



XYMAX REIT Investment Corporation



Presentation Materials

for the 14th Fiscal Period Ended February 2025

Securities Code: 3488



Basic Principles and Characteristics of XYMAX REIT

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

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

Notes:

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

The following abbreviations of property names are used.

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

Key Factors (as of the end of 14th FP/February 28, 2025)

Assets

Number of assets	18
Asset size (based on acquisition prices)	43.8 billion yen
Appraisal value	56.7 billion yen
Unrealized gains (unrealized gain ratio)	12.2 billion yen (+27.4%)
Profitability (based on acquisition prices)	NOI yield: 5.8% NOI yield after depreciation: 4.9%
Average building age (weighted average of acquisition prices)	21.0 years
Total leasable area	86,030.33m ²
Occupancy rate (entire portfolio)	99.3%
Asset type (based on acquisition prices)	Office: 56.2% Retail: 29.3% Hotel: 12.4% Other: 2.1%

Liabilities

Balance of interest-bearing debts	19.9 billion yen
LTV based on total assets	40.9%
Appraisal LTV	32.7%
Average borrowing rate ^{*1}	1.041%
Average remaining period	2 years and 9 months
Fixed interest rate ratio	94.6%

Equity

Aggregate market value	28.4 billion yen
Unitholders' capital	25.4 billion yen (Total number of investment units issued and outstanding: 249,650)
Investment unit price	114,000 yen
Net assets per unit	101,903 yen
NAV per unit	150,781 yen
Distribution per unit	3,160 yen (FPE August 2025 (15th FP) forecast)

*1: Interest rate for floating rate borrowings is calculated based on the JBA 1-month Japanese Yen TIBOR as of February 28, 2025.

Executive Summary

- The financial results for the fiscal period ended (FPE) February 2025 (14th fiscal period (FP)) concluded with increased revenue and profit compared to the previous fiscal period

- ✓ Net income: 930 million yen (12.0% up from the previous period, 1.8% up from the initial forecasts)
- ✓ Distribution per unit (DPU): 3,728 yen (400 yen up from the previous period, 67 yen up from the initial forecasts)

■ Operational status

- ✓ The management of properties has continued to progress steadily.
 - Offices: Both the contract occupancy rate and the economic occupancy rate were 97.9% at the end of FPE February 2025.
 - Retail properties: Occupancy rate was maintained at 100%.

XYMAX REIT concluded a two-year fixed master lease agreement for Seiseki-Sakuragaoka with XYMAX Corporation to avoid vacancy and revenue loss upon current tenants vacating at the end of August 2025.
- Hotels: RevPAR for Sendai and KH Sapporo reached 115% and 138% of the levels recorded in the same period of the previous year, respectively.

■ ESG initiatives

- Obtained the highest Rank-S certification under the CASBEE real estate evaluation for two properties.
- Advanced disclosures aligned with TCFD recommendations, covering governance, strategy, risk management, and metrics/targets.



Overview of Financial Results (FPE Feb. 2025) and Earnings Forecasts (FPE Aug. 2025 and Feb. 2026)

A black and white photograph of a modern building facade with large glass windows. The text 'MUZA' is prominently displayed in large, bold, capital letters, with 'KAWASAKI' in smaller capital letters directly beneath it.

MUZA
KAWASAKI

Overview of Financial Results (FPE Feb. 2025)

Overview of Financial Results (FPE Feb. 2025)

(million yen)					
	FPE August 2024 (13th FP) results (A)	FPE February 2025 (14th FP) forecast (B)	FPE February 2025 (14th FP) results (C)	Results (C) – Results (A)	Results (C) – Forecast (B)
Real estate leasing business revenue a	1,682	1,681	1,686	+4	+5
Leasing business revenue	1,549	1,554	1,559	+9	+5
Other leasing business revenue	132	127	127	-5	+0
Gain on sale of real estate property	-	154	154	+154	+0
Operating revenue b	1,682	1,835	1,841	+158	+5
Expenses related to leasing business (excluding depreciation) c	414	429	420	+5	-9
NOI ① (a - c)	1,267	1,251	1,266	-1	+14
Depreciation d	174	180	185	+10	+4
NOI after depreciation ① - d	1,093	1,070	1,080	-12	+10
Other operating expenses	157	192	192	+34	-0
Operating expenses e	747	803	798	+51	-5
Operating income b - e	935	1,031	1,042	+107	+11
Non-operating income	0	0	1	+1	+1
Non-operating expenses	103	116	113	+9	-3
Ordinary income	831	914	931	+99	+16
Net income	830	913	930	+99	+16
Distribution per unit (yen)	3,328	3,661	3,728	+400	+67

• Days: FPE August 2024 (13th FP): 184 days, FPE February 2025 (14th FP): 181 days

Comparison with results for FPE August 2024 (13th FP)

Main factors for difference		(million yen)
Operating revenue		
Office rent revenue (excluding Mita)		-11.3
Hotel variable rent (Sendai)		+10.5
Gain on sale of real estate property (Mita)		+154.4
Expenses related to leasing business		
Increase in repair expenses*1		+6.4
Increase in fire insurance premiums*1		+4.6
Increase in leasing costs*1		+1.5
NOI after depreciation		
Profit from the replacement of Mita and KH Sapporo		+13.5
Other operating expenses		
One-time costs associated with the replacement of Mita and KH Sapporo (nonrecoverable consumption tax, etc.)		+8.2
Disposition fees of Mita		+23.1
Non-operating expenses		
Increases in interest expenses and loan-related costs		+8.6

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

Comparison with forecast for FPE February 2025 (14th FP)

Main factors for difference		(million yen)
Operating revenue		
Hotel variable rent		+4.0
Expenses related to leasing business		
Decrease in repair expenses, etc.		-6.8
Absence or deferral of leasing costs		-1.3
Non-operating income		
Increase in interest income		+1.7
Non-operating expenses		
Increase in interest expenses and decrease in loan-related costs		-4.2

Earnings Forecasts (FPE Aug. 2025 and Feb. 2026)

Overview of Earnings Forecasts (FPE Aug. 2025 and Feb. 2026)

(million yen)					
	FPE February 2025 (14th FP) results (A)	FPE August 2025 (15th FP) forecast (B)	FPE February 2026 (16th FP) forecast (C)	Forecast (B) – Results (A)	Forecast (C) – Forecast (B)
Real estate leasing business revenue a	1,686	1,704	2,144	+17	+440
Leasing business revenue	1,559	1,575	1,586	+15	+11
Other leasing business revenue	127	129	557	+1	+428
Gain on sale of real estate property	154	-	-	-154	-
Operating revenue b	1,841	1,704	2,144	-136	+440
Expenses related to leasing business (excluding depreciation) c	420	428	872	+7	+443
NOI ① (a - c)	1,266	1,276	1,272	+10	-3
Depreciation d	185	189	193	+4	+4
NOI after depreciation ① - d	1,080	1,086	1,078	+5	-8
Other operating expenses	192	175	162	-16	-12
Operating expenses e	798	793	1,228	-5	+435
Operating income b - e	1,042	911	915	-131	+4
Non-operating income	1	3	3	+1	-
Non-operating expenses	113	124	133	+11	+9
Ordinary income	931	789	785	-141	-4
Net income	930	788	784	-141	-4
Distribution per unit (yen)	3,728	3,160	3,140	-568	-20

• Days: FPE February 2025 (14th FP): 181 days, FPE August 2025 (15th FP): 184 days, FPE February 2026 (16th FP): 181 days

Comparison of financial results for FPE February 2025 (14th FP) and earnings forecasts for FPE August 2025 (15th FP)

Main factors for difference	(million yen)
Operating revenue	
Office and retail rent revenue	+5.1
Hotel variable rent	+10.9
Absence of the gain on sale of real estate property (Mita)	-154.4
Expenses related to leasing business	
Decrease in repair expenses	-2.6
Start of expensing taxes and public dues (KH Sapporo)	+2.4
Increase in taxes and public dues (excluding Mita and KH Sapporo)	+3.2
Increase in BM expenses	+3.7
Other operating expenses	
Absence of Disposition fees for the transfer of Mita	-23.1
Costs related to the general unitholders' meeting, credit ratings, etc.	+12.6
Non-operating income	
Increase in interest income	+1.1
Non-operating expenses	
Increase in interest expenses and absence of loan-related costs	+15.3
Absence of amortization of investment unit issuance costs	-4.4

Comparison of earnings forecasts for FPE August 2025 (15th FP) and for FPE February 2026 (16th FP)

Main factors for difference	(million yen)
Operating revenue	
Office and retail rent revenue	+12.3
Hotel variable rent	+4.0
Restoration revenue (Seiseki)	+426.3
Expenses related to leasing business	
Increase in repair expenses	+16.9
Outsourcing fees for restoration work, etc. (Seiseki)	+425.4
Other operating expenses	
Absence of costs related to the general unitholders' meeting, credit ratings, etc.	-13.4
Non-operating expenses	
Increase in interest expenses and presence of loan-related costs	+9.2



Investment Status and Growth Strategy

A black and white photograph of a modern building facade with large glass windows. The text 'MUZA KAWASAKI' is visible on the building. The image is partially obscured by a white diagonal line.

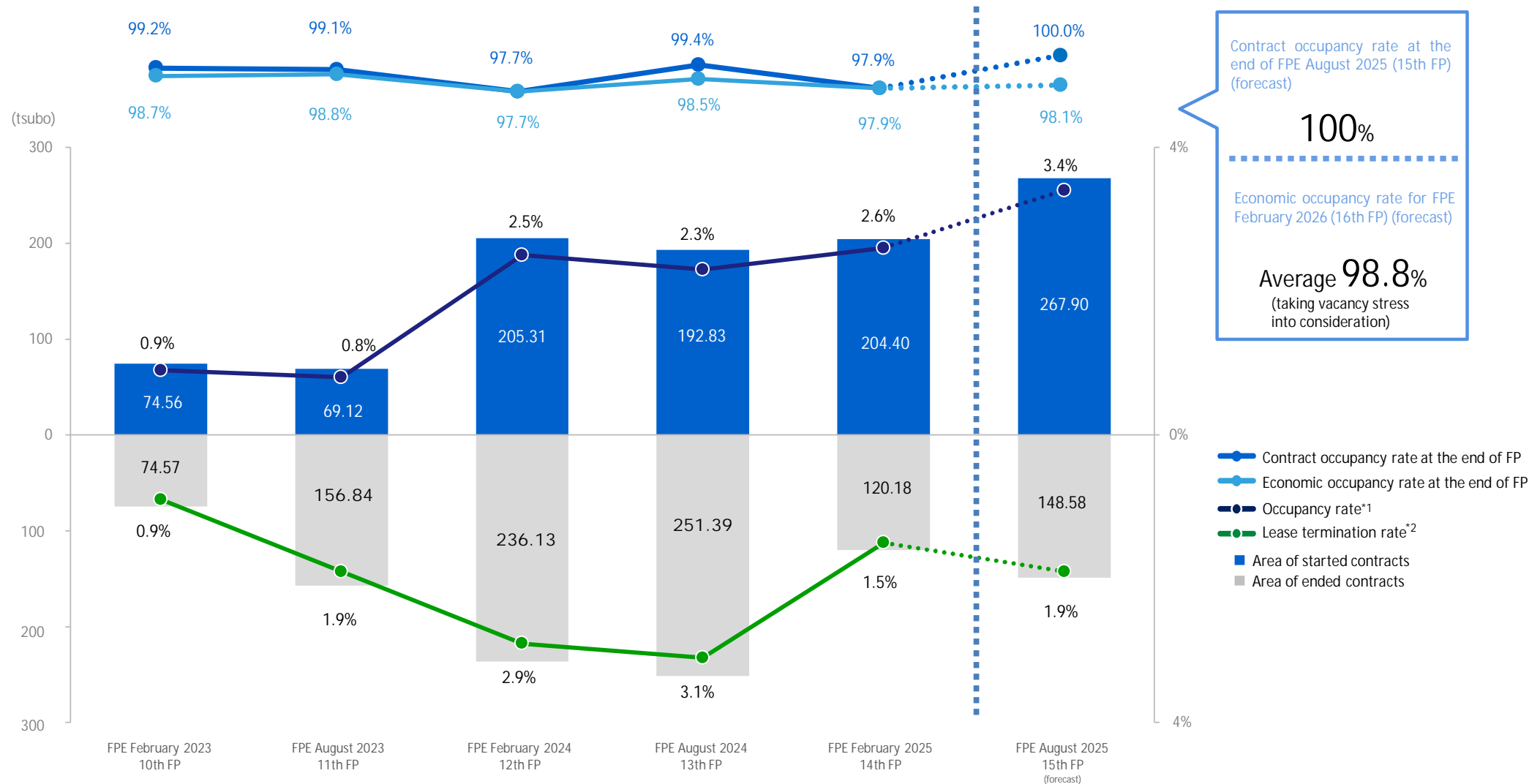
MUZA
KAWASAKI

Status of Office Tenants – Occupancy Rate & Tenant Replacements –

Status of occupancy rate & tenant replacements

• Office properties
(exc. obligated residences)

Scope area for FPE February 2025 (14th FP) and
FPE August 2025 (15th FP): 7,994.17 tsubo

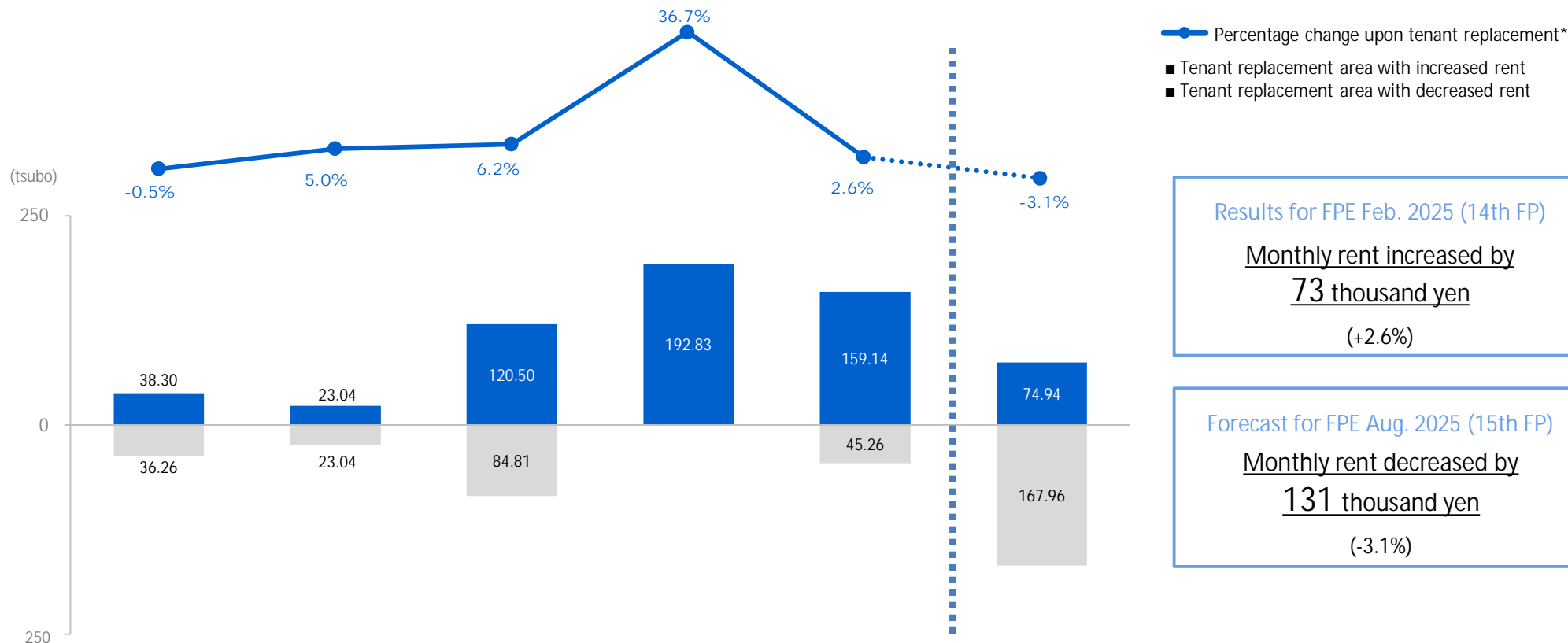


*1 Occupancy rate: Area of started contracts ÷ Total leasable area

*2 Lease termination rate: Area of ended contracts ÷ Total leasable area

Status of Office Tenants – Tenant Replacement –

Trends in replacement with new tenants (re-tenanting) • Office properties (exc. obligated residences)

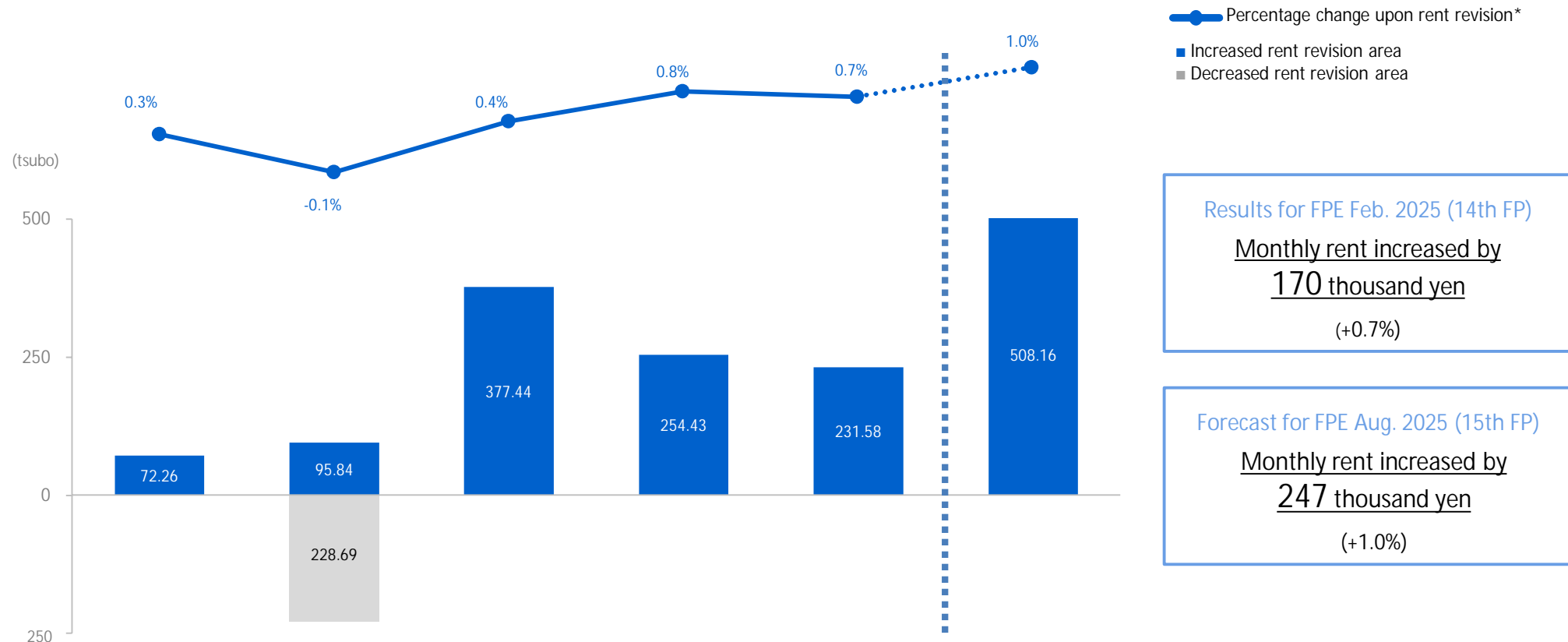


	FPE Feb. 2023 10th FP	FPE Aug. 2023 11th FP	FPE Feb. 2024 12th FP	FPE Aug. 2024 13th FP	FPE Feb. 2025 14th FP	FPE Aug. 2025 15th FP (forecast)
New lease area (tsubo)	74.56	69.12	205.31	192.83	204.40	267.90
Increased area ratio	51.4%	33.3%	58.7%	100%	77.9%	28.0%

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

Status of Office Tenants – Rent Revision –

Trends in rent revision | • Office properties (exc. obligated residences)



	FPE Feb. 2023 10th FP	FPE Aug. 2023 11th FP	FPE Feb. 2024 12th FP	FPE Aug. 2024 13th FP	FPE Feb. 2025 14th FP	FPE Aug. 2025 15th FP (forecast)
Rent revision area (tsubo)	1,339.31	2,983.10	2,655.47	1,176.87	1,388.32	1,481.18
Increased area ratio	5.4%	3.2%	14.2%	21.6%	16.7%	34.3%

* Percentage change upon rent revision: (rent including CAM revenue after rent revision – rent including CAM revenue before rent revision) ÷ rent including CAM revenue before rent revision

Portfolio Status: Retail Properties

XYMAX REIT's retail properties generate stable revenue based on fixed rents. In consideration of the current inflationary phase, we aim to manage our properties in a manner that contributes to higher revenue through measures such as revising rents upward and setting sales percentage rents.

- All the retail properties owned by XYMAX REIT are located in the suburbs of major metropolitan areas where tenants' business performances are expected to remain robust.
- Most single tenant retail properties are in the daily-use type of business with robust sales.
- We will achieve internal growth by leveraging the knowledge and expertise of the sponsor group in discussions on tenant replacement and upward revision of rents.
- We aim to acquire opportunities to increase revenue in response to inflation while building on stable and consistent revenue.

