

(REIT) Financial Report for the Fiscal Period Ended August 2022

October 19, 2022

REIT Securities Issuer: XYMAX REIT Investment Corporation Listing: Tokyo Stock Exchange
 Securities Code: 3488 URL: <https://xymaxreit.co.jp/en/index.html>
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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 2022(from March 1, 2022 to August 31, 2022)

(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. 2022	1,874	16.3	1,121	18.5	1,004	15.3	1,003	15.3
Fiscal period ended Feb. 2022	1,611	23.5	946	35.0	871	34.3	870	34.3

	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. 2022	4,022	4.0	2.2	53.6
Fiscal period ended Feb. 2022	3,895	3.7	2.2	54.1

(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. 2022	4,007	1,000	12	2	99.7	3.8
Fiscal period ended Feb. 2022	3,896	870	-	-	100.0	3.7

(Note 1) Distributions in excess of earnings for the fiscal period ended August 31, 2022 consist only of the allowance for temporary difference adjustment.

(Note 2) Payout ratio in the above table is calculated by following formula;

$$\text{Payout ratio} = \frac{\text{Total Distribution (excluding distributions in excess of earnings)}}{\text{Net income}} \times 100$$

In addition, payout ratio for the fiscal period ended August 2022 shall be 100.0% using the formula of Total Distribution (including distributions in excess of earnings) ÷ Net income × 100

(Note 3) Ratio of distributions to net assets in the above table is calculated by following formula;

$$\text{Ratio of distributions to net assets} = \frac{\text{Distribution per unit (excluding distributions in excess of earnings)}}{\{(\text{Net assets at beginning of period} + \text{Net assets at end of period}) \div 2\}} \times 100$$

In addition, Ratio of distributions to net assets shall be 3.8% using formula of Distribution per unit (including distributions in excess of earnings) ÷ { (Net assets at beginning of period + Net assets at end of period) ÷ 2 } × 100

(3) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per unit
	million yen	million yen	%	yen
Fiscal period ended Aug. 2022	48,669	26,440	54.3	105,909
Fiscal period ended Feb. 2022	41,249	23,456	56.9	104,996

(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. 2022	2,218	(7,657)	6,202	4,063
Fiscal period ended Feb. 2022	2,583	(3,163)	1,002	3,299

2. Operating Forecasts for the Fiscal Period Ending February 2023 (from September 1, 2022 to February 28, 2023) and Fiscal Period Ending August 2023 (from March 1, 2023 to August 31, 2023)

(% 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. 2023	1,635	(12.8)	888	(20.8)	779	(22.3)	778	(22.4)	3,120	-
Fiscal period ended Aug. 2023	1,646	0.7	852	(4.0)	764	(2.0)	763	(2.0)	3,058	-

(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 2023: 3,120 yen Fiscal period ending August 2023: 3,057 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. 2022	249,650 units	Fiscal period ended Feb. 2022	223,400 units
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- ii. Number of treasury investment units at end of period

Fiscal period ended Aug. 2022	0 units	Fiscal period ended Feb. 2022	0 units
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(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 26.

* This Financial Report is not subject to the audit by the certified public accountant and/or audit corporation

* 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 2023 (from September 1, 2022 to February 28, 2023) and Fiscal Period August 2023 (from March 1, 2023 to August 31, 2023)" on page 6. 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 9th Fiscal Period under Review	2
(2) Outlook for the Next Fiscal Period	4
2. Financial Statements.....	8
(1) Balance Sheet.....	8
(2) Statement of Income	10
(3) Statement of Unitholders' Equity	11
(4) Statement of Cash Distribution	12
(5) Statement of Cash Flows	13
(6) Notes on the Going Concern Assumption	14
(7) Notes on Matters Concerning Significant Accounting Policies	14
(8) Notes on the Financial Statements	16
(9) Changes in Total Number of Investment Units Issued and Outstanding.....	27
3. Reference Information.....	28
(1) Investment Status.....	28
(2) Investment Assets	29

1. Management Status

(1) Overview of the 9th 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") on September 14, 2017 with XYMAX REAL ESTATE INVESTMENT ADVISORS Corporation (hereinafter, the "Asset Management Company") as the organizer 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) Subsequently, XYMAX REIT issued new investment units through public offering with a payment due date of February 14, 2018, and listed on the Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange") Real Estate Investment Trust Securities Market (stock code: 3488) on February 15, 2018. On March 20, 2018, XYMAX REIT issued new investment units through third-party allotment. In addition, XYMAX REIT conducted its first public offering on March 1, 2022 and third-party allotment on March 28, 2022.

These resulted in total number of investment units issued and outstanding of 249,650 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

Regarding the economic climate during the fiscal year under review, real GDP grew 0.9% (up 3.5% annually) in the April-June quarter of 2022, due in part to a recovery in consumer spending as the outbreak of COVID-19 stabilized and a large-scale holiday without movement restrictions. With regard to 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 2022 were 557 trillion yen and loans outstanding for real estate were 93.1 trillion yen, both trending upward and trending at extremely high levels. We are concerned about the impact on the domestic economy and J-REIT market caused by such as rising interest rates in each country, the Ukrainian situation, and future economic developments in Japan and overseas due to the outbreak of COVID-19. Therefore, we need to continue to closely monitor developments in the capital and financial markets in the following fiscal year and beyond.

Under such circumstances, the following developments can be seen in the various markets for offices, retail facilities and hotels that XYMAX REIT mainly invests in, as well as in the real estate trading market.

As for offices, according to the "Office Market Report Tokyo 2022Q2" (Note) published by XYMAX Real Estate Institute Corporation, the vacancy rate in the 23 wards of Tokyo in the second quarter of 2022 increased by 0.31 percentage point from the previous quarter to 3.91%. Vacancy rates rose moderately and rents declined slightly, a trend similar to the previous fiscal year.

Regarding retail facilities, according to the Ministry of Economy, Trade and Industry's Current Survey of Commerce, retail sales in the second quarter of 2022 increased 2.8% from the same quarter of the previous year. 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 30.7% year on year. Recovery in the face-to-face personal consumption of department stores, restaurants, etc. was conspicuous due to the resumption of economic activities in the absence of movement restrictions.

As for hotels, according to the Japan Tourism Agency's Accommodation Travel Statistical Survey, the total number of guests in the first half of 2022 (January to June) increased by 51.6% year-on-year. There was a significant recovery in the lodging industry as domestic travel became more active due to long-term holidays, such as summer holidays without movement restrictions.

In the real estate trading market, the real estate market continues to be active and real estate prices remain in a high price range, against the backdrop of continued strong demand from overseas investors due to factors such as a favorable financing environment and the depreciation of the yen.

(Note) For more information on the survey, please refer to the website (<https://soken.xymax.co.jp/>) of XYMAX Real Estate Institute Corporation.

III. Management Status

As of the last day of the fiscal period under review, XYMAX REIT had 18 properties in its portfolio. Its total acquisition price stood at 43,469 million yen, a total leasable area at 85,317.99 m² and total leased area at 85,089.45 m². The occupancy rate as of the last day of the fiscal period under review was 99.7%.

IV. ESG Initiatives

In March 2022, the Asset Management Company prepared ESG policies and various internal regulations in order to manage risks and opportunities properly related to XYMAX REIT's ESG, implement them through its real estate investment and management business, and further promote XYMAX REIT's ESG strategy. In addition, Representative Director and President of the Asset Management Company is appointed as ESG Chief Executive and he will impel and oversee the establishment of systems for the promotion of ESG and the formulation and implementation of various policies, objectives, and measures.

Based on this policy, XYMAX REIT is working to acquire Green Building Certification (Note 1) for its properties. On August 31, 2022, the XYMAX Kiba Koen Building and the Life Kawasaki Miyuki Store were newly ranked S for CASBEE certification, and the XYMAX Sapporo Odori Building was newly ranked 4 stars for BELS assessment.

As of the end of the fiscal period under review, total of eight CASBEE assessment certifications and a total of three BELS assessments have been acquired. Consequently, XYMAX REIT have acquired Green Building Certifications for total of ten properties (Note 2) and is 52.5% (Note 3) of all properties owned by XYMAX REIT.

As part of our efforts for society, we are promoting the installation of disaster relief vendors and digital signage to improve tenant satisfaction and contribute to the sustainable development of local communities. We are also continuing measures to combat COVID-19, by alcohol sanitizing and installation of foot stands in common area, and upgrading washbasins to automatic faucets.

(Note 1) "Green Building Certification" refers to CASBEE assessment certification, BELS assessment, DBJ Green Building certification, or any LEED certification.

(Note 2) XYMAX Higashi-Azabu Building has acquired both CASBEE assessment certification and BELS assessment certification.

(Note 3) "Acquisition ratio" except "bottom land" is calculated based on the total floor area (Basically calculated using Gross Building Area, but calculated using exclusive area owned by XYMAX REIT for the sectional ownership buildings and, for common ownership buildings shared with third parties calculated by multiplying the total floor area of the building by the percentage of interest owned by XYMAX REIT).

(Note 4) For more information on XYMAX REIT's ESG initiatives, please refer to XYMAX REIT's website (<https://xymaxreit.co.jp/en/esg/index.html>).

V. Financing Status

(Equity Financing)

During the fiscal period under review, XYMAX REIT issued new investment units (25,000 units/2,718 million yen) through a public offering on March 1, 2022 and issued new investment units (1,250 units/135 million yen) through a third-party allotment on March 28, 2022 in order to allocate part of the funds for acquiring new properties, etc.

As a result, the total number of investment units issued and outstanding as of the end of the fiscal period under review was 249,650 units and the total amount of investment units issued and outstanding was 25,440 million yen.

(Debt Financing)

During the fiscal year under review, XYMAX REIT borrowed a new money of 5,345 million yen on March 2, 2022 to allocate the funds to part of the acquisition of new properties, and repaid short-term loans of 1,100 million yen due on March 31, 2022.

As a result, the balance of borrowings was 19,945 million yen as of the end of the fiscal year under review.

The ratings that XYMAX REIT has acquired as of the end of the fiscal year are as follows:

Name of the credit rating agency	Details of rating	Remarks
Rating and Investment Information, Inc. (R&I)	Issuer Rating: A-	Rating Direction: Stable

VI. Overview of Business Performance

Business performance in the fiscal period under review resulted in operating revenue of 1,874 million yen, operating income of 1,121 million yen, ordinary income of 1,004 million yen and net income of 1,003 million yen.

