

FY18/6 H1 Earnings

Ichigo Green Infrastructure Investment Corporation (“Ichigo Green,” Tokyo Stock Exchange, 9282)

Representative: Mami Nagasaki, Executive Director

www.ichigo-green.co.jp/en

Ichigo Investment Advisors Co., Ltd. (Asset Management Company)

Representative: Wataru Orii, President

Inquiries: Masanori Kubota, Statutory Executive Officer (Finance)

Telephone: +81-3-3502-4854

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

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

1. FY18/6 H1 Financial Results (July 1, 2017 to December 31, 2017)

(1) Earnings

(JPY million; year-on-year change)

	Operating Revenue	Change	Operating Profit	Change	Recurring Profit	Change	Net Income	Change
FY18/6 H1	548	—	122	—	65	—	64	—
FY17/6	566	—	158	—	97	—	94	—

	Net Income per Share (JPY)
FY18/6 H1	625
FY17/6	1,158

Notes:

1. Ichigo Green executed a two-for-one stock split on January 1, 2018 (record date: December 31, 2017). Net Income per Share and FFO per Share are thus calculated on a post-stock split basis.
2. Funds from Operations (FFO)

FY 18/6 H1 FFO per Share: JPY 3,882
FY 17/6 FFO per Share: JPY 4,305

FFO per Share is calculated per the following:

$$\text{FFO per Share} = (\text{Net Income} + \text{Depreciation} + \text{Amortization of Expenses Related to the Establishment of Ichigo Green} + \text{Amortization of Share Issuance Expenses} + \text{Amortization of Start-up Expenses} + \text{Loss on Disposal of Fixed Assets} + \text{Liability for Asset Retirement Obligation} \pm \text{Loss/Gain on Sales} \pm \text{Extraordinary Loss/Profit}) / \text{Total Shares Outstanding}$$
3. While the FY17/6 period ran from October 1, 2016 to June 30, 2017 (273 days), Ichigo Green’s actual operating timeframe during the period was from December 1, 2016, the day it acquired its first power plants, to June 30, 2017 (212 days).
4. Net Income per Share is based on the average number of shares outstanding during the period (post-stock split 81,406 shares). Net Income per Share during the actual operating timeframe was JPY 918, which is based on the average number of shares outstanding during that timeframe (post-stock split 102,658 shares).
5. Because FY17/6 was a 9-month fiscal period, year-on-year changes for Operating Revenue, Operating Profit, Recurring Profit, and Net Income are not shown.

(2) Assets and Equity

	Total Assets (JPY million)	Net Assets (JPY million)	Equity Ratio (%)	Net Assets per Share (JPY)
FY18/6 H1	12,249	4,887	39.9	47,471
FY17/6	11,938	5,043	42.2	48,985

Note: Ichigo Green executed a two-for-one stock split on January 1, 2018 (record date: December 31, 2017). Net Assets per Share is thus calculated on a post-stock split basis.

(3) Cash Flow

	Cash Flows from Operations (JPY million)	Cash Flows from Investments (JPY million)	Cash Flows from Financing (JPY million)	Cash and Cash Equivalents at End of the Period (JPY million)
FY18/6 H1	1,191	-1,506	259	704
FY17/6	-683	-10,237	11,451	759

2. FY18/6 Forecast (July 1, 2017 to June 30, 2018)

(JPY million; year-on-year change)

	Operating Revenue	Change	Operating Profit	Change	Recurring Profit	Change	Net Income	Change
FY18/6	1,095	—	262	—	147	—	146	—

	Dividend per Share (excluding DEE) (JPY)	DEE per Share (JPY)	Dividend per Share (JPY)
FY18/6	1,410	2,180	3,590

DEE = Dividend in Excess of Earnings. The DEE is paid from Ichigo Green's solar power production revenues (which Ichigo Green receives in cash) that are not treated as income under Japanese tax, because they are offset by non-cash depreciation expenses.

Notes:

1. Forecast FY18/6 Net Income per Share is JPY 1,424.
2. Ichigo Green did not have a FY17/6 Half-Year earnings period, so no year-on-year change is shown for the Half-Year forecast.
3. The actual operating timeframe for FY17/6 was only nine months (from October 1, 2016 to June 30, 2017), so no year-on-year change is shown for the FY18/6 forecast.
4. It is Ichigo Green's general policy to pay a DEE equivalent to c. 40% of annual depreciation expenses, subject to the dividend not adversely affecting Ichigo Green's financial standing.

