

Financial Report for the October 2016 Fiscal Period

Ichigo Office REIT Investment Corporation (Tokyo Stock Exchange, 8975)

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www.ichigo-office.co.jp/english

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Submission of Financial Report (*Yuka Shoken Hokokusho*): January 26, 2017 (expected)

Dividend Payment: January 23, 2017 (expected)

Supplemental Material to Financial and Business Results: Yes (Corporate Presentation)

Financial and Business Results Briefing: Yes (for institutional investors and analysts)

1. Financial Results for the October 2016 Fiscal Period (May 1, 2016 to October 31, 2016)

(1) Earnings

(million yen; period-on-period change)

	Operating Revenue	Change	Operating Profit	Change	Recurring Profit	Change	Net Income	Change
October 2016	7,090	6.1%	3,405	6.1%	2,462	-3.1%	2,462	-0.8%
April 2016	6,682	6.9%	3,208	8.7%	2,542	37.1%	2,482	33.9%

	Net Income per Share (yen)	Ratio of Net Income to Equity	Ratio of Recurring Profit to Total Assets	Ratio of Recurring Profit to Operating Revenue
October 2016	1,623	2.5%	1.3%	34.7%
April 2016	1,752	2.7%	1.4%	38.1%

(2) Dividends

	Dividend per Share (yen)	Total Dividends (million yen)	Dividend per Share in Excess of Earnings (yen)	Total Dividends in Excess of Earnings (million yen)	Payout Ratio (%)	Ratio of Dividends to Net Assets (%)
October 2016	1,904	2,917	—	—	118.4	2.9
April 2016	1,740	2,464	—	—	99.3	2.6

(Note 1) The April 2016 dividend includes a JPY 17 million provision to the dividend reserve from unappropriated retained earnings, so Total Dividends differ from Net Income.

(Note 2) The October 2016 dividend includes a JPY 454 million dividend reserve reversal, so Total Dividends differ from Net Income.

(Note 3) The October 2016 payout ratio reflects a new share issuance and is calculated as:

$$\text{Payout Ratio} = \text{Total Dividends} / \text{Net Income} \times 100$$

(3)

(4) Assets and Equity

	Total Assets (million yen)	Net Assets (million yen)	Equity Ratio (%)	Net Assets per Share (yen)
October 2016	210,951	102,214	48.5%	66,706
April 2016	182,430	93,321	51.2%	65,890

(5) Cash Flow

	Cash Flows from Operating Activities (million yen)	Cash Flows from Investing Activities (million yen)	Cash Flows from Financing Activities (million yen)	Cash and Cash Equivalents at End of the Period (million yen)
October 2016	3,572	-26,710	24,903	19,273
April 2016	7,327	-539	-5,247	17,508

2. Earnings Forecast for the April 2017 Fiscal Period (November 1, 2016 to April 30, 2017) and the October 2017 Fiscal Period (May 1, 2017 to October 31, 2017)

(million yen; period-on-period change)

	Operating Revenue	Change	Operating Profit	Change	Recurring Profit	Change	Net Income	Change
April 2017	7,247	2.2%	3,277	-3.8%	2,556	3.8%	2,556	3.8%
October 2017	7,333	1.2%	3,328	1.6%	2,591	1.3%	2,590	1.3%

(yen)

	Dividend per Share	Dividend per Share in Excess of Earnings
April 2017	1,910	—
October 2017	1,920	—

(Note 1) The forecast Net Income per share for April 2017 is JPY 1,668 and for October 2017 is JPY 1,690.

(Note 2) The April 2017 and October 2017 dividend forecasts include a dividend reserve reversal of JPY 370 million and JPY 350 million, respectively. Thus, forecast Total Dividends in both periods differ from forecast Net Income.

3. Other

(1) Changes in Accounting Policies, Changes in Accounting Estimates, and Retrospective Restatement

- | | |
|--|------|
| (i) Changes Accompanying Amendments to Accounting Standards: | None |
| (ii) Changes Not Listed in (i): | None |
| (iii) Changes in Accounting Estimates: | None |
| (iv) Retrospective Restatement: | None |

(2) Number of Shares Issued and Outstanding

- (i) The number of shares issued and outstanding (including treasury shares) was 1,416,323 shares at the end of April 2016 and 1,532,287 shares at the end of October 2016.
- (ii) There were no treasury shares at the end of April 2016 or at the end of October 2016.

Completion Status of Auditing Procedures

This document is not subject to the auditing requirements set forth in the Financial Instruments and Exchange Law of Japan. The auditing procedures in accordance with those requirements have thus not been completed as of the date of the publication of this document.

Appropriate Use of Performance Forecasts and Other Matters of Special Note

The forecasts presented above are current figures based on certain preconditions. Accordingly, the actual operating revenue, operating profit, recurring profit, net income, dividend per share, and dividend per share in excess of earnings may vary due to changes in circumstances. Moreover, these forecasts should not be construed as a guarantee of such performance or results.

For details on preconditions, please refer to the “Preconditions for the April 2017 Earnings Forecasts” and the “Preconditions for the October 2017 Earnings Forecasts” on pages 4 and 5.

This English version is a translation of the original Japanese report and is provided solely for informational purposes. Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.

Preconditions for the April 2017 Earnings Forecasts

	Preconditions
Period	April 2017 Fiscal Period: November 1, 2016 to April 30, 2017 (181 days)
Portfolio Assets	<ul style="list-style-type: none"> • 86 assets. The forecast assumes there will be no additional acquisitions or sales through April 2017. • The actual number of portfolio assets may change due to acquisitions or sales.
Number of Shares	<ul style="list-style-type: none"> • 1,532,287 shares issued and outstanding as of December 15, 2016, with no additional new issuance before April 30, 2017.
Operating Revenue	<ul style="list-style-type: none"> • Portfolio-wide occupancy forecast for April 30, 2017: 97.2% • Rental income is calculated conservatively based on lease contracts that are in effect as of today while taking into consideration such factors as historical rents, the competitiveness of Ichigo Office REIT assets, and market conditions.
Operating Expenses	<ul style="list-style-type: none"> • Property and city planning taxes: JPY 559 million. Prorated property and city planning taxes related to acquisitions are included in acquisition cost and excluded from operating expenses. • Building maintenance and repair expenses: JPY 129 million. However, expenses may differ significantly from these estimated amounts for reasons including the variability of maintenance and repair expenses, costs due to unexpected building damage, etc. • Service provider expenses, including property management fees: JPY 658 million • Depreciation: JPY 925 million. Depreciation is calculated using the straight-line method, and includes the depreciation of future expected capital expenditures. • Performance fees to asset management company: JPY 163 million • Rental expenses, Ichigo Office REIT's principal operating expenses (other than depreciation, see above) are calculated based on historical data while taking into consideration potential changes in expenses. • Actual operating expenses may differ significantly from these assumptions due to unforeseeable factors.
Non-Operating Expenses	<ul style="list-style-type: none"> • Interest expenses: JPY 527 million • Borrowing-related expenses: JPY 193 million
Borrowings	<ul style="list-style-type: none"> • Total borrowings: JPY 99,914 million as of April 30, 2017
Dividend per Share	<ul style="list-style-type: none"> • Dividends: JPY 2,927 million, which is the total amount of unappropriated retained earnings of JPY 2,556 million plus a JPY 364 million earnings reserve reversal (including JPY 200 million of negative goodwill amortization) plus a JPY 6 million dividend reserve reversal. • Dividend per share is based on the assumption that dividends will comply with the dividend distribution policy stipulated in Ichigo Office REIT's Articles of Incorporation. • Dividend per share is subject to change due to factors such as tenant turnover, changes in portfolio assets, unexpected maintenance and repair costs, fluctuations in interest rates, and the issuance of additional shares.
Dividend Distribution in Excess of Earnings per Share	<ul style="list-style-type: none"> • Ichigo Office REIT does not plan on making any dividend distribution in excess of earnings per share or in excess of retained earnings.
Other	<ul style="list-style-type: none"> • The performance forecast is based on the assumption that revisions impacting the forecast figures will not be made to laws and ordinances, the tax system, accounting standards, listing rules, rules of the Investment Trust Association, Japan, and that there will be no unexpected material change in general economic trends, real estate market conditions, etc.

