipment.
- Support with handling notification and reporting duties to supervisory agencies based on energy conservation laws
- Carry out proposal to improve overall operation of energy supply system equipment and building facilities (the above services will be provided after the equipment is owned by Kanden Energy Solution)

[Benefits of Introduction]

- Consider systems with both economic and environmental benefits
 - Continuous reduction of running costs through optimized management of energy conservation operations
 - Lessen burden of equipment conservation and administrative duties
 - Curtailment of initial investment burden through provision of total services on core business
 - Support through Kansai Electric Power's wealth of knowledge and experience in energy
- Able to focus management resources by outsourcing energy-related business

Scope of Utility Services

	Design	Construction	Ownership	Operation	Maintenance	Energy Management
Substation service		Construction company	Leasing company	Building maintenance company	Maintenance company	Measurement instrument maker, etc.
Measures against power outages and sudden power failures						
Photovoltaic power generation						
Provision of cold energy						
Provision of heat (steam)						
Cogeneration service						
Water treatment service						
Building management service						

Kanden Energy Solution Co., Inc. will provide all facilities for energy-related utilities (electricity and heat resources)

8th and 9th Fiscal Period Forecasts



	7th Period Results (July 1, 2009 – Dec. 31, 2009)	8th Period (Jan. 1, 2010 – June 30, 2010)			9th Period (July 1, 2010 – Dec. 31, 2010)		
		Initial Forecast (Disclosed on Feb. 15, 2010)	Revised Forecast (Disclosed on Apr. 30, 2010)	Change	Initial Forecast (Disclosed on Feb. 15, 2010)	Revised Forecast (Disclosed on Apr. 30, 2010)	Change
Operating revenue (million yen)	6,289	6,158	6,007	(2.4%)	6,191	5,853	(5.5%)
Operating income (million yen)	2,593	2,467	2,342	(5.1%)	2,481	2,151	(13.3%)
Ordinary income (million yen)	1,750	1,602	1,448	(9.6%)	1,658	1,329	(19.9%)
Net income (million yen)	1,748	1,600	1,446	(9.6%)	1,656	1,327	(19.9%)
Dividend per unit (yen)	9,524	8,716	7,879	(9.6%)	9,023	7,228	(19.9%)
Preconditions							
Utilities (Property expenses) (million yen)	496	475	448		502	502	
Costs, including property and city planning taxes, posted in the fiscal period (million yen)	596	597	600		600	604	
Repairs (million yen)	140	145	136		137	137	
Interest expense (million yen)	576	568	559		599	577	
Borrowing related expenses (million yen)	269	300	343		226	248	
<p>* The reduction of borrowing related expenses accompanying the implementation of refinancing has already been factored into the initial forecast.</p> <p>* The cost of 40 million yen related to converting to non-secured borrowings has already been factored into the revised 8th period forecasts.</p> <p>(Please refer to the releases "Notice Concerning Debt Financing" and "Notice Concerning Release of Security Interests pertaining to Existing Debt Financing" announced on March 31, 2010 for details on the refinancing and conversion to non-secured borrowings.)</p>							
Occupancy rate at end of period (%)	96.7	97.5	97.5		97.8	97.7	

Notes: 1. All the above figures are based on the assumption that the No. of units outstanding in each period is 183, 625 units.

2. The above forecasts are based on certain criteria for calculation and reflect the situation as of April 30, 2010. Actual Operating revenue, Operating income, Ordinary income, Net income and Dividend per unit may change depending on the occupancy level of existing properties or changes in rent, acquisition/disposal of properties, changes in the real estate market environment and changes to the environment surrounding MID REIT going forward. Also, our forecast shall not be construed as a guarantee of the Dividend amount paid to our investors.



(Asset Management Company)

MID REIT Management Co., Ltd.

Financial Instruments Firm, Director of Kinki Local Finance Bureau, Registration No.43

Member of the Investment Trusts Association

Aqua Dojima East Bldg., 1-4-4 Dojimahama
Kita-ku, Osaka City, 530-0004

TEL:+81-06-6456-0700 (main)

FAX: +81-6-6456-0707