



**Make The World
More Sustainable**

Ichigo Office REIT Semi-Annual Report (Audited)

36th Fiscal Period
May 1, 2023 – October 31, 2023

Ichigo Office REIT Investment Corporation

Marunouchi Park Building 20F, 2-6-1 Marunouchi, Chiyoda-ku, Tokyo 100-6920

Message from Management

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

Ichigo Office has continuously worked to drive shareholder value by constantly executing various measures.

During the October 2023 period, we conducted a strategic asset acquisition and sales. We sold the Twicere Yokohama Isogo (sales price 1.6 billion yen), a partially owned commercial asset. In return, we acquired the Ichigo Kinshicho South Building (acquisition price 1.8 billion yen), a mid-size office located in an area which offers convenient access to central Tokyo office areas such as Tokyo and Otemachi Stations.

As a result, Ichigo Office's AUM (assets under management) at period-end has grown to 212.4 billion yen. The increase in portfolio earnings and unrealized gains will contribute to our sustainable growth and maximizing our shareholder value.

Going forward, we will deploy our value-add capex capabilities to our newly acquired assets to further enhance the competitiveness and profitability. Although the occupancy for Twicere Yokohama Isogo decreased after a major tenant had departed, we were able to lease up half of the vacated space, and by selling this asset at an appropriate timing, we acquired gain on sales of 105 million yen. The entire amount will be distributed as dividends for the October 2023 period.

Leasing activities focused on recovery of large-scale vacancies is proceeding favorably, and we will continuously make efforts to increase tenant satisfaction and focus on social contributions, while taking into consideration rent levels and occupancy of our portfolio.

As a result of these activities, Ichigo Office's October 2023 earnings were: operating revenue of 7,914 million yen, operating profit of 3,914 million yen, recurring profit of 3,096 million yen, and net income of 3,095 million yen. The dividend per share was 2,115 yen, a 100 yen (5.0%) increase from our forecast at period-start.

Ichigo Office's new initiatives for the April 2024 period include issuance of bonds (350 million yen) to its sponsor to finance proactive value-add capex deployment. Our aim is to maximize our shareholder value by growing the asset value through deploying value-add capex.

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.



Keisuke Chiba, Executive Director
Ichigo Office REIT Investment Corporation
(right)

Takafumi Kagiya, Executive Director
Ichigo Office REIT Investment Corporation
(left)

Asset Management Overview

1 Historical Investment Performance

		32nd Fiscal Period From May 1, 2021 to October 31, 2021	33rd Fiscal Period From November 1, 2021 to April 30, 2022	34th Fiscal Period From May 1, 2022 to October 31, 2022	35th Fiscal Period From November 1, 2022 to April 30, 2023	36th Fiscal Period From May 1, 2023 to October 31, 2023
Operating Revenue	million yen	7,843	8,675	7,800	12,380	7,914
(Real Estate Rental Income)	million yen	(7,843)	(7,735)	(7,798)	(7,985)	(7,807)
Operating Expenses	million yen	3,881	4,238	4,025	5,191	4,000
(Real Estate Rental Expenses)	million yen	(2,887)	(2,991)	(3,122)	(3,223)	(3,131)
Operating Profit	million yen	3,962	4,436	3,775	7,189	3,914
Recurring Profit	million yen	3,201	3,691	3,001	6,390	3,096
Net Income	million yen	3,200	3,690	3,001	6,390	3,095
Total Assets	million yen	227,653	228,020	229,966	235,897	231,001
(Period-on-Period Change)	%	(-0.0)	(0.2)	(0.9)	(2.6)	(-2.1)
Net Assets	million yen	102,421	102,806	102,011	105,296	101,999
(Period-on-Period Change)	%	(-0.0)	(0.4)	(-0.8)	(3.2)	(-3.1)
Shareholders' Equity	million yen	67,675	67,675	67,675	67,675	67,675
Number of Shares Outstanding	shares	1,513,367	1,513,367	1,513,367	1,513,367	1,513,367
Net Assets per Share	yen	67,678	67,932	67,407	69,577	67,399
Total Dividends	million yen	3,306	3,795	3,105	6,392	3,200
Dividend per Share	yen	2,185	2,508	2,052	4,224	2,115
(Payable Dividend per Share)	yen	(2,185)	(2,508)	(2,052)	(4,224)	(2,115)
(Dividend per Share in Excess of Earnings)	yen	(-)	(-)	(-)	(-)	(-)
Ratio of Recurring Profit to Total Assets	(Note 1) %	1.4(2.8)	1.6(3.3)	1.3(2.6)	2.7(5.5)	1.3(2.6)
Return on Equity	(Note 1) %	3.1(6.2)	3.6(7.3)	2.9(5.8)	6.2(12.4)	3.0(5.9)
Shareholder Equity Ratio	(Note 1) %	45.0	45.1	44.4	44.6	44.2
(Period-on-Period Change)	%	(-0.0)	(0.1)	(-0.7)	(0.3)	(-0.5)
Dividend Payout Ratio	(Note 2) %	103.4	102.9	103.4	100.0	103.4
Other Reference Information						
Number of Assets	assets	86	85	86	88	88
Number of Tenants at Period-End	tenants	930	923	938	998	1,008
Total Leasable Area	m ²	264,701.15	263,948.70	266,866.48	269,700.94	269,114.17
Occupancy at Period-End	%	95.4	94.7	96.5	95.9	96.8
Depreciation	million yen	887	893	910	950	971
Capital Expenditure	thousand yen	625,613	674,547	632,888	828,674	775,081
NOI (Net Operating Income)	(Note 1) million yen	5,843	5,637	5,586	5,712	5,648
FFO (Funds from Operations) per Share	(Note 1) yen	2,701	2,408	2,584	1,947	2,617
Number of Days in the Period	days	184	181	184	181	184

(Note 1) 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 2) 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, 2023

(1) Overview

In the fiscal period ended October 31, 2023, Ichigo Office's 36th fiscal period, Ichigo Office conducted a strategic asset acquisition and sales by selling a commercial asset located in Yokohama and acquiring a mid-size office located in Tokyo with growth potential and currently fully occupied in return. Although the occupancy for the asset sold had decreased after the departure of a major tenant, Ichigo Investment Advisors, the asset management company of Ichigo Office, worked to lease up half of the vacated space, and as result the sales price exceeded the recent appraisal value. Ichigo Office also made efforts to strengthen its organic growth potential by 1) increasing asset value and investment efficiency via its value-add capex (Note) and 2) driving earnings growth with a focus on tenant satisfaction. Ichigo Office seeks to construct a portfolio specializing in mid-size offices which can generate both earnings stability and earnings growth.

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

(2) Market Environment and Investment Performance

(i) Market Environment

With expectations to the COVID pandemic settling down, both economic and social activities in Japan has almost recovered to pre-COVID standards. Although there are some global investors making changes to their investment strategies due to concerns such as the worldwide increase in interest rates, Russia's invasion of Ukraine, and turmoil in the Middle East. Japan's continuously low interest rates and the weak yen is driving the market for Japanese real estate investments, we continue to see strong investment demands, and acquisition prices remain at high standards.

Yield for office assets remain at low levels, and this trend is expected to continue for the time being. Meanwhile, increase in vacancy and decrease in new rents are noteworthy concerns for assets located in non-prime areas, and this may affect the market environment going forward. Limited investment opportunities in Central Tokyo due to high prices is driving 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 factor for real estate investments. Ichigo Office is fully aware of these changes in market environment and will adjust its investment activity accordingly and with a long-term perspective.

(ii) Investment Performance

During the current fiscal period, Ichigo Office worked to drive the earnings of individual assets with the aim of increasing portfolio NOI, while taking into consideration rent levels and occupancy. Due to successful leasing activities, particularly in Central Tokyo, the occupancy at period-end was 96.8%. In line with the spirit of RE100, a global initiative to accelerate the transition of electricity used by businesses to 100% renewable energy, Ichigo Office has maintained its carbon-free operation across all assets, and continuously working to conserve energy by installing LED lights.

Ichigo Office sold the Twicere Yokohama Isogo, a commercial asset, and distributed the gain on sales to its shareholders. It also acquired the Ichigo Kinshicho South Building in order to pursue a robust mid-size office portfolio. As a result, the number of assets owned at period-end was 88 assets (total acquisition price: 212,422 million yen).

(3) Financing

During the current fiscal period, Ichigo Office borrowed a total of 2,000 million yen in May 2023, a total of 3,047 million yen in September 2023, and a total of 2,600 million yen in October 2023 from banks to repay loans that came due in respective months. 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 7,914 million yen, operating profit of 3,914 million yen, recurring profit of 3,096 million yen and net income of 3,095 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, 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 3,200 million yen, which is the total amount (except for fractions in which the dividend per share is less than one yen) of unappropriated retained earnings (3,096 million yen) and the reversal of reserves for temporary difference adjustments (105 million yen). As a result, the dividend per share came to 2,115 yen.

3 Issuance of New Shares

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

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

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

Share Price Performance

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

	32nd Fiscal Period From May 1, 2021 to October 31, 2021	33rd Fiscal Period From November 1, 2021 to April 30, 2022	34th Fiscal Period From May 1, 2022 to October 31, 2022	35th Fiscal Period From November 1, 2022 to April 30, 2023	36th Fiscal Period From May 1, 2023 to October 31, 2023
High	101,400 yen	88,600 yen	88,400 yen	101,700 yen	91,400 yen
Low	86,300 yen	76,300 yen	81,000 yen	83,300 yen	83,800 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 3,200 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 3,096 million yen, plus 105 million yen. As a result, the dividend per share came to 2,115 yen.

		32nd Fiscal Period From May 1, 2021 to October 31, 2021	33rd Fiscal Period From November 1, 2021 to April 30, 2022	34th Fiscal Period From May 1, 2022 to October 31, 2022	35th Fiscal Period From November 1, 2022 to April 30, 2023	36th Fiscal Period From May 1, 2023 to October 31, 2023
Unappropriated Retained Earnings	thousand yen	3,201,892	3,691,120	3,001,684	6,391,351	3,096,669
Retained Earnings for Dividend Reserve	thousand yen	–	–	–	103,000	–
Total Dividends	thousand yen	3,306,706	3,795,524	3,105,429	6,392,462	3,200,771
(Dividend per Share)	yen	(2,185)	(2,508)	(2,052)	(4,224)	(2,115)
Distributable Earnings	thousand yen	3,306,706	3,795,524	3,105,429	6,392,462	3,200,771
(Distributable Earnings per Share)	yen	(2,185)	(2,508)	(2,052)	(4,224)	(2,115)
Total Refund of Capital	thousand yen	–	–	–	–	–
(Refund of capital per share)	yen	(–)	(–)	(–)	(–)	(–)
Of the Total Refund of Capital, Total Distribution from Reserves for Temporary Difference Adjustment	thousand yen	–	–	–	–	–
(Of the Refund of Capital per Share, Distribution from Reserves for Temporary Difference Adjustment per Share)	yen	(–)	(–)	(–)	(–)	(–)
Of the Total Refund of Capital, Total Distribution from the Distribution Associated with a Decrease in Investment for Tax Purposes	thousand yen	–	–	–	–	–
(Of the Refund of Capital per Share, Distribution from the Distribution Associated with a Decrease in Investment for Tax Purposes)	yen	(–)	(–)	(–)	(–)	(–)

5 Investment Policies and Strategies

(1) Asset Acquisitions (Acquisition-Driven Growth)

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

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

(2) Portfolio Management (Organic Growth)

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

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

(3) Financing Strategy

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

6 Significant Subsequent Events

Ichigo Office issued its First Callable Unsecured Investment Corporation Bond (subordinated and limited to qualified institutional investors) based on the Board of Directors approval on November 13, 2023.

Total Issue Amount	JPY 350 million
Issue Price	Par (JPY 100)
Interest Rate	1.00% (fixed rate)
Payment Date	November 20, 2023
Collateral	No
Redemption Date	November 20, 2033
Use of Proceeds	Value-add capex
Allottee	Ichigo Inc.
Subordination Agreement	In the event of an Ichigo Office liquidation or rehabilitation, Investment Corporation Bonds will be treated as subordinated bankruptcy claims or subordinated rehabilitation claims. If proceedings related to liquidation under Japanese law, or liquidation, bankruptcy, or rehabilitation pursuant to laws outside of Japan arise and are ongoing, neither interest nor principal payment will be made until senior claims have been repaid in full.
Transfer Restrictions	Sales of the Investment Corporation Bonds requires the approval of Ichigo Office, and can only be sold to qualified institutional investors as defined in Article 10, Clause 1 of the Cabinet Office Ordinance Relating to Definitions Prescribed in Article 2 of the Financial Instruments and Exchange Law.

Ichigo Office Overview

1 Shares and Shareholders' Equity

		32nd Fiscal Period October 31, 2021	33rd Fiscal Period April 30, 2022	34th Fiscal Period October 31, 2022	35th Fiscal Period April 30, 2023	36th Fiscal Period October 31, 2023
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	1,513,367	1,513,367	1,513,367	1,513,367	1,513,367
Shareholders' Equity	million yen	67,675	67,675	67,675	67,675	67,675
Number of Shareholders	persons	14,104	15,994	16,125	20,032	19,997

2 Major Shareholders

Major shareholders as of October 31, 2023 are as follows:

Name	Shares	Ratio of Shares Held to Total Number of Shares Issued (%) (Note)
Ichigo Trust Pte. Ltd.	426,872	28.20
Custody Bank of Japan, Ltd., Trust Account	268,221	17.72
The Master Trust Bank of Japan, Trust Account	170,307	11.25
Ichigo Inc.	107,040	7.07
Nomura Trust & Banking Co., Ltd. Investment Trust Account	56,057	3.70
SMBC Nikko Securities Inc.	22,008	1.45
STATE STREET BANK WEST CLIENT – TREATY 505234	21,886	1.44
JP MORGAN CHASE BANK 385781	14,506	0.95
Japan Securities Finance Co., Ltd.	13,447	0.88
JP MORGAN CHASE BANK 385771	13,079	0.86
Total	1,113,423	73.57

(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, 2023 are as follows:

Title	Name of Director	Other Major Positions	Total Compensation During the Current Fiscal Period (thousand yen)
Executive Director	Keisuke Chiba ^(Note 3)	Hokuto Sogo Law Office, Partner Visionary Holdings Inc., Director	2,160
	Takafumi Kagiyama ^(Note 4)	—	1,440
Supervisory Directors	Masahiro Terada	Miura & Partners, Partner SBI Shinsei Bank Limited, Independent Director	1,440
	Noriko Ichiba	Ichiba CPA Office, Representative UPRISE Certified Tax Accountant's Co., Representative Daiho Corporation, External Auditor COMPASS Co. Ltd., Partner Nisshinbo Holdings Inc., External Auditor	1,440
	Yuji Maruo ^(Note 4)	Equity Partners Co., Ltd., Representative Director Saint Clair Co., Ltd., Representative Director	960
Accounting Auditor	Grant Thornton Taiyo LLC	—	9,930 ^(Note 5)

(Note 1) The Executive and Supervisory Directors do not own shares of Ichigo Office under either their own name or another person's name.

