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## FY20/2 Q1 Earnings

July 11, 2019

**Ichigo Inc.** (Tokyo Stock Exchange First Section, 2337)

Representative: Takuma Hasegawa, President

Inquiries: Go Watanabe, Executive Managing Director

Telephone: +81-3-3502-4818 [www.ichigo.gr.jp/en](http://www.ichigo.gr.jp/en)

Submission of the Financial Report (*Shihanki Hokokusho*): July 12, 2019 (expected)

Dividend Payment: N/A

Supplemental Materials to Financial and Business Results: Yes

Financial and Business Results Briefing: Yes (for institutional investors and analysts)

### 1. FY20/2 Q1 Consolidated Financial Results (March 1, 2019 to May 31, 2019)

#### (1) Consolidated Financial Results

(YOY = year-on-year % change)

|           | Revenue<br>(JPY million) YOY |        | Operating Profit<br>(JPY million) YOY |        | Recurring Profit<br>(JPY million) YOY |         | Net Income<br>(JPY million) YOY |        |
|-----------|------------------------------|--------|---------------------------------------|--------|---------------------------------------|---------|---------------------------------|--------|
| FY20/2 Q1 | 26,290                       | +63.2% | 8,537                                 | +42.5% | 7,607                                 | +45.8%  | 4,768                           | +34.4% |
| FY19/2 Q1 | 16,108                       | +24.7% | 5,992                                 | +90.2% | 5,217                                 | +148.7% | 3,547                           | +58.5% |

Note: Comprehensive Income FY20/2 Q1: JPY 5,651 million (+63.9% YOY)  
FY19/2 Q1: JPY 3,448 million (+61.5% YOY)

|           | Net Income<br>per Share<br>(Basic, JPY) |        | Net Income<br>per Share<br>(Diluted, JPY) |        |
|-----------|---|--------|---|--------|
| FY20/2 Q1 | 9.76                                    | +36.5% | 9.76                                      | +36.6% |
| FY19/2 Q1 | 7.15                                    | +60.4% | 7.14                                      | +60.4% |

#### (2) Consolidated Financial Condition

|           | Total Assets<br>(JPY million) | Net Assets<br>(JPY million) | Shareholder<br>Equity Ratio | Net Assets per<br>Share (JPY) |
|-----------|-------------------------------|-----------------------------|-----------------------------|-------------------------------|
| FY20/2 Q1 | 318,220                       | 101,118                     | 31.4%                       | 204.79                        |
| FY19/2    | 319,343                       | 102,859                     | 30.9%                       | 202.14                        |

Note: Shareholders' Equity FY20/2 Q1: JPY 100,040 million FY19/2: JPY 98,748 million

To facilitate comparison to FY20/2, FY19/2 Total Assets have been restated to reflect a minor change in Japanese accounting treatment of tax assets from FY20/2. The restatement is not material: pre-restated FY19/2 Total Assets were JPY 319,599 million.

### (3) Consolidated Cash Flows

|           | Cash Flows from Operations<br>(JPY million) | Cash Flows from Investments<br>(JPY million) | Cash Flows from Financing<br>(JPY million) | Cash and Cash Equivalents<br>(JPY million) |
|-----------|---|--|--|--|
| FY20/2 Q1 | 632   | -3,110                                       | -514                                       | 35,522                                     |
| FY19/2 Q1 | 1,772                                       | -953   | 7,433                                      | 46,857                                     |

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

FY20/2 Q1: JPY 4,187 million FY19/2 Q1: JPY 2,996 million

### 2. Dividends

|                      | Dividend per Share (JPY) |                |               |                |       | Total Dividend<br>(JPY million) | Payout Ratio | Dividend on Equity Ratio |
|----------------------|--------------------------|----------------|---------------|----------------|-------|---------------------------------|--------------|--------------------------|
|                      | First Quarter            | Second Quarter | Third Quarter | Fourth Quarter | Total |                                 |              |                          |
| FY19/2               | –                        | –              | –             | 7              | 7     | 3,419                           | 22.5%        | 3.7%                     |
| FY20/2<br>(Forecast) | –                        | –              | –             | 7              | 7     |                                 | 23.0%        |                          |

### 3. FY20/2 Full-Year Consolidated Earnings Forecast (March 1, 2019 to February 29, 2020)

(YOY = year-on-year % change)

|  | Operating Profit<br>(JPY million) YOY |        | Recurring Profit<br>(JPY million) YOY |        | Net Income<br>(JPY million) YOY |        | Net Income per Share (JPY) |       |
|--|---------------------------------------|--------|---------------------------------------|--------|---------------------------------|--------|----------------------------|-------|
|  | FY20/2                                | 26,500 | +0.8%                                 | 22,800 | -1.2%                           | 15,000 | -2.4%                      | 30.39 |

Note: Ichigo provides a full-year earnings forecast, but not a half-year forecast, because Ichigo believes the longer full-year forecast is more consistent with global best practice and the focus of Japan's Corporate Governance Code on growing long-term sustainable corporate value. In addition, Ichigo is focused on earnings growth (not revenue growth), with a particular focus on growing long-term EPS, so does not issue a Revenue forecast.

