

Think bold today for a brighter tomorrow.



28th Period

INVESTOR PRESENTATION - Appendix -

Fiscal Period ended June 30, 2020

**MCUBS MidCity
Investment Corporation**

Securities Code **3227**

<https://www.midcity-reit.com/english/>

Index

* Fractions of the stated amounts are cut off and those of the ratios and years are rounded off unless otherwise indicated. Therefore, the aggregation of the figures stated hereupon are not necessarily identical to the total.

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1. ABOUT MCUBS MidCity Investment Corporation



Who We Are

MC-UBS office-focused REIT, aiming to enhance unitholder value

Area-diversified portfolio primarily made up of **medium-sized office buildings**

- 1 Industry-leading acquisition capability**
- 2 Asset management with a focus on tenant satisfaction**
- 3 Stable financial base**
- 4 ESG-conscious portfolio management**

Name	MCUBS MidCity Investment Corporation (“MidCity”)	TSE Code	3227
Fund listing	August 29, 2006	Fiscal period	June and December
Asset Management Company	Mitsubishi Corp.- UBS Realty Inc. (“MC-UBS”)		

History

Investment Corporation



2006

August
MID REIT, Inc. listed



2015

June
Trade name changed to
MCUBS MidCity Investment Corporation

The asset management company



2005

September
MID REIT Management Co., Ltd. was established
sponsor:
MID Urban Development Co., Ltd.
(formerly, Matsushita Kosan)



2009

December
The Kansai Electric Power Company, Incorporated
became **the largest shareholder** of MID Urban
Development Co., Ltd.
(currently, Kanden Realty &
Development)



2015

April
MC-UBS acquired 65% share of the asset management company
▼
changed the trade
name to
MCUBS MidCity Inc.



2018

April
MC-UBS
acquired an
additional
20% share of
the asset
management
company



2019

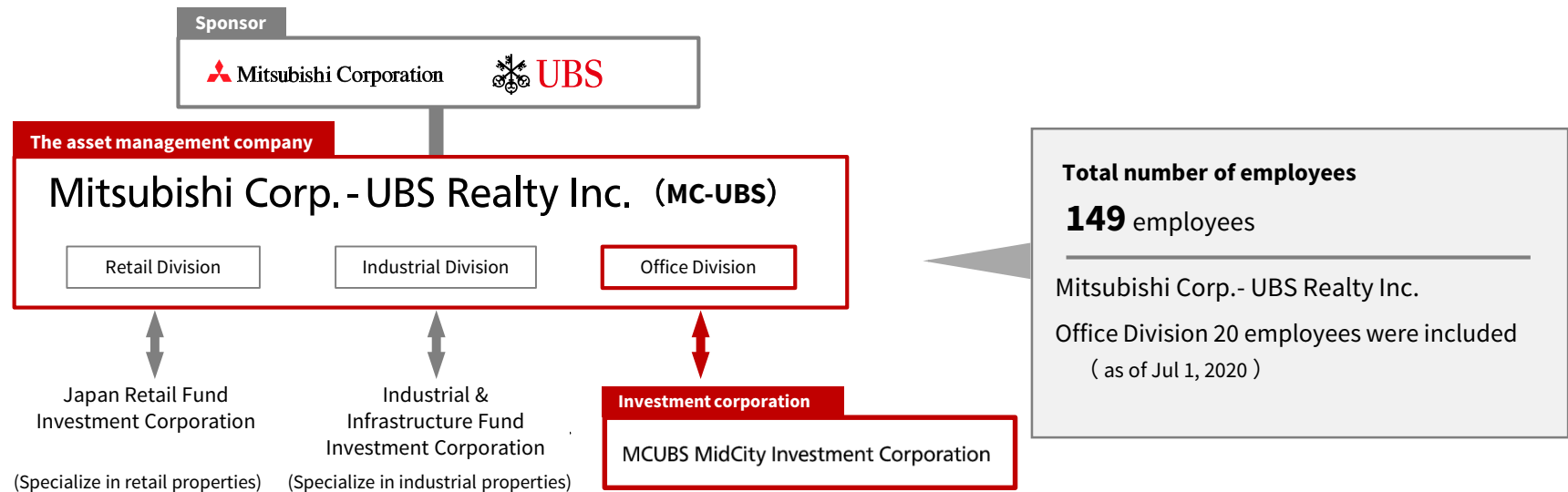
April
MC-UBS made the asset
management company a
wholly-owned subsidiary

July
**MC-UBS merged with
MCUBS MidCity Inc.**

The asset management company : Mitsubishi Corp.- UBS Realty Inc. (MC-UBS)

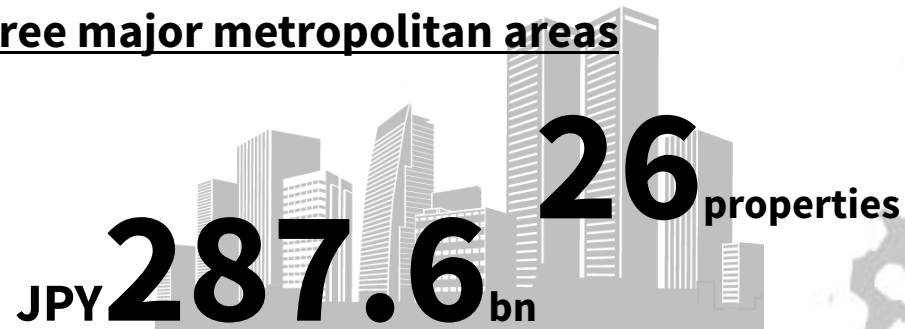
- **18 years** of experience in operating J-REITs
- MC-UBS Group operates **three REITs**: MCUBS MidCity, JRF and IIF
- **Largest J-REIT AUM of 1.5 tn. yen** (As of Aug. 28, 2020)
- **One of the largest buyers** of commercial real estate in Japan

After merger of the asset management company



Investment policy

Focusing on office buildings in three major metropolitan areas



*As of end of Feb. 2020

✓ Target areas: **Three major metropolitan areas (Tokyo, Osaka and Nagoya)**

Three major metropolitan areas
(Tokyo, Osaka and Nagoya)

Other areas



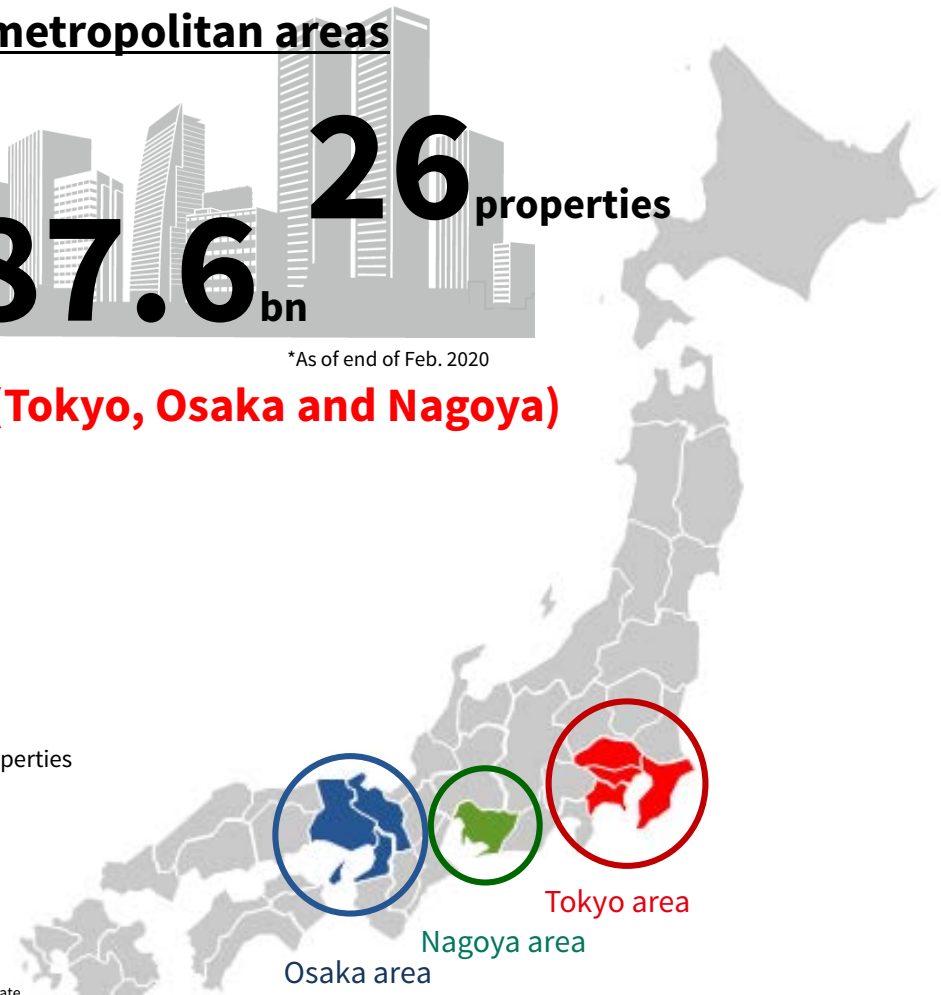
✓ Target properties (asset type): **Office Buildings**

Office

Real estate other than office properties
(Hotels and serviced apartments)

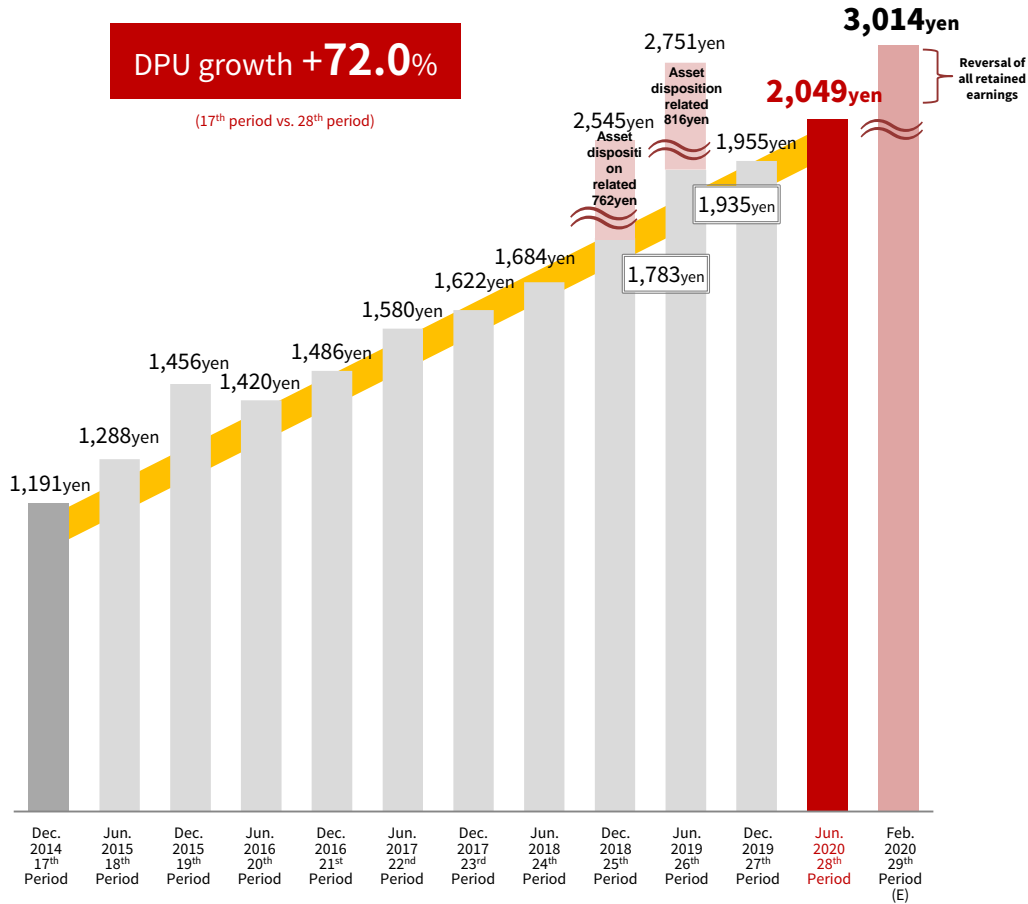


* ex. commercial facilities and industrial real estate

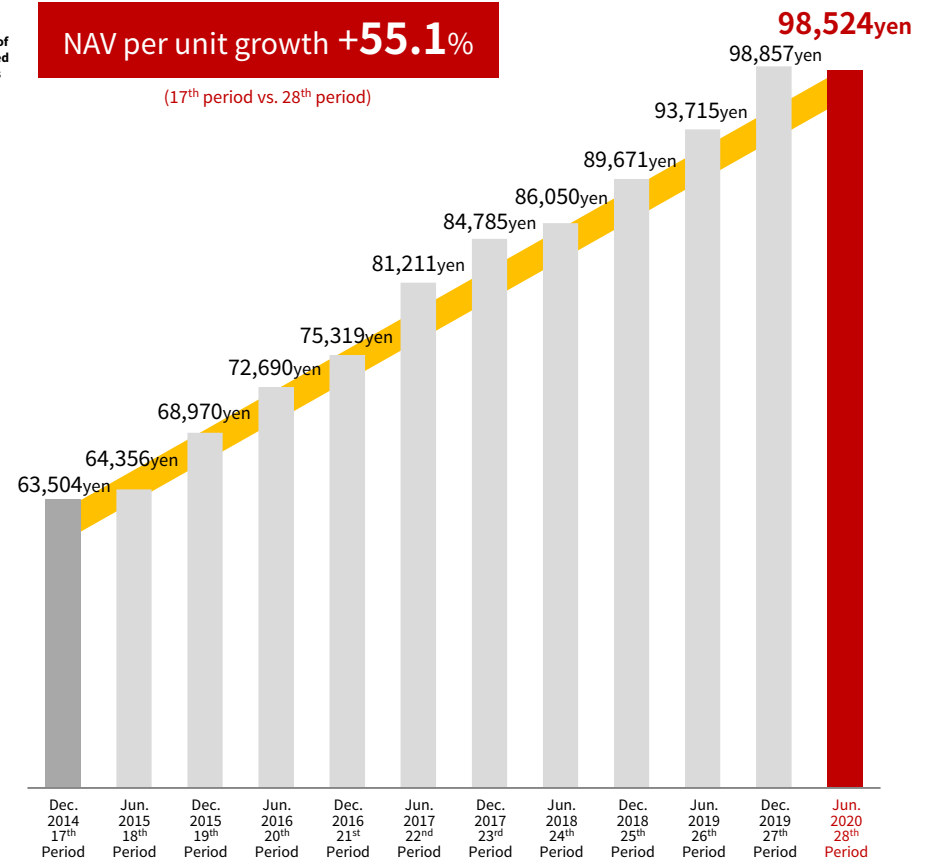


Track record

Distribution per unit



NAV per unit



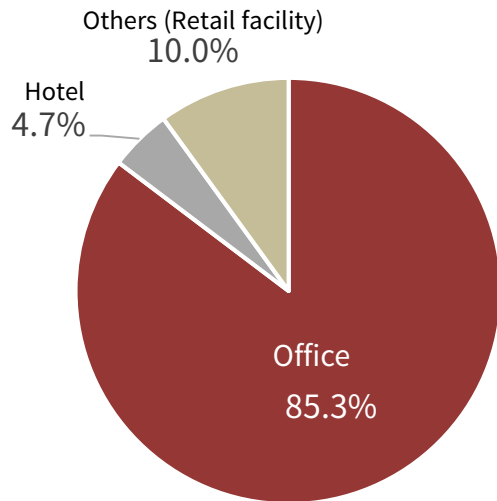
* The fiscal period ending Feb. 28, 2021 (the 29th fiscal period) is scheduled for 8 months and the forecast of the Merger Dividend per unit including reversal of reserve for reduction entry. For details, please refer to the "Investor Presentation for the Merger" dated Aug. 28, 2020 and the press release.

* NAV per unit includes reserve for reduction entry

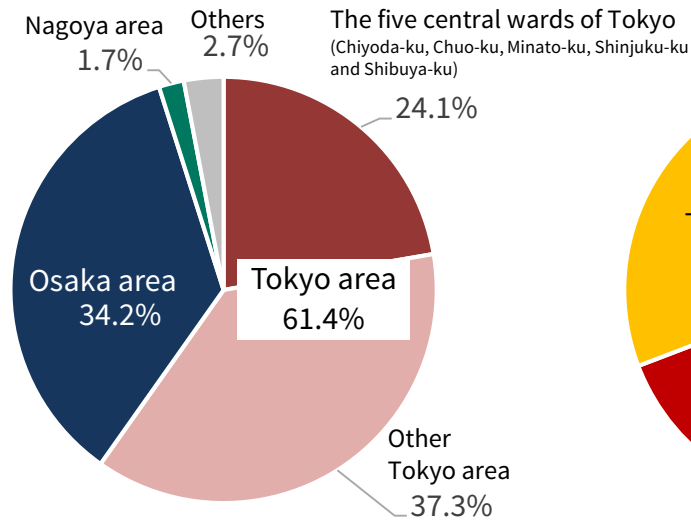
Portfolio summary

Focus on **medium-sized office buildings in the three major metropolitan areas**

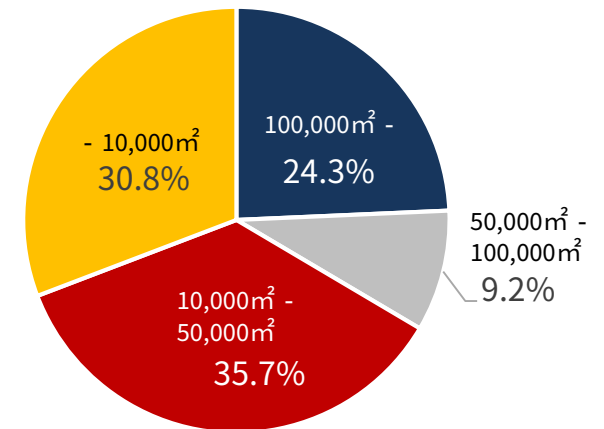
■ Portfolio by asset type <Based on acquisition price>



■ Portfolio by area <Based on acquisition price>



■ Portfolio by property size <Based on acquisition price> (Note)



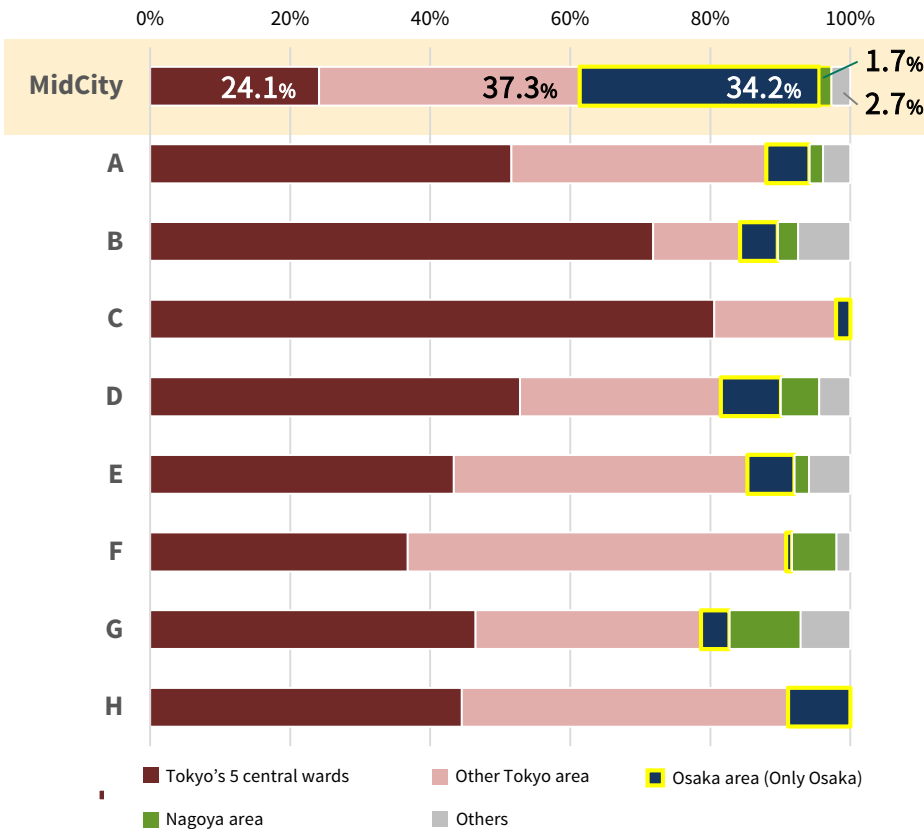
Note: TK interest of Nagoya Lucent Tower is not included.

Portfolio comparison with other Office REITs

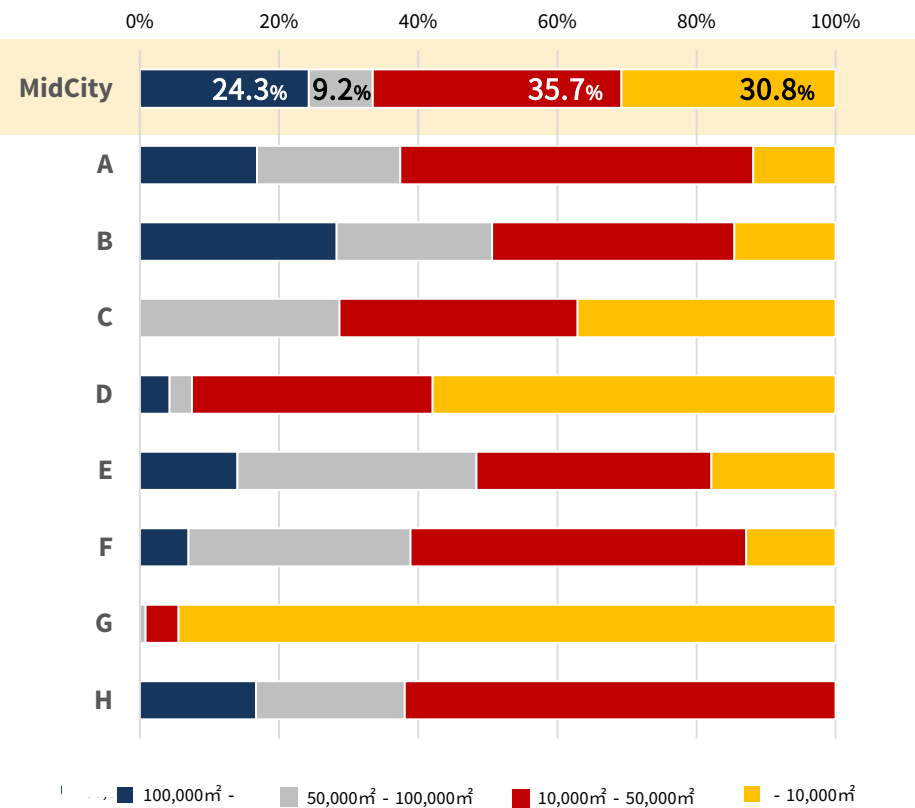
Tokyo area properties are diversified between **central and surrounding areas**, strong at properties in **Osaka area**

Portfolio primarily made up of **medium-sized office buildings**

< By area (Based on acquisition price) >



< By property size (Based on acquisition price) >



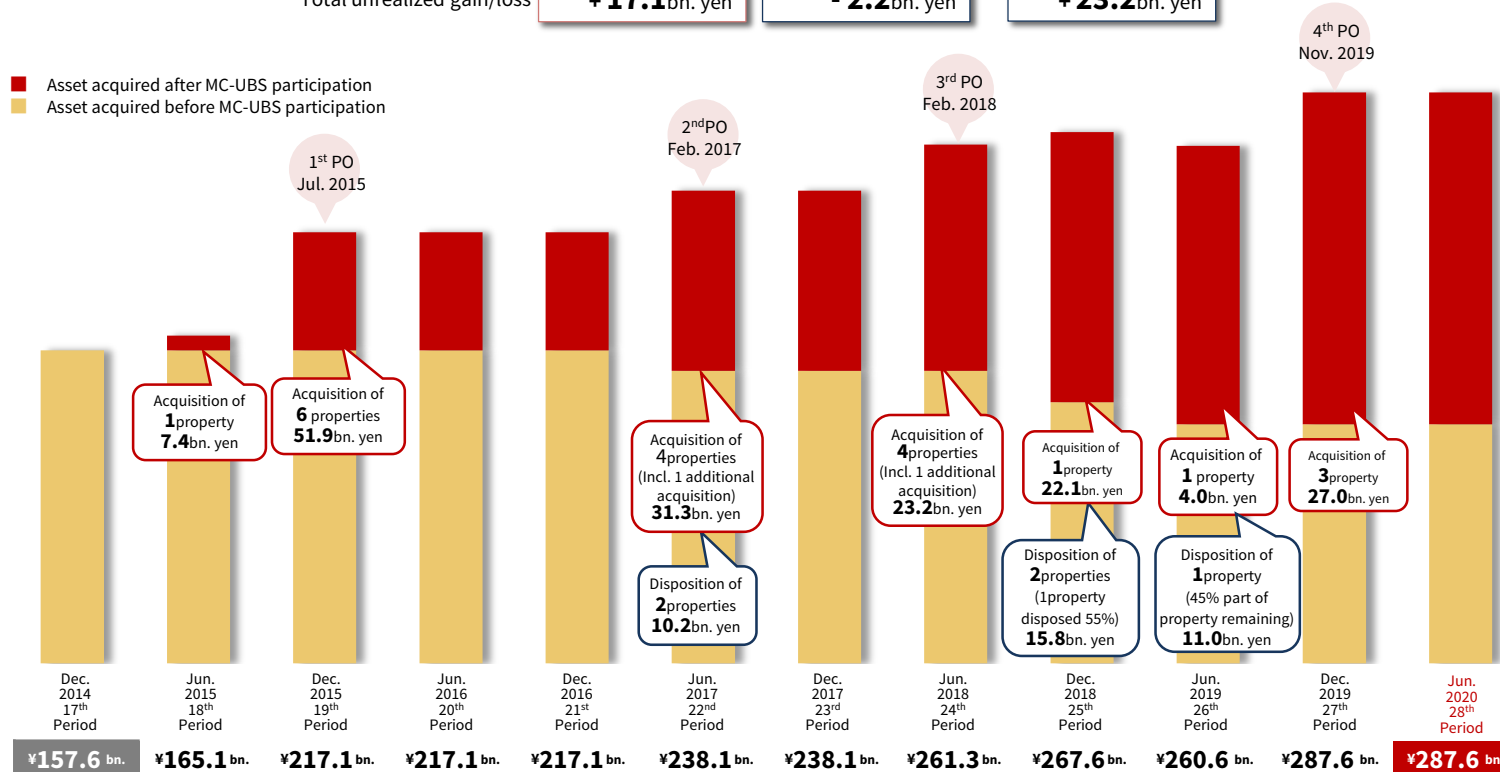
Note: Created by the Asset Management Company based on data disclosed on each J-REIT HP as of Jul. 31, 2020. Office REITs refer to office-specialized REITs listed in ARES J-REIT DIGEST. Diversification by property size is based on total floor space of all of the properties held by each J-REIT (main buildings only).

