

May 17, 2016

**For Translation Purpose Only**

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**Notice Concerning Issuance of Investment Corporation Bonds**

MCUBS MidCity Investment Corporation (hereafter “MCUBS MidCity”) announces today that it has decided to issue publicly offered investment corporation bonds (totaling 3,000 million yen) based on the comprehensive resolution adopted at the board of directors’ meeting held on April 19, 2016 as below.

1. Details of the bonds

(1) The 1st Unsecured Investment Corporation Bonds

(1) Name	MCUBS MidCity Investment Corporation The 1st Unsecured Investment Corporation Bonds(hereinafter called the “Bonds”) (Special pari passu conditions among specified investment corporation bonds)
(2) Total amount to be issued	1,500 million yen
(3) Form of bond certificate	Subject to the provisions of the Act on Book-Entry Transfer of Company Bonds, Shares, etc., MCUBS MidCity will not issue investment corporation bond certificates for the Bonds.
(4) Total amount to be paid in or minimum amount	100 yen per 100 yen of each Bond
(5) Redemption price	100 yen per 100 yen of each Bond
(6) Interest rate	0.340% per annum
(7) Denomination price	100 million yen
(8) Offering method	Public offering
(9) Subscription period	May 17, 2016
(10) Payment date	May 23, 2016
(11) Collateral	The Bonds are neither secured by mortgage nor guaranteed, and no asset is particularly reserved as security for the Bonds.
(12) Redemption date and method	The total amount of the Bonds will be redeemed on May 21, 2021.
(13) Interest payment date	23 <sup>rd</sup> day of each May and November
(14) Financial covenants	Negative pledge clause is attached.
(15) Rating	Rating and Investment Information, Inc. (R&I) : A-
(16) Fiscal agent, issuing agent and payment agent	Mizuho Bank, Ltd.
(17) Underwriter	Mizuho Securities Co., Ltd. SMBC Nikko Securities Inc.

(2) The 2nd Unsecured Investment Corporation Bonds

(1) Name	MCUBS MidCity Investment Corporation The 2nd Unsecured Investment Corporation Bonds (hereinafter called the “Bonds”) (Special pari passu conditions among specified investment corporation bonds)
(2) Total amount to be issued	1,500 million yen
(3) Form of bond certificate	Subject to the provisions of the Act on Book-Entry Transfer of Company Bonds, Shares, etc., MCUBS MidCity will not issue investment corporation bond certificates for the Bonds.
(4) Total amount to be paid in or minimum amount	100 yen per 100 yen of each Bond
(5) Redemption price	100 yen per 100 yen of each Bond
(6) Interest rate	0.810% per annum
(7) Denomination price	100 million yen
(8) Offering method	Public offering
(9) Subscription period	May 17, 2016
(10) Payment date	May 23, 2016
(11) Collateral	The Bonds are neither secured by mortgage nor guaranteed, and no asset is particularly reserved as security for the Bonds.
(12) Redemption date and method	The total amount of the Bonds will be redeemed on May 22, 2026.
(13) Interest payment date	23 <sup>rd</sup> day of each May and November
(14) Financial covenants	Negative pledge clause is attached.
(15) Rating	Rating and Investment Information, Inc. (R&I) : A-
(16) Fiscal agent, issuing agent and payment agent	Mizuho Bank, Ltd.
(17) Underwriter	Mizuho Securities Co., Ltd. SMBC Nikko Securities Inc.

2. Reason for the issuance

By the issuance of the Bonds which are the first time publicly offered investment corporation bonds for MCUBS MidCity, its financial basement will be strengthened to support its future growth. Also, it is intended to improve the stability of the financial capacity through the extension of the interest-bearing debt term and to reduce the debt costs.

3. Amount of funds to be raised, use of proceeds and scheduled timing of expenditure

(i) Amount of funds to be raised (estimated amount of net proceeds: deducting issuance related expenses from the payment amount, and rounding down the amounts less than 1 million.)

2,967 million yen

(ii) Specific use of proceeds and scheduled timing of expenditure

MCUBS MidCity will use the proceeds to partially fund its repayment of existing borrowings by the end of July 2016.

4. Status of interest-bearing debt after financing (As of May 23, 2016)

(Millions of yen)

	Before	After	Change
Short-term borrowings	1,500	1,500	—
Current portion of long-term borrowings	19,900	19,900	—
Long-term borrowings	72,825	72,825	—
Total borrowings	94,225	94,225	—
Investment corporation bonds	—	3,000	+3,000
Total interest-bearing debt	94,225	97,225	+3,000