

August 27, 2020

For Immediate Release

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

Asset Management Company
XYMAX REAL ESTATE INVESTMENT ADVISORS Corporation
Representative: Nobuhito Inatsuki, Representative Director
Contact: Tatsuya Nakayama
Head of Business Planning Division
Head of REIT Management Division
TEL: +81-3-5544-6880

Notice Concerning Acquisition of Domestic Trust Beneficiary Right in Real Estate and Leasing Thereof (“Life Fukuizumi Store”)

XYMAX REIT Investment Corporation (hereinafter “XYMAX REIT”) hereby announces that XYMAX REAL ESTATE INVESTMENT ADVISORS Corporation (hereinafter the “Asset Management Company”), an asset management company to which XYMAX REIT entrusts the management of its assets, decided on August 27, 2020 to acquire the trust beneficiary right in the following property described in 1.(1) below (hereinafter the “Asset to Be Acquired”) and to conduct the leasing thereof.

1. Overview of the Acquisition

(1) Asset to Be Acquired

Category	Property no. (Note 1)	Property name	Location	Anticipated acquisition price (million yen) (Note 2)	Appraisal value (million yen) (Note 3)	Appraisal NOI yield (Note 4)	Existence of intermediary:
Retail	RT-04	Life Fukuizumi Store	Sakai-city, Osaka	1,065	1,090	4.8%	None

(2) Scheduled purchase and sale agreement date : August 28, 2020

(3) Scheduled acquisition date : September 1, 2020

(4) Sellers : See “4. Profile of Seller” below.

(5) Acquisition Funds : Borrowings (Note 5) and cash on hand

(6) Settlement method : Full payment upon settlement

(Note 1) “Property no.” refers to the property codes and numbers according to the type of the asset held by XYMAX REIT. For each code, OF represents Office, RT represents Retail, HT represents Hotel, and OT represents other. The same shall apply hereinafter.

(Note 2) “Anticipated acquisition price” is the purchase price of the Asset to Be Acquired as set forth in the purchase and sale agreement. The purchase price does not include national and local consumption taxes or acquisition costs and is rounded down to the nearest million yen. The same shall apply hereinafter.

(Note 3) “Appraisal value” represents the appraised value as stated in the real estate appraisal report dated July 31, 2020, as appraisal date. The appraisal was prepared by Daiwa Real Estate Appraisal Co., Ltd.

(Note 4) “Appraisal NOI yield” is the ratio of appraisal NOI of Asset to Be Acquired to the anticipated acquisition price rounded off to the first decimal place as a percentage. Appraisal NOI refers to Net operating income calculated by deducting Operating

CAUTIONS: This press release is a public statement of the acquisition and lending of XYMAX REIT and is not intended to solicit investments.



expenses from Operating revenue in the appraisal report and refers to revenue before Depreciation is deducted. It is different from NCF (Net income, i.e. Net Cash Flow), which are calculated by adding investment gains on security deposits and deducting Capital expenditures from NOI. Appraisal NOI yield are figures calculated by Asset Management Company and are not figures in the appraisal report. Actual figures may differ from those after the acquisition by XYMAX REIT.

(Note 5) For more details, please refer to "Notice Concerning Borrowing of Funds" dated August 27, 2020.

2. Reasons for the acquisition and leasing

XYMAX REIT has been growing steadily in its distributions since the listing with its immediate goal to achieve a cruising distribution of JPY 3,300 per unit, and its policy is to achieve the above goals through various growth strategies, including internal and external growth. In external growth, we are considering the acquisition of properties by assessing the stability and maintaining a price line firmly with an awareness of the balance between distribution growth and financial soundness. XYMAX REIT realizes it by capitalizing on the client network and information capabilities of the XYMAX Group, the sponsor group of XYMAX REIT, to capture opportunities, and by carefully analyzing the potential of each property based on the XYMAX Group's accumulated expertise, know-how, and data of property management.

The Asset to Be Acquired is a property owned by a domestic general operating company, which are CRE client (Note) of the XYMAX Group, and the acquisition has been through the face-to-face negotiated transaction utilizing the XYMAX Group's customer base. In addition, the acquisition of the Assets to Be Acquired is expected to create stable profit over the medium-to-long-term, taking the following points into consideration. XYMAX REIT believes that this will meet our investment policy and contribute to the enhancement of portfolio quality and unitholders' value.

