

[Provisional Translation Only]

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March 27, 2019

Ichigo Inc. (Tokyo Stock Exchange First Section, 2337)
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Additional Investment in SPC

Ichigo today decided to make an additional investment in a fully-consolidated special purpose company (SPC). The SPC owns a hotel in Osaka, and the investment will be used to repay an existing loan. Post-transaction, the SPC will remain a fully-consolidated entity.

1. Additional Investment Rationale

To lower the SPC's borrowing costs via loan repayment.

2. Subsidiary (SPC) Overview

Name	Shinsaibashi Jisho GK Tokumei Kumiai
Address	1-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo
SPC Operator	Shinsaibashi Jisho GK
Representative	Managing Member: Ippan Shadan Hojin IES2 Manager: Takehisa Tei
Business	1. Investment in trust beneficiary interests (<i>juekiken</i>) 2. Acquisition, development, holding, disposition, leasing, and management of real estate 3. Acquisition and disposition of shares and equity interests of businesses relating to the aforementioned businesses 4. Other businesses relating to the aforementioned businesses
Paid-In Capital	JPY 100,000
Establishment Date	March 26, 2010
Total Assets	JPY 3.2 billion
SPC Investor	Ichigo Inc. (100%)
Relationship to Ichigo	The SPC does not have any material capital, personnel, or transactional relationship with Ichigo.

Business and Financial Conditions in Past Three Years	FY16/3 (JPY million)	FY17/3* (JPY million)	FY18/3* (JPY million)
Net Assets	4,912	731	703
Total Assets	21,128	3,303	3,275
Revenue	511	21,042	287
Operating Profit	202	4,499	96
Recurring Profit	129	4,278	-12
Net Income	129	4,278	-12

* The SPC sold 9 hotels to Ichigo Hotel (3463) on August 17, 2016, generating FY17/3 Revenue of JPY 19.65 billion, along with substantial increases in FY17/3 Operating Profit, Recurring Profit, and Net Income. The negative FY18/3 Recurring Profit and Net Income is one-off due to a tax linked to the previous year's Revenue (i.e., the large FY17/3 Revenue).

3. Key Transaction Dates

Additional Investment Contract Date	March 27, 2019
Additional Investment Closing Date	March 28, 2019

4. Ichigo Total Investment Amount and % Ownership of SPC

JPY 2,785 million (100%) (Today's additional investment amount is JPY 2.1 billion.)

5. Earnings Outlook

The impact of this additional investment will be reflected in Ichigo's FY20/2 consolidated earnings forecast to be announced on April 17, 2019.