

# Asset Managers Holdings



Feb. 2011 Fiscal Year Q1 (March 2010 – May 2010)

Corporate Presentation

July 21, 2010



We will change our company name from September 1, 2010, as follows:

Current name : Asset Managers Holdings Co., Ltd.  
New name : **Ichigo Group Holdings Co., Ltd.**

Current name : Asset Investment Advisors Co., Ltd.  
New name : **Ichigo Real Estate Investment Advisors Co., Ltd.**

Current name : Asset Financial Solutions Co., Ltd.  
New name : **Ichigo Solutions Co., Ltd.**

Current name : Asset Logistics Co., Ltd.  
New name : **Ichigo Marché Co., Ltd.**

# Corporate Name Change to Ichigo Group Holdings

- ❑ **Change of company name to Ichigo Group Holdings Co., Ltd. on September 1, 2010**
  
- ❑ **Purpose of the Name Change**
  - ✓ Uniting with the Ichigo brand --- we are committed to achieving excellence for our clients as a core company of the Ichigo Group
  - ✓ “Ichigo” comes from an ancient Japanese proverb, *Ichigo Ichie*, literally meaning "One lifetime, one encounter." The phrase comes from the writings of a 16th century master of the tea ceremony, Yamanoue no Souji. Souji called upon his disciples to give total focus and sincerity to each act of the tea ceremony for a guest, because that particular moment will only exist once, and must be fully lived and realized. We support this philosophy of building and maintaining strong long-term relationships to support the success and growth of our clients and shareholders.
  
- ❑ **New Subsidiary Names**
  - ✓ The following subsidiaries will also be changing their company names on September 1, 2010:
    - Asset Investment Advisors → Ichigo Real Estate Investment Advisors
    - Asset Financial Solutions → Ichigo Solutions
    - Asset Logistics → Ichigo Marché



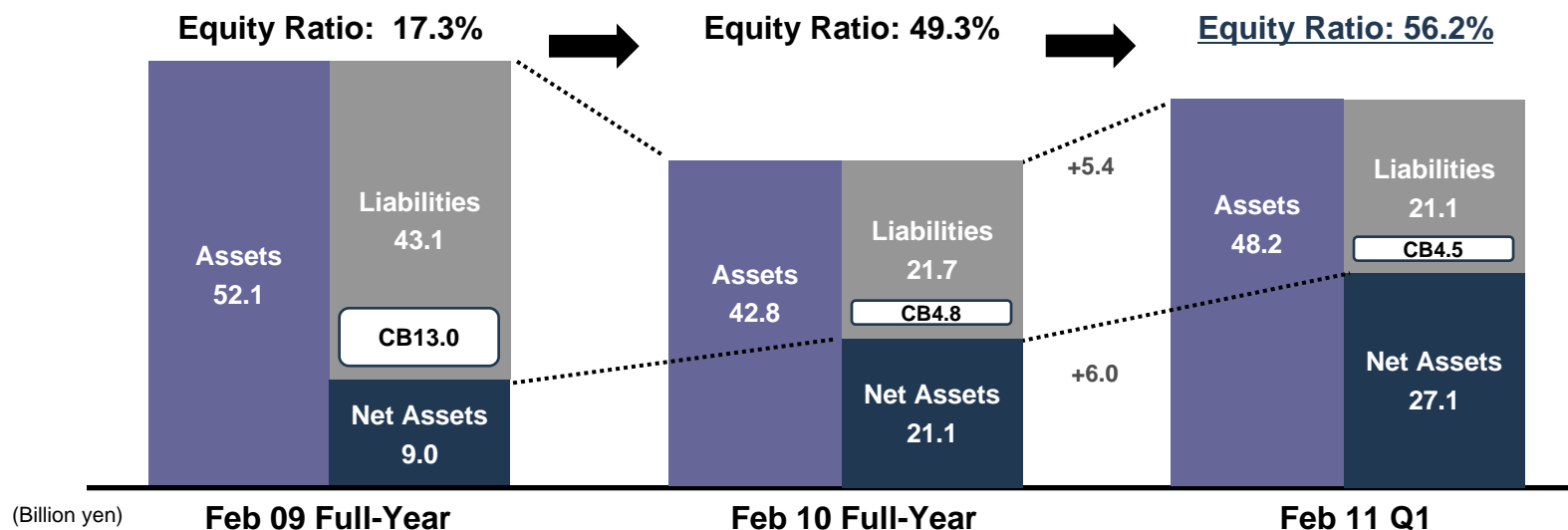
- ❑ Laying the Foundation for Stable, Long-term Growth
  - ✓ Strengthened Capital Base
  - ✓ Continued Asset Dispositions
  - ✓ Optimizing Balance Sheet
  - ✓ Securing On-Going Profitability
  - ✓ Upward Revision to Full-Year Earnings Forecasts
  - ✓ Focus on Growth and Improved Profitability
  
- ❑ Appendices: Financial & Real Estate Data

# Laying the Foundation for Stable, Long-term Growth

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# Strengthened Capital Base

- ❑ Significant increase in capital strength due to profits on asset sales and mark-to-market of unrealized gains
- ❑ Net Assets Increased by ¥6 billion and Equity Ratio Increased by 6.9% from Feb 2010 Full-Year Disclosure

