



**Hoshino
Resorts
REIT**

Securities Code: 3287
<https://www.hoshinoresorts-reit.com/en/>

Asset Management Company:
Hoshino Resort Asset Management Co., Ltd.

**15th Fiscal Period ending October 2020
Presentation Materials**

December 15, 2020

KAI Kawaji

HRR is creating schemes to benefit from the growth of Japan's tourism industry



We believe the tourism industry is very important for Japan's revitalization in an aging society with a declining birthrate. We aim to create schemes to benefit from the growth in Japan's tourism industry through unitholders owning investment units, and continually expand unitholder value.

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I

Financial highlights



15th Fiscal Period ending October 2020 Financial Summary

Hoshino Resorts REIT, Inc.

- Operating results for the 15th fiscal period ending Oct. 2020 remained stable and were roughly in line with June 2020 forecasts. Distribution per unit (DPU) ended at +107 yen (+0.8%) compared to the forecast.
- Calculated floating rent forecasts for the 16th fiscal period ending Apr. 2021 and the 17th fiscal period ending Oct. 2021 have been significantly impacted by COVID-19-related issues, such as the state of emergency declaration, and distributions for the 15th fiscal period ending Oct. 2020 are expected to decline significantly. However, due to the recovery of operating results for Hoshino Resorts-managed^(Note 1) properties since June and measures being implemented by the Investment Corporation, such as the property acquisition and changes to management compensation scheme, DPU for the 16th fiscal period ending Apr. 2021 is expected to increase by 1,283 yen (+25.1%) compared to the June forecast.
- For November 2020 to January 2021, booking status are expected to surpass those of last year for Hoshino Resorts-managed properties due in part to the Go To Travel campaign. Booking status are not expected to reach last year's levels for any externally-managed properties, but the 22 Roadside properties^(Note 2) are expected to maintain solid business and leisure demand, and the 4 ACP^(Note 3) properties are consistently capturing Go To Travel demand.

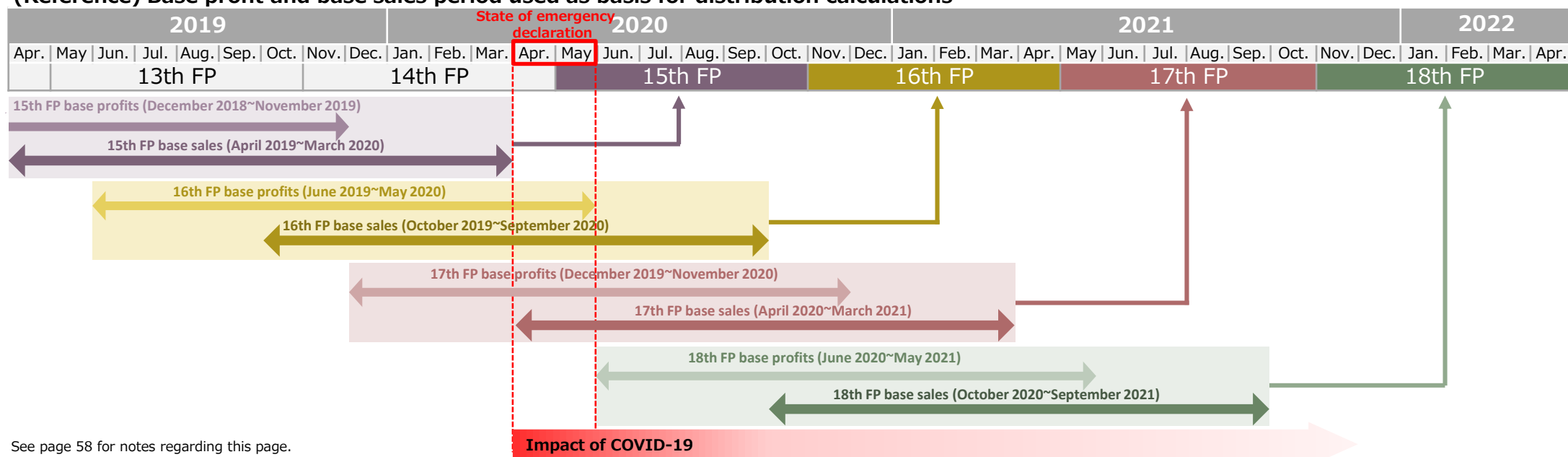
Results and business forecast assumptions^(Note 4)

Forecast two times before
(released June 15) Previous forecast
(revision on 26 Oct)

Results for the 15th fiscal period (ending October 2020)	12,753 yen	—	Actual results 12,860 yen (+107 yen, +0.8% vs. forecast)	<ul style="list-style-type: none"> Performance by sales-linked properties up to and including March 2020 was affected by declines in revenue due to the COVID-19 pandemic Rents were reduced or waived for some non-Hoshino Resorts tenants
Forecast for the 16th fiscal period (ending April 2021)	5,107 yen	6,340 yen	Forecast 6,390 yen (+1,283yen, +25.1% vs. 6/15forecast)	<ul style="list-style-type: none"> Reductions in revenue due to the COVID-19 pandemic have been reflected for sales-linked properties for the period up to and including September 2020 and for profit-linked properties for the period up to and including May 2020
Forecast for the 17th fiscal period (ending October 2022)	—	—	Forecast 5,987 yen (▲403 yen, ▲6.3%vs. 16th FP)	<ul style="list-style-type: none"> Reductions in revenue due to the COVID-19 pandemic have been reflected for sales-linked properties for the period up to and including March 2021 and for profit-linked properties for the period up to and including November 2020

(Reference) Base profit and base sales period used as basis for distribution calculations

^(Note 5)
(excluding Quintessa Hotel Osaka Shinsaibashi)



15th Fiscal Period ending October 2020

Overview of financial results

Hoshino Resorts REIT, Inc.

	Results of the 14th fiscal period	Forecast for the 15th fiscal period (as of June 15, 2020) (A)	Results of the 15th fiscal period (B)	Comparison with forecast (B)-(A)
Operational status (millions of yen)				
Operating revenue	6,158	6,021	6,021	0
Operating expenses	2,758	2,796	2,782	-14
Operating profit	3,399	3,224	3,238	14
Ordinary profit	2,952	2,830	2,854	23
Profit	2,951	2,829	2,853	23
Distribution per unit (yen)	13,302	12,753	12,860	107
Others				
NOI (millions of yen)	5,313	5,177	5,179	2
NOI yield	6.6%	6.4%	6.4%	0.0pt
LTV	37.9%	37.9%	37.9%	0.0pt
NAV per unit (yen)	525,704	-	515,480	-

(Note)

Breakdown of operating revenue

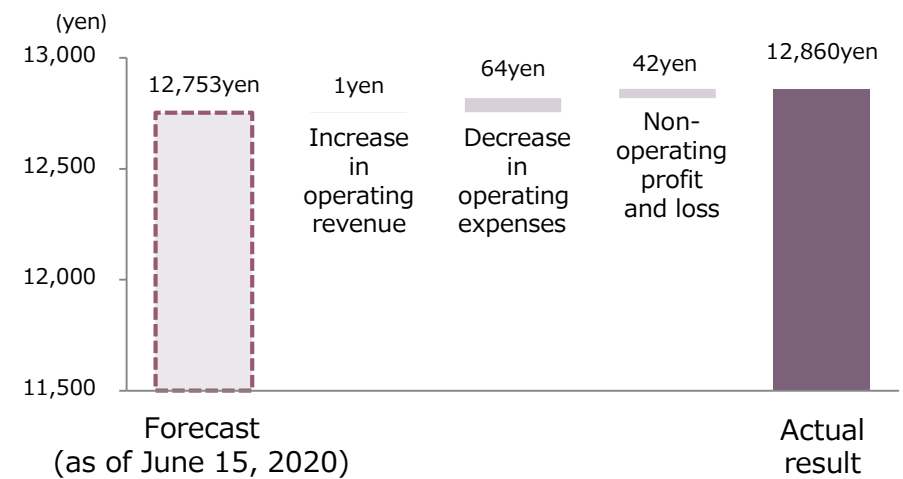
Fixed rent + Minimum guarantee	4,056 million yen (67.4%)
Floating rent excluding Minimum guarantee	1,953 million yen (32.4%)

Comparison with previous forecast of operating expenses

Taxes and public dues:	-1 million yen	Repair costs:	-1 million yen
Maintenance and inspection costs:	-1 million yen	Increase/decrease in other expenses:	-9 million yen

Breakdown of distribution increase and decrease

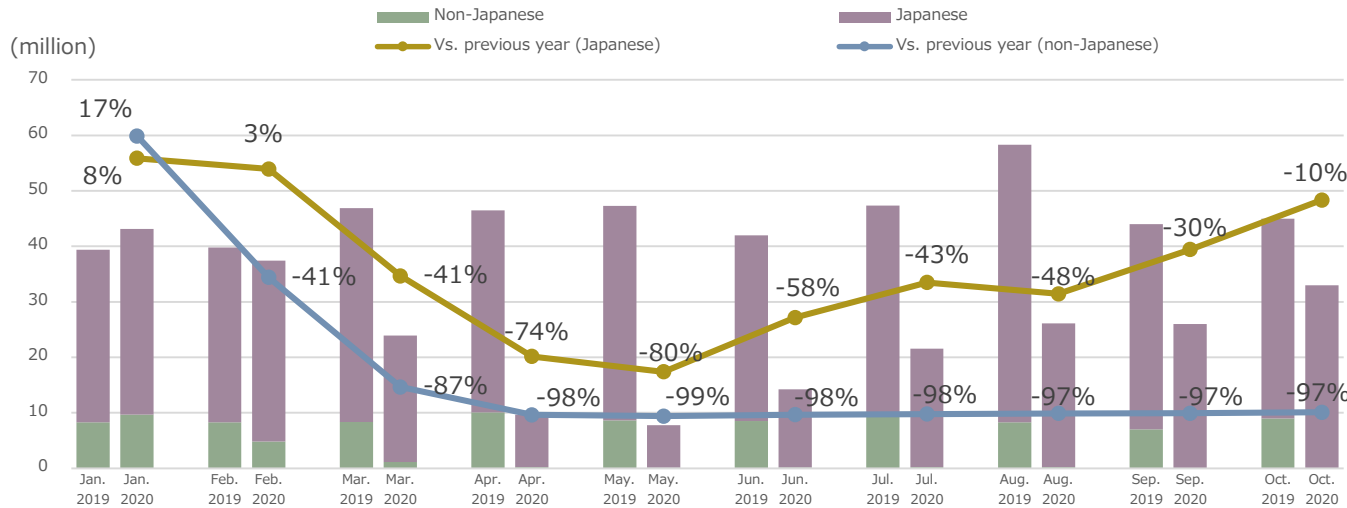
Distribution per unit : 12,860yen
Comparison with forecast + 107 yen (+ 0.8%)



The macro environment surrounding the tourism industry

Hoshino Resorts REIT, Inc.

Total number of guests over the January to September period



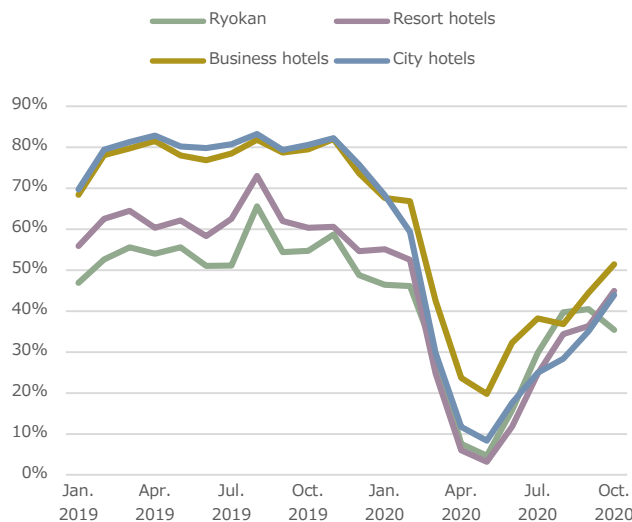
Occupancy Rate by City/Tourist destination (vs. previous year)



(Source: Prepared by the asset management company based on the Tourism Agency Statistical Survey of Lodging and Travel)

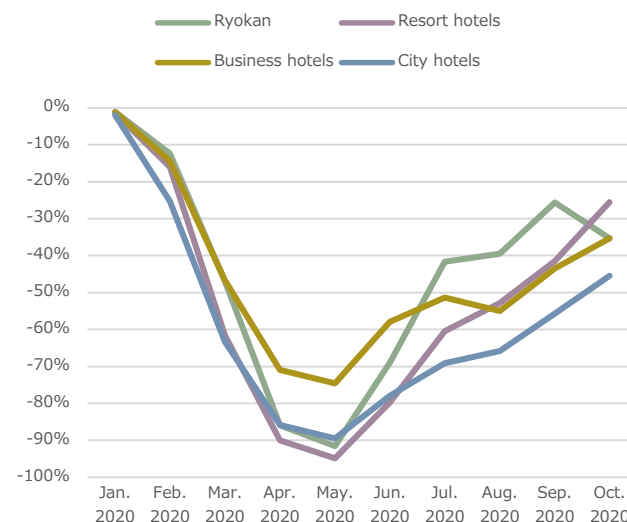
The occupancy rates for cities and tourist destinations are a simple average of the occupancy rates for each applicable prefecture. City refers to Tokyo and Osaka. Tourist attractions include the top 10 most popular hot springs in Shizuoka, Tochigi, Kanagawa, Gunma, Wakayama, Tottori and Hokkaido prefectures. Yukoyuko.net "https://www.yukoyuko.net/onsen/ranking/all".

Recent hotel operation ratios (for hotels with 10 or more employees)

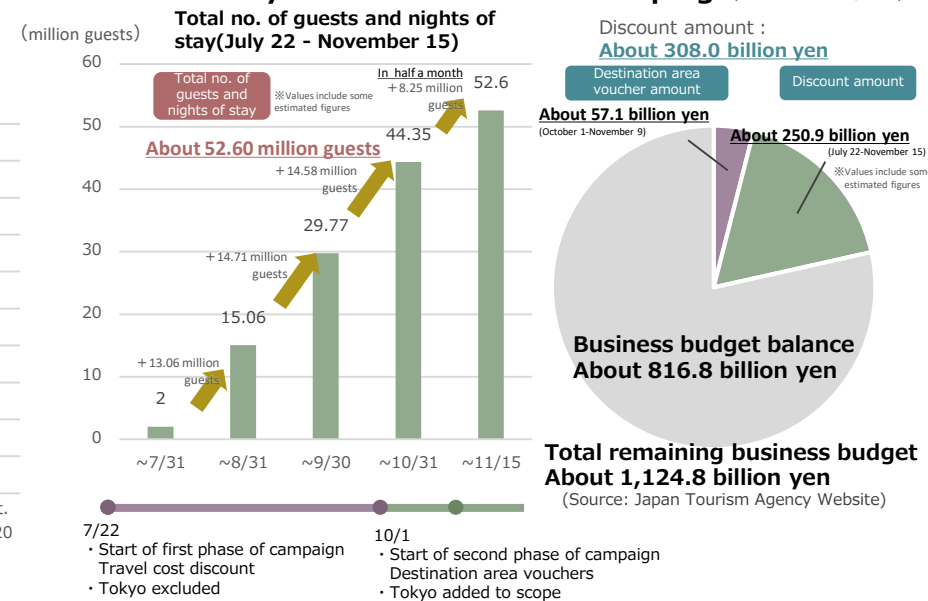


(Source: Japan Tourism Agency Statistical Survey of Lodging and Travel)

Recent hotel operation ratios (for hotels with 10 or more employees) (vs. previous year)



Availability of the Go To Travel Campaign (As of December 3, 2020)



Hoshino Resorts' COVID-19-related initiatives (1)

Hoshino Resorts REIT, Inc.

As people struggle with the fear and stress caused by the COVID-19 pandemic, Hoshino Resorts believes that the tourism industry can provide stays that set guests' minds at ease. This is why we propose stays for avoiding the "three Cs" (Crowded spaces, (Human) Contacts, Closed spaces), consisting of thorough avoiding the 3Cs and hygiene management, as the model form of travel in the prolonged "new normal."

Our Declaration of the Highest Standard of COVID-19 Control, promising a stay for scrupulously avoiding the 3Cs

In the prolonged "new normal," traditional services in all facilities are evolving to enable customers to enjoy their stays with peace of mind.

Check-in/check-out



Crowding avoidance during check-in and check-out



Installation of droplet prevention partitions



Temperature measurement

Guestrooms and public spaces



Various room types that avoid the 3Cs



Alcohol sanitizer in every guestroom



Thorough disinfection and cleaning on the premises



Antibacterial treatment and passenger number restrictions for elevators

Dining and restaurants



Prevention of crowding in dining areas



Hand sanitization using alcohol sanitizer



High temperature tableware cleaning and sterilization



"New normal" buffet



Food take-out

Hot springs, pools, and activities



Congestion visualization



Activities outdoors and in private spaces

Staff



Mask usage



Thorough health and hygiene management

Customer feedback from customer satisfaction (CS) survey

The CS survey we conducted includes a new survey item, "satisfaction with COVID-19 countermeasures," and found that customer satisfaction levels were high for this survey item in almost all of our facilities. For example, customers indicated that they were **"extremely satisfied"** with the following measures.



Congestion visualization

We offer a service that allows customers to check how congested hot springs and pools are in real time, via their smartphones, providing them with peace of mind.

"New normal" buffet

Antiviral coating has been applied to tables, tongs, and other fixtures, and we are conducting thorough hygiene management, which has enabled guests to feel secure as they enjoy their meals.



Placement of alcohol hand sanitizer in every guestroom

Placing hand sanitizer in all guestrooms allows guests to use it whenever they want, allowing them to enjoy their stay without worry.



Hoshino Resorts' COVID-19-related initiatives (2)

Hoshino Resorts REIT, Inc.

In addition to stays for avoiding the 3Cs, Hoshino Resorts is also focused on promoting microtourism to support local economies while avoiding spreading COVID-19. To help people rediscover the allure of their local areas, we actively engage in regional collaboration. Since these initiatives were launched in June 2020, Hoshino Resorts has achieved high operation rates. We believe that these initiatives benefit travelers, local businesses, and Hoshino Resorts itself.

Promotion of microtourism

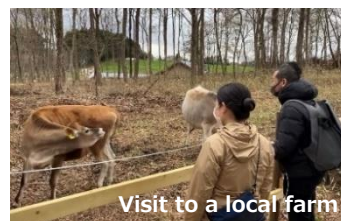
As a tourism industry leader, since the state of emergency declaration was issued in April 2020, we have continuously advocated microtourism, such as trips to destinations one to two hours away by car, as the new way to engage in tourism in the new normal.

Cooperation with the community

Hoshino Resorts carries out local collaboration projects. In order to protect and share local allure, we have striven to actively collaborate with local producers and creators affected by the COVID-19 pandemic. We believe these initiatives contribute to the recovery of local economies and improve the operational capabilities of Hoshino Resorts.



April 21, TV Tokyo
"WBS(WORLD BUSINESS SATELLITE)"



Visit to a local farm

Hoshino Resorts' local collaboration projects

Hoshino Resorts Aomoriya x Nebuta Festival float creators "Nebuta Collaborative Creation Project"



<Background>

The Aomori Nebuta Festival was cancelled due to the COVID-19 pandemic. We collaborated with Nebuta Festival float creators, who lost their once-a-year opportunity to create their works, providing guests with a place within our facility to see how the float decorations are created and even to try their own hand at creating them.

KAI Izumo x Local Brewery "Jizake Nonjokane ('Let's Drink') Stay"



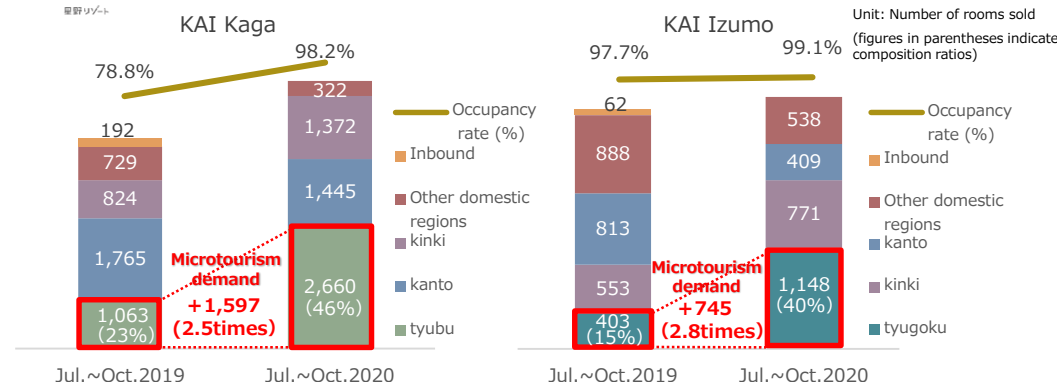
<Background>

We focused on the potential for sake, for which Izumo is famed as the birthplace of, to create opportunities for experiencing local allure. We collaborated with local breweries to create a program that allows guests to feel like they had taken a brewery tour all from the comfort of their own rooms.

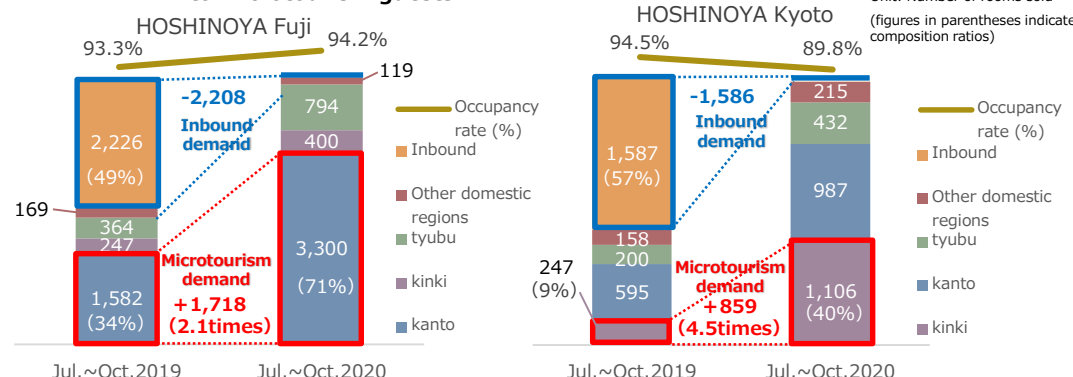
Changes in the regional composition of guests



We serve dishes made with local ingredients at all of our resorts. Nearby hot spring ryokans have **increased their share of microtourism**, attracting customers who seek relaxation.
































Efforts to draw in guests from nearby who want to experience something extraordinary **have shifted the guest demographic from inbound tourists to microtourism guests.**



Examples of local collaboration projects

Hoshino Resorts REIT, Inc.

Local collaboration projects are being conducted with business and craftspeople that support local industry and culture in regions throughout Japan. Collaboration fields have focused on food, traditional crafts, festivals, and other areas which have been impacted by the COVID-19 pandemic.

Collaboration themes	Kyusyu,Okinawa	Chubu,Hokuriku, Kinki,Chugoku	Kanto	Tohoku	Hokkaido	Nation wide
Food loss prevention			<div> Go-KINJO Delivery Ranger xOMO5 Tokyo otsuka</div> <div> Strawberry farmer xKAI Nikko, Kawaji,Kinugawa</div> <div> Charter boat and long-established confectioner xHOSHINOYA Tokyo</div> <div> Shinshu support marchéxKaruizawa Hoshino Area</div> <div> Winery xKAI Matsumoto</div> <div> Commercial launch of milk jam xRISONARE Nasu</div> <div> Hirosaki apple farming assistance xKAI Tsugaru</div> <div> Gastronomy fair xHoshino Resorts Aomoriya</div> <div> Gastronomy fair xHoshino Resorts Oirase Keiryu Hotel</div> <div> Neighborhood delivery café xOMO7 Asahikawa</div> <div> Neighborhood specialty exhibition xOMO7 Asahikawa</div> <div> Development of tea yokan xKAI brand</div>			
preserving traditional crafts, Helping creators	<div> Yachimun creator xHoshino Resorts Banta Cafe</div> <div> Sanshin performer xHOSHINOYA Taketomi Island</div>	<div> Shimada Tea Industrial Promotion Association x KAI Enshu</div> <div> Shinshu pickle shop x KAI Alps</div> <div> Mashiko ware artist xKAI Nikko, Kawaji,Kinugawa</div> <div> Odawara Lantern shop xKAI Hakone</div> <div> Artist xKAI Sengokuhara</div>		<div> Nebuta master xHoshino Resorts Aomoriya</div> <div> Hirosaki neputa artistxKAI Tsugaru</div> <div> Fireworksx Hoshino Resorts Tomamu</div>		
Freeing people from the stress of the COVID-19 pandemic		<div> Enshu handheld firework pyrotechnician x KAI Enshu</div> <div> Izumo brewery x KAI Izumo</div>	<div> Wine festival xRISONARE Yatsugatake</div> <div> Nasu discovery BOX xRISONARE Nasu</div>			
Collaboration with tourism operators			<div> Autumn skybus xKAI Nikko, Kawaji,Kinugawa</div> <div> Night skybus TokyoxHOSHINOYA Tokyo</div>	<div> Skybus Tokyox Hoshino Resorts Oirase Keiryu Hotel</div>		



The images with icons at left are activities conducted in concert with the Ministry of Agriculture, Forestry and Fisheries' #GenkiItadakimasuProject (which translates to "Healthily and Happily Eating Project," a project that supports the consumption of ingredients from Japan that have lost their buyers due to the COVID-19 pandemic).