Industry-leading acquisition capability

Trend of asset size

After MC-UBS participation	New Acquisitions	Dispositions	Total
Asset Size (acquisition price basis)	167.1bn. yen	37.1bn. yen	287.6bn. yen
Number of properties	18properties	4properties	26properties
Average NOI yield after depreciation	3.5%	2.0%	3.6%
Total unrealized gain/loss	+ 17.1bn. yen	- 2.2bn. yen	+ 23.2bn. yen

- Asset acquired after MC-UBS participation
- Asset acquired before MC-UBS participation



* "Average NOI yield after depreciation" and "Total unrealized gain/loss" do not include Nagoya Lucent Tower (silent partnership interest).

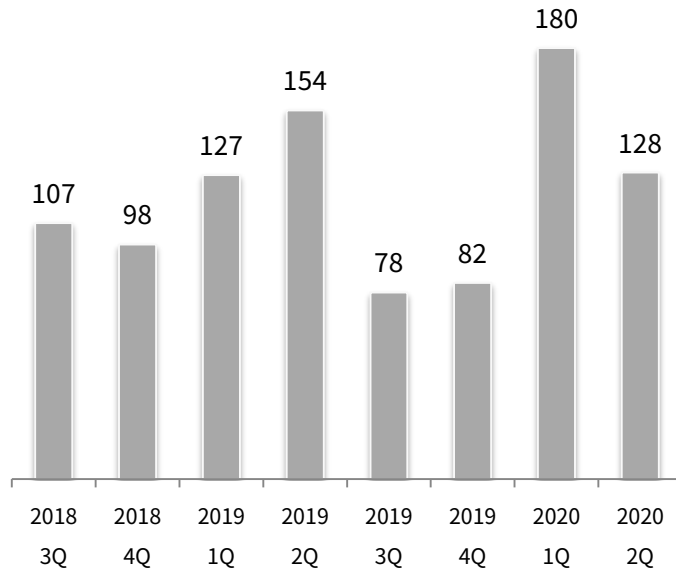
Selected investment utilizing MidCity's advantage



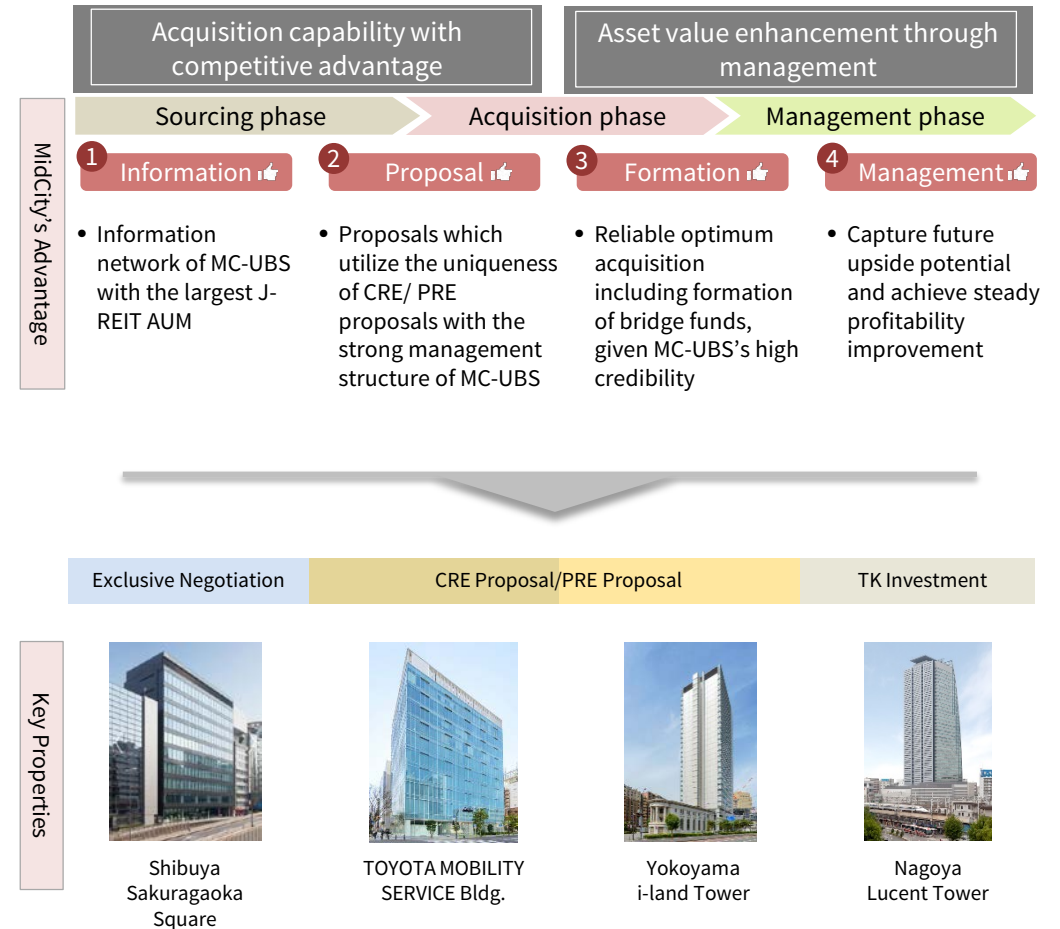
Asset information network based on the capabilities of the sponsor

Total No. of properties the information of which was provided by sponsors:

954 (total of the past 8 quarters)



Unique strategy based on asset information network



2. FINANCIAL HIGHLIGHTS & FORECASTS FOR THE 29TH PERIOD



Overview of financial results for the fiscal period ended June 30, 2020 (28th Period) 1

	Fiscal period ended Dec. 31, 2019 (27 th Period)(184 days)	Fiscal period ended Jun. 30, 2019 (28 th Period)(182 days)	Compared to the 27 th Period
Distribution per unit	1,955yen	2,049yen	+ 94yen
NAV per unit ^(Note 1)	98,857yen	98,524yen	- 333yen
FFO per unit ^(Note 2)	2,569yen	2,760yen	+ 191yen
Asset size ^(Note 3)	287,629 mn. yen	287,629 mn. yen	—
No. of properties under management	26	26	—
No. of tenants	411	407	- 4
Occupancy rate	98.6 %	98.5 %	- 0.1 pt
Leasable space	381,318.47 m ²	381,285.18 m ²	- 33.29 m ²
NOI ^(Note 4)	5,872 mn. yen	6,318 mn. yen	+ 446 mn. yen
Average NOI yield ^(Note 4)	4.5 %	4.5 %	—
Average NOI yield after depreciation ^(Note 4)	3.6 %	3.6 %	—

Note 1: NAV per unit = [Term-end total interest + (Term-end appraisal value - Term-end book value) + Term-end reserves for reduction entry + Next-term reserves for reduction entry] / Term-end outstanding # of units

Note 2: FFO per unit = (Net income + Loss on sales of property - Gain on sales of property + Depreciation + Loss on retirement) / Term-end outstanding # of units

Note 3: "Asset size" is based on acquisition price.

Note 4: "NOI", "Average NOI yield" and "Average NOI yield after depreciation" do not include dividends receivable of Nagoya Lucent Tower's silent partnership interest (hereinafter referred to as TK interest).

Overview of financial results

for the fiscal period ended June 30, 2020 (28th Period) 2

	Fiscal period ended Dec. 31, 2019 (27 th Period)(184 days)	Fiscal period ended Jun. 30, 2020 (28 th Period)(182 days)	Compared to the 27 th Period
Interest-bearing debts	126,975 mn. yen	126,975 mn. yen	—
LTV (Book value base) ^(Note 1)	42.2 %	42.1 %	- 0.1 pt
LTV (Appraisal value base) ^(Note 2)	39.1 %	39.1 %	—
Ratio of long-term debts	100.0 %	100.0 %	—
Ratio of fixed interest rate on debts	89.1 %	90.4 %	+ 1.3 pt
Average interest rate on debts	0.95 %	0.95 %	—
Average remaining years of debts	4.3 years	4.3 years	—
Issuer rating	R&I : A+ (Stable) JCR : AA- (Stable)	R&I : A+ (Stable) JCR : AA- (Stable)	—

Note 1: LTV (Book value base) = Term-end debt / Term-end total assets

Note 2: LTV (Appraisal value base) = Term-end debt / (Term-end total assets ± Unrealized gain/loss) Unrealized gain/loss means gap between book value and appraisal value.

28th Period financial results – Comparison to previous period

(Unit: mn. yen)

	Fiscal period ended Dec. 31, 2019 (27 th Period)	Fiscal period ended Jun. 30, 2020 (28 th Period)	Difference
Operating revenue (mn. yen)	8,569	9,061	+ 492
Operating expenses (mn. yen)	4,585	4,785	+ 199
Operating income (mn. yen)	3,983	4,276	+ 292
Ordinary income (mn. yen)	3,389	3,660	+ 271
Income before income taxes (mn. yen)	3,389	3,660	+ 271
Net income (mn. yen)	3,388	3,657	+ 268
Reversal of reserve for reduction entry (mn. yen)	98	—	- 98
Total distributions (mn. yen)	3,487	3,655	+ 167
Distribution per unit (yen)	1,955	2,049	+ 94
Gain/loss on real estate lease business (mn. yen)	4,677	5,050	+ 372
NOI (mn. yen)	5,872	6,318	+ 446
Occupancy rate at end of period	98.6%	98.5%	- 0.1pt

Operating revenue	492
Rent revenue	475
Three property acquired in 27 th Period	474
Office in Tokyo area	62
Office in Osaka area	- 38
Others	- 23
Other lease business revenue	17
Utilities revenue	2
Other rent revenue	30
Other operating revenue	- 15
Gain on distribution of TK interest (Nagoya Lucent Tower)	- 0
Operating expenses	199
Expenses related to rent business (excl. depreciation, loss on retirement and loss on sales of property)	46
Breakdown by property type	
Three property acquired in 27 th Period	235
Office in Tokyo area	- 50
Office in Osaka area	- 155
Others	16
Breakdown by items	
Real estate taxes	42
Utilities expenses	- 66
Repair expenses	25
Others	45
Depreciation and loss on retirement	73
Asset management fees	66
Other operating expenses	12

28th Period financial results – Comparison to initial forecasts

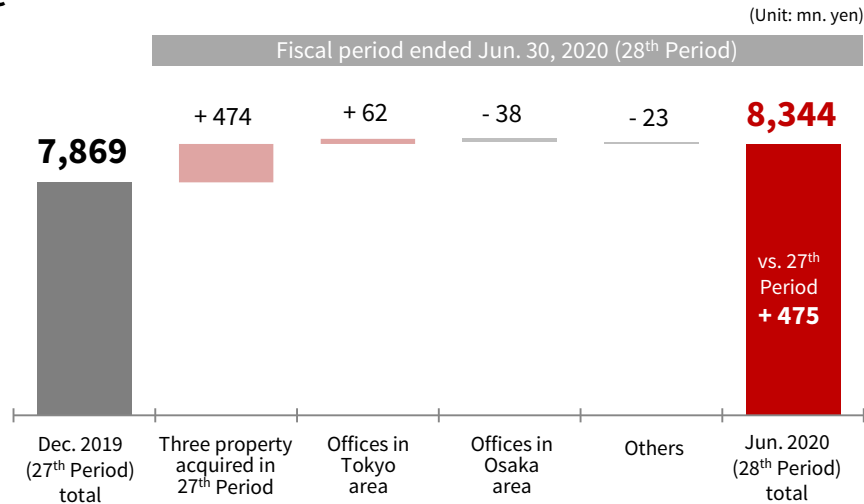
(Unit: mn. yen)

	Fiscal period ended Jun. 30, 2020 (28 th Period) 2/20 Forecast	Fiscal period ended Jun. 30, 2020 (28 th Period)	Difference
Operating revenue (mn. yen)	9,109	9,061	- 47
Operating expenses (mn. yen)	4,862	4,785	- 76
Operating income (mn. yen)	4,246	4,276	+ 29
Ordinary income (mn. yen)	3,624	3,660	+ 36
Income before income taxes (mn. yen)	3,624	3,660	+ 36
Net income (mn. yen)	3,623	3,657	+ 33
Reversal of reserve for reduction entry (mn. yen)	—	—	—
Total distributions (mn. yen)	3,621	3,655	+ 33
Distribution per unit (yen)	2,030	2,049	+ 19
Gain/loss on real estate lease business (mn. yen)	5,036	5,050	+ 14
NOI (mn. yen)	6,309	6,318	+ 8
Occupancy rate at end of period	97.5%	98.5%	+ 1.0pt

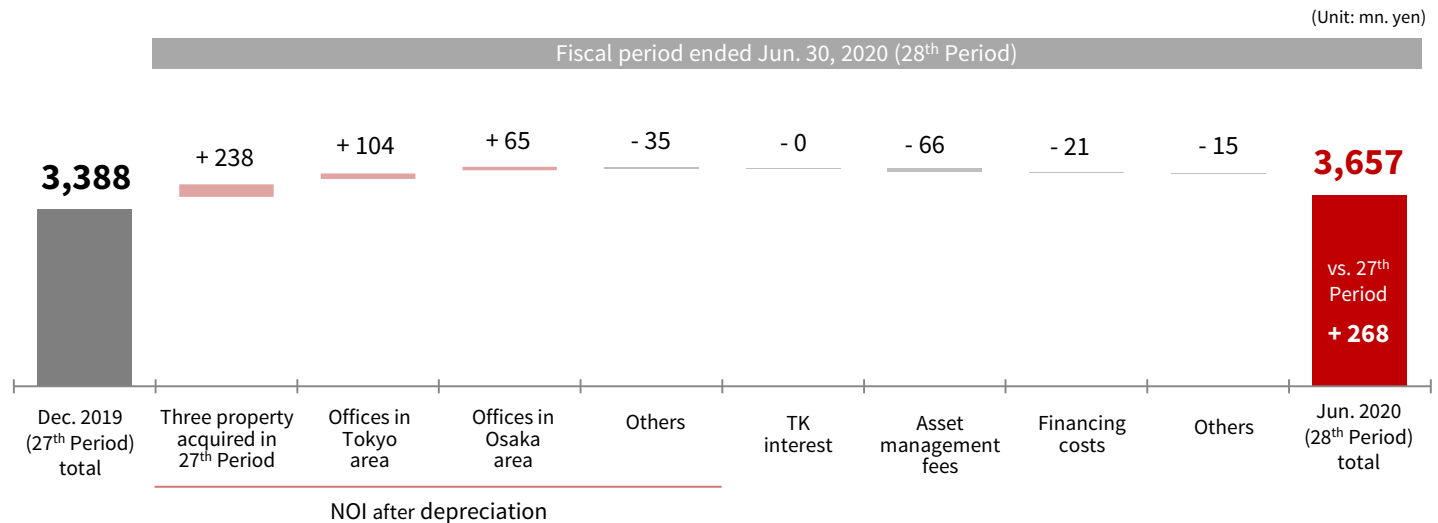
Operating revenue	- 47
Rent revenue	- 85
Three property acquired in 27 th Period	- 59
Office in Tokyo area	- 6
Office in Osaka area	0
Others	- 20
Other lease business revenue	39
Utilities revenue	- 13
Other rent revenue	30
Other operating revenue	22
Gain on distribution of TK interest (Nagoya Lucent Tower)	- 1
Operating expenses	- 76
Expenses related to rent business (excl. depreciation, loss on retirement and loss on sales of property)	- 54
Breakdown by property type	
Three property acquired in 27 th Period	8
Office in Tokyo area	- 31
Office in Osaka area	- 29
Others	- 2
Breakdown by items	
Real estate taxes	2
Utilities expenses	- 45
Repair expenses	- 21
Others	9
Depreciation and loss on retirement	- 5
Asset management fees	1
Other operating expenses	- 19

28th Period financial results – Breakdown of change from previous period

Rent revenue



Net income



Balance sheet

Description	Fiscal Period ended Dec. 31, 2019 (27 th Period)		Fiscal Period ended Jun. 30, 2020 (28 th Period)		Difference	
	(as of Dec. 31, 2019)		(as of Jun. 30, 2020)			
	(mn. yen)	(%)	(mn. yen)	(%)	(mn. yen)	(%)
(Assets)						
I Total current assets	15,381	5.1	16,137	5.4	755	4.9
Cash and deposits	8,882		10,024		- 1,141	
Cash and deposits in trust	5,554		5,881		327	
Operating accounts receivable	222		141		- 81	
Accounts receivable	10		-		- 10	
Income taxes receivable	32		32		- 0	
Consumption taxes receivable	620		-		- 620	
Prepaid expenses	59		49		- 9	
Other	-		7		7	
II Total non-current assets	285,564	94.8	285,261	94.6	- 302	- 0.1
1. Property, plant and equipment						
Buildings in trust	80,383		81,342		- 273	
Accumulated depreciation	- 20,375		- 21,608		- 5	
Structures in trust	258		260		- 5	
Accumulated depreciation	- 34		- 41		- 0	
Machinery and equipment in trust	4		4		- 0	
Accumulated depreciation	- 2		- 2		13	
Tools, furniture and fixtures in trust	520		551		-	
Accumulated depreciation	- 381		- 399		-	
Land in trust	219,361		219,361		-	
Construction in progress in trust	29		20		- 8	
Total property, plant and equipment	279,763	92.9	279,489	92.7	- 274	- 0.1
2. Intangible assets						
Software	2		2		0	
Other	0		0		-	
Total intangible assets	2	0.0	3	0.0	0	34.2
3. Investments and other assets						
Investment securities	5,085		5,085		-	
Lease and guarantee deposits	10		10		-	
Long-term prepaid expenses	703		673		- 29	
Deferred tax asset	0		-		- 0	
Total investments and other assets	5,798	1.9	5,768	1.9	- 29	- 0.5
III Deferred assets	129	0.0	103	0.0	- 26	- 20.6
Total assets	301,075	100.0	301,502	100.0	426	0.1

(Unit: amount of money (mn. yen), ratio (%))

Description	Fiscal Period ended Dec. 31, 2019 (27 th Period)		Fiscal Period ended Jun. 30, 2020 (28 th Period)		Difference	
	(as of Dec. 31, 2019)		(as of Jun. 30, 2020)			
	(mn. yen)	(%)	(mn. yen)	(%)	(mn. yen)	(%)
(Liabilities)						
I Total current liabilities	27,334	9.1	25,728	8.5	- 1,605	- 5.9
Operating accounts payable	514		434		- 80	
Current portion of investment corporation bonds	-		1,500		1,500	
Current portion of long-term loans payable	22,850		19,600		- 3,250	
Accounts payable – other	1,868		1,265		- 602	
Accrued expenses	147		152		4	
Distribution payable	11		11		0	
Accrued consumption taxes	-		503		503	
Advances received	1,285		1,383		97	
Other	656		876		220	
II Total non-current liabilities	117,714	39.1	119,577	39.7	1,862	1.6
Investment corporation bonds	8,000		6,500		- 1,500	
Long-term loans payable	96,125		99,375		3,250	
Tenant leasehold and security deposits	13,589		13,702		112	
Total liabilities	145,048	48.2	145,305	48.2	257	0.2
(Net assets)						
I Unitholders' equity	156,027	51.8	156,196	51.8	169	0.1
1. Unitholders' capital	151,540		151,540		-	
2. Surplus						
Voluntary reserve	1,097		998		- 98	
Unappropriated retained earnings (undisposed loss)	3,389		3,657		267	
Total surplus	4,486		4,655		169	
Total net assets	156,027	51.8	156,196	51.8	169	0.1
Total liabilities and net assets	301,075	100.0	301,502	100.0	426	0.1

CAPEX during the period: 1,002 mn. yen

Income statement

(Unit: amount of money (mn. yen), ratio (%))

Description	Fiscal Period ended Dec. 31, 2019 (27 th Period) (as of Dec. 31, 2019)		Fiscal Period ended Jun. 30, 2020 (28 th Period) (as of Jun. 30, 2020)		Difference	
	(mn. yen)	(%)	(mn. yen)	(%)	(mn. yen)	(%)
1. Operating revenue	8,569	100.0	9,061	100.0	492	5.7
Rent revenue - real estate		7,869		8,344		
Other lease business revenue		536		554		
Dividends income		162		162		
2. Operating expenses	4,585	53.5	4,785	52.8	199	4.4
Expenses related to rent business		3,729		3,849		
Asset management fee		727		794		
Asset custody fee		6		6		
Administrative service fees		36		40		
Directors' compensations		12		12		
Other operating expenses		74		82		
Operating income	3,983	46.5	4,276	47.2	292	7.4
3. Non-operating income	1	0.0	3	0.0	2	139.3
Interest income		0		0		
Reversal of distribution payable		0		1		
Interest on refund		0		2		
Gain on donation of noncurrent assets		0		-		
4. Non-operating expenses	595	7.0	619	6.8	23	4.0
Interest expenses		421		442		
Corporate bonds interest		22		22		
Borrowing related expenses		126		126		
Amortization of bond issuance costs		5		5		
Amortization of investment units issuance cost		19		21		
Other		0		0		
Ordinary income	3,389	39.6	3,660	40.4	271	8.0
Extraordinary income	-	-	10	0.1	10	-
Subsidy income		-		10		
Extraordinary losses		-	10	0.1	10	-
Advanced depreciation deduction of property and equipment		-		10		
Income before income taxes	3,389	39.6	3,660	40.4	271	8.0
Income taxes	0	0.0	3	0.0	2	483.2
Income taxes - current		0		3		
Income taxes - deferred		0		0		
Net income	3,388	39.5	3,657	40.4	268	7.9
Retained earnings brought forward	0		-		-0	-
Unappropriated retained earnings (undisposed loss)	3,389		3,657		267	7.9

Details of rent revenue

Rent revenue	6,855
CAM revenue	1,279
Parking revenue	209

Details of expenses related to rent business

Property management fees	931
Utilities expenses	564
Real Estate taxes	722
Insurance premiums	8
Repair expenses	300
Depreciation	1,267
Loss on retirement of non-current assets	1
Other lease business expenses	53

Forecasts for the 29th Period

(Unit: mn. yen)

	Fiscal Period ending Feb. 31, 2020 (29 th Period) Forecast	
Operating revenue (mn. yen)	12,233	A
Operating expenses (mn. yen)	6,910	B
Operating income (mn. yen)	5,322	
Ordinary income (mn. yen)	4,380	C
Income before income taxes (mn. yen)	4,380	
Net income (mn. yen)	4,379	
Reversal of reserve for reduction entry (mn. yen)	998	
Total distributions (mn. yen)	5,377	
Cash payment upon the merger per unit (yen)	3,014	D
Gain/loss on real estate lease business (mn. yen)	6,399	
NOI (mn. yen)	8,162	
Occupancy rate at end of period	96.1%	

Key Assumptions

A Operating revenue

To a certain extent, considering the decrease due to the spread of COVID-19

B Operating expenses (Excerpts of the main items)

Property management fees	1,224
Utilities expenses	862
Real estate taxes	1,148
Repair expenses	571
Depreciation	1,760

C Ordinary income (Excerpts of the main items of Non-operating expenses)

Interest expenses	594
Borrowing related expenses	172
Amortization of investment units issuance cost	24
Merger related expenses	142

D Cash payment upon the merger per unit

The total amount of 5,377 million yen, which withdrawn from 998 million yen retained as a reserve for reduction entry in addition to net income, is expected to be the source of payment.

* The fiscal period ending Feb. 28, 2021 (the 29th fiscal period) is scheduled for 8 months.
For details, please refer to the "Investor Presentation for the Merger" dated Aug. 28, 2020 and the press release.

