



Make The World
More Sustainable

February 14, 2023

FY23/6 H1 Earnings

Ichigo Green Infrastructure Investment Corporation (“Ichigo Green,” Tokyo Stock Exchange, 9282)

Representative: Nanako Ito, Executive Director

www.ichigo-green.co.jp/en

Ichigo Investment Advisors Co., Ltd. (Asset Management Company)

Representative: Hiroshi Iwai, President

Inquiries: Takao Nitta, Head of Ichigo Green

Telephone: +81-3-3502-4854

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Supplemental Material to Financial and Business Results: Yes (Corporate Presentation)

Financial and Business Results Briefing: Yes

1. FY23/6 H1 Financial Results (July 1, 2022 to December 31, 2022)

(1) Earnings

(JPY million; year-on-year change)

	Operating Revenue	Change	Operating Profit	Change	Recurring Profit	Change	Net Income	Change
FY23/6 H1	522	-0.9%	106	+2.8%	75	+7.2%	75	+7.3%
FY22/6 H1	527	–	103	+3.9%	70	+18.4%	70	+18.6%
FY22/6	1,083	+0.9%	276	+7.1%	212	+18.8%	211	+18.9%

	Net Income per Share (JPY)
FY23/6 H1	730
FY22/6 H1	681
FY22/6	2,052

Note:

Funds from Operations (FFO) per Share

FY23/6 H1 FFO per Share JPY 3,828

FY22/6 H1 FFO per Share JPY 3,783

FY22/6 FFO per Share JPY 8,251

FFO per Share is calculated per the following:

FFO per Share = (Net Income + Depreciation + Amortization of Expenses Related to the Establishment of Ichigo Green + Amortization of Share Issuance Expenses + Amortization of Start-up Expenses + Loss on Disposal of Fixed Assets + Liability for Asset Retirement Obligation ± Losses/Gains on Sales ± Extraordinary Losses/Profits) / Total Shares Outstanding

(2) Assets and Equity

	Total Assets (JPY million)	Net Assets (JPY million)	Shareholder Equity Ratio	Net Assets per Share (JPY)
FY23/6 H1	8,991	3,771	41.9%	36,632
FY22/6 H1	9,653	3,992	41.4%	38,777
FY22/6	9,636	4,134	42.9%	40,149

(3) 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 End of the Period (JPY million)
FY23/6 H1	502	-8	-696	827
FY22/6 H1	495	-3	-656	855
FY22/6	856	-3	-840	1,031

2. FY23/6 Forecast (July 1, 2022 to June 30, 2023)

(JPY million; year-on-year change)

	Operating Revenue	Change	Operating Profit	Change	Recurring Profit	Change	Net Income	Change
FY23/6	1,065	-1.6%	260	-5.7%	198	-6.7%	197	-6.7%

	Dividend per Share (excluding DEE) (JPY)	DEE per Share (JPY)	Dividend per Share (JPY)
FY23/6	1,895	2,200	4,095

DEE = Dividend in Excess of Earnings

Forecast FY23/6 Net Income per Share is JPY 1,914.

3. Other

(1) Changes in Accounting Policies, Changes in Accounting Estimates, and Retrospective Restatements

(i) Changes Accompanying Amendments to Accounting Standards	None
(ii) Changes Not Listed in (i)	None
(iii) Changes in Accounting Estimates	None
(iv) Retrospective Restatements	None

(2) Number of Shares Issued and Outstanding

- (i) The number of shares outstanding was 102,966 shares at the end of FY22/6 H1, FY22/6, and FY23/6 H1.
- (ii) There were no treasury shares at the end of FY22/6 H1, FY22/6, and FY23/6 H1.

Reference: Earnings and Dividend Forecast (FY24/6 through FY26/6)

(JPY million)

	Operating Revenue	Operating Profit	Recurring Profit	Net Income	Dividend per Share (excluding DEE) (JPY)	DEE per Share (JPY)	Dividend per Share (JPY)
FY24/6	1,059	253	194	193	1,860	2,205	4,065
FY25/6	1,052	251	196	195	1,875	2,010	3,885
FY26/6	1,046	230	179	178	1,715	1,825	3,540

DEE = Dividend in Excess of Earnings

Note:

Ichigo Green has a one-year fiscal period running from July to June. Because there is no regulatory framework in Japan for Investment Corporations to pay dividends except at fiscal period-end, Ichigo Green therefore pays its dividend once a year. The annual dividend results both in lower administrative costs and a dividend that is not impacted by seasonal changes in solar power generation (as a semi-annual dividend would be).

Completion Status of Auditing Procedures

This document is not subject to the auditing requirements set forth in the Financial Instruments and Exchange Law of Japan. The auditing procedures in accordance with those requirements have thus not been completed as of the date of the publication of this document.

Appropriate Use of Earnings Forecasts and Other Matters of Special Note

The forecasts presented above are current figures based on certain preconditions. Accordingly, the actual operating results may vary due to changes in circumstances, and these forecasts should not be construed as a guarantee of such results.