Preconditions for the October 2017 Earnings Forecasts

	Preconditions
Period	October 2017 Fiscal Period: May 1, 2017 to October 31, 2017 (184 days)
Portfolio Assets	<ul style="list-style-type: none"> • 86 assets. The forecast assumes there will be no additional acquisitions or sales through October 2017. • The actual number of portfolio assets may change due to acquisitions or sales.
Number of Shares	<ul style="list-style-type: none"> • 1,532,287 shares issued and outstanding as of December 15, 2016, with no additional new issuance before October 31, 2017.
Operating Revenue	<ul style="list-style-type: none"> • Portfolio-wide occupancy for October 31, 2017: 96.8% • Rental income is calculated conservatively based on lease contracts that are in effect as of today while taking into consideration such factors as historical rents, the competitiveness of Ichigo Office REIT properties, and market conditions.
Operating Expenses	<ul style="list-style-type: none"> • Property and city planning taxes: JPY 598 million. Prorated property and city planning taxes related to acquisitions are included in acquisition cost and excluded from operating expenses. • Building maintenance and repair expenses: JPY 114 million. However, expenses may differ significantly from these estimated amounts for reasons including the variability of maintenance and repair expenses, costs due to unexpected building damage, etc. • Service provider expenses, including property management fees: JPY 651 million • Depreciation: JPY 930 million. Depreciation is calculated using the straight-line method, and includes the depreciation of future expected capital expenditures. • Performance fees to asset management company: JPY 127 million • Rental expenses, Ichigo Office REIT's principal operating expenses (other than depreciation, see above) are calculated based on historical data while taking into consideration potential changes in expenses. • Actual operating expenses may differ significantly from these assumptions due to unforeseeable factors.
Non-Operating Expenses	<ul style="list-style-type: none"> • Interest expenses: JPY 535 million • Borrowing-related expenses: JPY 202 million
Borrowings	<ul style="list-style-type: none"> • Total borrowings: JPY 99,780 million as of October 31, 2017
Dividend per Share	<ul style="list-style-type: none"> • Dividends: JPY 2,942 million, which is the total amount of unappropriated retained earnings of JPY 2,591 million plus a JPY 327 million earnings reserve reversal (including JPY 200 million of negative goodwill amortization) plus a JPY 22 million dividend reserve reversal. • Dividend per share is based on the assumption that dividends will comply with the dividend distribution policy stipulated in Ichigo Office REIT's Articles of Incorporation. • Dividend per share is subject to change due to factors such as tenant turnover, changes in portfolio assets, unexpected maintenance and repair costs, fluctuations in interest rates, and the issuance of additional shares.
Dividend Distribution in Excess of Earnings per Share	<ul style="list-style-type: none"> • Ichigo Office REIT does not plan on making any dividend distribution in excess of earnings per share or in excess of retained earnings.
Other	<ul style="list-style-type: none"> • The performance forecast is based on the assumption that revisions impacting the forecast figures will not be made to laws and ordinances, the tax system, accounting standards, listing rules, rules of the Investment Trust Association, Japan, and that there will be no unexpected material change in general economic trends, real estate market conditions, etc.

Financial Statements

(1) Balance Sheet

(Thousand yen)

	April 2016 (as of April 30, 2016)	October 2016 (as of October 31, 2016)
Assets		
Current assets		
Cash and cash equivalents	7,961,946	7,884,552
Cash and cash equivalents in trust	9,588,157	11,436,045
Accounts receivable	43,306	40,091
Prepaid expenses	311,670	389,814
Consumption taxes receivable	—	403,134
Other	11,231	10,366
Less: provision for doubtful accounts	—	-4,094
Total current assets	17,916,313	20,159,911
Fixed assets		
Property, plant, and equipment		
Buildings	8,013,966	7,617,282
Accumulated depreciation	-1,044,830	-1,111,178
Buildings, net	6,969,136	6,506,104
Structures	32,545	32,545
Accumulated depreciation	-19,337	-21,490
Structures, net	13,208	11,054
Machinery and equipment	240,839	251,701
Accumulated depreciation	-81,147	-90,704
Machinery and equipment, net	159,691	160,997
Fixtures	57,170	50,132
Accumulated depreciation	-30,306	-31,035
Fixtures, net	26,863	19,097
Land	18,763,321	18,169,824
Buildings in trust	36,180,504	41,125,986
Accumulated depreciation	-3,371,382	-4,111,462
Buildings in trust, net	32,809,122	37,014,523
Structures in trust	57,918	60,204
Accumulated depreciation	-13,577	-17,217
Structures in trust, net	44,341	42,986
Machinery and equipment in trust	301,936	374,734
Accumulated depreciation	-116,546	-148,272
Machinery and equipment in trust, net	185,389	226,462
Fixtures in trust	193,962	208,467
Accumulated depreciation	-83,497	-95,164
Fixtures in trust, net	110,465	113,303
Land in trust	98,144,951	123,006,878
Construction in progress in trust	3,366	3,246
Total property, plant, and equipment	157,229,858	185,274,478
Intangible assets		
Leasehold rights in trust	4,494,579	4,494,579
Total intangible assets	4,494,579	4,494,579

(Thousand yen)

	April 2016 (as of April 30, 2016)	October 2016 (as of October 31, 2016)
Investments and other assets		
Investments in securities	2,030,331	–
Tenant leasehold and security deposits	10,005	10,005
Long-term prepaid expenses	722,514	980,157
Other	26,576	32,423
Total investments and other assets	2,789,427	1,022,585
Total fixed assets	164,513,865	190,791,643
Total assets	182,430,179	210,951,554
Liabilities		
Current liabilities		
Accounts payable	548,735	610,642
Current portion of long-term loans payable	255,549	980,819
Accounts payable – other	609,494	487,156
Accrued expenses	7,366	2,786
Income taxes payable, etc.	605	605
Accrued consumption taxes, etc.	423,553	70,642
Advances received	1,047,558	1,285,196
Provision for disaster-related loss	60,000	–
Other	36,031	30,386
Total current liabilities	2,988,893	3,468,234
Noncurrent liabilities		
Long-term loans payable	78,303,391	96,080,847
Tenant leasehold and security deposits	1,686,912	1,587,754
Tenant leasehold and security deposits in trust	6,126,635	7,597,909
Asset retirement obligations	2,742	2,760
Total noncurrent liabilities	86,119,682	105,269,271
Total liabilities	89,108,576	108,737,505
Net assets		
Shareholders' equity		
Shareholders' capital	58,781,415	67,675,274
Surplus		
Capital surplus	20,566,420	20,566,420
Dividend reserve	11,491,269	11,508,900
Unappropriated retained earnings	2,482,497	2,463,454
Total surplus	34,540,187	34,538,774
Total shareholders' equity	93,321,603	102,214,049
Total net assets	93,321,603	102,214,049
Total liabilities and net assets	182,430,179	210,951,554

(2) Income Statement

(Thousand yen)