Distributions for the current period shall be limited to the amount of profit in accordance with the distribution policy stipulated in Article 35, Paragraph 1 of the Articles of Incorporation of XYMAX REIT, and shall exceed the amount equivalent to 90/100 of the amount of retained earnings available for distributions as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957, including amendments thereafter) of XYMAX REIT. Based on this policy, the decision was made to distribute, as a distribution of profits, 1,000,347,550 yen, which is the maximum integral multiple of the total number of investment units issued and outstanding (249,650 units) in an amount not in excess of unappropriated retained earnings. In addition, in accordance with the purpose of the allocation policy stipulated in Article 35, Paragraph 2 of the Regulations of XYMAX REIT, the net assets deduction item (stipulated in Article 2, Paragraph 2, Item 30 (b) of the Regulations Concerning Accounting of Investment Corporations) shall have an impact on distributions, for the fiscal period under review, the decision was made to distribute, as an amount equivalent to 3,135,935 yen of deferred hedge losses, 2,995,800 yen, which is an integral multiple of the total number of investment units issued and outstanding of 249,650 units, as a distribution pertaining to the amount of allowance for temporary difference adjustments.

This resulted in distribution per unit of 4,019 yen.

(2) Outlook for the Next Fiscal Period

I. General Management Outlook

(A) External Growth Strategy

Capturing wide-ranging real estate sale needs through the customer base of real estate management business
XYMAX REIT aims to capture the real estate sale needs derived from the customer base of the XYMAX Group and lead to opportunities for XYMAX REIT to acquire properties based on the Sponsor Support Agreement between the Sponsor, XYMAX Corporation, the Asset Management Company and XYMAX REIT, and the Pipeline Support Agreement between Max-Realty Corporation and the Asset Management Company.

(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 2023 (from September 1, 2022 to February 28, 2023) and Fiscal Period August 2023 (from March 1, 2023 to August 31, 2023) 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. 2023	1,635	888	779	778	3,120	-
Fiscal period ending Aug. 2023	1,646	852	764	763	3,058	-

Furthermore, for the assumptions underlying the operating forecasts, please refer to "Assumptions Underlying the Operating Forecasts for the Fiscal Period Ending February 2023 (from September 1, 2022 to February 28, 2023) and Fiscal Period August 2023 (from March 1, 2023 to August 31, 2023)" 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 2023 (from September 1, 2022 to February 28, 2023) and Fiscal Period August 2023 (from March 1, 2023 to August 31, 2023)

Item	Assumption																								
Accounting period	<ul style="list-style-type: none"> Fiscal period ending February 2023 (10th fiscal period) (from September 1, 2022 to February 28, 2023) (181 days) Fiscal period ending August 2023 (11th fiscal period) (from March 1, 2023 to August 31, 2023) (184 days) 																								
Assets under management	<ul style="list-style-type: none"> The assumption is that the actual real estate and real estate trust beneficiary rights held by XYMAX REIT as of today (total of 18 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 2023 (11th fiscal period). Change may arise due to acquisition of new properties other than the current portfolio assets, disposition of the current portfolio assets, etc. 																								
Operating revenue	<ul style="list-style-type: none"> 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. 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, XYMAX REIT assumes conservatively that no variable rents occur for both fiscal period ending August 2022(9th fiscal period) and fiscal period ending February 2023(10th fiscal period) in reference to the operating budget prepared by the operator. [Hotel Vista Sendai] Fixed rent: 20.5 million yen per month Variable rent: Calculated by multiplying the amount obtained by dividing the total GOP of past 12 month (including the preceding month) by 12 then subtract 21.5 million yen (Note1), by certain percentage(Note2) <p>(Note1) If the amount obtained becomes negative, the variable rent for the current month shall be 0 yen. (Note2) The percentage shall not be disclosed because the consent of the Lessee has not been obtained.</p> <ul style="list-style-type: none"> The assumption is that there will be no delinquent or unpaid rent by tenants and no gain (loss) on sales of real estate properties. 																								
Operating expenses	<ul style="list-style-type: none"> 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. 2023 (10th fiscal period)</th> <th>Fiscal period ending Aug. 2023 (11th fiscal period)</th> </tr> </thead> <tbody> <tr> <td>Expenses related to leasing business [Total]</td> <td>589 million yen</td> <td>628 million yen</td> </tr> <tr> <td> Management fees</td> <td>109 million yen</td> <td>110 million yen</td> </tr> <tr> <td> Repair expenses</td> <td>49 million yen</td> <td>47 million yen</td> </tr> <tr> <td> Property taxes</td> <td>133 million yen</td> <td>153 million yen</td> </tr> <tr> <td> Depreciation</td> <td>159 million yen</td> <td>165 million yen</td> </tr> <tr> <td>Other than expenses related to leasing business [Total]</td> <td>157 million yen</td> <td>165 million yen</td> </tr> <tr> <td> Asset management fees</td> <td>96 million yen</td> <td>95 million yen</td> </tr> </tbody> </table> 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. Depreciation is calculated using the straight-line method inclusive of incidental expenses, etc. 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. 		Fiscal period ending Feb. 2023 (10th fiscal period)	Fiscal period ending Aug. 2023 (11th fiscal period)	Expenses related to leasing business [Total]	589 million yen	628 million yen	Management fees	109 million yen	110 million yen	Repair expenses	49 million yen	47 million yen	Property taxes	133 million yen	153 million yen	Depreciation	159 million yen	165 million yen	Other than expenses related to leasing business [Total]	157 million yen	165 million yen	Asset management fees	96 million yen	95 million yen
	Fiscal period ending Feb. 2023 (10th fiscal period)	Fiscal period ending Aug. 2023 (11th fiscal period)																							
Expenses related to leasing business [Total]	589 million yen	628 million yen																							
Management fees	109 million yen	110 million yen																							
Repair expenses	49 million yen	47 million yen																							
Property taxes	133 million yen	153 million yen																							
Depreciation	159 million yen	165 million yen																							
Other than expenses related to leasing business [Total]	157 million yen	165 million yen																							
Asset management fees	96 million yen	95 million yen																							
Non-operating expenses	<ul style="list-style-type: none"> For the fiscal period ending February 2023 (10th fiscal period), interest expenses and other borrowing related expenses are assumed to be 103 million yen. For the fiscal period ending August 2023 (11th fiscal period), interest expenses and other borrowing related expenses are assumed to be 83 million yen. Issuance cost for the issuance of new investment units will be amortized monthly in three-years from the month new investment units issued. 4 million yen in fiscal period ending February 2023 (10th fiscal period) and 4 million yen in fiscal period ending August 2023 (11th fiscal period). 																								
Interest-bearing liabilities	<ul style="list-style-type: none"> The assumption is that total interest-bearing liabilities will be 19,715 million yen at the end of the fiscal period ending February 2023 (10th fiscal period) and 19,715 million yen at the end of the fiscal period ending August 2023 (11th fiscal period). Short-term loans of 345 million yen and long-term loans of 2,796 million are due in the fiscal period ending February 2023. The assumption is that these loans will 																								

Item	Assumption
	be repaid with funds on hand and funds procured through loans, etc. ● LTV ratio is expected to be 40.8% at the end of the fiscal period ending February 2023 (10th fiscal period) and 40.8% at the end of the fiscal period ending August 2023 (11th fiscal period). In addition, the following formula is used in the calculation of LTV ratio. $\text{LTV ratio} = \frac{\text{Total interest-bearing liabilities}}{\text{Total assets}} \times 100$
Investment units	● The assumption is the total number of investment units issued and outstanding is 249,650 units as of today 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 2023 (11th fiscal period). ● 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 2023 (10th fiscal period) and fiscal period ending August 2023 (11th fiscal period) of 249,650 units.
Distribution per unit (excluding distribution in excess of earnings)	● 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. The calculation of distribution per unit is based on the assumption that fluctuations in the fair value of interest rate swaps have no impact on distributions per unit. ● 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.
Distribution in excess of earnings per unit	● No cash distribution in excess of earnings (distribution in excess of earnings per unit) is scheduled to be made at this point in time.
Other	● 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. ● The assumption is that there will be no unforeseen material change in general economic trends, real estate market conditions, etc.

2. Financial Statements

(1) Balance Sheet

(Unit: thousand yen)

	8th fiscal period (As of Feb. 28, 2022)	9th fiscal period (As of Aug. 31, 2022)
Assets		
Current assets		
Cash and bank deposits	1,219,048	1,540,074
Cash and bank deposits in trust	2,080,797	2,523,504
Operating accounts receivable	19,412	37,046
Prepaid expenses	41,776	46,125
Consumption taxes refund receivable	-	162,235
Other	6,124	882
Total current assets	3,367,159	4,309,869
Non-current assets		
Property, plant and equipment		
Buildings	308,882	311,886
Accumulated depreciation	(4,701)	(8,232)
Buildings, net	304,181	303,653
Structures	1,814	1,814
Accumulated depreciation	(45)	(80)
Structures, net	1,768	1,733
Machinery and equipment	10,659	10,659
Accumulated depreciation	(270)	(472)
Machinery and equipment, net	10,389	10,187
Tools, furniture and fixtures	109,618	109,618
Accumulated depreciation	(91,467)	(94,671)
Tools, furniture and fixtures, net	18,151	14,947
Land	229,752	230,346
Buildings in trust	9,196,322	10,796,009
Accumulated depreciation	(839,067)	(907,463)
Buildings in trust, net	8,357,255	9,888,545
Structures in trust	65,930	61,049
Accumulated depreciation	(7,812)	(7,655)
Structures in trust, net	58,118	53,393
Machinery and equipment in trust	-	0
Accumulated depreciation	-	-
Machinery and equipment in trust, net	-	0
Tools, furniture and fixtures in trust	32,597	39,429
Accumulated depreciation	(11,200)	(14,421)
Tools, furniture and fixtures in trust, net	21,396	25,008
Land in trust	28,745,430	33,661,874
Construction in progress in trust	-	33
Total property, plant and equipment	37,746,444	44,189,725
Investments and other assets		
Long-term prepaid expenses	54,098	56,133
Deferred tax assets	13	15
Lease and guarantee deposits	22,600	22,600
Other	58,999	68,921
Total investments and other assets	135,711	147,670
Total non-current assets	37,882,156	44,337,396
Deferred assets		
Investment unit issuance costs	-	22,494
Total deferred assets	-	22,494
Total assets	41,249,315	48,669,759

(Unit: thousand yen)