(NOTE) "CRE client" refers to whom the XYMAX Group provides services related to the consulting and implementation of strategies for the use of real estate (including leased property), investment, and effective use of the real estate.

(1) Features of the Asset to Be Acquired

- ✓ The property is a grocery supermarket located in the suburbs of Sakai City, Osaka Prefecture.
- ✓ It is a two-story store with 144 parking lots adjacent to Route 36, which is a community road in the neighborhood. The store format is highly convenient for short-time shopping.
- ✓ Based on analysis using the XYMAX Group's knowledge, expertise, and data on retail properties, the high business continuity can be expected due to the relatively low rent burden on its tenant.

(2) Overview of Trading Area

① Location and Transportation accesses

- ✓ It is located in a residential area near Otori station of JR-Hanwa Line. Route 36, is in front, which is community road in the neighborhood.
- ✓ From geographic perspectives, in addition to the high frequency of visits by neighboring residents using bicycles, visits from the southern area of the Asset to Be Acquired by cars can be expected due to the good road approach.

② Overview of the surrounding area

- ✓ Based on the 2015 Population census, the population in the trading area was approximately 29,000 people in a 1-km radius and 103,000 in a 2-km radius. This is the average level in the suburbs of the three major metropolitan areas.
- ✓ Population composition in current trading areas is particularly high for people in their 30s and 40s, followed by people under 10, indicating that the market has many younger families. In addition, the percentage of households with one person is low, and the percentage of households with two or more persons is high, so the location is suitable for this type of grocery supermarkets.

(3) Products handled

Foods, daily necessities, and service (cleaning)

CAUTIONS: This press release is a public statement of the acquisition and lending of XYMAX REIT and is not intended to solicit investments.

3. Summary of Asset to Be Acquired

The summary of Asset to Be Acquired is as follows.

Refer to Reference 3 “Explanation of matters stated in Summary of Asset to Be Acquired” for explanations of matters stated in the columns in the table.

Property Name		Life Fukuizumi Store		Category	Retail
				Property no.	RT-04
Summary of the Specified Asset					
Expected date of acquisition		September 1, 2020		Type of specified asset	
Anticipated acquisition price		1,065 Million yen		Trust beneficiary right	
Appraisal value (appraisal date)		1,090 Million yen (July 31, 2020)		Trust beneficiary right	
Location		444-1, Kami, Nishi-ku, Sakai-shi, Osaka		Trust maturity date	
Transportation		12 minutes on foot from Otori Station on JR Hanwa Line		Mitsubishi UFJ Trust and Banking Corporation	
Land	Lot number	444-1		End of August 2030	
	Building coverage ratio	60%			
	Zoning	Type I Residential Geographic area			
Building	Construction date	17 December 1996		Ownership	
	Use	Stores		Ownership	
	Architect	KAJIMA CORPORATION			
	Construction confirmation	District construction surveyor, Sakai City			
ML company (planned)		XYMAX REIT		Structure and number of floors	
PM company		XYMAX KANSAI Corporation		Total Floor Area	
Remarks		Under the lease agreement with the Tenant, if the Lessor intends to transfer the ownership of the property to a third party by assignment or otherwise, the lessee shall be notified in advance, and if the lessee so desires, the Lessee shall be entitled to consider preferentially purchasing the ownership of the property.		3,358.26 m ²	
Overview of Leasing		Leasable area		3,309.29 m ²	
Leasable area		3,309.29 m ²		Occupancy rate	
Occupancy rate		100%		Number of tenants	
Annual rent		Undisclosed (Note)		1	
Main tenant		Life Corporation		Lease deposits	
(NOTE) Since the approval of the lessee for the disclosure of information has not been obtained, the information has not been disclosed due to this unavoidable reason		Lease deposits		Undisclosed (Note)	
Outline of Engineering Report		Inspection company		August 2020	
Inspection company		Tokio Marine & Nichido Risk Consulting Co., Ltd.		Date of inspection	
Urgent and short-term repair expenses		0 yen		Long-term repair expenses (annual averages)	
Outline of Earthquake Risk Analysis, etc.		PML		3,626,000 yen	
Inspection company		Tokio Marine & Nichido Risk Consulting Co., Ltd.		14.7%	
State of collaterals		None			

CAUTIONS: This press release is a public statement of the acquisition and lending of XYMAX REIT and is not intended to solicit investments.

