



**Make The World
More Sustainable**

[Provisional Translation Only]

This English translation of the original Japanese document is provided solely for information purposes.

Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.

January 25, 2022

Issuer

Ichigo Hotel REIT Investment Corporation (“Ichigo Hotel,” 3463)

1-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo

Representative: Osamu Miyashita, Executive Director

www.ichigo-hotel.co.jp/en

Asset Management Company

Ichigo Investment Advisors Co., Ltd.

Representative: Hiroshi Iwai, President

Inquiries: Hidehito Iwasaka, Head of Ichigo Hotel

Tel: +81-3-3502-4892

Ichigo Hotel Operating Results – December 2021

Portfolio Revenue, RevPAR, Occupancy, and ADR

Total (21 Hotels)

| | Dec 2021 (A) | (Previous) Dec 2020 (B) | Difference (A) - (B) | YOY Change | Aug 2021 – Dec 2021 (Current Period-To-Date) | | | Dec 2019 (Reference) |
|-----------------------|--------------|-------------------------|----------------------|------------|--|----------------|------------|----------------------|
| | | | | | Cumulative | YOY Difference | YOY Change | |
| Revenue (JPY million) | 419.0 | 238.3 | +180.7 | +75.8% | 1,724.3 | +473.0 | +37.8% | 606.9 |
| RevPAR (JPY) | 3,747 | 2,220 | +1,527 | +68.8% | 3,127 | +815 | +35.3% | 5,362 |
| Occupancy (%) | 73.4 | 48.5 | +24.9 | +51.4% | 64.9 | +17.4 | +36.5% | 82.1 |
| ADR (JPY) | 5,103 | 4,578 | +525 | +11.5% | 4,814 | -45 | -0.9% | 6,532 |

Variable Rent Hotels (15 Hotels)

| | Dec 2021 (A) | (Previous) Dec 2020 (B) | Difference (A) - (B) | YOY Change | Aug 2021 – Dec 2021 (Current Period-To-Date) | | | Dec 2019 (Reference) |
|-----------------------|--------------|-------------------------|----------------------|------------|--|----------------|------------|----------------------|
| | | | | | Cumulative | YOY Difference | YOY Change | |
| Revenue (JPY million) | 299.6 | 166.1 | +133.6 | +80.4% | 1,242.4 | +388.9 | +45.6% | 413.8 |
| RevPAR (JPY) | 3,721 | 2,184 | +1,537 | +70.4% | 3,136 | +932 | +42.3% | 5,967 |
| Occupancy (%) | 76.3 | 52.1 | +24.2 | +46.4% | 69.0 | +19.7 | +40.0% | 90.0 |
| ADR (JPY) | 4,879 | 4,191 | +688 | +16.4% | 4,547 | +76 | +1.7% | 6,633 |

Fixed Rent Hotels (6 Hotels)

| | Dec 2021 (A) | (Previous) Dec 2020 (B) | Difference (A) - (B) | YOY Change | Aug 2021 – Dec 2021 (Current Period-To-Date) | | | Dec 2019 (Reference) |
|-----------------------|--------------|-------------------------|----------------------|------------|--|----------------|------------|----------------------|
| | | | | | Cumulative | YOY Difference | YOY Change | |
| Revenue (JPY million) | 119.4 | 72.2 | +47.2 | +65.3% | 481.9 | +84.1 | +21.1% | 193.1 |
| RevPAR (JPY) | 3,807 | 2,299 | +1,508 | +65.6% | 3,105 | +551 | +21.6% | 5,032 |
| Occupancy (%) | 66.6 | 40.3 | +26.3 | +65.2% | 55.6 | +11.8 | +27.0% | 79.3 |
| ADR (JPY) | 5,713 | 5,699 | +14 | +0.2% | 5,590 | -247 | -4.2% | 6,348 |

