



Make The World
More Sustainable

February 13, 2020

FY20/6 H1 Earnings

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

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

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

1. FY20/6 H1 Financial Results (July 1, 2019 to December 31, 2019)

(1) Earnings

(JPY million; year-on-year change)

	Operating Revenue	Change	Operating Profit	Change	Recurring Profit	Change	Net Income	Change
FY20/6 H1	520	-2.9%	84	-17.7%	34	-28.9%	33	-29.3%
FY19/6 H1	535	-2.4%	103	-15.9%	48	-25.6%	47	-25.8%
FY19/6	1,118	-3.0%	282	-13.3%	174	-17.8%	173	-17.9%

	Net Income per Share (JPY)
FY20/6 H1	327
FY19/6 H1	463
FY19/6	1,680

Note:

Funds from Operations (FFO)

FY20/6 H1 FFO per Share JPY 3,561

FY19/6 H1 FFO per Share JPY 3,722

FY19/6 FFO per Share JPY 8,197

FFO per Share is calculated per the following:

FFO per Share = (Net Income + Depreciation + Amortization of Expenses Related to the Establishment of Ichigo Green + Amortization of Share Issuance Expenses + Amortization of Start-up Expenses + Loss on Disposal of Fixed Assets + Liability for Asset Retirement Obligation ± Loss/Gain on Sales ± Extraordinary Loss/Profit) / Total Shares Outstanding

(2) Assets and Equity

	Total Assets (JPY million)	Net Assets (JPY million)	Shareholder Equity Ratio	Net Assets per Share (JPY)
FY20/6 H1	10,942	4,407	40.3%	42,809
FY19/6 H1	11,617	4,646	40.0%	45,130
FY19/6	11,640	4,772	41.0%	46,347

(3) Cash Flows

	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)
FY20/6 H1	431	-2	-643	815
FY19/6 H1	594	-4	-687	835
FY19/6	963	-4	-861	1,031

2. FY20/6 Forecast (July 1, 2019 to June 30, 2020)

(JPY million; year-on-year change)

	Operating Revenue	Change	Operating Profit	Change	Recurring Profit	Change	Net Income	Change
FY20/6	1,085	-3.0%	240	-15.0%	145	-16.3%	144	-16.5%

	Dividend per Share (excluding DEE) (JPY)	DEE per Share (JPY)	Dividend per Share (JPY)
FY20/6	1,390	2,190	3,580

DEE = Dividend in Excess of Earnings

Forecast FY20/6 Net Income per Share is JPY 1,403.

Note: Ichigo Green's policy is to pay a cash DEE equivalent to c. 40% of annual depreciation expenses, except when the dividend would adversely affect Ichigo Green's financial standing.

3. Other

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

(i) Changes Accompanying Amendments to Accounting Standards	None
(ii) Changes Not Listed in (i)	None
(iii) Changes in Accounting Estimates	None
(iv) Retrospective Restatements	None

(2) Number of Shares Issued and Outstanding

- (i) The number of shares outstanding was 102,966 shares at the end of FY19/6 H1, FY19/6, and FY20/6 H1.
- (ii) There were no treasury shares at the end of FY19/6 H1, FY19/6, and FY20/6 H1.

Reference: Earnings and Dividend Forecast (FY21/6 through FY26/6)

(JPY million)

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

DEE = Dividend in Excess of Earnings

Note:

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

Completion Status of Auditing Procedures

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

Appropriate Use of Earnings Forecasts and Other Matters of Special Note

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

For details on the preconditions of the FY20/6 earnings forecast, please refer to the “Preconditions for the FY20/6 Earnings Forecast” on pages 5 through 7. For details of the preconditions of the FY21/6 through FY26/6 earnings forecast, please refer to the November 28, 2017 release “Stock Split.”

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

FY20/6 Earnings Forecast

FY20/6 (July 1, 2019 to June 30, 2020)

Operating Revenue	JPY 1,085 million
Operating Profit	JPY 240 million
Recurring Profit	JPY 145 million
Net Income	JPY 144 million
Dividend per Share (excluding DEE)	JPY 1,390
DEE per Share	JPY 2,190
Dividend per Share (including DEE)	JPY 3,580

DEE = Dividend in Excess of Earnings

For details on the forecast preconditions, please refer to the “Preconditions for the FY20/6 Earnings Forecast” on pages 5 through 7.