	8th fiscal period (As of Feb. 28, 2022)	9th fiscal period (As of Aug. 31, 2022)
Liabilities		
Current liabilities		
Operating accounts payable	90,854	139,620
Short-term loans payable	1,100,000	345,000
Current portion of long-term borrowings	2,796,000	2,796,000
Accounts payable - other	209,246	155,651
Income taxes payable	876	922
Accrued consumption taxes	142,898	-
Advances received	202,992	247,938
Other	2,045	5,454
Total current liabilities	4,544,914	3,690,587
Non-current liabilities		
Long-term loans payable	11,804,000	16,804,000
Tenant leasehold and security deposits	33,349	33,349
Tenant leasehold and security deposits in trust	1,410,853	1,698,290
Derivatives liabilities	-	3,135
Total non-current liabilities	13,248,202	18,538,775
Total liabilities	17,793,116	22,229,363
Net assets		
Unitholders' equity		
Unitholders' capital	22,585,746	25,440,013
Surplus		
Unappropriated retained earnings (undisposed loss)	870,452	1,003,518
Total surplus	870,452	1,003,518
Total unitholders' equity	23,456,198	26,443,532
Valuation and translation adjustments		
Deferred gains or losses on hedges	-	(3,135)
Total valuation and translation adjustments	-	(3,135)
Total net assets	*₁ 23,456,198	*₁ 26,440,396
Total liabilities and net assets	41,249,315	48,669,759

(2) Statement of Income

(Unit: thousand yen)

	8th fiscal period From: Sep. 1, 2021 To: Feb. 28, 2022	9th fiscal period From: Mar. 1, 2022 To: Aug. 31, 2022
Operating revenue		
Leasing business revenue	* ₁ 1,289,778	* ₁ 1,523,202
Other leasing business revenue	* ₁ 102,432	* ₁ 125,327
Gain on sale of real estate property	* ₂ 219,655	* ₂ 226,287
Total operating revenue	1,611,865	1,874,817
Operating expenses		
Expenses related to leasing business	* ₁ 490,977	* ₁ 557,144
Asset management fees	113,258	125,416
Asset custody fees	1,056	1,108
Administrative service fees	11,437	12,549
Directors' compensations	2,400	2,400
Other operating expenses	45,834	54,210
Total operating expenses	664,965	752,828
Operating income	946,900	1,121,988
Non-operating income		
Interest income	14	20
Interest on refund	65	-
Gain on forfeiture of unclaimed distributions	56	108
Total non-operating income	136	129
Non-operating expenses		
Interest expenses	42,791	63,457
Borrowing related expenses	33,006	49,879
Amortization of investment unit issuance costs	-	4,425
Total non-operating expenses	75,797	117,761
Ordinary income	871,239	1,004,355
Income before income taxes	871,239	1,004,355
Income taxes - current	878	925
Income taxes - deferred	0	(2)
Total income taxes	879	923
Net income	870,360	1,003,432
Retained earnings brought forward	92	86
Unappropriated retained earnings (undisposed loss)	870,452	1,003,518

(3) Statement of Unitholders' Equity

8th fiscal period (from September 1, 2021 to February 28, 2022)

(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, 2021	22,585,746	647,952	647,952	23,233,698	23,233,698
Changes of items during period					
Dividends of surplus		(647,860)	(647,860)	(647,860)	(647,860)
Net income		870,360	870,360	870,360	870,360
Total changes during period	-	222,500	222,500	222,500	222,500
Balance as of February 28, 2022	*1 22,585,746	870,452	870,452	23,456,198	23,456,198

9th fiscal period (from March 1, 2022 to August 31, 2022)

(Unit: thousand yen)

	Unitholders' equity				Valuation and translation adjustments		Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
		Unappropriated retained earnings (undisposed loss)	Total surplus				
Balance as of March 1, 2022	22,585,746	870,452	870,452	23,456,198	-	-	23,456,198
Changes of items during period							
Issuance of new investment units	2,854,267			2,854,267			2,854,267
Dividends of surplus		(870,366)	(870,366)	(870,366)			(870,366)
Net income		1,003,432	1,003,432	1,003,432			1,003,432
Net changes of items other than unitholder's equity					(3,135)	(3,135)	(3,135)
Total changes during period	2,854,267	133,065	133,065	2,987,333	(3,135)	(3,135)	2,984,197
Balance as of August 31, 2022	*1 25,440,013	1,003,518	1,003,518	26,443,532	(3,135)	(3,135)	26,440,396

(4) Statement of Cash Distribution

Classification	8th fiscal period From: Sep. 1, 2021 To: Feb. 28, 2022	9th fiscal period From: Mar. 1, 2022 To: Aug. 31, 2022
I. Unappropriated retained earnings	870,452,631 yen	1,003,518,599 yen
II. Distributions in excess of earnings [Of which, allowance for temporary difference adjustments]	- -	2,995,800 yen 2,995,800 yen
III. Amount of distribution [Amount of distribution per unit Of which, distributions of earnings [Of which, distributions of earnings per unit] Of which, allowance for temporary difference adjustments [Of which, distributions in excess of earnings per unit[allowance for temporary difference adjustments]]	870,366,400 yen [3,896 yen] - [-] - [-]	1,003,343,350 yen [4,019 yen] 1,000,347,550 yen [4,007 yen] 2,995,800 yen [12 yen]
IV. Retained earnings carried forward	86,231 yen	3,171,049 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 870,366,400 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 1,000,347,550 yen, which is the maximum value of the integral multiple of the total number of units issued and outstanding (249,650 units), not exceeding unappropriated retained earnings.</p> <p>In addition, in accordance with the purpose of the allocation policy stipulated in Article 35, Paragraph 2 of the Regulations of XYMAX REIT, the net assets deduction item (stipulated in Article 2, Paragraph 2, Item 30 (b) of the Regulations Concerning Accounting of Investment Corporations) shall have an impact on distributions, for the fiscal period under review, the decision was made to distribute, as an amount equivalent to 3,135,935 yen of deferred hedge losses, 2,995,800 yen, which is an integral multiple of the total number of investment units issued and outstanding of 249,650 units, as a distribution pertaining to the amount of allowance for temporary difference adjustments.</p> <p>As a result, the distribution per investment unit was 4,019 yen.</p>

(5) Statement of Cash Flows

(Unit: thousand yen)

	8th fiscal period From: Sep. 1, 2021 To: Feb. 28, 2022	9th fiscal period From: Mar. 1, 2022 To: Aug. 31, 2022
Cash flows from operating activities		
Income before income taxes	871,239	1,004,355
Depreciation	142,326	158,887
Amortization of investment unit issuance costs	-	4,425
Interest income	(14)	(20)
Gain on forfeiture of unclaimed distributions	(56)	(108)
Interest expenses	42,791	63,457
Decrease (increase) in operating accounts receivable	8,862	(17,634)
Decrease (increase) in consumption taxes refund receivable	19,212	(162,235)
Decrease (increase) in prepaid expenses	(8,092)	(4,348)
Increase (decrease) in operating accounts payable	(10,736)	50,140
Increase (decrease) in accounts payable - other	112,517	(53,595)
Increase (decrease) in accrued consumption taxes	142,898	(142,898)
Increase (decrease) in advances received	(0)	44,945
Decrease (increase) in long-term prepaid expenses	(17,666)	(2,034)
Decrease in property, plant and equipment held in trust due to sale	1,365,978	1,362,607
Other	(42,503)	(23,011)
Subtotal	2,626,756	2,282,931
Interest income received	14	20
Interest expenses paid	(42,756)	(63,384)
Income taxes paid	(880)	(879)
Net cash provided by (used in) operating activities	2,583,133	2,218,687
Cash flows from investing activities		
Purchase of property, plant and equipment	-	(3,597)
Purchase of property, plant and equipment in trust	(3,306,159)	(7,942,083)
Repayments of tenant leasehold and security deposits in trust	(31,495)	(68,015)
Proceeds from tenant leasehold and security deposits in trust	174,404	356,243
Net cash provided by (used in) investing activities	(3,163,249)	(7,657,452)
Cash flows from financing activities		
Increase in short-term loans payable	1,100,000	345,000
Decrease in short-term loans payable	(1,770,000)	(1,100,000)
Increase in long-term loans payable	5,408,000	5,000,000
Decrease in long-term loans payable	(3,088,000)	-
Revenue from issuance of investment units	-	2,827,347
Dividends paid	(647,499)	(869,849)
Net cash provided by (used in) financing activities	1,002,500	6,202,497
Net increase (decrease) in cash and cash equivalents	422,384	763,732
Cash and cash equivalents at beginning of period	2,877,461	3,299,845
Cash and cash equivalents at end of period	* ₁ 3,299,845	* ₁ 4,063,578

(6) Notes on the Going Concern Assumption

Not applicable.

(7) Notes on Matters Concerning Significant Accounting Policies

<p>1. Method of depreciation of non-current assets</p>	<p>(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 6–51 years Machinery and equipment 6–27 years Tools, furniture and fixtures 2–13 years</p> <p>(2) Long-term prepaid expenses The straight-line method is adopted.</p>
<p>2. Accounting for deferred assets</p>	<p>Investment unit issuance costs Investment unit issuance costs are amortized over a period of 3 years under the straight-line method.</p>
<p>3. Standards for revenue and expense recognition</p>	<p>(1) Accounting standards for revenue Details of XYMAX REIT's main performance obligations with respect to revenues from contracts with customers and the normal time at which such performance obligations are satisfied (the normal time at which revenues are recognized) are as follows: (i) Sale of real estate, etc. Real estate and other sales are recorded as revenue when the buyer, who is a customer, obtains control of the real estate and other assets by fulfilling the delivery obligations specified in the agreements governing the sale of the real estate. (ii) Utility reimbursements Utility revenues are earned based on the supply of electricity, water and other supplies to the lessee, which is a customer, under real estate and other lease agreements and associated agreements. For utilities revenues determined by XYMAX REIT to be an agent, the net amount received as electricity, gas, and other charges supplied by other parties, less amounts paid to such other parties, is recognized as revenues.</p> <p>(2) 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 21,580 thousand yen, and 5,883 thousand yen in the previous fiscal period.</p>
<p>4. Method of hedge accounting</p>	<p>(1) Hedge accounting approach Deferral hedge accounting is applied. However, the special treatment is applied for the interest-rate swap agreement that meet the criteria for special treatment.</p> <p>(2) Hedging instruments and hedged items Hedging instruments: Interest rate swap transaction Hedged items: Interest on loans</p> <p>(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.</p> <p>(4) Method of assessing the effectiveness of hedging As for the method of assessment of the effectiveness of the hedge in the period from</p>

	<p>the inception of the hedge to the time of judgment of its effectiveness, the cumulative changes in cash flow of the hedged items and hedging instruments are compared and a judgment is made based on changed amount. However, an assessment of the effectiveness of hedging activities is omitted in the case of interest rate swaps that meet the requirements for special treatment.</p>
5. Scope of funds in the statement of cash flows	<p>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.</p>
6. Other matters serving as the basis for preparation of the financial statements	<p>(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.</p> <ul style="list-style-type: none"> (i) Cash and bank deposits in trust (ii) Buildings in trust; Structures in trust; Machinery and equipment in trust; Tools, furniture and fixtures in trust; Land in trust; Construction in progress in trust (iii) Tenant leasehold and security deposits in trust <p>(2) Accounting for non-deductible consumption tax, etc. Non-deductible consumption tax, etc. on acquisition of assets is included in the cost of acquisition of each asset.</p>

