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More Sustainable

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FY26/2 Q3 Earnings

January 14, 2026

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Dividend Payment: N/A
Supplemental Materials to Financial and Business Results: Yes
Financial and Business Results Briefing: Yes (for institutional investors and analysts)

1. FY26/2 Q3Consolidated Financial Results (March 1, 2025 to November 30, 2025)

(1) Consolidated Financial Results (YOY = year-on-year % change)

	Revenue (JPY million)	YOY	Operating Profit (JPY million)	YOY	Business Profit (JPY million)	YOY	Recurring Profit (JPY million)	YOY
FY26/2 Q3	73,017	+27.6%	15,144	+46.5%	19,031	+25.4%	11,943	+39.1%
FY25/2 Q3	57,227	+49.0%	10,338	+30.4%	15,177	-6.7%	8,586	+48.0%

Note: Comprehensive Income FY26/2 Q3: JPY 13,271 million (+40.7% YOY)
FY25/2 Q3: JPY 9,430 million (+1.8% YOY)

Business Profit = Operating Profit + Gains on Sale of Sustainable Real Estate & Hotel Assets Recorded as Extraordinary Gains

	Net Income (JPY million)	YOY	Cash Net Income (JPY million)	YOY	Net Income per Share (EPS) (Basic, JPY)	YOY	Net Income per Share (EPS) (Diluted, JPY)		Cash Net Income per Share (EPS) (JPY)	YOY
FY26/2 Q3	10,525	+18.3%	13,612	+13.5%	25.22	+24.1%	25.16	+24.1%	32.62	+19.1%
FY25/2 Q3	8,896	-7.2%	11,988	-12.0%	20.33	-4.1%	20.28	–	27.39	-9.0%

Cash Net Income = Net Income + Depreciation + Amortization +/- Valuation Losses (Gains)

(2) Consolidated Financial Condition

	Total Assets (JPY million)	Net Assets (JPY million)	Shareholders' Equity Ratio	Net Assets per Share (JPY)
FY26/2 Q3	444,045	125,653	25.6%	276.58
FY25/2	406,715	122,706	27.3%	260.49

Note: Shareholders' Equity FY26/2 Q3: JPY 113,685 million FY25/2: JPY 110,988 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)
FY26/2 Q3	-15,179	-1,659	25,619	51,360
FY25/2 Q3	-11,563	3,596	14,997	53,130

Note: Economic Operating Cash Flow FY26/2 Q3: JPY 8,891 million
FY25/2 Q3: JPY 11,462 million

Economic Operating Cash Flow = Cash Flows from Operations - Net Change in Real Estate and Power Plants for Sale + Post-Tax Gains on Sales of Sustainable Real Estate & Hotel Assets Recorded as Extraordinary Gains

2. Dividends

	Dividend per Share (JPY)					Total Dividends (JPY million)	Payout Ratio	Dividend on Equity (DOE)
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total			
FY25/2	–	–	–	10.5	10.5	4,473	30.1%	4.2%
FY26/2 (Forecast)	–	–	–	11.5	11.5		30.2%	

3. FY26/2 Full-Year Consolidated Earnings Forecast (March 1, 2025 to February 28, 2026)

(YOY = year-on-year % change)

	Operating Profit (JPY million)	YOY	Business Profit (JPY million)	YOY	Recurring Profit (JPY million)	YOY
FY26/2	19,500	+19.6%	28,400	+14.2%	14,800	+7.5%

	Net Income (JPY million)	YOY	Cash Net Income (JPY million)	YOY	Net Income per Share	YOY	Cash Net Income per Share	YOY
FY26/2	16,000	+5.4%	20,500	+5.7%	JPY 38.13	+9.4%	JPY 48.85	+9.8%

Note: Changes from the previous earnings forecast: No

4. Other

(1) Changes in significant consolidated subsidiaries: None

(2) Application of accounting treatment specific to the compilation of quarterly consolidated financial statements: Yes

Note: For details, please refer to 2. Consolidated Financial Statements, Notes to the Q3 Consolidated Financial Statements, Notes on Accounting Treatment Specific to Q3 Consolidated Financial Statements on page 23.

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

(i)	Changes in accounting standards/principles:	Yes (minor, no impact – see page 26)
(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 common shares outstanding

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

FY26/2 Q3:	445,699,218
FY25/2:	445,665,118

(ii) Number of treasury shares at period-end

FY26/2 Q3:	34,658,821
FY25/2:	19,589,711

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

FY26/2 Q3:	417,274,252
FY25/2 Q3:	437,667,095

Review of FY26/2 Q3 consolidated financial statements by a certified public accountant or audit firm: Yes (voluntary)

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

For the assumptions underlying the forecasts and precautions for the use of earnings forecasts, please refer to 1. Operating Results (3) Explanation of Consolidated Earnings Forecasts on page 12.

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1. Operating Results

(1) FY26/2 Q3 Operating Results

A. FY26/2 Q3 Overview

During FY26/2 Q3 the Japanese economy continued its moderate recovery, supported by an improved employment and income environment that led to a rebound in consumer sentiment and a pick-up in personal consumption, as well as a rebound in capital investment. Inbound tourist demand also remained strong. Nonetheless, uncertainties such as rising prices and their impact on personal consumption, alongside geopolitical risks, U.S. trade policies, and domestic and international interest rate trends must be closely monitored. On the back of the continued interest rate gap between Japan and the U.S., investor appetite for real estate assets in Tokyo and other major Japanese cities has continued to rise, and overall investment in real estate continued to be robust.

Amidst this strong business environment, Ichigo saw steady growth in rental income from its assets, particularly office, supported by Ichigo's value-add capex. Driven primarily by Ichigo's THE KNOT brand boutique hotels, hotel earnings also increased. In addition, asset growth contributed to higher rental income, resulting in a steady 9% year-on-year growth in stable stock earnings. Furthermore, flow earnings increased 31% year-on-year, due to strong sales of newly-built residential assets located in prime central Tokyo locations by Ichigo Owners, as well as sales of value-added assets, which leverage Ichigo's value-add expertise. As a result, Ichigo generated steady growth in both stock and flow earnings.