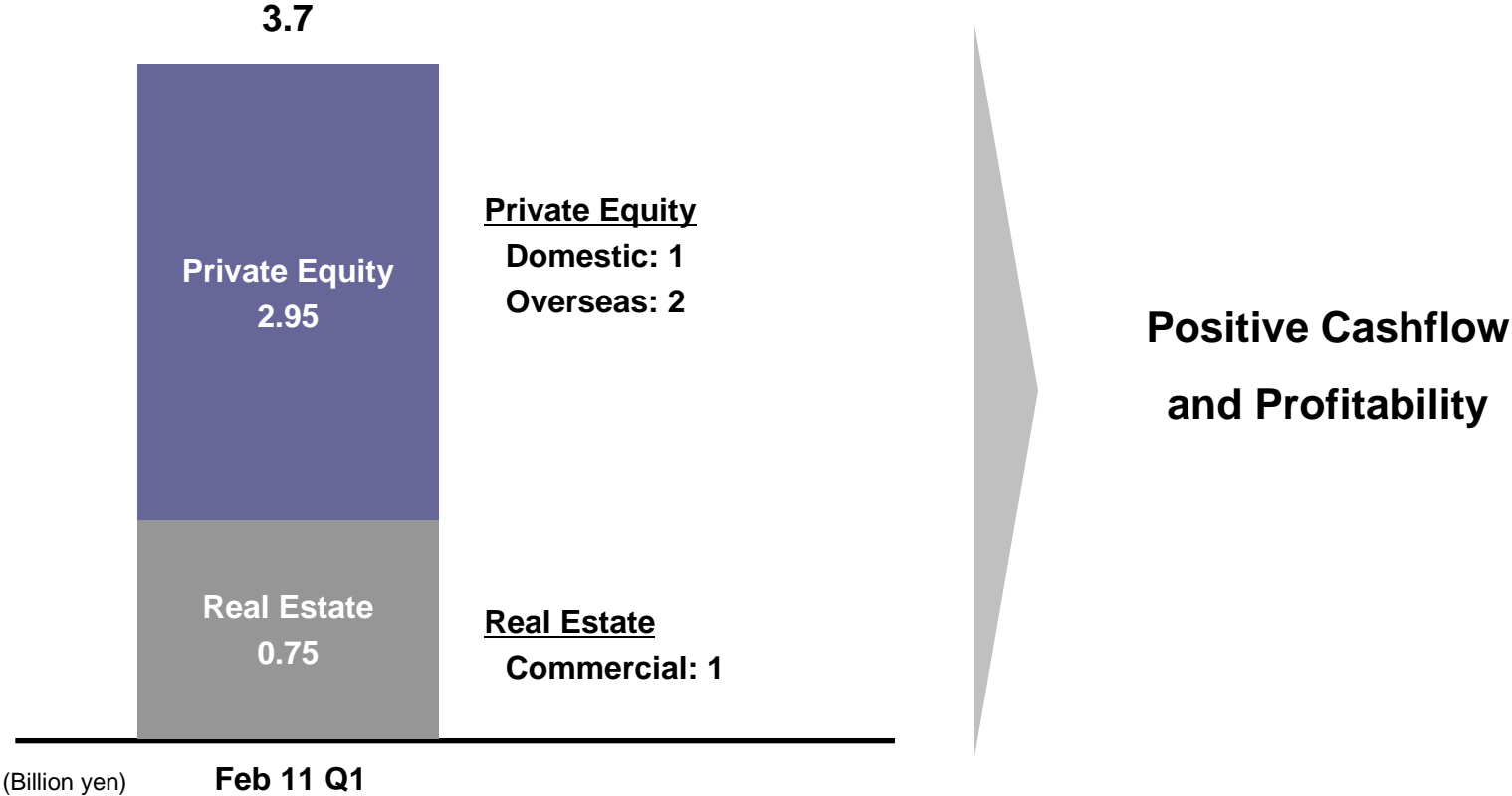


Note: Balance sheet adjusted to remove assets and liabilities of consolidated client funds to which the Company has no economic exposure

- Net Assets = Net assets - Minority equity of consolidated client funds financed with non-recourse loans
- Assets = Total assets - (Non-recourse liabilities + Minority equity of consolidated client funds financed with non-recourse loans)
- Liabilities = Total Assets - Net Assets