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 51,483 shares at the end of FY18/6 H1 and 51,483 shares at the end of FY17/6.
- (ii) There were no treasury shares at the end of FY18/6 H1 or at the end of FY17/6.

Reference: Ten-Year Earnings and Dividend Forecast (FY19/6 through FY26/6)

(JPY million)

	Operating Revenue	Operating Profit	Recurring Profit	Net Income	Dividend per Share (excluding DEE) (JPY)	DEE per Share (JPY)	Dividend per Share (JPY)
FY19/6	1,090	254	144	143	1,375	2,185	3,560
FY20/6	1,085	240	145	144	1,390	2,190	3,580
FY21/6	1,078	251	170	169	1,625	2,195	3,820
FY22/6	1,072	249	183	182	1,750	2,195	3,945
FY23/6	1,065	260	198	197	1,895	2,200	4,095
FY24/6	1,059	253	194	193	1,860	2,205	4,065
FY25/6	1,052	251	196	195	1,875	2,010	3,885
FY26/6	1,046	230	179	178	1,715	1,825	3,540

DEE = Dividend in Excess of Earnings. The DEE is paid from Ichigo Green's solar power production revenues (which Ichigo Green receives in cash) that are not treated as income under Japanese tax, because they are offset by non-cash depreciation expenses.

Note:

Ichigo Green has an annual fiscal year running from July to June. Because there is no regulatory framework in Japan for Investment Corporations to pay dividends at half-year, Ichigo Green therefore pays an annual dividend once a year. The annual dividend results both in lower administrative costs and a dividend that is not impacted by seasonal changes in solar power generation (as a semi-annual dividend would be).

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 Earnings Forecasts and Other Matters of Special Note

The forecasts presented above are current figures based on certain preconditions. Accordingly, the actual operating results may vary due to changes in circumstances, and these forecasts should not be construed as a guarantee of such results.

For details on the preconditions of the FY18/6 earnings forecast, please refer to the “Preconditions for the FY18/6 Earnings Forecast” on pages 6 through 8. For details of the preconditions of the FY19/6 through FY26/6 earnings forecast, please refer to the November 28, 2017 release “Stock Split.”

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.

FY18/6 Earnings Forecast

FY18/6 (July 1, 2017 to June 30, 2018)

Operating Revenue	JPY 1,095 million
Operating Profit	JPY 262 million
Recurring Profit	JPY 147 million
Net Income	JPY 146 million
Dividend per Share (excluding DEE)	JPY 1,410
DEE per Share	JPY 2,180
Dividend per Share (including DEE)	JPY 3,590

For details on the forecast preconditions, please refer to the “Preconditions for FY18/6 Earnings Forecast” on page 6.

Preconditions for the FY18/6 Earnings Forecast

	Preconditions
Period	FY18/6: July 1, 2017 – June 30, 2018 (365 days)
Number of Shares	<ul style="list-style-type: none"> • 102,966 shares issued and outstanding as of today, with no additional new share issuance through FY18/6
Number of Power Plants	<ul style="list-style-type: none"> • 15 power plants
Operating Revenue	<ul style="list-style-type: none"> • Power production revenue is based on the annual P50 power production forecast of operating power plants. • Specifically, power production revenue is calculated by adding base revenue (electricity sales revenue based on annual P85 production forecast minus forecast operating expenses) to actual power production revenue (electricity sales revenue based on the annual P50 production forecast minus base revenue and forecast operating expenses). Power production revenue assumes that there is no suspension of renewable energy supply without compensation through FY18/6. • Forecast power generation is a third-party, 50% probability mean annual production forecast (P50 forecast) that serves as the base forecast for each solar power plant's operating plan. The P85 annual production is a third-party, 85% probability mean annual production forecast. P85-based electricity sales revenue is the assumed electricity sales revenue calculated by multiplying the annual P85 production forecast by the FIT (Feed-In Tariff) for each plant. • Renewable energy plant operation and maintenance expenses (including fees paid to maintenance service providers and repair costs) are the total of operator fees, rent paid, insurance premiums, management costs (including administration and tax fees), property, city planning, and consumption taxes, and other expenses related to the power generation business, renewable energy plants, and site leases. • Maintenance expenses are as estimated by Ichigo Investment Advisors, the asset management company of Ichigo Green, based on third party reports. However, actual expenses for the period could differ significantly from these forecast amounts for reasons including the variability of maintenance and repair expenses, one-time costs due to unexpected maintenance needs, etc. • Actual production is calculated by multiplying the annual P50 production forecast by the FIT for each plant. The annual P50 production is a third-party, 50% probability mean annual production forecast that serves as the base forecast for each solar power plant's operating plan. • Operating Revenue is based on the power production revenue of the power plants, and does not assume the sale of any power plants. • Operating Revenue assumes that Ichigo Green fully receives its contractual power production revenue.

