



JPX-NIKKEI 400



FY19/2 Full-Year Corporate Presentation

April 17, 2019

Ichigo (2337)





**Make The World
More Sustainable**



World-Class Excellence

ICHIGO

Ichigo's
Hiromi Miyake





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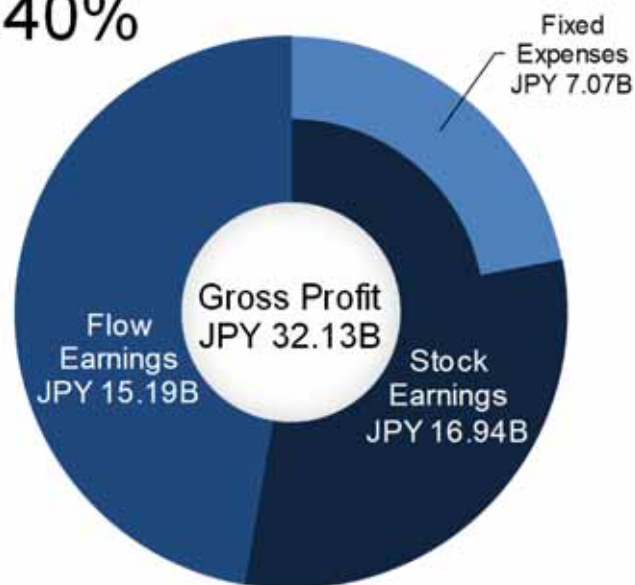
Appendix: Financial & Real Estate Data

FY19/2 Earnings

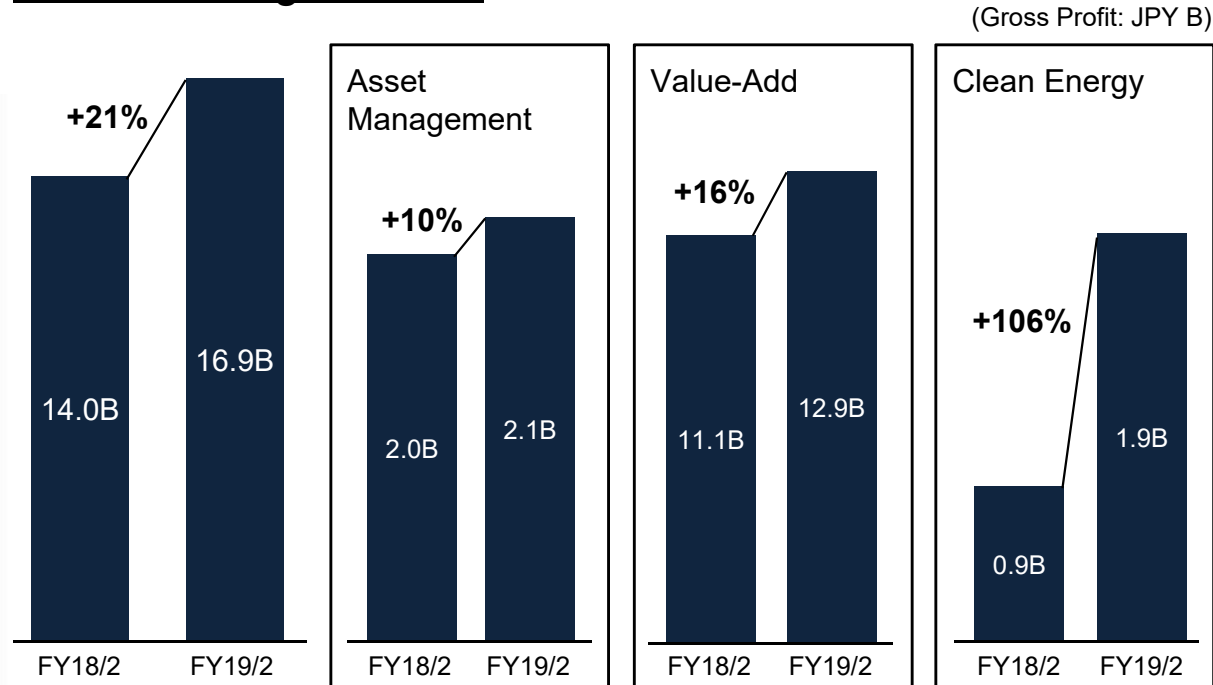
FY19/2 Summary

Durable Earnings Model

Stock Earnings/Fixed Expenses
240%

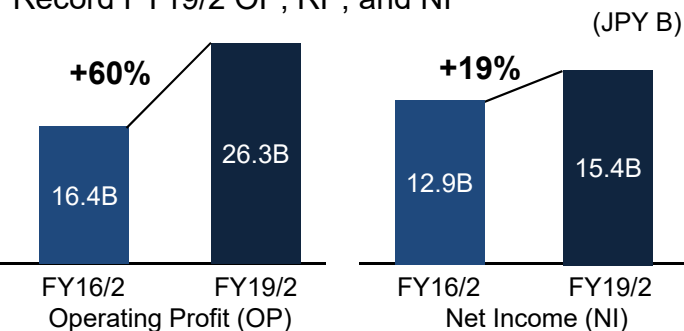


Stock Earnings Growth



Power Up 2019 MTP Achievement

Beat All KPI Targets
Record FY19/2 OP, RP, and NI



Share Buybacks & Dividend

- Share Buyback in Oct-Dec 2018
Amount: JPY 3B (1.6% of shares)
Average Share Price: JPY 381
- Dividend +17%, 7th Consecutive Year of Dividend Growth
DOE 3.7% (Policy: DOE >3%)
- Total Payout Ratio (Dividends + Buybacks) 41.8%

J.League Top Partner

- Became J.League Top Partner in January 2019
- As the J.League's only real estate Top Partner, Ichigo will work on stadium renovations & upgrades & operating efficiencies
- Goal is to build stronger and healthier local communities in cooperation with local residents, businesses, and municipalities

Operating Profit +20%, Net Income +10%, EPS +11% (YOY)

Record Operating Profit, Recurring Profit, and Net Income

(JPY million)

	FY18/2	FY19/2	YOY	Full-Year Forecast
Operating Profit	21,919	26,279	+19.9%	25,000
Recurring Profit	19,185	23,076	+20.3%	22,000
Net Income	14,018	15,373	+9.7%	15,000
EPS	JPY 28.12	JPY 31.14	+10.7%	JPY 30.10
Dividend	JPY 6	JPY 7	+16.7%	JPY 7
ROE	16.5%	16.3%	—	15.7%
DOE	3.5%	3.7%	—	—

Note: From FY19/2, SPC-related non-recourse loan interest expenses are accounted as Fixed Non-Operating Expenses rather than COGS. FY18/2 Operating Profit has been restated using this new accounting treatment to facilitate an accurate YOY comparison.

Segment Earnings Details

- Asset Management: Base AM Fees +10% YOY
- Value-Add: Rental Income +16% YOY
Gains on Sale +23% YOY
- Clean Energy: Power Generation Revenues +106% YOY

(JPY million)

Segment	Operating Profit					Earnings Drivers (Parentheses show YOY change in Gross Profit)
	FY18/2	FY19/2	YOY	Full-Year Forecast	vs. Full-Year Forecast	
Asset Management	2,043	2,195	+7.5%	1,752	125.3%	Base AM Fees 2,100 (+187) Acquisition/Disposition Fees 236 (+129) Ichigo Office Cash Flow Performance Fees 57 (-306)
Value-Add	19,002	22,669	+19.3%	21,719	104.4%	Rental Income 12,867 (+1,795) Gains on Value-Add Sales 14,893 (+2,796)
Clean Energy	899	1,364	+51.7%	1,529	89.2%	Power Generation Revenues 1,928 (+991) Gains on Power Plant Sales 0 (-467)
Adjustment (including offsets of cross-segment transactions)	-25	50	–	–	–	
Total	21,919	26,279	+19.9%	25,000	105.1%	

Note: From FY19/2, SPC-related non-recourse loan interest expenses are accounted as Fixed Non-Operating Expenses rather than COGS. FY18/2 Operating Profit has been restated using this new accounting treatment to facilitate an accurate YOY comparison.

FY20/2 Full-Year Forecast

FY20/2 Full-Year Forecast

Forecast Flat to Record FY19/2 Levels

- Growth investments will pull down Recurring Profit, Net Income, and EPS to -1% to -2% YOY

(JPY million)

	FY20/2 (Forecast)	FY19/2 (Actual)	vs. FY19/2
Operating Profit	26,500	26,279	+0.8%
Recurring Profit	22,800	23,076	-1.2%
Net Income	15,000	15,373	-2.4%
EPS	JPY 30.39	JPY 31.14	-2.4%
Dividend	JPY 7	JPY 7	—
ROE	14.4%	16.3%	—

FY20/2 Full-Year Forecast Details

- Asset Management Forecast Conservatively with Stock Earnings Flat, Flow Earnings Down
- Clean Energy Also Forecast Conservatively Relative to Past Power Production

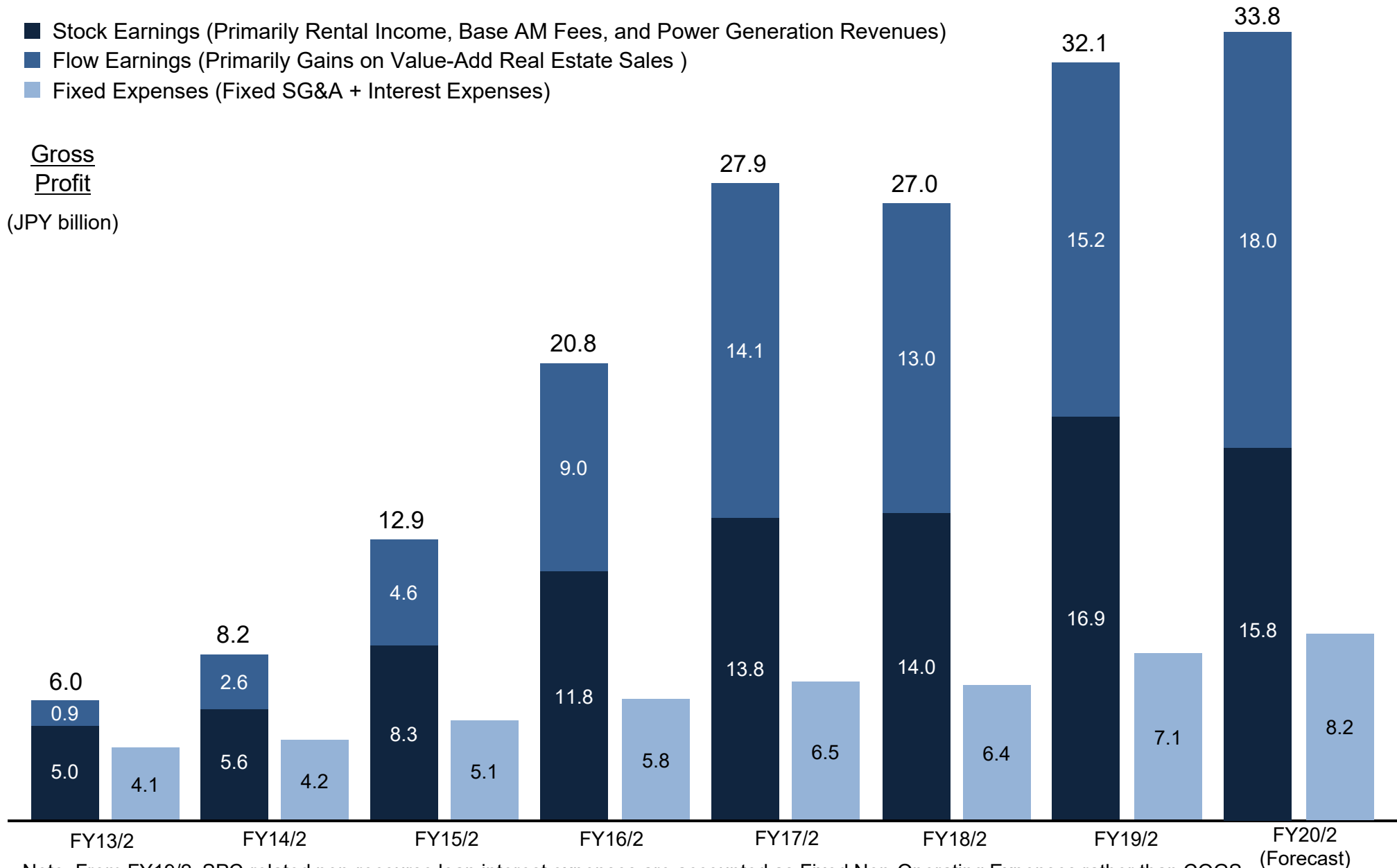
(JPY million)

Segment	Operating Profit		
	FY20/2 (Forecast)	FY19/2 (Actual)	vs. FY19/2
Asset Management	1,821	2,195	-17.1%
Value-Add	23,312	22,669	+2.8%
Clean Energy	1,367	1,364	+0.2%
Adjustment (Inter-Segment Transaction Eliminations)	-	50	-
Amount Recorded in Financial Statements	26,500	26,279	+0.8%

Note: Forecast assumes no Ichigo Office (8975), Ichigo Hotel (3463), or Ichigo Green (9282) public offerings.

Powerful Value-Add Business Model Underpins Growth

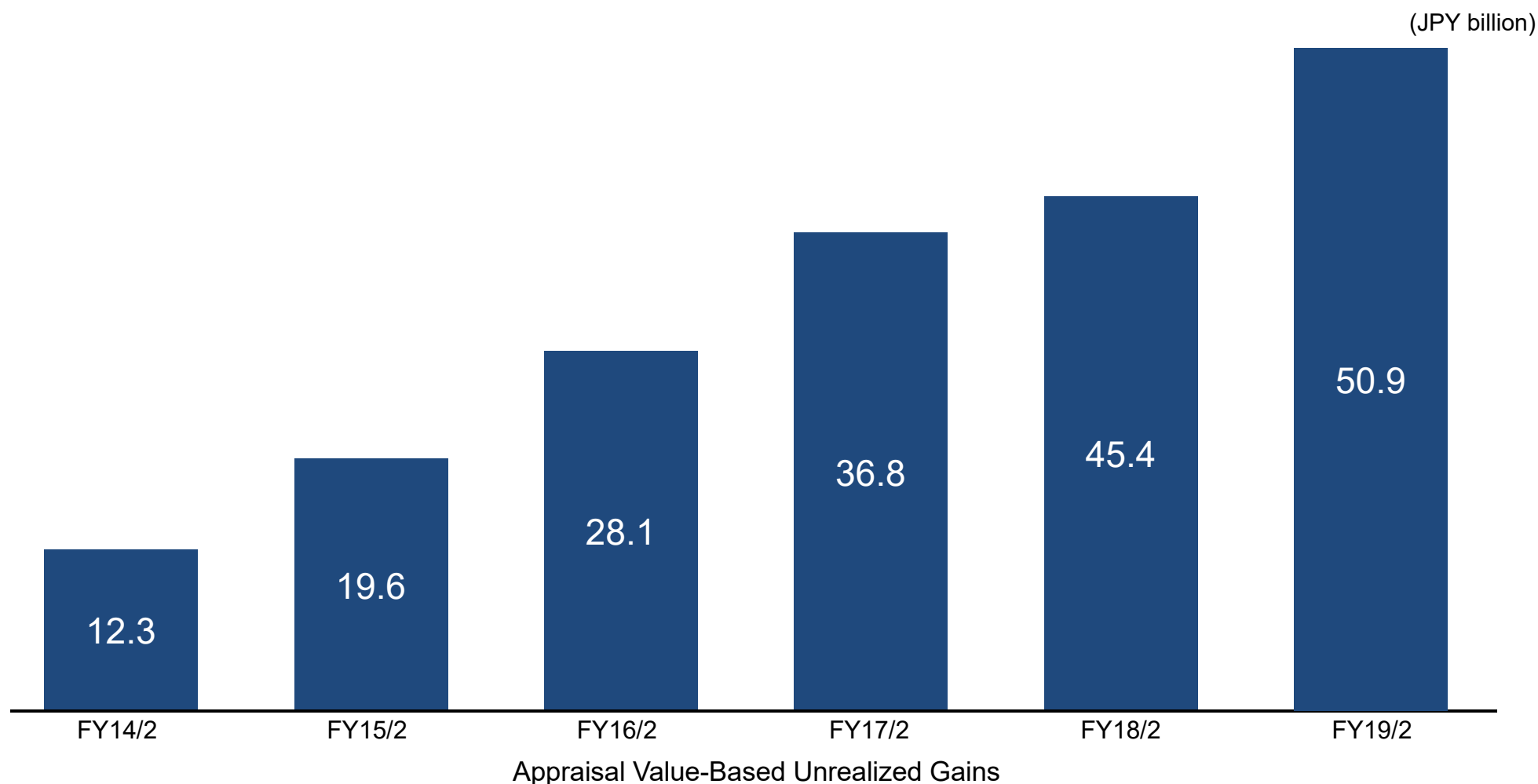
Business Model (1) Stock + Flow Earnings



Note: From FY19/2, SPC-related non-recourse loan interest expenses are accounted as Fixed Non-Operating Expenses rather than COGS. Data from FY13/2 to FY18/2 has been restated using this new accounting treatment to facilitate accurate YOY comparisons.

