

April 2022 Fiscal Period Earnings

Ichigo Office REIT Investment Corporation (Tokyo Stock Exchange, 8975)

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Submission of Financial Report (*Yuka Shoken Hokokusho*): July 28, 2022 (expected)

Dividend Payment: July 21, 2022 (expected)

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

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

1. Financial Results for the April 2022 Fiscal Period (November 1, 2021 to April 30, 2022)

(1) Earnings

(JPY million; period-on-period change)

	Operating Revenue	Change	Operating Profit	Change	Recurring Profit	Change	Net Income	Change
April 2022	8,675	+10.6%	4,436	+12.0%	3,691	+15.3%	3,690	+15.3%
October 2021	7,843	+1.5%	3,962	+1.0%	3,201	+2.5%	3,200	+2.5%

	Net Income per Share (JPY)	Return on Equity (6 months)	Recurring Profit to Total Assets (6 months)	Recurring Profit to Operating Revenue
April 2022	2,438	3.6%	1.6%	43.3%
October 2021	2,114	3.1%	1.4%	40.8%

(2) Dividends

	Dividend per Share (JPY)	Total Dividends (JPY million)	Dividend per Share in Excess of Earnings (JPY)	Total Dividends in Excess of Earnings (JPY million)	Payout Ratio	Dividend on Equity (DOE)
April 2022	2,508	3,795	–	–	102.9%	3.7%
October 2021	2,185	3,306	–	–	103.4%	3.2%

Notes:

1. October 2021 Total Dividends differ from Net Income, because Total Dividends include a JPY 105 million negative goodwill amortization.
2. April 2022 Total Dividends differ from Net Income, because Total Dividends include a JPY 105 million negative goodwill amortization.

(3) Assets and Equity

	Total Assets (JPY million)	Net Assets (JPY million)	Shareholder Equity Ratio	Net Assets per Share (JPY)
April 2022	228,020	102,806	45.1%	67,932
October 2021	227,653	102,421	45.0%	67,678

(4) Cash Flows

(JPY million)

	Cash Flows from Operations	Cash Flows from Investments	Cash Flows from Financing	Cash and Cash Equivalents at End of the Period
April 2022	5,304	-823	-3,335	24,449
October 2021	4,392	-796	-3,280	23,304

2. Earnings Forecasts for the October 2022 Fiscal Period (May 1, 2022 to October 31, 2022) and the April 2023 Fiscal Period (November 1, 2022 to April 30, 2023)

(JPY million; period-on-period change)

	Operating Revenue	Change	Operating Profit	Change	Recurring Profit	Change	Net Income	Change
October 2022	7,732	-10.9%	3,737	-15.8%	2,957	-19.9%	2,956	-19.9%
April 2023	7,793	+0.8%	3,818	+2.2%	3,038	+2.7%	3,037	+2.7%

	Dividend per Share (JPY)	Dividend per Share in Excess of Earnings
October 2022	2,023	—
April 2023	2,076	—

Notes:

1. The forecast Net Income per Share for October 2022 is JPY 1,953. The forecast Net Income per Share for April 2023 is JPY 2,007.
2. The October 2022 dividend forecast includes a JPY 105 million negative goodwill amortization, so forecast Total Dividends differ from Net Income in this period.
3. The April 2023 dividend forecast includes a JPY 105 million negative goodwill amortization, so forecast Total Dividends differ from Net Income in this period.

3. Other

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

- | | |
|--|------|
| (i) Changes Accompanying Amendments to Accounting Standards: | None |
| (ii) Changes Not Listed in (i): | None |
| (iii) Changes in Accounting Estimates: | None |
| (iv) Retrospective Restatement: | None |

(2) Number of Shares Issued and Outstanding

- (i) The number of shares issued and outstanding (including treasury shares) was 1,513,367 shares as of both October 31, 2021 and April 30, 2022.
- (ii) There were no treasury shares at the end of October 2021 or at the end of April 2022.

Completion Status of Auditing Procedures

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

Appropriate Use of Performance Forecasts and Other Matters of Special Note

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

For details on the preconditions, please refer to the “Preconditions for the October 2022 and April 2023 Earnings Forecasts” on pages 4 and 5.

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

Preconditions for the October 2022 and April 2023 Earnings Forecasts

Period	<ul style="list-style-type: none"> • October 2022: May 1, 2022 – October 31, 2022 (184 days) • April 2023: November 1, 2022 – April 30, 2023 (181 days)
Number of Assets	<ul style="list-style-type: none"> • 86 assets (the total of 85 assets held as of the date of this report plus 1 asset acquisition announced on the same date of this report)
Number of Shares	<ul style="list-style-type: none"> • 1,513,367 shares issued and outstanding as of the date of this report
Operating Revenue	<ul style="list-style-type: none"> • Rental income is calculated conservatively based on lease contracts that are in effect as of April 30, 2022 while taking into consideration such factors as historical rents, the competitiveness of the properties, and market conditions. • Total occupancy: 96.6% as of October 31, 2022, and 96.6% as of April 30, 2023
Operating Expenses	<ul style="list-style-type: none"> • Depreciation: JPY 903 million for October 2022 and JPY 926 million for April 2023. Depreciation has been calculated using the straight-line method and includes the depreciation of forecast future capital expenditures. • Property and city planning taxes: JPY 701 million for October 2022 and JPY 701 million for April 2023. • Building maintenance and repair expenses: JPY 106 million for October 2022 and JPY 92 million for April 2023. However, expenses may differ significantly from these forecast amounts for reasons including the variability of maintenance and repair expenses, one-time costs due to unexpected building damage, etc. • Service provider expenses, including property management fees: JPY 711 million for October 2022 and JPY 681 million for April 2023. • Utility expenses: JPY 588 million for October 2022 and JPY 540 million for April 2023. Expenses include renewable energy expenses related to RE100 initiatives. • Performance fees: JPY 751 million for October 2022 and JPY 797 million for April 2023. • Rental expenses, Ichigo Office’s principal operating expenses (other than depreciation, see above), are calculated based on historical data adjusted for anticipated expense variations. • Actual operating expenses may differ significantly from these assumptions due to unforeseeable factors.
Non-Operating Expenses	<ul style="list-style-type: none"> • Interest expenses on loans and bonds: JPY 435 million for October 2022 and JPY 438 million for April 2023 • Other borrowing-related expenses: JPY 318 million for October 2022 and JPY 315 million for April 2023
Interest-Bearing Liabilities	<ul style="list-style-type: none"> • Loans and bonds: JPY 113,111 million outstanding as of October 31, 2022 and JPY 113,106 million outstanding as of April 30, 2023
Dividend	<ul style="list-style-type: none"> • The dividend forecast assumes that dividends will comply with the dividend distribution policy stipulated in Ichigo Office’s Articles of Incorporation. • Total dividends for October 2022 are forecast to be JPY 3,061 million (unappropriated earnings (i.e., Net Income) of JPY 2,956 million plus JPY 105 million of negative goodwill amortization). • Total dividends for April 2023 are forecast to be JPY 3,141 million (unappropriated earnings (i.e., Net Income) of JPY 3,037 million plus JPY 105 million of negative goodwill amortization). • The dividend is subject to change due to factors such as asset acquisitions and dispositions, tenant turnover, unexpected maintenance and repair costs and other expenses, changes in interest rates, and the issuance of new shares.