Addressing critical environmental issues has become increasingly urgent, driving the importance of Ichigo's clean energy businesses. Ichigo works to generate renewable energy that is friendly to local communities and the global environment, and is focusing on diversifying energy sources beyond solar and wind power generation, including green biomass, which makes productive use of unused domestic wood materials, and battery storage, which expands the use of renewable energy. Ichigo will continue contributing to the realization of a low-carbon society.

Ichigo is addressing rapid changes in the business environment and ensuring stability and flexibility by maintaining a strong financial base and robust cash generation. In line with its <u>Ichigo 2030</u> long-term vision, Ichigo is growing and expanding its core real estate and clean energy capabilities into new areas as a sustainable infrastructure company contributing to the realization of a sustainable society.

Specifically, Ichigo is leveraging its real estate know-how and value-add capabilities to grow stock revenues via non-asset businesses. As a key performance indicator of management stability and safety, the stock earnings to fixed expenses coverage ratio reached 202% in FY26/2 Q3, resulting in stable income that significantly exceeds the expenses necessary to continue operations. By deepening its existing businesses and developing new growth areas, Ichigo will continue to focus on shareholders and maximize shareholder value.

<u>Core Business Growth</u>

<u>Asset Management</u>

Ichigo continues to support Ichigo Office (TSE 8975), Ichigo Hotel (TSE 3463), its listed solar power producer Ichigo Green (TSE 9282), Ichigo Residence Tokens, and private funds.

In FY26/2 Q1 Ichigo recorded performance fees following the sale of assets (JPY 30.6 billion) to Ichigo Office, to the first Ichigo Residence Token, and to private real estate funds. Furthermore, in FY26/2 Q3 Ichigo established a new private real estate fund comprising seven Ichigo Owners' prime residential assets (JPY 9.8 billion). By growing assets under management (AUM) that will drive forward stock earnings and recording fees associated with the fund's creation, Ichigo generated a year-on-year increase in earnings.

Both Ichigo Office and Ichigo Hotel completed transitioning to renewable energy at all of their assets, and Ichigo is supporting these initiatives as a sponsor.

Sustainable Real Estate (SRE)

Ichigo is a sustainable infrastructure company dedicated to making the world more sustainable. In FY26/2 Q3 Ichigo completed construction of two logistics facilities. In developing the facilities, Ichigo created a highly secure project design that reduced the risk of increasing construction expenses via collaborating with Takuyo, a company specializing in the design, building, and operating of logistics facilities, and also mitigated leasing risk via entering a master lease agreement with Takuyo. Ichigo completed the first logistics facility in FY26/2 Q1, bringing its total number of logistics facilities developed in collaboration with Takuyo to five and contributing to the expansion of Japan's logistics infrastructure.

Occupancy at Tradepia Odaiba, Ichigo's largest office building and part of Ichigo's Village office brand series, increased to 97% in FY26/2 Q3. Tradepia Odaiba's occupancy decreased during Covid, but Ichigo has implemented a broad number of initiatives to increase tenant satisfaction and promote the development of communities amongst tenants and their neighbors, including creating the Village Café, a new café space, holding Meet The Neighbors! events to foster tenant interaction, and creating a Bay Village Farm by grow, a communal garden for tenants. These initiatives have attracted a diverse set of tenants, while significantly increasing tenant satisfaction and loyalty.

In FY26/2 Q3 SRE acquisitions totaled JPY 11.0 billion, and SRE sales totaled JPY 2.3 billion.

Hotel

In FY26/2 Q3 RevPAR for Ichigo-owned hotels, particularly Ichigo's THE KNOT boutique hotels, increased 18% since FY25/2 on the back of continued strong accommodation demand. Ichigo acquired a new hotel in Osaka in Q3, bringing the total number of hotels acquired during FY26/2 to three hotels (JPY 20.6 billion). Stock earnings increased 11% year-on-year increases at existing Ichigo hotels and earnings contributions from newly acquired hotels. Ichigo can flexibly accommodate future accommodation demand growth via PROPERA, Ichigo's AI-based hotel revenue management system that automatically optimizes room prices to maximize earnings and drive operational efficiency.

Ichigo is rebranding two hotels acquired in Utsunomiya and Fukuoka to Ichigo's THE KNOT brand. Ichigo will work closely with OneFive Hotels, Ichigo's wholly-owned hotel operator subsidiary, to further enhance profitability from both the hard physical elements and soft service elements of THE KNOT's guest services. One of the strengths of Ichigo's hotel business is the ability to drive hotel value across multiple pathways including ownership, asset management, operations, and DX (digital transformation), while also securing multiple revenue streams.

In FY26/2 H1 Ichigo sold one hotel and recorded JPY 6.7 billion in revenue.

Ichigo Owners

Ichigo Owners offers innovative real estate investment products that enable individuals and business owners to invest in high-quality real estate through professional due diligence and simple procedures, such as its Ichigo Residence Tokens, a small-lot real estate investment product. These product offerings have expanded Ichigo's customer base, increased stock income through asset management fees, and diversified real estate sales channels, thereby supporting proactive asset acquisitions.

During FY26/2 Ichigo acquired high-quality, newly built residential assets in central Tokyo totaling JPY 30.0 billion, steadily building future earnings drivers. In FY26/2 Q3 Ichigo sold seven high-quality new residential assets (JPY 9.8 billion) to a private real estate fund created by Ichigo Realty Management, Ichigo's wholly-owned subsidiary. As a result, Ichigo recorded JPY 9.8 billion in revenue and increased AUM to drive stable stock earnings. Asset sales to domestic institutional investors and companies totaled JPY 37.1 billion.

Clean Energy

Ichigo currently owns and operates 64 power plants with a total generation capacity of 188.2MW. Ichigo will continue to invest in solar power plants while also planning to diversify its power sources and addressing challenges faced by local communities via green biomass power generation. Ichigo is working with local governments and communities and contributing to the management of old-growth forests, erosion control, and revitalization of regional economies through this initiative. In addition, Ichigo is planning entry into the battery storage market to help offset the reduction in adjustment capabilities caused by the retirement and replacement of aging thermal power plants, thereby supporting the further expansion of renewable energy adoption.

These initiatives are expected to grow in social significance in response to global environmental challenges. Ichigo will continue to contribute to realizing a low-carbon society while supporting local communities through renewable energy.

