Ichigo Hotel REIT
(3463)

Ichigo Hotel REIT July 2017 Fiscal Period Corporate Presentation

September 13, 2017

Ichigo Hotel REIT Investment Corporation (3463)

Ichigo Investment Advisors Co., Ltd.

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Ichigo Preserves and Improves Real Estate

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July 2017 Results

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July 2017 Highlights

		Achievements	Drivers
Organic Growth	RevPAR	JPY 8,237 (Variable Rent Hotels) +JPY 433 (+5.5%) YOY	• Increased occupancy and ADR by focusing on hotels with upside in high-demand locations and price points
External Growth	NOI	JPY 1.52B +JPY 823M (+117.7%) YOY	• Increased earnings stability via increased geographic diversification and fixed lease hotel acquisitions
	Portfolio	JPY 49.1B (20 hotels) +JPY 28.7B (+140.9%) YOY	• Growing shareholder value via acquiring hotels with strong competitiveness and upside potential
FFO		JPY 4,287 +JPY 608 (+16.5%) YOY	• FFO increases supporting dividend growth
DPS		JPY 3,101 +JPY 276 (+9.8%) YOY	• +JPY 58 (+1.9%) vs. initial forecast (-JPY 202 impact from property and city planning taxes from previous period's acquisitions)
NAV		JPY 139,940 +JPY 26,547 (+23.4%) YOY	• Significant unrealized gains

* FFO (Funds from Operations) = (Net Income + Depreciation + Amortization of Expenses Related to REIT Establishment + Amortization of Share Issuance Expenses + Loss on Disposal of Fixed Assets + Liability for Asset Retirement Obligation +/- Losses/Gains on Sales +/- Extraordinary Losses/Gains) / Number of Shares Outstanding
NAV = BPS + Unrealized Capital Gains

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July 2017 Earnings Breakdown

(JPY million)

	July 2016	July 2017	Initial Forecast	vs. Initial Forecast	Major Variation Factors (vs. Forecast)
Operating Revenue	**774**	**1,687**	**1,692**	**-4**	
Variable Rent	351	757	760	-2	Increase: 7 Hotels; Decrease: 4 Hotels
Fixed Rent	387	870	869	–	
Other	35	60	62	-2	Increase in renewal fee income: +3 Decrease in utilities expenses: -5
Operating Expense	**302**	**714**	**731**	**-17**	Decrease in repair & maintenance: -12 Decrease in utilities expense and other rental expenses: -4
Repair & Maintenance	4	19	31	-12	
Depreciation	101	280	281	-1	
Operating Profit	**472**	**973**	**961**	**+12**	
Recurring Profit	**392**	**799**	**784**	**+14**	
Net Income	**391**	**798**	**783**	**+14**	
Dividend per Share	**JPY 2,825**	**JPY 3,101**	**JPY 3,043**	**+58**	+1.9% vs. initial forecast +9.8% (+JPY 276) vs. Jul 2016 fiscal period
FFO	**JPY 3,679**	**JPY 4,287**	**JPY 4,235**	**+52**	
NOI	699	1,523	1,511	+11	
Post-Depreciation NOI	598	1,243	1,229	+13	
Capex	69	210	272	-62	

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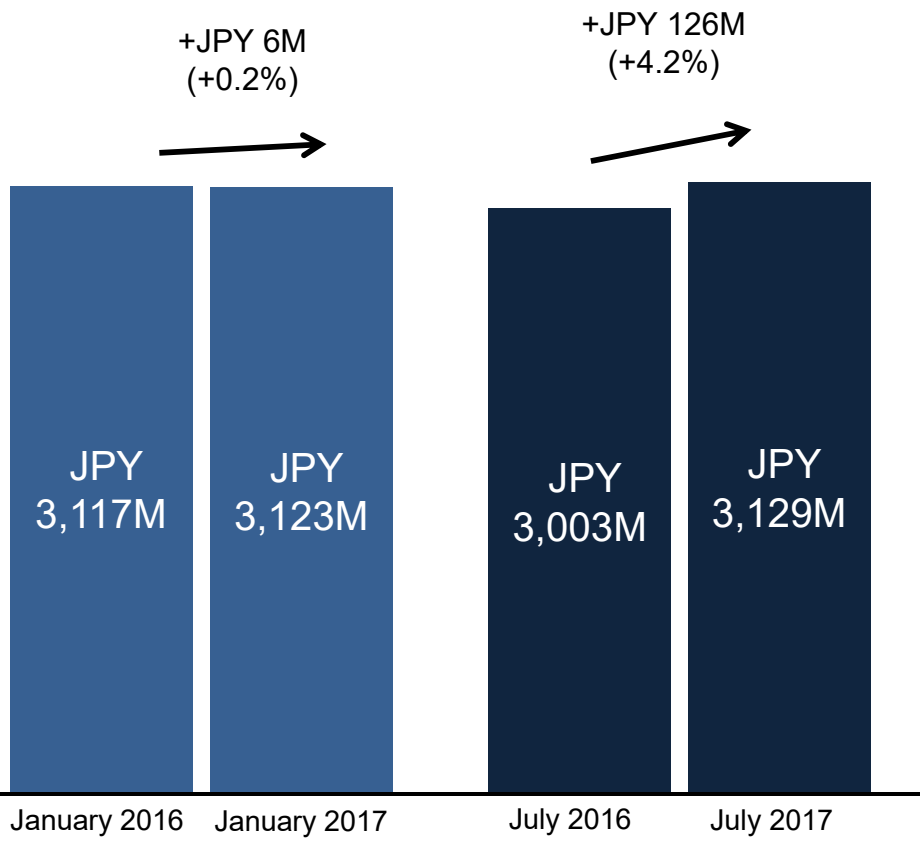
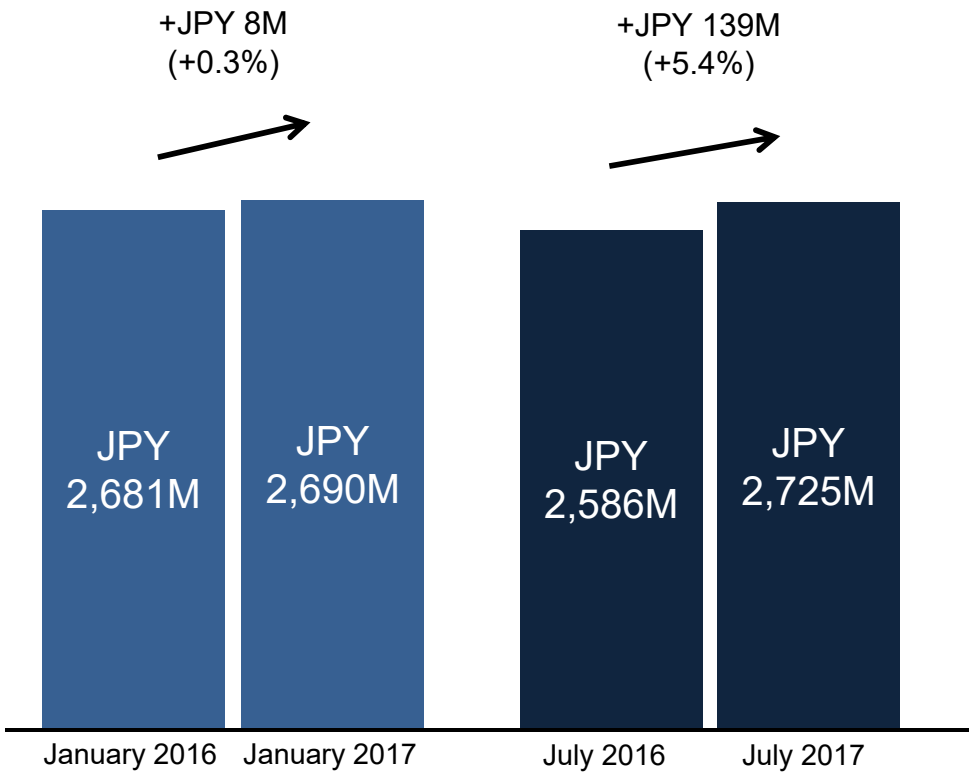
Revenue +4.2% YOY at Variable Rent Hotels

- Variable Rent Hotels = the Major Driver of Earnings
- Increased GOP by Matching Restaurant Service Hours to Guest Demand
- Higher Revenue in Sapporo, Tokyo, Nagoya, Osaka, and Matsuyama Driving Growth (+JPY 126M YOY)

Total Revenue (Room + Retail)



Room Revenue



* Operating results before acquisitions are based on data provided by previous owner.

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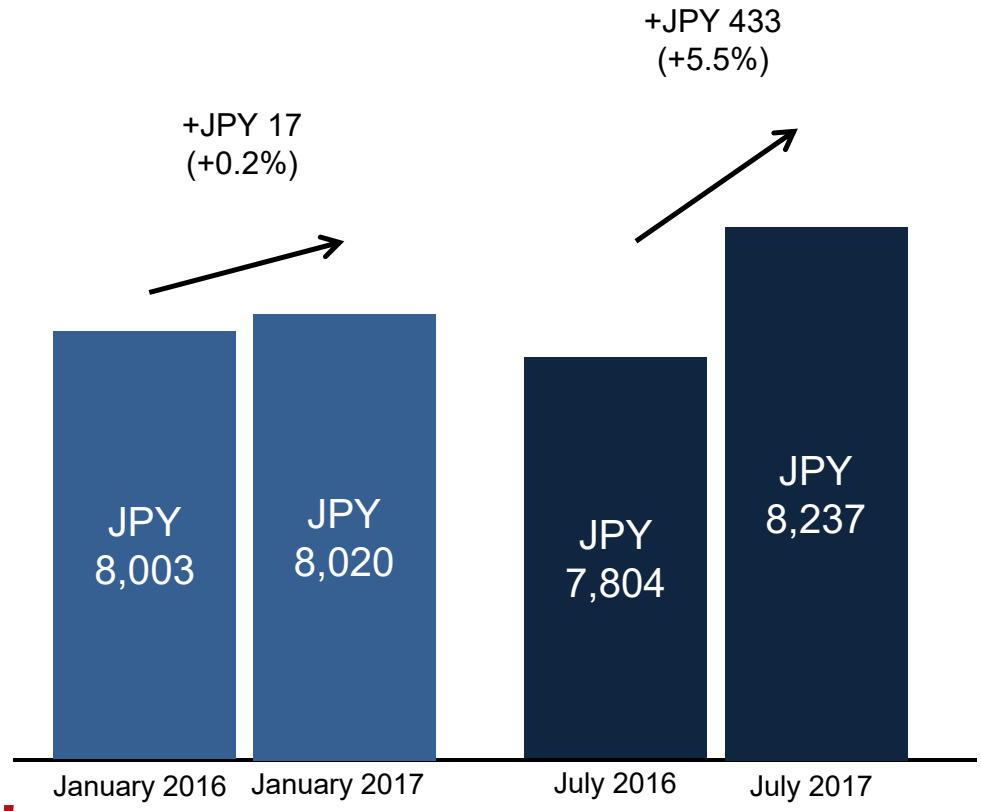
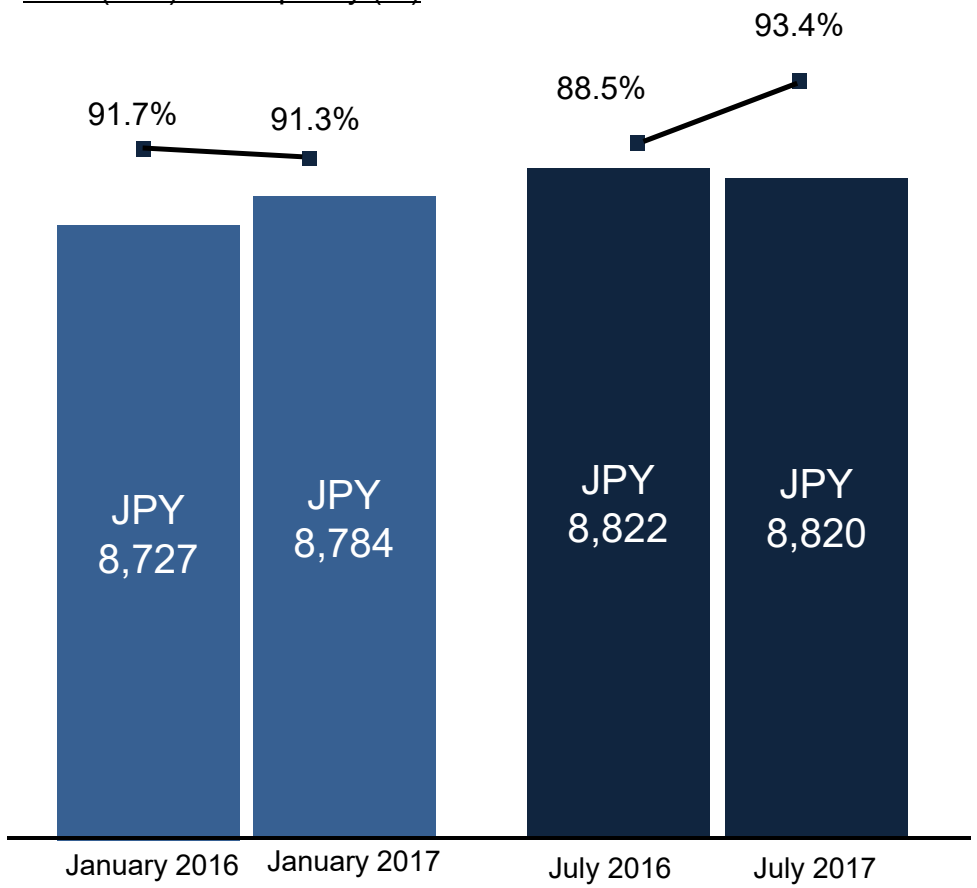
RevPAR +5.5% YOY at Variable Rent Hotels

- Occupancy Increase (+4.9% YOY) Driving Higher RevPAR
- See continued ADR Growth Potential

RevPAR



ADR (JPY) / Occupancy (%)



* Operating results before the acquisition are based on data provided by previous owner.

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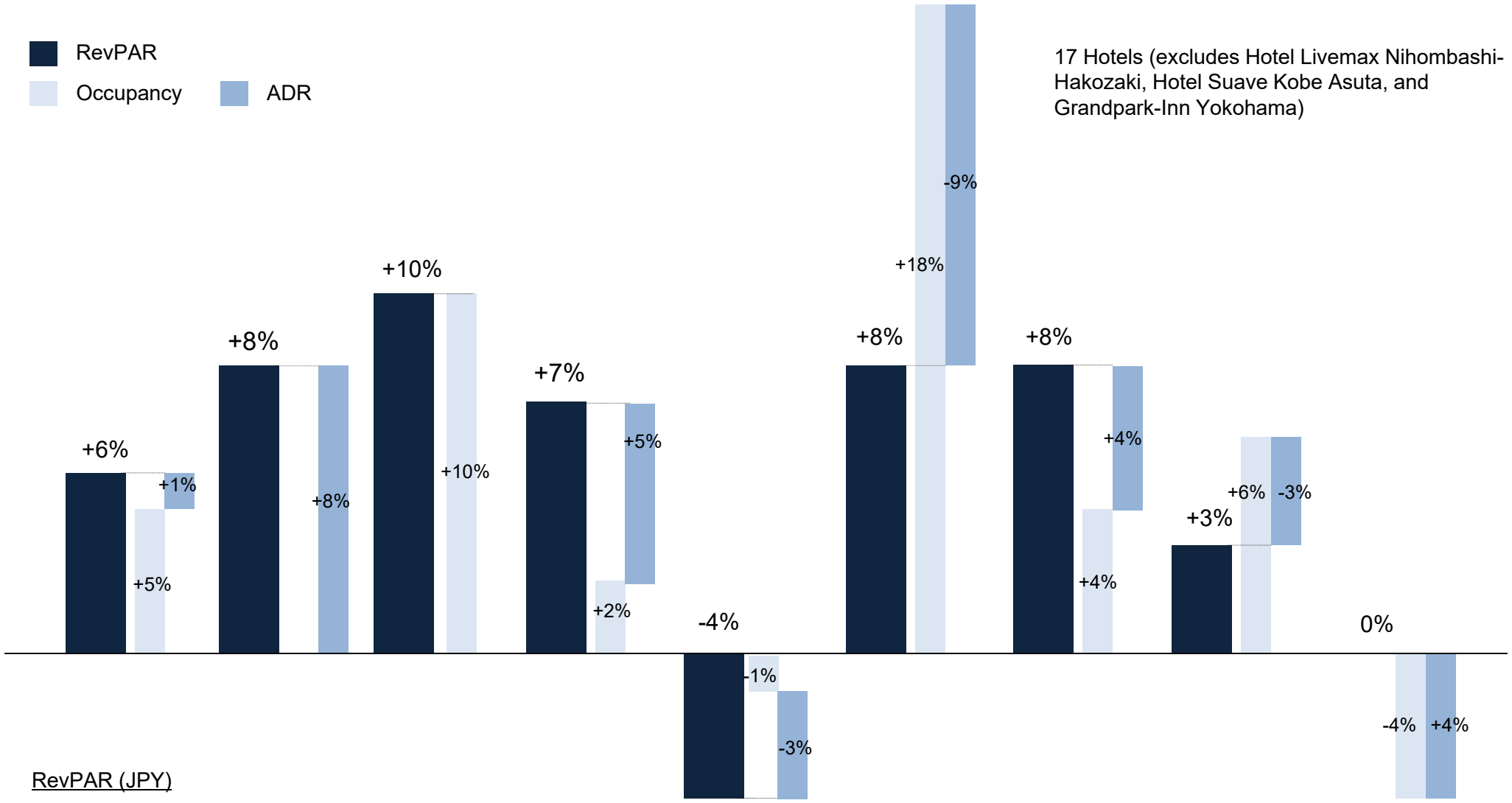
RevPAR +6% YOY – Growth in Every Region except Kyoto