Preconditions for the FY20/6 Earnings Forecast

	Preconditions
Period	FY20/6: July 1, 2019 – June 30, 2020 (366 days)
Number of Shares	<ul style="list-style-type: none"> • 102,966 shares issued and outstanding as of today, with no additional new share issuance through FY20/6
Number of Power Plants	<ul style="list-style-type: none"> • 15 power plants
Operating Revenue	<ul style="list-style-type: none"> • Power production revenue is based on the annual P50 power production forecast of operating power plants. • Specifically, power production revenue is calculated by adding base revenue (electricity sales revenue based on the annual P85 production forecast minus forecast operating expenses) to actual power generation revenue (electricity sales revenue based on actual power generation minus base revenue, forecast operating expenses, and actual additional operating expenses), and assumes that no EPCO purchaser of Ichigo Green’s power production will seek to suspend purchases without compensation to Ichigo Green. • Forecast power generation is a third-party, 50% probability mean annual production forecast (P50 forecast) that serves as the base forecast for each solar power plant’s operating plan. The P85 annual production is a third-party, 85% probability mean annual production forecast. P85-based electricity sales revenue is the assumed electricity sales revenue calculated by multiplying the annual P85 production forecast by the FIT (Feed-In Tariff) for each plant. • Forecast operating expenses are the total of renewable energy plant operation and maintenance expenses (including fees paid to maintenance service providers and repair costs), operator fees, rent paid, insurance premiums, management costs (including administration and tax fees), property, city planning, and consumption taxes, and other expenses related to the power generation business, renewable energy plants, and site leases. • Maintenance expenses are as estimated by Ichigo Investment Advisors, the asset management company of Ichigo Green, based on third party reports. However, actual expenses for the period could differ significantly from these forecast amounts for reasons including the variability of maintenance and repair expenses, one-time costs due to unexpected maintenance needs, etc. • Actual production is calculated by multiplying the annual P50 production forecast by the FIT for each plant. The annual P50 production is a third-party, 50% probability mean annual production forecast that serves as the base forecast for each solar power plant’s operating plan. • Operating Revenue is based on the power production revenue of the power plants, and does not assume the sale of any power plants. • Operating Revenue assumes that Ichigo Green fully receives its contractual power production revenue.

Operating Expenses	<ul style="list-style-type: none"> • Per the above, power plant operation and management expenses are deducted from power production revenue, and therefore are not part of Ichigo Green’s operating expenses. • Property and city planning taxes and other operating expenses, excluding depreciation, are calculated based on historical data and information provided by the previous power plant owner(s), adjusted for anticipated expense variations. • Owners of renewable energy plants are generally charged a 1.4% property (depreciable asset tax) tax rate on the assessment value of their plants. However, for certain approved renewable energy plants newly acquired before March 31, 2016, the assessment value used in calculating such property tax is reduced to two-thirds for three fiscal years following acquisition. Because this reduction in assessment value applies to the 15 power plants Ichigo Green owns as of February 13, 2020, the property tax is reduced by JPY 1 million for FY20/6. The total amount of property tax is forecast to be JPY 101 million yen for FY20/6. • Depreciation (including incidental costs) is calculated based on acquisition price using the straight-line method and is forecast to be JPY 638 million for FY20/6.
Non-Operating Expenses	<ul style="list-style-type: none"> • Ichigo Green plans to amortize expenses associated with its December 2016 Tokyo Stock Exchange (TSE) listing and new share issuance for 36 months and expenses for the start-up and establishment of Ichigo Green for 60 months, using the straight-line method. Ichigo Green anticipates such expenses to be JPY 21 million for FY20/6. • Interest expenses and other borrowing-related expenses of JPY 72 million is anticipated for FY20/6.
Loans	<ul style="list-style-type: none"> • Ichigo Green assumes outstanding debt of JPY 6.31 billion as of the end of FY20/6. • Loan-to-Value (LTV) is anticipated to be 57.8% as of the end of FY20/6. • LTV is calculated using the following formula: $\text{LTV} = \text{Total interest-bearing debt} / \text{total assets}$
Dividend (excluding DEE)	<ul style="list-style-type: none"> • The dividend forecast assumes that dividends will comply with the dividend policy stipulated in Ichigo Green’s Articles of Incorporation. • The dividend is subject to change due to factors such as power plant operator turnover, changes in power production revenue, and unexpected maintenance and repair costs and other expenses.
DEE (Dividend in Excess of Earnings) per Share	<ul style="list-style-type: none"> • Ichigo Green sets its DEE based on its Articles of Incorporation and dividend policy set forth in Ichigo Investment Advisors’ internal Operating Guidelines. • Ichigo Green’s policy is to pay a cash DEE equivalent to c. 40% of annual depreciation expenses, except when the dividend would adversely affect Ichigo Green’s financial standing. The policy is based upon a) such dividend not affecting Ichigo Green’s long-term maintenance policy, taking into consideration planned capital expenditure for each fiscal year, and b) a certain amount of retained cash is necessary to cover items such as acquisition of new power plants, maintenance of existing power plants, working capital needs, and loan repayments. • Ichigo Green expects to pay a DEE equivalent to 35.3% of annual depreciation expense for FY20/6. The Total DEE and DEE per Share is expected to be JPY 225 million and JPY 2,190, respectively.

