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For Translation Purpose Only

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Notice Concerning Changes in Major Shareholders, Parent Companies and Specified Affiliated Companies at Asset Management Company

MID REIT, Inc. (hereafter “MID REIT”) announces that, with regard to its asset management company, MID REIT Management Co., Ltd. (hereafter the “Asset Management Company”), there will be changes in the major shareholders, parent companies and specified affiliated companies of the Asset Management Company, effective on April 22, 2015, as described below.

1. Background of the Changes

MID REIT was established in June 2006 as a J-REIT with investment focused on office buildings in the Osaka area under the basic policy of managing assets in pursuit of securing stable revenue and achieving steady growth of its assets under management from a medium- to long-term perspective. MID REIT was listed on the Tokyo Stock Exchange’s Real Estate Investment Trust Section (J-REIT market) in August 2006, and started managing assets by acquiring 9 properties with the sum total of acquisition prices amounting to ¥146,450 million.

Subsequently, while working to expand the asset size, it has conducted asset replacement with MID Urban Development Co., Ltd. (hereafter “MID Urban Development”), the shareholder of the Asset Management Company. As of today, MID REIT’s portfolio comprises 12 properties with the sum total of acquisition prices amounting to ¥157,670 million.

The Japanese economy as a whole shows a continuing tendency for the weaker yen and higher stock prices, with the ongoing improvement in corporate earnings becoming even more evident. Given such a situation, the J-REIT market sees property acquisitions conducted actively in line with new listings and capital increase through public offerings. In the leasing market, vacancy rates are continuing to improve, primarily in central Tokyo, as office demand has increased due to improving business sentiment of companies, and bottoming out of the rent levels is being observed.

Under such an environment, MID REIT, the Asset Management Company and MID Urban Development share the recognition that, in preparation for further development of the J-REIT market in the future, it is indispensable to reinforce the pipeline function by acquiring a new sponsor so that MID REIT can strengthen its revenue-generating ability through accelerated external growth for the purpose of enhancing the unitholder value and to mitigate risks of fluctuations in revenue with the effects of increasing diversification of its properties and tenants through expansion of the asset size, among other objectives. As

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the three parties have repeatedly investigated how to achieve this goal, they have concluded to invite Mitsubishi Corp. - UBS Realty Inc. (hereafter “Mitsubishi Corp. - UBS Realty”) as the new main sponsor of the Asset Management Company. Mitsubishi Corp. - UBS Realty has already built a stable track record of managing Japan Retail Fund Investment Corporation (owning 89 properties with the sum total of acquisition prices amounting to ¥850,924 million) and Industrial & Infrastructure Fund Investment Corporation (owning 41 properties with the sum total of acquisition prices amounting to ¥202,979 million), and has successfully enhanced the unitholder value through continuous external growth and secured earnings stability with the effects of expanding the asset size and diversifying the portfolio of the REITs. Accordingly, MID Urban Development and Mitsubishi Corp. - UBS Realty today agreed that, of the Asset Management Company’s stocks owned by MID Urban Development (100%), part of the stocks (65%) will be transferred to Mitsubishi Corp. - UBS Realty as of April 22, 2015 (hereafter the “Stock Transfer”). The Asset Management Company also approved the Stock Transfer.

When the Stock Transfer is implemented, Mitsubishi Corp. - UBS Realty and its parent company, Mitsubishi Corporation (hereafter “Mitsubishi Corp.”) will fall under the categories of parent companies and specified affiliated companies of the Asset Management Company. On the other hand, MID Urban Development and its parent company, The Kansai Electric Power Company, Incorporated (hereafter “Kansai Electric Power”) will no longer fall under the category of parent companies of the Asset Management Company. In association with this, Kansai Electric Power will also not correspond to a specified affiliated company of the Asset Management Company. However, MID Urban Development will continue to be a specified affiliated company even after the Stock Transfer, as it is an interested party of an asset management company for a listed investment corporation and is classified as a corporation that conducts or conducted transactions that have material impact on the value of specified assets, as provided in Article 166-5-2 of the Financial Instruments and Exchange Act.