# Continued Asset Dispositions

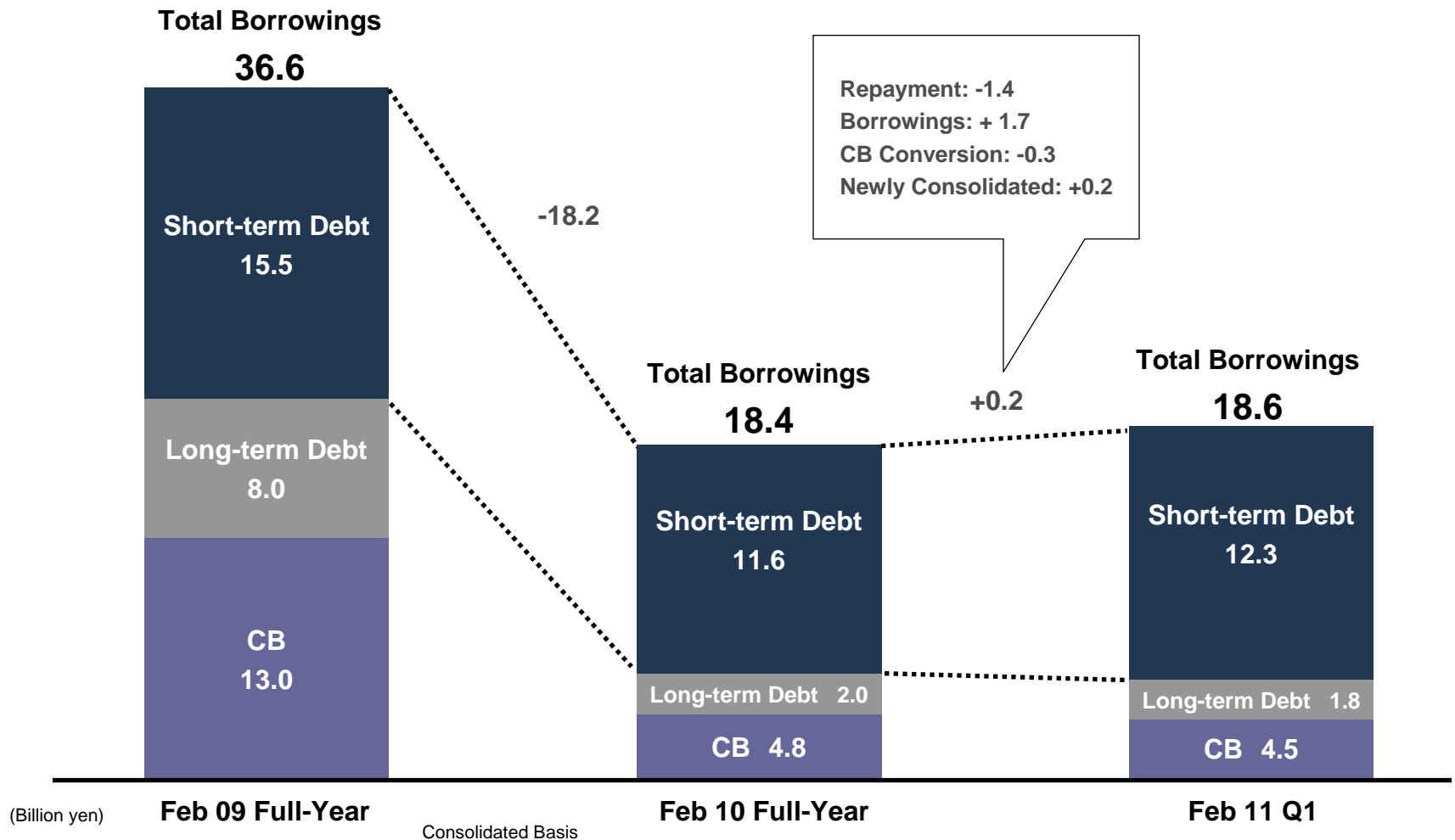
## Sold ¥3.7 Billion in Assets in Feb 11 Q1