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3. PORTFOLIO



Portfolio overview (as of the end of Jun. 2020)

Area	Property No.	Property name	Location	Completion date	Acquisition date	Acquisition price (mn. yen)	NOI yield	NOI yield after depreciation	Leasable Space (㎡)	No. of tenants	Occupancy rate	
Office												
Three major metropolitan areas	Tokyo area	OT-1	Sumitomo Fudosan Ueno Bldg. No.6	Taito-ku, Tokyo	Nov. 1993	May 2015	7,460	4.9%	4.0%	6,858.16	2	100.0%
		OT-2	G-Square Shibuya Dogenzaka	Shibuya-ku, Tokyo	Oct. 2009	Aug. 2015	12,220	4.3%	3.8%	5,051.06	9	100.0%
		OT-3	Shibuya Sakuragaoka Square	Shibuya-ku, Tokyo	Mar. 2010	Aug. 2015 Feb. 2017	17,130	3.4%	2.7%	6,379.66	4	100.0%
		OT-4	Yokohama Creation Square	Kanagawa-ku, Yokohama	Mar. 1994	Aug. 2015	7,080	5.4%	4.6%	12,704.18	43	99.2%
		OT-5	Cube Kawasaki	Kawasaki-ku, Kawasaki	May 1982	Aug. 2015	20,050	4.7%	4.1%	24,494.06	10	100.0%
		OT-6	Higashi-Nihombashi Green Bldg.	Chuo-Ku, Tokyo	Mar. 1988	Dec. 2015	2,705	5.3%	4.5%	3,254.77	7	100.0%
		OT-7	Sasazuka Center Bldg.	Shibuya-ku, Tokyo	Mar. 1995	Mar. 2017	8,700	5.0%	4.4%	8,240.30	9	100.0%
		OT-8	USC Bldg.	Koto-ku, Tokyo	Jan. 1990 etc.	Apr. 2017 Feb. 2018	10,800	3.9%	3.3%	12,487.73	9	93.9%
		OT-9	Yoshiyasu Kanda Bldg.	Chiyoda-Ku, Tokyo	May 1989 etc.	Feb. 2018	4,000	4.3%	3.9%	3,149.39	7	100.0%
		OT-10	TOYOTAMOBILITY SERVICE Bldg.	Chuo-Ku, Tokyo	Jun. 2008	Mar. 2018	9,200	4.5%	3.5%	6,123.81	1	100.0%
		OT-11	M-City Akasaka 1-chome Bldg.	Minato-Ku, Tokyo	Mar. 1985	Mar. 2018	4,205	3.5%	3.2%	2,550.44	12	100.0%
		OT-12	Yokohama i-land Tower	Naka-ku, Yokohama	Feb. 2003	Sep. 2018	22,100	4.4%	3.4%	25,460.50	7	100.0%
		OT-13	M-City Edogawabashi Bldg.	Bunkyo-ku, Tokyo	Sep. 1992	Mar. 2019	4,070	4.0%	3.7%	3,472.70	2	100.0%
		OT-14	East Square Tokyo	Koto-ku, Tokyo	Nov. 1989	Nov. 2019	9,500	3.9%	3.3%	12,208.42	12	77.5%
Other	Osaka area	OO-1	Twin 21	Chuo-ku, Osaka	Mar. 1986	Aug. 2006	68,700	4.8%	3.4%	82,304.82	103	98.0%
		OO-5	MID Imabashi Bldg.	Chuo-ku, Osaka	Oct. 1990	Apr. 2007	3,270	4.1%	2.5%	4,277.63	21	100.0%
		OO-7	Kitahama MID Bldg.	Chuo-ku, Osaka	Feb. 2008	Apr. 2008	10,800	4.3%	3.6%	10,189.49	10	100.0%
		OO-8	MID Nishihommachi Bldg.	Nishi-ku, Osaka	Mar. 1989	Oct. 2008	3,550	3.7%	2.5%	3,881.74	18	100.0%
		OO-9	Higobashi MID Bldg.	Nishi-ku, Osaka	Jan. 2010	Jun. 2013	3,000	5.8%	4.3%	4,655.57	12	100.0%
		OO-10	Osaka YM Bldg.	Fukushima-ku, Osaka	Mar. 1991	Nov. 2019	6,310	3.7%	3.3%	9,952.88	28	100.0%
Other	Other major cities	OR-1	Sendai Capital Tower	Aoba-ku, Sendai	Mar. 1974	Feb. 2017	5,500	5.5%	4.4%	12,999.80	75	95.2%
Subtotal (Office)				—	—	240,350	4.5%	3.6%	260,697.11	401	97.7%	
Other than Office Bldg.												
Three major metropolitan areas	Tokyo area	RT-1	AEON MALL Tsudanuma	Narashino-shi, Chiba	Sep. 2003 etc.	Aug. 2006	26,100	5.1%	4.2%	101,210.44	1	100.0%
		HT-1	Hotel Vista Premio Tokyo	Minato-Ku, Tokyo	Apr. 2018	Nov. 2019	11,200	2.3%	1.8%	4,236.46	2	100.0%
	Osaka area	RO-1	Konami Sports Club Kyobashi	Miyakojima-ku, Osaka	Jun. 1999	Aug. 2006	2,780	6.3%	4.9%	9,586.26	1	100.0%
Other	Other major cities	HR-1	Dormy Inn Hakata Gion	Hakata-ku, Fukuoka	Jan. 2009	Sep. 2013	2,280	7.2%	5.5%	5,554.91	2	100.0%
Subtotal (Other than Office)				—	—	42,360	4.5%	3.7%	120,588.07	6	100.0%	
Total				—	—	282,710	4.5%	3.6%	381,285.18	407	98.5%	
TK Interest for Office												
Three major metropolitan areas	Nagoya area	TK-1	Nagoya Lucent Tower (TK interest)	Nishi-ku, Nagoya	—	Aug. 2015	4,919	—	—	—	—	—
Total				—	—	287,629	—	—	—	—	—	

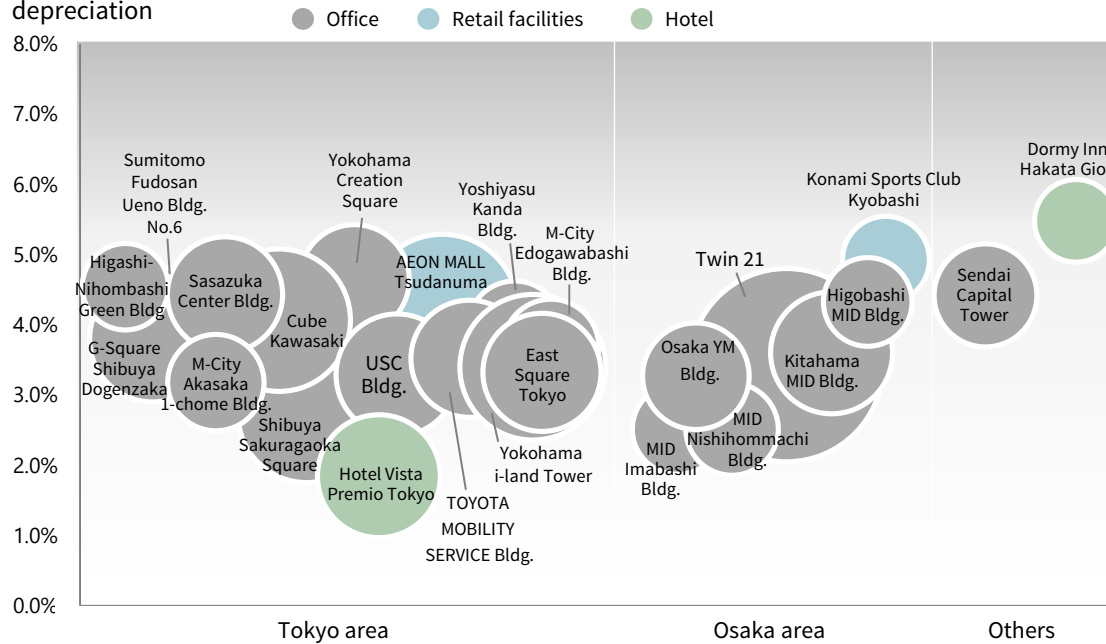
Portfolio profitability

	As of the end of Jun. 2019	As of the end of Dec. 2020
Average NOI yield ^(Note 1)	4.5%	4.5%
Average NOI yield after depreciation ^(Note 1)	3.6%	3.6%

As of the end of Jun. 2020
4.5%
3.6%

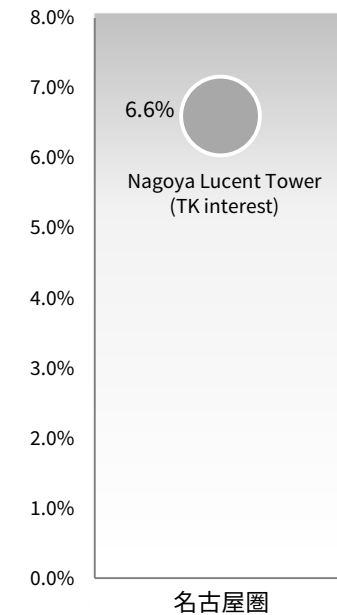
NOI yield after depreciation of each property by area^(Note 2)

NOI yield after depreciation



Dividend yield of TK interest

Dividend yield



Note 1: TK interest of Nagoya Lucent Tower is not included.

Note 2: Size of each bubble is proportionate to the acquisition price of each asset.

Repair expenses and capex

Repair expenses and capex

Purpose of repairing plan in mid-to-long term

The following repair work plans are created for each of portfolio properties in order to secure stable revenues in the medium- to long-term and improve the physical and functional value of managed real estate

Preventative maintenance work
1.Planned work necessary to maintain physical and functional value
2.Unplanned emergency work anticipated based on past experience
Strategic investment work
1.Value improvements
2.Responding to tenant needs
3.Responding to social needs

	Repair expenses	Capex
26 th Period	268mn. yen	750mn. yen
	Depreciation : 1,220mn. yen	
27 th Period	275mn. yen	1,235mn. yen
	Depreciation : 1,193mn. yen	
28 th Period	300mn. yen	1,002mn. yen
	Depreciation : 1,267mn. yen	
29 th Period (estimate)	571mn. yen	1,433mn. yen
	Depreciation : 1,760mn. yen	

Major construction work done for the 27th Period

Repair expenses			Capex		
Yokohama i-land Tower	External wall panel seal replacement	24	Yokohama i-land Tower	Security system renewal	541
Sasazuka Center Bldg.	Exterior painting renewal	21	Twin21	Graywater drainage renewal	70
Twin21	Centrifugal chiller overhaul	10		Improvement of air conditioning control on standard floors	62
	Installation of cold/hot water generators	8	Park Avenue renovation	63	

Major construction work done for the 28th Period

Repair expenses			Capex		
Cube Kawasaki	Heat-source equipment renewal	50	Cube Kawasaki	Heat-source equipment renewal	197
Yokohama i-land Tower	Exterior cleaning	16	Sendai Capital Tower	Common areas renewal	115
Sendai Capital Tower	Common areas renewal	10	Yokohama i-land Tower	Smoking area renewal	86
	Curtain wall painting	9		Restroom repairs	65

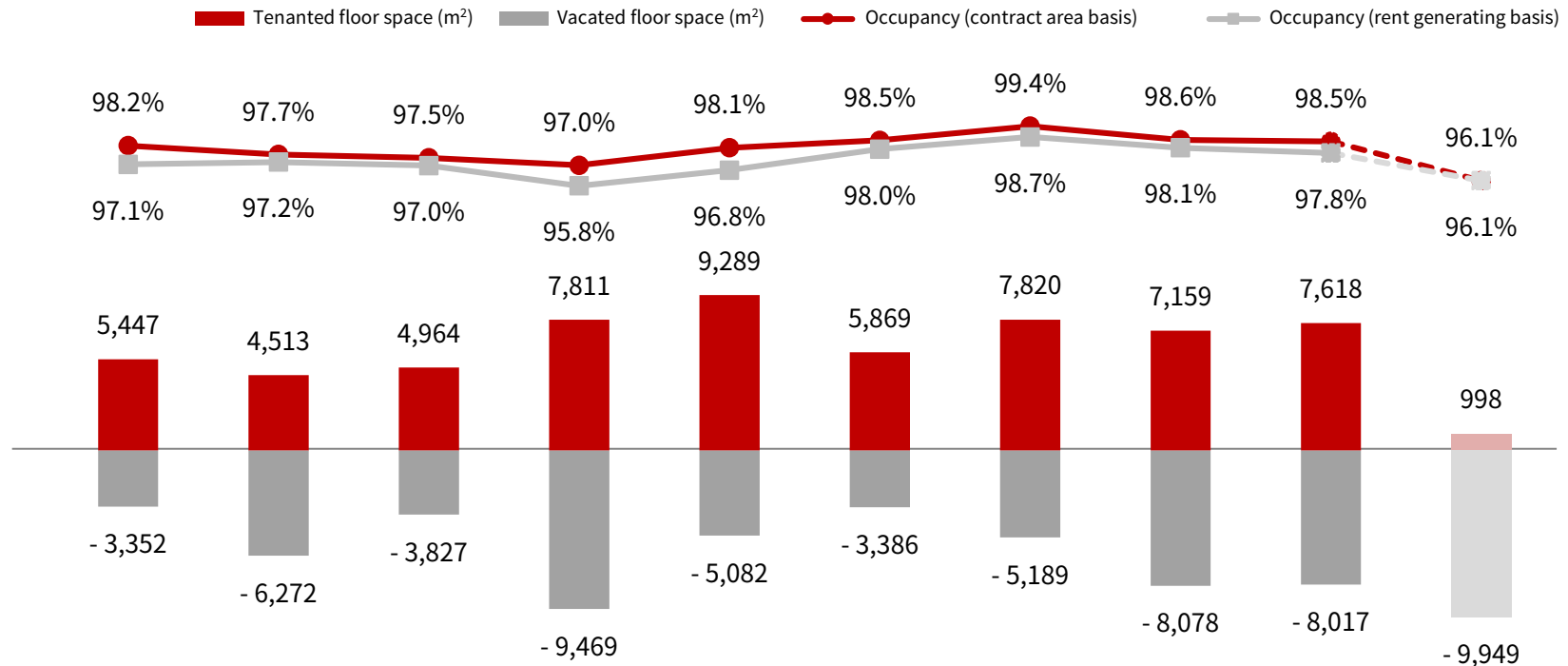
Major construction work scheduled for the 29th Period

Repair expenses			Capex		
G-Square Shibuya Dogenzaka	External wall seal replacement	61	East Square Tokyo	Conversion to office	198
Yoshiyasu Kanda Bldg.	Exterior cleaning	59	Twin21	Elevator hoist renewal	159
East Square Tokyo	Conversion to office	43		Graywater drainage renewal	81
Sasazuka Center Bldg.	Waterproofing of Upper Roof and penthouse	35	Sendai Capital Tower	Common areas renewal	91

* The fiscal period ending Feb. 28, 2021 (the 29th fiscal period) is scheduled for 8 months. For details, please refer to the "Investor Presentation for the Merger" dated Aug. 28, 2020 and the press release.

Portfolio operation

Tenanted/Vacated floor space and occupancy



Cancellation Rate	- 1.0%	- 1.9%	- 1.1%	- 2.7%	- 1.4%	- 0.9%	- 1.5%	- 2.1%	- 2.1%	- 2.6%
	Jun. 2016 20 th Period	Dec. 2016 21 st Period	Jun. 2017 22 nd Period	Dec. 2017 23 rd Period	Jun. 2018 24 th Period	Dec. 2018 25 th Period	Jun. 2019 26 th Period	Dec. 2019 27 th Period	Jun. 2020 28 th Period	Feb. 2021 29 th Period (E)

* The fiscal period ending Feb. 28, 2021 (the 29th fiscal period) is scheduled for 8 months. For details, please refer to the "Investor Presentation for the Merger" dated Aug. 28, 2020 and the press release.

Occupancy by property

Type	Property Name	Leasable Space (m ²)	①Occupancy rate as of Dec. 31, 2019 (27 th Period End)(%)	②Occupancy rate as of Jun. 30, 2019 (28 th Period End)(%)	Difference ② - ① (points)	Tenant movements during 28th Period (Jan. 1, 2020–Jun. 30, 2020)			
						New tenant occupancy (m ²)	Increase in leased space for existing tenants (m ²)	Cancellation (m ²)	Decrease in leased space for existing tenants (m ²)
Office	Sumitomo Fudosan Ueno Bldg. No.6	6,858.16	100.0	100.0	-	-	-	-	-
	G-Square Shibuya Dogenzaka	5,051.06	100.0	100.0	-	53.98	-	- 52.28	-
	Shibuya Sakuragaoka Square	6,379.66	100.0	100.0	-	-	-	-	-
	Yokohama Creation Square	12,704.18	100.0	99.2	- 0.8	281.86	-	- 389.35	-
	Cube Kawasaki	24,494.06	100.0	100.0	-	-	-	-	-
	Higashi-Nihombashi Green Bldg.	3,254.77	100.0	100.0	-	-	-	-	-
	Sasazuka Center Bldg.	8,240.30	100.0	100.0	-	-	-	-	-
	USC Bldg.	12,487.73	93.9	93.9	- 0.0	86.29	-	- 87.60	- 0.04
	Yoshiyasu Kanda Bldg.	3,149.39	100.0	100.0	-	-	-	-	-
	TOYOTA MOBILITY SERVICE Bldg.	6,123.81	100.0	100.0	-	-	-	-	-
	M-City Akasaka 1-chome Bldg.	2,550.44	100.0	100.0	-	-	-	-	- 31.35
	Yokohama i-land Tower	25,460.50	100.0	100.0	-	-	-	-	-
	M-City Edogawabashi Bldg.	3,472.70	100.0	100.0	-	-	-	-	-
	East Square Tokyo	12,208.42	81.0	77.5	- 3.5	-	-	- 433.05	-
	Subtotal (Tokyo area)	132,435.18	97.7	97.3	- 0.4	422.13	-	- 962.28	- 31.39
	Twin 21	82,304.82	98.2	98.0	- 0.1	2,487.49	-	- 2,417.90	- 169.27
	MID Imabashi Bldg.	4,277.63	100.0	100.0	-	-	-	-	-
	Kitahama MID Bldg.	10,189.49	100.0	100.0	-	902.43	-	- 902.43	-
	MID Nishihommachi Bldg.	3,881.74	100.0	100.0	-	-	-	-	-
	Higobashi MID Bldg.	4,655.57	100.0	100.0	-	-	-	-	-
	Osaka YM Bldg.	9,952.88	100.0	100.0	-	3,446.72	-	- 3,451.37	-
	Subtotal (Osaka area)	115,262.13	98.7	98.6	- 0.1	6,836.64	-	- 6,771.70	- 169.27
	Sendai Capital Tower	12,999.80	93.0	95.2	2.1	360.18	-	- 83.10	-
Subtotal (Other)	12,999.80	93.0	95.2	2.1	360.18	-	- 83.10	-	
Office total		260,697.11	97.9	97.7	- 0.2	7,618.95	-	- 7,817.08	- 200.66
Other	AEON MALL Tsudanuma	101,210.44	100.0	100.0	-	-	-	-	-
	Hotel Vista Premio Tokyo	4,236.46	100.0	100.0	-	-	-	-	-
	Konami Sports Club Kyobashi	9,586.26	100.0	100.0	-	-	-	-	-
	Dormy Inn Hakata Gion	5,554.91	100.0	100.0	-	-	-	-	-
Other total		120,588.07	100.0	100.0	-	-	-	-	-
Total		381,285.18	98.6	98.5	- 0.1	7,618.95	-	- 7,817.08	- 200.66

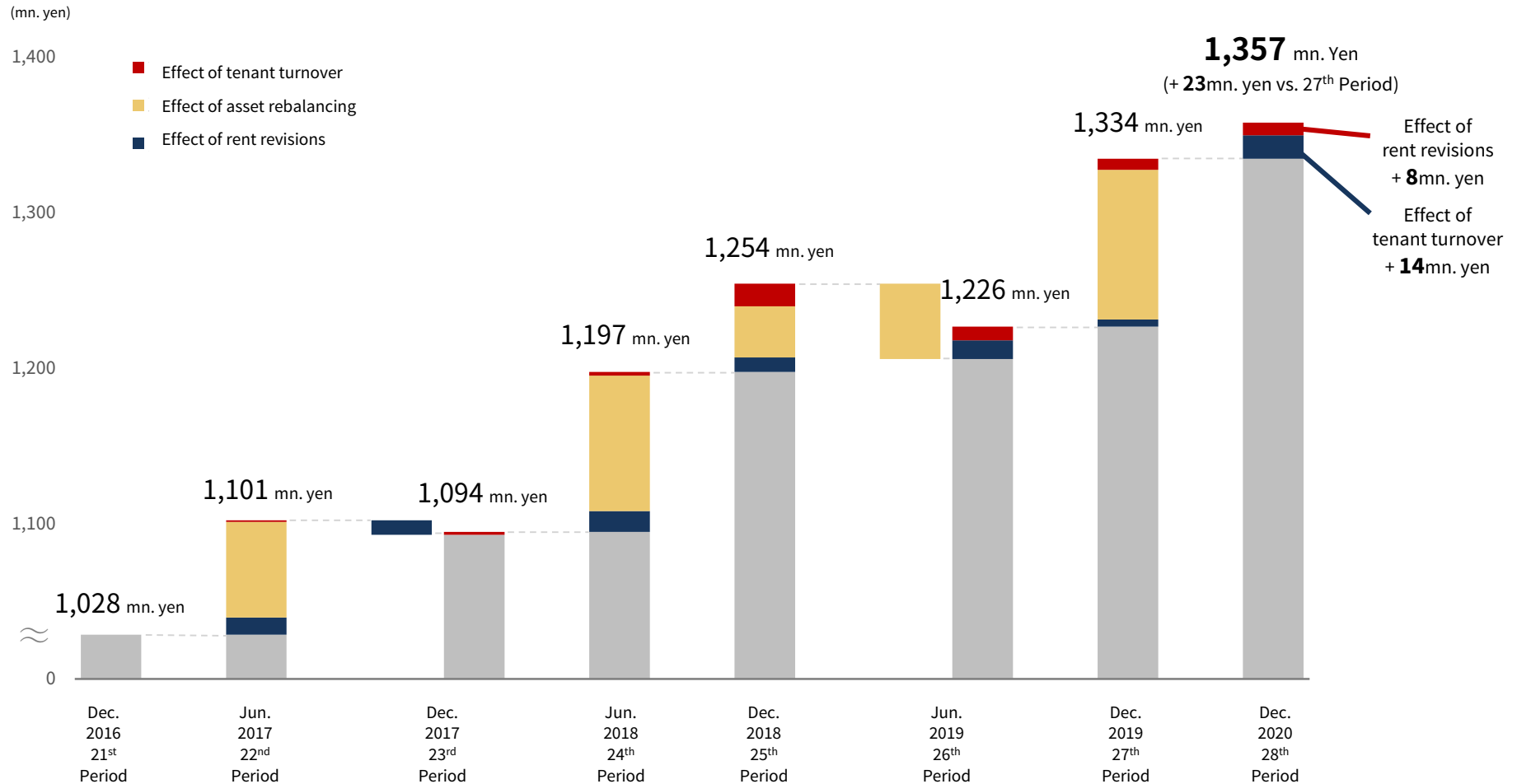
Increased by
+ 7,618.95m²

Net increase - 398.79m²

Decreased by
- 7,817.08m²

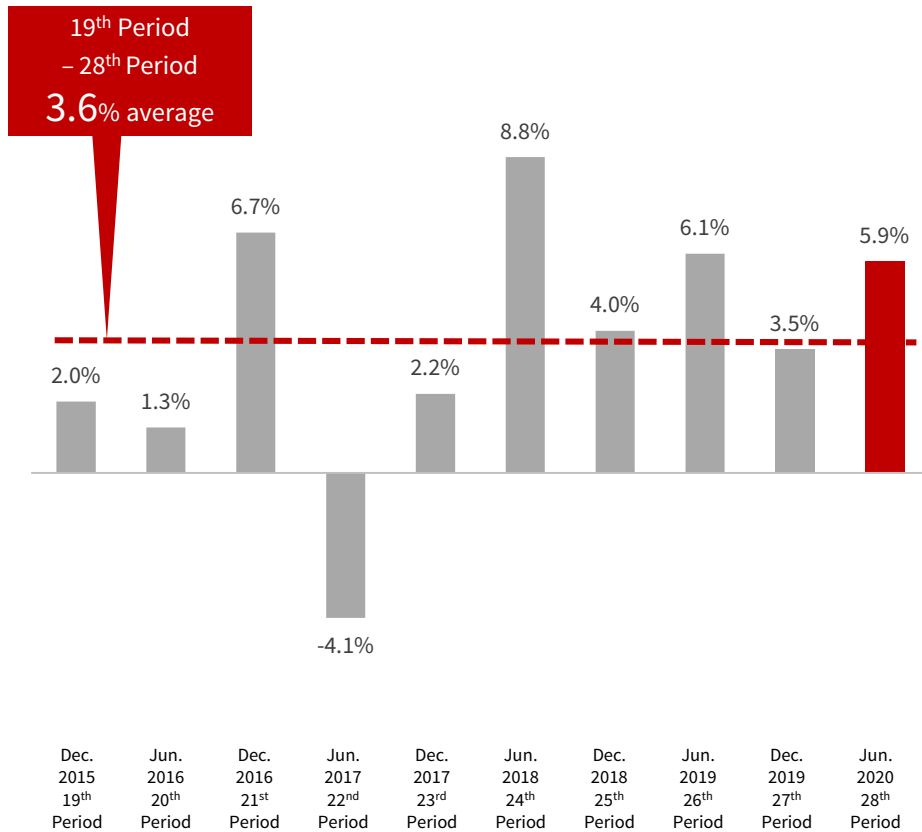
Monthly rents

Monthly rents (incl. CAM) at period end

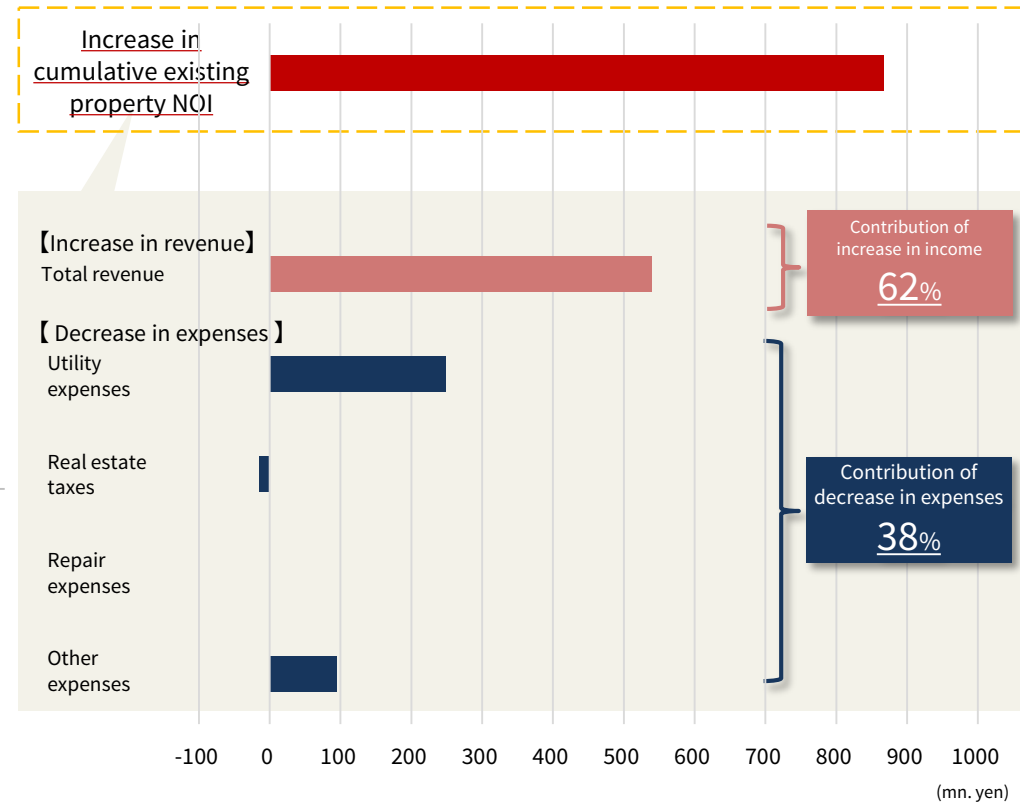


Growth in existing property NOI

Annualized LFL NOI Growth



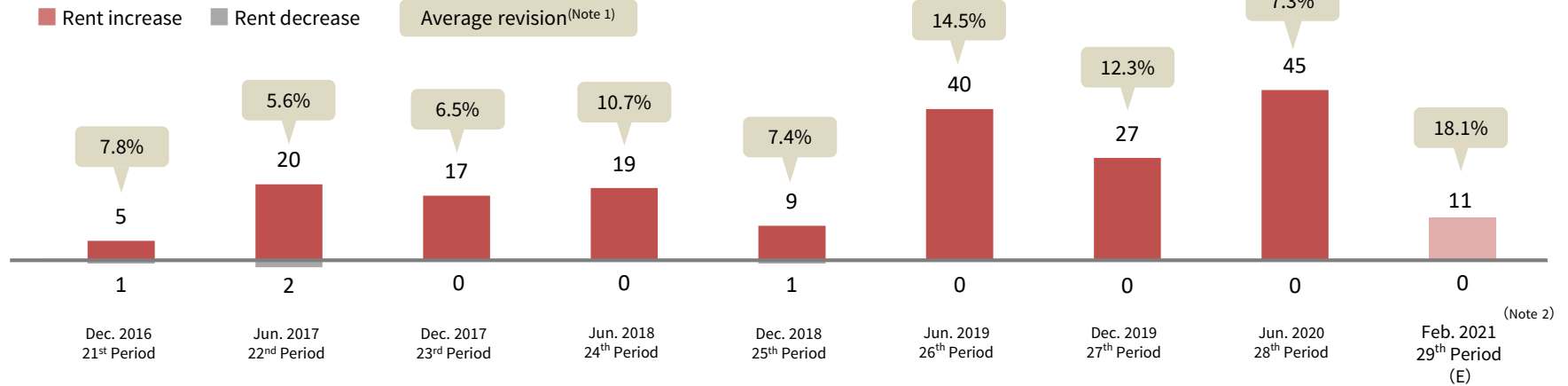
Factors contributing to increase in cumulative existing property NOI (19th Period – 28th Period)