For details on the preconditions of the FY23/6 earnings forecast, please refer to the “Preconditions for the FY23/6 Earnings Forecast” on pages 5 and 6. For details of the preconditions of the FY24/6 through FY26/6 Full-Year earnings forecast, please refer to the November 28, 2017 release “Stock Split.”

This English version is a translation of the original Japanese report and is provided solely for informational purposes. Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.

FY23/6 Earnings Forecast

FY23/6 (July 1, 2022 to June 30, 2023)

Operating Revenue	JPY 1,065 million
Operating Profit	JPY 260 million
Recurring Profit	JPY 198 million
Net Income	JPY 197 million
Dividend per Share (excluding DEE)	JPY 1,895
DEE per Share	JPY 2,200
Dividend per Share (including DEE)	JPY 4,095

DEE = Dividend in Excess of Earnings

For details on the forecast preconditions, please refer to the “Preconditions for the FY23/6 Full-Year Earnings Forecast” on pages 5 and 6.

Preconditions for the FY23/6 Full-Year Earnings Forecast

	Preconditions
Period	FY23/6 Full-Year: July 1, 2022 – June 30, 2023 (365 days)
Number of Shares	<ul style="list-style-type: none"> • 102,966 shares issued and outstanding as of today, with no additional new share issuance through FY23/6
Number of Power Plants	<ul style="list-style-type: none"> • 15 power plants
Operating Revenue	<ul style="list-style-type: none"> • Power production revenue is based on the annual P50 power production forecast of operating power plants. • Specifically, power production revenue is calculated by adding base revenue (electricity sales revenue based on the annual P85 production forecast minus forecast operating expenses) to actual power generation revenue (electricity sales revenue based on actual power generation minus base revenue, forecast operating expenses, and actual additional operating expenses), and assumes that no EPCO purchaser of Ichigo Green’s power production will seek to suspend purchases without compensation to Ichigo Green. • Forecast power generation is a third-party, 50% probability mean annual production forecast (P50 forecast) that serves as the base forecast for each solar power plant’s operating plan. The P85 annual production is a third-party, 85% probability mean annual production forecast. P85-based electricity sales revenue is the assumed electricity sales revenue calculated by multiplying the annual P85 production forecast by the FIT (Feed-In Tariff) for each plant. • Forecast operating expenses are the total of renewable energy plant operation and maintenance expenses (including fees paid to maintenance service providers and repair costs), operator fees, rent paid, insurance premiums, management costs (including administration and tax fees), property, city planning, and consumption taxes, and other expenses related to the power generation business, renewable energy plants, and site leases. • Maintenance expenses are as estimated by Ichigo Investment Advisors, the asset management company of Ichigo Green, based on third party reports. However, actual expenses for the period could differ significantly from these forecast amounts for reasons including the variability of maintenance and repair expenses, one-time costs due to unexpected maintenance needs, etc. • Actual production is calculated by multiplying the annual P50 production forecast by the FIT for each plant. The annual P50 production is a third-party, 50% probability mean annual production forecast that serves as the base forecast for each solar power plant’s operating plan. • Operating Revenue is based on the power production revenue of the power plants, and does not assume the sale of any power plants. • Operating Revenue assumes that Ichigo Green fully receives its contractual power production revenue.

Operating Expenses	<ul style="list-style-type: none"> • Per the above, power plant operation and management expenses are deducted from power production revenue, and therefore are not part of Ichigo Green’s operating expenses. • Property and city planning taxes and other operating expenses, excluding depreciation, are calculated based on historical data and information provided by the previous power plant owner(s), adjusted for anticipated expense variations. • Owners of renewable energy plants are generally charged a 1.4% property (depreciable asset tax) tax rate on the assessment value of their plants. The total amount of property tax is forecast to be JPY 65 million for FY23/6. • Depreciation (including incidental costs) is calculated based on acquisition price using the straight-line method and is forecast to be JPY 641 million for FY23/6.
Non-Operating Expenses	<ul style="list-style-type: none"> • Interest expenses and other borrowing-related expenses of JPY 61 million for FY23/6 are anticipated.
Loans	<ul style="list-style-type: none"> • Ichigo Green assumes outstanding debt of JPY 4.990 billion as of the end of FY23/6. • Loan-to-Value (LTV) is anticipated to be 55.6% as of the end of FY23/6. • LTV is calculated using the following formula: $LTV = \text{Total interest-bearing debt} / \text{total assets}$
Dividend (excluding DEE)	<ul style="list-style-type: none"> • The dividend forecast assumes that dividends will comply with the dividend policy stipulated in Ichigo Green’s Articles of Incorporation. • The dividend is subject to change due to factors such as power plant operator turnover, changes in power production revenue, and unexpected maintenance and repair costs and other expenses.
DEE (Dividend in Excess of Earnings) per Share	<ul style="list-style-type: none"> • Ichigo Green sets its DEE based on its Articles of Incorporation and dividend policy set forth in Ichigo Investment Advisors’ internal Operating Guidelines. • Ichigo Green’s policy is to pay a cash DEE equivalent to c. 40% of annual depreciation expenses, except when the dividend would adversely affect Ichigo Green’s financial standing. The policy is based upon a) such dividend not affecting Ichigo Green’s long-term maintenance policy, taking into consideration planned capital expenditure for each fiscal year, and b) a certain amount of retained cash is necessary to cover items such as acquisition of new power plants, maintenance of existing power plants, working capital needs, and loan repayments. • Ichigo Green expects to pay a DEE equivalent to 35.3% of annual depreciation expense for FY23/6. The Total DEE and DEE per Share is expected to be JPY 226 million and JPY 2,200, respectively.
Other	<ul style="list-style-type: none"> • This forecast assumes that there are no material revisions to laws and regulations, the tax rules, accounting standards, listing rules of the Tokyo Stock Exchange, and rules of the Investment Trusts Association, Japan, and no material changes in the state of the economy and real estate market conditions.

