# FY21/2 Full-Year Corporate Presentation

April 19, 2021

**Ichigo (2337)**

© Ichigo Inc. All rights reserved.

We would like to express our deepest condolences to all those affected by the M7.3 earthquake off the coast of Fukushima in February and by the Covid pandemic globally, and our wishes for the earliest and fullest possible recovery.

Take care, be safe.

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.




**Make The World**
**More Sustainable**

© Ichigo Inc. All rights reserved.




© Ichigo Inc. All rights reserved.




© Ichigo Inc. All rights reserved.

# Contents


## FY21/2 Earnings

- FY21/2 Summary
- Operating Profit -65%, EPS -38% (YOY)
- Segment Earnings Details

## Powerful Value-Add Business Model Underpins Growth

- Business Model (1) Stock + Flow Earnings
- Business Model (2) Embedded Forward Earnings
- Business Model (3) Value-Add Drives Durable Value Growth
- Business Model (4) Robust Cash Generation
- Strong Financial Base

## Sustainable Growth as a Sustainable Infrastructure Company

- Sustainable Real Estate: Selective on Acquisitions & Sales
- Sustainable Real Estate: Ichigo Owners Growth Path
- Asset Management: Growth Support for Ichigo REITs & Ichigo Green
- Clean Energy: Scaling Rapidly (In-Pipeline Plants +33%)
- Clean Energy: Ichigo's First Wind Power Plant
- Clean Energy: Green Biomass Entry
- ESG: Joined RE100
- ESG: Joined United Nations Global Compact
- Share Buybacks
- Ichigo J.League Shareholder Program

## FY22/2 Forecast

- FY22/2 Forecast
- FY22/2 Forecast Segment Details

## Appendices

Ichigo's Sustainability Commitment (ESG)
Financial & Real Estate Data
Ichigo 2030: Ichigo as a Sustainable Infrastructure Company
Ichigo 2030: New Initiatives


一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# FY21/2 Earnings

© Ichigo Inc. All rights reserved.

# FY21/2 Summary

- Severe Covid Impact on Hotel Earnings
  - ✓ Decrease in Hotel Revenues
  - ✓ Decrease in Ichigo Hotel (3463) AM fees
- Severe Covid Impact on Gains on Sales As Held Off on Asset Sales for Post-Covid
  - ✓ Exception: Residential sales & acquisitions continue to be active on back of durable NOI
- No Covid Impact on Clean Energy – Growth on Track
  - ✓ 6 plants online in FY21/2 – Ongoing pipeline & earnings growth
- Covid Earnings Hit Temporary
- No Change to Ichigo's Long-Term Growth Outlook

一期一会
ICHIGO

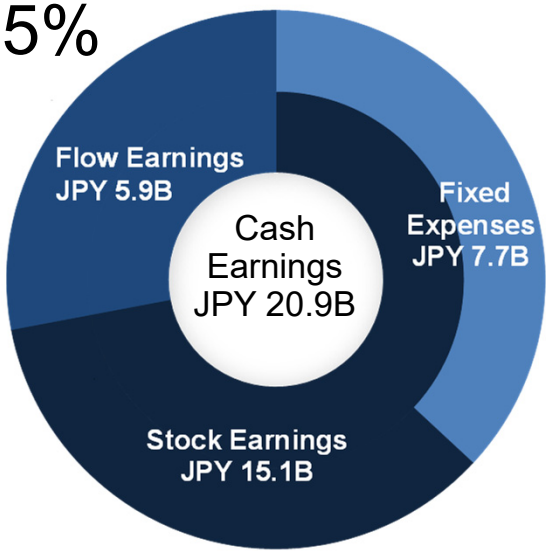
© Ichigo Inc. All rights reserved.

# FY21/2 Summary

## Durable Earnings Model

Stock Earnings/Fixed Expenses

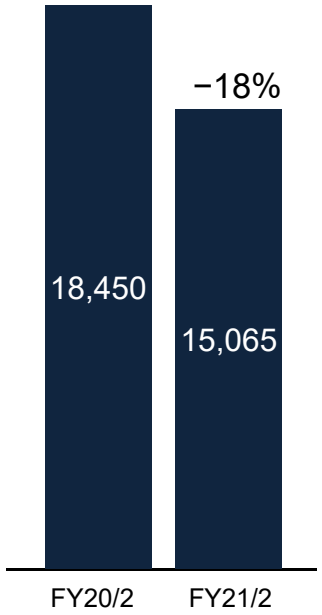
195%



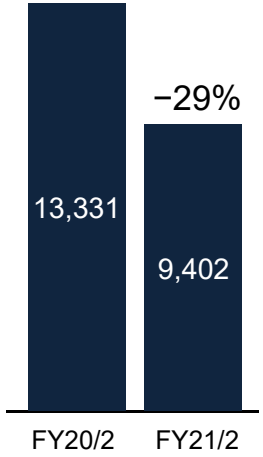

Cash Earnings = Gross Profit + Fixed Asset Gains on Sales + Depreciation Expenses (Non-Cash)

## Robust Stock Earnings

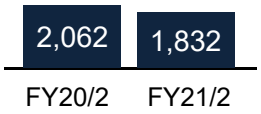
(JPY million)



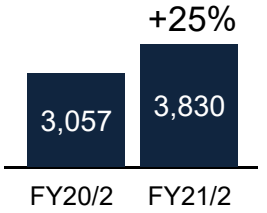

Sustainable Real Estate




Asset Management




Clean Energy




## Clean Energy Operating Profit +44% YOY

– Total Power Generation +19% YOY

– Ichigo's first wind power plant, Ichigo Yonezawa Itaya ECO Power Plant (7.3MW), began operation on March 2, 2021

– Planning green biomass entry to diversify energy portfolio

## New ESG Initiatives

WE SUPPORT UN GLOBAL COMPACT

- Joined United Nations Global Compact
- Joined RE100

RE100 CLIMATE GROUP CDP

- Issued Ichigo Sustainability Report

## Share Buybacks – 5th Consecutive Year

Current Buyback

– Amount: Up to JPY 1.5B

– Shares: Up to 5.5 million (1.17%)

– Buyback Period: Apr 20, 2021 – Jul 13, 2021

一期一会 ICHIGO

© Ichigo Inc. All rights reserved.

# Operating Profit -65%, EPS -38% (YOY)

- Significant Covid Impact: Stock Earnings -18%, Flow Earnings -68%
- Cash EPS = 2X EPS; 9.7% Cash ROE Despite Covid Impact

(JPY million)

| | FY20/2 | FY21/2 | YOY | Full-Year Forecast |
|---|---|---|---|---|
| Operating Profit | 27,721 | 9,668 | -65.1% | 9,500 |
| Recurring Profit | 24,395 | 7,179 | -70.6% | 6,800 |
| Net Income | 8,201 | 5,027 | -38.7% | 5,000 |
| Cash Net Income | 10,709 | 9,631 | -10.1% | — |
| EPS | JPY 16.89 | JPY 10.48 | -38.0% | JPY 10.41 |
| Cash EPS | JPY 22.05 | JPY 20.07 | -9.0% | — |
| Dividend | JPY 7 | JPY 7 | — | JPY 7 |
| ROE | 8.2% | 5.0% | — | 5.0% |
| Cash ROE | 10.8% | 9.7% | — | — |
| DOE | 3.4% | 3.3% | — | — |

Cash Net Income = Net Income + Depreciation

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Segment Earnings Details

- Asset Management: Decrease in Ichigo Hotel (3463) base AM fees & performance fees
- Sustainable Real Estate

  Stock Earnings: Significant decrease in hotel rental income
  Flow Earnings: Focused on residential asset sales
- Clean Energy: Steady growth; 6 new plants online in FY21/2

(JPY million)

| Segment | Operating Profit | | | | | Gross Profit | | | Earnings Drivers (Parentheses show YOY change in Gross Profit) |
|---|---|---|---|---|---|---|---|---|---|
| | FY20/2 | FY21/2 | YOY | Full-Year Forecast | vs. Full-Year Forecast | FY20/2 | FY21/2 | YOY | |
| **Asset Management (AM)** | **2,526** | **1,403** | **-44.5%** | **1,300** | **108.0%** | **3,046** | **1,934** | **-36.5%** | Base AM Fees 1,739 (-231)<br>Acquisition/Disposition Fees 22 (-855)<br>Ichigo Office Cash Flow Performance Fees 79 (-27)<br>Ichigo Green Operator Fees 41 (-1) |
| **Sustainable Real Estate (SRE)** | **23,971** | **6,528** | **-72.8%** | **6,500** | **100.4%** | **29,521** | **11,248** | **-61.9%** | Rental Income 6,219* (-5,720)<br>* Depreciation 3,182 (+1,791)<br>Gains on Sales 5,028 (-12,180)<br>Gains on Overseas Sales – (-373) |
| **Clean Energy (CE)** | **1,272** | **1,834** | **+44.2%** | **1,800** | **101.9%** | **1,940** | **2,409** | **+24.2%** | Power Generation Revenue 2,409* (+469)<br>* Depreciation 1,421 (+304) |
| **Adjustment (including offsets of cross-segment transactions)** | **-49** | **-99** | **–** | **-100** | **–** | **–** | **–** | **–** | |
| **Total** | **27,721** | **9,668** | **-65.1%** | **9,500** | **101.8%** | **34,509** | **15,591** | **-54.8%** | |

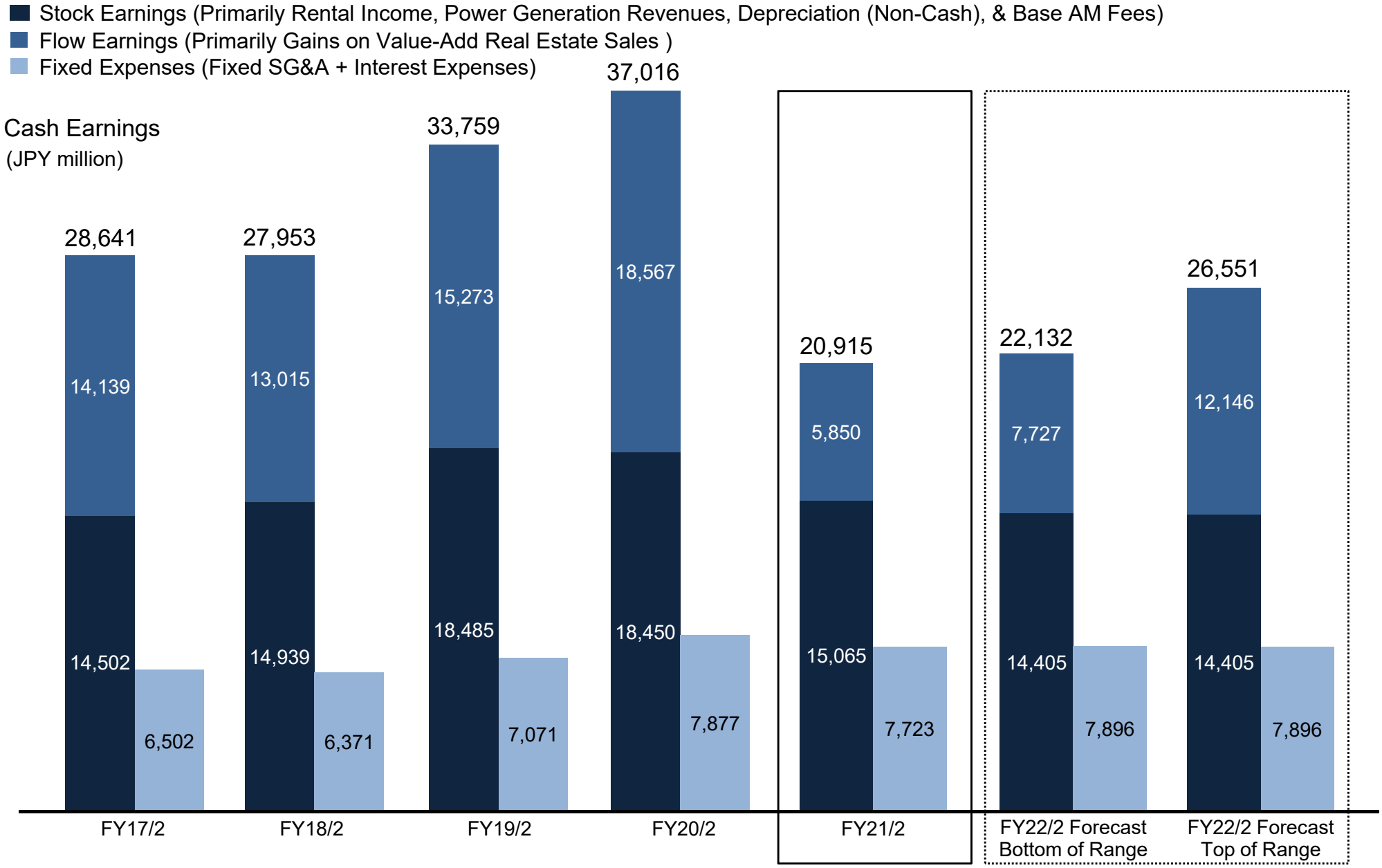
一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Powerful Value-Add Business Model Underpins Growth

© Ichigo Inc. All rights reserved.

# Business Model (1) Stock + Flow Earnings

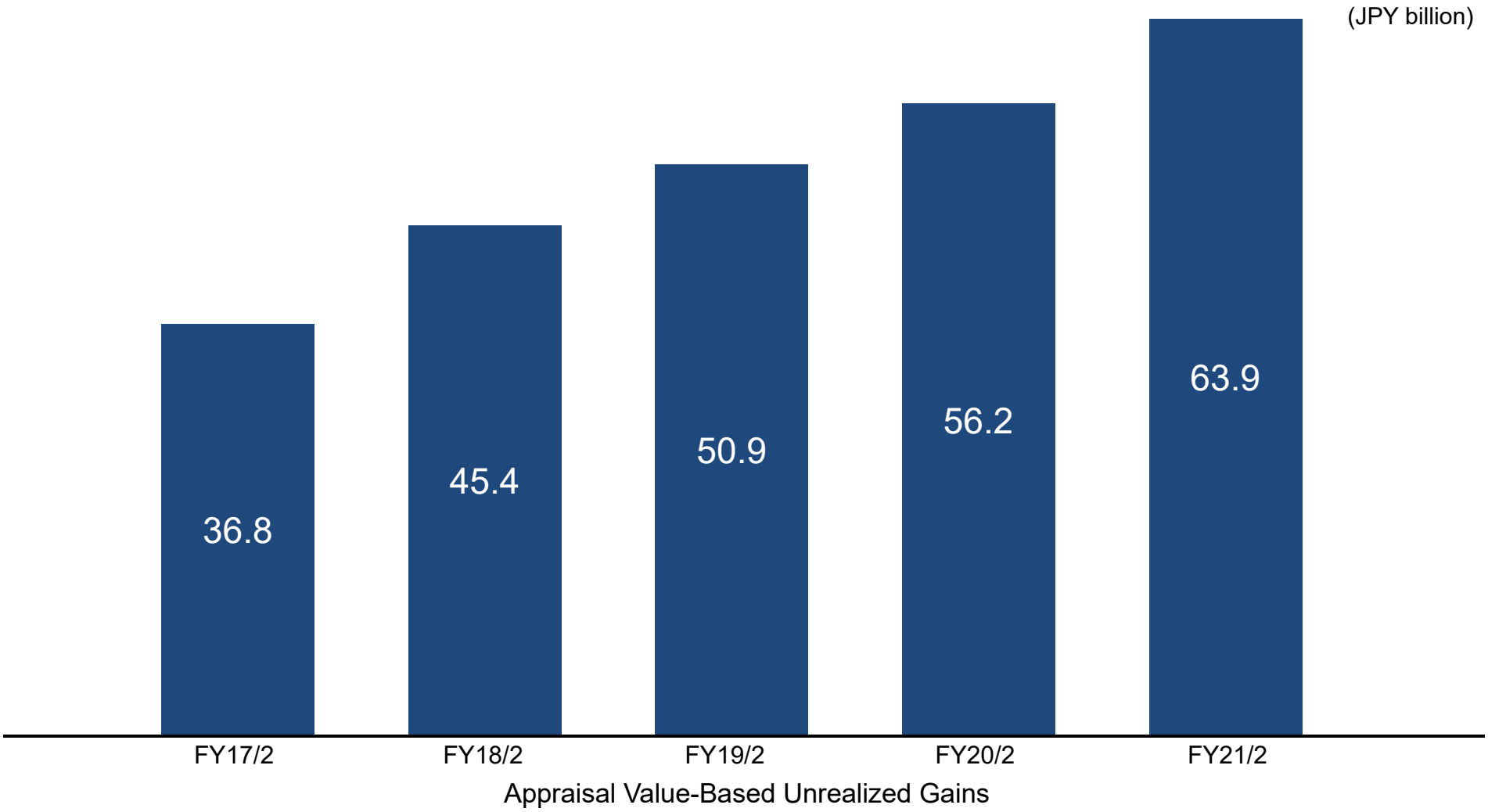



Note: Cash Earnings = Gross Profit + Fixed Asset Gains on Sales + Depreciation Expenses (Non-Cash)

© Ichigo Inc. All rights reserved.

# Business Model (2) Embedded Forward Earnings

## Full Economic Earnings From Value-Add Exceed Accounting Earnings Value-Add Thus Generates Significant Unrealized Gains That Are Earnings Bank for Future Periods

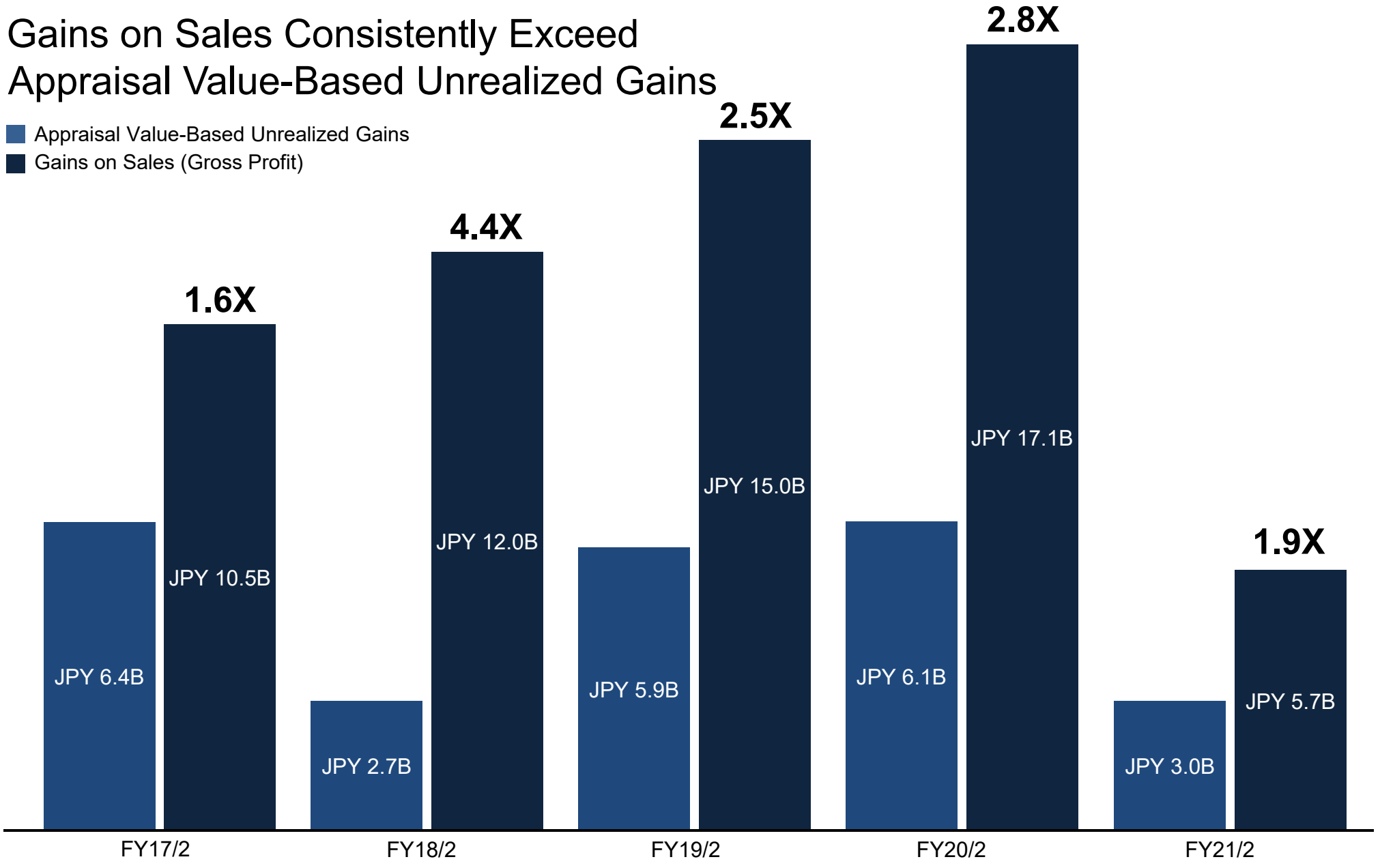



一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Business Model (3) Value-Add Drives Durable Value Growth