### 4. Other

#### (1) Changes in significant consolidated subsidiaries (material changes in scope of consolidation):

|   |
|---|
| Yes   |
| New subsidiaries: None  |
| Subsidiary removed from consolidation: YK PIT PARTNERS Tokumei Kumiai |

#### (2) Changes in accounting standards/principles, changes in accounting estimates, and revisions to previous financial statements

|   |      |
|---|------|
| (i) Changes in accounting standards/principles:             | None |
| (ii) Changes in accounting principles other than the above: | None |
| (iii) Changes in accounting estimates:                      | None |
| (iv) Revisions of previous financial statements:            | None |

(3) Number of outstanding common shares

(i) Number of outstanding shares including treasury shares at period-end

FY20/2 Q1: 505,066,430

FY19/2: 505,066,430

(ii) Number of treasury shares at period-end

FY20/2 Q1: 16,556,200

FY19/2: 16,556,200

(iii) Average number of outstanding shares during the period

FY20/2 Q1: 488,510,230

FY19/2 Q1: 495,835,604

Segment Information

Asset Management (AM) generates fee income via the management of Ichigo Office (8975), Ichigo Hotel (3463), Ichigo Green (9282), and providing real estate services related to real estate acquisition, operations, and disposition.

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 sale that reflect the real estate's higher value after the value-add is complete.

Note: The Sustainable Real Estate segment was formerly called Value-Add. In keeping with its recently announced Ichigo 2030 vision, Ichigo is changing the segment name to Sustainable Real Estate from FY20/2 in order to put full focus on Ichigo's commitment to preserving and improving real estate as a sustainable infrastructure company.

Clean Energy (CE) is utility-scale solar power production that supplies clean energy and brings productive use to idle land.

Note on Appropriate Use of Forecasts

Forward-looking statements contained in these materials are based on judgments regarding information that was available to Ichigo as of the announcement date. However, these statements involve risk and uncertainties, and actual earnings may differ significantly from the indicated forecasts.

## Consolidated Balance Sheet (FY20/2 Q1)

(JPY million)

|   | FY19/2<br>(Feb 28, 2019) | FY20/2 Q1<br>(May 31, 2019) |
|---|--------------------------|-----------------------------|
| <b>Assets</b>                               |                          |                             |
| <b>Current Assets</b>                       |                          |                             |
| Cash and cash equivalents                   | 50,225                   | 38,711                      |
| Trade notes and accounts receivable         | 1,344                    | 1,671                       |
| Operational loan investments                | 1,324                    | 1,324                       |
| Operational securities investments          | 1,218                    | 3,839                       |
| Real estate for sale                        | 161,322                  | 164,703                     |
| Other                                       | 2,156                    | 2,131                       |
| Less: allowance for doubtful accounts       | -2                       | -3                          |
| <b>Total Current Assets</b>                 | <b>217,590</b>           | <b>212,378</b>              |
| <b>Fixed Assets</b>                         |                          |                             |
| <b>Property, Plant, and Equipment</b>       |                          |                             |
| Buildings and structures                    | 24,577                   | 26,505                      |
| Depreciation                                | -4,238                   | -4,454                      |
| Buildings and structures (net)              | 20,338                   | 22,051                      |
| Solar power plant equipment                 | 21,229                   | 21,636                      |
| Depreciation                                | -2,170                   | -2,438                      |
| Solar power plant equipment (net)           | 19,058                   | 19,197                      |
| Land  | 49,924                   | 52,025                      |
| Buildings under construction                | 956                      | 1,047                       |
| Solar power plants under construction       | 3,656                    | 3,607                       |
| Other                                       | 1,441                    | 1,489                       |
| Depreciation                                | -399                     | -478                        |
| Other (net)                                 | 1,042                    | 1,011                       |
| <b>Total Property, Plant, and Equipment</b> | <b>94,976</b>            | <b>98,941</b>               |
| <b>Intangible Assets</b>                    |                          |                             |
| Goodwill                                    | 1,346                    | 1,302                       |
| Leasehold rights                            | 316                      | 316                         |
| Other                                       | 331                      | 485                         |
| <b>Total Intangible Assets</b>              | <b>1,993</b>             | <b>2,104</b>                |
| <b>Investments and Other Assets</b>         |                          |                             |
| Securities investments                      | 2,455                    | 2,559                       |
| Long-term loans receivable                  | 10                       | 10                          |
| Deferred tax assets                         | 177                      | 186                         |