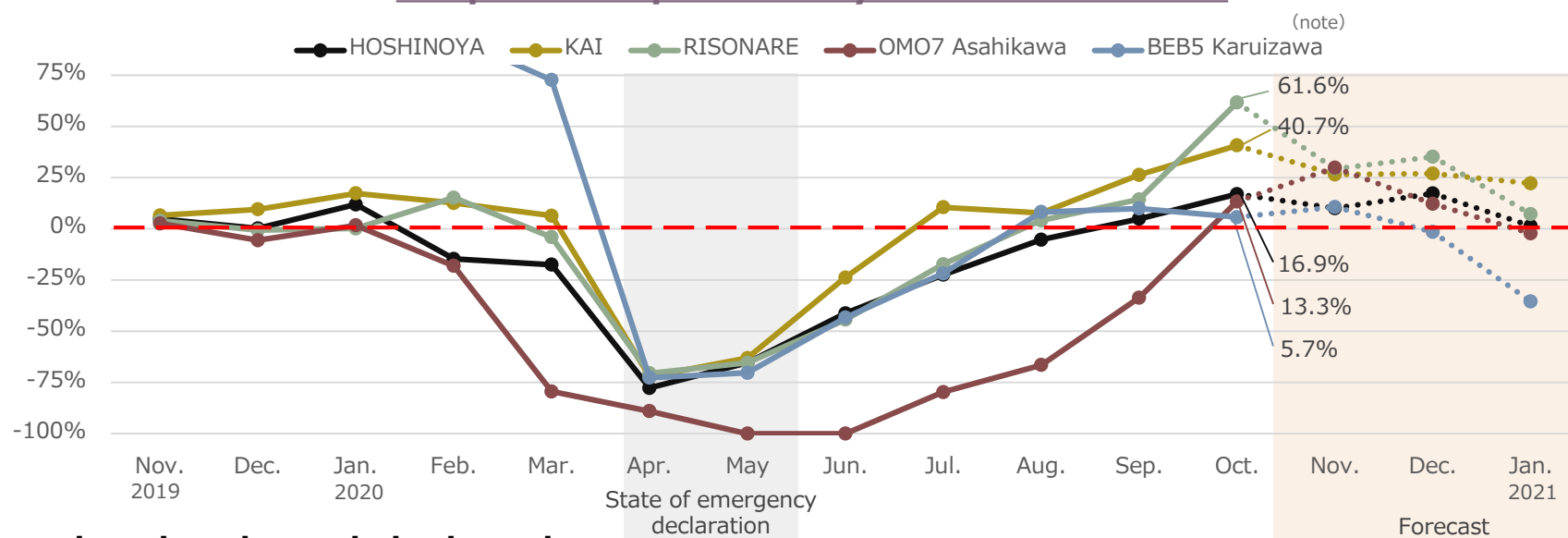
November 2019 to October 2020 results/November 2020 to January 2021 forecast

Rate of year-on-year RevPAR change by brand (Hoshino Resorts-managed properties)

Hoshino Resorts REIT, Inc.

Having set its sights on the prospect of an era beset by COVID-19 amid the prevailing state of emergency declaration, Hoshino Resorts proposed options that include microtourism as a new approach to travel and stays for avoiding the 3Cs. Those solutions have generated results culminating in a V-shaped recovery with respect to our three flagship brands (HOSHINOYA, KAI and RISONARE).

Properties operated by Hoshino Resorts



Comments and on-hand trends by brand

Results after the lifting of the state of emergency declaration

HOSHINOYA	Whereas Taketomi Island struggled amid Okinawa Prefecture having issued its own state of emergency declaration, Fuji achieved strong performance upon having met demand from those seeking to avoid the 3Cs by enlisting the concept of “glamping” (glamorous camping). From September onwards, lodging sales have exceeded those of last year for the brand as a whole, as well.
KAI	The brand succeeded in capturing microtourism demand at its facilities, resulting in strong overall performance for the KAI brand, greatly exceeding the results from last year from July onwards.
RISONARE	Demand has been steadily recovering in the accommodation business, yet Yatsugatake has been generating somewhat lackluster performance due to factors that include the wedding business encountering a decrease in the size of individual events and lower unit pricing. Demand with respect to Atami has been swiftly returning, particularly in August which saw the property achieve better results than it did in August of the previous year.
OMO7 Asahikawa	The lodging division saw a gradual recovery thanks to the allure created through collaboration with local communities, enabling us to maintain high unit prices compared to competitors’ facilities and capture long-term demand for telework. The banquet and restaurant division and other divisions are operating using a minimal operation structure in order to ensure profitability throughout the premises.
BEB5 Karuizawa	Results in August exceeded those of August in the previous year due to higher average daily rate (ADR) brought about by changes of sales plans and due to greater demand brought about by the government’s Go To Travel campaign.

On-hand trends from November to January

Although the pace of new reservations has tailed off recently, for the entire period up through January, the pace exceeded that of last year.
There have been cancellations in December, but a significantly higher number of reservations have been made up through January than were made in the previous year.
There have been cancellations from December onwards, but the number of reservations up through January has already significantly exceeded that of the previous year.
In November, the number of reservations exceeded that of the previous year, but due to the rising number of infections in Hokkaido, the number of reservations fell for December onwards.
RevPAR is expected to be roughly the same as in the previous year up to December. Due to lead times being shorter than other brands, from January onwards the outlook is somewhat uncertain.

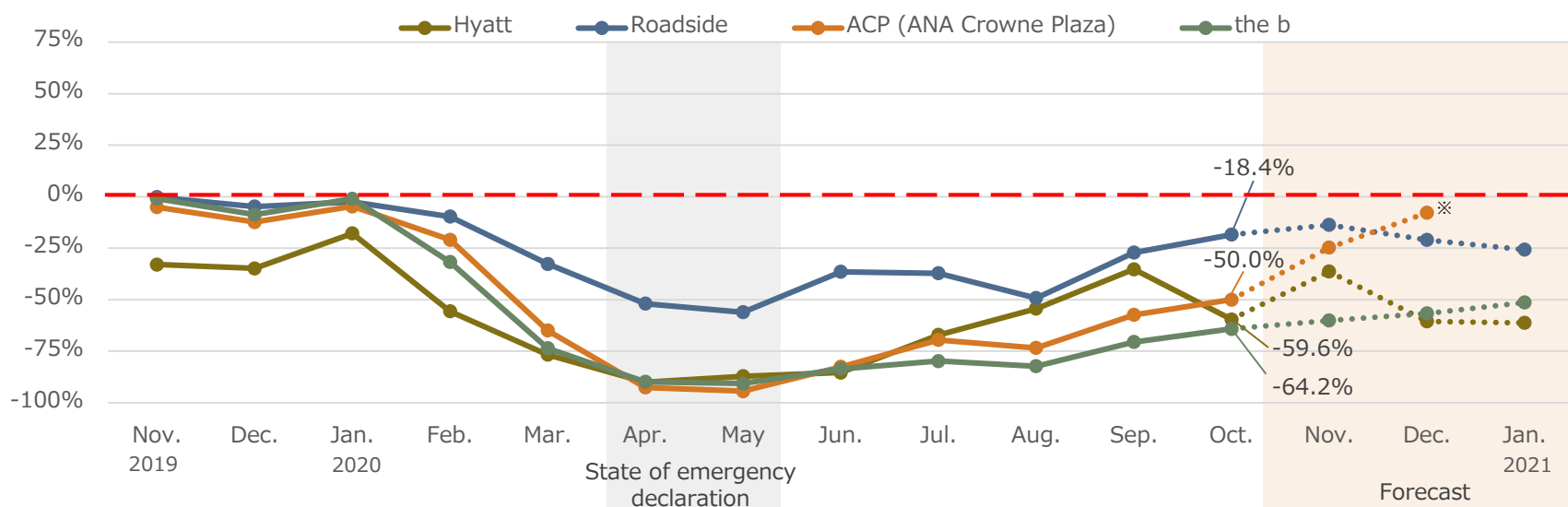
November 2019 to October 2020 results/November 2020 to January 2021 forecast

Rate of year-on-year RevPAR change by brand (outside operator-managed properties)

Hoshino Resorts REIT, Inc.

Conditions varied by brand for non-Hoshino Resorts-managed properties. Roadside performed solidly, and ACP has been steadily capturing Go To Travel demand from November onwards. Hyatt implemented its own unique activities in summer and has captured microtourism demand.

Properties operated by outside operator



Comments and on-hand trends by brand

	Results after the lifting of the state of emergency declaration	On-hand trends from November to January
Hyatt	In the midst of falling demand, the Hyatt actively carried out unique activities from July to September and successfully promoted family usage. It stimulated some microtourism demand.	The number of infections in Osaka remains high, so the outlook remains uncertain. The brand aims to steadily capture business demand, such as airline-related demand, to secure revenue.
Roadside	Business trip, business group, and other similar demand has remained strong, and demand related to events and leisure, which had at one point vanished, has gradually recovered. The brand has captured demand such as demand for stays on the nights before events and has performed solidly.	Neither business nor leisure demand has been affected by the third COVID-19 wave at present, and performance is expected to remain solid. If events such as sporting events are resumed, significant improvements can be expected.
ACP (ANA Crowne Plaza)	Demand remains low due to the loss of inbound tourism, companies refraining from having business trips, and the cancellation of banquets and weddings. However, Tokyo's inclusion in the Go To Travel Campaign scope from October stimulated lodging demand to some degree, and there are signs of a recovery.	Due in part to the Go To Travel campaign, lodging demand is recovering. Business demand is also beginning to recover. However, banquet and wedding demand has been impacted by the third wave.
the b	Relatively high profitability within the b brand has been achieved by the b sangenjaya with its solid accommodation demand and the b kobe with its high ratio of tenant income. Meanwhile, the b akasaka and the b nagoya have been struggling, the former of which is in a state of longstanding closure and the latter of which has been unable to tap demand to replace that of inbound tourism.	RevPAR for November is expected to be higher than for October, but roughly half of the reservations are for the current month, so results from December onwards will be affected by the status of Go To Travel Campaign, etc.

* January 2021 forecasts for ACP (ANA Crowne Plaza) have not been provided by tenants.

Initiative by Asset Management Company and Hyatt Regency Osaka

Hoshino Resorts REIT, Inc.

Hyatt Regency Osaka has a spacious building and diverse facilities, so it has tremendous potential at a physical level. The Asset Management Company has also supplied the activity-related expertise of Hoshino Resorts to provide Hyatt Regency Osaka with a competitive advantage at the service level in order to capture demand from the nearby family demographic, and has given recommendations regarding implementation. As a result, in the midst of the COVID-19 downturn, the hotel's RevPAR, which previously was below that of competing city hotels, exceeded that of other hotels for some time from July 2020 onwards. ※

※ Source:STR



星野リゾート
アセットマネジメント



Sunset fishing



Pizza workshop



Kids' yoga



Rooftop tai chi



English lesson with Hotel General Manager



Water balloon fishing

Silver Week Event Schedule

@ Hyatt Regency Osaka

ご宿泊のお客様、ザ・シティ・カントリー・クラブメンバー様優先
Priority is given to Stay Guests and The City Country Club Members

折り紙射的コンテスト
Origami Shooting Contest
9/19 14:00 - 15:00
ザ・ソニー・スペース
Social Space - Lobby Level

総支配人の英会話レッスン
English lesson with Hotel General Manager
9/20 14:00 - 15:00
ザ・ソニー・スペース
Social Space - Lobby Level

結ハガキ書道体験
Calligraphy-post Card Class
9/21 14:00 / 15:00
ザ・ソニー・スペース
Social Space - Lobby Level

Obon Event Schedule

@ Hyatt Regency Osaka

ご宿泊のお客様、ザ・シティ・カントリー・クラブメンバー様優先
Priority is given to Stay Guests and The City Country Club Members

Mon	Tue	Wed	Thu	Fri	Sat	Sun
					8	9
10	11	12	13	14	15	16

マティーニメイキングクラス
Perfect Martini
8/8-14 16:00 - 17:00
8F イタリアンパブ「バビロ」
Babylon
先着10名様 予約予約の要
First 10 arrivals Reservation recommended

ロンフェルトオリジナルティーブレンド
Ronnefeldt Tea Blending
8/11 15:00 - 16:00
1F ロビーラウンジ
The Lobby Lounge
先着10名様 予約予約の要
First 10 arrivals Reservation recommended

ヨーヨーすくいスマートボール
Ennichi, Japanese Games
8/13 15:00 - 17:00
1F ソーシャルスペース
Social Space - Lobby Level

屋上サンセットツアー
Rooftop Sunset Experience
8/8-15 19:00 - 19:30
ペルデラ公園に集合
Please meet at the ball desk.
※雨天中止
*The event will be cancelled in case of rain.
先着10名様 予約予約の要
First 10 arrivals Reservation recommended

キッズヨガ - 28F サロンパノラマ
Kids Yoga - 28F Salon Panorama
8/11 16:30 - 17:30
28F サロンパノラマ集合
Please meet at Salon Panorama, Level 28
先着10名様 予約予約の要
First 10 arrivals Reservation recommended

サンセットフィッシング
Sunset Fishing Experience
8/13-14 17:10 - 18:10
ペルデラ公園に集合
Please meet at the Ball Desk at 4:50pm
※雨天中止 The event will be cancelled in case of rain.
先着10名様 予約予約の要
First 10 arrivals Reservation recommended

書道体験
Calligraphy Class
8/9-12 15:00 - 15:30 / 16:00 - 16:30
1F ソーシャルスペース
Social Space - Lobby Level
先着10名様 予約予約の要
First 10 arrivals Reservation recommended

サンセットヨガ - 28F サロンパノラマ
Sunset Yoga - 28F Salon Panorama
8/11 17:30 - 18:30
28F サロンパノラマ集合
Please meet at Salon Panorama, Level 28
先着10名様 予約予約の要
First 10 arrivals Reservation recommended

ピッツアを作ってみよう
Make Your Own Pizza
8/16 11:00
8F パブリック
In front of Basilico
先着10名様 予約予約の要
First 10 arrivals Reservation recommended

折り紙射的コンテスト
Origami Shooting Contest
8/10-14 14:00 - 15:00
1F ソーシャルスペース
Social Space - Lobby Level

総支配人の英会話レッスン
English lesson with Hotel General Manager
8/12-13 14:00 - 15:00
1F ソーシャルスペース
Social Space - Lobby Level
先着10名様 予約予約の要
First 10 arrivals Reservation recommended

生け花体験
Ikebana Class
8/10-15 15:00 / 16:00
1F ソーシャルスペース
Social Space - Lobby Level
先着10名様 予約予約の要
First 10 arrivals Reservation recommended

屋上太極拳
Rooftop Tai Chi
8/13 7:30 - 8:30
4F サウナ・ロッジ・クラブ・ラウンジに集合
Register at The City Country Club at 7:15am
先着10名様 予約予約の要
First 10 arrivals Reservation recommended

ご予約はベルデスクまたはホテルオペレーター（内線9番）にて承ります。
For reservations please contact Bell Desk or our Hotel Operator by dialing 9.



Investment management summary by brand (last 3 years)

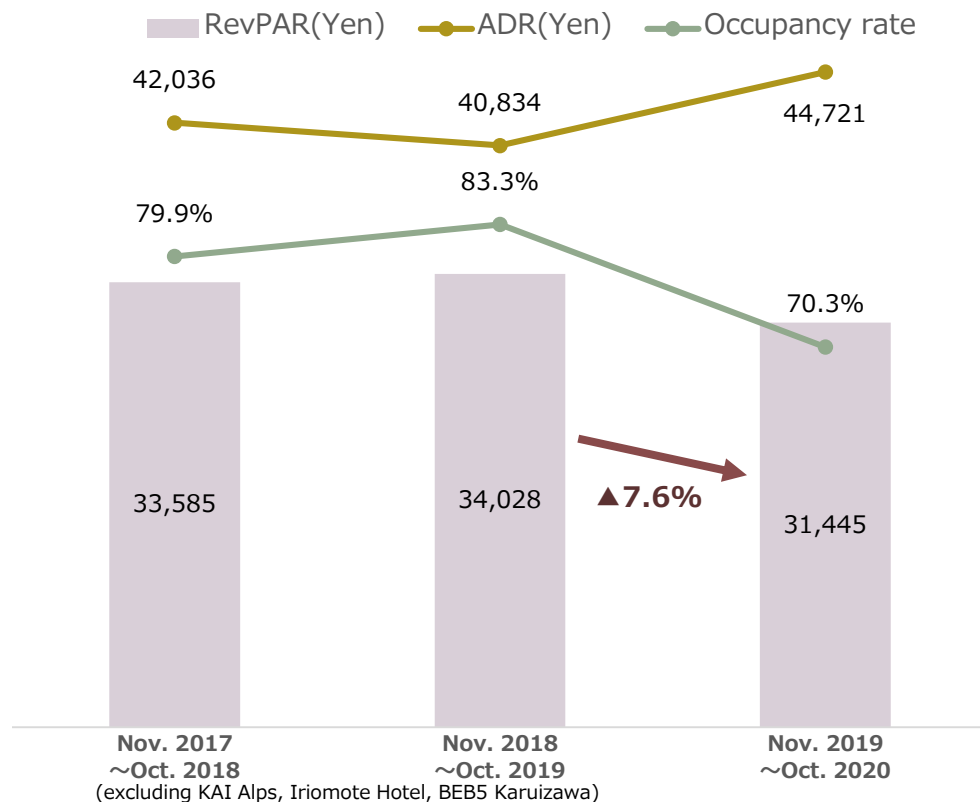
(1) Properties operated by Hoshino Resorts

Hoshino Resorts REIT, Inc.

Hoshino Resorts Brand Properties

Even under the harsh business environment, RevPAR held its ground, rising 1.4% year-on-year for the 8 KAI properties and only falling 7.6% for all 15 Hoshino Resorts properties.

Operation results for all Hoshino Resorts brands



4 HOSHINOYA Properties^(Note1)

	Nov. 2017~Oct. 2018	Nov. 2018~Oct. 2019	Nov. 2019~Oct. 2020
Occupancy rate	84.2%	89.1%	74.5%
ADR(Yen)	75,468	74,670	75,416
RevPAR(Yen)	63,554	66,519	56,203

2 RISONARE Properties^(Note2)

	Nov. 2017~Oct. 2018	Nov. 2018~Oct. 2019	Nov. 2019~Oct. 2020
Occupancy rate	83.7%	86.4%	75.5%
ADR(Yen)	42,738	43,478	46,083
RevPAR(Yen)	35,779	37,558	34,808

8 KAI Properties^(Note3)

	Nov. 2017~Oct. 2018	Nov. 2018~Oct. 2019	Nov. 2019~Oct. 2020
Occupancy rate	80.0%	79.7%	76.6%
ADR(Yen)	39,565	38,131	40,247
RevPAR(Yen)	31,645	30,393	30,833

OMO7 Asahikawa

	Nov. 2017~Oct. 2018	Nov. 2018~Oct. 2019	Nov. 2019~Oct. 2020
Occupancy rate	72.2%	79.8%	51.1%
ADR(Yen)	11,947	11,314	10,156
RevPAR(Yen)	8,624	9,023	5,188

BEB5 Karuizawa^(Note4)

	Nov. 2017~Oct. 2018	Nov. 2018~Oct. 2019	Nov. 2019~Oct. 2020
Occupancy rate	-	-	69.6%
ADR(Yen)	-	-	16,958
RevPAR(Yen)	-	-	11,800

Investment management summary by brand (last 3 years)

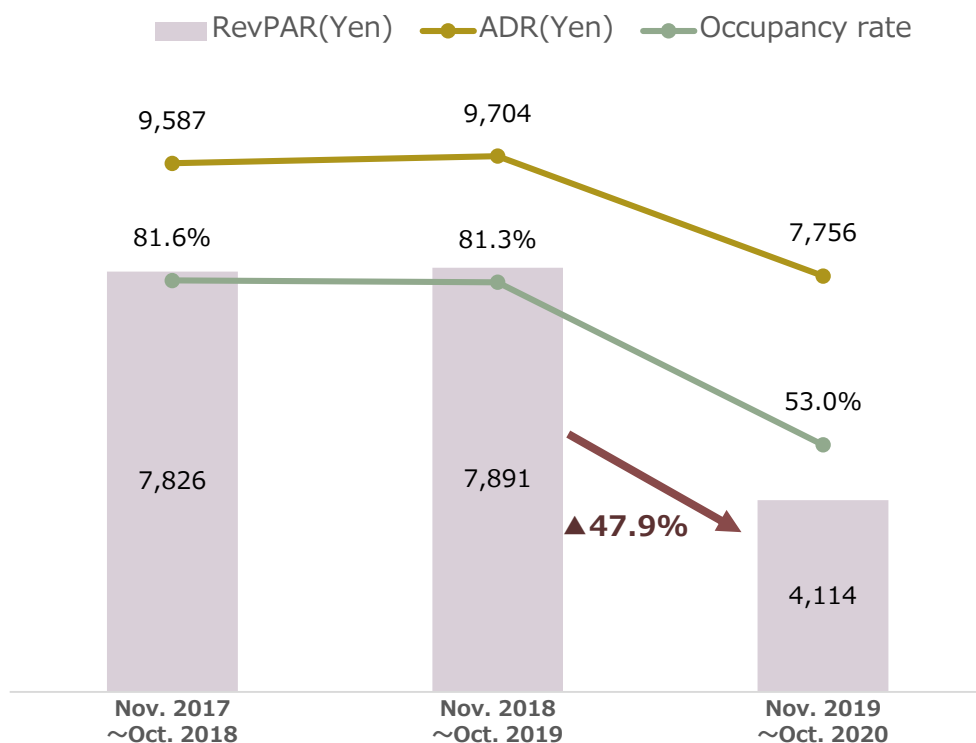
(2) Properties operated by outside operators

Hoshino Resorts REIT, Inc.

Outside Operators Properties

With respect to brands other than Hoshino Resorts, the 22 Roadside properties held their ground, with RevPAR falling 28.5% year-on-year. Other brands fell by roughly 60% year-on-year, the same amount as the hotel market as a whole.

Operation results for all outside operators



4 ANA Crowne Plaza Properties

	Nov. 2017~Oct. 2018	Nov. 2018~Oct. 2019	Nov. 2019~Oct. 2020
Occupancy rate	83.0%	82.1%	44.5%
ADR(Yen)	13,762	13,837	11,536
RevPAR(Yen)	11,428	11,364	5,132

Hyatt Regency Osaka

	Nov. 2017~Oct. 2018	Nov. 2018~Oct. 2019	Nov. 2019~Oct. 2020
Occupancy rate	74.1%	70.6%	31.5%
ADR(Yen)	15,513	16,317	15,081
RevPAR(Yen)	11,491	11,525	4,744

22 Roadside Properties

	Nov. 2017~Oct. 2018	Nov. 2018~Oct. 2019	Nov. 2019~Oct. 2020
Occupancy rate	80.3%	81.1%	64.4%
ADR(Yen)	5,994	6,140	5,534
RevPAR(Yen)	4,811	4,980	3,561

4 the b Properties (Note)

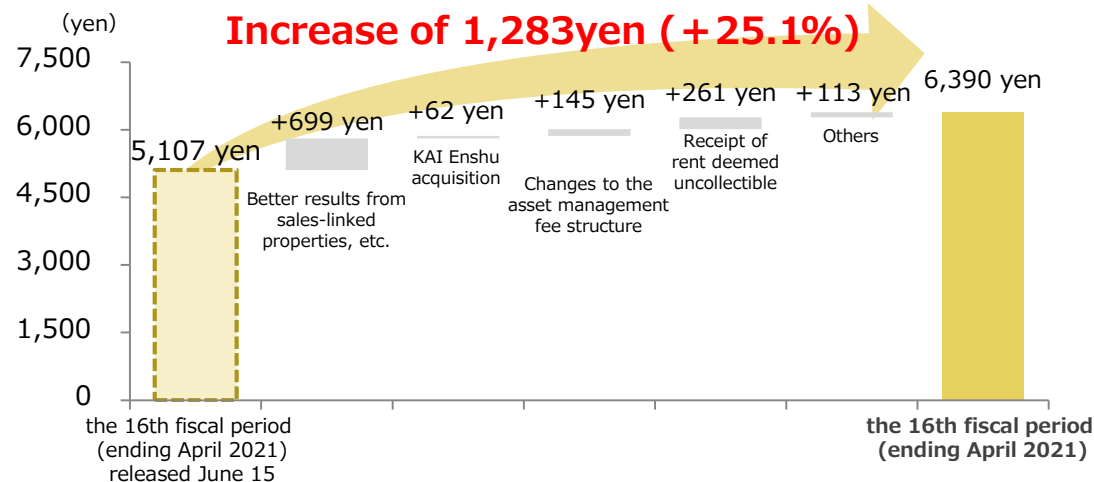
	Nov. 2017~Oct. 2018	Nov. 2018~Oct. 2019	Nov. 2019~Oct. 2020
Occupancy rate	89.0%	88.2%	46.9%
ADR(Yen)	9,516	9,592	7,686
RevPAR(Yen)	8,472	8,461	3,608

Summary of factors of upward revision of earnings forecast for the 16th Fiscal Period ending April 2021

Hoshino Resorts REIT, Inc.

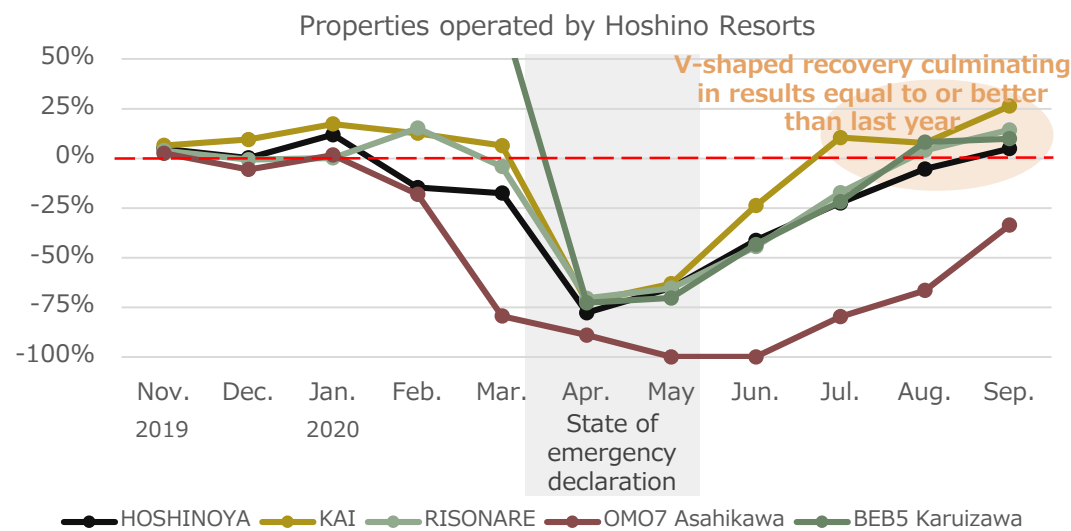
Due to the recovery of operating results for Hoshino Resorts-managed properties from June onwards and the following initiatives by the Investment Corporation, figures have been revised upwards by a significant margin from the business forecast issued on June 15, 2020. We will continue to explore various possibilities and strive to improve and stabilize distributions per unit.