## Gains on Sales Consistently Exceed Appraisal Value-Based Unrealized Gains



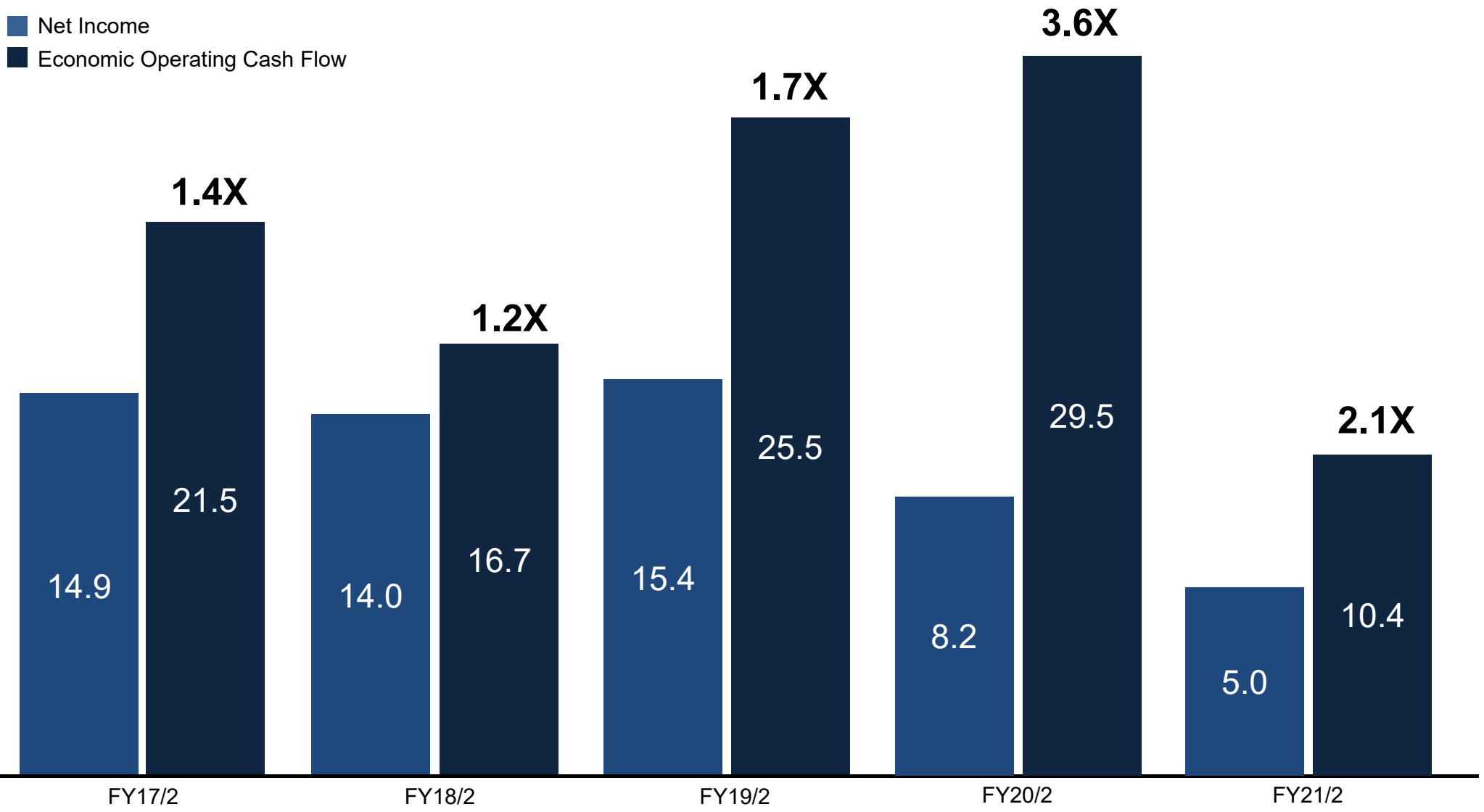

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Business Model (4) Robust Cash Generation

## Economic Operating Cash Flow Exceeds Net Income

(JPY billion)

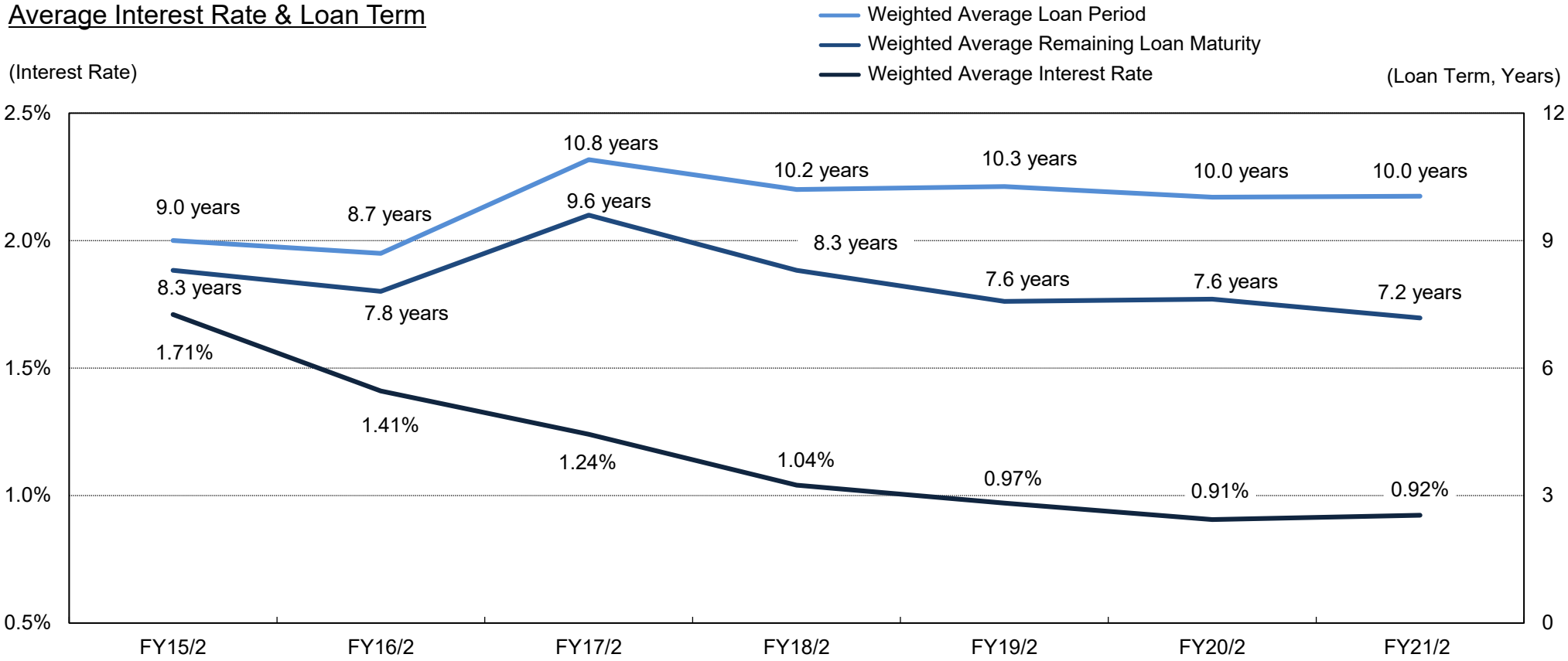



Note: Economic Operating Cash Flow = Cash Flows from Operations excluding net change in Real Estate and Power Plants for Sale

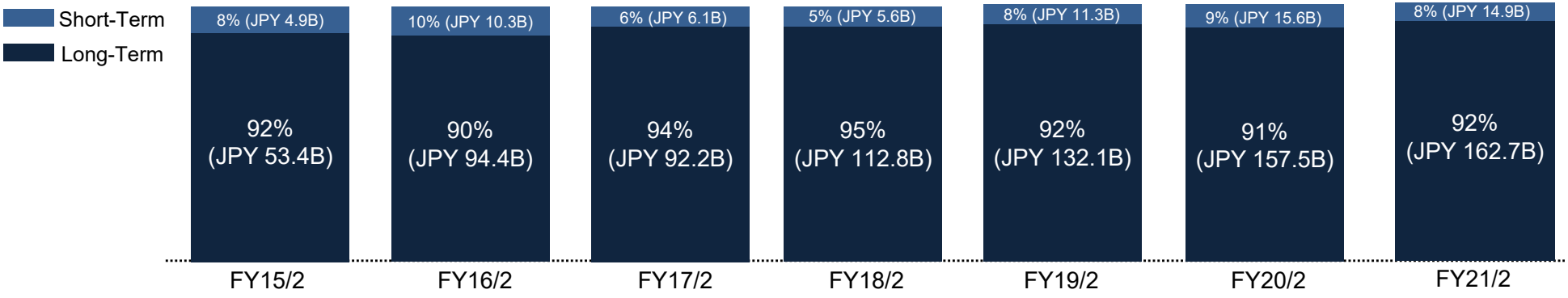
© Ichigo Inc. All rights reserved.

# Strong Financial Base

## Average Interest Rate & Loan Term




## Term Structure of Loans




一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Sustainable Growth as a Sustainable Infrastructure Company

© Ichigo Inc. All rights reserved.

# Selective on Acquisitions & Sales

## FY21/2 Net Sales: JPY 3.2B

(JPY million)

| | Acquisitions | | Sales | | Difference ( A ) - ( B ) |
|---|---|---|---|---|---|
| | No. of Assets | Book Value (A) | No. of Assets | Sale Price (B) | |
| Office | 1 | 1,664 | 1 | 701 | +963 |
| Hotel | 3 | 8,718 | – | – | +8,718 |
| Retail | 1 | 863 | 2 | 5,252 | -4,389 |
| Residential | 29 | 25,479 | 43 | 35,229 | -9,750 |
| Other | 7 | 1,481 | 3 | 248 | +1,233 |
| **Total** | **41** | **38,206** | **49** | **41,430** | **-3,224** |

Book Value of Sales is JPY 35.0B

## Ichigo Owners Acquisitions & Sales

- Acquisitions: 27 Residential Assets (JPY 24.4B, 64% of total)
- Sales: 29 Residential Assets (JPY 30.7B, 74% of total)

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Ichigo Owners Growth Path

## Sourcing new central Tokyo residential assets located in prime locations near stations & tailored to diverse investment needs of clients

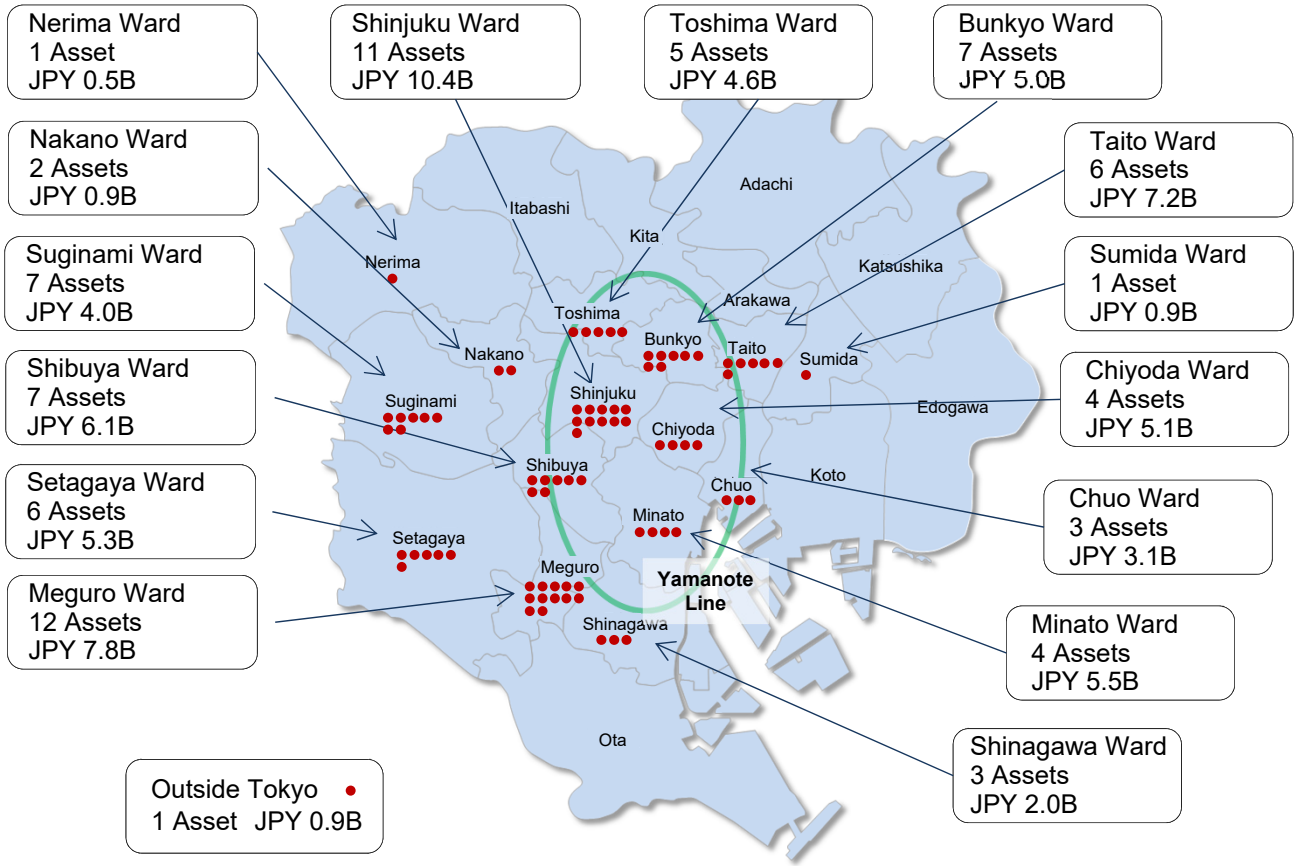
- Expanded client base from individuals to domestic and overseas institutional investors

<u>Ichigo Owners Residential Assets</u>

Cumulative Acquisitions
80 Assets, JPY 70B

Cumulative Sales
56 Assets, JPY 55B

Balance Sheet Assets
24 Assets, JPY 23B

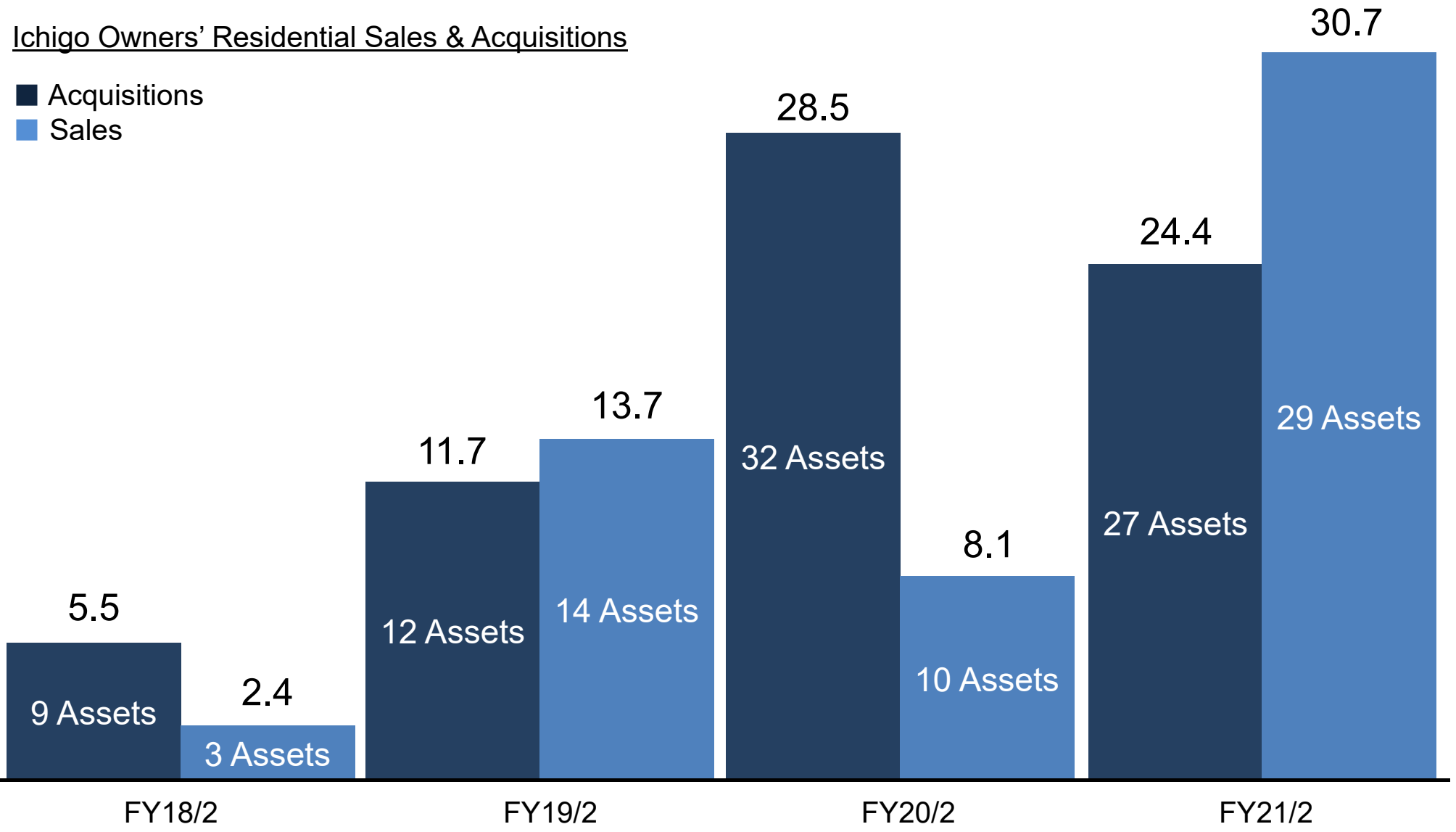



© Ichigo Inc. All rights reserved.

# Ichigo Owners Growth Path

## Building Significant Capability & Track Record in Residential Assets

(JPY billion)




© Ichigo Inc. All rights reserved.

# Growth Support for Ichigo REITs & Ichigo Green

## Office

### Ichigo Office (8975)

IPO
October 12, 2005

Portfolio
86 Assets JPY 206.1B

Dividend Yield (as of 2021/4/16)
4.2%

- Entered FTSE Global REIT Index, a key benchmark for global investors
- Ichigo Office & Ichigo Hotel only J-REITs to implement no fixed fee, performance fee-only structure
- Driving earnings & value growth via value-add, strategic asset acquisitions & sales, & share buybacks




Ichigo Growth Support

Providing comprehensive coverage to Ichigo Office assets via Ichigo's disaster response system

## Hotel

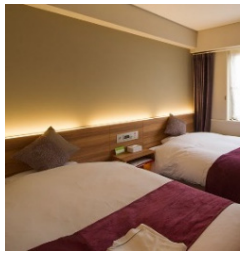
### Ichigo Hotel (3463)

IPO
November 30, 2015

Portfolio
23 Hotels JPY 51.9B

Dividend Yield (as of 2021/4/16)
1.7%

- Geographically diversified portfolio focused on lodging-focused hotels
- Ichigo Office & Ichigo Hotel only J-REITs to implement no fixed fee, performance fee-only structure
- Driving earnings & value growth via value-add, strategic asset acquisitions & sales, & share buybacks

Ichigo Growth Support

Amidst Covid, provided subordinated debt (JPY 500M) to support IHR's financial base & taken over operation of 3 hotels

## Green Infrastructure

### Ichigo Green (9282)

IPO
December 1, 2016

Portfolio
15 Solar Power Plants JPY 11.4B

Dividend Yield (as of 2021/4/16)
5.4%

- Solar power producer focused on driving shareholder value via income stability and earnings growth and contributing to Japan's self-sufficiency in clean energy
- Portfolio of robust assets that have suffered no injuries or damages from natural disasters




Ichigo Growth Support

Operating all plants and providing ongoing performance guarantee

© Ichigo Inc. All rights reserved.

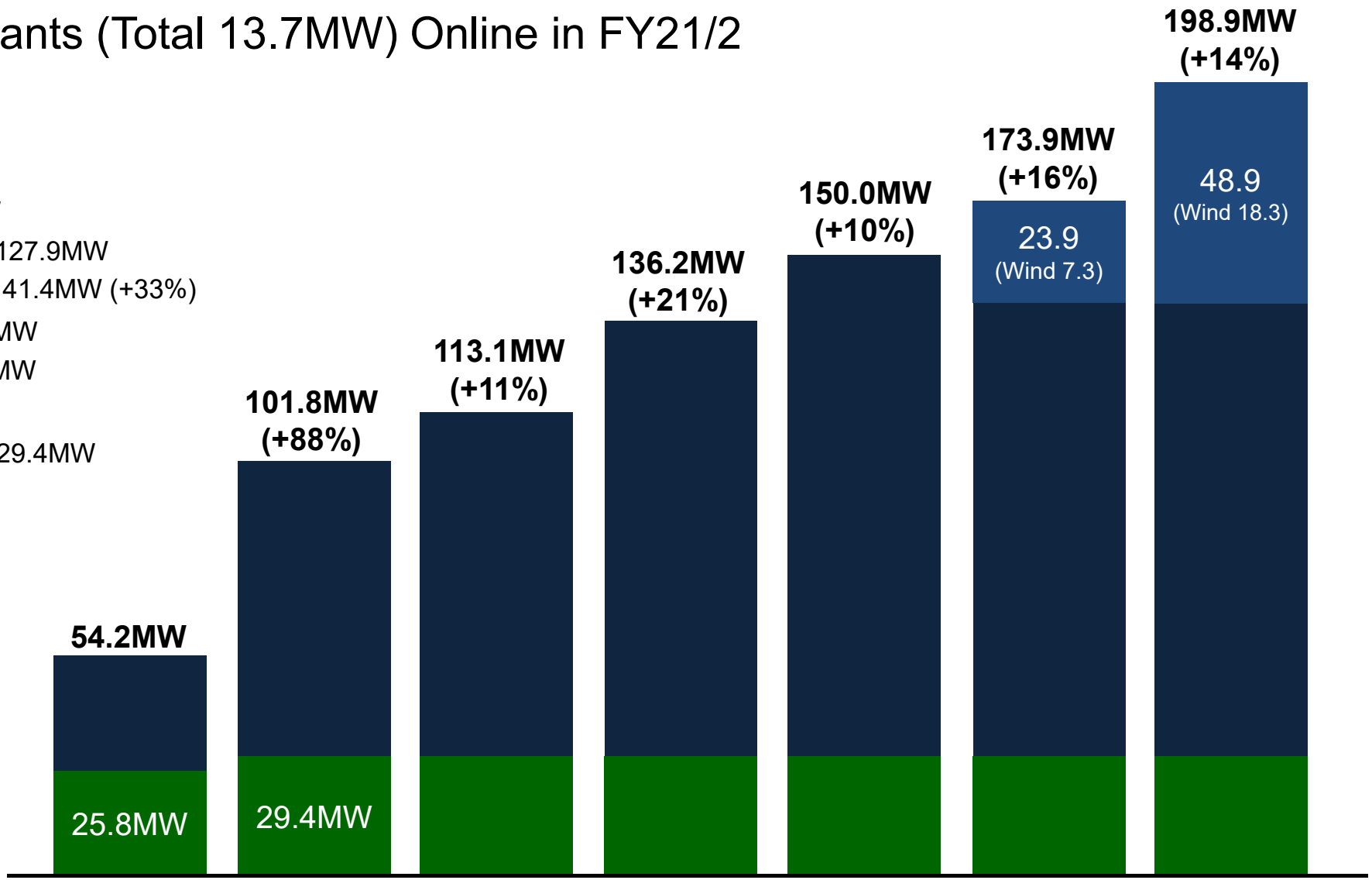
# Scaling Rapidly (In-Pipeline Plants +33%)

## 6 New Plants (Total 13.7MW) Online in FY21/2

Power Generation

Ichigo Total 169.5MW
- Operating Plants: 127.9MW
- In-Pipeline Plants: 41.4MW (+33%)
  - Solar Plants: 30.5MW
  - Wind Plants: 10.9MW

Ichigo Green (9282)
- Operating Plants: 29.4MW




| | FY17/2 | FY18/2 | FY19/2 | FY20/2 | FY21/2 | FY22/2 | FY23/2 ~ |
|---|---|---|---|---|---|---|---|
| Avg FIT | JPY 37.3 | JPY 36.4 | JPY 35.3 | JPY 34.3 | JPY 32.8 | JPY 30.8 | JPY 30.9 |
| Ichigo Investment | JPY 8.3B | JPY 21.0B | JPY 24.0B | JPY 30.0B | JPY 33.0B | JPY 39.0B | JPY 49.0B |

© Ichigo Inc. All rights reserved.

