



Supplementary Briefing Material to Press Releases Announced on January 4, 2023

January 4, 2023

Securities Code: 3470



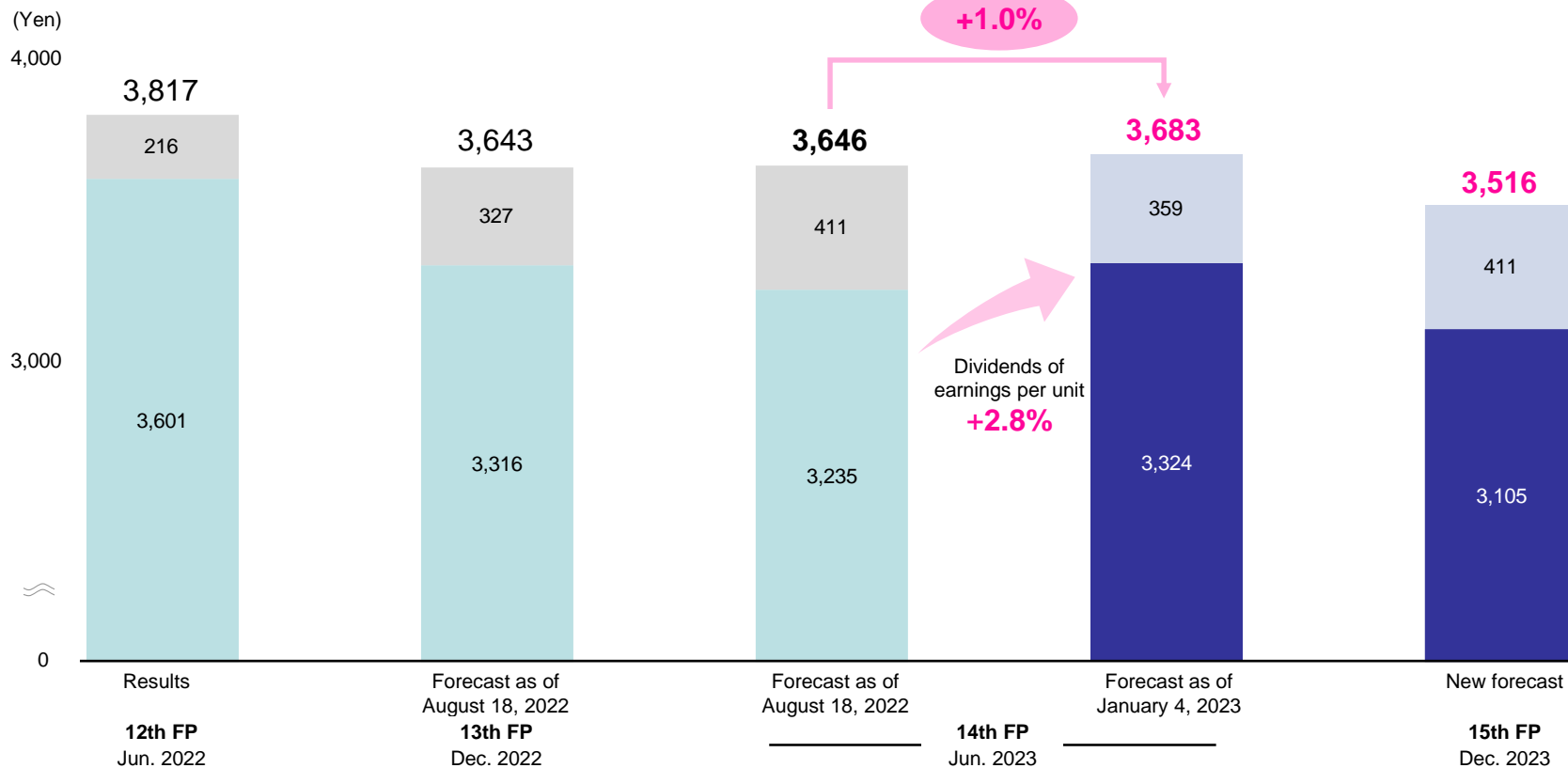
marimo Regional Revitalization REIT, Inc.