|   | (JPY million)            |                             |
|---|--------------------------|-----------------------------|
|   | FY19/2<br>(Feb 28, 2019) | FY20/2 Q1<br>(May 31, 2019) |
| Other                                     | 2,231                    | 2,131                       |
| Less: allowance for doubtful accounts     | -91                      | -91                         |
| <b>Total Investments and Other Assets</b> | <b>4,782</b>             | <b>4,795</b>                |
| <b>Total Fixed Assets</b>                 | <b>101,752</b>           | <b>105,842</b>              |
| <b>Total Assets</b>                       | <b>319,343</b>           | <b>318,220</b>              |

(JPY million)

|   | FY19/2<br>(Feb 28, 2019) | FY20/2 Q1<br>(May 31, 2019) |
|---|--------------------------|-----------------------------|
| <b>Liabilities</b>  |                          |                             |
| <b>Current Liabilities</b>                                |                          |                             |
| Short-term loans  | 3,275                    | 6,467                       |
| Bonds (due within one year)                               | 112                      | 112                         |
| Long-term loans (due within one year)                     | 7,881                    | 8,660                       |
| Long-term non-recourse loans<br>(due within one year)     | 1,666                    | 1,666                       |
| Income taxes payable                                      | 3,760                    | 1,326                       |
| Accrued bonuses   | 31                       | 281                         |
| Other current liabilities                                 | 5,178                    | 4,065                       |
| <b>Total Current Liabilities</b>                          | <b>21,905</b>            | <b>22,579</b>               |
| <b>Long-Term Liabilities</b>                              |                          |                             |
| Bonds   | 538                      | 538                         |
| Long-term loans   | 131,569                  | 133,508                     |
| Long-term non-recourse loans                              | 51,068                   | 49,341                      |
| Deferred tax liabilities                                  | 2,164                    | 2,175                       |
| Long-term security deposits received                      | 8,292                    | 7,995                       |
| Other long-term liabilities                               | 946                      | 964                         |
| <b>Total Long-Term Liabilities</b>                        | <b>194,579</b>           | <b>194,523</b>              |
| <b>Total Liabilities</b>                                  | <b>216,484</b>           | <b>217,102</b>              |
| <b>Net Assets</b>   |                          |                             |
| <b>Shareholders' Equity</b>                               |                          |                             |
| Capital   | 26,820                   | 26,820                      |
| Capital reserve   | 11,207                   | 11,207                      |
| Retained earnings   | 66,730                   | 68,072                      |
| Treasury shares   | -5,988                   | -5,988                      |
| <b>Total Shareholders' Equity</b>                         | <b>98,769</b>            | <b>100,111</b>              |
| <b>Accumulated Other Comprehensive Income</b>             |                          |                             |
| Valuation gain (loss) on other securities                 | 386                      | 349                         |
| Deferred gain (loss) on long-term<br>interest rate hedges | -408                     | -420                        |
| <b>Total Accumulated Other<br/>Comprehensive Income</b>   | <b>-21</b>               | <b>-71</b>                  |
| <b>Stock Options</b>                                      | <b>827</b>               | <b>890</b>                  |
| <b>Minority Interests</b>                                 | <b>3,283</b>             | <b>186</b>                  |
| <b>Total Net Assets</b>                                   | <b>102,859</b>           | <b>101,118</b>              |
| <b>Total Liabilities and Net Assets</b>                   | <b>319,343</b>           | <b>318,220</b>              |

