



**Make The World
More Sustainable**

[Provisional Translation Only]

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Issuer

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Ichigo Hotel Operating Results – June 2021

Portfolio Revenue, RevPAR, Occupancy, and ADR

Total (20 Hotels)

	June 2021 (A)	(Previous) June 2020 (B)	Difference (A) - (B)	YOY Change	February 2021 – June 2021 (Current Period-To-Date)			June 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	228.8	114.0	+114.8	+100.6%	1,224.1	+130.2	+11.9%	681.3
RevPAR (JPY)	2,450	1,459	+991	+68.0%	2,597	+219	+9.2%	6,662
Occupancy (%)	55.1	32.7	+22.4	+68.4%	55.8	+11.8	+26.7%	88.0
ADR (JPY)	4,445	4,456	-11	-0.2%	4,650	-746	-13.8%	7,571

Variable Rent Hotels (14 Hotels)

	June 2021 (A)	(Previous) June 2020 (B)	Difference (A) - (B)	YOY Change	February 2021 – June 2021 (Current Period-To-Date)			June 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	163.6	75.0	+88.6	+118.1%	861.4	+80.7	+10.3%	461.2
RevPAR (JPY)	2,617	1,601	+1,016	+63.4%	2,707	+170	+6.7%	7,705
Occupancy (%)	63.3	37.7	+25.5	+67.6%	62.7	+14.4	+29.9%	96.0
ADR (JPY)	4,136	4,242	-106	-2.5%	4,317	-940	-17.9%	8,030

Fixed Rent Hotels (6 Hotels)

	June 2021 (A)	(Previous) June 2020 (B)	Difference (A) - (B)	YOY Change	February 2021 – June 2021 (Current Period-To-Date)			June 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	65.2	39.0	+26.1	+67.0%	362.7	+49.5	+15.8%	220.2
RevPAR (JPY)	2,138	1,264	+874	+69.1%	2,387	+305	+14.6%	5,934
Occupancy (%)	39.9	25.9	+14.0	+54.0%	42.8	+6.5	+18.0%	86.9
ADR (JPY)	5,357	4,880	+477	+9.8%	5,573	-165	-2.9%	6,830

Revenue, RevPAR, Occupancy, and ADR by Hotel

Variable Rent Hotels (15 Hotels)

	June 2021 (A)	(Previous) June 2020 (B)	Difference (A) - (B)	YOY Change	February 2021 – June 2021 (Current Period-To-Date)			June 2019 (Reference)	
					Cumulative	YOY Difference	YOY Change		
Nest Hotel Sapporo Ekimae	Revenue (JPY million)	16.1	7.5	+8.6	+114.8%	92.7	+5.8	+6.6%	74.2
	RevPAR (JPY)	2,622	1,361	+1,261	+92.7%	3,093	+70	+2.3%	13,139
	Occupancy (%)	77.2	32.7	+44.5	+136.3%	86.1	+30.4	+54.7%	98.5
	ADR (JPY)	3,396	4,165	-769	-18.5%	3,594	-1,839	-33.9%	13,336
Nest Hotel Sapporo Odori	Revenue (JPY million)	9.2	6.8	+2.3	+34.4%	47.6	-27.2	-36.4%	55.3
	RevPAR (JPY)	1,997	1,703	+294	+17.3%	2,256	-1,366	-37.7%	14,187
	Occupancy (%)	58.7	43.1	+15.6	+36.1%	62.3	+1.4	+2.2%	98.1
	ADR (JPY)	3,405	3,952	-547	-13.8%	3,622	-2,324	-39.1%	14,458
Smile Hotel Tokyo Asagaya	Revenue (JPY million)	14.1	11.2	+2.9	+25.9%	80.2	+1.2	+1.5%	28.5
	RevPAR (JPY)	4,121	3,258	+863	+26.5%	4,635	+113	+2.5%	8,288
	Occupancy (%)	97.4	67.8	+29.6	+43.6%	95.9	+17.4	+22.2%	98.3
	ADR (JPY)	4,232	4,803	-571	-11.9%	4,834	-929	-16.1%	8,429
HOTEL EMIT SHIBUYA	Revenue (JPY million)	8.8	7.1	+1.7	+23.6%	43.1			
	RevPAR (JPY)	4,051	3,201	+850	+26.5%	3,980			
	Occupancy (%)	99.4	96.5	+2.9	+3.0%	93.4			
	ADR (JPY)	4,074	3,316	+757	+22.8%	4,263			
Hotel Wing International Nagoya	Revenue (JPY million)	9.5	6.5	+3.0	+46.6%	55.7	+1.0	+1.8%	36.6
	RevPAR (JPY)	1,289	871	+418	+48.0%	1,468	-611	-29.4%	4,923
	Occupancy (%)	36.2	19.6	+16.6	+84.9%	38.6	+4.7	+14.0%	82.3
	ADR (JPY)	3,562	4,450	-888	-19.9%	3,803	-2,336	-38.1%	5,983

