



**Hoshino
Resorts
REIT**

17th Fiscal Period ended October 2021 Presentation Materials

Dec. 15, 2021



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

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

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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• The following abbreviations are used hereinafter.

"Hoshino Resorts", "Hoshino Resorts Group"	Hoshino Resorts Inc. its parent company and its subsidiaries
"4 HOSHINOYA Properties"	HOSHINOYA Karuizawa, HOSHINOYA Kyoto, HOSHINOYA Fuji and HOSHINOYA Taketomi Island
"2 RISONARE Properties"	RISONARE Yatsugatake, RISONARE Atami
"8 KAI Properties"	KAI Matsumoto, KAI Izumo, KAI Ito, KAI Hakone, KAI Aso, KAI Kawaji, KAI Kinugawa and KAI Kaga
"10 KAI Properties"	KAI Matsumoto, KAI Izumo, KAI Ito, KAI Hakone, KAI Aso, KAI Kawaji, KAI Kinugawa, KAI Kaga, KAI Alps and KAI Enshu
"11 KAI Properties"	KAI Matsumoto, KAI Izumo, KAI Ito, KAI Hakone, KAI Aso, KAI Kawaji, KAI Kinugawa, KAI Kaga, KAI Alps, KAI Enshu and KAI Nagato
"22 Roadside Properties", "Roadside"	22 Chisun Inn budget hotels operated by the Solare Group
"3 ACP Properties"	ANA Crowne Plaza Hiroshima, ANA Crowne Plaza Kanazawa and ANA Crowne Plaza Toyama
"4 ACP Properties"	ANA Crowne Plaza Hiroshima, ANA Crowne Plaza Fukuoka, ANA Crowne Plaza Kanazawa and ANA Crowne Plaza Toyama
"4 the b Properties"	the b akasaka, the b sangenjaya, the b nagoya and the b kobe
"2 Hyatt Properties"	Hyatt Regency Osaka, Grand Hyatt Fukuoka
"5 Candeo Properties"	Candeo Hotels Handa, Candeo Hotels Chino, Candeo Hotels Fukuyama, Candeo Hotels Sano and Candeo Hotels Kameyama
"3 Greens Properties"	Comfort Hotel Hakodate, Comfort Hotel Tomakomai and Comfort Hotel Kure

• Unless otherwise noted, monetary amounts are rounded down to the nearest unit and ratios are rounded to the nearest unit.

• Main monthly indicators and inbound ratios are based on figures supplied by tenants.

• QR codes can be scanned using a smartphone or other device to access the website.

I

Implementation of the
8th public offering and
highlights of the 17th
fiscal period ended
October 2021



Initiatives of Hoshino Resorts REIT (1)

Steering the course towards future growth

(Summary of the 8th public offering)

Hoshino Resorts REIT, Inc.

HRR has strived to improve investor value by actively acquiring properties and replacing assets even under the COVID-19 pandemic. An 8th public offering has been conducted with the aims of further increasing the ratio of properties operated by the Hoshino Resorts Group and building a financial platform for promoting a new phase of growth.

Overview of the public offering

Assets acquired			Before the public offering (end of the 17th FP ended Oct. 2021)	After the public offering (end of the 18th FP ending Apr. 2022)
Property name	KAI Kirishima	KAI Beppu		
Picture of property			No. of properties	63
			Asset size	165.6 billion Yen
Acquisition method	Sponsor pipeline (DBJ joint fund development)		Ratio of properties operated by the Hoshino Resorts Group	33.7%
Completion date	Oct. 2020	Feb. 2021	NAV per unit ^(Note 2)	522,634 Yen
Acquisition price	3,913 million Yen	7,335 million Yen	LTV ^(Note 3)	38.1%
Real estate appraisal value	4,020 million Yen	7,650 million Yen	Acquisition capability ^(Note 4)	5.6 billion Yen
To real estate appraisal value	97.3%	95.9%		
Acquisition date	December 1, 2021			

Aim of HRR (1)

By increasing the ratio of properties operated by the Hoshino Resorts Group, we aim to improve the stability of earnings and the growth potential of our portfolio

Implemented a public offering aimed at increasing NAV per unit in order to increase investor value

Aim of HRR (2)

In order to acquire properties flexibly, we plan to expand acquisition capability

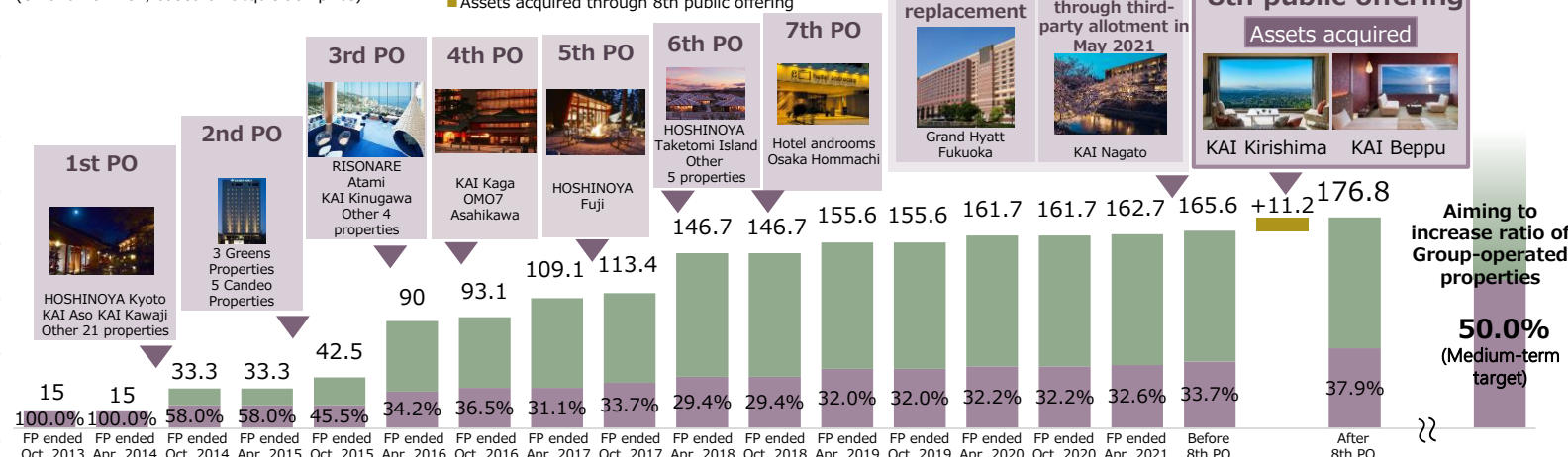
Aiming to build a financial base that can steadily invest in growth opportunities that capture the revival of tourism demand

Outline of the 8th public offering

Type of offering	Domestic offering
Number of investment units in offering (public offering)	19,390 units
Payment amount (public offering)	12,534 million Yen
Issue price	669,825 Yen
Date of resolution to issue units (Note 1)	Nov. 10, 2021
Date of determination of issue price (Note 1)	Nov. 17, 2021
Lead managing underwriter	Nomura Securities Co., Ltd. SMBC Nikko Securities Inc.

Trend of the asset size of HRR

(Unit: billion Yen, based on acquisition price)



Aiming to increase ratio of Group-operated properties

50.0%
(Medium-term target)

(Note 1) At the Board of Directors Meetings held on November 10 and November 17, 2021, it was decided to issue new investment equity through third-party allocation of units. If Nomura Securities Co., Ltd. issued an application for all the units issued through third-party allocation of units (maximum of 969 units), in addition to the number of units issued in the 8th public offering, a maximum of 969 additional units (payment amount: 626 million yen) will be issued.