Pro Forma basis: For details to page 12

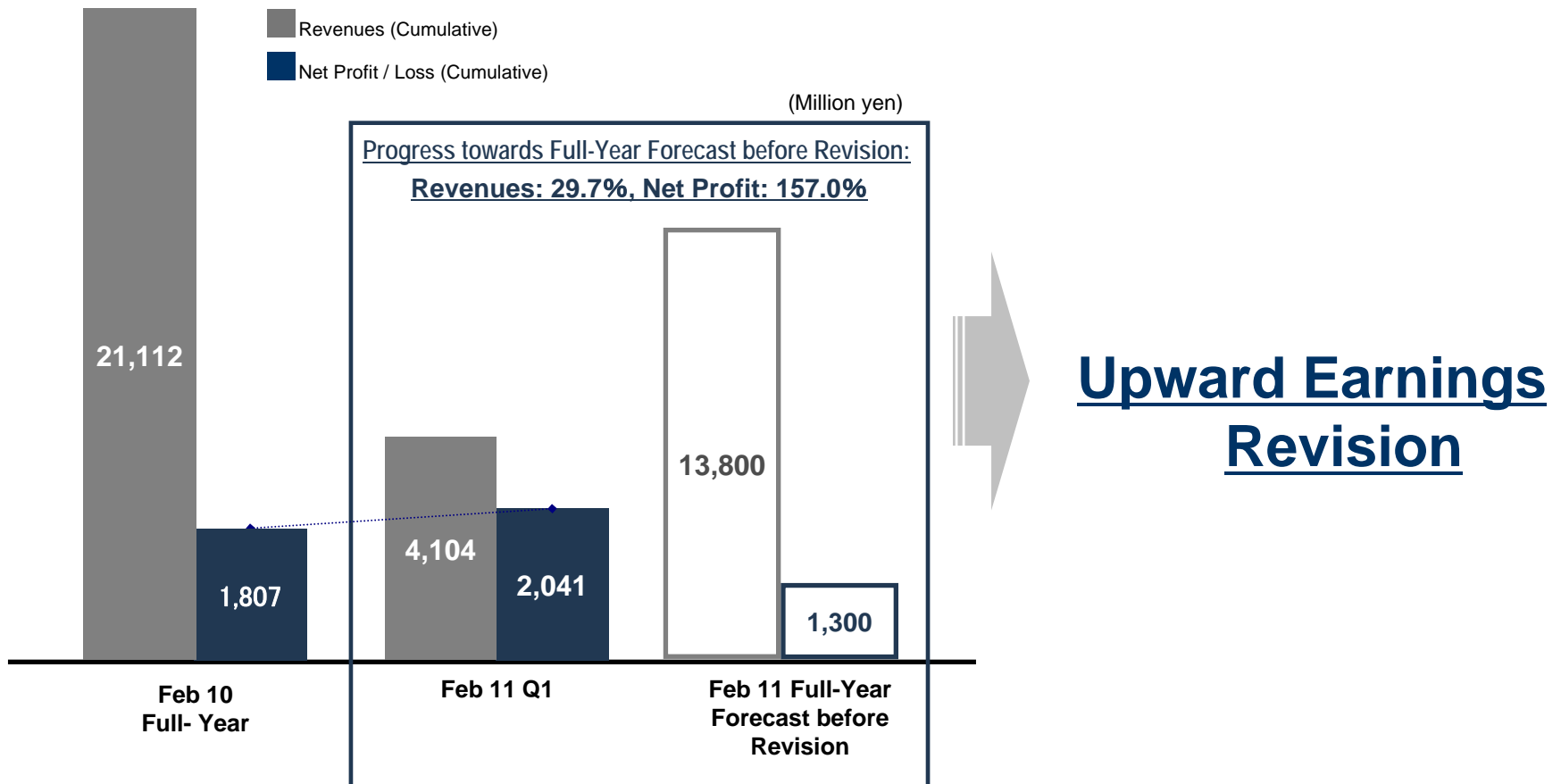
# Optimizing Balance Sheet

While repaying existing corporate debt, raised new debt for M&A and other growth activities



# Securing On-Going Profitability

- ❑ Forecasting Second Consecutive Full-Year of Profitability
- ❑ Revised Full-Year Earnings Forecast Upward on May 26, 2010





# Upward Revision to Full-Year Earnings Forecasts

## □ Feb 2011 Full-Year Consolidated Forecast and Results (Revised upward on May 26, 2010)

(Million yen)

	Before Revision	After Revision	Changes	Reasons of Revision
Revenues	13,800	<b>13,800</b>	±0	-
Operating Profit	1,000	<b>1,000</b>	±0	-
Recurring Profit	700	<b>1,000</b>	+300	Additional profit from equity-method affiliate
Net Profit	1,300	<b>2,300</b>	+1,000	Extraordinary profit from the sale of Jia Sheng shares

- Generated Extraordinary Profit from the Sale of Shares of Hong Kong-Listed Equity-Method Affiliate, Jia Sheng Holdings (729 HK – new name: Thunder Sky Battery)

# Focus on Growth and Improved Profitability

- Positive Transition in Structure of Profitability
  - ✓ Business model moving from capital gains on asset sales to a stable fee income, asset management business
  - ✓ Top-line revenues will decrease as balance sheet slims down and asset sales fall off, but profitability will be more stable
  
- Organic Growth Strategy
  - ✓ Refinancing existing funds under management to secure stable, on-going fee revenues
  - ✓ Preparing to launch new funds
  - ✓ Broadening real estate advisory agreements with Toyota group companies
    - Most real estate advisory agreement with Saitama Toyota Co., Ltd. on May 28, 2010
  - ✓ Conservatively marked balance sheet means asset sales continue to generate profits
  
- External Growth Strategy
  - ✓ Acquired all shares of Takara Building Maintenance, making it a 100% subsidiary on March 18, 2010
    - Strong company with net cash balance and stable, recurrent profitability
    - Effective use of Asset Managers' tax assets
    - Financed entirely with bank debt, thus requiring no use of internal funds
    - Net acquisition price was c.¥790 million, about 4X EBITDA
  - ✓ Continuing to focus on strategic M&A

## Appendix: Pro Forma Financial Data

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# Pro Forma Disclosure to Improve Transparency

- ❑ Under Japanese accounting rules, SPCs in which AMH is a greater than 50% investor or SPCs for which AMH is the asset manager and no single equity investor holds more than 50% of the total investment must be consolidated onto AMH's balance sheet.
- ❑ Our statutory consolidated and parent financial statements can thus include client-related assets and liabilities and P&L which do not belong to AMH. In order to more accurately reflect the true economic exposures borne by our shareholders, we disclose Pro Forma financials which are intended to better reflect AMH's actual corporate financial position.

# Balance Sheet (Pro Forma)

(Million yen)

	Feb 10	Feb 11 Q1	Change
<b>Total Assets</b>	<b>42,804</b>	<b>48,252</b>	<b>5,448</b>
Cash and Cash Equivalents	5,268	7,791	2,523
Investment (Real Estate)	5,707	5,866	159
Investment (Domestic companies)	2,046	1,887	-159
Investment (Overseas companies)	10,434	13,324	2,890
Real Estate Held for Sale	14,231	13,601	-630
Other	5,118	5,783	665
<b>Liabilities</b>	<b>21,687</b>	<b>21,128</b>	<b>-559</b>
Interest-Bearing Debt	13,565	14,113	548
CB	4,790	4,540	-250
Other	3,332	2,475	-857
<b>Net Assets</b>	<b>21,117</b>	<b>27,124</b>	<b>6,007</b>

\*Pro Forma definition on p. 12

# P&L (Pro Forma)

## Breakdown

	(Million yen)	
	Feb 10	Feb 11 Q1
<b>Revenues</b>	<b>14,127</b>	<b>2,691</b>
Cost of Revenues	9,785	1,617
<b>Gross Profit</b>	<b>4,342</b>	<b>1,074</b>
SG&A	3,012	584
<b>Operating Profit</b>	<b>1,330</b>	<b>490</b>
Non-Operating Loss, net	-535	-76
<b>Recurring Profit</b>	<b>795</b>	<b>414</b>
Extraordinary Gain (Loss), net	1,380	2,323
<b>Pre-tax Profit</b>	<b>2,175</b>	<b>2,737</b>
Tax	79	5
Minority Interests	289	691
<b>Net Profit</b>	<b>1,807</b>	<b>2,041</b>