2. Overview of the Major Shareholders, Parent Companies and Specified Affiliated Companies after the Changes

(1) Mitsubishi Corp. - UBS Realty (major shareholder, parent company and specified affiliated company)

(a)	Name	Mitsubishi Corp. - UBS Realty Inc.	
(b)	Location	2-7-3 Marunouchi, Chiyoda-ku, Tokyo	
(c)	Representative	Toru Tsuji, President & CEO & Representative Director	
(d)	Main business	Asset management business	
(e)	Capital	¥500 million (as of March 31, 2015)	
(f)	Establishment	November 15, 2000	
(g)	Net assets	Not disclosed as no consent to disclosure has been obtained	
(h)	Total assets	Not disclosed as no consent to disclosure has been obtained	
(i)	Major shareholders and stock holding ratio	Mitsubishi Corp.	51.0%
		UBS AG	49.0%
(j)	Relationship with MID REIT or the Asset Management Company		
	Capital ties	<p>There are no capital ties to be stated between MID REIT and Mitsubishi Corp. - UBS Realty. There are also no capital ties to be stated between the related parties and affiliated companies of MID REIT or the Asset Management Company and related parties and affiliated companies of Mitsubishi Corp. - UBS Realty.</p> <p>Furthermore, as described in “Notice Concerning Issuance of New Investment Units through Third-Party Allotment” announced today, Mitsubishi Corp. - UBS Realty is a subsidiary of Mitsubishi Corp., which is an allottee of the new investment units MID REIT plans to issue through third-party allotment. Moreover, after the Stock Transfer is implemented, Mitsubishi Corp. - UBS Realty will fall under the category of major shareholders, parent company and specified affiliated company of the Asset Management Company.</p>	

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Personnel ties	<p>There are no personnel ties to be stated between MID REIT and Mitsubishi Corp. - UBS Realty. There are also no personnel ties to be stated between the related parties and affiliated companies of MID REIT or the Asset Management Company and related parties and affiliated companies of Mitsubishi Corp. - UBS Realty.</p> <p>Furthermore, as described in “Notice Concerning Changes to Directors, Corporate Auditors and Key Employees at Asset Management Company” announced today, the President & CEO & Representative Director and the Deputy President & Representative Director of Mitsubishi Corp. - UBS Realty will take office as directors (part-time) of the Asset Management Company as of April 22, 2015. In addition, an officer of Mitsubishi Corp. - UBS Realty will take office as Corporate Auditor (part-time) of the Asset Management Company as of the same date.</p>
Business ties	<p>There are no business ties to be stated between MID REIT and Mitsubishi Corp. - UBS Realty. There are also no business ties to be stated between the related parties and affiliated companies of MID REIT or the Asset Management Company and related parties and affiliated companies of Mitsubishi Corp. - UBS Realty.</p>

(2) Mitsubishi Corp. (parent company and specified affiliated company)

(a) Name	Mitsubishi Corporation	
(b) Location	2-3-1 Marunouchi, Chiyoda-ku, Tokyo	
(c) Representative	Ken Kobayashi, President and Chief Executive Officer	
(d) Main business	Implements multi-faceted businesses in the business domains covering wide-ranging industries, under the structure of the seven groups comprising Global Environmental & Infrastructure Business Group, Industrial Finance, Logistics & Development Group, Energy Business Group, Metals Group, Machinery Group, Chemicals Group and Living Essentials Group plus the Business Service Group	
(e) Paid-in capital	¥204,447 million (as of December 31, 2014)	
(f) Establishment	April 1, 1950	
(g) Consolidated shareholders' equity	¥4,774,244 million (fiscal year ended March 2014)	
(h) Consolidated total assets	¥15,291,699 million (fiscal year ended March 2014)	
(i) Major shareholders and stock holding ratio (as of September 30, 2014)	<p>Japan Trustee Services Bank, Ltd. (Trust Account) 5.68%</p> <p>Tokio Marine & Nichido Fire Insurance Co., Ltd. 4.58%</p> <p>Meiji Yasuda Life Insurance Company 3.99%</p> <p>The Master Trust Bank of Japan, Ltd. (Trust Account) 3.83%</p> <p>The Master Trust Bank of Japan, Ltd. (Mitsubishi Heavy Industries, Limited Account, Retirement Benefit Trust Account) 3.01%</p> <p>The Bank of Tokyo-Mitsubishi UFJ, Ltd. 1.57%</p> <p>State Street Bank and Trust Company 505223 (Standing proxy, Settlement & Clearing Services Division, Mizuho Bank, Ltd.) 1.53%</p> <p>The Nomura Trust and Banking Co., Ltd. (Pension Benefit Trust Account, Mitsubishi UFJ Trust and Banking Corporation) 1.36%</p> <p>The Bank of New York Mellon SA/NV 10 (Standing proxy, The Bank of Tokyo-Mitsubishi UFJ, Ltd.) 1.23%</p> <p>The Master Trust Bank of Japan, Ltd. (Pension Benefit Trust Account, Mitsubishi Electric Corporation) 1.09%</p>	

