

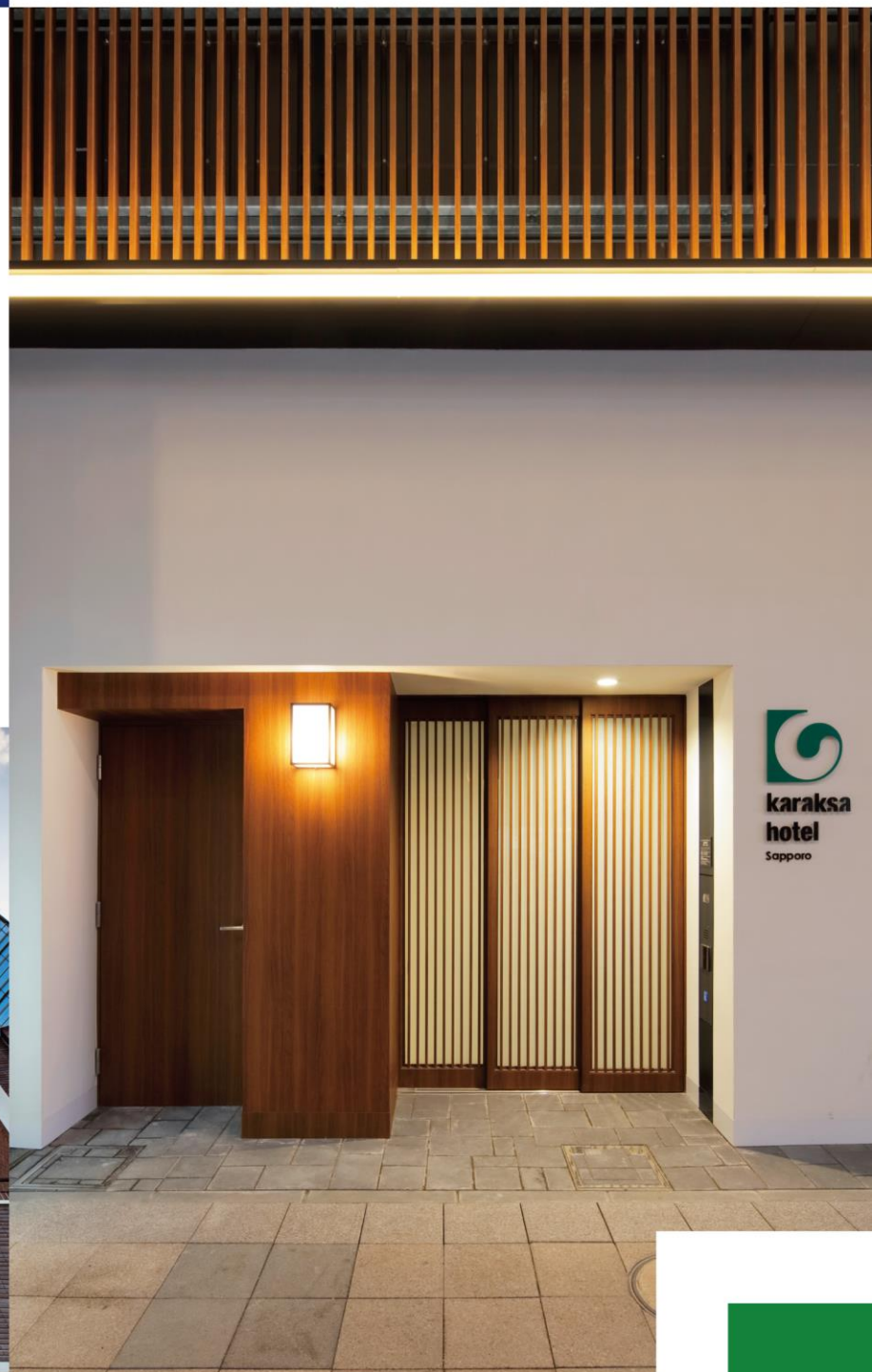


XYMAX REIT Investment Corporation

Presentation Materials

for the 13th Fiscal Period
Ended August 2024

Securities Code: 3488



Basic Principles and Characteristics of XYMAX REIT

XYMAX REIT accurately assesses the value of individual properties to maximize unitholder value. We fully utilize our strength in **Management**, **Assessment**, and **Sourcing** based on the knowledge and know-how of the sponsor group, which has Japan's leading track record in property management.

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Terms	Definition
Estimated value at the end of period	Indicates the value appraised by the appraisers or the research price based on the Articles of Incorporation of XYMAX REIT and the "Ordinance on Accounting of Investment Corporations" (Cabinet Office Order No. 47 of 2006, as amended) with the last day of the current fiscal period as the research date.
Unrealized gain	Estimated value of real estate, etc. at the end of period – book value at the end of period
LTV based on total assets	Balance of interest-bearing liabilities ÷ total assets
Appraisal LTV	Balance of interest-bearing liabilities ÷ (total assets + unrealized gain)
Net assets per unit	(Net assets – total distribution) ÷ total number of investment units issued and outstanding
NAV per unit	(Net assets + unrealized gain – total distribution) ÷ total number of investment units issued and outstanding
Acquisition price	The sales price of the acquired assets as stated in each sales agreement, excluding national and local consumption taxes, brokerage fees, and other related costs.

Notes:

- Unless otherwise specified, amounts are rounded down to the nearest unit and ratios are rounded off to the first decimal place.

The following abbreviations of property names are used.

• XYMAX Nishi-Shimbashi Building	: Nishi-Shimbashi	• XYMAX Iwamotocho Building	: Iwamotocho
• XYMAX Shinjuku-Gyoen Building	: Shinjuku-Gyoen	• XYMAX Kamiyacho Building	: Kamiyacho
• XYMAX Higashi-Azabu Building	: Higashi-Azabu	• XYMAX Higashi-Ueno Building	: Higashi-Ueno
• XYMAX Hachioji Building	: Hachioji	• XYMAX Mita Building	: Mita
• XYMAX Sapporo Odori Building	: Sapporo	• XYMAX Kiba koen Building	: Kiba
• Muza Kawasaki	: Muza	• Life Kawasaki Miyuki Store	: Kawasaki Miyuki
• Vita Seiseki-Sakuragaoka	: Seiseki-Sakuragaoka	• Life Fukuizumi Store	: Fukuizumi
• The Park House Totsuka Front (the Retail Portions of 1st and 2nd Floors)	: Totsuka	• Valor Kachigawa Store (Leasehold land)	: Kachigawa
• Hotel Vista Sendai	: Sendai	• L-Place Nishikasai	: Nishikasai
• karaksa hotel Sapporo	: KH Sapporo		

Key Factors (as of September 6, 2024, after the completion of the asset replacement)

Assets

Number of assets	18
Asset size (based on acquisition prices)	43.8 billion yen
Appraisal value ^{*1}	56.1 billion yen
Unrealized gains ^{*2} (unrealized gain ratio)	11.6 billion yen (+26.3%)
Profitability (based on acquisition prices)	NOI yield: 5.8% ^{*3} NOI yield after depreciation: 5.0% ^{*4}
Average building age (weighted average of acquisition prices)	20.5 years
Total leasable area	86,027.73m ²
Occupancy rate (entire portfolio)	99.8%
Asset type (based on acquisition prices)	Office: 56.2% Retail: 29.3% Hotel: 12.4% Other: 2.1%

Liabilities

Balance of interest-bearing debts	19.9 billion yen
LTV based on total assets ^{*5}	40.9%
Appraisal LTV ^{*6}	33.0%
Average borrowing rate ^{*7}	0.818%
Average remaining period	2 years and 2 months
Fixed interest rate ratio	94.1%

Equity

Aggregate market value	28.4 billion yen
Unitholders' capital	25.4 billion yen (Total number of investment units issued and outstanding: 249,650)
Investment unit price	114,100 yen
Net assets per unit	101,904 yen
NAV per unit ^{*8}	148,734 yen
Distribution per unit	3,661 yen (14th FP forecast)

^{*1}: The appraisal value of KH Sapporo is calculated as of August 1, 2024, and the appraisal value of properties held at the end of the 13th fiscal period (excluding Mita) is calculated as of August 31, 2024.

^{*2}: The unrealized gains of KH Sapporo are calculated by deducting the acquisition price from the appraisal value, and the unrealized gains of properties held at the end of the 13th fiscal period (excluding Mita) are calculated by deducting the book value at the end of the 13th fiscal period from the appraisal value.

^{*3}: NOI yield for KH Sapporo is calculated as appraisal NOI, and NOI yield for properties held at the end of the 13th fiscal period (excluding Mita) is calculated as the annualized figure for the actual NOI yield for the 13th fiscal period.

^{*4}: NOI yield after depreciation for KH Sapporo is calculated by deducting the depreciation expenses calculated by the asset management company (these figures are calculated by the asset management company and are not the figures stated in the appraisal report) from the appraisal NOI, and NOI yield after depreciation for properties held at the end of the 13th fiscal period (excluding Mita) is calculated as the annualized figure for the actual NOI yield after depreciation for the 13th fiscal period.

^{*5}: LTV based on total assets = (Total amount of borrowings as of September 6, 2024) ÷ (Total assets at the end of the fiscal period ended in August 2024 (13th fiscal period) + Increase in borrowings from the end of the fiscal period ended in August 2024 (13th fiscal period) to September 6, 2024 – Security deposits for Mita at the end of the fiscal period ended in August 2024 (13th fiscal period) + Security deposits for KH Sapporo at the end of the fiscal period ended in August 2024 (13th fiscal period)) × 100

^{*6}: Appraisal LTV = (Total amount of borrowings as of September 6, 2024) ÷ (Total assets at the end of the fiscal period ended in August 2024 (13th fiscal period) + Increase in borrowings from the end of the fiscal period ended in August 2024 (13th fiscal period) to September 6, 2024 – Security deposits for Mita at the end of the fiscal period ended in August 2024 (13th fiscal period) + Security deposits for KH Sapporo at the end of the fiscal period ended in August 2024 (13th fiscal period) + Unrealized gains) × 100

^{*7}: Interest rate for floating rate borrowings is calculated based on the JBA 1-month Japanese Yen TIBOR as of September 6, 2024.

^{*8}: (Net assets at the end of the 13th fiscal period + Unrealized gains – Total amount of distribution for the 13th fiscal period) ÷ Total number of investment units issued and outstanding

Executive Summary

■ The 13th FP results exceeded the forecasts made at the beginning of the 13th FP (the “Forecasts”), with both revenue and income up from the 12th FP.

- ✓ Net income of 830 million yen (0.8% up from the previous period, 4.3% up from the Forecasts)
- ✓ **DPU 3,328 yen** (28 yen up from the previous period, 138 yen up from the Forecasts)

■ Asset replacement was conducted in September 2024.

- ✓ Sold Mita, which achieved improved profitability, and acquired a quasi-co-ownership interest in KH Sapporo, which is operated by the sponsor group.

■ Operational status

- ✓ The management of properties has progressed steadily.
 - Offices: The contract occupancy rate was **99.4%** and economic occupancy rate was **98.5%** at the end of the 13th FP.
 - Retail properties: Occupancy rate was maintained at 100%, as was in the 12th FP.

Seiseki-Sakuragaoka is currently under consideration, aiming to improve profitability after September 2025, when the main tenant vacates. Hotels: Rent revenue at Sendai increased to **107%** of the previous period's level.
- ✓ Deepening of ESG activities
 - Maintained “**3 Star**” and “**Green Star**” in the GRESB Real Estate Assessment.
 - In reacquisition of CASBEE real estate certification, two properties were upgraded from Rank A to **Rank S**.

Asset Replacement in September 2024

| Key Points of the Asset Replacement |

- **Mita: Realizing unrealized gains by selling the asset through the sponsor group's network**
 - ✓ Successfully raised the unit rent after the renovation during tenant replacement and sold the property at full occupancy.
 - ✓ Difference between the Anticipated sales price and book value of the Asset to be transfer **186 million yen**
- **KH Sapporo: Acquired 20% quasi-co-ownership of the KH Sapporo operated by the sponsor group, using part of the funds by the transfer above**
 - ✓ The acquisition of a hotel specializing in lodging, which mainly targets **inbound travelers**, with a rent structure linked to room sales that can be expected to grow in terms of revenue.
 - ✓ **Obtained preferential negotiation rights** the remaining 80% of the quasi co-ownership interest from the seller as the seller is the sponsor.
- **The asset replacement will improve distributions and expand the asset size, etc.**
 - ✓ Portfolio NOI in the cruising period is expected to increase by about **10.9 million yen**.

| Overview of the Asset Replacement |

Transferred asset	
	Transferee
	Not disclosed
	Date of transfer
	September 3, 2024
	Location
	5-13-11, Shiba, Minato-ku, Tokyo
	Construction date
	May 31, 1991
	Book value (as of August 31, 2024)
	703 million yen
	Appraisal value (as of August 31, 2024)
	771 million yen
	Transfer price
	890 million yen



Acquired asset	
	Seller
	XYMAX GROUP Corporation
	Date of acquisition
	September 6, 2024
	Location
	5-24, Minami Sanjo Nishi, Chuo-ku, Sapporo
	Construction date
	November 17, 2017
	Acquisition price
	1,060 million yen
	Appraisal value (as of August 1, 2024)
	1,170 million yen
	Appraisal NOI yield
	5.2%

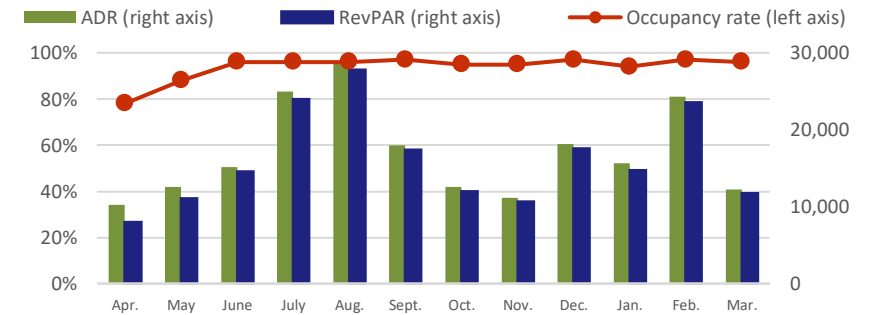
karaksa hotel Sapporo



KH Sapporo as seen from the Tanukikoji Shopping Street

Key Indicators of FY2023 Results

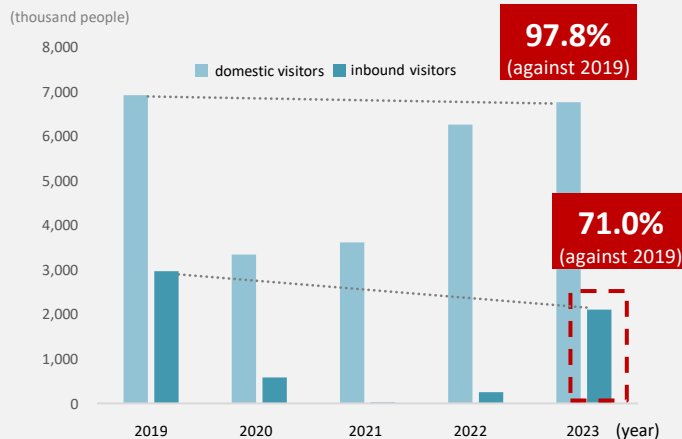
- Room occupancy rate: 94.0%, ADR: 17,150 yen, RevPAR: 16,093 yen, Average number of guests per room: 2.26, Percentage of inbound travellers: 73.8%



Trends regarding overnight stays in Sapporo and scheduled international flights at New Chitose Airport

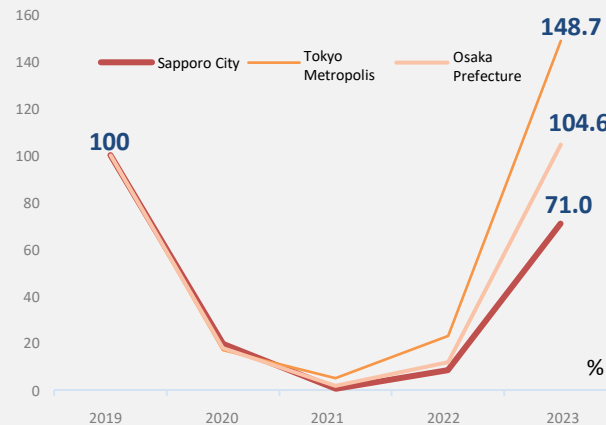
- In 2023, the total number of overnight stays in Sapporo City was 97.8% compared to 2019 for domestic visitors and 71.0% for inbound visitors. The recovery of the total number of overnight stays for inbound visitors is slightly behind Tokyo and Osaka, but future recovery and growth can be expected.
- The number of scheduled international flights at New Chitose Airport in the summer and winter of 2023 remained at 57.8 % of the 2019 level, but there have been new routes and resumption of routes in 2024.

Historical number of overnight stays in Sapporo



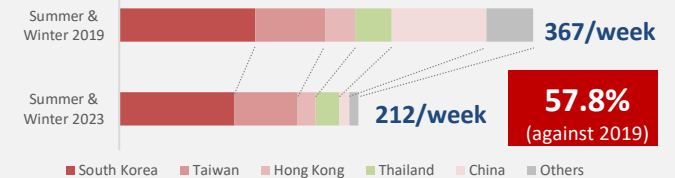
Source: Overnight Travel Statistics Survey by Japan Tourism Agency

Total number of stays by international visitors (2019=100)



Source: Overnight Travel Statistics Survey by Japan Tourism Agency

Total number of scheduled international flights at New Chitose Airport (approval basis)



Source: International Flight Status, Business Plan Approval Data by Ministry of Land, Infrastructure, Transport and Tourism

Flight routes to/from New Chitose Airport

New/resumption, addition	Timing	Airline company	Route
Addition	Jan. 2024	Korean Air	Sapporo - Seoul
New/resumption	Jan. 2024	Shenzhen Airlines	Sapporo - Shenzhen
New/resumption	Jan. 2024	China Airlines	Sapporo - Taipei
New/resumption	July 2024	Easter Jet	Sapporo - Seoul
Addition	Sept. 2024	Air China	Sapporo - Beijing
New/resumption	Spring of 2025	Really Cool Airlines	Sapporo - Bangkok

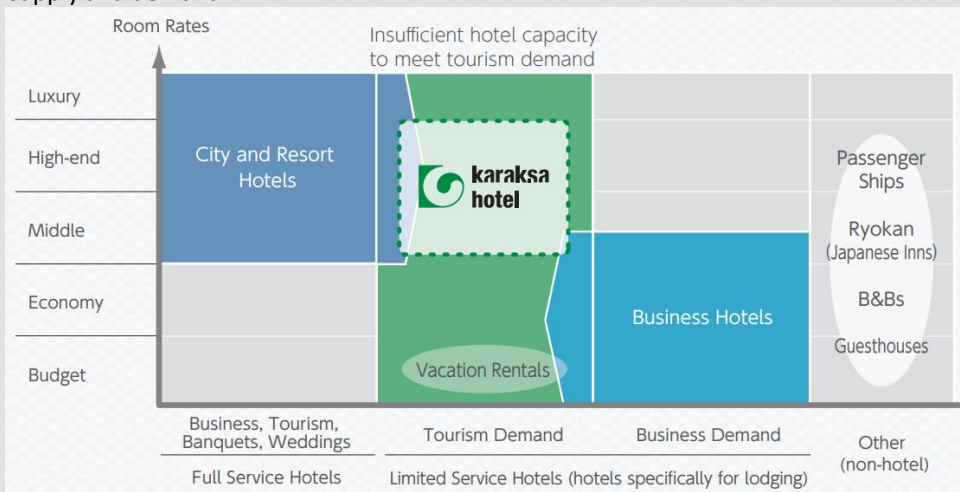
Source: Websites of New Chitose Airport and airline companies (as of September 30, 2024)

Characteristics of Karaksa Hotel

Pursuing functions that meet a wide variety of accommodation needs, with tourists as the main target

Position of karaksa hotel

- A segment specializing in accommodation for tourists, where there is a gap between supply and demand



Functions suitable for tourism purposes

[Assets]

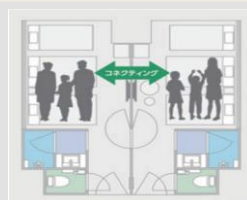
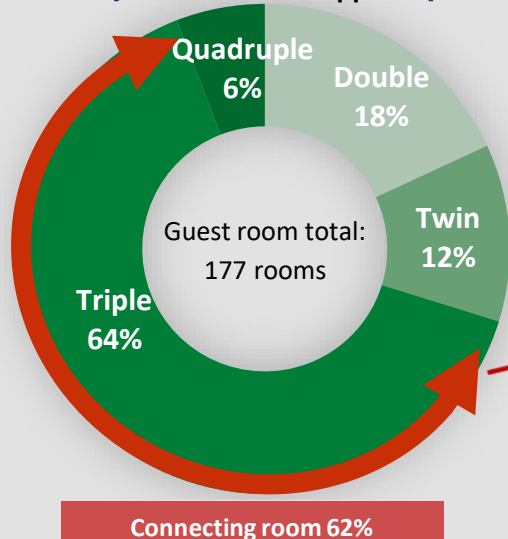
- Mainly consists of guest rooms with a capacity of 3 people
- More than half of the guest rooms are connected rooms, making it possible to flexibly accommodate a variety of guests.
- Washrooms, shower booths, independent toilets, and under-bed storage etc. provides comfort for multiple people staying for multiple nights.

[Services]

- Percentage of foreign nationals is over 40%, and diverse staff composition (12 languages available)
- The reservation website is available in 6 languages, and non-contact payment is available in 5 languages for non-face-to-face check-in/out
- Promote efficient hotel operations by introducing automatic room allocation systems and linking cleaning systems with core systems.

