



**Make The World
More Sustainable**

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

**30th Fiscal Period
May 1, 2020 – October 31, 2020**

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.

For the October 2020 fiscal period, Ichigo Office continued to increase its portfolio NOI by raising tenant satisfaction through its value-add activities. While our initial forecast reflected COVID-related office market uncertainty, the actual impact on earnings was limited due to continued strong demand for mid-size offices and our ongoing efforts to increase tenant satisfaction. As a result, Ichigo Office's October 2020 earnings were: operating revenue of 7,863 million yen, operating profit of 4,092 million yen, recurring profit of 3,313 million yen, and net income of 3,312 million yen. The dividend per share was 2,230 yen, a 67 yen increase from the previous period.

In December 2020, we acquired the Ichigo Tachikawa Building for 3.83 billion yen in order drive earnings growth, increase earnings stability, and further diversify our portfolio. The Ichigo Tachikawa Building is a mid-size office located in Tachikawa, a major city connecting central Tokyo to the Tama area, where supply and demand for offices has historically been stable. We will drive earnings growth of this asset via value-add capex. This acquisition brings the total number of assets in the portfolio to 86 for a total acquisition price of 206.1 billion yen.

As part of Ichigo Office's ongoing focus on ESG, a simplified, no fixed fee, performance-fee only asset management structure aiming to drive increased shareholder value was approved at the shareholder meeting held in July 2020. Furthermore, two Ichigo Office assets (Ichigo Mirai Shinkin Building and Win Gotanda Building 2) received A rank CASBEE (Comprehensive Assessment System for Built Environment Efficiency) certifications in December 2020, thus bringing the total to 13 assets with environmental certifications.

Although the economic outlook remains uncertain due to the COVID pandemic, Ichigo Office will make continuous efforts to build a robust mid-size office portfolio in an aim to drive sustainable growth and maximize shareholder value through growth investments that reflect a full understanding of and responsiveness to the market environment.

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

			26th Fiscal Period From May 1, 2018 to October 31, 2018	27th Fiscal Period From November 1, 2018 to April 30, 2019	28th Fiscal Period From May 1, 2019 to October 31, 2019	29th Fiscal Period From November 1, 2019 to April 30, 2020	30th Fiscal Period From May 1, 2020 to October 31, 2020
Operating Revenue	(Note 1)	million yen	7,632	8,451	8,304	8,260	7,863
(Real Estate Rental Income)		million yen	(7,632)	(7,782)	(7,862)	(7,860)	(7,862)
Operating Expenses		million yen	3,886	3,940	3,941	3,879	3,770
(Real Estate Rental Expenses)		million yen	(2,993)	(2,990)	(3,025)	(2,950)	(2,852)
Operating Profit		million yen	3,745	4,510	4,363	4,381	4,092
Recurring Profit		million yen	2,958	3,733	3,554	3,576	3,313
Net Income		million yen	2,980	3,732	3,554	3,575	3,312
Total Assets		million yen	221,807	225,678	225,898	227,312	226,980
(Period-on-Period Change)		%	(1.3)	(1.7)	(0.1)	(0.6)	(-0.1)
Net Assets		million yen	103,217	103,863	103,962	104,244	104,242
(Period-on-Period Change)		%	(-0.0)	(0.6)	(0.1)	(0.3)	(-0.0)
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	1,532,287	1,532,287	1,532,287
Net Assets per Share		yen	67,361	67,783	67,848	68,031	68,030
Total Dividends		million yen	3,086	3,455	3,294	3,314	3,417
Dividend per Share		yen	2,014	2,255	2,150	2,163	2,230
(Payable Dividend per Share)		yen	(2,014)	(2,255)	(2,150)	(2,163)	(2,230)
(Dividend per Share in Excess of Earnings)		yen	(—)	(—)	(—)	(—)	(—)
Ratio of Recurring Profit to Total Assets	(Note 2)	%	1.3(2.7)	1.7(3.4)	1.6(3.1)	1.6(3.2)	1.5(2.9)
Return on Equity	(Note 2)	%	2.9(5.7)	3.6(7.3)	3.4(6.8)	3.4(6.9)	3.2(6.3)
Shareholder Equity Ratio	(Note 2)	%	46.5	46.0	46.0	45.9	45.9
(Period-on-Period Change)		%	(-0.6)	(-0.5)	(0.0)	(-0.2)	(0.1)
Dividend Payout Ratio	(Note 3)	%	103.5	92.6	92.7	92.7	103.1
Other Reference Information							
Number of Assets		assets	85	85	85	85	85
Number of Tenants at Period-End		tenants	923	921	934	938	924
Total Leasable Area		m ²	263,440.38	264,762.27	266,478.61	259,717.74	259,754.33
Occupancy at Period-End		%	99.2	99.3	99.4	99.6	97.5
Depreciation		million yen	857	857	842	839	838
Capital Expenditures		thousand yen	453,299	442,533	478,779	525,201	587,955
NOI (Net Operating Income)	(Note 2)	million yen	5,496	5,648	5,679	5,748	5,847
FFO (Funds from Operations) per Share	(Note 2)	yen	2,489	2,558	2,581	2,621	2,709
Number of Days in the Period		days	184	181	184	182	184

(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	$(\text{Net Income} + \text{Depreciation} + \text{Loss on Retirement of Non-Current Assets} + \text{Expenses for Asset Retirement Obligations} \pm \text{Gain (Loss) on Sales of Assets} \pm \text{Extraordinary Profit (losses)}) / \text{Number of Shares Outstanding}$

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

2 Summary of Operating Results for the Fiscal Period Ending October 31, 2020

(1) Overview

In the fiscal period ending October 31, 2020, Ichigo Office's 30th fiscal period, Ichigo Office worked to strengthen its organic growth potential by 1) increasing asset value and investment efficiency through 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

On the back of the various economic restrictions resulting from the state of emergency declared by the Japanese government, the current fiscal period saw the GDP growth rate for 2020 Q2 slumping for a third consecutive quarter and recording the worst growth since World War II. Although the GDP for 2020 Q3 grew 5.0% from the previous quarter, the Japanese economy has not returned to pre-COVID levels and the economic outlook remains uncertain.

The real estate market continued to see strong investment demand from both domestic and overseas investors, thus driving acquisition prices up and making for a difficult environment for asset acquisition. Although prices are expected to remain high, the effects of the COVID pandemic on the real estate transaction market needs to be carefully monitored.

The office leasing market was stable prior to the outbreak of COVID in the spring of 2020 due to strong office space expansion needs in both Metropolitan Tokyo and regional cities. However, the outbreak of the COVID pandemic and its negative impact on the economy adversely effected leasing demand as some tenants delayed office expansion plans.

(ii) Investment Performance

Ichigo Office has focused on NOI growth and worked to raise both rents and occupancy in order to increase the profitability of its assets. During the current fiscal period, Ichigo Office took various actions to enhance the competitiveness and profitability of its assets, such as the value-add capex renovations in the Win Gotanda Building, aimed at increasing tenant satisfaction. As a result of such efforts, the occupancy for the overall portfolio at period-end was 97.5%.

During the current fiscal period, Ichigo Office received rent reduction and rent deferral requests from some tenants as a result of the COVID pandemic, but impact on earnings was limited.

The number of assets owned at period-end was 85 assets (total acquisition price: 202,362 million yen).

(3) Financing

During the current fiscal period, Ichigo Office borrowed a total of 9,572 million yen from banks in May and August of 2020, to repay loans that came due in those months (a total of 9,574 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 7,863 million yen, operating profit of 4,092 million yen, recurring profit of 3,313 million yen and net income of 3,312 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 distribute 3,417 million yen, which is the total amount of unappropriated retained earnings (3,312 million yen) and the reversal of reserves for temporary difference adjustments (105 million yen). As a result, the dividend per share was 2,230 yen.

(Note) The balance of tax losses carried forward owned by Ichigo Office is approximately 8.4 billion yen, and the expiration of the tax losses carrying forward period is the fiscal period ending April 30, 2022. Restrictions regarding the maximum reduction of losses able to be included in deductible expenses will not be applied.

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	
May 23, 2016	Public Offering	110,166	1,526,489	8,449	67,230	(Note 1)
June 22, 2016	Greenshoe	5,798	1,532,287	444	67,675	(Note 2)

(Note 1) Ichigo Office issued new shares via public offering at an issue price 79,365 yen per share (underwriting price of 76,695 yen) for the purpose of raising funds to acquire new assets.

(Note 2) Ichigo Office issued new shares via a third-party allotment (Greenshoe) at an issue price of 76,695 yen per share for the purpose of repaying loans.

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.

	26th Fiscal Period From May 1, 2018 to October 31, 2018	27th Fiscal Period From November 1, 2018 to April 30, 2019	28th Fiscal Period From May 1, 2019 to October 31, 2019	29th Fiscal Period From November 1, 2019 to April 30, 2020	30th Fiscal Period From May 1, 2020 to October 31, 2020
High	93,800 yen	106,200 yen	118,100 yen	119,300 yen	81,000 yen
Low	81,600 yen	91,300 yen	99,400 yen	54,300 yen	66,500 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 the 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 3,417 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 3,312 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 2,230 yen.

		26th Fiscal Period From May 1, 2018 to October 31, 2018	27th Fiscal Period From November 1, 2018 to April 30, 2019	28th Fiscal Period From May 1, 2019 to October 31, 2019	29th Fiscal Period From November 1, 2019 to April 30, 2020	30th Fiscal Period From May 1, 2020 to October 31, 2020
Unappropriated Retained Earnings	thousand yen	2,981,724	3,733,149	3,554,415	3,575,841	3,312,935
Retained Earnings for Dividend Reserve	thousand yen	698	93	—	—	—
Total Dividends	thousand yen	3,086,026	3,455,307	3,294,417	3,314,336	3,417,000
(Dividend per Share)	yen	(2,014)	(2,255)	(2,150)	(2,163)	(2,230)
Distributable Earnings	thousand yen	3,086,026	3,455,307	3,294,417	3,314,336	3,417,000
(Distributable Earnings per Share)	yen	(2,014)	(2,255)	(2,150)	(2,163)	(2,230)
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 utilizing 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
- Maintain and drive earnings growth with a focus on tenant satisfaction
- Minimize downtime at re-tenanting and free-rent periods

(3) Financing Strategy

For the refinancing of existing loans, Ichigo Office will take advantage of the low-interest-rate environment by fixing borrowing rates and promoting the extension and diversification of borrowing periods. 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 diversify financing using investment corporation bonds, with the aim of further improving the current rating of "A (Outlook: Stable)."

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 Tachikawa Building ^(Note 1)

Acquisition Price ^(Note 2)	3,830,000,000 yen
Location	1-21-1 Akebonocho, Tachikawa, Tokyo
Legal Form of Asset	Trust beneficiary interest in real estate (<i>juekiken</i>)
Property Right	Land: Freehold Building: Freehold
Contract Date	December 14, 2020
Closing Date	December 18, 2020
Seller	Tachikawa Holdings GK

(Note 1) After the acquisition by Ichigo Office, the building name will be changed from "Unizo Tachikawa Building" to "Ichigo Tachikawa 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.

