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**For Translation Purpose Only**

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### Notice Concerning Debt Financing

MCUBS MidCity Investment Corporation (hereafter “MCUBS MidCity”) announced today that it has decided to refinance part of its existing borrowings as described below.

#### 1. Details of Borrowings(18,400 million yen)

| Loan   | Lender(s)   | Amount outstanding | Debt term | Interest rate(Note 1,2) |   | Anticipated execution date | Anticipated borrowing date | Method of borrowing, repayment of principal    | Maturity date (Note 3) |               |
|--------|---|--------------------|-----------|-------------------------|---|----------------------------|----------------------------|--|------------------------|---------------|
|        |   |                    |           |                         |   |                            |                            |  |                        |               |
| Loan 1 | Sumitomo Mitsui Banking Corporation, Shinkin Central Bank   | ¥3,700 million     | 3.5 years | Floating                | Base interest rate (JBA 3-month yen TIBOR) + 0.310% | July 26, 2016              | July 29, 2016              | Unsecured and unguaranteed, lump sum repayment | January 31, 2020       |               |
| Loan 2 | The Nishi-Nippon City Bank, Ltd., The Hyakugo Bank, Ltd.  | ¥2,250 million     | 3.5 years | Fixed                   | To be determined                                    |                            |                            |  |                        |               |
| Loan 3 | Sumitomo Mitsui Trust Bank, Limited,  | ¥2,600 million     |           |                         |   |                            |                            |  |                        |               |
| Loan 4 | Mizuho Bank, Ltd., Development Bank of Japan, Inc., Mitsubishi UFJ Trust and Banking Corporation, The Senshu Ikeda Bank, Ltd. | ¥2,500 million     | 4.5 years | Fixed                   | To be determined                                    |                            |                            |  | July 31, 2021          |               |
| Loan 5 | Development Bank of Japan, Inc., Aozora Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, The Senshu Ikeda Bank, Ltd. | ¥2,650 million     | 5 years   | Fixed                   | To be determined                                    |                            |                            |  |                        | July 31, 2021 |
| Loan 6 | Mizuho Bank, Ltd., Development Bank of Japan, Inc., Aozora Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation           | ¥4,700 million     | 8 years   | Fixed                   | To be determined                                    |                            |                            |  |                        |               |

(Note 1)The base interest rate applicable to the calculation period for the interest to be paid on the interest payment date is the Three-month TIBOR (Tokyo Interbank Offered Rate) for Japanese Yen published by the Japanese Bankers Association (JBA) two business days preceding the interest payment date. However, in the event the calculation period is a period of less than 3 months, it is calculated based on the method stipulated in the agreements. For JBA's Japanese Yen TIBOR, please check with the JBA TIBOR Administration's website (<http://www.ibatibor.or.jp/english/>).

(Note 2)We will make an announcement about the interest rates to be determined when determined.

(Note 3)Repayment day shall be the day immediately following business day if it is not a business day. However, the repayment day shall be the day preceding business day if it falls into the next month.

(Note 4)Interest payment dates are the end of January, April, July and October of every year and on the principal repayment date (or immediately preceding business day if it is not a business day).

## 2. Reason for Borrowings

The funds will be used for the repayment of 19,900 million yen borrowings which will be due on July 29, 2016. MCUBS MidCity will pay the difference (1,500 million yen) between the Borrowings and the repayment amount by a part of funds from the 1st and the 2nd Unsecured Investment Corporation Bonds issued on May 23, 2016.

(Reference : Details of borrowings to be repaid)

| Lender(s)   | Amount outstanding | Debt term | Interest rate |   | Borrowing date | Method of borrowing, repayment of principal    | Maturity date |
|---|--------------------|-----------|---------------|---|----------------|--|---------------|
| Mizuho Bank, Ltd.,<br>Development Bank of Japan, Inc.   | ¥4,000 million     | 5 years   | Fixed         | 1.36375%  | July 29, 2011  | Unsecured and unguaranteed, lump sum repayment | July 29, 2016 |
| Mizuho Bank, Ltd.,<br>Sumitomo Mitsui Trust Bank, Limited,<br>Sumitomo Mitsui Banking Corporation,<br>Aozora Bank, Ltd.,<br>Mitsubishi UFJ Trust and Banking Corporation,<br>Shinkin Central Bank,<br>The Senshu Ikeda Bank, Ltd.,<br>The Nishi-Nippon City Bank, Ltd.,<br>The Hyakugo Bank, Ltd. | ¥15,900 million    | 3 years   | Floating      | Base interest rate (JBA 3-month yen TIBOR) + 0.600% | July 31, 2013  |  |               |

## 3. Status of interest –bearing debt after financing (As of July 29, 2016)

(Millions of yen)

|                              | Before | After  | Change       |
|------------------------------|--------|--------|--------------|
| Short-term borrowings        | 0      | 0      | —            |
| Long-term borrowings         | 92,725 | 91,100 | (Note)▲1,625 |
| Total borrowings             | 92,725 | 91,100 | ▲1,625       |
| Investment corporation bonds | 3,000  | 3,000  | —            |
| Total interest- bearing debt | 95,725 | 94,100 | ▲1,625       |

(Note)Including a scheduled payment (125 million yen) on July 29, 2016