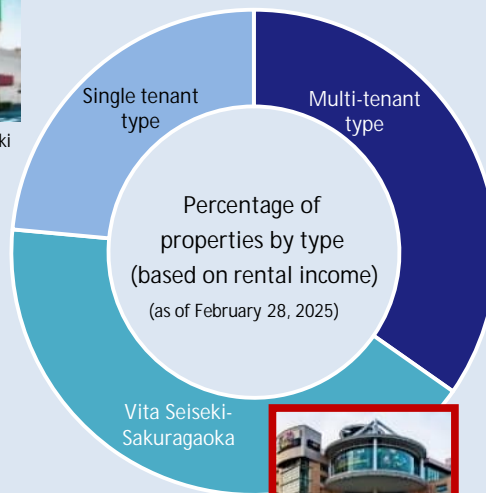
Changes in retail portfolio



Life Fukuizumi Store



Life Kawasaki Miyuki Store

Valor Kachigawa Store
(Leasehold land)

Muza Kawasaki

The Park House
Totsuka Front
(the Retail Portions
of 1st and 2nd Floors)

Seiseki-Sakuragaoka will be converted from a single tenant property into a multi-tenant property through a fixed master lease by XYMAX (scheduled for September 2027)

Management geared toward revenue enhancement

- More opportunities to discuss contract terms due to increase in the percentage of multi-tenant properties
- Discussion on setting sales percentage rents as well as reviewing rent revision provisions at the point of contract terms discussions
- Focus on the possibility of responding to inflation when acquiring properties

Portfolio Status: Retail Properties (Seiseki-Sakuragaoka)

Seiseki-Sakuragaoka will reopen with a new facility concept and tenant mix reconfigured by XYMAX.

Outline of lease agreement with XYMAX (from September 1, 2025)

Fixed rent

Receive rent in the same amount as that received from current tenants

×

No downtime

Avoid a period of vacancy and zero income due to renewal

×

Fixed-term lease of two years

After two years, a multi-tenant structure and sales percentage rents will be introduced, and then the rent system will transition to an inflation-resistant revenue structure

VITA MALL SEISEKI


New facility name:
Vita Mall Seiseki

Scheduled opening date:
Around end of October 2025

Attract wide-area commercial-type anchor tenants that can draw visitors

Concluded contracts + End tenants with applications received
Around 82% of floorspace (as of April 2025)

(tentative name) Tecc Land Seiseki-Sakuragaoka Store (*YAMADA DENKI Co., LTD.), Starbucks Coffee, Okanoue Pharmacy, medical clinics, Grocery store (*name undisclosed), as well as other existing and new tenants

8F	Tama city hall branch office, event hall, meeting rooms, gallery, residents' lobby, community activity support center
7F	
6F	Floor for enjoying everyday life
5F	Floor focused on security and convenience
4F	
3F	
2F	
1F	Lifestyle floor focused on everyday life
B1F	Grocery store (*name undisclosed)

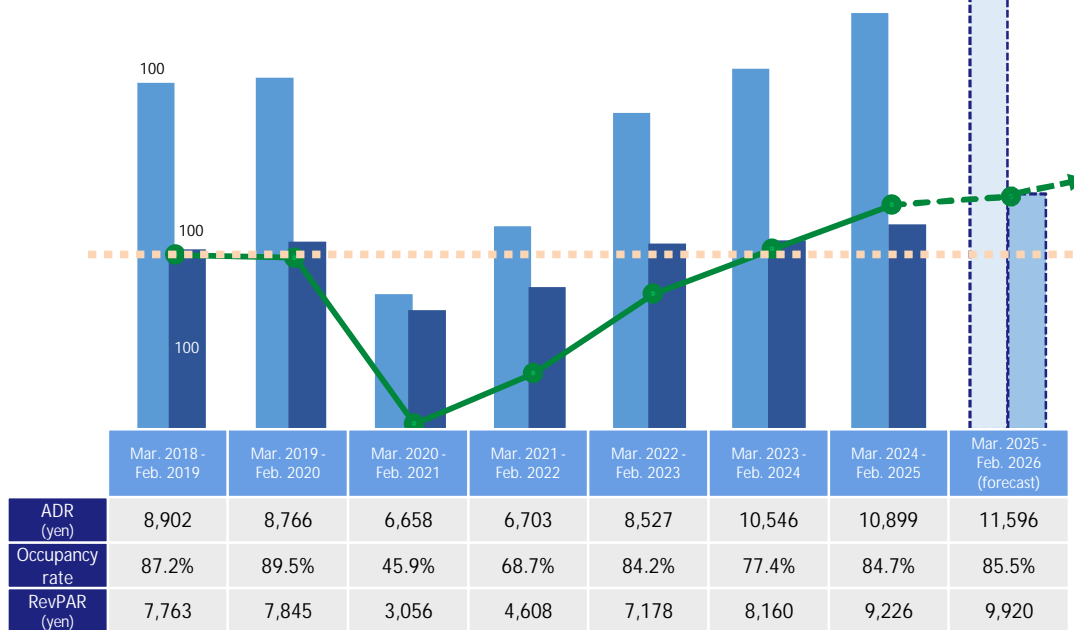
Portfolio Status: Hotel Vista Sendai

KPIs are improving, driven by the competitive advantages of the location and facilities, as well as a market environment in which the supply of new hotels is limited.

Trends in operating results

*Sales, expenses, and GOP from Mar. 2018 to Feb. 2019 are indexed as 100

■ Sales ■ Expenses ● GOP — GOP from Mar. 2018 to Feb. 2019



Hotels opening in central Sendai City from 2023 to 2027*

District	Opening period	Number of rooms	Hotel name
Aoba-ku	June 2023	184	SUPER HOTEL Premier Sendai Kokubuncho Natural Hot Spring
Miyagino-ku	September 2024	114	SUPER HOTEL Sendai station east Natural Hot Spring
Aoba-ku	Spring 2026	56	Hotel Metropolitan The Base Sendai
Aoba-ku	2027 (TBD)	TBD	Development of the former site of Sakurano Department Store Sendai (details TBD)

*Excluding rebranding/renewal *Hotels scheduled for future opening are enclosed in a red box

Features of Hotel Vista Sendai

- ✓ Located within a 5-minute walk from the East Exit Bus Terminal of Sendai Station
- ✓ Rooms that cater to various purposes such as leisure and business trips
- ✓ Large public bath equipped with "Silky Bath (ultra-fine bubble bath)"
- ✓ Design that separates the bathroom, washbasin, and toilet from each other



Within a 5-minute walk from Sendai Station



Large public bath



Separate bathroom, washbasin, and toilet
*excluding single rooms with shower

Comparison with competing hotels

Hotel name	Year built*	Number of rooms	Walking distance from Sendai Station	Large public bath	Separate bathroom, washbasin, and toilet
Hotel Vista Sendai	2016	238	4 minutes from East Exit	✓	✓
Hotel A	2010	270	2 minutes from East Exit	×	×
Hotel B	1996	238	3 minutes from West Exit	×	×
Hotel C	2013	223	3 minutes from West Exit	×	~ (separate bathroom/toilet)
Hotel D	2001 (2022)	165	6 minutes from East Exit	×	×
Hotel E	2010 (2024)	114	4 minutes from East Exit	×	~ (some rooms)

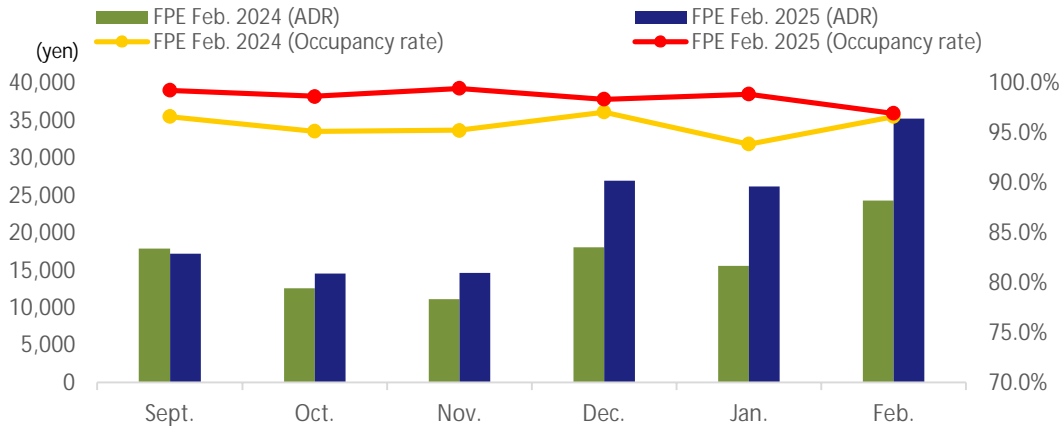
*Year in brackets indicates the year of renewal

Portfolio Status: Karaksa hotel Sapporo



Key indicators of FPE February 2025 results

■ Room occupancy rate: 98.7%, ADR: 22,332 yen, RevPAR: 22,031 yen, Average number of guests per room: 2.32, Percentage of inbound travelers: 87.6%



	FPE Feb. 2024 (Sept. to Feb.)	FPE Feb. 2025 (Sept. to Feb.)
Room occupancy rate	95.8%	98.7%
ADR	16,618 yen	22,232 yen
RevPAR	15,925 yen	22,031 yen
Average number of guests per room	2.25	2.32
Percentage of inbound travelers	80.2%	87.6%

Strengths of the “karaksa hotel” brand (KH Sapporo)

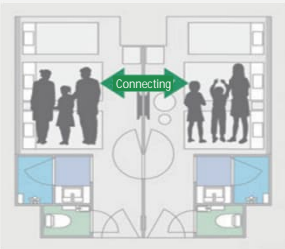
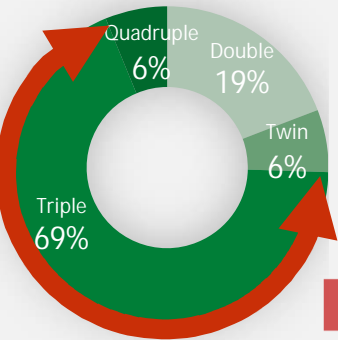
Inbound tourism

Sales strategy targeting inbound travelers to achieve higher occupancy and higher ADR sales

Product appeal

Facilities and human resources capable of meeting diverse accommodation needs

[KH Sapporo room composition]

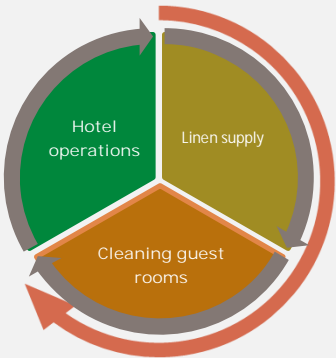


Connecting rooms: 62%

- ✓ Access from Susukino Station via underground shopping center and arcade
- ✓ Mainly triple rooms
- ✓ Connecting rooms
- ✓ Employment of foreign staff (promotion of employment measures such as language incentives)

Delivery capabilities

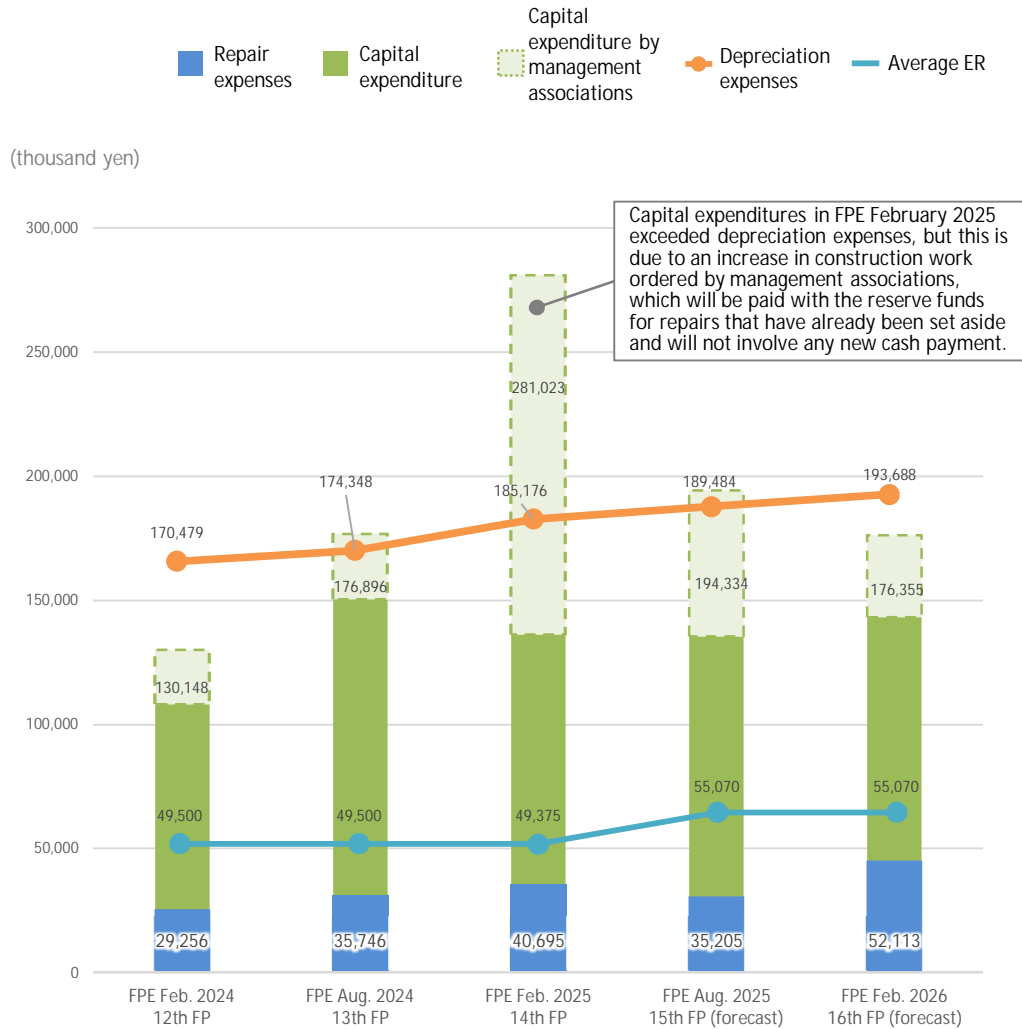
Internalization of linen/cleaning operations and establishment of systems to achieve high occupancy



- ✓ Internalization of linen/cleaning operations ensures high year-round occupancy
- ✓ Automatic room allocation system
- ✓ Proprietary revenue management function
- ✓ Integration of linen/cleaning and hotel operations for greater efficiency and stable supply

Status of Repair and Capital Expenditures

Trends in repair and capital expenditures



*Number of properties as of the end of each fiscal period is 18

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

Major environmental equipment renovations in FPE February 2025 (14th FP)

Property name	Description of construction work	Electricity reduction (rate of reduction ^{*1})
Kiba	LED replacement in exclusive spaces (parts of the spaces)	8,000 kWh/year (69.6%)
Kiba	LED replacement in common spaces	73 kWh/year (64.6%)
Hachioji	LED replacement in exclusive spaces (1 floor)	11,250 kWh/year (68.5%)
Hachioji	LED replacement in exclusive spaces (parts of the spaces)	8,325 kWh/year (68.5%)

Major environmental equipment renovations in FPE August 2025 (15th FP) (planned)

Property name	Description of construction work	Electricity reduction (rate of reduction ^{*1})
Hachioji	LED replacement in exclusive spaces (parts of the spaces)	2,250 kWh/year (71.4%)
Kiba	LED replacement in exclusive spaces (1 floor)	13,250 kWh/year (68.8%)
Kamiyacho	LED replacement in exclusive spaces (1 floor)	7,425 kWh/year (70.2%)
Nishi-Shimbashi	LED replacement in exclusive spaces (1 floor)	5,352 kWh/year (69.0%)

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

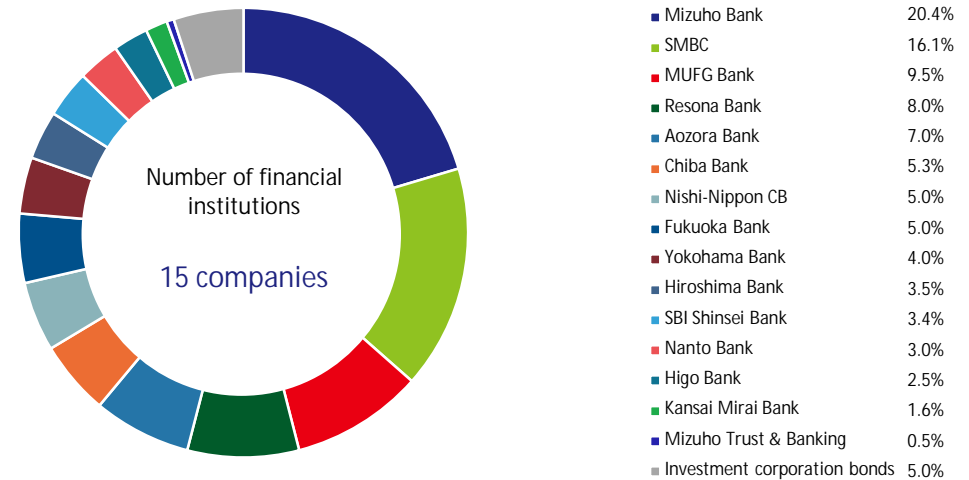
Financial Status as of End of FPE February 2025 (14th FP)

XYMAX REIT has established a financial base focused on stability and soundness that is mainly composed of megabanks, regional banks, etc., that have financial business relationships with the sponsor group.

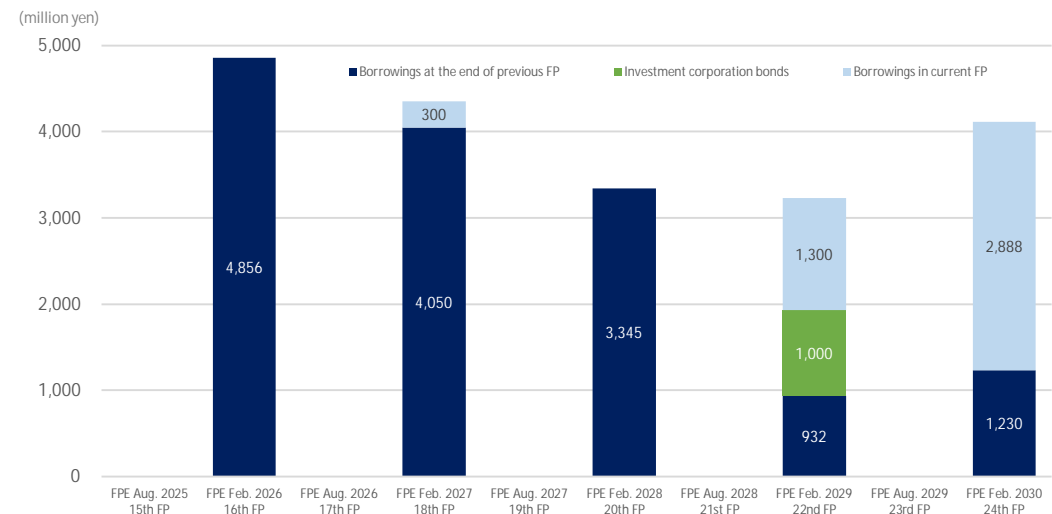
Interest-bearing liabilities and external rating

	As of February 29, 2024 (12th FP)	As of February 28, 2025 (14th FP)
Balance of interest-bearing debts	19.71 billion yen	19.90 billion yen
Appraisal LTV	33.2%	32.7%
LTV based on total assets	40.9%	40.9%
Average remaining period	2 years and 9 months	2 years and 9 months
Average interest rate	0.807%	1.041%
Long-term loan ratio	100.0%	100.0%
Fixed interest rate ratio	95.0%	94.6%
External rating (R&I)	A- (Stable)	A- (Stable)
Net proceeds procured through green financing	4.37 billion yen	8.86 billion yen
Maximum amount procured through green financing	13.11 billion yen	13.11 billion yen

Lender formation



Maturity ladder



Growth Strategy and External Growth

Future Priority Initiatives: Expanding the Asset Size of XYMAX REIT

Benefits of expanding asset size

Improvement in cost
absorption capability

Progress in portfolio
diversification

Improvement in liquidity of
investment units

Expanding the investor base

Improvement in rating

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

Examples of measures to expand asset size

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

Strengths of XYMAX REIT

Unrealized gain ratio/unrealized gain per unit
27.4%/48,876 yen

Carefully selected properties in the pipeline
Over 25.0 billion yen

Debt financing capacity
LTV based on total assets
40.9%

Location	Asset type	Information source	Highlight
Tokyo economic area	Office	Sponsor group	PBM flagship property where the sponsor provides on-site management Landmark building in a National Strategic Special Zone and a decarbonization pioneering region
Tokyo's central 8 wards	Office (under development)	Sponsor group CRE business partner	Project resulting from CRE client's reconstruction needs Conveniently located in front of a station and high visibility due to facing a main road
Hirakata City, Osaka Pref.	Retail property	Sponsor group CRE business partner	Project resulting from CRE client's need to launch new shops Leased by daily-use type tenants
Regional core city	Hotel (specializing in accommodation)	Sponsor group Private fund	Located in a city that is a regional economic hub and rich in tourism resources Rent setting that incorporates variable rent
Regional city	Retail property (leasehold land)	Sponsor group CRE business partner	Project that captured the sales needs of CRE client Leasehold land for neighborhood shopping center type facility, ensuring an appropriate yield through setting of ground rent and sales prices
Tokyo economic area	Office	Asset management company Independent channel	Located in a commuter town in the suburbs of the Tokyo metropolitan area Multi-purpose building located in front of a station, which provides excellent convenience
Regional city designated by a Cabinet Order	Hotel (specializing in accommodation)	Sponsor group	Flagship hotel property operated by the sponsor group, specially catering to inbound travelers Quasi-co-ownership interest (80%) in karaksa hotel Sapporo





ESG

Participation in External Certifications and Initiatives

Participation in the GRESB Assessment

- 2024 Real Estate Assessment: 3 Star and Green Star for three consecutive years
- Disclosure rating: “A Level” (highest)



Signing of Principles for Financial Action for the 21st Century

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



Support of the TCFD Recommendations

- The Asset Management Company has expressed its support for the ideas of the TCFD recommendations and has also joined the TCFD Consortium, whose members consist of Japanese companies that support the TCFD.
- Governance, strategy, risk management, and metrics/targets related to climate-related risks and opportunities were disclosed.



