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## FY22/2 Earnings

April 19, 2022

**Ichigo Inc.** (Tokyo Stock Exchange Prime, 2337)

Representative: Takuma Hasegawa, President

Inquiries: Takanori Sakamatsu, Senior Statutory Executive Officer

Telephone: +81-3-3502-4818 [www.ichigo.gr.jp/en](http://www.ichigo.gr.jp/en)

Annual Shareholders Meeting: May 29, 2022 (expected)

Submission of the Financial Report (*Yuka Shoken Hokokusho*): May 30, 2022 (expected)

Dividend Payment: May 30, 2022 (expected)

Supplemental Materials to Financial and Business Results: Yes

Financial and Business Results Briefing: Yes (for institutional investors and analysts)

### 1. FY22/2 Consolidated Financial Results (March 1, 2021 to February 28, 2022)

#### (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	56,934	-7.2%	10,018	+3.6%	7,471	+4.1%	6,473	+28.8%
FY21/2	61,368	-29.8%	9,668	-65.1%	7,179	-70.6%	5,027	-38.7%

Note: Comprehensive Income FY22/2: JPY 6,750 million (+35.0% YOY)  
FY21/2: JPY 5,000 million (-43.9% YOY)

	Net Income per Share (Basic, JPY)		Net Income per Share (Diluted, JPY)		Return on Equity	Return on Assets (Recurring Profit)	Operating Profit Margin
FY22/2	13.81	+31.8%	—	—	6.5%	2.2%	17.6%
FY21/2	10.48	-38.0%	—	—	5.0%	2.1%	15.8%

#### (2) Consolidated Financial Condition

	Total Assets (JPY million)	Net Assets (JPY million)	Shareholders' Equity Ratio	Net Assets per Share (JPY)
FY22/2	337,887	112,191	29.8%	215.46
FY21/2	347,076	110,255	28.5%	209.81

Note: Shareholders' Equity FY22/2: JPY 100,815 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	7,939	6,502	-15,360	46,214
FY21/2	15,463	-15,630	10,167	50,590

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

FY22/2: JPY 12,397 million FY21/2: JPY 10,383 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	–	–	–	7	7	3,275	50.7%	3.3%
FY23/2 (Forecast)	–	–	–	7	7		38.1%~ 49.9%	

### 3. FY23/2 Full-Year Consolidated Earnings Forecast (March 1, 2022 to February 28, 2023)

(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	
FY23/2	9,700~	-3.2%~	6,700~	-10.3%~	6,500~	+0.4%~	14.04~	+1.7%~
	10,600	+5.8%	7,600	+1.7%	8,500	+31.3%	18.36	+33.0%

Note: Given Covid uncertainty, Ichigo is reporting its FY23/2 earnings forecast as a range.

### 4. Other

(1) Changes in significant consolidated subsidiary  
(material changes in scope of consolidation):

Yes

Subsidiary removed from consolidation:

GK Sunrise Tokumei Kumiai

(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: 505,381,018

FY21/2: 505,381,018

(ii) Number of treasury shares at period-end

FY22/2: 37,466,500

FY21/2: 33,283,200

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

FY22/2: 468,744,889

FY21/2: 479,894,618

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.

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)

(JPY million)

	FY21/2 (Feb 28, 2021)	FY22/2 (Feb 28, 2022)
<b>Assets</b>		
<b>Current Assets</b>		
Cash and deposits	50,832	46,458
Trade notes and accounts receivable	1,382	1,819
Operational loan investments	1,324	1,324
Operational securities investments	590	2,547
Real estate for sale	64,109	68,666
Other	2,698	2,613
Less: allowance for doubtful accounts	-167	-633
<b>Total Current Assets</b>	<b>120,771</b>	<b>122,798</b>
<b>Fixed Assets</b>		
<b>Property, Plant, and Equipment</b>		
Buildings and structures	68,277	66,501
Depreciation	-7,603	-10,292
Buildings and structures (net)	60,673	56,208
Solar and wind power plants	28,893	34,298
Depreciation	-4,702	-6,345
Solar and wind power plants (net)	24,191	27,953
Land	122,592	116,079
Buildings and structures under construction	277	435
Solar and wind power plants under construction	5,038	2,095
Other	2,745	2,884
Depreciation	-1,126	-1,618
Other (net)	1,619	1,265
<b>Total Property, Plant, and Equipment</b>	<b>214,392</b>	<b>204,038</b>
<b>Intangible Assets</b>		
Goodwill	968	1,580
Leasehold rights	1,272	1,365
Other	1,797	605
<b>Total Intangible Assets</b>	<b>4,038</b>	<b>3,551</b>
<b>Investments and Other Assets</b>		
Securities investments	5,147	3,463
Long-term loans receivable	10	270
Deferred tax assets	605	883

