

April 2018 Fiscal Period Earnings

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

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Submission of Financial Report (*Yuka Shoken Hokokusho*): July 26, 2018 (expected)

Dividend Payment: July 23, 2018 (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 April 2018 Fiscal Period (November 1, 2017 to April 30, 2018)

(1) Earnings

(JPY million; period-on-period change)

	Operating Revenue	Change	Operating Profit	Change	Recurring Profit	Change	Net Income	Change
April 2018	9,062	+20.3%	5,185	+47.3%	4,442	+58.8%	4,441	+58.8%
October 2017	7,530	+2.4%	3,521	+4.2%	2,796	+6.9%	2,796	+6.9%

	Net Income per Share (JPY)	Return on Equity (6 months)	Return on Assets (6 months – Recurring Profit)	Operating Profit Margin (Recurring Profit)
April 2018	2,898	4.3%	2.0%	49.0%
October 2017	1,824	2.7%	1.3%	37.1%

(2) Dividends

	Dividend per Share (JPY)	Total Dividends (JPY million)	Dividend per Share in Excess of Earnings (JPY)	Total Dividends in Excess of Earnings (JPY million)	Payout Ratio	DOE
April 2018	1,964	3,009	–	–	67.7%	2.9%
October 2017	1,930	2,957	–	–	105.8%	2.9%

Notes:

1. April 2018 Total Dividends differ from Net Income, because Total Dividends exclude a JPY 1,594 million provision to dividend reserves from unappropriated retained earnings and include a JPY 162 million negative goodwill amortization.
2. October 2017 Total Dividends differ from Net Income, because Total Dividends include a JPY 160 million negative goodwill amortization.

(3) Assets and Equity

	Total Assets (JPY million)	Net Assets (JPY million)	Equity Ratio	Net Assets per Share (JPY)
April 2018	219,028	103,245	47.1%	67,380
October 2017	217,585	101,761	46.8%	66,411

(4) 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)
April 2018	9,978	-268	-3,561	27,051
October 2017	3,682	-7,442	4,102	20,903

2. Earnings Forecast for the October 2018 Fiscal Period (May 1, 2018 to October 31, 2018) and the April 2019 Fiscal Period (November 1, 2018 to April 30, 2019)

(JPY million; period-on-period change)

	Operating Revenue	Change	Operating Profit	Change	Recurring Profit	Change	Net Income	Change
October 2018	7,547	-16.7%	3,685	-28.9%	2,885	-35.0%	2,908	-34.5%
April 2019	7,493	-0.7%	3,712	+0.7%	2,920	+1.2%	2,920	+0.4%

	Dividend per Share (JPY)	Dividend per Share in Excess of Earnings
October 2018	1,967	—
April 2019	1,974	—

Notes:

1. The forecast Net Income per share for October 2018 is JPY 1,898 and for April 2019 is JPY 1,905.
2. The October 2018 and April 2019 dividend forecasts each include a JPY 105 million negative goodwill amortization, so forecast Total Dividends differ from Net Income in both periods.

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 1,532,287 shares at the end of October 2017 and 1,532,287 shares at the end of April 2018.
- (ii) There were no treasury shares at the end of October 2017 or at the end of April 2018.

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 October 2018 Earnings Forecasts and April 2019 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 October 2018 and April 2019 Earnings Forecasts

Period	<ul style="list-style-type: none"> • October 2018: May 1, 2018 – October 31, 2018 (184 days) • April 2019: November 1, 2018 – April 30, 2019 (181 days)
Number of Assets	<ul style="list-style-type: none"> • 84 assets
Number of Shares	<ul style="list-style-type: none"> • 1,532,287 shares issued and outstanding as of the date of this report
Operating Revenue	<ul style="list-style-type: none"> • Rental income is calculated conservatively based on lease contracts that are in effect as of April 30, 2018 while taking into consideration such factors as historical rents, the competitiveness of the properties, and market conditions. • Total occupancy: 97.8% as of October 31, 2018, and 97.5% as of April 30, 2019
Operating Expenses	<ul style="list-style-type: none"> • Depreciation: JPY 851 million for October 2018 and JPY 841 million for April 2019. Depreciation has been calculated using the straight-line method and includes the depreciation of forecast future capital expenditures. • Property, city planning, and depreciable asset taxes: JPY 623 million each for April 2018 and October 2018. • Building maintenance and repair expenses: JPY 138 million for October 2018 and JPY 139 million for April 2019. However, expenses may differ significantly from these estimated amounts for reasons including the variability of maintenance and repair expenses, one-time costs due to unexpected building damage, etc. • Service provider expenses, including property management fees: JPY 670 million for October 2018 and JPY 644 million for April 2019 • Performance fees: JPY 33 million for October 2018 and JPY 22 million for April 2019. • Rental expenses, Ichigo Office's principal operating expenses (other than depreciation, see above), are calculated based on historical data adjusted for anticipated expense variations. • Actual operating expenses may differ significantly from these assumptions due to unforeseeable factors.
Non-Operating Expenses	<ul style="list-style-type: none"> • Interest expenses on loans and bonds: JPY 544 million for October 2018 and JPY 535 million for April 2019 • Other borrowing-related expenses: JPY 255 million each for October 2018 and April 2019
Extraordinary Profit	<ul style="list-style-type: none"> • Insurance income of JPY 154 million for October 2018 for hailstorm damage to the Ichigo Higashi Ikebukuro Building
Extraordinary Loss	<ul style="list-style-type: none"> • Repair cost of JPY 130 million for October 2018 for hailstorm-damaged equipment installed at Ichigo Higashi Ikebukuro Building
Interest-Bearing Liabilities	<ul style="list-style-type: none"> • Loans and bonds: JPY 104,699 million outstanding as of October 31, 2018 and JPY 104,623 million outstanding as of April 30, 2019
Dividend	<ul style="list-style-type: none"> • The dividend forecast assumes that dividends will comply with the dividend distribution policy stipulated in Ichigo Office's Articles of Incorporation. • Total dividends are forecast to be JPY 3.014 billion (Net Income of JPY 2.909 billion plus JPY 105 million of negative goodwill amortization) for October 2018 and JPY 3.025 billion (Net Income of JPY 2.920 billion plus JPY 105 million of negative goodwill amortization) for April 2019. Forecast total dividends are rounded down, as necessary, to create a dividend per share that is a whole number. • The dividend is subject to change due to changes in circumstances such as asset acquisitions and dispositions, tenant turnover, unexpected maintenance and repair costs and other expenses, changes in interest rates, and the issuance of new shares.

