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November 28, 2023

Issuer

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## Interest Rate Swaps

Ichigo Hotel decided today to enter into interest rate swaps to lock in the interest rates on Term Loans 26 and 27.

### 1. Reason for Interest Rate Swaps

Ichigo Hotel will fix the interest rates on Term Loans 26 and 27 announced in the November 24, 2023 release “New Loans” via swaps in order to hedge against any future rise in interest rates.

### 2. Loan Details

#### Term Loan 26

| Loan Date    | Lenders                                                | Loan Amount (JPY million) | Interest Rate                           | Repayment Date (Loan Term) | Repayment Terms    | Collateralized |
|--------------|--------------------------------------------------------|---------------------------|-----------------------------------------|----------------------------|--------------------|----------------|
| Nov 30, 2023 | SMBC<br>Mizuho Bank<br>SBI Shinsei Bank<br>Resona Bank | 3,500                     | 3M JPY TIBOR +0.60% (p.a.) <sup>1</sup> | Nov 30, 2027 (4.0 years)   | Lump-sum repayment | No             |

<sup>1</sup> The interest rate is fixed at 1.20200% as a result of this interest rate swap.

## Term Loan 27

| Loan Date    | Lenders                                                | Loan Amount (JPY million) | Interest Rate                           | Repayment Date (Loan Term) | Repayment Terms    | Collateralized |
|--------------|--------------------------------------------------------|---------------------------|-----------------------------------------|----------------------------|--------------------|----------------|
| Nov 30, 2023 | SMBC<br>Mizuho Bank<br>SBI Shinsei Bank<br>Resona Bank | 3,500                     | 3M JPY TIBOR +0.70% (p.a.) <sup>1</sup> | Nov 30, 2029 (6.0 years)   | Lump-sum repayment | No             |

<sup>1</sup> The interest rate is fixed at 1.49900% as a result of this interest rate swap.

### Note:

The interest payment date of Term Loans 26 and 27 is the final day of every third month following the first interest payment date (the first payment date will be February 29, 2024 and the last payment date will be the same as the principal repayment date). In the event the interest payment date is not a business day, payment shall be made on the following business day. If the following business day falls into the following month, payment shall be made on the previous business day.

The base rate for Term Loans 26 and 27 will be JPY TIBOR as published by the Japanese Bankers Association (JBA) two business days before each interest payment date. For current JPY TIBOR rates, please visit the JBA's website: [www.jbatibor.or.jp/english/rate](http://www.jbatibor.or.jp/english/rate)

### 3. Swap Details

| Counterparty | Notional (JPY million) | Contract Start Date | Contract End Date        | Fixed Interest Rate (Pay) | Floating Interest Rate (Receive) |
|--------------|------------------------|---------------------|--------------------------|---------------------------|----------------------------------|
| Mizuho Bank  | 3,500                  | Nov 30, 2023        | Nov 30, 2027 (4.0 years) | 1.20200%                  | 3M JPY TIBOR +0.60% (p.a.)       |
| Mizuho Bank  | 3,500                  | Nov 30, 2023        | Nov 30, 2029 (6.0 years) | 1.49900%                  | 3M JPY TIBOR +0.70% (p.a.)       |

### 4. Earnings Impact

The impact of the new loans and the interest rate swaps has already been factored into Ichigo Hotel's January 2024 and July 2024 fiscal period earnings forecasts presented in the September 14, 2023 release "July 2023 Fiscal Period Earnings."

### 5. Other

Risks related to the loans have no material impact on the "Investment Risks" described in the latest Financial Report submitted on October 26, 2023.