Dividend in Excess of Earnings	<ul style="list-style-type: none"> • Ichigo Office does not plan on paying any dividend in excess of earnings.
Other	<ul style="list-style-type: none"> • This forecast assumes that there will be no further spread of the Covid pandemic, and therefore does not reflect the potential impact of a more severe or prolonged pandemic. • This forecast assumes that there are no material revisions to laws and regulations, the tax system, accounting standards, listing rules of the Tokyo Stock Exchange, and rules of the Investment Trusts Association, Japan, and no material changes in the state of the economy and real estate market conditions.

Financial Statements

(1) Balance Sheet

(JPY thousand)

	October 2021 (as of October 31, 2021)	April 2022 (as of April 30, 2022)
Assets		
Current Assets		
Cash and deposits	9,420,989	10,526,684
Cash and deposits in trust	13,974,370	14,018,464
Accounts receivable	17,599	2,919
Prepaid expenses	433,762	447,876
Other	2,298	2,299
Total Current Assets	23,849,019	24,998,244
Fixed Assets		
Property, Plant, and Equipment		
Buildings	7,240,518	7,089,250
Depreciation	-2,074,931	-2,145,909
Buildings (net)	5,165,587	4,943,341
Structures	29,066	29,066
Depreciation	-24,613	-24,933
Structures (net)	4,453	4,133
Machinery and equipment	339,358	347,826
Depreciation	-207,623	-220,954
Machinery and equipment (net)	131,734	126,871
Fixtures	70,921	70,226
Depreciation	-55,244	-53,720
Fixtures (net)	15,677	16,505
Land	15,638,558	15,031,993
Construction in progress	1,360	1,360
Buildings in trust	46,203,049	46,791,823
Depreciation	-10,435,327	-11,154,852
Buildings in trust (net)	35,767,722	35,636,970
Structures in trust	69,520	70,960
Depreciation	-36,486	-38,414
Structures in trust (net)	33,033	32,545
Machinery and equipment in trust	800,471	847,928
Depreciation	-395,886	-424,534
Machinery and equipment in trust (net)	404,584	423,393
Fixtures in trust	298,095	314,072
Depreciation	-186,014	-203,168
Fixtures in trust (net)	112,081	110,904
Land in trust	140,668,104	140,668,104
Construction in progress in trust	6,137	7,021
Total Property, Plant, and Equipment	197,949,036	197,003,145
Intangible Assets		
Leasehold rights in trust	4,494,579	4,494,579
Total Intangible Assets	4,494,579	4,494,579

(JPY thousand)

	October 2021 (as of October 31, 2021)	April 2022 (as of April 30, 2022)
Investments and Other Assets		
TK (<i>tokumei kumiai</i>) equity interest	–	51,212
Leasehold and security deposits	10,000	10,000
Long-term prepaid expenses	1,184,988	1,292,047
Other	114,849	129,281
Allowance for doubtful accounts	–	-3,898
Total Investments and Other Assets	1,309,838	1,478,644
Total Fixed Assets	203,753,453	202,976,369
Accrued Assets		
Bond Issuance Expenses	50,603	46,275
Total Accrued Assets	50,603	46,275
Total Assets	227,653,077	228,020,888
Liabilities		
Current Liabilities		
Accounts payable	608,916	731,474
Long-term loans (due within one year)	19,292,000	19,266,000
Accounts payable – other	1,015,033	1,114,516
Accrued expenses	24,963	23,865
Income taxes payable	605	605
Accrued consumption taxes, etc.	234,129	153,754
Advances received	1,554,997	1,502,700
Other	19,708	17,461
Total Current Liabilities	22,750,353	22,810,378
Long-Term Liabilities		
Bonds	6,900,000	6,900,000
Long-term loans	85,061,250	85,059,000
Tenant leasehold and security deposits	1,521,592	1,462,258
Tenant leasehold and security deposits in trust	8,894,482	8,877,826
Asset retirement obligations	19,425	19,492
Other	84,133	85,867
Total Long-Term Liabilities	102,480,885	102,404,444
Total Liabilities	125,231,239	125,214,822
Net Assets		
Shareholders' Equity		
Paid-in capital	67,675,274	67,675,274
Surplus		
Capital reserve surplus	20,566,420	20,566,420
Capital reserve surplus deduction	-1,499,919	-1,499,919
Capital reserve surplus (net)	19,066,500	19,066,500
Discretionary reserves		
Dividend reserve	3,368,625	3,368,625
Negative goodwill	9,109,544	9,004,544
Total discretionary reserves	12,478,170	12,373,170
Unappropriated retained earnings	3,201,892	3,691,120
Total Surplus	34,746,563	35,130,791
Total Shareholders' Equity	102,421,837	102,806,066
Total Net Assets	102,421,837	102,806,066
Total Liabilities and Net Assets	227,653,077	228,020,888

(2) Income Statement

(JPY thousand)

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

(3) Statement of Shareholders' Equity

October 2021 (May 1, 2021 to October 31, 2021)

(JPY thousand)

	Shareholders' Equity						
	Paid-In Capital	Surplus					
		Capital Reserve Surplus	Capital Reserve Surplus Deduction	Capital Reserve Surplus (net)	Discretionary Reserves		
				Dividend Reserve	Negative Goodwill	Total Discretionary Reserves	
Balance as of May 1, 2021	67,675,274	20,566,420	-1,499,919	19,066,500	3,368,625	9,214,544	12,583,170
Changes during the Period							
Negative Goodwill Amortization						-105,000	-105,000
Dividends							
Net Income							
Total Changes during the Period	-	-	-	-	-	-105,000	-105,000
Balance as of October 31, 2021	67,675,274	20,566,420	-1,499,919	19,066,500	3,368,625	9,109,544	12,478,170

	Shareholders' Equity			Total Net Assets
	Surplus		Total Shareholders' Equity	
	Unappropriated Retained Earnings	Total Surplus		
Balance as of May 1, 2021	3,122,657	34,772,328	102,447,602	102,447,602
Changes during the Period				
Negative Goodwill Amortization	105,000	-	-	-
Dividends	-3,226,498	-3,226,498	-3,226,498	-3,226,498
Net Income	3,200,733	3,200,733	3,200,733	3,200,733
Total Changes during the Period	79,235	-25,764	-25,764	-25,764
Balance as of October 31, 2021	3,201,892	34,746,563	102,421,837	102,421,837