Financial Statements

(1) Balance Sheet

(JPY thousand)

	FY22/6 (as of June 30, 2022)	FY23/6 H1 (as of Dec 31, 2022)
Assets		
Current Assets		
Cash and deposits	1,031,094	827,937
Operating accounts receivable	248,624	148,148
Prepaid expenses	44,967	17,594
Total Current Assets	1,324,685	993,680
Fixed Assets		
Property, Plant, and Equipment		
Solar power plant equipment	11,547,372	11,560,070
Depreciation	-3,510,047	-3,829,053
Solar power plant equipment (net)	8,037,325	7,731,016
Land	208,820	208,820
Total Property, Plant, and Equipment	8,246,145	7,939,837
Investments and Other Assets		
Tenant leasehold and security deposits	10,000	10,000
Long-term prepaid expenses	56,126	48,071
Deferred tax assets	13	12
Total Investments and Other Assets	66,140	58,083
Total Fixed Assets	8,312,286	7,997,921
Total Assets	9,636,972	8,991,601

(JPY thousand)

	FY22/6 (as of June 30, 2022)	FY23/6 H1 (as of Dec 31, 2022)
Liabilities		
Current Liabilities		
Operating accounts payable	4,919	4,774
Long-term loans (due within one year)	447,455	445,765
Accounts payable	40,061	21,945
Accrued expenses	114	218
Income taxes payable	759	723
Accrued consumption taxes	17,095	11,978
Other	1,875	2,087
Total Current Liabilities	512,280	487,491
Long-Term Liabilities		
Long-term loans	4,990,646	4,732,233
Total Long-Term Liabilities	4,990,646	4,732,233
Total Liabilities	5,502,927	5,219,724
Net Assets		
Shareholders' Equity		
Paid-in capital	4,954,368	4,954,368
Deduction from paid-in capital (DEE payment)	-1,031,719	-1,257,729
Paid-in capital (net)	3,922,648	3,696,638
Surplus		
Unappropriated retained earnings	211,395	75,238
Total Surplus	211,395	75,238
Total Shareholders' Equity	4,134,044	3,771,876
Total Net Assets	4,134,044	3,771,876
Total Liabilities and Net Assets	9,636,972	8,991,601

(2) Income Statement

(JPY thousand)

	FY22/6 H1 (July 1, 2021 to Dec 31, 2021)	FY23/6 H1 (July 1, 2022 to Dec 31, 2022)
Operating Revenue		
Solar power plant revenue	527,271	522,748
Total Operating Revenue	527,271	522,748
Operating Expenses		
Solar power plant expenses	359,624	354,099
Asset management fee	21,152	22,023
Custodian fee	1,761	1,761
Other administrative expenses	3,310	3,198
Directors' compensation	4,210	4,200
Other	33,844	31,178
Total Operating Expenses	423,903	416,461
Operating Profit	103,368	106,287
Non-Operating Income		
Interest income	5	5
Reversal of distribution payable	624	331
Total Non-Operating Income	630	336
Non-Operating Expenses		
Interest expenses	22,811	21,111
Borrowing-related expenses	9,554	9,554
Amortization of expenses related to the establishment of Ichigo Green	595	–
Other	208	–
Total Non-Operating Expenses	33,170	30,666
Recurring Profit	70,828	75,957
Pre-Tax Income	70,828	75,957
Income Taxes – Current	699	723
Income Taxes – Deferred	-1	1
Total Income Taxes	698	725
Net Income	70,129	75,232
Retained Earnings Brought Forward	35	6
Unappropriated Retained Earnings	70,165	75,238

(3) Statement of Shareholders' Equity

FY22/6 H1 (July 1, 2021 to December 31, 2021)

(JPY thousand)

