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More Sustainable**

[Provisional Translation Only]

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Issuer

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Ichigo Hotel Operating Results – March 2023

Portfolio Revenue, RevPAR, Occupancy, and ADR

Total (23 Hotels)

	Mar 2023 (A)	(Previous) Mar 2022 (B)	Difference (A) - (B)	YOY Change	Feb 2023 – Mar 2023 (Current Period-To-Date)			Mar 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	797.6	429.0	+368.6	+85.9%	1,444.8	+681.8	+89.4%	644.1
RevPAR (JPY)	6,875	3,900	+2,975	+76.3%	6,727	+3,068	+83.9%	6,501
Occupancy (%)	87.3	78.1	+9.3	+11.9%	85.7	+12.2	+16.5%	86.9
ADR (JPY)	7,872	4,996	+2,876	+57.6%	7,846	+2,873	+57.8%	7,481

Variable Rent Hotels (16 Hotels)

	Mar 2023 (A)	(Previous) Mar 2022 (B)	Difference (A) - (B)	YOY Change	Feb 2023 – Mar 2023 (Current Period-To-Date)			Mar 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	577.0	321.3	+255.7	+79.6%	1,046.4	+468.5	+81.1%	412.4
RevPAR (JPY)	7,239	4,097	+3,142	+76.7%	7,192	+3,296	+84.6%	7,446
Occupancy (%)	91.0	85.9	+5.1	+6.0%	89.9	+8.0	+9.7%	95.3
ADR (JPY)	7,951	4,770	+3,181	+66.7%	8,000	+3,245	+68.2%	7,811

Fixed Rent Hotels (7 Hotels)

	Mar 2023 (A)	(Previous) Mar 2022 (B)	Difference (A) - (B)	YOY Change	Feb 2023 – Mar 2023 (Current Period-To-Date)			Mar 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	220.6	107.8	+112.9	+104.8%	398.3	+213.3	+115.3%	231.6
RevPAR (JPY)	6,107	3,431	+2,676	+78.0%	5,781	+2,685	+86.7%	6,057
Occupancy (%)	79.5	59.4	+20.1	+33.8%	77.3	+23.5	+43.8%	86.4
ADR (JPY)	7,683	5,773	+1,909	+33.1%	7,483	+1,718	+29.8%	7,009

Revenue, RevPAR, Occupancy, and ADR by Hotel

Variable Rent Hotels (16 Hotels)

	Mar 2023 (A)	(Previous) Mar 2022 (B)	Difference (A) - (B)	YOY Change	Feb 2023 – Mar 2023 (Current Period-To-Date)			Mar 2019 (Reference)	
					Cumulative	YOY Difference	YOY Change		
Nest Hotel Sapporo Ekimae	Revenue (JPY million)	46.4	24.3	+22.1	+91.1%	106.0	+58.8	+124.8%	49.3
	RevPAR (JPY)	7,483	3,892	+3,592	+92.3%	9,550	+5,478	+134.5%	7,025
	Occupancy (%)	92.4	94.8	-2.4	-2.5%	93.5	-0.8	-0.9%	100
	ADR (JPY)	8,097	4,104	+3,993	+97.3%	10,217	+5,899	+136.6%	7,025
Nest Hotel Sapporo Odori	Revenue (JPY million)	35.1	18.7	+16.5	+88.1%	82.9	+47.4	+133.9%	32.7
	RevPAR (JPY)	8,345	4,098	+4,247	+103.6%	10,590	+6,385	+151.9%	7,676
	Occupancy (%)	91.2	97.1	-5.9	-6.0%	91.4	-2.8	-3.0%	96.1
	ADR (JPY)	9,147	4,221	+4,926	+116.7%	11,590	+7,124	+159.5%	7,991
Smile Hotel Tokyo Asagaya	Revenue (JPY million)	45.6	23.4	+22.2	+94.7%	84.5	+38.5	+83.5%	34.8
	RevPAR (JPY)	13,065	6,671	+6,394	+95.8%	12,691	+5,801	+84.2%	9,768
	Occupancy (%)	99.6	99.4	+0.3	+0.3%	99.7	+0.5	+0.5%	99.2
	ADR (JPY)	13,114	6,714	+6,400	+95.3%	12,723	+5,779	+83.2%	9,851
The OneFive Tokyo Shibuya	Revenue (JPY million)	46.4	13.0	+33.4	+257.2%	75.7	+51.0	+206.6%	
	RevPAR (JPY)	20,421	5,818	+14,604	+251.0%	17,469	+11,662	+200.8%	
	Occupancy (%)	99.0	98.8	+0.2	+0.2%	99.0	+0.2	+0.2%	
	ADR (JPY)	20,625	5,886	+14,738	+250.4%	17,643	+11,764	+200.1%	
Hotel Wing International Nagoya	Revenue (JPY million)	37.9	37.9	–	–	72.1	–	–	42.0
	RevPAR (JPY)	5,455	5,455	–	–	5,455	–	–	5,494
	Occupancy (%)	100	100	–	–	100	–	–	91.3
	ADR (JPY)	5,455	5,455	–	–	5,455	–	–	6,015