Operating Expenses	<ul style="list-style-type: none"> • Per the above, power plant operation and management expenses are deducted from power production revenue, and therefore are not part of Ichigo Green's operating expenses. • Property and city planning taxes and other operating expenses, excluding depreciation, are calculated based on historical data and information provided by the previous power plant owner(s), adjusted for anticipated expense variations. • While property and city planning taxes with respect to the acquisition and sale of renewable energy plants are, in general, pro-rated between the previous owner and the buyer based on period of ownership and paid at the time of acquisition, because Ichigo Green included such estimated taxes in its acquisition cost, it will not recognize these taxes as operating expenses in calendar year 2017 with respect to the 2 power plants it acquired on July 3, 2017. Owners of renewable energy plants are generally charged a 1.4% property (depreciable asset tax) tax rate on the assessment value of their plants. However, for certain approved renewable energy plants newly acquired before March 31, 2016, the assessment value used in calculating such property tax is reduced to two-thirds for three fiscal years following acquisition. Because this reduction in assessment value applies to the 15 power plants Ichigo Green owned as of February 14, 2018, the property tax is reduced by JPY 33 million to JPY 96 million for FY18/6. • Depreciation (including incidental costs) is calculated using the straight-line method, and is forecast to be JPY 635 million for FY18/6.
Non-Operating Expenses	<ul style="list-style-type: none"> • Ichigo Green plans to amortize expenses associated with its December 2016 Tokyo Stock Exchange (TSE) listing and new share issuance for 36 months and expenses for the establishment of Ichigo Green for 60 months, using the straight-line method. Ichigo Green anticipates such expenses to be JPY 34 million for FY18/6. • Interest expenses and other borrowing-related expenses of JPY 80 million is anticipated for FY18/6.
Loans	<ul style="list-style-type: none"> • Ichigo Green assumes outstanding debt of JPY 7.160 billion as of the end of FY18/6. • Loan-to-Value (LTV) as of the end of FY18/6 is anticipated at 58.6%. LTV is calculated per the following: $\text{LTV} = \text{Total interest-bearing debt} / \text{total assets}$
Dividend (excluding DEE)	<ul style="list-style-type: none"> • The dividend forecast assumes that dividends will comply with the dividend policy stipulated in Ichigo Green's Articles of Incorporation. • The dividend is subject to change due to factors such as power plant operator turnover, changes in power production revenue, and unexpected maintenance and repair costs and other expenses.
Dividend in Excess of Earnings (DEE)	<ul style="list-style-type: none"> • Ichigo Green sets its DEE based on its Articles of Incorporation and dividend policy set forth in Ichigo Investment Advisors' internal Operating Guidelines. • It is Ichigo Green's general policy to pay a cash DEE equivalent to c. 40% of annual depreciation expenses, subject to the dividend not adversely affecting Ichigo Green's financial standing. The policy is based upon a) such dividend not affecting Ichigo Green's long-term maintenance policy, taking into consideration planned capital expenditure for each fiscal year, and b) a certain amount of retained cash is necessary to cover items such as acquisition of new power plants, maintenance of existing power plants, working capital needs, and loan repayments. • Ichigo Green expects to pay a DEE equivalent to 35.3% of annual depreciation expense for FY18/6. The Total DEE is expected to be JPY 224 million.