(2) Loans

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

Lender	SMBC
Loan Amount	800,000,000 yen
Interest Rate	3M JPY TIBOR + 0.68% (p.a.) ^(Note)
Principal Repayment Date	November 25, 2028
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	700,000,000 yen
Interest Rate	3M JPY TIBOR + 0.68% (p.a.) ^(Note)
Principal Repayment Date	November 25, 2028
Interest Payment Date	25th of every January, April, July, and October following the loan date
Principal Repayment Terms	Lump-sum repayment
Collateralized	No

Lender	Bank of Yokohama
Loan Amount	500,000,000 yen
Interest Rate	3M JPY TIBOR + 0.68% (p.a.) ^(Note)
Principal Repayment Date	November 25, 2028
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

		26th Fiscal Period October 31, 2018	27th Fiscal Period April 30, 2019	28th Fiscal Period October 31, 2019	29th Fiscal Period April 30, 2020	30th Fiscal Period October 31, 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	1,532,287	1,532,287	1,532,287
Shareholders' Equity	million yen	67,675	67,675	67,675	67,675	67,675
Number of Shareholders	persons	14,705	13,091	12,858	13,368	13,947

2 Major Shareholders

Major shareholders as of October 31, 2020 are as follows:

Name	Shares	Ratio of Shares Held to Total Number of Shares Issued (%) (Note)
Ichigo Trust Pte. Ltd.	344,190	22.46
Custody Bank of Japan, Ltd., Trust Account	218,658	14.27
The Master Trust Bank of Japan, Trust Account	157,646	10.28
Custody Bank of Japan, Ltd., Securities Investment Trust Account	74,181	4.84
Nomura Trust & Banking Co., Ltd. Investment Trust Account	56,007	3.65
NOMURA BANK (LUXEMBOURG) S.A.	51,208	3.34
GOLDMAN SACHS INTERNATIONAL	36,806	2.40
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	27,216	1.77
STATE STREET BANK WEST CLIENT – TREATY 505234	21,144	1.37
BNP PARIBAS SECURITIES SERVICES LUXEMBOURG / JASDEC / SECURITIES - AIFM	20,246	1.32
Total	1,007,302	65.73

(Note 1) The ratio of shares held to the total number of shares issued is truncated after the second decimal place.

(Note 2) Japan Trustee Services Bank and Trust & Custody Services Bank merged with JTC Holdings and was renamed as Custody Bank of Japan, Ltd. on July 27, 2020.

3 Executive Director and Supervisory Directors

(1) Ichigo Office's directors and auditor as of October 31, 2020 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 GreenOak Investment Management KK, external Corporate Auditor AWP Ticket Guard Small Amount & Short Term Insurance Co., Ltd., external Corporate Auditor PP Japan Co., Ltd., Corporate Auditor Retailer's Sphere Co., Ltd., Corporate Auditor GMO Registry, Inc., external Corporate Auditor	1,440
	Masahiro Terada	City-Yuwa Partners, Partner	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 Asset Management Company, Asset Custodian, and Administrative Agents

The asset management company, asset custodian, and administrative agents as of October 31, 2020 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)	29th Fiscal Period (as of April 30, 2020)		30th Fiscal Period (as of October 31, 2020)	
		Book Value (million yen)(Note 2)	Ratio to Total Assets (%)	Book Value (million yen)(Note 2)	Ratio to Total Assets (%)
Real Estate	Central Tokyo	6,746	3.0	6,736	3.0
	Tokyo Metropolitan Area	4,015	1.8	4,001	1.8
	Four Major Regional Cities	10,390	4.6	10,333	4.6
Trust Beneficiary Interest in Real Estate (<i>juekiken</i>) (Note 3)	Central Tokyo	108,321	47.7	108,243	47.7
	Tokyo Metropolitan Area	39,621	17.4	39,603	17.4
	Four Major Regional Cities	19,647	8.6	19,654	8.7
	Other Regional Cities	10,554	4.6	10,474	4.6
Subtotal		199,297	87.7	199,047	87.7
Investment in Securities (Note 4)		50	0.0	50	0.0
Deposits and Other Assets		27,964	12.3	27,882	12.3
Total Assets		227,312	100.0	226,980	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 Tachikawa Holdings GK TK

2 Major Assets Owned

The table below is a summary of the major assets owned by Ichigo Office as of October 31, 2020 (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	7,406	4,510.04	4,036.16	89.5	2.6	Office
Ebisu Green Glass	5,795	3,159.27	3,159.27	100.0	2.2	Office
Ichigo Marunouchi Building	5,645	8,009.11	6,813.78	85.1	3.0	Office
Ichigo Akihabara North Building	5,524	6,250.53	6,250.53	100.0	2.9	Office
Ichigo Ikenohata Building	5,139	5,504.15	5,504.15	100.0	2.1	Office
Ichigo Sasazuka Building	4,917	6,425.29	6,425.29	100.0	2.4	Office
Ichigo Gotanda Building	4,818	5,346.39	5,346.39	100.0	2.7	Office
Ichigo Sakae Building	4,687	3,928.12	3,928.12	100.0	2.8	Office
Ichigo Higashi Ikebukuro Building	4,608	4,433.00	4,433.00	100.0	2.0	Office
Ichigo Nihonbashi East Building	4,456	4,216.97	4,216.97	100.0	1.9	Office
Total	52,999	51,782.87	50,113.66	96.8	24.5	

(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 October 31, 2020.

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	4,564.63	3,290	3,338
O-03	Ichigo Mita Building	Shiba, Minato-ku, Tokyo	Trust beneficiary interest in real estate	4,119.63	3,640	2,724
O-04	Ichigo Nanpeidai Building	Nanpeidaicho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	1,925.24	2,510	1,904
O-05	Ichigo Hanzomon Building	Hayabusacho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,080.37	1,930	1,513
O-06	Ichigo Hijirizaka Building	Mita, Minato-ku, Tokyo	Trust beneficiary interest in real estate	1,947.90	1,470	1,209
O-07	Ichigo Shibuya Kamiyamacho Building	Kamiyamacho, Shibuya-ku, Tokyo	Real estate	1,321.54	1,900	1,356
O-08	Ichigo Akasaka 5 Chome Building	Akasaka, Minato-ku, Tokyo	Real estate	683.52	876	722
O-09	Ichigo Shibakoen Building	Shiba, Minato-ku, Tokyo	Real estate	1,602.29	1,210	1,099
O-10	Ichigo Ebisu Nishi Building	Ebisu-Nishi, Shibuya-ku, Tokyo	Real estate	1,484.39	2,510	1,922
O-11	Ichigo Ginza 612 Building	Ginza, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	1,379.06	2,120	1,788
O-12	Ichigo Uchikanda Building	Uchikanda, Chiyoda-ku, Tokyo	Real estate	1,378.83	1,360	1,122
O-14	Ichigo Yotsuya 4 Chome Building	Yotsuya, Shinjuku-ku, Tokyo	Trust beneficiary interest in real estate	780.64	563	502
O-15	Ichigo Tameike Building	Akasaka, Minato-ku, Tokyo	Real estate	494.14	722	514
O-16	Ichigo Jimbocho Building	Kanda Jimbocho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	1,891.01	2,450	1,802
O-17	Ichigo Hakozaeki Building	Nihonbashi Kakigaracho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,387.34	1,180	1,131
O-18	Ichigo Kudan 2 Chome Building	Kudan Minami, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	1,288.31	954	728
O-19	Ichigo Kudan 3 Chome Building	Kudan Minami, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	1,302.43	871	811
O-20	Ichigo Gotanda Building	Higashi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	5,346.39	6,270	4,818
O-21	Ichigo Shin Yokohama Building	Shin Yokohama, Kohoku-ku, Yokohama	Trust beneficiary interest in real estate	4,021.32	1,740	1,680
O-22	Ichigo Minami Ikebukuro Building	Minami Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	1,491.50	1,850	1,362
O-23	Ichigo Nakano North Building	Arai, Nakano-ku, Tokyo	Trust beneficiary interest in real estate	1,250.85	946	727
O-24	Ichigo Eitai Building	Eitai, Koto-ku, Tokyo	Real estate	2,605.54	1,440	1,449
O-26	Ichigo Ikejiri Building	Ohashi, Meguro-ku, Tokyo	Real estate	2,385.69	2,240	1,955
O-27	Ichigo Nishi Ikebukuro Building	Ikebukuro, Toshima-ku, Tokyo	Real estate	1,261.91	989	596
O-28	Ichigo Nishi Gotanda Building	Nishi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	1,329.06	877	751
O-29	Ichigo Kichijoji Building	Kichijoji Honcho, Musashino City, Tokyo	Trust beneficiary interest in real estate	4,210.87	2,780	2,174
O-34	Ichigo Sakae Building	Sakae, Naka-ku, Nagoya	Real estate	3,928.12	6,290	4,687
O-37	Ichigo Marunouchi Building	Marunouchi, Naka-ku, Nagoya	Real estate	8,009.11	7,510	5,645
O-38	Ichigo Toyamaeki Nishi Building	Jinzu Honmachi, Toyama City, Toyama	Trust beneficiary interest in real estate	8,601.71	1,840	1,499
O-39	Ichigo Mirai Shinkin Building	Niagomachi, Oita City, Oita	Trust beneficiary interest in real estate	3,551.46	1,330	1,138
O-42	Ichigo Takamatsu Building	Kotobukicho, Takamatsu City, Kagawa	Trust beneficiary interest in real estate	6,329.33	3,650	2,236
O-46	Ichigo Kanda Nishikicho Building	Kanda-Nishikicho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,523.09	3,310	1,993
O-47	Ichigo Akihabara North Building	Sotokanda, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	6,250.53	7,780	5,524
O-48	Ichigo Sakaisuji Honmachi Building	Honmachi, Chuo-ku, Osaka	Trust beneficiary interest in real estate	3,729.35	2,390	1,752
O-49	Ichigo Kanda Ogawamachi Building	Kanda-Ogawamachi, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,309.39	2,530	2,194
O-50	Ichigo Hatchobori Building	Shintomi, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,716.33	2,700	1,779
O-51	Ebisu Green Glass	Ebisu Minami, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	3,159.27	7,530	5,795
O-52	Ichigo Omori Building	Minami Oi, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	3,585.93	4,460	3,787
O-53	Ichigo Takadanobaba Building	Takadanobaba, Shinjuku-ku, Tokyo	Trust beneficiary interest in real estate	1,606.92	1,910	1,585
O-54	Ichigo Omiya Building	Miyacho, Omiya-ku, Saitama City, Saitama	Trust beneficiary interest in real estate	6,180.68	4,180	3,578
O-55	Ichigo Sagamihara Building	Sagamihara, Chuo-ku, Sagamihara City, Kanagawa	Trust beneficiary interest in real estate	2,960.81	1,280	1,217
O-56	Ichigo Ofuna Building	Ofuna, Kamakura City, Kanagawa	Trust beneficiary interest in real estate	2,364.71	2,620	1,936

