



**Make The World
More Sustainable**

Ichigo Inc.

(Tokyo Stock Exchange First Section, 2337)

Materials for the Twenty-First Annual Shareholder Meeting



Ichigo Yonezawa Itaya ECO Power Plant



THE KNOT HIROSHIMA

Our Mission: Make The World More Sustainable

Ichigo is a Japanese sustainable infrastructure company dedicated to making the world more sustainable.

Our three key businesses are: Sustainable Real Estate, in which we preserve and improve real estate; Asset Management, including managing Tokyo Stock Exchange-listed Ichigo Office (8975), Ichigo Hotel (3463), and Ichigo Green (9282); and Clean Energy, in which we develop solar and wind power plants to supply clean energy and bring productive use to idle land.

We are committed to growing long-term value for our shareholders by contributing to a sustainable society.

The word “Ichigo” comes from the ancient Japanese proverb, *Ichigo Ichie*, literally meaning “One lifetime, one encounter.” The phrase was first used by a 16th century master of the tea ceremony, Sen no Rikyu. He called upon his disciples to give total focus and sincerity to each act of the tea ceremony for every guest, because that particular moment will only exist once and must be fully lived and realized. Ichigo embraces the *Ichigo Ichie* philosophy of sincerity and service, and works to build strong long-term relationships to support the success of all of our clients, shareholders, and stakeholders.



Ichigo's Sustainability Commitment (ESG)

Environmental

Sustainable Real Estate

Ichigo preserves and improves real estate, lengthening the useful life of buildings and other physical and social infrastructure. Ichigo is for reducing mankind's environmental footprint and against the squandering of resources and human talent in wasteful and unnecessary demolition and development.

Safe & Clean Energy Produced Locally

Ichigo gives new purpose to idle land across Japan and supports the revitalization of local communities by building renewable energy plants that generate clean power locally. Ichigo is currently operating 45 solar power plants in communities across Japan with a panel output of 136MW (as of February 29, 2020).

Social

Sports Rooted in Communities: J.League Top Partner

Ichigo is a Top Partner of the J.League, Japan's professional soccer league, and is working to support the J.League's vision of promoting sports that benefit local communities. Ichigo is deploying its real estate expertise to help the J.League and local governments maintain aging stadiums and reduce steep operating costs.

Smart Agriculture

Ichigo has built a smart agriculture business to promote high-quality, locally-sourced agriculture, strengthen local communities, create jobs, and increase Japan's food self-sufficiency.

Athletes & Art

Ichigo supports world-class athletes and artists with disabilities via sponsorship of ParalympArt.



Ichigo Weightlifter
Hiromi Miyake

Governance

Ichigo was an early adopter of global best-practice governance, adopting a Company with Committees (Nominating, Audit, Compensation) governance structure in 2006. The independence of Ichigo's Board of Directors underpins its strong governance and oversight capabilities. Of 9 members of Ichigo's Board, 5 are Independent Directors.

[Provisional Translation Only]

*This English translation of the original Japanese document is provided solely for information purposes.
Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.*

May 7, 2021

Ichigo Inc. (Tokyo Stock Exchange First Section, 2337)
Representative: Scott Callon, Chairman

Materials for the Twenty-First Annual Shareholder Meeting

Dear Shareholders:

We would like to express our deepest condolences to all those affected by the Covid pandemic globally, and our wishes for the earliest and fullest possible recovery.

We are pleased to invite you to attend the Twenty-First Annual Shareholder Meeting of Ichigo Inc. (“Ichigo”).

We will take all necessary Covid precautions at the Annual Shareholder Meeting, and you may also exercise your voting rights via postal mail or the Internet. We would appreciate it if you could please review these shareholder meeting materials and cast your vote by returning your voting form or by accessing our voting website (<https://soukai.mizuho-tb.co.jp/>) no later than Friday, May 21, 2021, 6:15 p.m. JST.

1. Date and Time Sunday, May 23, 2021 at 10:00 a.m.

2. Place La Rose, Fifth Floor, Dai-ichi Hotel Tokyo
1-2-6 Shimbashi, Minato-ku, Tokyo

3. Agenda

Matters to be Reported

- a. Ichigo’s business report, consolidated financial statements, and the results of the audit of the consolidated financial statements by the Independent Auditor and Ichigo’s Audit Committee for the Twenty-First Period (March 1, 2020 – February 28, 2021)
- b. Ichigo’s parent financial statements for the Twenty-First Period

Matters to be Resolved

Election of Nine Directors

Additional Accounting Notes

Additional accounting notes to Ichigo’s consolidated and parent financial statements are disclosed on our website at www.ichigo.gr.jp/en/ir/library.

Please also note that any amendments to Ichigo’s business report, consolidated and parent financial statements, or shareholder meeting materials will be posted on our website at www.ichigo.gr.jp/en.

Voting via the Internet

1. Handling of Multiple Votes via both the Proxy Card and the Internet

If you cast multiple votes via both the proxy card and the Internet voting site, only the vote cast via the Internet will be deemed effective.

2. Handling of Multiple Votes via the Internet

If you cast multiple votes via the Internet voting site, only the last vote will be deemed effective.

3. Internet Voting Procedure

The internet voting procedure is per the below. If you choose to attend the meeting, voting via the proxy card or the Internet is unnecessary.

a. Voting Website

- (i) You can access the designated website <https://soukai.mizuho-tb.co.jp/> from a PC, smartphone, or mobile phone.
- (ii) Please access our voting website (<https://soukai.mizuho-tb.co.jp/>) and use the voting rights exercise code and password shown on the enclosed voting form. Follow the on-screen instructions to indicate your consent or dissent.
- (iii) We will accept votes submitted via the Internet until 6:15 p.m. JST on Friday, May 21, 2021. Please contact the help desk below if you have any questions.

b. Login via QR Code

You can access the voting form by reading the QR code on the enclosed voting form. This is a shareholder-unique QR code that allows you to vote without having to enter your ID or password. We will accept votes submitted until 6:15 p.m. JST on Friday, May 21, 2021.

Inquiries concerning the Internet Voting Process

Help Desk, Corporate Agency Division, Mizuho Trust & Banking Co., Ltd.

Toll-free telephone (within Japan): 0120-768-524 (9:00 a.m. to 9:00 p.m. JST)

Institutional Investors

Institutional investors may use the electronic proxy-voting platform of the Tokyo Stock Exchange for electronic voting.

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Election of Nine Directors

The terms of office of all nine Directors will expire at the conclusion of this shareholder meeting. Accordingly, Ichigo proposes the election of the following nine Directors.


The candidates for Director are as follows:

No.	Name	Current Position and Responsibility	Board Meeting Attendance
1	Scott Callon Reappointment	Chairman of the Board of Directors Nominating Committee Member Compensation Committee Member Compliance Committee Member Chairman & Representative Statutory Executive Officer	100% (9 of 9 Total)
2	Takuma Hasegawa Reappointment	Chairman of Nominating Committee Chairman of Compensation Committee Chairman of Compliance Committee President & Representative Statutory Executive Officer	100% (9 of 9 Total)
3	Minoru Ishihara Reappointment	Executive Vice President & Statutory Executive Officer (Sustainable Real Estate) & COO	100% (9 of 9 Total)
4	Eri Murai Reappointment	Executive Managing Director & Statutory Executive Officer (HR)	100% (9 of 9 Total)
5	Tetsuya Fujita Reappointment – Independent Director	Lead Independent Director Chairman of Audit Committee Nominating Committee Member Compensation Committee Member Compliance Committee Member	100% (9 of 9 Total)
6	Noriko Kawate Reappointment – Independent Director	Independent Director Nominating Committee Member Audit Committee Member Compensation Committee Member	100% (9 of 9 Total)
7	Yukio Suzuki Reappointment – Independent Director	Independent Director Audit Committee Member Vice Chairman of Compliance Committee	100% (9 of 9 Total)
8	Masatoshi Matsuzaki Reappointment – Independent Director	Independent Director Nominating Committee Member Compensation Committee Member	100% (9 of 9 Total)
9	Nobuhide Nakaido Reappointment – Independent Director	Independent Director	100% (9 of 9 Total)


No.	Name (Date of Birth)	Career History	Ichigo Shares Held
1	 <p>Scott Callon (December 6, 1964)</p>	<p>April 1988 MIPS Computer Systems, Inc.</p> <p>September 1991 Asia-Pacific Research Center, Stanford University</p> <p>March 1994 Research Institute of Capital Formation, Japan Development Bank</p> <p>August 1994 Bankers Trust Asia Securities Co., Ltd.</p> <p>March 1997 Morgan Stanley Japan Limited</p> <p>June 2000 Japan Representative, Prudential plc</p> <p>May 2001 Representative Director, PCA Asset Management Limited</p> <p>April 2002 Morgan Stanley Japan Limited</p> <p>January 2003 Head of Equities, Morgan Stanley Japan Limited</p> <p>May 2006 Partner and Chief Executive Officer, Ichigo Asset Management, Ltd. (current)</p> <p>October 2008 Ichigo Chairman & Representative Statutory Executive Officer (current)</p> <p>November 2008 Director (current), Chairman of Nominating Committee, Chairman of Compensation Committee, Vice Chairman of Compliance Committee</p> <p>November 2011 Member of Nominating Committee, Member of Compensation Committee</p> <p>May 2012 Associate Director, Japan Association of Corporate Directors Audit & Supervisory Board Member, Chiyoda Co., Ltd.</p> <p>July 2012 Director, Member of Nominating Committee, Member of Compensation Committee, Ichigo Real Estate Investment Advisors Co., Ltd. (now Ichigo Investment Advisors Co., Ltd.)</p> <p>May 2015 Independent Director, Chiyoda Co., Ltd. (current)</p> <p>September 2015 Chairman of Compliance Committee</p> <p>May 2016 Chairman of Nominating Committee, Chairman of Compensation Committee</p> <p>October 2016 Member of Nominating Committee (current), Member of Compensation Committee (current)</p> <p>July 2017 Group Head of IT Chairman & Statutory Executive Officer, Ichigo Investment Advisors Co., Ltd.</p> <p>May 2019 Member of Compliance Committee (current)</p> <p>March 2020 Chairman & Representative Director, Japan Display Inc.</p> <p>June 2020 Independent Director, Fujitsu Limited (current)</p> <p>August 2020 Chairman, Representative Executive Officer, & Director, Japan Display Inc. (current)</p> <p>January 2021 CEO, Japan Display Inc. (current)</p>	N/A

No.	Name (Date of Birth)	Career History	Ichigo Shares Held
1	(continued from previous page)	<p>(Other Positions) Partner & Chief Executive Officer, Ichigo Asset Management, Ltd. Chairman, CEO, and Representative Executive Officer, Japan Display, Inc. Independent Director, Fujitsu Limited</p> <p><u>Message to Our Shareholders</u></p> <p>I offer my deepest condolences and wishes for the earliest and fullest possible recovery to all those affected by the Covid pandemic globally.</p> <p>This is your company. We have a responsibility to build a better company and a better society for the generation that comes after us. As a sustainable infrastructure company, all of us at Ichigo are committed to working to solve fundamental social problems, contributing to a sustainable society, and growing long-term value for our shareholders.</p>	N/A

No.	Name (Date of Birth)	Career History	Ichigo Shares Held
2	 <p>Takuma Hasegawa (January 29, 1971)</p>	<p>April 1994 Joined Fujita Corporation</p> <p>November 2002 Joined Ichigo</p> <p>October 2004 General Manager, Fund Business Division</p> <p>September 2005 General Manager, Fund Business Division Group 1</p> <p>May 2006 Senior Statutory Executive Officer & General Manager, Fund Business Division Group 1</p> <p>May 2007 Senior Statutory Executive Officer & CMO</p> <p>March 2008 Senior Statutory Executive Officer</p> <p>May 2009 Director & Executive Vice President & Statutory Executive Officer (Real Estate)</p> <p>March 2010 Independent Director, Takara Building Maintenance Co., Ltd.</p> <p>January 2011 President & Representative Director (Overall Company Management), Ichigo Estate Co., Ltd.</p> <p>March 2015 Executive Vice President & Statutory Executive Officer</p> <p>May 2015 Director (current), President & Representative Statutory Executive Officer (current) Chairman & Director, Ichigo ECO Energy Co., Ltd. (current)</p> <p>March 2016 Chairman of Compliance Committee (current)</p> <p>May 2016 Member of Nominating Committee, Member of Compensation Committee</p> <p>October 2016 Chairman of Nominating Committee (current), Chairman of Compensation Committee (current)</p> <p>March 2018 Group Head of IT</p> <p>October 2019 Director, Cost Science Inc. (current)</p> <p>July 2020 Chairman & Director, Ichigo Land Shinchiku Co., Ltd.</p> <p>(Other Positions) Chairman & Director, Ichigo ECO Energy Co., Ltd. Director, Cost Science Inc.</p> <p><u>Message to Our Shareholders</u></p> <p>Ichigo is working as a sustainable infrastructure company to solve social problems and create a more sustainable society. To this end, I believe it is crucial for all our employees to address environmental changes, listen to its customers, and take on new challenges. Together with our employees, I will dedicate all of my strength to grow Ichigo as a company that meets shareholder expectations. Thank you for your continued support.</p>	495,538 shares


No.	Name (Date of Birth)	Career History	Ichigo Shares Held
3	 Minoru Ishihara (October 5, 1967)	<p>April 1990 Joined Hazama Corporation</p> <p>October 2005 Joined Creed Corporation</p> <p>May 2007 Joined Ichigo as Head of Human Resources and General Administration Division</p> <p>March 2008 Executive Officer and Head of Human Resources and General Administration Division</p> <p>October 2008 Chief Administrative Officer & Statutory Executive Officer and Head of Business Management</p> <p>November 2008 Director, Asset Investment Advisors Co., Ltd. (now Ichigo Investment Advisors Co., Ltd.)</p> <p>May 2009 Director (current), Managing Director & Statutory Executive Officer (Administration), Member of Compliance Committee</p> <p>October 2009 Managing Director (Administration), Asset Investment Advisors Co., Ltd. (now Ichigo Investment Advisors Co., Ltd.)</p> <p>November 2009 President & Representative Director, Asset Logistics Co., Ltd. (now Ichigo Marché Co., Ltd.)</p> <p>May 2010 Director, Senior Managing Director & Statutory Executive Officer (Administration)</p> <p>April 2011 President & Representative Director, Miyako City Co., Ltd.</p> <p>May 2011 Senior Managing Director (Administration), Ichigo Real Estate Investment Advisors Co., Ltd. (now Ichigo Investment Advisors Co., Ltd.)</p> <p>November 2011 Executive Vice President (current) & Statutory Executive Officer (Administration)</p> <p>July 2012 Director (current), Executive Vice President & Statutory Executive Officer (Administration), Ichigo Real Estate Investment Advisors Co., Ltd. (now Ichigo Investment Advisors Co., Ltd.)</p> <p>November 2012 Director, Ichigo ECO Energy Co., Ltd.</p> <p>March 2013 Head of Real Estate Chairman, President, & Representative Director, Miyako City, Co., Ltd. (current) Chairman & Director, Ichigo Marché Co., Ltd. Chairman & Director, Takara Building Maintenance Co., Ltd.</p> <p>May 2015 Executive Vice President & Statutory Executive Officer & COO (current)</p> <p>March 2017 President & Representative Director, Ichigo Real Estate Services Fukuoka Co., Ltd. (current)</p> <p>April 2017 Chairman, President, & Representative Director, Ichigo Marché Co., Ltd.</p>	105,608 shares