	Shareholders' Equity				
	Paid-In Capital			Surplus	
	Paid-In Capital	Deduction from Paid-In Capital	Paid-In Capital (net)	Unappropriated Retained Earnings	Total Surplus
Balance as of July 1, 2021	4,954,368	-805,708	4,148,659	177,857	177,857
Changes during the Period					
DEE		-226,010	-226,010		—
Dividend			—	-177,822	-177,822
Net Income			—	70,129	70,129
Total Changes	—	-226,010	-226,010	-107,692	-107,692
Balance as of December 31, 2021	4,954,368	-1,031,719	3,922,648	70,165	70,165

	Shareholders' Equity	Total Net Assets
	Total	
Balance as of July 1, 2021	4,326,516	4,326,516
Changes during the Period		
DEE	-226,010	-226,010
Dividend	-177,822	-177,822
Net Income	70,129	70,129
Total Changes	-333,702	-333,702
Balance as of December 31, 2021	3,992,814	3,992,814

DEE = Dividend in Excess of Earnings

FY23/6 H1 (July 1, 2022 to December 31, 2022)

(JPY thousand)

	Shareholders' Equity				
	Paid-In Capital			Surplus	
	Paid-In Capital	Deduction from Paid-In Capital	Paid-In Capital (net)	Unappropriated Retained Earnings	Total Surplus
Balance as of July 1, 2022	4,954,368	-1,031,719	3,922,648	211,395	211,395
Changes during the Period					
DEE		-226,010	-226,010		–
Dividend			–	-211,389	-211,389
Net Income			–	75,232	75,232
Total Changes	–	-226,010	-226,010	-136,157	-136,157
Balance as of December 31, 2022	4,954,368	-1,257,729	3,696,638	75,238	75,238

	Shareholders' Equity	Total Net Assets
	Total	
Balance as of July 1, 2022	4,134,044	4,134,044
Changes during the Period		
DEE	-226,010	-226,010
Dividend	-211,389	-211,389
Net Income	75,232	75,232
Total Changes	-362,167	-362,167
Balance as of December 31, 2022	3,771,876	3,771,876

DEE = Dividend in Excess of Earnings

(4) Cash Flow Statement

	(JPY thousand)	
	FY22/6 H1 (July 1, 2021 to Dec 31, 2021)	FY23/6 H1 (July 1, 2022 to Dec 31, 2022)
Cash Flows from Operations:		
Pre-tax income	70,828	75,957
Depreciation	318,673	319,006
Amortization of expenses related to the establishment of Ichigo Green	595	-
Interest income	-5	-5
Interest expense	22,811	21,111
Decrease (increase) in operating accounts receivable	96,686	100,475
Decrease (increase) in prepaid expenses	32,030	27,372
Decrease (increase) in long-term prepaid expenses	8,054	8,054
Increase (decrease) in accrued consumption taxes	-6,810	-5,117
Increase (decrease) in operating accounts payable	-5,823	-4,485
Increase (decrease) in accounts payable	-18,010	-18,116
Other	-416	-331
Sub-total	518,616	523,922
Interest income received	5	5
Interest expense paid	-22,697	-21,007
Income taxes paid	-706	-760
Net Cash from (Used for) Operations	495,217	502,160
Cash Flows from Investments:		
Acquisition of property, plant, and equipment	-3,041	-8,358
Net Cash from (Used for) Investments	-3,041	-8,358
Cash Flows from Financing:		
Repayment of long-term loans	-253,138	-260,103
Dividends paid	-177,442	-211,126
Dividend in Excess of Earnings (DEE) paid	-225,527	-225,729
Net Cash from (Used for) Financing	-656,108	-696,959
Net Increase (Decrease) in Cash and Cash Equivalents	-163,932	-203,157
Cash and Cash Equivalents at Beginning of Period	1,019,227	1,031,094
Cash and Cash Equivalents at End of Period	855,295	827,937

Notes to Balance Sheet

Minimum Net Assets Stipulated in the Investment Trust and Investment Corporation Law

(JPY thousand)

FY22/6 (as of June 30, 2022)	FY23/6 H1 (as of December 31, 2022)
50,000	50,000

Notes to Income Statement

Details of Solar Power Plant Revenue

(JPY thousand)

	FY22/6 H1 (July 1, 2021 to Dec 31, 2021)	FY23/6 H1 (July 1, 2022 to Dec 31, 2022)
A. Revenue		
Base Revenue	477,806	472,233
Additional Revenue (>P85 Forecast)	49,465	50,514
Total	527,271	522,748
B. Expenses		
Property and City Planning Taxes	40,950	35,092
Depreciation Expense	318,673	319,006
Total	359,624	354,099
C. Power Production Income (A) – (B)	167,647	168,649

Depreciation

(JPY thousand)

	FY22/6 H1 (July 1, 2021 to Dec 31, 2021)	FY23/6 H1 (July 1, 2022 to Dec 31, 2022)
Property, Plant, and Equipment Depreciation Amount	318,673	319,006

