



**Make The World  
More Sustainable**

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

**32nd Fiscal Period  
May 1, 2021 – October 31, 2021**

**Ichigo Office REIT Investment Corporation**

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

## **Message from Management**

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

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

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

During the October 2021 period, we worked to strengthen our organic growth potential by increasing asset value and investment efficiency via strategic value-add capex, such as the renovation of the Ichigo Hakozaki Building. We successfully leased up over 80% of the newly vacated office space (on an area basis) at higher rents, and our portfolio occupancy at period-end remained at a high level of 95.4%.

In line with the goals of RE100, Ichigo Office is targeting to source 100% of the electricity needs across its assets (excluding partially and jointly owned assets) via renewable energy by April 2022. Ichigo Office has already transitioned 69 assets to renewable electricity as of December 2021, therefore reducing CO2 emissions by 19,622 tons, an 89% reduction compared to 2019.

As a result of these activities, Ichigo Office's October 2021 earnings were: operating revenue of 7,843 million yen, operating profit of 3,962 million yen, recurring profit of 3,201 million yen, and net income of 3,200 million yen. The dividend per share was 2,185 yen, a 43 yen increase versus our forecast at period-start.

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

Thank you so much for your continued support.



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

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

# Asset Management Overview

## 1 Historical Investment Performance

			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	31st Fiscal Period From November 1, 2020 to April 30, 2021	32nd Fiscal Period From May 1, 2021 to October 31, 2021
Operating Revenue	(Note 1)	million yen	8,304	8,260	7,863	7,725	7,843
(Real Estate Rental Income)		million yen	(7,862)	(7,860)	(7,862)	(7,725)	(7,843)
Operating Expenses		million yen	3,941	3,879	3,770	3,801	3,881
(Real Estate Rental Expenses)		million yen	(3,025)	(2,950)	(2,852)	(2,841)	(2,887)
Operating Profit		million yen	4,363	4,381	4,092	3,923	3,962
Recurring Profit		million yen	3,554	3,576	3,313	3,122	3,201
Net Income		million yen	3,554	3,575	3,312	3,121	3,200
Total Assets		million yen	225,898	227,312	226,980	227,654	227,653
(Period-on-Period Change)		%	(0.1)	(0.6)	(-0.1)	(0.3)	(-0.0)
Net Assets		million yen	103,962	104,244	104,242	102,447	102,421
(Period-on-Period Change)		%	(0.1)	(0.3)	(-0.0)	(-1.7)	(-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	1,513,367	1,513,367
Net Assets per Share		yen	67,848	68,031	68,030	67,695	67,678
Total Dividends		million yen	3,294	3,314	3,417	3,226	3,306
Dividend per Share		yen	2,150	2,163	2,230	2,132	2,185
(Payable Dividend per Share)		yen	(2,150)	(2,163)	(2,230)	(2,132)	(2,185)
(Dividend per Share in Excess of Earnings)		yen	(—)	(—)	(—)	(—)	(—)
Ratio of Recurring Profit to Total Assets	(Note 2)	%	1.6 (3.1)	1.6 (3.2)	1.5(2.9)	1.4(2.8)	1.4(2.8)
Return on Equity	(Note 2)	%	3.4(6.8)	3.4(6.9)	3.2(6.3)	3.0(6.1)	3.1(6.2)
Shareholder Equity Ratio	(Note 2)	%	46.0	45.9	45.9	45.0	45.0
(Period-on-Period Change)		%	(0.0)	(-0.2)	(0.1)	(-0.9)	(-0.0)
Dividend Payout Ratio	(Note 3)	%	92.7	92.7	103.1	104.0	103.4
Other Reference Information							
Number of Assets		assets	85	85	85	86	86
Number of Tenants at Period-End		tenants	934	938	924	934	930
Total Leasable Area		m <sup>2</sup>	266,478.61	259,717.74	259,754.33	264,651.68	264,701.15
Occupancy at Period-End		%	99.4	99.6	97.5	97.2	95.4
Depreciation		million yen	842	839	838	870	887
Capital Expenditure		thousand yen	478,779	525,201	587,955	677,483	625,613
NOI (Net Operating Income)	(Note 2)	million yen	5,679	5,748	5,847	5,754	5,843
FFO (Funds from Operations) per Share	(Note 2)	yen	2,581	2,621	2,709	2,638	2,701
Number of Days in the Period		days	184	182	184	181	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	$(\text{Net Income} + \text{Depreciation} + \text{Loss on Retirement of Non-Current Assets} + \text{Expenses for Asset Retirement Obligations} \pm \text{Losses (Gains) on Sales of Assets} \pm \text{Extraordinary Losses (Profits)}) / \text{Number of Shares Outstanding}$

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

## 2 Summary of Operating Results for the Fiscal Period Ended October 31, 2021

### (1) Overview

In the fiscal period ended October 31, 2021, Ichigo Office's 32nd fiscal period, Ichigo Office worked to strengthen its organic growth potential by 1) increasing asset value and investment efficiency via its value-add capex (Note) and 2) driving earnings growth with a focus on tenant satisfaction. Ichigo Office seeks to construct a portfolio specializing in mid-size offices which can generate both earnings stability and earnings growth.

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

### (2) Market Environment and Investment Performance

#### (i) Market Environment

The market for commercial properties continues to see strong investment demand despite the ongoing COVID pandemic with acquisition prices remaining at high levels and the number of transactions higher than the previous year. Several J-REITs raised equity via public offerings to fund acquisitions, but unlike last year which saw acquisitions focused on the logistics sector, the market was active this year with acquisitions spanning different asset types. With the state of emergency lifted as of September 30, 2021, the economy is expected to normalize and investment appetite should remain high, therefore compressing cap rates.

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

#### (ii) Investment Performance

Ichigo Office worked this period to drive the earnings of individual assets with the aim of increasing portfolio NOI, while taking into consideration rent levels and occupancy. 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 at the Ichigo Hakozaki Building aimed at increasing tenant satisfaction. As a result of such efforts, occupancy for the portfolio at period-end remained at a high level of 95.4%.

In line with the spirit of RE100, a global initiative to accelerate the transition of electricity used by businesses to 100% renewable energy, Ichigo Office is targeting to source 100% of the electricity needs across all of its assets.

The number of assets owned at period-end was 86 assets (total acquisition price: 206,192 million yen).

### (3) Financing

During the current fiscal period, Ichigo Office borrowed a total of 8,125 million yen from banks in May 2021 and September 2021, to repay loans that came due in those months (a total of 9,639 million yen) and issued its sixth Investment Corporation Bond (1,500 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 7,843 million yen, operating profit of 3,962 million yen, recurring profit of 3,201 million yen and net income of 3,200 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 <sup>(Note)</sup>, mainly due to the loss on sales of real estate posted when assets were transferred in the past for the purpose of improving portfolio quality, it may internally reserve profits if it has total net gains on sales of real estate assets and other profits from operations.

For this period, Ichigo Office has decided to pay a total dividend of 3,306 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 3,201 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 2,185 yen...

(Note) The balance of tax losses carried forward for Ichigo Office is approximately 8.4 billion yen, and the carry forward period expires as of the April 2022 fiscal period. 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	
April 12, 2021	Shares Cancelled	-18,920	1,513,367	—	67,675	(Note)

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

### Share Price Performance

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

	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	31st Fiscal Period From November 1, 2020 to April 30, 2021	32nd Fiscal Period From May 1, 2021 to October 31, 2021
High	118,100 yen	119,300 yen	81,000 yen	98,600 yen	101,400 yen
Low	99,400 yen	54,300 yen	66,500 yen	68,100 yen	86,300 yen

## 4 Dividends

With respect to dividends in the current fiscal period, the dividend distribution policy set out in Article 37 of the Articles of Incorporation of the Investment Corporation stipulates that the amount of dividends shall exceed an amount equivalent to 90% of distributable earnings as provided for in Article 67-15, Paragraph 1 of the Special Measures Taxation Act. Based on this policy, Ichigo Office has decided to pay a total dividend of 3,306 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 3,201 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 2,185 yen.

		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	31st Fiscal Period From November 1, 2020 to April 30, 2021	32nd Fiscal Period From May 1, 2021 to October 31, 2021
Unappropriated Retained Earnings	thousand yen	3,554,415	3,575,841	3,312,935	3,122,657	3,201,892
Retained Earnings for Dividend Reserve	thousand yen	—	—	—	—	—
Total Dividends	thousand yen	3,294,417	3,314,336	3,417,000	3,226,498	3,306,706
(Dividend per Share)	yen	(2,150)	(2,163)	(2,230)	(2,132)	(2,185)
Distributable Earnings	thousand yen	3,294,417	3,314,336	3,417,000	3,226,498	3,306,706
(Distributable Earnings per Share)	yen	(2,150)	(2,163)	(2,230)	(2,132)	(2,185)
Total Refund of Capital	thousand yen	—	—	—	—	—
(Refund of capital per share)	yen	(—)	(—)	(—)	(—)	(—)
Of the Total Refund of Capital, Total Distribution from Reserves for Temporary Difference Adjustment	thousand yen	—	—	—	—	—
(Of the Refund of Capital per Share, Distribution from Reserves for Temporary Difference Adjustment per Share)	yen	(—)	(—)	(—)	(—)	(—)
Of the Total Refund of Capital, Total Distribution from the Distribution Associated with a Decrease in Investment for Tax Purposes	thousand yen	—	—	—	—	—
(Of the Refund of Capital per Share, Distribution from the Distribution Associated with a Decrease in Investment for Tax Purposes)	yen	(—)	(—)	(—)	(—)	(—)

## 5 Investment Policies and Strategies

### (1) Asset Acquisitions (Acquisition-Driven Growth)

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

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

### (2) Portfolio Management (Organic Growth)

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

- Provide differentiated high-quality office spaces such as Ichigo Layout Office and Ichigo Lounge
- Increase asset value and investment returns via value-add capex
- 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 diversifying its financing using investment corporation bonds, with the aim of further improving the current rating of "A (Outlook: Positive)."

## 6 Significant Subsequent Events

N/A

# Ichigo Office Overview

## 1 Shares and Shareholders' Equity

		28th Fiscal Period October 31, 2019	29th Fiscal Period April 30, 2020	30th Fiscal Period October 31, 2020	31st Fiscal Period April 30, 2021	32nd Fiscal Period October 31, 2021
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	1,513,367	1,513,367
Shareholders' Equity	million yen	67,675	67,675	67,675	67,675	67,675
Number of Shareholders	persons	12,858	13,368	13,947	13,911	14,104

## 2 Major Shareholders

Major shareholders as of October 31, 2021 are as follows:

Name	Shares	Ratio of Shares Held to Total Number of Shares Issued (%) (Note)
Ichigo Trust Pte. Ltd.	331,190	21.88
Custody Bank of Japan, Ltd., Trust Account	237,126	15.66
The Master Trust Bank of Japan, Trust Account	186,454	12.32
Custody Bank of Japan, Ltd., Securities Investment Trust Account	73,643	4.86
NOMURA BANK (LUXEMBOURG) S.A.	57,025	3.76
Nomura Trust & Banking Co., Ltd. Investment Trust Account	53,471	3.53
GOLDMAN SACHS INTERNATIONAL	34,379	2.27
STATE STREET BANK WEST CLIENT – TREATY 505234	22,061	1.45
SMBC Nikko Securities Co., Ltd.	18,748	1.23
BNP PARIBAS SECURITIES SERVICES LUXEMBOURG / JASDEC / SECURITIES-AIFM	15,271	1.00
Total	1,029,368	68.01

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

## 3 Executive Director and Supervisory Directors

(1) Ichigo Office's directors and auditor as of October 31, 2021 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	—	9,520

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

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

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

## 4 Directors and Officers Liability Insurance

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

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

## 5 Asset Management Company, Asset Custodian, and Administrative Agents

The asset management company, asset custodian, and administrative agents as of October 31, 2021 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)	31st Fiscal Period (as of April 30, 2021)		32nd Fiscal Period (as of October 31, 2021)	
		Book Value (million yen)(Note 2)	Ratio to Total Assets (%)	Book Value (million yen)(Note 2)	Ratio to Total Assets (%)
Real Estate	Central Tokyo	6,727	3.0	6,712	2.9
	Tokyo Metropolitan Area	3,994	1.8	3,977	1.7
	Four Major Regional Cities	10,320	4.5	10,265	4.5
Trust Beneficiary Interest in Real Estate ( <i>juekiken</i> ) (Note 3)	Central Tokyo	108,137	47.5	108,070	47.5
	Tokyo Metropolitan Area	43,399	19.1	43,352	19.0
	Four Major Regional Cities	19,677	8.6	19,686	8.6
	Other Regional Cities	10,438	4.6	10,370	4.6
Subtotal		202,697	89.0	202,436	88.9
Deposits and Other Assets		24,957	11.0	25,216	11.1
Total Assets		227,654	100.0	227,653	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.