	(JPY million)	
	FY21/2 (Feb 28, 2021)	FY22/2 (Feb 28, 2022)
Other	2,202	3,013
Less: allowance for doubtful accounts	-91	-131
<b>Total Investments and Other Assets</b>	<b>7,874</b>	<b>7,498</b>
<b>Total Fixed Assets</b>	<b>226,305</b>	<b>215,089</b>
<b>Total Assets</b>	<b>347,076</b>	<b>337,887</b>

(JPY million)

	FY21/2 (Feb 28, 2021)	FY22/2 (Feb 28, 2022)
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Short-term loans	4,879	2,382
Bonds (due within one year)	274	274
Long-term loans (due within one year)	9,751	9,888
Long-term non-recourse loans (due within one year)	1,358	1,375
Income taxes payable	573	1,888
Accrued bonuses	9	39
Other current liabilities	5,527	5,012
<b>Total Current Liabilities</b>	<b>22,374</b>	<b>20,861</b>
<b>Long-Term Liabilities</b>		
Bonds	5,878	5,603
Long-term loans	156,890	150,389
Long-term non-recourse loans	40,974	39,489
Deferred tax liabilities	1,868	1,795
Long-term security deposits received	7,795	6,749
Other long-term liabilities	1,039	805
<b>Total Long-Term Liabilities</b>	<b>214,446</b>	<b>204,833</b>
<b>Total Liabilities</b>	<b>236,820</b>	<b>225,695</b>
<b>Net Assets</b>		
<b>Shareholders' Equity</b>		
Capital	26,888	26,888
Capital reserve	11,275	11,268
Retained earnings	73,160	76,310
Treasury shares	-11,988	-13,423
<b>Total Shareholders' Equity</b>	<b>99,335</b>	<b>101,043</b>
<b>Accumulated Other Comprehensive Income</b>		
Valuation gains (losses) on other securities	90	25
Deferred gains (losses) on long-term interest rate hedges	-375	-254
<b>Total Accumulated Other Comprehensive Income</b>	<b>-285</b>	<b>-228</b>
<b>Stock Options</b>	<b>1,007</b>	<b>961</b>
<b>Minority Interests</b>	<b>10,197</b>	<b>10,415</b>
<b>Total Net Assets</b>	<b>110,255</b>	<b>112,191</b>
<b>Total Liabilities and Net Assets</b>	<b>347,076</b>	<b>337,887</b>

**Consolidated Income Statement (FY22/2)**

(JPY million)

	FY21/2 (Mar 1, 2020 to Feb 28, 2021)	FY22/2 (Mar 1, 2021 to Feb 28, 2022)
<b>Revenue</b>	<b>61,368</b>	<b>56,934</b>
<b>Cost of Goods Sold</b>	<b>45,776</b>	<b>40,757</b>
(Depreciation)	4,603	5,278
<b>Gross Profit</b>	<b>15,591</b>	<b>16,177</b>
<b>SG&amp;A</b>	<b>5,923</b>	<b>6,159</b>
<b>Operating Profit</b>	<b>9,668</b>	<b>10,018</b>
<b>Non-Operating Income</b>		
Interest income	17	29
Dividend income	78	30
Foreign exchange gains	–	38
Mark-to-market gains on long-term interest rate hedges	243	98
Other	78	164
<b>Total Non-Operating Income</b>	<b>417</b>	<b>361</b>
<b>Non-Operating Expenses</b>		
Interest expense	2,338	2,341
Foreign exchange losses	17	–
Mark-to-market losses on long-term interest rate hedges	29	53
Debt financing-related fees	279	157
Other	241	355
<b>Total Non-Operating Expenses</b>	<b>2,906</b>	<b>2,908</b>
<b>Recurring Profit</b>	<b>7,179</b>	<b>7,471</b>
<b>Extraordinary Gains</b>		
Gains on sale of fixed assets	720	3,248
Gains on sale of securities investments	–	15
Other	–	120
<b>Total Extraordinary Gains</b>	<b>720</b>	<b>3,383</b>
<b>Extraordinary Losses</b>		
Loss on disposal of fixed assets	–	5
Valuation losses on securities investments	114	43
Allowance for doubtful accounts	144	493
Impairment loss	27	716
Other	1	–
<b>Total Extraordinary Losses</b>	<b>288</b>	<b>1,259</b>
<b>Pre-Tax Income</b>	<b>7,610</b>	<b>9,595</b>
<b>Income Taxes – Current</b>	<b>2,622</b>	<b>3,304</b>
<b>Income Taxes – Deferred</b>	<b>-58</b>	<b>-403</b>

