

# Presentation Material

4th Fiscal Period  
(Ended June 30, 2018)



marimo Regional Revitalization REIT, Inc.

(Securities Code: 3470)

01

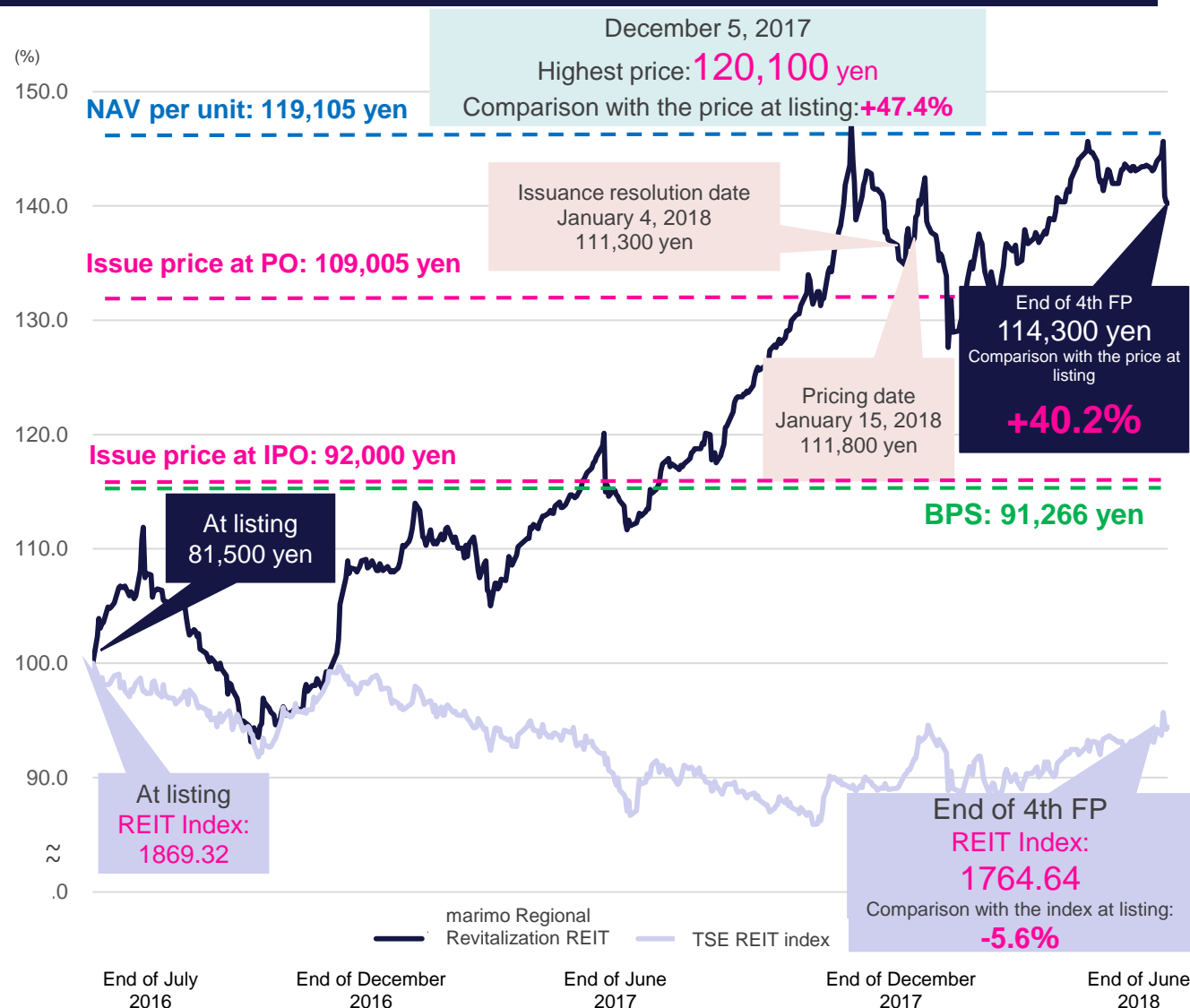
## First Public Offering Since Listing





## Steady increase in the investment unit price and implementation of the first public offering since listing

|   |  |                   |
|---|--|-------------------|
| Type of offering                        | Primary offering and third-party allotment |                   |
| Total amount of offering                | Primary offering:                          | 4,142 million yen |
|   | Third-party allotment:                     | 196 million yen   |
|   | Total:                                     | 4,338 million yen |
| Number of newly issued investment units | Primary offering:                          | 39,500 units      |
|   | Third-party allotment:                     | 1,872 units       |
|   | Total:                                     | 41,372 units      |
| Issue price                             | 109,005 yen                                |                   |
| Issuance resolution date                | January 4, 2018                            |                   |
| Pricing date                            | January 15, 2018                           |                   |
| Subscription period                     | January 16 to January 17, 2018             |                   |
| Delivery date                           | January 23, 2018                           |                   |



(1) The TSE REIT index is indexed to the closing price of the investment unit price of July 29, 2016 (the listing date). NAV per unit and BPS (net assets per unit) are as of the end of the 2nd FP (June 30, 2017).

(2) NAV per unit is calculated with the following formula: (Net assets - Total dividends + Unrealized gain) / Number of investment units issued and outstanding. The same applies hereafter.

(3) Acquisition price is the transaction price of each property (not including consumption tax, regional consumption tax, transaction fees or other expenses) rounded down to the nearest million yen. The same applies hereafter.

# Summary of 1st Public Offering

## Summary of Newly Acquired Assets

Secured profitability and stability through regional investment centering on properties developed and owned by the sponsors

| Number of properties | Total acquisition price     | Total appraisal value at acquisition           |
|----------------------|-----------------------------|--|
| 7 properties         | 7.70 billion yen            | 8.416 billion yen                              |
| Average building age | Average appraisal NOI yield | Average appraisal NOI yield after depreciation |
| 8.9 years            | 6.2%                        | 5.0%   |

| Newly acquired asset                                       | Location                                    | Building exterior   | Acquisition price (million yen) | Appraisal value at acquisition (million yen) | Appraisal NOI yield (%) | Acquisition channel  |
|--|---|---|---------------------------------|--|-------------------------|----------------------|
| ★ ArtizA Kamimaezu II                                      | Naka Ward, Nagoya City, Aichi               |    | 720                             | 761  | 5.3                     | Developed by sponsor |
| ★ ArtizA Chiyoda   | Naka Ward, Nagoya City, Aichi               |    | 980                             | 1,070  | 5.3                     | Developed by sponsor |
| ★ MRR Kumamoto   | Chuo Ward, Kumamoto City, Kumamoto          |    | 2,120                           | 2,280  | 6.8                     | Warehousing          |
| MRR Sasebo   | Sasebo City, Nagasaki                       |    | 990                             | 1,260  | 7.4                     | Warehousing          |
| MRR Itoshima   | Itoshima City, Fukuoka                      |  | 900                             | 970  | 6.0                     | Warehousing          |
| MRR Akita  | Akita City, Akita                           |  | 840                             | 875  | 6.7                     | Warehousing          |
| Supercenter TRIAL Togitsu Store (land ownership interests) | Togitsu Town, Nishi-Sonogi County, Nagasaki |  | 1,150                           | 1,200  | 5.0                     | Warehousing          |

### ★ Preferential Negotiation Rights for Sales Transactions

- (1) Average building age is the weighted average of the building ages as of October 31, 2017 by acquisition price. Similar calculation methods are used hereafter (however, the reference date for building age is indicated separately for each).
- (2) (Average) appraisal NOI yield refers to the ratio of (total) net operating income based on the direct capitalization method indicated in the real estate appraisal report (appraisal NOI) against the (total) acquisition price. The same applies hereafter.
- (3) (Average) appraisal NOI yield after depreciation refers to the ratio of the amount in which the total of actual or expected depreciation of all assets is deducted from (total) appraisal NOI against (total) acquisition price. The same applies hereafter.
- (4) Acquisition price is the transaction price of each property (not including consumption tax, regional consumption tax, transaction fees or other expenses) rounded down to the nearest million yen. The same applies hereafter.
- (5) Appraisal value at acquisition refers to the appraisal value indicated in each of the real estate appraisal reports dated October 31, 2017.
- (6) ACTY Kumamoto changed its name to MRR Kumamoto on June 1, 2018 with an aim to establish a brand image of marimo REIT.

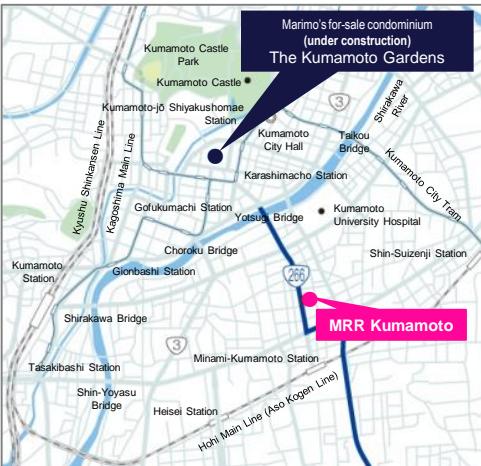


# Highlights of Acquired Properties

## MRR Kumamoto



|                              |   |
|------------------------------|---|
| <b>Location</b>              | 1-9-25 Minamikumamoto, Chuo Ward, Kumamoto City, Kumamoto                     |
| <b>Acquisition price</b>     | 2,120 million yen   |
| <b>Appraisal value</b>       | 2,300 million yen   |
| <b>Appraisal NOI yield</b>   | 6.7%  |
| <b>Constructed</b>           | Commercial building, etc.: October 2008<br>Parking lot building: January 1986 |
| <b>No. of parking spaces</b> | 259   |



|  |        |
|--|--------|
| Residential property: 44 units             | 6F~10F |
| 1F~5F                                      |        |
| Multistorey parking lot: 259 spaces        |        |
| Sports club (Renaissance)                  | 3F~5F  |
| Clinic                                     | 2F     |
| Office                                     | 2F     |
| General discount store, beauty salon, etc. | 1F     |

### Property descriptions

The property is located in an urban district within approximately 1 km of the center of Kumamoto City where there is a mix of offices and residences nearby. It faces the Hamasen By-pass on a main arterial road heading south from Kumamoto City (National Road 104 and National Road 266) and access by car is excellent.

It is a complex facility comprised of residences (44 units), offices (7 sections), a retail facility (6 tenants) and a large multistorey parking lot (259 spaces). Stable profitability is expected going forward as the main tenants in the retail facility, Renaissance and Don Quijote, have performed very stably in recent years.

\* "Appraisal value" and "Appraisal NOI yield" are as of June 30, 2018. The same applies hereinafter.

(Note) The image is an architectural rendering of The Kumamoto Gardens, which is to be constructed based on an urban redevelopment project plan as of June 30, 2018, and of the entire project, in which marimo REIT is involved. Marimo REIT has no specific plans to acquire the property, and there is no guarantee that it may be acquired in the future.

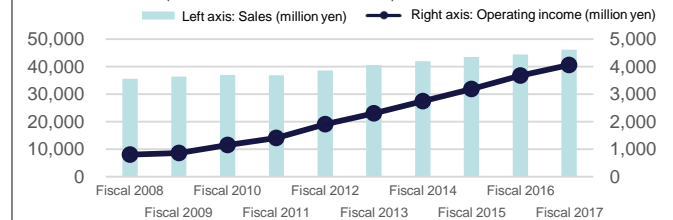


### Outline of The Kumamoto Gardens (Note)

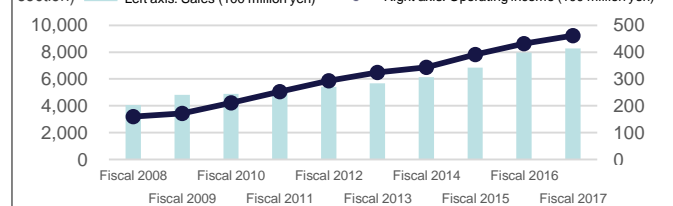
- Located in Sakuramachi, Chuo Ward in the center of Kumamoto City
- Excellent convenience of Kumamoto City's Sakuramachi District Class 1 Urban Area Redevelopment Project which comprises of a diversity of facilities such as a bus terminal, retail facility (retail and restaurants), cinema complex and hotel public facility (tentative name: Kumamoto Castle Hall)

### Main tenant

#### ◆ Renaissance (listed on TSE 1st section)



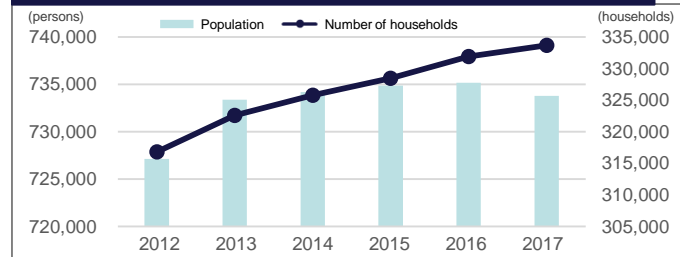
#### ◆ Don Quijote (its parent company, Don Quijote Holdings Co., Ltd., is listed on TSE 1st section)



(Note) The sales and operating income of Don Quijote Holdings Co., Ltd. is indicated.

Source: Prepared by the asset manager based on the websites of Renaissance Inc. and Don Quijote Holdings Co., Ltd.

### Change in the Total Population and Number of Households in Kumamoto City



Source: Prepared by the asset manager based on Kumamoto City's "Population Estimates and Population Trends."

### Trade Area Population of Minamikumamoto, Chuo Ward, Kumamoto City

Population within 5 km radius: 390,986 persons  
(Up 1.6% from 2012)

Source: Prepared by the asset manager based on "National Census Results for 2010 and 2015" on the portal site of official statistics of Japan (e-Stat) (<http://www.e-stat.go.jp/>)

# Highlights of Acquired Properties

## ■ Supercenter TRIAL Togitsu Store (land ownership interests)



|                              |  |
|------------------------------|--|
| <b>Location</b>              | 3613 Shinkai, Hinamigo, Togitsucho, Nishisonogi County, Nagasaki |
| <b>Acquisition price</b>     | 1,150 million yen  |
| <b>Appraisal value</b>       | 1,200 million yen  |
| <b>Appraisal NOI yield</b>   | 5.0%   |
| <b>Constructed</b>           | -  |
| <b>No. of parking spaces</b> | 224  |

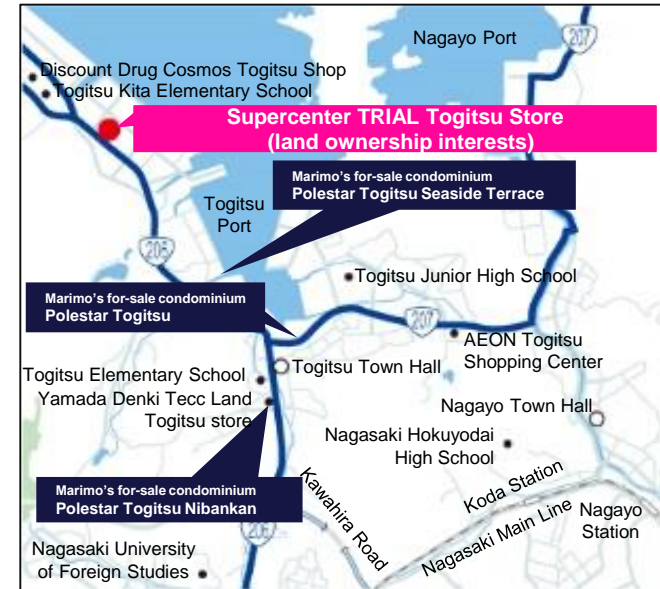
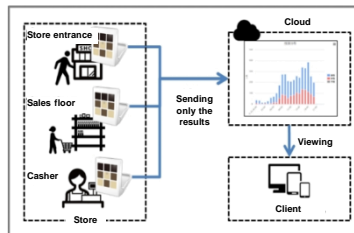
### Property descriptions

Togitsucho, Nishisonogi County is a town on the border with Nagasaki City, and the subject land is located approximately 10 km to the north of Nagasaki Station. The property stands on National Route 206, which is a main arterial road for local residents. Having a large 12-hour weekday traffic volume of 24,000 to 29,000 vehicles as well as 224 parking spaces and excellent visibility among others, it is an ideal location for a roadside retail store with good accessibility.

### Innovative initiatives by TRIAL Company

With an aim of transforming distribution systems using technologies under the slogan of "distribution information revolution," TRIAL Company, Inc. ("TRIAL") has increased the number of supermarket stores by capitalizing on the know-how it possesses as an IT firm.

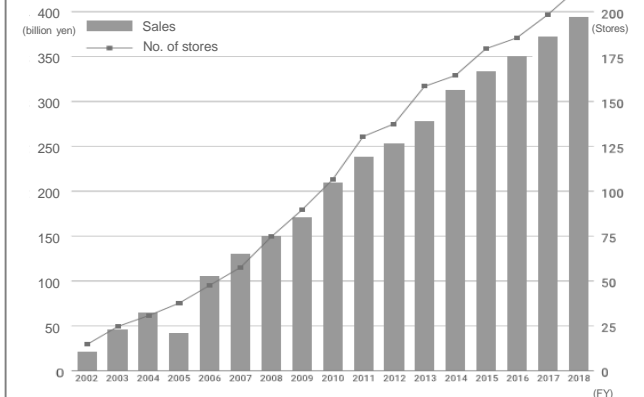
**Supercenter Trial Island City Store** opened in Fukuoka in February this year is installed with smart cameras originally developed by TRIAL, which are capable of analyzing consumer trends, as well as smart cameras based on Vieureka platform developed by Panasonic, which are capable of analyzing customer movements. Based on the analysis of these 700 cameras in total, the store further enhances customer satisfaction by seeking easier-to-find display, improving product lineup and preventing stockouts. It has also introduced carts with tablet payment function developed jointly with Remmo, to eliminate the waiting time at the cashier. With these technologies, it has become a smart store which realized Japan's first "smart shopping experience."



(Note) Concerning Marimo's for-sale condominiums, there are no specific plans for marimo REIT to acquire the properties as of the date of this document and there is no guarantee it can acquire them in the future.

### Main tenant

The main business of the TRIAL Group is a retail business centering on supercenters. By having functions of logistics, product development and production within the group, it has increased both sales and the number of stores through realization of a low-cost structure.



Source: Excerpt from the website of TRIAL Company, Inc.