Acquisition of Environmental Certification (As of February 28, 2025)

- Acquisition rate is 84.6% on a total floor area basis.
- Acquired CASBEE real estate certification for Higashi-Ueno and Sapporo. Both properties received the highest rating of Rank S.

Assessment Rank
Rank S
(Excellent)



Number of certified properties	11 properties*	CASBEE real estate certification	Rank S: 9 properties Rank A: 1 property
Acquisition rate (based on total floor area)	84.6%	BELS evaluation	★★★★★ : 1 property ★★★★ : 1 property ★★★ : 1 property



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

Initiatives for Climate Change: Disclosures Based on TCFD Recommendations

In accordance with TCFD recommendations, analyses were conducted based on both the 1.5/2°C and 4°C scenarios as follows to identify risks and opportunities and their impact on our business.

Category		Risks and Opportunities	Financial impact	Financial impact			
				4°C Scenario		1.5/2°C Scenario	
				Medium term	Long term	Medium term	Long term
Transition Risks	Policy and Legal	Introduction of a carbon tax	Increase in tax burden etc. on GHG emissions from properties	Small	Small	Medium	Large
		Strengthening of energy-saving standards in existing real estate operation	Obsolescence of equipment in owned properties, Increase in burden of retrofit costs, decreased profitability and asset value of low-performance buildings, occurrence of Mandatory levies due to stricter laws and regulations	Small	Small	Small	Large
		Strengthening of GHG emissions reporting	Increase in operating expenses, such as payments to outside vendors to for reporting purposes	Small	Small	Small	Small
	Technology	Development and popularization of energy-saving technologies, progress in low-carbon technologies	Increase in costs of retrofitting facilities due to the spread of high energy-efficient equipment	Small	Small	Medium	Large
	Market and Reputation	Utility costs (including external procurement of renewable energy) in property management and operation	Increase in energy procurement costs	Small	Small	Medium	Medium
		Decline in tenant demand and real estate transaction demand for properties with low environmental performance	Decrease in rental income due to difficulties in acquiring new tenants/residents and an increase in vacancy rates	Small	Small	Medium	Large
		Stringent ESG evaluation and investment/financing stance of investors and financial institutions	Decrease in reputation among investors and lenders with high ESG awareness, and deterioration of financing conditions from financial institutions, etc.	Small	Small	Medium	Large
Physical Risks	Acute	Increase in damage due to more severe wind and water damage	Increase in repair and insurance costs, decreased occupancy rates due to increased tenant turnover, decreased rents, increased accounts receivable, and the occurrence of business guarantees	Medium	Large	Small	Medium
		Flooding due to concentrated heavy rain, flooding of nearby rivers, etc.		Medium	Large	Small	Medium
	Chronic	Increase in the average temperature	Increase in air-conditioning related costs and utilities costs	Medium	Medium	Small	Small
		Rising sea levels	Increase in costs for measures to deal with rising sea levels	Small	Large	Small	Small
Opportunities	Resource Efficiency	Improving the efficiency of energy use by retrofitting to high-efficiency equipment	Reduction of energy costs	Small	Medium	Medium	Medium
	Products and Services	Increasing tenant needs for low-emission facilities and properties with high environmental performance	Increase in revenues from attracting tenants and tenants	Small	Small	Medium	Medium
	Markets	Continuously providing rental properties that match the changing preferences of tenants	Increase in revenues due to rent increases and acquisition of tenants and residents	Small	Small	Medium	Medium
		Acquiring new investor groups	Use of green bonds, Increase in fundraising and lower fundraising costs by responding to and appealing to investors who prioritize environmental issues	Small	Small	Small	Medium
		Changes in social values regarding environmental performance	Reduced fundraising costs through green finance	Small	Small	Medium	Medium
		Improvement of asset value through improvement of green performance	Increase in investment interest from institutional investors due to high ratings from global evaluation agencies	Small	Small	Medium	Medium
	Resilience	Improving the ability to adapt to climate-related risks by improving disaster prevention performance	Reduced risk of business shutdown due to disaster response measures	Small	Small	Medium	Medium

* "Medium-term" and "Long-term" are defined as 2030 and 2050, respectively.

* Detailed information based on TCFD recommendations, including risk management, response measures, and initiatives, is published on XYMAX REIT's website. Please refer to "Initiatives for Climate Change" (<https://xymaxreit.co.jp/en/esg/climate.html>).

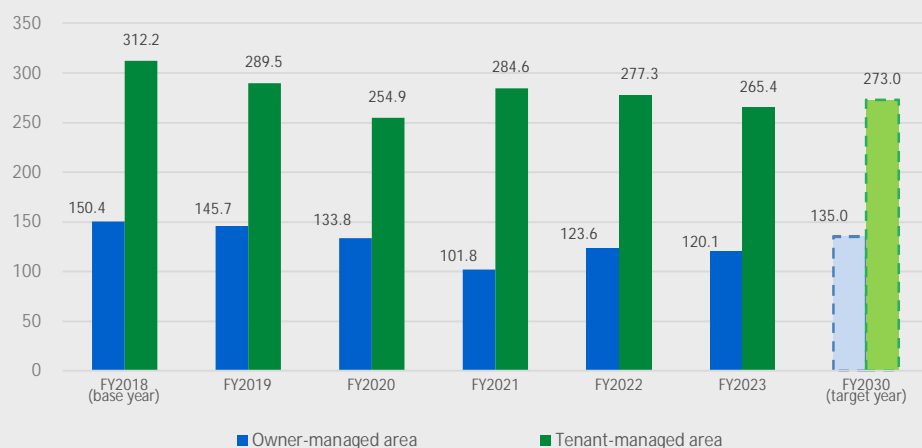
Environment (E)

Results of environmental initiatives

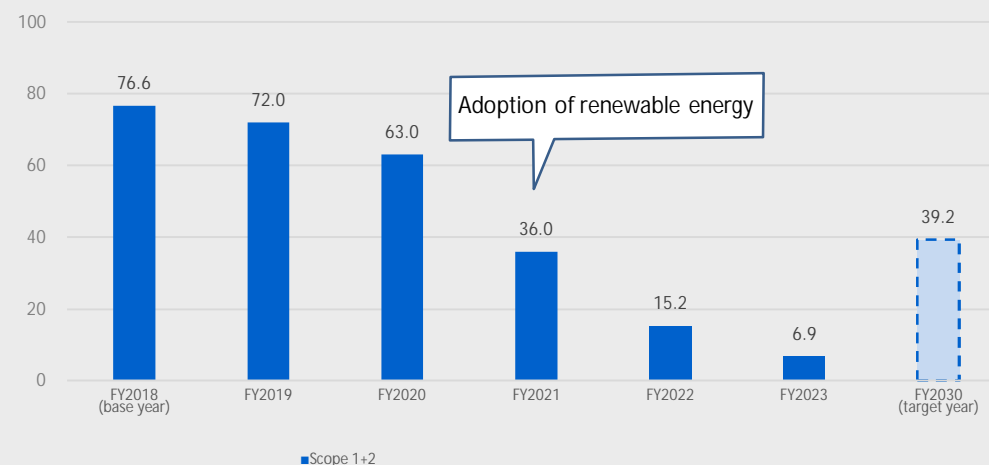
Environmental targets

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

Indicator	Target for 2030
Energy intensity (kWh/m ²)	12% reduction (compared to 2018 baseline)



Indicator	Target for 2030
GHG emission intensity (kg-CO ₂ /m ²)	50% reduction (compared to 2018 baseline)



Initiatives for reducing environmental impact

Adoption of electricity generated from 100% renewable energy sources

- Electricity generated from 100% renewable energy has been introduced at nine properties (as of the end of February 2025).

Green Lease initiative

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

Targeted electricity
consumption

1,731 thousand kWh
FPE Feb. 2025 (14th FP)

Number of tenants
covered by
Green Leases

39 tenants
FPE Feb. 2025 (14th FP)

Social (S)

Initiatives for tenants and local communities

Resilience measures for disasters, etc.

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



Initiatives to improve tenant satisfaction

- Introduction of digital signage in common areas for eight office properties in Tokyo (posting of electricity consumption and evacuation sites, and encouragement of power savings)
- Conducted customer satisfaction surveys for tenants at nine office properties
- Distributed ESG manuals to all tenants at owned properties



Employee-oriented initiatives of asset management company

Qualification support system

- The Asset Management Company introduced a system to provide incentives for employees who acquire certain qualifications.
- Status of qualifications (incl. those unregistered) among employees of the Asset Management Company (as of March 31, 2025)
 - Licensed Real Estate Broker: 25
 - ARES Certified Master: 13
 - Certified Building Administrator: 7
 - Qualified Architect: 1

Flextime system and diversification of working places

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

Respect for diversity

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

	Number of executives and employees (excluding dispatched employees)				Maternity leave
	Male	Female	Percentage of female	Total	
April 2023	15	17	53.1%	32	1
April 2024	20	23	53.5%	43	0
April 2025	22	30	57.7%	52	0

ESG initiatives at the sponsor group

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



XYMAX VILLAGE (Photo by Kazashito Nakamura)

- Lecturing at ARES Real Estate Securitization Master training courses
- Contribution to regional revitalization through MEQQE
- Support for the development of young athletes
- Initiatives based on industry-academia and industry-government collaboration

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

Governance (G)

Decision-making flow at asset management company

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

Asset management fee system

Fees for a fiscal period

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

Acquisition and disposition fees

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

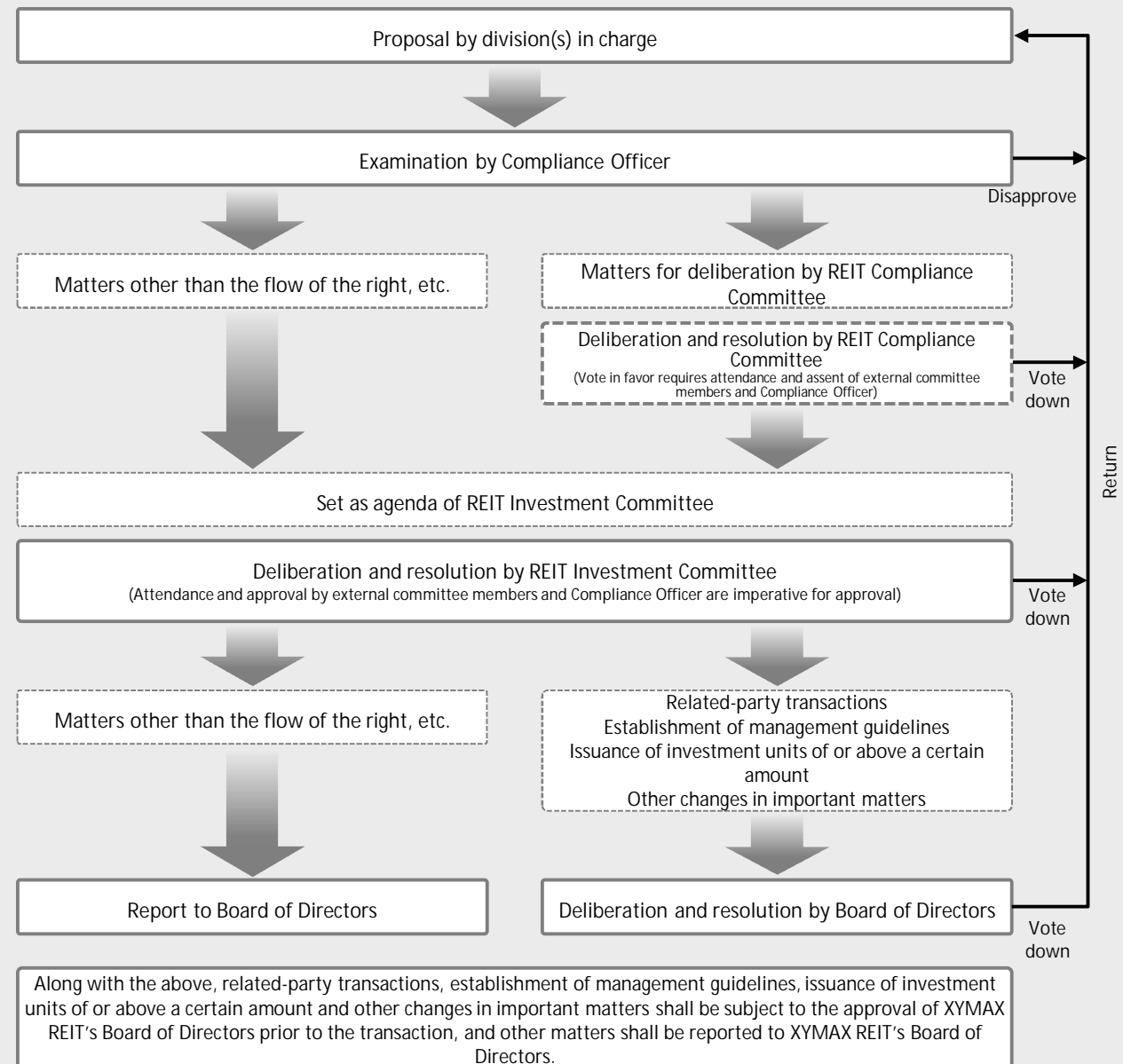
^{*1} 0.5%, in the case of acquisition from interested parties

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

Investment ratio in
XYMAX REIT by
sponsor

5.0%

Fiscal Period Ending
February 2025 (14th FP)






karaksa hotel

APPENDIX

MUZA
KAWASAKI

Characteristics of XYMAX REIT

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

Characteristics of the sponsor group

- Prominent real estate management record in Japan
 - ✓ Real estate/building management record: [1,177](#) buildings/Gross floor area of approx. [6.90](#) million tsubo (as of January 31, 2025)
 - ✓ Entrustment record by J-REIT investment corporations other than XYMAX REIT: [32](#) companies/[233](#) properties (as of January 31, 2025)
 - ✓ Human resources: [2,427](#) people engaged in real estate management, [64](#) people in leasing, and [136](#) people in CRE-related business (as of April 1, 2025)
- Real estate management utilizing various accumulated data & development of new businesses applying expertise and know-how
 - ✓ Real estate data stock: Contracted rent data for [43,148](#) buildings/[152,537](#) cases (accumulated total as of March 31, 2025), asking rent data for [63,046](#) buildings (accumulated total as of March 31, 2025)/[16,245](#) cases (as of March 31, 2025), construction work data for [194,033](#) cases (accumulated total as of February 28, 2025)
 - ✓ Membership satellite office business [ZXY](#) and expanding own hotel brand, [karaksa hotel](#)
- Track record in real estate sales and brokerage utilizing huge customer base
 - ✓ Relationship with real estate owners: approximately [460](#) companies (as of January 31, 2025)
 - ✓ Track record in property sales and brokerage: [441](#) buildings, approximately [696.9](#) billion yen (accumulated total from April 1, 2010 to March 31, 2025)



Utilizing the sponsor group's expertise and know-how as XYMAX REIT's "3 Strengths"



Assessment



Management



Sourcing

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

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

“3 Strengths” of XYMAX REIT



Assessment

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



Management

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



Sourcing

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

Balance Sheet

(Unit: thousand yen)

	As of Aug. 31, 2024 (13th fiscal period)	As of Feb. 28, 2025 (14th fiscal period)
Assets		
Current assets		
Cash and bank deposits	1,332,410	1,070,012
Cash and bank deposits in trust	2,563,477	2,565,335
Operating accounts receivable	42,392	57,270
Prepaid expenses	46,818	66,225
Income taxes refund receivable	–	61
Other	949	1,237
Total current assets	3,986,048	3,760,141
Non-current assets		
Property, plant and equipment		
Buildings, net	289,441	285,888
Structures, net	1,596	1,561
Machinery and equipment, net	9,377	9,174
Tools, furniture and fixtures, net	5,911	5,022
Land	230,346	230,346
Buildings in trust, net	9,847,416	10,230,250
Structures in trust, net	48,599	47,170
Machinery and equipment in trust, net	0	4,130
Tools, furniture and fixtures in trust, net	21,154	17,679
Land in trust	33,661,874	33,750,329
Construction in progress in trust	–	374
Total property, plant and equipment	44,115,717	44,581,926
Investments and other assets		
Investment securities	51,109	42,805
Long-term prepaid expenses	56,752	92,923
Deferred tax assets	12	14
Lease and guarantee deposits	22,600	22,600
Derivatives	430	–
Other	178,732	92,272
Total investments and other assets	309,637	250,614
Total non-current assets	44,425,355	44,832,541
Deferred assets		
Investment unit issuance costs	4,498	–
Investment corporation bond issuance costs	12,320	10,926
Total deferred assets	16,819	10,926
Total assets	48,428,223	48,603,609

(Unit: thousand yen)

	As of Aug. 31, 2024 (13th fiscal period)	As of Feb. 28, 2025 (14th fiscal period)
Liabilities		
Current liabilities		
Operating accounts payable	148,642	85,115
Current portion of long-term borrowings	4,302,000	4,856,000
Accounts payable - other	124,341	158,887
Income taxes payable	805	692
Accrued consumption taxes	34,756	11,938
Advances received	339,349	237,046
Deposits received	88	–
Other	6,386	2,454
Total current liabilities	4,956,370	5,352,134
Non-current liabilities		
Investment corporation bonds	1,000,000	1,000,000
Long-term loans payable	14,413,000	14,045,000
Tenant leasehold and security deposits	33,988	33,988
Tenant leasehold and security deposits in trust	1,753,464	1,776,863
Derivatives liabilities	–	26,542
Total non-current liabilities	17,200,452	16,882,395
Total liabilities	22,156,823	22,234,529
Net assets		
Unitholders' equity		
Unitholders' capital	25,440,013	25,440,013
Deduction from unitholders' capital		
Allowance for temporary difference adjustments	-998	–
Total deduction from unitholders' capital	-998	–
Unitholders' capital, net	25,439,014	25,440,013
Surplus		
Unappropriated retained earnings (undisposed loss)	831,954	930,846
Total surplus	831,954	930,846
Total unitholders' equity	26,270,969	26,370,859
Valuation and translation adjustments		
Deferred gains or losses on hedges	430	-26,542
Other unrealized gains on investment securities	–	24,763
Total valuation and translation adjustments	430	-1,779
Total net assets	26,271,399	26,369,080
Total liabilities and net assets	48,428,223	48,603,609

Statement of Income

(Unit: thousand yen)

	From Mar. 1, 2024 to Aug. 31, 2024 (13th fiscal period)	From Sept. 1, 2024 to Feb. 28, 2025 (14th fiscal period)
Operating revenue		
Leasing business revenue	1,549,432	1,559,200
Other leasing business revenue	132,755	127,425
Gain on sale of real estate property	–	154,486
Total operating revenue	1,682,188	1,841,112
Operating expenses		
Expenses related to leasing business	589,103	605,774
Asset management fees	99,109	121,605
Asset custody fees	1,265	1,269
Administrative service fees	14,836	15,046
Directors' compensations	2,400	2,400
Other operating expenses	40,371	52,052
Total operating expenses	747,087	798,148
Operating income	935,100	1,042,964
Non-operating income		
Interest income	327	1,744
Interest on refund	–	46
Gain on forfeiture of unclaimed distributions	37	18
Total non-operating income	364	1,809
Non-operating expenses		
Interest expenses	75,684	79,232
Interest expenses on investment corporation bond	5,833	5,000
Borrowing related expenses	16,418	22,308
Amortization of investment unit issuance costs	4,498	4,498
Amortization of investment corporation bond issuance costs	1,394	1,394
Loss on capital redemption	–	717
Total non-operating expenses	103,829	113,152
Ordinary income	831,636	931,621
Income before income taxes	831,636	931,621
Income taxes - current	855	897
Income taxes - deferred	0	-2
Total income taxes	856	895
Net income	830,779	930,725
Retained earnings brought forward	1,174	120
Unappropriated retained earnings (undisposed loss)	831,954	930,846

Portfolio List (1)

Asset no.	OF-01	OF-02	OF-03	OF-04	OF-05	OF-06
Asset type	Office	Office	Office	Office	Office	Office
Property name	XYMAX Nishi-Shimbashi Building	XYMAX Iwamotocho Building	XYMAX Shinjuku-Gyoen Building	XYMAX Kamiyacho Building	XYMAX Higashi-Azabu Building	XYMAX Higashi-Ueno Building
						