Revenue, RevPAR, Occupancy, and ADR by Hotel

Variable Rent Hotels (15 Hotels)

| | Dec 2021 (A) | (Previous) Dec 2020 (B) | Difference (A) - (B) | YOY Change | Aug 2021 – Dec 2021 (Current Period-To-Date) | | | Dec 2019 (Reference) | |
|---------------------------------|-----------------------|-------------------------|----------------------|------------|--|----------------|------------|----------------------|-------|
| | | | | | Cumulative | YOY Difference | YOY Change | | |
| Nest Hotel Sapporo Ekimae | Revenue (JPY million) | 29.2 | 12.4 | +16.8 | +135.5% | 125.5 | +10.8 | +9.4% | 46.9 |
| | RevPAR (JPY) | 4,650 | 2,065 | +2,585 | +125.2% | 4,050 | +314 | +8.4% | 6,812 |
| | Occupancy (%) | 93.9 | 58.1 | +35.8 | +61.6% | 91.8 | +4.4 | +5.1% | 98.1 |
| | ADR (JPY) | 4,951 | 3,553 | +1,398 | +39.3% | 4,411 | +134 | +3.1% | 6,940 |
| Nest Hotel Sapporo Odori | Revenue (JPY million) | 20.8 | 6.5 | +14.3 | +218.9% | 83.7 | +12.7 | +17.9% | 30.8 |
| | RevPAR (JPY) | 4,603 | 1,491 | +3,111 | +208.6% | 3,710 | +390 | +11.7% | 7,342 |
| | Occupancy (%) | 87.8 | 38.9 | +48.9 | +125.8% | 82.3 | +6.2 | +8.1% | 89.6 |
| | ADR (JPY) | 5,240 | 3,834 | +1,406 | +36.7% | 4,507 | +145 | +3.3% | 8,194 |
| Smile Hotel Tokyo Asagaya | Revenue (JPY million) | 23.0 | 17.1 | +5.9 | +34.6% | 92.6 | +17.2 | +22.8% | 31.6 |
| | RevPAR (JPY) | 6,440 | 4,755 | +1,685 | +35.4% | 5,294 | +1,043 | +24.5% | 8,823 |
| | Occupancy (%) | 100 | 92.1 | +7.9 | +8.6% | 99.1 | +15.0 | +17.9% | 98.5 |
| | ADR (JPY) | 6,438 | 5,161 | +1,277 | +24.7% | 5,342 | +286 | +5.7% | 8,957 |
| HOTEL EMIT SHIBUYA | Revenue (JPY million) | 15.1 | 12.8 | +2.3 | +17.8% | 57.8 | +6.5 | +12.6% | |
| | RevPAR (JPY) | 6,759 | 5,728 | +1,031 | +18.0% | 5,245 | +594 | +12.8% | |
| | Occupancy (%) | 99.6 | 98.8 | +0.8 | +0.8% | 99.0 | +0.3 | +0.3% | |
| | ADR (JPY) | 6,789 | 5,798 | +991 | +17.1% | 5,299 | +587 | +12.5% | |
| Hotel Wing International Nagoya | Revenue (JPY million) | 19.9 | 12.4 | +7.5 | +60.4% | 70.9 | +15.6 | +28.1% | 40.7 |
| | RevPAR (JPY) | 2,651 | 1,591 | +1,059 | +66.6% | 1,876 | +426 | +29.4% | 5,359 |
| | Occupancy (%) | 59.8 | 35.6 | +24.2 | +67.9% | 45.3 | +13.3 | +41.6% | 86.6 |
| | ADR (JPY) | 4,436 | 4,471 | -35 | -0.8% | 4,143 | -390 | -8.6% | 6,191 |