April 2022 (November 1, 2021 to April 30, 2022)

(JPY thousand)

	Shareholders' Equity						
	Paid-In Capital	Surplus					
		Capital Reserve Surplus	Capital Reserve Surplus Deduction	Capital Reserve Surplus (net)	Discretionary Reserves		
				Dividend Reserve	Negative Goodwill	Total Discretionary Reserves	
Balance as of November 1, 2021	67,675,274	20,566,420	-1,499,919	19,066,500	3,368,625	9,109,544	12,478,170
Changes during the Period							
Negative Goodwill Amortization						-105,000	-105,000
Dividends							
Net Income							
Total Changes during the Period	—	—	—	—	—	-105,000	-105,000
Balance as of April 30, 2022	67,675,274	20,566,420	-1,499,919	19,066,500	3,368,625	9,004,544	12,373,170

	Shareholders' Equity			Total Net Assets
	Surplus		Total Shareholders' Equity	
	Unappropriated Retained Earnings	Total Surplus		
Balance as of November 1, 2021	3,201,892	34,746,563	102,421,837	102,421,837
Changes during the Period				
Negative Goodwill Amortization	105,000	—	—	—
Dividends	-3,306,706	-3,306,706	-3,306,706	-3,306,706
Net Income	3,690,935	3,690,935	3,690,935	3,690,935
Total Changes during the Period	489,228	384,228	384,228	384,228
Balance as of April 30, 2022	3,691,120	35,130,791	102,806,066	102,806,066

Dividend Statement

(JPY)

	October 2021 (May 1, 2021 to October 31, 2021)	April 2022 (November 1, 2021 to April 30, 2022)
I Unappropriated Retained Earnings	3,201,892,139	3,691,120,583
II Discretionary Reserve Reversal – Negative Goodwill Amortization	105,000,000	105,000,000
III Total Dividends (Dividend per Share)	3,306,706,895 (2,185)	3,795,524,436 (2,508)
IV Retained Earnings Carried Forward	185,244	596,147

(4) Cash Flow Statement

(JPY thousand)

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

Material Matters after Closing of the Fiscal Period

1. Asset Acquisition

Ichigo Office acquired the following asset in accordance with the guidelines specified in its Articles of Incorporation.

Ichigo Higashi Ikebukuro 3 Chome Building¹

Acquisition Price ²	JPY 3.84 billion (expected)
Location	3-13-3 Higashi Ikebukuro, Toshima-ku, Tokyo
Legal Form of Asset	Trust beneficiary interest in real estate (<i>juekiken</i>)
Property Right	Land: Freehold Building: Freehold
Contract Date	June 14, 2022
Closing Date	June 20, 2022
Seller ³	Domestic TMK (<i>tokumei mokuteki kaisha</i>)

¹ Ichigo Office will change the building name from Seiwa Ikebukuro Building to Ichigo Higashi Ikebukuro 3 Chome Building.

² The acquisition price is the transaction price of the trust beneficiary interest (*juekiken*) itself and does not include fees and applicable property, city planning, and consumption taxes.

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

2. New Loans

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

Lender	SMBC
Loan Amount	JPY 950 million
Interest Rate	3M JPY TIBOR + 0.62% (p.a.) ¹
Principal Repayment Date	May 25, 2029 25th of every January, April, July, and October following the loan date and the principal repayment date
Interest Payment Date	
Principal Repayment Terms	Lump-sum repayment
Collateralized	No

Lender	Mizuho Bank
Loan Amount	JPY 950 million
Interest Rate	3M JPY TIBOR + 0.62% (p.a.) ¹
Principal Repayment Date	May 25, 2029 25th of every January, April, July, and October following the loan date and the principal repayment date
Interest Payment Date	
Principal Repayment Terms	Lump-sum repayment
Collateralized	No

¹ Ichigo Office will execute interest rate swaps to hedge against a rise in interest rates.

Earnings Forecasts

For details on the preconditions to these forecasts, please refer to pages 4 and 5.

October 2022 Fiscal Period (May 1, 2022 to October 31, 2022)

Operating Revenue	JPY 7,732 million
Operating Profit	JPY 3,737 million
Recurring Profit	JPY 2,957 million
Net Income	JPY 2,956 million
Dividend per Share	JPY 2,023
Dividend in Excess of Earnings	–

April 2023 Fiscal Period (November 1, 2022 to April 30, 2023)

Operating Revenue	JPY 7,793 million
Operating Profit	JPY 3,818 million
Recurring Profit	JPY 3,038 million
Net Income	JPY 3,037 million
Dividend per Share	JPY 2,076
Dividend in Excess of Earnings	–

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

Notes to Balance Sheet

Cancellation of Treasury Shares

	Previous Period October 2021	Current Period April 2022
Cumulative No. of shares cancelled	18,920	18,920
Cumulative amount of shares cancelled	1,499,919	1,499,919

Note: There were no treasury shares cancelled during the October 2021 fiscal period

Negative Goodwill Amortization

Previous (October 2021) Fiscal Period

(JPY thousand)

	Initial Amount	Amount at the Beginning of the Period	Newly Reserved Amount	Amortized Amount	Amount at the End of the Period	Use
Negative Goodwill	10,432,940	9,214,544	–	105,000	9,109,544	Dividend payment

Current (April 2022) Fiscal Period

(JPY thousand)

	Initial Amount	Amount at the Beginning of the Period	Newly Reserved Amount	Amortized Amount	Amount at the End of the Period	Use
Negative Goodwill	10,432,940	9,109,544	–	105,000	9,004,544	Dividend payment

Notes to Income Statement

1. Details of Rental Income

		(JPY thousand)			
		October 2021 (May 1, 2021 to October 31, 2021)		April 2022 (November 1, 2021 to April 30, 2022)	
A	Real Estate Rental Income				
	Rental Income				
	Rental Income	5,914,034		5,849,440	
	Common Area Services Income	965,695		945,265	
	Parking Lot Income	274,502		277,532	
	Facility Use Income	64,058	7,218,290	64,697	7,136,936
	Other Rental Income				
	Utilities Income	526,796		537,131	
	Other	98,766	625,562	61,423	598,555
	Total Income	7,843,853		7,735,491	
B	Real Estate Rental Expenses				
	Rental Expenses				
	Service Provider Expenses	660,305		663,709	
	Utilities	481,331		530,808	
	Trust Fees	36,809		31,778	
	Depreciation	887,267		893,918	
	Repair Expenses	86,694		134,056	
	Property and City Planning Taxes	672,145		673,758	
	Insurance	20,800		20,788	
	Other Rental Expenses	42,063		42,613	
	Total Expenses	2,887,418		2,991,430	
C	Net Rental Income				
	(A-B)	4,956,434		4,744,060	