Business Model (2) Embedded Forward Earnings

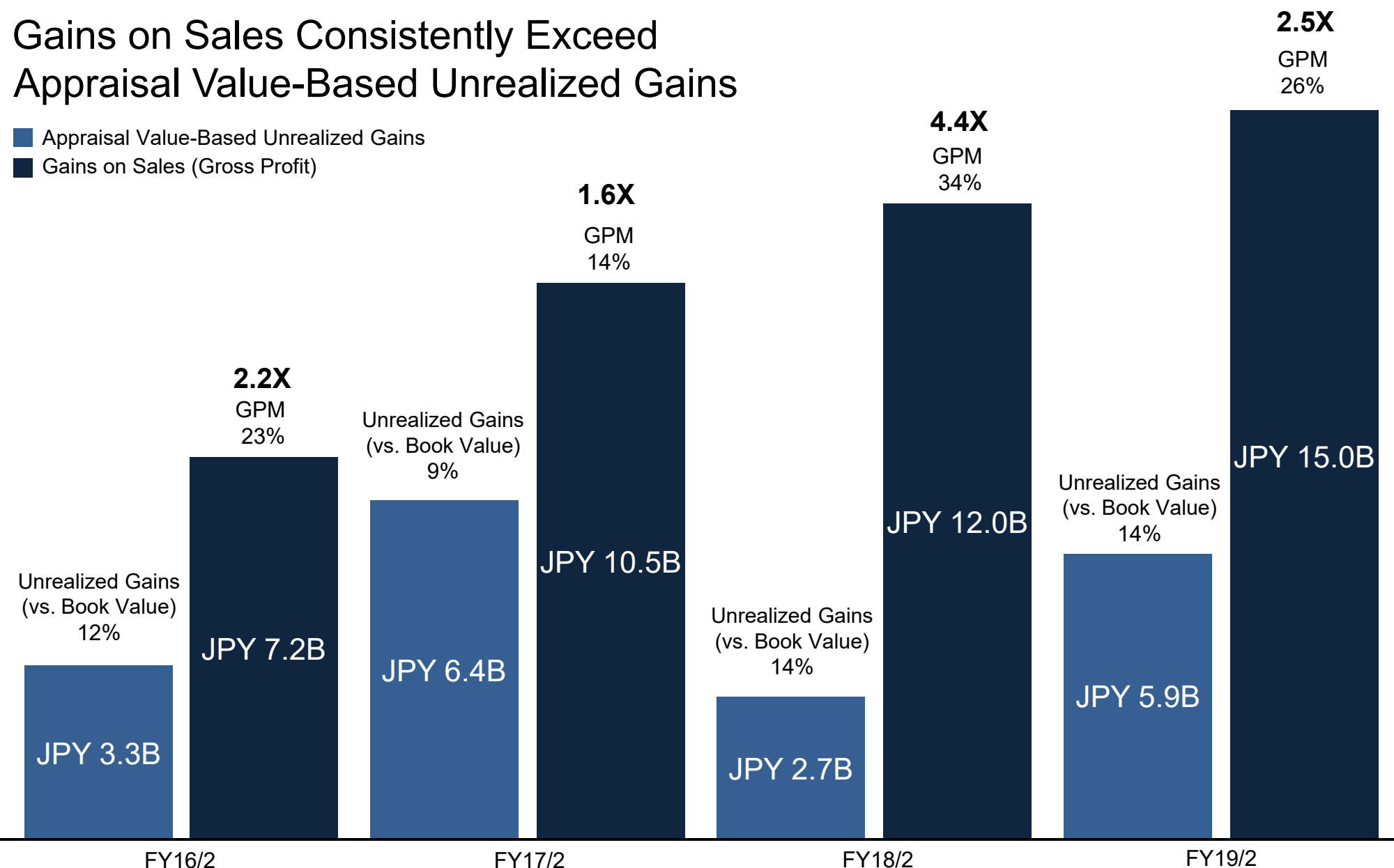
Full Economic Earnings From Value-Add Exceed Accounting Earnings
Value-Add Thus Generates Significant Unrealized Gains that are an
“Earnings Bank” for Future Periods



Business Model (3) Value-Add Drives Durable Value Growth

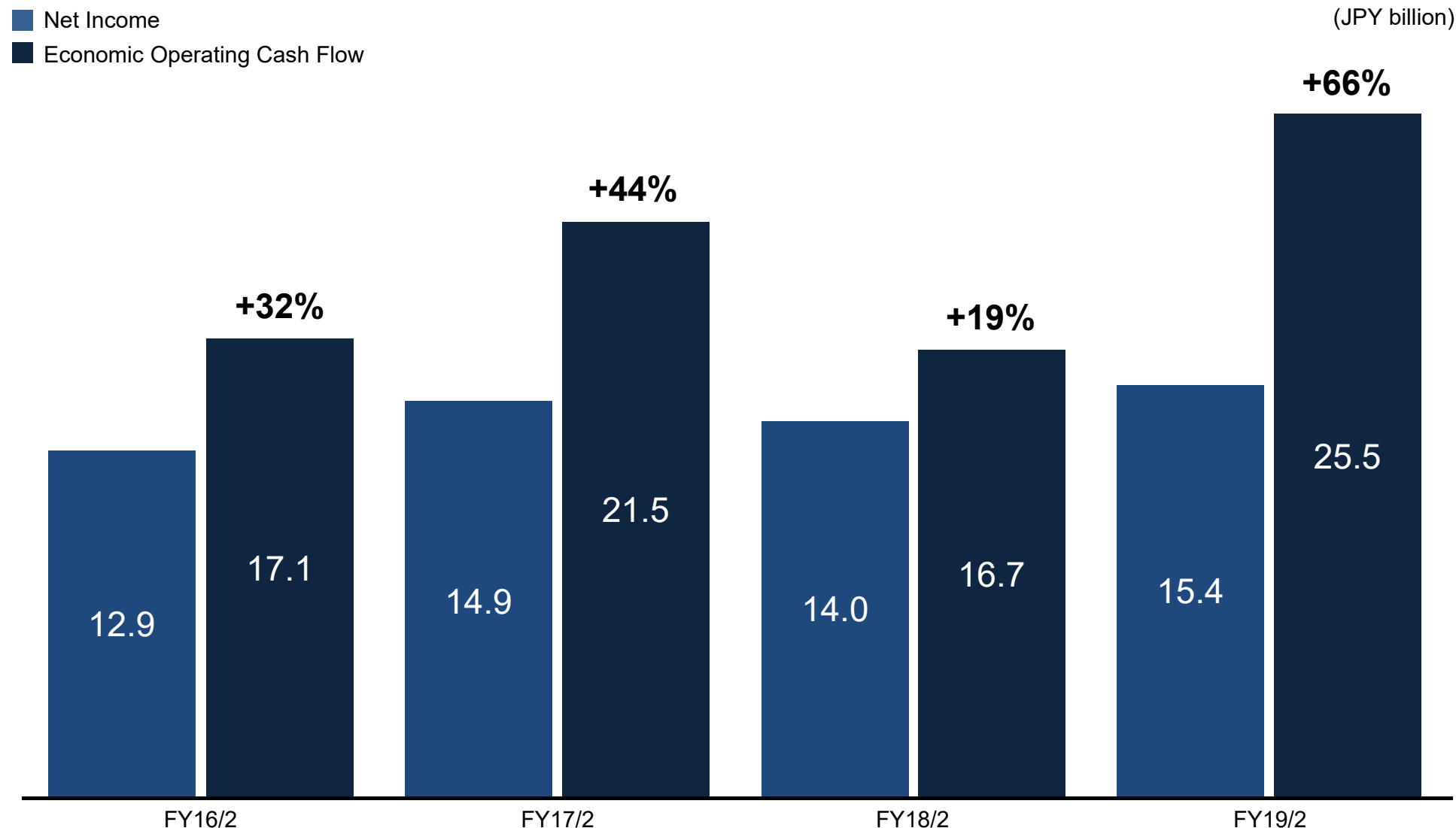
Gains on Sales Consistently Exceed Appraisal Value-Based Unrealized Gains

■ Appraisal Value-Based Unrealized Gains
■ Gains on Sales (Gross Profit)



Business Model (4) Robust Cash Generation

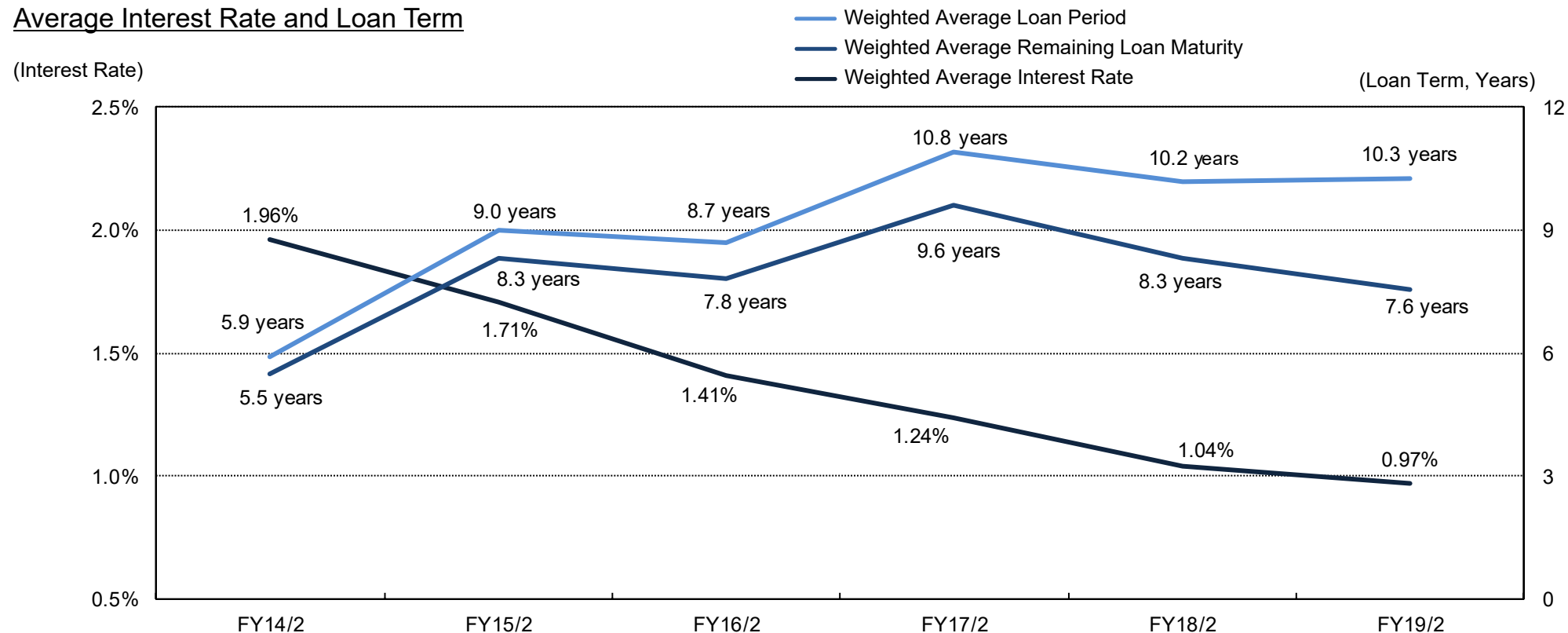
Economic Operating Cash Flow Exceeds Net Income



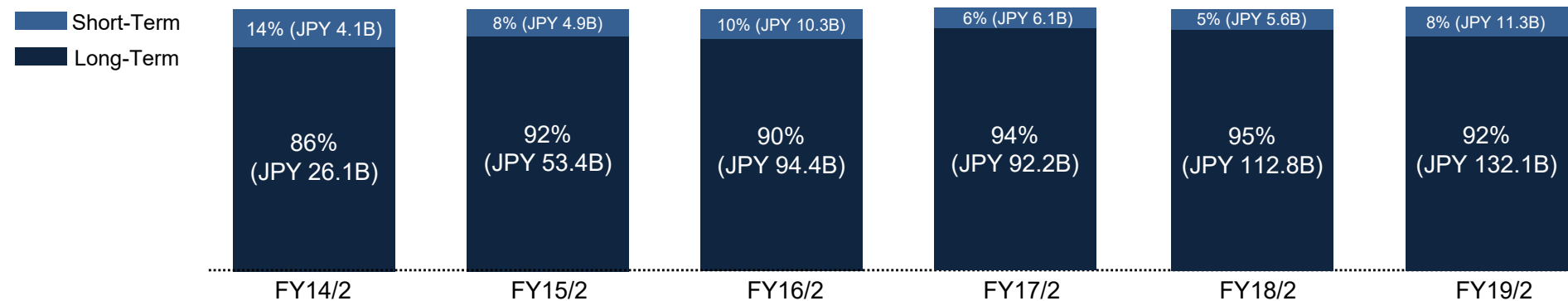
Note: Economic Operating Cash Flow = Cash Flows from Operations +/- any changes in Real Estate and Power Plants for Sale

Strong Financial Base

Average Interest Rate and Loan Term



Term Structure of Loans



Building a Foundation for Sustainable Growth

Asset Management: Growth Support for TSE REITs & YieldCo

Office



Ichigo Office (8975)

Listing Date
October 12, 2005

Portfolio
85 Assets JPY 203.0B

Current Yield (as of 2019/4/15)
4.2%

Characteristics

- Specialized Office REIT focused on mid-size offices driving stable earnings growth and tenant satisfaction
- 17 consecutive periods of dividend growth, No. 1 among all J-REITs



Growth Support

Provided 2 high-quality, central Tokyo office assets

Hotel



Ichigo Hotel (3463)

Listing Date
November 30, 2015

Portfolio
21 Hotels JPY 50.7B

Current Yield (as of 2019/4/15)
4.8%

Characteristics

- Specialized Hotel REIT focused on stay-only hotels, a hotel type that is in high demand and has earnings potential, to drive income stability and earnings growth
- Became first J-REIT to adopt a no fixed-fee, performance fee-only structure



Growth Support

Provided 1 hotel to drive increased NOI and diversify portfolio

Green Infrastructure



Ichigo Green (9282)

Listing Date
December 1, 2016

Portfolio
15 Plants JPY 11.4B

Current Yield (as of 2019/4/15)
5.6%

Characteristics

- Solar YieldCo focused on driving shareholder value via income stability and earnings growth and contributing to Japan's self-sufficiency in clean energy
- Japan's first 10-year earnings forecast



Growth Support

Provided power plant operations and performance guarantee

Value-Add: Selective on Acquisitions and Sales

- Continuing Sellers' Market – FY19/2 Gross Profit Margin: 26%
- Ichigo Owners Achieving High Asset Turnover
 - ✓ Acquisitions: JPY 16.5B (32% of total); Sales: JPY 14.3B (24%)

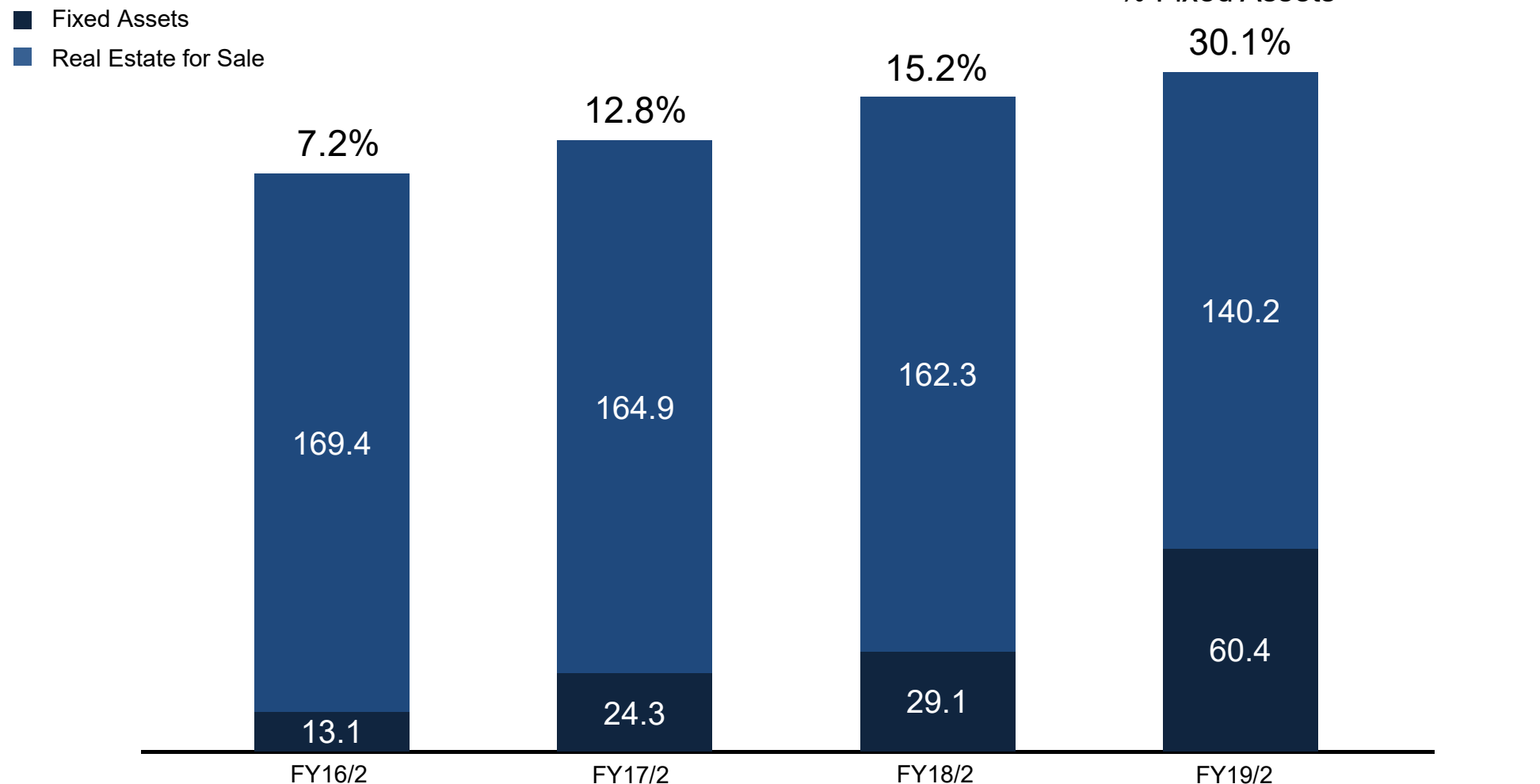
FY19/2 Net Sales of JPY 7.9B

	Acquisition		Sale		Difference (A) - (B)
	No. of Assets	Book Value (A)	No. of Assets	Sale Price (B)	
Office	2	3,485	2	5,520	-2,035
Hotel	4	9,901	6	19,610	-9,709
Retail	6	13,482	2	5,366	+8,116
Mixed (Office/Retail)	4	9,065	–	–	+9,065
Residence	19	14,511	33	27,722	-13,211
Ground Lease	4	381	–	–	+381
Other	1	12	4	472	-472
Total	40	50,840	47	58,693	-7,853

Value-Add: Tax Shield Re-Classification to Fixed Assets

Re-Classifying Real Estate as Fixed Assets Generates Depreciation Tax Shield to Fund Growth Investments

Value-Add Real Estate for Sale & Fixed Assets



Note: Amounts are Book Value. Excludes Ichigo Owners, Centro, and Storage Plus.