Growth in Dividends Per Unit

Via strategic asset replacement and external growth, we return high, stable dividends to investors

Dividends per Unit

■ Dividends of earnings per unit (yen) ■ Dividends in excess of earnings per unit (yen)

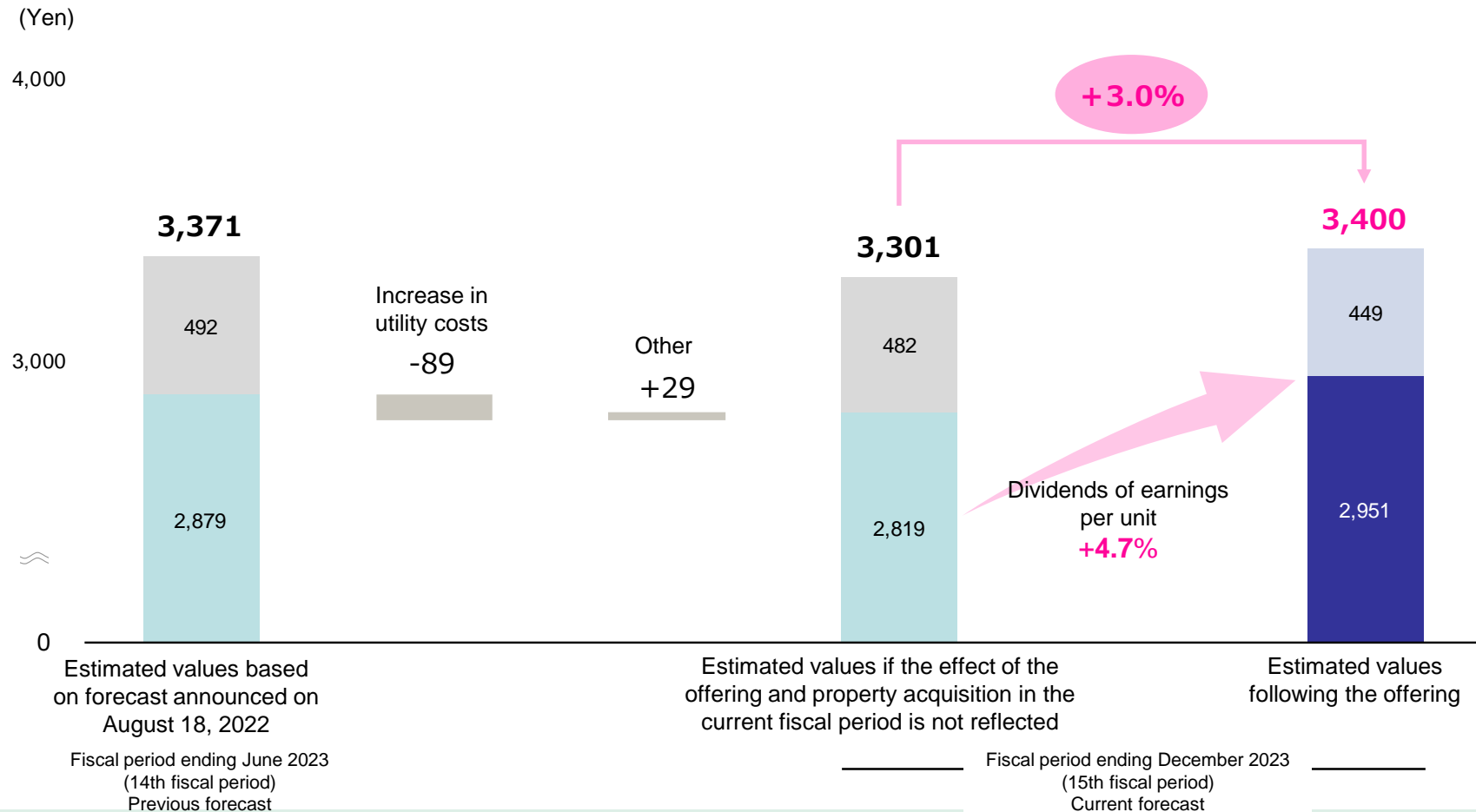