## 2 Major Assets Owned

The table below is a summary of the major assets owned by Ichigo Office as of October 31, 2021 (top ten assets in terms of book value).

Asset Name	Book Value (million yen) (Note 1)	Leasable Area (m <sup>2</sup> )	Leased Area (m <sup>2</sup> )	Occupancy (%) (Note 2)	Ratio to Total Rent Revenue (%)	Asset Type
Ichigo Jingumae Building	7,414	4,510.04	4,378.04	97.1	2.2	Office
Ichigo Ebisu Green Glass	5,776	3,159.27	2,551.82	80.8	2.0	Office
Ichigo Marunouchi Building	5,584	8,009.11	8,009.11	100.0	3.1	Office
Ichigo Akihabara North Building	5,495	6,250.53	6,250.53	100.0	2.9	Office
Ichigo Ikenohata Building	5,125	5,504.15	5,504.15	100.0	2.1	Office
Ichigo Sasazuka Building	4,898	6,425.29	6,425.29	100.0	2.4	Office
Ichigo Gotanda Building	4,787	5,346.39	5,346.39	100.0	2.6	Office
Ichigo Sakae Building	4,681	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	2.1	Office
Ichigo Nihonbashi East Building	4,399	4,216.97	4,216.97	100.0	1.9	Office
Total	52,772	51,782.87	51,043.42	98.6	24.0	

(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, 2021.

Asset Name	Location	Form of Ownership	Leasable Area (m <sup>2</sup> )	Appraisal Value at Period-end (million yen) (Note 1)	Book Value at Period-end (million yen) (Note 2)	
O-02	Ichigo Nishisando Building	Yoyogi, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	4,523.19	3,230	3,333
O-03	Ichigo Mita Building	Shiba, Minato-ku, Tokyo	Trust beneficiary interest in real estate	4,119.63	3,580	2,709
O-04	Ichigo Nanpeidai Building	Nanpeidaicho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	1,925.24	2,520	1,900
O-05	Ichigo Hanzomon Building	Hayabusacho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,080.37	1,940	1,505
O-06	Ichigo Hijirizaka Building	Mita, Minato-ku, Tokyo	Trust beneficiary interest in real estate	1,947.90	1,480	1,203
O-07	Ichigo Shibuya Kamiyamacho Building	Kamiyamacho, Shibuya-ku, Tokyo	Real estate	1,321.54	1,890	1,343
O-08	Ichigo Akasaka 5 Chome Building	Akasaka, Minato-ku, Tokyo	Real estate	683.52	878	729
O-09	Ichigo Shibakoen Building	Shiba, Minato-ku, Tokyo	Real estate	1,602.29	1,250	1,100
O-10	Ichigo Ebisu Nishi Building	Ebisu-Nishi, Shibuya-ku, Tokyo	Real estate	1,484.39	2,510	1,918
O-11	Ichigo Ginza 612 Building	Ginza, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	1,364.88	2,110	1,800
O-12	Ichigo Uchikanda Building	Uchikanda, Chiyoda-ku, Tokyo	Real estate	1,378.83	1,350	1,113
O-14	Ichigo Yotsuya 4 Chome Building	Yotsuya, Shinjuku-ku, Tokyo	Trust beneficiary interest in real estate	780.64	570	502
O-15	Ichigo Tameike Building	Akasaka, Minato-ku, Tokyo	Real estate	494.14	722	508
O-16	Ichigo Jimbocho Building	Kanda Jimbocho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	1,891.01	2,300	1,797
O-17	Ichigo Hakozaeki Building	Nihonbashi Kakigaracho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,389.54	1,170	1,137
O-18	Ichigo Kudan 2 Chome Building	Kudan Minami, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	1,288.31	929	723
O-19	Ichigo Kudan 3 Chome Building	Kudan Minami, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	1,302.43	905	809
O-20	Ichigo Gotanda Building	Higashi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	5,346.39	6,350	4,787
O-21	Ichigo Shin Yokohama Building	Shin Yokohama, Kohoku-ku, Yokohama	Trust beneficiary interest in real estate	4,021.32	1,700	1,661
O-22	Ichigo Minami Ikebukuro Building	Minami Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	1,491.50	1,840	1,347
O-23	Ichigo Nakano North Building	Arai, Nakano-ku, Tokyo	Trust beneficiary interest in real estate	1,264.11	948	719
O-24	Ichigo Eitai Building	Eitai, Koto-ku, Tokyo	Real estate	2,605.54	1,470	1,434
O-26	Ichigo Ikejiri Building	Ohashi, Meguro-ku, Tokyo	Real estate	2,385.69	2,320	1,951
O-27	Ichigo Nishi Ikebukuro Building	Ikebukuro, Toshima-ku, Tokyo	Real estate	1,261.91	995	592
O-28	Ichigo Nishi Gotanda Building	Nishi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	1,329.06	876	751
O-29	Ichigo Kichijoji Building	Kichijoji Honcho, Musashino City, Tokyo	Trust beneficiary interest in real estate	4,210.87	2,800	2,164
O-34	Ichigo Sakae Building	Sakae, Naka-ku, Nagoya	Real estate	3,928.12	6,290	4,681
O-37	Ichigo Marunouchi Building	Marunouchi, Naka-ku, Nagoya	Real estate	8,009.11	7,540	5,584
O-38	Ichigo Toyamaeki Nishi Building	Jinzu Honmachi, Toyama City, Toyama	Trust beneficiary interest in real estate	8,601.72	1,820	1,470
O-39	Ichigo Mirai Shinkin Building	Niagamachi, Oita City, Oita	Trust beneficiary interest in real estate	3,551.46	1,320	1,136
O-42	Ichigo Takamatsu Building	Kotobukicho, Takamatsu City, Kagawa	Trust beneficiary interest in real estate	6,329.33	3,790	2,159
O-46	Ichigo Kanda Nishikicho Building	Kanda-Nishikicho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,523.09	3,320	2,000
O-47	Ichigo Akihabara North Building	Sotokanda, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	6,250.53	7,840	5,495
O-48	Ichigo Sakaisuji Honmachi Building	Honmachi, Chuo-ku, Osaka	Trust beneficiary interest in real estate	3,729.35	2,410	1,725
O-49	Ichigo Kanda Ogawamachi Building	Kanda-Ogawamachi, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,309.39	2,540	2,190
O-50	Ichigo Hatchobori Building	Shintomi, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,716.33	2,720	1,756
O-51	Ichigo Ebisu Green Glass	Ebisu Minami, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	3,159.27	7,530	5,776
O-52	Ichigo Omori Building	Minami Oi, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	3,585.93	4,470	3,782
O-53	Ichigo Takadanobaba Building	Takadanobaba, Shinjuku-ku, Tokyo	Trust beneficiary interest in real estate	1,606.92	1,920	1,586
O-54	Ichigo Omiya Building	Miyacho, Omiya-ku, Saitama City, Saitama	Trust beneficiary interest in real estate	6,180.68	4,190	3,552
O-55	Ichigo Sagamihara Building	Sagamihara, Chuo-ku, Sagamihara City, Kanagawa	Trust beneficiary interest in real estate	2,960.81	1,280	1,213
O-56	Ichigo Ofuna Building	Ofuna, Kamakura City, Kanagawa	Trust beneficiary interest in real estate	2,364.71	2,620	1,941

Asset Name		Location	Form of Ownership	Leasable Area (m <sup>2</sup> )	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	2,140	1,589
O-58	Ichigo Kumamoto Building	Karashimacho, Chuo-ku, Kumamoto City, Kumamoto	Trust beneficiary interest in real estate	4,507.59	1,600	1,520
O-59	Ichigo Jingumae Building	Jingumae, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	4,510.04	8,270	7,414
O-60	Ichigo Shibuya Dogenzaka Building	Maruyamacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	2,789.86	5,300	3,682
O-61	Ichigo Hiroo Building	Hiroo, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	3,510.44	4,680	3,994
O-62	Ichigo Sasazuka Building	Sasazuka, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	6,425.29	5,900	4,898
O-63	Ichigo Nihonbashi East Building	Nihonbashi Bakurocho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	4,216.97	5,620	4,399
O-64	Ichigo Sakurabashi Building	Hatchobori, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,971.22	3,090	2,549
O-65	Ichigo Shinkawa Building	Shinkawa, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,312.03	3,010	2,397
O-66	Ichigo Kudan Building	Kanda Jimbocho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	3,090.65	3,610	3,228
O-67	Ichigo Higashi Gotanda Building	Higashi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	4,548.10	4,320	3,641
O-68	Axior Mita	Mita, Minato-ku, Tokyo	Trust beneficiary interest in real estate	2,369.82	2,300	1,714
O-69	Ichigo Higashi Ikebukuro Building	Higashi Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	4,433.00	5,360	4,608
O-70	Koriyama Big-i (Office Section)	Ekimae, Koriyama City, Fukushima	Trust beneficiary interest in real estate	3,433.07	2,120	1,470
O-71	Ichigo Kawasaki Building	Higashi Tamachi, Kawasaki-ku, Kawasaki City, Kanagawa	Trust beneficiary interest in real estate	3,815.16	2,220	1,816
O-72	Ichigo Shibuya East Building	Higashi, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	1,041.36	1,550	1,381
O-73	Ichigo Ningyocho Building	Nihonbashi Horidomecho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	1,769.09	1,550	1,479
O-74	Ichigo Nishi Honmachi Building	Awaza, Nishi-ku, Osaka	Trust beneficiary interest in real estate	6,152.00	2,500	2,199
O-75	Ichigo Hakata Building	Gionmachi, Hakata-ku, Fukuoka	Trust beneficiary interest in real estate	2,423.86	1,530	1,360
O-76	Ichigo Nishiki First Building	Nishiki, Naka-ku, Nagoya	Trust beneficiary interest in real estate	3,324.70	2,170	1,960
O-77	Ichigo Ikenohata Building	Ikenohata, Taito-ku, Tokyo	Trust beneficiary interest in real estate	5,504.15	5,340	5,125
O-78	Ichigo Ikebukuro East Building	Higashi Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	3,118.69	3,320	2,993
O-79	Ichigo Motoazabu Building	Motoazabu, Minato-ku, Tokyo	Trust beneficiary interest in real estate	1,329.96	2,350	1,914
O-80	Ichigo Otsuka Building	Minami Otsuka, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	3,679.70	2,990	2,752
O-81	Ichigo Nagoya Building	Meieki, Nakamura-ku, Nagoya	Trust beneficiary interest in real estate	4,930.30	3,910	3,493
O-82	Ichigo Fushimi Building	Nishiki, Naka-ku, Nagoya	Trust beneficiary interest in real estate	4,155.60	2,530	2,330
O-83	Ichigo Nishiki Building	Nishiki, Naka-ku, Nagoya	Trust beneficiary interest in real estate	2,006.78	1,470	1,289
O-84	Ichigo Minami Morimachi Building	Matsugaecho, Kita-ku, Osaka	Trust beneficiary interest in real estate	2,521.51	1,240	1,046
O-85	Ichigo Shibuya Udagawacho Building	Udagawacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	1,491.68	4,180	3,564
O-86	Win Gotanda Building	Nishi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	3,689.88	3,350	3,108
O-87	Ichigo Hongo Building	Hongo, Bunkyo-ku, Tokyo	Trust beneficiary interest in real estate	2,733.68	2,650	2,304
O-88	Oimachi Center Building	Oi, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	2,751.08	1,950	1,700
O-89	Win Gotanda Building 2	Osaki, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	3,433.16	3,510	3,287
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	2,003
O-92	Ichigo Minami Otsuka Building	Minami Otsuka, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	3,129.49	3,200	2,849
O-93	Ichigo Nogizaka Building	Akasaka, Minato-ku, Tokyo	Trust beneficiary interest in real estate	2,199.35	3,630	3,517
O-94	Ichigo Hakata East Building	Hakataeki Higashi, Hakata-ku, Fukuoka	Trust beneficiary interest in real estate	2,901.99	2,480	2,278
O-95	Ichigo Nakameguro Building	Aobadai, Meguro-ku, Tokyo	Trust beneficiary interest in real estate	1,044.34	1,630	1,555
O-96	Ichigo Tachikawa Building	Akebonocho, Tachikawa, Tokyo	Trust beneficiary interest in real estate	4,879.78	4,010	3,843
Z-09	Future IZUMI	Fuchucho, Izumi City, Osaka	Trust beneficiary interest in real estate	3,733.68	608	1,024
Z-10	Ichigo Shibuya Bunkamura Dori Building	Udagawacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	778.77	3,040	2,452
Z-11	Twicere Yokohama Isogo (Retail Section)	Mori, Isogo-ku, Yokohama	Trust beneficiary interest in real estate	2,717.77	1,500	1,456
Z-14	Ichigo Kamata Building	Nishi Kamata, Ota-ku, Tokyo	Trust beneficiary interest in real estate	2,124.68	1,530	1,446
Total				264,701.15	244,001	202,436