## Consolidated Income Statement (FY20/2 Q1)

(JPY million)

|   | FY19/2 Q1<br>(Mar 1, 2018 to<br>May 31, 2018) | FY20/2 Q1<br>(Mar 1, 2019 to<br>May 31, 2019) |
|---|---|---|
| <b>Revenue</b>  | <b>16,108</b>                                 | <b>26,290</b>                                 |
| <b>Cost of Goods Sold</b>                             | <b>8,653</b>                                  | <b>15,994</b>                                 |
| <b>Gross Profit</b>                                   | <b>7,454</b>                                  | <b>10,295</b>                                 |
| <b>SG&amp;A</b>                                       | <b>1,461</b>                                  | <b>1,758</b>                                  |
| <b>Operating Profit</b>                               | <b>5,992</b>                                  | <b>8,537</b>                                  |
| <b>Non-Operating Income</b>                           |   |   |
| Interest income                                       | –   | 1   |
| Dividend income                                       | 21  | 35  |
| Foreign currency valuation gain                       | 15  | –   |
| Mark-to-market gain on long-term interest rate hedges | 6   | –   |
| Other   | 14  | 15  |
| <b>Total Non-Operating Income</b>                     | <b>57</b>                                     | <b>53</b>                                     |
| <b>Non-Operating Expenses</b>                         |   |   |
| Interest expense                                      | 569   | 558   |
| Foreign currency valuation loss                       | –   | 39  |
| Mark-to-market loss on long-term interest rate hedges | –   | 98  |
| Debt financing-related fees                           | 226   | 236   |
| Other   | 37  | 49  |
| <b>Total Non-Operating Expenses</b>                   | <b>833</b>                                    | <b>982</b>                                    |
| <b>Recurring Profit</b>                               | <b>5,217</b>                                  | <b>7,607</b>                                  |
| <b>Extraordinary Gains</b>                            |   |   |
| Gain on sale of securities investments                | 2   | 11  |
| Gain on sale of subsidiary shares                     | –   | 169   |
| Other   | –   | 35  |
| <b>Total Extraordinary Gains</b>                      | <b>2</b>                                      | <b>215</b>                                    |
| <b>Extraordinary Losses</b>                           |   |   |
| Loss on disposal of fixed assets                      | –   | 27  |
| <b>Total Extraordinary Losses</b>                     | <b>–</b>                                      | <b>27</b>                                     |
| <b>Pre-Tax Net Income</b>                             | <b>5,220</b>                                  | <b>7,796</b>                                  |
| <b>Income Taxes</b>                                   | <b>1,651</b>                                  | <b>2,094</b>                                  |
| <b>Pre-Minority Interest Net Income</b>               | <b>3,568</b>                                  | <b>5,701</b>                                  |
| <b>Net Income Attributable to Minority Interests</b>  | <b>21</b>                                     | <b>932</b>                                    |
| <b>Net Income</b>                                     | <b>3,547</b>                                  | <b>4,768</b>                                  |

**Consolidated Statement of Comprehensive Income (FY20/2 Q1)**

(JPY million)

|  | FY19/2 Q1<br>(Mar 1, 2018 to<br>May 31, 2018) | FY20/2 Q1<br>(Mar 1, 2019 to<br>May 31, 2019) |
|--|---|---|
| <b>Pre-Minority Interest Net Income</b>                  | <b>3,568</b>                                  | <b>5,701</b>                                  |
| <b>Other Comprehensive Income</b>                        |   |   |
| Valuation loss (gain) on other securities                | -101  | -37   |
| Deferred loss (gain) on long-term interest rate hedges   | -18   | -12   |
| <b>Total Other Comprehensive Income</b>                  | <b>-119</b>                                   | <b>-49</b>                                    |
| <b>Comprehensive Income</b>                              | <b>3,448</b>                                  | <b>5,651</b>                                  |
| Comprehensive income attributable to common shareholders | 3,427   | 4,718   |
| Comprehensive income attributable to minority interests  | 21  | 932   |



## Consolidated Cash Flow Statement (FY20/2 Q1)

(JPY million)