Clean Energy: Scaling Rapidly (In-Development Plants +91%)

Added 9 Solar Plants to Development Pipeline (18.7MW)

Kanto: 5.48MW, Chubu: 4.80MW,

Kansai: 2.95MW, Chugoku: 5.48MW

Power Generation (MW) Growth Timeline

- Operating
- In-Development

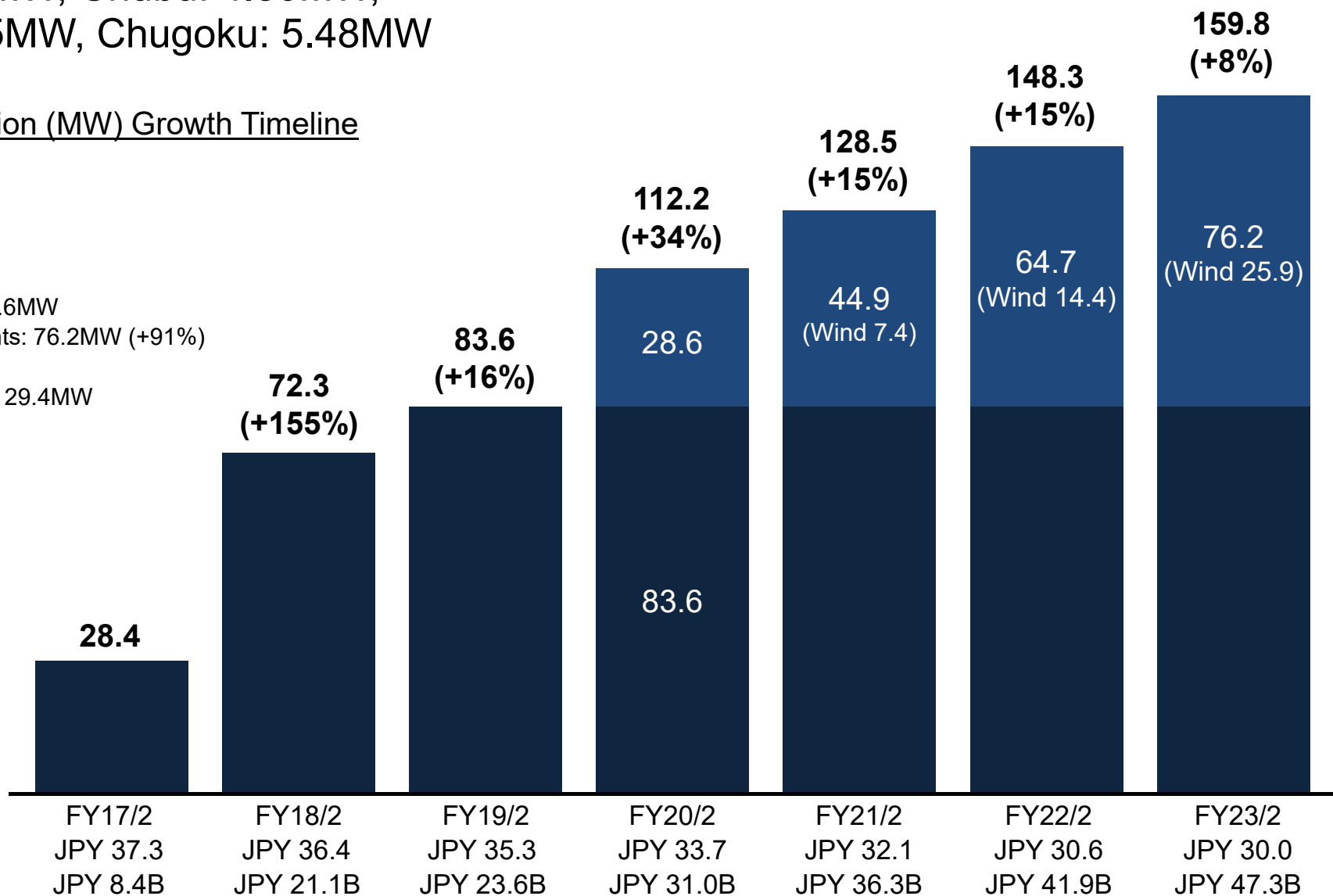
Ichigo

Operating Plants: 83.6MW

In-Development Plants: 76.2MW (+91%)

Total: 159.8MW

Ichigo Green (9282): 29.4MW

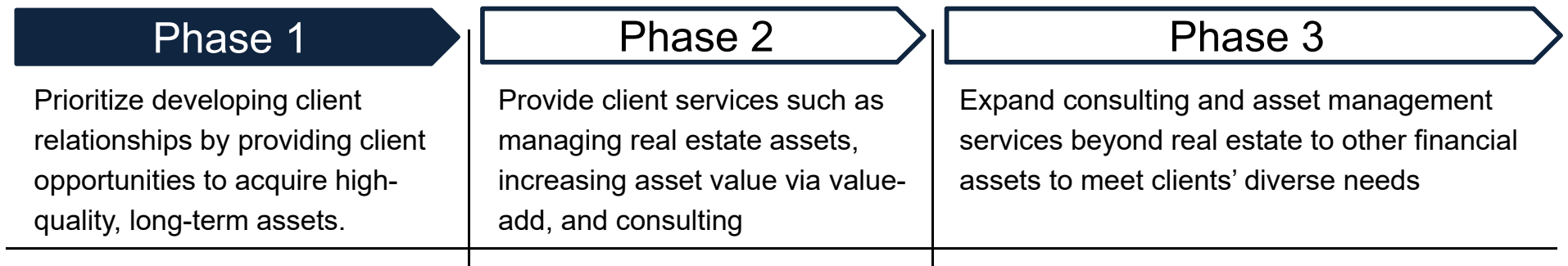


Ichigo Owners: Real Estate Built on Client Trust

Strong Start During Phase 1 (First 2 Years since 2017/3/1 Founding):

- Cumulative Acquisitions: 35 Assets, JPY 25.9B (Book Value)
- Cumulative Sales: 20 Assets, JPY 16.8B
- Average Holding Period : 8.1 months

Shift from Real Estate Sales (Flow Earnings) to Solutions & Services (Stock Earnings)



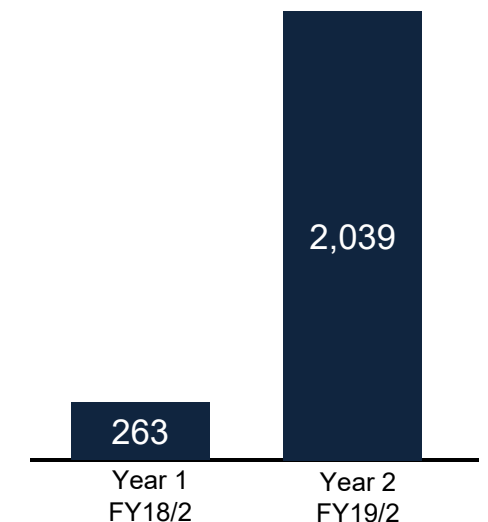
Built Strong Base of Individual and Corporate Clients

- Direct relationships expanded to 138 clients
- Also transacting via other gatekeeper & broker introductions

Sold JPY 8.3B of Assets to Private Equity Real Estate Fund
Established on Behalf of Long-Term Investor

- Portfolio of high-quality, new residential assets in central Tokyo
- Ichigo Investment Advisors providing asset management services

Gross Profit on Asset Sales
(JPY million)



Smart Agriculture

Business Alliance with Organic Soil (OSMIC)

- Create Technology & Business Synergies via Share Swap
- ✓ OSMIC provides high-microbe-density organic soil and climate-control greenhouses.
- ✓ It also purchases high-quality fruits and vegetables from farmers, which it then sells to major retailers, high-end supermarkets, restaurants, and e-commerce sites.
- ✓ Ichigo subsidiary Tenuto's CO2-control technology can be used in OSMIC's greenhouses, enabling higher productivity and quality
- ✓ Ichigo swapped its Tenuto shares to take an equity stake in OSMIC; Tenuto became subsidiary of OSMIC
- Going Forward
- ✓ OSMIC's farm-themed recreational park development to make effective use of currently idle land will leverage Ichigo's real estate expertise
- ✓ Also new Ichigo business opportunities in creating and operating retail and lodging facilities and generating new synergies with Ichigo's sports business



Supporting & Enhancing Urban Lifestyles

Stylish and Convenient Laundromats

- Established Getter Lab JV with OKULAB
- Launched “Laundry OUT” laundry service to reduce household laundry burdens
- Laundromats with modern designs, latest laundry machines, and cafés serving fresh bread and coffee while you wait



Baluko Laundry Place
Yoyogi Uehara

Changing How We Think about Self-Storage

- Storage Plus creates multi-purpose facilities that combine self-storage, laundry, and cafés
- Can clean non-seasonal items and then store them onsite in order to optimize home living space



Storage Plus
Koganei Maeharacho

Optimizing Use of Parking Lots with Elevated Buildings

- Established Trophy JV with Phil Company
- While keeping the ground-floor parking lot, optimize use of space above with elevated buildings for retail & other purposes
- Synergies with Phil Company include sales to Ichigo Owners clients and deployment of Ichigo Land's expertise to acquire and develop new sites



Phil Park
Tokyo Sky Tree River Side

Top Partner of J.League, Japan's Professional Soccer League

Partner with J.League to Promote Community Development, Revitalize Local Economies, and Help People Enjoy Richer and Healthier Lives

J.League's 100-Year Vision: Promote Sports Development

J.League's mission is to establish sports clubs rooted in local communities, cooperating with local residents, businesses, and municipalities to promote community development

Ichigo's Mission: Serve Important Social Needs

Ichigo believes that companies exist to serve society, and seeks to contribute to local communities as a sustainable infrastructure company

Ichigo's role as the only real estate company that is a J.League Top Partner:

- Renovate and upgrade stadiums and help local governments find solutions for the rising costs of operating stadiums
- Work to build stronger and healthier communities in cooperation with local residents, businesses, and municipalities



Share Buyback (JPY 381)

- Purpose: Grow Value for Ichigo's Shareholders

Share Type Common shares

Buyback Method In-market purchases via trust bank

- October – December 2018 Share Buyback

No. of Shares 7,869,700 shares (1.6% of total)

Average Share Price JPY 381

Amount JPY 3B

Reference: 2017 Share Buybacks

April 2017 Share Buyback

Number of Shares 4,627,400 shares (0.9%)

Average Share Price JPY 324

Amount JPY 1.5B

October 2017 Share Buyback

Number of Shares 3,809,100 shares (0.8%)

Average Share Price JPY 394

Amount JPY 1.5B

Power Up 2019 Mid-Term Plan Achievement

Power Up 2019 Achievement Details (1)

Beat All KPI Targets

3-Year Growth: OP +60%, RP +66%, NI +19%*

* Ichigo's effective tax rate normalized from FY16/2's 6.9% to FY19/2's 31.8%, so NI grew less than OP.

(JPY million)

	FY16/2 (Actual) (Shift Up 2016) (A)	FY19/2 (Actual) (Power Up 2019) (B)	(B) - (A)	FY19/2 (Plan) (Power Up 2019)	vs. Plan
Operating Profit	16,387 ¹	26,279	+60.4%	25,000	105.1%
Recurring Profit	13,889	23,076	+66.1%	21,400	107.8%
Net Income	12,925	15,373	+18.9%	14,800	103.9%
EPS	JPY 25.86	JPY 31.14	+20.4%	JPY 29.00	107.4%
Dividend	JPY 3	JPY 7	+133.3%	JPY 7	100.0%
ROE	21.0% ² (Post-Tax) 15.3%	16.3%	—	15.6%	—
Stock Earnings/ Fixed Expenses	223.3%	239.6%	—	191.4%	—

¹ From FY19/2, SPC-related non-recourse loan interest expenses are accounted as Fixed Non-Operating Expenses rather than COGS. FY16/2 Operating Profit has been restated using this new accounting treatment to facilitate an accurate YOY comparison.

² At Ichigo's FY19/2's normalized 31.8% tax rate, FY16/2 ROE would have been 15.3%.

Power Up 2019 Achievement Details (2)

Profitability	Core Business Growth	<ul style="list-style-type: none"> List Ichigo's solar assets on the TSE's new Infrastructure Market Support the ongoing growth of Ichigo Office (8975) and Ichigo Hotel (3463) Expand the architecture and structural engineering team to deliver real estate that is high-function, safe, secure, and environmentally friendly Spin out a dedicated leasing team to drive tenant acquisitions and rental income 	✓	<ul style="list-style-type: none"> Listing of Ichigo Green (9282) on Dec 1, 2016 Asset sales to Ichigo Office (8975) and Ichigo Hotel (3463) Created a long-term private fund (JPY 8.3B) Expanded the engineering team Spun out a dedicated leasing team and strengthened marketing functions to drive asset acquisitions and value-add
	New Business Creation	<ul style="list-style-type: none"> Extend Ichigo's REIT-focused asset management business into the much larger physical real estate market Grow Ichigo's hotel business synergistically with Ichigo Hotel Launch one or more <u>REtech</u> businesses, fusing Ichigo's <u>Real Estate</u> and <u>IT</u> capabilities 	✓	<ul style="list-style-type: none"> Launched Ichigo Owners & Ichigo Land businesses Launched 2 THE KNOT lifestyle hotels Developed AI hotel revenue management system Launched new real estate content businesses (storage, laundry, & study spaces) Entered business alliance with Phil Company Established Sports & Entertainment group Launched Community Lab and 100-Year Real Estate Lab
Sustainability	Finance as a Strategic Measure	<ul style="list-style-type: none"> Grow both financial stability and earnings De-collateralize loans, lengthen loan maturities, lower debt costs, get credit ratings, and issue bonds to diversify funding profile 	✓	<ul style="list-style-type: none"> 24% of corporate loans are uncollateralized via commitment lines and other credit lines (JPY 32.5B total) Average Loan Period: 10.3 years, Average Interest Rate: 0.97%, Long-Term Loan Ratio: 92%
	High Capital Efficiency and Organic Growth	<ul style="list-style-type: none"> ROE >15% 	✓	<ul style="list-style-type: none"> Achieved ROE >15% for all 3 MTP years
	Best Place to Work	<ul style="list-style-type: none"> Support employee health and wellness Goal: Japan's number one company in providing opportunities for employees 	✓	<ul style="list-style-type: none"> 100% return rate for employees who take child leave Annual stock option grants (fully expensed) to all employees to align their interests with Ichigo shareholders Launched Incubation Lab to support internal startups
	Global Best Practice Governance and Compliance		✓	<ul style="list-style-type: none"> 6 of 9 Board Members are Independent Directors Former CEOs of TSE 1st Section companies serve as Independent Directors

Power Up 2019 Achievement Details (3) JPX-Nikkei 400 Index

- Selected for inclusion in the JPX-Nikkei 400 three years in a row (2016, 2017, 2018)
- Targeting Ranking within the Index's Top 200 Companies in August 2019



Ranking Calculation:

While the JPX-Nikkei 400 does not provide an official ranking of its 400 constituents, it can be calculated based upon the JPX-Nikkei 400's publically-available quantitative ranking formula, which rank orders the top 1,000 companies from the joint set of the 1,200 highest market capitalization and 1,200 highest value-traded Japanese companies by:

- (a) 3-year average ROE (40% weighting)
- (b) 3-year cumulative operating profit (40% weighting)
- (c) Market capitalization (20% weighting)

Total Score = $0.4 \times (a) + 0.4 \times (b) + 0.2 \times (c)$

Ichigo 2030: Ichigo as a Sustainable Infrastructure Company

Go for Growth

Grow & Expand Ichigo's Core Businesses into New Areas, Creating New Earnings Streams and Increasing Both Earnings and Earnings Stability

Sustainability

Sustainability is integral to the health and development of people, society, and the environment.

Ichigo's current core business of preserving and improving real estate is a highly sustainable business model that combines high efficiency with low environmental impact.