Factors underpinning higher DPU



(1) Better results from sales-linked properties, etc.

At Hoshino Resorts, the effect of microtourism and stays for avoiding the 3Cs proposals is evident, and floating rents for the 16th period, mainly for sales-linked properties, are higher than expected at the time of the earnings forecast released in June.



See page 58 for notes regarding this page.

(2) Acquisition of Hoshino Resorts' KAI Enshu

With the acquisition of Hoshino Resorts' KAI Enshu which generates sound results by tapping microtourism demand, the DPU is expected to increase by 62 yen in the 16th period and 157 yen in the 17th period.



Advantages of the acquisition

- The acquisition increases the ratio of properties operated by HRR's sponsor Hoshino Resorts.
- The property generates sound results by tapping microtourism demand.
- The high-yielding acquisition maintains yield after depreciation of 5.9%.

Address	Hamamatsu-shi, Shizuoka
Acquisition date	November 2, 2020
Acquisition price	1.05 billion yen

(3) Changes to the asset management fee structure (Note1)

We anticipate a decrease in the total amount of asset management fees during the 16th fiscal period, which is under the influence of the COVID-19 pandemic. This will involve lowering the commission rate of the asset management fee linked to total assets and establishing new asset management fee linked to DPU.

Management fee	Before change (Until October 31, 2020)		After change (From November 1, 2020)	
Management fee 1	Total assets × Commission rate	Commission rate 1.0% (maximum)	Total assets × Commission rate	Commission rate 0.7% (maximum) Change in Commission rate
Management fee 2	NOI × Commission rate	Commission rate 5.0% (maximum)	—	Abolition
	—	—	NOI × DPU × Commission rate	Commission rate 0.00015% (maximum) Newly established

Estimated value upon retroactive application of change to asset management fees (Note2)

HRR's results	Asset management fee	Result for the 14th fiscal period (ending April 2020)	Result for the 15th fiscal period (ending October 2020)	Forecast for the 16th fiscal period (ending April 2021)
Stabilized basis	Decrease	485m yen	485m yen	474m yen
Effect of COVID-19 (small)	Decrease	485m yen	497m yen	493m yen
Effect of COVID-19 (large)	Decrease	485m yen	493m yen	439m yen

Applying changes: **▲34.3m yen**

(4) Receipt of rent deemed uncollectible

We engaged in difficult negotiations with some of the lessees (other than Hoshino Resorts) who, at the time of the announcement of the financial results in Jun. 2020, were expected to be unable to pay rent, but the parties reached a mutual agreement, and we expect this issue of unpaid rent to be resolved for the 16th period.

Forecasts for 16th fiscal period ending April 2021 and 17th fiscal period ending October 2021

Hoshino Resorts REIT, Inc.

(Amounts are rounded down. Ratios are rounded off.)

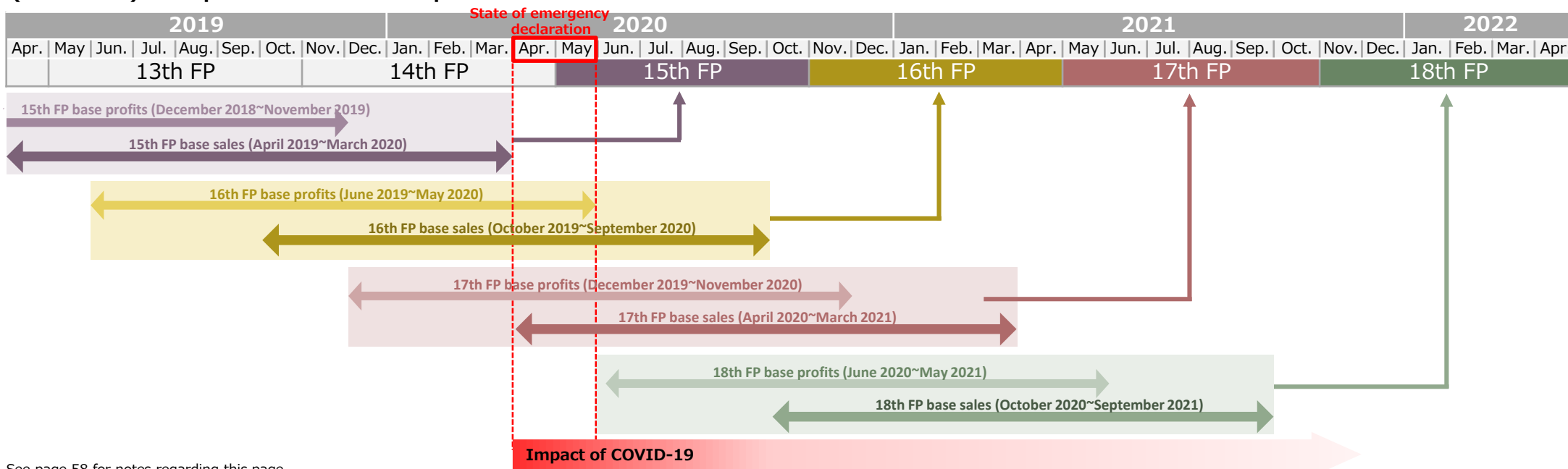
FP ending April 2021		Assumption	FP ending October 2021		Assumption
Operating revenue (millions of yen)	4,591	[Operating revenue] Fixed rent 4,108 million yen Floating rent 471 million yen Other rent 10 million yen	Operating revenue (millions of yen)	4,519	[Operating revenue] Fixed rent 4,033 million yen Floating rent 474 million yen Other rent 10 million yen
Operating profit (millions of yen)	1,813	[Operating expenses] Fixed assets tax, city planning tax, etc. 466 million yen Depreciation 1,338 million yen	Operating profit (millions of yen)	1,738	[Operating expenses] Fixed assets tax, city planning tax, etc. 501 million yen Depreciation 1,352 million yen
Ordinary profit (millions of yen)	1,418	[Non-operating expenses] Debt-financing-related expenses 397 million yen	Ordinary profit (millions of yen)	1,329	[Non-operating expenses] Debt-financing-related expenses 410 million yen
Profit (millions of yen)	1,417	[Expected LTV at the end of FP] 38.2%	Profit (millions of yen)	1,328	[Expected LTV at the end of FP] 38.2%
Distribution per unit (yen)	6,390		Distribution per unit (yen)	5,987	

Actual rent for 15th fiscal period ending October 2020 and Expected rent for 16th fiscal period ending April 2021 and 17th fiscal period ending October 2021

Hoshino Resorts REIT, Inc.

		Actual rent for the 15th fiscal period ending October 2020			Expected rent for the (Note) 16th fiscal period ending April 2021			Expected rent for the 17th fiscal period ending October 2021 (millions of yen)			
Operators	Brand	fixed rent, etc.	Floating rent	Total	fixed rent, etc.	Floating rent	Total	fixed rent, etc.	Floating rent	(Floating rent linked to sales)	Total
Properties operated by the Hoshino Resorts	HOSHINOYA	677	243	921	618	84	702	618	107	49	726
	RISONARE	374	201	575	374	119	493	374	131	31	505
	KAI	463	155	619	487	102	589	487	207	73	695
	Others	386	-	-	386	-	386	386	-	-	386
	Subtotal	1,902	599	2,502	1,867	305	2,172	1,867	445	154	2,313
Properties operated by outside operators	4 ANA Crowne Plaza Properties	840	620	1,460	840	35	875	840	-	-	840
	Hyatt Regency Osaka	-	245	245	-	-	-	-	-	-	-
	22 Roadside properties	558	205	764	558	50	608	558	29	29	587
	4 the b properties	265	239	505	265	69	335	265	-	-	265
	Others	501	42	543	588	10	598	513	-	-	513
Subtotal		2,165	1,353	3,518	2,252	166	2,418	2,177	29	29	2,206
Total		4,067	1,953	6,021	4,119	471	4,591	4,044	474	183	4,519

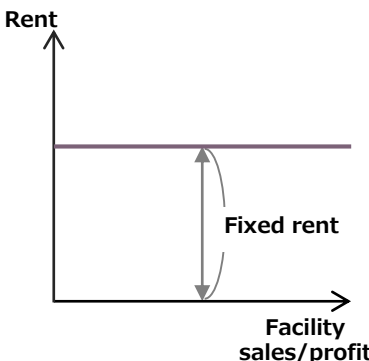
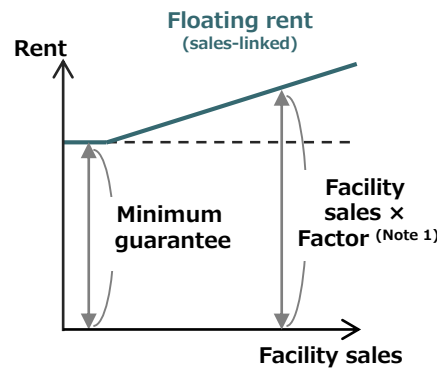
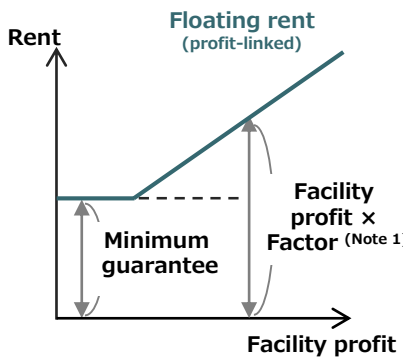
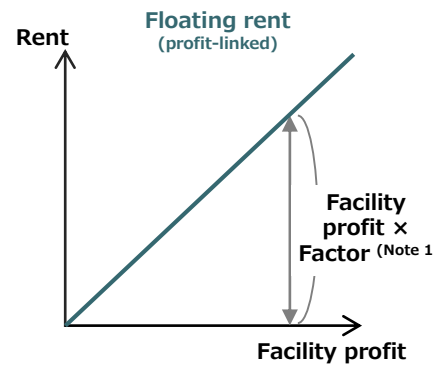
(Reference) Base profit and base sales period used as basis for distribution calculations (excluding Quintessa Hotel Osaka Shinsaibashi)



Rent type

Hoshino Resorts REIT, Inc.

(As of December 15, 2020)

Rent type		Fixed rent	Floating rent (With minimum guarantee)	Floating rent (With minimum guarantee)	Floating rent
Rent calculation criteria		—	Facility sales	Facility profits	Facility profits
Number of facility		9 properties	31 properties	21 properties	1 property
Acquisition price	Amount	9.4 billion yen	35.4 billion yen	101.8 billion yen	16.0 billion yen
	Ratio	5.8%	21.8%	62.6%	9.8%
Name of facility		5 Candeo properties, 3 Greens properties, HOTEL NIKKO KOCHI ASAHI ROYAL	HOSHINOYA Karuizawa, HOSHINOYA Kyoto, RISONARE Yatsugatake, KAI Matsumoto, KAI Izumo, KAI Ito, KAI Hakone, KAI Aso, KAI Kawaji, 22 Roadside properties	HOSHINOYA Fuji, HOSHINOYA Taketomi Island, RISONARE Atami, KAI Kinugawa, KAI Kaga, KAI Alps, KAI Enshu 4 ANA Crowne Plaza properties, OMO7 Asahikawa, Iriomote Hotel, BEB5 Karuizawa, 4 the b properties, hotel androoms Osaka Hommachi, Sol Vita Hotel Naha Quintessa Hotel Osaka Shinsaibashi (Note 2)	Hyatt Regency Osaka
Rent plan image					

Financial highlights (1)

Financial conditions under COVID-19

Hoshino Resorts REIT, Inc.

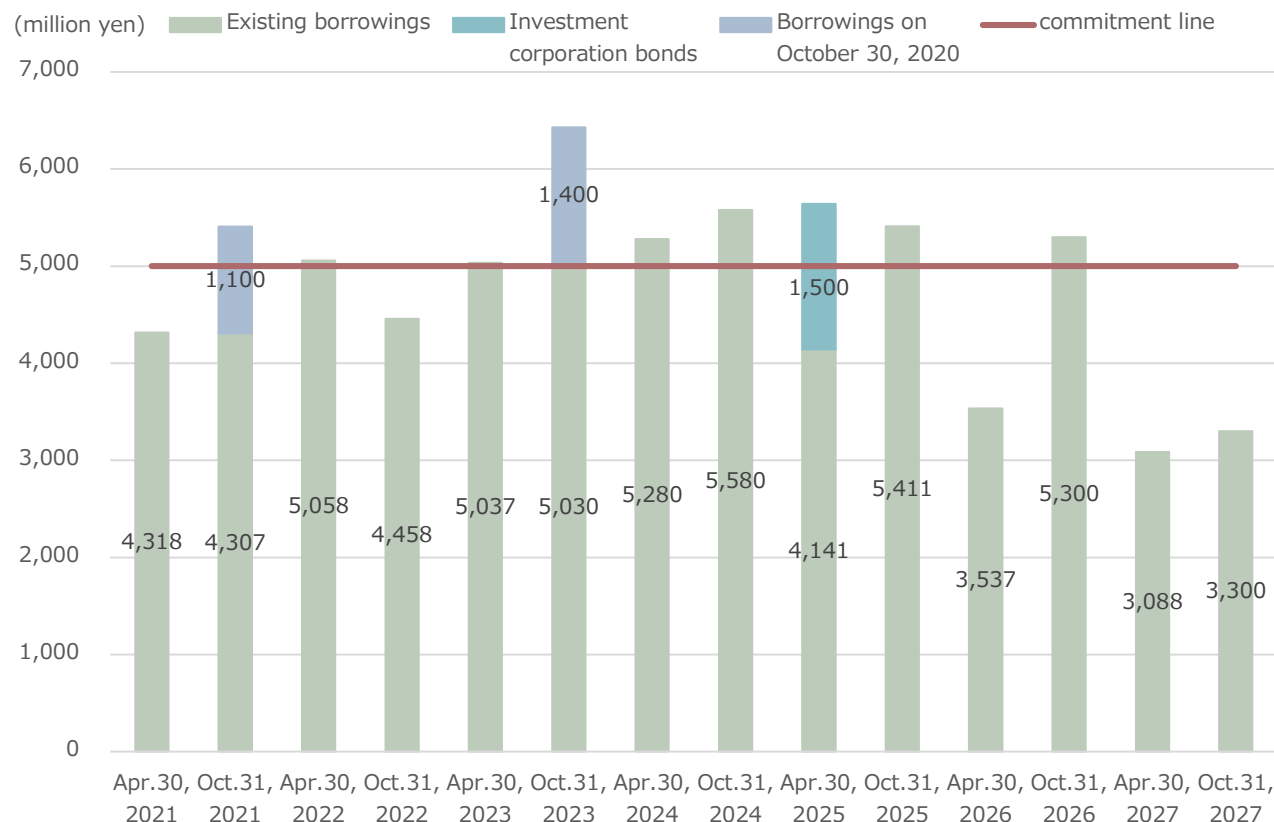
Recent financing conditions and future refinancing risk allowance

- In the refinancing of October 30, 2020, a maximum of 3.0 years of financing were achieved in the current difficult financing environment for hotel-specific J-REITs.^(Note)
- We established the sole Hotel J-REIT commitment line. (maximum amount : 5 billion yen, termination date of commitment : May 1, 2021)
- As of the end of November 2020, we possess 7.6 billion yen in cash and deposits (after excluding 2.8 billion yen in distributions) and prepare thoroughly for the future refinance risk.

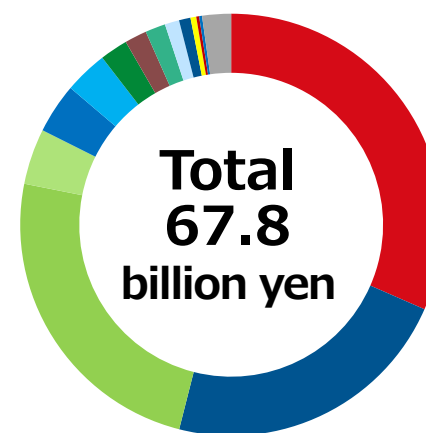
Diversification status of final repayment dates (as of December 15, 2020)

Lender formation and rating conditions (as of December 15, 2020)

Maintain a stable lender formation centered on megabanks.



See page 58 for notes regarding this page.



MUFG Bank, Ltd.	31.6%
Development Bank of Japan Inc.	22.4%
Sumitomo Mitsui Banking Corporation	24.1%
Resona Bank, Ltd.	4.3%
Mizuho Bank, Ltd.	3.8%
The Bank of Fukuoka, Ltd.	3.3%
The Yamaguchi Bank, Ltd.	2.1%
The Ashikaga Bank, Ltd.	1.7%
The Hokuriku Bank, Ltd.	1.5%
The Senshu Ikeda Bank, Ltd.	1.1%
The Bank of Kyoto, Ltd.	0.9%
THE NISHI-NIPPON CITY BANK, LTD.	0.4%
SUMITOMO LIFE INSURANCE COMPANY	0.2%
The 77 Bank, Ltd.	0.2%
Investment corporation bonds	2.2%

Credit Rating Agency	Japan Credit Rating Agency, Ltd. (JCR)
Subject of Rating	Long-term issuer rating
Rating	A (Stable)

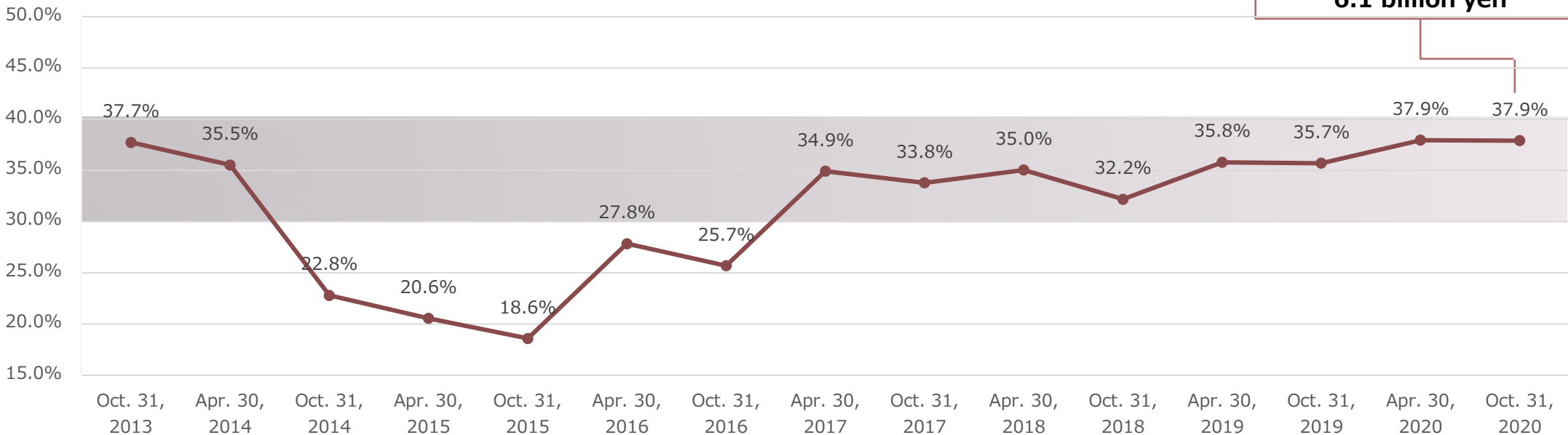
Financial highlights (2)

Maintaining low LTV and cutting borrowing costs

Hoshino Resorts REIT, Inc.

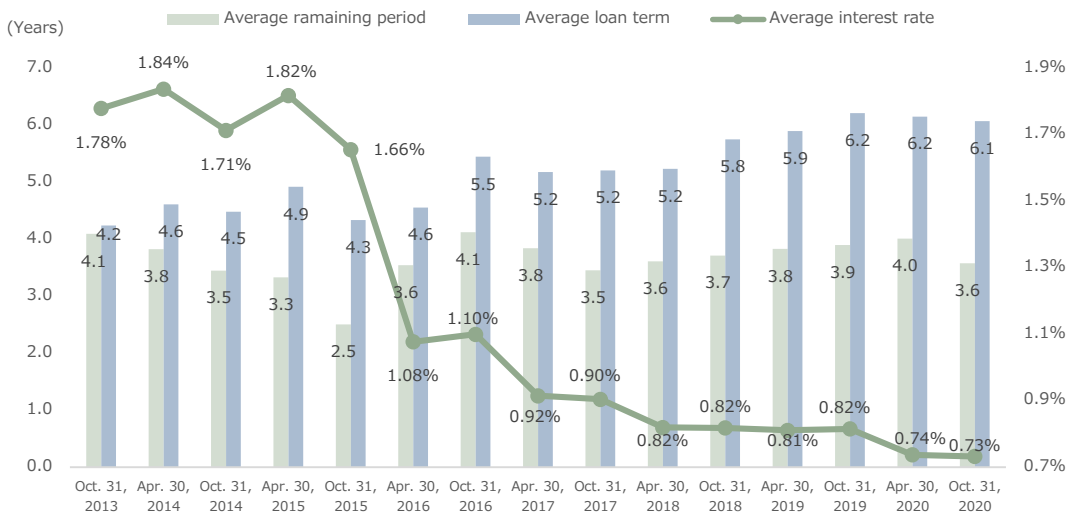
We will continue to strive to implement a finance operation policy to balances financial soundness with property acquisition mobility.

Controlling LTV



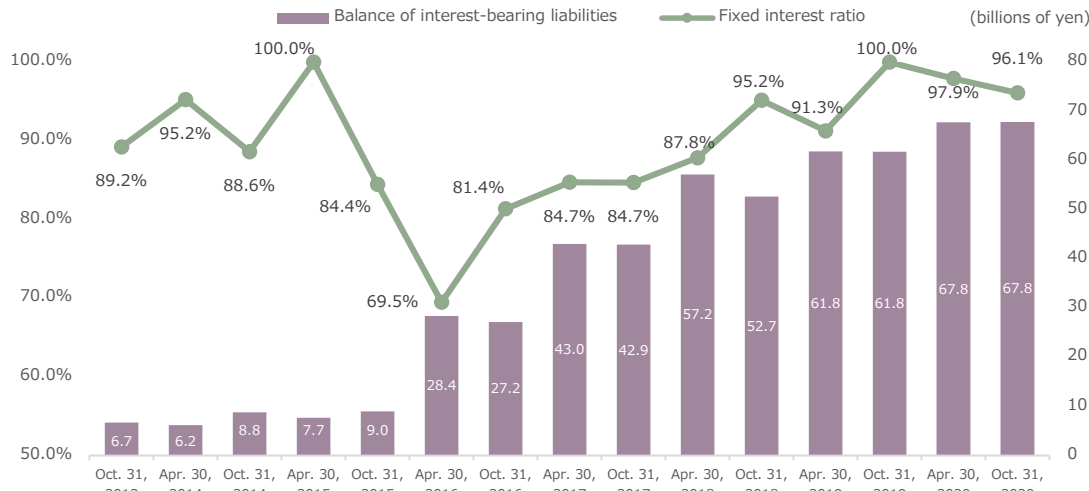
Changes in average interest rate, average remaining period and average loan-term

Reducing costs and maintaining loan periods



Changes in fixed interest ratio on borrowing

We maintain a high fixed interest ratio



Impact on real estate appraisal amounts, etc.

Hoshino Resorts REIT, Inc.

As with the end of the previous fiscal year, the appraisal amount as of the end of the current fiscal year was affected by the COVID-19 pandemic. However, appraisal amounts increased for some properties, primarily Hoshino Resorts-managed properties that improved operation results earlier than expected. The overall portfolio therefore only fell by 1.4%. The cap rate increased by roughly +0.1 pt., led by properties in urban areas.

(millions of yen)

	Real estate appraisal amount, etc.			Direct reduction amount		DCF amount	
	End of current fiscal period	Change (amount) (vs. 14th fiscal period ending Apr. 2020)	Change (percentage) (vs. 14th fiscal period ending Apr. 2020)	End of current fiscal period	Change (percentage) (vs. 14th fiscal period ending Apr. 2020)	End of current fiscal period	Change (percentage) (vs. 14th fiscal period ending Apr. 2020)
Total for 61 properties	176,472	▲2,482	▲1.4%	180,292	▲1.5%	173,999	▲1.5%
Total for Properties operated by the Hoshino Resorts	64,440	+362	+0.6%	64,683	+0.5%	64,005	+0.4%
4 HOSHINOYA Properties	25,320	▲80	▲0.3%	25,580	▲0.4%	24,950	▲0.6%
2 RISONARE Properties	12,150	+500	+4.3%	11,970	+3.7%	12,310	+4.7%
9 KAI Properties	16,280	▲18	▲0.1%	16,483	+0.0%	16,035	▲0.4%
Others	10,690	▲40	▲0.4%	10,650	-	10,710	▲0.6%
Total for Properties operated by outside operators	112,032	▲2,844	▲2.5%	115,609	▲2.7%	109,994	▲2.5%
4 ANA Crowne Plaza Properties	37,310	▲520	▲1.4%	39,160	▲2.3%	36,510	▲0.9%
Hyatt Regency Osaka	15,100	▲600	▲3.8%	15,400	▲3.8%	14,700	▲4.5%
22 Roadside Properties	19,274	▲146	▲0.8%	19,512	▲0.6%	19,036	▲1.1%
4 the b Properties	19,580	▲900	▲4.4%	20,530	▲4.0%	19,170	▲4.6%
Others	20,768	▲678	▲3.2%	21,007	▲3.1%	20,578	▲3.4%

■ Two-star 2020 GRESB rating

The Investment Corporation participated in the GRESB Real Estate Assessment for the first time this year and received a two-star GRESB rating. It also received a Green Star, which recognizes participants with both superb Management Component scores, which apply to ESG promotion policies, organization structures, and the like, and Performance Component scores, which apply to environment performance and joint initiatives with tenants at owned properties.