	(Million yen)
	Feb 11 Q1
<b>Revenues</b>	<b>2,691</b>
Real Estate Management Fees	291
Advisory Fees	24
Rental Income	446
Real Estate Sales / Dividends	908
Securities Sales / Dividends	594
Building Maintenance Fee	332
Other	96
<b>Gross Profit</b>	<b>1,074</b>
Real Estate Management Fees	194
Advisory Fees	24
Rental Income	297
Real Estate Sales / Dividends	186
Securities Sales / Dividends	490
Building Maintenance Fee	77
Other	-194

\*Pro Forma definition on p. 12

## Appendix: Consolidated Financial Data

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# Balance Sheet (Consolidated)

(Million yen)

	Feb 10	Feb 11 Q1	QoQ change
<b>Total Assets</b>	<b>100,268</b>	<b>107,315</b>	<b>7,047</b>
Cash and Cash Equivalents	10,728	13,389	2,661
Operating Investments in Securities	9,404	9,411	7
Real Estate Held for Sale	69,445	70,056	611
Fixed Assets	3,201	3,255	54
Investments in Securities	7,197	10,133	2,936
Other	293	1,071	778
<b>Liabilities</b>	<b>76,745</b>	<b>77,772</b>	<b>1,027</b>
Interest-Bearing Debts (excl. Non-Recourse Loans)	13,642	14,113	471
Non-Recourse Loans	50,652	52,131	1,479
CB	4,790	4,540	-250
Other	7,661	6,988	-673
<b>Net Assets</b>	<b>23,523</b>	<b>29,542</b>	<b>6,019</b>
Shareholders Equity	20,495	25,457	4,962
Minority Interests and Other	3,028	4,085	1,057



# Breakdown of Assets (Consolidated)

(Million yen)

	Feb 10			Feb 11 Q1			QoQ Change in the Company's Interests (B-A)
	Amount	Outside Investors' Interests	The Company's Interests (A)	Amount	Outside Investors' Interests	The Company's Interests (B)	
Cash and Cash Equivalents	10,728	-	-	13,389	-	-	-
<b>Operating Investments in Securities</b>	<b>9,404</b>	<b>0</b>	<b>9,404</b>	<b>9,411</b>	<b>0</b>	<b>9,411</b>	<b>7</b>
Domestic Real Estate	2,188	0	2,188	2,220	0	2,220	32
Listed Domestic Companies	80	0	80	80	0	80	0
Unlisted Domestic Companies	2,780	0	2,780	2,723	0	2,723	-57
Listed Overseas Companies	2,742	0	2,742	2,854	0	2,854	112
Unlisted Overseas Companies	1,614	0	1,614	1,534	0	1,534	-80
Reference: Allowance for Bad Debts for Operating Investments in Securities	-3,357	-	-3,357	-3,427	-	-3,427	-70
Operating Investments in Securities less Allowance for Bad Debts for Operating Investments in Securities	<b>6,047</b>	<b>-</b>	<b>6,047</b>	<b>5,984</b>	<b>-</b>	<b>5,984</b>	<b>-63</b>
<b>Real Estate Assets for Sale</b>	<b>69,445</b>	<b>53,864</b>	<b>15,581</b>	<b>70,056</b>	<b>55,062</b>	<b>14,995</b>	<b>-587</b>
Domestic Real Estate	66,374	51,330	15,044	66,918	52,473	14,445	-599
Overseas Real Estate	3,071	2,534	537	3,138	2,589	549	12
<b>Investments in Securities</b>	<b>7,197</b>	<b>0</b>	<b>7,197</b>	<b>10,133</b>	<b>0</b>	<b>10,133</b>	<b>2,936</b>
Domestic Companies	423	0	423	446	0	446	23
Overseas Companies	5,996	0	5,996	8,916	0	8,916	2,920
Others	778	0	778	771	0	771	-7
Reference: Allowance for Bad Debts for Investments in Securities	-115	-	-115	-115	-	-115	0
Investments in Securities less Allowance for Bad Debts for Investments in Securities	<b>7,082</b>	<b>-</b>	<b>7,082</b>	<b>10,018</b>	<b>-</b>	<b>10,018</b>	<b>2,936</b>
Tangible Assets	3,201	-	-	3,255	-	-	-
Other Assets	3,765	-	-	4,612	-	-	-
<b>Total Assets</b>	<b>100,268</b>	<b>-</b>	<b>28,825</b>	<b>107,315</b>	<b>-</b>	<b>31,112</b>	<b>2,286</b>

# P&L (Consolidated)

(Million yen)