Summary of Appraisal Report		
Property name	Life Fukuizumi Store	
Appraisal value	1.09 billion yen	
Name of appraiser	Daiwa Real Estate Appraisal Co., Ltd.	
Appraisal date	July 31, 2020	
Items	Details (unit: thousand yen)	Summary, etc.
Value based on income approach	1,090,000	Assessed by linking value based on direct capitalization method to DCF-based value based on income approach.
Value based on direct capitalization method	1,100,000	
(1) Operating revenue (i. - ii.)	Undisclosed (Note)	
i. Effective gross revenue	Undisclosed (Note)	
ii. Loss from vacancy, etc.	0	None, assuming long-term tenancy.
(2) Operating expenses (a. +b. +c. +d. +e. +f. +g. +h.)	Undisclosed (Note)	
a. Maintenance and management expenses	0	Not applicable, as the expenses will be borne by the tenant.
b. Utility expenses	0	Not applicable, as the expenses will be borne by the tenant.
c. Repair expenses	Undisclosed (Note)	
d. PM fee	Undisclosed (Note)	
e. Tenant leasing expenses, etc.	0	None, assuming long-term tenancy.
f. Taxes and public dues	Undisclosed (Note)	
g. Insurance premiums	Undisclosed (Note)	
h. Other expenses	Undisclosed (Note)	
(3) Net operating income ((1)-(2))	51,571	
(4) Gain from investment of deposits	Undisclosed (Note)	
(5) Capital expenditures	Undisclosed (Note)	
Net income ((3)+(4)-(5))	49,314	
Capitalization rate	4.5%	Assess the property by comprehensively considering the location, Building, and Other conditions of the subject property and by referring to capitalization rate of similar properties in the same trading area.
DCF-based Value based on income approach	1,080,000	
Discount rate	4.3%	Assessed by comparing discount rate related to transactions of similar properties and yields on other financial instruments, etc.
Terminal capitalization rate	4.7%	Assessed by taking into account the marketability of the subject property at the time of expiration of the holding period.
Cost approach value	1,190,000	
Land ratio	85.1%	
Building ratio	14.9%	
Other items considered by real estate appraiser upon appraisal	Particularly None.	

(NOTE) Not disclosed due to unavoidable circumstances in that disclosure has not been obtained from the lessee and information that can be calculated is included, which may cause disadvantage to the investment corporation due to impairment of trust of the lessee, and thereby harm the interests of the investors.

CAUTIONS: This press release is a public statement of the acquisition and lending of XYMAX REIT and is not intended to solicit investments.

4. Profile of Seller

(1)	Name	JDC CORPORATION
(2)	Location	4-9-9, Akasaka, Minato-ku, Tokyo
(3)	Representative	President Takeo Asakura
(4)	Business activities	<ul style="list-style-type: none"> • Operations relating to development of electrical power, transportation, ports and harbors, afforestation, flood control, irrigation, land reclamation, underground resources, and other development of national land • Research and planning related to development of electrical power, transportation, ports and harbors, afforestation, flood control, irrigation, land reclamation, development of underground resources, and other development of national land, research and design of related export plants, and consulting work related to these • Production, sales, loan and repair of construction and mining machinery, other machinery, tools, etc., necessary for conducting our primary businesses, and related mediation activities. • Design, contractual, and management services related to civil engineering and building construction • Activities related to the manufacture and sale of construction materials, stone materials, chemical products, etc. • Activities related to the sale, rental, brokerage, management, and appraisal of real estate • Ownership, rental, and management of leisure facilities (golf courses, ski resorts, etc.) • Environmental conservation activities, including soil remediation, water remediation in rivers, lakes and bays, and the collection, transport, processing, disposal and recycling of municipal, industrial and construction waste • Business related to the generation and supply of electricity, heat, etc. • Investment in the business activities listed above • All work related or incidental to the business activities listed above
(5)	Capital	5,012 Million yen
(6)	Date of establishment	April 10, 1951
(7)	Net assets	68,317 Million yen (consolidated basis)
(8)	Total assets	133,937 Million yen (consolidated basis)
(9)	Major shareholders and their shareholding ratio	JDC Business Association (9.09%), XYMAX Corporation (6.63%), THE SAIKYO BANK,LTD. (4.86%), Mizuho Trust & Banking Co., Ltd. (JDC Foundation for the Future) (4.52%), MUFG Bank, Ltd. (3.96%) (as of the end of May 2020)
(10)	Relationship between the investment corporation and asset management company and the said company	
	Capital relationship	The said company holds 1.34% of the total issued investment units of XYMAX REIT as of the end of February 2020.
	Personnel relationship	There is no remarkable personnel relationship between XYMAX REIT / the Asset Management Company and the said company.
	Business relationship	There is no remarkable business relationship between XYMAX REIT / the Asset Management Company and the said company.
	Status of relationship	The said company is not an interested party of XYMAX REIT or the Asset Management Company.