(Note 2) Agreements of indemnity between Ichigo Office and the Executive and Supervisory Directors do not exist.

(Note 3) On April 7, 2023, Ichigo Office received a notice of resignation, effective April 30, 2023 from Takaaki Fukunaga, the Executive Officer. Accordingly, Keisuke Chiba, the Alternate Executive Director, was appointed as the new Executive Director on May 1, 2023.

(Note 4) Takafumi Kagiyama and Yuji Maruo were newly appointed as Executive Director and Supervisory Director, respectively, at the 14th Extraordinary General Meeting of shareholders on June 23, 2023.

(Note 5) The total amount of fees paid to Grant Thornton Taiyo LLC includes fees (200 thousand yen) for services other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Law. In addition, there is no fees paid to any person belonging to the same network as the aforementioned audit firm.

(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, 2023 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)	35th Fiscal Period (as of April 30, 2023)		36th Fiscal Period (as of October 31, 2023)	
		Book Value (million yen)(Note 2)	Ratio to Total Assets (%)	Book Value (million yen)(Note 2)	Ratio to Total Assets (%)
Real Estate	Central Tokyo	5,932	2.5	5,939	2.6
	Tokyo Metropolitan Area	3,925	1.7	5,851	2.5
	Four Major Regional Cities	10,140	4.3	10,091	4.4
Trust Beneficiary Interest in Real Estate (<i>juekiken</i>) (Note 3)	Central Tokyo	107,773	45.7	107,722	46.6
	Tokyo Metropolitan Area	42,072	17.8	40,631	17.6
	Four Major Regional Cities	27,879	11.8	27,914	12.1
	Other Regional Cities	10,227	4.3	10,121	4.4
Subtotal		207,951	88.2	208,272	90.2
Investment in Securities (Note 4)		39	0.0	39	0.0
Deposits and Other Assets		27,905	11.8	22,688	9.8
Total Assets		235,897	100.0	231,001	100.0

(Note 1) Areas are defined as follows:

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

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

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

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

2 Major Assets Owned

The table below is a summary of the major assets owned by Ichigo Office as of October 31, 2023 (top ten assets in terms of book value).

Asset Name	Book Value (million yen) (Note 1)	Leasable Area (m ²)	Leased Area (m ²)	Occupancy (%) (Note 2)	Ratio to Total Rent Revenue (%)	Asset Type
Ichigo Jingumae Building	7,416	4,510.00	4,510.00	100.0	2.5	Office
Ichigo Ebisu Green Glass	5,729	3,159.27	3,159.27	100.0	2.7	Office
Ichigo Akihabara North Building	5,434	6,250.53	6,250.53	100.0	3.0	Office
Ichigo Marunouchi Building	5,370	8,009.11	8,009.11	100.0	3.0	Office
Ichigo Sasazuka Building	4,868	6,425.29	6,425.29	100.0	2.4	Office
Ichigo Gotanda Building	4,787	5,346.39	4,802.34	89.8	2.5	Office
Ichigo Sakae Building	4,721	3,928.12	3,777.22	96.2	1.5	Office
Ichigo Higashi Ikebukuro Building	4,620	4,437.97	4,064.48	91.6	1.8	Office
Ichigo Nihonbashi East Building	4,290	4,216.97	4,216.97	100.0	1.9	Office
Ichigo Hiroo Building	3,969	3,510.44	3,299.14	94.0	1.7	Office
Total	51,208	49,794.09	48,514.35	97.4	22.9	

(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, 2023.

Asset Name	Location	Form of Ownership	Leasable Area (m ²)	Appraisal Value at Period-end (million yen) (Note 1)	Book Value at Period-end (million yen) (Note 2)	
O-02	Ichigo Nishisando Building	Yoyogi, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	4,523.19	3,260	3,324
O-03	Ichigo Mita Building	Shiba, Minato-ku, Tokyo	Trust beneficiary interest in real estate	4,119.74	3,650	2,735
O-04	Ichigo Nanpeidai Building	Nanpeidaicho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	1,925.24	2,600	1,873
O-05	Ichigo Hanzomon Building	Hayabusacho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,080.37	2,240	1,484
O-06	Ichigo Hijirizaka Building	Mita, Minato-ku, Tokyo	Trust beneficiary interest in real estate	1,947.90	1,530	1,190
O-07	Ichigo Shibuya Kamiyamacho Building	Kamiyamacho, Shibuya-ku, Tokyo	Real estate	1,321.54	1,940	1,321
O-09	Ichigo Shibakoen Building	Shiba, Minato-ku, Tokyo	Real estate	1,602.29	1,270	1,102
O-10	Ichigo Ebisu Nishi Building	Ebisu-Nishi, Shibuya-ku, Tokyo	Real estate	1,484.39	2,670	1,902
O-11	Ichigo Ginza 612 Building	Ginza, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	1,364.56	2,320	1,797
O-12	Ichigo Uchikanda Building	Uchikanda, Chiyoda-ku, Tokyo	Real estate	1,378.83	1,440	1,114
O-14	Ichigo Yotsuya 4 Chome Building	Yotsuya, Shinjuku-ku, Tokyo	Trust beneficiary interest in real estate	780.64	591	497
O-15	Ichigo Tameike Building	Akasaka, Minato-ku, Tokyo	Real estate	494.14	734	497
O-16	Ichigo Jimbocho Building	Kanda Jimbocho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	1,891.01	2,370	1,794
O-17	Ichigo Hakozaeki Building	Nihonbashi Kakigaracho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,389.54	1,360	1,119
O-18	Ichigo Kudan 2 Chome Building	Kudan Minami, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	1,265.76	1,180	756
O-19	Ichigo Kudan 3 Chome Building	Kudan Minami, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	1,302.43	906	808
O-20	Ichigo Gotanda Building	Higashi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	5,346.39	6,820	4,787
O-21	Ichigo Shin Yokohama Building	Shin Yokohama, Kohoku-ku, Yokohama City, Kanagawa	Trust beneficiary interest in real estate	4,097.85	1,670	1,648
O-22	Ichigo Minami Ikebukuro Building	Minami Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	1,491.50	2,010	1,326
O-23	Ichigo Nakano North Building	Arai, Nakano-ku, Tokyo	Trust beneficiary interest in real estate	1,264.11	990	703
O-24	Ichigo Eitai Building	Eitai, Koto-ku, Tokyo	Real estate	2,605.54	1,470	1,398
O-26	Ichigo Ikejiri Building	Ohashi, Meguro-ku, Tokyo	Real estate	2,385.69	2,340	1,927
O-27	Ichigo Nishi Ikebukuro Building	Ikebukuro, Toshima-ku, Tokyo	Real estate	1,261.91	1,070	582
O-28	Ichigo Nishi Gotanda Building	Nishi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	1,334.68	939	757
O-29	Ichigo Kichijoji Building	Kichijoji Honcho, Musashino City, Tokyo	Trust beneficiary interest in real estate	4,210.87	2,880	2,121
O-34	Ichigo Sakae Building	Sakae, Naka-ku, Nagoya City, Aichi	Real estate	3,928.12	5,060	4,721
O-37	Ichigo Marunouchi Building	Marunouchi, Naka-ku, Nagoya City, Aichi	Real estate	8,009.11	8,060	5,370
O-38	Ichigo Toyamaeki Nishi Building	Jinzu Honmachi, Toyama City, Toyama	Trust beneficiary interest in real estate	8,601.72	1,850	1,403
O-39	Ichigo Mirai Shinkin Building	Niagemachi, Oita City, Oita	Trust beneficiary interest in real estate	3,551.46	1,400	1,084

	Asset Name	Location	Form of Ownership	Leasable Area (m ²)	Appraisal Value at Period-end (million yen) (Note 1)	Book Value at Period-end (million yen) (Note 2)
O-42	Ichigo Takamatsu Building	Kotobukicho, Takamatsu City, Kagawa	Trust beneficiary interest in real estate	6,329.33	3,990	1,985
O-46	Ichigo Kanda Nishikicho Building	Kanda-Nishikicho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,523.09	3,320	2,013
O-47	Ichigo Akihabara North Building	Sotokanda, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	6,250.53	7,900	5,434
O-48	Ichigo Sakaisuji Honmachi Building	Honmachi, Chuo-ku, Osaka City, Osaka	Trust beneficiary interest in real estate	3,729.35	2,490	1,678
O-49	Ichigo Kanda Ogawamachi Building	Kanda-Ogawamachi, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,309.39	2,460	2,184
O-50	Ichigo Hatchobori Building	Shintomi, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,716.33	2,680	1,713
O-51	Ichigo Ebisu Green Glass	Ebisu Minami, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	3,159.27	7,690	5,729
O-52	Ichigo Omori Building	Minami Oi, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	3,585.93	4,630	3,796
O-53	Ichigo Takadanobaba Building	Takadanobaba, Shinjuku-ku, Tokyo	Trust beneficiary interest in real estate	1,606.92	1,940	1,598
O-54	Ichigo Omiya Building	Miyacho, Omiya-ku, Saitama City, Saitama	Trust beneficiary interest in real estate	6,213.30	4,490	3,502
O-55	Ichigo Sagamihara Building	Sagamihara, Chuo-ku, Sagamihara City, Kanagawa	Trust beneficiary interest in real estate	2,960.81	1,350	1,205
O-56	Ichigo Ofuna Building	Ofuna, Kamakura City, Kanagawa	Trust beneficiary interest in real estate	2,176.47	2,180	1,994
O-57	Ichigo Sendai East Building	Miyagino, Miyagino-ku, Sendai, Miyagi	Trust beneficiary interest in real estate	5,205.49	2,100	1,530
O-58	Ichigo Kumamoto Building	Karashimacho, Chuo-ku, Kumamoto City, Kumamoto	Trust beneficiary interest in real estate	4,507.59	1,620	1,567
O-59	Ichigo Jingumae Building	Jingumae, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	4,510.00	7,890	7,416
O-60	Ichigo Shibuya Dogenzaka Building	Maruyamacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	2,789.86	5,690	3,690
O-61	Ichigo Hiroo Building	Hiroo, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	3,510.44	4,780	3,969
O-62	Ichigo Sasazuka Building	Sasazuka, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	6,425.29	6,320	4,868
O-63	Ichigo Nihonbashi East Building	Nihonbashi Bakurocho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	4,216.97	5,700	4,290
O-64	Ichigo Sakurabashi Building	Hatchobori, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,971.22	3,250	2,532
O-65	Ichigo Shinkawa Building	Shinkawa, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,312.03	3,130	2,390
O-66	Ichigo Kudan Building	Kanda Jimbocho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	3,090.65	3,720	3,268
O-67	Ichigo Higashi Gotanda Building	Higashi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	4,548.10	4,480	3,650
O-68	Axior Mita	Mita, Minato-ku, Tokyo	Trust beneficiary interest in real estate	2,369.82	2,680	1,689
O-69	Ichigo Higashi Ikebukuro Building	Higashi Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	4,437.97	5,570	4,620
O-70	Koriyama Big-i (Office Section)	Ekimae, Koriyama City, Fukushima	Trust beneficiary interest in real estate	3,433.07	2,200	1,518
O-71	Ichigo Kawasaki Building	Higashi Tamachi, Kawasaki-ku, Kawasaki City, Kanagawa	Trust beneficiary interest in real estate	3,871.06	2,300	1,821
O-72	Ichigo Shibuya East Building	Higashi, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	1,041.36	1,760	1,378
O-73	Ichigo Ningyocho Building	Nihonbashi Horidomecho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	1,769.75	1,680	1,490
O-74	Ichigo Nishi Honmachi Building	Awaza, Nishi-ku, Osaka City, Osaka	Trust beneficiary interest in real estate	6,152.00	2,560	2,242
O-75	Ichigo Hakata Building	Gionmachi, Hakata-ku, Fukuoka City, Fukuoka	Trust beneficiary interest in real estate	2,423.86	1,580	1,378
O-76	Ichigo Nishiki First Building	Nishiki, Naka-ku, Nagoya City, Aichi	Trust beneficiary interest in real estate	3,324.70	2,250	1,959

