

## (REIT) Financial Report for the Fiscal Period Ended August 2021

October 13, 2021

REIT Securities Issuer: XYMAX REIT Investment Corporation Listing: Tokyo Stock Exchange  
 Securities Code: 3488 URL: <https://xymaxreit.co.jp/en/index.html>  
 Representative: Shotaro Kanemitsu, Executive Director

Asset Management Company: XYMAX REAL ESTATE INVESTMENT ADVISORS Corporation  
 Representative: Shotaro Kanemitsu, Representative Director and President  
 Contact: Tatsuya Nakayama, Head of Business Planning Division  
 TEL: +81-3-5544-6880

Scheduled date for submission of securities report: Nov. 29, 2021

Scheduled date for commencement of distribution payment: Nov. 19, 2021

Supplementary materials for financial results: Yes

Financial results briefing session: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen)

## 1. Status of Management and Assets for the Fiscal Period Ended August 2021 (from March 1, 2021 to August 31, 2021)

## (1) Results of Operations (% figures are the rate of period-on-period increase (decrease))

	Operating revenue		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Fiscal period ended Aug. 2021	1,305	0.9	701	(2.1)	648	(0.4)	647	(0.4)
Fiscal period ended Feb. 2021	1,293	(5.2)	716	(7.2)	651	(10.2)	650	(10.2)

	Net income per unit	Return on equity	Ratio of ordinary income to total assets	Ratio of ordinary income to operating revenue
	yen	%	%	%
Fiscal period ended Aug. 2021	2,899	2.8	1.7	49.7
Fiscal period ended Feb. 2021	2,911	2.8	1.8	50.4

## (2) Distribution

	Distribution per unit (excluding distribution in excess of earnings)	Total distribution (excluding distribution in excess of earnings)	Distribution in excess of earnings per unit	Total distribution in excess of earnings	Payout ratio	Ratio of distribution to net assets
	yen	million yen	yen	million yen	%	%
Fiscal period ended Aug. 2021	2,900	647	-	-	100.0	2.8
Fiscal period ended Feb. 2021	2,911	650	-	-	100.0	2.8

## (3) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per unit
	million yen	million yen	%	yen
Fiscal period ended Aug. 2021	38,971	23,233	59.6	104,000
Fiscal period ended Feb. 2021	37,636	23,236	61.7	104,011

(4) Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
Fiscal period ended Aug. 2021	783	(1,393)	619	2,877
Fiscal period ended Feb. 2021	665	(1,170)	376	2,867

2. Operating Forecasts for the Fiscal Period Ending February 2022 (from September 1, 2021 to February 28, 2022) and Fiscal Period Ending August 2022 (from March 1, 2022 to August 31, 2022)

(% figures are the rate of period-on-period increase (decrease))

	Operating revenue		Operating income		Ordinary income		Net income		Distribution per unit (excluding distribution in excess of earnings)	Distribution in excess of earnings per unit
	mn yen	%	mn yen	%	mn yen	%	mn yen	%	yen	yen
Fiscal period ended Feb. 2022	1,383	6.0	740	5.5	665	2.7	664	2.6	2,977	-
Fiscal period ended Aug. 2022	1,387	0.2	732	(1.0)	674	1.2	673	1.2	3,013	-

(Reference) Forecast net income per unit

(Forecast net income ÷ Forecast total number of investment units issued and outstanding at end of period)

Fiscal period ending February 2022: 2,976 yen      Fiscal period ending August 2022: 3,013 yen

\* Other

(1) Changes in Accounting Policies, Accounting Estimates, and Retrospective Restatements

- i. Changes in accounting policies accompanying amendments to accounting standards, etc.: None
- ii. Changes in accounting policies other than i.: None
- iii. Changes in accounting estimates: None
- iv. Retrospective restatements: None

(2) Total number of investment units issued and outstanding

i. Total number of investment units issued and outstanding (including treasury investment units) at end of period

Fiscal period ended Aug. 2021	223,400 units	Fiscal period ended Feb. 2021	223,400 units
-------------------------------	---------------	-------------------------------	---------------

ii. Number of treasury investment units at end of period

Fiscal period ended Aug. 2021	0 units	Fiscal period ended Feb. 2021	0 units
-------------------------------	---------	-------------------------------	---------

(Note) For the number of investment units serving as the basis for calculation of net income per unit, please see "Notes on Per Unit Information" on page 23.

\* Explanation of Appropriate Use of Operating Forecasts, and Other Matters of Special Note

The operating forecasts and other forward-looking statements contained in this document are based on information currently available to and certain assumptions deemed reasonable by XYMAX REIT. Accordingly, the actual results of operations, etc. may differ materially due to various factors. Key factors that could affect the actual operational status include a decline in rent revenue, non-payment of rent and bankruptcy of tenants occupying owned properties, as a result of the further spread of the new coronavirus infectious diseases (COVID-19) and the prolongation of the period until the contagion converges. Factors affecting the investment status are not limited to these. In addition, the forecasts are not a guarantee of the amount of distribution. For the assumptions underlying the operating forecasts, matters of note in the use of the operating forecasts, etc., please see "Assumptions Underlying the Operating Forecasts for the Fiscal Period Ending February 2022 (from September 1, 2021 to February 28, 2022) and Fiscal Period August 2022 (from March 1, 2022 to August 31, 2022)" on page 5. Accordingly, the actual operating revenue, operating income, ordinary income, net income, distribution per unit and distribution in excess of earnings per unit may vary due to changes in the circumstances.

Table of Contents

1. Management Status.....	2
(1) Overview of the Fiscal Period under Review.....	2
(2) Outlook for the Next Fiscal Period.....	3
2. Financial Statements.....	7
(1) Balance Sheet.....	7
(2) Statement of Income .....	9
(3) Statement of Unitholders' Equity .....	10
(4) Statement of Cash Distribution .....	11
(5) Statement of Cash Flows .....	12
(6) Notes on the Going Concern Assumption .....	13
(7) Notes on Matters Concerning Significant Accounting Policies.....	13
(8) Notes on the Financial Statements.....	15
(9) Changes in Total Number of Investment Units Issued and Outstanding .....	24
3. Reference Information.....	24
(1) Investment Status.....	24
(2) Investment Assets .....	26

## 1. Management Status

### (1) Overview of the Fiscal Period under Review

#### I. Brief History of the Investment Corporation

XYMAX REIT was incorporated under the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended) (hereinafter, the "Investment Trusts Act") with XYMAX REAL ESTATE INVESTMENT ADVISORS Corporation (hereinafter, the "Asset Management Company") as the organizer and investments in capital of 300 million yen (3,000 units) on September 14, 2017, and completed the registration with the Kanto Local Finance Bureau on October 31, 2017 (Registration No. 131 with the Director-General of the Kanto Local Finance Bureau). Later, XYMAX REIT implemented an issuance of new investment units through public offering (209,905 units) with February 14, 2018 as the payment due date, and listed on the Real Estate Investment Trust Securities Market of Tokyo Stock Exchange, Inc. (hereinafter, "Tokyo Stock Exchange") on February 15, 2018 (securities code: 3488). In addition, an issuance of new investment units through third-party allotment (10,495 units) was implemented on March 20, 2018.

These resulted in total number of investment units issued and outstanding of 223,400 units as of the last day of the fiscal period.

XYMAX REIT utilizes the real estate management (Note 1) strengths of the XYMAX Group (Note 2) to conduct appropriate portfolio management and thereby maximize the value of real estate with the aim of maximizing unitholder value.

(Note 1) "Real estate management" collectively refers to property management, comprehensive building maintenance services, and combined property management and comprehensive building maintenance services (including cases where contracted with such services in subleasing cases). The same shall apply hereinafter.

(Note 2) "XYMAX Group" refers to the corporate group comprising XYMAX Corporation and its consolidated subsidiaries and affiliates accounted for using the equity method. The same shall apply hereinafter.

#### II. Management Environments

With regard to the economic environment during the fiscal year under review, the real GDP growth rate for the April-June quarter of 2021 increased by 0.5% (an annual increase of 1.9%), partly due to an increase in investment in housing and the resumption of capital investment by companies that had been postponed.

As for the financial markets, according to "Loans and Discounts Outstanding by Sector" published by the Bank of Japan, total loans outstanding as of the end of June 2021 were JPY541 trillion and loans outstanding for real estate were JPY88.9 trillion, which remained at extremely high levels.

Although economic activities are expected to gradually resume due to an increase in the vaccination coverage rate, the outlook for epidemicity COVID-19 is uncertain worldwide, and therefore, XYMAX REIT believes that it is necessary to continue to closely monitor trends in the capital and financial markets in the future.

Under these circumstances, the following movements have been observed in the markets for office, retail and hotel and the real estate buy-sell market, in which XYMAX REIT is primarily invested.

As for offices, according to "Office Market Report Tokyo 2021Q2" (Note) published by XYMAX Real Estate Institute Corporation the vacancy rate in Tokyo's 23 wards in the second quarter of 2021 increased by 0.66 point from the previous quarter to 2.96%, however, the vacancy absorption rate in the 23 wards of Tokyo in the 2Q of 2021 is increased by 3.6 points from the previous quarter to 34.5%.

Based on the experience of teleworking activities as an infection control against the COVID-19, companies are seeking out an office strategy towards after-COVID-19.

For example, while some companies have reduced leased area of their head offices based on the company policy to use head offices together with other working places effectively (such as satellite offices and home, etc.), there have also been moved to lease new office spaces for the purpose of opening satellite offices and consolidating dispersed offices.

Regarding retail facilities, according to the Ministry of Economy, Trade and Industry's Current Survey of Commerce, retail sales in the second quarter 2Q of 2021 increased by 6.5% from the same quarter of the previous year.

Sales at supermarkets and drugstores, which mainly sell daily necessities, remained firm even under the impact of

the spread of COVID-19.

In addition, according to a survey of trends in the service industry conducted by the Statistics Bureau of the Ministry of Internal Affairs and Communications, restaurant sales increased 11.9% year-on-year, but a full-fledged recovery is still likely to take time.

As for hotels, according to the Japan Tourism Agency's Accommodation Travel Statistical Survey, the total number of guests in the first half of 2021 (January-June) decreased by 16.4% year-on-year.

In addition, the number of guests of overseas visitors to Japan, as announced by the Japan National Tourism Organization, declined 97.6% in the first half of the year, and it is believed that it will take a considerable amount of time to recover to the number of overseas visitors before the spread of COVID-19.

The entire hotel industry continues to be significantly negatively affected by restrictions on the movement of people domestically and overseas due to COVID-19. However, some areas are showing signs of a gradual recovery, partly due to the impact of the gradual relaxation of restrictions on the holding of events and other events.

In the real estate buy-sell market, following the backdrop of a favorable financing environment and strong demand from overseas investors, investment activities continued, particularly in asset types such as residential and logistics facilities. There were also large-scale transactions, such as the sale of the head office building. As a result, the real estate market was active and real estate prices remained in a higher price range.

(NOTE) For more information on the survey, please refer to the website (<https://soken.xymax.co.jp/>) of Xymax Real Estate Institute Co., Ltd.

### III. Management Status

As of the last day of the fiscal period under review, XYMAX REIT had 15 properties in its portfolio. Its total acquisition price stood at 35,313 million yen, a total leasable area at 77,616.68 m<sup>2</sup> and total leased area at 76,020.50 m<sup>2</sup>. The occupancy rate as of the last day of the fiscal period under review was 97.9%.

### IV. Financing Status

#### (Equity Financing)

In the fiscal period under review, XYMAX REIT did not procure funds through issuance of new investment units. As of the last day of the fiscal period under review, unitholders' capital was 22,585 million yen.

#### (Debt Financing)

In the period under review, XYMAX REIT borrowed a new loan of 1,270 million yen on July 1, 2021.

As a result, as of the last day of the fiscal period under review, the balance of loans outstanding was 14,050 million yen.

### V. Overview of Business Performance

Business performance in the fiscal period under review resulted in operating revenue of 1,305 million yen, operating income of 701 million yen, ordinary income of 648 million yen and net income of 647 million yen.

Concerning distribution for the fiscal period under review, pursuant to the distribution policy provided in XYMAX REIT's Articles of Incorporation, the decision was made to distribute unappropriated retained earnings in the amount of 647,860,000 yen, which is the largest integral multiple of the total number of investment units issued and outstanding (223,400 units) by application of special provisions for taxation on investment corporations (Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957, as amended)). This resulted in distribution per unit of 2,900 yen.

## (2) Outlook for the Next Fiscal Period

### I. General Management Outlook

#### (A) External Growth Strategy

Capture wide range of real estate disposition needs through real estate management customer base

XYMAX REIT captures real estate disposition needs from the customer base of the XYMAX Group based on a sponsor support agreement with XYMAX Corporation with the aim to lead such needs to property acquisition opportunities for XYMAX REIT.

#### (B) Internal Growth Strategy

Utilization of the real estate management insight and know-how and network of the XYMAX Group

Through the sponsor support agreement with XYMAX Group, XYMAX REIT is provided with various real estate management insight, know-how, databases, management systems, private fund management experience, etc. On this basis, XYMAX REIT can and will perform stable and efficient management.

(C) Financial Strategy

Financial management with emphasis on stability and soundness, and LTV ratio control

XYMAX REIT shall execute a financial strategy that places emphasis on stability and soundness and secure agility in fund procurement, taking into consideration the securing of stable revenue over the medium to long term, steady growth in size of assets under management and stability of management.

II. Significant Subsequent Events

Not applicable.

III. Operating Forecasts

XYMAX REIT's operating forecasts for the fiscal period Ending February 2022 (from September 1, 2021 to February 28, 2022) and Fiscal Period Ending August 2022 (from March 1, 2022 to August 31, 2022) are as follows:

	Operating revenue	Operating income	Ordinary income	Net income	Distribution per unit (excluding distribution in excess of earnings)	Distribution in excess of earnings per unit
	million yen	million yen	million yen	million yen	yen	yen
Fiscal period ending Feb. 2022	1,383	740	665	664	2,977	-
Fiscal period ending Aug. 2022	1,387	732	674	673	3,013	-

Furthermore, for the assumptions underlying the operating forecasts, please refer to "Assumptions Underlying the Operating Forecasts for the Fiscal Period Ending February 2022 (from September 1, 2021 to February 28, 2022) and Fiscal Period Ending August 2022 (from March 1, 2022 to August 31, 2022)" presented later in this document.