# Ichigo's First Wind Power Plant

## Ichigo Yonezawa Itaya ECO Power Plant

- Began operation on March 2, 2021 (total output 7.3MW, FIT JPY 22)
- Powers 9,130 households (annual power generation: 27,391,000kWh)
- Construction funded by Shinsei Bank Green Loan program, recognizing the plant's SDG contribution



Plant Construction on Ichigo YouTube Channel

Watch footage of the plant construction process, from unloading the turbines and blades at the harbor to transporting the parts through the Yamagata mountains

www.youtube.com/watch?v=v42YAoQ4Y1s&t=8s

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Green Biomass Entry

## Domestic Green Biomass as Third Renewable Energy Business

- Diversify & stabilize power production
- Procure biomass feedstock via Ichigo's community relationships

| | Characteristics | Weather Impacts |
|---|---|---|
| **Solar Power** | ・Lots of potential plant site candidates, able to make effective use of unused land | Yes |
| **Wind Power** | ・Night time power production capability | Yes |
| **Biomass** | ・24-hour power generation capacity regardless of weather conditions<br>・Able to control power generation<br>・Stable supply of biomass energy sources is necessary | No |

## Maintain & Conserve Forests

- Support biodiversity & contribute to fight against climate change

  Use Japan's Abundant Forest Resources
- Japan's forest ratio is 66% (2nd highest amongst OECD countries), 7th largest cultivated forest area in the world
- Productive use of unused domestic wood as biomass energy source

* Forest ratio is ratio of forest to total land area

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Joined RE100

## Significant Focus on Lowering Energy Impacts

- Promoting energy efficiency in Sustainable Real Estate business
  - Building assessments & improvements to reduce energy consumption
  - Renovations to reduce environmental impacts across-the-board
  - Third-party assessments of Ichigo greenhouse gas emissions & countermeasures
- Actively growing Clean Energy business to accelerate target achievement
- Established RE100 Group to oversee Ichigo's sustainable energy initiatives

| Ichigo RE100 Target |
| --- |
| **100% Renewable Electricity by 2040**<br>Ichigo is committed to sourcing 100% renewable electricity across its operations, including Ichigo Office (8975) and Ichigo Hotel (3463) |

RE100 CLIMATE GROUP | CDP

RE100

A global initiative bringing together businesses committed to 100% renewable electricity, including solar, wind, hydro, and biomass energy, and accelerating the change towards a zero carbon society.

CDP

A global initiative that runs the global disclosure system for companies to manage their environmental impacts. Companies are assessed on governance, risk management, business strategy, goals and progress, and engagement, and are ranked from A to D.

一期一会 ICHIGO

© Ichigo Inc. All rights reserved.

# Joined United Nations Global Compact

## Joined the UN Global Compact to Accelerate Social Contribution – Committed to Achieving the Ten Principles with Respect to Human Rights, Labor, Environment, & Anti-Corruption

UN Global Compact

A global sustainability initiative that calls for companies and organizations to take leadership and take actions as members of society to implement universal sustainability principles.

Companies and organizations that sign the UN Global Compact are required to achieve the Ten Principles based on CEO commitments.

The Ten Principles of the UN Global Compact

| | |
|---|---|
| Human Rights | Principle 1: Support and respect human rights<br>Principle 2: Human rights abuses |
| Labor | Principle 3: Freedom of association and the effective recognition of the right to collective bargaining<br>Principle 4: Elimination of all forms of forced and compulsory labor<br>Principle 5: Effective abolition of child labor<br>Principle 6: Elimination of discrimination in respect of employment and occupation |
| Environment | Principle 7: Support a precautionary approach to environmental challenges<br>Principle 8: Promote greater environmental responsibility<br>Principle 9: Encourage the development and diffusion of environmentally friendly technologies |
| Anti-Corruption | Principle 10: Work against corruption in all its forms, including extortion and bribery |

WE SUPPORT

UN GLOBAL COMPACT

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Share Buybacks

Ichigo 2030: Flexible Deployment of Share Buybacks

Purpose: Grow Shareholder Value

## April 2021 Buyback

| | |
|---|---|
| Amount | JPY 1.5 billion (maximum) |
| Number of Shares | 5,500,000 (maximum)<br>(1.17% of shares outstanding, net of treasury shares) |
| Buyback Period | April 20, 2021 – July 13, 2021 |

| | Number of Shares Purchased (% of Shares Outstanding) | Average Purchase Price | Amount |
|---|---|---|---|
| FY21/2 | 9,645,800 (1.9%) | JPY 311 | JPY 3 billion |
| FY20/2 | 7,081,200 (1.4%) | JPY 424 | JPY 3 billion |
| FY19/2 | 7,869,700 (1.6%) | JPY 381 | JPY 3 billion |
| FY18/2 | 8,436,500 (1.7%) | JPY 355 | JPY 3 billion |

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Ichigo J.League Shareholder Program

## Represents Two Firsts for a Shareholder Program in Japan

- First Japanese company to include not just its own shareholders, but also the shareholders of the REITs and listed solar power producer that it manages, in its shareholder program (65,000 shareholders in total)
- First company to offer shareholders free tickets to every J.League game at every J.League club (currently paused due to Covid)

Ichigo is deepening its partnership with the J.League and working to further Ichigo's mission of promoting local community development.




Ichigo J.League Shareholder Program Website Landing Page

Events & Presents

- Ichigo Kids J.League Events
  - ✓ Escort players onto field
  - ✓ High-fives with players
  - ✓ Other programs
- J.League Merchandise
  - ✓ Autographed jerseys from all J.League clubs
  - ✓ Ichigo original J.League towels
- J.League Online Events

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# FY22/2 Forecast

© Ichigo Inc. All rights reserved.

# FY22/2 Forecast

- Given Covid uncertainty, forecasting with a range, taking a conservative view on the bottom of the range
- Cash EPS forecast +12%~+44% YOY, Cash ROE forecast 10.6%~13.6%

(JPY)

| | FY21/2 Actual | FY22/2 Forecast | YOY |
|---|---|---|---|
| **Operating Profit** | **9,668** | **9,100～12,000** | **-5.9%～+24.1%** |
| **Recurring Profit** | **7,179** | **6,000～8,900** | **-16.4%～+24.0%** |
| **Net Income** | **5,027** | **5,000～8,000** | **-0.5%～+59.1%** |
| **Cash Net Income** | **9,631** | **10,518～13,518** | **+9.2%～+40.4%** |
| **EPS** | **JPY 10.48** | **JPY 10.69～17.10** | **+2.0%～+63.2%** |
| **Cash EPS** | **JPY 20.07** | **JPY 22.48～28.90** | **+12.0%～+44.0%** |
| **Dividend** | **JPY 7** | **JPY 7** | **–** |
| **ROE** | **5.0%** | **5.0%～8.1%** | **–** |
| **Cash ROE** | **9.7%** | **10.6%～13.6%** | **–** |

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# FY22/2 Forecast Segment Details

- AM: Ichigo Hotel REIT Recovery Expected to Take Time
- SRE: Forecasting Gains on Sales in a Range with Cautious Outlook on Acquisitions & Sales
- CE: Growth on Plan – First Wind Power Plant Online

(JPY million)

| | Operating Profit | | |
|---|---|---|---|
| | FY 21/2 Actual | FY22/2 Forecast | YOY |
| **Asset Management (AM)** | **1,403** | **1,300** | **-7.4%** |
| **Sustainable Real Estate (SRE)** | **6,528** | **5,700 ~ 8,600** | **-12.7%~ +31.7%** |
| **Clean Energy (CE)** | **1,834** | **2,100** | **+14.4%** |
| **Total** | **9,765** | **9,100 ~ 12,000** | **-6.8%~ +22.9%** |

Note: Forecast assumes no Ichigo Office (8975), Ichigo Hotel (3463), or Ichigo Green (9282) public offerings.

© Ichigo Inc. All rights reserved.

# Appendix: Ichigo’s Sustainability Commitment (ESG)

Ichigo
ESG



一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Ichigo Sustainability Policy

## Harmony with the Environment

Ichigo actively monitors and minimizes the environmental impact of its business operations.

## Energy Conservation, CO2 Reduction, and Recycling

Ichigo seeks to contribute to a low-carbon, low-waste society by reducing energy consumption, extending the useful life of assets, actively recycling, reducing waste production and water consumption, and implementing green procurement measures.

## Regulatory and Environmental Compliance

Ichigo complies with all environmental laws and regulations and Ichigo's own independently established environmental rules. Ichigo also carefully monitors and complies with all applicable changes in laws and regulations.

## Training and Awareness

Ichigo promotes understanding of its Sustainability Policy and works to increase sustainability awareness among all Ichigo employees.

## Sustainability Performance Communication and Disclosure

Ichigo communicates its Sustainability Policy and Ichigo's sustainability initiatives to society at large. Ichigo also obtains certifications for its sustainability activities on an ongoing basis.

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Sustainability Initiatives

## Joining Third-Party Initiatives to Accelerate Ichigo's Sustainability Activities




### UN Global Compact

UN Global Compact is a global sustainability initiative that calls for companies and organizations to take leadership and take actions as members of society to implement universal sustainability principles. Companies and organizations that sign the UN Global Compact are required to achieve the Ten Principles regarding human rights, labor, environment, and anti-corruption based on CEO commitments.




### CDP

CDP is a global initiative led by a non-profit organization representing over 500 global investors to assess companies and organizations of their environmental performance. Assessment is based on governance, risk management, business strategy, targets and actuals, etc., and companies are scored from from D- to A. Ichigo's score for 2020 (1st year): B




### RE100

RE100 is a global initiative bringing together the world's most influential businesses committed to 100% renewable power. The RE100's mission is to accelerate change towards a net zero carbon society.

| | |
|---|---|
| **Ichigo's RE100 Target** | 100% Renewable Electricity by 2040 |




### Fun to Share

Fun to Share is the Ministry of Environment's campaign to promote the achievement of a low-carbon society by sharing the most up-to-date information openly and broadly.

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Sustainability Report

## Promoting Awareness of Ichigo's Sustainability Initiatives via Ichigo Sustainability Report



いちご株式会社
サステナビリティレポート
Ichigo
Sustainability Report



April 2021

いちご株式会社
東京都千代田区内幸町1-1-1
www.ichigo.gr.jp



目 次


- トップメッセージ　代表執行役会長 スコット キャロン　4
- トップメッセージ　代表執行役社長 長谷川 拓磨　5
- いちご企業倫理綱領　6
- いちごサステナビリティ方針　7
- 「いちごのサステナブル経営」推進体制　8
- 外部評価・イニシアティブへの参加　9
- ESG/SDGsの資金調達　10
- 長期VISION「いちご2030」
  - サステナブルインフラ企業としての持続的な成長　11
  - サステナブルインフラ企業としての経営目標（KPI）　12
- いちごのサステナブル経営「心築事業」
  - 心築とは　13
  - 100年不動産への挑戦　14
  - 渋谷区代官山 駅近商業ビルの心築　15
  - 築40年の老舗ホテルをさらに50年輝くホテルへ
- いちごのサステナブル経営「クリーンエネルギー事業」
  - 再生可能エネルギーの創出　16
  - 遊休地に関東最大級の太陽光発電所　17
  - 再生可能エネルギーを地域の再生と活性化に
- いちごのサステナブル経営「アセットマネジメント事業」
  - 不動産運用を通じた経済活性化への貢献　18
  - J-リート唯一の完全成果報酬による投資家目線の運用
  - いちご投資顧問のサステナビリティ方針
- 環境　Environmental　19
  - 地球に優しく安全性に優れたクリーンエネルギーの創出　20
  - 遊休地の活用による堅固な発電所建設と地域への貢献　21
  - 関東初、農山漁村再生可能エネルギー法の活用
  - エネルギー消費実績の把握と対応　22
  - 温室効果ガス排出量の第三者検証
  - 自然災害等の危機管理対応　23
  - IT化の推進による自然災害への迅速な対応
  - IT化の推進による環境保護対策　24
  - 地域活動への参加
- 社会　Social　25
  - 人権尊重、小児患者・障がい者への支援　26
  - 学生への支援
  - サプライチェーン　27
  - バリューチェーン
  - 人権の尊重（行動規範）　28
  - メンタルヘルスケア、ハラスメント防止ガイドライン
  - いちごの人財ポリシー　29
  - ライフスタイルの変化に応じた勤務形態の選択
  - 健康経営　30
  - 安全衛生への取り組み
  - 人財教育制度　企業内大学「いちご大学」の設置　31
  - 社内ベンチャー立ち上げの推進
- ガバナンス　Governance　32
  - 指名委員会等設置会社　33
  - コンプライアンスの遵守・内部通報制度　34
  - 誠実、公明な業務行為
  - リスクマネジメント　35
- 参考データ　Appendix　36～


Ichigo Sustainability Report (Japanese only – English version to be available this week)
www.ichigo.gr.jp/pdf/esg/Ichigo_Sustainability_Report_JPN.pdf

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Ichigo ESG – Environmental

## Sustainable Real Estate

Preserve & Improve Real Estate to End Wasteful Demolition

– Lengthen useful life of real estate

– Shrink environmental footprint by reducing wasteful demolition & consumption of raw materials, energy, & human talent in construction



Wasteful Demolition

Lowest Impact

Highest Efficiency

Productive Use of Idle Land for Clean Energy

Ichigo will not build power plants that require the clearing of wooded land or the altering of the landscape in a way that increases the risk of floods, landslides, or other water-related disasters, or that face opposition from local communities.

Ichigo ESG

Environmental

Environmental Sustainability For a Better World

## Contributing to a Low-Carbon World

Clean Energy

Ichigo RE100 Target: 100% Renewable Electricity (including Ichigo Office and Ichigo Hotel) by 2040

RE100 | CLIMATE GROUP | CDP

Annual Power Generation 175,581,824 kWh



Equivalent to annual energy consumption of 58,500 households
The Federation of Electric Power Companies of Japan - Annual energy consumption per household 3,000kWh

Annual CO2 Reduction 115,884,001 kg



Equivalent to annual CO2 emission of 50,400 cars
Ministry of Environment
Annual CO2 emission per car c. 2,300kg
(FY21/2 Actuals – Ichigo & Ichigo Green)

## Sustainable Real Estate – Environmental Certifications



Ichigo Kakyoin Building



Ichigo Hakata Ekimae Square



Ichigo Hakata Meiji Dori Building

Ichigo Group-Wide

CASBEE: 12 Assets

BELS: 2 Assets

DBJ Green Building: 2 Assets

Ichigo Office (8975)
Green Star (Highest Ranking)
4 years in a row

GRESB 2020

一期一会 ICHIGO

© Ichigo Inc. All rights reserved.

# Ichigo ESG – Social

## Supporting Local Communities

- Ichigo's Boutique Hotel THE KNOT
  A place where visitors, communities, and the old and the new can come together
- Miyako City, Nanbu Wholesale Market
  Foster community interactions
- J.League Top Partner
  Promote community development, revitalize local economies, and renovate & upgrade stadiums
- TSUBASA+ AR Smartphone Game
  Promote Japanese culture and community links
- Smart Agriculture

Ichigo ESG Social

## Working with Tenants

- Conduct tenant surveys to understand needs to implement effective value-add
- Exclusive investor for Oshii Mamoru's new anime VLADLOVE to promote Japan's anime culture and build synergies with Ichigo's retail asset AKIBA CULTURES ZONE
- Support tenant sales channel expansion and sales growth
- Operate self-storage and laundromats to support livelihood



Make The World More Sustainable



## HR & Internal Start-Ups

- Ichigo University for employees
  Taught by subject matter experts
  Internal online communication tool, Ichigo University Media in place to support WFH employees
- Support for Employees
  100% return rate for employees who take maternity/paternity leave
- Women in Leadership
  24% of managerial positions held by women

## Sports & Arts

- Support National & World-Class Athletes
- Support community-based soccer clubs
- Support artists with disabilities
- Support University of Miyazaki's Program for Children with Cancer
  Weightlifter Hiromi Miyake



## Disaster Response

- Typhoon disaster preventative measures
- Rapid damage assessment
- Rapid disaster response
  On-site inspections and measures to prevent secondary disasters, preserve asset value, and supply essential items to local communities
- Neighborhood watch
- Street cleaning and snow shoveling

一期一会 ICHIGO

© Ichigo Inc. All rights reserved.

# Ichigo ESG – Governance

## Early Adopter of Global Best Practice Corporate Governance Structure

- Adopted Independent Director-led, committee-based governance system in 2006 to incorporate global best practice
- Exceeded legal requirements by establishing Compliance Committee in addition to Nominating, Audit, and Compensation Committees
- Nominating Committee: 5 members (3 Independent Directors)
- Audit Committee: 3 members (All Independent Directors)
- Compensation Committee: 5 members (3 Independent Directors)
- Compliance Committee: 4 members (2 Independent Directors)

Ichigo ESG Governance

## Majority Independent Director Board Underpins Strong Governance

- Of 9 members of Ichigo's Board of Directors, 5 are Independent Directors
- Includes former CEOs of TSE 1 Section companies
- Since FY20/2 (current)
  Masatoshi Matsuzaki (former CEO of Konica Minolta)
  Nobuhide Nakaido (former CEO of SCSK)
- Stepped down after FY18/2
  Takashi Kawamura (former CEO of Hitachi; stepped down from Ichigo's board in May 2017 upon appointment as Chairman of TEPCO)
  Kosuke Nishimoto (former CEO of Meitec; stepped down from Ichigo's board in May 2019 upon appointment as EVP of Misumi Group)

## Strong Governance Supports Environmental & Social Contributions

### Board of Directors Evaluation

– Assessment of the Board by each Director, followed by collective analysis and review
  - ✓ Board Composition
  - ✓ Board Operation
  - ✓ Board Effectiveness
  - ✓ Board Support Resources
  - ✓ Engagement with Shareholders and Stakeholders

Evaluation Results
The Board confirmed that its deliberation and decision-making processes are effective & also received third-party confirmation with respect to this result.

– Third-party confirmation of the effectiveness of Ichigo's Board Evaluation by JMA Research Institute

一期一会 ICHIGO

© Ichigo Inc. All rights reserved.

# Appendix: Financial & Real Estate Data

© Ichigo Inc. All rights reserved.