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-57	Ichigo Sendai East Building	Miyagino, Miyagino-ku, Sendai, Miyagi	Trust beneficiary interest in real estate	5,205.49	2,130	1,618
O-58	Ichigo Kumamoto Building	Karashimacho, Chuo-ku, Kumamoto City, Kumamoto	Trust beneficiary interest in real estate	4,507.59	1,590	1,480
O-59	Ichigo Jingumae Building	Jingumae, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	4,510.04	8,260	7,406
O-60	Ichigo Shibuya Dogenzaka Building	Maruyamacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	2,789.86	5,320	3,676
O-61	Ichigo Hiroo Building	Hiroo, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	3,510.44	4,650	4,004
O-62	Ichigo Sasazuka Building	Sasazuka, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	6,425.29	5,890	4,917
O-63	Ichigo Nihonbashi East Building	Nihonbashi Bakurocho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	4,216.97	5,610	4,456
O-64	Ichigo Sakurabashi Building	Hatchobori, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,971.22	3,060	2,556
O-65	Ichigo Shinkawa Building	Shinkawa, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,312.03	2,960	2,383
O-66	Ichigo Kudan Building	Kanda Jimbocho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	3,090.65	3,610	3,208
O-67	Ichigo Higashi Gotanda Building	Higashi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	4,548.10	4,310	3,638
O-68	Axior Mita	Mita, Minato-ku, Tokyo	Trust beneficiary interest in real estate	2,369.82	2,290	1,729
O-69	Ichigo Higashi Ikebukuro Building	Higashi Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	4,433.00	5,320	4,608
O-70	Koriyama Big-i (Office Section)	Ekimae, Koriyama City, Fukushima	Trust beneficiary interest in real estate	3,433.07	2,130	1,453
O-71	Ichigo Kawasaki Building	Higashi Tamachi, Kawasaki-ku, Kawasaki City, Kanagawa	Trust beneficiary interest in real estate	3,725.07	2,190	1,811
O-72	Ichigo Shibuya East Building	Higashi, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	1,041.36	1,530	1,351
O-73	Ichigo Ningyocho Building	Nihonbashi Horidomecho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	1,769.09	1,610	1,477
O-74	Ichigo Nishi Honmachi Building	Awaza, Nishi-ku, Osaka	Trust beneficiary interest in real estate	6,152.00	2,470	2,165
O-75	Ichigo Hakata Building	Gionmachi, Hakata-ku, Fukuoka	Trust beneficiary interest in real estate	2,423.86	1,520	1,362
O-76	Ichigo Nishiki First Building	Nishiki, Naka-ku, Nagoya	Trust beneficiary interest in real estate	3,324.70	2,140	1,966
O-77	Ichigo Ikenohata Building	Ikenohata, Taito-ku, Tokyo	Trust beneficiary interest in real estate	5,504.15	5,490	5,139
O-78	Ichigo Ikebukuro East Building	Higashi Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	3,118.69	3,330	2,983
O-79	Ichigo Motoazabu Building	Motoazabu, Minato-ku, Tokyo	Trust beneficiary interest in real estate	1,329.96	2,280	1,917
O-80	Ichigo Otsuka Building	Minami Otsuka, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	3,679.70	3,020	2,754
O-81	Ichigo Nagoya Building	Meieki, Nakamura-ku, Nagoya	Trust beneficiary interest in real estate	4,930.30	3,910	3,486
O-82	Ichigo Fushimi Building	Nishiki, Naka-ku, Nagoya	Trust beneficiary interest in real estate	4,155.57	2,510	2,335
O-83	Ichigo Nishiki Building	Nishiki, Naka-ku, Nagoya	Trust beneficiary interest in real estate	2,006.78	1,460	1,281
O-84	Ichigo Minami Morimachi Building	Matsugaecho, Kita-ku, Osaka	Trust beneficiary interest in real estate	2,521.51	1,220	1,032
O-85	Ichigo Shibuya Udagawacho Building	Udagawacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	1,491.68	4,180	3,572
O-86	Win Gotanda Building	Nishi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	3,689.88	3,340	3,101
O-87	Ichigo Hongo Building	Hongo, Bunkyo-ku, Tokyo	Trust beneficiary interest in real estate	2,722.58	2,620	2,306
O-88	Oimachi Center Building	Oi, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	2,751.08	1,920	1,698
O-89	Win Gotanda Building 2	Osaki, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	3,433.16	3,570	3,290
O-90	MIF Building	Uchikanda, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	1,690.33	2,330	2,192
O-91	Ichigo Uchi Honmachi Building	Uchi Honmachi, Chuo-ku, Osaka	Trust beneficiary interest in real estate	3,004.07	2,180	1,992
O-92	Ichigo Minami Otsuka Building	Minami Otsuka, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	3,127.84	3,190	2,859
O-93	Ichigo Nogizaka Building	Akasaka, Minato-ku, Osaka	Trust beneficiary interest in real estate	2,199.35	3,640	3,520
O-94	Ichigo Hakata East Building	Hakataeki Higashi, Hakata-ku, Fukuoka	Trust beneficiary interest in real estate	2,901.99	2,450	2,279
O-95	Ichigo Nakameguro Building	Aobadai, Meguro-ku, Tokyo	Trust beneficiary interest in real estate	1,040.02	1,670	1,553
Z-09	Konami Sports Club Izumi Fuchu	Fuchucho, Izumi City, Osaka	Trust beneficiary interest in real estate	3,733.68	1,440	1,048
Z-10	Ichigo Shibuya Bunkamura Dori Building	Udagawacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	778.77	3,030	2,455
Z-11	Twicere Yokohama Isogo (Retail Section)	Mori, Isogo-ku, Yokohama	Trust beneficiary interest in real estate	2,717.77	1,500	1,476
Z-14	Ichigo Kamata Building	Nishi Kamata, Ota-ku, Tokyo	Trust beneficiary interest in real estate	2,124.68	1,530	1,433
Total				259,754.33	240,398	199,047

(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 29th and 30th Periods:

Asset Name	29th Fiscal Period From November 1, 2019 to April 30, 2020				30th Fiscal Period From May 1, 2020 to October 31, 2020				
	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	15	99.1	133,849	1.7	15	87.0	126,825	1.6
O-03	Ichigo Mita Building	9	100.0	119,211	1.5	9	100.0	121,279	1.5
O-04	Ichigo Nanpeidai Building	13	100.0	79,881	1.0	13	100.0	79,643	1.0
O-05	Ichigo Hanzomon Building	6	100.0	62,706	0.8	6	100.0	61,822	0.8
O-06	Ichigo Hijirizaka Building	6	100.0	58,971	0.8	6	100.0	59,073	0.8
O-07	Ichigo Shibuya Kamiyamacho Building	4	100.0	53,062	0.7	4	100.0	54,051	0.7
O-08	Ichigo Akasaka 5 Chome Building	9	100.0	29,137	0.4	9	100.0	28,811	0.4
O-09	Ichigo Shibakoen Building	4	100.0	42,728	0.5	3	100.0	47,815	0.6
O-10	Ichigo Ebisu Nishi Building	7	100.0	70,591	0.9	7	100.0	70,267	0.9
O-11	Ichigo Ginza 612 Building	24	100.0	66,823	0.9	23	93.3	65,209	0.8
O-12	Ichigo Uchikanda Building	9	100.0	47,315	0.6	8	89.8	45,957	0.6
O-14	Ichigo Yotsuya 4 Chome Building	10	100.0	20,380	0.3	9	90.9	21,287	0.3
O-15	Ichigo Tameike Building	6	100.0	21,403	0.3	5	82.8	20,747	0.3
O-16	Ichigo Jimbocho Building	7	92.6	72,319	0.9	7	92.6	71,104	0.9
O-17	Ichigo Hakozaeki Building	6	100.0	55,044	0.7	6	100.0	58,501	0.7
O-18	Ichigo Kudan 2 Chome Building	1	100.0	28,899	0.4	1	100.0	28,899	0.4
O-19	Ichigo Kudan 3 Chome Building	5	100.0	36,655	0.5	5	100.0	37,735	0.5
O-20	Ichigo Gotanda Building	14	100.0	207,841	2.6	14	100.0	208,358	2.7
O-21	Ichigo Shin Yokohama Building	14	97.7	81,177	1.0	14	97.7	81,150	1.0
O-22	Ichigo Minami Ikebukuro Building	9	100.0	58,063	0.7	9	100.0	60,567	0.8
O-23	Ichigo Nakano North Building	6	100.0	42,148	0.5	6	100.0	41,975	0.5
O-24	Ichigo Eitai Building	10	100.0	65,589	0.8	9	93.2	68,862	0.9
O-26	Ichigo Ikejiri Building	5	100.0	80,737	1.0	5	100.0	78,385	1.0
O-27	Ichigo Nishi Ikebukuro Building	1	100.0	29,127	0.4	1	100.0	29,217	0.4
O-28	Ichigo Nishi Gotanda Building	9	100.0	34,873	0.4	9	100.0	35,409	0.5
O-29	Ichigo Kichijoji Building	13	100.0	116,263	1.5	13	100.0	113,674	1.4
O-34	Ichigo Sakae Building	19	100.0	217,416	2.8	19	100.0	217,598	2.8
O-37	Ichigo Marunouchi Building	23	100.0	237,464	3.0	22	85.1	235,821	3.0
O-38	Ichigo Toyamaeki Nishi Building	15	99.1	116,352	1.5	16	100.0	114,885	1.5
O-39	Ichigo Mirai Shinkin Building	20	95.8	78,566	1.0	20	95.8	77,044	1.0
O-42	Ichigo Takamatsu Building	15	100.0	155,785	2.0	14	98.7	155,609	2.0
O-46	Ichigo Kanda Nishikicho Building	9	100.0	97,921	1.2	9	100.0	99,346	1.3
O-47	Ichigo Akihabara North Building	1	100.0	217,230	2.8	1	100.0	229,131	2.9
O-48	Ichigo Sakaisuji Honmachi Building	17	100.0	95,463	1.2	15	100.0	96,835	1.2
O-49	Ichigo Kanda Ogawamachi Building	9	100.0	79,525	1.0	9	100.0	85,011	1.1
O-50	Ichigo Hatchobori Building	7	100.0	92,606	1.2	7	100.0	95,823	1.2
O-51	Ebisu Green Glass	6	100.0	147,093	1.9	6	100.0	170,178	2.2
O-52	Ichigo Omori Building	9	100.0	135,888	1.7	10	100.0	134,140	1.7
O-53	Ichigo Takadanobaba Building	8	100.0	60,443	0.8	8	100.0	60,878	0.8
O-54	Ichigo Omiya Building	29	97.5	160,367	2.0	30	100.0	165,102	2.1
O-55	Ichigo Sagamiyama Building	13	100.0	59,935	0.8	13	100.0	60,192	0.8
O-56	Ichigo Ofuna Building	9	100.0	93,608	1.2	9	100.0	93,449	1.2
O-57	Ichigo Sendai East Building	10	100.0	101,230	1.3	10	100.0	102,674	1.3
O-58	Ichigo Kumamoto Building	31	99.0	83,696	1.1	31	94.1	84,149	1.1
O-59	Ichigo Jingumae Building	7	100.0	207,005	2.6	5	89.5	203,650	2.6
O-60	Ichigo Shibuya Dogenzaka Building	9	100.0	129,869	1.7	8	88.1	130,097	1.7
O-61	Ichigo Hiroo Building	5	100.0	135,647	1.7	5	100.0	136,310	1.7
O-62	Ichigo Sasazuka Building	6	100.0	183,979	2.3	6	100.0	186,312	2.4
O-63	Ichigo Nihonbashi East Building	7	100.0	148,060	1.9	7	100.0	150,181	1.9
O-64	Ichigo Sakurabashi Building	6	100.0	83,390	1.1	6	100.0	82,766	1.1
O-65	Ichigo Shinkawa Building	6	100.0	79,535	1.0	5	68.8	70,775	0.9
O-66	Ichigo Kudan Building	10	100.0	101,212	1.3	10	100.0	107,273	1.4
O-67	Ichigo Higashi Gotanda Building	18	100.0	131,874	1.7	17	94.3	132,406	1.7
O-68	Axior Mita	11	100.0	68,269	0.9	11	100.0	68,332	0.9
O-69	Ichigo Higashi Ikebukuro Building	19	100.0	149,497	1.9	19	100.0	160,338	2.0