(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

8th fiscal period (As of Feb. 28, 2022)	9th fiscal period (As of Aug. 31, 2022)
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)			
	8th fiscal period		9th fiscal period	
	From: Sep. 1, 2021		From: Mar. 1, 2022	
	To: Feb. 28, 2022		To: Aug. 31, 2022	
A. Operating revenue from real estate leasing business				
Lease business revenue				
Rent revenue	1,136,281		1,357,678	
Common area maintenance revenue	153,496	1,289,778	165,523	1,523,202
Other lease business revenue				
Utility reimbursement	60,003		83,173	
Parking revenue	31,976		31,971	
Other rental revenue	10,452	102,432	10,181	125,327
Total operating revenue from real estate leasing	1,392,210		1,648,530	
B. Operating expenses from real estate leasing				
Expenses related to leasing business				
Tax and public dues	137,819		136,136	
Maintenance fees	91,259		107,084	
Utility expenses	56,329		83,115	
Repair expenses	28,881		44,748	
Insurance premiums	3,485		3,987	
Depreciation	142,326		158,887	
Other expenses related to rent business	30,875	490,977	23,184	557,144
Total operating expenses from real estate leasing	490,977		557,144	
C. Operating income (loss) from real estate leasing [A-B]	901,232		1,091,385	

*2. Breakdown of gain on sale of real estate property

8th fiscal period (from September 1, 2021 to February 28, 2022)

(Unit: thousand yen)

Renaissance 21 Chihaya (quasi-co-ownership interest 50%)	
Revenue on sale of real estate property	1,640,000
Cost on sale of real estate property	1,365,978
Other cost on sale	54,366
Gain on sale of real estate property	219,655

9th fiscal period (from March 1, 2022 to August 31, 2022)

(Unit: thousand yen)

Renaissance 21 Chihaya (quasi-co-ownership interest 50%)	
Revenue on sale of real estate property	1,640,000
Cost on sale of real estate property	1,362,607
Other cost on sale	51,105
Gain on sale of real estate property	226,287

[Notes on the Statement of Unitholders' Equity]

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

	8th fiscal period From: Sep. 1, 2021 To: Feb. 28, 2022	9th fiscal period From: Mar. 1, 2022 To: Aug. 31, 2022
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	249,650 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)

	8th fiscal period From: Sep. 1, 2021 To: Feb. 28, 2022	9th fiscal period From: Mar. 1, 2022 To: Aug. 31, 2022
Cash and bank deposits	1,219,048	1,540,074
Cash and bank deposits in trust	2,080,797	2,523,504
Cash and cash equivalents	3,299,845	4,063,578

[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. As for the method of assessment of the effectiveness of the hedge in the period from the inception of the hedge to the time of judgment of its effectiveness, the cumulative changes in cash flow of the hedged items and hedging instruments are compared and a judgment is made based on changed amount. However, an assessment of the effectiveness of hedging activities is omitted in the case of interest rate swaps that meet the requirements for special treatment. For the hedge accounting approach, hedged items, contract amount, etc., please refer to "2. Matters concerning fair value, etc. of financial instruments."

(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, 2022, 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) Current portion of long-term borrowings	2,796,000	2,796,000	-
(2) Long-term loans payable	11,804,000	11,807,985	3,985
Total liabilities	14,600,000	14,603,985	3,985
Derivative transactions	-	-	-

The following are the carrying amount and fair value as of August 31, 2022, 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) Current portion of long-term borrowings	2,796,000	2,796,000	-
(2) Long-term loans payable	16,804,000	16,806,368	2,368
Total liabilities	19,600,000	19,602,368	2,368
Derivative transactions	[3,135]	[3,135]	-

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

(1) Current portion of long-term borrowings, (2) 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) Amount of repayment of Long-term loans scheduled to be due after the end of the fiscal period (February 28, 2022)
(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
Long-term loans payable	2,796,000	3,426,000	2,902,000	3,456,000	2,020,000	-

Amount of repayment of Long-term loans scheduled to be due after the end of the fiscal period (August 31, 2022)
(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
Long-term loans payable	2,796,000	4,376,000	4,302,000	4,856,000	3,270,000	-

[Notes on Derivative Transactions]

1. Derivative transactions to which hedge accounting is not applied

8th fiscal period (as of February 28, 2022)

Not applicable.

9th fiscal period (as of August 31, 2022)

Not applicable.

2. Derivative transactions to which hedge accounting is applied

8th fiscal period (as of February 28, 2022)

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 (2) Long-term loans payable.

9th fiscal period (as of August 31, 2022)

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	Calculation method for applicable fair value
				Of which, due after 1 year		
Principle method	Interest rate swap transaction (receive floating; pay fixed)	Long-term loans payable	982,000	982,000	(3,135)	Based on the amount provided by counterparty financial institutions
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 (2) 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)

	8th fiscal period (As of Feb. 28, 2022)	9th fiscal period (As of Aug. 31, 2022)
Deferred tax assets		
Non-deductible accrued enterprise tax	13	15
Deferred gains or losses on hedges	-	986
Subtotal deferred tax assets	13	1,001
Valuation allowance	-	(986)
Total	13	15
Deferred tax assets, net	13	15

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: %)

	8th fiscal period (As of Feb. 28, 2022)	9th fiscal period (As of Aug. 31, 2022)
Statutory tax rate	31.46	31.46
[Adjustments]		
Distribution deductible for tax purposes	(31.43)	(31.43)
Other	0.07	0.06
Effective income tax rate after application of tax-effect accounting	0.10	0.09

[Notes on Related-Party Transactions]

1. Parent company, major corporate unitholder, etc.

8th fiscal period (from September 1, 2021 to February 28, 2022)

Not applicable.

9th fiscal period (from March 1, 2022 to August 31, 2022)

Not applicable.

2. Affiliated company, etc.

8th fiscal period (from September 1, 2021 to February 28, 2022)

Not applicable.

9th fiscal period (from March 1, 2022 to August 31, 2022)

Not applicable.

3. Fellow subsidiary, etc.

8th fiscal period (from September 1, 2021 to February 28, 2022)

Not applicable.

9th fiscal period (from March 1, 2022 to August 31, 2022)

Not applicable.

4. Director, major individual unitholder, etc.

8th fiscal period (from September 1, 2021 to February 28, 2022)

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)	145,708	Accounts payable - other	124,584

(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 32,450 thousand yen which counted in the booked acquisition price.

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

9th fiscal period (from March 1, 2022 to August 31, 2022)

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)	201,526	Accounts payable - other	137,958

(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 76,110 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

8th fiscal period (from September 1, 2021 to February 28, 2022)

(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

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

9th fiscal period (from March 1, 2022 to August 31, 2022)

(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

(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)		
	8th fiscal period From: Sep. 1, 2021 To: Feb. 28, 2022	9th fiscal period From: Mar. 1, 2022 To: Aug. 31, 2022
Carrying amount	37,746,444	44,189,692
Balance at beginning of period	35,910,478	37,746,444
Amount of increase (decrease) during period	1,835,966	6,443,247
Balance at the end of the period	37,746,444	44,189,692
Fair value at the end of the period	48,348,000	54,666,000

(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 8th fiscal period, the amount of increase is mainly attributable to the acquisition of 1 trust beneficiary right (3,289,783 thousand yen) and capital expenditure (54,488 thousand yen), while the amount of decrease is mainly attributable to the disposition of 1 trust beneficiary right (1,365,978 thousand yen) and depreciation (142,326 thousand yen). Of the amount of increase (decrease) during period for 9th fiscal period, the amount of increase is mainly attributable to the acquisitions of 3 trust beneficiary right (7,812,216 thousand yen) and capital expenditure (154,511 thousand yen), while the amount of decrease is mainly attributable to the disposition of 1 trust beneficiary right (1,362,607 thousand yen) and depreciation (158,887 thousand yen).

(Note 3) Fair value at the end of the period is the appraisal value by an outside real estate appraiser. As for Renaissance 21 Chihaya, of which sales agreement is concluded on January 27, 2022 (50% quasi-co-ownership at the end of the fiscal period under review), XYMAX REIT adopted the sales price as its Fair Value.

(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 revenue recognition]

1. Disaggregated information on revenue from contracts with customers

8th fiscal period (from September 1, 2021 to February 28, 2022)

(Unit: thousand yen)		
	Revenue from contracts with customers (Note1)	Sales to external customers
Disposition of real estate, etc.	1,640,000	(Note2) 219,655
Utility revenue	60,003	60,003
Others	-	1,332,206
Total	1,700,003	1,611,865

(Note 1) Rent revenues subject to Accounting Standard for Lease Transactions (ASBJ Statement No. 13) is excluded from “Revenue from contracts with customers” as it is not subject to Accounting Standard for Revenue Recognition. The revenue from contracts with customers is mainly revenues from the gain on sales of real estate, etc. and the utilities.

(Note 2) As proceeds from sale of real estate property is recorded as gain or loss on sale of real estate property in the statements of income and retained earnings, the amount sought by deducting the cost of real estate property sales and other sales expenses from proceeds from sale of real estate property according to Article 48-2 of the Calculation Rules for Investment Corporation (Cabinet Office Ordinances No. 47 in2006).

9th fiscal period (from March 1, 2022 to August 31, 2022)

(Unit: thousand yen)		
	Revenue from contracts with customers (Note1)	Sales to external customers
Disposition of real estate, etc.	1,640,000	(Note2) 226,287
Utility revenue	83,173	83,173
Others	-	1,565,356
Total	1,723,173	1,874,817

(Note 1) Rent revenues subject to Accounting Standard for Lease Transactions (ASBJ Statement No. 13) is excluded from “Revenue from contracts with customers” as it is not subject to Accounting Standard for Revenue Recognition. The revenue from contracts with customers is mainly revenues from the gain on sales of real estate, etc. and the utilities.

(Note 2) As proceeds from sale of real estate property is recorded as gain or loss on sale of real estate property in the statements of income and retained earnings, the amount sought by deducting the cost of real estate property sales and other sales expenses from proceeds from sale of real estate property according to Article 48-2 of the Calculation Rules for Investment Corporation (Cabinet Office Ordinances No. 47 in2006).

2. Foundational information for understanding revenues generated from contracts with customers

8th fiscal period (from September 1, 2021 to February 28, 2022)

As indicated in the Summary of Significant Accounting Policies.

