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**For Translation Purpose Only**

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**Notice Regarding Revision of Business Results and Distributions Forecast for  
the 18th Period Ending June 30, 2015 and the 19th Period Ending December 31, 2015**

MID REIT, Inc. (hereafter “MID REIT”) announces that it has revised its business results and distributions forecasts for the fiscal period ending June 30, 2015 (January 1, 2015 to June 30, 2015) and the fiscal period ending December 31, 2015 (July 1, 2015 to December 31, 2015) announced on February 16, 2015.

1. Revised Business Results and Distributions Forecasts

(1) Fiscal Period Ending June 30, 2015 (18th Fiscal Period: January 1, 2015 to June 30, 2015)

	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)	5,172	1,517	1,076	1,074	5,850	0
Revised forecast (B)	5,261	1,580	1,134	1,132	5,900	0
Difference (B – A)	89	63	58	58	50	—
Percentage change	1.7%	4.2%	5.4%	5.5%	0.9%	—

[Reference]

Fiscal period ending June 30, 2015

Forecast number of investment units issued and outstanding at end of period: 192,025 units

(Previously announced forecast number of investment units issued and outstanding at end of period: 183,625 units)

It is assumed that all investment units (8,400 new investment units through a third-party allotment, which was resolved at the meeting of the board of directors held today) are issued, in addition to 183,625 investment units issued and outstanding as of today, and that no additional new investment units are issued thereafter.

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(2) Fiscal Period Ending December 31, 2015 (19th Fiscal Period: July 1, 2015 to December 31, 2015)

	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)	5,099	1,522	1,085	1,083	5,900	0
Revised forecast (B)	5,351	1,609	1,154	1,152	6,000	0
Difference (B – A)	252	87	68	68	100	—
Percentage change	5.0%	5.8%	6.3%	6.4%	1.7%	—

[Reference]

Fiscal period ending December 31, 2015

Forecast number of investment units issued and outstanding at end of period: 192,025 units

(Previously announced forecast number of investment units issued and outstanding at end of period: 183,625 units)

It is assumed that all investment units (8,400 new investment units through a third-party allotment, which was resolved at the meeting of the board of directors held today) are issued, in addition to 183,625 investment units issued and outstanding as of today, and that no additional new investment units are issued thereafter.

## 2. Reason for the Revision

The main factor for the revision is that the assumptions for business results forecast have been reviewed, which include the acquisition of trust beneficiary interest in Sumitomo Fudosan Ueno Building No. 6 as entrusted real estate on May 1, 2015 using cash on hand, fund procured through a third-part allotment and borrowings as described in “Notice Concerning Issuance of New Investment Units through Third-Party Allotment,” “Notice Concerning Debt Financing,” and “Notice Regarding Acquisition of Trust Beneficiary Interest in Domestic Real Estate (Sumitomo Fudosan Ueno Building No. 6)” announced today, bringing the expected operating revenue to surpass the previous forecast.

For details of the third-party allotment, debt financing and acquisition of property, please refer to “Notice Concerning Issuance of New Investment Units through Third-Party Allotment,” “Notice Concerning Debt Financing,” and “Notice Regarding Acquisition of Trust Beneficiary Interest in Domestic Real Estate (Sumitomo Fudosan Ueno Building No. 6)” announced separately 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

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- 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 Forecasts for the 18h Fiscal Period (January 1, 2015 to June 30, 2015) and the 19th Fiscal Period (July 1, 2015 to December 31, 2015)

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**Assumptions Regarding Business Results Forecasts for the 18th Fiscal Period**