Location	Minato-ku, Tokyo	Chiyoda-ku, Tokyo	Shinjuku-ku, Tokyo	Minato-ku, Tokyo	Minato-ku, Tokyo	Taito-ku, Tokyo
Access	3 minutes on foot from Uchisaiwaicho Station on the Toei Subway Mita Line 6 minutes on foot from Shimbashi Station on the JR lines, Tokyo Metro Ginza Line, and other	3 minutes on foot from Iwamotocho Station on the Toei Subway Shinjuku Line	2 minutes on foot from Shinjuku Gyoenmae Station on the Tokyo Metro Marunouchi Line	1 minute on foot from Kamiyacho Station on the Tokyo Metro Hibiya Line	5 minutes on foot from Akabanebashi Station on the Toei Subway Oedo Line 7 minutes on foot from Kamiyacho Station on the Tokyo Metro Hibiya Line	3 minutes on foot from Naka-okachimachi Station on the Tokyo Metro Hibiya Line 4 minutes on foot from JR Okachimachi Station, and other
Acquisition price	2,500 million yen	4,250 million yen	5,020 million yen	880 million yen	1,550 million yen	1,150 million yen
Land area	402.53 m ²	864.83 m ²	839.09 m ²	228.83 m ²	365.05 m ²	368.84 m ²
Total floor area	2,517.50 m ²	6,261.06 m ²	6,084.32 m ²	1,356.51 m ²	2,570.13 m ²	1,942.54 m ²
Leasable area	1,897.92 m ²	4,152.40 m ²	4,791.23 m ²	1,205.27 m ²	2,015.51 m ²	1,750.17 m ²
Completion	2000	2001	2001	1991	1999	1999
Structure/Number of floors	Reinforced concrete structure with flat roof 9F	Steel-framed reinforced concrete structure with flat roof B1F/9F	Steel-construction / Reinforced concrete structure with flat roof B1F/9F	Steel-construction with flat roof 8F	Steel-framed reinforced concrete structure with flat roof B1F/9F	Steel-framed reinforced concrete structure with flat roof 8F
Number of tenants (As of Feb. 28, 2025)	8	13	6	6	6	7
Occupancy rate (As of Feb. 28, 2025)	100.0%	98.7%	100.0%	73.7%	100.0%	100.0%

Portfolio List (2)

Asset no.	OF-07	OF-09	OF-10	RT-01	RT-02	RT-03
Asset type	Office	Office	Office	Retail	Retail	Retail
Property name	XYMAX Hachioji Building	XYMAX Sapporo Odori Building	XYMAX Kiba koen Building	Muza Kawasaki	Life Kawasaki Miyuki Store	Vita Seiseki-Sakuragaoka
						
Location	Hachioji-shi, Tokyo	Sapporo-shi, Hokkaido	Koto-ku, Tokyo	Kawasaki-shi, Kanagawa	Kawasaki-shi, Kanagawa	Tama-shi, Tokyo
Access	4 minutes on foot from Keio Hachioji Station on the Keio Electric Railway Keio Line 5 minutes on foot from JR Hachioji Station	1 minute on foot from Odori Station on the Sapporo Municipal Subway Namboku Line, Tozai Line, and Toho Line	1 minute on foot from Kiba Station on the Tokyo Metro Tozai Line	Directly connected to JR Kawasaki Station	15 minutes on foot from JR Kashimada Station and Yako Station	Directly connected to Seiseki Sakuragaoka Station on the Keio Electric Railway Keio Line
Acquisition price	2,600 million yen	4,707 million yen	2,003 million yen	4,100 million yen	790 million yen	3,100 million yen
Land area	1,220.58 m ²	499.24 m ²	851.46 m ²	10,669.34 m ² *1	1,879.15 m ²	9,003.26 m ² *1
Total floor area	7,404.81 m ²	4,270.89 m ²	2,995.81 m ²	108,955.90 m ² *1	2,596.80 m ²	62,849.56 m ² *1
Leasable area	5,561.96 m ²	3,106.42 m ²	2,586.67 m ²	3,703.87 m ²	2,677.54 m ²	27,610.61 m ²
Completion	1993	2020	1992	2003	1997	1999
Structure/Number of floors	Steel-framed reinforced concrete / Steel-construction with flat roof B1F/9F	Steel-construction with flat roof B1F/10F	Reinforced concrete structure with flat roof 6F	Steel-framed/Steel-framed reinforced concrete structure with flat roof/stainless steel plate roofing B2F/27F	Steel-construction with flat roof 2F	Steel-framed reinforced concrete structure/reinforced concrete structure/steel-construction with flat roof B3F/27F
Number of tenants (As of Feb. 28, 2025)	25	7	6	18	1	1
Occupancy rate (As of Feb. 28, 2025)	100.0%	100.0%	90.8%	100.0%	100.0%	100.0%

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

Portfolio List (3)

Asset no.	RT-04	RT-05	RT-06	HT-01	HT-02	OT-02
Asset type	Retail	Retail	Retail	Hotel	Hotel	Other (Residential)
Property name	Life Fukuizumi Store	The Park House Totsuka Front (the Retail Portions of 1st and 2nd Floors)	Valor Kachigawa Store (Leasehold land)	Hotel Vista Sendai	karaksa hotel Sapporo ^{*4}	L-Place Nishikasai
						
Location	Sakai-shi, Osaka	Yokohama-shi, Kanagawa	Kasugai-shi, Aichi	Sendai-shi, Miyagi	Sapporo-shi, Hokkaido	Edogawa-ku, Tokyo
Access	12 minutes on foot from Otori Station on the JR Hanwa Line	3 minutes on foot from JR and Yokohama Municipal Subway Blue Line Totsuka Station	7 minutes on foot from Kachigawa Station on the JR Chuo Main Line	4 minutes on foot from JR Sendai Station 1 minute on foot from Miyagino Dori Station on the Sendai City Subway Tozai Line	5 minutes on foot from Susukino Station on the Sapporo Municipal Subway Namboku Line 5 minutes on foot from Odori Station on the Sapporo Municipal Subway Namboku Line, Tozai Line, and Toho Line	5 minutes on foot from Nishikasai Station on the Tokyo Metro Tozai Line
Acquisition price	1,065 million yen	540 million yen	3,245 million yen	4,400 million yen	1,060 million yen	901 million yen
Land area	6,225.21 m ²	1,595.49 m ² ^{*1}	20,509.10 m ² ^{*1}	1,461.36 m ² ^{*3}	819.16 m ² ^{*1}	854.00 m ²
Total floor area	3,358.26 m ²	12,236.50 m ² ^{*1}	-	6,977.47 m ²	6,707.22 m ² ^{*1}	2,044.18 m ²
Leasable area	3,309.29 m ²	861.60 m ²	10,254.55 m ² ^{*2}	7,066.25 m ²	7,174.48 m ² ^{*1}	2,044.18 m ²
Completion	1996	2018	-	2016	2017	1986
Structure/Number of floors	Steel-construction with flat roof 2F	Reinforced concrete structure with flat roof B1F/14F	-	Steel-construction with flat roof 12F	Steel-construction with flat roof B1F/13F	Reinforced concrete structure with flat roof 5F
Number of tenants (As of Feb. 28, 2025)	1	5	1	1	1	1
Occupancy rate (As of Feb. 28, 2025)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

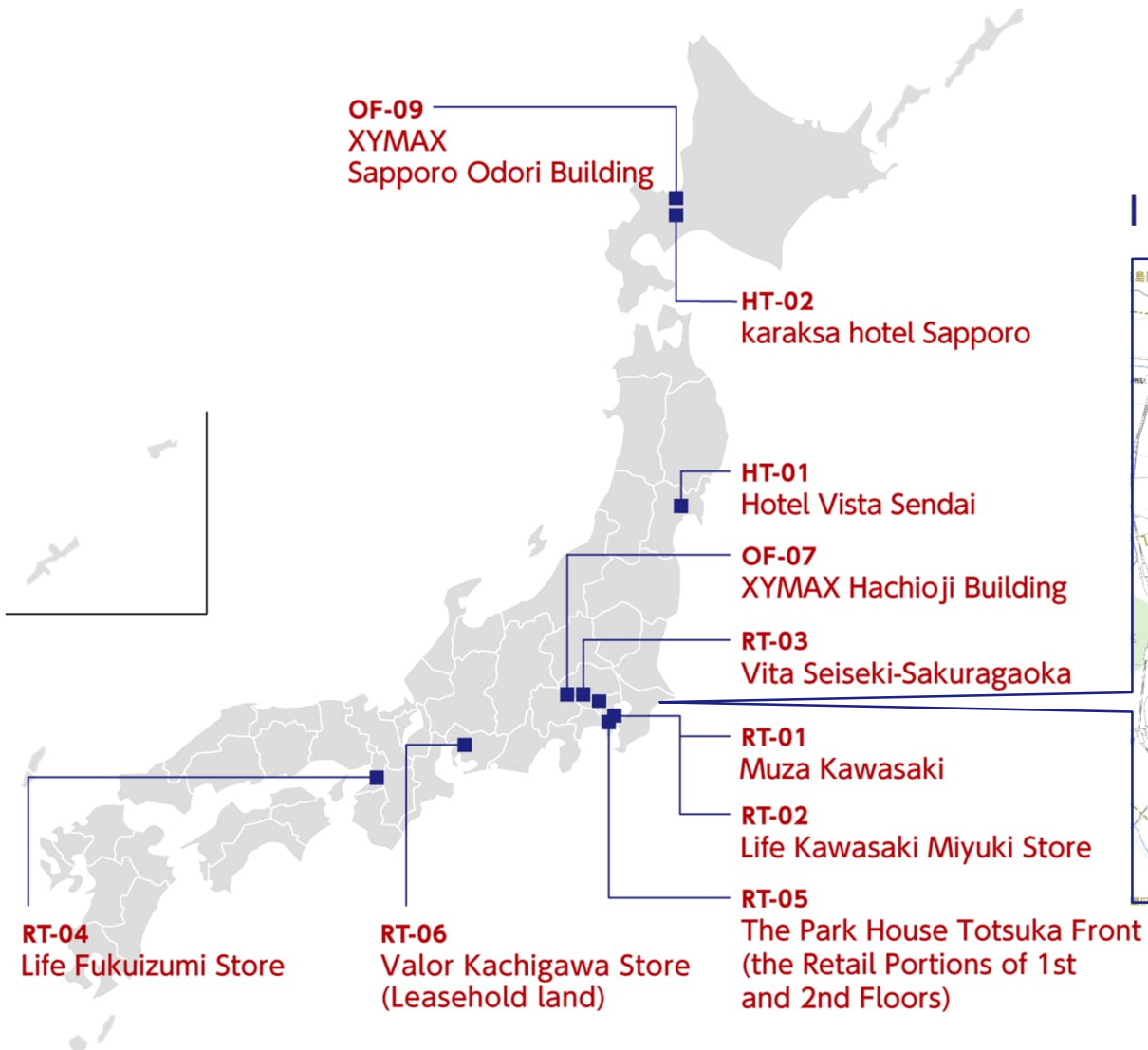
^{*1} Both land area and total floor area above represent land area and total floor area of one building, respectively.

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

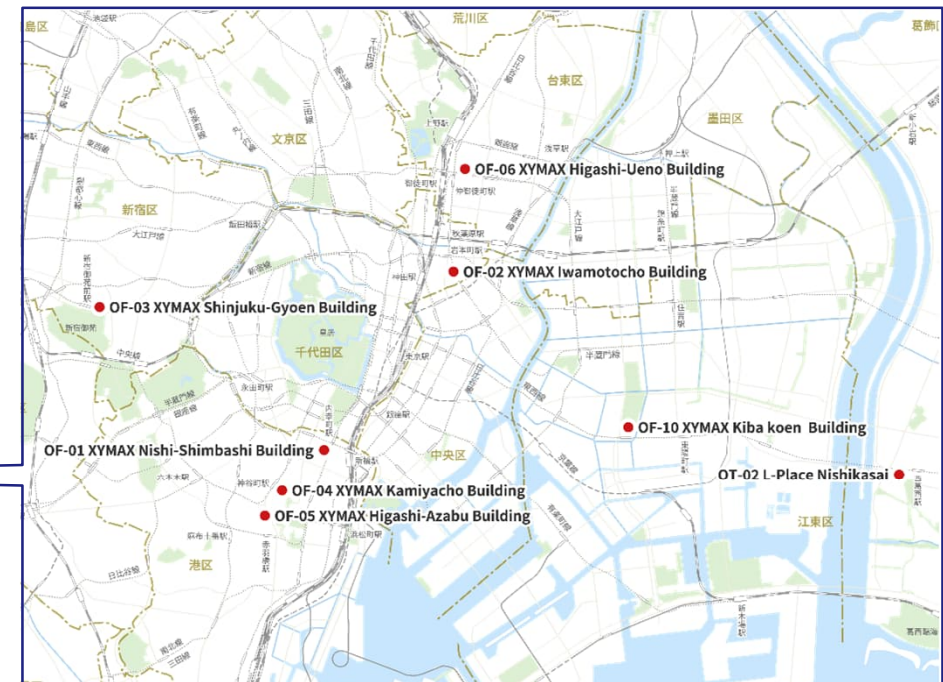
^{*3} 1,461.36 m² includes surface rights of 524.21 m².

Portfolio Map

| Country wide area |



| 23 wards of Tokyo |



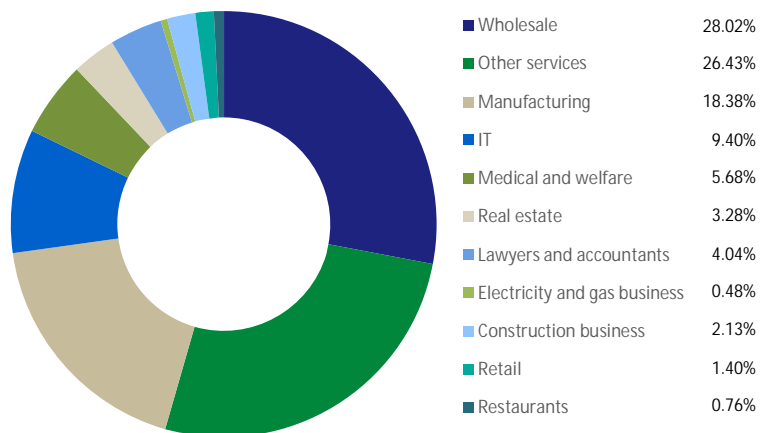
Characteristics of Current Office Tenants and the Trends of Occupancy Rate

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

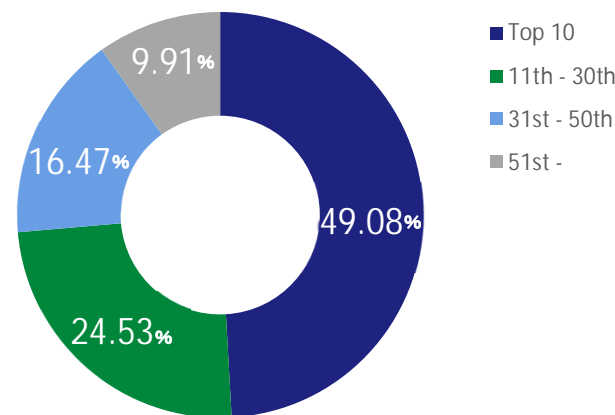
Office tenant distribution <based on rent revenue> (excluding obligated residences) (75 office tenants)

At the end of FPE February 2025 (excluding Mita)

Ratio by industry type



Ratio of top tenants by leased area



Average tenant lease period of
offices owned by XYMAX REIT

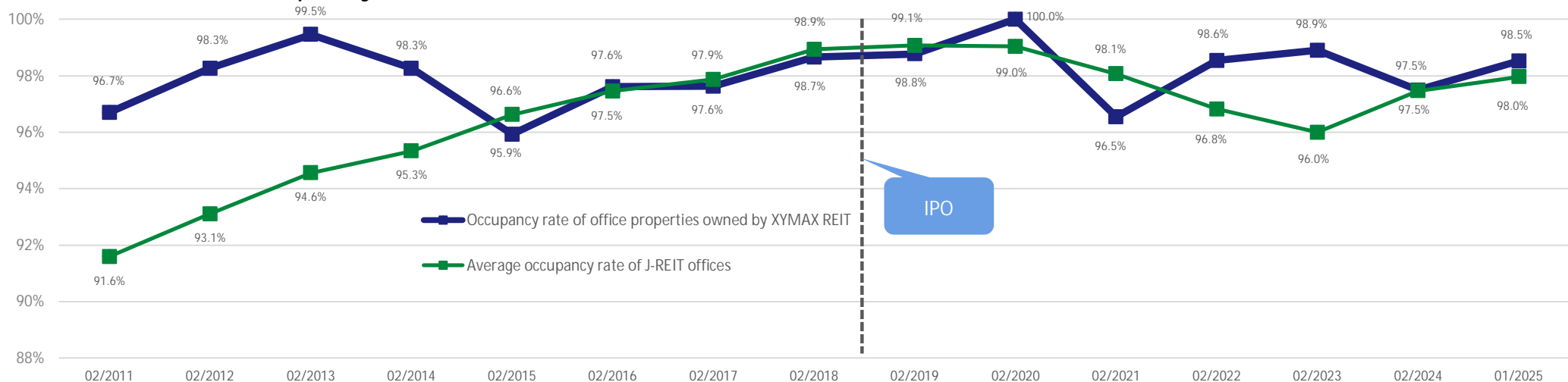
All tenants: 12 years and 10 months
Top ten tenants by leased area: 14
years and 10 months

Average tenant lease period of
office buildings

9.6 years^{*1}

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

Trends in office occupancy rates (including obligated residences)



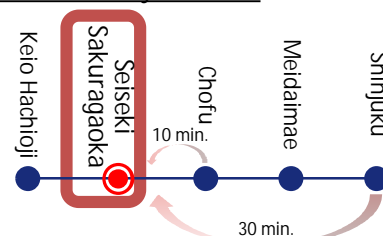
Status of Vita Seiseki-Sakuragaoka

Market analysis of the area around Seiseki-Sakuragaoka

■ Vita Seiseki-Sakuragaoka



◆ Travel time by Keio Line



◆ About Seiseki-Sakuragaoka

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

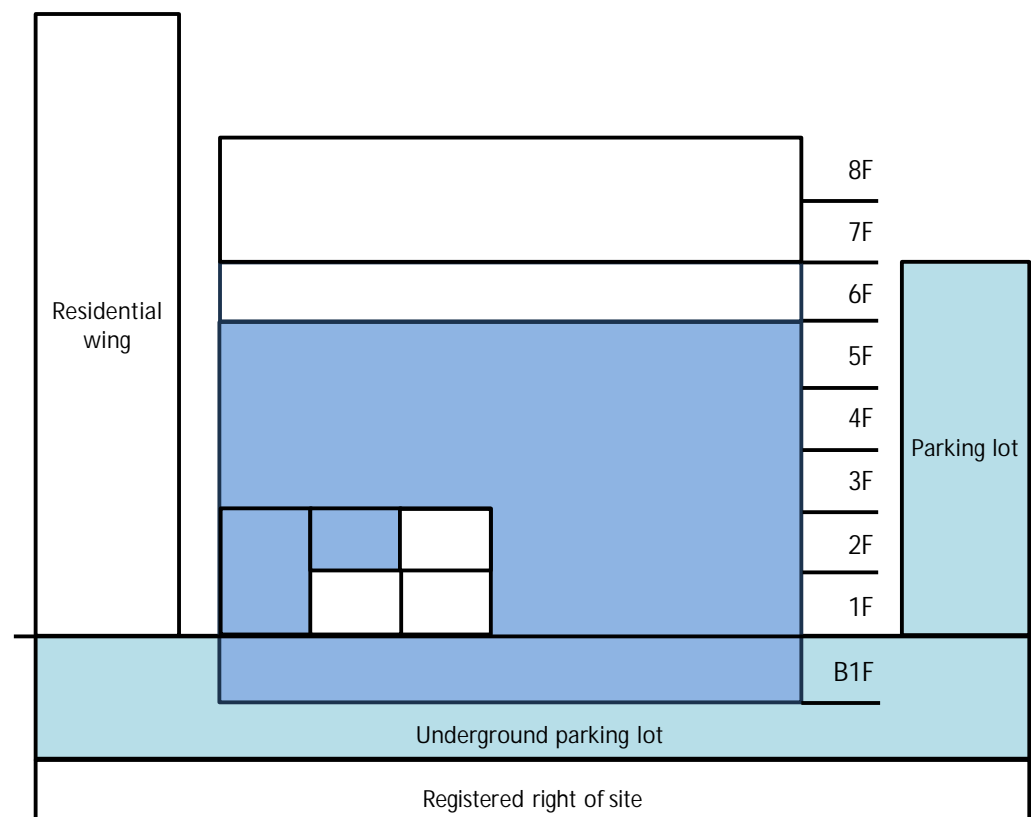
◆ Market analysis of the property

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

Area held by XYMAX REIT

Area held solely by XYMAX REIT

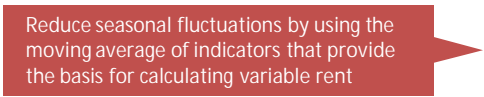
Area held jointly by XYMAX REIT and third parties



Conditions for rent (monthly)

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

Track record and variable rent calculation period



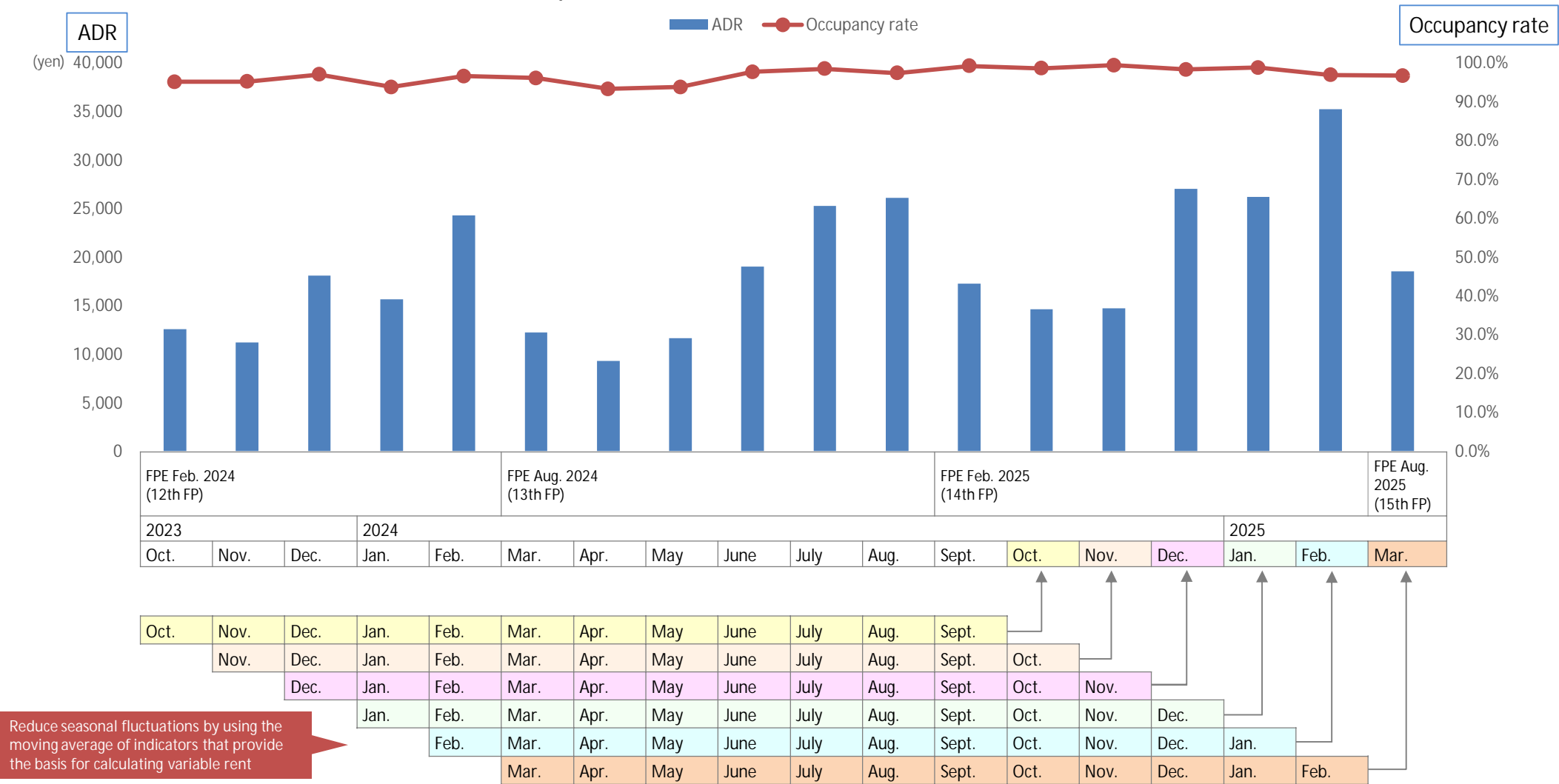
KH Sapporo: Rent Conditions and Monthly Track Record

Conditions for rent (monthly)

Fixed rent	Variable rent
10 million yen	Total room sales for the last year × defined rate based on the amount ÷ 12

* XYMAX REIT’s monthly rental income is calculated by applying its 20% equity interest to the above amounts.