Under Ichigo 2030, Ichigo will continue its long-standing commitment to sustainability while developing new technologies to extend the lives of key social infrastructure beyond 100 years.

Infrastructure

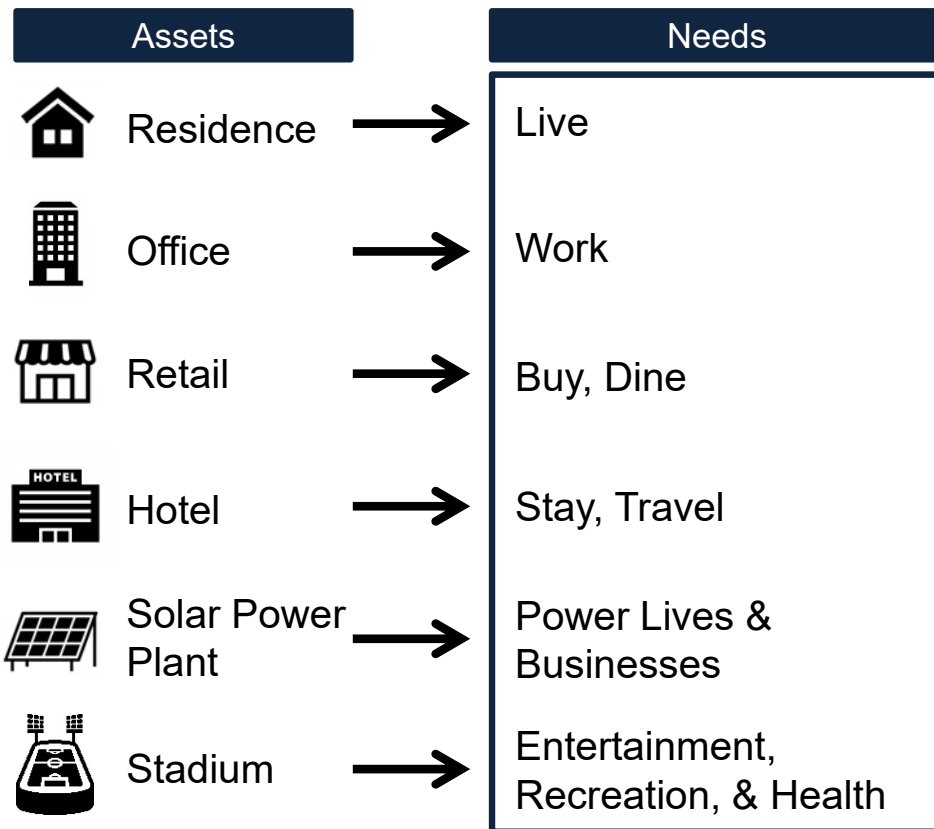
Ichigo has a direct and critically important role in preserving and improving the social infrastructure that supports the quality of people's lives.

By expanding its current real estate and clean energy businesses into other infrastructure areas, Ichigo will integrate the "hard" physical elements and "soft" service elements of infrastructure to serve broad client needs.

Critical to success will be unifying Ichigo's Value-Add and IT capabilities. Ichigo will work to deliver first-in-class and best-in-class solutions to drive significant value for clients and society across a diverse set of infrastructure environments. Being one of many is not enough. Ichigo needs to lead.

Ichigo as a Sustainable Infrastructure Company

Go Beyond Real Estate to Address Broad Needs



KPI Targets

1. High Capital Efficiency

- FY20/2~FY30/2 Average ROE >15%
 - ✓ Increase long-term ROE by driving higher capital efficiency and earnings stability
 - ✓ Via high ROE, grow long-term EPS as a key driver of shareholder value
- FY20/2~FY30/2 Continuous JPX-Nikkei 400 Index Inclusion
 - ✓ Target 11 consecutive years of inclusion

2. High Cash Flow Generation

- FY20/2~FY30/2 Continuous Economic Operating Cash Flow > Net Income
 - ✓ Ichigo's robust cash flows fund both growth investments and shareholder returns
 - ✓ Target 11 consecutive years of EOCF > NI

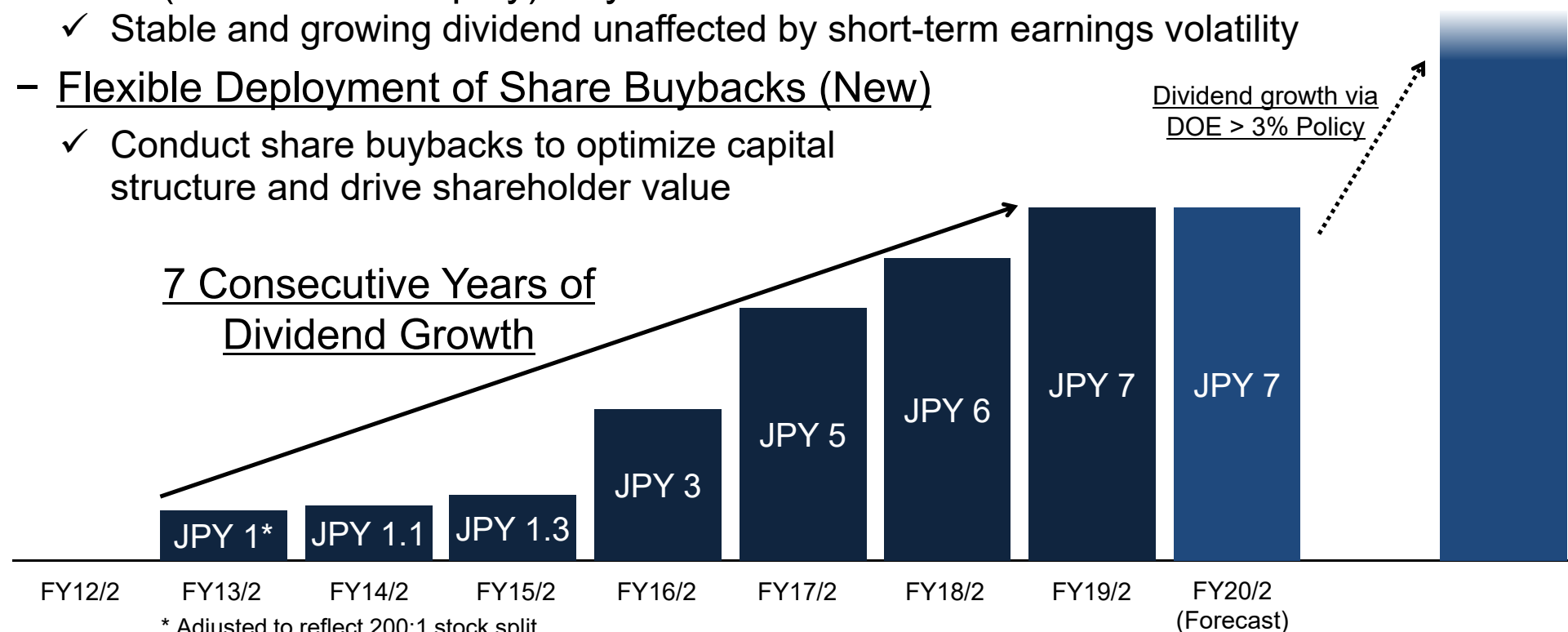
3. High Earnings Stability

- FY30/2 Stock Earnings Ratio >60%
 - ✓ Raise Stock Earnings ratio from FY19/2's 53%
 - ✓ Concurrently, increase and diversify Flow Earnings, which are currently centered on Value-Add Gains on Sales

Shareholder Return Policy

Ichigo Dividend Policy: Growth, Certainty, and Stability

- Progressive Dividend Policy
 - ✓ Ichigo's progressive dividend policy underscores our commitment to driving continued organic earnings and dividend growth for shareholders. Under this policy, the previous year's dividend becomes the floor for the current year's dividend. The dividend will be raised (or kept flat) but not cut, providing shareholders downside protection.
- DOE (Dividend on Equity) Payout Ratio of >3%
 - ✓ Stable and growing dividend unaffected by short-term earnings volatility
- Flexible Deployment of Share Buybacks (New)
 - ✓ Conduct share buybacks to optimize capital structure and drive shareholder value



FY20/2 Initiatives

Deepen Capabilities in Sustainable Real Estate

- Expand into new asset types (e.g., dormitories, sports facilities)
- Seek to be “Best Partner” to tenants via continually improving tenant services and solutions
- Strengthen group operating structure to deliver best-in-class outcomes

Accelerate Creation of New Businesses

- Further develop Ichigo Sustainable Lab
- Develop first-in-class and best-in-class Ichigo apps and other software solutions to address client needs and launch new businesses

Pro-Actively Deploy IT to Drive Higher Productivity

- Build integrated asset database
- Deploy BPA solutions
- Streamline tasks and increase asset management business productivity



Ichigo's Commitment to ESG

Ichigo Sustainability Policy

Harmony with the Environment

Ichigo actively monitors and minimizes the environmental impact of its business operations.

Energy Conservation, CO2 Reduction, and Recycling

Ichigo seeks to contribute to a low-carbon, low-waste society by reducing energy consumption, extending the useful life of assets, actively recycling, reducing waste production and water consumption, and implementing green procurement measures.

Regulatory and Environmental Compliance

Ichigo complies with all environmental laws and regulations and Ichigo's own independently-established environmental rules. Ichigo also carefully monitors and complies with all applicable changes in laws and regulations.

Training and Awareness

Ichigo promotes understanding of its Sustainability Policy and works to increase sustainability awareness among all Ichigo employees.

Sustainability Performance Communication and Disclosure

Ichigo communicates its Sustainability Policy and Ichigo's sustainability initiatives to society at large. Ichigo also obtains certifications for its sustainability activities on an ongoing basis.



Ichigo's ESG – Environmental

Solar and Wind Energy: Safe and Clean

Annual Power Generation

90,103,470 kWh



Equivalent to annual energy consumption of 25,000 households

The Federation of Electric Power Companies of Japan

Annual energy consumption per household 3,600kWh

Annual CO2 Reduction

59,468,289 kg



Equivalent to annual CO2 emission of 25,800 cars

Ministry of Environment

Annual CO2 emission per car c. 2,300kg

(FY19/2 Actuals – Includes Ichigo Green)



Sustainable Real Estate

Preserve & Enhance Existing Buildings to End Wasteful Demolish & Rebuild

- Lengthen useful life of existing real estate
- Shrink footprint by reducing demolition waste and use of raw materials, energy, and human effort for construction



Demolish

Lowest Impact
Highest Efficiency

Environmental Certifications



Ichigo Kakyoin Plaza
CASBEE Rank

S



Hakata Ekimae Square
CASBEE Rank

A



Hakata MST Building
CASBEE Rank

A

Ichigo Office (8975)



Green Star (Highest Ranking)
2 years in a row

Other Certifications:
CASBEE, BELS, DBJ Green Building Certification

Ichigo's ESG – Social

Sports & Arts

Support Outstanding, World-Class Athletes

- Weightlifting
- Riflery
- Track & Field
- Soccer (J.League)

Paralym Art Sponsor

- Support artists with disabilities



Weightlifting Athlete
Hiromi Miyake

Children's Cancer Treatment

Support University of Miyazaki Faculty of Medicine's Program for Children with Cancer

- Issued CSR bond & donated a portion of underwriter commission to the Cancer Program
- Sponsor volunteer activities in support of children with cancer



Local Communities

Promote Community Development via Sponsorship of J.League (Only Top Partner with Real Estate Expertise)

- Renovate and upgrade stadiums and help local governments reduce steep operating and maintenance costs
- Use real estate expertise to help build stronger and healthier local communities



©J.LEAGUE

Strengthen Local Communities, Create Jobs, and Boost Rural Economies via Smart Agriculture

- Collaborate with local farmers to increase agricultural output, improve quality, and raise rural incomes
- Increase Japan's food self-sufficiency



Ichigo's ESG – Governance

Early Adopter of Independent Three Committee (Nominating, Audit, & Compensation) Corporate Governance Structure

- Adopted in 2006 to incorporate global best practice
- Exceeded legal requirement by establishing Compliance Committee in addition to Nominating, Audit, and Compensation Committees
- ✓ Nominating Committee: 5 members (3 Independent Directors)
- ✓ Audit Committee: 3 members (All Independent Directors)
- ✓ Compensation Committee: 5 members (3 Independent Directors)
- ✓ Compliance Committee: 4 members (2 Independent Directors)



Board = Majority Independent Directors to Support Strong Governance

- Of 9 members of Ichigo's Board of Directors, 6 are Independent Directors
- Include former CEOs of TSE First Section-listed companies

February 2017

- ✓ Takashi Kawamura (former CEO of Hitachi, Ltd., stepped down from Ichigo's board upon appointment as Chairman of Tokyo Electric Power Company)
- ✓ Masatoshi Matsuzaki (former CEO of Konica Minolta, Inc.)
- ✓ Kosuke Nishimoto (former CEO of Meitec Corp.)

February 2018 – February 2019

- ✓ Masatoshi Matsuzaki (former CEO of Konica Minolta, Inc.)
- ✓ Kosuke Nishimoto (former CEO of Meitec Corp.)
- ✓ Nobuhide Nakaido (former CEO of SCSK Corp.)

Appendix: Financial & Real Estate Data

Significant Unrealized Gains on Balance Sheet

JPY 50.9B (Appraisal Value Basis), +12.8% vs. FY18/2-end

Real Estate Directly Held by Ichigo

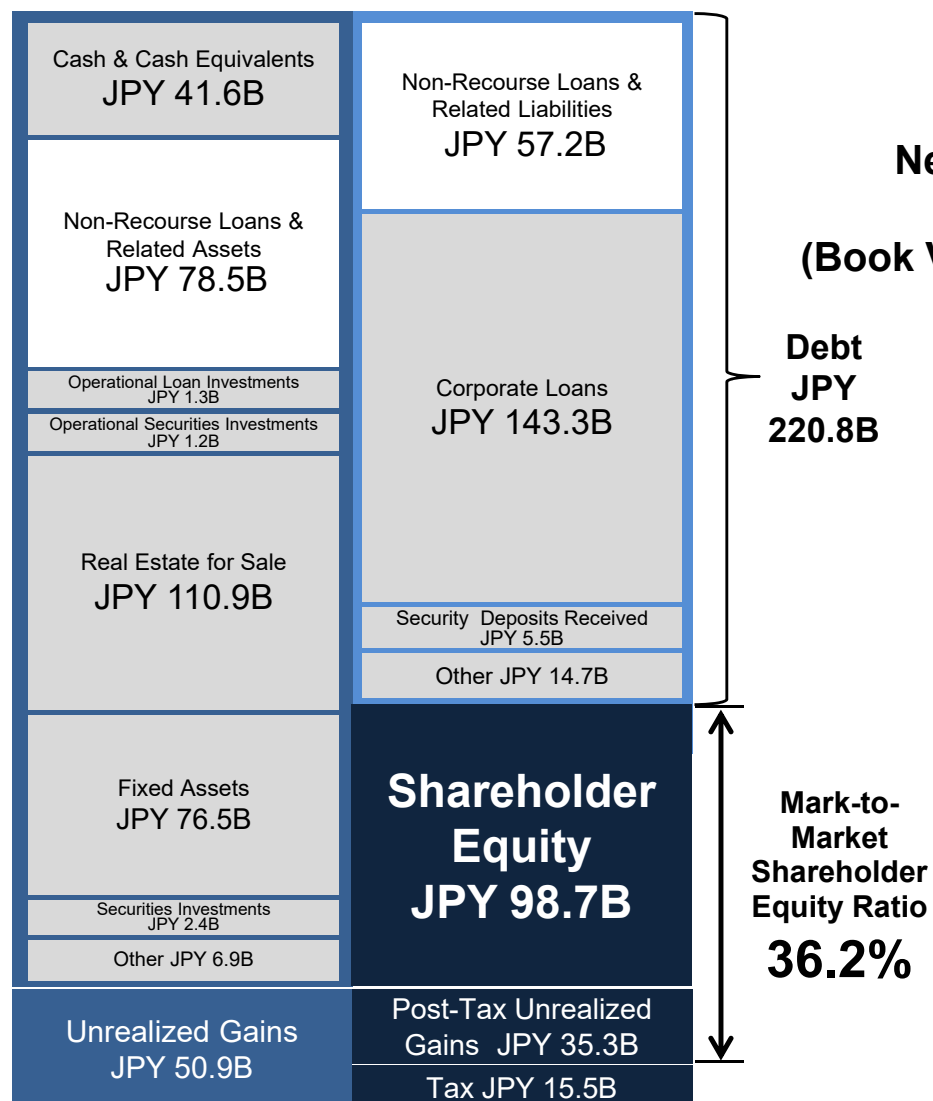
(JPY million)

Location	Book Value (FY19/2 Q4)	Expected NOI	Cap Rate (NOI/Book Value)	Appraisal Value (FY19/2 Q4)	Unrealized Gains
Tokyo	125,752	7,213	5.7%	154,893	+29,142
Outside Tokyo	104,078	7,028	6.8%	125,852	+21,774
Total	229,829	14,241	6.2%	280,745	+50,916

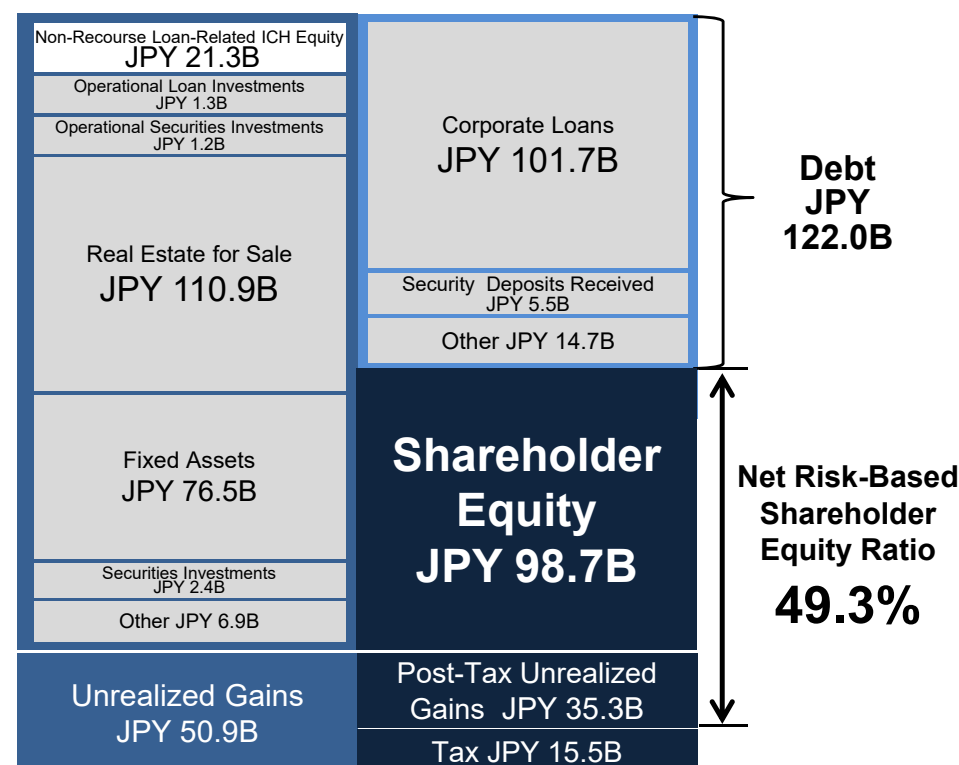
* Excludes assets under development (c. JPY 124 million) not generating NOI

Net Consolidated Risk-Based Balance Sheet

Mark-to-Market Consolidated Balance Sheet: JPY 370.5B
(Book Value JPY 319.5B + Unrealized Gains JPY 50.9B)



**Net Consolidated Risk-Based Balance Sheet:
JPY 271.6B**
(Book Value JPY 220.7B + Unrealized Gains JPY 50.9B)



Note: Net Risk-Based Balance Sheet excludes client and non-recourse assets and liabilities and nets out Cash & Cash Equivalents.

