



Creating peace of mind through honest and committed management.

November 15, 2013

REIT Issuer

**Ichigo Real Estate Investment Corporation (8975)**

1-1-1, Uchisaiwaicho, Chiyoda-ku, Tokyo

Representative: Yoshihiro Takatsuka, Executive Director

Asset Management Company

**Ichigo Real Estate Investment Advisors Co., Ltd.**

Representative: Wataru Orii, President & Representative Statutory Executive Officer

Inquiries: Minoru Ishihara, Executive Vice President & Statutory Executive Officer

Tel: 03-3502-4891

**Earnings and Dividend Forecast Revision for the October 2013 Fiscal Period and  
Earnings and Dividend Forecast for the April 2014 Fiscal Period**

Ichigo Real Estate Investment Corporation (“Ichigo REIT”) has amended upward its earnings and dividend forecast for the October 2013 fiscal period and hereby announces its earnings and dividend forecast for the April 2014 fiscal period.

1. October 2013 Earnings and Dividend Forecast Revision

	Operating Revenue (million yen)	Operating Income (million yen)	Ordinary Income (million yen)	Net Income (million yen)	Dividend per Share (yen)
Previous Announced Forecast (A)	4,391	2,095	1,309	1,309	1,490
Current Amended Forecast (B)	4,582	2,270	1,476	1,475	1,530
Change (B-A)	+191	+174	+166	+166	+40
Change	+4.3%	+8.3%	+12.7%	+12.7%	+2.7%
Reference: April 2013, Actual	4,147	2,036	451	451	1,494

(Note1) Expected number of shares outstanding as of the end of April 2013 fiscal period:  
842,823 shares

Expected number of shares outstanding as of the end of October 2013 fiscal period:  
932,823 shares

\*The forecasts presented above are based on current assumptions. The actual operating revenue, operating income, ordinary income, net income, and dividend per share may vary due to changes in circumstances. These forecasts should not be construed as a guarantee of such performance or results.

Disclaimer: This translation is for informational purpose only. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail. This document is an English translation of a press release for public announcement regarding the revision of earnings and dividend forecast for the October 2013 fiscal period and the earnings and dividend forecast for the April 2014 fiscal period, and has not been prepared for the purpose of solicitation of investment. We caution investors to refer to the Investment Corporation's prospectus and notice of amendments thereto, if any, without fail and to undertake investment at their own decision and responsibility.

## 2. Reasons for the October 2013 Forecast Revision

Although Ichigo REIT's operating conditions are not significantly different from its previously announced earnings and dividend forecast for the October 2013 fiscal period, Ichigo REIT has decided to amend its forecast to include gains of 164 million yen from the August 26, 2013 sale of the Ibaraki Kowa Building. A dividend reserve reversal equal to the sale gains is expected to be distributed over several periods. The dividend for the October 2013 fiscal period is thus forecast to be 1,434 million yen, which is this period's undistributed earnings of 1,475 million yen minus 164 million yen in the Kowa Building gains set aside as a dividend reserve plus a dividend reserve reversal of 123 million yen (113 million yen in costs incidental to the May 2013 public offering and 10 million yen allocated from the Ibaraki Kowa Building).

Ichigo REIT had previously assumed that the number of shares for the October 2013 period would be 941,823. However, there were no new shares issued via a third-party allotment as reported in the release "Determination of Number of New Shares Issued through Third-Party Allotment" on June 20, 2013. As a result, the number of shares for the October 2013 period is 932,823, and Ichigo REIT will raise its dividend per share by 40 yen to 1,530 yen.

## 3. April 2014 Earnings and Dividend Forecast

	Operating Revenue (million yen)	Operating Income (million yen)	Ordinary Income (million yen)	Net Income (million yen)	Dividend per Share (yen)
April 2014 (Note 2)	4,590	2,205	1,300	1,299	1,530
Reference: Oct 2013 (Note 3)	4,582	2,270	1,476	1,475	1,530

(Note 2) With respect to the April 2014 fiscal period dividend forecast, 52 million yen will be set aside as a dividend reserve and a dividend reserve reversal of 325 million yen is expected (described below in Section 4).