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(j) Relationship with MID REIT or the Asset Management Company	
Capital ties	There are no capital ties to be stated between MID REIT and Mitsubishi Corp. There are also no capital ties to be stated between the related parties and affiliated companies of MID REIT or the Asset Management Company and related parties and affiliated companies of Mitsubishi Corp. Furthermore, as described in “Notice Concerning Issuance of New Investment Units through Third-Party Allotment” announced today, Mitsubishi Corp. is an allottee of the new investment units MID REIT plans to issue through third-party allotment. As a result, Mitsubishi Corp. will own 4,200 investment units (ownership ratio of 2.19%) of MID REIT. Moreover, after the Stock Transfer is implemented, the Asset Management Company will fall under the category of indirect subsidiary of Mitsubishi Corp.
Personnel ties	There are no personnel ties to be stated between MID REIT and Mitsubishi Corp. There are also no personnel ties to be stated between the related parties and affiliated companies of MID REIT or the Asset Management Company and related parties and affiliated companies of Mitsubishi Corp. Furthermore, as described in “Notice Concerning Changes to Directors, Corporate Auditors and Key Employees at Asset Management Company” announced today, Katsura Matsuo will take office as President & CEO & Representative Director of the Asset Management Company as of April 22, 2015. In doing so, Matsuo will be seconded to the Asset Management Company from Mitsubishi Corp.
Business ties	There are no business ties to be stated between MID REIT and Mitsubishi Corp. There are also no business ties to be stated between the related parties and affiliated companies of MID REIT or the Asset Management Company and related parties and affiliated companies of Mitsubishi Corp.

3. Overview of the Company No Longer Falling under the Category of Parent Company and Specified Affiliated Company

(1) Kansai Electric Power

(a) Name	The Kansai Electric Power Company, Incorporated	
(b) Location	3-6-16 Nakanoshima, Kita-ku, Osaka	
(c) Representative	Makoto Yagi, President and Director	
(d) Main business	Electric power, heat supply, telecommunications, gas supply and other businesses	
(e) Paid-in capital	¥489,300 million (as of December 31, 2014)	
(f) Establishment	May 1, 1951	
(g) Consolidated shareholders' equity	¥1,145,020 million (as of December 31, 2014)	
(h) Consolidated total assets	¥7,622,577 million (as of December 31, 2014)	
(i) Major shareholders and stock holding ratio (as of September 30, 2014)	Osaka City	8.92%
	Nippon Life Insurance Company	3.69%
	Kobe City	2.91%
	Japan Trustee Services Bank, Ltd. (Trust Account)	2.58%
	The Master Trust Bank of Japan, Ltd. (Trust Account)	2.32%
	Kansai Electric Power Employee Stockholder Program	2.24%
	Mizuho Bank, Ltd.	1.85%
	Kochi Shinkin Bank	1.69%
	The Bank of New York Mellon SA/NV 10 (Standing proxy, The Bank of Tokyo-Mitsubishi UFJ, Ltd.)	1.27%
	Sumitomo Mitsui Banking Corporation	1.19%