9th fiscal period (from March 1, 2022 to August 31, 2022)
As indicated in the Summary of Significant Accounting Policies.

3. Information on relationship of fulfillment of performance obligations based on contracts with customers with cash flow generated from said contracts and amount and period of revenue expected to be recognized in the next fiscal period or thereafter from contracts with customers existing at the end of the fiscal period under review

(1) Balance of contract assets and contract liabilities, etc.

(Unit: thousand yen)

	8th fiscal period From: Sep. 1, 2021 To: Feb. 28, 2022	9th fiscal period From: Mar. 1, 2022 To: Aug. 31, 2022
Claims generated from contracts with customers (balance at beginning of fiscal year)	16,716	16,483
Claims generated from contracts with customers (balance at end of fiscal year)	16,483	27,381
Contract assets (balance at beginning of fiscal year)	-	-
Contract assets (balance at end of fiscal year)	-	-
Contract liabilities (balance at beginning of fiscal year)	-	-
Contract liabilities (balance at end of fiscal year)	-	-

(2) Transaction value allocated to remaining performance obligations

8th fiscal period (from September 1, 2021 to February 28, 2022)

As of February 28, 2022, the total transaction price allocated to the remaining performance obligations for the sale of real estate, etc. was 1,640,000 thousand yen for real estate, etc. for which an agreement to sell was concluded on January 27, 2022. XYMAX REIT expects to recognize revenue for such remaining performance obligations upon delivery of such property, etc. scheduled on March 31, 2022.

In addition, XYMAX REIT recognizes utility revenue in an amount that is entitled to claim in accordance with paragraph 19 of the Accounting Standard Guidance on revenue recognition as XYMAX REIT is entitled to receive from the tenant the amount of consideration that directly corresponds to the value to the tenant, which is the customer, for the portion of performance completed by the end of the fiscal period under review. Accordingly, XYMAX REIT has applied the provisions of paragraph 80-22(2) of the Accounting Standard for Revenue Recognition and has not included them in the notes to the transaction price allocated to its remaining performance obligations.

9th fiscal period (from March 1, 2022 to August 31, 2022)

XYMAX REIT recognizes utility revenue in an amount that is entitled to claim in accordance with paragraph 19 of the Accounting Standard Guidance on revenue recognition as XYMAX REIT is entitled to receive from the tenant the amount of consideration that directly corresponds to the value to the tenant, which is the customer, for the portion of performance completed by the end of the fiscal period under review. Accordingly, XYMAX REIT has applied the provisions of paragraph 80-22(2) of the Accounting Standard for Revenue Recognition and has not included them in the notes to the transaction price allocated to its remaining performance obligations.

[Notes on Per Unit Information]

	8th fiscal period From: Sep. 1, 2021 To: Feb. 28, 2022	9th fiscal period From: Mar. 1, 2022 To: Aug. 31, 2022
Net assets per unit	104,996 yen	105,909 yen
Net income per unit	3,895 yen	4,022 yen

(Note 1) Net income per unit for 8th 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:

	8th fiscal period From: Sep. 1, 2021 To: Feb. 28, 2022	9th fiscal period From: Mar. 1, 2022 To: Aug. 31, 2022
Net income (thousand yen)	870,360	1,003,432
Amount not attributable to common unitholders (thousand yen)	-	-
Net income attributable to common investment units (thousand yen)	870,360	1,003,432
Average number of investment units during the period (units)	223,400	249,466

[Notes on Significant Subsequent Events]

Not applicable.

[Notes to Allowance for Temporary Difference Adjustments Additions and Reversals]

8th fiscal period (from September 1, 2021 to February 28, 2022)

Not applicable.

9th fiscal period (from March 1, 2022 to August 31, 2022)

1. Reasons, related assets and allowance

(Unit: thousand yen)

Related assets, etc.	Reason	Allowance for temporary difference adjustments
Deferred gains or losses on hedges	Loss on interest-rate swaps recognized at the end of the fiscal period	2,995

2. Method of reversal

Deferred gains or losses on hedges

Based on changes in the fair value of the hedging instruments, the corresponding amount is scheduled to be reversed.

[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)
Mar. 1, 2022	Capital increase through public offering	25,000	248,400	2,718,350	25,304,096	(Note 4)
Mar. 28, 2022	Third-party allotment	1,250	249,650	135,917	25,440,013	(Note 5)

(Note 1) XYMAX REIT was incorporated with issuance of investment units at a paid-in amount 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.

(Note 4) New investment units were issued through public offering at an issue price of 108,734 yen (paid-in amount of 113,024 yen) per unit for the purpose of partially procuring funds for the acquisition of new assets.

(Note 5) New investment units were issued with SMBC Nikko Securities Inc. as allottee at a paid-in amount of 108,734 yen per unit.

3. Reference Information

(1) Investment Status

Type of asset	Use	Geographic area (Note 1)	8th fiscal period As of Feb. 28, 2022		9th fiscal period As of Aug. 31, 2022	
			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	546	1.3	545	1.1
Total actual real estate			546	1.3	545	1.1
Real estate in trust	Office	Tokyo central 5 wards	15,120	36.7	15,185	31.2
		Tokyo 23 wards	1,170	2.8	3,262	6.7
		Tokyo economic area	2,665	6.5	2,656	5.5
		Cabinet order designated cities	-	-	4,755	9.8
	Retail	Tokyo economic area	8,277	20.1	8,266	17.0
		Cabinet order designated cities	1,079	2.6	1,077	2.2
		Others	3,289	8.0	3,289	6.8
	Hotel	Cabinet order designated cities	4,234	10.3	4,218	8.7
	Other	Tokyo 23 wards	-	-	932	1.9
		Cabinet order designated cities	1,364	3.3	-	-
Total real estate in trust			37,200	90.2	43,643	89.7
Deposits and other assets (Note 4)			3,502	8.5	4,480	9.2
Total assets			41,249	100.0	48,669	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. In addition, the total value of real estate held in trust and classified as "Other" above includes the book value of the movable properties associated with the building.

(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.

	8th fiscal period As of Feb. 28, 2022		9th fiscal period As of Aug. 31, 2022	
	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	17,793	43.1	22,229	45.7
Total net assets	23,456	56.9	26,440	54.3
Total assets	41,249	100.0	48,669	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, 2022 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 (Note 5)
Office	OF-01	XYMAX Nishi-Shimbashi Building	Minato-ku, Tokyo	Feb. 16, 2018	2,500	5.8	2,523	3,270	Trust beneficiary right
	OF-02	XYMAX Iwamotocho Building	Chiyoda-ku, Tokyo	Feb. 16, 2018	4,250	9.8	4,420	5,920	Trust beneficiary right
	OF-03	XYMAX Shinjuku-Gyoen Building	Shinjuku-ku, Tokyo	Feb. 16, 2018	5,020	11.5	5,070	7,340	Trust beneficiary right
	OF-04	XYMAX Kamiyacho Building	Minato-ku, Tokyo	Feb. 16, 2018	880	2.0	889	1,290	Trust beneficiary right
	OF-05	XYMAX Higashi-Azabu Building	Minato-ku, Tokyo	Feb. 16, 2018	1,550	3.6	1,597	1,990	Trust beneficiary right
	OF-06	XYMAX Higashi-Ueno Building	Taito-ku, Tokyo	Feb. 16, 2018	1,150	2.6	1,166	1,660	Trust beneficiary right
	OF-07	XYMAX Hachioji Building	Hachioji-shi, Tokyo	Feb. 16, 2018	2,600	6.0	2,656	3,650	Trust beneficiary right
	OF-08	XYMAX Mita Building	Minato-ku, Tokyo	Jul. 1, 2021	668	1.5	684	755	Trust beneficiary right
	OF-09	XYMAX Sapporo Odori Building	Sapporo-shi, Hokkaido	Mar. 2, 2022	4,707	10.8	4,755	4,920	Trust beneficiary right
	OF-10	XYMAX Kiba koen Building	Koto-ku, Tokyo	Mar. 2, 2022	2,003	4.6	2,095	2,150	Trust beneficiary right
		Subtotal/Average		-	-	25,328	58.3	25,860	32,945
Retail	RT-01	Muza Kawasaki	Kawasaki-shi, Kanagawa	Feb. 16, 2018	4,100	9.4	4,048	5,540	Trust beneficiary right
	RT-02	Life Kawasaki Miyuki Store	Kawasaki-shi, Kanagawa	Feb. 16, 2018	790	1.8	792	970	Trust beneficiary right
	RT-03	Vita Seiseki-Sakuragaoka	Tama-shi, Tokyo	Feb. 16, 2018	3,100	7.1	3,425	3,900	Trust beneficiary right
	RT-04	Life Fukuizumi Store	Sakai-shi, Osaka	Sep. 1, 2020	1,065	2.5	1,077	1,090	Trust beneficiary right
	RT-05	The Park House Totsuka Front (the Retail Portions of 1st and 2nd Floors)	Yokohama-shi, Kanagawa	Jul. 1, 2021	540	1.2	545	631	Actual real estate
	RT-06	Valor Kachigawa Store (Leasehold land) (Note 6)	Kasugai-shi, Aichi	Jan. 31, 2022	3,245	7.5	3,289	3,400	Trust beneficiary right
		Subtotal/Average		-	-	12,840	29.5	13,178	15,531
Hotel	HT-01	Hotel Vista Sendai	Sendai-shi, Miyagi	Feb. 16, 2018	4,400	10.1	4,218	5,170	Trust beneficiary right and movables incidental to hotel
		Subtotal/Average		-	-	4,400	10.1	4,218	5,170
Other	OT-02	L-Place Nishikasai	Edogawa-ku, Tokyo	Mar. 2, 2022	901	2.1	932	1,020	Trust beneficiary right and movables incidental to building
		Subtotal/Average		-	-	901	2.1	932	1,020
	Total/Average		-	-	43,469	100.0	44,189	54,666	-

- (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, 2022 as the date of value.
- (Note 5) "Ownership status" describes the types of rights held by XYMAX REIT.
- (Note 6) Figures for Valor Kachigawa Store represents 50% of quasi-co-ownership owned by XYMAX REIT at the end of the fiscal period under review.

