



FY25/2 Q1 Corporate Presentation

July 11, 2024

Ichigo (2337)





**Make The World
More Sustainable**



World-Class Excellence

Ichigo's
Hiromi Miyake



Ichigo



Ichigo is a J.League Top Partner



©J.LEAGUE

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Appendices

FY25/2 Q1 Summary

All-In Operating Profit JPY 5.8B (+119% YOY), Cash Net Income JPY 4.4B (+30% YOY)

- Flow Earnings: Q1 Asset Sales JPY 22.1B
- Stock Earnings: JPY 5.4B (+7% YOY), Forecasting 2nd Consecutive Year of Record Stock Earnings

Asset Management Business Growth: AUM + JPY25.6B

- Ichigo Office +JPY 15.4B, Ichigo Residence Token +JPY 10.2B

Private REIT Business Entry to Expand Channels for Value-Add Assets

Global Expansion of Clean Energy Business

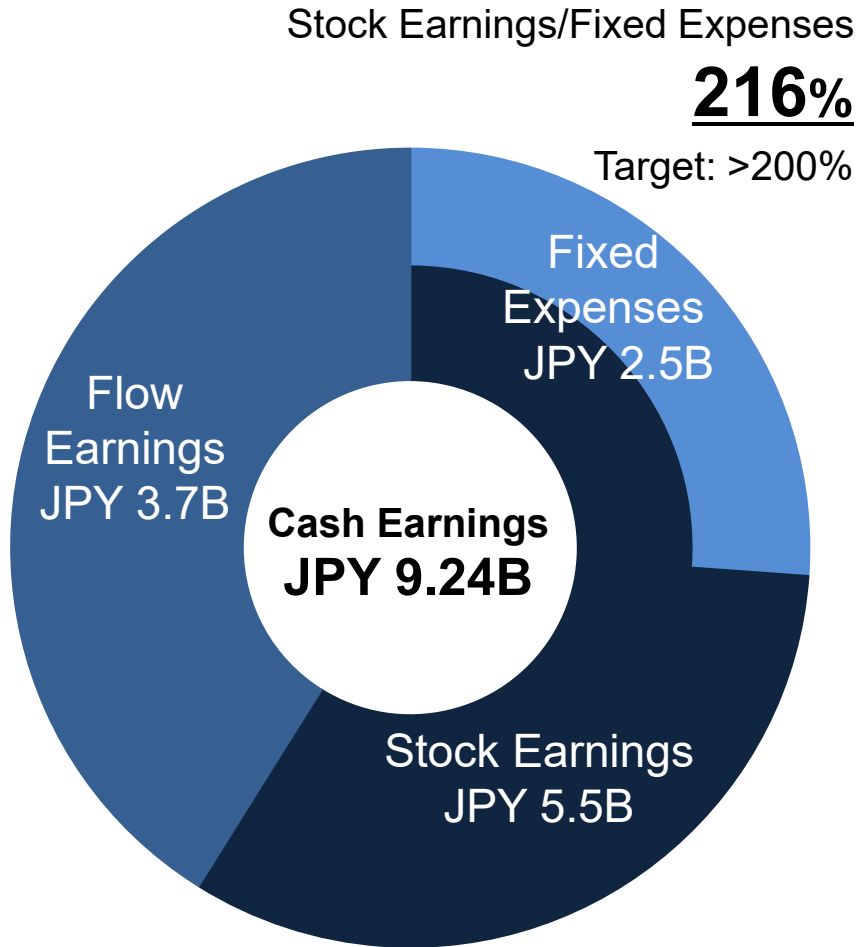
- Taking 24.39% stake in Leading German Renewable Energy Solutions Provider, GIGA.GREEN

DX: Generative AI Development & First Customer Launch (Yokosuka City)

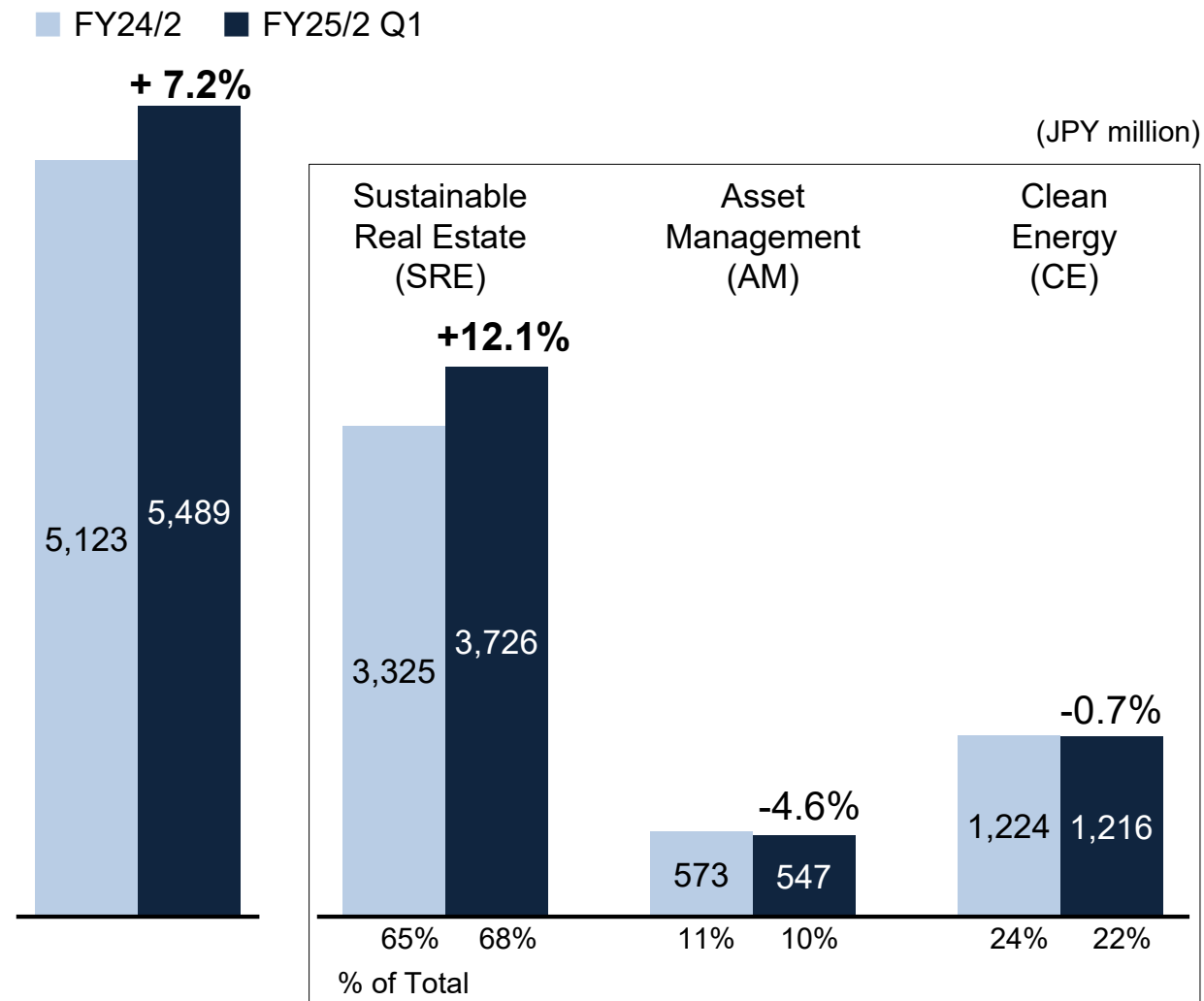
Sports: Renovating & Managing Japanese Professional Basketball Team Home Arena (Matsue, Shimane Prefecture)

FY25/2 Q1 Summary

Durable Earnings Model



Robust Stock Earnings



Stock Earnings: Rental Income, Power Generation Revenues, Base AM Fees

Flow Earnings: Primarily Sustainable Real Estate Gains on Sales Fixed Expenses: Fixed SG&A + Interest Expenses

Cash Earnings: Gross Profit + SRE Extraordinary Gains on Sales + Depreciation

FY25/2 Q1 Earnings

All-In OP +119%, Cash EPS +34% (YOY)

Cash Earnings 1.3X Accounting Earnings Due to Ichigo's Focus on Maximizing Long-Term Cash Flows for Shareholders

(JPY million)

| | FY24/2 Q1 | FY25/2 Q1 | YOY | FY25/2 Full-Year Forecast |
|-------------------------|-----------------|------------------|----------------|---------------------------|
| Operating Profit | 2,445 | 4,221 | +72.7% | 16,000 |
| All-In Operating Profit | 2,691 | 5,880 | +118.5% | 24,000 |
| Recurring Profit | 1,469 | 3,716 | +153.0% | 12,000 |
| All-In Recurring Profit | 1,715 | 5,376 | +213.3% | 20,000 |
| Net Income | 1,455 | 3,591 | +146.8% | 14,000 |
| Cash Net Income | 3,462 | 4,487 | +29.6% | 18,500 |
| EPS | JPY 3.21 | JPY 8.18 | +154.9% | JPY 32.10 |
| Cash EPS | JPY 7.64 | JPY 10.22 | +33.8% | JPY 42.42 |



All-In Operating Profit (All-In Recurring Profit) = Operating Profit (Recurring Profit) + SRE Extraordinary Gains on Sales
 Cash Net Income = Net Income + Depreciation + Amortization +/- Valuation Losses (Gains)

Segment Earnings Details

- AM: AM Fee Increase Driven by Hotel AUM & NOI Increase
Ichigo Residence Token Launch & Performance Fee on Ichigo Office
Asset Gains on Sales
- SRE Stock Earnings: Office, Retail, & Hotel Stock Earnings Growth
- SRE Flow Earnings: Sold Assets to Ichigo Office & Ichigo Residence Token
- CE: Temporary Decrease on Adverse Weather – Production Now Normalized

(JPY million)

| Segment | All-In Operating Profit | | | | All-In Gross Profit | | Earnings (Parentheses show YOY Change in Gross Profit) |
|---|-------------------------|--------------|----------------|--------------------|---------------------|--------------|---|
| | FY24/2 Q1 | FY25/2 Q1 | YOY | FY25/2 Forecast | FY24/2 Q1 | FY25/2 Q1 | |
| Asset Management (AM) | 386 | 404 | +4.9% | 1,750 | 618 | 722 | Base AM Fees 522 (-25) Ichigo Office 323 (-132) Ichigo Hotel 131 (+87) Private Funds 58 (+19) Ichigo Green Operator Fees 10 (-1) Performance Fees 175 (+130) |
| Sustainable Real Estate (SRE) | 1,726 | 4,989 | +188.9% | 20,150 | 3,078 | 6,646 | Rental Income (Net of Depreciation) 3,075 (+525) * Depreciation 650 (-124) Gains on Sales 3,570 (+3,042) Fixed Asset Gains on Sales 1,656 (+1,409) |
| Multi-Asset | 1,586 | 3,851 | +142.8% | 15,600 | 2,675 | 5,189 | |
| Owners | 140 | 1,137 | +708.2% | 4,550 | 403 | 1,457 | Power Generation Revenue (Net of Depreciation) 726 (-59) * Depreciation 489 (+51) |
| Clean Energy (CE) | 576 | 484 | -16.0% | 2,100 | 785 | 726 | |
| Adjustments (Inter-Segment Transactions, etc.) | 2 | 2 | – | – | – | – | |
| Total | 2,691 | 5,880 | +118.5% | 24,000 | 4,483 | 8,095 | |

AM & CE All-In Operating Profit = Operating Profit; SRE All-In Operating Profit = Operating Profit + SRE Extraordinary Gains on Sales
AM & CE All-In Gross Profit = Gross Profit; SRE All-In Gross Profit = Gross Profit + SRE Extraordinary Gains on Sales

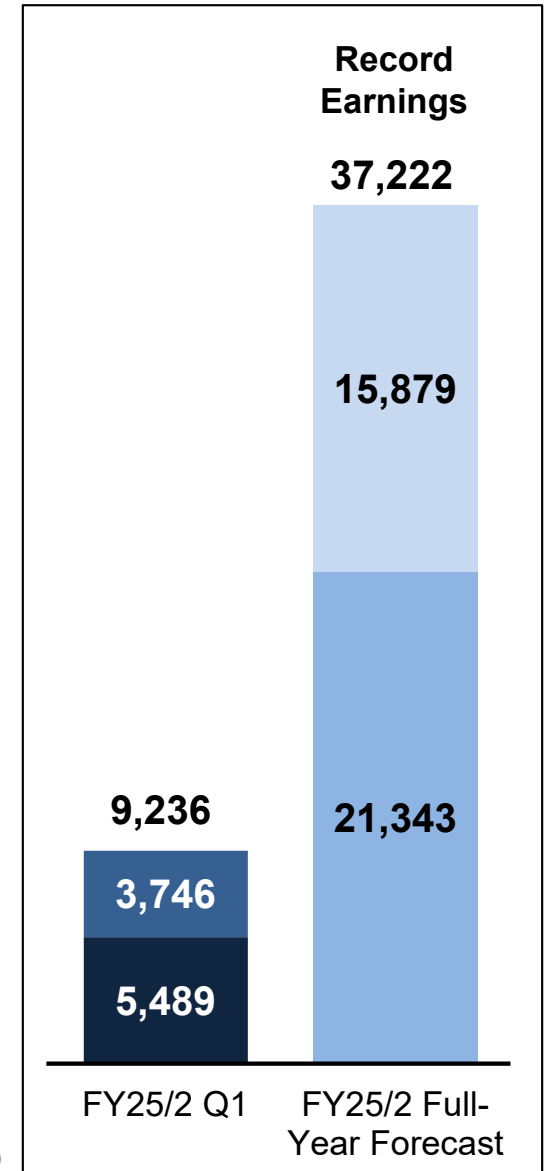
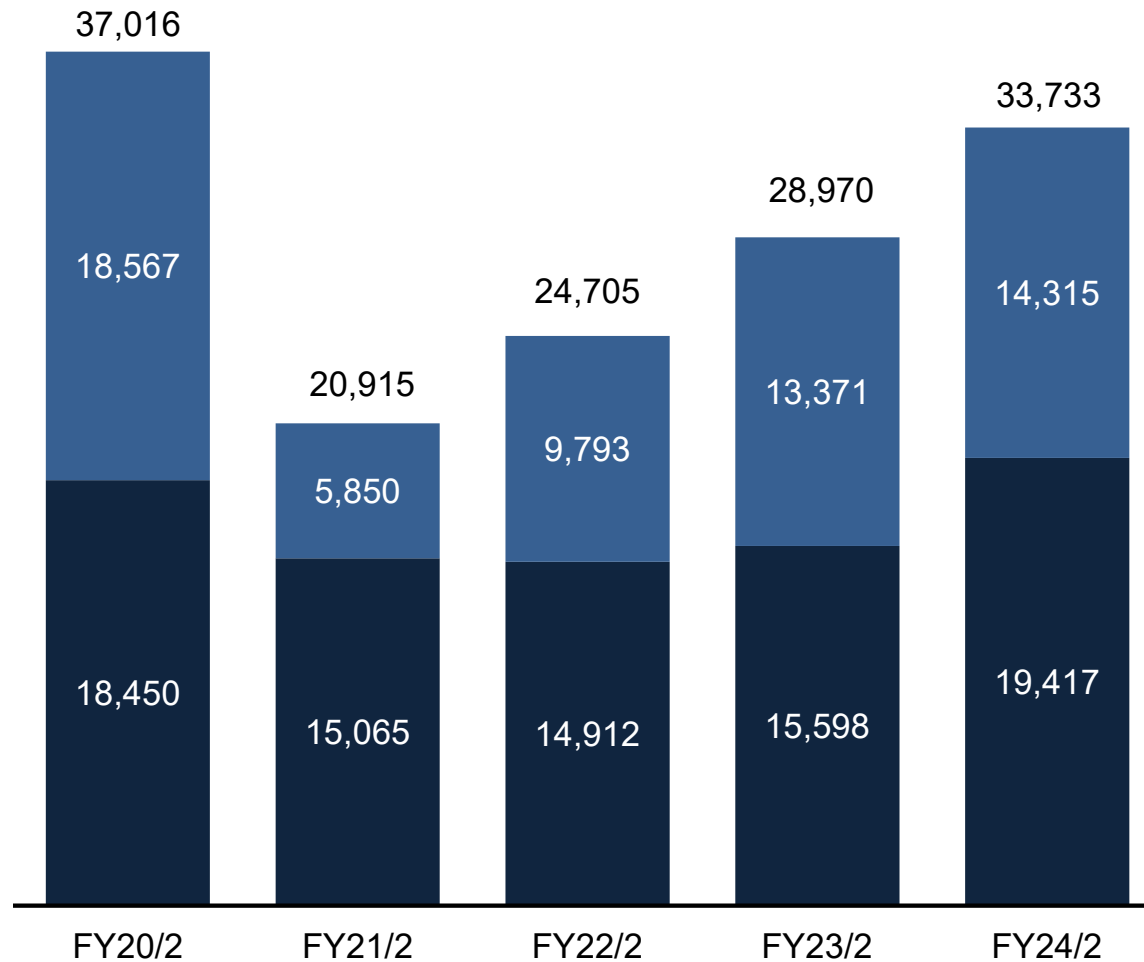
Stock + Flow Earnings

Record Cash Earnings Forecast on Stock Earnings Growth

(JPY million)

Cash Earnings

- Flow Earnings
- Stock Earnings



Cash Earnings = Gross Profit + SRE Extraordinary Gains on Sales + Depreciation Expenses (Non-Cash)

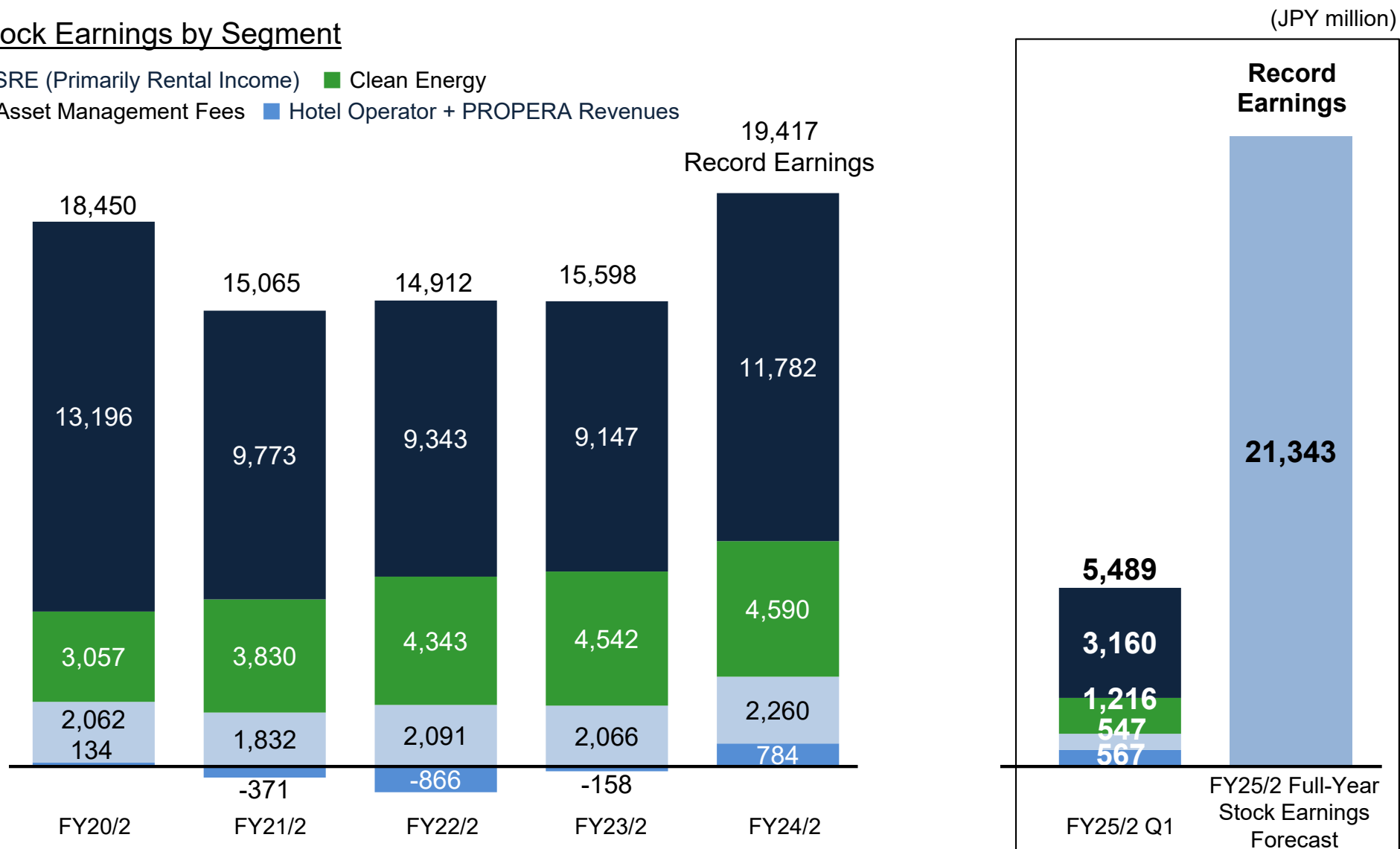


Durable Stock Earnings

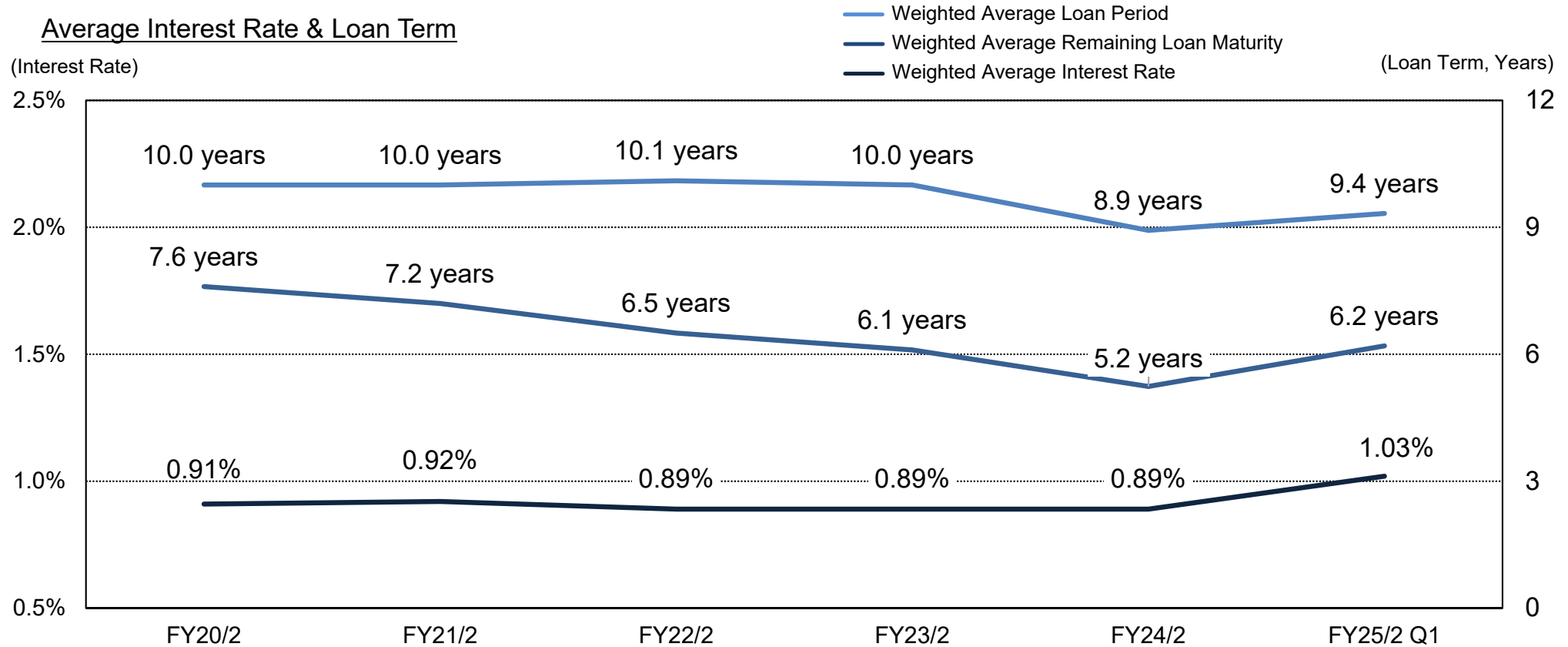
Forecasting 2nd Consecutive Year of Record Stock Earnings – Stable Non-SRE Earnings Growth Diversifying Earnings Base

Stock Earnings by Segment

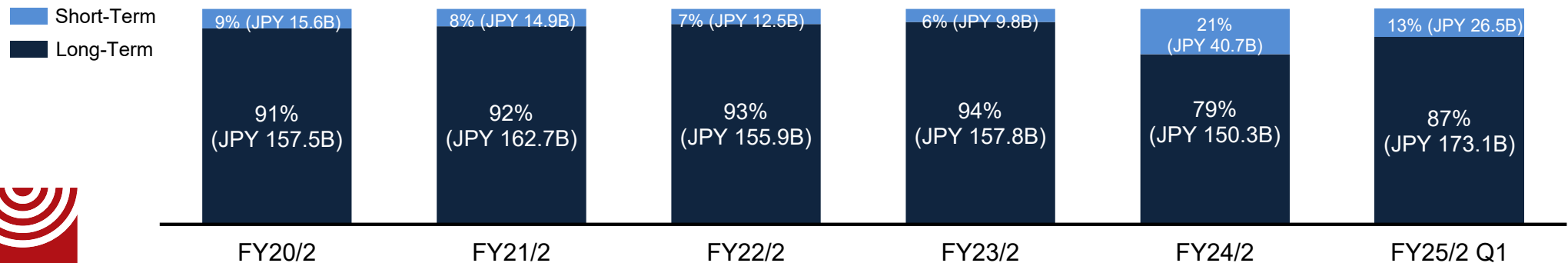
- SRE (Primarily Rental Income) ■ Clean Energy
- Asset Management Fees ■ Hotel Operator + PROPERA Revenues



Strong Financial Base



Term Structure of Loans



Driving Sustainable Growth

Selective on Acquisitions & Sales

Acquisitions: JPY 13B (JPY 37.9B Including Executed Contracts)

- Multi-Asset: 2 Offices JPY 8.5B (JPY 16.3B Including Executed Contracts)
Expanding REIT Pipeline
- Owners: JPY 4.4B (JPY 21.5B Including Executed Contracts)

Sales: JPY 22.1B

- Sold 4 Assets (JPY 9.1B) to Ichigo Office as Sponsor Pipeline Support
- Sold 7 Residential Assets (JPY 10.2B) as 4th Ichigo Residence Token

FY25/2 Q1 Net Sales: JPY 9.1B

(JPY million)

| | | Acquisitions | | Sales ² | | Difference (A) – (B) |
|---------------|-------------|---------------|----------------|--------------------|----------------|-------------------------|
| | | No. of Assets | Book Value (A) | No. of Assets | Sale Price (B) | |
| Multi-Asset | Office | 2 | 8,583 | 4 | 9,166 | -583 |
| | Retail | – | – | 1 | 1,705 | -1,705 |
| Ichigo Owners | Residential | 4 | 4,475 | 8 | 11,321 | -6,846 |
| Total | | 6 | 13,058 | 13 | 22,192 | -9,134 |

Book Value of Sales: JPY 18.9B

Note: Ichigo Residence Tokens are security tokens, i.e., highly secure digital investment products with properties of traditional securities that are managed on a blockchain.