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

(1) Balance Sheet

(JPY thousand)

	FY19/6 (as of June 30, 2019)	FY20/6 H1 (as of Dec 31, 2019)
Assets		
Current Assets		
Cash and deposits	1,031,176	815,816
Operating accounts receivable	260,159	150,821
Prepaid expenses	59,732	17,496
Total Current Assets	1,351,068	984,134
Fixed Assets		
Property, Plant, and Equipment		
Solar power plant equipment	11,530,112	11,540,461
Depreciation	-1,598,660	-1,916,941
Solar power plant equipment (net)	9,931,451	9,623,519
Land	208,820	208,820
Total Property, Plant, and Equipment	10,140,272	9,832,340
Investments and Other Assets		
Tenant leasehold and security deposits	10,000	10,000
Long-term prepaid expenses	104,456	96,401
Deferred tax assets	11	10
Total Investments and Other Assets	114,467	106,412
Total Fixed Assets	10,254,740	9,938,752
Deferred Assets		
Expenses related to the establishment of Ichigo Green	25,268	19,100
Share issuance expenses	8,257	–
Start-up expenses	1,208	958
Total Deferred Assets	34,734	20,058
Total Assets	11,640,543	10,942,946

(JPY thousand)

	FY19/6 (as of June 30, 2019)	FY20/6 H1 (as of Dec 31, 2019)
Liabilities		
Current Liabilities		
Accounts payable	8,384	9,042
Long-term loans (due within one year)	422,807	430,116
Accounts payable – other	40,789	21,796
Accrued expenses	426	273
Income taxes payable	706	703
Accrued consumption taxes	82,059	12,375
Other	2,250	3,629
Total Current Liabilities	557,425	477,937
Long-Term Liabilities		
Long-term loans	6,310,931	6,057,038
Total Long-Term Liabilities	6,310,931	6,057,038
Total Liabilities	6,868,357	6,534,976
Net Assets		
Shareholders' Equity		
Shareholders' capital	4,954,368	4,954,368
Deduction from shareholders' capital (DEE payment)	-355,232	-580,213
Shareholders' capital (net)	4,599,135	4,374,154
Surplus		
Unappropriated retained earnings	173,050	33,815
Total Surplus	173,050	33,815
Total Shareholders' Equity	4,772,185	4,407,970
Total Net Assets	4,772,185	4,407,970
Total Liabilities and Net Assets	11,640,543	10,942,946

(2) Income Statement

(JPY thousand)

	FY19/6 H1 (July 1, 2018 to December 31, 2018)	FY20/6 H1 (July 1, 2019 to December 31, 2019)
Operating Revenue		
Solar power plant revenue	535,904	520,445
Total Operating Revenue	535,904	520,445
Operating Expenses		
Solar power plant expenses	369,738	372,455
Asset management fee	22,397	20,803
Custodian fee	1,761	1,761
Other administrative expenses	3,075	2,973
Directors' compensation	4,200	4,200
Other	31,633	33,424
Total Operating Expenses	432,807	435,618
Operating Profit	103,097	84,826
Non-Operating Income		
Interest income	4	5
Interest on tax refund	53	–
Other	24	–
Total Non-Operating Income	82	5
Non-Operating Expenses		
Interest expenses	27,800	26,148
Borrowing-related expenses	9,554	9,554
Amortization of expenses related to the establishment of Ichigo Green	6,168	6,168
Amortization of share issuance expenses	10,954	8,257
Other	249	249
Total Non-Operating Expenses	54,728	50,379
Recurring Profit	48,450	34,452
Pre-Tax Income	48,450	34,452
Income Taxes – Current	695	704
Income Taxes – Deferred	-1	–
Total Income Taxes	693	704
Net Income	47,757	33,747
Retained Earnings Brought Forward	38	67
Unappropriated Retained Earnings	47,796	33,815