YOY by Region (6 Months)



RevPAR (JPY)

Total	Hokkaido	Tokyo	Tokai/Chubu	Kyoto	Osaka	Chugoku/ Shikoku	Kyushu	Okinawa
7,407	7,869	7,762	6,375	11,504	8,220	5,179	8,384	8,305

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Growth Strategy

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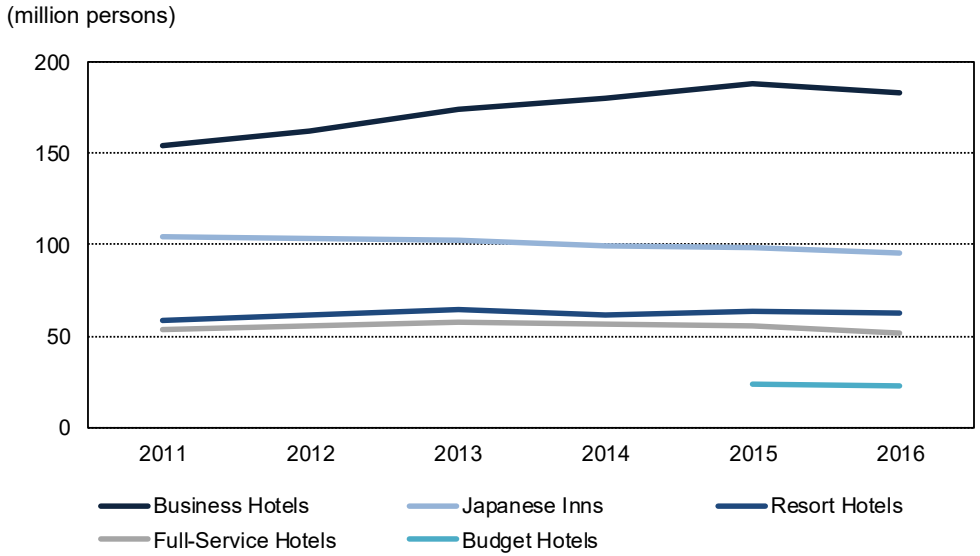
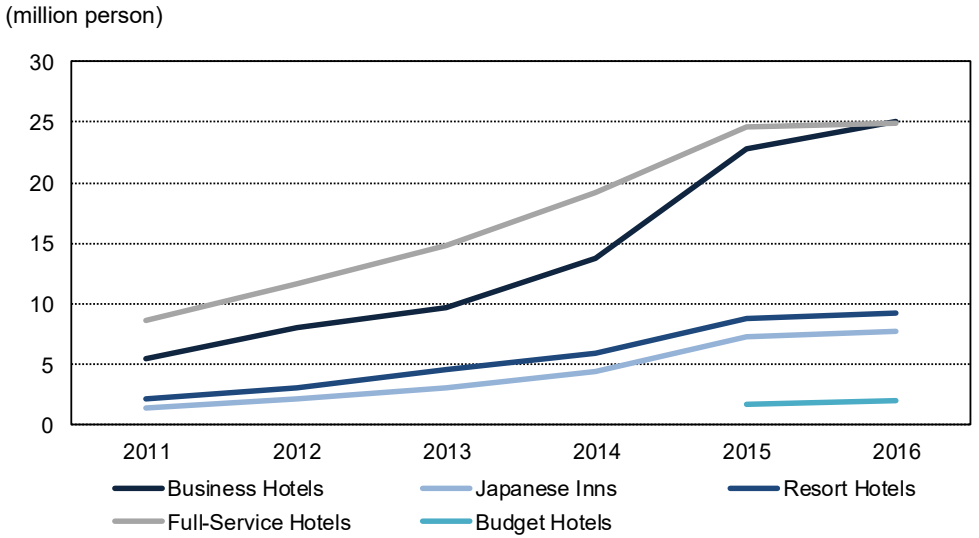
Hotel Market Environment

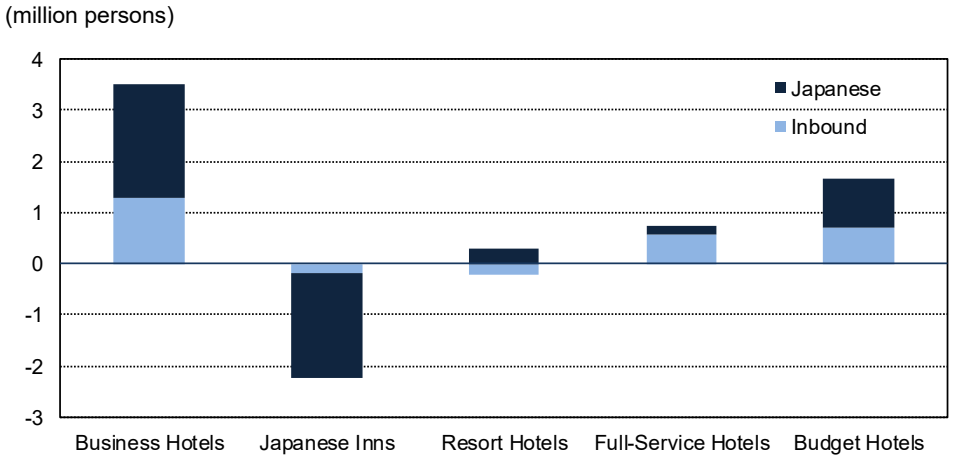
No. of Guests by Hotel Type (Japanese Guests)



No. of Guests by Hotel Type (Inbound Guests)



Change in No. of Guests by Hotel Type vs. Previous Year (Jan – June 2017 Cumulative)



- ✓ Business hotel demand remains robust and growing.
- ✓ Continued growth expected due to increasing domestic and inbound tourism – government target of 40 million inbound tourists by 2020.

* Data prepared by Ichigo Investment Advisors based on the Japan Tourism Agency (JTA) “Statistical Survey of Travelers”

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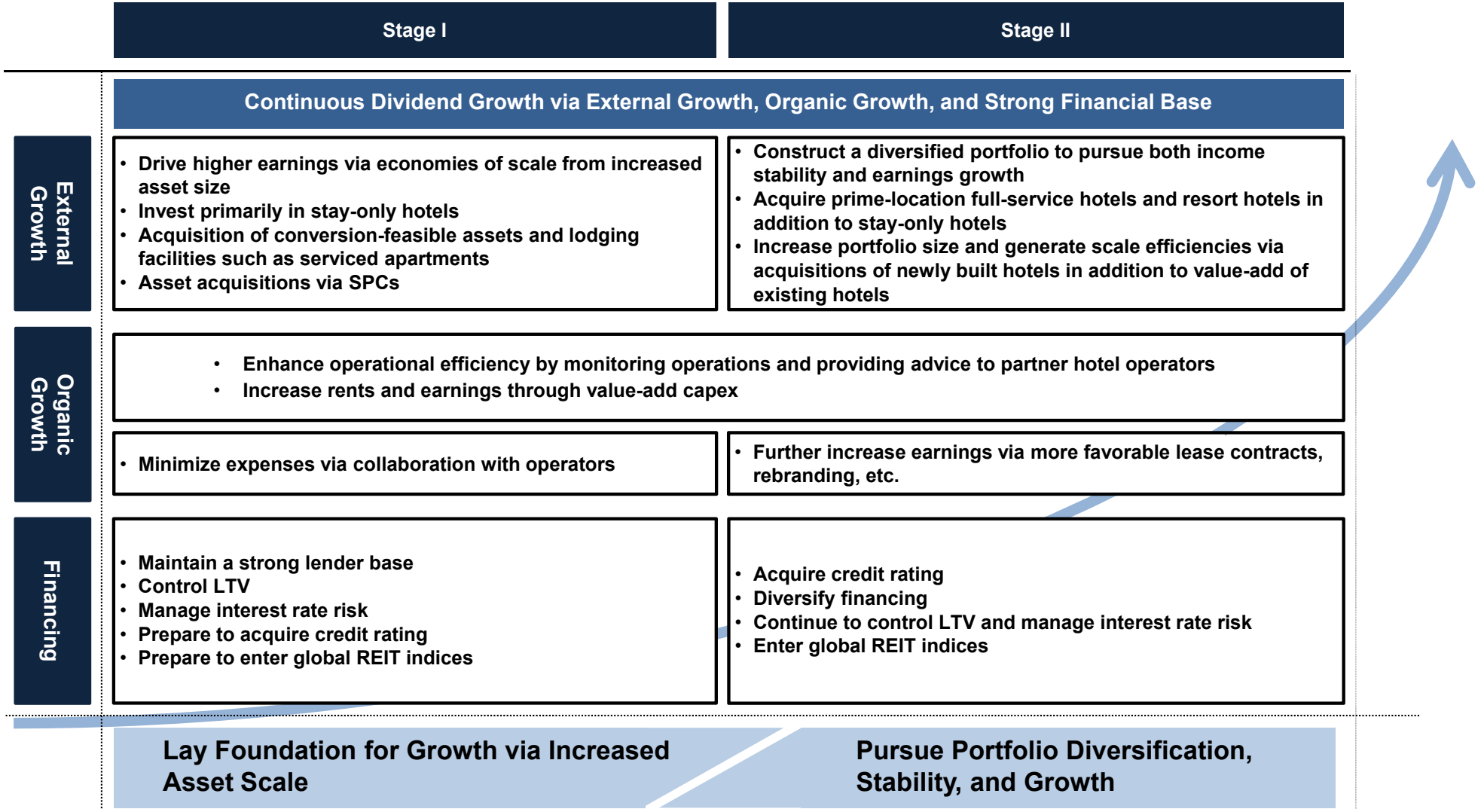
Growth Strategy Action Plan

– Eliminated AUM Target – Full Focus on Shareholder Value Maximization
– Made Timeline Flexible to Respond to Market Environment



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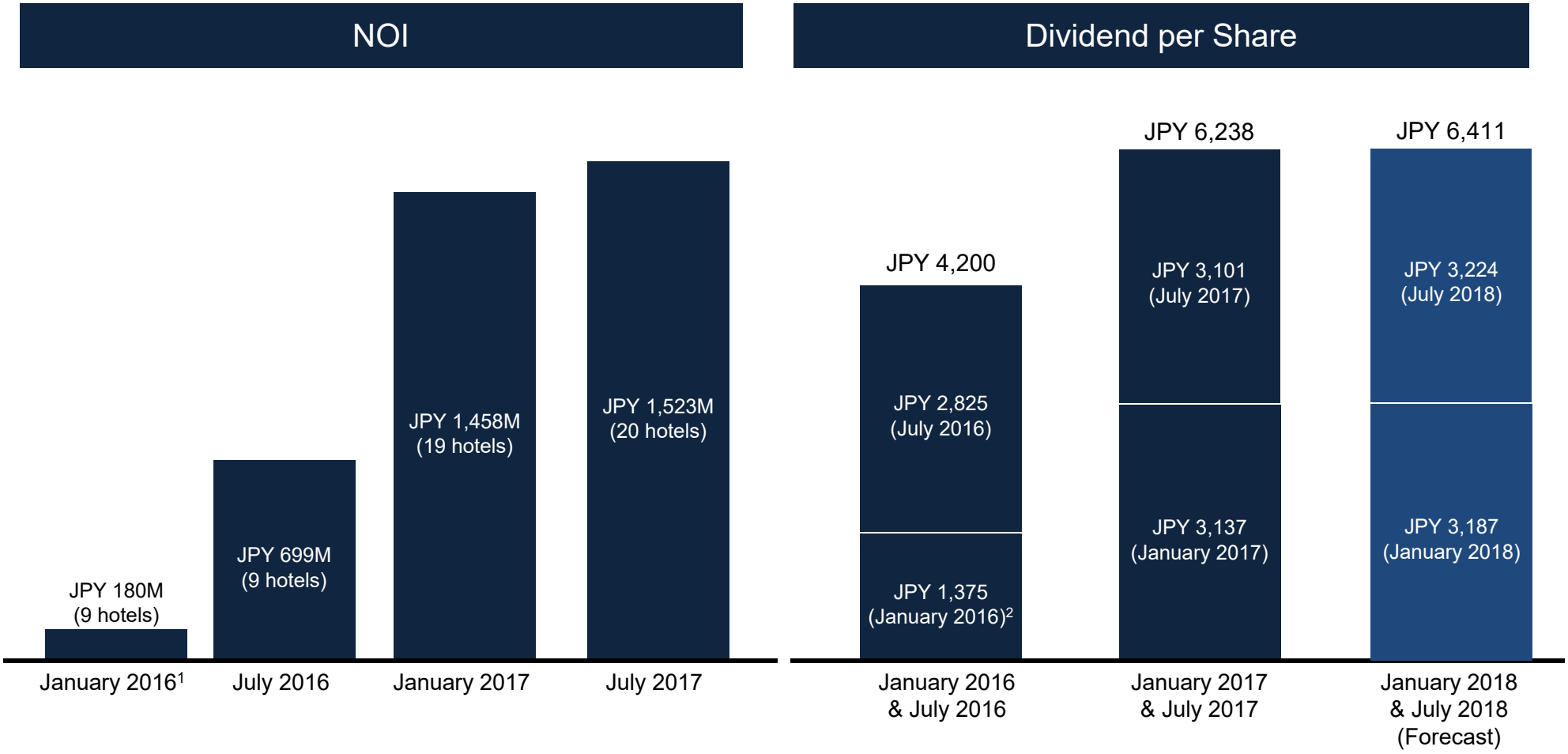
Ichigo Hotel REIT Growth (1)

NOI: JPY 0.18B → JPY 1.52B (+746.1%)

Dividend per Share: JPY 4,200 → JPY 6,411 (+52.6%)



[1] January 2016 was a shortened fiscal period that ran from Nov 30, 2015 to Jan 31, 2016.
[2] Annualized January 2016 dividend (JPY471)

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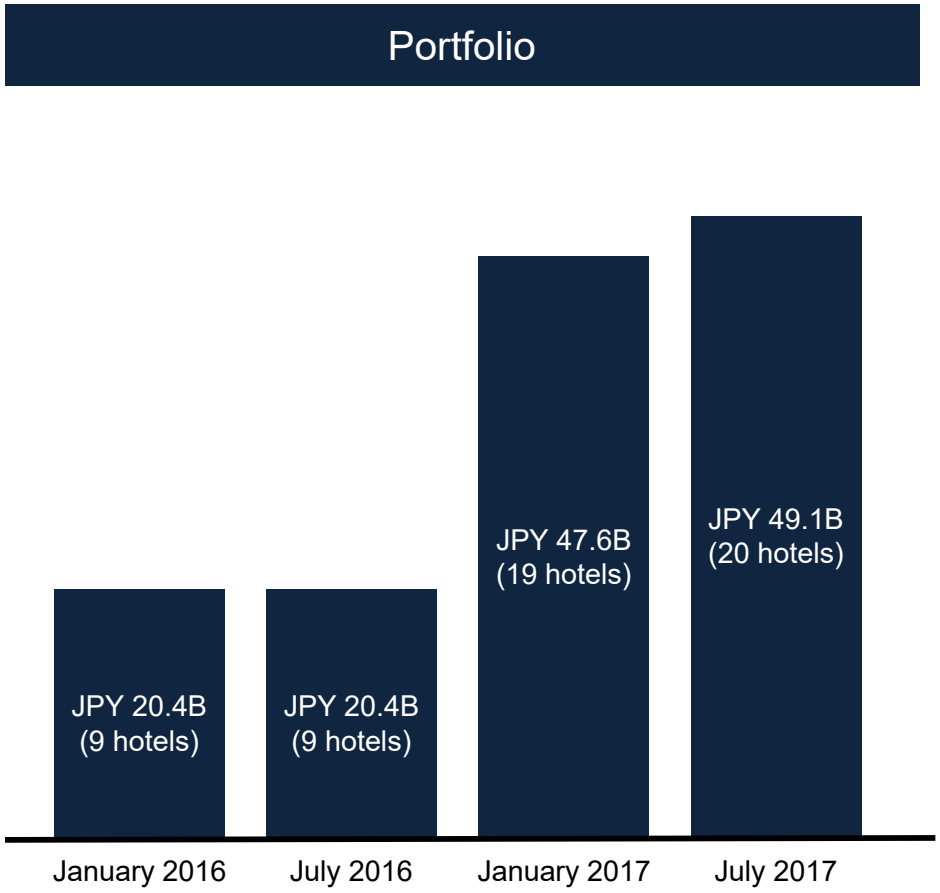
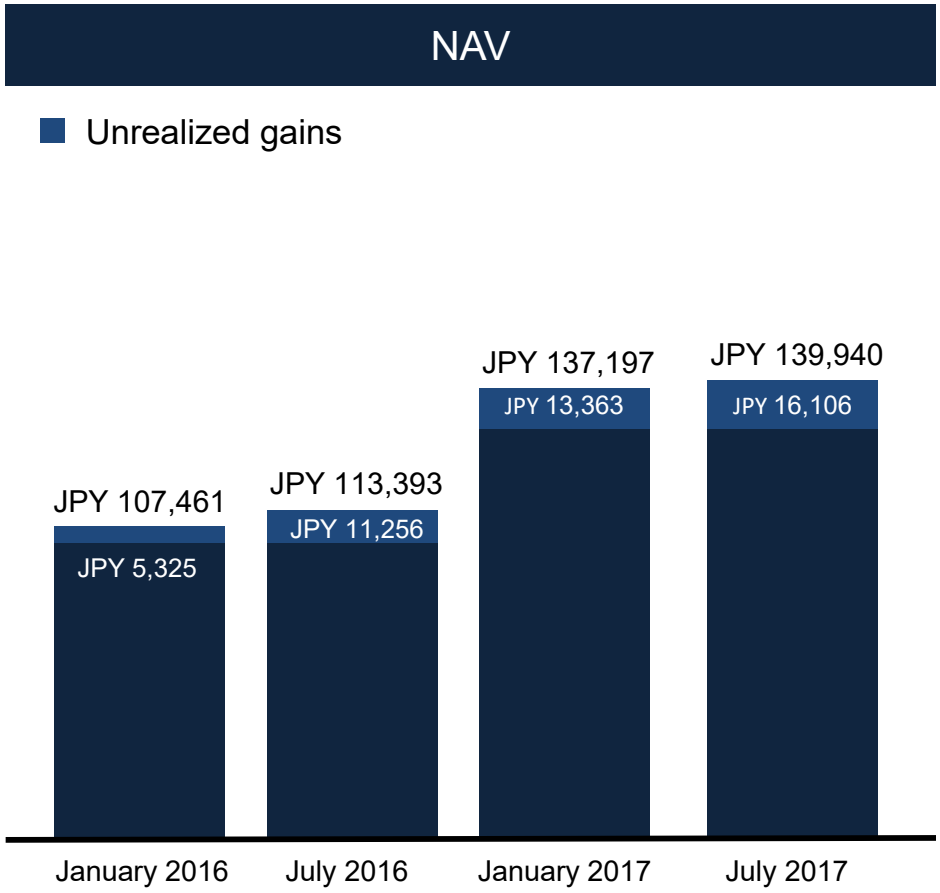
Ichigo Hotel REIT Growth (2)