Dividend in Excess of Earnings	<ul style="list-style-type: none"> • Ichigo Office does not plan on paying any dividend in excess of earnings.
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.

Financial Statements

(1) Balance Sheet

(JPY thousand)

	October 2017 (as of October 31, 2017)	April 2018 (as of April 30, 2018)
Assets		
Current Assets		
Cash and cash equivalents	8,556,346	14,190,557
Cash and cash equivalents in trust	12,406,175	12,926,748
Accounts receivable	12,434	6,386
Prepaid expenses	393,549	405,242
Consumption taxes receivable	56,068	—
Other	2,255	2,256
Total Current Assets	21,426,829	27,531,190
Fixed Assets		
Property, Plant, and Equipment		
Buildings	7,660,963	7,217,496
Depreciation	-1,341,248	-1,373,695
Buildings (net)	6,319,715	5,843,800
Structures	32,545	26,385
Depreciation	-25,190	-21,744
Structures (net)	7,355	4,641
Machinery and equipment	265,176	271,955
Depreciation	-110,980	-121,600
Machinery and equipment (net)	154,196	150,354
Fixtures	52,411	50,344
Depreciation	-36,683	-37,845
Fixtures (net)	15,728	12,498
Land	18,169,824	17,425,755
Buildings in trust	42,051,993	41,255,897
Depreciation	-5,333,846	-5,862,784
Buildings in trust (net)	36,718,146	35,393,113
Structures in trust	62,750	61,602
Depreciation	-22,347	-25,064
Structures in trust (net)	40,402	36,538
Machinery and equipment in trust	421,448	468,175
Depreciation	-200,028	-222,176
Machinery and equipment in trust (net)	221,419	245,998
Fixtures in trust	151,904	159,839
Depreciation	-82,149	-84,185
Fixtures in trust (net)	69,755	75,654
Land in trust	129,038,294	126,824,044
Construction in progress in trust	784	817
Total Property, Plant, and Equipment	190,755,622	186,013,218
Intangible Assets		
Leasehold rights in trust	4,494,579	4,494,579
Total Intangible Assets	4,494,579	4,494,579

(JPY thousand)

	October 2017 (as of October 31, 2017)	April 2018 (as of April 30, 2018)
Investments and Other Assets		
Tenant leasehold and security deposits	10,005	10,005
Long-term prepaid expenses	831,187	891,835
Other	54,120	63,768
Total Investments and Other Assets	895,312	965,608
Total Fixed Assets	196,145,514	191,473,407
Accrued Assets		
Bond Issuance Expenses	13,171	24,053
Total Accrued Assets	13,171	24,053
Total Assets	217,585,515	219,028,651
Liabilities		
Current Liabilities		
Accounts payable	500,026	461,063
Long-term loans (due within one year)	13,661,440	11,575,038
Accounts payable – other	727,655	515,891
Accrued expenses	3,916	12,423
Income taxes payable	605	605
Accrued consumption taxes, etc.	65,331	390,836
Advances received	1,518,551	1,646,717
Other	11,935	21,698
Total Current Liabilities	16,489,462	14,624,273
Long-Term Liabilities		
Bonds	1,200,000	2,200,000
Long-term loans	88,520,256	89,012,547
Tenant leasehold and security deposits	1,590,553	1,526,885
Tenant leasehold and security deposits in trust	7,966,308	8,358,832
Asset retirement obligations	3,344	3,361
Other	53,947	56,879
Total Long-Term Liabilities	99,334,410	101,158,505
Total Liabilities	115,823,872	115,782,779
Net Assets		
Shareholders' Equity		
Shareholders' capital	67,675,274	67,675,274
Surplus		
Capital reserve surplus	20,566,420	20,566,420
Discretionary reserves		
Dividend reserve	659,446	659,446
Negative goodwill	10,062,856	9,901,966
Total discretionary reserves	10,722,303	10,561,413
Unappropriated retained earnings	2,797,644	4,442,764
Total Surplus	34,086,368	35,570,598
Total Shareholders' Equity	101,761,642	103,245,872
Total Net Assets	101,761,642	103,245,872
Total Liabilities and Net Assets	217,585,515	219,028,651

(2) Income Statement

	(JPY thousand)	
	October 2017 (May 1, 2017 to October 31, 2017)	April 2018 (November 1, 2017 to April 30, 2018)
Operating Revenue		
Rental income	6,831,601	6,803,488
Other rental income	699,146	663,702
Gain on sale of real estate	—	1,594,926
Total Operating Revenue	7,530,748	9,062,117
Operating Expenses		
Rental expense	3,004,552	3,008,519
Asset management fee	880,993	723,276
Asset custody fee	14,422	14,703
Administrative service fee	44,764	44,914
Directors' compensation	5,040	5,040
Other	59,859	80,273
Total Operating Expenses	4,009,632	3,876,727
Operating Profit	3,521,115	5,185,390
Non-Operating Income		
Interest income	94	99
Reversal of distribution payable	1,099	562
Insurance payment income	—	48,372
Consumption tax refund	3,436	—
Other	758	127
Total Non-Operating Income	5,389	49,162
Non-Operating Expenses		
Interest expenses	523,725	518,215
Borrowing-related expenses	205,685	273,427
Amortization of bond issuance expenses	221	760
Other	30	—
Total Non-Operating Expenses	729,662	792,404
Recurring Profit	2,796,842	4,442,148
Pre-Tax Income	2,796,842	4,442,148
Income Taxes – Current	605	605
Total Income Taxes	605	605
Net Income	2,796,237	4,441,543
Retained Earnings Carried Forward	1,407	1,220
Unappropriated Retained Earnings	2,797,644	4,442,764

(3) Statement of Shareholders' Equity

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

(JPY thousand)

