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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/english

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 – May 2020

Portfolio Revenue, RevPAR, Occupancy, and ADR

Total (18 Hotels)

	May 2020 (A)	(Previous) May 2019 (B)	Difference (A) - (B)	YOY Change	February 2020 – May 2020 (Current Period-To-Date)		
					Cumulative	YOY Difference	YOY Change
Revenue (JPY million)	63.6	722.5	-658.9	-91.2%	876.3	-1,892.8	-68.4%
RevPAR (JPY)	968	7,196	-6,228	-86.5%	2,527	-4,584	-64.5%
Occupancy (%)	22.0	86.9	-64.9	-74.7%	46.5	-42.6	-47.8%
ADR (JPY)	4,411	8,284	-3,873	-46.8%	5,430	-2,550	-32.0%

Variable Rent Hotels (11 Hotels)

	May 2020 (A)	(Previous) May 2019 (B)	Difference (A) - (B)	YOY Change	February 2020 – May 2020 (Current Period-To-Date)		
					Cumulative	YOY Difference	YOY Change
Revenue (JPY million)	33.6	479.2	-445.6	-93.0%	532.5	-1,315.6	-71.2%
RevPAR (JPY)	1,127	7,764	-6,637	-85.5%	2,675	-5,040	-65.3%
Occupancy (%)	26.8	88.4	-61.6	-69.6%	50.4	-40.7	-44.7%
ADR (JPY)	4,198	8,783	-4,585	-52.2%	5,305	-3,163	-37.4%

Fixed Rent Hotels (7 Hotels)

	May 2020 (A)	(Previous) May 2019 (B)	Difference (A) - (B)	YOY Change	February 2020 – May 2020 (Current Period-To-Date)		
					Cumulative	YOY Difference	YOY Change
Revenue (JPY million)	30.0	243.3	-213.3	-87.7%	343.7	-577.2	-62.7%
RevPAR (JPY)	853	6,361	-5,508	-86.6%	2,348	-3,874	-62.3%
Occupancy (%)	18.4	84.6	-66.2	-78.3%	41.8	-44.3	-51.5%
ADR (JPY)	4,637	7,517	-2,880	-38.3%	5,614	-1,607	-22.3%

Revenue, RevPAR, Occupancy, and ADR by Hotel

Variable Rent Hotels (14 Hotels)

		May 2020 (A)	(Previous) May 2019 (B)	Difference (A) - (B)	YOY Change	February 2020 – May 2020 (Current Period-To-Date)		
						Cumulative	YOY Difference	YOY Change
Nest Hotel Sapporo Ekimae	Revenue (JPY million)	4.5	67.1	-62.7	-93.4%	79.5	-163.3	-67.3%
	RevPAR (JPY)	819	10,950	-10,131	-92.5%	3,435	-6,585	-65.7%
	Occupancy (%)	22.0	98.6	-76.7	-77.7%	61.3	-37.5	-37.9%
	ADR (JPY)	3,730	11,103	-7,373	-66.4%	5,601	-4,540	-44.8%
Nest Hotel Sapporo Odori	Revenue (JPY million)	5.4	52.5	-47.1	-89.8%	68.0	-116.8	-63.2%
	RevPAR (JPY)	1,283	12,931	-11,648	-90.1%	4,098	-7,579	-64.9%
	Occupancy (%)	34.9	97.7	-62.8	-64.3%	65.4	-31.2	-32.3%
	ADR (JPY)	3,679	13,238	-9,559	-72.2%	6,271	-5,830	-48.2%
Smile Hotel Tokyo Asagaya	Revenue (JPY million)	10.7	30.4	-19.6	-64.7%	67.9	-62.7	-48.0%
	RevPAR (JPY)	3,026	8,550	-5,525	-64.6%	4,836	-4,645	-49.0%
	Occupancy (%)	66.2	98.1	-31.9	-32.5%	81.1	-17.6	-17.9%
	ADR (JPY)	4,569	8,713	-4,144	-47.6%	5,963	-3,639	-37.9%
HOTEL EMIT SHIBUYA	Revenue (JPY million)	5.8				25.9		
	RevPAR (JPY)	2,599				3,629		
	Occupancy (%)	97.4				94.5		
	ADR (JPY)	2,667				3,839		
Hotel Wing International Nagoya	Revenue (JPY million)	0.1	40.0	-39.8	-99.6%	48.2	-119.6	-71.3%
	RevPAR (JPY)	–	5,234	-5,234	-100%	2,551	-3,110	-54.9%
	Occupancy (%)	–	83.5	-83.5	-100%	39.4	-49.8	-55.8%
	ADR (JPY)	–	6,267	-6,267	-100%	6,466	+125	+2.0%

