

*[Provisional Translation Only]*

*This English translation of the original Japanese document is provided solely for information purposes.*

*Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.*

July 28, 2015

**Ichigo Group Holdings Co., Ltd. (JASDAQ, 2337)**

Representative: Scott Callon, Chairman and Representative Statutory Executive Officer

Inquiries: Takeyuki Yoshimatsu, Senior Statutory Executive Officer

Telephone: +81-3-3502-4818 [www.ichigo-holdings.co.jp/english](http://www.ichigo-holdings.co.jp/english)

## **Asset Acquisitions, New Loans, and New Subsidiary Consolidations**

Ichigo Group Holdings (“Ichigo”) decided today to acquire twenty-four office assets, financed primarily via new loans, and the special purpose companies (“SPCs”) created for the acquisitions will become Ichigo’s consolidated subsidiaries.

### **1. Purpose of the Acquisitions**

Ichigo is driving greater synergies between its asset management and value-add businesses. In support of full achievement of its Shift Up 2016 Mid-Term Business Plan, via today’s acquisitions Ichigo is acquiring high-quality assets to expand its stable earnings base and further increase its capital efficiency via the growth of its asset management business.

In today’s transactions, Ichigo is investing jointly with Ichigo REIT (8975) in two SPCs, Motoazabu Holdings GK Tokumei Kumiai (TK) (“Motoazabu TK”) and Ikenohata Holdings GK Tokumei Kumiai (TK) (“Ikenohata TK”), while it is the sole investor in a third SPC, Kichijoji GK Tokumei Kumiai (TK) (“Kichijoji TK” and collectively, the “TKs”). As described in section 3 below, the TKs are being established today and in the next two days Ichigo will invest in and become the majority investor in all three TKs, at which point all three TKs will become Ichigo’s consolidated subsidiaries.

Ichigo and Kichijoji TK will borrow JPY 43.4 billion on July 30, 2015 to finance these and related real estate transactions.

### **2. Subsidiaries Overview**

Company Name	Motoazabu Holdings GK Tokumei Kumiai (TK)
Address	1-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo
TK Operator	Motoazabu Holdings GK
Representative	Managing Member: Ippan Shadan Hojin Star Holding Manager: Mariko Hirano
Business	Acquisition, holding, sale, lease, and management of trust beneficiary interest and real estate, and other ancillary services
Paid-In Capital	JPY 100,000
Establishment Date	July 28, 2015
Relationship to Parent Company	The TK does not have any capital, personnel, or business relationship of note to Ichigo.
Business and Financial Conditions in Past Three Years	Since the TK was established today, there are no past earnings results.

Company Name	Ikenohata Holdings GK Tokumei Kumiai (TK)
Address	1-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo
TK Operator	Ikenohata Holdings GK
Representative	Managing Member: Ippan Shadan Hojin Star Holding Manager: Hiroshi Sasaki
Business	Acquisition, holding, sale, lease, and management of trust beneficiary interest and real estate, and other ancillary services
Paid-In Capital	JPY 100,000
Establishment Date	July 28, 2015
Relationship to Parent Company	The TK does not have any capital, personnel, or business relationship of note to Ichigo.
Business and Financial Conditions in Past Three Years	Since the TK was established today, there are no past earnings results.

Company Name	Kichijoji Holdings GK Tokumei Kumiai (TK)
Address	1-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo
TK Operator	Kichijoji Holdings GK
Representative	Managing Member: Ippan Shadan Hojin Star Holding Manager: Takashi Inaba
Business	Acquisition, holding, sale, lease, and management of trust beneficiary interest and real estate, and other ancillary services
Paid-In Capital	JPY 100,000
Establishment Date	July 28, 2015
Relationship to Parent Company	The TK does not have any capital, personnel, or business relationship of note to Ichigo.
Business and Financial Conditions in Past Three Years	Since the TK was established today, there are no past earnings results.

### 3. Key Transaction Dates

Ichigo Board Approval	July 28, 2015
TK Contract Signing	July 28, 2015
Subsidiary Consolidations	
Kichijoji TK	July 29, 2015
Motoazabu TK	July 30, 2015
Ikenohata TK	July 30, 2015
Transaction Completion	July 30, 2015

### 4. Ichigo Parent Investment Amount and % Ichigo Ownership of Subsidiary

Motoazabu TK	JPY 13.45 Billion (93.08%)
Ikenohata TK	JPY 13.95 Billion (93.31%)
Kichijoji TK	JPY 4.1 Billion (100%)
Total	JPY 31.5 Billion

All of Ichigo's investment will be used by the TKs to acquire the real estate detailed in the Appendix below.