(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 31<sup>st</sup> and 32<sup>nd</sup> fiscal Periods:

Asset Name	31st Fiscal Period From November 1, 2020 to April 30, 2021				32nd Fiscal Period From May 1, 2021 to October 31, 2021			
	Number of Tenants at Period-end (tenants) (Note 1)	Occupancy at Period-end (%) (Note 2)	Rental Income (thousand yen)	Ratio to Total Rental Income (%)	Number of Tenants at Period-end (tenants) (Note 1)	Occupancy at Period-end (%) (Note 2)	Rental Income (thousand yen)	Ratio to Total Rental Income (%)
O-02 Ichigo Nishisando Building	17	100.0	127,384	1.6	17	100.0	139,527	1.8
O-03 Ichigo Mita Building	8	89.5	110,640	1.4	8	89.5	109,521	1.4
O-04 Ichigo Nanpeidai Building	13	100.0	79,060	1.0	13	100.0	77,869	1.0
O-05 Ichigo Hanzomon Building	5	92.5	61,019	0.8	5	92.5	56,808	0.7
O-06 Ichigo Hijirizaka Building	5	100.0	58,509	0.8	5	100.0	59,485	0.8
O-07 Ichigo Shibuya Kamiyamacho Building	4	100.0	53,721	0.7	4	100.0	53,963	0.7
O-08 Ichigo Akasaka 5 Chome Building	9	100.0	28,878	0.4	9	100.0	28,433	0.4
O-09 Ichigo Shibakoen Building	3	100.0	48,305	0.6	3	100.0	49,140	0.6
O-10 Ichigo Ebisu Nishi Building	7	100.0	72,426	0.9	7	100.0	72,196	0.9
O-11 Ichigo Ginza 612 Building	23	91.3	62,716	0.8	22	93.5	70,090	0.9
O-12 Ichigo Uchikanda Building	9	100.0	46,000	0.6	9	100.0	50,429	0.6
O-14 Ichigo Yotsuya 4 Chome Building	10	100.0	20,737	0.3	10	100.0	21,238	0.3
O-15 Ichigo Tameike Building	4	63.4	17,665	0.2	5	82.8	12,381	0.2
O-16 Ichigo Jimbocho Building	7	92.6	70,682	0.9	7	92.6	70,998	0.9
O-17 Ichigo Hakozaeki Building	6	88.0	51,862	0.7	6	88.0	50,624	0.6
O-18 Ichigo Kudan 2 Chome Building	1	100.0	28,899	0.4	1	100.0	33,716	0.4
O-19 Ichigo Kudan 3 Chome Building	4	81.0	37,927	0.5	4	81.0	32,515	0.4
O-20 Ichigo Gotanda Building	14	95.3	198,127	2.6	15	100.0	202,354	2.6
O-21 Ichigo Shin Yokohama Building	14	97.7	81,164	1.1	14	97.7	81,373	1.0
O-22 Ichigo Minami Ikebukuro Building	9	100.0	60,715	0.8	9	100.0	60,632	0.8
O-23 Ichigo Nakano North Building	7	100.0	43,225	0.6	6	91.9	40,201	0.5
O-24 Ichigo Eitai Building	10	100.0	65,640	0.8	10	100.0	67,408	0.9
O-26 Ichigo Ikejiri Building	5	91.1	74,658	1.0	6	100.0	76,715	1.0
O-27 Ichigo Nishi Ikebukuro Building	1	100.0	29,217	0.4	1	100.0	29,217	0.4
O-28 Ichigo Nishi Gotanda Building	9	100.0	35,476	0.5	7	77.8	32,104	0.4
O-29 Ichigo Kichijoji Building	13	100.0	113,736	1.5	13	100.0	114,433	1.5
O-34 Ichigo Sakae Building	19	100.0	217,585	2.8	19	100.0	217,981	2.8
O-37 Ichigo Marunouchi Building	25	100.0	239,342	3.1	25	100.0	241,631	3.1
O-38 Ichigo Toyamaeki Nishi Building	15	98.9	116,848	1.5	15	100.0	115,915	1.5
O-39 Ichigo Mirai Shinkin Building	19	92.2	75,594	1.0	19	95.8	74,808	1.0
O-42 Ichigo Takamatsu Building	14	98.7	154,311	2.0	14	98.6	155,819	2.0
O-46 Ichigo Kanda Nishikicho Building	8	69.2	66,826	0.9	8	69.2	58,230	0.7
O-47 Ichigo Akihabara North Building	1	100.0	230,015	3.0	1	100.0	230,446	2.9
O-48 Ichigo Sakaisuji Honmachi Building	15	100.0	96,095	1.2	15	100.0	96,537	1.2
O-49 Ichigo Kanda Ogawamachi Building	9	100.0	84,630	1.1	9	100.0	84,959	1.1
O-50 Ichigo Hatchobori Building	7	100.0	98,134	1.3	7	100.0	98,291	1.3
O-51 Ichigo Ebisu Green Glass	5	80.8	186,302	2.4	5	80.8	156,538	2.0
O-52 Ichigo Omori Building	10	100.0	137,445	1.8	10	100.0	138,395	1.8
O-53 Ichigo Takadanobaba Building	7	84.5	59,333	0.8	8	100.0	57,290	0.7
O-54 Ichigo Omiya Building	30	100.0	164,012	2.1	30	100.0	166,362	2.1
O-55 Ichigo Sagamiyama Building	13	100.0	59,890	0.8	13	100.0	59,821	0.8
O-56 Ichigo Ofuna Building	9	100.0	92,577	1.2	9	100.0	93,864	1.2
O-57 Ichigo Sendai East Building	10	100.0	103,914	1.3	10	100.0	102,955	1.3
O-58 Ichigo Kumamoto Building	32	98.4	82,391	1.1	33	100.0	86,005	1.1
O-59 Ichigo Jingumae Building	6	97.1	165,802	2.1	6	97.1	170,273	2.2
O-60 Ichigo Shibuya Dogenzaka Building	9	88.1	97,588	1.3	10	100.0	115,297	1.5
O-61 Ichigo Hiroo Building	5	100.0	127,485	1.7	5	100.0	134,239	1.7
O-62 Ichigo Sasazuka Building	6	100.0	184,462	2.4	6	100.0	187,724	2.4
O-63 Ichigo Nihonbashi East Building	7	100.0	149,189	1.9	7	100.0	150,265	1.9
O-64 Ichigo Sakurabashi Building	6	100.0	75,897	1.0	6	100.0	81,994	1.0
O-65 Ichigo Shinkawa Building	6	90.2	65,102	0.8	5	76.8	69,424	0.9
O-66 Ichigo Kudan Building	10	100.0	108,304	1.4	10	100.0	108,390	1.4
O-67 Ichigo Higashi Gotanda Building	18	95.5	118,901	1.5	19	100.0	122,161	1.6
O-68 Axior Mita	11	100.0	68,332	0.9	10	90.0	67,284	0.9
O-69 Ichigo Higashi Ikebukuro Building	17	100.0	162,548	2.1	17	100.0	163,010	2.1

Asset Name	31st Fiscal Period From November 1, 2020 to April 30, 2021				32nd Fiscal Period From May 1, 2021 to October 31, 2021			
	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	104,556	1.4	14	100.0	105,975	1.4
O-71 Ichigo Kawasaki Building	16	93.2	85,908	1.1	15	80.7	84,127	1.1
O-72 Ichigo Shibuya East Building	3	100.0	40,127	0.5	3	100.0	43,823	0.6
O-73 Ichigo Ningyocho Building	8	100.0	47,838	0.6	8	100.0	47,679	0.6
O-74 Ichigo Nishi Honmachi Building	31	98.7	110,127	1.4	31	98.2	111,087	1.4
O-75 Ichigo Hakata Building	28	100.0	53,059	0.7	28	100.0	53,279	0.7
O-76 Ichigo Nishiki First Building	6	100.0	74,006	1.0	6	100.0	79,175	1.0
O-77 Ichigo Ikenohata Building	7	100.0	164,032	2.1	7	100.0	164,501	2.1
O-78 Ichigo Ikebukuro East Building	3	100.0	96,508	1.2	3	100.0	95,427	1.2
O-79 Ichigo Motoazabu Building	3	100.0	68,293	0.9	3	100.0	68,721	0.9
O-80 Ichigo Otsuka Building	7	100.0	101,940	1.3	7	100.0	103,249	1.3
O-81 Ichigo Nagoya Building	35	100.0	149,465	1.9	33	92.8	145,948	1.9
O-82 Ichigo Fushimi Building	37	94.8	92,201	1.2	38	95.7	90,090	1.1
O-83 Ichigo Nishiki Building	24	97.0	49,736	0.6	25	100.0	48,546	0.6
O-84 Ichigo Minami Morimachi Building	12	100.0	49,762	0.6	12	100.0	49,726	0.6
O-85 Ichigo Shibuya Udagawacho Building	6	67.3	75,849	1.0	7	78.2	65,151	0.8
O-86 Win Gotanda Building	11	100.0	110,082	1.4	11	100.0	118,955	1.5
O-87 Ichigo Hongo Building	7	100.0	93,190	1.2	7	100.0	91,486	1.2
O-88 Oimachi Center Building	8	100.0	62,918	0.8	7	86.6	64,499	0.8
O-89 Win Gotanda Building 2	9	88.7	100,817	1.3	8	83.1	95,267	1.2
O-90 MIF Building	7	100.0	66,088	0.9	7	100.0	66,775	0.9
O-91 Ichigo Uchi Honmachi Building	18	100.0	65,759	0.9	18	100.0	65,690	0.8
O-92 Ichigo Minami Otsuka Building	8	100.0	79,186	1.0	8	100.0	79,936	1.0
O-93 Ichigo Nogizaka Building	5	100.0	80,687	1.0	6	100.0	87,900	1.1
O-94 Ichigo Hakata East Building	20	100.0	74,353	1.0	20	100.0	75,290	1.0
O-95 Ichigo Nakameguro Building	6	100.0	34,705	0.4	6	100.0	36,839	0.5
O-96 Ichigo Tachikawa Building	15	95.7	85,076	1.1	13	85.1	111,970	1.4
Z-09 Future IZUMI	1	100.0	63,000	0.8	—	—	110,663	1.4
Z-10 Ichigo Shibuya Bunkamura Dori Building	4	100.0	74,979	1.0	3	88.5	77,332	1.0
Z-11 Twicere Yokohama Isogo (Retail Section)	7	80.8	50,728	0.7	7	80.8	52,338	0.7
Z-14 Ichigo Kamata Building	2	100.0	52,911	0.7	2	100.0	53,088	0.7
Total	934	97.2	7,725,167	100.0	930	95.4	7,843,853	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.