NAV per Share: JPY 107,461 → JPY 139,940 (+30.2%)





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Driving Earnings via Value-Add Capex

Value-Add Capex Driving Earnings Growth

✓ Return: +JPY 37.8M p.a., ROI 21.0%

Completion Date	Hotel	Renovation Details	Purpose	Investment (JPY M)	Expected Rental Income Increase (JPY M per annum)	ROI
Apr 2016	Nest Hotel Sapporo Odori	Renovation of guest rooms	Boost revenue by capturing higher tourist demand	16.6	2.4	14.6%
Jul 2016	Nest Hotel Sapporo Odori	Convert storage rooms into two additional guest rooms	Convert non-revenue-generating space into guest rooms	16.3	2.3	14.4%
Oct 2016	Hotel Wing International Nagoya	Full renovation of guest rooms, hallways, and lobby	Boost revenue by upgrading/updating facilities and enhance hotel image	20.6	4.4	21.4%
Dec 2016	Nest Hotel Sapporo Ekimae	Build a dedicated smoking room in the banquet area	Enhance convenience for guests/visitors and increase customer satisfaction	1.0	–	–
Jan 2017	Smile Hotel Kyoto Shijo	Convert storage rooms into two additional guest rooms	Convert non-revenue-generating space into guest rooms	22.0	6.8	31.2%
Jan 2017	Smile Hotel Kyoto Shijo	Renovation of entrance	Update and upgrade facilities for further convenience	13.2	–	–
Jan 2017	Nest Hotel Sapporo Odori	Split up a suite into three guest rooms	Improve revenue of low-occupancy guest rooms	25.2	2.2	8.9%
Jan 2017	Nest Hotel Osaka Shinsaibashi Nest Hotel Matsuyama	Convert double rooms with one double bed into rooms with two single beds	Increase revenue by capturing guests of twosomes or more	4.6	3.5	76.2%
Apr 2017	Smile Hotel Tokyo Asagaya	Build rental billboard space	Optimal use of unused space	4.0	1.3	33.3%
Jun 2017	Nest Hotel Naha	Convert banquet rooms into five additional guest rooms	Improve revenue by optimal use of low-revenue-generating space	27.8	4.8	17.3%
Jul 2017	Smile Hotel Tokyo Asagaya	Renovation of guest rooms (Phase 1 of 3)	Boost revenue by capturing higher tourist demand	28.9	9.9	34.2%
			July 2017 Fiscal Period Total	**60.7**	**16.0**	**26.4%**
			Total	**180.2**	**37.8**	**21.0%**

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Value-Add Capex – Nest Hotel Naha

Converted Banquet Space Into 5 Additional Guest Rooms (JPY 27.8M)

- ✓ Added 2 double rooms and 3 triple rooms
- ✓ Renovation period: May 2017 to June 2017
- ✓ Forecast return: +JPY 4.8M p.a., ROI 17.3%

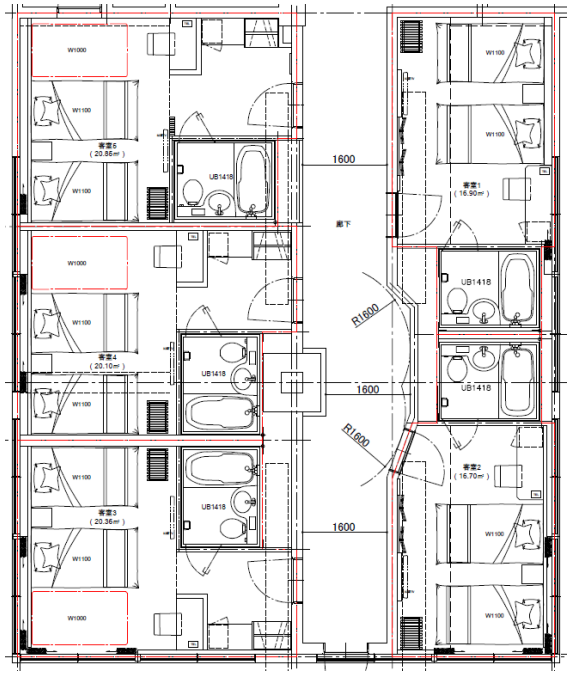
Before



A pillar in the middle of the banquet space resulted in low guest use

After

Converted into
2 double rooms and
3 triple rooms







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Value-Add Capex – Smile Hotel Tokyo Asagaya

Renovation of Hallway and 28 Rooms on the 5th Floor (JPY 28.9M)

- ✓ Renovated 20 single rooms into double rooms to cater to 2 or more guests
- ✓ Of these, 6 guest rooms are with flexible layout to accommodate 3 guests
- ✓ Renovation period: June 2017 to July 2017
- ✓ Forecast return: +JPY 9.9M p.a., ROI 34.2%

Before





After





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Additional Value-Add Capex – Smile Hotel Tokyo Asagaya

Renovate to increase guest comfort and thus leisure demand to drive higher earnings

Smile Hotel Tokyo Asagaya



- 5F
- 4F
- 3F
- 2F
- 1F & Lobby

Phase 1 (July 2017 Fiscal Period)

Renovate guest rooms (5F)

Timing:	July 2017
Capex:	JPY 28.9M
Forecast return:	JPY 9.9M p.a.*
ROI:	34.2%

Phase 2 (Jan 2018 Fiscal Period)

Renovate guest rooms (3F, 4F)

Timing:	Jan 2018 (Plan)
Capex:	JPY 56.0M (Plan)
Forecast return:	JPY 19.8M p.a.*
ROI:	35.4%

Phase 3 (July 2018 Fiscal Period)

Renovate guest rooms (2F) & Lobby

Timing:	June 2018 (Plan)
Capex:	JPY 33.0M (Plan)
Forecast return:	JPY 9.9M p.a.*
ROI:	30.0%

Capex
JPY 117.9M

Forecast return
+JPY 39.6M p.a.

Average ROI
33.6%

* Annualized figures based on forecast

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Growing Earnings at Existing Hotels

Chisun Inn Osaka Hommachi – Operator rent increase

- ✓ +JPY 13.3M p.a. (c. +13%) – 10% fixed rent increase plus variable rent rate increase

Smile Hotel Tokyo Asagaya – Retail tenant rent increase

- ✓ Replaced first floor retail tenant at contract termination
- ✓ +12.3% rent increase

Smile Hotel Tokyo Asagaya – New earnings via billboard contract

- ✓ Sale of advertising space on the side of hotel, taking advantage of its location adjacent to JR Asagaya station
- ✓ +JPY 1.33M p.a. earnings increase



Property Tax Exemption

- ✓ JPY 5.67M p.a. tax relief based on the Act on Development of Hotels for Inbound Tourists
- ✓ JPY 0.63M p.a ongoing exemption on property and city planning tax

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Actions to Grow Earnings at Smile Hotel Kyoto Shijo

Despite Current Revenue Downturn, NOI Above Level at Acquisition

- New hotel supply nearby
- ADR decrease on lower market ADR

	at Acquisition (Appraisal-Value Based)	July 2016 (Actual) + January 2017 (Actual)	July 2017 (Actual) + January 2018 (Forecast)
Appraisal Value	JPY 4,500M	JPY 4,870M*	JPY 4,960M*
RevPAR	JPY 9,975	JPY 11,373	JPY 10,216
NOI	JPY 254M	JPY 333M	JPY 278M
vs. at Acquisition	—	+31.1%	+9.5%
NOI Yield	5.7%	7.4%	6.2%

*Appraisal Value as of end of January 2017 and July 2017

Action Plan

- Value-Add Capex
  - ✓ Subdivide 4 double rooms into 8 standard guest rooms (July 2018 period) – Forecast return: +JPY 7.5M p.a., ROI 15.5%
  - ✓ Convert non-revenue generating storage rooms into 6 guest rooms (January 2019 period) – Forecast return: +JPY 12.0M p.a., ROI 12.0%
- Revenue Management
  - ✓ Have deployed a dedicated on-site revenue manager to optimize pricing

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Increased Post-Acquisition NOI

Value-Add Capex Driving Post-Acquisition NOI Increases

	IPO November 2015	Public Offering August 2016	March 2017	August 2017	Total
Acquired Assets	9 Hotels Smile Hotel Kyoto Shijo, etc.	10 Hotels Nest Hotel Osaka Shinsaibashi, etc.	1 Hotel Grandpark-Inn Yokohama	1 Hotel Urbain Hiroshima Executive	21 Hotels
Total Months in Operation (as of July 31, 2017)	21 months	11 months	4 months	–	–
Total Acquisition Price	JPY 20.410B	JPY 27.258B	JPY 1.490B	JPY 1.800B	JPY 50.958B
Appraisal Value (as of July 31, 2017)	JPY 23.320B	JPY 28.918B	JPY 1.560B	JPY 2.080B	JPY 55.878B
Unrealized Gains (as of July 31, 2017)	JPY 2.762B	JPY 1.338B	JPY 0.047B	–	JPY 4.148B
Appraisal NOI Yield (A) (acquisition-price based)	5.9%	5.5%	5.0%	6.3%	5.7%
NOI Yield (B)	6.8%	5.9%	5.0%	6.3%	6.3%
NOI Yield Growth (B) - (A)	+0.9%	+0.4%	–	–	+0.6%
Value-Add	Smile Hotel Kyoto Shijo Add 2 guest rooms Nest Hotel Sapporo Odori Add 2 guest rooms, refurbish & split up suite room Hotel Wing International Nagoya Renovate guest rooms Chisun Inn Osaka Hommachi Increase rent from hotel operator	Smile Hotel Tokyo Asagaya Renovate guest rooms, build rental billboard space, replace operator at higher rent Nest Hotel Naha Add 5 guest rooms Nest Hotel Osaka Shinsaibashi Convert double rooms with one double bed into rooms with two single beds Nest Hotel Matsuyama Convert double rooms with one double bed into rooms with two single beds	Fixed Rent	Fixed Rent	–

Unrealized Gains = Appraisal Value as of July 31, 2017 – Book Value as of July 31, 2017
NOI is of July 2017 fiscal period and January 2018 fiscal period

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March 2017 Acquisition: Grandpark-Inn Yokohama

- Located close to Yokohama Station, one of the busiest stations in the Tokyo Metro area
- Fixed rent contract to support earnings stability
- Added a female guest-only area with special amenities to broaden the range of guests beyond capsule hotels' traditionally male clientele
- Acquired via Ichigo's sourcing network



Acquisition Price	JPY 1.49B
Appraisal Value (as of Jan 1, 2017)	JPY 1.56B
Post-depreciation NOI Yield	4.7%



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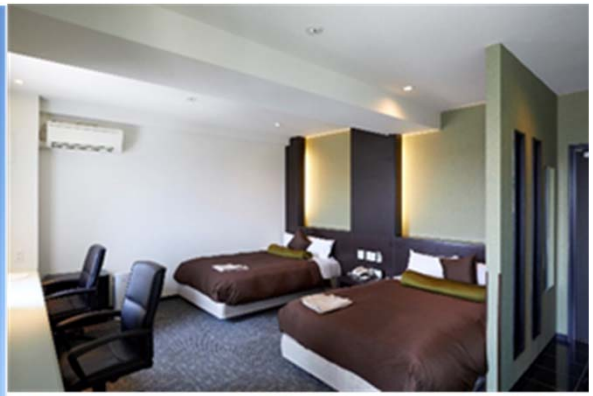
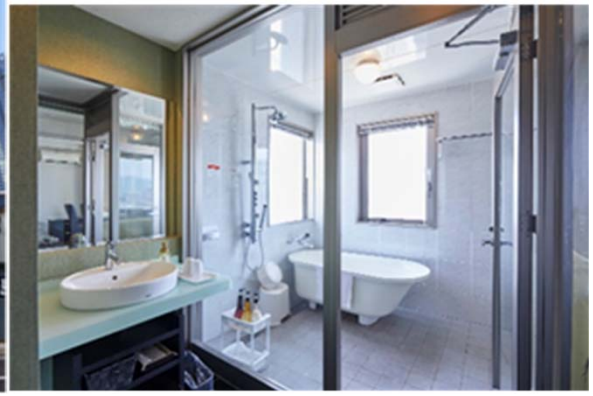
August 2017 Acquisition: Urbain Hiroshima Executive

- 171 guest room hotel located a 5-minute walk from JR Hiroshima Station
- Located in a globally recognized tourist destination with steady inbound tourism
- Fixed rent hotel increasing shareholder value via increased earnings and earnings stability
- Forecast NOI yield of 6.3% (above Ichigo Hotel REIT average NOI)
- Acquired via Ichigo's sourcing network







Acquisition Price	JPY 1.80B
Appraisal Value (as of June 1, 2017)	JPY 2.08B
Post-depreciation NOI Yield	4.8%



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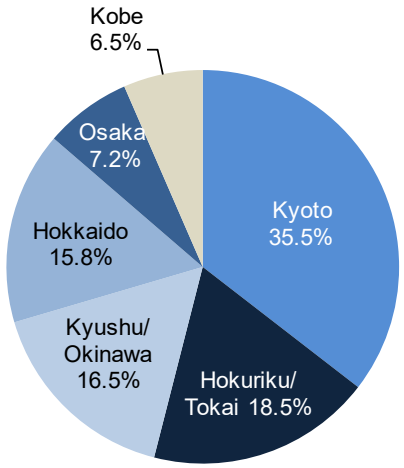
Geographically Diversified Portfolio

	IPO (November 30, 2015)	July 2016 Fiscal Period	January 2017 Fiscal Period	July 2017 Fiscal Period	January 2018 Fiscal Period
Hotels	Portfolio Size 9 hotels JPY 20.4B Acquisitions (IPO with Sponsor support) 9 hotels JPY 20.4B  Hokkaido: 2, Kyoto: 2 Hokuriku/Tokai: 2, Osaka: 1 Kobe: 1, Kyushu/Okinawa: 1	Portfolio Size 9 hotels JPY 20.4B Acquisitions —	Portfolio Size 19 hotels JPY 47.6B Acquisitions (PO with Sponsor support) 10 hotels JPY 27.2B  Hokkaido: 1, Tokyo: 3 Hokuriku/Tokai: 2, Osaka: 1 Chugoku/Shikoku: 2, Kyushu/Okinawa: 1	Portfolio Size 20 hotels JPY 49.1B Acquisitions (New Loans - External seller) 1 asset JPY 1.4B  Kanto: 1	Portfolio Size 21 hotels JPY 50.9B Acquisitions (New Loans - External seller) 1 asset JPY 1.8B  Chugoku/Shikoku: 1

By Location

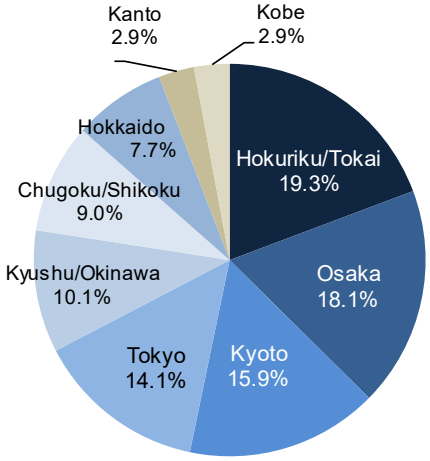
November 30, 2015 (IPO)



Geographic diversification supports earnings stability

Steady portfolio growth via acquisitions

August 1, 2017



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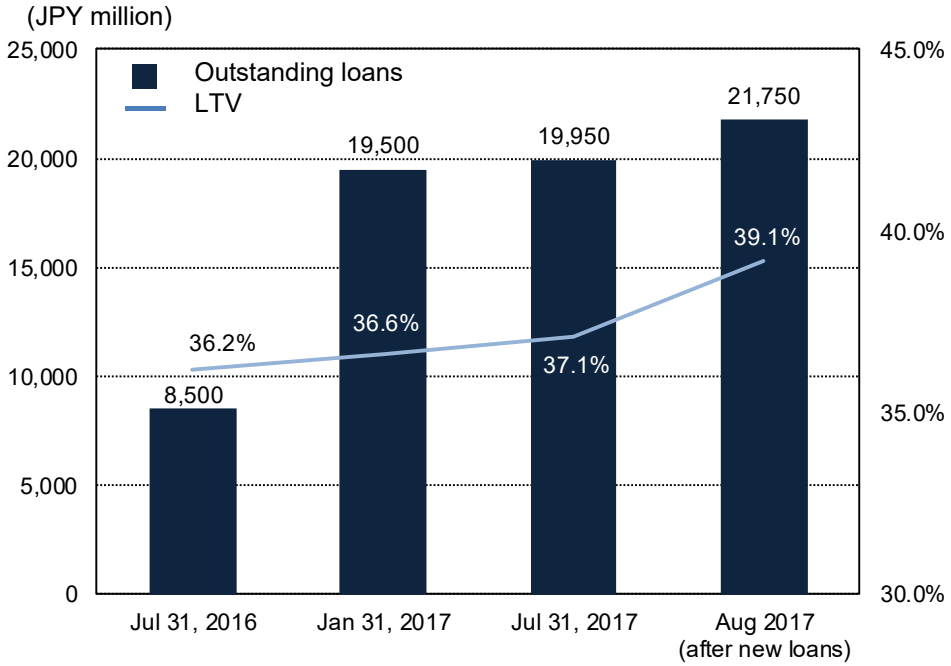
Stable Financial Base (1)

<40% LTV Provides Room for Additional Low-Cost Borrowing

Outstanding Loan Balance

	Jul 31, 2016	Jan 31, 2017	Jul 31, 2017	Aug 2017 (after new loans)
Amount	JPY 8.50B	JPY 19.50B	JPY 19.95B	JPY 21.75B
Long-Term Loan Ratio	100.0%	100.0%	100.0%	100.0%
Average Interest Rate	0.91%	0.89%	0.88%	0.88%
Average Remaining Maturity	3.6 years	4.5 years	4.1 years	4.2 years

Loan Amount and LTV



*LTV after execution of new loans in August 2017 is the percentage based on total assets as of July 31, 2017 plus the amount of new loans.