Asset Name		Location	Form of Ownership	Leasable Area (m ²)	Appraisal Value at Period-end (million yen) (Note 1)	Book Value at Period-end (million yen) (Note 2)
O-78	Ichigo Ikebukuro East Building	Higashi Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	3,118.69	3,630	3,005
O-79	Ichigo Motoazabu Building	Motoazabu, Minato-ku, Tokyo	Trust beneficiary interest in real estate	1,329.96	2,230	1,915
O-80	Ichigo Otsuka Building	Minami Otsuka, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	3,623.98	3,270	2,765
O-81	Ichigo Nagoya Building	Meieki, Nakamura-ku, Nagoya City, Aichi	Trust beneficiary interest in real estate	4,930.30	3,920	3,578
O-82	Ichigo Fushimi Building	Nishiki, Naka-ku, Nagoya City, Aichi	Trust beneficiary interest in real estate	4,155.60	2,580	2,326
O-83	Ichigo Nishiki Building	Nishiki, Naka-ku, Nagoya City, Aichi	Trust beneficiary interest in real estate	2,006.78	1,500	1,294
O-84	Ichigo Minami Morimachi Building	Matsugaecho, Kita-ku, Osaka City, Osaka	Trust beneficiary interest in real estate	2,521.51	1,260	1,085
O-85	Ichigo Shibuya Udagawacho Building	Udagawacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	1,491.68	4,200	3,537
O-86	Win Gotanda Building	Nishi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	3,689.88	3,840	3,095
O-87	Ichigo Hongo Building	Hongo, Bunkyo-ku, Tokyo	Trust beneficiary interest in real estate	2,743.20	2,720	2,309
O-88	Oimachi Center Building	Oi, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	2,771.41	2,140	1,726
O-89	Win Gotanda Building 2	Osaki, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	3,434.69	3,740	3,285
O-90	MIF Building	Uchikanda, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	1,690.27	2,350	2,187
O-91	Ichigo Uchi Honmachi Building	Uchi Honmachi, Chuo-ku, Osaka City, Osaka	Trust beneficiary interest in real estate	3,004.07	1,850	1,998
O-92	Ichigo Minami Otsuka Building	Minami Otsuka, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	3,129.49	3,390	2,883
O-93	Ichigo Nogizaka Building	Akasaka, Minato-ku, Tokyo	Trust beneficiary interest in real estate	2,199.35	3,620	3,494
O-94	Ichigo Hakata East Building	Hakataeki Higashi, Hakata-ku, Fukuoka City, Fukuoka	Trust beneficiary interest in real estate	2,901.99	2,910	2,326
O-95	Ichigo Nakameguro Building	Aobadai, Meguro-ku, Tokyo	Trust beneficiary interest in real estate	1,083.70	1,580	1,565
O-96	Ichigo Tachikawa Building	Akebonocho, Tachikawa, Tokyo	Trust beneficiary interest in real estate	4,879.78	4,040	3,820
O-97	Ichigo Higashi Ikebukuro 3 Chome Building	Higashi Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	2,764.59	3,860	3,889
O-98	Ichigo Marunouchi South Building	Nishiki, Naka-ku, Nagoya City, Aichi	Trust beneficiary interest in real estate	1,973.27	1,850	1,796
O-99	Ichigo Hakataeki Higashi Building	Hakataeki Higashi, Hakata-ku, Fukuoka City, Fukuoka	Trust beneficiary interest in real estate	3,596.71	3,760	3,498
O-100	Fukuoka Kensetsu Kaikan	Hakataeki Higashi, Hakata-ku, Fukuoka City, Fukuoka	Trust beneficiary interest in real estate	2,949.22	2,910	2,749
O-101	Ichigo Kinshicho South Building	Kotobashi, Sumida-ku, Tokyo	Real estate	2,054.47	2,060	1,942
Z-09	Future IZUMI	Fuchucho, Izumi City, Osaka	Trust beneficiary interest in real estate	3,733.66	566	1,031
Z-10	Ichigo Shibuya Bunkamura Dori Building	Udagawacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	778.77	2,910	2,445
Z-14	Ichigo Kamata Building	Nishi Kamata, Ota-ku, Tokyo	Trust beneficiary interest in real estate	2,124.68	1,530	1,447
Total				269,114.17	257,216	208,272

(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 35th and 36th fiscal Periods:

Asset Name	35th Fiscal Period From November 1, 2022 to April 30, 2023				36th Fiscal Period From May 1, 2023 to October 31, 2023				
	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	16	100.0	137,283	1.7	16	100.0	133,210	1.7
O-03	Ichigo Mita Building	9	73.4	118,749	1.5	10	84.4	91,811	1.2
O-04	Ichigo Nanpeidai Building	13	100.0	80,794	1.0	13	100.0	79,679	1.0
O-05	Ichigo Hanzomon Building	5	100.0	65,396	0.8	5	100.0	64,973	0.8
O-06	Ichigo Hijirizaka Building	3	94.1	59,263	0.7	3	94.1	55,354	0.7
O-07	Ichigo Shibuya Kamiyamacho Building	5	87.0	54,049	0.7	5	87.0	47,448	0.6
O-09	Ichigo Shibakoen Building	2	86.3	47,154	0.6	2	86.3	40,252	0.5
O-10	Ichigo Ebisu Nishi Building	7	100.0	71,338	0.9	7	85.9	65,238	0.8
O-11	Ichigo Ginza 612 Building	25	100.0	68,552	0.9	25	100.0	67,985	0.9
O-12	Ichigo Uchikanda Building	9	89.8	47,478	0.6	8	79.6	40,158	0.5
O-14	Ichigo Yotsuya 4 Chome Building	9	81.8	18,184	0.2	10	90.9	19,108	0.2
O-15	Ichigo Tameike Building	5	82.8	17,477	0.2	6	100.0	19,097	0.2
O-16	Ichigo Jimbocho Building	8	100.0	79,298	1.0	7	85.3	75,583	1.0
O-17	Ichigo Hakozaki Building	6	100.0	67,847	0.8	6	100.0	65,487	0.8
O-18	Ichigo Kudan 2 Chome Building	1	100.0	38,539	0.5	1	100.0	44,503	0.6
O-19	Ichigo Kudan 3 Chome Building	4	63.2	23,468	0.3	4	63.2	26,341	0.3
O-20	Ichigo Gotanda Building	14	89.8	199,305	2.5	14	89.8	192,779	2.5
O-21	Ichigo Shin Yokohama Building	14	97.7	83,015	1.0	13	100.0	79,815	1.0
O-22	Ichigo Minami Ikebukuro Building	9	100.0	61,269	0.8	9	100.0	59,160	0.8
O-23	Ichigo Nakano North Building	6	89.0	43,375	0.5	6	89.0	38,473	0.5
O-24	Ichigo Eitai Building	10	100.0	73,656	0.9	10	100.0	71,617	0.9
O-26	Ichigo Ikejiri Building	6	100.0	93,523	1.2	6	100.0	91,278	1.2
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	8	100.0	39,319	0.5	8	100.0	41,155	0.5
O-29	Ichigo Kichijoji Building	14	100.0	121,955	1.5	14	100.0	115,443	1.5
O-34	Ichigo Sakae Building	19	97.4	213,068	2.7	19	96.2	115,019	1.5
O-37	Ichigo Marunouchi Building	26	100.0	242,130	3.0	25	100.0	236,580	3.0
O-38	Ichigo Toyamaeki Nishi Building	15	100.0	117,966	1.5	15	100.0	116,165	1.5
O-39	Ichigo Mirai Shinkin Building	21	100.0	75,899	1.0	21	100.0	75,317	1.0
O-42	Ichigo Takamatsu Building	15	100.0	161,201	2.0	15	100.0	156,160	2.0
O-46	Ichigo Kanda Nishikicho Building	11	100.0	90,007	1.1	11	100.0	100,038	1.3
O-47	Ichigo Akihabara North Building	1	100.0	232,734	2.9	1	100.0	233,610	3.0
O-48	Ichigo Sakaisuji Honmachi Building	14	93.3	95,772	1.2	14	100.0	91,873	1.2
O-49	Ichigo Kanda Ogawamachi Building	7	79.7	70,489	0.9	8	89.8	71,688	0.9
O-50	Ichigo Hatchobori Building	6	84.6	94,742	1.2	6	84.6	77,266	1.0
O-51	Ichigo Ebisu Green Glass	6	100.0	211,123	2.6	6	100.0	212,366	2.7
O-52	Ichigo Omori Building	11	100.0	138,100	1.7	11	100.0	135,865	1.7
O-53	Ichigo Takadanobaba Building	6	75.2	57,596	0.7	7	90.7	44,866	0.6
O-54	Ichigo Omiya Building	28	97.5	165,094	2.1	29	94.4	158,320	2.0

Asset Name		35th Fiscal Period From November 1, 2022 to April 30, 2023				36th Fiscal Period From May 1, 2023 to October 31, 2023			
		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-55	Ichigo Sagamihara Building	13	100.0	63,137	0.8	13	100.0	62,881	0.8
O-56	Ichigo Ofuna Building	10	94.3	77,746	1.0	10	83.3	72,195	0.9
O-57	Ichigo Sendai East Building	10	100.0	106,311	1.3	10	100.0	100,683	1.3
O-58	Ichigo Kumamoto Building	34	100.0	86,255	1.1	33	98.1	81,601	1.0
O-59	Ichigo Jingumae Building	6	100.0	184,565	2.3	6	100.0	192,305	2.5
O-60	Ichigo Shibuya Dogenzaka Building	12	100.0	133,921	1.7	11	100.0	131,649	1.7
O-61	Ichigo Hiroo Building	5	100.0	138,891	1.7	4	94.0	133,015	1.7
O-62	Ichigo Sasazuka Building	6	100.0	198,123	2.5	6	100.0	188,039	2.4
O-63	Ichigo Nihonbashi East Building	7	100.0	150,531	1.9	7	100.0	148,830	1.9
O-64	Ichigo Sakurabashi Building	6	100.0	88,943	1.1	6	100.0	87,490	1.1
O-65	Ichigo Shinkawa Building	6	100.0	79,837	1.0	6	100.0	86,349	1.1
O-66	Ichigo Kudan Building	10	100.0	106,304	1.3	10	100.0	110,975	1.4
O-67	Ichigo Higashi Gotanda Building	20	100.0	133,823	1.7	20	100.0	135,423	1.7
O-68	Axior Mita	11	100.0	68,181	0.9	11	100.0	70,825	0.9
O-69	Ichigo Higashi Ikebukuro Building	17	87.8	147,056	1.8	18	91.6	138,024	1.8
O-70	Koriyama Big-i (Office Section)	14	94.1	100,509	1.3	16	100.0	105,133	1.3
O-71	Ichigo Kawasaki Building	16	87.6	79,791	1.0	16	87.6	82,238	1.1
O-72	Ichigo Shibuya East Building	3	100.0	44,971	0.6	3	100.0	45,151	0.6
O-73	Ichigo Ningyocho Building	8	100.0	49,170	0.6	8	100.0	48,252	0.6
O-74	Ichigo Nishi Honmachi Building	32	100.0	115,020	1.4	32	100.0	112,337	1.4
O-75	Ichigo Hakata Building	28	100.0	55,158	0.7	28	100.0	54,761	0.7
O-76	Ichigo Nishiki First Building	7	100.0	71,027	0.9	7	100.0	77,399	1.0
O-78	Ichigo Ikebukuro East Building	2	100.0	97,627	1.2	2	100.0	93,291	1.2
O-79	Ichigo Motoazabu Building	3	100.0	68,382	0.9	3	100.0	67,677	0.9
O-80	Ichigo Otsuka Building	8	100.0	94,470	1.2	8	100.0	102,420	1.3
O-81	Ichigo Nagoya Building	32	81.6	128,801	1.6	32	81.5	128,128	1.6
O-82	Ichigo Fushimi Building	39	92.2	87,706	1.1	40	92.8	91,203	1.2
O-83	Ichigo Nishiki Building	24	94.3	48,524	0.6	25	100.0	47,598	0.6
O-84	Ichigo Minami Morimachi Building	12	100.0	48,577	0.6	12	100.0	50,104	0.6
O-85	Ichigo Shibuya Udagawacho Building	8	89.0	61,452	0.8	8	89.0	60,014	0.8
O-86	Win Gotanda Building	11	100.0	103,680	1.3	11	100.0	113,917	1.5
O-87	Ichigo Hongo Building	5	81.1	87,944	1.1	5	81.1	83,313	1.1
O-88	Oimachi Center Building	7	100.0	78,534	1.0	6	100.0	67,664	0.9
O-89	Win Gotanda Building 2	9	88.7	96,831	1.2	10	100.0	101,952	1.3
O-90	MIF Building	7	88.3	60,111	0.8	7	88.3	60,236	0.8
O-91	Ichigo Uchi Honmachi Building	17	96.1	65,097	0.8	18	100.0	64,326	0.8
O-92	Ichigo Minami Otsuka Building	8	100.0	83,262	1.0	7	100.0	79,747	1.0
O-93	Ichigo Nogizaka Building	6	100.0	88,600	1.1	6	100.0	89,214	1.1

Asset Name	35th Fiscal Period From November 1, 2022 to April 30, 2023				36th Fiscal Period From May 1, 2023 to October 31, 2023			
	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-94 Ichigo Hakata East Building	19	100.0	74,694	0.9	19	100.0	72,692	0.9
O-95 Ichigo Nakameguro Building	5	80.9	31,745	0.4	6	90.4	31,860	0.4
O-96 Ichigo Tachikawa Building	14	83.1	98,155	1.2	16	95.9	101,700	1.3
O-97 Ichigo Higashi Ikebukuro 3 Chome Building	6	100.0	98,293	1.2	6	100.0	99,804	1.3
O-98 Ichigo Marunouchi South Building	23	88.3	34,580	0.4	26	97.6	44,551	0.6
O-99 Ichigo Hakataeki Higashi Building	31	96.8	45,581	0.6	30	94.6	90,413	1.2
O-100 Fukuoka Kensetsu Kaikan	11	100.0	43,132	0.5	11	100.0	84,052	1.1
O-101 Ichigo Kinshicho South Building	–	–	–	–	7	100.0	158	0.0
Z-09 Future IZUMI	2	100.0	43,072	0.5	2	100.0	54,255	0.7
Z-10 Ichigo Shibuya Bunkamura Dori Building	4	100.0	76,983	1.0	5	100.0	75,223	1.0
Z-11 Twicere Yokohama Isogo (Retail Section) (Note 3)	7	80.8	53,715	0.7	–	–	52,290	0.7
Z-14 Ichigo Kamata Building	2	100.0	54,404	0.7	2	100.0	53,920	0.7
Total	998	95.9	7,985,103	100.0	1,008	96.8	7,807,619	100.0

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

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

(Note 3) The asset was sold on October 30, 2023.

Details of Renewable Energy Power Generation Equipment

N/A

Details of PPP and PFI

N/A

Details of Investments in Securities

The table below is the summary of investments in securities owned by Ichigo Office as of October 31, 2023.

