



**Make The World
More Sustainable**

**Ichigo Office REIT
Semi-Annual Report (Audited)**

**33rd Fiscal Period
November 1, 2021 – April 30, 2022**

Ichigo Office REIT Investment Corporation

Imperial Hotel Tower, 1-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo 100-0011

Message from Management

First of all, we would like to express our deepest condolences to all those across the world affected by the COVID pandemic and our wishes for the earliest possible recovery.

We extend our gratitude to all Ichigo Office shareholders for your trust.

Ichigo Office has continuously worked to drive shareholder value by increasing tenant satisfaction and focusing on social contributions, while taking into consideration rent levels and occupancy of its portfolio.

During the April 2022 period, we sold the Ichigo Akasaka 5 Chome Building, and will distribute the gain on sales (JPY 940 million) as dividends. We also acquired a TK equity interest in four mid-sized office assets, and received preferential negotiation rights to buy these assets, which are located in Fukuoka City and Central Tokyo. Furthermore, we worked to strengthen our organic growth potential by increasing asset value and investment efficiency via strategic value-add capex, such as the renovation of the Ichigo Shibuya Dogenzaka Building and Ichigo Kudan 2 Chome Building. We successfully leased up over 50% of the newly vacated office space (on an area basis) at higher rents.

In line with the goals of RE100, Ichigo Office has achieved the target to source 100% of the electricity needs across its assets (excluding partially and jointly owned assets) via renewable energy. By achieving this goal, we have reduced our CO2 emissions by 21,345 tons, a 96.5% reduction compared to 2019.

As a result of these activities, Ichigo Office's April 2022 earnings were: operating revenue of 8,675 million yen, operating profit of 4,436 million yen, recurring profit of 3,691 million yen, and net income of 3,690 million yen. The dividend per share was 2,508 yen, a 436 yen increase from our forecast at period-start.

Ichigo Office will continue to work to build a robust mid-size office portfolio and promote its ESG activities with the aim to drive sustainable growth and maximize shareholder value.

Thank you so much for your continued support.



Yoshihiro Takatsuka, Executive Director
Ichigo Office REIT Investment Corporation
(left)

Hiroshi Iwai,
President and Executive Officer
Ichigo Investment Advisors Co., Ltd.
(right)

Asset Management Overview

1 Historical Investment Performance

		29th Fiscal Period From November 1, 2019 to April 30, 2020	30th Fiscal Period From May 1, 2020 to October 31, 2020	31st Fiscal Period From November 1, 2020 to April 30, 2021	32nd Fiscal Period From May 1, 2021 to October 31, 2021	33rd Fiscal Period From November 1, 2021 to April 30, 2022
Operating Revenue	(Note 1) million yen	8,260	7,863	7,725	7,843	8,675
(Real Estate Rental Income)	million yen	(7,860)	(7,862)	(7,725)	(7,843)	(7,735)
Operating Expenses	million yen	3,879	3,770	3,801	3,881	4,238
(Real Estate Rental Expenses)	million yen	(2,950)	(2,852)	(2,841)	(2,887)	(2,991)
Operating Profit	million yen	4,381	4,092	3,923	3,962	4,436
Recurring Profit	million yen	3,576	3,313	3,122	3,201	3,691
Net Income	million yen	3,575	3,312	3,121	3,200	3,690
Total Assets	million yen	227,312	226,980	227,654	227,653	228,020
(Period-on-Period Change)	%	(0.6)	(-0.1)	(0.3)	(-0.0)	(0.2)
Net Assets	million yen	104,244	104,242	102,447	102,421	102,806
(Period-on-Period Change)	%	(0.3)	(-0.0)	(-1.7)	(-0.0)	(0.4)
Shareholders' Equity	million yen	67,675	67,675	67,675	67,675	67,675
Number of Shares Outstanding	shares	1,532,287	1,532,287	1,513,367	1,513,367	1,513,367
Net Assets per Share	yen	68,031	68,030	67,695	67,678	67,932
Total Dividends	million yen	3,314	3,417	3,226	3,306	3,795
Dividend per Share	yen	2,163	2,230	2,132	2,185	2,508
(Payable Dividend per Share)	yen	(2,163)	(2,230)	(2,132)	(2,185)	(2,508)
(Dividend per Share in Excess of Earnings)	yen	(—)	(—)	(—)	(—)	(—)
Ratio of Recurring Profit to Total Assets	(Note 2) %	1.6 (3.2)	1.5 (2.9)	1.4 (2.8)	1.4 (2.8)	1.6 (3.3)
Return on Equity	(Note 2) %	3.4 (6.9)	3.2 (6.3)	3.0 (6.1)	3.1 (6.2)	3.6 (7.3)
Shareholder Equity Ratio	(Note 2) %	45.9	45.9	45.0	45.0	45.1
(Period-on-Period Change)	%	(-0.2)	(0.1)	(-0.9)	(-0.0)	(0.1)
Dividend Payout Ratio	(Note 3) %	92.7	103.1	104.0	103.4	102.9
Other Reference Information						
Number of Assets	assets	85	85	86	86	85
Number of Tenants at Period-End	tenants	938	924	934	930	923
Total Leasable Area	m ²	259,717.74	259,754.33	264,651.68	264,701.15	263,948.70
Occupancy at Period-End	%	99.6	97.5	97.2	95.4	94.7
Depreciation	million yen	839	838	870	887	893
Capital Expenditure	thousand yen	525,201	587,955	677,483	625,613	674,547
NOI (Net Operating Income)	(Note 2) million yen	5,748	5,847	5,754	5,843	5,637
FFO (Funds from Operations) per Share	(Note 2) yen	2,621	2,709	2,638	2,701	2,408
Number of Days in the Period	days	182	184	181	184	181

(Note 1) Operating revenue, etc. do not include consumption tax or local consumption tax (hereinafter "consumption taxes").

(Note 2) The indicators stated are calculated using the formulas below. Figures in parentheses are annualized values.

Ratio of Recurring Profit to Total Assets	$\text{Recurring Profit} / (\text{Total Assets at Beginning of Period} + \text{Total Assets at End of Period}) \div 2$
Return on Equity	$\text{Net Income} / (\text{Net Assets at Beginning of Period} + \text{Net Assets at End of Period}) \div 2$
Shareholder Equity Ratio	$\text{Net Assets at End of Period} / \text{Total Assets at End of Period}$
NOI	$\text{Real Estate Rental Income} - \text{Real Estate Rental Expenses} + \text{Depreciation}$
FFO per Share	$(\text{Net Income} + \text{Depreciation} + \text{Loss on Retirement of Non-Current Assets} + \text{Expenses for Asset Retirement Obligations} \pm \text{Losses (Gains) on Sales of Assets} \pm \text{Extraordinary Losses (Profits)}) / \text{Number of Shares Outstanding}$

(Note 3) Dividend Payout Ratio is calculated using the formula below and rounded down to the nearest unit:
 $\text{Dividend per Share (not including dividend per share in excess of earnings)} / \text{Net Income per Share}$

2 Summary of Operating Results for the Fiscal Period Ended April 30, 2022

(1) Overview

In the fiscal period ended April 30, 2022, Ichigo Office's 33rd fiscal period, Ichigo Office worked to strengthen its organic growth potential by 1) increasing asset value and investment efficiency via its value-add capex (Note) and 2) driving earnings growth with a focus on tenant satisfaction. Ichigo Office seeks to construct a portfolio specializing in mid-size offices which can generate both earnings stability and earnings growth.

(Note) "Value-add capex" is capital expenditure that enhances the competitiveness and profitability of Ichigo Office assets.

(2) Market Environment and Investment Performance

(i) Market Environment

With the COVID pandemic starting to show signs of calming down, and the domestic economy showing signs of recovery, the market for commercial properties continues to see strong investment demand, with acquisition prices remaining at high levels and the number of transactions remain at high standards.

Although office asset cap rates remain at low levels, an increase in vacancy and a decrease in new rents are noteworthy changes observed in the office leasing market. Limited investment opportunities in Tokyo due to low yields is expected to drive greater interest for investments in regional cities as investors look for higher yields and changes in working styles. Furthermore, a rising global interest in environmental and social issues is expected to accelerate ESG initiatives within the real estate market and become an increasingly important consideration for real estate investments. Ichigo Office is fully aware of these changes in market environment and will adjust its investment activity accordingly and with a long-term perspective.

(ii) Investment Performance

During the current fiscal period, Ichigo Office worked to drive the earnings of individual assets with the aim of increasing portfolio NOI, while taking into consideration rent levels and occupancy. The occupancy at period-end was 94.7%, due to a sole tenant moving out at the Ichigo Kudan 2 Chome Building. In line with the spirit of RE100, a global initiative to accelerate the transition of electricity used by businesses to 100% renewable energy, Ichigo Office has successfully transitioned 100% of the electricity needs across all of its assets, and is continuously working to conserve energy by installing LED lights.

As a result of the sale of Ichigo Akasaka 5 Chome Building, Ichigo Office was able to distribute the gain on sales, and deployed the sale proceed toward growth investments, such as asset acquisition and value-add capex. Ichigo Office also acquired preferential negotiation rights to a total of 4 underlying assets (located in Fukuoka City and Central Tokyo) in a bridge fund created via sponsor support.

(3) Financing

During the current fiscal period, Ichigo Office borrowed a total of 9,621 million yen from banks in November 2021 and January 2022, to repay loans that came due in those months (a total of 9,629 million yen). To maintain a stable financial base, Ichigo Office works to diversify repayment dates and is prudent about interest rate risks.

(4) Earnings and Dividends

As a result of the management initiatives above, Ichigo Office recorded an operating revenue of 8,675 million yen, operating profit of 4,436 million yen, recurring profit of 3,691 million yen and net income of 3,690 million yen for the fiscal period. With respect to dividends, the dividend policy set out in Article 37 of the Articles of Incorporation of the Investment Corporation stipulates that the amount of dividends shall exceed the amount equivalent to 90% of distributable earnings as provided for in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957 including subsequent amendments, hereinafter the “Special Measures Taxation Act”).

Ichigo Office has voluntary reserves for temporary difference adjustments and dividends. Of these voluntary reserves, it uses temporary difference adjustments of 105 million yen or more every period based on the revised Rules on Real Estate Investment Trusts and Real Estate Investment Corporations in 2015 (hereinafter the “Rules of the Investment Trust Association, Japan”). Similarly, Ichigo Office may use dividend reserves from the standpoint of stabilizing the dividend level, taking cash flows into account.

However, because Ichigo Office also has a tax loss carried forward ^(Note), mainly due to the loss on sales of real estate posted when assets were transferred in the past for the purpose of improving portfolio quality, it may internally reserve profits if it has total net gains on sales of real estate assets and other profits from operations.

For this period, Ichigo Office has decided to pay a total dividend of 3,795 million yen, which is the entire amount (except for fractions in which the dividend per share is less than one yen) of unappropriated retained earnings of 3,691 million yen, plus 105 million yen, which is the reversal of reserves for temporary difference adjustments. As a result, the dividend per share came to 2,508 yen.

3 Issuance of New Shares

Increases and decreases in the total number of shares outstanding and the total amount of shareholders’ equity for the most recent five years are as follows:

Date	Remarks	Number of Shares Outstanding (shares)		Shareholders’ Equity (million yen)		Notes
		Increase/decrease	Balance	Increase/decrease	Balance	
April 12, 2021	Shares Cancelled	-18,920	1,513,367	—	67,675	(Note)

(Note) Ichigo Office purchased its own shares in the Tokyo Stock Exchange, through in-market purchase via a securities firm between January 8, 2021 and February 12, 2021. On March 26, 2021, the Board of Directors approved to cancel the acquired shares, and the shares were cancelled on April 12, 2021. Since Ichigo Office used its Capital Reserve Surplus to purchase the shares, the amount of the Shareholders’ Equity did not change.

Share Price Performance

The table below shows the high and low prices (closing prices) on the Tokyo Stock Exchange REIT market, where Ichigo Office lists its shares, for each period.

	29th Fiscal Period From November 1, 2019 to April 30, 2020	30th Fiscal Period From May 1, 2020 to October 31, 2020	31st Fiscal Period From November 1, 2020 to April 30, 2021	32nd Fiscal Period From May 1, 2021 to October 31, 2021	33rd Fiscal Period From November 1, 2021 to April 30, 2022
High	119,300 yen	81,000 yen	98,600 yen	101,400 yen	88,600 yen
Low	54,300 yen	66,500 yen	68,100 yen	86,300 yen	76,300 yen

4 Dividends

With respect to dividends in the current fiscal period, the dividend distribution policy set out in Article 37 of the Articles of Incorporation of the Investment Corporation stipulates that the amount of dividends shall exceed an amount equivalent to 90% of distributable earnings as provided for in Article 67-15, Paragraph 1 of the Special Measures Taxation Act. Based on this policy, Ichigo Office has decided to pay a total dividend of 3,795 million yen, which is the entire amount (except for fractions in which the dividend per share is less than one yen) of unappropriated retained earnings of 3,691 million yen, plus 105 million yen, which is the reversal of reserves for temporary difference adjustments. As a result, the dividend per share came to 2,508 yen.

		29th Fiscal Period From November 1, 2019 to April 30, 2020	30th Fiscal Period From May 1, 2020 to October 31, 2020	31st Fiscal Period From November 1, 2020 to April 30, 2021	32nd Fiscal Period From May 1, 2021 to October 31, 2021	33rd Fiscal Period From November 1, 2021 to April 30, 2022
Unappropriated Retained Earnings	thousand yen	3,575,841	3,312,935	3,122,657	3,201,892	3,691,120
Retained Earnings for Dividend Reserve	thousand yen	—	—	—	—	—
Total Dividends	thousand yen	3,314,336	3,417,000	3,226,498	3,306,706	3,795,524
(Dividend per Share)	yen	(2,163)	(2,230)	(2,132)	(2,185)	(2,508)
Distributable Earnings	thousand yen	3,314,336	3,417,000	3,226,498	3,306,706	3,795,524
(Distributable Earnings per Share)	yen	(2,163)	(2,230)	(2,132)	(2,185)	(2,508)
Total Refund of Capital	thousand yen	—	—	—	—	—
(Refund of capital per share)	yen	(—)	(—)	(—)	(—)	(—)
Of the Total Refund of Capital, Total Distribution from Reserves for Temporary Difference Adjustment	thousand yen	—	—	—	—	—
(Of the Refund of Capital per Share, Distribution from Reserves for Temporary Difference Adjustment per Share)	yen	(—)	(—)	(—)	(—)	(—)
Of the Total Refund of Capital, Total Distribution from the Distribution Associated with a Decrease in Investment for Tax Purposes	thousand yen	—	—	—	—	—
(Of the Refund of Capital per Share, Distribution from the Distribution Associated with a Decrease in Investment for Tax Purposes)	yen	(—)	(—)	(—)	(—)	(—)

5 Investment Policies and Strategies

(1) Asset Acquisitions (Acquisition-Driven Growth)

Ichigo Office invests in real estate mainly located in central Tokyo, the Tokyo metropolitan area, major regional cities and prefectural capitals whose primary use is as offices, as well as real estate-backed securities related to these assets. In particular, Ichigo Office builds a portfolio specializing in mid-size offices with a focus on growth potential while securing earnings stability, given that both stability and growth potential can be expected in mid-size offices and that the replacement of assets in the portfolio in a mobilized manner according to the market conditions is also possible because the absolute number of assets is large and there are numerous opportunities for acquisition.

When acquiring assets, Ichigo Office works to obtain quality investment information at an early stage and promote an arm's length transaction, using information from Ichigo Investment Advisors Co., Ltd., the asset management company (hereinafter the "Asset Manager") of Ichigo Office, based on the Asset Manager's own network. In addition, Ichigo Office also promotes steady acquisition-driven growth, by using external bridge funds as well as the warehousing function of Ichigo Inc., based on the sponsor support agreement. Ichigo Office also strives to improve the quality of the portfolio through asset replacements by considering sales of assets with limited room for organic growth.

(2) Portfolio Management (Organic Growth)

In the management and operation of the assets owned, Ichigo Office aims to build a robust portfolio and drive sustainable growth through active promotion of the following initiatives that will lead to the strengthening of the earnings power of individual assets.

- Provide differentiated high-quality office spaces such as Ichigo Layout Office and Ichigo Lounge
- Increase asset value and investment returns via value-add capex
- Pursue investment efficiency
- Minimize downtime at re-tenanting and free-rent periods

(3) Financing Strategy

For the refinancing of existing loans, Ichigo Office will consider fixing borrowing rates and promoting the extension and diversification of borrowing periods, due to the unstable social situations leading to a rise in interest rates. With respect to the long-term issuer rating it has acquired from Japan Credit Rating Agency, Ltd., Ichigo Office will strengthen its financial base and expand its cash flows while diversifying its financing using investment corporation bonds, with the aim of further improving the current rating of "A (Outlook: Positive)."

6 Significant Subsequent Events

(1) Asset Acquisition

The sales and purchase agreements for the following asset has been made in accordance with the guidelines specified in Ichigo Office's Articles of Incorporation.

Ichigo Higashi Ikebukuro 3 Chome Building ^(Note 1)

Acquisition Price ^(Note 2)	3,840,000,000 yen
Location	3-13-3 Higashi Ikebukuro, Toshima-ku, Tokyo
Legal Form of Asset	Trust beneficiary interest in real estate (<i>juekiken</i>)
Property Right	Land: Freehold Building: Freehold
Contract Date	June 14, 2022
Closing Date	June 20, 2022
Seller ^(Note 3)	Domestic TMK (<i>tokutei mokuteki kaisha</i>)

(Note 1) After the acquisition by Ichigo Office, the building name will be changed from "Seiwa Ikebukuro Building" to "Ichigo Higashi Ikebukuro 3 Chome Building".

(Note 2) The acquisition price is the sales value of the trust beneficiary interest in real estate that does not include expenses for acquisition, the amount equivalent to settled fixed asset taxes and city planning taxes, and the amount equivalent to consumption taxes.

(Note 3) The seller did not provide consent to disclose its name.

(2) Loans

Ichigo Office decided to borrow funds via new loans in order to fund the above asset acquisition.