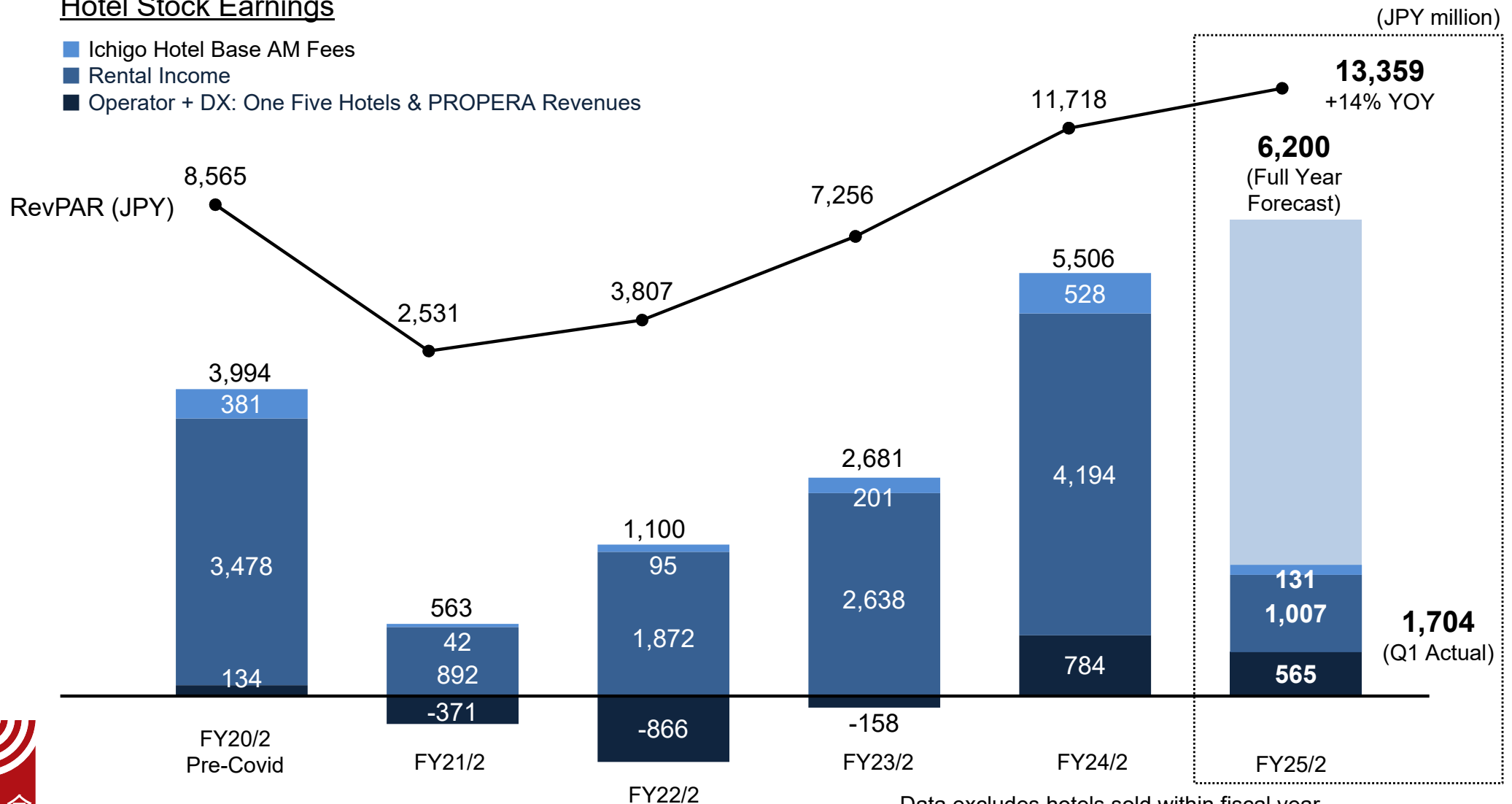
Hotel Stock Earnings Driving Stock Earnings Growth

Ichigo's Hotel Operator One Five Hotels Revenues +75% YOY

Ichigo Hotel Base AM Fee +198% YOY on 5 Hotel Acquisitions in FY24/2

Hotel Stock Earnings

- Ichigo Hotel Base AM Fees
- Rental Income
- Operator + DX: One Five Hotels & PROPERA Revenues



Data excludes hotels sold within fiscal year



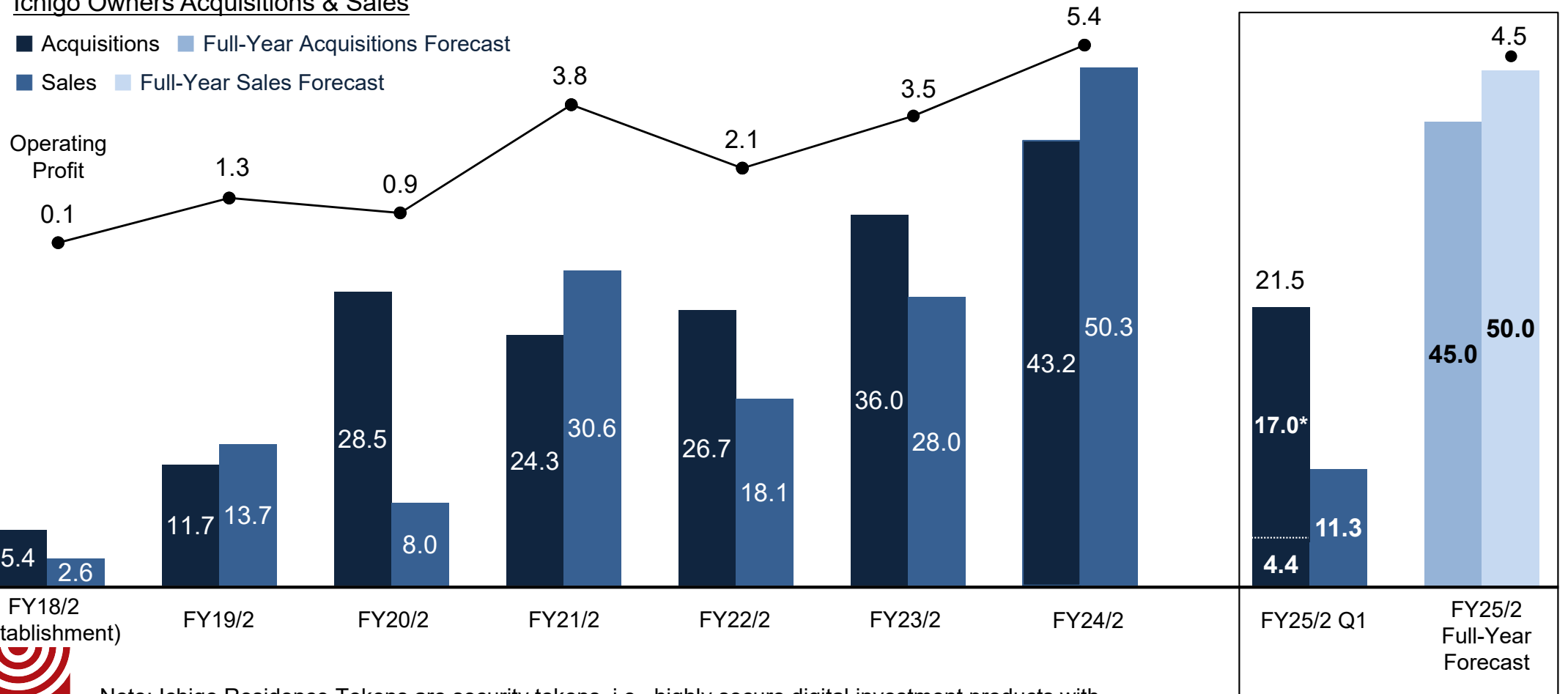
Strong Ichigo Owners Growth via Meeting Clients' Diverse Needs

Expanding Sales Channels via Ichigo Residence Tokens (FY24/2 forecast +JPY 40B AUM)

– Driving Growth in Asset Management AUM & Stock Earnings

Ichigo Owners Acquisitions & Sales

■ Acquisitions ■ Full-Year Acquisitions Forecast
 ■ Sales ■ Full-Year Sales Forecast



(JPY B)

Note: Ichigo Residence Tokens are security tokens, i.e., highly secure digital investment products with properties of traditional securities that are managed on a blockchain.

* Contracted, Pre-Settlement



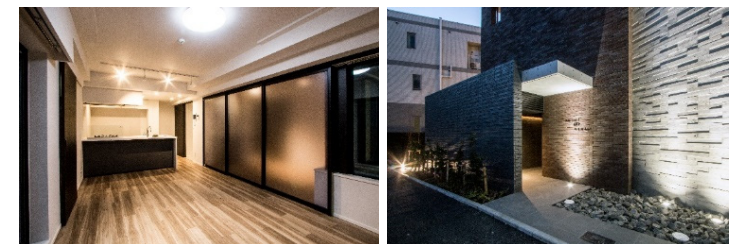
4th Ichigo Residence Token Sold Out Immediately

Meeting Individuals' Investments Needs for Prime Tokyo Residential Assets

4th Ichigo Residence Token

7 Tokyo Prime Residential Assets (Nishi Azabu, Yoyogi, Hatchobori, Ueno, Monzen Nakacho, Asagaya, & Kanamachi)

| | |
|---------------------------|----------------------------|
| Total AUM | JPY 10.2B |
| Total Issue Price | JPY 3.1B |
| Dividend Yield (Forecast) | 4.0% |
| Asset Manager | Ichigo Investment Advisors |
| Investment Term | 5 years 2 months |



GRAN PASEO Nishi Azabu

Note: Ichigo Residence Tokens are security tokens, i.e., highly secure digital investment products with properties of traditional securities that are managed on a blockchain.

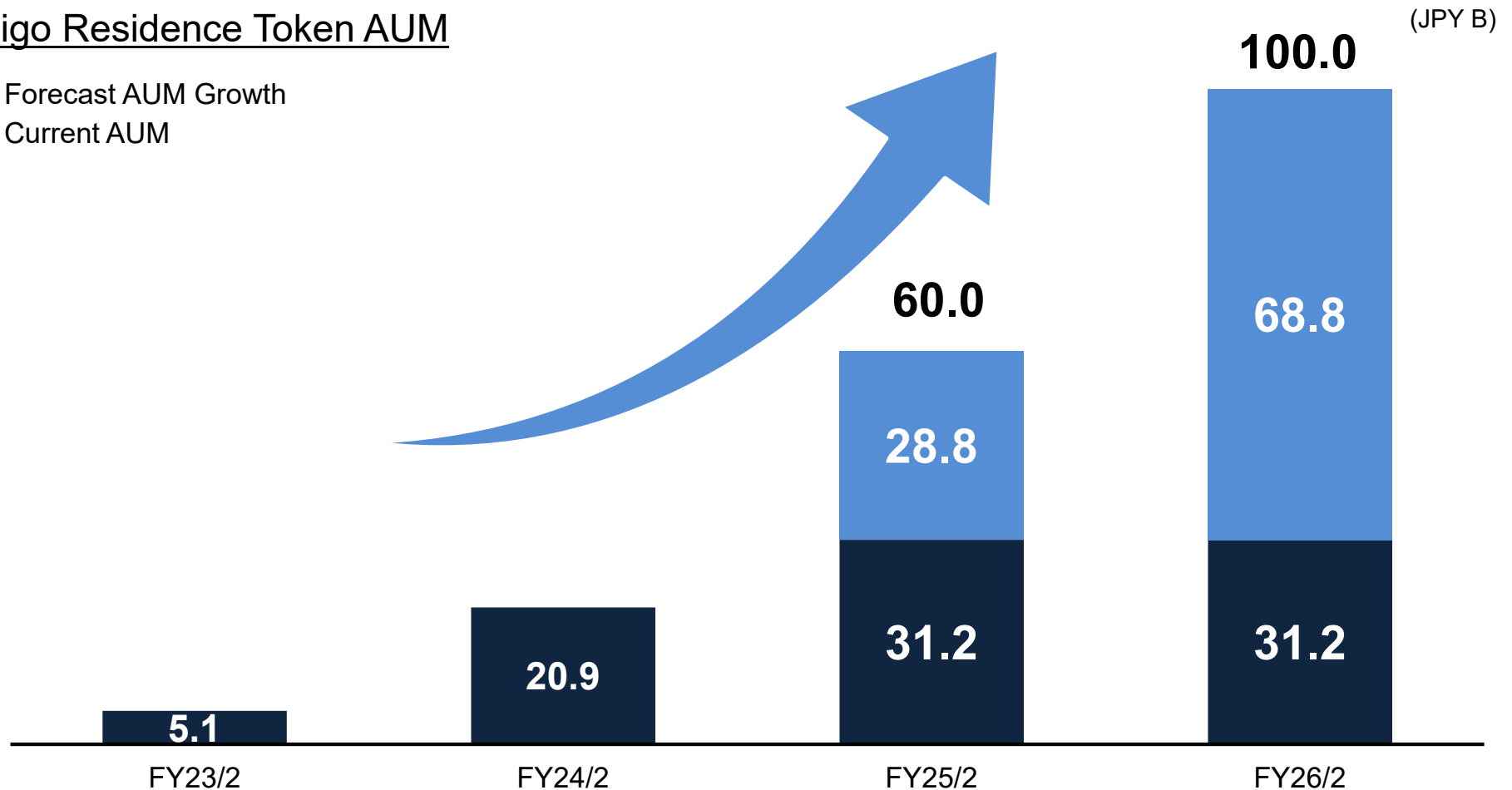
Significant Ichigo Residence Token Growth

AUM Forecast: FY25/2 JPY 60B, FY26/2 JPY 100B

- Significant investor demand for high-quality real estate assets
- Strong pipeline of high-quality assets built on Ichigo's win-win relationships with developers who benefit from secure demand for their developments

Ichigo Residence Token AUM

- Forecast AUM Growth
- Current AUM



Growth Support to Drive REIT Shareholder Value

Supporting Ichigo Office (8975) via High-Quality Asset Pipeline

- Sold Ichigo Office 6 High-Quality Office Assets, 2 of which were supplied via a bespoke bridge fund for Ichigo Office in FY22/2 (+JPY 15.4B AUM)

Assets Sold to Ichigo Office upon Completion of Ichigo Value-Add



Ichigo Otemachi North Building



Ichigo Gotanda West Building



Ichigo Hakata Gion Building



Ichigo Tenjin North Building

Private REIT New Business Entry

Acquiring All Shares of Tocho Tokai REIT, a Private REIT, & its Asset Management Company, Tocho Asset Management

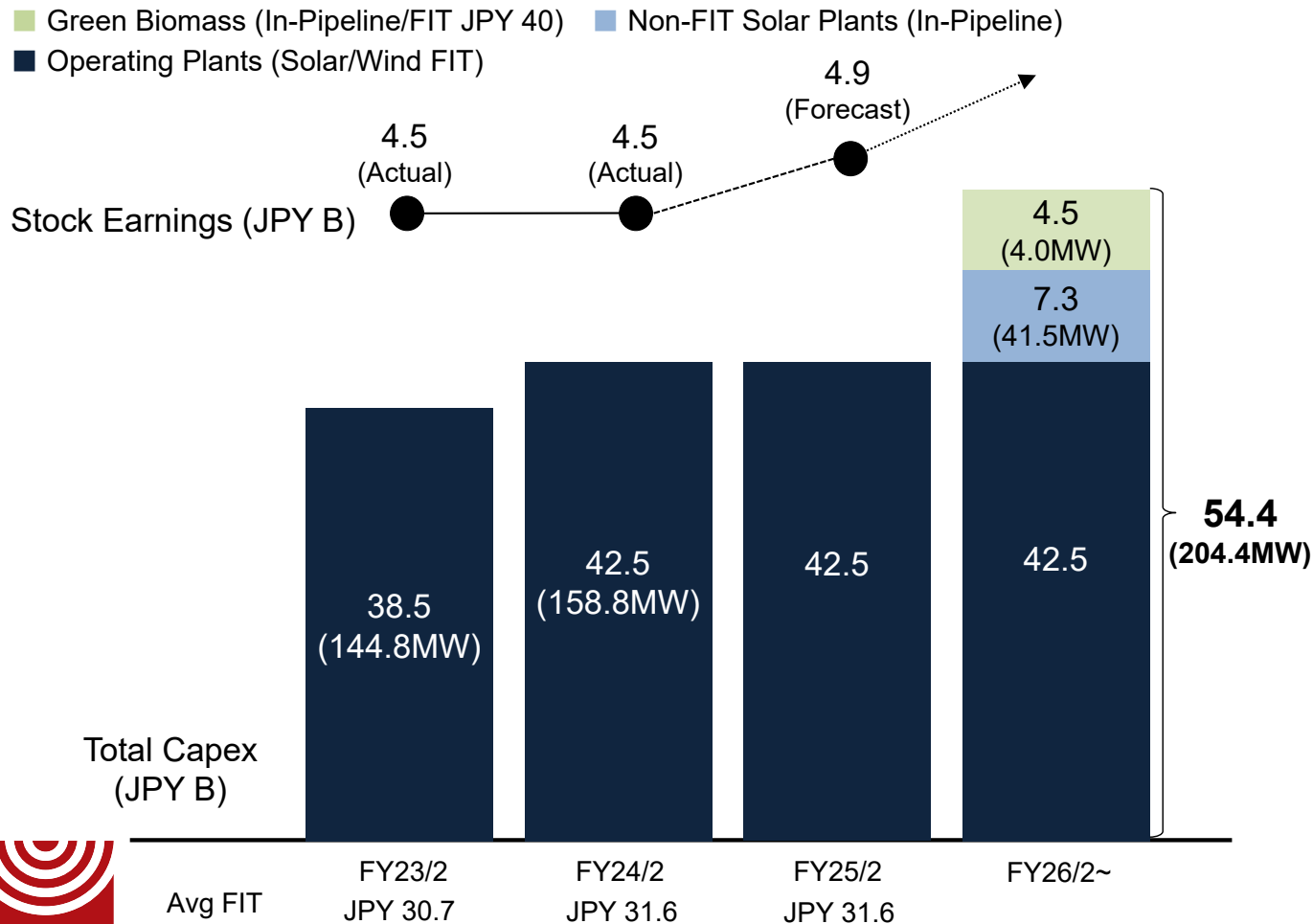
- Will expand Sales & AM Channel for Ichigo's Value-Add Assets



Driving Stable Earnings Growth

- Earnings Growth on Bringing Ichigo Ebino Suenaga Plant Online
- 45MW Pipeline, Diversifying Energy Mix

Ichigo Clean Energy



Green Biomass

In-Pipeline

5 Plants 4MW (JPY 4.5B)

Sustainable infrastructure contributing to local communities

100% domestic feedstocks

Also serves as emergency power source

Non-FIT Solar Power

In-Pipeline

10 Plants 41MW (JPY 7.3B)

Contributing to Japan's energy self-sufficiency

Customers = both companies & households



Global Expansion: GIGA.GREEN Investment

Investing in Leading German Renewable Energy Solutions Provider
GIGA.GREEN – Underscores Ichigo’s Commitment to Deploy its Sustainable
Infrastructure Capabilities on a Global Scale

- Total investment: EUR 25M (JPY 43.7B), Ichigo ownership: 24.39%
- Will fund GIGA.GREEN’s development of innovative technologies to enhance efficiency & expansion of GIGA.GREEN’s team



Leading provider of solar power production,
battery storage, & charging infrastructure
solutions for commercial clients

MISSION

Partner with Customers to Reduce CO2
Emissions by 1 Gigaton (1 billion tons)

GIGA.GREEN website:

www.giga.green/en

Generative AI Development – First Customer Launch

- Developing & Providing DX Products/Services that Address Local Government & Corporate Needs
- Expanding Generative AI Technology-Based Business Activity Built on Strong Relationships with Local Governments

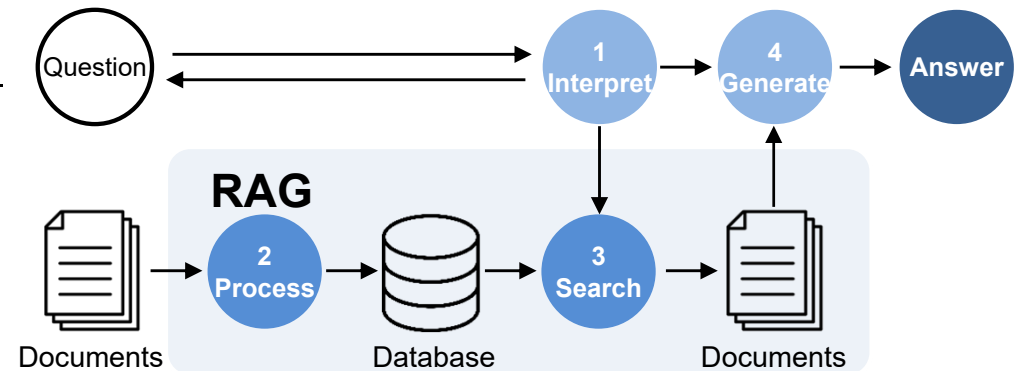
| | |
|---|---|
| <p>Yokosuka City x Collinear (Ichigo wholly-owned subsidiary)</p> | <p>Began Deployment Testing of AI System to Increase Operating Efficiency in Collaboration with Yokosuka City’s Digital Government Promotion Office</p> <p>Issue Addressed: Contract closeout procedures require references to numerous manuals & regulations</p> |
|---|---|

Automated Answers Tailored to City Processes via Generative AI Tool

LLM (Large Language Models) x RAG¹

Generate optimal answers to questions in line with government and company rules

¹ Retrieval-Augmented Generation: Technology combining LLM text generation with external information search



Growing Sports Business Rooted in Local Communities

- Chosen by Matsue City to Renovate & Manage Professional Basketball Team's Home Arena
 - ✓ Renovate & operate home arena of Shimane Susanoo Magic to meet new B1 league's team criteria
- Deepening Professional Sports Business Experience & Expanding into New Business Areas
 - ✓ Growing from consulting business to professional soccer club & stadium management business

Matsue Arena Renovation & Operation Plan

- Period: August 2024 to March 2037
- Renovate existing arena
 - Create over 5,000 audience seats & new VIP suite lounge
 - Renovate tennis court, baseball field, & parking lot, create dining facilities
- Drive club earnings & fan satisfaction via high level of hospitality

Box Suite



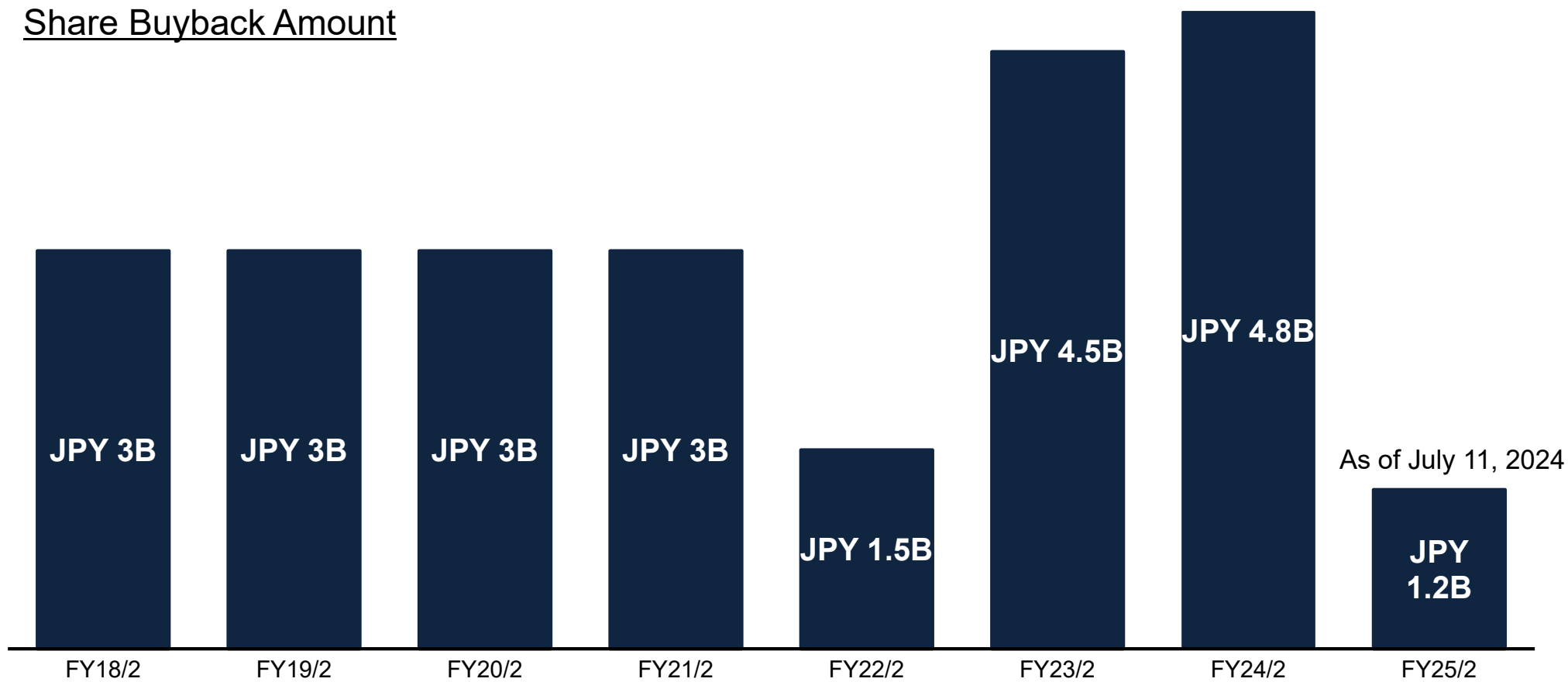
Shareholder Returns

Flexible Share Buybacks

FY25/2: JPY 1.2B (Completion of FY24/2 Share Buyback)