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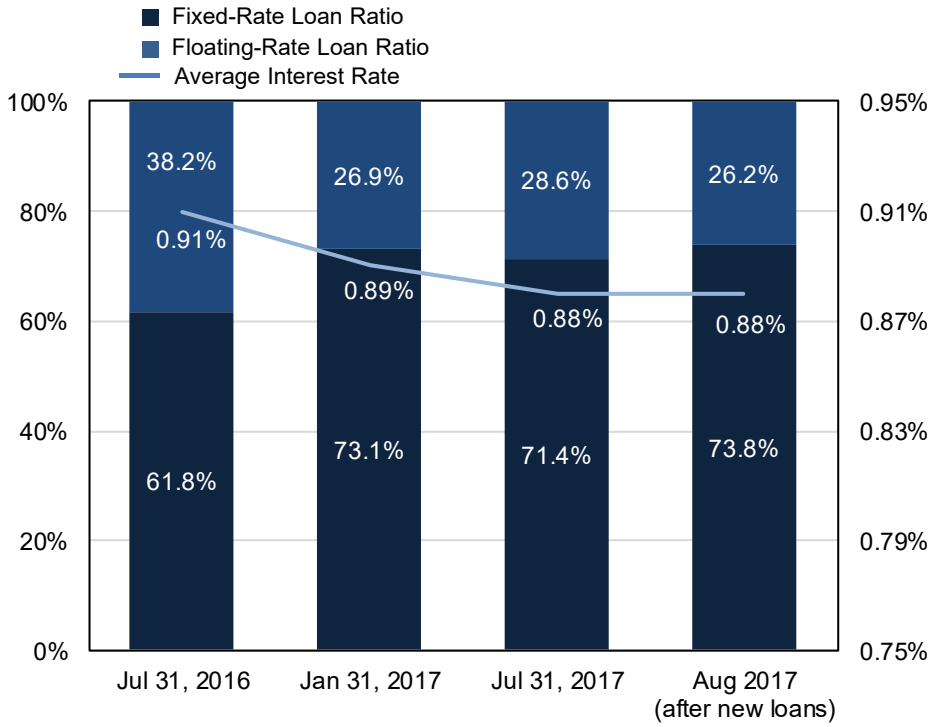
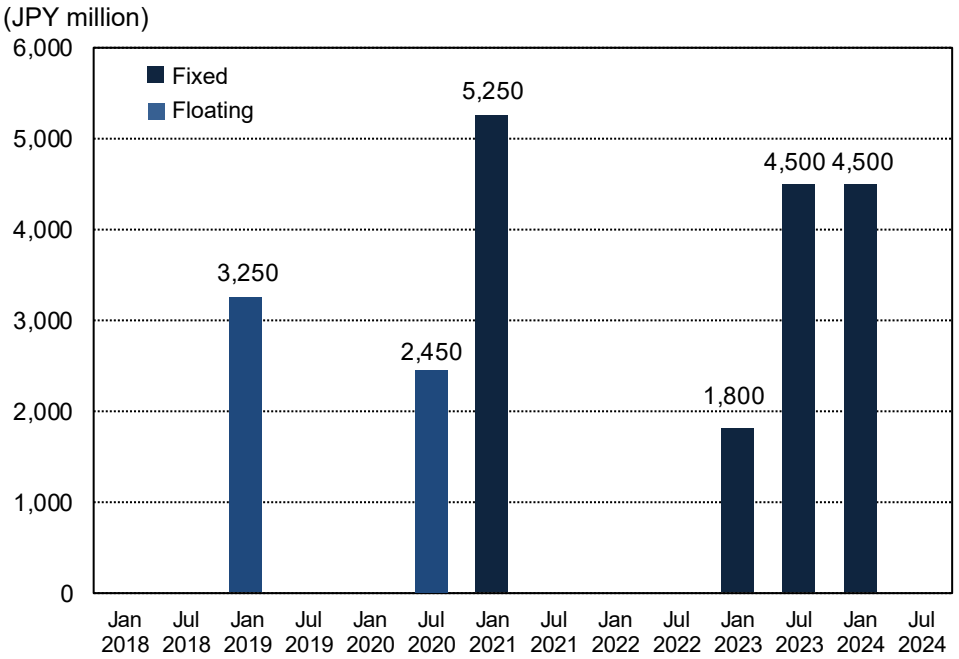
Stable Financial Base (2)

- Short-term loans are floating rate loans, taking advantage of current low interest rates
- 70% of loans are fixed to hedge against a rise in interest rates

Fixed-to-Floating Ratio and Average Interest Rate



Loan Maturity Distribution



* After new loans in August 2017

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January 2018 and July 2018 Forecasts

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January 2018 Forecast

Dividend Forecast: JPY 3,187 +JPY 50 (+1.6%) vs. January 2017

(JPY million)

	January 2017 Actual (A)	January 2018 Initial Forecast (March 15, 2017) (B)	January 2018 Revised Forecast (C)	(C) - (A)	Major Factors for Variation
Operating Revenue	**1,560**	**1,698**	**1,770**	**+209**	Expected RevPAR at Variable Rent Hotels: JPY 8,221 (+2.5% vs. January 2017)
Variable Rent	681	725	736	+54	Decrease in variable rent from hotels acquired at IPO: -19 Increase in variable rent from newly acquired hotels due to full-year contribution: +33 Increase in variable rent from newly acquired hotels due to higher revenue +41
Fixed Rent	823	908	974	+150	Increase in fixed rent from newly acquired hotels due to full-year contribution: +147 Increase in fixed rent from revised lease contract (Chisun Inn Osaka Hommachi): +3
Other	54	65	58	+3	
Operating Expense	**581**	**730**	**757**	**+175**	Increase in property tax for newly acquired 10 hotels in January 2017: +51 Increase in repair & maintenance expenses for newly acquired hotels in July 2017 and January 2018: +15
Repair & Maintenance	9	22	29	+19	Increase in depreciation for newly acquired hotels in July 2017 and January 2018: +29
Depreciation	268	287	301	+33	Increase in asset management fees, administrative service fees: +70
Operating Profit	**978**	**967**	**1,012**	**+33**	
Recurring Profit	**809**	**788**	**821**	**+12**	Increase in operating profit: +33, Decrease due to interest costs: -20
Net Income	**808**	**787**	**821**	**+12**	
Dividend per Share	**JPY 3,137**	**JPY 3,058**	**JPY 3,187**	**+JPY 50**	+4.2% (+JPY 129) vs. initial forecast Due to asset acquisitions and increase in variable rent +1.6% (+JPY 50) YOY
FFO	**JPY 4,275**	**JPY 4,274**	**JPY 4,457**	**+JPY 182**	
NOI	1,458	1,523	1,595	+137	
Post-Depreciation NOI	1,189	1,236	1,294	+104	
Capex	256	285	296	+40	

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July 2018 Forecast

Dividend Forecast: JPY 3,224 +JPY 123 (+4.0%) vs. July 2017

(JPY million)

	July 2017 Actual (A)	July 2018 Forecast (B)	(B) - (A)	Major Factors for Variation
Operating Revenue	**1,687**	**1,805**	**+117**	Expected RevPAR at Variable Rent Hotels: JPY 8,448 (+2.6% vs. July 2017)
Variable Rent	757	795	+38	Increase: 8 Hotels +48 Decrease: 1 Hotel -10
Fixed Rent	870	952	+82	Increase in fixed rent from newly acquired hotels due to full-year contribution: +79 Increase in fixed rent from revised lease contract (Chisun Inn Osaka Hommachi): +3
Other	60	57	-2	
Operating Expense	**714**	**785**	**+71**	Increase in property tax for newly acquired hotel in July 2017: +2 Increase in property tax for newly acquired hotel in January 2018: +5 Depreciation for newly acquired hotels in January 2018: +13 Increase in asset management fees, administrative service fees: +16
Repair & Maintenance	19	34	+14	
Depreciation	280	309	+29	
Operating Profit	**973**	**1,020**	**+46**	
Recurring Profit	**799**	**831**	**+31**	Increase in operating profit: +46, Decrease due to interest costs: -14
Net Income	**798**	**830**	**+31**	
Dividend per Share	**JPY 3,101**	**JPY 3,224**	**+JPY 123**	+4.0% (+JPY 123) YOY
FFO	**JPY 4,287**	**JPY 4,525**	**+JPY 238**	
NOI	1,523	1,615	+92	
Post-Depreciation NOI	1,243	1,305	+62	
Capex	210	308	+98	

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Appendix: Portfolio Details

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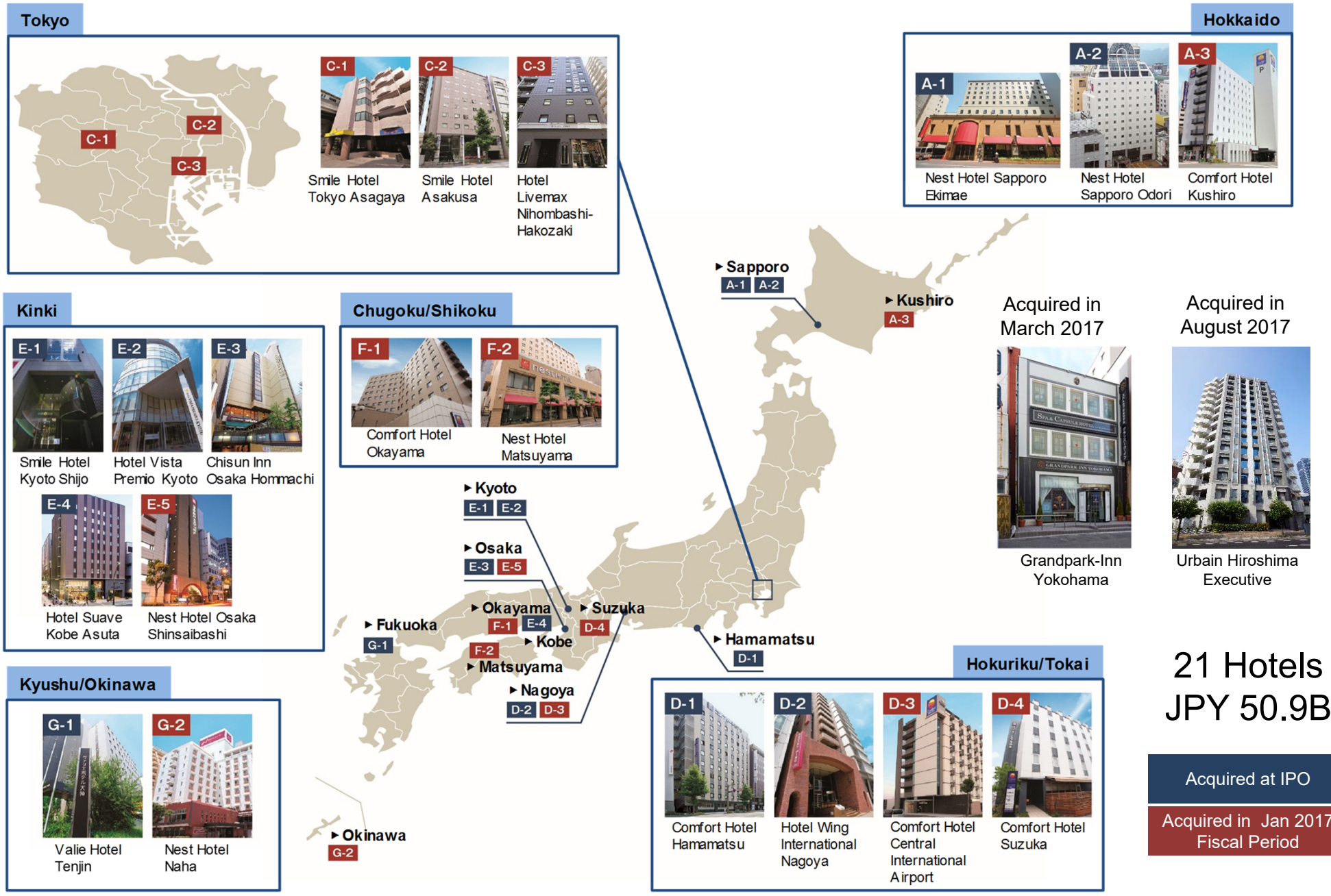
Hotel Map



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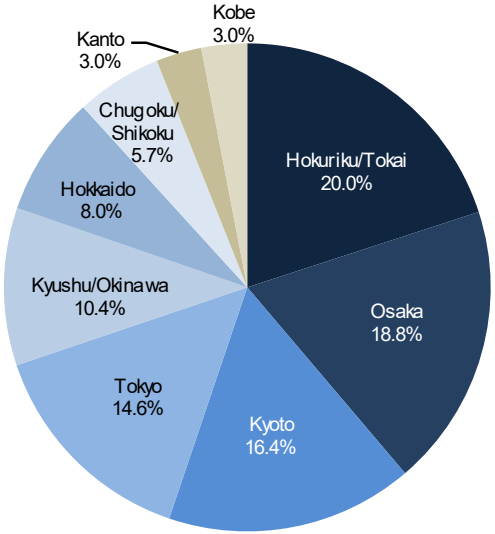
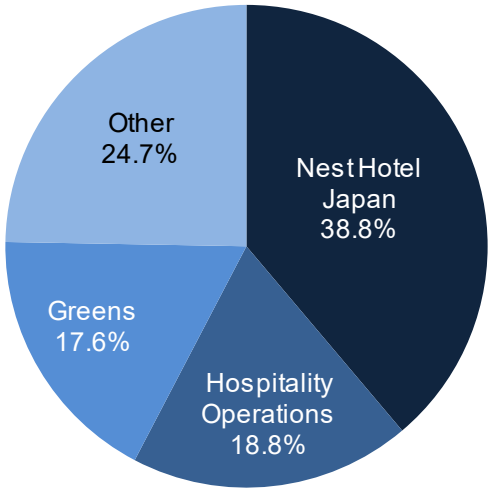
Cash Flow Stability via Broad Diversification

Portfolio Characteristics

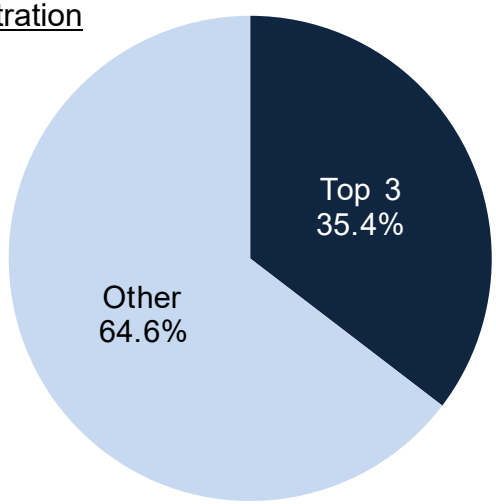
Location



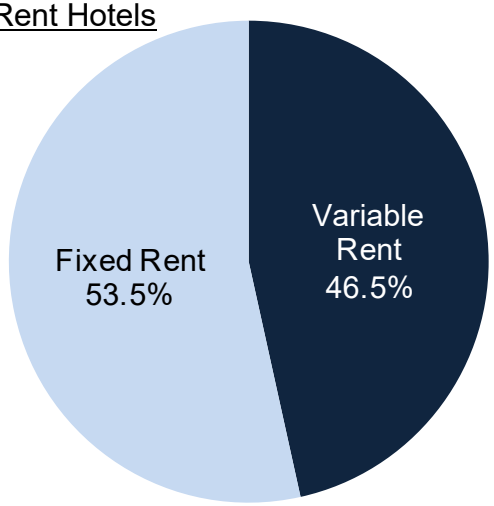
Hotel Operator



Portfolio Concentration



Fixed vs. Variable Rent Hotels



* Location and Portfolio Concentration are based on Acquisition Price; Hotel Operator and Fixed vs. Variable Rent Hotels are based upon July 2017 period hotel revenue.