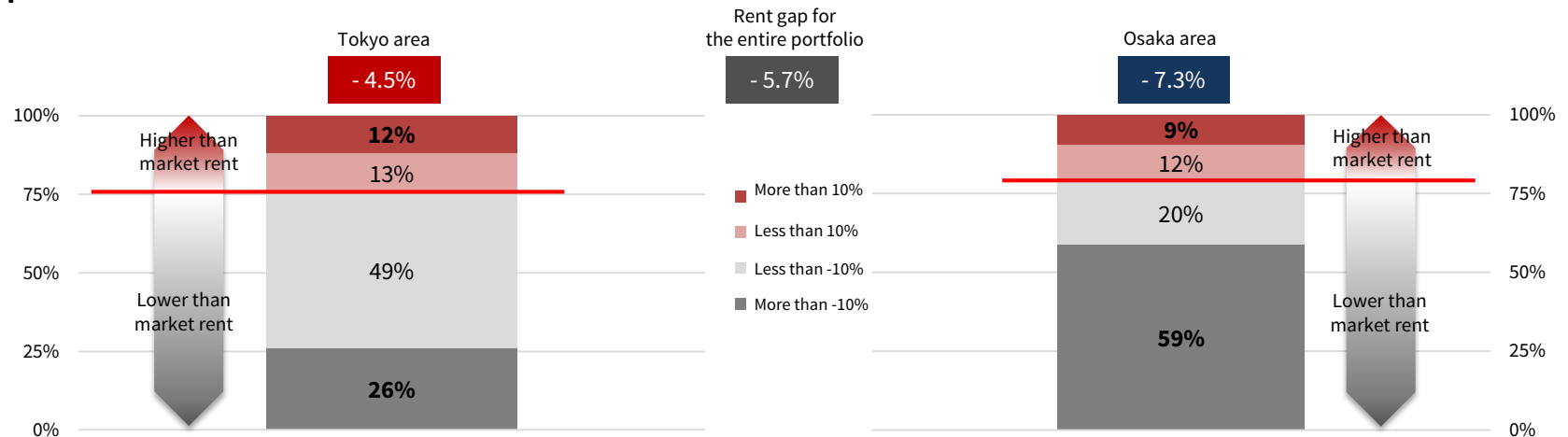
Note: LFL (like-for-like) NOI Growth is an annualized change of total NOI from all properties owned for past two full periods. Unrecognized real estate taxes are adjusted for newly acquired properties.

Revisions and gaps in rents

No. of rent revisions



Gap in rents (Note 3)



Note 1: Average revision is the weighted average of the change from prior rent per unit to new rent for upwardly revised contract renewals for each period.

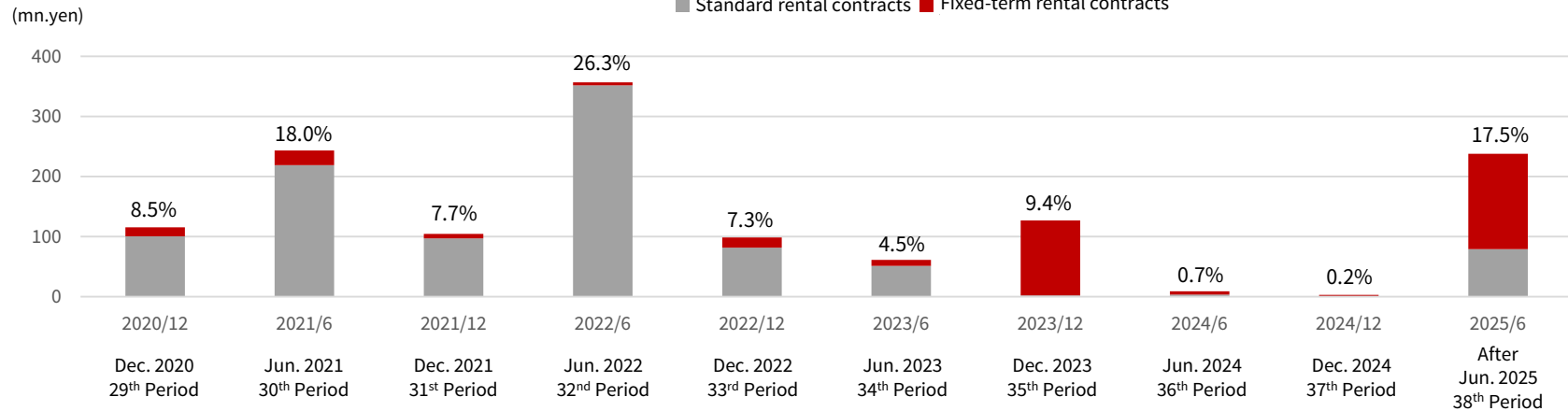
Note 2: The number of rent revisions for the Fiscal Period ending Feb. 28, 2021 (29th Period) is the number of rent revisions as of Jun. 30, 2020.

Note 3: Market rent refers to market's estimated concluded rent (standard floor) of each property appraised as of Dec. 2019 by CBRE. The rents identical with market rent are included in "Less than 10%".

Diversification of tenant contract types

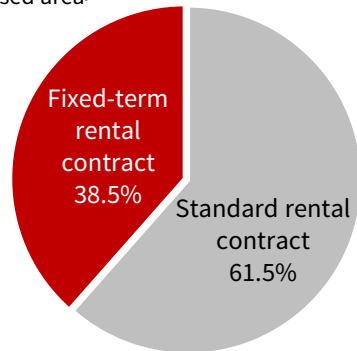
Diversification of contract expiry (Note 1, 2)

<Based on rent revenues (incl. CAM) (Note 3)>

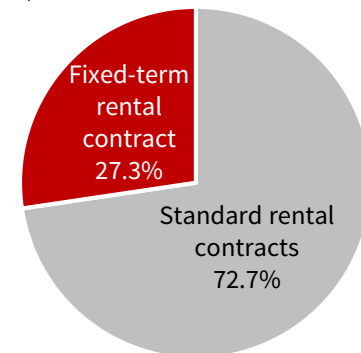


Ratio of tenants by contract type (Note 1)

<Based on leased area>



<Based on rent revenues (incl. CAM)>



Note 1: TK interest of Nagoya Lucent Tower is not included

Note 2: The fiscal period before the change in fiscal period end is shown.

Note 3: Ratio of contracts scheduled to expire in the corresponding period to the contracts for tenants (rent revenues (incl. CAM)) as of Jun. 30, 2020, excluding the one property in Note 1

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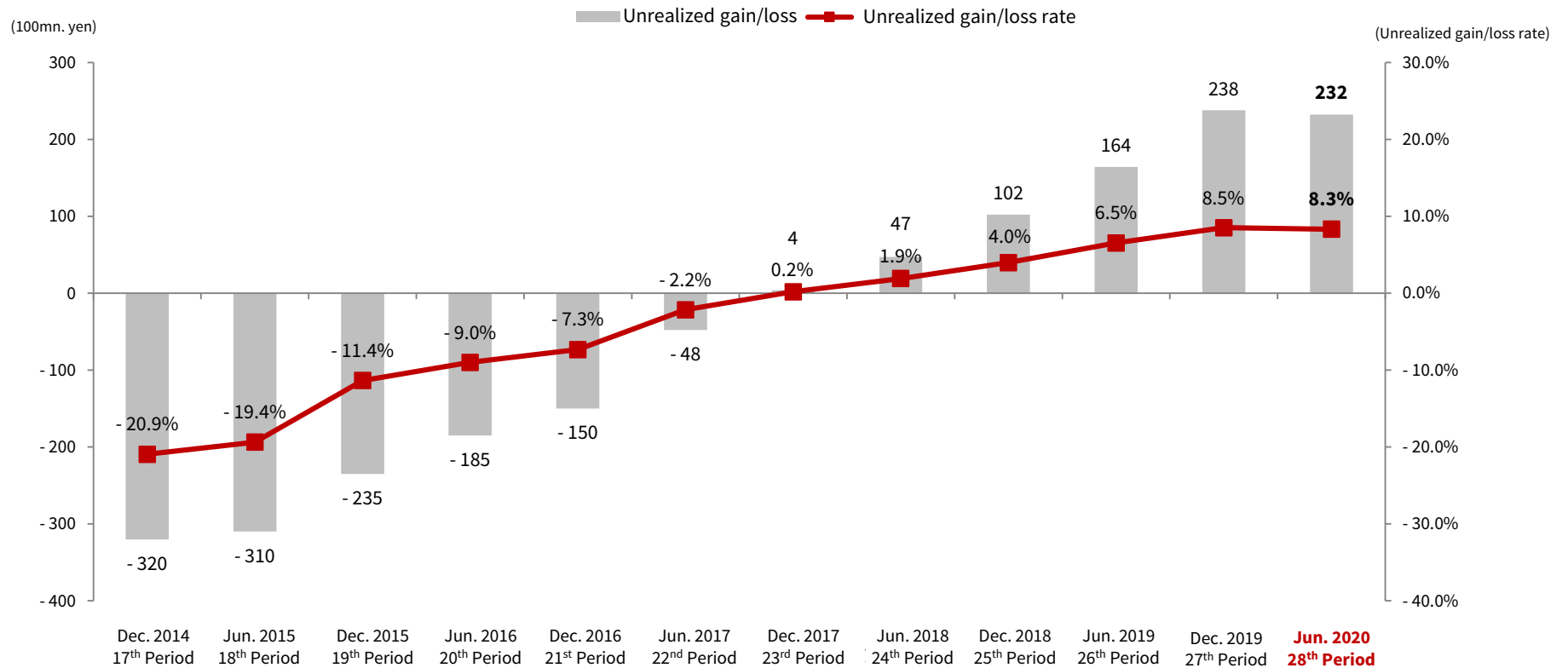
Type	Region	Property name	Acquisition price (mn yen)	Appraisal value as of Dec. 31, 2019 (27 th Period End) (mn. yen)	Appraisal value as of Jun. 30, 2020 (28 th Period End) (mn. yen)	Book value as of Jun. 30, 2020 (28 th Period End) (mn. yen)	Difference from previous period end (%)	Difference from book value (%)	Appraisal company	27 th Period appraisal value rate (%)	28 th Period appraisal value rate (%)
Office	Three major metropolitan areas (Tokyo / Osaka / Nagoya)	Sumitomo Fudosan Ueno Bldg. No.6	7,460	8,710	8,690	7,495	- 0.2%	15.9%	Tanizawa Sogo Appraisal Co., Ltd.	3.7%	3.7%
		G-Square Shibuya Dogenzaka	12,220	16,500	17,000	12,098	3.0%	40.5%	Japan Real Estate Institute	3.0%	3.0%
		Shibuya Sakuragaoka Square	17,130	19,500	19,700	17,251	1.0%	14.2%	Daiwa Real Estate Appraisal Co., Ltd.	3.1%	3.1%
		Yokohama Creation Square	7,080	8,400	8,250	6,967	- 1.8%	18.4%	Tanizawa Sogo Appraisal Co., Ltd.	4.1%	4.1%
		Cube Kawasaki	20,050	23,300	23,600	20,539	1.3%	14.9%	Daiwa Real Estate Appraisal Co., Ltd.	3.9%	3.9%
		Higashi-Nihombashi Green Bldg.	2,705	3,190	3,200	2,827	0.3%	13.2%	Japan Real Estate Institute	3.9%	3.9%
		Sasazuka Center Bldg.	8,700	9,360	9,310	9,044	- 0.5%	2.9%	Daiwa Real Estate Appraisal Co., Ltd.	3.9%	3.9%
		USC Bldg.(Note 5)	10,800	11,500	11,500	11,037	—	4.2%	Tanizawa Sogo Appraisal Co., Ltd.	3.9%	3.9%
		Yoshiyasu Kanda Bldg.	4,000	4,280	4,250	4,207	- 0.7%	1.0%	Daiwa Real Estate Appraisal Co., Ltd.	3.7%	3.7%
		TOYOTA MOBILITY SERVICE Bldg.	9,200	10,500	10,400	9,560	- 1.0%	8.8%	Daiwa Real Estate Appraisal Co., Ltd.	3.7%	3.7%
		M-City Akasaka 1-chome Bldg.	4,205	4,470	4,470	4,379	—	2.1%	Japan Real Estate Institute	3.3%	3.3%
		Yokohama i-land Tower	22,100	23,900	23,900	23,640	—	1.1%	Tanizawa Sogo Appraisal Co., Ltd.	4.0%	4.0%
		M-City Edogawabashi Bldg.	4,070	4,240	4,240	4,124	—	2.8%	JLL Morii Valuation & Advisory K.K.	3.9%	3.9%
		East Square Tokyo	9,500	10,200	9,760	9,924	- 4.3%	- 1.7%	Tanizawa Sogo Appraisal Co., Ltd.	4.2%	4.1%
		Twin 21	68,700	61,400	60,300	65,443	- 1.8%	- 7.9%	JLL Morii Valuation & Advisory K.K.	4.1%	4.1%
		MID Imabashi Bldg.	3,270	2,590	2,670	3,043	3.1%	- 12.3%	Tanizawa Sogo Appraisal Co., Ltd.	4.2%	4.2%
		Kitahama MID Bldg.	10,800	11,100	11,500	10,216	3.6%	12.6%	Japan Real Estate Institute	3.8%	3.8%
		MID Nishihommachi Bldg.	3,550	2,570	2,600	3,299	1.2%	- 21.2%	Japan Real Estate Institute	4.1%	4.1%
		Higobashi MID Bldg.	3,000	4,070	4,400	2,737	8.1%	60.7%	Japan Real Estate Institute	3.8%	3.8%
	Osaka YM Bldg.	6,310	7,650	8,180	6,602	6.9%	23.9%	Japan Real Estate Institute	3.9%	3.9%	
Other metropolitan area		Sendai Capital Tower	5,500	6,900	6,800	5,744	- 1.4%	18.4%	Tanizawa Sogo Appraisal Co., Ltd.	4.3%	4.3%
Subtotal			240,350	254,330	254,720	240,186	0.2%	6.8%	—	—	—
Other	Three major metropolitan areas	AEON MALL Tsudanuma	26,100	29,200	29,000	23,276	- 0.7%	24.6%	Daiwa Real Estate Appraisal Co., Ltd.	4.6%	4.6%
		Hotel Vista Premio Tokyo	11,200	12,000	11,000	11,660	- 8.3%	- 5.7%	Tanizawa Sogo Appraisal Co., Ltd.	3.5%	3.5%
		Konami Sports Club Kyobashi	2,780	3,440	3,430	2,302	- 0.3%	49.0%	Daiwa Real Estate Appraisal Co., Ltd.	4.9%	4.9%
	Other metropolitan area		Dormy Inn Hakata Gion	2,280	4,600	4,560	2,043	- 0.9%	123.1%	Tanizawa Sogo Appraisal Co., Ltd.	4.1%
Subtotal			42,360	49,240	47,990	39,282	—	19.4%	—	—	—
Total			282,710	303,570	302,710	279,468	—	8.3%	—	—	—

Appraisal value (compared to prev. period)	Increased	18 properties	9 properties
	Unchanged	4 properties	4 properties
	Decreased	0 properties	12 properties

Caprate (compared to prev. period)	Decreased	12 properties	1 property
	Unchanged	9 properties	24 properties
	Increased	1 property	0 properties

Unrealized gain/loss

Unrealized gain/loss and unrealized gain/loss rate



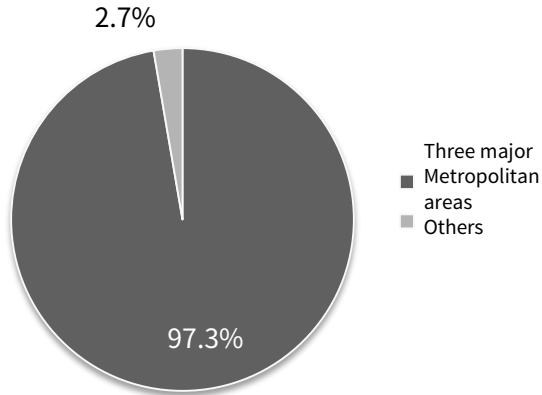
As of 28th Period End (ended Jun. 2020)

- Book value: 279.4 bn. yen
- Appraisal value: 302.7 bn. Yen
- Unrealized gain: 23.2 bn. yen

Portfolio data 1 (as of the end of Jun. 2020)

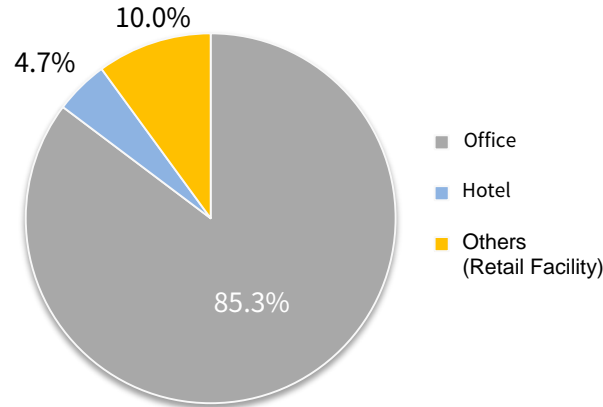
By area

<Based on acquisition price>



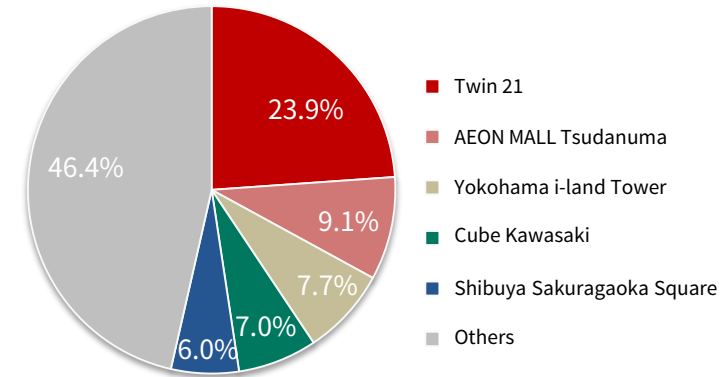
By asset type

<Based on acquisition price>

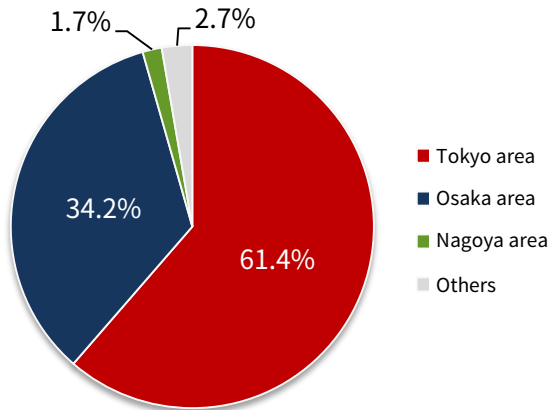


By asset size

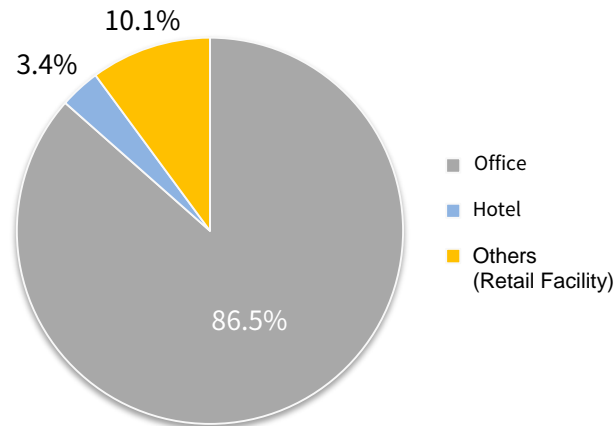
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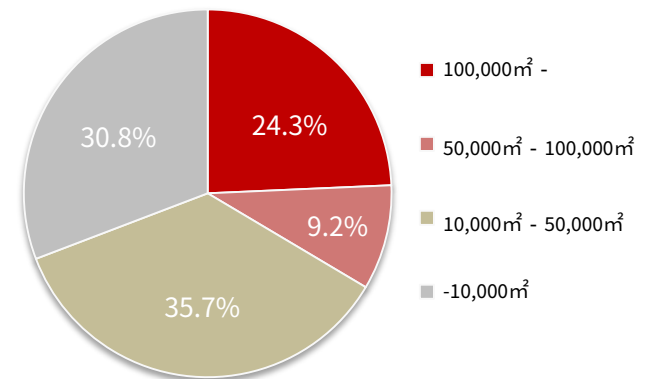
<Based on acquisition price>



<Based on rent revenues (incl. CAM) (Note)>



<Based on acquisition price (Note)>

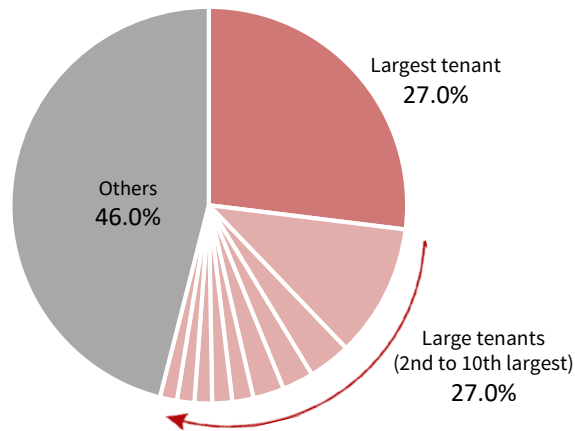


Note: TK interest of Nagoya Lucent Tower is not included.

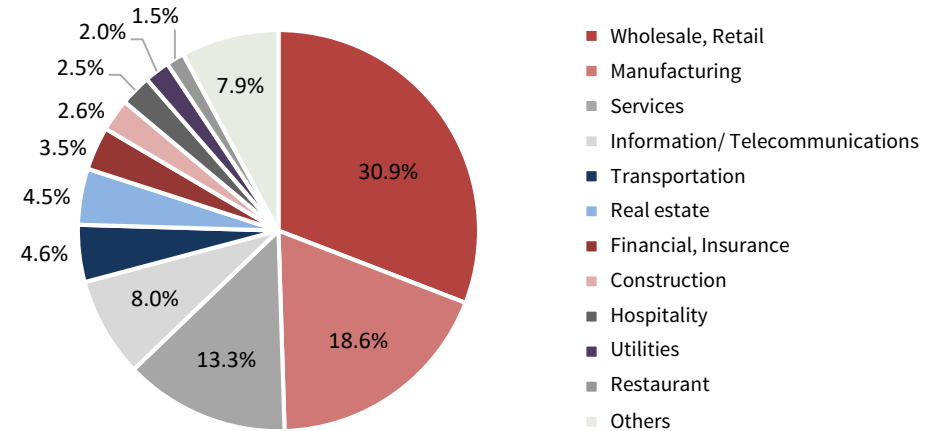
Portfolio data 2 (as of the end of Jun. 2020)

By tenant ^(Note)

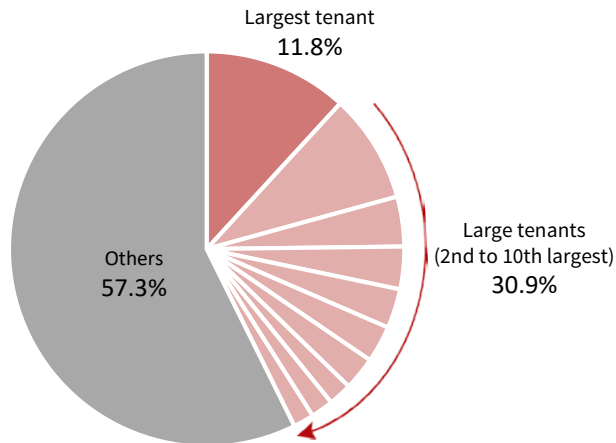
< Based on leased space >



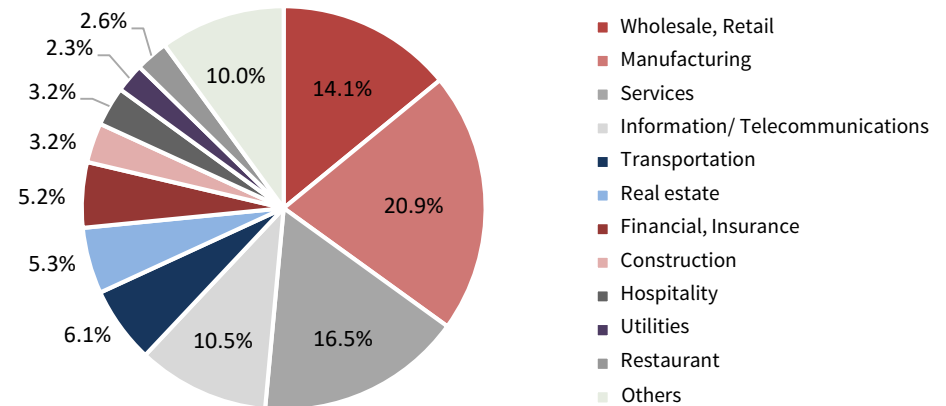
< Based on leased space >



< Based on rent revenues (incl. CAM) >



< Based on rent revenues (incl. CAM) >



Note: TK interest of Nagoya Lucent Tower is not included.