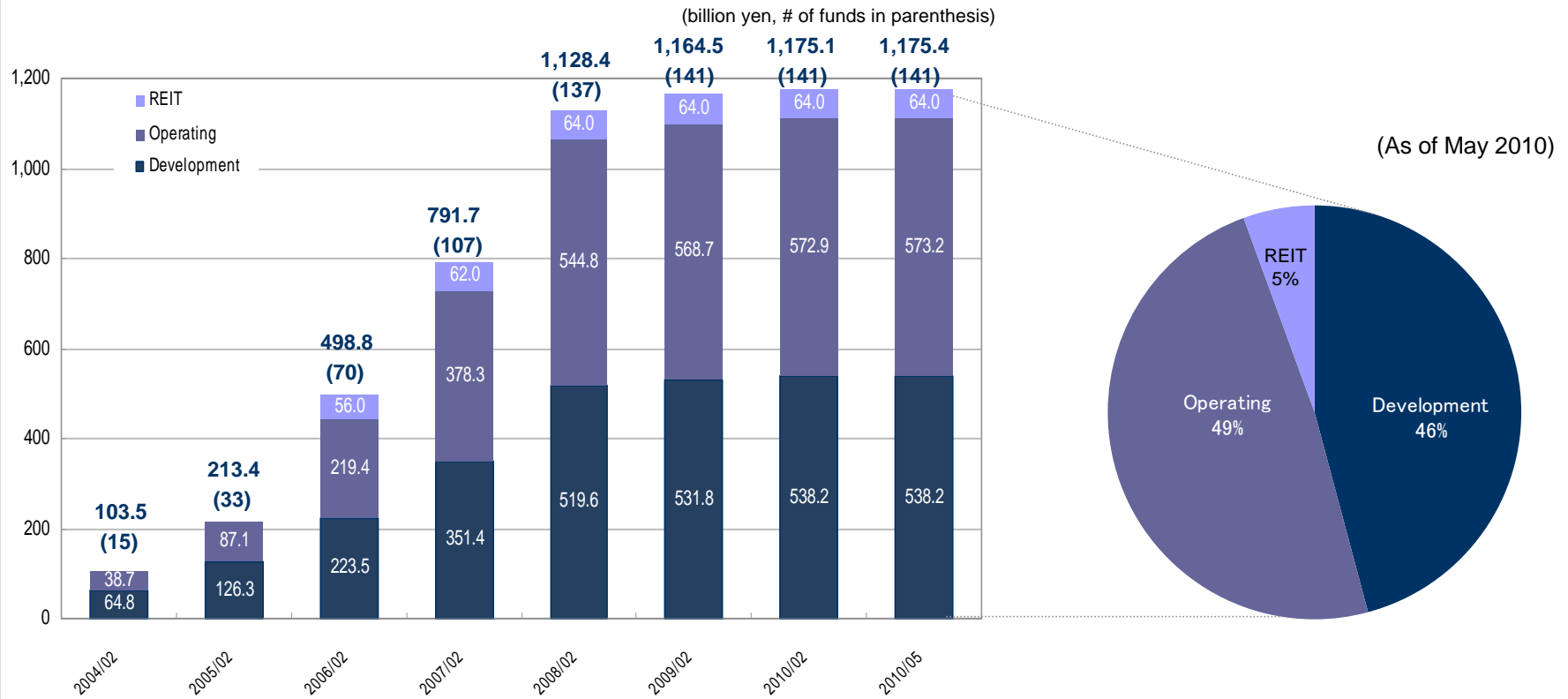
	Feb 10	Full-Year Forecast Before Revision	Feb 11 Q1	Progress		Feb 11 Q1
<b>Revenues</b>	<b>21,112</b>	<b>13,800</b>	<b>4,104</b>	<b>29.7%</b>	<b>Revenues</b>	<b>4,104</b>
Cost of Revenues	16,991	—	3,017	—	Real Estate Management Fees	201
<b>Gross Profit</b>	<b>4,120</b>	<b>—</b>	<b>1,087</b>	<b>—</b>	Advisory Fees	24
SG&A	3,011	—	583	—	Rental Income	1,497
<b>Operating Profit</b>	<b>1,108</b>	<b>1,000</b>	<b>503</b>	<b>50.3%</b>	Real Estate Sales / Dividends	1,424
Non-Operating Loss, net	-535	—	-77	—	Securities Sales / Dividends	594
<b>Recurring Profit</b>	<b>573</b>	<b>700</b>	<b>426</b>	<b>60.9%</b>	Building Maintenance Fee	332
Extraordinary Gain, net	1,380	—	2,323	—	Other	32
<b>Pre-tax Profit</b>	<b>1,953</b>	<b>—</b>	<b>2,749</b>	<b>—</b>	<b>Gross Profit</b>	<b>1,087</b>
Tax	78	—	5	—	Real Estate Management Fees	104
Minority Interests	67	—	703	—	Advisory Fees	24
<b>Net Profit (Loss)</b>	<b>1,807</b>	<b>1,300</b>	<b>2,041</b>	<b>157.0%</b>	Rental Income	402
					Real Estate Sales / Dividends	51
					Securities Sales / Dividends	490
					Building Maintenance Fee	77
					Other	-61

## Appendix: Real Estate Data

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# Cumulative Assets Under Management

- Historic Cumulative AUM Exceeds ¥1 trillion
- Strong Long-Term Track Record of Managing Real Estate for Clients