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Individual Hotel Summary

	Hotel No.		Hotel Name	Lease Terms	Location	Leasable Area (m^2)	Acquisition Price (JPY M)	Book Value (JPY M) (A)	July 2017 Appraisal		Unrealized Gains (JPY M) (B) - (A)
									Value (JPY M) (B)	Cap rate (%)	
Hotel	A-1	004	Nest Hotel Sapporo Ekimae	Variable + Fixed Rent	Sapporo, Hokkaido	5,734.93	2,160	2,161	2,380	5.5	+218
	A-2	008	Nest Hotel Sapporo Odori	Variable + Fixed Rent	Sapporo, Hokkaido	5,638.78	1,450	1,489	1,650	5.4	+160
	A-3	018	Comfort Hotel Kushiro	Fixed Rent	Kushiro, Hokkaido	3,180.58	301	301	421	5.5	+119
	B-1	020	Grandpark-Inn Yokohama	Fixed Rent	Yokohama	1,183.26	1,490	1,512	1,560	4.6	+47
	C-1	012	Smile Hotel Tokyo Asagaya	Variable + Fixed Rent	Tokyo	2,721.70	3,910	3,950	4,030	4.4	+79
	C-2	014	Smile Hotel Asakusa	Variable + Fixed Rent	Tokyo	1,793.43	1,920	1,921	2,130	4.1	+208
	C-3	016	Hotel Livemax Nihombashi-Hakozaki	Fixed Rent	Tokyo	853.00	1,360	1,360	1,440	4.5	+79
	D-1	006	Comfort Hotel Hamamatsu	Fixed Rent	Hamamatsu, Shizuoka	4,173.92	1,550	1,521	1,780	5.5	+258
	D-2	003	Hotel Wing International Nagoya	Variable + Fixed Rent	Nagoya, Aichi	5,255.66	2,670	2,710	2,850	5.0	+139
	D-3	011	Comfort Hotel Central International Airport	Fixed Rent	Tokoname, Aichi	11,599.63	5,308	5,329	5,880	4.0	+550
	D-4	019	Comfort Hotel Suzuka	Fixed Rent	Suzuka, Mie	2,186.65	300	302	377	5.0	+74
	E-1	001	Smile Hotel Kyoto Shijo	Variable + Fixed Rent	Kyoto	4,891.84	4,480	4,527	4,960	4.7	+432
	E-2	002	Hotel Vista Premio Kyoto	Variable + Fixed Rent	Kyoto	3,867.66	3,600	3,603	3,980	4.4	+376
	E-3	005	Chisun Inn Osaka Hommachi	Variable + Fixed Rent	Osaka	3,690.00	1,630	1,657	1,990	4.5	+332
	E-4	007	Hotel Suave Kobe Asuta	Fixed Rent	Kobe, Hyogo	4,633.16	1,490	1,469	1,670	5.0	+200
	E-5	010	Nest Hotel Osaka Shinsaibashi	Variable + Fixed Rent	Osaka	8,057.26	7,600	7,736	7,690	4.5	-46
	F-1	017	Comfort Hotel Okayama	Fixed Rent	Okayama	5,543.70	1,200	1,206	1,240	5.3	+33
	F-2	015	Nest Hotel Matsuyama	Variable + Fixed Rent	Matsuyama, Ehime	6,671.94	1,610	1,656	1,670	5.7	+13
	G-1	009	Valie Hotel Tenjin	Variable + Fixed Rent	Fukuoka	1,910.94	1,380	1,415	2,060	4.5	+644
	G-2	013	Nest Hotel Naha	Variable + Fixed Rent	Naha, Okinawa	9,240.20	3,750	3,814	4,040	5.3	+225
20 Assets						**92,828.24**	**49,158**	**49,649**	**53,798**	**4.7**	**+4,148**

* While Hotel Suave Kobe Asuta's lease contract includes a variable rent clause, it has never been triggered. Because Ichigo Hotel REIT does not anticipate receiving variable rent at this hotel, it has been classified as a fixed rent hotel.

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Individual Hotel Operating Results

(year-on-year)

Hotel No.		Hotel Name	Lease Terms	Location	No. of Guest Rooms	July 2017 (February 2017 - July 2017)			
						RevPAR (JPY)	Occupancy (%)	ADR (JPY)	Revenue (JPY M)
A-1	004	Nest Hotel Sapporo Ekimae	Variable + Fixed Rent	Sapporo, Hokkaido	162	9,145 (+8.5%)	97.7 (-0.6%)	9,366 (+9.2%)	322.7 (+2.0%)
A-2	008	Nest Hotel Sapporo Odori	Variable + Fixed Rent	Sapporo, Hokkaido	121	10,556 (+8.4%)	96.6 (+1.1%)	10,931 (+7.3%)	253.6 (+9.4%)
A-3	018	Comfort Hotel Kushiro	Fixed Rent	Kushiro, Hokkaido	126	3,647 (+2.4%)	75.7 (+0.8%)	4,816 (+1.6%)	89.1 (+1.7%)
B-1	020	Grandpark-Inn Yokohama	Fixed Rent	Yokohama	182	–	–	–	–
C-1	012	Smile Hotel Tokyo Asagaya	Variable + Fixed Rent	Tokyo	112	8,258 (+14.9%)	95.2 (+17.0%)	8,673 (-1.9%)	170.9 (+13.3%)
C-2	014	Smile Hote Asakusa	Variable + Fixed Rent	Tokyo	96	7,183 (+3.4%)	97.2 (+2.7%)	7,390 (+0.7%)	130.3 (+3.6%)
D-1	006	Comfort Hotel Hamamatsu	Fixed Rent	Hamamatsu, Shizuoka	196	4,924 (-2.6%)	79.8 (-1.9%)	6,172 (-0.8%)	174.7 (-3.1%)
D-2	003	Hotel Wing International Nagoya	Variable + Fixed Rent	Nagoya, Aichi	220	5,896 (+10.7%)	89.5 (-0.7%)	6,591 (+11.5%)	264.3 (+8.8%)
D-3	011	Comfort Hotel Central International Airport	Fixed Rent	Tokoname, Aichi	346	8,017 (+8.8%)	88.7 (+3.5%)	9,036 (+5.1%)	559.4 (+7.5%)
D-4	019	Comfort Hotel Suzuka	Fixed Rent	Suzuka, Mie	105	4,675 (+10.9%)	81.2 (+13.5%)	5,757 (-2.3%)	90.4 (+10.2%)
E-1	001	Smile Hotel Kyoto Shijo	Variable + Fixed Rent	Kyoto	140	10,544 (-9.8%)	99.8 (-0.3%)	10,567 (-9.6%)	280.7 (-8.6%)
E-2	002	Hotel Vista Premio Kyoto	Variable + Fixed Rent	Kyoto	84	13,105 (+6.3%)	89.8 (-1.3%)	14,589 (+7.7%)	213.1 (+5.7%)
E-3	005	Chisun Inn Osaka Hommachi	Variable + Fixed Rent	Osaka	130	7,339 (-15.5%)	90.9 (+2.0%)	8,077 (-17.1%)	172.7 (+16.0%)
E-5	010	Nest Hotel Osaka Shinsaibashi	Variable + Fixed Rent	Osaka	302	8,599 (+19.5%)	98.6 (+26.2%)	8,724 (-5.3%)	511.8 (+17.1%)
F-1	017	Comfort Hotel Okayama	Fixed Rent	Okayama	208	5,097 (+3.5%)	85.9 (–)	5,935 (+3.5%)	201.1 (+6.1%)
F-2	015	Nest Hotel Matsuyama	Variable + Fixed Rent	Matsuyama, Ehime	190	5,269 (+13.1%)	87.3 (+7.9%)	6,037 (+4.8%)	267.8 (+7.2%)
G-1	009	Valie Hotel Tenjin	Variable + Fixed Rent	Fukuoka	77	8,384 (+3.1%)	89.5 (+6.4%)	9,365 (-3.1%)	127.3 (+3.4%)
G-2	013	Nest Hotel Naha	Variable + Fixed Rent	Naha, Okinawa	198	8,305 (+0.3%)	87.4 (-3.6%)	9,504 (+4.1%)	414.4 (+0.7%)
Other			Fixed Rent		181	4,948 (-6.5%)	82.3 (-2.8%)	6,013 (-3.8%)	178.5 (-3.8%)
Variable Rent Hotels					1,832	8,237 (+5.5%)	93.4 (+5.6%)	8,820 (–)	3,129.4 (+4.2%)
Fixed Rent Hotels					1,162	5,719 (+3.6%)	83.6 (+1.5%)	6,839 (+2.1%)	1,293.1 (+3.8%)
Total					**2,994**	**7,258 (+5.0%)**	**89.6 (+4.0%)**	**8,102 (+0.9%)**	**4,422.6 (+4.1%)**

* Data for Hotel Suave Kobe Asuta and Hotel Livemax Nihombashi-Hakozaki are consolidated under Other, because the hotel operators did not provide consent to disclose hotel-specific data. In addition, data for Grandpark-Inn Yokohama is not shown except for No. of Guest Rooms, as the hotel operator did not provide consent to disclose hotel-specific data. While Hotel Suave Kobe Asuta's lease contract includes a variable rent clause, it has never been triggered. Because Ichigo Hotel REIT does not anticipate receiving variable rent at this hotel, it has been classified as a fixed rent hotel.

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Individual Hotel Financials

(JPY thousand)

No.		Total	A-1	A-2	A-3	C-1	C-2	D-1	D-3	D-4	E-1	E-2	E-3	E-5	F-1	F-2	G-1	G-2	Other
Hotel Name			Nest Hotel Sapporo Ekimae	Nest Hotel Sapporo Odori	Comfort Hotel Kushiro	Smile Hotel Tokyo Asagaya	Smile Hotel Asakusa	Comfort Hotel Hamamatsu	Comfort Hotel Central International Airport	Comfort Hotel Suzuka	Smile Hotel Kyoto Shijo	Hotel Vista Premio Kyoto	Chisun Inn Osaka Hommachi	Nest Hotel Osaka Shinsaibashi	Comfort Hotel Okayama	Nest Hotel Matsuyama	Valie Hotel Tenjin	Nest Hotel Naha	
(A)	Real Estate Management Revenue	1,687,985	112,142	89,149	18,419	92,731	59,303	55,361	151,441	15,442	154,639	75,000	66,891	223,789	45,958	91,585	58,562	116,740	260,825
	Fixed Rent	870,228	31,129	23,766	18,419	30,041	15,839	55,361	151,441	15,442	30,744	75,000	36,600	64,581	45,900	35,402	21,664	41,531	177,360
	Variable Rent	757,077	81,012	65,382	–	62,689	43,463	–	–	–	123,894	–	30,291	159,208	–	54,682	36,898	75,208	24,345
	Other Rent	60,678	–	–	–	–	–	–	–	–	–	–	–	–	58	1,500	–	–	59,120
(B)	Real Estate Management Expenses	164,676	8,137	10,685	5,567	12,993	4,105	3,454	14,305	3,156	7,137	9,482	5,290	15,241	5,705	8,245	4,960	8,067	38,138
	Outsourcing Fees	16,472	600	600	900	2,145	600	600	570	540	600	1,475	870	1,200	900	1,080	600	1,080	2,112
	Insurance	2,502	148	157	83	86	56	95	280	48	156	101	101	246	141	198	56	237	305
	Repair Expenses & Equipment	19,432	1,860	1,183	98	6,909	675	8	385	330	1,214	608	812	1,016	86	1,817	715	1,653	60
	Taxes	98,347	5,103	8,304	4,071	3,435	2,357	2,479	12,604	1,821	4,800	6,879	3,140	12,362	4,101	4,708	3,221	4,673	14,283
	Other Expenses	27,921	424	441	415	417	416	271	465	417	365	418	367	417	476	440	367	422	21,377
(C)	NOI (A) - (B)	1,523,308	104,004	78,463	12,851	79,737	55,198	51,906	137,136	12,286	147,502	65,517	61,600	208,548	40,253	83,339	53,602	108,672	222,686
(D)	Depreciation	280,255	12,355	17,460	4,445	21,262	12,995	14,339	28,820	4,072	16,953	12,633	4,471	31,813	11,731	17,056	8,238	29,604	32,000
	Net Rental Income (C) - (D)	1,243,053	91,649	61,002	8,405	58,475	42,202	37,567	108,315	8,213	130,548	52,884	57,129	176,734	28,522	66,283	45,363	79,068	190,686

* Rents for Hotel Wing International Nagoya, Hotel Suave Kobe Asuta, Hotel Livemax Nihombashi-Hakozaki, and Grandpark-Inn Yokohama, and retail rents are included in Other, as the operators did not provide consent to disclose the data. NOI for Other includes NOI for Hotel Wing International Nagoya, Hotel Suave Kobe Asuta, Hotel Livemax Nihombashi-Hakozaki, and Grandpark-Inn Yokohama which are JPY 77.1 million, JPY 46.6 million, JPY 33.2 million, and JPY 26.7 million, respectively. Depreciation for Other includes depreciation for Hotel Wing International Nagoya, Hotel Suave Kobe Asuta, Hotel Livemax Nihombashi-Hakozaki, and Grandpark-Inn Yokohama which are JPY 8.3 million, JPY 12.7 million, JPY 9.1 million, and JPY 1.9 million, respectively.

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Revenue, RevPAR, Occupancy & ADR (YOY)

YOY Growth Excluding Impact of 2016 Leap Year:
Total Revenue +4.5%, Room Revenue +5.7%

Variable Rent Hotels, a More Significant Contributor to Ichigo Hotel REIT's Earnings (12 Hotels)

	Variable Rent Hotels (12 Hotels)		
	Jul 2016	Jul 2017	vs. Jul 2016
Revenue (JPY M)	3,003	3,129	+4.2%
RevPAR (JPY)	7,804	8,237	+5.5%
Occupancy	88.5%	93.4%	+5.6%
ADR (JPY)	8,822	8,820	–

Total Portfolio (19 Hotels)

	Total Portfolio (19 Hotels)		
	Jul 2016	Jul 2017	vs. Jul 2016
Revenue (JPY M)	4,248	4,422	+4.1%
RevPAR (JPY)	6,914	7,258	+5.0%
Occupancy	86.1%	89.6%	+4.0%
ADR (JPY)	8,030	8,102	+0.9%

* Excludes Grandpark-Inn Yokohama. Operating results before the acquisition are based on data provided by previous owner.

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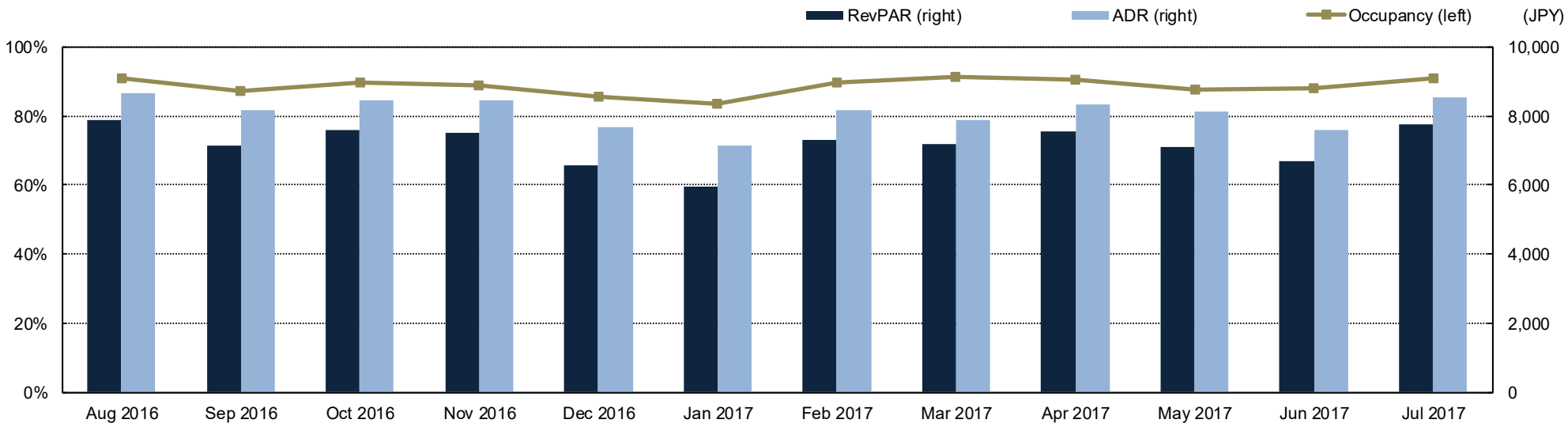
Fixed/Variable Rent, RevPAR, ADR & Occupancy Trends

Fixed/Variable Rent

(JPY thousand)

	Jan 2016		Jul 2016		Jan 2017		Jul 2017	
	Rent	Ratio	Rent	Ratio	Rent	Ratio	Rent	Ratio
Fixed Rent	131,079	66.2%	423,063	54.6%	878,775	56.3%	930,906	55.1%
Fixed Rent from Each Operator	119,616	60.4%	387,253	50.0%	823,979	52.8%	870,228	51.6%
Other (Rent from Retail Tenants)	11,463	5.8%	35,810	4.6%	54,796	3.5%	60,678	3.6%
Variable Rent	66,870	33.8%	351,895	45.4%	681,959	43.7%	757,077	44.9%
Total	**197,950**	**100.0%**	**774,959**	**100.0%**	**1,560,734**	**100.0%**	**1,687,985**	**100.0%**

Operating Results (Aug 2016 – Jul 2017)