Continue Policy of Flexible Share Buybacks

Share Buyback Amount



Raising Dividend – FY25/2 JPY 10

3 Consecutive Years of Dividend Increases on Back of Strong Cash Generation & Stock Earnings Growth

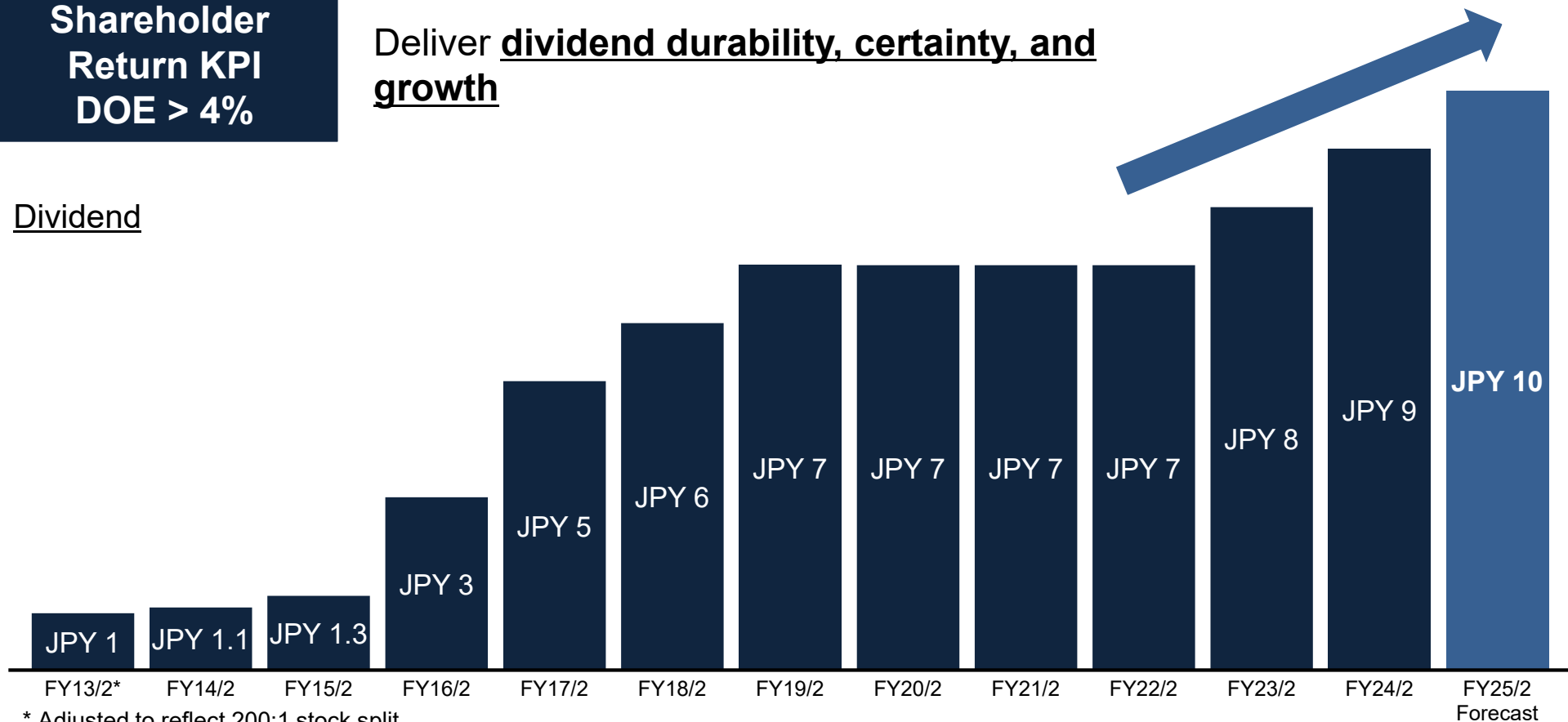
Progressive Dividend Policy

Dividend is **maintained or raised** every year, underscoring Ichigo’s commitment to drive long-term dividend growth for shareholders

Shareholder Return KPI DOE > 4%

Deliver **dividend durability, certainty, and growth**

Dividend



* Adjusted to reflect 200:1 stock split



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 (83,000 shareholders in total)
- First company to offer shareholders free tickets to every J.League game at every J.League club

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

Tickets to 2023 J.League Awards (December 5, 2023)

Invited shareholders to attend the 2023 J.League Awards, which celebrated the achievements of players, coaches, clubs, and referees during the 2023 season

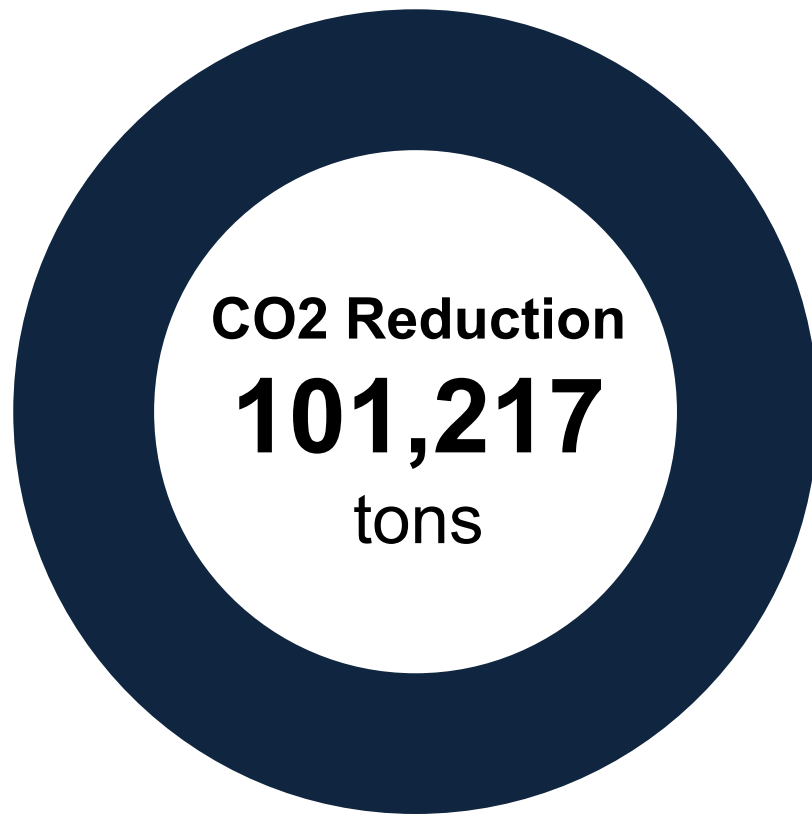


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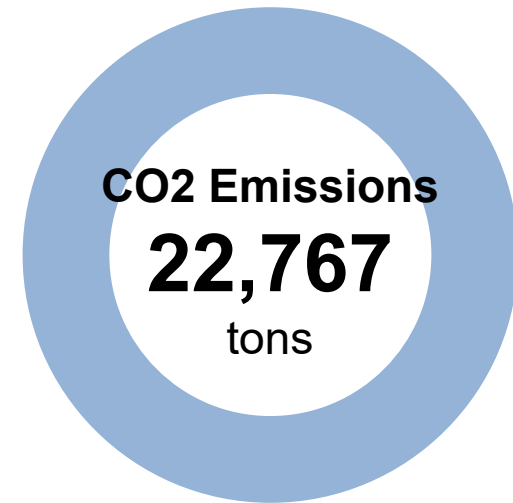
Working to Protect Our Global Environment

Ichigo Climate Positive: CO2 Reduction vs. Emissions (1)

Ichigo CO2 Reduction = 4X CO2 Emissions



CO2 Reduction due to Ichigo & Ichigo Green Clean Energy
Power Plant Production



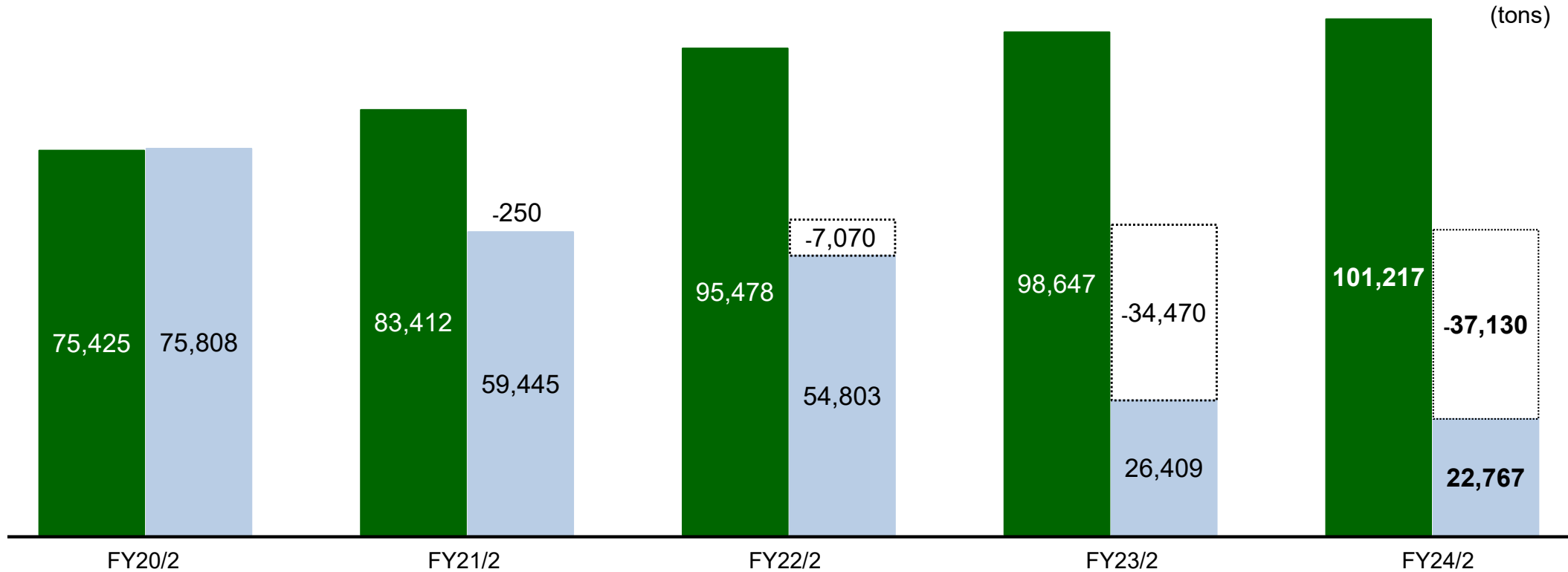
Scope 1+2 Emissions
(Ichigo + Ichigo Office + Ichigo Hotel + Ichigo Green)

Ichigo Climate Positive: CO2 Reduction vs. Emissions (2)

Ongoing Ichigo Clean Energy Production Growth (CO2 Reduction Increase) & Renewable Energy Transition & Carbon Offsets (CO2 Emissions Reduction)

CO2 Reduction/Reduction Impact/CO2 Emissions

- Total Ichigo Power Plant CO2 Reduction
- Total Ichigo CO2 Emissions (Scope 1+2)
- CO2 Reduction Due to Energy Efficiency, Transition to Renewable Energy, and Non-Fossil Fuel Certificate Tracking for Ichigo Power Plants



(tons)

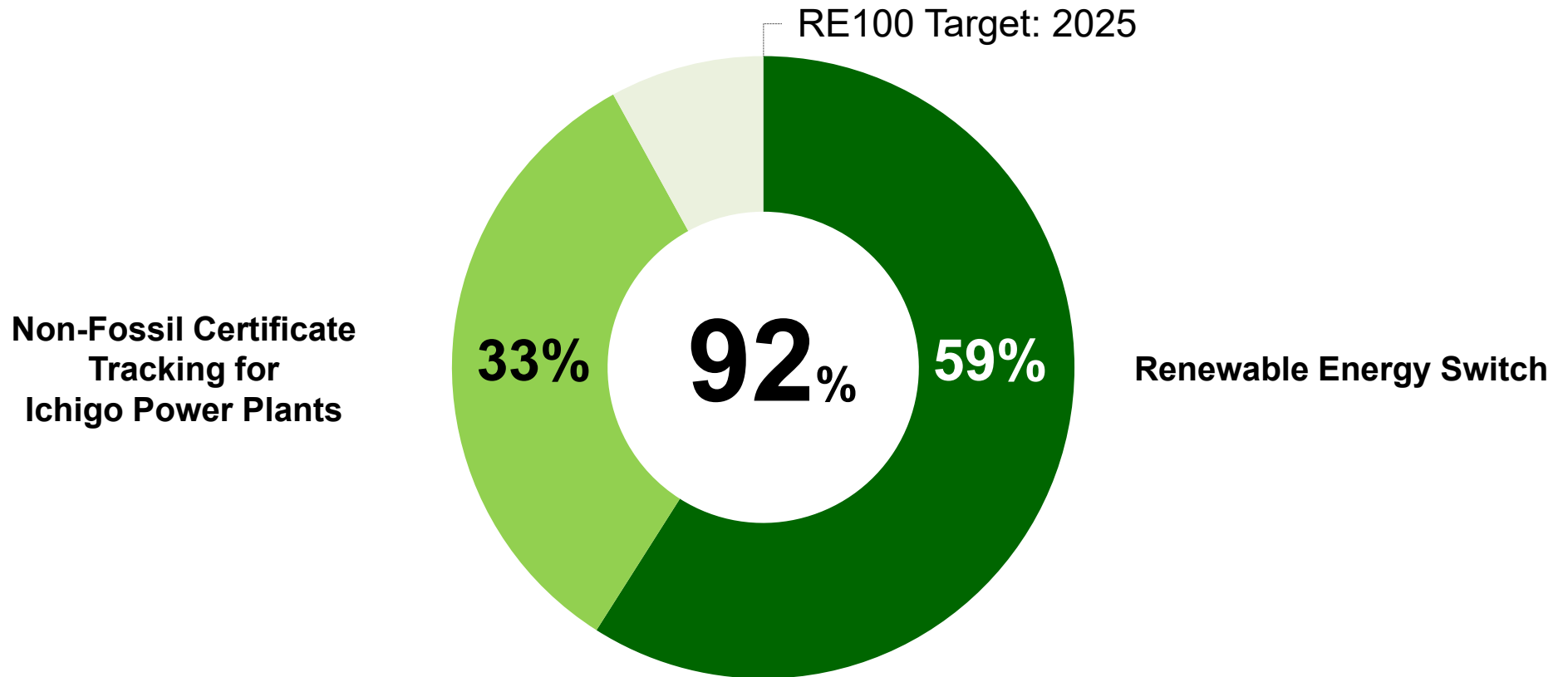


Notes: Reduction calculated using each EPCO's adjusted CO2 emission factor disclosed by the Ministry of Environment as a constant for each period. RE100 non-fossil fuel tracking certifies the environmental value of non-fossil electricity with tracking information on renewable energy power plants

RE100: Continued Renewable Energy Transition

- Targeting Full Group-Wide 100% Renewable Energy Transition in FY25/2
- Ichigo Office & Ichigo Hotel Have Completed Transition to 100% Renewable Energy

RE100 Progress (as of May 31, 2024)



Ichigo's RE100 Target

100% Renewable Electricity Across its Operations by 2025

Including electricity used at Ichigo Office (8975), Ichigo Hotel (3463) assets

Ichigo SBT (Science Based Targets) Certification

Ichigo's Greenhouse Gas Reduction Targets Certified as SBT Aligned

SBT Certified Ichigo's Greenhouse Gas Reduction Targets

| | | Target | Target Year |
|----------------|--|-----------------------------------|-------------|
| Scope 1 | Direct emissions owned or controlled by a company | 70% Reduction (2022 Base Year) | 2030 |
| Scope 2 | Indirect emissions associated with the purchase of electricity, heat, or cooling | | |
| Scope 3 | Indirect emissions that are not Scope 1 or 2 (emissions by third-party companies related to a company's business activities) | 25% Reduction (2022 Base Year) | |



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

**BUSINESS
AMBITION FOR 1.5°C**



Science Based Targets: Greenhouse gas reduction targets set in line with Paris Agreement goals

Appendix: Powerful Value-Add Business Model & Sustainability Focus

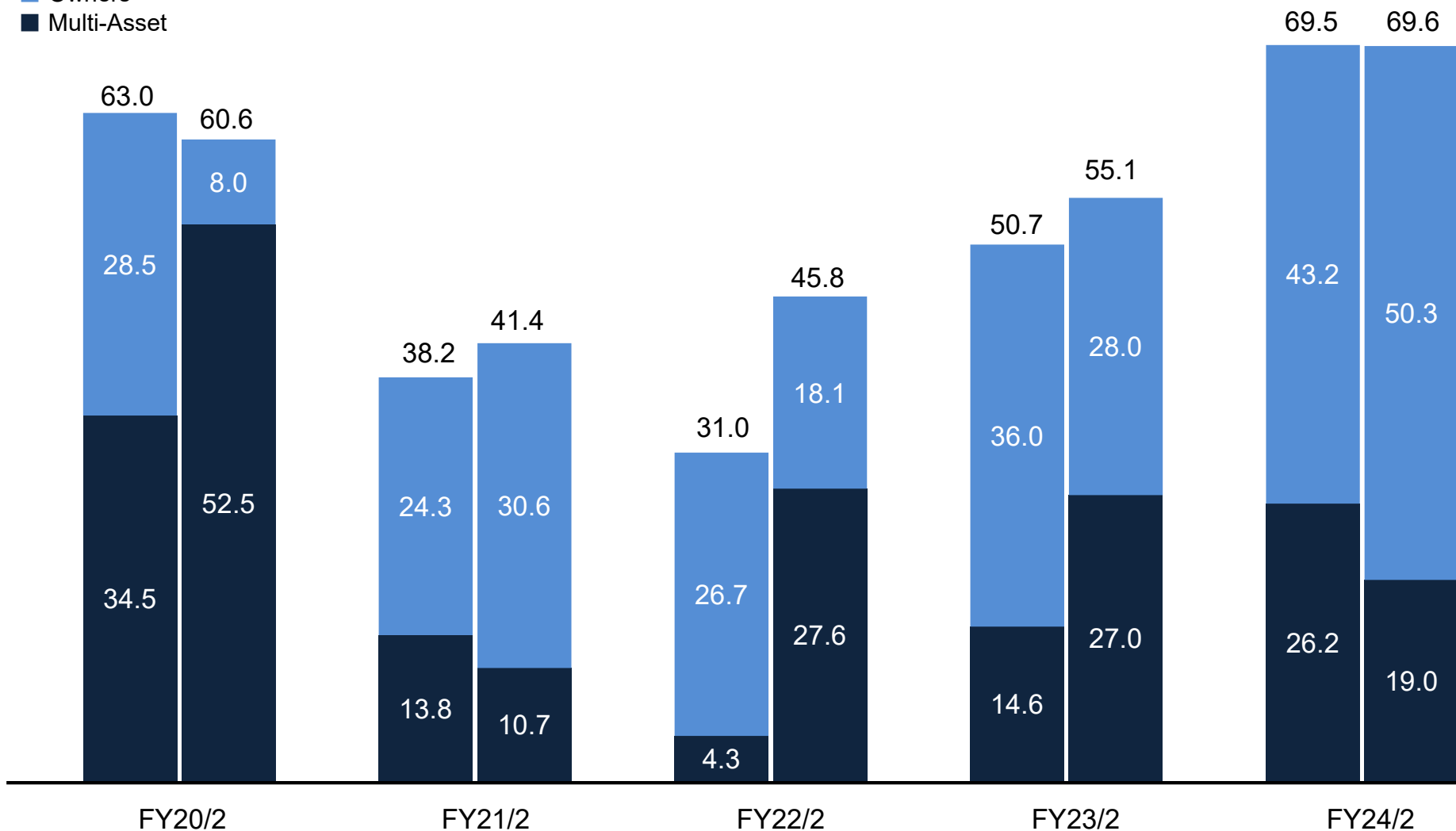
Selective on Acquisitions & Sales

SRE Sales & Acquisitions

(JPY B)

Left: Acquisitions, Right: Sales

■ Owners
■ Multi-Asset

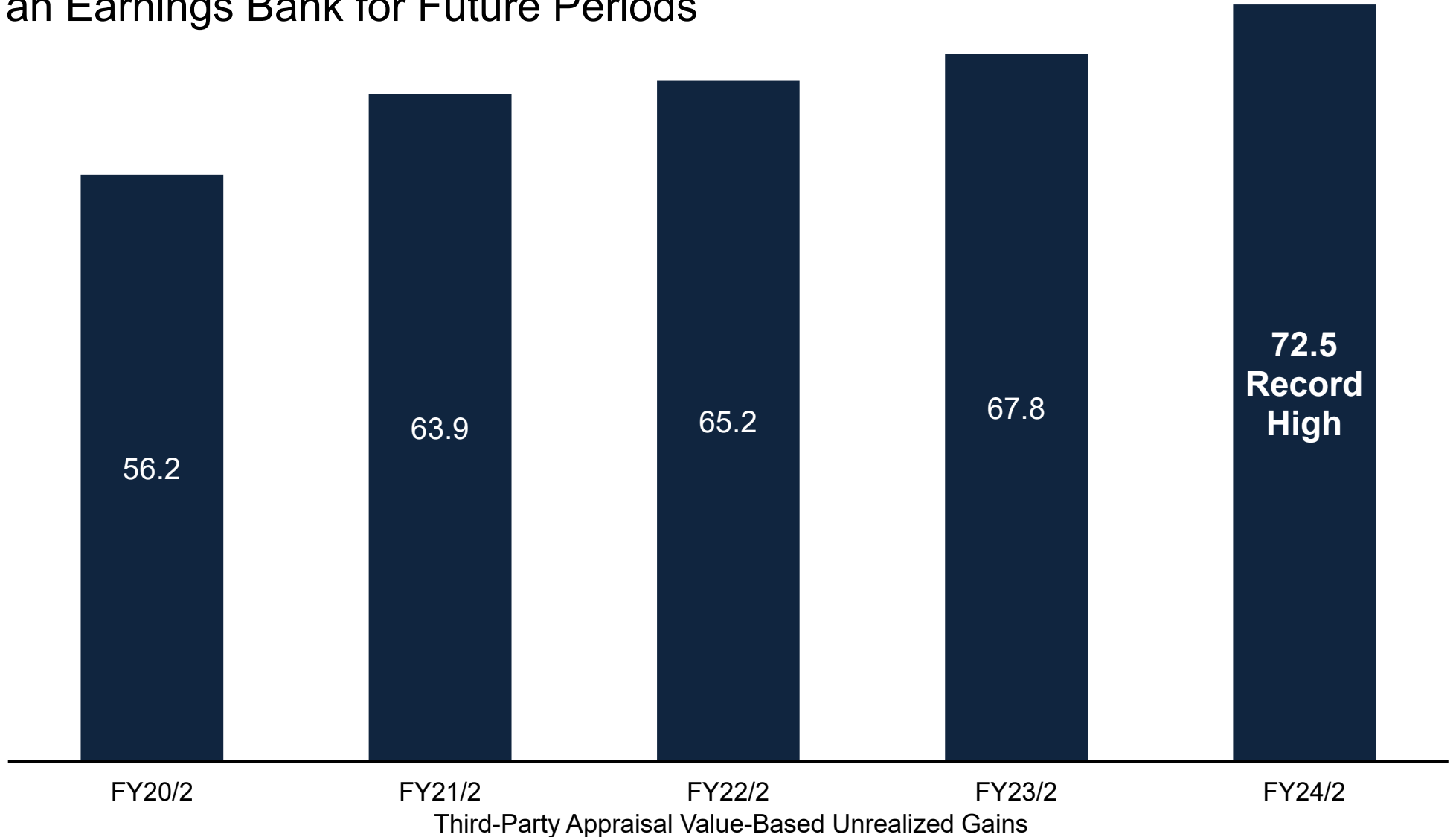


Note: FY24/2 excludes JPY 3.9B of Self Storage Gains on Sale.

Embedded Forward Earnings

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

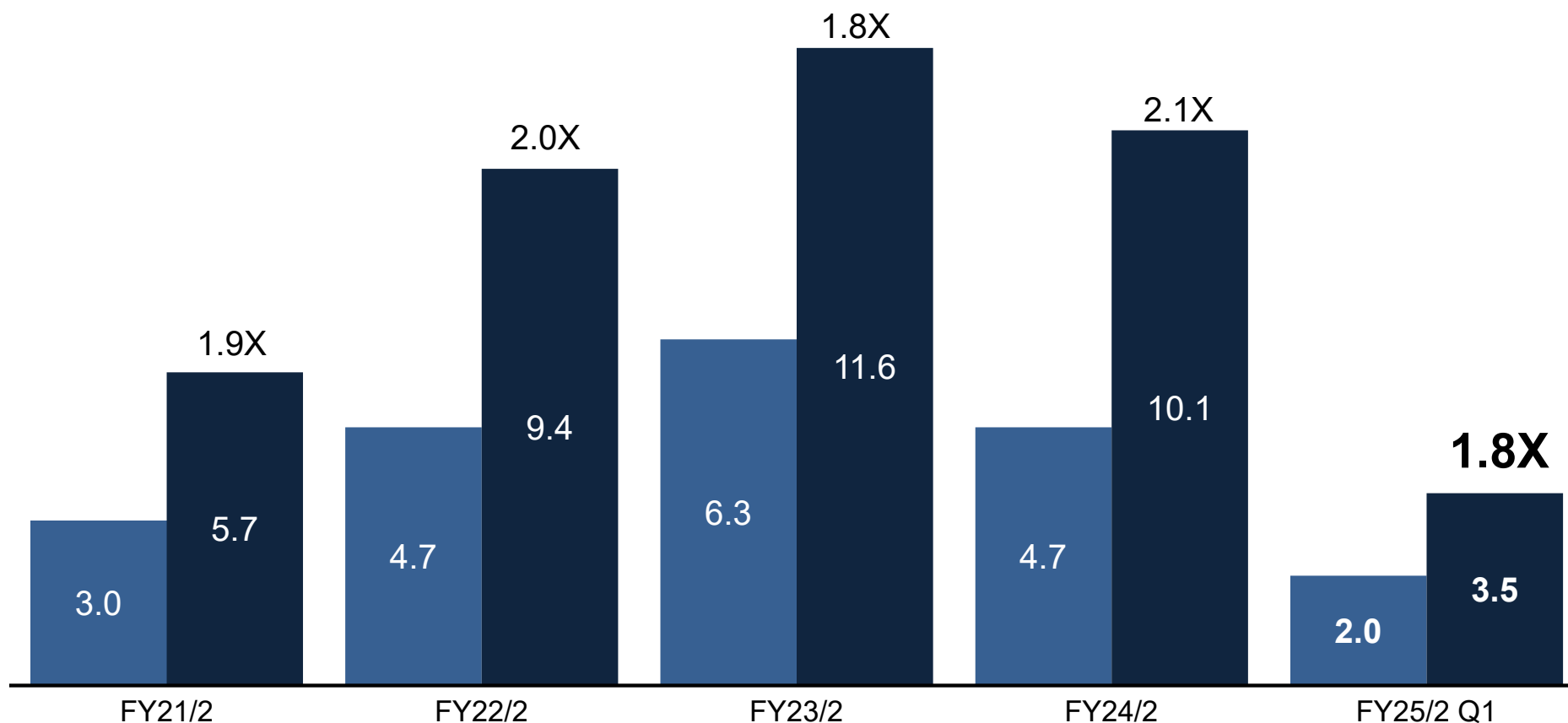
(JPY billion)



Value-Add Drives Durable Value Growth

■ Third-Party Appraisal Value-Based Unrealized Gains
 ■ Actual Gains on Sales

(JPY billion)



Note: Self-storage assets sold in FY24/2 (36 assets, JPY3.9B gains on sales) accounted for as having no unrealized gains, as they were not the subject of third-party appraisals.