Lender	SMBC
Loan Amount	950,000,000 yen
Interest Rate	3M JPY TIBOR + 0.62% (p.a.) ^(Note)
Principal Repayment Date	May 25, 2029
Interest Payment Date	25th of every January, April, July, and October following the loan date
Principal Repayment Terms	Lump-sum repayment
Collateralized	No

Lender	Mizuho Bank
Loan Amount	950,000,000 yen
Interest Rate	3M JPY TIBOR + 0.62% (p.a.) ^(Note)
Principal Repayment Date	May 25, 2029
Interest Payment Date	25th of every January, April, July, and October following the loan date
Principal Repayment Terms	Lump-sum repayment
Collateralized	No

(Note) Ichigo Office will execute interest rate swaps to hedge against a rise in interest rates.

Ichigo Office Overview

1 Shares and Shareholders' Equity

		29th Fiscal Period April 30, 2020	30th Fiscal Period October 31, 2020	31st Fiscal Period April 30, 2021	32nd Fiscal Period October 31, 2021	33rd Fiscal Period April 30, 2020
Number of Authorized Shares	shares	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000
Number of Shares Outstanding	shares	1,532,287	1,532,287	1,513,367	1,513,367	1,513,367
Shareholders' Equity	million yen	67,675	67,675	67,675	67,675	67,675
Number of Shareholders	persons	13,368	13,947	13,911	14,104	15,994

2 Major Shareholders

Major shareholders as of April 30, 2022 are as follows:

Name	Shares	Ratio of Shares Held to Total Number of Shares Issued (%) (Note)
Ichigo Trust Pte. Ltd.	331,190	21.88
Custody Bank of Japan, Ltd., Trust Account	229,022	15.13
The Master Trust Bank of Japan, Trust Account	179,250	11.84
Custody Bank of Japan, Ltd., Securities Investment Trust Account	67,457	4.45
NOMURA BANK (LUXEMBOURG) S.A.	53,629	3.54
Nomura Trust & Banking Co., Ltd. Investment Trust Account	52,394	3.46
GOLDMAN SACHS INTERNATIONAL	35,736	2.36
BNP PARIBAS SECURITIES SERVICES LUXEMBOURG / JASDEC / SECURITIES-AIFM	23,391	1.54
STATE STREET BANK WEST CLIENT – TREATY 505234	22,021	1.45
SCBHK AC LIECHTENSTEINISCHE LANDESBANK AG	20,876	1.37
Total	1,014,966	67.06

(Note) The ratio of shares held to the total number of shares issued is truncated after the second decimal place.

3 Executive Director and Supervisory Directors

(1) Ichigo Office's directors and auditor as of April 30, 2022 are as follows:

Title	Name of Director	Other Major Positions	Total Compensation During the Current Fiscal Period (thousand yen)
Executive Director	Yoshihiro Takatsuka	R's Consulting KK, Representative Director Oct Advisors Inc., Director and Partner	2,160
Supervisory Directors	Takaaki Fukunaga	Fukunaga CPA Office, Representative Global Solutions Consulting Co., Ltd., Representative Director Bentall GreenOak KK, external Corporate Auditor AWP Ticket Guard Small Amount & Short Term Insurance Co., Ltd., external Corporate Auditor PP Japan Co., Ltd., Corporate Auditor GMO Registry, Inc., external Corporate Auditor	1,440
	Masahiro Terada	City-Yuwa Partners, Partner Shinsei Bank Limited, Independent Director	1,440
Accounting Auditor	Grant Thornton Taiyo LLC	—	9,440

(Note) The Executive and Supervisory Directors do not own shares of Ichigo Office under either their own name or another person's name.

(2) Policy for Determining Dismissal or Non-Reappointment of Accounting Auditor

The Board of Directors will determine the dismissal of the accounting auditor pursuant to the provisions of the Act on Investment Trusts and Investment Corporations and the refusal to reappoint the accounting auditor, taking various factors into consideration, including the quality of the audit and compensation for the audit.

4 Directors and Officers Liability Insurance

Ichigo Office has purchased the following D&O (directors and officers liability) insurance.

Beneficiary	Details of the D&O Insurance
Executive and Supervisory Directors	(1) Insurance Coverage Overview The D&O liability insurance covers damages and litigation expenses resulting from litigations arising from the actions (including negligence) of persons serving in a role of Executive or Supervisory Director.
	(2) Insurance Premiums Ichigo Office will bear the cost of insurance premiums, including the special provision for shareholder derivative lawsuits.
	(3) Measures to Ensure Appropriate Performance of Duties Damages resulting from willful misconduct and gross negligence are not covered by this insurance.

5 Asset Management Company, Asset Custodian, and Administrative Agents

The asset management company, asset custodian, and administrative agents as of April 30, 2022 are as follows:

Asset Management Company	Ichigo Investment Advisors Co., Ltd.
Asset Custodian	
Administrative Agent (Administration)	Mizuho Trust Banking & Co., Ltd.
Administrative Agent (Accounting)	
Administrative Agent (Transfer Agent)	
Administrative Agent (Special Accounts)	Sumitomo Mitsui Trust Bank, Limited
Administrative Agent (Special Accounts)	Mitsubishi UFJ Trust and Banking Corporation
Administrative Agent (Investment Corporation Bonds)	Sumitomo Mitsui Banking Corporation
Administrative Agent (Investment Corporation Bonds)	MUFG Bank, Ltd.
Administrative Agent (Investment Corporation Bonds)	Mizuho Bank, LTD.

Assets under Management

1 Asset Composition

Asset Type	Area (Note 1)	32nd Fiscal Period (as of October 31, 2021)		33rd Fiscal Period (as of April 30, 2022)	
		Book Value (million yen)(Note 2)	Ratio to Total Assets (%)	Book Value (million yen)(Note 2)	Ratio to Total Assets (%)
Real Estate	Central Tokyo	6,712	2.9	5,960	2.6
	Tokyo Metropolitan Area	3,977	1.7	3,959	1.7
	Four Major Regional Cities	10,265	4.5	10,203	4.5
Trust Beneficiary Interest in Real Estate (<i>juekiken</i>) (Note 3)	Central Tokyo	108,070	47.5	107,980	47.4
	Tokyo Metropolitan Area	43,352	19.0	43,305	19.0
	Four Major Regional Cities	19,686	8.6	19,706	8.6
	Other Regional Cities	10,370	4.6	10,373	4.5
Subtotal		202,436	88.9	201,489	88.4
Investment in Securities (Note 4)		—	—	51	0.0
Deposits and Other Assets		25,216	11.1	26,480	11.6
Total Assets		227,653	100.0	228,020	100.0

(Note 1) Areas are defined as follows:

Central Tokyo : Chiyoda, Minato, Chuo, Shinjuku, Shibuya and Shinagawa Wards
Tokyo Metropolitan Area : Tokyo (excluding the six wards above) and Kanagawa, Chiba and Saitama Prefectures
Four Major Regional Cities : Osaka, Nagoya, Fukuoka and Sapporo
Other Regional Cities : Regional cities other than the above (prefectural capitals, etc.)

(Note 2) Book Value is the amount recorded on the balance sheet as of the closing date (for real estate and the trust beneficiary interest in real estate, the book value after depreciation). Construction in progress and construction in progress in trust are not included in the subtotal of real estate and the trust beneficiary interest in real estate.

(Note 3) Land leasehold rights in trust held together with buildings in trust are stated in the section on the trust beneficiary interest in real estate by adding them to buildings in trust, etc.

(Note 4) TK (tokumei kumiai) real estate equity interest in Kizuna1 GK TK

2 Major Assets Owned

The table below is a summary of the major assets owned by Ichigo Office as of April 30, 2022 (top ten assets in terms of book value).

Asset Name	Book Value (million yen) (Note 1)	Leasable Area (m ²)	Leased Area (m ²)	Occupancy (%) (Note 2)	Ratio to Total Rent Revenue (%)	Asset Type
Ichigo Jingumae Building	7,425	4,510.04	4,510.04	100.0	2.4	Office
Ichigo Ebisu Green Glass	5,764	3,159.27	3,159.27	100.0	2.0	Office
Ichigo Marunouchi Building	5,524	8,009.11	8,009.11	100.0	3.1	Office
Ichigo Akihabara North Building	5,474	6,250.53	6,250.53	100.0	3.0	Office
Ichigo Ikenohata Building	5,119	5,504.15	5,504.15	100.0	2.1	Office
Ichigo Sasazuka Building	4,889	6,425.29	6,425.29	100.0	2.4	Office
Ichigo Gotanda Building	4,785	5,346.39	5,346.39	100.0	2.7	Office
Ichigo Sakae Building	4,679	3,928.12	3,928.12	100.0	2.8	Office
Ichigo Higashi Ikebukuro Building	4,601	4,433.00	3,896.27	87.9	2.1	Office
Ichigo Nihonbashi East Building	4,371	4,216.97	4,216.97	100.0	1.9	Office
Total	52,634	51,782.87	51,246.14	99.0	24.6	

(Note 1) Book Value does not include construction in progress or construction in progress in trust.

(Note 2) Occupancy is the ratio of the Leased Area within the Leasable Area of the real estate or real estate in trust as of period-end. The ratio is rounded off to the first decimal place.

3 Portfolio Overview

Details of Portfolio Assets

The table below shows the details of assets owned by Ichigo Office as of April 30, 2022.

Asset Name	Location	Form of Ownership	Leasable Area (m ²)	Appraisal Value at Period-end (million yen) (Note 1)	Book Value at Period-end (million yen) (Note 2)	
O-02	Ichigo Nishisando Building	Yoyogi, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	4,523.19	3,270	3,342
O-03	Ichigo Mita Building	Shiba, Minato-ku, Tokyo	Trust beneficiary interest in real estate	4,119.63	3,630	2,708
O-04	Ichigo Nanpeidai Building	Nanpeidaicho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	1,925.24	2,550	1,892
O-05	Ichigo Hanzomon Building	Hayabusacho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,080.37	2,070	1,500
O-06	Ichigo Hijirizaka Building	Mita, Minato-ku, Tokyo	Trust beneficiary interest in real estate	1,947.90	1,490	1,201
O-07	Ichigo Shibuya Kamiyamacho Building	Kamiyamacho, Shibuya-ku, Tokyo	Real estate	1,321.54	1,900	1,333
O-09	Ichigo Shibakoen Building	Shiba, Minato-ku, Tokyo	Real estate	1,602.29	1,280	1,095
O-10	Ichigo Ebisu Nishi Building	Ebisu-Nishi, Shibuya-ku, Tokyo	Real estate	1,484.39	2,570	1,917
O-11	Ichigo Ginza 612 Building	Ginza, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	1,364.97	2,150	1,802
O-12	Ichigo Uchikanda Building	Uchikanda, Chiyoda-ku, Tokyo	Real estate	1,378.83	1,390	1,108
O-14	Ichigo Yotsuya 4 Chome Building	Yotsuya, Shinjuku-ku, Tokyo	Trust beneficiary interest in real estate	780.64	580	499
O-15	Ichigo Tameike Building	Akasaka, Minato-ku, Tokyo	Real estate	494.14	725	504
O-16	Ichigo Jimbocho Building	Kanda Jimbocho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	1,891.01	2,370	1,794
O-17	Ichigo Hakozaeki Building	Nihonbashi Kakigaracho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,389.54	1,180	1,134
O-18	Ichigo Kudan 2 Chome Building	Kudan Minami, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	1,265.76	937	763
O-19	Ichigo Kudan 3 Chome Building	Kudan Minami, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	1,302.43	923	808
O-20	Ichigo Gotanda Building	Higashi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	5,346.39	6,630	4,785
O-21	Ichigo Shin Yokohama Building	Shin Yokohama, Kohoku-ku, Yokohama	Trust beneficiary interest in real estate	4,021.32	1,680	1,656
O-22	Ichigo Minami Ikebukuro Building	Minami Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	1,491.50	1,890	1,344
O-23	Ichigo Nakano North Building	Arai, Nakano-ku, Tokyo	Trust beneficiary interest in real estate	1,264.11	977	718
O-24	Ichigo Eitai Building	Eitai, Koto-ku, Tokyo	Real estate	2,605.54	1,500	1,423
O-26	Ichigo Ikejiri Building	Ohashi, Meguro-ku, Tokyo	Real estate	2,385.69	2,260	1,945
O-27	Ichigo Nishi Ikebukuro Building	Ikebukuro, Toshima-ku, Tokyo	Real estate	1,261.91	1,030	589
O-28	Ichigo Nishi Gotanda Building	Nishi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	1,328.95	895	753
O-29	Ichigo Kichijoji Building	Kichijoji Honcho, Musashino City, Tokyo	Trust beneficiary interest in real estate	4,210.87	2,860	2,153
O-34	Ichigo Sakae Building	Sakae, Naka-ku, Nagoya	Real estate	3,928.12	6,270	4,679
O-37	Ichigo Marunouchi Building	Marunouchi, Naka-ku, Nagoya	Real estate	8,009.11	7,540	5,524
O-38	Ichigo Toyamaeki Nishi Building	Jinzu Honmachi, Toyama City, Toyama	Trust beneficiary interest in real estate	8,601.72	1,850	1,451
O-39	Ichigo Mirai Shinkin Building	Niagemachi, Oita City, Oita	Trust beneficiary interest in real estate	3,551.46	1,350	1,124
O-42	Ichigo Takamatsu Building	Kotobukicho, Takamatsu City, Kagawa	Trust beneficiary interest in real estate	6,329.33	3,860	2,117
O-46	Ichigo Kanda Nishikicho Building	Kanda-Nishikicho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,523.09	3,290	2,000
O-47	Ichigo Akihabara North Building	Sotokanda, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	6,250.53	8,070	5,474
O-48	Ichigo Sakaisuji Honmachi Building	Honmachi, Chuo-ku, Osaka	Trust beneficiary interest in real estate	3,729.35	2,470	1,712
O-49	Ichigo Kanda Ogawamachi Building	Kanda-Ogawamachi, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,309.39	2,540	2,187
O-50	Ichigo Hatchobori Building	Shintomi, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,716.33	2,760	1,745
O-51	Ichigo Ebisu Green Glass	Ebisu Minami, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	3,159.27	7,630	5,764
O-52	Ichigo Omori Building	Minami Oi, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	3,585.93	4,570	3,782
O-53	Ichigo Takadanobaba Building	Takadanobaba, Shinjuku-ku, Tokyo	Trust beneficiary interest in real estate	1,606.92	1,950	1,581
O-54	Ichigo Omiya Building	Miyacho, Omiya-ku, Saitama City, Saitama	Trust beneficiary interest in real estate	6,180.68	4,280	3,538
O-55	Ichigo Sagamihara Building	Sagamihara, Chuo-ku, Sagamihara City, Kanagawa	Trust beneficiary interest in real estate	2,960.81	1,310	1,210
O-56	Ichigo Ofuna Building	Ofuna, Kamakura City, Kanagawa	Trust beneficiary interest in real estate	2,364.71	2,320	1,958
O-57	Ichigo Sendai East Building	Miyagino, Miyagino-ku, Sendai, Miyagi	Trust beneficiary interest in real estate	5,205.49	2,180	1,569

Asset Name		Location	Form of Ownership	Leasable Area (m ²)	Appraisal Value at Period-end (million yen) (Note 1)	Book Value at Period-end (million yen) (Note 2)
O-58	Ichigo Kumamoto Building	Karashimacho, Chuo-ku, Kumamoto City, Kumamoto	Trust beneficiary interest in real estate	4,507.59	1,600	1,553
O-59	Ichigo Jingumae Building	Jingumae, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	4,510.04	7,910	7,425
O-60	Ichigo Shibuya Dogenzaka Building	Maruyamacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	2,789.86	5,330	3,682
O-61	Ichigo Hiroo Building	Hiroo, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	3,510.44	4,730	3,986
O-62	Ichigo Sasazuka Building	Sasazuka, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	6,425.29	6,230	4,889
O-63	Ichigo Nihonbashi East Building	Nihonbashi Bakurocho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	4,216.97	5,620	4,371
O-64	Ichigo Sakurabashi Building	Hatchobori, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,971.22	3,180	2,544
O-65	Ichigo Shinkawa Building	Shinkawa, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,312.03	3,020	2,391
O-66	Ichigo Kudan Building	Kanda Jimbocho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	3,090.65	3,710	3,233
O-67	Ichigo Higashi Gotanda Building	Higashi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	4,548.10	4,410	3,637
O-68	Axior Mita	Mita, Minato-ku, Tokyo	Trust beneficiary interest in real estate	2,369.82	2,370	1,706
O-69	Ichigo Higashi Ikebukuro Building	Higashi Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	4,433.00	5,460	4,601
O-70	Koriyama Big-i (Office Section)	Ekimae, Koriyama City, Fukushima	Trust beneficiary interest in real estate	3,433.07	2,140	1,505
O-71	Ichigo Kawasaki Building	Higashi Tamachi, Kawasaki-ku, Kawasaki City, Kanagawa	Trust beneficiary interest in real estate	3,823.01	2,280	1,814
O-72	Ichigo Shibuya East Building	Higashi, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	1,041.36	1,550	1,381
O-73	Ichigo Ningyocho Building	Nihonbashi Horidomecho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	1,769.09	1,600	1,490
O-74	Ichigo Nishi Honmachi Building	Awaza, Nishi-ku, Osaka	Trust beneficiary interest in real estate	6,152.00	2,500	2,192
O-75	Ichigo Hakata Building	Gionmachi, Hakata-ku, Fukuoka	Trust beneficiary interest in real estate	2,423.86	1,530	1,359
O-76	Ichigo Nishiki First Building	Nishiki, Naka-ku, Nagoya	Trust beneficiary interest in real estate	3,324.70	2,170	1,959
O-77	Ichigo Ikenohata Building	Ikenohata, Taito-ku, Tokyo	Trust beneficiary interest in real estate	5,504.15	5,500	5,119
O-78	Ichigo Ikebukuro East Building	Higashi Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	3,118.69	3,430	2,998
O-79	Ichigo Motoazabu Building	Motoazabu, Minato-ku, Tokyo	Trust beneficiary interest in real estate	1,329.96	2,350	1,913
O-80	Ichigo Otsuka Building	Minami Otsuka, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	3,623.98	3,100	2,756
O-81	Ichigo Nagoya Building	Meieki, Nakamura-ku, Nagoya	Trust beneficiary interest in real estate	4,930.30	3,910	3,525
O-82	Ichigo Fushimi Building	Nishiki, Naka-ku, Nagoya	Trust beneficiary interest in real estate	4,155.60	2,540	2,325
O-83	Ichigo Nishiki Building	Nishiki, Naka-ku, Nagoya	Trust beneficiary interest in real estate	2,006.78	1,480	1,289
O-84	Ichigo Minami Morimachi Building	Matsugaecho, Kita-ku, Osaka	Trust beneficiary interest in real estate	2,521.51	1,260	1,054
O-85	Ichigo Shibuya Udagawacho Building	Udagawacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	1,491.68	4,180	3,559
O-86	Win Gotanda Building	Nishi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	3,689.88	3,540	3,105
O-87	Ichigo Hongo Building	Hongo, Bunkyo-ku, Tokyo	Trust beneficiary interest in real estate	2,733.68	2,690	2,300
O-88	Oimachi Center Building	Oi, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	2,751.08	2,090	1,698
O-89	Win Gotanda Building 2	Osaki, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	3,434.69	3,610	3,289
O-90	MIF Building	Uchikanda, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	1,690.33	2,370	2,191
O-91	Ichigo Uchi Honmachi Building	Uchi Honmachi, Chuo-ku, Osaka	Trust beneficiary interest in real estate	3,004.07	2,180	2,001
O-92	Ichigo Minami Otsuka Building	Minami Otsuka, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	3,129.49	3,270	2,858
O-93	Ichigo Nogizaka Building	Akasaka, Minato-ku, Tokyo	Trust beneficiary interest in real estate	2,199.35	3,620	3,507
O-94	Ichigo Hakata East Building	Hakataeki Higashi, Hakata-ku, Fukuoka	Trust beneficiary interest in real estate	2,901.99	2,610	2,287
O-95	Ichigo Nakameguro Building	Aobadai, Meguro-ku, Tokyo	Trust beneficiary interest in real estate	1,044.34	1,640	1,550
O-96	Ichigo Tachikawa Building	Akebonocho, Tachikawa, Tokyo	Trust beneficiary interest in real estate	4,879.78	4,010	3,832
Z-09	Future IZUMI	Fuchucho, Izumi City, Osaka	Trust beneficiary interest in real estate	3,733.66	563	1,051
Z-10	Ichigo Shibuya Bunkamura Dori Building	Udagawacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	778.77	3,040	2,450
Z-11	Twicere Yokohama Isogo (Retail Section)	Mori, Isogo-ku, Yokohama	Trust beneficiary interest in real estate	2,717.77	1,500	1,445
Z-14	Ichigo Kamata Building	Nishi Kamata, Ota-ku, Tokyo	Trust beneficiary interest in real estate	2,124.68	1,530	1,447
Total				263,948.70	246,330	201,489