	Shareholders' Equity							
	Paid-In Capital	Surplus					Unappropriated Retained Earnings	Total Surplus
		Capital Reserve Surplus	Discretionary Reserves					
			Dividend Reserve	Negative Goodwill	Total Discretionary Reserves			
Balance as of May 1, 2017	67,675,274	20,566,420	621,526	10,432,940	11,054,467	2,615,831	34,236,719	
Changes during the Period								
Increase in Dividend Reserve			37,920		37,920	-37,920	—	
Release from Negative Goodwill Reserve				-370,083	-370,083	370,083	—	
Dividends						-2,946,587	-2,946,587	
Net Income						2,796,237	2,796,237	
Total Changes during the Period	—	—	37,920	-370,083	-332,163	181,812	-150,350	
Balance as of October 31, 2017	67,675,274	20,566,420	659,446	10,062,856	10,722,303	2,797,644	34,086,368	

	Shareholders' Equity	Total Net Assets
	Total Shareholders' Equity	
Balance as of May 1, 2017	101,911,993	101,911,993
Changes during the Period		
Increase in Dividend Reserve	—	—
Release from Negative Goodwill Reserve	—	—
Dividends	-2,946,587	-2,946,587
Net Income	2,796,237	2,796,237
Total Changes during the Period	-150,350	-150,350
Balance as of October 31, 2017	101,761,642	101,761,642

April 2018 (November 1, 2017 to April 30, 2018)

(JPY thousand)

	Shareholders' Equity						
	Paid-In Capital	Surplus					
		Capital Reserve Surplus	Discretionary Reserves			Unappropriated Retained Earnings	Total Surplus
			Dividend Reserve	Negative Goodwill	Total Discretionary Reserves		
Balance as of November 1, 2017	67,675,274	20,566,420	659,446	10,062,856	10,722,303	2,797,644	34,086,368
Changes during the Period							
Release from Negative Goodwill Reserve				-160,890	-160,890	160,890	—
Dividends						-2,957,313	-2,957,313
Net Income						4,441,543	4,441,543
Total Changes during the Period	—	—	—	-160,890	-160,890	1,645,120	1,484,229
Balance as of April 30, 2018	67,675,274	20,566,420	659,446	9,901,966	10,561,413	4,442,764	35,570,598

	Shareholders' Equity	Total Net Assets
	Total Shareholders' Equity	
Balance as of November 1, 2017	101,761,642	101,761,642
Changes during the Period		
Release from Negative Goodwill Reserve	—	—
Dividends	-2,957,313	-2,957,313
Net Income	4,441,543	4,441,543
Total Changes during the Period	1,484,229	1,484,229
Balance as of April 30, 2018	103,245,872	103,245,872

(4) Dividend Statement

(JPY)

	October 2017 (May 1, 2017 to October 31, 2017)	April 2018 (November 1, 2017 to April 30, 2018)
I Unappropriated Retained Earnings	2,797,644,200	4,442,764,274
II Discretionary Reserve Reversal Negative Goodwill Amortization	160,890,135	162,422,422
III Total Dividends (Dividend per Share)	2,957,313,910 (1,930)	3,009,411,668 (1,964)
IV Discretionary Reserves Provision to Dividend Reserve	—	1,594,926,730
V Retained Earnings Carried Forward	1,220,425	848,298

(5) Cash Flow Statement

(JPY thousand)

	October 2017 (May 1, 2017 to October 31, 2017)	April 2018 (November 1, 2017 to April 30, 2018)
Cash Flows from Operations:		
Pre-tax net income	2,796,842	4,442,148
Depreciation	927,975	914,757
Interest income	-94	-99
Interest expense	523,725	518,215
Decrease (increase) in operating accounts receivable	58,064	6,047
Decrease (increase) in consumption taxes receivable	-56,068	56,068
Decrease (increase) in prepaid expenses	-16,165	-11,693
Decrease (increase) in long-term prepaid expenses	27,222	-60,648
Increase (decrease) in accrued consumption taxes	-326,545	325,504
Increase (decrease) in operating accounts payable	3,696	-40,153
Increase (decrease) in accounts payable	34,478	-211,764
Increase (decrease) in advances received	167,781	128,165
Decrease due to sale of property, plant, and equipment	—	1,125,958
Decrease due to sale of property, plant, and equipment in trust	—	3,097,844
Other	69,493	198,676
Subtotal	4,210,406	10,489,029
Interest income received	94	99
Interest expense paid	-527,889	-509,708
Income taxes paid	-605	-605
Net Cash from (Used for) Operations	3,682,006	9,978,815
Cash Flows from Investments:		
Acquisition of property, plant, and equipment	-29,637	-22,400
Acquisition of property, plant, and equipment in trust	-7,636,273	-369,221
Increase in tenant leasehold and security deposits	31,682	65,096
Decrease in tenant leasehold and security deposits	-69,821	-139,427
Increase in tenant leasehold and security deposits in trust	501,644	705,071
Decrease in tenant leasehold and security deposits in trust	-240,482	-507,415
Net Cash from (Used for) Investments	-7,442,887	-268,296
Cash Flows from Financing:		
Increase in long-term loans	7,000,000	7,934,000
Decrease from repayment of long-term loans	-1,136,294	-9,528,111
Proceeds from bond issuance	1,186,607	988,359
Dividends paid	-2,947,718	-2,956,168
Net Cash from (Used for) Financing	4,102,594	-3,561,921
Net Increase (Decrease) in Cash and Cash Equivalents	341,713	6,148,597
Cash and Cash Equivalents at Beginning of Period	20,561,558	20,903,272
Cash and Cash Equivalents at End of Period	20,903,272	27,051,869

Material Matters after Closing of the Fiscal Period

1. Asset Acquisitions

Ichigo Office acquired the following assets in accordance with the guidelines specified in its Articles of Incorporation.

Win Gotanda Building 2

Acquisition Price ¹	JPY 3.3 billion
Location	4-1-2 Osaki, Shinagawa-ku, Tokyo
Legal Form of Asset	Trust beneficiary interest in real estate (juekiken)
Property Right	Land: Freehold (Sectional ownership: 84.88%) Building: Freehold (Sectional ratio: 84.88%)
Contract Date	April 25, 2018
Closing Date	May 9, 2018
Seller	Gotanda Holdings GK

MIF Building

Acquisition Price ¹	JPY 2.2 billion
Location	1-6-6 Uchikanda, Chiyoda-ku, Tokyo
Legal Form of Asset	Trust beneficiary interest in real estate (juekiken)
Property Right	Land: Freehold ² Building: Freehold (Joint ownership: 72%)
Contract Date	April 25, 2018
Closing Date	May 9, 2018
Seller	Kamakurabashi Holdings GK

¹ 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.