# Covid Countermeasures

- Infection control & response, communication with tenants, thorough information gathering, & extensive safety measures for tenants

| Asset Type | Covid Infection Countermeasures |
|---|---|
| All Asset Types | Provide hand sanitizers ubiquitously<br>Cover touch surfaces with antibacterial sheets<br>Post awareness & prevention promotion posters |
| Office | Conduct online tenant surveys to identify needs<br>Experiment with disinfecting & cleaning robots & allocate more personnel to cleaning and disinfecting<br>Install antibacterial wallpaper and flooring<br>Install thermal cameras for temperature checks<br>Limit capacity in common areas |
| Hotel | Display hotel information using monitors instead of paper print-outs |
| Retail | Provide Covid countermeasure best-practice guidelines to all tenants |
| Residential | Provide free Wi-Fi at all assets to facilitate remote work |

Covid Awareness & Prevention Promotion Poster




一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Significant Unrealized Gains on Balance Sheet

Real Estate Directly Held by Ichigo

(JPY million)

| Location | Book Value as of February 28, 2021 (A) | Appraisal NOI (B) | Cap Rate (B)/(A) | Appraisal Value (C) | Unrealized Gains (C) - (A) |
|---|---|---|---|---|---|
| Tokyo | 93,270 | 5,330 | 5.7% | 126,972 | +33,702 |
| Outside Tokyo | 108,985 | 7,078 | 6.5% | 135,454 | +26,469 |
| Total | 202,255 | 12,407 | 6.1% | 262,426 | +60,171 |

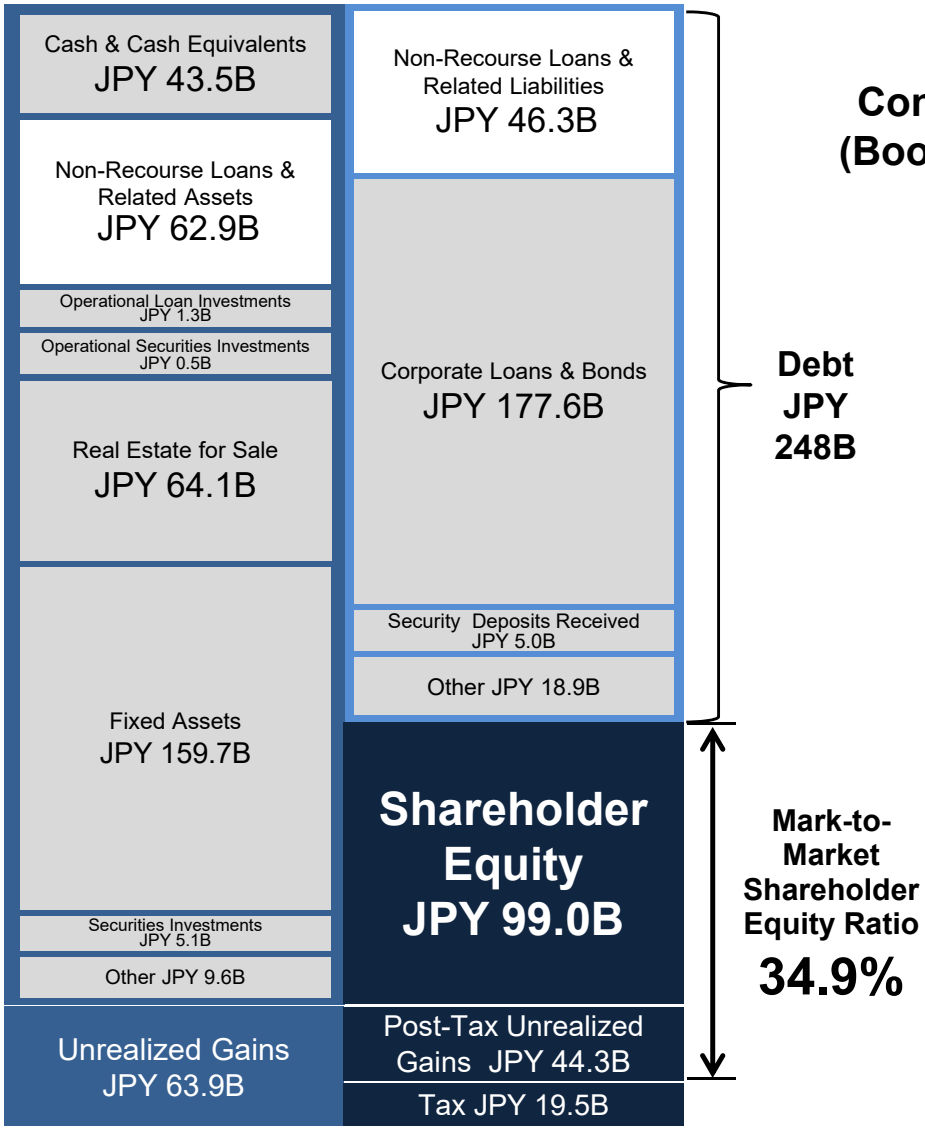
Notes: Excludes Ichigo Owners, Centro, and self-storage assets (book value JPY 47.48B)

一期一会
ICHIGO

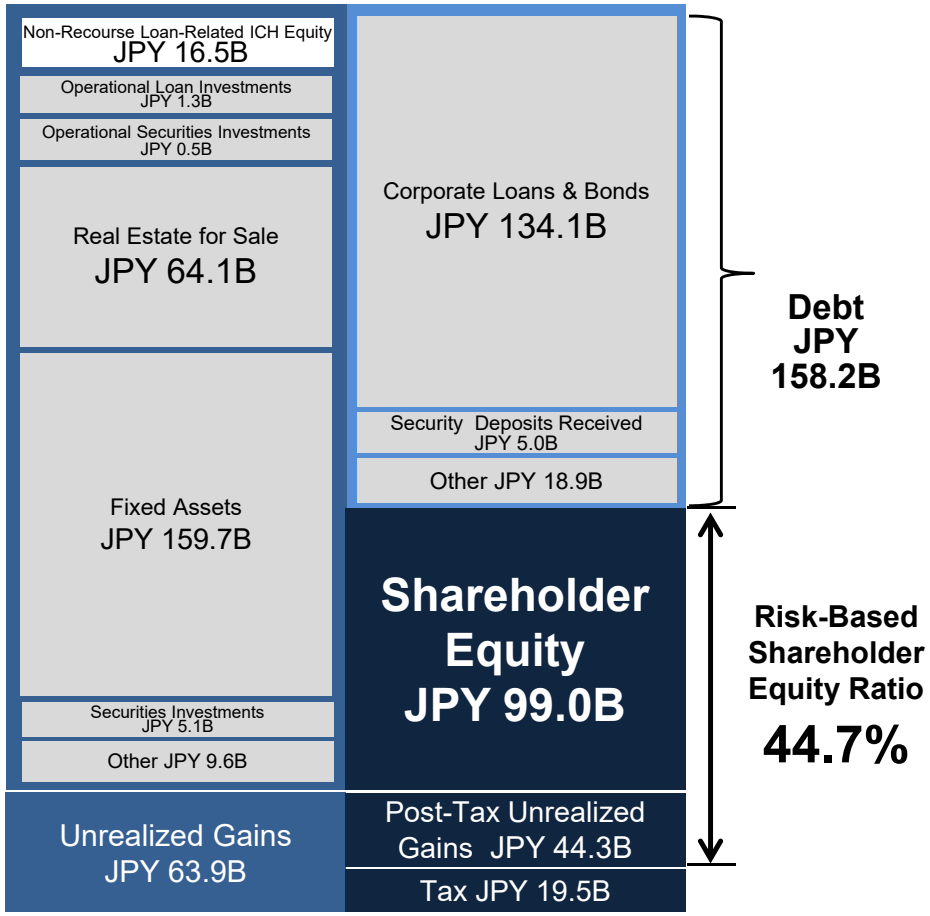
© Ichigo Inc. All rights reserved.

# Risk-Based Balance Sheet

**Mark-to-Market Consolidated Balance Sheet: JPY 411.0B**
**(Book Value JPY 347.0B + Unrealized Gains JPY 63.9B)**




**Consolidated Risk-Based Balance Sheet: JPY 321.1B**
**(Book Value JPY 257.2B + Unrealized Gains JPY 63.9B)**

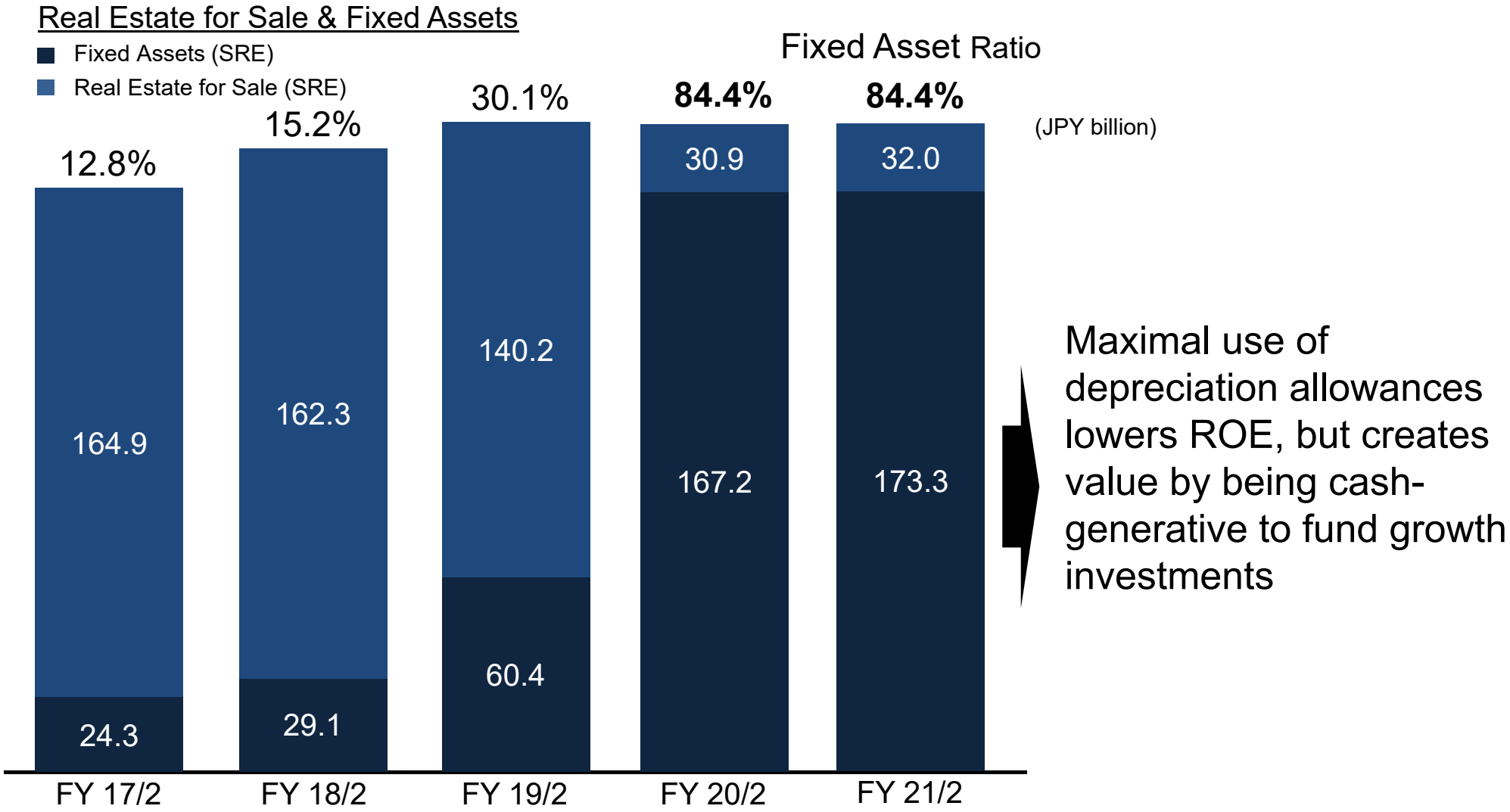



Note: Risk-Based Balance Sheet excludes client and non-recourse assets & liabilities and nets out Cash & Cash Equivalents.

© Ichigo Inc. All rights reserved.

# Cash Flow Maximization

## Reclassification of Sustainable Real Estate Assets to Fixed Assets to Increase Cash Flow in FY20/2




Note: Excludes Ichigo Owners, Centro, and self-storage assets

一期一会 ICHIGO

© Ichigo Inc. All rights reserved.

# Robust Cash Flow Generation & Strong Earnings Base

Key Ichigo Strength: Robust Cash Generation to Fund Growth

- Maximal use of non-cash depreciation allowances
- Majority of cash earnings are Stock Earnings
- Stock Earnings/Fixed Expenses Ratio – even amidst Covid – is consistently c. 200%

(JPY million)

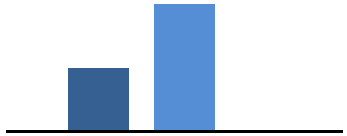
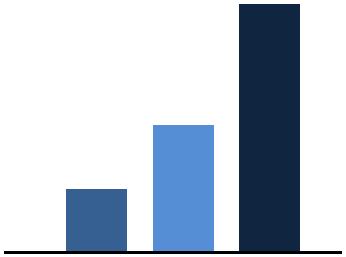
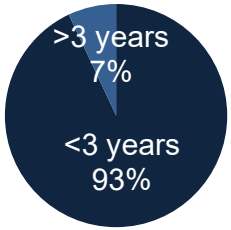
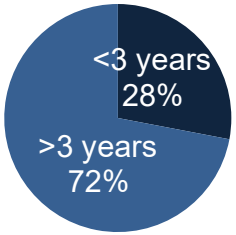
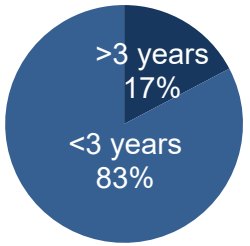
| | FY15/2 | FY16/2 | FY17/2 | FY18/2 | FY19/2 | FY20/2 | FY21/2 | FY21/2 Forecast |
|---|---|---|---|---|---|---|---|---|
| **Stock Earnings (A)** | 8,805 | 12,578 | 14,502 | 14,939 | 18,485 | 18,450 | 15,065 | 15,001 |
| **(Depreciation)** | 503 | 731 | 716 | 967 | 1,632 | 2,507 | 4,603 | 4,494 |
| **Flow Earnings** | 4,591 | 8,986 | 14,139 | 13,015 | 15,273 | 18,567 | 5,850 | 5,831 |
| **Cash Earnings** | 13,396 | 21,563 | 28,641 | 27,953 | 33,759 | 37,016 | 20,915 | 20,833 |
| **Fixed Expenses (B)** | 5,069 | 5,846 | 6,502 | 6,371 | 7,071 | 7,877 | 7,723 | 7,552 |
| | 174% | 215% | 223% | 234% | 261% | 234% | 195% | 199% |

Note: Cash Earnings = Gross Profit + Fixed Asset Gains on Sales + Depreciation Expenses (Non-Cash)

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Post-GFC Shift in Earnings Base & Financial Position

| | FY09/2 GFC | FY14/2 Start of Shift Up MTP | FY21/2 | vs. GFC |
|---|---|---|---|---|
| **Stock Earnings/ Fixed Expenses Coverage Ratio** | 75% | 140% | 195% | 2.6X |
| **Loan Maturity** (Weighted avg., corporate + non-recourse loans) | 2.8 years  | 5.6 years  | 10.2 years  | 3.6X |
| **% of <3 Year Loans** (corporate + non-recourse loans) | 93%   | 28%   | 17%   | -76% |
| **Interest Cost** (Weighted avg., corporate loans) | 2.22% | 1.96% | 0.92% | -59% |

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Business Segments

| | |
|---|---|
| **Asset Management** | Asset Management (AM) generates fee income via management of Ichigo Office (8975), Ichigo Hotel (3463), and Ichigo Green (9282), and private real estate funds. |
| **Sustainable Real Estate** | Sustainable Real Estate (SRE) preserves and improves real estate. Ichigo receives rental income during the period in which it carries out its value-add, along with earning gains on sales that reflect the real estate's higher value after the value-add is complete. |
| **Clean Energy** | Clean Energy (CE) is utility-scale solar and wind power production that produces clean energy and brings productive use to idle land. |

Note: The Sustainable Real Estate segment was formerly called Value-Add. In keeping with its Ichigo 2030 vision, Ichigo changed the segment name to Sustainable Real Estate in 2019 in order to put full focus on Ichigo's commitment to preserving and improving real estate as a sustainable infrastructure company.

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Consolidated Balance Sheet: Segment Breakdown

(JPY million)

| Segment | Cash and Cash Equivalents | Operational Loan Investments | Operational Securities Investments | Real Estate for Sale | Fixed Assets | Intangible Assets | Securities Investments | Other Assets | Total Assets |
|---|---|---|---|---|---|---|---|---|---|
| Asset Management (AM) | – | – | – | – | – | 701 | 122 | 692 | **1,516** |
| Sustainable Real Estate (SRE) | 16,481 | 1,324 | 590 | 64,109 | 183,870 | 3,026 | 3,531 | 2,920 | **275,857** |
| Clean Energy | 3,525 | – | – | – | 30,413 | 187 | – | 1,218 | **35,345** |
| Company-Wide Assets | 30,824 | – | – | – | 108 | 122 | 1,493 | 1,809 | **34,358** |
| **Total** | **50,832** | **1,324** | **590** | **64,109** | **214,392** | **4,038** | **5,147** | **6,640** | **347,076** |

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Consolidated P&L: Segment Breakdown

(JPY million)

| Segment | Gross Profit | | | Operating Profit | | | |
|---|---|---|---|---|---|---|---|
| | FY20/2 | FY21/2 | YOY Change | FY20/2 | FY21/2 | YOY Change | FY21/2 Full-Year Forecast |
| **Asset Management (AM)** | **3,046** | **1,934** | **-36.5%** | **2,526** | **1,403** | **-44.5%** | **1,300** |
| Base AM Fees | 2,062 | 1,832 | -11.2% | – | – | – | – |
| Acquisition/Disposition Fees | 984 | 101 | -89.7% | – | – | – | – |
| **Sustainable Real Estate (SRE)** | **29,521** | **11,248** | **-61.9%** | **23,971** | **6,528** | **-72.8%** | **6,500** |
| Rental Income | 11,940 | 6,219 | -47.9% | – | – | – | – |
| Asset Sales | 17,220 | 5,038 | -70.7% | – | – | – | – |
| Other Flow Earnings | 361 | -9 | – | – | – | – | – |
| **Clean Energy (CE)** | **1,940** | **2,409** | **+24.2%** | **1,272** | **1,834** | **+44.2%** | **1,800** |
| **Adjustment (including offsets of cross-segment transactions)** | – | – | – | **-49** | **-99** | – | **-100** |
| **Total** | **34,509** | **15,591** | **-54.8%** | **27,721** | **9,668** | **-65.1%** | **9,500** |

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Asset Management AUM Detail

| | | FY16/2 (12M) | FY17/2 (12M) | FY18/2 (12M) | FY19/2 (12M) | FY20/2 (12M) | FY21/2 (12M) |
|---|---|---|---|---|---|---|---|
| Ichigo Office (8975) | AUM (Fiscal Year End) | JPY 165.1B | JPY 194.5B | JPY 196.9B | JPY 203.0B | JPY 203.2B | JPY 206.1B |
| | Base AM Fee Gross Profit (Actual) | JPY 1,016M | JPY 1,291M | JPY 1,373M | JPY 1,426M | JPY 1,436M | JPY 1,524M |
| Ichigo Hotel (3463) | AUM (Fiscal Year End) | JPY 20.4B | JPY 47.6B | JPY 50.9B | JPY 50.7B | JPY 50.8B | JPY 51.9B |
| | Base AM Fee Gross Profit (Actual) | JPY 30M | JPY 287M | JPY 450M | JPY461M | JPY 381M | JPY 42M |
| Ichigo Green (9282) | AUM (Fiscal Year End) | – | JPY 10.0B | JPY 11.4B | JPY 11.4B | JPY 11.4B | JPY 11.4B |
| | Base AM Fee Gross Profit (Actual) | – | JPY 11M | JPY 77M | JPY 85M | JPY 82M | JPY 79M |
| Private Equity Real Estate Funds (excluding consolidated funds) | AUM (Fiscal Year End) | JPY 15.4B | JPY 6.4B | JPY 12.3B | JPY 20.6B | JPY 36.8B | JPY 36.8B |
| | Base AM Fee Gross Profit (Actual) | JPY 60M | JPY 27M | JPY 12M | JPY 41M | JPY 116M | JPY 137M |
| Total (excluding consolidated funds) | AUM (Fiscal Year End) | JPY 200.9B | JPY 258.6B | JPY 271.7B | JPY 285.8B | JPY 302.4B | JPY 306.4B |
| | Base AM Fee Gross Profit (Actual) | JPY 1,106M | JPY 1,617M | JPY 1,914M | JPY 2,014M | JPY 2,016M | JPY 1,782M |

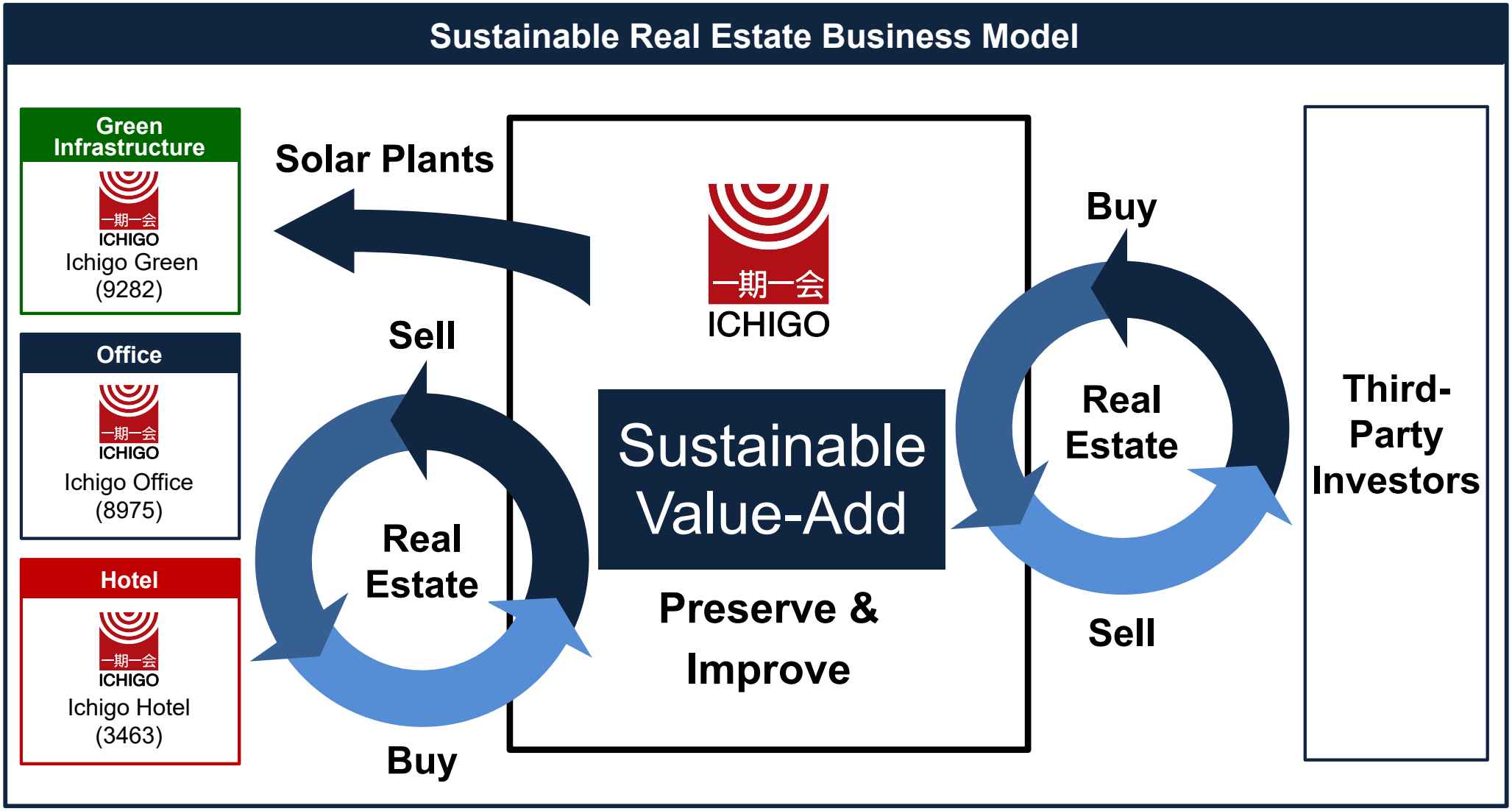
Ichigo Green Base AM Fee Gross Profit (Actual) includes operator fees.