		Mar 2023 (A)	(Previous) Mar 2022 (B)	Difference (A) - (B)	YOY Change	Feb 2023 – Mar 2023 (Current Period-To-Date)			Mar 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
Smile Hotel Kyoto Shijo	Revenue (JPY million)	31.9	11.2	+20.7	+185.5%	44.7	+26.8	+149.6%	43.1
	RevPAR (JPY)	6,847	2,324	+4,524	+194.7%	5,018	+3,076	+158.4%	9,085
	Occupancy (%)	76.9	60.5	+16.5	+27.2%	68.3	+7.7	+12.8%	99.8
	ADR (JPY)	8,898	3,842	+5,057	+131.6%	7,346	+4,140	+129.1%	9,101
The OneFive Osaka Sakaisuji	Revenue (JPY million)	30.4	10.3	+20.1	+194.9%	55.0	+36.6	+199.6%	24.7
	RevPAR (JPY)	7,528	2,539	+4,989	+196.5%	7,148	+4,778	+201.6%	6,119
	Occupancy (%)	96.9	95.9	+1.0	+1.0%	96.9	+2.3	+2.4%	86.9
	ADR (JPY)	7,771	2,648	+5,124	+193.5%	7,375	+4,870	+194.5%	7,042
Nest Hotel Osaka Shinsaibashi	Revenue (JPY million)	57.3	22.6	+34.7	+153.3%	110.3	+73.1	+196.3%	78.1
	RevPAR (JPY)	6,094	2,189	+3,906	+178.4%	6,167	+4,317	+233.3%	7,822
	Occupancy (%)	77.7	65.3	+12.4	+19.0%	77.5	+21.3	+37.8%	93.6
	ADR (JPY)	7,842	3,352	+4,490	+133.9%	7,953	+4,664	+141.8%	8,356
Hotel Wing International Kobe Shin Nagata Ekimae	Revenue (JPY million)	32.5	19.3	+13.2	+68.3%	53.4	+20.8	+64.0%	
	RevPAR (JPY)	6,878	4,315	+2,563	+59.4%	6,124	+2,263	+58.6%	
	Occupancy (%)	79.9	60.2	+19.6	+32.6%	69.8	+15.8	+29.2%	
	ADR (JPY)	8,611	7,161	+1,450	+20.2%	8,767	+1,624	+22.7%	
Nest Hotel Matsuyama	Revenue (JPY million)	37.0	27.0	+10.0	+37.3%	67.2	+25.7	+62.2%	48.2
	RevPAR (JPY)	4,965	3,654	+1,312	+35.9%	4,762	+1,779	+59.6%	5,552
	Occupancy (%)	82.1	86.9	-4.8	-5.5%	79.1	+7.9	+11.1%	90.2
	ADR (JPY)	6,045	4,205	+1,840	+43.8%	6,023	+1,830	+43.6%	6,154
The OneFive Okayama	Revenue (JPY million)	39.9	22.8	+17.0	+74.7%	69.3	+28.5	+70.0%	37.3
	RevPAR (JPY)	6,031	3,383	+2,649	+78.3%	5,503	+2,333	+73.6%	5,520
	Occupancy (%)	99.0	96.6	+2.4	+2.5%	98.7	+2.0	+2.0%	91.1
	ADR (JPY)	6,092	3,501	+2,591	+74.0%	5,575	+2,298	+70.1%	6,061
The OneFive Garden Kurashiki	Revenue (JPY million)	23.8	9.0	+14.8	+163.3%	23.8	+12.7	+113.6%	33.1
	RevPAR (JPY)	6,643	2,418	+4,224	+174.7%	6,643	+5,074	+323.4%	8,361
	Occupancy (%)	77.9	40.5	+37.4	+92.5%	77.9	+50.9	+188.7%	97.7
	ADR (JPY)	8,524	5,973	+2,551	+42.7%	8,524	+2,711	+46.6%	8,560
Valie Hotel Hiroshima	Revenue (JPY million)	39.8	40.2	-0.4	-1.0%	75.7	-0.8	-1.0%	
	RevPAR (JPY)	7,500	7,500	–	–	7,500	–	–	
	Occupancy (%)	100	100	–	–	100	–	–	
	ADR (JPY)	7,500	7,500	–	–	7,500	–	–	