Revenue and expenses by property 1 (Fiscal period ended Jun. 30, 2020)

(Unit: mn. yen)

	Sumitomo Fudosan Ueno Bldg. No.6	G-Square Shibuya Dogenzaka	Shibuya Sakuragaoka Square	Yokohama Creation Square	Cube Kawasaki	Higashi- Nihombashi Green Bldg.	Sasazuka Center Bldg.	USC Bldg.	Yoshiyasu Kanda Bldg.	TOYOTA MOBILITY SERVICE Bldg.	M-City Akasaka 1- chome Bldg.	Yokohama i-land Tower	M-City Edogawabash i Bldg.
Operating days	182	182	182	182	182	182	182	182	182	182	182	182	182
Rent revenue	—	276	284	263	601	56	232	185	81	—	93	479	—
CAM revenue	—	25	52	75	62	22	33	84	16	—	3	192	—
Parking revenue	—	3	4	13	2	3	1	12	7	—	0	—	—
Rent revenue - real estate	—	305	341	352	666	82	267	281	105	—	97	672	—
Utilities revenue	—	14	18	12	45	5	8	21	7	—	4	—	—
Early-withdrawal penalties received	—	—	—	—	—	—	—	—	—	—	—	—	—
Other revenue	—	0	2	0	1	2	1	8	0	—	0	43	—
Other lease business revenue	—	15	21	13	47	8	9	29	8	—	5	43	—
① Property leasing revenue	Not Disclosed	320	362	365	713	91	277	311	113	Not Disclosed	102	716	Not Disclosed
Property management fees	—	13	17	104	55	6	21	22	8	—	6	112	—
Utilities expenses	—	12	17	28	59	5	14	31	6	—	5	6	—
Real estate taxes	—	25	29	26	64	6	25	27	8	—	11	61	—
Insurance premiums	—	0	0	—	0	0	0	0	0	—	0	1	—
Repair expenses	—	6	9	0	64	1	1	20	5	—	4	52	—
Other lease business expenses	—	1	0	13	0	0	0	0	0	—	0	0	—
② Expenses related to rent business	—	58	74	175	244	20	62	102	28	—	29	233	—
③ NOI(①—②)	183	262	288	189	468	70	214	209	84	204	73	482	82
④ Depreciation	33	31	55	25	61	9	22	32	6	43	6	107	7
⑤ Loss on retirement of non-current assets	—	—	—	—	—	—	—	—	—	—	—	—	—
⑥ Property leasing income (③—④—⑤)	149	231	232	163	406	61	192	177	78	161	66	374	74
CAPEX	6	3	2	1	203	—	10	1	10	3	17	401	—

Revenue and expenses by property 2 (Fiscal period ended Jun. 30, 2020)

(Unit: mn. yen)

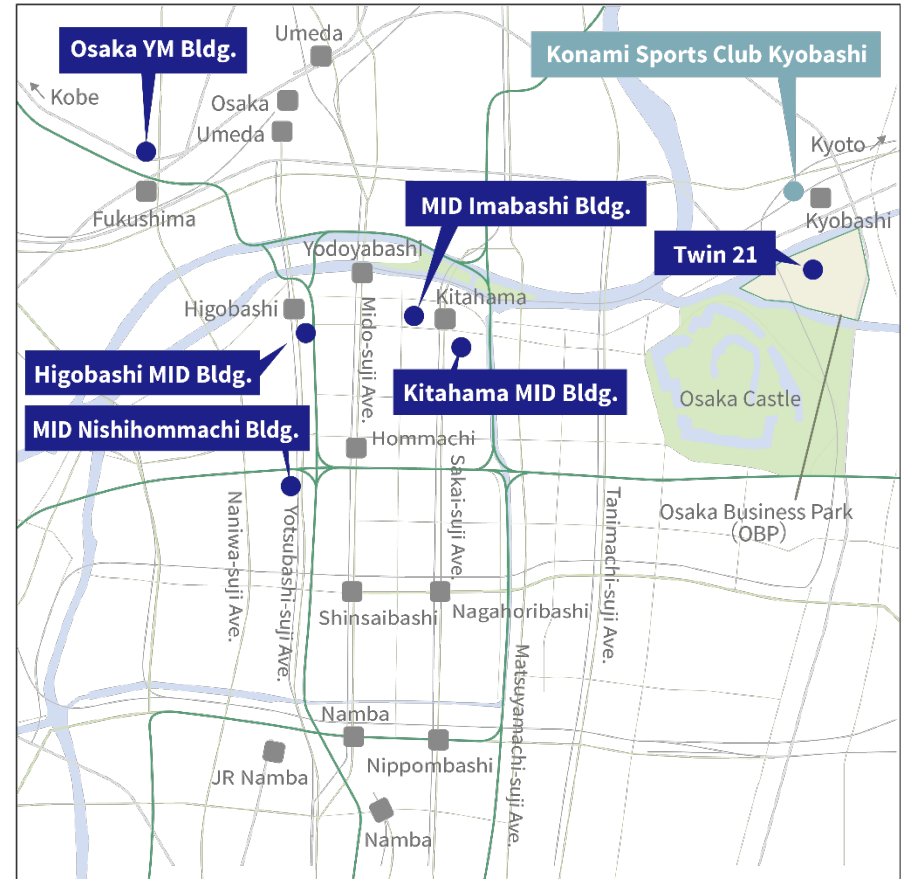
	East Square Tokyo	Twin21	MID Imabashi Bldg.	Kitahama MID Bldg.	MID Nishi-hommachi Bldg.	Higobashi MID Bldg.	Osaka YM Bldg.	Sendai Capital Tower	AEON MALL Tsudanuma	Hotel Vista Premio Tokyo	Konami Sports Club Kyobashi	Dormy Inn Hakata Gion	Total
Operating days	182	182	182	182	182	182	182	182	182	182	182	182	
Rent revenue	233	1,730	83	227	78	96	158	197	726	—	—	—	6,855
CAM revenue	45	412	4	48	6	17	22	39	—	—	—	—	1,279
Parking revenue	6	81	8	7	3	1	9	18	—	—	—	—	209
Rent revenue - real estate	286	2,224	96	283	88	115	190	255	726	—	—	—	8,344
Utilities revenue	74	122	6	35	7	9	14	15	—	—	—	—	453
Early-withdrawal penalties received	—	—	—	—	—	—	—	—	—	—	—	—	—
Other revenue	4	20	0	1	0	0	0	3	3	—	—	—	100
Other lease business revenue	79	142	6	36	8	10	15	18	3	—	—	—	554
① Property leasing revenue	365	2,367	103	320	97	125	206	274	729	Not Disclosed	Not Disclosed	Not Disclosed	8,899
Property management fees	73	292	14	30	11	12	29	34	1	—	—	—	931
Utilities expenses	71	181	6	22	7	7	18	31	—	—	—	—	564
Real estate taxes	14	201	12	22	8	13	11	25	61	—	—	—	722
Insurance premiums	0	2	0	0	0	0	0	0	0	—	—	—	8
Repair expenses	18	35	2	9	3	3	11	30	3	—	—	—	300
Other lease business expenses	1	14	—	0	—	0	18	1	0	—	—	—	53
② Expenses related to rent business	180	727	35	86	31	38	89	124	67	—	—	—	2,580
③ NOI(①-②)	185	1,639	67	233	65	87	116	150	662	126	86	81	6,318
④ Depreciation	27	466	26	39	21	22	13	28	115	23	18	19	1,267
⑤ Loss on retirement of non-current assets	—	0	—	—	—	—	—	—	0	—	—	—	1
⑥ Property leasing income (③-④-⑤)	157	1,172	40	194	44	64	102	121	546	103	68	62	5,050
CAPEX	36	102	8	21	4	3	25	133	4	—	—	0	1,002

Portfolio map – Tokyo area and Osaka area

Tokyo area (16 properties)

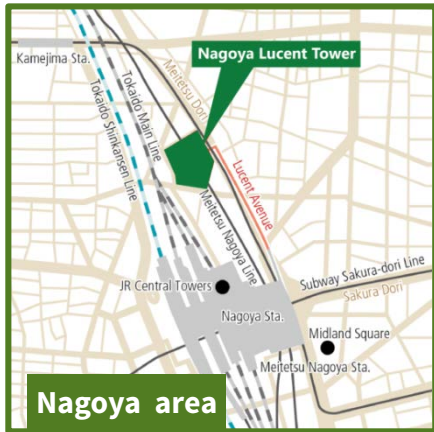


Osaka area (7 properties)

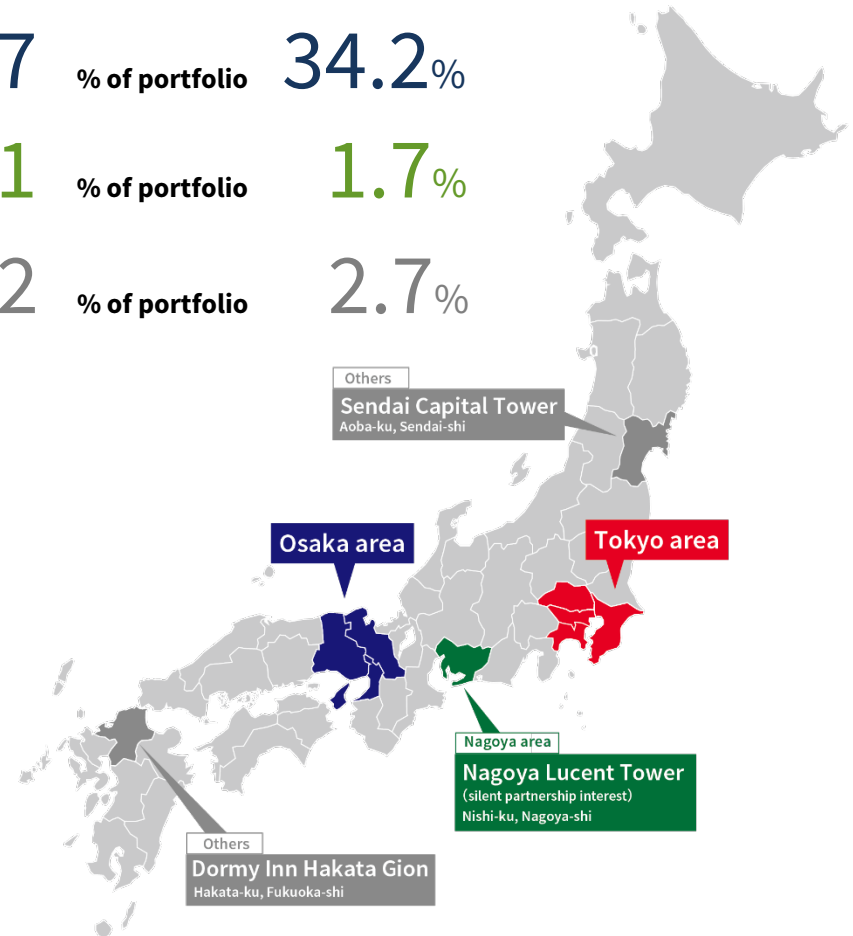
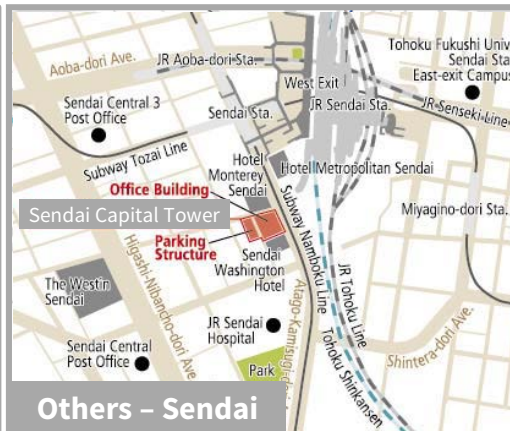


Portfolio map - Nagoya area and others

<As of June, 2020>



Tokyo area	No. of assets	16	% of portfolio	61.4%
Osaka area	No. of assets	7	% of portfolio	34.2%
Nagoya area	No. of assets	1	% of portfolio	1.7%
Other major cities	No. of assets	2	% of portfolio	2.7%



Note: Based on acquisition price. TK interest of Nagoya Lucent Tower is included in the acquisition price.

Portfolio overview - Office in Tokyo area 1



Sumitomo Fudosan Ueno Bldg. No.6

- ✓ Office building with the standard floor area of over 200 tsubo, with high scarcity value in Ueno Area
- ✓ Stable occupancy by leasing the entire building to a major manufacturer group

Location	Taito-ku, Tokyo
Total land space	1,323.78m ²
Total floor space	9,631.83m ²
Structure/scale	SRC/B2F-11F
Completion date	Nov. 1993
Acquisition price	7,460 mn. yen
Acquisition Date	May 1, 2015



G-Square Shibuya Dogenzaka

- ✓ Located in Shibuya/Ebisu, an area with one of the lowest vacancy rates in Tokyo
- ✓ Recently built high-grade office building, which is rare in Shibuya area
- ✓ Two-minute walk from Shibuya Mark City, and three-minute walk from Shibuya Station on the Tokyo Metro lines

Location	Shibuya-ku, Tokyo
Total land space	918.49m ²
Total floor space	6,565.87m ²
Structure/scale	S • SRC/B2F-9F
Completion date	Oct. 2009
Acquisition price	12,220 mn. yen
Acquisition Date	Aug. 3, 2015



Shibuya Sakuragaoka Square

- ✓ Located in Shibuya/Ebisu, an area with one of the lowest vacancy rates in Tokyo
- ✓ Located in the area with a lot of office buildings facing National Route 246
- ✓ Four-minutes walk from Shibuya Station. Newly-built mid-sized office building with a standard floor area of approx. 190 tsubo

Location	Shibuya-ku, Tokyo
Total land space	1,200.08m ²
Total floor space	8,655.61m ²
Structure/scale	S • RC/B1F-10F
Completion date	Mar. 2010
Acquisition price	17,130 mn. yen
Acquisition Date	Aug. 3, 2015, Feb. 1, 2017

Portfolio overview - Office in Tokyo area 2



Yokohama Creation Square

- ✓ Located in the vicinity of the east exit of Yokohama Station, where large office buildings concentrate
- ✓ An office building with a large floor allowing a variety of layouts ranging from approximately 20 to 230 tsubo

*Sectional ownership

Location	Kanagawa-ku, Yokohama
Total land space	5,244.81m ² (ratio of right of site 75.4%)
Total floor space	21,054.60m ² (ratio of exclusive area: 96.5%)
Structure/scale	SRC • S/B1F-20F
Completion date	Mar. 1994
Acquisition price	7,080 mn. yen
Acquisition Date	Aug. 3, 2015



Cube Kawasaki

- ✓ Closely located to JR Kawasaki Station that offers a good transportation access
- ✓ A rare property with a standard floor area of approx. 780 tsubo that addresses demand for large office spaces

Location	Kawasaki-ku, Kawasaki
Total land space	6,247.94m ²
Total floor space	41,290.91m ²
Structure/scale	SRC/B2F-10F
Completion date	May 1982
Acquisition price	20,050 mn. yen
Acquisition Date	Aug. 7, 2015



Higashi-Nihombashi Green Bldg.

- ✓ Highly convenient location for transport with easy access to four stations of four railway lines
- ✓ Highly-visible and well-lit office building located at the corner of Kiyosugi-dori, an arterial road

Location	Chuo-Ku, Tokyo
Total land space	599.07m ²
Total floor space	4,210.72m ²
Structure/scale	SRC/10F
Completion date	Mar. 1988
Acquisition price	2,705 mn. yen
Acquisition Date	Dec. 21, 2015

Portfolio overview - Office in Tokyo area 3



Sasazuka Center Bldg.

- ✓ Location with traffic convenience, within five-minute walk from Sasazuka Station of the Keio Line, which is one station or about five minutes away from Shinjuku Station
- ✓ Good access by car, as it faces a boulevard and is located near the Hatagaya Ramp of the Metropolitan Expressway
- ✓ Building differentiated from other buildings in the area with the standard floor area of approximately 300 tsubo

Location	Shibuya-ku, Tokyo
Total land space	3,032.26m ²
Total floor space	11,973.11m ²
Structure/scale	SRC/B2F-8F
Completion date	Mar. 1995
Acquisition price	8,700 mn. yen
Acquisition Date	Mar. 22, 2017



USC Bldg.

- ✓ Location within seven-minute walk from Toyochō Station of the Tokyo Metro Tozai Line
- ✓ Building differentiated from other buildings in the area with many mid and small-sized buildings, for its size with the total floor area of approximately 5,600 tsubo and the standard floor area of approximately 600 tsubo
- ✓ Convenience in vehicle use with more than 100 parking lots, attracting vehicle-user tenants

Location	Koto-ku, Tokyo
Total land space	4,565.21m ²
Total floor space	18,506.16m ²
Structure/scale	Main Building : S • SRC/B1F-8F Annex : RC/1F
Completion date	Jan. 1990 and other
Acquisition price	10,800 mn. yen
Acquisition Date	Apr. 6, 2017, Feb. 16, 2018



Yoshiyasu Kanda Bldg.

- ✓ Location in a convenient area, accessible from four stations of seven railway and subway lines
- ✓ Property maintaining a stable occupancy as majority of tenants are long-term tenants (longer than 10 years)
- ✓ Location in an area of Chiyoda-ku where relatively older mid-to-high-rise retail stores and office buildings line side-by-side

Location	Chiyoda-ku, Tokyo
Total land space	715.69m ²
Total floor space	4,554.00m ²
Structure/scale	SRC • S/9F
Completion date	May 1989 and other
Acquisition price	4,000 mn. yen
Acquisition Date	Feb. 16, 2018

Portfolio overview - Office in Tokyo area 4



TOYOTA MOBILITY SERVICE Bldg.

- ✓ Acquisition through negotiation with a CRE proposal utilizing the sponsor network, in consideration of secured stability in profitability
- ✓ Relatively new building with a high-grade feel, competitive in terms of scale and high usage efficiency of office space
- ✓ Location in Chuo-ku, Tokyo, and three minutes' walk from Hamacho Station

Location	Chuo-ku, Tokyo
Total land space	1,135.18m ²
Total floor space	8,123.17m ²
Structure/scale	S/10F
Completion date	Jan. 2008
Acquisition price	9,200 mn. yen
Acquisition Date	Mar. 1, 2018



M-City Akasaka 1-chome Bldg.

- ✓ Location in a convenient area, about one-minute walk from Tameike-Sanno Station
- ✓ Sufficient demand expected from potential tenants due to its location in an area suitable for offices
- ✓ Location in Akasaka area, which is increasingly expected to become an attractive office district, as large-scale redevelopment projects are currently under way

Location	Minato-ku, Tokyo
Total land space	510.22m ²
Total floor space	3,308.20m ²
Structure/scale	SRC/10F
Completion date	Mar. 1985
Acquisition price	4,205 mn. yen
Acquisition Date	Mar. 1, 2018



Yokohama i-land Tower

- ✓ Located at a cross-point of the Minato Mirai 21 area and the Kannai area, directly connected to the Bashamichi station
- ✓ With total floor area of approximately 12,500 tsubo and standard floor area of approximately 320 tsubo, it is one of the largest office buildings in the area
- ✓ First ever acquisition through PRE proposal by use of capability of the sponsor

*Sectional ownership

Location	Naka-ku, Yokohama
Total land space	3,840.76m ²
Total floor space	41,154.75m ²
Structure/scale	S • SRC • RC/B3F-27F
Completion date	Feb. 2003
Acquisition price	22,100 mn. yen
Acquisition Date	Sep. 14, 2018

Portfolio overview - Office in Tokyo & Osaka area 5



M-City Edogawabashi Bldg.

- ✓ Location within three-minute walk from Edogawabashi Station of the Tokyo Metro Yurakucho Line
- ✓ High visibility in the corner of Shinmejiro Street
- ✓ Located in an area where the head office of the printing company, university and their affiliated companies are around

Location	Bunkyo-ku, Tokyo
Total land space	911.25m ²
Total floor space	4,487.41m ²
Structure/scale	SRC/8F
Completion date	Sep. 1992
Acquisition price	4,070mn. yen
Acquisition Date	Mar. 19, 2019



East Square Tokyo

- ✓ Good access to Toyochō Station about a 10-minute Tozai Line ride
- ✓ Property with sufficient office space of approx. 600 tsubo standard floor and with superior specifications, such as sufficient weight capacity for office use, attracting tenants attaching importance on size
- ✓ Well-prepared for BCP with emergency generators equipped

Location	Koto-ku, Tokyo
Total land space	8,926.00m ²
Total floor space	18,051.08m ²
Structure/scale	SRC • RC/7F
Completion date	Nov. 1989
Acquisition price	9,500mn. Yen
Acquisition Date	Nov. 20, 2019



Twin 21

- ✓ 38-storied sky-scraper office towers as a symbol of Osaka Business Park (OBP)
- ✓ Directly connected to Kyobashi Station, one of the biggest terminal stations in Osaka
- ✓ Mainly consisted of two buildings: OBP Panasonic Tower which is leased to Panasonic and MID Tower to leading corporations and consulates

Location	Chuo-ku, Osaka
Total land space	28,163.07m ²
Total floor space	146,034.98m ²
Structure/scale	SRC/B1F-38F
Completion date	Mar. 1986
Acquisition price	68,700 mn. yen
Acquisition Date	Aug. 31, 2006

Portfolio overview - Office in Osaka area 6



MID Imabashi Bldg.

- ✓ Located in the Yodoyabashi and Kitahama business district
- ✓ Three-minute walk from Kitahama Station of the Osaka Municipal Subway Sakaisuji Line and the Keihan Main Line, and five-minute walk from Yodoyabashi Station of the Osaka Municipal Subway Midosuji Line and the Keihan Main Line
- ✓ High-grade office building with sophisticated appearance with the granite-covered outer wall

Location	Chuo-ku, Osaka
Total land space	1,187.43m ²
Total floor space	7,482.53m ²
Structure/scale	S • RC/B2F-11F
Completion date	Oct. 1990
Acquisition price	3,270 mn. yen
Acquisition Date	Apr. 3, 2007



Kitahama MID Bldg.

- ✓ Located close to Sakaisuji, one of the artery roads in Osaka, and nearby Kitahama Station of the Osaka Municipal Subway Sakaisuji Line and the Keihan Main Line
- ✓ Vibration controlled-building to reduce potential earthquake damages
- ✓ High-spec building with a floor with pillarless space of 176 tsubo, which addresses various layout/space needs

Location	Chuo-ku, Osaka
Total land space	1,802.49m ²
Total floor space	14,648.13m ²
Structure/scale	S • SRC/B1F-18F
Completion date	Feb. 2008
Acquisition price	10,800 mn. yen
Acquisition Date	Apr. 24, 2008



MID Nishihommachi Bldg.

- ✓ Favorable location facing Yotsubashisuji Boulevard and Chuo-Odori Street, with one-minute walk from Hommachi Station of the Osaka Municipal Subway
- ✓ High-quality office building supporting tenants' business activities with its comfortableness and traffic convenience, partly thanks to the vicinity to the Awaza Ramp on Hanshin Expressway

Location	Nishi-ku, Osaka
Total land space	659.86m ²
Total floor space	6,260.16m ²
Structure/scale	S • RC/B3F-9F
Completion date	Mar. 1989
Acquisition price	3,550 mn. yen
Acquisition Date	Oct. 30, 2008

Portfolio overview - Office in Osaka and others 7



Higobashi MID Bldg.

- ✓ Located in the Higobashi business district
- ✓ Located along Yotsubashisuji Boulevard, with one-minute walk from Higobashi Station of the Osaka Municipal Subway Yotsuboashi Line and six-minute walk from Yodoyabashi Station of the Osaka Municipal Subway Midosuji Line and Watanabebashi Station of the Keihan Nakanoshima Line
- ✓ Quake-resistant building with its vibration control structure, obtaining environmental certification

Location	Nishi-ku, Osaka
Total land space	797.86m ²
Total floor space	6,519.63m ²
Structure/scale	S/B1F-11F
Completion date	Jan. 2010
Acquisition price	3,000 mn. yen
Acquisition Date	Jun. 21, 2013



Osaka YM Bldg.