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Powerful Sustainable Real Estate Business Model

## Significant Synergies Between Ichigo's Sustainable Real Estate & Asset Management Businesses



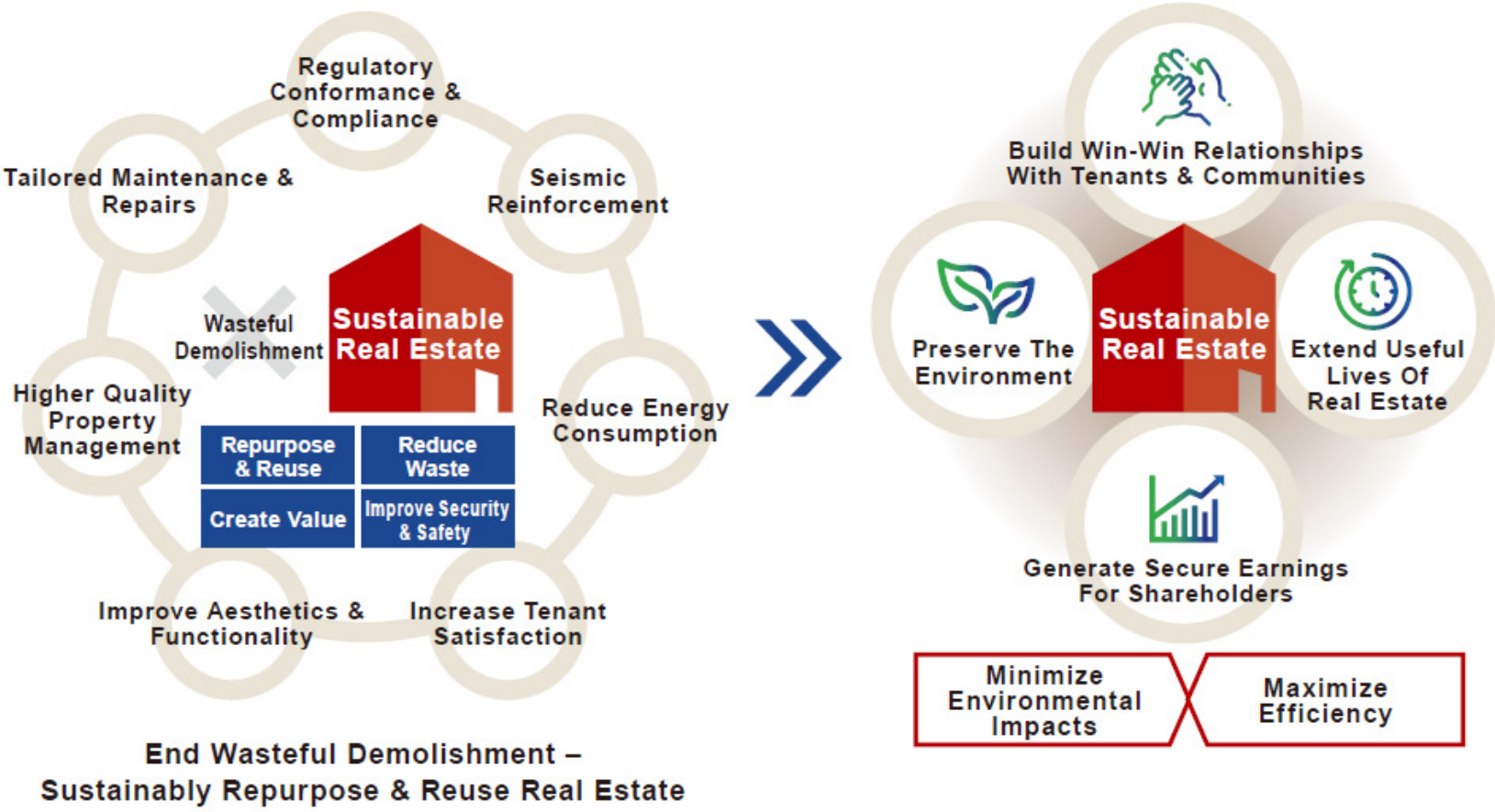

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Sustainable Infrastructure for a Sustainable Society

## End Wasteful Demolishment and Embrace Sustainable Real Estate

- Improve quality of assets via Sustainable Value-Add
- Preserve and improve highly functional real estate to contribute to environmental conservation and sustainability
- Lengthening buildings' useful lives beyond 100 years



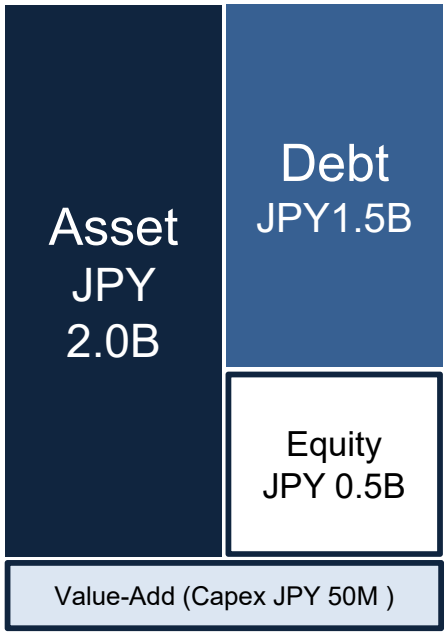

End Wasteful Demolishment –
Sustainably Repurpose & Reuse Real Estate

© Ichigo Inc. All rights reserved.

# Ichigo Sustainable Real Estate Earnings Model Example

5.5% NOI Yield, JPY 2B Purchase, LTV 75%, 1.5% Interest Rate, JPY 50M Capex, 15% Increase in NOI, 3-Year Value-Add Period

Value-Add Measures: Improved exterior, interior, & tenant services; seismic strengthening; increased energy efficiency; new tenant leasing; etc.




NOI at Acquisition
(JPY 110M NOI/year) − (JPY 22.5M interest/year) = JPY 87.5M NOI/year
NOI÷ Initial Investment =17.5% NOI return during investment period

NOI after Value-Add
(JPY 126.5M NOI/year) − (JPY 22.5M interest/year) = JPY 104M NOI/year
NOI ÷ Total Investment (JPY 500M + JPY 50M) =18.9% NOI return during investment period

Capital Gain
The 15% increase in NOI at an equivalent cap rate increases the exit price by 15%: JPY 2B * 115% = JPY 2.3B
JPY 2.3B – (JPY 2B + JPY 50M) = JPY 250M capital gain

Outcome
JPY 550M investment generates JPY 512M over 3 years → 31.1% p.a.

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Sustainable Real Estate: Gross Profit Margin (GPM)

Ichigo Sustainable Value-Add Supports Ongoing High GPM

| | FY17/2 | FY18/2 | FY19/2 | FY20/2 | FY21/2 |
|---|---|---|---|---|---|
| GPM (vs. Revenue) | 13.6% | 33.7% | 25.5% | 28.3% | 13.9% |
| GPM (vs. Book Value) | 15.8% | 50.9% | 34.3% | 39.5% | 16.2% |
| Revenue (JPY M) | 77,502 | 35,733 | 58,693 | 60,601 | 41,430 |
| Gross Profit (JPY M) | 10,562 | 12,050 | 14,986 | 17,158 | 5,762 |

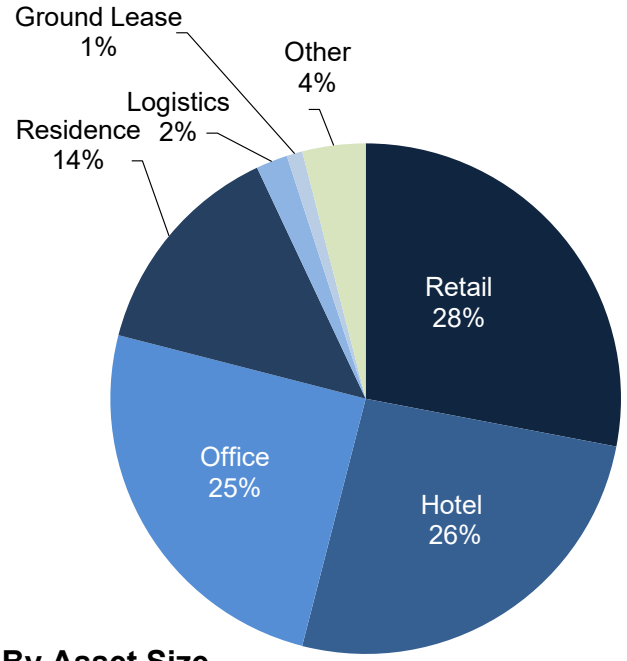
* FY21/2 Results include revenue and gross profit from fixed asset sales

一期一会
ICHIGO

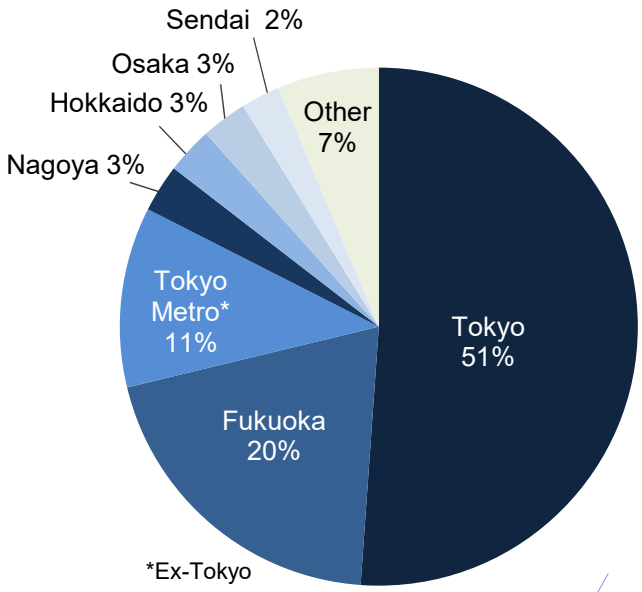
© Ichigo Inc. All rights reserved.

# Ichigo-Owned Real Estate Portfolio

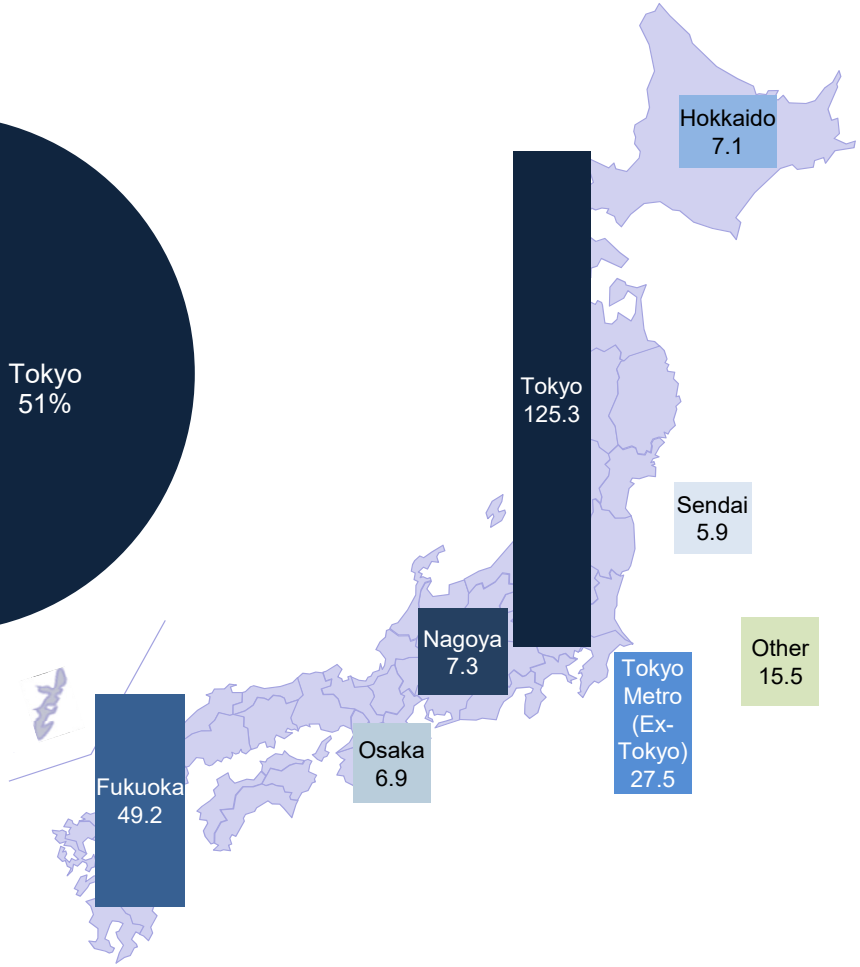
## By Asset Type



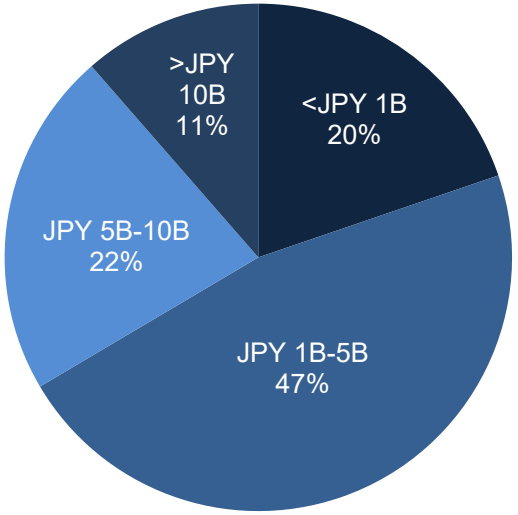

## By Location




(JPY billion)




## By Asset Size




## Total Ichigo-Owned Assets: JPY 245.1B

## Including Ichigo-Managed AUM: JPY 551.5B

* Acquisition price basis
Ichigo-Managed AUM includes JPY 11.4B Ichigo Green assets.
Total Ichigo-Owned Assets Book Value: JPY 247.6B

一期一会 ICHIGO

© Ichigo Inc. All rights reserved.

# Sustainable Real Estate Asset Breakdown (1)

## 177 Assets, JPY 245.1 B, Forecast NOI JPY 14.9B (6.1% Yield)

| No. | Asset Type | Classification | Location | Acquisition Price | Acquisition Date | Building Age | Expected NOI/Year[1] | Ichigo Equity Investment | Forecast Equity Multiple[2] | Forecast IRR[3] |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Wholesale Market | Fixed Asset | Matsudo, Chiba | JPY 2B-3B | 2005/06 | 48 years | – | JPY 1,900M | – | – |
| 2 | Retail | Fixed Asset | Minato-ku, Tokyo | JPY 2B-3B | 2005/10 | 51 years | JPY 136M | JPY 1,033M | – | – |
| 3 | Retail | Fixed Asset | Minato-ku, Tokyo | >JPY 3B | 2006/03 | 35 years | JPY 165M | JPY 1,356M | – | – |
| 4 | Retail | Fixed Asset | Yokohama | JPY 1B-2B | 2006/09 | 16 years | JPY 60M | JPY 1,157M | – | – |
| 5 | Office | Fixed Asset | Sendai | >JPY 3B | 2006/10 | 12 years | JPY 240M | JPY 1,042M | – | – |
| 6 | Office | Fixed Asset | Fukuoka | >JPY 3B | 2006/12 | 12 years | JPY 350M | JPY 1,339M | – | – |
| 10 | Retail | Fixed Asset | Chiyoda-ku, Tokyo | <JPY 1B | 2007/06 | 41 years | JPY 85M | JPY 240M | – | – |
| 11 | Retail | Fixed Asset | Chiyoda-ku, Tokyo | <JPY 1B | 2007/06 | 39 years | JPY 125M | JPY 233M | – | – |
| 14 | Ground Lease | Fixed Asset | Atsugi, Kanagawa | JPY 1B-2B | 2011/06 | – | JPY 172M | JPY 147M | – | – |
| 15 | Retail | Fixed Asset | Hiratsuka, Kanagawa | <JPY 1B | 2012/02 | 25 years | JPY 77M | JPY 172M | – | – |
| 16 | Retail | Fixed Asset | Yokohama | <JPY 1B | 2012/10 | 7 years | JPY 34M | JPY 171M | – | – |
| 17 | Retail | Fixed Asset | Toshima-ku, Tokyo | >JPY 3B | 2013/03 | 10 years | JPY 244M | JPY 340M | – | – |
| 18 | Retail | Fixed Asset | Shibuya-ku, Tokyo | <JPY 1B | 2013/05 | 34 years | JPY 57M | JPY 154M | – | – |
| 19 | Retail | Fixed Asset | Chofu, Tokyo | JPY 1B-2B | 2013/06 | 35 years | JPY 135M | JPY 310M | – | – |
| 21 | Residential | Fixed Asset | Minato-ku, Tokyo | <JPY 1B | 2013/06 | 5 years | JPY 47M | JPY 203M | – | – |

Note: 6.1% yield excludes Ichigo Owners, Centro, and self-storage assets.

1 Expected NOI/ Year is based on the business plan of each asset and is the expected NOI after value-add is completed.
2 Forecast Equity Multiple is based on the business plan of each asset and is the sum of forecast rental income and gains on sales divided by Ichigo Investment.
3 Forecast IRR is the forecast internal rate of return based on each asset's actual cash flow. The total Forecast Equity Multiple and Forecast IRR are for Real Estate for Sale assets acquired from FY15/2 onward and exclude Fixed Assets.

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Sustainable Real Estate Asset Breakdown (2)

| No. | Asset Type | Classification | Location | Acquisition Price | Acquisition Date | Building Age | Expected NOI/Year[1] | Ichigo Equity Investment | Forecast Equity Multiple[2] | Forecast IRR[3] |
|---|---|---|---|---|---|---|---|---|---|---|
| 27 | Retail | Fixed Asset | Tokorozawa, Saitama | JPY 1B-2B | 2013/11 | 13 years | JPY 76M | JPY 92M | – | – |
| 29 | Ground Lease | Fixed Asset | Fujisawa, Kanagawa | JPY 1B-2B | 2014/03 | – | JPY 114M | JPY 273M | – | – |
| 30 | Retail | Fixed Asset | Shibuya-ku, Tokyo | <JPY 1B | 2014/03 | 37 years | JPY 51M | JPY 108M | – | – |
| 32 | Retail | Fixed Asset | Fukuoka | JPY 1B-2B | 2014/04 | 14 years | JPY 58M | JPY 279M | – | – |
| 35 | Retail | Fixed Asset | Minato-ku, Tokyo | JPY 2B-3B | 2014/05 | 12 years | JPY 144M | JPY 434M | – | – |
| 37 | Retail | Fixed Asset | Minato-ku, Tokyo | <JPY 1B | 2014/07 | 48 years | JPY 47M | JPY 77M | – | – |
| 39 | Retail | Fixed Asset | Fukuoka | <JPY 1B | 2014/07 | 16 years | JPY 52M | JPY 213M | – | – |
| 40 | Retail | Fixed Asset | Fukuoka | <JPY 1B | 2014/09 | 35 years | JPY 49M | JPY 252M | – | – |
| 41 | Hotel | Fixed Asset | Utsunomiya, Tochigi | JPY 1B-2B | 2014/09 | 33 years | JPY 143M | JPY 400M | – | – |
| 42 | Retail | Fixed Asset | Fukuoka | <JPY 1B | 2014/09 | 20 years | JPY 60M | JPY 177M | – | – |
| 43 | Retail | Fixed Asset | Osaka | JPY 1B-2B | 2014/09 | 18 years | JPY 117M | JPY 301M | – | – |
| 45 | Retail | Fixed Asset | Fukuoka | JPY 1B-2B | 2014/11 | 18 years | JPY 92M | JPY 135M | – | – |
| 57 | Residential | Fixed Asset | Minato-ku, Tokyo | JPY 1B-2B | 2014/12 | 17 years | JPY 56M | JPY 186M | – | – |
| 62 | Retail | Fixed Asset | Fukuoka | <JPY 1B | 2014/12 | 17 years | JPY 41M | JPY 212M | – | – |
| 63 | Retail | Fixed Asset | Meguro-ku, Tokyo | JPY 1B-2B | 2014/12 | 14 years | JPY 85M | JPY 129M | – | – |

[1] Expected NOI/ Year is based on the business plan of each asset and is the expected NOI after value-add is completed.
[2] Forecast Equity Multiple is based on the business plan of each asset and is the sum of forecast rental income and gains on sales divided by Ichigo Investment.
[3] Forecast IRR is the forecast internal rate of return based on each asset's actual cash flow. The total Forecast Equity Multiple and Forecast IRR are for Real Estate for Sale assets acquired from FY15/2 onward and exclude Fixed Assets.

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Sustainable Real Estate Asset Breakdown (3)

| No. | Asset Type | Classification | Location | Acquisition Price | Acquisition Date | Building Age | Expected NOI/Year[1] | Ichigo Equity Investment | Forecast Equity Multiple[2] | Forecast IRR[3] |
|---|---|---|---|---|---|---|---|---|---|---|
| 64 | Retail | Fixed Asset | Shinagawa-ku, Tokyo | <JPY 1B | 2015/01 | – | JPY 26M | – | – | – |
| 66 | Retail | Fixed Asset | Sendai | <JPY 1B | 2015/02 | 17 years | JPY 65M | JPY 8M | – | – |
| 68 | Retail | Fixed Asset | Shibuya-ku, Tokyo | <JPY 1B | 2015/04 | 19 years | JPY 46M | JPY 79M | – | – |
| 69 | Hotel | Fixed Asset | Osaka | JPY 2B-3B | 2015/05 | 18 years | JPY 170M | JPY 633M | – | – |
| 71 | Retail | Fixed Asset | Fujisawa, Kanagawa | JPY 1B-2B | 2015/07 | 5 years | JPY 99M | JPY 126M | – | – |
| 110 | Hotel | Fixed Asset | Fukuoka | >JPY 3B | 2016/03 | 35 years | JPY 273M | JPY 905M | – | – |
| 111 | Hotel | Fixed Asset | Yokohama | JPY 2B-3B | 2016/03 | 37 years | JPY 207M | JPY 228M | – | – |
| 112 | Hotel | Fixed Asset | Yokohama | >JPY 3B | 2016/03 | 33 years | JPY 239M | JPY 354M | – | – |
| 113 | Hotel | Fixed Asset | Yokohama | >JPY 3B | 2016/03 | 33 years | JPY 288M | JPY 344M | – | – |
| 114 | Hotel | Fixed Asset | Fukuoka | >JPY 3B | 2016/04 | 31 years | JPY 183M | JPY 550M | – | – |
| 115 | Hotel | Fixed Asset | Osaka | JPY 2B-3B | 2016/04 | 13 years | JPY 130M | JPY 274M | – | – |
| 116 | Retail | Fixed Asset | Sendai | <JPY 1B | 2016/04 | 32 years | JPY 63M | JPY 86M | – | – |
| 118 | Retail | Fixed Asset | Nagoya | JPY 1B-2B | 2016/06 | 23 years | JPY 83M | JPY 102M | – | – |
| 119 | Retail | Fixed Asset | Shibuya-ku, Tokyo | <JPY 1B | 2016/06 | 33 years | JPY 42M | JPY 136M | – | – |
| 120 | Hotel | Fixed Asset | Shinjuku-ku, Tokyo | >JPY 3B | 2016/09 | 41 years | JPY 554M | JPY 349M | – | – |

[1] Expected NOI/ Year is based on the business plan of each asset and is the expected NOI after value-add is completed.
[2] Forecast Equity Multiple is based on the business plan of each asset and is the sum of forecast rental income and gains on sales divided by Ichigo Investment.
[3] Forecast IRR is the forecast internal rate of return based on each asset's actual cash flow. The total Forecast Equity Multiple and Forecast IRR are for Real Estate for Sale assets acquired from FY15/2 onward and exclude Fixed Assets.

