Strategic Portfolio Restructuring Update

May 9, 2016

Ichigo Office REIT Investment Corporation (8975)

Ichigo Real Estate Investment Advisors Co., Ltd.

© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

This material is a summary of the following three releases detailing Ichigo Office REIT's strategic portfolio restructuring as described in its Growth Strategy Roadmap:

"Acquisition of Five Office Assets," April 8, 2016
"Acquisition of Eight Office Assets," May 9, 2016
"Earnings and Dividend Forecasts for the April 2016, October 2016, and April 2017 Fiscal Periods," May 9, 2016

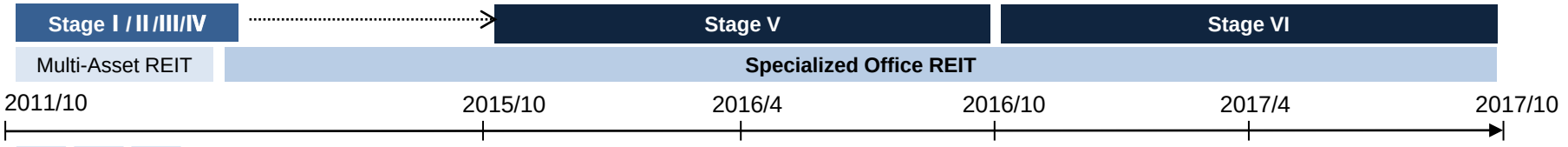
These materials are for informational purposes only, and do not constitute or form a part of, and should not be construed as, an offer to sell or a solicitation of an offer to buy any securities of Ichigo Office REIT Investment Corporation.

These materials may contain forward-looking statements regarding the intent, belief or current expectations of management of Ichigo Office REIT with respect to financial condition and future results of operations. These statements are based on certain assumptions founded on currently available information. Accordingly, such statements are subject to risks, uncertainties and assumptions and there is no assurance as to actual financial conditions or results of operations. Actual results may vary from those indicated in the forward-looking statements. Accordingly, please refrain from relying solely on these statements.

一期一会
ICHIGO

© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

Ichigo Office REIT Growth Strategy Roadmap



Foundation for Growth

Accretive Growth Cycle

Enhance Profitability

Strengthen Forward Growth Capabilities

Goals

Grow Office Portfolio

	Lay Foundation for Sustainable Dividend Growth	Stable Dividend Growth
Action Plan	■ **Organic Growth Strategy** **Achieve continuous NOI growth and strengthen Ichigo Office brand** • Raise rents, especially in Central Tokyo where supply-demand balance is tight • Increase rental-related income • Support branding and sense of Ichigo quality at assets, e.g., prominent Ichigo signage • Maintain highest standard of quality in servicing tenants via Ichigo Property Management Standard ➡ **Target:** Increase rents by >2.0% p.a. ■ **External Growth Strategy** **Increase portfolio size and scale and be smart in portfolio restructuring** • Further expand portfolio size and scale via this acquisition • Sell assets with limited potential ■ **Financing Strategy** **Improve credit rating & borrowing terms** • Improve credit rating from A- (Stable) • Improve borrowing terms (cost/tenor/diversity) • Acquire bank commitment line • Deploy negative goodwill to increase dividends • Prepare to enter global REIT indices	■ **Organic Growth Strategy** **Drive growth with strong Ichigo Office brand established at 100 asset portfolio** • Increase attractiveness of Ichigo assets via strong Ichigo Office brand • Develop original services for Ichigo tenants • Drive higher rents within and outside of Tokyo • Maximize return on capex ■ **External Growth Strategy** **Aim for portfolio size and scale of JPY 230B** • Enhance acquisition pipeline via diversified sourcing routes • Use Ichigo sponsor support and diverse funding capability to close quickly under deadline ■ **Financing Strategy** **Improve credit rating and diversify funding** • Achieve A (Stable) credit rating • Consider issuance of REIT bonds and broadening of lender base • Use financial strength and commitment line to grow acquisition capacity • Further improve borrowing terms • Enter global REIT indices

一期一会
ICHIGO

© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

Strategic Portfolio Restructuring

4 Asset Sales


Akita Sanno 21 Building


Ichigo Saga Building


Ichigo Yokohama Nishiguchi Building


Ichigo Meieki Building

Sold 4 assets, JPY 2.9B

Reasons for Sale:
- Vacancy risk
- Capex burden
- Increased competition in the area

2016/4 → Strategic Portfolio Restructuring → 2016/10

Bought 13 assets, JPY 29.2B

13 Asset Acquisitions


Ichigo Ikenohata Building


Ichigo Ikebukuro East Building


Ichigo Motoazabu Building


Ichigo Otsuka Building


Ichigo Nagoya Building


Ichigo Fushimi Building


Ichigo Nishiki Building


Ichigo Minami Morimachi Building


Ichigo Shibuya East Building


Ichigo Ningyocho Building


Nishiki First Building


Ichigo Nishi Honmachi Building


Ichigo Hakata Building

一期一会 ICHIGO

© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. All rights reserved.