(Note 2) "NAV per unit" before the public offering was calculated by dividing the NAV as of the end of the 17th fiscal period ended Oct. 2021 by the total number of issued investment units as of October 31, 2021 (224,965 units). NAV per unit after the public offering was calculated by dividing the predicted NAV (calculated by the Asset Management Company) as of the end of the 18th fiscal period ending Apr. 2022, by the total number of investment units expected to be issued as of April 30, 2022 (245,324 units).

(Note 3) "LTV" is the ratio of interest-bearing debt to the Investment Corporation's total assets at a given time. The LTV before the public offering is the interest-bearing debt ratio as of the end of the 17th fiscal period ended Oct. 2021. The LTV after the public offering is the predicted interest-bearing debt ratio as of the end of the 18th fiscal period ending Apr. 2022, calculated by the Asset Management Company based on the change in interest-bearing debt and total assets indicated in balance sheets between the end of the 17th fiscal period ended Oct. 2021 and the conclusion of the public offering.

(Note 4) "Acquisition capacity" indicates the amount of acquisition capability if LTV before the public offering and LTV after the public offering are raised to 40.0%, rounded down to the nearest 100 million Yen.

Initiatives of Hoshino Resorts REIT (2)

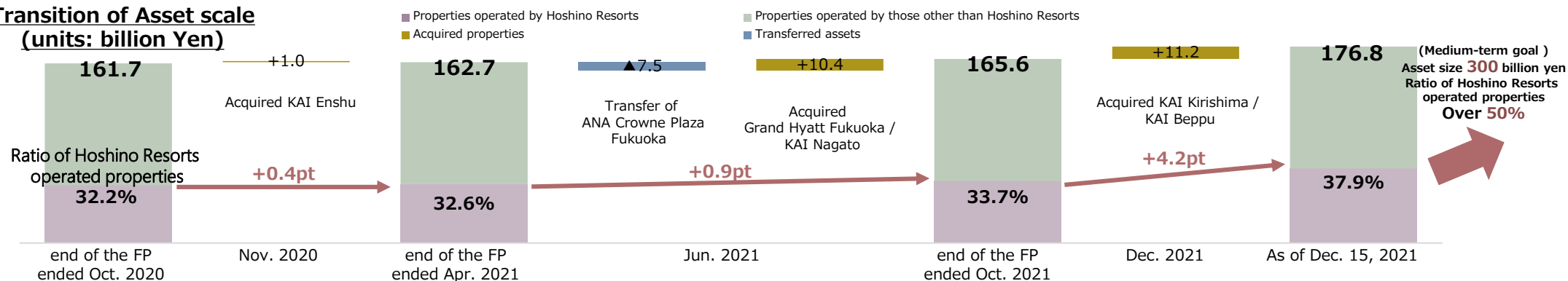
Steering the course towards future growth

(Summary of the past year)

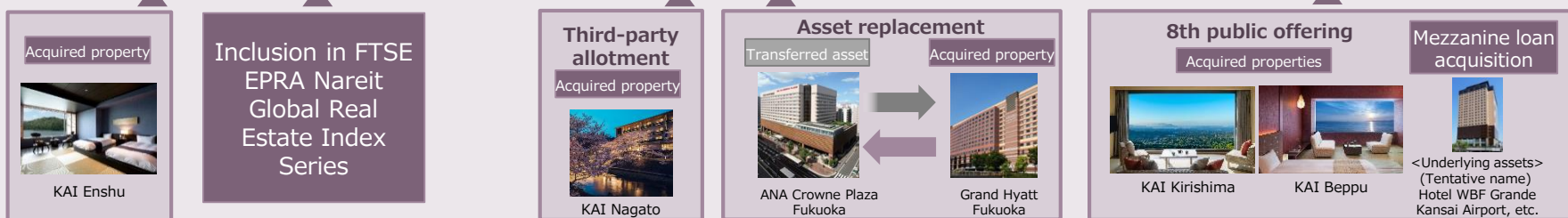
Hoshino Resorts REIT, Inc.

In the midst of the pandemic, the Investment Corporation has not looked backward, but has instead actively acquired properties and replaced assets by conducting a public offering. It is also accelerating its ESG efforts in order to maximize investor value by increasing the sustainability of the Investment Corporation.

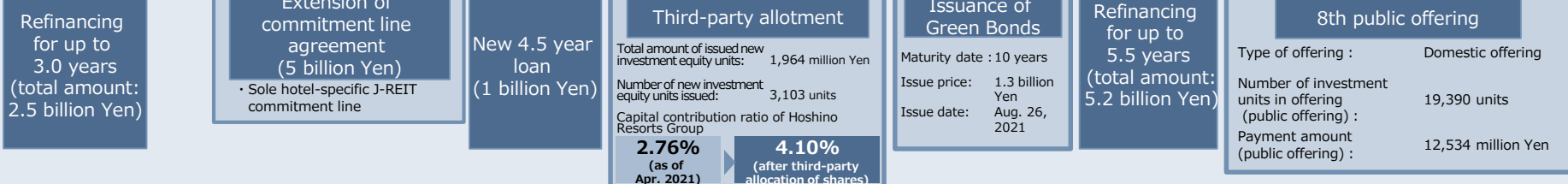
Transition of Asset scale (units: billion Yen)



Property



Finance



ESG



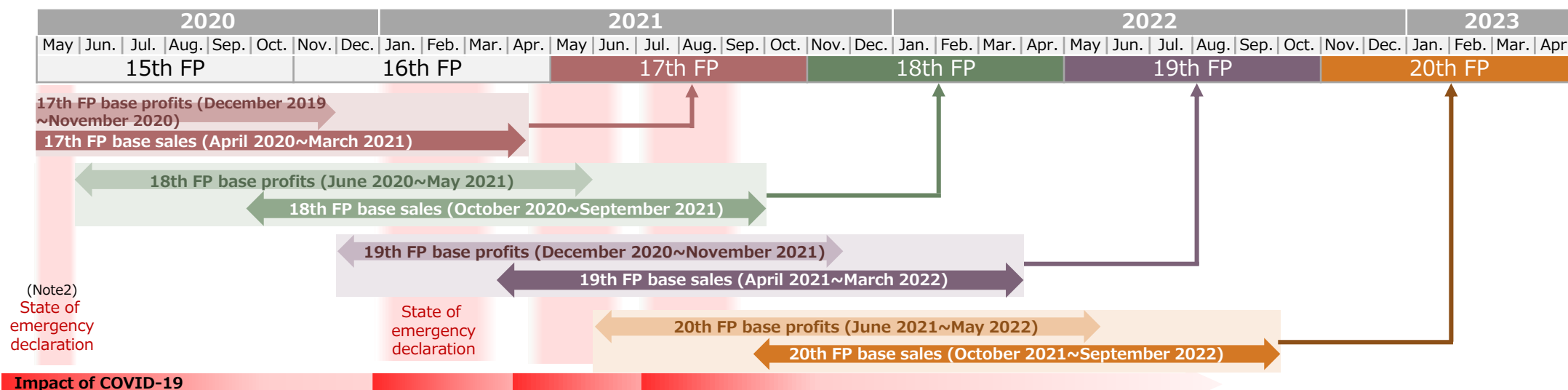
17th Fiscal Period ended October 2021 Financial Summary

Hoshino Resorts REIT, Inc.