[Guestroom Composition]

| karaksa hotel Sapporo |

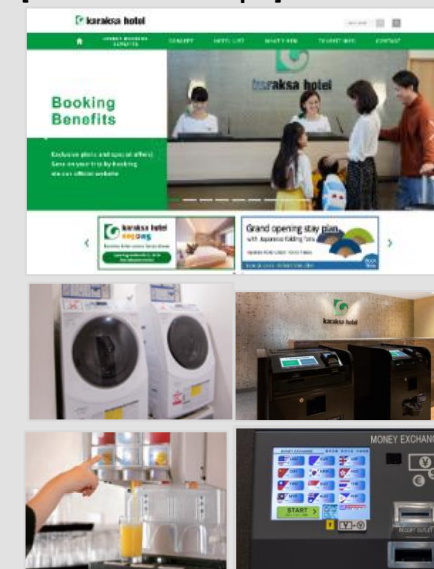


Up to six guests can use the Guestroom by connecting adjacent guest rooms

[Example of indoor equipment]



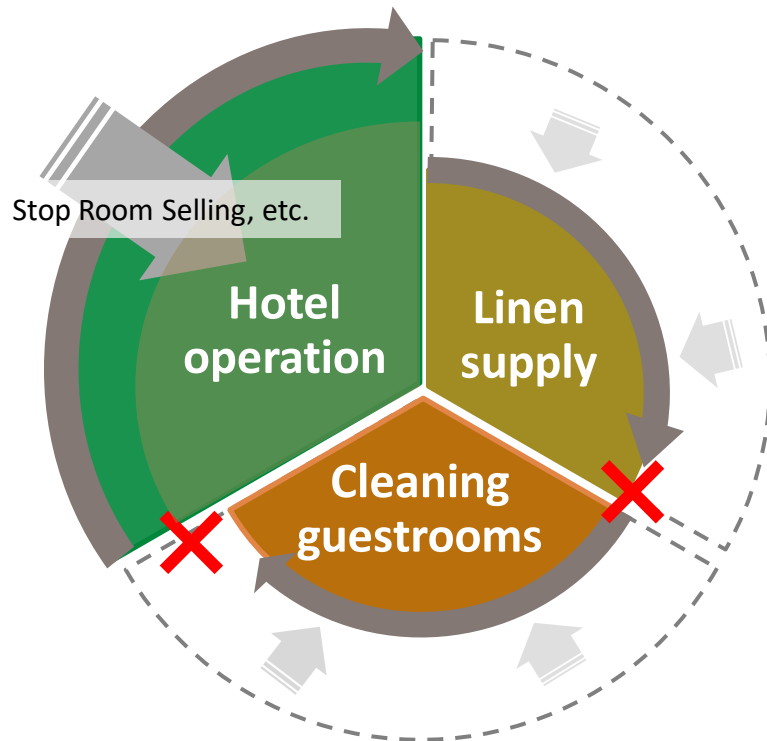
[Hotel service example]



(Reference) Karaksa Hotels Operation Strategy

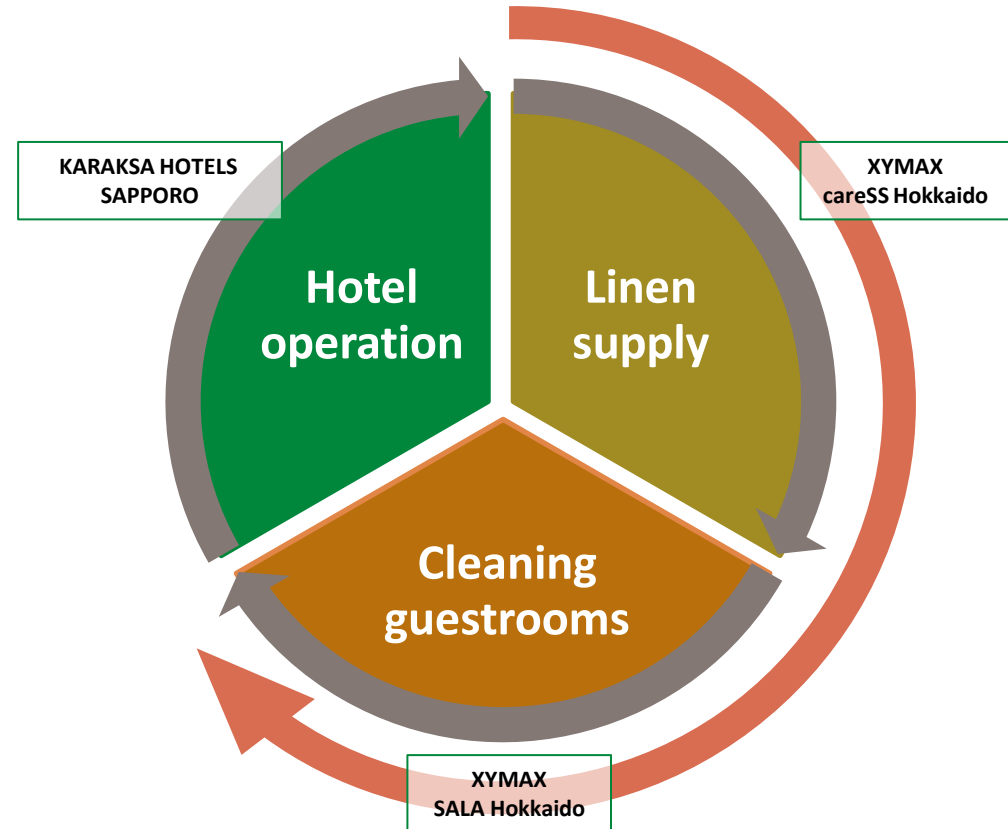
Issues the hotel industry is facing

Due to lack of human resources and other factors, the supply of guest rooms is not catching up with the increasing demand for hotel accommodation, and this is becoming a burden on sales of guest rooms.



karaksa hotel Sapporo

Eliminate bottlenecks in guestroom supply through group-wide integral operations



Maximize hotel sales by achieving high occupancy and high quality through the internalization of guest room supply-related businesses.



XYMAX careSS Hokkaido

Overview of Financial Results and Earnings Forecasts



Overview of Financial Results

Overview of Financial Results for the 13th FP (Ended August 2024)

(million yen)

	12th FP results (A)	13th FP forecast (B)	13th FP results (C)	13th FP results 12th FP results Comparison (C) - (A)	13th FP results 13th FP forecast Comparison (C) - (B)
Leasing business revenue	1,528	1,547	1,549	+20	+1
Other leasing business revenue	134	134	132	-1	-1
Operating revenue	1,662	1,681	1,682	+19	+0
Expenses related to leasing business (Excluding depreciation)	414	447	414	+0	-32
NOI	1,248	1,234	1,267	+18	+33
Depreciation	170	172	174	+3	+1
Leasing business income	1,078	1,061	1,093	+14	+31
Other operating expenses	155	159	157	+2	-1
Operating income	922	902	935	+12	+32
Non-operating income	0	0	0	+0	+0
Non-operating expenses	98	105	103	+5	-1
Ordinary income	824	797	831	+6	+34
Net income	823	796	830	+6	+34
Distribution per unit (yen)	3,300	3,190	3,328	+28	+138

Comparison with results for the 12th FP (ended February 2024)

Main factors for difference (million yen)

Operating revenue	
Office and retail rent revenue	+7.9
Hotel variable rent	+11.4
Operating expenses	
Decrease in utility expenses	-4.0
Increase in repair expenses	+6.4
Increase in tax and public dues due to revaluation	+3.4
Decrease in leasing cost	-4.3
Other operating expenses	
Rating and third-party assessment costs, etc.	+1.9
Non-operating expenses	
Increase in interest expenses and absence of loan-related costs	+5.4

Comparison with forecast for the 13th FP (ended August 2024)

Main factors for difference (million yen)

Operating revenue	
Hotel variable rent	+0.9
Decrease in utility revenues	-4.4
Operating expenses	
Decrease in utility expenses	-9.3
Decrease in repair expenses	-3.4
Absence or deferral of leasing cost	-14.0
Non-operating expenses	
Decreases in interest expenses and loan-related costs	-1.3

Earnings Forecast for the 14th FP and 15th FP

Overview of Earnings Forecasts for the 14th FP (Ending February 2025) and 15th FP (Ending August 2025)

(million yen)

	13th FP results (A)	14th FP forecast (B)	15th FP forecast (C)	14th FP forecast 13th FP results Comparison (B) - (A)	15th FP forecast 14th FP forecast Comparison (C) - (B)
Leasing business revenue	1,549	1,554	1,563	+4	+9
Other leasing business revenue	132	127	127	-5	+0
Gain on sale of real estate	-	154	-	+154	-154
Operating revenue	1,682	1,835	1,690	+152	-144
Expenses related to leasing business (Excluding depreciation)	414	429	420	+15	-9
NOI	1,267	1,251	1,269	-16	+18
Depreciation	174	180	189	+6	+8
Leasing business income	1,093	1,070	1,080	-22	+9
Other operating expenses	157	192	178	+34	-14
Operating income	935	1,031	902	+96	-129
Non-operating income	0	0	0	-0	-
Non-operating expenses	103	116	116	+12	+0
Ordinary income	831	914	785	+83	-129
Net income	830	913	784	+83	-129
Distribution per unit (yen)	3,328	3,661	3,141	+333	-520

• Days: 13th FP: 184 days, 14th FP: 181 days, 15th FP: 184 days

Comparison of Financial Results for the 13th FP (Ended August 2024) and Earnings Forecasts for the 14th FP (Ending February 2025)

Main factors for difference (million yen)

Operating revenue	
Office rent revenue (excluding Mita)	-11.8
Hotel variable rent (Sendai)	+7.4
Gain on sale of real estate (Mita)	+154.0
Operating expenses	
Increase in repair expenses*1	+9.9
Increase in fire insurance premiums*1	+5.1
Increase in leasing costs*1	+2.8
Leasing business income	
Profit from the replacement of Mita and KH Sapporo	+12.2
Other operating expenses	
Remuneration for the transfer of Mita	+23.1
Non-operating expenses	
Increases in interest expenses and loan-related costs	+12.8

*1 The amount is calculated excluding Mita and KH Sapporo.

Comparison of Earnings Forecasts for the 14th FP (Ending February 2025) and 15th FP (Ending August 2025)

Main factors for difference (million yen)

Operating revenue	
Office rent revenue	+11.2
Hotel variable rent	+2.6
Absence of the gain on sale of real estate (Mita)	-154.0
Operating expenses	
Decrease in repair expenses	-16.6
Tax and public dues (KH Sapporo) starting to be expensed	+2.4
Increase in leasing costs	+1.5
Other operating expenses	
Absence of the remuneration for the transfer of Mita	-23.1
Increase in costs for the general unitholders' meeting	+6.6
Non-operating expenses	
Increase in interest expenses and decrease in loan-related costs	+4.5
Absence of amortization of investment unit issuance costs (the amortizations will be completed in 14 th FP)	-4.4

Investment Status and Growth Strategy

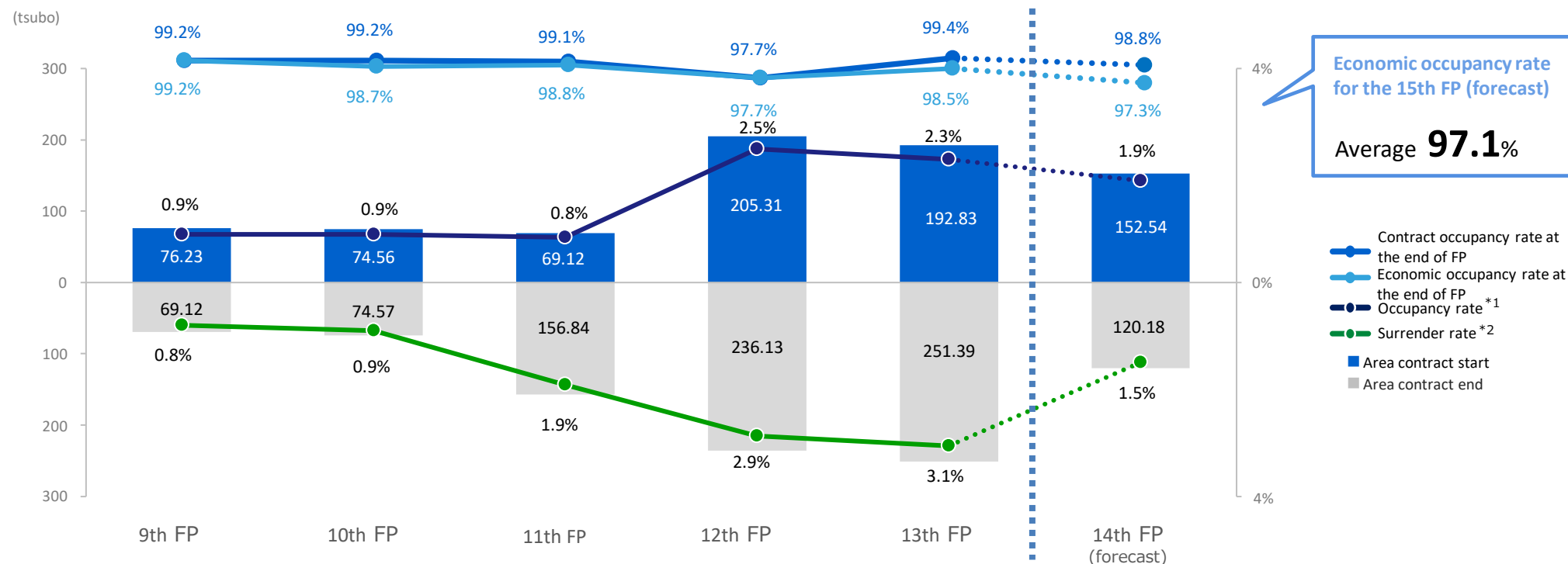


Status of Office Tenant – Occupancy Rate & Tenant Replacements –

Status of occupancy rate & tenant replacements

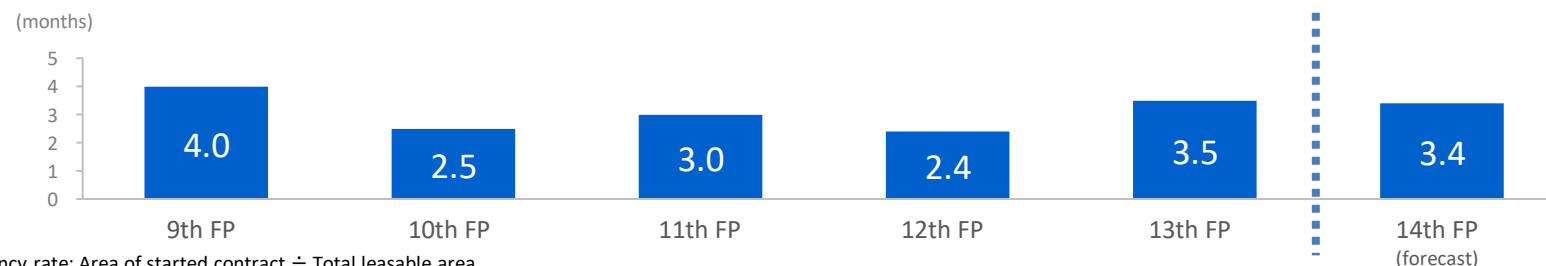
Office properties (exc. obligated residences;
14th FP forecast excludes Mita)

Scope area for the 13th FP: 8,215.37 tsubo
Scope area for the 14th FP: 7,992.07 tsubo



Average free rent period*3

Office properties (exc. obligated residences; 14th FP forecast excludes Mita)



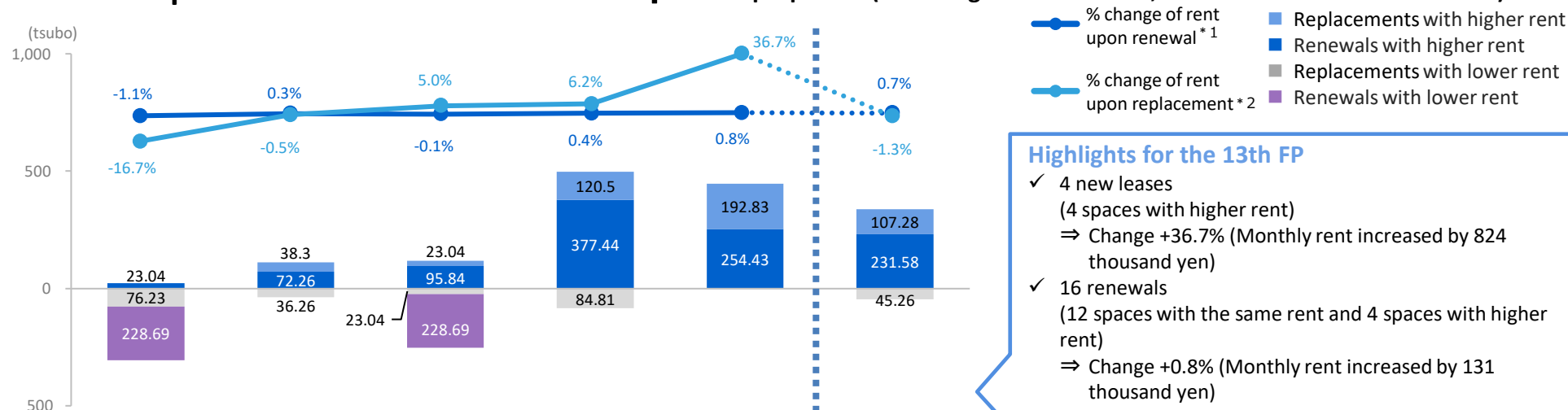
*1 Occupancy rate: Area of started contract ÷ Total leasable area

*2 Surrender rate: Area of ended contract ÷ Total leasable area

*3 Average free rent period: Total of free rent periods granted in new contracts that commenced during each period × Total contracted area of new contracts with free rent granted ÷ Total contracted area of new contracts

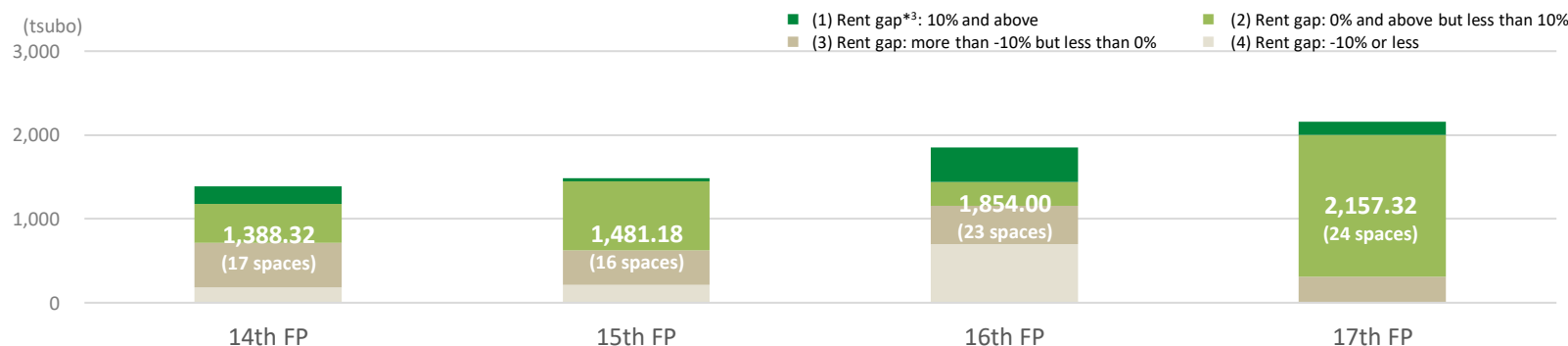
Status of Office Tenant – Tenant Replacement & Contract Renewal –

| Status of tenant replacement and contract renewal | • Office properties (exc. obligated residences; 14th FP forecast excludes Mita)



	9th FP	10th FP	11th FP	12th FP	13th FP	14th FP (forecast)
For renewal (tsubo)	883.01	1,339.31	2,983.10	2,655.47	1,176.87	1,388.32
For new lease (tsubo)	76.23	74.56	69.12	205.31	192.83	152.54

| Floor area scheduled for contract renewal | • Office properties (exc. obligated residences and Mita)



*1 % change of rent upon renewal: (rent including CAM revenue after renewal – rent including CAM revenue before renewal) ÷ rent including CAM revenue before renewal

*2 % change of rent upon replacement: (rent including CAM revenue after tenant replacement – rent including CAM revenue before tenant replacement) ÷ rent including CAM revenue before tenant replacement

*3 Rent gap (contractual unit rent – assumed new unit rent) ÷ assumed new unit rent

*4 The various unit rents: Weighted average of monthly unit rent including CAM for 10 office properties, adjusted for leased floor area.

Portfolio Status: Hotel Vista Sendai

RevPAR has reached a level above 9,000 yen. The operator maintains and will maintain the policy of maximizing GOP.

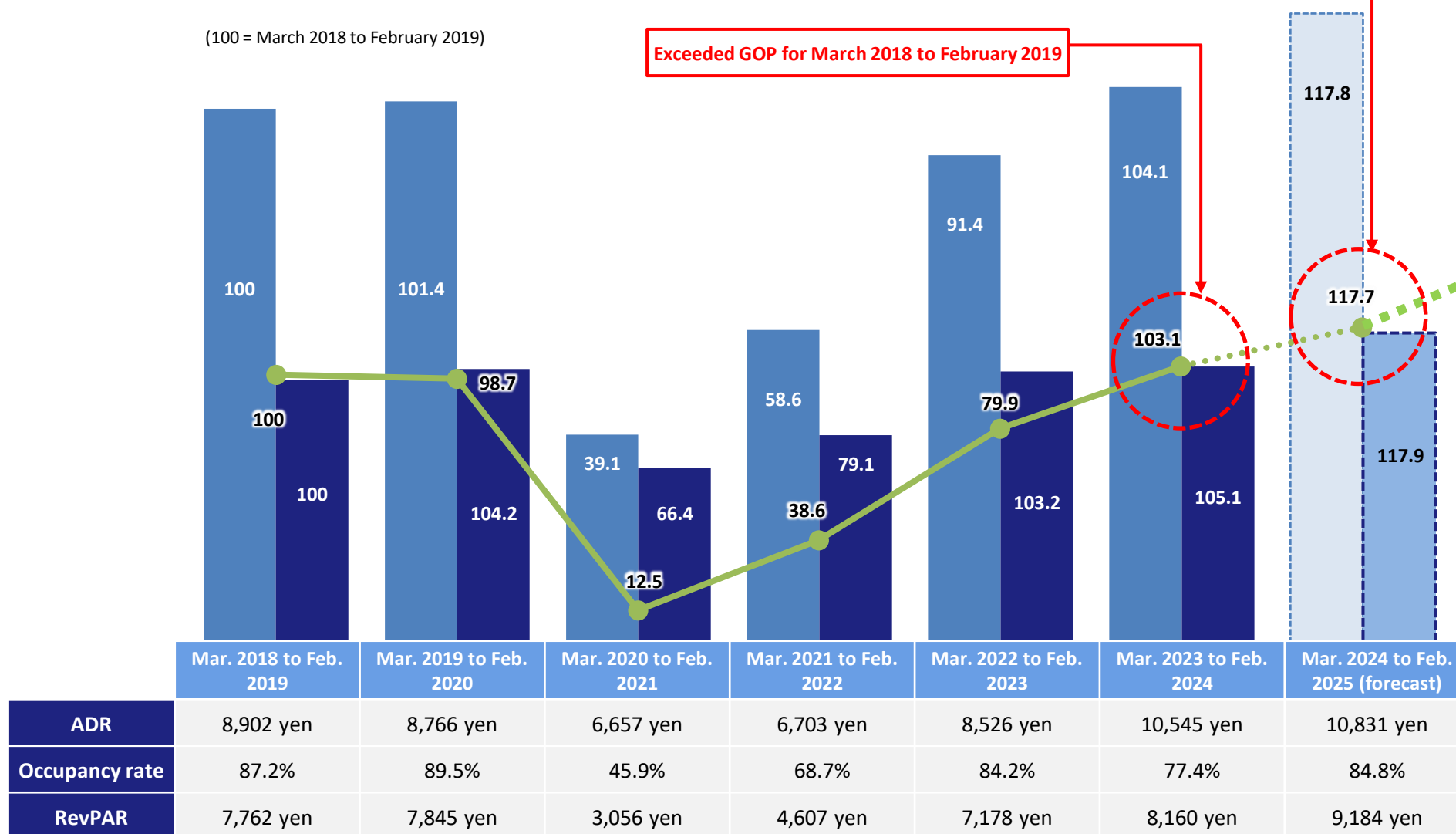
Trends in operating results

■ Sales ■ Expenses ● GOP

(100 = March 2018 to February 2019)

117.7% of the actual GOP for March 2018 to February 2019

Exceeded GOP for March 2018 to February 2019



Portfolio Status: Retail Properties

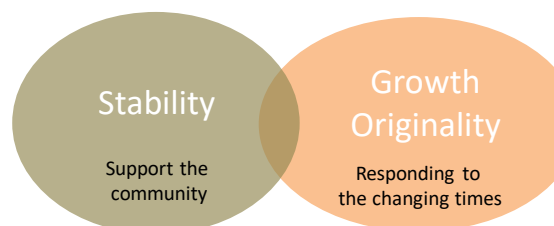
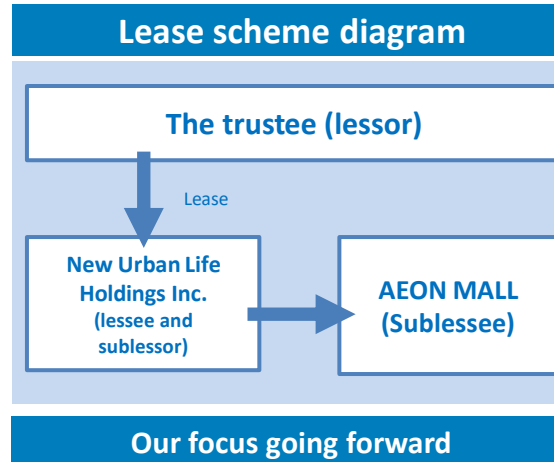
Stable revenue based on fixed rent contracts

- All the retail properties owned by XYMAX REIT are located in the suburbs of major metropolitan areas where tenants' business performances are expected to remain robust.
- Most of the retail properties in master leased and single tenant properties are in the daily-use type of business with robust sales.
- Multi-tenant retail properties achieve internal growth by leveraging the knowledge and expertise of the sponsor group.
- Due to changes in the way retail facilities are used, when leasing, we aim to maintain and improve asset value by considering a wide range of industries that are not limited to existing industries.

| Properties owned by XYMAX REIT |



| A leading example of retail property: Vita Seiseki-Sakuragaoka |



Current and future events

The property's major tenant, the AEON MALL (SEISEKISAKURAGAOKA OPA), is scheduled to vacate on August 31, 2025.