Difference in Normalized Dividends per Unit



Normalized dividends per unit

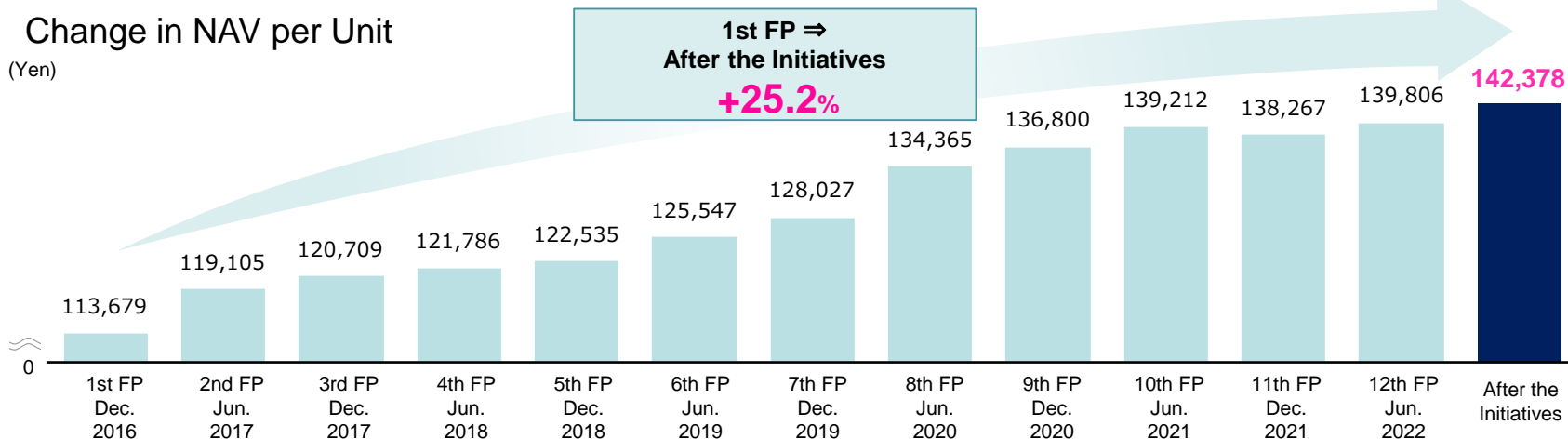
- Dividends of earnings per unit (yen)
 ■ Dividends in excess of earnings per unit (yen)
- **+3.0%** effect on normalized dividends per unit
- **+4.7%** effect on normalized dividends of earnings per unit