(JPY million)

	FY21/2 (Mar 1, 2020 to Feb 28, 2021)	FY22/2 (Mar 1, 2021 to Feb 28, 2022)
<b>Total Income Taxes</b>	<b>2,564</b>	<b>2,901</b>
<b>Pre-Minority Interest Net Income</b>	<b>5,046</b>	<b>6,694</b>
<b>Net Income Attributable to Minority Interests</b>	<b>18</b>	<b>220</b>
<b>Net Income</b>	<b>5,027</b>	<b>6,473</b>



**Consolidated Statement of Comprehensive Income (FY22/2)**

(JPY million)

	FY21/2 (Mar 1, 2020 to Feb 28, 2021)	FY22/2 (Mar 1, 2021 to Feb 28, 2022)
<b>Pre-Minority Interest Net Income</b>	<b>5,046</b>	<b>6,694</b>
<b>Other Comprehensive Income</b>		
Valuation gains (losses) on other securities	-67	-65
Deferred gains (losses) on long-term interest rate hedges	21	121
<b>Total Other Comprehensive Income</b>	<b>-45</b>	<b>56</b>
<b>Comprehensive Income</b>	<b>5,000</b>	<b>6,750</b>
Comprehensive income attributable to common shareholders	4,981	6,529
Comprehensive income attributable to minority interests	18	220

## Consolidated Statement of Changes in Shareholders' Equity

(FY22/2 – Current Period)

(JPY million)

	Shareholders' Equity				
	Capital	Capital Reserve	Retained Earnings	Treasury Shares	Total Shareholders' Equity
Balance as of Mar 1, 2021	26,888	11,275	73,160	-11,988	99,335
Changes in the Current Period					
Share Issuance					–
Dividend Payment			-3,304		-3,304
Net Income			6,473		6,473
Change in Consolidated Subsidiaries			-18		-18
Share Buyback				-1,499	-1,499
Sale of Treasury Shares		-6		64	58
Changes in Items other than Shareholders' Equity					
Total Changes	–	-6	3,150	-1,435	1,708
Balance as of Feb 28, 2022	26,888	11,268	76,310	-13,423	101,043

	Other Comprehensive Income			Stock Options	Minority Interests	Total Net Assets
	Valuation Gain (Loss) on Other Securities	Deferred Gain (Loss) on Long-Term Interest Rate Hedges	Total Other Comprehensive Income			
Balance as of Mar 1, 2021	90	-375	-285	1,007	10,197	110,255
Changes in the Current Period						
Share Issuance						–
Dividend Payment						-3,304
Net Income						6,473
Change in Consolidated Subsidiaries						-18
Share Buyback						-1,499
Sale of Treasury Shares						58
Changes in Items other than Shareholders' Equity	-65	121	56	-46	217	227
Total Changes	-65	121	56	-46	217	1,935
Balance as of Feb 28, 2022	25	-254	-228	961	10,415	112,191

## Consolidated Statement of Changes in Shareholders' Equity

(FY21/2 – Previous Period)

(JPY million)

	Shareholders' Equity				
	Capital	Capital Reserve	Retained Earnings	Treasury Shares	Total Shareholders' Equity
Balance as of Mar 1, 2020	26,885	11,272	71,505	-8,988	100,674
Changes in the Current Period					
Share Issuance	2	2			5
Dividend Payment			-3,372		-3,372
Net Income			5,027		5,027
Change in Consolidated Subsidiaries					–
Share Buyback				-2,999	-2,999
Sale of Treasury Shares					–
Changes in Items other than Shareholders' Equity					
Total Changes	2	2	1,655	-2,999	-1,338
Balance as of Feb 28, 2021	26,888	11,275	73,160	-11,988	99,335