(Note 1) The appraisal value at period-end is the value appraised by the real estate appraisers of Japan Real Estate Institute, Daiwa Real Estate Appraisal Co., Ltd., The Tanizawa Sogo Appraisal Co., Ltd. and Rich Appraisal Institute under the Articles of Incorporation of Ichigo Office and the Regulation on Accounting of Investment Corporations (Cabinet Office Order No. 47 of 2006 including subsequent amendments).

(Note 2) The book value at period-end does not include construction in progress or construction in progress in trust.

The table below shows the status of rental activity at Ichigo Office assets in the 32nd and 33rd fiscal Periods:

Asset Name	32nd Fiscal Period From May 1, 2021 to October 31, 2021				33rd Fiscal Period From November 1, 2021 to April 30, 2022			
	Number of Tenants at Period-end (tenants) (Note 1)	Occupancy at Period-end (%) (Note 2)	Rental Income (thousand yen)	Ratio to Total Rental Income (%)	Number of Tenants at Period-end (tenants) (Note 1)	Occupancy at Period-end (%) (Note 2)	Rental Income (thousand yen)	Ratio to Total Rental Income (%)
O-02 Ichigo Nishisando Building	17	100.0	139,527	1.8	17	100.0	138,921	1.8
O-03 Ichigo Mita Building	8	89.5	109,521	1.4	8	77.8	92,905	1.2
O-04 Ichigo Nanpeidai Building	13	100.0	77,869	1.0	13	100.0	79,497	1.0
O-05 Ichigo Hanzomon Building	5	92.5	56,808	0.7	5	100.0	61,322	0.8
O-06 Ichigo Hijirizaka Building	5	100.0	59,485	0.8	4	100.0	59,799	0.8
O-07 Ichigo Shibuya Kamiyamacho Building	4	100.0	53,963	0.7	4	86.7	53,231	0.7
O-08 Ichigo Akasaka 5 Chome Building (Note 3)	9	100.0	28,433	0.4	—	—	17,935	0.2
O-09 Ichigo Shibakoen Building	3	100.0	49,140	0.6	3	100.0	49,415	0.6
O-10 Ichigo Ebisu Nishi Building	7	100.0	72,196	0.9	7	100.0	72,581	0.9
O-11 Ichigo Ginza 612 Building	22	93.5	70,090	0.9	23	96.0	61,956	0.8
O-12 Ichigo Uchikanda Building	9	100.0	50,429	0.6	10	100.0	43,033	0.6
O-14 Ichigo Yotsuya 4 Chome Building	10	100.0	21,238	0.3	8	81.8	19,537	0.3
O-15 Ichigo Tameike Building	5	82.8	12,381	0.2	5	82.8	16,411	0.2
O-16 Ichigo Jimbocho Building	7	92.6	70,998	0.9	8	100.0	72,738	0.9
O-17 Ichigo Hakozaeki Building	6	88.0	50,624	0.6	7	100.0	57,213	0.7
O-18 Ichigo Kudan 2 Chome Building	1	100.0	33,716	0.4	—	—	19,292	0.2
O-19 Ichigo Kudan 3 Chome Building	4	81.0	32,515	0.4	3	50.0	26,342	0.3
O-20 Ichigo Gotanda Building	15	100.0	202,354	2.6	15	100.0	206,660	2.7
O-21 Ichigo Shin Yokohama Building	14	97.7	81,373	1.0	14	97.7	81,387	1.1
O-22 Ichigo Minami Ikebukuro Building	9	100.0	60,632	0.8	9	100.0	60,792	0.8
O-23 Ichigo Nakano North Building	6	91.9	40,201	0.5	7	100.0	40,596	0.5
O-24 Ichigo Eitai Building	10	100.0	67,408	0.9	10	100.0	72,035	0.9
O-26 Ichigo Ikejiri Building	6	100.0	76,715	1.0	6	100.0	84,046	1.1
O-27 Ichigo Nishi Ikebukuro Building	1	100.0	29,217	0.4	1	100.0	33,988	0.4
O-28 Ichigo Nishi Gotanda Building	7	77.8	32,104	0.4	7	77.8	25,582	0.3
O-29 Ichigo Kichijoji Building	13	100.0	114,433	1.5	14	100.0	116,025	1.5
O-34 Ichigo Sakae Building	19	100.0	217,981	2.8	19	100.0	217,888	2.8
O-37 Ichigo Marunouchi Building	25	100.0	241,631	3.1	26	100.0	238,315	3.1
O-38 Ichigo Toyamaeki Nishi Building	15	100.0	115,915	1.5	14	100.0	116,428	1.5
O-39 Ichigo Mirai Shinkin Building	19	95.8	74,808	1.0	19	92.8	75,021	1.0
O-42 Ichigo Takamatsu Building	14	98.6	155,819	2.0	15	98.7	156,282	2.0
O-46 Ichigo Kanda Nishikicho Building	8	69.2	58,230	0.7	11	100.0	72,750	0.9
O-47 Ichigo Akihabara North Building	1	100.0	230,446	2.9	1	100.0	230,218	3.0
O-48 Ichigo Sakaisuji Honmachi Building	15	100.0	96,537	1.2	15	100.0	97,222	1.3
O-49 Ichigo Kanda Ogawamachi Building	9	100.0	84,959	1.1	8	89.8	83,716	1.1
O-50 Ichigo Hatchobori Building	7	100.0	98,291	1.3	7	100.0	97,708	1.3
O-51 Ichigo Ebisu Green Glass	5	80.8	156,538	2.0	6	100.0	157,430	2.0
O-52 Ichigo Omori Building	10	100.0	138,395	1.8	10	95.2	134,626	1.7
O-53 Ichigo Takadanobaba Building	8	100.0	57,290	0.7	8	100.0	61,118	0.8
O-54 Ichigo Omiya Building	30	100.0	166,362	2.1	30	100.0	163,988	2.1
O-55 Ichigo Sagamihara Building	13	100.0	59,821	0.8	13	100.0	60,391	0.8
O-56 Ichigo Ofuna Building	9	100.0	93,864	1.2	9	100.0	92,023	1.2
O-57 Ichigo Sendai East Building	10	100.0	102,955	1.3	10	100.0	104,098	1.3
O-58 Ichigo Kumamoto Building	33	100.0	86,005	1.1	33	100.0	86,515	1.1
O-59 Ichigo Jingumae Building	6	97.1	170,273	2.2	7	100.0	188,652	2.4
O-60 Ichigo Shibuya Dogenzaka Building	10	100.0	115,297	1.5	10	88.1	120,810	1.6
O-61 Ichigo Hiroo Building	5	100.0	134,239	1.7	5	100.0	135,682	1.8
O-62 Ichigo Sasazuka Building	6	100.0	187,724	2.4	6	100.0	188,095	2.4
O-63 Ichigo Nihonbashi East Building	7	100.0	150,265	1.9	7	100.0	149,942	1.9
O-64 Ichigo Sakurabashi Building	6	100.0	81,994	1.0	6	100.0	86,594	1.1
O-65 Ichigo Shinkawa Building	5	76.8	69,424	0.9	5	76.8	70,445	0.9
O-66 Ichigo Kudan Building	10	100.0	108,390	1.4	9	89.1	96,557	1.2
O-67 Ichigo Higashi Gotanda Building	19	100.0	122,161	1.6	19	100.0	131,121	1.7
O-68 Axior Mita	10	90.0	67,284	0.9	9	80.0	59,107	0.8

Asset Name	32nd Fiscal Period From May 1, 2021 to October 31, 2021				33rd Fiscal Period From November 1, 2021 to April 30, 2022			
	Number of Tenants at Period-end (tenants) (Note 1)	Occupancy at Period-end (%) (Note 2)	Rental Income (thousand yen)	Ratio to Total Rental Income (%)	Number of Tenants at Period-end (tenants) (Note 1)	Occupancy at Period-end (%) (Note 2)	Rental Income (thousand yen)	Ratio to Total Rental Income (%)
O-69 Ichigo Higashi Ikebukuro Building	17	100.0	163,010	2.1	16	87.9	160,440	2.1
O-70 Koriyama Big-i (Office Section)	14	100.0	105,975	1.4	14	94.1	105,891	1.4
O-71 Ichigo Kawasaki Building	15	80.7	84,127	1.1	16	82.9	76,900	1.0
O-72 Ichigo Shibuya East Building	3	100.0	43,823	0.6	3	100.0	44,497	0.6
O-73 Ichigo Ningyocho Building	8	100.0	47,679	0.6	8	88.8	43,176	0.6
O-74 Ichigo Nishi Honmachi Building	31	98.2	111,087	1.4	30	95.5	109,735	1.4
O-75 Ichigo Hakata Building	28	100.0	53,279	0.7	26	96.5	53,194	0.7
O-76 Ichigo Nishiki First Building	6	100.0	79,175	1.0	6	100.0	79,318	1.0
O-77 Ichigo Ikenohata Building	7	100.0	164,501	2.1	7	100.0	164,540	2.1
O-78 Ichigo Ikebukuro East Building	3	100.0	95,427	1.2	2	100.0	93,329	1.2
O-79 Ichigo Motoazabu Building	3	100.0	68,721	0.9	3	100.0	68,726	0.9
O-80 Ichigo Otsuka Building	7	100.0	103,249	1.3	7	84.1	122,768	1.6
O-81 Ichigo Nagoya Building	33	92.8	145,948	1.9	34	91.8	139,601	1.8
O-82 Ichigo Fushimi Building	38	95.7	90,090	1.1	38	93.1	92,096	1.2
O-83 Ichigo Nishiki Building	25	100.0	48,546	0.6	24	94.3	50,341	0.7
O-84 Ichigo Minami Morimachi Building	12	100.0	49,726	0.6	12	100.0	45,296	0.6
O-85 Ichigo Shibuya Udagawacho Building	7	78.2	65,151	0.8	7	78.2	68,015	0.9
O-86 Win Gotanda Building	11	100.0	118,955	1.5	11	100.0	118,936	1.5
O-87 Ichigo Hongo Building	7	100.0	91,486	1.2	7	100.0	90,580	1.2
O-88 Oimachi Center Building	7	86.6	64,499	0.8	7	86.6	66,666	0.9
O-89 Win Gotanda Building 2	8	83.1	95,267	1.2	9	88.7	102,718	1.3
O-90 MIF Building	7	100.0	66,775	0.9	7	100.0	67,057	0.9
O-91 Ichigo Uchi Honmachi Building	18	100.0	65,690	0.8	18	100.0	65,817	0.9
O-92 Ichigo Minami Otsuka Building	8	100.0	79,936	1.0	8	100.0	82,124	1.1
O-93 Ichigo Nogizaka Building	6	100.0	87,900	1.1	6	100.0	88,408	1.1
O-94 Ichigo Hakata East Building	20	100.0	75,290	1.0	19	100.0	75,124	1.0
O-95 Ichigo Nakameguro Building	6	100.0	36,839	0.5	6	100.0	37,960	0.5
O-96 Ichigo Tachikawa Building	13	85.1	111,970	1.4	13	85.1	106,396	1.4
Z-09 Future IZUMI	—	—	110,663	1.4	1	40.3	5,737	0.1
Z-10 Ichigo Shibuya Bunkamura Dori Building	3	88.5	77,332	1.0	4	100.0	69,556	0.9
Z-11 Twicere Yokohama Isogo (Retail Section)	7	80.8	52,338	0.7	7	80.8	51,297	0.7
Z-14 Ichigo Kamata Building	2	100.0	53,088	0.7	2	100.0	53,228	0.7
Total	930	95.4	7,843,853	100.0	923	94.7	7,735,491	100.0

(Note 1) In the column “Number of Tenants at Period-end,” the total number of tenants that have entered into a lease contract with Ichigo Office or the trustee as the lessor is stated. If a master lease contract has been entered into with a master leasing company other than Ichigo Office, the number of tenants is counted as one.

(Note 2) “Occupancy Rate at Period-end” is the ratio of the Leased Area within the Leasable Area of the real estate or real estate in trust as of period-end. The ratio is rounded off to the first decimal place.

(Note 3) The asset was sold on February 18, 2022.

Details of Renewable Energy Power Generation Equipment

N/A

Details of PPP and PFI

N/A

Details of Investments in Securities

The table below is the summary of investments in securities owned by Ichigo Office as of April 30, 2022.

	Type	Book Value (thousand yen)		Appraisal Value (thousand yen) (Note 1)		Difference	Note
		Per Share	Total	Per Share	Total		
Equity Interest in Kizuna 1 GK TK	TK (<i>tokumei kumiai</i>) equity interest	—	51,212	—	51,212	—	(Note 2)
Total		—	51,212	—	51,212	—	—

(Note 1) "Appraisal Value" shows the book value of the TK equity interest.

(Note 2) The underlying real estate in the Kizuna 1 GK TK is a trust beneficiary interest in real estate (*juekiken*) of Ichigo Hakataeki Higashi Building, Ichigo Hakata Meiji Dori Building, Fukuoka Kensetsu Kaikan, and Ogaku Building.

4 Status of Other Assets

Trust beneficiary rights whose major asset is real estate are included in "3. Portfolio Overview" above, and major specified assets in which the Investment Corporation invests as of April 30, 2022 are as follows.

Contract Value and Market Value of Specified Transactions

The table below shows the contract value and fair value of a specified transaction at Ichigo Office as of April 30, 2022.

Classification	Type	Contract Amount (thousand yen)		Market Value (thousand yen) (Note 2)
		(Note 1)	Exceeding One Year (Note 1)	
Transactions Other than Market Transactions	Interest rate swap (pay fixed, receive floating)	91,631,000	72,365,000	—
Total		91,631,000	72,365,000	—

(Note 1) The contract amount of interest rate swap is based on the notional principal.

(Note 2) Since the above transaction meets the specific matching criteria of the Accounting Standard for Financial Instruments, market value is omitted.

5 Assets by Country and Region

All Ichigo Office assets are located in Japan.

Capital Expenditures

1 Schedule of Capital Expenditures

The major renovation-related capital expenditures planned as of April 30, 2022 are as described below. The payment amount for the scheduled work below includes the amount classified as accounting expenses.

Asset Name (Location)	Purpose	Period	Expected Payment Amount (thousand yen)		
			Total Amount	Amount Paid in the Fiscal Period under Review	Amount Already Paid
Koriyama Big-i (Office Section) (Koriyama City, Fukushima)	Air Conditioning Upgrade (Phase 3)	From December 2022 to December 2022	49,000	—	—
Ichigo Minami Morimachi Building (Kita-ku, Osaka)	Renovate exterior walls	From November 2022 to November 2022	31,870	—	1,000
Ichigo Otsuka Building (Toshima-ku, Tokyo)	Renovate exterior walls	From December 2022 to December 2022	30,670	—	—
Ichigo Sagamiara Building (Sagamiara City, Kanagawa)	Elevator Upgrade	From January 2023 to January 2023	25,162	—	—
Ichigo Takadanobaba Building (Shinjuku-ku, Tokyo)	Elevator Upgrade	From November 2022 to November 2022	23,020	—	—
Ichigo Uchikanda Building (Chiyoda-ku, Tokyo)	Renovate exterior walls	From April 2023 to April 2023	20,470	—	—
Oimachi Center Building (Chiyoda-ku, Tokyo)	Upgrade air conditioning systems	From March 2023 to March 2023	20,470	—	—
Ichigo Shin Yokohama Building (Yokohama)	Upgrade high-voltage Switching equipment (Phase 1)	From February 2023 to February 2023	17,860	—	—
Ichigo Kudan 2 Chome Building (Chiyoda-ku, Tokyo)	Renovate tenant spaces	From July 2022 to July 2022	15,370	—	—
Ichigo Nishi Gotanda Building (Shinagawa-ku, Tokyo)	Elevator Upgrade	From May 2022 to May 2022	12,310	—	—
Ichigo Yotsuya 4 Chome Building (Shinjuku-ku, Tokyo)	Renovate tenant spaces	From June 2022 to June 2022	5,120	—	—

2 Capital Expenditures during the Current Fiscal Period

Capital expenditures during the current fiscal period amounted to 674,547 thousand yen, and construction work of a total of 808,604 thousand yen were conducted, combined with repair expenses of 134,056 thousand yen.