Strengthening Financial Base to Support Growth

Since the global financial crisis, Ichigo has been strengthening both its earnings and financial base via measures such as lengthening borrowing terms, reducing borrowing costs, hedging against increases in interest-rates, and borrowing via unsecured loans. With interest rates expected to continue rising, Ichigo has fixed the interest rates on 56% of its borrowings, thus limiting the impact of higher interest costs. Ichigo has also increased funding via ESG-linked loans, newly financing JPY 21.4 billion in ESG-linked loans in FY26/2 Q3. Ichigo will continue implementing these measures to underpin its growth as a sustainable infrastructure company.

Shareholder Returns

Flexible Share Buybacks (9 Consecutive Years)

In line with its Ichigo 2030 long-term vision, Ichigo conducts flexible share buybacks to drive shareholder value. In FY26/2 Q3 Ichigo decided to conduct a second share buyback (JPY 5 billion) during FY26/2. Ichigo decided to expand this second share buyback to JPY 10 billion and cancel 300 million shares on January 14, 2026. Along with completing a JPY 5 billion share buyback announced in FY25/2, Ichigo is executing share buybacks totaling JPY 15 billion during this fiscal year.

Ichigo is working to grow EPS as an important driver of shareholder value, and will continue to grow its core profitability while conducting value-enhancing share buybacks.

Dividends (FY26/2 Dividend Increase)

Underpinned by its robust earnings stability, Ichigo has also adopted a progressive dividend policy, under which Ichigo's dividend is maintained or raised every year, but not cut. Although the use of a dividend payout ratio is more common in shareholder return policies, dividend payout ratios are highly sensitive to short-term earnings fluctuations and thus result in uncertainty with respect to future dividends. Ichigo's adoption of a progressive dividend policy underscores its commitment to long-term value growth for its shareholders.

Ichigo is working to drive long-term shareholder value with a shareholder return policy that focuses on divided stability, transparency, and growth, and has established a Dividend on Equity (DOE) payout ratio policy paying dividends based upon more stable shareholder equity. In line with this shareholder return policy, Ichigo has set its DOE target at 4% or above and increased its dividend forecast for four consecutive years in FY26/2 to JPY 11.5.

J.League Shareholder Program

In 2019 Ichigo became a J.League Top Partner to work with the J.League to promote local community development, and launched a Shareholder Program that offers free tickets to J.League games to Ichigo, Ichigo Office, Ichigo Hotel, and Ichigo Green shareholders.

As a J.League Top Partner, Ichigo is continuing to distribute J.League game tickets to shareholders for the 2025 season as a means to express its gratitude to shareholders and contribute to regional development.

Ichigo as a Sustainable Infrastructure Company

Ichigo is a Japanese sustainable infrastructure company dedicated to making the world more sustainable. Ichigo is expanding the scope of its real estate and clean energy businesses to further contribute to a sustainable society and grow long-term value for its shareholders.

Ichigo believes that working on behalf of the environment and society is a fundamental social responsibility. As Ichigo grows and takes on new challenges as a sustainable infrastructure company, sustainability remains at the core of everything we do, and Ichigo is committed to contributing towards a better world that can be handed to future generations.

Ichigo achieves CO2 reductions via its clean energy generation at Ichigo and Ichigo Green solar and wind power plants. Ichigo will continue to be Climate Positive via CO2 reductions that exceed total CO2 emissions (Scope 1 & 2) from Ichigo's operations including Ichigo Office, Ichigo Hotel, and Ichigo Green.

In addressing environmental issues and working to build a sustainable society, Ichigo has set KPIs such as being included in the CDP Climate Change and Water Security A Lists. Ichigo was selected as an A List Company in both the 2025 CDP Climate Change and Water Security Assessments (3 consecutive years on the Climate Change A List and 2 consecutive years on the Water Security A List), achieving this KPI.

Of the approximately 22,000 companies worldwide participating in the 2025 CDP assessments, only 150 companies were selected as Double A List Companies. This recognition reflects the strong external evaluation of Ichigo's environmental initiatives. Ichigo will continue to proactively address environmental issues and maintain its position on the CDP A Lists.

Ichigo also supports the recommendations provided by the TCFD (Task Force on Climate-Related Financial Disclosures), identifying climate-related risks and establishing appropriate risk management procedures while also identifying new business opportunities that can help solve the global problem of climate change.

Ichigo has signed the UN Global Compact, a global sustainability initiative that calls for companies and organizations to take leadership as members of society to implement universal sustainability principles. Companies and organizations that sign the UN Global Compact are required to achieve the Ten Principles regarding human rights, labor, environment, and anti-corruption based on CEO commitments.

As a company committed to passing on a better world to future generations, Ichigo will continue to contribute to society by creating new value, addressing important social problems, and protecting the environment through leveraging its value-add expertise.

<u>Details of Operating Results</u>

Ichigo recorded FY26/2 Q3 revenue of JPY 73.0 billion (+27.6% year-on-year), operating profit of JPY 15.1 billion (+46.5% year-on-year), business profit of JPY 19.0 billion (+25.4% year-on-year), recurring profit of JPY 11.9 billion (+39.1% year-on-year), net income of JPY 10.5 billion (+18.3% year-on-year), and cash net income of JPY 13.6 billion (+13.5% year-on-year).

<u>Definitions</u>

Business Profit = Operating Profit + Gains on Sale of Sustainable Real Estate & Hotel Assets Recorded as Extraordinary Gains

Cash Net Income = Net Income + Depreciation + Amortization +/- Valuation Losses

Note: From FY26/2 H1 earnings release, Ichigo renamed "All-In Operating Profit" to "Business Profit" to align with the more generally used name for this earnings category. The name change has no impact on the results themselves.

<u>Segment Earnings Details</u>

(i) Asset Management

Revenue increased to JPY 3.3 billion (+19.8% year-on-year) and segment operating profit (business profit) increased to JPY 1.8 billion (+24.0% year-on-year) due to a steady increase in Ichigo Hotel base AM fees as well as growth in gains on sale performance fees from Ichigo Office and the performance fees from the formation of new private funds.

(ii) Sustainable Real Estate

Driven by an increase in occupancy rates mainly for large office buildings as a result of leasing activities and firm rental revenue as a result of the conversion to Ichigo's <u>Ready To Move In</u> office, revenue increased to JPY 15.5 billion (+7.1% year-on-year), but segment operating profit (business profit) decreased to JPY 5.8 billion (-18.5% year-on-year) due to a decrease in gains on sale of fixed assets.

