

[Provisional Translation Only]

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FY22/2 H1 Earnings

October 14, 2021

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

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Submission of the Financial Report (*Shihanki Hokokusho*): October 15, 2021 (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. FY22/2 H1 Consolidated Financial Results (March 1, 2021 to August 31, 2021)

(1) Consolidated Financial Results

(YOY = year-on-year % change)

| | Revenue (JPY million) YOY | | Operating Profit (JPY million) YOY | | Recurring Profit (JPY million) YOY | | Net Income (JPY million) YOY | |
|-----------|------------------------------|--------|---------------------------------------|--------|---------------------------------------|--------|---------------------------------|--------|
| FY22/2 H1 | 23,303 | -27.2% | 4,243 | -22.2% | 2,666 | -37.3% | 1,731 | -37.7% |
| FY21/2 H1 | 32,026 | -30.7% | 5,452 | -63.9% | 4,252 | -67.8% | 2,778 | -67.7% |

Note: Comprehensive Income FY22/2 H1: JPY 1,894 million (-23.4% YOY)
FY21/2 H1: JPY 2,473 million (-73.8% YOY)

| | Net Income per Share (Basic, JPY) | | Net Income per Share (Diluted, JPY) | |
|-----------|---|--------|---|---|
| FY22/2 H1 | 3.69 | -36.1% | — | — |
| FY21/2 H1 | 5.77 | -67.3% | — | — |

(2) Consolidated Financial Condition

| | Total Assets (JPY million) | Net Assets (JPY million) | Shareholder Equity Ratio | Net Assets per Share (JPY) |
|-----------|-------------------------------|-----------------------------|-----------------------------|-------------------------------|
| FY22/2 H1 | 345,811 | 107,427 | 27.8% | 205.34 |
| FY21/2 | 347,076 | 110,255 | 28.5% | 209.81 |

Note: Shareholders' Equity FY22/2 H1: JPY 96,082 million FY21/2: JPY 99,050 million

(3) Consolidated Cash Flows

| | Cash Flows from Operations (JPY million) | Cash Flows from Investments (JPY million) | Cash Flows from Financing (JPY million) | Cash and Cash Equivalents at Period-End (JPY million) |
|-----------|---|--|--|--|
| FY22/2 H1 | -6 | -2,780 | -1,178 | 45,138 |
| FY21/2 H1 | 10,593 | -13,608 | 8,266 | 45,840 |

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

FY22/2 H1: JPY 3,784 million FY21/2 H1: JPY 4,654 million

2. Dividends

| | Dividend per Share (JPY) | | | | | Total Dividend (JPY million) | Payout Ratio | Dividend on Equity (DOE) |
|----------------------|--------------------------|----------------|---------------|----------------|-------|---------------------------------|-----------------|-----------------------------|
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Total | | | |
| FY21/2 | - | - | - | 7 | 7 | 3,304 | 66.8% | 3.3% |
| FY22/2 (Forecast) | - | - | - | 7 | 7 | | 40.9%~ 65.5% | |

3. FY22/2 Full-Year Consolidated Earnings Forecast (March 1, 2021 to February 28, 2022)

(YOY = year-on-year % change)

| | Operating Profit (JPY million) YOY | | Recurring Profit (JPY million) YOY | | Net Income (JPY million) YOY | | Net Income per Share (JPY) YOY | |
|--|---------------------------------------|------------------|---------------------------------------|-----------------|---------------------------------|-----------------|--------------------------------|-----------------|
| | FY22/2 | 9,100~ 12,000 | -5.9%~ +24.1% | 6,000~ 8,900 | -16.4%~ +24.0% | 5,000~ 8,000 | -0.5%~ +59.1% | 10.69~ 17.10 |

Note: Given Covid uncertainty, Ichigo is reporting its FY22/2 earnings forecast as a range.