Asset Name (Location)	Purpose	Period	Payment Amount (thousand yen)
Koriyama Big-i (Office Section) (Koriyama City, Fukushima)	Air Conditioning Upgrade (Phase 2)	From September 2021 to December 2021	48,251
Ichigo Kumamoto Building (Kumamoto City, Kumamoto)	Elevator Upgrade (Lift No.1)	From October 2021 to December 2021	29,140
Ichigo Kudan 2 Chome Building (Chiyoda-ku, Tokyo)	Renovate all tenant spaces	From March 2022 to April 2022	28,630
Future IZUMI (Izumi City, Osaka)	Upgrade machine and equipment	From December 2021 to March 2022	24,040
Ichigo Minami Morimachi Building (Kita-ku, Osaka)	Elevator Upgrade (Phase 2)	From October 2021 to November 2021	10,745
	Other		533,741
	Total		674,547

3 Cash Reserves for Long-Term Repair and Maintenance Plans

Based on each asset's long-term repair and maintenance plans, Ichigo Office reserves funds for future large-scale repairs and renovations from cash flow during each fiscal period as follows.

(Thousand yen)

	29th Fiscal Period From November 1, 2019 to April 30, 2020	30th Fiscal Period From May 1, 2020 to October 31, 2020	31st Fiscal Period From November 1, 2020 to April 30, 2021	32nd Fiscal Period From May 1, 2021 to October 31, 2021	33rd Fiscal Period From November 1, 2021 to April 30, 2022
Balance of Reserves at Beginning of Period	1,542,418	1,546,103	1,586,617	1,557,530	1,555,616
Gains	787,498	646,051	695,825	739,142	779,842
Reversals	783,813	605,536	724,912	741,056	826,619
Amount Brought Forward to Next Period	1,546,103	1,586,617	1,557,530	1,555,616	1,508,839

Expenses and Liabilities

1 Details of Operating Expenses

(Thousand yen)

	32nd Fiscal Period From May 1, 2021 to October 31, 2021	33rd Fiscal Period From November 1, 2021 to April 30, 2022
a. Asset Management Fees	871,602	1,102,670
b. Asset Custody Fees	15,106	15,106
c. Administrative Service Fees	43,593	43,629
d. Directors' Compensation	5,040	5,040
e. Other Operating Expenses	58,429	80,998
Total	993,771	1,247,444

2 Borrowings

The table below shows borrowings as of April 30, 2022.

	Lender	Loan Date	Balance at Period-start (million yen)	Balance at Period-end (million yen)	Average Interest Rate (%) (Note 1)	Repayment Date	Repayment Terms	Use	Collateralized
Long-Term Loans	SMBC	May 7, 2015	1,948	—	1.347 (Note 2)	November 8, 2021	(Note 3)	(Note 9)	No (No Guarantee)
	Mizuho Bank		1,948	—					
	Aozora Bank		588	—					
	Shinsei Bank		771	—					
	MUFG Bank		1,622	—					
	Resona Bank		1,358	—					
	Bank of Fukuoka		446	—					
	ORIX Bank		446	—					
	SMBC	May 9, 2016	1,434	1,432	0.808 (Note 2)	May 31, 2022	(Note 4)		
	Mizuho Bank		1,038	1,037					
	MUFG Bank		890	889					
	Shinsei Bank		494	494					
	SMBC	May 9, 2016	1,434	1,432	0.858 (Note 2)	November 30, 2022	(Note 5)		
	Mizuho Bank		1,038	1,037					
	MUFG Bank		890	889					
	Shinsei Bank		494	494					
	SMBC	May 24, 2016	1,780	1,778	0.705 (Note 2)	May 31, 2022	(Note 6)		
	Mizuho Bank		890	889					
	MUFG Bank		692	691					
	Shinsei Bank		593	592					
	Aozora Bank		494	494					
	Bank of Fukuoka		494	494					
	Nishi-Nippon City Bank		494	494					
	Resona Bank		346	345					
	SMBC		May 24, 2016	1,780					
	Mizuho Bank	890		889					
	MUFG Bank	692		691					
	Shinsei Bank	593		592					
Aozora Bank	494	494							
Bank of Fukuoka	494	494							
Nishi-Nippon City Bank	494	494							
Resona Bank	346	345							

	Lender	Loan Date	Balance at Period-start (million yen)	Balance at Period-end (million yen)	Average Interest Rate (%) (Note 1)	Repayment Date	Repayment Terms	Use	Collateralized
Long-Term Loans	SMBC	November 2, 2016	1,000	1,000	0.845 (Note 2)	October 31, 2023	Lump-sum repayment	(Note 9)	No (No Guarantee)
	Development Bank of Japan	November 2, 2016	500	—	0.708	January 31, 2022	(Note 8)		
	SMBC	May 10, 2017	1,100	1,100	0.852 (Note 2)	November 11, 2024	Lump-sum repayment		
	Mizuho Bank	May 10, 2017	1,000	1,000	0.852 (Note 2)	November 11, 2024	Lump-sum repayment		
	Shinsei Bank	May 10, 2017	900	900	0.852 (Note 2)	November 11, 2024	Lump-sum repayment		
	Resona Bank	May 10, 2017	400	400	0.852 (Note 2)	November 11, 2024	Lump-sum repayment		
	Development Bank of Japan	May 10, 2017	2,000	2,000	0.871	May 10, 2023	Lump-sum repayment		
	SMBC	November 7, 2017	215	215	0.761 (Note 2)	October 31, 2023	Lump-sum repayment		
	Mizuho Bank		340	340					
	MUFG Bank		283	283					
	Resona Bank		237	237					
	Shinsei Bank		135	135					
	Bank of Fukuoka		195	195					
	ORIX Bank		195	195					
	SMBC	November 7, 2017	633	633	0.948 (Note 2)	October 31, 2025	Lump-sum repayment		
	Mizuho Bank		508	508					
	MUFG Bank		425	425					
	Resona Bank		356	356					
	Shinsei Bank		201	201					
	Aozora Bank		257	257					
	SMBC	April 27, 2018	352	352	0.990 (Note 2)	April 30, 2026	Lump-sum repayment		
	Mizuho Trust		1,352	1,352					
	Aozora Bank		901	901					
	Shinsei Bank		901	901					
	Resona Bank		448	448					
	SMBC	May 9, 2018	400	400	0.795 (Note 2)	April 30, 2024	Lump-sum repayment		
	Mizuho Bank		350	350					
	Shinsei Bank		300	300					
	MUFG Bank		300	300					
	Bank of Fukuoka		225	225					
	The Kagawa Bank		200	200					
	Nishi-Nippon City Bank		225	225					
SMBC	June 15, 2018	835	835	0.860 (Note 2)	November 11, 2024	Lump-sum repayment			
Mizuho Bank		491	491						
Shinsei Bank		393	393						
MUFG Bank		393	393						
Aozora Bank		393	393						
Resona Bank		294	294						
The Kagawa Bank		147	147						
SMBC		September 28, 2018	500				500	0.648	February 29, 2024
Mizuho Bank	September 28, 2018	400	400	0.648	February 29, 2024	Lump-sum repayment			
SMBC	October 31, 2018	1,000	1,000	0.962 (Note 2)	April 30, 2026	Lump-sum repayment			

	Lender	Loan Date	Balance at Period-start (million yen)	Balance at Period-end (million yen)	Average Interest Rate (%) (Note 1)	Repayment Date	Repayment Terms	Use	Collateralized
Long-Term Loans	Mizuho Bank	October 31, 2018	400	400	0.728	April 30, 2026	Lump-sum repayment	(Note 9)	No (No Guarantee)
	Shinsei Bank	October 31, 2018	200	200	0.728	April 30, 2026	Lump-sum repayment		
	SMBC	November 30, 2018	954	954	0.975 (Note 2)	September 30, 2026	Lump-sum Repayment		
	Mizuho Bank		773	773					
	Shinsei Bank		483	483					
	Aozora Bank		656	656					
	SMBC	December 21, 2018	830	830	0.907 (Note 2)	September 30, 2026	Lump-sum Repayment		
	Aozora Bank		570	570					
	SMBC	December 28, 2018	250	250	0.850 (Note 2)	April 30, 2026	Lump-sum repayment		
	Mizuho Bank		400	400					
	Development Bank of Japan		400	400					
	MUFG Bank		300	300					
	Shinsei Bank		250	250					
	SMBC	April 26, 2019	1,000	1,000	0.867 (Note 2)	September 25, 2026	Lump-sum repayment		
	Resona Bank	April 26, 2019	1,000	1,000	0.867 (Note 2)	September 25, 2026	Lump-sum repayment		
	Bank of Fukuoka	April 26, 2019	1,000	1,000	0.867 (Note 2)	September 25, 2026	Lump-sum repayment		
	SMBC	July 31, 2019	1,239	1,239	0.822 (Note 2)	March 25, 2027	Lump-sum repayment		
	Mizuho Bank		1,074	1,074					
	Shinsei Bank		743	743					
	Aozora Bank		743	743					
	Resona Bank		743	743					
	ORIX Bank		413	413					
	The Kagawa Bank	July 31, 2019	413	413	0.698 (Note 2)	September 25, 2025	Lump-sum repayment		
	SMBC	September 30, 2019	692	692	0.726 (Note 2)	March 25, 2026	Lump-sum repayment		
	SMBC	November 29, 2019	672	672	0.844 (Note 2)	September 27, 2027	Lump-sum repayment		
	Mizuho Bank		610	610					
	Shinsei Bank		641	641					
	MUFG Bank		549	549					
	SMBC	December 16, 2019	1,224	1,224	0.876 (Note 2)	September 27, 2027	Lump-sum repayment		
	Mizuho Bank		1,224	1,224					
	Shinsei Bank		783	783					
	MUFG Bank		783	783					
Aozora Bank	783		783						
Resona Bank	587		587						
The Kagawa Bank	March 31, 2020	955	955	0.652	March 25, 2027	Lump-sum repayment			
SMBC	May 29, 2020	827	827	0.472	September 25, 2023	Lump-sum repayment			
Shinsei Bank		790	790						
Mizuho Bank		753	753						
MUFG Bank		677	677						
SMBC	May 29, 2020	543	543	0.740 (Note 2)	March 25, 2027	Lump-sum repayment			
Shinsei Bank		518	518						
Mizuho Bank		494	494						
MUFG Bank		445	445						

	Lender	Loan Date	Balance at Period-start (million yen)	Balance at Period-end (million yen)	Average Interest Rate (%) (Note 1)	Repayment Date	Repayment Terms	Use	Collateralized
Long-Term Loans	Aozora Bank	August 31, 2020	2,127	2,127	0.828 (Note 2)	August 25, 2028	Lump-sum repayment	(Note 9)	No (No Guarantee)
	Shinsei Bank	August 31, 2020	998	998	0.722 (Note 2)	March 25, 2027	Lump-sum repayment		
	Shinsei Bank	August 31, 2020	1,000	1,000	0.828 (Note 2)	August 25, 2028	Lump-sum repayment		
	Mizuho Bank	August 31, 2020	400	400	0.828 (Note 2)	August 25, 2028	Lump-sum repayment		
	SMBC	December 10, 2020	407	407	0.569 (Note 2)	September 25, 2025	Lump-sum repayment		
	MUFG Bank		781	781					
	Resona Bank		586	586					
	Mizuho Bank		407	407					
	Shinsei Bank		260	260					
	Aozora Bank		260	260					
	SMBC	December 10, 2020	814	814	0.787 (Note 2)	November 27, 2028	Lump-sum repayment		
	Mizuho Bank		814	814					
	Shinsei Bank		521	521					
	Aozora Bank		521	521					
	SMBC	December 18, 2020	800	800	0.802 (Note 2)	November 27, 2028	Lump-sum repayment		
	Mizuho Bank	December 18, 2020	700	700	0.802 (Note 2)	November 27, 2028	Lump-sum repayment		
	Bank of Yokohama Bank	December 18, 2020	500	500	0.802 (Note 2)	November 27, 2028	Lump-sum repayment		
	SMBC	March 31, 2021	527	527	0.488	September 25, 2024	Lump-sum repayment		
	MUFG Bank		494	494					
	Mizuho Bank		355	355					
	Bank of Yokohama		285	285					
	Mizuho Trust & Banking		95	95					
	SMBC	March 31, 2021	1,055	1,055	0.876 (Note 2)	March 26, 2029	Lump-sum repayment		
	Mizuho Bank		710	710					
	Aozora Bank		571	571					
	Resona Bank		571	571					
	Mizuho Trust & Banking		190	190					
	SMBC	May 7, 2021	329	329	0.488	September 25, 2024	Lump-sum repayment		
	MUFG Bank		1,372	1,372					
	Bank of Fukuoka		376	376					
	Mizuho Bank		329	329					
	Bank of Yokohama		30	30					
SMBC	May 7, 2021		329	329				0.733 (Note 2)	March 27, 2028
Mizuho Bank		329	329						
Resona Bank		287	287						
Aozora Bank		174	174						
Shinsei Bank		162	162						
Bank of Yokohama		161	161						
SMBC		May 7, 2021	988	988	0.819 (Note 2)	May 25, 2029	Lump-sum repayment		
Mizuho Bank	988		988						
Resona Bank	862		862						
Shinsei Bank	487		487						
Aozora Bank	422		422						

	Lender	Loan Date	Balance at Period-start (million yen)	Balance at Period-end (million yen)	Average Interest Rate (%) (Note 1)	Repayment Date	Repayment Terms	Use	Collateralized				
Long-Term Loans	Development Bank of Japan	September 30, 2021	500	500	0.764	September 25, 2028	Lump-sum repayment	(Note 9)	No (No Guarantee)				
	SMBC	November 8, 2021	—	194	0.612 (Note 2)	September 25, 2026	Lump-sum repayment						
	Mizuho Bank		—	194									
	MUFG Bank		—	1,622									
	Bank of Fukuoka		—	446									
	Bank of Yokohama		—	900									
	SMBC		—	389									
	Mizuho Bank	November 8, 2021	—	389	0.720 (Note 2)	March 25, 2028	Lump-sum repayment						
	Resona Bank		—	271									
	Shinsei Bank		—	154									
	Aozora Bank		—	117									
	Bank of Yokohama		—	356									
	SMBC		—	1,363									
	Mizuho Bank	November 8, 2021	—	1,363	0.833 (Note 2)	November 25, 2029	Lump-sum repayment						
	Resona Bank		—	1,086									
	Shinsei Bank		—	617									
	Aozora Bank		—	470									
	Development Bank of Japan		January 31, 2022	—						500	0.859	January 25, 2029	Lump-sum repayment
	Total			104,353						104,325			

(Note 1) Average Interest Rate indicates a weighted average of interest rates during the period based on the number of days, and it is rounded down to the stated unit.

(Note 2) To avoid interest rate risk, an interest rate swap agreement has been signed separately to fix the interest rates, and the weighted average interest rate during the period after the effect of the interest rate swap is stated.

(Note 3) The remaining balance was repaid on November 8, 2021.

(Note 4) 1 million yen is repaid on the final business day every three months, and the remaining balance will be repaid on the last due date. The entire amount of the balance at period-end is included in long-term borrowings due within one year.

(Note 5) 1 million yen is repaid on the final business day every three months, and the remaining balance will be repaid on the last due date. The entire amount of the balance at period-end is included in long-term borrowings due within one year.

(Note 6) 2 million yen is repaid on the final business day every three months, and the remaining balance will be repaid on the last due date. The entire amount of the balance at period-end is included in long-term borrowings due within one year.

(Note 7) 2 million yen is repaid on the final business day every three months, and the remaining balance will be repaid on the last due date. The entire amount of the balance at period-end is included in long-term borrowings due within one year.

(Note 8) The remaining balance was repaid on January 31, 2022.

(Note 9) The proceeds are used for acquisition of assets and/or beneficiary rights of real estate in trust and repayment of loans.

3 Investment Corporation Bonds

The status of investment corporation bonds outstanding as of April 30, 2022 is as follows:

	Date of Issuance	Balance at Period-start (million yen)	Balance at Period-end (million yen)	Interest Rate (%)	Redemption Date	Redemption Method	Use	Collateralized
First unsecured investment corporation bonds	September 22, 2017	1,200	1,200	0.900	September 22, 2027	Lump-sum repayment	(Note 1)	No (No guarantee)
Second unsecured investment corporation bonds	April 26, 2018	1,000	1,000	0.900	April 26, 2028	Lump-sum repayment		
Third unsecured investment corporation bonds	November 29, 2018	1,000	1,000	0.750	November 28, 2025	Lump-sum repayment		
Fourth unsecured investment corporation bonds	July 26, 2019	1,200	1,200	0.890	July 26, 2029	Lump-sum repayment		
Fifth unsecured investment corporation bonds	March 26, 2020	1,000	1,000	0.300	March 26, 2025	Lump-sum repayment		
sixth unsecured investment corporation bonds	May 6, 2021	1,500	1,500	0.850	May 2, 2031	Lump-sum repayment		
Total		6,900	6,900					

(Note 1) The proceeds are used for repaying existing loans.

(Note 2) A ranking *pari passu* among Ichigo Office investment corporation bonds is attached.