	Type	Book Value (thousand yen)		Appraisal Value (thousand yen) (Note 1)		Difference	Note
		Per Share	Total	Per Share	Total		
Equity Interest in Kizuna 1 GK TK	TK (<i>tokumei kumiai</i>) equity interest	–	39,846	–	39,846	–	(Note 2)
Total		–	39,846	–	39,846	–	–

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

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

4 Status of Other Assets

Trust beneficiary rights whose major asset is real estate are included in “3. Portfolio Overview” above, and major specified assets in which the Investment Corporation invests as of October 31, 2023 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, 2023.

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)	98,360,000	96,360,000	–
Total		98,360,000	96,360,000	–

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

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

5 Assets by Country and Region

All Ichigo Office assets are located in Japan.

Capital Expenditures

1 Schedule of Capital Expenditures

The major renovation-related capital expenditures planned as of October 31, 2023 are as described below. The payment amount for the scheduled work below includes the amount classified as accounting expenses.

Asset Name (Location)	Purpose	Period	Expected Payment Amount (thousand yen)		
			Total Amount	Amount Paid in the Fiscal Period under Review	Amount Already Paid
Ichigo Kinshicho South Building (Sumida-ku, Tokyo)	Renovate exterior walls	From February 2024 to March 2024	39,592	–	–
Ichigo Nishi Honmachi Building (Osaka)	Renovate exterior walls (Phase 3)	From March 2024 to April 2024	30,670	–	–
Ichigo Higashi Ikebukuro 3 Chome Building (Toshima-ku, Tokyo)	Upgrade air conditioning systems	From February 2024 to May 2024	30,670	–	–
Ichigo Marunouchi South Building (Nagoya)	Elevator Upgrade	From October 2024 to October 2024	28,630	–	–
Ichigo Hanzomon Building (Chiyoda-ku, Tokyo)	Renovate exterior walls	From December 2023 to February 2024	27,610	–	–
Ichigo Nakameguro Building (Meguro-ku, Tokyo)	Renovate exterior walls (Phase 1)	From February 2024 to April 2024	26,182	–	–
Oimachi Center Building (Shinagawa-ku, Tokyo)	Upgrade air conditioning systems	From January 2024 to March 2024	25,570	–	–
Ichigo Hakata East Building (Fukuoka)	Upgrade central monitoring board	From October 2024 to October 2024	25,570	–	–
Ichigo Shibuya Kamiyamacho Building (Shibuya-ku, Tokyo)	Renovate tenant spaces	From October 2023 to November 2023	25,366	–	–
Ichigo Shibakoen Building (Minato-ku, Tokyo)	Renovate exterior walls (Phase 1)	From March 2024 to April 2024	24,309	–	1,360
Ichigo Nakameguro Building (Meguro-ku, Tokyo)	Renovate exterior walls (Phase 2)	From May 2024 to August 2024	24,244	–	–
Ichigo Kawasaki Building (Kawasaki)	Upgrade Air Handling Units	From October 2024 to October 2024	22,714	–	–
Ichigo Nogizaka Building (Minato-ku, Tokyo)	Upgrade air conditioning systems	From September 2024 to September 2024	22,630	–	–
Ichigo Shibuya Dogenzaka Building (Shibuya-ku, Tokyo)	Elevator Upgrade	From September 2024 to September 2024	22,510	–	–
Ichigo Jimbocho Building (Chiyoda-ku, Tokyo)	Renovate tenant spaces (9 th floor)	From December 2023 to February 2024	21,515	–	–
Ichigo Jimbocho Building (Chiyoda-ku, Tokyo)	Renovate tenant spaces (10 th floor)	From December 2023 to February 2024	21,515	–	–
Ichigo Nagoya Building (Nagoya)	Upgrade air conditioning systems	From September 2024 to September 2024	21,070	–	–
Ichigo Takadanobaba Building (Shinjuku-ku, Tokyo)	Renovate exterior walls (Phase 1)	From April 2024 to April 2024	20,470	–	–
Oimachi Center Building (Shinagawa-ku, Tokyo)	Upgrade air conditioning systems	From June 2024 to October 2024	20,470	–	–
Ichigo Hakataeki Higashi Building (Fukuoka)	Upgrade air conditioning systems	From May 2024 to May 2024	20,420	–	–
Ichigo Kudan 3 Chome Building (Chiyoda-ku, Tokyo)	Renovate tenant spaces	From January 2024 to January 2024	15,370	–	–
Ichigo Uchikanda Building (Chiyoda-ku, Tokyo)	Renovate exterior walls	From March 2024 to May 2024	15,033	–	–

Asset Name (Location)	Purpose	Period	Expected Payment Amount (thousand yen)		
			Total Amount	Amount Paid in the Fiscal Period under Review	Amount Already Paid
Ichigo Hijirizaka Building (Minato-ku, Tokyo)	Upgrade air conditioning systems	From February 2024 to February 2024	13,330	–	–
Ichigo Minami Morimachi Building (Osaka)	Maintenance of mechanical car parking spaces (Phase 1)	From April 2024 to April 2024	12,330	–	–
Ichigo Uchikanda Building (Chiyoda-ku, Tokyo)	Renovate tenant spaces	From December 2023 to January 2024	12,310	–	–
Ichigo Shibakoen Building (Minato-ku, Tokyo)	Upgrade air conditioning systems	From March 2024 to March 2024	11,514	–	–
Ichigo Yotsuya 4 Chome Building (Shinjuku-ku, Tokyo)	Renovate tenant spaces	From December 2023 to December 2023	8,210	–	–
Ichigo Sasazuka Building (Shibuya-ku-, Tokyo)	Upgrade emergency telephone panel	From June 2024 to June 2024	6,768	–	–

2 Capital Expenditures during the Current Fiscal Period

Capital expenditures during the current fiscal period amounted to 866,941 thousand yen, and construction work of a total of 775,081 thousand yen were conducted, combined with repair expenses of 91,859 thousand yen.

Asset Name (Location)	Purpose	Period	Payment Amount (thousand yen)
Ichigo Nishi Honmachi Building (Osaka)	Renovate exterior walls	From April 2023 to June 2023	36,940
Oimachi Center Building (Shinagawa-ku, Tokyo)	Upgrade air conditioning systems	From June 2023 to July 2023	20,266
Ichigo Shibakoen Building (Minato-ku, Tokyo)	Elevator Upgrade	From May 2023 to May 2023	18,083
Ichigo Yotsuya 4 Chome Building (Chiyoda-ku, Tokyo)	Renovate entrance hall	From August 2023 to September 2023	5,567
	Other		694,224
	Total		775,081

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)

	32nd Fiscal Period From May 1, 2021 to October 31, 2021	33rd Fiscal Period From November 1, 2021 to April 30, 2022	34th Fiscal Period From May 1, 2022 to October 31, 2022	35th Fiscal Period From November 1, 2022 to April 30, 2023	36th Fiscal Period From May 1, 2023 to October 31, 2023
Balance of Reserves at Beginning of Period	1,557,530	1,555,616	1,508,839	1,597,254	1,447,264
Gains	739,142	779,842	868,312	783,823	742,966
Reversals	741,056	826,619	779,896	933,812	731,831
Amount Brought Forward to Next Period	1,555,616	1,508,839	1,597,254	1,447,264	1,458,399

Expenses and Liabilities

1 Details of Operating Expenses

(Thousand yen)

	35th Fiscal Period	36th Fiscal Period
	From November 1, 2022 to April 30, 2023	From May 1, 2023 to October 31, 2023
a. Asset Management Fees	1,679,263	678,392
b. Asset Custody Fees	15,198	15,435
c. Administrative Service Fees	44,850	55,273
d. Directors' Compensation	5,040	7,440
e. Other Operating Expenses	223,662	112,538
Total	1,968,015	869,079

(Note) Other than the asset management fees shown above, there is an asset sales performance fee of 775,251 thousand yen for the 35th fiscal period, and 18,682 thousand yen for the 36th fiscal period, which has been deducted from the gain on sales of investment properties.

2 Borrowings

The table below shows borrowings as of October 31, 2023.

	Lender	Loan Date	Balance at Period-start (million yen)	Balance at Period-end (million yen)	Average Interest Rate (%) (Note 1)	Repayment Date	Repayment Terms	Use	Collateralized
Long-Term Loans	SMBC	November 2, 2016	1,000	–	0.845 (Note 2)	October 31, 2023	Lump-sum repayment	(Note 3)	No (No Guarantee)
	SMBC	May 10, 2017	1,100	1,100	0.852 (Note 2)	November 10, 2024	Lump-sum repayment		
	Mizuho Bank	May 10, 2017	1,000	1,000	0.852 (Note 2)	November 10, 2024	Lump-sum repayment		
	SBI Shinsei Bank	May 10, 2017	900	900	0.852 (Note 2)	November 10, 2024	Lump-sum repayment		
	Resona Bank	May 10, 2017	400	400	0.852 (Note 2)	November 10, 2024	Lump-sum repayment		
	Development Bank of Japan	May 10, 2017	2,000	–	0.871	May 10, 2023	Lump-sum repayment		
	SMBC	November 7, 2017	215	–	0.761 (Note 2)	October 31, 2023	Lump-sum repayment		
	Mizuho Bank		340	–					
	MUFG Bank		283	–					
	Resona Bank		237	–					
	SBI Shinsei Bank		135	–					
	Bank of Fukuoka		195	–					
	ORIX Bank		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					
SBI Shinsei Bank	201		201						
Aozora Bank	257		257						

	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	April 27, 2018	352	352	0.990 (Note 2)	April 30, 2026	Lump-sum repayment	(Note 3)	No (No Guarantee)
	Mizuho Trust		1,352	1,352					
	Aozora Bank		901	901					
	SBI Shinsei Bank		901	901					
	Resona Bank		448	448					
	SMBC	May 9, 2018	400	400	0.795 (Note 2)	April 30, 2024	Lump-sum repayment		
	Mizuho Bank		350	350					
	SBI 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					
	SBI 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	0.621	February 29, 2024	Lump-sum repayment		
	Mizuho Bank	September 28, 2018	400	400	0.621	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	0.701	April 30, 2026	Lump-sum repayment		
	SBI Shinsei Bank	October 31, 2018	200	200	0.701	April 30, 2026	Lump-sum repayment		
	SMBC	November 30, 2018	954	954	0.975 (Note 2)	September 30, 2026	Lump-sum Repayment		
	Aozora Bank		656	656					
	Mizuho Bank		773	773					
	SBI Shinsei Bank		483	483					
	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						
SBI 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			

	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	July 31, 2019	1,239	1,239	0.822 (Note 2)	March 25, 2027	Lump-sum repayment	(Note 3)	No (No Guarantee)
	Mizuho Bank		1,074	1,074					
	SBI Shinsei Bank		743	743					
	Aozora Bank		743	743					
	Resona Bank		743	743					
	ORIX Bank		413	413					
	The Kagawa Bank	July 31, 2019	413	413	0.698 (Note 2)	September 25, 2025	Lump-sum repayment		
	SMBC	September 30, 2019	692	692	0.726 (Note 2)	March 25, 2026	Lump-sum repayment		
	SMBC	November 29, 2019	672	672	0.844 (Note 2)	September 25, 2027	Lump-sum repayment		
	Mizuho Bank		610	610					
	SBI Shinsei Bank		641	641					
	MUFG Bank		549	549					
	SMBC	December 16, 2019	1,224	1,224	0.876 (Note 2)	September 25, 2027	Lump-sum repayment		
	Mizuho Bank		1,224	1,224					
	SBI Shinsei Bank		783	783					
	MUFG Bank		783	783					
	Aozora Bank		783	783					
	Resona Bank		587	587					
	The Kagawa Bank	March 31, 2020	955	955	0.662	March 25, 2027	Lump-sum repayment		
	SMBC	May 29, 2020	827	–	0.477	September 25, 2023	Lump-sum repayment		
	SBI Shinsei Bank		790	–					
	Mizuho Bank		753	–					
	MUFG Bank		677	–					
	SMBC	May 29, 2020	543	543	0.740 (Note 2)	March 25, 2027	Lump-sum repayment		
	SBI 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		
	SBI Shinsei Bank	August 31, 2020	998	998	0.722 (Note 2)	March 25, 2027	Lump-sum repayment		
	SBI 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						
SBI Shinsei Bank	260		260						
Aozora Bank	260		260						
SMBC	December 10, 2020	814	814	0.787 (Note 2)	November 25, 2028	Lump-sum repayment			
Mizuho Bank		814	814						
SBI Shinsei Bank		521	521						
Aozora Bank		521	521						

	Lender	Loan Date	Balance at Period-start (million yen)	Balance at Period-end (million yen)	Average Interest Rate (%) (Note 1)	Repayment Date	Repayment Terms	Use	Collateralized
Long-Term Loans	SMBC	December 18, 2020	800	800	0.802 (Note 2)	November 25, 2028	Lump-sum repayment	(Note 3)	No (No Guarantee)
	Mizuho Bank	December 18, 2020	700	700	0.802 (Note 2)	November 25, 2028	Lump-sum repayment		
	Bank of Yokohama	December 18, 2020	500	500	0.802 (Note 2)	November 25, 2028	Lump-sum repayment		
	SMBC	March 31, 2021	527	527	0.461	September 25, 2024	Lump-sum repayment		
	MUFG Bank		494	494					
	Mizuho Bank		355	355					
	Bank of Yokohama		285	285					
	Mizuho Trust & Banking		95	95					
	SMBC	March 31, 2021	1,055	1,055	0.876 (Note 2)	March 25, 2029	Lump-sum repayment		
	Mizuho Bank		710	710					
	Aozora Bank		571	571					
	Resona Bank		571	571					
	Mizuho Trust & Banking		190	190					
	SMBC	May 7, 2021	329	329	0.461	September 25, 2024	Lump-sum repayment		
	MUFG Bank		1,372	1,372					
	Bank of Fukuoka		376	376					
	Mizuho Bank		329	329					
	Bank of Yokohama		30	30					
	SMBC	May 7, 2021	329	329	0.733 (Note 2)	March 25, 2028	Lump-sum repayment		
	Mizuho Bank		329	329					
	Resona Bank		287	287					
	Aozora Bank		174	174					
	SBI Shinsei Bank		162	162					
	Bank of Yokohama	161	161						
	SMBC	May 7, 2021	988	988	0.819 (Note 2)	May 25, 2029	Lump-sum repayment		
	Mizuho Bank		988	988					
	Resona Bank		862	862					
	SBI Shinsei Bank		487	487					
	Aozora Bank		422	422					
	Development Bank of Japan	September 30, 2021	500	500	0.764	September 25, 2028	Lump-sum repayment		
	SMBC	November 8, 2021	194	194	0.612 (Note 2)	September 25, 2026	Lump-sum repayment		
	Mizuho Bank		194	194					
MUFG Bank	1,622		1,622						
Bank of Fukuoka	446		446						
Bank of Yokohama	90		90						
SMBC	November 8, 2021	389	389	0.720 (Note 2)	March 25, 2028	Lump-sum repayment			
Mizuho Bank		389	389						
Resona Bank		271	271						
SBI Shinsei Bank		154	154						
Aozora Bank		117	117						
Bank of Yokohama		356	356						