4. Other

(1) Changes in significant consolidated subsidiaries

(material changes in scope of consolidation):

None

(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

FY22/2 H1: 505,381,018

FY21/2: 505,381,018

(ii) Number of treasury shares at period-end

FY22/2 H1: 37,466,500

FY21/2: 33,283,200

(iii) Average number of outstanding shares (excluding treasury shares) during the period

FY22/2 H1: 469,561,721

FY21/2 H1: 481,734,388

Segment Information

Asset Management (AM) generates fee income via the management of Ichigo Office (8975), Ichigo Hotel (3463), Ichigo Green (9282), and private real estate funds.

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 sales 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 Ichigo 2030 vision, Ichigo changed the segment name to Sustainable Real Estate in 2019 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 and wind 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 (FY22/2 H1)

(JPY million)

| | FY21/2 (Feb 28, 2021) | FY22/2 H1 (Aug 31, 2021) |
|--|--------------------------|-----------------------------|
| Assets | | |
| Current Assets | | |
| Cash and deposits | 50,832 | 45,381 |
| Trade notes and accounts receivable | 1,382 | 1,583 |
| Operational loan investments | 1,324 | 1,324 |
| Operational securities investments | 590 | 1,973 |
| Real estate for sale | 64,109 | 67,876 |
| Other | 2,698 | 2,183 |
| Less: allowance for doubtful accounts | -167 | -168 |
| Total Current Assets | 120,771 | 120,154 |
| Fixed Assets | | |
| Property, Plant, and Equipment | | |
| Buildings and structures | 68,277 | 68,782 |
| Depreciation | -7,603 | -9,086 |
| Buildings and structures (net) | 60,673 | 59,695 |
| Solar and wind power plants | 28,893 | 32,391 |
| Depreciation | -4,702 | -5,521 |
| Solar and wind power plants (net) | 24,191 | 26,869 |
| Land | 122,592 | 122,597 |
| Buildings and structures under construction | 277 | 223 |
| Solar and wind power plants under construction | 5,038 | 2,842 |
| Other | 2,745 | 2,780 |
| Depreciation | -1,126 | -1,369 |
| Other (net) | 1,619 | 1,410 |
| Total Property, Plant, and Equipment | 214,392 | 213,639 |
| Intangible Assets | | |
| Goodwill | 968 | 869 |
| Leasehold rights | 1,272 | 1,272 |
| Other | 1,797 | 1,552 |
| Total Intangible Assets | 4,038 | 3,695 |
| Investments and Other Assets | | |
| Securities investments | 5,147 | 5,494 |
| Long-term loans receivable | 10 | 285 |
| Deferred tax assets | 605 | 585 |

(JPY million)

| | FY21/2 (Feb 28, 2021) | FY22/2 H1 (Aug 31, 2021) |
|---|--------------------------|-----------------------------|
| Other | 2,202 | 2,048 |
| Less: allowance for doubtful accounts | -91 | -91 |
| Total Investments and Other Assets | 7,874 | 8,322 |
| Total Fixed Assets | 226,305 | 225,656 |
| Total Assets | 347,076 | 345,811 |

(JPY million)

| | FY21/2 (Feb 28, 2021) | FY22/2 H1 (Aug 31, 2021) |
|---|--------------------------|-----------------------------|
| Liabilities | | |
| Current Liabilities | | |
| Short-term loans | 4,879 | 4,458 |
| Bonds (due within one year) | 274 | 274 |
| Long-term loans (due within one year) | 9,751 | 9,682 |
| Long-term non-recourse loans (due within one year) | 1,358 | 1,367 |
| Income taxes payable | 573 | 849 |
| Accrued bonuses | 9 | 157 |
| Other current liabilities | 5,527 | 3,709 |
| Total Current Liabilities | 22,374 | 20,499 |
| Long-Term Liabilities | | |
| Bonds | 5,878 | 5,740 |
| Long-term loans | 156,890 | 161,795 |
| Long-term non-recourse loans | 40,974 | 40,254 |
| Deferred tax liabilities | 1,868 | 1,764 |
| Long-term security deposits received | 7,795 | 7,075 |
| Other long-term liabilities | 1,039 | 1,253 |
| Total Long-Term Liabilities | 214,446 | 217,884 |
| Total Liabilities | 236,820 | 238,383 |
| Net Assets | | |
| Shareholders' Equity | | |
| Capital | 26,888 | 26,888 |
| Capital reserve | 11,275 | 11,268 |
| Retained earnings | 73,160 | 71,582 |
| Treasury shares | -11,988 | -13,423 |
| Total Shareholders' Equity | 99,335 | 96,315 |
| Accumulated Other Comprehensive Income | | |
| Valuation gains (losses) on other securities | 90 | 139 |
| Deferred gains (losses) on long-term interest rate hedges | -375 | -372 |
| Total Accumulated Other Comprehensive Income | -285 | -233 |
| Stock Options | 1,007 | 1,039 |
| Minority Interests | 10,197 | 10,306 |
| Total Net Assets | 110,255 | 107,427 |
| Total Liabilities and Net Assets | 347,076 | 345,811 |