## Assets Under Management

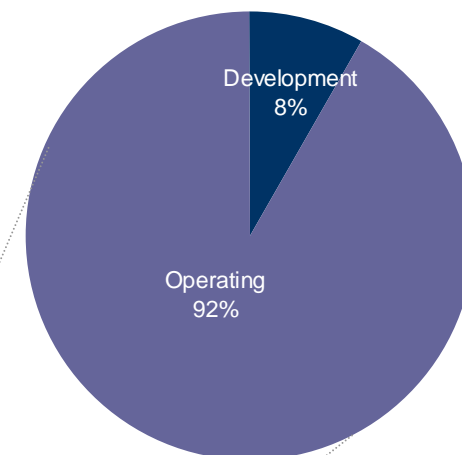
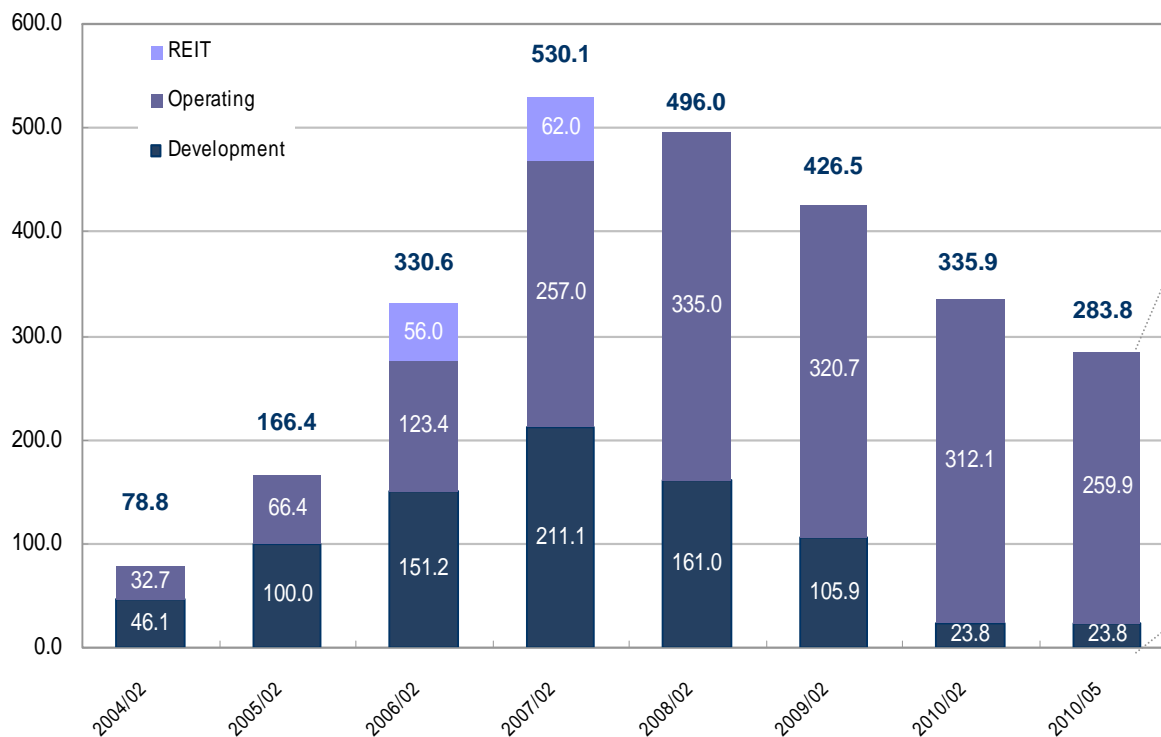
Assets managed within funds - does not include investments held directly by AMH on B/S

# Assets Under Management

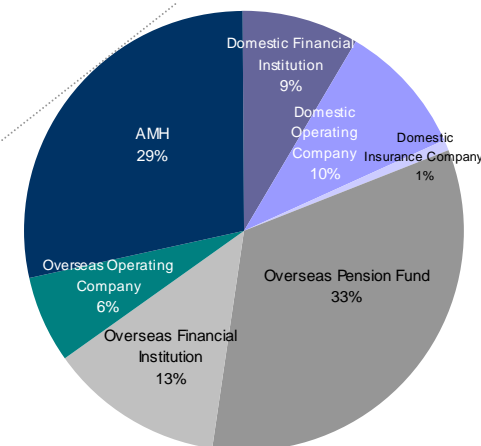
- Expertise across Full Spectrum from Development to Operating Assets
- 90% of Current Portfolio is Comprised of Operating Assets

(As of May 2010)

(billion yen)



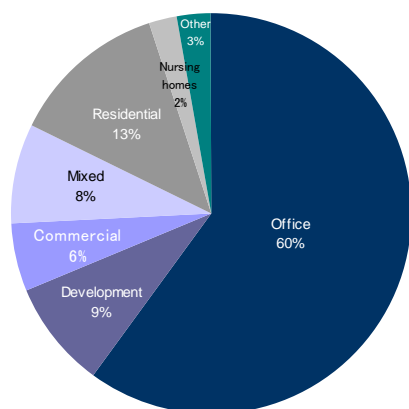
## Breakdown of Equity Investors



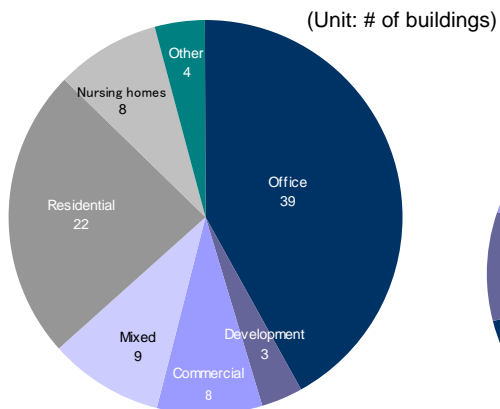
# Real Estate Portfolio

- Mainly Office, although Significant Track Record across a Wide Variety of Asset Types
- Particular Experience in Managing Small & Mid-Size Assets from ¥1 – 5 billion in Tokyo