Notes to Statement of Shareholders' Equity

	FY22/6 H1 (July 1, 2021 to Dec 31, 2021)	FY23/6 H1 (July 1, 2022 to Dec 31, 2022)
Number of Authorized Shares	10,000,000	10,000,000
Number of Shares Outstanding	102,966	102,966

Notes to Cash Flow Statement

Relationship between Cash and Cash Equivalents at End of the Fiscal Period and Items Shown on the Balance Sheet

(JPY thousand)

	FY22/6 H1 (July 1, 2021 to Dec 31, 2021)	FY23/6 H1 (July 1, 2022 to Dec 31, 2022)
Cash and Deposits	855,295	827,937
Cash and Cash Equivalents	855,295	827,937

Notes to Derivatives Transactions

1. Non-Hedge Accounting

N/A

2. Hedge Accounting

Previous Period (FY22/6)

(JPY thousand)

Accounting Method	Transaction Type	Hedging Target	Contract Amount		Market Value	Method of Marking to Market
			Total	>1 year		
Special Treatment of Interest Rate Swap method	Interest rate swap (pay fixed, receive floating)	Long-term loan	5,439,025	4,991,494	Note	–

Note: Swaps accounted under the Special Treatment of Interest Swap method are processed together with the hedging target (in this case, a long-term loan), and therefore their market values are included in the balance sheet as part of Long-Term Loans.

Current Period (FY23/6 H1)

(JPY thousand)

Accounting Method	Transaction Type	Hedging Target	Contract Amount		Market Value	Method of Marking to Market
			Total	>1 year		
Special Treatment of Interest Rate Swap method	Interest rate swap (pay fixed, receive floating)	Long-term loan	5,177,998	4,732,233	Note	–

Note: Swaps accounted under the Special Treatment of Interest Swap method are processed together with the hedging target (in this case, a long-term loan), and therefore their market values are included in the balance sheet as part of Long-Term Loans.

Notes to Solar Power Plant Equipment Book Value, Depreciation, & Appraisal Value

(JPY thousand)

	FY22/6 (July 1, 2021 to June 30, 2022)	FY23/6 H1 (July 1, 2022 to Dec 31, 2022)
Book Value		
Balance as of Beginning of Period	8,880,756	8,246,145
Change during the Period	-634,611	-306,308
Balance as of End of Period	8,246,145	7,939,837
Period-End Appraisal Value	9,537,500	9,537,500

¹ Book and Appraisal Values are the total of the solar power plants and the underlying land.

² Book Value is calculated by deducting the cumulative depreciation from the acquisition price.

³ Change during the Period is primarily depreciation expense for FY22/6 and FY23/6 H1.

⁴ Appraisal Value is a median calculated pursuant to Ichigo Green's Articles of Incorporation (Article 35, Clause 2, Item 1) and using land and power plant appraisal values as of June 30, 2022 provided by PwC Sustainability LLC. The calculation was made using the appraisal value as of June 30, 2022 because there has been no material change to key indicators that would suggest a change in appraisal value.

Per Share Information

(JPY)

	FY22/6 (July 1, 2021 to June 30, 2022)	FY23/6 H1 (July 1, 2022 to Dec 31, 2022)
Net Assets per Share	40,149	36,632

Details for Calculation of Net Income per Share

	FY22/6 H1 (July 1, 2021 to Dec 31, 2021)	FY23/6 H1 (July 1, 2022 to Dec 31, 2022)
Net Income per Share (JPY)	681	730
Net Income (JPY thousand)	70,129	75,232
Net Income not attributable to common shareholders (JPY thousand)	–	–
Net Income attributable to common shareholders (JPY thousand)	70,129	75,232
Average number of shares in the fiscal period	102,966	102,966

New Share Issuance

Date	Method	Total Number of Shares		Issue Amount ¹ (JPY million)	
		Issued	Outstanding	Increase	Total
January 1, 2018	Stock Split ²	51,483	102,966	–	4,823
September 20, 2018	DEE Payment (Return of Capital) ³	–	102,966	-224	4,599
September 19, 2019	DEE Payment (Return of Capital) ⁴	–	102,966	-224	4,374
September 18, 2020	DEE Payment (Return of Capital) ⁵	–	102,966	-225	4,148
September 21, 2021	DEE Payment (Return of Capital) ⁶	–	102,966	-226	3,922
September 21, 2022	DEE Payment (Return of Capital) ⁷	–	102,966	-226	3,696

DEE = Dividend in Excess of Earnings

¹ The DEE payment has been subtracted from Issue Amount, because it is treated as a return of capital.

² Ichigo Green executed a two-for-one stock split on January 1, 2018 (record date: December 31, 2017).