2. Details of Real Estate Sale

(JPY thousand)

October 2021 Fiscal Period (May 1, 2021 to October 31, 2021)

None

April 2022 Fiscal Period (November 1, 2021 to April 30, 2022)

Ichigo Akasaka 5 Chome Building

Real Estate Sale Income	1,720,000
Real Estate Sale Cost	727,532
Other Real Estate Sale Expenses	52,355
Gain on Real Estate Sale	<u>940,111</u>

Notes to Cash Flow Statement

1. Relationship between Cash and Cash Equivalents at End of the Period and Items Shown on the Balance Sheet

(JPY thousand)

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

Notes to Derivatives Transactions

1. Non-Hedge Accounting

N/A

2. Hedge Accounting

Previous (October 2021) Fiscal Period

(JPY thousand)

Accounting Method	Transaction Type	Hedging Target	Contract Amount		Market Value	Method of Marking to Market
			Total	>1 year		
Special Treatment of Interest Rate Swap method	Interest rate swap (pay fixed, receive floating)	Long-term loan	91,659,250	72,867,250	Note	–

Note: Swaps accounted under the Special Treatment of Interest Rate Swap method are processed together with the hedging target (in this case, a long-term loan), and therefore their market values are included in the balance sheet as part of Long-Term Loans.

Current (April 2022) Fiscal Period

(JPY thousand)

Accounting Method	Transaction Type	Hedging Target	Contract Amount		Market Value	Method of Marking to Market
			Total	>1 year		
Special Treatment of Interest Rate Swap method	Interest rate swap (pay fixed, receive floating)	Long-term loan	91,631,000	72,365,000	Note	–

Note: Swaps accounted under the Special Treatment of Interest Rate Swap method are processed together with the hedging target (in this case, a long-term loan), and therefore their market values are included in the balance sheet as part of Long-Term Loans.

Per Share Information

(JPY)

	October 2021 (May 1, 2021 to October 31, 2021)	April 2022 (November 1, 2021 to April 30, 2022)
Net Assets per Share	67,678	67,932
Net Income per Share	2,114	2,438

Note: Net Income per Share is calculated based on the weighted average number of shares during the period. There are no potentially dilutive shares outstanding. The data used to calculate Net Income per Share are shown below.

(JPY thousand)

	October 2021 (May 1, 2021 to October 31, 2021)	April 2022 (November 1, 2021 to April 30, 2022)
Net Income	3,200,733	3,690,935
Net Income Not Attributable to Common Shareholders	–	–
Net Income Attributable to Common Shareholders	3,200,733	3,690,935
Average Number of Shares in Period	1,513,367 shares	1,513,367 shares

Changes in Outstanding Shares

There was no new share issuance during the April 2022 fiscal period. Below are the changes to the Total Number of Shares for the past five years.

Date	Method	Total Number of Shares		Issue Amount (JPY million)	
		Change	Outstanding	Change	Total
April 12, 2021	Share Cancellation	-18,920	1,513,367	–	67,675

Note: Ichigo Office bought back shares in the open market via a securities firm between January 8, 2021 and February 12, 2021. All shares bought back were cancelled on April 12, 2021 pursuant to its board resolution on March 26, 2021. There is no change in Issue Amount because funds for the share buyback were deducted from the capital reserve surplus.

Portfolio Information

Portfolio Composition

Legal Form of Asset	Area	April 2022 Fiscal Period	
		Book Value ⁴ (JPY million)	% of Total
Real estate	Central Tokyo ¹	5,960	2.6
	Tokyo Metropolitan Area ²	3,959	1.7
	Four Major Regional Cities ³	10,203	4.5
Trust beneficiary interest in real estate (<i>juekiken</i>)	Central Tokyo ¹	107,980	47.4
	Tokyo Metropolitan Area ²	43,305	19.0
	Four Major Regional Cities ³	19,706	8.6
	Other Regional Cities	10,373	4.5
Sub-Total		201,489	88.4
TK (<i>tokumei kumiai</i>) equity interest		51	–
Deposits / Other Assets		26,480	11.6
Total Assets		228,020	100.0

¹ Central Tokyo Chiyoda, Minato, Chuo, Shinjuku, Shibuya, and Shinagawa Wards

² Tokyo Metropolitan Area Tokyo (excluding the above six wards), Kanagawa, Chiba, and Saitama Prefectures

³ Four Major Regional Cities Osaka, Nagoya, Fukuoka, and Sapporo

⁴ Book Value is the respective April 30, 2022 balance sheet real estate or trust beneficiary interest in real estate asset value less depreciation and does not include construction in progress and construction in progress in trust.

Portfolio Asset Details

(as of April 30, 2022)

No.	Area	Asset Type	Asset Name	Total Leasable Area ¹ (m ²)	Total Leased Area ² (m ²)	Occupancy ³ (%)	No. of Tenants ⁴	Total Rental Income ⁵ (JPY thousand)
O-02	Central Tokyo	Office	Ichigo Nishisando Building	4,523.19	4,523.19	100.0	17	138,921
O-03	Central Tokyo	Office	Ichigo Mita Building	4,119.63	3,203.43	77.8	8	92,905
O-04	Central Tokyo	Office	Ichigo Nanpeidai Building	1,925.24	1,925.24	100.0	13	79,497
O-05	Central Tokyo	Office	Ichigo Hanzomon Building	2,080.37	2,080.37	100.0	5	61,322
O-06	Central Tokyo	Office	Ichigo Hijirizaka Building	1,947.90	1,947.90	100.0	4	59,799
O-07	Central Tokyo	Office	Ichigo Shibuya Kamiyamacho Building	1,321.54	1,145.29	86.7	4	53,231
O-08	Central Tokyo	Office	Ichigo Akasaka 5 Chome Building ⁶	–	–	–	–	17,935
O-09	Central Tokyo	Office	Ichigo Shibakoen Building	1,602.29	1,602.29	100.0	3	49,415
O-10	Central Tokyo	Office	Ichigo Ebisu Nishi Building	1,484.39	1,484.39	100.0	7	72,581
O-11	Central Tokyo	Office	Ichigo Ginza 612 Building	1,364.97	1,309.86	96.0	23	61,956
O-12	Central Tokyo	Office	Ichigo Uchikanda Building	1,378.83	1,378.83	100.0	10	43,033
O-14	Central Tokyo	Office	Ichigo Yotsuya 4 Chome Building	780.64	638.52	81.8	8	19,537
O-15	Central Tokyo	Office	Ichigo Tameike Building	494.14	408.95	82.8	5	16,411
O-16	Central Tokyo	Office	Ichigo Jimbocho Building	1,891.01	1,891.01	100.0	8	72,738
O-17	Central Tokyo	Office	Ichigo Hakozaki Building	2,389.54	2,389.54	100.0	7	57,213
O-18	Central Tokyo	Office	Ichigo Kudan 2 Chome Building	1,265.76	–	–	–	19,292
O-19	Central Tokyo	Office	Ichigo Kudan 3 Chome Building	1,302.43	651.28	50.0	3	26,342
O-20	Central Tokyo	Office	Ichigo Gotanda Building	5,346.39	5,346.39	100.0	15	206,660
O-21	Tokyo Metro Area	Office	Ichigo Shin Yokohama Building	4,021.32	3,927.46	97.7	14	81,387
O-22	Tokyo Metro Area	Office	Ichigo Minami Ikebukuro Building	1,491.50	1,491.50	100.0	9	60,792
O-23	Tokyo Metro Area	Office	Ichigo Nakano North Building	1,264.11	1,264.11	100.0	7	40,596
O-24	Tokyo Metro Area	Office	Ichigo Eitai Building	2,605.54	2,605.54	100.0	10	72,035
O-26	Tokyo Metro Area	Office	Ichigo Ikejiri Building	2,385.69	2,385.69	100.0	6	84,046

