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Issuer

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**Ichigo Hotel Operating Results – December 2022**

Portfolio Revenue, RevPAR, Occupancy, and ADR

Total (23 Hotels)

	Dec 2022 (A)	(Previous) Dec 2021 (B)	Difference (A) - (B)	YOY Change	Aug 2022 – Dec 2022 (Current Period-To-Date)			Dec 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	745.9	419.0	+326.9	+78.0%	3,256.4	+1,532.1	+88.9%	606.9
RevPAR (JPY)	6,544	3,747	+2,798	+74.7%	5,796	+2,669	+85.4%	5,362
Occupancy (%)	84.8	73.4	+11.4	+15.6%	84.4	+19.5	+30.0%	82.1
ADR (JPY)	7,713	5,103	+2,610	+51.1%	6,864	+2,049	+42.6%	6,532

Variable Rent Hotels (15 Hotels)

	Dec 2022 (A)	(Previous) Dec 2021 (B)	Difference (A) - (B)	YOY Change	Aug 2022 – Dec 2022 (Current Period-To-Date)			Dec 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	534.2	299.6	+234.5	+78.3%	2,276.6	+1,034.2	+83.2%	413.8
RevPAR (JPY)	6,959	3,721	+3,238	+87.0%	5,963	+2,827	+90.2%	5,967
Occupancy (%)	89.4	76.3	+13.1	+17.2%	89.0	+20.1	+29.1%	90.0
ADR (JPY)	7,783	4,879	+2,904	+59.5%	6,698	+2,151	+47.3%	6,633

Fixed Rent Hotels (8 Hotels)

	Dec 2022 (A)	(Previous) Dec 2021 (B)	Difference (A) - (B)	YOY Change	Aug 2022 – Dec 2022 (Current Period-To-Date)			Dec 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	211.8	119.4	+92.4	+77.4%	979.8	+497.9	+103.3%	193.1
RevPAR (JPY)	5,715	3,807	+1,908	+50.1%	5,455	+2,350	+75.7%	5,032
Occupancy (%)	75.7	66.6	+9.1	+13.6%	75.1	+19.6	+35.2%	79.3
ADR (JPY)	7,549	5,713	+1,836	+32.1%	7,263	+1,673	+29.9%	6,348

Revenue, RevPAR, Occupancy, and ADR by Hotel

Variable Rent Hotels (15 Hotels)

		Dec 2022 (A)	(Previous) Dec 2021 (B)	Difference (A) - (B)	YOY Change	Aug 2022 – Dec 2022 (Current Period-To-Date)			Dec 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
Nest Hotel Sapporo Ekimae	Revenue (JPY million)	43.6	29.2	+14.5	+49.6%	219.4	+93.9	+74.8%	46.9
	RevPAR (JPY)	7,401	4,650	+2,751	+59.2%	7,598	+3,548	+87.6%	6,812
	Occupancy (%)	94.6	93.9	+0.7	+0.7%	93.3	+1.5	+1.6%	98.1
	ADR (JPY)	7,825	4,951	+2,874	+58.1%	8,142	+3,731	+84.6%	6,940
Nest Hotel Sapporo Odori	Revenue (JPY million)	35.8	20.8	+15.1	+72.4%	172.8	+89.1	+106.4%	30.8
	RevPAR (JPY)	8,503	4,603	+3,900	+84.7%	8,170	+4,460	+120.2%	7,342
	Occupancy (%)	92.1	87.8	+4.2	+4.8%	92.8	+10.4	+12.7%	89.6
	ADR (JPY)	9,234	5,240	+3,994	+76.2%	8,808	+4,301	+95.4%	8,194
Smile Hotel Tokyo Asagaya	Revenue (JPY million)	39.3	23.0	+16.4	+71.2%	146.2	+53.6	+57.9%	31.6
	RevPAR (JPY)	11,192	6,440	+4,752	+73.8%	8,438	+3,144	+59.4%	8,823
	Occupancy (%)	100.1	100	-	-	97.4	-1.8	-1.8%	98.5
	ADR (JPY)	11,186	6,438	+4,747	+73.7%	8,668	+3,325	+62.2%	8,957
The OneFive Tokyo Shibuya	Revenue (JPY million)	43.6	15.1	+28.5	+189.1%	128.8	+70.9	+122.6%	
	RevPAR (JPY)	19,233	6,759	+12,474	+184.6%	11,582	+6,337	+120.8%	
	Occupancy (%)	98.2	99.6	-1.3	-1.4%	98.9	-0.1	-0.1%	
	ADR (JPY)	19,584	6,789	+12,795	+188.5%	11,709	+6,410	+121.0%	
Hotel Wing International Nagoya	Revenue (JPY million)	37.9	19.9	+17.9	+89.9%	184.5	+113.6	+160.2%	40.7
	RevPAR (JPY)	5,455	2,651	+2,804	+105.8%	5,384	+3,508	+187.0%	5,359
	Occupancy (%)	100	59.8	+40.2	+67.3%	98.7	+53.4	+118.0%	86.6
	ADR (JPY)	5,455	4,436	+1,019	+23.0%	5,455	+1,312	+31.7%	6,191