Other	<ul style="list-style-type: none"> • This forecast assumes that there are no material revisions to laws and regulations, the tax system, accounting standards, listing rules of the Tokyo Stock Exchange, and rules of the Investment Trusts Association, Japan, and no material changes in the state of the economy and real estate market conditions.
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Financial Statements

(1) Balance Sheet

(JPY thousand)

	FY17/6 (as of June 30, 2017)	FY18/6 H1 (as of Dec. 31, 2017)
Assets		
Current Assets		
Cash and cash equivalents	759,965	704,251
Operating accounts receivable	220,175	136,522
Prepaid expenses	42,363	17,495
Consumption taxes receivable	779,298	76,485
Deferred tax assets	19	12
Total Current Assets	1,801,822	934,768
Fixed Assets		
Property, Plant, and Equipment		
Solar power plant equipment	10,094,384	11,525,022
Depreciation	-326,300	-644,315
Solar power plant equipment (net)	9,768,083	10,880,706
Land	133,163	208,820
Total Property, Plant, and Equipment	9,901,246	11,089,527
Investments and Other Assets		
Tenant leasehold and security deposits	10,000	10,000
Long-term prepaid expenses	120,850	128,621
Total Investments and Other Assets	130,850	138,621
Total Fixed Assets	10,032,097	11,228,148
Deferred Assets		
Expenses related to the establishment of Ichigo Green	49,941	43,773
Share issuance expenses	52,073	41,119
Start-up expenses	2,208	1,958
Total Deferred Assets	104,223	86,851
Total Assets	11,938,143	12,249,768

(JPY thousand)

	FY17/6 (as of June 30, 2017)	FY18/6 H1 (as of Dec. 31, 2017)
Liabilities		
Current Liabilities		
Accounts payable	11,143	—
Short-term loans	760,000	—
Long-term loans (due within one year)	336,278	428,769
Accounts payable – other	23,442	22,693
Accrued expenses	131	464
Income taxes payable	1,103	735
Other	—	1,657
Total Current Liabilities	1,132,098	454,319
Long-Term Liabilities		
Long-term loans	5,762,182	6,907,456
Total Long-Term Liabilities	5,762,182	6,907,456
Total Liabilities	6,894,281	7,361,775
Net Assets		
Shareholders' Equity		
Shareholders' capital	4,954,368	4,954,368
Deduction from shareholders' capital (DEE payment)	—	-130,766
Shareholders' capital (net)	4,954,368	4,823,601
Surplus		
Unappropriated retained earnings	89,494	64,391
Total Surplus	89,494	64,391
Total Shareholders' Equity	5,043,862	4,887,992
Total Net Assets	5,043,862	4,887,992
Total Liabilities and Net Assets	11,938,143	12,249,768

(2) Income Statement

	(JPY thousand)
	FY18/6 H1
	(July 1, 2017 to December 31, 2017)
Operating Revenue	
Solar power plant revenue	548,840
Total Operating Revenue	548,840
Operating Expenses	
Solar power plant expenses	363,518
Asset management fee	19,269
Custodian fee	1,631
Other administrative expenses	2,724
Directors' compensation	4,200
Other	34,888
Total Operating Expenses	426,233
Operating Profit	122,607
Non-Operating Income	
Interest income	3
Total Non-Operating Income	3
Non-Operating Expenses	
Interest expenses	29,774
Borrowing-related expenses	9,554
Amortization of expenses related to the establishment of Ichigo Green	6,168
Amortization of share issuance expenses	10,954
Other	1,041
Total Non-Operating Expenses	57,493
Recurring Profit	65,116
Pre-Tax Income	65,116
Income Taxes – Current	735
Income taxes – Deferred	6
Total Income Taxes	742
Net Income	64,374
Retained Earnings Brought Forward	16
Unappropriated Retained Earnings (Loss)	64,391

(3) Statement of Shareholders' Equity

FY18/6 H1 (July 1, 2017 to December 31, 2017)

(JPY thousand)

	Shareholders' Equity				
	Paid-In Capital			Surplus	
	Paid-In Capital	Deduction from shareholders' capital	Shareholders' Capital (net)	Unappropriated Retained Earnings	Total Surplus
Balance as of July 1, 2017	4,954,368	—	4,954,368	89,494	89,494
Changes during the Period					
DEE		-130,766	-130,766		
Dividend				-89,477	-89,477
Net Income				64,374	64,374
Total Changes	—	-130,766	-130,766	-25,102	-25,102
Balance as of December 31, 2017	4,954,368	-130,766	4,823,601	64,391	64,391

