



**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.