No.	Area	Asset Type	Asset Name	Total Leasable Area ¹ (m ²)	Total Leased Area ² (m ²)	Occupancy ³ (%)	No. of Tenants ⁴	Total rental Income ⁵ (JPY thousand)
O-27	Tokyo Metro Area	Office	Ichigo Nishi Ikebukuro Building	1,261.91	1,261.91	100.0	1	33,988
O-28	Central Tokyo	Office	Ichigo Nishi Gotanda Building	1,328.95	1,033.79	77.8	7	25,582
O-29	Tokyo Metro Area	Office	Ichigo Kichijoji Building	4,210.87	4,210.87	100.0	14	116,025
O-34	Four Major Regional Cities	Office	Ichigo Sakae Building	3,928.12	3,928.12	100.0	19	217,888
O-37	Four Major Regional Cities	Office	Ichigo Marunouchi Building	8,009.11	8,009.11	100.0	26	238,315
O-38	Other Regional Cities	Office	Ichigo Toyamaeki Nishi Building	8,601.72	8,601.72	100.0	14	116,428
O-39	Other Regional Cities	Office	Ichigo Mirai Shinkin Building	3,551.46	3,295.32	92.8	19	75,021
O-42	Other Regional Cities	Office	Ichigo Takamatsu Building	6,329.33	6,244.44	98.7	15	156,282
O-46	Central Tokyo	Office	Ichigo Kanda Nishikicho Building	2,523.09	2,523.09	100.0	11	72,750
O-47	Central Tokyo	Office	Ichigo Akihabara North Building	6,250.53	6,250.53	100.0	1	230,218
O-48	Four Major Regional Cities	Office	Ichigo Sakaisuji Honmachi Building	3,729.35	3,729.35	100.0	15	97,222
O-49	Central Tokyo	Office	Ichigo Kanda Ogawamachi Building	2,309.39	2,074.84	89.8	8	83,716
O-50	Central Tokyo	Office	Ichigo Hatchobori Building	2,716.33	2,716.33	100.0	7	97,708
O-51	Central Tokyo	Office	Ichigo Ebisu Green Glass ⁶	3,159.27	3,159.27	100.0	6	157,430
O-52	Central Tokyo	Office	Ichigo Omori Building	3,585.93	3,413.36	95.2	10	134,626
O-53	Central Tokyo	Office	Ichigo Takadanobaba Building	1,606.92	1,606.92	100.0	8	61,118
O-54	Tokyo Metro Area	Office	Ichigo Omiya Building	6,180.68	6,180.68	100.0	30	163,988
O-55	Tokyo Metro Area	Office	Ichigo Sagamiyama Building	2,960.81	2,960.81	100.0	13	60,391
O-56	Tokyo Metro Area	Office	Ichigo Ofuna Building	2,364.71	2,364.71	100.0	9	92,023
O-57	Other Regional Cities	Office	Ichigo Sendai East Building	5,205.49	5,205.49	100.0	10	104,098
O-58	Other Regional Cities	Office	Ichigo Kumamoto Building	4,507.59	4,507.59	100.0	33	86,515
O-59	Central Tokyo	Office	Ichigo Jingumae Building	4,510.04	4,510.04	100.0	7	188,652

No.	Area	Asset Type	Asset Name	Total Leasable Area ¹ (m ²)	Total Leased Area ² (m ²)	Occupancy ³ (%)	No. of Tenants ⁴	Total rental Income ⁵ (JPY thousand)
O-60	Central Tokyo	Office	Ichigo Shibuya Dogenzaka Building	2,789.86	2,457.64	88.1	10	120,810
O-61	Central Tokyo	Office	Ichigo Hiroo Building	3,510.44	3,510.44	100.0	5	135,682
O-62	Central Tokyo	Office	Ichigo Sasazuka Building	6,425.29	6,425.29	100.0	6	188,095
O-63	Central Tokyo	Office	Ichigo Nihonbashi East Building	4,216.97	4,216.97	100.0	7	149,942
O-64	Central Tokyo	Office	Ichigo Sakurabashi Building	2,971.22	2,971.22	100.0	6	86,594
O-65	Central Tokyo	Office	Ichigo Shinkawa Building	2,312.03	1,775.39	76.8	5	70,445
O-66	Central Tokyo	Office	Ichigo Kudan Building	3,090.65	2,755.11	89.1	9	96,557
O-67	Central Tokyo	Office	Ichigo Higashi Gotanda Building	4,548.10	4,548.10	100.0	19	131,121
O-68	Central Tokyo	Office	Axior Mita	2,369.82	1,896.24	80.0	9	59,107
O-69	Tokyo Metro Area	Office	Ichigo Higashi Ikebukuro Building	4,433.00	3,896.27	87.9	16	160,440
O-70	Other Regional Cities	Office	Koriyama Big-i (Office Section)	3,433.07	3,231.09	94.1	14	105,891
O-71	Tokyo Metro Area	Office	Ichigo Kawasaki Building	3,823.01	3,167.83	82.9	16	76,900
O-72	Central Tokyo	Office	Ichigo Shibuya East Building	1,041.36	1,041.36	100.0	3	44,497
O-73	Central Tokyo	Office	Ichigo Ningyocho Building	1,769.09	1,570.55	88.8	8	43,176
O-74	Four Major Regional Cities	Office	Ichigo Nishi Honmachi Building	6,152.00	5,874.00	95.5	30	109,735
O-75	Four Major Regional Cities	Office	Ichigo Hakata Building	2,423.86	2,340.13	96.5	26	53,194
O-76	Four Major Regional Cities	Office	Ichigo Nishiki First Building	3,324.70	3,324.70	100.0	6	79,318
O-77	Tokyo Metro Area	Office	Ichigo Ikenohata Building	5,504.15	5,504.15	100.0	7	164,540
O-78	Tokyo Metro Area	Office	Ichigo Ikebukuro East Building	3,118.69	3,118.69	100.0	2	93,329
O-79	Central Tokyo	Office	Ichigo Motoazabu Building	1,329.96	1,329.96	100.0	3	68,726
O-80	Tokyo Metro Area	Office	Ichigo Otsuka Building	3,623.98	3,047.80	84.1	7	122,768
O-81	Four Major Regional Cities	Office	Ichigo Nagoya Building	4,930.30	4,527.68	91.8	34	139,601
O-82	Four Major Regional Cities	Office	Ichigo Fushimi Building	4,155.60	3,870.29	93.1	38	92,096