	Other Comprehensive Income			Stock Options	Minority Interests	Total Net Assets
	Valuation Gain (Loss) on Other Securities	Deferred Gain (Loss) on Long-Term Interest Rate Hedges	Total Other Comprehensive Income			
Balance as of Mar 1, 2020	158	-397	-239	988	184	101,607
Changes in the Current Period						
Share Issuance						5
Dividend Payment						-3,372
Net Income						5,027
Change in Consolidated Subsidiaries						–
Share Buyback						-2,999
Sale of Treasury Shares						–
Changes in Items other than Shareholders' Equity	-67	21	-45	19	10,013	9,986
Total Changes	-67	21	-45	19	10,013	8,648
Balance as of Feb 28, 2021	90	-375	-285	1,007	10,197	110,255

## Consolidated Cash Flow Statement (FY22/2)

(JPY million)

	FY21/2 (Mar 1, 2020 to Feb 28, 2021)	FY22/2 (Mar 1, 2021 to Feb 28, 2022)
<b>Cash Flows from Operations:</b>		
Pre-tax income	7,610	9,595
Depreciation	4,797	5,644
Share-based compensation expenses	21	73
Amortization of goodwill	121	149
Increase (decrease) in accrued bonuses	-24	29
Increase (decrease) in allowance for doubtful accounts	161	505
Interest and dividend income	-96	-60
Interest expense	2,338	2,341
Losses (gains) on sale of securities investments	-	-15
Loss on disposal of fixed assets	-	5
Losses (gains) on sales of fixed assets	-720	-3,248
Impairment loss	27	716
Valuation losses on securities investments	114	43
Gain on reversal of stock option	-	-120
Decrease (increase) in trading notes and receivables	925	-437
Decrease (increase) in operational securities investments	343	1,279
Decrease (increase) in real estate for sale	5,342	-3,873
Valuation losses on SPC capital contributions	4	2
Decrease (increase) in advances paid	61	-60
Decrease (increase) in prepaid expenses	-408	-217
Decrease (increase) in accounts receivable	16	-74
Decrease (increase) in consumption taxes receivable	654	-110
Increase (decrease) in accounts payable	-437	-113
Increase (decrease) in accrued expenses	94	25
Increase (decrease) in advances received	-57	795
Increase (decrease) in deposits received	333	-260
Increase (decrease) in security deposits received	-323	-1,045
Increase (decrease) in accrued consumption taxes	975	-204
Other	-5	35
<b>Sub-Total</b>	<b>21,870</b>	<b>11,403</b>

(JPY million)

	FY21/2 (Mar 1, 2020 to Feb 28, 2021)	FY22/2 (Mar 1, 2021 to Feb 28, 2022)
Interest and dividends received	96	60
Interest expense paid	-2,119	-2,174
Income taxes paid	-4,467	-1,548
Income taxes refunded	83	198
<b>Net Cash from (Used for) Operations</b>	<b>15,463</b>	<b>7,939</b>

(JPY million)

	FY21/2 (Mar 1, 2020 to Feb 28, 2021)	FY22/2 (Mar 1, 2021 to Feb 28, 2022)
<b>Cash Flows from Investments:</b>		
Payments into time deposits	-7	-7
Redemptions of time deposits	–	30
Payments for securities investments	-547	-606
Proceeds from sale of securities investments	10	569
Acquisition of property, plant, and equipment	-16,447	-5,798
Proceeds from sale of property, plant, and equipment	2,850	12,757
Acquisition of intangible assets	-1,468	-195
Payments of SPC capital contributions	-3	-4
Redemptions of SPC capital contributions	15	–
Payments of security deposits	–	-16
Payments of loans receivable	-374	-290
Payments received for loans receivable	351	33
Other	-7	32
<b>Net Cash from (Used for) Investments</b>	<b>-15,630</b>	<b>6,502</b>

(JPY million)