4 Short-Term Investment Corporation Bonds

N/A

5 Share Options

N/A

Acquisitions and Sales during the Fiscal Period

1 Acquisitions and Sales of Real Estate and Asset-Backed Securities, Infrastructure Assets, and Infrastructure-Related Assets

Asset Type	Asset Name	Acquisitions		Sales			
		Date	Price (million yen) (Note 1)	Date	Price (million yen) (Note 1)	Book Value (million yen)	Gain (loss) on Sales (million yen)
Real Estate	Ichigo Akasaka 5 Chome Building	—	—	February 18, 2022	1,720	727	940
TK (tokumei kumiai) equity interest	Equity interest in Kizuna 1 GK TK	January 28, 2022	50	—	—	—	—
Total		—	50	—	1,720	727	940

(Note 1) Acquisition and sales prices exclude incidental expenses such as fees and property, city planning, and consumption taxes.

2 Acquisition and Sales of Other Assets

Assets other than the assets acquired shown above are mostly bank deposits and bank deposits in trust.

3 Review of Asset Values (Appraisal Values)

(1) Real Estate

Transaction	Asset Name	Transaction Date	Transaction Price (million yen) (Note 1)	Appraisal Value (million yen) (Note 2)	Appraiser	Date of Appraisal
Sales	Ichigo Akasaka 5 Chome Building	February 18, 2022	1,720	878	Japan Real Estate Institute	October 31, 2021

(Note 1) Transaction Prices exclude incidental expenses such as fees and property, city planning, and consumption taxes.

(Note 2) The appraisal above is carried out by applying the "Appraisal of Value of Real Estate for Securitization in Chapter 3 of the Specific Standards of the Japanese Real Estate Appraisal Standards."

(2) Investment in Securities

Transaction	Type	Brand Name	Transaction Date	Transaction Price (million yen) (Note 1)	Specified Assets Survey Price (million yen)
Acquisition	TK (tokumei kumiai) equity interest	TK (tokumei kumiai) real estate equity interest in Kizuna1 GK TK	January 28, 2022	50	50

(Note 1) Transaction Prices exclude incidental expenses.

(Note 2) The appraisal above is carried out by Grant Thornton Taiyo LLC, applying the Japan Institute of Certified Public Accountants Industrial Audit Committee Report No. 23, "Research for Specified Assets Value held by Investment Trusts and Investment Corporations", and Ichigo Office has received the appraisal report.

(3) Other

For assets that require a transaction price investigation pursuant to Article 201 of the Act on Investment Trusts and Investment Corporations and were not part of the list shown above, Ichigo Office entrusted the price inspection to Grant Thornton Taiyo LLC. For the inspection period from November 1, 2021 to April 30, 2022, the transactions subject to price verification were six interest rate swaps. With respect to the price verification of these interest rate swaps, all related research work was outsourced, including identification of the transaction counterparties, currency, interest rates, maturity, and other relevant transaction information.

4 Transactions with Related Parties

(1) Transactions

N/A

(2) Amount of Fees Paid

N/A

5 Transactions between the Asset Management Company and its Other Businesses

While Ichigo Investment Advisors Co., Ltd., the Asset Management Company of Ichigo Office, concurrently engages in operations of the Type II Financial Instruments Business, Real Estate Brokerage Business, and Real Estate Syndication Business, there are no applicable transactions.

Financial Statements

1 Assets, Liabilities, Principal, Profit and Loss

Please refer to “II. Balance Sheet,” “III. Income Statement,” “IV. Statement of Changes in Net Assets,” “V. Notes to Financial Statements,” and “VI. Statement of Dividends” later in this report.

2 Changes in Method of Depreciation

N/A

3 Changes in Method of Real Estate and Infrastructure Assets Appraisal

N/A

Other

1 Ichigo Office Shares Held by Asset Management Company

Details of Ichigo Office shares held by Ichigo Investment Advisors Co., Ltd., the Asset Management Company, are as follows:

(1) Transactions

Date	Number of Shares Acquired (shares)	Number of Shares Sold (shares)	Number of Shares Held (shares)
November 1, 2011	(Note)1,200	—	1,400
Cumulative total	1,400	—	1,400

(Note) Reflects a 7-for-1 share split with November 1, 2011 as the effective date.

(2) Status of Holdings

	Number of Shares Held at Period-end (shares)	Value of Shares Held at Period-end (thousand yen)(Note)	Ratio of Total Outstanding Shares (%)
24th Fiscal Period (May 1, 2017 to October 31, 2017)	1,400	103,040	0.1
25th Fiscal Period (November 1, 2017 to April 30, 2018)	1,400	113,820	0.1
26th Fiscal Period (May 1, 2018 to October 31, 2018)	1,400	129,640	0.1
27th Fiscal Period (November 1, 2018 to April 30, 2019)	1,400	143,640	0.1
28th Fiscal Period (May 1, 2019 to October 31, 2019)	1,400	155,540	0.1
29th Fiscal Period (November 1, 2019 to April 30, 2020)	1,400	95,760	0.1
30th Fiscal Period (May 1, 2020 to October 31, 2020)	1,400	94,500	0.1
31st Fiscal Period (November 1, 2020 to April 30, 2021)	1,400	133,700	0.1
32nd Fiscal Period (May 1, 2021 to October 31, 2021)	1,400	120,820	0.1
33rd Fiscal Period (November 1, 2021 to April 30, 2022)	1,400	116,620	0.1

(Note) The Value of Shares Held at Period-end is calculated by multiplying the Number of Shares Held by the share price at period-end.

2 Notices

(1) Shareholder Meeting

N/A

(2) Board of Directors

N/A

3 Disclosure of Affiliated Foreign Real Estate Holding Companies

N/A

4 Disclosure of Assets Owned by Affiliated Foreign Real Estate Holding Companies

N/A

5 Other

In this document, whole numbers are rounded down and ratios are rounded off, unless otherwise specified.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Ichigo Office REIT Investment Corporation

Opinion

We have audited the financial statements of Ichigo Office REIT Investment Corporation (the Company), which comprise the balance sheet as at April 30, 2022, and the income statement, the statement of changes in net assets, the statement of dividends and the cash flow statement for the six months then ended, and notes to the financial statements, including a summary of significant accounting policies, all expressed in Japanese yen.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2022, and its financial performance and its cash flows for the six months then ended in accordance with the Ministerial Order for the Rules on Terminology, Forms, and Preparation Methods of Financial Statements, and Ordinance of Accountings of Investment Corporations and accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

As described in “Notes to Significant Subsequent Events”, the Company acquired an asset and borrowed loans.

Our opinion is not modified with respect to these matters emphasized.

Other Information

The other information comprises the information included in the Semi-Annual Report, but does not include the financial statements and our auditor’s report thereon. Management is responsible for the other information. Supervisory Directors are responsible for overseeing the Executive Director’s execution of duties relating to the design and operating effectiveness of the controls over the Company’s other information reporting process.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Supervisory Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Supervisory Directors are responsible for overseeing the Executive Director's execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures of the financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Executive Director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Executive Director with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with him all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Hiroaki Ohkane 

Hiroaki Ohkane
Designated Engagement Partner
Certified Public Accountant

Daisuke Noda 

Daisuke Noda
Designated Engagement Partner
Certified Public Accountant

Grant Thornton Taiyo LLC
Tokyo, Japan
25th July, 2022

1. Financial Statements
(1) Balance Sheet

(Thousand Yen)

	Previous fiscal period (As of October 31, 2021)	Current fiscal period (As of April 30, 2022)
Assets		
Current assets		
Cash and deposits	9,420,989	10,526,684
Cash and deposits in trust	13,974,370	14,018,464
Operating accounts receivable	17,599	2,919
Prepaid expenses	433,762	447,876
Other	2,298	2,299
Total current assets	23,849,019	24,998,244
Non-current assets		
Property, plant and equipment		
Buildings	7,240,518	7,089,250
Accumulated depreciation	(2,074,931)	(2,145,909)
Buildings, net	5,165,587	4,943,341
Structures	29,066	29,066
Accumulated depreciation	(24,613)	(24,933)
Structures, net	4,453	4,133
Machinery and equipment	339,358	347,826
Accumulated depreciation	(207,623)	(220,954)
Machinery and equipment, net	131,734	126,871
Tools, furniture and fixtures	70,921	70,226
Accumulated depreciation	(55,244)	(53,720)
Tools, furniture and fixtures, net	15,677	16,505
Land	15,638,558	15,031,993
Construction in progress	1,360	1,360
Buildings in trust	46,203,049	46,791,823
Accumulated depreciation	(10,435,327)	(11,154,852)
Buildings in trust, net	35,767,722	35,636,970
Structures in trust	69,520	70,960
Accumulated depreciation	(36,486)	(38,414)
Structures in trust, net	33,033	32,545
Machinery and equipment in trust	800,471	847,928
Accumulated depreciation	(395,886)	(424,534)
Machinery and equipment in trust, net	404,584	423,393
Tools, furniture and fixtures in trust	298,095	314,072
Accumulated depreciation	(186,014)	(203,168)
Tools, furniture and fixtures in trust, net	112,081	110,904
Land in trust	140,668,104	140,668,104
Construction in progress in trust	6,137	7,021
Total property, plant and equipment	197,949,036	197,003,145
Intangible assets		
Leasehold rights in trust	4,494,579	4,494,579
Total intangible assets	4,494,579	4,494,579
Investments and other assets		
TK (<i>tokumei kumiai</i>) equity interest	—	51,212
Lease and guarantee deposits	10,000	10,000
Long-term prepaid expenses	1,184,988	1,292,047
Other	114,849	129,281
Allowance for doubtful accounts	—	(3,898)
Total investments and other assets	1,309,838	1,478,644
Total non-current assets	203,753,453	202,976,369
Deferred assets		
Bond issuance expenses	50,603	46,275
Total deferred assets	50,603	46,275
Total Assets	227,653,077	228,020,888

(Thousand Yen)

	Previous fiscal period (As of October 31, 2021)	Current fiscal period (As of April 30, 2022)
Liabilities		
Current Liabilities		
Operating accounts payable	608,916	731,474
Long-term loans (due within one year)	19,292,000	19,266,000
Accounts payable – other	1,015,033	1,114,516
Accrued expenses	24,963	23,865
Income taxes payable	605	605
Accrued consumption taxes	234,129	153,754
Advances received	1,554,997	1,502,700
Other	19,708	17,461
Total current liabilities	22,750,353	22,810,378
Long-Term Liabilities		
Investment corporation bonds	6,900,000	6,900,000
Long-term borrowings	85,061,250	85,059,000
Tenant leasehold and security deposits	1,521,592	1,462,258
Tenant leasehold and security deposits in trust	8,894,482	8,877,826
Asset retirement obligations	19,425	19,492
Other	84,133	85,867
Total long-term liabilities	102,480,885	102,404,444
Total Liabilities	125,231,239	125,214,822
Net Assets		
Shareholders' Equity		
Shareholders' capital	67,675,274	67,675,274
Surplus		
Capital reserve surplus	20,566,420	20,566,420
Capital reserve surplus deduction	*2 (1,499,919)	*2 (1,499,919)
Capital reserve surplus (net)	19,066,500	19,066,500
Discretionary reserves		
Reserve for dividends	3,368,625	3,368,625
Reserve for temporary difference adjustments	*3 9,109,544	*3 9,004,544
Total discretionary reserves	12,478,170	12,373,170
Unappropriated retained earnings (undisposed loss)	3,201,892	3,691,120
Total surplus	34,746,563	35,130,791
Total Shareholders' Equity	102,421,837	102,806,066
Total Net Assets	*1 102,421,837	*1 102,806,066
Total Liabilities and Net Assets	227,653,077	228,020,888

(2) Income Statement

(Thousand yen)

	Previous fiscal period (May 1, 2021 to October 31, 2021)	Current fiscal period (November 1, 2021 to April 30 2022)
Operating Revenue		
Rental revenue	*1 7,218,290	*1 7,136,936
Other rental revenue	*1 625,562	*1 598,555
Gain on sales of real estate	—	*2 940,111
Total operating revenue	7,843,853	8,675,603
Operating Expenses		
Rental expenses	*1 2,887,418	*1 2,991,430
Asset management fee	871,602	1,102,670
Asset custody fee	15,106	15,106
Administrative service fees	43,593	43,629
Directors' compensation	5,040	5,040
Other operating expenses	58,429	80,998
Total operating expenses	3,881,190	4,238,874
Operating Profit	3,962,663	4,436,728
Non-Operating Revenues		
Interest income	104	112
Reversal of distribution payable	1,065	1,046
Insurance payment income	—	686
Other	642	492
Total non-operating revenues	1,813	2,337
Non-operating expenses		
Interest expenses	470,997	436,542
Borrowing expenses	287,728	302,756
Amortization of bond issuance expenses	4,382	4,327
Provision of allowance for doubtful accounts	—	3,898
Other	30	—
Total non-operating expenses	763,138	747,525
Recurring Profit	3,201,338	3,691,540
Pre-tax income	3,201,338	3,691,540
Income taxes - current	605	605
Total income taxes	605	605
Net Income	3,200,733	3,690,935
Retained earnings brought forward	1,158	185
Unappropriated retained earnings (undisposed loss)	3,201,892	3,691,120

(3) Statement of Changes in Net Assets
 Previous fiscal period (May 1, 2021 to October 31, 2021)

(Thousand yen)

	Shareholders' equity							
	Shareholders' capital	Surplus					Discretionary reserves	
		Capital reserve surplus	Capital reserve surplus deduction	Capital reserve surplus (net)	Dividend reserve	Temporary difference adjustment reserve	Total discretionary reserves	
Balance at beginning of period	67,675,274	20,566,420	(1,499,919)	19,066,500	3,368,625	9,214,544	12,583,170	
Changes during the period								
Release from temporary difference adjustment reserve						(105,000)	(105,000)	
Dividends								
Net Income								
Total changes during the period	—	—	—	—	—	(105,000)	(105,000)	
Balance at period-end	67,675,274	20,566,420	(1,499,919)	19,066,500	3,368,625	9,109,544	12,478,170	

	Shareholders' equity			Total net assets
	Surplus		Total shareholders' equity	
	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of period	3,122,657	34,772,328	102,447,602	102,447,602
Changes during the period				
Release from temporary difference adjustment reserve	105,000	—	—	—
Dividends	(3,226,498)	(3,226,498)	(3,226,498)	(3,226,498)
Net Income	3,200,733	3,200,733	3,200,733	3,200,733
Total changes during period	79,235	(25,764)	(25,764)	(25,764)
Balance at period-end	3,201,892	34,746,563	102,421,837	102,421,837

Current fiscal period (November 1, 2021 to April 30, 2022)

(Thousand yen)

	Shareholders' equity							
	Shareholders' capital	Surplus					Discretionary reserves	
		Capital reserve surplus	Capital reserve surplus deduction	Capital reserve surplus (net)	Dividend reserve	Temporary difference adjustment reserve	Total discretionary reserves	
Balance at beginning of period	67,675,274	20,566,420	(1,499,919)	19,066,500	3,368,625	9,109,544	12,478,170	
Changes during the period								
Release from temporary difference adjustment reserve						(105,000)	(105,000)	
Dividends								
Net Income								
Total changes during the period	—	—	—	—	—	(105,000)	(105,000)	
Balance at period-end	67,675,274	20,566,420	(1,499,919)	19,066,500	3,368,625	9,004,544	12,373,170	

	Shareholders' equity			Total net assets
	Surplus		Total shareholders' equity	
	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of period	3,201,892	34,746,563	102,421,837	102,421,837
Changes during the period				
Release from temporary difference adjustment reserve	105,000	—	—	—
Dividends	(3,306,706)	(3,306,706)	(3,306,706)	(3,306,706)
Net Income	3,690,935	3,690,935	3,690,935	3,690,935
Total changes during period	489,228	384,228	384,228	384,228
Balance at period-end	3,691,120	35,130,791	102,806,066	102,806,066

(4) Statement of Dividends

	Previous fiscal period (May 1, 2021 to October 31, 2021)	Current fiscal period (November 1, 2021 to April 30, 2022)
I. Unappropriated Retained Earnings	3,201,892,139 yen	3,691,120,583 yen
II. Discretionary Reserve Reversal		
Reversal of Temporary Difference Adjustment Reserve	105,000,000 yen	105,000,000 yen
III. Total Dividends	3,306,706,895 yen	3,795,524,436 yen
(Dividend per share)	(2,185 yen)	(2,508 yen)
IV. Discretionary Reserves		
V. Retained Earnings Carried Forward	185,244 yen	596,147 yen
Method for calculating the amount of dividends	The distribution policy set out in Article 37 of the Articles of Incorporation of the Investment Corporation stipulates that the amount of dividends shall exceed 90% of “profit available for dividend” as provided for in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation. Based on this policy, the decision was made to distribute, as dividends, 3,306,706,895 yen, which was the entire amount excluding the fractional portion where the amount of dividends per share was less than 1 yen from the amount after adding 105,000,000 yen of the reversal of the temporary difference adjustment reserve to 3,201,892,139 yen of unappropriated retained earnings. As a result, dividend per share came to 2,185 yen.	The distribution policy set out in Article 37 of the Articles of Incorporation of the Investment Corporation stipulates that the amount of dividends shall exceed 90% of “profit available for dividend” as provided for in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation. Based on this policy, the decision was made to distribute, as dividends, 3,795,524,436 yen, which was the entire amount excluding the fractional portion where the amount of dividends per share was less than 1 yen from the amount after adding 105,000,000 yen of the reversal of the temporary difference adjustment reserve to 3,691,120,583 yen of unappropriated retained earnings. As a result, dividend per share came to 2,508 yen.