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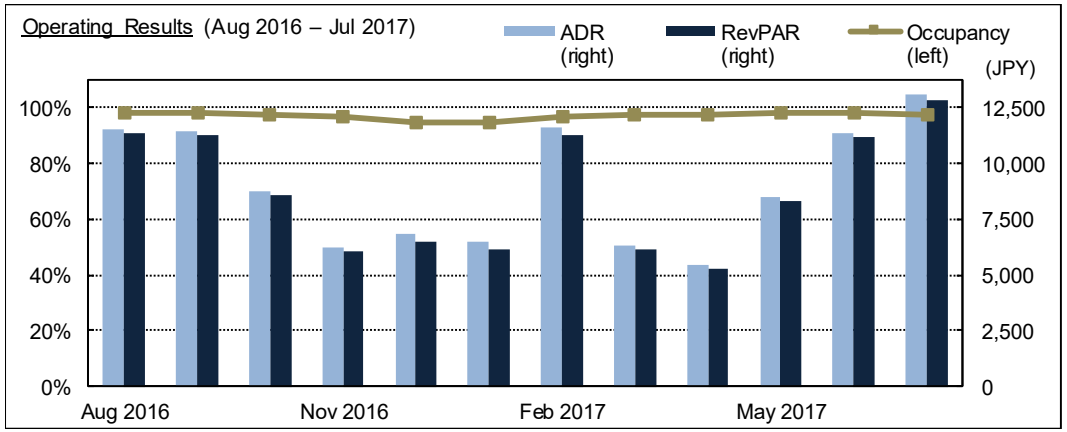
Variable Rent Hotel Details

A-1 Nest Hotel Sapporo Ekimae

Location	Sapporo, Hokkaido
Access	5-minute walk from Sapporo Station on Sapporo City Metro Namboku Line
Operator	Nest Hotel Japan Corporation
Guest Rooms	162
Acquisition Price	JPY 2.16B

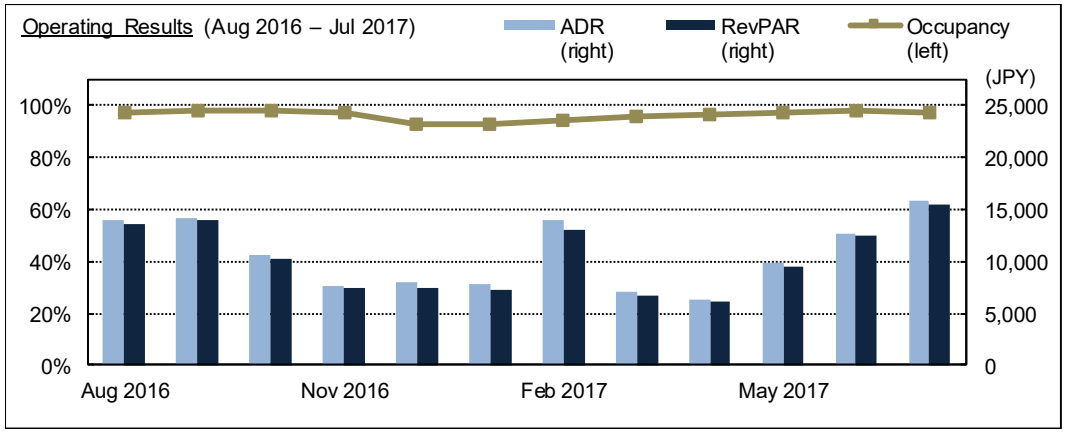




A-2 Nest Hotel Sapporo Odori

Location	Sapporo, Hokkaido
Access	4-minute walk from Odori Station on Sapporo City Metro Namboku Line
Operator	Nest Hotel Japan Corporation
Guest Rooms	121
Acquisition Price	JPY 1.45B





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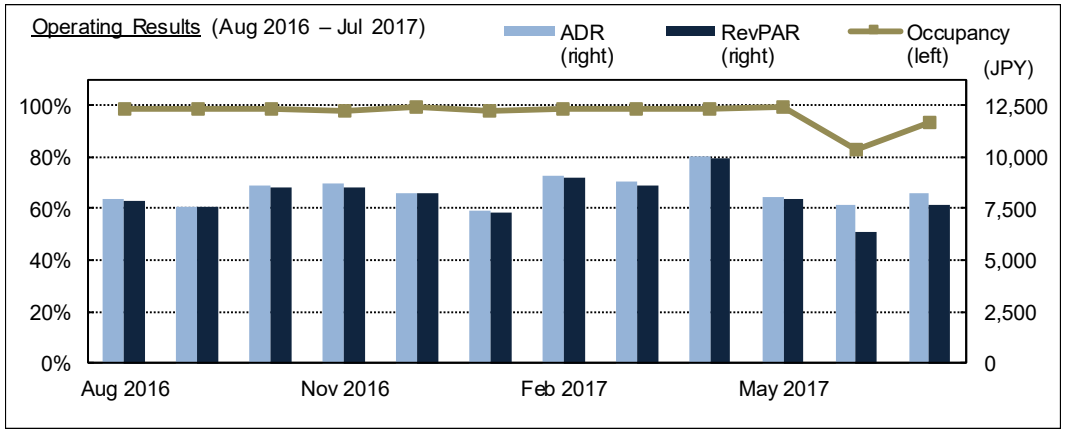
Variable Rent Hotel Details

C-1 Smile Hotel Tokyo Asagaya

Location	Suginami-ku, Tokyo
Access	1-minute walk from Asagaya Station on JR Chuo/Sobu Line
Operator	K.K. Hospitality Operations
Guest Rooms	112
Acquisition Price	JPY 3.91B

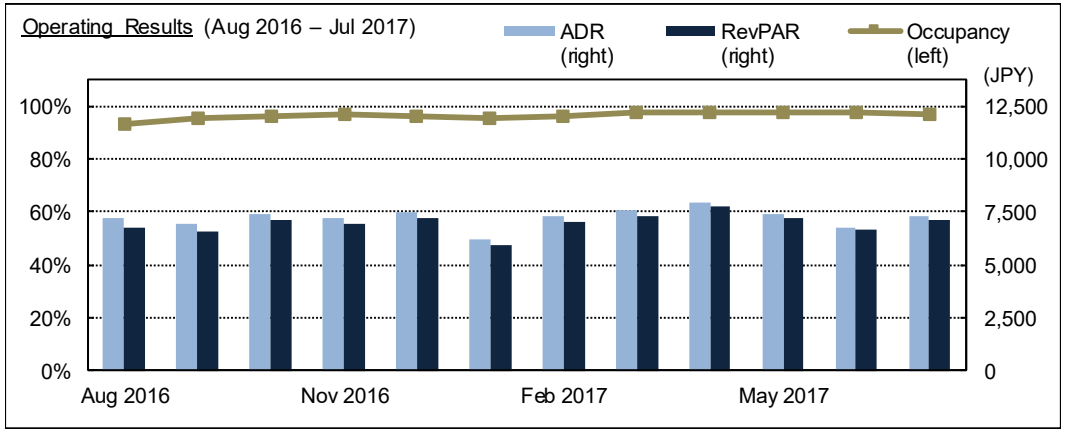




C-2 Smile Hotel Asakusa

Location	Taito-ku, Tokyo
Access	11-minute walk from Asakusa Station on Tokyo Metro Ginza Line
Operator	K.K. Hospitality Operations
Guest Rooms	96
Acquisition Price	JPY 1.92B





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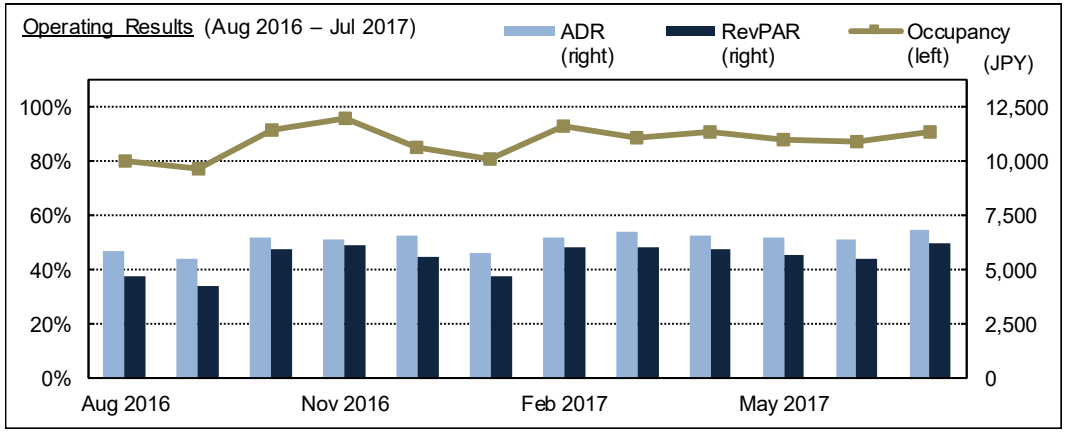
Variable Rent Hotel Details

D-2 Hotel Wing International Nagoya

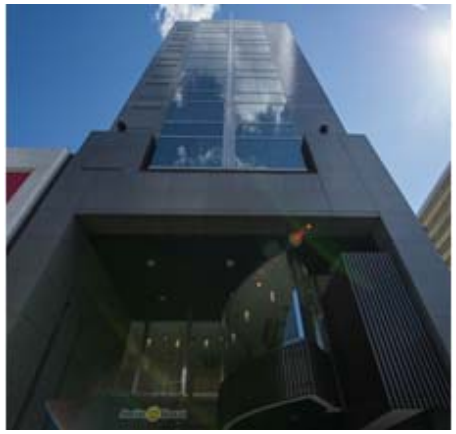
Location	Nagoya, Aichi
Access	2-minute walk from Marunouchi Station on both Nagoya Subway Network Sakuradori Line and Tsurumai Line
Operator	Forbes Co., Ltd.
Guest Rooms	220
Acquisition Price	JPY 2.67B

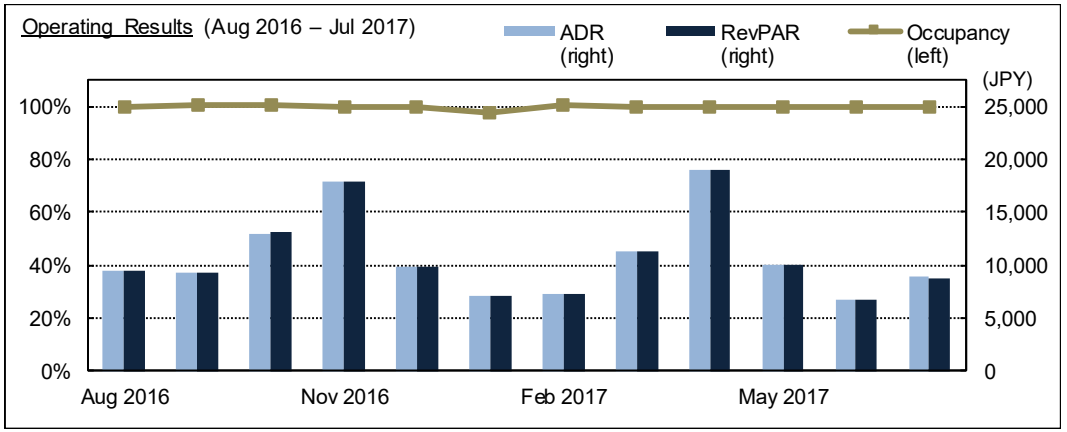




E-1 Smile Hotel Kyoto Shijo

Location	Kyoto
Access	5-minute walk from Shijo Station on Kyoto City Subway Karasuma Line and Karasuma Station on Hankyu Kyoto Main Line
Operator	K.K. Hospitality Operations
Guest Rooms	140
Acquisition Price	JPY 4.48B





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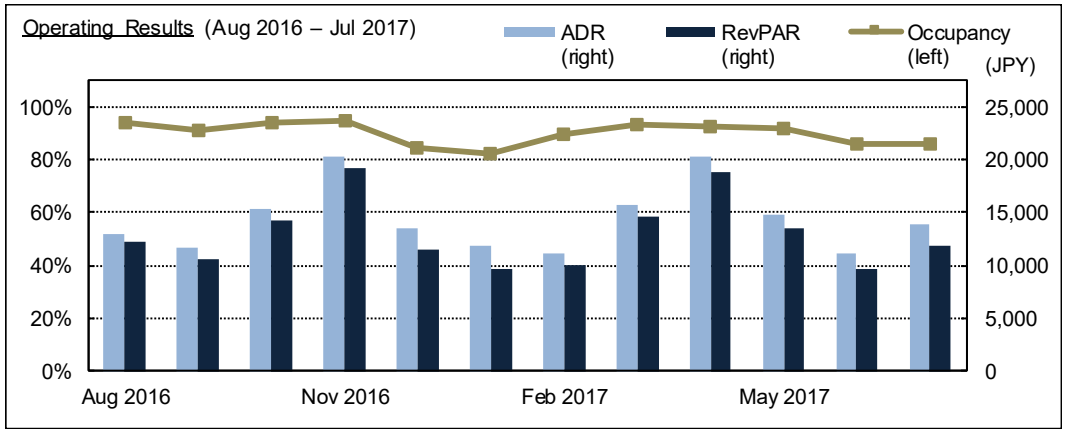
Variable Rent Hotel Details

E-2 Hotel Vista Premio Kyoto

Location	Kyoto
Access	5-minute walk from Kyoto Shiyakusho-mae Station on Kyoto City Subway Tozai Line
Operator	Vista Hotel Management Co., Ltd.
Guest Rooms	84
Acquisition Price	JPY 3.60B

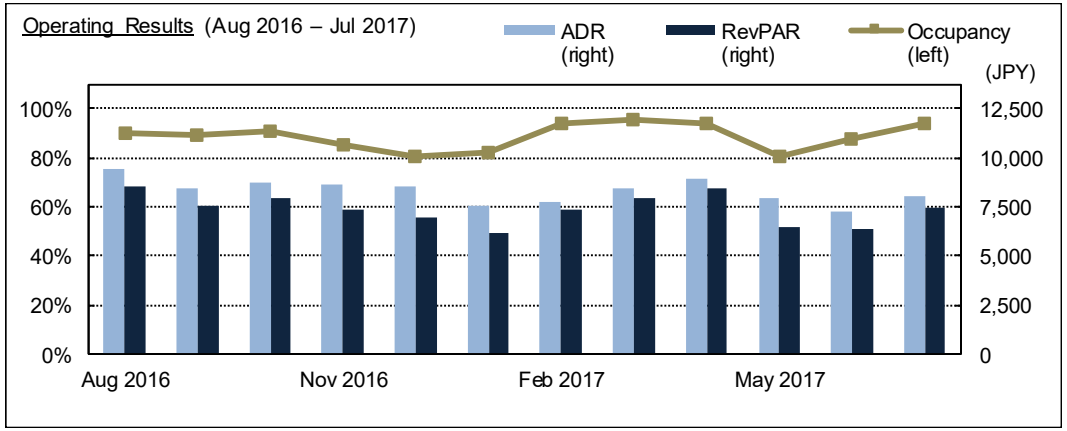




E-3 Chisun Inn Osaka Hommachi

Location	Osaka
Access	5-minute walk from Sakaisuji-Hommachi Station on Osaka Municipal Subway Chuo Line
Operator	SHR Hotel Lease Co., Ltd.
Guest Rooms	130
Acquisition Price	JPY 1.63B





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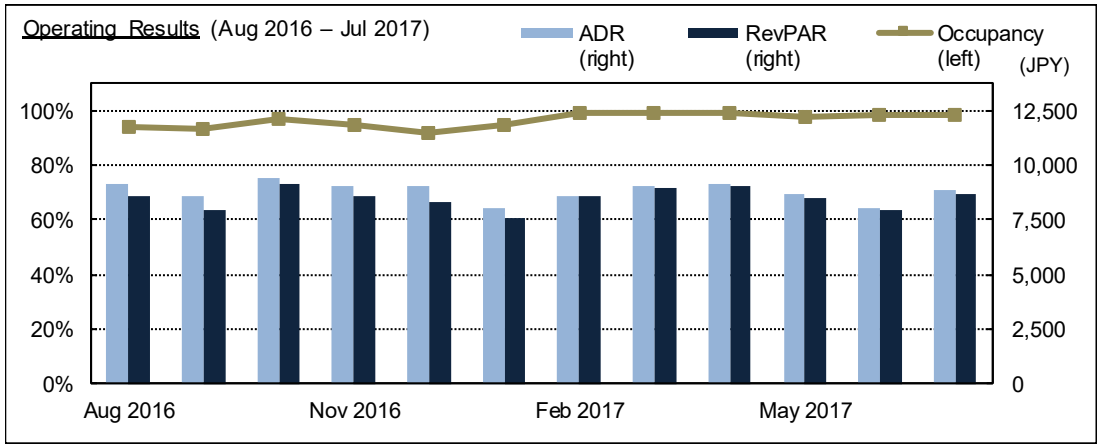
Variable Rent Hotel Details

E-5 Nest Hotel Osaka Shinsaibashi

Location	Osaka
Access	1-minute walk from Nagahoribashi Station on Osaka Municipal Subway Sakaisuji Line and Nagahoritsurumi-Ryokuchi Line
Operator	Nest Hotel Japan Corporation
Guest Rooms	302
Acquisition Price	JPY 7.60B