(Note 3) With respect to the October 2013 fiscal period dividend forecast, 164 million yen will be set aside as a dividend reserve and a dividend reserve reversal of 123 million yen is expected (described above in Section 2).

\*Expected number of shares outstanding at the end of the fiscal period: 1,026,323 shares.

These shares are the sum of 932,823 shares issued and outstanding as of today, plus 85,000 shares to be issued via a public offering and a maximum of 8,500 shares to be issued through a third-party allotment (should the over-allotment option be exercised) as resolved at today's Board of Directors meeting. For details, refer to today's release "Issuance of New Shares and Secondary Share Offering."

\*The forecasts presented above are based on certain preconditions. The actual operating revenue, operating income, ordinary income, net income, and dividend per share may vary due to changes in circumstances. These forecasts should not be construed as a guarantee of such performance or results.

Disclaimer: This translation is for informational purpose only. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail. This document is an English translation of a press release for public announcement regarding the revision of earnings and dividend forecast for the October 2013 fiscal period and the earnings and dividend forecast for the April 2014 fiscal period, and has not been prepared for the purpose of solicitation of investment. We caution investors to refer to the Investment Corporation's prospectus and notice of amendments thereto, if any, without fail and to undertake investment at their own decision and responsibility.

#### 4. Reasons for Forecast Disclosure

Ichigo REIT has decided to acquire four assets through a public offering as announced in today's releases "Issuance of New Shares and Secondary Share Offering" and "Asset Purchases and Sale." These acquisitions will be financed by borrowing from banks, including the Japanese megabanks (Note 4), and by cash-on-hand. In addition, Ichigo REIT has decided to sell the COI Shinbashi Building at the end of April 2014. Ichigo REIT will allocate one billion yen of these proceeds towards prepayment of its existing loans to reduce its financing costs in anticipation of future property acquisitions (Note 5). Also, 6 billion yen derived from the Shinbashi Building sale will be used to pay the existing loan on the building. Ichigo is announcing its earnings and dividend forecasts for the April 2014 fiscal period in tandem with the projected impact of these acquisitions, sales, and loan prepayment.

Ichigo REIT expects a dividend reserve reversal of 325 million yen and a total dividend of 1,572 million yen for the April 2014 fiscal period. The dividend is calculated as this period's 1,299 million yen of net income plus the acquisitions' 57 million yen in rental income, plus 60 million yen in gains described in Section 2 and sale gains from the COI Shinbashi Building, minus one-off costs of 207 million yen incidental to the public offering and loan prepayment, and minus 52 million yen in sales gains from the COI Shinbashi Building allocated as a dividend reserve. The actual dividend reserve reversal is expected to be 272 million yen after deducting 52 million yen in gains from COI Shinbashi Building sale.

(Note 4) The financing details will be announced as soon as they are available.

(Note 5) The lenders' consent to the January 2014 prepayment has not yet been obtained. As such, the prepayment is not guaranteed.

Website of Ichigo REIT: [www.ichigo-reit.co.jp/english](http://www.ichigo-reit.co.jp/english)

Disclaimer: This translation is for informational purpose only. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail. This document is an English translation of a press release for public announcement regarding the revision of earnings and dividend forecast for the October 2013 fiscal period and the earnings and dividend forecast for the April 2014 fiscal period, and has not been prepared for the purpose of solicitation of investment. We caution investors to refer to the Investment Corporation's prospectus and notice of amendments thereto, if any, without fail and to undertake investment at their own decision and responsibility.