Results and business forecast assumptions

	Forecast two times before (released Jun 15, 2021)	Previous forecast (released Nov. 10, 2021)	This forecast (released Dec. 15, 2021)	
Results for the 17th fiscal period (ended October 2021)	6,344 Yen	—	Actual results 6,344 Yen (+0 Yen vs. Jun 15 forecast)	- Performance by sales-linked properties for the period up to and including March 2021 and performance by profit-linked properties for the period up to and including November 2020 were affected by declines in revenue due to the pandemic - Actual results were roughly in line with the June 2021 forecast
Forecast for the 18th fiscal period (ending April 2022)	7,110 Yen	7,153 Yen	Forecast 7,153 Yen (+0 Yen, vs. Nov 10 forecast)	- Performance by sales-linked properties for the period up to and including September 2021 and performance by profit-linked properties for the period up to and including May 2021 were affected by declines in revenue due to the pandemic - Sales results improved in comparison to those as of the June 2021 financial results announcement, primarily for Hoshino Resorts-managed properties, due to measures to stimulate demand such as the Go To campaign
Forecast for the 19th fiscal period (ending October 2022)	—	7,454 Yen	Forecast 7,542 Yen (+389 Yen, +5.4% vs. 18th FP) (+88 Yen, +1.2% vs. Nov 10 forecast)	- Performance by sales-linked properties for the period up to and including March 2022 and performance by profit-linked properties for the period up to and including November 2021 are expected to be affected by declines in revenue due to the pandemic - External growth through the public offering will contribute a great deal, so business results will improve in comparison to the 18th fiscal period ending Apr. 2022 - Better-than-expected return of accommodation demand than assumed at the time of the previous forecast, mainly due to improvement in October operating results of properties managed by Hoshino Resorts

(Reference) Corresponding period for profits or sales that serve as a basis for calculation of floating rent (excluding “Quintessa Hotel Osaka Shinsaibashi”)(Note1)



(Note 1) 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 of May 1, 2022 (19th FP) for KAI Alps; May 1, 2022 (19th FP) for Grand Hyatt Fukuoka; November 1, 2022 (20th FP) for Iriomote Hotel; May 1, 2023 (21st FP) for BEB5 Karuizawa; November 1, 2023 (22nd FP) for KAI Nagato; November 1, 2023 (22nd FP) for KAI Beppu; November 1, 2024 (24th FP) for OMO7 Asahikawa; and May 1, 2025 (25th FP) for KAI Kirishima. 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. This also applies hereafter.

(Note 2) In the chart, the period for which the declaration of the states of emergency was issued in Tokyo is shown as the “state of emergency declaration.” The same applies hereinafter.

17th Fiscal Period ended October 2021 Financial Summary

Hoshino Resorts REIT, Inc.

	Results of the 16th fiscal period	Forecast for the 17th fiscal period (released Jun. 15, 2021) (A)	Results of the 17th fiscal period (B)	Comparison with Forecast (B)-(A)
Operational status (millions of Yen)				
Operating revenue	4,591	4,839	4,840	+1
Operating expenses	2,774	2,977	2,994	+17
Operating profit	1,816	1,862	1,845	▲16
Ordinary profit	1,422	1,427	1,412	▲15
Profit	1,466	1,426	1,410	▲16
Distribution per unit (Yen)	6,406	6,344	6,344	-
Others				
NOI (millions of Yen)	3,743	3,888	3,892	+3
NOI yield	4.6%	4.7%	4.7%	▲0.0pt
LTV	38.3%	38.0%	38.1%	+0.1pt
NAV per unit (Yen)	515,513	-	522,634	-

Breakdown of operating revenue

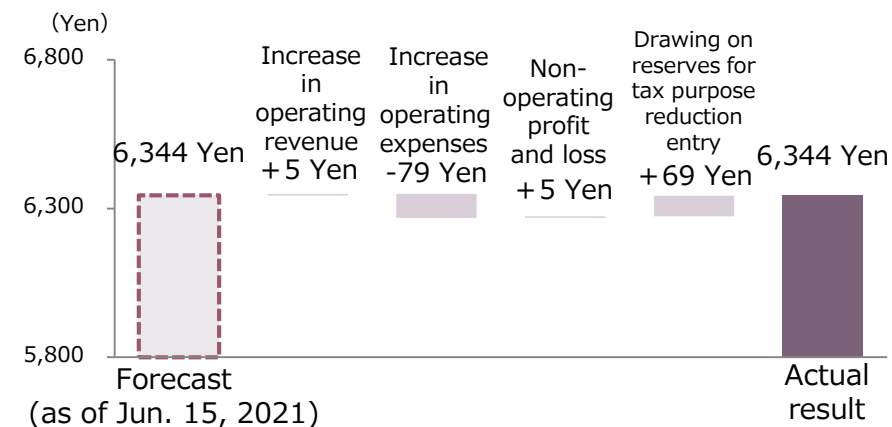
Fixed rent + Minimum guarantee	4,286 million Yen (88.5%)
Floating rent excluding Minimum guarantee	504 million Yen (10.4%)
Profit on sale of real estate, etc.	38 million Yen (0.8%)

Comparison with previous forecast of operating expenses

Rental business expenses (other than depreciation)	▲2 million Yen
Increase/decrease in other expenses:	20 million Yen

Breakdown of distribution increase and decrease

Distribution per unit : 6,344 Yen
Comparison with forecast +0 Yen



January 2020 to October 2021 results

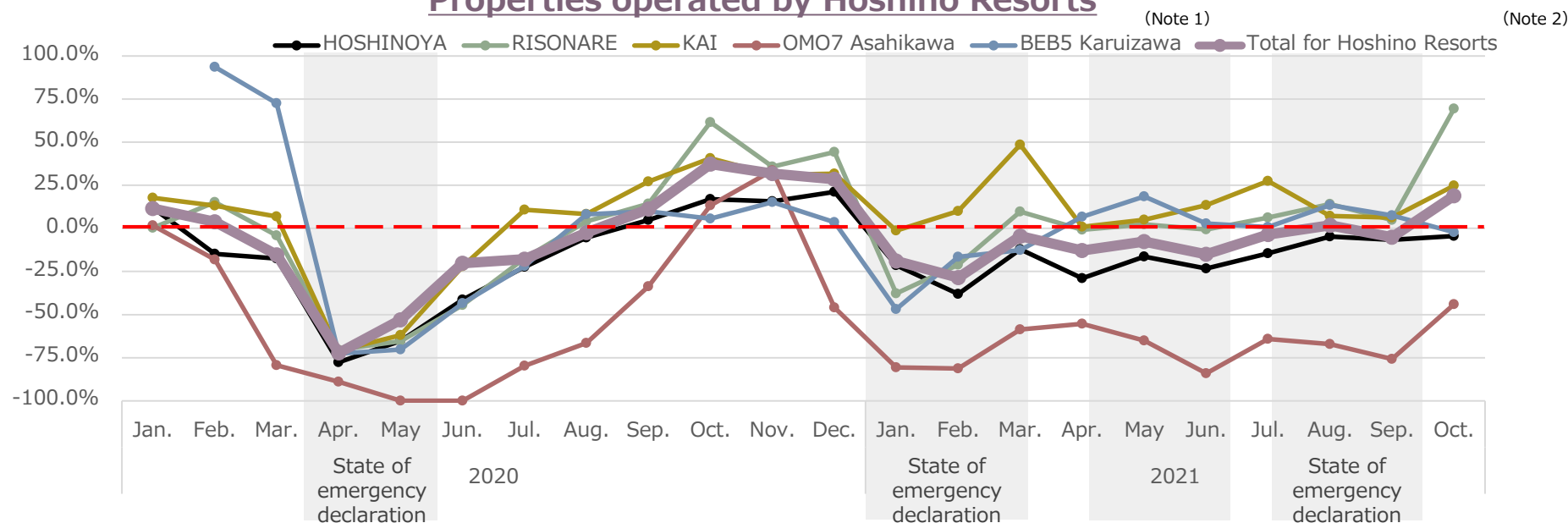
Rate of RevPAR change compared to 2019 by brand

(Hoshino Resorts managed properties)

Hoshino Resorts REIT, Inc.