Strategic Portfolio Restructuring Objectives

Increase Portfolio Quality, Size, and Scale to Drive NOI and Dividend

- ü Sell low-upside assets into a strong market and recycle the capital to acquire higher-quality, higher-return assets
- ü Drive ongoing NOI and dividend growth by focusing portfolio on Central Tokyo and four major regional cities (Osaka, Nagoya, Fukuoka, and Sapporo) with rising rents and continued economic growth potential

Increase Asset Profitability to Further Drive NOI and Dividend

- ü Increase asset-level profitability and asset value by fully using Ichigo's deep expertise in leasing and value-add of mid-size office buildings

Further Strengthen Financial Base

- ü Refinance to reduce borrowing costs and improve borrowing terms, taking advantage of the current low interest rate environment
- ü Retain asset sale profits in the dividend reserve and deploy to stabilize and increase future dividends

一期一会
ICHIGO

© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

Portfolio Results: Increased NOI and Portfolio Quality

	Pre-Acquisition	Asset Sales[1]	Asset Acquisitions[2]	Post-Acquisition[3]
Number of Assets	**77**	4	13	**86**
Acquisition Price (billion yen)	**165.6**	2.9	29.2	**191.9**
Office Ratio	**85.5%**	69.5%	100.0%	**88.0%**
Annual NOI (billion yen)	**9.1**	0.2	1.5	**10.4**
Post-Depreciation NOI Yield	**4.5%**	5.1%	4.6%	**4.5%**
Average Occupancy	**96.0%**	93.8%	97.7%	**96.6%**
Number of Tenants	**725**	50	197	**872**
Unrealized Gains (billion yen)	**+8.4**	0	+0.8	**+9.3**

[1] Asset Sales refers to the four asset sales in the April 2016 fiscal period.

[2] Asset Acquisitions refers to the thirteen asset acquisitions in the October 2016 fiscal period.

[3] Post-Acquisition numbers (excluding Number of Assets, Acquisition Price, and Office Ratio) are values expected as of today based on certain preconditions, and may not match the actual post-acquisition results.