Fully leverage the sponsor group's operational know-how to plan the renovation of the property, achieving internal growth.

- ✓ While maintaining the "stability" that is the advantage of the conventional master lease contract, the property will have high expectations for "growth potential" as well.
- ✓ Based on its stable position recognized as a lifestyle-oriented retail facility, we have planned a tenant mix and renovation that match the needs of the times, aiming to gain superiority within the surrounding area.

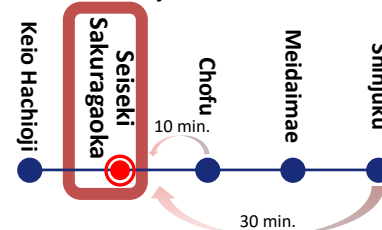
Characteristics and market analysis of Seiseki-Sakuagaoka and example of Renovating a Retail facility

Market analysis of the area around Seiseki-Sakuragaoka

■ Vita Seiseki-Sakuragaoka



Travel time by Keio Line



◆ About Seiseki-Sakuragaoka

- Seiseki-Sakuragaoka is the largest commercial district in Tama City, with a wide range of stores selling fashionable items, general merchandise, food and drink, services and more. There is a large residential area around the station, and in line with Tama City's policy, large apartment buildings have been completed in recent years, leading to an increase in population and an expansion of the market. One notable development is the construction of a large luxury condominium developed by a major developer, which is scheduled to be completed in March 2026 on the land adjacent to the property.

◆ Market analysis of the property

- With a department store in front of the station, the area is highly convenient in the Tama area despite its distance from Shinjuku, and it has a relatively large number of high-income households. In terms of the overall situation regarding shopping centers (SCs), there are few competing large commercial establishments within a 3km radius, with large commercial facilities being concentrated in the neighboring city of Fuchu and the Tama Center area.
- The market surrounding the property is thriving, with 190,000 residents within a 3km radius of the facility and 240,000 residents within a 15-minute drive. More specifically, the percentage of single-person and single-family households is higher than the national average, the percentages of owner-occupied households and households with two or more members are higher than the Tokyo average, and the annual household income of 5.07 million yen is higher than the national average (4.77 million yen).

(Reference) An example of recent renovation of a retail property by the sponsor group

■ A large-scale retail property renovation project in front of Kintetsu Yao station (LINOAS)

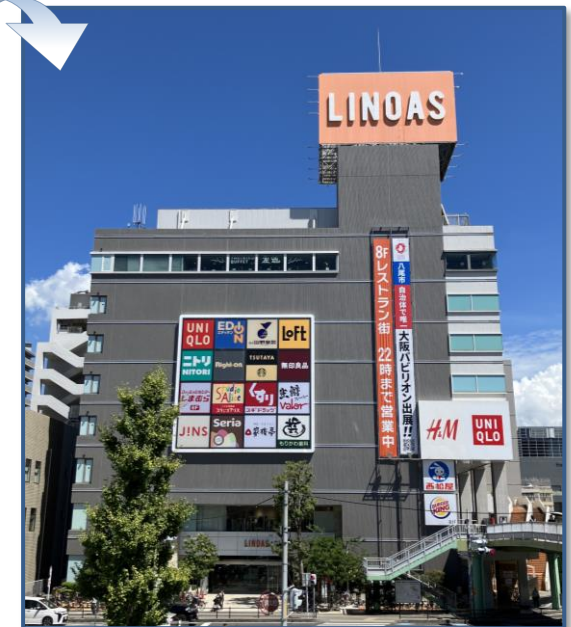
LINOAS

- ✓ After the closure of Seibu Yao department store, the retail property was renovated by our group.
- ✓ Negotiations with existing stores + leasing to new tenants.
- ✓ Renovation was carried out at the same time, and the facility was reborn as "LINOAS" in a short period of time.

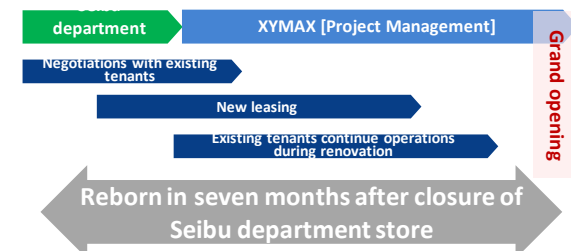
Former
Seibu Yao

Closed in February 2017

Current tenant stacking at LINOAS



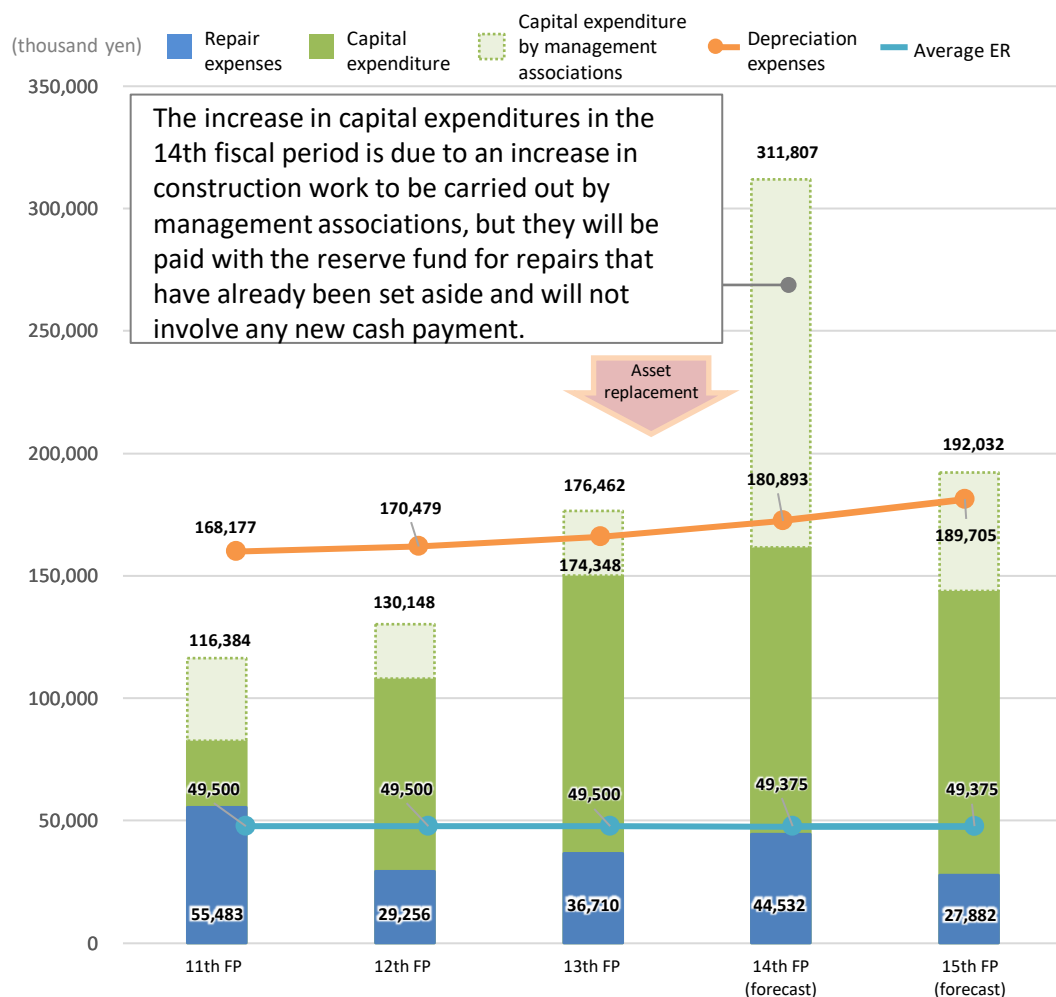
"LINOAS" opened in September 2017



Status of Repair and Capital Expenditure

Repair expenses are annually controlled with reference to long-term repair plan adopted in the Engineering Report (ER). In principle, capital expenditures are planned within the range of depreciation costs of each fiscal period, reducing the environmental impact by efficient equipment construction.

Trend of repair expenses and capital expenditure



* Number of properties as of the end of each FP: 18

* Average ER: FP average of repair expenses required over 12 years for the purpose of long-term repair expenses for ER

Major environmental equipment renovations in the 13th FP

Property name	Description of construction work	Electricity reduction (rate of reduction* ¹)
Kamiyacho	LED replacement in exclusive spaces (2 floors)	15,600 kWh/year (70.9%)
Shinjuku-Gyoen	LED replacement in exclusive spaces (3 floors)	50,273 kWh/year (73.2%)
Higashi-Ueno	LED replacement in exclusive spaces (1 floor)	8,626 kWh/year (71.0%)
Hachioji	LED replacement in exclusive spaces (parts of the spaces)	24,525 kWh/year (72.1%)
Higashi-Azabu	LED replacement in exclusive spaces (1 floor)	6,075 kWh/year (69.2%)
Kiba	Partial LED replacement in common spaces	840 kWh/year (74.5%)
Shinjuku-Gyoen	Renewal of air conditioning systems (1 floor)	20,385 kWh/year (66.1%)

Major environmental equipment renovations in the 14th FP (planned)

Property name	Description of construction work	Electricity reduction (rate of reduction* ¹)
Kiba	LED replacement in exclusive spaces (parts of the spaces)	8,000 kWh/year (69.5%)
Hachioji	LED replacement in exclusive spaces (parts of the spaces)	23,850 kWh/year (68.8%)
Higashi-Ueno	LED replacement in exclusive spaces (1 floor)	8,626 kWh/year (71.0%)
Kiba	Partial LED replacement in common spaces	8,000 kWh/year (69.5%)

*¹ Rate of reduction: Reduction in annual power usage ÷ Annual power usage before renovation

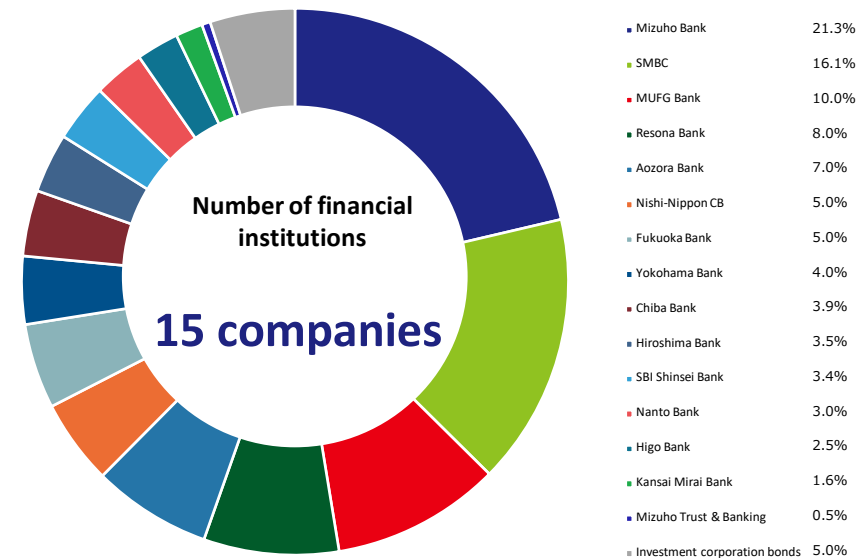
Financial Status as of September 6, 2024

XYMAX REIT establishes a financial base that puts emphasis on stability and soundness in the financing, mainly composed of megabanks and regional banks, etc., that have financial business relationships with the sponsor group.

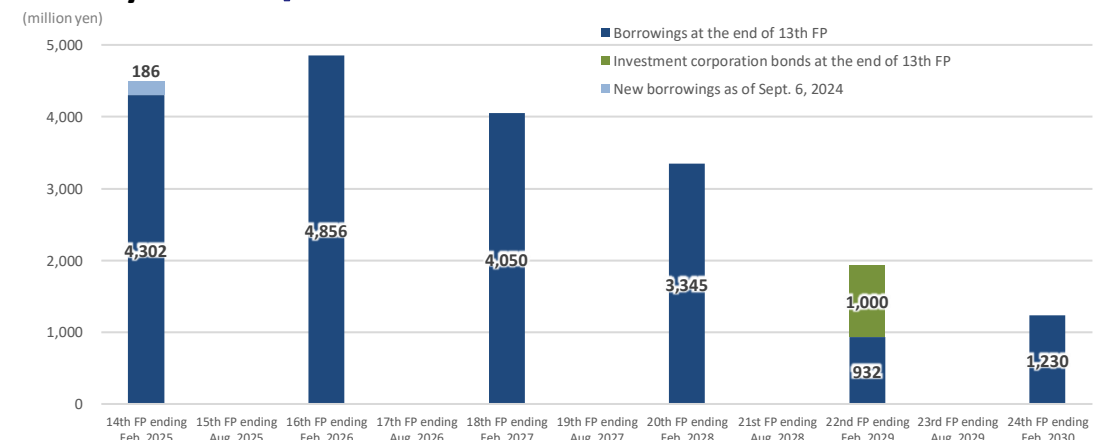
Interest-bearing liabilities and the external rating

	As of September 6, 2024
Balance of interest-bearing debts	19.9 billion yen
Appraisal LTV ^{*1} (LTV based on total assets) ^{*2}	33.0% (40.9%)
Average remaining period	2 years and 2 months
Average interest rate ^{*3}	0.818%
Long-term loan ratio	99.1%
Fixed interest rate ratio	94.1%
External rating	R&I: A- (Stable)
Net proceeds / maximum amount procured through green financing	4.37 / 13.11 billion yen
Financing capacity up to 45% of total assets LTV	Approx. 3.5 billion yen

Lender formation



Maturity ladder



^{*1} Appraisal LTV = (Total amount of borrowings as of September 6, 2024) ÷ (Total assets at the end of the fiscal period ended in August 2024 (13th fiscal period) + Increase in borrowings from the end of the fiscal period ended in August 2024 (13th fiscal period) to September 6, 2024 – Security deposits for Mita at the end of the fiscal period ended in August 2024 (13th fiscal period) + Security deposits for KH Sapporo at the end of the fiscal period ended in August 2024 (13th fiscal period) + Unrealized gains) × 100

^{*2} LTV based on total assets = (Total amount of borrowings as of September 6, 2024) ÷ (Total assets at the end of the fiscal period ended in August 2024 (13th fiscal period) + Increase in borrowings from the end of the fiscal period ended in August 2024 (13th fiscal period) to September 6, 2024 – Security deposits for Mita at the end of the fiscal period ended in August 2024 (13th fiscal period) + Security deposits for KH Sapporo at the end of the fiscal period ended in August 2024 (13th fiscal period)) × 100

^{*3} Interest rate for floating rate borrowings is calculated based on the JBA 1-month Japanese Yen TIBOR as of September 6, 2024.

Growth Strategy

Future Priority Initiatives Expanding the Asset Size of XYMAX REIT

Benefits of expanding asset size

- ✓ Improvement in cost absorption capability
- ✓ Progress in portfolio diversification
- ✓ Improvement in rating
- ✓ Improvement in liquidity of investment units
- ✓ Expanding the investor base

Examples of measures to expand asset size and strengths of XYMAX REIT

- Public offering of new investment units
- Third-party allotment of new investment units
- Acquiring properties through borrowing
- Replacement of assets leading to the expansion of scale
- ...etc.

Carefully selected
properties in the pipeline

**Approx. 25.0
billion yen**

Unrealized gain ratio/
unrealized gain per unit

26.3%/46,829 yen^{*1}

Debt financing capacity

LTV based on total assets

40.9%^{*2}

Measures implemented in the 13th and 14th FPs

Asset replacement of Mita and KH Sapporo



Strengthening the pipeline in preparation for a public offering

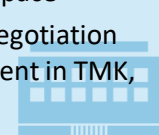
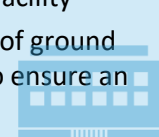
^{*1} The unrealized gains of KH Sapporo are calculated by deducting the acquisition price from the appraisal value, and the unrealized gains of properties held at the end of the 13th fiscal period (excluding Mita) are calculated by deducting the book value at the end of the 13th fiscal period from the appraisal value.

^{*2} LTV based on total assets = (Total amount of borrowings as of September 6, 2024) ÷ (Total assets at the end of the fiscal period ended in August 2024 (13th fiscal period) + Increase in borrowings from the end of the fiscal period ended in August 2024 (13th fiscal period) to September 6, 2024 – Security deposits for Mita at the end of the fiscal period ended in August 2024 (13th fiscal period) + Security deposits for KH Sapporo at the end of the fiscal period ended in August 2024 (13th fiscal period) × 100

External Growth: Status of Reviewing Properties in the Pipeline

By utilizing the direct relationships and assessing capabilities of the sponsor group, we will carefully select properties that will provide stable and growing earnings.

Current pipeline **Approximately 25.0 billion yen in total**

NEW Office in Tokyo economic area	PM	- PBM flagship property where the sponsor provides on-site management - The largest landmark building in the area, which is in one of the National Strategic Special Zones and a decarbonization pioneering region - Property was added to the pipeline after assessing its characteristics, such as the level of tenant stability and the status of repair and renewal work. 	ZXY
Office in Tokyo's central 8 wards (under development)	PM CRE	- Project resulting from CRE client's reconstruction needs - Conveniently located in front of a station - High visibility due to facing a main road 	
Retail property in Hirakata City, Osaka pref. (under development)	PM CRE	- Project resulting from CRE client's need to launch new shops - Tenants for daily use are expected to lease the exclusive space - Secured preferential negotiation rights through investment in TMK, the developer 	
Hotel in regional core city (specializing in accommodation)	PM Bridge	- Located in a city that is a regional economic hub and rich in tourism resources - Rent setting that incorporates variable rent 	
Office in Tokyo economic area	PM ZXY	- Located in the suburbs of the Tokyo metropolitan area - Multi-purpose building located in front of a station, which provides excellent convenience 	
Retail property in regional city (leasehold land)	PM CRE	- Project that captured the sales needs of CRE clients - Leasehold land for Neighborhood Shopping Center type facility - Involved in the setting of ground rent and sales prices to ensure an appropriate yield 	
Hotel in a regional city designated by a Cabinet Order (specializing in accommodation)	PM karaksa	Quasi-co-ownership interest (80%) in karaksa hotel Sapporo 	

CRE

Properties related to corporate real estate of the sponsor group clients (direct relationship projects)

karaksa/ZXY

Leased by karaksa hotels operated by the sponsor group or properties occupied by the satellite office service "ZXY"

PM

Properties managed and operated by the sponsor group

Bridge

Warehoused by the sponsor group

ESG



Participation in External Certifications and Initiatives

Participation in the GRESB Assessment

- Real estate assessment 2024: 3 Star and Green Star for three consecutive years



Signing of Principles for Financial Action for the 21st Century

- The Asset Management Company has endorsed the ideas of the PFA21 and became a signatory on December 27, 2013.



Support of the TCFD Recommendations

- The Asset Management Company has expressed its support for the TCFD recommendations and has also joined the TCFD Consortium, whose members consist of Japanese companies that support the TCFD.



Acquisition of Environmental Certification (As of August 31, 2024)

- Acquisition rate is 85.2% on a total floor area basis.
- Reacquired CASBEE real estate certification for Iwamotocho and Shinjuku-Gyoen. Both properties were upgraded from Rank A to Rank S.

Assessment
Rank

Rank S
(Excellent)



Number of acquisition of environmental certification	11 properties*	CASBEE real estate certification	Rank S: 7 properties Rank A: 2 properties
Acquisition rate (based on total floor area)	85.2%	BELS evaluation	★★★★ : 1 property ★★★ : 1 property ★★ : 1 property

* We have acquired both CASBEE real estate certification and BELS evaluation for the XYMAX Higashi-Azabu Building.

Iwamotocho



Shinjuku-Gyoen



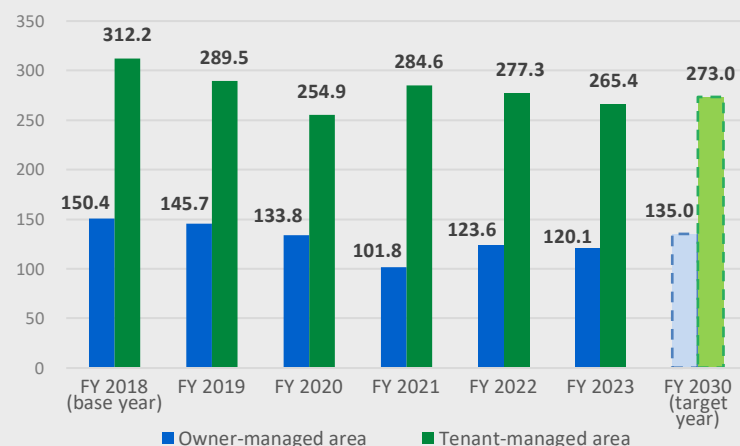
Initiatives (1)

Results of environmental initiatives

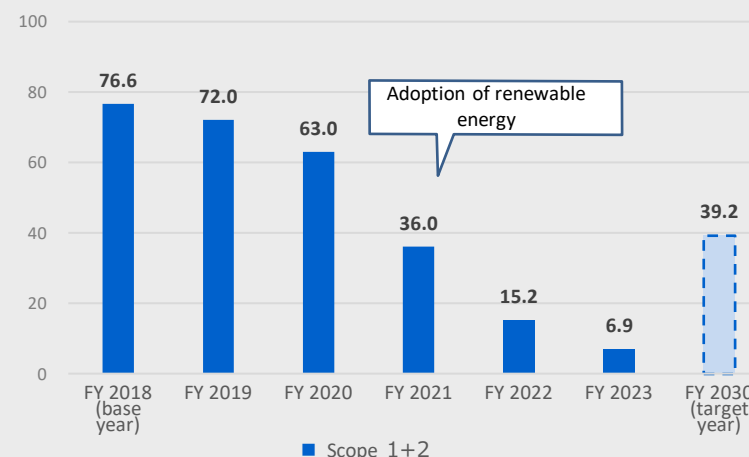
Environmental targets

- Energy consumption and GHG emissions both remain at levels that meet target reduction rates.

Indicator	Target of 2030
Energy intensity (kWh/m ²)	12% reduction (from that in 2018)

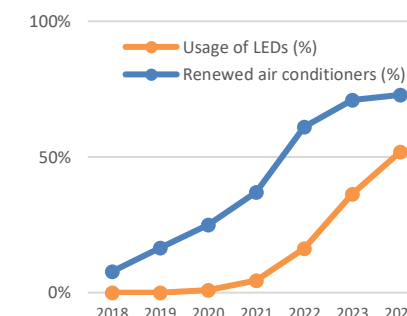


Indicator	Target of 2030
GHG emission intensity (kg-CO ₂ /m ²)	50% reduction (from that in 2018)



Efforts to reduce energy use in the owner-managed area

We are systematically replacing lights with LEDs and updating the air conditioning units, which is contributing to a reduction in energy consumption.



Actual at the end of August 2024

	Area subject to replacement/renewal*	Percentage replaced/renewed
LED	23,154.92 m ²	51.8%
Aircons	12,299.03 m ²	72.9%

Calculated based on the rentable area excluding common areas (however, in the case of a gross contract, the area of common area may be included). The exclusive areas in residences are excluded.

