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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 Revisions
for the October 2014 and April 2015 Fiscal Periods**

Ichigo Real Estate Investment Corporation (“Ichigo REIT”) has amended its earnings and dividend forecast for the October 2014 fiscal period announced in “Earnings and Dividend Forecast for the October 2014 Fiscal Period” on April 25, 2014, and hereby announces its earnings and dividend forecast for the April 2015 fiscal period.

1. October 2014 Earnings and Dividend Forecast Revision

	Operating Revenue (million yen)	Operating Profit (million yen)	Recurring Profit (million yen)	Net Income (million yen)	Dividend per Share (yen)
Previous Announced Forecast (A)	4,531	2,112	1,483	1,482	1,530
Current Amended Forecast (B) ¹	4,607	2,154	1,426	1,425	1,540
Change (B-A)	+76	+ 42	-57	- 57	+10
Change	+1.6 %	+1.9%	-3.8%	-3.8%	+0.6%
Reference: April 2014 Actual	4,637	2,187	1,307	1,306	1,541

¹ With respect to the October 2014 fiscal period dividend forecast, 59 million yen is expected to be set aside as a dividend reserve and a dividend reserve reversal of 222 million yen is expected (described below in Section 2).

The forecasts presented above are based on certain preconditions. The actual operating revenue, operating profit, recurring profit, 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.

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

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 for the October 2014 fiscal period and the earnings and dividend forecast for the April 2015 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 October 2014 Forecast Revision

Ichigo REIT is amending its forecast to reflect the earnings outcomes on its asset portfolio, the refinancing described in “Notice of New Loan, Interest Rate Swap, and Repayment of Existing Loan” announced on July 30, 2014, and the gains from the sale of the Ichigo Kudan Minami Building announced in “Sale of Portfolio Asset” on September 30, 2014.

With respect to Ichigo REIT’s operating forecast, due to the aforementioned refinancing, interest expense is expected to decrease by 22 million yen, but 110 million yen borrowing-related expenses are also expected. Also, due to the asset sale, gains of 59 million yen are expected. Furthermore, due to careful examination of the operating conditions of Ichigo REIT’s assets, although operating income will increase due to one-off lease cancellation income during the October 2014 period, recurring profit and net income will decrease due to one-off borrowing related expenses, such as one-off costs incidental to refinancing. A dividend reserve reversal equal to the sale gains is expected to be distributed over several periods.

The dividend for the October 2014 fiscal period is thus forecast to be 1,588 million yen, which is this period’s undistributed earnings of 1,425 million yen minus 59 million yen to be set aside for the dividend reserve, plus a dividend reserve reversal of 222 million yen (which includes 136 million yen in one-off costs incidental to the sale of the Ichigo Kudan Minami Building and 85 million yen set aside as a dividend reserve from the Ibaraki Kowa Building and the COI Shinbashi Building gains, and one-off borrowing related expenses).

Dividend per share is thus forecast to be 1,540 yen, which is 10 yen higher than previously forecast.

3. April 2015 Earnings and Dividend Forecast

	Operating Revenue (million yen)	Operating Profit (million yen)	Recurring Profit (million yen)	Net Income (million yen)	Dividend per Share (yen)
April 2015 ²	4,973	2,278	1,265	1,264	1,590
Reference: October 2014	4,607	2,154	1,426	1,425	1,540

² With respect to the April 2015 fiscal period dividend forecast, 36 million yen is expected to be set aside as a dividend reserve and a dividend reserve reversal of 573 million yen is expected (described below in Section 4).

Expected number of shares outstanding at the end of the fiscal period: 1,130,323 shares. These shares are the sum of 1,026,323 shares issued and outstanding as of today, plus 95,680 shares to be issued via a public offering and a maximum of 8,320 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, please 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 profit, recurring profit, 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.

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4. April 2015 Forecast Rationale

Ichigo REIT has decided to acquire 11 primarily office assets³ through a public offering as announced in today's releases "Issuance of New Shares and Secondary Share Offering" and "Asset Acquisitions and Sales." These acquisitions will be financed by borrowing from banks, including the Japanese megabanks⁴, and by cash-on-hand. In addition, Ichigo REIT has decided to sell 15 residential assets³ on December 12, 2014 (expected). Also, Ichigo REIT plans to execute a 1.1 billion yen partial prepayment of existing loans with the net proceeds from the public offering and the issuance of new shares via the underwriter third-party allotment and cash-on-hand in January 2015. In addition, Ichigo REIT will allocate 8.7 billion yen of sale proceeds towards prepayment of its existing loans, expected to be executed on December 12, 2014.⁵

Ichigo REIT expects a total dividend of 1,802 million yen for the April 2015 fiscal period. The dividend is calculated as this period's net profit of 1,264 million yen; minus a dividend reserve of 36 million yen to account for one-off sales gains; plus a dividend reserve reversal of 536 million yen from one-off costs primarily associated with the asset acquisitions and sales; plus a dividend reserve reversal of 37 million yen which is the sales gains on the Ichigo Kudan-Minami Building and Ibaraki Kowa Building.