	April 2016 (November 1, 2015 to April 30, 2016)	October 2016 (May 1, 2016 to October 31, 2016)
Operating revenue		
Rental income	5,675,615	6,413,137
Other rental income	584,151	660,951
Dividend income from investment in TK equity	50,136	9,394
Gain on sales of real estate	372,545	6,944
Total operating revenue	6,682,449	7,090,428
Operating expenses		
Rental expense	2,527,506	2,921,176
Loss on sales of real estate	54,083	–
Asset management fee	764,925	636,177
Asset custody fee	13,087	12,945
Administrative service fees	40,152	42,315
Directors' compensation	5,040	5,040
Provision for doubtful accounts	–	4,094
Other operating expenses	69,343	63,392
Total operating expenses	3,474,139	3,685,142
Operating profit	3,208,309	3,405,285
Non-operating income		
Interest income	1,525	86
Reversal of distribution payable	615	726
Interest on tax refund	783	15
Total non-operating income	2,924	828
Non-operating expenses		
Interest expenses	478,136	522,492
Borrowing-related expenses	190,131	389,087
Share issuance expenses	–	31,567
Other non-operating expenses	–	9
Total non-operating expenses	668,267	943,156
Recurring profit	2,542,966	2,462,957
Extraordinary profit		
Reversal of provision for disaster-related loss	–	636
Total extraordinary profit	–	636
Extraordinary loss		
Provision for disaster-related loss	60,000	–
Total extraordinary loss	60,000	–
Pre-tax income	2,482,966	2,463,593
Income taxes – current	605	605
Total income taxes	605	605
Net income	2,482,361	2,462,988
Retained earnings brought forward	135	465
Unappropriated retained earnings	2,482,497	2,463,454

(3) Statement of Shareholders' Equity

April 2016 (November 1, 2015 to April 30, 2016)

(Thousand yen)

	Shareholders' equity						Total net asset
	Shareholders' capital	Surplus				Total shareholders' equity	
		Capital surplus	Dividend reserve	Unappropriated retained earnings / loss	Total surplus		
Balance at start of the period	58,781,415	20,566,420	12,053,620	1,854,031	34,474,073	93,255,488	93,255,488
Changes during the period							
Reversal of dividend reserve			-562,350	562,350	-	-	-
Dividends				-2,416,247	-2,416,247	-2,416,247	-2,416,247
Net income				2,482,361	2,482,361	2,482,361	2,482,361
Total changes during the period	—	—	-562,350	628,465	66,114	66,114	66,114
Balance at end of the period	58,781,415	20,566,420	11,491,269	2,482,497	34,540,187	93,321,603	93,321,603

October 2016 (May 1, 2016 to October 31, 2016)

(Thousand yen)

	Shareholders' equity						Total net asset
	Shareholders' capital	Surplus				Total shareholders' equity	
		Capital surplus	Dividend reserve	Unappropriated retained earnings/loss	Total surplus		
Balance at start of the period	58,781,415	20,566,420	11,491,269	2,482,497	34,540,187	93,321,603	93,321,603
Changes during the period							
Issuance of new shares	8,893,858					8,893,858	8,893,858
Dividend reserve			17,630	-17,630	—	—	—
Dividends				-2,464,402	-2,464,402	-2,464,402	-2,464,402
Net income				2,462,988	2,462,988	2,462,988	2,462,988
Total changes during the period	8,893,858	—	17,630	-19,043	-1,413	8,892,445	8,892,445
Balance at end of the period	67,675,274	20,566,420	11,508,900	2,463,454	34,538,774	102,214,049	102,214,049

(4) Cash Flow Statement

(Thousand yen)

	April 2016 (November 1, 2015 to April 30, 2016)	October 2016 (May 1, 2016 to October 31, 2016)
Cash Flows from Operating Activities		
Pre-tax income	2,482,966	2,463,593
Depreciation and amortization	836,704	921,085
Share issuance expenses	—	31,567
Increase (decrease) in provision for disaster-related loss	60,000	-60,000
Increase (decrease) in provision for doubtful accounts	—	4,094
Interest income	-1,525	-86
Interest expenses	478,136	522,492
Decrease (increase) in operating accounts receivable	3,689	3,214
Decrease (increase) in consumption taxes receivable	515,293	-403,134
Decrease (increase) in prepaid expenses	13,830	-78,144
Decrease (increase) in long-term advance charges	145,914	-257,642
Increase (decrease) in accrued consumption taxes	392,568	-352,911
Increase (decrease) in operating accounts payable	-133,907	166,623
Increase (decrease) in accounts payable	77,600	-122,338
Increase (decrease) in advances received	7,385	237,637
Decrease due to sale of property, plant, and equipment	554,258	962,495
Decrease due to sale of property, plant, and equipment in trust	2,358,614	—
Other, net	10,959	61,895
Subtotal	7,802,491	4,100,441
Interest income received	1,525	86
Interest expenses paid	-476,013	-527,072
Income taxes paid	-605	-605
Net cash generated by (used in) operating activities	7,327,398	3,572,850
Cash Flows from Investing Activities		
Purchase of property, plant, and equipment	-31,160	-49,641
Purchase of property, plant, and equipment in trust	-250,681	-29,984,768
Increase in tenant leasehold and security deposits	74,151	98,029
Decrease in tenant leasehold and security deposits	-131,850	-197,187
Increase in tenant leasehold and security deposits in trust	245,027	1,687,152
Decrease in tenant leasehold and security deposits in trust	-445,085	-264,554
Sale of investment securities	—	2,000,000
Net cash generated by (used in) investing activities	-539,597	-26,710,969
Cash Flows from Financing Activities		
Increase in long-term borrowings	—	19,500,000
Decrease from repayments of long-term borrowings	-2,834,834	-997,274
Proceeds from issuance of shares	—	8,862,291
Dividends paid	-2,412,653	-2,461,931
Net cash generated by (used in) financing activities	-5,247,488	24,903,085
Net increase (decrease) in cash and cash equivalents	1,540,312	1,764,966
Cash and cash equivalents at beginning of the period	15,968,453	17,508,765
Cash and cash equivalents at end of the period	17,508,765	19,273,732

Material Matters After Closing of the Fiscal Period

1. Asset Acquisition

Ichigo Office REIT acquired the following asset in accordance with the guidelines specified in the Articles of Incorporation.

Ichigo Shibuya Udagawacho Building¹

Acquisition Price ²	JPY 3,500,000,000
Location	10-2 Udagawacho, Shibuya-ku, Tokyo
Legal Form of Asset	Trust beneficiary interest in real estate (juekiken)
Contract Date	October 14, 2016
Closing Date	November 2, 2016
Seller ³	Domestic operating company

¹ Upon acquisition, the current building name, Shibuya BLUE Building, will be changed to Ichigo Shibuya Udagawacho Building.

² The acquisition price is the transaction price of the trust beneficiary interest (juekiken) itself and does not include fees and applicable property, city planning, and consumption taxes.

³ The seller is a domestic operating company and has not given consent to disclose its identity.

2. New Loans

Ichigo Office REIT carried out the following borrowings on November 2, 2016 in order to fund the above asset acquisition.

Term Loan VII-A

Lender	SMBC
Loan Amount	JPY 1,000 million
Interest Rate	1M JPY TIBOR + 0.39% (p.a.)
Principal Repayment Date	April 30, 2019
Interest Payment Date	Final business day of each month following the Loan Date and the Principal Repayment Date
Principal Repayment Terms	Lump sum repayment on the Principal Repayment Date
Collateralized	No

Term Loan VII-B

Lender	SMBC
Loan Amount	JPY 1,000 million
Interest Rate	1M JPY TIBOR + 0.66% (p.a.) ¹
Principal Repayment Date	October 31, 2023
Interest Payment Date	Final business day of each month following the Loan Date and the Principal Repayment Date
Principal Repayment Terms	Lump sum repayment on the Principal Repayment Date
Collateralized	No

¹ An interest rate swap agreement exists to hedge against a rise in interest rates. As a result, the effective interest rate has been fixed at 0.845%.