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						Cumulative	YOY Difference	YOY Change	
The OneFive Fukuoka Tenjin	Revenue (JPY million)	27.5	9.9	+17.7	+179.4%	52.2	+35.5	+213.3%	26.3
	RevPAR (JPY)	11,133	3,730	+7,403	+198.4%	11,062	+7,821	+241.3%	10,338
	Occupancy (%)	97.7	96.2	+1.6	+1.6%	97.9	+11.6	+13.4%	98.6
	ADR (JPY)	11,390	3,878	+7,512	+193.7%	11,298	+7,545	+201.0%	10,483
Nest Hotel Kumamoto	Revenue (JPY million)	31.2	31.8	-0.6	-1.9%	59.4	-0.6	-1.1%	
	RevPAR (JPY)	5,000	5,000	–	–	5,004	+5	+0.1%	
	Occupancy (%)	100	100	–	–	100	–	–	
	ADR (JPY)	5,000	5,000	–	–	5,004	+5	+0.1%	
Smile Hotel Nagano	Revenue (JPY million)	14.4	–	–	–	14.4	–	–	
	RevPAR (JPY)	5,785	–	–	–	5,785	–	–	
	Occupancy (%)	98.8	–	–	–	98.8	–	–	
	ADR (JPY)	5,855	–	–	–	5,855	–	–	

Fixed Rent Hotels (6 Hotels – excludes Hotel Livemax Nihombashi-Hakozaki)

		Mar 2023 (A)	(Previous) Mar 2022 (B)	Difference (A) - (B)	YOY Change	Feb 2023 – Mar 2023 (Current Period-To-Date)			Mar 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
Comfort Hotel Kushiro	Revenue (JPY million)	23.8	14.8	+9.0	+60.9%	44.1	+18.0	+68.7%	12.6
	RevPAR (JPY)	5,845	3,529	+2,316	+65.6%	5,620	+2,324	+70.5%	3,037
	Occupancy (%)	93.9	75.3	+18.5	+24.6%	90.6	+20.3	+28.9%	69.2
	ADR (JPY)	6,228	4,683	+1,544	+33.0%	6,203	+1,512	+32.2%	4,391
Comfort Hotel Hamamatsu	Revenue (JPY million)	36.3	20.9	+15.4	+73.9%	65.7	+29.3	+80.7%	32.0
	RevPAR (JPY)	5,979	3,438	+2,541	+73.9%	5,680	+2,536	+80.7%	5,271
	Occupancy (%)	86.7	64.6	+22.1	+34.2%	85.0	+25.5	+42.7%	85.2
	ADR (JPY)	6,897	5,320	+1,577	+29.6%	6,681	+1,402	+26.6%	6,188
Comfort Hotel Central International Airport	Revenue (JPY million)	58.9	44.6	+14.3	+32.1%	111.6	+32.0	+40.2%	90.8
	RevPAR (JPY)	5,387	4,054	+1,333	+32.9%	5,356	+1,551	+40.8%	8,121
	Occupancy (%)	64.1	54.7	+9.4	+17.2%	63.9	+13.2	+26.1%	90.2
	ADR (JPY)	8,400	7,407	+994	+13.4%	8,380	+870	+11.6%	9,006
Comfort Hotel Suzuka	Revenue (JPY million)	19.7	15.4	+4.3	+28.0%	31.2	+6.8	+27.9%	15.7
	RevPAR (JPY)	6,012	4,678	+1,334	+28.5%	5,016	+1,110	+28.4%	4,776
	Occupancy (%)	85.4	82.1	+3.3	+4.0%	79.0	+6.6	+9.2%	80.8
	ADR (JPY)	7,039	5,697	+1,343	+23.6%	6,351	+952	+17.6%	5,911