³ Ichigo Green resolved at its August 10, 2018 board meeting that it will pay a DEE of JPY 2,180 per share for FY18/6. The DEE is paid from Ichigo Green's solar power production revenue, which Ichigo Green receives in cash. (This revenue is not treated as income under Japanese tax rules, because it is offset by non-cash depreciation expenses.) The Dividend & DEE payment date was September 20, 2018.

- ⁴ Ichigo Green resolved at its August 9, 2019 board meeting that it will pay a DEE of JPY 2,185 per share for FY19/6. The DEE is paid from Ichigo Green's solar power production revenue, which Ichigo Green receives in cash. (This revenue is not treated as income under Japanese tax rules, because it is offset by non-cash depreciation expenses.) The Dividend & DEE payment date was September 19, 2019.
- ⁵ Ichigo Green resolved at its August 11, 2020 board meeting that it will pay a DEE of JPY 2,190 per share for FY20/6. The DEE is paid from Ichigo Green's solar power production revenue, which Ichigo Green receives in cash. (This revenue is not treated as income under Japanese tax rules, because it is offset by non-cash depreciation expenses.) The Dividend & DEE payment date was September 18, 2020.
- ⁶ Ichigo Green resolved at its August 13, 2021 board meeting that it will pay a DEE of JPY 2,195 per share for FY21/6. The DEE is paid from Ichigo Green's solar power production revenue, which Ichigo Green receives in cash. (This revenue is not treated as income under Japanese tax rules, because it is offset by non-cash depreciation expenses.) The Dividend & DEE payment date was September 21, 2021.
- ⁷ Ichigo Green resolved at its August 10, 2022 board meeting that it will pay a DEE of JPY 2,195 per share for FY22/6. The DEE is paid from Ichigo Green's solar power production revenue, which Ichigo Green receives in cash. (This revenue is not treated as income under Japanese tax rules, because it is offset by non-cash depreciation expenses.) The Dividend & DEE payment date was September 21, 2022.

Solar Power Plant Information

Portfolio Composition

Asset Type	Region	FY22/6 (as of June 30, 2022)		FY23/6 H1 (as of December 31, 2022)	
		Book Value (JPY million)	% of Total	Book Value (JPY million)	% of Total
Solar Power Plant	Hokkaido	2,443	25.4	2,346	26.1
	Kanto	335	3.5	320	3.6
	Chubu	377	3.9	367	4.1
	Chugoku	1,129	11.7	1,092	12.1
	Shikoku	1,170	12.1	1,133	12.6
	Kyushu	374	3.9	359	4.0
	Okinawa	2,415	25.1	2,320	25.8
Sub-total		8,246	85.6	7,939	88.3
Deposits & Other Assets		1,390	14.4	1,051	11.7
Total Assets		9,636	100	8,991	100

<u>Region</u>	<u>Prefectures</u>
Hokkaido	Hokkaido
Kanto	Ibaraki, Tochigi, Gunma, Saitama, Chiba, Tokyo, Kanagawa
Chubu	Niigata, Toyama, Ishikawa, Fukui, Yamanashi, Nagano, Gifu, Shizuoka, Aichi
Chugoku	Tottori, Shimane, Okayama, Hiroshima, Yamaguchi
Shikoku	Tokushima, Kagawa, Ehime, Kochi
Kyushu	Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki, Kagoshima
Okinawa	Okinawa

Solar Power Plant Details

(as of December 31, 2022)

No.	Solar Power Plant	Location	Total Area (m ²)	FIT (JPY)	Certification Date	FIT Period
E-01	Ichigo Kiryu Okuzawa	Gunma	27,588.00	40	Feb 14, 2013	Sep 29, 2033
E-02	Ichigo Motomombetsu	Hokkaido	48,946.89	40	Jul 4, 2012	Feb 2, 2034
E-03	Ichigo Muroan Hatchodaira	Hokkaido	35,801.00	40	Feb 15, 2013	Mar 2, 2034
E-04	Ichigo Engaru Kiyokawa	Hokkaido	27,164.16	40	Mar 4, 2013	Mar 3, 2034
E-05	Ichigo Iyo Nakayamacho Izubuchi	Shikoku	26,260.77	40	Jul 11, 2012	Apr 1, 2034
E-06	Ichigo Nakashibetsu Midorigaoka	Hokkaido	54,870.00	40	Feb 19, 2013	Nov 3, 2034
E-07	Ichigo Abira Toasa	Hokkaido	29,730.72	40	Jul 4, 2012	Dec 1, 2034
E-08	Ichigo Toyokoro	Hokkaido	29,004.00	40	Feb 22, 2013	Dec 3, 2034
E-09	Ichigo Nago Futami	Okinawa	146,217.00	40	Mar 15, 2013	Feb 1, 2035
E-10	Ichigo Engaru Higashimachi	Hokkaido	46,329.00	40	Feb 15, 2013	Feb 2, 2035
E-11	Ichigo Takamatsu Kokubunjicho Nii	Shikoku	79,340.00	36	Feb 20, 2014	Jun 1, 2035
E-12	Ichigo Miyakonojo Yasuhisacho	Kyushu	94,165.00	36	Feb 14, 2014	Jul 7, 2035
E-13	Ichigo Toyokawa Mitocho Sawakihama	Chubu	19,393.00	32	Feb 13, 2015	Sep 15, 2035
E-14	Ichigo Yamaguchi Aionishi	Chugoku	19,815.38	40	Mar 12, 2013	Dec 6, 2035
E-15	Ichigo Yamaguchi Sayama	Chugoku	43,621.00	36	Mar 17, 2014	Apr 5, 2036