	FY21/2 (Mar 1, 2020 to Feb 28, 2021)	FY22/2 (Mar 1, 2021 to Feb 28, 2022)
<b>Cash Flows from Financing:</b>		
Net increase (decrease) in short-term loans	1,793	-2,497
Proceeds from bond issuance	70	–
Repayment of maturing bond principal to bondholders	-274	-274
Proceeds from long-term loans	51,877	26,552
Repayment of long-term loans	-48,996	-32,940
Proceeds from long-term non-recourse loans	3,300	–
Repayment of long-term non-recourse loans	-1,301	-1,467
Proceeds from employee exercise of stock options	4	–
Share buyback	-2,999	-1,499
Proceeds from minority interests	10,000	–
Dividends paid	-3,298	-3,230
Dividends paid to minority interests	-5	-2
<b>Net Cash from (Used for) Financing</b>	<b>10,167</b>	<b>-15,360</b>
<b>Effect of Exchange Rate Change on Cash and Cash Equivalents</b>	<b>–</b>	<b>–</b>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	<b>10,000</b>	<b>-918</b>
<b>Cash and Cash Equivalents at Beginning of Period</b>	<b>40,826</b>	<b>50,590</b>
<b>Cash and Cash Equivalents Resulting from Exclusion from Consolidation</b>	<b>-237</b>	<b>-3,457</b>
<b>Cash and Cash Equivalents at End of Period</b>	<b>50,590</b>	<b>46,214</b>

## Additional Notes

### 1. Restatement of Items in Consolidated Balance Sheet

From FY22/2, 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.

### 2. Disclosure of Depreciation in Consolidated Income Statement

Ichigo focuses on maximizing long-term cash flows to shareholders. Because Depreciation is a non-cash expense that does not impact cash flows, from FY22/2 Ichigo is disclosing Depreciation as a separate line item under Cost of Goods Sold to give investors more clarity on Ichigo’s cash generation.

### 3. Reclassification of Fixed Assets

In FY22/2 Ichigo reclassified to Real Estate for Sale the following Fixed Assets that are expected to be sold in the short-term.

	(JPY million)
	FY22/2 (Feb 28, 2022)
Buildings and structures	56
Depreciation	-15
Buildings and structures (net)	40
Land	641
Total	681



## Notes to Consolidated Income Statement

### 1. Writedown of Intangible Asset

FY21/2 (March 1, 2020 to February 28, 2021)

N/A

FY22/2 (March 1, 2021 to February 28, 2022)

Ichigo wrote down the below asset in FY22/2.

#### (1) Asset and Writedown Amount

Asset	Type	Location	Impairment Loss
Operating Asset	Intangible Asset	Chiyoda-ku, Tokyo	JPY 716 million

#### (2) Writedown Rationale

Ichigo impairs the values of assets to their respective recoverable amount based on the current business environment. An equivalent amount was recorded as a loss under Extraordinary Losses.

Note that Ichigo calculates the recoverable amount based on value-in-use. For assets that are not expected to generate future cash flows, the recoverable amount is set to zero.

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

(Mar 1, 2021 to Feb 28, 2022)

(JPY million)

	Segment				Adjustment <sup>2</sup>	Amount Recorded in Financial Statements
	Asset Management (AM)	Sustainable Real Estate (SRE)	Clean Energy (CE)	Total		
Revenue						
Revenue from External Customers	2,369	49,202	5,362	56,934	-	56,934
Inter-Segment Activities or Reclassifications	528	1	-	530	-530	-
Total	2,898	49,203	5,362	57,465	-530	56,934
Segment P&L <sup>1</sup>	1,839	6,069	2,134	10,043	-25	10,018
Segment P&L Details						
Stock Earnings (Rental Income, Base AM Fees, FIT Solar Power Earnings, etc.)	1,622	2,942	2,134	6,699	-	-
Flow Earnings (Gains on Sustainable Real Estate Sales, Gains on Solar Power Plant Sales, Spot AM Fees, etc.)	216	3,127	-	3,343	-	-
Segment Assets	1,796	269,118	35,849	306,765	31,121	337,887
Other						
Depreciation	-	3,932	1,652	5,584	60	5,644
Impairment	-	716	-	716	-	716
Increase in Property, Plant, and Equipment and Intangible Assets	-	2,750	2,381	5,132	22	5,155

<sup>1</sup> Segment P&L is on an Operating Profit basis.

<sup>2</sup> The Adjustment to Segment P&L (-JPY 25 million) reflects transaction eliminations and corporate expenses that were not allocated to the segments. The Adjustment to Segment Assets (JPY 31,121 million) reflects corporate assets, such as cash and deposits, that were not allocated to the segments. The Adjustment to Depreciation (JPY 60 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 22 million) reflects corporate assets that were not allocated to the segments.

