

January 30, 2019

To all concerned parties:

Investment Corporation

MCUBS MidCity Investment Corporation

Representative: Katsuhiro Tsuchiya, Executive Director

TSE Code: 3227, LEI Code: 353800WZPKHG2SQS1P32

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

Asset Management Company

MCUBS MidCity Inc.

Representative: Toyota Watanabe, President & CEO

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Notice Concerning Change in Major Shareholder of Asset Management Company

MCUBS MidCity Investment Corporation (hereafter "MCUBS MidCity") announces that, its asset management company, MCUBS MidCity Inc. (hereafter the "Asset Management Company"), approved the transfer of all of Asset Management Company's shares that Kanden Realty & Development Co.,Ltd. (hereafter "KRD") owns to Mitsubishi Corp. - UBS Realty Inc. (hereafter "MC-UBS"), effective as of April 1, 2019, as described below (the transfer of shares will hereafter be referred to as the "Share Transfer").

After the Share Transfer, MC-UBS becomes a sole sponsor by acquiring all shares that KRD owns. Along with the Share Transfer, "Memorandum concerning the supply of information on real estate for sale and other support" as of April 10, 2015 and "Asset Value Improvement Support Agreement" as of December 7, 2011 between the Asset Management Company and KRD (these agreements will hereafter be referred to as the "MOU") will be terminated as of the date of the Share Transfer. In addition, one of directors of the Asset Management Company who is seconded from KRD will resign as of January 31, 2019. For details on the resignation, please refer to "Notice Concerning Resignation of a Director at Asset Management Company" separately announced today.

1. Background of the Share Transfer

KRD, one of the major shareholders of the Asset Management Company, is to transfer all of its holding shares (900 shares, 15% of the total outstanding shares) of the Asset Management Company to MC-UBS, the parent company and a major shareholder of the Asset Management Company, as of April 1, 2019.

In response to a request by KRD to approve the 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 Share Transfer at its Board of Directors' Meeting held today.

2. Outline of the major shareholder which transfers 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 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	900 (900 shares)	15%	Second
After change	0 (0 shares)	0%	-

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

Number of outstanding shares as of January 30, 2019: 6,000 shares

cf. Shareholders of the Asset Management Company before/after the Share Transfer

Name	Before change		After change	
	Owning shares	Ratio	Owning shares	Ratio
Mitsubishi Corp. - UBS Realty Inc.	5,100 shares	85%	6,000 shares	100%
Kanden Realty & Development Co.,Ltd.	900 shares	15%	0 shares	0%
Total	6,000 shares	100%	6,000 shares	100%

4. Outlook

Along with the Share Transfer, the MOU will be terminated. However, the Asset Management Company and KRD concluded a new agreement today in order to supply information on real estate for sale with each other. The Agreement will become effective subject to the Share Transfer.

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.

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