GRESB is the name of an annual benchmarking program that evaluates environmental, social, and governance (ESG) aspects of real estate companies and funds, as well as the name of the organization that conducts these evaluations. It was established in 2009 primarily by major European pension fund groups that spearheaded the Principles for Responsible Investment (PRI). Over 100 institutional investors in Japan and overseas now use GRESB data to select and engage in dialogs with investment destinations. In Japan, as well, the Government Pension Investment Fund (GPIF) and numerous other organizations use GRESB ratings. 1,229 listed and non-listed real estate companies and funds participated in the 2020 GRESB Real Estate Assessment. For details regarding GRESB, please see the GRESB website (<https://gresb.com/>).

■ Green building certification four facilities certified under BELS energy-saving rating system



BELS is a third-party certification system based on the Ministry of Land, Infrastructure, Transport and Tourism's "Guidelines for Building-Housing Energy-Efficiency Labeling." The energy-saving performance of buildings is assessed objectively and displayed under a five-star rating system.

BELS-certified facilities

KAI Kinugawa
(★★★★★)



**KAI Alps
(Front building)**
(★★★★★)



**Quintessa Hotel
Osaka Shinsaibashi**
(★★★★)

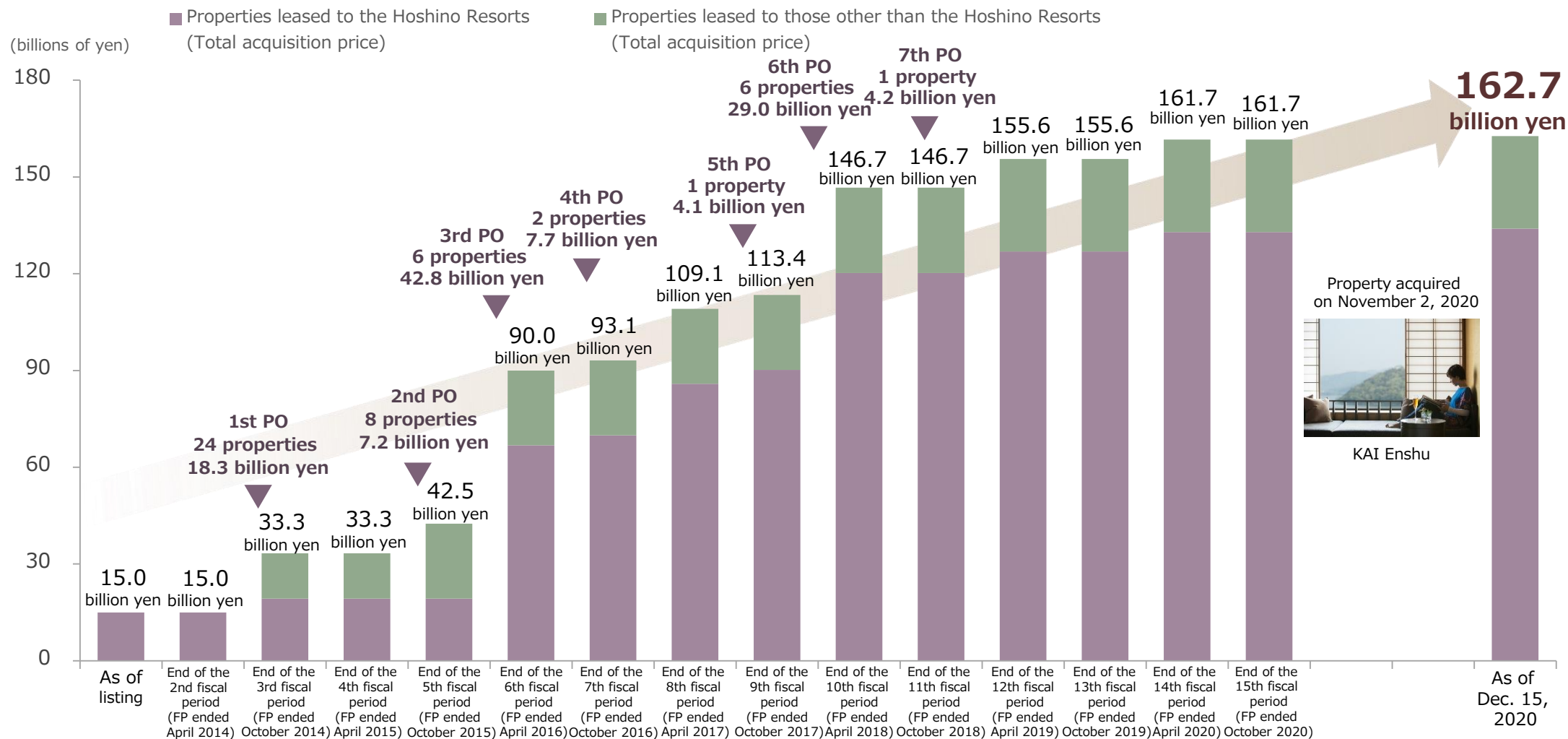


BEB5 Karuizawa
(★★★)



Steady growth of asset size

Hoshino Resorts REIT, Inc.

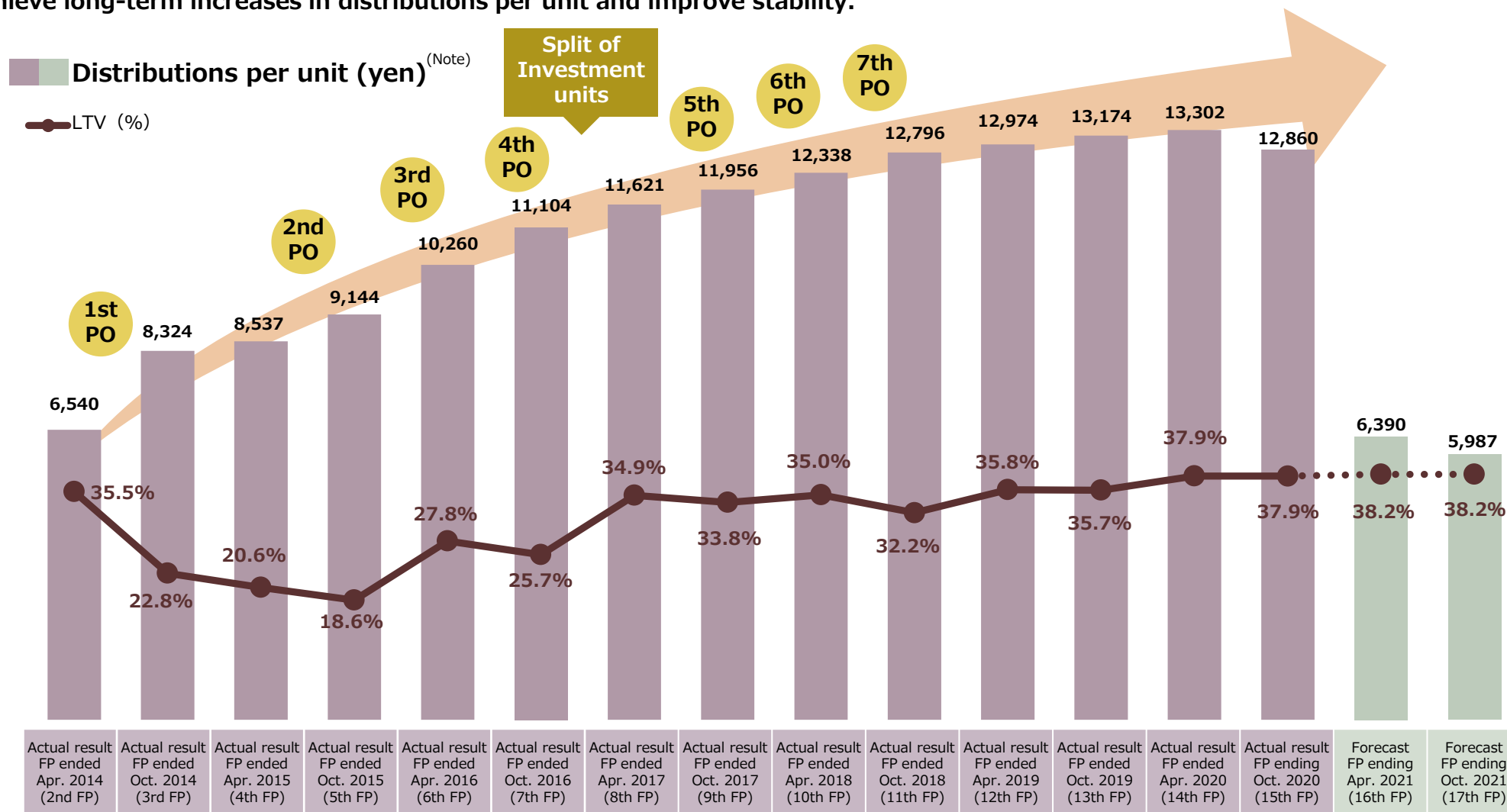


No. of properties	6 properties	6 properties	30 properties	30 properties	39 properties	46 properties	47 properties	48 properties	49 properties	56 properties	56 properties	59 properties	59 properties	61 properties	61 properties	62 properties
Distributions per unit (yen)		6,540	8,324	8,537	9,144	10,260	11,104	11,621	11,956	12,338	12,796	12,974	13,174	13,302	12,860	

Changes in distributions per unit

Hoshino Resorts REIT, Inc.

Distributions per unit have increased continuously for the 13 fiscal periods since listing, but based on floating rent calculations, distributions per unit fell slightly in the 15th fiscal period ending Oct. 2020 due to the impact of the COVID-19 pandemic. Distributions are expected to fall significantly in the 16th fiscal period ending Apr. 2021 and the 17th fiscal period ending Oct. 2021 due to the full-fledged impact of the pandemic, but we will continue to leverage external growth, internal growth, and financial strategies to strive to achieve long-term increases in distributions per unit and improve stability.



Overview of Newly acquired properties

Hoshino Resorts REIT, Inc.

We made a high-yielding acquisition of sponsor's property KAI Enshu which generates sound results by tapping microtourism demand. Located in Shizuoka Prefecture which is well known for its teahouses, KAI Enshu offers accommodations that enable its guests to enjoy tea culture, including tea fields and tea-infused baths as part of the KAI brand's original "Gotochi-raku" (Cultural Discovery) concept in terms of providing hospitality that embraces distinctive cultures of respective geographic regions. It attracts many guests from the surrounding area.

KAI Enshu

Advantages of the acquisition

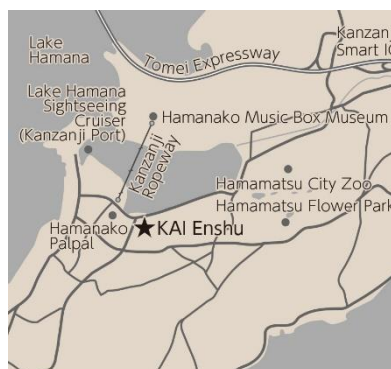
- The acquisition increases the ratio of properties operated by HRR's sponsor Hoshino Resorts.
- The property generates sound results by tapping microtourism demand.
- The high-yielding acquisition maintains yield after depreciation of 5.9%.



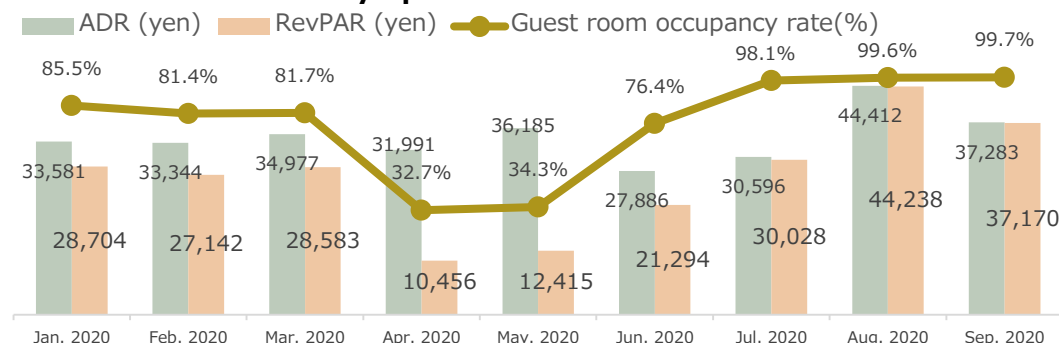
Overview of the property

Address	Hamamatsu-shi, Shizuoka
Construction completion	April 1997
Acquisition date	November 2, 2020
Total number of guest rooms	33
Lessee's attribute	Hoshino Resorts
Rent type	Fixed + Floating
Operator's attribute	Hoshino Resorts
Acquisition price	1.05 billion yen
Real estate appraisal value	1.07 billion yen
Lease period	20 years
Appraisal NOI yield (Note)	7.9%

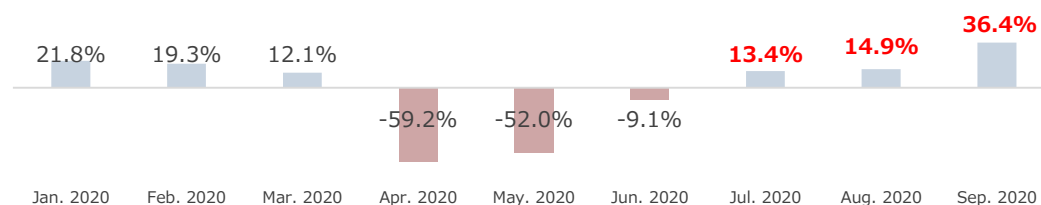
Appraisal NCF yield	5.8%
Yield after depreciation	5.9%



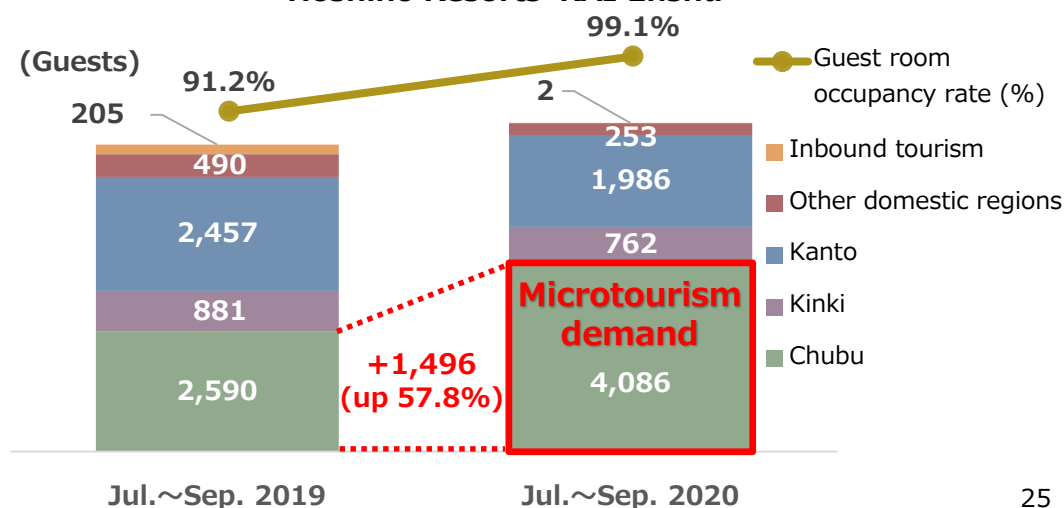
Monthly operation results



Rates of change in RevPAR (vs. previous year)



Number of guests by region and occupancy rate of Hoshino Resorts' KAI Enshu



II

Future operation strategy

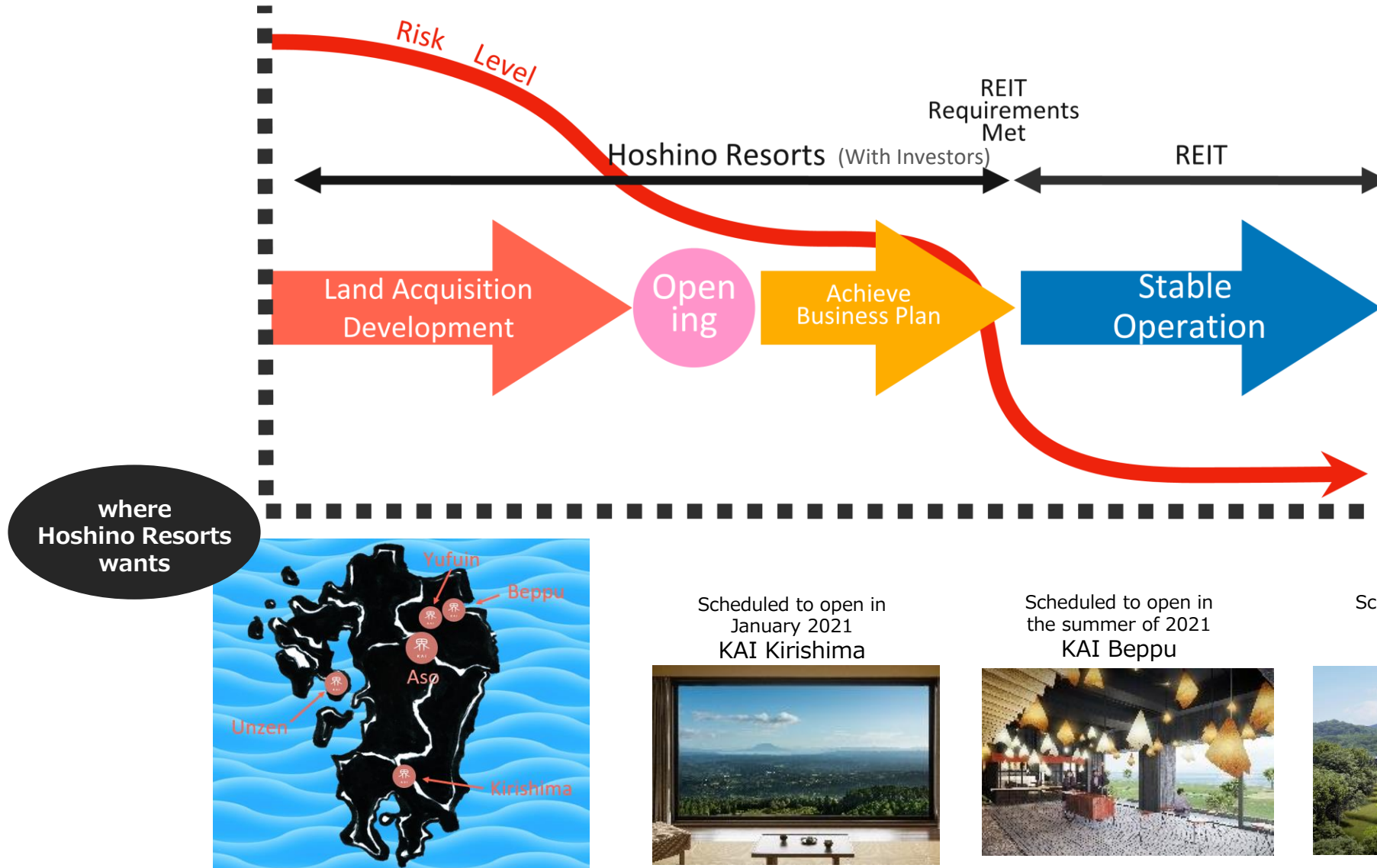


Operation strategy (1)

Hoshino Resorts new facility strategy

Hoshino Resorts REIT, Inc.

Since Investment Corporation's IPO, Hoshino Resorts has enhanced its management capabilities through its partnership with the Investment Corporation. This has enabled it to take development risks through collaboration with investors such as the DBJ and actively provide facilities and services in areas it wishes to expand in as a hotel chain operator for the benefit of repeat customers and fans. In the future, we will move into attractive areas such as Kyushu, Hokkaido, and Osaka, which we have not previously been able to enter by waiting for rehabilitation projects to present themselves.

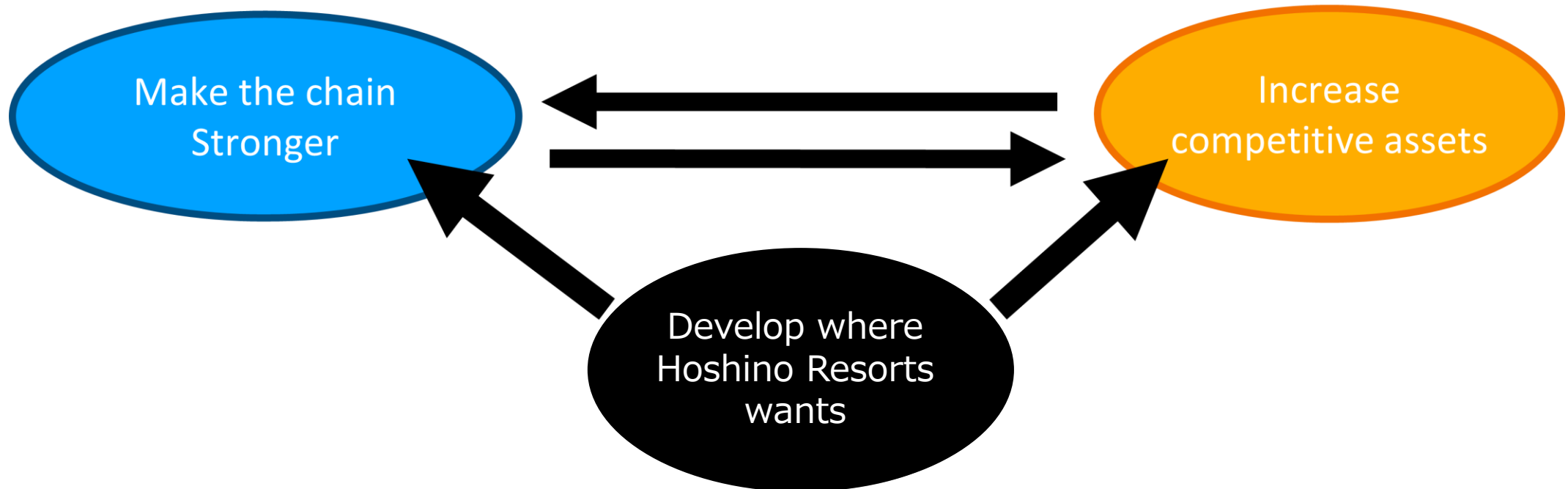


Operation strategy (2) The deeper synergy with Hoshino Resorts

Hoshino Resorts REIT, Inc.

Hoshino Resorts is now able to develop facilities that meet the acquisition and ownership requirements of the Investment Corporation, in the areas in which Hoshino Resorts wishes to do business. We believe that this has enhanced competitive synergy and accelerated the growth of both parties.

SYNERGY between Hoshino Resorts & Hoshino Resorts REIT



Operation strategy (3)

External growth (List of sponsor pipeline)

Hoshino Resorts REIT, Inc.

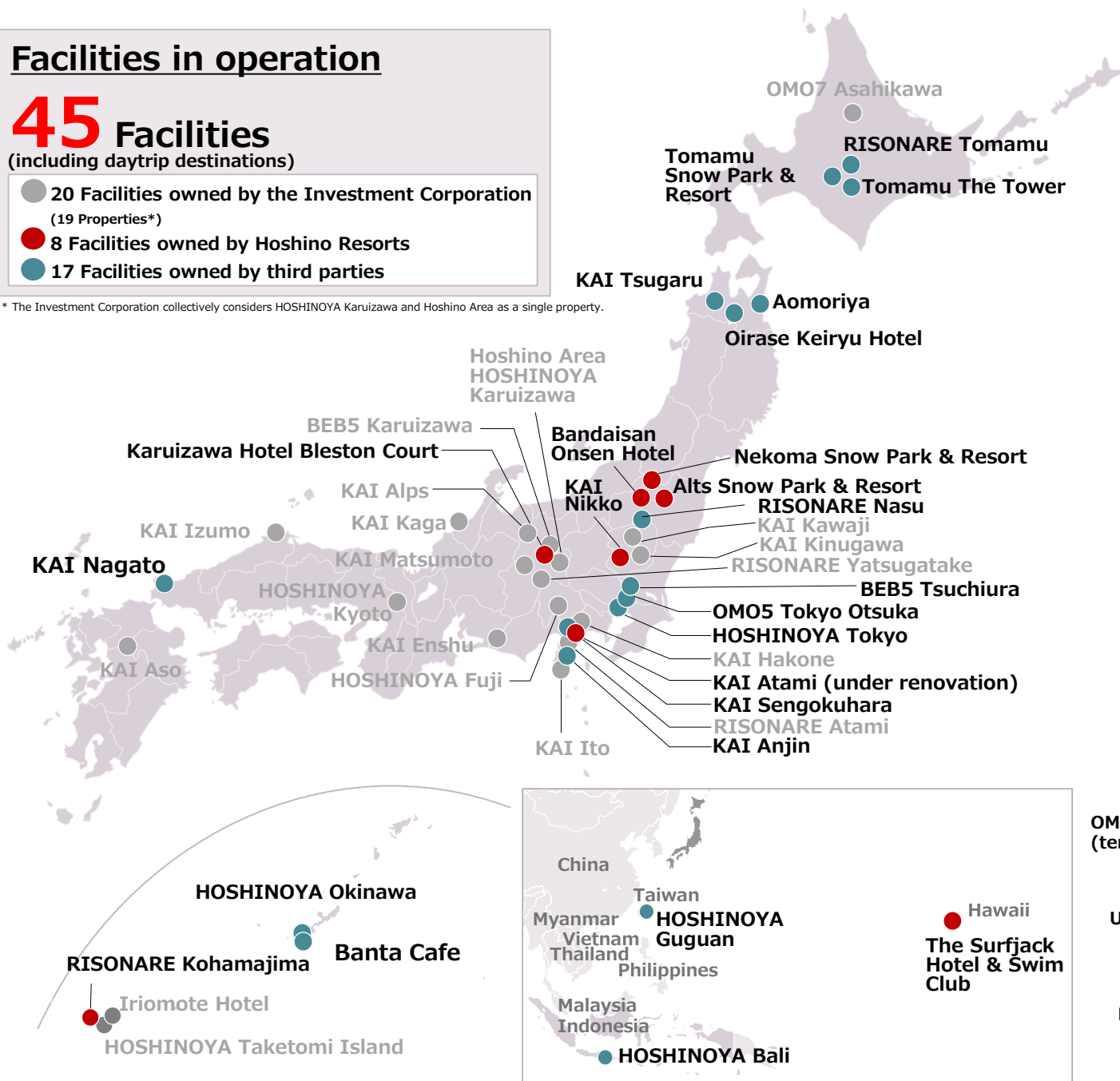
Facilities in operation

45 Facilities

(including daytrip destinations)

- 20 Facilities owned by the Investment Corporation (19 Properties*)
- 8 Facilities owned by Hoshino Resorts
- 17 Facilities owned by third parties

* The Investment Corporation collectively considers HOSHINOYA Karuizawa and Hoshino Area as a single property.



