

[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 9, 2016

Ichigo Inc. (Tokyo Stock Exchange First Section, 2337)

Representative: Scott Callon, Chairman & Representative Statutory Executive Officer

Inquiries: Takeyuki Yoshimatsu, Executive Managing Director & Statutory Executive Officer

Telephone: +81-3-3502-4818 www.ichigo.gr.jp/english

Sale of Eight Office Assets to Ichigo Office REIT

Ichigo decided today to sell eight assets (total sale price: JPY 20.9 billion) owned by its subsidiaries, Motoazabu Holdings GK Tokumei Kumiai (“Motoazabu TK”) and Ikenohata Holdings GK Tokumei Kumiai (“Ikenohata TK”), to Ichigo Office REIT (8975). As announced in the July 28, 2015 release “Asset Acquisitions, New Loans, and New Subsidiary Consolidations,” Ichigo acquired these assets jointly with Ichigo Office REIT and is now selling these assets fully to Ichigo Office REIT.

As a result of this transaction, Motoazabu TK and Ikenohata TK will be deconsolidated as Ichigo subsidiaries.

On today’s asset sales, Ichigo expects to record consolidated revenues of JPY 20.9 billion and consolidated gross profits of JPY 348 million.

1. Background

As Ichigo Office REIT’s sponsor, Ichigo is working to generate win-win outcomes for both Ichigo’s and Ichigo Office REIT’s shareholders. Ichigo’s sponsor support includes deploying Ichigo’s network for asset acquisitions, asset warehousing, carrying out value-add enhancements to Ichigo Office REIT assets, and tenant leasing. Through these activities, Ichigo is expanding its stable earnings base and further increasing its capital efficiency via the growth of its asset management business.

Ichigo executed the purchase and sale of these assets to Ichigo Office REIT as part of its asset warehousing activities as Ichigo Office REIT’s sponsor. With today’s transaction, Ichigo Office REIT continues to execute on its action plan to “Increase portfolio size and scale and be smart in portfolio restructuring” as described in Stage V (“Lay Foundation for Sustainable Dividend Growth”) of its Growth Strategy Roadmap.

2. Asset Details

(i) Motoazabu TK Assets

Ichigo Motoazabu Building (Current Name: Vanguard Motoazabu Building)

Location	3 Chome, Motoazabu, Minato-ku, Tokyo
Access	9-minute walk from Hiroo Station on the Tokyo Metro Hibiya Line
Land Area	1,022.12 m ²
Total Floor Area	1,503.03 m ²
Zoning	Category I Mid/High-Rise Residential
Structure	RC B1/2F
Builder	Komatsu Construction Co., Ltd.

Ichigo Otsuka Building (Current Name: Otsuka Saint Core Building)

Location	3 Chome, Minami-Otsuka, Toshima-ku, Tokyo
Access	4-minute walk from Otsuka Station on the JR Yamanote Line and 6-minute walk from Shin-Otsuka Station on the Tokyo Metro Marunouchi Line
Land Area	976.82 m ²
Total Floor Area	4,573.06 m ²
Zoning	Commercial
Structure	SRC 8F
Builder	Fujita Corporation

Ichigo Nagoya Building (Current Name: EME Nagoya Building)

Location	4 Chome, Meieki, Nakamura-ku, Nagoya, Aichi Prefecture
Access	7-minute walk from Nagoya Station on the Nagoya Municipal Subway Higashiyama and Sakura-dori Lines
Land Area	1,001.17 m ²
Total Floor Area	7,418.12 m ²
Zoning	Commercial
Structure	SRC/Steel B2F/8F
Builder	Kajima Corporation

Ichigo Nishiki Building (Current Name: Dai 41 Ocean Building)

Location	1 Chome, Nishiki, Naka-ku, Nagoya, Aichi Prefecture
Access	3-minute walk from Fushimi Station on the Nagoya Municipal Subway Higashiyama and Tsurumai Lines
Land Area	421.38 m ²
Total Floor Area	2,600.69 m ²
Zoning	Commercial
Structure	SRC 9F
Builder	JDC Corporation

(ii) Ikenohata TK Assets

Ichigo Ikenohata Building (Current Name: MG Ikenohata Building)

Location	1 Chome, Ikenohata, Taito-ku, Tokyo
Access	3-minute walk from Yushima Station on the Tokyo Metro Chiyoda Line, and 7-minute walk from Ueno-Hirokoji Station on the Tokyo Metro Ginza Line
Land Area	1,120.22 m ²
Total Floor Area	7,774.41 m ²
Zoning	Commercial
Structure	SRC B1F/8F
Builder	Kajima Corporation

Ichigo Ikebukuro East Building (Current Name: Higashi Ikebukuro Q Building)

Location	2 Chome, Higashi Ikebukuro, Toshima-ku, Tokyo
Access	9-minute walk from Higashi-Ikebukuro Station on the Tokyo Metro Yurakucho Line and 12-minute walk from Ikebukuro Station on the JR Yamanote Line
Land Area	744.66 m ²
Total Floor Area	3,387.35 m ²
Zoning	Commercial, Category I Residential
Structure	SRC/RC 8F
Builder	Daisue Construction Co., Ltd.