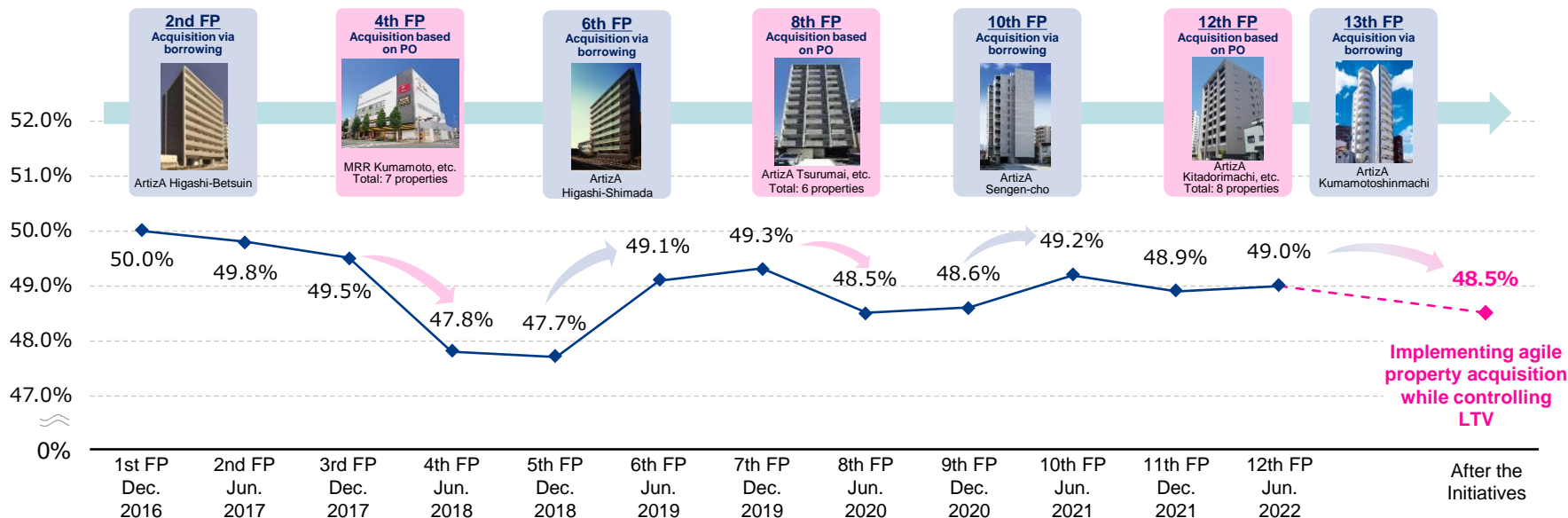
Enhancement of NAV per Unit and Change in LTV

NAV per unit has grown continuously since the 1st FP, and LTV remains stable

Change in NAV per Unit (Yen)



Change in LTV to Total Assets



Page 1

- Note 1: Unless indicated otherwise, the figures included in this document are rounded down to the nearest specified unit (however, in cases where the result after rounding down to the nearest unit is 0, a figure of less than a unit will be indicated), while ratios are indicated by rounding them to the first decimal place. Therefore, the sum of amounts for each separate item or sum of the ratios may not add up to the total.
- Note 2: The primary offering and third party-allotment announced in “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units” announced on January 4, 2023 (hereinafter referred to as the “Third-Party Allotment” and together with the primary offering as the “Offering”), the acquisition of the assets to be acquired in conjunction with them (for details of the assets to be acquired, see “Notice Concerning Acquisition of Domestic Real Estate Trust Beneficiary Right” announced on August 25, 2022, and “Notice Concerning Acquisition of Domestic Real Estate Trust Beneficiary Rights and Accompanying Commencement of Leasing” announced on January 4, 2023), and the planned new borrowing to be carried out along with them (hereinafter referred to as the “Borrowing” and together with the aforementioned primary offering, Third-Party Allotment, and acquisition of the assets to be acquired as the “Offering”), as well as the acquisition of ArtizA Kumamotoshinmachi and disposition of ArtizA Tsuzuki Chuo Koen, are referred to as the “Initiatives.” The same shall apply hereinafter.
- Note 3: Please note that the figures (including any revisions) for the fiscal period ended December 2022 (13th fiscal period), fiscal period ending June 2023 (14th fiscal period), and fiscal period ending December 2023 (15th fiscal period) are based on certain assumptions and the actual figures may differ materially from them. For details of the assumptions, see “(REIT) Financial Report for the Fiscal Period Ended June 2022” announced on August 18, 2022, and “Notice Concerning Revision of Operating and Dividend Forecasts for the Fiscal Period Ending June 2023, and Operating and Dividend Forecasts for the Fiscal Period Ending December 2023” announced on January 4, 2023.
- Note 4: “Gain on disposition (forecast)” is an estimated value based on the forecast book value at the time of the applicable disposition.
- Note 5: “Acquisition price” is the purchase price of each real estate or real estate trust beneficiary right indicated in the respective real estate sale and purchase contract or trust beneficiary right sale and purchase contract for the assets to be acquired (not including expenses such as consumption taxes, local consumption taxes, commissions on sale, or status assignment compensation to be paid to the party assigning status if acquisition is made based on the assignment of status of the buyer in the trust beneficiary right sales contract), rounded down to the nearest million yen.
- Note 6: “Average appraisal NOI yield” refers to the ratio of the total net operating income based on the direct capitalization method indicated in the real estate appraisal reports for the assets to be acquired to the total planned acquisition price. The relevant figures were calculated by the Asset Manager and are not the figures indicated in the real estate appraisal reports.