\*Excerpted from "NEWS RELEASE" of TRIAL Company, Inc. dated February 13, 2018. The above-mentioned smart cameras, etc. are not introduced at Supercenter TRIAL Togitsu Store.



# Highlights of Acquired Properties

## ■ MRR Itoshima

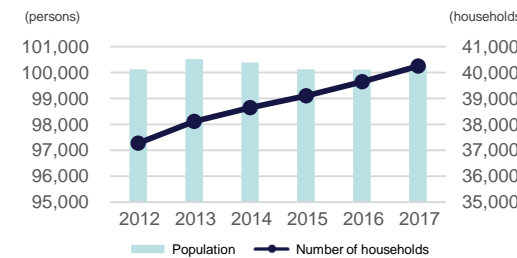


**Kyushu University  
New Campus**



|                       |                                       |
|-----------------------|---------------------------------------|
| Location              | 5-23-6 Takata, Itoshima City, Fukuoka |
| Acquisition price     | 900 million yen                       |
| Appraisal value       | 982 million yen                       |
| Appraisal NOI yield   | 6.0%                                  |
| Constructed           | July 2008                             |
| No. of parking spaces | 136                                   |

**Change in the Total Population and Number of Households in Itoshima City**

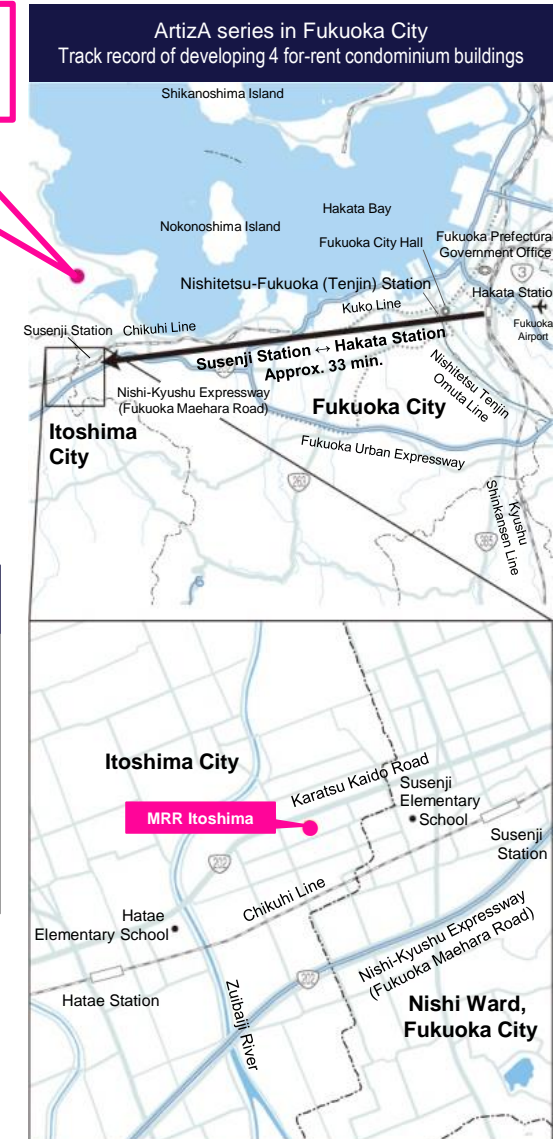


Source: Prepared by the asset manager based on Itoshima City's "Population Estimates and Population Trends."

### Property descriptions

The property is located in a popular residential area with excellent access to the city center of near by Fukuoka City for which it is a commuter town. The population of Itoshima City has increased since part of the campus of Kyushu University (32,000 students) relocated from Fukuoka City in 2014 and residences, retail facilities and such are rapidly developing. National Road 202 which the property adjoins is the only arterial road running east and west in Itoshima City, so there is much traffic during both day and night.

Along the road is a commercial area with various supermarkets, hardware stores, drug stores, gas stations, leading fast fashion shops, restaurants, entertainment facilities, etc. The property is a commercial complex whose tenants are a DVD rental shop, karaoke parlor and internet cafe, and the parking area is large with 136 spaces.



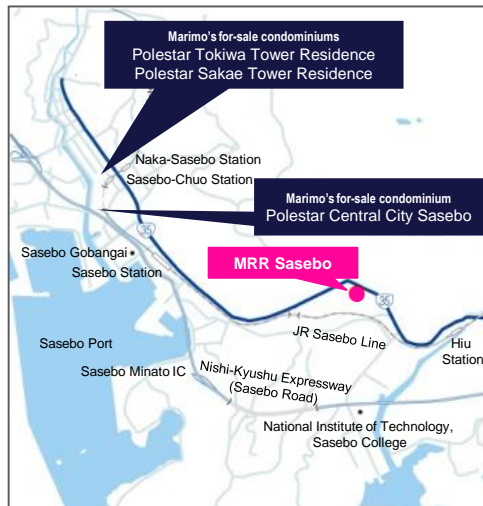
# Highlights of Acquired Properties

## ■ MRR Sasebo



### Property descriptions

The property is located approx. 2.4 km southeast of Sasebo Station on the JR Sasebo Line and Matsuura Railway Nishi-Kyushu Line. It is a complex-type shopping center with 131 parking spaces and is comprised of 5 tenants (a sports shop, 100 yen shop, fishing gear shop, restaurant and real estate broker). The shop composition gives it a strong specialty feel overall.



|                       |  |
|-----------------------|--|
| Location              | 978-6 Yamatocho, Sasebo City, Nagasaki |
| Acquisition price     | 990 million yen                        |
| Appraisal value       | 1,270 million yen                      |
| Appraisal NOI yield   | 7.4%                                   |
| Constructed           | April 2008                             |
| No. of parking spaces | 131                                    |

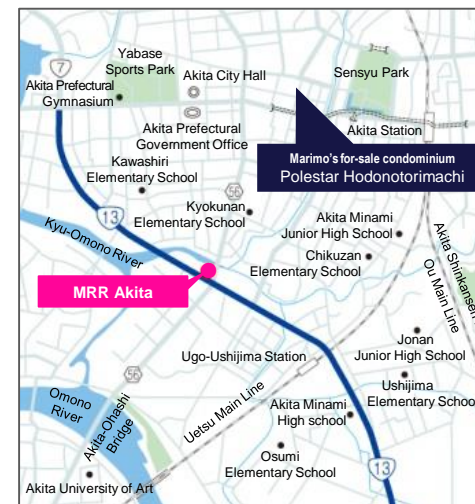
(Note) Regarding each of marimo's for-sale condominiums, marimo REIT has no specific plans for acquisitions, nor is there any guarantee that it may be acquired in the future.

## ■ MRR Akita



### Property descriptions

National Road 13 which is in front of the property is the largest main arterial road within a 7 km radius, and because Prefectural Road 56 which intersects the nearby road is also a main arterial road with much automobile traffic, the location has excellent access by car coming from every direction in the trade area. The property is land with leasehold interest and commercial complex of an amusement facility with 149 parking spaces in an area with the most roadside shops in Akita City. The 3 tenants on the land are a used automobile dealer (Gulliver; Construction completed in February 2017), a men's wear shop (Aoki; Construction completed in March 2017) and a conveyor belt sushi restaurant (Kurasushi; Construction completed in March 2017) and the land and building for the amusement facility is leased to Sega World.



|                       |                                    |
|-----------------------|------------------------------------|
| Location              | 1-1-16 Barajima, Akita City, Akita |
| Acquisition price     | 840 million yen (Note)             |
| Appraisal value       | 879 million yen (Note)             |
| Appraisal NOI yield   | 6.7%                               |
| Constructed           | April 1994                         |
| No. of parking spaces | 149                                |

(Note 1) While there are 4 buildings on the site, only 1 building is included in the trust beneficiary interest in trust property owned by marimo REIT. The remaining 3 buildings are owned by the party leasing the land from the trustee.

(Note 2) Regarding each of marimo's for-sale condominiums, marimo REIT has no specific plans for acquisitions, nor is there any guarantee that it may be acquired in the future.



# Highlights of Acquired Properties

## ■ ArtizA Kamimaezu II



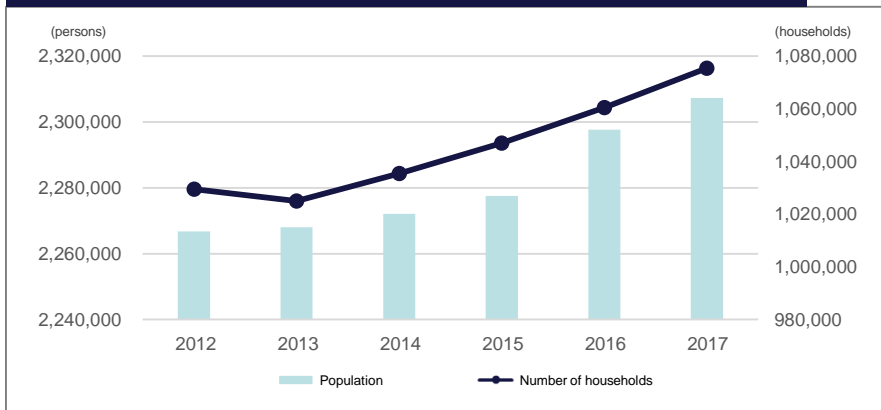
|                              |  |
|------------------------------|--|
| <b>Location</b>              | 17-30 Fujimicho, Naka Ward, Nagoya City, Aichi |
| <b>Acquisition price</b>     | 720 million yen                                |
| <b>Appraisal value</b>       | 770 million yen                                |
| <b>Appraisal NOI yield</b>   | 5.3%   |
| <b>Constructed</b>           | February 2016                                  |
| <b>No. of leasable units</b> | 30 single units and 20 compact units           |
| <b>Occupancy rate</b>        | 94.7%  |

### Property descriptions

The property is located a 7-minute walk from Kamimaezu Station on the Nagoya Municipal Subway Meijo Line and Tsurumai Line which is only 2 stations (approximately 3 minutes) away from Sakae Station, the center of the Sakae area which is Nagoya's leading commercial district, and so proximity to the city center is excellent.

There are many mid- to high-rise apartment buildings, office buildings, etc. along the arterial road in the area. With a convenience store to the west side across the road at the front, a supermarket located an approx. 3-minute walk to the east and the Osu Shopping Street within 1 km which is Nagoya's greatest shopping street, the area is very convenient with many shops selling daily goods, clothing and general goods as well as restaurants.

### Change in the Total Population and Number of Households in Nagoya City



Source: Prepared by the asset manager based on Nagoya City's "Population Estimates and Population Trends."

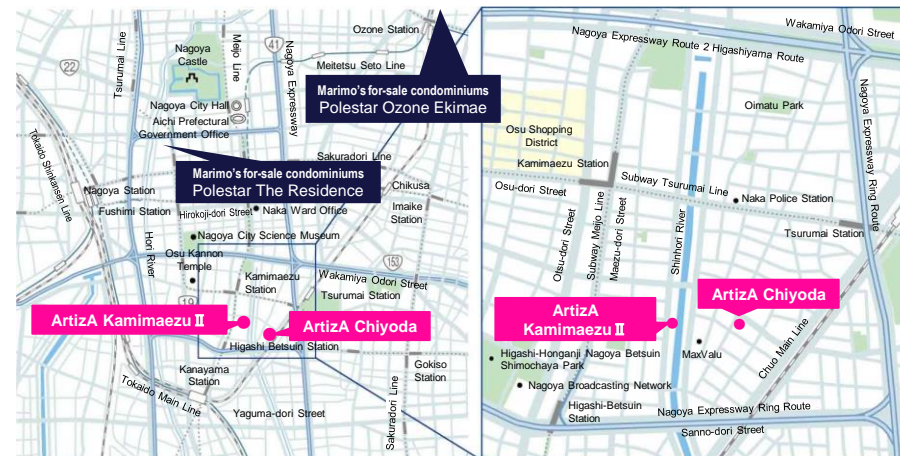
## ■ ArtizA Chiyoda



|                              |   |
|------------------------------|---|
| <b>Location</b>              | 4-4-22 Chiyoda, Naka Ward, Nagoya City, Aichi |
| <b>Acquisition price</b>     | 980 million yen                               |
| <b>Appraisal value</b>       | 1,080 million yen                             |
| <b>Appraisal NOI yield</b>   | 5.3%  |
| <b>Constructed</b>           | September 2017                                |
| <b>No. of leasable units</b> | 78 single units                               |
| <b>Occupancy rate</b>        | 93.7%   |

### Property descriptions

The Chiyoda area is located in the southeast section of Naka Ward, Nagoya City. It prospered as the Sakae district, Nagoya City's central commercial area, and as an area in front of a temple in the past, and it is adjacent to the Osu district which is currently being revitalized with shops targeting younger generations and electronics stores. The property is an 8-minute walk from Tsurumai Station on the Nagoya Municipal Subway Tsurumai Line. The living environment is excellent as there are convenient facilities such as supermarkets nearby.



(Note) Regarding each of marimo's for-sale condominiums, marimo REIT has no specific plans for acquisitions, nor is there any guarantee that it may be acquired in the future.

02

## Summary of Financial Results for 4th Fiscal Period





## Financial outcome

## LTV to total assets

end of 3rd FP

end of 4th FP

49.5% → 47.8%

## Portfolio status

## Dividends per unit

Forecasts for the 4th FP (1)

Results of the 4th FP

3,425 yen → 3,441 yen

## Investment unit price

end of 3rd FP

end of 4th FP

111,700 yen → 114,300 yen

## Asset size

end of 3rd FP

end of 4th FP

16.825 billion yen → 24.525 billion yen

## NAV per unit

end of 3rd FP

end of 4th FP

120,709 yen → 121,786 yen

## Average building age (2)

end of 3rd FP

end of 4th FP

13.9 years → 13.0 years

(1) The forecast for the 4th Fiscal Period is the forecast announced on February 19, 2018 (includes dividends in excess of earnings).

(2) Each of the average building age is the weighted average of the building ages as of the end of 3rd FP or the end of 4th FP by acquisition price.





|   | Forecasts for the<br>4th FP (1)<br>(a) | Results of<br>the 4th FP<br>(b) | Variation<br>(b)-(a) |
|---|--|---------------------------------|----------------------|
| Operating revenue<br>(million yen) (2)  | 1,033                                  | 1,057                           | + 24                 |
| Operating income<br>(million yen) (2)   | 461                                    | 472                             | + 11                 |
| Ordinary income<br>(million yen) (2)  | 390                                    | 395                             | + 5                  |
| Net income<br>(million yen) (2)   | 389                                    | 394                             | + 5                  |
| Dividends per unit (yen)<br>(excluding dividends in excess of<br>earnings)...①  | 2,940                                  | 2,982                           | + 42                 |
| Dividends in excess of earnings<br>per unit (yen)...②                           | 485                                    | 459                             | -26                  |
| Dividends per unit (yen)...① + ②<br>(including dividends in excess of earnings) | <b>3,425</b>                           | <b>3,441</b>                    | <b>+ 16</b>          |

**Factors** (unit: million yen)

|   |            |
|---|------------|
| <b>Operating revenue</b>  | <b>+24</b> |
| Increase in lease business revenue  | +3         |
| Increase in utilities expenses  | +6         |
| Cancellation penalty, etc (MRR Sasebo)                                    | +6         |
| Increase in other income (Income from key money, restoration costs, etc.) | +9         |
| <b>Operating expenses</b>   | <b>-13</b> |
| Expenses for changing signboards (MRR Kumamoto)                           | -2         |
| Increase in repair costs  | -2         |
| Increase in advertising expenses  | -6         |
| Increase in other expenses  | -3         |

(Note) + indicates net income increasing factor  
 - indicates net income decreasing factor

(1) Announced on February 19, 2018  
 (2) Rounded down to the nearest specified unit

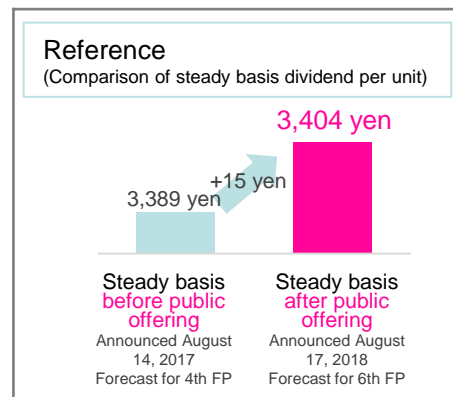


# Earnings Forecasts (Note 1)

|  | 4th Fiscal Period<br>ended June<br>2018 | 5th Fiscal Period<br>ending December<br>2018 | Variation  | 6th Fiscal Period<br>ending June<br>2019 | Variation  |
|--|---|--|------------|--|------------|
|  | Results (A)                             | Forecast (B)                                 | (B)-(A)    | Forecast (C)                             | (C)-(B)    |
| Operating revenue<br>(million yen) (2)   | 1,057                                   | 1,086  | +29        | 1,086                                    | ±0         |
| Operating income<br>(million yen) (2)  | 472                                     | 467  | -4         | 461                                      | -6         |
| Ordinary income<br>(million yen) (2)   | 395                                     | 391  | -3         | 387                                      | -4         |
| Net income<br>(million yen) (2)  | 394                                     | 390  | -3         | 386                                      | -4         |
| Dividends per unit (yen)<br>(excluding dividends in excess of<br>earnings)...①         | 2,982                                   | 2,953  | -29        | 2,918                                    | -35        |
| Dividends in excess of net<br>income<br>per unit (yen)...②                             | 459                                     | 473  | +14        | 486                                      | +13        |
| Dividends per unit (yen)...<br>① + ②<br>(including dividends in excess of<br>earnings) | <b>3,441</b>                            | <b>3,426</b>                                 | <b>-15</b> | <b>3,404</b>                             | <b>-22</b> |

| Assumptions for the forecasts<br>for the 5th FP and 6th FP   |            |
|--|------------|
| <b>Forecast for the 5th FP</b>   |            |
| <b>Operating revenue</b>   | <b>+29</b> |
| Increase from absence of per-day<br>rent of properties acquired in the 4th<br>FP (Jan. 1 to Jan. 22) | +29        |
| <b>Operating expenses</b>  | <b>-33</b> |
| Increase in repair costs   | -13        |
| Increase of asset management fee   | -18        |
| Increase in other expenses   | -1         |
| <b>Forecast for the 6th FP</b>   |            |
| <b>Operating expenses</b>  | <b>-6</b>  |
| Decrease in repair costs   | +19        |
| Increase of fixed asset tax and city<br>planning tax of properties acquired in<br>the 4th FP         | -26        |
| Decrease in other expenses   | +1         |