Consolidated Income Statement (FY22/2 H1)

(JPY million)

| | FY21/2 H1 (Mar 1, 2020 to Aug 31, 2020) | FY22/2 H1 (Mar 1, 2021 to Aug 31, 2021) |
|---|---|---|
| Revenue | 32,026 | 23,303 |
| Cost of Goods Sold | 23,342 | 15,934 |
| Gross Profit | 8,683 | 7,368 |
| SG&A | 3,231 | 3,125 |
| Operating Profit | 5,452 | 4,243 |
| Non-Operating Income | | |
| Interest income | 8 | 10 |
| Dividend income | 58 | 9 |
| Mark-to-market gains on long-term interest rate hedges | 186 | 27 |
| Foreign exchange gains | – | 18 |
| Other | 35 | 54 |
| Total Non-Operating Income | 288 | 121 |
| Non-Operating Expenses | | |
| Interest expense | 1,161 | 1,204 |
| Foreign exchange losses | 20 | – |
| Mark-to-market losses on long-term interest rate hedges | 20 | 320 |
| Debt financing-related fees | 155 | 35 |
| Other | 132 | 137 |
| Total Non-Operating Expenses | 1,489 | 1,698 |
| Recurring Profit | 4,252 | 2,666 |
| Extraordinary Gains | | |
| Gains on sale of fixed assets | – | 3 |
| Total Extraordinary Gains | – | 3 |
| Extraordinary Losses | | |
| Loss on disposal of fixed assets | – | 1 |
| Valuation losses on securities investments | 114 | – |
| Other | 1 | – |
| Total Extraordinary Losses | 116 | 1 |
| Pre-Tax Income | 4,136 | 2,668 |
| Income Taxes | 1,355 | 826 |
| Pre-Minority Interest Net Income | 2,780 | 1,842 |
| Net Income Attributable to Minority Interests | 1 | 111 |
| Net Income | 2,778 | 1,731 |

Consolidated Income Statement (FY22/2 Q2 Stand-Alone)

(JPY million)

| | FY21/2 Q2 (Jun 1, 2020 to Aug 31, 2020) | FY22/2 Q2 (Jun 1, 2021 to Aug 31, 2021) |
|--|---|---|
| Revenue | 9,296 | 10,629 |
| Cost of Goods Sold | 5,902 | 8,003 |
| Gross Profit | 3,394 | 2,625 |
| SG&A | 1,592 | 1,541 |
| Operating Profit | 1,802 | 1,084 |
| Non-Operating Income | | |
| Interest income | 4 | 5 |
| Dividend income | 4 | 4 |
| Mark-to-market gains on long-term interest rate hedges | – | 19 |
| Foreign exchange gains | – | – |
| Other | 18 | 28 |
| Total Non-Operating Income | 27 | 58 |
| Non-Operating Expenses | | |
| Interest expense | 587 | 611 |
| Foreign currency valuation losses | 10 | – |
| Mark-to-market loss on long-term interest rate hedges | 62 | 145 |
| Debt financing-related fees | 147 | 10 |
| Other | 72 | 93 |
| Total Non-Operating Expenses | 881 | 860 |
| Recurring Profit | 948 | 282 |
| Extraordinary Gains | | |
| Gains on sale of fixed assets | – | 3 |
| Total Extraordinary Losses | – | 3 |
| Extraordinary Losses | | |
| Loss on disposal of fixed assets | – | 1 |
| Other | 1 | – |
| Total Extraordinary Losses | 1 | 1 |
| Pre-Tax Income | 947 | 284 |
| Income Taxes | 332 | 43 |
| Pre-Minority Interest Net Income | 614 | 240 |
| Income Attributable to Minority Interests | – | 55 |
| Net Income | 613 | 185 |