(Note) The forecast figures above are the current forecast figures calculated under certain assumptions. Accordingly, the actual operating revenue, operating income, ordinary income, net income, distribution per unit and distribution in excess of earnings per unit may vary due to changes in the circumstances. In addition, the forecasts are not a guarantee of the amount of distribution.

Assumptions Underlying the Operating Forecasts for the Fiscal Period Ending February 2022 (from September 1, 2021 to February 28, 2022) and Fiscal Period Ending August 2022 (from March 1, 2022 to August 31, 2022)

Item	Assumption																								
Accounting period	<ul style="list-style-type: none"> <li>Fiscal period ending February 2022 (8th fiscal period) (from September 1, 2021 to February 28, 2022) (181 days)</li> <li>Fiscal period ending August 2022 (9th fiscal period) (from March 1, 2022 to August 31, 2022) (184 days)</li> </ul>																								
Assets under management	<ul style="list-style-type: none"> <li>The assumption is that the actual real estate and real estate trust beneficiary rights held by XYMAX REIT as of today (total of 15 properties) (hereinafter, the "current portfolio assets") will continue to be held and there will be no acquisition of new properties other than the current portfolio assets through to the end of the fiscal period ending August 2022 (9th fiscal period).</li> <li>Change may arise due to acquisition of new properties other than the current portfolio assets, disposition of the current portfolio assets, etc.</li> </ul>																								
Operating revenue	<ul style="list-style-type: none"> <li>Operating revenue from leasing is calculated on the basis of various factors, such as the content of lease agreements entered into for the current portfolio assets and past tenant and market trends, and by taking into account various factors, such as the assumed occupancy rate and rent fluctuation projections based on tenant move-in/move-out and rent level projections.</li> <li>Variable rent is budgeted assuming that the negative impact of the spread of COVID-19 will be prolonged at least more than 12 month onward. Therefore, the budgeted amount was calculated in accordance with the formula set-forth in the Lease Agreement based on the conservatively amended operating budget prepared by the operator. [Hotel Vista Sendai] Fixed rent: Monthly amount of 20.0 million yen Variable rent: Calculated by multiplying the amount obtained by subtracting 21 million yen from the GOP of the current month (Note 1) by a certain percentage (Note 2).</li> </ul> <p>(Note 1) If the amount obtained by subtracting 21 million yen from the GOP of the current month becomes negative, the variable rent for the current month shall be 0 yen.</p> <p>(Note 2) The percentage shall not be disclosed because the consent of the Lessee has not been obtained.</p> <ul style="list-style-type: none"> <li>The assumption is that there will be no delinquent or unpaid rent by tenants and no gain (loss) on sales of real estate properties.</li> </ul>																								
Operating expenses	<ul style="list-style-type: none"> <li>Of operating expenses, the main components are as follows: <table border="1" style="margin-left: 40px;"> <thead> <tr> <th></th> <th>Fiscal period ending Feb. 2022 (8th fiscal period)</th> <th>Fiscal period ending Aug. 2022 (9th fiscal period)</th> </tr> </thead> <tbody> <tr> <td>Expenses related to leasing business [Total]</td> <td>511 million yen</td> <td>518 million yen</td> </tr> <tr> <td>  Management fees</td> <td>92 million yen</td> <td>92 million yen</td> </tr> <tr> <td>  Repair expenses</td> <td>39 million yen</td> <td>37 million yen</td> </tr> <tr> <td>  Property taxes</td> <td>137 million yen</td> <td>143 million yen</td> </tr> <tr> <td>  Depreciation</td> <td>142 million yen</td> <td>151 million yen</td> </tr> <tr> <td>  Other than expenses related to leasing business [Total]</td> <td>132 million yen</td> <td>135 million yen</td> </tr> <tr> <td>    Asset management fees</td> <td>79 million yen</td> <td>80 million yen</td> </tr> </tbody> </table> </li> <li>Expenses related to leasing business, which are the main operating expenses, are calculated on the basis of historical data at XYMAX REIT (historical data disclosed by the previous owner, etc. in the case of periods for which there is no historical data at XYMAX REIT) and by taking into consideration factors causing fluctuation in expenses.</li> <li>Depreciation is calculated using the straight-line method inclusive of incidental expenses, etc.</li> <li>Repair expenses are the amount necessary in each fiscal period as assumed on a property-by-property basis by the Asset Management Company. However, repair expenses possibly increasing in amount or additionally arising from unforeseeable factors, the amount generally tending to vary materially from fiscal year to fiscal year and not being an amount that arises periodically, etc. may result in repair expenses for each fiscal period differing materially from the forecast amount.</li> </ul>		Fiscal period ending Feb. 2022 (8th fiscal period)	Fiscal period ending Aug. 2022 (9th fiscal period)	Expenses related to leasing business [Total]	511 million yen	518 million yen	Management fees	92 million yen	92 million yen	Repair expenses	39 million yen	37 million yen	Property taxes	137 million yen	143 million yen	Depreciation	142 million yen	151 million yen	Other than expenses related to leasing business [Total]	132 million yen	135 million yen	Asset management fees	79 million yen	80 million yen
	Fiscal period ending Feb. 2022 (8th fiscal period)	Fiscal period ending Aug. 2022 (9th fiscal period)																							
Expenses related to leasing business [Total]	511 million yen	518 million yen																							
Management fees	92 million yen	92 million yen																							
Repair expenses	39 million yen	37 million yen																							
Property taxes	137 million yen	143 million yen																							
Depreciation	142 million yen	151 million yen																							
Other than expenses related to leasing business [Total]	132 million yen	135 million yen																							
Asset management fees	79 million yen	80 million yen																							
Non-operating expenses	<ul style="list-style-type: none"> <li>For the fiscal period ending February 2022 (8th fiscal period), interest expenses and other borrowing related expenses are assumed to be 74 million yen.</li> <li>For the fiscal period ending August 2022 (9th fiscal period), interest expenses and other borrowing related expenses are assumed to be 58 million yen.</li> </ul>																								
Interest-bearing liabilities	<ul style="list-style-type: none"> <li>The assumption is that total interest-bearing liabilities will be 14,050 million yen at the end of the fiscal period ending February 2022 (8th fiscal period) and 14,050 million yen at the end of the fiscal period ending August 2022 (9th fiscal period). Short-term loans of 1,770 million yen and long-term loans of 3,088 million are due in the fiscal period ending February 2022. The assumption is that these will be repaid with funds procured through loans, etc.</li> </ul>																								

Item	Assumption
	<ul style="list-style-type: none"> <li>● LTV ratio is expected to be 35.9% at the end of the fiscal period ending February 2022 (8th fiscal period) and 35.9% at the end of the fiscal period ending August 2022 (9th fiscal period). In addition, the following formula is used in the calculation of LTV ratio.  <math display="block">\text{LTV ratio} = \frac{\text{Total interest-bearing liabilities}}{\text{Total assets}} \times 100</math> </li> </ul>
Investment units	<ul style="list-style-type: none"> <li>● The assumption is the total number of investment units issued and outstanding is 223,400 units as of the end of the fiscal period ended August 2021 and that there will be no change in the number of investment units due to issuance of new investment units, etc. through to the end of the fiscal period ending August 2022 (9th fiscal period).</li> <li>● Distribution per unit (excluding distribution in excess of earnings) and distribution in excess of earnings per unit are calculated on the basis of the forecast total number of investment units issued and outstanding at the end of the fiscal period ending February 2022 (8th fiscal period) and fiscal period ending August 2022 (9th fiscal period) of 223,400 units.</li> </ul>
Distribution per unit (excluding distribution in excess of earnings)	<ul style="list-style-type: none"> <li>● Distribution per unit (excluding distribution in excess of earnings) is calculated based on the assumption that distribution will be in accordance with the cash distribution policy provided in XYMAX REIT's Articles of Incorporation.</li> <li>● Distribution per unit (excluding distribution in excess of earnings) may vary due to various factors, such as fluctuation in rent revenue accompanying change in assets under management, change in tenants, etc. or incurrence of unexpected repairs.</li> </ul>
Distribution in excess of earnings per unit	<ul style="list-style-type: none"> <li>● No cash distribution in excess of earnings (distribution in excess of earnings per unit) is scheduled to be made at this point in time.</li> </ul>
Other	<ul style="list-style-type: none"> <li>● The assumption is that there will be no revision of laws and regulations, tax systems, accounting standards, listing regulations provided by Tokyo Stock Exchange, rules provided by The Investment Trusts Association, Japan, etc. that will impact the forecast figures above.</li> <li>● The assumption is that there will be no unforeseen material change in general economic trends, real estate market conditions, etc.</li> </ul>



## 2. Financial Statements

## (1) Balance Sheet

(Unit: thousand yen)

	6th fiscal period (As of Feb. 28, 2021)	7th fiscal period (As of Aug. 31, 2021)
<b>Assets</b>		
Current assets		
Cash and bank deposits	986,598	973,089
Cash and bank deposits in trust	1,881,240	1,904,372
Operating accounts receivable	17,736	28,275
Prepaid expenses	37,043	33,683
Consumption taxes refund receivable	-	19,212
Other	865	694
Total current assets	2,923,484	2,959,327
Non-current assets		
Property, plant and equipment		
Buildings	-	308,882
Accumulated depreciation	-	(1,175)
Buildings, net	-	307,707
Structures	-	1,814
Accumulated depreciation	-	(11)
Structures, net	-	1,802
Machinery and equipment	-	10,659
Accumulated depreciation	-	(67)
Machinery and equipment, net	-	10,592
Tools, furniture and fixtures	109,618	109,618
Accumulated depreciation	(82,383)	(86,980)
Tools, furniture and fixtures, net	27,234	22,637
Land	-	229,752
Buildings in trust	9,524,508	9,895,194
Accumulated depreciation	(657,756)	(784,826)
Buildings in trust, net	8,866,751	9,110,368
Structures in trust	73,944	74,366
Accumulated depreciation	(5,989)	(7,573)
Structures in trust, net	67,954	66,793
Tools, furniture and fixtures in trust	29,743	30,755
Accumulated depreciation	(5,877)	(8,511)
Tools, furniture and fixtures in trust, net	23,865	22,243
Land in trust	25,529,781	26,138,580
Construction in progress in trust	-	2,006
Total property, plant and equipment	34,515,588	35,912,484
Investments and other assets		
Long-term prepaid expenses	46,443	36,432
Deferred tax assets	13	13
Lease and guarantee deposits	22,600	22,600
Other	128,095	40,579
Total investments and other assets	197,153	99,625
Total non-current assets	34,712,741	36,012,109
Total assets	37,636,226	38,971,437

(Unit: thousand yen)

	6th fiscal period (As of Feb. 28, 2021)	7th fiscal period (As of Aug. 31, 2021)
<b>Liabilities</b>		
Current liabilities		
Operating accounts payable	100,018	81,267
Short-term loans payable	500,000	1,770,000
Current portion of long-term borrowings	3,088,000	3,088,000
Accounts payable - other	94,359	96,729
Income taxes payable	891	878
Accrued consumption taxes	7,973	-
Advances received	166,214	202,993
Other	9,347	4,577
<b>Total current liabilities</b>	<b>3,966,804</b>	<b>5,244,446</b>
Non-current liabilities		
Long-term loans payable	9,192,000	9,192,000
Tenant leasehold and security deposits	-	33,349
Tenant leasehold and security deposits in trust	1,241,265	1,267,943
<b>Total non-current liabilities</b>	<b>10,433,265</b>	<b>10,493,292</b>
<b>Total liabilities</b>	<b>14,400,070</b>	<b>15,737,739</b>
<b>Net assets</b>		
Unitholders' equity		
Unitholders' capital	22,585,746	22,585,746
Surplus		
Unappropriated retained earnings (undisposed loss)	650,410	647,952
<b>Total surplus</b>	<b>650,410</b>	<b>647,952</b>
<b>Total unitholders' equity</b>	<b>23,236,156</b>	<b>23,233,698</b>
<b>Total net assets</b>	<b>※<sub>1</sub> 23,236,156</b>	<b>※<sub>1</sub> 23,233,698</b>
<b>Total liabilities and net assets</b>	<b>37,636,226</b>	<b>38,971,437</b>

## (2) Statement of Income

(Unit: thousand yen)

	6th fiscal period From: Sep. 1, 2020 To: Feb. 28, 2021	7th fiscal period From: Mar. 1, 2021 To: Aug. 31, 2021
<b>Operating revenue</b>		
Leasing business revenue	※1 1,200,153	※1 1,193,065
Other leasing business revenue	※1 93,222	※1 112,400
<b>Total operating revenue</b>	<b>1,293,375</b>	<b>1,305,465</b>
<b>Operating expenses</b>		
Expenses related to leasing business	※1 456,312	※1 481,704
Asset management fees	76,213	76,297
Asset custody fees	826	876
Administrative service fees	10,641	10,074
Directors' compensations	2,400	2,400
Other operating expenses	30,499	32,768
<b>Total operating expenses</b>	<b>576,894</b>	<b>604,122</b>
<b>Operating income</b>	<b>716,481</b>	<b>701,343</b>
<b>Non-operating income</b>		
Interest income	14	13
Settlement income on Property tax, etc.	-	129
Interest on refund	-	11
Insurance payment received	475	-
<b>Total non-operating income</b>	<b>490</b>	<b>154</b>
<b>Non-operating expenses</b>		
Interest expenses	37,894	41,498
Borrowing related expenses	27,850	11,258
<b>Total non-operating expenses</b>	<b>65,744</b>	<b>52,757</b>
<b>Ordinary income</b>	<b>651,227</b>	<b>648,740</b>
<b>Income before income taxes</b>	<b>651,227</b>	<b>648,740</b>
Income taxes - current	893	880
Income taxes - deferred	(2)	0
<b>Total income taxes</b>	<b>891</b>	<b>881</b>
<b>Net income</b>	<b>650,336</b>	<b>647,859</b>
Retained earnings brought forward	73	92
<b>Unappropriated retained earnings (undisposed loss)</b>	<b>650,410</b>	<b>647,952</b>