Page 2

- Note 1: “Normalized dividends per unit” refers to the estimated amount of dividends per unit arrived at when the anticipated dividends per unit are adjusted for temporary special factors such as temporary fluctuations in expenses arising from accounting for fixed asset tax, city planning tax, and other taxes and public dues (“taxes and dues”) and recording gains on disposition of property. Refer to the notes below for the specific adjustment details. Normalized dividends per unit are not intended as estimates of earnings and dividends for a specific accounting period, nor are they meant as forecasts of earnings, dividends, etc. for a specific accounting period. Furthermore, “normalized dividends per unit” is not an indicator specified by business accounting standards generally accepted as fair and appropriate, nor is it audited by a financial auditor. Accordingly, the estimated amount should not be considered as a substitute indicator for other indicators presented in accordance with business accounting standards that are generally accepted as fair and appropriate. “Normalized dividends per unit” is also not in any sense a guarantee that distribution will be made in the future or of the distribution amount.
- Note 2: “Estimated values based on forecast announced on August 18, 2022” are based on the operating and dividend forecasts for the fiscal period ending June 2023 in “(REIT) Financial Report for the Fiscal Period Ended June 2022” announced on August 18, 2022, and indicate the estimated amounts of normalized dividends per unit based on the operating status estimates after excluding temporary special factors such as the recording of gains on the disposition of ArtizA Tsuzuki Chuo Koen, assuming that taxes and dues on ArtizA Kumamotoshinmachi, acquired on July 5, 2022, will be expensed.
- Note 3: “Estimated values if the effect of the Offering and property acquisition in the current fiscal period is not reflected” are based on the operating and dividend forecasts for the fiscal period ending December 2023 in “Notice Concerning Revision of Operating and Dividend Forecasts for the Fiscal Period Ending June 2023, and Operating and Dividend Forecasts for the Fiscal Period Ending December 2023” announced on January 4, 2023, and indicate the estimated amounts of normalized dividends per unit based on the operating status estimates after discounting various factors accompanying the Offering and property acquisition in the current fiscal period (fiscal period ending June 2023) (including the acquisition of Starship Ishibashi Handaimae in “Notice Concerning Acquisition of Domestic Real Estate Trust Beneficiary Right” announced on August 25, 2022), assuming that taxes and dues on ArtizA Kumamotoshinmachi, acquired on July 5, 2022, will be expensed.
- Note 4: “Estimated values following the Offering” are based on the operating and dividend forecasts for the fiscal period ending December 2023 in “Notice Concerning Revision of Operating and Dividend Forecasts for the Fiscal Period Ending June 2023, and Operating and Dividend Forecasts for the Fiscal Period Ending December 2023” announced on January 4, 2023, and indicate the estimated amounts of normalized dividends per unit based on the operating status estimates after excluding temporary special factors, assuming that taxes and dues on the assets to be acquired and ArtizA Kumamotoshinmachi, acquired on July 5, 2022, will be expensed.
- Note 5: “Estimated values based on forecast announced on August 18, 2022” and “Estimated values following the Offering” are included to show changes in the normalized dividends per unit based on various figures forecast on August 18, 2022, and the normalized dividends per unit based on various figures forecast on January 4, 2023, and their causes. Moreover, “Estimated values if the effect of the Offering and property acquisition in the current fiscal period is not reflected” and “Estimated values following the Offering” are included to facilitate understanding the impact that implementing or not implementing the Offering would have on the normalized dividends per unit based on various figures forecast on January 4, 2023.
- Note 6: “Increase in utility costs” shows the effect on dividends per unit arising due to the difference between the utility costs expected to occur in the fiscal period ending June 2023 in the forecast announced on August 18, 2022, and the utility costs expected to occur in the fiscal period ending December 2023 in the forecast announced on January 4, 2023, for the assets owned by marimo REIT as of August 18, 2022 (excluding ArtizA Tsuzuki Chuo Koen, which “Estimated value based on forecast announced on August 18, 2022” assumes will not be owned from the beginning of the fiscal period). Specifically, the difference in the amount arrived at by excluding the utility costs for ArtizA Tsuzuki Chuo Koen from the utility costs recorded in the operating forecast for the fiscal period ending June 2023 in “(REIT) Financial Report for the Fiscal Period Ended June 2022” announced on August 18, 2022, and the amount arrived at by excluding the utility costs for the assets to be acquired from the utility costs recorded in the operating forecast for the fiscal period ending December 2023 in “Notice Concerning Revision of Operating and Dividend Forecasts for the Fiscal Period Ending June 2023, and Operating and Dividend Forecasts for the Fiscal Period Ending December 2023” announced on January 4, 2023, was calculated, and the effect on the dividend per unit is shown, assuming that the total number of investment units issued and outstanding as of today is 192,226 units.