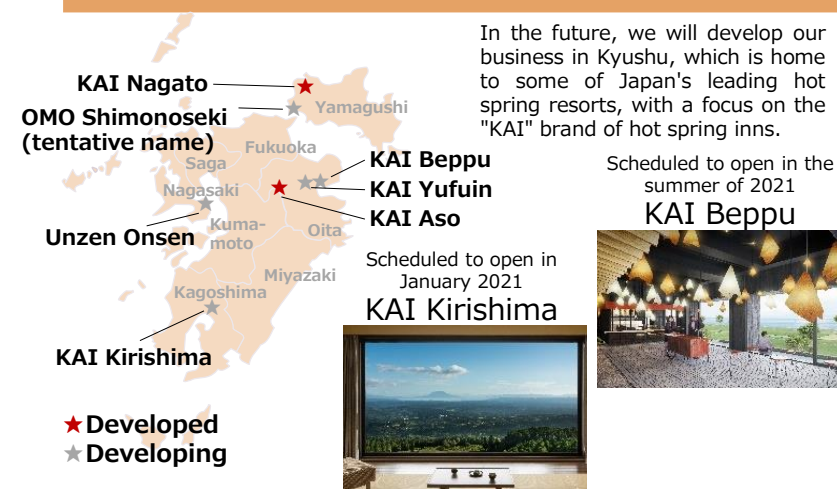
Facilities under development

(excluding unpublished)

13 Facilities

Start date of operation (plan)	Address
June 2020 (Note)	Kawasaki-shi, Kanagawa (OMO3 Tokyo Kawasaki)
January 2021	Kirishima-shi, Kagoshima (KAI Kirishima)
Spring 2021	Tiantai Shan, Zhejiang Province, China (KASUKE Tiantai)
Summer 2021	Beppu-shi, Oita (KAI Beppu)
January 2022	Shiraoi-cho, Hokkaido (KAI Poroto)
Summer 2022	Osaka-shi, Osaka (OMO7 Osaka Shin-Imamiya)
Summer 2022	Yufu-shi, Oita (KAI Yufuin)
2022	Unzen-shi, Nagasaki
Spring 2023	Shimonoseki-shi, Yamaguchi (OMO Shimonoseki (tentative name))
2024	Nara-shi, Nara (Former Nara Prison)
2025	Yokohama-shi, Kanagawa
TBA	Asuka-mura, Nara
TBA	Wazuka-cho, Kyoto

Future developments in the Kyushu area



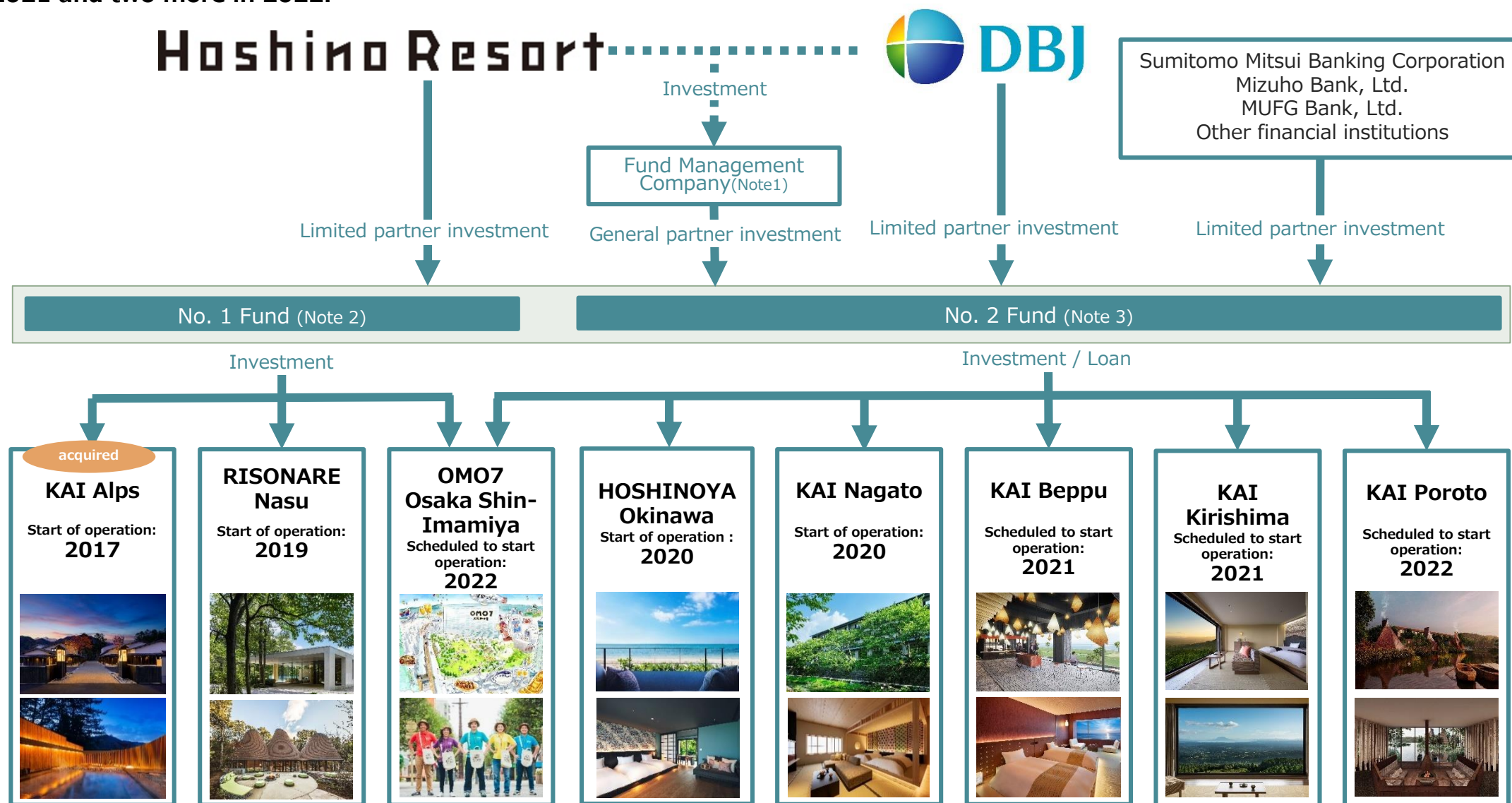
See page 59 for notes regarding this page.

Operation strategy (4)

External growth(The DBJ joint fund creation)

Hoshino Resorts REIT, Inc.

The DBJ joint fund is a framework that continuously accumulates the sponsor pipeline consisting of new and recently built properties. Four properties have been put into operation by 2020, and we plan to put two more properties into operation in 2021 and two more in 2022.



HRR's sponsor Hoshino Resorts and the Development Bank of Japan Inc. have set up a jointly operated fund to support the companies operating accommodation businesses, etc. in Japan.

See page 59 for notes regarding this page.

Operation strategy (5)

External growth (Developments after opening of new facilities)

Hoshino Resorts REIT, Inc.

RISONARE Nasu (opened November 1, 2019)

Japan's first agriturismo resort

Agriturismo is a newly coined word that combines the Italian words "agricoltura" (agriculture) and "turismo" (tourism).

The concept of RISONARE Nasu, the fourth resort in the RISONARE brand, is an "agriturismo resort," where guests can enjoy meals and various activities in a resort hotel, focused on experiencing local production activities.



Deluxe Maisonette

Address	Nasu-gun, Tochigi
Facility overview	Guest rooms, Main dining hall, Buffet restaurant, Agri-Garden, Activity center POKO POKO, Large common bath, Spas,
No. of guest rooms	43
Nightly price	Overnight with breakfast 21,000 yen and up (Price per person, double occupancy)

Examples of local collaboration projects

We are reinforcing operational capabilities and stimulating demand through initiatives to use milk which would otherwise go to waste due to the COVID-19 pandemic and measures that enable customers to discover the allure of the Nasu area.



Milk jam frappes served at RISONARE facilities



Nasu discovery BOX

KAI Nagato (opened March 12, 2020)

Rehabilitating a hot spring town whose visitor numbers have dwindled

Nagato-shi, Yamaguchi entrusted us with the creation of the Nagato Yumoto Hot Spring Master Plan. This project, whose aim is the rehabilitation of the historic Nagato Yumoto Hot Spring area, was Hoshino Resorts' first rehabilitation project. The theme of the project was "the tea house of a local feudal lord."

This facility also includes the Akebono Café, which can be enjoyed not only by those lodging at the hotel but also members of the general public, a first for the KAI brand, so that people can better enjoy strolling through the hot spring town.



Appearance

Address	Nagato-shi, Yamaguchi
Facility overview	Guest rooms, restaurant, Large common bath, Bath-side relaxation area, Travel library, Lobby shop
No. of guest rooms	40
Nightly price	Overnight with two meals 32,000 yen and up (Price per person, double occupancy)

Capturing demand for microtourism

We are stimulating lodging demand among members of the local community through measures such as the Nagato Yumoto Hot Spring rehabilitation project and plans tailored to local products.



Conceptual image of Nagato Yumoto hot spring rehabilitation



Sea eels and sake from Yamaguchi Prefecture

Operation strategy (6)

External growth

(Launch of “Hoshino Resorts Tourism Revitalization Fund”)

Hoshino Resorts REIT, Inc.

Hoshino Resorts and RISA Partners, Inc. has finalized their investment partnership and has begun operations on October 30, 2020. The “Hoshino Resorts Tourism Revitalization Fund” will continue to solicit additional investments from institutional investors such as financial institutions and business firms, and plans to manage it as a fund with a total investment of 10 billion yen by the end of FY2020.

Details of this fund (note)

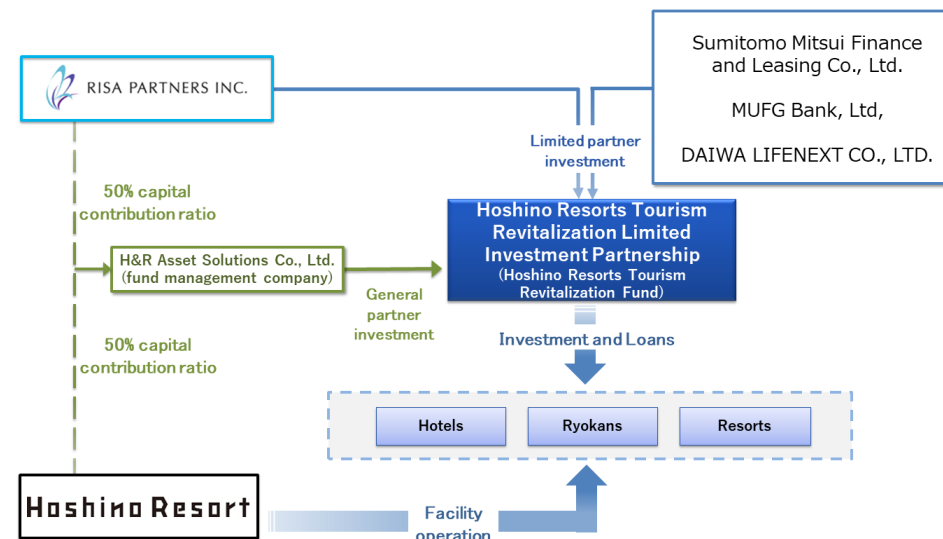
Name	Hoshino Resorts Tourism Revitalization Fund
Total Fund	About 5 billion yen
Fund management company	H&R Asset Solutions Co., Ltd.
Investor	Sumitomo Mitsui Finance and Leasing Co., Ltd., MUFG Bank, Ltd, DAIWA LIFENEXT CO., LTD RISA Partners, Inc.
Fund Formation Date	October 30, 2020
Investment Target	Accommodation properties (real estate) of hotels and ryokans

About RISA Partners, Inc.

Investment bank with nation-wide connections of over 180 local banks and focuses on finance and real estate to provide investment and loans, and advisory services.

Location of Head Office	2-15-3 Konan, Minato-ku, Tokyo, Japan
Establishment	July, 1998
Capital	100 million yen
Number of Executive & Employees (consolidated)	145 (As of 1 April, 2020)
President	Yoshio Narukage

See page 59 for notes regarding this page.



Excerpt from Hoshino Resorts’ May 29 press release

The global outbreak of novel coronavirus has brought and is continuing to bring excessive loss to the Japanese tourism and hotel industry. It is believed that the demand for international travel to hotels and ryokans (traditional Japanese inn) in Japan will take years of recovery.

Through the acquisition of property, this fund aims to provide a succession of business, assistance in the transfer of business, and ways of fundraising for hotel and ryokan operators that are facing a serious loss of demand. Hoshino Resorts will operate the property or aid in management if necessary.

Both Hoshino Resorts and RISA will strive to support Japanese hotels and ryokans through the management of a business in the hopes of the tourism and hotel industry to recover from the effects of novel coronavirus as soon as possible.

Operation strategy (7)

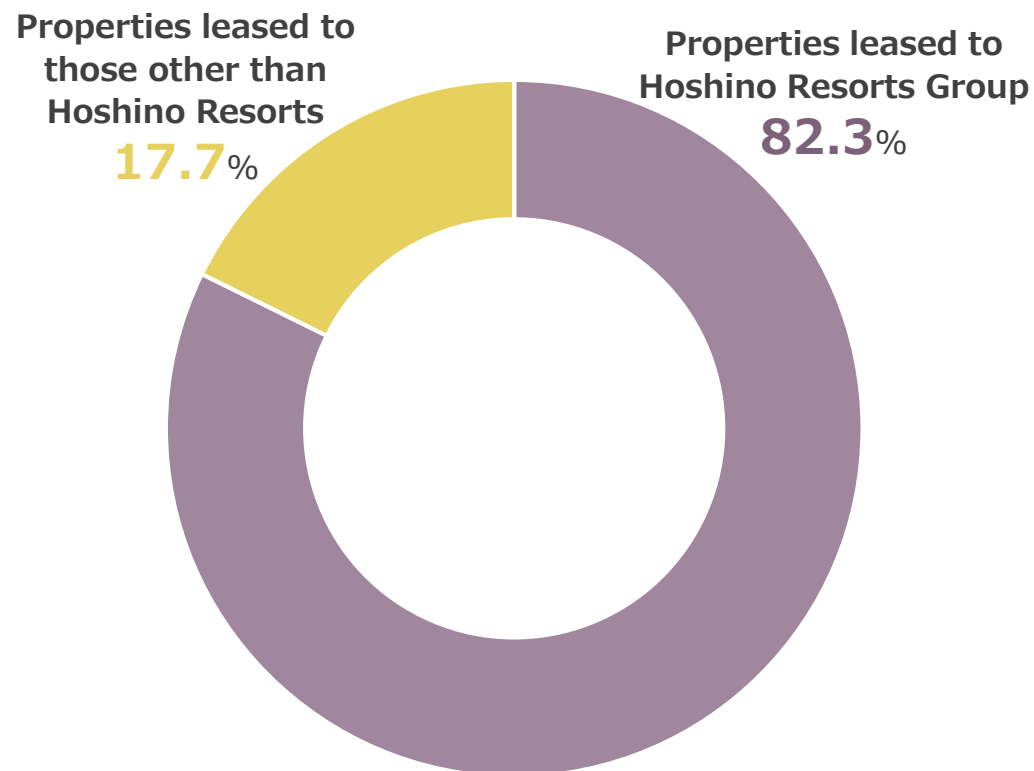
Portfolio structure

Hoshino Resorts REIT, Inc.

With the acquisition of KAI Enshu, properties operated by Hoshino Resorts amount to 32.6% of the portfolio, for an increase of 0.4 percentage point. Anticipating consistent cash flows over the long-term, HRR accordingly aims to increase the proportion of properties operated by the Hoshino Resorts in the portfolio to over 50%.

Distribution by lessee

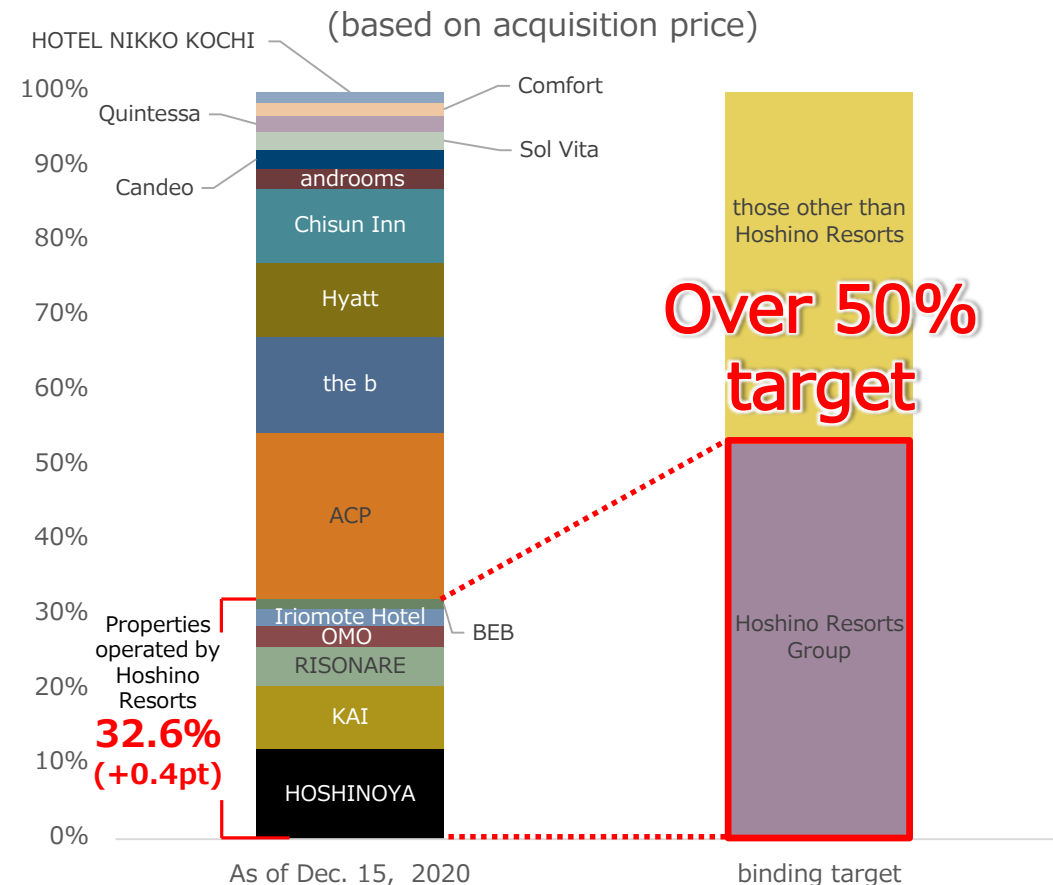
(based on acquisition price)



As of December 15, 2020

Distribution by operated brand

(based on acquisition price)



A Japanese tourism REIT designed to maximize investor value by benefiting from long-term tourism industry growth in Japan.



AUM

Over 200 billion yen

- Added to global indexes
- Higher liquidity
- Risk dispersion

Property composition

Over 50% consisting of Hoshino Resorts operators

- Ensuring sustainable competitive ability and revenue stability
- Tourism market revitalization
- Working with the community to create sustainable economic frameworks

Internal growth

Growth through collaboration with operators

- Attractive investment paired with unique "soft" power
- Rebranding opportunities
- Advantageous operator selection

Financial base

Both long-term stability and dynamic procurement

- Long-term fixation and financing cost reduction
- LTV control to secure acquisition capacity
- Better credit rating

ESG initiatives

Contributing to long-term increase in investor value

- Disaster resilience and resort environment initiatives
- Mechanisms for customer satisfaction leading to social contribution
- Considering DPU-linked asset management compensation schemes



III

ESG initiatives and IR

Environmental
Initiatives (note)



■ Sustainability Policy

Meteorological phenomena caused by drastic changes particularly in temperatures, rainfall, seasons, ocean currents, and winds due to climate change are beginning to transform ecosystems and lifestyles in Japan and elsewhere around the world at an unprecedented rate. As such, we have become subject to unparalleled threats. Moreover, we are encountering a situation where humankind will no longer be able to live sustainably unless we alter our lifestyles in terms of addressing global challenges such as those involving scarce resources, discarded plastics and other such materials, and waste matter.

Since ancient times, travel has acted as a humbling and healing endeavor. It has furthermore helped revitalize communities, delivered adventures that bring new discoveries, and been a source of new awakenings that change history. Continuing forward, Hoshino Resorts REIT, Inc. (HRR) is committed to contributing through tourism by ensuring that human creativity and motivation act to perpetuate a sense of humility and hope, even in the midst of such adversity, and by helping give rise to economies and sustainable new lifestyles that help ensure sustainability of the natural environment and society.

We maximize revenues from our overnight accommodations by maintaining high levels of guest satisfaction. In addition, whereas the tourism business is one that hinges on extremely robust ties to geographic localities, we believe that enabling guests using accommodations of Hoshino Resorts to experience the appeal of our locations is important from the standpoint of Japan's "tourism-oriented nation" strategy. This approach also contributes to local communities and enables us to achieve a mutually beneficial co-existence with community members from the standpoint of preserving natural environments and contributing to society. This is precisely what HRR aims to achieve with respect to its approach to investment that takes into account the notion of creating shared value (CSV) under its environment, social and governance (ESG) strategy.



Sustainability targets

Hoshino Resort Asset Management Co., Ltd. recognizes energy saving and the reduction of greenhouse gasses as important environmental challenges for the lodging industry. We have established individual policies and are striving to reduce our environmental impact. We are applying ingenuity and implementing measures led by the concept of not placing the burden of endurance on guests or staff members. We have defined our energy usage reduction targets as indicated following. For individual properties, our goal is to reduce annual energy usage by 1% in accordance with the Act on the Rational Use of Energy (commonly known as the Energy Conservation Act).

■ Sustainability measures carried out in conjunction with operators

Hoshino Resorts REIT, Inc. uses green lease agreements. We believe that reducing energy consumption at ryokans and hotels, which are in operation long hours every day, is not feasible without striving to assess usage conditions and reducing energy consumption. It is essential that we collaborate with tenants that will work with us in the measurement, analysis, issue identification, and measure implementation processes. Green leases are voluntary agreements, memorandums, and the like under which building owners and tenants collaborate to reduce their environmental impact, such as by achieving real estate energy savings, and improve work environments. By executing these leases, both parties aim to make environmental improvements and contribute to greater profitability by reducing power and heat expenses, etc.

No. of properties with green lease agreements: 29 properties, Agreement coverage percentage (calculated based on total floor space of properties): 81.9% (As of October 31, 2020)

■ The improvements : only ryokans can offer

◆ Hoshino Resorts



Pump dispensers

Individually packaged soaps(shampoo, conditioner, body soap) were phased out by the end of 2019 at all facilities and replaced by refillable pump dispensers.

Topic ▼

Waste reduction :
Approx. 49 tons of plastic containers
Approx. 73 kiloliters of soaps



Toothbrush recycling

At 30 facilities, more than 1 million per a year used toothbrushes are collected and recycled into new plastic products.

Topic ▼

With regard to the reuse process after collection, we will expand the scale and play a social role by cooperating with several related business partners.



Water jugs

As the first step in completely eliminating all plastic bottles from the HOSHINOYA brand, we have begun placing water jugs in guestrooms in HOSHINOYA Karuizawa.

Topic ▼

HOSHINOYA Karuizawa uses its own water system, drawing water from the Karuizawa National Wild Bird Sanctuary Forest. Water jugs will be placed in all other HOSHINOYA locations in Japan by the end of 2021.

Hoshino Resorts' environmental management Ecosystem of prosperous coexistence

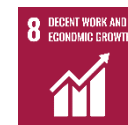


Social initiatives (Human resource development initiatives)

Hoshino Resorts REIT, Inc.

◆ Hoshino Resort Asset Management Co., Ltd.

Career development



[Company-wide strategies/individual target management systems, interim meetings/evaluation meetings, and reassignment preference study]
At the start of each fiscal term, we define company-wide strategies, which are reflected in individual targets, creating an environment that helps people focus on their work and promotes personal growth. Evaluations are carried out with the aim of promoting growth, and the interim and evaluation meetings, which are conducted twice a year, provide feedback concerning future expectations, employees' current positions in relation to those expectations, and what they should do to realize those expectations.
A reassignment preference study is also carried out each year to support sustainable personal growth and medium- and long-term career development.

■ Measures for employees : All employees (including part-time and contract employees)

○ Internal training

- Training for all employees (once/year)
- Compliance training: 24 sessions (5 themes)
(November 2019 to October 2020)
- Information security training

○ External training

- External training/Seminar

Training participation results by theme (November 2019 to October 2020)

Real estate	137hours	Human resources and general affairs (including personnel management and workstyles)	17hours
Finance	67hours	Information security	10hours
Tourism/lodging	59hours	Disclosure and IR	5hours
ESG (including themes related to Green Buildings and Green Energy)	34hours	Other (management, etc.)	21hours
Compliance	26hours	Total	376hours
Percentage receiving training 85%		Time spent in training per person per year	17.1hours

○ Certification acquisition support system

Our company bears the expenses involved in receiving specialist certifications to support the maintenance and improvement of employee expertise

Qualifications in system scope :

Real Estate Broker, ARES Certified Master, Certified Building Administrator, Real Estate Consulting Master, Real Estate Appraiser, Certified Public Accountant, Attorney, etc.

No. of times the system was used	Acquisition	Renewal	Total
FY2018	8	1	9
FY2019	4	4	8

<Certification Acquisition Status>(as of September 2020)

Real Estate Broker 56.7%
ARES Certified Master 26.7%
Real Estate Consulting Master 3.3%
Real Estate Appraiser 6.7%
First-class Architect 3.3%
Official qualified building standards examiner 3.3%
Certified Public Accountant 3.3%
Securities Analysts Association of Japan Certified Analyst 3.3%

Social initiatives (Working environment, Community contribution other)

Hoshino Resorts REIT, Inc.