- ✓ Location in an area of superior transportation access, a 3-minute walk from Fukushima Station on the JR Line and one station away from Osaka station.
- ✓ Standard floors with approx. 245 tsubo floor area and high layout efficiency
- ✓ Parking area in basement floor, which accommodates more than 50 cars
Renovation works for common area implemented in 2008

Location	Fukushima-ku, Osaka
Total land space	2,869.79m ²
Total floor space	16,533.95m ²
Structure/scale	SRC • RC/B2F-12F
Completion date	Mar. 1991
Acquisition price	6,310 mn. yen
Acquisition Date	Nov. 20, 2019



Sendai Capital Tower

- ✓ Location within four-minute walking distance from JR Sendai Station and two-minute from Sendai Station of the Sendai Subway Namboku Line and the Tozai Line
- ✓ Scarcity for its size in the area with many small to medium-sized buildings, with a total floor area of approximately 7,200 tsubo and a standard floor area of approximately 240 tsubo, and the parking lots for more than 100 vehicles

Location	Aoba-ku, Sendai-shi, Miyagi
Total land space	3,420.02m ²
Total floor space	23,702.00m ² (including Parking Space)
Structure/scale	Office building : SRC/B2F-19F Parking structure : RC/B1F-6F
Completion date	Mar. 1974
Acquisition price	5,500 mn. Yen
Acquisition Date	Feb. 1, 2017

Portfolio overview - TK interest and other than the office



*TK interest

Nagoya Lucent Tower

- ✓ Favorable location close to Nagoya Station, an area in which the strongest demand from tenants is expected within Nagoya City
- ✓ Highly visible 42-storied building (with 3 basement floors) for its arch-shaped characteristic appearance

Location	Nishi-ku, Nagoya
Completion date	Nov. 2006
Acquisition price	4,919 mn. yen
Acquisition Date	Aug. 3, 2015

*1 MCUBS MidCity owns the TK interest with R40 GK as the operator (TK interest B: equity interest of 40%) backed by real estate in trust for the trust beneficiary interests with 33.9% co-ownership interest (and 29.5% right of site) of the sectional ownership of this asset (sections of the building excluding the special high voltage substation building and part of the extra high voltage substation building)

*2 The property overview as above represents that of the underlying asset of such TK interest



AEON MALL Tsudanuma

- ✓ Large commercial facility directly connected to Shin Tsudanuma Station of the Shin-Keisei Line
- ✓ Three-minute walk from Tsudanuma Station of the JR Sobu Line
- ✓ Urban-type shopping center with AEON Mall as a core store

Location	Narashino-shi, Chiba
Total land space	29,397.03m ²
Total floor space	96,033.49m ²
Structure/scale	S/B1F-5F
Completion date	Sep. 2003 and other
Acquisition price	26,100 mn. yen
Acquisition Date	Aug. 31, 2006 and other



Hotel Vista Premio Tokyo

- ✓ Location within a 3-minute walk from Akasaka-Mitsuke Station and Akasaka-Station on the Tokyo Metro Lines, respectively
Accommodation-specialized hotel, newly-opened in Jun. 2018
- ✓ Accommodation with 140 guest rooms of approx. 21 m² on average which is able to meet extensive demands both of domestic business persons and inbound tourists for leisure

Location	Minato-ku, Tokyo
Total land space	930.29m ²
Total floor space	4,248.19m ²
Structure/scale	S/11F Other
Completion date	Apr. 2018
Acquisition price	11,200 mn.yen
Acquisition Date	Nov. 22, 2019

Portfolio overview - Other than the office



Konami Sports Club Kyobashi

- ✓ Located nearby Kyobashi Station of the Osaka Municipal Subway Nagahori-Tsurumi Line, and two-minute walk from Kyobashi Station of the JR Kanjo Line and the Keihan Main Line
- ✓ Located in an area where a sports club may have strong potential of attracting clients

Location	Miyakojima-ku, Osaka
Total land space	2,339.35m ²
Total floor space	9,433.34m ²
Structure/scale	S/7F
Completion date	Jun. 1999
Acquisition price	2,780 mn. yen
Acquisition Date	Aug. 31, 2006



Dormy Inn Hakata Gion

- ✓ Favorable location with two-minute walk from Gion Station of the Fukuoka City Subway Kuko Line, the next station of Hakata Station
- ✓ Hotel with expected demand from both business people and tourists for its good access to Fukuoka Airport, Hakata Station and Tenjin Area

Location	Hakata-ku, Fukuoka
Total land space	1,002.19m ²
Total floor space	5,633.28m ²
Structure/scale	RC/10F
Completion date	Jan. 2009
Acquisition price	2,280 mn. yen
Acquisition Date	Sep. 30, 2013

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4. FINANCING STRATEGY



Major financing-related figures and investment corporation bonds

Changes in financing-related figures

	As of the end of Dec. 2019	As of the end of Jun. 2020	As of the end of Jul. 2020
LTV (based on appraisal value)	39.1%	39.1%	39.1% ^(Note 1)
Ratio of long-term debts	100.0%	100.0%	100.0%
Ratio of fixed interest rate	89.1%	90.4%	90.4%
Debt Service Coverage Ratio ^(Note 2)	11.3x	11.6x	11.3x ^(Note 3)
Average remaining years of debts	4.3 years	4.3 years	5.2 years
Average interest rate on debts	0.95%	0.94%	0.92% ^(Note 3)
Issuer rating	R&I: A+ (stable) (Sep. 26, 2019)	R&I: A+ (stable) (Sep. 26, 2019)	Aim for further improvement
	JCR: AA- (stable) (Mar. 5, 2019)	JCR: AA- (stable) (May 25, 2020)	

Investment corporation bonds

	Issuance	Term	Nominal Coupon	Amount issued
1 st	May 2016	5 years	0.340%	1.5 bn. yen
2 nd	May 2016	10 years	0.810%	1.5 bn. yen
3 rd	May 2017	5 years	0.260%	1.0 bn. yen
4 th	May 2017	10 years	0.670%	2.0 bn. yen
5 th	May 2018	10 years	0.590%	2.0 bn. yen
Total				8.0 bn. yen

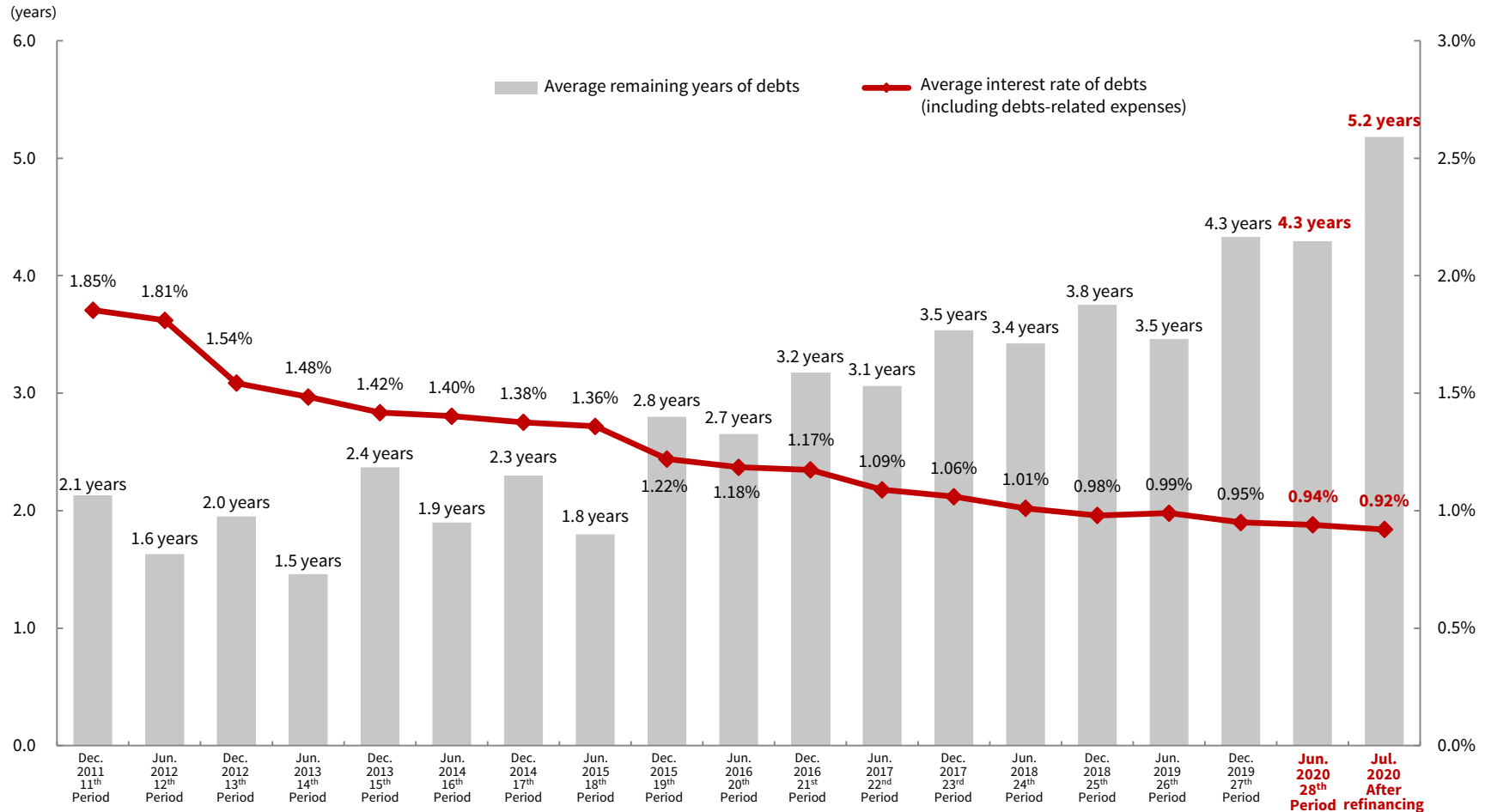
Note 1: Calculated in Considering refinancing of existing loans in July 2020 based on market capitalization as of the end of the 28th Period. The same shall apply hereafter.

Note 2: Debt service coverage ratio = (earnings before interest and depreciation – gain (loss) on sale of real estate) / interest expenses

Note 3: Estimate for the end of the 29th Period.

Financial status 1

Average remaining years and average interest rate of debts



Note1: Average remaining years of debts is using the weighted average of remaining years of debts until maturity based on the respective balance of debts.

Note2: Average interest rate of debts (including borrowing-related expenses) = Financing costs in each fiscal period / Average debt balance in the fiscal period

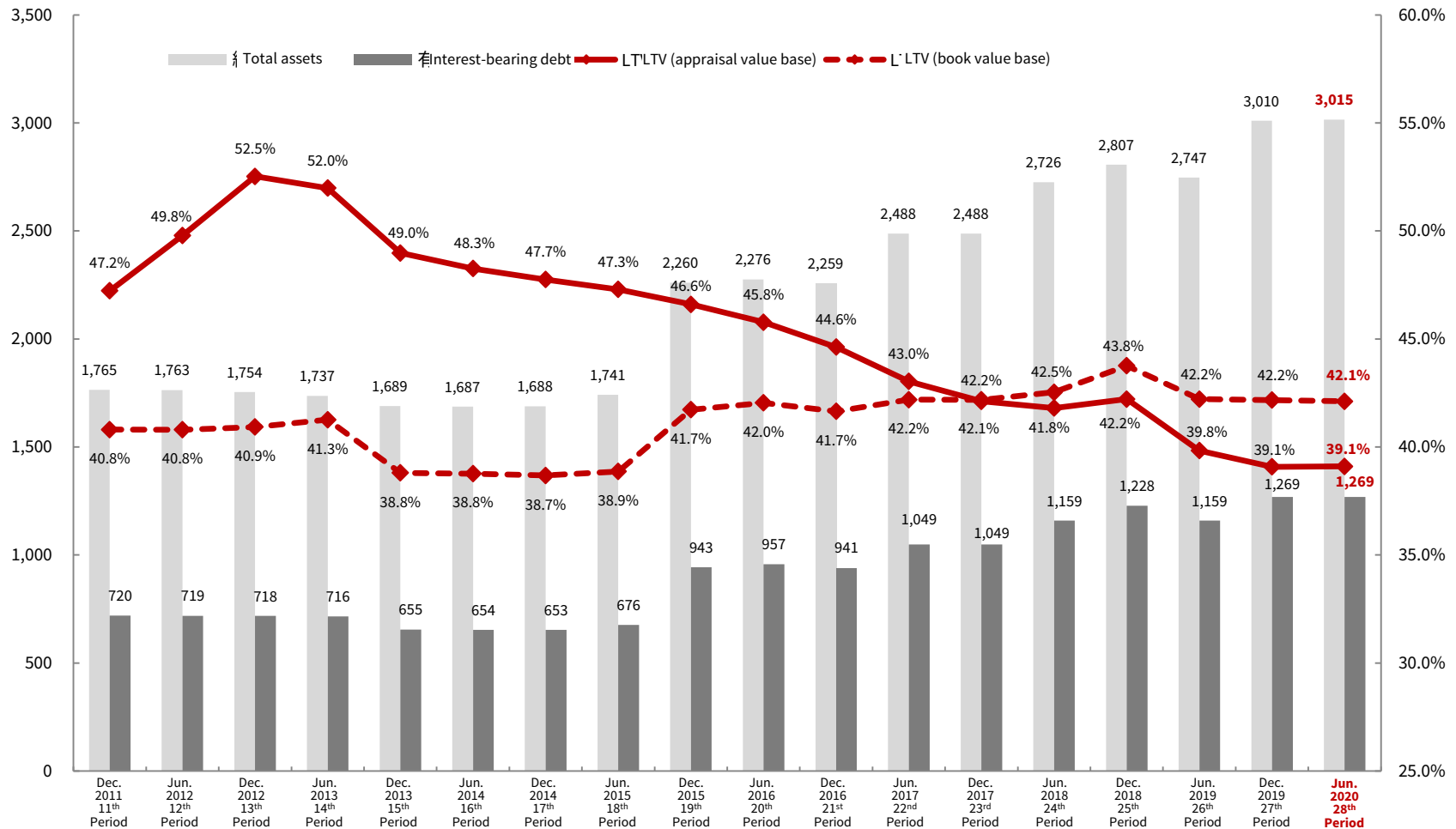
Note3: Figures after refinancing in July 2020 reflect refinancing of existing loans in July 2020.

The estimated average interest rate of debts for February 2021 represents the estimate for the 29th period in consideration of the above.

Financial status 2

Total assets and debts

(100 mn. yen)



Note 1: LTV (appraisal value base) = Term-end debts / (Term-end total assets ± Unrealized gain/loss) Unrealized gain/loss is the difference between book value and appraisal value.

Note 2: LTV (book value base) = Term-end debts / Term-end total assets

Outstanding borrowings 1 (as of the end of Jul. 2020)

Type	Loan Term	Lenders	Balance (mn. yen)	Floating / Fixed	Interest rate ^(Note 3)	Drawdown date	Repayment date ^(Note 4)
Long term loans payable ^(Note 1)	7 years	Mizuho Bank, Aozora Bank	1,800	Fixed	1.47806%	2014/7/31	2021/7/31
	6 years	Mizuho Bank, Sumitomo Mitsui Banking, Resona Bank, MUFG Bank, The Senshu Ikeda Bank	4,500	Fixed ^(Note 2)	1.03350%	2015/7/31	2021/7/31
	8 years	Mizuho Bank	1,000	Fixed ^(Note 2)	1.38430%	2015/7/31	2023/7/31
	7 years	Development Bank of Japan	800	Fixed	1.23250%	2015/7/31	2022/7/31
	7 years	Mizuho Bank, Aozora Bank, MUFG Bank, Mizuho Trust & Banking	2,200	Fixed ^(Note 2)	1.20235%	2015/7/31	2022/7/31
	8 years	Development Bank of Japan	500	Fixed	1.40000%	2015/7/31	2023/7/31
	8 years	Mizuho Bank	500	Fixed ^(Note 2)	1.38430%	2015/7/31	2023/7/31
	5 years	Mizuho Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking	2,800	Fixed ^(Note 2)	0.49795%	2016/4/28	2021/4/30
	4.5 years	Mizuho Bank, Development Bank of Japan, MUFG Bank, The Senshu Ikeda Bank	2,500	Fixed	0.45065%	2016/7/29	2021/1/31
	5 years	Development Bank of Japan, Aozora Bank, MUFG Bank, The Senshu Ikeda Bank	2,650	Fixed	0.49380%	2016/7/29	2021/7/31
	8 years	Mizuho Bank, Development Bank of Japan, Aozora Bank, MUFG Bank	4,700	Fixed	0.73500%	2016/7/29	2024/7/31
	5 years	Mizuho Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking, Development Bank of Japan, MUFG Bank	4,000	Fixed	0.64691%	2017/1/31	2022/1/31
	7 years	Mizuho Bank, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking, Development Bank of Japan, MUFG Bank	4,000	Fixed	0.80938%	2017/1/31	2024/1/31
	6 years	Shinkin Central Bank, The Senshu Ikeda Bank	1,900	Fixed	0.68000%	2017/7/31	2023/7/31
	6 years	Sumitomo Mitsui Banking	1,000	Fixed	0.68792%	2017/7/31	2023/7/31
	8 years	Mizuho Bank, Development Bank of Japan	3,975	Fixed	0.85630%	2017/7/31	2025/7/31
	10 years	Mizuho Bank, Development Bank of Japan, Aozora Bank	3,900	Fixed	1.04000%	2017/7/31	2027/7/31
	5 years	Sumitomo Mitsui Trust Bank, Tokio Marine & Nichido Fire Insurance, Nippon Life Insurance	2,900	Fixed	0.52420%	2017/7/31	2022/7/29
	5 years	Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking	2,400	Floating	0.36909%	2018/2/28	2023/2/28
	7 years	MUFG Bank	1,200	Fixed	0.64000%	2018/2/28	2025/2/28
	7 years	Aozora Bank, Nishi-Nippon City Bank, The Bank of Fukuoka	2,700	Fixed	0.71880%	2018/2/28	2025/2/28
	8 years	Mizuho Bank, Development Bank of Japan	2,700	Fixed	0.80000%	2018/2/28	2026/2/27
	4.5 years	Sumitomo Mitsui Banking	2,900	Floating	0.34409%	2018/7/31	2023/1/31
	7 years	The Senshu Ikeda Bank, The Nishi-Nippon City Bank, The Hyakugo Bank	1,800	Fixed	0.74250%	2018/7/31	2025/7/31
	8 years	Resona Bank	800	Fixed	0.83380%	2018/7/31	2026/7/31
8 years	Sumitomo Mitsui Trust Bank	2,900	Fixed ^(Note 2)	0.77700%	2018/7/31	2026/7/31	
8 years	MUFG Bank	2,000	Fixed	0.77000%	2018/7/31	2026/7/31	
10 years	Mizuho Bank	3,400	Fixed ^(Note 2)	0.92250%	2018/7/31	2028/7/31	

Note 1: Syndicated loans by the indicated financial institutions.

Note 2: Interest rate swaps are concluded to fix the interest rates.

Note 3: Interest rate is applied as of the end of Jul. 2020.

Note 4: If such date does not fall on any business day, the next business day shall be applied. If such next business day is included in the next month, the business day immediately preceding the initial repayment date shall be applied.

Note 5: The repayment method for all of the above borrowings is bullet payment.

Outstanding borrowings 2 (as of the end of Jul. 2020)

Type	Loan Term	Lenders	Balance (mn. yen)	Floating / Fixed	Interest rate ^(Note 3)	Drawdown date	Repayment date ^(Note 4)
Long term loans payable ^(Note 1)	10 years	Aozora Bank, Mizuho Trust & Banking	1,500	Fixed	1.01880%	2018/7/31	2028/7/31
	5.5 years	Sumitomo Mitsui Banking	1,950	Floating	0.39409%	2019/7/31	2025/1/31
	7 years	The Senshu Ikeda Bank, The Nanto Bank	900	Fixed	0.49000%	2019/7/31	2026/7/31
	7.5 years	Resona Bank, Shinkin Central Bank	4,000	Fixed	0.52750%	2019/7/31	2027/1/29
	8 years	Sumitomo Mitsui Trust Bank	1,000	Fixed ^(Note 2)	0.48800%	2019/7/31	2027/7/30
	8.5 years	Development Bank of Japan, Resona Bank	3,400	Fixed	0.60440%	2019/7/31	2028/1/31
	9.5 years	MUFG Bank	1,050	Fixed	0.67500%	2019/7/31	2029/1/31
	10 years	Mizuho Bank, Development Bank of Japan	2,900	Fixed	0.72380%	2019/7/31	2029/7/31
	4 years	Mizuho Bank, MUFG Bank	900	Floating	0.31909%	2019/11/21	2023/11/21
	4.5 years	Sumitomo Mitsui Banking	2,000	Floating	0.32909%	2019/11/21	2024/5/21
	6.5 years	Sumitomo Mitsui Trust Bank	2,000	Fixed ^(Note 2)	0.44130%	2019/11/21	2026/5/21
	9.5 years	Development Bank of Japan, The Nishi-Nippon City Bank, The Bank of Fukuoka	3,100	Fixed	0.71875%	2019/11/21	2029/5/21
	10 years	MUFG Bank	1,300	Fixed	0.78000%	2019/11/21	2029/11/21
	10 years	Mizuho Bank	1,700	Fixed	0.75750%	2019/11/21	2029/11/21
	4.5 years	Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Banking	2,100	Floating	0.32909%	2020/1/31	2024/7/31
	6.5 years	The Hyakugo Bank	750	Fixed	0.52375%	2020/1/31	2026/7/31
	7 years	Sumitomo Mitsui Banking	1,500	Fixed ^(Note 2)	0.47370%	2020/1/31	2027/1/29
	7.5 years	Shinkin Central Bank, The Nishi-Nippon City Bank	2,600	Fixed	0.58875%	2020/1/31	2027/7/30
	9 years	Sumitomo Mitsui Trust Bank	1,600	Fixed ^(Note 2)	0.60450%	2020/1/31	2029/1/31
	NEW	4.5 years	The Hiroshima Bank	500	Fixed	0.37315%	2020/7/31
5 years		Sumitomo Mitsui Banking	1,700	Fixed ^(Note 2)	0.38700%	2020/7/31	2025/7/31
7.5 years		The Minato Bank	800	Fixed	0.55255%	2020/7/31	2028/1/31
8 years		Sumitomo Mitsui Trust Bank	1,700	Fixed ^(Note 2)	0.53450%	2020/7/31	2028/7/31
9 years		The Bank of Fukuoka	750	Fixed	0.65630%	2020/7/31	2029/7/31
9.5 years		Mizuho Bank, Development Bank of Japan, Resona Bank	3,700	Fixed	0.69130%	2020/7/31	2030/1/31
9.5 years		MUFG Bank	700	Fixed	0.70500%	2020/7/31	2030/1/31
10 years		Mizuho Bank, Aozora Bank, Mizuho Trust & Banking	3,350	Fixed	0.72630%	2020/7/31	2030/7/31
10 years	MUFG Bank	1,100	Fixed	0.74000%	2020/7/31	2030/7/31	
Total			118,975				

Note 1: Syndicated loans by the indicated financial institutions.

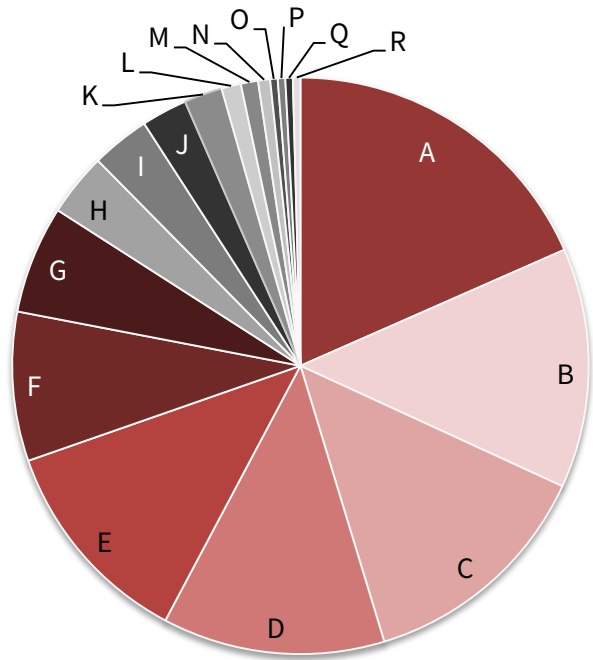
Note 2: Interest rate swaps are concluded to fix the interest rates.

Note 3: Interest rate is applied as of the end of Jul. 2020.

Note 4: If such date does not fall on any business day, the next business day shall be applied. If such next business day is included in the next month, the business day immediately preceding the initial repayment date shall be applied.

Note 5: The repayment method for all of the above borrowings is bullet payment.

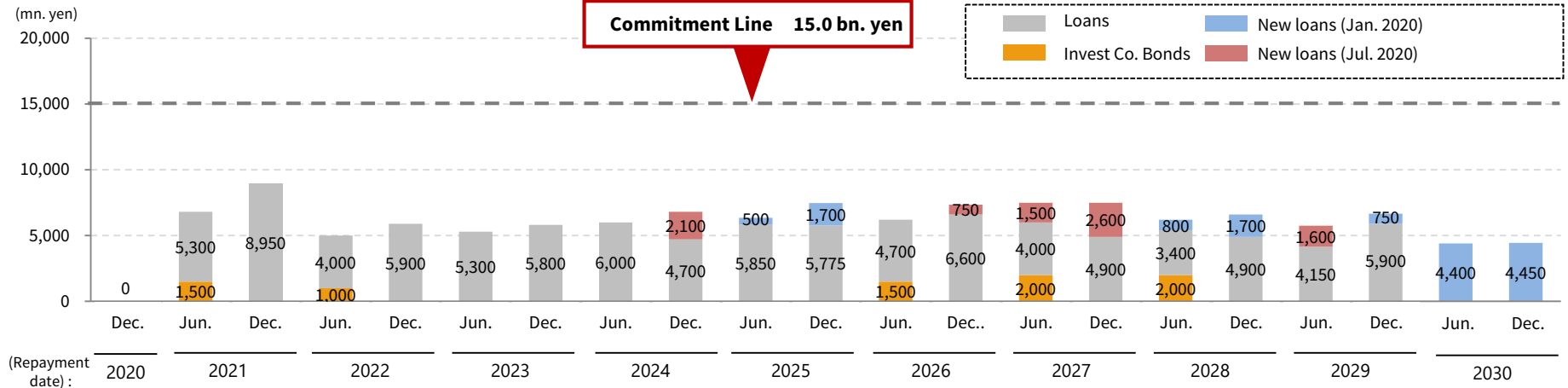
Lender composition (as of the end of Jul. 2020)



	Lender	Balance (mn. yen)	Share
A	Mizuho Bank, Ltd.	21,900	18.4%
B	Sumitomo Mitsui Trust Bank, Limited	16,000	13.4%
C	Sumitomo Mitsui Banking Corporation	16,000	13.4%
D	Development Bank of Japan, Inc.	14,825	12.5%
E	MUFG Bank, Ltd.	14,150	11.9%
F	Aozora Bank, Ltd.	9,950	8.4%
G	Resona Bank, Limited	7,200	6.1%
H	Shinkin Central Bank	4,200	3.5%
I	The Nishi-Nippon City Bank, Ltd.	3,900	3.3%
J	The Senshu Ikeda Bank, Ltd.	3,050	2.6%
K	The Bank of Fukuoka, Ltd.	2,550	2.1%
L	Mizuho Trust & Banking Co., Ltd.	1,300	1.1%
M	The Hyakugo Bank, Ltd.	1,150	1.0%
N	The Minato Bank, Ltd.	800	0.7%
O	The Nanto Bank, Ltd.	500	0.4%
P	The Hiroshima Bank, Ltd.	500	0.4%
Q	Tokio Marine & Nichido Fire Insurance Co., Ltd.	500	0.4%
R	Nippon Life Insurance Company	500	0.4%
	Total	118,975	100.0%

Maturity ladder (as of the end of Jul. 2020)

Diversified maturity ladder of debts



Interest-bearing debts by repayment date

	29 th Period (Dec. 2020)	30 th Period (Jun. 2021)	31 st Period (Dec. 2021)	32 nd Period (Jun. 2022)
Amount due to be repaid (mn. yen)	-	6,800	8,950	5,000
Average borrowing period on debts (Note 1)	-	4.8years	5.9years	5.0years
Average interest rate on debts (Note 1)(Note 2)	-	0.45%	0.96%	0.57%

Debt refinanced in Jul. 2020 (total of 14.3 bn. yen)

	Conditions before refinancing	Conditions after refinancing
Average borrowing period on debts (Note 1)	5.4years	8.6years
Average interest rate on debts (Note 1, 2)	1.03%	0.63%

Note1: Average borrowing period and average interest rate are the weighted averages of the interest rate of borrowings and borrowing period based on the balance of borrowings, respectively (with the average interest rate rounded to the second decimal place and the average borrowing period rounded to the first decimal place).