		May 2020 (A)	(Previous) May 2019 (B)	Difference (A) - (B)	YOY Change	February 2020 – May 2020 (Current Period-To-Date)		
						Cumulative	YOY Difference	YOY Change
Smile Hotel Kyoto Shijo	Revenue (JPY million)	0.4	38.4	-38.0	-99.1%	37.0	-126.4	-77.3%
	RevPAR (JPY)	–	8,008	-8,008	-100%	3,331	-5,546	-62.5%
	Occupancy (%)	–	98.1	-98.1	-100%	71.9	-27.6	-27.7%
	ADR (JPY)	–	8,160	-8,160	-100%	4,634	-4,290	-48.1%
Chisun Inn Osaka Hommachi	Revenue (JPY million)	–	21.3	-21.3	-100%	14.2	-79.0	-84.8%
	RevPAR (JPY)	–	5,284	-5,284	-100%	1,439	-4,539	-75.9%
	Occupancy (%)	–	75.9	-75.9	-100%	26.5	-56.4	-68.0%
	ADR (JPY)	–	6,964	-6,964	-100%	5,429	-1,781	-24.7%
Nest Hotel Osaka Shinsaibashi	Revenue (JPY million)	1.9	71.2	-69.3	-97.3%	39.0	-260.1	-87.0%
	RevPAR (JPY)	–	7,117	-7,117	-100%	1,277	-6,435	-83.4%
	Occupancy (%)	–	87.5	-87.5	-100%	20.7	-69.7	-77.1%
	ADR (JPY)	–	8,133	-8,133	-100%	6,165	-2,366	-27.7%
Hotel Wing International Kobe Shin Nagata Ekimae	Revenue (JPY million)	5.9				39.5		
	RevPAR (JPY)	1,312				2,235		
	Occupancy (%)	23.3				34.7		
	ADR (JPY)	5,627				6,450		
Nest Hotel Matsuyama	Revenue (JPY million)	5.7	55.2	-49.5	-89.6%	79.3	-115.7	-59.3%
	RevPAR (JPY)	836	6,876	-6,040	-87.8%	2,745	-3,317	-54.7%
	Occupancy (%)	19.2	85.7	-66.6	-77.6%	53.8	-33.0	-38.1%
	ADR (JPY)	4,364	8,022	-3,658	-45.6%	5,106	-1,878	-26.9%
Court Hotel Kurashiki	Revenue (JPY million)	–	43.8	-43.8	-100%	32.4	-103.2	-76.1%
	RevPAR (JPY)	–	11,784	-11,784	-100%	2,821	-6,377	-69.3%
	Occupancy (%)	–	97.9	-97.9	-100%	53.1	-44.9	-45.8%
	ADR (JPY)	–	12,038	-12,038	-100%	5,311	-4,075	-43.4%
Valie Hotel Hiroshima (Note 8)	Revenue (JPY million)	0.6				38.7		
	RevPAR (JPY)	381				2,211		
	Occupancy (%)	9.4				54.2		
	ADR (JPY)	4,045				4,080		
Valie Hotel Tenjin	Revenue (JPY million)	0.9	26.1	-25.1	-96.4%	33.7	-68.3	-66.9%
	RevPAR (JPY)	64	10,278	-10,214	-99.4%	4,133	-6,241	-60.2%
	Occupancy (%)	1.3	96.7	-95.4	-98.7%	69.3	-28.5	-29.1%
	ADR (JPY)	4,910	10,630	-5,720	-53.8%	5,961	-4,641	-43.8%

		May 2020 (A)	(Previous) May 2019 (B)	Difference (A) - (B)	YOY Change	February 2020 – May 2020 (Current Period-To-Date)		
						Cumulative	YOY Difference	YOY Change
Nest Hotel Kumamoto	Revenue (JPY million)	4.0	33.2	-29.3	-88.0%	33.3	-100.5	-75.1%
	RevPAR (JPY)	444	4,662	-4,218	-90.5%	1,088	-3,761	-77.6%
	Occupancy (%)	11.6	71.4	-59.9	-83.8%	42.3	-35.5	-45.6%
	ADR (JPY)	3,834	6,526	-2,692	-41.3%	2,571	-3,665	-58.8%

Fixed Rent Hotels (6 Hotels – excludes Hotel Livemax Nihombashi-Hakozaki)