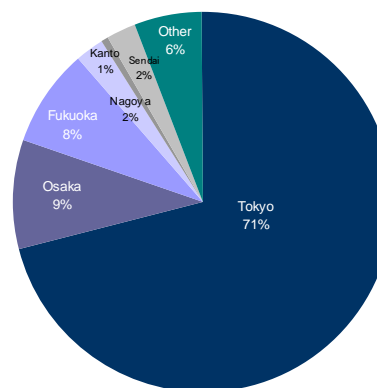
**AUM by Type**



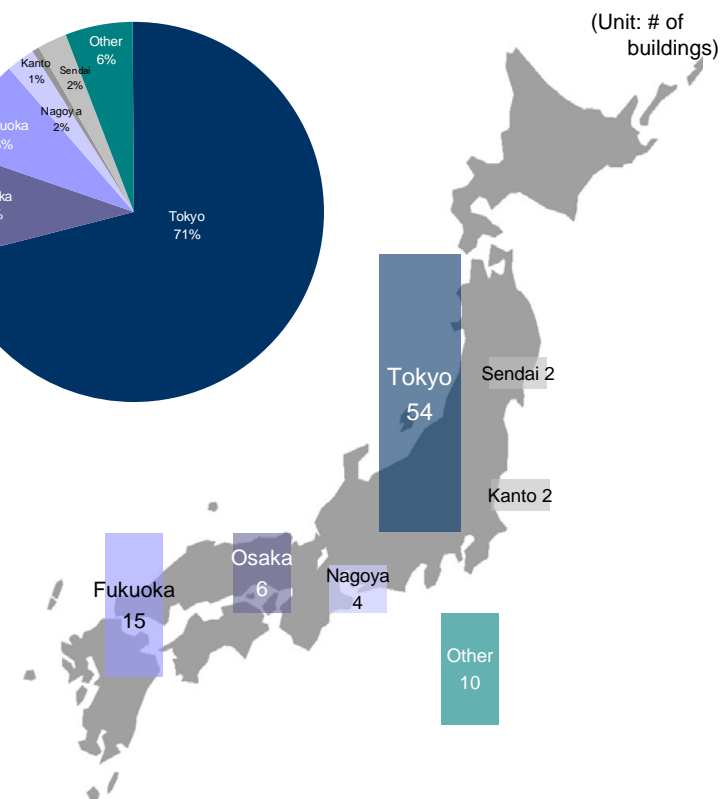
**# of Properties by Type**



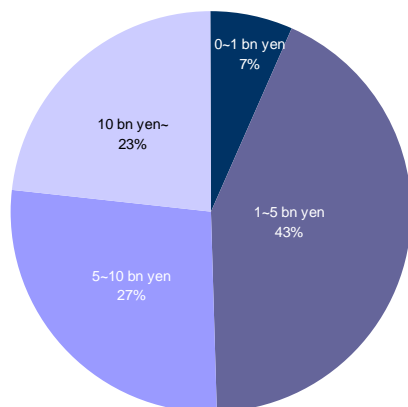
**AUM by Location**



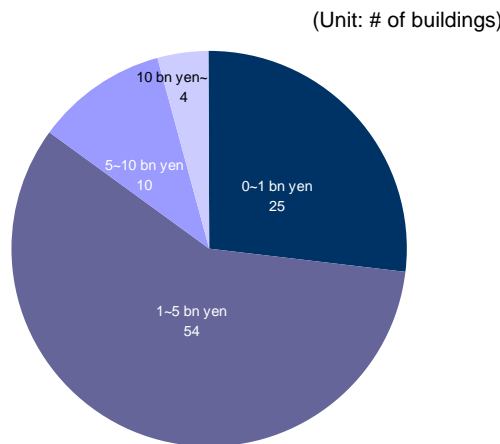
**# of Properties by Location**



**AUM by Size**



**# of Properties by Size**



# AMH Real Estate Cap Rates

- ❑ Cap Rates Increased Due to Early Adoption of Lower of Cost or Market Rule
- ❑ Continually Mark Assets In-line with Current Market Pricing and Eliminate Any Unrealized Losses from B/S
  - ✓ Cap rates changed QoQ due to asset dispositions

(As of May 2010)

## Real Estate Investments held by Funds (SPCs)

(Million yen, except for percentage data)

Location	Acquisition value	Book value (after write-down)	NOI	Cap rate (at acquisition) NOI/acquisition value	Cap rate (current) NOI/value after write-down
Tokyo	167,496	143,196	7,414	5.2%	6.2%
Outside Tokyo	60,938	43,921	3,381	5.9%	9.5%
<b>Total</b>	<b>228,434</b>	<b>187,116</b>	<b>10,794</b>	<b>5.5%</b>	<b>7.6%</b>

## Real Estate Investments directly held by AMH

(Million yen, except for percentage data)

Location	Acquisition value	Book value (after write-down)	NOI	Cap rate (at acquisition) NOI/acquisition value	Cap rate (current) NOI/value after write-down
Tokyo	3,113	2,245	173	6.4%	7.7%
Outside Tokyo	7,112	4,937	520	6.7%	10.2%
<b>Total</b>	<b>10,226</b>	<b>7,182</b>	<b>694</b>	<b>6.6%</b>	<b>9.6%</b>

NOI (Net Operating Income)

NOI = rental income – management costs (taxes, property management fees and repairs)

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These materials are also based upon information available as of May 31, 2010, and contain forward-looking statements pertaining to the Company's expectations, targets, plans and strategies. Such forward-looking statements are not facts, but are the result of management's judgment based on information available as of this date. Actual operating results or developments concerning the Company may differ substantially from those indicated by forward-looking statements. The information enclosed is also subject to revision without prior notice.



Contact:

Asset Managers Holdings Co., Ltd.  
Accounting & Business Planning

TEL: +81-3-3502-4818 FAX: +81-3-3502-4801

E-mail: [mail@assetmanagers.co.jp](mailto:mail@assetmanagers.co.jp)

[www.assetmanagers.co.jp/english](http://www.assetmanagers.co.jp/english)