## Preconditions for the April 2014 Earnings Forecast

Item	Preconditions
Period	The April 2014 Fiscal Period: November 1, 2013 – April 30, 2014 (181 days)
Portfolio Assets	<ul style="list-style-type: none"> <li>• 68 properties as of October 31, 2013. In addition, Ichigo REIT expects to acquire assets and sell the COI Shinbashi Building as announced in today’s release “Asset Acquisitions and Sale.” The forecast assumes there will be no additional acquisitions or sales before the end of April 2014.</li> <li>• The total number of portfolio assets may change due to acquisitions or sales.</li> </ul>
Number of Shares	<ul style="list-style-type: none"> <li>• 1,026,323 shares: the sum of 932,823 shares issued and outstanding as of October 31, 2013 plus 85,000 shares to be issued from a public offering and a maximum of 8,500 shares to be issued from a third-party allotment (should the over-allotment option be exercised). The forecast assumes there will be no additional new issuance before the end of April 2014.</li> </ul>
Operating Revenue	<ul style="list-style-type: none"> <li>• Rent revenue is calculated conservatively based on lease contracts that are in effect as of October 31, 2013 while taking into consideration such factors as historical rents, the competitiveness of the properties, and market conditions.</li> </ul>
Operating Expenses	<ul style="list-style-type: none"> <li>• Among rental activity expenses, Ichigo REIT’s principal operating expenses and expenses other than depreciation are calculated based on historical data while taking into consideration variable expenses.</li> <li>• The anticipated amount of property tax and city planning tax is 313 million yen for the April 2014 period. The prorated property tax and city planning tax related to these acquisitions will be included in the acquisition cost and shall be excluded from operating expenses.</li> <li>• The amount for building maintenance and repair expenses is estimated to be 117 million yen for the April 2014 period. However, expenses for each period could differ significantly from these estimated amounts for reasons including the variability of maintenance and repair expenses, costs due to unexpected building damage, etc.</li> <li>• Service provider expenses including property management fees, etc., are estimated to be 421 million yen for the April 2014 period.</li> <li>• Depreciation has been calculated using the straight-line method. Depreciation is calculated by including the depreciation for future additional capital expenditures in the amortization amount. Depreciation of 586 million yen has been anticipated for the April 2014 period.</li> <li>• Actual operating expenses may differ significantly from assumptions due to unforeseeable factors.</li> </ul>

Disclaimer: This translation is for informational purpose only. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail. This document is an English translation of a press release for public announcement regarding the revision of earnings and dividend forecast for the October 2013 fiscal period and the earnings and dividend forecast for the April 2014 fiscal period, and has not been prepared for the purpose of solicitation of investment. We caution investors to refer to the Investment Corporation's prospectus and notice of amendments thereto, if any, without fail and to undertake investment at their own decision and responsibility.