Consolidated Statement of Comprehensive Income (FY22/2 H1)

(JPY million)

| | FY21/2 H1 (Mar 1, 2020 to Aug 31, 2020) | FY22/2 H1 (Mar 1, 2021 to Aug 31, 2021) |
|---|---|---|
| Pre-Minority Interest Net Income | 2,780 | 1,842 |
| Other Comprehensive Income | | |
| Valuation gains (losses) on other securities | -286 | 48 |
| Deferred gains (losses) on long-term interest rate hedges | -19 | 3 |
| Total Other Comprehensive Income | -306 | 51 |
| Comprehensive Income | 2,473 | 1,894 |
| Comprehensive income attributable to common shareholders | 2,471 | 1,783 |
| Comprehensive income attributable to minority interests | 1 | 111 |

Consolidated Statement of Comprehensive Income (FY22/2 Q2 Stand-Alone)

(JPY million)

| | FY21/2 Q2 (Jun 1, 2020 to Aug 31, 2020) | FY22/2 Q2 (Jun 1, 2021 to Aug 31, 2021) |
|--|---|---|
| Pre-Minority Interest Net Income | 614 | 240 |
| Other Comprehensive Income | | |
| Valuation gains (losses) on other securities | -64 | -6 |
| Deferred gains (losses) on long-term interest rate hedges | -10 | -12 |
| Total Other Comprehensive Income | -74 | -18 |
| Comprehensive Income | 539 | 222 |
| Comprehensive income attributable to common shareholders | 538 | 166 |
| Comprehensive income attributable to minority interests | - | 55 |

Consolidated Cash Flow Statement (FY22/2 H1)

(JPY million)

| | FY21/2 H1 (Mar 1, 2020 to Aug 31, 2020) | FY22/2 H1 (Mar 1, 2021 to Aug 31, 2021) |
|---|---|---|
| Cash Flows from Operations: | | |
| Pre-tax income | 4,136 | 2,668 |
| Depreciation | 2,193 | 2,816 |
| Share-based compensation expenses | 35 | 31 |
| Amortization of goodwill | 67 | 98 |
| Increase (decrease) in accrued bonuses | 184 | 148 |
| Increase (decrease) in allowance for doubtful accounts | 16 | - |
| Interest and dividend income | -66 | -20 |
| Interest expenses | 1,161 | 1,204 |
| Loss on disposal of fixed assets | - | 1 |
| Gains on sale of fixed assets | - | -3 |
| Valuation losses on securities investments | 114 | - |
| Decrease (increase) in trading notes and receivables | 941 | -200 |
| Decrease (increase) in operational securities investments | 316 | -11 |
| Decrease (increase) in real estate for sale | 5,928 | -3,764 |
| Valuation losses on SPC capital contributions | 3 | - |
| Decrease (increase) in advances paid | 172 | 76 |
| Decrease (increase) in prepaid expenses | -437 | -40 |
| Decrease (increase) in accounts receivable | - | 134 |
| Decrease (increase) in consumption taxes receivable | 793 | 23 |
| Increase (decrease) in accounts payable | -875 | -630 |
| Increase (decrease) in accrued expenses | 37 | 2 |
| Increase (decrease) in deposits received | 123 | -242 |
| Increase (decrease) in security deposits received | -161 | -719 |
| Increase (decrease) in accrued consumption taxes | 223 | -666 |
| Other | -794 | 663 |
| Sub-Total | 14,116 | 1,570 |
| Interest and dividends received | 66 | 20 |
| Interest expense paid | -1,054 | -1,104 |
| Income taxes paid | -2,619 | -658 |
| Income taxes refunded | 83 | 166 |
| Net Cash from (Used for) Operations | 10,593 | -6 |

