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To All Concerned Parties

Real Estate Investment Trust Securities Issuer
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Notice Concerning Revision of Operating and Dividend Forecasts for the Fiscal Period Ending June 2020,
and Operating and Dividend Forecasts for the Fiscal Period Ending December 2020

marimo Regional Revitalization REIT, Inc. (“marimo REIT”) announces the following revision of the operating and dividend forecasts for the fiscal period ending June 2020 (from January 1, 2020 to June 30, 2020) announced in “(REIT) Financial Report for the Fiscal Period Ended June 2019” dated August 19, 2019. In addition, marimo REIT announces the following outlook for operating and dividend forecasts for the fiscal period ending December 2020 (from July 1, 2020 to December 31, 2020).

The operating and dividend forecasts for the fiscal period ended December 2019 (from July 1, 2019 to December 31, 2019) remain unchanged.

1. Revision of Operating and Dividend Forecasts for the Fiscal Period Ending June 2020
(from January 1, 2020 to June 30, 2020)

| | Operating revenue | Operating income | Ordinary income | Net income | Dividends per unit (including dividends in excess of earnings) | Dividends per unit (excluding dividends in excess of earnings) | Dividends in excess of earnings per unit |
|-------------------------------------------|----------------------|--------------------|--------------------|--------------------|-------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------|
| Previous forecasts (A) | 1,100 million yen | 469 million yen | 385 million yen | 384 million yen | 3,400 yen | 2,902 yen | 498 yen |
| Revised forecasts (B) | 1,257 million yen | 563 million yen | 461 million yen | 460 million yen | 3,463 yen | 3,014 yen | 449 yen |
| Amount of increase (decrease) (B-A) | 156 million yen | 93 million yen | 76 million yen | 76 million yen | 63 yen | 112 yen | (49) yen |
| Rate of increase (decrease) | 14.2% | 20.0% | 19.8% | 19.8% | 1.9% | 3.9% | (9.8)% |

(Reference) Fiscal period ending June 2020

Forecast number of investment units issued and outstanding at end of period: 152,680 units; Forecast net income per unit: 3,014 yen

(Note 1) The revision of the operating and dividend forecasts for the fiscal period ending June 2020 is the revision at this point in time. Accordingly, the actual operating revenue, operating income, ordinary income, net income, dividends per unit and dividends in excess of earnings per unit may vary. The forecasts above are not a guarantee of the amount of dividends per unit and dividends in excess of earnings per unit.

(Note 2) The forecasts above may be revised in the event a discrepancy above a certain level from the forecasts above is expected.

(Note 3) Monetary figures are rounded down to the nearest specified unit. Percentage figures are rounded to the first decimal place.

Disclaimer: This press release is a document for making a public announcement concerning revision of operating and dividend forecasts for the fiscal period ending June 2020, and operating and dividend forecasts for the fiscal period ending December 2020 of marimo REIT, and has not been prepared for the purpose of soliciting investment. 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, prepared by marimo REIT before investing and make investment decisions at their own discretion.

2. Operating and Dividend Forecasts for the Fiscal Period Ending December 2020
(from July 1, 2020 to December 31, 2020)

| | Operating revenue | Operating income | Ordinary income | Net income | Dividends per unit (including dividends in excess of earnings) | Dividends per unit (excluding dividends in excess of earnings) | Dividends in excess of earnings per unit |
|--------------------------------|----------------------|--------------------|--------------------|--------------------|-------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------|
| Fiscal period ending Dec. 2020 | 1,275 million yen | 574 million yen | 470 million yen | 469 million yen | 3,507 yen | 3,074 yen | 433 yen |

(Reference) Fiscal period ending December 2020

Forecast number of investment units issued and outstanding at end of period: 152,680 units; Forecast net income per unit: 3,074 yen

(Note 1) The operating and dividend forecasts for the fiscal period ending December 2020 are the forecasts at this point in time. Accordingly, the actual operating revenue, operating income, ordinary income, net income, dividends per unit and dividends in excess of earnings per unit may vary. The forecasts above are not a guarantee of the amount of dividends per unit and dividends in excess of earnings per unit.