² A portion of the land is jointly owned by 4 parties, including some joint-owners of the building, and an agreement exists between the land owner, the joint owners of the portion of land, and the joint-owners of the building stipulating the mutual use of this land without any usage fees charged between parties.

2. New Loan

Ichigo Office took out a new loan on May 9, 2018 in order to fund the above asset acquisitions.

Term Loan XI

Lender	SMBC, Mizuho Bank, Shinsei Bank, MUFG Bank, Bank of Fukuoka, Nishi-Nippon City Bank, Kagawa Bank
Loan Amount	JPY 2 billion
Interest Rate	1M JPY TIBOR + 0.60% (p.a.) ¹
Principal Repayment Date	April 30, 2024
Principal Repayment Terms	Repayment will be made in full on the Principal Repayment Date
Interest Payment Date	Final business day of each month following the Loan Date and the Principal Repayment Date
Collateralized	No

¹ Ichigo Office has executed an interest rate swap to hedge against a rise in interest rates, and as a result the interest rate for Term Loan XI is fixed at 0.795%.

Earnings Forecasts

October 2018 Fiscal Period (May 1, 2018 to October 31, 2018)

For details on the preconditions, please refer to the “Preconditions for the October 2018 and April 2019 Earnings Forecasts” on pages 4 and 5.

Operating Revenue	JPY 7,547 million
Operating Profit	JPY 3,685 million
Recurring Profit	JPY 2,885 million
Net Income	JPY 2,908 million
Dividend per Share	JPY 1,967
Dividend in excess of earnings	—

Note: The forecast dividend includes a JPY 105 million negative goodwill amortization. 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.

April 2019 Fiscal Period (November 1, 2018 to April 30, 2019)

For details on preconditions, please refer to the “Preconditions for the October 2018 and April 2019 Earnings Forecasts” on pages 4 and 5.

Operating Revenue	JPY 7,493 million
Operating Profit	JPY 3,712 million
Recurring Profit	JPY 2,920 million
Net Income	JPY 2,920 million
Dividend per Share	JPY 1,974
Dividend in excess of earnings	—

Note: The forecast dividend includes a JPY 105 million negative goodwill amortization. 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

		(JPY thousand)	
		October 2017 (May 1, 2017 to October 31, 2017)	April 2018 (November 1, 2017 to April 30, 2018)
A	Real Estate Rental Income		
	Rental Income		
	Rental Income	5,554,438	5,524,621
	Common Area Services Income	943,864	946,201
	Parking Lot Income	276,718	275,736
	Facility Use Income	56,579	56,929
	Other Rental Income	6,831,601	6,803,488
	Utilities Income	649,765	597,408
	Other	49,381	66,293
	Total Income	7,530,748	7,467,190
B	Real Estate Rental Expenses		
	Rental Expenses		
	Service Provider Expenses	670,490	691,537
	Utilities	631,098	590,740
	Trust Fees	33,796	33,733
	Depreciation	927,975	914,757
	Repair Expenses	101,199	130,146
	Property and City Planning Taxes	589,847	597,170
	Insurance	8,822	9,757
	Other Rental Expenses	41,320	40,676
	Total Expenses	3,004,552	3,008,519
C	Net Rental Income (A-B)	4,526,195	4,458,671

2. Details of Real Estate Sales

(JPY thousand)

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

N/A

April 2018 Fiscal Period (November 1, 2017 to April 30, 2018)

Ichigo Burg Omori

Real Estate Sale Income		4,200,000
Real Estate Sale Cost	3,097,844	
Other Real Estate Sale Expenses	126,502	
Gain on Real Estate Sale		975,652

Ichigo Sapporo Minami 2 Nishi 3 Building

Real Estate Sale Income		1,020,000
Real Estate Sale Cost	545,629	
Other Real Estate Sale Expenses	31,106	
Gain on Real Estate Sale		443,263

Ichigo Daimyo Balcony

Real Estate Sale Income		780,000
Real Estate Sale Cost	580,328	
Other Real Estate Sale Expenses	23,660	
Gain on Real Estate Sale		176,010

Notes to Cash Flow Statement

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

(JPY thousand)

	October 2017 (May 1, 2017 to October 31, 2017)	April 2018 (November 1, 2017 to April 30, 2018)
Cash and deposits	8,556,346	14,190,557
Cash and deposits in trust	12,406,175	12,926,748
Miscellaneous deposits	-59,249	-65,435
Cash and cash equivalents	20,903,272	27,051,869

Notes to Derivative Transactions

1. Non-Hedge Accounting

N/A

2. Hedge Accounting

Previous (October 2017) Fiscal Period

(JPY thousand)

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	80,836,884	80,671,106	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.

Current (April 2018) Fiscal Period

(JPY thousand)

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	88,187,995	84,164,297	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.

Per Share Information

(JPY)

	October 2017 (May 1, 2017 to October 31, 2017)	April 2018 (November 1, 2017 to April 30, 2018)
Net Assets per Share	66,411	67,380
Net Income per Share	1,824	2,898

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.

(JPY thousand)

	October 2017 (May 1, 2017 to October 31, 2017)	April 2018 (November 1, 2017 to April 30, 2018)
Net Income	2,796,237	4,441,543
Income not attributable to common shareholders	—	—
Net Income attributable to common shareholders	2,796,237	4,441,543
Average number of shares in period	1,532,287 shares	1,532,287 shares

New Share Issuance

There was no new share issuance during the April 2018 fiscal period. Below are the changes to the Total Number of Shares for the past five years.

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

¹ 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.

² 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.

³ New shares were issued via third-party allotment at a share price of JPY 57,997 to procure funds to repay debt.

⁴ New shares were issued via public offering at a share price of JPY 83,167 (subscription price of JPY 80,266) to procure funds for asset acquisitions.