## Details of Renewable Energy Power Generation Equipment

N/A

## Details of PPP and PFI

N/A

## Details of Investments in Securities

N/A

## 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, 2021 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, 2021.

Classification	Type	Contract Amount (thousand yen)		Market Value (thousand yen) (Note 2)
		(Note 1)	Exceeding One Year (Note 1)	
Transactions Other than Market Transactions	Interest rate swap (pay fixed, receive floating)	91,659,250	72,867,250	—
Total		91,659,250	72,867,250	—

(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, 2021 are as described below. The payment amount for the scheduled work below includes the amount classified as accounting expenses.

Asset Name (Location)	Purpose	Period	Expected Payment Amount (thousand yen)		
			Total Amount	Amount Paid in the Fiscal Period under Review	Amount Already Paid
Koriyama Big-i (Office Section) (Koriyama City, Fukushima)	Air Conditioning Upgrade (Phase 2)	From December 2021 to December 2021	49,000	—	—
Ichigo Kudan 2 Chome Building (Chiyoda-ku, Tokyo)	Renovate all common areas	From February 2022 to February 2022	34,954	—	—
Ichigo Kumamoto Building (Kumamoto City, Kumamoto)	Elevator Upgrade (Lift No.1)	From January 2022 to January 2022	29,140	—	—
Future IZUMI (Izumi City, Osaka)	Upgrade machine and equipment	From January 2022 to January 2022	26,600	—	—
Ichigo Shibakoen Building (Minato-ku, Tokyo)	Elevator Upgrade	From October 2022 to October 2022	18,430	—	—
Ichigo Kudan 2 Chome Building (Chiyoda-ku, Tokyo)	Renovate entrance hall	From February 2022 to February 2022	14,366	—	—
Ichigo Minami Morimachi Building (Kita-ku, Osaka)	Elevator Upgrade (Phase 2)	From November 2021 to November 2021	12,410	—	—
Ichigo Nishi Gotanda Building (Shinagawa-ku, Tokyo)	Elevator Upgrade	From May 2022 to May 2022	12,310	—	—
Ichigo Kudan 2 Chome Building (Chiyoda-ku, Tokyo)	Renovate all tenant spaces	From February 2022 to February 2022	9,446	—	—

## 2 Capital Expenditures during the Current Fiscal Period

Capital expenditures during the current fiscal period amounted to 625,613 thousand yen, and construction work of a total of 712,307 thousand yen were conducted, combined with repair expenses of 86,694 thousand yen.

Asset Name (Location)	Purpose	Period	Payment Amount (thousand yen)
Ichigo Kumamoto Building (Kumamoto City, Kumamoto)	Elevator Upgrade (Lift No.2)	From August 2021 to October 2021	29,140
Ichigo Nishi Honmachi Building (Nishi-ku, Osaka)	High-voltage Switching Equipment Upgrade	From October 2021 to October 2021	24,244
Ichigo Minami Morimachi Building (Kita-ku, Osaka)	Elevator Upgrade (Phase 1)	From October 2021 to October 2021	10,745
	Other		561,484
	Total		625,613

## 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)				
	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	31st Fiscal Period From November 1, 2020 to April 30, 2021	32nd Fiscal Period From May 1, 2021 to October 31, 2021
Balance of Reserves at Beginning of Period	1,491,865	1,542,418	1,546,103	1,586,617	1,557,530
Gains	614,687	787,498	646,051	695,825	739,142
Reversals	564,134	783,813	605,536	724,912	741,056
Amount Brought Forward to Next Period	1,542,418	1,546,103	1,586,617	1,557,530	1,555,616

# Expenses and Liabilities

## 1 Details of Operating Expenses

(Thousand yen)

	31st Fiscal Period From November 1, 2020 to April 30, 2021	32nd Fiscal Period From May 1, 2021 to October 31, 2021
a. Asset Management Fees	834,274	871,602
b. Asset Custody Fees	15,079	15,106
c. Administrative Service Fees	43,586	43,593
d. Directors' Compensation	5,040	5,040
e. Other Operating Expenses	62,012	58,429
Total	959,993	993,771

## 2 Borrowings

The table below shows borrowings as of October 31, 2021.

	Lender	Loan Date	Balance at Period-start (million yen)	Balance at Period-end (million yen)	Average Interest Rate (%) (Note 1)	Repayment Date	Repayment Terms	Use	Collateralized
Long-Term Loans	SMBC	May 7, 2015	1,950	—	1.275 (Note 2)	May 7, 2021	(Note 3)		
	Mizuho Bank		1,950	—					
	Aozora Bank		588	—					
	Shinsei Bank		770	—					
	MUFG Bank		1,624	—					
	Resona Bank		1,361	—					
	Bank of Fukuoka		446	—					
	ORIX Bank		446	—					
	SMBC	May 7, 2015	1,950	1,948	1.347 (Note 2)	November 8, 2021	(Note 4)	(Note 10)	No (No Guarantee)
	Mizuho Bank		1,950	1,948					
	Aozora Bank		588	588					
	Shinsei Bank		772	771					
	MUFG Bank		1,624	1,622					
	Resona Bank		1,359	1,358					
	Bank of Fukuoka		446	446					
	ORIX Bank		446	446					
	SMBC	May 9, 2016	1,435	1,434	0.808 (Note 2)	May 31, 2022	(Note 5)		
	Mizuho Bank		1,039	1,038					
	MUFG Bank		891	890					
	Shinsei Bank		495	494					
SMBC	May 9, 2016	1,435	1,434	0.858 (Note 2)	November 30, 2022	(Note 6)			
Mizuho Bank		1,039	1,038						
MUFG Bank		891	890						
Shinsei Bank		495	494						

	Lender	Loan Date	Balance at Period-start (million yen)	Balance at Period-end (million yen)	Average Interest Rate (%) (Note 1)	Repayment Date	Repayment Terms	Use	Collateralized
Long-Term Loans	SMBC	May 24, 2016	1,782	1,780	0.705 (Note 2)	May 31, 2022	(Note 7)	(Note 10)	No (No Guarantee)
	Mizuho Bank		891	890					
	MUFG Bank		693	692					
	Shinsei Bank		594	593					
	Aozora Bank		495	494					
	Bank of Fukuoka		495	494					
	Nishi-Nippon City Bank		495	494					
	Resona Bank		346	346					
	SMBC	May 24, 2016	1,782	1,780	0.750 (Note 2)	November 30, 2022	(Note 7)		
	Mizuho Bank		891	890					
	MUFG Bank		693	692					
	Shinsei Bank		594	593					
	Aozora Bank		495	494					
	Bank of Fukuoka		495	494					
	Nishi-Nippon City Bank		495	494					
	Resona Bank		346	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	—	0.675	September 30, 2021	(Note 9)		
	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		
	SMBC	November 7, 2017	215	215	0.761 (Note 2)	October 31, 2023	Lump-sum repayment Lump-sum repayment		
	Mizuho Bank		340	340					
	MUFG Bank		283	283					
	Resona Bank		237	237					
	Shinsei Bank		135	135					
	Bank of Fukuoka		195	195					
	ORIX Bank		195	195					
	SMBC	November 7, 2017	633	633	0.948 (Note 2)	October 31, 2025	Lump-sum repayment		
Mizuho Bank	508		508						
MUFG Bank	425		425						
Resona Bank	356		356						
Shinsei Bank	201		201						
Aozora Bank	257		257						
SMBC	April 27, 2018	352	352	0.990 (Note 2)	April 30, 2026	Lump-sum repayment			
Mizuho Trust		1,352	1,352						
Aozora Bank		901	901						
Shinsei Bank		901	901						
Resona Bank		448	448						

	Lender	Loan Date	Balance at Period-start (million yen)	Balance at Period-end (million yen)	Average Interest Rate (%) (Note 1)	Repayment Date	Repayment Terms	Use	Collateralized
Long-Term Loans	SMBC	May 9, 2018	400	400	0.795 (Note 2)	April 30, 2024	Lump-sum repayment	(Note 10)	No (No Guarantee)
	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	0.654	February 29, 2024	Lump-sum repayment		
	Mizuho Bank	September 28, 2018	400	400	0.654	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	0.734	April 30, 2026	Lump-sum repayment		
	Shinsei Bank	October 31, 2018	200	200	0.734	April 30, 2026	Lump-sum repayment		
	SMBC	November 30, 2018	954	954	0.975 (Note 2)	September 30, 2026	Lump-sum Repayment		
	Mizuho Bank		773	773					
	Shinsei Bank		483	483					
	Aozora Bank		656	656					
	SMBC	December 21, 2018	830	830	0.907 (Note 2)	September 30, 2026	Lump-sum Repayment		
	Aozora Bank		570	570					
	SMBC	December 28, 2018	250	250	0.850 (Note 2)	April 30, 2026	Lump-sum repayment		
	Mizuho Bank		400	400					
	Development Bank of Japan		400	400					
	MUFG Bank		300	300					
	Shinsei Bank		250	250					
	SMBC	April 26, 2019	1,000	1,000	0.867 (Note 2)	September 25, 2026	Lump-sum repayment		
	Resona Bank	April 26, 2019	1,000	1,000	0.867 (Note 2)	September 25, 2026	Lump-sum repayment		
Bank of Fukuoka	April 26, 2019	1,000	1,000	0.867 (Note 2)	September 25, 2026	Lump-sum repayment			
SMBC	July 31, 2019	1,239	1,239	0.822 (Note 2)	March 25, 2027	Lump-sum repayment			
Mizuho Bank		1,074	1,074						
Shinsei Bank		743	743						
Aozora Bank		743	743						
Resona Bank		743	743						
ORIX Bank		413	413						
The Kagawa Bank		July 31, 2019	413				413	0.698 (Note 2)	September 25, 2025
SMBC	September 30, 2019	692	692	0.726 (Note 2)	March 25, 2026	Lump-sum repayment			

	Lender	Loan Date	Balance at Period-start (million yen)	Balance at Period-end (million yen)	Average Interest Rate (%) (Note 1)	Repayment Date	Repayment Terms	Use	Collateralized
Long-Term Loans	SMBC	November 29, 2019	672	672	0.844 (Note 2)	September 27, 2027	Lump-sum repayment	(Note 10)	No (No Guarantee)
	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	0.653	March 25, 2027	Lump-sum repayment		
	SMBC	May 29, 2020	827	827	0.473	September 25, 2023	Lump-sum repayment		
	Shinsei Bank		790	790					
	Mizuho Bank		753	753					
	MUFG Bank		677	677					
	SMBC	May 29, 2020	543	543	0.740 (Note 2)	March 25, 2027	Lump-sum repayment		
	Shinsei Bank		518	518					
	Mizuho Bank		494	494					
	MUFG Bank		445	445					
	Aozora Bank	August 31, 2020	2,127	2,127	0.828 (Note 2)	August 25, 2028	Lump-sum repayment		
	Shinsei Bank	August 31, 2020	998	998	0.722 (Note 2)	March 25, 2027	Lump-sum repayment		
	Shinsei Bank	August 31, 2020	1,000	1,000	0.828 (Note 2)	August 25, 2028	Lump-sum repayment		
	Mizuho Bank	August 31, 2020	400	400	0.828 (Note 2)	August 25, 2028	Lump-sum repayment		
	SMBC	December 10, 2020	407	407	0.569 (Note 2)	September 25, 2025	Lump-sum repayment		
	MUFG Bank		781	781					
	Resona Bank		586	586					
	Mizuho Bank		407	407					
	Shinsei Bank		260	260					
	Aozora Bank		260	260					
	SMBC	December 10, 2020	814	814	0.787 (Note 2)	November 27, 2028	Lump-sum repayment		
Mizuho Bank	814		814						
Shinsei Bank	521		521						
Aozora Bank	521		521						
SMBC	December 18, 2020	800	800	0.802 (Note 2)	November 27, 2028	Lump-sum repayment			
Mizuho Bank	December 18, 2020	700	700	0.802 (Note 2)	November 27, 2028	Lump-sum repayment			
Bank of Yokohama Bank	December 18, 2020	500	500	0.802 (Note 2)	November 27, 2028	Lump-sum repayment			
SMBC	March 31, 2021	527	527	0.494	September 25, 2024	Lump-sum repayment			
MUFG Bank		494	494						
Mizuho Bank		355	355						
Bank of Yokohama		285	285						
Mizuho Trust & Banking		95	95						