(Note 2) The forecasts above may be revised in the event a discrepancy above a certain level from the forecasts above is expected.

(Note 3) Monetary figures are rounded down to the nearest specified unit.

3. Reason for Revision and Announcement

marimo REIT is revising the operating and dividend forecasts for the fiscal period ending June 2020 (8th fiscal period) announced in “(REIT) Financial Report for the Fiscal Period Ended June 2019” dated August 19, 2019, because the decisions on issuance of new investment units, acquisition of domestic real estate trust beneficiary rights and borrowing of funds announced in “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units,” “Notice Concerning Acquisition of Domestic Real Estate Trust Beneficiary Rights and Accompanying Commencement of Leasing” and “Notice Concerning Borrowing of Funds” dated today change the assumptions underlying the calculation of the operating and dividend forecasts and thereby result in an increase of 10% or more being expected in the operating revenue forecast. In conjunction, marimo REIT is newly announcing the operating and dividend forecasts for the fiscal period ending December 2020 (9th fiscal period).

As of today, the operating and dividend forecasts for the fiscal period ended December 2019 (7th fiscal period) announced in “(REIT) Financial Report for the Fiscal Period Ended June 2019” dated August 19, 2019 remain unchanged.

* This material is distributed to the Kabuto Club (the press club of the Tokyo Stock Exchange), the press club of the Ministry of Land, Infrastructure, Transport and Tourism, and the press club for construction trade publications of the Ministry of Land, Infrastructure, Transport and Tourism

* Website of marimo REIT: <https://www.marimo-reit.co.jp/en/>

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Assumptions Underlying the Operating Forecasts for the Fiscal Period Ending June 2020 and Fiscal Period Ending December 2020

| Item | Assumptions |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Accounting period | <ul style="list-style-type: none"> Fiscal period ending June 2020 (8th fiscal period) (from January 1, 2020 to June 30, 2020) (182 days) Fiscal period ending December 2020 (9th fiscal period) (from July 1, 2020 to December 31, 2020) (184 days) |
| Assets under management | <ul style="list-style-type: none"> The assumption is that marimo REIT will continue to hold the real estate trust beneficiary rights to 25 properties held as of today (the “portfolio assets”) through to the end of the fiscal period ending December 2020, and that marimo REIT will acquire real estate trust beneficiary rights to 6 properties on January 21, 2020 (the “Assets to be Acquired”) and continue to hold such through to the end of the fiscal period ending December 2020. For details of the Assets to be Acquired, please refer to “Notice Concerning Acquisition of Domestic Real Estate Trust Beneficiary Rights and Accompanying Commencement of Leasing” dated today. In actual practice, change may arise due to acquisition of new properties other than the Assets to be Acquired, disposition of portfolio properties, etc. |
| Operating revenue | <ul style="list-style-type: none"> Operating revenue from leasing of the portfolio assets is calculated on the basis of rent, etc. stated in lease contracts in effect as of today, historical data, etc. Operating revenue from leasing of ArtizA Awajieki-higashi, which is one of the Assets to be Acquired, is calculated based on the assumption that the trustee and Marimo Co., Ltd. (“Marimo”) enter into a fixed-rent type master lease agreement for the period from January 21, 2020 to the end of June 2020 of content that (i) Regardless of the rent that Marimo receives from end tenants, Marimo shall pay the trustee rent equivalent to 95% of the assumed full-occupancy lease revenue, and (ii) If the rent that Marimo receives from end tenants exceeds the amount equivalent to 95% of the assumed full-occupancy lease revenue, Marimo shall pay the trustee that exceeding amount. Operating revenue from leasing of the Assets to be Acquired is calculated on the basis of the content of lease agreements provided by the current beneficiary, etc. and past tenants, market trends, etc., as well as the content of lease agreements scheduled to be in effect on the planned acquisition date, and by taking into account various factors, such as the assumed occupancy rate and rent fluctuation projections based on post-acquisition tenant move-in/move-out and rent level projections. The assumption is that there will be no delinquent or unpaid rent by tenants. |
| Operating expenses | <ul style="list-style-type: none"> Of operating expenses from leasing, which are the main operating expenses, the expenses other than depreciation are calculated on the basis of historical data, etc. (for the Assets to be Acquired, using historical data, etc. provided by the current beneficiary, etc.) and by reflecting the factors causing fluctuation in expenses. Operating income from leasing after operating expenses from leasing (including depreciation) are deducted (excluding gain on sales of real estate properties) is expected to be 734 million yen for the fiscal period ending June 2020 and 762 million yen for the fiscal period ending December 2020. In general, fixed asset tax, city planning tax, etc. are calculated on a pro rata basis and reimbursed at the time of acquisition with the previous beneficiary, etc. upon transactions of real estate, etc. However, the amount equivalent to the reimbursement is included in the cost of acquisition and thus not expensed at the time of acquisition. The amount equivalent to fixed asset tax, city planning tax, etc. to be included in the cost of acquisition is expected to be 31 million yen for the fiscal period ending June 2020. Repair expenses for buildings based on medium- to long-term repair plans formulated by the Asset Manager are expected to be 30 million yen for the fiscal period ending June 2020 and 33 million yen for the fiscal period ending December 2020. Furthermore, emergency repair expenses possibly arising from unforeseeable factors causing building damage, etc., the amount generally varying materially from fiscal year to fiscal year and not being an amount that arises periodically, etc. may result in repair expenses for each accounting period differing materially from the forecast amount. Depreciation is calculated by the straight-line method inclusive of incidental expenses and other future additional capital expenditures, and expected to be 244 million yen for the fiscal period ending June 2020 and 244 million yen for the fiscal period ending December 2020. |