Business Segments

Asset Management

Asset Management generates fee income via management of Ichigo Office (8975), Ichigo Hotel (3463), and Ichigo Green (9282), and real estate services related to real estate acquisition, operations, and disposition.

Value-Add

Value-Add preserves and improves real estate. Ichigo earns rental income during the period in which it carries out its value-add, along with gains on sale that reflect the real estate's higher value after the value-add is complete.

Clean Energy

Clean Energy is utility-scale solar and wind power production that produces clean energy and brings productive use to idle land.

Consolidated Balance Sheet: Segment Breakdown

(JPY million)

Segment	Cash and Cash Equivalents	Operational Loan Investments	Operational Securities Investments	Real Estate for Sale	Power Plants for Sale	Fixed Assets	Intangible Assets	Securities Investments	Other Assets	Total Assets
Asset Management	–	–	–	–	–	–	841	144	863	1,849
Value-Add	19,696	1,324	1,218	161,322	–	70,564	837	992	2,990	258,947
Clean Energy	3,244	–	–	–	–	24,347	218	–	810	28,620
Company-Wide Assets	27,285	–	–	–	–	64	95	1,318	1,416	30,181
Total	50,225	1,324	1,218	161,322	–	94,976	1,993	2,455	6,081	319,599

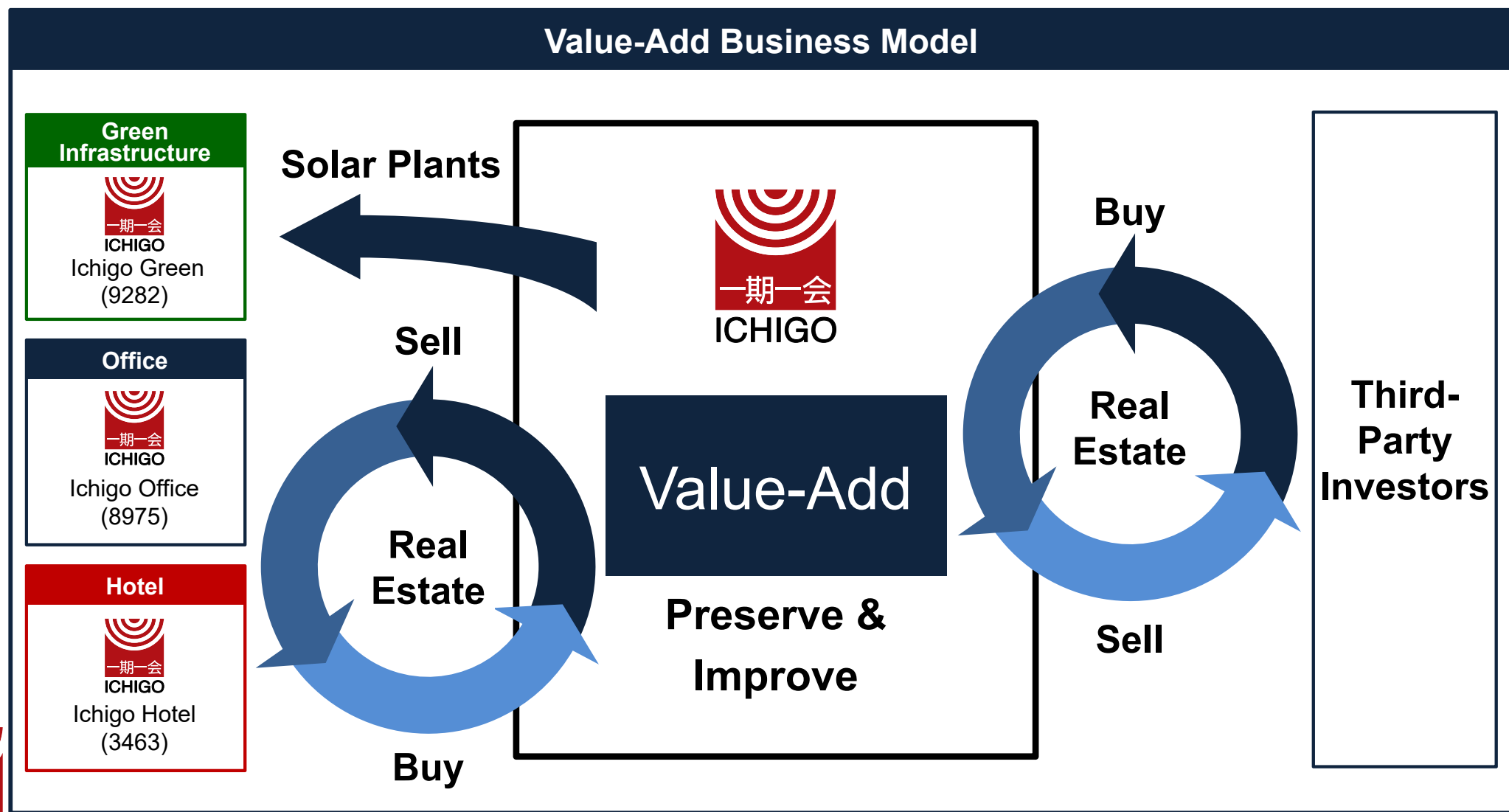
Asset Management AUM Detail

		FY14/2 (12M)	FY15/2 (12M)	FY16/2 (12M)	FY17/2 (12M)	FY18/2 (12M)	FY19/2 (12M)
Ichigo Office (8975)	AUM (Fiscal Year End)	JPY 120.5B	JPY 123.8B	JPY 165.1B	JPY 194.5B	JPY 196.9B	JPY 203.0B
	Base AM Fee Gross Profit (Actual)	JPY 733M	JPY 759M	JPY 1,016M	JPY 1,291M	JPY 1,373M	JPY 1,426M
Ichigo Hotel (3463)	AUM (Fiscal Year End)	–	–	JPY 20.4B	JPY 47.6B	JPY 50.9B	JPY 50.7B
	Base AM Fee Gross Profit (Actual)	–	–	JPY 30M	JPY 287M	JPY 450M	JPY 547M
Ichigo Green (9282)	AUM (Fiscal Year End)	–	–	–	JPY 10.0B	JPY 11.4B	JPY 11.4B
	Base AM Fee Gross Profit (Actual)	–	–	–	JPY 11M	JPY 77M	JPY 85M
Private Equity Real Estate Funds (excluding consolidated funds)	AUM (Fiscal Year End)	JPY 63.3B	JPY 21.5B	JPY 15.4B	JPY 6.4B	JPY 12.3B	JPY 20.6B
	Base AM Fee Gross Profit (Actual)	JPY 257M	JPY 114M	JPY 60M	JPY 27M	JPY 12M	JPY 41M
Total (excluding consolidated funds)	AUM (Fiscal Year End)	JPY 183.8B	JPY 145.3B	JPY 200.9B	JPY 258.6B	JPY 271.7B	JPY 285.8B
	Base AM Fee Gross Profit (Actual)	JPY 989M	JPY 872M	JPY 1,106M	JPY 1,617M	JPY 1,914M	JPY 2,100M

Ichigo Green Base AM Fee Gross Profit (Actual) includes operator fees.

Powerful Value-Add Business Model

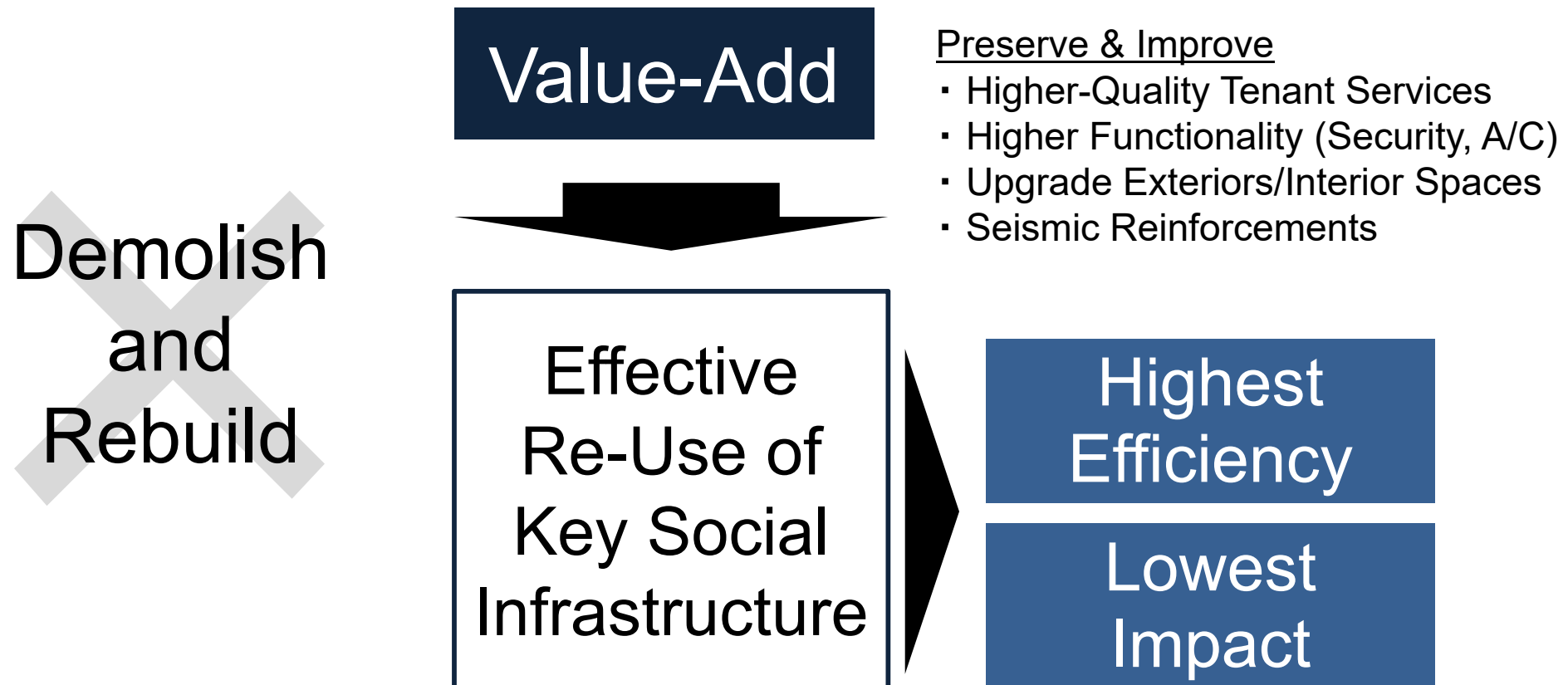
Significant Synergies Between Ichigo's Value-Add and Asset Management Businesses



Sustainable Real Estate Serving a Sustainable Society

End Demolish and Rebuild and Embrace Value-Add

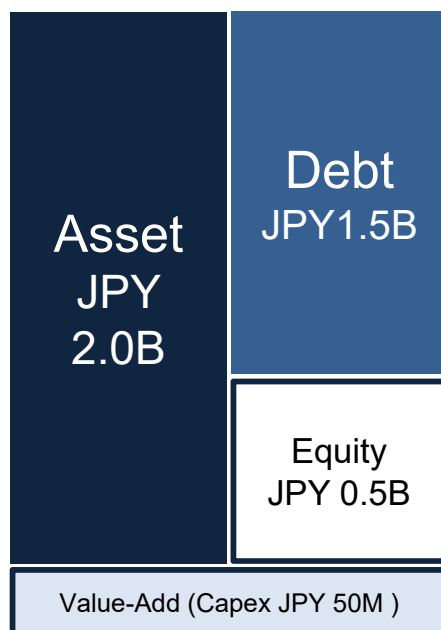
- Preserve and enhance high-function real estate
- Lengthen useful life and improve quality of existing assets via Value-Add



Example of Ichigo's Value-Add Earnings Model

5.5% NOI Yield, JPY 2B Purchase, LTV 75%, 1.5% Interest Rate, JPY 50M Capex, 15% Increase in NOI, 3-Year Value-Add Period

Value-Add Steps: Improved exterior & interior, tenant services and seismic strengthening; increased energy efficiency; found quality tenants; etc.



NOI at Acquisition

$(\text{JPY } 110\text{M NOI/year}) - (\text{JPY } 22.5\text{M interest/year}) = \text{JPY } 87.5\text{M NOI/year}$
 $\text{NOI} \div \text{Initial Investment} = 17.5\% \text{ NOI return during investment period}$

NOI after Value-Add

$(\text{JPY } 126.5\text{M NOI/year}) - (\text{JPY } 22.5\text{M interest/year}) = \text{JPY } 104\text{M NOI/year}$
 $\text{NOI} \div \text{Total Investment (JPY } 500\text{M} + \text{JPY } 50\text{M}) = 18.9\% \text{ NOI return during investment period}$

Value-Add for Capital Gain

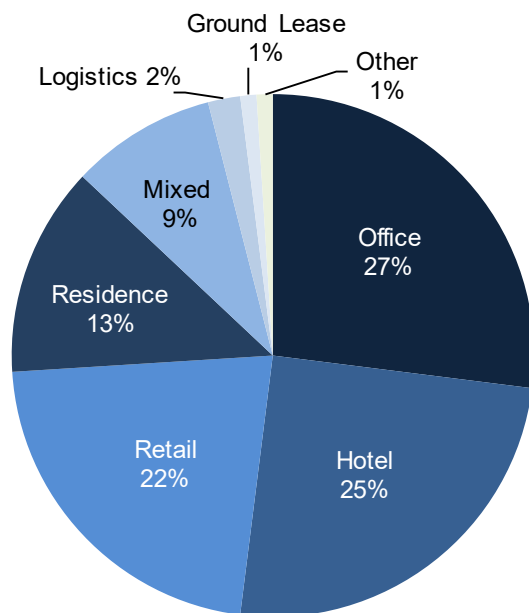
The 15% increase in NOI at an equivalent cap rate increases the exit price by 15%: $\text{JPY } 2\text{B} \times 115\% = \text{JPY } 2.3\text{B}$
 $\text{JPY } 2.3\text{B} - (\text{JPY } 2\text{B} + \text{JPY } 50\text{M}) = \text{JPY } 250\text{M capital gain}$

Result

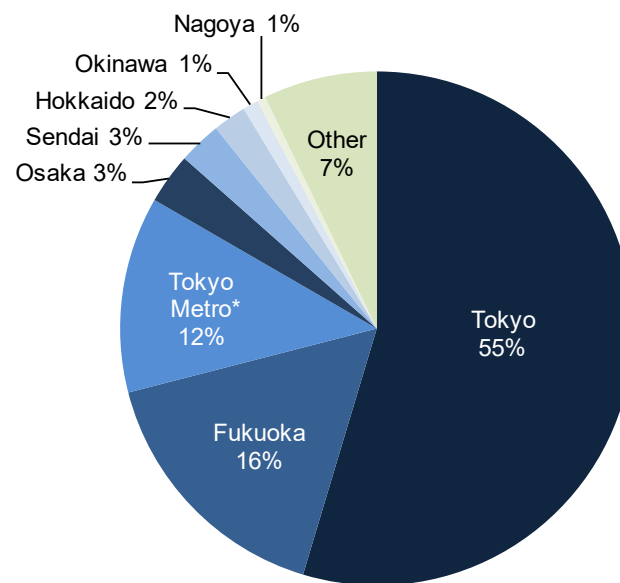
JPY 550M investment generates JPY 512M over 3 years → 31.1% p.a.