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

(Mar 1, 2020 to Feb 30, 2021)

(JPY million)

	Segment				Adjustment <sup>2</sup>	Amount Recorded in Financial Statements
	Asset Management (AM)	Sustainable Real Estate (SRE)	Clean Energy (CE)	Total		
Revenue						
Revenue from External Customers	1,935	54,778	4,654	61,368	-	61,368
Inter-Segment Activities or Reclassifications	545	1	-	546	-546	-
Total	2,480	54,780	4,654	61,914	-546	61,368
Segment P&L <sup>1</sup>	1,403	6,528	1,834	9,767	-99	9,668
Segment P&L Details						
Stock Earnings (Rental Income, Base AM Fees, FIT Solar Power Earnings, etc.)	1,326	3,482	1,834	6,643	-	-
Flow Earnings (Gains on Sustainable Real Estate Sales, Gains on Solar Power Plant Sales, Spot AM Fees, etc.)	77	3,046	-	3,123	-	-
Segment Assets	1,516	275,857	35,345	312,718	34,358	347,076
Other						
Depreciation	-	3,324	1,425	4,750	47	4,797
Impairment	-	27	-	27	-	27
Increase in Property, Plant, and Equipment and Intangible Assets	-	13,568	4,375	17,944	158	18,102

<sup>1</sup> Segment P&L is on an Operating Profit basis.

<sup>2</sup> The Adjustment to Segment P&L (-JPY 99 million) reflects transaction eliminations and corporate expenses that were not allocated to the segments. The Adjustment to Segment Assets (JPY 34,358 million) reflects corporate assets, such as cash and deposits, that were not allocated to the segments. The Adjustment to Depreciation (JPY 47 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 158 million) reflects corporate assets that were not allocated to the segments.

**Goodwill and Amortization by Segment (Current FY22/2)**

(Mar 1, 2021 to Feb 28, 2022)

Goodwill

(JPY million)

	Segment				Adjustment	Amount Recorded in Consolidated Financial Statements
	Asset Management	Sustainable Real Estate	Clean Energy	Total		
Amortization during the period	70	63	15	149	–	149
Outstanding balance as of period-end	631	777	172	1,580	–	1,580

**Goodwill and Amortization by Segment (Previous FY21/2)**

(Mar 1, 2020 to Feb 28, 2021)

Goodwill

(JPY million)

	Segment				Adjustment	Amount Recorded in Consolidated Financial Statements
	Asset Management	Sustainable Real Estate	Clean Energy	Total		
Amortization during the period	70	36	15	121	–	121
Outstanding balance as of period-end	701	79	187	968	–	968

## Per Share Information

(JPY)

FY21/2 (March 1, 2020 to February 28, 2021)		FY22/2 (March 1, 2021 to February 28, 2022)	
Net Assets per Share	209.81	Net Assets per Share	215.46
Net Income per Share	10.48	Net Income per Share	13.81
Diluted Net Income per Share	-	Diluted Net Income per Share	-

Calculation of Net Income per Share and Diluted Net Income per Share is as follows:

	FY21/2 (March 1, 2020 to February 28, 2021)	FY22/2 (March 1, 2021 to February 28, 2022)
Net Income per Share		
Net Income Attributable to Shareholders (JPY million)	5,027	6,473
Amount Not Attributable to Common Shareholders	-	-
Net Income Attributable to Shareholders in Regards to Common Shares (JPY million)	5,027	6,473
Average Number of Shares Outstanding (thousand)	479,894	468,744
Diluted Net Income per Share		
Increase in Shares Outstanding during Period (thousand)	-	-
(of which are related to exercise of employee stock options) (thousand)	-	-
Details of Potentially Dilutive Shares Outstanding	Jan 13, 2015 Employee Stock Options Outstanding: 1,180,700 shares Jan 13, 2016 Employee Stock Options Outstanding: 1,133,700 shares Jan 13, 2017 Employee Stock Options Outstanding: 1,612,600 shares Jan 12, 2018 Employee Stock Options Outstanding: 1,563,800 shares Jan 11, 2019 Employee Stock Options Outstanding: 1,644,500 shares Oct 14, 2020 Employee Stock Options Outstanding: 1,988,000 shares	Jan 13, 2016 Employee Stock Options Outstanding: 1,093,200 shares Jan 13, 2017 Employee Stock Options Outstanding: 1,554,500 shares Jan 12, 2018 Employee Stock Options Outstanding: 1,507,700 shares Jan 11, 2019 Employee Stock Options Outstanding: 1,567,000 shares Oct 14, 2020 Employee Stock Options Outstanding: 1,897,900 shares Apr 19, 2021 Employee Stock Options Outstanding: 1,932,500 shares