	Shareholders' Equity	Total Assets
	Paid-In Capital	
Balance as of July 1, 2017	5,043,862	5,043,862
Changes during the Period		
DEE	-130,766	-130,766
Dividend	-89,477	-89,477
Net Income	64,374	64,374
Total Changes	-155,869	-155,869
Balance as of December 31, 2017	4,887,992	4,887,992

(4) Cash Flow Statement

(JPY thousand)

	FY18/6 H1 (July 1, 2017 to December 31, 2017)
Cash Flows from Operations:	
Pre-tax net income	65,116
Depreciation	318,015
Amortization of expenses related to the establishment of Ichigo Green	6,168
Amortization of share issuance expenses	10,954
Interest income	-3
Interest expense	29,774
Decrease (increase) in operating accounts receivable	83,653
Decrease (increase) in consumption taxes receivable	702,812
Decrease (increase) in prepaid expenses	24,867
Decrease (increase) in long-term prepaid expenses	-7,771
Increase (decrease) in operating accounts payable	-11,143
Increase (decrease) in accounts payable	-748
Other	249
Sub-total	1,221,946
Interest income received	3
Interest expense paid	-29,441
Income taxes paid	-1,103
Net Cash from (Used for) Operations	1,191,404
Cash Flows from Investments:	
Acquisition of property, plant, and equipment	-1,506,295
Net Cash from (Used for) Investments	-1,506,295
Cash Flows from Financing:	
Proceeds from short-term loans	-760,000
Proceeds from long-term loans	1,475,000
Repayment of long-term loans	-237,235
Dividends paid	-87,820
DEE paid	-130,766
Net Cash from (Used for) Financing	259,177
Net Increase (Decrease) in Cash and Cash Equivalents	-55,714
Cash and Cash Equivalents at Beginning of Period	759,965
Cash and Cash Equivalents at End of Period	704,251

Notes to Balance Sheet

Minimum Net Assets Stipulated in the Investment Trust and Investment Corporation Law

(JPY thousand)

FY17/6 June 30, 2017	FY18/6 H1 December 31, 2017
50,000	50,000

Notes to Income Statement

Details of Solar Power Plant Revenue

(JPY thousand)

	FY18/6 H1 July 1, 2017 to December 31, 2017
A. Revenue	
Base Revenue	509,255
Additional Revenue	39,584
Total	548,840
B. Expenses	
Property and City Planning Taxes	45,503
Depreciation Expense	318,015
Total	363,518
C. Power Production Income	185,321
(A) – (B)	

Notes to Statement of Shareholders' Equity

	FY18/6 H1 July 1, 2017 to December 31, 2017
Number of Authorized Shares	10,000,000
Number of Issued & Outstanding Shares	51,483

Notes to Cash Flow

Relationship between Cash and Cash Equivalents at End of the Fiscal Year and Items Shown on the Balance Sheet

(JPY thousand)

	FY18/6 H1 July 1, 2017 to December 31, 2017
Cash and deposits	704,251
Cash and cash equivalents	704,251

Per Share Information

(JPY)

	FY17/6 (June 30, 2017)	FY18/6 H1 (December 31, 2017)
Net Assets per Share	48,985	47,471

Note: Ichigo Green executed a two-for-one stock split on January 1, 2018 (record date: December 31, 2017). Net Assets per Share is thus calculated on a post-stock split basis.

	FY18/6 H1 (July 1, 2017 to December 31, 2017)
Net Income per Share (JPY)	625
Net Income (JPY thousand)	64,374
Income not attributable to common shareholders (JPY thousand)	—
Net Income attributable to common shareholders (JPY thousand)	64,374
Average number of shares in the fiscal period	102,966

Notes:

1. Ichigo Green executed a two-for-one stock split on January 1, 2018 (record date: December 31, 2017). Net Income per Share is thus calculated on a post-stock split basis.
2. Diluted Net Income per Share is not stated, because there are no dilutive shares.