Ichigo-Owned Real Estate Portfolio

By Asset Type

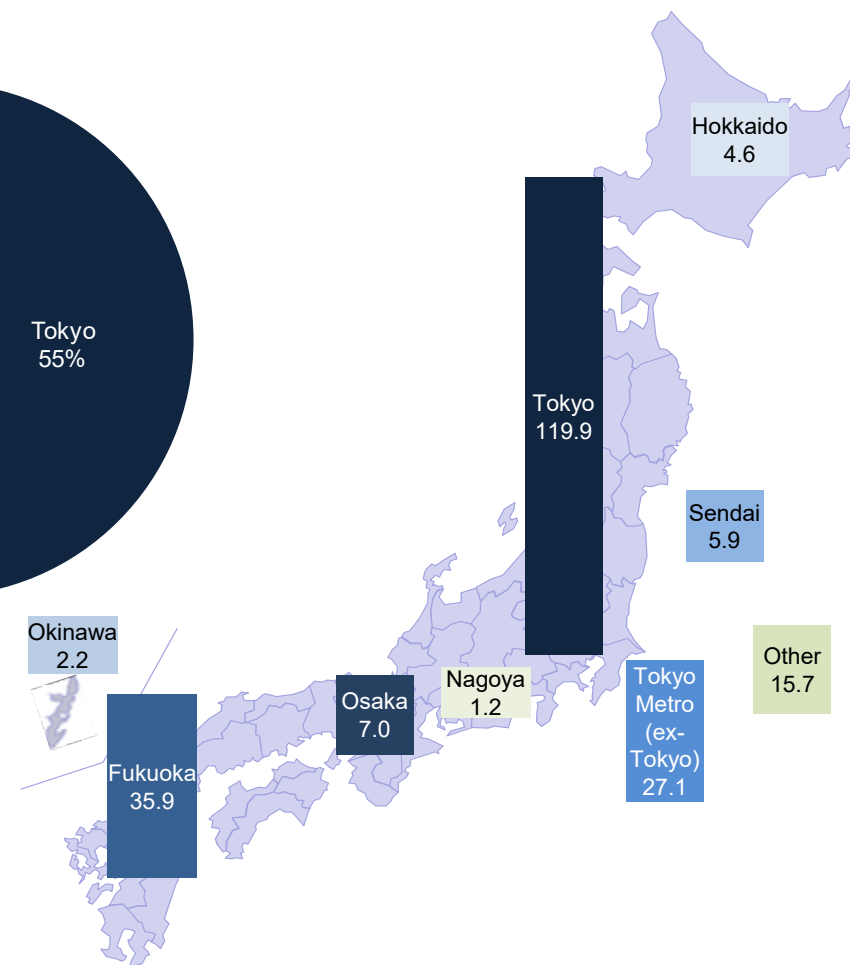


By Location

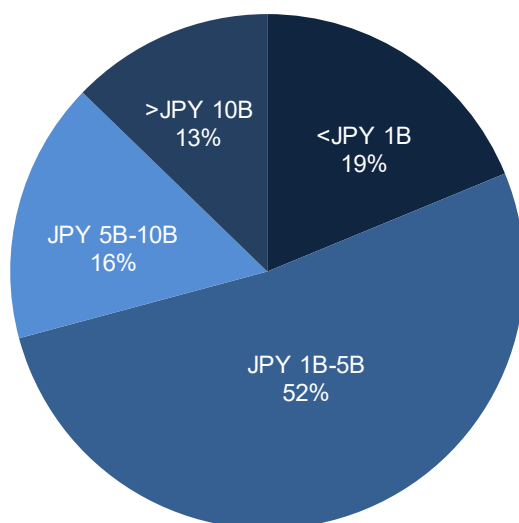


*Excludes Tokyo

(JPY billion)



By Asset Size



Total Ichigo-Owned Assets: JPY 219.4B
Including Ichigo-Managed AUM: JPY 508.4B

* Acquisition price basis.

Ichigo-Managed AUM includes JPY 11.4B Ichigo Green assets.

Total Ichigo-Owned Assets Book Value: JPY 227.6B

Value-Add Asset Breakdown (1)

162 Assets, JPY 219.4B, Forecast NOI JPY 13.9B (6.2% Book Value Yield)

No.	Asset Type	Classification	Location	Acquisition Price	Acquisition Date	Building Age	Expected NOI/Year	Ichigo Equity Investment	Forecast Equity Multiple ¹	Forecast IRR ²
1	Wholesale Market	Fixed Asset	Matsudo, Chiba	JPY 2B-3B	2005/06	46 years	JPY 73M	JPY 1,900M	—	—
2	Retail	Real Estate for Sale	Minato-ku, Tokyo	JPY 2B-3B	2005/10	49 years	JPY 144M	JPY 1,033M	—	—
3	Retail	Fixed Asset	Minato-ku, Tokyo	≥JPY 3B	2006/03	33 years	JPY 192M	JPY 1,356M	—	—
4	Retail	Fixed Asset	Yokohama	JPY 1B-2B	2006/09	14 years	JPY 78M	JPY 1,157M	—	—
5	Office	Fixed Asset	Sendai	≥JPY 3B	2006/10	10 years	JPY 317M	JPY 1,042M	—	—
6	Office	Fixed Asset	Fukuoka	≥JPY 3B	2006/12	10 years	JPY 414M	JPY 1,339M	—	—
10	Retail	Fixed Asset	Chiyoda-ku, Tokyo	<JPY 1B	2007/06	39 years	JPY 83M	JPY 240M	—	—
11	Retail	Fixed Asset	Chiyoda-ku, Tokyo	<JPY 1B	2007/06	37 years	JPY 126M	JPY 233M	—	—
14	Ground Lease	Fixed Asset	Atsugi, Kanagawa	JPY 1B-2B	2011/06	—	JPY 175M	JPY 147M	—	—
15	Mixed (Office/Retail)	Fixed Asset	Hiratsuka, Kanagawa	<JPY 1B	2012/02	23 years	JPY 85M	JPY 172M	—	—
16	Retail	Real Estate for Sale	Yokohama	<JPY 1B	2012/10	5 years	JPY 30M	JPY 171M	—	—
17	Retail	Fixed Asset	Toshima-ku, Tokyo	≥JPY 3B	2013/03	8 years	JPY 235M	JPY 340M	—	—
18	Retail	Fixed Asset	Shibuya-ku, Tokyo	<JPY 1B	2013/05	32 years	JPY 47M	JPY 154M	—	—
19	Mixed (Office/Retail)	Fixed Asset	Chofu, Tokyo	JPY 1B-2B	2013/06	33 years	JPY 127M	JPY 310M	—	—
21	Residence	Fixed Asset	Minato-ku, Tokyo	<JPY 1B	2013/06	3 years	JPY 47M	JPY 203M	—	—

¹ Forecast Equity Multiple is based on the business plan of each asset and is the forecast sum of rental income and gains on sale divided by Ichigo Investment.

² Forecast IRR is the forecast internal rate of return based on each asset's actual cash flow. The total Forecast Equity Multiple and Forecast IRR are for Real Estate for Sale assets acquired from FY15/2 onward and exclude Fixed Assets.

Value-Add Asset Breakdown (2)

No.	Asset Type	Classification	Location	Acquisition Price	Acquisition Date	Building Age	Expected NOI/Year	Ichigo Equity Investment	Forecast Equity Multiple ¹	Forecast IRR ²
27	Retail	Fixed Asset	Tokorozawa, Saitama	JPY 1B-2B	2013/11	11 years	JPY 63M	JPY 92M	—	—
29	Ground Lease	Fixed Asset	Fujisawa, Kanagawa	JPY 1B-2B	2014/03	—	JPY 115M	JPY 273M	—	—
30	Mixed (Office/Retail)	Real Estate for Sale	Shibuya-ku, Tokyo	<JPY 1B	2014/03	35 years	JPY 44M	JPY 108M	6.95X	26.0%
31	Office	Real Estate for Sale	Shibuya-ku, Tokyo	JPY 1B-2B	2014/04	8 years	JPY 61M	JPY 1,090M	1.25X	12.0%
32	Retail	Fixed Asset	Fukuoka	JPY 1B-2B	2014/04	12 years	JPY 60M	JPY 279M	—	—
35	Mixed (Office/Retail)	Real Estate for Sale	Minato-ku, Tokyo	JPY 2B-3B	2014/05	10 years	JPY 168M	JPY 434M	3.08X	15.2%
37	Retail	Fixed Asset	Minato-ku, Tokyo	<JPY 1B	2014/07	46 years	JPY 43M	JPY 77M	—	—
38	Mixed (Office/Retail)	Real Estate for Sale	Shinjuku-ku, Tokyo	≥JPY 3B	2014/07	43 years	JPY 172M	JPY 645M	3.32X	21.1%
39	Retail	Fixed Asset	Fukuoka	<JPY 1B	2014/07	14 years	JPY 48M	JPY 213M	—	—
40	Retail	Real Estate for Sale	Fukuoka	<JPY 1B	2014/09	33 years	JPY 51M	JPY 252M	—	—
41	Hotel	Real Estate for Sale	Utsunomiya, Tochigi	JPY 1B-2B	2014/09	31 years	JPY 190M	JPY 400M	1.97X	28.3%
42	Retail	Real Estate for Sale	Fukuoka	<JPY 1B	2014/09	18 years	JPY 53M	JPY 177M	5.54X	26.2%
43	Retail	Real Estate for Sale	Osaka	JPY 1B-2B	2014/09	16 years	JPY 105M	JPY 301M	4.64X	24.3%
45	Retail	Real Estate for Sale	Fukuoka	JPY 1B-2B	2014/11	16 years	JPY 74M	JPY 135M	10.70X	33.8%
46	Residence	Real Estate for Sale	Chiyoda-ku, Tokyo	JPY 2B-3B	2014/12	15 years	JPY 117M	JPY 332M	2.18X	29.2%

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Value-Add Asset Breakdown (3)

No.	Asset Type	Classification	Location	Acquisition Price	Acquisition Date	Building Age	Expected NOI/Year	Ichigo Equity Investment	Forecast Equity Multiple ¹	Forecast IRR ²
47	Residence	Real Estate for Sale	Koto-ku, Tokyo	JPY 1B-2B	2014/12	12 years	JPY 93M	JPY 270M	1.56X	14.6%
50	Residence	Real Estate for Sale	Sumida-ku, Tokyo	JPY 1B-2B	2014/12	13 years	JPY 60M	JPY 163M	1.55X	15.2%
51	Residence	Real Estate for Sale	Ota-ku, Tokyo	<JPY 1B	2014/12	17 years	JPY 54M	JPY 150M	2.21X	35.7%
53	Residence	Real Estate for Sale	Chuo-ku, Tokyo	<JPY 1B	2014/12	15 years	JPY 38M	JPY 99M	2.96X	44.4%
55	Residence	Real Estate for Sale	Shinjuku-ku, Tokyo	<JPY 1B	2014/12	14 years	JPY 26M	JPY 82M	2.05X	25.8%
56	Residence	Real Estate for Sale	Shibuya-ku, Tokyo	JPY 1B-2B	2014/12	13 years	JPY 88M	JPY 270M	2.00X	23.2%
57	Residence	Real Estate for Sale	Minato-ku, Tokyo	JPY 1B-2B	2014/12	15 years	JPY 54M	JPY 186M	1.90X	21.0%
59	Residence	Real Estate for Sale	Setagaya-ku, Tokyo	<JPY 1B	2014/12	14 years	JPY 40M	JPY 117M	2.11X	27.2%
60	Residence	Real Estate for Sale	Shinjuku-ku, Tokyo	<JPY 1B	2014/12	12 years	JPY 19M	JPY 55M	1.80X	21.1%
61	Mixed (Office/Retail)	Operational Loan	Shinjuku-ku, Tokyo	JPY 1B-2B	2014/12	55 years	JPY 128M	JPY 57M	15.26X	51.7%
62	Retail	Real Estate for Sale	Fukuoka	<JPY 1B	2014/12	15 years	JPY 46M	JPY 212M	—	—
63	Retail	Fixed Asset	Meguro-ku, Tokyo	JPY 1B-2B	2014/12	12 years	JPY 84M	JPY 129M	—	—
64	Retail	Real Estate for Sale	Shinagawa-ku, Tokyo	<JPY 1B	2015/01	64 years	JPY 23M	—	—	—
66	Retail	Real Estate for Sale	Sendai	<JPY 1B	2015/02	15 years	JPY 48M	JPY 8M	42.58X	198.9%
68	Retail	Fixed Asset	Shibuya-ku, Tokyo	<JPY 1B	2015/04	17 years	JPY 47M	JPY 79M	—	—

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Value-Add Asset Breakdown (4)

No.	Asset Type	Classification	Location	Acquisition Price	Acquisition Date	Building Age	Expected NOI/Year	Ichigo Equity Investment	Forecast Equity Multiple ¹	Forecast IRR ²
69	Hotel	Real Estate for Sale	Osaka	JPY 2B-3B	2015/05	16 years	JPY 195M	JPY 633M	1.56X	58.3%
70	Hotel	Real Estate for Sale	Aomori	<JPY 1B	2015/06	11 years	JPY 51M	JPY 113M	2.10X	20.2%
71	Retail	Real Estate for Sale	Fujisawa, Kanagawa	JPY 1B-2B	2015/07	3 years	JPY 95M	JPY 126M	6.80X	37.3%
89	Office	Real Estate for Sale	Musashino, Tokyo	≥JPY 3B	2015/07	30 years	JPY 147M	JPY 670M	1.72X	13.3%
92	Office	Real Estate for Sale	Fukuoka	JPY 1B-2B	2015/07	11 years	JPY 100M	JPY 353M	1.82X	17.7%
93	Office	Real Estate for Sale	Fukuoka	JPY 1B-2B	2015/07	16 years	JPY 94M	JPY 358M	1.92X	18.8%
105	Hotel	Real Estate for Sale	Kumamoto	JPY 1B-2B	2015/12	34 years	JPY 158M	JPY 453M	1.61X	61.2%
110	Hotel	Real Estate for Sale	Fukuoka	≥JPY 3B	2016/03	33 years	JPY 288M	JPY 905M	2.05X	104.5%
111	Hotel	Fixed Asset	Yokohama	JPY 2B-3B	2016/03	35 years	JPY 184M	JPY 228M	—	—
112	Hotel	Real Estate for Sale	Yokohama	JPY 3B	2016/03	31 years	JPY 260M	JPY 354M	10.64X	36.2%
113	Hotel	Real Estate for Sale	Yokohama	≥JPY 3B	2016/03	31 years	JPY 213M	JPY 344M	5.84X	25.5%
114	Hotel	Real Estate for Sale	Fukuoka	≥JPY 3B	2016/04	29 years	JPY 223M	JPY 550M	1.73X	72.6%
115	Hotel	Real Estate for Sale	Osaka	JPY 2B-3B	2016/04	11 years	JPY 111M	JPY 274M	2.96X	30.7%
116	Retail	Fixed Asset	Sendai	<JPY 1B	2016/04	30 years	JPY 47M	JPY 86M	—	—
118	Retail	Real Estate for Sale	Nagoya	JPY 1B-2B	2016/06	21 years	JPY 86M	JPY 102M	7.71X	32.6%

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² Forecast IRR is the forecast internal rate of return based on each asset's actual cash flow. The total Forecast Equity Multiple and Forecast IRR are for Real Estate for Sale assets acquired from FY15/2 onward and exclude Fixed Assets.

Value-Add Asset Breakdown (5)

No.	Asset Type	Classification	Location	Acquisition Price	Acquisition Date	Building Age	Expected NOI/Year	Ichigo Equity Investment	Forecast Equity Multiple ¹	Forecast IRR ²
119	Retail	Real Estate for Sale	Shibuya-ku, Tokyo	<JPY 1B	2016/06	31 years	JPY 37M	JPY 136M	3.91X	17.4%
120	Hotel	Fixed Asset	Shinjuku-ku, Tokyo	≥JPY 3B	2016/09	39 years	JPY 845M	JPY 349M	–	–
121	Office	Real Estate for Sale	Minato-ku, Tokyo	≥JPY 3B	2016/10	18 years	JPY 1,600M	JPY 3,450M	2.87X	43.5%
122	Hotel	Real Estate for Sale	Shima, Mie	<JPY 1B	2017/01	21 years	JPY 54M	JPY 73M	5.49X	43.1%
123	Hotel	Real Estate for Sale	Shibuya-ku, Tokyo	≥JPY 3B	2016/12	24 years	JPY 202M	JPY 1,123M	1.25X	25.4%
124	Hotel	Real Estate for Sale	Asahikawa, Hokkaido	<JPY 1B	2016/12	29 years	JPY 78M	JPY 593M	1.48X	48.5%
126	Hotel	Real Estate for Sale	Fukuoka	JPY 1B-2B	2016/12	28 years	JPY 91M	JPY 505M	1.25X	25.4%
127	Hotel	Real Estate for Sale	Ishigaki, Okinawa	JPY 2B-3B	2017/02	16 years	JPY 168M	JPY 544M	1.80X	80.2%
128	Hotel	Real Estate for Sale	Mito, Ibaraki	JPY 1B-2B	2017/02	25 years	JPY 150M	JPY 602M	1.47X	47.0%
130	Retail	Real Estate for Sale	Taito-ku, Tokyo	JPY 1B-2B	2017/04	25 years	JPY 94M	JPY 297M	4.42X	21.1%
132	Residence	Real Estate for Sale	Minato-ku, Tokyo	<JPY 1B	2017/04	15 years	JPY 51M	JPY 190M	2.66X	38.3%
133	Hotel	Real Estate for Sale	Minato-ku, Tokyo	<JPY 1B	2017/04	16 years	JPY 32M	JPY 152M	3.85X	32.7%
134	Residence	Real Estate for Sale	Chuo-ku, Tokyo	JPY 1B-2B	2017/04	16 years	JPY 48M	JPY 197M	2.88X	26.2%
135	Logistics	Real Estate for Sale	Narashino, Chiba	JPY 1B-2B	2017/04	27 years	JPY 98M	JPY 188M	6.18X	25.8%
136	Logistics	Real Estate for Sale	Narashino, Chiba	JPY 1B-2B	2017/04	27 years	JPY 160M	JPY 203M	8.75X	32.8%

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² Forecast IRR is the forecast internal rate of return based on each asset's actual cash flow. The total Forecast Equity Multiple and Forecast IRR are for Real Estate for Sale assets acquired from FY15/2 onward and exclude Fixed Assets.