- ⁵ New shares were issued via third-party allotment at a share price of JPY 80,266 to procure funds to repay debt.
- ⁶ 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.
- ⁷ New shares were issued via third-party allotment at a share price of JPY 86,192 to procure funds to repay debt.
- ⁸ 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.
- ⁹ 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

Form of Ownership	Area	April 2018 Fiscal Period	
		Book Value ⁴ (JPY million)	% of Total
Real estate	Central Tokyo ¹	8,766	4.0
	Tokyo Metropolitan Area ²	4,040	1.8
	Four Major Regional Cities ³	10,629	4.9
Trust beneficiary interest in real estate (juekiken)	Central Tokyo ¹	99,889	45.6
	Tokyo Metropolitan Area ²	40,832	18.6
	Four Major Regional Cities ³	15,461	7.1
	Other Regional Cities	10,886	5.0
Subtotal		190,506	87.0
Deposits / Other Assets		28,521	13.0
Total Assets		219,028	100.0

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

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 April 30, 2018 balance sheet real estate or 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 April 30, 2018)

No.	Area	Asset Type	Asset Name	Total Leasable Area ¹ (m ²)	Total Leased Area ² (m ²)	Occupancy ³ (%)	No. of Tenants ⁴	Total Rental Income ⁵ (JPY thousand)
O-02	Central Tokyo	Office	Ichigo Nishisando Building	4,564.63	4,379.70	95.9	16	128,684
O-03	Central Tokyo	Office	Ichigo Mita Building	4,121.42	4,121.42	100.0	10	110,546
O-04	Central Tokyo	Office	Ichigo Nanpeidai Building	1,925.24	1,925.24	100.0	13	77,574
O-05	Central Tokyo	Office	Ichigo Hanzomon Building	2,080.37	2,080.37	100.0	7	60,572
O-06	Central Tokyo	Office	Ichigo Hijirizaka Building	1,947.90	1,947.90	100.0	6	58,915
O-07	Central Tokyo	Office	Ichigo Shibuya Kamiyamacho Building	1,321.54	1,321.54	100.0	4	51,900
O-08	Central Tokyo	Office	Ichigo Akasaka 5 Chome Building	683.86	683.86	100.0	9	28,171
O-09	Central Tokyo	Office	Ichigo Shibakoen Building	1,602.29	1,602.29	100.0	5	39,413
O-10	Central Tokyo	Office	Ichigo Ebisu Nishi Building	1,484.39	1,484.39	100.0	8	63,320
O-11	Central Tokyo	Office	Ichigo Ginza 612 Building	1,387.09	1,387.09	100.0	25	65,508
O-12	Central Tokyo	Office	Ichigo Uchikanda Building	1,378.83	1,378.83	100.0	8	42,337
O-14	Central Tokyo	Office	Ichigo Yotsuya 4 Chome Building	780.64	780.64	100.0	10	20,292
O-15	Central Tokyo	Office	Ichigo Tameike Building	494.14	494.14	100.0	6	21,379
O-16	Central Tokyo	Office	Ichigo Jimbocho Building	1,891.01	1,891.01	100.0	7	74,007
O-17	Central Tokyo	Office	Ichigo Hakozaeki Building	2,387.34	2,387.34	100.0	7	54,053
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	35,617
O-20	Central Tokyo	Office	Ichigo Gotanda Building	5,346.39	5,346.39	100.0	14	188,040
O-21	Tokyo Metro Area	Office	Ichigo Shin Yokohama Building	4,021.32	3,927.46	97.7	14	78,978
O-22	Tokyo Metro Area	Office	Ichigo Minami Ikebukuro Building	1,491.51	1,491.51	100.0	10	53,061
O-23	Tokyo Metro Area	Office	Ichigo Nakano North Building	1,250.85	1,250.85	100.0	7	39,873
O-24	Tokyo Metro Area	Office	Ichigo Eitai Building	2,605.54	2,605.54	100.0	10	64,119
O-26	Tokyo Metro Area	Office	Ichigo Ikejiri Building	2,385.69	2,385.69	100.0	5	80,036

No.	Area	Asset Type	Asset Name	Total Leasable Area ¹ (m ²)	Total Leased Area ² (m ²)	Occupancy ³ (%)	No. of Tenants ⁴	Total Rental Income ⁵ (JPY thousand)
O-27	Tokyo Metro Area	Office	Ichigo Nishi Ikebukuro Building	1,261.91	1,261.91	100.0	1	24,097
O-28	Central Tokyo	Office	Ichigo Nishi Gotanda Building	1,329.06	1,329.06	100.0	9	33,390
O-29	Tokyo Metro Area	Office	Ichigo Kichijoji Building	4,210.87	4,108.38	97.6	14	112,113
O-34	Four Major Regional Cities	Office	Ichigo Sakae Building	3,928.12	3,928.12	100.0	19	185,449
O-37	Four Major Regional Cities	Office	Ichigo Marunouchi Building	8,009.11	8,009.11	100.0	23	229,546
O-38	Other Regional Cities	Office	Ichigo Toyamaeki Nishi Building	8,601.71	8,470.35	98.5	15	116,641
O-39	Other Regional Cities	Office	Ichigo Mirai Shinkin Building	3,551.46	3,387.38	95.4	21	79,146
O-42	Other Regional Cities	Office	Ichigo Takamatsu Building	6,329.33	6,329.33	100.0	13	156,097
O-46	Central Tokyo	Office	Ichigo Kanda Nishikicho Building	2,523.09	2,523.09	100.0	10	88,117
O-47	Central Tokyo	Office	Ichigo Akihabara North Building	6,250.53	6,250.53	100.0	1	208,877
O-48	Four Major Regional Cities	Office	Ichigo Sakaisuji Honmachi Building	3,729.35	3,729.35	100.0	17	94,556
O-49	Central Tokyo	Office	Ichigo Kanda Ogawamachi Building	2,295.57	2,295.57	100.0	9	81,109
O-50	Central Tokyo	Office	Ichigo Hatchobori Building	2,697.36	2,697.36	100.0	7	90,815
O-51	Central Tokyo	Office	Ebisu Green Glass	3,159.27	3,159.27	100.0	2	162,091
O-52	Central Tokyo	Office	Ichigo Omori Building	3,585.92	3,585.92	100.0	9	131,069
O-53	Central Tokyo	Office	Ichigo Takadanobaba Building	1,606.92	1,606.92	100.0	8	58,111
O-54	Tokyo Metro Area	Office	Ichigo Omiya Building	6,180.68	6,180.68	100.0	31	147,540
O-55	Tokyo Metro Area	Office	Ichigo Sagamiyama Building	2,960.81	2,960.81	100.0	13	60,001
O-56	Tokyo Metro Area	Office	Ichigo Ofuna Building	2,364.71	2,364.71	100.0	9	93,907
O-57	Other Regional Cities	Office	Ichigo Sendai East Building	5,205.49	5,095.28	97.9	11	99,466
O-58	Other Regional Cities	Office	Ichigo Kumamoto Building	4,507.59	4,507.59	100.0	31	78,899
O-59	Central Tokyo	Office	Ichigo Jingumae Building	4,510.04	4,510.04	100.0	7	190,645