## 5. New Loans

Use of Proceeds	To finance Ichigo's and the TKs' real estate investments
Amount	JPY 43.4 billion
Lenders	Sumitomo Mitsui Banking Corporation, Mizuho Bank Ltd., Sumitomo Mitsui Finance & Leasing Co., Ltd.
Loan Date	July 30, 2015
Term	7 years

## 6. Earnings Outlook and Total Borrowings

If Ichigo owns on an on-going basis the assets purchased today, they are expected to increase Ichigo's pre-tax earnings by JPY 1.4 billion per year. Alternatively, should Ichigo sell all or some of the assets, the sales can be expected to impact Ichigo's earnings. Given the uncertainty of the existence, timing, and pricing of such sales, there are no changes to Ichigo's consolidated earnings forecast for the February 2016 fiscal year announced on April 20, 2015.

Adding the above new loans to Ichigo's existing loan balance as of May-end 2015, Ichigo's borrowings on a consolidated basis total JPY 149 billion.

## 7. Other

For further details, please refer to today's release from Ichigo REIT (8975), "Real Estate Acquisition."

## Appendix: TKs' Underlying Real Estate

### Motoazabu TK

#### Vanguard Motoazabu Building

- 1) Location 3-Chome, Motoazabu, Minato-ku, Tokyo
- 2) Access 9-minute walk from Hiroo Station on the Tokyo Metro Hibiya Line
- 3) Land Area 1022.12 m<sup>2</sup>
- 4) Total Floor Area 1,503.03 m<sup>2</sup>
- 5) Zoning Category I Mid/High-Rise Residential
- 6) Structure RC B1F/2F
- 7) Builder Komatsu Construction Co., Ltd.



#### Dai 5 Akiyama Building

- 1) Location 1-Chome, Higashi, Shibuya-ku, Tokyo
- 2) Access 9-minute walk from Shibuya Station on the JR Yamanote Line
- 3) Land Area 297.16 m<sup>2</sup>
- 4) Total Floor Area 1,159.16 m<sup>2</sup>
- 5) Zoning Commercial, Category II Mid/High-Rise Residential
- 6) Structure RC 6F
- 7) Builder Tobishima Corporation



#### Ningyocho Central Building

- 1) Location 1-Chome, Nihonbashi Horidomecho, Chuo-ku, Tokyo
- 2) Access 4-minute walk from Ningyocho Station and Kodenmacho Station on the Tokyo Metro Hibiya Line
- 3) Land Area 318.89 m<sup>2</sup>
- 4) Total Floor Area 2,122.71 m<sup>2</sup>
- 5) Zoning Commercial
- 6) Structure SRC 11F
- 7) Builder Taisei Corporation



#### Otsuka Saint Core Building

- 1) Location 3-Chome, Minami-Otsuka, Toshima-ku, Tokyo
- 2) Access 4-minute walk from Otsuka Station on the JR Yamanote Line, 6-minute walk from Shin-otsuka Station on the Tokyo Metro Marunouchi Line
- 3) Land Area 976.82 m<sup>2</sup>
- 4) Total Floor Area 4,573.06 m<sup>2</sup>
- 5) Zoning Commercial
- 6) Structure SRC 8F
- 7) Builder Fujita Corporation



#### Osaka Nishi Honmachi Building

- 1) Location 2-Chome, Awaza, Nishi-ku, Osaka
- 2) Access 4-minute walk from Awaza Station on the Osaka Municipal Subway Chuo Line
- 3) Land Area 1,081.64 m<sup>2</sup>
- 4) Total Floor Area 8,452.34 m<sup>2</sup>
- 5) Zoning Commercial
- 6) Structure SRC 14F
- 7) Builder Konoike Construction Co., Ltd.



#### Dai 41 Ocean Building

- 1) Location 1-Chome, Nishiki, Naka-ku, Nagoya, Aichi Prefecture
- 2) Access 3-minute walk from Fushimi Station on the Nagoya Municipal Subway Higashiyama and Tsurumai Lines
- 3) Land Area 421.38 m<sup>2</sup>
- 4) Total Floor Area 2,600.69 m<sup>2</sup>
- 5) Zoning Commercial
- 6) Structure SRC 9F
- 7) Builder JDC Corporation



#### EME Nagoya Building

- 1) Location 4-Chome, Meieki, Nakamura-ku, Nagoya, Aichi Prefecture
- 2) Access 7-minute walk from Nagoya Station on the Nagoya Municipal Subway Higashiyama and Sakura-dori Lines
- 3) Land Area 1,001.17 m<sup>2</sup>
- 4) Total Floor Area 7,418.12 m<sup>2</sup>
- 5) Zoning Commercial
- 6) Structure SRC B2F/8F
- 7) Builder Kajima Corporation