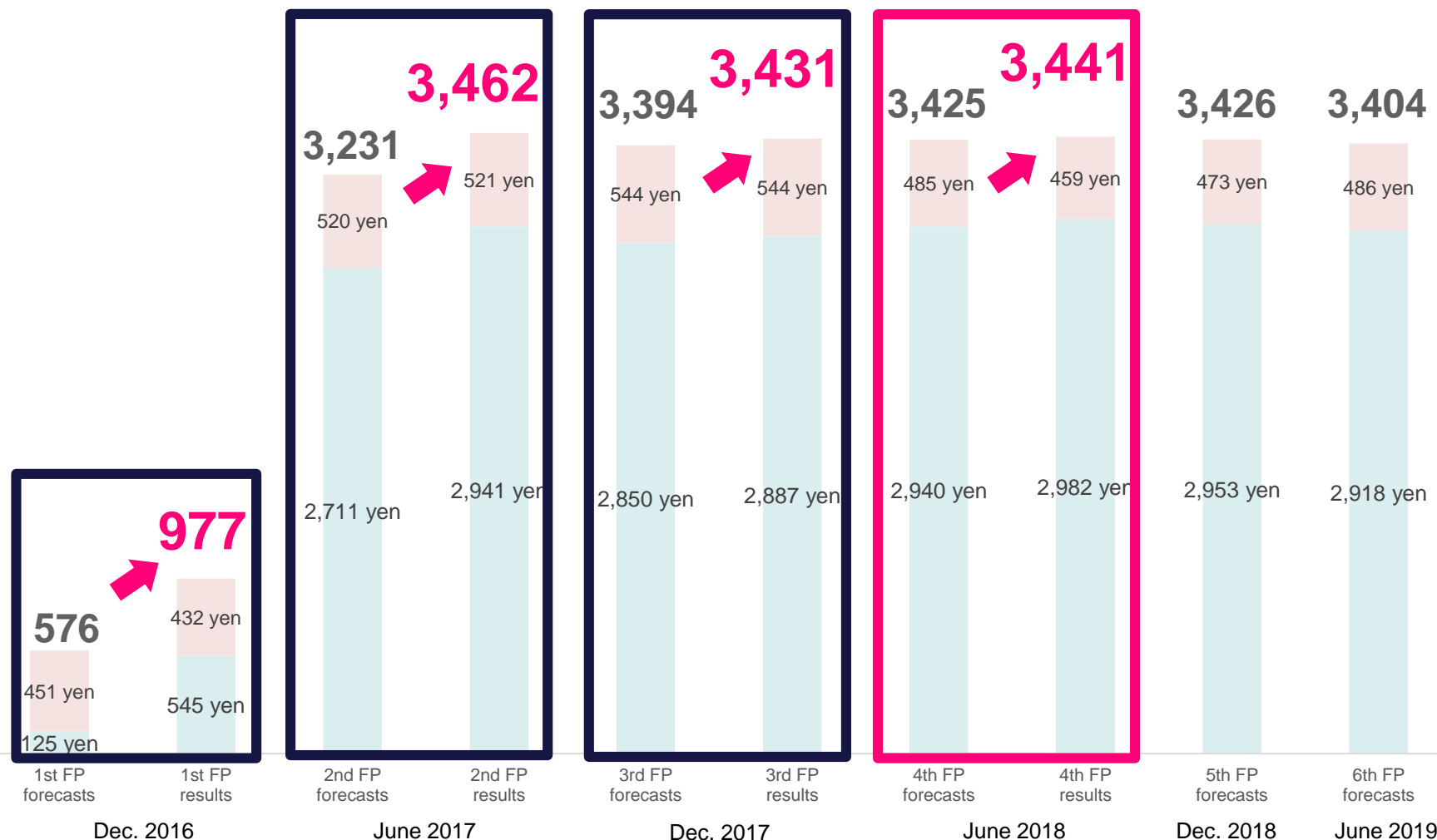
(Note) + indicates net income increasing factor  
- indicates net income decreasing factor



(1) The forecasts for the 5th Fiscal Period and 6th Fiscal Period do not guarantee actual results.

(2) Rounded down to the nearest specified unit

## Dividends per unit (including dividends in excess of earnings)



(1) We do not guarantee the achievement of forecasts for 5h FP and 6th FP.



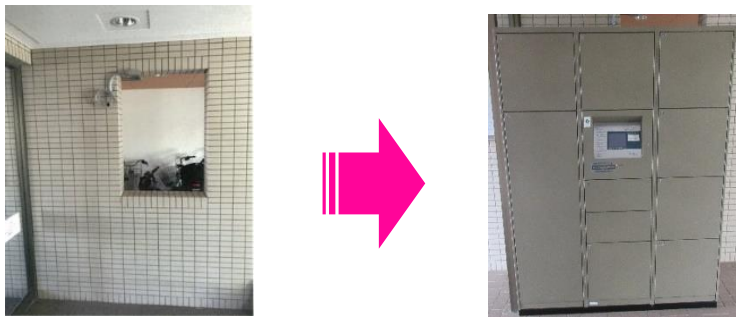
03

## Management Results for 4th Fiscal Period



## Efforts for Improving Customer Satisfaction

- Replacement of gas-powered water heater (ArtizA Sobudai and ArtizA Tsuzuki Chuo Koen)
- Repair of exterior walls of shop (MRR Omuta)
- Installation of delivery box (ArtizA Tsuzuki Chuo Koen)



## ■ Promotion of leasing

Some rooms were decorated with interior design and small articles, creating spaces like model rooms to increase appeal to potential renters.

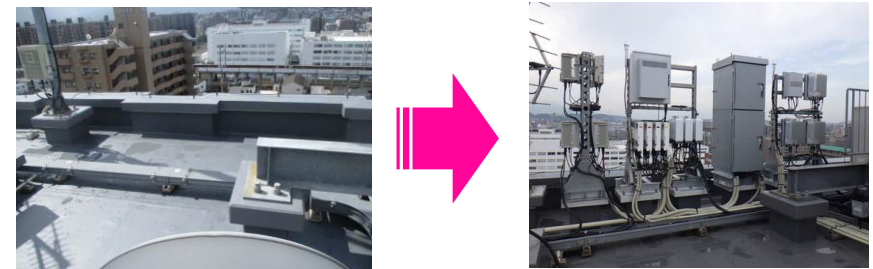


## Efforts for Increasing Revenues

- Increase of revenue by bringing in base station antenna for cellphones (ArtizA Hakataeki-Minami)



Base station for cellphones and such was brought on to the rooftop. Increase in income is expected.



## ■ Renovation (ArtizA Tsuzuki Chuo Koen)

Before



Before



After



After



# 4th Fiscal Period Pursuing Increase of Asset Value (2)

## Efforts for Reducing Cost

### ■ Installation of LED lighting in common areas

(Tarumiekimae Gold Building, MRR Sasebo and MRR Itoshima (partial))



Environmental  
conservation



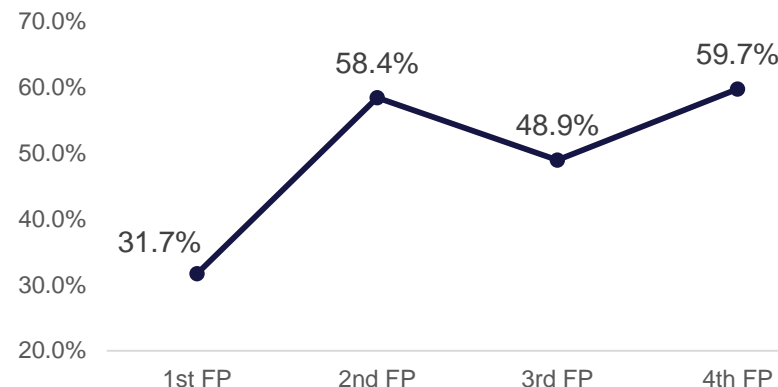
Cost reduction



E C O



## Change in Target Downtime (within 60 days) Achievement Ratio



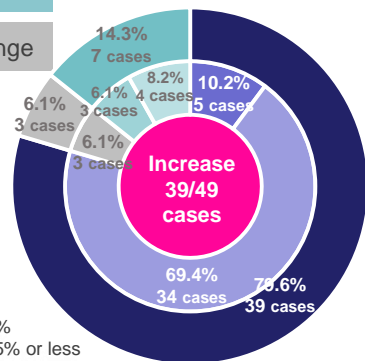
## Increase/Decrease in Residential Rent

### 3rd Fiscal Period

Increase  
in rent

Decrease  
in rent

No change

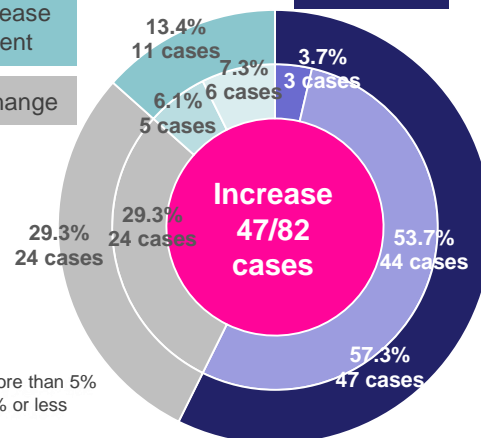


### 4th Fiscal Period

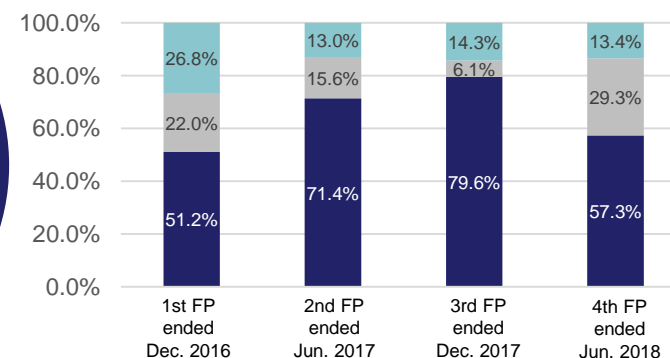
Increase  
in rent

Decrease  
in rent

No change



### Change from the 1st FP to 4th FP



■ Increase ■ No change ■ Decrease

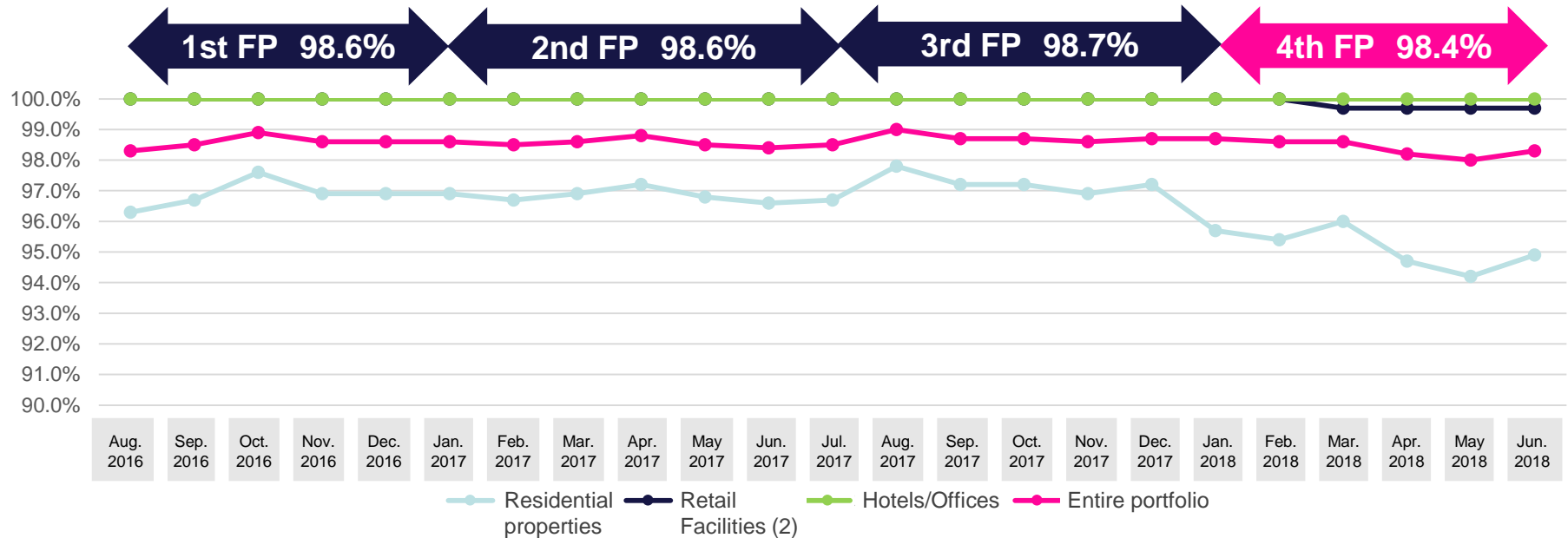


# Maintaining Stable Average Occupancy Rate



**marimo Regional  
Revitalization REIT, Inc.**

## Average occupancy rate for entire portfolio during fiscal periods



| Occupancy rate (%)<br>(1) | 1st FP<br>(Dec. 2016) | 2nd FP<br>(June 2017) | 3rd FP<br>(Dec. 2017) | 4th FP<br>(June 2018) |                 |              |              |            |             |
|---------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------|--------------|--------------|------------|-------------|
|                           | End of December       | End of June           | End of December       | End of January        | End of February | End of March | End of April | End of May | End of June |
| Residential properties    | 96.9                  | 96.6                  | 97.2                  | 95.7                  | 95.4            | 96.0         | 94.7         | 94.2       | 94.9        |
| Retail Facilities         | 100.0                 | 100.0                 | 100.0                 | 100.0                 | 100.0           | 99.7         | 99.7         | 99.7       | 99.7        |
| Hotels/Offices            | 100.0                 | 100.0                 | 100.0                 | 100.0                 | 100.0           | 100.0        | 100.0        | 100.0      | 100.0       |
| Entire portfolio          | 98.6                  | 98.4                  | 98.7                  | 98.7                  | 98.6            | 98.6         | 98.2         | 98.0       | 98.3        |

(1) For 1st to 3rd FPs, occupancy rates at the end of the fiscal period are indicated; and for 4th FP, those at the end of the month are indicated.

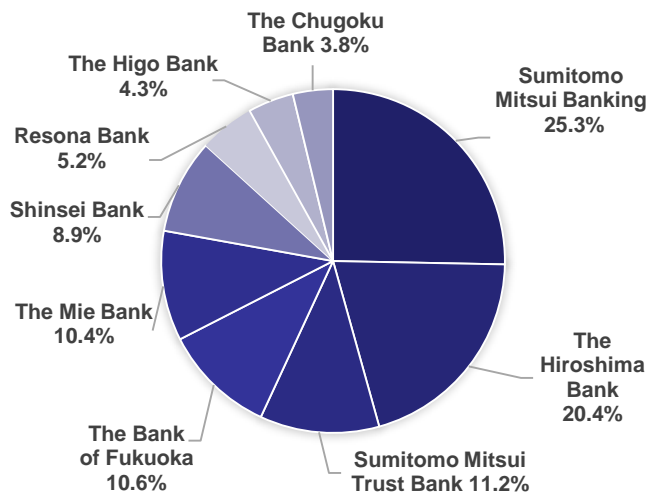
(2) Average occupancy rate for retail facilities was 100.0% at any time between August 2016 and February 2018.