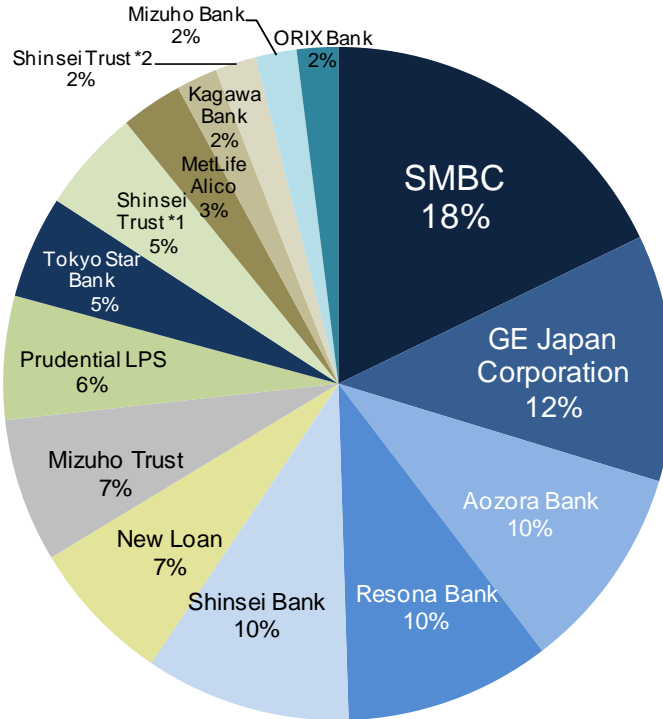
Non-operating Expenses	<ul style="list-style-type: none"> <li>• Interest expenses of 553 million yen are anticipated for the April 2014 period.</li> <li>• Borrowing-related expenses of 305 million yen are anticipated for the April 2014 period.</li> <li>• Expenses related to the new share issuance of 50 million yen are anticipated for the April 2014 period.</li> </ul>
Borrowings	<ul style="list-style-type: none"> <li>• Ichigo REIT's balance of loans payable stands at 59,519 million yen as of October 31, 2013.</li> <li>• Regarding the acquisition, in addition to the share issuance resolved at today's Board of Directors meeting, Ichigo anticipates new borrowing of 4,000 million yen.</li> <li>• Regarding the sale of COI Shinbashi Building, Ichigo anticipates loan repayment of 6,000 million yen.</li> </ul>
Dividend per Share	<ul style="list-style-type: none"> <li>• Dividends per share are based on the assumption that distribution will comply with the dividend distribution policy stipulated in Ichigo REIT's Articles of Incorporation.</li> <li>• Dividend for the April 2014 period is assumed to be 1,572 million yen, which is the total amount of retained earnings of 1,299 million yen plus a dividend reserve reversal of 272 million yen.</li> <li>• The dividend per share amount is subject to change due to such factors as tenant turnover, property changes, unexpected maintenance and repair costs and other expenses, fluctuations in interest rates, and the issuance of additional shares.</li> </ul>
Dividend in Excess of Earnings per Share	<ul style="list-style-type: none"> <li>• Ichigo REIT does not plan on making any dividend distribution in excess of earnings per share or retained earnings.</li> </ul>
Other	<ul style="list-style-type: none"> <li>• The performance forecasts are based on the assumption that revisions impacting the forecast figures above will not be made to laws and ordinances, the tax system, accounting standards, listing rules, rules of the Investment Trusts Association, Japan, etc.</li> <li>• Performance forecasts are based on the assumption that there will be no unexpected material change in general economic trends, real estate market conditions, etc.</li> </ul>

(Note) The forecasts presented above are current figures based on certain preconditions. Accordingly, the actual operating revenue, operating income, ordinary income, net income, and dividend per share may vary due to changes in circumstances. Ichigo REIT does not plan on making any dividend distribution in excess of earnings per share or retained earnings.

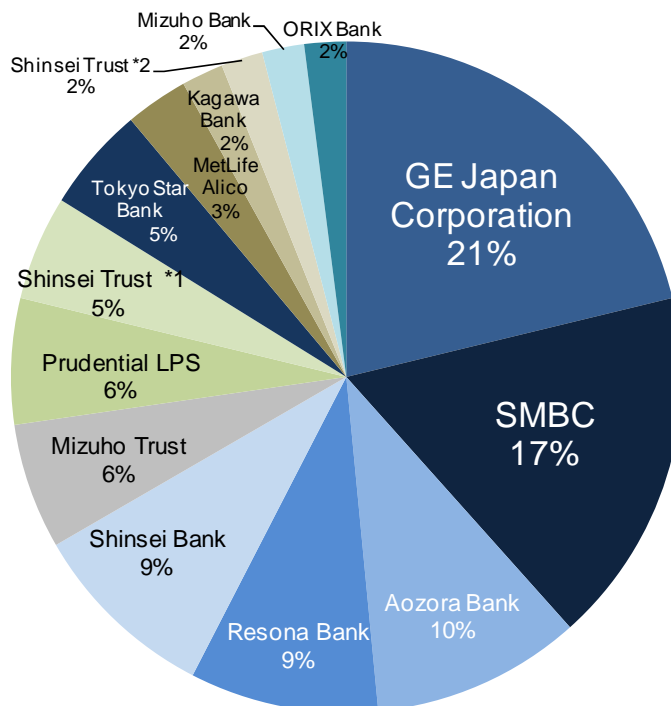
Disclaimer: This translation is for informational purpose only. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail. This document is an English translation of a press release for public announcement regarding the revision of earnings and dividend forecast for the October 2013 fiscal period and the earnings and dividend forecast for the April 2014 fiscal period, and has not been prepared for the purpose of solicitation of investment. We caution investors to refer to the Investment Corporation's prospectus and notice of amendments thereto, if any, without fail and to undertake investment at their own decision and responsibility.