#### Ikenohata TK

##### MG Ikenohata Building

- 1) Location 1-Chome, Ikenohata, Taito-ku, Tokyo
- 2) Access 3-minute walk from Yushima Station on the Tokyo Metro Chiyoda Line, and 7-minute walk from Ueno-hirokoji Station on the Tokyo Metro Ginza Line
- 3) Land Area 1,120.22 m<sup>2</sup>
- 4) Total Floor Area 7,774.41 m<sup>2</sup>
- 5) Zoning Commercial
- 6) Structure SRC B1F/8F
- 7) Builder Kajima Corporation





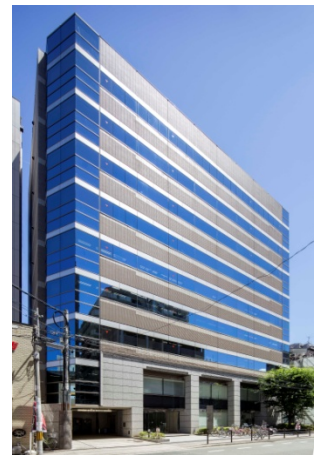
#### Higashi Ikebukuro Q Building

- 1) Location 2-Chome Higashi Ikebukuro, Toshima-ku, Tokyo
- 2) Access 9-minute walk from Higashi-ikebukuro Station on the Tokyo Metro Yurakucho Line and from Otsuka Station on the JR Yamanote Line, and 12-minute walk from the JR Yamanote Line
- 3) Land Area 744.66 m<sup>2</sup>
- 4) Total Floor Area 3,837.35 m<sup>2</sup>
- 5) Zoning Commercial, Category I Residential
- 6) Structure SRC & RC 8F
- 7) Builder Daisue Construction Co., Ltd.



#### Sun Center Building

- 1) Location 1-Chome, Matsugaecho, Kita-ku, Osaka
- 2) Access 6-minute walk from Osakatemmangu Station on the JR Tozai Line
- 3) Land Area 661.54 m<sup>2</sup>
- 4) Total Floor Area 3,858.09 m<sup>2</sup>
- 5) Zoning Commercial
- 6) Structure Steel B1/9F
- 7) Builder Joint venture of Konoike Construction Co., Ltd. and Yutaka Kensetsu Kogyo KK



#### Sigma Hakata Building

- 1) Location 1-Chome, Gion, Hakata-ku, Fukuoka, Fukuoka Prefecture
- 2) Access 1-minute walk from Gion Station on the Fukuoka City Subway Kuko Line
- 3) Land Area 644.27 m<sup>2</sup>
- 4) Total Floor Area 3,469.90 m<sup>2</sup>
- 5) Zoning Commercial
- 6) Structure SRC B1/9F
- 7) Builder Araigumi, Co., Ltd.



#### HF Fushimi Building

- 1) Location 1-Chome, Nishiki, Naka-ku, Nagoya, Aichi Pref.
- 2) Access 4-minute walk from Fushimi Station on the Nagoya Municipal Subway Higashiyama and Tsurumai Lines
- 3) Land Area 770.43 m<sup>2</sup>
- 4) Total Floor Area 6,290.43 m<sup>2</sup>
- 5) Zoning Commercial
- 6) Structure SRC B1F/9F
- 7) Builder Kajima Corporation



### Nishiki First Building

- 1) Location 1-Chome Nishiki, Naka-ku, Nagoya, Aichi Pref.
- 2) Access 6-minute walk from Fushimi Station on the Nagoya Municipal Subway Higashiyama and Tsurumai Lines
- 3) Land Area 947.10 m<sup>2</sup>
- 4) Total Floor Area 5,740.45 m<sup>2</sup>
- 5) Zoning Commercial
- 6) Structure SRC B1F/7F
- 7) Builder Joint venture of Obayashi Corporation, Sato Kogyo Co., Ltd., and Shimizu Corporation



### Kichijoji TK

#### IKB Hongo Building

- 1) Location 5-Chome, Hongo, Bunkyo-ku, Tokyo
- 2) Access 3-minute walk from Kasuga Station on the Toei Subway Mita Line
- 3) Land Area 937.47m<sup>2</sup>
- 4) Total Floor Area 3,932.85m<sup>2</sup>
- 5) Zoning Neighborhood commercial
- 6) Structure RC & SRC B1F/6F
- 7) Builder Shimizu Corporation



#### AUSPICE Akasaka

- 1) Location 5-Chome, Akasaka, Minato-ku, Tokyo
- 2) Access 3-minute walk from Akasaka Station on the Tokyo Metro Chiyoda Line
- 3) Land Area 319.89m<sup>2</sup>
- 4) Total Floor Area 1,334.72m<sup>2</sup>
- 5) Zoning Commercial, Category I Residential
- 6) Structure Steel 8F
- 7) Builder Satohide Corporation



#### AUSPICE Uchikanda

- 1) Location 1-Chome, Uchikanda, Chiyoda-ku, Tokyo
- 2) Access 5-minute walk from Ogawacho Station on the Toei Subway Shinjuku Line
- 3) Land Area 220.94m<sup>2</sup>
- 4) Total Floor Area 1,314.80m<sup>2</sup>
- 5) Zoning Commercial
- 6) Structure Steel 12F
- 7) Builder Mabuchi Construction Co., Ltd.