		June 2021 (A)	(Previous) June 2020 (B)	Difference (A) - (B)	YOY Change	February 2021 – June 2021 (Current Period-To-Date)			June 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
Smile Hotel Kyoto Shijo	Revenue (JPY million)	2.4	0.1	+2.3	+2,386%	18.6	-18.5	-49.9%	27.6
	RevPAR (JPY)	524	–	+524	–	810	-2,524	-75.7%	5,293
	Occupancy (%)	22.4	–	+22.4	–	25.3	-46.5	-64.7%	99.1
	ADR (JPY)	2,340	–	+2,340	–	3,198	-1,441	-31.1%	5,339
Chisun Inn Osaka Hommachi	Revenue (JPY million)	–	–	–	–	–	-14.2	-100%	21.1
	RevPAR (JPY)	–	–	–	–	–	–	–	5,419
	Occupancy (%)	–	–	–	–	–	–	–	81.1
	ADR (JPY)	–	–	–	–	–	–	–	6,683
Nest Hotel Osaka Shinsaibashi	Revenue (JPY million)	1.8	1.9	-0.1	-5.0%	10.6	-30.3	-74.1%	72.4
	RevPAR (JPY)	–	–	–	–	331	-947	-74.1%	7,358
	Occupancy (%)	–	–	–	–	9.8	-10.9	-52.5%	95.4
	ADR (JPY)	–	–	–	–	3,362	-2,803	-45.5%	7,714
Hotel Wing International Kobe Shin Nagata Ekimae	Revenue (JPY million)	13.8	8.3	+5.5	+66.9%	63.9	+16.1	+33.7%	
	RevPAR (JPY)	3,059	1,844	+1,215	+65.9%	2,822	+665	+30.8%	
	Occupancy (%)	41.9	29.8	+12.1	+40.5%	42.1	+8.4	+25.0%	
	ADR (JPY)	7,305	6,189	+1,115	+18.0%	6,702	+298	+4.7%	
Nest Hotel Matsuyama	Revenue (JPY million)	14.7	10.1	+4.6	+45.2%	74.7	-14.7	-16.4%	44.7
	RevPAR (JPY)	2,100	1,563	+537	+34.4%	2,162	-348	-13.9%	5,196
	Occupancy (%)	54.0	36.8	+17.2	+46.8%	51.4	+1.0	+2.1%	88.2
	ADR (JPY)	3,887	4,248	-361	-8.5%	4,203	-778	-15.6%	5,889
The OneFive Okayama	Revenue (JPY million)	13.9	12.2	+1.7	+13.8%	72.7	-9.0	-11.0%	31.1
	RevPAR (JPY)	2,119	1,801	+317	+17.6%	2,248	-200	-8.2%	4,761
	Occupancy (%)	90.8	49.1	+41.6	+84.7%	88.2	+34.3	+63.6%	87.5
	ADR (JPY)	2,334	3,666	-1,332	-36.3%	2,547	-1,992	-43.9%	5,441
Court Hotel Kurashiki	Revenue (JPY million)	8.5	–	+8.5	–	39.5	+7.1	+22.0%	24.5
	RevPAR (JPY)	2,266	–	+2,266	–	1,967	-854	-30.3%	6,541
	Occupancy (%)	46.9	–	+46.9	–	34.7	-18.4	-34.7%	93.2
	ADR (JPY)	4,826	–	+4,826	–	5,667	+356	+6.7%	7,016
Valie Hotel Hiroshima	Revenue (JPY million)	39.7	–	+39.7	–	194.4	+155.7	+402.4%	
	RevPAR (JPY)	7,500	–	+7,500	–	7,211	+5,000	+226.2%	
	Occupancy (%)	100	–	+100	–	95.9	+41.7	+76.9%	
	ADR (JPY)	7,500	–	+7,500	–	7,523	+3,443	+84.4%	

		June 2021 (A)	(Previous) June 2020 (B)	Difference (A) - (B)	YOY Change	February 2021 – June 2021 (Current Period-To-Date)			June 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
The OneFive Fukuoka Tenjin	Revenue (JPY million)	5.7	0.9	+4.8	+510.1%	31.9	-2.8	-7.9%	22.5
	RevPAR (JPY)	2,051	–	+2,051	–	2,343	-1,791	-43.3%	9,087
	Occupancy (%)	87.3	–	+87.3	–	88.8	+19.5	+28.1%	96.4
	ADR (JPY)	2,349	–	+2,349	–	2,637	-3,324	-55.8%	9,426
Nest Hotel Kumamoto	Revenue (JPY million)	14.1	9.4	+4.7	+50.4%	78.8	+10.6	+15.5%	30.2
	RevPAR (JPY)	2,091	1,286	+805	+62.6%	2,343	+464	+24.7%	4,406
	Occupancy (%)	58.0	36.5	+21.5	+58.8%	62.9	+21.8	+52.9%	71.4
	ADR (JPY)	3,607	3,524	+83	+2.4%	3,725	-842	-18.4%	6,167