Reference 1: Lender Distribution in Above Preconditions

(As of April 30, 2014)



(As of October 31, 2013)

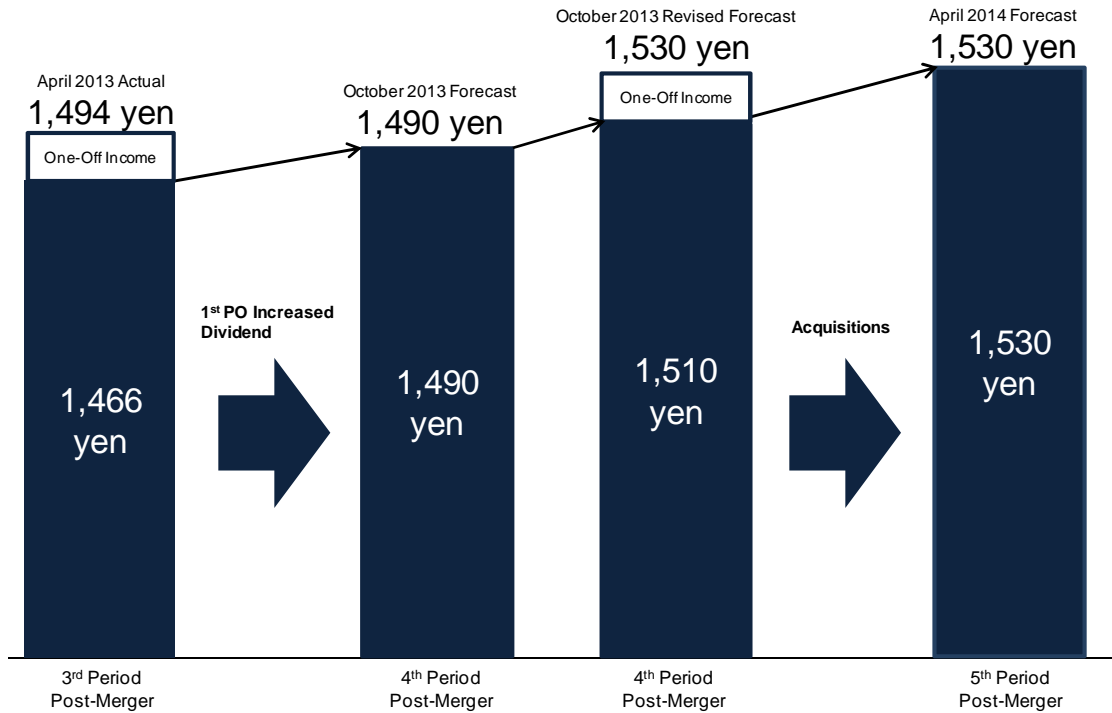


\*1: Source of fund is an Investment LPS managed by AXA Real Estate Investment Managers Japan KK

\*2: Cash funding provided by Ichigo Group

Disclaimer: This translation is for informational purpose only. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail. This document is an English translation of a press release for public announcement regarding the revision of earnings and dividend forecast for the October 2013 fiscal period and the earnings and dividend forecast for the April 2014 fiscal period, and has not been prepared for the purpose of solicitation of investment. We caution investors to refer to the Investment Corporation's prospectus and notice of amendments thereto, if any, without fail and to undertake investment at their own decision and responsibility.

Reference 2: Steadily Increasing Dividend via Growing Economies of Scale



Disclaimer: This translation is for informational purpose only. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail. This document is an English translation of a press release for public announcement regarding the revision of earnings and dividend forecast for the October 2013 fiscal period and the earnings and dividend forecast for the April 2014 fiscal period, and has not been prepared for the purpose of solicitation of investment. We caution investors to refer to the Investment Corporation's prospectus and notice of amendments thereto, if any, without fail and to undertake investment at their own decision and responsibility.