



**Make The World
More Sustainable**

[Provisional Translation Only]

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Issuer

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Ichigo Hotel Operating Results – October 2021

Portfolio Revenue, RevPAR, Occupancy, and ADR

Total (21 Hotels)

	Oct 2021 (A)	(Previous) Oct 2020 (B)	Difference (A) - (B)	YOY Change	Aug 2021 – Oct 2021 (Current Period-To-Date)			Oct 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	336.2	267.2	+68.9	+25.8%	922.5	+236.0	+34.4%	691.8
RevPAR (JPY)	2,993	2,412	+580	+24.1%	2,796	+713	+34.2%	6,287
Occupancy (%)	65.9	50.6	+15.3	+30.2%	60.2	+16.6	+38.1%	84.1
ADR (JPY)	4,542	4,765	-223	-4.7%	4,646	-133	-2.8%	7,473

Variable Rent Hotels (15 Hotels)

	Oct 2021 (A)	(Previous) Oct 2020 (B)	Difference (A) - (B)	YOY Change	Aug 2021 – Oct 2021 (Current Period-To-Date)			Oct 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	238.5	178.1	+60.3	+33.9%	658.9	+197.0	+42.6%	450.5
RevPAR (JPY)	2,946	2,229	+717	+32.2%	2,784	+840	+43.2%	6,732
Occupancy (%)	69.6	51.5	+18.1	+35.1%	64.5	+20.2	+45.7%	90.1
ADR (JPY)	4,234	4,327	-94	-2.2%	4,320	-76	-1.7%	7,469

Fixed Rent Hotels (6 Hotels)

	Oct 2021 (A)	(Previous) Oct 2020 (B)	Difference (A) - (B)	YOY Change	Aug 2021 – Oct 2021 (Current Period-To-Date)			Oct 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	97.7	89.1	+8.6	+9.7%	263.5	+39.0	+17.4%	241.3
RevPAR (JPY)	3,105	2,824	+280	+9.9%	2,824	+429	+17.9%	6,325
Occupancy (%)	57.2	48.7	+8.5	+17.4%	50.3	+8.2	+19.4%	84.6
ADR (JPY)	5,431	5,802	-371	-6.4%	5,614	-70	-1.2%	7,480

Revenue, RevPAR, Occupancy, and ADR by Hotel

Variable Rent Hotels (15 Hotels)

	Oct 2021 (A)	(Previous) Oct 2020 (B)	Difference (A) - (B)	YOY Change	Aug 2021 – Oct 2021 (Current Period-To-Date)			Oct 2019 (Reference)	
					Cumulative	YOY Difference	YOY Change		
Nest Hotel Sapporo Ekimae	Revenue (JPY million)	24.1	27.7	-3.6	-13.1%	71.2	-10.1	-12.4%	49.4
	RevPAR (JPY)	3,736	4,374	-638	-14.6%	3,872	-506	-11.6%	8,221
	Occupancy (%)	92.1	96.9	-4.7	-4.9%	91.0	-6.3	-6.4%	96.6
	ADR (JPY)	4,055	4,516	-461	-10.2%	4,254	-246	-5.5%	8,514
Nest Hotel Sapporo Odori	Revenue (JPY million)	15.2	16.6	-1.4	-8.3%	46.5	-6.1	-11.6%	34.0
	RevPAR (JPY)	3,218	3,825	-607	-15.9%	3,422	-693	-16.8%	8,022
	Occupancy (%)	83.2	89.8	-6.6	-7.4%	79.8	-11.6	-12.7%	90.7
	ADR (JPY)	3,869	4,260	-391	-9.2%	4,287	-213	-4.7%	8,840
Smile Hotel Tokyo Asagaya	Revenue (JPY million)	17.3	15.4	+1.9	+12.4%	50.5	+9.9	+24.5%	31.7
	RevPAR (JPY)	4,890	4,289	+601	+14.0%	4,808	+1,007	+26.5%	8,878
	Occupancy (%)	99.1	83.6	+15.5	+18.6%	98.6	+19.5	+24.6%	97.2
	ADR (JPY)	4,935	5,133	-198	-3.9%	4,875	+74	+1.5%	9,136
HOTEL EMIT SHIBUYA	Revenue (JPY million)	10.6	11.1	-0.5	-4.8%	30.1	+2.7	+10.1%	
	RevPAR (JPY)	4,746	4,979	-233	-4.7%	4,532	+419	+10.2%	
	Occupancy (%)	99.0	99.1	-0.1	-0.1%	98.6	–	–	
	ADR (JPY)	4,793	5,022	-229	-4.6%	4,596	+426	+10.2%	
Hotel Wing International Nagoya	Revenue (JPY million)	13.2	11.3	+1.9	+17.1%	36.9	+11.1	+42.7%	39.9
	RevPAR (JPY)	1,733	1,468	+265	+18.1%	1,604	+473	+41.8%	5,234
	Occupancy (%)	44.0	32.5	+11.5	+35.5%	39.5	+14.1	+55.2%	84.1
	ADR (JPY)	3,940	4,523	-583	-12.9%	4,058	-384	-8.7%	6,224