Term Loan VII-C

Lender	Development Bank of Japan
Loan Amount	JPY 500 million
Interest Rate	0.67503% (fixed rate)
Principal Repayment Date	September 30, 2021
Interest Payment Date	Final business day of January, April, July, and October following the Loan Date and the Principal Repayment Date
Principal Repayment Terms	Lump sum repayment on the Principal Repayment Date
Collateralized	No

Term Loan VII-D

Lender	Development Bank of Japan
Loan Amount	JPY 500 million
Interest Rate	0.70801% (fixed rate)
Principal Repayment Date	January 31, 2022
Interest Payment Date	Final business day of January, April, July, and October following the Loan Date and the Principal Repayment Date
Principal Repayment Terms	Lump sum repayment on the Principal Repayment Date
Collateralized	No

Earnings Forecasts

April 2017 Fiscal Period (November 1, 2016 to April 30, 2017)

For details on the preconditions, please refer to the “Preconditions for the April 2017 Earnings Forecasts” on page 4.

April 2017 Fiscal Period (November 1, 2016 to April 30, 2017)

Operating Revenue	7,247 million yen
Operating Profit	3,277 million yen
Recurring Profit	2,556 million yen
Net Income	2,556 million yen
Dividend per Share	1,910 yen
Dividend in excess of earnings	–

(Note) The forecast dividend includes a JPY 370 million reserve reversal. Actual operating revenue, operating profit, recurring profit, net income, and dividend per share are subject to change due to changes in circumstances. This forecast does not guarantee the amount of dividend.

October 2017 Fiscal Period (May 1, 2017 to October 31, 2017)

For details on preconditions, please refer to the “Preconditions for the October 2017 Earnings Forecasts” on page 5.

October 2017 Fiscal Period (May 1, 2017 to October 31, 2017)

Operating Revenue	7,333 million yen
Operating Profit	3,328 million yen
Recurring Profit	2,591 million yen
Net Income	2,590 million yen
Dividend per Share	1,920 yen
Dividend in excess of earnings	–

(Note) The forecast dividend includes a JPY 350 million reserve reversal. Actual operating revenue, operating profit, recurring profit, net income, and dividend per share are subject to change due to changes in circumstances. This forecast does not guarantee the amount of dividend.

Notes to Income Statement

1. Details of Rental Income

		(Thousand yen)	
		Previous Period November 1, 2015 to April 30, 2016	Current Period May 1, 2016 to October 31, 2016
A	Real Estate Rental Income		
	Rental Income		
	Rental Income	4,607,934	5,184,868
	Common Area Services Income	780,942	901,503
	Parking Lot Income	232,835	266,636
	Facility Use Income	53,903	60,128
	Other Rental Income		
	Utilities Income	528,981	618,487
	Other	55,169	42,463
	Total Income	6,259,767	7,074,088
B	Real Estate Rental Expenses		
	Rental Expenses		
	Service Provider Expenses	590,416	692,541
	Utilities	553,280	615,303
	Trust Fees	31,955	33,527
	Depreciation	836,704	921,085
	Repair Expenses	89,059	97,440
	Property and City Planning Taxes	383,284	510,253
	Insurance	7,614	8,985
	Other Expenses	35,190	42,039
	Total Expenses	2,527,506	2,921,176
C	Net Rental Income		
	(A-B)	3,732,260	4,152,912

2. Details of Real Estate Sales

(Thousand yen)

Previous Period (November 1, 2015 to April 30, 2016)

Akita Sanno 21 Building

Real Estate Sale Income		520,645
Real Estate Sale Cost	554,258	
Other Real Estate Sale Expenses	20,470	
Loss on Real Estate Sale		54,083

Ichigo Saga Building

Real Estate Sale Income		870,000
Real Estate Sale Cost	696,729	
Other Real Estate Sale Expenses	26,750	
Gain on Real Estate Sale		146,520

Ichigo Yokohama Nishiguchi Building

Real Estate Sale Income		1,150,000
Real Estate Sale Cost	893,907	
Other Real Estate Sale Expenses	35,494	
Gain on Real Estate Sale		220,597

Ichigo Meieki Building

Real Estate Sale Income		799,595
Real Estate Sale Cost	767,977	
Other Real Estate Sale Expenses	26,190	
Gain on Real Estate Sale		5,426

Current Period (May 1, 2016 to October 31, 2016)

Ichigo Yokosuka Building

Real Estate Sale Income		1,000,000
Real Estate Sale Cost	962,495	
Other Real Estate Sale Expenses	30,560	
Gain on Real Estate Sale		6,944

Notes to Cash Flow Statement

1. Relationship between Cash and Cash Equivalents at End of the Period and Items Shown on the Balance Sheet

(Thousand yen)

	Previous Period November 1, 2015 to April 30, 2016	Current Period May 1, 2016 to October 31, 2016
Cash and cash equivalents	7,961,946	7,884,552
Cash and cash equivalents in trust	9,588,157	11,436,045
Miscellaneous deposits	-41,338	-46,865
Cash and cash equivalents	17,508,765	19,273,732

Notes to Derivative Transactions

1. Non-Hedge Accounting

N/A.

2. Hedge Accounting

Previous (April 2016) Fiscal Period

(Thousand yen)

Accounting Method	Transaction Type	Hedging Target	Contract Amount		Market Value	Method of Marking to Market
			Total	>1 year		
Special Treatment of Interest Rate Swap method	Interest rate swap (pay fixed, receive floating)	Long-term loan	57,185,551	57,058,773	Note	—

Current (October 2016) Fiscal Period

(Thousand yen)

Accounting Method	Transaction Type	Hedging Target	Contract Amount		Market Value	Method of Marking to Market
			Total	>1 year		
Special Treatment of Interest Rate Swap method	Interest rate swap (pay fixed, receive floating)	Long-term loan	76,602,662	76,436,884	Note	—

(Note) Swaps accounted under the Special Treatment of Interest Swap method are processed together with the hedging target (in this case, a long-term loan), and therefore their market values are included in the balance sheet as part of Long-Term Loans.

Major Tenant Details

No single tenant comprises 10% or more of total operating revenue.

Per Share Information

(yen)

	Previous Period (November 1, 2015 to April 30, 2016)	Current Period (May 1, 2016 to October 31, 2016)
Net Asset per Share	65,890	66,706
Net Income per Share	1,752	1,623

(Note) Net Income per Share is calculated based on the weighted average number of shares during the period. There are no potentially dilutive shares outstanding. The data used to calculate Net Income per Share is shown below.

(Thousand yen)

	Previous Period (November 1, 2015 to April 30, 2016)	Current Period (May 1, 2016 to October 31, 2016)
Net Income	2,482,361	2,462,988
Income not belonging to common shareholders	—	—
Net Income belonging to common shareholders	2,482,361	2,462,988
Average number of shares in period	1,416,323 shares	1,517,476 shares

New Share Issuance

Ichigo Office REIT issued new shares (110,166 shares through a public offering and 5,798 shares through a third-party allotment (Greenshoe) to the underwriter) on May 23, 2016 and June 22, 2016, respectively. Total proceeds from the public offering were JPY 8,893 million.