Initiatives for reducing environmental burden

Adoption of electricity generated from 100% renewable energy sources

- Electricity generated from 100% renewable energy has been introduced at nine properties (at the end of August 2024).

Targeted electricity consumption

1,695 thousand kWh
(based on the 13th FP)

Green Lease initiative

- Aiming to improve the environmental performance of properties through a collaborative effort with tenants, XYMAX REIT is promoting Green Leases.

Number of tenants covered by Green Leases

38 tenants
(based on the 13th FP)

Initiatives (2)

Initiatives for tenants and local communities

Resilience measures for disasters, etc.

- Introduction of emergency storage boxes
- Introduced disaster-relief vending machines
- Installation of AED (in nine office properties)



Initiatives to improve tenant satisfaction

- Introduction of digital signage in common area for eight office properties in Tokyo (building electricity consumption, evacuation sites, and encouragement of power saving, etc., are posted)
- Conducted a customer satisfaction survey over the tenants at nine office properties



Initiatives of asset management company

Qualification support system

- Asset Management Company introduced a system to provide incentives for employees who acquire certain qualifications.
- Status of qualification (incl. those unregistered) by employees of Asset Management Company (as of September 30, 2024)
 - Licensed Real Estate Broker: 31
 - ARES Certified Master: 11
 - Certified Building Administrator: 6

Flextime system and diversification of working places

- We have introduced a flextime system to support flexible working styles according to work demands.
- Employees can also work remotely from home or at any of our satellite offices scattered throughout the Tokyo metropolitan area.

Respect for diversity

- Female employees are succeeding in a wide range of fields, regardless of being in the front or back office.
- We prohibit discrimination and harassment in our compliance manual to create a comfortable working environment for all employees.

	Number of executives and employees (excluding dispatched employees)				Maternity leave
	Male	Female	Percentage of female	Total	
October 2022	15	18	54.5%	33	0
October 2023	17	17	50.0%	34	1
October 2024	22	26	54.2%	48	0

ESG initiatives at the sponsor group

- Stimulating internal communication through agricultural activities at XYMAX VILLAGE
- Support for corporate workstyle reforms by offering satellite office services through such services provided by ZXY
- Training real estate business personnel through Karakusa Fudosan Mirai Juku (real estate business seminar)



XYMAX VILLAGE Photo by Kazashito Nakamura

- Serving as lecturer of ARES Real Estate Securitization Master training course
- Contribution to regional revitalization through MEQQE
- Supporting for the development of young athletes
- A model for University-Industry Partnerships and Industry-Government Partnerships

Examples: Verification of BIM for effective use in the real estate management industry, Research of disaster prevention management of roadside slopes, etc. using monitoring sensors, Research of workplace and work engagement, etc.

Initiatives (3)

Decision-making flow at asset management company

- XYMAX REIT adopts a decision-making flow via committees in which external committee members participate in matters that significantly impact unitholders' interests with the intention of protecting unitholders' interests.
- At the REIT Compliance Committee and REIT Investment Committee, the attendance and approval of the Compliance Officer and external committee members are requirements for resolutions. Accordingly, a governance system has been established to prevent arbitrary management by the Asset Management Company.

Asset management fee system

Fees for a fiscal period

Total Asset-Linked Fee	Total assets × 0.2% per annum
NOI-Linked Fee	NOI × 4.0% per annum

Acquisition and disposition fees

Acquisition Fee	Acquisition price × 1.0% ^{*1}
Disposition Fee	Gain on dispositions at the end of each period (after deduction of loss on dispositions) × 15.0% ^{*2}

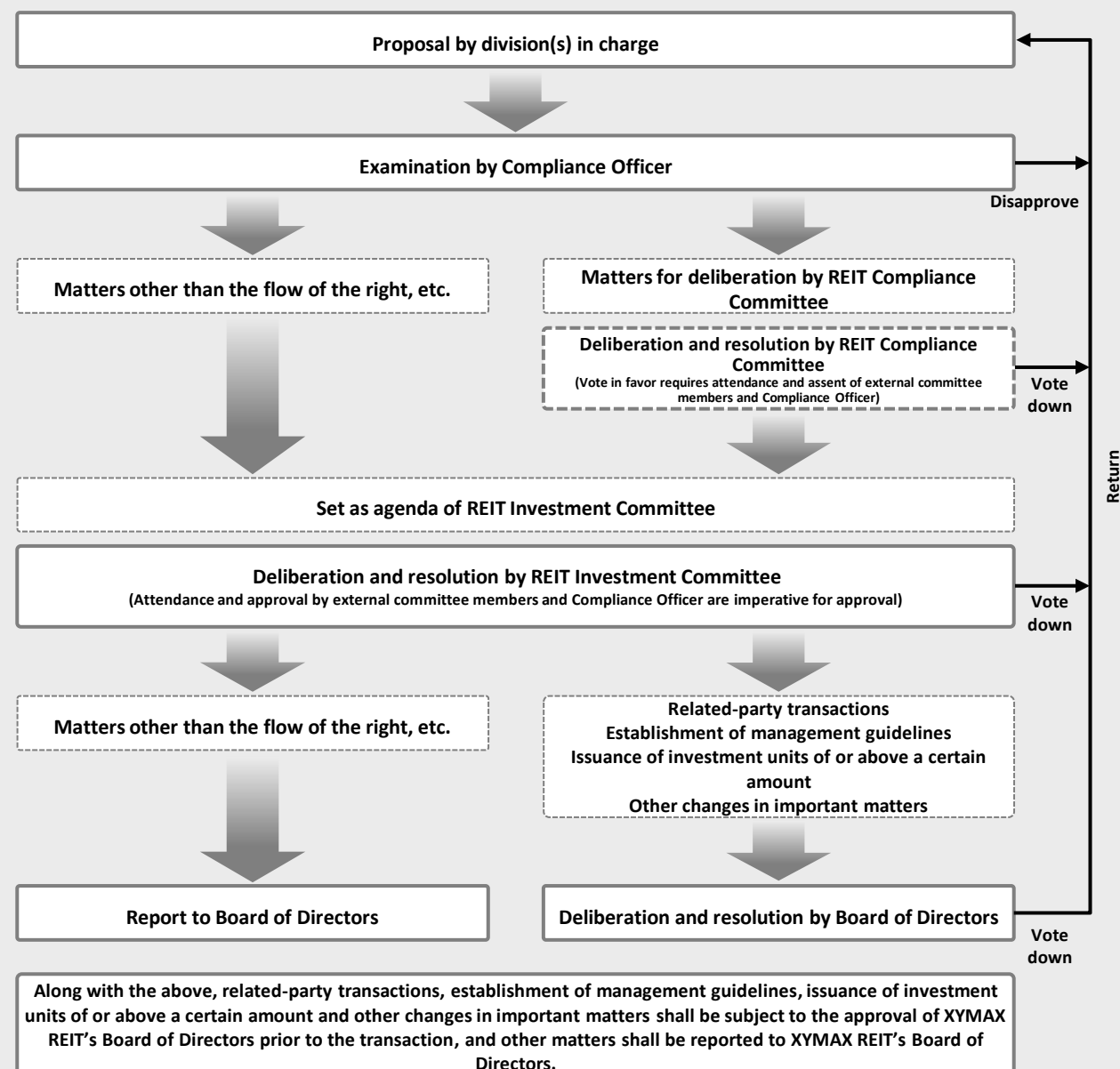
*1 0.5%, in the case of acquisition from interested parties

*2 0 yen, if the gains on disposition amount is negative

Investment ratio in XYMAX REIT by sponsor

5.0%

(At the end of 13th FP)



APPENDIX



Characteristics of XYMAX REIT

XYMAX REIT realizes the full potential of owned properties and maximizes the unitholders' value through relevant portfolio management utilizing expertise and know-how accumulated in and by the sponsor group.

Characteristics of the sponsor group

■ Japan's prominent real estate management record

- ✓ Real estate management record: 1,166 buildings/Gross floor area Approx. 6.90 million tsubo (as of July 31, 2024)
- ✓ Entrustment records by J-REIT investment corporation other than XYMAX REIT: 31 companies/245 properties (as of July 31, 2024)
- ✓ Human resources: 2,365 people engaged in real estate management, 61 people in leasing, and 127 people in CRE related business (as of October 1, 2024)

■ Real estate management utilizing accumulated various data & development of new businesses applying expertise and know-how

- ✓ Data of Real Estate Management: Contracted rent data 42,464 buildings/148,692 cases (accumulated total as of March 31, 2024), Asking rent data 61,644 buildings (accumulated total as of March 31, 2024)/18,817 cases (as of March 31, 2024), Construction work data 183,385 cases (accumulated total as of February 29, 2024)
- ✓ Membership satellite office business ZXY and expanding own hotel brand, karaksa hotel

■ Track record in real estate sales and brokerage utilizing huge customer base

- ✓ Relationship with real estate owners: approximately 450 companies (as of July 31, 2024)
- ✓ Track record in property sales and brokerage: 407 buildings, approximately 628.5 billion yen (accumulated total from April 1, 2010 to March 31, 2024)



Utilizing the sponsor group's expertise and know-how as "3 strengths"



Assessment



Management



Sourcing

The Source of Power to Maximize Unitholder Value; “3 Strengths” of XYMAX REIT

XYMAX REIT will maximize unitholder value by utilizing the three real estate management strengths of its sponsor group.

“3 strengths” of XYMAX REIT



Assessment

- Through combining our knowledge gained through real estate management experience throughout Japan and an analysis of a huge amount of unique real estate data held by the sponsor group, we will **accurately determine the market positioning of a target property**, upon estimating the appropriate level of rent and management costs for such property.



Management

- Through daily unfettered discussion, we will perform management which directly utilizes various expertise of the sponsor group as well as input from the frontline. With close communication with the frontline enabling quick decisions, we will **maximize property potentials, together with ensuring opportunities for internal growth**.



Sourcing

- Utilizing the sponsor group’s direct communication with real estate owners, we will **seize property acquisition opportunities in exclusive transactions for sure**.
- Utilizing the real estate buying and selling needs of the customer base of the CRE service provided by the sponsor group, we will **create property acquisition opportunities in exclusive transactions**.

Balance Sheet

(Unit: thousand yen)

	12th fiscal period (As of Feb. 29, 2024)	13th fiscal period (As of Aug. 31, 2024)
Assets		
Current assets		
Cash and bank deposits	1,279,845	1,332,410
Cash and bank deposits in trust	2,521,848	2,563,477
Operating accounts receivable	33,564	42,392
Prepaid expenses	51,063	46,818
Other	741	949
Total current assets	3,887,064	3,986,048
Non-current assets		
Property, plant and equipment		
Buildings, net	292,994	289,441
Structures, net	1,630	1,596
Machinery and equipment, net	9,579	9,377
Tools, furniture and fixtures, net	6,261	5,911
Land	230,346	230,346
Buildings in trust, net	9,839,788	9,847,416
Structures in trust, net	49,798	48,599
Machinery and equipment in trust, net	0	0
Tools, furniture and fixtures in trust, net	20,894	21,154
Land in trust	33,661,874	33,661,874
Construction in progress in trust	352	-
Total property, plant and equipment	44,113,521	44,115,717
Investments and other assets		
Investment securities	28,996	51,109
Long-term prepaid expenses	49,731	56,752
Deferred tax assets	12	12
Lease and guarantee deposits	22,600	22,600
Derivatives	-	430
Other	132,182	178,732
Total investments and other assets	233,523	309,637
Total non-current assets	44,347,045	44,425,355
Deferred assets		
Investment unit issuance costs	8,997	4,498
Investment corporation bond issuance costs	13,715	12,320
Total deferred assets	22,713	16,819
Total assets	48,256,823	48,428,223

(Unit: thousand yen)

	12th fiscal period (As of Feb. 29, 2024)	13th fiscal period (As of Aug. 31, 2024)
Liabilities		
Current liabilities		
Operating accounts payable	113,032	148,642
Current portion of long-term borrowings	4,302,000	4,302,000
Accounts payable - other	125,418	124,341
Income taxes payable	873	805
Accrued consumption taxes	32,566	34,756
Advances received	236,715	339,349
Deposits received	-	88
Other	1,648	6,386
Total current liabilities	4,812,254	4,956,370
Non-current liabilities		
Investment corporation bonds	1,000,000	1,000,000
Long-term loans payable	14,413,000	14,413,000
Tenant leasehold and security deposits	33,972	33,988
Tenant leasehold and security deposits in trust	1,733,561	1,753,464
Derivatives liabilities	1,095	-
Total non-current liabilities	17,181,629	17,200,452
Total liabilities	21,993,884	22,156,823
Net assets		
Unitholders' equity		
Unitholders' capital	25,440,013	25,440,013
Deduction from unitholders' capital		
Allowance for temporary difference adjustments	-1,997	-998
Total deduction from unitholders' capital	-1,997	-998
Unitholders' capital, net	25,438,016	25,439,014
Surplus		
Unappropriated retained earnings (undisposed loss)	826,018	831,954
Total surplus	826,018	831,954
Total unitholders' equity	26,264,034	26,270,969
Valuation and translation adjustments		
Deferred gains or losses on hedges	-1,095	430
Total valuation and translation adjustments	-1,095	430
Total net assets	26,262,938	26,271,399
Total liabilities and net assets	48,256,823	48,428,223

Statement of Income

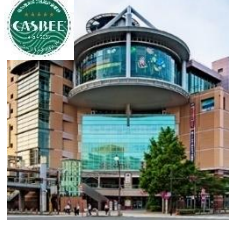
(Unit: thousand yen)

	12th fiscal period (From Sep. 1, 2023 to Feb. 29, 2024)	13th fiscal period (From Mar. 1, 2024 to Aug. 31, 2024)
Operating revenue		
Leasing business revenue	1,528,816	1,549,432
Other leasing business revenue	134,099	132,755
Total operating revenue	1,662,915	1,682,188
Operating expenses		
Expenses related to leasing business	584,799	589,103
Asset management fees	97,932	99,109
Asset custody fees	1,265	1,265
Administrative service fees	14,528	14,836
Directors' compensations	2,400	2,400
Other operating expenses	39,083	40,371
Total operating expenses	740,008	747,087
Operating income	922,906	935,100
Non-operating income		
Interest income	18	327
Gain on forfeiture of unclaimed distributions	204	37
Total non-operating income	222	364
Non-operating expenses		
Interest expenses	71,507	75,684
Interest expenses on investment corporation bond	-	5,833
Borrowing related expenses	21,939	16,418
Amortization of investment unit issuance costs	4,498	4,498
Amortization of investment corporation bond issuance costs	464	1,394
Total non-operating expenses	98,411	103,829
Ordinary income	824,718	831,636
Income before income taxes	824,718	831,636
Income taxes - current	875	855
Income taxes - deferred	3	0
Total income taxes	879	856
Net income	823,839	830,779
Retained earnings brought forward	2,179	1,174
Unappropriated retained earnings (undisposed loss)	826,018	831,954

Portfolio List (1)

Asset no.	OF-01	OF-02	OF-03	OF-04	OF-05	OF-06
Asset type	Office	Office	Office	Office	Office	Office
Property name	XYMAX Nishi-Shimbashi Building	XYMAX Iwamotocho Building	XYMAX Shinjuku-Gyoen Building	XYMAX Kamiyacho Building	XYMAX Higashi-Azabu Building	XYMAX Higashi-Ueno Building
						
Location	Minato-ku, Tokyo	Chiyoda-ku, Tokyo	Shinjuku-ku, Tokyo	Minato-ku, Tokyo	Minato-ku, Tokyo	Taito-ku, Tokyo
Access	3 minutes on foot from Uchisaiwaicho Station on the Toei Subway Mita Line 6 minutes on foot from Shimbashi Station on the JR lines, Tokyo Metro Ginza Line, and other	3 minutes on foot from Iwamotocho Station on the Toei Subway Shinjuku Line	2 minutes on foot from Shinjuku Gyoenmae Station on the Tokyo Metro Marunouchi Line	1 minute on foot from Kamiyacho Station on the Tokyo Metro Hibiya Line	5 minutes on foot from Akabanebashi Station on the Toei Subway Oedo Line 7 minutes on foot from Kamiyacho Station on the Tokyo Metro Hibiya Line	3 minutes on foot from Naka-okachimachi Station on the Tokyo Metro Hibiya Line 4 minutes on foot from JR Okachimachi Station, and other
Acquisition price	2,500 million yen	4,250 million yen	5,020 million yen	880 million yen	1,550 million yen	1,150 million yen
Land area	402.53 m ²	864.83 m ²	839.09 m ²	228.83 m ²	365.05 m ²	368.84 m ²
Total floor area	2,517.50 m ²	6,261.06 m ²	6,084.32 m ²	1,356.51 m ²	2,570.13 m ²	1,942.54 m ²
Leasable area	1,897.92 m ²	4,152.40 m ²	4,791.23 m ²	1,205.27 m ²	2,015.51 m ²	1,750.17 m ²
Completion	2000	2001	2001	1991	1999	1999
Structure/Number of floors	Reinforced concrete structure with flat roof 9F	Steel-framed reinforced concrete structure with flat roof B1F/9F	Steel-construction / Reinforced concrete structure with flat roof B1F/9F	Steel-construction with flat roof 8F	Steel-framed reinforced concrete structure with flat roof B1F/9F	Steel-framed reinforced concrete structure with flat roof 8F
Number of tenants (As of the end of 13th FP)	8	14	6	6	6	7
Occupancy rate (As of the end of 13th FP)	100.0%	100.0%	100.0%	86.9%	100.0%	100.0%

Portfolio List (2)

Asset no.	OF-07	OF-09	OF-10	RT-01	RT-02	RT-03
Asset type	Office	Office	Office	Retail	Retail	Retail
Property name	XYMAX Hachioji Building	XYMAX Sapporo Odori Building	XYMAX Kiba koen Building	Muza Kawasaki	Life Kawasaki Miyuki Store	Vita Seiseki-Sakuragaoka
						
Location	Hachioji-shi, Tokyo	Sapporo-shi, Hokkaido	Koto-ku, Tokyo	Kawasaki-shi, Kanagawa	Kawasaki-shi, Kanagawa	Tama-shi, Tokyo
Access	4 minutes on foot from Keio Hachioji Station on the Keio Electric Railway Keio Line 5 minutes on foot from JR Hachioji Station	1 minute on foot from Odori Station on the Sapporo Municipal Subway Namboku Line, Tozai Line, and Toho Line	1 minute on foot from Kiba Station on the Tokyo Metro Tozai Line	Directly connected to JR Kawasaki Station	15 minutes on foot from JR Kashimada Station and Yako Station	Directly connected to Seiseki Sakuragaoka Station on the Keio Electric Railway Keio Line
Acquisition price	2,600 million yen	4,707 million yen	2,003 million yen	4,100 million yen	790 million yen	3,100 million yen
Land area	1,220.58 m ²	499.24 m ²	851.46 m ²	10,669.34 m ² *1	1,879.15 m ²	9,003.26 m ² *1
Total floor area	7,404.81 m ²	4,270.89 m ²	2,995.81 m ²	108,955.90 m ² *1	2,596.80 m ²	62,849.56 m ² *1
Leasable area	5,558.87 m ²	3,106.42 m ²	2,587.15 m ²	3,703.87 m ²	2,677.54 m ²	27,610.61 m ²
Completion	1993	2020	1992	2003	1997	1999
Structure/Number of floors	Steel-framed reinforced concrete / Steel-construction with flat roof B1F/9F	Steel-construction with flat roof B1F/10F	Reinforced concrete structure with flat roof 6F	Steel-framed/Steel-framed reinforced concrete structure with flat roof/stainless steel plate roofing B2F/27F	Steel-construction with flat roof 2F	Steel-framed reinforced concrete structure/reinforced concrete structure/steel-construction with flat roof B3F/27F
Number of tenants (As of the end of 13th FP)	23	7	7	18	1	1
Occupancy rate (As of the end of 13th FP)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

*1 Both land area and total floor area above represent land area and total floor area of one building, respectively.

Portfolio List (3)

Asset no.	RT-04	RT-05	RT-06	HT-01	HT-02	OT-02
Asset type	Retail	Retail	Retail	Hotel	Hotel	Other (Residential)
Property name	Life Fukuizumi Store	The Park House Totsuka Front (the Retail Portions of 1st and 2nd Floors)	Valor Kachigawa Store (Leasehold land)	Hotel Vista Sendai	karaksa hotel Sapporo ^{*4}	L-Place Nishikasai
						
Location	Sakai-shi, Osaka	Yokohama-shi, Kanagawa	Kasugai-shi, Aichi	Sendai-shi, Miyagi	Sapporo-shi, Hokkaido	Edogawa-ku, Tokyo
Access	12 minutes on foot from Otori Station on the JR Hanwa Line	3 minutes on foot from JR and Yokohama Municipal Subway Blue Line Totsuka Station	7 minutes on foot from Kachigawa Station on the JR Chuo Main Line	4 minutes on foot from JR Sendai Station 1 minute on foot from Miyagino Dori Station on the Sendai City Subway Tozai Line	5 minutes on foot from Susukino Station on the Sapporo Municipal Subway Namboku Line 5 minutes on foot from Odori Station on the Sapporo Municipal Subway Namboku Line, Tozai Line, and Toho Line	5 minutes on foot from Nishikasai Station on the Tokyo Metro Tozai Line
Acquisition price	1,065 million yen	540 million yen	3,245 million yen	4,400 million yen	1,060 million yen	901 million yen
Land area	6,225.21 m ²	1,595.49 m ² ^{*1}	20,509.10 m ² ^{*1}	1,461.36 m ² ^{*3}	819.16 m ² ^{*1}	854.00 m ²
Total floor area	3,358.26 m ²	12,236.50 m ² ^{*1}	-	6,977.47 m ²	6,707.22 m ² ^{*1}	2,044.18 m ²
Leasable area	3,309.29 m ²	861.60 m ²	10,254.55 m ² ^{*2}	7,066.25 m ²	7,174.48 m ² ^{*1}	2,044.18 m ²
Completion	1996	2018	-	2016	2017	1986
Structure/Number of floors	Steel-construction with flat roof 2F	Reinforced concrete structure with flat roof B1F/14F	-	Steel-construction with flat roof 12F	Steel-construction with flat roof B1F/13F	Reinforced concrete structure with flat roof 5F
Number of tenants (As of the end of 13th FP)	1	5	1	1	1	1
Occupancy rate (As of the end of 13th FP)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

^{*1} Both land area and total floor area above represent land area and total floor area of one building, respectively.