		Oct 2021 (A)	(Previous) Oct 2020 (B)	Difference (A) - (B)	YOY Change	Aug 2021 – Oct 2021 (Current Period-To-Date)			Oct 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
Smile Hotel Kyoto Shijo	Revenue (JPY million)	6.4	4.9	+1.5	+30.5%	15.4	+1.7	+12.4%	37.0
	RevPAR (JPY)	1,397	1,062	+335	+31.6%	1,118	+126	+12.7%	7,670
	Occupancy (%)	57.3	34.6	+22.7	+65.7%	46.7	+14.7	+46.1%	99.8
	ADR (JPY)	2,439	3,072	-633	-20.6%	2,395	-709	-22.8%	7,689
The OneFive Osaka Sakaisuji	Revenue (JPY million)	6.4	–	–	–	10.7	–	–	17.0
	RevPAR (JPY)	1,573	–	–	–	1,338	–	–	4,224
	Occupancy (%)	73.2	–	–	–	62.5	–	–	70.5
	ADR (JPY)	2,151	–	–	–	2,141	–	–	5,990
Nest Hotel Osaka Shinsaibashi	Revenue (JPY million)	10.0	1.9	+8.1	+438.1%	21.6	+15.7	+261.9%	56.6
	RevPAR (JPY)	856	–	–	–	608	–	–	5,558
	Occupancy (%)	27.8	–	–	–	19.3	–	–	77.0
	ADR (JPY)	3,077	–	–	–	3,144	–	–	7,222
Hotel Wing International Kobe Shin Nagata Ekimae	Revenue (JPY million)	15.4	15.4	-0.1	-0.6%	43.6	+5.1	+13.3%	27.0
	RevPAR (JPY)	3,380	3,272	+108	+3.3%	3,134	+406	+14.9%	5,911
	Occupancy (%)	49.4	48.6	+0.8	+1.6%	45.5	+4.2	+10.2%	75.5
	ADR (JPY)	6,848	6,735	+113	+1.7%	6,889	+282	+4.3%	7,831
Nest Hotel Matsuyama	Revenue (JPY million)	23.6	26.1	-2.5	-9.6%	55.2	-10.5	-16.0%	42.8
	RevPAR (JPY)	3,214	3,550	-337	-9.5%	2,629	-416	-13.6%	5,685
	Occupancy (%)	71.5	75.3	-3.9	-5.1%	60.6	-7.2	-10.6%	90.4
	ADR (JPY)	4,497	4,714	-217	-4.6%	4,342	-153	-3.4%	6,286
The OneFive Okayama	Revenue (JPY million)	20.3	7.4	+12.9	+173.6%	58.0	+33.7	+139.2%	39.1
	RevPAR (JPY)	3,013	1,148	+1,864	+162.3%	2,900	+1,687	+139.0%	5,833
	Occupancy (%)	97.5	54.0	+43.5	+80.5%	97.3	+60.4	+163.8%	89.0
	ADR (JPY)	3,091	2,127	+965	+45.4%	2,980	-309	-9.4%	6,552
Court Hotel Kurashiki	Revenue (JPY million)	8.3	13.4	-5.1	-38.3%	22.2	-0.3	-1.2%	36.5
	RevPAR (JPY)	2,036	3,159	-1,123	-35.6%	1,751	-110	-5.9%	9,360
	Occupancy (%)	38.1	44.9	-6.8	-15.2%	31.8	+5.9	+22.6%	94.5
	ADR (JPY)	5,343	7,033	-1,691	-24.0%	5,506	-1,668	-23.3%	9,906
Valie Hotel Hiroshima	Revenue (JPY million)	39.8	8.5	+31.3	+369.7%	126.8	+115.0	+973.5%	20.6
	RevPAR (JPY)	7,500	1,552	+5,948	+383.2%	7,500	+6,770	+926.8%	3,834
	Occupancy (%)	100	43.6	+56.4	+129.4%	100	+81.1	+428.5%	61.4
	ADR (JPY)	7,500	3,561	+3,939	+110.6%	7,500	+3,640	+94.3%	6,242

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						Cumulative	YOY Difference	YOY Change	
The OneFive Fukuoka Tenjin	Revenue (JPY million)	8.3	4.4	+3.8	+87.2%	22.7	+11.4	+101.1%	21.9
	RevPAR (JPY)	3,063	1,458	+1,604	+110.0%	2,804	+1,605	+133.8%	8,475
	Occupancy (%)	98.2	54.0	+44.2	+81.7%	97.0	+62.4	+180.1%	95.9
	ADR (JPY)	3,119	2,699	+420	+15.6%	2,890	-572	-16.5%	8,834
Nest Hotel Kumamoto	Revenue (JPY million)	19.6	13.9	+5.7	+40.8%	47.5	+6.9	+16.9%	36.0
	RevPAR (JPY)	2,860	1,991	+869	+43.7%	2,319	+387	+20.1%	5,056
	Occupancy (%)	76.6	53.8	+22.8	+42.4%	64.9	+12.4	+23.7%	77.8
	ADR (JPY)	3,731	3,699	+32	+0.9%	3,572	-108	-2.9%	6,501