Track record and variable rent calculation period



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

(Unit: thousand yen)

	Nishi-Shimbashi	Iwamotocho	Shinjuku-Gyoen	Kamiyacho	Higashi-Azabu	Higashi-Ueno	Hachioji	Mita	Sapporo	Kiba
Operating revenue from real estate leasing	85,155	145,592	189,555	37,917	54,885	54,531	122,589	134,197	55,931	183,714
Leasing business revenue	76,160	127,801	175,524	34,080	47,195	47,708	105,225	123,626	48,220	158,735
Other leasing business revenue	8,995	17,790	14,031	3,836	7,689	6,823	17,363	10,571	7,710	24,978
Operating expenses from real estate leasing (Excluding Depreciation)	27,378	36,761	39,422	35,293	17,950	14,862	42,347	26,662	17,217	51,820
Tax and public dues	8,161	14,458	15,981	2,124	7,185	4,254	8,384	8,358	4,105	12,135
Maintenance fees	5,635	10,287	12,447	4,557	5,922	4,638	16,329	7,587	6,628	15,049
Utility expenses	6,904	9,950	8,967	2,929	3,641	4,332	9,763	9,271	5,232	20,239
Repair expenses	5,129	502	583	21,368	240	836	1,526	230	344	3,374
Insurance premiums	174	599	543	117	202	156	690	492	237	496
Other expenses related to leasing business	1,374	963	898	4,195	758	642	5,653	723	668	526
NOI	57,777	108,831	150,133	2,624	36,935	39,669	80,241	107,534	38,714	131,893
Depreciation	3,268	17,964	18,052	2,836	7,616	3,902	12,727	22,836	5,726	18,229
NOI after depreciation	54,508	90,867	132,080	-211	29,318	35,766	67,513	84,698	32,987	113,663

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

(Unit: thousand yen)

	Kawasaki Miyuki	Seiseki- Sakuragaoka	Fukuizumi	Totsuka	Kachigawa	Sendai	KH Sapporo	Nishikasai	Total
Operating revenue from real estate leasing	undisclosed	undisclosed	undisclosed	27,486	undisclosed	undisclosed	undisclosed	undisclosed	1,686,625
Leasing business revenue	undisclosed	undisclosed	undisclosed	23,669	undisclosed	undisclosed	undisclosed	undisclosed	1,559,200
Other leasing business revenue	undisclosed	undisclosed	undisclosed	3,816	undisclosed	undisclosed	undisclosed	undisclosed	127,425
Operating expenses from real estate leasing (excluding depreciation)	undisclosed	undisclosed	undisclosed	9,774	undisclosed	undisclosed	undisclosed	undisclosed	416,704
Taxes and public charges	undisclosed	undisclosed	undisclosed	1,842	undisclosed	undisclosed	undisclosed	undisclosed	153,009
Maintenance fees	undisclosed	undisclosed	undisclosed	5,089	undisclosed	undisclosed	undisclosed	undisclosed	106,818
Utility expenses	undisclosed	undisclosed	undisclosed	2,700	undisclosed	undisclosed	undisclosed	undisclosed	84,783
Repair expenses	undisclosed	undisclosed	undisclosed	–	undisclosed	undisclosed	undisclosed	undisclosed	40,695
Insurance premiums	undisclosed	undisclosed	undisclosed	108	undisclosed	undisclosed	undisclosed	undisclosed	8,990
Other expenses related to leasing business	undisclosed	undisclosed	undisclosed	34	undisclosed	undisclosed	undisclosed	undisclosed	26,300
NOI	22,443	168,488	26,078	17,711	65,691	155,858	30,652	25,159	1,420,514
Depreciation	1,678	37,165	2,223	3,833	–	19,942	4,570	2,578	185,176
NOI after depreciation	20,764	131,323	23,855	13,877	65,691	135,916	26,081	22,581	1,235,337

* The "Total" column includes amounts for Mita, whose transfer was completed in FPE February 2025 (14th FP).

Overview of Appraisal Report

Asset no.	Asset name	Acquisition date	Acquisition price (million yen)	Book value as of February 28, 2025 (end of 14th FP) (million yen)	August 31, 2024 (End of 13th FP)		February 28, 2025 (End of 14th FP)		Change		Appraiser	Unrealized gain or loss ^{*3} (million yen)
					Appraisal value (million yen)	Capitalization rate based on direct capitalization method (%)	Appraisal value (million yen)	Capitalization rate based on direct capitalization method (%)	Appraisal value ^{*1} (million yen)	Capitalization rate based on direct capitalization method ^{*2} (%)		
OF-01	XYMAX Nishi-Shimbashi Building	February 2018	2,500	2,528	3,400	3.2	3,400	3.2	–	–	The Tanizawa Sōgō Appraisal Co., Ltd.	871
OF-02	XYMAX Iwamotocho Building	February 2018	4,250	4,356	5,880	3.3	5,890	3.3	+10	–	Japan Real Estate Institute	1,533
OF-03	XYMAX Shinjuku-Gyoen Building	February 2018	5,020	5,151	7,290	3.3	7,290	3.3	–	–	Japan Real Estate Institute	2,138
OF-04	XYMAX Kamiyacho Building	February 2018	880	951	1,370	3.3	1,350	3.3	-20	–	The Tanizawa Sōgō Appraisal Co., Ltd.	398
OF-05	XYMAX Higashi-Azabu Building	February 2018	1,550	1,604	2,000	3.7	2,000	3.7	–	–	Daiwa Real Estate Appraisal Co., Ltd.	395
OF-06	XYMAX Higashi-Ueno Building	February 2018	1,150	1,169	1,750	3.8	1,750	3.8	–	–	Daiwa Real Estate Appraisal Co., Ltd.	580
OF-07	XYMAX Hachioji Building	February 2018	2,600	2,651	3,640	4.5	3,710	4.5	+70	–	Japan Real Estate Institute	1,058
OF-09	XYMAX Sapporo Odori Building	March 2022	4,707	4,646	5,060	3.6	5,060	3.6	–	–	Japan Real Estate Institute	413
OF-10	XYMAX Kiba koen Building	March 2022	2,003	2,084	2,190	4.2	2,190	4.2	–	–	Japan Real Estate Institute	105
RT-01	Muza Kawasaki	February 2018	4,100	3,974	5,670	4.0	5,660	4.0	-10	–	The Tanizawa Sōgō Appraisal Co., Ltd.	1,685
RT-02	Life Kawasaki Miyuki Store	February 2018	790	785	973	4.2	974	4.2	+1	–	Daiwa Real Estate Appraisal Co., Ltd.	188
RT-03	Vita Seiseki-Sakuragaoka	February 2018	3,100	3,658	3,930	4.9	4,150	4.7	+220	-0.2	The Tanizawa Sōgō Appraisal Co., Ltd.	491
RT-04	Life Fukuizumi Store	September 2020	1,065	1,065	1,090	4.5	1,090	4.5	–	–	Daiwa Real Estate Appraisal Co., Ltd.	24
RT-05	The Park House Totsuka Front (the Retail Portions of 1st and 2nd Floors)	July 2021	540	527	670	4.5	660	4.5	-10	–	The Tanizawa Sōgō Appraisal Co., Ltd.	132
RT-06	Valor Kachigawa Store (Leasehold land) ^{*5}	January 2022	3,245	3,289	3,410	–	3,420	–	+10	–	The Tanizawa Sōgō Appraisal Co., Ltd.	130
HT-01	Hotel Vista Sendai	February 2018	4,400	4,143	5,610	4.6	5,960	4.6	+350	–	The Tanizawa Sōgō Appraisal Co., Ltd.	1,816
HT-02	karaksa hotel Sapporo ^{*6}	September 2024	1,060	1,069	–	–	1,170	4.3	–	–	JLL Morii Valuation & Advisory K.K.	100
OT-02	L-Place Nishikasai	March 2022	901	921	1,060	4.3	1,060	4.3	–	–	The Tanizawa Sōgō Appraisal Co., Ltd.	138
			43,861	44,581	54,993 ^{*4}	–	56,784	–	+1,791	–		12,202

^{*1} The difference between the estimated value at the end of the 13th FP and the end of the 14th FP is indicated.

^{*2} The difference between the direct capitalization rate adopted in the real estate appraisal report for each portfolio asset in the calculation of estimated value at the end of the 13th FP and the end of the 14th FP is indicated.

^{*3} The difference between the estimated value at the end of the 14th FP and the book value at the end of the 14th FP is indicated.

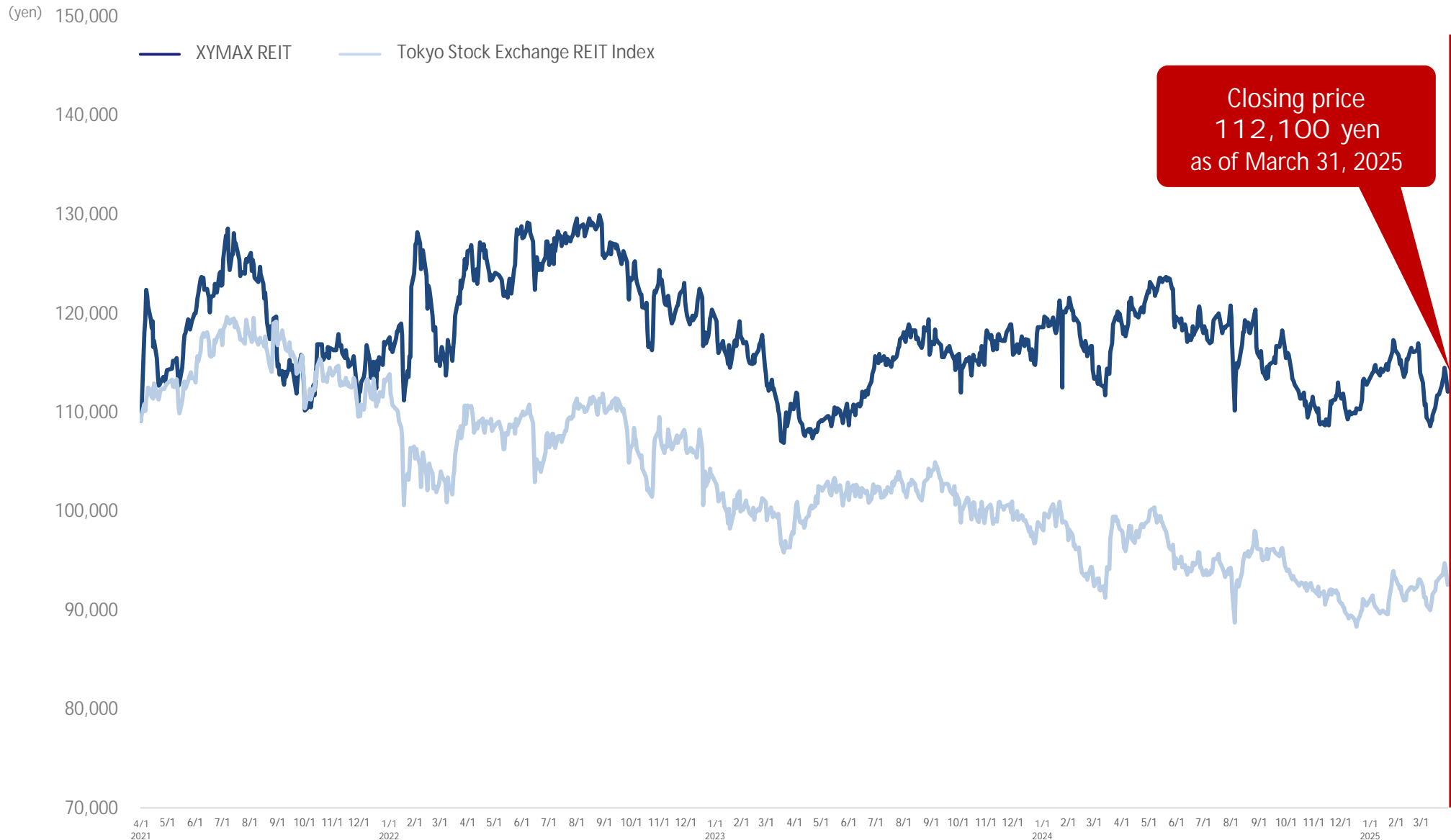
^{*4} This figure excludes the amount for Mita, whose transfer was completed in FPE February 2025 (14th FP), out of the assets owned at the end of FPE August 2024 (13th FP).

^{*5} Figures for the 50% quasi-co-ownership under the real estate trust beneficiary rights held by XYMAX REIT are indicated.

^{*6} Figures for the 20% quasi-co-ownership under the real estate trust beneficiary rights held by XYMAX REIT are indicated.

Change in Investment Unit Price

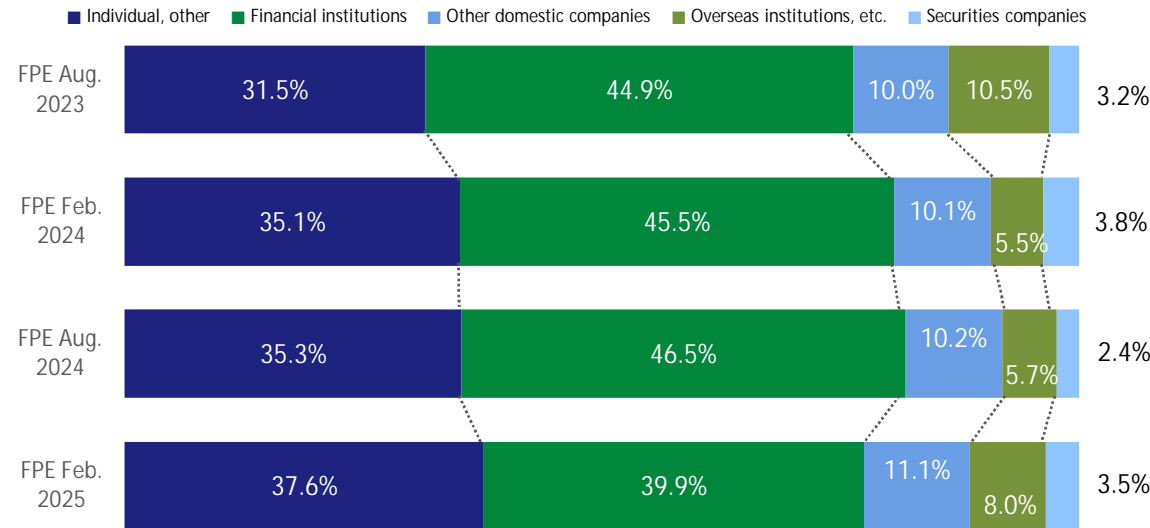
Change in investment unit price | As of March 31, 2025



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

Status of Unitholders

Share of investment units by owner type



Number of unitholders by owner type

	FPE Aug. 2023 (11th FP)	FPE Feb. 2024 (12th FP)	FPE Aug. 2024 (13th FP)	FPE Feb. 2025 (14th FP)
Individual, other	10,306	10,926	10,958	11,345
Financial institutions	33	33	34	34
Other domestic companies	193	198	192	214
Overseas institutions, etc.	124	121	123	116
Securities companies	19	22	20	22
Total	10,675	11,300	11,327	11,731

Major unitholders

At the end of FPE Feb. 2025 (14th FP)

Name	Number of investment units (unit)	Ratio* (%)
Custody Bank of Japan, Ltd. (Trust account)	39,006	15.62%
The Master Trust Bank of Japan, Ltd. (Trust account)	29,956	11.99%
XYMAX GROUP Corporation	12,500	5.00%
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	11,185	4.48%
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	7,109	2.84%
Individual	4,323	1.73%
JDC CORPORATION	3,000	1.20%
Osaka Shoko Shinkin Bank	2,526	1.01%
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	2,150	0.86%
Fuji-Izu Japan Agricultural Cooperatives	2,100	0.84%
Total	113,855	45.60%

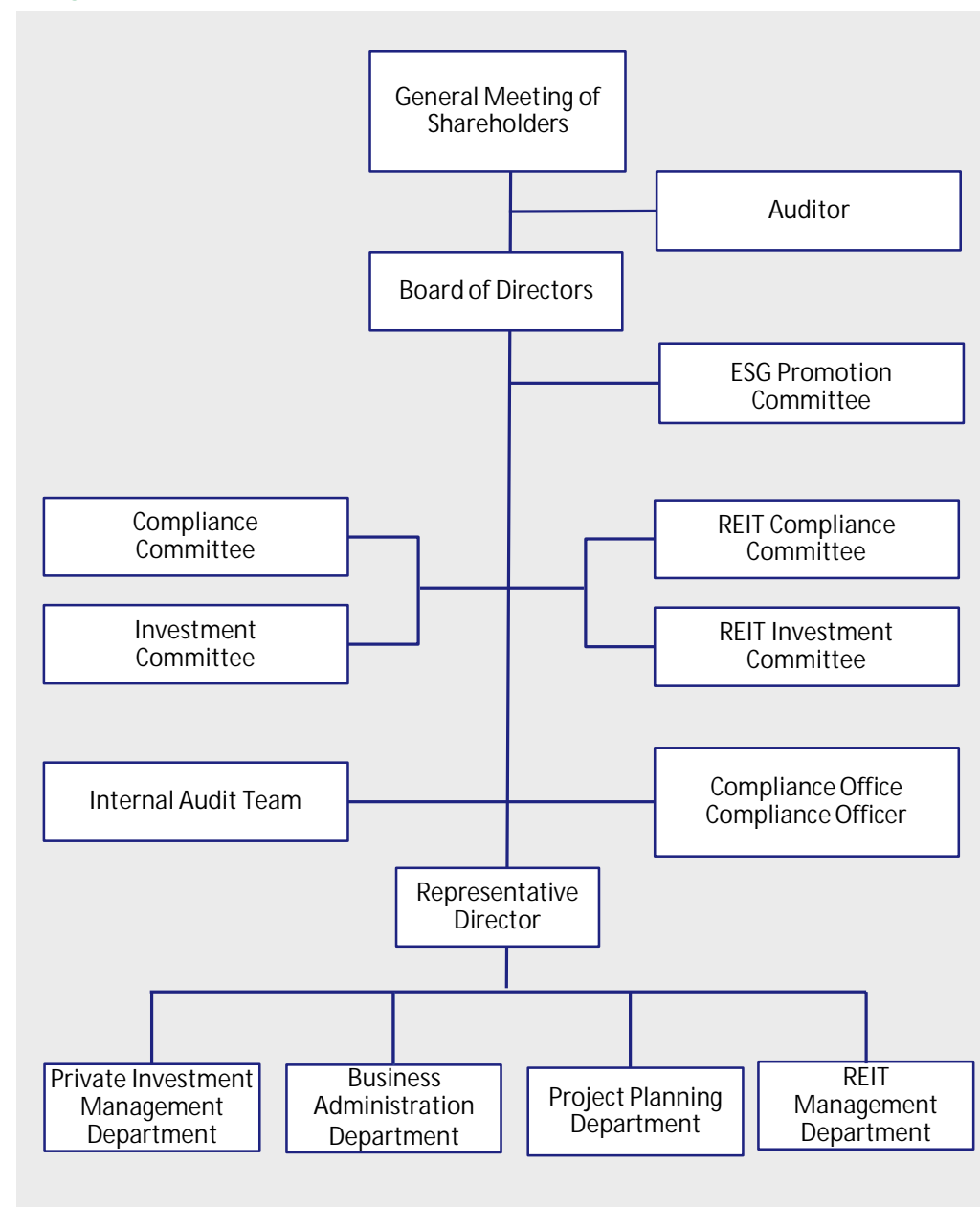
* Ratios are rounded down to the second decimal place.