(iii) Hotel

Driven by an increase in stock earnings such as rental income on the back of robust accommodation demand and gains on sale of fixed assets, revenue increased to JPY 11.2 billion (+19.0% year-on-year) and segment operating profit (business profit) increased to JPY 6.3 billion (+102.7% year-on-year).

(iv) Ichigo Owners

Due to steady progress in asset sales, revenue increased to JPY 38.6 billion (+47.2% year-on-year) and segment operating profit (business profit) increased to JPY 3.7 billion (+87.5% year-on-year).

(v) Clean Energy

Although earnings were stable due to the favorable weather conditions and portfolio diversification, maintenance expenses increased. As a result, revenue increased to JPY 4.9 billion (+1.3% year-on-year) and segment operating profit (business profit) decreased to JPY 1.6 billion (-0.5% year-on-year).

B. Consolidated Income Statement Details

Revenue

Revenue increased to JPY 73.0 billion (+27.6% year-on-year), driven by an increase in Sustainable Real Estate and Hotel stock earnings, as well as growth in flow earnings resulting from steady progress in asset sales in Ichigo Owners and Asset Management performance fee associated with the formation of private funds.

The revenue breakdown was as follows: real estate sales of JPY 42.2 billion (SRE JPY 5.1 billion, Ichigo Owners JPY 37.1 billion), real estate rental income of JPY 21.0 billion (SRE JPY 8.9 billion, Hotel JPY 10.7 billion, Ichigo Owners JPY 1.5 billion), real estate management fee income of JPY 3.0 billion, and power production revenue of JPY 4.9 billion.

Operating Profit

Operating profit increased to JPY 15.1 billion (+46.5% year-on-year), driven by growth in flow earnings derived from real estate asset sales at Ichigo Owners and the formation of new private funds at Asset Management offsetting increases in SG&A due to investments in employee development made to expand and strengthen business operations.

Business profit was JPY 19.0 billion (+25.4% year-on-year).

Non-Operating Profit & Expenses

Non-operating profit was JPY 1.3 billion (+12.4% year-on-year) due to a year-on-year increase in derivative valuation gains.

Derivative valuation gains were JPY 1.1 billion. Ichigo has executed interest rate swaps and caps (derivative transactions) to hedge against future interest rate rise risks.

Non-operating expenses totaled JPY 4.5 billion (+55.3% year-on-year) due to an increase in interest expenses on new loans for asset acquisitions.

By category, interest expenses were JPY 3.1 billion.

Extraordinary Gains & Losses

Extraordinary gains totaled JPY 4.0 billion (-18.4% year-on-year), including JPY 3.4 billion in gains on sale of Sustainable Real Estate and Hotel fixed assets. Extraordinary losses totaled JPY 121 million (+39.5% year-on-year), with valuation losses on investment securities of JPY 74 million and impairment losses of JPY 35 million.

Net Income

Income taxes totaled JPY 5.1 billion and net income attributable to minority interests totaled JPY 172 million. As a result, net income increased to JPY 10.5 billion (+18.3% year-on-year), and cash net income increased to JPY 13.6 billion (+13.5% year-on-year).

C. Cash Flows

As of FY26/2 Q3-end, cash and cash equivalents amounted to JPY 51.4 billion, a JPY 8.8 billion increase from JPY 42.6 billion as of FY25/2-end. The details and underlying factors of each cash flow are as follows:

Cash Flows from Operations

Net cash from operations was -JPY 15.2 billion (vs. -JPY 11.6 billion in FY25/2 Q3), primarily attributable to a FY26/2 Q3 pre-tax profit of JPY 15.8 billion, offset by an increase in real estate for sale resulting from asset acquisitions of JPY 20.8 billion, interest payments of JPY 2.9 billion, and income taxes paid of JPY 8.2 billion.

Cash Flows from Investments

Net cash from investments was -JPY 1.7 billion (vs. JPY 3.6 billion in FY25/2 Q3), primarily attributable to proceeds from sale of property, plant, and equipment of JPY 8.9 billion, payments received for loans receivable of JPY 1.7 billion, and proceeds from sales of investment securities of JPY 407 million, offset by acquisitions of property, plant, and equipment of JPY 8.9 billion and payments of loans receivable of JPY 3.5 billion.

Cash Flows from Financing

Net cash from financing was JPY 25.6 billion (vs. JPY 15.0 billion in FY25/2 Q3), primarily attributable to a net increase in short-term loans of JPY 887 million and proceeds from long-term loans of JPY 68.8 billion, offset by long-term loan repayments of JPY 35.0 billion, a share buyback of JPY 5.9 billion, and dividend paid of JPY 4.4 billion.

(2) Financial Condition

Assets

Total assets amounted to JPY 444.0 billion, an increase of JPY 37.3 billion (+9.2% vs. FY25/2-end).

This was primarily due to an increase of JPY 20.8 billion in real estate for sale resulting from asset acquisitions mainly consisting of residential assets, an increase of JPY 1.9 billon in construction in progress of Sustainable Real Estate and Hotel assets under renovations and an increase of JPY 8.9 billion in cash and deposits.

Liabilities

Total liabilities amounted to JPY 318.4 billion, an increase of JPY 34.4 billion (+12.1% from the end of FY25/2).

This was primarily attributable to a JPY 33.4 billion increase in loans used for growth investments such as property acquisitions.

Net Assets

Total net assets amounted to JPY 125.7 billion, an increase of JPY 2.9 billion (+2.4% vs. FY25/2-end).

This was primarily due to JPY 10.5 billion in net income, JPY 2.2 billion in valuation gains (losses) on other securities, paid dividends of JPY 4.5 billion, and a JPY 5.9 billion share buyback.

The shareholders’ equity ratio was 25.6% (-1.7pt vs. FY25/2-end).

(3) Explanation of Consolidated Earnings Forecasts

No change from FY26/2 consolidated earnings forecast announced simultaneously with FY26/2 H1 earnings.

In line with global best practices and the Corporate Governance Code, Ichigo provides forecasts for full-year results as it focuses on long-term corporate value enhancement and sustainable growth.