Acquisition Price, Appraisal Value, and Book Value of Solar Power Plants

(as of December 31, 2022)

No.	Solar Power Plant	Solar Energy Producer	Power Purchaser	Acquisition Price (JPY million)	Appraisal Value (JPY million)	Appraisal Value Breakdown (JPY million) Top: Power Plant Bottom: Real Estate	Book Value (JPY million)
E-01	Ichigo Kiryu Okuzawa	Ichigo ECO Kiryu Okuzawa Power Plant GK	TEPCO Energy Partner	489	394	394	320
						–	–
E-02	Ichigo Motomombetsu	Ichigo ECO Motomombetsu Power Plant GK	Hokkaido Electric	495	402	402	331
						–	–
E-03	Ichigo Muroran Hatchodaira	Ichigo ECO Muroran Hatchodaira Power Plant GK	Hokkaido Electric	467	379	379	313
						–	–
E-04	Ichigo Engaru Kiyokawa	Ichigo Engaru Kiyokawa ECO Power Plant GK	Hokkaido Electric	398	314	314	265
						–	–
E-05	Ichigo Iyo Nakayamacho Izubuchi	Ichigo ECO Iyo Nakayamacho Izubuchi Power Plant GK	Shikoku Electric	471	383	383	316
						–	–
E-06	Ichigo Nakashibetsu Midorigaoka	Ichigo Nakashibetsu Midorigaoka ECO Power Plant GK	Hokkaido Electric	770	628	628	521
						–	–
E-07	Ichigo Abira Toasa	Ichigo Abira Toasa ECO Power Plant GK	Hokkaido Electric	441	363	363	300
						–	–
E-08	Ichigo Toyokoro	Ichigo Toyokoro ECO Power Plant GK	Hokkaido Electric	434	359	359	295
						–	–

No.	Solar Power Plant	Solar Energy Producer	Power Purchaser	Acquisition Price (JPY million)	Appraisal Value (JPY million)	Appraisal Value Breakdown (JPY million) Top: Power Plant Bottom: Real Estate	Book Value (JPY million)
E-09	Ichigo Nago Futami	Ichigo ECO Nago Futami Power Plant GK	Okinawa Electric	3,425	2,917	2,917	2,320
						–	–
E-10	Ichigo Engaru Higashimachi	Ichigo Engaru Higashimachi ECO Power Plant GK	Hokkaido Electric	464	375	375	318
						–	–
E-11	Ichigo Takamatsu Kokubunjicho Nii	Ichigo ECO Energy	Shikoku Electric	1,124	915	814	683
						101	133
E-12	Ichigo Miyakonojo Yasuhisacho	Ichigo Miyakonojo Yasuhisacho ECO Power Plant GK	Kyushu Electric	517	428	428	359
						–	–
E-13	Ichigo Toyokawa Mitocho Sawakihama	Ichigo Toyokawa Mitocho Sawakihama ECO Power Plant GK	Chubu Electric Power Miraiz	523	409	409	367
						–	–
E-14	Ichigo Yamaguchi Aionishi	Ichigo Yamaguchi Aionishi ECO Power Plant GK	Chugoku Electric	544	469	398	342
						70	75
E-15	Ichigo Yamaguchi Sayama	Ichigo Yamaguchi Sayama ECO Power Plant GK	Chugoku Electric	925	798	798	674
						–	–
Total				11,487	9,537	9,365	7,731
						171	208

- ¹ Appraisal Value is a median calculated pursuant to Ichigo Green's Articles of Incorporation (Article 35, Clause 2, Item 1) and using land and power plant appraisal values as of June 30, 2022 provided by PwC Sustainability LLC. The calculation was made using the appraisal value as of June 30, 2022 because there has been no material change to key indicators that would suggest a change in appraisal value.
- ² The top row of the Appraisal Value Breakdown column shows the Plant Appraisal Value, calculated as the difference between the Appraisal Value described in footnote 1 above and the corresponding Real Estate Appraisal Value in reports produced by Daiwa Real Estate Appraisal. Values in the bottom row show the Real Estate appraisal value by Daiwa Real Estate Appraisal.
- ³ The top row of the Book Value column shows the book value of the solar power plant and the bottom row shows that of the underlying land as of December 31, 2022.