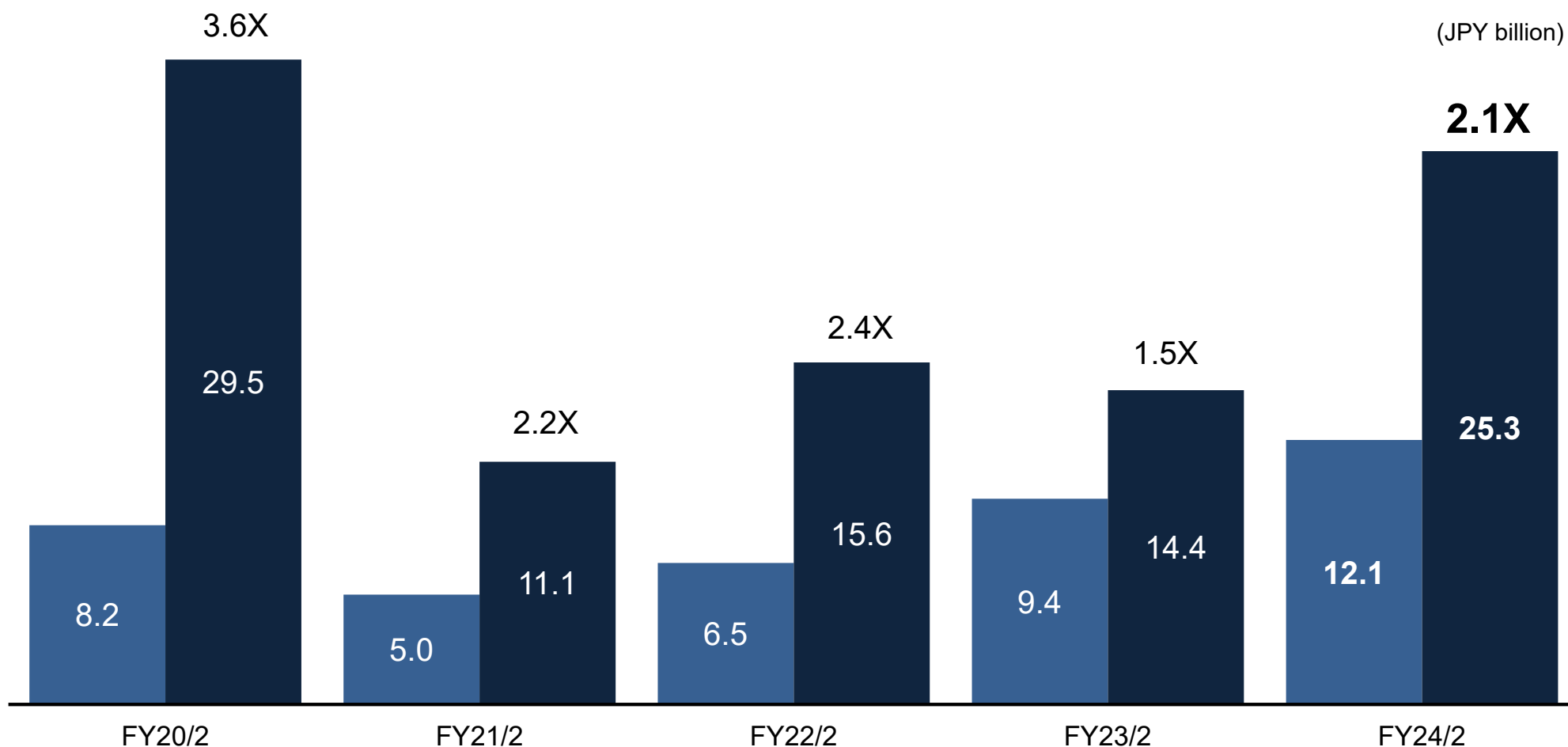


Robust Cash Generation

Economic Operating Cash Flow Exceeds Net Income

■ Net Income

■ Economic Operating Cash Flow



Note: Economic Operating Cash Flow = Cash Flows from Operations, excluding net change in Real Estate and Power Plants for Sale, plus SRE Extraordinary Gains on Sales

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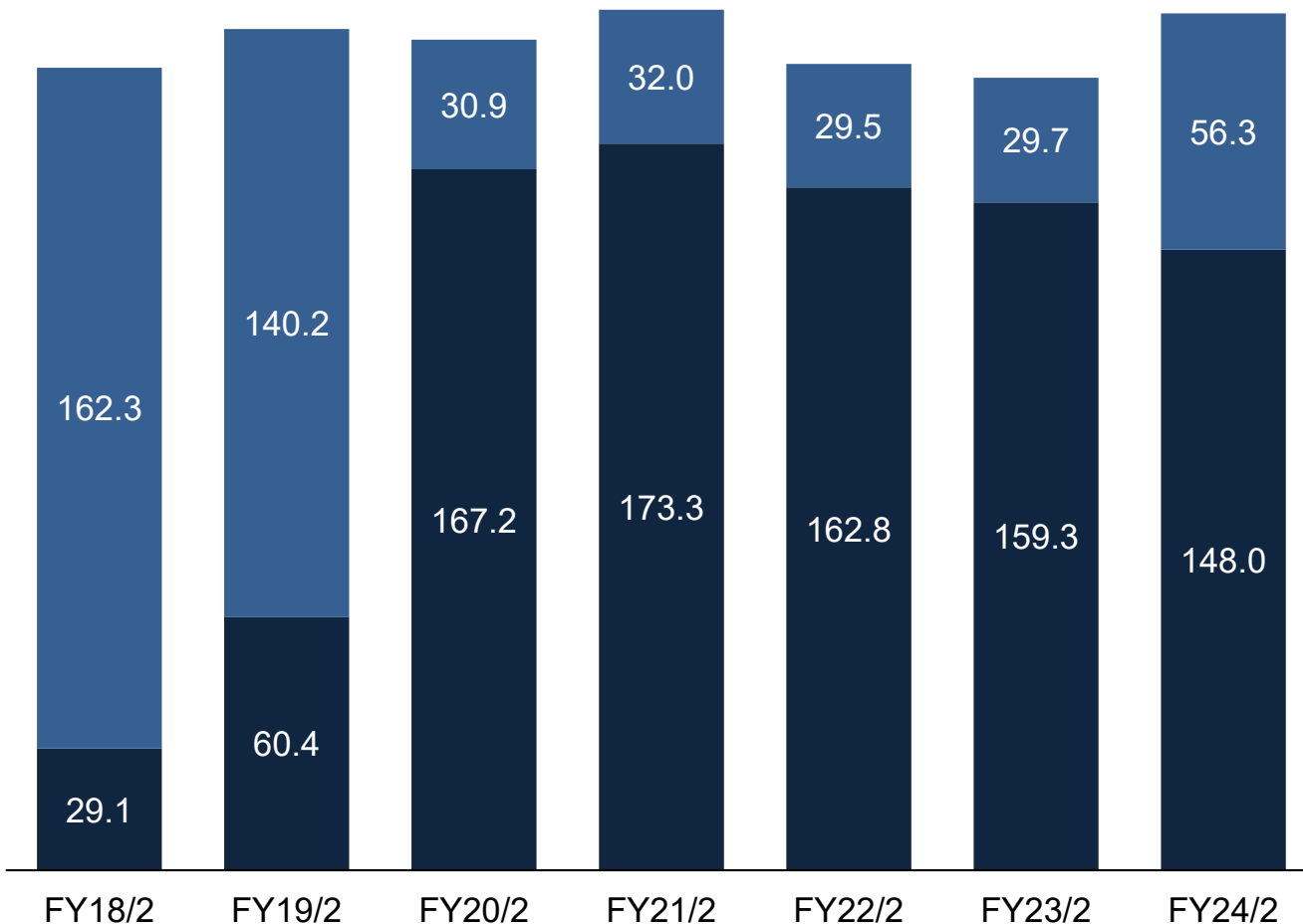
Cash Flow Maximization

Maximal Use of Depreciation Allowances to Increase Cash Flow

Real Estate for Sale & Fixed Assets

- Fixed Assets (SRE)
- Real Estate for Sale (SRE)

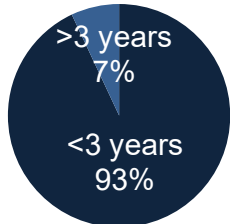
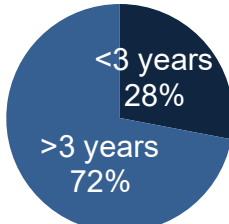
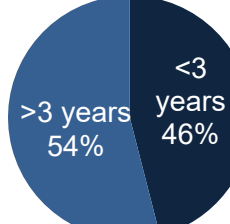
15.2% 30.1% 84.4% 84.4% 84.7% 84.3% 72.4% Fixed Asset Ratio
(JPY billion)



Reclassification of Sustainable Real Estate Assets to Fixed Assets in FY20/2

Maximal use of depreciation allowances lowers stated accounting earnings, but creates value by being cash-generative to fund growth investments

Post-GFC Shift in Earnings Base & Financial Position

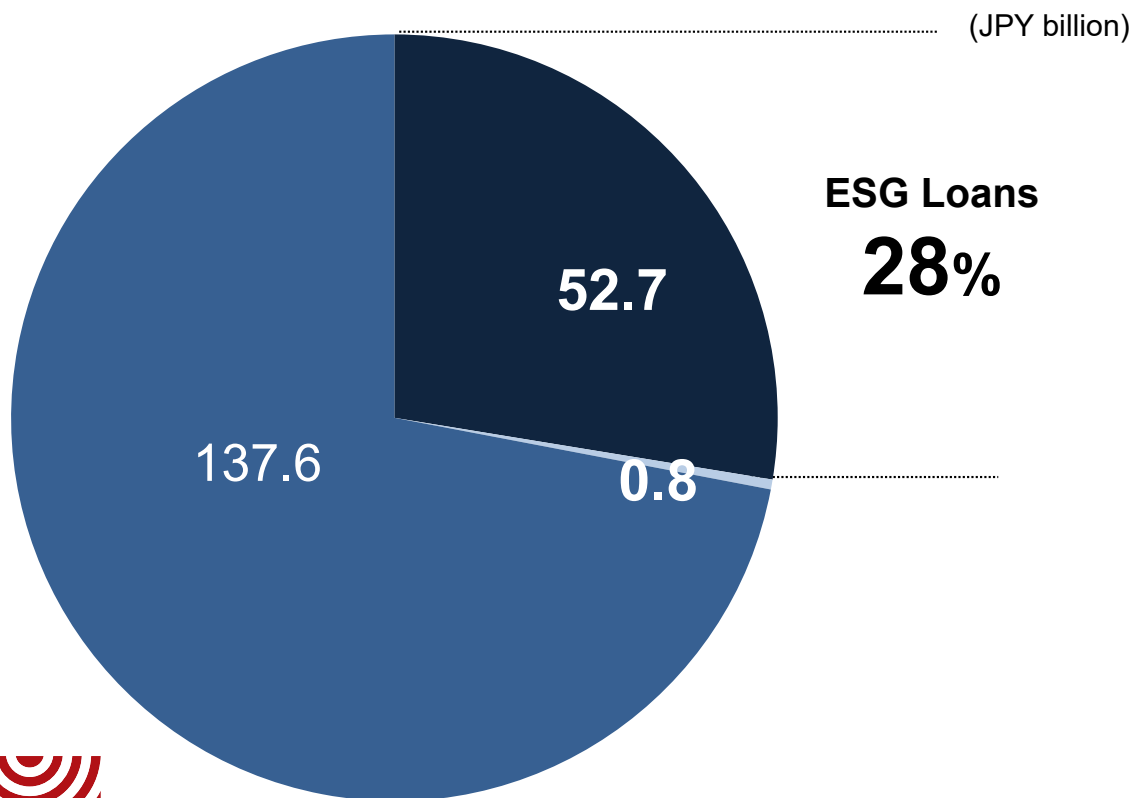
| | FY09/2 GFC | FY14/2 Start of Shift Up MTP | FY24/2 | vs. GFC |
|--|---|--|---|---|
| Stock Earnings/ Fixed Expenses Coverage Ratio | 75% | 140% | 214% | <u>2.9X</u> |
| Loan Maturity (Weighted avg., corporate + non-recourse loans) | 2.8 years | 2.8 years, 5.6 years | 2.8 years, 5.6 years, 8.9 years | <u>3.2X</u> |
| % of <3 Year Loans (corporate + non-recourse loans) | 93%  | 28%  | 46%  | <u>-47pt</u> as of FY25/2 Q1-end <u>-64pt</u> <3 year loans: 29% due to loan repayments & refinancing |
| Interest Rate (Weighted avg., corporate loans) | 2.22% | 1.96% | 0.89% | <u>-1.33 pt</u> |

Significant Benefits from Sustainable/ESG Financing

Ichigo's Sustainability Execution Driving Attractive Financing Terms Strengthening Financial Base via Diversified Borrowing

ESG Loans as % of Total Borrowings

- ESG loans (including green bonds)
- Remaining ESG commitment line
- Other corporate loans & bonds (excludes short-term loans)

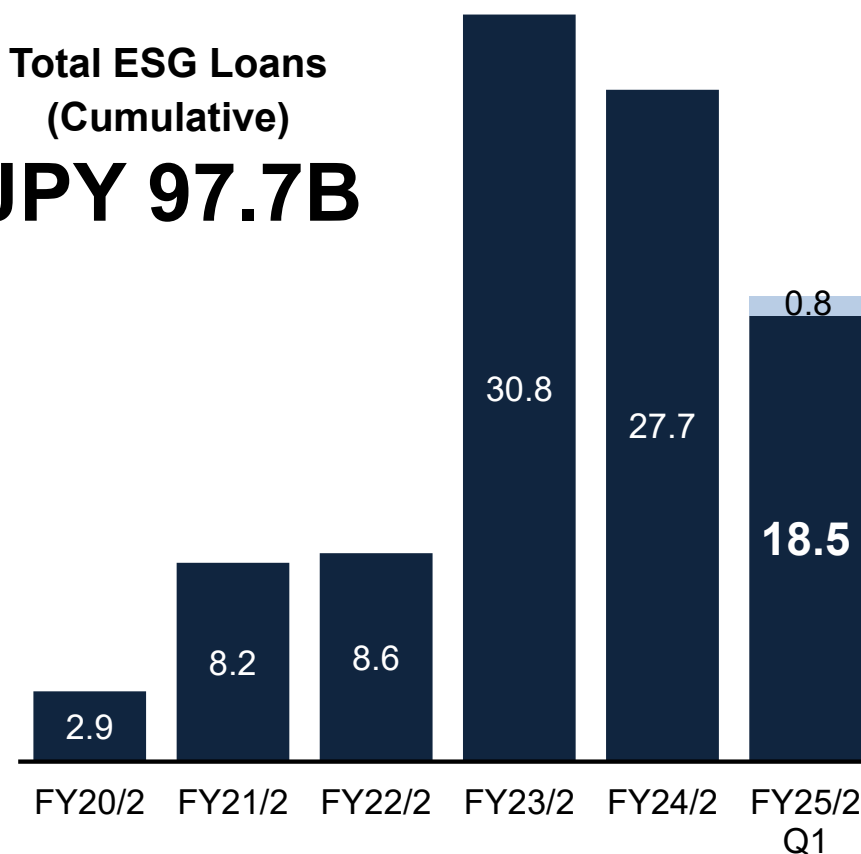


ESG Loans

(JPY billion)

- ESG loans (including green bonds)
- Remaining ESG commitment line (as of FY25/2 Q1-end)

Total ESG Loans (Cumulative) **JPY 97.7B**



Appendix: Financial & Operational Data

All-In Disclosure for Increased Earnings Transparency

- All-In disclosure allows for transparent tracking of full profitability contribution of Sustainable Real Estate (SRE)
- SRE is a core business, and Ichigo executes value-add on SRE assets regardless of whether they are classified in accounting terms as Real Estate for Sale (Current Assets) or Fixed Assets
- Adding SRE's Fixed Assets Gains on Sales (which are accounted for as Extraordinary Gains in J-GAAP) to Operating Profit (OP) and Recurring Profit (RP) to generate All-In OP & RP numbers thus provides transparency on SRE's actual core profit contribution

Business Segments

Asset Management

Asset Management (AM) generates fee income via management of Ichigo Office (8975), Ichigo Hotel (3463), 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.

Significant Unrealized Gains on Balance Sheet

Real Estate Directly Held by Ichigo

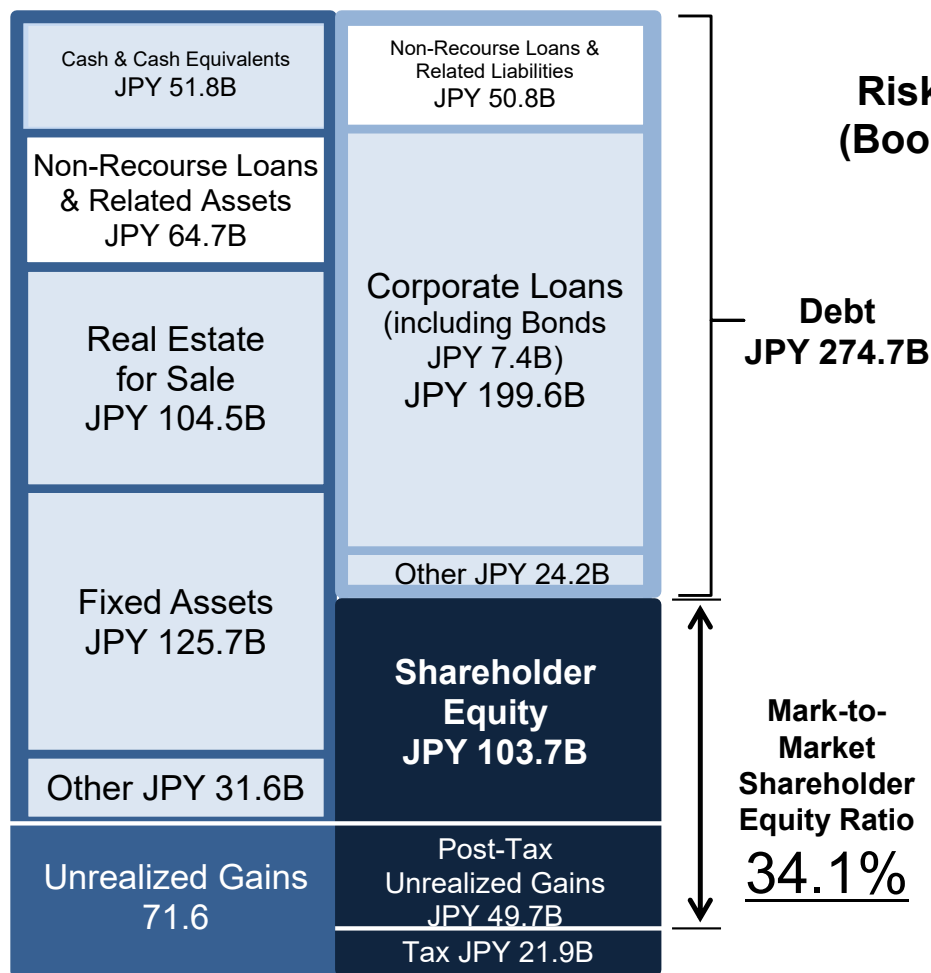
(JPY million)

| Location | Book Value as of May 31, 2024 (A) | Appraisal NOI (B) | Cap Rate (B)/(A) | Appraisal Value (C) | Unrealized Gains (C) – (A) |
|------------------|---|----------------------|---------------------|------------------------|-------------------------------|
| Tokyo | 83,730 | 5,104 | 6.1% | 121,064 | +37,334 |
| Outside Tokyo | 113,325 | 6,993 | 6.2% | 144,461 | +31,136 |
| Total | 197,055 | 12,097 | 6.1% | 265,525 | +68,470 |

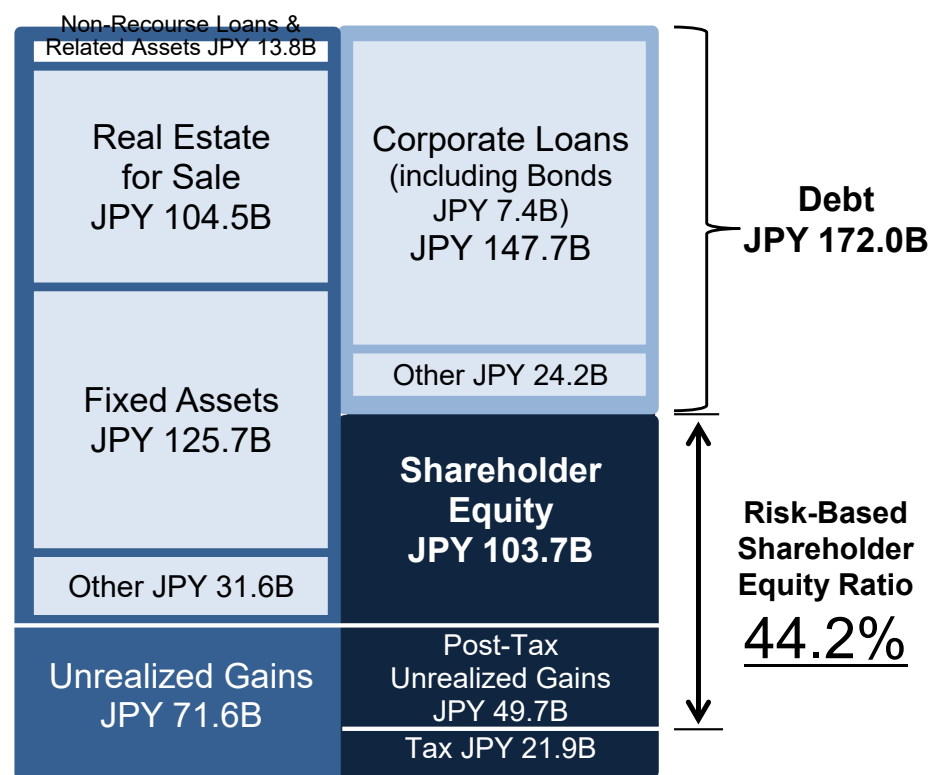
Note: Excludes Ichigo Owners and Centro assets (book value JPY 54.5B)

Risk-Based Balance Sheet

Mark-to-Market Consolidated Balance Sheet: JPY 450.1B
(Book Value JPY 378.4B + Unrealized Gains JPY 71.6B)



Risk-Based Consolidated Balance Sheet: JPY 347.4B
(Book Value JPY 275.7B + Unrealized Gains JPY 71.6B)



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

Robust Cash Flow Generation & Strong Earnings Base

Key Ichigo Strength: Robust Cash Generation to Fund Growth

- Maximal use of depreciation allowances to lower accounting earnings & increase cash flow
- Majority of cash earnings are Stock Earnings
- Maintained high Stock Earnings/Fixed Expenses Ratio even amidst Covid

(JPY million)

| | FY19/2 | FY20/2 | FY21/2 | FY22/2 | FY23/2 | FY24/2 | FY25/2 Q1 | FY25/2 Forecast |
|---|--------|--------|--------|--------|--------|--------|-----------|-----------------|
| Stock Earnings (A) | 18,485 | 18,450 | 15,065 | 14,912 | 15,598 | 19,417 | 5,489 | 21,343 |
| Depreciation | 1,632 | 2,507 | 4,603 | 5,278 | 5,135 | 4,626 | 1,140 | 4,287 |
| Flow Earnings | 15,273 | 18,567 | 5,850 | 9,793 | 13,371 | 14,315 | 3,746 | 15,879 |
| Cash Earnings | 33,759 | 37,016 | 20,915 | 24,705 | 28,970 | 33,733 | 9,236 | 37,222 |
| Fixed Expenses (B) | 7,071 | 7,877 | 7,723 | 7,819 | 8,087 | 9,060 | 2,544 | 10,210 |
| Stock Earnings/ Fixed Expenses (A/B) | 261% | 234% | 195% | 191% | 193% | 214% | 216% | 209% |

Note: Cash Earnings = Gross Profit + Fixed Asset Gains on Sales + Depreciation Expenses

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) | – | – | – | – | – | 480 | – | 1,184 | 1,665 |
| Sustainable Real Estate (SRE) | 16,331 | 1,324 | – | 104,512 | 150,093 | 1,786 | 16,763 | 5,668 | 296,480 |
| Clean Energy (CE) | 3,629 | – | – | – | 30,035 | 146 | – | 2,341 | 36,153 |
| Company-Wide Assets | 40,000 | – | – | – | 521 | 29 | 1,010 | 2,639 | 44,200 |
| Total | 59,961 | 1,324 | – | 104,512 | 180,650 | 2,442 | 17,773 | 11,833 | 378,498 |

Consolidated P&L: Segment Breakdown

(JPY million)

| Segment | All-In Gross Profit | | | All-In Operating Profit | | | |
|---|---------------------|--------------|----------------|-------------------------|--------------|----------------|-----------------|
| | FY24/2 Q1 | FY25/2 Q1 | YOY | FY24/2 Q1 | FY25/2 Q1 | YOY | FY25/2 Forecast |
| Asset Management (AM) | 618 | 722 | +16.8% | 386 | 404 | +4.9% | 1,750 |
| Base AM Fees | 573 | 547 | -4.6% | – | – | – | – |
| Acquisition/Disposition Fees | 45 | 175 | +290.2% | – | – | – | – |
| Sustainable Real Estate (SRE) | 3,078 | 6,646 | +115.9% | 1,726 | 4,989 | 188.9% | 20,150 |
| Rental Income | 2,550 | 3,075 | +20.6% | 1,420 | 2,283 | +60.8% | – |
| Asset Sales | 529 | 3,570 | +574.8% | 306 | 2,705 | +781.9% | – |
| Other Flow Earnings | – | – | – | – | – | – | – |
| Clean Energy (CE) | 785 | 726 | -7.6% | 576 | 484 | -16.0% | 2,100 |
| Adjustment (including offsets of cross-segment transactions) | – | – | – | 2 | 2 | – | – |
| Total | 4,483 | 8,095 | +80.6% | 2,691 | 5,880 | +118.5% | 24,000 |

AM & CE All-In Gross Profit = Gross Profit; SRE All-In Gross Profit = Gross Profit + SRE Fixed Asset Gains on Sales