Overview of Asset Management Company

Overview

Company name	XYMAX REAL ESTATE INVESTMENT ADVISORS Corporation
Location	1-11-30 Akasaka, Minato-ku, Tokyo
Establishment	August 6, 2007
Capital	0.2 billion yen
Major shareholders	XYMAX Group Corporation (100%)
Number of executives and employees	52 (as of April 1, 2025)
Lines of business	(1) Financial instruments business as prescribed in the Financial Instruments and Exchange Act (2) Real estate investment advisory business and discretionary real estate investment business (3) Asset management business for investment corporation
Executives	Hideki Fukae, Representative Director and President Yasushi Yamaguchi, Director Kazuya Sugimoto, Director Akimitsu Takagi, Auditor
Licenses	Financial instruments business: Director-General of the Kanto Local Finance Bureau Registration (FIBO) No. 1907 (Investment Management Business, Investment Advisory and Agency Business, and Type II Financial Instruments Business) Discretionary transaction agency, etc. business: Minister of Land, Infrastructure, Transport and Tourism Approval No. 118 Real Estate Specified Joint Enterprise: License No. 75 granted by Commissioner of the Financial Services Agency and Minister of Land, Infrastructure, Transport and Tourism (for businesses referred to in items (iii) and (iv)) Real estate investment advisory business: Registration No. Sogo-57 Real estate brokerage business: Governor of Tokyo License (4) No. 88223

Organization



Overview of the Sponsor Group

Company name	XYMAX Group Corporation (unlisted)
Establishment	March 1, 1990 *Spin-off from Recruit Co., Ltd. through employee participatory MBO in 2000
Location of headquarters	1-1-1 Akasaka, Minato-ku, Tokyo
Capital	3,666,075,000 yen
Net sales	118,756 million yen (actual results for the fiscal year ended March 2024) *Consolidated figures of the Group
Representative	Representative Director, Chairman & CEO: Masafumi Shimada Representative Director & President: Hideo Karashima
Major shareholders	XYMAX Group Shareholding Association, directors & employees, clients and financial institutions Total: 494 (as of March 31, 2025)
Number of employees	7,760 (as of April 1, 2024) *Consolidated at sponsor group level 366 (as of April 1, 2024) *XYMAX Group Corporation only

	Offices	Retail/Stores	Logistics	Hotels
Comprehensive real estate services	Real estate solutions CRE strategy, effective utilization, sales brokerage, leasing brokerage, etc.			
	Asset management Asset management, asset strategy, etc.			
	Real estate management Property management, building maintenance * Real estate/building management Facility management * Integrated management of store facilities			
	XYMAX XYMAX INFONISTA XYMAX REAL ESTATE INVESTMENT ADVISORS / MAX-REALTY Valormax SG Asset Max Hokkaido XYMAX HOKKAIDO Nationwide/East Japan XYMAX Tokai XYMAX TOKAI Kansai XYMAX KANSAI Kyushu XYMAX KYUSHU			
Other areas of specialization	Disaster prevention	Interior and renovations	Hotel business	Linen supply
	XYMAX BOSAI TECHNICA	XYMAX GEPPETTO, XYMAX GINOZ	KARAKSA HOTELS	XYMAX careSS
	Cleaning	Security	Satellite offices	Digital transformation
	XYMAX SALA	MAX SECURITY SERVICE	XYMAX Group ZXY Department	XYMAX DIGITAL
				Overseas
				XYMAX RESEARCH INSTITUTE
				XYMAX GLOBAL PARTNER

Realize the growth of XYMAX REIT by leveraging the full expertise and capabilities of the sponsor group

History of the Sponsor Group

Started Office Property Management Business

- 1982: Started such services as planning, development, management for Recruit Group's own office buildings' investment and utilization after the creation of the "Buildings-related Division" of Recruit Group.
- 1996: Started to provide property management services to corporate and private owners other than Recruit Group.
- 2000: Management buyout (MBO) from Recruit Group, which gave birth to XYMAX Group.

Made a Full-scale Entry into Retail Property Management Business

- 2001: Establishment of Retail Property Management Business Division

Started Asset Management Business

- 2007: Set up XYMAX Real Estate Investment Advisors Corporation

Started REIT Operations

Entry into Hotel-related Business

- 2012: Acquired 100% stake in Abilitas Hospitality Co., Ltd.

Started Satellite Office Business (ZXY)

- 2016: Establishment of ZXY Department

2000 and
before

2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024

Started to provide hybrid services integrating real estate and finance by setting up MAX-REALTY, a joint venture with the SMBC Group.

Made an entry into the building management (BM) business by setting up XACU Techno Service Corporation, a joint venture with Haseko Anesis.

Enhanced the BM business by acquiring 100% stake in Asahi Building Management Services, Inc., a subsidiary of The Daiiei Inc.

Entered into a business tie-up with SG Holdings Co., Ltd., a holding company of Sagawa Express Co., Ltd., and started real estate/building management of logistics facilities.

Started private REIT operations through the establishment of SG Asset Max Co., Ltd., a joint venture with SG Realty Co., Ltd.

Opened karaksa hotel.

XYMAX REIT Investment Corporation listed on stock exchange.
Launched the workplace service ZXY.

XYMAX Corporation changed its name to XYMAX Group Corporation and transferred its real estate management business and real estate solutions business to wholly owned subsidiary XYMAX Corporation through an absorption-type company split.
Reorganized the Group's structure for the goal of further development as a comprehensive real estate service provider.

Real Estate Management Base of the Sponsor Group

The sponsor group has been one of the best domestic service providers in the real estate management field.

- Human resources: 2,427 people engaged in real estate management, 64 people in leasing, and 136 people in CRE-related business (as of April 1, 2025)
- Relationship with real estate owners: approximately 460 companies (as of January 31, 2025)
- Track record in property sales and brokerage: 441 buildings, approximately 696.9 billion yen (accumulated total from April 1, 2010, to March 31, 2025)

Real estate/building management record (As of January 31, 2025)

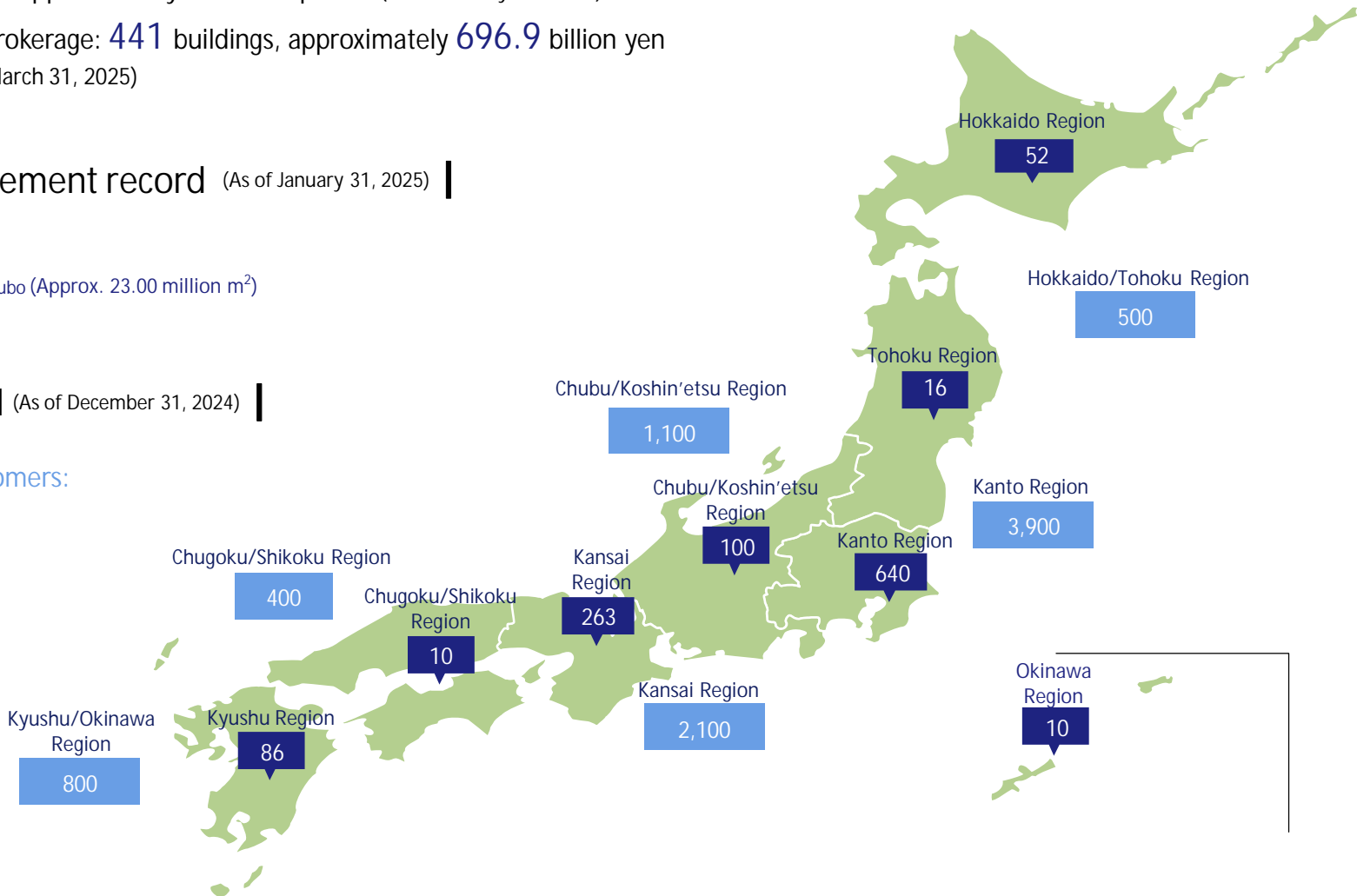
Actual number of contracts:
1,177 buildings

Total floor area:
Approx. 6.90 million tsubo (Approx. 23.00 million m²)

Facility management record (As of December 31, 2024)

Actual number of contracts:
Approx. 8,800 stores

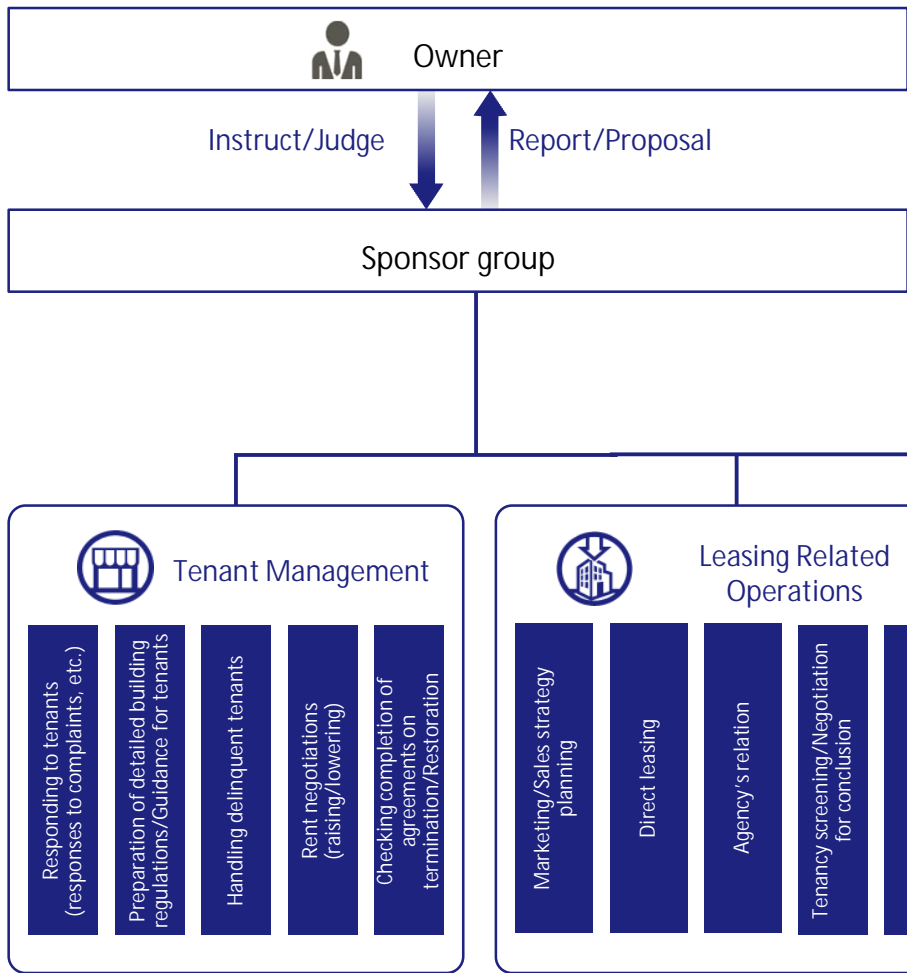
Number of customers:
117 companies



Real Estate/Building Management

The sponsor group provides one-stop real estate management and operation services, ranging from real estate management (property management) to building management (building maintenance) operations. Furthermore, through years of experience, the sponsor group has built an extensive database related to real estate and building management.

Areas of Real Estate Management Operations

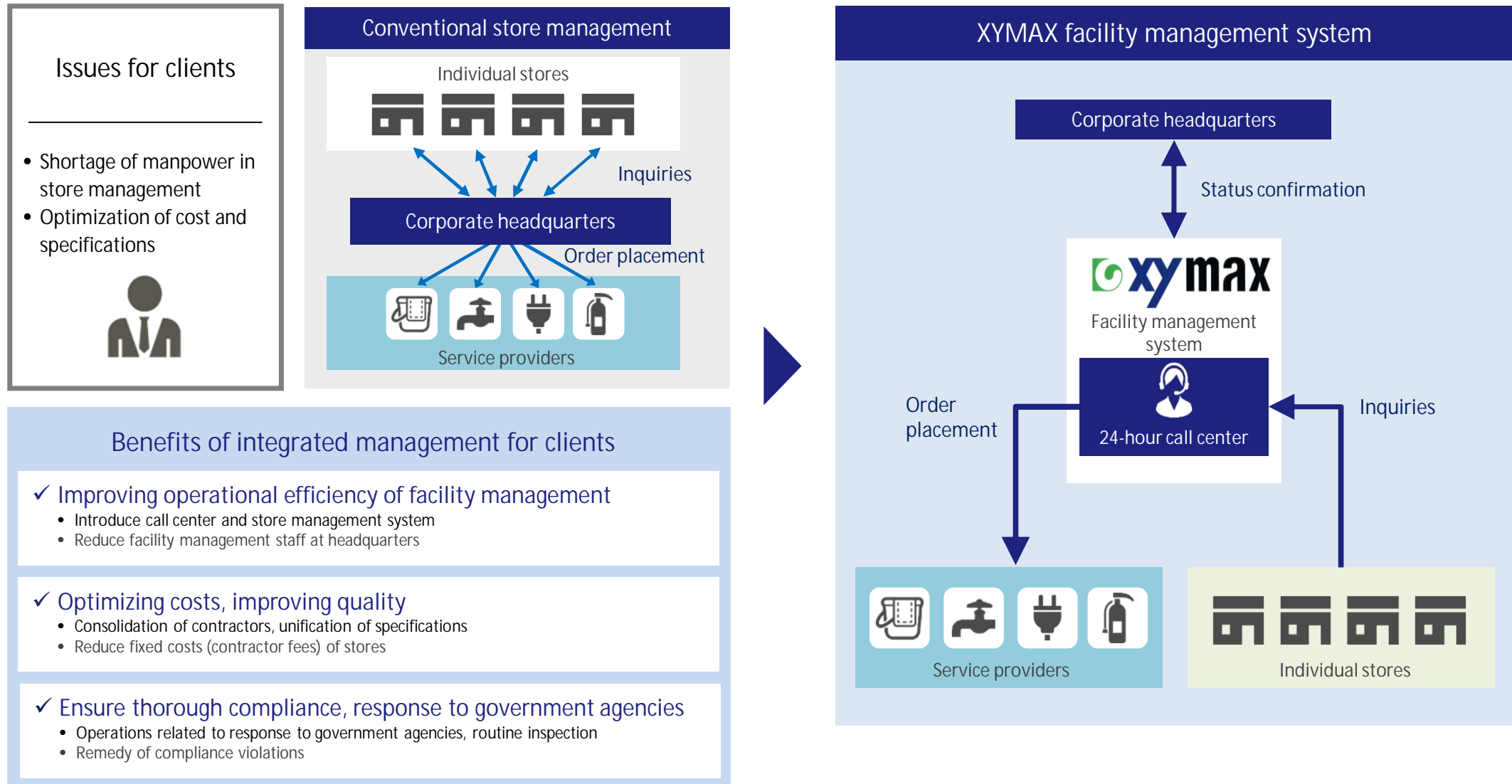


Data Related to Real Estate Management

Contracted rent data	43,148 buildings / 152,537 cases (accumulated total as of March 31, 2025)
Asking rent data	63,046 buildings (accumulated total as of March 31, 2025) 16,245 cases (as of March 31, 2025)
Construction work data	194,033 cases (accumulated total as of February 28, 2025)

Facility Management

The sponsor group provides integrated management of retail chain store facilities as well as services that substantially reduce the operational burden associated with store management (facility management) as part of its real estate management services for operators with multiple stores.



Improving BM Quality

The sponsor group has established a support structure that utilizes IT and leveraged our own training centers to ensure a high level of building maintenance across all fields.

| ITBM CENTER |

Creation of more advanced, higher quality, and safer and more secure building maintenance systems and values that draw on information and communication technology. We have named this initiative "ITBM" (Information Technology Building Maintenance) and introduced it into our building management.

Technical Advisor (TA) Support

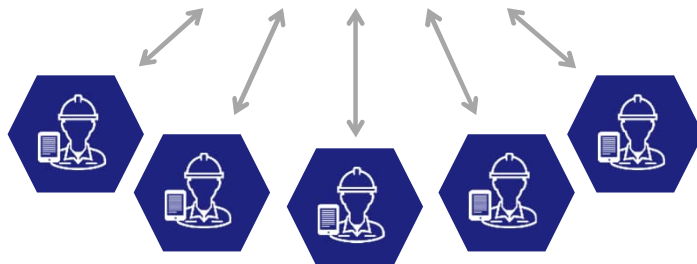
TAs backup for all building maintenance sites

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

Knowledge Support

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

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



Site facility staff (patrol/ on-site)

| XYMAX BM Skills Training Center |

We have set up mock-up equipment for educational purposes at our own BM training center to instill the skills and knowledge necessary for BM operations. We conduct practical skills training aimed at cultivating on-site BM capabilities.



4F

- Classroom lecture space
- Cleaning practice space

3F

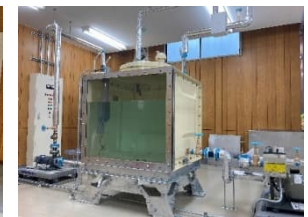
- Mock-up electrical equipment (low-voltage)
- Mock-up firefighting equipment (detectors, etc.)
- Interior work practice space

2F

- Electrical equipment (high-voltage)
- Mock-up air conditioning equipment

1F

- Satellite offices for instructors
- Mock-up water supply/drainage and sanitation equipment
- Mock-up firefighting equipment



Key Points by Asset Type

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

Office

Focus on properties with strong attractiveness to tenants

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

Retail

Focus on stability of tenant rent or property price

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

Hotel

Focus on hotels specialized in stay near transportation hubs

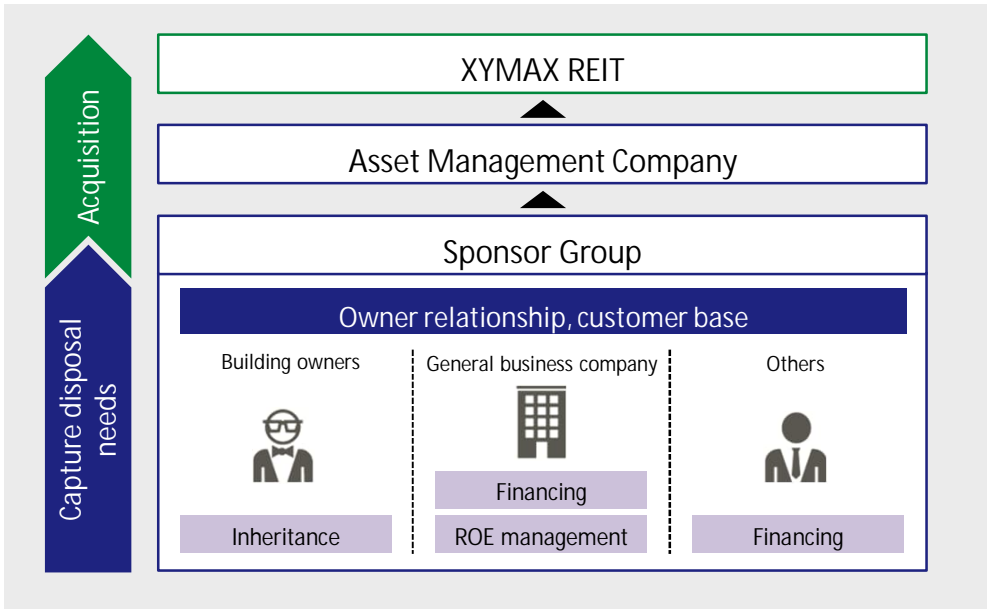
- ✓ Hotels specialized in stay whose revenue trends can be analyzed based on the operational know-how of the sponsor
- ✓ Properties located in areas offering excellent access to transportation hubs
- ✓ Properties located in areas where the number of overseas visitors is expected to increase

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

Original Sourcing Strategy

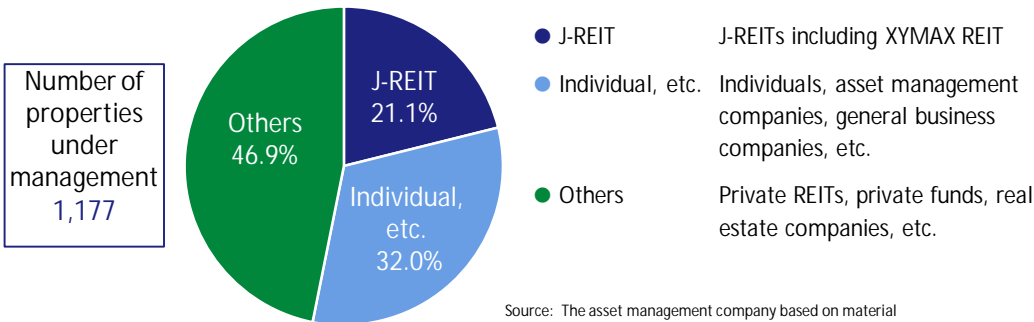
XYMAX REIT captures the needs for real estate disposal gained from the huge customer base of the sponsor group. In addition, XYMAX REIT grasps the trend of real estate owners at an early stage through daily communication, so that opportunities are created for external growth.