	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 8, 2021	1,363	1,363	0.833 (Note 2)	November 25, 2029	Lump-sum repayment	(Note 3)	No (No Guarantee)
	Mizuho Bank		1,363	1,363					
	Resona Bank		1,086	1,086					
	SBI Shinsei Bank		617	617					
	Aozora Bank		470	470					
	Development Bank of Japan	January 31, 2022	500	500	0.859	January 25, 2029	Lump-sum repayment		
	SMBC	May 31, 2022	222	222	0.717 (Note 2)	May 25, 2027	Lump-sum repayment		
	Mizuho Bank		193	193					
	MUFG Bank		1,580	1,580					
	Bank of Fukuoka		494	494					
	Nishi-Nippon City Bank		100	100					
	SMBC	May 31, 2022	628	628	0.816 (Note 2)	May 25, 2028	Lump-sum repayment		
	Mizuho Bank		385	385					
	SBI Shinsei Bank		217	217					
	Aozora Bank		98	98					
	Nishi-Nippon City Bank		111	111					
	Resona Bank	125	125						
	SMBC	May 31, 2022	2,360	2,360	1.019 (Note 2)	May 27, 2030	Lump-sum repayment		
	Mizuho Bank		1,348	1,348					
	SBI Shinsei Bank		869	869					
	Aozora Bank		396	396					
	Nishi-Nippon City Bank		283	283					
	Resona Bank	220	220						
	SMBC	June 20, 2022	950	950	1.107 (Note 2)	May 25, 2029	Lump-sum repayment		
	Mizuho Bank	June 20, 2022	950	950	1.107 (Note 2)	May 25, 2029	Lump-sum repayment		
	SMBC	November 30, 2022	1,000	1,000	0.958 (Note 2)	November 25, 2027	Lump-sum repayment		
	Mizuho Bank		524	524					
	MUFG Bank		1,579	1,579					
	SBI Shinsei Bank		307	307					
	Bank of Fukuoka		493	493					
Nishi-Nippon City Bank	493		493						
Resona Bank	245		245						
SMBC	November 30, 2022	1,500	1,500	1.036 (Note 2)	August 25, 2028	Lump-sum repayment			
Mizuho Bank		800	800						
SBI Shinsei Bank		778	778						
Aozora Bank		200	200						
SMBC	November 30, 2022	707	707	1.609 (Note 2)	September 25, 2032	Lump-sum repayment			
Mizuho Bank		600	600						
Aozora Bank		293	293						
Resona Bank		100	100						
Bank of Fukuoka	January 27, 2023	300	300	1.405 (Note 2)	October 25, 2029	Lump-sum repayment			
Nishi-Nippon City Bank	January 27, 2023	200	200	1.405 (Note 2)	October 25, 2029	Lump-sum repayment			
SMBC	January 27, 2023	700	700	1.723 (Note 2)	January 25, 2032	Lump-sum repayment			

	Lender	Loan Date	Balance at Period-start (million yen)	Balance at Period-end (million yen)	Average Interest Rate (%) (Note 1)	Repayment Date	Repayment Terms	Use	Collateralized
Long-Term Loans	Mizuho Bank	January 27, 2023	600	600	1.723 (Note 2)	January 25, 2023	Lump-sum repayment	(Note 3)	No (No Guarantee)
	Development Bank of Japan	May 10, 2023	–	2,000	1.108	September 25, 2029	Lump-sum repayment		
	SMBC	September 25, 2023	–	127	1.160 (Note 2)	April 25, 2028	Lump-sum repayment		
	Mizuho Bank		–	100					
	MUFG Bank		–	677					
	SBI Shinsei Bank		–	100					
	SMBC	September 25, 2023	–	700	1.644 (Note 2)	July 25, 2031	Lump-sum repayment		
	Mizuho Bank		–	653					
	SBI Shinsei Bank		–	690					
	SMBC	October 31, 2023	–	100	1.202 (Note 2)	May 25, 2028	Lump-sum repayment		
	Mizuho Bank		–	100					
	MUFG Bank		–	283					
	SBI Shinsei Bank		–	135					
	Bank of Fukuoka		–	95					
	Resona Bank		–	100					
	SMBC	October 31, 2023	–	115	1.773 (Note 2)	October 25, 2031	Lump-sum repayment		
	Mizuho Bank		–	240					
	Bank of Fukuoka		–	100					
	Resona Bank		–	137					
	Kansai Mirai Bank		–	195					
SMBC	October 31, 2023	–	1,000	1.772 (Note 2)	October 25, 2031	Lump-sum repayment			
Total			108,007	108,007					

(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 proceeds are used for acquisition of real estate 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, 2023 is as follows:

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

(Note 1) The proceeds are used for repaying existing loans and acquisition of assets.

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

4 Short-Term Investment Corporation Bonds

N/A

5 Share Options

N/A

Acquisitions and Sales during the Fiscal Period

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

Asset Type	Asset Name	Acquisitions		Sales			
		Date	Price (million yen) (Note)	Date	Price (million yen) (Note)	Book Value (million yen)	Gain (loss) on Sales (million yen)
Trust beneficiary interest in real estate	Twicere Yokohama Isogo (Retail Section)	–	–	October 30, 2023	1,600	1,426	105
Real estate	Ichigo Kinshicho South Building	October 31, 2023	1,875	–	–	–	–

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

2 Acquisition and Sales of Other Assets

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

3 Review of Asset Values (Appraisal Values)

(1) Real Estate

Transaction	Asset Name	Transaction Date	Transaction Price (million yen) (Note 1)	Appraisal Value (million yen) (Note 2)	Appraiser	Date of Appraisal
Sales	Twicere Yokohama Isogo (Retail Section)	October 30, 2023	1,600	1,510	The Daiwa Real Estate Appraisal Co., Ltd.	April 30, 2023
Acquisition	Ichigo Kinshicho South Building	October 31, 2023	1,875	2,060	The Tanizawa Sogo Appraisal Co., Ltd.	September 1, 2023

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

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

(2) 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, 2023 to October 31, 2023, the transactions subject to price verification were seven 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) Leases

N/A

(3) 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 “(1) Balance Sheet,” “(2) Income Statement,” “(3) Statement of Changes in Net Assets,” “(4) Statement of Dividends” “(5) Cash Flow Statements,” and “(6) Notes to Financial Statements” shown 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 (%)
27th Fiscal Period (November 1, 2018 to April 30, 2019)	1,400	143,640	0.1
28th Fiscal Period (May 1, 2019 to October 31, 2019)	1,400	155,540	0.1
29th Fiscal Period (November 1, 2019 to April 30, 2020)	1,400	95,760	0.1
30th Fiscal Period (May 1, 2020 to October 31, 2020)	1,400	94,500	0.1
31st Fiscal Period (November 1, 2020 to April 30, 2021)	1,400	133,700	0.1
32nd Fiscal Period (May 1, 2021 to October 31, 2021)	1,400	120,820	0.1
33rd Fiscal Period (November 1, 2021 to April 30, 2022)	1,400	116,620	0.1
34th Fiscal Period (May 1, 2022 to October 31, 2022)	1,400	117,460	0.1
35th Fiscal Period (November 1, 2022 to April 30, 2023)	1,400	123,340	0.1
36th Fiscal Period (May 1, 2023 to October 31, 2023)	1,400	118,860	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

Agenda	Summary
Amendment to the Articles of Incorporation (Reduce NOI & Dividend Performance Fee)	The rate of the profit and distribution Performance Fee has been reduced from 0.0054% to approximately 0.0048%.
Amendment to the Articles of Incorporation (Amend Gains on Sale Performance Fee)	In the event that a transfer Performance Fee is incurred, the amount of the Performance Fee for income/distribution for the relevant fiscal period calculated in "Performance Fee for income/distribution" has been reduced by an amount equivalent to such transfer Performance Fee.
Amendment to the Articles of Incorporation (Amend Gains on Merger Performance Fee)	<p>(1) The phrase “in response to a merger proposal” has been deleted in order to clarify that the Gains on Merger Performance Fee is paid when the asset management company changes due to a merger.</p> <p>(2) In order to clarify the calculation basis, Ichigo Office’s merger price has been replaced with the Merger Price as of the Merger Agreement Date, and redefined as follows: Gains on Merger Performance Fee = Gains per Share at the Time of the Merger Agreement (Merger Price at the Time of the Merger Agreement – Net Assets per Share at the Time of the Merger Agreement) * Number of Shares Outstanding at the Time of the Merger Agreement</p> <p>(3) Clearly specified that the Gains on Merger Performance Fee will arise when the merger agreement is signed, contingent on the merger closing.</p>
Amendment to the Articles of Incorporation (Amend Gains on REIT TOB Sale Performance Fee)	<p>(1) Clearly specified that the Gains on REIT TOB Sale Performance Fee is only paid when there is a change in asset management company as a result if a TOB, similar to the Gains on Merger Performance Fee.</p> <p>(2) Considering the possibility of a squeeze-out by the bidder after a TOB, if a squeeze-out is implemented, the shares subject to the squeeze-out has been included in the calculation of additional compensation, and the additional compensation occurs as of the date the squeeze-out is completed.</p>
Appointment of Takafumi Kagiya as Executive Director	Takafumi Kagiya was appointed as Executive Director.
Appointment of Yuji Maruo as Supervisory Director	Yuji Maruo was appointed as Supervisory Director.
Amendment to the Articles of Incorporation (Reduce upper limit on Director compensation and add Director compensation shareholder approval requirement)	The maximum remuneration for executive directors has been reduced from 800,000 yen to 720,000 yen per month, and the maximum remuneration for supervisory directors reduced from 500,000 yen to 450,000 yen per month. In addition, the amount of remuneration will be determined by an ordinary resolution of the general meeting of unitholders as an amount considered reasonable in light of general price trends, wage trends, and other factors.
Amendment to the Articles of Incorporation (Change upper limit for number of Directors)	The number of directors has been changed to a total of no more than five after the next General Meeting of Shareholders.
Partial amendments to the Articles of Incorporation (regarding change in the rate of NOI & Dividend Performance Fee)	Ichigo Office received a notice of withdrawal of the proposal and the proposal was withdrawn.
Partial amendments to the Articles of Incorporation (regarding abolition of Gains on Sale Performance Fee, and adoption of Asset Acquisition Fee and Asset Sale Fee)	Ichigo Office received a notice of withdrawal of the proposal and the proposal was withdrawn.

Agenda	Summary
Partial amendments to the Articles of Incorporation (regarding abolition of Gains on Merger Performance Fee and Gains on REIT TOB Sale Performance Fee, and adoption of Merger Fee)	The proposal was disapproved because it did not receive the required two-thirds of shareholders in attendance voting for the proposal.
Appointment of Mr. Toru Sugihara as an executive director	The proposal was disapproved because it did not receive the required majority of shareholders in attendance voting for the proposal.
Appointment of Mr. Akihiko Fujinaga as a supervisory director	The proposal was disapproved because it did not receive the required majority of shareholders in attendance voting for the proposal.
Partial amendments to the Articles of Incorporation (regarding adoption of a cap on remuneration for Executive Directors and Supervisory Directors)	The proposal was disapproved because it did not receive the required two-thirds of shareholders in attendance voting for the proposal.

(2) Board of Directors

N/A

3 Disclosure of Affiliated Foreign Real Estate Holding Companies

N/A

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

N/A

5 Other

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

INDEPENDENT AUDITOR'S REPORT**To the Board of Directors of Ichigo Office REIT Investment Corporation****Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of Ichigo Office REIT Investment Corporation (the Company), which comprise the balance sheet as at October 31, 2023, 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, 2023, and its financial performance and its cash flows for the six months then ended in accordance with the Ministerial Order for the Rules on Terminology, Forms, and Preparation Methods of Financial Statements, and Ordinance of Accountings of Investment Corporations and accounting principles generally accepted in Japan.

Basis for Opinion

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

Emphasis of Matter

As described in "Notes to Significant Subsequent Events", the Company issued investment corporation bond.

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

Other Information

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

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

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

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

Responsibilities of Management and Supervisory Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures of the financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Fee-related Information

The fees paid or payable to our firm and to other firms within the same network as our firm for audit and non-audit services provided to the Company are disclosed in "3. Executive Director and Supervisory Directors" included in "Ichigo Office Overview" in the Semi-Annual Report.

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.