(5) Cash Flow Statement

(Thousand yen)

	Previous fiscal period (May 1, 2021 to October 31, 2021)	Current fiscal period (November 1, 2021 to April 30, 2022)
Cash flows from operating activities		
Pre-tax income	3,201,338	3,691,540
Depreciation	887,267	893,918
Increase(decrease) in allowance for doubtful accounts	—	3,898
Interest income	(104)	(112)
Interest expense	470,997	436,542
Decrease (increase) in operating accounts receivable	(4,568)	14,679
Decrease (increase) in consumption taxes receivable	59,893	—
Decrease (increase) in prepaid expenses	10,666	(14,114)
Decrease (increase) in long-term prepaid expenses	3,373	(107,059)
Increase (decrease) in accrued consumption taxes	156,388	(80,374)
Increase (decrease) in operating accounts payable	60,156	143,198
Increase (decrease) in accounts payable	40,046	99,482
Increase (decrease) in advances received	(22,406)	(52,296)
Decrease due to sales of property, plant, and equipment	—	727,532
Other	(10,225)	(14,460)
Subtotal	4,852,821	5,742,374
Purchase of property, plant and equipment	104	112
Interest expenses paid	(459,350)	(437,641)
Income taxes paid	(605)	(605)
Net Cash flows from (used for) operations	4,392,970	5,304,241
Cash flows from investing activities		
Purchase of property, plant and equipment	(57,717)	(22,115)
Purchase of property, plant and equipment in trust	(609,708)	(673,956)
Proceeds from tenant leasehold and security deposits	33,973	42,821
Repayments from tenant leasehold and security deposits	(25,360)	(102,155)
Proceeds from tenant leasehold and security deposits in trust	254,320	392,670
Repayments from tenant leasehold and security deposits in trust	(392,033)	(409,326)
Acquisition of TK (<i>tokumei kumiai</i>) equity interest	—	(51,212)
Net Cash flows from (used for) investments	(796,525)	(823,276)
Cash flows from financing activities		
Increase in long-term borrowings	8,125,000	9,621,000
Decrease in long-term borrowings	(9,667,750)	(9,649,250)
Proceeds from bond issuance	1,487,445	—
Dividends paid	(3,225,613)	(3,307,282)
Net Cash flows from (used for) financing	(3,280,918)	(3,335,532)
Net increase (decrease) in cash and cash equivalents	315,526	1,145,433
Cash and cash equivalents at beginning of period	22,988,704	23,304,230
Cash and cash equivalents at end of period	*1 23,304,230	*1 24,449,663

(6) Notes to Financial Statements

(Going concern note)

N/A

(Summary of Significant Accounting Policies)

1. Standards and methods for valuation of assets	<p>Securities</p> <p>Other securities</p> <p>Securities without market value</p> <p>Securities are accounted at cost based on the moving-average method.</p> <p>Investments in TK (<i>tokumei kumiai</i>) real estate equity interest</p> <p>Investments in TK (<i>tokumei kumiai</i>) real estate equity interest are accounted for using the equity method of accounting.</p>
2. Method of depreciation of fixed assets	<p>(1) Property, plant and equipment (including assets in trust)</p> <p>The depreciation of property, plant and equipment is calculated using the straight-line method.</p> <p>The useful lives of assets are as stated below.</p> <p>Buildings : 1 to 63 years</p> <p>Structures : 2 to 45 years</p> <p>Machinery and equipment : 1 to 15 years</p> <p>Tools, furniture and fixtures : 1 to 15 years</p> <p>(2) Long-term prepaid expenses</p> <p>The depreciation of long-term prepaid expenses is calculated using the straight-line method.</p>
3. Accounting for deferred assets	<p>Investment corporation bond issuance costs</p> <p>Investment corporation bond issuance costs are amortized equally over the period up to the redemption.</p>
4. Standards for recognition of allowances	<p>Accounting for allowance of doubtful accounts</p> <p>Estimated uncollectible amounts are recognized based on a case-by-case evaluation of the collectability of certain receivables, such as receivables with default possibility.</p>
5. Standards for recognition of revenues and expenses	<p>(1) Accounting for revenues</p> <p>Details of performance obligations regarding revenue from contracts between Ichigo Office and its customers and the general point of time under normal circumstances such revenues should be recognized are as follows:</p> <p>(i) Real estate property sales</p> <p>Revenue from real estate property sales is recognized as revenues when the buyer (customer) obtains control over a real estate property following the seller's fulfillment of its obligation to hand over the property which is stipulated in the contract associated with the sale of real estate property.</p> <p>(ii) Utility charge reimbursements</p> <p>Revenue from utility charge reimbursements is recognized according to the supply of electricity, water, etc. to lessees who are customers based on lease agreements and other terms related to the real estate properties.</p> <p>For utility charge reimbursements which Ichigo Office regards itself as an agent, the net amount calculated by subtracting the amount paid to a party from the total amount received as charges for electricity, gas, etc. supplied by the same party is recognized as revenue.</p> <p>(2) Accounting for fixed asset taxes, etc.</p> <p>Of the amount of fixed asset taxes, city planning taxes and depreciable asset taxes imposed on real estate owned that was assessed and determined, the amount corresponding to the relevant computation period is recognized as expenses in the rental business.</p> <p>The amount corresponding to fixed asset taxes for the first fiscal year that the Investment Corporation should incur associated with the acquisition of real estate or trust beneficiary interests in real estate is not expensed, but is included in the acquisition costs of the real estate.</p>
6. Method of hedge accounting	<p>(1) Method of hedge accounting</p> <p>In cases where the interest rate swaps meet the conditions for special treatment, the special treatment is adopted.</p> <p>(2) Hedging instruments and hedged items</p> <p>Hedging instruments: Interest rate swap transactions</p> <p>Hedged items: Interest on loans</p> <p>(3) Hedging policy</p> <p>The Investment Corporation conducts derivative transactions to hedge the risks set out in the Articles of Incorporation based on the risk management regulations.</p> <p>(4) Method for assessing the effectiveness of hedging</p> <p>The evaluation of the effectiveness of interest rate swaps is omitted because they meet the requirements for special treatment.</p>

7. Scope of funds on the cash flow statement	Funds (cash and cash equivalents) on the cash flow statement consist of cash on hand, cash held in trust, bank deposits and bank deposits held in trust that can be withdrawn at any time, and short-term investments, with a maturity of 3 months or less from the date of acquisition, which are readily convertible to cash and contain only an insignificant risk of value fluctuation.
8. Other significant matters serving as the basis for preparing financial statements	<p>(1) Accounting for trust beneficiary interests in real estate For trust beneficiary interests in real estate, all trust assets and liabilities as well as all income generated and expenses incurred in trusts are recorded in the relevant accounts on the balance sheet and the income statement. The following material items of the trust accounts recorded in the relevant accounts are listed separately on the balance sheet.</p> <ul style="list-style-type: none"> (i) Cash and deposits in trust (ii) Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust; land in trust; construction in progress in trust; and land leasehold rights in trust (iii) Tenant leasehold and security deposits in trust <p>(2) Accounting for non-deductible consumption taxes Non-deductible consumption taxes on assets are included in the acquisition costs of individual assets.</p>

Notes

(Notes to balance sheet)

*1. Minimum net assets as provided in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporation

(Thousand yen)

	Previous fiscal period (As of October 31, 2021)	Current fiscal period (As of April 30, 2022)
	50,000	50,000

*2. Cancellation of Treasury Shares

	Previous fiscal period (As of October 31, 2021)	Current fiscal period (As of April 30, 2022)
No. of shares cancelled	18,920	18,920
Total amount of shares cancelled (JPY thousand)	1,499,919	1,499,919

(Note) There were no cancellation of treasury shares during the current fiscal period.

*3. Provision and reversal of temporary difference adjustment reserves

Previous fiscal period (As of October 31, 2021)

(Thousand yen)

	Initial amount	Balance at beginning of period	Amount reserved during period	Amount reversed during period	Balance at end of period	Reasons for provision and reversal
Gain on Negative goodwill (Note)	10,432,940	9,214,544	—	105,000	9,109,544	Appropriation to dividends

(Note) The initial amount of gain on negative goodwill is the amount previously transferred from gain on negative goodwill to the temporary difference adjustment reserves account. The entire amount will be equally reversed within 50 years. For the current fiscal period, 105,000,000 yen was reversed from the reserve.

Current fiscal period (As of April 30, 2022)

(Thousand yen)

	Initial amount	Balance at beginning of period	Amount reserved during period	Amount reversed during period	Balance at end of period	Reasons for provision and reversal
Gain on Negative goodwill (Note)	10,432,940	9,109,544	—	105,000	9,004,544	Appropriation to dividends

(Note) The initial amount of gain on negative goodwill is the amount previously transferred from gain on negative goodwill to the temporary difference adjustment reserves account. The entire amount will be equally reversed within 50 years. For the current fiscal period, 105,000,000 yen was reversed from the reserve.

(Notes to Income Statement)

*1. Details of real estate rental income

(Thousand yen)

	Previous fiscal period (May 1, 2021 to October 31, 2021)		Current fiscal period (November 1, 2021 to April 30, 2022)	
A. Real estate rental revenue				
Rental Revenue				
Rental revenue	5,914,034		5,849,440	
Common area charges	965,695		945,265	
Parking lot rental revenue	274,502		277,532	
Facility use charges	64,058	7,218,290	64,697	7,136,936
Other rental revenue				
Utilities revenue	526,796		537,131	
Other	98,766	625,562	61,423	598,555
Total real estate rental revenue		7,843,853		7,735,491
B. Real estate rental expenses				
Rental expenses				
Service provider expenses	660,305		663,709	
Utilities	481,331		530,808	
Trust fees	36,809		31,778	
Depreciation	887,267		893,918	
Repair expenses	86,694		134,056	
Taxes and public dues	672,145		673,758	
Non-life insurance expenses	20,800		20,788	
Other rental expenses	42,063		42,613	
Total real estate rental expenses		2,887,418		2,991,430
C. Net rental income				
(A-B)		4,956,434		4,744,060

*2. Details of real estate sales (Thousand yen)

Previous fiscal period (May 1, 2021 to October 31, 2021)

N/A

Current fiscal period (November 1, 2021 to April 30, 2022)

Ichigo Akasaka 5 Chome Building

Real estate sale revenue	1,720,000
Real estate sale cost	727,532
Other real estate sale expenses	52,355
Gain on real estate sales	940,111

(Statement of changes in net assets)

	Previous fiscal period (May 1, 2021 to October 31, 2021)	Current fiscal period (November 1, 2021 to April 30, 2022)
Total number of authorized shares and total number of shares issued and outstanding		
Total number of authorized shares	14,000,000 shares	14,000,000 shares
Total number of shares issued and outstanding	1,513,367 shares	1,513,367 shares

(Notes to statement of dividends)

Previous fiscal period (May 1, 2021 to October 31, 2021)	Current fiscal period (November 1, 2021 to April 30, 2022)
By applying the transitional measures of Paragraph 3 of the Supplementary Provisions of the “Regulation on Accountings of Investment Corporations” (Cabinet Office Order No. 27 of 2015), an amount of 10,432,940,000 yen, which was the remaining balance of gain on negative goodwill was transferred to the temporary difference adjustment reserve account, and planned to equally reverse the entire amount within 50 years. The original policy was to reverse a minimum of 200,000,000 yen starting from the 23rd fiscal period, as stated on the statement of dividends for the 22nd fiscal period. But the policy has been changed to reversing a minimum of 105,000,000 yen starting from the 24th fiscal period. For this fiscal period, 105,000,000 yen will be reversed.	By applying the transitional measures of Paragraph 3 of the Supplementary Provisions of the “Regulation on Accountings of Investment Corporations” (Cabinet Office Order No. 27 of 2015), an amount of 10,432,940,000 yen, which was the remaining balance of gain on negative goodwill was transferred to the temporary difference adjustment reserve account, and planned to equally reverse the entire amount within 50 years. The original policy was to reverse a minimum of 200,000,000 yen starting from the 23rd fiscal period, as stated on the statement of dividends for the 22nd fiscal period. But the policy has been changed to reversing a minimum of 105,000,000 yen starting from the 24th fiscal period. For this fiscal period, 105,000,000 yen will be reversed.

(Notes to cash flow statement)

*1. Relationship between cash and cash equivalents at the end of the fiscal period and items shown on the Balance Sheet

	(Thousand yen)	
	Previous fiscal period (May 1, 2021 to October 31, 2021)	Current fiscal period (November 1, 2021 to April 30, 2022)
Cash and deposits	9,420,989	10,526,684
Cash and deposits in trust	13,974,370	14,018,464
Miscellaneous deposits	(91,129)	(95,484)
Cash and cash equivalents	23,304,230	24,449,663

(Notes to lease transactions)

Operating lease transactions

(Lessee)

	(Thousand yen)	
	Previous fiscal period (As of October 31, 2021)	Current fiscal period (As of April 30, 2022)
Outstanding lease charges		
One year or less	58,603	60,470
Over one year	934,800	970,582
Total	993,403	1,031,053

(Lessor)

	(Thousand yen)	
	Previous fiscal period (As of October 31, 2021)	Current fiscal period (As of April 30, 2022)
Outstanding lease charges		
One year or less	7,198,330	6,715,355
Over one year	665,306	879,641
Total	7,863,636	7,594,996

(Notes to financial instruments)

1. Matters concerning the status of financial instruments

(1) Policy for handling financial instruments

Ichigo Office manages its assets by investing mainly in specified assets such as real estate with the aim of securing stable earnings in the medium to long term. It raises funds primarily through the issuance of investment units, the borrowing of bank loans and the issuance of investment corporation bonds. Derivative transactions are used for the purpose of mitigating the risk of future fluctuations in interest rates, and not for trading or speculative purposes. Ichigo Office also carefully invests surplus funds in consideration of safety and liquidity so as not to bear excess risks, taking the financial environment and cash management into full consideration.

(2) Description of financial instruments and associated risks, and risk management structure

Funds raised from loans and investment corporation bonds are used for the purchase of real estate and trust beneficiary interests in real estate and the repayment of loans, and they are exposed to the liquidity risk on the dates of repayment and redemption. Ichigo Office not only works to reduce the liquidity risk through the diversification of financing and the decentralization of repayment dates and lenders by controlling LTV in the range that is deemed appropriate, but also manages the liquidity risk in terms of the way the asset management company formulates a cash management plan. Loans with floating interest rates are exposed to the risk of fluctuations in interest rates, but LTV is managed appropriately to limit the impact of rising market interest rates on the operations of Ichigo Office.

(3) Supplementary explanation of matters concerning the market value, etc. of financial instruments

Because of certain parameters, etc. are adopted in the calculation of the market values of financial instruments, there may be cases where the values concerned will vary when different parameters, etc. are adopted.

2. Matters concerning the market value, etc. of financial instruments

The carrying amount on the balance sheet on October 31, 2021, the market value, and the difference between the carrying amount and the market value were as follows.

“Cash and deposits” and “Cash and deposits in trust” has been omitted because the market value of these items are almost equal to their book values since they are settled within a short period.

“Tenant leasehold and security deposits” and “Tenant leasehold and security deposits in trust” also has been omitted since these items are not material.

(Thousand yen)

	Carrying value	Market value	Difference
(1) Long-term borrowings (due within one year)	19,292,000	19,295,453	3,453
(2) Investment corporation bonds	6,900,000	6,845,680	(54,319)
(3) Long-term borrowings	85,061,250	85,678,193	616,943
Total liabilities	111,253,250	111,819,327	566,077
(4) Derivative transactions	—	—	—

The carrying amount on the balance sheet on April 30, 2022, the market value, and the difference between the carrying amount and the market value were as follows. Investments in TK (*tokumei kumiai*) real estate equity interest (Note 2) are not included in the table below. “Cash and deposits” and “Cash and deposits in trust” has been omitted because the market value of these items are almost equal to their book values since they are settled within a short period.

“Tenant leasehold and security deposits” and “Tenant leasehold and security deposits in trust” also has been omitted since these items are not material.

(Thousand yen)

	Carrying value	Market value	Difference
(1) Long-term borrowings (due within one year)	19,266,000	19,271,200	5,200
(2) Investment corporation bonds	6,900,000	6,800,023	(99,976)
(3) Long-term borrowings	85,059,000	85,266,912	207,912
Total liabilities	111,225,000	111,338,135	113,135
(4) Derivative transactions	—	—	—

(Note 1) Matters concerning the calculation method of the market value of financial instruments and derivative transactions

(1) Long-term borrowings (due within one year) (3) Long-term borrowings

The market value of long-term loans with fixed interest rates is calculated by discounting the present value by using an interest rate that is assumed if the total amount of principal and interest is borrowed in similar new loans. The market value of long-term loans with floating interest rates is based on the book value because the market value is approximately equal to the book value due to the situation in which the interest rate is renewed periodically. For some long-term loans with floating interest rates that are subject to the special treatment of interest rate swaps (see “Notes to Derivative Transactions” below), the present value is calculated by discounting the combined total of principal and interest translated at the logically estimated rates for similar loans.

(2) Investment corporation bonds

The market value of investment corporation bonds is calculated by discounting it based on the reference values announced by the Japan Securities Dealers Association.

(4) Derivative transactions

Please refer to “Notes to Derivative Transactions” below.

(Note 2) Investments in TK (*tokumei kumiai*) real estate equity interest

Previous fiscal period (As of October 31, 2021)

N/A

Current fiscal period (As of April 30, 2022)

In accordance with the treatments stipulated in Paragraph 27 of “Implementation Guidance on Accounting for Fair Value Measurement” (ASBJ Guidance No.31, July 4, 2019, Accounting Standards Board of Japan), matters set down on Paragraph 4-1 of “Implementation Guidance on Fair Value Measurement of Financial Instruments” (ASBJ Guidance No.19, March 31, 2020) has been omitted.

The carrying amount on the balance sheet for the Investment in TK real estate equity interest according to the above implementation is 51,212 thousand yen.