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 ²) (Note 5)	Leasable area (m ²) (Note 6)	Occupancy rate (%) (Note 7)
OF-01	XYMAX Nishi-Shimbashi Building	Aug. 22, 2000	8	84	108	1,897.92	1,897.92	100.0
OF-02	XYMAX Iwamotocho Building	Mar. 22, 2001	14	139	178	4,152.40	4,152.40	100.0
OF-03	XYMAX Shinjuku-Gyoen Building	Feb. 28, 2001	6	188	263	4,792.21	4,792.21	100.0
OF-04	XYMAX Kamiyacho Building	Apr. 30, 1991	7	45	53	1,205.27	1,205.27	100.0
OF-05	XYMAX Higashi-Azabu Building	Nov. 30, 1999	6	54	69	2,015.99	2,015.99	100.0
OF-06	XYMAX Higashi-Ueno Building	Apr. 9, 1999	8	50	71	1,735.29	1,735.29	100.0
OF-07	XYMAX Hachioji Building	Jan. 26, 1993	23	131	153	5,556.05	5,556.05	100.0
OF-08	XYMAX Mita Building	May 31, 1991	7	20	10	512.87	741.41	69.2
OF-09	XYMAX Sapporo Odori Building	Sep. 30, 2020	6	132	249	3,106.42	3,106.42	100.0
OF-10	XYMAX Kiba koen Building	Oct. 31, 1992	5	60	73	2,587.13	2,587.13	100.0
RT-01	Muza Kawasaki	Dec. 18, 2003	19	177	230	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	26	33	861.60	861.60	100.0
RT-06	Valor Kachigawa Store (Leasehold land)	-	1	Undisclosed (Note 8)	Undisclosed (Note 8)	10,254.55	10,254.55	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-02	L-Place Nishikasai	Jun. 15, 1986	1	Undisclosed (Note 8)	Undisclosed (Note 8)	2,044.18	2,044.18	100.0
Total/Average		-	120	1,648	1,731	85,089.45	85,317.99	99.7

(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 February 28, 2022.

(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. In addition, the total amount of operating revenue from leasing includes revenue from the leasing business of Renaissance 21 Chihaya, which was sold on March 31, 2022. Operating revenue from leasing for the 9th fiscal period on Renaissance 21 Chihaya are 8 million yen.

(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 February 28, 2022, 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 February 28, 2022. Figures for Valor Kachigawa Store represent 50% of quasi-co-ownership, owned by XYMAX REIT at the end of the fiscal period under review.

(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, 2022 and the area based on the building drawing, etc. of vacant spaces. Figures for Valor Kachigawa Store represent 50% of quasi-co-ownership, owned by XYMAX REIT at the end of the fiscal period under review.

(Note 7) "Occupancy rate" is the ratio of leased area to leasable area for each asset as of February 28, 2022, 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	3,270	3,400	3.4	3,210	3.5	3.6
	OF-02	XYMAX Iwamotocho Building	Japan Real Estate	5,920	5,990	3.3	5,840	3.1	3.4
	OF-03	XYMAX Shinjuku-Gyoen Building	Japan Real Estate	7,340	7,400	3.3	7,270	3.1	3.4
	OF-04	XYMAX Kamiyacho Building	Tanizawa Sōgō Appraisal	1,290	1,320	3.5	1,270	3.6	3.7
	OF-05	XYMAX Higashi-Azabu Building	Daiwa Real Estate Appraisal	1,990	2,050	3.8	1,960	3.6	4.0
	OF-06	XYMAX Higashi-Ueno Building	Daiwa Real Estate Appraisal	1,660	1,680	3.9	1,650	3.7	4.1
	OF-07	XYMAX Hachioji Building	Japan Real Estate	3,650	3,670	4.6	3,650	4.4	4.7
	OF-08	XYMAX Mita Building	Japan Real Estate	755	766	3.7	743	3.3	3.6
	OF-09	XYMAX Sapporo Odori Building	Japan Real Estate	4,920	4,950	3.9	4,890	3.7	4.0
	OF-10	XYMAX Kiba koen Building	Japan Real Estate	2,150	2,160	4.3	2,140	3.9	4.3
	Subtotal/Average				32,945	33,386	—	32,623	—
Retail	RT-01	Muza Kawasaki	Tanizawa Sōgō Appraisal	5,540	5,510	4.1	5,550	4.2	4.3
	RT-02	Life Kawasaki Miyuki Store	Daiwa Real Estate Appraisal	970	983	4.2	964	4.0	4.4
	RT-03	Vita Seiseki-Sakuragaoka	Tanizawa Sōgō Appraisal	3,900	3,800	5.0	3,940	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	631	635	4.5	629	4.6	4.7
	RT-06	Valor Kachigawa Store (Leasehold land) (Note 3)	Tanizawa Sōgō Appraisal	3,400	—	—	3,400	4.0	4.2
	Subtotal/Average				15,531	12,028	—	15,563	—
Hotel	HT-01	Hotel Vista Sendai	Tanizawa Sōgō Appraisal	5,170	5,240	4.9	5,140	4.9	5.0
	Subtotal/Average				5,170	5,240	—	5,140	—
Other	OT-02	L-Place Nishikasai	Tanizawa Sōgō Appraisal	1,020	1,040	4.5	1,010	4.6	4.7
	Subtotal/Average				1,020	1,040	—	1,010	—
Total/Average				54,666	51,694	—	54,336	—	—

(Note 1) The date of value for the real estate appraisal reports is August 31, 2022.

(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.

(Note 3) "Appraisal value" and "Value based on DCF method" represent 50% of quasi-co-ownership, owned by XYMAX REIT at the end of the fiscal period under review.

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.	Aug. 31, 2022	-	9,525	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	6.1
OF-02	XYMAX Iwamotocho Building	Sompo Risk Management Inc.	Aug. 31, 2022	-	20,598	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	5.2
OF-03	XYMAX Shinjuku-Gyoen Building	Sompo Risk Management Inc.	Aug. 31, 2022	-	27,487	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	4.5
OF-04	XYMAX Kamiyacho Building	Earth-Appraisal Co., Ltd.	Feb. 28, 2022	-	8,546	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	3.8
OF-05	XYMAX Higashi-Azabu Building	Earth-Appraisal Co., Ltd.	Feb. 28, 2022	-	7,340	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	3.4
OF-06	XYMAX Higashi-Ueno Building	Earth-Appraisal Co., Ltd.	Feb. 28, 2022	-	4,218	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	5.1
OF-07	XYMAX Hachioji Building	Sompo Risk Management Inc.	Aug. 31, 2022	-	14,024	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
OF-09	XYMAX Sapporo Odori Building	Tokio Marine dR Co., Ltd.	Jan. 17, 2022	-	3,466	Tokio Marine dR Co., Ltd.	Jan. 2022	0.9
OF-10	XYMAX Kiba koen Building	Sompo Risk Management Inc.	Jan. 18, 2022	-	8,730	Tokio Marine dR Co., Ltd.	Jan. 2022	10.8
RT-01	Muza Kawasaki	Earth-Appraisal Co., Ltd.	Feb. 28, 2022	-	15,756	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	1.2
RT-02	Life Kawasaki Miyuki Store	Daiwa Real Estate Appraisal Co., Ltd.	Aug. 31, 2022	-	4,028	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	7.0
RT-03	Vita Seiseki-Sakuragaoka	Daiwa Real Estate Appraisal Co., Ltd.	Aug. 31, 2022	-	147,397	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.	Aug. 31, 2022	-	12,462	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Nov. 2017	1.7
OT-02	L-Place Nishikasai	Sompo Risk Management Inc.	Jan. 18, 2022	-	3,609	Tokio Marine dR Co., Ltd.	Jan. 2022	9.1
Total				-	298,465	Entire portfolio (Note 5)		2.5

(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.

(Note 5) "Entire portfolio" is a PML value for a group of the 17 portfolio assets, obtained in the same manner as for each property based on the seismic risk evaluation (portfolio) report dated January 2022 prepared by Tokio Marine dR Co., Ltd.

(Note 6) Valor Kachigawa Store does not appear on the above list because the asset is the leasehold land only with no building and is not subject to entire portfolio PML.

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 Shinjuku-Gyoen Building	Shinjuku-ku, Tokyo	Renewal of air conditioners	From: January 2023 To: January 2023	53,051	-	-
Vita Seiseki-Sakuragaoka	Tama-shi, Tokyo	Overhaul & parts exchange of Parking A (located on basement floor)	From: February 2023 To: February 2023	37,924	-	-

(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 154,511 thousand yen. Combined with repair expenses booked as expenses in the fiscal period under review (44,748 thousand yen), construction work, etc. totaling 199,260 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)
XYMAX Iwamotocho Building	Chiyoda-ku, Tokyo	Renewal of air conditioners	From: May 2022 To: May 2022	44,079

VI. Property Overview and Earnings/Expenses of Properties

XYMAX Nishi-Shimbashi Building			Category	Office
Overview of the Specified Asset			Earnings and Expenses (Unit: thousand yen)	
Acquisition Date	February 16, 2018		Management Period	from March 1, 2022 to August 31, 2022
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	76,160
Location	2-6-2 Nishi-Shimbashi, Minato-ku, Tokyo		Other lease business revenue	8,655
Land	Lot Number	2-10-30 Nishi-Shimbashi, Minato-ku, Tokyo, and other	Total operating revenue from real estate leasing	84,816
	Building Coverage Ratio	80%	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	700%	Tax and public dues	7,220
	Land Use District	Commercial district	Maintenance fees	5,508
	Site Area	402.53 m ²	Utility expenses	6,303
	Type of ownership	Ownership	Repair expenses	1,961
Building	Construction Date	August 22, 2000	Insurance premiums	61
	Structure/Number of Floors	Reinforced concrete structure with flat roof 9F	Depreciation	2,885
	Total Floor Area	2,517.50 m ²	Other expenses related to lasing business	513
	Architect	RUI SEKKEISHITSU Co., Ltd.	Total operating expenses from real estate leasing	24,454
	Builder	Tokyo Head Office, Fujiki Komuten Co., Ltd.	(3) NOI	63,247
	Type of Ownership	Ownership	(4) Operating income (loss) from real estate leasing	60,361
ML Company	-			
PM Company	XYMAX Corporation			
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 ²).				