Direct relationship with real estate owners



Diversity among real estate owners

Percentage of client types for real estate management business (As of the end of July 2025)

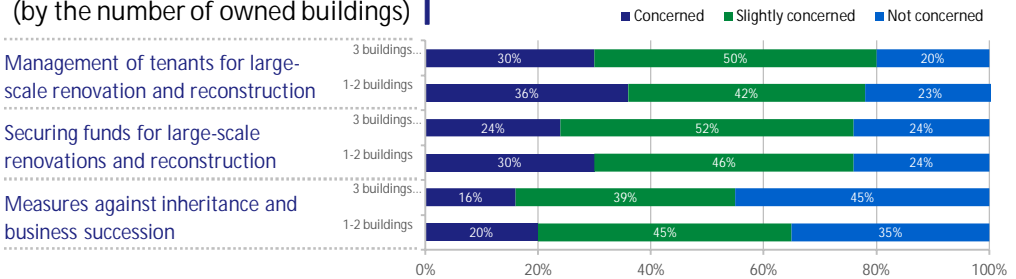


- More than 70% of real estate owners are concerned about large-scale renovations of owned properties, tenant management, and securing funds for reconstruction → Identifies needs of property disposal arising due to the problem or concern about necessary funds
- Concern for inheritance and business succession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

Realization of external growth

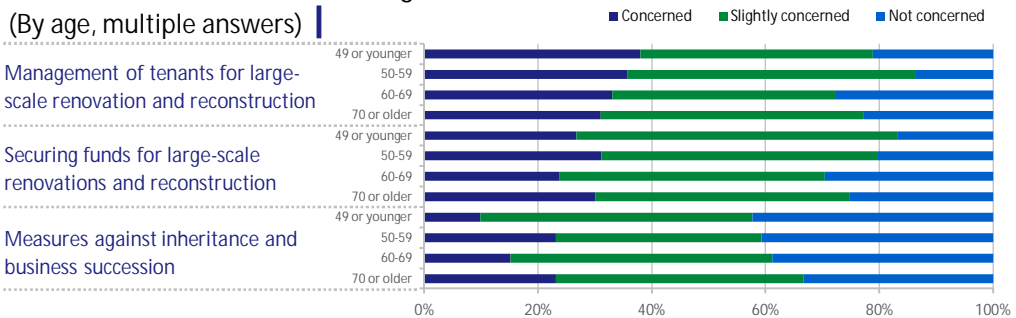
Survey on building owners' situations by XYMAX Real Estate Institute

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



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

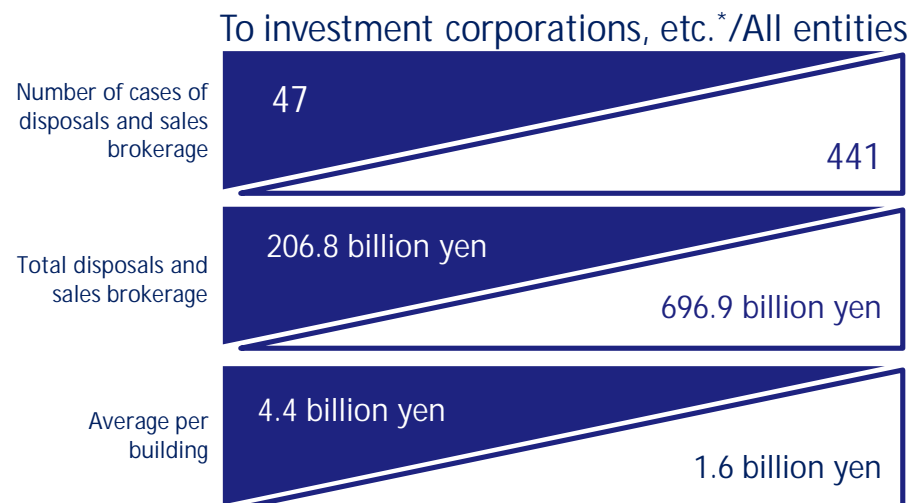
Concerns over future building business (By age, multiple answers)



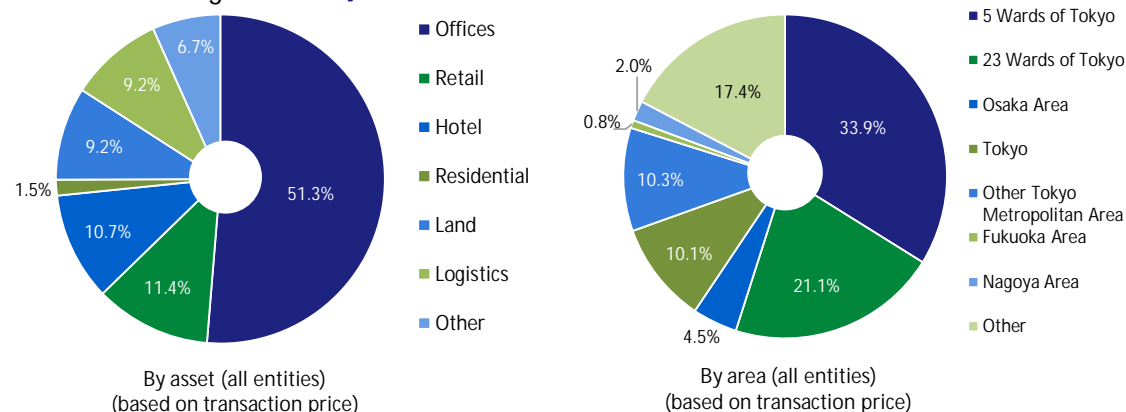
Source: Created by XYMAX Real Estate Institute based on the request from the asset management company

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

We aim to achieve external growth (number of cases, total amount and area) by capitalizing on the sponsor group's extensive track record in real estate disposals and brokerage.

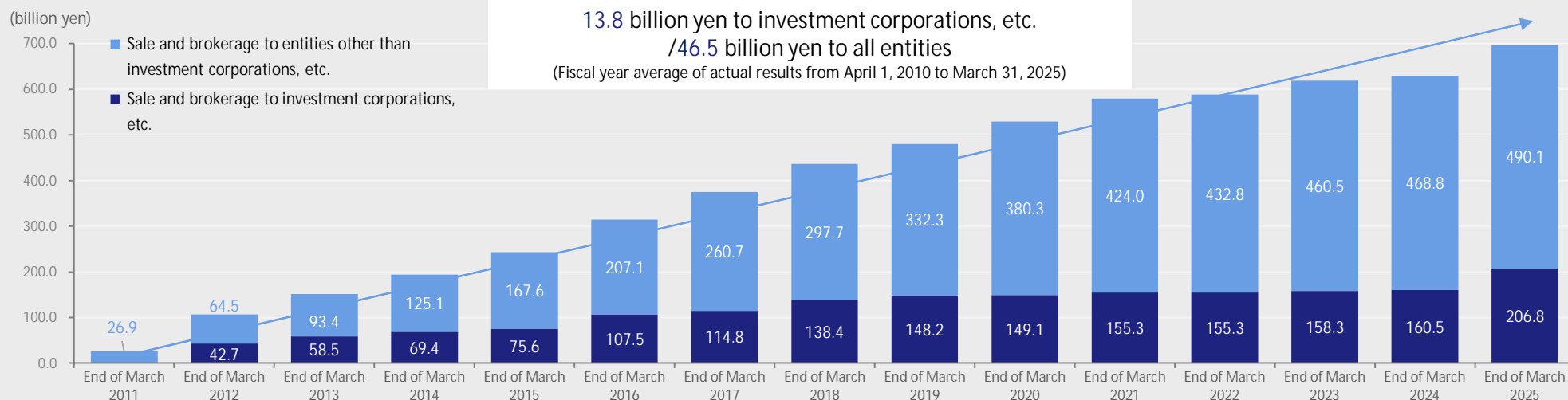


Use and geographical area of real estate in real estate disposals and real estate sales brokerage results



Source: XYMAX Group Corporation

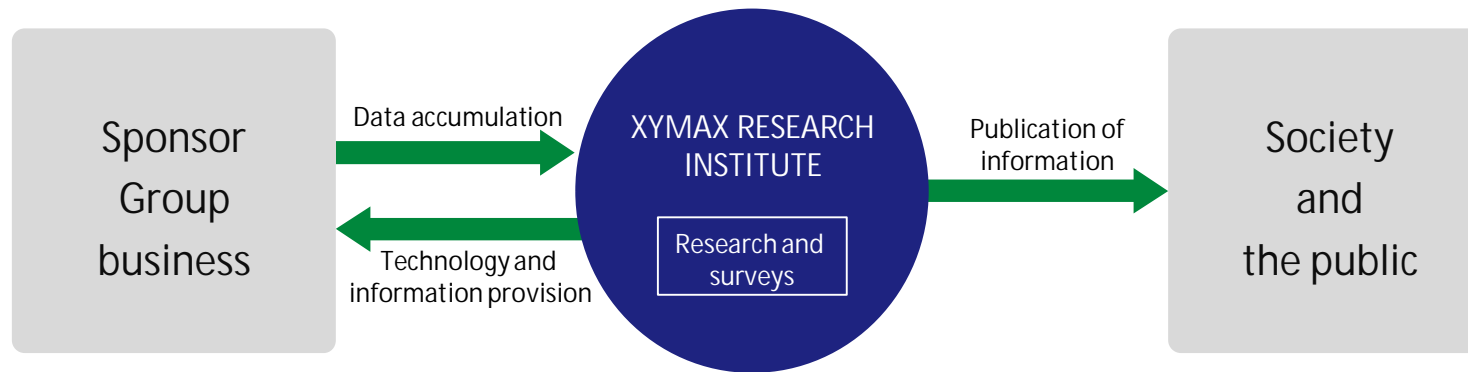
Accumulated track record of real estate disposal and sales brokerage services (accumulated total from April 1, 2010, excluding sales to XYMAX REIT)



Source: XYMAX Group Corporation

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

Original Data Accumulation and Utilization by XYMAX Research Institute



Details of the information delivered

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

XYMAX Research
Institute Website
(Japanese version only)



Survey and analysis of the real estate market

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

Survey and analysis of tenants

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

Survey and analysis of energy

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

Survey and analysis of workstyles and offices—

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

Survey and analysis of the labor market

- Survey on future labor shortage issues
- Survey on labor shortage issues in the hotel and building maintenance sectors

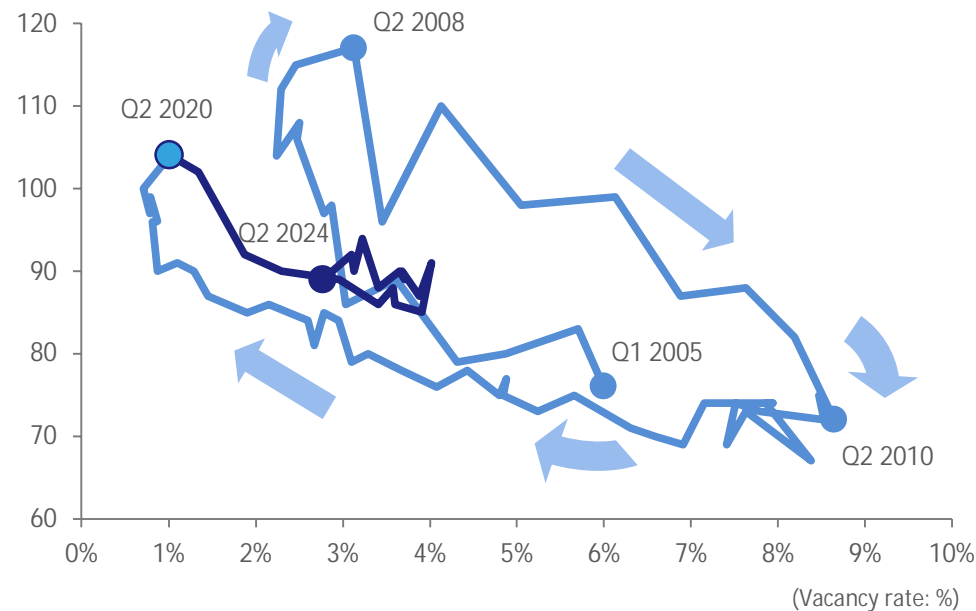
Publication, contribution and lectures for mass media and various media outlets (examples)

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

Office Market Analysis

Office market cycle in the 23 wards of Tokyo

(New contracted rent index) Rent Index (Q1 2020 = 100)



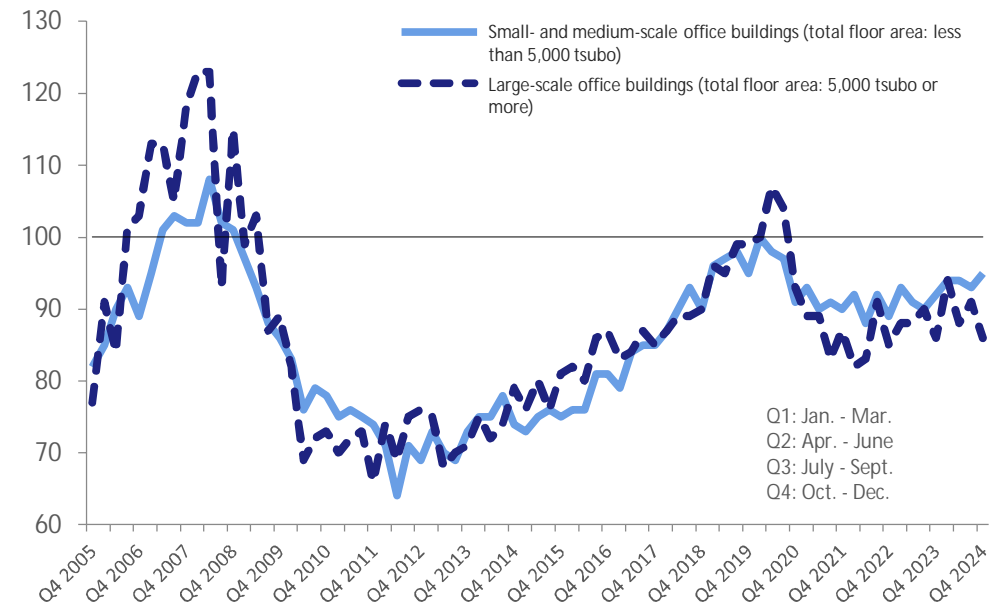
	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Vacancy rate	3.41%	3.22%	3.13%	3.10%	2.77%
New contracted rent index	88	94	90	92	89

Source: Survey Report by XYMAX Research Institute Corp.
"Quarterly Office Market Report, Tokyo Q4 2024"

(Vacancy rates for March 2011 and before are calculated based on data from a major leasing brokerage company)

New contracted rent by office building scale

Rent Index (Q1 2020 = 100)



	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Large-scale office buildings (total floor area: 5,000 tsubo or more)	86	94	88	91	86
Small- and medium-scale office buildings (total floor area: less than 5,000 tsubo)	92	94	94	93	95

Source: Survey Report by XYMAX Research Institute Corp.
"Quarterly Office Market Report, Tokyo Q4 2024"

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

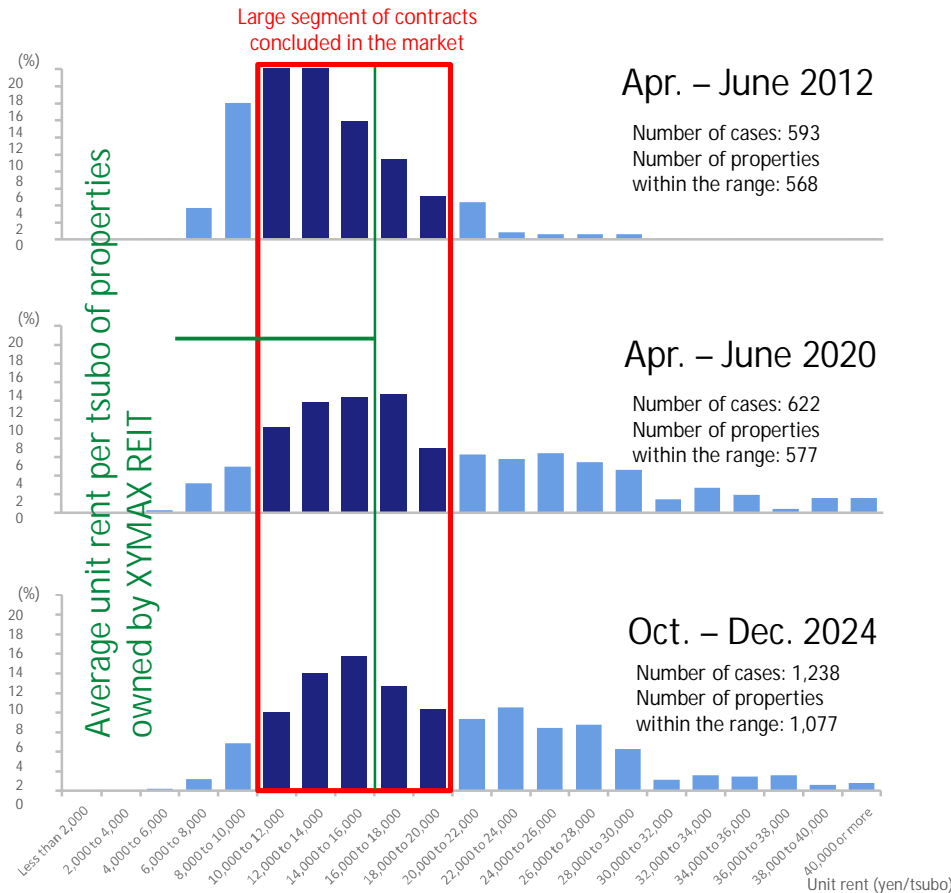
Distribution of contracts concluded in the 23 wards of Tokyo (by ranges of contracted unit rent)

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

Eight office properties owned by XYMAX REIT*

Average unit rent for existing contracts: 16,518 yen/tsubo

* Excluding Sapporo



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

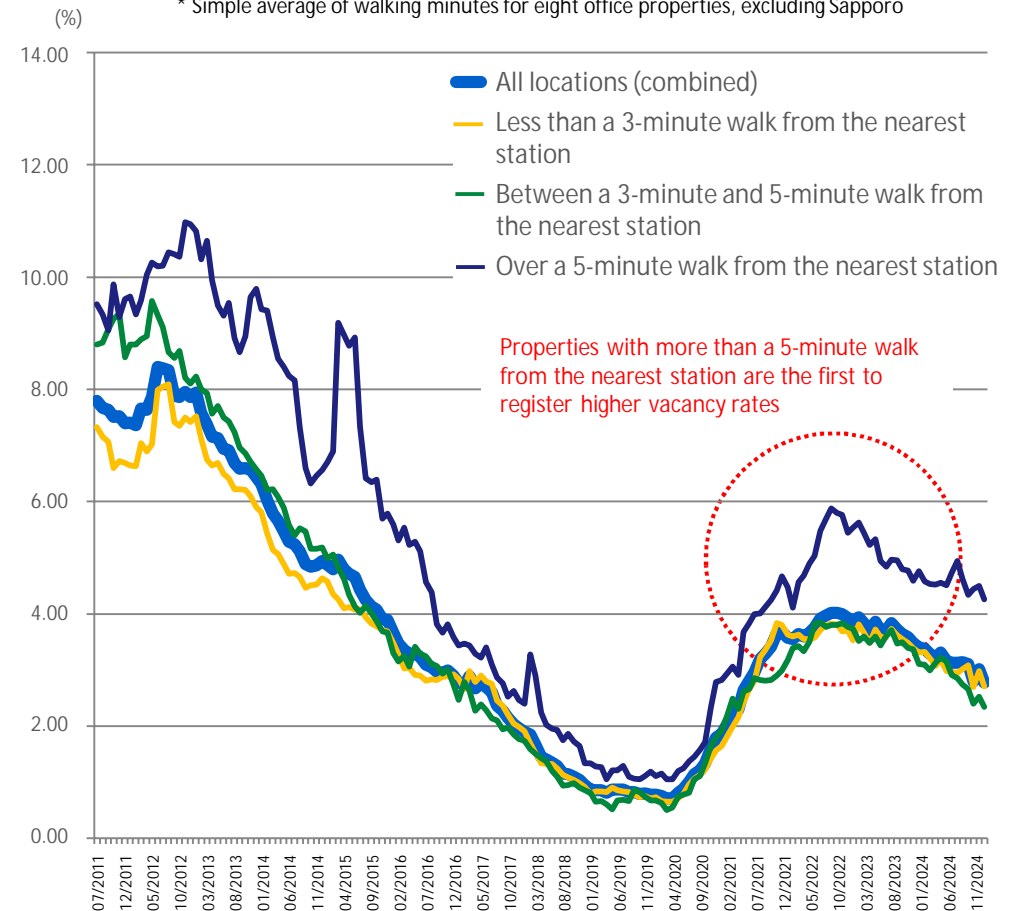
Vacancy rate by time required to walk to the nearest station in the 23 wards of Tokyo