New Share Issuance

Date	Method	Total Number of Shares		Issue Amount ¹ (JPY million)	
		Issued	Outstanding	Increase	Total
June 24, 2016	Private Offering ²	3,000	3,000	300	300
November 30, 2016	Initial Public Offering ³	47,180	50,180	4,529	4,829
December 26, 2016	Third-Party Allotment to Underwriter (Greenshoe) ⁴	1,303	51,483	125	4,954
September 21, 2017	DEE Payment (Return of Capital) ⁵	—	51,483	-130	4,823

¹ The DEE payment has been subtracted from Issue Amount, because it is treated as a return of capital.

² 3,000 shares were issued for the establishment of Ichigo Green at a share price of JPY 100,000.

³ New shares were issued for an initial public offering on the Tokyo Stock Exchange at a share price of JPY 100,000 (subscription price of JPY 96,000) to procure funds for asset acquisitions.

⁴ New shares were issued at a subscription price of JPY 96,000 via third-party allotment as part of the initial public offering to the underwriter (Greenshoe).

⁵ Ichigo Green resolved at its August 9, 2017 board meeting that it will pay a DEE of JPY 2,540 per share for FY17/6. The DEE is paid from Ichigo Green's solar power production revenues (which Ichigo Green receives in cash) that are not treated as income under Japanese tax, because they are offset by non-cash depreciation expenses. The Dividend & DEE payment date was September 21, 2017.

Note: Ichigo Green executed a two-for-one stock split on January 1, 2018 (record date: December 31, 2017). The total number of issued shares post-stock split is 102,966.

Solar Power Plant Information

Solar Power Plant Portfolio Composition

Asset Type	Region	FY18/6 H1	
		Book Value (JPY million)	% of Total
Solar Power Plant	Hokkaido	3,338	27.2
	Kanto	468	3.8
	Chubu	504	4.1
	Chugoku	1,466	12.0
	Shikoku	1,538	12.6
	Kyushu	499	4.1
	Okinawa	3,273	26.7
Sub-total		11,089	90.5
Deposits & Other Assets		1,160	9.5
Total Assets		12,249	100.0

Region	Prefectures
Hokkaido	Hokkaido
Kanto	Ibaraki, Tochigi, Gunma, Saitama, Chiba, Tokyo, Kanagawa
Chubu	Niigata, Toyama, Ishikawa, Fukui, Yamanashi, Nagano, Gifu, Shizuoka, Aichi
Chugoku	Tottori, Shimane, Okayama, Hiroshima, Yamaguchi
Shikoku	Tokushima, Kagawa, Ehime, Kochi
Kyushu	Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki, Kagoshima
Okinawa	Okinawa

Solar Power Plant Details

(as of December 31, 2017)

No.	Solar Power Plant	Location	Total Area (m ²)	FIT (JPY)	Certification Date	FIT Period
E-01	Ichigo Kiryu Okuzawa	Gunma	27,588.00	40	Feb 14, 2013	Sep 29, 2033
E-02	Ichigo Motomombetsu	Hokkaido	48,946.89	40	Jul 4, 2012	Feb 2, 2034
E-03	Ichigo Muroran Hatchodaira	Hokkaido	35,801.00	40	Feb 15, 2013	Mar 2, 2034
E-04	Ichigo Engaru Kiyokawa	Hokkaido	27,164.16	40	Mar 4, 2013	Mar 3, 2034
E-05	Ichigo Iyo Nakayamacho Izubuchi	Shikoku	26,260.77	40	Jul 11, 2012	Apr 1, 2034
E-06	Ichigo Nakashibetsu Midorigaoka	Hokkaido	54,870.00	40	Feb 19, 2013	Nov 3, 2034
E-07	Ichigo Abira Toasa	Hokkaido	29,730.72	40	Jul 4, 2012	Dec 1, 2034
E-08	Ichigo Toyokoro	Hokkaido	29,004.00	40	Feb 22, 2013	Dec 3, 2034
E-09	Ichigo Nago Futami	Okinawa	146,294.00	40	Mar 15, 2013	Feb 1, 2035
E-10	Ichigo Engaru Higashimachi	Hokkaido	46,329.00	40	Feb 15, 2013	Feb 2, 2035
E-11	Ichigo Takamatsu Kokubunjicho Nii	Shikoku	79,340.00	36	Feb 20, 2014	Jun 1, 2035
E-12	Ichigo Miyakonojo Yasuhisacho	Kyushu	94,165.00	36	Feb 14, 2014	Jul 7, 2035
E-13	Ichigo Toyokawa Mitocho Sawakihama	Aichi	19,393.00	32	Feb 13, 2015	Sep 15, 2035
E-14	Ichigo Yamaguchi Aionishi	Chugoku	19,815.38	40	Mar 12, 2013	Dec 6, 2035
E-15	Ichigo Yamaguchi Sayama	Chugoku	43,621.00	36	Mar 17, 2014	Apr 5, 2036