■ Pleasant working environment/diversity

◆ Hoshino Resort Asset Management Co., Ltd.

○ Flat organization culture

Hoshino Resorts has a flat organizational culture that promotes diversity and serves as the source of our corporate competitiveness. We keep the organization as hierarchy-free as possible and maintain an organizational culture in which all employees feel free to speak their minds, whenever they want and to whomever they want, and to engage in free and lively debate regarding the direction of the company regardless of age or gender.

○ Welfare and benefits system

- Childbirth, parenting, and nursing care leave * With actual track record of parenting care leave use
- Reduced work hour system for parenting
- Career comeback system (system under which employees who temporarily leave the workplace for parenting reasons can return without repeating the recruitment process provided that their children are under elementary school age)
- Support for skill acquisition while using parenting leave
- Study leave system

○ Employee satisfaction surveys

- We administer employee satisfaction surveys to all employees once a year and use the results to create more pleasant working environments.

○ Labor consultation and Whistle-blowing hotline

We have established a labor consultation and whistle-blowing hotline within the Hoshino Resorts Group for all employees to use. Confidentiality is maintained to ensure that no one suffers retribution for use of the hotline, and we strive to rapidly identify and address problems.

○ Personnel data (As of December 31 for each year)

	2018	2019	2020(forecast)
Total number of employees	26	24	27
Male	17	13	14
Female	9	11	13
Percentage of male employees	65%	54%	52%
Percentage of female employees	35%	46%	48%
Male managers	100%	100%	100%
Female managers	0%	0%	0%
Annual turnover rate	4.5%	23.1%	4.2%
Overtime work hours (average)	23hours/month	20hours/month	22hours/month

■ Employee health and comfort

◆ Hoshino Resort Asset Management Co., Ltd.

- COVID-19 pandemic countermeasures, staggered work hours, working from home, mask distribution, sanitizer placement, daily temperature checks, fever monitoring



■ Investment in multifunction facilities

◆ Hoshino Resorts Group

We strive to provide greater convenience, not only to guests, but to members of the community and people staying in villas, selling local products to recirculate money into the local economy.

- HOSHINOYA Karuizawa HARUNIRE Terrace (over a dozen tenants) , Tombo no yu – Onsen, Skating rink, Sonmin-Shokudo, bleston court, Picchio

■ Community contribution measures

◆ Hoshino Resorts Group

○ Kumomami (Kohama soybean) restoration project ■ HOSHINOYA Taketomi Island

With the development of tourism and distribution, fewer and fewer people on Taketomi Island continue to engage in the agricultural activities that were once so closely tied to life on the island and grow the island's distinctive crops. To ensure that these unique island products continue to be cultivated, HOSHINOYA Taketomi Island created a field on its property in 2017, where it grows traditional island crops such as millet and sweet potatoes. As part of these efforts, in January 2019, we launched a project aimed at restoring “kumomami” (Kohama soybeans), for which cultivation on Taketomi had stopped due to the influx of inexpensive soybeans from overseas.

○ Conservation of the Asian black bear ■ HOSHINOYA Karuizawa

Keeping people safe and saving wild bears from extinction. With this dual objective, Hoshino Resorts explores, practices, and messages ways in which humans and bears can coexist at an appropriate distance. Since 1998, the organization has tracked and monitored bears, repelled them with the nation's first “bear dogs (dogs trained to chase away bears),” and developed bear-proof garbage bins. These endeavors succeeded in reducing bear sightings significantly, with the number of cases of bears razing public trash receptacles falling from 100 in 1999 to 0 in 2009.

○ The “Local Kindness Repayment Trips” promoted by Hoshino Resorts ■ OMO7Asahikawa, KAI Enshu, KAI Izumo, KAI Alps, KAI Kinugawa, HOSHINOYA Karuizawa, HOSHINOYA Taketomi Island, RISONARE Yatsugatake, etc.

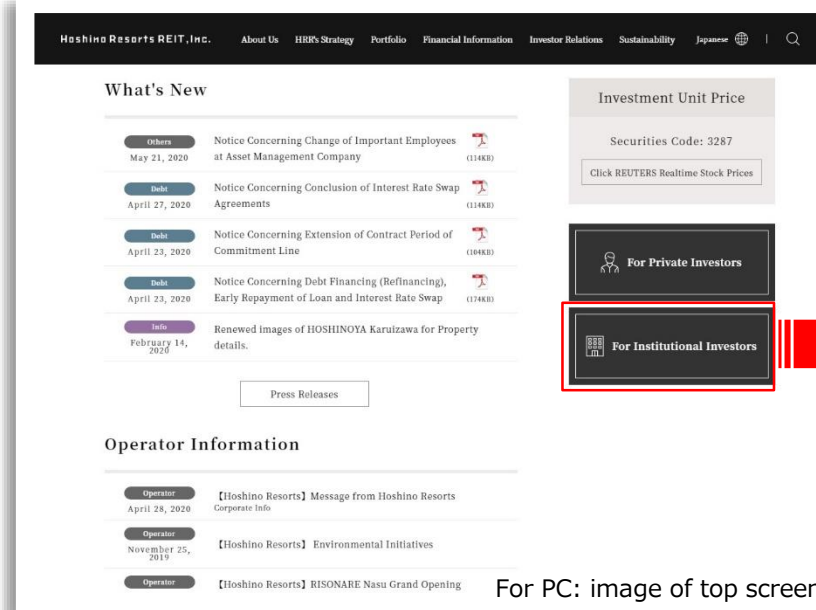
Initiatives that allow people to contribute to the recovery of the local economy as they travel. Each Hoshino Resorts facility has always placed great importance on providing opportunities to experience local allure, such as local festivals and traditional culture. Many local companies and traditional craftspeople and creators collaborate with us in areas such as the room furnishings and hands-on activities by which we provide hospitality to our guests. We propose measures that contribute to the recovery of local economies through the use of Go To Travel regional coupons, allowing us to give back to members of the community that have done so much for us.

We frequently update our website for swift delivery of accurate information on the management status of our funds.

■ For smartphone:
“For Institutional Investors”



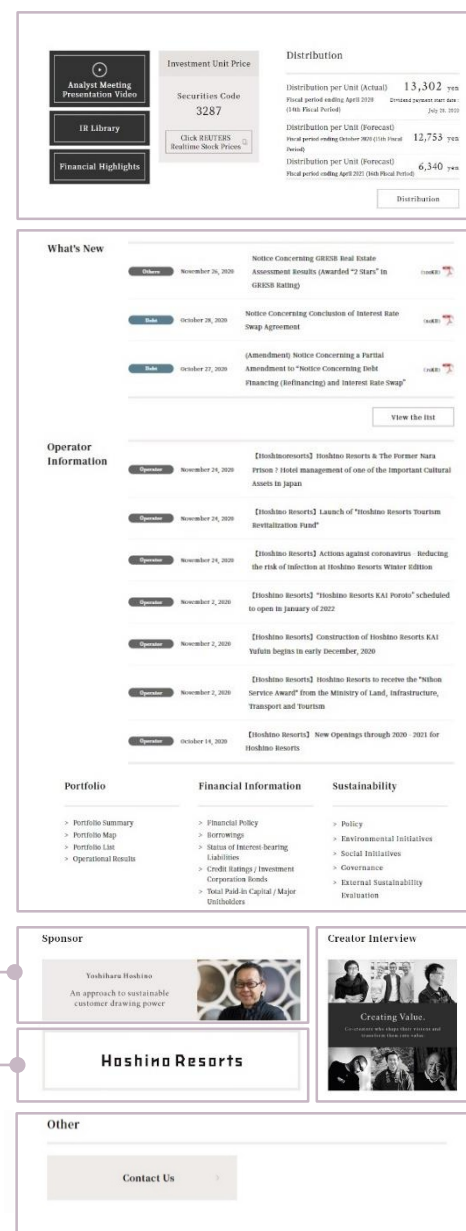
(Note)



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Yoshiharu Hoshino, CEO Hoshino Resorts, speaks about management under specific themes. (Several times a year)

Hoshino Resorts official website



You can do a batch search of financial information.

We deliver the latest updates on our fund and operators.

Click here for details on our portfolio, financial highlights, and ESG.

IR inquiries
We can be contacted by email 24 hours a day. Feel free to reach out to us with any questions.

※Image of PC screen

IV Appendix (1) Information regarding owned properties



Overview of owned properties by brand

Hoshino Resorts REIT, Inc.







Hoshino Resorts REIT, Inc. owns five diverse brands operated by Hoshino Resorts.

Operator	Hoshino Resort				
Brand name	 星のや HOSHINOYA	 Hoshino Resorts RISONARE	 界 KAI 星野リゾート	 OMO 星野リゾート	 星野リゾート BEB
Genre	Flagship	Family resort	High-end hot spring ryokan	Urban resort	Casual hotel
Overview of facility	Japanese luxury hotels with overwhelmingly extraordinary ambiance	Western-style hotels combining refined design with a wealth of activities	Sophisticated hot spring ryokans with a comfortable Japanese aesthetic where guests can rediscover regional appeal	Urban tourism hotels that go beyond mere places to sleep, instead making trips even more exciting	More than a Japanese pub, but not quite a full journey - hotels where guests can kick back and relax with friends and colleagues
Average ADR ^(Note)	Approx 75,000 yen	Approx 43,000 yen	Approx 37,000 yen	Approx 11,000 yen	Approx 15,000 yen
Representative hotel	 HOSHINOYA Karuizawa	 RISONARE Yatsugatake	 KAI Hakone	 OMO7 Asahikawa	 BEB 5 Karuizawa
Number of owned facilities	4	2	10	1	1
Total acquisition value (ratio)	19,593 million yen (12.0%)	8,250 million yen (5.1%)	14,825 million yen (9.1%)	4,619 million yen (2.8%)	2,170 million yen (1.3%)

Overview of owned properties by brand

Hoshino Resorts REIT, Inc.

Backed by urban tourism demand, we also invest in properties operated by companies other than Hoshino Resorts which are capable of producing long-term, stable cash flow.

Operators	SHR Roadside Inn Co., Ltd.	IHG ANA Hotels Group Japan LLC,	Hyatt International Asia Pacific Limited	Ishin Hotels Group Co., Ltd.
Brand name				
Genre	Roadside hotels	City hotels	City hotels	City hotels
Overview of facility	Lodging-focused hotels near expressway interchanges and major arterial roads	Upscale hotels that combine the world-class services of Crowne Plazas with the high-quality hospitality of ANA hotels	Hotels designed to maximize the value of connections	Stylish city hotels located in major cities across the nation
Average ADR ^(Note)	Approx 6,000 yen	Approx 14,000 yen	Approx 16,000 yen	Approx 10,000 yen
Representative hotel	 Chisun Inn Fukushima Nishi IC	 ANA Crowne Plaza Toyama	 Hyatt Regency Osaka	 the b akasaka
Number of owned facilities	22	4	1	4
Total acquisition value (ratio)	15,995 million yen (9.8%)	36,000 million yen (22.1%)	16,000 million yen (9.8%)	20,800 million yen (12.8%)

Status of portfolio (As of December 15, 2020)

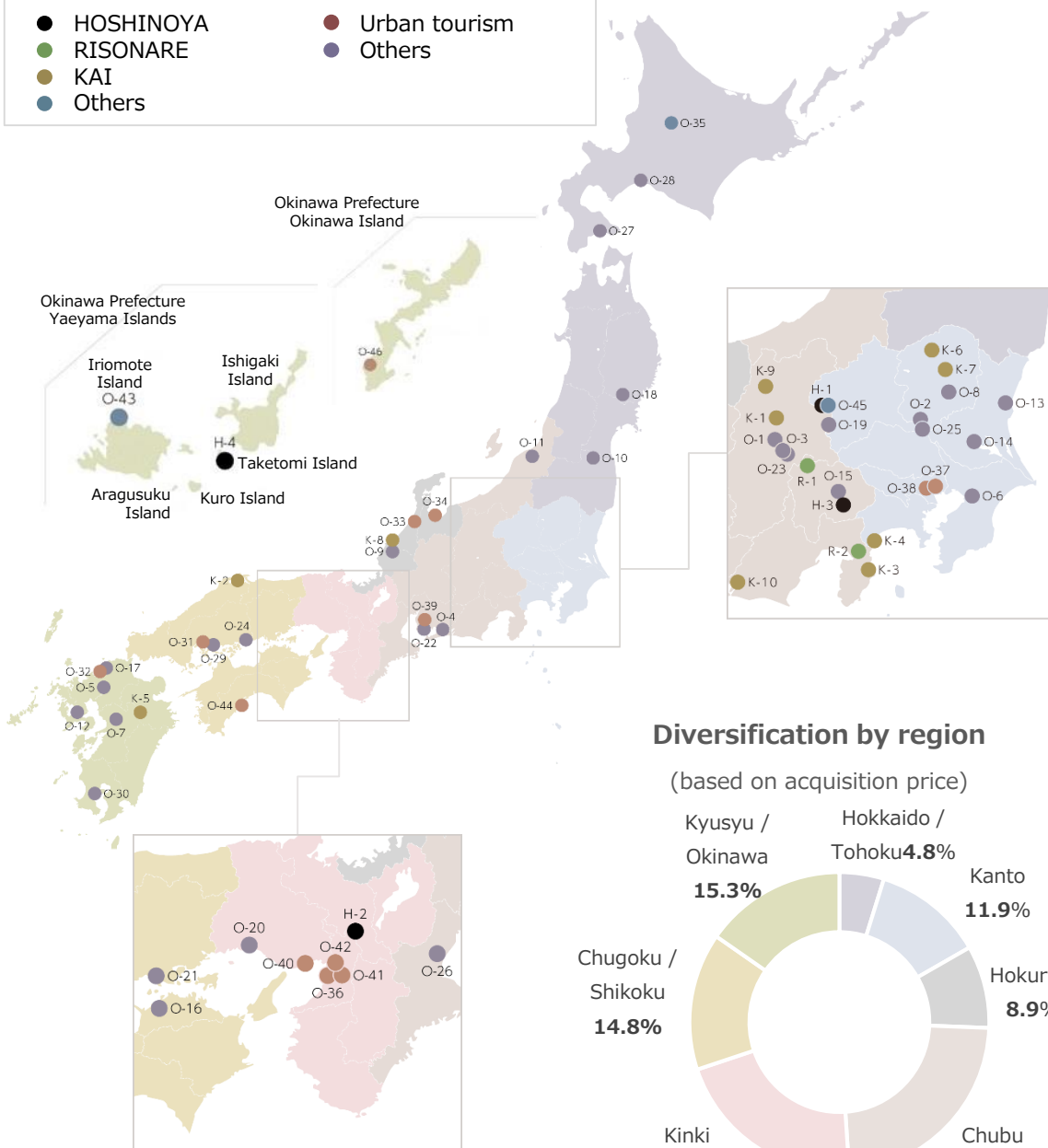
Hoshino Resorts REIT, Inc.

Properties operated by
the Hoshino Resorts

- HOSHINOYA
- RISONARE
- KAI
- Others

Properties operated by
outside operators

- Urban tourism
- Others



Category	Property No.	Property name
<Properties operated by the Hoshino Resorts>		
HOSHINOYA	H-1	HOSHINOYA Karuizawa
	H-2	HOSHINOYA Kyoto
	H-3	HOSHINOYA Fuji
	H-4	HOSHINOYA Taketomi Island
RISONARE	R-1	RISONARE Yatsugatake
	R-2	RISONARE Atami
KAI	K-1	KAI Matsumoto
	K-2	KAI Izumo
	K-3	KAI Ito
	K-4	KAI Hakone
	K-5	KAI Aso
	K-6	KAI Kawaji
	K-7	KAI Kinugawa
	K-8	KAI Kaga
	K-9	KAI Alps
	K-10	KAI Enshu
Others	O-35	OMO7 Asahikawa
	O-43	Iriomote Hotel
	O-45	BEB5 Karuizawa
<Properties operated by outside operators>		
Urban tourism	O-31	ANA Crowne Plaza Hiroshima
	O-32	ANA Crowne Plaza Fukuoka
	O-33	ANA Crowne Plaza Kanazawa
	O-34	ANA Crowne Plaza Toyama
	O-36	Hyatt Regency Osaka
	O-37	the b akasaka
	O-38	the b sangenjaya
	O-39	the b nagoya
	O-40	the b kobe
	O-41	Quintessa Hotel Osaka Shinsaibashi
	O-42	hotel androoms Osaka Hommachi
	O-44	HOTEL NIKKO KOCHI ASAHI ROYAL
	O-46	Sol Vita Hotel Naha

Category	Property No.	Property name
Others	O-1	Chisun Inn Shiojiri Kita IC
	O-2	Chisun Inn Sano Fujioka IC
	O-3	Chisun Inn Suwa IC
	O-4	Chisun Inn Toyokawa IC
	O-5	Chisun Inn Tosu
	O-6	Chisun Inn Chiba Hamano R16
	O-7	Chisun Inn Kumamoto Miyukifueda
	O-8	Chisun Inn Utsunomiya Kanuma
	O-9	Chisun Inn Fukui
	O-10	Chisun Inn Fukushima Nishi IC
	O-11	Chisun Inn Niigata Chuo IC
	O-12	Chisun Inn Nagasaki Airport
	O-13	Chisun Inn Hitachinaka
	O-14	Chisun Inn Tsuchiura Ami
	O-15	Chisun Inn Kofu Isawa
	O-16	Chisun Inn Marugame Zentsuji
	O-17	Chisun Inn Munakata
	O-18	Chisun Inn Iwate Ichinoseki IC
	O-19	Chisun Inn Karuizawa
	O-20	Chisun Inn Himeji Yumesakibashi
	O-21	Chisun Inn Kurashiki Mizushima
	O-22	Candeo Hotels Handa
	O-23	Candeo Hotels Chino
	O-24	Candeo Hotels Fukuyama
	O-25	Candeo Hotels Sano
	O-26	Candeo Hotels Kameyama
	O-27	Comfort Hotel Hakodate
	O-28	Comfort Hotel Tomakomai
	O-29	Comfort Hotel Kure
	O-30	Chisun Inn Kagoshima Taniyama

Operational results for each property (1)

Hoshino Resorts REIT, Inc.

HOSHINOYA Karuizawa



Address: Karuizawa-machi,
Kitasaku-gun, Nagano
Number of guest rooms: 77

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	94.5%	91.2%	92.6%	78.0%	73.6%	23.9%	27.9%	46.7%	81.4%	96.1%	97.8%	96.0%	74.5%	-13.8pt
ADR (yen)	76,653	72,577	77,193	56,428	65,434	71,067	81,021	75,217	85,244	110,420	93,910	92,612	81,692	+2,458
RevPAR (yen)	72,450	66,162	71,464	43,995	48,137	16,951	22,637	35,136	69,426	106,164	91,823	88,878	60,852	-9,120
Sales (millions of yen)	296	301	204	192	221	85	100	138	270	428	335	340	2,916	-654
(Note 1) (Note 2)														

HOSHINOYA Kyoto



Address: Kyoto-shi, Kyoto
Number of guest rooms: 25

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	98.0%	95.4%	89.7%	83.6%	57.3%	16.0%	20.4%	55.2%	75.7%	90.8%	94.8%	97.8%	73.1%	-21.0pt
ADR (yen)	122,971	101,692	78,083	66,663	90,447	110,494	82,045	68,915	73,385	83,126	85,271	108,558	90,888	-2,387
RevPAR (yen)	120,512	96,969	70,023	55,716	51,817	17,679	16,748	38,062	55,577	75,511	80,836	106,177	66,440	-21,358
Sales (millions of yen)	128	110	84	42	62	21	19	39	67	89	92	120	879	-285

HOSHINOYA Fuji



Address: Fujikawaguchiko-machi,
Minamitsuru-gun, Yamanashi
Number of guest rooms: 40

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	98.3%	97.3%	87.4%	85.6%	76.5%	26.9%	36.0%	57.4%	80.7%	98.1%	99.0%	98.8%	79.0%	-15.6pt
ADR (yen)	68,940	65,176	75,166	56,098	65,708	74,117	73,769	55,562	70,821	92,112	75,179	79,997	71,605	+2,638
RevPAR (yen)	67,733	63,441	65,681	48,022	50,287	19,937	26,592	31,901	57,171	90,404	74,427	79,030	56,601	-8,666
Sales (millions of yen)	125	121	82	89	100	34	53	62	110	167	138	150	1,239	-199

HOSHINOYA Taketomi Island (Note 3)



Address: Taketomi-cho,
Yaeyama-gun, Okinawa
Number of guest rooms: 48

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	83.5%	73.3%	70.9%	83.9%	84.1%	16.2%	-	-	66.5%	66.6%	68.6%	92.3%	71.0%	-12.2pt
ADR (yen)	52,878	55,379	52,585	46,512	52,807	53,282	-	-	66,911	74,371	61,845	59,197	57,596	-4,216
RevPAR (yen)	44,175	40,604	37,291	39,027	44,396	8,642	-	-	44,472	49,531	42,433	54,622	40,898	-10,515
Sales (millions of yen)	108	101	73	95	117	20	0	0	101	112	98	132	963	-425

Operational results for each property (2)

Hoshino Resorts REIT, Inc.

RISONARE Yatsugatake



Address: Hokuto-shi, Yamanashi
Number of guest rooms: 172

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	92.9%	82.9%	82.7%	97.9%	82.6%	16.7%	21.0%	38.5%	83.0%	98.7%	98.8%	98.1%	73.8%	-12.1pt
ADR (yen)	29,200	37,805	41,450	31,321	35,130	33,821	41,418	31,626	44,959	66,155	48,477	42,081	41,940	+2,904
RevPAR (yen)	27,117	31,338	34,290	30,652	29,022	5,643	8,700	12,191	37,328	65,324	47,913	41,284	30,967	-2,567
Sales (millions of yen)	381	359	225	249	279	70	94	122	354	591	449	462	3,639	-1,082

RISONARE Atami



Address: Atami-shi, Shizuoka
Number of guest rooms: 81

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	86.0%	90.5%	90.7%	86.9%	88.8%	31.8%	30.4%	64.5%	87.5%	98.2%	97.4%	95.1%	79.0%	-8.4pt
ADR (yen)	47,089	56,178	54,549	47,761	50,849	45,396	46,897	39,132	50,162	84,262	51,136	54,680	54,010	+946
RevPAR (yen)	40,500	50,821	49,461	41,499	45,179	14,441	14,268	25,252	43,889	82,718	49,789	52,024	42,673	-3,722
Sales (millions of yen)	150	172	157	150	173	56	52	81	160	283	179	181	1,800	-46

9 KAI properties



Total number of guest rooms: 322

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	83.6%	81.2%	77.6%	75.4%	72.7%	21.2%	24.3%	54.3%	90.9%	99.3%	99.1%	99.3%	74.7%	-2.6pt
ADR (yen)	40,856	41,435	40,033	36,279	35,213	33,349	40,148	29,525	32,125	46,867	39,470	43,237	39,063	+2,155
RevPAR (yen)	34,157	33,632	31,062	27,347	25,607	7,075	9,775	16,033	29,191	46,529	39,114	42,921	29,187	+636
Sales (millions of yen)	645	599	573	530	533	136	146	288	615	854	717	808	6,450	-61

OMO7 Asahikawa^(Note)



Address: Asahikawa-shi, Hokkaido
Number of guest rooms: 237

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	59.8%	62.5%	70.1%	66.0%	19.8%	9.2%	-	-	21.8%	31.6%	69.4%	89.1%	51.1%	-28.7pt
ADR (yen)	7,782	8,004	8,191	9,933	6,053	5,923	-	-	17,161	18,778	11,733	10,075	10,156	-1,157
RevPAR (yen)	4,652	4,999	5,744	6,558	1,199	544	-	-	3,734	5,937	8,137	8,981	5,188	-3,835
Sales (millions of yen)	133	146	157	129	29	6	1	3	36	53	78	98	874	-1,178

Operational results for each property (3)

Hoshino Resorts REIT, Inc.

BEB5 Karuizawa (Note)



Address: Karuizawa-machi,
Kitasaku-gun, Nagano
Number of guest rooms: 73

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	-	-	78.9%	74.4%	88.4%	14.7%	16.2%	34.0%	65.6%	98.2%	94.1%	81.9%	-	-
ADR (yen)	-	-	17,020	15,857	15,558	15,727	18,897	16,367	17,377	18,839	17,545	18,191	-	-
RevPAR (yen)	-	-	13,432	11,789	13,750	2,306	3,063	5,560	11,395	18,497	16,511	14,903	-	-
Sales (millions of yen)	-	-	24	27	35	5	5	13	28	45	39	36	-	-

ANA Crowne Plaza Hiroshima



Address: Hiroshima-shi, Hiroshima
Number of guest rooms: 409

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	89.9%	69.9%	62.6%	64.4%	30.0%	13.4%	11.0%	20.6%	27.8%	27.6%	44.9%	53.0%	42.8%	-39.8pt
ADR (yen)	14,770	9,911	9,685	9,892	9,731	8,194	9,935	8,989	9,175	10,383	10,304	10,924	10,751	-1,521
RevPAR (yen)	13,272	6,924	6,061	6,372	2,921	1,101	1,097	1,848	2,553	2,864	4,625	5,788	4,603	-5,539
Sales (millions of yen)	494	450	338	307	145	57	40	77	117	111	168	205	2,514	-2,418

ANA Crowne Plaza Fukuoka



Address: Fukuoka-shi, Fukuoka
Number of guest rooms: 320

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	92.0%	88.7%	82.4%	79.4%	40.0%	11.3%	10.4%	19.7%	34.2%	31.7%	46.2%	72.2%	50.6%	-39.0pt
ADR (yen)	16,214	14,110	13,098	13,678	12,552	11,974	13,177	11,491	10,922	11,373	11,290	11,569	13,141	-2,630
RevPAR (yen)	14,915	12,509	10,790	10,858	5,023	1,348	1,370	2,267	3,738	3,605	5,216	8,354	6,651	-7,479
Sales (millions of yen)	352	306	263	249	123	24	21	39	85	75	103	189	1,837	-1,797

ANA Crowne Plaza Kanazawa



Address: Kanazawa-shi, Ishikawa
Number of guest rooms: 249

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	87.6%	66.8%	60.8%	67.2%	28.9%	7.5%	1.6%	13.2%	25.7%	22.2%	36.2%	58.5%	39.6%	-35.3pt
ADR (yen)	18,512	13,026	11,737	12,137	12,363	8,911	9,954	10,029	11,124	14,353	13,228	12,971	13,503	-3,135
RevPAR (yen)	16,212	8,701	7,133	8,155	3,568	666	161	1,327	2,853	3,189	4,784	7,592	5,342	-7,111
Sales (millions of yen)	328	289	222	206	70	27	7	35	71	78	81	121	1,541	-1,799

Operational results for each property (4)

Hoshino Resorts REIT, Inc.

