

July 29, 2024

For Immediate Release

Real Estate Investment Trust Securities Issuer
 1-11-30 Akasaka, Minato-ku, Tokyo
 XYMAX REIT Investment Corporation
 Representative: Yasushi Yamaguchi, Executive Director
 (Securities Code: 3488)

Asset Management Company
 XYMAX REAL ESTATE INVESTMENT ADVISORS Corporation
 Representative: Hideki Fukae
 Representative Director and President
 Contact: Tatsuya Nakayama
 Head of REIT Management Department
 TEL: +81-3-5544-6880

Notice of Revision of Investment Forecast and Distribution Forecast for the fiscal period
 ending February 2025 (14th Fiscal Period)

XYMAX REIT Investment Corporation (hereinafter “XYMAX REIT”) hereby announces the revision of the operating status and distribution forecast for the fiscal period ending February 2025 (14th fiscal period: September 1, 2024 to February 28, 2025), announced in “(REIT) Financial Report for the Fiscal Period Ended February 2024 dated April 18, 2024.

1. Details of the Revision of Operating Status and Distribution Forecast for the Fiscal Period Ending February 2025 (14th Fiscal Period)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Distribution per unit (Excluding Distribution in Excess of Earnings)	Distribution in Excess of Earnings per Unit
Previous Forecast (A)	1,669 Million yen	887 Million yen	778 Million yen	777 Million yen	3,114 Yen	- Yen
Revised Forecast (B)	1,800 Million yen	1,001 Million yen	892 Million yen	891 Million yen	3,570 Yen	- Yen
Change (B-A)	131 Million yen	114 Million yen	114 Million yen	114 Million yen	456 Yen	- Yen
Rate of Change ((B-A)/ (A))	7.9 %	12.8 %	14.7 %	14.7 %	14.6 %	-

(Reference) February 2025 (14th fiscal period): Assumed number of investment units outstanding at the end of the period is 249,650 units.

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

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

(Note 3) Figures below the unit are rounded down, while percentages are rounded to the nearest second decimal place.

2. Reason for Revision

As announced in the “Notice Concerning the Transfer of Domestic Real Estate Trust Beneficiary Rights (XYMAX Mita Building)” dated today, XYMAX REIT has decided to transfer the XYMAX Mita Building on September 3, 2024. Accordingly, due to changes in the assumptions for the forecast previously published in the “(REIT) Summary of Financial Report for the Fiscal Period Ended February 2024” dated April 18, 2024, XYMAX REIT is revising the forecast of operating status and distribution for the fiscal period ending February 2025 (14th fiscal Period) as shown in the table above.

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

[Attachment]

Assumptions of the underlying Investment Forecast and Distribution Forecast for the fiscal period ending February 2025
(14th fiscal period: September 1, 2024 to February 28, 2025)

