



**Make The World
More Sustainable**

[Provisional Translation Only]

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Issuer

Ichigo Hotel REIT Investment Corporation (“Ichigo Hotel,” 3463)

1-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo

Representative: Osamu Miyashita, Executive Director

www.ichigo-hotel.co.jp/en

Asset Management Company

Ichigo Investment Advisors Co., Ltd.

Representative: Hiroshi Iwai, President

Inquiries: Hidehito Iwasaka, Head of Ichigo Hotel

Tel: +81-3-3502-4892

Ichigo Hotel Operating Results – December 2021

Portfolio Revenue, RevPAR, Occupancy, and ADR

Total (21 Hotels)

	Dec 2021 (A)	(Previous) Dec 2020 (B)	Difference (A) - (B)	YOY Change	Aug 2021 – Dec 2021 (Current Period-To-Date)			Dec 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	419.0	238.3	+180.7	+75.8%	1,724.3	+473.0	+37.8%	606.9
RevPAR (JPY)	3,747	2,220	+1,527	+68.8%	3,127	+815	+35.3%	5,362
Occupancy (%)	73.4	48.5	+24.9	+51.4%	64.9	+17.4	+36.5%	82.1
ADR (JPY)	5,103	4,578	+525	+11.5%	4,814	-45	-0.9%	6,532

Variable Rent Hotels (15 Hotels)

	Dec 2021 (A)	(Previous) Dec 2020 (B)	Difference (A) - (B)	YOY Change	Aug 2021 – Dec 2021 (Current Period-To-Date)			Dec 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	299.6	166.1	+133.6	+80.4%	1,242.4	+388.9	+45.6%	413.8
RevPAR (JPY)	3,721	2,184	+1,537	+70.4%	3,136	+932	+42.3%	5,967
Occupancy (%)	76.3	52.1	+24.2	+46.4%	69.0	+19.7	+40.0%	90.0
ADR (JPY)	4,879	4,191	+688	+16.4%	4,547	+76	+1.7%	6,633

Fixed Rent Hotels (6 Hotels)

	Dec 2021 (A)	(Previous) Dec 2020 (B)	Difference (A) - (B)	YOY Change	Aug 2021 – Dec 2021 (Current Period-To-Date)			Dec 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	119.4	72.2	+47.2	+65.3%	481.9	+84.1	+21.1%	193.1
RevPAR (JPY)	3,807	2,299	+1,508	+65.6%	3,105	+551	+21.6%	5,032
Occupancy (%)	66.6	40.3	+26.3	+65.2%	55.6	+11.8	+27.0%	79.3
ADR (JPY)	5,713	5,699	+14	+0.2%	5,590	-247	-4.2%	6,348

Revenue, RevPAR, Occupancy, and ADR by Hotel

Variable Rent Hotels (15 Hotels)

	Dec 2021 (A)	(Previous) Dec 2020 (B)	Difference (A) - (B)	YOY Change	Aug 2021 – Dec 2021 (Current Period-To-Date)			Dec 2019 (Reference)	
					Cumulative	YOY Difference	YOY Change		
Nest Hotel Sapporo Ekimae	Revenue (JPY million)	29.2	12.4	+16.8	+135.5%	125.5	+10.8	+9.4%	46.9
	RevPAR (JPY)	4,650	2,065	+2,585	+125.2%	4,050	+314	+8.4%	6,812
	Occupancy (%)	93.9	58.1	+35.8	+61.6%	91.8	+4.4	+5.1%	98.1
	ADR (JPY)	4,951	3,553	+1,398	+39.3%	4,411	+134	+3.1%	6,940
Nest Hotel Sapporo Odori	Revenue (JPY million)	20.8	6.5	+14.3	+218.9%	83.7	+12.7	+17.9%	30.8
	RevPAR (JPY)	4,603	1,491	+3,111	+208.6%	3,710	+390	+11.7%	7,342
	Occupancy (%)	87.8	38.9	+48.9	+125.8%	82.3	+6.2	+8.1%	89.6
	ADR (JPY)	5,240	3,834	+1,406	+36.7%	4,507	+145	+3.3%	8,194
Smile Hotel Tokyo Asagaya	Revenue (JPY million)	23.0	17.1	+5.9	+34.6%	92.6	+17.2	+22.8%	31.6
	RevPAR (JPY)	6,440	4,755	+1,685	+35.4%	5,294	+1,043	+24.5%	8,823
	Occupancy (%)	100	92.1	+7.9	+8.6%	99.1	+15.0	+17.9%	98.5
	ADR (JPY)	6,438	5,161	+1,277	+24.7%	5,342	+286	+5.7%	8,957
HOTEL EMIT SHIBUYA	Revenue (JPY million)	15.1	12.8	+2.3	+17.8%	57.8	+6.5	+12.6%	
	RevPAR (JPY)	6,759	5,728	+1,031	+18.0%	5,245	+594	+12.8%	
	Occupancy (%)	99.6	98.8	+0.8	+0.8%	99.0	+0.3	+0.3%	
	ADR (JPY)	6,789	5,798	+991	+17.1%	5,299	+587	+12.5%	
Hotel Wing International Nagoya	Revenue (JPY million)	19.9	12.4	+7.5	+60.4%	70.9	+15.6	+28.1%	40.7
	RevPAR (JPY)	2,651	1,591	+1,059	+66.6%	1,876	+426	+29.4%	5,359
	Occupancy (%)	59.8	35.6	+24.2	+67.9%	45.3	+13.3	+41.6%	86.6
	ADR (JPY)	4,436	4,471	-35	-0.8%	4,143	-390	-8.6%	6,191