Ichigo Fushimi Building (Current Name: HF Fushimi Building)

Location	1 Chome, Nishiki, Naka-ku, Nagoya, Aichi Prefecture
Access	4-minute walk from Fushimi Station on the Nagoya Municipal Subway Higashiyama and Tsurumai Lines
Land Area	770.43 m ²
Total Floor Area	6,290.43 m ²
Zoning	Commercial
Structure	SRC B1F/9F
Builder	Kajima Corporation

Ichigo Minami Morimachi Building (Current Name: Sun Center Building)

Location	1 Chome, Matsugaecho, Kita-ku, Osaka
Access	6-minute walk from Osaka-Tenmangu Station on the JR Tozai Line
Land Area	661.54 m ²
Total Floor Area	3,858.09 m ²
Zoning	Commercial
Structure	Steel/RC B1F/9F
Builder	Joint Venture of Konoike Construction Co., Ltd. and Yutaka Kensetsu Kogyo KK

3. Buyer Overview

Name Ichigo Office REIT Investment Corporation (8975)
 Address 1-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo
 Representative Yoshihiro Takatsuka, Representative Director
 Asset Manager Ichigo Real Estate Investment Advisors Co., Ltd.

4. Seller Overview

Motoazabu TK

Company Name	Motoazabu Holdings GK Tokumei Kumiai
Address	1-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo
TK Operator	Motoazabu Holdings GK
Representative	Managing Member: Ippan Shadan Hojin Star Holding Manager: Mariko Hirano
Business	Acquisition, holding, sale, lease, and management of trust beneficiary interest and real estate, and other ancillary services
Paid-In Capital	JPY 100,000
Establishment Date	July 28, 2015
Relationship to Parent Company	The TK does not have any capital, personnel, or business relationship of note to Ichigo.
Business and Financial Conditions in Past Three Years	Since the TK was recently established on July 28, 2015, there are no past earnings results.

Ikenohata TK

Company Name	Ikenohata Holdings GK Tokumei Kumiai
Address	1-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo
TK Operator	Ikenohata Holdings GK
Representative	Managing Member: Ippan Shadan Hojin Star Holding Manager: Hiroshi Sasaki
Business	Acquisition, holding, sale, lease, and management of trust beneficiary interest and real estate, and other ancillary services
Paid-In Capital	JPY 100,000
Establishment Date	July 28, 2015
Relationship to Parent Company	The TK does not have any capital, personnel, or business relationship of note to Ichigo.
Business and Financial Conditions in Past Three Years	Since the TK was recently established on July 28, 2015, there are no past earnings results.

5. Sale Prices

(i)	Motoazabu TK-Owned Assets	
	Ichigo Motoazabu Building	JPY 1.89 billion
	Ichigo Otsuka Building	JPY 2.74 billion
	Ichigo Nagoya Building	JPY 3.42 billion
	Ichigo Nishiki Building	JPY 1.33 billion
	<u>Sub-Total (4 assets)</u>	<u>JPY 9.38 billion</u>
(ii)	Ikenohata TK-Owned Assets	
	Ichigo Ikenohata Building	JPY 5.13 billion
	Ichigo Ikebukuro East Building	JPY 3.01 billion
	Ichigo Fushimi Building	JPY 2.34 billion
	Ichigo Minami Morimachi Building	JPY 1.04 billion
	<u>Sub-Total (4 assets)</u>	<u>JPY 11.52 billion</u>
	<u>Total (8 assets)</u>	<u>JPY 20.9 billion</u>

Contract Date	May 9, 2016
Expected Settlement Date	May 24, 2016

6. Earnings Outlook

On today's asset sales, Ichigo expects to record FY17/2 consolidated revenues of JPY 20.9 billion and consolidated gross profits of JPY 348 million, amounts which have already been reflected in Ichigo's FY17/2 full-year consolidated forecast announced on April 19, 2016. Going forward, Ichigo will receive asset management fees on these assets as the manager of Ichigo Office REIT.

7. Other

For further details, please refer to today's release from Ichigo Office REIT, "Acquisition of Eight Office Assets".