5. Transactions with interested parties

With respect to the Asset to Be Acquired, a property management agreement (Life Fukuizumi Store) (hereinafter “PM Agreement”) will be concluded between the Trustee of the Asset to Be Acquired (hereinafter “Trustee”) and the XYMAX KANSAI Corporation (hereinafter “Contractor”) on the scheduled acquisition date. Contractor is a fully owned subsidiary of XYMAX Corporation, the parent company of Asset Management Company and falls under the category of an interested party set forth in Article 123 of the Enforcement Order of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended) (hereinafter referred to as the “Investment Trust Act”) and the Act on Investment Trust and Investment Corporations (Cabinet Order No. 480 of 2000, as amended thereafter), as well as an interested party set forth in the REIT Stakeholder Transaction Management Rules, which are internal rules of Asset Management Company. Accordingly, in entering into PM Agreement, Asset Management Company has conducted the required deliberations and resolutions in accordance with the provisions of the Rules on the Management of Transactions of Interested Persons. In accordance with these Rules, Asset Management Company has obtained

CAUTIONS: This press release is a public statement of the acquisition and lending of XYMAX REIT and is not intended to solicit investments.



The Investment Corporation's approval of the Board of Directors meeting held on August 27, 2008, based on its internal rules.

6. Status of Previous Owners, etc.

The Acquisition is not transactions with interested parties of either XYMAX REIT or the Asset Management Company.

7. Outline of Intermediation

Not applicable.

8. Future Outlook

The impact of the transaction of the Asset to Be Acquired on the financial results is minimal and is within the scope of the Tokyo Stock Exchange's minimum item requirements. For more information on the outlook of XYMAX REIT for the period ending February 2021 (the 6th Fiscal Period) and the period ending August 2021 (the 7th Fiscal Period) that incorporates the effect of the Acquisition, please refer to the XYMAX REIT's Financial Report for the Fiscal Period Ended August 2020 that is scheduled to be published on October 14, 2020.

End.

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

(For reference)

“Notice Regarding Borrowing of Funds” dated August 27, 2020

<Attachment>

Reference 1 Property photographs and maps

Reference 2 Property portfolio of XYMAX REIT (after the transaction)

Reference 3 Explanation of matters to be stated in Summary of Asset to Be Acquired

CAUTIONS: This press release is a public statement of the acquisition and lending of XYMAX REIT and is not intended to solicit investments.

Reference 1 Property photographs and maps

Life Fukuizumi Store



CAUTIONS: This press release is a public statement of the acquisition and lending of XYMAX REIT and is not intended to solicit investments.

Reference 2 Property portfolio of XYMAX REIT (after the transaction)

Category	Property no.	Property name	Location	(Expected) acquisition date	(Anticipated) acquisition price (million yen) (Note 1)	Share of portfolio (%) (Note 2)
Office	OF-01	XYMAX Nishi-Shimbashi Building	Minato-ku, Tokyo	February 16, 2018	2,500	7.3
	OF-02	XYMAX Iwamotocho Building	Chiyoda-ku, Tokyo	February 16, 2018	4,250	12.5
	OF-03	XYMAX Shinjuku-Gyoen Building	Shinjuku-ku, Tokyo	February 16, 2018	5,020	14.7
	OF-04	XYMAX Kamiyacho Building	Minato-ku, Tokyo	February 16, 2018	880	2.6
	OF-05	XYMAX Higashi-Azabu Building	Minato-ku, Tokyo	February 16, 2018	1,550	4.5
	OF-06	XYMAX Higashi-Ueno Building	Taito-ku, Tokyo	February 16, 2018	1,150	3.4
	OF-07	XYMAX Hachioji Building	Hachioji-shi, Tokyo	February 16, 2018	2,600	7.6
	Subtotal/Average		-	-	17,950	52.6
Retail	RT-01	Muza Kawasaki	Kawasaki-shi, Kanagawa	February 16, 2018	4,100	12.0
	RT-02	Life Kawasaki Miyuki Store	Kawasaki-shi, Kanagawa	February 16, 2018	790	2.3
	RT-03	Vita Seiseki-Sakuragaoka	Tama-shi, Tokyo	February 16, 2018	3,100	9.1
	RT-04	Life Fukuizumi Store	Sakai-city, Osaka	September 1, 2020	1,065	3.1
	Subtotal/Average		-	-	9,055	26.6
Hotel	HT-01	Hotel Vista Sendai	Sendai-shi, Miyagi	February 16, 2018	4,400	12.9
	Subtotal/Average		-	-	4,400	12.9
Other	OT-01	Renaissance 21 Chihaya	Fukuoka-shi, Fukuoka	February 16, 2018	2,700	7.9
	Subtotal/Average		-	-	2,700	7.9
Total/Average			-	-	34,105	100.0