No.	Area	Asset Type	Asset Name	Total Leasable Area ¹ (m ²)	Total Leased Area ² (m ²)	Occupancy ³ (%)	No. of Tenants ⁴	Total rental Income ⁵ (JPY thousand)
O-83	Four Major Regional Cities	Office	Ichigo Nishiki Building	2,006.78	1,891.81	94.3	24	50,341
O-84	Four Major Regional Cities	Office	Ichigo Minami Morimachi Building	2,521.51	2,521.51	100.0	12	45,296
O-85	Central Tokyo	Office	Ichigo Shibuya Udagawacho Building	1,491.68	1,166.40	78.2	7	68,015
O-86	Central Tokyo	Office	Win Gotanda Building	3,689.88	3,689.88	100.0	11	118,936
O-87	Tokyo Metro Area	Office	Ichigo Hongo Building	2,733.68	2,733.68	100.0	7	90,580
O-88	Central Tokyo	Office	Oimachi Center Building	2,751.08	2,381.39	86.6	7	66,666
O-89	Central Tokyo	Office	Win Gotanda Building 2	3,434.69	3,046.97	88.7	9	102,718
O-90	Central Tokyo	Office	MIF Building	1,690.33	1,690.33	100.0	7	67,057
O-91	Four Major Regional Cities	Office	Ichigo Uchi Honmachi Building	3,004.07	3,004.07	100.0	18	65,817
O-92	Tokyo Metro Area	Office	Ichigo Minami Otsuka Building	3,129.49	3,129.49	100.0	8	82,124
O-93	Central Tokyo	Office	Ichigo Nogizaka Building	2,199.35	2,199.35	100.0	6	88,408
O-94	Four Major Regional Cities	Office	Ichigo Hakata East Building	2,901.99	2,901.99	100.0	19	75,124
O-95	Tokyo Metro Area	Office	Ichigo Nakameguro Building	1,044.34	1,044.34	100.0	6	37,960
O-96	Tokyo Metro Area	Office	Ichigo Tachikawa Building	4,879.78	4,152.15	85.1	13	106,396
Z-09	Other Regional Cities	Other	Future IZUMI ⁷	3,733.66	1,504.92	40.3	1	5,737
Z-10	Central Tokyo	Other	Ichigo Shibuya Bunkamura Dori Building	778.77	778.77	100.0	4	69,556
Z-11	Tokyo Metro Area	Other	Twicere Yokohama Isogo (Retail Section)	2,717.77	2,195.43	80.8	7	51,297
Z-14	Tokyo Metro Area	Other	Ichigo Kamata Building	2,124.68	2,124.68	100.0	2	53,228
Total				263,948.70	249,947.13	94.7	923	7,735,491

¹ Leasable Area is subject to minor adjustments due to renovations or rental contract terms.

² Leased Area is the total space that is leased as of April 30, 2022.

³ Occupancy is the ratio of Leased Area to Total Leasable Area.

⁴ No. of Tenants is the number of tenants that have a valid lease contract in place with Ichigo Office (including trust structures owned by Ichigo Office). The number of tenants is counted as one where there is a master lease contract in place with a master lease company other than Ichigo Office.

⁵ Total Rental Income is the total of rental income, common area services income, parking lot income, and other related income generated from the asset.

⁶ Sold on February 18, 2022

Book Value and Appraisal Value of Portfolio Assets

(as of April 30, 2022)

No.	Asset Name	Location	Form of Ownership	Appraisal Value ¹ (JPY million)	Book Value ² (JPY million)	% of Portfolio ³
O-02	Ichigo Nishisando Building	Yoyogi, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	3,270	3,342	1.7
O-03	Ichigo Mita Building	Shiba, Minato-ku, Tokyo	Trust beneficiary interest in real estate	3,630	2,708	1.3
O-04	Ichigo Nanpeidai Building	Nanpeidaicho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	2,550	1,892	0.9
O-05	Ichigo Hanzomon Building	Hayabusacho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,070	1,500	0.7
O-06	Ichigo Hijirizaka Building	Mita, Minato-ku, Tokyo	Trust beneficiary interest in real estate	1,490	1,201	0.6
O-07	Ichigo Shibuya Kamiyamacho Building	Kamiyamacho, Shibuya-ku, Tokyo	Real estate	1,900	1,333	0.7
O-09	Ichigo Shibakoen Building	Shiba, Minato-ku, Tokyo	Real estate	1,280	1,095	0.5
O-10	Ichigo Ebisu Nishi Building	Ebisu-Nishi, Shibuya-ku, Tokyo	Real estate	2,570	1,917	1.0
O-11	Ichigo Ginza 612 Building	Ginza, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,150	1,802	0.9
O-12	Ichigo Uchikanda Building	Uchikanda, Chiyoda-ku, Tokyo	Real estate	1,390	1,108	0.5
O-14	Ichigo Yotsuya 4 Chome Building	Yotsuya, Shinjuku-ku, Tokyo	Trust beneficiary interest in real estate	580	499	0.2
O-15	Ichigo Tameike Building	Akasaka, Minato-ku, Tokyo	Real estate	725	504	0.3
O-16	Ichigo Jimbocho Building	Kanda-Jimbocho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,370	1,794	0.9
O-17	Ichigo Hakozaki Building	Nihonbashi Kakigaracho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	1,180	1,134	0.6
O-18	Ichigo Kudan 2 Chome Building	Kudan Minami, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	937	763	0.4