(3) Statement of Shareholders' Equity

FY19/6 H1 (July 1, 2018 to December 31, 2018)

(JPY thousand)

	Shareholders' Equity				
	Paid-In Capital			Surplus	
	Paid-In Capital	Deduction from Shareholders' Capital	Shareholders' Capital (net)	Unappropriated Retained Earnings	Total Surplus
Balance as of July 1, 2018	4,954,368	-130,766	4,823,601	210,707	210,707
Changes during the Period					
DEE		-224,465	-224,465		
Dividend				-210,668	-210,668
Net Income				47,757	47,757
Total Changes	–	-224,465	-224,465	-162,911	-162,911
Balance as of December 31, 2018	4,954,368	-355,232	4,599,135	47,796	47,796

	Shareholders' Equity	Total Assets
	Total	
Balance as of July 1, 2018	5,034,308	5,034,308
Changes during the Period		
DEE	-224,465	-224,465
Dividend	-210,668	-210,668
Net Income	47,757	47,757
Total Changes	-387,376	-387,376
Balance as of December 31, 2018	4,646,931	4,646,931

DEE = Dividend in Excess of Earnings

FY20/6 H1 (July 1, 2019 to December 31, 2019)

(JPY thousand)

	Shareholders' Equity				
	Paid-In Capital			Surplus	
	Paid-In Capital	Deduction from Shareholders' Capital	Shareholders' Capital (net)	Unappropriated Retained Earnings	Total Surplus
Balance as of July 1, 2019	4,954,368	-355,232	4,599,135	173,050	173,050
Changes during the Period					
DEE		-224,980	-224,980		
Dividend				-172,982	-172,982
Net Income				33,747	33,747
Total Changes	–	-224,980	-224,980	-139,235	-139,235
Balance as of December 31, 2019	4,954,368	-580,213	4,374,154	33,815	33,815

	Shareholders' Equity	Total Assets
	Total	
Balance as of July 1, 2019	4,772,185	4,772,185
Changes during the Period		
DEE	-224,980	-224,980
Dividend	-172,982	-172,982
Net Income	33,747	33,747
Total Changes	-364,215	-364,215
Balance as of December 31, 2019	4,407,970	4,407,970

DEE = Dividend in Excess of Earnings

(4) Cash Flow Statement

(JPY thousand)

	FY19/6 H1 (July 1, 2018 to December 31, 2018)	FY20/6 H1 (July 1, 2019 to December 31, 2019)
Cash Flows from Operations:		
Pre-tax net income	48,450	34,452
Depreciation	318,145	318,281
Amortization of expenses related to the establishment of Ichigo Green	6,168	6,168
Amortization of share issuance expenses	10,954	8,257
Interest income	-4	-5
Interest expense	27,800	26,148
Decrease (increase) in operating accounts receivable	123,120	109,338
Decrease (increase) in consumption taxes receivable	30,505	-
Decrease (increase) in prepaid expenses	39,481	42,236
Decrease (increase) in long-term prepaid expenses	8,054	8,054
Increase (decrease) in accrued consumption taxes	37,715	-69,683
Increase (decrease) in operating accounts payable	-8,292	-7,062
Increase (decrease) in accounts payable	-20,073	-18,992
Other	249	967
Sub-total	622,277	458,160
Interest income received	4	5
Interest expense paid	-27,519	-26,301
Income taxes paid	-655	-707
Net Cash from (Used for) Operations	594,106	431,157
Cash Flows from Investments:		
Acquisition of property, plant, and equipment	-4,589	-2,629
Net Cash from (Used for) Investments	-4,589	-2,629
Cash Flows from Financing:		
Repayment of long-term loans	-253,324	-246,584
Dividends paid	-209,458	-172,695
Dividend in Excess of Earnings (DEE) paid	-224,465	-224,607
Net Cash from (Used for) Financing	-687,248	-643,887
Net Increase (Decrease) in Cash and Cash Equivalents	-97,731	-215,359
Cash and Cash Equivalents at Beginning of Period	933,188	1,031,176
Cash and Cash Equivalents at End of Period	835,456	815,816