XYMAX Iwamotocho Building		Category	Office	
Overview of the Specified Asset		Earnings and Expenses (Unit: thousand yen)		
Acquisition Date	February 16, 2018	Management Period	from March 1, 2022 to August 31, 2022	
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	122,126	
Location	2-3-3 Iwamotocho, Chiyoda-ku, Tokyo	Other lease business revenue	17,037	
Land	Lot Number	2-175-2 Iwamotocho, Chiyoda-ku, Tokyo	Total operating revenue from real estate leasing	139,164
	Building Coverage Ratio	80%	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	800%, 600%	Tax and public dues	13,722
	Land Use District	Commercial district	Maintenance fees	9,478
	Site Area	864.83 m ²	Utility expenses	9,399
	Type of ownership	Ownership	Repair expenses	6,171
Building	Construction Date	March 22, 2001	Insurance premiums	219
	Structure/Number of Floors	Steel-framed reinforced concrete structure with flat roof B1F/9F	Depreciation	16,956
	Total Floor Area	6,261.06 m ²	Other expenses related to lasing business	3,052
	Architect	Nikken Sekkei Ltd.	Total operating expenses from real estate leasing	59,001
	Builder	Kumagai-Sumitomo Construction Consortium	(3) NOI	97,119
	Type of Ownership	Ownership	(4) Operating income (loss) from real estate leasing	80,163
ML Company	Godo Kaisha ML2			
PM Company	XYMAX Corporation			
Notes: None				

XYMAX Shinjuku-Gyoen Building			Category	Office
Overview of the Specified Asset			Earnings and Expenses (Unit: thousand yen)	
Acquisition Date	February 16, 2018		Management Period	from March 1, 2022 to August 31, 2022
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	175,296
Location	1-1-11 Shinjuku, Shinjuku-ku, Tokyo		Other lease business revenue	13,551
Land	Lot Number	1-1-8 Shinjuku, Shinjuku-ku, and other	Total operating revenue from real estate leasing	188,847
	Building Coverage Ratio	80%	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	700%	Tax and public dues	14,707
	Land Use District	Commercial district	Maintenance fees	11,660
	Site Area	839.09 m ²	Utility expenses	10,486
	Type of ownership	Ownership	Repair expenses	4,838
Building	Construction Date	February 28, 2001	Insurance premiums	210
	Structure/Number of Floors	Steel-construction / Reinforced concrete structure with flat roof B1F/9F	Depreciation	12,197
	Total Floor Area	6,084.32 m ²	Other expenses related to leasing business	1,080
	Architect	U Associates Co., Ltd.	Total operating expenses from real estate leasing	55,182
	Builder	Kajima-Oriental Construction Consortium	(3) NOI	145,862
	Type of Ownership	Ownership	(4) Operating income (loss) from real estate leasing	133,664
ML Company	Godo Kaisha ML2			
PM Company	XYMAX Corporation			
Notes:	None			

XYMAX Kamiyacho Building		Category	Office
Overview of the Specified Asset		Earnings and Expenses (Unit: thousand yen)	
Acquisition Date	February 16, 2018	Management Period	from March 1, 2022 to August 31, 2022
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	38,732
Location	5-12-13 Toranomom, Minato-ku, Tokyo	Other lease business revenue	6,705
Land	Lot Number	Total operating revenue from real estate leasing	45,437
	Building Coverage Ratio	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	Tax and public dues	4,778
	Land Use District	Maintenance fees	4,633
	Site Area	Utility expenses	3,241
	Type of ownership	Repair expenses	41
Building	Construction Date	Insurance premiums	46
	Structure/Number of Floors	Depreciation	1,457
	Total Floor Area	Other expenses related to leasing business	2,533
	Architect	Total operating expenses from real estate leasing	16,732
	Builder	(3) NOI	30,162
	Type of Ownership	(4) Operating income (loss) from real estate leasing	28,705
ML Company	XYMAX Corporation		
PM Company	XYMAX Corporation		
Notes: None			

XYMAX Higashi-Azabu Building		Category	Office
Overview of the Specified Asset		Earnings and Expenses (Unit: thousand yen)	
Acquisition Date	February 16, 2018	Management Period	from March 1, 2022 to August 31, 2022
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	47,516
Location	1-5-2 Higashi-Azabu, Minato-ku, Tokyo	Other lease business revenue	6,643
Land	Lot Number	Total operating revenue from real estate leasing	54,159
	Building Coverage Ratio	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	Tax and public dues	6,646
	Land Use District	Maintenance fees	5,753
	Site Area	Utility expenses	3,314
	Type of ownership	Repair expenses	604
Building	Construction Date	Insurance premiums	81
	Structure/Number of Floors	Depreciation	6,002
	Total Floor Area	Other expenses related to leasing business	625
	Architect	Total operating expenses from real estate leasing	23,028
	Builder	(3) NOI	37,132
	Type of Ownership	(4) Operating income (loss) from real estate leasing	31,130
ML Company	XYMAX Corporation		
PM Company	XYMAX Corporation		
Notes: None			

XYMAX Higashi-Ueno Building		Category	Office
Overview of the Specified Asset		Earnings and Expenses (Unit: thousand yen)	
Acquisition Date	February 16, 2018	Management Period	from March 1, 2022 to August 31, 2022
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	43,515
Location	1-11-4 Higashi-Ueno, Taito-ku, Tokyo	Other lease business revenue	7,005
Land	Lot Number	Total operating revenue from real estate leasing	50,520
	Building Coverage Ratio	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	Tax and public dues	3,801
	Land Use District	Maintenance fees	4,361
	Site Area	Utility expenses	4,265
	Type of ownership	Repair expenses	1,411
Building	Construction Date	Insurance premiums	59
	Structure/Number of Floors	Depreciation	3,293
	Total Floor Area	Other expenses related to leasing business	612
	Architect	Total operating expenses from real estate leasing	17,805
	Builder	(3) NOI	36,008
	Type of Ownership	(4) Operating income (loss) from real estate leasing	32,715
ML Company	XYMAX Corporation		
PM Company	XYMAX Corporation		
Notes: None			

(Note) The Site Area includes a portion of private road burden (48.62 m²).

XYMAX Hachioji Building			Category	Office
Overview of the Specified Asset			Earnings and Expenses (Unit: thousand yen)	
Acquisition Date	February 16, 2018		Management Period	from March 1, 2022 to August 31, 2022
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	114,821
Location	25-6 Yokoyamacho, Hachioji-shi, Tokyo		Other lease business revenue	16,377
Land	Lot Number	3-2 Yokoyamacho, Hachioji-shi, Tokyo, and other	Total operating revenue from real estate leasing	131,199
	Building Coverage Ratio	80%	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	600%	Tax and public dues	8,390
	Land Use District	Commercial district	Maintenance fees	15,575
	Site Area	1,220.58 m ²	Utility expenses	9,032
	Type of ownership	Ownership	Repair expenses	9,815
Building	Construction Date	January 26, 1993	Insurance premiums	273
	Structure/Number of Floors	Steel-framed reinforced concrete/ Steel-construction with flat roof B1F/9F	Depreciation	11,362
	Total Floor Area	7,404.81 m ²	Other expenses related to leasing business	1,921
	Architect	NIHON SEKKEI Inc.	Total operating expenses from real estate leasing	56,370
	Builder	MATSUMURA-GUMI Corporation	(3) NOI	86,190
	Type of Ownership	Ownership	(4) Operating income (loss) from real estate leasing	74,828
ML Company	Godo Kaisha ML1			
PM Company	XYMAX Corporation			
Notes: None				

XYMAX Mita Building		Category	Office	
Overview of the Specified Asset		Earnings and Expenses (Unit: thousand yen)		
Acquisition Date	July 1, 2021	Management Period	from March 1, 2022 to August 31, 2022	
Acquisition Price	668 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	17,317	
Location	5-13-11 Shiba, Minato-ku, Tokyo	Other lease business revenue	3,514	
Land	Lot Number	5-3-39 Shiba, Minato-ku, Tokyo	Total operating revenue from real estate leasing	20,831
	Building Coverage Ratio	80%	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	600%	Tax and public dues	1,345
	Land Use District	Commercial district	Maintenance fees	2,700
	Site Area	137.02 m ²	Utility expenses	848
	Type of ownership	Ownership	Repair expenses	4,405
Building	Construction Date	May 31, 1991	Insurance premiums	37
	Structure/Number of Floors	Steel-construction with flat roof 10F	Depreciation	1,203
	Total Floor Area	799.78 m ²	Other expenses related to leasing business	1,825
	Architect	KOKEN ARCHITECTS, INC.	Total operating expenses from real estate leasing	12,365
	Builder	Tosei Corporation	(3) NOI	9,669
	Type of Ownership	Ownership	(4) Operating income (loss) from real estate leasing	8,466
ML Company	Godo Kaisha ML1			
PM Company	XYMAX Corporation			
Notes: None				

XYMAX Sapporo Odori Building			Category	Office
Overview of the Specified Asset			Earnings and Expenses (Unit: thousand yen)	
Acquisition Date	March 2, 2022		Management Period	from March 2, 2022 to August 31, 2022
Acquisition Price	4,707 million yen		Number of operating days	183 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	123,888
Location	5-10, Odori Nishi, Chuo-ku, Sapporo-shi, Hokkaido		Other lease business revenue	9,057
Land	Lot Number	5-9-2, Odori Nishi, Chuo-ku, Sapporo-shi, Hokkaido, and other	Total operating revenue from real estate leasing	132,946
	Building Coverage Ratio	80%	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	800%	Tax and public dues	8
	Land Use District	Commercial district	Maintenance fees	7,671
	Site Area	499.24 m ²	Utility expenses	7,633
	Type of ownership	Ownership	Repair expenses	255
Building	Construction Date	September 30, 2020	Insurance premiums	303
	Structure/Number of Floors	Steel-construction with flat roof B1F/10F	Depreciation	22,710
	Total Floor Area	4,270.89m ²	Other expenses related to leasing business	840
	Architect	SO-KENSYA.Co.,Ltd.	Total operating expenses from real estate leasing	39,421
	Builder	Sapporo Branch of JDC CORPORATION	(3) NOI	116,235
	Type of Ownership	Ownership	(4) Operating income (loss) from real estate leasing	93,524
ML Company	XYMAX HOKKAIDO Corporation			
PM Company	XYMAX HOKKAIDO Corporation			
Notes: None				

XYMAX Kiba koen Building			Category	Office
Overview of the Specified Asset			Earnings and Expenses (Unit: thousand yen)	
Acquisition Date	March 2, 2022		Management Period	from March 2, 2022 to August 31, 2022
Acquisition Price	2,003 million yen		Number of operating days	183 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	52,437
Location	5-11-13, Kiba, Koto-ku, Tokyo		Other lease business revenue	7,576
Land	Lot Number	5-9-20, Kiba, Koto-ku, Tokyo, and other	Total operating revenue from real estate leasing	60,014
	Building Coverage Ratio	80%, 60%	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	600%, 300%	Tax and public dues	55
	Land Use District	Commercial district, Quasi-industrial district	Maintenance fees	6,741
	Site Area	851.46 m ²	Utility expenses	5,767
	Type of ownership	Ownership	Repair expenses	261
Building	Construction Date	October 31, 1992	Insurance premiums	111
	Structure/Number of Floors	Reinforced concrete structure with flat roof 6F	Depreciation	5,099
	Total Floor Area	2,995.81m ²	Other expenses related to leasing business	546
	Architect	Tokyo Branch of registered architect office of SUMITOMO CONSTRUCTION CO., LTD.	Total operating expenses from real estate leasing	18,582
	Builder	Tokyo Branch of SUMITOMO CONSTRUCTION CO., LTD.	(3) NOI	46,531
	Type of Ownership	Ownership	(4) Operating income (loss) from real estate leasing	41,431
ML Company	XYMAX Corporation			
PM Company	XYMAX Corporation			
Notes: None				

Muza Kawasaki		Category	Retail
Overview of the Specified Asset		Earnings and Expenses (Unit: thousand yen)	
Acquisition Date	February 16, 2018	Management Period	from March 1, 2022 to August 31, 2022
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	155,294
Location	1310 Omiyacho, Saiwai-ku, Kawasaki-shi, Kanagawa	Other lease business revenue	21,835
Land	Lot Number	Total operating revenue from real estate leasing	177,129
	Building Coverage Ratio	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	Tax and public dues	10,873
	Land Use District	Maintenance fees	14,952
	Site Area	Utility expenses	18,817
	Type of ownership	Repair expenses	120
Building	Construction Date	Insurance premiums	189
	Structure/Number of Floors	Depreciation	18,032
	Total Floor Area	Other expenses related to leasing business	528
	Architect	Total operating expenses from real estate leasing	63,514
	Builder	(3) NOI	131,647
	Type of Ownership	(4) Operating income (loss) from real estate leasing	113,615
ML Company	XYMAX Corporation		
PM Company	XYMAX 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 m², approx. 6.9% of 10,669.34 m².

