

March 27, 2018

To all concerned parties:

Investment Corporation

MCUBS MidCity Investment Corporation

Representative: Katsuhiko Tsuchiya, Executive Director

TSE Code: 3227, LEI Code: 353800WZPKHG2SQS1P32

URL: <http://www.midcity-reit.com/en/>

Asset Management Company

MCUBS MidCity Inc.

Representative: Toyota Watanabe, President & CEO

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Notice Concerning a Partial Share Transfer
owned by a Major Shareholder of the Asset Management Company

MCUBS MidCity Investment Corporation (hereinafter “MCUBS MidCity”) announces that, there will be a partial share transfer between the major shareholders of its asset management company, MCUBS MidCity Inc. (hereafter “the Asset Management Company”), effective as of April 1, 2018, as described below.

1. Background of the partial share transfer

Kanden Realty & Development Co.,Ltd. (hereafter “KRD”), one of the major shareholders of the Asset Management Company, is to transfer 1,200 shares (20% of the total outstanding shares) of the Asset Management Company out of its owning 2,100 shares to Mitsubishi Corp.-UBS Realty Inc. (hereafter “MC-UBS”), the parent company and a major shareholder of the Asset Management Company, as of April 1, 2018.

In response to a request by KRD to approve the partial share transfer pursuant to Article 136 and Article 138, Item 1 of the Corporate Act, the Asset Management Company made a resolution to approve the partial share transfer at its Board of Directors’ Meeting held on March 27, 2018.

2. Outline of the major shareholder which transfers the partial shares

(1) Name	Kanden Realty & Development Co.,Ltd.
(2) Address	3-3-23, Nakanoshima, Kita-ku, Osaka
(3) Name and Title of the Representative	Tatsunori Katsuta, Representative Director
(4) Business Description	Development of residential buildings, Development of office buildings, Leasing of buildings, Real estate investment, Asset solution business, Asset management business, Urban development, Green solution business, Mineral water business
(5) Capital	¥ 810 million

3. Numbers of voting rights (owning shares) held by the major shareholder which transfers the partial shares and its ratios to the total number of voting rights

	Number of voting rights (Number of owning shares)	Ratio to the voting rights of entire shareholders	Ranking among major shareholders
Before change	2,100 (2,100 shares)	35%	Second
After change	900 (900 shares)	15%	Second

(Note) Number of shares excluded from total number of outstanding shares with voting rights: 0

Number of outstanding shares as of March 27, 2018: 6,000 shares

cf. Shareholders of the Asset Management Company before/after the partial share transfer

Name	Before change		After change	
	Owning shares	Ratio	Owning shares	Ratio
Mitsubishi Corp. - UBS Realty Inc.	3,900 shares	65%	5,100 shares	85%
Kanden Realty & Development Co.,Ltd.	2,100 shares	35%	900 shares	15%
Total	6,000 shares	100%	6,000 shares	100%

4. Outlook

There will be no changes in (1) the asset management agreement between the Asset Management Company and MCUBS MidCity and (2) the organizations regarding asset management including decision making body of the Asset Management Company. The outlook of the business results of MCUBS MidCity will remain unchanged.

MCUBS MidCity will continue to conduct operations to enhance its unitholders' value continuously with the sponsor support of MC-UBS and KRD.

Regarding the above change, procedures required by the Financial Instruments and Exchange Act, and other applicable laws and regulations will be taken.