No.	Name (Date of Birth)	Career History	Ichigo Shares Held
3	(continued from previous page)	<p>March 2018 Group Head of Sustainable Real Estate (current)</p> <p>March 2019 Chairman & Representative Director, Ichigo Marché Co., Ltd. (current)</p> <p>Chairman & Representative Director, Hakata Hotels Inc. (current)</p> <p>June 2019 President & Representative Director, Miyazaki Sunshine FM Co., Ltd. (current)</p> <p>April 2021 Statutory Executive Officer (Sustainable Infrastructure) (current)</p> <p>(Other Positions)</p> <p>Chairman, President, & Representative Director, Miyako City Co., Ltd.</p> <p>Chairman & Representative Director, Ichigo Marché Co., Ltd.</p> <p>President & Representative Director, Ichigo Real Estate Services Fukuoka Co., Ltd.</p> <p>Chairman & Representative Director, Hakata Hotels Inc.</p> <p>President & Representative Director, Miyazaki Sunshine FM Co., Ltd.</p> <p>Message to Our Shareholders</p> <p>I believe Ichigo's strength lies in its direct relationships with clients across different industries and its expertise built on extensive value-add experience. Our mission is to create sustainable infrastructure via integrating this strength with technology, including rent-worthy office spaces, attractive experiences and services, a favorite home in a favorite city, and public facilities reflecting community feedback collected via open platforms. I will supervise our businesses and execute my responsibilities to ensure safety and security for all and enrich people's daily lives. I will continue to work toward meeting the expectations of our shareholders, and appreciate your guidance and support.</p>	


No.	Name (Date of Birth)	Career History	Ichigo Shares Held
4	 <p>Eri Murai (May 16, 1970)</p>	<p>April 1993 Joined Fujita Corporation April 2002 Joined Ichigo January 2007 Head of Finance, Ichigo July 2012 Statutory Executive Officer (Business Management), Head of Business Planning, Ichigo March 2013 Director (Administration), Ichigo Estate, Director, Ichigo Global Capital Director (Business Planning), Ichigo ECO Energy March 2014 Senior Statutory Executive Officer (Administration & HR), Ichigo March 2015 Executive Managing Director (current) & Statutory Executive Officer (Administration & HR) Group Head of Administration & HR, Ichigo President, Ichigo University March 2017 Head of HR Development May 2019 Director (current) March 2020 Statutory Executive Officer (HR) (current)</p> <p><u>Message to Our Shareholders</u></p> <p>The changes during the last year had a significant impact on our society and individual values. When it comes to the work environment, Ichigo have faced needs to respect diversity and increase individual autonomy. I will continue to support each employee's aspiration for growth, and promote a strong organization where employees can make the most of Ichigo's core values such as professionalism, entrepreneurial spirit and diversity, and teamwork.</p> <p>I will make an all-out effort to drive sustainable growth and higher shareholder value. Thank you for your guidance and support.</p>	8,000 shares

No.	Name (Date of Birth)	Career History	Ichigo Shares Held
5	 <p>Tetsuya Fujita (March 26, 1954)</p>	<p>April 1976 Joined Taisho Marine and Fire Insurance Co., Ltd. (now Mitsui Sumitomo Insurance Co., Ltd.)</p> <p>April 2001 Executive Director, Taisho Marine & Fire Insurance (Malaysia) Bhd. (now MSIG Insurance (Malaysia) Bhd)</p> <p>April 2002 Board Director, Skandia Life Insurance (Japan) (now Tokyo Marine Nichido Financial Life Insurance Co., Ltd.)</p> <p>October 2006 Executive Director, AXA Life Insurance Co., Ltd.</p> <p>April 2007 Representative President & CEO, AXA Financial Life Insurance Co., Ltd. (now AXA Life Insurance Co., Ltd.)</p> <p>October 2009 Senior Advisor, AXA Life Insurance Co., Ltd.</p> <p>May 2010 Ichigo Independent Director (current), Member of Audit Committee, Member of Compliance Committee</p> <p>February 2011 Auditor, St. Thomas University</p> <p>March 2011 President, ReMark Japan Co., Ltd.</p> <p>May 2011 Chairman of Compliance Committee,</p> <p>May 2012 Member of Nominating Committee (current), Member of Compensation Committee (current)</p> <p>July 2012 Director, Member of Audit Committee, Member of Nominating Committee, Member of Compensation Committee, Ichigo Real Estate Investment Advisors Co., Ltd. (now Ichigo Investment Advisors Co., Ltd.)</p> <p>May 2014 Chairman of Audit Committee (current), Member of Compliance Committee (current), Chairman of Audit Committee of Ichigo Real Estate Investment Advisors Co., Ltd. (now Ichigo Investment Advisors Co., Ltd.)</p> <p>October 2015 Advisor, LAUREATE INTERNATIONAL UNIVERSITIES Japan</p> <p>May 2016 Lead Independent Director (current)</p> <p>August 2017 Special Advisor to CEO, ReMark Group</p> <p>March 2019 Advisor, Creative Solutions Co., Ltd.</p> <p>June 2019 CEO & Representative Director, Creative Solutions Co., Ltd (current)</p> <p>June 2020 Executive Director, Postal Club Inc. (current)</p> <p>(Other Positions) CEO & Representative Director, Creative Solutions Co., Ltd. Executive Director, Postal Club Inc.</p>	66,200 shares


No.	Name (Date of Birth)	Career History	Ichigo Shares Held
5	(continued from previous page)	<p><u>Message to Our Shareholders</u></p> <p>While Ichigo needs to promptly and actively respond to drastic changes in the market and the work environment amidst Covid, challenges for the future lie ahead of our businesses.</p> <p>As an Independent Director, I will focus on smooth communication and further strengthen corporate governance and risk management, and contribute to the creation of even greater corporate value for Ichigo as a sustainable infrastructure company on behalf of all shareholders.</p>	

No.	Name (Date of Birth)	Career History	Ichigo Shares Held
6	 Noriko Kawate (February 22, 1976)	<p> April 1999 Joined International Dept., Deloitte Touche Tohmatsu LLC July 2001 Qualified as Certified Public Accountant August 2004 Joined Cast & Itoga (now Uryu & Itoga) November 2004 Qualified as Certified Tax Accountant February 2008 President of CLEA Consulting Co., Ltd. (current) January 2009 Joined Gracia Corporation May 2011 Ichigo Independent Director (current), Member of Audit Committee (current) November 2011 Qualified as American Certified Public Accountant July 2012 Director, Member of Audit Committee of Ichigo Real Estate Investment Advisors Co., Ltd. (now Ichigo Investment Advisors Co., Ltd.) June 2013 Audit & Supervisory Board Member, Meiji Machine Co., Ltd. May 2014 Member of Nominating Committee (current), Member of Compensation Committee (current), Member of Nominating Committee, Member of Compensation Committee of Ichigo Real Estate Investment Advisors Co., Ltd. (now Ichigo Investment Advisors Co., Ltd.) February 2015 Partner, Cast Group (current) </p> <p> (Other Positions) President, CLEA Consulting Co., Ltd. Partner, Cast Group </p> <p> <u>Message to Our Shareholders</u> The spread of Covid over the last year has had a significant impact on the business environment of the real estate industry. Ichigo will flexibly respond to drastic changes in the business environment, and will grow and evolve as a sustainable infrastructure company serving society. As an Independent Director, I will supervise and oversee business execution from an objective viewpoint on behalf of a broad range of stakeholders, and further contribute to Ichigo's sustainable growth. </p>	49,500 shares

No.	Name (Date of Birth)	Career History	Ichigo Shares Held
7	 Yukio Suzuki (June 3, 1950)	<p> April 1975 Joined Nomura Research Institute, Ltd. June 1996 Director, Nomura Research Institute Ltd. June 1997 Director & Head of Financial Research Center, Nomura Securities Co., Ltd. June 1999 Executive Director in charge of Research Division, Nomura Asset Management Co., Ltd. June 2000 Executive Managing Director in charge of Research Division, Nomura Asset Management Co., Ltd. June 2003 Executive Managing Director, Nomura Asset Management Co., Ltd. June 2005 Director and Audit Mission Director, Nomura Holdings, Inc. June 2008 Advisor, Nomura Securities Co., Ltd. July 2010 CEO, Belle Investment Research of Japan Inc. (current) August 2010 Advisor, Deloitte Touche Tohmatsu, LLC June 2012 Independent Director, Systema Corporation (current) May 2015 Ichigo Independent Director (current), Director of Ichigo Real Estate Investment Advisors Co., Ltd. (now Ichigo Investment Advisors Co., Ltd.) September 2015 Member of Compliance Committee May 2016 Member of Audit Committee (current), Vice Chairman of Compliance Committee (current) March 2018 Independent Auditor, WILLs Inc. (current) June 2018 Independent Auditor, XNET Corporation (current) (Other Positions) CEO, Belle Investment Research of Japan Inc. Independent Director, Systema Corporation Independent Auditor, WILLs Inc. Independent Auditor, XNET Corporation <u>Message to Our Shareholders</u> Sustainable corporate value creation requires a long-term vision, strategizing and executing on new business development, delivering revolutionary products and services, and solid risk management attuned to changes in the business environment. It is especially important that the process of corporate value creation be shared with shareholders and all stakeholders. I want to fulfill my responsibility as an Independent Director by offering management supervision in consideration of ESG, a foundation of sustainable infrastructure. </p>	14,300 shares

No.	Name (Date of Birth)	Career History	Ichigo Shares Held
8	 <p>Masatoshi Matsuzaki (July 21, 1950)</p>	<p>April 1976 Joined Konishiroku Photo Industry Co., Ltd. (now Konica Minolta, Inc.)</p> <p>June 1999 General Manager, System Technology Development Division, Office Document Company, Konica Corporation</p> <p>October 2003 Director, Konica Minolta Business Technologies, Inc.</p> <p>April 2005 Executive Officer, Konica Minolta Holdings Inc. Representative Director & President, Konica Minolta Technology Center, Inc.</p> <p>April 2006 Senior Executive Officer, Konica Minolta Holdings Inc.</p> <p>June 2006 Director & Senior Executive Officer, Konica Minolta Holdings Inc.</p> <p>April 2009 Representative Director & CEO Konica Minolta Holdings, Inc.</p> <p>April 2013 Representative Director & CEO Konica Minolta, Inc.</p> <p>April 2014 Director & Chairman of the Board of Directors, Konica Minolta, Inc. (current)</p> <p>June 2014 Chairman of the Board of Directors, Japan Business Machine and Information System Industries Association</p> <p>May 2016 Deputy Chairman, Japan Association of Corporate Directors Ichigo Independent Director, Member of Nominating Committee (current), Member of Compensation Committee (current)</p> <p>June 2016 Independent Director, Nomura Research Institute, Ltd. (current) Independent Director, Nippon Sheet Glass Co. Ltd.</p> <p>August 2016 Member of Public Interest Supervisory Committee, PwC Aarata LLC (current)</p> <p>May 2018 Executive Director & Deputy Chairman, Japan Association of Corporate Directors (current)</p> <p>June 2019 Independent Director, LIXIL Corporation (current)</p> <p>(Other Positions) Chairman of the Board of Directors, Konica Minolta Inc. Executive Director & Deputy Chairman, Japan Association of Corporate Directors Independent Director, Nomura Research Institute, Ltd. Independent Director, Nippon Sheet Glass Co. Ltd. (Until June 2020) Member of Public Interest Supervisory Committee, PwC Aarata LLC Independent Director, LIXIL Corporation</p>	42,200 shares

No.	Name (Date of Birth)	Career History	Ichigo Shares Held
8	(continued from previous page)	<p><u>Message to Our Shareholders</u></p> <p>In response to the changes caused by Covid, Ichigo's executive team has taken significant and positive measures with respect to the organization and human resources. I believe sustainable growth is important for shareholders and all stakeholders.</p> <p>In order to achieve the <u>Ichigo 2030</u> long-term vision, I will continue to use my perspective as an Independent Director to help the company's management team keep an eye on structural changes in the business environment and assess opportunities and risks in order to meet the expectations of shareholders.</p>	

No.	Name (Date of Birth)	Career History	Ichigo Shares Held
9	 <p>Nobuhide Nakaido (November 1, 1946)</p>	<p>April 1971 Joined Sumitomo Corporation April 1998 Director, Sumitomo Corporation April 2002 Managing Director, Sumitomo Corporation April 2003 Managing Executive Officer, Sumitomo Corporation April 2004 Senior Managing Executive Officer, Sumitomo Corporation April 2005 Executive Vice President, Sumitomo Corporation April 2009 Executive Director, Assistant to President, Sumitomo Corporation June 2009 Chairman, President, & CEO, Sumisho Computer Systems Corporation (now SCSK Corporation) October 2011 President & CEO, SCSK Corporation June 2013 Chairman, SCSK April 2016 Director & Senior Advisor, SCSK Corporation June 2016 Senior Advisor, SCSK Corporation May 2017 Ichigo Independent Director (current) October 2018 Chairman, Japan Association for Chief Human Resources Officers (current) March 2019 Independent Director, eSOL Co., Ltd. (current) June 2020 Independent Director, Sourcenext Corp. (current)</p> <p>(Other Positions) Chairman, Japan Association for Chief Human Resources Officers Independent Director, eSOL Co., Ltd. Independent Director, Sourcenext Corp.</p> <p><u>Message to Our Shareholders</u></p> <p>I believe this year will be very important for us to make progress as a sustainable infrastructure company, even with the harsh business environment caused by Covid. I will do my best to support management combatting such difficulties, including giving further flexibility in workstyles with an eye on the post-Covid era.</p>	10,000 shares

(Note 1) None of the candidates for Director or Independent Director are a related party of Ichigo.

(Note 2) Ichigo's Nominating Committee and Board of Directors' reasons for nominating Scott Callon, Takuma Hasegawa, Minoru Ishihara, and Eri Murai for Director are as follows:

Scott Callon has extensive experience as Chairman of Ichigo since October 2008, and has knowledge and expertise derived from serving on a number of Japanese government bodies, including the Financial Services Agency (FSA) Council of Experts that drafted Japan's Corporate Governance Code and the Ministry of Economy, Trade and Industry (METI) Competitiveness and Incentives Structures for Sustainable Growth Project (the "Ito Review"). He assumed the position of Director in November 2008, and his term of office will have been twelve and a half years at the close of this shareholder meeting.