(JPY million)

| | FY21/2 H1 (Mar 1, 2020 to Aug 31, 2020) | FY22/2 H1 (Mar 1, 2021 to Aug 31, 2021) |
|--|---|---|
| Cash Flows from Investments: | | |
| Payments into time deposits | -3 | -4 |
| Payments for securities investments | -47 | -228 |
| Proceeds from sale of securities investments | – | 2 |
| Acquisition of property, plant, and equipment | -12,473 | -2,188 |
| Proceeds from sale of property, plant, and equipment | – | 4 |
| Acquisition of intangible assets | -716 | -73 |
| Payments of SPC capital contributions | -3 | -3 |
| Redemptions of SPC capital contributions | 15 | – |
| Payments of security deposits | – | -16 |
| Payments of loans receivable | -368 | -290 |
| Payments received for loans receivable | – | 17 |
| Other | -11 | – |
| Net Cash from (Used for) Investments | -13,608 | -2,780 |

(JPY million)

| | FY21/2 H1 (Mar 1, 2020 to Aug 31, 2020) | FY22/2 H1 (Mar 1, 2021 to Aug 31, 2021) |
|--|---|---|
| Cash Flows from Financing: | | |
| Net increase (decrease) in short-term loans | 2,627 | -421 |
| Proceeds from bond issuance | 70 | – |
| Repayment of maturing bond principal to bondholders | -137 | -137 |
| Proceeds from long-term loans | 40,983 | 14,453 |
| Repayment of long-term loans | -34,729 | -9,632 |
| Proceeds from long-term non-recourse loans | 3,300 | – |
| Repayment of long-term non-recourse loans | -546 | -710 |
| Proceeds from employee exercise of stock options | 1 | – |
| Share buyback | – | -1,499 |
| Dividends paid | -3,297 | -3,229 |
| Dividends paid to minority interests | -3 | -1 |
| Net Cash from (Used for) Financing | 8,266 | -1,178 |
| Effect of Exchange Rate Change on Cash and Cash Equivalents | – | – |
| Increase (Decrease) in Cash and Cash Equivalents | 5,251 | -3,966 |
| Cash and Cash Equivalents at Beginning of Period | 40,826 | 50,590 |
| Cash and Cash Equivalents Resulting from Exclusion from Consolidation | -237 | -1,485 |
| Cash and Cash Equivalents at End of Period | 45,840 | 45,138 |

Consolidated Cash Flow Statement (FY22/2 Q2 Stand Alone)

(JPY million)

| | FY21/2 Q2 (Jun 1, 2020 to Aug 31, 2020) | FY22/2 Q2 (Jun 1, 2021 to Aug 31, 2021) |
|---|---|---|
| Cash Flows from Operations: | | |
| Pre-tax income | 947 | 284 |
| Depreciation | 1,147 | 1,403 |
| Share-based compensation expenses | 27 | 12 |
| Amortization of goodwill | 40 | 61 |
| Increase (decrease) in accrued bonuses | 12 | -10 |
| Increase (decrease) in allowance for doubtful accounts | 15 | - |
| Interest and dividend income | -8 | -9 |
| Interest expense | 587 | 611 |
| Loss on disposal of fixed assets | - | 1 |
| Gains on sale of fixed assets | - | -3 |
| Decrease (increase) in trading notes and receivables | 319 | 532 |
| Decrease (increase) in operational securities investments | 10 | - |
| Decrease (increase) in real estate for sale | -4,185 | 207 |
| Decrease (increase) in advances paid | -118 | -29 |
| Decrease (increase) in prepaid expenses | -208 | 90 |
| Decrease (increase) in accounts receivable | 21 | 8 |
| Decrease (increase) in consumption taxes receivable | 893 | -228 |
| Increase (decrease) in accounts payable | 203 | 444 |
| Increase (decrease) in accrued expenses | -60 | -26 |
| Increase (decrease) in deposits received | 124 | -32 |
| Increase (decrease) in security deposits received | -94 | -610 |
| Increase (decrease) in accrued consumption taxes | -88 | 169 |
| Other | -180 | 230 |
| Sub-Total | -593 | 3,106 |
| Interest and dividends received | 8 | 9 |
| Interest expense paid | -559 | -599 |
| Income taxes paid | -464 | -129 |
| Income taxes refunded | 83 | 166 |
| Net Cash from (Used for) Operations | -1,524 | 2,552 |