**(January 1, 2015 to June 30, 2015) and the 19th Fiscal Period (July 1, 2015 to December 31, 2015)**

Item	Assumption(s)
Assets under management	<ul style="list-style-type: none"> <li>Assumes there will be no changes (new property acquisition, sale of existing property, etc.) in MID REIT's assets under management until the end of the fiscal period ending December 2015 from a total of 13 properties after adding "Sumitomo Fudosan Ueno Building No. 6", which is planned to be acquired on May 1, 2015, to the 12 properties it owns as at April 10, 2015.</li> <li>The actual assets under management may vary due to changes in the property portfolio and other factors.</li> </ul>
Operating revenue	<ul style="list-style-type: none"> <li>Rent revenue (rent revenue – real estate) is calculated based on lease agreements effective as at April 10, 2015, with due consideration given to such factors as the market environment, the characteristics, market competitiveness of individual properties, and status of individual tenants.</li> <li>Operating revenue is calculated assuming there are no tenant defaults or non-payments of rent by tenants.</li> </ul>
Operating expenses	<ul style="list-style-type: none"> <li>Of the expenses related to rent business, which constitute a principal component of operating expenses, expenses other than depreciation are calculated based on historical data and reflecting seasonal and other factors that may cause fluctuations in expenses.</li> <li>Property management fees in the amount of ¥659 million are expected for the 18th fiscal period and the amount of ¥680 million are expected for the 19th fiscal period.</li> <li>Utilities expenses in the amount of ¥567 million are expected for the 18th fiscal period and the amount of ¥703 million are expected for the 19th fiscal period.</li> <li>Property taxes, etc. in the amount of ¥527 million are expected for the 18th fiscal period and the amount of ¥527 million are expected for the 19th fiscal period.</li> <li>The amount expected to be necessary for building repair expenses in the respective fiscal period is recorded as expenses. Building repair expenses of ¥230 million, an increase of ¥86 million from the previous fiscal period, are expected for the 18th fiscal period. Furthermore, please note that actual repair expenses may differ significantly from the forecasted amounts due to various reasons, including repair expenses possibly arising from damages, etc. to buildings due to unexpected causes.</li> <li>Depreciation is calculated based on the straight-line method inclusive of associated costs and future additional capital expenditures. MID REIT estimates ¥1,164 million for the 18th fiscal period and ¥1,188 million for the 19th fiscal period.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>Interest expenses of ¥354 million are expected for the 18th fiscal period and ¥361 million are expected for the 19th fiscal period.</li> <li>Borrowing related expenses of ¥91 million are expected for the 18th fiscal period and ¥93 million are expected for the 19th fiscal period.</li> </ul>
Interest-bearing liabilities	<ul style="list-style-type: none"> <li>Assumes the balance of interest-bearing liabilities outstanding will be ¥67,675 million at the end of the 18th fiscal period and ¥67,550 million at the end of the 19th fiscal period.</li> <li>Assumes borrowings of ¥2,500 million (due for repayment on April 28, 2016) will be conducted on April 30, 2015 to be used as part of ¥7,460 million for the planned acquisition of trust beneficiary interest in Sumitomo Fudosan Ueno Building No. 6 as entrusted real estate on May 1, 2015.</li> <li>Assumes the scheduled repayment in the 19th fiscal period of ¥125 million (due for repayment on July 31, 2015) will be repaid using cash reserves.</li> <li>As for the 19th fiscal period, assumes borrowings of ¥6,500 million (due for repayment on July 31, 2015) and ¥8,500 million (due for repayment on July 31, 2015) , will be refinanced for the same amount.</li> </ul>

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<p>Number of investment units issued and outstanding</p>	<ul style="list-style-type: none"> <li>Assume the number of investment units will be 192,025 units in total, after adding 8,400 units scheduled to be newly issued through a third-party allotment as resolved at the meeting of the board of directors held today to 183,625 units of investment units issued and outstanding as at April 10, 2015, and no additional investment units will be issued through to December 31, 2015.</li> </ul>
<p>Distribution per unit</p>	<ul style="list-style-type: none"> <li>Distribution per unit is calculated assuming the cash distribution policy set forth in the Articles of Incorporation of MID REIT.</li> <li>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.</li> </ul>
<p>Distribution in excess of earnings per unit</p>	<ul style="list-style-type: none"> <li>Assumes there will be no cash distributions in excess of earnings (distribution in excess of earnings per unit).</li> </ul>
<p>Other</p>	<ul style="list-style-type: none"> <li>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.</li> <li>Assumes there will be no major and unforeseen changes in general economic trends, real estate market conditions, etc.</li> </ul>

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