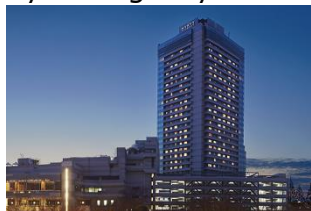
ANA Crowne Plaza Toyama



Address: Toyama-shi, Toyama
Number of guest rooms: 252

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	83.0%	67.2%	61.2%	61.6%	43.0%	14.9%	0.2%	19.9%	30.8%	32.6%	52.3%	65.7%	44.3%	-34.7pt
ADR (yen)	10,518	8,860	8,038	7,964	7,057	7,215	8,065	7,524	8,684	9,605	8,417	9,127	8,703	-2,381
RevPAR (yen)	8,733	5,954	4,917	4,909	3,038	1,075	17	1,493	2,671	3,132	4,402	5,993	3,855	-4,901
Sales (millions of yen)	266	240	168	152	86	29	0	35	60	69	95	128	1,333	-1,380

Hyatt Regency Osaka



Address: Osaka-shi, Osaka
Number of guest rooms: 480

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	57.7%	50.2%	51.2%	35.1%	17.9%	10.6%	12.6%	15.2%	25.2%	32.8%	36.7%	32.2%	31.5%	-39.2pt
ADR (yen)	16,997	15,293	14,821	14,735	13,313	12,212	11,649	12,143	13,511	17,384	15,950	14,695	15,081	-1,235
RevPAR (yen)	9,812	7,675	7,581	5,178	2,385	1,300	1,463	1,843	3,410	5,710	5,855	4,736	4,744	-6,781
Sales (millions of yen)	342	286	254	158	98	42	31	41	92	129	137	133	1,747	-2,467

22 Roadside properties



Total number of guest rooms: 2,205

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	85.1%	76.2%	73.5%	73.9%	61.0%	50.0%	46.0%	56.7%	58.6%	55.2%	64.7%	72.1%	64.4%	-16.7pt
ADR (yen)	6,038	5,778	5,541	5,659	5,337	5,006	4,993	4,980	5,368	5,953	5,634	5,589	5,534	-606
RevPAR (yen)	5,138	4,402	4,071	4,181	3,254	2,502	2,295	2,824	3,147	3,286	3,644	4,028	3,561	-1,418
Sales (millions of yen)	360	320	296	285	238	179	168	198	227	237	254	290	3,056	-1,180

4 the b properties



Total number of guest rooms: 667

Operational results														
	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	90.9%	87.1%	80.1%	64.2%	33.5%	17.6%	15.5%	24.9%	30.4%	25.7%	41.0%	53.1%	46.9%	-41.3pt
ADR (yen)	10,071	9,079	8,205	8,831	7,099	5,472	5,068	5,329	5,618	5,890	5,715	5,814	7,686	-1,906
RevPAR (yen)	9,155	7,904	6,573	5,669	2,379	963	783	1,326	1,709	1,516	2,341	3,088	3,608	-4,852
Sales (millions of yen)	209	188	160	131	67	36	36	47	55	49	64	82	1,129	-1,280

Operational results for each property (5)

Hoshino Resorts REIT, Inc.

KAI Matsumoto	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	77.9%	75.5%	74.2%	66.8%	71.8%	19.1%	26.1%	53.3%	85.2%	98.9%	99.6%	99.8%	71.9%	-5.4pt
ADR (yen)	42,855	40,920	45,752	32,487	35,735	45,557	46,984	37,474	41,191	58,042	47,476	49,769	44,356	+2,705
RevPAR (yen)	33,404	30,880	33,936	21,715	25,671	8,691	12,248	19,986	35,109	57,394	47,294	49,646	31,910	-294
Sales (millions of yen)	48	44	33	33	43	11	14	28	53	78	66	71	528	-34

KAI Ito	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	91.3%	94.4%	90.6%	93.8%	89.7%	28.2%	34.8%	58.8%	93.7%	99.6%	99.9%	100.0%	82.0%	-5.7pt
ADR (yen)	37,689	44,285	41,561	42,087	43,503	40,204	44,882	34,411	36,253	52,513	43,569	45,567	42,610	+5,762
RevPAR (yen)	34,422	41,807	37,673	39,474	39,012	11,343	15,602	20,237	33,953	52,287	43,520	45,567	34,938	+2,640
Sales (millions of yen)	68	69	72	71	74	20	24	35	67	90	76	84	756	+86

KAI Aso	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	95.3%	96.6%	85.1%	83.0%	83.1%	30.9%	51.4%	66.4%	79.5%	97.8%	99.4%	99.7%	81.6%	-5.9pt
ADR (yen)	80,162	72,557	70,729	63,764	65,274	63,150	80,003	58,801	63,886	78,942	68,958	74,862	70,735	+5,783
RevPAR (yen)	76,376	70,055	60,160	52,953	54,220	19,490	41,112	39,037	50,767	77,244	68,548	74,661	57,688	+902
Sales (millions of yen)	39	35	31	28	31	10	17	22	26	42	35	41	363	-7

KAI Kinugawa	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	79.3%	82.3%	72.6%	68.8%	71.1%	16.7%	18.6%	60.7%	93.5%	99.6%	99.9%	99.9%	74.1%	+0.4pt
ADR (yen)	38,640	36,630	36,909	32,730	31,947	34,009	35,742	26,889	29,233	44,857	40,916	44,268	36,981	+2,088
RevPAR (yen)	30,644	30,130	26,789	22,502	22,718	5,695	6,630	16,323	27,347	44,676	40,887	44,209	27,398	+1,676
Sales (millions of yen)	83	80	75	63	67	15	13	49	87	119	104	118	879	-6

KAI Alps	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	58.1%	65.8%	68.8%	59.3%	51.3%	16.7%	18.1%	31.9%	82.9%	99.3%	99.7%	99.5%	64.0%	-0.5pt
ADR (yen)	26,413	34,344	31,881	26,113	20,344	16,878	26,100	24,419	25,596	42,630	33,363	34,890	31,029	+2,382
RevPAR (yen)	15,352	22,581	21,940	15,495	10,431	2,813	4,732	7,800	21,210	42,315	33,247	34,703	19,856	+1,378
Sales (millions of yen)	50	54	67	49	42	10	13	27	73	120	97	105	713	-3

(Note1)

KAI Izumo	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	99.0%	98.9%	89.9%	91.4%	89.7%	37.5%	28.3%	-	97.3%	99.6%	99.6%	99.9%	85.4%	-11.5pt
ADR (yen)	52,261	45,078	44,509	42,441	44,623	42,860	51,255	-	45,475	55,263	51,071	52,074	48,197	+5,696
RevPAR (yen)	51,753	44,594	40,022	38,773	40,005	16,072	14,522	-	44,255	55,040	50,850	52,004	41,163	-39
Sales (millions of yen)	69	66	60	52	57	19	19	0	58	71	62	68	605	-84

KAI Hakone	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	98.3%	97.2%	93.9%	84.2%	85.0%	23.1%	27.8%	69.0%	95.3%	99.3%	99.0%	99.6%	81.2%	-14.5pt
ADR (yen)	57,908	53,735	49,370	50,876	45,135	44,488	50,257	38,263	43,396	53,365	46,970	51,951	49,334	+4,541
RevPAR (yen)	56,943	52,249	46,334	42,817	38,356	10,259	13,972	26,386	41,340	52,988	46,514	51,742	40,071	-2,791
Sales (millions of yen)	91	72	79	68	70	19	22	47	76	92	77	89	808	-96

KAI Kawayi	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	78.1%	65.8%	66.8%	72.2%	65.8%	24.9%	28.9%	61.0%	87.6%	99.5%	96.5%	99.6%	72.2%	+4.2pt
ADR (yen)	26,315	28,409	28,910	22,261	21,305	14,206	12,974	13,503	17,270	32,170	24,503	30,153	24,488	-721
RevPAR (yen)	20,549	18,694	19,313	16,063	14,012	3,538	3,752	8,231	15,134	32,016	23,656	30,045	17,676	+528
Sales (millions of yen)	78	67	62	64	63	17	14	34	76	117	95	114	808	+75

KAI Kaga	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	97.4%	83.3%	76.3%	79.6%	74.2%	11.5%	10.0%	49.3%	97.7%	98.9%	99.6%	96.7%	74.6%	+0.7pt
ADR (yen)	38,497	41,377	38,372	37,914	34,178	32,432	36,677	27,610	29,179	43,666	36,314	42,068	37,368	+925
RevPAR (yen)	37,481	34,453	29,258	30,179	25,358	3,716	3,681	13,599	28,513	43,196	36,163	40,682	27,892	+938
Sales (millions of yen)	115	106	90	97	81	11	8	40	94	120	102	114	985	+8

(Note2)

Iriomote Hotel	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	44.0%	37.1%	32.7%	45.1%	51.1%	17.4%	-	-	39.7%	31.8%	31.6%	63.5%	40.2%	+14.7pt
ADR (yen)	18,033	23,765	22,616	17,843	21,373	15,672	-	-	34,206	45,849	29,921	24,003	25,397	-1,270
RevPAR (yen)	7,931	8,816	7,401	8,040	10,932	2,719	-	-	13,582	14,577	9,450	15,235	10,199	+3,405
Sales (millions of yen)	62	60	51	53	70	11	0	0	76	85	52	97	620	+60

Operational results for each property (6)

Hoshino Resorts REIT, Inc.

(Note1)

the b akasaka	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	90.2%	83.1%	69.9%	50.9%	20.9%	8.6%	-	-	-	-	28.7%	57.1%	34.1%	-52.4pt
ADR (yen)	10,461	9,375	8,760	8,929	8,455	7,376	-	-	-	-	3,927	4,295	8,301	-2,046
RevPAR (yen)	9,437	7,792	6,126	4,542	1,771	635	82	59	8	-	1,127	2,451	2,827	-6,114
Sales (millions of yen)	49	42	33	23	10	4	2	3	2	2	5	13	194	-393

the b sangenjaya	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	88.5%	88.7%	83.4%	79.3%	65.7%	48.3%	40.0%	60.9%	67.3%	57.4%	58.8%	58.3%	66.4%	-21.9pt
ADR (yen)	12,169	11,270	10,371	11,193	8,350	5,436	5,349	5,324	5,720	6,095	6,810	8,117	8,508	-3,100
RevPAR (yen)	10,773	9,995	8,653	8,881	5,487	2,625	2,140	3,242	3,851	3,501	4,001	4,735	5,645	-4,596
Sales (millions of yen)	41	39	34	33	22	10	10	13	16	14	15	19	271	-208

the b nagoya	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	92.9%	89.2%	87.9%	57.4%	23.3%	11.3%	12.9%	22.3%	33.9%	26.0%	36.3%	44.2%	44.8%	-44.9pt
ADR (yen)	7,913	7,174	6,683	7,952	5,077	4,588	3,911	4,441	4,626	4,778	4,773	4,750	6,317	-1,071
RevPAR (yen)	7,354	6,400	5,873	4,565	1,185	518	502	989	1,566	1,243	1,730	2,101	2,828	-3,798
Sales (millions of yen)	55	49	46	34	12	7	8	11	15	13	16	19	288	-338

the b kobe	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	90.6%	86.9%	77.5%	75.3%	36.3%	13.0%	16.5%	27.0%	29.4%	27.9%	46.4%	57.2%	48.6%	-39.4pt
ADR (yen)	11,142	9,786	8,333	7,891	6,447	5,350	5,282	6,081	6,916	6,943	6,765	6,697	8,127	-2,259
RevPAR (yen)	10,094	8,504	6,455	5,939	2,338	693	873	1,641	2,031	1,939	3,140	3,831	3,946	-5,190
Sales (millions of yen)	63	57	46	40	22	13	15	18	21	19	26	30	375	-339

(Note2)

hotel androoms Osaka Hommachi	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	78.0%	75.6%	69.4%	61.3%	15.5%	1.6%	-	2.9%	5.6%	7.3%	7.7%	12.6%	28.0%	-52.9pt
ADR (yen)	9,436	8,784	8,233	7,507	7,794	6,864	-	7,437	9,218	7,333	7,976	7,982	8,456	-2,910
RevPAR (yen)	7,362	6,643	5,716	4,599	1,210	111	-	214	519	532	616	1,007	2,369	-6,825
Sales (millions of yen)	25	23	20	15	4	0	0	0	2	2	2	3	101	-275

(Note3)

Sol Vita Hotel Naha	2019		2020										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	-	-	63.3%	74.6%	33.7%	8.7%	0.5%	23.4%	31.6%	10.0%	18.1%	44.8%	-	-
ADR (yen)	-	-	8,470	9,466	7,499	7,019	9,164	5,972	6,653	7,109	6,755	6,228	-	-
RevPAR (yen)	-	-	5,363	7,059	2,524	610	42	1,398	2,103	710	1,222	2,788	-	-
Sales (millions of yen)	-	-	37	45	17	4	0	9	14	5	8	19	-	-



Operation result data and downloadable Excel data are also available on the HRR website.

Inbound tourism ratio at individual facilities

Hoshino Resorts REIT, Inc.

Properties operated by Hoshino Resorts (Note1)

Name of facility	Nov. 2018 ~Oct. 2019	Nov. 2019 ~Oct. 2020	Change
HOSHINOYA Karuizawa	35.9%	17.4%	-18.5pt
HOSHINOYA Kyoto	57.7%	23.5%	-34.3pt
HOSHINOYA Fuji	55.8%	21.3%	-34.5pt
HOSHINOYA Taketomi Island	7.9%	3.9%	-4.0pt
RISONARE Yatsugatake	1.1%	0.6%	-0.5pt
RISONARE Atami	3.4%	0.9%	-2.5pt
KAI Matsumoto	6.7%	2.8%	-4.0pt
KAI Izumo	3.6%	2.1%	-1.5pt
KAI Ito	6.0%	2.7%	-3.3pt
KAI Hakone	20.2%	7.7%	-12.5pt
KAI Aso	18.0%	8.6%	-9.4pt
KAI Kawaji	3.8%	1.9%	-1.9pt
KAI Kinugawa	5.7%	2.8%	-2.9pt
KAI Kaga	4.8%	2.0%	-2.8pt
KAI Alps	8.2%	6.4%	-1.8pt
KAI Enshu	-	1.5%	-(Note2)
OMO7 Asahikawa	13.0%	12.2%	-0.8pt
Iriomote Hotel	-	0.1%	-(Note2)
BEB5 Karuizawa	-	6.0%	-(Note2)

Properties operated by those other than Hoshino Resorts (Note1)

Name of facility	Nov. 2018 ~Oct. 2019	Nov. 2019 ~Oct. 2020	Change
22 Roadside Properties	1.2%	0.3%	-0.8pt
ANA Crowne Plaza Hiroshima	28.0%	13.7%	-14.3pt
ANA Crowne Plaza Fukuoka	23.3%	15.8%	-7.5pt
ANA Crowne Plaza Kanazawa	26.0%	12.2%	-13.9pt
ANA Crowne Plaza Toyama	26.0%	14.4%	-11.6pt
Hyatt Regency Osaka	57.7%	28.9%	-28.8pt
the b akasaka	52.1%	33.9%	-18.3pt
the b sangenjaya	12.7%	4.6%	-8.1pt
the b nagoya	47.1%	28.5%	-18.6pt
the b kobe	29.2%	14.7%	-14.5pt
hotel androoms Osaka Hommachi	69.0%	40.7%	-28.3pt
Sol Vita Hotel Naha	-	2.1%	-(Note2)
Overall portfolio	19.5%	8.1%	-11.4pt

Status of temporary closure of owned properties

Hoshino Resorts REIT, Inc.

21 of the 61 properties owned as of October 31, 2020, have temporarily closed as a result of COVID-19 for the number of days indicated below.

Properties operated by Hoshino Resorts

Name of properties	Apr	May	Jun	Jul	Aug	Sep	Oct	Notes
HOSHINOYA Karuizawa	-	-	-	-	-	-	-	Some restaurants are temporarily closed
HOSHINOYA Kyoto	-	2	-	-	-	-	-	
HOSHINOYA Fuji	5	-	-	-	-	-	-	
HOSHINOYA Taketomi Island	2	31	30	-	-	-	-	Temporary closure requests from local governments
RISONARE Yatsugatake	-	-	-	-	-	-	-	
RISONARE Atami	-	-	-	-	-	-	-	
KAI Matsumoto	5	-	-	-	-	-	-	
KAI Izumo	2	1	-	-	-	-	-	
KAI Ito	-	3	-	-	-	-	-	
KAI Hakone	-	2	-	-	-	-	-	
KAI Aso	-	-	-	-	-	-	-	
KAI Kawaji	-	10	-	-	-	-	-	Temporary closure request from Tochigi Prefecture in accordance with the Special Measures Act (April 28 to May 10)
KAI Kinugawa	3	10	-	-	-	-	-	Temporary closure request from Tochigi Prefecture in accordance with the Special Measures Act (April 28 to May 10)
KAI Kaga	8	9	-	-	-	-	-	
KAI Alps	6	3	-	-	-	-	-	
OMO7 Asahikawa	11	31	30	-	-	-	-	Two state of emergency joint declarations by Hokkaido Prefecture and Sapporo(February 28 and April 12)
Iriomote Hotel	11	31	30	-	-	-	-	
BEB5 Karuizawa	3	7	-	-	-	-	-	

Properties operated by outside operator

Name of properties	Apr	May	Jun	Jul	Aug	Sep	Oct	Notes
ANA Crowne Plaza Hiroshima	-	-	-	-	-	-	-	Temporary closure of some restaurants, etc.
ANA Crowne Plaza Fukuoka	-	-	-	-	-	-	-	Temporary closure of some restaurants, etc.
ANA Crowne Plaza Kanazawa	-	17	-	-	-	-	-	Temporary closure of some restaurants, etc.
ANA Crowne Plaza Toyama	-	30	-	-	-	-	-	Temporary closure of some restaurants, etc.
Hyatt Regency Osaka	-	-	-	-	-	-	-	Temporary closure of some restaurants, etc.
22 Roadside properties	-	-	-	-	-	-	-	
the b akasaka	12	31	30	31	31	-	-	Joint operation together with the b Akasaka Mitsuke
the b sangenjaya	-	-	-	-	-	-	-	
the b nagoya	-	-	-	-	-	-	-	
the b kobe	-	-	-	-	-	-	-	
5 Candeo properties	-	-	-	-	-	-	-	
3 Greens properties	-	-	-	-	-	-	-	
Quintessa Hotel Osaka Shinsaibashi	-	31	30	-	-	-	-	
hotel androoms Osaka Hommachi	8	31	18	-	-	-	-	
HOTEL NIKKO KOCHI ASAHI ROYAL	-	21	-	-	-	-	-	Temporary closure of some restaurants, etc.
Sol Vita Hotel Naha	-	22	-	-	-	-	-	



Appendix (2) Information regarding owned properties (financial)



Real estate appraisal value for continuously owned properties as of the end of the fiscal period ending October 2020

Hoshino Resorts REIT, Inc.

(Unit: millions of yen)

Property No.	Property name	Address	Number of guest rooms	Acquisition Price	Real estate appraisal value, etc.	
					Valuation date	
					Apr. 30 2020	Oct. 31 2020
H-1	HOSHINOYA Karuizawa	Karuizawa-machi, Nagano	77	7,600	11,800	11,800
H-2	HOSHINOYA Kyoto	Kyoto-shi, Kyoto	25	2,878	4,210	4,220
H-3	HOSHINOYA Fuji	Fujikawaguchiko-machi, Yamanashi	40	4,160	4,310	4,330
H-4	HOSHINOYA Taketomi Island	Taketomi-cho, Okinawa	48	4,955	5,080	4,970
R-1	RISONARE Yatsugatake	Hokuto-shi, Yamanashi	172	4,500	7,240	7,330
R-2	RISONARE Atami	Atami-shi, Shizuoka	81	3,750	4,410	4,820
K-1	KAI Matsumoto	Matumoto-shi, Nagano	26	600	800	804
K-2	KAI Izumo	Matsue-shi, Shimane	24	680	877	878
K-3	KAI Ito	Ito-shi, Shizuoka	30	670	1,590	1,600
K-4	KAI Hakone	Hakone-machi, Kanagawa	32	950	1,320	1,320
K-5	KAI Aso	Kokonoe-machi, Oita	12	575	691	708
K-6	KAI Kawaji	Nikko-shi, Tochigi	54	1,000	1,160	1,170
K-7	KAI Kinugawa	Nikko-shi, Tochigi	48	3,080	3,340	3,270
K-8	KAI Kaga	Kaga-shi, Ishikawa	48	3,160	3,370	3,380
K-9	KAI Alps	Omachi-shi, Nagano	48	3,060	3,150	3,150
O-35	OMO7 Asahikawa	Asahikawa-shi, Hokkaido	237	4,619	4,690	4,620
O-43	Iriomote Hotel	Taketomi-cho, Okinawa	139	3,650	3,780	3,810
O-45	BEB5 Karuizawa (Note)	Karuizawa-machi, Nagano	73	2,170	2,260	2,260
O-31	ANA Crowne Plaza Hiroshima	Hiroshima-shi, Hiroshima	409	17,784	18,800	18,600
O-32	ANA Crowne Plaza Fukuoka	Fukuoka-shi, Fukuoka	320	7,599	8,310	8,360
O-33	ANA Crowne Plaza Kanazawa	Kanazawa-shi, Ishikawa	249	6,609	6,510	6,270
O-34	ANA Crowne Plaza Toyama	Toyama-shi, Toyama	252	4,008	4,210	4,080
O-36	Hyatt Regency Osaka	Osaka-shi, Osaka	480	16,000	15,700	15,100
O-37	the b akasaka	Minato-ku, Tokyo	162	4,860	4,900	4,710
O-38	the b sangenjaya	Setagaya-ku, Tokyo	118	4,420	4,470	4,310
O-39	the b nagoya	Nagoya-shi, Aichi	219	4,500	4,400	4,190
O-40	the b kobe	Kobe-shi, Hyogo	168	7,020	6,710	6,370
O-41	Quintessa Hotel Osaka Shinsaibashi	Osaka-shi, Osaka	132	3,339	3,690	3,450
O-42	hotel androoms Osaka Hommachi	Osaka-shi, Osaka	103	4,238	3,820	3,520
O-44	HOTEL NIKKO KOCHI ASAHI ROYAL	Kochi-shi, Kochi	191	2,200	2,240	2,250
O-46	Sol Vita Hotel Naha (Note)	Naha-shi, Okinawa	200	3,860	3,890	3,820

Property No.	Property name	Address	Number of guest rooms	Acquisition Price	Real estate appraisal value, etc.	
					Valuation date	
					Apr. 30 2020	Oct. 31 2020
O-1	Chisun Inn Shiojiri Kita IC	Shiojiri-shi, Nagano	92	672	821	819
O-2	Chisun Inn Sano Fujioka IC	Sano-shi, Tochigi	92	742	910	894
O-3	Chisun Inn Suwa IC	Suwa-shi, Nagano	92	658	824	822
O-4	Chisun Inn ToyokawaIC	Toyokawa-shi, Aichi	94	602	727	727
O-5	Chisun Inn Tosu	Tosu-shi, Saga	92	504	649	644
O-6	Chisun Inn Chiba Hamano R16	Chiba-shi, Chiba	94	798	1,010	997
O-7	Chisun Inn Kumamoto Miyukifueda	Kumaomoto-shi, Kumamoto	98	616	745	734
O-8	Chisun Inn Utsunomiya Kanuma	Utsunomiya-shi, Tochigi	98	714	844	831
O-9	Chisun Inn Fukui	Fukui-shi, Fukui	98	644	796	797
O-10	Chisun Inn Fukushima Nishi IC	Fukushima-shi, Fukushima	98	672	767	753
O-11	Chisun Inn Niigata Chuo IC	Niigata-shi, Niigata	98	630	767	767
O-12	Chisun Inn Nagasaki Airport	Omura-shi, Nagasaki	92	630	760	754
O-13	Chisun Inn Hitachinaka	Hitachinaka-shi, Ibaraki	92	742	916	901
O-14	Chisun Inn Tsuchiura Ami	Ami-machi, Ibaraki	92	770	918	903
O-15	Chisun Inn Kofu Isawa	Fuefuki-shi, Yamanashi	92	658	779	776
O-16	Chisun Inn Marugame Zentsuji	Marugame-shi, Kagawa	98	588	731	728
O-17	Chisun Inn Munakata	Munakata-shi, Fukuoka	98	504	627	624
O-18	Chisun Inn Iwate Ichinoseki IC	Ichinoseki-shi, Iwate	92	700	778	766
O-19	Chisun Inn Karuizawa	Karuizawa-machi, Nagano	90	812	1,080	1,080
O-20	Chisun Inn Himeji Yumesakibashi	Himeji-shi, Hyogo	98	616	737	736
O-21	Chisun Inn Kurashiki Mizushima	Kurashiki-shi, Okayama	98	728	864	861
O-22	Candeo Hotels Handa	Handa-shi, Aichi	126	620	661	651
O-23	Candeo Hotels Chino	Chino-shi, Nagano	119	793	900	886
O-24	Candeo Hotels Fukuyama	Fukuyama-shi, Hiroshima	164	1,075	1,190	1,170
O-25	Candeo Hotels Sano	Sano-shi, Tochigi	124	1,260	1,470	1,440
O-26	Candeo Hotels Kameyama	Kameyama-shi, Mie	170	470	501	487
O-27	Comfort Hotel Hakodate	Hakodate-shi, Hokkaido	139	937	955	961
O-28	Comfort Hotel Tomakomai	Tomakomai-shi, Hokkaido	123	963	969	973
O-29	Comfort Hotel Kure	Kure-shi, Hiroshima	149	1,100	1,160	1,160
O-30	Chisun Inn Kagoshima Taniyama	Kagoshima-shi, Kagoshima	217	1,995	2,370	2,360
Total		-	7,536	161,707	178,954	176,472

Balance sheet as of the end of the fiscal period ending October 2020

Hoshino Resorts REIT, Inc.