Date	Method	Total Number of Shares		Issue Amount (million yen)	
		Issued	Outstanding	Change	Total
November 1, 2011 ¹	Stock-Split	196,200	228,900	—	14,928
November 1, 2011 ²	Merger	613,923	842,823	—	14,928
May 27, 2013 ³	Public Offering	90,000	932,823	5,431	20,360
December 3, 2013 ⁴	Public Offering	85,000	1,017,823	4,929	25,289
January 7, 2014 ⁵	Third-Party Allotment to Underwriter (Greenshoe)	8,500	1,026,323	492	25,782
December 3, 2014 ⁶	Public Offering	95,680	1,122,003	7,679	33,462
December 24, 2014 ⁷	Third-Party Allotment to Underwriter (Greenshoe)	8,320	1,130,323	667	34,130
May 1, 2015 ⁸	Public Offering	271,700	1,402,023	23,418	57,548
May 27, 2015 ⁹	Third-Party Allotment to Underwriter (Greenshoe)	14,300	1,416,323	1,232	58,781
May 23, 2016 ¹⁰	Public Offering	110,166	1,526,489	8,449	67,230
June 22, 2016 ¹¹	Third-Party Allotment to Underwriter (Greenshoe)	5,798	1,532,287	444	67,675

¹ Ichigo Office REIT carried out a seven-to-one stock-split.

² Ichigo REIT (8983) merged with Ichigo Office REIT (8975), with Ichigo Office REIT as the surviving entity. The merger ratio was three post-stock-split Ichigo Office REIT shares per Ichigo REIT share.

³ New shares were issued via public offering at a share price of JPY 62,595 (subscription price of JPY 60,348) to procure funds for asset acquisitions.

⁴ New shares were issued via public offering at a share price of JPY 60,157 (subscription price of JPY 57,997) to procure funds for asset acquisitions.

⁵ New shares were issued via third-party allotment at a share price of JPY 57,997 to procure funds to repay debt.

⁶ New shares were issued via public offering at a share price of JPY 83,167 (subscription price JPY of 80,266) to procure funds for asset acquisitions.

⁷ New shares were issued via third-party allotment at a share price of JPY 80,266 to procure funds to repay debt.

⁸ New shares were issued via public offering at a share price of JPY 89,212 (subscription price of JPY 86,192) to procure funds for asset acquisitions.

⁹ New shares were issued via third-party allotment at a share price of JPY 86,192 to procure funds to repay debt.

¹⁰ New shares were issued via public offering at a share price of JPY 79,365 (subscription price of JPY 76,695) to procure funds for asset acquisitions.

¹¹ New shares were issued via third-party allotment at a share price of JPY 76,695 to procure funds to repay debt.

Portfolio Information

Portfolio Composition

Legal Form of Asset	Area	October 2016 Fiscal Period	
		Book Value ⁴ (million yen)	% of Total
Real estate	Central Tokyo ¹	8,824	4.2
	Tokyo Metropolitan Area ²	4,078	1.9
	Four Major Regional Cities ³	11,964	5.7
Trust beneficiary interest in real estate (<i>juekiken</i>)	Central Tokyo ¹	94,814	44.9
	Tokyo Metropolitan Area ²	43,236	20.5
	Four Major Regional Cities ³	15,619	7.4
	Other Regional Cities	11,228	5.3
Subtotal		189,765	90.0
Deposits / Other Assets		21,185	10.0
Total Assets		210,951	100.0

¹ Central Tokyo Chiyoda, Minato, Chuo, Shinjuku, Shibuya, and Shinagawa Wards

² Tokyo Metropolitan Area Tokyo (excluding the above six wards), Kanagawa, Chiba, and Saitama Prefectures

³ Four Major Regional Cities Osaka, Nagoya, Fukuoka, and Sapporo

⁴ Book Value is the respective October 31, 2016 balance sheet real estate and trust beneficiary interest in real estate asset value less depreciation and does not include construction in progress and construction in progress in trust.

Portfolio Asset Details

(as of October 31, 2016)

Asset No.	Area	Asset Type	Asset Name	Total Leasable Area (m ²) ¹	Total Leased Area (m ²) ²	Occupancy (%) ³	No. of Tenants ⁴	Total Rental Income (thousand yen) ⁵
O-02	Central Tokyo	Office	Ichigo Nishisando Building	4,564.63	4,564.63	100.0	18	126,137
O-03	Central Tokyo	Office	Ichigo Mita Building	4,097.63	4,097.63	100.0	8	115,810
O-04	Central Tokyo	Office	Ichigo Nanpeidai Building	1,925.24	1,925.24	100.0	13	73,539
O-05	Central Tokyo	Office	Ichigo Hanzomon Building	2,080.37	2,080.37	100.0	7	49,155
O-06	Central Tokyo	Office	Ichigo Hijirizaka Building	1,947.90	1,947.90	100.0	7	57,548
O-07	Central Tokyo	Office	Ichigo Shibuya Kamiyamacho Building	1,321.54	1,321.54	100.0	4	51,619
O-08	Central Tokyo	Office	Ichigo Akasaka 5 Chome Building	685.14	602.83	88.0	6	24,847
O-09	Central Tokyo	Office	Ichigo Shibakoen Building	1,602.29	1,602.29	100.0	5	42,070
O-10	Central Tokyo	Office	Ichigo Ebisu Nishi Building	1,484.39	1,484.39	100.0	8	43,627
O-11	Central Tokyo	Office	Ichigo Ginza 612 Building	1,388.35	1,388.35	100.0	27	64,199
O-12	Central Tokyo	Office	Ichigo Uchikanda Building	1,378.83	1,378.83	100.0	8	40,428
O-14	Central Tokyo	Office	Ichigo Yotsuya 4 Chome Building	780.64	780.64	100.0	10	20,330
O-15	Central Tokyo	Office	Ichigo Tameike Building	494.14	494.14	100.0	6	21,123
O-16	Central Tokyo	Office	Ichigo Jimbocho Building	1,891.01	1,891.01	100.0	8	71,387
O-17	Central Tokyo	Office	Ichigo Hakozaki Building	2,387.34	2,387.34	100.0	7	50,984
O-18	Central Tokyo	Office	Ichigo Kudan 2 Chome Building	1,288.31	1,288.31	100.0	1	26,820
O-19	Central Tokyo	Office	Ichigo Kudan 3 Chome Building	1,302.43	1,302.43	100.0	5	35,515
O-20	Central Tokyo	Office	Ichigo Gotanda Building	5,346.76	5,346.76	100.0	9	200,413
O-21	Tokyo Metro Area	Office	Ichigo Shin Yokohama Building	4,021.32	4,021.32	100.0	15	78,147
O-22	Tokyo Metro Area	Office	Ichigo Minami Ikebukuro Building	1,491.51	1,491.51	100.0	10	52,767
O-23	Tokyo Metro Area	Office	Ichigo Nakano North Building	1,250.85	1,250.85	100.0	6	39,217
O-24	Tokyo Metro Area	Office	Ichigo Eitai Building	2,605.54	2,188.99	84.0	8	56,402
O-25	Tokyo Metro Area	Office	Ichigo Yokosuka Building ⁶	–	–	–	–	50,217
O-26	Tokyo Metro Area	Office	Ichigo Ikejiri Building	2,385.69	2,385.69	100.0	6	77,047