Since the start of the pandemic, Hoshino Resorts has refined and improved its initiatives aimed at capturing microtourism demand. From the summer of 2020 onwards, the main three brands and BEB5 Karuizawa have recorded solid business results even in the face of state of emergency declarations. KAI, in particular, saw higher revenue than in 2019 during most months.

Properties operated by Hoshino Resorts



Comments by brand

Trends of May 2021 onwards

HOSHINOYA	Even when the number of new infections was rising, improving ADR made it possible to avoid major declines. However, Taketomi Island in Okinawa, where the serving of alcohol to guests was prohibited under the state of emergency declaration, and Kyoto, which is located in the Kansai area, where the number of infections was high, struggled. OTB was somewhat late to pick up for Taketomi Island, but in January it had recovered to the same levels as the other three facilities.
KAI	Ongoing initiatives for stimulating microtourism demand and regularly showcasing the appeal of the resorts resulted in strong performance compared to other brands. Izumo and Aso performed particularly well, reaching almost maximum capacity in September and October. Facilities in western Japan were relatively quick to secure OTB numbers, and overall results for the brand are expected to be roughly equivalent to those of 2019.
RISONARE	In the Atami area, there were factors that negatively affected business, such as the disasters caused by heavy rains in July, but at Yatsugatake, ancillary facility operations and the holding of events were resumed. As a result, RISONARE business results stayed roughly in line with those of 2019. OTB numbers have tended to rise immediately before planned stay dates, but are steadily rising.
OMO7 Asahikawa	While conditions remained extremely harsh in the Tokyo area and Hokkaido, due to the states of emergency, efforts continued to be made to enhance local allure, such as the Asahiya Zoo, gourmet urban dining, ski locations easily accessible from urban areas, etc. Other hotels in Asahikawa lowered their ADR to maintain occupancy rates, but OMO7 Asahikawa maintained a strategy of focusing on ADR over occupancy rates, carrying out its usual branding approach.
BEB5 Karuizawa	Wedding demand at Hotel Bleston Court supported overall revenue, and business results stayed strong. During summer, in addition to wedding demand, microtourism demand and workation demand were also captured, producing solid business results. OTB numbers, including bridal-related OTB, were strong.

(Note 1) "BEB5 Karuizawa" opened in February 2019, so for January 2020 there is no data for the previous year. Figures for January 2021 were calculated in comparison to January 2020. Furthermore, resort business results take some time to stabilize after a resort is first opened, so the figures for February and March 2021 were calculated in comparison to February and March 2020.

(Note 2) Because "BEB 5 Karuizawa" was opened in February 2019, "KAI Enshu" was acquired in November 2020 and "KAI Nagato" was acquired in June 2021 they are not included in the stated figures

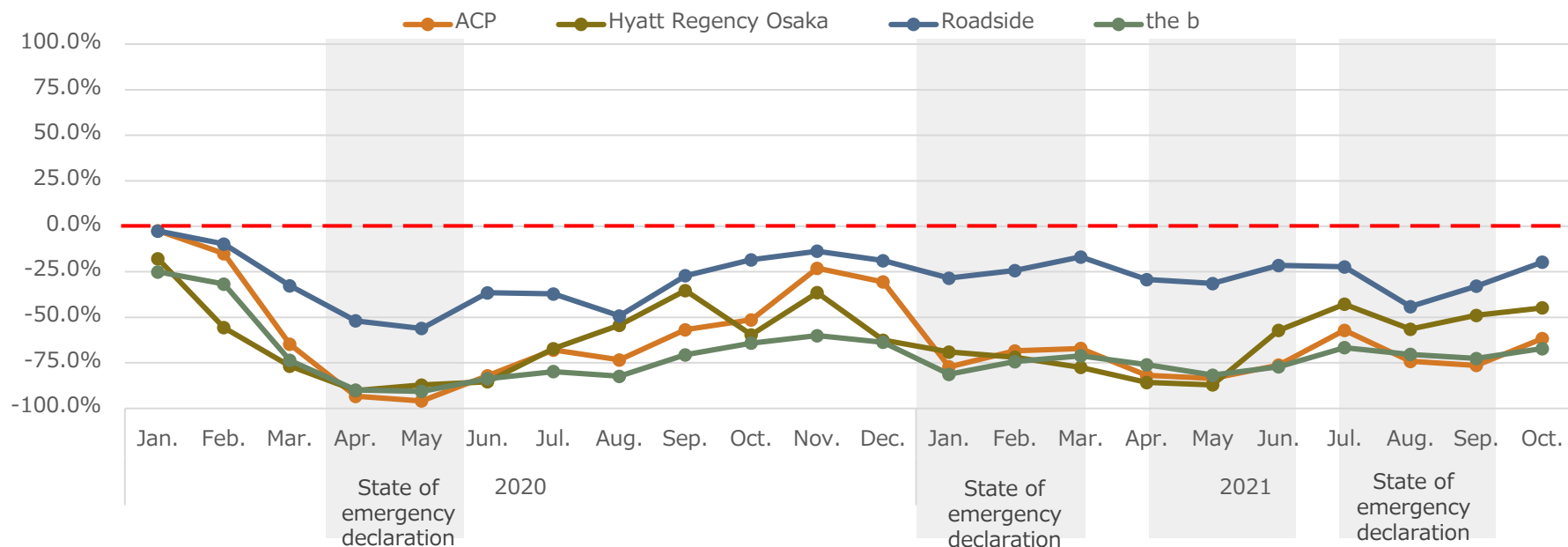
January 2020 to October 2021 results

Rate of RevPAR change compared to 2019 by brand (outside operator-managed properties)

Hoshino Resorts REIT, Inc.

City hotels such as Hyatt, ACP, and the b hotels struggled due to the states of emergency and quasi-states of emergency, but demand has been recovering since the lifting of the state of emergency in October 2021. Roadside properties have been supported by business demand from guests traveling by car, and while revenue is low compared to that of 2019, it has remained solid.

Properties operated by outside operator



Comments by brand

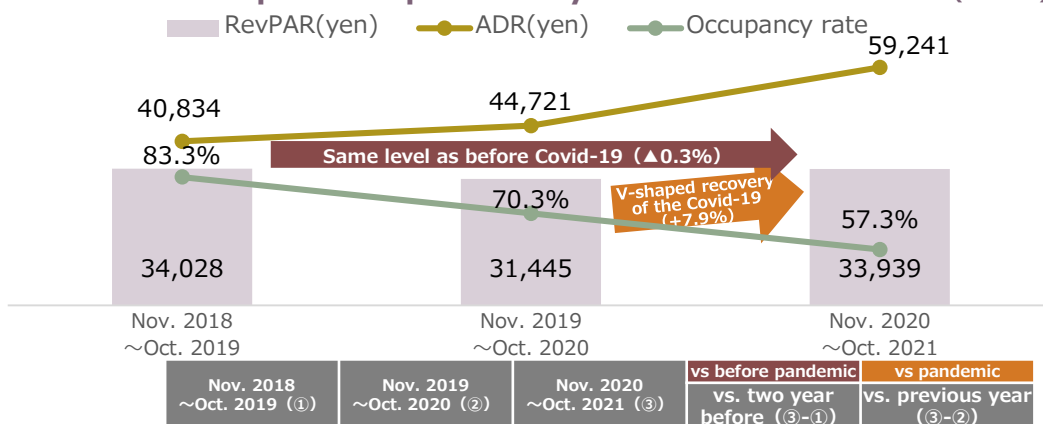
	Trends of May 2021 onwards
2 Hyatt Properties	In conjunction with the state of emergency and quasi-state of emergency declarations, business and leisure demand were both low until September. Following the lifting of the state of emergency, both properties saw a recovery in demand, primarily leisure demand. Furthermore, expectations are high for measures for stimulating demand, such as the "Welcome to Osaka campaign" and the "Fukuoka C-cret Trip campaign."
Roadside	Under states of emergency and quasi-states of emergency, leisure demand related to events, etc., tended to decline, but revenue was supported by business demand, and occupancy levels were maintained. With the lifting of the state of emergency declarations, event restrictions were relaxed, and there have been signs of a recovery of leisure demand. We also anticipate a rise in business demand.
3 ACP Properties	Under the states of emergency and quasi-states of emergency, both business and leisure demand slumped, but the October lifting of the state of emergency brought with it signs of a recovery in lodging demand.
4 the b Properties	Under the states of emergency and quasi-states of emergency, both business and leisure demand slumped. The prohibition on the serving of alcohol caused a massive drop in the amount of walk-in demand. Although some Olympic-related demand was captured by Sangenjaya, the other three facilities enjoyed no such demand. Following the lifting of the state of emergency, leisure demand has been recovering, with a particularly prominent recovery in Kobe.