(Unit: thousands of yen)

	Previous fiscal period (ended Apr. 30, 2020)	Current fiscal period (ended Oct. 31, 2020)
Assets		
Current assets		
Cash and deposits	10,725,065	11,173,058
Operating accounts receivable	104,251	109,999
Prepaid expenses	269,431	297,244
Consumption taxes receivable	76,693	-
Other	968	2,230
Total current assets	11,176,410	11,582,533
Non-current assets		
Property and equipment		
Buildings	88,644,294	89,682,056
Accumulated depreciation	△9,985,894	△11,191,617
Buildings, net	78,658,400	78,490,439
Structures	3,759,556	3,767,238
Accumulated depreciation	△351,573	△401,260
Structures, net	3,407,982	3,365,978
Machinery and equipment	83,801	83,801
Accumulated depreciation	△49,379	△52,962
Machinery and equipment, net	34,421	30,838
Tools, furniture and fixtures	1,116,371	1,228,112
Accumulated depreciation	△569,140	△597,715
Tools, furniture and fixtures, net	547,231	630,396
Land	79,409,668	79,409,668
Construction in progress	166,745	76,558
Total property, plant and equipment	162,224,448	162,003,879
Intangible assets		
Leasehold interests in land	3,547,720	3,547,500
Software	49,799	77,856
Total intangible assets	3,597,520	3,625,356
Investments and other assets		
Investment securities	505,365	505,365
Long-term prepaid expenses	686,321	715,034
Deferred tax assets	13	13
Guarantee deposits	10,000	10,000
Other	365,006	365,006
Total investments and other assets	1,566,706	1,595,419
Total non-current assets	167,388,675	167,224,655
Deferred assets		
Investment corporation bond issuance costs	7,227	6,479
Total deferred assets	7,227	6,479
Total assets	178,572,313	178,813,668

	Previous fiscal period (ended Apr. 30, 2020)	Current fiscal period (ended Oct. 30, 2020)
Liabilities		
Current liabilities		
Operating accounts payable	236,787	309,915
Short-term borrowings	1,400,000	2,649,000
Current portion of long-term borrowings	5,477,148	7,077,148
Accounts payable - other	719,446	796,385
Income taxes payable	871	875
Accrued consumption taxes	-	270,558
Accrued expenses	5,282	6,708
Advances received	993,372	780,830
Total current liabilities	8,832,907	11,891,423
Non-current liabilities		
Long-term borrowings	59,381,403	56,622,829
Investment corporation bonds	1,500,000	1,500,000
Leasehold and guarantee deposits received	3,168,736	3,208,211
Total non-current liabilities	64,050,139	61,331,040
Total liabilities	72,883,047	73,222,463
Net assets		
Unitholders' equity		
Unitholders' capital	102,737,981	102,737,981
Surplus		
Unappropriated retained earnings (undisposed loss)	2,951,284	2,853,223
Total surplus	2,951,284	2,853,223
Total unitholders' equity	105,689,265	105,591,205
Total net assets	105,689,265	105,591,205
Total liabilities and net assets	178,572,313	178,813,668

Statement of income for the fiscal period ending October 2020

Hoshino Resorts REIT, Inc.

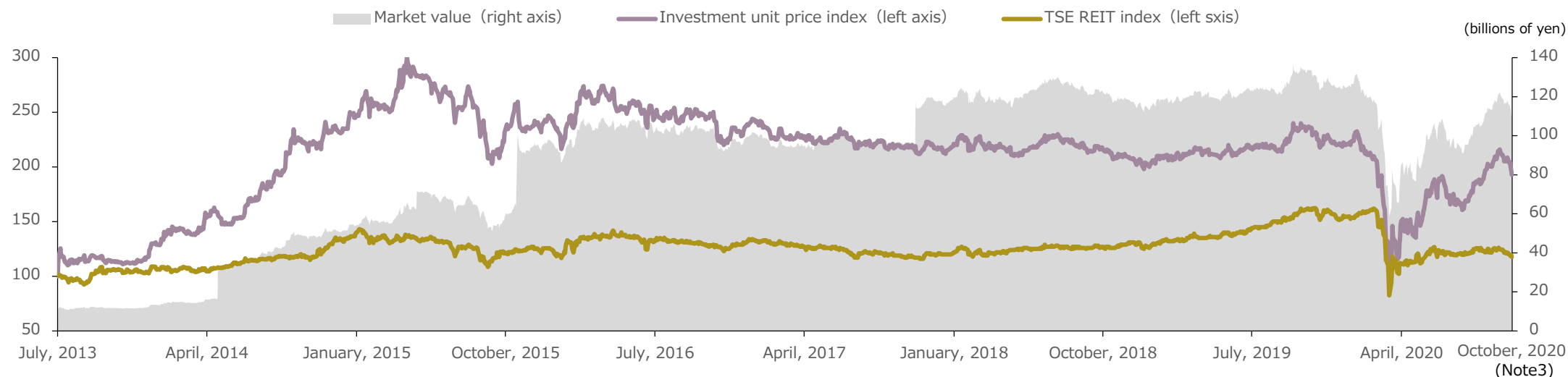
(Unit: thousands of yen)

	Previous fiscal period (from Nov. 1, 2019 to Apr. 30, 2020)	Current fiscal period (from May 1, 2020 to Oct. 31, 2020)
Operating revenue		
Leasing business revenue	6,158,161	6,021,600
Total operating revenue	6,158,161	6,021,600
Operating expenses		
Expenses related to leasing business	2,138,733	2,167,943
Asset management fee	499,340	497,395
Asset custody fee	5,604	5,814
Administrative service fees	23,109	25,844
Remuneration for directors (and other officers)	3,000	3,000
Audit fee	9,000	9,160
Other operating expenses	79,703	73,638
Total operating expenses	2,758,491	2,782,797
Operating profit	3,399,669	3,238,802
Non-operating income		
Interest income	52	51
Insurance income	15,743	4,366
Interest on tax refund	-	468
Miscellaneous income	1,284	3,171
Total non-operating income	17,080	8,058
Non-operating expenses		
Interest expenses	262,133	246,184
Interest expenses on investment corporation bonds	4,665	4,733
Amortization of investment corporation bond issuance costs	747	747
Borrowing related expenses	196,560	141,143
Other	566	21
Total non-operating expenses	464,673	392,830
Ordinary profit	2,952,076	2,854,030
Profit before income taxes	2,952,076	2,854,030
Income taxes - current	879	883
Income taxes - deferred	△1	△0
Total income taxes	877	882
Profit	2,951,199	2,853,147
Retained earnings brought forward	85	75
Unappropriated retained earnings (undisposed loss)	2,951,284	2,853,223

Change in market value and investment unit price/ Information on unitholders as of the end of the fiscal period ending October 2020

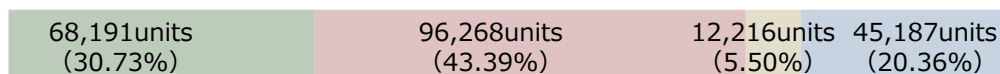
Hoshino Resorts REIT, Inc.

Change in market value and investment unit price^(Note1)

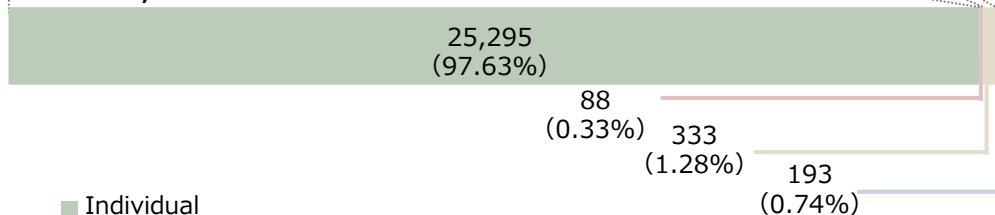


Composition of unitholders^(Note2)

Number of units held
by type of unitholder
Total: 221,862 units



Number of investors
by type of unitholder
Total: 25,909



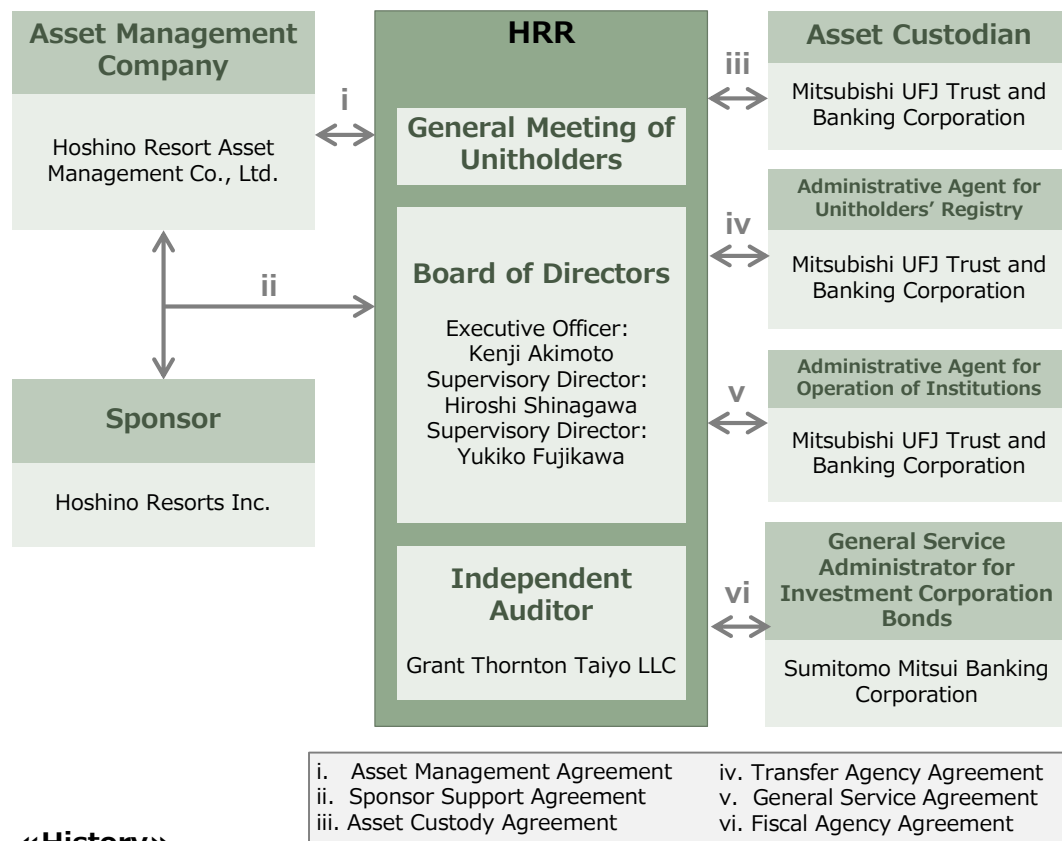
Major unitholders	Number of investment units held (units)	Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	32,525	14.66
Custody Bank of Japan, Ltd. (Trust account) ^(Note4)	20,339	9.16
The Nomura Trust and Banking Co., Ltd. (Investment trust account)	8,437	3.80
BNP PARIBAS SECURITIES SERVICES SINGAPORE/JASDEC/CLIENT ASSET (Standing proxy: The Hongkong and Shanghai Banking Corporation Limited Tokyo branch)	7,888	3.55
Mizuho Securities Co., Ltd.	6,481	2.92
Hoshino Resorts Inc.	6,140	2.76
Custody Bank of Japan, Ltd. (Securities Investment Trust)	5,605	2.52
J.P. MORGAN BANK LUXEMBOURG S.A. 381572 (Standing proxy: Mizuho Bank, Ltd.)	5,302	2.38
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	2,794	1.25
STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing proxy: Mizuho Bank, Ltd.)	2,704	1.21
Total	98,215	44.26

See page 60 for notes regarding this page.

Overview of HRR/Overview of Asset Management Company

Hoshino Resorts REIT, Inc.

Structure of HRR



«History»

February 28, 2013

Application for registration of HRR was filed by the organizer (Hoshino Resort Asset Management Co., Ltd.) under Article 69-1 of the Act on Investment Trusts and Investment Corporations (Investment Trusts Act)

March 6, 2013

HRR was registered and established under Article 166 of the Investment Trusts Act

March 25, 2013

Application for registration of HRR was filed under Article 188 of the Investment Trusts Act

April 10, 2013

HRR was registered by the Prime Minister under Article 187 of the Investment Trusts Act (registration number 84, filed with the Director of the Kanto Local Finance Bureau)

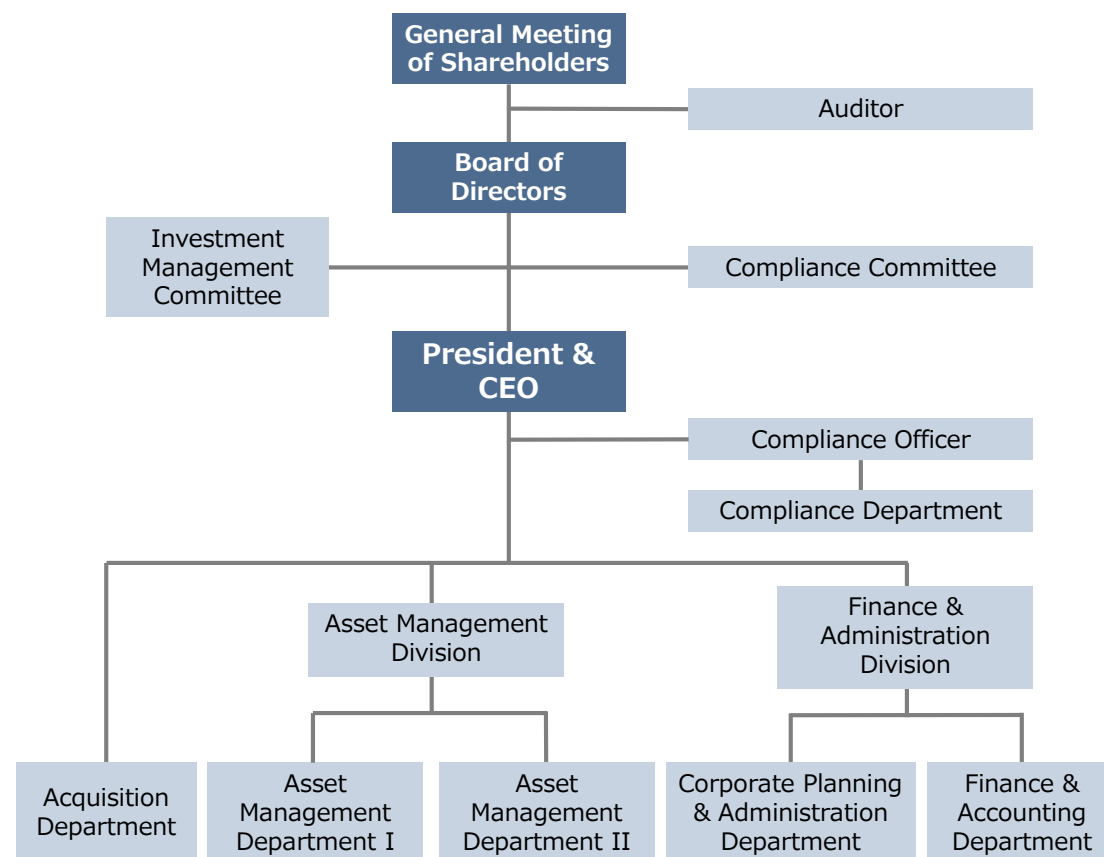
July 12, 2013

HRR was listed on the Real Estate Investment Trust Section of the Tokyo Stock Exchange (securities code: 3287)

July 16, 2013

Asset management started

Structure of Asset Management Company



«Overview»

Name

Hoshino Resort Asset Management Co., Ltd.

Address

6-18, Kyobashi 3-chome, Chuo-ku, Tokyo

Date of Establishment

May 14, 2010

Paid-in Capital

100 million yen

Shareholder

Hoshino Resorts Inc. 100%

Registration and Licenses

Registration as a Financial Instruments Business: Director of Kanto Local Finance Bureau (Kin-sho) No. 2405
Discretionary Real Estate Transaction License: The Minister of Land, Infrastructure, Transportation and Tourism No.74
Building Lots and Buildings Transaction Business License: The Governor of Tokyo No. (2) 94316

P4

- (Note1) Hoshino Resorts Inc. its parent company and its subsidiaries are collectively referred to as “Hoshino Resorts”. The same applies hereinafter.
 (Note2) Throughout this document, “Roadside” and “22 Roadside properties” refer to the 22 Chisun Inn budget hotels (hotels focused on economy and overnight stay) operated by the Solare Group. The same applies hereinafter.
 (Note3) 4 ANA Crowne Plaza properties are “ANA Crowne Plaza Hiroshima”, “ANA Crowne Plaza Fukuoka”, “ANA Crowne Plaza Kanazawa” and “ANA Crowne Plaza Toyama.” The same applies hereinafter.
 (Note4) Amounts below the specified unit are rounded down while ratios are rounded to the nearest specified unit.
 (Note5) The timing of floating rents arising and the specific calculation methods vary depending on the property. In the lease agreements with each lessee, the starting dates of floating rent are stated as May 1, 2020 (15th FP) for HOSHINOYA Fuji, November 1, 2020 (16th FP) for HOSHINOYA Taketomi Island, May 1, 2022 (19th FP) for KAI Alps, November 1, 2022 (20th FP) for Iriomote Hotel and November 1, 2024 (24th FP) for OMO7 Asahikawa. Therefore, floating rent will not arise prior to those said dates regardless of the amounts of sales or profits of the hotels, ryokans and ancillary facilities.

P5

- (Note) Amounts below the specified unit are rounded down while ratios are rounded to the nearest specified unit.

P10

- (Note) BEB5 Karuizawa opened in Feb. 2019, so the figures for Nov. 2019 to Jan. 2020 are “-” as there is no corresponding data for the previous year.

P13

- (Note1) 4 HOSHINOYA properties refers to “HOSHINOYA Karuizawa”, “HOSHINOYA Kyoto”, “HOSHINOYA Fuji” and “HOSHINOYA Taketomi Island.”
 (Note2) 2 RISONARE properties refers to “RISONARE Yatsugatake” and “RISONARE Atami.”
 (Note3) 8 KAI properties refers to “KAI Matsumoto”, “KAI Izumo”, “KAI Ito”, “KAI Hakone”, “KAI Aso”, “KAI Kawaji”, “KAI Kinugawa” and “KAI Kaga.” This also applies hereafter. KAI Alps, which began operation in December 2017, is not included in these figures.
 (Note4) BEB5 Karuizawa (which opened in February 2019) has no annual operation results up to October 2019, so no figures are listed for BEB5 Karuizawa in or before October 2019.

P14

- (Note) 4 the b properties refers to “the b akasaka”, “the b sangenjaya”, “the b nagoya” and “the b kobe.”

P15

- (Note1) At the Investment Corporation’s 5th General Meeting of Unitholders, held on January 27, 2021, a proposal will be issued to partially revise the bylaws of the Investment Corporation to reflect these changes. If the proposal is passed at the General Meeting of Unitholders, these changes will come into effect.
 (Note2) Business results for the 16th fiscal period ending Apr. 2021 are based on the forecast figures in the earnings summary issued today.
 Pre-change asset management fee amounts for the 15th fiscal period ending Oct. 2020 are preliminary calculations based on the asset management fee system and differ from the actual values for the 14th fiscal period ending Apr. 2020.
 Post-change asset management fee amounts are preliminary calculations based on the assumption that changes will be made to the asset management fee system from the start of each period. They may differ from actual amounts for the 16th fiscal period ending Apr. 2021.

P17

- (Note) The fixed rent and floating rent of the assumed rent are calculated based on either fixed amount or using calculation methods prescribed in the lease agreement that has been entered into by HRR and tenant, of each facility applicable to this fiscal period. HRR has entered into premium fixed rent agreements for certain periods instead of floating rent in the lease agreements and these premium fixed rents are recorded if the rent applicable to this fiscal period is based on premium fixed rent. Floating rent is calculated based on actual figures of past sales and profits of each facility, reflecting seasonal factors and other fluctuating factors.

P18

- (Note1) Factors differ depending on facility.
 (Note2) With regard to the lease agreement concluded with Quintessa Hotel Osaka Shinsaibashi, it has been agreed that rent from May 1, 2021, onwards will be changed to be composed of both fixed and floating rent. In this table, figures have been calculated using the following rent format: “Fixed + floating (rent calculation standard: facility profit).”

P19

- (Note) Hotel-specific J-REITs refers to Japan Hotel REIT Investment Corporation, Ichigo Hotel REIT Investment Corporation, Oedo Onsen Reit Investment Corporation, MORI TRUST Hotel Reit, Inc. and HRR.

P24

- (Note) Since split of investment units was implemented on November 1, 2016, distribution per unit for the 7th FP and before indicated are one-half of the actual amount considering the split.

P25

- (Note) Real estate appraisal amounts and appraisal NOI interest yields are based on real estate appraisal reports obtained by the time of real estate acquisition.

P29

(Note) The property was scheduled to be opened on June 11, 2020, but due to current conditions related to the COVID-19 pandemic, the opening date has been delayed. As of the present time, the opening date has yet to be decided.

P30

(Note1) The Fund Management Company refers to “H&D Partners Co., Ltd.”

(Note2) The No. 1 Fund refers to “Hoshino Resorts Ryokan and Hotel Management Support Investment LPS.”

(Note3) The No. 2 Fund refers to “Hoshino Resorts Ryokan and Hotel Management Support No. 2 Investment LPS.”

P32

(Note) These plans are subject to change without prior notice.

P35

(Note) If you can read the QR code, you can also view it from your smartphone.

P39

(Note) If you can read the QR code, you can also view it from your smartphone.

P41

(Note) Average ADR was calculated using the reference period of November 2018 to October 2019.

P42

(Note) Average ADR was calculated using the reference period of November 2018 to October 2019.

P44

(Note1) Hereinafter, main monthly indicator figures are based on figures supplied by tenants.

(Note2) Guestroom occupancy rates are rounded to the second decimal place. Hereinafter, ADR and RevPAR figures are rounded down to the nearest unit and net sales figures are rounded down to the nearest million yen.

(Note3) Guest room occupancy rate, ADR and RevPAR results of HOSHINOYA Taketomi Island from May 2020 to June 2020 do not exist, because this property has been temporarily closed due to the impact of COVID-19 pandemic.

P45

(Note) Guest room occupancy rate, ADR and RevPAR results of OMO7 Asahikawa from May. 2020 to June. 2020 do not exist, because this property has been temporarily closed due to the impact of COVID-19 pandemic.

P46

(Note) As for BEB5 Karuizawa, the Investment Corporation acquired this property in January. 2020, so no figures are listed for dates before the acquisition date

P48

(Note1) Guest room occupancy rate, ADR and RevPAR results of KAI Izumo in June. 2020 do not exist, because this property has been temporarily closed to conduct large-scale repair work.

(Note2) Guest room occupancy rate, ADR and RevPAR results of Iriomote Hotel from May. 2020 to June. 2020 do not exist, because this property has been temporarily closed due to the impact of COVID-19 pandemic.

P49

(Note1) Guest room occupancy rate and ADR results of the b akasaka from May. 2020 to July. 2020 do not exist, because this property has been temporarily closed from May. 2020 to August. 2020, due to the impact of COVID-19 pandemic. In addition, Guest room occupancy rate, ADR and RevPAR results in August. 2020 do not exist.

(Note2) Guest room occupancy rate, ADR and RevPAR results of hotel androoms Osaka Hommachi in May. 2020 do not exist, because this property has been temporarily closed due to the impact of COVID-19 pandemic.

(Note3) As for Sol Vita Hotel Naha, the Investment Corporation acquired this property in January. 2020, so no figures are listed for dates before the acquisition date

P50

(Note1) Figures are based on the inbound tourism ratios provided by the lessees.

(Note2) Figures for the period have not been provided by the lessees.

P53

(Note) The Investment Corporation acquired this property on January 31, 2020. The values in the April 30, 2020 real estate appraisal values etc., column are the values as of December 1, 2019.

P56

- (Note1) The starting date for the above graph is July 11, 2013, which was the business day preceding the listing day. The investment prices have been converted into an index by setting one-half of ¥510,000 (the issue price at the public offering conducted on July 11, 2013) as 100 (considering the investment unit 2-for-1 split on November 1, 2016), and the investment unit prices for October 26, 2016 (final trading day before split) and earlier were similarly adjusted to half their former price before conversion. In addition, the TSE REIT index was re-indexed by setting the closing price of July 11, 2013 as 100.
- (Note2) The ratios in the parentheses following the number of units held by type of unitholder represent the ratio of units held by each type of unitholder to the total number of issued investment equity units. The ratios in the parentheses following the number of investors by type of unitholder represent the ratio of investors by each type of unitholder to the total number of investors owning the Investment Corporation. Each is rounded down to the second decimal place.
- (Note3) Ratio indicates the ratio of the number of investment units held to the total investment units issued and outstanding, rounded down to two decimal places.
- (Note4) On July 27, 2020, Trust & Custody Services Bank, Ltd., JTC Holdings, Ltd., and Japan Trustee Services Bank, Ltd. merged, with Trust & Custody Services Bank, Ltd. and JTC Holdings, Ltd. as absorbed companies and Japan Trustee Services Bank, Ltd. as the surviving entity. On the same day, Japan Trustee Services Bank, Ltd. changed its name to Custody Bank of Japan, Ltd.



MEMO



MEMO

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For the convenience of preparing graphs, the dates indicated may differ from actual business dates.

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Hoshino Resort Asset Management Co., Ltd.

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Member of the Investment Trusts Association, Japan