(Note 1) "(Anticipated) acquisition price" refers to the transaction amount (excluding acquisition expenses, Non-current assets tax, city planning tax settlement amount, consumption tax, etc.) of each trust beneficiary right listed in each the purchase and sale agreement pertaining to each acquired asset and the Asset to Be Acquired, and is rounded down to the nearest million yen.

(Note 2) "Share of portfolio" is the (anticipated) acquisition price of each portfolio asset expressed as a percentage of the total of (anticipated) acquisition prices, rounded to one decimal place.

CAUTIONS: This press release is a public statement of the acquisition and lending of XYMAX REIT and is not intended to solicit investments.

Reference 3 Explanation of matters to be stated in Summary of Asset to Be Acquired

(a) Explanation of the “Category” and “Property no.”

- “Category” refers to Office, Retail, Hotel, and Other that XYMAX REIT will invest in.
- “Property no.” is numbered as OF for Office, RT for Retail, HT for Hotel, and OT for Other.

(1) Explanation of the “Summary of the Specified Asset”

- “Expected date of acquisition” indicates the expected date of acquisition of the trust beneficiary right contained in the purchase and sale agreement for the Asset to be Acquired.
- “Type of the specified asset” describes the type of real estate and other assets as specified assets and the assets incidental or related thereto.
- “Anticipated acquisition price” rounds down the sales price (excluding consumption tax, local consumption tax, and brokerage fees) stated in the sales contract pertaining to the Asset to Be Acquired to the nearest million yen.
- “Appraisal value (appraisal date)” refers to Appraisal value stated in the real estate appraisal report relating to the Asset to be acquired prepared by Daiwa Real Estate Appraisal Co., Ltd.
- Outline of Trust beneficiary right lists the terms of the trust agreement entered into with Trustee for the Asset to be acquired.
- In principle, the “Location” describes the residential address.
- “Transportation” describes the time (rounded up to the nearest minute) when the distance from the nearest station calculated by Asset Management Company is walked at 80 meters per minute or the time indicated in the real estate appraisal report or Engineering Report.
- “Lot number” describes the building's location on the real estate register (or location of one of them if there is more than one).
- “Site area” is based on the description in the real estate registry (including the leased land area if any) and may not coincide with the current situation.
- Land's “Building coverage ratio” refers, in principle, to the ratio of the building area of a building to site area set forth in Article 53 of the Building Standards Act (Law No. 201 of 1950, including subsequent revisions; the same shall apply hereinafter), and includes the upper limit of building coverage ratio (designated building coverage ratio), if any, set forth in the City Planning in accordance with Zoning, etc. The specified building coverage ratio may be relaxed, increased or reduced due to fire-resistant buildings in the Fire Protection Geographic Area or for other reasons and may differ from building coverage ratio actually applied.
- “Floor-area ratio” refers to the ratio of the total area of buildings to Site Area set forth in Article 52 of the Building Standards Act, and includes the upper limit (designated floor-area ratio) of floor-area ratio set forth in the city plan according to Zoning, etc. (if there are two or more such values, both). The specified floor-area ratio may be relaxed, increased or decreased due to the width of the road to be connected to the site or for other reasons, and may differ from floor-area ratio actually applied.
- “Zoning” describes the types of Zoning (if there are more than one) listed in Article 8, Clause 1, item 1 of the Urban Planning Law (Law No. 100 of 1968, including any subsequent revisions).
- The “Type of ownership” of land and building describes the types of rights pertaining to the Asset to Be Acquired by XYMAX REIT.
- “Construction date” indicates the date of the new construction of the main building described in the real estate register.