Page 2 (Continued)

- Note 7: “Other”, indicated between “Increase in utility costs” and “Estimated values if the effect of the Offering and property acquisition in the current fiscal period is not reflected,” is based on changes in asset management fees, etc.

Assumptions for Estimated Values Based on Forecast Announced on August 18, 2022

The estimates were made based on the operating and dividend forecasts for the fiscal period ending June 2023 (14th fiscal period) announced in “(REIT) Financial Report for the Fiscal Period Ended June 2022” announced on August 18, 2022, after making the following changes to the assumptions:

- It was assumed that gains from the disposition of Artiza Tsuzuki Chuo Koen, expected to be recorded in the fiscal period ending June 2023, would not be recorded.
- It was assumed that Artiza Tsuzuki Chuo Koen would not be owned from the beginning of the fiscal period ending June 2023.
- It was assumed that taxes and dues on Artiza Kumamotoshinmachi, acquired on July 5, 2022, would be expensed.
- Changes in asset management fees occurring in conjunction with the above assumptions were also taken into account.

Assumptions for Estimated Values If the Effect of the Offering and Property Acquisition in the Current Fiscal Period Is Not Reflected

The estimates were made based on the operating and dividend forecasts for the fiscal period ending December 2023 (15th fiscal period) announced on January 4, 2023, after making the following changes to the assumptions:

- It was assumed that the assets to be acquired based on the Offering (including Starship Ishibashi Handaimae, announced in “Notice Concerning Acquisition of Domestic Real Estate Trust Beneficiary Right” announced on August 25, 2022) would not be acquired
- Taking the total number of investment units issued and outstanding as of January 4, 2023, as 192,226 units, it was assumed that the investment units (upper limit of 44,999 units) planned to be issued through the issuance of new investment units, as resolved at a meeting of marimo REIT’s Board of Directors held on January 4, 2023, would not be issued.
- It was assumed that the borrowing of 5,930 million yen accompanying the acquisition of assets to be acquired would not be made.
- Changes in asset management occurring in conjunction with the above assumptions were also taken into account.

Assumptions for Estimated Values Following the Offering

The estimates were made based on the operating and dividend forecasts for the fiscal period ending December 2023 (15th fiscal period) announced on January 4, 2023, after making the following changes to the assumptions:

- It was assumed that taxes and dues on the assets to be acquired would be expensed.
- Changes in asset management fees occurring in conjunction with the above assumption were also taken into account.