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Sustainable Real Estate Asset Breakdown (4)

| No. | Asset Type | Classification | Location | Acquisition Price | Acquisition Date | Building Age | Expected NOI/Year[1] | Ichigo Equity Investment | Forecast Equity Multiple[2] | Forecast IRR[3] |
|---|---|---|---|---|---|---|---|---|---|---|
| 121 | Office | Fixed Asset | Minato-ku, Tokyo | >JPY 3B | 2016/10 | 20 years | JPY 1,540M | JPY 3,450M | – | – |
| 122 | Hotel | Fixed Asset | Shima, Mie | <JPY 1B | 2017/01 | 23 years | JPY 78M | JPY 73M | – | – |
| 133 | Hotel | Fixed Asset | Minato-ku, Tokyo | <JPY 1B | 2017/04 | 18 years | JPY 46M | JPY 152M | – | – |
| 138 | Hotel | Fixed Asset | Ogaki, Gifu | JPY 1B-2B | 2017/05 | 31 years | JPY 116M | – | – | – |
| 144 | Office | Fixed Asset | Chiyoda-ku, Tokyo | JPY 1B-2B | 2018/02 | 32 years | JPY 129M | JPY 268M | – | – |
| 145 | Hotel | Fixed Asset | Fukuoka | JPY 2B-3B | 2018/03 | 3 years | JPY 194M | JPY 301M | – | – |
| 146 | Retail | Fixed Asset | Chuo-ku, Tokyo | JPY 1B-2B | 2018/08 | 30 years | JPY 32M | – | – | – |
| 147 | Hotel | Fixed Asset | Kyoto | >JPY 3B | 2018/08 | 2 years | JPY 327M | JPY 1,666M | – | – |
| 148 | Office (Land) | Fixed Asset | Chiyoda-ku, Tokyo | <JPY 1B | 2018/08 | – | JPY 54M | JPY 166M | – | – |
| 149 | Retail | Fixed Asset | Chiyoda-ku, Tokyo | >JPY 3B | 2018/09 | 30 years | JPY 308M | JPY 2,269M | – | – |
| 151 | Office | Fixed Asset | Fukuoka | <JPY 1B | 2018/10 | 22 years | JPY 33M | JPY 38M | – | – |
| 152 | Office | Fixed Asset | Fukuoka | JPY 2B-3B | 2019/02 | 33 years | JPY 174M | JPY 382M | – | – |
| 154 | Residential | Fixed Asset | Kita Kyushu, Fukuoka | JPY 1B-2B | 2019/03 | 7 years | JPY 83M | JPY 181M | – | – |

[1] Expected NOI/ Year is based on the business plan of each asset and is the expected NOI after value-add is completed.
[2] Forecast Equity Multiple is based on the business plan of each asset and is the sum of forecast rental income and gains on sales divided by Ichigo Investment.
[3] Forecast IRR is the forecast internal rate of return based on each asset's actual cash flow. The total Forecast Equity Multiple and Forecast IRR are for Real Estate for Sale assets acquired from FY15/2 onward and exclude Fixed Assets.

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Sustainable Real Estate Asset Breakdown (5)

| No. | Asset Type | Classification | Location | Acquisition Price | Acquisition Date | Building Age | Expected NOI/Year[1] | Ichigo Equity Investment | Forecast Equity Multiple[2] | Forecast IRR[3] |
|---|---|---|---|---|---|---|---|---|---|---|
| 155 | Office | Fixed Asset | Shinagawa-ku, Tokyo | JPY 2B-3B | 2019/03 | 35 years | JPY 169M | JPY 616M | – | – |
| 157 | Office | Fixed Asset | Chiyoda-ku, Tokyo | <JPY 1B | 2019/04 | 37 years | JPY 52M | – | – | – |
| 158 | Other | Fixed Asset | Chuo-ku, Tokyo | JPY 1B-2B | 2019/05 | – | JPY 12M | – | – | – |
| 159 | Retail | Fixed Asset | Shibuya-ku, Tokyo | JPY 2B-3B | 2019/05 | 41 years | JPY 123M | JPY 210M | – | – |
| 160 | Office | Fixed Asset | Fukuoka | JPY 2B-3B | 2019/06 | 23 years | JPY 129M | JPY 248M | – | – |
| 161 | Hotel | Fixed Asset | Fukuoka | >JPY 3B | 2019/07 | 26 years | JPY 368M | JPY 1,636M | – | – |
| 162 | Hotel | Fixed Asset | Fukuoka | >JPY 3B | 2019/07 | 22 years | JPY 353M | JPY 1,170M | – | – |
| 164 | Hotel | Fixed Asset | Chiyoda-ku, Tokyo | <JPY 1B | 2020/03 | 12 years | JPY 61M | JPY 62M | – | – |
| 165 | Hotel | Fixed Asset | Sapporo | >JPY 3B | 2020/03 | 1 year | JPY 268M | JPY 700M | – | – |
| 167 | Hotel | Fixed Asset | Hiroshima | >JPY 3B | 2020/08 | 1 year | JPY 306M | – | – | – |
| | | | **68 Fixed Assets** | **JPY 171,695M**<br>**JPY 173,278M (Book Value)** | | | **JPY 10,531M** | **JPY 30,828M** | **–** | **–** |

[1] Expected NOI/ Year is based on the business plan of each asset and is the expected NOI after value-add is completed.
[2] Forecast Equity Multiple is based on the business plan of each asset and is the sum of forecast rental income and gains on sales divided by Ichigo Investment.
[3] Forecast IRR is the forecast internal rate of return based on each asset's actual cash flow. The total Forecast Equity Multiple and Forecast IRR are for Real Estate for Sale assets acquired from FY15/2 onward and exclude Fixed Assets.

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Sustainable Real Estate Asset Breakdown (6)

| No. | Asset Type | Classification | Location | Acquisition Price | Acquisition Date | Building Age | Expected NOI/Year[1] | Ichigo Equity Investment | Forecast Equity Multiple[2] | Forecast IRR[3] |
|---|---|---|---|---|---|---|---|---|---|---|
| 61 | Retail | Operational Loan | Shinjuku-ku, Tokyo | JPY 1B-2B | 2014/12 | 57 years | JPY 120M | JPY 57M | 15.26X | 51.7% |
| 89 | Office | Real Estate for Sale | Musashino, Tokyo | >JPY 3B | 2015/07 | 31 years | JPY 131M | JPY 670M | 1.72X | 13.3% |
| 92 | Office | Real Estate for Sale | Fukuoka | JPY 1B-2B | 2015/07 | 13 years | JPY 85M | JPY 353M | 1.82X | 17.7% |
| 135 | Logistics | Real Estate for Sale | Narashino, Chiba | JPY 1B-2B | 2017/04 | 29 years | JPY 114M | JPY 188M | 6.18X | 25.8% |
| 136 | Logistics | Real Estate for Sale | Narashino, Chiba | JPY 1B-2B | 2017/04 | 29 years | JPY 152M | JPY 203M | 8.75X | 32.8% |
| 143 | Retail | Real Estate for Sale | Fukuoka | JPY 1B-2B | 2017/09 | 36 years | JPY 106M | JPY 223M | 3.78X | 19.9% |
| 150 | Retail | Real Estate for Sale | Chuo-ku, Tokyo | >JPY 3B | 2018/10 | 33 years | JPY 359M | JPY 1,161M | 6.17X | 24.7% |
| 153 | Hotel | Real Estate for Sale | Fukuoka | <JPY 1B | 2019/02 | 27 years | JPY 110M | – | – | – |
| 156 | Logistics | Real Estate for Sale | Fukuoka | JPY 2B-3B | 2019/03 | 32 years | JPY 150M | JPY 651M | 3.60X | 30.0% |
| 163 | Retail | Real Estate for Sale | Nagoya | >JPY 3B | 2019/08 | 23 years | JPY 479M | JPY 1,146M | 3.47X | 17.0% |
| 166 | Retail | Real Estate for Sale | Shibuya-ku, Tokyo | <JPY 1B | 2020/03 | 15 years | JPY 39M | JPY 83M | 3.23X | 13.5% |
| 168 | Office | Real Estate for Sale | Koto-ku, Tokyo | JPY 1B-2B | 2020/11 | 30 years | JPY 100M | – | 3.17X | 53.6% |
| | | | **12 Real Estate for Sale** | **JPY 31,415M<br>JPY 31,957M (Book Value)** | | | **JPY 1,944M** | **JPY 4,734M** | **4.28X** | **25.9%** |
| | | | **Subtotal 80 Assets** | **JPY 203,111M<br>JPY 205,235M (Book Value)** | | | **JPY 12,476M** | **JPY 35,562M** | **–** | **–** |

1 Expected NOI/ Year is based on the business plan of each asset and is the expected NOI after value-add is completed.
2 Forecast Equity Multiple is based on the business plan of each asset and is the sum of forecast rental income and gains on sales divided by Ichigo Investment.
3 Forecast IRR is the forecast internal rate of return based on each asset's actual cash flow. The total Forecast Equity Multiple and Forecast IRR are for Real Estate for Sale assets acquired from FY15/2 onward and exclude Fixed Assets.

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Sustainable Real Estate Asset Breakdown (7)

| No. | Asset Type | | Acquisition Price | vs. FY20/2 Q4 | Expected NOI/Year[1] | Ichigo Equity Investment | Forecast Equity Multiple | Forecast IRR |
|---|---|---|---|---|---|---|---|---|
| A | Ichigo Owners (Residential) | 24 Assets | JPY 21,958M | -JPY 1,986M | JPY 989M | JPY 6,906M | – | – |
| B | Ichigo Owners (Other) | 18 Assets | JPY 8,519M | -JPY 4,170M | JPY 515M | JPY 2,993M | – | – |
| C | Centro (Primarily Office & Residential) | 20 Assets | JPY 7,796M | +JPY 968M | JPY 580M | JPY 1,927M | – | – |
| C | Self-Storage | 35 Assets | JPY 3,751M | +JPY 1,395M | JPY 413M | JPY 896M | – | – |
| | | **Total 177 Assets** | **JPY 245,136M**<br>**JPY 247,648M (Book Value)** | | **JPY 14,974M** | **JPY 48,286M** | **–** | **–** |
| | **Assets acquired in FY21/2 Q1 (3M)** | **Total 13 Assets** | **JPY 8,135M** | | **JPY 567M** | **JPY 942M** | **–** | **–** |
| | **Assets acquired in FY21/2 Q2 (3M)** | **Total 10 Assets** | **JPY 9,382M** | | **JPY 566M** | **JPY 1,792M** | **–** | **–** |
| | **Assets acquired in FY21/2 Q3 (3M)** | **Total 7 Assets** | **JPY 7,398M** | | **JPY 365M** | **JPY 1,581M** | **–** | **–** |
| | **Assets acquired in FY21/2 Q4 (3M)** | **Total 9 Assets** | **JPY 8,974M** | | **JPY 419M** | **JPY 2,872M** | **–** | **–** |
| | **Assets acquired in FY21/2 (12M)** | **Total 39 Assets** | **JPY 33,890M** | | **JPY 1,918M** | **JPY 7,189M** | **–** | **–** |
| | **Assets acquired and sold in FY21/2*** | **Total 5 Assets** | **JPY 3,125M** | | **JPY 143M** | **JPY 2,265M** | **–** | **–** |

* Sold 5 Ichigo Owners assets

[1] Expected NOI/ Year is based on the business plan of each asset and is the expected NOI after value-add is completed.

© Ichigo Inc. All rights reserved.

# Ichigo Solar Power Plant Portfolio

## Ichigo Solar Power Plants (Operating)

| Solar Power Plant | Area | Panel Output (MW) | FIT (Pre-tax) | Operation Start Date |
|---|---|---|---|---|
| Ichigo Tokushima Higashi-Okinosu | Shikoku | 2.52 | JPY 40 | Aug 2013 |
| Ichigo Fuchu Jogecho Yano | Chugoku | 0.99 | JPY 40 | Mar 2014 |
| Ichigo Yubetsu Barou | Hokkaido | 0.80 | JPY 40 | Apr 2014 |
| Ichigo Maebashi Naegashima | Kanto | 0.67 | JPY 40 | Apr 2014 |
| Ichigo Kijo Takajo | Kyushu | 0.89 | JPY 40 | Apr 2014 |
| Ichigo Betsukai Kawakamicho | Hokkaido | 0.88 | JPY 40 | Oct 2014 |
| Ichigo Toyokoro Sasadamachi | Hokkaido | 0.60 | JPY 40 | Oct 2014 |
| Ichigo Higashi-Hiroshima Saijocho Taguchi | Chugoku | 2.72 | JPY 40 | Jan 2015 |
| Ichigo Akkeshi Shirahama | Hokkaido | 0.80 | JPY 40 | Mar 2015 |
| Ichigo Hamanaka Bokujo Tsurunokotai | Tohoku | 2.31 | JPY 36 | Dec 2015 |
| Ichigo Yonago Izumi | Chugoku | 2.61 | JPY 40 | Jan 2016 |
| Ichigo Kasaoka Takumicho | Chugoku | 1.11 | JPY 32 | Mar 2016 |
| Ichigo Toki Oroshicho | Chubu | 1.39 | JPY 36 | Jun 2016 |
| Ichigo Toride Shimotakai Kita | Kanto | 1.03 | JPY 32 | Jul 2016 |
| Ichigo Toride Shimotakai Minami | Kanto | 0.54 | JPY 32 | Jul 2016 |
| Ichigo Hamanaka Bokujo Kajibayashi | Tohoku | 2.31 | JPY 36 | Oct 2016 |
| Ichigo Sera Tsukuchi | Chugoku | 2.54 | JPY 32 | Feb 2017 |
| Ichigo Sera Aomizu | Chugoku | 2.87 | JPY 32 | Aug 2017 |
| Ichigo Showamura Ogose | Kanto | 43.34 | JPY 36 | Sep 2017 |
| Ichigo Memuro Nishi-Shikari | Hokkaido | 1.32 | JPY 40 | Feb 2018 |
| Ichigo Kure Yasuuracho Nakahata | Chugoku | 2.90 | JPY 36 | Mar 2018 |
| Ichigo Tsu | Chubu | 2.94 | JPY 24 | Mar 2018 |
| Ichigo Kasaoka Iwanoike | Chugoku | 2.64 | JPY 24 | Mar 2018 |
| Ichigo Toki Tsurusatocho Kakino | Chubu | 1.31 | JPY 24 | Apr 2018 |
| Ichigo Itoshima Iwara | Kyushu | 1.48 | JPY 36 | Jan 2019 |
| Ichigo Sakahogi Fukagaya | Chubu | 2.89 | JPY 21 | May 2019 |
| Ichigo Sennan Kitsuneike | Kansai | 2.86 | JPY 21 | Jul 2019 |
| Ichigo Minakami Aramaki | Kanto | 12.02 | JPY 36 | Jan 2020 |
| Ichigo Takashima Kutsuki | Kansai | 3.74 | JPY 32 | Jan 2020 |
| Ichigo Toki Tsurusatocho Kakino Higashi | Chubu | 1.67 | JPY 21 | Feb 2020 |
| Ichigo Hitachiomiya | Kanto | 2.99 | JPY 24 | Mar 2020 |
| Ichigo Hokota Aoyagi | Kanto | 2.48 | JPY 24 | Apr 2020 |
| Ichigo Kasaoka Osakaike | Chugoku | 2.66 | JPY 21 | Apr 2020 |
| Ichigo Minokamo Hachiyacho Kamihachiya | Chubu | 1.29 | JPY 18 | Sep 2020 |
| Ichigo Seto Jokojicho | Chubu | 1.45 | JPY 18 | Oct 2020 |
| Ichigo Toride Shimotakai Nishi | Kanto | 2.84 | JPY 18 | Jan 2021 |
| **Total (Operating)** | 36 Plants 120.6MW | | | |

## Ichigo Solar Power Plants (In Pipeline)

| Solar Power Plant | Area | Panel Output (MW) | FIT (Pre-tax) | Operation Start Date |
|---|---|---|---|---|
| Ichigo Chiba Wakaba-ku Omiyacho Nishi | Kanto | 0.74 | JPY 14 | Aug 2021 |
| Ichigo Chiba Wakaba-ku Omiyacho Higashi | Kanto | 0.74 | JPY 14 | Aug 2021 |
| Ichigo Komagane Akaho Minami | Chubu | 0.74 | JPY 14 | Sep 2021 |
| Ichigo Komagane Akaho Kita | Chubu | 0.39 | JPY 14 | Sep 2021 |
| Ichigo Tatsunomachi Sawasoko | Chubu | 0.74 | JPY 14 | Oct 2021 |
| Ichigo Kasaoka Idachiike | Chugoku | 2.66 | JPY 18 | Oct 2021 |
| Ichigo Sera Shimotsuda | Chugoku | 2.93 | JPY 18 | Jan 2022 |
| Ichigo Obu Yoshidamachi | Chubu | 1.10 | JPY 18 | Jan 2022 |
| Ichigo Kobe Pompuike | Kansai | 2.47 | JPY 18 | Jan 2022 |
| Ichigo Ueda Yoshidaike | Chubu | 1.01 | JPY 18 | Feb 2022 |
| Ichigo Miyakonojo Takazakicho Tsumagirishima | Kyushu | 2.96 | JPY 32 | Feb 2022 |
| Ichigo Ebino Suenaga | Kyushu | 13.99 | JPY 40 | Jan 2024 |
| **Total (In-Development)** | 12 Plants 30.5MW | | | |
| **Total (Operating & In-Development)** | 48 Plants 151.1MW | | | |

48 Ichigo Solar Power Plants (Operating/In Pipeline) 151.1MW

## Ichigo Wind Power Plants (Operating)

| Wind Power Plant | Area | Panel Output (MW) | FIT (Pre-tax) | Operation Start Date |
|---|---|---|---|---|
| Ichigo Yonezawa Itaya | Tohoku | 7.39 | JPY 22 | Mar 2021 |
| **Total** | 1 Plant 7.3MW | | | |

## Ichigo Wind Power Plants (In Pipeline)

| Wind Power Plant | Area | Panel Output (MW) | FIT (Pre-tax) | Operation Start Date |
|---|---|---|---|---|
| Ichigo Takashinoyama | Tohoku | 6.99 | JPY 21 | Dec 2023 |
| Ichigo Onjuku Iwawada Nishi | Kanto | 1.99 | JPY 22 | Dec 2024 |
| Ichigo Onjuku Iwawada Higashi | Kanto | 1.99 | JPY 22 | Dec 2024 |
| **Total** | 3 Plants 10.9MW | | | |

4 Ichigo Wind Power Plants (Operating/In Pipeline) 18.3MW

Total: 52 Plants (169.5MW)

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Ichigo Green (9282) Solar Power Plant Portfolio

## Ichigo Green Solar Power Plants (Operating)

| Solar Power Plant | Area | Panel Output (MW) | FIT (Pre-tax) | Operation Start Date |
|---|---|---|---|---|
| Ichigo Kiryu Okuzawa | Kanto | 1.33 | JPY 40 | Sep 2013 |
| Ichigo Motomombetsu | Hokkaido | 1.40 | JPY 40 | Feb 2014 |
| Ichigo Muroran Hatchodaira | Hokkaido | 1.24 | JPY 40 | Mar 2014 |
| Ichigo Engaru Kiyokawa | Hokkaido | 1.12 | JPY 40 | Mar 2014 |
| Ichigo Miyakonojo Yasuhisacho | Kyushu | 1.44 | JPY 40 | Jul 2015 |
| Ichigo Iyo Nakayamacho Izubuchi | Shikoku | 1.23 | JPY 40 | Apr 2014 |
| Ichigo Nakashibetsu Midorigaoka | Hokkaido | 1.93 | JPY 40 | Nov 2014 |
| Ichigo Abira Toasa | Hokkaido | 1.16 | JPY 40 | Dec 2014 |
| Ichigo Toyokoro | Hokkaido | 1.02 | JPY 40 | Dec 2014 |
| Ichigo Nago Futami | Okinawa | 8.44 | JPY 40 | Feb 2015 |
| Ichigo Engaru Higashimachi | Hokkaido | 1.24 | JPY 40 | Feb 2015 |
| Ichigo Takamatsu Kokubunjicho Nii | Shikoku | 2.43 | JPY 36 | Jun 2015 |
| Ichigo Toyokawa Mitocho Sawakihama | Chubu | 1.80 | JPY 32 | Sep 2015 |
| Ichigo Yamaguchi Aionishi | Chugoku | 1.24 | JPY 40 | Dec 2015 |
| Ichigo Yamaguchi Sayama | Chugoku | 2.35 | JPY 36 | Apr 2016 |
| **Total (Operating)** | 15 Plants | 29.4MW | | |

## Ichigo Total: 198.9MW

| | |
|---|---|
| Solar Power Plants (Operating/In Pipeline) | 151.1MW |
| Wind Power Plants | 18.3MW |
| Ichigo Green (9282) Solar Power Plants | 29.4MW |

## Reference: Japan's Feed-In Tariff (FIT)

- A policy mechanism to encourage investment in renewable energies by guaranteeing a fixed purchase price for electricity over a 20-year contract period
- The fixed price for new contracts is adjusted every year, but locked in for the duration of the contract period

### Solar Power FIT

| Contract Date | FIT | Guarantee Period |
|---|---|---|
| FY2012 | JPY 40 | 20 years |
| FY2013 | JPY 36 | 20 years |
| FY2014 | JPY 32 | 20 years |
| FY2015 (4/1~6/30) | JPY 29 | 20 years |
| FY2015 (7/1~3/31) | JPY 27 | 20 years |
| FY2016 | JPY 24 | 20 years |
| FY2017~ | Determined via auction process[1] | – |

### Wind Power FIT

| Contract Date | FIT | Guarantee Period |
|---|---|---|
| FY2017 (4/1~9/30) | JPY 22 | 20 years |
| FY2017 (10/1~3/31) | JPY 21 | 20 years |
| FY2018 | JPY 20 | 20 years |
| FY2019 | JPY 19 | 20 years |
| FY2020 | JPY 18 | 20 years |
| FY2021 | Determined via auction process[2] | – |

[1] 2017 FIT for >2MW non-residential, 2019 FIT for >0.5MW non-residential, and 2020~ FIT >0.25MW non-residential solar power production

[2] FIT for >0.25MW wind power generation

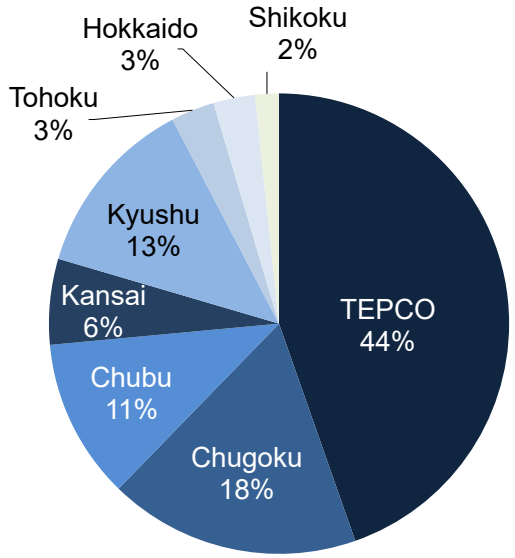
一期一会 ICHIGO

© Ichigo Inc. All rights reserved.