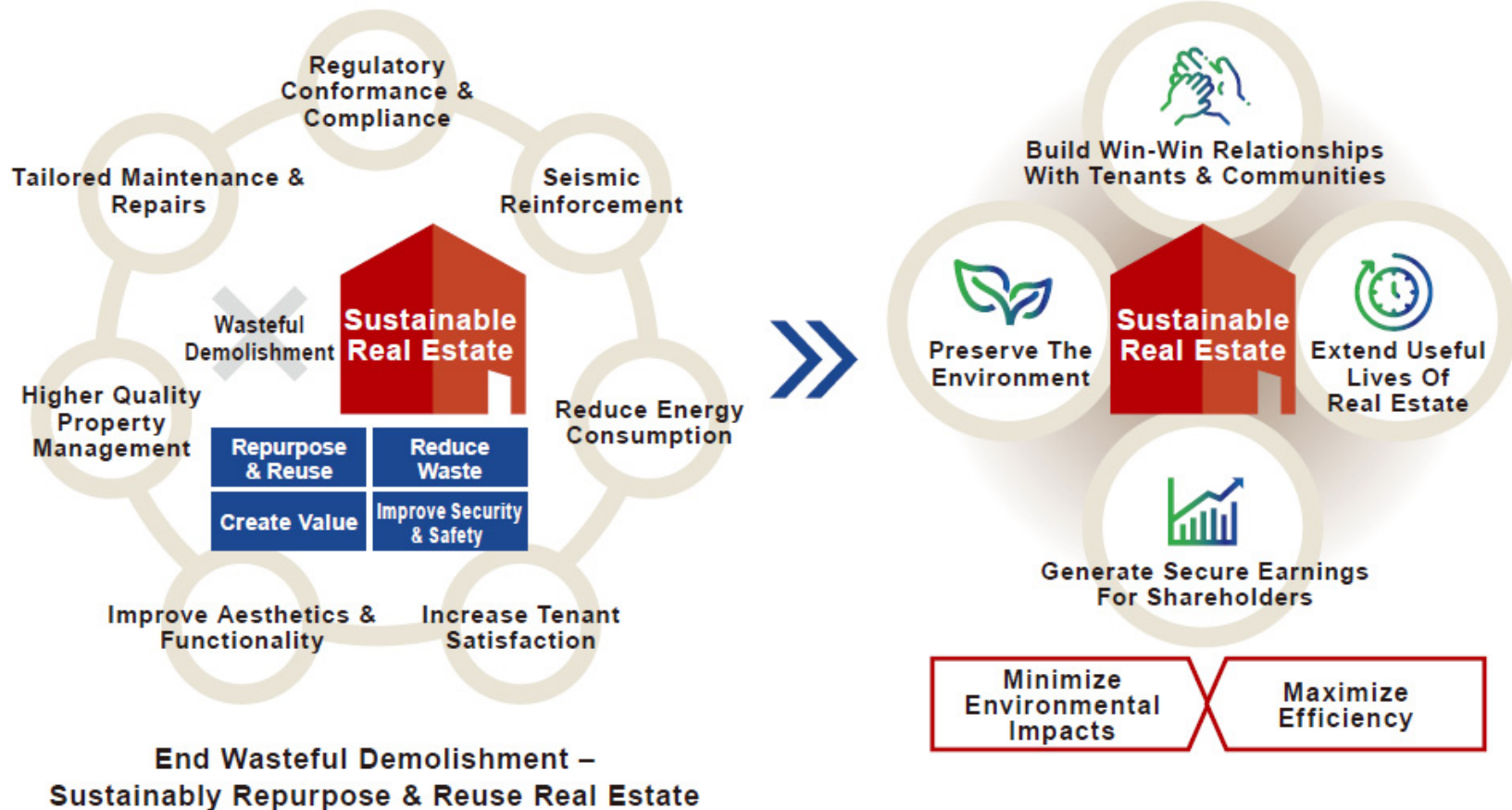
AM & CE All-In Operating Profit = Operating Profit; SRE All-In Operating Profit = Operating Profit + SRE Fixed Asset Gains on Sales

Appendix: Sustainable Real Estate Details

Sustainable Infrastructure for a Sustainable Society

End Wasteful Demolishment and Embrace Sustainable Real Estate

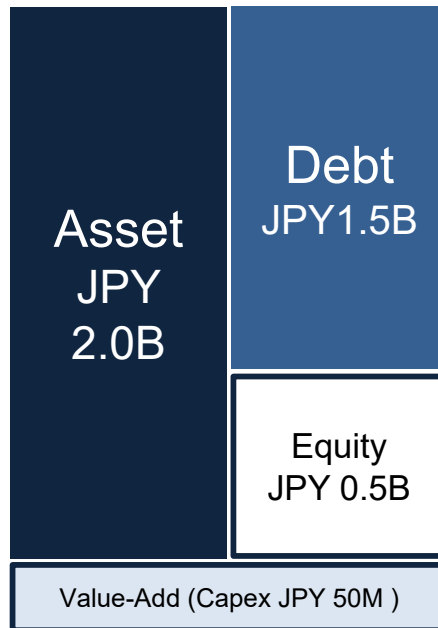
- Improve quality of assets via Sustainable Value-Add
- Preserve and improve highly functional real estate to contribute to environmental conservation and sustainability
- Lengthening buildings' useful lives beyond 100 years



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

$(\text{JPY } 110\text{M NOI/year}) - (\text{JPY } 22.5\text{M interest/year}) = \text{JPY } 87.5\text{M NOI/year}$
 $\text{NOI} \div \text{Initial Investment} = 17.5\% \text{ NOI return during investment period}$

NOI after Value-Add

$(\text{JPY } 126.5\text{M NOI/year}) - (\text{JPY } 22.5\text{M interest/year}) = \text{JPY } 104\text{M NOI/year}$
 $\text{NOI} \div \text{Total Investment (JPY } 500\text{M} + \text{JPY } 50\text{M}) = 18.9\% \text{ NOI return during investment period}$

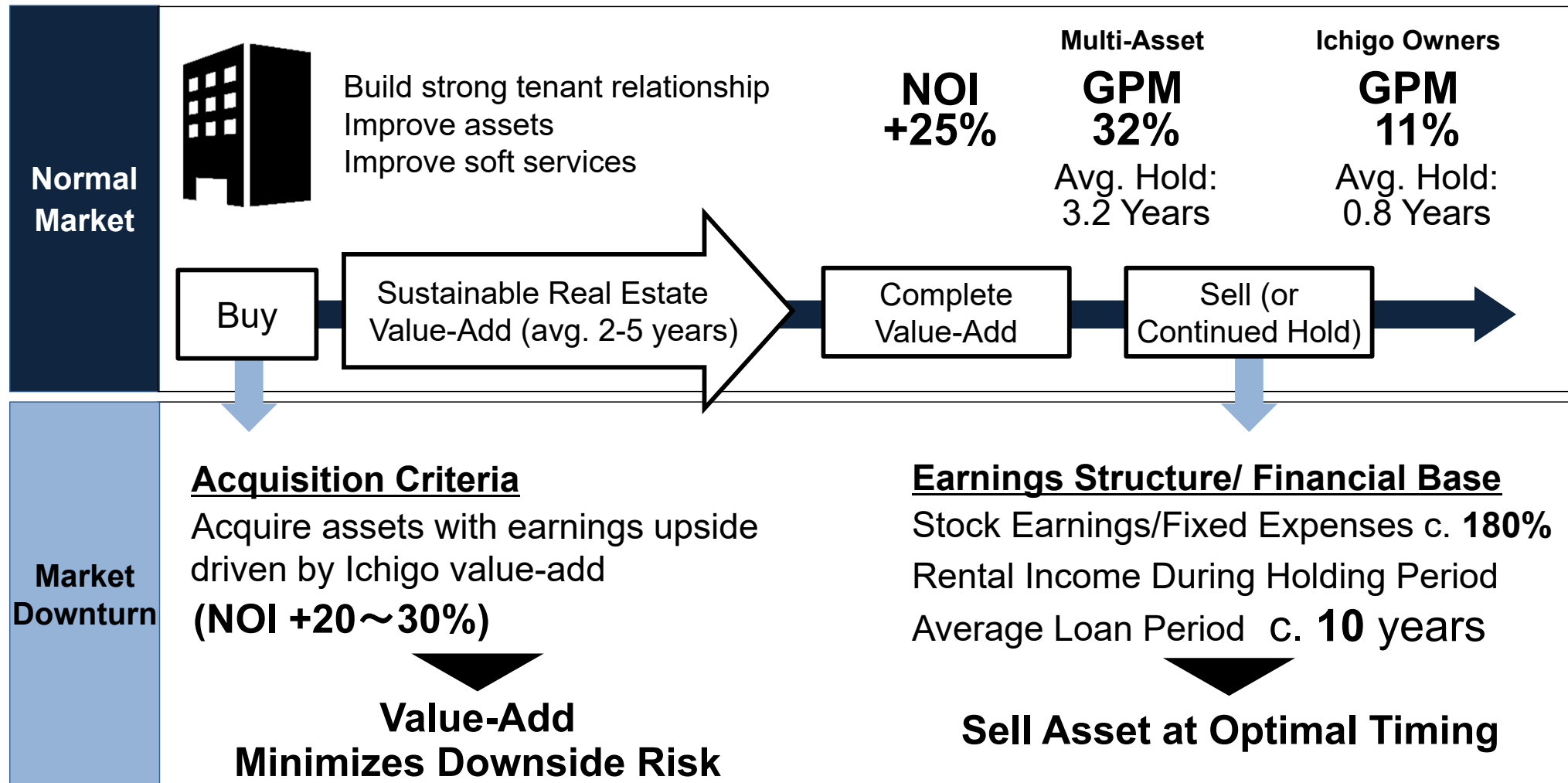
Capital Gain

The 15% increase in NOI at an equivalent cap rate increases the exit price by 15%: $\text{JPY } 2\text{B} * 115\% = \text{JPY } 2.3\text{B}$
 $\text{JPY } 2.3\text{B} - (\text{JPY } 2\text{B} + \text{JPY } 50\text{M}) = \text{JPY } 250\text{M capital gain}$

Outcome

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

Value-Add Robust to Changes in Market Environment



Note: NOI = FY18~FY20 Actual Office, Retail, Hotel NOI at acquisition vs. NOI at sale

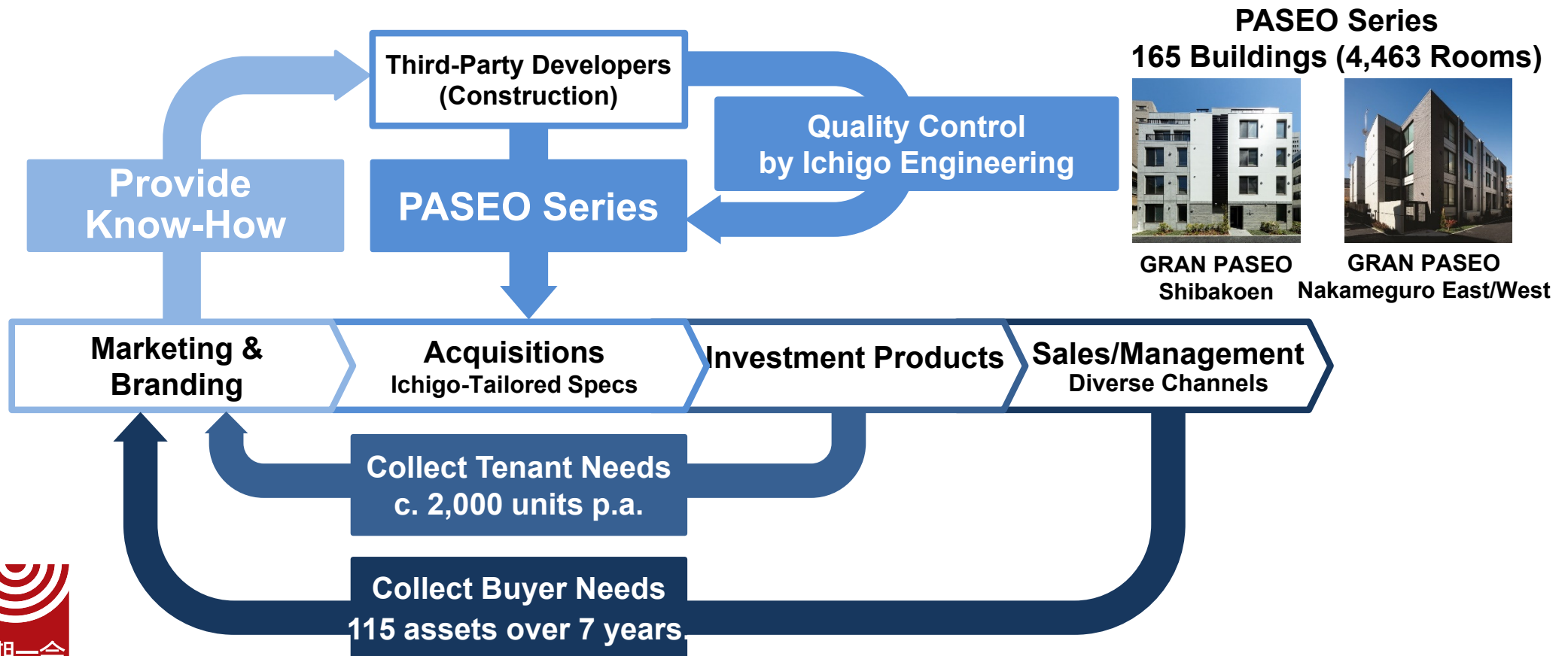
Multi-Asset GPM = FY18~FY20 Actual Office, Retail, Hotel (weighted average)

Ichigo Owners GPM = FY18~FY21 Actual Residential (weighted average)

Ichigo Owners Value-Add

Advantaged Ichigo Capabilities & Cost Competitiveness Build upon Ichigo's Strong PASEO Residential Brand & Deep Developer Support & Synergies

- Development, Marketing, & Branding Tailored to Diverse Buyer and Tenant Needs
- Eliminate Development Risk & Cut Costs via Outsourcing Construction to Third-Party Developers
- Construction Quality Control by Ichigo Engineering Organization



Sustainable Real Estate: Gross Profit Margin (GPM)

Ichigo Sustainable Value-Add Supports Ongoing High GPM

| | FY21/2 | FY22/2 | FY23/2 | FY24/2 | FY25/2 Q1 |
|-------------------------|--------|--------|--------|--------|-----------|
| GPM (vs. Revenue) | 13.9% | 20.6% | 21.1% | 14.6% | 16.2% |
| GPM (vs. Book Value) | 16.2% | 26.2% | 27.1% | 16.8% | 19.0% |
| Revenue (JPY M) | 41,430 | 45,830 | 55,166 | 69,693 | 22,192 |
| Gross Profit (JPY M) | 5,762 | 9,421 | 11,648 | 10,155 | 3,585 |

Includes Fixed Asset Gains on Sales

Ichigo-Owned Real Estate Portfolio

Actively Acquiring Mid-Size Assets with Value-Add Potential, Focused on Prime Location Offices, Retail, & Hotels in Tokyo & Major Cities

Total Ichigo-Owned Assets: JPY 250.7B

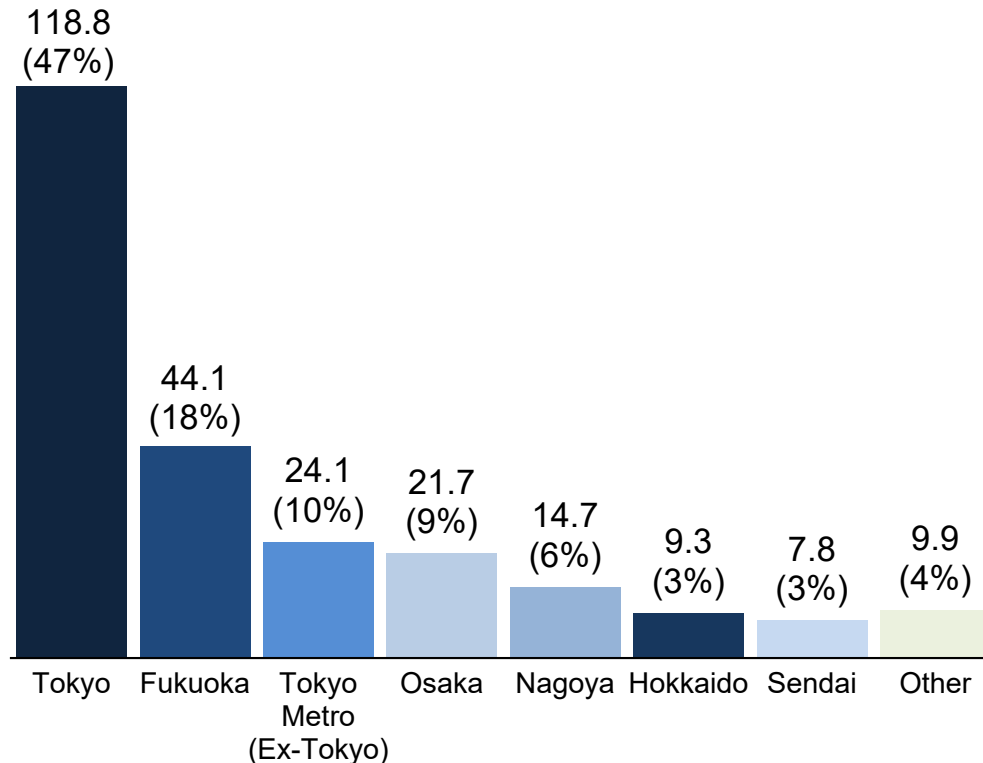
(Including Ichigo-Managed AUM: JPY 611.8B)

* Acquisition price basis

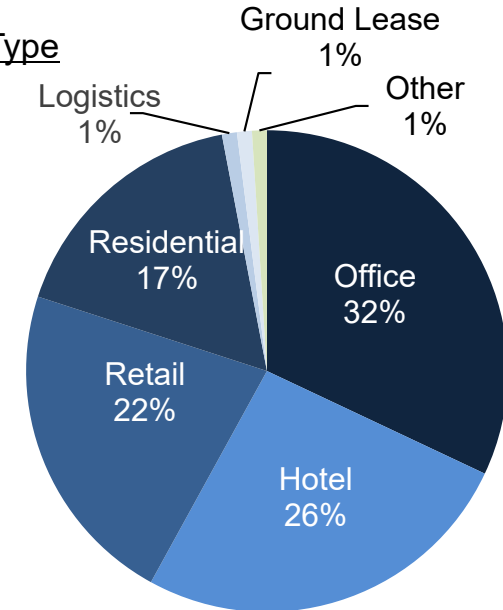
* Ichigo-Managed AUM includes JPY 11.4B Ichigo Green assets

By Location

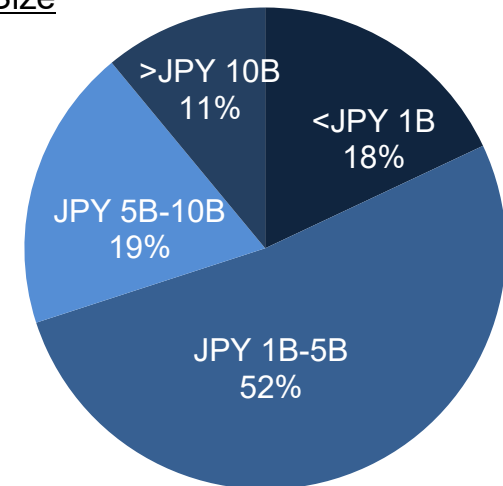
(JPY billion)



By Asset Type



By Asset Size



Sustainable Real Estate Asset Breakdown (1)

125 Assets, JPY 249.6B, Annual NOI JPY 12.0B (6.1% Yield)

| No. | Asset Type | Classification | Location | Acquisition Price | Acquisition Date | Building Age | Forecast NOI/Year ¹ | Ichigo Equity Investment | Forecast Equity Multiple ² | Forecast IRR ³ |
|-----|--------------|----------------|---------------------|-------------------|------------------|--------------|--------------------------------|--------------------------|---------------------------------------|---------------------------|
| 1 | Retail | Fixed Asset | Matsudo, Chiba | JPY 2B-3B | 2005/06 | 52 years | – | JPY 1,900M | – | – |
| 2 | Retail | Fixed Asset | Minato-ku, Tokyo | JPY 2B-3B | 2005/10 | 55 years | JPY 136M | JPY 1,033M | – | – |
| 3 | Retail | Fixed Asset | Minato-ku, Tokyo | >JPY 3B | 2006/03 | 38 years | JPY 165M | JPY 1,356M | – | – |
| 4 | Retail | Fixed Asset | Yokohama | JPY 1B-2B | 2006/09 | 19 years | JPY 60M | JPY 1,157M | – | – |
| 5 | Office | Fixed Asset | Sendai | >JPY 3B | 2006/10 | 16 years | JPY 240M | JPY 1,042M | – | – |
| 6 | Office | Fixed Asset | Fukuoka | >JPY 3B | 2006/12 | 15 years | JPY 350M | JPY 1,339M | – | – |
| 10 | Retail | Fixed Asset | Chiyoda-ku, Tokyo | JPY 1B-2B | 2007/06 | 44 years | JPY 85M | JPY 240M | – | – |
| 11 | Retail | Fixed Asset | Chiyoda-ku, Tokyo | JPY 1B-2B | 2007/06 | 43 years | JPY 125M | JPY 233M | – | – |
| 14 | Ground Lease | Fixed Asset | Atsugi, Kanagawa | JPY 2B-3B | 2011/06 | – | JPY 172M | JPY 147M | – | – |
| 15 | Retail | Fixed Asset | Hiratsuka, Kanagawa | <JPY 1B | 2012/02 | 28 years | JPY 75M | JPY 172M | – | – |
| 16 | Retail | Fixed Asset | Yokohama | <JPY 1B | 2012/10 | 10 years | JPY 34M | JPY 171M | – | – |
| 17 | Retail | Fixed Asset | Toshima-ku, Tokyo | >JPY 3B | 2013/03 | 13 years | JPY 243M | JPY 340M | – | – |
| 18 | Retail | Fixed Asset | Shibuya-ku, Tokyo | <JPY 1B | 2013/05 | 37 years | JPY 57M | JPY 154M | – | – |
| 19 | Retail | Fixed Asset | Chofu, Tokyo | JPY 1B-2B | 2013/06 | 39 years | JPY 136M | JPY 310M | – | – |
| 27 | Retail | Fixed Asset | Tokorozawa, Saitama | JPY 1B-2B | 2013/11 | 16 years | JPY 74M | JPY 92M | – | – |

Note: Annual NOI & Yield excludes Ichigo Owners and Centro assets.

¹ Forecast NOI/ Year is based on the business plan of each asset and is the forecast 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.

Sustainable Real Estate Asset Breakdown (2)

| No. | Asset Type | Classification | Location | Acquisition Price | Acquisition Date | Building Age | Forecast NOI/Year ¹ | Ichigo Equity Investment | Forecast Equity Multiple ² | Forecast IRR ³ |
|-----|--------------|----------------|---------------------|-------------------|------------------|--------------|--------------------------------|--------------------------|---------------------------------------|---------------------------|
| 29 | Ground Lease | Fixed Asset | Fujisawa, Kanagawa | JPY 1B-2B | 2014/03 | – | JPY 113M | JPY 273M | – | – |
| 30 | Retail | Fixed Asset | Shibuya-ku, Tokyo | <JPY 1B | 2014/03 | 40 years | JPY 51M | JPY 108M | – | – |
| 32 | Retail | Fixed Asset | Fukuoka | JPY 1B-2B | 2014/04 | 18 years | JPY 58M | JPY 279M | – | – |
| 35 | Office | Fixed Asset | Minato-ku, Tokyo | JPY 2B-3B | 2014/05 | 15 years | JPY 144M | JPY 434M | – | – |
| 37 | Retail | Fixed Asset | Minato-ku, Tokyo | <JPY 1B | 2014/07 | 51 years | JPY 47M | JPY 77M | – | – |
| 39 | Retail | Fixed Asset | Fukuoka | <JPY 1B | 2014/07 | 20 years | JPY 50M | JPY 213M | – | – |
| 40 | Retail | Fixed Asset | Fukuoka | <JPY 1B | 2014/09 | 39 years | JPY 49M | JPY 252M | – | – |
| 41 | Hotel | Fixed Asset | Utsunomiya, Tochigi | JPY 1B-2B | 2014/09 | 37 years | JPY 143M | JPY 400M | – | – |
| 42 | Retail | Fixed Asset | Fukuoka | JPY 1B-2B | 2014/09 | 23 years | JPY 59M | JPY 177M | – | – |
| 43 | Retail | Fixed Asset | Osaka | JPY 1B-2B | 2014/09 | 22 years | JPY 114M | JPY 301M | – | – |
| 57 | Residential | Fixed Asset | Minato-ku, Tokyo | JPY 1B-2B | 2014/12 | 20 years | – | JPY 186M | – | – |
| 62 | Retail | Fixed Asset | Fukuoka | <JPY 1B | 2014/12 | 20 years | JPY 41M | JPY 212M | – | – |
| 63 | Retail | Fixed Asset | Meguro-ku, Tokyo | JPY 1B-2B | 2014/12 | 17 years | JPY 85M | JPY 129M | – | – |
| 64 | Retail | Fixed Asset | Shinagawa-ku, Tokyo | <JPY 1B | 2015/01 | – | JPY 26M | – | – | – |
| 68 | Retail | Fixed Asset | Shibuya-ku, Tokyo | <JPY 1B | 2015/04 | 22 years | JPY 48M | JPY 79M | – | – |

¹ Forecast NOI/ Year is based on the business plan of each asset and is the Forecast 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.

Sustainable Real Estate Asset Breakdown (3)

| No. | Asset Type | Classification | Location | Acquisition Price | Acquisition Date | Building Age | Forecast NOI/Year ¹ | Ichigo Equity Investment | Forecast Equity Multiple ² | Forecast IRR ³ |
|-----|------------|----------------|--------------------|-------------------|------------------|--------------|--------------------------------|--------------------------|---------------------------------------|---------------------------|
| 110 | Hotel | Fixed Asset | Fukuoka | >JPY 3B | 2016/03 | 38 years | JPY 273M | JPY 905M | – | – |
| 112 | Hotel | Fixed Asset | Yokohama | >JPY 3B | 2016/03 | 36 years | JPY 319M | JPY 354M | – | – |
| 114 | Hotel | Fixed Asset | Fukuoka | >JPY 3B | 2016/04 | 34 years | JPY 182M | JPY 550M | – | – |
| 116 | Retail | Fixed Asset | Sendai | <JPY 1B | 2016/04 | 35 years | JPY 63M | JPY 86M | – | – |
| 119 | Retail | Fixed Asset | Shibuya-ku, Tokyo | <JPY 1B | 2016/06 | 37 years | JPY 42M | JPY 136M | – | – |
| 120 | Hotel | Fixed Asset | Shinjuku-ku, Tokyo | >JPY 3B | 2016/09 | 44 years | JPY 554M | JPY 349M | – | – |
| 121 | Office | Fixed Asset | Minato-ku, Tokyo | >JPY 3B | 2016/10 | 23 years | JPY 1,540M | JPY 3,450M | – | – |
| 145 | Hotel | Fixed Asset | Fukuoka | >JPY 3B | 2018/03 | 6 years | JPY 194M | JPY 301M | – | – |
| 147 | Hotel | Fixed Asset | Kyoto | >JPY 3B | 2018/08 | 5 years | JPY 327M | JPY 1,666M | – | – |
| 149 | Retail | Fixed Asset | Chiyoda-ku, Tokyo | >JPY 3B | 2018/09 | 34 years | JPY 308M | JPY 2,269M | – | – |
| 151 | Office | Fixed Asset | Fukuoka | <JPY 1B | 2018/10 | 25 years | JPY 36M | JPY 38M | – | – |
| 157 | Office | Fixed Asset | Chiyoda-ku, Tokyo | <JPY 1B | 2019/04 | 41 years | JPY 52M | JPY 210M | – | – |
| 159 | Retail | Fixed Asset | Shibuya-ku, Tokyo | JPY 2B-3B | 2019/05 | 44 years | JPY 123M | JPY 210M | – | – |
| 161 | Hotel | Fixed Asset | Fukuoka | >JPY 3B | 2019/07 | 29 years | JPY 354M | JPY 1,636M | – | – |
| 162 | Hotel | Fixed Asset | Fukuoka | >JPY 3B | 2019/07 | 25 years | JPY 353M | JPY 1,170M | – | – |

¹ Forecast NOI/ Year is based on the business plan of each asset and is the forecast 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.