CAUTIONS: This press release is a public statement of the acquisition and lending of XYMAX REIT and is not intended to solicit investments.



- “Structure and number of floors” is based on real estate registers for the main building.
- “Use” is based on building types of entries in the real estate registry for the main building.
- “Total floor area” includes the floor area of the attached building based on the description in the real estate register.
- “Architect,” “Constructor” and “Inspection agency” are listed in the name of the company or institution at the time the building was designed and constructed.
- “ML company” and “PM company” represent the master leasing company and PM company. “ML type” refers to Property acquisition plan master lease type (pass-through type, fixed rent type, or variable rent type).
- In addition to matters that are considered to be important for rights and use relating to the Asset to Be Acquired as of today, remarks include matters that are considered to be of importance considering the appraised value, profitability, and impact on disposal potential.

(c) “Overview of Leasing”

- “Leasable area” represents the sum of leased area based on building drawing and other drawings attached to the lease agreements and the lease agreement on Property acquisition plan as of today and the area based on Building drawing and other drawings of the vacant space.
- “Leased area” presents the totals of leased area based on the lease agreements relating to the Asset to Be acquired as of today and building drawings attached to the lease agreements. In the event that a master lease agreement has been concluded for the Asset to Be Acquired, the total area actually concluded and leased with the end tenant is rounded to the nearest third decimal place.
- “Occupancy rate” represents the ratio of leased area to leasable area related to the Asset to Be Acquired property as of today, rounded off to the first decimal place.
- “Number of tenants” presents the sum of number of tenants on the Asset to Be Acquired under a lease agreement entered into as of today. (the total number of end tenants if the pass-through master lease agreement is been into).
- “Annual rent revenue” rounds down the sum of the annual rent (one-year rent calculated in accordance with the provisions of the lease agreement if only the monthly rent is provided) including the CAM set forth in the respective lease agreement for which the Asset to Be Acquired has been executed as of this date to the nearest million yen.
- “Security deposit” with respect to tenants already occupied, rounds down the sum of the security deposit specified in the respective lease agreements as of this date to the nearest million yen. In addition, in the event that the master lease agreement has been concluded for the Asset to be Acquired and if the security deposit is equal to the total of the security deposit stipulated in the lease agreements concluded with the end tenants, the sum of the security deposit and is rounded down to the nearest million yen.
- “Main tenant” represents the tenant that leases the biggest area among the tenants those who leases the Asset to be Acquired from XYMAX REIT or Trustee as of today. Where a pass-through type master lease agreement has been concluded, the Main Tenant represents the end tenants.

(d) Explanation concerning the “Outline of Engineering Report”

- “Urgent and short-term repair expenses” and “Long-term repair expenses (annual averages)” are stated based on Engineering Report.
- “Short-term repair expenses” refers to the cost of repairing and renewing defects that require repairs, etc.

CAUTIONS: This press release is a public statement of the acquisition and lending of XYMAX REIT and is not intended to solicit investments.



in preference to daily maintenance, and describes the estimated total amount for repair expenses required within one year from the date of Engineering Report.

- “Long-term repair expenses (annual average)” refers to the cost of maintenance of functions or maintenance of safety in operation for aging deterioration. The aggregate amount of repair expenses and renewal costs required within 12 years from the date of Engineering Report is converted into the annual average amount in Asset Management Company and rounded off to the nearest thousand yen.

(d) Explanation of the “Outline of Earthquake Risk Analysis, etc.”

- “PML” means the expected loss rate (Probable Maximum Loss) due to earthquakes. Although there is no uniform and rigorous definition of PML, this document defines expected losses and probabilities for large and small earthquakes that may occur in 475 years as the percentage of expected losses relative to building replacement value calculated and statistically processed. PML is calculated based on the ground conditions, Geographic area factors, and structural considerations. PML figures are based on Seismic Risk Evaluation Report dated August 2020 issued by Tokio Marine & Nichido Risk Consulting Co., Ltd. The descriptions in Seismic Risk Evaluation Report only indicate the opinions of the reporter and do not guarantee the appropriateness or accuracy of the descriptions.

(f) Explanation of the “State of collaterals”

- If the security is cancelled after the acquisition of the Asset to be Acquired, it is stated as “None.”

CAUTIONS: This press release is a public statement of the acquisition and lending of XYMAX REIT and is not intended to solicit investments.