## (3) Statement of Unitholders' Equity

6th fiscal period (from September 1, 2020 to February 28, 2021)

(Unit: thousand yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance as of September 1, 2020	22,585,746	724,336	724,336	23,310,082	23,310,082
Changes of items during period					
Dividends of surplus		(724,262)	(724,262)	(724,262)	(724,262)
Net income		650,336	650,336	650,336	650,336
Total changes during period	-	(73,925)	(73,925)	(73,925)	(73,925)
Balance as of February 28, 2021	*1 22,585,746	650,410	650,410	23,236,156	23,236,156

7th fiscal period (from March 1, 2021 to August 31, 2021)

(Unit: thousand yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance as of March 1, 2021	22,585,746	650,410	650,410	23,236,156	23,236,156
Changes of items during period					
Dividends of surplus		(650,317)	(650,317)	(650,317)	(650,317)
Net income		647,859	647,859	647,859	647,859
Total changes during period	-	(2,457)	(2,457)	(2,457)	(2,457)
Balance as of August 31, 2021	*1 22,585,746	647,952	647,952	23,233,698	23,233,698

## (4) Statement of Cash Distribution

Classification	6th fiscal period From: Sep. 1, 2020 To: Feb. 28, 2021	7th fiscal period From: Mar. 1, 2021 To: Aug. 31, 2021
I. Unappropriated retained earnings	650,410,246 yen	647,952,287 yen
II. Amount of distribution	650,317,400 yen	647,860,000 yen
[Amount of distribution per unit]	[2,911 yen]	[2,900 yen]
III. Retained earnings carried forward	92,846 yen	92,287 yen
Method of calculation of amount of distribution	<p>Pursuant to the cash distribution policy stipulated in Article 35, Paragraph 1 of XYMAX REIT's Articles of Incorporation, amount of distribution must be equal or less than the amount of profit and exceed 90% of XYMAX REIT's distributable profit that is defined by Article 67-15 of the Act on Special Measures Concerning Taxation. Based on this policy, XYMAX REIT has decided to distribute 650,317,400 yen, which is the maximum value of the integral multiple of the total number of units issued and outstanding (223,400 units), not exceeding unappropriated retained earnings.</p> <p>XYMAX REIT does not make distribution in excess of earnings defined by Article 35, Paragraph 2 of XYMAX REIT's Articles of Incorporation.</p>	<p>Pursuant to the cash distribution policy stipulated in Article 35, Paragraph 1 of XYMAX REIT's Articles of Incorporation, amount of distribution must be equal or less than the amount of profit and exceed 90% of XYMAX REIT's distributable profit that is defined by Article 67-15 of the Act on Special Measures Concerning Taxation. Based on this policy, XYMAX REIT has decided to distribute 647,860,000 yen, which is the maximum value of the integral multiple of the total number of units issued and outstanding (223,400 units), not exceeding unappropriated retained earnings.</p> <p>XYMAX REIT does not make distribution in excess of earnings defined by Article 35, Paragraph 2 of XYMAX REIT's Articles of Incorporation.</p>

## (5) Statement of Cash Flows

(Unit: thousand yen)

	6th fiscal period From: Sep. 1, 2020 To: Feb. 28, 2021	7th fiscal period From: Mar. 1, 2021 To: Aug. 31, 2021
<b>Cash flows from operating activities</b>		
Income before income taxes	651,227	648,740
Depreciation	134,838	137,139
Interest income	(14)	(13)
Interest expenses	37,894	41,498
Decrease (increase) in operating accounts receivable	3,906	(10,538)
Decrease (increase) in consumption taxes refund receivable	-	(19,212)
Decrease (increase) in prepaid expenses	(4,764)	3,359
Increase (decrease) in operating accounts payable	(28,705)	18,376
Increase (decrease) in accounts payable - other	(5,845)	2,369
Increase (decrease) in accrued consumption taxes	(26,486)	(7,973)
Increase (decrease) in advances received	(32,216)	36,779
Decrease (increase) in long-term prepaid expenses	(7,385)	10,011
Other	(18,258)	(34,694)
<b>Subtotal</b>	<b>704,190</b>	<b>825,842</b>
Interest income received	14	13
Interest expenses paid	(37,420)	(41,934)
Income taxes paid	(843)	(893)
<b>Net cash provided by (used in) operating activities</b>	<b>665,941</b>	<b>783,028</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	-	(551,109)
Purchase of property, plant and equipment in trust	(1,155,620)	(910,900)
Proceeds from tenant leasehold and security deposits	-	33,349
Repayments of tenant leasehold and security deposits in trust	(80,874)	(55,704)
Proceeds from tenant leasehold and security deposits in trust	65,723	91,182
<b>Net cash provided by (used in) investing activities</b>	<b>(1,170,772)</b>	<b>(1,393,183)</b>
<b>Cash flows from financing activities</b>		
Increase in short-term loans payable	1,600,000	1,270,000
Decrease in short-term loans payable	(1,914,000)	-
Increase in long-term loans payable	3,750,000	-
Decrease in long-term loans payable	(2,336,000)	-
Dividends paid	(723,945)	(650,222)
<b>Net cash provided by (used in) financing activities</b>	<b>376,054</b>	<b>619,777</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(128,776)</b>	<b>9,622</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>2,996,615</b>	<b>2,867,839</b>
<b>Cash and cash equivalents at end of period</b>	<b>*1 2,867,839</b>	<b>*1 2,877,461</b>

## (6) Notes on the Going Concern Assumption

Not applicable.

## (7) Notes on Matters Concerning Significant Accounting Policies

1. Method of depreciation of non-current assets	(1) Property, plant and equipment (including trust assets) The straight-line method is adopted. Furthermore, the useful life of core property, plant and equipment is as follows: Buildings 3–63 years Structures 10–51 years Machinery and equipment 27 years Tools, furniture and fixtures 2–13 years (2) Long-term prepaid expenses The straight-line method is adopted.
2. Standards for revenue and expense recognition	Accounting for fixed property tax, etc. For fixed property tax, city planning tax, depreciable property tax, etc. on real estate or trust beneficiary rights that have real estate as trust assets held, the accounting is that, of the tax amount assessed and determined, the amount corresponding to the fiscal period is expensed as expenses related to rent business. Furthermore, the amount equivalent to fixed property tax, etc. in the initial fiscal period borne by XYMAX REIT upon acquisition of real estate or trust beneficiary rights that have real estate as trust assets is not recognized as expenses but included in the cost of acquisition of the concerned real estate, etc. In the fiscal period under review, amount of fixed property tax, etc. included in the cost of acquisition of the real estate, etc. is 3,168 thousand yen, and 4,383 thousand yen in the previous fiscal period.
3. Method of hedge accounting	(1) Hedge accounting approach Special accounting is adopted for interest rate swaps that meet the requirements for special treatment. (2) Hedging instruments and hedged items Hedging instruments: Interest rate swap transaction Hedged items: Interest on loans (3) Hedging policy XYMAX REIT conducts derivative transactions for the purpose of hedging the risks provided in its Articles of Incorporation based on its risk management policy. (4) Method of assessing the effectiveness of hedging The assessment of the effectiveness is omitted for interest rate swaps that meet the requirements for special treatment.
4. Scope of funds in the statement of cash flows	The funds (cash and cash equivalents) in the statement of cash flows comprise cash on hand and cash in trust, demand deposits and bank deposits in trust, and short-term investments with a maturity of 3 months or less from the date of acquisition that are readily convertible to cash and that are subject to a low risk of changes in value.
5. Other matters serving as the basis for preparation of the financial statements	(1) Accounting for trust beneficiary rights that have real estate, etc. as trust assets Concerning trust beneficiary rights that have real estate, etc. as trust assets held, all accounts of assets and liabilities within trust assets and all accounts of revenue and expenses from the trust assets are recognized in the relevant account item of the balance sheet and the statement of income. Furthermore, the following material items of the trust assets recognized in the relevant account item are separately listed on the balance sheet. (i) Cash and bank deposits in trust (ii) Buildings in trust; Structures in trust; Tools, furniture and fixtures in trust; Land in trust; Construction in progress in trust (iii) Tenant leasehold and security deposits in trust (2) Accounting for consumption tax, etc. The accounting for consumption tax and local consumption tax is that the taxes are excluded from transaction amounts. Furthermore, non-deductible consumption tax, etc. on acquisition of assets is included in the cost of acquisition of each asset.

[Accounting standards not yet applied]

- Income Recognition Accounting Standard for Revenue Recognition (ASBJ Statement No.29, on March 31, 2020, Accounting Standards Board of Japan)
- Implementation Guidance on Accounting Standard for Revenue Recognition (ASBJ Guidance No. 30, on March 26, 2021, Accounting Standards Board of Japan)
- Implementation Guidance on Disclosure about Fair Value of Financial Instruments ( ASBJ Guidance No. 19, on March 31, 2020, Accounting Standards Board of Japan)

\*1. Overview

The International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB) jointly developed comprehensive accounting standards for revenue recognition. In May 2014, the International Accounting Standards Board and the Financial Accounting Standards Board published "Revenue from Contracts with Customers" (IFRS No. 15 in IASB and Topic606 in FASB). IFRS No. 15 has been applied from the fiscal year beginning on or after January 1, 2018, and Topic606 has been applied from the fiscal year beginning on or after December 15, 2017. In light of these circumstances, the Comprehensive Accounting Standards for Revenue Recognition have been developed and published in conjunction with the Guidelines by the Corporate Accounting Standards Board. The Basic Policy for Developing Accounting Standards for Revenue Recognition by the Corporate Accounting Standards Board is to establish accounting standards starting from the incorporation of the Basic Principles of IFRS No. 15 from the standpoint of comparability between financial statements, which is one of the benefits that are consistent with IFRS No. 15, and to add alternative treatment to the extent that comparability is not impaired, if there are items that should be considered in the practice that have been carried out in Japan.

\*2. Scheduled date for application

Effective from the beginning of the fiscal year ending February 2022.

\*3. Impact of adoption of these accounting standards

The impact on the financial statements of the adoption of the "Accounting Standard for Revenue Recognition" and other standards is currently being evaluated.

- Accounting Standard for Fair Value Measurement (ASBJ Statement No. 30, on July 4, 2019 Accounting Standards Board of Japan)
- Accounting Standard for Financial Instruments (ASBJ Statement No. 10, on July 4, 2019 Accounting Standards Board of Japan)
  - Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31, on June 17, 2021, Accounting Standards Board of Japan)
  - Implementation Guidance on Disclosure about Fair Value of Financial Instruments ( ASBJ Guidance No. 19, on March 31, 2020, Accounting Standards Board of Japan)

\*1. Overview

IASB and FASB have established detailed guidance for fair value measurement (IFRS 13 "Fair Value Measurement" by IFRS and Topic 820 "Fair Value Measurement" by FASB). In order to improve the comparability between the international accounting standard and Japanese accounting standard, ASBJ has mainly considered guidance and disclosure on fair value of financial instruments and published the accounting standard and implementation guidance for fair value measurement accordingly.

As the basic policy of ASBJ for the development of accounting standard for fair value measurement, ASBJ basically adopted all provisions of IFRS 13 by using a unified calculation method, from the point of view of improving the comparability between the financial statements based on IFRS or U.S. GAAP and Japanese GAAP. Moreover, in consideration of the actual practice conducted in Japan, other treatments for individual items are established within the scope not to fail the comparability

\*2. Scheduled date for application

Effective from the beginning of the fiscal year ending February 2022.

\*3. Impact of adoption of these accounting standards

The impact on the financial statements of the adoption of the Accounting Standard for the Calculation of Market Value, etc. is currently being evaluated.



## (8) Notes on the Financial Statements

[Notes on the Balance Sheet]

- \*1. Minimum net assets as provided in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

6th fiscal period (As of Feb. 28, 2021)	7th fiscal period (As of Aug. 31, 2021)
50,000 thousand yen	50,000 thousand yen

[Notes on the Statement of Income]

- \*1. Breakdown of operating income (loss) from real estate leasing business

	(Unit: thousand yen)			
	6th fiscal period		7th fiscal period	
	From: Sep. 1, 2020		From: Mar. 1, 2021	
	To: Feb. 28, 2021		To: Aug. 31, 2021	
<b>A. Operating revenue from real estate leasing business</b>				
Lease business revenue				
Rent revenue	1,052,005		1,045,369	
Common area maintenance revenue	148,148	1,200,153	147,696	1,193,065
Other lease business revenue				
Utility reimbursement	53,885		53,727	
Parking revenue	32,164		31,990	
Other rental revenue	7,172	93,222	26,681	112,400
<b>Total operating revenue from real estate leasing</b>	<b>1,293,375</b>		<b>1,305,465</b>	
<b>B. Operating expenses from real estate leasing</b>				
Expenses related to leasing business				
Tax and public dues	133,386		137,163	
Maintenance fees	84,331		86,581	
Utility expenses	45,456		48,625	
Repair expenses	31,927		31,610	
Insurance premiums	3,517		3,602	
Depreciation	134,838		137,139	
Other expenses related to rent business	22,854	456,312	36,982	481,704
<b>Total operating expenses from real estate leasing</b>	<b>456,312</b>		<b>481,704</b>	
<b>C. Operating income (loss) from real estate leasing [A-B]</b>	<b>837,062</b>		<b>823,760</b>	

## [Notes on the Statement of Unitholders' Equity]

## \*1. Total number of investment units authorized and total number of investment units issued and outstanding

	6th fiscal period From: Sep. 1, 2020 To: Feb. 28, 2021	7th fiscal period From: Mar. 1, 2021 To: Aug. 31, 2021
Total number of investment units authorized	5,000,000 units	5,000,000 units
Total number of investment units issued and outstanding	223,400 units	223,400 units

## [Notes on the Statement of Cash Flows]

## \*1. Reconciliation of cash and cash equivalents at end of period to the amount of balance sheet items

(Unit: thousand yen)

	6th fiscal period From: Sep. 1, 2020 To: Feb. 28, 2021	7th fiscal period From: Mar. 1, 2021 To: Aug. 31, 2021
Cash and bank deposits	986,598	973,089
Cash and bank deposits in trust	1,881,240	1,904,372
Cash and cash equivalents	2,867,839	2,877,461

## [Notes on Financial Instruments]

## 1. Matters concerning status of financial instruments

## (1) Policy for handling financial instruments

XYMAX REIT shall procure funds for acquisition of assets, repayment of liabilities, etc. through issuance of investment units, borrowing from financial institutions, issuance of investment corporation bonds, etc. Due consideration shall be given to the balance between agility in fund procurement and financial stability when procuring funds.