Item	Assumptions																
Accounting period	<ul style="list-style-type: none"> February 2025 (14th fiscal period) (September 1, 2024 to February 28, 2025) (181 days) 																
Assets under management	<ul style="list-style-type: none"> In addition to the real estate trust beneficiary rights held by the XYMAX REIT as of today (18 properties in total) and preferred investment securities (1 property) (hereinafter referred to as the "Acquired Assets"), transfer of the property (XYMAX Mita Building scheduled to be transferred on September 3, 2024) shall be made as described in the "Notice Concerning the Transfer of Domestic Real Estate Trust Beneficiary Rights (XYMAX Mita Building)" published as of the date hereof. In addition to above, it is assumed that there will be no change in assets under management (sales of Acquired Assets, new properties, etc.) by the end of the 14th fiscal period. Changes may occur due to disposition or acquisition in assets under management. 																
Operating revenues	<ul style="list-style-type: none"> Revenues from the leasing business of acquired assets are forecasted based on the details of the lease agreements concluded as of today, past tenant and market trends, etc., taking into account the assumed occupancy rates and rent fluctuation forecasts based on the forecast of tenants' occupation and departure and rent levels. In calculating the variable rent, the figures for the applicable period are estimated by the XYMAX REIT based on the operating forecast figures submitted by the operator and calculated based on the calculation method set forth in the lease agreement. [Hotel Vista Sendai] Fixed rent: 20.5 million yen per month Variable rent: Monthly variable rent is calculated by dividing the sum of GOP of the previous 12 months, including the previous month of the applicable month, by 12, subtract 21.5 million yen (Note 1), multiplied by a applicable rate (Note 2). (Note 1) If the deducted amount is negative, the variable rent for the current month will be 0 yen. (Note 2) Each percentage rate is not disclosed as the operator has not given consent. For the fiscal period ending February 2025 (14th fiscal period), the estimated amount of capital gains related to the transfer of the Asset to be Transferred (excluding expenses related to the transfer) has been recorded. It is assumed that there will be no delinquency or non-payment of rent by the tenant and no gain or loss on sale of real estate, etc. It is assumed that no operating revenues arise from preferred investment securities. 																
Operating expenses	<ul style="list-style-type: none"> The main components of operating expenses are as follows. (Figures below the unit are rounded down. The same applies below.) <table style="margin-left: 40px; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: right;">Fiscal Period ending February 28, 2025 (14th fiscal period)</th> </tr> </thead> <tbody> <tr> <td>Total rent expenses</td> <td style="text-align: right;">610 Million yen</td> </tr> <tr> <td>Management fees</td> <td style="text-align: right;">106 Million yen</td> </tr> <tr> <td>Repair expense</td> <td style="text-align: right;">42 Million yen</td> </tr> <tr> <td>Property taxes</td> <td style="text-align: right;">156 Million yen</td> </tr> <tr> <td>Depreciation</td> <td style="text-align: right;">178 Million yen</td> </tr> <tr> <td>Total other than rent expenses</td> <td style="text-align: right;">187 Million yen</td> </tr> <tr> <td>Asset management fees</td> <td style="text-align: right;">119 Million yen</td> </tr> </tbody> </table> Expenses related to leasing business, which are the main operating expenses, are calculated based on 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, including incidental expenses. Repair costs are budgeted by the Asset Management Company on a property-by-property basis at an amount that is assumed to be necessary for each business period. 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. It is assumed that there will be no operating expenses for preferred investment securities. 		Fiscal Period ending February 28, 2025 (14th fiscal period)	Total rent expenses	610 Million yen	Management fees	106 Million yen	Repair expense	42 Million yen	Property taxes	156 Million yen	Depreciation	178 Million yen	Total other than rent expenses	187 Million yen	Asset management fees	119 Million yen
	Fiscal Period ending February 28, 2025 (14th fiscal period)																
Total rent expenses	610 Million yen																
Management fees	106 Million yen																
Repair expense	42 Million yen																
Property taxes	156 Million yen																
Depreciation	178 Million yen																
Total other than rent expenses	187 Million yen																
Asset management fees	119 Million yen																

Non-operating expenses	<ul style="list-style-type: none"> ● Non-operating expenses (interest expenses and other loan-related expenses), excluding issuance costs of investment units, are expected to be 109 million yen for the fiscal period ending February 28, 2025 (14th fiscal period). ● Investment unit issuance costs related to the issuance of new investment units are amortized on a pro-rata monthly basis over a three-year period from the month of the investment unit issuance, and we expect to record amortization of investment unit issuance costs of 4 million yen in the fiscal period ending February 28, 2025 (14th fiscal period).
Interest-bearing liabilities	<ul style="list-style-type: none"> ● The total amount of interest-bearing debt is assumed to be 19,715 million yen at the end of the fiscal year ending February 2025 (14th fiscal period). Long-term loans of 4,302 million yen will become due for repayment in the fiscal year ending February 28, 2025 (14th fiscal period), but it is assumed that these funds will be procured through loans and other means. ● XYMAX REIT expect the LTV to be 40.7% at the end of the fiscal period ending February 2025 (14th period). The following formula was used to calculate the LTV. $\text{LTV} = \frac{\text{Total amount of interest-bearing debt at the end of the 14th fiscal period}}{\text{Total amount of assets at the end of the 14th fiscal period}} \times 100$
Investment unit	<ul style="list-style-type: none"> ● It is assumed that the total number of investment units issued and outstanding as of today is 249,650 units, and there will be no change in the number of investment units due to the issuance of new investment units, until the end of the fiscal period ending February 28, 2025 (14th fiscal period). ● Distribution per unit (Excluding distributions in excess of earnings) and distributions in excess of earnings per unit are calculated based on the total number of investment units issued and outstanding at the end of the forecast of the fiscal period ending February 28, 2025 (14th fiscal period).
Distribution per unit (Excluding distributions in excess of earnings)	<ul style="list-style-type: none"> ● The distribution per unit (excluding distributions in excess of earnings) is calculated on the assumption that it will be distributed in accordance with the cash distribution policy set out in the Articles of Incorporation of the XYMAX REIT. Furthermore, the calculation is based on the assumption that fluctuations in the market value of interest rate swaps will not affect the distribution per unit. ● Distributions per unit (excluding distributions in excess of earnings) may fluctuate due to various factors, including changes in rental income or unforeseen repairs associated with changes in assets under management and changes in tenants.
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> ● There are currently no plans to make distributions in excess of earnings (distributions in excess of earnings per unit).
Other	<ul style="list-style-type: none"> ● 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. ● It is assumed that there will be no unforeseen material change in general economic trends and real estate market conditions, etc.