	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	March 31, 2021	1,055	1,055	0.876 (Note 2)	March 26, 2029	Lump-sum repayment	(Note 10)	No (No Guarantee)
	Mizuho Bank		710	710					
	Aozora Bank		571	571					
	Resona Bank		571	571					
	Mizuho Trust & Banking		190	190					
	SMBC	May 7, 2021	—	329	0.490	September 25, 2024	Lump-sum repayment		
	MUFG Bank		—	1,372					
	Bank of Fukuoka		—	376					
	Mizuho Bank		—	329					
	Bank of Yokohama		—	30					
	SMBC	May 7, 2021	—	329	0.733 (Note 2)	March 27, 2028	Lump-sum repayment		
	Mizuho Bank		—	329					
	Resona Bank		—	287					
	Aozora Bank		—	174					
	Shinsei Bank		—	162					
	Bank of Yokohama		—	161					
	SMBC	May 7, 2021	—	988	0.819 (Note 2)	May 25, 2029	Lump-sum repayment		
	Mizuho Bank		—	988					
	Resona Bank		—	862					
	Shinsei Bank		—	487					
Aozora Bank	—		422						
Development Bank of Japan	September 30 2021	—	500	0.764	September 25, 2028	Lump-sum repayment			
Total			105,896	104,353					

- (Note 1) Average Interest Rate indicates a weighted average of interest rates during the period based on the number of days, and it is rounded down to the stated unit.
- (Note 2) To avoid interest rate risk, an interest rate swap agreement has been signed separately to fix the interest rates, and the weighted average interest rate during the period after the effect of the interest rate swap is stated.
- (Note 3) The remaining balance was repaid on May 7, 2021.
- (Note 4) 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 5) 1 million yen is repaid on the final business day every three months, and the remaining balance will be repaid on the last due date. The entire amount of the balance at period-end is included in long-term borrowings due within one year.
- (Note 6) 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 7) 2 million yen is repaid on the final business day every three months, and the remaining balance will be repaid on the last due date. The entire amount of the balance at period-end is included in long-term borrowings due within one year.
- (Note 8) 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 9) The remaining balance was repaid on September 30, 2021.
- (Note 10) 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, 2021 is as follows:

	Date of Issuance	Balance at Period-start (million yen)	Balance at Period-end (million yen)	Interest Rate (%)	Redemption Date	Redemption Method	Use	Collateralized
First unsecured investment corporation bonds	September 22, 2017	1,200	1,200	0.900	September 22, 2027	Lump-sum repayment	(Note 1)	No (No guarantee)
Second unsecured investment corporation bonds	April 26, 2018	1,000	1,000	0.900	April 26, 2028	Lump-sum repayment		
Third unsecured investment corporation bonds	November 29, 2018	1,000	1,000	0.750	November 28, 2025	Lump-sum repayment		
Fourth unsecured investment corporation bonds	July 26, 2019	1,200	1,200	0.890	July 26, 2029	Lump-sum repayment		
Fifth unsecured investment corporation bonds	March 26, 2020	1,000	1,000	0.300	March 26, 2025	Lump-sum repayment		
sixth unsecured investment corporation bonds	May 6, 2021	—	1,500	0.850	May 2, 2031	Lump-sum repayment		
Total		5,400	6,900					

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

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

### 4 Short-Term Investment Corporation Bonds

N/A

### 5 Share Options

N/A

# Acquisitions and Sales during the Fiscal Period

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

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 from May 1, 2021 to October 31, 2021, the transactions subject to price verification were six interest rate swaps. With respect to the price verification of these interest rate swaps, all related research work was outsourced, including identification of the transaction counterparties, currency, interest rates, maturity, and other relevant transaction information.

## 4 Transactions with Related Parties

### (1) Transactions

N/A

### (2) Amount of Fees Paid

N/A

## 5 Transactions between the Asset Management Company and its Other Businesses

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

# Financial Statements

## 1 Assets, Liabilities, Principal, Profit and Loss

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

## 2 Changes in Method of Depreciation

N/A

## 3 Changes in Method of Real Estate and Infrastructure Assets Appraisal

N/A

# Other

## 1 Ichigo Office Shares Held by Asset Management Company

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

### (1) Transactions

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

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

### (2) Status of Holdings

	Number of Shares Held at Period-end (shares)	Value of Shares Held at Period-end (thousand yen)(Note)	Ratio of Total Outstanding Shares (%)
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
31st Fiscal Period (November 1, 2020 to April 30, 2021)	1,400	133,700	0.1
32nd Fiscal Period (May 1, 2021 to October 31, 2021)	1,400	120,820	0.1

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

## 2 Notices

### (1) Shareholder Meeting

N/A

### (2) Board of Directors

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

Approval Date	Subjects	Note
May 28, 2021	Entrustment of General Administrative Matters Regarding Issuance of Investment Corporation Bonds	The Board of Directors were entrusted to determine the overview for the investment corporation bonds scheduled for issuance from June 6, 2021 to June 5, 2023, and approved the candidates for respective general administrators, as well as other related matters.

## 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, 2021, 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, 2021, and its financial performance and its cash flows for the six month 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.

## **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 Director's execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

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

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

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

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

*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  
24<sup>th</sup> January ,2022

# 1. Financial Statements

## (1) Balance Sheet

(Thousand Yen)

	Previous fiscal period (As of April 30, 2021)	Current fiscal period (As of October 31, 2021)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	8,884,298	9,420,989
Cash and deposits in trust	14,194,614	13,974,370
Operating accounts receivable	13,030	17,599
Prepaid expenses	444,428	433,762
Consumption taxes receivable	59,893	—
Other	2,316	2,298
<b>Total current assets</b>	<b>23,598,581</b>	<b>23,849,019</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings	7,208,238	7,240,518
Accumulated depreciation	(1,964,818)	(2,074,931)
Buildings, net	5,243,420	5,165,587
Structures	29,066	29,066
Accumulated depreciation	(24,293)	(24,613)
Structures, net	4,773	4,453
Machinery and equipment	336,180	339,358
Accumulated depreciation	(194,478)	(207,623)
Machinery and equipment, net	141,702	131,734
Tools, furniture and fixtures	67,417	70,921
Accumulated depreciation	(52,365)	(55,244)
Tools, furniture and fixtures, net	15,052	15,677
Land	15,638,558	15,638,558
Construction in progress	—	1,360
Buildings in trust	45,672,055	46,203,049
Accumulated depreciation	(9,721,825)	(10,435,327)
Buildings in trust, net	35,950,230	35,767,722
Structures in trust	69,520	69,520
Accumulated depreciation	(34,504)	(36,486)
Structures in trust, net	35,015	33,033
Machinery and equipment in trust	773,363	800,471
Accumulated depreciation	(367,569)	(395,886)
Machinery and equipment in trust, net	405,794	404,584
Tools, furniture and fixtures in trust	268,992	298,095
Accumulated depreciation	(169,005)	(186,014)
Tools, furniture and fixtures in trust, net	99,986	112,081
Land in trust	140,668,104	140,668,104
Construction in progress in trust	5,137	6,137
<b>Total property, plant and equipment</b>	<b>198,207,776</b>	<b>197,949,036</b>
<b>Intangible assets</b>		
Leasehold rights in trust	4,494,579	4,494,579
<b>Total intangible assets</b>	<b>4,494,579</b>	<b>4,494,579</b>
<b>Investments and other assets</b>		
Lease and guarantee deposits	10,000	10,000
Long-term prepaid expenses	1,188,361	1,184,988
Other	113,058	114,849
<b>Total investments and other assets</b>	<b>1,311,420</b>	<b>1,309,838</b>
<b>Total non-current assets</b>	<b>204,013,776</b>	<b>203,753,453</b>
<b>Deferred assets</b>		
Bond issuance expenses	42,430	50,603
<b>Total deferred assets</b>	<b>42,430</b>	<b>50,603</b>
<b>Total Assets</b>	<b>227,654,788</b>	<b>227,653,077</b>

(Thousand Yen)

	Previous fiscal period (As of April 30, 2021)	Current fiscal period (As of October 31, 2021)
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Operating accounts payable	588,212	608,916
Long-term loans (due within one year)	19,317,000	19,292,000
Accounts payable – other	974,987	1,015,033
Accrued expenses	13,316	24,963
Income taxes payable	605	605
Accrued consumption taxes	77,741	234,129
Advances received	1,577,403	1,554,997
Other	20,619	19,708
<b>Total current liabilities</b>	<b>22,569,885</b>	<b>22,750,353</b>
<b>Long-Term Liabilities</b>		
Investment corporation bonds	5,400,000	6,900,000
Long-term borrowings	86,579,000	85,061,250
Tenant leasehold and security deposits	1,512,979	1,521,592
Tenant leasehold and security deposits in trust	9,032,195	8,894,482
Asset retirement obligations	19,360	19,425
Other	93,765	84,133
<b>Total long-term liabilities</b>	<b>102,637,300</b>	<b>102,480,885</b>
<b>Total Liabilities</b>	<b>125,207,186</b>	<b>125,231,239</b>
<b>Net Assets</b>		
<b>Shareholders' Equity</b>		
Shareholders' capital	67,675,274	67,675,274
<b>Surplus</b>		
Capital reserve surplus	20,566,420	20,566,420
Capital reserve surplus deduction	*2 (1,499,919)	*2 (1,499,919)
Capital reserve surplus (net)	19,066,500	19,066,500
<b>Discretionary reserves</b>		
Reserve for dividends	3,368,625	3,368,625
Reserve for temporary difference adjustments	*3 9,214,544	*3 9,109,544
<b>Total discretionary reserves</b>	<b>12,583,170</b>	<b>12,478,170</b>
Unappropriated retained earnings (undisposed loss)	3,122,657	3,201,892
<b>Total surplus</b>	<b>34,772,328</b>	<b>34,746,563</b>
<b>Total Shareholders' Equity</b>	<b>102,447,602</b>	<b>102,421,837</b>
<b>Total Net Assets</b>	<b>*1 102,447,602</b>	<b>*1 102,421,837</b>
<b>Total Liabilities and Net Assets</b>	<b>227,654,788</b>	<b>227,653,077</b>

## (2) Income Statement

(Thousand yen)

	Previous fiscal period (November 1, 2020 to April 30, 2021)	Current fiscal period (May 1, 2021 to October 31, 2021)
<b>Operating Revenue</b>		
Rental revenue	*1 7,165,612	*1 7,218,290
Other rental revenue	*1 559,554	*1 625,562
Total operating revenue	7,725,167	7,843,853
<b>Operating Expenses</b>		
Rental expenses	*1 2,841,732	*1 2,887,418
Asset management fee	834,274	871,602
Asset custody fee	15,079	15,106
Administrative service fees	43,586	43,593
Directors' compensation	5,040	5,040
Other operating expenses	62,012	58,429
Total operating expenses	3,801,726	3,881,190
<b>Operating Profit</b>	<b>3,923,441</b>	<b>3,962,663</b>
<b>Non-Operating Revenues</b>		
Interest income	124	104
Reversal of distribution payable	861	1,065
Other	491	642
Total non-operating revenues	1,477	1,813
<b>Non-operating expenses</b>		
Interest expenses	494,155	470,997
Borrowing expenses	301,355	287,728
Amortization of bond issuance expenses	3,705	4,382
Other	3,376	30
Total non-operating expenses	802,592	763,138
<b>Recurring Profit</b>	<b>3,122,326</b>	<b>3,201,338</b>
Pre-tax income	3,122,326	3,201,338
Income taxes - current	605	605
Total income taxes	605	605
<b>Net Income</b>	<b>3,121,721</b>	<b>3,200,733</b>
Retained earnings brought forward	935	1,158
Unappropriated retained earnings (undisposed loss)	3,122,657	3,201,892