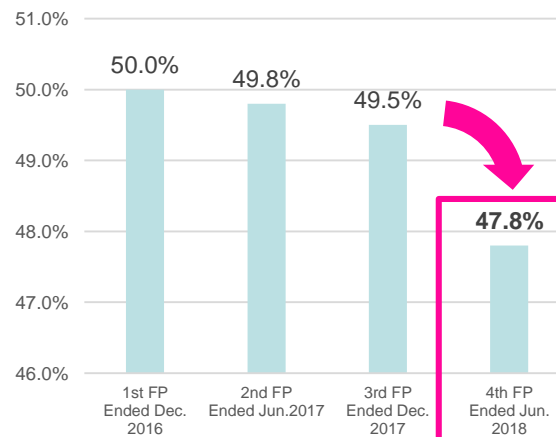
[unit: million yen]

| Lender   | Balance of borrowings at end of 3rd FP | Amount repaid in 4th FP | New borrowings in 4th FP | Balance of borrowings at end of 4th FP | Floating or fixed | Interest rate   | Borrowing date | Maturity date      | Remarks                  |
|--|--|-------------------------|--------------------------|--|-------------------|---|----------------|--------------------|--------------------------|
| Syndicate of lenders arranged by Sumitomo Mitsui Banking<br>• Sumitomo Mitsui Banking<br>• The Hiroshima Bank<br>• Sumitomo Mitsui Trust Bank<br>• The Bank of Fukuoka<br>• The Mie Bank<br>• Shinsei Bank<br>• Resona Bank<br><div>The Higo Bank</div> <b>NEW</b><br>• The Chugoku Bank | 640                                    | 640                     |                          | —                                      | Floating          | 1M TIBOR + 0.2%   | Jun. 1 2017    | Jun. 1 2018 (Note) | Unsecured & unguaranteed |
|  | 500                                    | 500                     |                          | —                                      |                   | 3M TIBOR + 0.2%   | Aug. 1 2017    | Aug. 1 2018 (Note) |                          |
|  | 3,330                                  |                         |                          | 3,330                                  |                   | 3M TIBOR + 0.6%   | Aug. 1 2016    | Aug. 1 2019        |                          |
|  | 3,500                                  |                         |                          | 3,500                                  | 0.86669%          | Aug. 2 2021   |                |                    |                          |
|  | 1,462.5                                | 15                      |                          | 1,447.5                                | 1.09908%          | Aug. 1 2023   |                |                    |                          |
|  |  |                         | 4,840                    | 4,840                                  | Floating          | 3M TIBOR + 0.6%   | Jan. 23 2018   | Feb. 1 2021        |                          |
|  |  |                         | 145                      | 145                                    |                   | 3M TIBOR + 0.2%   | Feb. 1 2019    |                    |                          |
|  |  |                         |                          |  |                   |   |                |                    |                          |
| Total  | 9,432.5                                | 1,155                   | 4,985                    | 13,262.5                               |                   | (Note) Early repayment was implemented on January 23, 2018. |                |                    |                          |

## Diversification status of lenders



## LTV to total assets



## Average remaining period

2.96 years

## Average interest rate

0.76%

## Long-term debt ratio

100%

**Focused on presentation for individual investors in an effort to spread awareness**

## IR Activities in the 4th Fiscal Period (Jan. to Jun. 2018)

- |  |                        |
|--|------------------------|
| 1. SMBC Nikko Securities<br>J-REIT Seminar ( <b>Fukuoka</b> )  | February 23 (Friday)   |
| 2. Real Estate Sustainability & Energy-Efficiency Diffusion<br>20th Re-Seed Seminar ( <b>Tokyo</b> ) | February 23 (Friday)   |
| 3. Tokyo Stock Exchange, Nikkei Radio and Pronexus<br>J-REIT Fan 2018 ( <b>Tokyo</b> )               | February 24 (Saturday) |
| 4. ARES<br>Nation-Wide J-REIT Promotion Caravan ( <b>Hiroshima</b> )                                 | March 1 (Thursday)     |
| 5. SMBC Nikko Securities<br>J-REIT Seminar ( <b>Niigata</b> )  | March 8 (Thursday)     |
| 6. Nikko Investor Relations<br>Joint IR for individual investors ( <b>Nagoya</b> )                   | March 17 (Saturday)    |
| 7. Nihon Securities Journal<br>Joint IR for individual investors ( <b>Osaka</b> )                    | April 18 (Wednesday)   |
| 8. Nihon Securities Journal<br>Joint IR for individual investors ( <b>Nagoya</b> )                   | May 28 (Monday)        |



## IR Activities Scheduled for the 5th Fiscal Period (Jul. to Dec. 2018)

- |  |   |   |                        |
|--|---|---|------------------------|
| 1. SMBC Nikko Securities IR for individual investors ( <b>Nagasaki</b> ) | September 6 (Thursday)                    | 6. Radio Nikkei The Money   | October 9 (Tuesday)    |
| 2. SMBC Nikko Securities J-REIT Seminar ( <b>Sapporo</b> )               | September 12 (Wednesday)                  | 7. SMBC Nikko Securities J-REIT Fair ( <b>Tokyo</b> )   | October 20 (Saturday)  |
| 3. ARES J-REIT Fair ( <b>Tokyo</b> )                                     | September 21 and 22 (Friday and Saturday) | 8. Daiwa J-REIT Caravan ( <b>Fukuoka</b> )  | November 22 (Thursday) |
| 4. Nomura Securities IR for individual investors ( <b>Tokyo</b> )        | September 25 (Tuesday)                    | 9. Tokyo Stock Exchange, Nikkei Radio and Pronexus<br>J-REIT Fan 2018 Autumn ( <b>Tokyo</b> ) | November 24 (Saturday) |
| 5. ARES Nation-Wide J-REIT Promotion Caravan ( <b>Tenjin</b> )           | September 28 (Friday)                     | 10. SMBC Nikko<br>"Property Conference Tokyo 2018" ( <b>Tokyo</b> )                           | December 6 (Thursday)  |

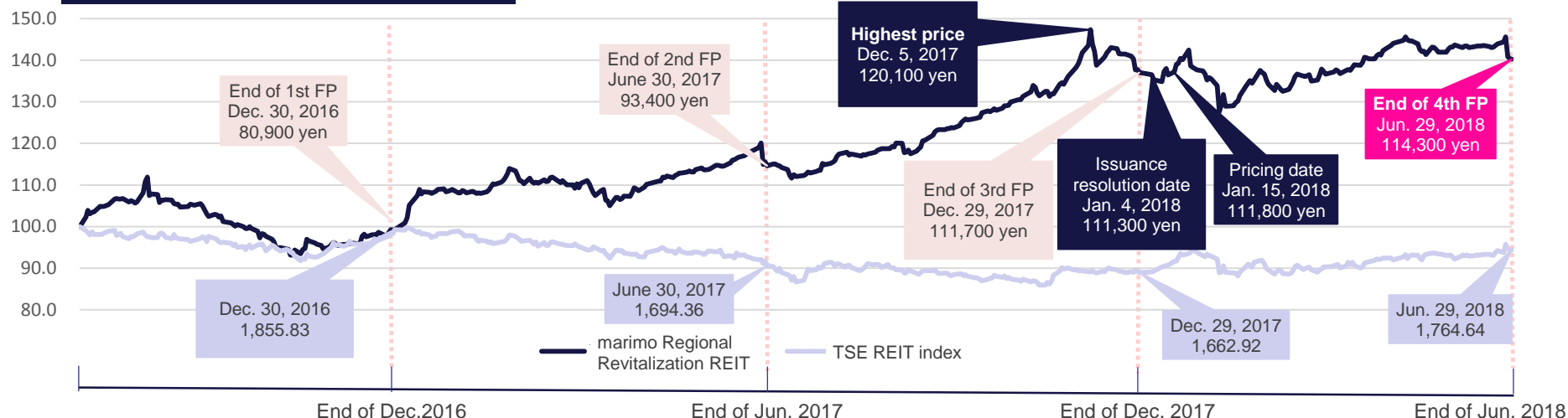
# Change in Investment Unit Price and Dividend Yield



**marimo Regional  
Revitalization REIT, Inc.**

## Change in investment unit price

\*Indexed with the closing price on July 29, 2016 set as 100.



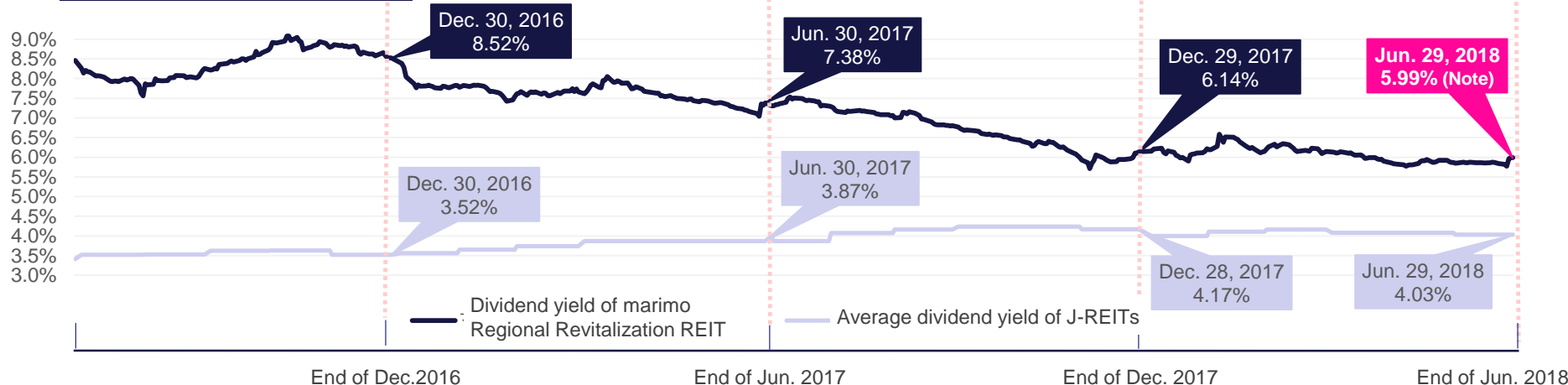
1st FP

2nd FP

3rd FP

4th FP

## Change in dividend yield



(Note) Calculated by dividing the sum of forecast dividends of 3,425 yen for the 4th FP and 3,426 yen for the 5th FP by the closing price on June 29, 2018.



04

## Future Initiatives



Points to consider  
upon selection

- (1) Number of parking spaces
- (2) Location along arterial roads/traffic volume
- (3) Resistance to e-commerce

**Stability of cash flows**

Since regional areas are largely dependent on automobiles, we assume that people go shopping by car after work and go to resorts or go shopping on weekends with families by car.

## Number of cars owned per household

As of March 31, 2017

| Tokyo metropolitan area | Regional areas |
|-------------------------|----------------|
| 0.702                   | 1.216          |

Source: Statistics by Automobile Inspection & Registration Information Association (announced on August 15, 2017)

(Example) Number of parking  
spaces of existing facilities

| Facility name   | No. of parking spaces |
|---|-----------------------|
| MRR Kumamoto  | 259                   |
| MRR Sasebo  | 131                   |
| MRR Itoshima  | 136                   |
| MRR Akita   | 149                   |
| Supercenter TRIAL Togitsu Store<br>(land with leasehold interest) | 224                   |

Source: Prepared based on in-house documents

Closely check the number of parking spaces

(Example) Traffic volume in the  
surrounding areas of MRR Sasebo

|                     | 24-hour traffic volume of motor vehicles | Congestion benchmark |
|---------------------|--|----------------------|
| Closest point       | 50,742                                   | 1.71                 |
| Prefectural average | 9,876                                    | 0.73                 |

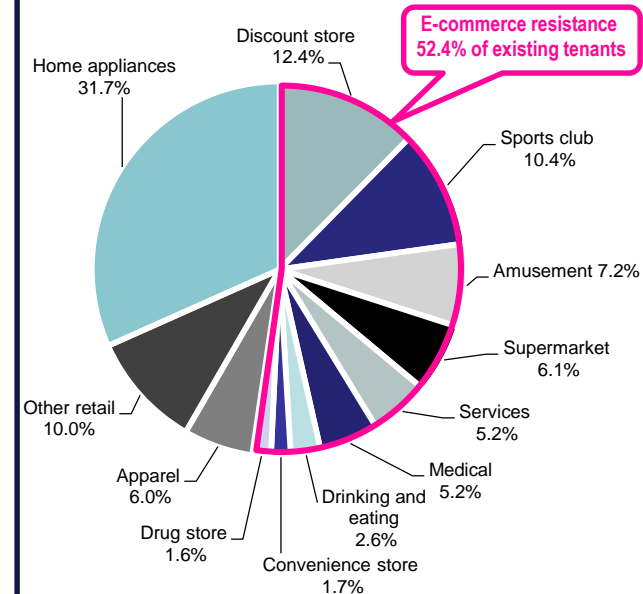
## Explanation on congestion benchmark

|                |   |
|----------------|---|
| 1.00 or lower  | No congestion and traffic is smooth.  |
| 1.25~1.75      | Not only during the peak hours but congestion is also likely to occur at an accelerated pace during other hours around the peak time. |
| 2.00 or higher | Chronic congestion, with around 70% of the 12-hour daytime period seeing congestion.  |

Source: Road Traffic Census FY2015

Closely check the traffic volume and congestion benchmark

## Attributes of existing tenants



\*Part of "Other retail" and "Supermarket" have been reclassified into "Discount store" from September 14, 2018 to subdivide the attribute of existing tenants.

Closely check e-commerce resistance

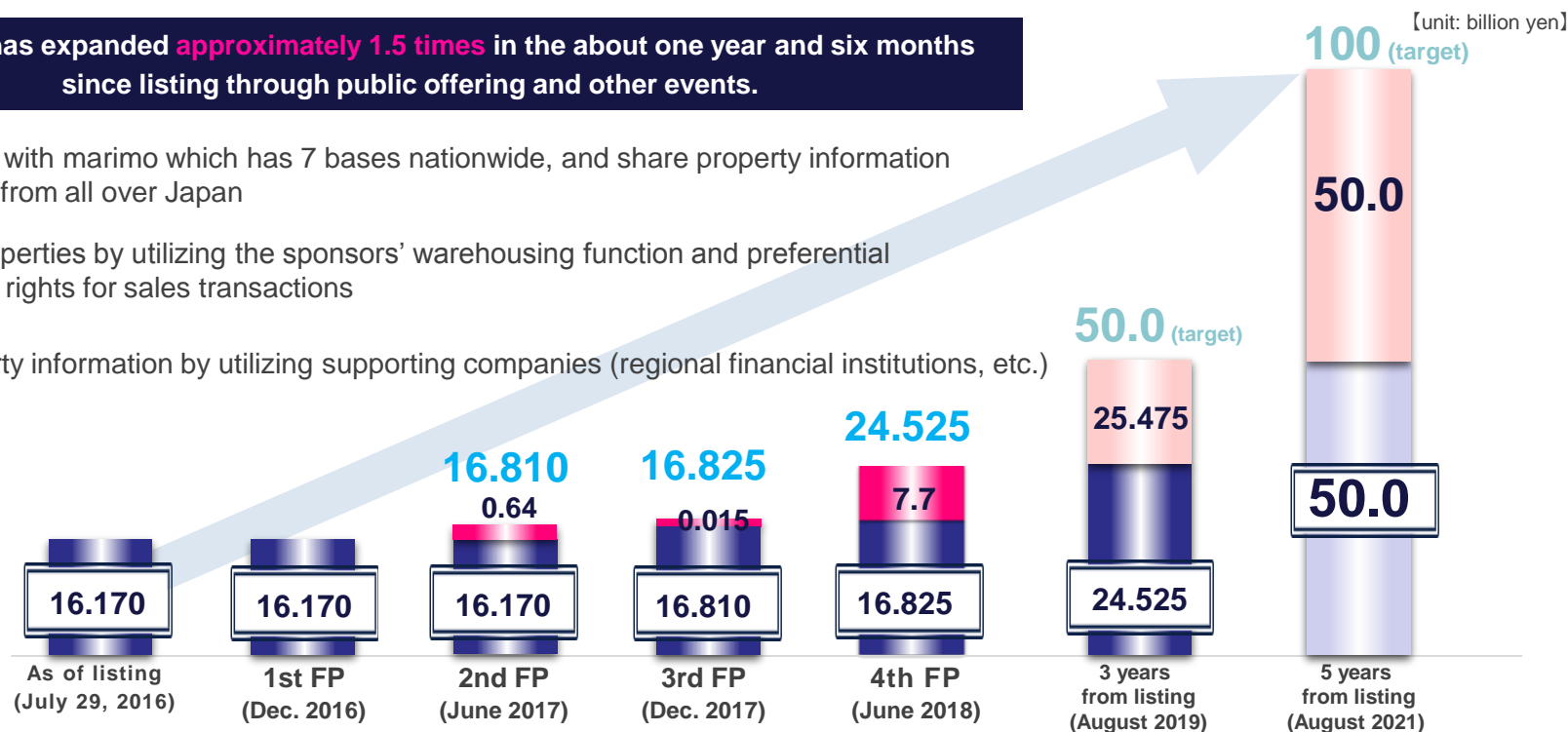
# External Growth Expand Size of Portfolio



**marimo Regional  
Revitalization REIT, Inc.**

Asset size has expanded **approximately 1.5 times** in the about one year and six months since listing through public offering and other events.

- 1) Collaborate with marimo which has 7 bases nationwide, and share property information that comes from all over Japan
- 2) Acquire properties by utilizing the sponsors' warehousing function and preferential negotiation rights for sales transactions
- 3) Gain property information by utilizing supporting companies (regional financial institutions, etc.)



**Aiming for enhancing unitholder value with the expansion of asset size.**

|                         | End of 1st FP                         | End of 2nd FP                               | End of 3rd FP                               | End of 4th FP                               | 5th FP forecast | 6th FP forecast |
|-------------------------|---------------------------------------|---|---|---|-----------------|-----------------|
| Dividend per unit (yen) | 977<br>Variation from forecast +69.6% | 3,462<br>Variation from forecast +7.2%      | 3,431<br>Variation from forecast +1.1%      | 3,441<br>Variation from forecast +0.5%      | 3,426           | 3,404           |
| NAV per unit (yen)      | 113,679                               | 119,105<br>Variation from previous FP +4.8% | 120,709<br>Variation from Previous FP +1.3% | 121,786<br>Variation from previous FP +0.9% | —               | —               |

(1) Asset size for August 2019 and August 2021 indicate our targets and no actual change in the size of the portfolio is guaranteed.

(2) We do not guarantee the achievement of forecasts for the 5th FP and 6th FP.