Notes to Balance Sheet

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

(JPY thousand)

FY19/6 (as of June 30, 2019)	FY20/6 H1 (as of December 31, 2019)
50,000	50,000

Notes to Income Statement

Details of Solar Power Plant Revenue

(JPY thousand)

	FY19/6 H1 (July 1, 2018 to December 31, 2018)	FY20/6 H1 (July 1, 2019 to December 31, 2019)
A. Revenue		
Base Revenue	504,834	485,015
Additional Revenue (>P85 Forecast)	31,069	35,429
Total	535,904	520,445
B. Expenses		
Property and City Planning Taxes	51,592	54,174
Depreciation Expense	318,145	318,281
Total	369,738	372,455
C. Power Production Income (A) – (B)	166,165	147,989

Notes to Statement of Shareholders' Equity

	FY19/6 H1 (July 1, 2018 to December 31, 2018)	FY20/6 H1 (July 1, 2019 to December 31, 2019)
Number of Authorized Shares	10,000,000	10,000,000
Number of Shares Outstanding	102,966	102,966

Notes to Cash Flow Statement

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

(JPY thousand)

	FY19/6 H1 (July 1, 2018 to December 31, 2018)	FY20/6 H1 (July 1, 2019 to December 31, 2019)
Cash and Deposits	835,456	815,816
Cash and Cash Equivalents	835,456	815,816

Notes to Derivatives Transactions

1. Non-Hedge Accounting

N/A

2. Hedge Accounting

Previous Period (FY19/6)

(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	6,733,739	6,310,931	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 Period (FY20/6 H1)

(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	6,487,155	6,057,038	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)

	FY19/6 (July 1, 2018 to June 30, 2019)	FY20/6 H1 (July 1, 2019 to December 31, 2019)
Net Assets per Share	46,347	42,809

Details for Calculation of Net Income per Share

	FY19/6 H1 (July 1, 2018 to December 31, 2018)	FY20/6 H1 (July 1, 2019 to December 31, 2019)
Net Income per Share	463	327
Net Income (JPY thousand)	47,757	33,747
Income not attributable to common shareholders (JPY thousand)	–	–
Net Income attributable to common shareholders (JPY thousand)	47,757	33,747
Average number of shares in the fiscal period	102,966	102,966

New Share Issuance

Date	Method	Total Number of Shares		Issue Amount ¹ (JPY million)	
		Issued	Outstanding	Increase	Total
June 24, 2016	Private Offering ²	3,000	3,000	300	300
November 30, 2016	Initial Public Offering ³	47,180	50,180	4,529	4,829
December 26, 2016	Third-Party Allotment to Underwriter (Greenshoe) ⁴	1,303	51,483	125	4,954
September 21, 2017	DEE Payment (Return of Capital) ⁵	–	51,483	-130	4,823
January 1, 2018	Stock Split ⁶	51,483	102,966	–	4,823
September 20, 2018	DEE Payment (Return of Capital) ⁷	–	102,966	-224	4,599
September 19, 2019	DEE Payment (Return of Capital) ⁸	–	102,966	-224	4,374

DEE = Dividend in Excess of Earnings

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

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

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

- ⁴ New shares were issued at a subscription price of JPY 96,000 via third-party allotment as part of the initial public offering to the underwriter (Greenshoe).
- ⁵ Ichigo Green resolved at its August 9, 2017 board meeting that it will pay a DEE of JPY 2,540 per share for FY17/6. The DEE is paid from Ichigo Green's solar power production revenue, which Ichigo Green receives in cash. (This revenue is not treated as income under Japanese tax rules, because it is offset by non-cash depreciation expenses.) The Dividend & DEE payment date was September 21, 2017.
- ⁶ Ichigo Green executed a two-for-one stock split on January 1, 2018 (record date: December 31, 2017).
- ⁷ Ichigo Green resolved at its August 10, 2018 board meeting that it will pay a DEE of JPY 2,180 per share for FY18/6. The DEE is paid from Ichigo Green's solar power production revenue, which Ichigo Green receives in cash. (This revenue is not treated as income under Japanese tax rules, because it is offset by non-cash depreciation expenses.) The Dividend & DEE payment date was September 20, 2018.
- ⁸ Ichigo Green resolved at its August 9, 2019 board meeting that it will pay a DEE of JPY 2,185 per share for FY19/6. The DEE is paid from Ichigo Green's solar power production revenue, which Ichigo Green receives in cash. (This revenue is not treated as income under Japanese tax rules, because it is offset by non-cash depreciation expenses.) The Dividend & DEE payment date was September 19, 2019.

