



**Make The World
More Sustainable**

[Provisional Translation Only]

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Issuer

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Ichigo Hotel Operating Results – December 2023

Portfolio Revenue, RevPAR, Occupancy, and ADR

Total (28 Hotels)

	Dec 2023 (A)	(Previous) Nov 2022 (B)	Difference (A) - (B)	YOY Change	Aug 2023 – Dec 2023 (Current Period-To-Date)			Dec 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	1,081.0	745.9	+335.0	+44.9%	5,235.7	+1,979.3	+60.8%	606.9
RevPAR (JPY)	7,348	6,544	+804	+12.3%	7,578	+1,782	+30.7%	5,362
Occupancy (%)	82.8	84.8	-2.1	-2.4%	84.5	–	–	82.1
ADR (JPY)	8,875	7,713	+1,162	+15.1%	8,972	+2,108	+30.7%	6,532

Variable Rent Hotels (21 Hotels)

	Dec 2023 (A)	(Previous) Nov 2022 (B)	Difference (A) - (B)	YOY Change	Aug 2023 – Dec 2023 (Current Period-To-Date)			Dec 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	872.7	538.8	+333.9	+62.0%	4,108.8	+1,762.3	+75.1%	413.8
RevPAR (JPY)	7,955	6,943	+1,012	+14.6%	8,086	+2,098	+35.0%	5,967
Occupancy (%)	86.2	89.3	-3.1	-3.4%	87.3	-1.9	-2.1%	90.0
ADR (JPY)	9,223	7,775	+1,449	+18.6%	9,266	+2,550	+38.0%	6,633

Fixed Rent Hotels (7 Hotels)

	Dec 2023 (A)	(Previous) Dec 2022 (B)	Difference (A) - (B)	YOY Change	Aug 2023 – Dec 2023 (Current Period-To-Date)			Dec 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	208.3	207.2	+1.1	+0.5%	1,126.9	+217.0	+23.8%	193.1
RevPAR (JPY)	5,680	5,720	-41	-0.7%	6,244	+874	+16.3%	5,032
Occupancy (%)	73.3	75.6	-2.4	-3.1%	77.1	+3.1	+4.2%	79.3
ADR (JPY)	7,750	7,563	+187	+2.5%	8,100	+841	+11.6%	6,348

Revenue, RevPAR, Occupancy, and ADR by Hotel

Variable Rent Hotels (21 Hotels)

	Dec 2023 (A)	(Previous) Dec 2022 (B)	Difference (A) - (B)	YOY Change	Aug 2023 – Dec 2023 (Current Period-To-Date)			Dec 2019 (Reference)	
					Cumulative	YOY Difference	YOY Change		
Nest Hotel Sapporo Ekimae	Revenue (JPY million)	49.9	43.6	+6.3	+14.4%	339.9	+120.5	+54.9%	46.9
	RevPAR (JPY)	7,359	7,401	-42	-0.6%	11,511	+3,913	+51.5%	6,812
	Occupancy (%)	95.6	94.6	+1.1	+1.1%	96.1	+2.8	+3.0%	98.1
	ADR (JPY)	7,695	7,825	-130	-1.7%	11,976	+3,834	+47.1%	6,940
Nest Hotel Sapporo Odori	Revenue (JPY million)	34.6	35.8	-1.3	-3.6%	214.3	+41.6	+24.1%	30.8
	RevPAR (JPY)	8,179	8,503	-324	-3.8%	10,556	+2,386	+29.2%	7,342
	Occupancy (%)	90.0	92.1	-2.1	-2.2%	87.6	-5.1	-5.5%	89.6
	ADR (JPY)	9,085	9,234	-149	-1.6%	12,047	+3,239	+36.8%	8,194
Smile Hotel Tokyo Asagaya	Revenue (JPY million)	43.6	39.3	+4.3	+10.8%	202.8	+56.5	+38.7%	31.6
	RevPAR (JPY)	12,464	11,192	+1,272	+11.4%	11,733	+3,295	+39.0%	8,823
	Occupancy (%)	99.3	100.1	-0.7	-0.7%	99.7	+2.3	+2.4%	98.5
	ADR (JPY)	12,551	11,186	+1,365	+12.2%	11,773	+3,105	+35.8%	8,957
The OneFive Tokyo Shibuya	Revenue (JPY million)	48.8	43.6	+5.1	+11.8%	216.8	+88.0	+68.3%	
	RevPAR (JPY)	21,482	19,233	+2,249	+11.7%	19,341	+7,759	+67.0%	
	Occupancy (%)	100.6	98.2	+2.4	+2.4%	99.4	+0.4	+0.4%	
	ADR (JPY)	21,357	19,584	+1,774	+9.1%	19,467	+7,758	+66.3%	
Hotel Wing International Nagoya	Revenue (JPY million)	40.3	37.9	+2.4	+6.3%	186.3	+1.8	+1.0%	40.7
	RevPAR (JPY)	5,522	5,455	+67	+1.2%	5,123	-260	-4.8%	5,359
	Occupancy (%)	74.9	100	-25.1	-25.1%	71.4	-27.3	-27.7%	86.6
	ADR (JPY)	7,377	5,455	+1,922	+35.2%	7,179	+1,724	+31.6%	6,191