(JPY million)

| | FY21/2 Q2 (Jun 1, 2020 to Aug 31, 2020) | FY22/2 Q2 (Jun 1, 2021 to Aug 31, 2021) |
|--|---|---|
| Cash Flows from Investments: | | |
| Payments into time deposits | – | -2 |
| Payments for securities investments | – | -108 |
| Proceeds from sale of securities investments | – | 2 |
| Acquisition of property, plant, and equipment | -2,860 | -1,280 |
| Proceeds from sale of property, plant, and equipment | – | 4 |
| Acquisition of intangible assets | -105 | -1 |
| Payments of SPC capital contributions | – | – |
| Payments of security deposits | – | – |
| Payments of loans receivable | – | 8 |
| Other | – | – |
| Net Cash from (Used for) Investments | -2,968 | -1,377 |

(JPY million)

| | FY21/2 Q2 (Jun 1, 2020 to Aug 31, 2020) | FY22/2 Q2 (Jun 1, 2021 to Aug 31, 2021) |
|--|---|---|
| Cash Flows from Financing: | | |
| Net increase (decrease) in short-term loans | 1,347 | -3,531 |
| Repayment of maturing bond principal to bondholders | -96 | -96 |
| Proceeds from long-term loans | 27,468 | 3,366 |
| Repayment of long-term loans | -24,871 | -4,710 |
| Proceeds from long-term non-recourse loans | 3,300 | - |
| Repayment of long-term non-recourse loans | -434 | -558 |
| Share buyback | - | -201 |
| Dividends paid | -62 | -52 |
| Dividends paid to minority interests | -1 | - |
| Net Cash from (Used for) Financing | 6,649 | -5,785 |
| Effect of Exchange Rate Change on Cash and Cash Equivalents | - | - |
| Increase (Decrease) in Cash and Cash Equivalents | 2,156 | -4,610 |
| Cash and Cash Equivalents at Beginning of Period | 43,922 | 51,234 |
| Cash and Cash Equivalents Resulting from Exclusion from Consolidation | -237 | -1,485 |
| Cash and Cash Equivalents at End of Period | 45,840 | 45,138 |

Additional Note

Restatement of Items in Consolidated Balance Sheet

From FY22/2 Q1, those items previously treated as “Solar power plants” and “Solar power plants under construction” under Fixed Assets are restated as “Solar and wind power plants” and “Solar and wind power plants under construction” to reflect the start of operations at Ichigo’s first wind power plant, the Ichigo Yonezawa Itaya ECO Power Plant.

As a result of the restatement, JPY 3,632 million of “Buildings and structures under construction” decreased, while JPY 3,632 million of “Solar and wind power plants under construction” increased in the FY21/2 Consolidated Balance Sheet.