Asset No.	Area	Asset Type	Asset Name	Total Leasable Area (m ²) ¹	Total Leased Area (m ²) ²	Occupancy (%) ³	No. of Tenants ⁴	Total Rental Income (thousand yen) ⁵
O-27	Tokyo Metro Area	Office	Ichigo Nishi Ikebukuro Building	1,261.91	1,261.91	100.0	1	22,265
O-28	Central Tokyo	Office	Ichigo Nishi Gotanda Building	1,317.16	1,166.49	88.6	8	17,148
O-29	Tokyo Metro Area	Office	Ichigo Kichijoji Building	4,210.87	4,210.87	100.0	16	110,357
O-33	Four Major Regional Cities	Office	Ichigo Meieki Building ⁷	–	–	–	–	787
O-34	Four Major Regional Cities	Office	Ichigo Sakae Building	3,928.12	3,928.12	100.0	19	195,131
O-37	Four Major Regional Cities	Office	Ichigo Marunouchi Building	8,009.11	7,433.00	92.8	20	216,283
O-38	Other Regional Cities	Office	Ichigo Toyamaeki Nishi Building	8,601.71	8,470.35	98.5	15	115,797
O-39	Other Regional Cities	Office	Ichigo Mirai Shinkin Building	3,551.46	3,398.43	95.7	21	76,969
O-40	Other Regional Cities	Office	Ichigo Saga Building ⁸	–	–	–	–	51
O-42	Other Regional Cities	Office	Ichigo Takamatsu Building	6,329.33	6,244.63	98.7	12	153,710
O-46	Central Tokyo	Office	Ichigo Kanda Nishikicho Building	2,523.09	2,523.09	100.0	10	87,667
O-47	Central Tokyo	Office	Ichigo Akihabara North Building	6,250.53	6,250.53	100.0	1	210,635
O-48	Four Major Regional Cities	Office	Ichigo Sakaisuji Honmachi Building	3,729.35	3,729.35	100.0	17	85,702
O-49	Central Tokyo	Office	Ichigo Kanda Ogawamachi Building	2,281.75	2,281.75	100.0	9	82,194
O-50	Central Tokyo	Office	Ichigo Hatchobori Building	2,697.36	2,697.36	100.0	7	75,771
O-51	Central Tokyo	Office	Ebisu Green Glass	3,159.27	3,159.27	100.0	2	156,283
O-52	Central Tokyo	Office	Ichigo Omori Building	3,585.92	3,585.92	100.0	9	127,789
O-53	Central Tokyo	Office	Ichigo Takadanobaba Building	1,606.92	1,606.92	100.0	7	58,483
O-54	Tokyo Metro Area	Office	Ichigo Omiya Building	6,180.68	6,180.68	100.0	29	155,581
O-55	Tokyo Metro Area	Office	Ichigo Sagamihara Building	2,960.81	2,960.81	100.0	13	58,305
O-56	Tokyo Metro Area	Office	Ichigo Ofuna Building	2,364.71	2,364.71	100.0	9	92,670
O-57	Other Regional Cities	Office	Ichigo Sendai East Building	5,205.49	5,205.49	100.0	11	98,648
O-58	Other Regional Cities	Office	Ichigo Kumamoto Building	4,498.16	4,424.21	98.4	31	83,539
O-59	Central Tokyo	Office	Ichigo Jingumae Building	4,384.97	4,252.97	97.0	5	170,956
O-60	Central Tokyo	Office	Ichigo Shibuya Dogenzaka Building	2,789.86	2,789.86	100.0	9	68,736

Asset No.	Area	Asset Type	Asset Name	Total Leasable Area (m ²) ¹	Total Leased Area (m ²) ²	Occupancy (%) ³	No. of Tenants ⁴	Total Rental Income (thousand yen) ⁵
O-61	Central Tokyo	Office	Ichigo Hiroo Building	3,510.44	3,510.44	100.0	5	126,954
O-62	Central Tokyo	Office	Ichigo Sasazuka Building	6,425.29	6,425.29	100.0	5	175,285
O-63	Central Tokyo	Office	Ichigo Nihonbashi East Building	4,216.97	4,216.97	100.0	7	114,714
O-64	Central Tokyo	Office	Ichigo Sakurabashi Building	2,971.22	2,971.22	100.0	6	74,634
O-65	Central Tokyo	Office	Ichigo Shinkawa Building	2,312.03	2,312.03	100.0	6	82,497
O-66	Central Tokyo	Office	Ichigo Kudan Building	3,090.65	2,718.78	88.0	8	91,428
O-67	Central Tokyo	Office	Ichigo Higashi Gotanda Building	4,548.10	4,393.82	96.6	17	104,640
O-68	Central Tokyo	Office	Axior Mita	2,369.82	2,369.82	100.0	11	61,394
O-69	Tokyo Metro Area	Office	Ichigo Higashi Ikebukuro Building	4,553.90	4,553.90	100.0	16	145,035
O-70	Other Regional Cities	Office	Koriyama Big-i (Office Section)	3,433.07	3,433.07	100.0	14	99,273
O-71	Tokyo Metro Area	Office	Ichigo Kawasaki Building	3,665.34	3,665.34	100.0	15	85,822
O-72	Central Tokyo	Office	Ichigo Shibuya East Building	1,041.36	1,041.36	100.0	4	36,328
O-73	Central Tokyo	Office	Ichigo Ningyocho Building	1,769.09	1,769.09	100.0	8	42,583
O-74	Four Major Regional Cities	Office	Ichigo Nishi Honmachi Building	6,151.98	5,788.00	94.1	28	97,382
O-75	Four Major Regional Cities	Office	Ichigo Hakata Building	2,423.86	2,277.41	94.0	29	46,335
O-76	Four Major Regional Cities	Office	Nishiki First Building	3,324.54	3,324.54	100.0	1	75,785
O-77	Tokyo Metro Area	Office	Ichigo Ikenohata Building	5,504.02	5,504.02	100.0	6	136,601
O-78	Tokyo Metro Area	Office	Ichigo Ikebukuro East Building	3,118.69	3,118.69	100.0	4	78,668
O-79	Central Tokyo	Office	Ichigo Motoazabu Building	1,329.96	1,329.96	100.0	3	44,806
O-80	Tokyo Metro Area	Office	Ichigo Otsuka Building	3,679.70	3,679.70	100.0	7	75,369
O-81	Four Major Regional Cities	Office	Ichigo Nagoya Building	4,930.30	4,930.30	100.0	35	119,736
O-82	Four Major Regional Cities	Office	Ichigo Fushimi Building	4,154.02	3,640.03	87.6	38	68,954
O-83	Four Major Regional Cities	Office	Ichigo Nishiki Building	2,006.78	2,006.78	100.0	23	41,796
O-84	Four Major Regional Cities	Office	Ichigo Minami Morimachi Building	2,521.51	2,521.51	100.0	12	40,232
R-04	Central Tokyo	Other	Ichigo Serviced Apartments Takanawadai	1,248.50	700.70	56.1	1	40,388