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

		Oct 2021 (A)	(Previous) Oct 2020 (B)	Difference (A) - (B)	YOY Change	Aug 2021 – Oct 2021 (Current Period-To-Date)			Oct 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
Comfort Hotel Kushiro	Revenue (JPY million)	20.5	19.1	+1.3	+7.0%	64.9	+4.4	+7.3%	19.9
	RevPAR (JPY)	4,949	4,624	+325	+7.0%	5,336	+393	+7.9%	4,846
	Occupancy (%)	87.1	86.3	+0.8	+0.9%	84.0	-2.8	-3.3%	80.8
	ADR (JPY)	5,679	5,356	+323	+6.0%	6,353	+660	+11.6%	5,995
Comfort Hotel Hamamatsu	Revenue (JPY million)	18.5	13.5	+5.0	+36.6%	49.1	+12.7	+34.8%	30.1
	RevPAR (JPY)	3,046	2,229	+817	+36.6%	2,720	+702	+34.8%	4,947
	Occupancy (%)	64.0	45.0	+19.1	+42.4%	56.4	+14.5	+34.5%	77.4
	ADR (JPY)	4,757	4,956	-199	-4.0%	4,819	+10	+0.2%	6,395
Comfort Hotel Central International Airport	Revenue (JPY million)	40.3	33.6	+6.7	+19.9%	104.4	+22.8	+27.9%	86.9
	RevPAR (JPY)	3,667	3,045	+622	+20.4%	3,203	+713	+28.6%	7,793
	Occupancy (%)	55.8	39.6	+16.3	+41.1%	50.2	+16.8	+50.1%	84.6
	ADR (JPY)	6,568	7,697	-1,129	-14.7%	6,384	-1,067	-14.3%	9,215
Comfort Hotel Suzuka	Revenue (JPY million)	9.7	10.3	-0.6	-6.0%	26.6	+1.4	+5.3%	18.7
	RevPAR (JPY)	2,945	3,140	-195	-6.2%	2,724	+135	+5.2%	5,684
	Occupancy (%)	64.7	56.4	+8.4	+14.8%	55.7	+4.8	+9.5%	77.7
	ADR (JPY)	4,550	5,570	-1,020	-18.3%	4,895	-200	-3.9%	7,315
Urbain Hiroshima Executive	Revenue (JPY million)	5.6	8.6	-3.1	-35.4%	10.4	-0.6	-5.7%	37.9
	RevPAR (JPY)	1,050	1,626	-576	-35.4%	659	-40	-5.7%	7,149
	Occupancy (%)	21.8	29.6	-7.7	-26.2%	13.1	+0.6	+4.4%	93.4
	ADR (JPY)	4,812	5,500	-689	-12.5%	5,022	-538	-9.7%	7,655

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. October 2019 Revenue, RevPAR, Occupancy, and ADR data provided as a reference is for the 20 hotels owned since October 2019, and is not available for HOTEL EMIT SHIBUYA. The OneFive Okayama was operating under the name Comfort Hotel Okayama in October 2019, and hotel data is included as a fixed rent hotel.

Explanation of Changes

Revenue, RevPAR, and Occupancy for the portfolio in October 2021 increased significantly year-on-year compared to October 2020. Although Revenue, RevPAR, Occupancy, and ADR remain below pre-Covid levels of October 2019, Ichigo Hotel will work to capture demand and drive earnings as hotel demand recovers on the back of the lifting of Japan's state of emergency as of September 30th and tourism and business travel pick up.

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 joined RE100, a global initiative to accelerate the transition of electricity used by businesses to 100% renewable energy, and is targeting sourcing 100% renewable electricity across its operations by 2025.

Ichigo Hotel completed transitioning Comfort Hotel Suzuka (Hotel Operator: Greens Co., Ltd.) to renewable electricity, sourced from Chubu Electric Power Miraiz's "Mie Umashikuni Green Electricity," in September 2021. Registered as a renewable energy promoting business under Mie Prefecture's net zero carbon 2050 mission, "Mie Umashikuni Green Electricity" provides renewable electricity, generated by hydro power plants along the Kushida and Miya Rivers, to Mie-based corporations. The transition of Comfort Hotel Suzuka to renewable electricity reduces annual CO2 emissions by 113 tons (equivalent to 113 25-meter pools).

Ichigo Hotel will continue to work with its partners towards realizing a net zero carbon society by reducing energy consumption and CO2 emissions.