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November 25, 2020

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Ichigo Hotel Operating Results – October 2020

Portfolio Revenue, RevPAR, Occupancy, and ADR

Total (19 Hotels)

	October 2020 (A)	(Previous) October 2019 (B)	Difference (A) - (B)	YOY Change	August 2020 – October 2020 (Current Period-To-Date)		
					Cumulative	YOY Difference	YOY Change
Revenue (JPY million)	256.0	691.8	-435.8	-63.0%	647.2	-1,428.9	-68.8%
RevPAR (JPY)	2,624	6,287	-3,663	-58.3%	2,534	-4,152	-62.1%
Occupancy (%)	55.2	84.1	-28.9	-34.4%	52.4	-33.5	-39.0%
ADR (JPY)	4,753	7,473	-2,720	-36.4%	4,836	-2,945	-37.8%

Variable Rent Hotels (13 Hotels)

	October 2020 (A)	(Previous) October 2019 (B)	Difference (A) - (B)	YOY Change	August 2020 – October 2020 (Current Period-To-Date)		
					Cumulative	YOY Difference	YOY Change
Revenue (JPY million)	167.0	489.6	-322.6	-65.9%	434.6	-1,046.6	-70.7%
RevPAR (JPY)	2,516	6,226	-3,710	-59.6%	2,434	-4,150	-63.0%
Occupancy (%)	58.8	84.4	-25.6	-30.3%	55.1	-29.8	-35.1%
ADR (JPY)	4,281	7,381	-3,100	-42.0%	4,413	-3,333	-43.0%

Fixed Rent Hotels (6 Hotels)

	October 2020 (A)	(Previous) October 2019 (B)	Difference (A) - (B)	YOY Change	August 2020 – October 2020 (Current Period-To-Date)		
					Cumulative	YOY Difference	YOY Change
Revenue (JPY million)	89.0	202.3	-113.2	-56.0%	224.4	-396.0	-63.8%
RevPAR (JPY)	2,824	6,428	-3,604	-56.1%	2,610	-4,026	-60.7%
Occupancy (%)	48.7	83.6	-34.9	-41.8%	45.9	-39.6	-46.3%
ADR (JPY)	5,802	7,687	-1,886	-24.5%	5,684	-2,073	-26.7%

Revenue, RevPAR, Occupancy, and ADR by Hotel

Variable Rent Hotels (15 Hotels)

		October 2020 (A)	(Previous) October 2019 (B)	Difference (A) - (B)	YOY Change	August 2020 – October 2020 (Current Period-To-Date)		
						Cumulative	YOY Difference	YOY Change
Nest Hotel Sapporo Ekimae	Revenue (JPY million)	27.7	49.4	-21.7	-44.0%	81.3	-102.1	-55.7%
	RevPAR (JPY)	4,374	8,221	-3,847	-46.8%	4,378	-6,151	-58.4%
	Occupancy (%)	96.9	96.6	+0.3	+0.3%	97.3	+0.8	+0.8%
	ADR (JPY)	4,516	8,514	-3,998	-47.0%	4,500	-6,411	-58.8%
Nest Hotel Sapporo Odori	Revenue (JPY million)	16.6	34.0	-17.4	-51.2%	52.7	-81.1	-60.6%
	RevPAR (JPY)	3,825	8,022	-4,197	-52.3%	4,115	-6,787	-62.3%
	Occupancy (%)	89.8	90.7	-1.0	-1.1%	91.4	-1.7	-1.9%
	ADR (JPY)	4,260	8,840	-4,580	-51.8%	4,501	-7,202	-61.5%
Smile Hotel Tokyo Asagaya	Revenue (JPY million)	15.4	31.7	-16.3	-51.5%	40.6	-52.4	-56.4%
	RevPAR (JPY)	4,289	8,878	-4,590	-51.7%	3,801	-4,995	-56.8%
	Occupancy (%)	83.6	97.2	-13.6	-14.0%	79.2	-18.6	-19.0%
	ADR (JPY)	5,133	9,136	-4,004	-43.8%	4,801	-4,200	-46.7%
HOTEL EMIT SHIBUYA	Revenue (JPY million)	11.1				27.3		
	RevPAR (JPY)	4,979				4,113		
	Occupancy (%)	99.1				98.6		
	ADR (JPY)	5,022				4,170		
Hotel Wing International Nagoya	Revenue (JPY million)	11.3	39.9	-28.6	-71.7%	25.9	-94.1	-78.4%
	RevPAR (JPY)	1,468	5,234	-3,766	-72.0%	1,132	-4,162	-78.6%
	Occupancy (%)	32.5	84.1	-51.6	-61.4%	25.5	-60.3	-70.3%
	ADR (JPY)	4,523	6,224	-1,702	-27.3%	4,442	-1,729	-28.0%