Sustainable Real Estate Asset Breakdown (4)

| No. | Asset Type | Classification | Location | Acquisition Price | Acquisition Date | Building Age | Forecast NOI/Year ¹ | Ichigo Equity Investment | Forecast Equity Multiple ² | Forecast IRR ³ |
|------------------------|------------|----------------|---------------------|---------------------------|------------------|--------------|--------------------------------|--------------------------|---------------------------------------|---------------------------|
| 167 | Hotel | Fixed Asset | Hiroshima | >JPY 3B | 2020/08 | 3 years | JPY 306M | – | – | – |
| 171 | Office | Fixed Asset | Taito-ku, Tokyo | <JPY 1B | 2022/02 | 45 years | JPY 71M | JPY 38M | – | – |
| 172 | Office | Fixed Asset | Sapporo, Hokaido | >JPY 3B | 2022/04 | – | JPY 624M | JPY 3,349M | – | – |
| 175 | Office | Fixed Asset | Utsunomiya, Tochigi | JPY 2B-3B | 2022/09 | 16 years | JPY 203M | JPY 217M | – | – |
| 177 | Retail | Fixed Asset | Matsudo, Chiba | JPY 1B-2B | 2023/01 | 1 year | JPY 69M | JPY 1,189M | – | – |
| 182 | Retail | Fixed Asset | Nanto, Toyama | <JPY 1B | 2024/02 | – | – | JPY 63M | – | – |
| 51 Fixed Assets | | | | JPY 146,789M | | | JPY 8,973M | JPY 30,991M | – | – |
| | | | | JPY 143,936M (Book Value) | | | | | | |

¹ Forecast NOI/ Year is based on the business plan of each asset and is the forecast 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.

Sustainable Real Estate Asset Breakdown (5)

| No. | Asset Type | Classification | Location | Acquisition Price | Acquisition Date | Building Age | Forecast 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 | 61 years | JPY 120M | JPY 57M | 15.26X | 51.7% |
| 89 | Office | Real Estate for Sale | Musashino, Tokyo | >JPY 3B | 2015/07 | 35 years | JPY 134M | JPY 670M | 1.72X | 13.3% |
| 143 | Retail | Real Estate for Sale | Fukuoka | JPY 1B-2B | 2017/09 | 39 years | JPY 105M | JPY 223M | 3.78X | 19.9% |
| 153 | Hotel | Real Estate for Sale | Fukuoka | <JPY 1B | 2019/02 | 31 years | JPY 110M | – | 5.00X | 20.3% |
| 156 | Logistics | Real Estate for Sale | Fukuoka | JPY 2B-3B | 2019/03 | 36 years | JPY 150M | JPY 651M | 3.60X | 30.0% |
| 163 | Retail | Real Estate for Sale | Nagoya | >JPY 3B | 2019/08 | 26 years | JPY 481M | JPY 1,146M | 3.47X | 17.0% |
| 166 | Retail | Real Estate for Sale | Shibuya-ku, Tokyo | <JPY 1B | 2020/03 | 18 years | JPY 39M | JPY 83M | 3.23X | 13.5% |
| 168 | Office | Real Estate for Sale | Koto-ku, Tokyo | JPY 1B-2B | 2020/11 | 34 years | JPY 105M | – | 3.17X | 53.6% |
| 174 | Office | Real Estate for Sale | Meguro-ku, Tokyo | JPY 2B-3B | 2022/08 | 34 years | JPY 106M | JPY 344M | 3.25X | 41.2% |
| 176 | Office | Real Estate for Sale | Fukuoka | <JPY 1B | 2022/09 | 19 years | JPY 41M | JPY 65M | 3.85X | 36.7% |
| 178 | Retail | Real Estate for Sale | Shibuya-ku, Tokyo | <JPY 1B | 2022/12 | 15 years | JPY 35M | JPY 28M | 7.96X | 44.6% |
| 179 | Office | Real Estate for Sale | Minato-ku, Tokyo | JPY 1B-2B | 2023/02 | 33 years | JPY 59M | JPY 170M | 2.38X | 33.6% |
| 180 | Office | Real Estate for Sale | Funabashi, Chiba | JPY 2B-3B | 2023/04 | 32 years | JPY 178M | JPY 203M | 7.05X | 27.3% |
| 181 | Logistics | Real Estate for Sale | Sanbu-gun, Chiba | JPY 1B-2B | 2023/11 | 1 years | JPY 55M | JPY 1,084M | – | – |
| 183 | Office | Real Estate for Sale | Sapporo, Hokaido | >JPY 3B | 2023/12 | 35 years | JPY 209M | JPY 696M | – | – |

¹ Forecast NOI/ Year is based on the business plan of each asset and is the forecast 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.

Sustainable Real Estate Asset Breakdown (6)




| No. | Asset Type | Classification | Location | Acquisition Price | Acquisition Date | Building Age | Forecast NOI/Year ¹ | Ichigo Equity Investment | Forecast Equity Multiple ² | Forecast IRR ³ |
|-------------------------|------------|----------------------|----------------|---------------------------|------------------|--------------|--------------------------------|--------------------------|---------------------------------------|---------------------------|
| 184 | Hotel | Real Estate for Sale | Sendai, Miyagi | JPY 2B-3B | 2023/12 | 14 years | JPY 165M | JPY 20M | 4.51X | 88.7% |
| 185 | Hotel | Real Estate for Sale | Osaka | >JPY 3B | 2024/02 | 27 years | JPY 958M | JPY 2,062M | 2.11X | 28.7% |
| 186 | Office | Real Estate for Sale | Osaka | >JPY 3B | 2024/04 | 28 years | JPY 87M | JPY 427M | 1.20X | 61.2% |
| 187 | Office | Real Estate for Sale | Nagoya | >JPY 3B | 2024/04 | 32 years | JPY 226M | JPY 623M | 2.03X | 43.8% |
| 19 Real Estate For Sale | | | | JPY 58,443M | | | JPY 3,365M | JPY 8,553M | 2.82X | 36.8% |
| | | | | JPY 60,568M (Book Value) | | | | | | |
| Subtotal 70 Assets | | | | JPY 205,232M | | | JPY 12,339M | JPY 39,545M | – | – |
| | | | | JPY 204,505M (Book Value) | | | | | | |

| No. | Asset Type | Acquisition Price | vs. FY24/2 | Forecast NOI/Year ¹ | Ichigo Equity Investment | Forecast Equity Multiple | Forecast IRR | |
|-----------------------------------|---|-------------------|---------------------------|--------------------------------|--------------------------|--------------------------|--------------|---|
| A | Ichigo Owners (Residential) | 33 Assets | JPY 38,435M | -JPY 5,910M | JPY 1,496M | JPY 7,870M | – | – |
| B | Ichigo Owners (Other) | 2 Assets | JPY 999M | – | JPY 96M | JPY 999M | – | – |
| C | Centro (Primarily Office & Residential) | 20 Assets | JPY 6,102M | – | JPY 434M | JPY 1,630M | – | – |
| Total 125 Assets | | | JPY 250,770M | | JPY 14,367M | JPY 50,045M | – | – |
| | | | JPY 249,677M (Book Value) | | | | | |
| Assets acquired in FY25/2 Q1 (3M) | | Total 6 Assets | JPY 13,058M | | JPY 482M | JPY 1,831M | – | – |

¹ Forecast NOI/ Year is based on the business plan of each asset and is the forecast NOI after value-add is completed.

Appendix: Asset Management Details

Ichigo REITs & Ichigo Green

| | Ichigo Office 8975 | Ichigo Hotel 3463 | Ichigo Green 9282 |
|--|---|--|---|
| Portfolio | JPY 225.8B (93 Assets) | JPY 69.8B (30 Hotels) | JPY 11.4B (15 Solar Plants) |
| Dividend Yield (as of July 8, 2024) | 5.9% | 5.0% | 6.8% |
| Overview |  <ul style="list-style-type: none"> Entered FTSE Global REIT Index, a key benchmark for global investors Ichigo Office & Ichigo Hotel only J-REITs with a no fixed fee, performance fee-only fee structure 100% renewable energy for all assets with full Ichigo ownership (83 assets, excludes partially-owned and co-owned assets) |  <ul style="list-style-type: none"> 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 acquisitions & sales 100% renewable energy <small>*as of Dec 25, 2023</small> |  <ul style="list-style-type: none"> Solar power producers 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 |

Growth & ESG Support for Ichigo REITs & Ichigo Green

Ichigo Office (8975)

- Asset pipeline, bridge fund creation, and financial support for asset acquisitions
- Providing financial support for value-add capex
- Owning Ichigo Office shares to strengthen growth commitment

Ichigo Hotel (3463)

- Providing financial support for asset acquisitions
- Reduced Ichigo Hotel operator risk via bringing in OneFive Hotels (6 Hotels, 734 rooms)
- Owning Ichigo Office shares to strengthen growth commitment

Ichigo Green (9282)

- Ichigo ECO Energy operating all 15 power plants
- Ichigo earnings support via minimum daylight hour guarantee

ESG Support

- Supporting Ichigo Office & Ichigo Hotel RE100 achievement
- Assessing asset risks using value-add know-how and supporting group-wide ESG initiatives
- Strengthening ESG initiatives via third-party assessments
- Group-wide real-time reporting system for natural disaster response

Asset Management AUM Detail

| | | FY20/2 (12M) | FY21/2 (12M) | FY22/2 (12M) | FY23/2 (12M) | FY24/2 (12M) | FY25/2 Q1 (3M) |
|--|--------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------|
| Ichigo Office (8975) | AUM (Fiscal Year End) | JPY 203.0B | JPY 203.2B | JPY 206.1B | JPY 205.4B | JPY 212.1B | JPY 225.8B |
| | Base AM Fee Gross Profit (Actual) | JPY 1,426M | JPY 1,436M | JPY 1,524M | JPY 1,725M | JPY 1,517M | JPY 323M |
| Ichigo Hotel (3463) | AUM (Fiscal Year End) | JPY 50.7B | JPY 50.8B | JPY 51.9B | JPY 51.9B | JPY 54.7B | JPY 69.8B |
| | Base AM Fee Gross Profit (Actual) | JPY 461M | JPY 381M | JPY 42M | JPY 95M | JPY 201M | JPY 131M |
| Ichigo Green (9282) | AUM (Fiscal Year End) | JPY 11.4B | JPY 11.4B | JPY 11.4B | JPY 11.4B | JPY 11.4B | JPY 11.4B |
| | Base AM Fee Gross Profit (Actual) | JPY 85M | JPY 82M | JPY 79M | JPY 77M | JPY 78M | JPY 19M |
| Private Equity Real Estate Funds (excluding consolidated funds) | AUM (Fiscal Year End) | JPY 20.6B | JPY 36.8B | JPY 36.8B | JPY 49.3B | JPY 42.3B | JPY 53.8B |
| | Base AM Fee Gross Profit (Actual) | JPY 41M | JPY 116M | JPY 137M | JPY 144M | JPY 212M | JPY 58M |
| Total (excluding consolidated funds) | AUM (Fiscal Year End) | JPY 285.8B | JPY 302.4B | JPY 306.4B | JPY 318.2B | JPY 320.7B | JPY 361.0B |
| | Base AM Fee Gross Profit (Actual) | JPY 2,014M | JPY 2,016M | JPY 1,782M | JPY 2,042M | JPY 2,010M | JPY 53.3M |

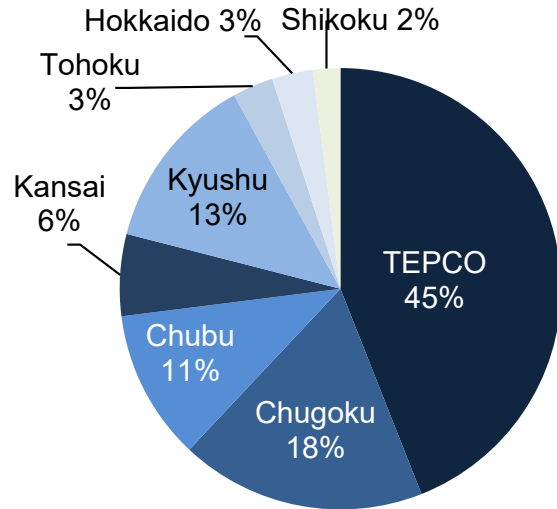
Ichigo Green Base AM Fee Gross Profit (Actual) includes operator fees.

Appendix: Clean Energy Details

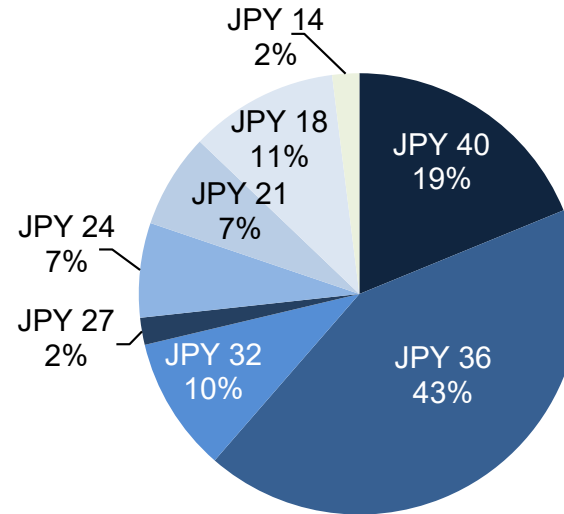
Ichigo Solar Power Plant Portfolio

Total Operating and In-Pipeline Ichigo-Owned Solar Power Plants: 48 Plants (151.4MW)

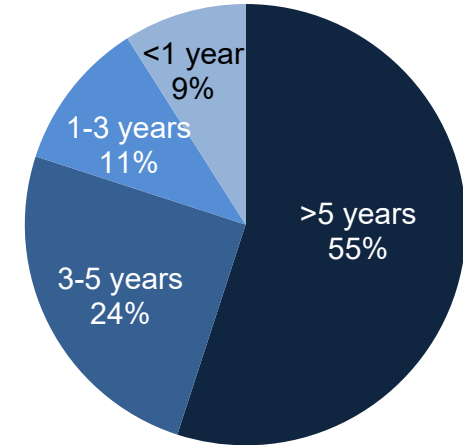
By Customer (Electric Power Utility Co)



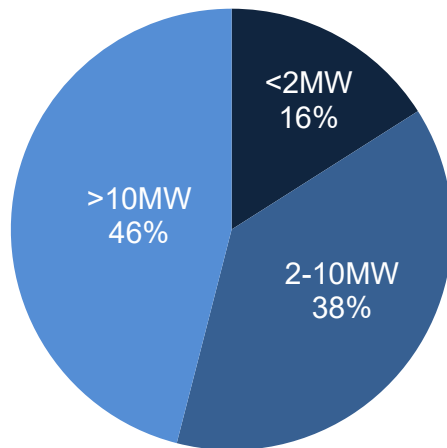
By Feed-In Tariff



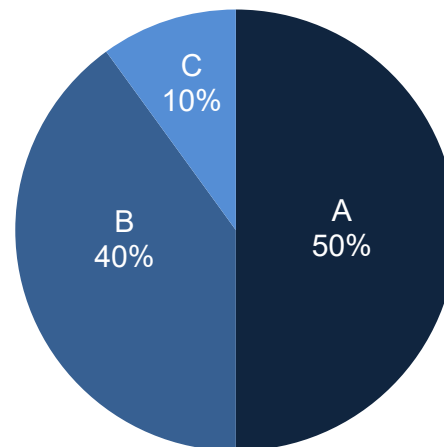
By Years in Operation



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 | 67.4 | 14-40 | — | — |
| Chugoku | 26.6 | 18-40 | — | — |
| Kyushu | 19.3 | 32-40 | — | — |
| Chubu | 17.0 | 14-36 | — | — |
| Kansai | 9.3 | 18-32 | — | — |
| Tohoku | 4.6 | 36 | — | — |
| Hokkaido | 4.4 | 40 | — | — |
| Shikoku | 2.5 | 40 | — | — |
| Total | 151.4 | — | — | — |

Solar Intensity Rank A: ≥ 4.00 B: $\geq 3.75, < 4.00$ C: $\geq 3.50, < 3.75$ D: < 3.5
Unit: kWh/m² per day

Ichigo Solar Power Plant Portfolio

Operating

| No. | Solar Power Plant | Area | Panel Output (MW) | FIT (Pre-tax) | Operation Start Date |
|-----|---|----------|-------------------|---------------|----------------------|
| 1 | Ichigo Tokushima Higashi-Okinosu | Shikoku | 2.52 | JPY 40 | 2013/08 |
| 2 | Ichigo Fuchu Jogecho Yano | Chugoku | 0.99 | JPY 40 | 2014/03 |
| 3 | Ichigo Yubetsu Barou | Hokkaido | 0.80 | JPY 40 | 2014/04 |
| 4 | Ichigo Maebashi Naegashima | Kanto | 0.67 | JPY 40 | 2014/04 |
| 5 | Ichigo Kijo Takajo | Kyushu | 0.89 | JPY 40 | 2014/04 |
| 6 | Ichigo Betsukai Kawakamicho | Hokkaido | 0.88 | JPY 40 | 2014/10 |
| 7 | Ichigo Toyokoro Sasadamachi | Hokkaido | 0.60 | JPY 40 | 2014/10 |
| 8 | Ichigo Higashi-Hiroshima Saijocho Taguchi | Chugoku | 2.72 | JPY 40 | 2015/01 |
| 9 | Ichigo Akkeshi Shirahama | Hokkaido | 0.80 | JPY 40 | 2015/03 |
| 10 | Ichigo Hamanaka Bokujo Tsurunokotai | Tohoku | 2.31 | JPY 36 | 2015/12 |
| 11 | Ichigo Yonago Izumi | Chugoku | 2.61 | JPY 40 | 2016/01 |
| 12 | Ichigo Kasaoka Takumicho | Chugoku | 1.11 | JPY 32 | 2016/03 |
| 13 | Ichigo Toki Oroshicho | Chubu | 1.39 | JPY 36 | 2016/06 |
| 14 | Ichigo Toride Shimotakai Kita | Kanto | 1.03 | JPY 32 | 2016/07 |
| 15 | Ichigo Toride Shimotakai Minami | Kanto | 0.54 | JPY 32 | 2016/07 |
| 16 | Ichigo Hamanaka Bokujo Kajibayashi | Tohoku | 2.31 | JPY 36 | 2016/10 |
| 17 | Ichigo Sera Tsukuchi | Chugoku | 2.54 | JPY 32 | 2017/02 |
| 18 | Ichigo Sera Aomizu | Chugoku | 2.87 | JPY 32 | 2017/08 |
| 19 | Ichigo Showamura Ogose | Kanto | 43.34 | JPY 36 | 2017/09 |
| 20 | Ichigo Memuro Nishi-Shikari | Hokkaido | 1.32 | JPY 40 | 2018/02 |
| 21 | Ichigo Kure Yasuuracho Nakahata | Chugoku | 2.90 | JPY 36 | 2018/03 |
| 22 | Ichigo Tsu | Chubu | 2.94 | JPY 24 | 2018/03 |
| 23 | Ichigo Kasaoka Iwanoike | Chugoku | 2.64 | JPY 24 | 2018/03 |
| 24 | Ichigo Toki Tsurusatocho Kakino | Chubu | 1.31 | JPY 24 | 2018/04 |
| 25 | Ichigo Itoshima Iwara | Kyushu | 1.48 | JPY 36 | 2019/01 |
| 26 | Ichigo Sakahogi Fukagaya | Chubu | 2.89 | JPY 21 | 2019/05 |
| 27 | Ichigo Sennan Kitsuneike | Kansai | 2.86 | JPY 21 | 2019/07 |
| 28 | Ichigo Minakami Aramaki | Kanto | 12.02 | JPY 36 | 2020/01 |
| 29 | Ichigo Takashima Kutsuki | Kansai | 3.74 | JPY 32 | 2020/01 |
| 30 | Ichigo Toki Tsurusatocho Kakino Higashi | Chubu | 1.67 | JPY 21 | 2020/02 |

Ichigo Solar Power Plant Portfolio

Operating

| No. | Solar Power Plant | Area | Panel Output (MW) | FIT (Pre-tax) | Operation Start Date |
|--------------------------|--|------------------|-------------------|---------------|----------------------|
| 31 | Ichigo Hitachiomiya | Kanto | 2.99 | JPY 24 | 2020/03 |
| 32 | Ichigo Hokota Aoyagi | Kanto | 2.48 | JPY 27 | 2020/04 |
| 33 | Ichigo Kasaoka Osakaike | Chugoku | 2.66 | JPY 21 | 2020/04 |
| 34 | Ichigo Minokamo Hachiyacho Kamihachiya | Chubu | 1.29 | JPY 18 | 2020/09 |
| 35 | Ichigo Seto Jokojicho | Chubu | 1.45 | JPY 18 | 2020/10 |
| 36 | Ichigo Toride Shimotakai Nishi | Kanto | 2.84 | JPY 18 | 2021/01 |
| 37 | Ichigo Chiba Wakaba-ku Omiyacho Higashi | Kanto | 0.74 | JPY 14 | 2021/09 |
| 38 | Ichigo Kasaoka Idachiike | Chugoku | 2.66 | JPY 18 | 2021/10 |
| 39 | Ichigo Komagane Akaho Minami | Chubu | 0.74 | JPY 14 | 2021/11 |
| 40 | Ichigo Komagane Akaho Kita | Chubu | 0.39 | JPY 14 | 2021/11 |
| 41 | Ichigo Chiba Wakaba-ku Omiyacho Nishi | Kanto | 0.74 | JPY 14 | 2021/11 |
| 42 | Ichigo Tatsunomachi Sawasoko | Chubu | 0.74 | JPY 14 | 2021/12 |
| 43 | Ichigo Miyakonojo Takazakicho Tsumagirishima | Kyushu | 2.96 | JPY 32 | 2021/12 |
| 44 | Ichigo Kobe Pompuike | Kansai | 2.73 | JPY 18 | 2022/01 |
| 45 | Ichigo Obu Yoshidamachi | Chubu | 1.00 | JPY 18 | 2022/03 |
| 46 | Ichigo Sera Shimozuta | Chugoku | 2.93 | JPY 18 | 2022/03 |
| 47 | Ichigo Ueda Yoshidaike | Chubu | 1.16 | JPY 18 | 2022/11 |
| 48 | Ichigo Ebino Suenaga | Kyushu | 13.99 | JPY 40 | 2024/01 |
| Total (Operating) | | 48 Plants | 151.4MW | | |

Ichigo Wind Power Plant Portfolio

Operating

| No. | Wind Power Plant | Area | Panel Output (MW) | FIT (Pre-tax) | Operation Start Date |
|--------------------------|-----------------------|----------------|-------------------|---------------|----------------------|
| 1 | Ichigo Yonezawa Itaya | Tohoku | 7.39 | JPY 22 | 2021/03 |
| Total (Operating) | | 1 Plant | 7.39MW | | |

Ichigo Solar & Wind Power Plant (Operating/In-Pipeline) Total: 49 Plants 158.8MW

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

| Power Source [Contract Period] | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|--|--------|--------|-------------------|-------------------|-------------------|---|-----------------------|---|---|---|---|---|---|
| Solar Power (>10kW) [20 years] | JPY 40 | JPY 36 | JPY 32 | JPY 29 JPY 27 | JPY 24 | Determined via auction process (>2,000kW) | | Determined via auction process (>500kW) | Determined via auction process (>250kW) | Determined via auction process (>250kW) | Determined via auction process (>250kW) | Determined via auction process (>250kW) | Determined via auction process (>250kW) |
| | | | | | | JPY 21 (10kW-2,000kW) | JPY 18 (10kW-2,000kW) | JPY 14 (10kW-500kW) | JPY 12 (50kW-250kW) | JPY 11 (50kW-250kW) | JPY 10 (50kW-250kW) | JPY 9.5 (50kW-250kW) | JPY 9.2 (50kW-250kW) |
| Wind Power (>20kW) [20 years] | JPY 22 | JPY 22 | JPY 22 | JPY 22 | JPY 22 | JPY 21 *JPY 22 until Sept 30, 2017 | JPY 20 | JPY 19 | JPY 18 | JPY 17 | Determined via auction process (>50kW) | Determined via auction process (>50kW) | Determined via auction process (>50kW) |
| Biomass (Domestic Feedstocks) [20 years] | JPY 32 | JPY 32 | JPY 40 (<2,000kW) | JPY 40 (<2,000kW) | JPY 40 (<2,000kW) | JPY 40 (<2,000kW) | JPY 40 (<2,000kW) | JPY 40 (<2,000kW) | JPY 40 (<2,000kW) | JPY 40 (<2,000kW) | JPY 40 (<2,000kW) | JPY 40 (<2,000kW) | JPY 40 (<2,000kW) |
| | | | JPY 32 (>2,000kW) | JPY 32 (>2,000kW) | JPY 32 (>2,000kW) | JPY 32 (>2,000kW) | JPY 32 (>2,000kW) | JPY 32 (>2,000kW) | JPY 32 (>2,000kW) | JPY 32 (>2,000kW) | JPY 32 (>2,000kW) | JPY 32 (>2,000kW) | JPY 32 (>2,000kW) |

Ichigo Green (9282) Solar Plant Portfolio

Operating

| No. | Solar Power Plant | Area | Panel Output (MW) | FIT (Pre-tax) | Operation Start Date |
|--------------------------|------------------------------------|------------------|-------------------|---------------|----------------------|
| 1 | Ichigo Kiryu Okuzawa | Kanto | 1.33 | JPY 40 | 2013/09 |
| 2 | Ichigo Motomombetsu | Hokkaido | 1.40 | JPY 40 | 2014/02 |
| 3 | Ichigo Muroran Hatchodaira | Hokkaido | 1.24 | JPY 40 | 2014/03 |
| 4 | Ichigo Engaru Kiyokawa | Hokkaido | 1.12 | JPY 40 | 2014/03 |
| 5 | Ichigo Iyo Nakayamacho Izubuchi | Shikoku | 1.23 | JPY 40 | 2014/04 |
| 6 | Ichigo Nakashibetsu Midorigaoka | Hokkaido | 1.93 | JPY 40 | 2014/11 |
| 7 | Ichigo Abira Toasa | Hokkaido | 1.16 | JPY 40 | 2014/12 |
| 8 | Ichigo Toyokoro | Hokkaido | 1.02 | JPY 40 | 2014/12 |
| 9 | Ichigo Nago Futami | Okinawa | 8.44 | JPY 40 | 2015/02 |
| 10 | Ichigo Engaru Higashimachi | Hokkaido | 1.24 | JPY 40 | 2015/02 |
| 11 | Ichigo Takamatsu Kokubunjicho Nii | Shikoku | 2.43 | JPY 36 | 2015/06 |
| 12 | Ichigo Miyakonojo Yasuhisacho | Kyushu | 1.44 | JPY 36 | 2015/07 |
| 13 | Ichigo Toyokawa Mitocho Sawakihama | Chubu | 1.80 | JPY 32 | 2015/09 |
| 14 | Ichigo Yamaguchi Aionishi | Chugoku | 1.24 | JPY 40 | 2015/12 |
| 15 | Ichigo Yamaguchi Sayama | Chugoku | 2.35 | JPY 36 | 2016/04 |
| Total (Operating) | | 15 Plants | 29.4MW | | |

Ichigo & Ichigo Green Power Plant (Operating/In-Pipeline) Total: 188.2MW

Solar Power Plants: 151.4MW

Wind Power Plants: 7.3MW

Ichigo Green Plants: 29.4MW

Green Biomass Entry

Fully Local Green Biomass as Ichigo's 3rd Renewable Energy Business

- 5 Plants In Development (4.0MW, JPY 4.5B in Total Business Expenses)
- Diversify & stabilize power production
- Procure biomass feedstock via Ichigo's relationships with local government

| | Characteristics | Weather Impacts |
|-------------|--|-----------------|
| Solar Power | <ul style="list-style-type: none"> ▪ Lots of potential plant site candidates, able to make effective use of idle land | Yes |
| Wind Power | <ul style="list-style-type: none"> ▪ Night time power production capability | Yes |
| Biomass | <ul style="list-style-type: none"> ▪ 24-hour power generation capacity regardless of weather conditions ▪ Able to control power generation ▪ Requires stable supply of biomass energy sources | No |

Maintain & Conserve Forests

- Support biodiversity & contribute to fight against climate change

Purposeful Use of Japan's Abundant Forest Resources

- Japan's forest ratio is 67% (3rd highest amongst OECD countries), 8th largest cultivated forest area in the world
- Productive use of unused domestic wood materials as biomass energy source

Appendix: Ichigo's Sustainability Commitment (ESG)



Ichigo Sustainability Policy

Harmony With the Environment and Recycling

Ichigo actively monitors and minimizes the environmental impact of its business operations via extending the useful life of its assets, reducing water and water consumption, and recycling.