#### Oimachi Center Building

- 1) Location 1-Chome, Oi, Shinagawa-ku, Tokyo
- 2) Access 3-minute walk from Oimachi Station on the JR Tokaido Line
- 3) Land Area 886.37m<sup>2</sup>\*
- 4) Total Floor Area 4,468.31m<sup>2</sup>\*
- 5) Zoning Commercial
- 6) Structure SRC B1F/7F
- 7) Builder Fujita Corporation

\* This acquisition is a sectional ownership, but Land Area and Total Floor Area is for the entire building.



#### Kichijoji Central Building

- 1) Location 1-Chome, Kichijoji Honmachi, Musashino-shi, Tokyo
- 2) Access 1-minute walk from Kichijoji Station on the JR Chuo Line
- 3) Land Area 488.42m<sup>2</sup>\*
- 4) Total Floor Area 2,460.96m<sup>2</sup>
- 5) Zoning Commercial
- 6) Structure SRC B1F/8F
- 7) Builder Obayashi Corporation

\*78.42 m<sup>2</sup> of the land is joint ownership.



#### Arte Building Higobashi

- 1) Location 1-Chome, Edobori, Nishi-ku, Osaka
- 2) Access 2-minute walk from Higobashi Station on the Osaka Municipal Subway Yotsubashi Line
- 3) Land Area 543.72m<sup>2</sup>
- 4) Total Floor Area 4,503.74m<sup>2</sup>
- 5) Zoning Commercial
- 6) Structure Steel B1F/10F
- 7) Builder Shimizu Corporation



#### SC Sakaisuji Honmachi Building

- 1) Location 1-Chome, Kitakyuhojimachi, Chuo-ku, Osaka
- 2) Access 4-minute walk from Sakaisuji-Hommachi Station on the Osaka Municipal Subway
- 3) Land Area 985.42m<sup>2</sup>
- 4) Total Floor Area 6,075.86m<sup>2</sup>
- 5) Zoning Commercial
- 6) Structure Steel 9F
- 7) Builder HASEKO Corporation





#### Hakata MST Building

- 1) Location 8-Chome, Tenyamachi, Hakata-ku, Fukuoka, Fukuoka Prefecture
- 2) Access 1-minute walk from Gofukumachi Station on the Fukuoka Municipal Subway Hakozaki Line
- 3) Land Area 744.42m<sup>2</sup>
- 4) Total Floor Area 4,514.87m<sup>2</sup>
- 5) Zoning Commercial
- 6) Structure Steel 7F
- 7) Builder Taisei Corporation



#### Takeyama Hakata Building

- 1) Location 1-Chome, Hakataekihigashi, Hakata-ku, Fukuoka, Fukuoka Prefecture
- 2) Access 3-minute walk from Hakata Station on the JR Line
- 3) Land Area 751.78m<sup>2</sup>
- 4) Total Floor Area 3,858.01m<sup>2</sup>
- 5) Zoning Commercial
- 6) Structure SRC 8F
- 7) Builder Kajima Corporation



#### Round Terrace Fushimi

- 1) Location 1-Chome, Nishiki, Naka-ku, Nagoya, Aichi Pref.
- 2) Access 5-minute walk from Fushimi Station on the Nagoya Municipal Subway Higashiyama Line
- 3) Land Area 1,083.30m<sup>2</sup>
- 4) Total Floor Area 7,316.09m<sup>2</sup>
- 5) Zoning Commercial
- 6) Structure Steel B2F/10F
- 7) Builder Yahagi Construction Co., Ltd.



#### DIA Building Meieki

- 1) Location 3-Chome, Meieki, Nakamura-ku, Nagoya, Aichi Prefecture
- 2) Access 6-minute walk from Nagoya Station on the JR Line
- 3) Land Area 563.51m<sup>2</sup>
- 4) Total Floor Area 2,904.28m<sup>2</sup>
- 5) Zoning Commercial
- 6) Structure Steel & RC B1F/6F
- 7) Builder Daisue Construction Co., Ltd.