- Page 3
- Note 1: “NAV per unit” at the end of each period is calculated based on the following formula:
NAV per unit at the end of each period = (total net assets on balance sheet at end of period + total appraisal value of portfolio assets at end of period – total period-end book value of portfolio assets at end of period – total dividends at end of period) ÷ total number of marimo REIT investment units issued and outstanding at end of period

 - Note 2: “NAV per unit after the Initiatives” is calculated based on the following formula:
NAV per unit after the Initiatives = (total net assets on balance sheet at end of 12th fiscal period [ended June 2022] + total expected issue amount* of the Offering + total appraisal value** of portfolio assets at end of 12th fiscal period [ended June 2022] excluding the disposed asset + total appraisal value** of assets acquired in fiscal period ended December 2022 – total period-end book value of portfolio assets at end of 12th fiscal period [ended June 2022] excluding the disposed asset – acquisition price of assets acquired in the fiscal period ending December 2022 + total appraisal value** of the assets to be acquired – total planned acquisition price of the assets to be acquired – total dividends at end of 12th fiscal period [ended June 2022]) ÷ total number of marimo REIT investment units issued and outstanding after the Offering***
 - * The total expected issue amount of the Offering is expected to be 5,588,000,000 yen. The expected amount is calculated based on the closing price in regular trading of marimo REIT investment units on the Tokyo Stock Exchange as of Monday, December 12, 2022 (135,900 yen), assuming that the issue amount is 124,188 yen per unit of marimo REIT investment units. Furthermore, it is assumed that SMBC Nikko Securities Inc. will subscribe to and make the payment for the entire number of investment units to be offered in the Third-Party Allotment. Accordingly, if the actual issue amount of the Offering is lower than the aforementioned presumed amount, the total issue amount of the Offering will decrease from the aforementioned amount and the actual NAV per unit after acquisition of the assets to be acquired may be lower than the above. Conversely, if the actual issue amount is higher than the aforementioned presumed amount, the total issue amount of the Offering will increase from the aforementioned amount and the actual NAV per unit after acquisition of the assets to be acquired may be higher than the above.
 - ** Real estate appraisal of each portfolio asset and each asset to be acquired is outsourced to Daiwa Real Estate Appraisal Co., Ltd., Japan Valuers Co., Ltd., Japan Real Estate Institute, and The Tanizawa Sogo Appraisal Co., Ltd. “Appraisal value” is calculated based on the real estate appraisal value stated in each real estate appraisal report with June 30, 2022, as the date of value for portfolio assets excluding the assets acquired in the fiscal period ended December 2022, May 31, 2022, as the date of value for the assets acquired in the fiscal period ended December 2022, and August 1, 2022, and December 1, 2022, as the dates of value for the assets to be acquired. The same shall apply hereinafter.
 - *** It is assumed that SMBC Nikko Securities Inc. will subscribe to and make payment for the entire number of investment units to be offered in the Third-Party Allotment.
The NAV per unit after the Initiatives is the expected value as of the date of this document, calculated based on the assumptions above, and will not necessarily match the actual NAV per unit after the Initiatives.

 - Note 3: “LTV to total assets” is the ratio obtained by dividing the total amount of borrowings and outstanding investment corporation bonds by the total assets.

 - Note 4: “LTV to total assets after the Initiatives” is calculated based on the following formula:
LTV to total assets = (balance of interest-bearing liabilities as of the date of this document + planned loan amount of the new borrowing [upper limit] - planned loan amount of the new borrowing scheduled to be repaid using the amount to be paid in in the Third-Party Allotment as funds [upper limit]) ÷ (total assets at end of 12th fiscal period [ended June 2022] + gain on disposition of the disposed asset + short-term loan amount borrowed on July 5, 2022 + long-term loan amount borrowed on August 1, 2022 – amount of loan repayment made on the same date + planned loan amount of the new borrowing [upper limit] – planned loan amount of the new borrowing scheduled to be repaid using the amount to be paid in in the Third-Party Allotment as funds [upper limit] + expected amount to be paid in in the Offering – security deposits for disposed assets at end of the 12th fiscal period [fiscal period ended June 2022] + security deposits for assets to be acquired in the fiscal period ended December 2022 + security deposits, construction assistance funds, and guarantee money for the assets to be acquired*)
 - * With regard to security deposits, construction assistance funds, and guarantee money, there is planned collateral that will have been set after the acquisition of the assets to be acquired.
In addition, the expected amount to be paid in is calculated using a total issue amount of 5,322,000,000 yen for the primary offering (expected amount calculated using the closing price in regular trading of marimo REIT investment units on the Tokyo Stock Exchange as of Monday, December 12, 2022, as reference) and total issue amount 266,000,000 yen (upper limit) for the Third-Party Allotment (expected amount calculated using the closing price in regular trading of marimo REIT investment units on the Tokyo Stock Exchange as of Monday, December 12, 2022, as reference). The actual amount to be paid in in the Offering may vary in conjunction with the actual issue amount and number of units subscribed for in the Third-Party Allotment, and the LTV to total assets after the Initiatives may also vary.