# External Growth Preferential Negotiation Rights for Sales Transactions

## Preferential negotiation rights for sales transactions

Developed by  
sponsor



Artiza Higashi-Shimada  
Location: Okayama City,  
Okayama  
Constructed: December 2016  
Units: 52

Developed by  
sponsor



Hotel Resol Kyoto Kawaramachi  
Sanjo (1)  
Location: Kyoto City, Kyoto  
Constructed: March 2018  
Units: 144

## Properties developed by sponsors

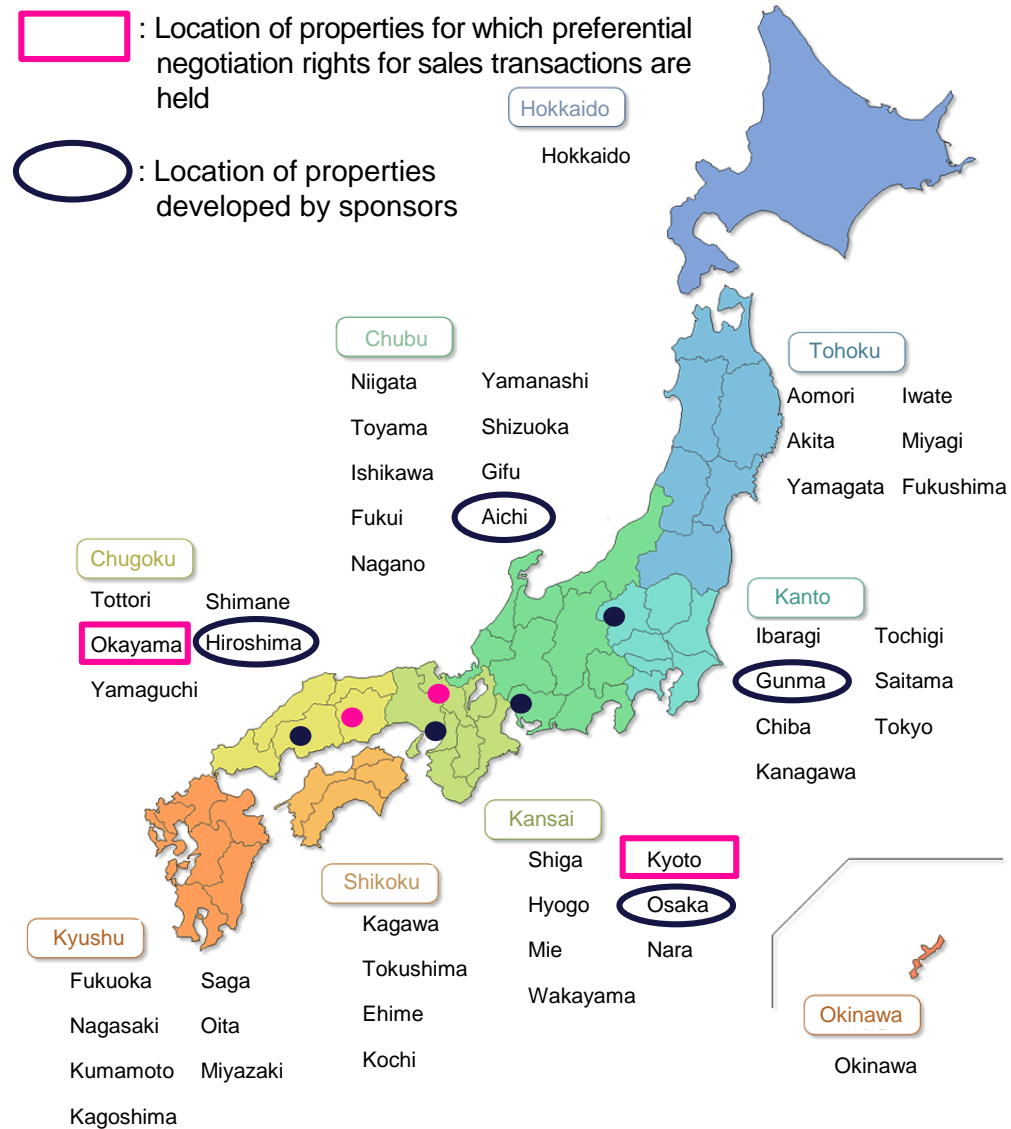
| Location                  | Main type            | Units/<br>Guestrooms | Constructed              |
|---------------------------|----------------------|----------------------|--------------------------|
| Hiroshima City, Hiroshima | Hotel <sup>(2)</sup> | 228                  | Jun. 2018                |
| Nagoya City, Nagoya       | Residential          | 30                   | Feb. 2019<br>(scheduled) |
| Takasaki City, Gunma      | Residential          | 54                   | Sep. 2019<br>(scheduled) |
| Osaka City, Osaka         | Residential          | 91                   | Jan. 2020<br>(scheduled) |
| Nagoya City, Aichi        | Residential          | 40                   | Feb. 2020<br>(scheduled) |

(1) The hotel was previously indicated as "(tentative name) Resol Hotel Kyoto," but now is officially named as "Hotel Resol Kyoto Kawaramachi Sanjo."

(2) The property is owned by a special purpose company with equity investment by Marimo Co., Ltd.

(3) There are no plans for marimo REIT to acquire the properties as of the date of this document and there is no guarantee it can acquire them in the future.

- : Location of properties for which preferential negotiation rights for sales transactions are held
- : Location of properties developed by sponsors





05

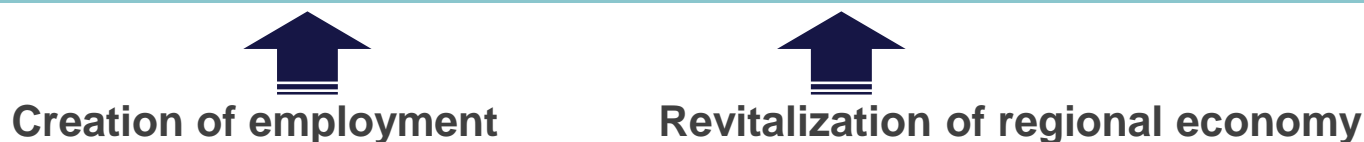
## Appendix



## Basic principle = “Strengthen Japan from regional areas”

### Regional revitalization

marimo REIT’s idea on regional revitalization is to create regional societies where nationwide people can live their unique lifestyle pleasantly while having hope for their region’s future by reducing the “monocentric concentration in Tokyo.”



Revitalization of “towns” through investing in regional real estate

**marimo Regional Revitalization REIT, Inc.**

Expertise in  
real estate development  
and urban redevelopment



**marimo**  
株式会社マリモ  
Marimo Co., Ltd.

### Provide property information (Note)



The Mie Bank



Your family bank  
The Michinoku Bank



**東京スター銀行**

The Tokyo Star Bank



The Chugoku Bank



**関西アーバン銀行**

Kansai Urban Banking



**広島銀行**

The Hiroshima Bank



**足利銀行**

The Ashikaga Bank

**ReBITA**

株式会社リビタ  
ReBITA Inc.

(Note) The Michinoku Bank, The Chugoku Bank, The Hiroshima Bank and The Ashikaga Bank are to provide property information voluntarily at their own discretion.

# Overview of the Sponsor, Marimo

|  |  |
|--|--|
| Company name   | Marimo Co., Ltd.   |
| Headquarters address   | 1-17-23, Kougokita, Nishi Ward, Hiroshima  |
| Established  | September 1, 1970  |
| Global operation   | Japan, China, Malaysia, etc.   |
| Net sales<br>(Non-consolidated)  | 50.7 billion yen (as of July 31, 2017)   |
| Employees  | 215 (as of July 31, 2017)  |
| Business description<br>(Including business description of subsidiaries) | Planning, development, designing, supervising and sales business of for-sale residential properties, real estate securitization business and sales of overseas for-sale condominiums |

Since foundation in 1970,  
**Achieved surplus for 47 consecutive fiscal periods**

Track record of for-sale condominium development  
(as of May 31, 2018)  
379 structures with 24,463 units in 133 cities over 43 prefectures nationwide

## Urban redevelopment business (Note)

### The Kumamoto Gardens



## Domestic for-rent condominium business



## Income property direction business



(Note) The graphic of the urban redevelopment project is the rendering of The Kumamoto Gardens, which is scheduled to be constructed based on the urban redevelopment project as of June 30, 2018 in which Marimo is involved, and the entire said project.  
There are no plans for marimo REIT to acquire the properties as of the date of this document and there is no guarantee it can acquire them in the future.

# System of Sponsor and Supporting Companies



**marimo Regional  
Revitalization REIT, Inc.**

**marimo Regional Revitalization REIT, Inc.**

Preferential provision of property  
information

Granting of preferential negotiation  
rights for sales

Warehousing function

CM support

PM operations

Leasing support

Support for regeneration of owned  
assets

Fixed rent-type ML

Same-boat investment

Support for securing personnel

Ratio of investment in the asset  
manager

Marimo HD: 96.0%

The Mie Bank: 2.5%

The Michinoku Bank: 1.5%

**Provision of property information (Note)**

Financial  
advisory and  
assistance

Licensing of trademark

**Sponsor**

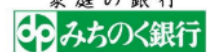


**marimo**  
株式会社マリモ  
Marimo Co., Ltd.

**Supporting companies**



The Mie Bank  
家庭の銀行



Your family bank  
The Michinoku Bank



**東京スター銀行**

The Tokyo Star Bank

**ReBITA**

株式会社リビタ  
ReBITA Inc.



**中国銀行**

The Chugoku Bank



**関西アーバン銀行**

Kansai Urban Banking



**広島銀行**

The Hiroshima Bank



**足利銀行**

The Ashikaga Bank

(Note) The Michinoku Bank, Chugoku Bank, The Hiroshima Bank and The Ashikaga Bank shall provide property information voluntarily upon the discretion of each.

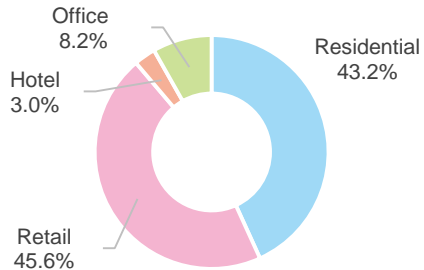


# Portfolio List (as of June 30, 2018)

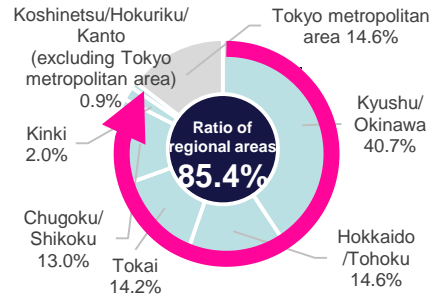


**marimo Regional  
Revitalization REIT, Inc.**

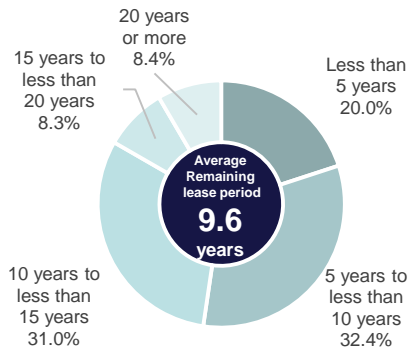
**Investment ratio by type  
(based on acquisition price)**



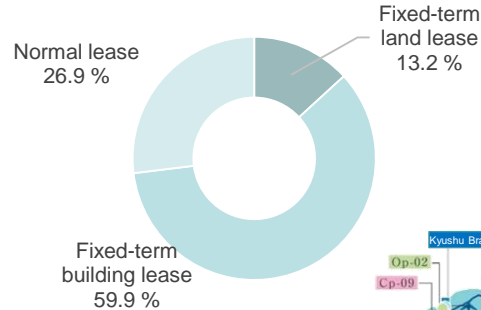
**Investment ratio by region  
(based on acquisition price)**



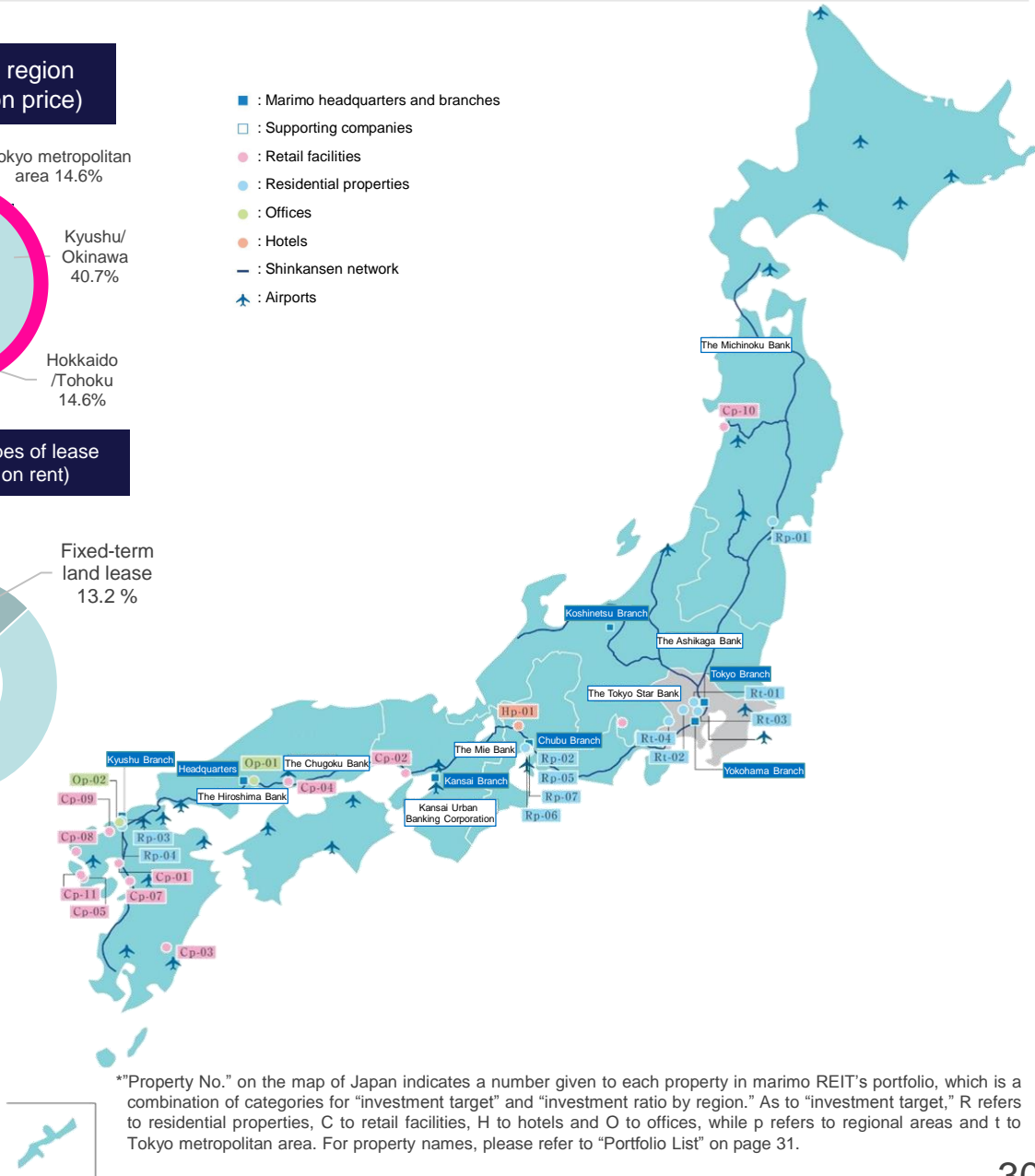
**Average remaining lease period  
(based on rent)**



**Composition ratio of types of lease agreements  
(based on rent)**



- : Marimo headquarters and branches
- : Supporting companies
- : Retail facilities
- : Residential properties
- : Offices
- : Hotels
- : Shinkansen network
- ✈ : Airports



\*\*"Property No." on the map of Japan indicates a number given to each property in marimo REIT's portfolio, which is a combination of categories for "investment target" and "investment ratio by region." As to "investment target," R refers to residential properties, C to retail facilities, H to hotels and O to offices, while p refers to regional areas and t to Tokyo metropolitan area. For property names, please refer to "Portfolio List" on page 31.

# Portfolio List (fiscal period ended June 2018)



**marimo Regional  
Revitalization REIT, Inc.**

| Property No.    | Property name   | Location                      | Category               | Acquisition price | Book value at the end of 4th FP | Appraisal value at the end of 3rd FP | Appraisal value at the end of 4th FP | Terminal capitalization rate at the end of 3rd FP | Terminal capitalization rate at the end of 4th FP | Appraised NOI yield | [Unit: million yen] |
|-----------------|---|-------------------------------|------------------------|-------------------|---------------------------------|--------------------------------------|--------------------------------------|---|---|---------------------|---------------------|
| Rp-01           | ArtizA Sendai Kakyoin   | Sendai City, Miyagi           | Residential properties | 2,730             | 2,706                           | 3,630                                | 3,640                                | 5.5%  | 5.5%  | 7.5%                |                     |
| Rp-02           | ArtizA Kamimaezu  | Nagoya City, Aichi            | Residential properties | 400               | 399                             | 522                                  | 525                                  | 5.2%  | 5.2%  | 6.9%                |                     |
| Rp-03           | ArtizA Hakata PREMIER   | Fukuoka City, Fukuoka         | Residential properties | 1,060             | 1,041                           | 1,230                                | 1,240                                | 5.3%  | 5.2%  | 6.7%                |                     |
| Rp-04           | ArtizA Hakataeki-Minami   | Fukuoka City, Fukuoka         | Residential properties | 500               | 494                             | 557                                  | 564                                  | 5.2%  | 5.1%  | 6.4%                |                     |
| Rp-05           | ArtizA Higashi-Betsuin  | Nagoya City, Aichi            | Residential properties | 640               | 650                             | 659                                  | 667                                  | 5.0%  | 4.9%  | 5.0%                |                     |
| Rp-06           | ArtizA Kamimaezu II   | Nagoya City, Aichi            | Residential properties | 720               | 739                             | -                                    | 770                                  | -   | 5.0%  | 5.3%                |                     |
| Rp-07           | ArtizA Chiyoda  | Nagoya City, Aichi            | Residential properties | 980               | 1,006                           | -                                    | 1,080                                | -   | 4.9%  | 5.3%                |                     |
| Rt-01           | ArtizA Ikejiri  | Setagaya Ward, Tokyo          | Residential properties | 610               | 613                             | 681                                  | 681                                  | 4.2%  | 4.2%  | 4.6%                |                     |
| Rt-02           | ArtizA Tsuzuki Chuo Koen  | Yokohama City, Kanagawa       | Residential properties | 1,050             | 1,082                           | 1,100                                | 1,100                                | 5.2%  | 5.2%  | 6.0%                |                     |
| Rt-03           | ArtizA Kawasaki EAST  | Kawasaki City, Kanagawa       | Residential properties | 780               | 783                             | 885                                  | 886                                  | 5.4%  | 5.4%  | 6.7%                |                     |
| Rt-04           | ArtizA Sobudai  | Zama City, Kanagawa           | Residential properties | 1,130             | 1,148                           | 1,290                                | 1,290                                | 5.4%  | 5.4%  | 6.8%                |                     |
| Cp-01           | MRR Omuta   | Omuta City, Fukuoka           | Retail facilities      | 1,265             | 1,250                           | 1,280                                | 1,280                                | 6.6%  | 6.6%  | 7.0%                |                     |
| Cp-02           | Tarumiekimae Gold Building                                      | Kobe City, Hyogo              | Retail facilities      | 500               | 488                             | 524                                  | 538                                  | 6.2%  | 6.1%  | 6.5%                |                     |
| Cp-03           | Foodaly Aoba Store  | Miyazaki City, Miyazaki       | Retail facilities      | 250               | 240                             | 400                                  | 405                                  | 6.4%  | 6.3%  | 10.3%               |                     |
| Cp-04           | Yamada Denki Tecc Land Mihara Store                             | Mihara City, Hiroshima        | Retail facilities      | 2,000             | 1,949                           | 2,690                                | 2,730                                | 6.4%  | 6.3%  | 8.7%                |                     |
| Cp-05           | Yamada Denki Tecc Land Togitsu Store                            | Nishi-Sonogi County, Nagasaki | Retail facilities      | 950               | 938                             | 1,100                                | 1,120                                | 6.5%  | 6.4%  | 7.9%                |                     |
| Cp-06           | Seven-Eleven Kofu Aioi 1-chome Store (land ownership interests) | Kofu City, Yamanashi          | Retail facilities      | 220               | 223                             | 220                                  | 220                                  | 7.0%  | 7.1%  | 6.6%                |                     |
| Cp-07           | MRR Kumamoto  | Kumamoto City, Kumamoto       | Retail facilities      | 2,120             | 2,182                           | -                                    | 2,300                                | -   | 5.9%  | 6.7%                |                     |
| Cp-08           | MRR Sasebo  | Sasebo City, Nagasaki         | Retail facilities      | 990               | 1,009                           | -                                    | 1,270                                | -   | 5.8%  | 7.4%                |                     |
| Cp-09           | MRR Itoshima  | Itoshima City, Fukuoka        | Retail facilities      | 900               | 914                             | -                                    | 982                                  | -   | 5.4%  | 6.0%                |                     |
| Cp-10           | MRR Akita   | Akita City, Akita             | Retail facilities      | 840               | 852                             | -                                    | 879                                  | -   | 6.8%  | 6.7%                |                     |
| Cp-11           | Supercenter TRIAL Togitsu Store (land ownership interests)      | Nishi-Sonogi County, Nagasaki | Retail facilities      | 1,150             | 1,170                           | -                                    | 1,200                                | -   | 5.0%  | 5.0%                |                     |
| Hp-01           | ROUTE INN Ichinomiya Ekimae                                     | Ichinomiya City, Aichi        | Hotels                 | 740               | 709                             | 838                                  | 841                                  | 6.1%  | 6.1%  | 6.9%                |                     |
| Op-01           | MRR Delta Building  | Hiroshima City, Hiroshima     | Offices                | 1,200             | 1,187                           | 1,280                                | 1,280                                | 5.8%  | 5.7%  | 6.4%                |                     |
| Op-02           | PLEAST Hakata Gion Building                                     | Fukuoka City, Fukuoka         | Offices                | 800               | 783                             | 975                                  | 983                                  | 5.2%  | 5.1%  | 6.1%                |                     |
| Total / average |   |                               | 25 properties          | 24,525            | 24,569                          | 19,861                               | 28,471                               | -   | -   | 6.7%                |                     |