- (i) Takuma Hasegawa has extensive knowledge and experience at Ichigo, having led a number of Ichigo's real estate businesses. He has been Ichigo's President since May 2015. He assumed the position of Director in May 2009 for two years, and his term of office will have been eight years at the close of this shareholder meeting.
- (ii) Minoru Ishihara has extensive knowledge and experience as Executive Vice President and COO of Ichigo. He assumed the position of Director in 2009, and his term of office will have been twelve years at the close of this shareholder meeting.
- (iii) Eri Murai has extensive knowledge and experience, having led a number of key initiatives in finance, internal management, and HR since joining Ichigo in 2002. She is currently the Executive Managing Director & Statutory Executive Officer (HR), and her term of office will have been two years at the close of this shareholder meeting.

(Note 3) All five candidates for Independent Director – Tetsuya Fujita, Noriko Kawate, Yukio Suzuki, Masatoshi Matsuzaki, and Nobuhide Nakaido – meet the Tokyo Stock Exchange's (TSE) requirements for Independent Directors and will be registered with the TSE as such.

(Note 4) Ichigo's Nominating Committee and Board of Directors' reasons for nominating Tetsuya Fujita, Noriko Kawate, Yukio Suzuki, Masatoshi Matsuzaki, and Nobuhide Nakaido as candidates for Independent Director are as follows:

- (i) Tetsuya Fujita has extensive knowledge and experience working for a leading property insurance company and a leading life insurance company. He assumed the position of Independent Director in May 2010, and his term of office will have been eleven years at the close of this shareholder meeting.
- (ii) Noriko Kawate has extensive experience in statutory auditing at a major auditing firm and in accounting and tax advisory as a certified public accountant and tax accountant. She assumed the position of Independent Director in May 2011, and her term of office will have been ten years at the close of this shareholder meeting.
- (iii) Yukio Suzuki has extensive experience and knowledge of corporate and securities research from serving important roles at a securities company, think tank, and asset management company at a major financial group, and has experience and knowledge in operational monitoring and risk control, which he can draw upon to fully monitor Ichigo's activities on behalf of shareholders. He assumed the position of Independent Director in May 2015, and his term of office will have been six years at the close of this shareholder meeting.

- (iv) Masatoshi Matsuzaki has extensive experience as the CEO and Chairman leading a major global office equipment manufacturer, driving positive structural transformation and business innovation, and played a leading role in developing a best-practice board committee system to support strong corporate governance, which he can draw upon to fully monitor Ichigo's activities on behalf of shareholders. He assumed the position of Independent Director in May 2016, and his term of office will have been five years at the close of this shareholder meeting.
 - (v) Nobuhide Nakaido has extensive experience and knowledge as the Executive Vice President of one of Japan's largest trading companies and President & Chairman of a leading Japanese IT systems integrator, driving innovation in the IT service industry and increasing corporate value through workstyle & workplace transformation. He has extensive knowledge and experience leading major global companies which he can draw upon to fully monitor Ichigo's activities on behalf of shareholders. He assumed the position of Independent Director in May 2017, and his term of office will have been four years at the close of this shareholder meeting.
- (Note 5) No candidate for Independent Director has been involved in inappropriate conduct while serving as a Director in other companies over the past five years.
- (Note 6) Additional information pertaining to the independence of the candidates for Independent Director is as follows:
- (i) Tetsuya Fujita and Noriko Kawate served as Independent Directors of Ichigo subsidiary, Ichigo Investment Advisors, from July 2012 to May 2016.
 - (ii) Yukio Suzuki served as an Independent Director of Ichigo subsidiary, Ichigo Investment Advisors, from May 2015 to May 2016.
 - (iii) No candidate for Independent Director has received in the last two years, nor will they receive, material monetary or other financial compensation (excluding any remuneration as Director or Advisor before assuming the position of Independent Director) from Ichigo or related entities.
 - (iv) No candidate for Independent Director is the spouse of the management of Ichigo or related entities, nor are they related within three degrees of consanguinity.
- (Note 7) In order to retain Independent Directors of high quality, Ichigo has signed limited liability agreements with Tetsuya Fujita, Noriko Kawate, Yukio Suzuki, Masatoshi Matsuzaki, and Nobuhide Nakaido. The extent of liabilities for compensation under the agreements is the minimum limited liability amount as defined in Article 425, Paragraph 1 of the Company Law; provided that the liability is limited only when the Independent Directors have performed their duties which cause liability in good faith and without gross negligence. Upon the re-appointment of Tetsuya Fujita, Noriko Kawate, Yukio Suzuki, Masatoshi Matsuzaki, and Nobuhide Nakaido as Independent Directors, Ichigo will enter into new limited liability agreements with equivalent terms with each of them.
- (Note 8) Ichigo and the independent directors have entered into a director liability insurance contract, with the directors named as insured, which provides coverage for any damages that may be caused by directors taking on responsibilities for performing their duties or receiving claims in pursuit of responsibilities. Candidates will be named insured after the re-election, and the contract will be renewed during their tenure.
- (Note 9) Scott Callon has not received and will not receive any compensation from Ichigo.
- (Note 10) Shares owned by Yukio Suzuki, a candidate for Independent Director, include shares owned by Belle Investment Research of Japan Inc., all of whose shares are

owned by Yukio Suzuki.

(Note 11) The number of Ichigo shares owned by each of the candidates for Director is as of February 28, 2021.

Business Report
(March 1, 2020 – February 28, 2021)

I. Current Operations and Financials

A. Business Conditions in the Current Fiscal Year (FY21/2)

1. Business Results and Progress

In the current fiscal year, the Covid pandemic severely impacted economic activities globally. Although the Japanese economy is gradually recovering on the back of government grants and programs to support corporate finances and the global economic recovery, the speed of recovery slowed after the second state of emergency declared by the Japanese government in January 2021. The prolonged fall-off in economic activity has resulted in a drop in household consumption, and businesses requiring face-to-face interactions have especially been affected. Although the economy is expected to gradually recover on the back of the Covid vaccine rollout and the lifting of the state of emergency, it is expected to take some time.

In the Japanese real estate market, the office industry saw many lease terminations at large-size office buildings, although occupancy is slowly recovering. Office demand is expected to change due to shift to remote work, but no significant change has been seen in Ichigo's primarily mid-size office buildings. The hotel industry has been especially challenged by Covid, with a significant drop in demand due to travel restrictions. Meanwhile, residential assets and logistics assets are continuing to experience stable tenant demand, and there is steady appetite for real estate investment in both asset types.

In clean energy, the rising importance of ESG globally is driving higher recognition of this business, which in addition to its positive ESG contributions, offers high earnings stability and low sensitivity to changes in economic conditions.

To respond to the rapid changes in market conditions, Ichigo has taken measures to maintain its strong financial base and robust cash flows. In line with our Ichigo 2030 long-term vision, Ichigo is also expanding its business activities as a sustainable infrastructure company to fulfill our mission of Make The World More Sustainable.

In keeping with this mission, Ichigo has joined RE100, a global initiative to accelerate the transition of electricity used by businesses to 100% renewable energy and realize a Net Zero Carbon society. Ichigo is committed to sourcing 100% renewable energy across all Ichigo, Ichigo Office (8975), and Ichigo Hotel (3463) assets by 2040.

RE100

**CLIMATE
GROUP**



To accelerate its sustainability initiatives, Ichigo has also signed the UN Global Compact. The UN Global Compact is a global sustainability initiative that calls for companies and organizations to take leadership and take actions as members of society to implement universal sustainability principles. Companies and organizations that sign the UN Global Compact are required to honor Ten Principles with respect human rights, labor, environment, and anti-corruption.

The Ten Principles of the UN Global Compact

Human Rights	Principle 1: Support and respect human rights Principle 2: No complicity in human rights abuses
Labor	Principle 3: Uphold freedom of association and the effective recognition of the right to collective bargaining Principle 4: Elimination of all forms of forced and compulsory labor Principle 5: Effective abolition of child labor Principle 6: Elimination of discrimination in respect of employment and occupation
Environment	Principle 7: Support a precautionary approach to environmental challenges Principle 8: Promote greater environmental responsibility Principle 9: Encourage the development and diffusion of environmentally-friendly technologies
Anti-Corruption	Principle 10: Work against corruption in all its forms, including extortion and bribery

Core Business Growth

– Sustainable Real Estate (SRE)

The Covid impact on the leasing market differed greatly by asset type. Hotels were most severely impacted with a sharp decrease in revenues, and a full recovery is expected to take some time. However, Ichigo-owned hotels are seeing a high level of occupancy due to the deployment of PROPERA, an Ichigo-developed AI hotel revenue management system. Recovery has been seen in the retail market since last June in assets not dependent on inbound tourism. However, due to the second state of emergency declared by the Japanese government, the gap in the speed of recovery is widening between business types. Restaurants are continuing to suffer the impact, and Ichigo is communicating and cooperating with tenants to respond to the situation.

Covid impacts have not been significant in offices, residential assets, and logistics assets. Notably, investor appetite for high-end residential assets having stable earnings has not changed, and Ichigo has been in acquisitions and sales of these assets. During the year, Ichigo sold JPY 41.4 billion in assets, while acquiring JPY 38.2 billion, of which most were residential.

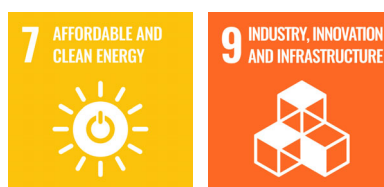
– Asset Management

Ichigo supported its TSE-listed REITs and solar power producer, and private funds. Ichigo Office (8975) and Ichigo Hotel (3463) became the first and only J-REITs with a no fixed fee, performance-fee only asset management structure. As a result, base AM fees decreased as revenue dropped on Covid impacts such as a decrease in hotel variable rents. To support further strengthening of Ichigo Hotel's financial base amid the Covid pandemic, Ichigo subscribed to a JPY 500 million subordinated bond issued by Ichigo Hotel.

– Clean Energy

Ichigo's online power plants now total 51 power plants (150MW), having brought six new solar power plants (13.7MW) online this year. Amidst Covid, the clean energy business has proven to be stable and unaffected by market conditions. Ichigo continues to develop a pipeline of reliable, high-performance solar and wind power plants, now totaling 67 power plants (198.8MW), +33% year-on-year as of April 30, 2021.

Ichigo's first wind power plant, the Ichigo Yonezawa Itaya ECO Power Plant began operation in March 2021. Its construction was funded by Shinsei Bank's Green Loan program. Shinsei Bank recognized Ichigo Yonezawa for its contributions to achieving two Sustainable Development Goals (SDGs): SDG 7 - Affordable and Clean Energy, and SDG 9 - Industry, Innovation, and Infrastructure.



– Robust Financial Base

Since the global financial crisis, Ichigo has been strengthening its earnings base and financial position via measures such as lengthening borrowing terms, reducing borrowing costs, hedging against increases in interest-rates via interest rate swaps, and borrowing via unsecured loans. Ichigo will continue these policies to build upon its capabilities in real estate and clean energy and grow as a sustainable infrastructure company.

In the current year, Ichigo borrowed funds via Sumitomo Mitsui Banking Corporation's ("SMBC") ESG/SDGs syndicated loan program ("ESG/SDGs Finance") based on the United Nations ("UN") Principles for Positive Impact Finance (maximum JPY 10.6 billion). The use of funds in ESG/SDGs Finance is unspecified and therefore funds can be used by the borrowing company broadly across its businesses.



– Cash Flow Management

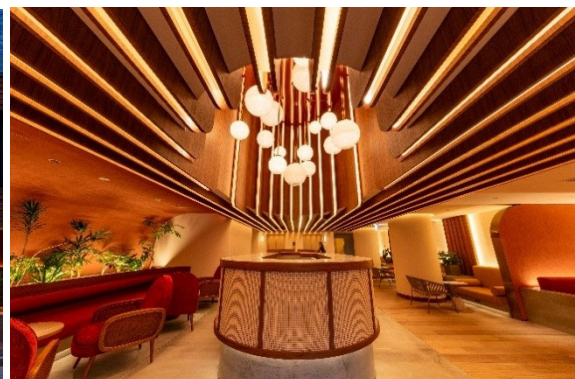
To further increase its cash flows, Ichigo reclassified some of its Fixed Assets to Real Estate for Sale to increase tax efficiency and cash generation via taking depreciation allowances on its real estate income.

New Business Entry: Sustainable Infrastructure for a Sustainable Society

Ichigo is creating new value in real estate, clean energy, and other social infrastructure, and working to create richer, more fulfilling lives for the people of Japan. Ichigo is also generating new earnings streams, as well as growing its existing businesses, to contribute to Ichigo's growth as a sustainable infrastructure company.

As one example, Ichigo entered the hotel operator market in March 2019 via the establishment of Hakata Hotels to leverage Ichigo's extensive experience and know-how as a hotel owner-operator and drive higher hotel earnings and value growth.

In FY21/2, Ichigo launched its second hotel brand, The OneFive. Ichigo carried out value-add renovations to two 35 year-old hotels, rebranding and relaunching them as The OneFive Terrace Fukuoka and The OneFive Villa Fukuoka. The OneFive is a line of hotels featuring the highest level of *omotenashi* (Japan's tradition of hospitality and services) and simple, high-quality comfort.



The OneFive Terrace Fukuoka

Ichigo is also expanding its boutique hotel brand, THE KNOT. Its third and fourth THE KNOT hotels, THE KNOT SAPPORO and THE KNOT HIROSHIMA, had their grand openings this past year. THE KNOT offers opportunities to tourists, business travelers, and local residents to discover and rediscover the city.

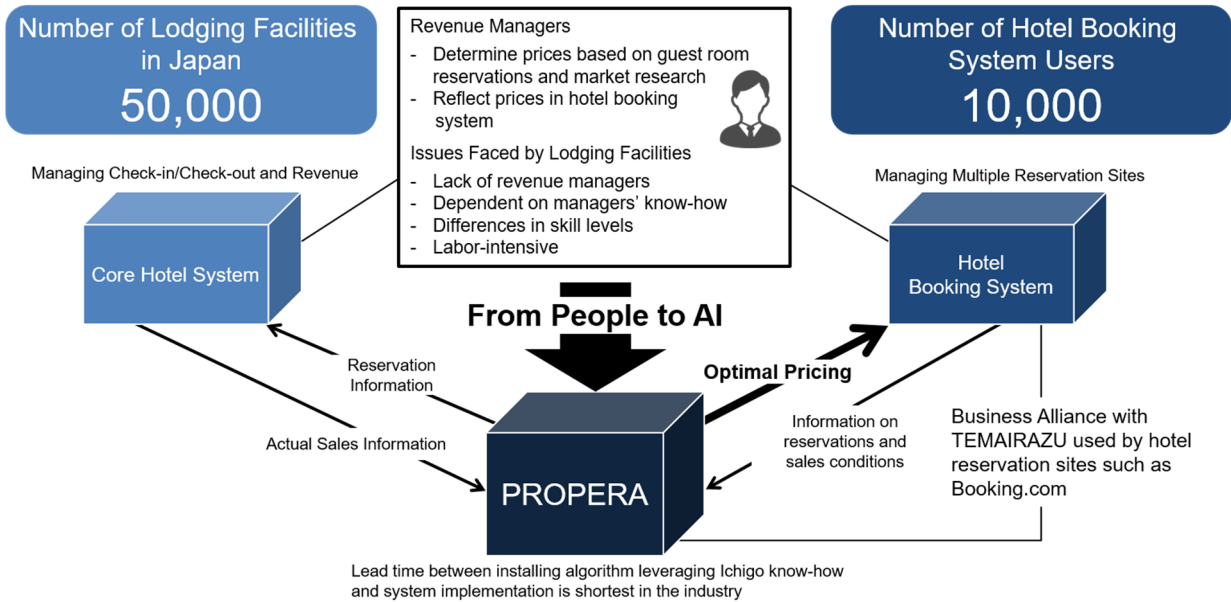


THE KNOT SAPPORO



THE KNOT HIROSHIMA

To further drive earnings in Ichigo’s hotel business, Ichigo developed PROPERA, a proprietary hotel revenue management system that uses artificial intelligence (AI) to drive dynamic-pricing algorithms that calculate optimal pricing for hotel rooms and maximize hotel revenues. PROPERA’s AI-based dynamic pricing responds to changes in the market by using machine learning to calculate optimal hotel room pricing up to 365 days in advance. Ichigo has deployed PROPERA to increase revenues by 10% to 40% at its own hotels, and is now rolling out PROPERA to third-party hotel operators.



