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A Series of Actions towards Sustainability by an Asset Management Company

MCUBS MidCity Inc. (hereafter “the Asset Management Company”), to which MCUBS MidCity Investment Corporation (hereafter “MCUBS MidCity”) entrusts asset management, has been conducting its operations while paying attention to the environment and social responsibility. As a result, the Asset Management Company recently established and signed the following policies for sustainability. The series of actions the Asset Management Company has taken are as described below.

1. The Outline

Environmental issues such as changes in climate and the exhaustion of natural resources, as well as social responsibilities, such as respecting human rights and community development, have become pressing issues for all of mankind. Meanwhile, stakeholders are increasingly demanding that companies respond to such issues.

The Asset Management Company has engaged in asset management operations by paying attention to the environment and its social responsibilities. It established a policy for sustainability last year (2015) and signed onto principles drawn up by external organizations this year. In addition, it will continuously work on reducing its environmental footprint and contributing to the local community, with the aim of realizing a sustainable society.

2. Actions towards sustainability – Establishing and signing onto diverse policies

- Establishing the Environmental Charter
- Establishing the Basic Policy for Responsible Property Investment
- Signing the Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century)

(as of February 15, 2016)

3. Future Outlook

There is slight impact on our operating results of MCUBS MidCity.

The summary of each section, please see the reference below.

【Reference】**Establishing the Environmental Charter**

MCUBS MidCity Inc. (“the Company”) has established the Environmental Charter as detailed below.

At the Company, we consider the Earth itself to be our most important stakeholder and are continually working towards the realization of a sustainable society through our business activities.

1. We will strive to reduce greenhouse gas emissions by continually implementing new efficiency measures and embracing new technologies.
2. We will promote the sustainable use of natural resources including energy, minerals, food stocks and water throughout our global business operations.
3. We recognize the critical importance of what ecosystems can provide and are committed to protecting ecosystems and mitigating any potential impacts on biodiversity.
4. We will strive to create and enhance environmental benefits by undertaking conservation activities and reducing our environmental footprint.
5. We will continue to actively engage and work with our various stakeholders openly and transparently and disclose information on the environmental impacts of our business operations in an appropriate and timely manner.
6. We will conduct all of our activities in compliance with environmental laws while adhering to international rules and social standards.

Establishing the Basic Policy for Responsible Property Investment

Concurrently with formulation of the above-mentioned Environmental Charter, MCUBS MidCity Inc. has established the basic policy for engaging in actual responsible property investment. The basic policy comprises the following contents.

1. Introduction
2. Our organization
3. Our Beliefs about RPI
4. Our Mission
5. Our Strategy
6. Our RPI Disclosure Policy
7. Policy Review

Signing the Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century)

“Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century)” were drawn up in October 2011, with the Ministry of Environment serving as secretariat, as guidelines for action by financial institutions seeking to fulfill their roles and responsibilities necessary for the establishment of a sustainable society. The Company agreed to the concept of the principles and signed on to them on February 4, 2016.

The Principles

1. We will recognize our roles and responsibilities, taking into account the precautionary approach, and promote those employment activities that contribute towards shaping a sustainable society.
2. We will contribute to the formation of a sustainable global society through the development and provision of financial products and services that lead to the advancement and increased competitiveness of “industries contributing to a sustainable society,” as represented by the environmental technologies and services sector.
3. From the perspectives of regional development and improving sustainability, we will assist the environmental programs of small and medium enterprises. We will also back activities that will raise environmental awareness amongst citizens and support disaster readiness and various community activities.
4. In the formation of a sustainable society, we will recognize the importance of cooperation with diverse stakeholders and will not only participate in its activities, but will endeavor to take a proactive role.
5. We will not be limited to complying with environmental laws and regulations, but will take active steps to reduce our own environmental footprint through resource and energy savings, and encouraging our suppliers to do the same.
6. We will recognize activities that frame sustainability as a business issue, and will endeavor to disclose information concerning our activities.
7. In order to implement the above actions, we will aim to raise the awareness of environmental and social issues amongst our own officers and employees, and support them in taking active roles through the performance of their regular duties.