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

Eight office properties owned by XYMAX REIT

Average minutes of walk from the nearest station*: 2.8

* Simple average of walking minutes for eight office properties, excluding Sapporo



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

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

Office Stock Pyramid 2025 covering the 23 wards (net rentable area)

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

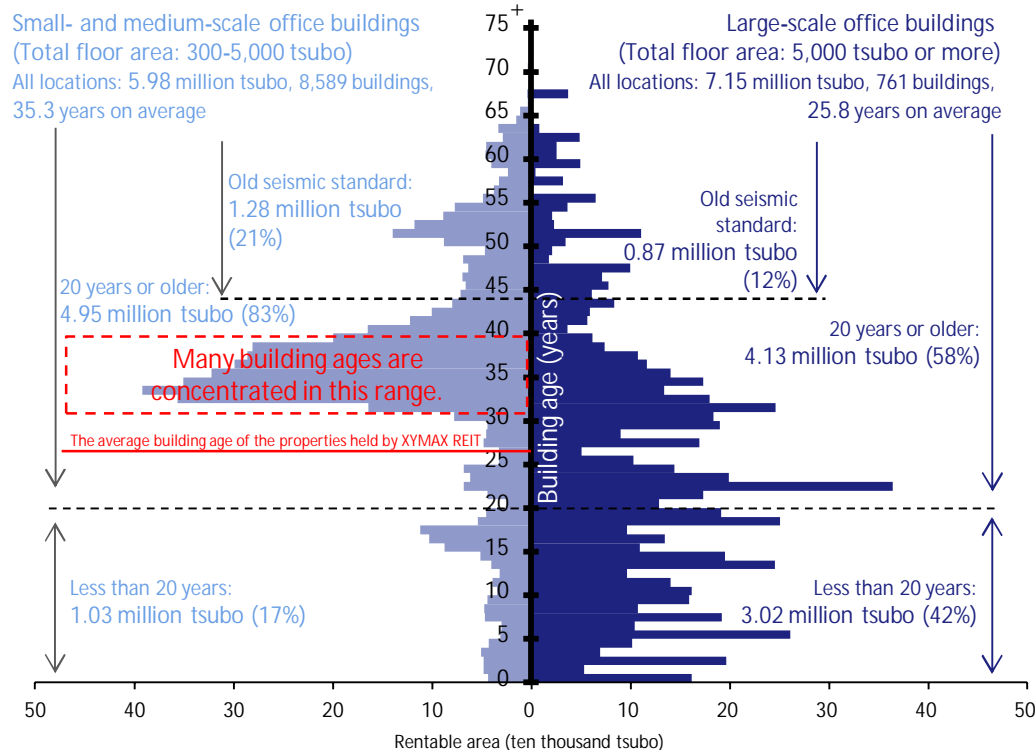
Eight office properties owned by XYMAX REIT

Average building age*: 26.6 years

* Weighted average of the age of the eight office properties based on acquisition price, excluding Sapporo (as of February 28, 2025)

23 wards of Tokyo: 13.14 million tsubo, 9,350 buildings

Average building age: 34.6 years



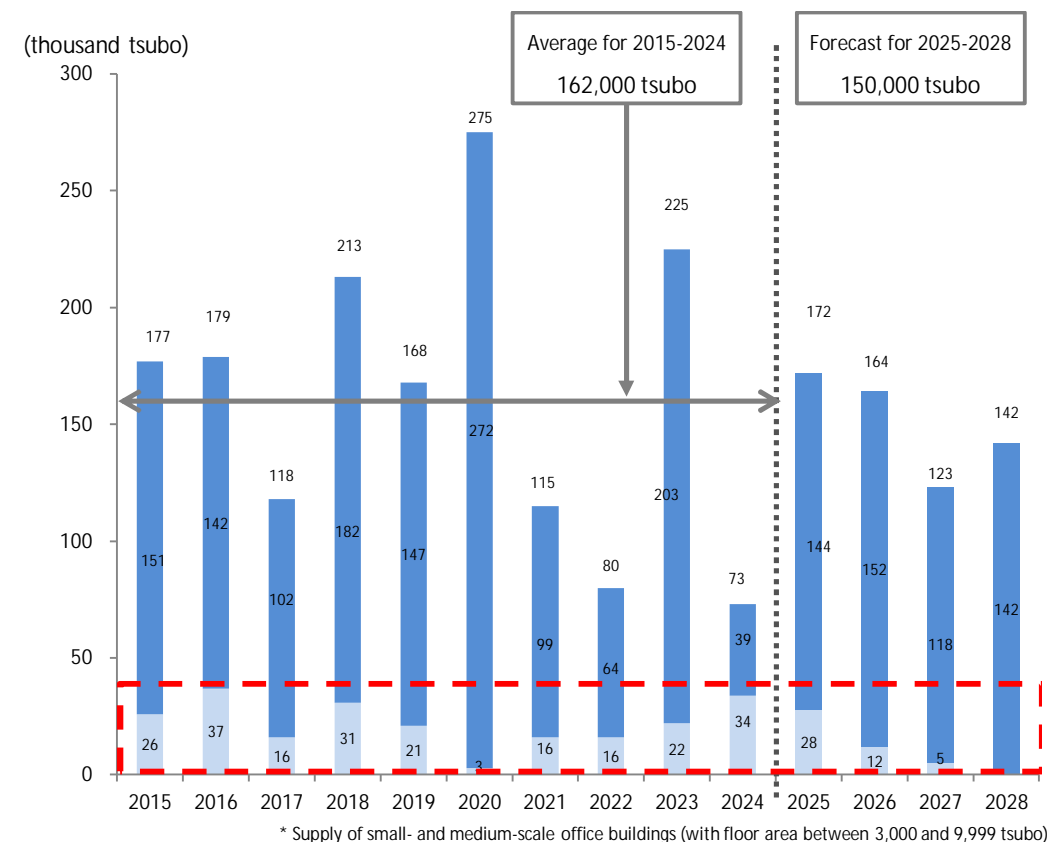
Source: Survey Report by XYMAX Research Institute Corp.
"Office Stock Pyramid 2025, Tokyo 23 Wards, Osaka City"

Volume of new offices in Tokyo's 23 wards in 2025 (net rentable area)

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

Eight office properties owned by XYMAX REIT

Average floor area per property: 1,177 tsubo



■ Total floor area of 3,000-9,999 tsubo
■ Total floor area of 10,000 tsubo or more

Source: Survey Report by XYMAX Research Institute Corp.
"Volume of new offices in 2025, Tokyo 23 Wards, Osaka City"

Sponsor Group’s Expanding B2C Business Activities (ZXY)

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

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

In October 2024, ZXY ITAMI-AIRPORT opened, the first location in an airport. Gaming chairs and other equipment have been set up to make the space more comfortable.



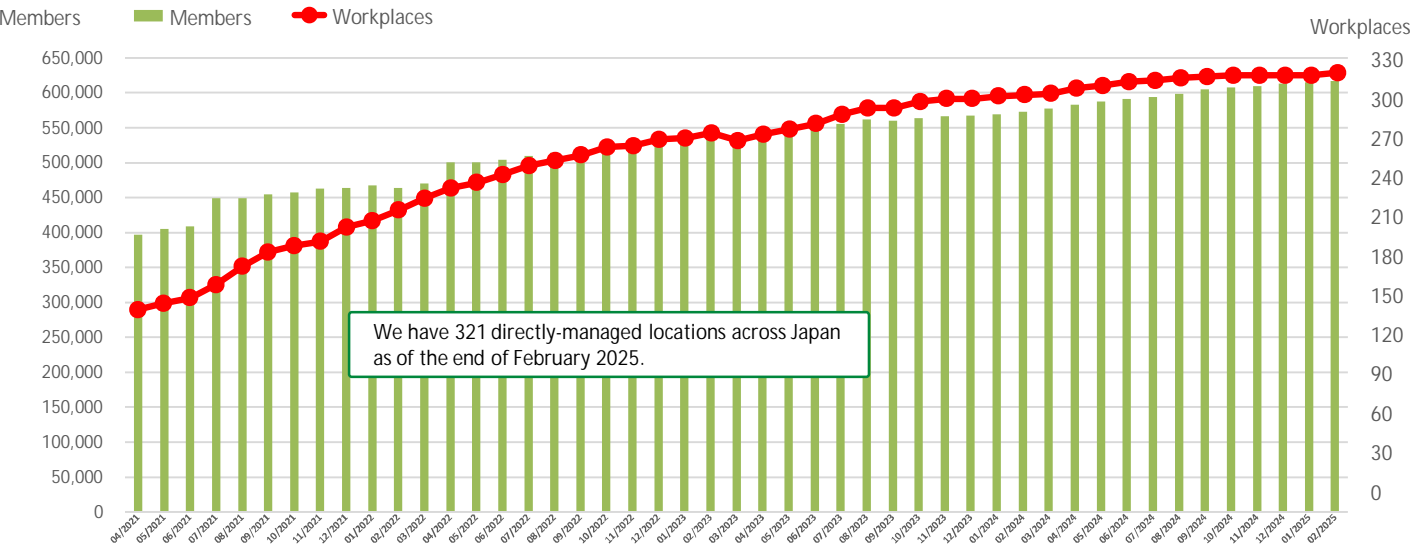
Utilizing clean energy

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



(ZXY ITAMI-AIRPORT)

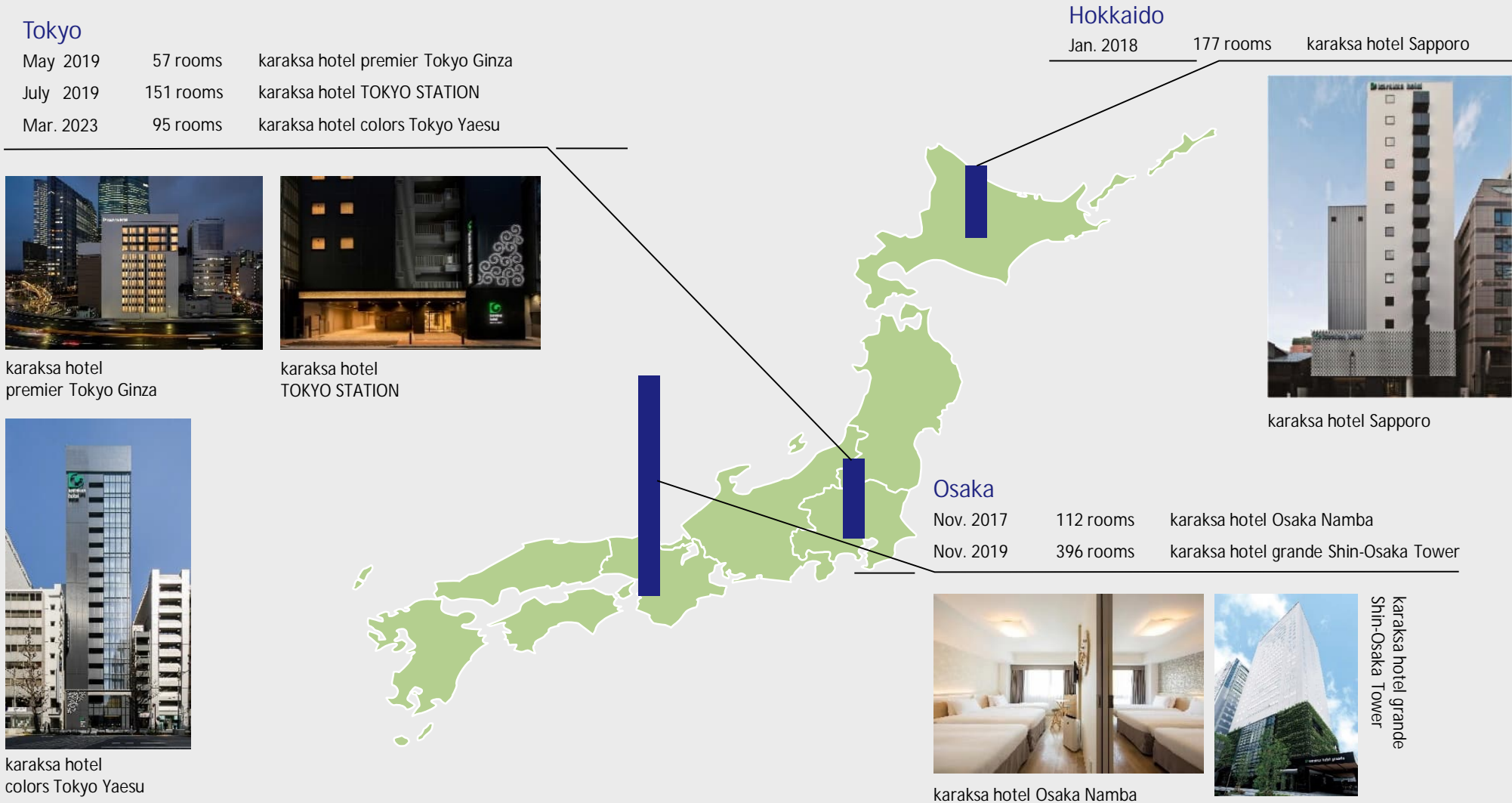
■ Change in number of members and workplaces



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

Sponsor Group’s Expanding B2C Business Activities (karaksa hotel)

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



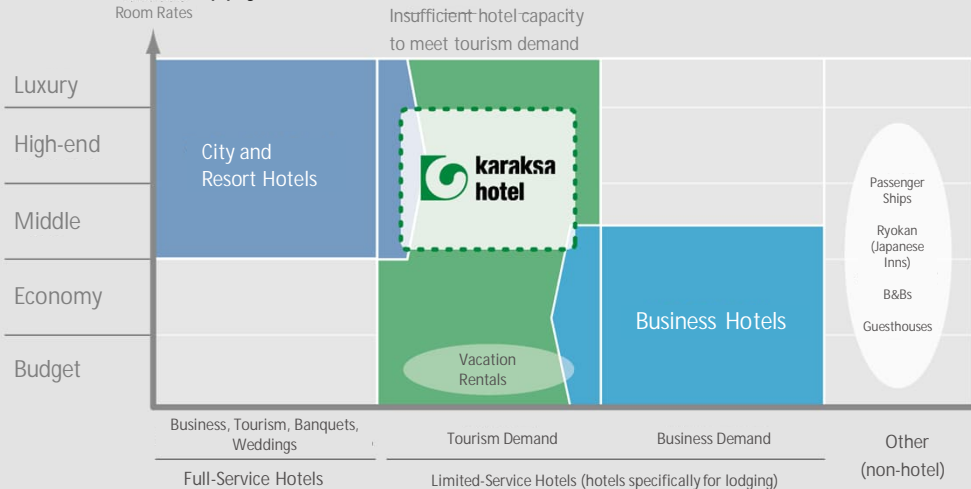
Source: KARAKSA HOTELS Corporation

Characteristics of karaksa hotel

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

Position of karaksa hotel

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



Functions suitable for tourism purposes

[Assets]

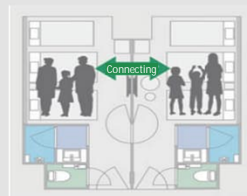
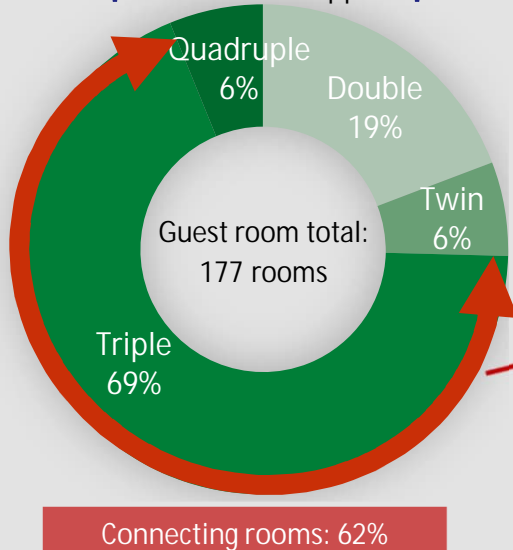
- Mainly consists of guest rooms with a capacity of three people
- More than half of the guest rooms are connecting rooms, making it possible to flexibly accommodate a variety of guests
- Separated washbasin, shower booth, and toilet, as well as under-bed storage, etc., provide comfort for multiple people staying for multiple nights

[Services]

- Approximately 40% of employees are foreigners, with a diverse staff composition (10 languages)
- The official website is available in seven languages, and contactless payment is available in five languages for non-face-to-face check-in/out
- Promote efficient hotel operations by introducing automatic room allocation systems and linking cleaning systems with core systems

[Guest room composition]

| karaksa hotel Sapporo |

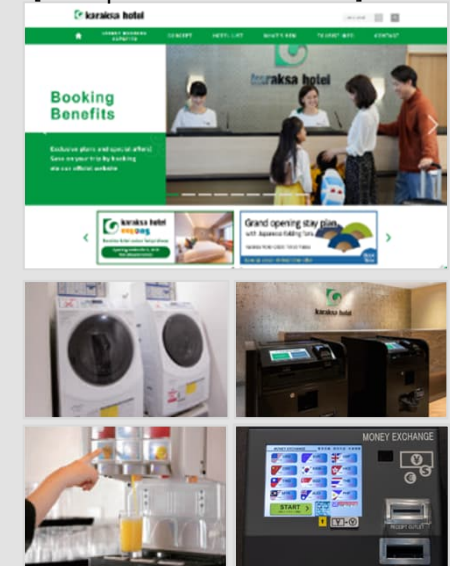


Up to six guests can stay together by connecting adjacent guest rooms

[Examples of in-room equipment]



[Examples of hotel services]

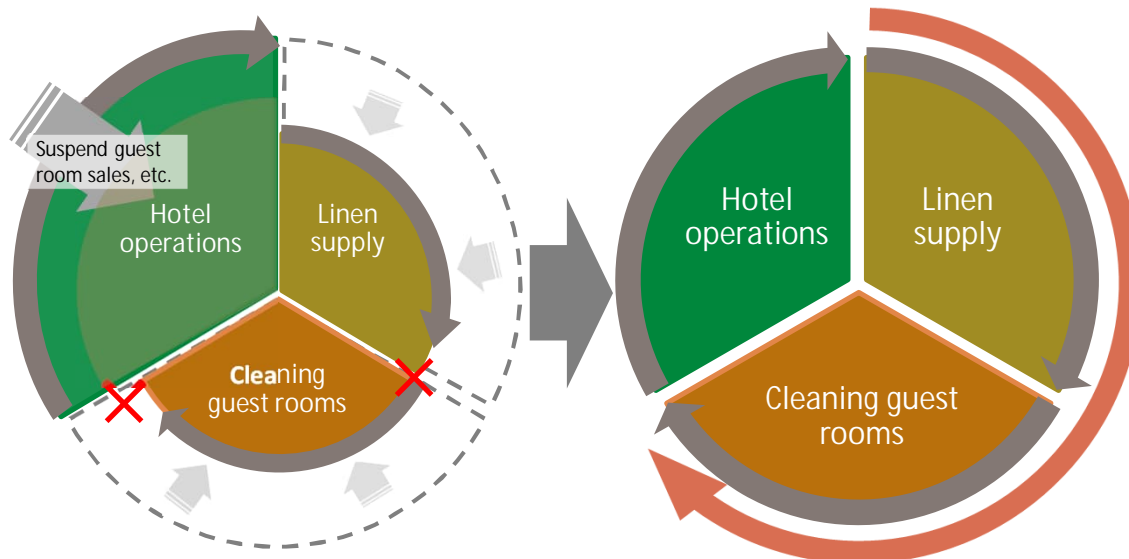


(Reference) Sponsor Group's Hotel Operation Strategy

karaksa hotel Sapporo

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

Eliminate bottlenecks in guest room supply across the group by integrating operations, addressing the challenges in guest room sales caused by supply shortages due to increasing demand and factors like labor shortages.



Addressing issues the hotel industry is facing

- Initiatives to develop human resources specializing in the hotel industry

Concluded a comprehensive cooperation agreement with Sapporo International University and established the "Comprehensive Hotel Human Resource Development Course" to instill specialized knowledge and practical skills focused on the hotel industry at facilities operated by the sponsor group, including karaksa hotel Sapporo, ANA Crowne Plaza Sapporo, and XYMAX careSS HOKKAIDO.



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