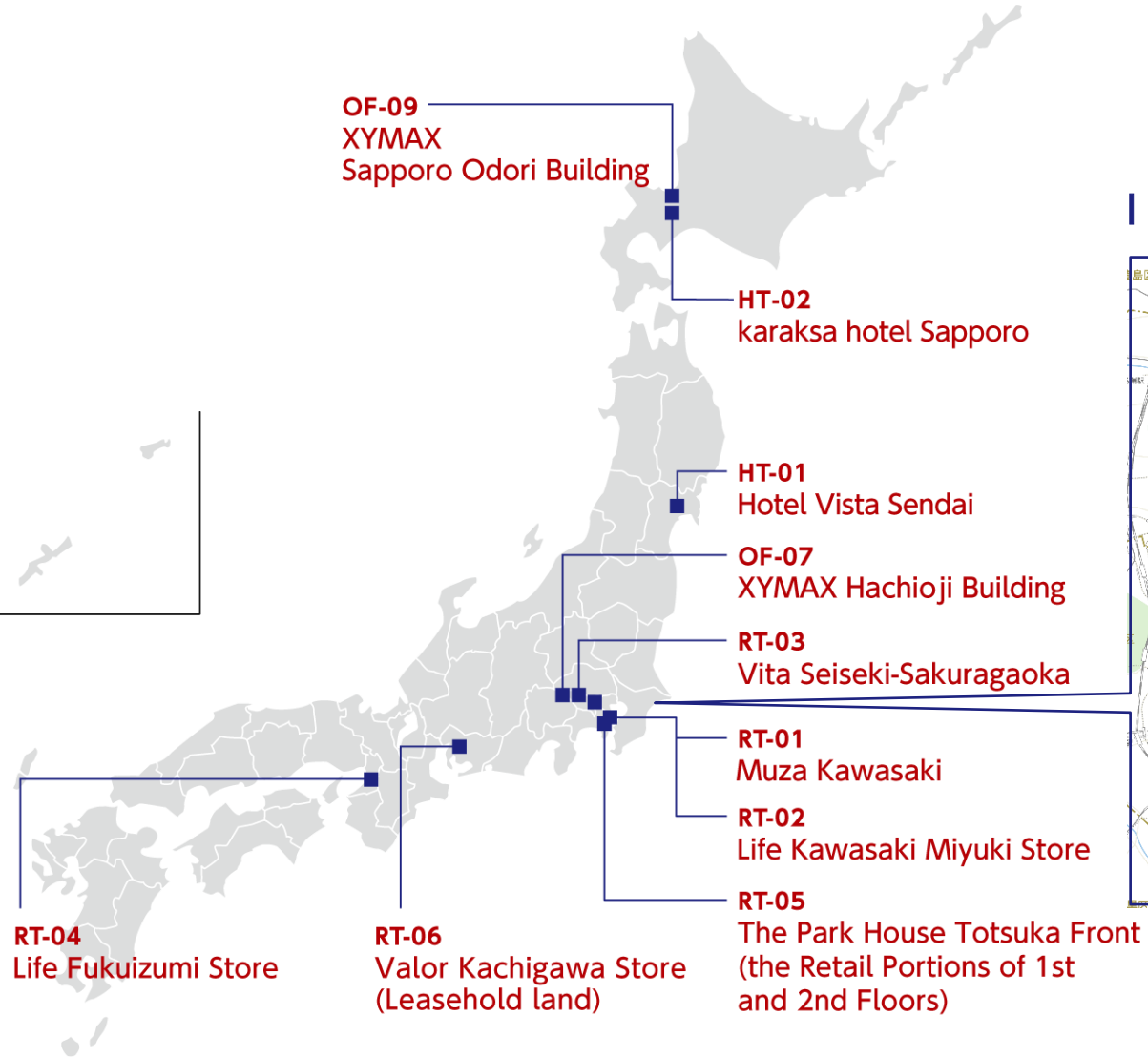
^{*2} The figure is calculated by multiplying the leased floor area under the lease contract by the quasi-co-ownership ratio of the beneficiary rights held by the XYMAX REIT (50%).

^{*3} 1,461.36 m² includes surface rights of 524.21 m².

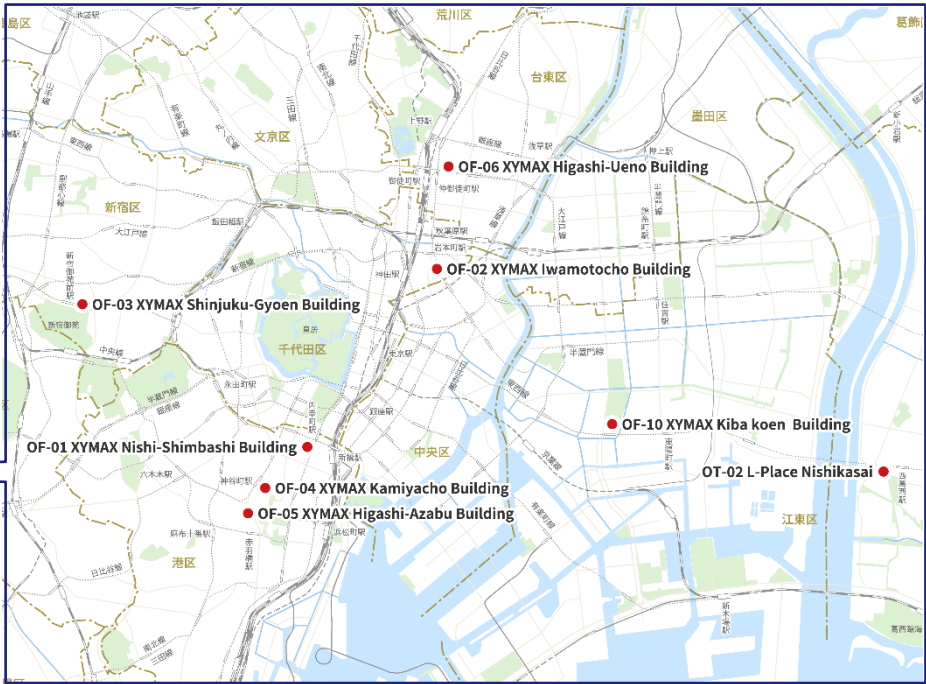
^{*4} The figures are as of the date of acquisition on September 6, 2024.

Portfolio Map

| Country wide area |



| 23 wards of Tokyo |

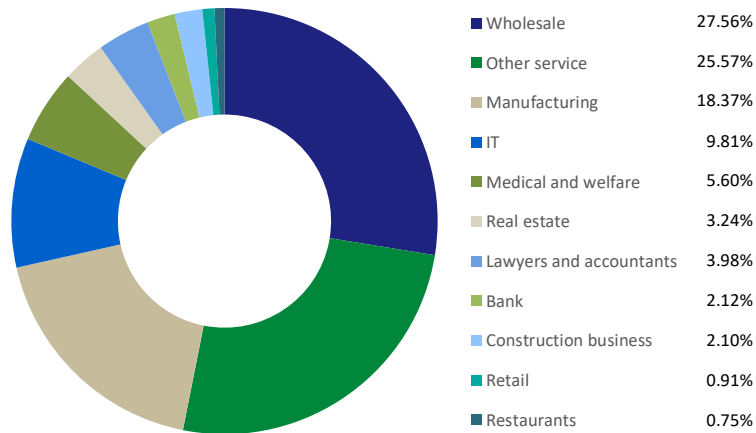


Characteristic of Current Office Tenants and the Trends of Occupancy Rate

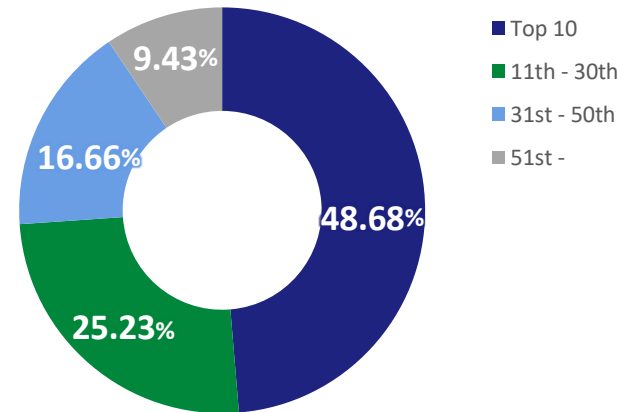
Backed by the sponsor group's management capabilities, we have achieved stable, long-term occupancy by office tenants.

Office tenant diversification <based on rent revenue> (excluding obligated residences) (74 office tenants) | At the end of 13th FP (excluding XYMAX Mita Building)

Ratio by industry type



Ratio of top tenants by leased area



Average tenant lease period of offices owned by XYMAX REIT

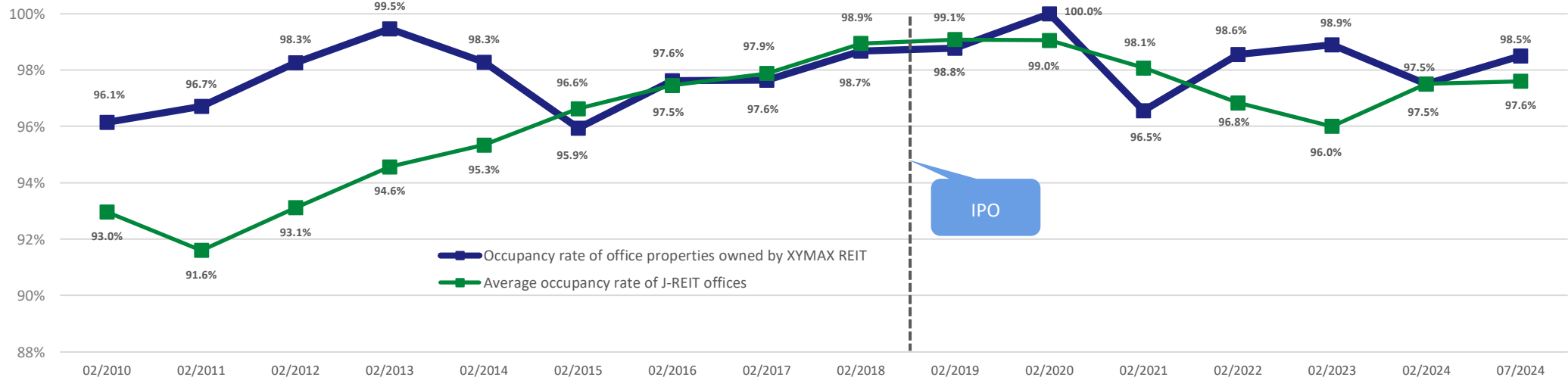
All tenants: 12 years and 6 months
Top ten tenants by leased area: 14 years and 2 months

Average tenant lease period of office buildings

9.6 years^{*1}

^{*1} Source: "Analysis of Lease Periods of Office Tenants in the 23 Wards of Tokyo (2018)" by XYMAX Real Estate Institute Corporation

Trends in office occupancy rates (including obligated residences)



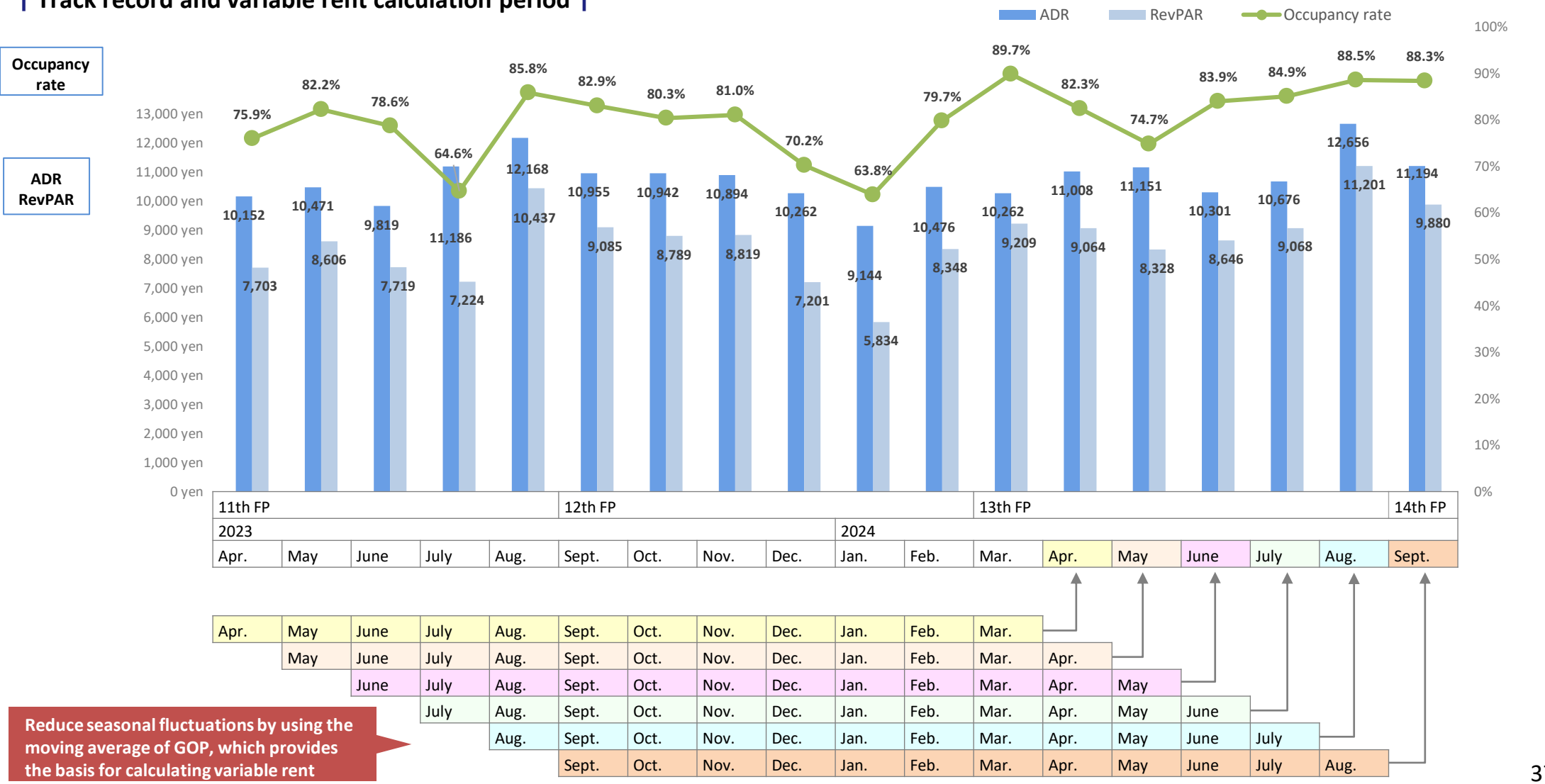
Sendai: Rent Conditions and Monthly Track Record

Conditions for rent (monthly)

Fixed rent	Variable rent
20.5 million yen	$(\text{GOP for the last year} \div 12 - 21.5 \text{ million yen}) \times \alpha\%$ *

* 0 yen, if the results of the calculation are negative

Track record and variable rent calculation period



Operating Income (Loss) from Real Estate Leasing by Asset (1/2)

(Unit: thousand yen)

	Nishi-Shimbashi	Iwamotocho	Shinjuku-Gyoen	Kamiyacho	Higashi-Azabu	Higashi-Ueno	Hachioji	Mita	Sapporo	Kiba
Operating revenue from real estate leasing	85,232	146,223	189,260	40,880	52,083	54,673	133,109	21,765	133,319	61,359
Leasing business revenue	76,160	127,479	175,524	36,911	44,807	43,893	115,658	20,516	123,626	52,917
Other leasing business revenue	9,071	18,744	13,736	3,968	7,276	10,779	17,450	1,249	9,693	8,441
Operating expenses from real estate leasing (Excluding Depreciation)	23,279	39,037	42,941	22,262	21,099	17,065	40,329	7,669	25,012	20,051
Tax and public dues	8,188	14,654	16,055	5,247	7,186	4,251	8,380	1,443	8,362	4,217
Maintenance fees	5,584	10,302	12,117	4,653	5,733	4,501	16,443	2,727	7,607	6,837
Utility expenses	7,259	10,236	9,441	3,358	3,426	4,833	9,603	940	7,472	5,506
Repair expenses	1,683	1,674	4,367	8,270	332	2,693	3,565	1,665	321	2,818
Insurance premiums	60	218	208	45	80	59	271	36	301	112
Other expenses related to leasing business	503	1,951	751	686	4,338	727	2,066	856	948	558
NOI	61,953	107,186	146,319	18,618	30,983	37,607	92,779	14,095	108,307	41,307
Depreciation	3,181	17,748	17,546	1,963	7,174	3,712	11,989	1,982	22,794	5,570
Operating income (loss) from real estate leasing	58,771	89,437	128,772	16,655	23,809	33,894	80,790	12,113	85,512	35,737

Operating Income (Loss) from Real Estate Leasing by Asset (2/2)

(Unit: thousand yen)

	Muza	Kawasaki Miyuki	Seiseki-Sakuragaoka	Fukuizumi	Totsuka	Kachigawa	Sendai	Nishikasai	Total
Operating revenue from real estate leasing	183,718	undisclosed	undisclosed	undisclosed	27,760	undisclosed	undisclosed	undisclosed	1,682,188
Leasing business revenue	159,048	undisclosed	undisclosed	undisclosed	23,669	undisclosed	undisclosed	undisclosed	1,549,432
Other leasing business revenue	24,670	undisclosed	undisclosed	undisclosed	4,091	undisclosed	undisclosed	undisclosed	132,755
Operating expenses from real estate leasing (Excluding Depreciation)	48,005	undisclosed	undisclosed	undisclosed	10,048	undisclosed	undisclosed	undisclosed	414,755
Tax and public dues	12,149	undisclosed	undisclosed	undisclosed	1,841	undisclosed	undisclosed	undisclosed	157,462
Maintenance fees	15,029	undisclosed	undisclosed	undisclosed	5,089	undisclosed	undisclosed	undisclosed	108,994
Utility expenses	19,580	undisclosed	undisclosed	undisclosed	2,983	undisclosed	undisclosed	undisclosed	85,560
Repair expenses	530	undisclosed	undisclosed	undisclosed	-	undisclosed	undisclosed	undisclosed	35,746
Insurance premiums	187	undisclosed	undisclosed	undisclosed	51	undisclosed	undisclosed	undisclosed	3,820
Other expenses related to leasing business	527	undisclosed	undisclosed	undisclosed	81	undisclosed	undisclosed	undisclosed	23,170
NOI	135,713	22,710	172,841	26,104	17,712	65,690	142,402	25,099	1,267,432
Depreciation	18,169	1,669	32,627	2,223	3,811	-	19,604	2,578	174,348
Operating income (loss) from real estate leasing	117,544	21,040	140,213	23,881	13,900	65,690	122,797	22,521	1,093,084

Overview of Appraisal Report

Asset no.	Asset name	Acquisition date	Acquisition price (million yen)	Book value as of the end of 13th FP (million yen)	End of 12th FP (February 29, 2024)		End of 13th FP (August 31, 2024)		Change		Appraiser	Unrealized gain or loss* ³ (million yen)
					Appraisal value (million yen)	Capitalization rate based on direct capitalization method (%)	Appraisal value (million yen)	Capitalization rate based on direct capitalization method (%)	Appraisal value* ¹ (million yen)	Capitalization rate based on direct capitalization method* ² (%)		
OF-01	XYMAX Nishi-Shimbashi Building	February 2018	2,500	2,511	3,410	3.2	3,400	3.2	-10	-	The Tanizawa Sōgō Appraisal Co., Ltd.	888
OF-02	XYMAX Iwamotocho Building	February 2018	4,250	4,360	5,880	3.3	5,880	3.3	-	-	Japan Real Estate Institute	1,519
OF-03	XYMAX Shinjuku-Gyoen Building	February 2018	5,020	5,163	7,290	3.3	7,290	3.3	-	-	Japan Real Estate Institute	2,126
OF-04	XYMAX Kamiyacho Building	February 2018	880	936	1,360	3.3	1,370	3.3	+10	-	The Tanizawa Sōgō Appraisal Co., Ltd.	433
OF-05	XYMAX Higashi-Azabu Building	February 2018	1,550	1,598	2,000	3.7	2,000	3.7	-	-	Daiwa Real Estate Appraisal Co., Ltd.	401
OF-06	XYMAX Higashi-Ueno Building	February 2018	1,150	1,165	1,720	3.8	1,750	3.8	+30	-	Daiwa Real Estate Appraisal Co., Ltd.	584
OF-07	XYMAX Hachioji Building	February 2018	2,600	2,638	3,630	4.5	3,640	4.5	+10	-	Japan Real Estate Institute	1,001
OF-08	XYMAX Mita Building	July 2021	668	703	771	3.6	771	3.6	-	-	Japan Real Estate Institute	67
OF-09	XYMAX Sapporo Odori Building	March 2022	4,707	4,669	5,050	3.6	5,060	3.6	+10	-	Japan Real Estate Institute	390
OF-10	XYMAX Kiba koen Building	March 2022	2,003	2,086	2,190	4.2	2,190	4.2	-	-	Japan Real Estate Institute	103
RT-01	Muza Kawasaki	February 2018	4,100	3,987	5,550	4.1	5,670	4.0	+120	-0.1	The Tanizawa Sōgō Appraisal Co., Ltd.	1,682
RT-02	Life Kawasaki Miyuki Store	February 2018	790	785	971	4.2	973	4.2	+2	-	Daiwa Real Estate Appraisal Co., Ltd.	187
RT-03	Vita Seiseki-Sakuragaoka	February 2018	3,100	3,541	3,890	5.0	3,930	4.9	+40	-0.1	The Tanizawa Sōgō Appraisal Co., Ltd.	388
RT-04	Life Fukuizumi Store	September 2020	1,065	1,068	1,090	4.5	1,090	4.5	-	-	Daiwa Real Estate Appraisal Co., Ltd.	21
RT-05	The Park House Totsuka Front (the Retail Portions of 1st and 2nd Floors)	July 2021	540	531	666	4.5	670	4.5	+4	-	The Tanizawa Sōgō Appraisal Co., Ltd.	138
RT-06	Valor Kachigawa Store (Leasehold land)	January 2022	3,245	3,289	3,410	-	3,410	-	-	-	The Tanizawa Sōgō Appraisal Co., Ltd.	120
HT-01	Hotel Vista Sendai	February 2018	4,400	4,152	5,340	4.6	5,610	4.6	+270	-	The Tanizawa Sōgō Appraisal Co., Ltd.	1,457
OT-02	L-Place Nishikasai	March 2022	901	924	1,070	4.3	1,060	4.3	-10	-	The Tanizawa Sōgō Appraisal Co., Ltd.	135
			43,469	44,115	55,288	-	55,764	-	+476	-		11,648

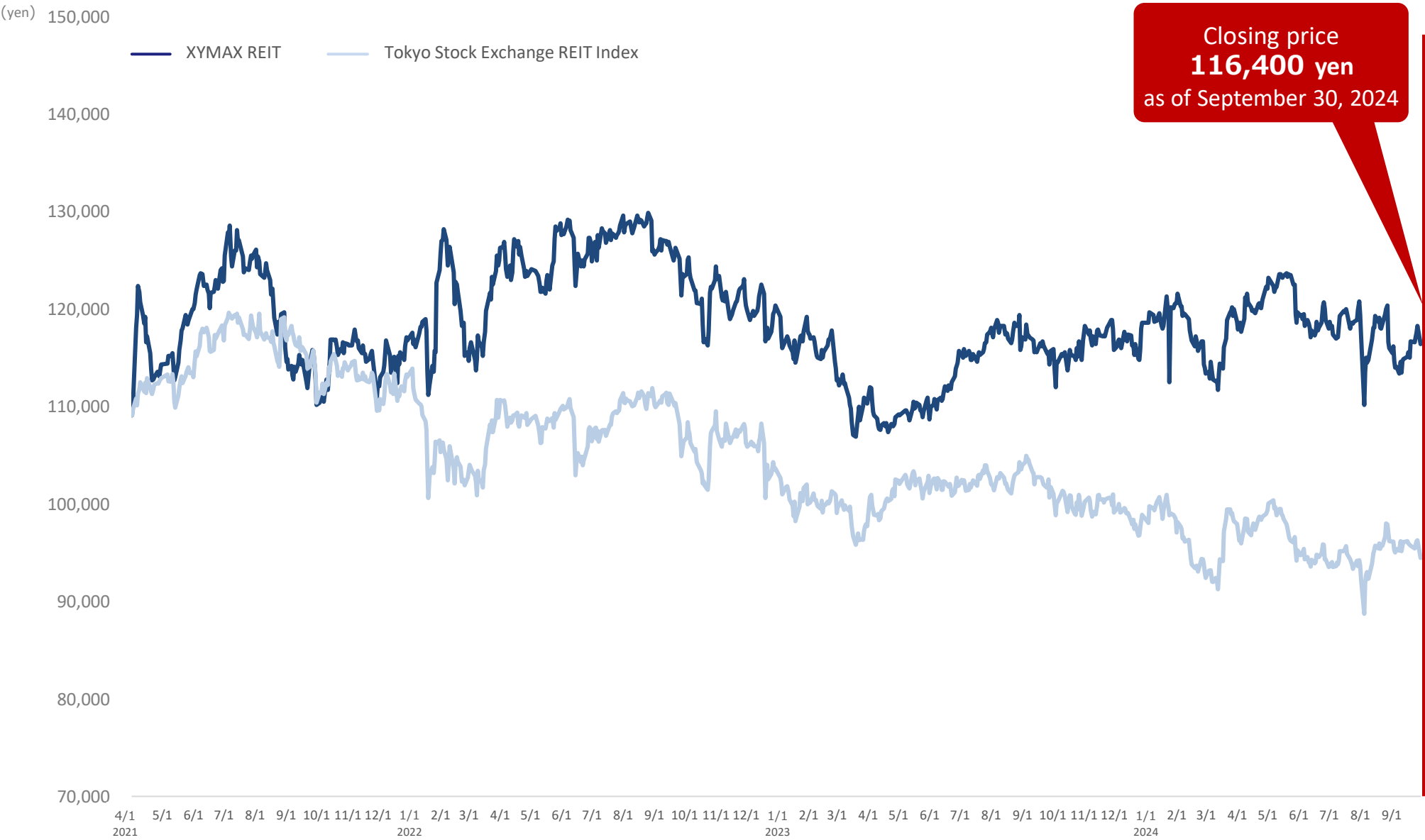
*¹ The difference between the estimated value at the end of the 12th FP and the estimated value at the end of the 13th FP is indicated.