Addressing Climate Change and Shift to Low-Carbon Society

Ichigo seeks to contribute to a low-carbon society and address climate change by lowering its energy consumption and greenhouse gas emissions, using renewable energy, and improving the resilience of its assets.

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, Awareness, and Cooperation With Stakeholders

Ichigo works to increase sustainability awareness via company training sessions, and promotes understanding of its Sustainability Policy among all Ichigo employees and tenant employees working at its assets. Ichigo also works with stakeholders to promote understanding of its Sustainability Policy and implement sustainability initiatives.

Sustainability Performance Communication and Disclosure

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

Sustainable Procurement

Ichigo implements sustainable procurement measures, including the use of environmentally-friendly construction methods and materials, actively installing energy and resource efficient equipment, and the inclusion of sustainability initiatives as a selection criteria for business partners.

Building a Diverse, Inclusive Organization

Ichigo respects human rights and works to build a diverse organization where employees work with respect for each other and realize their full potential regardless of race, beliefs, religion, skin color, nationality, age, gender, sexual orientation, gender identity, disabilities, and social status. Ichigo also provides a healthy, comfortable work environment that focuses on employee performance and well-being and drives organizational growth.

Biodiversity and Ecosystem Preservation

Ichigo contributes to the preservation of biodiversity and ecosystems via the addition of greenery to the interiors and exteriors of its assets, primarily using native plants.

ESG Initiatives: Environmental

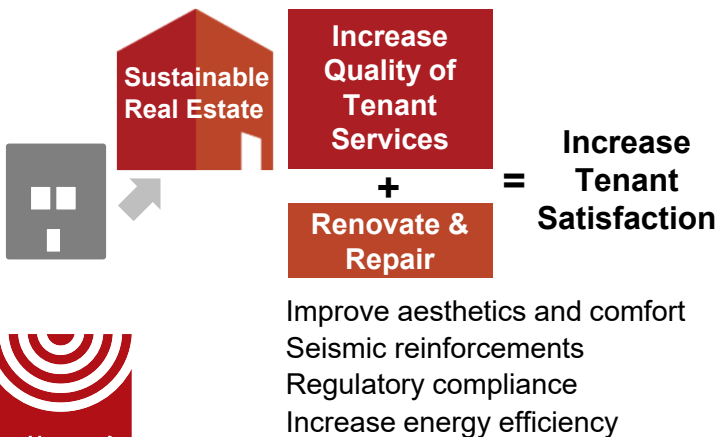


Climate Positive & Sustainability-Driven

Preserve & Improve Real Estate to End Wasteful Demolition

Ichigo's Sustainable Real Estate business has a proven track record of preserving and improving existing real estate. Ichigo will build on this long-standing commitment to sustainability by developing new technologies to extend the lives of buildings and other social infrastructure 100 years and beyond.

Ichigo's Sustainable Real Estate Preserve & Create Value



Community-Based, 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.



Annual Power Production

228,739,150 kWh

Equivalent to annual energy consumption of 52,900 households
 Annual Energy Consumption (Japan Average) 4,322kWh/household (Ministry of Environment document)

Annual CO2 Reduction

101,217,992 tons

Equivalent to annual CO2 emission of 44,000 cars
 Gasoline Passenger Cars 2,300kg/car per year (Ministry of Environment document)



*Ichigo, Ichigo Green FY24/2 Actuals

Pro-Active Environmental Certifications

By obtaining certifications such as GRESB, CASBEE, BELS, and DBJ Green Building, Ichigo is demonstrating our long-standing commitment to sustainability via initiatives that benefit investors, tenants, clients, and other stakeholders.

Ichigo Group-Wide



Ichigo & Ichigo Office (8975)
 Total 16 Assets



Ichigo Office (8975)
 4 Stars / Green Star



Ichigo Hotel (3463)
 2 Stars / Green Star



BELS 7 Assets
 DBJ Green Building 2 Assets
 Tokyo Low-Carbon Small and Medium-Sized Model Building 9 Assets



ESG Initiatives: Social



Contributing to Society

Contributing to Regional Revitalization

Ichigo works to revitalize local communities and promote regional economic development. Ichigo's model of preserving and improving existing real estate creates jobs and supports businesses, and our renewable energy power plants also support their host communities by providing new and sustainable sources of income.



◀ Miyako City Retail Asset / Miyazaki
www.miyakocity.com

THE KNOT TOKYO ▶
Shinjuku Hotel / Tokyo
<https://hotel-the-knot.jp/tokyoshinjuku/en>



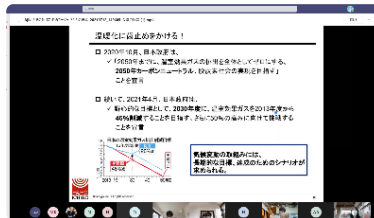
Ichigo University

Ichigo established Ichigo University in May 2013 to support employees' continuing education and personal growth.

Ichigo University courses are taught by employees and external professionals who are specialists in their fields and have deep experience.

Average Annual Number of Courses: 30

Ichigo University Classes



Online



In-Person

Sports Initiatives

As a top partner of the J.League professional soccer league, we support the league's mission to promote community development. Ichigo supports outstanding athletes in weightlifting, rifle shooting, track and field, and tennis.



Hiromi Miyake (Weightlifting)



Chisato Kiyoyama (Track and Field)

Certified as a Sports Yell Company & Tokyo Metropolitan Government Sports Promotion Company for 7th year in a row

Ichigo Sports Site (Japanese only)
www.ichigo.gr.jp/ichigosports



Global Best Practice Governance



Early Adopter of Global Best Practice Corporate Governance Structure

All Directors on Ichigo's Board of Directors are aware of their fiduciary responsibility towards shareholders and work collaboratively and appropriately with other stakeholders to ensure sustained value creation for shareholders.

Major Initiatives

- Adopted Independent Director-led, committee based governance system in 2006
- 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)

Majority Independent Director Board Underpins Strong Governance

Of 9 members of Ichigo's Board of Directors, majority are Independent Directors, including former CEOs of TSE Prime (formerly 1st Section)

FY18/2 to present

Nobuhide Nakaido (former CEO of SCSK)

FY17/2 to May 2023

Masatoshi Matsuzaki (former CEO of Konica Minolta)

FY16/2 to May 2019

Kosuke Nishimoto (former CEO of Meitec; stepped down from Ichigo's board upon appointment as EVP of Misumi Group)

FY16/2 to FY17/2

Takashi Kawamura (former CEO of Hitachi; stepped down from Ichigo's board upon appointment as Chairman of TEPCO)

Annual Board of Directors Evaluation

Board evaluations are conducted by having each Director assess the Board along the criteria shown below, with aggregate survey results collectively reviewed by the Board.

- (1) Board Composition
- (2) Board Operation
- (3) Board Effectiveness
- (4) Board Support Resources
- (5) Engagement with Shareholders and Stakeholders
- (6) Board Operation Under Covid
- (7) SDGs and Sustainability Initiatives

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.

TCFD (Task Force on Climate-related Financial Disclosures)

TCFD was established by the Financial Stability Board ("FSB") in December 2015, at the request of the G20, to develop a framework on climate-related financial risk disclosures and how the financial sector can address climate change. TCFD recommends that companies disclose their climate-related risks and opportunities.

CDP

CDP is a global initiative led by a non-profit organization representing over 500 global investors that runs the global disclosure system for investors, companies, cities, states, and regions to manage their environmental impacts. Assessment is based on governance, risk management, business strategy, targets and performance, etc., and companies are scored from A to D-.

Ichigo's scores for 2023: A (Climate Change Assessment), A- (Water Security Assessment)

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 across its operations, including Ichigo Office (8975) and Ichigo Hotel (3463), by 2025

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.

Rich ESG Content

ICHIGO Sustainable City



Introducing Ichigo's Vision for Society's Future

| | |
|----------------------------|-------------------|
| Sustainable Infrastructure | Sports |
| Culture | Smart Agriculture |
| Regional Development | ESG/SDGs |



Ichigo Brand Site: ICHIGO Sustainable City
www.ichigo.gr.jp/company/brand (Japanese only)

Ichigo Sustainability Report



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

| | |
|---------------------------|---------------------------------|
| Senior Management Message | Sustainable Business Management |
| Sustainability Policy | ESG Initiatives |
| Third-Party Assessments | ESG Data |



Ichigo Sustainability Report
www.ichigo.gr.jp/pdf/esg/Ichigo_Sustainability_Report_ENG.pdf



Ichigo 2030: Ichigo as a Sustainable Infrastructure Company

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.





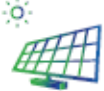



Ichigo as a Sustainable Infrastructure Company

Addressing Diverse Needs of 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



Ichigo 2030 KPIs

Strengthening Commitment to Ichigo 2030 Vision & Drive Sustainable Growth in Shareholder Value

| | | |
|-------------------------------|--|-------------------------|
| Grow Shareholder Value | High Capital Productivity High Cash Flow Generation | New KPIs |
| | High Earnings Stability | New KPIs |
| | Shareholder Return Policy | Raise DOE from 3% to 4% |
| | Work for a Sustainable Planet | New KPIs |

Ichigo 2030 KPIs (1)

High Capital Efficiency & High Cash Flow Generation

- Cash ROE >18% (New)
- ROE >15%
- Economic Operating Cash Flow > Net Income

High Earnings Stability

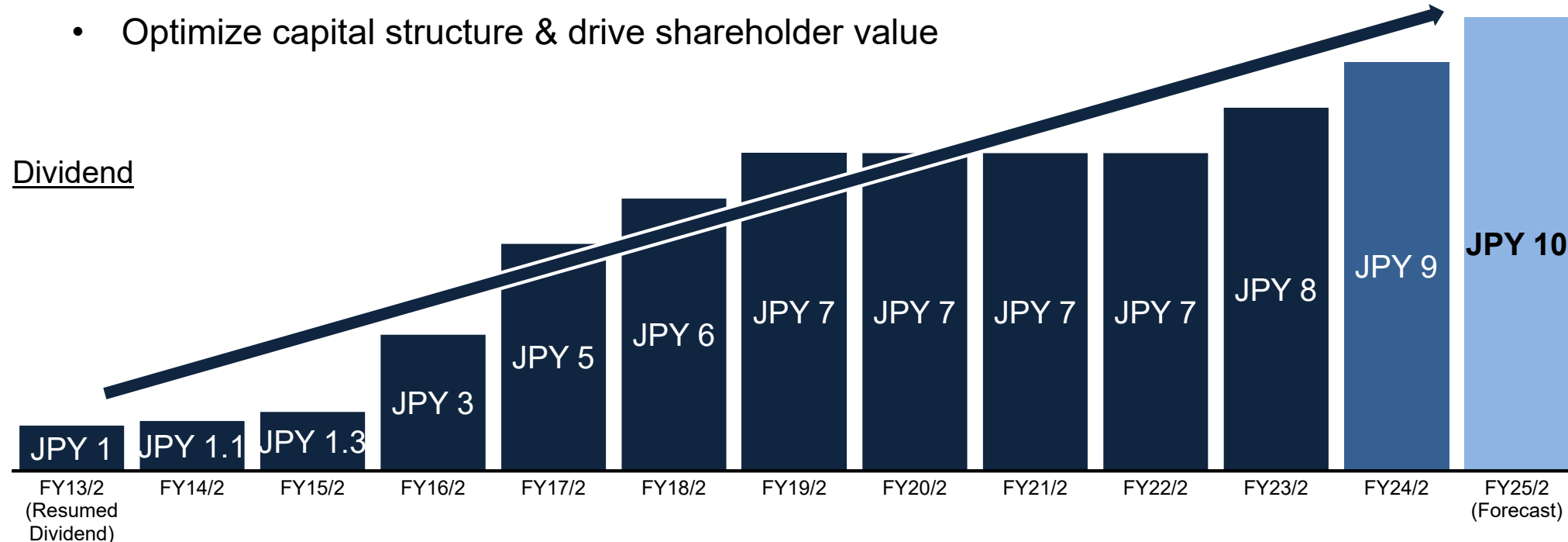
- FY30/2 Stock Earnings Ratio >60%
- Stock Earnings/Fixed Expenses Ratio >200% (New)

Ichigo 2030 KPIs (2)

Ichigo Shareholder Distribution Policy: Growth, Durability, & Certainty

- Progressive Dividend Policy
 - Ichigo’s progressive dividend policy underscores our commitment to driving ongoing 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 >4% (Increased from 3%)
 - Durable and growing dividend by short-term earnings volatility
- Flexible Deployment of Share Buybacks
 - Optimize capital structure & drive shareholder value

Dividend



Ichigo 2030 KPIs (3)

Work for a Sustainable Planet (New)

Ichigo Climate Positive

Ichigo CO2 reduction via clean energy power production exceeds CO2 emissions

RE100

100% renewable electricity across all Ichigo operations by 2025

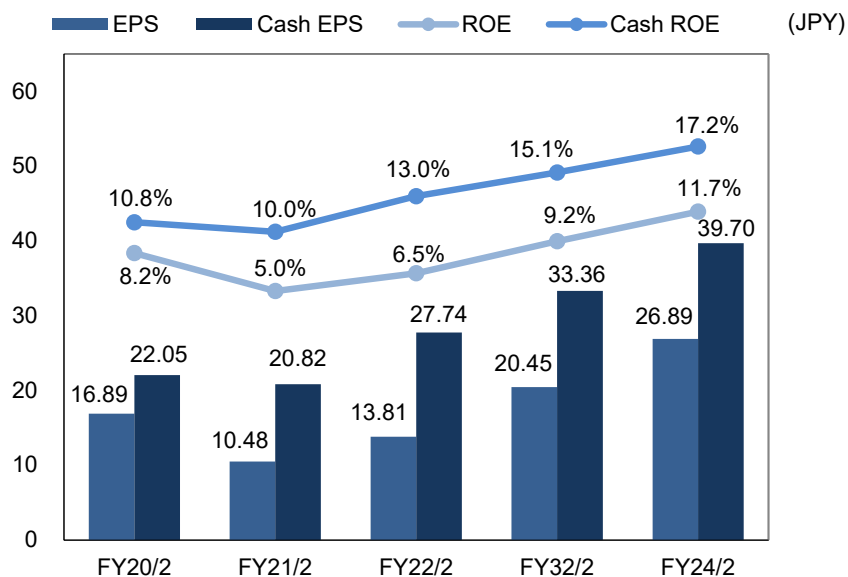
CDP Leadership

Climate Change: A

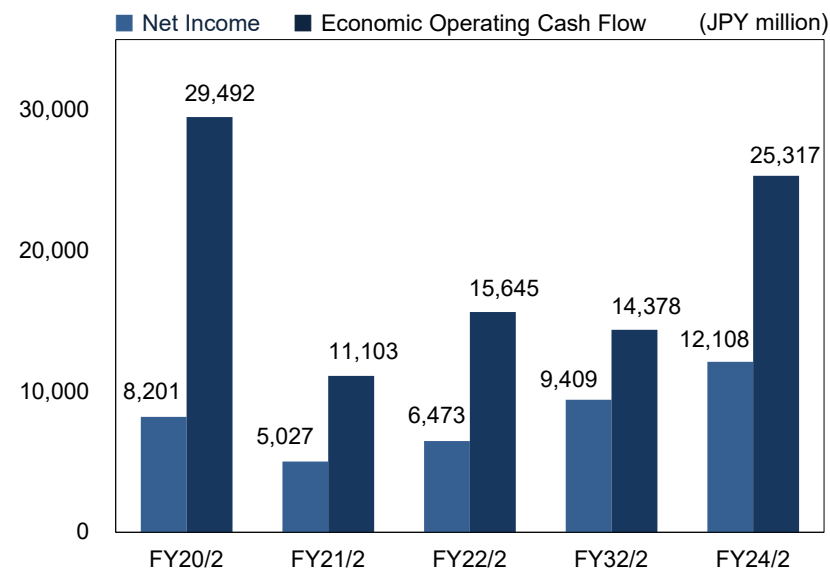
Water Security: A (Currently A-)

Capital Efficiency, CF Generation, Earnings Stability Data

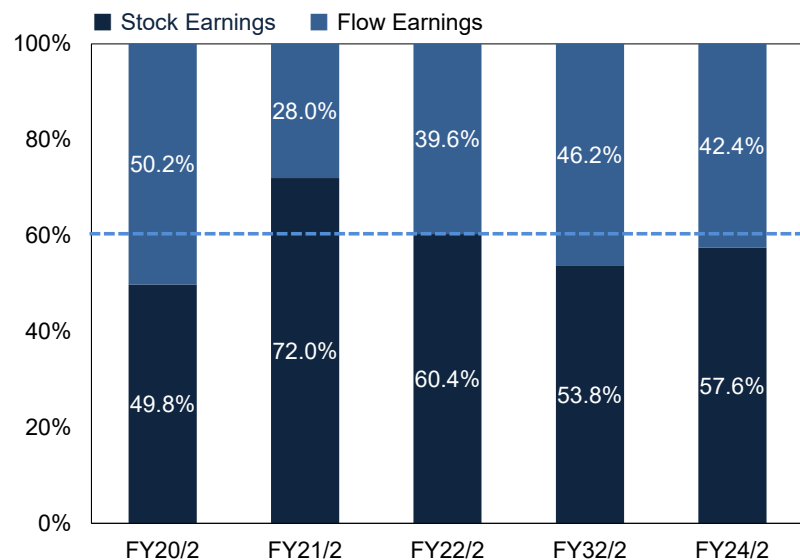
ROE >15%, Cash ROE >18%



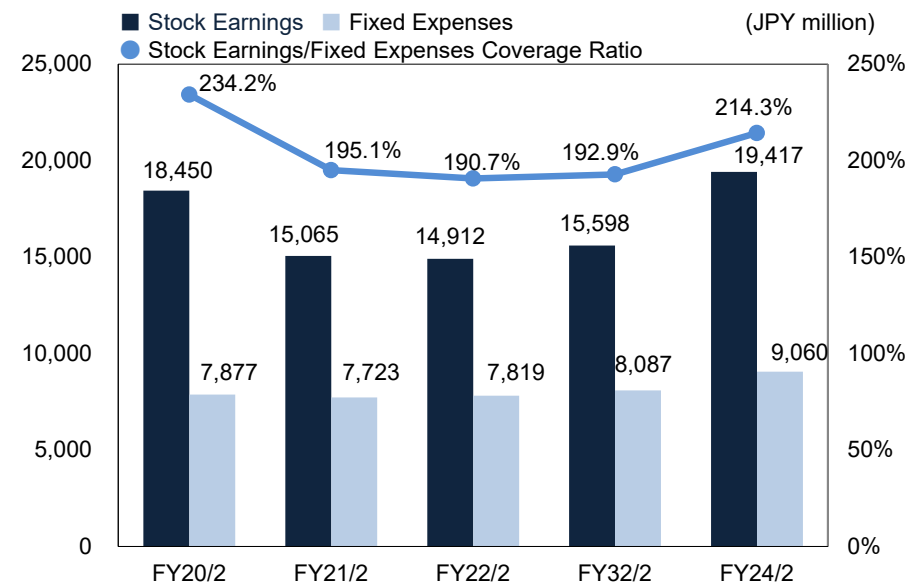
Economic Operating Cash Flow > Net Income



Stock Earnings Ratio >60%

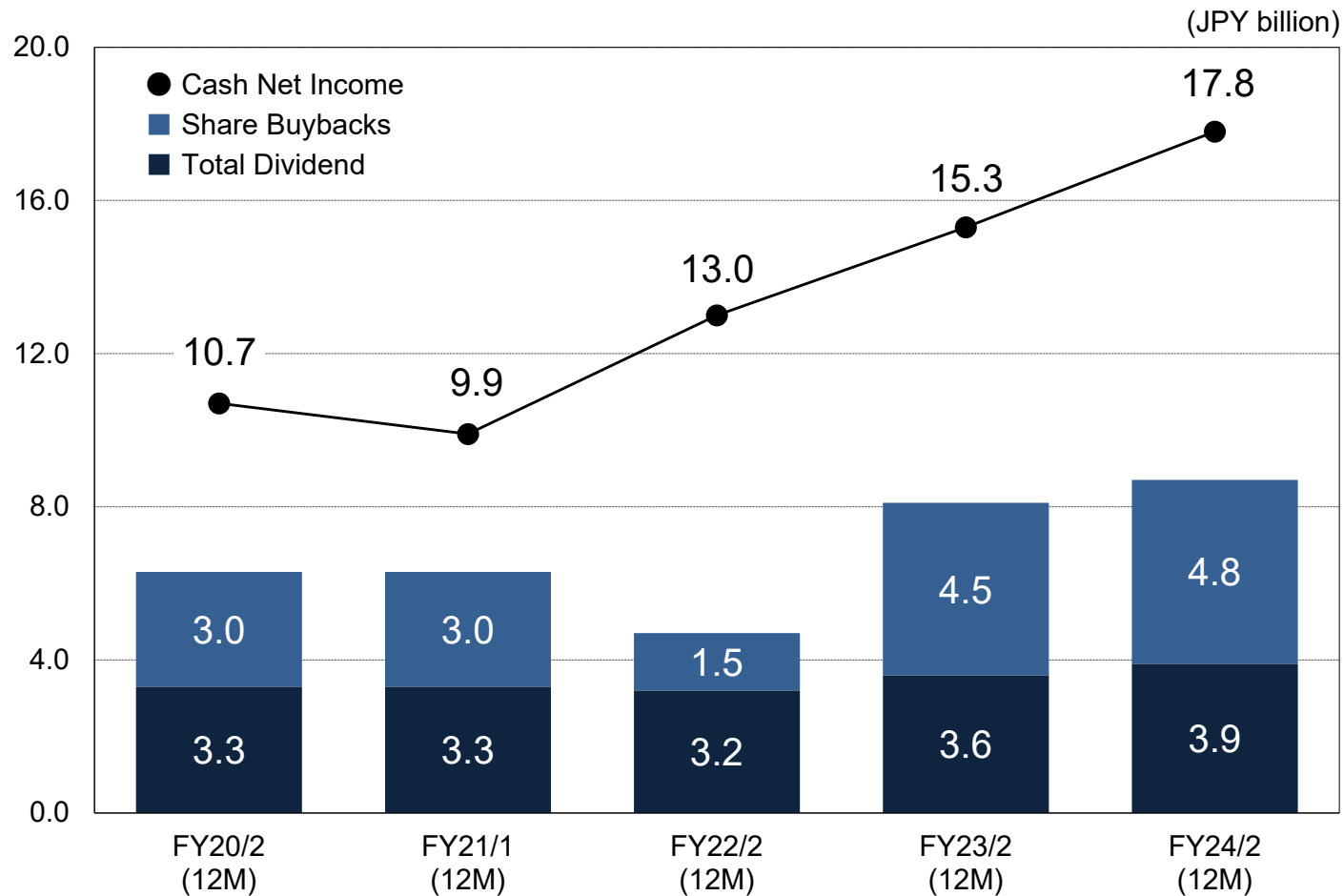


Stock Earnings/Fixed Expenses Coverage Ratio >100%



Shareholder Return Data

Progressive Dividend Policy, DOE (Dividend on Equity) , Flexible Deployment of Share Buybacks



| | | | | | |
|---|-------|-------|-------|-------|-------|
| Dividend Progressive Dividend Policy | JPY 7 | JPY 7 | JPY 7 | JPY 8 | JPY 9 |
| DOE (Target >4%) | 3.4% | 3.3% | 3.3% | 3.6% | 3.8% |

