

Supplementary Materials

Securities Code: 3488

Acquisition and leasing overview of trust beneficiary
right for domestic real estate (Life Fukuizumi Store)

August 27, 2020



XYMAX REIT Investment Corporation



We decided to acquire the property using borrowings towards the achievement of our stabilized DPU target of ¥3,300.

Investment Highlights

- The Acquisition of the property is expected to increase the DPU by approximately 60 yen*¹ in cruising periods*²
- The acquisition is through face-to-face negotiations leveraging sponsor group customer base
- The acquisition will enhance portfolio stability because the property is leased by grocery supermarket with minimal influence from COVID-19
- The LTV level will be maintained at a low level even after we complete the borrowing through the Acquisition, so flexible acquisitions by additional borrowings will be continuously possible.
LTV at the end of 4th FP: **31.9%** → LTV after this acquisition: **33.9%**

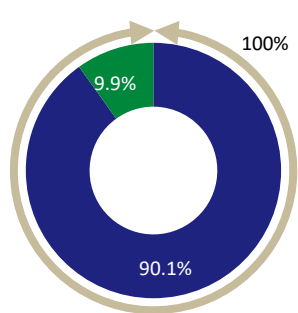
Borrowing capacity by LTV level

| LTV level vs. total assets | Possible loan amount (after this acquisition) |
|----------------------------|---|
| 40.0% | Approx. 3.8 billion yen |
| 45.0% | Approx. 7.6 billion yen |
| 50.0% | Approx. 12.1 billion yen |

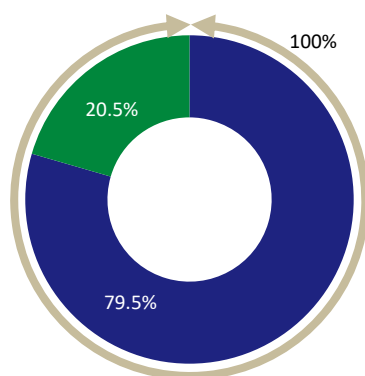
Portfolio Status after the Acquisition

Portfolio composition of retail properties

■ As of February 29th, 2020 (End of 4th FP)



■ After the Acquisition



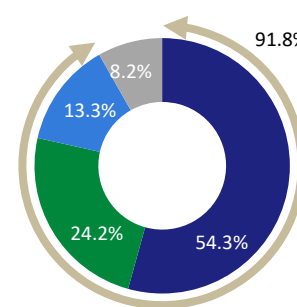
■ Station-front ■ Other ↔ Neighborhood*¹

* The breakdown is based on the acquisition price.

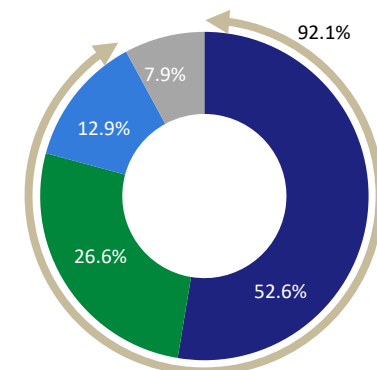
*¹ Retail facilities the majority of customer can easily come on foot or by bicycle in a short time.

Percentage by asset type

■ As of February 29th, 2020 (End of 4th FP)



■ After the Acquisition



■ Office ■ Retail ■ Hotel ■ Others ↔ Main asset

* The breakdown is based on the acquisition price.

*1: Regarding the expected DPU (forecast), figures listed in this report are based on the conditions in (REIT) Financial Report for the Fiscal Period Ended February 2020 issued on April 15, 2020. These figures take into account fluctuations in operating revenue, expenses, and interest-bearing liabilities when we acquire the property. Therefore, the actual DPU is subject to change due to various factors, such as changes in circumstances at our investment corporation and the real estate market environment in the future, etc. Note that no supplementary document guarantees the amount of the dividend.

*2: The DPU is calculated excluding special factors such as temporary acquisition costs, property taxes, and fees.

*3: Unless otherwise specified, amounts are truncated to the nearest unit and ratios are rounded to the second decimal place.

The property to be acquired is in a location suitable for supermarkets and the business continuity for tenants is expected to be high.

● Life Fukuizumi Store



Overview

| | |
|--|--|
| Anticipated acquisition price | 1.065 billion yen |
| Appraisal value | 1.09 billion yen |
| Appraisal NOI yield | 4.8 % |
| Appraisal NOI yield after depreciation | 4.4 % |
| Location | 444-1, Kami, Nishi-ku, Sakai-shi, Osaka |
| Access | Otori Station on the JR Hanwa Line 12 minutes on foot |
| Leasable area | 3,309.29 m ² |

Analysis

■ Features of property

- ✓ It is a two-story store with 144 parking lots adjacent to Route 36, which is a community road in the neighborhood. The store format is highly convenient for short-time shopping.

■ Overview of the surrounding area

- ✓ As a suburb of three major metropolitan areas, the population in the trading area is the average level: 1 km, 29,000 people; 2 km, 103,000 people; 3 km, 218,000 people
- ✓ Population composition in current trading areas is particularly high for people in their 30s and 40s, followed by people under 10, indicating that the market has many younger families.
- ✓ This location is suitable for supermarkets as the percentage of households with one person is low, and the percentage of households with two or more persons is high.

■ Products handled

- ✓ Food, daily necessities, and services (cleaning)