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| Item | Assumptions |
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| Non-operating expenses | <ul style="list-style-type: none"> Interest expenses and other borrowing related expenses are expected to be 92 million yen for the fiscal period ending June 2020 and 93 million yen for the fiscal period ending December 2020. In addition, expenses associated with the issuance of new investment units and the issuance of new investment units through third-party allotment for which resolution was passed at the meeting of the Board of Directors of marimo REIT held on January 6, 2020 are expected to be 28 million yen and amortized by the straight-line method over a period of 3 years. Investment unit issuance expenses inclusive of the above are expected to be 10 million yen for the fiscal period ending June 2020 and 10 million yen for the fiscal period ending December 2020. |
| Loans | <ul style="list-style-type: none"> The assumption is that, with the acquisition of assets, 2,250 million yen will be borrowed on January 21, 2020. The assumption is that total interest-bearing liabilities will be 16,007 million yen at the end of the fiscal period ending June 2020 and 15,992 million yen at the end of the fiscal period ending December 2020. In addition to the above, the assumption is that internal reserves from a portion of depreciation will be used as the source of funds to repay principal of 15 million yen every fiscal period. |
| Investment units | <ul style="list-style-type: none"> The assumption is that, in addition to the number of investment units issued and outstanding as of today of 132,340 units, the number of investment units planned to be newly issued in the issuance of new investment units (19,371 units) and the issuance of new investment units through third-party allotment (upper limit of 969 units) for which resolution was passed at the meeting of the Board of Directors of marimo REIT held on January 6, 2020 to total an upper limit of 20,340 units will all be issued. The assumption is that there will be no change in the number of investment units due to issuance of new investment units, etc. other than the above through to the end of the fiscal period ending December 2020. |
| Dividends per unit (excluding dividends in excess of earnings) | <ul style="list-style-type: none"> Dividends per unit (excluding dividends in excess of earnings) is calculated based on the assumption that distribution will be in accordance with the policy on distribution of cash provided in marimo REIT's Articles of Incorporation. Dividends per unit (excluding dividends in excess of earnings) may vary due to various factors, such as fluctuation in rent revenue accompanying change in assets under management, change in tenants or other event, or incurrence of unexpected repairs. |
| Dividends in excess of earnings per unit | <ul style="list-style-type: none"> Dividends in excess of earnings per unit is calculated in accordance with the policy provided in marimo REIT's Articles of Incorporation and the management guidelines that are the internal rules of the Asset Manager. Distribution in excess of earnings is calculated based on the assumption that the sum total amount of taxation and accounting discrepancies are distributed as allowance for temporary difference adjustments for the purpose of tax reduction. As of today, marimo REIT deems there to be no specific concerns of substantial deterioration in the external economic environment, real estate market conditions and financial status of marimo REIT. For the fiscal period ending June 2020 and fiscal period ending December 2020, there are high needs to retain certain funds to respond in the event that opportunities to acquire new properties as investment that would serve to enhance the income-producing potential of the portfolio or such arises, but in light of marimo REIT's financial status, projected likelihood of refinancing borrowings, etc., the view is that it is not in a state that calls for prioritized allocation of funds to reducing interest-bearing liabilities, etc. in both concerned accounting periods. As of today, execution of distribution in excess of earnings is deemed to be reasonable for the fiscal period ending June 2020 and fiscal period ending December 2020. As such, for the fiscal period ending June 2020, total dividends in excess of earnings is expected to be 68 million yen of which total dividends of allowance for temporary difference adjustments is 1 million yen and total other dividends in excess of earnings is 67 million yen, and for the fiscal period ending December 2020, total dividends in excess of earnings is expected to be 66 million yen of which total dividends of allowance for temporary difference adjustments is 1 million yen and other distribution in excess of earnings is 65 million yen (Note). |