Investment management summary by brand (last 3 years)

Hoshino Resorts REIT, Inc.

Hoshino Resorts-managed properties captured microtourism demand amidst the pandemic, and "RISONARE" and "KAI" performed strongly, so RevPAR recovered significantly, rising by 7.9% compared to 2020 and falling in line with the RevPAR of 2019. However, with respect to properties other than those operated by Hoshino Resorts, although the 22 roadside properties, which met demand for business trips via car, etc., fared relatively well, other urban hotels continued to struggle, and RevPAR fell by 53.2% compared to 2019.

Total for Properties operated by the Hoshino Resorts (Note 1)



4 HOSHINOYA Properties

	Nov. 2018 ~Oct. 2019 (①)	Nov. 2019 ~Oct. 2020 (②)	Nov. 2020 ~Oct. 2021 (③)	vs before pandemic vs. two year before (③-①)	vs pandemic vs. previous year (③-②)
Occupancy rate	89.1%	74.5%	67.4%	-21.7pt	-7.1pt
ADR(Yen)	74,670	75,416	89,649	+14,979	+14,233
RevPAR(Yen)	66,519	56,203	60,406	-6,113	+4,203

2 RISONARE Properties

	Nov. 2018 ~Oct. 2019 (①)	Nov. 2019 ~Oct. 2020 (②)	Nov. 2020 ~Oct. 2021 (③)	vs before pandemic vs. two year before (③-①)	vs pandemic vs. previous year (③-②)
Occupancy rate	86.4%	75.5%	65.3%	-21.0pt	-10.2pt
ADR(Yen)	43,478	46,083	63,874	+20,396	+17,791
RevPAR(Yen)	37,558	34,808	41,736	+4,178	+6,928

8 KAI Properties

	Nov. 2018 ~Oct. 2019 (①)	Nov. 2019 ~Oct. 2020 (②)	Nov. 2020 ~Oct. 2021 (③)	vs before pandemic vs. two year before (③-①)	vs pandemic vs. previous year (③-②)
Occupancy rate	79.7%	76.6%	72.2%	-7.5pt	-4.4pt
ADR(Yen)	38,132	40,247	48,549	+10,417	+8,302
RevPAR(Yen)	30,393	30,833	35,048	+4,655	+4,215

OMO7 Asahikawa

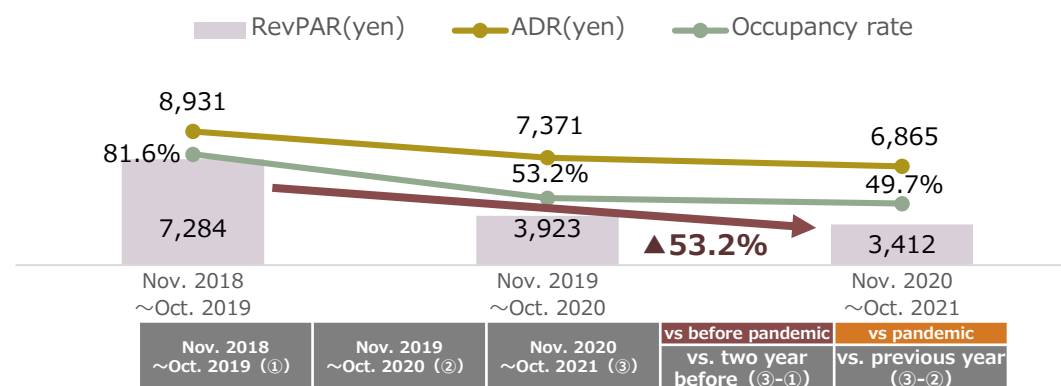
	Nov. 2018 ~Oct. 2019 (①)	Nov. 2019 ~Oct. 2020 (②)	Nov. 2020 ~Oct. 2021 (③)	vs before pandemic vs. two year before (③-①)	vs pandemic vs. previous year (③-②)
Occupancy rate	79.8%	51.1%	23.6%	-56.2pt	-27.5pt
ADR(Yen)	11,314	10,156	14,085	+2,771	+3,929
RevPAR(Yen)	9,023	5,188	3,323	-5,700	-1,865

BEB5 Karuizawa (Note 2)

	Nov. 2018 ~Oct. 2019 (①)	Nov. 2019 ~Oct. 2020 (②)	Nov. 2020 ~Oct. 2021 (③)	vs before pandemic vs. two year before (③-①)	vs pandemic vs. previous year (③-②)
Occupancy rate	-	69.6%	73.3%	-	+3.7pt
ADR(Yen)	-	16,958	17,803	-	+845
RevPAR(Yen)	-	11,800	13,046	-	+1,246

Total for major Properties operated by outside operators

(total for 3 ACP properties, Hyatt Regency Osaka, 22 roadside properties, and the 4 b properties)



3 ACP properties

	Nov. 2018 ~Oct. 2019 (①)	Nov. 2019 ~Oct. 2020 (②)	Nov. 2020 ~Oct. 2021 (③)	vs before pandemic vs. two year before (③-①)	vs pandemic vs. previous year (③-②)
Occupancy rate	79.1%	42.3%	34.8%	-44.3pt	-7.5pt
ADR(Yen)	13,028	10,862	10,189	-2,839	-673
RevPAR(Yen)	10,307	4,598	3,546	-6,761	-1,052

Hyatt Regency Osaka

	Nov. 2018 ~Oct. 2019 (①)	Nov. 2019 ~Oct. 2020 (②)	Nov. 2020 ~Oct. 2021 (③)	vs before pandemic vs. two year before (③-①)	vs pandemic vs. previous year (③-②)
Occupancy rate	69.2%	31.5%	23.3%	-46.0pt	-8.2pt
ADR(Yen)	16,167	15,081	14,305	-1,862	-776
RevPAR(Yen)	11,192	4,744	3,327	-7,865	-1,417

22 Roadside properties

	Nov. 2018 ~Oct. 2019 (①)	Nov. 2019 ~Oct. 2020 (②)	Nov. 2020 ~Oct. 2021 (③)	vs before pandemic vs. two year before (③-①)	vs pandemic vs. previous year (③-②)
Occupancy rate	81.1%	64.4%	63.4%	-17.7pt	-1.0pt
ADR(Yen)	6,140	5,534	5,800	-340	+266
RevPAR(Yen)	4,980	3,561	3,677	-1,303	+116

4 the b properties

	Nov. 2018 ~Oct. 2019 (①)	Nov. 2019 ~Oct. 2020 (②)	Nov. 2020 ~Oct. 2021 (③)	vs before pandemic vs. two year before (③-①)	vs pandemic vs. previous year (③-②)
Occupancy rate	94.0%	46.9%	43.8%	-50.2pt	-3.2pt
ADR(Yen)	9,806	7,686	5,516	-4,290	-2,170
RevPAR(Yen)	9,213	3,608	2,415	-6,798	-1,193