(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 m² (registered area) in total of the owned sectional ownership building.

Life Kawasaki Miyuki Store		Category	Retail	
Overview of the Specified Asset		Earnings and Expenses (Unit: thousand yen)		
Acquisition Date	February 16, 2018	Management Period	from March 1, 2022 to August 31, 2022	
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	Undisclosed
	Structure/Number of Floors	Steel-construction with flat roof 2F	Depreciation	1,654
	Total Floor Area	2,596.80 m ²	Other expenses related to leasing business	Undisclosed
	Architect	Tokyo First-class Architect Office, Takenaka Corporation	Total operating expenses from real estate leasing	Undisclosed
	Builder	Yokohama Branch of Takenaka Corporation	(3) NOI	22,577
	Type of Ownership	Ownership	(4) Operating income (loss) from real estate leasing	20,923
ML Company	-			
PM Company	XYMAX 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.				

Vita Seiseki-Sakuragaoka			Category	Retail
Overview of the Specified Asset			Earnings and Expenses (Unit: thousand yen)	
Acquisition Date	February 16, 2018		Management Period	from March 1, 2022 to August 31, 2022
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 ² (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	24,529
	Total Floor Area	62,849.56 m ² (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	166,275
	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	141,745
ML Company	-			
PM Company	XYMAX 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.

- 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)

- 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.

(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 4,467.51m², approx. 49.6% of 9,003.26 m².

(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 27,161.00m² (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	
Overview of the Specified Asset		Earnings and Expenses (Unit: thousand yen)		
Acquisition Date	September 1, 2020	Management Period	from March 1, 2022 to August 31, 2022	
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 ²	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 ²	Other expenses related to leasing business	Undisclosed
	Architect	Kansai branch of First-class Architect Office, KAJIMA CORPORATION	Total operating expenses from real estate leasing	Undisclosed
	Builder	Kansai branch of KAJIMA CORPORATION	(3) NOI	22,902
	Type of Ownership	Ownership	(4) Operating income (loss) from real estate leasing	20,679
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
Overview of the Specified Asset		Earnings and Expenses (Unit: thousand yen)	
Acquisition Date	July 1, 2021	Management Period	from March 1, 2022 to August 31, 2022
Acquisition Price	540 million yen	Number of operating days	184 days
Type of Specified Asset	Actual Real Estate	(1) Operating expenses from real estate leasing	
Trustee	-	Lease business revenue	23,214
Location	4018-1 Totsuka-cho, Totsuka-ku, Yokohama-shi, Kanagawa	Other lease business revenue	3,261
Land	Lot Number	Total operating revenue from real estate leasing	
	Building Coverage Ratio	26,476	
	Floor-Area Ratio	(2) Operating expenses from real estate leasing	
	Land Use District	Tax and public dues	1,839
	Site Area	Maintenance fees	5,078
	Type of ownership	Utility expenses	2,960
Building	Construction Date	Repair expenses	-
	Structure/Number of Floors	Insurance premiums	52
	Total Floor Area	Depreciation	3,767
	Architect	Other expenses related to leasing business	45
	Builder	Total operating expenses from real estate leasing	13,744
	Type of Ownership	(3) NOI	16,499
ML Company	XYMAX Corporation	(4) Operating income (loss) from real estate leasing	12,731
PM Company	XYMAX 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 m², approx. 12.3% of 1,595.49 m².

(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 m² (registered area) in total of the owned sectional ownership building.

Valor Kachigawa Store (Leasehold land)		Category	Retail
Overview of the Specified Asset		Earnings and Expenses (Unit: thousand yen)	
Acquisition Date	January 31, 2022	Management Period	from March 1, 2022 to August 31, 2022
Acquisition Price	3,245 million yen	Number of operating days	184 days
Type of Specified Asset	Trust beneficiary right (50% quasi-co-ownership interest)	(1) Operating expenses from real estate leasing	
Trustee	Mitsubishi UFJ Trust and Banking Corporation	Lease business revenue	Undisclosed
Location	2-1-1, Ono-cho, Kasugai-shi, Aichi	Other lease business revenue	Undisclosed
Land	Lot Number	2-1-1, Ono-cho, Kasugai-shi, Aichi	
	Building Coverage Ratio	60%	
	Floor-Area Ratio	200%	
	Land Use District	Industrial area	
	Site Area	20,509.10 m ² (Note2)	
	Type of ownership	Ownership	
Building	Construction Date	-	
	Structure/Number of Floors	-	
	Total Floor Area	-	
	Architect	-	
	Builder	-	
	Type of Ownership	-	
ML Company	-		
PM Company	Jones Lang LaSalle Incorporated		
Notes:			
• Upon the acquisition of the asset, the XYMAX REIT has entered into a Quasi-Co-Owners Agreement (hereinafter the "Agreement") with the seller of the asset. The main contents of this Agreement are as follows.			
(1) Special provision regarding Non-Split clause of Beneficiary Right in the Trust (for a period of five years from the date of this Agreement and to be renewed thereafter unless there is a manifestation of intention to refuse renewal)			
(2) In the event each quasi-co-owner wishes to sell its quasi-co-ownership interest to a third party, the other quasi-co-owner has been granted the right of preferential negotiation rights for the purchase of the quasi-co-ownership interest held by the other quasi-co-owners.			
		(1) Operating expenses from real estate leasing	
		Total operating revenue from real estate leasing	Undisclosed
		(2) Operating expenses from real estate leasing	
		Tax and public dues	Undisclosed
		Maintenance fees	Undisclosed
		Utility expenses	Undisclosed
		Repair expenses	Undisclosed
		Insurance premiums	Undisclosed
		Depreciation	-
		Other expenses related to leasing business	Undisclosed
		Total operating expenses from real estate leasing	Undisclosed
		(3) NOI	68,901
		(4) Operating income (loss) from real estate leasing	68,901

(Note 1) XYMAX REIT owns trust beneficiary right with other quasi-co-owner (50% quasi-co-ownership interest) and owns 50% quasi-co-ownership interest.

(Note 2) The site area is the area of the entire site. In addition, the site area XYMAX REIT owns as trust beneficiary right is approximately 10,254.55 m² that equals to the 50% of quasi-co-ownership interest owned by XYMAX REIT.

Hotel Vista Sendai		Category	Hotel	
Overview of the Specified Asset		Earnings and Expenses (Unit: thousand yen)		
Acquisition Date	February 16, 2018	Management Period	from March 1, 2022 to August 31, 2022	
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	1-7-2 Tsutsujigaoka, Miyagino-ku, Sendai-shi, Miyagi, and other	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	1,461.36 m ²	Utility expenses	Undisclosed
	Type of ownership	Ownership (partial surface right)	Repair expenses	Undisclosed
Building	Construction Date	March 14, 2016	Insurance premiums	Undisclosed
	Structure/Number of Floors	Steel-construction with flat roof 12F	Depreciation	21,367
	Total Floor Area	6,977.47 m ²	Other expenses related to leasing business	Undisclosed
	Architect	AA and SUN Associates INC.	Total operating expenses from real estate leasing	Undisclosed
	Builder	Tohoku Branch of Maeda Corporation	(3) NOI	122,702
	Type of Ownership	Ownership	(4) Operating income (loss) from real estate leasing	101,334
ML Company	-			
PM Company	XYMAX 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 m² of surface right.

L-Place Nishikasai		Category	Other (Residential)	
Overview of the Specified Asset		Earnings and Expenses (Unit: thousand yen)		
Acquisition Date	March 2, 2022	Management Period	from March 2, 2022 to August 31, 2022	
Acquisition Price	901 million yen	Number of operating days	183 days	
Type of Specified Asset	Trust beneficiary right and movables property incidental to building	(1) Operating expenses from real estate leasing		
Trustee	Mitsubishi UFJ Trust and Banking Corporation	Lease business revenue	Undisclosed	
Location	6-3-10 Nishikasai, Edogawa-ku, Tokyo	Other lease business revenue	Undisclosed	
Land	Lot Number	6-3-2 Nishikasai, Edogawa-ku, Tokyo	Total operating revenue from real estate leasing	Undisclosed
	Building Coverage Ratio	60%	(2) Operating expenses from real estate leasing	
	Floor-Area Ratio	300%	Tax and public dues	Undisclosed
	Land Use District	Category I residential district	Maintenance fees	Undisclosed
	Site Area	854.00 m ²	Utility expenses	Undisclosed
	Type of ownership	Ownership	Repair expenses	Undisclosed
Building	Construction Date	June 15, 1986	Insurance premiums	Undisclosed
	Structure/Number of Floors	Reinforced concrete structure with flat roof 5F	Depreciation	2,450
	Total Floor Area	2,044.18 m ²	Other expenses related to leasing business	Undisclosed
	Architect	K. K. KANA Architect Office	Total operating expenses from real estate leasing	Undisclosed
	Builder	K. K. Sampei Kogyo	(3) NOI	25,007
	Type of Ownership	Ownership	(4) Operating income (loss) from real estate leasing	22,557
ML Company	DAIWA LIFENEXT Co., Ltd.			
PM Company	DAIWA LIFENEXT Co., Ltd.			
Notes:	None			