Asset No.	Area	Asset Type	Asset Name	Total Leasable Area (m ²) ¹	Total Leased Area (m ²) ²	Occupancy (%) ³	No. of Tenants ⁴	Total Rental Income (thousand yen) ⁵
R-06	Central Tokyo	Other	B-SITE Hamamatsucho	821.84	821.84	100.0	1	17,760
R-09	Central Tokyo	Other	Ichigo Serviced Apartments Ginza	1,020.14	960.33	94.1	1	44,084
Z-02	Central Tokyo	Other	Ichigo Fiesta Shibuya	1,185.85	1,185.85	100.0	9	69,152
Z-03	Tokyo Metro Area	Other	Ichigo Burg Omori	5,345.62	5,004.84	93.6	37	163,099
Z-04	Tokyo Metro Area	Other	Ichigo Pagoda Asakusa	2,091.26	1,847.71	88.4	6	80,460
Z-05	Tokyo Metro Area	Other	Ichigo Machida East Building	2,183.65	2,183.65	100.0	10	63,794
Z-06	Tokyo Metro Area	Other	Ichigo Yokohama Nishiguchi Building ⁹	–	–	–	–	561
Z-07	Four Major Regional Cities	Other	Ichigo Sapporo Minami 2 Nishi 3 Building	1,162.52	1,162.52	100.0	8	33,721
Z-08	Four Major Regional Cities	Other	Ichigo Daimyo Balcony	765.61	765.61	100.0	6	31,879
Z-09	Other Regional Cities	Other	Konami Sports Club Izumi Fuchu	3,733.68	3,733.68	100.0	1	63,000
Z-10	Central Tokyo	Other	Ichigo Shibuya Bunkamura Dori Building	778.77	778.77	100.0	4	75,213
Z-11	Tokyo Metro Area	Other	Twicere Yokohama Isogo (Retail Section)	2,717.77	2,571.95	94.6	7	78,502
Z-12	Tokyo Metro Area	Other	Lions Square Kawaguchi Building	7,788.09	7,788.09	100.0	3	121,728
Z-13	Tokyo Metro Area	Other	Ichigo Shin Yokohama Arena Dori Building	1,971.34	1,971.34	100.0	5	82,110
Z-14	Tokyo Metro Area	Other	Ichigo Kamata Building	2,124.68	2,124.68	100.0	2	51,535
Total				257,142.35	252,453.34	98.2	892	7,074,088

¹ Leasable Area is subject to minor adjustments due to refurbishing or individual rental contract terms.

² Leased Area is the total space that is leased under rental contracts as of October 31, 2016.

³ Occupancy is the ratio of Leased Area to Total Leasable Area, rounded off to the nearest tenth.

⁴ No. of Tenants is the number of tenants that have a valid lease contract in place with Ichigo Office REIT (including trust structures owned by Ichigo Office REIT). The number of tenants is counted as one where there is a master lease contract in place with a master lease company other than Ichigo Office REIT.

⁵ Total Rental Income is the total of rental income, common area services income, parking area income, and other related income generated from the property.

⁶ This asset was sold on September 30, 2016.

⁷ This asset was sold on April 15, 2016.

⁸ This asset was sold on March 24, 2016.

⁹ This asset was sold on March 30, 2016.

Book Value and Appraisal Value of Portfolio Assets

(as of October 31, 2016)

Asset No.	Asset Name	Location	Form of Ownership	Appraisal Value ¹ (million yen)	Book Value ² (million yen)	% of Portfolio ³
O-02	Ichigo Nishisando Building	Yoyogi, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	2,926	3,419	1.8
O-03	Ichigo Mita Building	Shiba, Minato-ku, Tokyo	Trust beneficiary interest in real estate	3,019	2,749	1.4
O-04	Ichigo Nanpeidai Building	Nanpeidaicho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	2,350	1,938	1.0
O-05	Ichigo Hanzomon Building	Hayabusacho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	1,780	1,529	0.8
O-06	Ichigo Hijirizaka Building	Mita, Minato-ku, Tokyo	Trust beneficiary interest in real estate	1,350	1,215	0.6
O-07	Ichigo Shibuya Kamiyamacho Building	Kamiyamacho, Shibuya-ku, Tokyo	Real estate	1,712	1,415	0.7
O-08	Ichigo Akasaka 5 Chome Building	Akasaka, Minato-ku, Tokyo	Real estate	780	727	0.4
O-09	Ichigo Shibakoen Building	Shiba, Minato-ku, Tokyo	Real estate	1,050	1,106	0.6
O-10	Ichigo Ebisu Nishi Building	Ebisu-Nishi, Shibuya-ku, Tokyo	Real estate	2,210	1,926	1.0
O-11	Ichigo Ginza 612 Building	Ginza, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	1,946	1,769	0.9
O-12	Ichigo Uchikanda Building	Uchikanda, Chiyoda-ku, Tokyo	Real estate	1,120	1,127	0.6
O-14	Ichigo Yotsuya 4 Chome Building	Yotsuya Shinjuku-ku, Tokyo	Trust beneficiary interest in real estate	551	525	0.3
O-15	Ichigo Tameike Building	Akasaka, Minato-ku, Tokyo	Real estate	651	543	0.3
O-16	Ichigo Jimbocho Building	Kanda Jimbocho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,160	1,822	1.0
O-17	Ichigo Hakozaiki Building	Nihonbashi Kakigaracho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	1,110	1,167	0.6
O-18	Ichigo Kudan 2 Chome Building	Kudan Minami, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	885	739	0.4
O-19	Ichigo Kudan 3 Chome Building	Kudan Minami, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	827	839	0.4
O-20	Ichigo Gotanda Building	Higashi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	5,740	4,923	2.6
O-21	Ichigo Shin Yokohama Building	Shin Yokohama, Kohoku-ku, Yokohama City, Kanagawa	Trust beneficiary interest in real estate	1,780	1,752	0.9
O-22	Ichigo Minami Ikebukuro Building	Minami-Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	1,590	1,380	0.7
O-23	Ichigo Nakano North Building	Arai, Nakano-ku, Tokyo	Trust beneficiary interest in real estate	882	759	0.4
O-24	Ichigo Eitai Building	Eitai, Koto-ku, Tokyo	Real estate	1,240	1,476	0.8
O-26	Ichigo Ikejiri Building	Ohashi, Meguro-ku, Tokyo	Real estate	2,150	1,982	1.0
O-27	Ichigo Nishi Ikebukuro Building	Ikebukuro, Toshima-ku, Tokyo	Real estate	706	619	0.3

Asset No.	Asset Name	Location	Form of Ownership	Appraisal Value ¹ (million yen)	Book Value ² (million yen)	% of Portfolio ³
O-28	Ichigo Nishi Gotanda Building	Nishi-Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	778	763	0.4
O-29	Ichigo Kichijoji Building	Kichijoji Honcho, Musashino City, Tokyo	Trust beneficiary interest in real estate	2,570	2,241	1.2
O-34	Ichigo Sakae Building	Sakae, Naka-ku, Nagoya City, Aichi	Real estate	5,191	4,707	2.5
O-37	Ichigo Marunouchi Building	Marunouchi, Naka-ku, Nagoya City, Aichi	Real estate	6,970	6,108	3.2
O-38	Ichigo Toyamaeki Nishi Building	Jinzuhonmachi, Toyama City, Toyama	Trust beneficiary interest in real estate	1,730	1,529	0.8
O-39	Ichigo Mirai Shinkin Building	Niagemachi, Oita City, Oita	Trust beneficiary interest in real estate	1,260	1,170	0.6
O-42	Ichigo Takamatsu Building	Kotobukicho, Takamatsu City, Kagawa	Trust beneficiary interest in real estate	3,190	2,569	1.4
O-46	Ichigo Kanda Nishikicho Building	Kanda-Nishikicho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,780	2,060	1.1
O-47	Ichigo Akihabara North Building	Sotokanda, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	6,700	5,641	3.0
O-48	Ichigo Sakaisuji Honmachi Building	Honmachi, Chuo-ku, Osaka City, Osaka	Trust beneficiary interest in real estate	2,280	1,866	1.0
O-49	Ichigo Kanda Ogawamachi Building	Kanda-Ogawamachi, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,410	2,203	1.2
O-50	Ichigo Hatchobori Building	Shintomi, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,470	1,875	1.0
O-51	Ebisu Green Glass	Ebisu Minami, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	6,540	5,872	3.1
O-52	Ichigo Omori Building	Minami Oi, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	4,160	3,825	2.0
O-53	Ichigo Takadanobaba Building	Takadanobaba, Shinjuku-ku, Tokyo	Trust beneficiary interest in real estate	1,790	1,582	0.8
O-54	Ichigo Omiya Building	Miyacho, Omiya-ku, Saitama City, Saitama	Trust beneficiary interest in real estate	3,680	3,419	1.8
O-55	Ichigo Sagamihara Building	Sagamihara, Chuo-ku, Sagamihara City, Kanagawa	Trust beneficiary interest in real estate	1,260	1,250	0.7
O-56	Ichigo Ofuna Building	Ofuna, Kamakura City, Kanagawa	Trust beneficiary interest in real estate	2,270	1,997	1.1
O-57	Ichigo Sendai East Building	Miyagino, Miyagino-ku, Sendai City, Miyagi	Trust beneficiary interest in real estate	2,040	1,782	0.9
O-58	Ichigo Kumamoto Building	Karashimacho, Chuo-ku, Kumamoto City, Kumamoto	Trust beneficiary interest in real estate	1,430	1,438	0.8
O-59	Ichigo Jingumae Building	Jingumae, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	7,710	7,352	3.9
O-60	Ichigo Shibuya Dogenzaka Building	Maruyamacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	4,660	3,695	1.9
O-61	Ichigo Hiroo Building	Hiroo, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	4,320	4,018	2.1
O-62	Ichigo Sasazuka Building	Sasazuka, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	5,020	4,807	2.5
O-63	Ichigo Nihonbashi East Building	Nihonbashi Bakurocho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	5,290	4,700	2.5