Solar Power Plant Information

Portfolio Composition

Asset Type	Region	FY19/6 (as of June 30, 2019)		FY20/6 H1 (as of December 31, 2019)	
		Book Value (JPY million)	% of Total	Book Value (JPY million)	% of Total
Solar Power Plant	Hokkaido	3,041	26.1	2,940	26.9
	Kanto	424	3.6	409	3.7
	Chubu	462	4.0	448	4.1
	Chugoku	1,351	11.6	1,322	12.1
	Shikoku	1,416	12.2	1,375	12.6
	Kyushu	456	3.9	442	4.0
	Okinawa	2,987	25.7	2,892	26.4
Sub-total		10,140	87.1	9,832	89.9
Deposits & Other Assets		1,500	12.9	1,110	10.1
Total Assets		11,640	100.0	10,942	100.0

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

Solar Power Plant Details

(as of December 31, 2019)

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

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

(as of December 31, 2019)

No.	Solar Power Plant	Solar Energy Producer	Power Purchaser	Acquisition Price (JPY million)	Appraisal Value (JPY million)	Appraisal Value Breakdown (JPY million) Top: Power Plant Bottom: Real Estate	Book Value (JPY million)
E-01	Ichigo Kiryu Okuzawa	Ichigo ECO Kiryu Okuzawa Power Plant GK	TEPCO Energy Partner	489	478	478	409
						–	–
E-02	Ichigo Motomombetsu	Ichigo ECO Motomombetsu Power Plant GK	Hokkaido Electric	495	486	486	417
						–	–
E-03	Ichigo Muroran Hatchodaira	Ichigo ECO Muroran Hatchodaira Power Plant GK	Hokkaido Electric	467	460	460	394
						–	–
E-04	Ichigo Engaru Kiyokawa	Ichigo Engaru Kiyokawa ECO Power Plant GK	Hokkaido Electric	398	381	381	336
						–	–
E-05	Ichigo Iyo Nakayamacho Izubuchi	Ichigo ECO Iyo Nakayamacho Izubuchi Power Plant GK	Shikoku Electric	471	470	470	398
						–	–
E-06	Ichigo Nakashibetsu Midorigaoka	Ichigo Nakashibetsu Midorigaoka ECO Power Plant GK	Hokkaido Electric	770	746	746	651
						–	–
E-07	Ichigo Abira Toasa	Ichigo Abira Toasa ECO Power Plant GK	Hokkaido Electric	441	430	430	375
						–	–
E-08	Ichigo Toyokoro	Ichigo Toyokoro ECO Power Plant GK	Hokkaido Electric	434	425	425	369
						–	–

No.	Solar Power Plant	Solar Energy Producer	Power Purchaser	Acquisition Price (JPY million)	Appraisal Value (JPY million)	Appraisal Value Breakdown (JPY million) Top: Power Plant Bottom: Real Estate	Book Value (JPY million)
E-09	Ichigo Nago Futami	Ichigo ECO Nago Futami Power Plant GK	Okinawa Electric	3,425	3,501	3,501	2,892
						–	–
E-10	Ichigo Engaru Higashimachi	Ichigo Engaru Higashimachi ECO Power Plant GK	Hokkaido Electric	464	444	444	395
						–	–
E-11	Ichigo Takamatsu Kokubunjicho Nii	Ichigo ECO Energy	Shikoku Electric	1,124	1,083	962	843
						121	133
E-12	Ichigo Miyakonojo Yasuhisacho	Ichigo Miyakonojo Yasuhisacho ECO Power Plant GK	Kyushu Electric	517	519	519	442
						–	–
E-13	Ichigo Toyokawa Mitocho Sawakihama	Ichigo Toyokawa Mitocho Sawakihama ECO Power Plant GK	Chubu Electric	523	484	484	448
						–	–
E-14	Ichigo Yamaguchi Aionishi	Ichigo Yamaguchi Aionishi ECO Power Plant GK	Chugoku Electric	544	551	480	421
						70	75
E-15	Ichigo Yamaguchi Sayama	Ichigo Yamaguchi Sayama ECO Power Plant GK	Chugoku Electric	925	936	936	825
						–	–
Total				11,487	11,399	11,207	9,623
						191	208