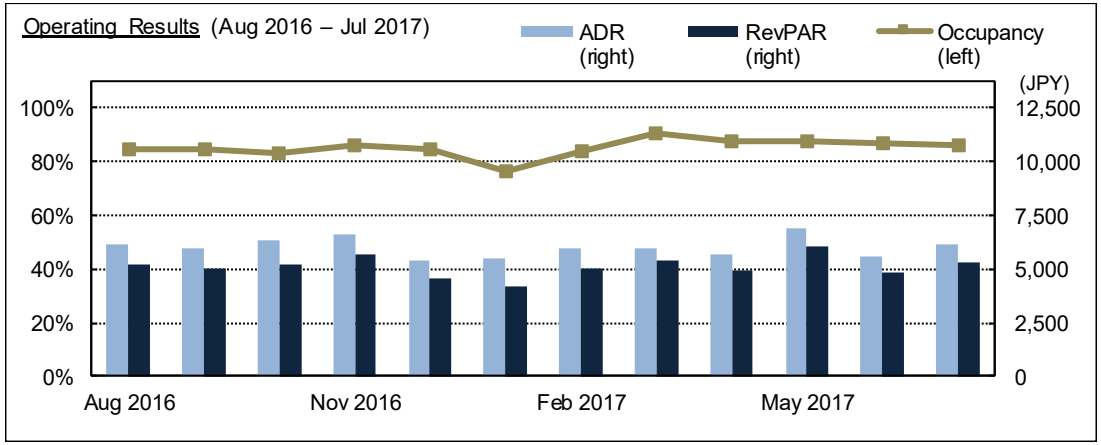




F-2 Nest Hotel Matsuyama

Location	Matsuyama, Ehime
Access	25-minute drive from Matsuyama Airport, 3-minute walk from Katsuyamacho Station on Iyo Railway Jonan Line
Operator	Nest Hotel Japan Corporation
Guest Rooms	190
Acquisition Price	JPY 1.61B





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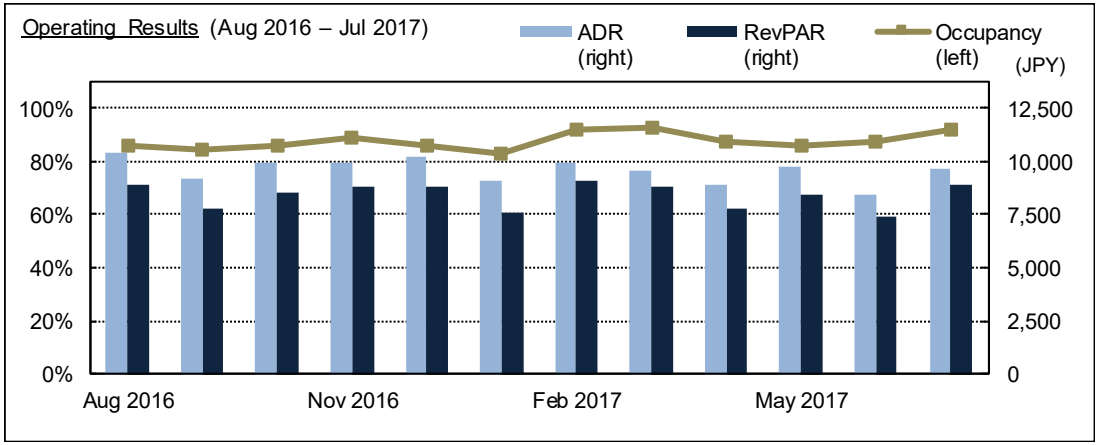
Variable Rent Hotel Details

G-1 Valie Hotel Tenjin

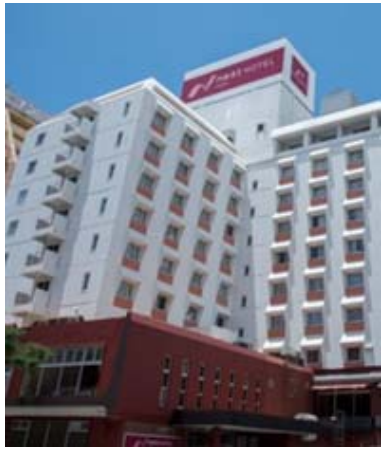
Location	Fukuoka
Access	6-minute walk from Tenjin Station on Fukuoka City Subway Kuko Line
Operator	The Court Co., Ltd.
Guest Rooms	77
Acquisition Price	JPY 1.38B

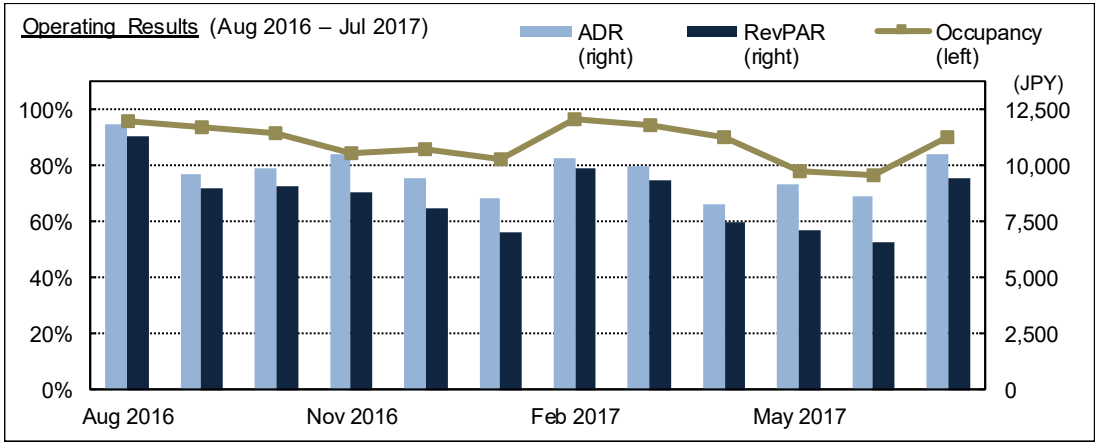




G-2 Nest Hotel Naha

Location	Naha, Okinawa
Access	7-minute drive from Naha Airport, 5-minute walk from Asahibashi Station on Okinawa Urban Monorail
Operator	Nest Hotel Japan Corporation
Guest Rooms	198
Acquisition Price	JPY 3.75B





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Fixed Rent Hotel Details

A-3 Comfort Hotel Kushiro

Location	Kushiro, Hokkaido
Access	2-minute walk from Kushiro Station on JR Nemuro Main Line
Operator	Greens Co., Ltd.
Guest Rooms	126
Acquisition Price	JPY 300M



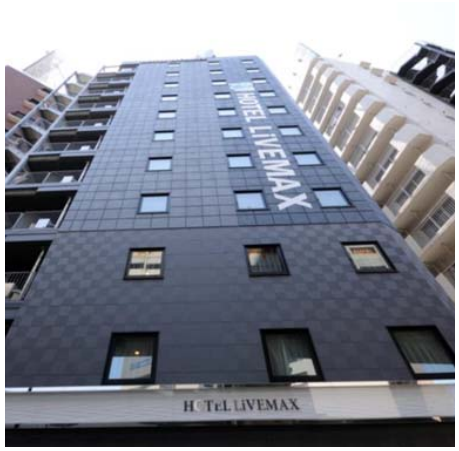
B-1 Grandpark-Inn Yokohama

Location	Yokohama, Kanagawa
Access	6-minute walk from Yokohama Station on JR Line, private railways, and subway
Operator	MiddleWood Co., Ltd.
Guest Rooms	182
Acquisition Price	JPY 1.49B



C-3 Hotel Livemax Nihombashi-Hakozaki

Location	Chuo-ku, Tokyo
Access	3-minute walk from Suitengu Station on Tokyo Metro Hanzomon Line
Operator	Live Max Inc.
Guest Rooms	48
Acquisition Price	JPY 1.36B



D-1 Comfort Hotel Hamamatsu

Location	Hamamatsu, Shizuoka
Access	2-minute walk from Hamamatsu Station on JR Tokaido Main Line, Tokaido Shinkansen
Operator	Greens Co., Ltd.
Guest Rooms	196
Acquisition Price	JPY 1.55B



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Fixed Rent Hotel Details

D-3 Comfort Hotel Central International Airport

Location	Tokoname, Aichi
Access	5-minute walk from Central International Airport, 3-minute walk from Central International Airport Station on Meitetsu Airport Line
Operator	Greens Co., Ltd.
Guest Rooms	346
Acquisition Price	JPY 5.31B



D-4 Comfort Hotel Suzuka

Location	Suzuka, Mie
Access	3-minute walk from Shirako Station on Kintetsu Nagoya Line
Operator	Greens Co., Ltd.
Guest Rooms	105
Acquisition Price	JPY 300M



E-4 Hotel Suave Kobe Asuta

Location	Kobe, Hyogo
Access	2-minute walk from Shinnagata Station on JR Kobe Line (Sanyo Main Line)
Operator	Hotel Tetora
Guest Rooms	133
Acquisition Price	JPY 1.49B



F-1 Comfort Hotel Okayama

Location	Okayama
Access	15-minute walk from Okayama Station on Sanyo Shinkansen, Sanyo Main Line, Uno Line
Operator	Greens Co., Ltd.
Guest Rooms	208
Acquisition Price	JPY 1.20B



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Appendix: Hotel Market Environment

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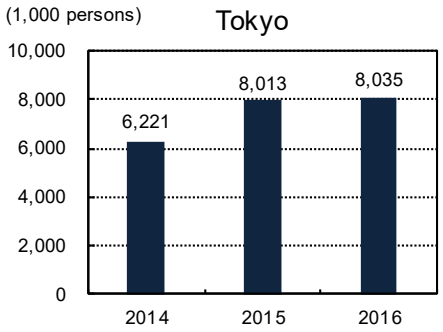
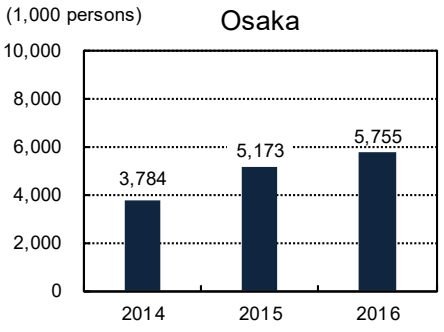
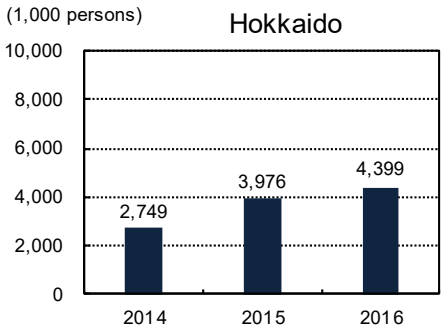
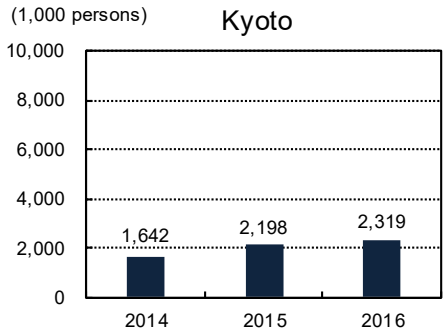
Hotel Market Environment (1)

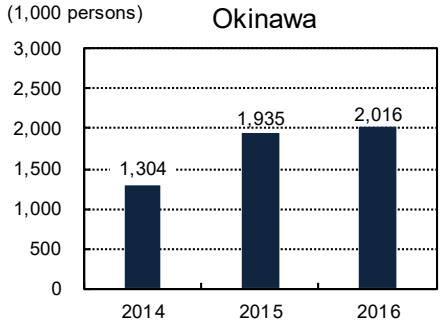
Trend in Number of Inbound Guests per Variable Rent Hotel-Located Prefecture

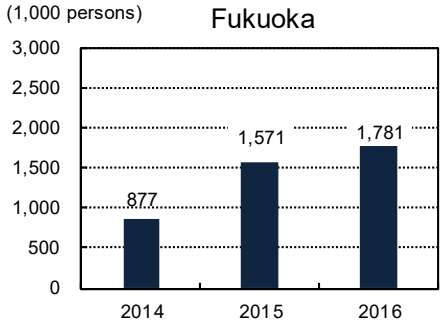


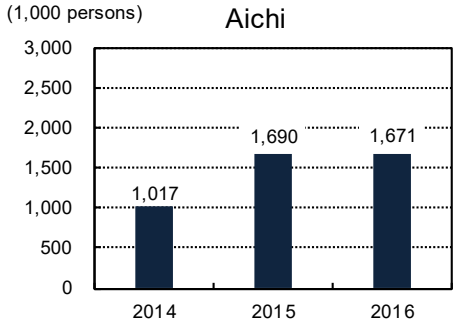


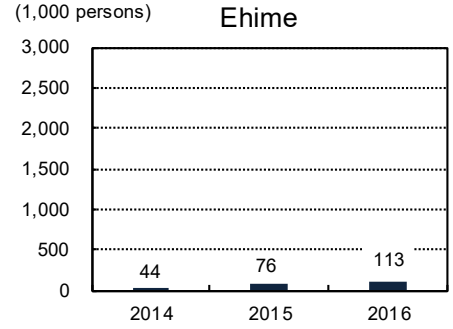












* Data prepared by Ichigo Investment Advisors based on the Japan Tourism Agency (JTA) “Statistical Survey of Travelers” (lodging facilities with ten or more employees).

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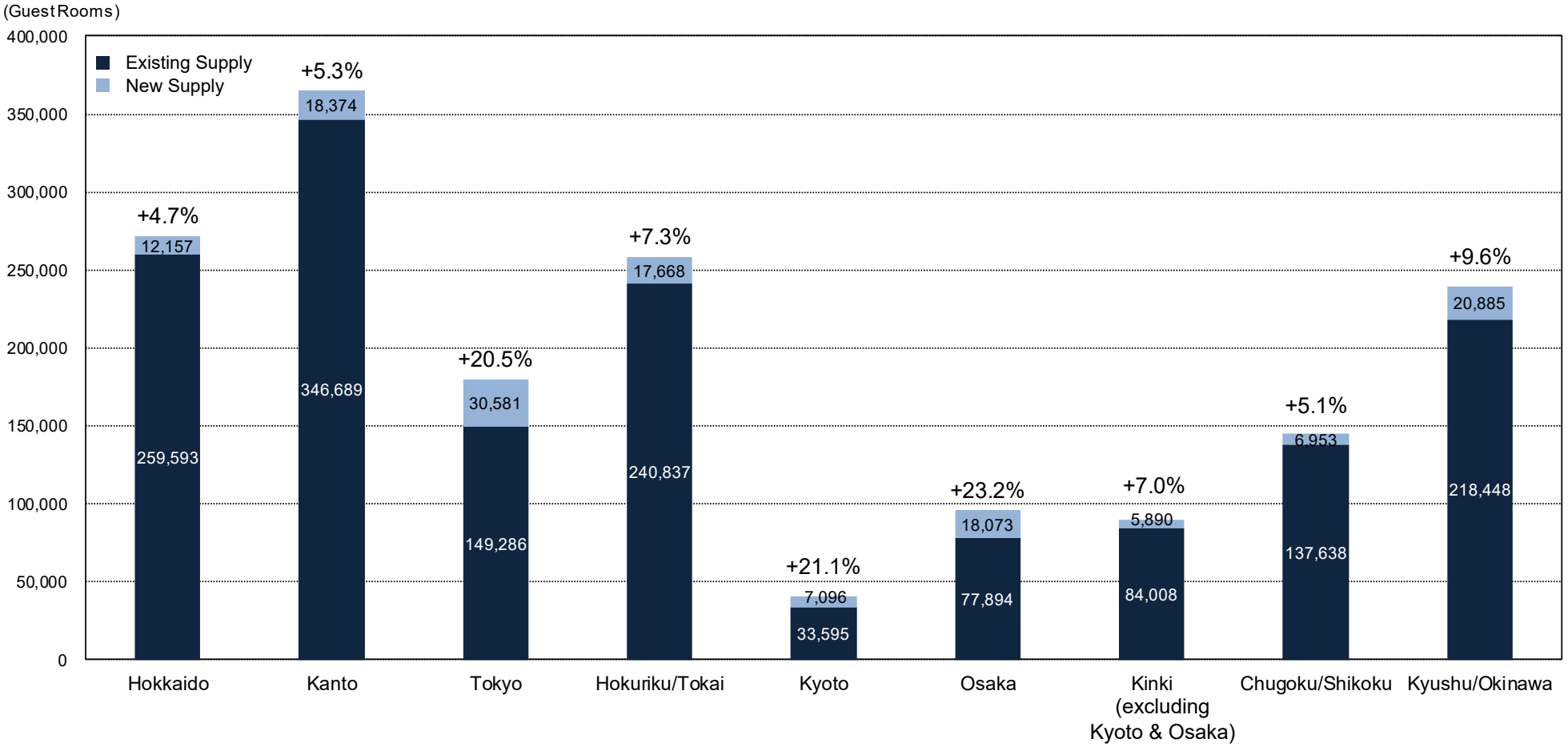
Hotel Market Environment (2)

Existing and New Hotel Room Supply by Region



Note: The percentage shows the increase of new supply relative to existing hotel rooms.
Data prepared by Ichigo Investment Advisors based on the Ministry of Health, Labor, and Welfare's Report on Public Health Administration and Services and Hotel Restaurant Weekly (June 2, 2017 edition).