Revenue, P&L, and Assets by Segment (Current FY22/2 H1)

(Mar 1, 2021 to Aug 31, 2021)

(JPY million)

| | Segment | | | | Adjustment ² | Amount Recorded in Financial Statements |
|--|-----------------------|-------------------------------|-------------------|---------|-------------------------|---|
| | Asset Management (AM) | Sustainable Real Estate (SRE) | Clean Energy (CE) | Total | | |
| Revenue | | | | | | |
| Revenue from External Customers | 1,041 | 19,270 | 2,991 | 23,303 | – | 23,303 |
| Inter-Segment Activities or Reclassifications | 254 | – | – | 255 | -255 | – |
| Total | 1,295 | 19,271 | 2,991 | 23,559 | -255 | 23,303 |
| Segment P&L ¹ | 771 | 2,074 | 1,394 | 4,240 | 3 | 4,243 |
| Segment P&L Details ¹ | | | | | | |
| Stock Earnings (Rental Income, Base AM Fees, FIT Solar Power Earnings, etc.) | 761 | 1,010 | 1,394 | 3,165 | – | – |
| Flow Earnings (Gains on Sustainable Real Estate Sales, Gains on Solar Power Plant Sales, Spot AM Fees, etc.) | 9 | 1,064 | – | 1,074 | – | – |
| Segment Assets | 1,562 | 278,212 | 36,029 | 315,804 | 30,007 | 345,811 |
| Other | | | | | | |
| Depreciation | – | 1,962 | 824 | 2,787 | 29 | 2,816 |
| Increase in Property, Plant, and Equipment and Intangible Assets | – | 582 | 1,218 | 1,801 | 15 | 1,816 |

¹ Segment P&L is on an Operating Profit basis.

² The Adjustment to Segment P&L (JPY 3 million) reflects transaction eliminations and corporate expenses that were not allocated to the segments. The Adjustment to Segment Assets (JPY 30,007 million) reflects corporate assets, such as cash and deposits, that were not allocated to the segments. The Adjustment to Depreciation (JPY 29 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 15 million) reflects corporate assets that were not allocated to the segments.

Revenue, P&L, and Assets by Segment (Previous FY21/2 H1)

(Mar 1, 2020 to Aug 31, 2020)

(JPY million)

| | Segment | | | | Adjustment ² | Amount Recorded in Financial Statements |
|--|-----------------------|-------------------------------|-------------------|---------|-------------------------|---|
| | Asset Management (AM) | Sustainable Real Estate (SRE) | Clean Energy (CE) | Total | | |
| Revenue | | | | | | |
| Revenue from External Customers | 948 | 28,509 | 2,568 | 32,026 | - | 32,026 |
| Inter-Segment Activities or Reclassifications | 283 | - | - | 284 | -284 | - |
| Total | 1,231 | 28,510 | 2,568 | 32,310 | -284 | 32,026 |
| Segment P&L ¹ | 606 | 3,729 | 1,171 | 5,508 | -55 | 5,452 |
| Segment P&L Details ¹ | | | | | | |
| Stock Earnings (Rental Income, Base AM Fees, FIT Solar Power Earnings, etc.) | 568 | 1,789 | 1,171 | 3,530 | - | - |
| Flow Earnings (Gains on Sustainable Real Estate Sales, Gains on Solar Power Plant Sales, Spot AM Fees, etc.) | 38 | 1,939 | - | 1,978 | - | - |
| Segment Assets | 1,496 | 276,152 | 35,842 | 313,491 | 28,172 | 341,664 |
| Other | | | | | | |
| Depreciation | - | 1,471 | 701 | 2,173 | 20 | 2,193 |
| Increase in Property, Plant, and Equipment and Intangible Assets | - | 10,307 | 2,283 | 12,591 | 21 | 12,612 |

¹ Segment P&L is on an Operating Profit basis.

² The Adjustment to Segment P&L (-JPY 55 million) reflects transaction eliminations and corporate expenses that were not allocated to the segments. The Adjustment to Segment Assets (JPY 28,172 million) reflects corporate assets, such as cash and deposits, that were not allocated to the segments. The Adjustment to Depreciation (JPY 20 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 21 million) reflects corporate assets that were not allocated to the segments.