- This document was compiled based on content announced in “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units,” “Notice Concerning Revision of Operating and Dividend Forecasts for the Fiscal Period Ending June 2023, and Operating and Dividend Forecasts for the Fiscal Period Ending December 2023,” “Notice Concerning Acquisition of Domestic Real Estate Trust Beneficiary Rights and Accompanying Commencement of Leasing,” and “Notice Concerning Borrowing of Funds” dated January 4, 2023, to which supplementary information has been added.
- This document has been prepared solely for the purpose of providing information and not for the purpose of seeking or soliciting investment in or recommending trading of specific products. Parties interested in marimo Regional Revitalization REIT, Inc.’s investment units should consult a securities company. Investors should ensure that they have read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as any amendments thereto (if applicable) and make investment decisions at their own discretion, under their own responsibility. Furthermore, any information on the website of marimo REIT (the “Website”) on which this document is published or any information accessed via links on the Website or materials published on it are not intended for purposes such as seeking or soliciting investment in or recommending the trading of specific products by marimo REIT. Final investment decisions should be made at the discretion of individual investors, under their own responsibility. This document does not constitute disclosure materials or asset management reports under the Financial Instruments and Exchange Act, the Act on Investment Trusts and Investment Corporations, related laws pertaining thereto, the Tokyo Stock Exchange’s listing rules, the rules of the Investment Trusts Association, Japan, and other related rules and regulations.
- This document contains forward-looking statements concerning certain projections relating to financial status, operational results, and business, as well as statements concerning the plans and objectives of marimo REIT’s and the Asset Manager’s management team and marimo REIT’s future plans, management targets, strategies, etc. These forward-looking statements are based on information available to marimo REIT and the Asset Manager and on certain hypotheses and assumptions at the present time, which were founded on various assumptions concerning marimo REIT’s current or future management strategy and various internal and external environments, such as financial, economic, market, political, and international affairs, pertaining to marimo REIT’s business in the future. There is no guarantee that the aforementioned hypotheses and assumptions are correct. It should be noted that such forward-looking statements thus involve known or unknown risks and uncertainties that could cause marimo REIT’s business performance or actual results to differ materially from those expressed or implied by said statements. Accordingly, this document is not a guarantee of future business performance, management performance, fluctuations, etc., and actual results may differ materially due to various factors. In the case of real estate investment trusts, it is also possible that investment principal will fall below par due to fluctuations in the price or earning capacity of real estate under management.
- In addition to statements relating to marimo REIT, this document includes charts, tables, data, etc. prepared by the Asset Manager based on information provided to marimo REIT and the Asset Manager by third parties or announced by third parties, etc., and it includes marimo REIT and the Asset Manager’s analyses, judgments, and other views concerning these. In addition, different views may exist concerning these, or marimo REIT and the Asset Manager may change their views in the future.
- The information provided in this document has not been audited, and no guarantee is made regarding its accuracy and integrity. Please also note that the content is subject to change or abolition without prior notice.
- marimo Regional Revitalization REIT, Inc. and Marimo Asset Management Co., Ltd. shall bear no liability whatsoever for the results of investment behavior or the like based on this document.
- Copying or reusing the content of this document or the like is prohibited without prior consent.

Regional areas have hidden potential



**marimo Regional
Revitalization REIT, Inc.**