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For Translation Purpose Only

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Notice Concerning Interest-Rate Swap Agreements

MCUBS MidCity Investment Corporation (hereafter “MCUBS MidCity”) today announced its decision to enter into interest-rate swap agreements, as outlined below, for the borrowings of 9,300 million yen (5 years), 4,500 million yen (6 years) , 2,200 million yen (7 years) , 1,000 million yen (8 years) and 500 million yen (8 years) (hereafter “this borrowing”) described in “Notice Concerning Debt Financing” announced on July 9, 2015.

1. Rationale

This agreement was reached for the purpose of fixing interest rates payable and hedging against the risk of interest-rate volatility through the principal repayment date in relation to loans in Details of Borrowing (Note) that are scheduled to be executed on July 31, 2015.

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

2. Details of Interest-Rate Swap Agreements

(1) Interest-Rate Swap Agreement (5 years)

- (a) Lender: Sumitomo Mitsui Trust Bank, Ltd.
- (b) Notional Principal Amount: ¥9,300 million
- (c) Interest Rate: Fixed interest payable: 0.26545%
Floating interest rate receivable: The Three-month TIBOR (Tokyo Interbank Offered Rate) for Japanese Yen published by the Japanese Bankers Association
- (d) Commencement Date: July 31, 2015
- (e) Termination Date: July 31, 2020 (Repayment day shall be the day immediately following any repayment date if such repayment date is not a business day. However, the repayment day shall be the day preceding the repayment date if such repayment date falls into the next month.)
- (f) Interest Payment Date: The last business days in January, April, July and October of

Note: This press release provides information regarding MCUBS MidCity’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 MCUBS MidCity. Investors are advised to read Prospectus Concerning the Issue and Sale of New Investment Units and its corrections d) before making investment decisions, which are investors’ sole discretion and responsibility and are made at their own risk. MCUBS MidCity and its affiliates disclaim any responsibility or liability for the consequence of investment in MCUBS MidCity.

each year, as well as the principal repayment date.

* In accordance with the interest-rate swap agreement, the interest rate for the borrowing of ¥9,300 million (5 years) among this borrowing will be actually fixed at 0.86545% (p.a.) up to the principal repayment date.

(2) Interest-Rate Swap Agreement (6 years)

- (a) Lender: Mizuho Bank, Ltd.
- (b) Notional Principal Amount: ¥4,500 million
- (c) Interest Rate: Fixed interest payable: 0.33350%
Floating interest rate receivable: The Three-month TIBOR (Tokyo Interbank Offered Rate) for Japanese Yen published by the Japanese Bankers Association
- (d) Commencement Date: July 31, 2015
- (e) Termination Date: July 31, 2021 (Repayment day shall be the day immediately following any repayment date if such repayment date is not a business day. However, the repayment day shall be the day preceding the repayment date if such repayment date falls into the next month.)
- (f) Interest Payment Date: The last business days in January, April, July and October of each year, as well as the principal repayment date.

* In accordance with the interest-rate swap agreement, the interest rate for the borrowing of ¥4,500 million (6 years) among this borrowing will be actually fixed at 1.0335% (p.a.) up to the principal repayment date.

(3) Interest-Rate Swap Agreement (7 years)

- (a) Lender: Mizuho Bank, Ltd.
- (b) Notional Principal Amount: ¥2,200 million
- (c) Interest Rate: Fixed interest payable: 0.40235%
Floating interest rate receivable: The Three-month TIBOR (Tokyo Interbank Offered Rate) for Japanese Yen published by the Japanese Bankers Association
- (d) Commencement Date: July 31, 2015
- (e) Termination Date: July 31, 2022 (Repayment day shall be the day immediately following any repayment date if such repayment date is not a business day. However, the repayment day shall be the day preceding the repayment date if such repayment date falls into the next month.)
- (f) Interest Payment Date: The last business days in January, April, July and October of each year, as well as the principal repayment date.

* In accordance with the interest-rate swap agreement, the interest rate for the borrowing of ¥2,200 million (7 years) among this borrowing will be actually fixed at 1.20235% (p.a.) up to the principal repayment date.

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- (4) Interest-Rate Swap Agreement (8 years)
- (a) Lender: Sumitomo Mitsui Trust Bank, Ltd.
 - (b) Notional Principal Amount: ¥1,000 million
 - (c) Interest Rate: Fixed interest payable: 0.48430%
Floating interest rate receivable: The Three-month TIBOR (Tokyo Interbank Offered Rate) for Japanese Yen published by the Japanese Bankers Association
 - (d) Commencement Date: July 31, 2015
 - (e) Termination Date: July 31, 2023 (Repayment day shall be the day immediately following any repayment date if such repayment date is not a business day. However, the repayment day shall be the day preceding the repayment date if such repayment date falls into the next month.)
 - (f) Interest Payment Date: The last business days in January, April, July and October of each year, as well as the principal repayment date.

* In accordance with the interest-rate swap agreement, the interest rate for the borrowing of ¥1,000 million (8 years) among this borrowing will be actually fixed at 1.3843% (p.a.) up to the principal repayment date.

- (5) Interest-Rate Swap Agreement (8 years)
- (a) Lender: Sumitomo Mitsui Trust Bank, Ltd.
 - (b) Notional Principal Amount: ¥500 million
 - (c) Interest Rate: Fixed interest payable: 0.48430%
Floating interest rate receivable: The Three-month TIBOR (Tokyo Interbank Offered Rate) for Japanese Yen published by the Japanese Bankers Association
 - (d) Commencement Date: July 31, 2015
 - (e) Termination Date: July 31, 2023 (Repayment day shall be the day immediately following any repayment date if such repayment date is not a business day. However, the repayment day shall be the day preceding the repayment date if such repayment date falls into the next month.)
 - (f) Interest Payment Date: The last business days in January, April, July and October of each year, as well as the principal repayment date.

* In accordance with the interest-rate swap agreement, the interest rate for the borrowing of ¥500 million (8 years) among this borrowing will be actually fixed at 1.3843% (p.a.) up to the principal repayment date.

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