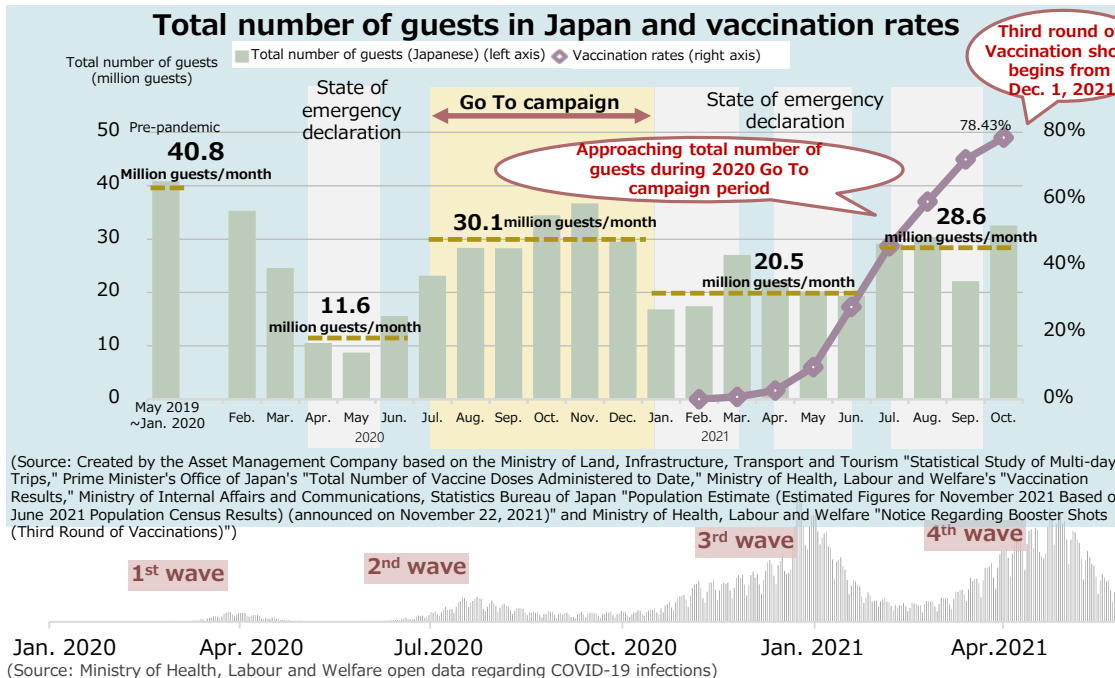
(Note 1) The time series comparison graph does not include properties acquired after November 2018.

(Note 2) "BEB5 Karuizawa" (which opened in February 2019) has no annual operation results before October 2019, so neither results figures for the term ended October 2019 and earlier, nor figures comparing 2021 results to 2019 results, are included.

The environment surrounding the tourism industry

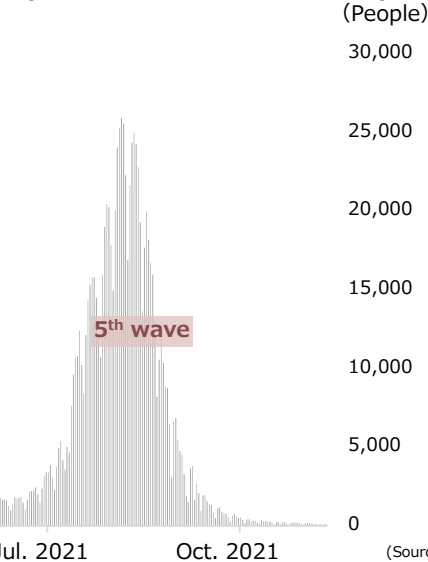
Hoshino Resorts REIT, Inc.

- Due to the lifting of movement restrictions and the growing momentum behind the resumption of economic activity promoted by rising vaccination rates, the Investment Corporation anticipates further recovery of tourism demand.
- It is unclear when inbound tourism will recover, but even before the pandemic over 80% of domestic tourism demand was from Japanese travelers, so we believe that it is important to capture this domestic travel demand without fail.
- On November 26, 2021, the Cabinet approved a new budget proposal for 1.3 trillion yen for the Go To campaign (combined with the existing amount), and concrete moves are being made to resume the campaign.



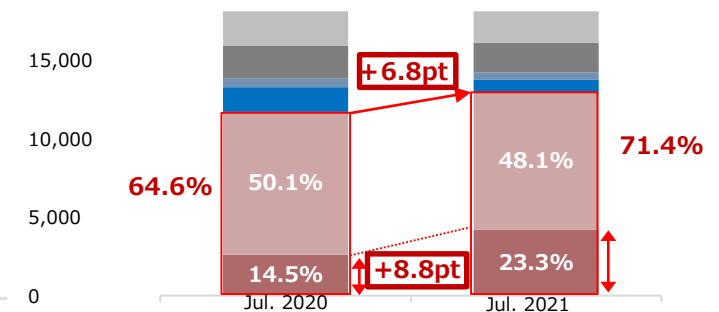
Number of new cases

(Jan. 16, 2020 ~ Nov. 26, 2021)



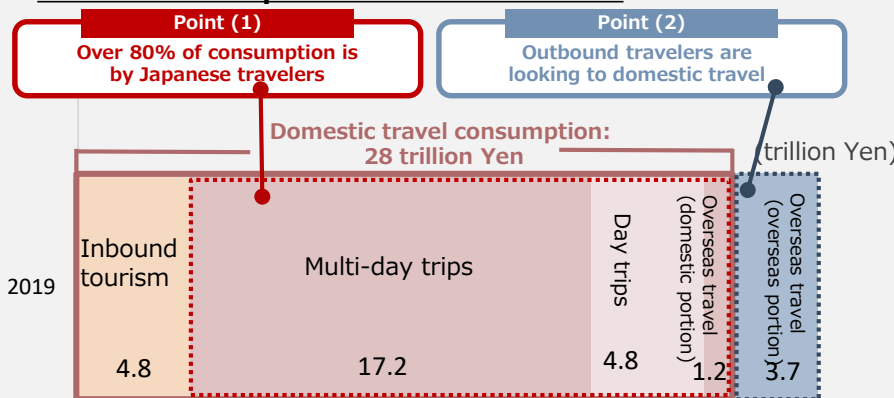
Trend of intentions to travel after the pandemic

- Unsure
- Unable to travel even prior to the spread of COVID-19
- Do not want to travel
- Do not want to travel in the same manner as before
- Want travel at the same pace as before
- Want to travel more than before



(Source: Created by the Asset Management Company based on the Japan Travel Bureau Foundation's "Trends Among Japanese Travelers in the Midst of the COVID-19 Pandemic (Part 12)" (issued on August 31, 2021))

Scale of the Japanese tourism market



(Source: Japan Tourism Agency "Study of Consumption Trends Among Foreign Visitors to Japan" and "Study of Travel and Tourism Consumption")

The following contents and resumption timing may be changed as a result of the Omicron variant.