2. Consolidated Financial Statements

Consolidated Balance Sheet (FY26/2 Q3)

(JPY million)

	FY25/2 (Feb 28, 2025)	FY26/2 Q3 (Nov 30, 2025)
Assets		
Current Assets		
Cash and deposits	42,689	51,635
Accounts receivable	4,272	3,931
Operational loan investments	1,324	1,324
Operational securities investments	10	215
Real estate for sale	143,993	164,794
Other	4,197	11,633
Less: venture investments writedown	-490	-45
Total Current Assets	**195,998**	**233,490**
Fixed Assets		
Property, Plant, and Equipment		
Buildings and structures	56,705	60,140
Accumulated depreciation	-14,721	-15,954
Buildings and structures (net)	41,983	44,186
Solar and wind power plants	39,391	39,449
Accumulated depreciation	-11,861	-13,360
Solar and wind power plants (net)	27,529	26,089
Land	97,798	94,811
Buildings and structures under construction	5,954	7,857
Solar and wind power plants under construction	489	741
Other	2,721	3,105
Accumulated depreciation	-1,965	-2,007
Other (net)	755	1,097
Total Property, Plant, and Equipment	**174,511**	**174,783**
Intangible Assets		
Goodwill	857	758
Leasehold rights	1,332	834
Other	158	183
Total Intangible Assets	**2,348**	**1,777**
Investments and Other Assets		
Securities investments	24,300	26,970
Long-term loans receivable	3,993	680
Deferred tax assets	918	333
Other	5,469	6,835
Less: Venture investments writedown	-826	-826
Total Investments and Other Assets	**33,856**	**33,993**
Total Fixed Assets	**210,717**	**210,554**
Total Assets	**406,715**	**444,045**

(JPY million)

	FY25/2 (Feb 28, 2025)	FY26/2 Q3 (Nov 30, 2025)
Liabilities		
Current Liabilities		
Short-term loans	6,520	7,407
Bonds (due within one year)	232	2,162
Long-term loans (due within one year)	7,340	17,376
Long-term non-recourse loans (due within one year)	4,478	4,446
Income taxes payable	4,592	2,522
Current year employee bonus accrual	282	942
Other current liabilities	5,696	6,740
Total Current Liabilities	**29,143**	**41,599**
Long-Term Liabilities		
Bonds	7,074	7,852
Long-term loans	195,477	219,431
Long-term non-recourse loans	40,991	39,509
Deferred tax liabilities	1,445	1,653
Long-term security deposits received	7,614	8,040
Other long-term liabilities	2,261	305
Total Long-Term Liabilities	**254,865**	**276,792**
Total Liabilities	**284,009**	**318,391**
Net Assets		
Shareholders' Equity		
Capital	26,946	26,953
Capital reserve	10,363	10,370
Retained earnings	81,396	87,390
Treasury shares	-7,212	-13,097
Total Shareholders' Equity	**111,493**	**111,616**
Accumulated Other Comprehensive Income		
Valuation gains (losses) on other securities	-399	1,809
Deferred gains (losses) on long-term interest rate hedges	136	323
Foreign currency translation adjustment	-241	-64
Total Accumulated Other Comprehensive Income	**-505**	**2,068**
Stock Options	**724**	**808**
Minority Interests	**10,992**	**11,158**
Total Net Assets	**122,706**	**125,653**
Total Liabilities and Net Assets	**406,715**	**444,045**

Consolidated Income Statement (FY26/2 Q3)

(JPY million)

	FY25/2 Q3 (Mar 1, 2024 to Nov 30, 2024)	FY26/2 Q3 (Mar 1, 2025 to Nov 30, 2025)
Revenue	**57,227**	**73,017**
Cost of Goods Sold	**40,111**	**50,748**
(Depreciation amount included in COGS)	3,411	3,412
Gross Profit	**17,116**	**22,268**
SG&A	**6,777**	**7,124**
Operating Profit	**10,338**	**15,144**
Non-Operating Income		
Interest income	33	38
Dividend income	14	22
Foreign exchange gains	190	–
Mark-to-market gains on long-term interest rate hedges	823	1,147
Other	54	46
Total Non-Operating Income	**1,117**	**1,256**
Non-Operating Expenses		
Interest expense	2,184	3,143
Foreign exchange loss	–	297
Equity-method loss	89	375
Mark-to-market losses on long-term interest rate hedges	4	199
Debt financing-related fees	362	184
Other	228	255
Total Non-Operating Expenses	**2,869**	**4,457**
Recurring Profit	**8,586**	**11,943**
Extraordinary Gains		
Gains on sale of fixed assets	4,296	3,441
Gains on sale of securities investments	539	407
Other	33	122
Total Extraordinary Gains	**4,869**	**3,971**
Extraordinary Loss		
Loss on removal of fixed assets	87	10
Loss on sale of securities investments	–	74
Impairment loss	–	35
Other	–	1
Total Extraordinary Loss	**87**	**121**
Pre-Tax Income	**13,368**	**15,792**
Total Income Taxes	**4,300**	**5,094**
Pre-Minority Interest Net Income	**9,067**	**10,697**
Net Income Attributable to Minority Interests	**171**	**172**
Net Income	**8,896**	**10,525**

Consolidated Statement of Comprehensive Income (FY26/2 Q3)

(JPY million)

	FY25/2 Q3 (Mar 1, 2024 to Nov 30, 2024)	FY26/2 Q3 (Mar 1, 2025 to Nov 30, 2025)
Pre-Minority Interest Net Income	9,067	10,697
Other Comprehensive Income		
Valuation gains (losses) on other securities	778	2,208
Deferred gains (losses) on long-term interest rate hedges	-37	187
Share of other comprehensive income of equity method affiliates	-377	177
Total Other Comprehensive Income	**362**	**2,574**
Comprehensive Income	**9,430**	**13,271**
Comprehensive income attributable to common shareholders	9,259	13,099
Comprehensive income attributable to minority interests	171	172

Consolidated Income Statement (FY26/2 Q3 Stand-Alone)

(JPY million)