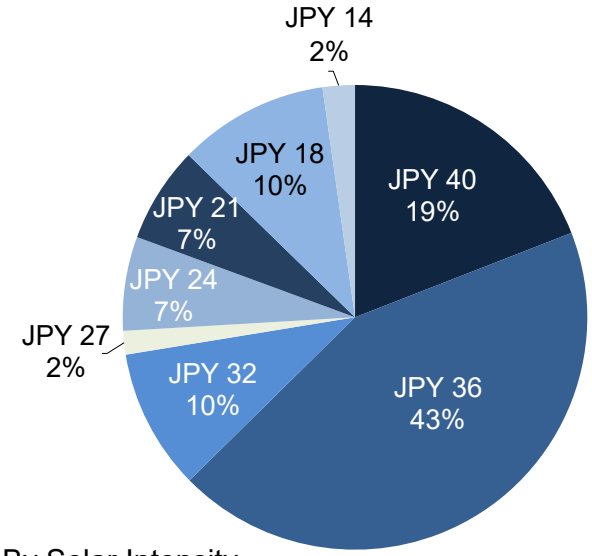
# Ichigo-Owned Solar Power Plant Details

Total Operating and In-Pipeline Ichigo-Owned Solar Power Plants: 48 Plants (151.1MW)

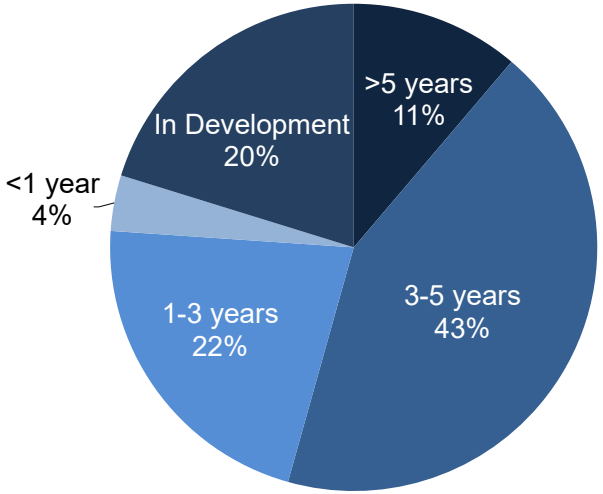
By Customer
(Electric Power Utility Co)



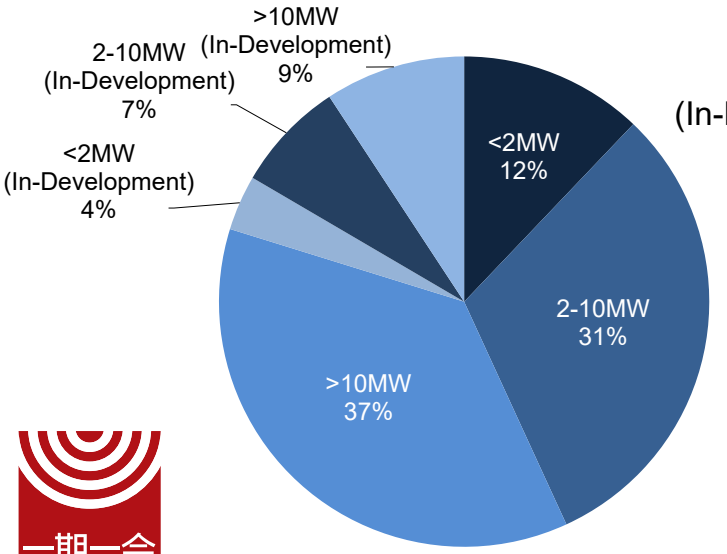

By Feed-In Tariff



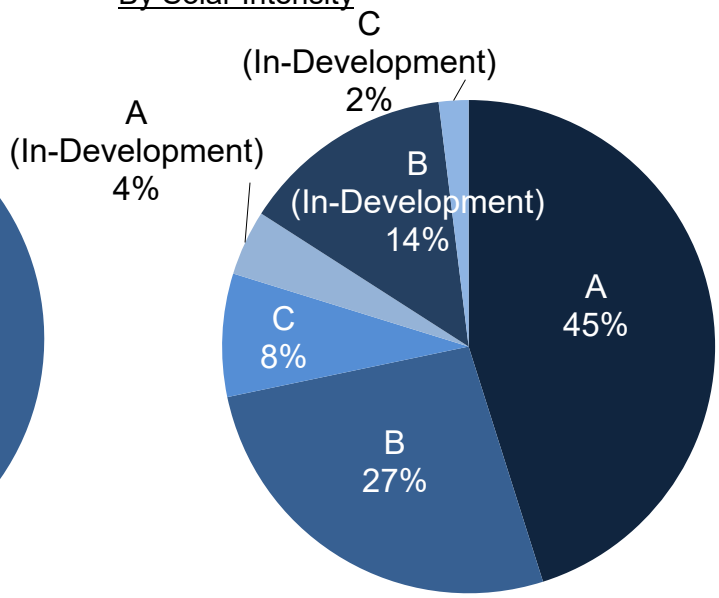

By Years in Operation




By Output




By Solar Intensity




Panel Output and FIT by Customer

| Area | Operating | | In Pipeline | |
|---|---|---|---|---|
| | Panel Output (MW) | FIT (Pre-tax) (JPY) | Panel Output (MW) | FIT (Pre-tax) (JPY) |
| TEPCO | 66.0 | 18 – 40 | 1.5 | 14 |
| Chugoku | 21.1 | 21 – 40 | 5.6 | 18 |
| Kyushu | 2.4 | 36 – 40 | 17.0 | 32 – 40 |
| Chubu | 13.0 | 18 – 36 | 4.0 | 14 – 18 |
| Kansai | 6.6 | 21 – 32 | 2.5 | 18 |
| Tohoku | 4.6 | 36 | – | – |
| Hokkaido | 4.4 | 40 | – | – |
| Shikoku | 2.5 | 40 | – | – |
| Total | 120.6 | | 30.5 | |

Solar Intensity Rank
A: ≥4.00 B: ≥3.75, <4.00 C: ≥3.50, <3.75 D: <3.5
Unit: kWh/m$^2$ per day

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Consolidated Balance Sheet: Assets

(JPY million)

| | FY17/2 | FY18/2 | FY19/2 | FY20/2 | FY21/2 | vs. FY20/2 |
|---|---|---|---|---|---|---|
| **Assets** | | | | | | |
| Current Assets | | | | | | |
| Cash and cash equivalents | 47,678 | 45,510 | 50,225 | 41,067 | 50,832 | +9,765 |
| Trade notes and accounts receivable | 913 | 1,097 | 1,344 | 2,308 | 1,382 | -926 |
| Operational loan investments | 1,324 | 1,324 | 1,324 | 1,324 | 1,324 | – |
| Operational securities investments | 1,433 | 2 | 1,218 | 902 | 590 | -312 |
| Real estate for sale | 167,805 | 180,789 | 161,322 | 68,290 | 64,109 | -4,181 |
| Deferred tax assets | 516 | 342 | – | – | – | – |
| Other | 3,125 | 2,643 | 2,156 | 3,721 | 2,698 | -1,023 |
| Less: allowance for doubtful accounts | -453 | -28 | -2 | -6 | -167 | -161 |
| Total Current Assets | 222,344 | 231,681 | 217,590 | 117,608 | 120,771 | +3,163 |
| Fixed Assets | | | | | | |
| Property, Plant, and Equipment | | | | | | |
| Buildings and structures (net) | 7,375 | 10,600 | 20,338 | 55,050 | 60,673 | +5,623 |
| Solar power plant equipment (net) | 7,246 | 19,773 | 19,058 | 23,425 | 24,191 | +766 |
| Land | 18,627 | 26,993 | 49,924 | 122,114 | 122,592 | +478 |
| Other (net) | 12,402 | 1,190 | 5,655 | 5,607 | 6,935 | +1,328 |
| Total Property, Plant, and Equipment | 45,654 | 58,558 | 94,976 | 206,198 | 214,392 | +8,194 |
| Intangible Assets | | | | | | |
| Goodwill | 1,864 | 1,600 | 1,346 | 1,090 | 968 | -122 |
| Leasehold rights | 62 | 135 | 316 | 687 | 1,272 | +585 |
| Other | 29 | 233 | 331 | 705 | 1,797 | +1,092 |
| Total Intangible Assets | 1,956 | 1,968 | 1,993 | 2,482 | 4,038 | +1,556 |
| Investments and Other Assets | | | | | | |
| Securities investments | 1,426 | 2,184 | 2,455 | 4,321 | 5,147 | +826 |
| Long-term loans receivable | 10 | 10 | 10 | 510 | 10 | -500 |
| Deferred tax assets | 339 | 68 | 177 | 568 | 605 | +37 |
| Other | 1,820 | 2,132 | 2,231 | 2,128 | 2,202 | +74 |
| Less: allowance for doubtful accounts | -92 | -91 | -91 | -91 | -91 | – |
| Total Investments and Other Assets | 3,504 | 4,303 | 4,782 | 7,436 | 7,874 | +438 |
| Total Fixed Assets | 51,115 | 64,831 | 101,752 | 216,118 | 226,305 | +10,187 |
| **Total Assets** | **273,459** | **296,512** | **319,343** | **333,726** | **347,076** | **+13,350** |

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Consolidated Balance Sheet: Liabilities & Net Assets

(JPY million)

| | FY17/2 | FY18/2 | FY19/2 | FY20/2 | FY21/2 | vs. FY20/2 |
|---|---|---|---|---|---|---|
| **Liabilities** | | | | | | |
| Current Liabilities | | | | | | |
| Trade notes and accounts payable | 110 | – | – | – | – | – |
| Short-term loans | 805 | 1,042 | 3,275 | 3,086 | 4,879 | +1,793 |
| Short-term non-recourse loans | 611 | – | – | – | – | – |
| Bonds (due within one year) | 112 | 112 | 112 | 274 | 274 | – |
| Long-term loans (due within one year) | 5,209 | 4,449 | 7,881 | 12,277 | 9,751 | -2,526 |
| Long-term non-recourse loans (due within one year) | 6,825 | 3,921 | 1,666 | 1,178 | 1,358 | +180 |
| Income taxes payable | 1,655 | 1,609 | 3,760 | 2,416 | 573 | -1,843 |
| Deferred tax liabilities | 62 | 494 | – | – | – | – |
| Accrued bonuses | 36 | 34 | 31 | 33 | 9 | -24 |
| Other current liabilities | 4,119 | 4,652 | 5,178 | 5,013 | 5,527 | +514 |
| Total Current Liabilities | 19,548 | 16,316 | 21,905 | 24,280 | 22,374 | -1,906 |
| Long-Term Liabilities | | | | | | |
| Bonds | 632 | 520 | 538 | 6,082 | 5,878 | -204 |
| Non-recourse bonds | 100 | – | – | – | – | – |
| Long-term loans | 91,604 | 112,366 | 131,569 | 151,483 | 156,890 | +5,407 |
| Long-term non-recourse loans | 68,319 | 63,588 | 51,068 | 39,156 | 40,974 | +1,818 |
| Deferred tax liabilities | 1,147 | 1,744 | 2,164 | 1,890 | 1,868 | -22 |
| Long-term security deposits received | 8,038 | 8,492 | 8,292 | 8,118 | 7,795 | -323 |
| Other long-term liabilities | 624 | 758 | 946 | 1,107 | 1,039 | -68 |
| Total Long-Term Liabilities | 170,467 | 187,470 | 194,579 | 207,838 | 214,446 | +6,608 |
| **Total Liabilities** | **190,015** | **203,787** | **216,484** | **232,119** | **236,820** | **+4,701** |
| **Net Assets** | | | | | | |
| Shareholders' Equity | | | | | | |
| Capital | 26,650 | 26,723 | 26,820 | 26,885 | 26,888 | +3 |
| Capital reserve | 11,056 | 11,113 | 11,207 | 11,272 | 11,275 | +3 |
| Retained earnings | 42,840 | 54,324 | 66,730 | 71,505 | 73,160 | +1,655 |
| Treasury shares | -15 | -2,995 | -5,988 | -8,988 | -11,988 | -3,000 |
| Total Shareholders' Equity | 80,532 | 89,165 | 98,769 | 100,674 | 99,335 | -1,339 |
| Accumulated Other Comprehensive Income | | | | | | |
| Valuation gains (losses) on other securities | 117 | 543 | 386 | 158 | 90 | -68 |
| Deferred gains (losses) on long-term interest rate | -365 | -372 | -408 | -397 | -375 | +22 |
| Foreign currency translation adjustment | 55 | – | – | – | – | – |
| Total Accumulated Other Comprehensive Income | -192 | 171 | -21 | -239 | -285 | -46 |
| Stock Options | 491 | 666 | 827 | 988 | 1,007 | +19 |
| Minority Interests | 2,612 | 2,722 | 3,283 | 184 | 10,197 | +10,013 |
| **Total Net Assets** | **83,443** | **92,725** | **102,859** | **101,607** | **110,255** | +8,648 |
| **Total Liabilities and Net Assets** | **273,459** | **296,512** | **319,343** | **333,726** | **347,076** | **+13,350** |

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Consolidated P&L

(JPY million)

| | FY17/2 | FY18/2 | FY19/2 | FY20/2 | FY21/2 | Change (YOY) | FY21/2 Full-Year Forecast | vs. Forecast |
|---|---|---|---|---|---|---|---|---|
| **Revenue** | **109,253** | **57,846** | **83,540** | **87,360** | **61,368** | **-25,992** | **–** | **–** |
| Cost of Goods Sold | 81,327 | 30,860 | 51,413 | 52,851 | 45,776 | -7,075 | – | – |
| **Gross Profit** | **27,925** | **26,986** | **32,126** | **34,509** | **15,591** | **-18,918** | **–** | **–** |
| SG&A | 5,025 | 5,067 | 5,847 | 6,787 | 5,923 | -864 | – | – |
| **Operating Profit** | **22,900** | **21,919** | **26,279** | **27,721** | **9,668** | **-18,053** | **9,500** | **101.8%** |
| Non-Operating Income | | | | | | | | |
| Interest income | – | 3 | 3 | 8 | 17 | +9 | – | – |
| Dividend income | 85 | 57 | 68 | 78 | 78 | – | – | – |
| Mark-to-market gains on long-term interest rate hedges | – | – | 5 | – | 243 | +243 | – | – |
| Other | 32 | 100 | 70 | 62 | 78 | +16 | – | – |
| Total Non-Operating Income | 118 | 161 | 147 | 150 | 417 | +267 | – | – |
| Non-Operating Expenses | | | | | | | | |
| Interest expenses | 2,278 | 2,249 | 2,328 | 2,293 | 2,338 | +45 | – | – |
| Mark-to-market losses on long-term interest rate hedges | 53 | 270 | 491 | 336 | 29 | -307 | – | – |
| Debt financing-related fees | 714 | 207 | 327 | 538 | 279 | -259 | – | – |
| Other | 217 | 168 | 203 | 307 | 258 | -49 | – | – |
| Total Non-Operating Expenses | 3,263 | 2,895 | 3,350 | 3,476 | 2,906 | -570 | – | – |
| **Recurring Profit** | **19,755** | **19,185** | **23,076** | **24,395** | **7,179** | **-17,216** | **6,800** | **105.6%** |
| Extraordinary Gains | | | | | | | | |
| Gains on sales of fixed assets | – | – | – | – | 720 | +720 | – | – |
| Gains on sales of securities investments | 2,466 | – | 2 | 11 | – | -11 | – | – |
| Gains on sales of shares in affiliates | – | 1,221 | – | – | – | – | – | – |
| Gains on sales of subsidiary shares | – | – | – | 169 | – | -169 | – | – |
| Other | – | 41 | – | 35 | – | -35 | – | – |
| Total Extraordinary Gains | 2,466 | 1,263 | 2 | 215 | 720 | +505 | – | – |
| Extraordinary Losses | | | | | | | | |
| Loss on disposal of fixed assets | – | 11 | – | 27 | – | -27 | – | – |
| Valuation losses on securities investments | – | – | – | 229 | 114 | -115 | – | – |
| Office move expenses | 31 | – | – | – | – | – | – | – |
| Impairment loss | 1,090 | 327 | – | 319 | 27 | -292 | – | – |
| Earthquake-related damages | 244 | – | – | – | – | – | – | – |
| Covid writedown of real estate for sale | – | – | – | 7,487 | – | -7,487 | – | – |
| Other | 224 | – | – | – | 146 | 145 | – | – |
| Total Extraordinary Losses | 1,590 | 339 | – | 8,065 | 288 | -7,777 | – | – |
| Pre-Tax Income | 20,630 | 20,109 | 23,079 | 16,545 | 7,610 | -8,935 | – | – |
| Income Taxes - Current | 4,863 | – | – | 7,990 | 2,622 | -5,368 | – | – |
| Income Taxes - Deferred | 573 | – | – | -584 | -58 | +526 | – | – |
| Total Income Taxes | 5,436 | 5,923 | 7,333 | 7,406 | 2,564 | -4,842 | – | – |
| Pre-Minority Interest Net Income | 15,194 | 14,185 | 15,746 | 9,139 | 5,046 | -4,093 | – | – |
| Net Income Attributable to Minority Interests | 299 | 167 | 373 | 938 | 18 | -920 | – | – |
| **Net Income** | **14,894** | **14,018** | **15,373** | **8,201** | **5,027** | **-3,174** | **5,000** | **100.5%** |

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Consolidated Cash Flows: Operations

(JPY million)

| | FY17/2 (12M) | FY18/2 (12M) | FY19/2 (12M) | FY20/2 (12M) | FY21/2 (12M) |
|---|---|---|---|---|---|
| **Cash Flows from Operations** | | | | | |
| Pre-tax income | 20,630 | 20,109 | 23,079 | 16,545 | 7,610 |
| Depreciation | 778 | 1,015 | 1,696 | 2,630 | 4,797 |
| Share-based compensation expenses | 223 | 215 | 213 | 194 | 21 |
| Amortization of goodwill | 141 | 111 | 254 | 174 | 121 |
| Increase (decrease) in accrued bonuses | 23 | 32 | -3 | 2 | -24 |
| Increase (decrease) in allowance for doubtful accounts | -3 | -355 | -26 | 4 | 161 |
| Interest and dividend income | -85 | -61 | -71 | -86 | -96 |
| Interest expense | 1,303 | 2,249 | 2,328 | 2,293 | 2,338 |
| Losses (gains) on sales of subsidiary shares | – | – | – | -169 | – |
| Losses (gains) on sales of shares in affiliates | – | -1,221 | – | – | – |
| Losses (gains) on sales of securities investments | -2,466 | – | -2 | -11 | – |
| Losses (gains) on sales of fixed assets | – | – | – | – | -720 |
| Impairment loss | 1,090 | 327 | – | 319 | 27 |
| Valuation losses on securities investments | – | – | – | 229 | 114 |
| Decrease (increase) in trading notes and receivables | -367 | -468 | -247 | -903 | 925 |
| Decrease (increase) in operational securities investments | 2,727 | 1,663 | 3,509 | 11,682 | 343 |
| Decrease (increase) in real estate for sale | -6,303 | -8,112 | -3,163 | -17,447 | 5,342 |
| Covid writedown of real estate for sale | – | – | – | 7,487 | – |
| Decrease (increase) in power plant for sale | 7,251 | 996 | – | – | – |
| Valuation losses on SPC capital contributions | 16 | – | – | – | 4 |
| Decrease (increase) in advances paid | -190 | 871 | -333 | 16 | 61 |
| Decrease (increase) in accounts receivable | -193 | -10 | -399 | 29 | 16 |
| Increase (decrease) in accounts payable | 204 | 573 | -332 | 201 | -437 |
| Increase (decrease) in accrued expenses | 92 | -47 | 25 | -36 | 94 |
| Increase (decrease) in advances received | -49 | 30 | 269 | -285 | -57 |
| Increase (decrease) in security deposits received | -667 | 125 | -264 | -169 | -323 |
| Other | 1,304 | 585 | 1,887 | 600 | 1,550 |
| Sub-Total | 25,460 | 18,628 | 28,420 | 23,304 | 21,870 |
| Interest and dividend income received | 85 | 61 | 71 | 86 | 96 |
| Interest expenses paid | -1,146 | -2,231 | -2,118 | -2,068 | -2,119 |
| Income taxes paid and refunded | -2,852 | -5,854 | -4,610 | -9,430 | -4,384 |
| **Net Cash from (Used for) Operations** | **21,547** | **10,603** | **21,762** | **11,892** | **15,463** |

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Consolidated Cash Flows: Investments & Financing

(JPY million)

| | FY17/2 (12M) | FY18/2 (12M) | FY19/2 (12M) | FY20/2 (12M) | FY21/2 (12M) |
|---|---|---|---|---|---|
| **Cash Flows from Investments** | | | | | |
| Payments into time deposits | -6,100 | -6 | -118 | -113 | -7 |
| Proceeds from withdrawal from time deposits | 201 | – | 1,060 | 5,033 | – |
| Payments for securities investments | -300 | -140 | -539 | -2,361 | -547 |
| Proceeds from sales of securities investments | 6,136 | – | 32 | 111 | 10 |
| Proceeds from redemptions of securities investments | – | – | – | – | -16,447 |
| Acquisitions of property, plant, and equipment | -11,719 | -4,796 | -15,440 | -11,244 | 2,850 |
| Acquisitions of intangible assets | -1 | -83 | -425 | -562 | -1,468 |
| Payments of SPC capital contributions | -63 | -28 | -6 | -2 | -3 |
| Redemptions of SPC capital contributions | – | – | 32 | – | 15 |
| Payments of security deposits | -5 | -36 | -16 | -34 | – |
| Acquisitions of subsidiary shares resulting in change of consolidation scope | -93 | -2,619 | – | – | – |
| Sales of subsidiary shares resulting in change of consolidation scope | – | 2,096 | – | – | – |
| Acquisitions of consolidated subsidiary | – | – | – | -187 | – |
| Other | 11 | -32 | -181 | -902 | -30 |
| **Net Cash from (Used for ) Investments** | **-11,933** | **-5,645** | **-15,602** | **-10,263** | **-15,630** |
| **Cash Flows from Financing** | | | | | |
| Net increase (decrease) in short-term loans | -1,383 | -306 | 2,232 | 426 | 1,793 |
| Net increase (decrease) in short-term non-recourse loans | 532 | -611 | – | – | – |
| Proceeds from bond issuance | 785 | – | 129 | 5,828 | 70 |
| Repayment of maturing bond principal to bondholders | -56 | -112 | -112 | -193 | -274 |
| Redemption of non-recourse bonds | – | -100 | – | – | – |
| Proceeds from long-term loans | 55,674 | 32,660 | 43,062 | 49,957 | 51,877 |
| Repayment of long-term loans | -61,221 | -13,402 | -20,352 | -26,475 | -48,996 |
| Proceeds from long-term non-recourse loans | 30,850 | 3,518 | 3,500 | 5,300 | 3,300 |
| Repayment of long-term non-recourse loans | -15,400 | -22,366 | -18,473 | -17,701 | -1,301 |
| Proceeds from employee exercise of stock options | 137 | 110 | 143 | 95 | 4 |
| Share buyback | – | -2,999 | -2,999 | -2,999 | -2,999 |
| Proceeds from minority interests | – | – | 90 | – | 10,000 |
| Payments to minority interests | -2,000 | – | – | -1,276 | – |
| Sales of subsidiary shares resulting in no change of consolidation scope | – | – | 100 | – | – |
| Dividends paid to minority interests | -39 | – | – | -8 | -5 |
| Dividends paid | -1,501 | -2,513 | -2,972 | -3,416 | -3,298 |
| **Net Cash from (Used for ) Financing** | **6,377** | **-6,124** | **4,346** | **9,537** | **10,167** |

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Ichigo 2030: Ichigo as a Sustainable Infrastructure Company

© Ichigo Inc. All rights reserved.