Surplus funds may be invested in securities and monetary claims, but shall be invested as bank deposits as a rule in consideration of security.

Derivative transactions may be utilized only if for the purpose of hedging the risk of fluctuation in interest rates, etc., but no speculative transactions shall be conducted.

## (2) Description of financial instruments and associated risks, and risk management system

Bank deposits are those for investing XYMAX REIT's surplus funds and are exposed to credit risk, such as failure of the depository financial institutions, but the credit risk is limited by limiting the deposit period to short term and transacting with depository financial institutions that have high credit rating.

Loans are those for mainly the purpose of acquisition of real estate, etc., repayment of liabilities, etc. and are exposed to the liquidity risk of not being able to procure substitute funds upon maturity, but the liquidity risk is mitigated through diversification of fund procurement means and sources, staggering of maturities and securing liquidity on hand and the liquidity risk is also managed by preparing monthly fund management plans and other means. In addition, loans with floating interest rates are exposed to the risk of rise in interest rates payable, but the impact of the rise in market interest rates on XYMAX REIT's operations is limited by keeping the ratio of interest-bearing liabilities to total assets at a low level and maintaining a balance between the ratio of loans with floating interest rates and the ratio of loans with fixed interest rates.

Derivative transactions are utilized for the purpose of hedging the risk of fluctuation in interest rates payable on certain loans. For the hedge accounting approach, hedged items, contract amount, etc., please refer to "2. Matters concerning fair value, etc. of financial instruments."

Tenant leasehold and security deposits are deposits from tenants and are exposed to liquidity risk from tenants vacating, but the risk is limited by retaining an amount in the range that will not hinder the return of deposits as a rule.

## (3) Supplementary explanation to matters concerning fair value, etc. of financial instruments

The fair value of financial instruments is values based on market price, but may otherwise include values based on reasonable calculation when no market price is available. Variable factors are taken into account in the calculation of the concerned values. Accordingly, the concerned values may vary when different assumptions are adopted. In addition, the contract amount, etc. of derivative transactions in “2. Matters concerning fair value, etc. of financial instruments” do not itself represent the market risk involved in the derivative transactions.

## 2. Matters concerning fair value, etc. of financial instruments

The following are the carrying amount and fair value as of February 28, 2021, and the amount of difference between these. Financial instruments for which estimation of fair value is recognized to be extremely difficult are not included in the following table. (Please refer to Note 2 below.)

	Carrying amount (thousand yen)	Fair value (thousand yen)	Amount of difference (thousand yen)
(1) Cash and bank deposits	986,598	986,598	-
(2) Cash and bank deposits in trust	1,881,240	1,881,240	-
Total assets	2,867,839	2,867,839	-
(1) Short-term loans payable	500,000	500,000	-
(2) Current portion of long-term borrowings	3,088,000	3,088,000	-
(3) Long-term loans payable	9,192,000	9,200,968	8,968
Total liabilities	12,780,000	12,788,968	8,968
Derivative transactions	-	-	-

The following are the carrying amount and fair value as of August 31, 2021, and the amount of difference between these. Financial instruments for which estimation of fair value is recognized to be extremely difficult are not included in the following table. (Please refer to Note 2 below.)

	Carrying amount (thousand yen)	Fair value (thousand yen)	Amount of difference (thousand yen)
(1) Cash and bank deposits	973,089	973,089	-
(2) Cash and bank deposits in trust	1,904,372	1,904,372	-
Total assets	2,877,461	2,877,461	-
(1) Short-term loans payable	1,770,000	1,770,000	-
(2) Current portion of long-term borrowings	3,088,000	3,088,000	-
(3) Long-term loans payable	9,192,000	9,200,751	8,751
Total liabilities	14,050,000	14,058,751	8,751
Derivative transactions	-	-	-

(Note 1) Method of calculation of the fair value of financial instruments and matters concerning derivative transactions

Assets

## (1) Cash and bank deposits; (2) Cash and bank deposits in trust

Because these are settled in a short period of time, the fair value is approximately the same as the book value and thus stated at that book value.

Liabilities

## (1) Short-term loans payable

Because these are settled in a short period of time and have floating interest rates, the fair value is approximately the same as the book value and thus stated at that book value.

## (2) Current portion of long-term borrowings, (3) Long-term loans payable

Of long-term loans payable, because those with floating interest rates reflect market interest rates in a short period of time, the fair value is thought to resemble the book value and thus stated at that book value. However, in the case of long-term loans payable with floating interest rates that qualify for special treatment for interest rate swaps (please refer to “Notes on Derivative Transaction” presented later in this document) and long-term loans payable with fixed interest rates, the fair value is calculated based on the present value of their future cash flows discounted by the time to maturity and rate adjusted for credit risks.

Derivative transactions

Please refer to “Notes on Derivative Transactions” below

(Note 2) Financial instruments for which estimation of fair value is recognized to be extremely difficult

	6th fiscal period (As of Feb. 28, 2021)	7th fiscal period (As of Aug. 31, 2021)
Tenant leasehold and security deposits	-	33,349 thousand yen
Tenant leasehold and security deposits in trust	1,241,265 thousand yen	1,267,943 thousand yen

\* Tenant leasehold and security deposits and tenant leasehold and security deposits in trust are not subject to disclosure of fair value, because there being no market price and, even if the lease contract period has been set, there being the possibility of contract cancellation before expiration or contract extension or renewal make calculating the actual deposit period impossible and reasonable projection of future cash flows is thus recognized to be extremely difficult.

(Note 3) Amount of redemption of monetary claims scheduled to be due after the end of the fiscal period (February 28, 2021)

(Unit: thousand yen)

	Due within 1 year	Due after 1 to 2 years	Due after 2 to 3 years	Due after 3 to 4 years	Due after 4 to 5 years	Due after 5 years
Cash and bank deposits	986,598	-	-	-	-	-
Cash and bank deposits in trust	1,881,240	-	-	-	-	-
Total	2,867,839	-	-	-	-	-

Amount of redemption of monetary claims scheduled to be due after the end of the fiscal period (August 31, 2021)

(Unit: thousand yen)

	Due within 1 year	Due after 1 to 2 years	Due after 2 to 3 years	Due after 3 to 4 years	Due after 4 to 5 years	Due after 5 years
Cash and bank deposits	973,089	-	-	-	-	-
Cash and bank deposits in trust	1,904,372	-	-	-	-	-
Total	2,877,461	-	-	-	-	-

(Note 4) Amount of repayment of loans scheduled to be due after the end of the fiscal period (February 28, 2021)

(Unit: thousand yen)

	Due within 1 year	Due after 1 to 2 years	Due after 2 to 3 years	Due after 3 to 4 years	Due after 4 to 5 years	Due after 5 years
Short-term loans payable	500,000	-	-	-	-	-
Long-term loans payable	3,088,000	2,796,000	3,426,000	1,920,000	1,050,000	-
Total	3,588,000	2,796,000	3,426,000	1,920,000	1,050,000	-

Amount of repayment of loans scheduled to be due after the end of the fiscal period (August 31, 2021)

(Unit: thousand yen)

	Due within 1 year	Due after 1 to 2 years	Due after 2 to 3 years	Due after 3 to 4 years	Due after 4 to 5 years	Due after 5 years
Short-term loans payable	1,770,000	-	-	-	-	-
Long-term loans payable	3,088,000	2,796,000	3,426,000	1,920,000	1,050,000	-
Total	4,858,000	2,796,000	3,426,000	1,920,000	1,050,000	-

## [Notes on Derivative Transactions]

## 1. Derivative transactions to which hedge accounting is not applied

6th fiscal period (as of February 28, 2021)

Not applicable.

7th fiscal period (as of August 31, 2021)

Not applicable.

## 2. Derivative transactions to which hedge accounting is applied

6th fiscal period (as of February 28, 2021)

The following is the contract amount or the amount equivalent to the principal provided in the contract, etc. at the end of the fiscal period for each hedge accounting approach.

(Unit: thousand yen)

Hedge accounting approach	Type, etc. of derivative transaction	Main hedged item	Contract amount, etc. (Note 1)		Fair value
				Of which, due after 1 year	
Special treatment for interest rate swaps	Interest rate swap transaction (receive floating; pay fixed)	Long-term loans payable	630,000	630,000	(Note 2)

(Note 1) Contract amount, etc. is based on notional principal.

(Note 2) Since those with special treatment for interest rate swaps are treated integrally with hedged long-term loans payable, the fair values of such are included in the fair value of said long-term loans payable. (Please refer to [Notes on Financial Instruments] 2. Matters concerning fair value, etc. of financial instruments (Note 1) Method of calculation of the fair value of financial instruments and matters concerning derivative transactions, Liabilities (3) Long-term loans payable.

7th fiscal period (as of August 31, 2021)

The following is the contract amount or the amount equivalent to the principal provided in the contract, etc. at the end of the fiscal period for each hedge accounting approach.

(Unit: thousand yen)

Hedge accounting approach	Type, etc. of derivative transaction	Main hedged item	Contract amount, etc. (Note 1)		Fair value
				Of which, due after 1 year	
Special treatment for interest rate swaps	Interest rate swap transaction (receive floating; pay fixed)	Long-term loans payable	630,000	630,000	(Note 2)

(Note 1) Contract amount, etc. is based on notional principal.

(Note 2) Since those with special treatment for interest rate swaps are treated integrally with hedged long-term loans payable, the fair values of such are included in the fair value of said long-term loans payable. (Please refer to [Notes on Financial Instruments] 2. Matters concerning fair value, etc. of financial instruments (Note 1) Method of calculation of the fair value of financial instruments and matters concerning derivative transactions, Liabilities (3) Long-term loans payable.

## [Notes on Tax-Effect Accounting]

## 1. Breakdown of main causes for occurrence of deferred tax assets and deferred tax liabilities

(Unit: thousand yen)

	6th fiscal period (As of Feb. 28, 2021)	7th fiscal period (As of Aug. 31, 2021)
Deferred tax assets		
Non-deductible accrued enterprise tax	13	13
Total	13	13
Deferred tax assets, net	13	13

2. Breakdown of major components that caused any significant differences between the statutory tax rate and the effective income tax rate after application of tax-effect accounting

(Unit: %)

	6th fiscal period (As of Feb. 28, 2021)	7th fiscal period (As of Aug. 31, 2021)
Statutory tax rate	31.46	31.46
[Adjustments]		
Distribution deductible for tax purposes	(31.42)	(31.42)
Other	0.10	0.10
Effective income tax rate after application of tax-effect accounting	0.14	0.14

[Notes on Related-Party Transactions]

1. Parent company, major corporate unitholder, etc.

6th fiscal period (from September 1, 2020 to February 28, 2021)

Not applicable.

7th fiscal period (from March 1, 2021 to August 31, 2021)

Not applicable.

2. Affiliated company, etc.

6th fiscal period (from September 1, 2020 to February 28, 2021)

Not applicable.

7th fiscal period (from March 1, 2021 to August 31, 2021)

Not applicable.

3. Fellow subsidiary, etc.

6th fiscal period (from September 1, 2020 to February 28, 2021)

Not applicable.

7th fiscal period (from March 1, 2021 to August 31, 2021)

Not applicable.

## 4. Director, major individual unitholder, etc.

6th fiscal period (from September 1, 2020 to February 28, 2021)

Attribute	Name of company, etc.	Location	Capital stock or investments in capital (thousand yen)	Description of business or occupation	Percentage of voting rights, etc. held by (in) XYMAX REIT (%)	Description of relationship		Description of transaction	Transaction amount (thousand yen) (Note 2)	Account item	Balance at end of period (thousand yen) (Note 2)
						Concurrent holding of positions, etc. by directors	Description of relationship				
Director	Nobuhito Inatsuki	-	-	Executive Director of XYMAX REIT, and Representative Director and President of XYMAX REAL ESTATE INVESTMENT ADVISORS Corporation	-		Executive Director of XYMAX REIT, and Representative Director and President of XYMAX REAL ESTATE INVESTMENT ADVISORS Corporation	Asset management fees, etc. (Note 3) (Note 4)	86,863	Accounts payable - other	83,835

(Note 1) The above discloses a related-party transaction which includes a material transaction, among related-party transactions subject to disclosure.

(Note 2) Of the amounts above, transaction amount does not include consumption tax, etc., while balance at end of period includes consumption tax, etc.

(Note 3) The amount of asset management fees, etc. is for transactions conducted by Nobuhito Inatsuki as representative of XYMAX REAL ESTATE INVESTMENT ADVISORS Corporation, and transaction amount is based on the terms and conditions provided in XYMAX REIT's Articles of Incorporation.

(Note 4) Asset management fees, etc. includes asset acquisition fees of 10,650 thousand yen which counted in the booked acquisition price.

(Note 5) Transaction terms and conditions are determined based on the actual market situation.