Value-Add Asset Breakdown (6)

No.	Asset Type	Classification	Location	Acquisition Price	Acquisition Date	Building Age	Expected NOI/Year	Ichigo Equity Investment	Forecast Equity Multiple ¹	Forecast IRR ²
138	Hotel	Real Estate for Sale	Ogaki, Gifu	JPY 1B-2B	2017/05	29 years	JPY 84M	–	–	–
139	Office	Real Estate for Sale	Shibuya-ku, Tokyo	<JPY 1B	2017/05	2 years	JPY 28M	JPY 600M	1.15X	15.1%
142	Hotel	Real Estate for Sale	Kanazawa	JPY 1B-2B	2017/11	1 year	JPY 92M	JPY 372M	2.12X	54.2%
143	Retail	Real Estate for Sale	Fukuoka	JPY 1B-2B	2017/09	34 years	JPY 97M	JPY 223M	3.78X	19.9%
144	Office	Real Estate for Sale	Chiyoda-ku, Tokyo	JPY 1B-2B	2018/02	30 years	JPY 97M	JPY 268M	8.00X	34.7%
145	Hotel	Real Estate for Sale	Fukuoka	JPY 2B-3B	2018/03	1 year	JPY 194M	JPY 301M	3.37X	102.4%
146	Retail	Fixed Asset	Chuo-ku, Tokyo	JPY 1B-2B	2018/08	28 years	JPY 31M	JPY 375M	–	–
147	Hotel	Real Estate for Sale	Kyoto	≥JPY 3B	2018/08	1 year	JPY 328M	JPY 1,666M	1.59X	27.2%
148	Office	Real Estate for Sale	Chiyoda-ku, Tokyo	<JPY 1B	2018/08	50 years	JPY 54M	JPY 166M	3.93X	104.4%
149	Retail	Fixed Asset	Chiyoda-ku, Tokyo	≥JPY 3B	2018/09	28 years	JPY 308M	JPY 2,269M	–	–
150	Mixed (Office/Retail)	Real Estate for Sale	Chuo-ku, Tokyo	≥JPY 3B	2018/10	31 years	JPY 354M	JPY 1,161M	6.17X	24.7%
151	Mixed (Office/Retail)	Real Estate for Sale	Fukuoka	<JPY 1B	2018/10	20 years	JPY 37M	JPY 38M	5.08X	43.1%
152	Office	Real Estate for Sale	Fukuoka	JPY 2B-3B	2019/02	31 years	JPY 174M	JPY 382M	5.07X	19.6%
153	Hotel	Real Estate for Sale	Fukuoka	<JPY 1B	2019/02	25 years	JPY 110M	–	–	–
Sub-Total 89 Assets				JPY 193,242M			JPY 12,328M	JPY 38,455M	2.94X	38.2%
				JPY 200,607M (Book Value)						

¹ Forecast Equity Multiple is based on the business plan of each asset and is the forecast sum of rental income and gains on sale divided by Ichigo Investment.

² Forecast IRR is the forecast internal rate of return based on each asset's actual cash flow. The total Forecast Equity Multiple and Forecast IRR are for Real Estate for Sale assets acquired from FY15/2 onward and exclude Fixed Assets.

Value-Add Asset Breakdown (7)

No.	Asset Type		Acquisition Price	vs. FY18/2 Q4	Expected NOI/Year	Ichigo Equity Investment	Forecast Equity Multiple	Forecast IRR
A	Ichigo Owners (Office & Residence)	31 Assets	JPY 17,129M	+JPY 1,878M	JPY 899M	JPY 5,313M	–	–
B	Centro (Primarily Office & Residence)	18 Assets	JPY 7,060M	+JPY 2,117M	JPY 482M	JPY 2,472M	–	–
C	Self-Storage	24 Assets	JPY 1,996M	+JPY 119M	JPY 282M	JPY 491M	–	–
Total 162 Assets			JPY 219,427M		JPY 13,991M	JPY 46,731M	–	–
			JPY 227,642M (Book Value)					
Assets acquired in FY19/2 Q1 (3M)		Total 7 Assets	JPY 6,927M		JPY 373M	JPY 2,449M	–	–
Assets acquired in FY19/2 Q2 (3M)		Total 14 Assets	JPY 15,644M		JPY 750M	JPY 4,052M	–	–
Assets acquired in FY19/2 Q3 (3M)		Total 9 Assets	JPY 18,979M		JPY 871M	JPY 5,124M	–	–
Assets acquired in FY19/2 Q4 (3M)		Total 10 Assets	JPY 8,000M		JPY 470M	JPY 2,202M	–	–
Assets acquired in FY19/2 (12M)		Total 40 Assets	JPY 49,550M		JPY 2,464M	JPY 13,827M	–	–
Assets acquired and sold in FY19/2		Total 12 Assets *	JPY 9,156M		JPY 345M	JPY 3,666M	–	–

* Sold 10 Ichigo Owners assets and 2 Centro assets

Ichigo Solar Power Plant Portfolio

Ichigo (Operating)

Solar Power Plant	Area	Panel Output (MW)	FIT (Pre-tax)	Operation Start Date
Ichigo Tokushima Higashi-Okinosu	Shikoku	2.52	JPY 40	Aug 2013
Ichigo Fuchu Jogecho Yano	Chugoku	0.99	JPY 40	Mar 2014
Ichigo Yubetsu Barou	Hokkaido	0.80	JPY 40	Apr 2014
Ichigo Maebashi Naegashima	Kanto	0.67	JPY 40	Apr 2014
Ichigo Betsukai Kawakamicho	Hokkaido	0.88	JPY 40	Oct 2014
Ichigo Toyokoro Sasadamachi	Hokkaido	0.60	JPY 40	Oct 2014
Ichigo Higashi-Hiroshima Saijocho Taguchi	Chugoku	2.72	JPY 40	Jan 2015
Ichigo Akkeshi Shirahama	Hokkaido	0.80	JPY 40	Mar 2015
Ichigo Hamanaka Bokujo Tsurunokotai	Tohoku	2.31	JPY 36	Dec 2015
Ichigo Yonago Izumi	Chugoku	2.61	JPY 40	Jan 2016
Ichigo Kasaoka Takumicho	Chugoku	1.11	JPY 32	Mar 2016
Ichigo Kijo Takajo	Kyushu	0.89	JPY 40	May 2016
Ichigo Toki Oroshicho	Chubu	1.39	JPY 36	Jun 2016
Ichigo Toride Shimotakai Kita	Kanto	1.03	JPY 32	Jul 2016
Ichigo Toride Shimotakai Minami	Kanto	0.54	JPY 32	Jul 2016
Ichigo Hamanaka Bokujo Kajibayashi	Tohoku	2.31	JPY 36	Oct 2016
Ichigo Sera Tsukuchi	Chugoku	2.54	JPY 32	Feb 2017
Ichigo Sera Aomizu	Chugoku	2.87	JPY 32	Aug 2017
Ichigo Showamura Ogose	Kanto	43.34	JPY 36	Sep 2017
Ichigo Memuro Nishishikari	Hokkaido	1.32	JPY 40	Feb 2018
Ichigo Kure Yasuuracho Nakahata	Chugoku	2.90	JPY 36	Mar 2018
Ichigo Tsu	Chubu	2.94	JPY 24	Mar 2018
Ichigo Kasaoka Iwanoike	Chugoku	2.64	JPY 24	Mar 2018
Ichigo Toki Tsurusatocho Kakino	Chubu	1.31	JPY 24	Apr 2018
Ichigo Itoshima Iwara	Kyushu	1.48	JPY 36	Jan 2019
Total (Operating)	25 Plants 83.63MW			

Total
170.7MW

Ichigo (In-Development)

Solar Power Plant	Area	Panel Output (MW)	FIT (Pre-tax)	Operation Start Date
Ichigo Sakahogi Fukagaya	Chubu	2.89	JPY 21	May 2019
Ichigo Sennan Kitsuneike	Kansai	2.86	JPY 21	Jun 2019
Ichigo Minakami Aramaki	Kanto	12.02	JPY 36	Nov 2019
Ichigo Hitachi Omiya	Kanto	2.96	JPY 24	Nov 2019
Ichigo Takashima Kutsuki	Kansai	3.74	JPY 32	Dec 2019
Ichigo Toki Tsurusatocho Kakino Higashi	Chubu	1.68	JPY 21	Jan 2020
Ichigo Kasaoka Osakaike	Chugoku	2.39	JPY 21	Jan 2020
Ichigo Minokamo Hachiyacho Kamihachiya	Chubu	1.30	JPY 18	Mar 2020
Ichigo Hokota Aoyagi	Kanto	2.48	JPY 24	Mar 2020
Ichigo Seto Jokojicho	Chubu	1.50	JPY 18	Aug 2020
Ichigo Obu Yoshidamachi	Chubu	0.98	JPY 18	Sep 2020
(Wind) Ichigo Yonezawa Itaya	Tohoku	7.39	JPY 22	Sep 2020
Ichigo Kasaoka Idachiike	Chugoku	2.66	JPY 18	Oct 2020
Ichigo Toride Shimotakai Nishi	Kanto	2.99	JPY 18	Apr 2021
Ichigo Kobe Pompuike	Kansai	2.95	JPY 18	Jul 2021
Ichigo Sera Shimotsuda	Chugoku	2.81	JPY 18	Aug 2021
Ichigo Ueda Yoshidaie	Chubu	1.01	JPY 18	Oct 2021
Ichigo Miyakonojo Takazakicho Tsumagirishima	Kyushu	2.96	JPY 32	Nov 2021
Total (In-Development)	18 Plants 57.65MW			
Total (Operating & In-Development)	43 Plants 141.28MW			

Ichigo Green (9282)

Area (Number of Power Plants)	Panel Output (MW)	FIT (Pre-tax)
Hokkaido (7)	9.14	JPY 40
Kanto (1)	1.33	JPY 40
Chubu (1)	1.80	JPY 32
Chugoku (2)	3.60	JPY 36, JPY40
Shikoku (2)	3.67	JPY 36, JPY40
Kyushu (1)	1.44	JPY 36
Okinawa (1)	8.44	JPY 40
Total	15 Plants 29.43MW	

Ichigo Solar & Wind Power Plant Portfolio

Serving Local Communities and the Environment

Total Operating and In-Development
Ichigo Power Plants

58 Plants (170MW)

Currently Operating

40 Plants (113MW)

Okinawa

Ichigo Nago Futami	8.44MW
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Kyushu

Ichigo Kijo Takajo	0.89MW
Ichigo Itoshima Iwara	1.48MW
Ichigo Miyakonojo Yasuhisacho	1.44MW
Ichigo Miyakonojo Takazakicho Tsumagirishima	2.96MW
Total	6.79MW

Chugoku

Ichigo Yonago Izumi	2.61MW
Ichigo Kasaoka Takumicho	1.11MW
Ichigo Fuchu Jogecho Yano	0.99MW
Ichigo Sera Tsukuchi	2.54MW
Ichigo Sera Aomizu	2.87MW
Ichigo Higashi-Hiroshima Saijocho Taguchi	2.72MW
Ichigo Kasaoka Iwanoike	2.64MW
Ichigo Kure Yasuuracho Nakahata	2.90MW
Ichigo Yamaguchi Aionishi	1.24MW
Ichigo Yamaguchi Sayama	2.35MW
Ichigo Kasaoka Osakaike	2.39MW
Ichigo Kasaoka Idachiike	2.66MW
Ichigo Sera Shimotsuda	2.81MW
Total	29.89MW

Hokkaido

Ichigo Yubetsu Barou	0.80MW
Ichigo Betsukai Kawakamicho	0.88MW
Ichigo Akkeshi Shirahama	0.80MW
Ichigo Toyokoro Sasadamachi	0.60MW
Ichigo Memuro Nishishikari	1.32MW
Ichigo Motomombetsu	1.40MW
Ichigo Engaru Higashimachi	1.24MW
Ichigo Engaru Kiyokawa	1.12MW
Ichigo Abira Toasa	1.16MW
Ichigo Muroran Hatchodaira	1.24MW
Ichigo Toyokoro	1.02MW
Ichigo Nakashibetsu Midorigaoka	1.93MW
Total	13.57MW

Tohoku

Ichigo Hamanaka Bokujo Tsurunokotai	2.31MW
Ichigo Hamanaka Bokujo Kajibayashi	2.31MW
(Wind) Ichigo Yonezawa Itaya	7.39MW
Total	12.01MW
(Wind) Iwate	7.50MW
(Wind) Fukushima	7.00MW

Chubu

Ichigo Toki Oroshicho	1.39MW
Ichigo Tsu	2.94MW
Ichigo Toki Tsurusatocho Kakino	1.31MW
Ichigo Toyokawa Mitocho Sawakihama	1.80MW
Ichigo Sakahogi Fukagaya	2.89MW
Ichigo Toki Tsurusatocho Kakino Higashi	1.68MW
Ichigo Minokamo Hachiyacho Kamihachiya	1.30MW
Ichigo Seto Jokojicho	1.50MW
Ichigo Obu Yoshidamachi	0.98MW
Ichigo Ueda Yoshidaie	1.01MW
Total	16.84MW

Kansai

Ichigo Sennan Kitsuneike	2.86MW
Ichigo Takashima Kutsuki	3.74MW
Ichigo Kobe Pompuike	2.95MW
Total	9.56MW

Shikoku

Ichigo Tokushima Higashi-Okinosu	2.52MW
Ichigo Takamatsu Kokubunjicho Nii	2.43MW
Ichigo Iyo Nakayamacho Izubuchi	1.23MW
Total	6.19MW

Kanto

Ichigo Maebashi Naegashima	0.67MW
Ichigo Showamura Ogose	43.34MW
Ichigo Toride Shimotakai Kita	1.03MW
Ichigo Toride Shimotakai Minami	0.54MW
Ichigo Kiryu Okuzawa	1.33MW
Ichigo Minakami Aramaki	12.02MW
Ichigo Hitachi Omiya	2.96MW
Ichigo Hokota Aoyagi	2.48MW
Ichigo Toride Shimotakai Nishi	2.99MW
Total	67.39MW
(Wind) Chiba	4.00MW

Ichigo
 Ichigo Green (9282)
 In-Development



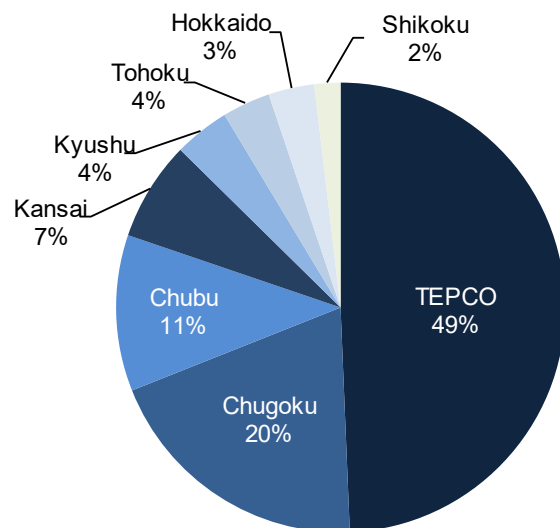
Ichigo-Owned Solar Power Plant Details

Total Operating and In-Development

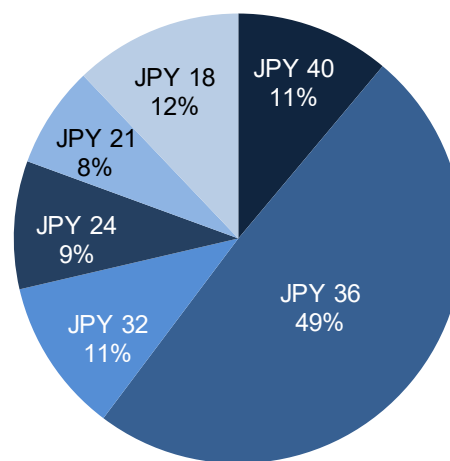
Ichigo-Owned Solar Power Plants: 42 Plants (133.89MW)