Note2: Interest rates as of July 31, 2020 are provided above.

Note3: In the year ended Dec. 2020 (29th Period), existing loans of 14.3 bn. yen were refinanced in July 2020.

Note4: The fiscal period before the change in fiscal period end is shown.

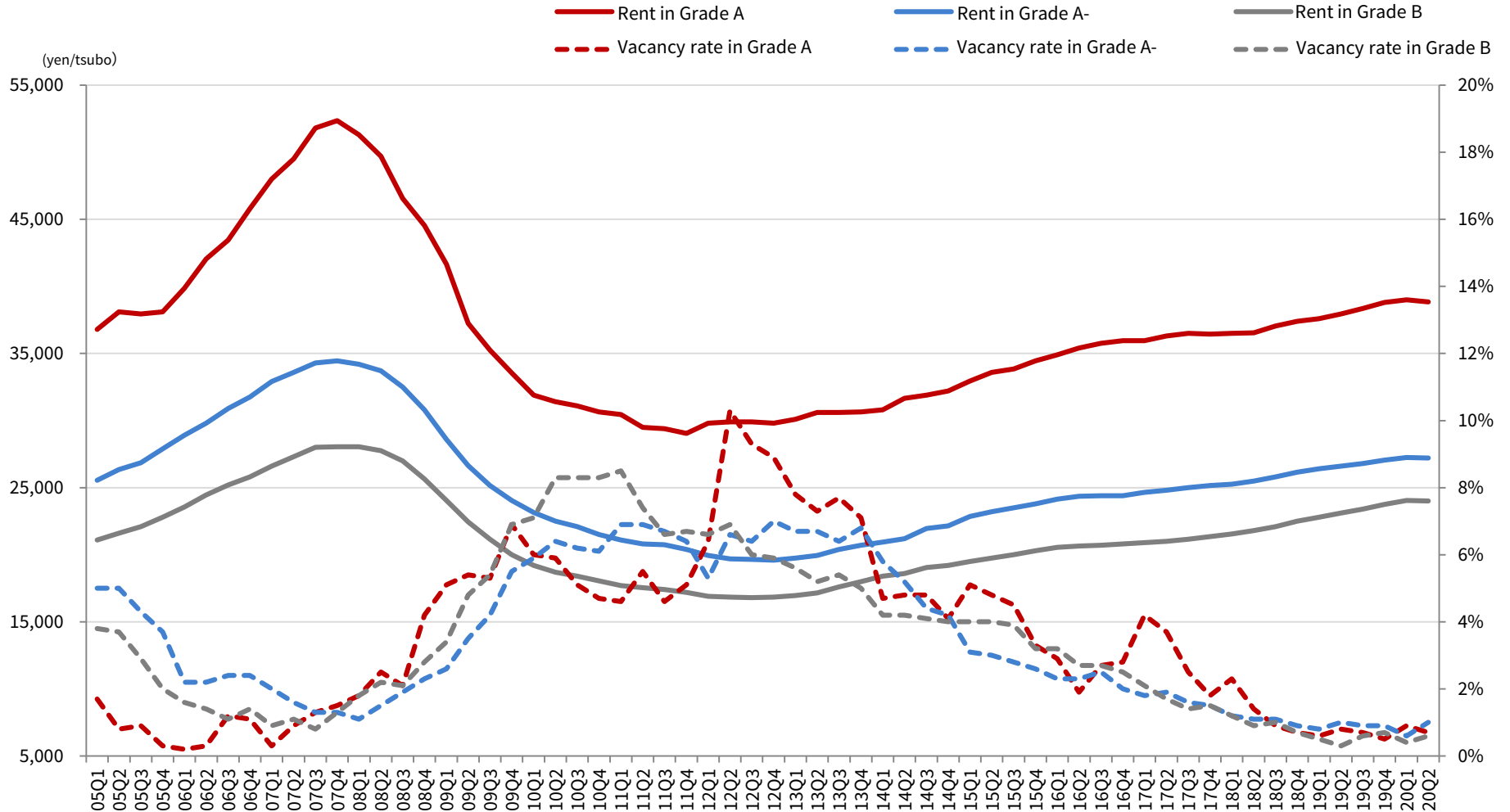
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5. MARKET ENVIRONMENT



Office market data 1 (Tokyo 23 districts)

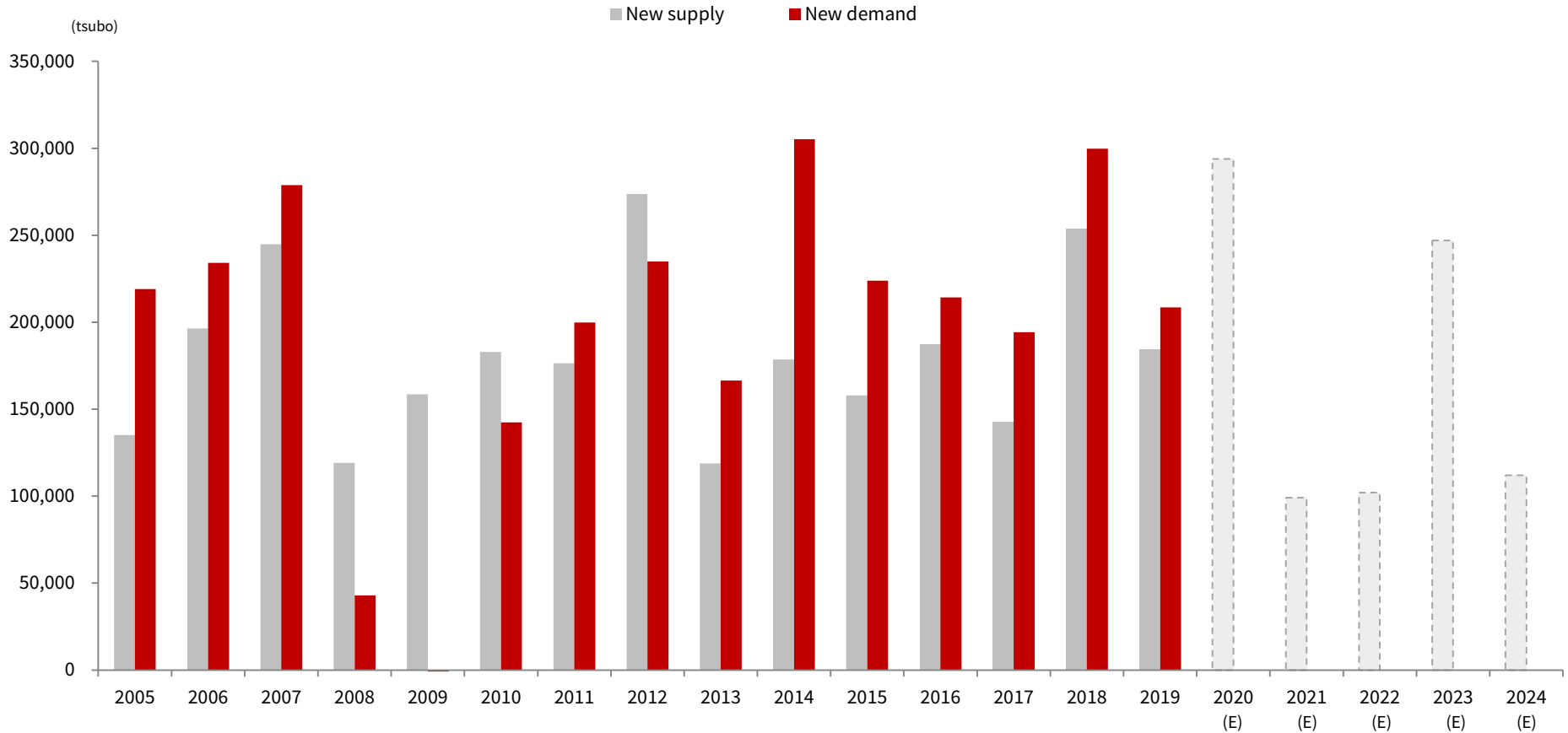
Average rent and vacancy rate of Tokyo



Source: Created by the Asset Management Company based on the data obtained from CBRE K.K.

Office market data 2 (Tokyo 23 districts)

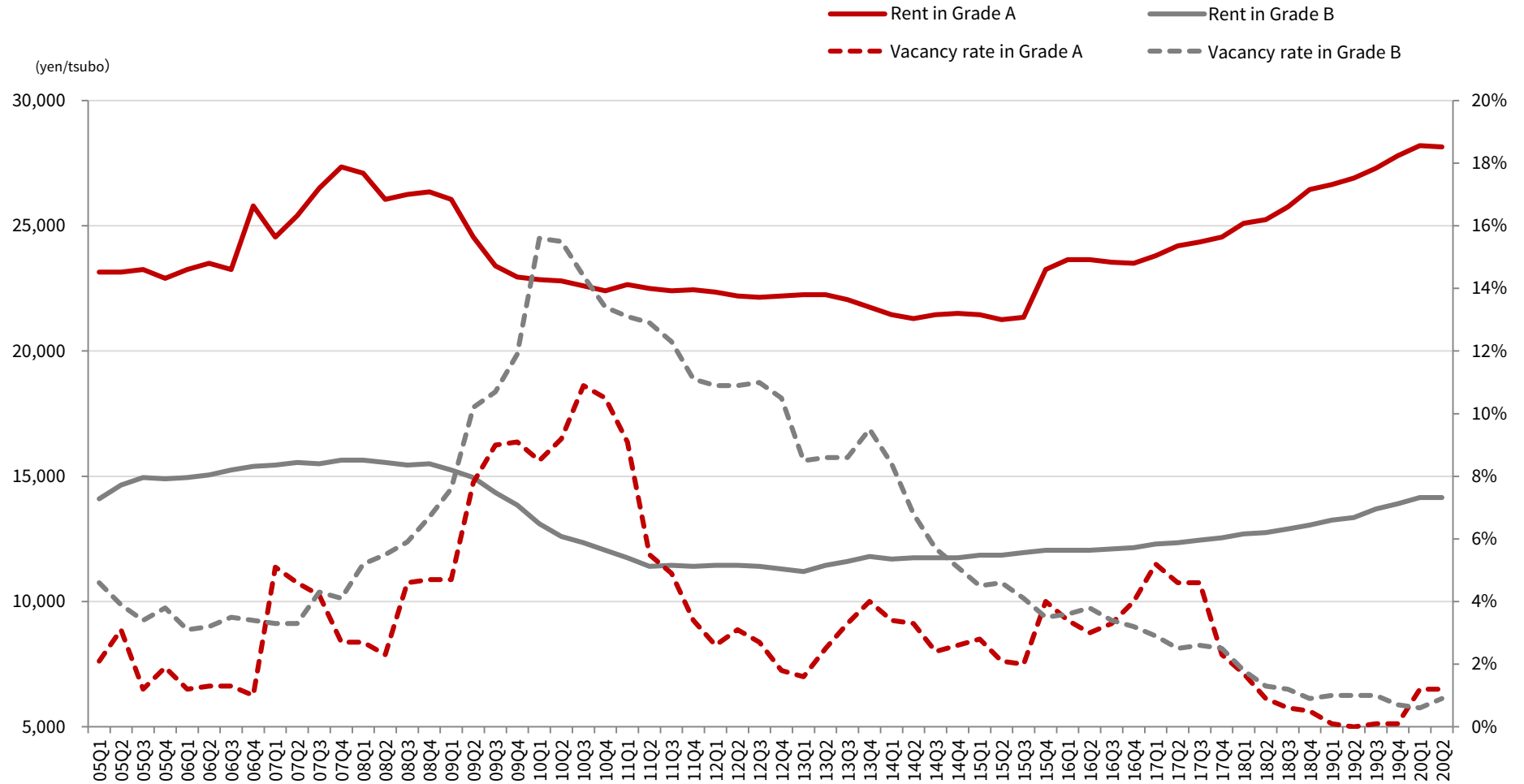
Supply and demand of Tokyo



Source: Created by the Asset Management Company based on the data obtained from CBRE K.K.

Office market data 1 (Nagoya)

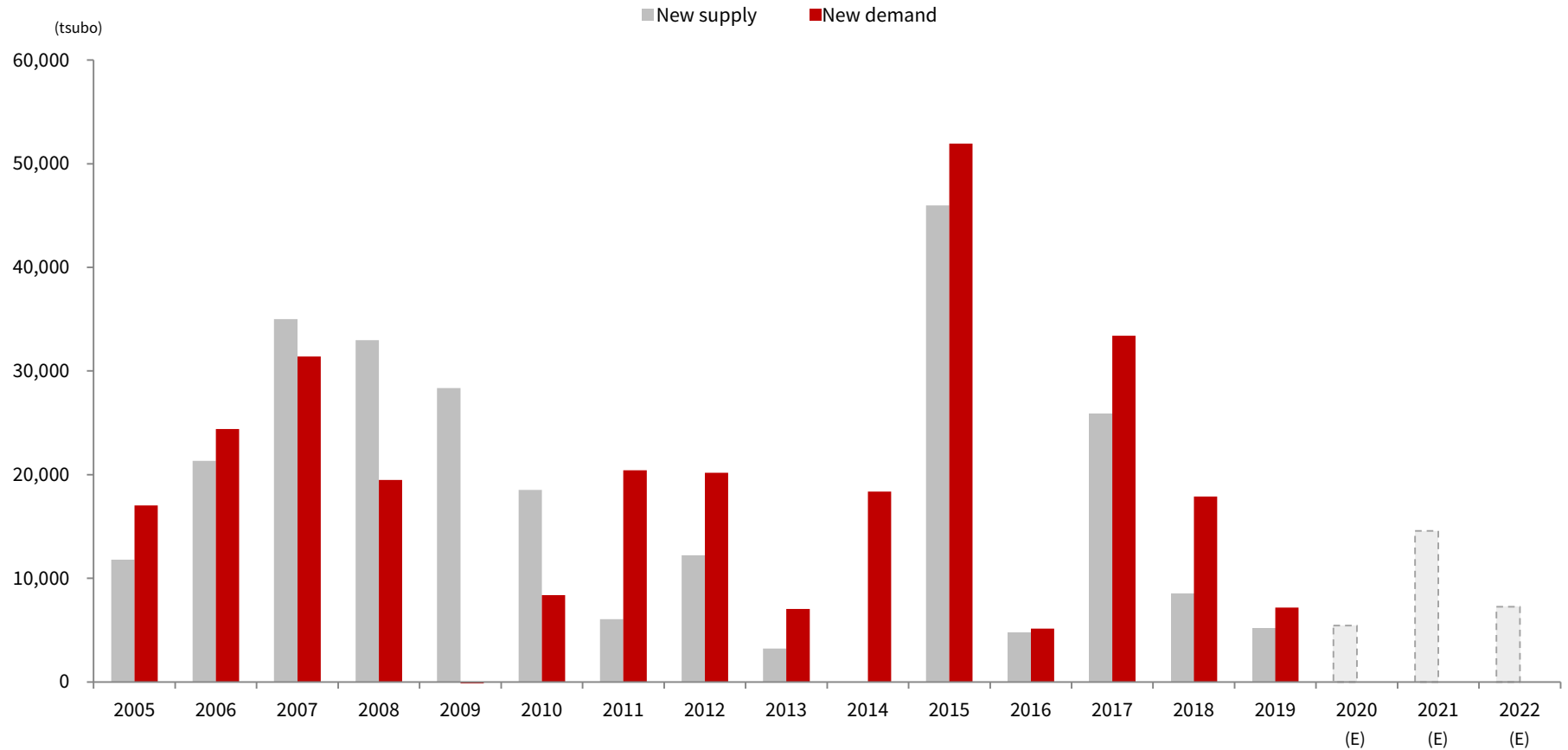
Average rent and vacancy rate of Nagoya business districts



Source: Created by the Asset Management Company based on the data obtained from CBRE K.K.

Office market data 2 (Nagoya)

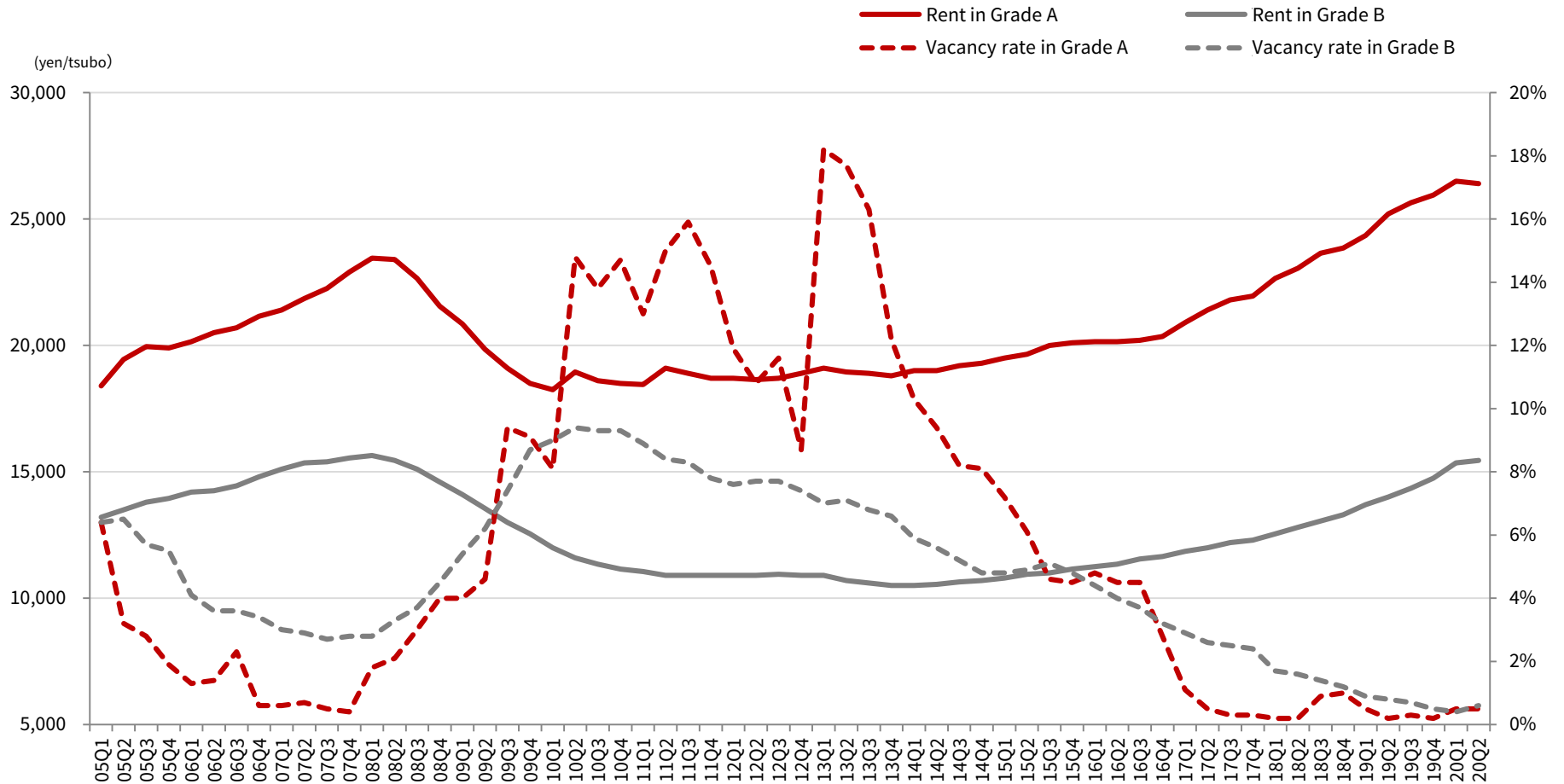
 Supply and demand of Nagoya business districts



Source: Created by the Asset Management Company based on the data obtained from CBRE K.K.

Office market data 1 (Osaka)

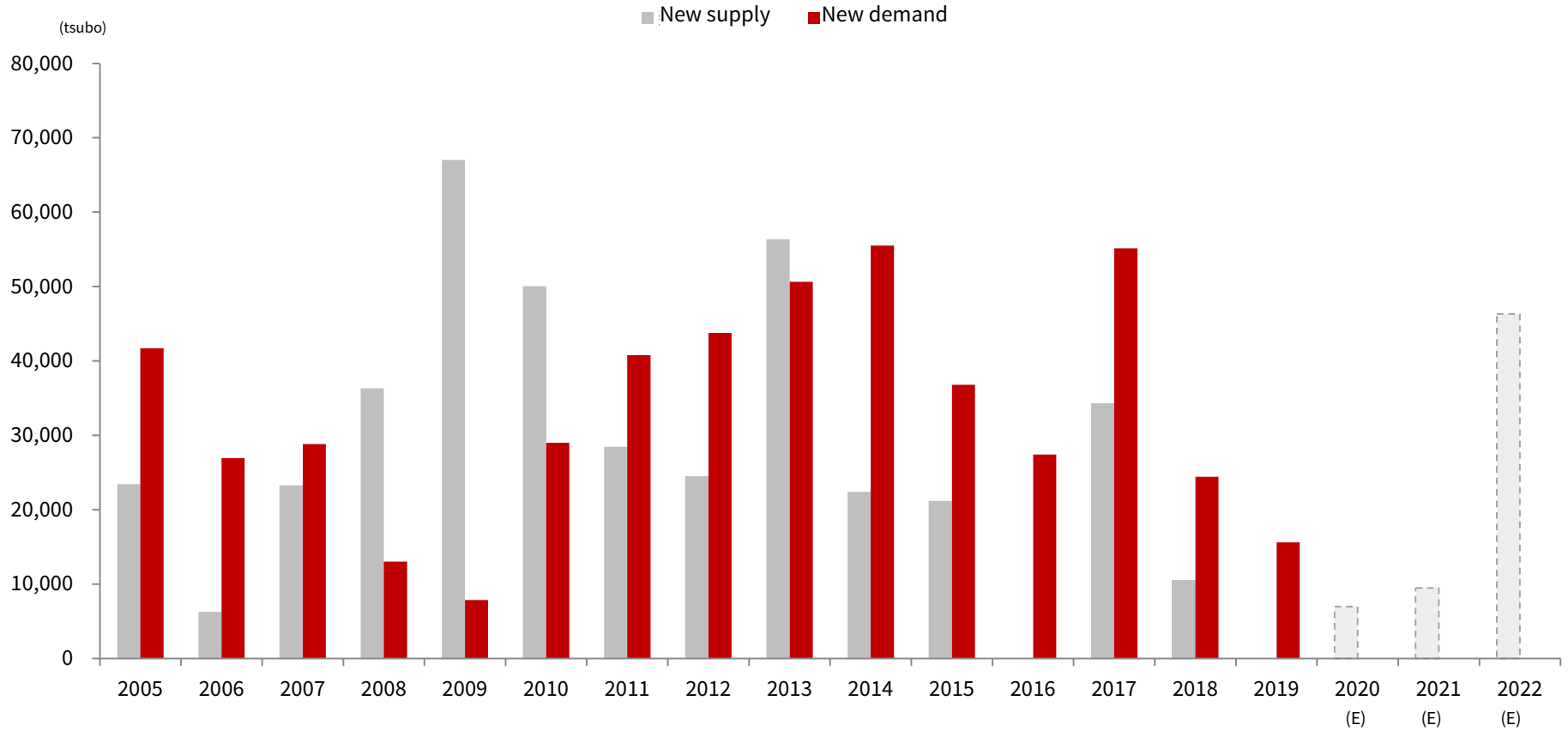
 Average rent and vacancy rate of Osaka business districts



Source: Created by the Asset Management Company based on the data obtained from CBRE K.K.