(Note 3) Maturity profile of investment corporation bonds and long-term loans after the fiscal period-end date (October 31, 2021)

(Thousand yen)

	Due within 1 year	Due after 1 year but within 2 years	Due after 2 years but within 3 years	Due after 3 years but within 4 years	Due after 4 years but within 5 years	Due after 5 years
Long-term borrowings (due within one year)	19,292,000	—	—	—	—	—
Investment corporation bonds	—	—	—	1,000,000	1,000,000	4,900,000
Long-term borrowings	—	17,270,250	7,092,000	11,840,000	15,112,000	33,747,000
Total	19,292,000	17,270,250	7,092,000	12,840,000	16,112,000	38,647,000

Maturity profile of investment corporation bonds and long-term loans after the fiscal period-end date (April 30, 2022)

(Thousand yen)

	Due within 1 year	Due after 1 year but within 2 years	Due after 2 years but within 3 years	Due after 3 years but within 4 years	Due after 4 years but within 5 years	Due after 5 years
Long-term borrowings (due within one year)	19,266,000	—	—	—	—	—
Investment corporation bonds	—	—	1,000,000	1,000,000	—	4,900,000
Long-term borrowings	—	10,547,000	10,538,000	13,340,000	18,720,000	31,914,000
Total	19,266,000	10,547,000	11,538,000	14,340,000	18,720,000	36,814,000

(Securities)

Previous fiscal period (As of October 31, 2021)

N/A

Current fiscal period (As of April 30, 2022)

Investments in TK (*tokumei kumiai*) real estate equity interest (carrying amount on the balance sheet: 51,212 thousand yen) has been omitted in accordance with the regulations noted on Article 8-6-2, Paragraph 3 of the amended Ordinance on the Terminology, Forms, and Preparation Methods of Financial Statements, etc.

(Notes to derivative transactions)

1. Non-hedge accounting derivatives

Not applicable in the previous fiscal period (ended October 31, 2021) and the current fiscal period (ended April 30, 2022).

2. Hedge accounting derivatives

Previous fiscal period (As of October 31, 2021)

(Thousand yen)

Method of hedge accounting	Type of derivative transaction	Main hedged item	Contract amount		Market value	Calculation method of market value
				Over one year		
Special treatment of interest rate swaps	Interest rate swap transaction (pay fixed, receive floating)	Long-term borrowings	91,659,250	72,867,250	(Note)	–

(Note) Interest rate swaps accounted under the special treatment method are processed together with the hedged items (in this case, a long-term borrowing). Therefore, their market values are included in the market values of (1) Long-term borrowings (due within one year) (3) long-term borrowings payable in (Note 1) of “Notes to financial instruments, 2. Matters concerning the market value, etc. of financial instruments” above.

Current fiscal period (As of April 30, 2022)

(Thousand yen)

Method of hedge accounting	Type of derivative transaction	Main hedged item	Contract amount		Market value	Calculation method of market value
				Over one year		
Special treatment of interest rate swaps	Interest rate swap transaction (pay fixed, receive floating)	Long-term borrowings	91,631,000	72,365,000	(Note)	–

(Note) Interest rate swaps accounted under the special treatment method are processed together with the hedged items (in this case, long-term borrowings). Therefore, their market values are included in the market values of (1) Long-term borrowings (due within one year) (3) long-term borrowings payable in (Note 1) of “Notes to financial instruments, 2. Matters concerning the market value, etc. of financial instruments” above.

(Notes to retirement benefits)

Previous fiscal period (As of October 31, 2021)

N/A

Current fiscal period (As of April 30, 2022)

N/A

(Notes to tax effect accounting)

1. Breakdown of deferred tax assets and liabilities by major cause (Thousand yen)

	Previous fiscal period (As of October 31, 2021)	Current fiscal period (As of April 30, 2022)
Deferred tax assets		
Valuation difference of assets transferred at merger	5,254,116	5,202,126
Asset retirement obligations	1,442	1,546
Tax loss carried forward	264,886	—
Allowance for doubtful accounts	—	1,226
Other	7	—
Subtotal	5,520,453	5,204,899
Valuation allowance	(5,520,453)	(5,204,899)
Total deferred tax assets	—	—
Deferred tax assets (net)	—	—

2. Breakdown of tax rate differences between the statutory tax rate and the effective tax rate by major cause

	Previous fiscal period (As of October 31, 2021)	Current fiscal period (As of April 30, 2022)
Statutory tax rate	31.46%	31.46%
(Adjustment)		
Deductible dividend distribution	(31.12 %)	(30.13 %)
Change in valuation allowance	(0.34 %)	(1.33 %)
Other	0.02%	0.02%
Effective tax rate	0.02%	0.02%

(Notes to share of profit and loss of entities accounted for using the equity method)

Previous fiscal period (May 1, 2021 to October 31, 2021)

N/A

Current fiscal period (November 1, 2021 to April 30, 2022)

N/A

(Notes to related party transactions)

1. The parent company and principal shareholders of Ichigo Office

Not applicable in the previous fiscal period (from May 1, 2021 to October 31, 2021) and the current fiscal period (from November 1, 2021 to April 30, 2022)

2. Affiliated companies

Not applicable in the previous fiscal period (from May 1, 2021 to October 31, 2021) and the current fiscal period (from November 1, 2021 to April 30, 2022)

3. Fellow subsidiaries

Not applicable in the previous fiscal period (from May 1, 2021 to October 31, 2021) and the current fiscal period (from November 1, 2021 to April 30, 2022)

4. Directors and principal individual shareholders

Not applicable in the previous fiscal period (from May 1, 2021 to October 31, 2021) and the current fiscal period (from November 1, 2021 to April 30, 2022)

(Asset retirement obligations)

Previous fiscal period (May 1, 2021 to October 31, 2022)

The statement is omitted because the total amount of asset retirement obligations is not material.

Current fiscal period (November 1, 2021 to April 30, 2022)

The statement is omitted because the total amount of asset retirement obligations is not material.

(Notes to rental assets)

Ichigo Office owns rental assets mainly in the six wards of central Tokyo, other Tokyo metropolitan areas, the four largest cities and other major cities for the purpose of earning stable rental revenues. The carrying amounts, increase (decrease) during the period, and market values of these rental assets are as follows:

(Thousand yen)

Use		Previous fiscal period (May 1, 2021 to October 31, 2021)	Current fiscal period (November 1, 2021 to April 30, 2022)
Office	Carrying amount		
	Balance at the beginning of period	196,293,525	196,056,599
	Increase (decrease) during period	(236,926)	(961,859)
	Balance at period-end	196,056,599	195,094,739
	Market value at period-end	237,323,000	239,697,000
Other	Carrying amount		
	Balance at the beginning of period	6,403,692	6,379,518
	Increase (decrease) during period	(24,174)	15,085
	Balance at period-end	6,379,518	6,394,603
	Market value at period-end	6,678,000	6,633,000
Total	Carrying amount		
	Balance at the beginning of period	202,697,218	202,436,117
	Increase (decrease) during period	(261,100)	(946,774)
	Balance at period-end	202,436,117	201,489,343
	Market value at period-end	244,001,000	246,330,000

(Note 1) The carrying amounts represent the amounts after deducting the accumulated depreciation from the acquisition costs.

(Note 2) The major decrease during the previous fiscal period was due to depreciation.

The major decrease during the current fiscal period was due to the sale of trust beneficiary interests in real estate of one asset (727,532 thousand yen), and depreciation.

(Note 3) The market value at the end of the period was based on the appraisal value or investigation value estimated by external real estate appraisers.

The details of real estate rental income are stated in “Notes to Income Statement.”

(Notes regarding revenue recognition)

1. Breakdown of revenue from contracts with customers

Previous fiscal period (May 1, 2021 to October 31, 2021)

(Thousand yen)

	Revenues generated from contracts with customers	Sales to external customers
Real estate property sales	—	—
Utility charge reimbursements	526,796	526,796
Other	—	7,317,056
Total	526,796	7,843,853

(Note) Rental revenues, etc. which are subject to Accounting Standard for Lease Transactions (ASBJ Statement No. 13) and the transfer of real estate properties which is subject to Practical Guidelines on Accounting by Transferors for Securitization of Real Estate Using Special Purpose Companies (Accounting System Committee Report No.15 of the Japanese Institute of Certified Public Accountants) are not included in the above amounts as they are excluded from revenue recognition accounting standards. Revenues generated from contracts with major customers are real estate property sales and utility charge reimbursements.

Current fiscal period (November 1, 2021 to April 30, 2022)

(Thousand yen)

	Revenues generated from contracts with customers	Sales to external customers
Real estate property sales	1,720,000	※2 940,111
Utility charge reimbursements	537,131	537,131
Other	—	7,198,359
Total	2,257,131	8,675,603

(Note 1) Rental revenues, etc. which are subject to Accounting Standard for Lease Transactions (ASBJ Statement No. 13) and the transfer of real estate properties which is subject to Practical Guidelines on Accounting by Transferors for Securitization of Real Estate Using Special Purpose Companies (Accounting System Committee Report No.15 of the Japanese Institute of Certified Public Accountants) are not included in the above amounts as they are excluded from revenue recognition accounting standards. Revenues generated from contracts with major customers are real estate property sales and utility charge reimbursements.

(Note 2) Real estate property sales is shown as gain on sales of real estate (cost related to sales of real estate and other expenses related to sales of real estate subtracted from revenue from real estate sales) on the Income Statement. Ichigo Office recognizes gain on sales of real estate as operating revenue, and loss on sales of real estate as operating expenses, therefore the amount of gain on sales of real estate is shown above.

2. Basis for understanding of revenues generated from contracts with customers

Current fiscal period (November 1, 2021 to April 30, 2022)

Basis is as indicated in the Summary of Significant Accounting Policies.

3. Information on revenue recognized during the current fiscal period, or that expected to be recognized in the next fiscal period or thereafter

Current fiscal period (November 1, 2021 to April 30, 2022)

(Thousand yen)

(1) Balance of contract assets and contract liabilities, etc.

	Current fiscal period (November 1, 2021 to April 30, 2022)
Receivables generated from contracts with customers (balance at the beginning of period)	2,102
Receivables generated from contracts with customers (balance at period-end)	1,504
Contract assets (balance at the beginning of period)	—
Contract assets (balance at period-end)	—
Contract liabilities (balance at the beginning of period)	—
Contract liabilities (balance at period-end)	—

(2) Transaction price allocated to remaining performance obligations

N/A

For utility charge reimbursements, as Ichigo Office has the rights to receive from customers an amount directly corresponding to the value for the lessees who are customers of sections for which performance is complete by the end of the fiscal period, the amount it has the right to claim according to Paragraph 19 of the Implementation Guidelines of the Accounting Standard for Revenue Recognition is recognized as revenue. Accordingly, such is not included in the note on transaction price allocated to remaining performance obligations through application of the provisions of Paragraph 80-22 (2) of the Accounting Standard for Revenue Recognition.

(Segment information)

The segment information is omitted because Ichigo Office has only one segment of real estate rental business.

(Related information)

Previous fiscal period (May 1, 2021 to October 31, 2021)

1. Information by product and service

The statement is omitted because operating revenue from external customers in a single product and service category comprises more than 90% of operating revenue on the Income Statement.

2. Information by region

(1) Operating revenue

The statement is omitted because operating revenue from external customers in Japan comprises more than 90% of operating revenue on the income statement.

(2) Property, plant and equipment

The statement is omitted because the amount of property, plant and equipment located in Japan comprises more than 90% of the amount of property, plant and equipment on the balance sheet.

3. Information by main customer

The statement is omitted because all operating revenue from a single external customer comprises less than 10% of operating revenue on the income statement.

Current fiscal period (November 1, 2021 to April 30, 2022)

1. Information by product and service

The statement is omitted because operating revenue from external customers in a single product and service category comprises more than 90% of operating revenue on the income statement.

2. Information by region

(1) Operating revenue

The statement is omitted because operating revenue from external customers in Japan comprises more than 90% of operating revenue on the income statement.

(2) Property, plant and equipment

The statement is omitted because the amount of property, plant and equipment located in Japan comprises more than 90% of the amount of property, plant and equipment on the balance sheet.

3. Information by main customer

The statement is omitted because all operating revenue from a single external customer comprises less than 10% of operating revenue on the income statement.

(Notes to per-share information)

	Previous fiscal period (May 1, 2021 to October 31, 2021)	Current fiscal period (November 1, 2021 to April 30, 2022)
Net assets per share (yen)	67,678	67,932
Net income per share (yen)	2,114	2,438

(Note 1) Net income per share is calculated by dividing net income by the daily weighted average number of shares. Diluted net income per share is not stated because there are no dilutive shares.

(Note 2) The basis for calculating net income per share is as follows.

	Previous fiscal period (May 1, 2021 to October 31, 2021)	Current fiscal period (November 1, 2021 to April 30, 2022)
Net Income (Thousand yen)	3,200,733	3,690,935
Amount not attributable to common shareholders (Thousand yen)	—	—
Net income attributable to common shareholders (Thousand yen)	3,200,733	3,690,935
Average number of shares during period (Shares)	1,513,367	1,513,367

(Notes to Significant Subsequent Events)

(1) Asset Acquisition

Ichigo Office acquired the following asset based on the basic policy for asset management set forth in the Articles of Incorporation.

Ichigo Higashi Ikebukuro 3 Chome Building ^(Note 1)

Acquisition Price ^(Note 2)	3,840,000,000 yen
Location	3-13-3 Higashi Ikebukuro, Toshima-ku, Tokyo
Legal Form of Asset	Trust beneficiary interest in real estate (<i>juekiken</i>)
Property Right	Land: Freehold Building: Freehold
Contract Date	June 14, 2022
Closing Date	June 20, 2022
Seller	Domestic TMK (<i>tokutei mokuteki kaisha</i>)

(Note 1) After the acquisition by Ichigo Office, the building name will be changed from “Seiwa Ikebukuro Building” to “Ichigo Higashi Ikebukuro 3 Chome Building”.

(Note 2) The acquisition price is the sales value of the trust beneficiary interest in real estate that does not include expenses for acquisition, the amount equivalent to settled fixed asset taxes and city planning taxes, and the amount equivalent to consumption taxes.

(Note 3) The seller did not provide consent to disclose its name.

(2) Loans

Ichigo Office borrowed funds via the following loans in order to pay for the above asset acquisition and related expenses.

Lender	SMBC
Loan Amount	950,000,000 yen
Interest Rate	3M JPY TIBOR + 0.62% (p.a.) ^(Note)
Principal Repayment Date	May 25, 2029
Interest Payment Date	25th of every January, April, July, and October following the loan date, and the final payment date will be the principal repayment date
Principal Repayment Terms	Lump-sum repayment
Borrowing Terms	No collateral / No guarantee

Lender	Mizuho Bank
Loan Amount	950,000,000 yen
Interest Rate	3M JPY TIBOR + 0.62% (p.a.) ^(Note)
Principal Repayment Date	May 25, 2029
Interest Payment Date	25th of every January, April, July, and October following the loan date, and the final payment date will be same as the principal repayment date
Principal Repayment Terms	Lump-sum repayment
Borrowing Terms	No collateral / No guarantee

(Note) Ichigo Office has executed an interest rate swaps to hedge against a rise in interest rates.

(7) Supplementary Schedules

(i) Schedule of securities

(a) Stocks

N/A

(b) Securities other than stocks

(Thousand yen)

Type	Name of Security	Aggregate Value	Book Value	Accrued Interest Receivable	Accrued Interest Paid	Appraisal Value (Note 1)	Difference	Note
TK (<i>tokumei kumiai</i>) real estate equity interest	Equity interest in Kizuna 1 GK TK	—	51,212	—	—	51,212	—	— (Note2)
Total		—	51,212	—	—	51,212	—	—

(Note 1) Appraisal value shows the book value of the TK real estate equity interest.

(Note 2) The underlying real estate in the Kizuna 1 GK TK is a trust beneficiary interest in real estate (*juekiken*) of Ichigo Hakataeki Higashi Building, Ichigo Hakata Meiji Dori Building, Fukuoka Kensetsu Kaikan, and Ogaku Building.

(ii) Contract value and market value of derivative transactions and forward exchange contracts

(Thousand yen)

Classification	Type	Contract amount (Note 1)		Market value (Note 2)
			Exceeding 1 year	
Transactions other than market transactions	Interest rate swap (pay fixed, receive floating)	91,631,000	72,365,000	—
Total		91,631,000	72,365,000	—

(Note 1) The contract amount of interest rate swap is based on the notional principal.

(Note 2) Since the above transaction meets the specific matching criteria of the Accounting Standard for Financial Instruments, the statement of market value is omitted.

(iii) Summary table of schedule of real estate

(Thousand yen)

Asset type	Balance at beginning of current period	Increase during period	Decrease during period	Balance at end of current period	Accumulated depreciation or amortization		Balance at end of current period	Remarks	
					accumulated	Depreciation or amortization during period			
Property, plant and equipment	Buildings	7,240,518	8,043	159,311	7,089,250	2,145,909	109,648	4,943,341	(Note)
	Structures	29,066	—	0	29,066	24,933	320	4,133	(Note)
	Machinery and equipment	339,358	8,468	—	347,826	220,954	13,331	126,871	(Note)
	Tools, furniture and fixtures	70,921	4,517	5,212	70,226	53,720	3,362	16,505	(Note)
	Land	15,638,558	—	606,565	15,031,993	—	—	15,031,993	(Note)
	Construction in progress	1,360	—	—	1,360	—	—	1,360	
	Buildings in trust	46,203,049	588,773	—	46,791,823	11,154,852	719,525	35,636,970	(Note)
	Structures in trust	69,520	1,440	—	70,960	38,414	1,927	32,545	(Note)
	Machinery and equipment in trust	800,471	47,456	—	847,928	424,534	28,647	423,393	(Note)
	Tools, furniture and fixtures in trust	298,095	15,976	—	314,072	203,168	17,154	110,904	(Note)
	Land in trust	140,668,104	—	—	140,668,104	—	—	140,668,104	
	Construction in progress in trust	6,137	1,700	817	7,021	—	—	7,021	
	Subtotal	211,365,164	676,376	771,906	211,269,634	14,266,489	893,918	197,003,145	
Intangible assets	Land leasehold rights in trust	4,494,579	—	—	4,494,579	—	—	4,494,579	
	Subtotal	4,494,579	—	—	4,494,579	—	—	4,494,579	
Total	215,859,743	676,376	771,906	215,764,214	14,266,489	893,918	201,497,725		

(Note) The major decrease during the current fiscal period was due to the sale of one asset (727,532 thousand yen), and depreciation.