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(j) Relationship with MID REIT or the Asset Management Company	
Capital ties	<p>There are no capital ties to be stated between MID REIT and Kansai Electric Power. There are also no capital ties to be stated between the related parties and affiliated companies of MID REIT or the Asset Management Company and related parties and affiliated companies of Kansai Electric Power.</p> <p>Furthermore, Kansai Electric Power corresponds to the parent company of the Asset Management Company, owning 99.36% of the outstanding stocks of MID Urban Development, the parent company of the Asset Management Company. After the Stock Transfer is implemented, however, the company will no longer fall under the category of parent company and specified affiliated company of the Asset Management Company.</p>
Personnel ties	<p>There are no personnel ties to be stated between MID REIT and Kansai Electric Power. There are also no personnel ties to be stated between the related parties and affiliated companies of MID REIT or the Asset Management Company and related parties and affiliated companies of Kansai Electric Power.</p> <p>Furthermore, a person seconded from Kansai Electric Power is serving as part-time director of the Asset Management Company. However, as described in “Notice Concerning Changes to Directors, Corporate Auditors and Key Employees at Asset Management Company” announced today, the person will retire from the post as of April 22, 2015.</p>
Business ties	<p>Kansai Electric Power has concluded a rental space lease agreement with MID REIT.</p> <p>Furthermore, there are no business ties to be stated between the Asset Management Company and Kansai Electric Power. There are no business ties to be stated between the related parties and affiliated companies of MID REIT or the Asset Management Company and related parties and affiliated companies of Kansai Electric Power.</p>

4. Scheduled Date of Change
April 22, 2015

5. Number of Stocks (Voting Rights) Owned by the Parent Companies of the Asset Management Company and Ratio to the Voting Rights of Entire Shareholders

(1) Mitsubishi Corp. - UBS Realty.

	Attribute	Number of voting rights (ownership ratio of voting rights)			Ranking among major shareholders
		Direct ownership	Combined ownership	Total	
Before change	Not applicable	0 (0%)	0 (0%)	0 (0%)	Not applicable
After change	Parent company, major shareholder	3,900 (65.0%)	0 (0%)	3,900 (65.0%)	First

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(2) Mitsubishi Corp.

	Attribute	Number of voting rights (ownership ratio of voting rights)			Ranking among major shareholders
		Direct ownership	Combined ownership	Total	
Before change	Not applicable	0 (0%)	0 (0%)	0 (0%)	Not applicable
After change	Parent company	0 (0%)	3,900 (65.0%)	3,900 (65.0%)	Not applicable

(Note) Number of stocks excluded from total number of outstanding stocks with voting rights: 0
Number of outstanding stocks as of April 10, 2015: 6,000 shares

(Reference) Shareholders of the Asset Management Company after the Stock Transfer

Name	Number of voting rights	Ratio to the voting rights of entire shareholders
Mitsubishi Corp. - UBS Realty	3,900 (3,900 shares)	65.0%
MID Urban Development	2,100 (2,100 shares)	35.0%
Total	6,000 (6,000 shares)	100.0%

6. Future Outlook

(1) Changes to the asset management agreement concluded by MID REIT

No changes are planned as of today.

(2) Changes to the business structure of the Asset Management Company

As described in “Notice Concerning Changes to Directors, Corporate Auditors and Key Employees at Asset Management Company” announced today, the Asset Management Company plans to make changes in its directors, auditors and important employees, conditional upon the resolution at the general meeting of shareholders scheduled for April 22, 2015. As for the details of the changes, please refer to “Notice Concerning Changes to Directors, Corporate Auditors and Key Employees at Asset Management Company” separately announced today.

(3) Changes to the decision-making mechanism for investment management

At the board of directors’ meeting held today, the Asset Management Company decided to change its decision-making procedures as follows, effective on April 22, 2015, on the condition that the Stock Transfer is implemented.

1) Procedure to appoint and dismiss Compliance Officer

Unanimous consent of the directors has been required for the appointment and dismissal of the Compliance Officer. This will be changed so that such appointment and dismissal can be made by the resolution of the board of directors’ meeting (resolution to be made by the majority of the attending directors at a meeting where a majority of directors who are authorized to participate in voting is present), without requiring unanimous consent of the directors.

2) Requirements for resolutions at the Investment Committee

It has been determined that resolution at the Investment Committee shall be made by the approval of a majority of members having voting rights at a meeting where a majority of members having voting rights are present, while giving respect to the opinions of outside experts. However, approval of such outside experts will be added to the conditions for resolution.