		Dec 2022 (A)	(Previous) Dec 2021 (B)	Difference (A) - (B)	YOY Change	Aug 2022 – Dec 2022 (Current Period-To-Date)			Dec 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
Smile Hotel Kyoto Shijo	Revenue (JPY million)	20.2	10.6	+9.6	+90.9%	90.1	+49.8	+123.8%	27.1
	RevPAR (JPY)	4,290	2,309	+1,981	+85.8%	3,819	+2,043	+115.1%	5,597
	Occupancy (%)	59.9	60.4	-0.5	-0.8%	64.6	+11.0	+20.6%	98.4
	ADR (JPY)	7,164	3,825	+3,339	+87.3%	5,916	+2,600	+78.4%	5,690
The OneFive Osaka Sakaisuji	Revenue (JPY million)	29.5	10.8	+18.7	+173.8%	92.3	+62.6	+210.6%	15.7
	RevPAR (JPY)	7,299	2,649	+4,650	+175.6%	4,619	+2,760	+148.5%	3,904
	Occupancy (%)	96.7	97.6	-0.9	-0.9%	97.0	+18.5	+23.6%	63.8
	ADR (JPY)	7,544	2,713	+4,831	+178.0%	4,760	+2,392	+101.0%	6,115
Nest Hotel Osaka Shinsaibashi	Revenue (JPY million)	68.1	19.0	+49.1	+258.6%	215.5	+161.9	+301.9%	57.2
	RevPAR (JPY)	7,256	1,809	+5,447	+301.1%	4,501	+3,520	+358.8%	5,749
	Occupancy (%)	79.9	51.7	+28.2	+54.6%	78.6	+49.0	+165.3%	80.3
	ADR (JPY)	9,086	3,502	+5,584	+159.5%	5,723	+2,414	+72.9%	7,162
Hotel Wing International Kobe Shin Nagata Ekimae	Revenue (JPY million)	33.5	22.1	+11.4	+51.4%	139.9	+53.5	+62.0%	28.8
	RevPAR (JPY)	7,365	4,876	+2,489	+51.0%	6,275	+2,453	+64.2%	6,147
	Occupancy (%)	82.2	64.9	+17.3	+26.7%	74.3	+21.0	+39.3%	78.0
	ADR (JPY)	8,962	7,518	+1,444	+19.2%	8,441	+1,278	+17.8%	7,885
Nest Hotel Matsuyama	Revenue (JPY million)	31.0	29.4	+1.6	+5.5%	155.1	+39.4	+34.0%	46.3
	RevPAR (JPY)	4,143	3,758	+384	+10.2%	4,361	+1,264	+40.8%	4,773
	Occupancy (%)	69.0	78.5	-9.5	-12.1%	70.8	+3.4	+5.1%	85.0
	ADR (JPY)	6,002	4,788	+1,214	+25.4%	6,160	+1,564	+34.0%	5,618
The OneFive Okayama	Revenue (JPY million)	30.6	22.9	+7.7	+33.6%	164.8	+61.4	+59.4%	30.4
	RevPAR (JPY)	4,597	3,395	+1,202	+35.4%	5,027	+1,914	+61.5%	4,487
	Occupancy (%)	99.3	97.9	+1.5	+1.5%	99.3	+1.8	+1.8%	86.7
	ADR (JPY)	4,628	3,469	+1,159	+33.4%	5,064	+1,871	+58.6%	5,175
The OneFive Garden Kurashiki	Revenue (JPY million)	20.9	2.8	+18.1	+650.9%	121.2	+80.5	+197.6%	19.5
	RevPAR (JPY)	5,797	657	+5,141	+782.9%	6,870	+4,942	+256.3%	4,845
	Occupancy (%)	80.1	10.6	+69.5	+657.0%	81.4	+50.2	+161.3%	77.2
	ADR (JPY)	7,237	6,205	+1,032	+16.6%	8,442	+2,252	+36.4%	6,275
Valie Hotel Hiroshima	Revenue (JPY million)	40.0	40.3	-0.3	-0.7%	196.8	-9.2	-4.5%	14.9
	RevPAR (JPY)	7,500	7,500	–	–	7,500	–	–	2,759
	Occupancy (%)	100	100	–	–	100	–	–	68.3
	ADR (JPY)	7,500	7,500	–	–	7,500	–	–	4,041