No.	Area	Asset Type	Asset Name	Total Leasable Area ¹ (m ²)	Total Leased Area ² (m ²)	Occupancy ³ (%)	No. of Tenants ⁴	Total Rental Income ⁵ (JPY thousand)
O-60	Central Tokyo	Office	Ichigo Shibuya Dogenzaka Building	2,789.86	2,789.86	100.0	9	124,043
O-61	Central Tokyo	Office	Ichigo Hiroo Building	3,510.44	3,510.44	100.0	5	131,171
O-62	Central Tokyo	Office	Ichigo Sasazuka Building	6,425.29	6,425.29	100.0	6	176,046
O-63	Central Tokyo	Office	Ichigo Nihonbashi East Building	4,216.97	4,216.97	100.0	7	147,443
O-64	Central Tokyo	Office	Ichigo Sakurabashi Building	2,971.22	2,971.22	100.0	6	80,790
O-65	Central Tokyo	Office	Ichigo Shinkawa Building	2,312.03	1,951.17	84.4	5	61,415
O-66	Central Tokyo	Office	Ichigo Kudan Building	3,090.65	3,090.65	100.0	9	98,774
O-67	Central Tokyo	Office	Ichigo Higashi Gotanda Building	4,548.10	4,289.44	94.3	18	124,103
O-68	Central Tokyo	Office	Axior Mita	2,369.82	2,369.82	100.0	12	66,576
O-69	Tokyo Metro Area	Office	Ichigo Higashi Ikebukuro Building	4,472.00	4,141.31	92.6	18	143,254
O-70	Other Regional Cities	Office	Koriyama Big-i (Office Section)	3,433.07	3,433.07	100.0	14	109,833
O-71	Tokyo Metro Area	Office	Ichigo Kawasaki Building	3,710.17	3,543.99	95.5	15	80,276
O-72	Central Tokyo	Office	Ichigo Shibuya East Building	1,041.36	1,041.36	100.0	3	41,638
O-73	Central Tokyo	Office	Ichigo Ningyocho Building	1,769.09	1,769.09	100.0	8	46,050
O-74	Four Major Regional Cities	Office	Ichigo Nishi Honmachi Building	6,152.00	6,050.00	98.3	30	106,867
O-75	Four Major Regional Cities	Office	Ichigo Hakata Building	2,423.86	2,423.86	100.0	28	52,977
O-76	Four Major Regional Cities	Office	Ichigo Nishiki First Building ⁶	3,324.66	2,983.41	89.7	4	64,827
O-77	Tokyo Metro Area	Office	Ichigo Ikenohata Building	5,504.15	5,504.15	100.0	7	142,941
O-78	Tokyo Metro Area	Office	Ichigo Ikebukuro East Building	3,118.69	3,118.69	100.0	4	93,003
O-79	Central Tokyo	Office	Ichigo Motoazabu Building	1,329.96	1,329.96	100.0	3	53,116
O-80	Tokyo Metro Area	Office	Ichigo Otsuka Building	3,679.70	3,679.70	100.0	7	90,969
O-81	Four Major Regional Cities	Office	Ichigo Nagoya Building	4,930.30	4,930.30	100.0	37	141,579
O-82	Four Major Regional Cities	Office	Ichigo Fushimi Building	4,155.57	3,938.75	94.8	40	88,110
O-83	Four Major Regional Cities	Office	Ichigo Nishiki Building	2,006.78	2,006.78	100.0	23	49,322

No.	Area	Asset Type	Asset Name	Total Leasable Area ¹ (m ²)	Total Leased Area ² (m ²)	Occupancy ³ (%)	No. of Tenants ⁴	Total Rental Income ⁵ (JPY thousand)
O-84	Four Major Regional Cities	Office	Ichigo Minami Morimachi Building	2,521.51	2,521.51	100.0	12	47,713
O-85	Central Tokyo	Office	Ichigo Shibuya Udagawacho Building	1,491.38	1,491.38	100.0	7	76,573
O-86	Central Tokyo	Office	Win Gotanda Building	3,689.88	3,689.88	100.0	11	110,960
O-87	Tokyo Metro Area	Office	Ichigo Hongo Building	2,722.58	2,722.58	100.0	7	85,949
O-88	Central Tokyo	Office	Oimachi Center Building	2,751.08	2,751.08	100.0	8	66,015
Z-02	Central Tokyo	Other	Ichigo Fiesta Shibuya Building	1,185.85	1,139.31	96.1	9	64,484
Z-03	Tokyo Metro Area	Other	Ichigo Burg Omori Building ⁷	—	—	—	—	134,942
Z-05	Tokyo Metro Area	Other	Ichigo Machida East Building	2,183.65	2,183.65	100.0	10	64,375
Z-07	Four Major Regional Cities	Other	Ichigo Sapporo Minami 2 Nishi 3 Building ⁷	—	—	—	—	25,911
Z-08	Four Major Regional Cities	Other	Ichigo Daimyo Balcony ⁸	—	—	—	—	24,840
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	73,903
Z-11	Tokyo Metro Area	Other	Twicere Yokohama Isogo (Retail Section)	2,717.77	2,717.77	100.0	7	80,210
Z-12	Tokyo Metro Area	Other	Lions Square Kawaguchi	7,788.09	7,788.09	100.0	3	118,768
Z-13	Tokyo Metro Area	Other	Ichigo Shin Yokohama Arena Dori Building	1,971.34	1,971.34	100.0	5	76,456
Z-14	Tokyo Metro Area	Other	Ichigo Kamata Building	2,124.68	2,124.68	100.0	2	53,031
Total				255,487.63	252,877.70	99.0	891	7,467,190

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

² Leased Area is the total space that is leased as of April 30, 2018.

³ Occupancy is the ratio of Leased Area to Total Leasable Area.