Earnings by Solar Power Plant

(JPY thousand)

No.		E-01	E-02	E-03	E-04
Solar Power Plant	Total Portfolio	Ichigo Kiryu Okuzawa	Ichigo Motomom-betsu	Ichigo Muroran Hatchodaira	Ichigo Engaru Kiyokawa
(1) Revenue	522,748	20,069	23,649	20,192	19,376
Base Revenue	472,233	19,408	19,466	18,094	15,123
Additional Revenue (>P85 Forecast)	50,514	660	4,183	2,097	4,252
(2) Expenses	35,092	1,384	1,409	1,329	1,133
Fixed Asset Tax	502	–	–	–	–
Depreciable Asset Tax	34,590	1,384	1,409	1,329	1,133
Other	–	–	–	–	–
(3) NOI	487,655	18,685	22,240	18,863	18,242
(4) Depreciation Expense	319,006	14,897	14,794	13,904	11,809
(5) Net Income	168,649	3,787	7,445	4,958	6,433

No.	E-05	E-06	E-07	E-08	E-09
Solar Power Plant	Ichigo Iyo Nakayama-cho Izubuchi	Ichigo Nakashibetsu Midorigaoka	Ichigo Abira Toasa	Ichigo Toyokoro	Ichigo Nago Futami
(1) Revenue	20,691	32,707	20,006	16,861	162,397
Base Revenue	19,819	27,711	15,708	15,739	162,397
Additional Revenue (>P85 Forecast)	872	4,995	4,298	1,121	–
(2) Expenses	1,324	2,342	1,330	1,313	10,421
Fixed Asset Tax	–	–	–	–	–
Depreciable Asset Tax	1,324	2,342	1,330	1,313	10,421
Other	–	–	–	–	–
(3) NOI	19,366	30,364	18,675	15,547	151,976
(4) Depreciation Expense	13,940	21,882	12,524	12,326	95,379
(5) Net Income	5,426	8,481	6,151	3,221	56,596

(JPY thousand)

No.	E-10	E-11	E-12	E-13	E-14
Solar Power Plant	Ichigo Engaru Higashimachi	Ichigo Takamatsu Kokubunjicho Nii	Ichigo Miyakonojo Yasuhisacho	Ichigo Toyokawa Mitocho Sawakihama	Ichigo Yamaguchi Aionishi
(1) Revenue	20,633	48,358	23,505	21,764	24,099
Base Revenue	17,197	42,492	21,719	18,295	21,171
Additional Revenue (>P85 Forecast)	3,436	5,866	1,785	3,469	2,928
(2) Expenses	1,411	3,171	1,556	1,667	1,979
Fixed Asset Tax	–	204	–	–	297
Depreciable Asset Tax	1,411	2,966	1,556	1,667	1,681
Other	–	–	–	–	–
(3) NOI	19,222	45,187	21,948	20,097	22,120
(4) Depreciation Expense	13,079	27,262	14,279	14,346	13,159
(5) Net Income	6,143	17,924	7,669	5,750	8,961

No.	E-15
Solar Power Plant	Ichigo Yamaguchi Sayama
(1) Revenue	48,434
Base Revenue	37,888
Additional Revenue (>P85 Forecast)	10,546
(2) Expenses	3,317
Fixed Asset Tax	–
Depreciable Asset Tax	3,317
Other	–
(3) NOI	45,117
(4) Depreciation Expense	25,419
(5) Net Income	19,697

Major Capital Expenditures

a. Major Planned Capital Expenditures (as of December 31, 2022)

Solar Power Plant	Location	Purpose	Timing	Total Expenditures (JPY thousand)	Amount Planned (JPY thousand)	Amount Already Paid (JPY thousand)
Ichigo Toyokawa Mitocho Sawakihama	Toyokawa City, Aichi	Install power conditioning unit and construction work for renewable energy output control	Apr - May 2023	4,690	—	—

b. Major Capital Expenditures during the Current Fiscal Period (FY23/6 H1)

During FY23/6 H1, capital expenditures totaled JPY 12,698 thousand. Major capital expenditures are shown below.

Solar Power Plant	Location	Purpose	Timing	Total Expenditures (JPY thousand)
Ichigo Motomombetsu	Mombetsu City, Hokkaido	Install HVAC for power conditioning subsystem	Aug 2022	1,900
Ichigo Muroran Hatchodaira	Muroran City, Hokkaido	Install HVAC for power conditioning subsystem	Aug 2022	1,850
Ichigo Toyokawa Mitocho Sawakihama	Toyokawa City, Aichi	Upgrade outdoor HVAC unit for power conditioning subsystem	Aug 2022	4,400
Ichigo Iyo Nakayama-cho Izubuchi	Iyo City, Ehime	Install remotely controlled power conditioning subsystem	Dec 2022	1,490
Ichigo Takamatsu Kokubunjicho Nii	Takamatsu City, Kagawa	Install remotely controlled power conditioning subsystem	Dec 2022	1,990