By Customer

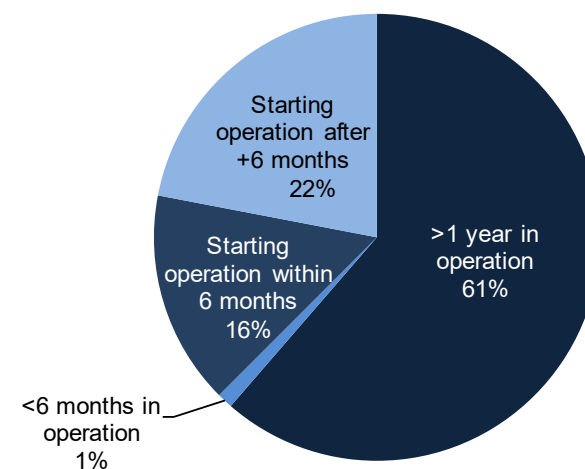
(Electric Power Utility Co)



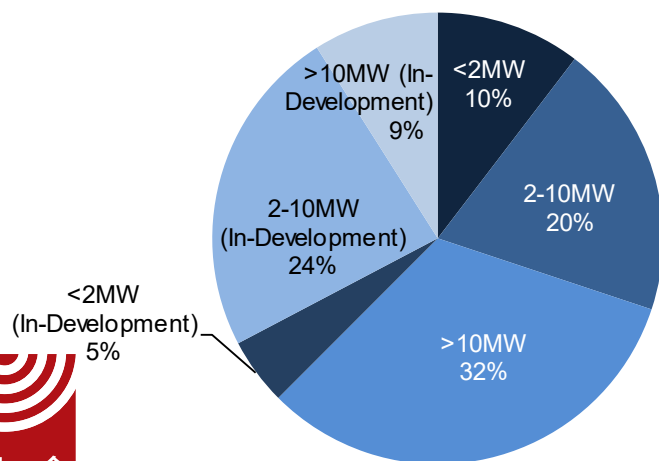
By Feed-In-Tariff



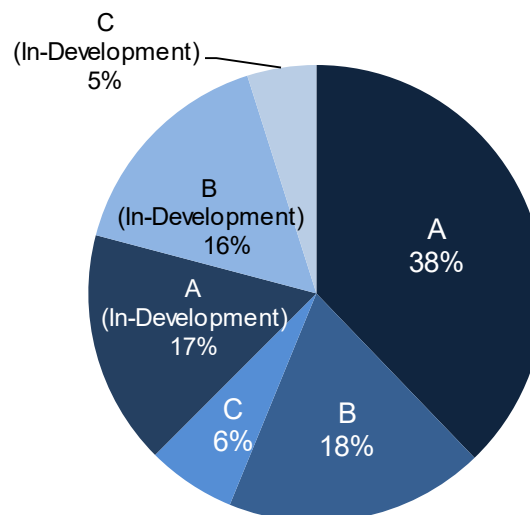
By Operating Timeline



By Output



By Solar Intensity



Rank	Solar Intensity
A	≥ 4.00
B	$\geq 3.75, < 4.00$
C	$\geq 3.50, < 3.75$
D	< 3.50

Unit: kWh/m² per day

Reference: Japan's Feed-In Tariff (FIT)

What is a FIT?

- A policy mechanism to encourage investment in renewable energies by guaranteeing a fixed price for electricity over a 20-year contract period
- The fixed price for new contracts is adjusted every year, but locked in for the duration of the contract period

Solar Power FIT

Contract Date	FIT	Guarantee Period
FY2012	JPY 40	20 years
FY2013	JPY 36	20 years
FY2014	JPY 32	20 years
FY2015 (4/1~6/30)	JPY 29	20 years
FY2015 (7/1~3/31)	JPY 27	20 years
FY2016	JPY 24	20 years
FY2017	JPY 21 ¹	20 years
FY2018	JPY 18 ¹	20 years
FY2019	JPY 14 ²	20 years

Wind Power FIT

Contract Date	FIT	Guarantee Period
FY2017 (4/1~9/30)	JPY 22	20 years
FY2017 (10/1~3/31)	JPY 21	20 years
FY2018	JPY 20	20 years
FY2019	JPY 19	20 years
FY2020	JPY 18	20 years

Source: METI, Agency for Natural Resources and Energy

¹ FIT for >2MW non-residential solar power production determined via auction process

² Forecast FIT >0.5MW non-residential solar power production to be determined via auction process

Disaster Response & Recovery

No injuries or damages at any Ichigo asset or power plant from 2018 natural disasters

Robust Assets

- Real estate: Continuous improvements to safety & functionality via value-add capex
- Power plants: site selection and construction based on detailed specifications customized to local geography

Robust BCP & Realtime Response

- Pre-typhoon preventative measures (water shielding, sandbags, etc.) & on-site checks
- Overwhelming priority is safety of tenants: on-the-ground confirmation & on-the-ground response
- Ichigo engineering team immediate response: same-day on-site safety and engineering inspections to prevent secondary damage and losses

Consolidated Balance Sheet: Assets

(JPY million)

	FY15/2	FY16/2	FY17/2	FY18/2	FY19/2	vs. FY18/2
Assets						
Current Assets						
Cash and cash equivalents	19,383	28,779	47,678	45,510	50,225	+4,715
Trade notes and accounts receivable	519	691	913	1,097	1,344	+247
Operational loan investments	2,330	1,324	1,324	1,324	1,324	—
Operational securities investments	1,965	1,784	1,433	2	1,218	+1,216
Real estate for sale	109,769	172,833	167,805	180,789	161,322	-19,467
Power plants for sale	-	-	-	-	-	—
Deferred tax assets	1,200	1,766	516	342	397	+55
Other	2,657	3,966	3,125	2,643	2,156	-487
Less: allowance for doubtful accounts	-484	-458	-453	-28	-2	+26
Total Current Assets	137,342	210,687	222,344	231,681	217,987	-13,694
Fixed Assets						
Property, Plant, and Equipment						
Buildings and structures (net)	4,021	3,830	7,375	10,600	20,338	+9,738
Solar power plant equipment (net)	9,168	12,256	7,246	19,773	19,058	-715
Land	12,142	12,192	18,627	26,993	49,924	+22,931
Other (net)	989	3,264	12,402	1,190	5,654	+4,464
Total Property, Plant, and Equipment	26,321	31,546	45,654	58,558	94,976	+36,418
Intangible Assets						
Goodwill	2,082	1,942	1,864	1,600	1,346	-254
Leasehold rights	392	392	62	135	316	+181
Other	27	38	29	233	331	+98
Total Intangible Assets	2,502	2,373	1,956	1,968	1,993	+25
Investments and Other Assets						
Securities investments	5,266	5,486	1,426	2,184	2,455	+271
Long-term loans receivable	12	12	10	10	10	—
Deferred tax assets	2	39	339	68	35	-33
Other	1,392	1,736	1,820	2,132	2,231	+99
Less: allowance for doubtful accounts	-95	-124	-92	-91	-91	—
Total Investments and Other Assets	6,578	7,149	3,504	4,303	4,640	+337
Total Fixed Assets	35,402	41,069	51,115	64,831	101,611	+36,780
Total Assets	172,744	251,757	273,459	296,512	319,599	+23,087

Consolidated Balance Sheet: Liabilities & Net Assets

(JPY million)

	FY15/2	FY16/2	FY17/2	FY18/2	FY19/2	vs. FY18/2
Liabilities						
Current Liabilities						
Trade notes and accounts payable	124	80	110	—	—	—
Short-term loans	1,416	2,188	805	1,042	3,275	+2,233
Short-term non-recourse loans	48	79	611	—	—	—
Bonds (due within one year)	—	—	112	112	112	—
Long-term loans (due within one year)	3,488	8,161	5,209	4,449	7,881	+3,432
Long-term non-recourse loans (due within one year)	786	2,975	6,825	3,921	1,666	-2,255
Income taxes payable	284	631	1,655	1,609	3,760	+2,151
Deferred tax liabilities	30	53	62	494	375	-119
Accrued bonuses	16	13	36	34	31	-3
Other current liabilities	3,677	3,979	4,119	4,652	5,178	+526
Total Current Liabilities	9,872	18,161	19,548	16,316	22,280	+5,964
Long-Term Liabilities						
Bonds	—	—	632	520	538	+18
Non-recourse bonds	100	100	100	—	—	—
Long-term loans	53,409	94,409	91,604	112,366	131,569	+19,203
Long-term non-recourse loans	43,004	56,193	68,319	63,588	51,068	-12,520
Deferred tax liabilities	1,402	1,543	1,147	1,744	2,043	—
Long-term security deposits received	6,391	8,707	8,038	8,492	8,292	-200
Negative goodwill	90	—	—	—	—	—
Other long-term liabilities	96	475	624	758	946	+188
Total Long-Term Liabilities	104,494	161,430	170,467	187,470	194,458	+6,988
Total Liabilities	114,367	179,591	190,015	203,787	216,739	+12,952
Net Assets						
Shareholders' Equity						
Capital	26,499	26,575	26,650	26,723	26,820	+97
Capital reserve	10,873	10,968	11,056	11,113	11,207	+94
Retained earnings	17,201	29,454	42,840	54,324	66,730	+12,406
Treasury shares	-78	-41	-15	-2,995	-5,988	-2,993
Total Shareholders' Equity	54,496	66,956	80,532	89,165	98,769	+9,604
Accumulated Other Comprehensive Income						
Valuation gain (loss) on other securities	1,208	761	117	543	386	-157
Deferred gain (loss) on long-term interest rate	-36	-251	-365	-372	-408	-36
Foreign currency translation adjustment	6	23	55	—	—	—
Total Accumulated Other Comprehensive Income	1,177	533	-192	171	-21	-192
Stock Options	198	319	491	666	827	+161
Minority Interests	2,505	4,357	2,612	2,722	3,283	+561
Total Net Assets	58,377	72,166	83,443	92,725	102,859	+10,134
Total Liabilities and Net Assets	172,744	251,757	273,459	296,512	319,599	+23,087

Consolidated P&L

(JPY million)

	FY15/2	FY16/2	FY17/2	FY18/2	FY19/2	Change (YOY)	FY19/2 Forecast	vs. Forecast
Revenue	42,705	49,699	109,253	57,846	83,540	+25,694	–	–
Cost of Goods Sold	29,811	28,865	81,327	30,860	51,413	+20,553	–	–
Gross Profit	12,893	20,833	27,925	26,986	32,126	+5,140	31,200	103.0%
SG&A	3,977	4,446	5,025	5,067	5,847	+780	–	–
Operating Profit	8,916	16,387	22,900	21,919	26,279	+4,360	25,000	105.1%
Non-Operating Income								
Interest income	5	2	–	3	3	–	–	–
Dividend income	78	79	85	57	68	+11	–	–
Amortization of negative goodwill	90	90	–	–	–	–	–	–
Mark-to-market gain on long-term interest rate hedges	–	–	–	–	5	+5	–	–
Other	39	43	32	100	70	-30	–	–
Total Non-Operating Income	213	215	118	161	147	-14	–	–
Non-Operating Expenses								
Interest expense	1,641	2,234	2,278	2,249	2,328	+79	–	–
Mark-to-market loss on long-term interest rate hedges	–	–	53	270	491	+221	–	–
Debt financing-related fees	28	98	714	207	327	+120	–	–
Other	204	380	217	168	203	+35	–	–
Total Non-Operating Expenses	1,874	2,713	3,263	2,895	3,350	+455	–	–
Recurring Profit	7,255	13,889	19,755	19,185	23,076	+3,891	22,000	104.9%
Extraordinary Gains								
Gains on sale of fixed assets	–	–	–	–	–	–	–	–
Gains on sale of securities investments	–	223	2,466	–	2	+2	–	–
Gains on sale of shares in affiliates	–	–	–	1,221	–	-1,221	–	–
Other	57	–	–	41	–	-41	–	–
Total Extraordinary Gains	57	223	2,466	1,263	2	-1,261	–	–
Extraordinary Losses								
Loss on sale/disposal of fixed assets	–	–	–	11	–	-11	–	–
Valuation loss on securities investments	–	49	–	–	–	–	–	–
Office move expenses	1	9	31	–	–	–	–	–
Impairment loss	–	–	1,090	327	–	-327	–	–
Earthquake-related damages	–	–	244	–	–	–	–	–
Other	91	31	224	–	–	–	–	–
Total Extraordinary Losses	93	89	1,590	339	–	-339	–	–
Pre-Tax Net Income	7,220	14,022	20,630	20,109	23,079	+2,970	–	–
Income Taxes	343	960	5,436	5,923	7,333	+1,410	–	–
Pre-Minority Interest Net Income	6,876	13,062	15,194	14,185	15,746	+1,561	–	–
Net Income Attributable to Minority Interests	115	136	299	167	373	+206	–	–
Net Income	6,761	12,925	14,894	14,018	15,373	+1,355	15,000	102.5%

Consolidated Cash Flows from Operations

(JPY million)

	FY15/2	FY16/2	FY17/2	FY18/2	FY19/2
Cash Flows from Operations					
Pre-tax net income	7,220	14,022	20,630	20,109	23,079
Depreciation	565	792	778	1,015	1,696
Share-based compensation expenses	112	174	223	215	213
Amortization of goodwill	139	139	141	111	254
Amortization of negative goodwill	-90	-90	—	—	—
Increase (decrease) in accrued bonuses	1	-3	23	32	-3
Increase (decrease) in allowance for doubtful accounts	65	3	-3	-355	-26
Interest and dividend income	-83	-81	-85	-61	-71
Interest expense	943	1,277	1,303	2,249	2,328
Loss (gain) on sale of shares in affiliates	—	—	—	-1,221	—
Loss (gain) on sale of securities investments	—	-223	-2,466	—	-2
Impairment loss	—	—	1,090	327	—
Valuation loss on securities investments	—	49	—	—	—
Decrease (increase) in trading notes and receivables	-68	-172	-367	-468	-247
Decrease (increase) in operational loans receivable	-1,230	1,006	—	—	—
Decrease (increase) in operational securities investments	1,110	1,239	2,727	1,663	3,509
Valuation loss on operational securities investments	—	19	—	—	—
Decrease (increase) in real estate for sale	-42,991	-63,070	-6,303	-8,112	-3,163
Decrease (increase) in power plant for sale	—	—	7,251	996	—
Valuation loss on SPC capital contributions	91	11	16	—	—
Decrease (increase) in advances paid	—	-990	-190	871	-333
Decrease (increase) in accounts receivable	-1,079	-1,140	-193	-10	-399
Increase (decrease) in accounts payable	388	535	204	573	-332
Increase (decrease) in accrued expenses	16	42	92	-47	25
Increase (decrease) in advances received	211	317	-49	30	269
Increase (decrease) in security deposits received	1,391	2,380	-667	125	-264
Other	-407	435	1,304	585	1,887
Sub-total	-33,693	-43,324	25,460	18,628	28,420
Interest and dividend income received	83	81	85	61	71
Interest expense paid	-843	-1,226	-1,146	-2,231	-2,118
Income taxes paid and refunded	161	-186	-2,852	-5,854	-4,610
Net Cash from (Used for) Operations	-34,292	-44,654	21,547	10,603	21,762

Consolidated Cash Flows from Investments & Financing

(JPY million)

	FY15/2	FY16/2	FY17/2	FY18/2	FY19/2
Cash Flows from Investments					
Payments into time deposits	-325	—	-6,100	-6	-118
Redemptions of time deposits	325	—	201	—	1,060
Payments for securities investments	-210	-671	-300	-140	-539
Proceeds from sale of securities investments	—	296	6,136	—	32
Proceeds from redemptions of securities investments	—	3	—	—	—
Acquisition of property, plant, and equipment	-10,769	-6,628	-11,719	-4,796	-15,440
Acquisition of intangible assets	-23	-21	-1	-83	-425
Payments of SPC capital contributions	-10	-9	-63	-28	-6
Redemptions of SPC capital contributions	—	6	—	—	32
Payments of security deposits	-127	-37	-5	-36	-16
Acquisition of subsidiary shares resulting in change of consolidation scope	—	—	-93	-2,619	—
Sale of subsidiary shares resulting in change of consolidation scope	—	—	—	2,096	—
Payments for acquisitions of newly consolidated subsidiaries	-1,349	—	—	—	—
Other	4	9	11	-32	-181
Net Cash from (Used for) Investments	-12,485	-7,052	-11,933	-5,645	-15,602
Cash Flows from Financing					
Net increase (decrease) in short-term loans	466	771	-1,383	-306	2,232
Net increase (decrease) in short-term non-recourse loans	48	31	532	-611	—
Proceeds from bond issuance	—	—	785	—	129
Repayment of maturing bond principal to bondholders	—	—	-56	-112	-112
Redemption of non-recourse bonds	—	—	—	-100	—
Proceeds from long-term loans	47,203	64,866	55,674	32,660	43,062
Repayment of long-term loans	-19,557	-19,192	-61,221	-13,402	-20,352
Proceeds from long-term non-recourse loans	19,900	18,150	30,850	3,518	3,500
Repayment of long-term non-recourse loans	-5,958	-2,772	-15,400	-22,366	-18,473
Proceeds from employee exercise of stock options	99	153	137	110	143
Share buyback	—	—	—	-2,999	-2,999
Proceeds from share issuance to non-controlling shareholders	—	2,000	—	—	90
Payments to non-controlling shareholders for redemption of common shares	—	—	-2,000	—	—
Sale of subsidiary shares resulting in no change of consolidation scope	—	—	—	—	100
Dividends paid	-543	-646	-1,501	-2,513	-2,972
Dividends paid to minority interests	—	-43	-39	—	—
Net Cash from (Used for) Financing	41,658	63,318	6,377	-6,124	4,346

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This document is a translation. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail.



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Ichigo is Japan's first zero-carbon listed real estate company. We are taking responsibility for our environmental footprint by offsetting our carbon emissions and investing in low-carbon technologies such as solar energy.