|   | FY19/2 Q1<br>(Mar 1, 2018 to<br>May 31, 2018) | FY20/2 Q1<br>(Mar 1, 2019 to<br>May 31, 2019) |
|---|---|---|
| <b>Cash Flows from Operations:</b>                        |   |   |
| Pre-tax net income  | 5,220   | 7,796   |
| Depreciation  | 394   | 610   |
| Share-based compensation expenses                         | 51  | 62  |
| Amortization of goodwill                                  | 51  | 43  |
| Increase (decrease) in accrued bonuses                    | 224   | 250   |
| Increase (decrease) in allowance for doubtful accounts    | -26   | -   |
| Interest and dividend income                              | -21   | -37   |
| Interest expenses   | 569   | 558   |
| Gain (loss) on sale of subsidiary shares                  | -   | -169  |
| Loss (gain) on sale of securities investments             | -2  | -11   |
| Decrease (increase) in trading notes and receivables      | -329  | -326  |
| Decrease (increase) in operational securities investments | -562  | 611   |
| Decrease (increase) in real estate for sale               | -803  | -3,380  |
| Decrease (increase) in advances paid                      | 76  | 122   |
| Decrease (increase) in prepaid expenses                   | -124  | -119  |
| Decrease (increase) in accounts receivable                | -6  | 51  |
| Decrease (increase) in consumption taxes receivable       | 413   | -32   |
| Increase (decrease) in accounts payable                   | -1,234  | -824  |
| Increase (decrease) in accrued expenses                   | 117   | 104   |
| Increase (decrease) in deposits received                  | 510   | 595   |
| Increase (decrease) in security deposits received         | -497  | -297  |
| Other   | 252   | -190  |
| <b>Sub-Total</b>  | <b>4,272</b>                                  | <b>5,418</b>                                  |
| Interest and dividend income received                     | 21  | 37  |
| Interest expense paid                                     | -567  | -463  |
| Income taxes paid   | -1,953  | -4,358  |
| <b>Net Cash from (Used for) Operations</b>                | <b>1,772</b>                                  | <b>632</b>                                    |

(JPY million)

|  | FY19/2 Q1<br>(Mar 1, 2018 to<br>May 31, 2018) | FY20/2 Q1<br>(Mar 1, 2019 to<br>May 31, 2019) |
|--|---|---|
| <b>Cash Flows from Investments:</b>  |   |   |
| Payments into time deposits  | -54   | -3  |
| Proceeds from withdrawal of time deposits                                    | 9   | 2,009   |
| Payments for securities investments  | -25   | -93   |
| Proceeds from sale of securities investments                                 | 32  | 111   |
| Acquisition of property, plant, and equipment                                | -733  | -5,000  |
| Acquisition of intangible assets   | -142  | -70   |
| Payments of SPC capital contributions  | –   | -2  |
| Payments of security deposits  | -15   | -20   |
| Payments of loans receivable   | –   | -40   |
| Other  | -23   | -1  |
| <b>Net Cash from (Used for) Investments</b>                                  | <b>-953</b>                                   | <b>-3,110</b>                                 |
| <b>Cash Flows from Financing:</b>  |   |   |
| Net increase (decrease) in short-term loans                                  | 3,887   | 3,192   |
| Proceeds from long-term loans  | 13,212  | 14,805  |
| Repayment of long-term loans   | -3,248  | -12,164                                       |
| Proceeds from long-term non-recourse loans                                   | 3,500   | –   |
| Repayment of long-term non-recourse loans                                    | -7,082  | -1,727  |
| Proceeds from employee exercise of stock options                             | 59  | –   |
| Payments to minority interests   | –   | -1,276  |
| Dividends paid   | -2,895  | -3,342  |
| <b>Net Cash from (Used for) Financing</b>                                    | <b>7,433</b>                                  | <b>-514</b>                                   |
| <b>Effect of Exchange Rate Change on Cash and Cash Equivalents</b>           | <b>–</b>                                      | <b>–</b>                                      |
| <b>Increase (Decrease) in Cash and Cash Equivalents</b>                      | <b>8,253</b>                                  | <b>-2,991</b>                                 |
| <b>Cash and Cash Equivalents at Beginning of Period</b>                      | <b>39,365</b>                                 | <b>45,029</b>                                 |
| <b>Cash and Cash Equivalents Resulting from Exclusion from Consolidation</b> | <b>-760</b>                                   | <b>-6,514</b>                                 |
| <b>Cash and Cash Equivalents at End of Period</b>                            | <b>46,857</b>                                 | <b>35,522</b>                                 |

**Revenue, P&L, and Assets by Segment (Current FY20/2 Q1)**

(Mar 1, 2019 to May 31, 2019)

(JPY million)