Ichigo's anime business is financing the production of a new anime series directed by renowned Japanese directors Mamoru Oshii and Junji Nishimura. Ichigo launched the anime business to create synergies with AKIBA CULTURES ZONE (ACZ), Ichigo's retail asset located in Akihabara, the Tokyo district that is the epicenter of Japan's anime sub-culture.

Ichigo has also invested in TSUBASA+, a global, real-world augmented reality (AR) game that uses smartphone GPS. TSUBASA+ merges elements from the popular soccer manga Captain Tsubasa with the real world. Ichigo is contributing Ichigo's real estate capabilities and expertise in order to integrate real-world locations into the game, including placing virtual stadiums at Ichigo real estate assets.

For Ichigo's Shareholder Program, although Ichigo had not been able to distribute J.League game tickets this past year due to Covid, Ichigo offered J.League Merchandise such as Ichigo original J.League towels and autographed soccer balls, and online events with Takeshi Okada, Japan Football Association Senior Advisor, and Masayuki Okano, Former Japan National Soccer Team Player.



Ichigo also uses social media, including Facebook and Instagram, to provide Ichigo-related news and updates, and continues to execute on new branding initiatives to drive shareholder value.

FY21/2 Earnings Details

Ichigo generated consolidated FY21/2 revenue of JPY 61.4 billion (-29.8% year-on-year), operating profit of JPY 9.7 billion (-65.1% year-on-year), recurring profit of JPY 7.2 billion (-70.6% year-on-year), and net income of JPY 5.0 billion (-38.7% year-on-year).

Segment Earnings Details

The breakdown of revenue and operating profit by segment is as follows:

Asset Management

Due to decreased performance fees and a fall-off of gains on sales at Ichigo Hotel (3463) due to Covid, revenue decreased to JPY 2.5 billion (-37.2% year-on-year), with segment operating profit down 44.5% year-on-year to JPY 1.4 billion.

Sustainable Real Estate

Gains on sales decreased due to a decrease in sales year-on-year as a result of limited sales and acquisition activity in assets other than residential assets and an increase in depreciation expenses due to reclassifying real estate for sale to fixed assets in FY20/2. Rental income also decreased for hotel assets with variable rent leases. Revenue decreased to JPY 54.8 billion (-32.0% year-on-year), with segment operating profit down 72.8% year-on-year to JPY 6.5 billion.

Clean Energy

Due to full-year contributions from power plants that came online in FY20/2 and bringing online six new plants, revenue increased to JPY 4.7 billion (+22.6% year-on-year), with segment operating profit up 44.2% year-on-year to JPY 1.8 billion.

Consolidated Income Statement Details

Revenue

Despite gains on sales from residential asset sales and new solar plants increasing power generation revenue, the decrease in real estate sales and hotel rental income due to Covid contributed to a 29.8% year-on-year decrease in revenue to JPY 61.4 billion.

The revenue breakdown was: real estate sales JPY 38.6 billion, real estate rental income JPY 15.9 billion, real estate management fee income JPY 1.9 billion, and power production revenue JPY 4.7 billion.

Operating Profit

Decreases in asset sales and rental income and a JPY 1.8 billion increase in depreciation expenses led to operating profit of JPY 9.7 billion (-65.1% year-on-year).

Non-Operating Profit & Expenses

Non-operating profit totaled JPY 417 million (+178.1% year-on-year), with derivative valuation gains of JPY 243 million (Ichigo hedges against increases in interest rates using interest rate swaps) and dividend income of JPY 78 million.

Non-operating expenses totaled JPY 2.9 billion (-16.4% year-on-year), due to a decrease in mark-to-market loss on long-term interest rate hedges and debt financing-related fees.

By category, interest expenses were JPY 2.3 billion and debt financing-related fees were JPY 279 million.

Extraordinary Gains

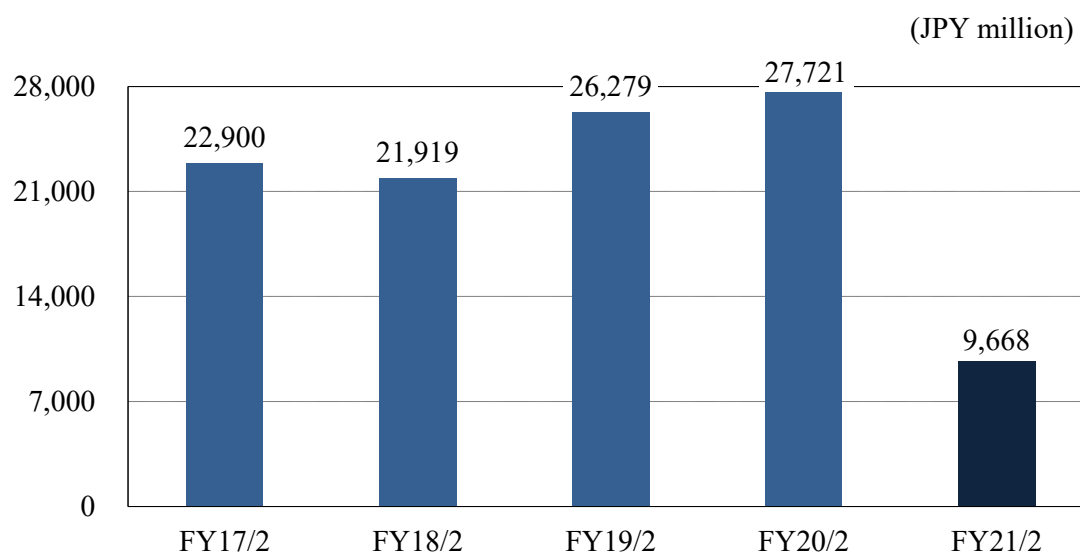
Extraordinary gains totaled JPY 720 million (+233.7% year-on-year) on gains on sale on fixed assets of JPY 720 million.

Extraordinary losses totaled JPY 288 million (-96.4% year-on-year) on an allowance for doubtful accounts of JPY 144 million, a writedown of securities investments of JPY 114 million, and a writedown of goodwill of JPY 27 million.

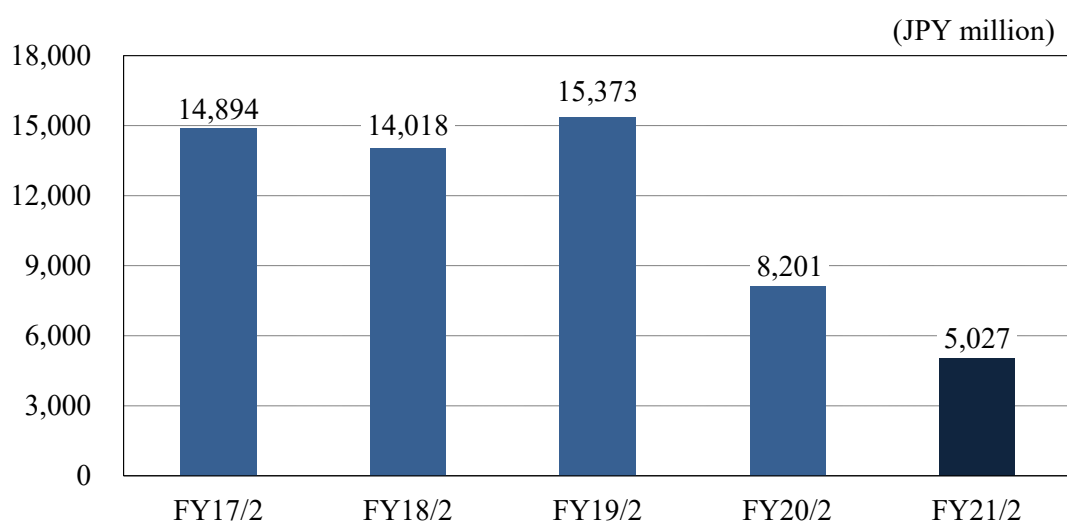
Net Income

Net income declined 38.7% year-on-year to JPY 5.0 billion. Incomes taxes totaled JPY 2.6 billion (which included a tax adjustment of -JPY 58 million).

Operating Profit



Net Income



2. Capital Expenditures

During FY21/2, property, plant, and equipment (PP&E), including operating and in-development power plants, increased by JPY 4.4 billion.

3. Financing

In order to maintain its strong financial base in a difficult Covid environment, Ichigo is improving its borrowing terms and diversifying its borrowings, including by lowering borrowing costs, staggering loan maturities, extending loan durations, and reducing loan amortizations.

As a sustainable infrastructure company, Ichigo is proactively executing a broad array of ESG initiatives, including in its financing activities. Ichigo became the first Japanese real estate company to borrow funds via Sumitomo Mitsui Banking Corporation's ESG/SDGs syndicated loan program ("SMBC ESG/SDGs Finance") based on the United Nations Principles for Positive Impact Finance, borrowing JPY 10.6 billion.

SBMC ESG/SDGs Finance is a syndicated loan program that finances sustainable business management based on a comprehensive analysis and evaluation of the environmental, social, and economic impacts of a company's business activities. The use of funds in SMBC ESG/SDGs Finance is unspecified, and therefore funds can be used by the borrowing company broadly across its businesses.

UN Principles for Positive Impact Finance

The UN Principles for Positive Impact Finance is a financial framework established by the United Nations Environment Programme Finance Initiative ("UNEP FI") in January 2017 as a principle for financial institutions to fund businesses that contribute to achieving the SDGs. It is comprised of four principles: Definition, Frameworks, Transparency, and Assessment, and defines a structure for financing aimed to mitigate the negative impacts and systematically and sustainably increase the positive impacts of a borrowing company's activities.

Furthermore, Ichigo ECO Energy, Ichigo's wholly-owned subsidiary, borrowed JPY 3.0 billion from Shinsei Bank to finance the construction of Ichigo's first wind power plant, the Ichigo Yonezawa Itaya ECO Power Plant.

Shinsei Bank recognized Ichigo Yonezawa for its contributions to achieving two Sustainable Development Goals (SDGs): SDG 7 - Affordable and Clean Energy, and SDG 9 - Industry, Innovation, and Infrastructure.

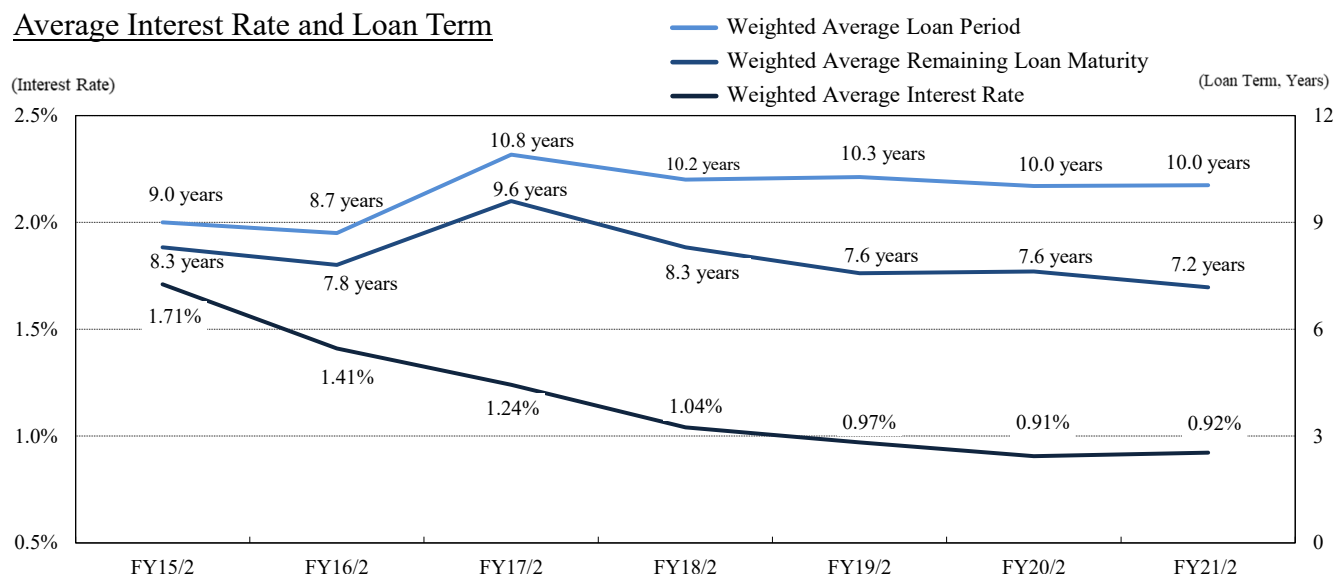
Shinsei Bank also commended Ichigo for:

- 1) expanding the scope of its real estate and clean energy businesses as a sustainable infrastructure company in line with its commitment to building a more sustainable society;
- 2) carrying out the Ichigo Yonezawa project consistent with Ichigo's mission;
- 3) working closely with local communities;
- 4) constructing Ichigo Yonezawa with due consideration for the environment and society, complying not only with relevant laws and regulations, but also conducting Ichigo's own environmental impact assessment.

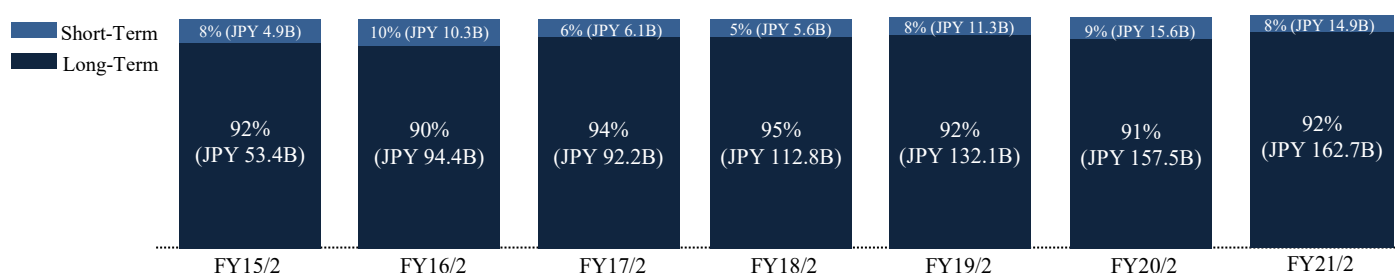
Ichigo's corporate loan balance as of FY21/2-end was JPY 177.7 billion (+2.6% year-on-year), and non-recourse loan balance was JPY 42.3 billion (+5.0% year-on-year). The average interest rate during FY21/2 for corporate loans and non-recourse loans were 0.92% (+0.01% year-on-year) and 1.06% (+0.04% year-on-year), respectively.