		Dec 2023 (A)	(Previous) Dec 2022 (B)	Difference (A) - (B)	YOY Change	Aug 2023 – Dec 2023 (Current Period-To-Date)			Dec 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
Smile Hotel Kyoto Shijo	Revenue (JPY million)	25.8	20.2	+5.7	+28.1%	142.3	+52.2	+58.0%	27.1
	RevPAR (JPY)	5,485	4,290	+1,195	+27.9%	6,123	+2,304	+60.3%	5,597
	Occupancy (%)	69.4	59.9	+9.5	+15.9%	67.7	+3.1	+4.8%	98.4
	ADR (JPY)	7,901	7,164	+737	+10.3%	9,049	+3,133	+53.0%	5,690
The OneFive Osaka Sakaisuji	Revenue (JPY million)	25.9	29.5	-3.6	-12.1%	127.2	+34.9	+37.8%	15.7
	RevPAR (JPY)	6,418	7,299	-880	-12.1%	6,373	+1,754	+38.0%	3,904
	Occupancy (%)	97.9	96.7	+1.1	+1.2%	97.8	+0.8	+0.8%	63.8
	ADR (JPY)	6,558	7,544	-986	-13.1%	6,516	+1,756	+36.9%	6,115
Nest Hotel Osaka Shinsaibashi	Revenue (JPY million)	73.3	68.1	+5.1	+7.6%	338.1	+122.6	+56.9%	57.2
	RevPAR (JPY)	7,792	7,256	+536	+7.4%	7,285	+2,784	+61.8%	5,749
	Occupancy (%)	89.9	79.9	+10.0	+12.5%	89.8	+11.2	+14.2%	80.3
	ADR (JPY)	8,669	9,086	-417	-4.6%	8,110	+2,387	+41.7%	7,162
Hotel Wing International Kobe Shin Nagata Ekimae	Revenue (JPY million)	29.4	33.5	-4.1	-12.1%	140.9	+1.0	+0.7%	28.8
	RevPAR (JPY)	6,302	7,365	-1,062	-14.4%	6,220	-55	-0.9%	6,147
	Occupancy (%)	76.6	82.2	-5.6	-6.8%	76.0	+1.7	+2.3%	78.0
	ADR (JPY)	8,231	8,962	-731	-8.2%	8,182	-259	-3.1%	7,885
Nest Hotel Matsuyama	Revenue (JPY million)	42.6	31.0	+11.7	+37.6%	216.6	+61.4	+39.6%	46.3
	RevPAR (JPY)	5,270	4,143	+1,128	+27.2%	5,818	+1,457	+33.4%	4,773
	Occupancy (%)	94.4	69.0	+25.4	+36.8%	92.6	+21.8	+30.8%	85.0
	ADR (JPY)	5,581	6,002	-421	-7.0%	6,284	+124	+2.0%	5,618
The OneFive Okayama	Revenue (JPY million)	33.6	30.6	+3.0	+9.8%	199.8	+35.0	+21.2%	30.4
	RevPAR (JPY)	5,043	4,597	+446	+9.7%	6,100	+1,074	+21.4%	4,487
	Occupancy (%)	96.9	99.3	-2.4	-2.4%	98.7	-0.5	-0.5%	86.7
	ADR (JPY)	5,202	4,628	+574	+12.4%	6,178	+1,114	+22.0%	5,175
The OneFive Garden Kurashiki	Revenue (JPY million)	23.8	20.9	+2.9	+13.9%	152.7	+31.5	+26.0%	19.5
	RevPAR (JPY)	6,727	5,797	+929	+16.0%	8,742	+1,872	+27.3%	4,845
	Occupancy (%)	96.4	80.1	+16.3	+20.4%	97.5	+16.1	+19.8%	77.2
	ADR (JPY)	6,977	7,237	-260	-3.6%	8,970	+528	+6.3%	6,275
Valie Hotel Hiroshima	Revenue (JPY million)	16.4	40.0	-23.6	-59.0%	142.9	-53.9	-27.4%	14.9
	RevPAR (JPY)	3,065	7,500	-4,435	-59.1%	5,411	-2,089	-27.9%	2,759
	Occupancy (%)	44.7	100	-55.3	-55.3%	69.1	-30.9	-30.9%	68.3
	ADR (JPY)	6,852	7,500	-648	-8.6%	7,830	+330	+4.4%	4,041