Asset No.	Asset Name	Location	Form of Ownership	Appraisal Value ¹ (million yen)	Book Value ² (million yen)	% of Portfolio ³
O-64	Ichigo Sakurabashi Building	Hatchobori, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,730	2,596	1.4
O-65	Ichigo Shinkawa Building	Shinkawa, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,710	2,392	1.3
O-66	Ichigo Kudan Building	Kanda Jimbocho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	3,350	3,236	1.7
O-67	Ichigo Higashi Gotanda Building	Higashi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	4,020	3,699	1.9
O-68	Axior Mita	Mita, Minato-ku, Tokyo	Trust beneficiary interest in real estate	1,970	1,791	0.9
O-69	Ichigo Higashi Ikebukuro Building	Higashi Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	4,920	4,613	2.4
O-70	Koriyama Big-i (Office Section)	Ekimae, Koriyama City, Fukushima	Trust beneficiary interest in real estate	1,770	1,594	0.8
O-71	Ichigo Kawasaki Building	Higashi Tamachi, Kawasaki-ku, Kawasaki City, Kanagawa	Trust beneficiary interest in real estate	1,980	1,792	0.9
O-72	Ichigo Shibuya East Building	Higashi, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	1,460	1,357	0.7
O-73	Ichigo Ningyocho Building	Nihonbashi Horidomecho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	1,550	1,458	0.8
O-74	Ichigo Nishi Honmachi Building	Awaza, Nishi-ku, Osaka City, Osaka	Trust beneficiary interest in real estate	2,330	2,194	1.2
O-75	Ichigo Hakata Building	Gionmachi, Hakata-ku, Fukuoka City, Fukuoka	Trust beneficiary interest in real estate	1,440	1,384	0.7
O-76	Nishiki First Building	Nishiki, Naka-ku, Nagoya City, Aichi	Trust beneficiary interest in real estate	2,080	2,006	1.1
O-77	Ichigo Ikenohata Building	Ikenohata, Taito-ku, Tokyo	Trust beneficiary interest in real estate	5,310	5,150	2.7
O-78	Ichigo Ikebukuro East Building	Higashi Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	3,170	3,017	1.6
O-79	Ichigo Motoazabu Building	Motoazabu, Minato-ku, Tokyo	Trust beneficiary interest in real estate	1,970	1,901	1.0
O-80	Ichigo Otsuka Building	Minami Otsuka, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	2,880	2,745	1.4
O-81	Ichigo Nagoya Building	Meieki, Nakamura-ku, Nagoya City, Aichi	Trust beneficiary interest in real estate	3,530	3,443	1.8
O-82	Ichigo Fushimi Building	Nishiki, Naka-ku, Nagoya City, Aichi	Trust beneficiary interest in real estate	2,400	2,351	1.2
O-83	Ichigo Nishiki Building	Nishiki, Naka-ku, Nagoya City, Aichi	Trust beneficiary interest in real estate	1,390	1,330	0.7
O-84	Ichigo Minami Morimachi Building	Matsugaecho, Kita-ku, Osaka City, Osaka	Trust beneficiary interest in real estate	1,110	1,042	0.5
R-04	Ichigo Serviced Apartments Takanawadai	Shirokanedai, Minato-ku, Tokyo	Trust beneficiary interest in real estate	1,160	1,294	0.7
R-06	B-SITE Hamamatsucho	Hamamatsucho, Minato-ku, Tokyo	Trust beneficiary interest in real estate	616	670	0.4
R-09	Ichigo Serviced Apartments Ginza	Shintomi, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	859	901	0.5
Z-02	Ichigo Fiesta Shibuya	Udagawacho, Shibuya-ku, Tokyo	Real estate	2,100	1,977	1.0

Asset No.	Asset Name	Location	Form of Ownership	Appraisal Value ¹ (million yen)	Book Value ² (million yen)	% of Portfolio ³
Z-03	Ichigo Burg Omori	Omori Kita, Ota-ku, Tokyo	Trust beneficiary interest in real estate	3,005	3,142	1.7
Z-04	Ichigo Pagoda Asakusa	Kaminarimon, Taito-ku, Tokyo	Trust beneficiary interest in real estate	1,820	1,595	0.8
Z-05	Ichigo Machida East Building	Haramachida, Machida City, Tokyo	Trust beneficiary interest in real estate	1,490	1,283	0.7
Z-07	Ichigo Sapporo Minami 2 Nishi 3 Building	Minami 2 jo Nishi, Chuo-ku, Sapporo City, Hokkaido	Real estate	584	553	0.3
Z-08	Ichigo Daimyo Balcony	Daimyo, Chuo-ku, Fukuoka City, Fukuoka	Real estate	669	593	0.3
Z-09	Konami Sports Club Izumi Fuchu	Fuchucho, Izumi City, Osaka	Trust beneficiary interest in real estate	1,420	1,142	0.6
Z-10	Ichigo Shibuya Bunkamura Dori Building	Udagawacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	3,040	2,474	1.3
Z-11	Twicere Yokohama Isogo (Retail Section)	Mori, Isogo-ku, Yokohama City, Kanagawa	Trust beneficiary interest in real estate	1,870	1,562	0.8
Z-12	Lions Square Kawaguchi	Motogo, Kawaguchi City, Saitama	Trust beneficiary interest in real estate	2,610	2,398	1.3
Z-13	Ichigo Shin Yokohama Arena Dori Building	Shin Yokohama, Kohoku-ku, Yokohama City, Kanagawa	Trust beneficiary interest in real estate	1,720	1,694	0.9
Z-14	Ichigo Kamata Building	Nishi Kamata, Ota-ku, Tokyo	Trust beneficiary interest in real estate	1,490	1,439	0.8
Total				207,537	189,765	100.0

¹ Based on Ichigo Office REIT's internal rules and the rules of The Investment Trusts Association, Japan, Appraisal Value at period-end shows either an appraisal value or an indicative value as determined by the Japan Real Estate Institute, Daiwa Real Estate Appraisal, Tanizawa Sōgō Appraisal, or Rich Appraisal Institute.

² Book Value at period-end does not include amounts for construction in progress.

³ % of Portfolio is based on book value and is rounded off to the nearest tenth.