⁴ No. of Tenants is the number of tenants that have a valid lease contract in place with Ichigo Office (including trust structures owned by Ichigo Office). 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.

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

⁶ The building name was changed from Nishiki First Building to Ichigo Nishiki First Building on March 1, 2018.

⁷ The building was sold on March 30, 2018.

⁸ The building was sold on April 20, 2018.

Book Value and Appraisal Value of Portfolio Assets

(as of April 30, 2018)

No.	Asset Name	Location	Form of Ownership	Appraisal Value ¹ (JPY million)	Book Value ² (JPY million)	% of Portfolio ³
O-02	Ichigo Nishisando Building	Yoyogi, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	3,090	3,383	1.8
O-03	Ichigo Mita Building	Shiba, Minato-ku, Tokyo	Trust beneficiary interest in real estate	3,450	2,730	1.4
O-04	Ichigo Nanpeidai Building	Nanpeidaicho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	2,510	1,927	1.0
O-05	Ichigo Hanzomon Building	Hayabusacho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	1,800	1,517	0.8
O-06	Ichigo Hijirizaka Building	Mita, Minato-ku, Tokyo	Trust beneficiary interest in real estate	1,410	1,204	0.6
O-07	Ichigo Shibuya Kamiyamacho Building	Kamiyamacho, Shibuya-ku, Tokyo	Real estate	1,800	1,391	0.7
O-08	Ichigo Akasaka 5 Chome Building	Akasaka, Minato-ku, Tokyo	Real estate	781	723	0.4
O-09	Ichigo Shibakoen Building	Shiba, Minato-ku, Tokyo	Real estate	1,130	1,104	0.6
O-10	Ichigo Ebisu Nishi Building	Ebisu-Nishi, Shibuya-ku, Tokyo	Real estate	2,370	1,928	1.0
O-11	Ichigo Ginza 612 Building	Ginza, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,000	1,772	0.9
O-12	Ichigo Uchikanda Building	Uchikanda, Chiyoda-ku, Tokyo	Real estate	1,170	1,118	0.6
O-14	Ichigo Yotsuya 4 Chome Building	Yotsuya, Shinjuku-ku, Tokyo	Trust beneficiary interest in real estate	575	516	0.3
O-15	Ichigo Tameike Building	Akasaka, Minato-ku, Tokyo	Real estate	691	531	0.3
O-16	Ichigo Jimbocho Building	Kanda Jimbocho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,290	1,808	0.9
O-17	Ichigo Hakozaiki Building	Nihonbashi Kakigaracho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	1,150	1,148	0.6
O-18	Ichigo Kudan 2 Chome Building	Kudan Minami, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	914	738	0.4

No.	Asset Name	Location	Form of Ownership	Appraisal Value ¹ (JPY million)	Book Value ² (JPY million)	% of Portfolio ³
O-19	Ichigo Kudan 3 Chome Building	Kudan Minami, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	848	829	0.4
O-20	Ichigo Gotanda Building	Higashi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	6,070	4,889	2.6
O-21	Ichigo Shin Yokohama Building	Shin Yokohama, Kohoku-ku, Yokohama	Trust beneficiary interest in real estate	1,830	1,725	0.9
O-22	Ichigo Minami Ikebukuro Building	Minami Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	1,580	1,390	0.7
O-23	Ichigo Nakano North Building	Arai, Nakano-ku, Tokyo	Trust beneficiary interest in real estate	847	745	0.4
O-24	Ichigo Eitai Building	Eitai, Koto-ku, Tokyo	Real estate	1,250	1,466	0.8
O-26	Ichigo Ikejiri Building	Ohashi, Meguro-ku, Tokyo	Real estate	2,180	1,963	1.0
O-27	Ichigo Nishi Ikebukuro Building	Ikebukuro, Toshima-ku, Tokyo	Real estate	879	610	0.3
O-28	Ichigo Nishi Gotanda Building	Nishi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	815	765	0.4
O-29	Ichigo Kichijoji Building	Kichijoji Honcho, Musashino City, Tokyo	Trust beneficiary interest in real estate	2,770	2,207	1.2
O-34	Ichigo Sakae Building	Sakae, Naka-ku, Nagoya	Real estate	6,480	4,698	2.5
O-37	Ichigo Marunouchi Building	Marunouchi, Naka-ku, Nagoya	Real estate	7,350	5,931	3.1
O-38	Ichigo Toyamaeki Nishi Building	Jinzu Honmachi, Toyama City, Toyama	Trust beneficiary interest in real estate	1,750	1,487	0.8
O-39	Ichigo Mirai Shinkin Building	Niagemachi, Oita City, Oita	Trust beneficiary interest in real estate	1,280	1,168	0.6
O-42	Ichigo Takamatsu Building	Kotobukicho, Takamatsu City, Kagawa	Trust beneficiary interest in real estate	3,390	2,443	1.3
O-46	Ichigo Kanda Nishikicho Building	Kanda-Nishikicho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,920	2,024	1.1

No.	Asset Name	Location	Form of Ownership	Appraisal Value ¹ (JPY million)	Book Value ² (JPY million)	% of Portfolio ³
O-47	Ichigo Akihabara North Building	Sotokanda, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	6,970	5,616	2.9
O-48	Ichigo Sakaisuji Honmachi Building	Honmachi, Chuo-ku, Osaka	Trust beneficiary interest in real estate	2,300	1,820	1.0
O-49	Ichigo Kanda Ogawamachi Building	Kanda-Ogawamachi, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,450	2,195	1.2
O-50	Ichigo Hatchobori Building	Shintomi, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,510	1,839	1.0
O-51	Ebisu Green Glass	Ebisu Minami, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	6,740	5,845	3.1
O-52	Ichigo Omori Building	Minami Oi, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	4,190	3,803	2.0
O-53	Ichigo Takadanobaba Building	Takadanobaba, Shinjuku-ku, Tokyo	Trust beneficiary interest in real estate	1,900	1,585	0.8
O-54	Ichigo Omiya Building	Miyacho, Omiya-ku, Saitama City, Saitama	Trust beneficiary interest in real estate	3,850	3,654	1.9
O-55	Ichigo Sagamiyara Building	Sagamiyara, Chuo-ku, Sagamiyara City, Kanagawa	Trust beneficiary interest in real estate	1,310	1,229	0.6
O-56	Ichigo Ofuna Building	Ofuna, Kamakura City, Kanagawa	Trust beneficiary interest in real estate	2,410	1,962	1.0
O-57	Ichigo Sendai East Building	Miyagino, Miyagino-ku, Sendai, Miyagi	Trust beneficiary interest in real estate	2,110	1,716	0.9
O-58	Ichigo Kumamoto Building	Karashimacho, Chuo-ku, Kumamoto City, Kumamoto	Trust beneficiary interest in real estate	1,470	1,446	0.8
O-59	Ichigo Jingumae Building	Jingumae, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	8,030	7,391	3.9
O-60	Ichigo Shibuya Dogenzaka Building	Maruyamacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	4,840	3,677	1.9