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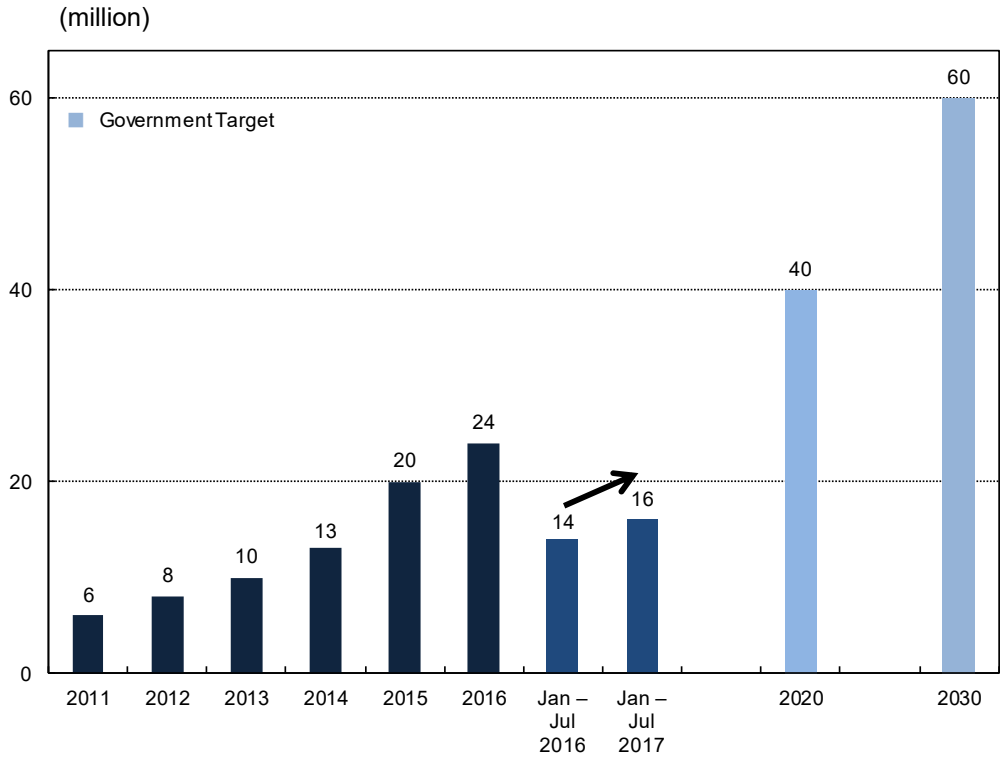
Hotel Market Environment (3)

Record 24M Inbound Tourists Visited Japan in 2016, +21.8% vs. 2015

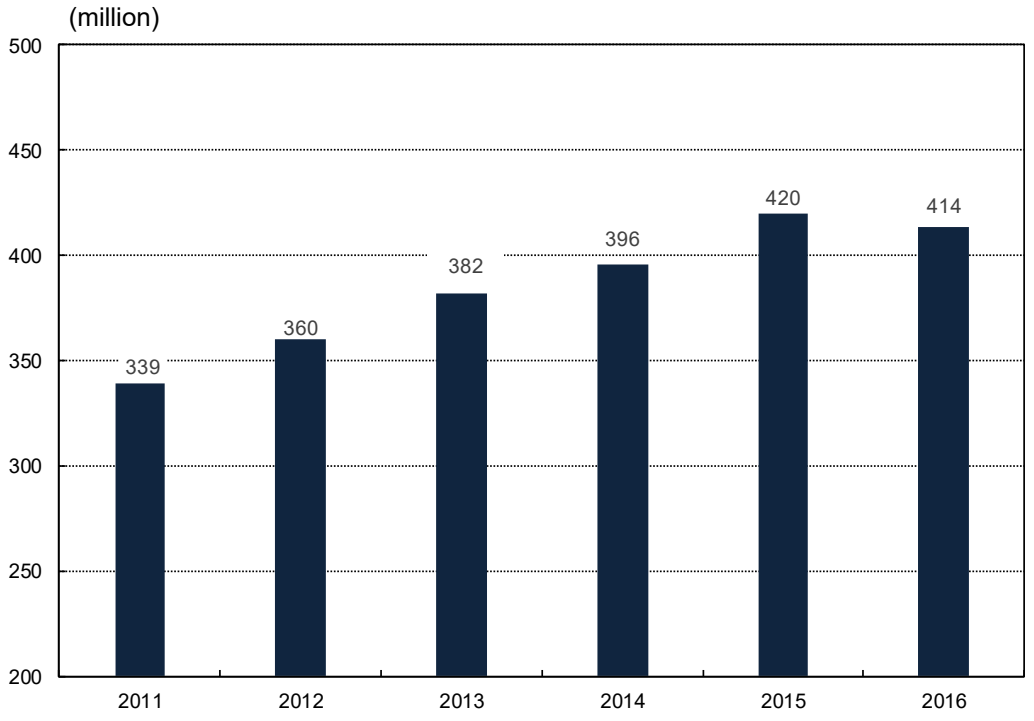
2017 is Trending at the Highest Pace Ever, +17.3% vs. 2016 (16.4M Visitors Recorded in January to July)

No. of Inbound Tourists



* Data prepared by Ichigo Investment Advisors based on the Japan National Tourism Organization (JNTO) “Number of Inbound Tourists.”

No. of Guests Staying at Japanese Hotels



* Data prepared by Ichigo Investment Advisors based on the Japan Tourism Agency (JTA) “Statistical Survey of Travelers” (lodging facilities with ten or more employees).

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Appendix: Loan Details/Shareholder Composition

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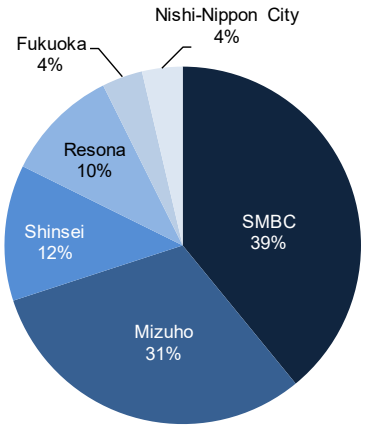
Loan Details

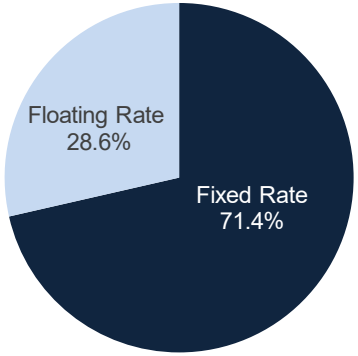
Loan Balances

Loan	Lender	Amount (JPY B)	Interest Rate	Borrowing Date	Maturity
Term Loan I	SMBC, Mizuho, Shinsei, Resona	3.25	0.63%	November 30, 2015	November 30, 2018
Term Loan II	SMBC, Mizuho, Shinsei, Resona	5.25	1.08%	November 30, 2015	November 30, 2020
Term Loan III	SMBC, Mizuho, Shinsei, Resona, Fukuoka, Nishi-Nippon City	2.00	0.58%	August 17, 2016	February 28, 2020
Term Loan IV	SMBC, Mizuho, Shinsei, Resona, Fukuoka, Nishi-Nippon City	4.50	0.91%	August 17, 2016	February 28, 2023
Term Loan V	SMBC, Mizuho, Shinsei, Resona, Fukuoka, Nishi-Nippon City	4.50	0.99%	August 17, 2016	August 31, 2023
Term Loan VI	SMBC	0.45	0.53%	March 27, 2017	February 28, 2020
Total		**19.95**	**Average 0.88%**	**Average Remaining Loan Term**	**4.1 years**

Lender Composition



Fixed vs. Floating



Strong Lender Group

LTV Control

Interest Rate Risk Management

Stable Financial Base

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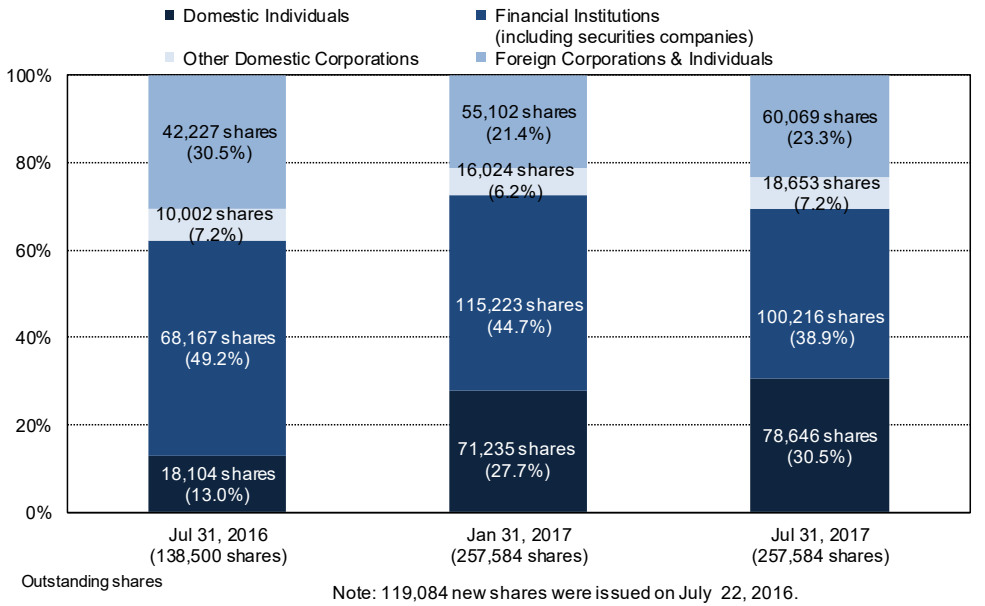
Shareholder Composition

Major Shareholders (as of July 31, 2017)

	Name	Shares	%
1	Japan Trustee Services Bank, Ltd., Trust Account	29,913	11.6%
2	Trust & Custody Service Bank, Ltd., Securities Investment Trust Account	23,406	9.1%
3	The Master Trust Bank of Japan, Trust Account	17,685	6.9%
4	SIX SIS LTD.	14,392	5.6%
5	The Nomura Trust and Banking Co., Ltd., Investment Trust Account	9,343	3.6%
6	Ichigo Inc. (Sponsor)	6,500	2.5%
7	Ichigo Trust Pte. Ltd.	6,424	2.5%
8	Morgan Stanley MUFG Securities	5,086	2.0%
9	THE BANK OF NEW YORK MELLON (INTERNATIONAL) LIMITED 131800	4,009	1.6%
10	THE BANK OF NEW YORK MELLON SA/NV 10	3,956	1.5%
	Total	**120,714**	**46.9%**

Shareholdings by Shareholder Type



Note: 119,084 new shares were issued on July 22, 2016.

Shareholders by Shareholder Type

	Jul 31, 2016	Jan 31, 2017	Jul 31, 2017	
	Shareholders	Shareholders	Shareholders	Share
Domestic Individuals	3,339	9,656	10,705	97.4%
Financial Institutions (including securities companies)	44	52	51	0.5%
City banks, trust banks	4	5	8	0.1%
Regional banks	4	3	4	–
Other (including securities companies)	36	44	39	0.4%
Other Domestic Corporations	65	181	178	1.6%
Foreign Corporations & Individuals	56	57	56	0.5%
Total	3,504	9,946	10,990	100.0%

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Ichigo Hotel's Sponsor: Ichigo (2337)

Core Businesses: Asset Management, Real Estate Value-Add, Clean Energy

- Manages Ichigo Hotel REIT (3463), Ichigo Office REIT (8975), and Ichigo Green (9282)
- TSE First Section, JPX-Nikkei 400 Member
- Deeply committed to CSR and Sustainability – Japan's first zero-carbon listed real estate company

Ichigo
(TSE First Section 2337)

Ichigo Preserves and Improves Real Estate

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The word "Ichigo" comes from the ancient Japanese proverb, Ichigo Ichie, literally meaning "One lifetime, one encounter." The phrase was first used by a 16th century master of the tea ceremony, Sen no Rikyu. He called upon his disciples to give total focus and sincerity to each act of the tea ceremony for every guest, because that particular moment will only exist once and must be fully lived and realized.

Ichigo embraces the Ichigo Ichie philosophy of sincerity and service, and works to build strong long-term relationships to support the success of our clients, shareholders, and all stakeholders.





Ichigo Investment Advisors Co., Ltd.	Asset manager of Ichigo Office REIT (8975), Ichigo Hotel REIT (3463), and Ichigo Green (9282)
Ichigo Estate Co., Ltd.	Real estate value-add
Ichigo Global Capital Co., Ltd.	Cross-border M&A advisory
Ichigo ECO Energy Co., Ltd.	Clean energy business focusing on utility-scale solar power production, making purposeful use of unused land nationwide
Ichigo Owners Co., Ltd.	Real estate owner services
Ichigo Real Estate Services Fukuoka Co., Ltd.	Real estate business centered on Fukuoka in Kyushu region
Ichigo Marché Co., Ltd.	Operates Matsudo Nanbu wholesale market in Chiba Prefecture
Miyako City Co., Ltd.	Operates Miyako City, a large shopping mall in Miyazaki Prefecture

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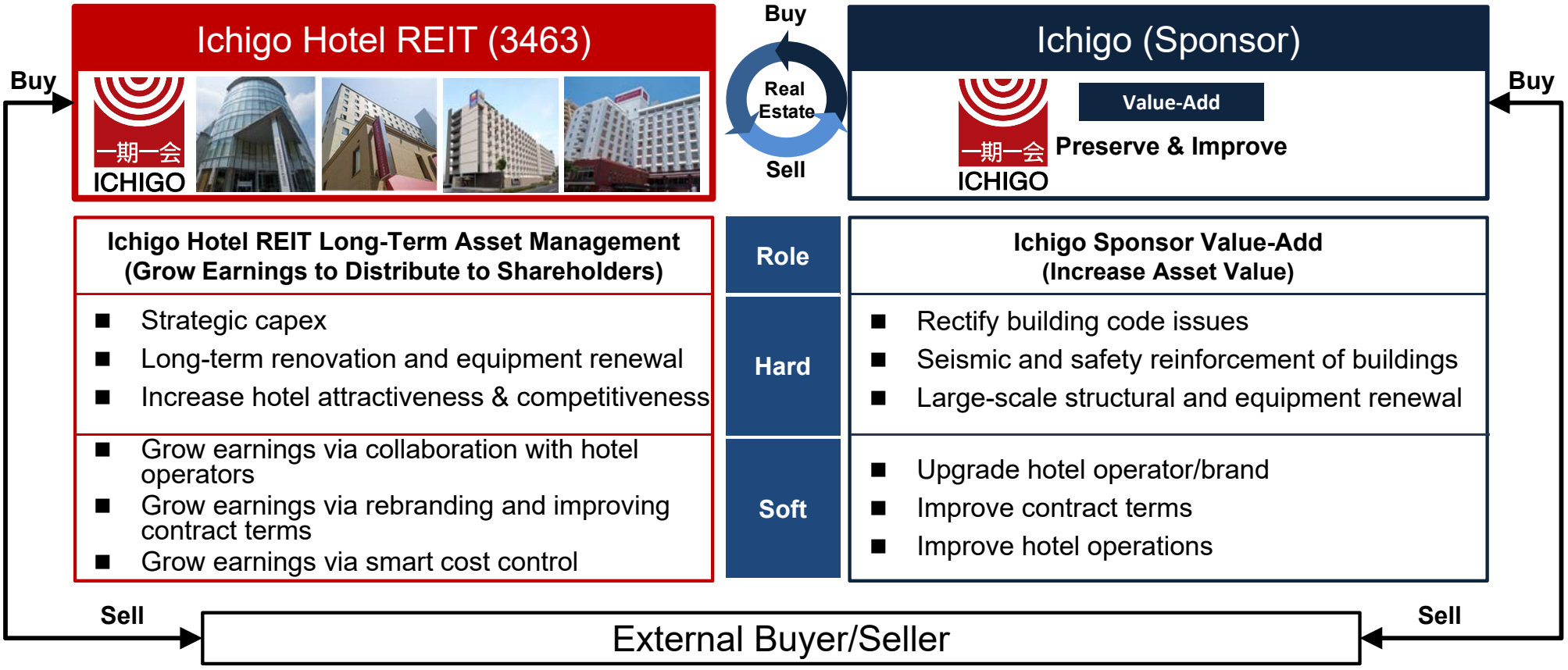
Ichigo Hotel REIT and Ichigo Sponsor Synergies

- ✓ Strengthen acquisitions through leveraging Ichigo's sourcing network
- ✓ Increase asset value through Ichigo's real estate value-add capabilities
- ✓ Drive higher returns for Ichigo Hotel REIT shareholders



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Portfolio Growth Potential via Ichigo Sponsor Support

24 Assets (JPY 52.5B) in Sponsor Pipeline as of July 2017

- ✓ Locations: Major cities such as Tokyo, Yokohama, Osaka, Nagoya, Fukuoka, Kumamoto, and Naha
- ✓ Includes new hotel developments

Completed

Development Project 1
Tokyo
Opened:
Sep 2017



Development Project 2
Fukuoka
Opened:
Apr 2017



In-Development

Development Project 3
Kyoto
Forecast Completion Date: Sep 2018

Development Project 4
Kanazawa
Forecast Completion Date: Nov 2017

Development Project 5
Osaka
Forecast Completion Date: Nov 2017



Development Project Perspective Image



Asahikawa

Yokohama



Tokyo



Nagoya

Kumamoto



Osaka



Osaka

Naha



Fukuoka



Fukuoka

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Ichigo Hotel REIT Overview

Ichigo Hotel REIT

Name	Ichigo Hotel REIT Investment Corporation
Securities Code	3463
Address	1-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo
Executive Director	Osamu Miyashita
Fiscal Periods	January (August 1 - January 31) and July (February 1 - July 31)

Asset Management Company

Name	Ichigo Investment Advisors Co., Ltd.
President	Wataru Orii
Registration & Membership	Financial Instruments Business Operator (Type II, Investment Advisory & Agency Services, and Investment Management Services) The Investment Trusts Association, Japan

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These materials may contain forward-looking statements regarding the intent, belief or current expectations of Ichigo Hotel REIT with respect to financial condition and future results. These statements are based on certain assumptions founded on currently available information. Accordingly, such statements are subject to risks and uncertainties, and there is no assurance as to actual financial conditions or future results. Actual results may vary from those indicated in the forward-looking statements.

In creating these materials, Ichigo Hotel REIT and Ichigo Investment Advisors Co., Ltd. (IIA) have sought to provide accurate information. However, there can be no assurance given as to the accuracy, certainty, validity or fairness of any such information. The content of these materials is also subject to revision or retraction without prior notice.

This document is a translation. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail.

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www.ichigo-hotel.co.jp/english

Ichigo is Japan's first zero-carbon listed real estate company. We are taking responsibility for our environmental footprint by offsetting our carbon emissions and investing in low-carbon technologies such as solar energy.

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