Tetsuo Shibaya



Tetsuo Shibaya
Designated Engagement Partner
Certified Public Accountant

Daisuke Noda



Daisuke Noda
Designated Engagement Partner
Certified Public Accountant

Grant Thornton Taiyo LLC
Tokyo, Japan
29th January, 2024

1. Financial Statements

(1) Balance Sheet

(Thousand Yen)

	Previous fiscal period (As of April 30, 2023)	Current fiscal period (As of October 31, 2023)
Assets		
Current assets		
Cash and deposits	11,503,977	6,485,932
Cash and deposits in trust	14,259,512	14,109,451
Operating accounts receivable	21,317	9,510
Prepaid expenses	477,828	518,994
Other	3,006	327
Total current assets	26,265,643	21,124,217
Non-current assets		
Property, plant and equipment		
Buildings	7,189,308	7,556,540
Accumulated depreciation	(2,356,994)	(2,464,828)
Buildings, net	4,832,314	5,091,711
Structures	30,478	30,587
Accumulated depreciation	(25,530)	(25,844)
Structures, net	4,948	4,743
Machinery and equipment	352,982	358,001
Accumulated depreciation	(247,867)	(261,435)
Machinery and equipment, net	105,115	96,566
Tools, furniture and fixtures	85,494	88,087
Accumulated depreciation	(61,373)	(66,073)
Tools, furniture and fixtures, net	24,120	22,014
Land	15,031,993	16,668,067
Construction in progress	1,649	1,649
Buildings in trust	49,089,328	48,905,052
Accumulated depreciation	(12,497,544)	(13,066,185)
Buildings in trust, net	36,591,784	35,838,866
Structures in trust	79,965	87,573
Accumulated depreciation	(42,354)	(43,246)
Structures in trust, net	37,611	44,327
Machinery and equipment in trust	949,160	979,701
Accumulated depreciation	(487,669)	(522,224)
Machinery and equipment in trust, net	461,490	457,477
Tools, furniture and fixtures in trust	357,810	383,340
Accumulated depreciation	(238,697)	(258,301)
Tools, furniture and fixtures in trust, net	119,112	125,038
Land in trust	146,248,541	145,429,585
Construction in progress in trust	14,345	2,674
Total property, plant and equipment	203,473,027	203,782,724
Intangible assets		
Leasehold rights in trust	4,494,579	4,494,579
Total intangible assets	4,494,579	4,494,579
Investments and other assets		
TK (<i>tokumei kumiai</i>) equity interest	39,846	39,846
Lease and guarantee deposits	10,000	10,000
Long-term prepaid expenses	1,442,675	1,408,748
Other	137,968	108,164
Allowance for doubtful accounts	(3,898)	—
Total investments and other assets	1,626,593	1,566,759
Total non-current assets	209,594,201	209,844,063
Deferred assets		
Bond issuance expenses	37,547	33,148
Total deferred assets	37,547	33,148
Total Assets	235,897,392	231,001,429

(Thousand Yen)

	Previous fiscal period (As of April 30, 2023)	Current fiscal period (As of October 31, 2023)
Liabilities		
Current Liabilities		
Operating accounts payable	1,477,513	805,157
Long-term loans (due within one year)	10,547,000	7,092,000
Accounts payable – other	1,906,537	841,112
Accrued expenses	26,638	28,445
Income taxes payable	605	605
Accrued consumption taxes	73,676	278,044
Advances received	1,484,456	1,521,249
Other	17,524	41,413
Total current liabilities	15,533,950	10,608,028
Long-Term Liabilities		
Investment corporation bonds	6,900,000	6,900,000
Long-term borrowings	97,460,000	100,915,000
Tenant leasehold and security deposits	1,488,679	1,349,631
Tenant leasehold and security deposits in trust	9,102,764	9,108,284
Asset retirement obligations	19,625	19,692
Other	96,074	101,178
Total long-term liabilities	115,067,144	118,393,786
Total Liabilities	130,601,095	129,001,814
Net Assets		
Shareholders' Equity		
Shareholders' capital	67,675,274	67,675,274
Surplus		
Capital reserve surplus	20,566,420	20,566,420
Capital reserve surplus deduction	*2 (1,499,919)	*2 (1,499,919)
Capital reserve surplus (net)	19,066,500	19,066,500
Discretionary reserves		
Reserve for dividends	3,368,625	3,471,625
Reserve for temporary difference adjustments	*3 8,794,544	*3 8,689,544
Total discretionary reserves	12,163,170	12,161,170
Unappropriated retained earnings (undisposed loss)	6,391,351	3,096,669
Total surplus	37,621,022	34,324,340
Total Shareholders' Equity	105,296,297	101,999,614
Total Net Assets	*1 105,296,297	*1 101,999,614
Total Liabilities and Net Assets	235,897,392	231,001,429

(2) Income Statement

(Thousand yen)

	Previous fiscal period (November 1, 2022 to April 30, 2023)	Current fiscal period (May 1, 2023 to October 31, 2023)
Operating Revenue		
Rental revenue	*1 7,287,685	*1 7,251,432
Other rental revenue	*1 697,418	*1 556,187
Gain on sales of real estate	*2 4,393,094	*2 105,865
Dividend from TK (<i>tokumei kumiai</i>)	2,506	1,369
Total operating revenue	12,380,703	7,914,855
Operating Expenses		
Rental expenses	*1 3,223,121	*1 3,131,034
Asset management fee	1,679,263	678,392
Asset custody fee	15,198	15,435
Administrative service fees	44,850	55,273
Directors' compensation	5,040	7,440
Other operating expenses	223,662	112,538
Total operating expenses	5,191,136	4,000,114
Operating Profit	7,189,567	3,914,740
Non-Operating Revenues		
Interest income	113	117
Reversal of distribution payable	505	689
Other	9	143
Total non-operating revenues	628	950
Non-operating expenses		
Interest expenses	472,895	495,686
Borrowing expenses	322,002	281,148
Amortization of bond issuance expenses	4,327	4,399
Other	269	38,071
Total non-operating expenses	799,494	819,306
Recurring Profit	6,390,701	3,096,384
Pre-tax income	6,390,701	3,096,384
Income taxes - current	605	605
Total income taxes	605	605
Net Income	6,390,096	3,095,779
Retained earnings brought forward	1,255	889
Unappropriated retained earnings (undisposed loss)	6,391,351	3,096,669

(3) Statement of Changes in Net Assets

Previous fiscal period (November 1, 2022 to April 30, 2023)

(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	8,999,544	12,268,170
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	8,794,544	12,163,170

	Shareholders' equity			Total net assets
	Surplus		Total shareholders' equity	
	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of period	3,001,684	34,336,355	102,011,630	102,011,630
Changes during the period				
Release from temporary difference adjustment reserve	105,000	-	-	-
Dividends	(3,105,429)	(3,105,429)	(3,105,429)	(3,105,429)
Net Income	6,390,096	6,390,096	6,390,096	6,390,096
Total changes during period	3,389,666	3,284,666	3,284,666	3,284,666
Balance at period-end	6,391,351	37,621,022	105,296,297	105,296,297

Current fiscal period (May 1, 2023 to October 31, 2023)

(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	8,794,544	12,163,170
Changes during the period							
Increase in Dividend Reserve					103,000	—	103,000
Release from temporary difference adjustment reserve						(105,000)	(105,000)
Dividends							
Net Income							
Total changes during the period	—	—	—	—	103,000	(105,000)	(2,000)
Balance at period-end	67,675,274	20,566,420	(1,499,919)	19,066,500	3,471,625	8,689,544	12,161,170

	Shareholders' equity			Total net assets
	Surplus		Total shareholders' equity	
	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of period	6,391,351	37,621,022	105,296,297	105,296,297
Changes during the period				
Increase in Dividend Reserve	(103,000)	—	—	—
Release from temporary difference adjustment reserve	105,000	—	—	—
Dividends	(6,392,462)	(6,392,462)	(6,392,462)	(6,392,462)
Net Income	3,095,779	3,095,779	3,095,779	3,095,779
Total changes during period	(3,294,682)	(3,296,682)	(3,296,682)	(3,296,682)
Balance at period-end	3,096,669	34,324,340	101,999,614	101,999,614

(4) Statement of Dividends

	Previous fiscal period (November 1, 2022 to April 30, 2023)	Current fiscal period (May 1, 2023 to October 31, 2023)
I. Unappropriated Retained Earnings	6,391,351,735 yen	3,096,669,159 yen
II. Discretionary Reserve Reversal Reversal of Temporary Difference Adjustment Reserve	105,000,000 yen	105,000,000 yen
III. Total Dividends (Dividend per share)	6,392,462,208 yen (4,224 yen)	3,200,771,205 yen (2,115 yen)
IV. Discretionary Reserves Provision to Dividend Reserve	103,000,000 yen	— yen
V. Retained Earnings Carried Forward	889,527 yen	897,954 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, 6,392,462,208 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 6,391,351,735 yen of unappropriated retained earnings, and transferring 103,000,000 yen of gains on sales of real estate to dividend reserves, within J-REIT conduit rules. As a result, dividend per share came to 4,224 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, 3,200,771,205 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 3,096,669,159 yen of unappropriated retained earnings. As a result, dividend per share came to 2,115 yen.

(5) Cash Flow Statement

(Thousand yen)

	Previous fiscal period (November 1, 2022 to April 30, 2023)	Current fiscal period (May 1, 2023 to October 31, 2023)
Cash flows from operating activities		
Pre-tax income	6,390,701	3,096,384
Depreciation	950,851	971,756
Increase (decrease) in allowance for doubtful accounts	—	(3,898)
Interest income	(113)	(117)
Interest expense	472,895	495,686
Decrease (increase) in operating accounts receivable	(19,745)	11,806
Decrease (increase) in consumption taxes receivable	5,732	—
Decrease (increase) in prepaid expenses	(7,947)	(41,166)
Decrease (increase) in long-term prepaid expenses	(66,017)	33,926
Increase (decrease) in accrued consumption taxes	(2,389)	204,368
Increase (decrease) in operating accounts payable	792,548	(728,518)
Increase (decrease) in accounts payable	997,956	(1,065,425)
Increase (decrease) in advances received	(1,119,417)	36,793
Decrease due to sales of property, plant, and equipment	5,111,918	1,426,472
Other	4,622	74,174
Subtotal	13,511,596	4,512,244
Interest income received	113	117
Interest expenses paid	(471,284)	(493,879)
Income taxes paid	(605)	(605)
Net Cash flows from (used for) operations	13,039,821	4,017,877
Cash flows from investing activities		
Purchase of property, plant and equipment	(53,290)	(2,020,757)
Purchase of property, plant and equipment in trust	(8,761,990)	(642,705)
Proceeds from tenant leasehold and security deposits	14,743	143,446
Repayments from tenant leasehold and security deposits	(43,926)	(282,494)
Proceeds from tenant leasehold and security deposits in trust	597,403	396,556
Repayments from tenant leasehold and security deposits in trust	(505,697)	(391,036)
Proceeds from redemption of investment securities	11,096	—
Net Cash flows from (used for) investments	(8,741,662)	(2,796,990)
Cash flows from financing activities		
Increase in long-term borrowings	11,419,000	7,647,000
Decrease in long-term borrowings	(9,623,250)	(7,647,000)
Dividends paid	(3,102,644)	(6,393,290)
Net Cash flows from (used for) financing	(1,306,894)	(6,393,290)
Net increase (decrease) in cash and cash equivalents	2,991,264	(5,172,403)
Cash and cash equivalents at beginning of period	22,667,831	25,659,096
Cash and cash equivalents at end of period	*1 25,659,096	*1 20,486,693

(6) Notes to Financial Statements

(Going concern note)

N/A

(Summary of Significant Accounting Policies)

1. Standards and methods for valuation of assets	Securities Other securities Securities without market value Securities are accounted at cost based on the moving-average method. Investments in TK (<i>tokumei kumiai</i>) real estate equity interest Investments in TK (<i>tokumei kumiai</i>) real estate equity interest are accounted for using the equity method of accounting.
2. Method of depreciation of fixed assets	(1) Property, plant and equipment (including assets in trust) The depreciation of property, plant and equipment is calculated using the straight-line method. The useful lives of assets are as stated below. Buildings : 1 to 63 years Structures : 2 to 45 years Machinery and equipment : 1 to 15 years Tools, furniture and fixtures : 1 to 15 years (2) Long-term prepaid expenses The depreciation of long-term prepaid expenses is calculated using the straight-line method.
3. Accounting for deferred assets	Investment corporation bond issuance costs Investment corporation bond issuance costs are amortized equally over the period up to the redemption.
4. Standards for recognition of revenues and expenses	(1) Accounting for revenues Details of performance obligations regarding revenue from contracts between Ichigo Office and its customers and the general point of time under normal circumstances such revenues should be recognized are as follows: (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. (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. The amount corresponding to fixed asset taxes that was included in the acquisition costs of real estate for the previous fiscal period was 1,226 thousand yen.

<p>5. 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>6. 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>7. 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.</p> <p>(i) Cash and deposits in trust</p> <p>(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</p> <p>(iii) Tenant leasehold and security deposits in trust</p> <p>(2) Accounting for non-deductible consumption taxes Non-deductible consumption taxes on assets are included in the acquisition costs of individual assets.</p>

Notes

(Notes to balance sheet)

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

	Previous fiscal period (As of April 30, 2023)	Current fiscal period (As of October 31, 2023)
	50,000	50,000

*2. Cancellation of Treasury Shares

	Previous fiscal period (As of April 30, 2023)	Current fiscal period (As of October 31, 2023)
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, 2023)

	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	8,899,544	–	105,000	8,794,544	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, 2023)

	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	8,794,544	–	105,000	8,689,544	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, 2022 to April 30, 2023)		Current fiscal period (May 1, 2023 to October 31, 2023)	
A. Real estate rental revenue				
Rental Revenue				
Rental revenue	5,992,526		5,963,287	
Common area charges	943,511		931,692	
Parking lot rental revenue	283,605		286,130	
Facility use charges	68,040	7,287,685	70,322	7,251,432
Other rental revenue				
Utilities revenue	658,821		529,221	
Other	38,596	697,418	26,965	556,187
Total real estate rental revenue		7,985,103		7,807,619
B. Real estate rental expenses				
Rental expenses				
Service provider expenses	661,897		691,544	
Utilities	716,926		559,191	
Trust fees	36,691		34,553	
Depreciation	950,851		971,756	
Repair expenses	100,201		91,859	
Taxes and public dues	696,242		719,664	
Non-life insurance expenses	16,188		16,929	
Other rental expenses	44,120		45,534	
Total real estate rental expenses		3,223,121		3,131,034
C. Net rental income				
(A-B)		4,761,981		4,676,584

*2. Details of real estate sales

Previous fiscal period (November 1, 2022 to April 30, 2023)

Ichigo Ikenohata Building	(Thousand Yen)
Real estate sale revenue	10,600,000
Real estate sale cost	5,111,918
Other real estate sale expenses	1,094,987
Gain on real estate sales	4,393,094

Current fiscal period (May 1, 2023 to October 31, 2023)

Twicere Yokohama Isogo (Retail Section)	(Thousand Yen)
Real estate sale revenue	1,600,000
Real estate sale cost	1,426,472
Other real estate sale expenses	67,661
Gain on real estate sales	105,865

(Statement of changes in net assets)

	Previous fiscal period (November 1, 2022 to April 30, 2023)	Current fiscal period (May 1, 2023 to October 31, 2023)
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, 2022 to April 30, 2023)	Current fiscal period (May 1, 2023 to October 31, 2023)
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, 2022 to April 30, 2023)	Current fiscal period (May 1, 2023 to October 31, 2023)
Cash and deposits	11,503,977	6,485,932
Cash and deposits in trust	14,259,512	14,109,451
Miscellaneous deposits	(104,393)	(108,691)
Cash and cash equivalents	25,659,096	20,486,693

(Notes to lease transactions)

Operating lease transactions

(Lessee)

(Thousand yen)

	Previous fiscal period (As of April 30, 2023)	Current fiscal period (As of October 31, 2023)
Outstanding lease charges		
One year or less	78,583	79,044
Over one year	1,470,845	1,431,323
Total	1,549,429	1,510,367

(Lessor)

(Thousand yen)

	Previous fiscal period (As of April 30, 2023)	Current fiscal period (As of October 31, 2023)
Outstanding lease charges		
One year or less	7,346,552	7,268,865
Over one year	738,858	824,950
Total	8,085,410	8,093,815

(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 the impact of rising market interest rates on Ichigo Office's operations are controlled by managing the LTV appropriately and by utilizing derivatives (interest rate swaps) as a hedging method.