Acquisition Price, Appraisal Value, and Book Value of Solar Power Plants

(as of December 31, 2017)

No.	Solar Power Plant	Solar Energy Producer	Power Purchaser	Acquisition Price (JPY million)	Appraisal Value (JPY million)	Appraisal Value Breakdown (JPY million) Top: Power Plant Bottom: Real Estate	Book Value (JPY million)
E-01	Ichigo Kiryu Okuzawa	Ichigo ECO Kiryu Okuzawa Power Plant GK	TEPCO Energy Partner	489	508	508	468
						—	—
E-02	Ichigo Motomombetsu	Ichigo ECO Motomombetsu Power Plant GK	Hokkaido Electric	495	513	513	475
						—	—
E-03	Ichigo Muroran Hatchodaira	Ichigo ECO Muroran Hatchodaira Power Plant GK	Hokkaido Electric	467	486	486	448
						—	—
E-04	Ichigo Engaru Kiyokawa	Ichigo Engaru Kiyokawa ECO Power Plant GK	Hokkaido Electric	398	400	400	383
						—	—
E-05	Ichigo Iyo Nakayamacho Izubuchi	Ichigo ECO Iyo Nakayamacho Izubuchi Power Plant GK	Shikoku Electric	471	494	494	453
						—	—
E-06	Ichigo Nakashibetsu Midorigaoka	Ichigo Nakashibetsu Midorigaoka ECO Power Plant GK	Hokkaido Electric	770	764	764	738
						—	—
E-07	Ichigo Abira Toasa	Ichigo Abira Toasa ECO Power Plant GK	Hokkaido Electric	441	450	450	425
						—	—
E-08	Ichigo Toyokoro	Ichigo Toyokoro ECO Power Plant GK	Hokkaido Electric	434	449	449	418
						—	—

No.	Solar Power Plant	Solar Energy Producer	Power Purchaser	Acquisition Price (JPY million)	Appraisal Value (JPY million)	Appraisal Value Breakdown (JPY million) Top: Power Plant Bottom: Real Estate	Book Value (JPY million)
E-09	Ichigo Nago Futami	Ichigo ECO Nago Futami Power Plant GK	Okinawa Electric	3,425	3,688	3,688	3,273
						—	—
E-10	Ichigo Engaru Higashimachi	Ichigo Engaru Higashimachi ECO Power Plant GK	Hokkaido Electric	464	466	466	447
						—	—
E-11	Ichigo Takamatsu Kokubunjicho Nii	Ichigo ECO Energy	Shikoku Electric	1,124	1,136	1,024	951
						112	133
E-12	Ichigo Miyakonojo Yasuhisacho	Ichigo Miyakonojo Yasuhisacho ECO Power Plant GK	Kyushu Electric	517	545	545	499
						—	—
E-13	Ichigo Toyokawa Mitocho Sawakihama	Ichigo Toyokawa Mitocho Sawakihama ECO Power Plant GK	Chubu Electric	523	499	499	504
						—	—
E-14	Ichigo Yamaguchi Aionishi	Ichigo Yamaguchi Aionishi ECO Power Plant GK	Chugoku Electric	544	553	490	469
						63	75
E-15	Ichigo Yamaguchi Sayama	Ichigo Yamaguchi Sayama ECO Power Plant GK	Chugoku Electric	925	917	917	921
						—	—
Total				11,487	11,871	11,695	10,880
						175	208