Asset Name	29th Fiscal Period From November 1, 2019 to April 30, 2020				30th Fiscal Period From May 1, 2020 to October 31, 2020			
	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-70 Koriyama Big-i (Office Section)	14	100.0	104,219	1.3	14	100.0	104,426	1.3
O-71 Ichigo Kawasaki Building	16	98.1	90,408	1.2	17	100.0	89,178	1.1
O-72 Ichigo Shibuya East Building	3	100.0	44,111	0.6	2	84.1	46,566	0.6
O-73 Ichigo Ningyocho Building	8	100.0	47,942	0.6	8	100.0	47,896	0.6
O-74 Ichigo Nishi Honmachi Building	31	100.0	108,881	1.4	31	100.0	111,432	1.4
O-75 Ichigo Hakata Building	28	100.0	53,159	0.7	28	100.0	53,067	0.7
O-76 Ichigo Nishiki First Building	5	100.0	76,012	1.0	5	82.1	75,036	1.0
O-77 Ichigo Ikenohata Building	7	100.0	163,596	2.1	7	100.0	164,835	2.1
O-78 Ichigo Ikebukuro East Building	3	100.0	95,307	1.2	3	100.0	95,706	1.2
O-79 Ichigo Motoazabu Building	3	100.0	59,687	0.8	3	100.0	67,648	0.9
O-80 Ichigo Otsuka Building	7	100.0	100,292	1.3	7	100.0	102,756	1.3
O-81 Ichigo Nagoya Building	36	100.0	150,381	1.9	36	100.0	151,609	1.9
O-82 Ichigo Fushimi Building	41	96.7	92,111	1.2	40	95.7	93,997	1.2
O-83 Ichigo Nishiki Building	23	100.0	50,061	0.6	24	94.3	49,528	0.6
O-84 Ichigo Minami Morimachi Building	12	100.0	48,749	0.6	12	100.0	49,830	0.6
O-85 Ichigo Shibuya Udagawacho Building	9	100.0	90,953	1.2	9	100.0	89,935	1.1
O-86 Win Gotanda Building	10	100.0	111,946	1.4	11	100.0	110,885	1.4
O-87 Ichigo Hongo Building	7	100.0	87,071	1.1	7	100.0	94,018	1.2
O-88 Oimachi Center Building	8	100.0	73,185	0.9	8	100.0	74,321	0.9
O-89 Win Gotanda Building 2	10	100.0	105,156	1.3	10	100.0	106,550	1.4
O-90 MIF Building	7	100.0	64,654	0.8	7	100.0	66,075	0.8
O-91 Ichigo Uchi Honmachi Building	18	100.0	62,512	0.8	18	100.0	65,723	0.8
O-92 Ichigo Minami Otsuka Building	9	100.0	77,912	1.0	8	100.0	79,552	1.0
O-93 Ichigo Nogizaka Building	5	100.0	73,626	0.9	5	100.0	90,880	1.2
O-94 Ichigo Hakata East Building	21	100.0	72,435	0.9	21	100.0	74,496	0.9
O-95 Ichigo Nakameguro Building	6	100.0	3,240	0.0	5	90.0	34,338	0.4
Z-09 Konami Sports Club Izumi Fuchu	1	100.0	63,000	0.8	1	100.0	63,000	0.8
Z-10 Ichigo Shibuya Bunkamura Dori Building	4	100.0	75,551	1.0	4	100.0	74,921	1.0
Z-11 Twicere Yokohama Isogo (Retail Section)	8	100.0	80,725	1.0	7	80.8	57,626	0.7
Z-12 Lions Square Kawaguchi(Note 3)	—	—	116,839	1.5	—	—	—	—
Z-14 Ichigo Kamata Building	2	100.0	52,941	0.7	2	100.0	53,289	0.7
Total	938	99.6	7,860,421	100.0	924	97.5	7,862,088	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 April 24, 2020.

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 October 31, 2020.

	Type	Book Value (thousand yen)		Appraisal Value (thousand yen) (Note 1)		Difference	Note
		Per Share	Total	Per Share	Total		
Equity Interest in Tachikawa Holdings GK TK	TK (<i>tokumei kumiai</i>) equity interest	—	50,654	—	50,654	—	(Note 2)
Total		—	50,654	—	50,654	—	—

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

(Note 2) After the acquisition by Ichigo Office, the building name will be changed from "Unizo Tachikawa Building" to "Ichigo Tachikawa 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 October 31, 2020 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 October 31, 2020.

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)	95,443,543	76,002,250	—
Total		95,443,543	76,002,250	—

(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 October 31, 2020 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
Ichigo Kumamoto Building (Kumamoto City, Kumamoto)	Elevator Upgrade	From October 2021 to October 2021	79,630	—	—
Koriyama Big-i (Office Section) (Koriyama City, Fukushima)	Air Conditioning Upgrade	From December 2020 to December 2020	52,090	—	—
Ichigo Nishi Honmachi Building (Nishi-ku, Osaka)	Air Conditioning Upgrade	From December 2020 to January 2021	28,936	—	—
Ichigo Minami Morimachi Building (Kita-ku, Osaka)	Exterior Wall Renovation	From July 2021 to August 2021	28,630		
Ichigo Hakata Building (Hakata-ku, Fukuoka)	Elevator Upgrade	From September 2021 to September 2021	25,570	—	—
Ichigo Uchi Honmachi Building (Chuo-Ku, Osaka)	Exterior Wall Renovation	From March 2021 to April 2021	25,315		
Ichigo Motoazabu Building (Minato-ku, Tokyo)	Elevator Upgrade	From October 2021 to October 2021	20,470		
Ichigo Minami Morimachi Building (Kita-ku, Osaka)	Parking Space Renovation	From December 2020 to December 2020	13,330	—	—
Ichigo Akasaka 5 Chome Building (Minato-ku, Tokyo)	Elevator Upgrade	From February 2021 to February 2021	10,270	—	—

2 Capital Expenditures during the Current Fiscal Period

Capital expenditures during the current fiscal period amounted to 587,955 thousand yen, and construction work of a total of 714,818 thousand yen were conducted, combined with repair expenses of 126,863 thousand yen.

Asset Name (Location)	Purpose	Period	Payment Amount (thousand yen)
Ichigo Mirai Shinkin Building (Oita City, Oita)	Rooftop Waterproofing Work	From September 2020 to October 2020	11,886
	Other		576,068
	Total		587,955

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)				
	26th Fiscal Period From May 1, 2018 to October 31, 2018	27th Fiscal Period From November 1, 2018 to April 30, 2019	28th Fiscal Period From May 1, 2019 to October 31, 2019	29th Fiscal Period From November 1, 2019 to April 30, 2020	30th Fiscal Period From May 1, 2020 to October 31, 2020
Balance of Reserves at Beginning of Period	1,255,148	1,537,351	1,491,865	1,542,418	1,546,103
Gains	833,530	642,828	614,687	787,498	646,051
Reversals	551,326	688,314	564,134	783,813	605,536
Amount Brought Forward to Next Period	1,537,351	1,491,865	1,542,418	1,546,103	1,586,617

Expenses and Liabilities

1 Details of Operating Expenses

(Thousand yen)

	29th Fiscal Period From November 1, 2019 to April 30, 2020	30th Fiscal Period From May 1, 2020 to October 31, 2020
a. Asset Management Fees	778,642	777,107
b. Asset Custody Fees	15,035	15,092
c. Administrative Service Fees	42,805	45,370
d. Directors' Compensation	5,040	5,040
e. Other Operating Expenses	87,131	75,511
Total	928,654	918,121

2 Borrowings

The table below shows borrowings as of October 31, 2020.

	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	December 10, 2014	1,222	1,221	1.267 (Note 2)	December 10, 2020	(Note 3)	(Note 11)	No (No Guarantee)
	Mizuho Bank		1,222	1,221					
	Aozora Bank		782	781					
	Shinsei Bank		782	781					
	Resona Bank		586	586					
	MUFG Bank		782	781					
	Aozora Bank	February 27, 2015	2,127	—	1.142 (Note 2)	August 31, 2020	(Note 4)		
	Shinsei Bank		1,998	—					
	ORIX Bank		400	—					
	SMBC	April 30, 2015	1,370	—	1.185 (Note 2)	May 29, 2020	(Note 5)		
	Mizuho Bank		1,247	—					
	Shinsei Bank		1,308	—					
	MUFG Bank		1,122	—					
	SMBC	May 7, 2015	1,954	1,952	1.275 (Note 2)	May 7, 2021	(Note 6)		
	Mizuho Bank		1,954	1,952					
	Aozora Bank		590	589					
	Shinsei Bank		772	771					
	MUFG Bank		1,627	1,625					
	Resona Bank		1,364	1,362					
	Bank of Fukuoka		447	447					
	ORIX Bank		447	447					
	SMBC	May 7, 2015	1,954	1,952	1.347 (Note 2)	November 8, 2021	(Note 7)		
	Mizuho Bank		1,954	1,952					
	Aozora Bank		590	589					
	Shinsei Bank		774	773					
	MUFG Bank		1,627	1,625					
	Resona Bank		1,362	1,360					
	Bank of Fukuoka		447	447					
ORIX Bank	447	447							

	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	September 30, 2015	1,585	1,584	0.985 (Note 2)	March 31, 2021	(Note 8)	(Note 11)	No (No Guarantee)
	Mizuho Trust		286	286					
	Resona Bank		572	572					
	Aozora Bank		572	572					
	Mizuho Bank		1,067	1,066					
	ORIX Bank		286	286					
	MUFG Bank		495	494					
	SMBC	May 9, 2016	1,438	1,436	0.808 (Note 2)	May 31, 2022	(Note 9)		
	Mizuho Bank		1,041	1,040					
	MUFG Bank		892	891					
	Shinsei Bank		496	495					
	SMBC	May 9, 2016	1,438	1,436	0.858 (Note 2)	November 30, 2022	(Note 9)		
	Mizuho Bank		1,041	1,040					
	MUFG Bank		892	891					
	Shinsei Bank		496	495					
	SMBC	May 24, 2016	1,785	1,783	0.705 (Note 2)	May 31, 2022	(Note 10)		
	Mizuho Bank		892	891					
	MUFG Bank		694	693					
	Shinsei Bank		595	594					
	Aozora Bank		496	495					
	Bank of Fukuoka		496	495					
	Nishi-Nippon City Bank		496	495					
	Resona Bank	347	346						
	SMBC	May 24, 2016	1,785	1,783	0.750 (Note 2)	November 30, 2022	(Note 10)		
	Mizuho Bank		892	891					
	MUFG Bank		694	693					
	Shinsei Bank		595	594					
	Aozora Bank		496	495					
	Bank of Fukuoka		496	495					
	Nishi-Nippon City Bank		496	495					
Resona Bank	347		346						
SMBC	November 2, 2016	1,000	1,000	0.845 (Note 2)	October 31, 2023	Lump-sum repayment			
Development Bank of Japan	November 2, 2016	500	500	0.675	September 30, 2021	Lump-sum repayment			
Development Bank of Japan	November 2, 2016	500	500	0.708	January 31, 2022	Lump-sum repayment			
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			

	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 7, 2017	215	215	0.761 (Note 2)	October 31, 2023	Lump-sum repayment	(Note 11)	No (No Guarantee)
	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				0.629	February 29, 2024
Mizuho Bank	September 28, 2018	400	400	0.629	February 29, 2024	Lump-sum repayment			
SMBC	October 31, 2018	1,000	1,000	0.962 (Note 2)	April 30, 2026	Lump-sum repayment			
Mizuho Bank	October 31, 2018	400	400	0.709	April 30, 2026	Lump-sum repayment			
Shinsei Bank	October 31, 2018	200	200	0.709	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						

	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	December 28, 2018	250	250	0.850 (Note 2)	April 30, 2026	Lump-sum repayment	(Note 11)	No (No Guarantee)
	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	0.659	March 25, 2027	Lump-sum repayment		
	SMBC	May 29, 2020	–	827	0.473	September 25, 2023	Lump-sum repayment		
	Shinsei Bank		–	790					
	Mizuho Bank		–	753					
MUFG Bank	–		677						
SMBC	May 29, 2020	–	543	0.740 (Note 2)	March 25, 2027	Lump-sum repayment			
Shinsei Bank		–	518						
Mizuho Bank		–	494						
MUFG Bank		–	445						
Aozora Bank	August 31, 2020	–	2,127	0.828 (Note 2)	August 25, 2028	Lump-sum repayment			
Shinsei Bank	August 31, 2020	–	998	0.722 (Note 2)	March 25, 2027	Lump-sum repayment			
Shinsei Bank	August 31, 2020	–	1,000	0.828 (Note 2)	August 25, 2028	Lump-sum repayment			
Mizuho Bank	August 31, 2020	–	400	0.828 (Note 2)	August 25, 2028	Lump-sum repayment			
Total			103,997	103,945					