(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, 2023, the market value, and the difference between the carrying amount and the market value were as follows. Investments in TK (*tokumei kumiai*) real estate equity interest (Note 2) are not included in the table below.

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

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

(Thousand yen)

	Carrying value	Market value	Difference
(1) Long-term borrowings (due within one year)	10,547,000	10,550,668	3,668
(2) Investment corporation bonds	6,900,000	6,772,445	(127,554)
(3) Long-term borrowings	97,460,000	97,017,763	(442,236)
Total liabilities	114,907,000	114,340,876	(566,123)
(4) Derivative transactions	–	–	–

The carrying amount on the balance sheet on October 31, 2023, the market value, and the difference between the carrying amount and the market value were as follows. Investments in TK (*tokumei kumiai*) real estate equity interest (Note 2) are not included in the table below.

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

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

(Thousand yen)

	Carrying value	Market value	Difference
(1) Long-term borrowings (due within one year)	7,092,000	7,092,905	905
(2) Investment corporation bonds	6,900,000	6,709,589	(190,410)
(3) Long-term borrowings	100,915,000	99,891,073	(1,023,926)
Total liabilities	114,907,000	113,693,568	(1,213,431)
(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.

(3) Derivative transactions

Please refer to “Notes to Derivative Transactions” below.

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

Previous fiscal period (As of April 30, 2023)

In accordance with the treatments stipulated in Paragraph 24-16 of “Implementation Guidance on Accounting for Fair Value Measurement” (ASBJ Guidance No.31, June 17, 2021, Accounting Standards Board of Japan), matters set down on Paragraph 4-1 of “Implementation Guidance on Fair Value Measurement of Financial Instruments” (ASBJ Guidance No.19, March 31, 2020) has been omitted.

The carrying amount on the balance sheet for the Investment in TK real estate equity interest according to the above implementation is 39,846 thousand yen.

Current fiscal period (As of October 31, 2023)

In accordance with the treatments stipulated in Paragraph 24-16 of “Implementation Guidance on Accounting for Fair Value Measurement” (ASBJ Guidance No.31, June 17, 2021, Accounting Standards Board of Japan), matters set down on Paragraph 4-1 of “Implementation Guidance on Fair Value Measurement of Financial Instruments” (ASBJ Guidance No.19, March 31, 2020) has been omitted.

The carrying amount on the balance sheet for the Investment in TK real estate equity interest according to the above implementation is 39,846 thousand yen.

(Note 3) Maturity profile of investment corporation bonds and long-term loans after the fiscal period-end date (April 30, 2023)

(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)	10,547,000	–	–	–	–	–
Investment corporation bonds	–	1,000,000	1,000,000	–	2,200,000	2,700,000
Long-term borrowings	–	10,538,000	13,340,000	18,720,000	18,204,000	36,658,000
Total	10,547,000	11,538,000	14,340,000	18,720,000	20,404,000	39,358,000

Maturity profile of investment corporation bonds and long-term loans after the fiscal period-end date (October 31, 2023)

(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)	7,092,000	–	–	–	–	–
Investment corporation bonds	–	1,000,000	1,000,000	1,200,000	1,000,000	2,700,000
Long-term borrowings	–	11,840,000	17,658,000	19,353,000	18,445,000	33,619,000
Total	7,092,000	12,840,000	18,658,000	20,553,000	19,445,000	36,319,000

(Securities)

Previous fiscal period (As of April 30, 2023)

Investments in TK (*tokumei kumiai*) real estate equity interest (carrying amount on the balance sheet: 39,846 thousand yen) has been omitted in accordance with the regulations noted on Article 8-6-2, Paragraph 3 of the amended Ordinance on the Terminology, Forms, and Preparation Methods of Financial Statements, etc.

Current fiscal period (As of October 31, 2023)

Investments in TK (*tokumei kumiai*) real estate equity interest (carrying amount on the balance sheet: 39,846 thousand yen) has been omitted in accordance with the regulations noted on Article 8-6-2, Paragraph 3 of the amended Ordinance on the Terminology, Forms, and Preparation Methods of Financial Statements, etc.

(Notes to derivative transactions)

1. Non-hedge accounting derivatives

Not applicable in the previous fiscal period (ended April 30, 2023) and the current fiscal period (ended October 31, 2023).

2. Hedge accounting derivatives

Previous fiscal period (As of April 30, 2023)

(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	95,313,000	90,713,000	(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 “Notes to financial instruments, 2. Matters concerning the market value, etc. of financial instruments” above.

Current fiscal period (As of October 31, 2023)

(Thousand yen)

Method of hedge accounting	Type of derivative transaction	Main hedged item	Contract amount		Market value	Calculation method of market value
				Over one year		
Special treatment of interest rate swaps	Interest rate swap transaction (pay fixed, receive floating)	Long-term borrowings	98,360,000	96,360,000	(Note)	–

(Note) Interest rate swaps accounted under the special treatment method are processed together with the hedged items (in this case, long-term borrowings). Therefore, their market values are included in the market values of (1) Long-term borrowings (due within one year) (3) long-term borrowings payable in “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, 2023)

N/A

Current fiscal period (As of October 31, 2023)

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, 2023)	Current fiscal period (As of October 31, 2023)
Deferred tax assets		
Valuation difference of assets transferred at merger	5,178,387	5,166,180
Asset retirement obligations	1,755	1,860
Allowance for doubtful accounts	1,226	–
Subtotal	5,181,369	5,168,040
Valuation allowance	(5,181,369)	(5,168,040)
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, 2023)	Current fiscal period (As of October 31, 2023)
Statutory tax rate	31.46%	31.46%
(Adjustment)		
Deductible dividend distribution	(31.30%)	(31.11%)
Change in valuation allowance	(0.16%)	(0.35%)
Other	0.01%	0.02%
Effective tax rate	0.01%	0.02%

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

Previous fiscal period (November 1, 2022 to April 30, 2023)

N/A

Current fiscal period (May 1, 2023 to October 31, 2023)

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, 2022 to April 30, 2023) and the current fiscal period (from May 1, 2023 to October 31, 2023)

2. Affiliated companies

Not applicable in the previous fiscal period (from November 1, 2022 to April 30, 2023) and the current fiscal period (from May 1, 2023 to October 31, 2023)

3. Fellow subsidiaries

Not applicable in the previous fiscal period (from November 1, 2022 to April 30, 2023) and the current fiscal period (from May 1, 2023 to October 31, 2023)

4. Directors and principal individual shareholders

Not applicable in the previous fiscal period (from November 1, 2022 to April 30, 2023) and the current fiscal period (from May 1, 2023 to October 31, 2023)

(Asset retirement obligations)

Previous fiscal period (November 1, 2022 to April 30, 2023)

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

Current fiscal period (May 1, 2023 to October 31, 2023)

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, 2022 to April 30, 2023)	Current fiscal period (May 1, 2023 to October 31, 2023)
Office	Carrying amount		
	Balance at the beginning of period	198,708,273	201,584,740
	Increase (decrease) during period	2,876,466	1,763,693
	Balance at period-end	201,584,740	203,348,433
	Market value at period-end	248,674,000	252,210,000
Other	Carrying amount		
	Balance at the beginning of period	6,390,133	6,366,871
	Increase (decrease) during period	(23,261)	(1,442,325)
	Balance at period-end	6,366,871	4,924,546
	Market value at period-end	6,656,000	5,006,000
Total	Carrying amount		
	Balance at the beginning of period	205,098,407	207,951,612
	Increase (decrease) during period	2,853,204	321,367
	Balance at period-end	207,951,612	208,272,979
	Market value at period-end	255,330,000	257,216,000

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

(Note 2) The major increase in rental assets during the previous fiscal period was due to the acquisition of trust beneficiary interests in real estate of three assets (8,085,918 thousand yen), and the major decrease was due to sale of a trust beneficiary interest in real estate of one asset (5,111,918 thousand yen) and depreciation.

The major increase during the current fiscal period was due to the acquisition of one real estate asset (1,943,903 thousand yen), and the major decrease was due to the sale of a trust beneficiary interest in real estate of one asset (1,426,472 thousand yen) and depreciation.

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

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

(Notes regarding revenue recognition)

1. Breakdown of revenue from contracts with customers

Previous fiscal period (November 1, 2022 to April 30, 2023)

(Thousand yen)

	Revenues generated from contracts with customers	Sales to external customers
Real estate property sales	10,600,000	(Note 2) 4,393,094
Utility charge reimbursements	658,821	658,821
Other	—	7,326,281
Total	11,258,821	12,378,197

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

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

Current fiscal period (May 1, 2023 to October 31, 2023)

(Thousand yen)

	Revenues generated from contracts with customers	Sales to external customers
Real estate property sales	1,600,000	(Note 2) 105,865
Utility charge reimbursements	529,221	529,221
Other	–	7,278,398
Total	2,129,221	7,913,485

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

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

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

Previous fiscal period (November 1, 2022 to April 30, 2023)

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

Current fiscal period (May 1, 2023 to October 31, 2023)

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

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

Previous fiscal period (November 1, 2022 to April 30, 2023)

(Thousand yen)

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

	Previous fiscal period (November 1, 2022 to April 30, 2023)
Receivables generated from contracts with customers (balance at the beginning of period)	1,328
Receivables generated from contracts with customers (balance at period-end)	953
Contract assets (balance at the beginning of period)	–
Contract assets (balance at period-end)	–
Contract liabilities (balance at the beginning of period)	–
Contract liabilities (balance at period-end)	–

(2) Transaction price allocated to remaining performance obligations

N/A

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

remaining performance obligations through application of the provisions of Paragraph 80-22 (2) of the Accounting Standard for Revenue Recognition.

Current fiscal period (May 1, 2023 to October 31, 2023)

(Thousand yen)

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

	Current fiscal period (May 1, 2023 to October 31, 2023)
Receivables generated from contracts with customers (balance at the beginning of period)	953
Receivables generated from contracts with customers (balance at period-end)	653
Contract assets (balance at the beginning of period)	-
Contract assets (balance at period-end)	-
Contract liabilities (balance at the beginning of period)	-
Contract liabilities (balance at period-end)	-

(2) Transaction price allocated to remaining performance obligations

N/A

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

(Segment information)

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

(Related information)

Previous fiscal period (November 1, 2022 to April 30, 2023)

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, 2023 to October 31, 2023)

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, 2022 to April 30, 2023)	Current fiscal period (May 1, 2023 to October 31, 2023)
Net assets per share (yen)	69,577	67,399
Net income per share (yen)	4,222	2,045

(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, 2022 to April 30, 2023)	Current fiscal period (May 1, 2023 to October 31, 2023)
Net Income (Thousand yen)	6,390,096	3,095,779
Amount not attributable to common shareholders (Thousand yen)	–	–
Net income attributable to common shareholders (Thousand yen)	6,390,096	3,095,779
Average number of shares during period (Shares)	1,513,367	1,513,367

(Notes to Significant Subsequent Events)

Ichigo Office issued its First Callable Unsecured Investment Corporation Bond (subordinated and limited to qualified institutional investors) based on the Board of Directors approval on November 13, 2023.

Total Issue Amount	JPY 350 million
Issue Price	Par (JPY 100)
Interest Rate	1.00% (fixed rate)
Payment Date	November 20, 2023
Collateral	No
Redemption Date	November 20, 2033
Use of Proceeds	Value-add capex
Allottee	Ichigo Inc.
Subordination Agreement	In the event of an Ichigo Office liquidation or rehabilitation, Investment Corporation Bonds will be treated as subordinated bankruptcy claims or subordinated rehabilitation claims. If proceedings related to liquidation under Japanese law, or liquidation, bankruptcy, or rehabilitation pursuant to laws outside of Japan arise and are ongoing, neither interest nor principal payment will be made until senior claims have been repaid in full.
Transfer Restrictions	Sales of the Investment Corporation Bonds requires the approval of Ichigo Office, and can only be sold to qualified institutional investors as defined in Article 10, Clause 1 of the Cabinet Office Ordinance Relating to Definitions Prescribed in Article 2 of the Financial Instruments and Exchange Law.