Ichigo continues to have an extraordinarily stable and durable balance sheet, with 91.6% of corporate loans (+0.6% year-on-year) as of FY21/2-end being long-term. JPY 115.6 billion of corporate loans have remaining loan terms of more than five years, with Ichigo's corporate loans having an average loan term of 10 years and an average remaining loan maturity of 7.2 years. Furthermore, 52.6% (-0.4%) of Ichigo's corporate loans as of FY21/2-end are with the Japanese megabanks. The proportion of total uncollateralized borrowings was 21.8% (-3.8%) as of FY21/2-end, driven by the aforementioned FY21/2 commitment line and bond issuance.

Average Interest Rate and Loan Term



Term Structure of Loans



4. Business Transfers, Absorption-Type Splits or Incorporation-Type Splits

N/A

5. Transferred Businesses from Other Companies

N/A

6. Succession of Rights and Obligations relating to the Business of Other Companies by Absorption-Type Merger or Absorption-Type Split

N/A

7. Acquisition and Disposition of Shares and Other Interests in Other Companies and Stock Options, etc.

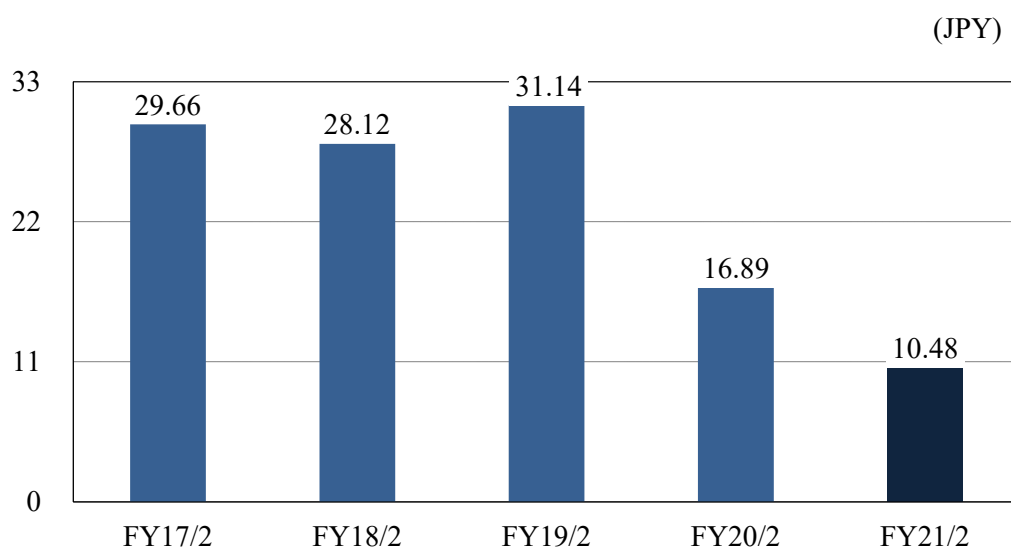
N/A

B. Earnings and Assets in the Current and Past Three Fiscal Years

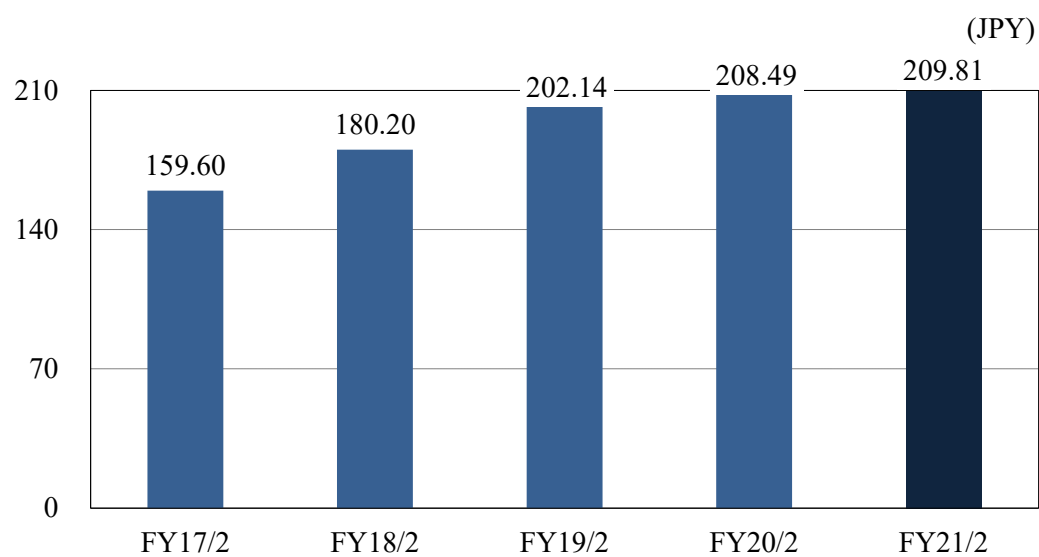
	18 th Period (FY18/2)	19 th Period (FY19/2)	20 th Period (FY20/2)	21 st Period (FY21/2)
Revenue (JPY million)	57,846	83,540	87,360	61,368
Operating Profit (JPY million)	21,919	26,279	27,721	9,668
Recurring Profit (JPY million)	19,185	23,076	24,395	7,179
Net Income (JPY million)	14,018	15,373	8,201	5,027
Net Income per Share (JPY)	28.12	31.14	16.89	10.48
Total Assets (JPY million)	296,501	319,343	333,726	347,076
Net Assets (JPY million)	92,725	102,859	101,607	110,255
Net Assets per Share (JPY)	180.20	202.14	208.49	209.81
Dividend per Share (JPY)	6.0	7.0	7.0	7.0
Return on Equity	16.5%	16.3%	8.2%	5.0%

(Note) Net Income per Share is calculated based on the average number of outstanding shares, excluding treasury shares, during the period. Net Assets per Share is calculated based on the number of outstanding shares, excluding treasury shares, as of the end of the fiscal year.

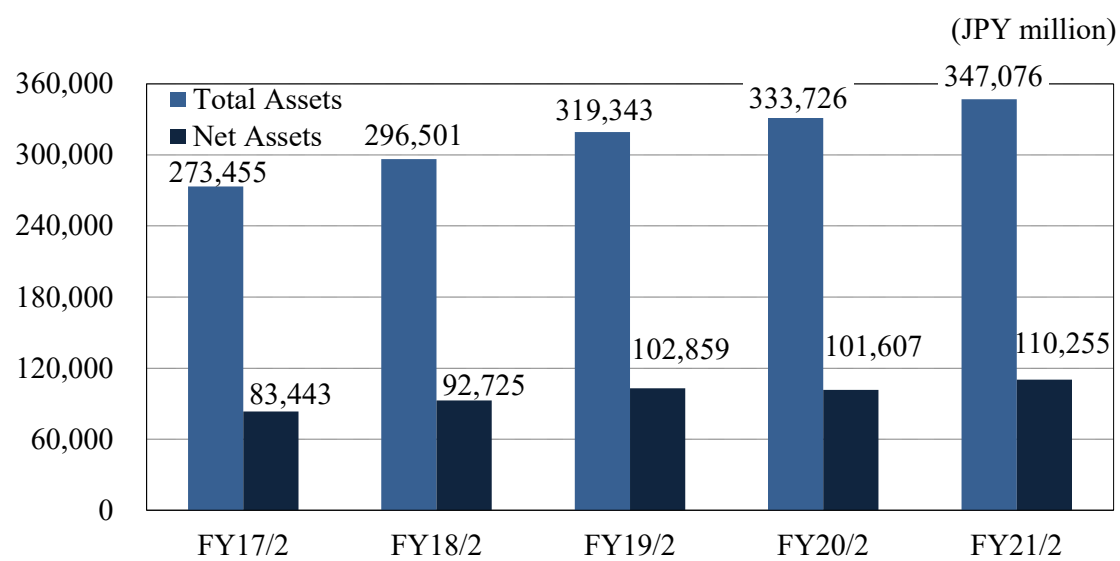
Net Income per Share (EPS)



Net Assets per Share



Total Assets & Net Assets



C. Company and Subsidiary Information

(1) Controlling Parent Company

N/A – Ichigo does not have a controlling parent company.

(2) Important Subsidiaries

Name	Capital	Percentage Ownership of Voting Rights	Main Business
Ichigo Investment Advisors Co., Ltd.	JPY 400 million	100%	Asset manager of Ichigo Office (8975), Ichigo Hotel (3463), and Ichigo Green (9282)
Ichigo Estate Co., Ltd.	JPY 500 million	100%	Sustainable real estate
Ichigo ECO Energy Co., Ltd.	JPY 150 million	100%	Clean energy business focusing on utility-scale solar and wind power production, making purposeful use of idle land nationwide
Ichigo Owners Co., Ltd.	JPY 110 million	100%	Real estate investment services
Ichigo Land Shinchiku Co., Ltd.	JPY 50 million	100%	Sustainable real estate
Ichigo Real Estate Services Fukuoka Co., Ltd.	JPY 101 million	100%	Real estate business centered on Fukuoka
Ichigo Marché Co., Ltd.	JPY 95 million	100%	Operates Matsudo Nanbu market in Chiba Prefecture
Miyako City Co., Ltd.	JPY 50 million	100%	Operates Miyako City shopping mall in Miyazaki Prefecture
Centro Co., Ltd.	JPY 30 million	100%	New real estate-related businesses
Storage Plus Corp.	JPY 80 million	100%	High-grade self-storage
Ichigo Animation KK	JPY 590 million	100%	Japanese anime studio & real estate-related content developer
Hakata Hotels Inc.	JPY 100 million	100%	Hotel operator

D. Key Business Priorities

Covid has severely affected global economic activity has been se. Within the real estate market, hotels have been severely impacted by Covid, leading to a significant decrease in hotel earnings, and future office demand may be negatively impacted by work style changes accelerated by Covid. With respect to real estate sales and acquisitions, there has been limited Covid impact on asset prices, which have remained high, and interest rates are trending down.

As a sustainable infrastructure company, Ichigo is continuing to grow its current businesses and develop new businesses for long-term growth. Ichigo is also focusing on integrating its businesses with the networks and data-driven possibilities of the digital world.

Ichigo believes companies exist to serve society, and is working to contribute to a sustainable society while growing long-term value for its shareholders.

In line with this mission, Ichigo has joined RE100, a global initiative to accelerate the transition of electricity used by businesses to 100% renewable energy. Ichigo is committed to sourcing 100% renewable energy across its operations, including Ichigo Office (8975) and Ichigo Hotel (3463), by 2040. Ichigo will continue to grow its clean energy business and reduce energy consumption to achieve this target.

In order to transform its business model to drive significantly higher long-term growth for its shareholders, Ichigo released Ichigo 2030, an 11-year vision, in 2019. The key elements of Ichigo 2030 are described below.

Ichigo 2030: Ichigo as a Sustainable Infrastructure Company

As a sustainable infrastructure company, Ichigo is growing and expanding its core real estate and clean energy capabilities into new areas. In doing so, Ichigo will generate new earnings streams and opportunities to serve clients while working to create a more sustainable society.

a. Sustainable

We have entered an era when humanity must tread more lightly on our planet and learn to do more with less. Ichigo already has an extensive track record in sustainable real estate through its business model of preserving and improving existing real estate, which challenges the wasteful cycle of demolition and redevelopment in Japanese real estate. With Ichigo 2030, Ichigo will continue its long-standing commitment to sustainability while developing new technologies to extend the lives of key social infrastructure beyond 100 years. Sustainability is integral to the healthy development of people, society, and the environment.

b. Infrastructure

Ichigo has moved beyond the traditional view of real estate as simply physical buildings and land to one in which Ichigo more broadly provides key infrastructure that is fundamental to people's lives. Ichigo first expanded beyond real estate in 2012, when it began developing solar power, offering sustainable energy to support a cleaner and safer Japan and world. Ichigo 2030 takes this strategy forward by expanding the scope of Ichigo's real estate and clean energy businesses into other types of infrastructure that contribute to creating richer, more fulfilling lives for the people of Japan.

Ichigo is now working to merge the physical infrastructure of daily life – offices, homes, hotels – with the networks and data-driven possibilities of the digital world in order to offer more enriching experiences to its clients, tenants, and other stakeholders. While continuing to grow Ichigo's existing businesses, Ichigo is increasing investments in new technologies and talent and developing new partnerships with other companies who share our sustainability vision.

Time Period

FY20/2 to FY30/2 (11 years)

KPIs

1. High Capital Productivity

(a) FY20/2~FY30/2 Average ROE >15%

Although Ichigo's growth investments in IT and new businesses will initially lower ROE, Ichigo believes these investments will increase long-term ROE by driving higher capital productivity and earnings stability. Ichigo is focused on growing long-term EPS as a key driver of shareholder value.

(b) FY20/2~FY30/2 Continuous JPX-Nikkei 400 Index Inclusion

Ichigo is targeting continuous inclusion in the JPX-Nikkei 400 Index for the entire Ichigo 2030 period (11 years). The JPX-Nikkei 400 selects companies based on ROE, operating profit, and market capitalization, resulting in an index that is comprised of companies with high capital productivity and profitability.

2. High Cash Flow Generation

(a) FY20/2~FY30/2 Continuous Economic Operating Cash Flow* > Net Income

Ichigo's robust cash flows fund both growth investments and shareholder returns, so growing these cash flows is an important business priority. Ichigo is therefore setting a target of its annual Economic Operating Cash Flow exceeding its annual Net Income for the entire Ichigo 2030 period (11 years).

* Economic Operating Cash Flow = Cash Flows from Operations +/- any changes in Real Estate and Power Plants for Sale

3. High Earnings Stability

FY30/2 Stock Earnings Ratio >60%

Ichigo is targeting increasing its Stock Earnings ratio from FY19/2's 53% to 60% in FY30/2. It is also working to increase and diversify its Flow Earnings in order to reduce the weighting of profits from Value-Add real estate sales, which can be sensitive to changes in the real estate market. As a result, Ichigo expects to significantly increase both its earnings and its earnings stability over the Ichigo 2030 period.

Shareholder Return Policy

Ichigo will work to drive long-term shareholder value with a shareholder return policy that focuses on 1) dividend stability, transparency, and growth, and 2) flexible share buybacks.

1. Progressive Dividend Policy

Ichigo will continue its progressive dividend policy, originally adopted in FY17/2, in Ichigo 2030. Ichigo's progressive dividend policy underscores its commitment to driving continued organic earnings and dividend growth for shareholders. Under this policy, the previous year's dividend becomes the floor for the current year's dividend. The dividend will be raised (or kept flat) but not cut, providing shareholders downside protection.