No.	Asset Name	Location	Form of Ownership	Appraisal Value ¹ (JPY million)	Book Value ² (JPY million)	% of Portfolio ³
O-19	Ichigo Kudan 3 Chome Building	Kudan Minami, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	923	808	0.4
O-20	Ichigo Gotanda Building	Higashi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	6,630	4,785	2.4
O-21	Ichigo Shin Yokohama Building	Shin Yokohama, Kohoku-ku, Yokohama	Trust beneficiary interest in real estate	1,680	1,656	0.8
O-22	Ichigo Minami Ikebukuro Building	Minami Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	1,890	1,344	0.7
O-23	Ichigo Nakano North Building	Arai, Nakano-ku, Tokyo	Trust beneficiary interest in real estate	977	718	0.4
O-24	Ichigo Eitai Building	Eitai, Koto-ku, Tokyo	Real estate	1,500	1,423	0.7
O-26	Ichigo Ikejiri Building	Ohashi, Meguro-ku, Tokyo	Real estate	2,260	1,945	1.0
O-27	Ichigo Nishi Ikebukuro Building	Ikebukuro, Toshima-ku, Tokyo	Real estate	1,030	589	0.3
O-28	Ichigo Nishi Gotanda Building	Nishi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	895	753	0.4
O-29	Ichigo Kichijoji Building	Kichijoji Honcho, Musashino City, Tokyo	Trust beneficiary interest in real estate	2,860	2,153	1.1
O-34	Ichigo Sakae Building	Sakae, Naka-ku, Nagoya	Real estate	6,270	4,679	2.3
O-37	Ichigo Marunouchi Building	Marunouchi, Naka-ku, Nagoya	Real estate	7,540	5,524	2.7
O-38	Ichigo Toyamaeki Nishi Building	Jinzu Honmachi, Toyama City, Toyama	Trust beneficiary interest in real estate	1,850	1,451	0.7
O-39	Ichigo Mirai Shinkin Building	Niagemachi, Oita City, Oita	Trust beneficiary interest in real estate	1,350	1,124	0.6
O-42	Ichigo Takamatsu Building	Kotobukicho, Takamatsu City, Kagawa	Trust beneficiary interest in real estate	3,860	2,117	1.1
O-46	Ichigo Kanda Nishikicho Building	Kanda-Nishikicho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	3,290	2,000	1.0

No.	Asset Name	Location	Form of Ownership	Appraisal Value ¹ (JPY million)	Book Value ² (JPY million)	% of Portfolio ³
O-47	Ichigo Akihabara North Building	Sotokanda, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	8,070	5,474	2.7
O-48	Ichigo Sakaisuji Honmachi Building	Honmachi, Chuo-ku, Osaka	Trust beneficiary interest in real estate	2,470	1,712	0.8
O-49	Ichigo Kanda Ogawamachi Building	Kanda-Ogawamachi, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,540	2,187	1.1
O-50	Ichigo Hatchobori Building	Shintomi, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	2,760	1,745	0.9
O-51	Ichigo Ebisu Green Glass	Ebisu Minami, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	7,630	5,764	2.9
O-52	Ichigo Omori Building	Minami Oi, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	4,570	3,782	1.9
O-53	Ichigo Takadanobaba Building	Takadanobaba, Shinjuku-ku, Tokyo	Trust beneficiary interest in real estate	1,950	1,581	0.8
O-54	Ichigo Omiya Building	Miyacho, Omiya-ku, Saitama City, Saitama	Trust beneficiary interest in real estate	4,280	3,538	1.8
O-55	Ichigo Sagamihara Building	Sagamihara, Chuo-ku, Sagamihara City, Kanagawa	Trust beneficiary interest in real estate	1,310	1,210	0.6
O-56	Ichigo Ofuna Building	Ofuna, Kamakura City, Kanagawa	Trust beneficiary interest in real estate	2,320	1,958	1.0
O-57	Ichigo Sendai East Building	Miyagino, Miyagino-ku, Sendai, Miyagi	Trust beneficiary interest in real estate	2,180	1,569	0.8
O-58	Ichigo Kumamoto Building	Karashimacho, Chuo-ku, Kumamoto City, Kumamoto	Trust beneficiary interest in real estate	1,600	1,553	0.8
O-59	Ichigo Jingumae Building	Jingumae, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	7,910	7,425	3.7
O-60	Ichigo Shibuya Dogenzaka Building	Maruyamacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	5,330	3,682	1.8

No.	Asset Name	Location	Form of Ownership	Appraisal Value ¹ (JPY million)	Book Value ² (JPY million)	% of Portfolio ³
O-61	Ichigo Hiroo Building	Hiroo, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	4,730	3,986	2.0
O-62	Ichigo Sasazuka Building	Sasazuka, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	6,230	4,889	2.4
O-63	Ichigo Nihonbashi East Building	Nihonbashi Bakurocho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	5,620	4,371	2.2
O-64	Ichigo Sakurabashi Building	Hatchobori, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	3,180	2,544	1.3
O-65	Ichigo Shinkawa Building	Shinkawa, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	3,020	2,391	1.2
O-66	Ichigo Kudan Building	Kanda-Jimbocho, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	3,710	3,233	1.6
O-67	Ichigo Higashi Gotanda Building	Higashi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	4,410	3,637	1.8
O-68	Axior Mita	Mita, Minato-ku, Tokyo	Trust beneficiary interest in real estate	2,370	1,706	0.8
O-69	Ichigo Higashi Ikebukuro Building	Higashi Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	5,460	4,601	2.3
O-70	Koriyama Big-i (Office Section)	Ekimae, Koriyama City, Fukushima	Trust beneficiary interest in real estate	2,140	1,505	0.7
O-71	Ichigo Kawasaki Building	Higashi Tamachi, Kawasaki-ku, Kawasaki City, Kanagawa	Trust beneficiary interest in real estate	2,280	1,814	0.9
O-72	Ichigo Shibuya East Building	Higashi, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	1,550	1,381	0.7
O-73	Ichigo Ningyocho Building	Nihonbashi Horidomecho, Chuo-ku, Tokyo	Trust beneficiary interest in real estate	1,600	1,490	0.7
O-74	Ichigo Nishi Honmachi Building	Awaza, Nishi-ku, Osaka	Trust beneficiary interest in real estate	2,500	2,192	1.1