(iv) Schedule of other specified assets

N/A

(v) Schedule of investment corporation bonds

(Thousand yen)

	Date of issuance	Balance at period-start	Decrease during period	Balance at period-end	Interest rate (%)	Redemption date	Use	Security
First unsecured investment corporation bonds	September 22, 2017	1,200,000	—	1,200,000	0.900	September 22, 2027	(Note 1)	Unsecured/ unguaranteed
Second unsecured investment corporation bonds	April 26, 2018	1,000,000	—	1,000,000	0.900	April 26, 2028		
Third unsecured investment corporation bonds	November 29, 2018	1,000,000	—	1,000,000	0.750	November 28, 2025		
Fourth unsecured investment corporation bonds	July 26, 2019	1,200,000	—	1,200,000	0.890	July 26, 2029		
Fifth unsecured investment corporation bonds	March 26, 2020	1,000,000	—	1,000,000	0.300	March 26, 2025		
Sixth unsecured investment corporation bonds	May 6, 2021	1,500,000	—	1,500,000	0.850	May 2, 2031		
Total		6,900,000	—	6,900,000	—	—	—	—

(Note 1) The proceeds are used for repaying existing loans.

(Note 2) A ranking *pari passu* among Ichigo Office investment corporation bonds is attached.

(Note 3) The maturity profile of investment corporate bonds for each year within five years after the balance sheet date is as follows.

(Thousand yen)

	Due within 1 year	Due after 1 year but within 2 years	Due after 2 years but within 3 years	Due after 3 years but within 4 years	Due after 4 years but within 5 years
Investment corporation bonds	—	—	1,000,000	1,000,000	—

(vi) Schedule of loans

	Lender	Balance at period-start (Thousand yen)	Increase during period (Thousand yen)	Decrease during period (Thousand yen)	Balance at period-end (Thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment terms	Use	Collateralized
Long-Term Loans	SMBC	1,948,338	—	1,948,338	—	1.347 (Note 2)	November 8, 2021	(Note 3)	(Note 9)	No (No Guarantee)
	Mizuho Bank	1,948,338	—	1,948,338	—					
	Aozora Bank	588,252	—	588,252	—					
	Shinsei Bank	771,834	—	771,834	—					
	MUFG Bank	1,622,628	—	1,622,628	—					
	Resona Bank	1,358,112	—	1,358,112	—					
	Bank of Fukuoka	446,124	—	446,124	—					
	ORIX Bank	446,124	—	446,124	—	0.808 (Note 2)	May 31, 2022	(Note 4)		
	SMBC	1,434,050	—	1,450	1,432,600					
	Mizuho Bank	1,038,450	—	1,050	1,037,400					
	MUFG Bank	890,100	—	900	889,200					
	Bank	494,500	—	500	494,000					
	SMBC	1,434,050	—	1,450	1,432,600					
	Mizuho Bank	1,038,450	—	1,050	1,037,400					
MUFG Bank	890,100	—	900	889,200						
Shinsei Bank	494,500	—	500	494,000						

	Lender	Balance at period-start (Thousand yen)	Increase during period (Thousand yen)	Decrease during period (Thousand yen)	Balance at period-end (Thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment terms	Use	Collateralized
Long-Term Loans	SMBC	1,780,200	—	1,800	1,778,400	0.705 (Note 2)	May 31, 2022	(Note 6)	(Note 9)	No (No Guarantee)
	Mizuho Bank	890,100	—	900	889,200					
	MUFG Bank	692,300	—	700	691,600					
	Shinsei Bank	593,400	—	600	592,800					
	Aozora Bank	494,500	—	500	494,000					
	Bank of Fukuoka	494,500	—	500	494,000					
	Nishi-Nippon City Bank	494,500	—	500	494,000					
	Resona Bank	346,150	—	350	345,800					
	SMBC	1,780,200	—	1,800	1,778,400	0.750 (Note 2)	November 30, 2022	(Note 7)		
	Mizuho Bank	890,100	—	900	889,200					
	MUFG Bank	692,300	—	700	691,600					
	Shinsei Bank	593,400	—	600	592,800					
	Aozora Bank	494,500	—	500	494,000					
	Bank of Fukuoka	494,500	—	500	494,000					
	Nishi-Nippon City Bank	494,500	—	500	494,000					
	Resona Bank	346,150	—	350	345,800					
	SMBC	1,000,000	—	—	1,000,000	0.845 (Note 2)	October 31, 2023	Lump-sum repayment		
	Development Bank of Japan	500,000	—	500,000	—	0.708	January 31, 2022	(Note 8)		
	SMBC	1,100,000	—	—	1,100,000	0.852 (Note 2)	November 11, 2024	Lump-sum repayment		
	Mizuho Bank	1,000,000	—	—	1,000,000	0.852 (Note 2)	November 11, 2024	Lump-sum repayment		
	Shinsei Bank	900,000	—	—	900,000	0.852 (Note 2)	November 11, 2024	Lump-sum repayment		
	Resona Bank	400,000	—	—	400,000	0.852 (Note 2)	November 11, 2024	Lump-sum repayment		
	Development Bank of Japan	2,000,000	—	—	2,000,000	0.871	May 10, 2023	Lump-sum repayment		
	SMBC	215,000	—	—	215,000	0.761 (Note 2)	October 31, 2023	Lump-sum repayment		
	Mizuho Bank	340,000	—	—	340,000					
	MUFG Bank	283,000	—	—	283,000					
	Resona Bank	237,000	—	—	237,000					
	Shinsei Bank	135,000	—	—	135,000					
Bank of Fukuoka	195,000	—	—	195,000						
ORIX Bank	195,000	—	—	195,000						
SMBC	633,000	—	—	633,000	0.948 (Note 2)	October 31, 2025	Lump-sum repayment			
Mizuho Bank	508,000	—	—	508,000						
MUFG Bank	425,000	—	—	425,000						
Resona Bank	356,000	—	—	356,000						
Shinsei Bank	201,000	—	—	201,000						
Aozora Bank	257,000	—	—	257,000						
SMBC	352,000	—	—	352,000	0.990 (Note 2)	April 30, 2026	Lump-sum repayment			
Mizuho Trust	1,352,000	—	—	1,352,000						
Aozora Bank	901,000	—	—	901,000						
Shinsei Bank	901,000	—	—	901,000						
Resona Bank	448,000	—	—	448,000						

	Lender	Balance at period-start (Thousand yen)	Increase during period (Thousand yen)	Decrease during period (Thousand yen)	Balance at period-end (Thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment terms	Use	Collateralized
Long-Term Loans	SMBC	400,000	—	—	400,000	0.795 (Note 2)	April 30, 2024	Lump-sum repayment	(Note 9)	No (No Guarantee)
	Mizuho Bank	350,000	—	—	350,000					
	Shinsei Bank	300,000	—	—	300,000					
	MUFG Bank	300,000	—	—	300,000					
	Bank of Fukuoka	225,000	—	—	225,000					
	The Kagawa Bank	200,000	—	—	200,000					
	Nishi-Nippon City Bank	225,000	—	—	225,000					
	SMBC	835,000	—	—	835,000	0.860 (Note 2)	November 11, 2024	Lump-sum repayment		
	Mizuho Bank	491,000	—	—	491,000					
	Shinsei Bank	393,000	—	—	393,000					
	MUFG Bank	393,000	—	—	393,000					
	Aozora Bank	393,000	—	—	393,000					
	Resona Bank	294,000	—	—	294,000					
	The Kagawa Bank	147,000	—	—	147,000					
	SMBC	500,000	—	—	500,000	0.648	February 29, 2024	Lump-sum repayment		
	Mizuho Bank	400,000	—	—	400,000	0.648	February 29, 2024	Lump-sum repayment		
	SMBC	1,000,000	—	—	1,000,000	0.962 (Note 2)	April 30, 2026	Lump-sum repayment		
	Mizuho Bank	400,000	—	—	400,000	0.728	April 30, 2026	Lump-sum repayment		
	Shinsei Bank	200,000	—	—	200,000	0.728	April 30, 2026	Lump-sum repayment		
	SMBC	954,000	—	—	954,000	0.975 (Note 2)	September 30, 2026	Lump-sum repayment		
	Mizuho Bank	773,000	—	—	773,000					
	Shinsei Bank	483,000	—	—	483,000					
	Aozora Bank	656,000	—	—	656,000					
	SMBC	830,000	—	—	830,000	0.907 (Note 2)	September 30, 2026	Lump-sum repayment		
	Aozora Bank	570,000	—	—	570,000					
	SMBC	250,000	—	—	250,000	0.850 (Note 2)	April 30, 2026	Lump-sum repayment		
	Mizuho Bank	400,000	—	—	400,000					
	Development Bank of Japan	400,000	—	—	400,000					
	MUFG Bank	300,000	—	—	300,000					
	Shinsei Bank	250,000	—	—	250,000					
	SMBC	1,000,000	—	—	1,000,000	0.867 (Note 2)	September 25, 2026	Lump-sum repayment		
	Resona Bank	1,000,000	—	—	1,000,000	0.867 (Note 2)	September 25, 2026	Lump-sum repayment		
Bank of Fukuoka	1,000,000	—	—	1,000,000	0.867 (Note 2)	September 25, 2026	Lump-sum repayment			
SMBC	1,239,000	—	—	1,239,000	0.822 (Note 2)	March 25, 2027	Lump-sum repayment			
Mizuho Bank	1,074,000	—	—	1,074,000						
Shinsei Bank	743,000	—	—	743,000						
Aozora Bank	743,000	—	—	743,000						
Resona Bank	743,000	—	—	743,000						
ORIX Bank	413,000	—	—	413,000						
The Kagawa Bank	413,000	—	—	413,000						
SMBC	692,000	—	—	692,000	0.698 (Note 2)	September 25, 2025	Lump-sum repayment			
					0.726 (Note 2)	March 25, 2026	Lump-sum repayment			

	Lender	Balance at period-start (Thousand yen)	Increase during period (Thousand yen)	Decrease during period (Thousand yen)	Balance at period-end (Thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment terms	Use	Collateralized
Long-Term Loans	SMBC	672,000	—	—	672,000	0.844 (Note 2)	September 27, 2027	Lump-sum repayment	(Note 9)	No (No Guarantee)
	Mizuho Bank	610,000	—	—	610,000					
	Shinsei Bank	641,000	—	—	641,000					
	MUFG Bank	549,000	—	—	549,000					
	SMBC	1,224,000	—	—	1,224,000	0.876 (Note 2)	September 27, 2027	Lump-sum repayment		
	Mizuho Bank	1,224,000	—	—	1,224,000					
	Shinsei Bank	783,000	—	—	783,000					
	MUFG Bank	783,000	—	—	783,000					
	Aozora Bank	783,000	—	—	783,000					
	Resona Bank	587,000	—	—	587,000	0.652	March 25, 2027	Lump-sum repayment		
	The Kagawa Bank	955,000	—	—	955,000					
	SMBC	827,000	—	—	827,000	0.472	September 25, 2023	Lump-sum repayment		
	Shinsei Bank	790,000	—	—	790,000					
	Mizuho Bank	753,000	—	—	753,000					
	MUFG Bank	677,000	—	—	677,000					
	SMBC	543,000	—	—	543,000	0.740 (Note 2)	March 25, 2027	Lump-sum repayment		
	Shinsei Bank	518,000	—	—	518,000					
	Mizuho Bank	494,000	—	—	494,000					
	MUFG Bank	445,000	—	—	445,000					
	Aozora Bank	2,127,000	—	—	2,127,000	0.828 (Note 2)	August 25, 2028	Lump-sum repayment		
	Shinsei Bank	998,000	—	—	998,000	0.722 (Note 2)	March 25, 2027	Lump-sum repayment		
	Shinsei Bank	1,000,000	—	—	1,000,000	0.828 (Note 2)	August 25, 2028	Lump-sum repayment		
	Mizuho Bank	400,000	—	—	400,000	0.828 (Note 2)	August 25, 2028	Lump-sum repayment		
	SMBC	407,000	—	—	407,000	0.569 (Note 2)	September 25, 2025	Lump-sum repayment		
	MUFG Bank	781,000	—	—	781,000					
	Resona Bank	586,000	—	—	586,000					
	Mizuho Bank	407,000	—	—	407,000					
	Shinsei Bank	260,000	—	—	260,000					
	Aozora Bank	260,000	—	—	260,000					
	SMBC	814,000	—	—	814,000					
Mizuho Bank	814,000	—	—	814,000						
Shinsei Bank	521,000	—	—	521,000						
Aozora Bank	521,000	—	—	521,000						
SMBC	800,000	—	—	800,000	0.802 (Note 2)	November 27, 2028	Lump-sum repayment			
Mizuho Bank	700,000	—	—	700,000	0.802 (Note 2)	November 27, 2028	Lump-sum repayment			
Bank of Yokohama	500,000	—	—	500,000	0.802 (Note 2)	November 27, 2028	Lump-sum repayment			

	Lender	Balance at period-start (Thousand yen)	Increase during period (Thousand yen)	Decrease during period (Thousand yen)	Balance at period-end (Thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment terms	Use	Collateralized
Long-Term Loans	SMBC	527,000	—	—	527,000	0.488	September 25, 2024	Lump-sum repayment	(Note 9)	No (No Guarantee)
	MUFG Bank	494,000	—	—	494,000					
	Mizuho Bank	355,000	—	—	355,000					
	Bank of Yokohama	285,000	—	—	285,000					
	Mizuho Trust & Banking	95,000	—	—	95,000					
	SMBC	1,055,000	—	—	1,055,000	0.876 (Note 2)	March 26, 2029	Lump-sum repayment		
	Mizuho Bank	710,000	—	—	710,000					
	Aozora Bank	571,000	—	—	571,000					
	Resona Bank	571,000	—	—	571,000					
	Mizuho Trust & Banking	190,000	—	—	190,000					
	SMBC	329,000	—	—	329,000	0.488	September 25, 2024	Lump-sum repayment		
	MUFG Bank	1,372,000	—	—	1,372,000					
	Bank of Fukuoka	376,000	—	—	376,000					
	Mizuho Bank	329,000	—	—	329,000					
	Bank of Yokohama	30,000	—	—	30,000					
	SMBC	329,000	—	—	329,000	0.733 (Note 2)	March 27, 2028	Lump-sum repayment		
	Mizuho Bank	329,000	—	—	329,000					
	Resona Bank	287,000	—	—	287,000					
	Aozora Bank	174,000	—	—	174,000					
	Shinsei Bank	162,000	—	—	162,000					
	Bank of Yokohama	161,000	—	—	161,000					
	SMBC	988,000	—	—	988,000	0.819 (Note 2)	May 25, 2029	Lump-sum repayment		
	Mizuho Bank	988,000	—	—	988,000					
	Resona Bank	862,000	—	—	862,000					
	Shinsei Bank	487,000	—	—	487,000					
	Aozora Bank	422,000	—	—	422,000					
	Development Bank of Japan	500,000	—	—	500,000	0.764	September 25, 2028	Lump-sum repayment		
	SMBC	—	194,000	—	194,000	0.612 (Note 2)	September 25, 2026	Lump-sum repayment		
	Mizuho Bank	—	194,000	—	194,000					
	MUFG Bank	—	1,622,000	—	1,622,000					
Bank of Fukuoka	—	446,000	—	446,000						
Bank of Yokohama	—	90,000	—	90,000						
SMBC	—	389,000	—	389,000	0.720 (Note 2)	March 25, 2028	Lump-sum repayment			
Mizuho Bank	—	389,000	—	389,000						
Resona Bank	—	271,000	—	271,000						
Shinsei Bank	—	154,000	—	154,000						
Aozora Bank	—	117,000	—	117,000						
Bank of Yokohama	—	356,000	—	356,000						

	Lender	Balance at period-start (Thousand yen)	Increase during period (Thousand yen)	Decrease during period (Thousand yen)	Balance at period-end (Thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment terms	Use	Collateralized
Long-Term Loans	SMBC	—	1,363,000	—	1,363,000	0.833 (Note 2)	November 25, 2029	Lump-sum repayment	(Note 9)	No (No Guarantee)
	Mizuho Bank	—	1,363,000	—	1,363,000					
	Resona Bank	—	1,086,000	—	1,086,000					
	Shinsei Bank	—	617,000	—	617,000					
	Aozora Bank	—	470,000	—	470,000					
	Development Bank of Japan	—	500,000	—	500,000	0.859	January 25, 2029	Lump-sum repayment		
Total		104,353,250	9,621,000	9,649,250	104,325,000					

(Note 1) Average Interest Rate indicates a weighted average of interest rates during the period based on the number of days, and it is rounded down to the stated unit.

(Note 2) To avoid interest rate risk, an interest rate swap agreement has been signed separately to fix the interest rates, and the weighted average interest rate during the period after the effect of the interest rate swap is stated.

(Note 3) The remaining balance was repaid on November 8, 2021.

(Note 4) 1 million yen is repaid on the final business day every three months, and the remaining balance will be repaid on the last due date.

The entire amount of the balance at period-end is long-term borrowings due within one year.

(Note 5) 1 million yen is repaid on the final business day every three months, and the remaining balance will be repaid on the last due date.

The entire amount of the balance at period-end is long-term borrowings due within one year.

(Note 6) 2 million yen is repaid on the final business day every three months, and the remaining balance will be repaid on the last due date.

The entire amount of the balance at period-end is long-term borrowings due within one year.

(Note 7) 2 million yen is repaid on the final business day every three months, and the remaining balance will be repaid on the last due date.

The entire amount of the balance at period-end is long-term borrowings due within one year.

(Note 8) The remaining balance was repaid on January 31, 2022.

(Note 9) The proceeds are used for acquisition of assets and/or beneficiary rights of real estate in trust and repayment of loans.

(Note 10) The total amounts of long-term loans to be repaid for each year within five years after the balance sheet date are as follows.

(Thousand yen)					
	Due within 1 year	Due after 1 year but within 2 years	Due after 2 years but within 3 years	Due after 3 years but within 4 years	Due after 4 years but within 5 years
Long-term borrowings due within one year	19,266,000	—	—	—	—
Long-term borrowings	—	10,547,000	10,538,000	13,340,000	18,720,000
Total	19,266,000	10,547,000	10,538,000	13,340,000	18,720,000