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

		June 2021 (A)	(Previous) June 2020 (B)	Difference (A) - (B)	YOY Change	February 2021 – June 2021 (Current Period-To-Date)			June 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
Comfort Hotel Kushiro	Revenue (JPY million)	11.7	8.9	+2.8	+31.3%	55.7	+17.7	+46.7%	17.6
	RevPAR (JPY)	2,911	2,150	+761	+35.4%	2,776	+929	+50.3%	4,401
	Occupancy (%)	59.4	53.1	+6.2	+11.7%	57.5	+16.0	+38.5%	79.2
	ADR (JPY)	4,904	4,045	+859	+21.2%	4,826	+381	+8.6%	5,560
Comfort Hotel Hamamatsu	Revenue (JPY million)	12.0	7.9	+4.2	+53.2%	70.1	+10.7	+18.0%	27.2
	RevPAR (JPY)	2,046	1,336	+710	+53.2%	2,383	+376	+18.7%	4,619
	Occupancy (%)	43.6	29.9	+13.7	+45.9%	48.6	+9.2	+23.2%	81.5
	ADR (JPY)	4,696	4,472	+223	+5.0%	4,902	-185	-3.6%	5,670
Comfort Hotel Central International Airport	Revenue (JPY million)	30.0	12.8	+17.2	+133.9%	135.5	+11.1	+8.9%	91.8
	RevPAR (JPY)	2,823	1,190	+1,633	+137.2%	2,543	+259	+11.3%	8,456
	Occupancy (%)	40.6	14.4	+26.2	+182.0%	36.0	+8.9	+32.7%	92.3
	ADR (JPY)	6,958	8,272	-1,315	-15.9%	7,065	-1,359	-16.1%	9,166
Comfort Hotel Suzuka	Revenue (JPY million)	7.6	4.0	+3.6	+91.8%	37.7	+10.5	+38.6%	14.5
	RevPAR (JPY)	2,386	1,241	+1,145	+92.3%	2,361	+667	+39.4%	4,564
	Occupancy (%)	52.4	29.7	+22.8	+76.8%	48.5	+11.5	+31.2%	82.2
	ADR (JPY)	4,552	4,184	+368	+8.8%	4,866	+286	+6.2%	5,555
Urbain Hiroshima Executive	Revenue (JPY million)	0.8	3.1	-2.2	-72.7%	47.5	+2.0	+4.3%	30.8
	RevPAR (JPY)	164	600	-437	-72.7%	1,854	-197	-9.6%	6,006
	Occupancy (%)	3.0	12.5	-9.5	-75.9%	26.2	-12.3	-32.0%	91.1
	ADR (JPY)	5,419	4,790	+629	+13.1%	7,080	+1,755	+33.0%	6,592

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 Chisun Inn Osaka Hommachi, 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. Because Ichigo Hotel acquired the HOTEL EMIT SHIBUYA on February 25, 2020, period-to-date YOY comparison data is not available.
8. Hiroshima Prefecture has temporarily leased all rooms of the Valie Hotel Hiroshima starting on February 8, 2021.
9. Pre-acquisition data for acquired hotels are based on data received from the previous owners.
10. June 2019 Revenue, RevPAR, Occupancy, and ADR data provided as a reference is for the 17 hotels owned since June 2019, and is not available for HOTEL EMIT SHIBUYA, Hotel Wing International Kobe Shin Nagata Ekimae and Valie Hotel Hiroshima. The OneFive Okayama was operating under the name Comfort Hotel Okayama in June 2019, and hotel data is included as a fixed rent hotel.

Status of Temporarily Closed Hotels

Hotel	Close Start Date	Status
Chisun Inn Osaka Hommachi	April 17, 2020	Selected Hakata Hotels as the new operator, replacing the previous operator whose lease contract ended on December 31, 2020 Preparing to rebrand and reopen as The OneFive Osaka Sakaisuji on September 1, 2021
Nest Hotel Osaka Shinsaibashi	April 18, 2021	Temporarily closed due to the third state of emergency declared by the Japanese government Reopened on April 1, 2021, but temporarily closed again on April 18, 2021

Explanation of Changes

Revenue, RevPAR, Occupancy, and ADR for the portfolio in June 2021 significantly decreased compared to pre-Covid levels in June 2019 due to the extension of Japan's state of emergency and Covid prevention measures, but Revenue, RevPAR, and Occupancy increased year-on-year compared to June 2020 (the month following the end of Japan's first state of emergency). Hotel demand is expected to gradually recover on the back of the vaccine rollout.

ESG Initiatives Toward a Sustainable Society

Ichigo Hotel preserves and enhances existing real estate, via extending the real estate's useful life and reducing its environmental impact, as part of its long-standing commitment to preserving the environment.

As part of its ESG initiatives, Ichigo Hotel has been installing LED lighting at its hotels to reduce energy consumption and waste, and has recently completed installment of LED lighting at the OneFive Okayama. The new lighting has been well received by guests, brightening common areas by more than 30%, and is expected to reduce the hotel's annual electricity consumption by c. 87%.

Ichigo Hotel will continue to carry out renovations to extend the useful life of real estate and drive higher asset value, and contribute towards a net zero carbon society by reducing energy consumption.