		Dec 2021 (A)	(Previous) Dec 2020 (B)	Difference (A) - (B)	YOY Change	Aug 2021 – Dec 2021 (Current Period-To-Date)			Dec 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
Smile Hotel Kyoto Shijo	Revenue (JPY million)	10.6	6.9	+3.6	+52.7%	40.3	+5.1	+14.4%	27.1
	RevPAR (JPY)	2,309	1,509	+800	+53.0%	1,776	+223	+14.4%	5,597
	Occupancy (%)	60.4	47.8	+12.6	+26.3%	53.6	+13.6	+34.2%	98.4
	ADR (JPY)	3,825	3,158	+667	+21.1%	3,316	-574	-14.7%	5,690
The OneFive Osaka Sakaisuji	Revenue (JPY million)	10.8	–	–	–	29.7	–	–	15.7
	RevPAR (JPY)	2,649	–	–	–	1,859	–	–	3,904
	Occupancy (%)	97.6	–	–	–	78.5	–	–	63.8
	ADR (JPY)	2,713	–	–	–	2,368	–	–	6,115
Nest Hotel Osaka Shinsaibashi	Revenue (JPY million)	19.0	4.6	+14.4	+315.3%	53.6	+37.5	+232.5%	57.2
	RevPAR (JPY)	1,809	294	+1,515	+514.9%	981	+842	+605.5%	5,749
	Occupancy (%)	51.7	8.7	+43.0	+493.5%	29.6	+26.0	+721.8%	80.3
	ADR (JPY)	3,502	3,380	+122	+3.6%	3,310	-545	-14.1%	7,162
Hotel Wing International Kobe Shin Nagata Ekimae	Revenue (JPY million)	22.1	17.0	+5.1	+29.8%	86.4	+10.4	+13.6%	28.8
	RevPAR (JPY)	4,876	3,819	+1,057	+27.7%	3,821	+513	+15.5%	6,147
	Occupancy (%)	64.9	51.7	+13.2	+25.5%	53.3	+6.5	+13.8%	78.0
	ADR (JPY)	7,518	7,388	+130	+1.8%	7,163	+104	+1.5%	7,885
Nest Hotel Matsuyama	Revenue (JPY million)	29.4	18.5	+10.8	+58.4%	115.7	+2.6	+2.3%	46.3
	RevPAR (JPY)	3,758	2,661	+1,098	+41.3%	3,097	-118	-3.7%	4,773
	Occupancy (%)	78.5	57.8	+20.7	+35.9%	67.4	-0.5	-0.7%	85.0
	ADR (JPY)	4,788	4,607	+182	+3.9%	4,597	-144	-3.0%	5,618
The OneFive Okayama	Revenue (JPY million)	22.9	17.4	+5.5	+31.4%	103.4	+44.9	+76.8%	30.4
	RevPAR (JPY)	3,395	2,674	+722	+27.0%	3,113	+1,319	+73.5%	4,487
	Occupancy (%)	97.9	93.2	+4.7	+5.0%	97.5	+39.2	+67.3%	86.7
	ADR (JPY)	3,469	2,868	+601	+21.0%	3,192	+114	+3.7%	5,175
Court Hotel Kurashiki	Revenue (JPY million)	2.8	6.9	-4.1	-59.5%	40.7	-6.2	-13.2%	19.5
	RevPAR (JPY)	657	1,690	-1,033	-61.1%	1,928	-375	-16.3%	4,845
	Occupancy (%)	10.6	26.3	-15.8	-59.8%	31.1	+0.5	+1.7%	77.2
	ADR (JPY)	6,205	6,413	-208	-3.2%	6,190	-1,328	-17.7%	6,275
Valie Hotel Hiroshima	Revenue (JPY million)	40.3	5.2	+35.1	+672.6%	206.0	+176.2	+591.3%	14.9
	RevPAR (JPY)	7,500	927	+6,573	+709.2%	7,500	+6,398	+580.5%	2,759
	Occupancy (%)	100.2	23.6	+76.4	+324.1%	100.0	+75.0	+299.3%	68.3
	ADR (JPY)	7,500	3,931	+3,569	+90.8%	7,500	+3,100	+70.4%	4,041