|  | Segment               |                               |                   |         | Adjustment <sup>2</sup> | Amount Recorded in Financial Statements |
|--|-----------------------|-------------------------------|-------------------|---------|-------------------------|---|
|  | Asset Management (AM) | Sustainable Real Estate (SRE) | Clean Energy (CE) | Total   |                         |   |
| Revenue  |                       |                               |                   |         |                         |   |
| Revenue from External Customers  | 626                   | 24,643                        | 1,020             | 26,290  | -                       | 26,290                                  |
| Inter-Segment Activities or Reclassifications  | 288                   | -                             | -                 | 289     | -289                    | -                                       |
| Total  | 915                   | 24,643                        | 1,020             | 26,579  | -289                    | 26,290                                  |
| Segment P&L <sup>1</sup>   | 519                   | 7,644                         | 377               | 8,542   | -5                      | 8,537                                   |
| Segment P&L Details <sup>1</sup>   |                       |                               |                   |         |                         |   |
| Stock Earnings (Rental Income, Base AM Fees, FIT Solar Power Earnings, etc.)                                     | 411                   | 2,512                         | 377               | 3,301   | -                       | -                                       |
| Flow Earnings (Profits on Sustainable Real Estate Sales, Profits on Solar Power Plant Sales, Spot AM Fees, etc.) | 108                   | 5,132                         | -                 | 5,240   | -                       | -                                       |
| Segment Assets   | 1,941                 | 266,295                       | 28,344            | 296,580 | 21,640                  | 318,220                                 |
| Other  |                       |                               |                   |         |                         |   |
| Depreciation   | -                     | 335                           | 268               | 604     | 6                       | 610                                     |
| Increase in Property, Plant, and Equipment and Intangible Assets   | -                     | 4,261                         | 460               | 4,722   | 50                      | 4,772                                   |

<sup>1</sup> Segment P&L is on an Operating Profit basis.

<sup>2</sup> The Adjustment to Segment P&L (-JPY 5 million) reflects transaction eliminations and corporate expenses that were not allocated to the segments. The Adjustment to Segment Assets (JPY 21,640 million) reflects corporate assets, such as cash and cash equivalents, that were not allocated to the segments. The Adjustment to Depreciation (JPY 6 million) reflects depreciation of corporate assets that were not allocated to the segments. The Adjustment to Increase in Property, Plant, and Equipment and Intangible Assets (JPY 50 million) reflects corporate assets that were not allocated to the segments.

**Revenue, P&L, and Assets by Segment (Previous FY19/2 Q1)**

(Mar 1, 2018 to May 31, 2018)

(JPY million)

|  | Segment               |                               |                   |         | Adjustment <sup>2</sup> | Amount Recorded in Financial Statements |
|--|-----------------------|-------------------------------|-------------------|---------|-------------------------|---|
|  | Asset Management (AM) | Sustainable Real Estate (SRE) | Clean Energy (CE) | Total   |                         |   |
| Revenue  |                       |                               |                   |         |                         |   |
| Revenue from External Customers  | 550                   | 14,546                        | 1,012             | 16,108  | -                       | 16,108                                  |
| Inter-Segment Activities or Reclassifications  | 243                   | -                             | -                 | 243     | -243                    | -                                       |
| Total  | 793                   | 14,546                        | 1,012             | 16,351  | -243                    | 16,108                                  |
| Segment P&L <sup>1</sup>   | 454                   | 5,105                         | 421               | 5,980   | 11                      | 5,992                                   |
| Segment P&L Details <sup>1</sup>   |                       |                               |                   |         |                         |   |
| Stock Earnings (Rental Income, Base AM Fees, FIT Solar Power Earnings, etc.)                                     | 398                   | 2,310                         | 421               | 3,129   | -                       | -                                       |
| Flow Earnings (Profits on Sustainable Real Estate Sales, Profits on Solar Power Plant Sales, Spot AM Fees, etc.) | 56                    | 2,794                         | -                 | 2,851   | -                       | -                                       |
| Segment Assets   | 1,805                 | 241,969                       | 26,687            | 270,463 | 36,069                  | 306,533                                 |
| Other  |                       |                               |                   |         |                         |   |
| Depreciation   | -                     | 127                           | 261               | 388     | 5                       | 394                                     |
| Increase in Property, Plant, and Equipment and Intangible Assets   | -                     | 345                           | 669               | 1,014   | 11                      | 1,025                                   |

<sup>1</sup> Segment P&L is on an Operating Profit basis.

<sup>2</sup> The Adjustment to Segment P&L (JPY 11 million) reflects transaction eliminations and corporate expenses that were not allocated to the segments. The Adjustment to Segment Assets (JPY 36,069 million) reflects corporate assets, such as cash and cash equivalents, that were not allocated to the segments. The Adjustment to Depreciation (JPY 5 million) reflects depreciation of corporate assets that were not allocated to the segments. The Adjustment to Increase in Property, Plant, and Equipment and Intangible Assets (JPY 11 million) reflects corporate assets that were not allocated to the segments.

Note: To facilitate comparison to FY20/2, FY19/2 Segment Assets have been restated to reflect a minor change in Japanese accounting treatment of tax assets from FY20/2. The restatement is not material.