Appendix: Financial Statements

Consolidated Balance Sheet: Assets

(JPY million)

| | FY21/2 | FY22/2 | FY23/2 | FY24/2 | FY25/2 Q1 | vs. FY24/2 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Assets | | | | | | |
| Current Assets | | | | | | |
| Cash and cash equivalents | 50,832 | 46,458 | 40,536 | 46,917 | 59,961 | +13,044 |
| Trade notes and accounts receivable | 1,382 | 1,819 | 3,866 | 2,448 | 2,981 | +533 |
| Operational loan investments | 1,324 | 1,324 | 1,324 | 1,324 | 1,324 | – |
| Operational securities investments | 590 | 2,547 | 47 | 14 | – | -14 |
| Real estate for sale | 64,109 | 68,666 | 79,151 | 103,721 | 104,512 | +791 |
| Other | 2,698 | 2,613 | 3,197 | 3,720 | 3,942 | +222 |
| Less: venture investments writedown | -167 | -633 | -66 | -401 | -401 | – |
| Total Current Assets | 120,771 | 122,798 | 128,057 | 157,746 | 172,321 | +14,575 |
| Fixed Assets | | | | | | |
| Property, Plant, and Equipment | | | | | | |
| Buildings and structures (net) | 60,673 | 56,208 | 54,039 | 45,568 | 44,202 | -1,366 |
| Solar and wind power plants (net) | 24,191 | 27,953 | 26,862 | 29,234 | 28,760 | -474 |
| Land | 122,592 | 116,079 | 114,431 | 105,368 | 102,415 | -2,953 |
| Other (net) | 6,935 | 3,796 | 3,990 | 5,060 | 5,272 | +212 |
| Total Property, Plant, and Equipment | 214,392 | 204,038 | 199,323 | 185,232 | 180,650 | -4,582 |
| Intangible Assets | | | | | | |
| Goodwill | 968 | 1,580 | 717 | 989 | 956 | -33 |
| Leasehold rights | 1,272 | 1,365 | 1,397 | 1,332 | 1,332 | – |
| Other | 1,797 | 605 | 283 | 176 | 153 | -23 |
| Total Intangible Assets | 4,038 | 3,551 | 2,398 | 2,498 | 2,442 | -56 |
| Investments and Other Assets | | | | | | |
| Securities investments | 5,147 | 3,463 | 4,455 | 17,086 | 17,773 | +687 |
| Long-term loans receivable | 10 | 270 | 240 | 838 | 974 | +136 |
| Deferred tax assets | 605 | 883 | 341 | 682 | 644 | -38 |
| Other | 2,202 | 3,013 | 3,937 | 3,766 | 4,526 | +760 |
| Less: venture investments writedown | -91 | -131 | -133 | -835 | -835 | – |
| Total Investments and Other Assets | 7,874 | 7,498 | 8,840 | 21,537 | 23,084 | +1,547 |
| Total Fixed Assets | 226,305 | 215,089 | 210,562 | 209,269 | 206,176 | -3,093 |
| Total Assets | 347,076 | 337,887 | 338,619 | 367,015 | 378,498 | +11,483 |

Consolidated Balance Sheet: Liabilities

(JPY million)

| | FY21/2 | FY22/2 | FY23/2 | FY24/2 | FY25/2 Q1 | vs. FY24/2 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Liabilities | | | | | | |
| Current Liabilities | | | | | | |
| Short-term loans | 4,879 | 2,382 | 962 | 16,726 | 9,226 | -7,500 |
| Bonds (due within one year) | 274 | 274 | 364 | 3,162 | 3,232 | +70 |
| Long-term loans (due within one year) | 9,751 | 9,888 | 8,539 | 20,878 | 14,052 | -6,826 |
| Long-term non-recourse loans (due within one year) | 1,358 | 1,375 | 4,218 | 6,413 | 6,468 | +55 |
| Income taxes payable | 573 | 1,888 | 949 | 4,039 | 3,085 | -954 |
| Current year employee bonus accrual | 9 | 39 | 112 | 136 | 400 | +264 |
| Other current liabilities | 5,527 | 5,012 | 4,053 | 4,805 | 3,833 | -972 |
| Total Current Liabilities | 22,374 | 20,861 | 19,200 | 56,162 | 40,298 | -15,864 |
| Long-Term Liabilities | | | | | | |
| Bonds | 5,878 | 5,603 | 5,239 | 4,306 | 4,196 | -110 |
| Long-term loans | 156,890 | 150,389 | 152,624 | 146,043 | 168,919 | +22,876 |
| Long-term non-recourse loans | 40,974 | 39,489 | 38,012 | 35,265 | 40,604 | +5,339 |
| Deferred tax liabilities | 1,868 | 1,795 | 1,589 | 1,323 | 1,334 | +11 |
| Long-term security deposits received | 7,795 | 6,749 | 7,163 | 7,229 | 7,272 | +43 |
| Other long-term liabilities | 1,039 | 805 | 396 | 404 | 368 | -36 |
| Total Long-Term Liabilities | 214,446 | 204,833 | 205,026 | 194,572 | 222,695 | +28,123 |
| Total Liabilities | 236,820 | 225,695 | 224,226 | 250,734 | 262,994 | +12,260 |

Consolidated Balance Sheet: Net Assets

(JPY million)

| | FY21/2 | FY22/2 | FY23/2 | FY24/2 | FY25/2 Q1 | vs. FY24/2 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Net Assets | | | | | | |
| Shareholders' Equity | | | | | | |
| Capital | 26,888 | 26,888 | 26,888 | 26,892 | 26,931 | +39 |
| Capital reserve | 11,275 | 11,268 | 11,266 | 10,313 | 10,348 | +35 |
| Retained earnings | 73,160 | 76,310 | 82,438 | 90,967 | 69,800 | -21,167 |
| Treasury shares | -11,988 | -13,423 | -17,914 | -22,446 | -2,818 | +19,628 |
| Total Shareholders' Equity | 99,335 | 101,043 | 102,678 | 105,727 | 104,263 | -1,464 |
| Accumulated Other Comprehensive Income | | | | | | |
| Valuation gains (losses) on other securities | 90 | 25 | 296 | -1,143 | -527 | +616 |
| Deferred gains (losses) on long-term interest rate hedges | -375 | -254 | 51 | 44 | 55 | +11 |
| Total Accumulated Other Comprehensive Income | -285 | -228 | 347 | -1,099 | -472 | +627 |
| Stock Options | 1,007 | 961 | 814 | 879 | 884 | +5 |
| Minority Interests | 10,197 | 10,415 | 10,552 | 10,772 | 10,828 | +56 |
| Total Net Assets | 110,255 | 112,191 | 114,393 | 116,281 | 115,503 | -778 |
| Total Liabilities and Net Assets | 347,076 | 337,887 | 338,619 | 367,015 | 378,498 | +11,483 |
| Equity Ratio | 28.5% | 29.8% | 30.4% | 28.5% | 27.4% | -1.1% |
| Net D/E Ratio | 1.7X | 1.6X | 1.6X | 1.8X | 1.8X | - |
| ROE | 5.0% | 6.5% | 9.2% | 11.7% | - | - |
| Cash ROE | 10.0% | 13.0% | 15.1% | 17.2% | - | - |
| Dividend | JPY 7 | JPY 7 | JPY 8 | JPY 9 | - | - |
| Dividend on Equity (DOE) | 3.3% | 3.3% | 3.6% | 3.8% | - | - |

Consolidated P&L (1)

(JPY million)

| | FY21/2 (12M) | FY22/2 (12M) | FY23/2 (12M) | FY24/2 (12M) | FY25/2 Q1 (3M) | FY24/2 Q1 (3M) | Change (YOY) | FY25/2 Full-Year Forecast | vs. Forecast |
|---|-----------------|-----------------|-----------------|-----------------|-------------------|-------------------|-----------------|---------------------------------|-----------------|
| Revenue | 61,368 | 56,934 | 68,093 | 82,747 | 25,096 | 10,152 | +14,944 | – | – |
| Cost of Goods Sold | 45,776 | 40,757 | 48,674 | 61,875 | 18,660 | 5,915 | +12,745 | – | – |
| Gross Profit | 15,591 | 16,177 | 19,418 | 20,872 | 6,436 | 4,236 | +2,200 | – | – |
| SG&A | 5,923 | 6,159 | 6,926 | 7,911 | 2,214 | 1,791 | +423 | – | – |
| Operating Profit | 9,668 | 10,018 | 12,492 | 12,960 | 4,221 | 2,445 | +1,776 | 16,000 | 26.4% |
| All-In Operating Profit | 10,388 | 13,266 | 16,908 | 21,194 | 5,880 | 2,691 | +3,189 | 24,000 | 24.5% |
| Non-Operating Income | | | | | | | | | |
| Interest income | 17 | 29 | 46 | 36 | 10 | 11 | -1 | – | – |
| Dividend income | 78 | 30 | 38 | 361 | 1 | 14 | -13 | – | – |
| Mark-to-market gains on long-term interest rate hedges | 243 | 98 | 790 | 109 | 625 | – | +625 | – | – |
| Other | 78 | 202 | 103 | 218 | 14 | 22 | -8 | – | – |
| Total Non-Operating Income | 417 | 361 | 979 | 725 | 651 | 48 | +603 | – | – |
| Non-Operating Expenses | | | | | | | | | |
| Interest expense | 2,338 | 2,341 | 2,165 | 2,349 | 679 | 551 | +128 | – | – |
| Mark-to-market losses on long-term interest rate hedges | 29 | 53 | – | 330 | – | 393 | -393 | – | – |
| Debt financing-related fees | 279 | 157 | 171 | 262 | 348 | 11 | +337 | – | – |
| Other | 258 | 355 | 285 | 351 | 127 | 67 | +60 | – | – |
| Total Non-Operating Expenses | 2,906 | 2,908 | 2,622 | 3,294 | 1,156 | 1,024 | +132 | – | – |
| Recurring Profit | 7,179 | 7,471 | 10,848 | 10,391 | 3,716 | 1,469 | +2,247 | 12,000 | 31.0% |
| All-In Recurring Profit | 7,899 | 10,719 | 15,264 | 18,626 | 5,376 | 1,715 | +3,661 | 20,000 | 26.9% |
| Extraordinary Gains | | | | | | | | | |
| Gains on sales of fixed assets | 720 | 3,248 | 4,416 | 4,376 | 1,656 | 246 | +1,410 | – | – |
| Gains on sales of securities investments | – | 15 | – | 89 | – | 85 | -85 | – | – |
| Gains on sale of shares in affiliates | – | – | – | 3,960 | – | – | – | – | – |
| Other | – | 120 | 205 | 551 | 17 | 373 | -356 | – | – |
| Total Extraordinary Gains | 720 | 3,383 | 4,621 | 8,978 | 1,673 | 705 | +968 | – | – |

Consolidated P&L (2)

(JPY million)

| | FY21/2 (12M) | FY22/2 (12M) | FY23/2 (12M) | FY24/2 (12M) | FY25/2 Q1 (3M) | FY24/2 Q1 (3M) | Change (YOY) | FY25/2 Full-Year Forecast | vs. Forecast |
|---|-----------------|-----------------|-----------------|-----------------|-------------------|-------------------|-----------------|---------------------------------|-----------------|
| Extraordinary Losses | | | | | | | | | |
| Loss on disposal of fixed assets | – | 5 | 23 | 147 | 4 | – | +4 | – | – |
| Valuation losses on securities investments | 114 | 43 | 261 | – | – | – | – | – | – |
| Impairment loss | 27 | 716 | 803 | – | – | – | – | – | – |
| Covid writedown of real estate for sale | – | – | – | – | – | – | – | – | – |
| Other | 146 | 493 | 146 | 1,259 | – | – | – | – | – |
| Total Extraordinary Losses | 288 | 1,259 | 1,235 | 1,406 | 4 | – | +4 | – | – |
| Pre-Tax Income | 7,610 | 9,595 | 14,234 | 17,962 | 5,386 | 2,175 | +3,211 | – | – |
| Total Income Taxes | 2,564 | 2,901 | 4,578 | 5,626 | 1,737 | 663 | +1,074 | – | – |
| Pre-Minority Interest Net Income | 5,046 | 6,694 | 9,656 | 12,335 | 3,648 | 1,511 | +2,137 | – | – |
| Net Income Attributable to Minority Interests | 18 | 220 | 246 | 227 | 56 | 56 | – | – | – |
| Net Income | 5,027 | 6,473 | 9,409 | 12,108 | 3,591 | 1,455 | +2,136 | 14,000 | 25.7% |
| Cash Net Income | 9,991 | 13,004 | 15,351 | 17,878 | 4,487 | 3,462 | +1,025 | 18,500 | 24.3% |
| Net Income per Share (EPS) | JPY 10.48 | JPY 13.81 | JPY 20.45 | JPY 26.89 | JPY 8.18 | JPY 3.21 | JPY 4.97 | JPY 32.10 | 25.5% |
| Cash EPS | JPY 20.82 | JPY 27.74 | JPY 33.36 | JPY 39.7 | JPY 10.22 | JPY 7.64 | JPY 2.58 | JPY 42.42 | 24.1% |
| Stock Earnings | 15,065 | 14,912 | 15,598 | 19,417 | 5,489 | 5,123 | +366 | – | – |
| Flow Earnings | 5,850 | 9,793 | 13,371 | 14,315 | 3,746 | 573 | +3,173 | – | – |
| Stock Earnings Ratio | 72.0% | 60.4% | 53.8% | 57.6% | 59.4% | 89.9% | -30.5% | – | – |
| Fixed Expenses | 7,723 | 7,819 | 8,087 | 9,060 | 2,544 | 2,091 | +453 | – | – |
| Stock Earnings/Fixed Income Coverage Ratio | 195.1% | 190.7% | 192.9% | 214.3% | 215.8% | 245.0% | -29.2% | – | – |

Consolidated Cash Flows: Operations

(JPY million)

| | FY21/2 (12M) | FY22/2 (12M) | FY23/2 (12M) | FY24/2 (12M) | FY25/2 Q1 (3M) |
|--|---------------|---------------|--------------|---------------|----------------|
| Cash Flows from Operations | | | | | |
| Pre-tax income | 7,610 | 9,595 | 14,234 | 17,962 | 5,386 |
| Depreciation | 4,797 | 5,644 | 5,339 | 4,859 | 1,199 |
| Share-based compensation expenses | 21 | 73 | – | – | – |
| Amortization of goodwill | 121 | 149 | 177 | 97 | 32 |
| Increase (decrease) in current year employee bonus accrual | -24 | 29 | 73 | 31 | 263 |
| Increase (decrease) in venture investments writedown | 161 | 505 | 134 | 1,036 | – |
| Interest and dividend income | -96 | -60 | -85 | -397 | -11 |
| Interest expense | 2,338 | 2,341 | 2,165 | 2,349 | 679 |
| Losses (gains) on sale of shares in affiliates | – | – | – | -3,960 | – |
| Losses (gains) on sale of securities investments | – | -15 | – | -89 | – |
| Losses (gains) on disposal of fixed assets | – | 5 | 23 | 45 | 4 |
| Losses (gains) on sale of fixed assets | -720 | -3,248 | -4,416 | -4,273 | -1,656 |
| Impairment loss | 27 | 716 | 803 | 2 | – |
| Valuation losses on securities investments | 114 | 43 | 261 | – | – |
| Decrease (increase) in trading notes and receivables | 925 | -437 | -2,096 | 1,469 | -532 |
| Decrease (increase) in operational securities investments | 343 | 1,279 | 3,178 | 1,229 | 14 |
| Decrease (increase) in real estate for sale | 5,342 | -3,873 | -10,114 | -25,238 | -791 |
| Valuation losses on SPC capital contributions | 4 | 2 | 3 | 1 | – |
| Decrease (increase) in advances paid | 61 | -60 | -6 | -615 | -36 |
| Decrease (increase) in accounts receivable | 16 | -74 | -62 | -21 | -79 |
| Increase (decrease) in accounts payable | -437 | -113 | 462 | 395 | -1,273 |
| Increase (decrease) in accrued expenses | 94 | 25 | -38 | 168 | -134 |
| Increase (decrease) in advances received | -57 | 795 | -908 | 40 | 180 |
| Increase (decrease) in security deposits received | -323 | -1,045 | 413 | 193 | 42 |
| Other | 1,550 | -877 | -1,859 | 945 | -582 |
| Sub-Total | 21,870 | 11,403 | 7,682 | -3,769 | 2,704 |
| Interest and dividend income received | 96 | 60 | 85 | 397 | 11 |
| Interest expenses paid | -2,119 | -2,174 | -2,051 | -2,161 | -588 |
| Income taxes paid and refunded | -4,384 | -1,350 | -5,462 | -3,043 | -2,521 |
| Net Cash from (Used for) Operations | 15,463 | 7,939 | 254 | -8,577 | -394 |

Consolidated Cash Flows: Investments & Financing

(JPY million)

| | FY21/2 (12M) | FY22/2 (12M) | FY23/2 (12M) | FY24/2 (12M) | FY25/2 Q1 (3M) |
|--|----------------|----------------|---------------|---------------|----------------|
| Cash Flows from Investments | | | | | |
| Payments into time deposits | -7 | -7 | -2 | -701 | - |
| Proceeds from withdrawal from time deposits | - | 30 | 23 | - | 700 |
| Payments for securities investments | -547 | -606 | -968 | -16,567 | -40 |
| Proceeds from sale of securities investments | 10 | 569 | - | 133 | - |
| Acquisitions of property, plant, and equipment | -16,447 | -5,798 | -10,516 | -8,203 | -695 |
| Proceeds from sale of property, plant, and equipment | 2,850 | 12,757 | 14,065 | 18,384 | 5,650 |
| Acquisitions of intangible assets | -1,468 | -195 | -24 | -114 | -6 |
| Payments of SPC capital contributions | -3 | -4 | -6 | - | - |
| Redemptions of SPC capital contributions | 15 | - | 97 | 8 | - |
| Payments of security deposits | - | -16 | - | -127 | -1 |
| Proceeds from sale of subsidiary shares resulting in change of consolidation scope | - | - | - | 3,356 | - |
| Other | -30 | -223 | -33 | 1,306 | -104 |
| Net Cash from (Used for) Investments | -15,630 | 6,502 | 2,635 | -2,524 | 5,501 |
| Cash Flows from Financing | | | | | |
| Net increase (decrease) in short-term loans | 1,793 | -2,497 | -1,419 | 15,764 | -7,500 |
| Proceeds from bond issuance | 70 | - | - | 2,221 | - |
| Repayment of maturing bond principal to bondholders | -274 | -274 | -274 | -364 | - |
| Proceeds from long-term loans | 51,877 | 26,552 | 41,834 | 64,043 | -40 |
| Repayment of long-term loans | -48,996 | -32,940 | -40,385 | -54,996 | 44,890 |
| Proceeds from long-term non-recourse loans | 3,300 | - | 3,000 | 4,600 | -29,157 |
| Repayment of long-term non-recourse loans | -1,301 | -1,467 | -1,633 | -5,152 | 5,500 |
| Proceeds from employee exercise of stock options | 4 | - | - | 7 | -105 |
| Share buyback | -2,999 | -1,499 | -4,499 | -4,771 | 67 |
| Proceeds from minority interests | 10,000 | - | - | - | -1,170 |
| Payments to minority interests | - | - | - | - | - |
| Dividends paid to minority interests | -5 | -2 | -6 | -6 | -1 |
| Dividends paid | -3,298 | -3,230 | -3,197 | -3,553 | -3,846 |
| Net Cash from (Used for) Financing | 10,167 | -15,360 | -6,582 | 17,791 | 8,635 |

Ichigo 2030: New Initiatives

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

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

J.League's 100-Year Vision: Promote Sports Development

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's Mission: Serve Important Social Needs

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 Tegevajaro Miyazaki: Revitalizing Local Communities

- Growing From Consulting Business to Professional Soccer Club & Stadium Management
- Acquired Ownership and Stadium Management Rights of J3 Club Tegevajaro Miyazaki Based in Miyazaki Prefecture, a Key Ichigo Area
- Establishing Community-Based Program to Promote Youth Soccer Development, Partnering With Ichigo Tennis & Track & Field Teams
 - ✓ Driving customer satisfaction via improving ticketing operations and creating new VIP area & merchandise



Tegevajaro Miyazaki
Website
www.tegevajaro.com
(Japanese only)

New Terrace Seats on Stadium 3F Wood Deck

Created Europe-inspired terrace seats where guests can enjoy food & drinks while watching matches

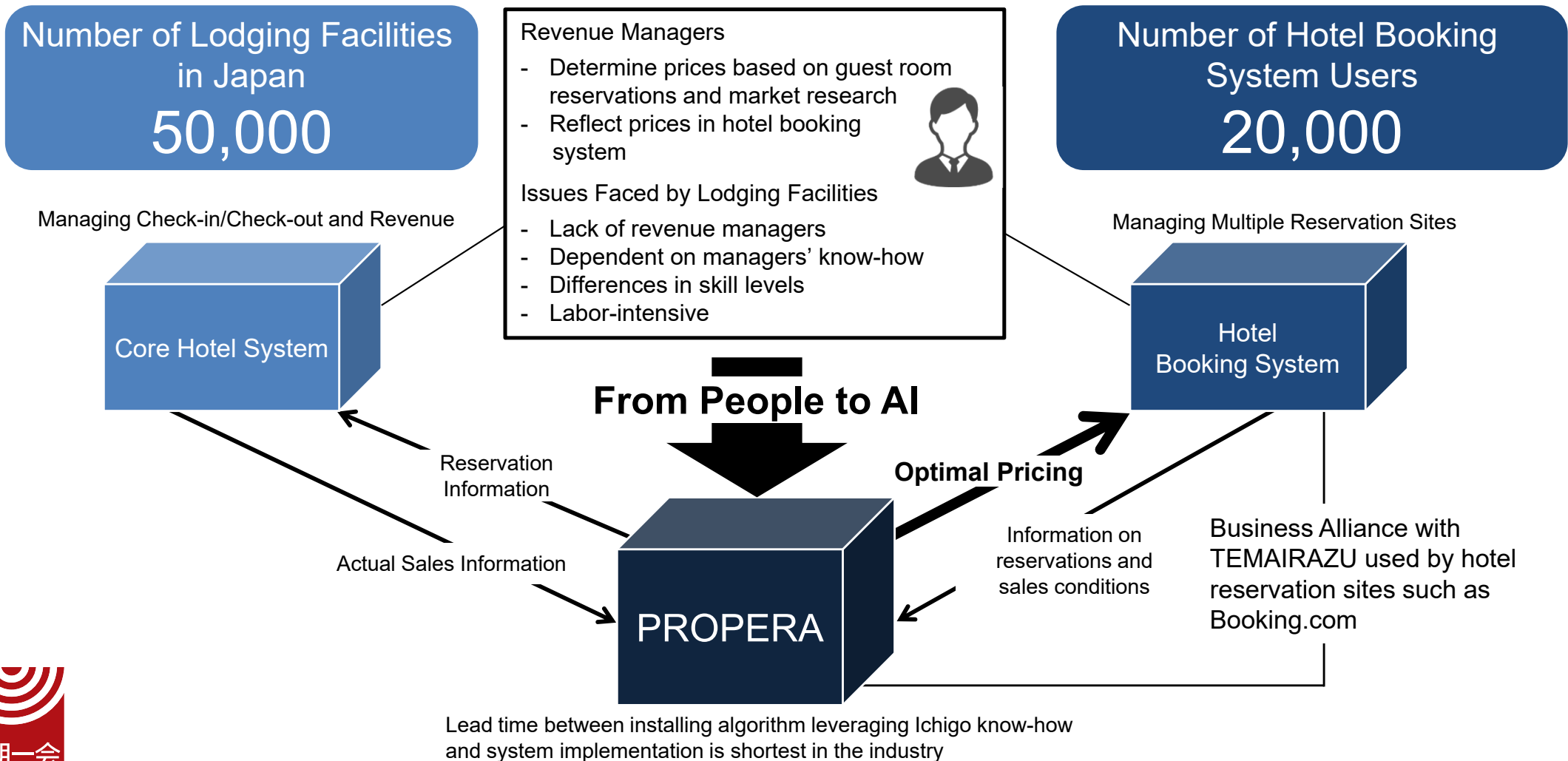
Food & drinks provided by Ichigo subsidiary Ichigo Potager via participation in Miyazaki Prefecture's Local Food Project



PROPERA: Ichigo's AI Hotel Revenue Management System

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

* Provides limited information on pricing levels



PROPERA: Driving Stock Earnings Growth



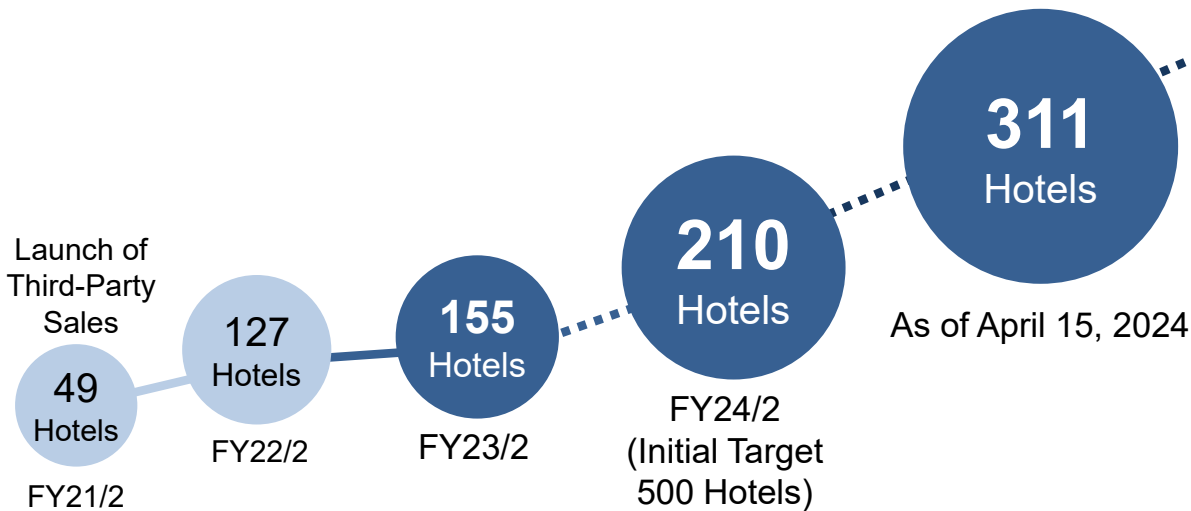
Earnings Upside From Participation in Hotel Earnings Growth

Long-Term Earnings Growth

PROPERA Business Market Turnaround

- Strong domestic & inbound hotel demand recovery
- Focus on operating cost reductions
- Optimizing operations impacted by staff shortage

Start promotions targeting hotels with PMS that have completed integrating systems



* Of Japanese Hotels Deploying Site Controllers

Sample Earnings Model

Usage Fee: 1% of Revenue

Hotel with RevPAR JPY 6,000 & 100 Rooms
Annual Ichigo Earnings: JPY 2M

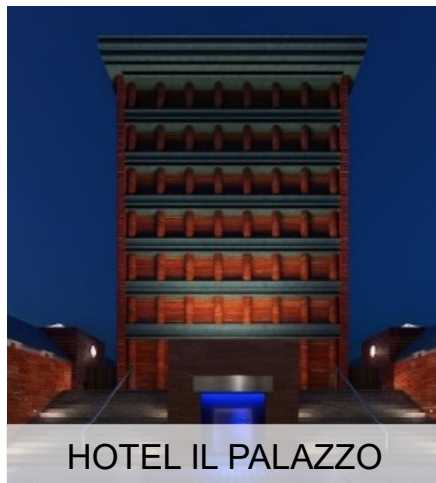


¹ PMS: In-house hotel system that manages check-in/check-out & revenue ² 20,000 Japanese Hotels Deploying Site Controllers

OneFive Hotels: Hotel Operations

Non-Asset Business Growth Driver

- Operations and Master Leases of Third-Party Hotels
- Growth Exceeding Pre-Covid Levels Without Dedicated Sales and Marketing Teams
- Driving Earnings and Cost Reductions via PROPERA deployment at hotels (generating 10 to 40% revenue increases p.a.)



Operating 16 hotels (2,225 rooms)
in major cities

As of July 11, 2024



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This document is a translation. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail.



**Make The World
More Sustainable**

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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.