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For Translation Purpose Only

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Notice Regarding Revision of Business Results and Distributions Forecast for the 14th Period Ending June 30, 2013

MID REIT, Inc. (hereafter “MID REIT”) announces that it has revised its business results and distributions forecast for the fiscal period ending June 30, 2013 (January 1, 2013 to June 30, 2013) announced on February 14, 2013.

1. Revised Business Results and Distributions Forecast for the Fiscal Period Ending June 30, 2013 (14th Fiscal Period: January 1, 2013 to June 30, 2013)

	Operating revenue (millions of yen)	Operating income (millions of yen)	Ordinary income (millions of yen)	Net income (millions of yen)	Distribution per unit (excluding distribution in excess of earnings) (yen)	Distribution in excess of earnings per unit (yen)
Previous forecast (A)	5,454	1,856	1,326	1,324	7,210	0
Revised forecast (B)	5,449	609	78	76	418	0
Difference (B – A)	(4)	(1,247)	(1,247)	(1,247)	(6,792)	—
Percentage change	(0.1%)	(67.2%)	(94.0%)	(94.2%)	(94.2%)	—

[Reference]

Fiscal period ending June 30, 2013

Forecast number of investment units issued and outstanding at end of period: 183,625 units

Note: This press release provides information regarding MID REIT’s “Notice Regarding Revision of Business Results and Distributions Forecast for the 14th Period Ending June 30, 2013,” 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.



2. Reason for the Revision

MID REIT is revising the outlook of its business results as presented in the table above because it anticipates that net income will differ by more than 30% and distribution per unit will differ by more than 5% from the business results and distributions forecast for the fiscal period ending June 30, 2013 (January 1, 2013 to June 30, 2013) announced on February 14, 2013.

The revision is primarily attributable to a review of its business results and distributions forecast for the fiscal period ending June 30, 2013 (14th fiscal period) at this point in time because its decision to transfer the trust beneficiary interest of the trust that has Panasonic Osaka Kyobashi Building as the trust property on June 21, 2013 as announced in the “Notice Regarding Transfer of Property (Panasonic Osaka Kyobashi Building)” dated today has led to it expecting to post a loss on sales of real estate properties (-¥1,318 million) during the fiscal period ending June 30, 2013 (14th fiscal period).

For details of the asset transfer, please refer to the “Notice Regarding Transfer of Property (Panasonic Osaka Kyobashi Building)” separately announced today.

Notes:

1. The aforementioned forecasts are current as of the date of this release. Accordingly, actual distribution per unit is subject to change. On this basis, MID REIT does not guarantee payment of the forecast distribution per unit.
2. MID REIT reserves the right to revise the aforementioned forecasts in the event that a significant discrepancy between actual results and forecasts is anticipated.
3. Amounts below the specified unit are rounded down. Percentage figures are rounded to the nearest first decimal place.

<Attachment>

Attachment: Assumptions Regarding Business Results Forecast for the 14th Fiscal Period (January 1, 2013 to June 30, 2013)

**Assumptions Regarding Business Results Forecast
for the 14th Fiscal Period (January 1, 2013 to June 30, 2013)**

Item	Assumption(s)
Assets under management	<ul style="list-style-type: none"> Assumes the 11 properties it owns as at May 29, 2013, with the addition of Higobashi MID Building, which it plans to acquire on June 21, 2013, and excluding Panasonic Osaka Kyobashi Building, which it plans to transfer on June 21, 2013, to total 11 properties, from which there will be no changes (new property acquisition, sale of existing property, etc.) in assets under management through to June 30, 2013. The actual assets under management may vary due to changes in the property portfolio and other factors.
Operating revenue	<ul style="list-style-type: none"> Rent revenue (rent revenue – real estate) is calculated based on lease agreements effective as at May 29, 2013, with due consideration given to such factors as the market environment, the characteristics and market competitiveness of individual properties, status of individual tenants and recent deterioration of the real estate market. Operating revenue is calculated assuming there are no tenant defaults or non-payments of rent by tenants.
Operating expenses	<ul style="list-style-type: none"> Of the expenses related to rent business, which constitute a principal component of operating expenses, expenses other than depreciation and amortization are calculated based on historical data and reflecting seasonal and other factors that may cause fluctuations in expenses. Property management fees in the amount of ¥681 million are expected for the 14th fiscal period. Utility expenses in the amount of ¥495 million are expected for the 14th fiscal period. Property taxes, etc. in the amount of ¥523 million are expected for the 14th fiscal period. The amount expected to be necessary for building repair costs in the respective fiscal period is recorded as expenses. MID REIT expects repair costs for the 14th fiscal period will be ¥154 million less than the 13th fiscal period to amount to ¥49 million. Furthermore, please note that actual repair costs may differ significantly from the forecasted amounts due to various reasons, including repair costs possibly arising from damages, etc. to buildings due to unexpected causes. Depreciation and amortization are calculated based on the straight-line method inclusive of associated costs and future additional capital expenditures. MID REIT estimates ¥1,096 million for the 14th fiscal period.
Non-operating expenses	<ul style="list-style-type: none"> Interest expenses of ¥421 million are expected for the 14th fiscal period. Borrowing related expenses of ¥109 million are expected for the 14th fiscal period.
Interest-bearing liabilities	<ul style="list-style-type: none"> Assumes the balance of interest-bearing liabilities outstanding will be ¥71,675 million at the end of the 14th fiscal period.
Number of investment units issued and outstanding	<ul style="list-style-type: none"> Assumes the number of investment units issued and outstanding will be the 183,625 units as at May 29, 2013 and no additional investment units will be issued through to June 30, 2013.
Distribution per unit	<ul style="list-style-type: none"> Distribution per unit is calculated assuming the cash distribution policy set forth in the Articles of Incorporation of MID REIT. Distribution per unit could change due to various factors, including changes in assets under management, fluctuations in rent income associated with tenant changes, etc., incurrence of unexpected repairs, fluctuations in interest rates, and the issuance of additional investment units.
Distribution in excess of earnings per unit	<ul style="list-style-type: none"> Assumes there will be no cash distributions in excess of earnings (distribution in excess of earnings per unit).
Other	<ul style="list-style-type: none"> Assumes no changes will be made to laws, the tax system, accounting standards, listing regulations, rules of The Investment Trusts Association, Japan, etc. affecting the aforementioned forecasts. Assumes there will be no major and unforeseen changes in general economic trends, real estate market conditions, etc.

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