- (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) 3 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 4) The remaining balance was repaid on August 31, 2020.
- (Note 5) The remaining balance was repaid on May 29, 2020.
- (Note 6) 4 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) 4 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 balance at period-end includes long-term borrowings due within one year of 18 million yen.
- (Note 8) 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 9) 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 balance at period-end includes long-term borrowings due within one year of 7 million yen.
- (Note 10) 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 balance at period-end includes long-term borrowings due within one year of 11 million yen.
- (Note 11) 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 October 31, 2020 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		
Total		5,400	5,400					

(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

N/A

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

N/A

(2) 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 of May 1, 2020 to October 31, 2020, the transactions subject to price verification were five 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 (%)
21st Fiscal Period (November 1, 2015 to April 30, 2016)	1,400	116,760	0.1
22nd Fiscal Period (May 1, 2016 to October 31, 2016)	1,400	98,980	0.1
23rd Fiscal Period (November 1, 2016 to April 30, 2017)	1,400	88,340	0.1
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

(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

Ichigo Office's 12th Shareholder Meeting was held on July 18, 2020. Major matters approved at the meeting are as follows:

Proposals	Outline
Amendment of the Articles of Incorporation	<p>The Articles of Incorporation was amended to:</p> <p>Limit the scope of the "Deemed Approval" system, a provision which if a shareholder neither attends the shareholder meeting nor exercises voting rights, the shareholder will be deemed to have approved proposals submitted at the shareholder meeting. As a result of this amendment, the "Deemed Approval" system will not apply to the following proposals: 1) the appointment or dismissal of Executive Directors and Supervisory Directors; 2) the execution or termination of asset management agreements with the asset management company; 3) the dissolution of the Investment Corporation; 4) reverse share splits; 5) the waiving of liability of Executive Directors, Supervisory Directors, or External Auditors; and 6) the approval of absorption-type and consolidation-type (new entity) mergers.</p> <p>Implement a simplified, no fixed fee, performance-fee only asset management structure, and introduce an "NOI & Dividend Performance Fee", "Gains on Merger Performance Fee", and "Gains on REIT TOB Sale Performance Fee", all of which are directly linked to shareholder value creation.</p> <p>Clarify and modify language.</p>
Appointment of one Executive Director	Yoshihiro Takatsuka was appointed as Executive Director.
Appointment of two Supervisory Directors	Takaaki Fukunaga and Masahiro Terada were appointed as Supervisory Directors.
Appointment of one Alternative Executive Director	Keisuke Chiba was appointed as alternative Executive Director.
Appointment of one Alternative Supervisory Director	Nagahisa Kita was appointed as alternative Supervisory Director.

(2) Board of Directors

Major matters approved by the Board of Directors are as follows:

Approval Date	Subjects	Note
June 24, 2020	Amendments to the Asset Management Agreement	Changes corresponding to the amendment of the Articles of Incorporation stated in (1) above were made as a result of the approval of the relevant proposals at the shareholder meeting.

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 October 31, 2020, 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 October 31, 2020, 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, borrowed loans and decided to conduct a share buyback.

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

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 Directors' 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 those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them 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.

Katsuhiko Kaneko 

Katsuhiko Kaneko

Designated Engagement Partner

Certified Public Accountant

Hiroaki Ohkane 

Hiroaki Ohkane

Designated Engagement Partner

Certified Public Accountant

Grant Thornton Taiyo LLC

Tokyo, Japan

25, January ,2021

1. Financial Statements

(1) Balance Sheet

(Thousand Yen)

	Previous fiscal period (As of April 30, 2020)	Current fiscal period (As of October 31, 2020)
Assets		
Current assets		
Cash and deposits	11,956,974	12,255,742
Cash and deposits in trust	14,364,161	13,933,066
Operating accounts receivable	19,441	30,923
Prepaid expenses	423,896	413,999
Other	2,687	4,068
Total current assets	26,767,161	26,637,799
Non-current assets		
Property, plant, and equipment		
Buildings	7,087,139	7,116,749
Accumulated depreciation	(1,748,149)	(1,855,835)
Buildings, net	5,338,990	5,260,913
Structures	26,472	26,472
Accumulated depreciation	(23,789)	(23,992)
Structures, net	2,683	2,480
Machinery and equipment	321,160	333,883
Accumulated depreciation	(168,008)	(181,060)
Machinery and equipment, net	153,151	152,823
Tools, furniture, and fixtures	65,713	66,648
Accumulated depreciation	(46,960)	(49,728)
Tools, furniture and fixtures, net	18,753	16,920
Land	15,638,558	15,638,558
Buildings in trust	43,714,666	44,203,750
Accumulated depreciation	(8,348,147)	(9,020,897)
Buildings in trust, net	35,366,519	35,182,853
Structures in trust	64,921	66,046
Accumulated depreciation	(30,664)	(32,540)
Structures in trust, net	34,257	33,506
Machinery and equipment in trust	657,734	689,618
Accumulated depreciation	(315,095)	(340,159)
Machinery and equipment in trust, net	342,639	349,459
Tools, furniture and fixtures in trust	218,228	241,607
Accumulated depreciation	(139,119)	(154,044)
Tools, furniture and fixtures in trust, net	79,108	87,563
Land in trust	137,827,799	137,827,799
Construction in progress in trust	4,445	4,362
Total property, plant, and equipment	194,806,906	194,557,241
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>) real estate equity interest	50,654	50,654
Lease and guarantee deposits	10,000	10,000
Long-term prepaid expenses	1,042,678	1,077,427
Other	90,562	106,742
Total investments and other assets	1,193,895	1,244,824
Total non-current assets	200,495,381	200,296,645
Deferred assets		
Bond issuance expenses	49,902	46,135
Total deferred assets	49,902	46,135
Total Assets	227,312,445	226,980,580

(Thousand Yen)

	Previous fiscal period (As of April 30, 2020)	Current fiscal period (As of October 31, 2020)
Liabilities		
Current Liabilities		
Operating accounts payable	542,611	677,572
Long-term loans (due within one year)	19,897,332	19,941,293
Accounts payable – other	592,470	603,607
Accrued expenses	11,473	15,264
Income taxes payable	605	605
Accrued consumption taxes	234,541	137,830
Advances received	1,538,155	1,473,971
Other	30,005	17,725
Total current liabilities	22,847,196	22,867,869
Long-Term Liabilities		
Investment corporation bonds	5,400,000	5,400,000
Long-term borrowings	84,100,000	84,004,250
Tenant leasehold and security deposits	1,535,126	1,468,543
Tenant leasehold and security deposits in trust	9,087,875	8,893,934
Asset retirement obligations	10,173	10,207
Other	87,872	92,975
Total long-term liabilities	100,221,046	99,869,911
Total Liabilities	123,068,243	122,737,780
Net Assets		
Shareholders' Equity		
Shareholders' capital	67,675,274	67,675,274
Surplus		
Capital reserve surplus	20,566,420	20,566,420
Discretionary reserves		
Reserve for dividends	3,002,120	3,368,625
Reserve for temporary difference adjustments	*2 9,424,544	*2 9,319,544
Total discretionary reserves	12,426,665	12,688,170
Unappropriated retained earnings (undisposed loss)	3,575,841	3,312,935
Total surplus	36,568,927	36,567,525
Total Shareholders' Equity	104,244,202	104,242,800
Total Net Assets	*1 104,244,202	*1 104,242,800
Total Liabilities and Net Assets	227,312,445	226,980,580

(2) Income Statement

(Thousand yen)

	Previous fiscal period (November 1, 2019 to April 30, 2020)	Current fiscal period (May 1, 2020 to October 31, 2020)
Operating Revenue		
Rental revenue	*1 7,275,310	*1 7,267,491
Other rental revenue	*1 585,110	*1 594,597
Dividend from TK (<i>tokumei kumiai</i>) real estate equity interest	1,898	1,654
Gain on sales of real estate	*2 398,275	—
Total operating revenue	8,260,594	7,863,743
Operating Expenses		
Rental expenses	*1 2,950,896	*1 2,852,712
Asset management fee	778,642	777,107
Asset custody fee	15,035	15,092
Administrative service fees	42,805	45,370
Directors' compensation	5,040	5,040
Other operating expenses	87,131	75,511
Total operating expenses	3,879,550	3,770,834
Operating Profit	4,381,043	4,092,909
Non-Operating Revenues		
Interest income	112	121
Reversal of distribution payable	2,019	783
Insurance payment income	1,634	640
Other	494	500
Total non-operating revenues	4,260	2,045
Non-operating expenses		
Interest expenses	527,958	517,240
Borrowing expenses	278,047	260,408
Amortization of bond issuance expenses	2,852	3,766
Total non-operating expenses	808,857	781,414
Recurring Profit	3,576,446	3,313,540
Pre-tax income	3,576,446	3,313,540
Income taxes - current	605	605
Total income taxes	605	605
Net Income	3,575,841	3,312,935
Retained earnings brought forward	—	—
Unappropriated retained earnings (undisposed loss)	3,575,841	3,312,935

(3) Statement of Changes in Net Assets
 Previous fiscal period (November 1, 2019 to April 30, 2020)

(Thousand yen)

	Shareholders' equity				
	Shareholders' capital	Surplus			
		Capital reserve surplus	Discretionary reserves		
			Dividend reserve	Temporary difference adjustment reserve	Total discretionary reserves
Balance at beginning of period	67,675,274	20,566,420	2,637,122	9,529,544	12,166,666
Changes during the period					
Increase in dividend reserve			364,998		364,998
Release from temporary difference adjustment reserve				(105,000)	(105,000)
Dividends					
Net Income					
Total changes during the period	—	—	364,998	(105,000)	259,998
Balance at period-end	67,675,274	20,566,420	3,002,120	9,424,544	12,426,665

	Shareholders' equity			Total net assets
	Surplus		Total shareholders' equity	
	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of period	3,554,415	36,287,502	103,962,777	103,962,777
Changes during period				
Increase in dividend reserve	(364,998)	—	—	—
Release from temporary difference adjustment reserve	105,000	—	—	—
Dividends	(3,294,417)	(3,294,417)	(3,294,417)	(3,294,417)
Net Income	3,575,841	3,575,841	3,575,841	3,575,841
Total changes during period	21,425	281,424	281,424	281,424
Balance at period-end	3,575,841	36,568,927	104,244,202	104,244,202

Current fiscal period (May 1, 2020 to October 31, 2020)

(Thousand yen)

	Shareholders' equity				
	Shareholders' capital	Surplus			
		Capital reserve surplus	Discretionary reserves		
			Dividend reserve	Temporary difference adjustment reserve	Total discretionary reserves
Balance at beginning of period	67,675,274	20,566,420	3,002,120	9,424,544	12,426,665
Changes during the period					
Increase in dividend reserve			366,505		366,505
Release from temporary difference adjustment reserve				(105,000)	(105,000)
Dividends					
Net Income					
Total changes during the period	—	—	366,505	(105,000)	261,505
Balance at period-end	67,675,274	20,566,420	3,368,625	9,319,544	12,688,170

	Shareholders' equity			Total net assets
	Surplus		Total shareholders' equity	
	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of period	3,575,841	36,568,927	104,244,202	104,244,202
Changes during the period				
Increase in dividend reserve	(366,505)	—	—	—
Release from temporary difference adjustment reserve	105,000	—	—	—
Dividends	(3,314,336)	(3,314,336)	(3,314,336)	(3,314,336)
Net Income	3,312,935	3,312,935	3,312,935	3,312,935
Total changes during period	(262,906)	(1,401)	(1,401)	(1,401)
Balance at period-end	3,312,935	36,567,525	104,242,800	104,242,800

