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Ichigo Inc. (Tokyo Stock Exchange First Section, 2337)
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Acquisition of Equity Stake in Easy Storage Taiwan

Ichigo is growing its self-storage business by acquiring a 49% equity stake in Easy Storage Taiwan (“Easy Storage”), Taiwan’s fourth-largest self-storage operator. The stake will be held by Ichigo’s wholly-owned subsidiary, Centro.

1. Acquisition Rationale

Across East Asia, demand for storage space has been increasing among both individuals and businesses due to rapid economic development and urbanization. While Japan has been a front-runner in this trend, there are growing opportunities in the self-storage market elsewhere in East Asia, which has attracted interest from global investors looking for new asset types.

Since acquiring Centro in July 2017, Ichigo has been building up Centro’s facilities portfolio and increasing market share in the Japanese self-storage market in response to growing demand in urban areas like Tokyo. Centro’s wholly-owned subsidiary, Storage Plus, is building hybrid, multi-purpose facilities that combine self-storage with other lifestyle services such as laundromats and cafes to increase their convenience and attractiveness for customers.

To further its growth and tap into Asia’s growing self-storage market, Centro is now acquiring this 49% stake in Easy Storage to become its largest shareholder. Easy Storage is an attractive partner because it has maintained 90% occupancy at its storage facilities in Taiwan, a growing market with significant upside potential. The acquisition will allow Centro to deploy its own experience and know-how in self-storage in support of Easy Storage, while also gaining access to an established self-storage business with experience in one of East Asia’s fast-growing markets. This acquisition will serve as a foundation for future expansion for Centro and Easy Storage, while driving synergies with Centro’s Japanese self-storage business.

2. Acquisition Overview

Via the acquisition, Centro and Easy Storage will be able to more fully utilize their existing facilities to create new services catering to the growing number of tourists and business travelers in Japan and Taiwan. Centro will also provide financing and know-how to build hybrid, multi-purpose facilities that will grow Easy Storage’s self-storage business by combining self-storage with other lifestyle services, such as laundromats and cafes.

3. Easy Storage Overview

Name	Easy Storage Taiwan Co., Ltd.
Address	1F, No. 26, Sec. 5, Chenggong Rd., Neihu District, Taipei, ROC
Representative	Jodi Szu-Ying Chen, CEO
Main Business	<ul style="list-style-type: none">• Self-storage operations• Flexible office operations
Paid-In Capital	TWD 22 million
Establishment Date	May 2010
Number of Facilities	7 (5 in Taipei, 2 in New Taipei City)
Number of Units	c. 1,300
Self-Storage Area	3,750m ²

4. Share Details

	Easy Storage Shares	
	Number Held Before Acquisition	Number Held After Acquisition
Centro	–	1,078,000 (49%)
Individual Shareholders	2,200,000	1,122,000 (51%)

(Note) Easy Storage's Individual Shareholders have not provided consent to disclose their names.

5. Transaction Date

Settlement Date June 10, 2019

6. Earnings Outlook

Although the acquisition will have limited impact on Ichigo's FY20/2 consolidated earnings, Ichigo believes it will contribute to driving Ichigo's earnings growth by supporting the expansion of its self-storage business.