7th fiscal period (from March 1, 2021 to August 31, 2021)

Attribute	Name of company, etc.	Location	Capital stock or investments in capital (thousand yen)	Description of business or occupation	Percentage of voting rights, etc. held by (in) XYMAX REIT (%)	Description of relationship		Description of transaction	Transaction amount (thousand yen) (Note 2)	Account item	Balance at end of period (thousand yen) (Note 2)
						Concurrent holding of positions, etc. by directors	Description of relationship				
Director	Shotaro Kanemitsu	-	-	Executive Director of XYMAX REIT, and Representative Director and President of XYMAX REAL ESTATE INVESTMENT ADVISORS Corporation	-		Executive Director of XYMAX REIT, and Representative Director and President of XYMAX REAL ESTATE INVESTMENT ADVISORS Corporation	Asset management fees, etc. (Note 3) (Note 4)	85,677	Accounts payable - other	83,926

(Note 1) The above discloses a related-party transaction which includes a material transaction, among related-party transactions subject to disclosure.

(Note 2) Of the amounts above, transaction amount does not include consumption tax, etc., while balance at end of period includes consumption tax, etc.

(Note 3) The amount of asset management fees, etc. is for transactions conducted by Shotaro Kanemitsu as representative of XYMAX REAL ESTATE INVESTMENT ADVISORS Corporation, and transaction amount is based on the terms and conditions provided in XYMAX REIT's Articles of Incorporation.

(Note 4) Asset management fees, etc. includes asset acquisition fees of 9,380 thousand yen which counted in the booked acquisition price.

(Note 5) Transaction terms and conditions are determined based on the actual market situation.

[Notes on Segment Information, Etc.]

1. Segment information

Segment information is omitted, because XYMAX REIT has a single segment, which is the real estate leasing business.

2. Related information

6th fiscal period (from September 1, 2020 to February 28, 2021)

(1) Information by product and service

Information by product and service is omitted, because operating revenue to external customers for a single products and services category is in excess of 90% of operating revenue on the statement of income.

(2) Information by geographic area

(i) Operating revenue

Information by geographic area of operating revenue is omitted, because operating revenue to external customers in Japan is in excess of 90% of operating revenue on the statement of income.

(ii) Property, plant and equipment

Information by geographic area of property, plant and equipment is omitted, because the amount of property, plant and equipment located in Japan is in excess of 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information by major customer

(Unit: thousand yen)

Name of customer	Operating revenue	Related segment
New Urban Life Holdings Inc.	Not disclosed (Note)	Real estate leasing business
Nohara Holdings, Inc	Not disclosed (Note)	Real estate leasing business

(Note) Not disclosed due to unavoidable circumstances in that consent for disclosure has not been obtained from the lessee.

7th fiscal period (from March 1, 2021 to August 31, 2021)

(1) Information by product and service

Information by product and service is omitted, because operating revenue to external customers for a single products and services category is in excess of 90% of operating revenue on the statement of income.

(2) Information by geographic area

(i) Operating revenue

Information by geographic area of operating revenue is omitted, because operating revenue to external customers in Japan is in excess of 90% of operating revenue on the statement of income.

(ii) Property, plant and equipment

Information by geographic area of property, plant and equipment is omitted, because the amount of property, plant and equipment located in Japan is in excess of 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information by major customer

(Unit: thousand yen)

Name of customer	Operating revenue	Related segment
New Urban Life Holdings Inc.	Not disclosed (Note)	Real estate leasing business
Nohara Holdings, Inc	Not disclosed (Note)	Real estate leasing business

(Note) Not disclosed due to unavoidable circumstances in that consent for disclosure has not been obtained from the lessee.



## [Notes on Investment and Rental Properties]

XYMAX REIT owns office, retail, hotel, and other properties for the purpose of earning revenue from leasing. The carrying amount, amount of increase (decrease) during period and fair value of these investment and rental properties are as follows:

(Unit: thousand yen)

	6th fiscal period From: Sep. 1, 2020 To: Feb. 28, 2021	7th fiscal period From: Mar. 1, 2021 To: Aug. 31, 2021
Carrying amount	34,515,588	35,910,478
Balance at beginning of period	33,491,839	34,515,588
Amount of increase (decrease) during period	1,023,748	1,394,889
Balance at the end of the period	34,515,588	35,910,478
Fair value at the end of the period	44,416,000	45,887,000

(Note 1) Carrying amount is the amount of cost of acquisition, less accumulated depreciation.

(Note 2) Of the amount of increase (decrease) during period for 6th fiscal period, the amount of increase is mainly attributable to the acquisition of one trust beneficiary right (1,085,958 thousand yen) and capital expenditure (72,627 thousand yen), while the amount of decrease is mainly attributable to depreciation (134,838 thousand yen). Of the amount of increase (decrease) during period for 7th fiscal period, the amount of increase is mainly attributable to the acquisitions of one trust beneficiary right and one actual real estate (1,229,746 thousand yen) and capital expenditure (302,282 thousand yen), while the amount of decrease is mainly attributable to depreciation (137,139 thousand yen).

(Note 3) Fair value at the end of the period is the appraisal value by an outside real estate appraiser.

(Note 4) Carrying amount does not include Construction in progress in trust.

The income (loss) concerning investment and rental properties is stated in "Notes on the Statement of Income" above.

## [Notes on Per Unit Information]

	6th fiscal period From: Sep. 1, 2020 To: Feb. 28, 2021	7th fiscal period From: Mar. 1, 2021 To: Aug. 31, 2021
Net assets per unit	104,011 yen	104,000 yen
Net income per unit	2,911 yen	2,899 yen

(Note 1) Net income per unit for 7th fiscal period is calculated by dividing net income by the period's daily weighted average number of investment units. In addition, diluted net income per unit is not stated, because there are no diluted investment units.

(Note 2) The basis for calculation of net income per unit is as follows:

	6th fiscal period From: Sep. 1, 2020 To: Feb. 28, 2021	7th fiscal period From: Mar. 1, 2021 To: Aug. 31, 2021
Net income (thousand yen)	650,336	647,859
Amount not attributable to common unitholders (thousand yen)	-	-
Net income attributable to common investment units (thousand yen)	650,336	647,859
Average number of investment units during the period (units)	223,400	223,400

## [Notes on Significant Subsequent Events]

Not applicable.

## [Omission of Disclosure]

Disclosure of notes on lease transactions, securities, retirement benefits, equity in net income and asset retirement obligations is omitted since no substantial need for disclosure in the financial report is recognized.

## (9) Changes in Total Number of Investment Units Issued and Outstanding

Changes in unitholders' capital and the total number of investment units issued and outstanding from the incorporation of XYMAX REIT to the last day of the fiscal period under review are as follows:

Date	Description	Total number of investment units issued and outstanding (units)		Unitholders' capital (thousand yen)		Remarks
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
Sep. 14, 2017	Incorporation through private placement	3,000	3,000	300,000	300,000	(Note 1)
Feb. 14, 2018	Capital increase through public offering	209,905	212,905	21,224,544	21,524,544	(Note 2)
Mar. 20, 2018	Third-party allotment	10,495	223,400	1,061,201	22,585,746	(Note 3)

(Note 1) XYMAX REIT was incorporated with issuance of investment units at an issue price of 100,000 yen per unit.

(Note 2) New investment units were issued through public offering at an issue price of 105,000 yen (paid-in amount of 101,115 yen) per unit for the purpose of procuring funds for acquisition of new properties.

(Note 3) New investment units were issued with SMBC Nikko Securities Inc. as allottee at a paid-in amount of 101,115 yen per unit.

## 3. Reference Information

## (1) Investment Status

Type of asset	Use	Geographic area (Note 1)	6th fiscal period As of Feb. 28, 2021		7th fiscal period As of Aug. 31, 2021	
			Total amount held (million yen) (Note 2)	As a percentage of total assets (%) (Note 3)	Total amount held (million yen) (Note 2)	As a percentage of total assets (%) (Note 3)
Actual real estate	Retail	Tokyo economic area	-	-	549	1.4
Total actual real estate			-	-	549	1.4
Real estate in trust	Office	Tokyo central 5 wards	14,438	38.4	15,133	38.8
		Tokyo 23 wards	1,173	3.1	1,170	3.0
		Tokyo economic area	2,599	6.9	2,671	6.9
	Retail	Tokyo economic area	8,193	21.8	8,300	21.3
		Cabinet order designated cities	1,083	2.9	1,081	2.8
	Hotel	Cabinet order designated cities	4,277	11.4	4,255	10.9
	Other	Cabinet order designated cities	2,749	7.3	2,748	7.1
Total real estate in trust			34,515	91.7	35,360	90.7
Deposits and other assets (Note 4)			3,120	8.3	3,060	7.9
Total assets			37,636	100.0	38,971	100.0

(Note 1) "Tokyo central 5 wards" refers to Tokyo's Chiyoda Ward, Chuo Ward, Minato Ward, Shinjuku Ward and Shibuya Ward.

"Tokyo 23 wards" does not include "Tokyo central 5 wards."

"Tokyo economic area" refers to Tokyo excluding "Tokyo central 5 wards" and "Tokyo 23 wards"; Kanagawa Prefecture, Chiba Prefecture and Saitama Prefecture.

(Note 2) "Total amount held" is based on the carrying amount (in the case of actual real estate and real estate in trust, the depreciated book value) as of the end of each fiscal period, rounded down to the nearest million yen. Furthermore, the total amount held for real estate in trust as "Hotel" includes the book value of movables incidental to hotels.

XYMAX REIT Investment Corporation (3488) Financial Report for the Fiscal Period Ended August 2021

(Note 3) "As a percentage of total assets" is rounded to one decimal place.

(Note 4) Deposits and other assets include Construction in progress in trust.

	6th fiscal period As of Feb. 28, 2021		7th fiscal period As of Aug. 31, 2021	
	Amount (million yen) (Note 1)	As a percentage of total assets (%) (Note 2)	Amount (million yen) (Note 1)	As a percentage of total assets (%) (Note 2)
Total liabilities	14,400	38.3	15,737	40.4
Total net assets	23,236	61.7	23,233	59.6
Total assets	37,636	100.0	38,971	100.0

(Note 1) The total liabilities, total net assets and total assets amounts are based on the carrying amounts as of the book closing date, rounded down to the nearest million yen.

(Note 2) "As a percentage of total assets" is rounded to one decimal place.

## (2) Investment Assets

## I. Itemization of Real Estate and Other Assets in the Portfolio

The assets held by XYMAX REIT (actual real estate or trust beneficiary rights that have real estate as trust assets; hereinafter, may be collectively referred to as the “portfolio assets”) as of August 31, 2021 are as follows:

Classification	Asset no. (Note 1)	Asset name	Location	Acquisition date	Acquisition price (million yen) (Note 2)	Share of portfolio (%) (Note 3)	Book value at end of period (million yen)	Appraisal value (million yen) (Note 4)	Ownership status
Office	OF-01	XYMAX Nishi-Shimbashi Building	Minato-ku, Tokyo	Feb. 16, 2018	2,500	7.1	2,519	3,220	Trust beneficiary rights
	OF-02	XYMAX Iwamotocho Building	Chiyoda-ku, Tokyo	Feb. 16, 2018	4,250	12.0	4,393	5,710	Trust beneficiary rights
	OF-03	XYMAX Shinjuku-Gyoen Building	Shinjuku-ku, Tokyo	Feb. 16, 2018	5,020	14.2	5,047	7,300	Trust beneficiary rights
	OF-04	XYMAX Kamiyacho Building	Minato-ku, Tokyo	Feb. 16, 2018	880	2.5	892	1,260	Trust beneficiary rights
	OF-05	XYMAX Higashi-Azabu Building	Minato-ku, Tokyo	Feb. 16, 2018	1,550	4.4	1,602	2,140	Trust beneficiary rights
	OF-06	XYMAX Higashi-Ueno Building	Taito-ku, Tokyo	Feb. 16, 2018	1,150	3.3	1,170	1,620	Trust beneficiary rights
	OF-07	XYMAX Hachioji Building	Hachioji-shi, Tokyo	Feb. 16, 2018	2,600	7.4	2,671	3,570	Trust beneficiary rights
	OF-08	XYMAX Mita Building	Minato-ku, Tokyo	Jul. 1, 2021	668	1.9	678	727	Trust beneficiary rights
	Subtotal/Average		-	-	-	18,618	52.7	18,974	25,547
Retail	RT-01	Muza Kawasaki	Kawasaki-shi, Kanagawa	Feb. 16, 2018	4,100	11.6	4,078	5,310	Trust beneficiary rights
	RT-02	Life Kawasaki Miyuki Store	Kawasaki-shi, Kanagawa	Feb. 16, 2018	790	2.2	792	978	Trust beneficiary rights
	RT-03	Vita Seiseki-Sakuragaoka	Tama-shi, Tokyo	Feb. 16, 2018	3,100	8.8	3,428	3,860	Trust beneficiary rights
	RT-04	Life Fukuizumi Store	Sakai-shi, Osaka	Sep. 1, 2020	1,065	3.0	1,081	1,090	Trust beneficiary rights
	RT-05	The Park House Totsuka Front (the Retail Portions of 1st and 2nd Floors)	Yokohama-shi, Kanagawa	Jul. 1, 2021	540	1.5	549	622	Actual real estate
	Subtotal/Average		-	-	-	9,595	27.2	9,931	11,860
Hotel	HT-01	Hotel Vista Sendai	Sendai-shi, Miyagi	Feb. 16, 2018	4,400	12.5	4,255	5,200	Trust beneficiary rights and movables incidental to hotel
	Subtotal/Average		-	-	-	4,400	12.5	4,255	5,200
Other	OT-01	Renaissance 21 Chihaya	Fukuoka-shi, Fukuoka	Feb. 16, 2018	2,700	7.6	2,748	3,280	Trust beneficiary rights
	Subtotal/Average		-	-	-	2,700	7.6	2,748	3,280
Total/Average		-	-	-	35,313	100.0	35,910	45,887	-

(Note 1) “Asset no.” is the code and number assigned to the portfolio assets of XYMAX REIT property by property according to each type of use. The code “OF” represents office properties, “RT” represents retail properties, “HT” represents hotel properties and “OT” represents other properties.

(Note 2) “Acquisition price” is the amount (the amount of the sale and purchase price of the asset stated in sales and purchase agreement for each portfolio asset) not including the various expenses required for the acquisition of the portfolio assets (brokerage fees, property taxes, etc.), rounded down to the nearest million yen. The sale and purchase price does not include consumption tax and local consumption tax.

