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For Immediate Release

Real Estate Investment Trust Securities Issuer  
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Notice Concerning Revision of the Operating Forecasts and Distribution Forecasts  
for the Fiscal Period Ending February 2021 (the 6th Fiscal Period)  
and the Fiscal Period Ending August 2021 (the 7th Fiscal Period)

XYMAX REIT Investment Corporation (hereinafter, "XYMAX REIT") announces today the following revision of its operating forecasts and distribution forecasts for the fiscal period ending February 2021 (the 6th fiscal period from September 1, 2020 to February 28, 2021) and the Fiscal Period Ending August 2021 (the 7th Fiscal Period from March 1, 2021 to August 31, 2021), announced in "(REIT) Financial Report for the Fiscal Period Ended August 2020" dated October 14, 2020.

## 1. Details of Revision

## (1) The Fiscal Period Ending February 2021 (the 6th Fiscal Period)

(Millions of yen unless otherwise specified)

	Operating revenues	Operating income	Ordinary income	Net Income	Distributions per unit (yen) (excluding distribution in excess of earnings)	Distribution in excess of earnings per unit (yen)
Previous forecast (A)	1,270	668	601	600	2,688	0
Revised forecast (B)	1,300	698	631	630	2,822	0
Amount of change (B-A)	30	29	29	29	134	0
Rate of change ((B-A) / (A))	2.3 %	4.4 %	4.9 %	4.9 %	4.9 %	- %

(Reference) Assumed number of investment units outstanding at the end of the period: 223,400 units

(Note 1) Forecast figures are calculated based on the assumptions set forth in the Attachment as of the date of this release. Therefore, actual operating revenues, operating income, ordinary income, net income, distributions per unit, and distributions in excess of earnings per unit may differ from the forecasts due to a variety of reasons including the future acquisition or sale of real estate and changes in XYMAX REIT's operating environment including the real estate market. Accordingly, XYMAX REIT does not guarantee payments of the forecast distributions per unit.

(Note 2) If XYMAX REIT expects changes to the aforementioned forecast greater than a certain extent, it may further revise its forecast.

(Note 3) Figures are rounded down to the nearest specified unit.

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(2) The Fiscal Period Ending August 2021 (the 7th Fiscal Period)

(Millions of yen unless otherwise specified)

	Operating revenues	Operating income	Ordinary income	Net Income	Distributions per unit (yen) (excluding distribution in excess of earnings)	Distribution in excess of earnings per unit (yen)
Previous forecast (A)	1,227	615	562	561	2,515	0
Revised forecast (B)	1,304	691	638	637	2,854	0
Amount of change (B-A)	77	75	75	75	339	0
Rate of change ((B-A) / (A))	6.3 %	12.3 %	13.4 %	13.4 %	13.4 %	- %

(Reference) Assumed number of investment units outstanding at the end of the period: 223,400 units

(Note 1) Forecast figures are calculated based on the assumptions set forth in the Attachment as of the date of this release. Therefore, actual operating revenues, operating income, ordinary income, net income, distributions per unit, and distributions in excess of earnings per unit may differ from the forecasts due to a variety of reasons including the future acquisition or sale of real estate and changes in XYMAX REIT's operating environment including the real estate market. Accordingly, XYMAX REIT does not guarantee payments of the forecast distributions per unit.

(Note 2) If XYMAX REIT expects changes to the aforementioned forecast greater than a certain extent, it may further revise its forecast.

(Note 3) Figures are rounded down to the nearest specified unit.

## 2. Reasons for revision

As stated in the press release "Notice Concerning Revision of Fixed-Term Lease Contracts" dated today, XYMAX REIT decided to revise the Fixed-Lease Contracts with Vista Hotel Management Co., Ltd. ("Vista") as lessee on January 5, 2021 (the "Revision"). As a result, the Revision made XYMAX REIT possible to reasonably estimate the amount of rents from Vista after November 2020. And also a part of the assumptions for the fiscal period ending February 2021 (the 6th fiscal period from September 1, 2020 to February 28, 2021) and the fiscal period ending August 2021 (the 7th fiscal period March 1, 2021 to August 31, 2021) announced in "(REIT) Financial Report for the Fiscal Period Ended August 2020" dated October 14, 2020 (the "Recent Forecast") should be modified because the assumptions in the Recent Forecast were estimated conservatively as much as possible. In addition, the Revision is expected to lead to an upward difference of 5% or more arising in the amount of distributions per unit for the fiscal period ending August 2021 (the 7th fiscal period March 1, 2021 to August 31, 2021) from the Recent Forecasts. Accordingly, XYMAX REIT is revising its operating forecasts and distribution forecasts as indicated in the above tables.