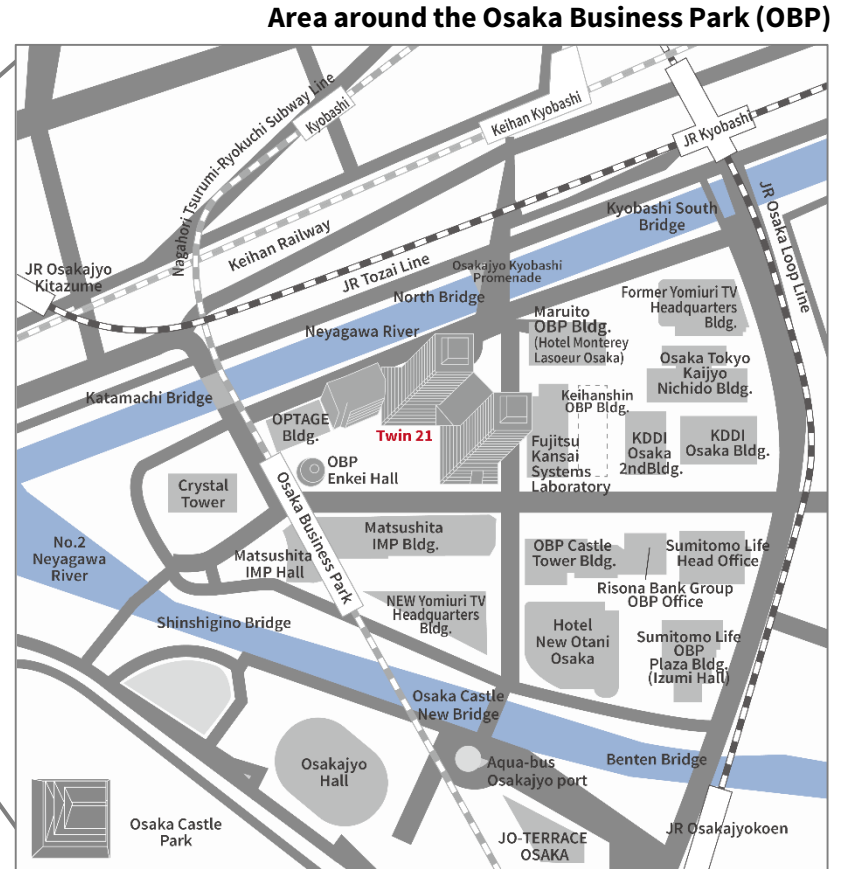
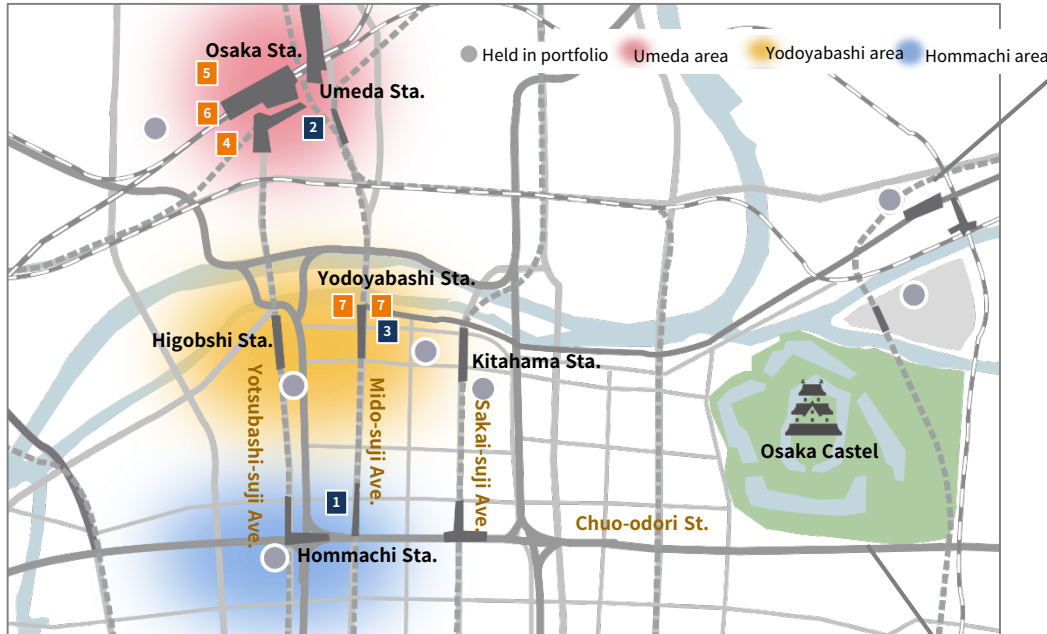
Office market data 2 (Osaka)

Supply and demand of Osaka business districts



Source: Created by the Asset Management Company based on the data obtained from CBRE K.K.

Office buildings to be supplied in the Osaka business area



- 1 Hommachi Sankei Building : approx. 9,104 tsubo (office space : approx. 5,700 tsubo)
[completion planned for Aug. 2021]
- 2 OSAKA UMEDA TWIN TOWERS • SOUTH : approx. 78,650 tsubo (office space : approx. 28,566 tsubo)
[completion planned for Spring 2022]
- 3 Nippon insurance Yodoyabashi Building : approx. 15,579 tsubo (office space : approx. 11,280 tsubo)
[completion planned for Oct. 2022]
- 4 UMEDA 3-CHOME Project : approx. 68,668 tsubo (office space : approx. 20,570 tsubo)
[completion planned for Mar. 2024]
- 5 Umekita Phase 2 Area South : approx. 124,933 tsubo (office space : approx. 32,973 tsubo)
[opened in advance for summer 2024, completion planned for 2027]

- 6 Development of new station building at Osaka Station : approx. 17,847 tsubo (office space: approx. 6,957 tsubo) [completion planned for autumn 2024]
- 7 Yodoyabashi Twin Redevelopment West : approx. 39,325 tsubo / East : approx. 22,264 tsubo (office space undecided) [completion planned for 2025]

*The total floor area is indicated.

Source: Created by the Asset Management Company based on the data obtained from documents released from institutions, and press releases, etc.

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6. APPROACH TO ESG



ESG friendly portfolio management

ESG (Environment, social and corporate governance) initiatives

With the asset management company, MCUBS MidCity shares the idea of ESG (Environment: Environment, Social, Governance) and actively promotes it.

Global Real Estate Sustainability Benchmark

Achieved the highest ranking “Green Star” for four consecutive years and 5 stars for two consecutive years



initiatives by the Asset Management Company

■ Establishment of the Sustainability Committee

Newly established the Sustainability Committee as an approval body for making decisions and reporting on sustainability policies, strategies and systems.

■ Publication of ESG report

The latest edition of the ESG Report, "ESG Report 2020.01" which began publication in 2019, was released on January 20, 2020.



MSCI Japan ESG Select Leaders Index

- Included in the MSCI Japan ESG Select Leaders Index from **Dec. 2018** as one of the best ESG companies in the MSCI Japan IMI Top 700 Index.
- Received the highest J-REIT ranking “**AA**” in Mar. 2019 and maintain the "AA" rating in 2020.

2020 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

GPIF announced that its passive management would track ESG indices including MSCI Japan ESG Select Leaders Index

Status of GPIF ownership of MUUBS MidCity (as of Mar. 31, 2020)

- The number of units held increased by **7th**
- Market capitalization ratio is **2.9%**, 9th among all stocks (11th in the previous year)
- **1.8%** overweight compared to market capitalization

	J-REIT	FY2019	FY2018	Difference
1	Nomura Real Estate Master Fund, Inc.	41,643	21,722	19,921
2	Japan Hotel REIT Investment Corporation	25,482	12,564	10,566
3	ORIX JREIT Inc.	25,661	12,560	7,399
4	Japan Retail Fund Investment Corporation	27,975	17,753	6,283
7	MCUBS MidCity	21,692	17,625	4,067

Source : GPIF HP "All holding stock (as of the end of FY2019) released on July 3, 2020"

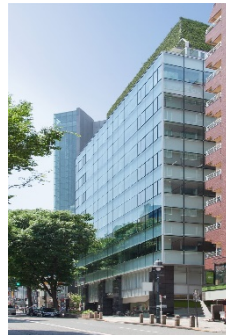
(Note) THE INCLUSION OF MCUBS MidCity IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF MCUBS MidCity BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

Environmental initiatives

Assessment and certification by external agencies

CASBEE Smart Wellness Office Certification

- ✓ G-Square Shibuya Dogenzaka acquired "CASBEE for Wellness Office" certification in addition to the previously acquired "CASBEE for Real Estate" certification.
- ✓ This is **the first J-REIT to be certified** as a "CASBEE for Smart Wellness Office Assessment Certification" for comprehensively evaluating the office model that the next generation should have.



G-Square Shibuya Dogenzaka

Tokyo low-Carbon Small and Medium-sized Model Building (2 properties)

- A2 Sumitomo Fudosan Ueno Bldg. No.6
- A1 USC Bldg.

DBJ Green Building Certification (3 properties)



- ★★★★ Twin 21
- ★★★★ Kitahama MID Bldg.
- ★★★★ Higobashi MID Bldg.
- ※★★★★...Properties with high environmental and social awareness

CASBEE Property Appraisal (4 properties)



- A Rank
 - G-Square Shibuya Dogenzaka
 - Higobashi MID Bldg.
- B+ Rank
 - Shibuya Sakuragaoka Square
 - TOYOTA MOBILITY SERVICE Bldg.

BELS Certification (5 properties)



- ★★★ Kitahama MID Bldg.
- ★★ Higobashi MID Bldg.
- ★★ G-Square Shibuya Dogenzaka
- ★★ Shibuya Sakuragaoka Square
- ★★ TOYOTA MOBILITY SERVICE Bldg.

Social initiatives 1

Communication with tenants and communities

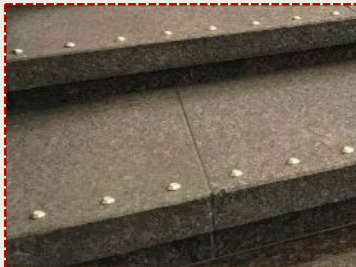
Cube Kawasaki

- ✓ Braille tacks are installed on the first floor on the shared stairs to support the safe and comfortable movement for people with visual disabilities

Example of renewal on common area on the first floor



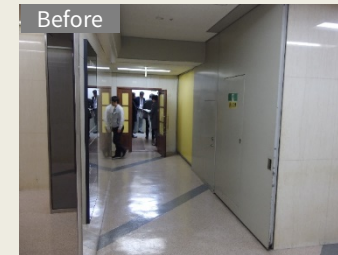
Braille tacks newly installed (enlarged view)



Sendai Capital Tower

- ✓ Renewal to a multi-purpose restroom that are wheelchair-accessible and equipped with a diaper-changing stand for various users

Example of renewal on common area on the Basement Floor 1



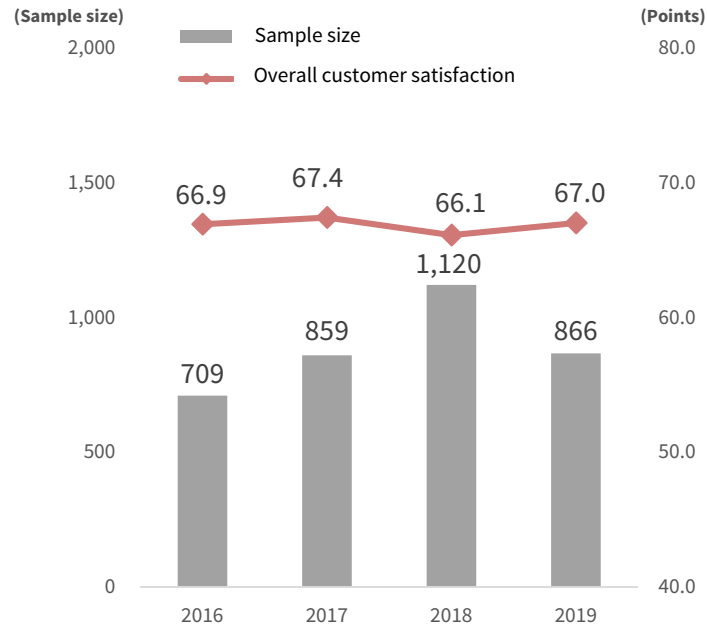
Social initiatives 2

Improving tenant satisfaction

Tenant satisfaction surveys

- ✓ Every year, a tenant satisfaction survey is conducted by an external organization
- ✓ The results are analyzed, and **used in deciding upon facility renovations and service improvements, as well as strategic planning for efforts to attract new tenants**
- ✓ **The surveys promote communication with tenants**, allowing for stable occupancy over the long term

Sample size and overall customer satisfaction



Note: CSI: Abbreviation for Customer Satisfaction Index. We had building facilities, services and others evaluated by customers, and the gap between each item's needs (expectations) and satisfaction was weighted before calculating each item's evaluation with the full score of 100.

Survey findings – Level of CSI

Factors	2016	2017	2018	2019		
				Total	(East Japan)	(Osaka)
Overall customer satisfaction	66.9	67.4	66.1	67.0	66.1	69.8
Surrounding environment	72.4	71.9	67.2	69.0	64.7	76.8
Behavior of MF (property management firm)	78.8	79.5	78.6	79.7	79.4	80.2
Comforts of building	54.5	56.8	54.2	55.1	53.9	57.3
Manner of management firm's staff	74.7	74.8	73.9	72.7	72.6	72.9
Behavior of PM	73.0	72.4	71.3	73.9	71.8	76.6
Measures for safety	66.3	68.3	66.7	67.6	66.8	69.0
Quality of common area	64.3	64.5	63.0	64.1	62.6	66.7
Usability of building facilities & equipment	67.5	65.4	70.9	71.6	72.2	70.6
Cleanliness of building	69.6	69.9	69.5	68.6	67.3	70.9

Governance initiatives

Executive officers supporting governance

- ✓ Made up only of third parties who are independent from the MC-UBS
- ✓ The board of directors engages in lively discussion and serves as a check on the Asset Management Company
- ✓ Enhance the supervisory system with three supervisory officers

Executive Briefings

Executive Director Katsuhiro Tsuchiya (Second from the left)

Utilizes knowledge and experience as a legal expert to carry out operations

Supervisory Director Haruo Kitamura (Rightmost)

Utilizes knowledge and experience as an accounting and financial expert to supervise operations

Supervisory Director Osamu Ito (Leftmost)

Utilizes knowledge and experience as a legal expert to supervise operations

Supervisory Director Kyoko Nagata (Second from the right)

Utilizes knowledge and experience as an accounting and financial expert to supervise operations



7. OTHER TOPICS

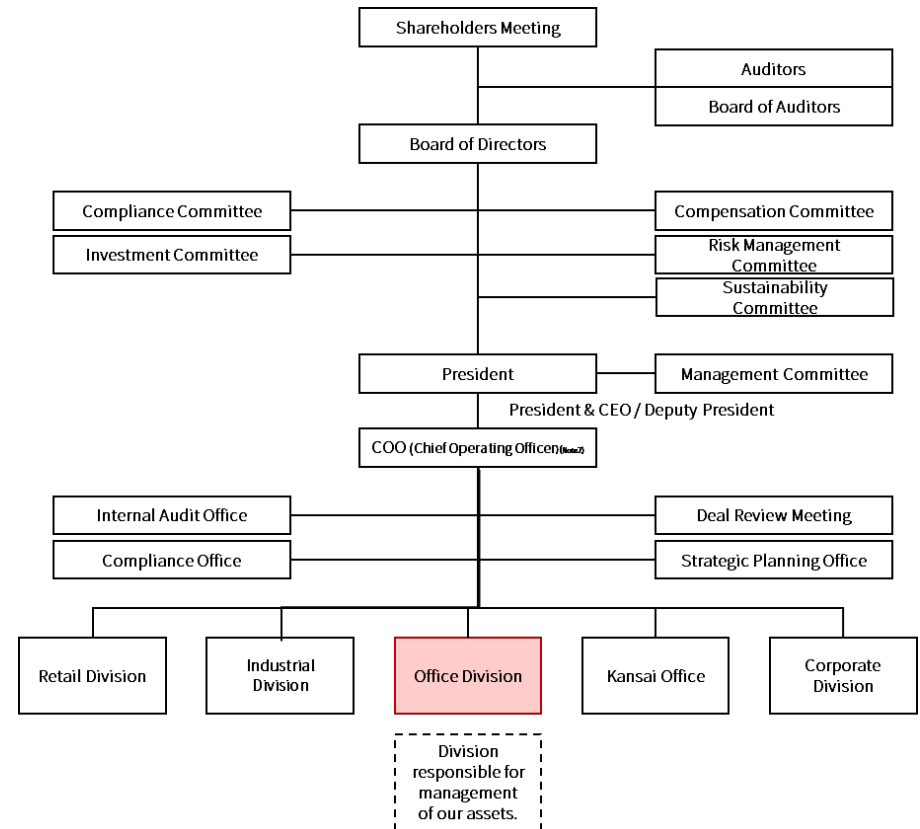


Overview of asset management company

Company overview (as of Jul. 1, 2020)

Name	Mitsubishi Corp.- UBS Realty Inc.
Location	7-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo
Establishment	Nov. 15, 2000
Capital	500 mn. yen
Shareholders	Mitsubishi Corporation 51% UBS Asset Management AG 49%
No. of employees	149

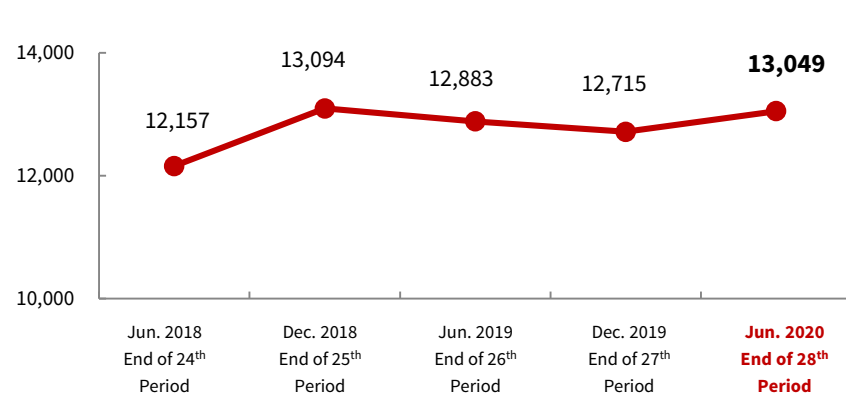
Structure (as of Jul. 1, 2020)



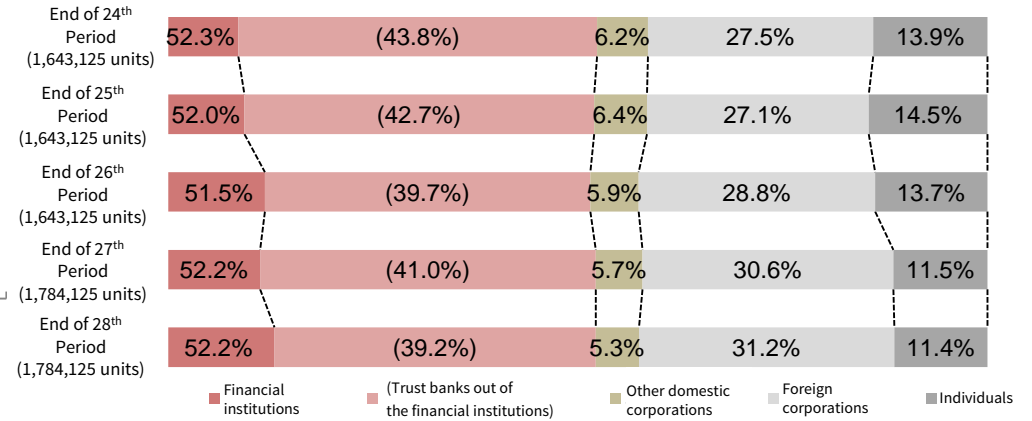
Note: The Chief Operating Officer (COO) concurrently serves as the Director responsible for compliance.

Unitholder details

No. of unitholders



Breakdown by unitholder type (based on no. of units held)



Major unitholders

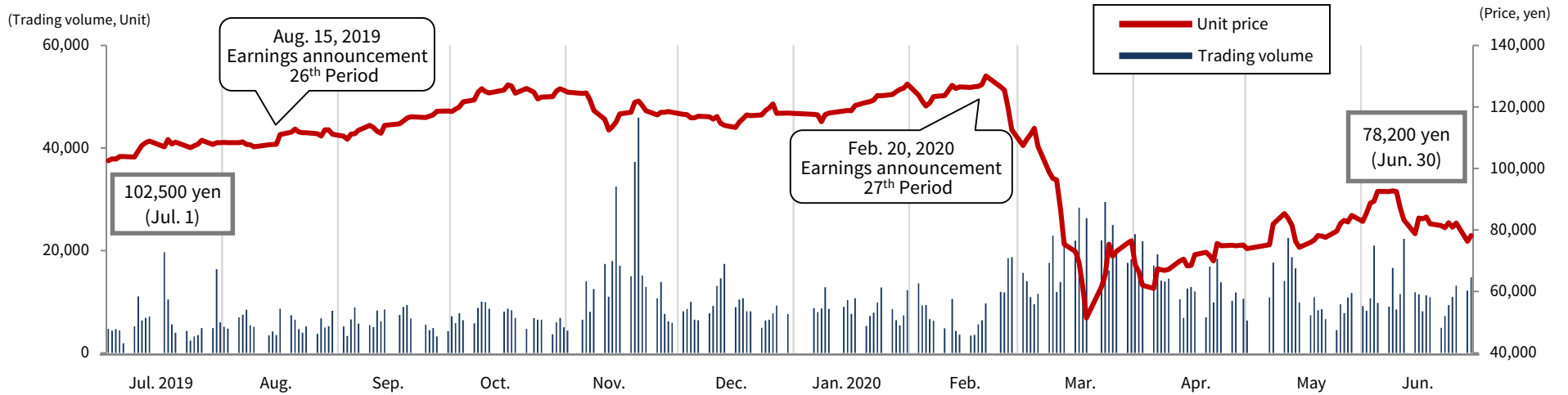
Rank	Name	Jun. 2020 (End of 28 th Period)		Difference from 27 th Period End
		No. of units held	Share (%) ^(Note1)	
1	The Master Trust Bank of Japan, Ltd. (Trust Account)	286,985	16.08%	- 58,106
2	Japan Trustee Services Bank, Ltd. (Trust Account) ^(Note2)	228,376	12.80%	+ 14,188
3	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	91,505	5.12%	+ 6,522
4	Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account) ^(Note2)	49,934	2.79%	- 47
5	Kanden Realty & Development Co., Ltd.	46,000	2.57%	-
6	BNYM AS AGT/CLTS 10 PERCENT	44,831	2.51%	+ 21,539
7	THEBANK OF NEW YORK MELLON 140044	29,991	1.68%	+ 12,524
8	STATE STREET BANK WEST CLIENT - TREATY 505234	25,575	1.43%	- 620
9	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	24,216	1.35%	+ 5,277
10	BNP PARIBAS SECURITIES SERVICES LUXEMBOURG/JASDEC/SECURITIES-AIFM	22,935	1.28%	+ 5,981
Total		850,348	47.66%	-

Note1 : Ratio of number of units owned to total number of units issued is calculated by rounding down to the nearest second decimal place.

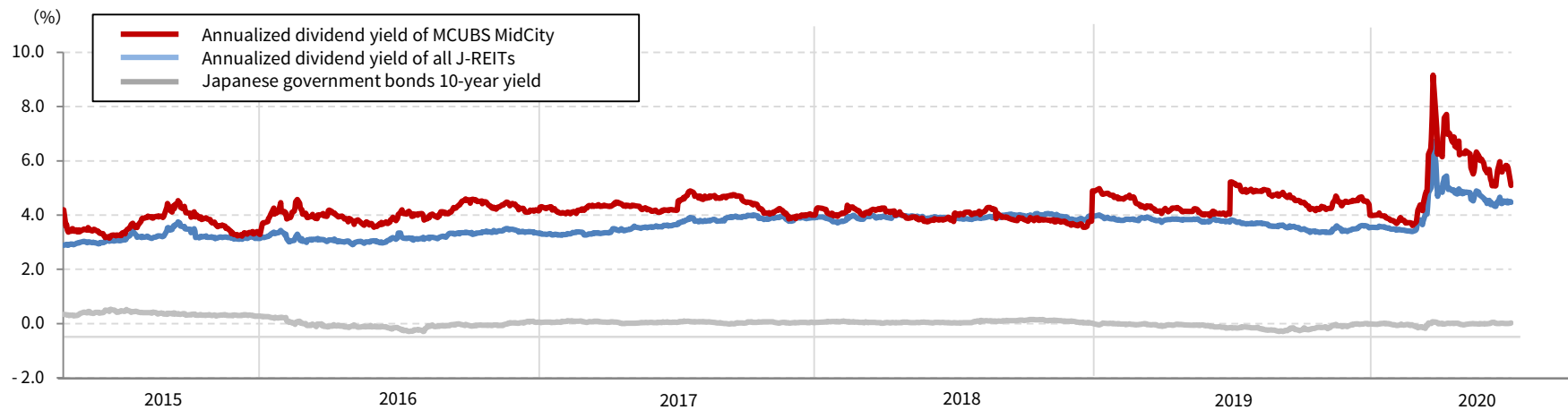
Note2 : As of July 27, 2020, JTC Holdings, Ltd., Japan Trustee Services Bank, Ltd. and Trust & Custody Services Bank, Ltd. merged into and changed its name as Custody Bank of Japan, Ltd. .

Historical unit price

Unit price and trading volume for the past year



Indexed unit price after MC-UBS participation (Apr. 10, 2015 to Jun. 30, 2019)



出所: Bloomberg

Think bold today for a brighter tomorrow.



MCUBS MidCity Investment Corporation

Disclaimer

- This material may contain forward-looking statements regarding results, plans, managerial targets and strategies. These forward-looking statements are based on current assumptions and preconditions for future events and trends of business circumstances, which are not necessarily correct. Actual results may vary widely from such statements according to various factors
- This material is prepared subject to the accounting principles generally accepted in Japan, unless otherwise stated
- This material is about analyses of financial results of MCUBS MidCity Investment Corporation (the “Investment Corporation”), and is not prepared for the purpose of inducement or invitation for any acquisition of investment securities of the Investment Corporation nor any execution of other financial transaction contracts. Investment decisions are to be made at investors’ sole discretion and responsibility
- The Investment Corporation is a publicly-offered real estate investment corporation (J-REIT) investing in real estate and related assets the prices of which may fluctuate. Unitholders of the Investment Corporation may suffer loss when unit prices decline in the market or an amount of distributions declines, according to economic and interest rate circumstances, a balance of supply and demand for units, real estate market environment, fluctuations of prices of, and rent revenues from real estate properties under management, disasters, aggravation of financial status of the Investment Corporation and other reasons. For detail, please see “Investment Risk” stated in the Securities Registration Statement (offering circular) and the Securities Report of the Investment Corporation.

Asset Management Company: Mitsubishi Corp.- UBS Realty Inc.

(Certified Financial Instruments Business Operator: Director of Kanto Local Financial Bureau (Kinsho) Registration No. 403, and Member of The Investment Trusts Association, Japan)