| | | Dec 2021 (A) | (Previous) Dec 2020 (B) | Difference (A) - (B) | YOY Change | Aug 2021 – Dec 2021 (Current Period-To-Date) | | | Dec 2019 (Reference) |
|--|-----------------------|--------------|-------------------------|----------------------|------------|--|----------------|------------|----------------------|
| | | | | | | Cumulative | YOY Difference | YOY Change | |
| Smile Hotel Kyoto Shijo | Revenue (JPY million) | 10.6 | 6.9 | +3.6 | +52.7% | 40.3 | +5.1 | +14.4% | 27.1 |
| | RevPAR (JPY) | 2,309 | 1,509 | +800 | +53.0% | 1,776 | +223 | +14.4% | 5,597 |
| | Occupancy (%) | 60.4 | 47.8 | +12.6 | +26.3% | 53.6 | +13.6 | +34.2% | 98.4 |
| | ADR (JPY) | 3,825 | 3,158 | +667 | +21.1% | 3,316 | -574 | -14.7% | 5,690 |
| The OneFive Osaka Sakaisuji | Revenue (JPY million) | 10.8 | – | – | – | 29.7 | – | – | 15.7 |
| | RevPAR (JPY) | 2,649 | – | – | – | 1,859 | – | – | 3,904 |
| | Occupancy (%) | 97.6 | – | – | – | 78.5 | – | – | 63.8 |
| | ADR (JPY) | 2,713 | – | – | – | 2,368 | – | – | 6,115 |
| Nest Hotel Osaka Shinsaibashi | Revenue (JPY million) | 19.0 | 4.6 | +14.4 | +315.3% | 53.6 | +37.5 | +232.5% | 57.2 |
| | RevPAR (JPY) | 1,809 | 294 | +1,515 | +514.9% | 981 | +842 | +605.5% | 5,749 |
| | Occupancy (%) | 51.7 | 8.7 | +43.0 | +493.5% | 29.6 | +26.0 | +721.8% | 80.3 |
| | ADR (JPY) | 3,502 | 3,380 | +122 | +3.6% | 3,310 | -545 | -14.1% | 7,162 |
| Hotel Wing International Kobe Shin Nagata Ekimae | Revenue (JPY million) | 22.1 | 17.0 | +5.1 | +29.8% | 86.4 | +10.4 | +13.6% | 28.8 |
| | RevPAR (JPY) | 4,876 | 3,819 | +1,057 | +27.7% | 3,821 | +513 | +15.5% | 6,147 |
| | Occupancy (%) | 64.9 | 51.7 | +13.2 | +25.5% | 53.3 | +6.5 | +13.8% | 78.0 |
| | ADR (JPY) | 7,518 | 7,388 | +130 | +1.8% | 7,163 | +104 | +1.5% | 7,885 |
| Nest Hotel Matsuyama | Revenue (JPY million) | 29.4 | 18.5 | +10.8 | +58.4% | 115.7 | +2.6 | +2.3% | 46.3 |
| | RevPAR (JPY) | 3,758 | 2,661 | +1,098 | +41.3% | 3,097 | -118 | -3.7% | 4,773 |
| | Occupancy (%) | 78.5 | 57.8 | +20.7 | +35.9% | 67.4 | -0.5 | -0.7% | 85.0 |
| | ADR (JPY) | 4,788 | 4,607 | +182 | +3.9% | 4,597 | -144 | -3.0% | 5,618 |
| The OneFive Okayama | Revenue (JPY million) | 22.9 | 17.4 | +5.5 | +31.4% | 103.4 | +44.9 | +76.8% | 30.4 |
| | RevPAR (JPY) | 3,395 | 2,674 | +722 | +27.0% | 3,113 | +1,319 | +73.5% | 4,487 |
| | Occupancy (%) | 97.9 | 93.2 | +4.7 | +5.0% | 97.5 | +39.2 | +67.3% | 86.7 |
| | ADR (JPY) | 3,469 | 2,868 | +601 | +21.0% | 3,192 | +114 | +3.7% | 5,175 |
| Court Hotel Kurashiki | Revenue (JPY million) | 2.8 | 6.9 | -4.1 | -59.5% | 40.7 | -6.2 | -13.2% | 19.5 |
| | RevPAR (JPY) | 657 | 1,690 | -1,033 | -61.1% | 1,928 | -375 | -16.3% | 4,845 |
| | Occupancy (%) | 10.6 | 26.3 | -15.8 | -59.8% | 31.1 | +0.5 | +1.7% | 77.2 |
| | ADR (JPY) | 6,205 | 6,413 | -208 | -3.2% | 6,190 | -1,328 | -17.7% | 6,275 |
| Valie Hotel Hiroshima | Revenue (JPY million) | 40.3 | 5.2 | +35.1 | +672.6% | 206.0 | +176.2 | +591.3% | 14.9 |
| | RevPAR (JPY) | 7,500 | 927 | +6,573 | +709.2% | 7,500 | +6,398 | +580.5% | 2,759 |
| | Occupancy (%) | 100.2 | 23.6 | +76.4 | +324.1% | 100.0 | +75.0 | +299.3% | 68.3 |
| | ADR (JPY) | 7,500 | 3,931 | +3,569 | +90.8% | 7,500 | +3,100 | +70.4% | 4,041 |