		October 2020 (A)	(Previous) October 2019 (B)	Difference (A) - (B)	YOY Change	August 2020 – October 2020 (Current Period-To-Date)		
						Cumulative	YOY Difference	YOY Change
Smile Hotel Kyoto Shijo	Revenue (JPY million)	4.9	37.0	-32.1	-86.7%	13.7	-83.8	-86.0%
	RevPAR (JPY)	1,062	7,670	-6,609	-86.2%	992	-5,789	-85.4%
	Occupancy (%)	34.6	99.8	-65.2	-65.3%	32.0	-67.6	-67.9%
	ADR (JPY)	3,072	7,689	-4,618	-60.1%	3,104	-3,708	-54.4%
Chisun Inn Osaka Hommachi	Revenue (JPY million)	–	17.0	-17.0	-100%	–	-54.8	-100%
	RevPAR (JPY)	–	4,224	-4,224	-100%	–	–	–
	Occupancy (%)	–	70.5	-70.5	-100%	–	–	–
	ADR (JPY)	–	5,990	-5,990	-100%	–	–	–
Nest Hotel Osaka Shinsaibashi	Revenue (JPY million)	1.9	56.6	-54.8	-96.7%	6.0	-160.0	-96.4%
	RevPAR (JPY)	–	5,558	-5,558	-100%	–	–	–
	Occupancy (%)	–	77.0	-77.0	-100%	–	–	–
	ADR (JPY)	–	7,222	-7,222	-100%	–	–	–
Hotel Wing International Kobe Shin Nagata Ekimae	Revenue (JPY million)	15.4	27.0	-11.6	-42.8%	38.5	-45.3	-54.1%
	RevPAR (JPY)	3,272	5,911	-2,639	-44.6%	2,728	-3,480	-56.1%
	Occupancy (%)	48.6	75.5	-26.9	-35.6%	41.3	-37	-47.4%
	ADR (JPY)	6,735	7,831	-1,096	-14.0%	6,607	-1,294	-16.4%
Nest Hotel Matsuyama	Revenue (JPY million)	26.1	42.8	-16.6	-38.8%	65.7	-65.7	-50.0%
	RevPAR (JPY)	3,550	5,685	-2,134	-37.5%	3,045	-2,517	-45.3%
	Occupancy (%)	75.3	90.4	-15.1	-16.7%	67.7	-20.2	-22.9%
	ADR (JPY)	4,714	6,286	-1,571	-25.0%	4,495	-1,832	-29.0%
The OneFive Okayama	Revenue (JPY million)	7.4	39.1	-31.7	-81.0%	24.2	-88.6	-78.5%
	RevPAR (JPY)	1,148	5,833	-4,684	-80.3%	1,801	-3,882	-68.3%
	Occupancy (%)	54.0	89.0	-35.0	-39.3%	54.7	-32.3	-37.1%
	ADR (JPY)	2,127	6,552	-4,425	-67.5%	3,289	-3,237	-49.6%
Court Hotel Kurashiki	Revenue (JPY million)	13.4	36.5	-23.1	-63.2%	22.5	-77.1	-77.4%
	RevPAR (JPY)	3,159	9,360	-6,200	-66.2%	2,806	-5,789	-67.4%
	Occupancy (%)	44.9	94.5	-49.6	-52.5%	39.1	-56.1	-58.9%
	ADR (JPY)	7,033	9,906	-2,873	-29.0%	7,174	-1,852	-20.5%
Valie Hotel Hiroshima	Revenue (JPY million)	8.5	20.6	-12.1	-58.9%	11.8	-13.7	-53.7%
	RevPAR (JPY)	1,552	3,834	-2,282	-59.5%	1,431	-1,910	-57.2%
	Occupancy (%)	43.6	61.4	-17.8	-29.0%	37.1	-19.1	-34.0%
	ADR (JPY)	3,561	6,242	-2,682	-43.0%	3,860	-2,084	-35.1%

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						Cumulative	YOY Difference	YOY Change
The OneFive Fukuoka Tenjin	Revenue (JPY million)	4.4	21.9	-17.5	-79.8%	11.3	-54.3	-82.8%
	RevPAR (JPY)	2,055	8,475	-6,420	-75.8%	1,329	-7,253	-84.5%
	Occupancy (%)	76.2	95.9	-19.8	-20.6%	38.4	-57.7	-60.1%
	ADR (JPY)	2,699	8,834	-6,136	-69.5%	3,462	-5,465	-61.2%
Nest Hotel Kumamoto	Revenue (JPY million)	13.9	36.0	-22.1	-61.3%	40.6	-73.5	-64.4%
	RevPAR (JPY)	1,991	5,056	-3,065	-60.6%	1,932	-3,534	-64.7%
	Occupancy (%)	53.8	77.8	-24.0	-30.8%	52.5	-25.4	-32.6%
	ADR (JPY)	3,699	6,501	-2,802	-43.1%	3,680	-3,340	-47.6%