		May 2020 (A)	(Previous) May 2019 (B)	Difference (A) - (B)	YOY Change	February 2020 – May 2020 (Current Period-To-Date)		
						Cumulative	YOY Difference	YOY Change
Comfort Hotel Kushiro	Revenue (JPY million)	3.7	15.7	-12.0	-76.6%	29.1	-29.5	-50.3%
	RevPAR (JPY)	855	3,797	-2,942	-77.5%	1,771	-1,886	-51.6%
	Occupancy (%)	20.8	67.4	-46.6	-69.2%	38.7	-32.8	-45.9%
	ADR (JPY)	4,111	5,630	-1,519	-27.0%	4,581	-539	-10.5%
Comfort Hotel Hamamatsu	Revenue (JPY million)	5.4	32.2	-26.8	-83.3%	51.6	-69.4	-57.4%
	RevPAR (JPY)	887	5,295	-4,409	-83.3%	2,174	-2,968	-57.7%
	Occupancy (%)	18.0	79.5	-61.5	-77.4%	41.8	-41.1	-49.5%
	ADR (JPY)	4,930	6,663	-1,733	-26.0%	5,196	-1,006	-16.2%
Comfort Hotel Central International Airport	Revenue (JPY million)	7.9	95.2	-87.3	-91.7%	111.6	-249.0	-69.0%
	RevPAR (JPY)	711	8,515	-7,804	-91.7%	2,555	-5,776	-69.3%
	Occupancy (%)	7.9	92.0	-84.0	-91.4%	30.3	-61.2	-66.9%
	ADR (JPY)	8,950	9,257	-307	-3.3%	8,442	-664	-7.3%
Comfort Hotel Suzuka	Revenue (JPY million)	3.3	15.4	-12.1	-78.6%	23.2	-34.2	-59.5%
	RevPAR (JPY)	994	4,673	-3,679	-78.7%	1,806	-2,705	-60.0%
	Occupancy (%)	24.0	74.0	-50.0	-67.6%	38.8	-37.1	-48.9%
	ADR (JPY)	4,142	6,314	-2,172	-34.4%	4,655	-1,291	-21.7%
Comfort Hotel Okayama	Revenue (JPY million)	6.8	37.5	-30.7	-81.8%	69.5	-74.8	-51.9%
	RevPAR (JPY)	986	5,549	-4,563	-82.2%	2,608	-2,919	-52.8%
	Occupancy (%)	26.2	87.5	-61.3	-70.0%	55.1	-34.5	-38.5%
	ADR (JPY)	3,761	6,342	-2,581	-40.7%	4,732	-1,437	-23.3%
Urbain Hiroshima Executive (Note 8)	Revenue (JPY million)	0.3	39.0	-38.7	-99.2%	42.5	-98.4	-69.8%
	RevPAR (JPY)	178	7,350	-7,173	-97.6%	2,485	-4,382	-63.8%
	Occupancy (%)	3.8	91.8	-88.0	-95.9%	46.3	-45.7	-49.7%
	ADR (JPY)	4,673	8,011	-3,338	-41.7%	5,368	-2,101	-28.1%

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 the 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:

   RevPAR = Total Revenue from accommodations (excluding restaurant charges and other service fees) / number of available guest rooms.
4. Occupancy is calculated with the following formula:

   Occupancy = Total number of guest rooms occupied during the period / (total number of guest rooms * 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:

   ADR = Total revenue from accommodations (excluding restaurant charges and other service fees) / number of guest rooms occupied during the period.
6. Data for the Hotel Livemax Nihombashi-Hakozaki are included in the total hotel and fixed rent hotel data above, but not separately disclosed because the hotel operator did not provide consent to disclose hotel-specific data.
7. The Grandpark-Inn Yokohama and the Washington Hotel Plaza Shimonoseki Eki Nishi are excluded from the above data because the hotel operator did not give consent to disclose hotel-specific data that would allow for year-on-year comparisons. The HOTEL EMIT SHIBUYA, the Hotel Wing International Kobe Shin Nagata Ekimae, and the Valie Hotel Hiroshima are excluded from the Total and Variable Rent Hotels data on page 1 because the previous hotel operator did not give consent to disclose hotel-specific data that would allow for year-on-year comparisons.
8. Because nine hotels temporarily closed due to Covid-19 as shown in the table on page 6, the above data reflects data for only when each hotel was open between May 1 and May 31, 2020.
9. Pre-acquisition data for acquired hotels are based on data received from the previous owners.

Explanation of Changes

All hotels saw year-on-year decreases in Revenue, RevPAR, Occupancy, and ADR due to Covid-19 restrictions on travel and public gatherings, causing a drop in both domestic and inbound demand.

Covid-19 Response: Working Towards a New Normal During/After Restrictions

Ichigo Hotel has continued to implement a broad range of measures as part of its Covid-19 response, including strengthened hygienic measures such as hand sanitizers and periodic building disinfections, mask-wearing, monitoring guest and employee health, and offering work-from-home services.

As of today, of the nine hotels that closed temporarily due to Covid-19, three hotels have reopened, and the remaining six hotels will reopen soon.

Ichigo Hotel will continue to work closely with its hotel operator partners to provide safe hotel environments responsive to guest needs.

Status of Hotels that Closed Temporarily due to Covid-19

Hotel	Date Closed	Status
Smile Hotel Kyoto Shijo	April 13, 2020	Scheduled to reopen on July 1, 2020
Chisun Inn Osaka Hommachi	April 17, 2020	Scheduled to reopen on August 1, 2020
Nest Hotel Osaka Shinsaibashi	April 17, 2020	Scheduled to reopen on July 1, 2020
Hotel Wing International Nagoya	April 18, 2020	Reopened on June 1, 2020
Grandpark-Inn Yokohama	April 19, 2020	Reopened on June 1, 2020
Valie Hotel Tenjin	May 1, 2020	TBD
Court Hotel Kurashiki	May 1, 2020	TBD
Urbain Hiroshima Executive	May 7, 2020	Reopened on May 28, 2020
Valie Hotel Hiroshima	May 10, 2020	TBD