| | | Dec 2021 (A) | (Previous) Dec 2020 (B) | Difference (A) - (B) | YOY Change | Aug 2021 – Dec 2021 (Current Period-To-Date) | | | Dec 2019 (Reference) |
|----------------------------|-----------------------|--------------|-------------------------|----------------------|------------|--|----------------|------------|----------------------|
| | | | | | | Cumulative | YOY Difference | YOY Change | |
| The OneFive Fukuoka Tenjin | Revenue (JPY million) | 12.3 | 7.8 | +4.5 | +57.7% | 44.3 | +16.4 | +58.5% | 21.9 |
| | RevPAR (JPY) | 4,746 | 2,845 | +1,901 | +66.8% | 3,359 | +1,398 | +71.3% | 8,531 |
| | Occupancy (%) | 97.7 | 86.3 | +11.4 | +13.3% | 97.4 | +40.5 | +71.1% | 93.8 |
| | ADR (JPY) | 4,856 | 3,296 | +1,559 | +47.3% | 3,448 | +4 | +0.1% | 9,095 |
| Nest Hotel Kumamoto | Revenue (JPY million) | 21.6 | 20.5 | +1.1 | +5.4% | 91.7 | +9.7 | +11.9% | 32.4 |
| | RevPAR (JPY) | 3,174 | 3,020 | +154 | +5.1% | 2,713 | +318 | +13.3% | 4,554 |
| | Occupancy (%) | 76.2 | 80.3 | -4.1 | -5.1% | 69.7 | +7.5 | +12.1% | 80.0 |
| | ADR (JPY) | 4,167 | 3,762 | +405 | +10.8% | 3,891 | +42 | +1.1% | 5,691 |

Fixed Rent Hotels (5 Hotels – excludes Hotel Livemax Nihombashi-Hakozaki)

| | | Dec 2021 (A) | (Previous) Dec 2020 (B) | Difference (A) - (B) | YOY Change | Aug 2021 – Dec 2021 (Current Period-To-Date) | | | Dec 2019 (Reference) |
|---|-----------------------|--------------|-------------------------|----------------------|------------|--|----------------|------------|----------------------|
| | | | | | | Cumulative | YOY Difference | YOY Change | |
| Comfort Hotel Kushiro | Revenue (JPY million) | 15.5 | 8.5 | +7.0 | +82.8% | 95.8 | +15.5 | +19.3% | 13.7 |
| | RevPAR (JPY) | 3,718 | 2,018 | +1,700 | +84.2% | 4,716 | +780 | +19.8% | 3,267 |
| | Occupancy (%) | 73.5 | 48.6 | +24.8 | +51.1% | 80.3 | +6.7 | +9.1% | 74.1 |
| | ADR (JPY) | 5,062 | 4,152 | +910 | +21.9% | 5,874 | +526 | +9.8% | 4,409 |
| Comfort Hotel Hamamatsu | Revenue (JPY million) | 20.1 | 13.0 | +7.1 | +54.3% | 88.9 | +24.5 | +37.9% | 21.3 |
| | RevPAR (JPY) | 3,301 | 2,139 | +1,162 | +54.3% | 2,966 | +816 | +37.9% | 3,500 |
| | Occupancy (%) | 64.4 | 43.4 | +21.0 | +48.3% | 60.6 | +17.0 | +39.0% | 68.6 |
| | ADR (JPY) | 5,130 | 4,929 | +200 | +4.1% | 4,896 | -37 | -0.8% | 5,102 |
| Comfort Hotel Central International Airport | Revenue (JPY million) | 54.2 | 33.2 | +21.1 | +63.6% | 197.4 | +33.5 | +20.5% | 82.4 |
| | RevPAR (JPY) | 4,948 | 3,018 | +1,930 | +64.0% | 3,642 | +643 | +21.4% | 7,371 |
| | Occupancy (%) | 68.6 | 39.0 | +29.6 | +75.7% | 54.5 | +16.4 | +43.1% | 81.8 |
| | ADR (JPY) | 7,213 | 7,731 | -518 | -6.7% | 6,682 | -1,194 | -15.2% | 9,013 |
| Comfort Hotel Suzuka | Revenue (JPY million) | 12.4 | 10.5 | +2.0 | +18.7% | 49.1 | +4.0 | +8.8% | 12.4 |
| | RevPAR (JPY) | 3,802 | 3,184 | +618 | +19.4% | 3,029 | +245 | +8.8% | 3,765 |
| | Occupancy (%) | 77.2 | 58.2 | +18.9 | +32.5% | 62.6 | +8.9 | +16.5% | 74.3 |
| | ADR (JPY) | 4,927 | 5,466 | -539 | -9.9% | 4,837 | -343 | -6.6% | 5,069 |
| Urbain Hiroshima Executive | Revenue (JPY million) | 12.1 | 3.4 | +8.8 | +259.4% | 33.2 | +5.9 | +21.6% | 24.9 |
| | RevPAR (JPY) | 2,292 | 638 | +1,654 | +259.4% | 1,268 | +225 | +21.6% | 4,703 |
| | Occupancy (%) | 46.1 | 12.2 | +33.9 | +278.9% | 25.2 | +6.4 | +33.8% | 83.9 |
| | ADR (JPY) | 4,971 | 5,240 | -270 | -5.1% | 5,026 | -506 | -9.1% | 5,602 |