2. DOE >3%

In addition to its progressive dividend policy, Ichigo will continue its policy of a DOE (Dividend on Equity) payout ratio of greater than 3%. In contrast to a "dividend payout ratio policy," which calculates dividends based upon annual earnings which can be highly volatile, a DOE policy pays dividends based upon far more stable shareholder equity. A DOE policy thus results in more stable dividends for shareholders. Ichigo believes that the combination of a progressive dividend and a DOE-based payout policy will significantly

increase the security, certainty, and visibility of its dividend to the benefit of Ichigo's shareholders.

3. Flexible Deployment of Share Buybacks

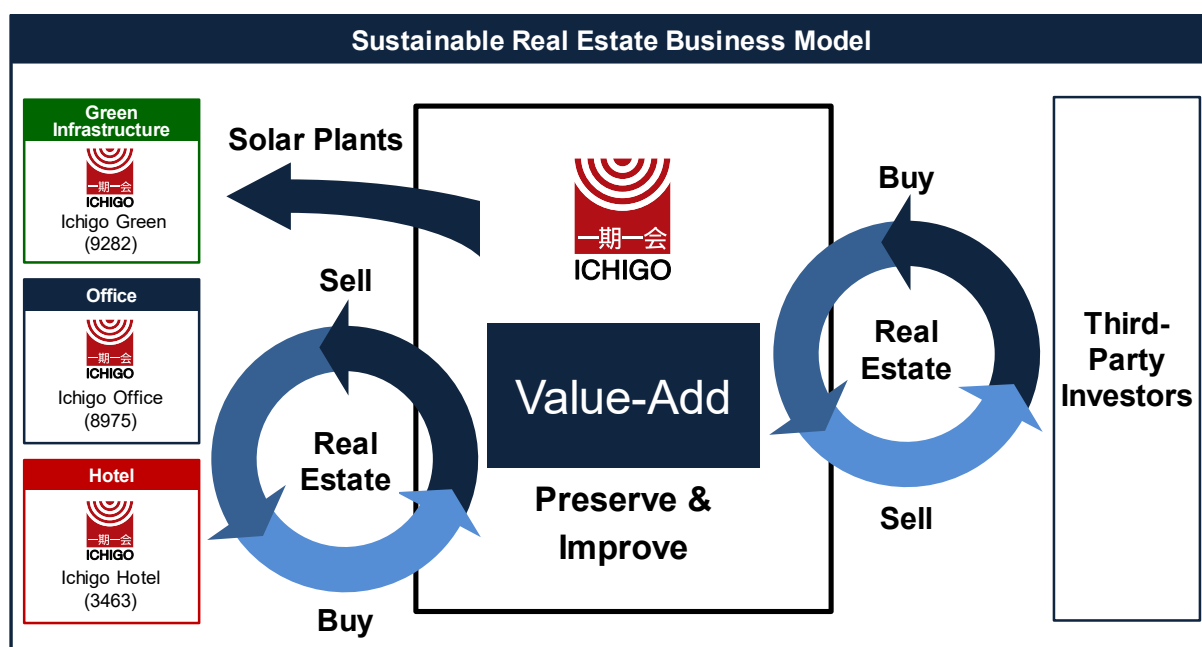
In addition to the above dividend policies, Ichigo is newly adopting a policy to flexibly conduct share buybacks to optimize its capital structure and drive shareholder value.

E. Key Business Segments (as of February 28, 2021)

Ichigo's biggest segment is Sustainable Real Estate, in which Ichigo preserves and improves real estate. Ichigo receives rental income during the period it is carrying out its value-add, along with profits on sale that reflect the real estate's higher value after the value-add is complete.

In addition to its value-add activity with respect to mid-size offices, hotels, and retail and other assets, Ichigo develops and operates solar and wind power plants to supply clean energy and bring productive use to idle land.

Ichigo's Sustainable Real Estate Business Model



F. Employees (as of February 28, 2021)

1. Employees (Consolidated)

Segment	Number of employees	Increase/decrease from previous fiscal year-end
Asset Management Sustainable Real Estate	316 (75)	+70 (+11)
Clean Energy	14 (1)	-2 (-)
Company-wide	59 (3)	-2 (+2)
Total	389 (79)	+66 (+13)

(Note 1) The number of employees is the number of full-time employees (excluding workers dispatched from Ichigo to other companies and including workers

dispatched from other companies to Ichigo), including Directors who are also employees.

- (Note 2) The average number of non-full-time employees (including part-time and temporary staff) is presented in parentheses.
- (Note 3) On a year-on-year basis, the number of employees increased by 66 and the number of non-full-time employees increased by 13, primarily reflecting the addition of employees from business expansions.

2. Employees (Parent company only)

Number of employees	Increase/decrease from previous fiscal year-end	Average age	Average years of employment
106 (3)	-4 (+2)	41.8 years old	5.9 years

- (Note 1) The number of employees is the number of full-time employees (excluding workers dispatched from Ichigo to other companies and including workers dispatched from other companies to Ichigo) including Directors who are also employees.
- (Note 2) The average number of non-full-time employees (including part-time and temporary staff) is presented in parentheses.

G. Principal Lenders (as of February 28, 2021)

Lenders	Amount
Sumitomo Mitsui Banking Corporation	JPY 43.7 billion
Mizuho Bank, Ltd.	JPY 38.8 billion
Kansai Mirai Banking Corporation	JPY 10.2 billion
The Nishi-Nippon City Bank, Ltd.	JPY 8.2 billion
The Tokyo Start Bank, Limited.	JPY 7.0 billion

- (Note) These amounts are for corporate loans and do not include non-recourse loans with respect to assets that Ichigo manages (e.g., tokumei kumiai partnerships, etc.)

H. Policy on Dividends and Shareholder Distributions

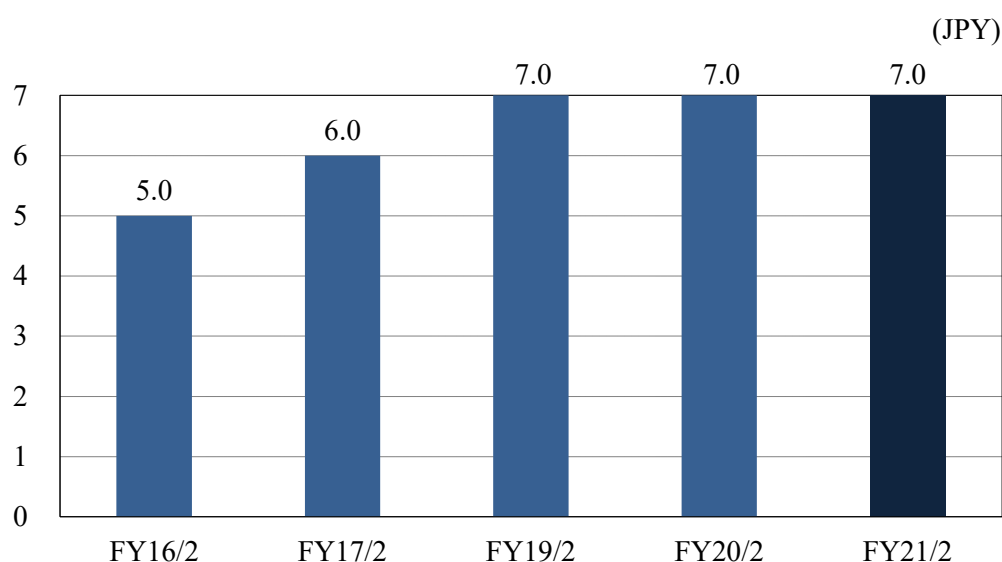
Ichigo views distributions to its shareholders as an important priority.

Ichigo's Board of Directors adopted on April 19, 2016 a progressive dividend policy. This policy underscores Ichigo's commitment to driving continued organic earnings and dividend growth for its shareholders. Under a progressive dividend policy, the previous year's dividend becomes the floor for the current year's dividend. The dividend will be raised (or kept flat) but not cut, providing shareholders downside protection.

In addition to this progressive dividend policy, Ichigo has adopted a minimum DOE (dividend on equity) payout ratio of 3%. In contrast to an "earnings payout ratio policy," which pays dividends based upon more volatile annual earnings, a DOE policy that pays dividends based upon more stable shareholder equity is by its very nature more stable. Ichigo believes that the combination of a progressive dividend and a DOE-based payout policy will significantly increase the security, certainty, and visibility of its dividend to the benefit of Ichigo's shareholders.

The FY21/2 dividend per share is JPY 7.

Dividend per Share



I. Other Material Matters

Ichigo's Board of Directors decided to conduct share buybacks, pursuant to the provisions of Articles 156 and 165 of the Company Law, at the Board of Directors meetings held on October 14, 2020 and January 13, 2021. The details of the buybacks are as follows:

1. Share Buyback Rationale

To grow value for Ichigo shareholders

2. Share Buyback Summary

October 2020 Share Buyback

Number of Shares	4,712,500
Amount	JPY 1,499,988,000
Average Share Price	JPY 318
Buyback Period	October 15, 2020 – November 20, 2020
Buyback Method	In-market purchases via securities firm

January 2021 Share Buyback

Number of Shares	4,933,300
Amount	JPY 1,499,969,700
Average Share Price	JPY 304
Buyback Period	January 14, 2021 – February 18, 2021
Buyback Method	In-market purchases via securities firm

II. Other Matters

A. Shares and Shareholder Information (as of February 28, 2021)

1. Number of Authorized Shares: 1,500,000,000 shares
2. Total Number of Shares Issued: 505,381,018 shares (including 33,283,200 treasury shares)
3. Number of Shareholders: 26,554

Top 10 Shareholders

Name	Shares Held	Shareholding Ratio
ICHIGO TRUST PTE. LTD. (Standing Proxy: The Hong Kong and Shanghai Banking Corporation Limited, Tokyo Branch)	225,108,200	47.68%
MACQUARIE BANK LIMITED DBU AC (Standing Proxy: Citibank, N.A., Tokyo Branch)	22,574,900	4.78%
Morgan Stanley MUFG Securities Co., Ltd.	20,852,086	4.42%
BNYM SA/NV FOR BNYM FOR BNY GCM CLIENT ACCOUNTS M LSCB RD (Standing Proxy: The Bank of Tokyo-Mitsubishi UFJ, Ltd.)	16,823,501	3.56%
The Master Trust Bank of Japan, Ltd. (Trust Account)	15,890,400	3.37%
SMBC Nikko Securities Inc.	10,592,800	2.24%
Japan Trustee Services Bank, Ltd. (Trust Account)	9,784,400	2.07%
NORTHERN TRUST CO. (AVFC) RE YALE UNIVERSITY (Standing Proxy: The Hong Kong and Shanghai Banking Corporation Limited, Tokyo Branch)	8,837,989	1.87%
MORGAN STANLEY SMITH BARNEY LLC CLIENTS FULLY PAID SEG ACCOUNT (Standing Proxy: Citibank, N.A., Tokyo Branch)	8,124,800	1.72%
BNYMSANV RE GCLB RE JP RD LMGC (Standing Proxy: Citibank, N.A., Tokyo Branch)	6,816,621	1.44%
TOTAL	345,405,697	73.16%

(Note 1) Shareholding Ratio is calculated excluding 33,283,200 treasury shares.

(Note 2) The Shareholding Ratio of Ichigo Trust Pte. Ltd., Ichigo's largest shareholder, decreased during the period from 49.35% to 47.68% as a result of share sales.

B. Employee Stock Options

Detailed disclosure of Employee Stock Options issued as a compensation for execution of duties by officers and Directors are stated in the Additional Accounting Notes for the Twentieth Annual Shareholder Meeting available on Ichigo's corporate website:

www.ichigo.gr.jp/en/ir/library/shareholders_meeting

C. Directors and Officers

1. Directors (as of February 28, 2021)

Position	Name	Responsibility and Other Business Affiliations
Director	Scott Callon	Chairman & Representative Statutory Executive Officer Chairman of the Board of Directors, Nominating Committee Member, Compensation Committee Member, Compliance Committee Member Partner and Chief Executive Officer, Ichigo Asset Management, Ltd. Chairman, Chief Executive Officer, & Representative Director, Japan Display Inc. Independent Director, Fujitsu Ltd.
Director	Takuma Hasegawa	President & Representative Statutory Executive Officer Chairman of Nominating Committee, Compensation Committee, and Compliance Committee Chairman & Director, Ichigo ECO Energy Co., Ltd. Chairman & Director, Ichigo Land Shinchiku Co., Ltd. Director, Cost Science Inc.
Director	Minoru Ishihara	Executive Vice President & Statutory Executive Officer (Sustainable Real Estate) & COO Director, Ichigo Investment Advisors Co., Ltd. Chairman, President, & Representative Director, Miyako City Co., Ltd. Chairman & Representative Director, Ichigo Marché Co., Ltd. President & Representative Director, Ichigo Real Estate Services Fukuoka Co., Ltd. Chairman & Representative Director, Hakata Hotels Inc. President & Representative Director, Miyazaki Sunshine FM Co., Ltd.
Director	Eri Murai	Executive Managing Director & Statutory Executive Officer (HR)
Independent Director	Tetsuya Fujita ¹	Chairman of Audit Committee, Nominating Committee Member, Compensation Committee Member, Compliance Committee Member CEO & Representative Director, Creative Solutions Co., Ltd. Executive Director, Postal Club Inc.
Independent Director	Noriko Kawate ²	Nominating Committee Member, Audit Committee Member, Compensation Committee Member President, CLEA Consulting Co., Ltd. Partner, Cast Group
Independent Director	Yukio Suzuki ³	Vice Chairman of Compliance Committee, Audit Committee Member CEO, Belle Investment Research of Japan Inc. Independent Director, Systema Corporation Independent Auditor, Wills Inc. Independent Auditor, XNET Corporation
Independent Director	Masatoshi Matsuzaki ⁴	Nominating Committee Member, Compensation Committee Member Chairman of the Board of Directors, Konica Minolta Inc. Executive Director & Deputy Chairman, Japan Association of Corporate Directors Independent Director, Nomura Research Institute, Ltd. Member, Public Interest Supervisory Committee of PwC Aarata LLC Independent Director, LIXIL Group Corporation

Independent Director	Nobuhide Nakaido	Executive Director, Japan Association for Chief Human Resources Officers Independent Director, eSOL Co., Ltd. Independent Director, Sourcenext Corp.
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¹ Audit Committee Member Tetsuya Fujita, has served as president of a major life insurance and a major property insurance company, in addition to having served as internal audit officer at a major life insurance company, and is certified as an internal auditor. He thus has extensive knowledge of internal auditing.

² Audit Committee Member Noriko Kawate is a Certified Public Accountant as well as a Certified Tax Accountant and thus has extensive knowledge of the finance and accounting fields.

³ Audit Committee Member Yukio Suzuki has served important roles at financial companies and thus has extensive experience and knowledge of corporate and securities research.

⁴ Ichigo has registered all of the Independent Directors with the Tokyo Stock Exchange as meeting the Tokyo Stock Exchange's qualifications for Independent Directors.