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| Item | Assumptions |
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| | <p>(Note) Distribution in excess of earnings shall be executed only when total appraisal value of real estate, etc. held as at the end of the accounting period (refers to the appraisal value in the real estate appraisal report with the end of the accounting period as the date of value that was obtained for real estate, etc. held by marimo REIT) exceeds total book value of real estate, etc. for the concerned accounting period plus total planned capital expenditures (refers to the total amount of reserve for capital expenditures) for the concerned accounting period's next period, but after also considering other options, such as utilization for repair expenses and capital expenditures and allocation to funds for repayment of borrowings or acquisition of new properties. To that end, distribution in excess of earnings is not executed, regardless of the forecast above, in the event that such conditions are not met.</p> <p>In addition, as of today, marimo REIT adopts the policy of distributing as cash in excess of earnings an amount decided by marimo REIT each accounting period that is not to exceed the amount provided in the rules of The Investment Trusts Association, Japan ("JITA"), no more than the amount equivalent to 30% of depreciation for the concerned accounting period and within the scope not to exceed payout ratio (refers to the ratio of total dividends including distribution in excess of earnings to the amount of net income plus depreciation) of 75%. Accordingly, the distribution in excess of earnings may not take place or the amount of dividends in excess of earnings may decrease in the event of conflict with these limits.</p> <p>Moreover, in the event that substantial deterioration in the external economic environment, real estate market conditions, financial status of marimo REIT, etc. or such newly arise in the future, the policy as of today to execute distribution in excess of earnings as part of cash management may be changed and there may also be cases where the distribution in excess of earnings may not take place or the amount of dividends in excess of earnings may decrease. For instance, each accounting period's limits on the amount of dividends in excess of earnings like those above may be revised in the case that large-scale additional incorporation of new assets or other factors lead to large fluctuation in the revenue and expense structure of the portfolio or such newly arising, in the case of material change in the financial environment, real estate investment trust market conditions, etc. or in other cases in the period up to when the distribution in excess of earnings for the concerned accounting period is ultimately executed.</p> |
| Other | <ul style="list-style-type: none"> • The assumption is that there will be no amendment of laws and regulations, tax systems, accounting standards, listing regulations, JITA rules, etc. that will impact the forecast figures above. • The assumption is that there will be no unforeseen material change in general economic trends, real estate market conditions, etc. |

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