**Consolidated Cash Flow Statement (FY22/2 Q4 Stand Alone)**

(JPY million)

	FY21/2 Q4 (Dec 1, 2020 to Feb 28, 2021)	FY22/2 Q4 (Dec 1, 2021 to Feb 28, 2022)
<b>Cash Flows from Operations:</b>		
Pre-tax income	1,192	6,539
Depreciation	1,364	1,432
Amortization of goodwill	27	25
Increase (decrease) in accrued bonuses	-398	-277
Increase (decrease) in allowance for doubtful accounts	141	505
Interest and dividend income	-8	-15
Interest expense	585	569
Losses (gains) on sale of securities investments	-	-15
Loss on disposal of fixed assets	-	-
Losses (gains) on sales of fixed assets	-720	-3,215
Impairment loss	27	716
Valuation losses on securities investments	-	43
Gain on reversal of stock option	-	-120
Decrease (increase) in trading notes and receivables	126	138
Decrease (increase) in operational securities investments	17	181
Decrease (increase) in real estate for sale	-8,243	12,743
Valuation losses on SPC capital contributions	-	1
Decrease (increase) in advances paid	-176	-72
Decrease (increase) in prepaid expenses	6	-167
Decrease (increase) in accounts receivable	27	-183
Decrease (increase) in consumption taxes receivable	-237	36
Increase (decrease) in accounts payable	535	431
Increase (decrease) in accrued expenses	-94	20
Increase (decrease) in advances received	-22	630
Increase (decrease) in deposits received	165	-102
Increase (decrease) in security deposits received	-43	-418
Increase (decrease) in accrued consumption taxes	183	466
Other	640	-129
<b>Sub-Total</b>	<b>-4,902</b>	<b>19,766</b>

(JPY million)

	FY21/2 Q4 (Dec 1, 2020 to Feb 28, 2021)	FY22/2 Q4 (Dec 1, 2021 to Feb 28, 2022)
Interest and dividends received	8	15
Interest expense paid	-555	-584
Income taxes paid	-325	-265
<b>Net Cash from (Used for) Operations</b>	<b>-5,775</b>	<b>18,932</b>

(JPY million)

	FY21/2 Q4 (Dec 1, 2020 to Feb 28, 2021)	FY22/2 Q4 (Dec 1, 2021 to Feb 28, 2022)
<b>Cash Flows from Investments:</b>		
Payments into time deposits	—	-1
Redemptions of time deposits	—	30
Payments for securities investments	—	-1
Proceeds from sale of securities investments	—	—
Acquisition of property, plant, and equipment	-2,670	-2,336
Proceeds from sale of property, plant, and equipment	2,850	12,013
Acquisition of intangible assets	-725	-9
Payments of security deposits	—	—
Payments received for loans receivable	1	7
Other	-10	19
<b>Net Cash from (Used for) Investments</b>	<b>-555</b>	<b>9,720</b>



(JPY million)

	FY21/2 Q4 (Dec 1, 2020 to Feb 28, 2021)	FY22/2 Q4 (Dec 1, 2021 to Feb 28, 2022)
<b>Cash Flows from Financing:</b>		
Net increase (decrease) in short-term loans	-593	-912
Repayment of maturing bond principal to bondholders	-96	-96
Proceeds from long-term loans	3,100	6,902
Repayment of long-term loans	-3,166	-21,698
Repayment of long-term non-recourse loans	-641	-623
Proceeds from employee exercise of stock options	3	—
Share buyback	-1,499	—
Proceeds from minority interests	10,000	—
Dividends paid	—	—
Dividends paid to minority interests	—	—
<b>Net Cash from (Used for) Financing</b>	<b>7,104</b>	<b>-16,428</b>
<b>Effect of Exchange Rate Change on Cash and Cash Equivalents</b>	<b>—</b>	<b>—</b>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	<b>774</b>	<b>12,224</b>
<b>Cash and Cash Equivalents at Beginning of Period</b>	<b>49,815</b>	<b>35,961</b>
<b>Cash and Cash Equivalents Resulting from Exclusion from Consolidation</b>	<b>—</b>	<b>-1,971</b>
<b>Cash and Cash Equivalents at End of Period</b>	<b>50,590</b>	<b>46,214</b>