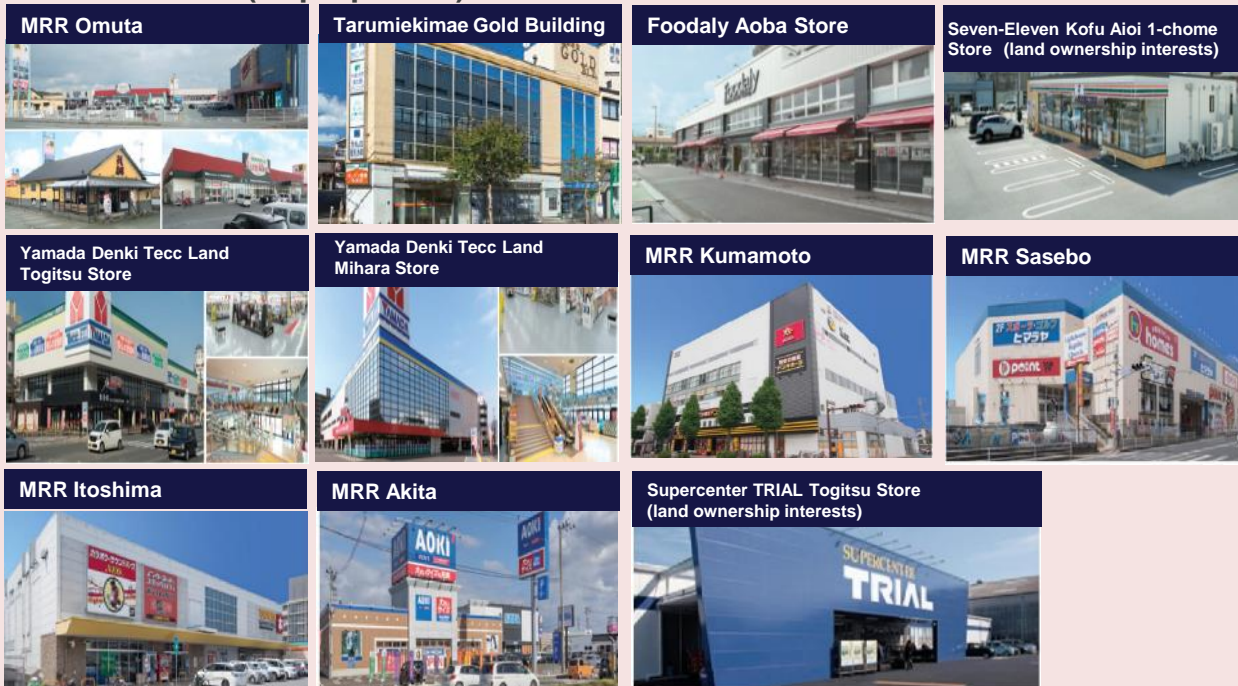
(Note) Appraisal NOI yield is calculated as: Appraisal NOI at the end of 4th FP/Acquisition price.

# Photos of Properties

## Residential properties (11 properties)



## Retail facilities (11 properties)



## Hotels (1 property)



## Offices (2 properties)



# Balance of Individual Properties (1)



**marimo Regional  
Revitalization REIT, Inc.**

| Investment area     |  |                               | Regional area         |                  |                       |                         |                        | Tokyo metropolitan area |                          |                      |                |
|---------------------|--|-------------------------------|-----------------------|------------------|-----------------------|-------------------------|------------------------|-------------------------|--------------------------|----------------------|----------------|
| Property no.        |  |                               | Rp-01                 | Rp-02            | Rp-03                 | Rp-04                   | Rp-05                  | Rt-01                   | Rt-02                    | Rt-03                | Rt-04          |
| Property name       |  |                               | ArtizA Sendai Kakyoin | ArtizA Kamimaezu | ArtizA Hakata PREMIER | ArtizA Hakataeki-Minami | ArtizA Higashi-Betsuin | ArtizA Ikejiri          | ArtizA Tsuzuki Chuo Koen | ArtizA Kawasaki EAST | ArtizA Sobudai |
| Acquisition date    |  |                               | August 1, 2016        | August 1, 2016   | August 1, 2016        | August 1, 2016          | June 1, 2017           | August 1, 2016          | August 1, 2016           | August 1, 2016       | August 1, 2016 |
| Price information   | Acquisition price (million yen)                          |                               | 2,730                 | 400              | 1,060                 | 500                     | 640                    | 610                     | 1,050                    | 780                  | 1,130          |
|                     | Investment ratio (%)                                     |                               | 11.1                  | 1.6              | 4.3                   | 2.0                     | 2.6                    | 2.5                     | 4.3                      | 3.2                  | 4.6            |
|                     | Period-end book value (Note 1)                           | (million yen)                 | 2,706                 | 399              | 1,041                 | 494                     | 650                    | 613                     | 1,082                    | 783                  | 1,148          |
| Leasing information | Leasable area (Note 1) (m <sup>2</sup> )                 |                               | 9,810.37              | 1,096.48         | 3,804.39              | 1,691.50                | 1,336.50               | 641.16                  | 3,731.75                 | 3,055.80             | 5,703.73       |
|                     | Leased area (Note 1) (m <sup>2</sup> )                   |                               | 9,159.37              | 1,071.56         | 3,675.08              | 1,666.88                | 1,336.50               | 568.12                  | 3,374.00                 | 3,055.80             | 5,430.50       |
|                     | Occupancy rate (Note 1) (%)                              |                               | 93.4                  | 97.7             | 96.6                  | 98.5                    | 100.0                  | 88.6                    | 90.4                     | 100.0                | 95.2           |
| Balance (Note 2)    | (1) Number of operating days                             |                               | 181 days              | 181 days         | 181 days              | 181 days                | 181 days               | 181 days                | 181 days                 | 181 days             | 181 days       |
|                     | (2) Total lease business revenue (thousand yen)          |                               | 130,403               | 17,626           | 48,230                | 23,269                  | 22,394                 | 17,500                  | 41,431                   | 30,073               | 53,639         |
|                     |  | Lease business revenue        | 123,783               | 17,369           | 45,988                | 21,861                  | 21,093                 | 16,593                  | 39,768                   | 30,073               | 51,909         |
|                     |  | Other lease business revenue  | 6,619                 | 257              | 2,242                 | 1,408                   | 1,300                  | 907                     | 1,662                    | —                    | 1,729          |
|                     | (3) Total lease business expenses (thousand yen)         |                               | 27,480                | 3,442            | 13,138                | 6,098                   | 5,795                  | 5,319                   | 10,796                   | 3,886                | 15,711         |
|                     |  | Management fees               | 9,303                 | 1,328            | 3,952                 | 2,134                   | 2,092                  | 1,769                   | 3,795                    | 1,062                | 5,235          |
|                     |  | Taxes and public dues         | 7,693                 | 1,338            | 3,268                 | 1,559                   | 1,619                  | 767                     | 2,867                    | 2,318                | 3,730          |
|                     |  | Utility costs                 | 975                   | 144              | 502                   | 363                     | 158                    | 141                     | 244                      | —                    | 474            |
|                     |  | Repair costs                  | 8,528                 | 121              | 4,759                 | 1,577                   | 569                    | 2,346                   | 3,465                    | 151                  | 5,226          |
|                     |  | Insurance fees                | 493                   | 70               | 190                   | 78                      | 101                    | 42                      | 195                      | 130                  | 327            |
|                     |  | Trust fees                    | 220                   | 225              | 220                   | 220                     | 225                    | 225                     | 225                      | 225                  | 225            |
|                     |  | Other lease business expenses | 265                   | 213              | 246                   | 164                     | 1,029                  | 27                      | 3                        | —                    | 491            |
|                     | (4) NOI ( = (2) – (3) ) (thousand yen)                   |                               | 102,923               | 14,184           | 35,091                | 17,170                  | 16,598                 | 12,180                  | 30,634                   | 26,186               | 37,928         |
|                     | (5) Depreciation (thousand yen)                          |                               | 30,160                | 4,403            | 16,305                | 7,019                   | 6,569                  | 2,462                   | 3,331                    | 5,367                | 10,047         |
|                     | (6) Lease business income ( = (4) – (5) ) (thousand yen) |                               | 72,762                | 9,780            | 18,786                | 10,150                  | 10,029                 | 9,718                   | 27,303                   | 20,818               | 27,881         |
|                     | (7) Capital expenditures (thousand yen)                  |                               | 350                   | —                | 137                   | —                       | —                      | —                       | 15,205                   | 6,727                | 8,343          |
|                     | (8) NCF ( = (4) – (7) ) (thousand yen)                   |                               | 102,572               | 14,184           | 34,954                | 17,170                  | 16,598                 | 12,180                  | 15,429                   | 19,458               | 29,585         |

(Note 1) Figures are as of the end of the 4th Fiscal Period.

(Note 2) The balance is for the 4th Fiscal Period.



# Balance of Individual Properties (2)

| Investment area     |  |                               | Regional area  |                            |                    |                                     |                                      |   |                             |                    |                             |
|---------------------|--|-------------------------------|----------------|----------------------------|--------------------|-------------------------------------|--------------------------------------|---|-----------------------------|--------------------|-----------------------------|
| Property no.        |  |                               | Cp-01          | Cp-02                      | Cp-03              | Cp-04                               | Cp-05                                | Cp-06   | Hp-01                       | Op-01              | Op-02                       |
| Property name       |  |                               | MRR Omuta      | Tarumiekimae Gold Building | Foodaly Aoba Store | Yamada Denki Tecc Land Mihara Store | Yamada Denki Tecc Land Togitsu Store | Seven-Eleven Kofu Aioi 1-chome Store (land ownership interests) | ROUTE-INN Ichinomiya Ekimae | MRR Delta Building | PLEAST Hakata Gion Building |
| Acquisition date    |  |                               | August 1, 2016 | August 1, 2016             | August 1, 2016     | August 1, 2016                      | August 1, 2016                       | August 1, 2016  | August 1, 2016              | August 1, 2016     | August 1, 2016              |
| Price information   | Acquisition price (million yen)                          |                               | 1,265          | 500                        | 250                | 2,000                               | 950                                  | 220   | 740                         | 1,200              | 800                         |
|                     | Investment ratio (%)                                     |                               | 5.2            | 2.0                        | 1.0                | 8.2                                 | 3.9                                  | 0.9   | 3.0                         | 4.9                | 3.3                         |
|                     | Period-end book value (Note 1)                           | (million yen)                 | 1,250          | 488                        | 240                | 1,949                               | 938                                  | 223   | 709                         | 1,187              | 783                         |
| Leasing information | Leasable area (Note 1) (m <sup>2</sup> )                 |                               | 6,485.11       | 678.57                     | 1,729.30           | 11,579.19                           | 5,998.15                             | 904.27  | 3,860.81                    | 3,053.57           | 1,931.47                    |
|                     | Leased area (Note 1) (m <sup>2</sup> )                   |                               | 6,485.11       | 678.57                     | 1,729.30           | 11,579.19                           | 5,998.15                             | 904.27  | 3,860.81                    | 3,053.57           | 1,931.47                    |
|                     | Occupancy rate (Note 1) (%)                              |                               | 100.0          | 100.0                      | 100.0              | 100.0                               | 100.0                                | 100.0   | 100.0                       | 100.0              | 100.00                      |
| Balance (Note 2)    | (1) Number of operating days                             |                               | 181 days       | 181 days                   | 181 days           | 181 days                            | 181 days                             | 181 days  | 181 days                    | 181 days           | 181 days                    |
|                     | (2) Total lease business revenue (thousand yen)          |                               | 56,184         | 21,122                     | 16,308             | *                                   | *                                    | 7,800   | *                           | 56,404             | 30,000                      |
|                     |  | Lease business revenue        | 56,133         | 19,434                     | 16,308             | *                                   | *                                    | 7,800   | *                           | 51,041             | 30,000                      |
|                     |  | Other lease business revenue  | 51             | 1,687                      | —                  | —                                   | —                                    | —   | —                           | 5,363              | —                           |
|                     | (3) Total lease business expenses (thousand yen)         |                               | 10,961         | 3,640                      | 3,255              | *                                   | *                                    | 766   | *                           | 18,624             | 5,212                       |
|                     |  | Management fees               | 2,333          | 1,324                      | 489                | *                                   | *                                    | 234   | *                           | 3,714              | 2,319                       |
|                     |  | Taxes and public dues         | 4,893          | 723                        | 1,111              | 8,732                               | 3,033                                | 296   | 3,974                       | 5,066              | 2,391                       |
|                     |  | Utility costs                 | 78             | 1,281                      | —                  | —                                   | —                                    | —   | —                           | 5,704              | —                           |
|                     |  | Repair costs                  | 1,070          | 13                         | —                  | —                                   | —                                    | —   | —                           | 3,401              | 98                          |
|                     |  | Insurance fees                | 163            | 27                         | 45                 | 376                                 | 239                                  | —   | 180                         | 247                | 114                         |
|                     |  | Trust fees                    | 225            | 220                        | 220                | 220                                 | 225                                  | 220   | 225                         | 220                | 220                         |
|                     |  | Other lease business expenses | 2,196          | 49                         | 1,388              | 15                                  | 3,853                                | 15  | —                           | 271                | 69                          |
|                     | (4) NOI ( = (2) – (3) ) (thousand yen)                   |                               | 45,223         | 17,482                     | 13,052             | *                                   | *                                    | 7,033   | *                           | 37,779             | 24,787                      |
|                     | (5) Depreciation (thousand yen)                          |                               | 14,699         | 4,951                      | 3,963              | 18,695                              | 6,268                                | —   | 10,844                      | 14,711             | 6,802                       |
|                     | (6) Lease business income ( = (4) – (5) ) (thousand yen) |                               | 30,523         | 12,530                     | 9,088              | *                                   | *                                    | 7,033   | *                           | 23,067             | 17,984                      |
|                     | (7) Capital expenditures (thousand yen)                  |                               | 3,004          | 166                        | —                  | —                                   | 846                                  | —   | —                           | 6,371              | —                           |
|                     | (8) NCF ( = (4) – (7) ) (thousand yen)                   |                               | 42,219         | 17,315                     | 13,052             | *                                   | *                                    | 7,033   | *                           | 31,408             | 24,787                      |

\* Figures are undisclosed as the consent of the tenant could not be obtained. Furthermore, while the tenant of Yamada Denki Tecc Land Mihara Store is Marimo Co., Ltd., there is an item of concern in the contract with the end tenant and so the figures are undisclosed as consent of the end tenant could not be obtained.

(Note 1) Figures are as of the end of the 4th Fiscal Period. Furthermore, the leasable area and leased area of Yamada Denki Tecc Land Mihara Store and Yamada Denki Tecc Land Togitsu Store include the areas of the 1F automobile garage (piloti-type parking lot section under the building) and the warehouse building.

(Note 2) The balance is for the 4th Fiscal Period.