Go To campaign	Previous	This time	After GW and before summer busy period
✈ Travel cost discount	35% (14,000 Yen maximum)	30% (10,000 Yen maximum)	Up to 20% (8,000 yen maximum)
🎫 Destination area vouchers	15% of travel costs (6,000 Yen maximum)	Weekdays: 3,000 Yen Weekends/holidays: 1,000 Yen	3,000 Yen maximum
Total	Up to 20,000 Yen	Up to 13,000 Yen	Up to 11,000 Yen

(After GW, the project will be conducted by prefectures, and discount rates, etc., may be set flexibly based on local conditions)

Restrictions on entry into Japan

(Created on November 26, 2021)

Re-entry	New entry	
14 days, as a general rule ↓ As little as 3 days for those who are fully vaccinated (+7 days of activity restrictions)	Business	International students/technical trainees
Vaccine certificates for the following only: Pfizer AstraZeneca Moderna	Short-term stay	Long-term stay
	14 days, as a general rule	

Discounts for prefectural residents until the resumption of the Go To campaign (examples)

	Osaka	Hokkaido	Okinawa
🚗	50% (5,000 Yen maximum)		
🎫	3,000 Yen	2,000 Yen	2,000 Yen
📅 Implementation period	Nov. 24 ~ Dec. 31	Dec. 6 ~ Dec. 29	Nov. 15 ~ Dec. 31

This was created by the Asset Management Company based on information current as of November 26, 2021. For more current information, please refer to the respective official websites. (Source: Japan Tourism Agency "Measures for Stimulating Future Tourism Demand" (press release from November 19, 2021), Ministry of Health, Labour and Welfare "New Border Control Measures" and "Accepted Vaccination Certificates when Entering Japan from Overseas," Hokkaido Prefecture "Implementation of New Travel Styles and Hokkaido Resident Discounts," Okinawa Prefecture "Rediscovering Okinawa," and Osaka Prefecture "Implementation of the Welcome to Osaka Campaign 2021")

Hoshino Resorts' initiatives

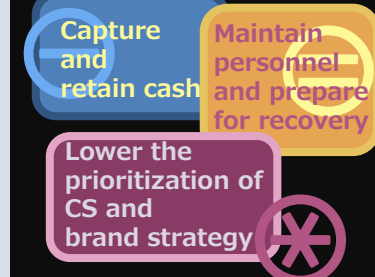
Creating microtourism demand

Hoshino Resorts REIT, Inc.

- In April 2020, at the start of the pandemic, Hoshino Resorts formulated an 18-month survival plan. Since then, the Investment Corporation believes that it has demonstrated its high crisis response abilities and demand generation capacity through, for example, its capture of microtourism demand.
- This unprecedented crisis has led to a renewed appreciation of Hoshino Resorts' exceptional management strengths. It has made progress with numerous development projects, and its business expansion is accelerating.

Formulation of the 18-month survival plan

Three core basic policies



Hoshino Resorts creates microtourism demand

Step1 Advocate and stimulate

- * Forecast travel demand amidst the pandemic
- * Advocate microtourism
- * Propose 3C avoidance stays



April 21, 2020 TV Tokyo
"WBS(WORLD BUSINESS SATELLITE)"

Step2 Evolve

- * Launch local collaboration projects
- * Resume "new normal" buffets
- * Provide "3C visualization" services

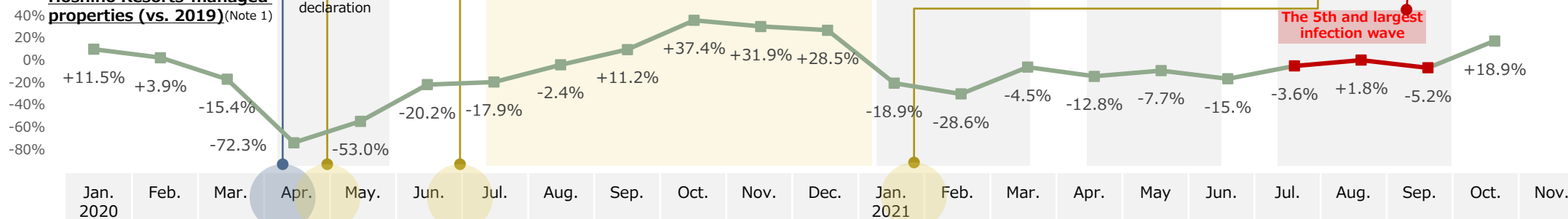


Step3 Establish

- * Strengthen local collaboration projects
- * Develop and refine marketing (designate target business zones and enhance relationships with local media)

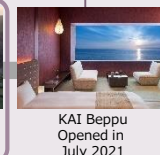
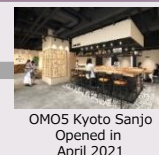
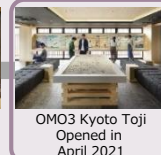
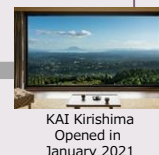
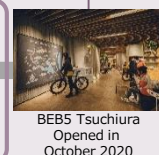
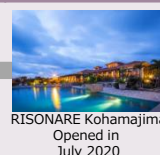
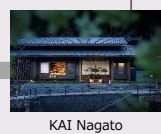
Microtourism is becoming firmly established for many facilities managed by Hoshino Resorts
(This significantly reduces the impact of increases in new infection numbers on lodging demand)

Changes in RevPAR for Hoshino Resorts-managed properties (vs. 2019) (Note 1)



Resort openings amidst the pandemic (Note 2)

40 facilities with 3,170 guestrooms
As of December 2019



+12 facilities (+980 guestrooms)

52 facilities with 4,150 guestrooms
As of December 2021

(Note 1) Because "BEB5 Karuizawa" was opened in February 2019, "KAI Enshu" was acquired in November 2020, and "KAI Nagato" was acquired in June 2021, they are not included in the stated figures.

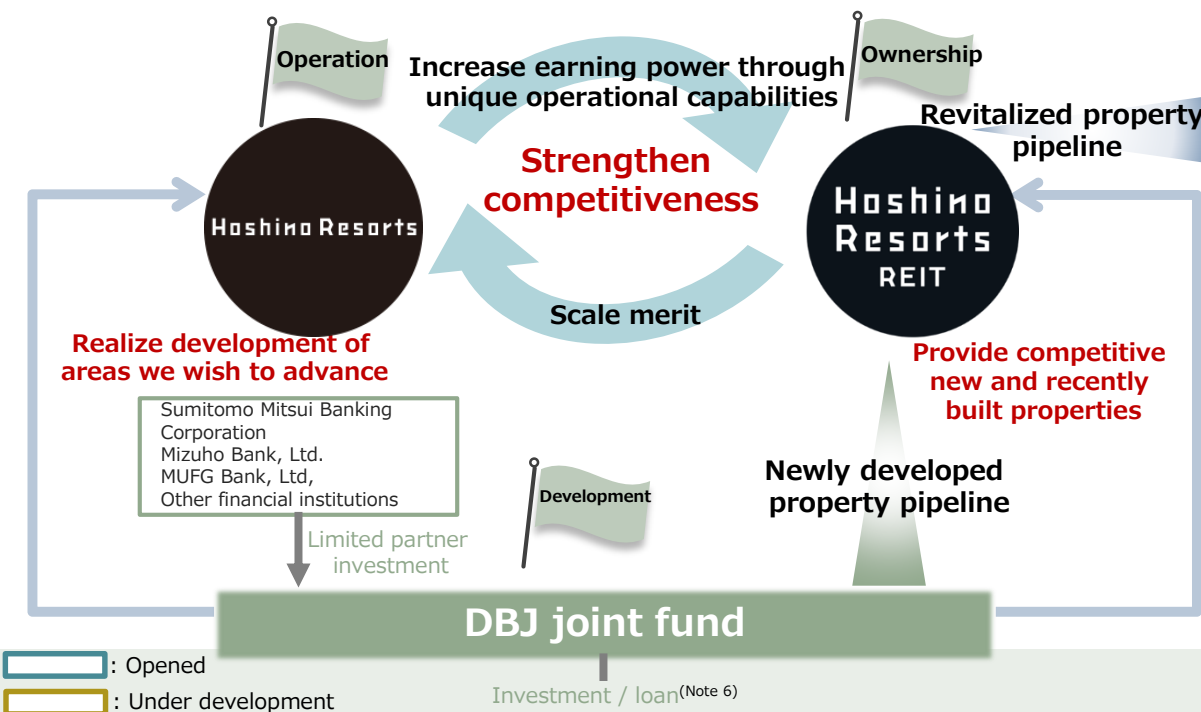
(Note 2) As of the present, HRR has no plans and has made no decisions to acquire the facilities introduced on this page which are not the property of HRR.