(4) Statement of Dividends

	Previous fiscal period (November 1, 2019 to April 30, 2020)	Current fiscal period (May 1, 2020 to October 31, 2020)
I. Unappropriated Retained Earnings	3,575,841,811 yen	3,312,935,101 yen
II. Discretionary Reserve Reversal		
Reversal of Temporary Difference Adjustment Reserve	105,000,000 yen	105,000,000 yen
III. Total Dividends	3,314,336,781 yen	3,417,000,010 yen
(Dividend per share)	(2,163 yen)	(2,230 yen)
IV. Discretionary Reserves		
Provision to Dividend Reserve	366,505,030 yen	—yen
V. Retained Earnings Carried Forward	—yen	935,091 yen
Method for calculating the amount of dividends	<p>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, 3,575,841,811 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 3,680,841,811 yen of unappropriated retained earnings, and transferring 366,505,030 yen of gains on sales of real estate to dividend reserves, within J-REIT conduit rules. As a result, dividend per share came to 2,163 yen.</p>	<p>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, 3,312,935,101 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 3,417,935,101 yen of unappropriated retained earnings. As a result, dividend per share came to 2,230 yen.</p>

(5) Cash Flow Statement

(Thousand yen)

	Previous fiscal period (November 1, 2019 to April 30, 2020)	Current fiscal period (May 1, 2020 to October 31, 2020)
Cash flows from operating activities		
Pre-tax income	3,576,446	3,313,540
Depreciation	839,094	838,322
Interest income	(112)	(121)
Interest expense	527,958	517,240
Decrease (increase) in operating accounts receivable	728	(11,481)
Decrease (increase) in prepaid expenses	(7,648)	9,896
Decrease (increase) in long-term prepaid expenses	(77,363)	(34,748)
Increase (decrease) in accrued consumption taxes	108,969	(96,711)
Increase (decrease) in operating accounts payable	(58,444)	45,370
Increase (decrease) in accounts payable	1,258	11,136
Increase (decrease) in advances received	4,189	(64,184)
Decrease due to sales of property, plant, and equipment in trust	2,360,814	—
Other	6,280	(28,931)
Subtotal	7,282,170	4,499,327
Purchase of property, plant, and equipment	112	121
Interest expenses paid	(527,824)	(513,449)
Income taxes paid	(605)	(605)
Net Cash flows from (used for) operations	6,753,853	3,985,394
Cash flows from investing activities		
Purchase of property, plant, and equipment	(54,631)	(41,741)
Purchase of property, plant, and equipment in trust	(2,150,628)	(457,439)
Proceeds from tenant leasehold and security deposits	54,403	96,984
Repayments from tenant leasehold and security deposits	(28,389)	(163,566)
Proceeds from tenant leasehold and security deposits in trust	622,304	207,611
Repayments from tenant leasehold and security deposits in trust	(405,089)	(401,552)
Net Cash flows from (used for) investments	(1,962,030)	(759,705)
Cash flows from financing activities		
Increase in long-term borrowings	8,811,000	9,572,000
Decrease in long-term borrowings	(8,869,779)	(9,623,789)
Proceeds from bond issuance	988,964	—
Dividends paid	(3,293,987)	(3,312,810)
Net Cash flows from (used for) financing	(2,363,802)	(3,364,599)
Net increase (decrease) in cash and cash equivalents	2,428,020	(138,910)
Cash and cash equivalents at beginning of period	23,815,479	26,243,499
Cash and cash equivalents at end of period	*1 26,243,499	*1 26,104,589

(6) Notes to Financial Statements

(Going concern note)

N/A

(Summary of Significant Accounting Policies)

1. Standards and methods for valuation of securities	Securities Other securities Securities without market value Securities are accounted at cost based on the moving-average method. Investments in TK (<i>tokumei kumiai</i>) real estate equity interest are accounted for using the equity method of accounting.
2. Method of depreciation of fixed assets	(1) Property, plant, and equipment (including assets in trust) The depreciation of property, plant, and equipment is calculated using the straight-line method. The useful lives of assets are as stated below. Buildings : 1 to 63 years Structures : 2 to 20 years Machinery and equipment : 1 to 15 years Tools, furniture and fixtures : 1 to 15 years (2) Long-term prepaid expenses The depreciation of long-term prepaid expenses is calculated using the straight-line method.
3. Accounting for deferred assets	Investment corporation bond issuance costs Investment corporation bond issuance costs are amortized equally over the period up to the redemption.
4. Standards for recognition of revenues and expenses	Accounting for fixed asset taxes, etc. 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 expensed as expenses in the rental business. 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. The amount corresponding to fixed asset taxes that was included in the acquisition costs of real estate for the previous fiscal period was 2,726 thousand yen.
5. Method of hedge accounting	(1) Method of hedge accounting In cases where the interest rate swaps meet the conditions for special treatment, special treatment is adopted. (2) Hedging instruments and hedged items Hedging instruments: Interest rate swap transactions Hedged items: Interest on loans (3) Hedging policy The Investment Corporation conducts derivative transactions to hedge the risks set out in the Articles of Incorporation based on the risk management regulations. (4) Method for assessing the effectiveness of hedging The evaluation of the effectiveness of interest rate swaps is omitted because they meet the requirements for special treatment.
6. 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.
7. Other significant matters serving as the basis for preparing financial statements	(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. (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 (2) Accounting for consumption taxes The accounting for consumption taxes is tax exclusive. Non-deductible consumption taxes on assets are included in the acquisition costs of individual assets.

(Notes to accounting standards not yet applied)

- “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29 on March 31, 2020, Accounting Standards Board of Japan)
- “Implementation Guidance on Accounting Standard for Revenue Recognition” (ASBJ Guidance No. 30 on March 31, 2020, Accounting Standards Board of Japan)

(1) Overview

The International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB) in the United States jointly developed comprehensive accounting standards for revenue recognition, and “Revenue from Contracts with Customers” was issued in May 2014 (IFRS 15 in IASB and Topic 606 in FASB). Given that IFRS 15 and Topic 606 would be applied from a business year starting on or after January 1, 2018 and after December 15, 2017, respectively, the Accounting Standards Board of Japan (ASBJ) developed comprehensive standards for revenue recognition and published the Accounting Standard for Revenue Recognition with the Implementation Guidance.

The basic policy of ASBJ for the development of accounting standards for revenue recognition is believed to set the accounting standards from the perspective of comparability between financial statements, which is one of the benefits of promoting consistency with IFRS 15, with the incorporation of the basic principles of IFRS 15 as a starting point, and if there are items that should be considered in practices implemented in Japan, to add alternative handlings to the extent to which comparability is not impaired.

(2) Planned date of application

The Accounting Standard for Revenue Recognition, etc. will be applied at the beginning of the fiscal period ending October 2021.

(3) Impact of applying the accounting standard, etc.

The amount of the impact of applying the Accounting Standard for Revenue Recognition, etc. on the financial statements is currently under review.

- “Accounting Standard for Fair Value Management” (ASBJ Statement No.30 on July 4, 2019, Accounting Standards Board of Japan)

- “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10 on July 4, 2019, Accounting Standards Board of Japan)

- “Implementation Guidance on Accounting Standard for Fair Value Management” (ASBJ Guidance No. 31 on July 4, 2019, Accounting Standards Board of Japan)

(1) Overview

IASB and FASB issued new common fair value management measurements (IFRS 13 in IASB and Topic 820 in FASB) to develop accounting standards for fair value management. Under these circumstances, ASBJ also developed an accounting standard for fair value measurement and issued a new standard together with its implementation guidance.

As a basic policy for the development of the new standard, ASBJ determined to generally adopt all the principles of IFRS 13 in order to enhance the comparability of financial statements among domestic and overseas companies, by applying the consistent measurement methods. However, for any item to be considered arising from business practices in Japan, other treatments for the item shall be determined to the extent that comparability is not impaired.

(2) Planned date of application

The Accounting Standard for Fair Value Management, etc. will be applied at the beginning of the fiscal period ending October 2021.

(3) Impact of applying the accounting standard, etc.

The amount of the impact of applying the Accounting Standard for Fair Value Management, etc. on the financial statements is currently under review.

- “Accounting Standard for Disclosure of Accounting Estimates” (ASBJ Statement No. 31 on March 31, 2020, Accounting Standards Board of Japan)

(1) Overview

IASB issued International Accounting Standard 1 (IAS 1) “Presentation of Financial Statements” in 2003. Paragraph 125 of IAS 1 requires disclosure on information about the “assumptions the entity makes about the future, and other major sources of estimation uncertainty”. In this regard, there has been a request that the major sources of estimation uncertainty should be disclosed in the notes to financial statements under Japanese GAAP to provide useful information to users of financial statements. In response to this request, the ASBJ developed and issued “Accounting Standard for Disclosure of Accounting Estimates”

ASBJ’s basic policy in developing this accounting standard is not to expand the notes, but to indicate the general principles (or the purpose of disclosure) and let the entity judge the information which should be disclosed according to their objectives. In developing this standard, ASBJ referred to the principles of Paragraph 125 of IAS 1.

(2) Planned date of application

The Accounting Standard for Disclosure of Accounting Estimates will be applied from the end of the fiscal period ending April 2021.

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 April 30, 2020)	Current fiscal period (As of October 31, 2020)
50,000	50,000

*2. Provision and reversal of temporary difference adjustment reserves

Previous fiscal period (As of April 30, 2020)

(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	9,529,544	—	105,000	9,424,544	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 October 31, 2020)

(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	9,424,544	—	105,000	9,319,544	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 (November 1, 2019 to April 30, 2020)		Current fiscal period (May 1, 2020 to October 31, 2020)	
A. Real estate rental revenue				
Rental Revenue				
Rental revenue	5,955,548		5,968,650	
Common area charges	975,822		972,042	
Parking lot rental revenue	282,089		262,743	
Facility use charges	61,850	7,275,310	64,055	7,267,491
Other rental revenue				
Utilities revenue	550,753		529,526	
Other	34,356	585,110	65,070	594,597
Total real estate rental revenue		7,860,421		7,862,088
B. Real estate rental expenses				
Rental expenses				
Service provider expenses	710,954		647,476	
Utilities	521,431		485,627	
Trust fees	42,071		34,699	
Depreciation	839,094		838,322	
Repair expenses	109,336		126,863	
Taxes and public dues	667,823		660,949	
Non-life insurance expenses	17,942		16,909	
Other rental expenses	42,242		41,863	
Total real estate rental expenses		2,950,896		2,852,712
C. Net rental income				
(A-B)		4,909,525		5,009,376

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

Previous fiscal period (November 1, 2019 to April 30, 2020)

Lions Square Kawaguchi

Real estate sale revenue		2,845,000
Real estate sale cost	2,360,814	
Other real estate sale expenses	85,910	
Gain on real estate sales		398,275

Current fiscal period (May 1, 2020 to October 31, 2020)

N/A

(Statement of changes in net assets)

	Previous fiscal period (November 1, 2019 to April 30, 2020)	Current fiscal period (May 1, 2020 to October 31, 2020)
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	1,532,287 shares	1,532,287 shares

(Notes to statement of dividends)

Previous fiscal period (November 1, 2019 to April 30, 2020)	Current fiscal period (May 1, 2020 to October 31, 2020)
<p>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.</p>	<p>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.</p>

(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 (November 1, 2019 to April 30, 2020)	Current fiscal period (May 1, 2020 to October 31, 2020)
Cash and deposits	11,956,974	12,255,742
Cash and deposits in trust	14,364,161	13,933,066
Miscellaneous deposits	(77,636)	(84,219)
Cash and cash equivalents	26,243,499	26,104,589

(Notes to lease transactions)

Operating lease transactions

(Lessee)

	(Thousand yen)	
	Previous fiscal period (November 1, 2019 to April 30, 2020)	Current fiscal period (May 1, 2020 to October 31, 2020)
Outstanding lease charges		
One year or less	71,935	71,935
Over one year	1,036,851	1,000,883
Total	1,108,786	1,072,818

(Lessor)

	(Thousand yen)	
	Previous fiscal period (November 1, 2019 to April 30, 2020)	Current fiscal period (May 1, 2020 to October 31, 2020)
Outstanding lease charges		
One year or less	6,954,742	6,564,526
Over one year	1,257,306	1,088,964
Total	8,212,049	7,621,436

(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 invests surplus funds carefully 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

In addition to values based on market prices, the market value of financial instruments includes values based on reasonable calculations when there is no market price. Because certain preconditions, etc. are adopted in the calculation of the values concerned, there may be cases where the values concerned will vary when different preconditions, etc. are adopted.