	FY25/2 Q3 (Sep 1, 2024 to Nov 30, 2024)	FY26/2 Q3 (Sep 1, 2025 to Nov 30, 2025)
Revenue	**20,931**	**21,993**
Cost of Goods Sold	**15,042**	**15,731**
(Depreciation amount included in COGS)	1,148	1,166
Gross Profit	**5,889**	**6,262**
SG&A	**2,406**	**2,379**
Operating Profit	**3,483**	**3,883**
Non-Operating Income		
Interest income	10	8
Dividend income	10	9
Foreign exchange gains	21	–
Mark-to-market gains on long-term interest rate hedges	430	629
Other	23	18
Total Non-Operating Income	**497**	**667**
Non-Operating Expenses		
Interest expense	787	1,093
Foreign exchange loss	–	98
Equity-method loss	89	160
Mark-to-market losses on long-term interest rate hedges	–	39
Debt financing-related fees	10	169
Other	61	93
Total Non-Operating Expenses	**948**	**1,655**
Recurring Profit	**3,031**	**2,895**
Extraordinary Gains		
Gains on sale of fixed assets	1,707	19
Gains on sale of securities investments	539	–
Other	5	2
Total Extraordinary Gains	**2,252**	**21**
Extraordinary Losses		
Loss on disposal of fixed assets	2	8
Total Extraordinary Losses	**2**	**8**
Pre-Tax Income	**5,281**	**2,909**
Total Income Taxes	**1,694**	**950**
Pre-Minority Interest Net Income	**3,587**	**1,958**
Net Income Attributable to Minority Interests	**56**	**57**
Net Income	**3,531**	**1,901**

Consolidated Cash Flow Statement (FY26/2 Q3)

(JPY million)

	FY25/2 Q3 (Mar 1, 2024 to Nov 30, 2024)	FY26/2 Q3 (Mar 1, 2025 to Nov 30, 2025)
Cash Flows from Operations:		
Pre-tax income	13,368	15,792
Depreciation	3,589	3,527
Amortization of goodwill	123	98
Increase (decrease) in current year employee bonus accrual	609	659
Increase (decrease) in allowance for doubtful accounts	-8	-445
Interest and dividend income	-48	-61
Interest expense	2,184	3,143
Forex losses (gains)	-191	297
Losses (gains) on investment in equity-method affiliates	89	375
Losses (gains) on sale of securities investments	-539	-332
Loss on removal of fixed assets	87	10
Losses (gains) on sales of fixed assets	-4,296	-3,441
Impairment loss	–	35
Decrease (increase) in trading notes and receivables	-854	341
Decrease (increase) in operational securities investments	14	-204
Decrease (increase) in real estate for sale	-18,355	-20,800
Decrease (increase) in advances paid	38	190
Decrease (increase) in prepaid expenses	-636	-472
Decrease (increase) in accounts receivable	-63	-60
Decrease (increase) in consumption taxes receivable	443	-1,336
Increase (decrease) in accounts payable	490	-1,374
Increase (decrease) in accrued expenses	-73	-235
Increase (decrease) in advances received	51	34
Increase (decrease) in deposits received	140	171
Increase (decrease) in security deposits received	129	425
Increase (decrease) in accrued consumption taxes	166	-742
Other	-455	225
Sub-Total	**-3,995**	**-4,176**
Interest and dividends received	48	61
Interest expense paid	-1,933	-2,908
Income taxes paid	-6,011	-8,157
Income taxes refunded	328	1
Net Cash from (Used for) Operations	**-11,563**	**-15,179**

(JPY million)

	FY25/2 Q3 (Mar 1, 2024 to Nov 30, 2024)	FY26/2 Q3 (Mar 1, 2025 to Nov 30, 2025)
Cash Flows from Investments:		
Payments into time deposits	-96	-231
Redemptions of time deposits	800	83
Payments for securities investments	-10,223	-40
Proceeds from sale of securities investments	7,583	407
Proceeds from redemption of securities investments	–	40
Acquisition of property, plant, and equipment	-3,522	-8,912
Proceeds from sale of property, plant, and equipment	12,456	8,898
Acquisition of intangible assets	-49	-81
Payments of security deposits	-7	-2
Acquisition of subsidiary shares resulting in change of consolidation scope	-114	–
Acquisition of equity-method affiliate shares	-2,259	–
Payments of loans receivable	-1,141	-3,496
Payments received for loans receivable	52	1,730
Other	117	-52
Net Cash from (Used for) Investments	**3,596**	**-1,659**

(JPY million)

	FY25/2 Q3 (Mar 1, 2024 to Nov 30, 2024)	FY26/2 Q3 (Mar 1, 2025 to Nov 30, 2025)
Cash Flows from Financing:		
Net increase (decrease) in short-term loans	-9,189	887
Proceeds from issuance of bonds	2,986	2,887
Repayment of maturing bond principal to bondholders	-3,121	-191
Proceeds from long-term loans	71,404	68,836
Repayment of long-term loans	-49,007	-35,013
Proceeds from long-term non-recourse loans	11,700	–
Repayment of long-term non-recourse loans	-3,038	-1,514
Proceeds from exercise of stock options	77	11
Share buyback	-2,915	-5,885
Dividends paid	-3,893	-4,392
Dividends paid to minority interests	-5	-6
Net Cash from (Used for) Financing	**14,997**	**25,619**
Effect of Exchange Rate Change on Cash and Cash Equivalents	**–**	**2**
Increase (Decrease) in Cash and Cash Equivalents	**7,029**	**8,783**
Cash and Cash Equivalents at Beginning of Period	**46,101**	**42,576**
Cash and Cash Equivalents at End of Period	**53,130**	**51,360**

Consolidated Cash Flow Statement (FY26/2 Q3 Stand-Alone)

(JPY million)

	FY25/2 Q3 (Sep 1, 2024 to Nov 30, 2024)	FY26/2 Q3 (Sep 1, 2025 to Nov 30, 2025)
Cash Flows from Operations:		
Pre-tax income	5,281	2,909
Depreciation	1,200	1,207
Amortization of goodwill	32	32
Increase (decrease) in current year employee bonus accrual	243	305
Increase (decrease) in allowance for doubtful accounts	–	-153
Interest and dividend income	-21	-18
Interest expense	787	1,093
Forex losses (gains)	-21	98
Losses (gains) on investment in equity-method affiliates	89	160
Losses (gains) on sales of securities investments	-539	–
Loss on removal of fixed assets	2	8
Gains on sale of fixed assets (A minus figure is a gain)	-1,707	-19
Decrease (increase) in trading notes and receivables	-525	-451
Decrease (increase) in real estate for sale	-1,396	-11,786
Decrease (increase) in advances paid	-285	-63
Decrease (increase) in prepaid expenses	-259	-99
Decrease (increase) in accounts receivable	-49	-74
Decrease (increase) in consumption taxes receivable	-103	-1,328
Increase (decrease) in accounts payable	1,494	-191
Increase (decrease) in accrued expenses	41	34
Increase (decrease) in advances received	35	41
Increase (decrease) in deposits received	11	-20
Increase (decrease) in security deposits received	–	361
Increase (decrease) in accrued consumption taxes	236	-32
Other	-313	461
Sub-Total	**4,235**	**-7,524**
Interest and dividends received	21	18
Interest expense paid	-660	-917
Income taxes paid	-1,970	-3,090
Income taxes refunded	–	–
Net Cash from (Used for) Operations	**1,625**	**-11,513**