		Dec 2022 (A)	(Previous) Dec 2021 (B)	Difference (A) - (B)	YOY Change	Aug 2022 – Dec 2022 (Current Period-To-Date)			Dec 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
The OneFive Fukuoka Tenjin	Revenue (JPY million)	29.0	12.3	+16.8	+136.5%	95.3	+51.0	+115.0%	21.9
	RevPAR (JPY)	11,765	4,746	+7,020	+147.9%	7,684	+4,325	+128.8%	8,531
	Occupancy (%)	98.2	97.7	+0.5	+0.5%	97.9	+0.5	+0.5%	93.8
	ADR (JPY)	11,976	4,856	+7,121	+146.6%	7,851	+4,403	+127.7%	9,095
Nest Hotel Kumamoto	Revenue (JPY million)	31.2	21.6	+9.5	+44.1%	153.8	+62.1	+67.7%	32.4
	RevPAR (JPY)	5,000	3,174	+1,826	+57.5%	5,000	+2,287	+84.3%	4,554
	Occupancy (%)	100	76.2	+23.8	+31.3%	100	+30.3	+43.4%	80.0
	ADR (JPY)	5,000	4,167	+833	+20.0%	5,000	+1,109	+28.5%	5,691

Fixed Rent Hotels (7 Hotels – excludes Hotel Livemax Nihombashi-Hakozaki)

		Dec 2022 (A)	(Previous) Dec 2021 (B)	Difference (A) - (B)	YOY Change	Aug 2022 – Dec 2022 (Current Period-To-Date)			Dec 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
Comfort Hotel Kushiro	Revenue (JPY million)	19.5	15.5	+4.0	+26.0%	128.7	+32.9	+34.3%	13.7
	RevPAR (JPY)	4,672	3,718	+954	+25.7%	6,293	+1,577	+33.4%	3,267
	Occupancy (%)	77.6	73.5	+4.1	+5.6%	86.6	+6.4	+7.9%	74.1
	ADR (JPY)	6,021	5,062	+959	+18.9%	7,263	+1,389	+23.7%	4,409
Comfort Hotel Hamamatsu	Revenue (JPY million)	31.9	20.1	+11.8	+58.8%	146.5	+57.5	+64.7%	21.3
	RevPAR (JPY)	5,243	3,301	+1,942	+58.8%	4,884	+1,918	+64.7%	3,500
	Occupancy (%)	83.1	64.4	+18.7	+29.1%	80.3	+19.7	+32.6%	68.6
	ADR (JPY)	6,309	5,130	+1,179	+23.0%	6,080	+1,184	+24.2%	5,102
Comfort Hotel Central International Airport	Revenue (JPY million)	69.5	54.2	+15.3	+28.2%	292.4	+95.0	+48.1%	82.4
	RevPAR (JPY)	6,381	4,948	+1,433	+29.0%	5,409	+1,767	+48.5%	7,371
	Occupancy (%)	68.5	68.6	-0.1	-0.2%	62.9	+8.4	+15.4%	81.8
	ADR (JPY)	9,321	7,213	+2,108	+29.2%	8,596	+1,914	+28.6%	9,013
Comfort Hotel Suzuka	Revenue (JPY million)	15.6	12.4	+3.2	+25.5%	87.3	+38.2	+77.7%	12.4
	RevPAR (JPY)	4,753	3,802	+951	+25.0%	5,363	+2,334	+77.1%	3,765
	Occupancy (%)	77.0	77.2	-0.1	-0.2%	80.6	+18.0	+28.7%	74.3
	ADR (JPY)	6,171	4,927	+1,244	+25.2%	6,652	+1,816	+37.5%	5,069
Urbain Hiroshima Executive	Revenue (JPY million)	17.8	12.1	+5.7	+46.7%	96.8	+63.6	+191.7%	24.9
	RevPAR (JPY)	3,362	2,292	+1,070	+46.7%	3,699	+2,431	+191.7%	4,703
	Occupancy (%)	56.0	46.1	+9.9	+21.5%	61.5	+36.2	+143.7%	83.9
	ADR (JPY)	6,003	4,971	+1,032	+20.8%	6,017	+991	+19.7%	5,602