Dividend per share is thus forecast to be 1,590 yen, which is 50 yen higher than the October 2014 forecast.

³ For details of the assets, please refer to today's release, "Asset Acquisitions and Sales."

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

⁵ The lenders' consent to the December 2014 prepayment has not yet been obtained, and sale of the 15 assets have not yet been finalized. As such, the prepayment is not guaranteed.

⁶ As these acquisitions, sales, and loan prepayment will be conducted during April 2015 fiscal period, the gains are recorded in the reversal of reserve for dividends to avoid temporary dilution of dividends. The dividend is thus determined as if the acquisitions had been held by Ichigo REIT through the full fiscal period.

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Preconditions for the April 2015 Earnings Forecast

Item	Preconditions
Period	The April 2015 Fiscal Period: November 1, 2014 – April 30, 2015 (181 days)
Portfolio Assets	<ul style="list-style-type: none"> • 66 assets in total. 70 assets as of October 31, 2014 and the 11 assets to be newly acquired (financed by funds from the public offering, new borrowings from banks, including Japanese megabanks and cash-on-hand), minus 15 assets to be sold as announced in today's release "Asset Acquisitions and Sales." The forecast assumes there will be no additional acquisitions or sales before the end of April 2015. • The total number of portfolio assets may change due to acquisitions or sales.
Number of Shares	<ul style="list-style-type: none"> • 1,130,323 shares: the sum of 1,026,323 shares issued and outstanding as of October 31, 2014 plus 95,680 shares to be issued from a public offering and a maximum of 8,320 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 2015.
Operating Revenue	<ul style="list-style-type: none"> • Rent revenue is calculated conservatively based on lease contracts that are in effect as of October 31, 2014 while taking into consideration such factors as historical rents, the competitiveness of the properties, and market conditions.
Operating Expenses	<ul style="list-style-type: none"> • 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. • The anticipated amount of property tax and city planning tax is 324 million yen for the April 2015 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. • The amount for building maintenance and repair expenses is estimated to be 99 million yen for the April 2015 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. • Service provider expenses including property management fees, etc., are estimated to be 461 million yen for the April 2015 period. • 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 663 million yen has been anticipated for the April 2015 period. • Actual operating expenses may differ significantly from assumptions due to unforeseeable factors.

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Non-operating Expenses	<ul style="list-style-type: none"> • Interest expenses of 416 million yen are anticipated for the April 2015 period. • Borrowing-related expenses of 569 million yen are anticipated for the April 2015 period. • Expenses related to the new share issuance of 28 million yen are anticipated for the April 2015 period.
Borrowings	<ul style="list-style-type: none"> • Ichigo REIT's balance of loans payable stands at 55,936 million yen as of October 31, 2014. • Regarding the acquisitions, in addition to the share issuance resolved at today's Board of Directors meeting, Ichigo anticipates new borrowing of 14,000 million yen. • From the sale gains of the 15 assets, Ichigo anticipates loan prepayment of 8,771 million yen.
Dividend per Share	<ul style="list-style-type: none"> • 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. • Dividend for the April 2015 period is assumed to be 1,802 million yen, which is the total amount of retained earnings of 1,264 million yen minus 36 million yen deducted for the dividend reserve, plus a dividend reserve reversal of 573 million yen. From the 1,802 million yen, the whole amount will be distributed excluding any fraction of less than 1 yen per share. • 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.
Dividend in Excess of Earnings per Share	<ul style="list-style-type: none"> • Ichigo REIT does not plan on making any dividend distribution in excess of earnings per share or retained earnings.
Other	<ul style="list-style-type: none"> • 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. • Performance forecasts are based on the assumption that there will be no unexpected material change in general economic trends, real estate market conditions, etc.

Website of Ichigo REIT: www.ichigo-reit.co.jp/english

The forecasts presented above are current figures based on certain preconditions. Accordingly, the actual operating revenue, operating income, recurring profit, 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.

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