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

The carrying amount on the balance sheet on April 30, 2020, the market value, and the difference between the carrying amount and the market value were as follows.

Financial instruments whose market value is deemed to be extremely difficult to determine are not included in the table below (see (Note2)), and those that are not material are omitted.

(Thousand yen)

	Carrying value	Market value	Difference
(1) Cash and deposits	11,956,974	11,956,974	—
(2) Cash and deposits in trust	14,364,161	14,364,161	—
Total assets	26,321,136	26,321,136	—
(3) Long-term borrowings (due within one year)	19,897,332	19,933,001	35,669
(4) Investment corporation bonds	5,400,000	5,372,821	(27,178)
(5) Long-term borrowings	84,100,000	85,020,977	920,977
Total liabilities	109,397,332	110,326,799	929,467
(6) Derivative transactions	—	—	—

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

(1) Cash and deposits (2) Cash and deposits in trust

The book value is used as the market value because the market values of these items are almost equal to their book values since they are settled within a short period of time.

(3) Long-term borrowings (due within one year) (5) Long-term borrowings

The market value of long-term loans with fixed interest rates is calculated by discounting the present value by 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.

(4) 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.

(6) Derivative transactions

Please refer to “Notes to Derivative Transactions” below.

The carrying amount on the balance sheet on October 31, 2020, the market value, and the difference between the carrying amount and the market value were as follows:

Financial instruments whose market value is deemed to be extremely difficult to determine are not included in the table below (see (Note2)), and those that are not material are omitted.

(Thousand yen)

	Carrying value	Market value	Difference
(1) Cash and deposits	12,255,742	12,255,742	—
(2) Cash and deposits in trust	13,933,066	13,933,066	—
Total assets	26,188,808	26,188,808	—
(3) Long-term borrowings (due within one year)	19,941,293	19,975,014	33,721
(4) Investment corporation bonds	5,400,000	5,325,970	(74,029)
(5) Long-term borrowings	84,004,250	84,866,346	862,096
Total liabilities	109,345,543	110,167,331	821,788
(6) Derivative transactions	—	—	—

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

(1) Cash and deposits (2) Cash and deposits in trust

The book value is used as the market value because the market values of these items are almost equal to their book values since they are settled within a short period of time.

(3) Long-term borrowings (due within one year) (5) Long-term borrowings

The market value of long-term loans with fixed interest rates is calculated by discounting the present value by 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.

(4) 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.

(6) Derivative transactions

Please refer to “Notes to Derivative Transactions” below.

(Note 2) Financial instruments whose market value is deemed to be extremely difficult to determine

(Thousand yen)

Classification	Previous fiscal period (November 1, 2019 to April 30, 2020)	Current fiscal period (May 1, 2020 to October 31, 2020)
(1) TK (<i>tokumei kumiai</i>) real estate equity interest	50,654	50,654
(2) Tenant leasehold and security deposits	1,535,126	1,468,543
(3) Tenant leasehold and security deposits in trust	9,087,875	8,893,934

(1) TK (*tokumei kumiai*) real estate equity interest is not subject to the disclosure of market values because it is deemed to be extremely difficult to rationally estimate future cash flows given that they do not have a market price.

(2) (3) Tenant leasehold and securities deposits deposited by lessees in leasehold assets and tenant leasehold and securities deposits in trust are not subject to the disclosure of market values because it is deemed to be extremely difficult to rationally estimate future cash flows given that they do not have a market price and that it is difficult to determine the substantive deposit period of lessees from when they move in until they vacate the asset.

(Note 3) Maturity profile of monetary receivables after the fiscal period-end date (April 30, 2020) (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
Cash and deposits	11,956,974	—	—	—	—	—
Cash and deposits in trust	14,364,161	—	—	—	—	—
Total	26,321,136	—	—	—	—	—

Maturity profile of monetary receivables after the fiscal period-end date (October 31, 2020) (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
Cash and deposits	12,255,742	—	—	—	—	—
Cash and deposits in trust	13,933,066	—	—	—	—	—
Total	26,188,808	—	—	—	—	—

(Note 4) Maturity profile of investment corporation bonds and long-term loans after the fiscal period-end date (April 30, 2020)

	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)	19,897,332	—	—	—	—	—
Investment corporation bonds	—	—	—	—	1,000,000	4,400,000
Long-term borrowings	—	19,317,000	19,266,000	7,500,000	6,346,000	31,671,000
Total	19,897,332	19,317,000	19,266,000	7,500,000	7,346,000	36,071,000

Maturity profile of investment corporation bonds and long-term loans after the fiscal period-end date (October 31, 2020)

	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)	19,941,293	—	—	—	—	—
Investment corporation bonds	—	—	—	—	1,000,000	4,400,000
Long-term borrowings	—	19,292,000	17,270,250	2,900,000	9,139,000	35,403,000
Total	19,941,293	19,292,000	17,270,250	2,900,000	10,139,000	39,803,000

(Securities)

Previous fiscal period (As of April 30, 2020)

TK (tokumei kumiai) real estate equity interest (book value of 50,654 thousand yen) is not subject to the disclosure of market values because it is deemed to be extremely difficult to rationally estimate future cash flows given that they do not have a market price.

Current fiscal period (As of October 31, 2020)

TK (tokumei kumiai) real estate equity interest (book value of 50,654 thousand yen) is not subject to the disclosure of market values because it is deemed to be extremely difficult to rationally estimate future cash flows given that they do not have a market price.

(Notes to derivative transactions)

1. Non-hedge accounting derivatives

Not applicable in the previous fiscal period (ended April 30, 2020) and the current fiscal period (ended October 31, 2020).

2. Hedge accounting derivatives

Previous fiscal period (As of April 30, 2020)

(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	98,542,332	78,645,000	(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 (3) Long-term borrowings (due within one year) (5) 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 October 31, 2020)

(Thousand yen)

Method of hedge accounting	Type of derivative transaction	Main hedged item	Contract amount		Market value	Calculation method of market value
				Over a year		
Special treatment of interest rate swaps	Interest rate swap transaction (pay fixed, receive floating)	Long-term borrowings	95,443,543	76,002,250	(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 (3) Long-term borrowings (due within one year) (5) 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 April 30, 2020)

N/A

Current fiscal period (As of October 31, 2020)

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 April 30, 2020)	Current fiscal period (As of October 31, 2020)
Deferred tax assets		
Valuation difference of assets transferred at merger	5,292,421	5,279,383
Asset retirement obligations	1,186	1,241
Tax loss carried forward	264,884	264,884
Other	55	22
Subtotal	5,558,548	5,545,531
Valuation allowance	(5,558,548)	(5,545,531)
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 April 30, 2020)	Current fiscal period (As of October 31, 2020)
Statutory tax rate	31.46%	31.46%
(Adjustment)		
Deductible dividend distribution	(29.15%)	(31.11%)
Change in valuation allowance	(0.32%)	(0.35%)
Use of tax loss carried forward	(1.99%)	0.00%
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 (November 1, 2019 to April 30, 2020)

N/A

Current fiscal period (May 1, 2020 to October 31, 2020)

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 November 1, 2019 to April 30, 2020) and the current fiscal period (from May 1, 2020 to October 31, 2020)

2. Affiliated companies

Not applicable in the previous fiscal period (from November 1, 2019 to April 30, 2020) and the current fiscal period (from May 1, 2020 to October 31, 2020)

3. Fellow subsidiaries

Not applicable in the previous fiscal period (from November 1, 2019 to April 30, 2020) and the current fiscal period (from May 1, 2020 to October 31, 2020)

4. Directors and principal individual shareholders

Not applicable in the previous fiscal period (from November 1, 2019 to April 30, 2020) and the current fiscal period (from May 1, 2020 to October 31, 2020)

(Asset retirement obligations)

Previous fiscal period (November 1, 2019 to April 30, 2020)

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

Current fiscal period (May 1, 2020 to October 31, 2020)

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 (November 1, 2019 to April 30, 2020)	Current fiscal period (May 1, 2020 to October 31, 2020)
Office	Carrying amount		
	Balance at the beginning of period	191,578,135	192,856,225
	Increase (decrease) during period	1,278,089	222,514
	Balance at period-end	192,856,225	192,633,710
	Market value at period-end	233,667,000	232,898,000
Other	Carrying amount		
	Balance at the beginning of period	8,835,555	6,440,815
	Increase (decrease) during period	(2,394,740)	27,067
	Balance at period-end	6,440,815	6,413,747
	Market value at period-end	7,500,000	7,500,000
Total	Carrying amount		
	Balance at the beginning of period	200,413,691	199,297,040
	Increase (decrease) during period	(1,116,650)	249,582
	Balance at period-end	199,297,040	199,047,458
	Market value at period-end	241,167,000	240,398,000

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

(Note 2) The major increase in rental assets during the previous fiscal period was due to the acquisition of trust beneficiary interests in real estate of one asset (1,555,078 thousand yen), and the major decrease was due to sales of trust beneficiary interests in real estate of one asset (2,360,814 thousand yen) and depreciation.

The major increase during the current fiscal period was due to 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.”

(Segment information)

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

(Related information)

Previous fiscal period (November 1, 2019 to April 30, 2020)

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 (May 1, 2020 to October 31, 2020)

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 (November 1, 2019 to April 30, 2020)	Current fiscal period (May 1, 2020 to October 31, 2020)
Net assets per share (yen)	68,031	68,030
Net income per share (yen)	2,333	2,162

(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 (November 1, 2019 to April 30, 2020)	Current fiscal period (May 1, 2020 to October 31, 2020)
Net Income (Thousand yen)	3,575,841	3,312,935
Amount not attributable to common shareholders (Thousand yen)	—	—
Net income attributable to common shareholders (Thousand yen)	3,575,841	3,312,935
Average number of shares during period (Shares)	1,532,287	1,532,287

(Notes to Significant Subsequent Events)

1. Acquisition of assets

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

Ichigo Tachikawa Building (Note 1)

Acquisition Price (Note 2)	3,830,000,000 yen
Location	1-21-1 Akebonocho, Tachikawa, Tokyo
Legal form of asset	Trust beneficiary interest in real estate (juekiken)
Type of ownership	Land: Freehold Building: Freehold
Contract date	December 14, 2020
Closing date	December 18, 2020
Seller	Tachikawa Holdings GK

(Note 1) After the acquisition, Ichigo Office changed the building name from “Unizo Tachikawa Building” to “Ichigo Tachikawa Building”.

(Note 2) The acquisition price is the transaction price of the trust beneficiary interest (juekiken) and excludes incidental expenses such as fees and property, city planning, and consumption taxes.