# Go for Growth

## Grow & Expand Ichigo's Core Businesses into New Areas, Creating New Earnings Streams and Increasing Both Earnings and Earnings Stability

### Sustainability

Sustainability is integral to the health and development of people, society, and the environment.

Ichigo's current core business of preserving and improving real estate is a highly sustainable business model that combines high efficiency with low environmental impact.

Under Ichigo 2030, Ichigo will continue its long-standing commitment to sustainability while developing new technologies to extend the lives of key social infrastructure beyond 100 years.

### Infrastructure

Ichigo has a direct and critically important role in preserving and improving the social infrastructure that supports the quality of people's lives.

By expanding its current real estate and clean energy businesses into other infrastructure areas, Ichigo will integrate the "hard" physical elements and "soft" service elements of infrastructure to serve broad client needs.

Critical to success will be unifying Ichigo's Sustainable Value-Add and IT capabilities. Ichigo will work to deliver first-in-class and best-in-class solutions to drive significant value for clients and society across a diverse set of infrastructures. Being one of many is not enough. Ichigo needs to lead.

## Ichigo as a Sustainable Infrastructure Company

一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Addressing Needs of Diverse Individuals & Communities

## Change
### Focus on People

| From Building-Centered | | To People-Centered |
|---|---|---|
| Residence | » | Live |
| Office | » | Work |
| Retail | » | Shop, Dine |
| Hotel | » | Travel |
| Power Plant | » | Power Lives & Business |
| Stadium | » | Play, Entertain |
| Warehouse | » | Store, Distribute |
| Cultural Facility | » | Enjoy, Discover |

## Opportunity
### Address Diverse Needs




一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# KPI Targets

## 1. High Capital Efficiency

- FY20/2~FY30/2 Average ROE >15%
  - ✓ Increase long-term ROE by driving higher capital efficiency and earnings stability
  - ✓ Via high ROE, grow long-term EPS as a key driver of shareholder value
- FY20/2~FY30/2 Continuous JPX-Nikkei 400 Index Inclusion
  - ✓ Target 11 consecutive years of inclusion

## 2. High Cash Flow Generation

- FY20/2~FY30/2 Continuous Economic Operating Cash Flow > Net Income
  - ✓ Ichigo's robust cash flows fund both growth investments and shareholder returns
  - ✓ Target 11 consecutive years of EOCF > NI

## 3. High Earnings Stability

- FY30/2 Stock Earnings Ratio >60%
  - ✓ Raise Stock Earnings ratio from FY19/2's 53%
  - ✓ Concurrently increase and diversify Flow Earnings, which are currently centered on Sustainable Real Estate Gains on Sales

Note: Economic Operating Cash Flow = Cash Flows from Operations excluding net investment in Real Estate and Power Plants for Sale

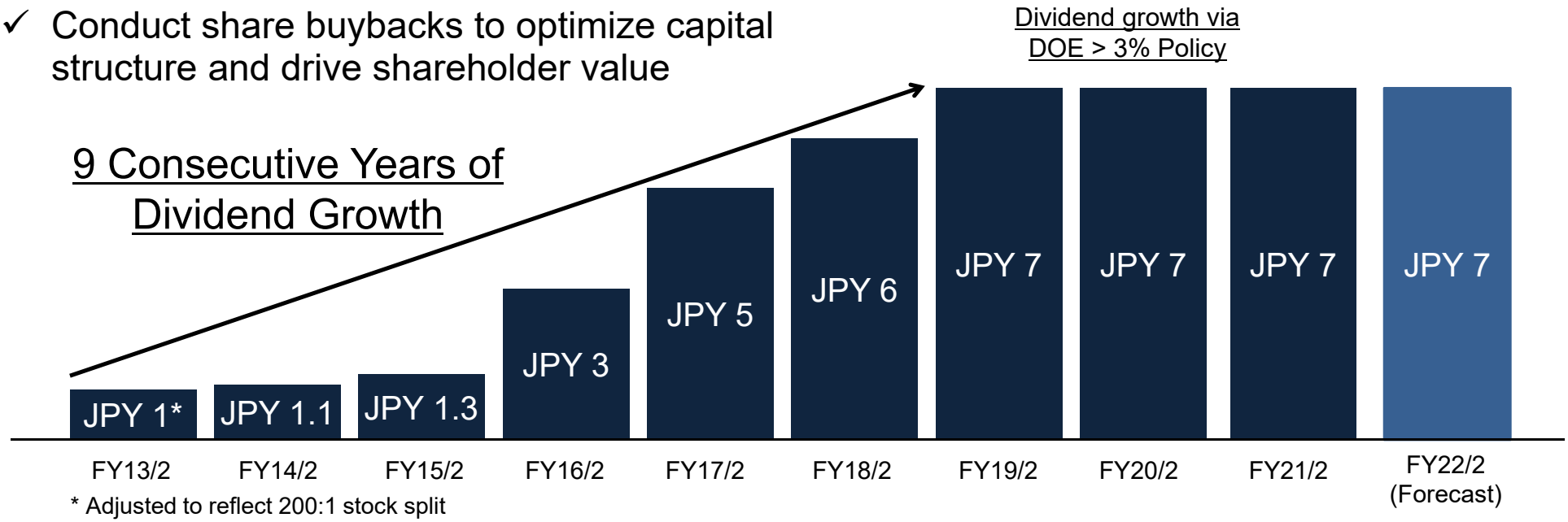
一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Shareholder Return Policy

## Ichigo Dividend Policy: Growth, Certainty, and Stability

- Progressive Dividend Policy
  - ✓ Ichigo's progressive dividend policy underscores our commitment to driving continued organic earnings and dividend growth for shareholders. Under this policy, the dividend is maintained or raised every year (but not cut), providing shareholders with the security of a durable dividend.
- DOE (Dividend on Equity) Payout Ratio of >3%
  - ✓ Stable and growing dividend unaffected by short-term earnings volatility
- Flexible Deployment of Share Buybacks (New)
  - ✓ Conduct share buybacks to optimize capital structure and drive shareholder value




* Adjusted to reflect 200:1 stock split

© Ichigo Inc. All rights reserved.

# Ichigo 2030: New Initiatives

© Ichigo Inc. All rights reserved.

# Top Partner of J.League, Japan's Professional Soccer League

## Partner with J.League to Promote Community Development, Revitalize Local Economies, and Help People Enjoy Fuller and Healthier Lives

| J.League's 100-Year Vision: Promote Sports Development | Ichigo's Mission: Serve Important Social Needs |
|---|---|
| J.League's mission is to establish sports clubs rooted in local communities, cooperating with local residents, businesses, and municipalities to promote community development | Ichigo believes that companies exist to serve society, and seeks to contribute to local communities as a sustainable infrastructure company |

Ichigo's role as the only real estate company that is a J.League Top Partner:

- Renovate and upgrade stadiums and help local governments find solutions for the rising costs of operating stadiums
- Work to build stronger and healthier communities in cooperation with local residents, businesses, and municipalities




©J.LEAGUE

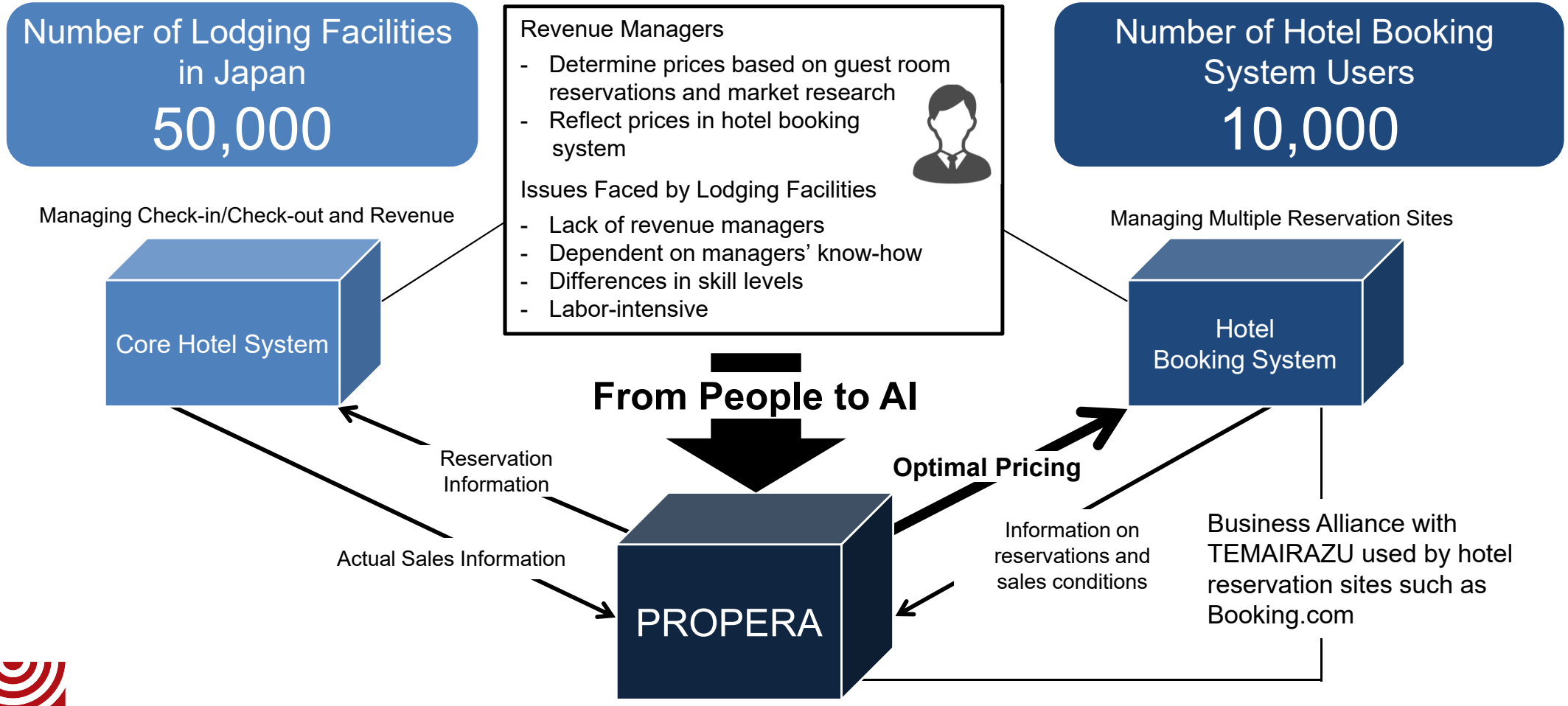



© Ichigo Inc. All rights reserved.

# PROPERA: Ichigo's AI Hotel Revenue Management System

- Maximizes Hotel Revenues and Increases Labor Productivity
- Solves Issues Faced by Hotels and Supports Competitiveness
- Developed PROPERA-Lite* Tailored to Hotels' Needs

* Provides limited information on pricing levels




Lead time between installing algorithm leveraging Ichigo know-how and system implementation is shortest in the industry

© Ichigo Inc. All rights reserved.

# Hakata Hotels: Hotel Operations

## Hotel Operator in Kyushu/Yamaguchi Region Seeing Inbound Tourism Growth

– Started operations at 3 hotels on June 1, 2019 & will operate 14 hotels as of July 1, 2021

## PROPERA Deployment

– Generating 10 to 40% revenue increases p.a.

– Sales of PROPERA to non-Ichigo hotel operators expected to drive Ichigo non-asset revenue streams

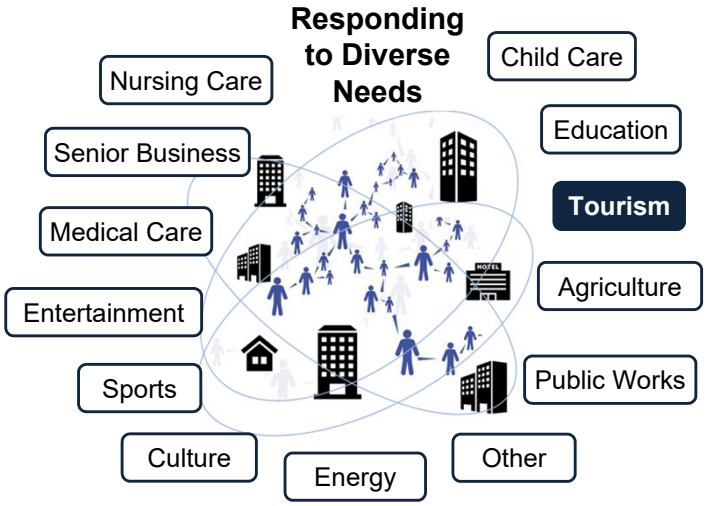




Ichigo's Hotel Il Palazzo in Fukuoka was the first building outside the U.S. to win an American Institute of Architects Honor Award in 1991

HAKATA HOTELS

The Hakata Hotels logo features *hakata-ori* woven silk textiles that are a local Fukuoka craft, including the *koukou shima* weaving pattern in which a thick vertical line is surrounded by thin vertical lines. The thin lines represent children, and the thick lines parents, expressing the sense of care shown within families. The multiple colors reflect Ichigo's values of respect for diversity. The values represented in the logo are also resonant with Ichigo's philosophy of *Ichigo Ichie*, literally meaning "One lifetime, one encounter."




一期一会
ICHIGO

© Ichigo Inc. All rights reserved.

# Ichigo Animation: Anime + Real Estate Synergies

## Released the Complete Series of New Anime VLADLOVE Written & Directed by Mamoru Oshii, with Co-Director Junji Nishimura

- Established Ichigo Animation in April 2019
- Introducing tenant collaboration initiatives that go beyond typical owner/tenant, hands-off leasing relationships
- Collaborating across multiple industries to drive new synergies with Ichigo's existing businesses

## New Earnings via Anime Content Streaming & Sales of DVDs, CDs, & Goods

## Promote Ichigo's AKIBA CULTURES ZONE (ACZ) as Global Anime Landmark

- Increase ACZ's value by integrating anime content & events (anime, dance, music, entertainment, retail, tourism, etc.)
  - ✓ Anime-related events & sales of goods at ACZ will drive both customer traffic & higher earnings

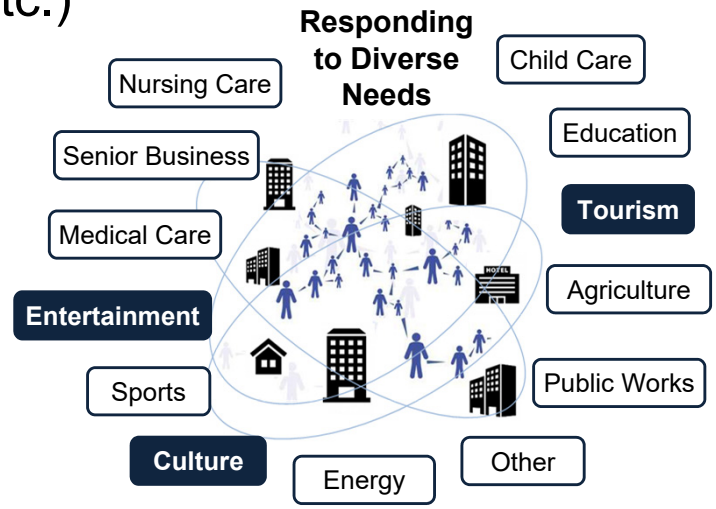



©2020 Mamoru Oshii/Ichigo Animation

×



AKIBA CULTURES ZONE




© Ichigo Inc. All rights reserved.

# TSUBASA+: Real-World Augmented Reality (AR) Game

## Investing in TSUBASA+, an AR Game that Uses Smartphone GPS

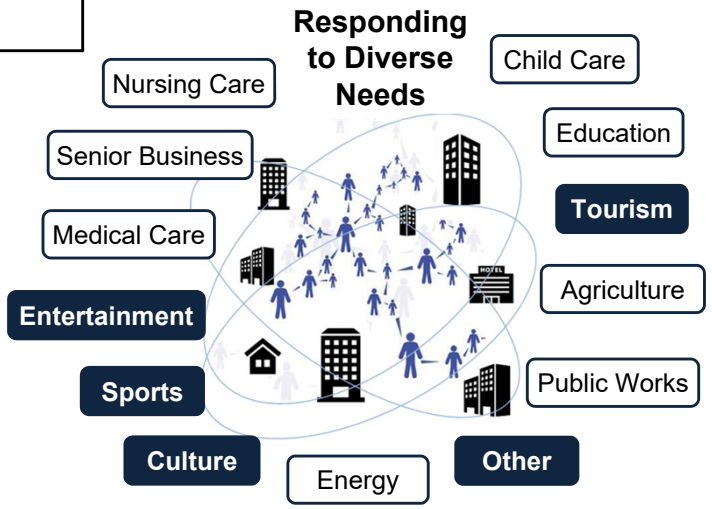
| | |
|---|---|
| **Game Features** | Japanese soccer manga, Captain Tsubasa, with avatars of world-class soccer players |
| | Integrates real-world stadiums around the world |
| | Users can play on-line with professional soccer players |
| | Global launch started in September 2020 |
| **Business Opportunity** | Royalties on sales |
| | Build virtual stadiums at Ichigo assets to drive customer traffic & activity |
| | Increase value of Ichigo assets, collaborate with hotels and retailers, promote community development, & support sports |




Development by MIRAIRE Inc.




Development by MIRAIRE Inc.




© Ichigo Inc. All rights reserved.

# Website Renewal

## Website Overhaul to Improve Usability & Site Content



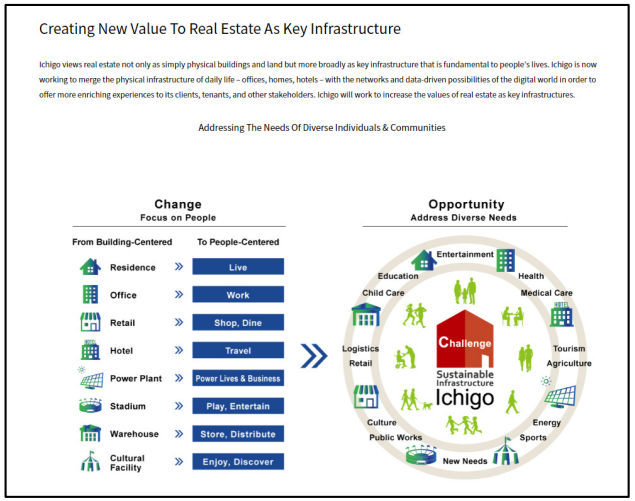

Smartphone Version







## Added New Sustainable Value-Add Examples & ESG Initiatives [www.ichigo.gr.jp/en](http://www.ichigo.gr.jp/en)










© Ichigo Inc. All rights reserved.

These materials were prepared to explain Ichigo's businesses and are not for the purpose of soliciting investment in marketable securities issued by Ichigo. Ichigo does not guarantee the accuracy of the figures, information, estimates, or other statements included herein, and accepts no responsibility for damages or losses arising through the use of the figures, information, estimates, or other statements contained herein.

These materials are based upon information available as of the publication date, and may contain forward-looking statements pertaining to Ichigo's expectations, targets, plans, and strategies. Such forward-looking statements are not facts, but are the result of management's judgment based on information currently available. Actual operating results or developments concerning Ichigo may differ substantially from those indicated by forward-looking statements. The information enclosed is subject to revision 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.

一期一会
ICHIGO

**Make The World More Sustainable**


Contact:
**Ichigo (TSE First Section 2337)**
Investor Relations

TEL: +81-3-3502-4818
E-mail: ir@ichigo.gr.jp
www.ichigo.gr.jp/en


Ichigo ESG

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.

© Ichigo Inc. All rights reserved.