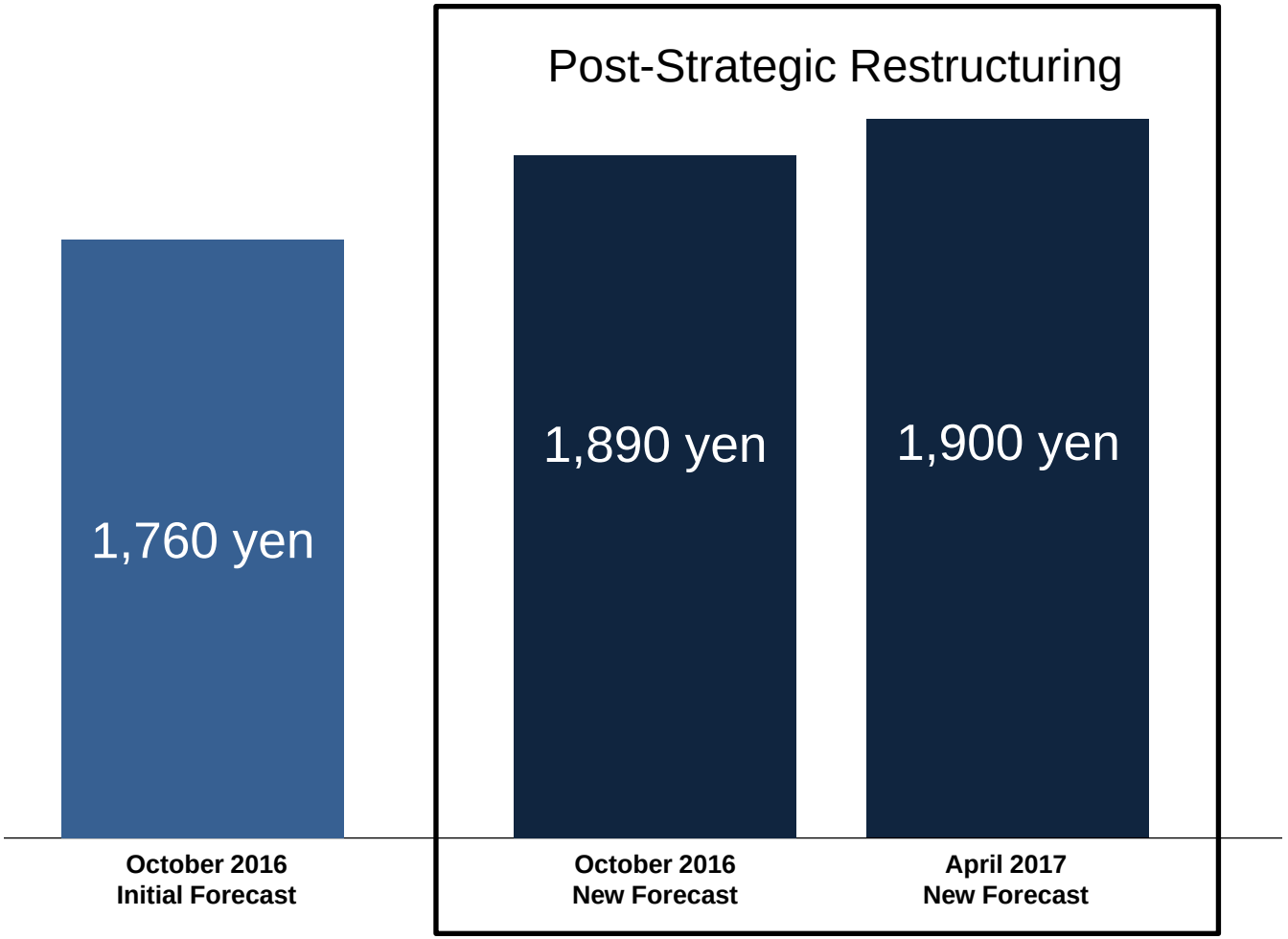
For additional details on asset acquisitions, please refer to today's release "Acquisition of Eight Office Assets."

一期一会
ICHIGO

© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

Portfolio Results: Further Dividend Growth

Revising Up October 2016 and April 2017 Dividend Forecasts



Note: The October 2016 initial forecast was 1,760 yen, and the first revised forecast was 1,850 yen. The April 2017 initial forecast was 1,860 yen.

© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. All rights reserved.

Acquisition: Ichigo Ikenohata Building (O-77)

Asset Overview

Acquisition Price	5,130 mm yen
Appraisal Value	5,220 mm yen
NOI Yield	5.1%
Asset Type	Office
Address	1 Chome, Ikenohata, Taito-ku, Tokyo
Leasable Area	5,504.02 m^2
Structure	SRC B1F/8F
Construction Date	June 1991
Occupancy	100.0%

Location and Features

The building is a mid-size office building on Shinobazu Dori, a 3-minute walk from Yushima Station on the Tokyo Metro Chiyoda Line and 7-minute walk from Ueno Hirokoji Station on the Tokyo Metro Ginza Line.

The standard floor area is a little over 200 tsubo (660 m^2). The building is highly competitive in the leasing market thanks to its 2.5 meter high ceilings, individual air conditioning units, and raised access flooring. Tenants including subsidiaries of major companies, a telecommunications company, a government-affiliated company, and a medical corporation currently occupy the building.







一期一会
ICHIGO

© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

Acquisition: Ichigo Ikebukuro East Building (O-78)

Asset Overview

Acquisition Price	3,010 mm yen
Appraisal Value	3,110 mm yen
NOI Yield	5.0%
Asset Type	Office
Address	2 Chome, Higashi Ikebukuro, Toshima-ku, Tokyo
Leasable Area	3,118.69 m^2
Structure	SRC/RC 8F
Construction Date	June 1993
Occupancy	100.0%

Location and Features

This building is a 9-minute walk from the Higashi Ikebukuro Station on the Tokyo Metro Yurakucho Line and the Otsuka Station on the JR Yamanote Line. It is also a 12-minute walk from Ikebukuro Station on the JR Yamanote Line.