No.	Asset Name	Location	Form of Ownership	Appraisal Value ¹ (JPY million)	Book Value ² (JPY million)	% of Portfolio ³
O-75	Ichigo Hakata Building	Gionmachi, Hakata-ku, Fukuoka	Trust beneficiary interest in real estate	1,530	1,359	0.7
O-76	Ichigo Nishiki First Building	Nishiki, Naka-ku, Nagoya	Trust beneficiary interest in real estate	2,170	1,959	1.0
O-77	Ichigo Ikenohata Building	Ikenohata, Taito-ku, Tokyo	Trust beneficiary interest in real estate	5,500	5,119	2.5
O-78	Ichigo Ikebukuro East Building	Higashi Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	3,430	2,998	1.5
O-79	Ichigo Motoazabu Building	Motoazabu, Minato-ku, Tokyo	Trust beneficiary interest in real estate	2,350	1,913	0.9
O-80	Ichigo Otsuka Building	Minami Otsuka, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	3,100	2,756	1.4
O-81	Ichigo Nagoya Building	Meieki, Nakamura-ku, Nagoya	Trust beneficiary interest in real estate	3,910	3,525	1.7
O-82	Ichigo Fushimi Building	Nishiki, Naka-ku, Nagoya	Trust beneficiary interest in real estate	2,540	2,325	1.2
O-83	Ichigo Nishiki Building	Nishiki, Naka-ku, Nagoya	Trust beneficiary interest in real estate	1,480	1,289	0.6
O-84	Ichigo Minami Morimachi Building	Matsugaecho, Kita-ku, Osaka	Trust beneficiary interest in real estate	1,260	1,054	0.5
O-85	Ichigo Shibuya Udagawacho Building	Udagawacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	4,180	3,559	1.8
O-86	Win Gotanda Building	Nishi Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	3,540	3,105	1.5
O-87	Ichigo Hongo Building	Hongo, Bunkyo-ku, Tokyo	Trust beneficiary interest in real estate	2,690	2,300	1.1
O-88	Oimachi Center Building	Oi, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	2,090	1,698	0.8

No.	Asset Name	Location	Form of Ownership	Appraisal Value ¹ (JPY million)	Book Value ² (JPY million)	% of Portfolio ³
O-89	Win Gotanda Building 2	Osaki, Shinagawa-ku, Tokyo	Trust beneficiary interest in real estate	3,610	3,289	1.6
O-90	MIF Building	Uchikanda, Chiyoda-ku, Tokyo	Trust beneficiary interest in real estate	2,370	2,191	1.1
O-91	Ichigo Uchi Honmachi Building	Uchi Honmachi, Chuo-ku, Osaka	Trust beneficiary interest in real estate	2,180	2,001	1.0
O-92	Ichigo Minami Otsuka Building	Minami Otsuka, Toshima-ku, Tokyo	Trust beneficiary interest in real estate	3,270	2,858	1.4
O-93	Ichigo Nogizaka Building	Akasaka, Minato-ku, Tokyo	Trust beneficiary interest in real estate	3,620	3,507	1.7
O-94	Ichigo Hakata East Building	Hakataeki Higashi, Hakata-ku, Fukuoka	Trust beneficiary interest in real estate	2,610	2,287	1.1
O-95	Ichigo Nakameguro Building	Aobadai, Meguro-ku, Tokyo	Trust beneficiary interest in real estate	1,640	1,550	0.8
O-96	Ichigo Tachikawa Building	Akebonocho, Tachikawa, Tokyo	Trust beneficiary interest in real estate	4,010	3,832	1.9
Z-09	Future IZUMI	Fuchucho, Izumi City, Osaka	Trust beneficiary interest in real estate	563	1,051	0.5
Z-10	Ichigo Shibuya Bunkamura Dori Building	Udagawacho, Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	3,040	2,450	1.2
Z-11	Twicere Yokohama Isogo (Retail Section)	Mori, Isogo-ku, Yokohama	Trust beneficiary interest in real estate	1,500	1,445	0.7
Z-14	Ichigo Kamata Building	Nishi Kamata, Ota-ku, Tokyo	Trust beneficiary interest in real estate	1,530	1,447	0.7
Total				246,330	201,489	100

¹ Pursuant to Ichigo Office's internal rules and the rules of the Investment Trusts Association of Japan, Appraisal Value at period-end is an appraisal value from the Japan Real Estate Institute, Daiwa Real Estate Appraisal, Tanizawa Sōgō Appraisal, or Rich Appraisal Institute.

² Book Value at period-end does not include construction in progress and construction in progress in trust.

³ % of Portfolio is based on book value.

Major Capital Expenditures

a. Major Planned Capital Expenditures (as of April 30, 2022)

Asset Name (Location)	Purpose	Timing	Total Expenditures (JPY thousand)	Amount Already Paid (JPY thousand)
Koriyama Big-i (Office Section) (Koriyama City, Fukushima)	Upgrade air conditioning systems (Phase 3)	Dec 2022	49,000	—
Ichigo Minami Morimachi Building (Osaka)	Renovate exterior walls	Nov 2022	31,870	1,000
Ichigo Otsuka Building (Toshima-ku, Tokyo)	Renovate exterior walls	Dec 2022	30,670	—
Ichigo Sagamihara Building (Sagamihara City, Kanagawa)	Upgrade elevator	Jan 2023	25,162	—
Ichigo Takatanobaba Building (Shinjuku-ku, Tokyo)	Upgrade elevator	Nov 2022	23,020	—
Ichigo Uchikanda Building (Chiyoda-ku, Tokyo)	Renovate exterior walls	Apr 2023	20,470	—
Oimachi Center Building (Chiyoda-ku, Tokyo)	Upgrade air conditioning systems	Mar 2023	20,470	—
Ichigo Shin Yokohama Building (Yokohaa)	Upgrade high-voltage switching equipment (Phase 1)	Feb 2023	17,860	—
Ichigo Kudan 2 Chome Building (Chiyoda-ku, Tokyo)	Renovate tenant spaces	Jul 2022	15,370	—
Ichigo Nishi Gotanda Building (Shinagawa-ku, Tokyo)	Upgrade elevators	May 2022	12,310	—
Ichigo Yotsuya 4 Chome Building (Shinjuku-ku, Tokyo)	Renovate tenant spaces	Jun 2022	5,120	—

b. Major Capital Expenditures during the Current Fiscal Period (April 2022)

During the April 2022 fiscal period, capital expenditures totaled JPY 808,604 thousand. Of this total JPY 674,547 thousand were capitalized and JPY 134,056 thousand were treated as expenses (Building Maintenance & Repair Expenses).

Asset Name (Location)	Purpose	Timing	Total Expenditures (JPY thousand)
Koriyama Big-i (Office Section) (Koriyama City, Fukushima)	Upgrade air conditioning systems (Phase 2)	Sep – Dec 2021	48,251
Ichigo Kumamoto Building (Kumamoto)	Upgrade elevator (Lift No. 1)	Oct – Dec 2021	29,140
Ichigo Kudan 2 Chome Building (Chiyoda-ku, Tokyo)	Renovate all common spaces	Mar – Apr 2022	28,630
Future IZUMI (Izumi City, Osaka)	Upgrade machine and equipment	Dec 2021 – Mar 2022	24,040
Ichigo Minami Morimachi Building (Osaka)	Upgrade elevators (Phase 2)	Oct – Nov 2021	10,745
Other			533,741
Total			674,547