(3) Statement of Changes in Net Assets  
 Previous fiscal period (November 1, 2020 to April 30, 2021)

(Thousand yen)

	Shareholders' equity						
	Shareholders' capital	Surplus					Total discretionary reserves
		Capital reserve surplus	Capital reserve surplus deduction	Capital reserve surplus (net)	Dividend reserve	Temporary difference adjustment reserve	
Balance at beginning of period	67,675,274	20,566,420	—	20,566,420	3,368,625	9,319,544	12,688,170
Changes during the period							
Release from temporary difference adjustment reserve						(105,000)	(105,000)
Dividends							
Net Income							
Share Buyback							
Share Cancellation			(1,499,919)	(1,499,919)			
Total changes during the period	—	—	(1,499,919)	(1,499,919)	—	(105,000)	(105,000)
Balance at period-end	67,675,274	20,566,420	(1,499,919)	19,066,500	3,368,625	9,214,544	12,583,170

	Shareholders' equity				Total net assets
	Surplus		Treasury Shares	Total shareholders' equity	
	Unappropriated retained earnings (undisposed loss)	Total surplus			
Balance at beginning of period	3,312,935	36,567,525	—	104,242,800	104,242,800
Changes during the period					
Release from temporary difference adjustment reserve	105,000	—		—	—
Dividends	(3,417,000)	(3,417,000)		(3,417,000)	(3,417,000)
Net Income	3,121,721	3,121,721		3,121,721	3,121,721
Share Buyback			(1,499,919)	(1,499,919)	(1,499,919)
Share Cancellation		(1,499,919)	1,499,919	—	—
Total changes during period	(190,278)	(1,795,197)	—	(1,795,197)	(1,795,197)
Balance at period-end	3,122,657	34,772,328	—	102,447,602	102,447,602

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

(Thousand yen)

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

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

## (4) Statement of Dividends

	Previous fiscal period (November 1, 2020 to April 30, 2021)	Current fiscal period (May 1, 2021 to October 31, 2021)
I. Unappropriated Retained Earnings	3,122,657,050 yen	3,201,892,139 yen
II. Discretionary Reserve Reversal		
Reversal of Temporary Difference Adjustment Reserve	105,000,000 yen	105,000,000 yen
III. Total Dividends	3,226,498,444 yen	3,306,706,895 yen
(Dividend per share)	(2,132 yen)	(2,185 yen)
IV. Discretionary Reserves		
V. Retained Earnings Carried Forward	1,158,606 yen	185,244 yen
Method for calculating the amount of dividends	The distribution policy set out in Article 37 of the Articles of Incorporation of the Investment Corporation stipulates that the amount of dividends shall exceed 90% of “profit available for dividend” as provided for in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation. Based on this policy, the decision was made to distribute, as dividends, 3,226,498,444 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 3,122,657,050 yen of unappropriated retained earnings. As a result, dividend per share came to 2,132 yen.	The distribution policy set out in Article 37 of the Articles of Incorporation of the Investment Corporation stipulates that the amount of dividends shall exceed 90% of “profit available for dividend” as provided for in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation. Based on this policy, the decision was made to distribute, as dividends, 3,306,706,895 yen, which was the entire amount excluding the fractional portion where the amount of dividends per share was less than 1 yen from the amount after adding 105,000,000 yen of the reversal of the temporary difference adjustment reserve to 3,201,892,139 yen of unappropriated retained earnings. As a result, dividend per share came to 2,185 yen.

## (5) Cash Flow Statement

(Thousand yen)

	Previous fiscal period (November 1, 2020 to April 30, 2021)	Current fiscal period (May 1, 2021 to October 31, 2021)
<b>Cash flows from operating activities</b>		
Pre-tax income	3,122,326	3,201,338
Depreciation	870,602	887,267
Interest income	(124)	(104)
Interest expense	494,155	470,997
Decrease (increase) in operating accounts receivable	17,892	(4,568)
Decrease (increase) in consumption taxes receivable	(59,893)	59,893
Decrease (increase) in prepaid expenses	(30,429)	10,666
Decrease (increase) in long-term prepaid expenses	(110,934)	3,373
Increase (decrease) in accrued consumption taxes	(60,089)	156,388
Increase (decrease) in operating accounts payable	(101,112)	60,156
Increase (decrease) in accounts payable	371,380	40,046
Increase (decrease) in advances received	103,432	(22,406)
Other	4,851	(10,225)
Subtotal	4,622,057	4,852,821
Purchase of property, plant and equipment	124	104
Interest expenses paid	(496,102)	(459,350)
Income taxes paid	(605)	(605)
Net Cash flows from (used for) operations	4,125,474	4,392,970
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(94,251)	(57,717)
Purchase of property, plant and equipment in trust	(4,414,937)	(609,708)
Proceeds from tenant leasehold and security deposits	108,067	33,973
Repayments from tenant leasehold and security deposits	(63,631)	(25,360)
Proceeds from tenant leasehold and security deposits in trust	568,130	254,320
Repayments from tenant leasehold and security deposits in trust	(429,869)	(392,033)
Increase due to redemption of equity interest	50,654	—
Net Cash flows from (used for) investments	(4,275,838)	(796,525)
<b>Cash flows from financing activities</b>		
Increase in long-term borrowings	12,224,000	8,125,000
Decrease in long-term borrowings	(10,273,543)	(9,667,750)
Proceeds from bond issuance	—	1,487,445
Share buyback	(1,499,919)	—
Dividends paid	(3,416,058)	(3,225,613)
Net Cash flows from (used for) financing	(2,965,521)	(3,280,918)
Net increase (decrease) in cash and cash equivalents	(3,115,884)	315,526
Cash and cash equivalents at beginning of period	26,104,589	22,988,704
Cash and cash equivalents at end of period	*1 22,988,704	*1 23,304,230

(6) Notes to Financial Statements  
(Going concern note)

N/A

(Summary of Significant Accounting Policies)

<p>1. Method of depreciation of fixed assets</p>	<p>(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 45 years Machinery and equipment : 1 to 15 years Tools, furniture and fixtures : 1 to 15 years</p> <p>(2) Long-term prepaid expenses The depreciation of long-term prepaid expenses is calculated using the straight-line method.</p>
<p>2. Accounting for deferred assets</p>	<p>Investment corporation bond issuance costs Investment corporation bond issuance costs are amortized equally over the period up to the redemption.</p>
<p>3. Standards for recognition of revenues and expenses</p>	<p>(1) Accounting for revenues Details of performance obligations regarding revenue from contracts between Ichigo Office and its customers and the the general point of time under normal circumstances such revenues should be recognized are as follows: (i) Real estate property sales Revenue from real estate property sales is recognized as revenues when the buyer (customer) obtains control over a real estate property following the seller's fulfilment of its obligation to hand over the property which is stipulated in the contract associated with the sale of real estate property. (ii) Utility charge reimbursements Revenue from utility charge reimbursements is recognized according to the supply of electricity, water, etc. to lessees who are customers based on lease agreements and other terms related to the real estate properties. For utility charge reimbursements which Ichigo Office regards itself as an agent, the net amount calculated by subtracting the amount paid to a party from the total amount received as charges for electricity, gas, etc. supplied by the same party is recognized as revenue.</p> <p>(2) Accounting for fixed asset taxes, etc. Of the amount of fixed asset taxes, city planning taxes and depreciable asset taxes imposed on real estate owned that was assessed and determined, the amount corresponding to the relevant computation period is recognized as expenses in the rental business. The amount corresponding to fixed asset taxes for the first fiscal year that the Investment Corporation should incur associated with the acquisition of real estate or trust beneficiary interests in real estate is not expensed, but is included in the acquisition costs of the real estate.</p>
<p>4. Method of hedge accounting</p>	<p>(1) Method of hedge accounting In cases where the interest rate swaps meet the conditions for special treatment, the special treatment is adopted.</p> <p>(2) Hedging instruments and hedged items Hedging instruments: Interest rate swap transactions Hedged items: Interest on loans</p> <p>(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.</p> <p>(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.</p>
<p>5. Scope of funds on the cash flow statement</p>	<p>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.</p>

<p>6. Other significant matters serving as the basis for preparing financial statements</p>	<p>(1) Accounting for trust beneficiary interests in real estate  For trust beneficiary interests in real estate, all trust assets and liabilities as well as all income generated and expenses incurred in trusts are recorded in the relevant accounts on the balance sheet and the income statement.  The following material items of the trust accounts recorded in the relevant accounts are listed separately on the balance sheet.  (i) Cash and deposits in trust  (ii) Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust; land in trust; construction in progress in trust; and land leasehold rights in trust  (iii) Tenant leasehold and security deposits in trust</p> <p>(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.</p>
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(Notes to changes in accounting standards)

(1) Application of Accounting Standard for Revenue Recognition, etc.

The “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29 on March 31, 2020, Accounting Standards Board of Japan) has been applied at the beginning of the October 2021 fiscal period. In accordance with this accounting standard, Ichigo Office recognizes revenue as the amount expected to be received in exchange for the promised goods or services when the control of the goods or services is transferred to the customer. The impact of these changes on the financial statements for the October 2021 fiscal period is minor.

Furthermore, in accordance with the transitional treatment stipulated in Paragraph 89-3 of the Accounting Standard for Revenue Recognition, related information on revenue recognition for the previous fiscal period is not disclosed.

(2) Application of Accounting Standard for Fair Value Management, etc.

The “Accounting Standard for Fair Value Management” (ASBJ Statement No.30 on July 4, 2019, Accounting Standards Board of Japan) has been applied at the beginning of the October 2021 fiscal period. In accordance with the transitional treatment prescribed in Paragraph 19 of the Accounting Standard for Fair Value Measurement and Paragraph 44–2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019, Accounting Standard Board of Japan), Ichigo Office has decided to apply the new accounting policies set forth by the Accounting Standard for Fair Value Measurement, etc. in the future. The impact of these changes on the financial statements for the October 2021 fiscal period is minor.

Furthermore, in accordance with the regulations noted on Article 2, Paragraph 5 of the supplementary provisions for the “Cabinet Office Order for Partially Revising the Ordinance on the Terminology, Forms, and Preparation Methods of Financial Statements, etc.” (Cabinet Office Ordinance No.61 on September 24, 2021), matters set down on Article 8-6-2, Paragraph 1-3 of the amended Ordinance on the Terminology, Forms, and Preparation Methods of Financial Statements, etc. has been omitted.

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, 2021)	Current fiscal period (As of October 31, 2021)
	50,000	50,000

\*2. Cancellation of Treasury Shares

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

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

\*3. Provision and reversal of temporary difference adjustment reserves

Previous fiscal period (As of April 30, 2021)

(Thousand yen)

	Initial amount	Balance at beginning of period	Amount reserved during period	Amount reversed during period	Balance at end of period	Reasons for provision and reversal
Gain on Negative goodwill (Note)	10,432,940	9,319,544	—	105,000	9,214,544	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, 2021)

(Thousand yen)

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

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

(Notes to Income Statement)

\*1. Details of real estate rental income

(Thousand yen)

	Previous fiscal period (November 1, 2020 to April 30, 2021)		Current fiscal period (May 1, 2021 to October 31, 2021)	
A. Real estate rental revenue				
Rental Revenue				
Rental revenue	5,866,808		5,914,034	
Common area charges	965,585		965,695	
Parking lot rental revenue	270,179		274,502	
Facility use charges	63,038	7,165,612	64,058	7,218,290
Other rental revenue				
Utilities revenue	496,848		526,796	
Other	62,705	559,554	98,766	625,562
Total real estate rental revenue		7,725,167		7,843,853
B. Real estate rental expenses				
Rental expenses				
Service provider expenses	691,847		660,305	
Utilities	428,352		481,331	
Trust fees	37,994		36,809	
Depreciation	870,602		887,267	
Repair expenses	93,981		86,694	
Taxes and public dues	658,609		672,145	
Non-life insurance expenses	18,411		20,800	
Other rental expenses	41,931		42,063	
Total real estate rental expenses		2,841,732		2,887,418
C. Net rental income				
(A-B)		4,883,435		4,956,434

## (Statement of changes in net assets)

	Previous fiscal period (November 1, 2020 to April 30, 2021)	Current fiscal period (May 1, 2021 to October 31, 2021)
Total number of authorized shares and total number of shares issued and outstanding		
Total number of authorized shares	14,000,000 shares	14,000,000 shares
Total number of shares issued and outstanding	1,513,367 shares	1,513,367 shares

## (Notes to statement of dividends)

Previous fiscal period (November 1, 2020 to April 30, 2021)	Current fiscal period (May 1, 2021 to October 31, 2021)
By applying the transitional measures of Paragraph 3 of the Supplementary Provisions of the “Regulation on Accountings of Investment Corporations” (Cabinet Office Order No. 27 of 2015), an amount of 10,432,940,000 yen, which was the remaining balance of gain on negative goodwill was transferred to the temporary difference adjustment reserve account, and planned to equally reverse the entire amount within 50 years. The original policy was to reverse a minimum of 200,000,000 yen starting from the 23rd fiscal period, as stated on the statement of dividends for the 22nd fiscal period. But the policy has been changed to reversing a minimum of 105,000,000 yen starting from the 24th fiscal period. For this fiscal period, 105,000,000 yen will be reversed.	By applying the transitional measures of Paragraph 3 of the Supplementary Provisions of the “Regulation on Accountings of Investment Corporations” (Cabinet Office Order No. 27 of 2015), an amount of 10,432,940,000 yen, which was the remaining balance of gain on negative goodwill was transferred to the temporary difference adjustment reserve account, and planned to equally reverse the entire amount within 50 years. The original policy was to reverse a minimum of 200,000,000 yen starting from the 23rd fiscal period, as stated on the statement of dividends for the 22nd fiscal period. But the policy has been changed to reversing a minimum of 105,000,000 yen starting from the 24th fiscal period. For this fiscal period, 105,000,000 yen will be reversed.