Each floor is sub-dividable with a standard floor plate of 140 tsubo (460 m^2) and a 2.6 meter high ceiling. The specifications of the building compare favorably with other buildings in the area due to such offerings as individual air conditioning units and raising access flooring.

The first floor tenant is a supermarket. Consulting firms and telecommunications company tenants occupy the upper floors.







一期一会
ICHIGO

© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

Acquisition: Ichigo Motoazabu Building (O-79)

Asset Overview

Acquisition Price	1,890 mm yen
Appraisal Value	1,940 mm yen
NOI Yield	4.3%
Asset Type	Office
Address	3 Chome, Motoazabu, Minato-ku, Tokyo
Leasable Area	1,329.96 m^2
Structure	RC B1F/2F
Construction Date	July 1992
Occupancy	100.0%

Location and Features

This mid-size office building is a 9-minute walk from Hiroo Station on the Tokyo Metro Hibiya Line, and is located within walking distance of the Roppongi/Azabujuban area.

The standard floor area is 170 tsubo (560 m^2), with a 2.7 meter high ceiling. The exterior wall has an exposed concrete finish. The building is currently occupied by IT, design, and bridal industry tenants.







© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

Acquisition: Ichigo Otsuka Building (O-80)

Asset Overview

Acquisition Price	2,740 mm yen
Appraisal Value	2,820 mm yen
NOI Yield	5.3%
Asset Type	Office
Address	3 Chome, Minami Otsuka, Toshima-ku, Tokyo
Leasable Area	3,688.77 m^2
Structure	SRC 8F
Construction Date	March 1989
Occupancy	100.0%

Location and Features

The building is a mid-size office building, a 4-minute walk from Otsuka Station on the JR Yamanote Line and a 6-minute walk from Shin-Otsuka Station on the Tokyo Metro Marunouchi Line.

The 180-tsubo (590 m^2) standard floor plate with 2.6 meter high ceilings is relatively large compared to other office buildings in the vicinity. The size and easy-to-use standard shape of the floor plate is expected to help support stable rental income.







一期一会
ICHIGO

© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

Acquisition: Ichigo Nagoya Building (O-81)

Asset Overview

Acquisition Price	3,420 mm yen
Appraisal Value	3,500 mm yen
NOI Yield	5.5%
Asset Type	Office
Address	4 Chome, Meieki, Nakamura-ku, Nagoya City, Aichi Prefecture
Leasable Area	4,930.30 m^2
Structure	SRC B2F/8F
Construction Date	February 1982
Occupancy	94.8%

Location and Features

This mid-size office building is a 7-minute walk from Nagoya Station on the Nagoya Municipal Subway Higashiyama Line and Sakura-Dori Line, and has easy access to a variety of public transport. The building is located on a wide avenue called Hirokoji Dori in a commercial area that enjoys consistent demand from office and retail tenants.







一期一会
ICHIGO

© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

Acquisition: Ichigo Fushimi Building (O-82)

Asset Overview

Acquisition Price	2,340 mm yen
Appraisal Value	2,360 mm yen
NOI Yield	5.7%
Asset Type	Office
Address	1 Chome, Nishiki, Naka-ku, Nagoya City, Aichi Prefecture
Leasable Area	4,152.22 m^2
Structure	SRC B1F/9F
Construction Date	September 1984
Occupancy	92.8%

Location and Features

This mid-size office building is a 4-minute walk from Fushimi Station on the Nagoya Municipal Subway Higashiyama Line and Tsurumai Line.

The standard floor is 130 tsubo (420 m^2) offering a relatively large space for the Fushimi area. The main entrance and the southern side of the building (facing the main road) have been recently improved.
A restaurant occupies the basement floor, while tenants from the bridal industry and sales offices for interior goods and electrical equipment occupy the upper floors.







一期一会
ICHIGO

© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

Acquisition: Ichigo Nishiki Building (O-83)

Asset Overview

Acquisition Price	1,330 mm yen
Appraisal Value	1,360 mm yen
NOI Yield	5.4%
Asset Type	Office
Address	1 Chome, Nishiki, Naka-ku, Nagoya City, Aichi Prefecture
Leasable Area	2,006.78 m^2
Structure	SRC 9F
Construction Date	January 1991
Occupancy	96.6%

Location and Features

This is a mid-size office building located within a 3-minute walk from Fushimi Station of the Nagoya Municipal Subway Higashiyama and Tsurumai Lines. It is situated in a commercial district with a concentration of high-rise office buildings along a street near Fushimi Dori Avenue.