(JPY million)

	FY25/2 Q3 (Sep 1, 2024 to Nov 30, 2024)	FY26/2 Q3 (Sep 1, 2025 to Nov 30, 2025)
Cash Flows from Investments:		
Payments into time deposits	-80	-10
Redemptions of time deposits	–	3
Payments for securities investments	-20	–
Proceeds from sale of securities investments	7,583	–
Acquisition of property, plant, and equipment	-1,547	-4,795
Proceeds from sale of property, plant, and equipment	3,450	134
Acquisition of intangible assets	-28	-15
Payments of security deposits	–	-2
Payments of loans receivable	-660	-1,020
Payments received for loans receivable	7	60
Other	112	8
Net Cash from (Used for) Investments	**8,816**	**-5,637**

(JPY million)

	FY25/2 Q3 (Sep 1, 2024 to Nov 30, 2024)	FY26/2 Q3 (Sep 1, 2025 to Nov 30, 2025)
Cash Flows from Financing:		
Net increase (decrease) in short-term loans	-1,026	-8,176
Proceeds from bond issuance	2,986	2,887
Repayment of maturing bond principal to bondholders	-3,040	-40
Proceeds from long-term loans	18,056	38,443
Repayment of long-term loans	-11,206	-10,137
Proceeds from long-term non-recourse loans	2,200	–
Repayment of long-term non-recourse loans	-2,289	-649
Proceeds from exercise of stock options	3	4
Share buyback	-1,686	-885
Dividends paid	–	–
Dividends paid to minority interests	-1	-2
Net Cash from (Used for) Financing	**3,994**	**21,444**
Effect of Exchange Rate Change on Cash and Cash Equivalents	**–**	**1**
Increase (Decrease) in Cash and Cash Equivalents	**14,436**	**4,295**
Cash and Cash Equivalents at Beginning of Period	**38,693**	**47,065**
Cash and Cash Equivalents at End of Period	**53,130**	**51,360**

Notes to the FY26/2 Q3 Consolidated Financial Statements

Notes on Changes in Accounting Policies

Application of "Accounting Standard for Current Income Taxes"

ASBJ Statement No.27 (revised 2022), "Accounting Standard for Current Income Taxes" (October 28, 2022) has been applied from the beginning of FY26/2 Q1 and will be applied on an ongoing basis.

There is no impact from this change.

Notes on Accounting Treatment Specific to Q3 Consolidated Financial Statements

Calculation of Tax Expenses

Ichigo uses a reasonable estimate of the effective tax rate based on Pre-Tax Income for the fiscal year, including the Q3 of the fiscal year, after applying tax effect accounting. FY26/2 Q3 tax expenses are then calculated by applying this effective tax rate to Pre-Tax Income.

Notes to the FY26/2 Q3 Consolidated Balance Sheet

Deferred Gains (Losses) on Long-Term Interest Rate Hedges

FY25/2 (February 28, 2025)

Using interest rate swaps, Ichigo has significantly reduced its interest rate risk should Japanese interest rates rise. Unrealized mark-to-market gains or losses on these hedges calculated are recorded as deferred gains (losses) on long-term interest rate hedges.

FY26/2 Q3 (November 30, 2025)

Using interest rate swaps, Ichigo has significantly reduced its interest rate risk should Japanese interest rates rise. Unrealized mark-to-market gains or losses on these hedges calculated are recorded as deferred gains (losses) on long-term interest rate hedges.

Notes to the FY26/2 Q3 Consolidated Income Statement

Mark-to-Market Gains (Losses) on Long-Term Interest Rate Hedges

FY25/2 Q3 (Mar 1, 2024 to Nov 30, 2024)

Using interest rate swaps and interest rate caps, Ichigo has significantly reduced its interest rate risk should Japanese interest rates rise. Any increase (decrease) in the market value of these instruments is recorded as Mark-to-market gains on (losses) long-term interest rate hedges.

FY26/2 Q3 (Mar 1, 2025 to Nov 30, 2025)

Using interest rate swaps and interest rate caps, Ichigo has significantly reduced its interest rate risk should Japanese interest rates rise. Any increase (decrease) in the market value of these instruments is recorded as Mark-to-market gains (losses) on long-term interest rate hedges.

Notes to the FY26/2 Q3 Consolidated Statement of Comprehensive Income

Deferred Gains (Losses) on Long-Term Interest Rate Hedges

FY25/2 Q3 (Mar 1, 2024 to Nov 30, 2024)

Using interest rate swaps, Ichigo has significantly reduced its interest rate risk should Japanese interest rates rise. Unrealized mark-to-market gains or losses on these hedges calculated are recorded as deferred gains (losses) on long-term interest rate hedges.

FY26/2 Q3 (Mar 1, 2025 to Nov 30, 2025)

Using interest rate swaps, Ichigo has significantly reduced its interest rate risk should Japanese interest rates rise. Unrealized mark-to-market gains or losses on these hedges calculated using mark-to-market valuation are recorded as deferred gains (losses) on long-term interest rate hedges.

Notes on Segment Information

Segment Overview

Asset Management (AM) generates fee income via management of the Tokyo Stock Exchange-listed Ichigo Office (TSE REIT 8975), Ichigo Hotel (TSE REIT 3463), and Ichigo Green (TSE Infrastructure 9282), private real estate funds, and real estate-backed security tokens.

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.

Hotel leverages Ichigo's deep value-add expertise and management capabilities as a hotel owner and operator. Ichigo improves hotel functionality, aesthetics, and guest services to drive higher guest comfort and satisfaction, develops and operates Ichigo brand hotels, and deploys PROPERA (Ichigo's AI-based hotel revenue management system) to drive significant increases in hotel cash flows, earnings, and asset value.