Notes:

1. The above data are as provided by the hotel operators or as calculated by Ichigo Investment Advisors based on information provided by the hotel operators. The data have not been audited and thus their accuracy cannot be guaranteed and may not match data disclosed in future releases.
2. Revenue is revenue from accommodations and related services only. Rent from retail tenants at The OneFive Osaka Sakaisuji, Hotel Wing International Kobe Shin Nagata Ekimae, and Smile Hotel Tokyo Asagaya, and rent from the banquet hall at the Nest Hotel Kumamoto are not included.
3. RevPAR (Revenue Per Available Room) is calculated with the following formula:

$$\text{RevPAR} = \text{Total Revenue from accommodations (excluding restaurant charges and other service fees)} / \text{number of available guest rooms.}$$
4. Occupancy is calculated with the following formula:

$$\text{Occupancy} = \text{Total number of guest rooms occupied during the period} / (\text{total number of guest rooms} * \text{number of days hotel was in operation during the period})$$

Occupancy may exceed 100% in the following cases: 1) a guest had pre-paid for a guest room but checked out early, allowing the guest room to be occupied by a different guest; or 2) a guest room is occupied for less than one day by different guests.
5. ADR (Average Daily Rate) is calculated with the following formula:

$$\text{ADR} = \text{Total revenue from accommodations (excluding restaurant charges and other service fees)} / \text{number of guest rooms occupied during the period.}$$
6. The Capsule Plus Yokohama and the Washington Hotel Plaza Shimonoseki Eki Nishi are excluded from the above data because the hotel operators did not give consent to disclose hotel-specific data that would allow for year-on-year comparisons. Data for the Hotel Livemax Nihombashi-Hakozaki are included in the total and fixed rent hotels data above, but not separately disclosed because the hotel operator did not provide consent to disclose hotel-specific data.
7. Hiroshima Prefecture has temporarily leased all rooms of the Valie Hotel Hiroshima starting on February 8, 2021.
8. Pre-acquisition data for acquired hotels are based on data received from the previous owners.
9. December 2019 Revenue, RevPAR, Occupancy, and ADR data provided as a reference is for the 20 hotels owned since December 2019, and is not available for HOTEL EMIT SHIBUYA. The OneFive Okayama was operating under the name Comfort Hotel Okayama in November 2019, and hotel data is included as a fixed rent hotel.

Status of Temporarily Closed Hotel

| Hotel | Close Start Date | Status |
|-----------------------|-------------------|--|
| Court Hotel Kurashiki | December 16, 2021 | Hotel operation ended on December 15, 2021 Selected Hakata Hotels as the new operator, replacing the previous operator Preparing to rebrand and reopen as The OneFive Garden Kurashiki on February 1, 2022 |

Explanation of Changes

Revenue, RevPAR, Occupancy, and ADR for the portfolio in December 2021 increased significantly year-on-year on the back of a recovering trend in business and leisure demand since October 2021. However, revenue, RevPAR, Occupancy, and ADR remain below pre-Covid levels of December 2019.

Ichigo Hotel will work to capture demand and drive earnings, while continuing to implement Covid countermeasures and thorough cost control, amidst growing uncertainty of hotel demand caused by a resurgence of Covid cases since the beginning of 2022.

ESG Initiatives Toward a Sustainable Society

Ichigo Hotel and its sponsor, Ichigo, are dedicated to making the world more sustainable. In line with this mission, Ichigo Hotel leverages Ichigo's real estate expertise to extend the useful life of existing real estate assets, conserve resources, and drive its long-term environmental initiatives.

As part of such efforts, Ichigo Hotel has upgraded all guestroom shower valves with water-saving flow control valves at the Nest Hotel Matsuyama. The upgrade is expected to reduce both water and electricity consumption by 15% each.

Ichigo Hotel will continue to drive its environmental initiatives and increases in the value of its assets, and work towards realizing a net zero carbon society by reducing energy consumption.