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**For Translation Purpose Only**

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### **Notice Concerning Issuance of Investment Corporation Bonds and Early Repayment of Borrowing**

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) and undertake early repayment of short-term borrowing based on the comprehensive resolution adopted at the board of directors’ meeting held on April 21, 2017 as below.

## 1. Details of the bonds

## (1) The 3rd Unsecured Investment Corporation Bonds

(1) Name	MCUBS MidCity Investment Corporation The 3rd Unsecured Investment Corporation Bonds (hereinafter called the “Bonds”) (Special pari passu conditions among specified investment corporation bonds)
(2) Total amount to be issued	1,000 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	0.260% per annum
(7) Denomination price	100 million yen
(8) Offering method	Public offering
(9) Subscription period	May 23, 2017
(10) Payment date	May 29, 2017
(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 27, 2022.
(13) Interest payment date	29th 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. Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

(2) The 4th Unsecured Investment Corporation Bonds

(1) Name	MCUBS MidCity Investment Corporation The 4th Unsecured Investment Corporation Bonds (hereinafter called the “Bonds”) (Special pari passu conditions among specified investment corporation bonds)
(2) Total amount to be issued	2,000 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	0.670% per annum
(7) Denomination price	100 million yen
(8) Offering method	Public offering
(9) Subscription period	May 23, 2017
(10) Payment date	May 29, 2017
(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 28, 2027.
(13) Interest payment date	29th 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. Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

2. Reason for the issuance

By the issuance of the Bonds, MCUBS MidCity’s financial basement will be strengthened through diversification of procurement methods. In addition, it is intended to extend of the interest-bearing debt term and 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 fund for a part of repayment of short-term borrowing on May 31, 2017 as below.

4. Details of early repayment

Lender(s)	Initial amount outstanding	Remaining principal amount (Note)	Anticipated repayment amount	Interest rate		Borrowing date	Method of borrowing, repayment of principal	Maturity date	Anticipated repayment date
Mizuho Bank, Ltd.	¥10,000 million	¥3,000 million	¥3,000 million	Floating	Base interest rate (JBA 1-month yen TIBOR) + 0.150%	January 31, 2017	Unsecured and unguaranteed, lump sum repayment	July 31, 2017	May 31, 2017

(Note) The partial early repayment of 7,000 million yen was conducted on March 31, 2017.

## 5. Status of interest-bearing debt after financing (As of May 31, 2017)

(Millions of yen)

	Before	After	Change
Short-term borrowings	3,000	0	-3,000
Long-term borrowings	98,975	98,975	—
Total borrowings	101,975	98,975	—
Investment corporation bonds	3,000	6,000	+3,000
Total interest-bearing debt	104,975	104,975	—