Ichigo Owners develops high-quality real estate assets for Japanese real estate owners via a highly capital-efficient, asset-light business model. Ichigo outsources construction to third-party developers, focusing on design and planning, construction engineering quality control, and post-construction leasing tailored to tenant and investor needs.

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

Revenue, P&L, and Assets by Segment (Current FY26/2 Q3)

(Mar 1, 2025 to Nov 30, 2025)

(JPY million)

	Segment						Adjustment[2]	Amount Recorded in Consolidated Financial Statements
	Asset Management (AM)	Sustainable Real Estate (SRE)	Hotel	Ichigo Owners	Clean Energy (CE)	Total		
Revenue								
Revenue from External Customers	3,017	15,345	11,168	38,569	4,916	73,017	–	73,017
Inter-Segment Activities or Reclassifications	279	111	12	–	–	403	-403	–
Total	3,297	15,457	11,180	38,569	4,916	73,421	-403	73,017
Operating Profit	1,792	4,505	3,663	3,724	1,561	15,247	-102	15,144
Gains on Sale of Sustainable Real Estate & Hotel Assets Recorded as Extraordinary Gains	–	1,246	2,640	–	–	3,886	–	3,886
Segment P&L (Business Profit)[1]	1,792	5,752	6,304	3,724	1,561	19,134	-102	19,031
Segment P&L Details								
Stock Earnings (Rental Income, Base AM Fees, FIT Solar Power Earnings, etc.)	1,252	3,482	4,038	502	1,561	10,837	–	–
Flow Earnings (Gains on Sustainable Real Estate & Hotel Sales, Gains on Solar Power Plant Sales, AM Performance Fees, etc.)	540	2,269	2,265	3,221	–	8,296	–	–
Segment Assets	2,293	208,683	100,191	55,950	38,772	405,891	38,153	444,045
Other								
Depreciation	1	1,064	888	–	1,503	3,457	70	3,527
Impairment loss	–	35	–	–	–	35	–	35
Increase in Property, Plant, and Equipment and Intangible Assets	–	2,472	5,661	–	316	8,450	204	8,655

[1] Segment P&L (Business Profit) = Operating Profit + Gains on Sale of Sustainable Real Estate & Hotel Assets Recorded as Extraordinary Gains

[2] The Adjustment to Segment P&L (-JPY 102 million) reflects transaction eliminations and corporate expenses that were not allocated to the segments. The Adjustment to Segment Assets (JPY 38,153 million) reflects corporate assets, such as cash and deposits, that were not allocated to the segments. The Adjustment to Depreciation (JPY 70 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 204 million) reflects corporate assets that were not allocated to the segments.

Information on Impairment Loss of Fixed Assets or Goodwill by Reporting Segment

Omitted due to immateriality

Segment Reporting Changes

(1) From the FY25/2 earnings report, Ichigo is providing expanded, more detailed segment reporting to increase the transparency of its earnings. Specifically, Ichigo Owners and Hotel have been newly created as segments by breaking them out from the Sustainable Real Estate segment.

Please note that FY26/2 Q3 segment earnings have been prepared and disclosed based on this new segment reporting.

(2) In order to increase the transparency of its earnings, Ichigo discloses “All-In Operating Profit,” which is calculated by adding to Operating Profit gains and losses on asset sales in the Sustainable Real Estate and Hotel businesses. Although recognized as extraordinary gains or losses under Japanese accounting standards, these gains and losses are essentially operational in nature.

From FY26/2 Q2, “All-In Operating Profit” was renamed to “Business Profit.”

Accordingly, “Segment Profit (All-In Operating Profit)” is presented as “Segment Profit (Business Profit).” The name change has no impact on the results themselves.

Revenue, P&L, and Assets by Segment (Previous FY25/2 Q3)

(Mar 1, 2024 to Nov 30, 2024)

(JPY million)

	Segment						Adjustment[2]	Amount Recorded in Consolidated Financial Statements
	Asset Management (AM)	Sustainable Real Estate (SRE)	Hotel	Ichigo Owners	Clean Energy (CE)	Total		
Revenue								
Revenue from External Customers	2,447	14,324	9,398	26,202	4,853	57,227	–	57,227
Inter-Segment Activities or Reclassifications	305	111	–	–	–	416	-416	–
Total	2,752	14,435	9,398	26,202	4,853	57,643	-416	57,227
Operating Profit	1,445	2,220	3,110	1,986	1,568	10,331	6	10,338
Gains on Sale of Sustainable Real Estate & Hotel Assets Recorded as Extraordinary Gains	–	4,838	–	–	–	4,838	–	4,838
Segment P&L (Business Profit) [1]	1,445	7,059	3,110	1,986	1,568	15,170	6	15,177
Segment P&L Details								
Stock Earnings (Rental Income, Base AM Fees, FIT Solar Power Earnings, etc.)	1,148	3,112	3,110	388	1,568	9,328	–	–
Flow Earnings (Gains on Sustainable Real Estate & Hotel Sales, Gains on Solar Power Plant Sales, AM Performance Fees, etc.)	296	3,946	–	1,598	–	5,842	–	–
Segment Assets	2,204	192,328	74,011	49,461	39,349	357,355	36,939	394,295
Other								
Depreciation	1	1,096	922	–	1,496	3,516	72	3,589
Increase in Property, Plant, and Equipment and Intangible Assets	34	1,986	1,046	–	457	3,523	20	3,544

[1] Segment P&L (Business Profit) = Operating Profit + Gains on Sale of Sustainable Real Estate & Hotel Assets Recorded as Extraordinary Gains

[2] The Adjustment to Segment P&L (JPY 6 million) reflects transaction eliminations and corporate expenses that were not allocated to the segments. The Adjustment to Segment Assets (JPY 36,939 million) reflects corporate assets, such as cash and deposits, that were not allocated to the segments. The Adjustment to Depreciation (JPY 72 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 20 million) reflects corporate assets that were not allocated to the segments.

Information on Impairment Loss of Fixed Assets or Goodwill by Reporting Segment

N/A

Information on Significant Changes in Shareholders' Equity

N/A

Information on Going Concern Assumption

N/A