*² The difference between the direct capitalization rate adopted in the real estate appraisal report for each portfolio asset in the calculation of estimated value at the end of the 12th FP and the direct capitalization rate adopted in the real estate report for each portfolio asset in the calculation of estimated value at the end of the 13th FP is indicated.

*³ The difference between the estimated value at the end of the 13th FP and the book value at the end of the 13th FP is indicated.

Change in Investment Unit Price

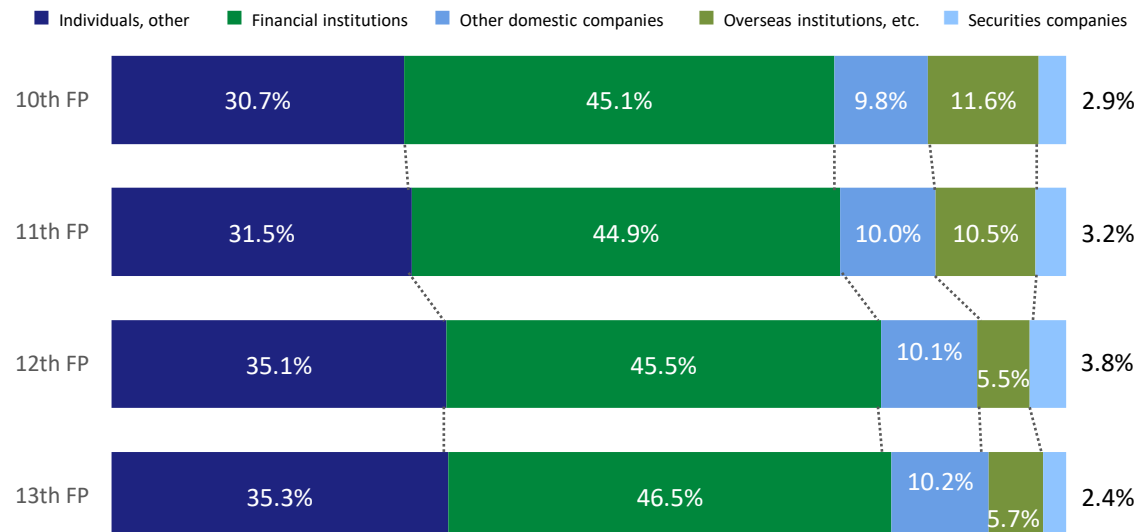
Change in investment unit price | As of September 30, 2024



* The starting point of investment unit price is set on April 1, 2021, and the Tokyo Stock Exchange REIT Index is indexed based on the opening price as of April 1, 2021.

Status of Unitholders

Share of investment units by owner type



Number of unitholders by owner type

	10th FP	11th FP	12th FP	13th FP
Individuals, other	9,916	10,306	10,926	10,958
Financial institutions	34	33	33	34
Other domestic companies	193	193	198	192
Overseas institutions, etc.	129	124	121	123
Securities companies	19	19	22	20
Total	10,291	10,675	11,300	11,327

Major unitholders

At the end of 13th FP

Name	Number of investment units(unit)	Ratio* (%)
Custody Bank of Japan, Ltd. (Trust account)	45,373	18.17%
The Master Trust Bank of Japan, Ltd. (Trust account)	40,778	16.33%
XYMAX GROUP Corporation	12,500	5.00%
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	11,612	4.65%
Individual	4,323	1.73%
JDC CORPORATION	3,000	1.20%
BNYM SA/NV FOR BNYM FOR BNYM GCM CLIENT ACCTS M ILM FE	2,608	1.04%
Osaka Shoko Shinkin Bank	2,526	1.01%
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	2,197	0.88%
Fukoku Mutual Life Insurance Company	2,055	0.82%
Total	126,972	50.86%

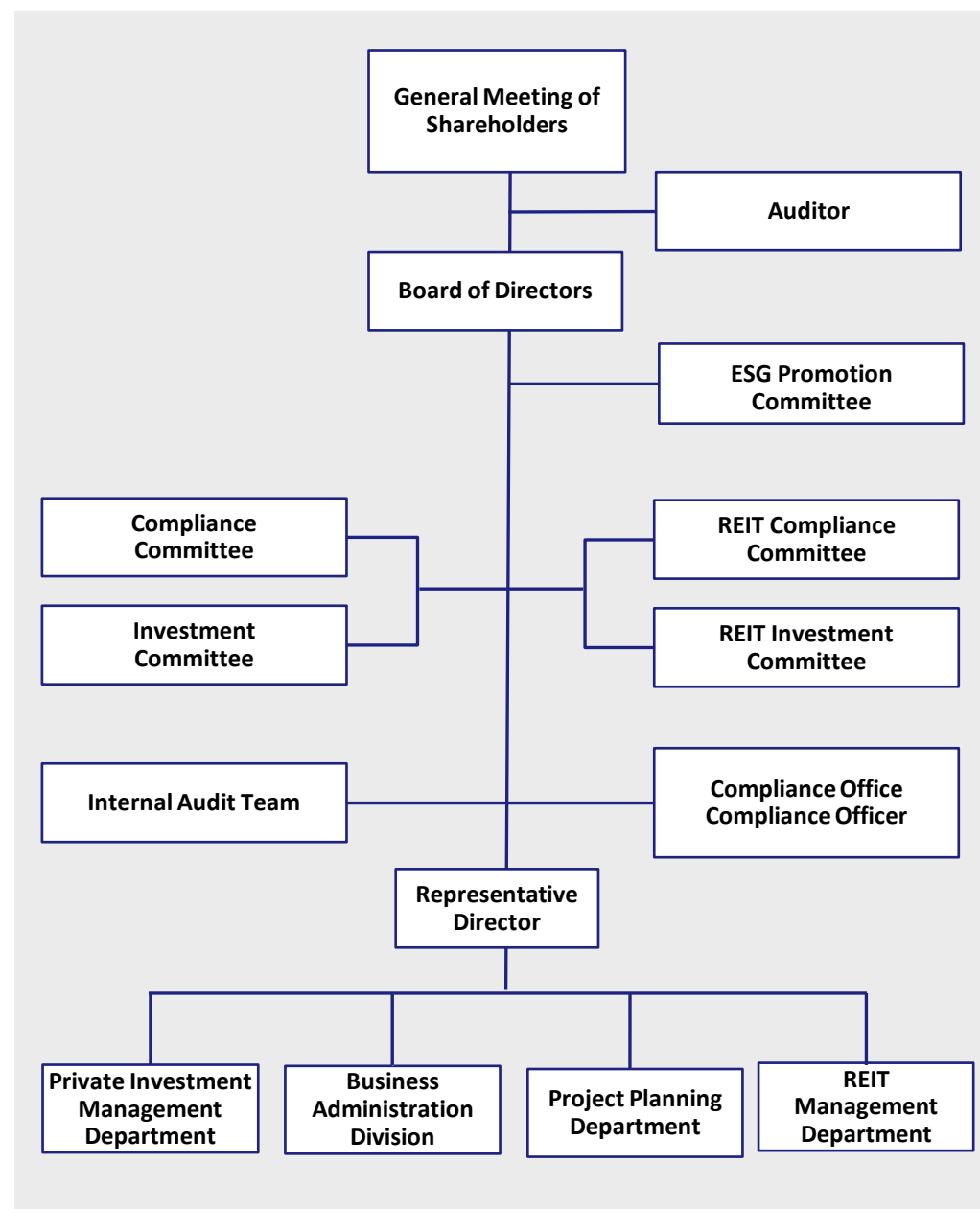
* The ratio of unitholders is rounded down to the second decimal place.

Overview of Asset Management Company

Overview

Company name	XYMAX REAL ESTATE INVESTMENT ADVISORS Corporation
Location	1-11-30 Akasaka, Minato-ku, Tokyo
Establishment	August 6, 2007
Capital	0.2 billion yen
Major shareholders	XYMAX Group Corporation (100%)
Number of executives and employees	48 (as of October 1, 2024)
Lines of business	(1) Financial instruments business as prescribed in the Financial Instruments and Exchange Act (2) Real estate investment advisory business and discretionary real estate investment business (3) Asset management business for investment corporation
Executives	Hideki Fukae, Representative Director and President Yasushi Yamaguchi, Director Kazuya Sugimoto, Director Akimitsu Takagi, Auditor
Licenses	Financial instruments business: Director-General of the Kanto Local Finance Bureau Registration (FIBO) No. 1907 (Investment Management Business, Investment Advisory and Agency Business, and Type II Financial Instruments Business) Discretionary transaction agency, etc. business: Minister of Land, Infrastructure, Transport and Tourism Approval No. 118 Real Estate Specified Joint Enterprise: License No. 75 granted by Commissioner of the Financial Services Agency and Minister of Land, Infrastructure, Transport and Tourism (for businesses referred to in items (iii) and (iv)) Real estate investment advisory business: Registration No. Sogo-57 Real estate brokerage business: Governor of Tokyo License (4) No. 88223

Organization



Overview of the Sponsor Group

Company name	XYMAX Group Corporation (unlisted)
Establishment	March 1, 1990 *Spin-off from Recruit Co., Ltd. through employee participatory MBO in 2000
Location of headquarters	1-1-1 Akasaka, Minato-ku, Tokyo
Capital	3,666,075,000 yen
Net sales	118,756 million yen (actual results for the fiscal year ended March 2024) *Consolidated figures of the Group
Representative	Representative Director, Chairman & CEO: Masafumi Shimada Representative Director: Kenji Yoshimoto
Major shareholders	XYMAX Group Shareholding Association, directors & employees, clients and financial institutions Total: 388 (as of March 31, 2024)
Number of employees	7,760 (as of April 1, 2024) *Consolidated at sponsor group level 366 (as of April 1, 2024) *XYMAX Group Corporation only

Real estate consulting and management services

Real estate consulting

- CRE strategy, effective utilization, development/design
- Consulting and planning on inheritance, fund procurement, etc.
- Real estate appraisal, real estate evaluation and research

Asset management

- Asset management, asset strategy, etc.

Real estate management

- Property management, building maintenance

Integrated management of store facilities

- Facility management

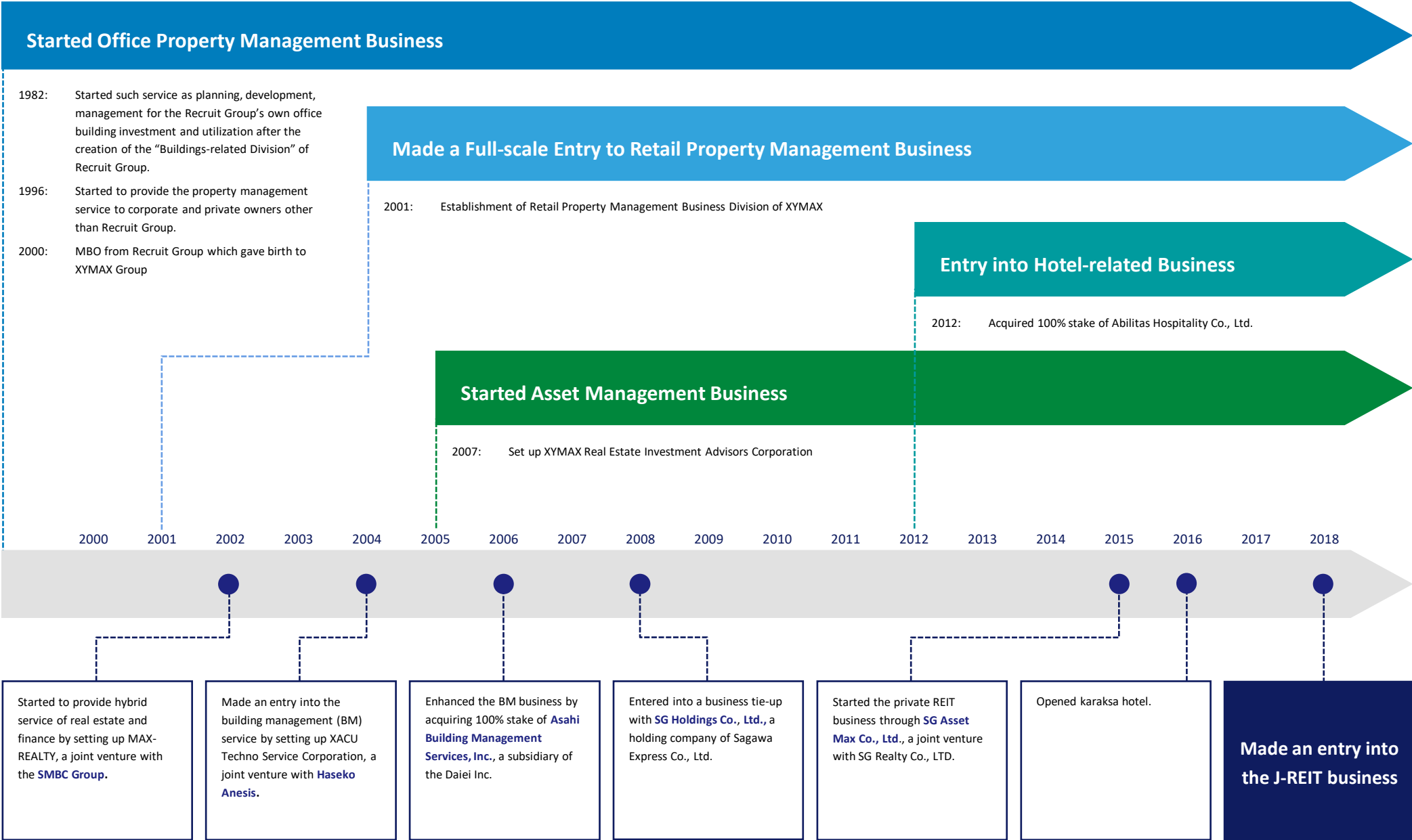
Office	Retail/Store	Logistics	Hotel
XYMAX XYMAX TRUST			
XYMAX REAL ESTATE INVESTMENT ADVISORS / MAX-REALTY			
	Valormax	SG Asset Max	
	Hokkaido	XYMAX HOKKAIDO	
	East Japan	XYMAX	
	Tokai	XYMAX TOKAI	
	Kansai	XYMAX KANSAI	
	Kyushu	XYMAX KYUSHU	

Other specialized services

Leasing brokerage	Market survey/analysis Research/planning on management and repair	Hotel business	Linen supply & cleaning
XYMAX INFONISTA	XYMAX REAL ESTATE INSTITUTE	KARAKSA HOTELS	XYMAX careSS
Cleaning	Security	Satellite office	Risk management
XYMAX SALA	MAX SECURITY SERVICE	XYMAX Group ZXY Department	Safety Organization for Urban Renewal

Realize growth of XYMAX REIT by drawing on all of the sponsor group's expertise and workforce

Corporate History



Fertile Management Base of the Sponsor Group

The sponsor group has been one of the best domestic service providers in the PM business field.

- Human resources: **2,365** people engaged in real estate management, **61** people in leasing, and **127** people in CRE related business (as of October 1, 2024)
- Relationship with real estate owners: approximately **450** companies (as of July 31, 2024)
- Track record in property sales and brokerage: **407** buildings, approximately **628.5** billion yen (accumulated total from April 1, 2010, to March 31, 2024)

Real estate management record (As of July 31, 2024)

Actual number of contracts

1,166 buildings

Total floor area

Approx. **6.9** million tsubo (Approx. **23.0** million m²)

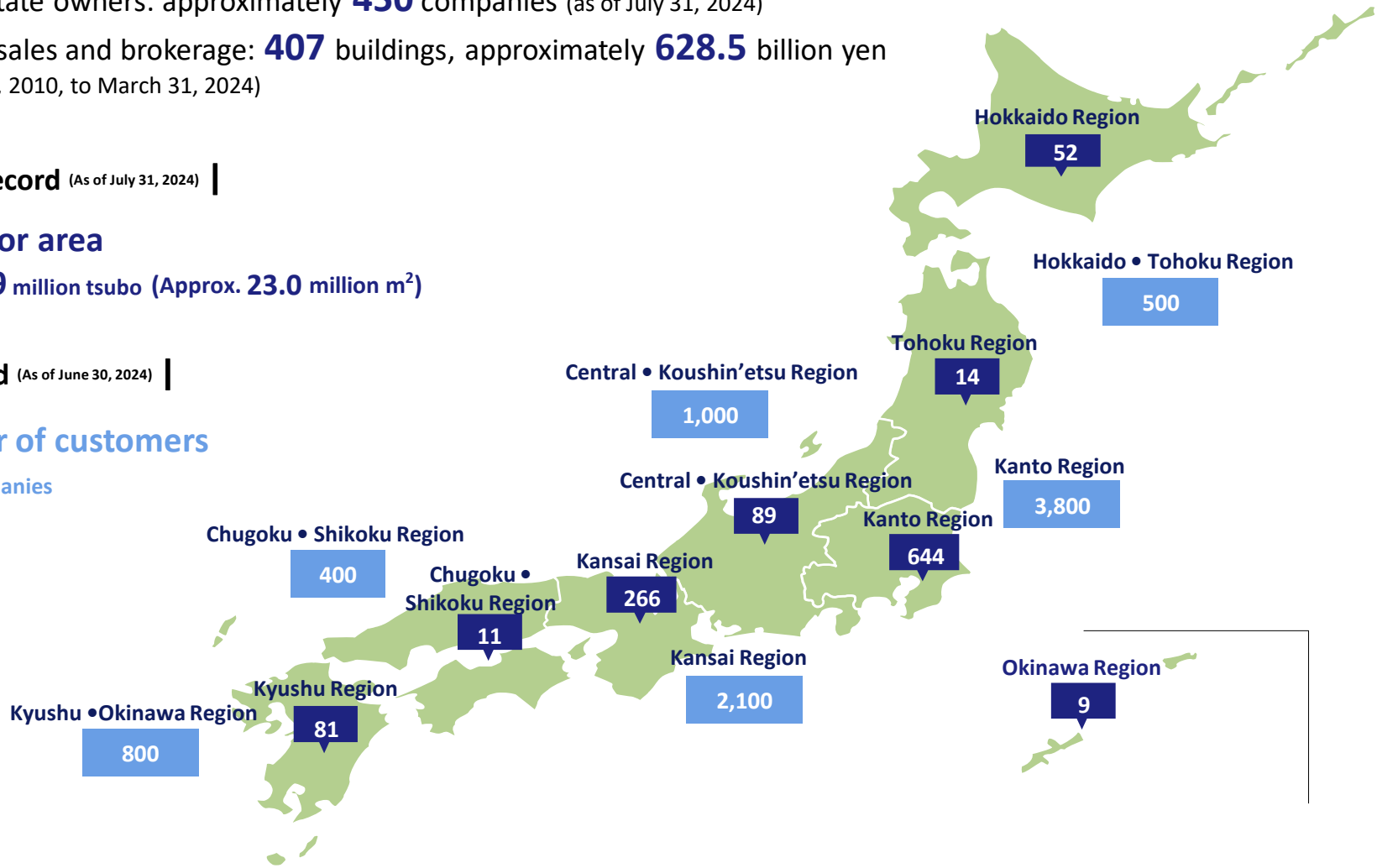
Facility management record (As of June 30, 2024)

Actual number of contracts

Approx. **8,600** stores

Number of customers

118 companies

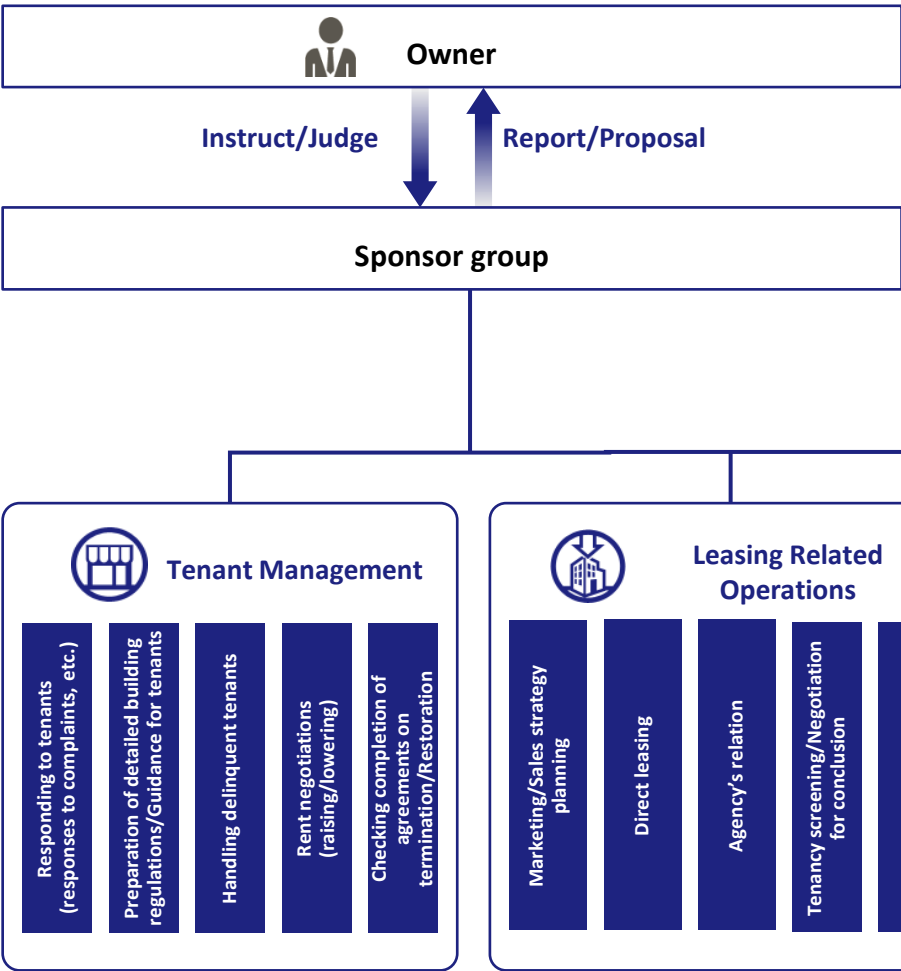


Property Management

The sponsor group provides consistent real estate management and operation services, ranging from Property Management (acting for owners) to Building Maintenance operations.

In addition, the sponsor group owns all kind of data on real estate management through a track record accumulated over the years.