(Note 3) “Share of portfolio” is the acquisition price of the portfolio asset expressed as a percentage of the total acquisition price of the portfolio assets,

rounded to one decimal place.

(Note 4) Appraisal of each property is entrusted to Japan Real Estate Institute, The Tanizawa Sōgō Appraisal Co., Ltd. and Daiwa Real Estate Appraisal Co., Ltd. "Appraisal value" is the appraisal value stated in each real estate appraisal report with August 31, 2021 as the date of value.

## II. Status of Leasing

Asset no.	Asset name	Construction date (Note 1)	Number of tenants (Note 2)	Operating revenue from leasing (million yen) (Note 3)	Security deposit / Guarantee (million yen) (Note 4)	Leased area (m <sup>2</sup> ) (Note 5)	Leasable area (m <sup>2</sup> ) (Note 6)	Occupancy rate (%) (Note 7)
OF-01	XYMAX Nishi-Shimbashi Building	Aug. 22, 2000	8	77	108	1,897.92	1,897.92	100.0
OF-02	XYMAX Iwamotocho Building	Mar. 22, 2001	13	138	178	3,825.18	4,152.40	92.1
OF-03	XYMAX Shinjuku-Gyoen Building	Feb. 28, 2001	6	186	263	4,792.21	4,792.21	100.0
OF-04	XYMAX Kamiyacho Building	Apr. 30, 1991	7	41	53	1,205.27	1,205.27	100.0
OF-05	XYMAX Higashi-Azabu Building	Nov. 30, 1999	5	44	71	1,763.97	2,015.97	87.5
OF-06	XYMAX Higashi-Ueno Building	Apr. 9, 1999	8	49	70	1,735.29	1,735.29	100.0
OF-07	XYMAX Hachioji Building	Jan. 26, 1993	23	138	171	5,055.45	5,556.05	91.0
OF-08	XYMAX Mita Building	May 31, 1991	8	5	6	589.05	741.41	79.4
RT-01	Muza Kawasaki	Jan. 7, 2004	18	171	216	3,703.88	3,703.88	100.0
RT-02	Life Kawasaki Miyuki Store	Jan. 13, 1997	1	Undisclosed (Note 8)	Undisclosed (Note 8)	2,677.54	2,677.54	100.0
RT-03	Vita Seiseki-Sakuragaoka	Sep. 17, 1999	1	Undisclosed (Note 8)	Undisclosed (Note 8)	27,610.61	27,610.61	100.0
RT-04	Life Fukuizumi Store	Dec. 17, 1996	1	Undisclosed (Note 8)	Undisclosed (Note 8)	3,309.29	3,309.29	100.0
RT-05	The Park House Totsuka Front (the Retail Portions of 1st and 2nd Floors)	May 23, 2018	5	8	33	861.60	861.60	100.0
HT-01	Hotel Vista Sendai	Mar. 14, 2016	1	Undisclosed (Note 8)	Undisclosed (Note 8)	7,066.25	7,066.25	100.0
OT-01	Renaissance 21 Chihaya	Oct. 19, 2006	138	110	24	9,926.99	10,290.99	96.5
Total/Average		-	243	1,305	1,301	76,020.50	77,616.68	97.9

(Note 1) "Construction date" is the date of new construction of the main building stated in the real estate registry.

(Note 2) "Number of tenants" is the total of the number of tenants (the number of end-tenants if a pass-through type master lease contract has been concluded) pertaining to the assets based on each lease contract concluded for each asset as of August 31, 2021.

(Note 3) "Operating revenue from leasing" is the total amount of rent revenue, common area maintenance revenue, parking revenue and other revenue (including other lease business revenue) generated from portfolio real estate during the fiscal period, rounded down to the nearest specified unit.

(Note 4) "Security deposit / Guarantee" is each asset's total amount of security deposit and guarantee specified in all lease contracts pertaining to the assets concluded for each asset as of August 31, 2021, rounded down to the nearest specified unit.

(Note 5) "Leased area" is the total leased area based on the lease contract and the building drawing, etc. attached to the lease contract for each asset as of August 31, 2021.

(Note 6) "Leasable area" is the total leased area based on the lease contract and the building drawing, etc. attached to the lease contract for each asset as of August 31, 2021 and the area based on the building drawing, etc. of vacant spaces.

(Note 7) "Occupancy rate" is the ratio of leased area to leasable area for each asset as of August 31, 2021, rounded to one decimal place.

(Note 8) Not disclosed due to unavoidable circumstances in that consent for disclosure has not been obtained from the lessee.

## III. Summary of Real Estate Appraisal Reports

Classification	Asset no.	Asset name	Appraiser (Note 2)	Appraisal value (million yen)	Value based on income approach				
					Value based on direct capitalization method (million yen)	Capitalization rate (%)	Value based on DCF method (million yen)	Discount rate (%)	Terminal capitalization rate (%)
Office	OF-01	XYMAX Nishi-Shimbashi Building	Tanizawa Sōgō Appraisal	3,220	3,350	3.6	3,160	3.7	3.8
	OF-02	XYMAX Iwamotocho Building	Japan Real Estate	5,710	5,830	3.5	5,590	3.3	3.7
	OF-03	XYMAX Shinjuku-Gyoen Building	Japan Real Estate	7,300	7,420	3.5	7,170	3.3	3.7
	OF-04	XYMAX Kamiyacho Building	Tanizawa Sōgō Appraisal	1,260	1,300	3.7	1,240	3.8	3.9
	OF-05	XYMAX Higashi-Azabu Building	Daiwa Real Estate Appraisal	2,140	2,210	3.8	2,110	3.6	4.0
	OF-06	XYMAX Higashi-Ueno Building	Daiwa Real Estate Appraisal	1,620	1,640	3.9	1,610	3.7	4.1
	OF-07	XYMAX Hachioji Building	Japan Real Estate	3,570	3,610	4.8	3,520	4.6	5.0
	OF-08	XYMAX Mita Building	Japan Real Estate	727	736	4.0	717	3.5	3.9
	Subtotal/Average				25,547	26,096	-	25,117	-
Retail	RT-01	Muza Kawasaki	Tanizawa Sōgō Appraisal	5,310	5,320	4.1	5,300	4.2	4.3
	RT-02	Life Kawasaki Miyuki Store	Daiwa Real Estate Appraisal	978	992	4.2	972	4.0	4.4
	RT-03	Vita Seiseki-Sakuragaoka	Tanizawa Sōgō Appraisal	3,860	3,770	5.0	3,900	5.1	5.2
	RT-04	Life Fukuizumi Store	Daiwa Real Estate Appraisal	1,090	1,100	4.5	1,080	4.3	4.7
	RT-05	The Park House Totsuka Front (the Retail Portions of 1st and 2nd Floors)	Tanizawa Sōgō Appraisal	622	626	4.5	620	4.6	4.7
	Subtotal/Average				11,860	11,808	-	11,872	-
Hotel	HT-01	Hotel Vista Sendai	Tanizawa Sōgō Appraisal	5,200	5,260	5.0	5,180	4.9	5.0
	Subtotal/Average				5,200	5,260	-	5,180	-
Other	OT-01	Renaissance 21 Chihaya	Tanizawa Sōgō Appraisal	3,280	3,340	4.8	3,250	4.9	5.0
	Subtotal/Average				3,280	3,340	-	3,250	-
Total/Average				45,887	46,504	-	45,419	-	-

(Note 1) The date of value for the real estate appraisal reports is August 31, 2021.

(Note 2) "Appraiser" is the name of the appraiser shortened as follows:

Japan Real Estate: Japan Real Estate Institute

Tanizawa Sōgō Appraisal: The Tanizawa Sōgō Appraisal Co., Ltd.

Daiwa Real Estate Appraisal: Daiwa Real Estate Appraisal Co., Ltd.

## IV. Summary of Engineering Reports and Seismic Risk Evaluation Reports

Asset no.	Asset name	Engineering report				Seismic risk evaluation report		
		Inspection company (Note 1)	Inspection date	Short-term repair cost (thousand yen) (Note 2) (Note 3)	Long-term repair cost (thousand yen) (Note 2) (Note 4)	Inspection company (Note 1)	Inspection date	PML value (%)
OF-01	XYMAX Nishi-Shimbashi Building	Sompo Risk Management Inc.	Nov. 30, 2017	-	4,503	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	6.1
OF-02	XYMAX Iwamotocho Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 30, 2017	-	12,297	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	5.2
OF-03	XYMAX Shinjuku-Gyoen Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 30, 2017	-	10,665	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	4.5
OF-04	XYMAX Kamiyacho Building	Earth-Appraisal Co., Ltd.	Nov. 30, 2017	-	7,737	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	3.8
OF-05	XYMAX Higashi-Azabu Building	Earth-Appraisal Co., Ltd.	Nov. 30, 2017	-	4,282	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	3.4
OF-06	XYMAX Higashi-Ueno Building	Earth-Appraisal Co., Ltd.	Nov. 30, 2017	-	2,820	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	5.1
OF-07	XYMAX Hachioji Building	Sompo Risk Management Inc.	Nov. 30, 2017	-	13,742	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	3.9
OF-08	XYMAX Mita Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Jun. 10, 2021	-	5,232	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Jun. 2021	2.6
RT-01	Muza Kawasaki	Earth-Appraisal Co., Ltd.	Nov. 30, 2017	-	13,357	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	1.2
RT-02	Life Kawasaki Miyuki Store	Daiwa Real Estate Appraisal Co., Ltd.	Nov. 30, 2017	-	3,662	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	7.0
RT-03	Vita Seiseki-Sakuragaoka	Daiwa Real Estate Appraisal Co., Ltd.	Nov. 30, 2017	-	150,664	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	2.1
RT-04	Life Fukuizumi Store	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Aug. 24, 2020	-	3,626	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Aug. 2020	14.7
RT-05	The Park House Totsuka Front (the Retail Portions of 1st and 2nd Floors)	Sompo Risk Management Inc.	Jun. 10, 2021	-	2,422	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Jun. 2021	6.7
HT-01	Hotel Vista Sendai	Daiwa Real Estate Appraisal Co., Ltd.	Nov. 30, 2017	-	8,071	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	1.7
OT-01	Renaissance 21 Chihaya	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 30, 2017	-	13,916	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	1.7
Total				-	256,997	Entire portfolio (Note 5)		1.8

(Note 1) Inspection company are the names when the inspection was performed.

(Note 2) "Short-term repair cost" and "Long-term repair cost" are indicated based on the engineering report.

(Note 3) "Short-term repair cost" refers to the cost for repair or upgrading that has priority over daily maintenance and indicates the total amount of estimates of repair costs deemed necessary within one year from the date of the engineering report.

(Note 4) "Long-term repair cost" refers to the cost for repair or upgrading to maintain functions and safe operations against the deterioration with age and indicates the total amount of repair/upgrading costs deemed necessary within 12 years from the date of the engineering report, which is



the annual average calculated by the Asset Management Company, rounded to the nearest thousand yen. For Muza Kawasaki, Vita Seiseki-Sakuragaoka and The Park House Totsuka Front (the Retail Portions of 1st and 2nd Floors), amounts corresponding to the ownership ratios (6.9%, 49.6% and 12.3% respectively, rounded down to one decimal place) are indicated. The ownership ratios are rounded down to one decimal place.

(Note 5) "Entire portfolio" is a PML value for a group of the 15 portfolio assets, obtained in the same manner as for each property based on the seismic risk evaluation (portfolio) report dated June 2021 prepared by Tokio Marine & Nichido Risk Consulting Co., Ltd.

## V. Capital Expenditures

## (A) Schedule of Capital Expenditures

Of capital expenditures associated with renovation work, etc. currently planned for assets held by XYMAX REIT as of the end of the fiscal period under review, the following are the major estimated amounts. The estimated construction costs below may include the portion separately booked as expenses in accounting.

Name of real estate, etc.	Location	Purpose	Scheduled period	Estimated construction costs (thousand yen)		
				Total amount	Amount of payment during period	Total amount already paid
XYMAX Iwamotocho Building	Chiyoda-ku, Tokyo	Renewal of air conditioners	From: July 2022 To: July 2022	53,720	-	-
Vita Seiseki-Sakuragaoka	Tama-shi, Tokyo	Overhaul & parts exchange of Parking A (located on basement floor)	From: July 2022 To: July 2022	54,335	-	-

## (B) Capital Expenditures during the Fiscal Period

The construction work, etc. falling under the category of capital expenditures conducted in the fiscal period under review for assets held by XYMAX REIT as of the end of the fiscal period under review amounted to 302,282 thousand yen. Combined with repair expenses booked as expenses in the fiscal period under review (31,610 thousand yen), construction work, etc. totaling 333,892 thousand yen was conducted.

Major construction works as capital expenditure for assets held by XYMAX REIT during the fiscal period under review are as follows;

Name of real estate, etc.	Location	Purpose	Scheduled period	Estimated construction costs (thousand yen)
Vita Seiseki-Sakuragaoka	Tama-shi, Tokyo	Replacement of automatic fire alarm system	From: March 2021 To: March 2021	65,953
Vita Seiseki-Sakuragaoka	Tama-shi, Tokyo	Overhaul & parts exchange of Parking A (located on basement floor)	From: July 2021 To: July 2021	38,025
XYMAX Hachioji Building	Hachioji-shi, Tokyo	Exterior wall repair work	From: July 2021 To: July 2021	82,651

## VI. Property Overview and Earnings/Expenses of Properties

XYMAX Nishi-Shimbashi Building			Category	Office
<b>Overview of the Specified Asset</b>			<b>Earnings and Expenses (Unit: thousand yen)</b>	
Acquisition Date	February 16, 2018		Management Period	from March 1, 2021 to August 31, 2021
Acquisition Price	2,500 million yen		Number of operating days	184 days
Type of Specified Asset	Trust beneficiary right		(1) Operating expenses from real estate leasing	
Trustee	Sumitomo Mitsui Trust Bank, Ltd.		Lease business revenue	67,344
Location	2-6-2 Nishi-Shimbashi, Minato-ku, Tokyo		Other lease business revenue	9,760
Land	Lot Number	2-10-30 Nishi-Shimbashi, Minato-ku, Tokyo, and other	Total operating revenue from real estate leasing	77,105
	Building Coverage Ratio	80%	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	700%	Tax and public dues	6,948
	Land Use District	Commercial district	Maintenance fees	5,144
	Site Area	402.53 m <sup>2</sup>	Utility expenses	3,638
	Type of ownership	Ownership	Repair expenses	2,629
Building	Construction Date	August 22, 2000	Insurance premiums	62
	Structure/Number of Floors	Reinforced concrete structure with flat roof 9F	Depreciation	2,734
	Total Floor Area	2,517.50 m <sup>2</sup>	Other expenses related to lasing business	4,802
	Architect	RUI SEKKEISHITSU Co., Ltd.	Total operating expenses from real estate leasing	25,960
	Builder	Fujiki Komuten Co., Ltd.	(3) NOI	53,879
	Type of Ownership	Ownership	(4) Operating income (loss) from real estate leasing	51,145
ML Company	-			
PM Company	XYMAX ALPHA Corporation(Note )			
Notes: There is a 2-meter setback from the centerline of the road on the south side of the property. However, the Site Area includes the setback portion (33.96 m <sup>2</sup> ).				