# Balance of Individual Properties (3)

| Investment area        |   |                               | Regional area          |                     |                     |                     |                     |                     |  |
|------------------------|---|-------------------------------|------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--|
| Property no.           |   |                               | Rp-06                  | Rp-07               | Cp-07               | Cp-08               | Cp-09               | Cp-10               | Cp-11  |
| Property name          |   |                               | ArtizA<br>Kamimaezu II | ArtizA Chiyoda      | MRR<br>Kumamoto     | MRR<br>Sasebo       | MRR<br>Itoshima     | MRR<br>Akita        | Supercenter<br>TRIAL Togitsu<br>Store<br>(land ownership<br>interests) |
| Acquisition date       |   |                               | January 23,<br>2018    | January 23,<br>2018 | January 23,<br>2018 | January 23,<br>2018 | January 23,<br>2018 | January 23,<br>2018 | January 23,<br>2018  |
| Price<br>information   | Acquisition price (million yen)                             |                               | 720                    | 980                 | 2,120               | 990                 | 900                 | 840                 | 1,150  |
|                        | Investment ratio (%)  |                               | 2.9                    | 4.0                 | 8.6                 | 4.0                 | 3.7                 | 3.4                 | 4.7  |
|                        | Period-end book value (Note 1) (million yen)                |                               | 739                    | 1,006               | 2,182               | 1,009               | 914                 | 852                 | 1,170  |
| Leasing<br>information | Leasable area (Note 1) (m <sup>2</sup> )                    |                               | 1,557.90               | 2,062.06            | 11,157.71           | 5,070.01            | 2,842.78            | 8,416.10            | 13,719.74  |
|                        | Leased area (Note 1) (m <sup>2</sup> )                      |                               | 1,475.27               | 1,931.46            | 11,157.71           | 4,872.23            | 2,842.78            | 8,416.10            | 13,719.74  |
|                        | Occupancy rate (Note 1) (%)                                 |                               | 94.7                   | 93.7                | 100.0               | 96.1                | 100.0               | 100.0               | 100.0  |
| Balance<br>(Note 2)    | (1) Number of operating days                                |                               | 159 days               | 159 days            | 159 days            | 159 days            | 159 days            | 159 days            | 159 days   |
|                        | (2) Total lease business revenue (thousand yen)             |                               | 20,380                 | 28,861              | 103,467             | 54,848              | 36,184              | 28,304              | *  |
|                        |   | Lease business revenue        | 19,370                 | 25,544              | 91,925              | 42,864              | 29,498              | 28,304              | *  |
|                        |   | Other lease business revenue  | 1,010                  | 3,317               | 11,542              | 11,984              | 6,685               | —                   | —  |
|                        | (3) Total lease business expenses (thousand yen)            |                               | 3,559                  | 8,463               | 32,615              | 14,173              | 10,350              | 2,492               | *  |
|                        |   | Management fees               | 1,957                  | 7,409               | 13,505              | 4,805               | 2,735               | 849                 | *  |
|                        |   | Taxes and public dues         | —                      | —                   | —                   | 0                   | —                   | —                   | —  |
|                        |   | Utility costs                 | 162                    | 164                 | 15,254              | 6,053               | 6,377               | —                   | —  |
|                        |   | Repair costs                  | 825                    | —                   | 2,821               | 2,880               | 802                 | 258                 | —  |
|                        |   | Insurance fees                | 82                     | 106                 | 540                 | 223                 | 78                  | 30                  | —  |
|                        |   | Trust fees                    | 196                    | 196                 | 218                 | 196                 | 218                 | 196                 | 196  |
|                        |   | Other lease business expenses | 335                    | 586                 | 275                 | 14                  | 139                 | 1,158               | 60   |
|                        | (4) NOI ( = (2) – (3) ) (thousand yen)                      |                               | 16,821                 | 20,397              | 70,852              | 40,675              | 25,833              | 25,811              | *  |
|                        | (5) Depreciation (thousand yen)                             |                               | 6,175                  | 9,170               | 19,790              | 6,390               | 3,090               | 911                 | —  |
|                        | (6) Lease business income<br>( = (4) – (5) ) (thousand yen) |                               | 10,645                 | 11,227              | 51,061              | 34,285              | 22,742              | 24,900              | *  |
|                        | (7) Capital expenditures (thousand yen)                     |                               | —                      | —                   | 2,640               | 5,667               | 2,400               | —                   | —  |
|                        | (8) NCF ( = (4) – (7) ) (thousand yen)                      |                               | 16,821                 | 20,397              | 68,212              | 35,007              | 23,433              | 25,811              | *  |

\* Figures are undisclosed as the consent of the tenant could not be obtained.

(Note 1) Figures are as of the end of the 4th Fiscal Period.

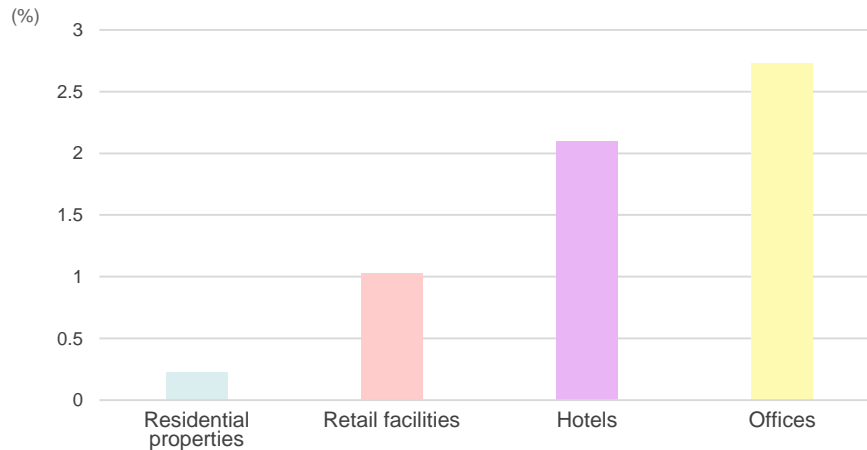
(Note 2) The balance is for the 4th Fiscal Period.

# Residential Properties and Retail Facilities Market Data



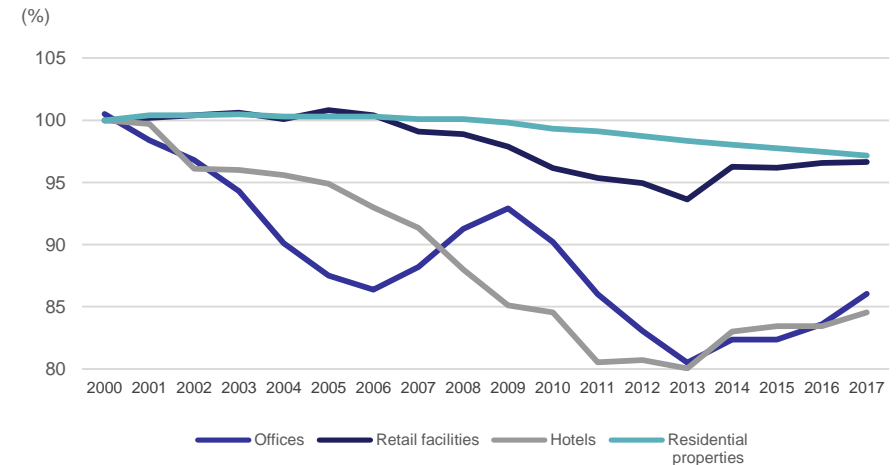
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Revitalization REIT, Inc.**

**Standard Deviation of Rate of Change of Rent Level  
by Real Estate Type**



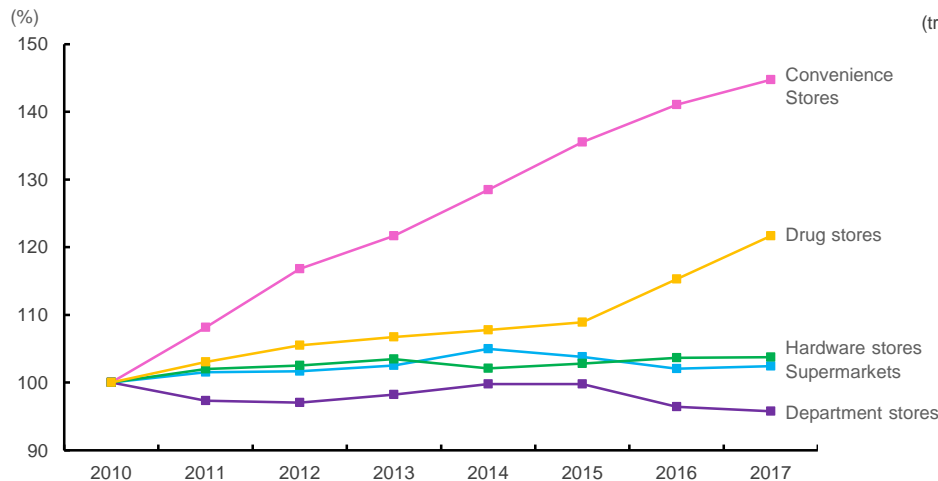
Source: Prepared by the asset manager based on the Bank of Japan's Corporate Service Index and the Statistic Bureau's (Ministry of Internal Affairs and Communications) Consumer Price Index (from 2000 to 2017).

**Corporate Service Index and Consumer Price Index  
(2000 = 100)**



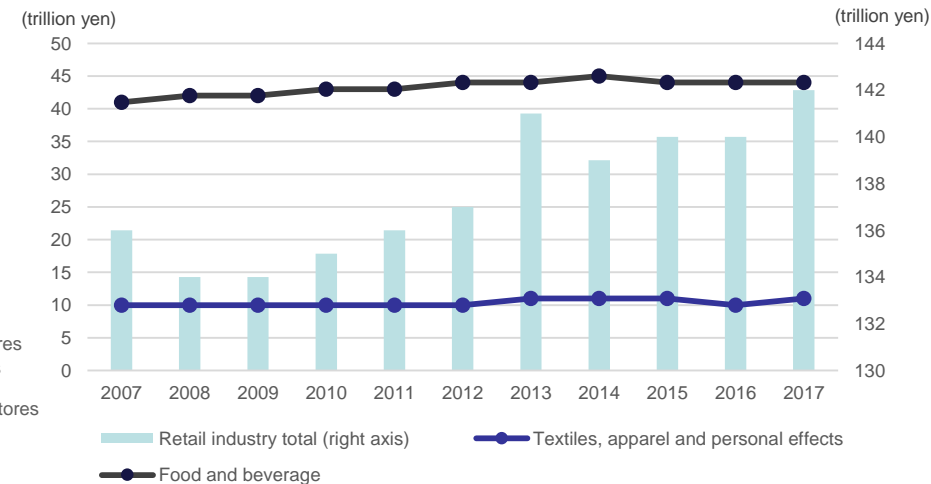
Source: Prepared by the asset manager based on the Bank of Japan's Corporate Service Index and the Statistic Bureau's (Ministry of Internal Affairs and Communications) Consumer Price Index

**Change in Annual Sales of Various Retailers**



Source: Prepared by the asset manager based on data from the Ministry of Economy, Trade and Industry's Current Survey of Commerce, Japan DIY Industry Association and Japan Association of Chain Drug Stores' FY2017 Japan Drug Store Survey (2010 = 100).

**Change in Sales in the Retail Industry Overall and in Daily Necessities**



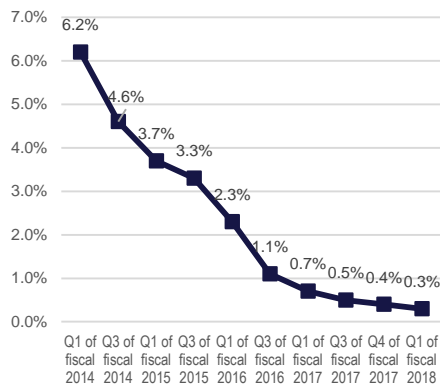
Source: Prepared by the asset manager based on the Ministry of Economy, Trade and Industry's Current Survey of Commerce and Commercial Sales Value by Type of Business and Comparison with Previous Year (fiscal year, period and month).

# Offices Vacancy Rate and Contracted Rents

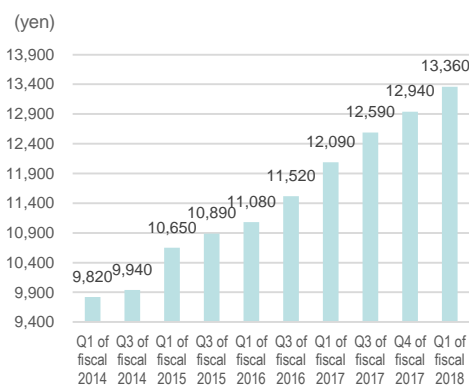
Rent continue to increase in major cities and vacancy rates also continue to decline

## Sapporo City

Vacancy rate

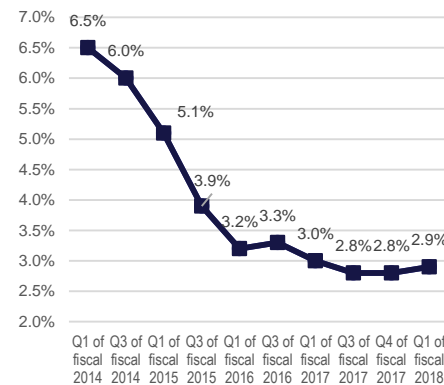


Assumed contracted rents

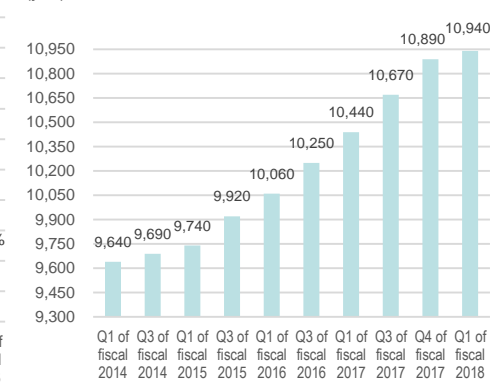


## Hiroshima City

Vacancy rate

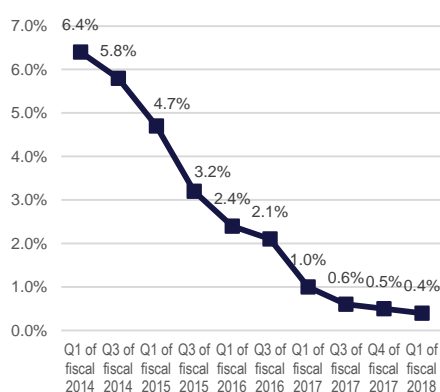


Assumed contracted rents

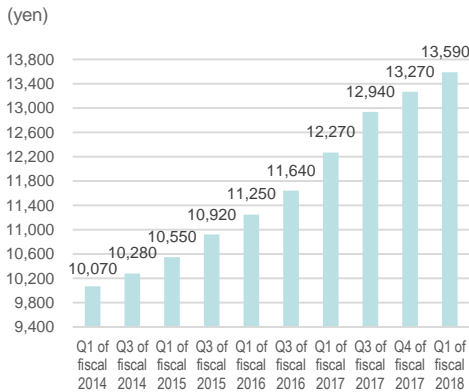


## Fukuoka City

Vacancy rate

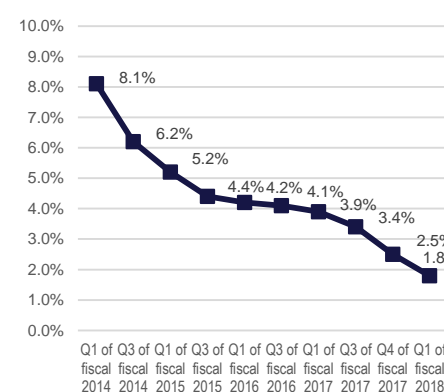


Assumed contracted rents

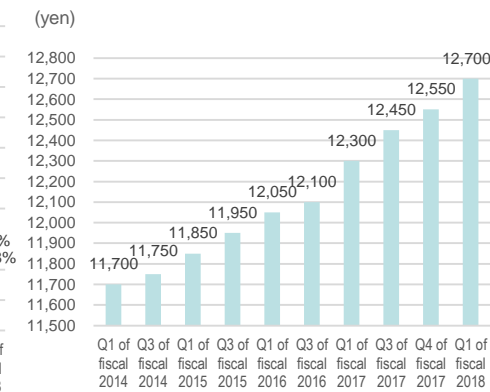


## Nagoya City

Vacancy rate



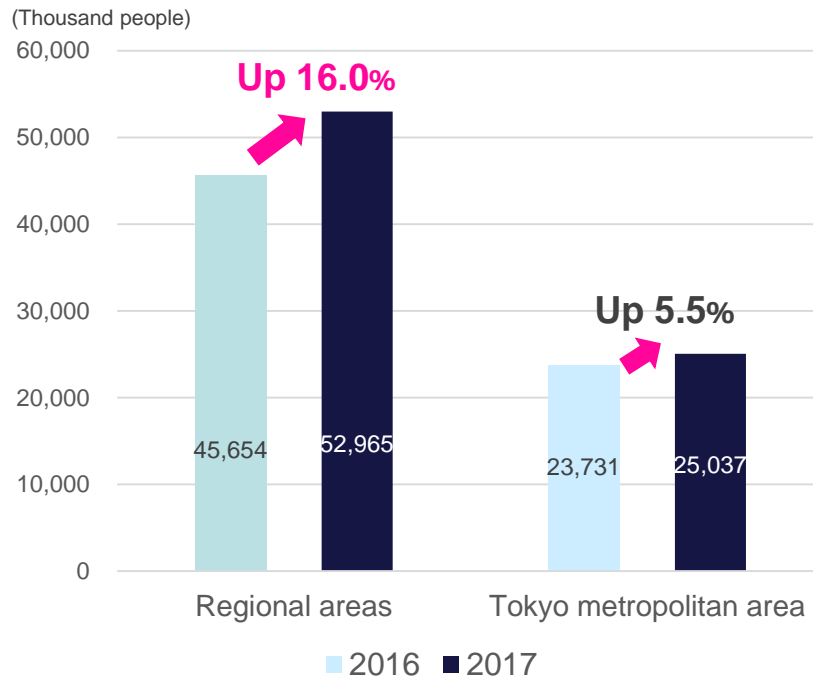
Assumed contracted rents





## Number of lodging foreign travelers in Japan Comparison between regional areas and Tokyo metropolitan area

### Total Number of Lodgers by Year (2016 to 2017; unit: thousand people)

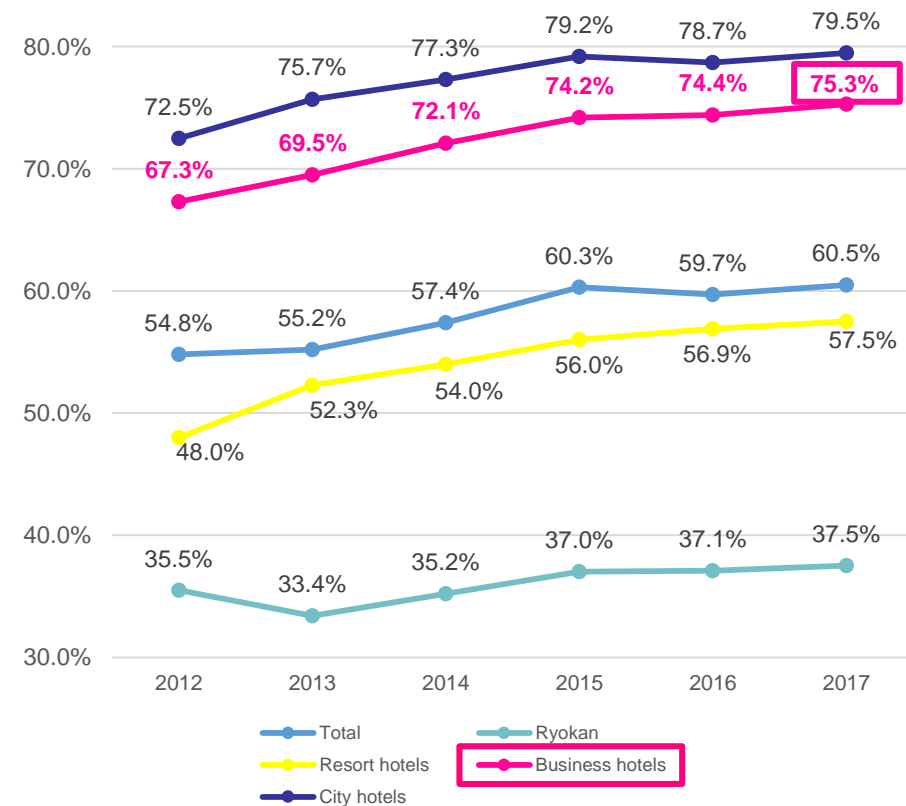


Regional areas: All areas other than the Tokyo metropolitan area  
Tokyo metropolitan area: Tokyo, Chiba, Kanagawa and Saitama prefectures