Areas of Real Estate Management Operations

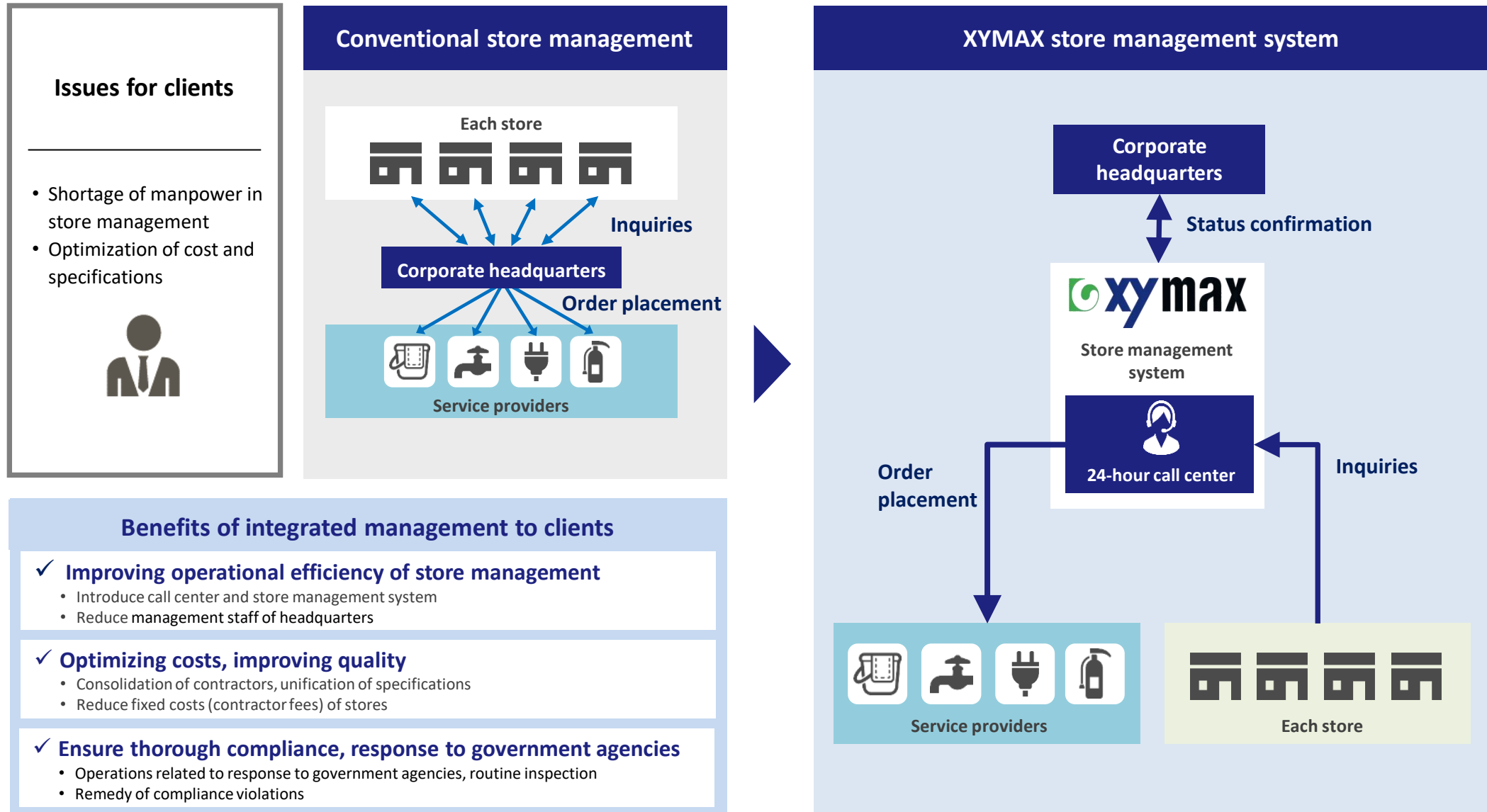


Data Related to Real Estate Management

Contracted rent data	42,464 buildings / 148,692 cases (accumulated total as of March 31, 2024)
Asking rent data	61,644 buildings (accumulated total as of March 31, 2024) 18,817 cases (as of March 31, 2024)
Construction work data	183,385 cases (accumulated total as of February 29, 2024)

Facility Management

The sponsor group provides integrated management of retail chain store facilities, offering services that substantially reduce the operational burden on store management.



Improving BM Quality and Implementing DX

The sponsor group has established a support structure utilizing IT to ensure a high level of building maintenance across all fields.

| ITBM CENTER |

Introducing information and communication technology in building maintenance operations to maintain and provide safe and secure services.
Creation of **more advanced, higher quality, safer and secure** building maintenance systems and value.
We have named this initiative “**ITBM**” (Information Technology Building Maintenance) and introduced it into our building management.

TA (Technical Advisor) Support

TAs backup for all building maintenance sites.

TAs with knowledge, skills, and expertise in building maintenance based on their experience at various sites are stationed at the ITBM Center and use their knowledge to support all on-site operations.

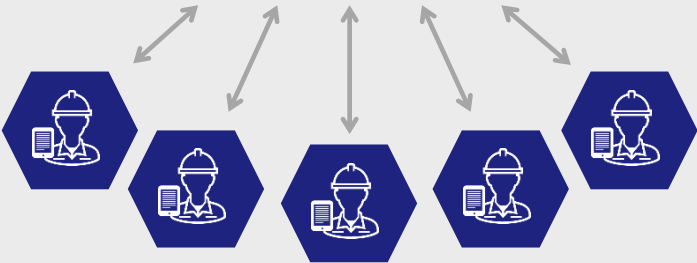
Knowledge Support

Desired information can be accessed anytime, anywhere from a dedicated website

Information on managed properties as well as knowledge and information concerning building maintenance operations are aggregated into a database. Information can be accessed anytime, anywhere from devices at all sites.



Confirmation and instructions from the ITBM Center to the field



Site facility staff (patrol/ on-site)



Real-time information gathering function in the event of an emergency or disaster

In the event of a fire or natural disaster, information can be shared in real time via video with related departments and headquarters functions by connecting smart devices in the field to the ITBM Center. The video sent from the field can be output to a large display, and the video and the audio of the communications are recorded for **realistic and accurate reporting of the situation**.



A frame from video footage of a fire that broke out in a building near our managed property.
After the occupants of the building were safely evacuated, the video was connected to the ITBM Center and subsequently used to report the situation to the owner and headquarters.

Key Points by Asset Type

XYMAX REIT believes that quantity and quality of tenant demand are key factors to assess the profitability of real estate. XYMAX REIT aims for portfolio growth by comprehensively assessing the factors below by asset type.

Office

Focus on properties with strong attractiveness to tenants

- ✓ Properties located in the **8 central wards of Tokyo, Central Nagoya, Central Osaka and Central Fukuoka**
- ✓ Properties with a unit rent of **10,000** yen to **20,000** yen
- ✓ Properties located within an approximate **5**-minute walk from the nearest station

Retail

Focus on stability of tenant rent or property price

- ✓ Properties where **revenue of facilities** is available for analysis
- ✓ Properties where **rent burden** on tenants is available for analysis
- ✓ Properties where **sales price is lower** than the market price

Hotel

Focus on hotels specialized in stay near transportation hubs

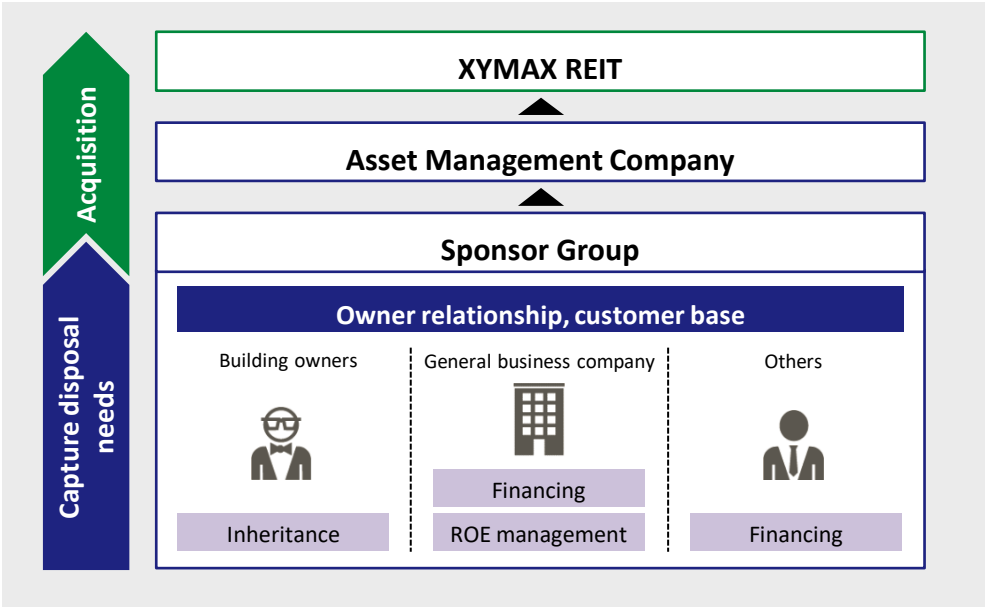
- ✓ Hotels **specialized in stay** whose revenue trends can be analyzed based on the operational know-how of the sponsor
- ✓ Properties located in areas offering **excellent access** to transportation hubs
- ✓ Properties located in areas where the **number of overseas visitors is expected to increase**

80% or more of the portfolio consists of office, retail, and hotel properties

Original Sourcing Strategy

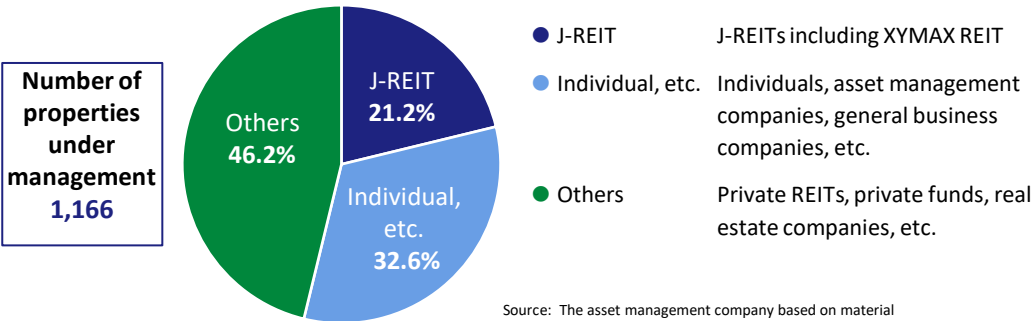
XYMAX REIT captures the needs for real estate disposal gained from the huge customer base of the sponsor group. In addition, XYMAX REIT grasps the trend of real estate owners at an early stage through daily communication, so that opportunities are created for external growth.

Direct relationship with real estate owners



Diversity among real estate owners

Percentage of client types for real estate management business (As of the end of July 2024)



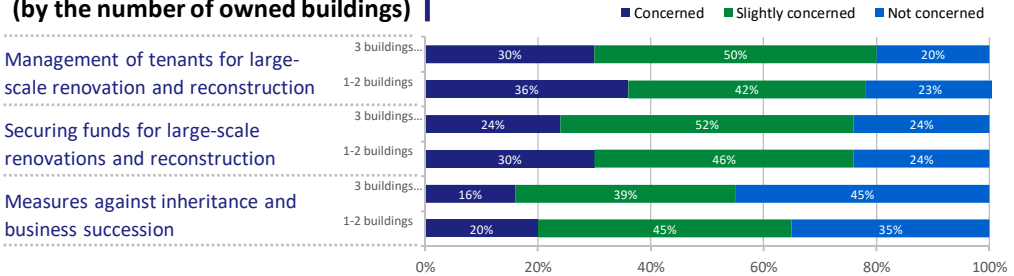
Source: The asset management company based on material provided by XYMAX GROUP Corporation

- More than 70% of real estate owners are concerned about large-scale renovations of owned properties, tenant management, and securing funds for reconstruction → **Identifies needs of property disposal arising due to the problem or concern about necessary funds**
- Concern for inheritance and business succession tends to increase as real estate owners get older → **Identifies needs of property disposal upon business succession and inheritance by building owners**

Realization of external growth

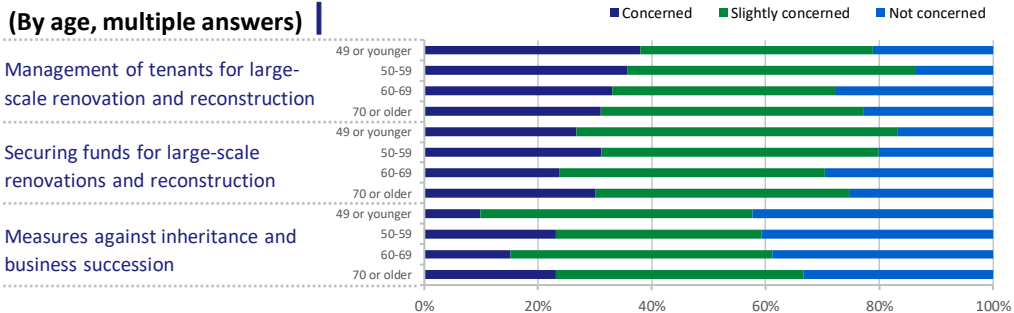
Survey on building owners' situations by XYMAX Real Estate Institute

Concerns over future building business (by the number of owned buildings)



Source: "Building Owner Survey 2017" by XYMAX Real Estate Institute

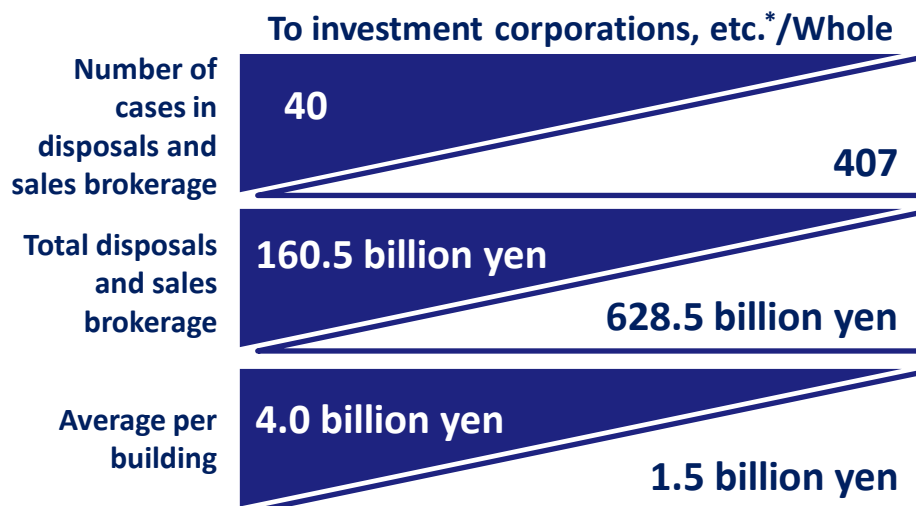
Concerns over future building business (By age, multiple answers)



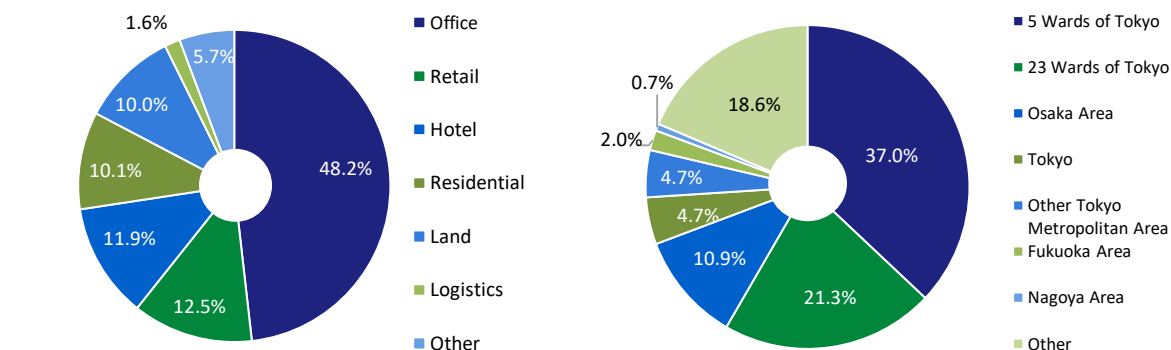
Source: Created by XYMAX Real Estate Institute based on the request from the asset management company

Sponsor Group's Track Record of Real Estate Disposals and Real Estate Brokerage

External growth (number of cases, total amount and area) by capitalizing on track record in real estate sales and brokerage.

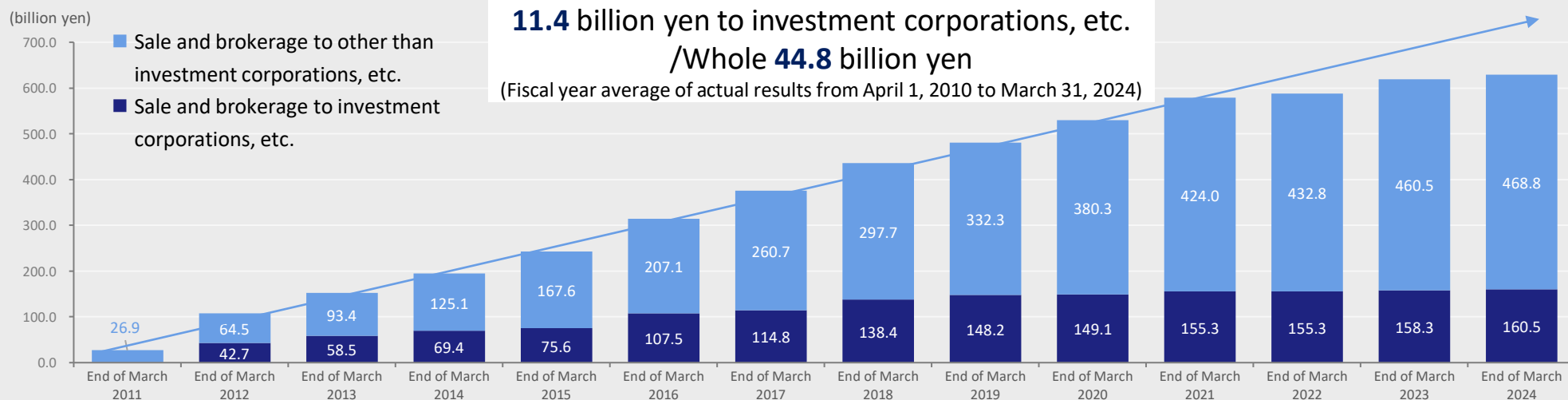


Use and geographical area of real estate in real estate disposals and real estate sales brokerage results



Source: XYMAX Group Corporation

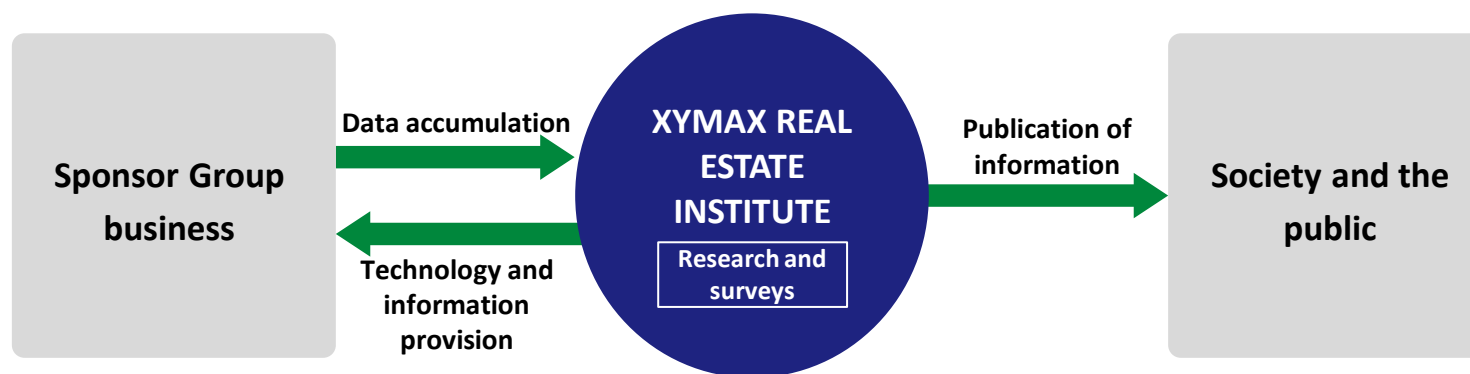
Accumulated track record of real estate disposal and brokerage services (accumulated total from April 1, 2010, excluding sales to XYMAX REIT)



Source: XYMAX Group Corporation

* Real estate investment corporations or vehicles for acquisition and holding of properties with the intent to transfer them to real estate investment corporations

Original Data Accumulation and Utilization by XYMAX Real Estate Institute



Details of the information delivered

We are providing the public with the results of analysis and research from a unique perspective based on the data we have gathered.

XYMAX Real Estate
Institute Website
(Japanese version
only)



Survey and analysis of the real estate market

- Quarterly announcement of benchmarks for the rental office market
- Development of new benchmarks/contracted rent DI, new contracted rent index, etc.
- Disclose the Office Pyramid
- Announcement of forecasts for the volume of new offices in Tokyo and Osaka
- Fact finding surveys of small and medium-sized building owners
- Fact finding surveys of retail stores (renovations, openings/closings)

Survey and analysis of tenants

- Survey on floorspace per person
- Analysis of lease periods of office tenants and retail tenants
- Office tenant opinion surveys, office disaster prevention, how offices are being used, etc.

