

May 18, 2018

To all concerned parties:

Investment Corporation

MCUBS MidCity Investment Corporation

Representative: Katsuhiko Tsuchiya, Executive Director

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Asset Management Company

MCUBS MidCity Inc.

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Notice Concerning Issuance of Investment Corporation Bond
and Early Repayment of Borrowing

MCUBS MidCity Investment Corporation (hereafter “MCUBS MidCity”) announces today that it has decided to issue publicly offered investment corporation bond (2,000 million yen) and undertake early repayment of borrowing based on the comprehensive resolution adopted at the board of directors’ meeting held on April 26, 2018 as below.

1. Details of the bond

The 5th Unsecured Investment Corporation Bonds (hereinafter called the “Bond”)

(1) Name	MCUBS MidCity Investment Corporation The 5th Unsecured Investment Corporation 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 Bond.
(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	0.590% per annum
(7) Denomination price	100 million yen
(8) Offering method	Public offering
(9) Subscription period	May 18, 2018
(10) Payment date	May 29, 2018
(11) Collateral	The Bond are neither secured by mortgage nor guaranteed, and no asset is particularly reserved as security for the Bond.
(12) Redemption date and	The total amount of the Bond will be redeemed on May 29, 2028.
(13) Interest payment date	29th day of each May and November
(14) Financial covenants	Negative pledge clause is attached.
(15) Rating	Japan Credit Rating Agency, Ltd. (JCR) : 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 Bond, 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.

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.)

1,980 million yen

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

MCUBS MidCity will use the funds for a part of repayment of borrowing on May 31, 2018 as below. The difference between the amount of funds to be procured and the amount of redemption is planned to be covered with cash on hand.

4. Details of early repayment

MCUBS MidCity will undertake early repayment of the full amount of the following borrowing.

Lender	Amount outstanding	Interest rate		Anticipated borrowing date	Method of borrowing, repayment of principal	Maturity date	Early Repayment Borrowing Date
Mizuho Bank, Ltd.	¥2,000 million	Floating	Base interest rate (JBA 1-month yen TIBOR) + 0.17%	February 28, 2018	Unsecured and unguaranteed, lump sum repayment	February 28, 2019	May 31, 2018 (Anticipated)

5. Status of interest-bearing debt after financing (As of May 31, 2018)

(Millions of yen)

	Before	After	Change
Short-term borrowings	0	0	—
Long-term borrowings	109,975	107,975	-2,000
Total borrowings	109,975	107,975	-2,000
Investment corporation bonds	6,000	8,000	+2,000
Total interest-bearing debt	115,975	115,975	—

This English language release is for informational purposes only, and the Japanese language release should be referred to as the original.