Revenue, P&L, and Assets by Segment (Current FY22/2 Q2 Stand Alone)

(Jun 1, 2021 to Aug 31, 2021)

(JPY million)

| | Segment | | | | Adjustment ² | Amount Recorded in Financial Statements |
|--|-----------------------|-------------------------------|-------------------|---------|-------------------------|---|
| | Asset Management (AM) | Sustainable Real Estate (SRE) | Clean Energy (CE) | Total | | |
| Revenue | | | | | | |
| Revenue from External Customers | 537 | 8,639 | 1,452 | 10,629 | - | 10,629 |
| Inter-Segment Activities or Reclassifications | 134 | - | - | 134 | -134 | - |
| Total | 671 | 8,639 | 1,452 | 10,764 | -134 | 10,629 |
| Segment P&L ¹ | 417 | 13 | 650 | 1,081 | 2 | 1,084 |
| Segment P&L Details ¹ | | | | | | |
| Stock Earnings (Rental Income, Base AM Fees, FIT Solar Power Earnings, etc.) | 407 | 11 | 650 | 1,069 | - | - |
| Flow Earnings (Gains on Sustainable Real Estate Sales, Gains on Solar Power Plant Sales, Spot AM Fees, etc.) | 9 | 2 | - | 11 | - | - |
| Segment Assets | 1,562 | 278,212 | 36,029 | 315,804 | 30,007 | 345,811 |
| Other | | | | | | |
| Depreciation | - | 975 | 412 | 1,388 | 14 | 1,403 |
| Increase in Property, Plant, and Equipment and Intangible Assets | - | 388 | 862 | 1,251 | 12 | 1,263 |

¹ Segment P&L is on an Operating Profit basis.

² The Adjustment to Segment P&L (JPY 2 million) reflects transaction eliminations and corporate expenses that were not allocated to the segments. The Adjustment to Segment Assets (JPY 30,007 million) reflects corporate assets, such as cash and cash equivalents, that were not allocated to the segments. The Adjustment to Depreciation (JPY 14 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 12 million) reflects corporate assets that were not allocated to the segments.

Revenue, P&L, and Assets by Segment (Previous FY21/2 Q2 Stand Alone)

(Jun 1, 2020 to Aug 31, 2020)

(JPY million)

| | Segment | | | | Adjustment ² | Amount Recorded in Financial Statements |
|--|-----------------------|-------------------------------|-------------------|---------|-------------------------|---|
| | Asset Management (AM) | Sustainable Real Estate (SRE) | Clean Energy (CE) | Total | | |
| Revenue | | | | | | |
| Revenue from External Customers | 447 | 7,569 | 1,279 | 9,296 | - | 9,296 |
| Inter-Segment Activities or Reclassifications | 142 | - | - | 142 | -142 | - |
| Total | 589 | 7,569 | 1,279 | 9,439 | -142 | 9,296 |
| Segment P&L ¹ | 272 | 981 | 577 | 1,831 | -28 | 1,802 |
| Segment P&L Details ¹ | | | | | | |
| Stock Earnings (Rental Income, Base AM Fees, FIT Solar Power Earnings, etc.) | 265 | 546 | 577 | 1,389 | - | - |
| Flow Earnings (Gains on Sustainable Real Estate Sales, Gains on Solar Power Plant Sales, Spot AM Fees, etc.) | 7 | 434 | - | 441 | - | - |
| Segment Assets | 1,496 | 276,152 | 35,842 | 313,491 | 28,172 | 341,664 |
| Other | | | | | | |
| Depreciation | - | 780 | 353 | 1,133 | 10 | 1,144 |
| Increase in Property, Plant, and Equipment and Intangible Assets | - | 1,280 | 1,776 | 3,056 | -33 | 3,023 |

¹ Segment P&L is on an Operating Profit basis.

² The Adjustment to Segment P&L (-JPY 28 million) reflects transaction eliminations and corporate expenses that were not allocated to the segments. The Adjustment to Segment Assets (JPY 28,172 million) reflects corporate assets, such as cash and cash equivalents, that were not allocated to the segments. The Adjustment to Depreciation (JPY 10 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 33 million) reflects corporate assets that were not allocated to the segments.