No.	Asset Name	Location	Form of Ownership	Appraisal Value ¹ (JPY million)	Book Value ² (JPY million)	% of Portfolio ³
O-61	Ichigo Hiroo Building	Hiroo, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	4,530	4,001	2.1
O-62	Ichigo Sasazuka Building	Sasazuka, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	5,290	4,831	2.5
O-63	Ichigo Nihonbashi East Building	Nihonbashi Bakurocho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	5,460	4,609	2.4
O-64	Ichigo Sakurabashi Building	Hatchobori, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,790	2,568	1.3
O-65	Ichigo Shinkawa Building	Shinkawa, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,740	2,394	1.3
O-66	Ichigo Kudan Building	Kanda Jimbocho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	3,480	3,224	1.7
O-67	Ichigo Higashi Gotanda Building	Higashi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	4,270	3,665	1.9
O-68	Axior Mita	Mita, Minato-ku, Tokyo	Trust beneficiary interest in real estate	2,050	1,768	0.9
O-69	Ichigo Higashi Ikebukuro Building	Higashi Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	5,240	4,613	2.4
O-70	Koriyama Big-i (Office Section)	Ekimae, Koriyama City, Fukushima	Trust beneficiary interest in real estate	1,820	1,516	0.8
O-71	Ichigo Kawasaki Building	Higashi Tamachi, Kawasaki-ku, Kawasaki City, Kanagawa	Trust beneficiary interest in real estate	2,110	1,790	0.9
O-72	Ichigo Shibuya East Building	Higashi, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	1,510	1,353	0.7
O-73	Ichigo Ningyocho Building	Nihonbashi Horidomecho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	1,560	1,481	0.8
O-74	Ichigo Nishi Honmachi Building	Awaza, Nishi-ku, Osaka	Trust beneficiary interest in real estate	2,380	2,156	1.1

No.	Asset Name	Location	Form of Ownership	Appraisal Value ¹ (JPY million)	Book Value ² (JPY million)	% of Portfolio ³
O-75	Ichigo Hakata Building	Gionmachi, Hakata-ku, Fukuoka	Trust beneficiary interest in real estate	1,490	1,372	0.7
O-76	Nishiki First Building	Nishiki, Naka-ku, Nagoya	Trust beneficiary interest in real estate	2,080	1,988	1.0
O-77	Ichigo Ikenohata Building	Ikenohata, Taito-ku, Tokyo	Trust beneficiary interest in real estate	5,350	5,155	2.7
O-78	Ichigo Ikebukuro East Building	Higashi Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	3,240	2,995	1.6
O-79	Ichigo Motoazabu Building	Motoazabu, Minato-ku, Tokyo	Trust beneficiary interest in real estate	2,000	1,900	1.0
O-80	Ichigo Otsuka Building	Minami Otsuka, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	2,940	2,734	1.4
O-81	Ichigo Nagoya Building	Meieki, Nakamura-ku, Nagoya	Trust beneficiary interest in real estate	3,670	3,451	1.8
O-82	Ichigo Fushimi Building	Nishiki, Naka-ku, Nagoya	Trust beneficiary interest in real estate	2,450	2,345	1.2
O-83	Ichigo Nishiki Building	Nishiki, Naka-ku, Nagoya	Trust beneficiary interest in real estate	1,430	1,306	0.7
O-84	Ichigo Minami Morimachi Building	Matsugaecho, Kita-ku, Osaka	Trust beneficiary interest in real estate	1,130	1,019	0.5
O-85	Ichigo Shibuya Udagawacho Building	Udagawacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	4,050	3,609	1.9
O-86	Win Gotanda Building	Nishi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	3,280	3,105	1.6
O-87	Ichigo Hongo Building	Hongo, Bunkyo-ku, Tokyo	Trust beneficiary interest in real estate	2,380	2,310	1.2
O-88	Oimachi Center Building	Oi, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	1,810	1,697	0.9

No.	Asset Name	Location	Form of Ownership	Appraisal Value ¹ (JPY million)	Book Value ² (JPY million)	% of Portfolio ³
Z-02	Ichigo Fiesta Shibuya Building	Udagawacho, Shibuya-ku, Tokyo	Real estate	2,200	1,968	1.0
Z-05	Ichigo Machida East Building	Haramachida, Machida City, Tokyo	Trust beneficiary interest in real estate	1,550	1,280	0.7
Z-09	Konami Sports Club Izumi Fuchu	Fuchucho, Izumi City, Osaka	Trust beneficiary interest in real estate	1,440	1,107	0.6
Z-10	Ichigo Shibuya Bunkamura Dori Building	Udagawacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	3,070	2,467	1.3
Z-11	Twicere Yokohama Isogo (Retail Section)	Mori, Isogo-ku, Yokohama	Trust beneficiary interest in real estate	1,880	1,529	0.8
Z-12	Lions Square Kawaguchi	Motogo, Kawaguchi City, Saitama	Trust beneficiary interest in real estate	2,680	2,371	1.2
Z-13	Ichigo Shin Yokohama Arena Dori Building	Shin Yokohama, Kohoku-ku, Yokohama	Trust beneficiary interest in real estate	1,780	1,685	0.9
Z-14	Ichigo Kamata Building	Nishi Kamata, Ota-ku, Tokyo	Trust beneficiary interest in real estate	1,520	1,451	0.8
Total				219,100	190,506	100.0

¹ Pursuant to Ichigo Office's internal rules and the rules of The Investment Trusts Association, Japan, Appraisal Value at period-end is either an appraisal value or an indicative value from 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 construction in progress and construction in progress in trust.

³ % of Portfolio is based on book value.