Survey and analysis of energy

- Survey on energy consumption and costs for office buildings
- Analysis of the economic feasibility of environmental management

Survey and analysis on workstyles and offices

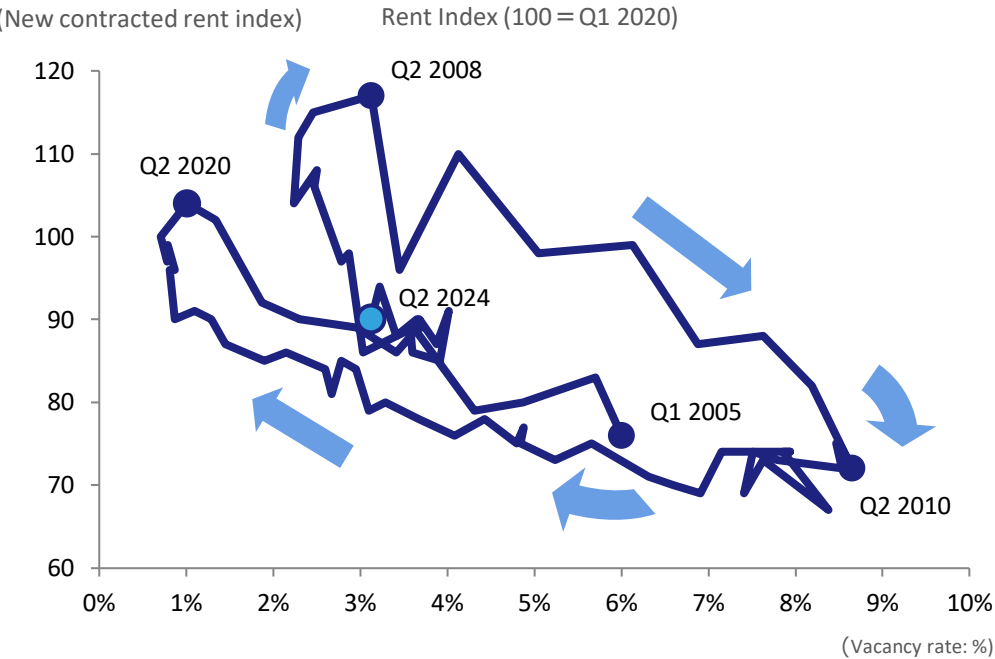
- Survey on office demand in major metropolitan areas
- Survey on office workers in the Tokyo Metropolitan Area
- Research on the flexible office market

Posting, contribution and lectures to mass media and various media (examples)

- Posting Various newspapers, magazines, TV, and others
- Contribution ARES Real Estate Securitization Journal, Real Estate Fund Review, The Japanese Journal of Real Estate Sciences, Economic Analysis (Cabinet Office), and others
- Lectures Ministry of Land, Infrastructure, Transport and Tourism; Tokyo Metropolitan Government; The Real Estate Companies Association of Japan (RECAJ); Japan Facility Management Association (JFMA); Japan Building Owners and Managers Association; Japan Telework Society; and others
- Joint study Hitotsubashi Univ., Waseda Univ., Keio Univ., Nihon Univ., Univ. of Hyogo, Chiba Univ., and others

Office Market Analysis

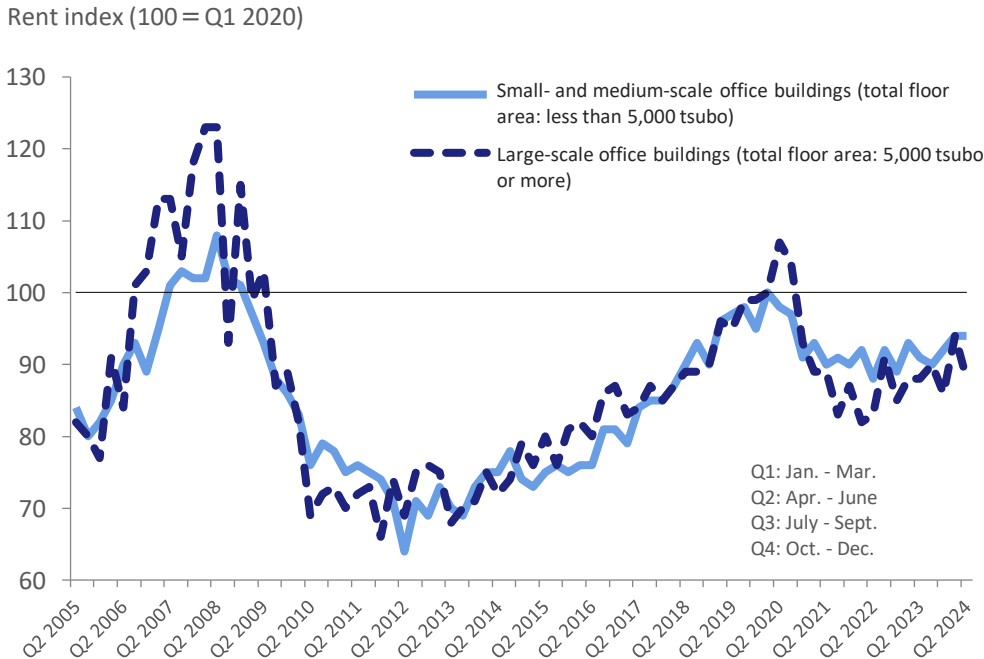
Office market cycle in the 23 wards of Tokyo



	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Vacancy rate	3.71%	3.65%	3.41%	3.22%	3.13%
New contracted rent index	89	90	88	94	90

Source: XYMAX Real Estate Institute Corp.
(Vacancy rates for March 2011 and before are calculated based on data from a major leasing brokerage company)

New contracted rent by office building scale



	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Large-scale office buildings (total floor area: 5,000 tsubo or more)	88	90	86	94	88
Small- and medium-scale office buildings (total floor area: less than 5,000 tsubo)	91	90	92	94	94

Source: Survey Report by XYMAX Real Estate Institute Corp.
"Office Market Report Tokyo Q2 2024"

Trends in Office Market and Advantages of XYMAX REIT (1)

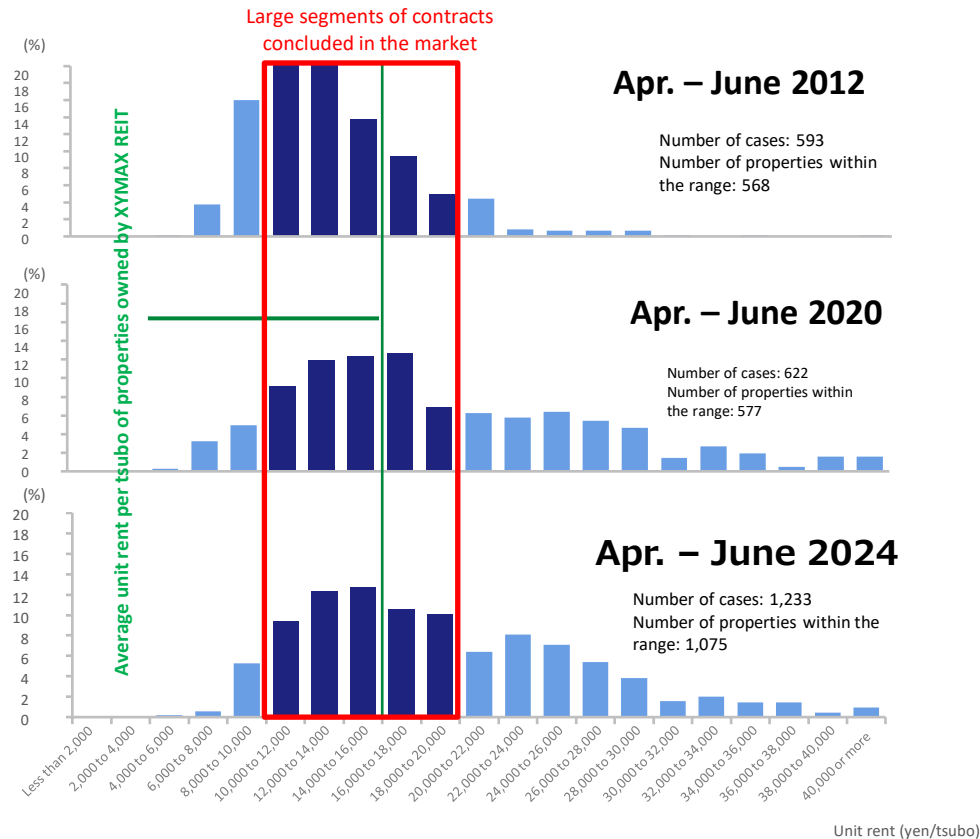
Distribution of contracts concluded in the 23 Wards of Tokyo (by ranges of contracted unit rent)

XYMAX REIT has many properties with unit rent in the range of 10,000 to 20,000 yen per tsubo, which are in high demand and large segments of contracts concluded in the market.

Eight office properties owned by XYMAX REIT*

Average unit rent for existing contracts: 15,726 yen/tsubo

* Excluding Mita and Sapporo



Source: Created by XYMAX Real Estate Institute based on the request from the asset management company

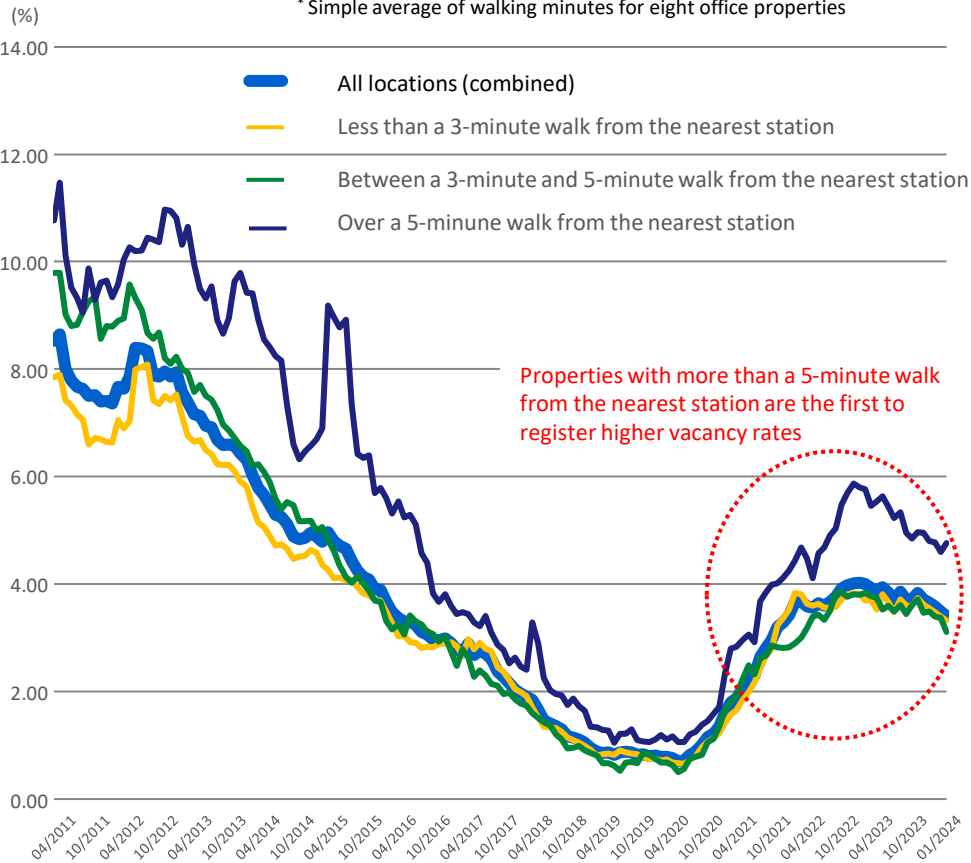
Vacancy rate by time required to walk to the nearest station in the 23 wards of Tokyo

Many of the properties held by XYMAX REIT are within a 5-minute walk from the nearest station, where vacancy rate increases are relatively slow.

Eight office properties owned by XYMAX REIT

Average minutes of walk from the nearest station*: 2.8

* Simple average of walking minutes for eight office properties

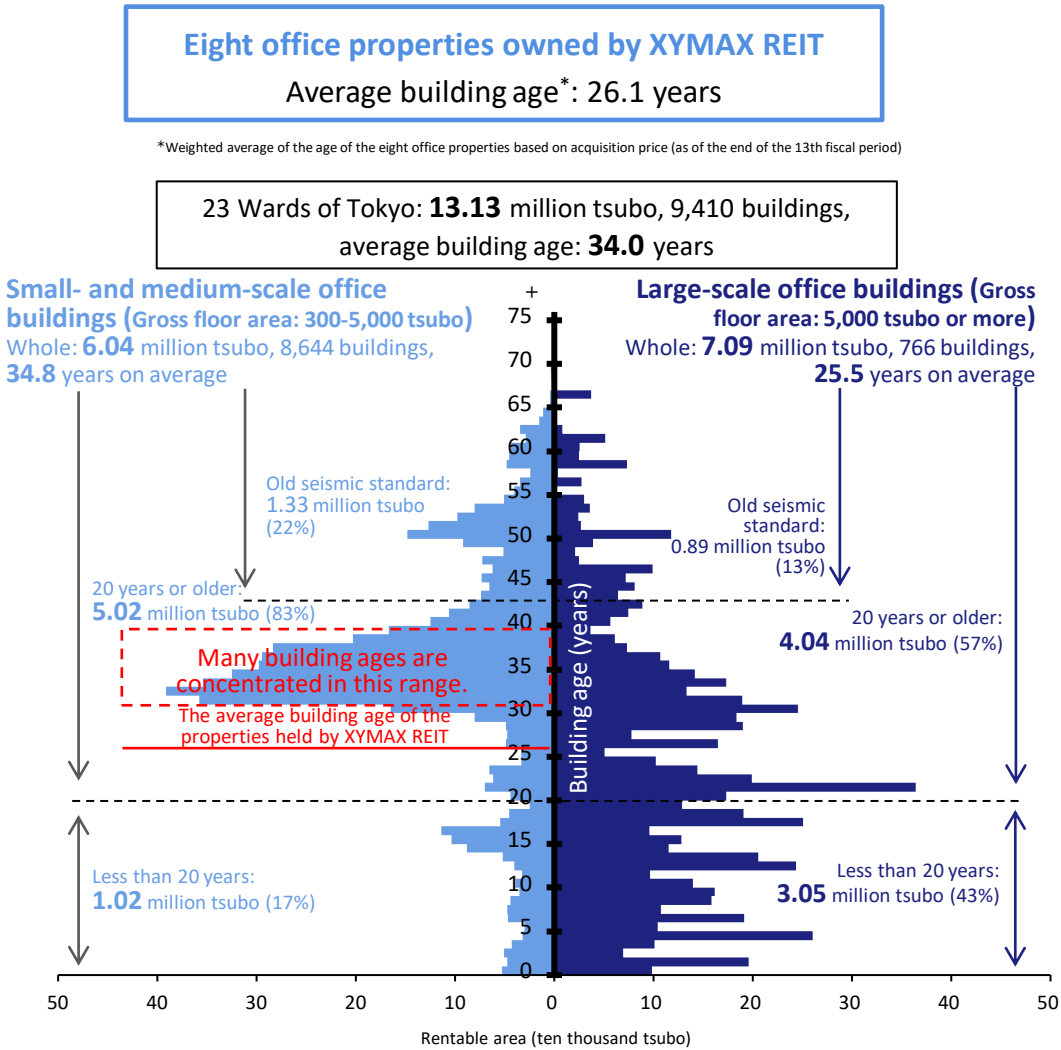


Source: Created by XYMAX Real Estate Institute based on the request from the asset management company

Trends in Office Market and Advantages of XYMAX REIT (2)

| Office Stock Pyramid 2024 covering the 23 wards (net rentable area) |

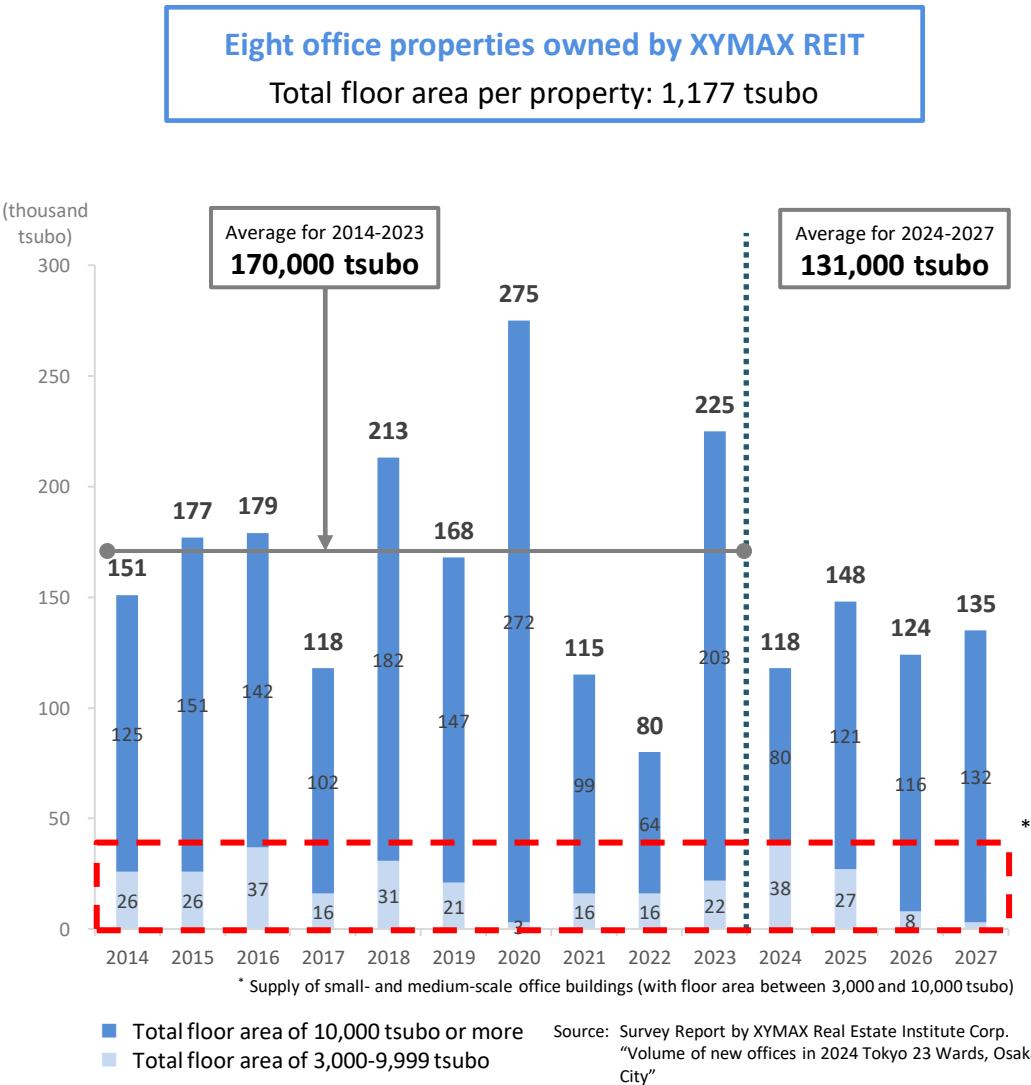
XYMAX REIT has a large number of properties that are less than 30 to 40 years old, which represent the largest segment for small- and medium-sized office supply.



Source: Survey Report by XYMAX Real Estate Institute Corp.
"Office Stock Pyramid 2024 Tokyo 23 Wards, Osaka City"

| Volume of new offices in Tokyo's 23 wards in 2024 (net rentable area) |

The supply of small- and medium-sized buildings is expected to remain limited.



Sponsor Group’s Expanding B to C Business Activities (ZXY)

Membership satellite office business “ZXY” making diverse ways of working possible

| New work-place for “ZXY-Work (free work-style)” |



In July 2024, ZXY Hiroshima Kamiyacho opened, the first location in the Hiroshima area.
In the Nagoya area, ZXY Nagoya opened in front of Nagoya Station in addition to ZXY Sakae.

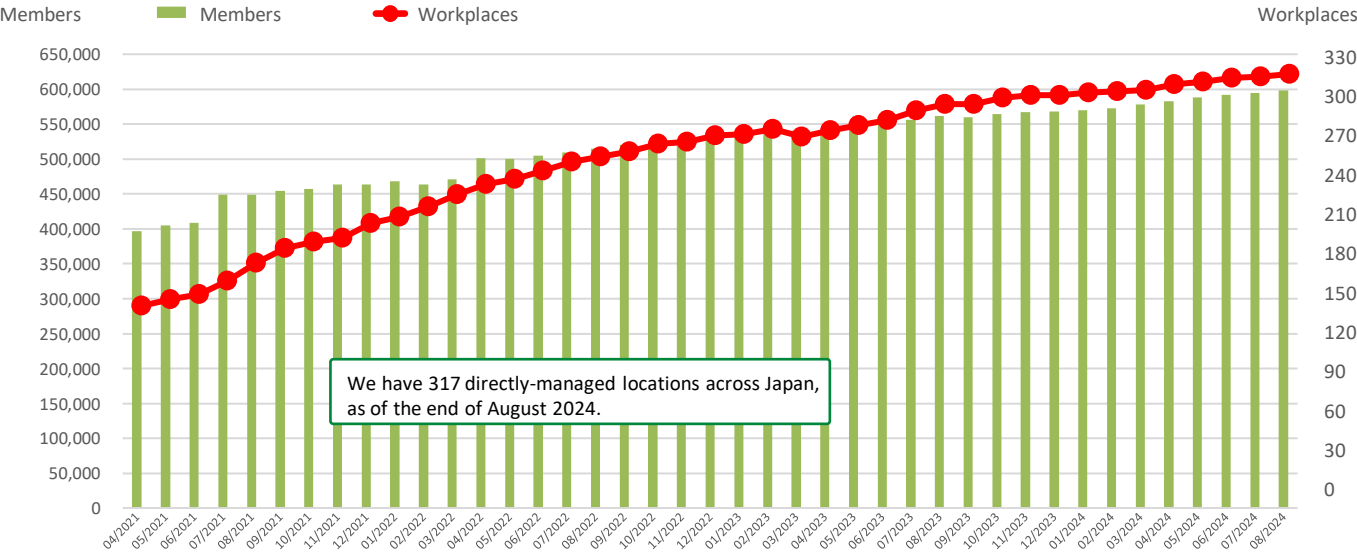


(ZXY Hiroshima Kamiyacho)

Utilizing clean energy

CO2 emissions from energy consumption at facilities under direct management of ZXY have been reduced to zero in effect, by using non-fossil certificates derived from renewable energy sources.

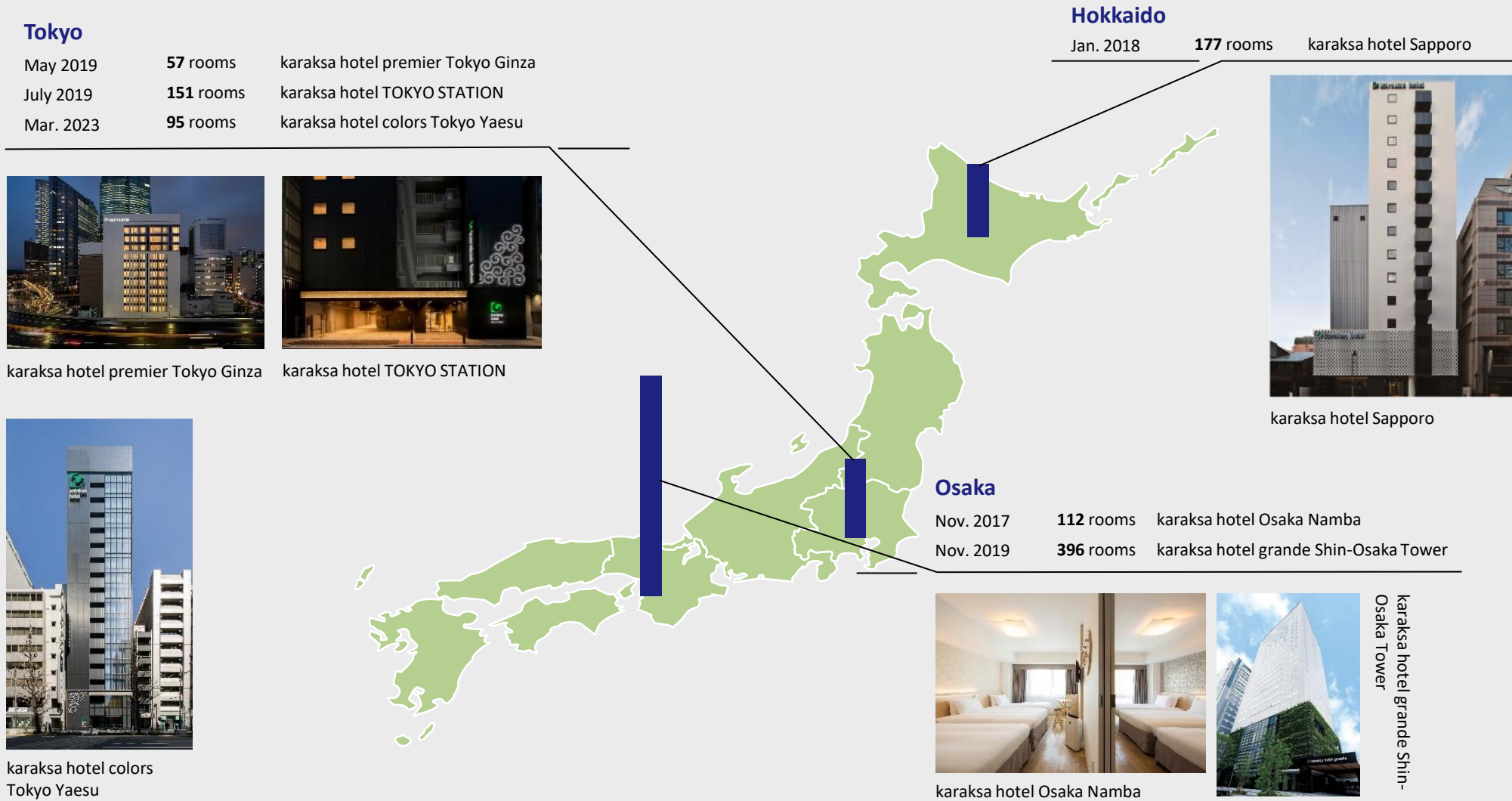
■ Change in number of memberships and workplaces



Starting in December 2022, we began a partnership with CocoDesk, which is operated by FUJIFILM Business Innovation Corp.
A total of 125 CocoDesks installed mainly in Tokyo Metro stations are available for use via ZXY members’ website.

Sponsor Group’s Expanding B to C Business Activities (karaksa hotel)

The sponsor group is expanding its own brand, “karaksa hotel” nationwide mainly targeting tourists.



Source: KARAKSA HOTELS Corporation

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