		Dec 2022 (A)	(Previous) Dec 2021 (B)	Difference (A) - (B)	YOY Change	Aug 2022 – Dec 2022 (Current Period-To-Date)			Dec 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
Comfort Hotel Nagano	Revenue (JPY million)	4.6	–	–	–	69.9	–	–	
	RevPAR (JPY)	5,490	–	–	–	6,865	–	–	
	Occupancy (%)	78.7	–	–	–	93.8	–	–	
	ADR (JPY)	6,975	–	–	–	7,318	–	–	
Hotel Sunshine Utsunomiya	Revenue (JPY million)	40.6	–	–	–	120.5	–	–	
	RevPAR (JPY)	8,118	–	–	–	8,118	–	–	
	Occupancy (%)	98.1	–	–	–	98.1	–	–	
	ADR (JPY)	8,273	–	–	–	8,273	–	–	

Notes:

- 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.
- 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.
- RevPAR (Revenue Per Available Room) is calculated with the following formula:  

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

$$\text{ADR} = \text{Total revenue from accommodations (excluding restaurant charges and other service fees)} / \text{number of guest rooms occupied during the period}$$
- 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.
- Hiroshima Prefecture has temporarily leased all rooms of the Valie Hotel Hiroshima starting on February 8, 2021.
- Aichi Prefecture has temporarily leased all rooms of the Hotel Wing International Nagoya starting on January 28, 2022.
- Kumamoto Prefecture has temporarily leased all rooms of the Nest Hotel Kumamoto starting on February 1, 2022.
- Tochigi Prefecture has temporarily leased the rooms of the Hotel Sunshine Utsunomiya starting on February 15, 2022.

11. The above data for the Comfort Hotel Nagano, which closed on December 11, 2022, reflects data for the period from December 1st to 11th.
12. Pre-acquisition data for acquired hotels are based on data received from the previous owners.
13. 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 The OneFive Tokyo Shibuya, Comfort Hotel Nagano, and Hotel Sunshine Utsunomiya. The OneFive Okayama was operating under the name Comfort Hotel Okayama in December 2019, and hotel data is included as a fixed rent hotel.

### Explanation of Changes

December 2022 Revenue, RevPAR, Occupancy, and ADR for Ichigo Hotel's 23 hotels increased significantly year-on-year due to a recovery in domestic tourism from various events and a domestic travel subsidy program by the Japanese government, as well as a significant recovery in inbound tourism demand due to the lifting of overseas travel restrictions. Ichigo Hotel will continue working to capture domestic and inbound demand via products and services tailored to customer needs, while continuing to implement Covid countermeasures.

### Value-Add Actions

Ichigo Hotel is currently renovating the Comfort Hotel Nagano, scheduled to be rebranded and re-opened as the Smile Hotel Nagano on March 1, 2023, as announced in the October 31, 2022 release, "Change in Hotel Operator." Ichigo Hotel is revamping the hotel's lobby and breakfast space, and K.K. Hospitality Operations, the new hotel operator, will provide a simple and calm stay for both tourists and business guests.

Ichigo Hotel will continue to capture demand, increase guest satisfaction, and drive higher earnings via value-add initiatives that cater to changes in guest needs.