(Notes to cash flow statement)

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

	(Thousand yen)	
	Previous fiscal period (November 1, 2020 to April 30, 2021)	Current fiscal period (May 1, 2021 to October 31, 2021)
Cash and deposits	8,884,298	9,420,989
Cash and deposits in trust	14,194,614	13,974,370
Miscellaneous deposits	(90,208)	(91,129)
Cash and cash equivalents	22,988,704	23,304,230

(Notes to lease transactions)

Operating lease transactions

(Lessee)

	(Thousand yen)	
	Previous fiscal period (November 1, 2020 to April 30, 2021)	Current fiscal period (May 1, 2021 to October 31, 2021)
Outstanding lease charges		
One year or less	67,289	58,603
Over one year	961,930	934,800
Total	1,029,220	993,403

(Lessor)

	(Thousand yen)	
	Previous fiscal period (November 1, 2020 to April 30, 2021)	Current fiscal period (May 1, 2021 to October 31, 2021)
Outstanding lease charges		
One year or less	7,573,266	7,235,903
Over one year	1,228,946	930,183
Total	8,802,213	8,117,329

(Notes to financial instruments)

1. Matters concerning the status of financial instruments

(1) Policy for handling financial instruments

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

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

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

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

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

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

The carrying amount on the balance sheet on April 30, 2021, the market value, and the difference between the carrying amount and the market value were as follows.

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

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

(Thousand yen)

	Carrying value	Market value	Difference
(1) Long-term borrowings (due within one year)	19,317,000	19,348,724	31,724
(2) Investment corporation bonds	5,400,000	5,326,130	(73,869)
(3) Long-term borrowings	86,579,000	87,364,694	785,694
Total liabilities	111,296,000	112,039,548	743,548
(4) Derivative transactions	—	—	—

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

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

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

(Thousand yen)

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

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

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

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

(2) Investment corporation bonds

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

(4) Derivative transactions

Please refer to “Notes to Derivative Transactions” below.

(Note 2) Maturity profile of investment corporation bonds and long-term loans after the fiscal period-end date (April 30, 2021)

(Thousand yen)

	Due within 1 year	Due after 1 year but within 2 years	Due after 2 years but within 3 years	Due after 3 years but within 4 years	Due after 4 years but within 5 years	Due after 5 years
Long-term borrowings (due within one year)	19,317,000	—	—	—	—	—
Investment corporation bonds	—	—	—	1,000,000	1,000,000	3,400,000
Long-term borrowings	—	19,266,000	10,547,000	8,102,000	13,340,000	35,324,000
Total	19,317,000	19,266,000	10,547,000	9,102,000	14,340,000	38,724,000

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

(Thousand yen)

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

(Securities)

Previous fiscal period (As of April 30, 2021)

N/A

Current fiscal period (As of October 31, 2021)

N/A

(Notes to derivative transactions)

1. Non-hedge accounting derivatives

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

2. Hedge accounting derivatives

Previous fiscal period (As of April 30, 2021)

(Thousand yen)

Method of hedge accounting	Type of derivative transaction	Main hedged item	Contract amount		Market value	Calculation method of market value
				Over one year		
Special treatment of interest rate swaps	Interest rate swap transaction (pay fixed, receive floating)	Long-term borrowings	95,638,000	77,321,000	(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 (1) Long-term borrowings (due within one year) (3) long-term borrowings payable in (Note 1) of “Notes to financial instruments, 2. Matters concerning the market value, etc. of financial instruments” above.

Current fiscal period (As of October 31, 2021)

(Thousand yen)

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

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

(Notes to retirement benefits)

Previous fiscal period (As of April 30, 2021)

N/A

Current fiscal period (As of October 31, 2021)

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, 2021)	Current fiscal period (As of October 31, 2021)
Deferred tax assets		
Valuation difference of assets transferred at merger	5,266,735	5,254,116
Asset retirement obligations	1,338	1,442
Tax loss carried forward	264,886	264,886
Other	14	7
Subtotal	5,532,975	5,520,453
Valuation allowance	(5,532,975)	(5,520,453)
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, 2021)	Current fiscal period (As of October 31, 2021)
Statutory tax rate	31.46%	31.46%
(Adjustment)		
Deductible dividend distribution	(31.11%)	(31.12 %)
Change in valuation allowance	(0.35%)	(0.34 %)
Use of tax loss carried forward	0.00%	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, 2020 to April 30, 2021)

N/A

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

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, 2020 to April 30, 2021) and the current fiscal period (from May 1, 2021 to October 31, 2021)

2. Affiliated companies

Not applicable in the previous fiscal period (from November 1, 2020 to April 30, 2021) and the current fiscal period (from May 1, 2021 to October 31, 2021)

3. Fellow subsidiaries

Not applicable in the previous fiscal period (from November 1, 2020 to April 30, 2021) and the current fiscal period (from May 1, 2021 to October 31, 2021)

4. Directors and principal individual shareholders

Not applicable in the previous fiscal period (from November 1, 2020 to April 30, 2021) and the current fiscal period (from May 1, 2021 to October 31, 2021)

(Asset retirement obligations)

Previous fiscal period (November 1, 2020 to April 30, 2021)

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

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

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, 2020 to April 30, 2021)	Current fiscal period (May 1, 2021 to October 31, 2021)
Office	Carrying amount		
	Balance at the beginning of period	192,633,710	196,293,525
	Increase (decrease) during period	3,659,814	(236,926)
	Balance at period-end	196,293,525	196,056,599
	Market value at period-end	237,093,000	237,323,000
Other	Carrying amount		
	Balance at the beginning of period	6,413,747	6,403,692
	Increase (decrease) during period	(10,055)	(24,174)
	Balance at period-end	6,403,692	6,379,518
	Market value at period-end	6,936,000	6,678,000
Total	Carrying amount		
	Balance at the beginning of period	199,047,458	202,697,218
	Increase (decrease) during period	3,649,759	(261,100)
	Balance at period-end	202,697,218	202,436,117
	Market value at period-end	244,029,000	244,001,000

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

(Note 2) The major increase during the previous fiscal period was due to the acquisition of trust beneficiary interests in real estate of one asset (3,833,554 thousand yen), and the major decrease was depreciation.

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

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

(Notes regarding revenue recognition)

Breakdown of revenue from contracts with customers

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

(Thousand yen)

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

(Note) Rental revenues, etc. which are subject to Accounting Standard for Lease Transactions (ASBJ Statement No. 13) are not included in the above amounts as they are excluded from revenue recognition accounting standards. Revenues generated from contracts with major customers are real estate property sales and utility charge reimbursements.

(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, 2020 to April 30, 2021)

1. Information by product and service

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

2. Information by region

(1) Operating revenue

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

(2) Property, plant and equipment

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

3. Information by main customer

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

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

1. Information by product and service

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

2. Information by region

(1) Operating revenue

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

(2) Property, plant and equipment

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

3. Information by main customer

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

(Notes to per-share information)

	Previous fiscal period (November 1, 2020 to April 30, 2021)	Current fiscal period (May 1, 2021 to October 31, 2021)
Net assets per share (yen)	67,695	67,678
Net income per share (yen)	2,050	2,114

(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, 2020 to April 30, 2021)	Current fiscal period (May 1, 2021 to October 31, 2021)
Net Income (Thousand yen)	3,121,721	3,200,733
Amount not attributable to common shareholders (Thousand yen)	—	—
Net income attributable to common shareholders (Thousand yen)	3,121,721	3,200,733
Average number of shares during period (Shares)	1,522,356	1,513,367

(Notes to Significant Subsequent Events)

N/A

## (7) Supplementary Schedules

## (i) Schedule of securities

## (a) Stocks

N/A

## (b) Securities other than stocks

N/A

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

(Thousand yen)

Classification	Type	Contract amount (Note 1)		Market value (Note 2)
			Exceeding 1 year	
Transactions other than market transactions	Interest rate swap (pay fixed, receive floating)	91,659,250	72,867,250	-
Total		91,659,250	72,867,250	-

(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	7,208,238	32,279	—	7,240,518	2,074,931	110,112	5,165,587	(Note)
	Structures	29,066	—	—	29,066	24,613	320	4,453	(Note)
	Machinery and equipment	336,180	3,177	—	339,358	207,623	13,145	131,734	(Note)
	Tools, furniture and fixtures	67,417	3,504	—	70,921	55,244	2,878	15,677	(Note)
	Land	15,638,558	—	—	15,638,558	—	—	15,638,558	
	Construction in progress	—	1,360	—	1,360	—	—	1,360	
	Buildings in trust	45,672,055	530,994	—	46,203,049	10,435,327	713,501	35,767,722	(Note)
	Structures in trust	69,520	—	—	69,520	36,486	1,982	33,033	(Note)
	Machinery and equipment in trust	773,363	27,108	—	800,471	395,886	28,317	404,584	(Note)
	Tools, furniture and fixtures in trust	268,992	29,103	—	298,095	186,014	17,008	112,081	(Note)
	Land in trust	140,668,104	—	—	140,668,104	—	—	140,668,104	
	Construction in progress in trust	5,137	1,000	—	6,137	—	—	6,137	
	Subtotal	210,736,636	628,527	—	211,365,164	13,416,127	887,267	197,949,036	
Intangible assets	Land leasehold rights in trust	4,494,579	—	—	4,494,579	—	—	4,494,579	
	Subtotal	4,494,579	—	—	4,494,579	—	—	4,494,579	
Total		215,231,216	628,527	—	215,859,743	13,416,127	887,267	202,443,615	

(Note) The major decrease was depreciation the current fiscal period.