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

		October 2020 (A)	(Previous) October 2019 (B)	Difference (A) - (B)	YOY Change	August 2020 – October 2020 (Current Period-To-Date)		
						Cumulative	YOY Difference	YOY Change
Comfort Hotel Kushiro	Revenue (JPY million)	19.1	19.9	-0.8	-4.0%	60.4	-15.2	-20.0%
	RevPAR (JPY)	4,624	4,846	-222	-4.6%	4,943	-1,322	-21.1%
	Occupancy (%)	86.3	80.8	+5.5	+6.8%	86.8	-0.7	-0.8%
	ADR (JPY)	5,356	5,995	-639	-10.7%	5,693	-1,467	-20.5%
Comfort Hotel Hamamatsu	Revenue (JPY million)	13.5	30.1	-16.5	-54.9%	36.4	-59.0	-61.8%
	RevPAR (JPY)	2,229	4,947	-2,718	-54.9%	2,018	-3,271	-61.8%
	Occupancy (%)	45.0	77.4	-32.4	-41.9%	42.0	-40.3	-49.0%
	ADR (JPY)	4,956	6,395	-1,439	-22.5%	4,809	-1,618	-25.2%
Comfort Hotel Central International Airport	Revenue (JPY million)	33.6	86.9	-53.3	-61.3%	81.7	-185.1	-69.4%
	RevPAR (JPY)	3,045	7,793	-4,749	-60.9%	2,491	-5,531	-69.0%
	Occupancy (%)	39.6	84.6	-45.0	-53.2%	33.4	-52.9	-61.3%
	ADR (JPY)	7,697	9,215	-1,519	-16.5%	7,451	-1,839	-19.8%
Comfort Hotel Suzuka	Revenue (JPY million)	10.3	18.7	-8.4	-44.9%	25.3	-22.9	-47.5%
	RevPAR (JPY)	3,140	5,684	-2,543	-44.7%	2,589	-2,354	-47.6%
	Occupancy (%)	56.4	77.7	-21.3	-27.4%	50.8	-24.6	-32.7%
	ADR (JPY)	5,570	7,315	-1,745	-23.9%	5,094	-1,456	-22.2%
Urbain Hiroshima Executive	Revenue (JPY million)	8.6	37.9	-29.3	-77.3%	11.0	-100.2	-90.1%
	RevPAR (JPY)	1,626	7,149	-5,523	-77.3%	1,339	-5,729	-81.1%
	Occupancy (%)	29.6	93.4	-63.8	-68.3%	24.1	-68.4	-74.0%
	ADR (JPY)	5,500	7,655	-2,155	-28.1%	5,559	-2,081	-27.2%

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:
   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. 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. 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. October 2019 data for the HOTEL EMIT SHIBUYA is not separately disclosed and is 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. The Comfort Hotel Okayama, a fixed rent hotel, was closed as of August 31, 2020, and rebranded and reopened as The OneFive Okayama, a variable rent hotel, on October 1, 2020. Thus, from October, Ichigo Hotel's portfolio changed from 12 to 13 variable rent hotels and from seven to six fixed rent hotels.
9. As the Valie Hotel Hiroshima was rebranded and reopened on September 18, 2019, there is no full-month data available for year-on-year comparisons.
10. The above data for The OneFive Fukuoka Tenjin is for the period from October 10, 2020, the day it was rebranded and reopened, to October 31, 2020.
11. Pre-acquisition data for acquired hotels are based on data received from the previous owners.

Status of Hotels that Closed Temporarily due to Covid

Hotel	Date Closed	Status
Chisun Inn Osaka Hommachi	April 17, 2020	TBD
Nest Hotel Osaka Shinsaibashi	April 17, 2020	Reopened on November 19, 2020

Explanation of Changes

All hotels saw year-on-year decreases in Revenue, RevPAR, Occupancy, and ADR due to ongoing Covid impacts causing a drop in both domestic and inbound demand.

Value-Add Actions

Ichigo Hotel's revenue and occupancy have recently improved on the back of the Go To Travel campaign, a Japanese government program subsidizing domestic travel that aims to encourage spending. Ichigo Hotel continues to work closely with its hotel operators to prevent the spread of Covid such as installing partitions at its dining facilities and antibacterial protective films inside elevators.

Ichigo Hotel will continue to work to carry out value-add renovations to increase guest satisfaction and drive higher earnings.