- ¹ Appraisal Value is a median calculated pursuant to Ichigo Green's Articles of Incorporation (Article 35, Paragraph 2, Item 1) and using land and power plant appraisal values provided by PwC Sustainability LLC.
- ² The top row of the Appraisal Value Breakdown column shows the Plant Appraisal Value, calculated as the difference between the Appraisal Value described in footnote 2 above and the corresponding Real Estate Appraisal Value in reports produced by Daiwa Real Estate Appraisal. Values in the bottom row show the Real Estate appraisal value by Daiwa Real Estate Appraisal.
- ³ The top row of the Book Value column shows the book value of the solar power plant and the bottom row shows that of the underlying land on December 31, 2019.

Earnings by Solar Power Plant

(JPY thousand)

No.		E-01	E-02	E-03	E-04
Solar Power Plant	Total Portfolio	Ichigo Kiryu Okuzawa	Ichigo Motomom-betsu	Ichigo Muroran Hatchodaira	Ichigo Engaru Kiyokawa
(1) Revenue	520,445	21,443	23,817	21,641	20,170
Base Revenue	485,015	19,939	20,008	18,633	15,638
Additional Revenue (>P85 Forecast)	35,429	1,503	3,808	3,007	4,531
(2) Expenses	54,174	2,287	2,329	2,197	1,876
Fixed Asset Tax	502	–	–	–	–
Depreciable Asset Tax	53,671	2,287	2,329	2,197	1,876
Other	–	–	–	–	–
(3) NOI	466,271	19,156	21,487	19,444	18,294
(4) Depreciation Expense	318,281	14,897	14,717	13,827	11,809
(5) Net Income	147,989	4,258	6,769	5,616	6,485

No.	E-05	E-06	E-07	E-08	E-09
Solar Power Plant	Ichigo Iyo Nakayama-cho Izubuchi	Ichigo Nakashibetsu Midorigaoka	Ichigo Abira Toasa	Ichigo Toyokoro	Ichigo Nago Futami
(1) Revenue	21,127	32,889	17,721	17,556	167,913
Base Revenue	20,916	28,423	16,123	16,132	166,644
Additional Revenue (>P85 Forecast)	211	4,466	1,597	1,423	1,269
(2) Expenses	2,195	3,730	2,132	2,102	16,559
Fixed Asset Tax	–	–	–	–	–
Depreciable Asset Tax	2,195	3,730	2,132	2,102	16,559
Other	–	–	–	–	–
(3) NOI	18,932	29,159	15,588	15,454	151,354
(4) Depreciation Expense	13,913	21,852	12,524	12,326	95,354
(5) Net Income	5,018	7,306	3,064	3,127	56,000

(JPY thousand)

No.	E-10	E-11	E-12	E-13	E-14
Solar Power Plant	Ichigo Engaru Higashimachi	Ichigo Takamatsu Kokubunjicho Nii	Ichigo Miyakonojo Yasuhisacho	Ichigo Toyokawa Mitocho Sawakihama	Ichigo Yamaguchi Aionishi
(1) Revenue	20,373	43,516	22,259	22,906	21,952
Base Revenue	17,697	43,516	22,239	19,051	21,827
Additional Revenue (>P85 Forecast)	2,676	–	19	3,855	124
(2) Expenses	2,250	4,944	2,477	2,587	2,963
Fixed Asset Tax	–	204	–	–	297
Depreciable Asset Tax	2,250	4,739	2,477	2,587	2,666
Other	–	–	–	–	–
(3) NOI	18,122	38,571	19,781	20,319	18,988
(4) Depreciation Expense	13,050	27,203	14,209	14,236	13,067
(5) Net Income	5,072	11,367	5,572	6,083	5,921

No.	E-15
Solar Power Plant	Ichigo Yamaguchi Sayama
(1) Revenue	45,154
Base Revenue	38,221
Additional Revenue (>P85 Forecast)	6,933
(2) Expenses	3,540
Fixed Asset Tax	–
Depreciable Asset Tax	3,540
Other	–
(3) NOI	41,614
(4) Depreciation Expense	25,291
(5) Net Income	16,322