(Note ) XYMAX Corporation and XYMAX ALPHA Corporation will merge effective as of November 1, 2021 and XYMAX Corporation will be a surviving corporation. The same shall apply hereinafter.

XYMAX Iwamotocho Building		Category	Office	
<b>Overview of the Specified Asset</b>		<b>Earnings and Expenses (Unit: thousand yen)</b>		
Acquisition Date	February 16, 2018	Management Period	from March 1, 2021 to August 31, 2021	
Acquisition Price	4,250 million yen	Number of operating days	184 days	
Type of Specified Asset	Trust beneficiary right	(1) Operating expenses from real estate leasing		
Trustee	Sumitomo Mitsui Trust Bank, Ltd.	Lease business revenue	123,264	
Location	2-3-3 Iwamotocho, Chiyoda-ku, Tokyo	Other lease business revenue	15,300	
Land	Lot Number	2-175-2 Iwamotocho, Chiyoda-ku, Tokyo	Total operating revenue from real estate leasing	138,564
	Building Coverage Ratio	80%	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	800%、600%	Tax and public dues	13,479
	Land Use District	Commercial district	Maintenance fees	10,041
	Site Area	864.83 m <sup>2</sup>	Utility expenses	7,133
	Type of ownership	Ownership	Repair expenses	4,995
Building	Construction Date	March 22, 2001	Insurance premiums	221
	Structure/Number of Floors	Steel-framed reinforced concrete structure with flat roof B1F/9F	Depreciation	14,693
	Total Floor Area	6,261.06 m <sup>2</sup>	Other expenses related to lasing business	3,282
	Architect	Nikken Sekkei Ltd.	Total operating expenses from real estate leasing	53,848
	Builder	Kumagai-Sumitomo Construction Consortium	(3) NOI	99,409
	Type of Ownership	Ownership	(4) Operating income (loss) from real estate leasing	84,715
ML Company	Godo Kaisha ML2			
PM Company	XYMAX ALPHA Corporation			
Notes: None				

XYMAX Shinjuku-Gyoen Building			Category	Office
<b>Overview of the Specified Asset</b>			<b>Earnings and Expenses (Unit: thousand yen)</b>	
Acquisition Date	February 16, 2018		Management Period	from March 1, 2021 to August 31, 2021
Acquisition Price	5,020 million yen		Number of operating days	184 days
Type of Specified Asset	Trust beneficiary right		(1) Operating expenses from real estate leasing	
Trustee	Sumitomo Mitsui Trust Bank, Ltd.		Lease business revenue	174,465
Location	1-1-11 Shinjuku, Shinjuku-ku, Tokyo		Other lease business revenue	12,359
Land	Lot Number	1-1-8 Shinjuku, Shinjuku-ku, and other	Total operating revenue from real estate leasing	186,825
	Building Coverage Ratio	80%	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	700%	Tax and public dues	14,342
	Land Use District	Commercial district	Maintenance fees	11,648
	Site Area	839.09 m <sup>2</sup>	Utility expenses	7,118
	Type of ownership	Ownership	Repair expenses	3,240
Building	Construction Date	February 28, 2001	Insurance premiums	213
	Structure/Number of Floors	Steel-construction / Reinforced concrete structure with flat roof B1F/9F	Depreciation	11,143
	Total Floor Area	6,084.32 m <sup>2</sup>	Other expenses related to leasing business	2,078
	Architect	U Associates Co., Ltd.	Total operating expenses from real estate leasing	49,784
	Builder	Kajima-Oriental Construction Consortium	(3) NOI	148,183
	Type of Ownership	Ownership	(4) Operating income (loss) from real estate leasing	137,040
ML Company	Godo Kaisha ML2			
PM Company	XYMAX ALPHA Corporation			
Notes:	None			

XYMAX Kamiyacho Building		Category	Office
<b>Overview of the Specified Asset</b>		<b>Earnings and Expenses (Unit: thousand yen)</b>	
Acquisition Date	February 16, 2018	Management Period	from March 1, 2021 to August 31, 2021
Acquisition Price	880 million yen	Number of operating days	184 days
Type of Specified Asset	Trust beneficiary right	(1) Operating expenses from real estate leasing	
Trustee	Sumitomo Mitsui Trust Bank, Ltd.	Lease business revenue	38,445
Location	5-12-13 Toranomom, Minato-ku, Tokyo	Other lease business revenue	3,374
Land	Lot Number	Total operating revenue from real estate leasing	
	Building Coverage Ratio	41,820	
	Floor-Area Ratio	(2) Operating expenses from real estate leasing	
	Land Use District	Tax and public dues	4,615
	Site Area	Maintenance fees	4,524
	Type of ownership	Utility expenses	2,113
Building	Construction Date	April 30, 1991	Repair expenses
	Structure/Number of Floors	Steel-construction with flat roof 8F	1,541
	Total Floor Area	1,356.51m <sup>2</sup>	Insurance premiums
	Architect	HASEKO Corporation	46
	Builder	HASEKO Corporation	Depreciation
	Type of Ownership	Ownership	1,373
		Other expenses related to leasing business	543
		Total operating expenses from real estate leasing	14,758
		(3) NOI	28,434
		(4) Operating income (loss) from real estate leasing	27,061
ML Company	XYMAX ALPHA Corporation		
PM Company	XYMAX ALPHA Corporation		
Notes: None			

XYMAX Higashi-Azabu Building		Category	Office
<b>Overview of the Specified Asset</b>		<b>Earnings and Expenses (Unit: thousand yen)</b>	
Acquisition Date	February 16, 2018	Management Period	from March 1, 2021 to August 31, 2021
Acquisition Price	1,550 million yen	Number of operating days	184 days
Type of Specified Asset	Trust beneficiary right	(1) Operating expenses from real estate leasing	
Trustee	Sumitomo Mitsui Trust Bank, Ltd.	Lease business revenue	39,243
Location	1-5-2 Higashi-Azabu, Minato-ku, Tokyo	Other lease business revenue	5,306
Land	Lot Number	Total operating revenue from real estate leasing	44,549
	Building Coverage Ratio	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	Tax and public dues	6,438
	Land Use District	Maintenance fees	5,581
	Site Area	Utility expenses	2,270
	Type of ownership	Repair expenses	565
Building	Construction Date	Insurance premiums	82
	Structure/Number of Floors	Depreciation	5,816
	Total Floor Area	Other expenses related to leasing business	3,893
	Architect	Total operating expenses from real estate leasing	24,648
	Builder	(3) NOI	25,716
	Type of Ownership	(4) Operating income (loss) from real estate leasing	19,900
ML Company	XYMAX ALPHA Corporation		
PM Company	XYMAX ALPHA Corporation		
Notes: None			

XYMAX Higashi-Ueno Building		Category	Office
<b>Overview of the Specified Asset</b>		<b>Earnings and Expenses (Unit: thousand yen)</b>	
Acquisition Date	February 16, 2018	Management Period	from March 1, 2021 to August 31, 2021
Acquisition Price	1,150 million yen	Number of operating days	184 days
Type of Specified Asset	Trust beneficiary right	(1) Operating expenses from real estate leasing	
Trustee	Sumitomo Mitsui Trust Bank, Ltd.	Lease business revenue	43,172
Location	1-11-4 Higashi-Ueno, Taito-ku, Tokyo	Other lease business revenue	5,861
Land	Lot Number	Total operating revenue from real estate leasing	49,033
	Building Coverage Ratio	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	Tax and public dues	3,695
	Land Use District	Maintenance fees	4,265
	Site Area	Utility expenses	2,765
	Type of ownership	Repair expenses	1,584
Building	Construction Date	Insurance premiums	60
	Structure/Number of Floors	Depreciation	3,189
	Total Floor Area	Other expenses related to leasing business	590
	Architect	Total operating expenses from real estate leasing	16,149
	Builder	(3) NOI	36,073
	Type of Ownership	(4) Operating income (loss) from real estate leasing	32,884
ML Company	XYMAX ALPHA Corporation		
PM Company	XYMAX ALPHA Corporation		
Notes: None			

(Note) The Site Area includes a portion of private road burden (48.62 m<sup>2</sup>).



XYMAX Hachioji Building			Category	Office
<b>Overview of the Specified Asset</b>			<b>Earnings and Expenses (Unit: thousand yen)</b>	
Acquisition Date	February 16, 2018		Management Period	from March 1, 2021 to August 31, 2021
Acquisition Price	2,600 million yen		Number of operating days	184 days
Type of Specified Asset	Trust beneficiary right		(1) Operating expenses from real estate leasing	
Trustee	Mitsubishi UFJ Trust and Banking Corporation		Lease business revenue	111,086
Location	25-6 Yokoyamacho, Hachioji-shi, Tokyo		Other lease business revenue	27,862
Land	Lot Number	3-2 Yokoyamacho, Hachioji-shi, Tokyo, and other	Total operating revenue from real estate leasing	138,949
	Building Coverage Ratio	80%	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	600%	Tax and public dues	8,377
	Land Use District	Commercial district	Maintenance fees	15,648
	Site Area	1,220.58 m <sup>2</sup>	Utility expenses	6,549
	Type of ownership	Ownership	Repair expenses	2,284
Building	Construction Date	January 26, 1993	Insurance premiums	276
	Structure/Number of Floors	Steel-framed reinforced concrete/ Steel-construction with flat roof B1F/9F	Depreciation	10,460
	Total Floor Area	7,404.81 m <sup>2</sup>	Other expenses related to leasing business	4,472
	Architect	NIHON SEKKEI Inc.	Total operating expenses from real estate leasing	48,068
	Builder	MATSUMURA-GUMI Corporation	(3) NOI	101,340
	Type of Ownership	Ownership	(4) Operating income (loss) from real estate leasing	90,880
ML Company	Godo Kaisha ML1			
PM Company	XYMAX ALPHA Corporation			
Notes: None				

XYMAX Mita Building		Category	Office
<b>Overview of the Specified Asset</b>		<b>Earnings and Expenses (Unit: thousand yen)</b>	
Acquisition Date	July 1, 2021	Management Period	from July 1, 2021 to August 31, 2021
Acquisition Price	668 million yen	Number of operating days	62 days
Type of Specified Asset	Trust beneficiary right	(1) Operating expenses from real estate leasing	
Trustee	Mitsubishi UFJ Trust and Banking Corporation	Lease business revenue	5,046
Location	5-13-11 Shiba, Minato-ku, Tokyo	Other lease business revenue	381
Land	Lot Number	5-3-39 Shiba, Minato-ku, Tokyo	Total operating revenue from real estate leasing
	Building Coverage Ratio	80%	(2) Operating expenses from real estate leasing
	Floor-Area Ratio	600%	Tax and public dues
	Land Use District	Commercial district	Maintenance fees
	Site Area	137.02 m <sup>2</sup>	Utility expenses
	Type of ownership	Ownership	Repair expenses
Building	Construction Date	May 31, 1991	Insurance premiums
	Structure/Number of Floors	Steel-construction with flat roof 10F	Depreciation
	Total Floor Area	799.78 m <sup>2</sup>	Other expenses related to leasing business
	Architect	KOKEN ARCHITECTS, INC.	Total operating expenses from real estate leasing
	Builder	Tosei Corporation	(3) NOI
	Type of Ownership	Ownership	(4) Operating income (loss) from real estate leasing
ML Company	Godo Kaisha ML1		
PM Company	XYMAX ALPHA Corporation		
Notes: None			

Muza Kawasaki		Category	Retail
<b>Overview of the Specified Asset</b>		<b>Earnings and Expenses (Unit: thousand yen)</b>	
Acquisition Date	February 16, 2018	Management Period	from March 1, 2021 to August 31, 2021
Acquisition Price	4,100 million yen	Number of operating days	184 days
Type of Specified Asset	Trust beneficiary right	(1) Operating expenses from real estate leasing	
Trustee	Sumitomo Mitsui Trust Bank, Ltd.	Lease business revenue	151,731
Location	1310 Omiyacho, Saiwai-ku, Kawasaki-shi, Kanagawa	Other lease business revenue	19,804
Land	Lot Number	Total operating revenue from real estate leasing	
	Building Coverage Ratio	171,536	
	Floor-Area Ratio	(2) Operating expenses from real estate leasing	
	Land Use District	Tax and public dues	10,543
	Site Area	Maintenance fees	14,909
	Type of ownership	Utility expenses	14,203
Building	Construction Date	Repair expenses	176
	Structure/Number of Floors	Insurance premiums	191
	Total Floor Area	Depreciation	17,737
	Architect	Other expenses related to leasing business	529
	Builder	Total operating expenses from real estate leasing	58,292
	Type of Ownership	(3) NOI	130,980
ML Company	XYMAX ALPHA Corporation	(4) Operating income (loss) from real estate leasing	113,243
PM Company	XYMAX ALPHA Corporation		
Notes: None			

(Note 1) Although the subject asset is a sectional ownership building, Site Area above represents the entire site area of the building. XYMAX REIT owns 742.44 m<sup>2</sup>, approx. 6.9% of 10,669.34 m<sup>2</sup>.