\* XYMAX REIT website address: <https://xymaxreit.co.jp/en/index.html>

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[Attachment]

Assumptions underlying the Operating Forecasts for the Fiscal Period Ending February 2021 (the 6th Fiscal Period) and for the Fiscal Period Ending August 2021 (the 7th Fiscal Period)

Item	Assumption																								
Accounting period	<ul style="list-style-type: none"> <li>Fiscal period ending February 2021 (6th fiscal period) (from September 1, 2020 to February 28, 2021) (181 days)</li> <li>Fiscal period ending August 2021 (7th fiscal period) (from March 1, 2021 to August 31, 2021) (184 days)</li> </ul>																								
Assets under management	<ul style="list-style-type: none"> <li>The assumption is that the real estate trust beneficiary rights held by XYMAX REIT as of January 5, 2021 (total of 13 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 2021 (7th fiscal period).</li> <li>Change may arise due to the 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 contracts entered into for the current portfolio assets as of January 5, 2021 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 calculated on the basis of mainly the budgeted operating figures submitted by the operator and based on the method of calculation provided in the lease contract. [Hotel Vista Sendai] (1) From September 1, 2020 to October 31, 2020 Fixed rent: Contracted monthly fixed rent is 20.0 million yen per month. Variable rent: The monthly variable rent shall be the amount equal to the total variable rent received by the lessee from the operator (hereinafter, "variable rent from operator" (Note)) in the past 12 months, including said month, divided by 12. (Note) "Variable rent from operator" refers to the amount calculated by multiplying gross sales from the hotel operations of the sub-lessee by a certain rate. Actual effective rate is not disclosed, because consent for disclosure has not been obtained from the operator. (2) From November 1, 2020 to August 31, 2021 Monthly rent shall be the amount calculated by multiplying GOP (Note 1) of the current month by a certain rate (Note 2). (Note 1) "GOP" is the remainder after deducting expenses, such as personnel costs and general and administrative expenses, etc. incurred in hotel operation from total sales (Note2) "a certain rate" shall not be disclosed because the consent of the operator has not been obtained.</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">Fiscal period ending Feb. 2021 (6th fiscal period)</th> <th style="width: 20%; text-align: center;">Fiscal period ending Aug. 2021 (7th fiscal period)</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">Variable rent</td> <td style="text-align: center;">26million yen</td> <td style="text-align: center;">76million yen</td> </tr> </tbody> </table> <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>		Fiscal period ending Feb. 2021 (6th fiscal period)	Fiscal period ending Aug. 2021 (7th fiscal period)	Variable rent	26million yen	76million yen																		
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Variable rent	26million yen	76million yen																							
Operating expenses	<ul style="list-style-type: none"> <li>Of operating expenses, the main components are as follows: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">Fiscal period ending Feb. 2021 (6th fiscal period)</th> <th style="width: 20%; text-align: center;">Fiscal period ending Aug. 2021 (7th fiscal period)</th> </tr> </thead> <tbody> <tr> <td>Expenses related to leasing business [Total]</td> <td style="text-align: center;">484million yen</td> <td style="text-align: center;">486million yen</td> </tr> <tr> <td>    Management fees</td> <td style="text-align: center;">85million yen</td> <td style="text-align: center;">85million yen</td> </tr> <tr> <td>    Repair expenses</td> <td style="text-align: center;">31million yen</td> <td style="text-align: center;">29million yen</td> </tr> <tr> <td>    Property taxes</td> <td style="text-align: center;">133million yen</td> <td style="text-align: center;">140million yen</td> </tr> <tr> <td>    Depreciation</td> <td style="text-align: center;">135million yen</td> <td style="text-align: center;">139million yen</td> </tr> <tr> <td>Other than expenses related to leasing business [Total]</td> <td style="text-align: center;">118million yen</td> <td style="text-align: center;">126million yen</td> </tr> <tr> <td>    Asset management fees</td> <td style="text-align: center;">75million yen</td> <td style="text-align: center;">78million 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> </ul>		Fiscal period ending Feb. 2021 (6th fiscal period)	Fiscal period ending Aug. 2021 (7th fiscal period)	Expenses related to leasing business [Total]	484million yen	486million yen	Management fees	85million yen	85million yen	Repair expenses	31million yen	29million yen	Property taxes	133million yen	140million yen	Depreciation	135million yen	139million yen	Other than expenses related to leasing business [Total]	118million yen	126million yen	Asset management fees	75million yen	78million yen
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Item	Assumption
	<ul style="list-style-type: none"> <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>
Non-operating expenses	<ul style="list-style-type: none"> <li>● For the fiscal period ending February 2021 (6th fiscal period), interest expenses and other borrowing related expenses are assumed to be 66million yen.</li> <li>● For the fiscal period ending August 2021 (7th fiscal period), interest expenses and other borrowing related expenses are assumed to be 53million yen.</li> </ul>
Interest-bearing liabilities	<ul style="list-style-type: none"> <li>● The assumption is that total interest-bearing liabilities will be 12,780 million yen at the end of the fiscal period ending February 2021 (6th fiscal period) and 12,780 million yen at the end of the fiscal period ending August 2021 (7th fiscal period). Short-term loans of 1,914 million yen and long-term loans of 2,336 million are due in the fiscal period ending February 2021. The assumption is that these will be repaid with funds procured through loans, etc.</li> <li>● LTV ratio is expected to be 33.9% at the end of the fiscal period ending February 2021 (6th fiscal period) and 34.0 % at the end of the fiscal period ending August 2021 (7th fiscal period). In addition, the following formula is used in the calculation of LTV ratio. LTV ratio = Total interest-bearing liabilities ÷ Total assets × 100</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 January 5, 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 2021 (7th 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 2021 (6th fiscal period) and fiscal period ending August 2021 (7th 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>

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