- ¹ Acquisition Price excludes incidental expenses such as property, city planning, and consumption taxes.
- ² Appraisal Value is a median calculated pursuant to Ichigo Green's Articles of Incorporation (Article 35, Paragraph 2, Item 1) and using land and power plant appraisal values provided by PwC Sustainability LLC. The Appraisal Values of E-01 to E-13 (acquired on December 1, 2016) are as of June 30, 2017, and that of E-14 and E-15 (acquired on July 3, 2017) are as of May 31, 2017, but since those dates there have been no significant changes in the power plants' valuations nor in relevant market indices, so they are believed to be current and appropriate.
- ³ The top row of the Appraisal Value Breakdown column shows the Plant Appraisal Value, calculated as the difference between the Appraisal Value described in footnote 2 above and the corresponding Real Estate Appraisal Value in reports produced by Daiwa Real Estate Appraisal. Values in the second row show the Real Estate appraisal value by Daiwa Real Estate Appraisal. The appraisal date for E-11 is June 30, 2017 and that for E-14 is May 31, 2017, but since those dates there have been no significant changes in the power plants' valuations nor in relevant market indices, so they are believed to be current and appropriate.
- ⁴ The top row of the Book Value column shows the book value of the solar power plant and the bottom row shows that of the underlying land on December 31, 2017.

Earnings by Solar Power Plant

(JPY thousand)

No.		E-01	E-02	E-03	E-04
Solar Power Plant	Total Portfolio	Ichigo Kiryu Okuzawa	Ichigo Motomom-betsu	Ichigo Muroran Hatcho-daira	Ichigo Engaru Kiyokawa
(1) Revenue	548,840	22,957	22,974	21,532	18,247
Base revenue	509,255	21,178	21,283	19,884	16,645
Additional revenue	39,584	1,779	1,690	1,647	1,602
(2) Expenses	45,503	3,224	2,218	2,100	1,791
Depreciable asset tax	45,281	3,224	2,218	2,100	1,791
Fixed asset tax	204	—	—	—	—
Other	17	—	—	—	—
(3) NOI	503,336	19,732	20,755	19,431	16,456
(4) Depreciation Expense	318,015	14,883	14,702	13,812	11,794
(5) Net Income	185,321	4,849	6,053	5,619	4,662

No.	E-05	E-06	E-07	E-08	E-09
Solar Power Plant	Ichigo Iyo Nakayama-cho Izubuchi	Ichigo Nakashibetsu Midorigaoka	Ichigo Abira Toasa	Ichigo Toyokoro	Ichigo Nago Futami
(1) Revenue	21,935	36,310	20,840	20,857	178,298
Base revenue	21,935	29,112	17,235	17,127	174,763
Additional revenue	—	7,198	3,604	3,730	3,534
(2) Expenses	2,114	3,401	1,957	1,966	15,234
Depreciable asset tax	2,114	3,401	1,957	1,966	15,234
Fixed asset tax	—	—	—	—	—
Other	—	—	—	—	—
(3) NOI	19,821	32,909	18,882	18,891	163,063
(4) Depreciation Expense	13,899	21,838	12,510	12,312	95,343
(5) Net Income	5,921	11,070	6,372	6,578	67,720

No.	E-10	E-11	E-12	E-13
Solar Power Plant	Ichigo Engaru Higashimachi	Ichigo Takamatsu Kokubunjicho Nii	Ichigo Miyakonojo Yasuhisacho	Ichigo Miyakonojo Mitocho Sawakihama
(1) Revenue	19,410	47,825	23,518	24,735
Base revenue	18,900	45,295	23,318	20,149
Additional revenue	510	2,529	199	4,585
(2) Expenses	2,102	4,654	2,356	2,363
Depreciable asset tax	2,102	4,449	2,356	2,363
Fixed asset tax	—	204	—	—
Other	—	—	—	—
(3) NOI	17,308	43,170	21,162	22,371
(4) Depreciation Expense	13,036	27,174	14,190	14,223
(5) Net Income	4,271	15,995	6,971	8,148

No.	E-14	E-15
Solar Power Plant	Ichigo Yamaguchi Aionishi	Ichigo Yamaguchi Sayama
(1) Revenue	24,698	44,697
Base revenue	22,583	39,841
Additional revenue	2,115	4,856
(2) Expenses	7	9
Depreciable asset tax	—	—
Fixed asset tax	—	—
Other	7	9
(3) NOI	24,690	44,688
(4) Depreciation Expense	13,037	25,256
(5) Net Income	11,653	19,432