(7) Supplementary Schedules

(i) Schedule of securities

(a) Stocks

N/A

(b) Securities other than stocks

(Thousand yen)

Type	Name of Security	Aggregate Value	Book Value	Accrued Interest Receivable	Accrued Interest Paid	Appraisal Value (Note 1)	Difference	Note
TK (<i>tokumei kumiai</i>) real estate equity interest	Equity interest in Kizuna 1 GK TK	–	39,846	–	–	39,846	–	(Note 2)
Total		–	39,846	–	–	39,846	–	–

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

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

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

(Thousand yen)

Classification	Type	Contract amount (Note 1)		Market value (Note 2)
			Exceeding 1 year	
Transactions other than market transactions	Interest rate swap (pay fixed, receive floating)	98,360,000	96,360,000	–
Total		98,360,000	96,360,000	–

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

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

(iii) Summary table of schedule of real estate

(Thousand yen)

Asset type	Balance at beginning of current period	Increase during period	Decrease during period	Balance at end of current period	Accumulated depreciation or accumulated amortization		Balance at end of current period	Remarks	
						Depreciation or amortization during period			
Property, plant and equipment	Buildings	7,189,308	367,232	–	7,556,540	2,464,828	107,834	5,091,711	(Note)
	Structures	30,478	108	–	30,587	25,844	313	4,743	(Note)
	Machinery and equipment	352,982	5,019	–	358,001	261,435	13,568	96,566	(Note)
	Tools, furniture and fixtures	85,494	2,593	–	88,087	66,073	4,699	22,014	(Note)
	Land	15,031,993	1,636,074	–	16,668,067	–	–	16,668,067	(Note)
	Construction in progress	1,649	–	–	1,649	–	–	1,649	
	Buildings in trust	49,089,328	638,567	822,843	48,905,052	13,066,185	786,554	35,838,866	(Note)
	Structures in trust	79,965	9,313	1,704	87,573	43,246	2,261	44,327	(Note)
	Machinery and equipment in trust	949,160	30,541	–	979,701	522,224	34,554	457,477	(Note)
	Tools, furniture and fixtures in trust	357,810	30,146	4,615	383,340	258,301	21,970	125,038	(Note)
	Land in trust	146,248,541	–	818,956	145,429,585	–	–	145,429,585	(Note)
	Construction in progress in trust	14,345	300	11,971	2,674	–	–	2,674	
	Subtotal	219,431,059	2,719,896	1,660,090	220,490,864	16,708,140	971,756	203,782,724	
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	223,925,638	2,719,896	1,660,090	224,985,444	16,708,140	971,756	208,277,303		

(Note) The major increase during the current fiscal period was due to the acquisition of one real estate asset (1,943,903 thousand yen), and the major decrease was due to the sale of a trust beneficiary interest in real estate of one asset (1,426,472 thousand yen) and depreciation.

(iv) Schedule of other specified assets

N/A

(v) Schedule of investment corporation bonds

(Thousand yen)

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

(Note 1) The proceeds are used for repaying existing loans and acquisition of assets.

(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	1,200,000	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	1,000,000	–	1,000,000	–	0.845 (Note 2)	October 31, 2023	Lump-sum repayment	(Note 3)	No (No Guarantee)
	SMBC	1,100,000	–	–	1,100,000	0.852 (Note 2)	November 10, 2024	Lump-sum repayment		
	Mizuho Bank	1,000,000	–	–	1,000,000	0.852 (Note 2)	November 10, 2024	Lump-sum repayment		
	SBI Shinsei Bank	900,000	–	–	900,000	0.852 (Note 2)	November 10, 2024	Lump-sum repayment		
	Resona Bank	400,000	–	–	400,000	0.852 (Note 2)	November 10, 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	–					
	SBI Shinsei Bank	135,000	–	135,000	–					
	Bank of Fukuoka	195,000	–	195,000	–					
ORIX Bank	195,000	–	195,000	–						

	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	633,000	–	–	633,000	0.948 (Note 2)	October 31, 2025	Lump-sum repayment	(Note 3)	No (No Guarantee)
	Mizuho Bank	508,000	–	–	508,000					
	MUFG Bank	425,000	–	–	425,000					
	Resona Bank	356,000	–	–	356,000					
	SBI Shinsei Bank	201,000	–	–	201,000					
	Aozora Bank	257,000	–	–	257,000					
	SMBC	352,000	–	–	352,000	0.990 (Note 2)	April 30, 2026	Lump-sum repayment		
	Mizuho Trust	1,352,000	–	–	1,352,000					
	Aozora Bank	901,000	–	–	901,000					
	SBI 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					
	SBI 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					
	SBI 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	0.621	February 29, 2024	Lump-sum repayment		
	Mizuho Bank	400,000	–	–	400,000	0.621	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	0.701	April 30, 2026	Lump-sum repayment		
	SBI Shinsei Bank	200,000	–	–	200,000	0.701	April 30, 2026	Lump-sum repayment		
SMBC	954,000	–	–	954,000	0.975 (Note 2)	September 30, 2026	Lump-sum repayment			
Aozora Bank	656,000	–	–	656,000						
Mizuho Bank	773,000	–	–	773,000						
SBI Shinsei Bank	483,000	–	–	483,000						
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						
SBI Shinsei Bank	250,000	–	–	250,000						

	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	1,000,000	–	–	1,000,000	0.867 (Note 2)	September 25, 2026	Lump-sum repayment	(Note 3)	No (No Guarantee)
	Resona Bank	1,000,000	–	–	1,000,000	0.867 (Note 2)	September 25, 2026	Lump-sum repayment		
	Bank of Fukuoka	1,000,000	–	–	1,000,000	0.867 (Note 2)	September 25, 2026	Lump-sum repayment		
	SMBC	1,239,000	–	–	1,239,000	0.822 (Note 2)	March 25, 2027	Lump-sum repayment		
	Mizuho Bank	1,074,000	–	–	1,074,000					
	SBI 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 25, 2027	Lump-sum repayment		
	Mizuho Bank	610,000	–	–	610,000					
	SBI Shinsei Bank	641,000	–	–	641,000					
	MUFG Bank	549,000	–	–	549,000					
	SMBC	1,224,000	–	–	1,224,000	0.876 (Note 2)	September 25, 2027	Lump-sum repayment		
	Mizuho Bank	1,224,000	–	–	1,224,000					
	SBI Shinsei Bank	783,000	–	–	783,000					
	MUFG Bank	783,000	–	–	783,000					
	Aozora Bank	783,000	–	–	783,000					
	Resona Bank	587,000	–	–	587,000	0.662	March 25, 2027	Lump-sum repayment		
	The Kagawa Bank	955,000	–	–	955,000					
	SMBC	827,000	–	827,000	–	0.477	September 25, 2023	Lump-sum repayment		
	SBI 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		
	SBI 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			
SBI Shinsei Bank	998,000	–	–	998,000	0.722 (Note 2)	March 25, 2027	Lump-sum repayment			
SBI 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						
SBI Shinsei Bank	260,000	–	–	260,000						
Aozora Bank	260,000	–	–	260,000						

	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	814,000	–	–	814,000	0.787 (Note 2)	November 25, 2028	Lump-sum repayment	(Note 3)	No (No Guarantee)
	Mizuho Bank	814,000	–	–	814,000					
	SBI Shinsei Bank	521,000	–	–	521,000					
	Aozora Bank	521,000	–	–	521,000					
	SMBC	800,000	–	–	800,000	0.802 (Note 2)	November 25, 2028	Lump-sum repayment		
	Mizuho Bank	700,000	–	–	700,000	0.802 (Note 2)	November 25, 2028	Lump-sum repayment		
	Bank of Yokohama	500,000	–	–	500,000	0.802 (Note 2)	November 25, 2028	Lump-sum repayment		
	SMBC	527,000	–	–	527,000	0.461	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 25, 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	0.461	September 25, 2024	Lump-sum repayment		
	SMBC	329,000	–	–	329,000					
	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 25, 2028	Lump-sum repayment		
	Mizuho Bank	329,000	–	–	329,000					
	Resona Bank	287,000	–	–	287,000					
	Aozora Bank	174,000	–	–	174,000					
	SBI Shinsei Bank	162,000	–	–	162,000					
	Bank of Yokohama	161,000	–	–	161,000	0.819 (Note 2)	May 25, 2029	Lump-sum repayment		
	SMBC	988,000	–	–	988,000					
	Mizuho Bank	988,000	–	–	988,000					
Resona Bank	862,000	–	–	862,000						
SBI Shinsei Bank	487,000	–	–	487,000						
Aozora Bank	422,000	–	–	422,000	0.764	September 25, 2028	Lump-sum repayment			
Development Bank of Japan	500,000	–	–	500,000						

	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	194,000	--	--	194,000	0.612 (Note 2)	September 25, 2026	Lump-sum repayment	(Note 3)	No (No Guarantee)
	Mizuho Bank	194,000	--	--	194,000					
	MUFG Bank	1,622,000	--	--	1,622,000					
	Bank of Fukuoka	446,000	--	--	446,000					
	Bank of Yokohama	90,000	--	--	90,000					
	SMBC	389,000	--	--	389,000	0.720 (Note 2)	March 25, 2028	Lump-sum repayment		
	Mizuho Bank	389,000	--	--	389,000					
	Resona Bank	271,000	--	--	271,000					
	SBI Shinsei Bank	154,000	--	--	154,000					
	Aozora Bank	117,000	--	--	117,000					
	Bank of Yokohama	356,000	--	--	356,000					
	SMBC	1,363,000	--	--	1,363,000	0.833 (Note 2)	November 25, 2029	Lump-sum repayment		
	Mizuho Bank	1,363,000	--	--	1,363,000					
	Resona Bank	1,086,000	--	--	1,086,000					
	SBI Shinsei Bank	617,000	--	--	617,000					
	Aozora Bank	470,000	--	--	470,000					
	Development Bank of Japan	500,000	--	--	500,000	0.859	January 25, 2029	Lump-sum repayment		
	SMBC	222,000	--	--	222,000	0.717 (Note 2)	May 25, 2027	Lump-sum repayment		
	Mizuho Bank	193,000	--	--	193,000					
	MUFG Bank	1,580,000	--	--	1,580,000					
	Bank of Fukuoka	494,000	--	--	494,000					
	Nishi-Nippon City Bank	100,000	--	--	100,000					
	SMBC	628,000	--	--	628,000	0.816 (Note 2)	May 25, 2028	Lump-sum repayment		
	Mizuho Bank	385,000	--	--	385,000					
	SBI Shinsei Bank	217,000	--	--	217,000					
	Aozora Bank	98,000	--	--	98,000					
	Nishi-Nippon City Bank	111,000	--	--	111,000					
	Resona Bank	125,000	--	--	125,000					
SMBC	2,360,000	--	--	2,360,000	1.019 (Note 2)	May 27, 2030	Lump-sum repayment			
Mizuho Bank	1,348,000	--	--	1,348,000						
SBI Shinsei Bank	869,000	--	--	869,000						
Aozora Bank	396,000	--	--	396,000						
Nishi-Nippon City Bank	283,000	--	--	283,000						
Resona Bank	220,000	--	--	220,000						
SMBC	950,000	--	--	950,000	1.107 (Note 2)	May 25, 2029	Lump-sum repayment			
Mizuho Bank	950,000	--	--	950,000	1.107 (Note 2)	May 25, 2029	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	1,000,000	–	–	1,000,000	0.958 (Note 2)	November 25, 2027	Lump-sum repayment	(Note 3)	No (No Guarantee)
	Mizuho Bank	524,000	–	–	524,000					
	MUFG Bank	1,579,000	–	–	1,579,000					
	SBI Shinsei Bank	307,000	–	–	307,000					
	Bank of Fukuoka	493,000	–	–	493,000					
	Nishi-Nippon City Bank	493,000	–	–	493,000					
	Resona Bank	245,000	–	–	245,000					
	SMBC	1,500,000	–	–	1,500,000	1.036 (Note 2)	August 25, 2028	Lump-sum repayment		
	Mizuho Bank	800,000	–	–	800,000					
	SBI Shinsei Bank	778,000	–	–	778,000					
	Aozora Bank	200,000	–	–	200,000	1.609 (Note 2)	September 25, 2032	Lump-sum repayment		
	SMBC	707,000	–	–	707,000					
	Mizuho Bank	600,000	–	–	600,000					
	Aozora Bank	293,000	–	–	293,000					
	Resona Bank	100,000	–	–	100,000	1.405 (Note 2)	October 25, 2029	Lump-sum repayment		
	Bank of Fukuoka	300,000	–	–	300,000					
	Nishi-Nippon City Bank	200,000	–	–	200,000					
	SMBC	700,000	–	–	700,000	1.723 (Note 2)	January 25, 2032	Lump-sum repayment		
	Mizuho Bank	600,000	–	–	600,000	1.723 (Note 2)	January 25, 2032	Lump-sum repayment		
	Development Bank of Japan	–	2,000,000	–	2,000,000	1.108	September 25, 2029	Lump-sum repayment		
	SMBC	–	127,000	–	127,000	1.160 (Note 2)	April 25, 2028	Lump-sum repayment		
	Mizuho Bank	–	100,000	–	100,000					
	MUFG Bank	–	677,000	–	677,000					
	SBI Shinsei Bank	–	100,000	–	100,000					
SMBC	–	700,000	–	700,000	1.644 (Note 2)	July 25, 2031	Lump-sum repayment			
Mizuho Bank	–	653,000	–	653,000						
SBI Shinsei Bank	–	690,000	–	690,000						
SMBC	–	100,000	–	100,000	1.202 (Note 2)	May 25, 2028	Lump-sum repayment			
Mizuho Bank	–	100,000	–	100,000						
MUFG Bank	–	283,000	–	283,000						
SBI Shinsei Bank	–	135,000	–	135,000						
Bank of Fukuoka	–	95,000	–	95,000						
Resona Bank	–	100,000	–	100,000						

	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	-	115,000	-	115,000	1.773 (Note 2)	October 25, 2031	Lump-sum repayment	(Note 3)	No (No Guarantee)
	Mizuho Bank	-	240,000	-	240,000					
	Bank of Fukuoka	-	100,000	-	100,000					
	Resona Bank	-	137,000	-	137,000					
	Kansai Mirai Bank	-	195,000	-	195,000					
	SMBC	-	1,000,000	-	1,000,000	1.772 (Note 2)	October 25, 2031	Lump-sum repayment		
Total		108,007,000	7,647,000	7,647,000	108,007,000					

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

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

(Note 3) The proceeds are used for acquisition of assets and/or beneficiary rights of real estate in trust and repayment of loans.

(Note 4) 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	7,092,000	-	-	-	-
Long-term borrowings	-	11,840,000	17,658,000	19,353,000	18,445,000
Total	7,092,000	11,840,000	17,658,000	19,353,000	18,445,000