(4) Changes to the rules on compliance and interested parties, etc.

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No changes are planned as of today.

(5) Changes to investment policy.

As described in “Notice Concerning Amendment of Asset Management Guidelines, Etc. of Asset Management Company” announced today, the Asset Management Company will amend its Asset Management Guidelines regarding asset management for MID REIT as of April 22, 2015, on the condition that the Stock Transfer is implemented. The amendments will provide that, with regard to the investment targets (by category), new investments in “real estate other than office properties” shall be made in real estate primarily used as service apartments or hotels, and no new acquisition will be made as to retail properties and industrial properties.

Furthermore, a proposal will be made to the General Meeting of Unitholders scheduled for June 16, 2015 about partial amendments to the Articles of Incorporation of MID REIT. The amendments will include changing the investment region, as set forth in Article 27-3 of the Articles of Incorporation, from “focused on the Osaka area (Osaka, Hyogo and Kyoto Prefectures), and also include the Tokyo metropolitan area, as well as government-designated cities and other major cities” to “focused on the three major metropolitan areas (Tokyo, Osaka and Nagoya metropolitan areas (Note)), and also include the government-designated cities and other major cities as well as abroad.”

(Note) Tokyo metropolitan area represents Tokyo, Kanagawa, Chiba and Saitama Prefectures. Osaka metropolitan area represents Osaka, Kyoto and Hyogo Prefectures. Nagoya metropolitan area represents Aichi Prefecture.

(6) Changes to agreements with the sponsors, etc.

The Asset Management Company concluded a memorandum concerning supply of property information with Mitsubishi Corp. - UBS Realty as of today, based on which the Asset Management Company shall be able to receive information of real estate for sale from the company. With this arrangement, the Asset Management Company will work to strengthen the pipeline function and aim for further growth of MID REIT’s assets under management through utilizing Mitsubishi Corp. - UBS Realty’s experiences and know-how on property acquisitions, etc. and its information networks, among other measures.

On the other hand, while MID Urban Development, the shareholder of the Asset Management Company, will continue to remain as a sponsor after the Stock Transfer, it will become a minority shareholder holding 35% of the Asset Management Company’s outstanding stocks. Because of this and other reasons, MID Urban Development agreed as of today to modify the memorandum concerning supply of information on real estate for sale and other support with the Asset Management Company as of April 22, 2015. Conventionally, the Asset Management Company had preferential negotiation rights on office properties developed and owned by MID Urban Development or its subsidiaries, etc. Going forward, however, while the Asset Management Company will be vested with opportunities to negotiate on such office properties by receiving information on their sale no later than the start of selling activities to third parties, MID Urban Development or its subsidiaries, etc. will be able to have negotiations simultaneously with third parties.

Moreover, in the trademark license agreement concluded between MID REIT and MID Urban Development regarding the MID and other trademarks, it is provided that the license period will expire on the day when the Asset Management Company ceases to be a subsidiary of MID Urban Development. (Furthermore, the license period for the trademarks of MID REIT is to expire on the earlier of July 17, 2016, or the day when the asset management agreement with the Asset Management Company will end.) Upon the Stock Transfer, MID REIT has agreed with MID Urban Development that, by amending the trademark license agreement as of today, that the license period for MID and other trademarks will expire on the day when MID Urban Development ceases to own the Asset Management Company’s stocks (provided that, however, if MID Property Management Co., Ltd. or MID Facility Management Co, Ltd. is consigned with property management services or facility management services for the real estate owned by MID REIT even after the said date, the trademarks for the said real estate may be used.).

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Furthermore, each of these changes shall be valid on the condition that the Stock Transfer has been implemented.

- (7) Prospect of MID REIT continuing to be listed
MID REIT plans to remain listed.
- (8) Future policy, etc.
MID REIT will make announcements promptly when any event occurs to be disclosed about the business implementation of MID REIT and the Asset Management Company with regard to these matters.

Furthermore, necessary filing and other procedures will be performed for these matters pursuant to the Financial Instruments and Exchange Act, Building Lots and Buildings Transaction Act and other applicable laws and regulations, etc.

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