	Mar 2023 (A)	(Previous) Mar 2022 (B)	Difference (A) - (B)	YOY Change	Feb 2023 – Mar 2023 (Current Period-To-Date)			Mar 2019 (Reference)	
					Cumulative	YOY Difference	YOY Change		
Urbain Hiroshima Executive	Revenue (JPY million)	27.1	7.6	+19.5	+258.3%	45.8	+35.3	+339.1%	33.2
	RevPAR (JPY)	5,111	1,426	+3,685	+258.3%	4,535	+3,502	+339.1%	6,258
	Occupancy (%)	69.5	28.5	+41.0	+143.7%	64.6	+43.9	+212.5%	90.5
	ADR (JPY)	7,352	5,000	+2,352	+47.0%	7,025	+2,025	+40.5%	6,919
Hotel Sunshine Utsunomiya	Revenue (JPY million)	40.6	–	–	–	77.3	–	–	
	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.
- Aichi Prefecture temporarily leased all rooms of the Hotel Wing International Nagoya from January 28, 2022 to March 31, 2023.
- Hiroshima Prefecture temporarily leased all rooms of the Valie Hotel Hiroshima from February 8, 2021 to March 31, 2023.
- Kumamoto Prefecture temporarily leased all rooms of the Nest Hotel Kumamoto from February 1, 2022 to March 31, 2023.
- Tochigi Prefecture temporarily leased the rooms of the Hotel Sunshine Utsunomiya from February 15, 2022 to March 31, 2023.

11. Pre-acquisition data for acquired hotels are based on data received from the previous owners.
12. March 2019 Revenue, RevPAR, Occupancy, and ADR data provided as a reference is for the 17 hotels owned since March 2019, and is not available for Hotel Wing International Kobe Shin Nagata Ekimae, Valie Hotel Hiroshima, Nest Hotel Kumamoto, The OneFive Tokyo Shibuya, Smile Hotel Nagano, and Hotel Sunshine Utsunomiya. The OneFive Okayama was operating under the name Comfort Hotel Okayama in March 2019, and hotel data is included as a fixed rent hotel.

Explanation of Changes

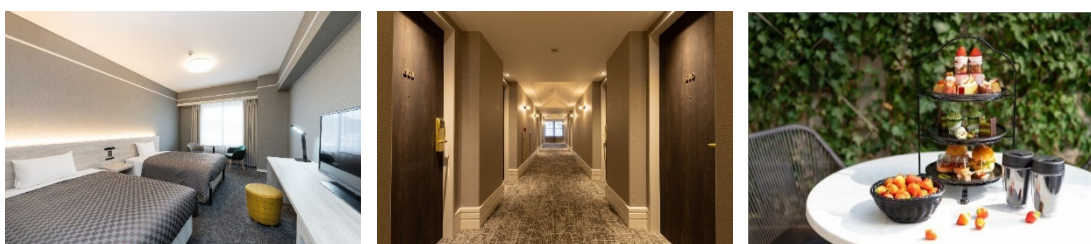
March 2023 Revenue, RevPAR, Occupancy, and ADR for Ichigo Hotel’s 23 hotels increased significantly year-on-year due to stable business demand and a recovery in domestic tourism from spring break season, with various events on such as cherry blossom viewing tours, concerts, and sporting events. Revenue, RevPAR, Occupancy, and ADR exceeded pre-Covid levels of March 2019. Hotel demand is expected to recover as airlines increase their international flight capacity, and as inbound tourism continues to pick up.

Value-Add Actions

The OneFive Garden Kurashiki reopened on March 1, 2023 after Ichigo Hotel renovated the hotel during January and February 2023, revamping the hotel’s guest rooms and hallways, adding a smoking area, and increasing the number of laundry machines. The hotel provides a comfortable guest experience with a classical, modern retro ambience inspired by Kurashiki and the Bikan Historical Quarter, and serves a seasonal “Welcome Afternoon Tea” curated by a pastry chef to drive earnings and capture demand.

Ichigo Hotel will continue to work closely with hotel operators to increase guest satisfaction and drive higher earnings.

Renovated Hotel



The OneFive Garden Kurashiki

The OneFive Garden Kurashiki website

www.hakatahotels.co.jp/theonefivegardenkurashiki