(Note) Ichigo has assigned officers and employees to assist the Audit Committee to fulfill its duties. Independent from other officers and employees, they proactively collect information and work closely with the Audit Committee members on a daily basis to ensure the effectiveness of auditing by the Audit Committee. As a result, Ichigo has not appointed a full-time Audit Committee member.

2. Statutory Executive Officers (as of February 28, 2021)

Position	Name	Responsibility and Other Business Affiliations
Chairman & Representative Statutory Executive Officer	Scott Callon	Overall Group Management Partner & Chief Executive Officer, Ichigo Asset Management, Ltd. Chairman, Chief Executive Officer, & Representative Director, Japan Display Inc. Independent Director, Fujitsu Ltd.
President & Representative Statutory Executive Officer	Takuma Hasegawa	Overall Group Management Chairman & Director, Ichigo ECO Energy Co., Ltd. Chairman & Director, Ichigo Land Shinchiku Co., Ltd. Director, Cost Science Inc.
Executive Vice President & Statutory Executive Officer & COO	Minoru Ishihara	Executive Vice President, Sustainable Real Estate, PROPERA Director, Ichigo Investment Advisors Co., Ltd. Chairman, President, & Representative Director, Miyako City Co., Ltd. Chairman & Representative Director, Ichigo Marché Co., Ltd. President & Representative Director, Ichigo Real Estate Services Fukuoka Co., Ltd. Chairman & Representative Director, Hakata Hotels Inc. President & Representative Director, Miyazaki Sunshine FM Co., Ltd.
Executive Managing Director	Eri Murai	HR
Executive Managing Director	Go Watanabe	New Ventures President & Representative Director, Centro Co., Ltd. Chairman & Director, Storage Plus Corp.
Executive Managing Director	Takeyuki Yoshimatsu	Corporate Operations Executive Vice President, Ichigo Investment Advisors Co., Ltd.
Senior Statutory Executive Officer	Takanori Sakamatsu	Finance
Senior Statutory Executive Officer	Kazunori Kurita	Engineering, Design, Facility Management President & Representative Director, Ichigo Marché Co., Ltd.
Senior Statutory Executive Officer	Takashi Ohigawa	Real Estate Strategic Planning, Execution
Statutory Executive Officer	Akihiko Tsukasa	Osaka Branch, Retail, Sports, Smart Agriculture
Statutory Executive Officer	Kenichi Tanaka	Business Promotion
Statutory Executive Officer	Yasutoyo Senda	Audit

3. Directors and Statutory Executive Officers Who Stepped Down during the Current Fiscal Year

Ichigo Chairman & Representative Director Kenji Iwasaki, who also served as Chairman & Director of Ichigo Land, passed away on July 5, 2020.

4. Outline of Limited Liability Agreement with Independent Directors

In order to retain Independent Directors of high quality, Ichigo has signed limited liability agreements with its Independent Directors pursuant to Article 427, Paragraph 1 of the Company Law.

The extent of liability for compensation under the agreements is the minimum limited liability amount as defined in Article 425, Paragraph 1 of the Company Law; provided that the liability is limited only when the Independent Directors have performed their duties in good faith and without gross negligence.

5. Total Remuneration Paid to Directors and Statutory Executive Officers

	Number of Recipients	Amount Paid
Directors (of whom are Independent Directors)	8 (5)	JPY 253 million (JPY 51 million)
Statutory Executive Officers	9	JPY 54 million
Total (of whom are Independent Directors)	17 (5)	JPY 307 million (JPY 51 million)

(Note 1) As of the end of the period, there are nine Directors (including five Independent Directors) and 12 Statutory Executive Officers (four of whom are also Directors), resulting in a total of 17 officers. Since those who are both a Statutory Executive Officer and a Director do not receive Statutory Executive Officer's remuneration, the total amount and number of recipients are shown in the row of Directors and not in the row of Statutory Executive Officers.

(Note 2) There is one Director that receives no remuneration from Ichigo.

(Note 3) The total of 18 Directors and Statutory Executive Officers, which is the sum of the 17 aforementioned Directors and Statutory Executive Officers plus the one non-remunerated Director, differs from the total of 17 Directors and Statutory Executive Officers as of the end of the period, because one Statutory Executive Officer stepped down during FY21/2.

(Note 4) The amount paid includes remuneration in the form of stock options of JPY 23 million for Directors (of which JPY 5 million is for Independent Directors) and JPY 8 million for Statutory Executive Officers.

(Note 5) In addition, Ichigo paid JPY 116 million as retirement and condolence payments in relation to the passing of a Statutory Executive Officer during FY21/2 and received death benefit.

(Note 6) In addition, Ichigo paid JPY 124 million as employee compensation to six Statutory Executive Officers who also serve as employees. This amount includes remuneration in the form of stock options of JPY 10 million.

(Note 7) No remuneration has been paid by Ichigo subsidiaries to Ichigo's Independent Directors.

6. Policy on Determining Remuneration for Directors and Statutory Executive Officers

a. Basic Policy

Remuneration for Directors and Statutory Executive Officers of Ichigo is determined based on factors including the duties of each individual, contribution to Ichigo, base compensation, and relevant work experience.

b. Specific Policies

– Remuneration for Directors

Remuneration for Directors consists of a monthly base salary and a performance-based bonus. The monthly base salary is a fixed amount based on the role and responsibilities of each Director, while the performance-based bonus is based on Ichigo's performance.

– Remuneration for Statutory Executive Officers

Remuneration for Statutory Executive Officers consists of a monthly base salary and a performance-based bonus. The monthly base salary is a fixed amount based on the role and responsibilities of each Statutory Executive Officer, whereas the performance-based bonus is based on the performance of Ichigo, the performance of the division for which the Statutory Executive Officer is responsible, and the performance of the Statutory Executive Officer.

– Employee Stock Options

Stock options are granted to Directors and Statutory Executive Officers (and all Ichigo employees) to increase alignment in growing value for shareholders. These stock options are granted in addition to the remuneration described above.

7. External Positions Held by Independent Directors

a. Positions in Other Companies and the Relationship between Ichigo and these Other Companies

- Independent Director Tetsuya Fujita is CEO of Creative Solutions Co., Ltd. and Executive Director of Postal Club Inc. Ichigo has no relationship with Creative Solutions Co., Ltd. or Postal Club Inc.
- Independent Director Noriko Kawate is President of CLEA Consulting Co., Ltd. and a Partner of Cast Group. Ichigo has no relationship with CLEA Consulting Co., Ltd. or Cast Group.
- Independent Director Yukio Suzuki is CEO of Belle Investment Research of Japan Inc. Ichigo has no relationship with Belle Investment Research of Japan Inc.

b. Positions as Independent Directors in Other Companies

- Independent Director Yukio Suzuki is an Independent Director of Systema Corporation, an Independent Auditor of WILLs Inc., and an Independent Auditor of XNET Corporation. Ichigo has no relationship with any of these companies.
- Independent Director Masatoshi Matsuzaki is the Chairman of the Board of Directors of Konica Minolta Inc., Executive Director and Deputy Chairman of the Japan Association of Corporate Directors, an Independent Director of Nomura Research Institute, Ltd., a Member of the Public Interest Supervisory Committee of PwC Aarata LLC, and an Independent Director of LIXIL Group Corporation. Ichigo has no relationship with any of these companies.

- Independent Director Nobuhide Nakaido is an Executive Director of Japan Association for Chief Human Resources Officer, an Independent Director of eSOL Co., Ltd., and an Independent Director, Sourcenext Corp. Ichigo has no relationship with any of these companies.

c. Relationship with Ichigo or Related Entities of Ichigo

The five Independent Directors have no spouses or relatives in the third degree or closer who are Statutory Executive Officers of Ichigo or related entities.

d. Independent Director Activities in the Current Fiscal Year

	Name	Activities
Independent Director	Tetsuya Fujita	Attended 9 out of 9 meetings (100%) of the Board of Directors. Attended 19 out of 19 meetings (100%) of the Audit Committee and attended 2 out of 2 meetings (100%) of the Compliance Committee. Attended 7 out of 7 meetings (100%) of the Nominating Committee and 7 out of 7 meetings (100%) of the Compensation Committee since becoming a member. Commented and advised on resolutions and discussions from an objective standpoint independent from the management team.
Independent Director	Noriko Kawate	Attended 9 out of 9 meetings (100%) of the Board of Directors. Attended 19 out of 19 meetings (100%) of the Audit Committee. Attended 7 out of 7 meetings (100%) of the Nominating Committee and 7 out of 7 meetings (100%) of the Compensation Committee since becoming a member. Commented and advised on resolutions and discussions from an objective standpoint independent from the management team.
Independent Director	Yukio Suzuki	Attended 9 out of 9 meetings (100%) of the Board of Directors. Attended 19 out of 19 meetings (100%) of the Audit Committee and attended 2 out of 2 meetings (100%) of the Compliance Committee. Commented and advised on resolutions and discussions from an objective standpoint independent from the management team.
Independent Director	Masatoshi Matsuzaki	Attended 9 out of 9 meetings (100%) of the Board of Directors. Attended 7 out of 7 meetings (100%) of the Nominating Committee. Attended 7 out of 7 meetings (100%) of the Compensation Committee. Commented and advised on resolutions and discussions from an objective standpoint independent from the management team.
Independent Director	Nobuhide Nakaido	Attended 9 out of 9 meetings (100%) of the Board of Directors. Commented and advised on resolutions and discussions from an objective standpoint independent from the management team.

D. Independent Auditor

1. Grant Thornton Taiyo LLC

2. Fees Paid to the Independent Auditor

(i) Fees paid to the Independent Auditor during FY21/2

Fees for the services specified in Article 2, Paragraph 1 of the Certified Public Accountants Act (Act No. 103 of 1948)	JPY 73 million
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Fees for the services other than those specified in Article 2, Paragraph 1 of the Certified Public Accountants Act	—
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JPY 73 million

(ii) Total monetary and other financial benefits payable by Ichigo and subsidiaries to the Independent Auditor	JPY 96 million
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(Note 1) Pursuant to Article 399, Paragraph 1 of the Company Law and based on the “Auditor Evaluation & Selection Standards” and “Auditor Selection & Compensation Agreement Processes” set forth by Ichigo’s Audit Committee, Ichigo’s Audit Committee concurs with the Independent Auditor’s fees after a thorough confirmation and consideration of the content of the Independent Auditor’s audit plan, execution of work, audit fee trends, and the Independent Auditor’s calculation of its fee estimates.

(Note 2) Pursuant to both the Company Law and the Financial Instruments and Exchange Law, the audit agreement between Ichigo and the Independent Auditor does not call for itemizing the audit fee breakdown, and, thus as a practical matter, Ichigo is not able to itemize the fees. Therefore, the fees paid to the Independent Auditor show the total amount.

3. Policy for the Determination of Dismissal or Non-Reappointment of the Independent Auditor

The Audit Committee has stipulated a Policy for the dismissal or non-reappointment of the Independent Auditor based on the “Auditor Evaluation & Selection Standards” and “Auditor Selection & Compensation Agreement Processes” set forth by Ichigo’s Audit Committee. The Policy is as below:

(a) The term of the Independent Auditor is one year, as specified in a one-year audit contract.

(b) The reappointment of the Independent Auditor will be decided at the Audit Committee.

(c) 1. The selection, dismissal, or the non-reappointment of the Independent Auditor will be decided at the Annual Shareholder Meeting. The Audit Committee makes the decision to place this on the shareholding meeting agenda.

2. In the event Ichigo decides to dismiss or not reappoint an Independent Auditor at Ichigo’s discretion or for the breach of laws and regulations such as the Company Law or the Certified Public Accountants Law, or the breach of the contract of engagement, the dismissal or the non-reappointment will be deliberated by the Audit Committee with reference to the views of the Directors and Statutory Executive Officers.

3. In the event the dismissal or the non-reappointment of the Independent Auditor is to become the agenda of the shareholder meeting, the details of the agenda item will be determined by the Audit Committee.

4. In the event the Independent Auditor contravenes his/her duty as an Auditor or if proper duty as an Auditor stipulated in Article 340, Paragraph 1 of the Company Law is deemed difficult, the Audit Committee may dismiss the Independent Auditor upon consent of all Audit Committee members.

E. Controls to Ensure Appropriate Business Conduct

Detailed disclosure of Controls to Ensure Appropriate Business Conduct is included in the Additional Accounting Notes for the Twentieth Annual Shareholder Meeting available on Ichigo's corporate website:

www.ichigo.gr.jp/en/ir/library/shareholders_meeting

1. Internal Controls to Ensure that Statutory Executive Officers and Employees Execute Their Duties in Full Compliance with Japanese Law and Ichigo's Articles of Incorporation
2. Systems to Ensure Proper Storage and Management of Information Required for Execution of Duty by Statutory Executive Officers
3. Risk Management Policies and Systems
4. Systems to Ensure Effective Execution of Duties by Statutory Executive Officers (
5. Audit Committee and Audit Systems
6. Systems to Ensure Fully Appropriate Business Activities by Ichigo and its Subsidiaries

Reference: Establishment and Status of Internal Structures to Prevent Dealings with Anti-Social Forces

F. Policy on Corporate Control (Takeover Defenses)

Ichigo has not adopted any takeover defense, poison pill, or any other policy with respect to entities or persons who would seek to control decisions with respect to Ichigo's financial and business policies.