The standard floor is 73 tsubo (240 m^2) and the ceiling is 2.5 meters high. The floor can be sub-divided into three units to suit the tenants' needs. The building is competitive in the area due to its renovated common areas and specifications including raised access flooring and individual air conditioning units.







一期一会
ICHIGO

© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

Acquisition: Ichigo Minami Morimachi Building (O-84)

Asset Overview

Acquisition Price	1,040 mm yen
Appraisal Value	1,090 mm yen
NOI Yield	5.8%
Asset Type	Office
Address	Matsugaecho, Kita-ku, Osaka
Leasable Area	2,521.51 m^2
Structure	Steel B1F/9F
Construction Date	February 1994
Occupancy	100.0%

Location and Features

This building is a 6-minute walk from Osaka-Tenmangu Station on the JR Tozai Line, located in a nice area with mid-size office buildings and condominiums.

The leased space of a standard floor is 90 tsubo (290 m^2) and the ceiling is 2.58 meters high. The building is highly competitive in the area thanks to individual air conditioning units, raised access flooring, and parking space for 34 cars.







© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

Acquisition in Oct 2016 Period: Ichigo Shibuya East Building (O-72)

Asset Overview

Acquisition Price	1,350 mm yen
Appraisal Value	1,450 mm yen
NOI Yield	4.6%
Asset Type	Office
Address	1 Chome, Higashi, Shibuya-ku, Tokyo
Leasable Area	1,041.36m^2
Structure	RC 6F
Construction Date	October 1985
Occupancy	100.0%

Location and Features

This mid-size office building is a 9-minute walk from Shibuya Station, which is serviced by a large number of railways such as JR, Tokyu, and Keio Railways.

The standard floor area is 58 tsubo (190 m^2). The building has specifications suited for the demands of the typical tenant, such as individual air conditioning systems for each floor and raised access flooring.

A convenience store occupies the first floor, and the other floors are occupied by tenants in the telecommunications industry.







© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

Acquisition in Oct 2016 Period: Ichigo Ningyocho Building (O-73)

Asset Overview

Acquisition Price	1,450 mm yen
Appraisal Value	1,530 mm yen
NOI Yield	5.2%
Asset Type	Office
Address	1 Chome, Nihonbashi-horidomecho, Chuo-ku, Tokyo
Leasable Area	1,769.09 m^2
Structure	SRC 11F
Construction Date	March 1984
Occupancy	100.0%

Location and Features

This mid-size office building is a 4-minute walk from Ningyocho Station on the Toei Asakusa Line and the Tokyo Metro Hibiya Line, and Kodenmachi Station on the Tokyo Metro Hibiya Line.

The standard floor area of this building is 60 tsubo (190 m^2), with individual air conditioning systems and raised access flooring, making it a competitive offering in the area.







© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

Acquisition in Oct 2016 Period: Ichigo Nishi Honmachi Building (O-74)

Asset Overview

Acquisition Price	2,190 mm yen
Appraisal Value	2,290 mm yen
NOI Yield	6.2%
Asset Type	Office
Address	2 Chome, Awaza, Nishi-ku, Osaka
Leasable Area	6,151.98 m^2
Structure	SRC 14F
Construction Date	October 1990
Occupancy	94.1%

Location and Features

This mid-size office building situated on Chuo Odori Boulevard is a 4-minute walk from Awaza Station on the Osaka Municipal Subway Chuo Line and Sennichimae Line.

Each floor has a standard floor of 162 tsubo (530 m^2) which is sub-divisible to suit the needs of tenants. The common areas in the building were renovated in February 2014.







© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

Acquisition in Oct 2016 Period: Ichigo Hakata Building (O-75)

Asset Overview

Acquisition Price	1,380 mm yen
Appraisal Value	1,410 mm yen
NOI Yield	6.0%
Asset Type	Office
Address	Gioncho, Hakata-ku, Fukuoka
Leasable Area	2,423.86 m^2
Structure	SRC B1F/9F
Construction Date	April 1989
Occupancy	100.0%

Location and Features

This mid-size office building is conveniently located within walking distance from Tenjin and Central Hakata and is only a one-minute walk from Gion Station of the Fukuoka City Subway Kuko Line.

The building has an aluminum curtain wall façade. With a standard floor area of 88 tsubo (290 m^2) and ceilings that are 2.5 meters high, the building has high competitiveness in the area thanks to its individual air conditioning systems and mechanical parking garage accommodating up to 36 cars.







© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

Acquisition in Oct 2016 Period: Nishiki First Building (O-76)

Asset Overview

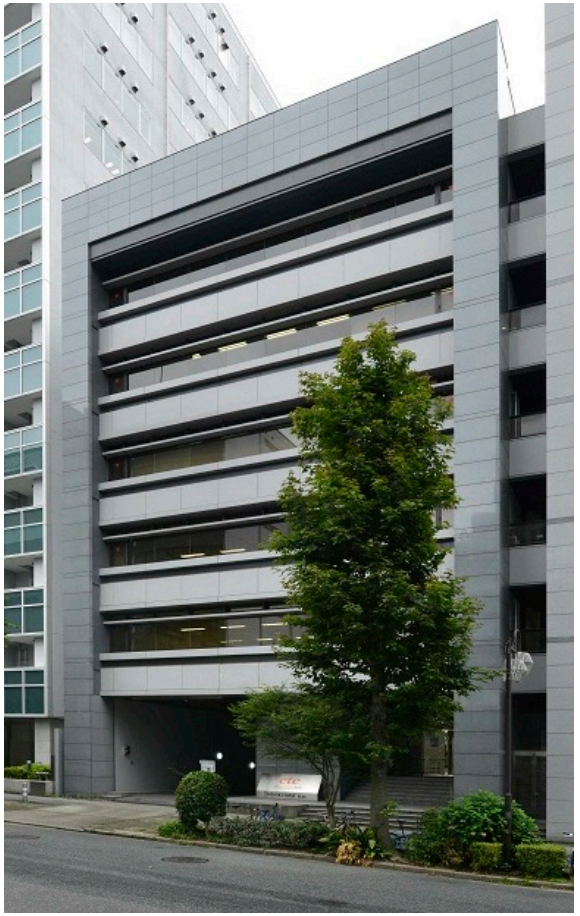
Acquisition Price	2,000 mm yen
Appraisal Value	2,050 mm yen
NOI Yield	5.8%
Asset Type	Office
Address	1 Chome, Nishiki, Naka-ku, Nagoya City, Aichi Prefecture
Leasable Area	3,324.54 m^2
Structure	SRC B1F/7F
Construction Date	October 1984
Occupancy	100.0%

Location and Features

This mid-size office building is a 6-minute walk from Fushimi Station on the Nagoya City Subway Tsurumai Line and Higashiyama Line.

The standard floor plate is 180 tsubo (594 m^2) offering a relatively large space for tenants seeking office space in the Fushimi area. The building is competitive from a leasing perspective, with 2.5 meters high ceilings, individual air conditioning for the office spaces, raised access flooring, and frequently-refreshed common areas.

A subsidiary of a TSE First Section-listed telecommunications company is currently the single tenant renting the whole building.







一期一会
ICHIGO

© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

MEMO

© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.

Disclaimer

These materials are for informational purposes only, and do not constitute or form a part of, and should not be construed as, an offer to sell or a solicitation of an offer to buy any securities of Ichigo Office REIT Investment Corporation.

These materials may contain forward-looking statements regarding the intent, belief or current expectations of Ichigo Office REIT management with respect to financial conditions and future results of operations. These statements are based on certain assumptions founded on currently available information. Accordingly, such statements are subject to risks, uncertainties and assumptions and there is no assurance as to actual financial conditions or results of operations. Actual results may vary from those indicated in the forward-looking statements. Accordingly, please refrain from relying solely on these statements.

These materials have been created by the management of Ichigo Office REIT and Ichigo Real Estate Investment Advisors Co., Ltd. (IRE) with the belief that the information contained is accurate. However, there is no assurance given as to the accuracy, certainty, validity or fairness of any such information. Please note that the content of these materials is subject to revision or retraction without prior notice.

This document is a translation. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail. No copying or reproduction of these materials or part of these materials is allowed without obtaining prior consent from Ichigo Office REIT and IRE.

一期一会
ICHIGO

Ichigo Office REIT IR Desk
TEL：03-3502-4891　FAX：03-3502-4894
ir_office@ichigo.gr.jp
www.ichigo-office.co.jp/english

Ichigo is Japan's first zero-carbon listed real estate company. We are taking responsibility for our environmental footprint by offsetting our carbon emissions and investing in low-carbon technologies such as solar energy.

© 2016 Ichigo Real Estate Investment Advisors Co., Ltd. Ichigo Office REIT Investment Corporation All rights reserved.