		Dec 2023 (A)	(Previous) Dec 2022 (B)	Difference (A) - (B)	YOY Change	Aug 2023 – Dec 2023 (Current Period-To-Date)			Dec 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
The OneFive Fukuoka Tenjin	Revenue (JPY million)	34.2	29.0	+5.2	+17.9%	147.8	+52.5	+55.1%	21.9
	RevPAR (JPY)	13,796	11,765	+2,031	+17.3%	11,996	+4,312	+56.1%	8,531
	Occupancy (%)	97.7	98.2	-0.5	-0.6%	97.9	–	–	93.8
	ADR (JPY)	14,121	11,976	+2,145	+17.9%	12,253	+4,402	+56.1%	9,095
Nest Hotel Kumamoto	Revenue (JPY million)	39.2	31.2	+8.1	+25.9%	216.2	+62.4	+40.6%	32.4
	RevPAR (JPY)	5,950	5,000	+950	+19.0%	6,662	+1,662	+33.2%	4,554
	Occupancy (%)	85.0	100	-15.0	-15.0%	86.2	-13.8	-13.8%	80.0
	ADR (JPY)	6,999	5,000	+1,999	+40.0%	7,730	+2,730	+54.6%	5,691
Smile Hotel Nagano	Revenue (JPY million)	18.5	4.6	+13.9	+301.7%	96.4	+26.6	+38.1%	
	RevPAR (JPY)	7,537	5,490	+2,047	+37.3%	7,972	+1,106	+16.1%	
	Occupancy (%)	96.0	78.7	+17.3	+22.0%	98.0	+4.2	+4.5%	
	ADR (JPY)	7,850	6,975	+876	+12.6%	8,134	+816	+11.1%	
Comfort Hotel Osaka Shinsaibashi (Ichigo Shinsaibashi Building)	Revenue (JPY million)	61.6	–	–	–	233.3	–	–	
	RevPAR (JPY)	9,232	–	–	–	8,882	–	–	
	Occupancy (%)	81.3	–	–	–	83.0	–	–	
	ADR (JPY)	11,359	–	–	–	10,707	–	–	
HOTEL THE KNOT YOKOHAMA	Revenue (JPY million)	69.6	–	–	–	233.6	–	–	
	RevPAR (JPY)	14,388	–	–	–	12,148	–	–	
	Occupancy (%)	96.2	–	–	–	95.2	–	–	
	ADR (JPY)	14,954	–	–	–	12,756	–	–	
Quintessa Hotel Ise Shima	Revenue (JPY million)	42.4	–	–	–	161.3	–	–	
	RevPAR (JPY)	6,300	–	–	–	5,809	–	–	
	Occupancy (%)	72.0	–	–	–	68.9	–	–	
	ADR (JPY)	8,747	–	–	–	8,435	–	–	
Quintessa Hotel Ogaki	Revenue (JPY million)	38.6	–	–	–	139.5	–	–	
	RevPAR (JPY)	5,457	–	–	–	5,465	–	–	
	Occupancy (%)	86.5	–	–	–	85.9	–	–	
	ADR (JPY)	6,309	–	–	–	6,360	–	–	
THE KNOT SAPPORO	Revenue (JPY million)	80.5	–	–	–	260.1	–	–	
	RevPAR (JPY)	17,349	–	–	–	14,208	–	–	
	Occupancy (%)	98.8	–	–	–	99.2	–	–	
	ADR (JPY)	17,551	–	–	–	14,319	–	–	