2. Borrowing of loans

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

Lender:	SMBC
Amount borrowed:	800,000,000 yen
Interest rate:	3 month JPY TIBOR + 0.68% p.a. (Note)
Repayment date:	November 25, 2028
Interest payment date:	25th of every January, April, July, and October following the borrowing date
Repayment method:	Lump-sum repayment on the repayment date
Borrowing terms:	No collateral / No guarantee

Lender:	Mizuho Bank
Amount borrowed:	700,000,000 yen
Interest rate:	3 month JPY TIBOR + 0.68% p.a. (Note)
Repayment date:	November 25, 2028
Interest payment date:	25th of every January, April, July, and October following the borrowing date
Repayment method:	Lump-sum repayment on the repayment date
Borrowing terms:	No collateral / No guarantee

Lender:	Bank of Yokohama
Amount borrowed:	500,000,000 yen
Interest rate:	3 month JPY TIBOR + 0.68% p.a. (Note)
Repayment date:	November 25, 2028
Interest payment date:	25th of every January, April, July, and October following the borrowing date
Repayment method:	Lump-sum repayment on the repayment date
Borrowing terms:	No collateral / No guarantee

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

3. Share buyback

Ichigo Office decided to conduct a share buyback pursuant to the provisions of Article 80-5, Clause 2 and Article 80-2 of the Act on Investment Trusts and Investment Corporations.

Ichigo Office plans to cancel all shares acquired via this buyback by board resolution during the April 2021 fiscal period.

(1) Reason for share buyback

Ichigo Office has worked to drive higher earnings and sustainable growth for its shareholders by drawing upon the real estate expertise of its sponsor, Ichigo, including a broad array of value-add activities and tailored tenant services.

Since the onset of the COVID pandemic last spring, Ichigo Office's share price has been below its NAV per share, most recently trading more than 20% below its October 2020 fiscal period-end NAV per share of JPY 92,787.

Upon a comprehensive assessment of Ichigo Office's financial standing, cash-on-hand, and current market conditions, Ichigo Office has determined that a share buyback will maximize shareholder value by increasing per-share NAV, EPS, and its dividend.

Ichigo Office will continue to work to maximize shareholder value via the execution of its growth strategy.

(2) Summary of share buyback

Number of shares	30,000 shares (maximum) (1.96% of total shares outstanding, net of treasury shares)
Amount	JPY 1,500 million (maximum)
Buyback period	January 8, 2021 to March 31, 2021
Buyback method	In-market purchase via securities firm

(Note) The above number of shares and amount are maximums. Depending upon market conditions, Ichigo Office may not be able to execute any or all of the buyback.

(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 Tachikawa Holdings GK TK	—	50,654	—	—	50,654	—	(Note 2)
Total		—	50,654	—	—	50,654	—	—

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

(Note 2) The underlying real estate in the Tachikawa Holdings GK TK is a trust beneficiary interest in real estate (juekiken) of Unizo Tachikawa 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)	95,443,543	76,002,250	—
Total		95,443,543	76,002,250	—

(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 accumulated amortization		Balance at end of current period	Remarks	
						Depreciation or amortization during period			
Property, plant and equipment	Buildings	7,087,139	29,610	—	7,116,749	1,855,835	107,686	5,260,913	(Note)
	Structures	26,472	—	—	26,472	23,992	203	2,480	(Note)
	Machinery and equipment	321,160	12,723	—	333,883	181,060	13,051	152,823	(Note)
	Tools, furniture and fixtures	65,713	935	—	66,648	49,728	2,767	16,920	(Note)
	Land	15,638,558	—	—	15,638,558	—	—	15,638,558	
	Buildings in trust	43,714,666	489,083	—	44,203,750	9,020,897	672,750	35,182,853	(Note)
	Structures in trust	64,921	1,125	—	66,046	32,540	1,875	33,506	(Note)
	Machinery and equipment in trust	657,734	31,883	—	689,618	340,159	25,063	349,459	(Note)
	Tools, furniture and fixtures in trust	218,228	23,379	—	241,607	154,044	14,924	87,563	(Note)
	Land in trust	137,827,799	—	—	137,827,799	—	—	137,827,799	
	Construction in progress in trust	4,445	817	900	4,362	—	—	4,362	
	Subtotal	205,626,841	589,557	900	206,215,499	11,658,257	838,322	194,557,241	
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	210,121,420	589,557	900	210,710,078	11,658,257	838,322	199,051,821		

(Note) The major decrease during the current fiscal period was due to 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		
Total		5,400,000	—	5,400,000	—	—	—	—

(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

(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	1,222,712	—	1,562	1,221,150	1.267 (Note 2)	December 10, 2020	(Note 3)	(Note 11)	No (No Guarantee)
	Mizuho Bank	1,222,732	—	1,562	1,221,170					
	Aozora Bank	782,550	—	1,000	781,550					
	Shinsei Bank	782,550	—	1,000	781,550					
	Resona Bank	586,920	—	750	586,170					
	MUFG Bank	782,550	—	1,000	781,550					
	Aozora Bank	2,127,000	—	2,127,000	—	1.142 (Note 2)	August 31, 2020	(Note 4)		
	Shinsei Bank	1,998,000	—	1,998,000	—					
	ORIX Bank	400,000	—	400,000	—					
	SMBC	1,370,160	—	1,370,160	—	1.185 (Note 2)	May 29, 2020	(Note 5)		
	Mizuho Bank	1,247,400	—	1,247,400	—					
	Shinsei Bank	1,308,780	—	1,308,780	—					
	MUFG Bank	1,122,660	—	1,122,660	—					
	SMBC	1,954,260	—	1,974	1,952,286	1.275 (Note 2)	May 7, 2021	(Note 6)		
	Mizuho Bank	1,954,260	—	1,974	1,952,286					
	Aozora Bank	590,040	—	596	589,444					
	Shinsei Bank	772,200	—	780	771,420					
	MUFG Bank	1,627,560	—	1,644	1,625,916					
Resona Bank	1,364,220	—	1,378	1,362,842						
Bank of Fukuoka	447,480	—	452	447,028						
ORIX Bank	447,480	—	452	447,028						

	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	1,954,260	—	1,974	1,952,286	1.347 (Note 2)	November 8, 2021	(Note 7)	(Note 11)	No (No Guarantee)
	Mizuho Bank	1,954,260	—	1,974	1,952,286					
	Aozora Bank	590,040	—	596	589,444					
	Shinsei Bank	774,180	—	782	773,398					
	MUFG Bank	1,627,560	—	1,644	1,625,916					
	Resona Bank	1,362,240	—	1,376	1,360,864					
	Bank of Fukuoka	447,480	—	452	447,028					
	ORIX Bank	447,480	—	452	447,028					
	SMBC	1,585,988	—	1,601	1,584,387	0.985 (Note 2)	March 31, 2021	(Note 8)		
	Mizuho Trust	286,353	—	289	286,064					
	Resona Bank	572,707	—	578	572,128					
	Aozora Bank	572,707	—	578	572,128					
	Mizuho Bank	1,067,957	—	1,078	1,066,878					
	ORIX Bank	286,353	—	289	286,064					
	MUFG Bank	495,250	—	500	494,750					
	SMBC	1,438,400	—	1,450	1,436,950	0.808 (Note 2)	March 31, 2021	(Note 9)		
	Mizuho Bank	1,041,600	—	1,050	1,040,550					
	MUFG Bank	892,800	—	900	891,900					
	Shinsei Bank	496,000	—	500	495,500					
	SMBC	1,438,400	—	1,450	1,436,950	0.858 (Note 2)	November 30, 2022	(Note 9)		
	Mizuho Bank	1,041,600	—	1,050	1,040,550					
	MUFG Bank	892,800	—	900	891,900					
	Shinsei Bank	496,000	—	500	495,500					
	SMBC	1,785,600	—	1,800	1,783,800	0.705 (Note 2)	May 31, 2022	(Note 10)		
	Mizuho Bank	892,800	—	900	891,900					
	MUFG Bank	694,400	—	700	693,700					
	Shinsei Bank	595,200	—	600	594,600					
	Aozora Bank	496,000	—	500	495,500					
	Bank of Fukuoka	496,000	—	500	495,500					
	Nishi-Nippon City Bank	496,000	—	500	495,500					
	Resona Bank	347,200	—	350	346,850					
	SMBC	1,785,600	—	1,800	1,783,800					
	Mizuho Bank	892,800	—	900	891,900					
MUFG Bank	694,400	—	700	693,700						
Shinsei Bank	595,200	—	600	594,600						
Aozora Bank	496,000	—	500	495,500						
Bank of Fukuoka	496,000	—	500	495,500						
Nishi-Nippon City Bank	496,000	—	500	495,500						
Resona Bank	347,200	—	350	346,850						
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	0.675	September 30, 2021	Lump-sum repayment			
Development Bank of Japan	500,000	—	—	500,000	0.708	January 31, 2022	Lump-sum repayment			
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			

	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	Shinsei Bank	900,000	—	—	900,000	0.852 (Note 2)	November 11, 2024	Lump-sum repayment	(Note 11)	No (No Guarantee)
	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					
	Mizuho Trust	1,352,000	—	—	1,352,000	0.990 (Note 2)	April 30, 2026	Lump-sum repayment		
	Aozora Bank	901,000	—	—	901,000					
	Shinsei Bank	901,000	—	—	901,000					
	Resona Bank	448,000	—	—	448,000					
	SMBC	400,000	—	—	400,000	0.795 (Note 2)	April 30, 2024	Lump-sum repayment		
	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					
	Mizuho Bank	491,000	—	—	491,000	0.860 (Note 2)	November 11, 2024	Lump-sum repayment		
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						
Mizuho Bank	400,000	—	—	400,000	0.629	February 29, 2024	Lump-sum repayment			
SMBC	1,000,000	—	—	1,000,000	0.629	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	0.709	April 30, 2026	Lump-sum repayment			
Shinsei Bank	200,000	—	—	200,000	0.709	April 30, 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	954,000	—	—	954,000	0.975 (Note 2)	September 30, 2026	Lump-sum repayment	(Note 11)	No (No Guarantee)
	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	0.726 (Note 2)	March 25, 2026	Lump-sum repayment		
	SMBC	672,000	—	—	672,000	0.844 (Note 2)	September 27, 2027	Lump-sum repayment		
	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					
	Mizuho Bank	1,224,000	—	—	1,224,000	0.876 (Note 2)	September 27, 2027	Lump-sum repayment		
	Shinsei Bank	783,000	—	—	783,000					
	MUFG Bank	783,000	—	—	783,000					
	Aozora Bank	783,000	—	—	783,000					
	Resona Bank	587,000	—	—	587,000					
The Kagawa Bank	955,000	—	—	955,000	0.659	March 25, 2027	Lump-sum repayment			
SMBC	—	827,000	—	827,000	0.473	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			

	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	Shinsei Bank	—	1,000,000	—	1,000,000	0.828 (Note 2)	August 25, 2028	Lump-sum repayment	(Note 11)	No (No Guarantee)
	Mizuho Bank	—	400,000	—	400,000	0.828 (Note 2)	August 25, 2028	Lump-sum repayment		
Total		103,997,332	9,572,000	9,623,789	103,945,543					

(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) 3 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 4) The remaining balance was repaid on August 31, 2020.

(Note 5) The remaining balance was repaid on May 29, 2020.

(Note 6) 4 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) 4 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 balance at period-end is long-term borrowings due within one year of 18 million yen.

(Note 8) 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 9) 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 balance at period-end is long-term borrowings due within one year of 7 million yen.

(Note 10) 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 balance at period-end is long-term borrowings due within one year of 11 million yen.

(Note 11) The proceeds are used for acquisition of assets and/or beneficiary rights of real estate in trust and repayment of loans.

(Note 12) 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	19,941,293	—	—	—	—
Long-term borrowings	—	19,292,000	17,270,250	2,900,000	9,139,000
Total	19,941,293	19,292,000	17,250,250	2,900,000	9,139,000