Consolidated Balance Sheet

(As of February 28, 2021)

(JPY million)

Item	Amount	Item	Amount
Assets		Liabilities	
Current Assets	120,771	Current Liabilities	22,374
Cash and deposits	50,832	Short-term loans	4,879
Trade notes and accounts receivable	1,382	Bonds (due within one year)	274
Operational loan investments	1,324	Long-term loans (due within one year)	9,751
Operational securities investments	590	Long-term non-recourse loans (due within one year)	1,358
Real estate for sale	64,109	Income taxes payable	573
Other	2,698	Accrued bonuses	9
Less: allowance for doubtful accounts	-167	Other current liabilities	5,527
Fixed Assets	226,305	Long-Term Liabilities	214,446
Property, Plant, and Equipment	214,392	Bonds	5,878
Buildings and structures	68,277	Long-term loans	156,890
Depreciation	-7,603	Long-term non-recourse loans	40,974
Buildings and structures (net)	60,673	Deferred tax liabilities	1,868
Solar power plant equipment	28,893	Long-term security deposits received	7,795
Depreciation	-4,702	Other long-term liabilities	1,039
Solar power plant equipment (net)	24,191		
Land	122,592		
Buildings under construction	3,910		
Solar power plants under construction	1,405		
Other	2,745		
Depreciation	-1,126		
Other (net)	1,619		
Intangible Assets	4,038	Total Liabilities	236,820
Goodwill	968	Net Assets	
Leasehold rights	1,272	Shareholders' Equity	99,335
Other	1,797	Capital	26,888
Investments and Other Assets	7,874	Capital reserve	11,275
Securities investments	5,147	Retained Earnings	73,160
Long-term loans receivable	10	Treasury shares	-11,988
Deferred tax assets	605	Accumulated Other Comprehensive Income	-285
Other	2,202	Valuation gains (losses) on other securities	90
Less: allowance for doubtful accounts	-91	Deferred gains (losses) on long-term interest rate hedges	-375
		Stock Options	1,007
		Minority Interests	10,197
		Total Net Assets	110,255
Total Assets	347,076	Total Liabilities and Net Assets	347,076

Consolidated Income Statement

(March 1, 2020 – February 28, 2021)

(JPY million)

Item	Amount	
Revenue		61,368
Cost of Goods Sold		45,776
Gross Profit		15,591
SG&A		5,923
Operating Profit		9,668
Non-Operating Profit		
Interest income	17	
Dividend income	78	
Mark-to-market gains on long-term interest rate hedges	243	
Other	78	417
Non-Operating Expenses		
Interest expense	2,338	
Foreign currency valuation losses	17	
Mark-to-market loss on long-term interest rate hedges	29	
Debt financing-related fees	279	
Other	241	2,906
Recurring Profit		7,179
Extraordinary Gains		
Gains on sale of fixed assets	720	720
Extraordinary Losses		
Loss on disposal of fixed assets	—	
Covid-19 writedown of securities investments	114	
Allowance for doubtful accounts	144	
Covid-19 writedown of goodwill	27	
Other	1	288
Pre-Tax Net Income		7,610
Income taxes – current	2,622	
Income taxes – deferred	-58	2,564
Pre-Minority Interest Net Income		5,046
Net Income Attributable to Minority Interests		18
Net Income		5,027

Consolidated Statement of Changes in Shareholders' Equity

(March 1, 2020 – February 28, 2021)

(JPY million)

	Shareholders' Equity				
	Capital	Capital Reserve	Retained Earnings	Treasury Shares	Total Shareholders' Equity
Balance as of March 1, 2020	26,885	11,272	71,505	-8,988	100,674
Changes in the Current Fiscal Year					
Share Issuance	2	2			5
Dividend Payment			-3,372		-3,372
Net Income			5,027		5,027
Share Buyback				-2,999	-2,999
Changes in Items other than Shareholders' Equity					
Total Changes	2	2	1,655	-2,999	-1,338
Balance as of February 28, 2021	26,888	11,275	73,160	-11,988	99,335

	Other Comprehensive Income			Stock Options	Minority Interests	Total Net Assets
	Valuation Gains (Losses) on Other Securities	Deferred Gains (Losses) on Long-Term Interest Rate Hedges	Total Other Comprehensive Income			
Balance as of March 1, 2020	158	-397	-239	988	184	101,607
Changes in the Current Fiscal Year						
Share Issuance						5
Dividend Payment						-3,372
Net Income						5,027
Share Buyback						-2,999
Changes in Items other than Shareholders' Equity	-67	21	-45	19	10,013	9,986
Total Changes	-67	21	-45	19	10,013	8,648
Balance as of February 28, 2021	90	-375	-285	1,007	10,197	110,255

Parent Balance Sheet
(As of February 28, 2021)

(JPY million)

Item	Amount	Item	Amount
Assets		Liabilities	
Current Assets	59,131	Current Liabilities	7,352
Cash and deposits	26,062	Short-term loans	3,325
Accounts receivable	103	Bonds (due within one year)	112
Operational securities investments	586	Long-term loans (due within one year)	2,636
Short-term loans to affiliates	30,777	Accounts payable	824
Advance payments	116	Accrued expenses	108
Accounts receivable – other	434	Income taxes payable	215
Accounts receivable due to consolidated taxation	631	Advances received	47
Other	564	Deposits received	36
Less: allowance for doubtful accounts	-145	Other	46
Fixed Assets	101,924	Long-Term Liabilities	73,467
Property, Plant, and Equipment	6,365	Bonds	3,184
Buildings and structures	2,582	Long-term loans	59,995
Depreciation	-450	Long-term loans of affiliates	10,000
Buildings and structures (net)	2,131	Long-term security deposits received	84
Land	4,146	Other long-term liabilities	202
Other	156	Total Liabilities	80,820
Depreciation	-68	Net Assets	
Other (net)	87	Shareholders' Equity	79,567
Intangible Assets	1,393	Capital	26,888
Software	469	Capital reserve	11,273
Other	924	Retained earnings	11,204
Investments and Other Assets	94,165	Capital reserve – other	68
Securities investments	2,907	Retained earnings	53,394
Securities investments in affiliates	6,322	Earnings reserve	44
Affiliate bonds	2,160	Earnings reserve – other	53,349
Securities investments in affiliates – other	46,083	Retained earnings carried forward	53,349
Long-term loans receivable	10	Treasury shares	-11,988
Long-term loans to affiliates	36,115	Revaluations and Adjustments	-339
Deferred tax assets	180	Valuation gains (losses) on other securities	30
Other	471	Deferred gains (losses) on long-term interest rate hedges	-369
Less: allowance for doubtful accounts	-85	Stock Options	1,007
Total Assets	161,056	Total Net Assets	80,235
		Total Liabilities and Net Assets	161,056

Parent Income Statement

(March 1, 2020 – February 28, 2021)

(JPY million)

Item	Amount	
Revenue		6,537
Cost of Goods Sold		273
Gross Profit		6,263
SG&A		3,257
Operating Profit		3,006
Non-Operating Profit		
Interest income	612	
Dividend income	72	
Mark-to-market gains on long-term interest rate hedges	243	
Credit guarantees income	15	
Other	7	951
Non-Operating Expenses		
Interest expense	639	
Mark-to-market loss on long-term interest rate hedges	29	
Debt financing-related fees	118	
Other	292	1,079
Recurring Profit		2,878
Extraordinary Losses		
Covid-19 writedown of securities investments	114	
Allowance for doubtful accounts	144	259
Pre-Tax Net Income		2,618
Income taxes – current	795	
Income taxes – deferred	194	990
Net Income		1,628

Parent Statement of Changes in Shareholders' Equity

(March 1, 2020 – February 28, 2021)

(JPY million)

	Shareholders' Equity								
	Capital	Capital Surplus			Retained Earnings			Treasury Shares	Total Shareholders' Equity
		Capital Reserve	Other Capital Surplus	Total Capital Surplus	Earnings Reserve	Other Retained Earnings Carried Forward/ Retained Earnings	Total Retained Earnings		
Balance as of March 1, 2020	26,885	11,201	68	11,270	44	56,354	56,398	-8,988	85,566
Changes in the Current Fiscal Year									
Share Issuance	2	2		2					5
Dividend Payments						-3,372	-3,372		-3,372
Share Buyback								-2,999	-2,999
Decrease due to Company Split						-1,261	-1,261		-1,261
Net Income						1,628	1,628		1,628
Changes in Items other than Shareholders' Equity									
Total Changes	2	2	—	2	—	-3,004	-3,004	-2,999	-5,998
Balance as of February 28, 2021	26,888	11,204	68	11,273	44	53,349	53,394	-11,988	79,567

	Revaluation and Adjustment			Stock Options	Total Net Assets
	Valuation Gains (losses) on Other Securities	Deferred Gains (losses) on Long-Term Interest Rate Hedges	Total Revaluation and Adjustment		
Balance as of March 1, 2020	81	-389	-308	988	86,246
Changes in the Current Fiscal Year					
Share Issuance					5
Dividend Payments					-3,372
Share Buyback					-2,999
Decrease due to Company Split					-1,261
Net Income					1,628
Changes in Items other than Shareholders' Equity	-50	19	-30	19	-11
Total Changes	-50	19	-30	19	-6,010
Balance as of February 28, 2021	30	-369	-339	1,007	80,235

Auditor's Report on the Consolidated Financial Statements

Report of Independent Auditor

April 13, 2021

To the Board of Directors of Ichigo Inc.

Grant Thornton Taiyo LLC

Hiroaki Ohkane, CPA, Designated and Engagement Partner (seal)

Kenta Nishimura, CPA, Designated and Engagement Partner (seal)

We have audited the consolidated financial statements of Ichigo Inc., namely the consolidated balance sheet, the consolidated income statement, the consolidated statement of changes in shareholders' equity and the notes to consolidated financial statements, for the fiscal year from March 1, 2020 to February 28, 2021 pursuant to Article 444, Paragraph 4 of the Company Law.

Management's Responsibility with respect to the Financial Statements

Management is responsible for compiling and indicating the consolidated financial statements in accordance with the generally accepted accounting principles of Japan. This includes the operation and maintenance of an internal compliance structure which management deems necessary to ensure that the consolidated financial statements are compiled and indicated free of material misstatement in the form of fraud or error.

Auditor's Responsibility

The responsibility of the Auditor is to perform an independent audit and declare an opinion with respect to the consolidated financial statements. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

We conducted our audit by carrying out auditing procedures on amounts in the consolidated financial statements and information we received from the Company. These procedures included sampling and testing based on our assessment of the potential risk of material misstatement in the form of fraud or error. Although our intent is not to express an opinion regarding the appropriateness of the internal compliance structure, we did assess operation of the internal compliance structure to the extent it affects the accuracy of the consolidated financial statements. This included an overall assessment of the consolidated financial statements and any assumptions made by management with respect to the Company's accounting policies or their application, and any estimates indicated in the consolidated financial statements.

We believe we received sufficient and appropriate information to have a reasonable basis to express our opinion.

Auditing Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Ichigo Group consisting of Ichigo Inc. and its consolidated subsidiaries for the period for the consolidated financial statements in conformity with accounting principles generally accepted in Japan.

Matter of Note

The Company has reclassified some of its Real Estate for Sale assets to Fixed Assets as stated in the notes to the consolidated financial statements (Reclassification of Certain Real Estate for Sale Assets to Fixed Assets). This reclassification has not affected our opinion.

Potential Conflicts of Interest

There are no interests to be specified pursuant to the provisions of the Certified Public Accountant Law between the Company and us or the engagement partner.

Auditor's Report on the Parent Financial Statements

Report of Independent Auditor

April 13, 2021

To the Board of Directors of Ichigo Inc.

Grant Thornton Taiyo LLC

Hiroaki Ohkane, CPA, Designated and Engagement Partner (seal)

Kenta Nishimura, CPA, Designated and Engagement Partner (seal)

We have audited the Twentieth Period financial statements of Ichigo Inc., namely the balance sheet, the income statement, the statement of changes in shareholders' equity, and the notes to the financial statements and schedules, for the fiscal year from March 1, 2020 to February 28, 2021 pursuant to Article 436, Paragraph 2, Item 1 of the Company Law.

Management's Responsibility with respect to the Financial Statements

Management is responsible for compiling and indicating the financial statements and notes and schedules thereto in accordance with the generally accepted accounting principles of Japan. This includes the operation and maintenance of an internal compliance structure which management deems necessary to ensure that the financial statements and notes and schedules are compiled and indicated free of material misstatement in the form of fraud or error.

Auditor's Responsibility

The responsibility of the Auditor is to perform an independent audit and declare an opinion with respect to the financial statements and the notes and schedules. We conducted our audit in accordance with the auditing standards generally accepted in Japan. Those standards require that we obtain reasonable assurance about whether the financial statements and schedules are free of material misstatement.

We conducted our audit by carrying out auditing procedures on amounts in the financial statements and notes and schedules and information we received from the Company. These procedures included sampling and testing based on our assessment of the potential risk of material misstatement in the form of fraud or error. Although our intent is not to express an opinion regarding the appropriateness of the internal compliance structure, we did assess operation of the internal compliance structure to the extent it affects the accuracy of the financial statements and notes and schedules. This included an overall assessment of the consolidated financial statements and notes and schedules and any assumptions made by management with respect to the Company's accounting policies or their application, and any estimates indicated in the financial statements and notes and schedules.

We believe we received sufficient and appropriate information to have a reasonable basis to express our opinion.

Auditing Opinion

In our opinion, the financial statements and schedules referred to above present fairly, in all material respects, the financial position of Ichigo Inc. for the period for the financial statements and schedules in conformity with accounting principles generally accepted in Japan.

Potential Conflicts of Interest

There are no interests to be specified pursuant to the provisions of the Certified Public Accountant Law between the Company and us or the engagement partner.

Audit Committee Report

April 19, 2020

Audit Committee, Ichigo Inc.

Tetsuya Fujita, Audit Committee Member (seal)

Noriko Kawate, Audit Committee Member (seal)

Yukio Suzuki, Audit Committee Member (seal)

The Audit Committee has audited the execution of the duties of the Directors and Statutory Executive Officers during the twentieth fiscal year from March 1, 2020 to February 28, 2021. We report the method and results of this audit as follows:

1. Method and Description of Audit

The Audit Committee has received regular reports and has made requests for explanations as necessary from the Directors, Statutory Executive Officers, and employees of Ichigo regarding the details of resolutions by the Board of Directors with respect to Article 416, Paragraph 1, Item 1, b and e of the Company Law and the system established under the resolutions (internal control system) and in accordance with audit policy and duties prescribed by the Audit Committee. In cooperation with the Internal Audit Department and other internal control related divisions of Ichigo, the Audit Committee has investigated the process and details of decision-making at important meetings, the details of principal-approved documents and other material documents relating to the execution of business, the execution of duties by Statutory Executive Officers and employees and reviewed Ichigo's business and assets. With respect to subsidiaries, we have communicated and exchanged information with Directors and auditors of subsidiaries and received business reports from subsidiaries as necessary.

In addition, we have supervised and verified that the Independent Auditor was independent and conducting an appropriate audit and received reports on the execution of duties from the Independent Auditor and requested explanations as necessary. We have also received a report from the Independent Auditor that the structure to ensure appropriate performance of duties (matters described in Article 131, each Item of the Company Calculation Rules) has been established pursuant to laws and regulations including the Standards for Quality Control of Audits (issued by Business Accounting Council on October 28, 2005) and that management structures have been properly established within the audit firm.

By these methods, we have reviewed Ichigo's own business report, financial statements (balance sheet, income statement, statement of changes in shareholders' equity and notes) and their schedules, along with Ichigo's consolidated financial statements (including the consolidated balance sheet, consolidated income statement, consolidated statement of changes in shareholders' equity and consolidated notes).

2. Results of Audit

A. Audit Results of Business Report

- (1) We note that the business report and its schedules present Ichigo's status correctly pursuant to all laws and regulations and the Articles of Incorporation.
- (2) We note that there has been no misconduct with respect to the execution of duties by Directors and Statutory Executive Officers, nor have we discovered any material facts which violate laws and regulations or the Articles of Incorporation.
- (3) We note that the details of the resolution by the Board of Directors with respect to the internal control system are reasonable. Also, there is nothing material to be pointed out with respect to the execution of duties on the internal control system by Statutory Executive Officers.

B. Audit Results of Financial Statements and their Schedules

We note that the method and results of the audit conducted by the Independent Auditor, Grant Thornton Taiyo LLC, were reasonable.

C. Audit Results of Consolidated Financial Statements

We note that the method and results of the audit conducted by the Independent Auditor, Grant Thornton Taiyo LLC, were reasonable.

(Note) All members of the Audit Committee are Independent Directors as provided in Article 2, Item 15 and Article 400, Paragraph 3 of the Company Law.