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

		Dec 2023 (A)	(Previous) Dec 2022 (B)	Difference (A) - (B)	YOY Change	Aug 2023 – Dec 2023 (Current Period-To-Date)			Dec 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
Comfort Hotel Kushiro	Revenue (JPY million)	17.2	19.5	-2.4	-12.3%	138.1	+9.4	+7.3%	13.7
	RevPAR (JPY)	4,201	4,672	-471	-10.1%	6,925	+632	+10.0%	3,267
	Occupancy (%)	67.8	77.6	-9.8	-12.6%	84.1	-2.5	-2.9%	74.1
	ADR (JPY)	6,197	6,021	+176	+2.9%	8,230	+967	+13.3%	4,409
Comfort Hotel Hamamatsu	Revenue (JPY million)	35.1	31.9	+3.2	+10.1%	185.2	+38.7	+26.4%	21.3
	RevPAR (JPY)	5,775	5,243	+532	+10.1%	6,174	+1,290	+26.4%	3,500
	Occupancy (%)	81.0	83.1	-2.1	-2.5%	84.6	+4.2	+5.3%	68.6
	ADR (JPY)	7,127	6,309	+818	+13.0%	7,300	+1,220	+20.1%	5,102
Comfort Hotel Central International Airport	Revenue (JPY million)	80.0	69.5	+10.5	+15.1%	374.2	+81.8	+28.0%	82.4
	RevPAR (JPY)	7,258	6,381	+877	+13.7%	6,907	+1,498	+27.7%	7,371
	Occupancy (%)	73.4	68.5	+4.9	+7.2%	72.5	+9.6	+15.2%	81.8
	ADR (JPY)	9,888	9,321	+567	+6.1%	9,528	+933	+10.9%	9,013
Comfort Hotel Suzuka	Revenue (JPY million)	16.4	15.6	+0.8	+5.1%	89.0	+1.7	+2.0%	12.4
	RevPAR (JPY)	4,989	4,753	+237	+5.0%	5,500	+137	+2.6%	3,765
	Occupancy (%)	83.4	77.0	+6.4	+8.3%	80.8	+0.2	+0.3%	74.3
	ADR (JPY)	5,984	6,171	-187	-3.0%	6,804	+152	+2.3%	5,069
Urbain Hiroshima Executive	Revenue (JPY million)	21.6	17.8	+3.7	+20.9%	147.8	+51.0	+52.7%	24.9
	RevPAR (JPY)	4,066	3,362	+704	+20.9%	5,650	+1,951	+52.7%	4,703
	Occupancy (%)	61.8	56.0	+5.8	+10.3%	73.1	+11.6	+18.9%	83.9
	ADR (JPY)	6,581	6,003	+578	+9.6%	7,729	+1,712	+28.5%	5,602
Hotel Sunshine Utsunomiya	Revenue (JPY million)	25.1	40.6	-15.5	-38.2%	133.0	–	–	
	RevPAR (JPY)	4,537	8,118	-3,580	-44.1%	4,921	–	–	
	Occupancy (%)	68.9	98.1	-29.3	-29.8%	70.3	–	–	
	ADR (JPY)	6,590	8,273	-1,683	-20.3%	7,003	–	–	

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, Smile Hotel Tokyo Asagaya, Comfort Hotel Osaka Shinsaibashi (Ichigo Shinsaibashi Building), HOTEL THE KNOT YOKOHAMA, and THE KNOT SAPPORO are not included.
3. RevPAR (Revenue Per Available Room) is calculated with the following formula:

$$\text{RevPAR} = \frac{\text{Total Revenue from accommodations (excluding restaurant charges and other service fees)}}{\text{number of available guest rooms}}$$

4. Occupancy is calculated with the following formula:

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

$$\text{ADR} = \frac{\text{Total revenue from accommodations (excluding restaurant charges and other service fees)}}{\text{number of guest rooms occupied during the period}}$$
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. Cumulative period-to-date data for the five hotels acquired on August 25, 2023, Comfort Hotel Osaka Shinsaibashi (Ichigo Shinsaibashi Building), HOTEL THE KNOT YOKOHAMA, Quintessa Hotel Ise Shima, Quintessa Hotel Ogaki, and THE KNOT SAPPORO, is from September 2023. Hotel-specific data for the same month last year are not available for these five hotels, and are not included in the total and fixed rent hotels data above.
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 The OneFive Tokyo Shibuya, Smile Hotel Nagano, Hotel Sunshine Utsunomiya, Comfort Hotel Osaka Shinsaibashi (Ichigo Shinsaibashi Building), HOTEL THE KNOT YOKOHAMA, Quintessa Hotel Ise Shima, Quintessa Hotel Ogaki, and THE KNOT SAPPORO. 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 2023 RevPAR increased by 12.3% year-on-year, marking significant growth compared to December 2022 due to inbound tourism increasing by 108.2% vs. December 2019 to reach a record-high for December according to the Japan National Tourism Organization (JNTO), and various events including live concerts and sports tournaments. RevPAR exceeded the pre-Covid levels of December 2019 by 37.0% due to a year-on-year ADR increase.

Value-Add Actions

Comfort Hotel Osaka Shinsaibashi (Ichigo Shinsaibashi Building) acquired by Ichigo Hotel on August 25, 2023 is an asset for which the Ichigo group has conducted the following value-add actions over the course of its ownership.

May 2015: Ichigo Office (8975) sold the asset to sponsor Ichigo as part of its shift to becoming a specialized office REIT.

April 2016: Ichigo conducted the following value-add actions after the departure of a second-floor retail tenant.

- Converted the entire second floor from retail use to an extension of the hotel spanning the third floors and above, leaving the basement and ground floor retail

units as is

- Moved the hotel reception and lobby from the third to second floor and added 21 guest rooms to drive hotel earnings

August 2023: Sponsor Ichigo sold the asset to Ichigo Hotel.

Ichigo Hotel will continue to leverage Ichigo's real estate technology and know-how to conduct value-add, add value to existing buildings, and make buildings last 100 years.

Comfort Hotel Osaka Shinsaibashi (Ichigo Shinsaibashi Building)