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						Cumulative	YOY Difference	YOY Change	
The OneFive Fukuoka Tenjin	Revenue (JPY million)	12.3	7.8	+4.5	+57.7%	44.3	+16.4	+58.5%	21.9
	RevPAR (JPY)	4,746	2,845	+1,901	+66.8%	3,359	+1,398	+71.3%	8,531
	Occupancy (%)	97.7	86.3	+11.4	+13.3%	97.4	+40.5	+71.1%	93.8
	ADR (JPY)	4,856	3,296	+1,559	+47.3%	3,448	+4	+0.1%	9,095
Nest Hotel Kumamoto	Revenue (JPY million)	21.6	20.5	+1.1	+5.4%	91.7	+9.7	+11.9%	32.4
	RevPAR (JPY)	3,174	3,020	+154	+5.1%	2,713	+318	+13.3%	4,554
	Occupancy (%)	76.2	80.3	-4.1	-5.1%	69.7	+7.5	+12.1%	80.0
	ADR (JPY)	4,167	3,762	+405	+10.8%	3,891	+42	+1.1%	5,691

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

		Dec 2021 (A)	(Previous) Dec 2020 (B)	Difference (A) - (B)	YOY Change	Aug 2021 – Dec 2021 (Current Period-To-Date)			Dec 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
Comfort Hotel Kushiro	Revenue (JPY million)	15.5	8.5	+7.0	+82.8%	95.8	+15.5	+19.3%	13.7
	RevPAR (JPY)	3,718	2,018	+1,700	+84.2%	4,716	+780	+19.8%	3,267
	Occupancy (%)	73.5	48.6	+24.8	+51.1%	80.3	+6.7	+9.1%	74.1
	ADR (JPY)	5,062	4,152	+910	+21.9%	5,874	+526	+9.8%	4,409
Comfort Hotel Hamamatsu	Revenue (JPY million)	20.1	13.0	+7.1	+54.3%	88.9	+24.5	+37.9%	21.3
	RevPAR (JPY)	3,301	2,139	+1,162	+54.3%	2,966	+816	+37.9%	3,500
	Occupancy (%)	64.4	43.4	+21.0	+48.3%	60.6	+17.0	+39.0%	68.6
	ADR (JPY)	5,130	4,929	+200	+4.1%	4,896	-37	-0.8%	5,102
Comfort Hotel Central International Airport	Revenue (JPY million)	54.2	33.2	+21.1	+63.6%	197.4	+33.5	+20.5%	82.4
	RevPAR (JPY)	4,948	3,018	+1,930	+64.0%	3,642	+643	+21.4%	7,371
	Occupancy (%)	68.6	39.0	+29.6	+75.7%	54.5	+16.4	+43.1%	81.8
	ADR (JPY)	7,213	7,731	-518	-6.7%	6,682	-1,194	-15.2%	9,013
Comfort Hotel Suzuka	Revenue (JPY million)	12.4	10.5	+2.0	+18.7%	49.1	+4.0	+8.8%	12.4
	RevPAR (JPY)	3,802	3,184	+618	+19.4%	3,029	+245	+8.8%	3,765
	Occupancy (%)	77.2	58.2	+18.9	+32.5%	62.6	+8.9	+16.5%	74.3
	ADR (JPY)	4,927	5,466	-539	-9.9%	4,837	-343	-6.6%	5,069
Urbain Hiroshima Executive	Revenue (JPY million)	12.1	3.4	+8.8	+259.4%	33.2	+5.9	+21.6%	24.9
	RevPAR (JPY)	2,292	638	+1,654	+259.4%	1,268	+225	+21.6%	4,703
	Occupancy (%)	46.1	12.2	+33.9	+278.9%	25.2	+6.4	+33.8%	83.9
	ADR (JPY)	4,971	5,240	-270	-5.1%	5,026	-506	-9.1%	5,602

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. 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 HOTEL EMIT SHIBUYA. The OneFive Okayama was operating under the name Comfort Hotel Okayama in November 2019, and hotel data is included as a fixed rent hotel.

Status of Temporarily Closed Hotel

Hotel	Close Start Date	Status
Court Hotel Kurashiki	December 16, 2021	Hotel operation ended on December 15, 2021 Selected Hakata Hotels as the new operator, replacing the previous operator Preparing to rebrand and reopen as The OneFive Garden Kurashiki on February 1, 2022

Explanation of Changes

Revenue, RevPAR, Occupancy, and ADR for the portfolio in December 2021 increased significantly year-on-year on the back of a recovering trend in business and leisure demand since October 2021. However, revenue, RevPAR, Occupancy, and ADR remain below pre-Covid levels of December 2019.

Ichigo Hotel will work to capture demand and drive earnings, while continuing to implement Covid countermeasures and thorough cost control, amidst growing uncertainty of hotel demand caused by a resurgence of Covid cases since the beginning of 2022.

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 Hotel leverages Ichigo's real estate expertise to extend the useful life of existing real estate assets, conserve resources, and drive its long-term environmental initiatives.

As part of such efforts, Ichigo Hotel has upgraded all guestroom shower valves with water-saving flow control valves at the Nest Hotel Matsuyama. The upgrade is expected to reduce both water and electricity consumption by 15% each.

Ichigo Hotel will continue to drive its environmental initiatives and increases in the value of its assets, and work towards realizing a net zero carbon society by reducing energy consumption.