## (iv) Schedule of other specified assets

N/A

## (v) Schedule of investment corporation bonds

(Thousand yen)

	Date of issuance	Balance at period-start	Decrease during period	Balance at period-end	Interest rate (%)	Redemption date	Use	Security
First unsecured investment corporation bonds	September 22, 2017	1,200,000	—	1,200,000	0.900	September 22, 2027	(Note 1)	Unsecured/ unguaranteed
Second unsecured investment corporation bonds	April 26, 2018	1,000,000	—	1,000,000	0.900	April 26, 2028		
Third unsecured investment corporation bonds	November 29, 2018	1,000,000	—	1,000,000	0.750	November 28, 2025		
Fourth unsecured investment corporation bonds	July 26, 2019	1,200,000	—	1,200,000	0.890	July 26, 2029		
Fifth unsecured investment corporation bonds	March 26, 2020	1,000,000	—	1,000,000	0.300	March 26, 2025		
Sixth unsecured investment corporation bonds	May 6, 2021	—	—	1,500,000	0.850	May 2, 2031		
Total		5,400,000	—	6,900,000	—	—	—	—

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

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

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

(Thousand yen)

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

## (vi) Schedule of loans

	Lender	Balance at period-start (Thousand yen)	Increase during period (Thousand yen)	Decrease during period (Thousand yen)	Balance at period-end (Thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment terms	Use	Collateralized
Long-Term Loans	SMBC	1,950,312	—	1,950,312	—	1.275 (Note 2)	May 7, 2021	(Note 3)	(Note 10)	No (No Guarantee)
	Mizuho Bank	1,950,312	—	1,950,312	—					
	Aozora Bank	588,848	—	588,848	—					
	Shinsei Bank	770,640	—	770,640	—					
	MUFG Bank	1,624,272	—	1,624,272	—					
	Resona Bank	1,361,464	—	1,361,464	—					
	Bank of Fukuoka	446,576	—	446,576	—					
	ORIX Bank	446,576	—	446,576	—					
	SMBC	1,950,312	—	1,974	1,948,338	1.347 (Note 2)	November 8, 2021	(Note 4)		
	Mizuho Bank	1,950,312	—	1,974	1,948,338					
	Aozora Bank	588,848	—	596	588,252					
	Shinsei Bank	772,616	—	782	771,834					
	MUFG Bank	1,624,272	—	1,644	1,622,628					
	Resona Bank	1,359,488	—	1,376	1,358,112					
	Bank of Fukuoka	446,576	—	452	446,124					
	ORIX Bank	446,576	—	452	446,124					
	SMBC	1,435,500	—	1,450	1,434,050	0.808 (Note 2)	May 31, 2022	(Note 5)		
	Mizuho Bank	1,039,550	—	1,050	1,038,450					
	MUFG Bank	891,000	—	900	891,000					
Shinsei Bank	495,000	—	500	495,000						

	Lender	Balance at period-start (Thousand yen)	Increase during period (Thousand yen)	Decrease during period (Thousand yen)	Balance at period-end (Thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment terms	Use	Collateralized
Long-Term Loans	SMBC	1,435,500	—	1,450	1,434,050	0.858 (Note 2)	November 30, 2022	(Note 6)	(Note 10)	No (No Guarantee)
	Mizuho Bank	1,039,500	—	1,050	1,038,450					
	MUFG Bank	891,000	—	900	890,100					
	Shinsei Bank	495,000	—	500	494,500					
	SMBC	1,782,000	—	1,800	1,780,200	0.705 (Note 2)	May 31, 2022	(Note 7)		
	Mizuho Bank	891,000	—	900	890,100					
	MUFG Bank	693,000	—	700	692,300					
	Shinsei Bank	594,000	—	600	593,400					
	Aozora Bank	495,000	—	500	494,500					
	Bank of Fukuoka	495,000	—	500	494,500					
	Nishi-Nippon City Bank	495,000	—	500	494,500					
	Resona Bank	346,500	—	350	346,150					
	SMBC	1,782,000	—	1,800	1,780,200	0.750 (Note 2)	November 30, 2022	(Note 8)		
	Mizuho Bank	891,000	—	900	890,100					
	MUFG Bank	693,000	—	700	692,300					
	Shinsei Bank	594,000	—	600	593,400					
	Aozora Bank	495,000	—	500	494,500					
	Bank of Fukuoka	495,000	—	500	494,500					
	Nishi-Nippon City Bank	495,000	—	500	494,500					
	Resona Bank	346,500	—	350	346,150					
	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	(Note 9)		
	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		
	Shinsei Bank	900,000	—	—	900,000	0.852 (Note 2)	November 11, 2024	Lump-sum repayment		
	Resona Bank	400,000	—	—	400,000	0.852 (Note 2)	November 11, 2024	Lump-sum repayment		
	Development Bank of Japan	2,000,000	—	—	2,000,000	0.871	May 10, 2023	Lump-sum repayment		
	SMBC	215,000	—	—	215,000	0.761 (Note 2)	October 31, 2023	Lump-sum repayment		
	Mizuho Bank	340,000	—	—	340,000					
	MUFG Bank	283,000	—	—	283,000					
	Resona Bank	237,000	—	—	237,000					
Shinsei Bank	135,000	—	—	135,000						
Bank of Fukuoka	195,000	—	—	195,000						
ORIX Bank	195,000	—	—	195,000						
SMBC	633,000	—	—	633,000	0.948 (Note 2)	October 31, 2025	Lump-sum repayment			
Mizuho Bank	508,000	—	—	508,000						
MUFG Bank	425,000	—	—	425,000						
Resona Bank	356,000	—	—	356,000						
Shinsei Bank	201,000	—	—	201,000						
Aozora Bank	257,000	—	—	257,000						

	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	352,000	—	—	352,000	0.990 (Note 2)	April 30, 2026	Lump-sum repayment	(Note 10)	No (No Guarantee)
	Mizuho Trust	1,352,000	—	—	1,352,000					
	Aozora Bank	901,000	—	—	901,000					
	Shinsei Bank	901,000	—	—	901,000					
	Resona Bank	448,000	—	—	448,000					
	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	0.860 (Note 2)	November 11, 2024	Lump-sum repayment		
	Mizuho Bank	491,000	—	—	491,000					
	Shinsei Bank	393,000	—	—	393,000					
	MUFG Bank	393,000	—	—	393,000					
	Aozora Bank	393,000	—	—	393,000					
	Resona Bank	294,000	—	—	294,000					
	The Kagawa Bank	147,000	—	—	147,000					
	SMBC	500,000	—	—	500,000	0.654	February 29, 2024	Lump-sum repayment		
	Mizuho Bank	400,000	—	—	400,000	0.654	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	0.734	April 30, 2026	Lump-sum repayment		
	Shinsei Bank	200,000	—	—	200,000	0.734	April 30, 2026	Lump-sum repayment		
	SMBC	954,000	—	—	954,000	0.975 (Note 2)	September 30, 2026	Lump-sum repayment		
	Mizuho Bank	773,000	—	—	773,000					
	Shinsei Bank	483,000	—	—	483,000					
	Aozora Bank	656,000	—	—	656,000					
	SMBC	830,000	—	—	830,000	0.907 (Note 2)	September 30, 2026	Lump-sum repayment		
	Aozora Bank	570,000	—	—	570,000					
SMBC	250,000	—	—	250,000	0.850 (Note 2)	April 30, 2026	Lump-sum repayment			
Mizuho Bank	400,000	—	—	400,000						
Development Bank of Japan	400,000	—	—	400,000						
MUFG Bank	300,000	—	—	300,000						
Shinsei Bank	250,000	—	—	250,000						
SMBC	1,000,000	—	—	1,000,000	0.867 (Note 2)	September 25, 2026	Lump-sum repayment			
Resona Bank	1,000,000	—	—	1,000,000	0.867 (Note 2)	September 25, 2026	Lump-sum repayment			
Bank of Fukuoka	1,000,000	—	—	1,000,000	0.867 (Note 2)	September 25, 2026	Lump-sum repayment			

	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	1,239,000	—	—	1,239,000	0.822 (Note 2)	March 25, 2027	Lump-sum repayment	(Note 10)	No (No Guarantee)
	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	0.698 (Note 2)	September 25, 2025	Lump-sum repayment		
	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	0.876 (Note 2)	September 27, 2027	Lump-sum repayment		
	Mizuho Bank	1,224,000	—	—	1,224,000					
	Shinsei Bank	783,000	—	—	783,000					
	MUFG Bank	783,000	—	—	783,000					
	Aozora Bank	783,000	—	—	783,000					
	Resona Bank	587,000	—	—	587,000	0.653	March 25, 2027	Lump-sum repayment		
	The Kagawa Bank	955,000	—	—	955,000					
	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		
	Shinsei Bank	1,000,000	—	—	1,000,000	0.828 (Note 2)	August 25, 2028	Lump-sum repayment		
	Mizuho Bank	400,000	—	—	400,000	0.828 (Note 2)	August 25, 2028	Lump-sum repayment		
	SMBC	407,000	—	—	407,000	0.569 (Note 2)	September 25, 2025	Lump-sum repayment		
MUFG Bank	781,000	—	—	781,000						
Resona Bank	586,000	—	—	586,000						
Mizuho Bank	407,000	—	—	407,000						
Shinsei Bank	260,000	—	—	260,000						
Aozora Bank	260,000	—	—	260,000						
SMBC	814,000	—	—	814,000	0.787 (Note 2)	November 27, 2028	Lump-sum repayment			
Mizuho Bank	814,000	—	—	814,000						
Shinsei Bank	521,000	—	—	521,000						
Aozora Bank	521,000	—	—	521,000						

	Lender	Balance at period-start (Thousand yen)	Increase during period (Thousand yen)	Decrease during period (Thousand yen)	Balance at period-end (Thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment terms	Use	Collateralized
Long-Term Loans	SMBC	800,000	—	—	800,000	0.802 (Note 2)	November 27, 2028	Lump-sum repayment	(Note 10)	No (No Guarantee)
	Mizuho Bank	700,000	—	—	700,000	0.802 (Note 2)	November 27, 2028	Lump-sum repayment		
	Bank of Yokohama	500,000	—	—	500,000	0.802 (Note 2)	November 27, 2028	Lump-sum repayment		
	SMBC	527,000	—	—	527,000	0.494	September 25, 2024	Lump-sum repayment		
	MUFG Bank	494,000	—	—	494,000					
	Mizuho Bank	355,000	—	—	355,000					
	Bank of Yokohama	285,000	—	—	285,000					
	Mizuho Trust & Banking	95,000	—	—	95,000					
	SMBC	1,055,000	—	—	1,055,000	0.876 (Note 2)	March 26, 2029	Lump-sum repayment		
	Mizuho Bank	710,000	—	—	710,000					
	Aozora Bank	571,000	—	—	571,000					
	Resona Bank	571,000	—	—	571,000					
	Mizuho Trust & Banking	190,000	—	—	190,000					
	SMBC	—	329,000	—	329,000	0.490	September 25, 2024	Lump-sum repayment		
	MUFG Bank	—	1,372,000	—	1,372,000					
	Bank of Fukuoka	—	376,000	—	376,000					
	Mizuho Bank	—	329,000	—	329,000					
	Bank of Yokohama	—	30,000	—	30,000					
	SMBC	—	329,000	—	329,000	0.733 (Note 2)	March 27, 2028	Lump-sum repayment		
	Mizuho Bank	—	329,000	—	329,000					
	Resona Bank	—	287,000	—	287,000					
	Aozora Bank	—	174,000	—	174,000					
	Shinsei Bank	—	162,000	—	162,000					
	Bank of Yokohama	—	161,000	—	161,000					
SMBC	—	988,000	—	988,000	0.819 (Note 2)	May 25, 2029	Lump-sum repayment			
Mizuho Bank	—	988,000	—	988,000						
Resona Bank	—	862,000	—	862,000						
Shinsei Bank	—	487,000	—	487,000						
Aozora Bank	—	422,000	—	422,000						
Development Bank of Japan	—	500,000	—	500,000	0.764	September 25, 2028	Lump-sum repayment			
	Total	105,896,000	8,125,000	9,667,750	104,353,250					

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

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

(Note 3) The remaining balance was repaid on May 7, 2021.

(Note 4) 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 5) 1 million yen is repaid on the final business day every three months, and the remaining balance will be repaid on the last due date.

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

- (Note 6) 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 7) 2 million yen is repaid on the final business day every three months, and the remaining balance will be repaid on the last due date.  
The entire amount of the balance at period-end is long-term borrowings due within one year.
- (Note 8) 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 9) The remaining balance was repaid on September 30, 2021.
- (Note 10) The proceeds are used for acquisition of assets and/or beneficiary rights of real estate in trust and repayment of loans.
- (Note 11) 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	19,292,000	–	–	–	–
Long-term borrowings	–	17,270,250	7,092,000	11,840,000	15,112,000
Total	19,292,000	17,270,250	7,092,000	11,840,000	15,112,000