(Note 2) Although the subject asset is a sectional ownership building, Total Floor Area above represents the entire floor area of the building including the subject asset. Exclusive spaces owned by XYMAX REIT is 3,671.09 m<sup>2</sup> (registered area) in total of the owned sectional ownership building.

Life Kawasaki Miyuki Store		Category	Retail
<b>Overview of the Specified Asset</b>		<b>Earnings and Expenses (Unit: thousand yen)</b>	
Acquisition Date	February 16, 2018	Management Period	from March 1, 2021 to August 31, 2021
Acquisition Price	790 million yen	Number of operating days	184 days
Type of Specified Asset	Trust beneficiary right	(1) Operating expenses from real estate leasing	
Trustee	Mitsubishi UFJ Trust and Banking Corporation	Lease business revenue	Undisclosed
Location	4-93 Komukai-nishimachi, Saiwai-ku, Kawasaki-shi, Kanagawa	Other lease business revenue	Undisclosed
Land	Lot Number	Total operating revenue from real estate leasing	
	Building Coverage Ratio	Undisclosed	
	Floor-Area Ratio	(2) Operating expenses from real estate leasing	
	Land Use District	Tax and public dues	Undisclosed
	Site Area	Maintenance fees	Undisclosed
	Type of ownership	Utility expenses	Undisclosed
Building	Construction Date	January 13, 1997	Insurance premiums
	Structure/Number of Floors	Steel-construction with flat roof 2F	Depreciation
	Total Floor Area	2,596.80 m <sup>2</sup>	Other expenses related to leasing business
	Architect	Tokyo First-class Architect Office, Takenaka Corporation	Total operating expenses from real estate leasing
	Builder	Yokohama Branch of Takenaka Corporation	(3) NOI
	Type of Ownership	Ownership	(4) Operating income (loss) from real estate leasing
ML Company	-		22,726
PM Company	XYMAX ALPHA Corporation		21,156
Notes:			
Under the lease contract with the tenant, in the case the lessor intends to transfer the ownership right of the property to a third party through sale, etc., the lessor is to notify such to the lessee in advance to allow the lessee to preferentially discuss acquisition if the lessee wishes.			

Vita Seiseki-Sakuragaoka			Category	Retail
<b>Overview of the Specified Asset</b>			<b>Earnings and Expenses (Unit: thousand yen)</b>	
Acquisition Date	February 16, 2018		Management Period	from March 1, 2021 to August 31, 2021
Acquisition Price	3,100 million yen		Number of operating days	184 days
Type of Specified Asset	Trust beneficiary right		(1) Operating expenses from real estate leasing	
Trustee	Mitsubishi UFJ Trust and Banking Corporation		Lease business revenue	Undisclosed
Location	4-72 Sekido, Tama-shi, Tokyo		Other lease business revenue	Undisclosed
Land	Lot Number	4-72 Sekido, Tama-shi, Tokyo	Total operating revenue from real estate leasing	Undisclosed
	Building Coverage Ratio	80%	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	500%	Tax and public dues	Undisclosed
	Land Use District	Commercial district	Maintenance fees	Undisclosed
	Site Area	9,003.26m <sup>2</sup> (Note 1)	Utility expenses	Undisclosed
	Type of ownership	Co-ownership interest in ownership right (ratio of right of site: Approximately 49.6%)	Repair expenses	Undisclosed
Building	Construction Date	September 17, 1999	Insurance premiums	Undisclosed
	Structure/Number of Floors	Steel-framed reinforced concrete structure/reinforced concrete structure/steel-construction with flat roof B3F/27F	Depreciation	21,868
	Total Floor Area	62,849.56 m <sup>2</sup> (Note 2)	Other expenses related to leasing business	Undisclosed
	Architect	Tokyo Branch First-Class Architect Office Corporation, Housing and Urban Development Corporation	Total operating expenses from real estate leasing	Undisclosed
	Builder	Toda-Tokyu-ICHIKEN Construction Consortium	(3) NOI	166,342
	Type of Ownership	Sectional ownership (however, for house numbers 72-3 and 72-7, co-ownership interest of 937,995/1,000,000 and 591,485/1,000,000, respectively)	(4) Operating income (loss) from real estate leasing	144,473
ML Company	-			
PM Company	XYMAX ALPHA Corporation			
Notes: As to the part of the building (house numbers 72-3 and 72-7), an agreement on the following matters has been concluded with the co-owners of the sections. <ul style="list-style-type: none"> <li>· Non-division covenant for five years from the conclusion date (renewed automatically unless any one of the co-owners claims not to renew at least six months prior to the expiration date)</li> <li>· When transferring or dispositioning by other means the co-ownership interest, the party must notify other co-owners (hereinafter, the "Counterparties") of such at least one month prior to the transfer or disposition in writing. The Counterparties shall have the preferential negotiation right to purchase the said co-ownership interest within 20 business days after the notice, and such purchase shall be effective after two months of a written notice stating exercise of right-to-purchase (hereinafter, the "Notice of Exercising Right-to-Purchase") reaching the party wishing to transfer the co-ownership interest. In such a case, the price shall be the value on an as-is basis, and if the parties do not reach an agreement on the price, the price shall be the real estate appraisal value as of the date of the Notice of Exercising Right-to-Purchase delivered to the party wishing to transfer the co-ownership interest.</li> </ul>				

(Note 1) Although the subject asset is a sectional ownership building, Site Area above represents the entire site area of the building. XYMAX REIT owns 4,467.51m<sup>2</sup>, approx. 49.6% of 9,003.26 m<sup>2</sup>.

(Note 2) Although the subject asset is a sectional ownership building, Total Floor Area above represents the entire floor area of the building including the subject asset. Exclusive spaces owned by XYMAX REIT is 27,161.00m<sup>2</sup> (registered area) in total (provided that, the area of 2 common-ownership lots of house number 72-3 and 72-7 is calculated by multiplying ownership ratio of 937,995/1,000,000 and 591,485/1,000,000, respectively) of the owned sectional ownership building.

Life Fukuizumi Store		Category	Retail	
<b>Overview of the Specified Asset</b>		<b>Earnings and Expenses (Unit: thousand yen)</b>		
Acquisition Date	September 1, 2020	Management Period	from March 1, 2021 to August 31, 2021	
Acquisition Price	1,065 million yen	Number of operating days	184 days	
Type of Specified Asset	Trust beneficiary right	(1) Operating expenses from real estate leasing		
Trustee	Mitsubishi UFJ Trust and Banking Corporation	Lease business revenue	Undisclosed	
Location	444-1, Kami, Nishi-ku, Sakai-shi, Osaka	Other lease business revenue	Undisclosed	
Land	Lot Number	444-1, Kami, Nishi-ku, Sakai-shi, Osaka	Total operating revenue from real estate leasing	Undisclosed
	Building Coverage Ratio	60%	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	200%	Tax and public dues	Undisclosed
	Land Use District	Category 1 residential districts	Maintenance fees	Undisclosed
	Site Area	6,225.21 m <sup>2</sup>	Utility expenses	Undisclosed
	Type of ownership	Ownership	Repair expenses	Undisclosed
Building	Construction Date	December 17, 1996	Insurance premiums	Undisclosed
	Structure/Number of Floors	Steel-construction with flat roof 2F	Depreciation	2,223
	Total Floor Area	3,358.26 m <sup>2</sup>	Other expenses related to leasing business	Undisclosed
	Architect	KAJIMA CORPORATION	Total operating expenses from real estate leasing	Undisclosed
	Builder	KAJIMA CORPORATION	(3) NOI	25,635
	Type of Ownership	Ownership	(4) Operating income (loss) from real estate leasing	23,412
ML Company	XYMAX REIT Investment Corporation			
PM Company	XYMAX KANSAI Corporation			
Notes:				
Under the lease contract with the tenant, in the case the lessor intends to transfer the ownership right of the property to a third party through sale, etc., the lessor is to notify such to the lessee in advance to allow the lessee to preferentially discuss acquisition if the lessee wishes.				

The Park House Totsuka Front (the Retail Portions of 1st and 2nd Floors)		Category	Retail	
<b>Overview of the Specified Asset</b>		<b>Earnings and Expenses (Unit: thousand yen)</b>		
Acquisition Date	July 1, 2021	Management Period	from July 1, 2021 to August 31, 2021	
Acquisition Price	540 million yen	Number of operating days	62 days	
Type of Specified Asset	Actual Real Estate	(1) Operating expenses from real estate leasing		
Trustee	-	Lease business revenue	7,735	
Location	4018-1 Totsuka-cho, Totsuka-ku, Yokohama-shi, Kanagawa	Other lease business revenue	963	
Land	Lot Number	4022-1 Totsuka-cho, Totsuka-ku, Yokohama-shi, Kanagawa, and other	Total operating revenue from real estate leasing	8,699
	Building Coverage Ratio	80%	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	600%	Tax and public dues	-
	Land Use District	Commercial district	Maintenance fees	1,692
	Site Area	1,595.49 m <sup>2</sup> (Note 1)	Utility expenses	924
	Type of ownership	Co-ownership interest in ownership right (ratio of right of site: Approximately 12.3%)	Repair expenses	15
Building	Construction Date	May 23, 2018	Insurance premiums	17
	Structure/Number of Floors	Reinforced concrete structure with flat roof B1F/14F	Depreciation	1,254
	Total Floor Area	12,236.50 m <sup>2</sup> (Note 2)	Other expenses related to leasing business	2
	Architect	Fujita Corporation 1st Class Architects Office	Total operating expenses from real estate leasing	3,906
	Builder	Fujita Corporation	(3) NOI	6,046
	Type of Ownership	Sectional ownership	(4) Operating income (loss) from real estate leasing	4,792
ML Company	XYMAX ALPHA Corporation			
PM Company	XYMAX ALPHA Corporation			
Notes: The asset may not change the designated use, not be transferred and loaned to a third party until Sep. 30, 2023, unless approved by Yokohama City in writing. However, in the case Yokohama City approves, transfer and loan to the third party may be possible. The management association leases a part of the roof free of charge to Tsunagu Network Communications, Inc. (hereinafter Tsunagu Net) under a temporary loan for use agreement. Tsunagu Net installed its solar power generation equipment and is supplying electricity to the common area of the asset.				

(Note 1) Although the subject asset is a sectional ownership building, Site Area above represents the entire site area of the building. XYMAX REIT owns 197.84 m<sup>2</sup>, approx. 12.3% of 1,595.49 m<sup>2</sup>.

(Note 2) Although the subject asset is a sectional ownership building, Total Floor Area above represents the entire floor area of the building including the subject asset.

Exclusive spaces owned by XYMAX REIT is 1,080.19 m<sup>2</sup> (registered area) in total of the owned sectional ownership building.

Hotel Vista Sendai		Category	Hotel
<b>Overview of the Specified Asset</b>		<b>Earnings and Expenses (Unit: thousand yen)</b>	
Acquisition Date	February 16, 2018	Management Period	from March 1, 2021 to August 31, 2021
Acquisition Price	4,400 million yen	Number of operating days	184 days
Type of Specified Asset	Trust beneficiary right and movables property incidental to hotel	(1) Operating expenses from real estate leasing	
Trustee	Mitsubishi UFJ Trust and Banking Corporation	Lease business revenue	Undisclosed
Location	1-7-3 Tsutsujigaoka, Miyagino-ku, Sendai-shi, Miyagi	Other lease business revenue	Undisclosed
Land	Lot Number	Total operating revenue from real estate leasing	Undisclosed
	Building Coverage Ratio	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	Tax and public dues	Undisclosed
	Land Use District	Maintenance fees	Undisclosed
	Site Area	Utility expenses	Undisclosed
	Type of ownership	Repair expenses	Undisclosed
Building	Construction Date	Insurance premiums	Undisclosed
	Structure/Number of Floors	Depreciation	22,626
	Total Floor Area	Other expenses related to leasing business	Undisclosed
	Architect	Total operating expenses from real estate leasing	Undisclosed
	Builder	(3) NOI	33,497
	Type of Ownership	(4) Operating income (loss) from real estate leasing	10,870
ML Company	-		
PM Company	XYMAX ALPHA Corporation		
Notes: Sendai City has sectional surface rights to part of the land (lot number 7-18) aimed at the ownership of facilities required for high-speed railway business. No ground rent arises under this surface right.			

(Note) The Site Area includes 524.21 m<sup>2</sup> of surface right.



Renaissance 21 Chihaya		Category	Other (residential)
<b>Overview of the Specified Asset</b>		<b>Earnings and Expenses (Unit: thousand yen)</b>	
Acquisition Date	February 16, 2018	Management Period	from March 1, 2021 to August 31, 2021
Acquisition Price	2,700 million yen	Number of operating days	184 days
Type of Specified Asset	Trust beneficiary right	(1) Operating expenses from real estate leasing	
Trustee	Mitsubishi UFJ Trust and Banking Corporation	Lease business revenue	103,092
Location	5-4-25 Chihaya, Higashi-ku, Fukuoka-shi, Fukuoka	Other lease business revenue	7,843
Land	Lot Number	Total operating revenue from real estate leasing	
	Building Coverage Ratio	110,936	
	Floor-Area Ratio	(2) Operating expenses from real estate leasing	
	Land Use District	Tax and public dues	8,678
	Site Area	Maintenance fees	8,023
	Type of ownership	Utility expenses	1,569
Building	Construction Date	Repair expenses	2,616
	Structure/Number of Floors	Insurance premiums	296
	Total Floor Area	Depreciation	20,098
	Architect	Other expenses related to leasing business	9,035
	Builder	Total operating expenses from real estate leasing	50,318
	Type of Ownership	(3) NOI	80,716
ML Company	Miyoshi Asset Management Co., Ltd.	(4) Operating income (loss) from real estate leasing	
PM Company	Miyoshi Asset Management Co., Ltd.	60,617	
Notes:			
None			