Source: Prepared by the asset manager based on "Overnight Travel Statistics Survey" by the Japan Tourism Agency, Ministry of Land, Infrastructure, Transport and Tourism

## Steady performance of occupancy rate of business hotels

### Occupancy Rate by Facility Type



# B-to-C EC Market Size in Japan

## Scale of B-to-C EC market and composition ratio of each business sector

|                           | 2016                                    | 2017                                    | Growth rate |
|---------------------------|---|---|-------------|
| A. Retail sector          | 8,004.3 billion yen<br>(EC ratio 5.43%) | 8,600.8 billion yen<br>(EC ratio 5.79%) | 7.5%        |
| B. Service-related sector | 5,353.2 billion yen                     | 5,956.8 billion yen                     | 11.3%       |
| C. Digital-related sector | 1,778.2 billion yen                     | 1,947.8 billion yen                     | 9.5%        |
| Total                     | 15,135.8 billion yen                    | 16,505.4 billion yen                    | 9.1%        |

### A. Retail sector

|     |  |
|-----|--|
| (1) | Food products, beverages, liquor   |
| (2) | Home electrical appliances, AV equipment, PC/peripheral equipment, etc. (not including online games) |
| (3) | Books, video/music software (not including e-publishing in books)                                    |
| (4) | Cosmetics, pharmaceutical products   |
| (5) | Sundries, furniture, interior  |
| (6) | Clothing, accessories, etc.  |
| (7) | Automobiles, motorcycles, auto parts, etc.   |
| (8) | Office products/stationery   |
| (9) | Others   |

### B. Service-related sector

|     |   |
|-----|---|
| (1) | Travel Service  |
| (2) | Food service  |
| (3) | Ticket sale   |
| (4) | Financial service   |
| (5) | Beauty service  |
| (6) | Others (medical, insurance, housing-related, education, etc.) |

### C. Digital-related sector

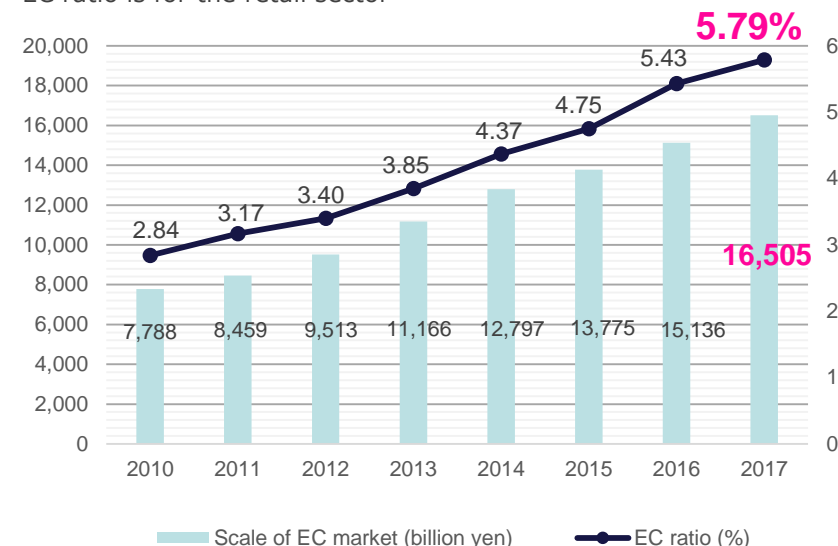
|     |                                     |
|-----|-------------------------------------|
| (1) | E-publishing (e-books, e-magazines) |
| (2) | Fee-based music streaming           |
| (3) | Fee-based video streaming           |
| (4) | Online games                        |
| (5) | Others                              |

(Note) Business to consumer e-commerce is abbreviated as "B-to-C EC."

Source: "FY2017 Survey of Infrastructure Development Status for Data-driven Society in Japan (E-Commerce Market Survey)" by Information Economy Division, Commerce and Information Policy Bureau, Ministry of Economy, Trade and Industry

## Changes in scale of B-to-C EC market and EC ratio

\*EC ratio is for the retail sector



Source: "FY2017 Survey of Infrastructure Development Status for Data-driven Society in Japan (E-Commerce Market Survey)" by Information Economy Division, Commerce and Information Policy Bureau, Ministry of Economy, Trade and Industry

The scale of the B-to-C EC market is on an expanding trend, but the EC ratio for the retail sector is 5.79%

## Policy on dividends in excess of earnings

Verify the most appropriate cash management from various aspects including capital expenditures, economic environment, real estate market conditions, financial status, repayment of borrowings and funds for acquiring new properties

- marimo REIT decides whether or not it will execute dividends in excess of earnings and the amount for the respective fiscal period after verifying the following (1) and (2)

### Verification (1) Execute or not

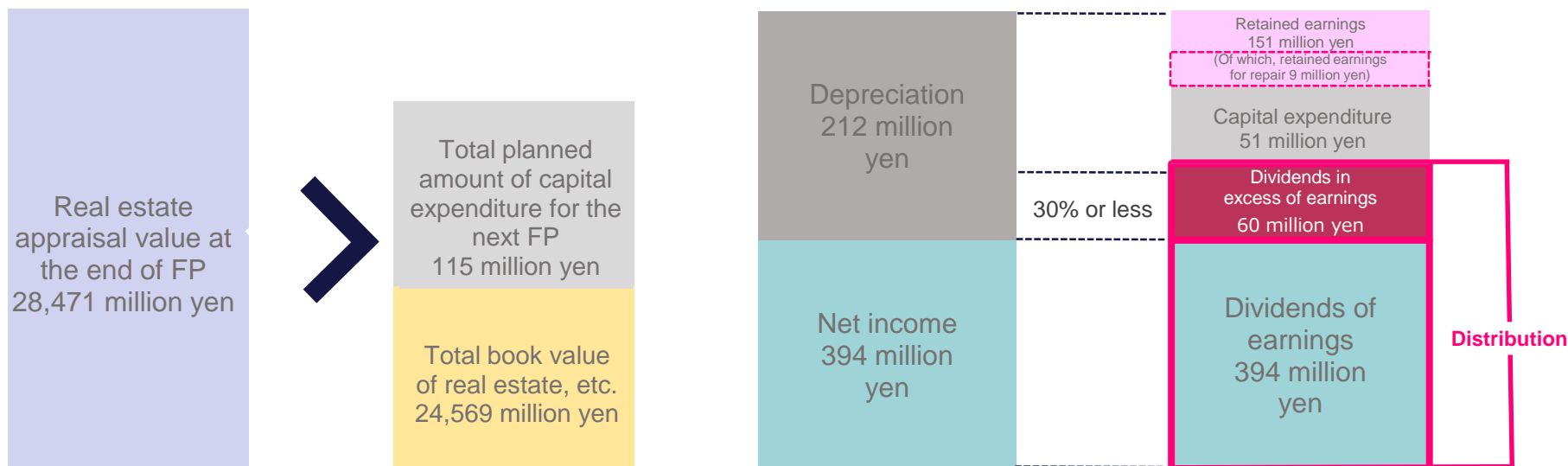
(Execute when the following conditions are met)

### Verification (2) Amount of dividends in excess of earnings

**30% of depreciation or less and 75% of payout ratio\* or less**

(The figure is the actual amount of the 4th FP)

$$\frac{\text{*Total amount of dividends (including dividends in excess of earnings)}}{\text{Net income + depreciation}} = \text{4th FP results} = \mathbf{75.0\%}$$



(Note ) The above figures are as of the end of the 4th FP and do not indicate the ratio of distribution to net income or depreciation, or the ratio of dividends in excess of earnings.  
Dividends in excess of earnings may change in amount or may not be implemented due to economic conditions, trends in the real estate market, and the state of finances and the portfolio.

# Balance Sheet and Statement of Income for the 4th Fiscal Period



**marimo Regional  
Revitalization REIT, Inc.**

## Balance Sheet for the 4th Fiscal Period (June 30, 2018)

| Assets                                      |                   | Liabilities  |                   |
|---|-------------------|--|-------------------|
| <b>Current assets</b>                       |                   | <b>Current liabilities</b>   |                   |
| Cash and deposits                           | 931,688           | Operating accounts payable   | 147,348           |
| Cash and deposits in trust                  | 1,966,582         | Short-term loans payable   | —                 |
| Operating accounts receivable               | 7,430             | Current portion of long-term loans payable                         | 175,000           |
| Prepaid expenses                            | 35,118            | Accrued expenses   | 116,626           |
| Deferred tax assets                         | 16                | Income taxes payable   | 950               |
| Consumption taxes receivable                | 130,174           | Accrued consumption taxes  | —                 |
| Other                                       | 323               | Advances received  | 169,145           |
| <b>Total current assets</b>                 | <b>3,071,334</b>  | Current portion of tenant leasehold and security deposits in trust | 51,817            |
| <b>Non-current assets</b>                   |                   | Other  | 7,022             |
| <b>Property, plant and equipment</b>        |                   | <b>Total current liabilities</b>                                   | <b>667,910</b>    |
| Buildings in trust                          | 11,055,066        | <b>Non-current liabilities</b>                                     |                   |
| Accumulated depreciation                    | (636,970)         | Long-term loans payable  | 13,087,500        |
| Buildings in trust, net                     | 10,418,095        | Tenant leasehold and security deposits in trust                    | 1,301,219         |
| Structures in trust                         | 265,363           | Asset retirement obligations                                       | 18,222            |
| Accumulated depreciation                    | (19,389)          | Other  | 193               |
| Structures in trust, net                    | 245,974           | <b>Total non-current liabilities</b>                               | <b>14,407,134</b> |
| Machinery and equipment in trust            | 114,331           | <b>Total liabilities</b>   | <b>15,075,045</b> |
| Accumulated depreciation                    | (10,439)          | <b>Net assets</b>  |                   |
| Machinery and equipment in trust, net       | 103,892           | <b>Unitholders' equity</b>   |                   |
| Tools, furniture and fixtures in trust      | 7,510             | Unitholders' capital   | 12,412,622        |
| Accumulated depreciation                    | (1,114)           | Deduction from unitholders' capital                                |                   |
| Tools, furniture and fixtures in trust, net | 6,395             | Allowance for temporary difference adjustments                     | (3,092)           |
| Land in trust                               | 13,790,968        | Other deduction from unitholders' capital                          | (133,086)         |
| <b>Total property, plant and equipment</b>  | <b>24,565,326</b> | <b>Total deduction from unitholders' capital</b>                   | <b>(136,179)</b>  |
| <b>Intangible assets</b>                    |                   | <b>Unitholders' capital, net</b>                                   | <b>12,276,443</b> |
| Leasehold rights in trust                   | 4,221             | <b>Surplus</b>   |                   |
| Software                                    | 3,541             | Unappropriated retained earnings (undisposed loss)                 | 394,697           |
| <b>Total intangible assets</b>              | <b>7,762</b>      | <b>Total surplus</b>   | <b>394,697</b>    |
| <b>Investments and other assets</b>         |                   | <b>Total unitholders' equity</b>                                   | <b>12,671,141</b> |
| Guarantee deposits                          | 10,000            | <b>Total net assets</b>  | <b>12,671,141</b> |
| Lease and guarantee deposits in trust       | 13,500            | <b>Total liabilities and net assets</b>                            | <b>27,746,186</b> |
| Long-term prepaid expenses                  | 50,115            |  |                   |
| <b>Total investments and other assets</b>   | <b>73,615</b>     |  |                   |
| <b>Total non-current assets</b>             | <b>24,646,705</b> |  |                   |
| <b>Deferred assets</b>                      |                   |  |                   |
| Investment unit issuance expenses           | 28,146            |  |                   |
| <b>Total deferred assets</b>                | <b>28,146</b>     |  |                   |
| <b>Total assets</b>                         | <b>27,746,186</b> |  |                   |

## Statement of Income for 4th fiscal period

From January 1, 2018  
to June 30, 2018

|   |                  |
|---|------------------|
| <b>Operating revenue</b>                                  |                  |
| Lease business revenue                                    | 1,000,078        |
| Other lease business revenue                              | 57,770           |
| <b>Total operating revenue</b>                            | <b>1,057,848</b> |
| <b>Operating expenses</b>                                 |                  |
| Expenses related to rent business                         | 447,063          |
| Asset management fee                                      | 79,465           |
| Asset custody fee   | 1,349            |
| Administrative service fees                               | 12,886           |
| Directors' compensations                                  | 2,400            |
| Taxes and dues  | 9,354            |
| Other operating expenses                                  | 33,255           |
| <b>Total operating expenses</b>                           | <b>585,775</b>   |
| <b>Operating income</b>                                   | <b>472,073</b>   |
| <b>Non-operating income</b>                               |                  |
| Interest income   | 12               |
| Insurance income  | 384              |
| <b>Total non-operating income</b>                         | <b>396</b>       |
| <b>Non-operating expenses</b>                             |                  |
| Interest expenses   | 48,386           |
| Borrowing related expenses                                | 22,433           |
| Amortization of investment unit issuance expenses         | 5,629            |
| Other   | 419              |
| <b>Total non-operating expenses</b>                       | <b>76,868</b>    |
| <b>Ordinary income</b>                                    | <b>395,601</b>   |
| <b>Net income before income taxes</b>                     | <b>395,601</b>   |
| <b>Income taxes - current</b>                             | <b>952</b>       |
| <b>Income taxes - deferred</b>                            | <b>(1)</b>       |
| <b>Total income taxes</b>                                 | <b>951</b>       |
| <b>Net income</b>   | <b>394,650</b>   |
| <b>Retained earnings brought forward</b>                  | <b>47</b>        |
| <b>Unappropriated retained earnings (undisposed loss)</b> | <b>394,697</b>   |

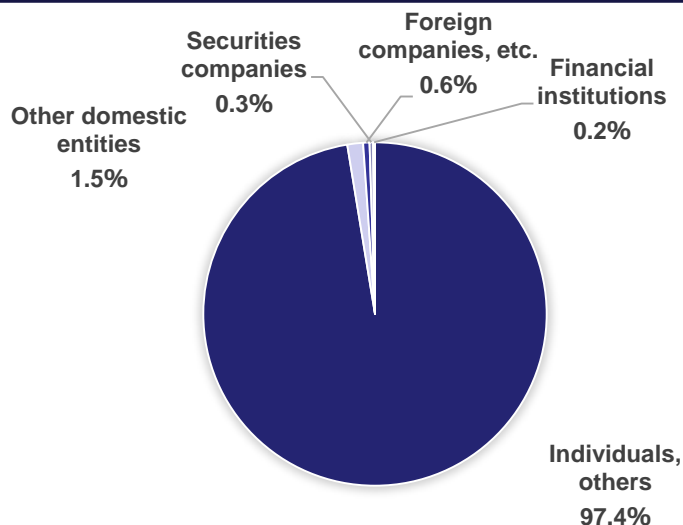


# Status of Investment Unitholders (as of end of June 2018)

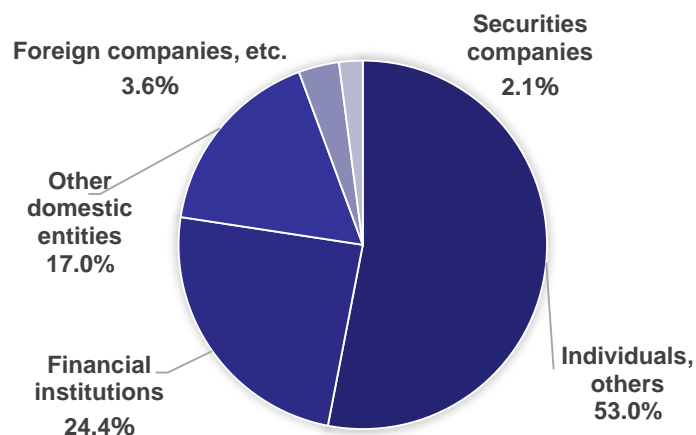


**marimo Regional  
Revitalization REIT, Inc.**

**Ratio of Unitholders by Number  
(8,507 unitholders in total)**



**Ratio of Investment Units by Number  
(132,340 units in total)**



| Rank  | Name of unitholder  | Number of investment units | Ownership ratio |
|-------|---|----------------------------|-----------------|
| 1     | Marimo Co., Ltd.  | 13,950                     | 10.5%           |
| 2     | The Master Trust Bank of Japan, Ltd. (trust account)                      | 9,025                      | 6.8%            |
| 3     | Trust & Custody Services Bank, Ltd. (securities investment trust account) | 8,998                      | 6.8%            |
| 4     | Japan Trustee Services Bank, Ltd. (trust account)                         | 7,337                      | 5.5%            |
| 5     | The Nomura Trust and Banking Co., Ltd. (investment trust account)         | 4,052                      | 3.1%            |
| 6     | CHASE MANHATTAN BANK GTS CLIENTS ACCOUNT ESCROW                           | 1,342                      | 1.0%            |
| 7     | Sekai Shindo-kyo Syokyakuhikiatekin                                       | 1,034                      | 0.8%            |
| 8     | An individual   | 1,000                      | 0.8%            |
| 8     | An individual   | 1,000                      | 0.8%            |
| 10    | Ueda Yagi Tanshi Co., Ltd.  | 839                        | 0.6%            |
| Total |   | 48,577                     | 36.7% (Note)    |

(Note) Calculated by dividing the 48,577 investment units owned by the top 10 unitholders by the 132,340 investment units issued and outstanding, and rounded to the first decimal place.

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Regional areas have hidden potential



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