8th public offering investment highlights (1) Abundant investment opportunities created by the management capabilities of the Hoshino Resorts Growth cycle of “ownership,” “operation” and “development”

Hoshino Resorts REIT, Inc.

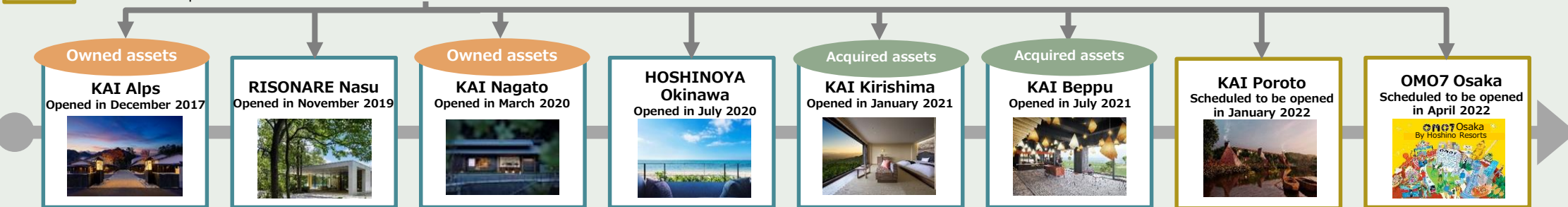
Players with a high presence, HRR (ownership), the Hoshino Resorts (operation), and the DBJ joint fund (development), are responsible for the three important functions of “ownership,” “operation” and “development” that make up the hotel business, and through leveraging a strong partnership, HRR believes that it can expect to continue to achieve external growth and improve the quality of its portfolio. Furthermore, by utilizing the “revitalization” function of the Hoshino Resorts, HRR aims to further build up the pipeline.

HRR’s basic strategy and expansion of pipeline



WBFL ^(Note 1) (Hoshino Resorts subsidiary)	
Investing in mezzanine loan receivables that could lead to future pipeline expansion	
TLS5 Specified Purpose Company	
<Underlying asset> (tentative name) Hotel WBFL Grande Kansai Airport, etc. ^(Note 2)  Appraisal value of the underlying asset^(Note 3) 12,900 million Yen	Debt (non-recourse receivables, etc.) 8,710 million Yen
	Equity (preferred equity, etc.)
Loan receivables with priority over the acquired Loan Receivables	
Acquired loans 750 million Yen	
Specified bonds subordinated to acquired loans	
No. 1 preferred equity (A) 750 million Yen No. 1 preferred equity (A) member: Hoshino Resorts Inc.	
Preferred investment / specified investment other than Hoshino Resorts (including those subordinated to No. A investment)	
Asset name	TLS5 Specified Purpose Company Class D Loan Receivables
Seller	Hoshino Resorts
Acquisition price	750 million Yen
Face value	750 million Yen
Interest rate	1) Applicable interest rate ^(Note 4) : 10.5%/11.5% per annum 2) PIK interest ^(Note 5)
Acquisition date	December 1, 2021

Hoshino Resorts Tourism Revitalization Fund	
Overview	Hoshino Resorts 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.
Total Fund	Approximately 5 billion Yen (as of Nov. 2021)
Fund management company (Unlimited liability partnership employee)	H&R Asset Solutions Co., Ltd.



(Note 1) “WBFL” is used hereinafter as a collective term that refers to WBFL Hotels & Resorts Co., Ltd., White Bear Family Co., Ltd., and their subsidiaries. The same applies hereinafter.

(Note 2) The “underlying asset” includes composition costs, reserve funds, etc. in addition to “(Tentative name) Hotel WBFL Grande Kansai Airport”. The name “(Tentative name) Hotel WBFL Grande Kansai Airport” is a tentative name as of the date of this material’s release, and the official name will be decided by the borrower, etc. in the future, and the name may be changed from “(Tentative name) Hotel WBFL Grande Kansai Airport” at the time of commencement of the operation of this property. There is no specific plan for HRR to acquire the underlying asset, nor is there any guarantee that HRR will acquire the underlying asset in the future. The same applies hereinafter.

(Note 3) The “underlying asset” refers to “(Tentative name) Hotel WBFL Grande Kansai Airport.” In addition, the “appraisal value of the underlying asset” is the appraisal value of the building and its site for its own use, based on the assumption that it is not yet open for business and the operator has not yet been determined, on the appraisal date of March 1, 2021, which was provided by TLS5 Specified Purpose Company. The said appraisal value is not the appraisal value obtained by HRR.

(Note 4) The annual rate of 10.50% is the interest rate applied in the period up to the scheduled repayment date, and the annual rate of 11.50% is the interest rate applied in the period from the day following the scheduled repayment date to the final repayment date.

(Note 5) In regard to the acquired loans, interest in the amount calculated by the following formula (hereinafter “PIK interest”) shall be incurred, and on each interest payment date, the payment will be automatically deferred until the scheduled repayment date (or the final repayment date if the scheduled repayment date is extended). The PIK interest shall not be incorporated into the principal amount and will not bear interest. Amount of PIK interest on acquired loans = [Principal balance of the acquired loans on the first day of the interest calculation period] x [2.00%] x [actual number of days in the referenced interest calculation period] / 365

(Note 6) As of the present, HRR has no plans and has made no decisions to acquire the facilities introduced on this page which are not the property of HRR.

8th public offering investment highlights (1) Abundant investment opportunities created by the management capabilities of the Hoshino Resorts Growth cycle of “ownership,” “operation” and “development”

In response to Hoshino Resorts' WBF Group^(Note 1) and Hoshino Resorts Tourism Revitalization Fund's “revitalization” efforts, HRR also invested in mezzanine loan receivables and invested in silent partnerships to ensure stable and high return through investment, and to expand the pipeline in the future.

WBF Group revitalization initiatives / Hoshino Resorts Tourism Revitalization Fund formation

Revitalized property pipeline (1) WBF Group

The Hoshino Resorts acquired the shares of WBF as follows and took over the operations of 14 facilities from WBF Group

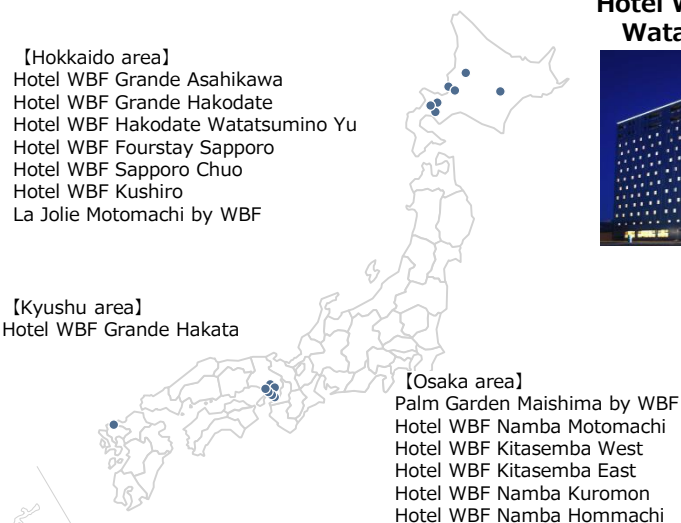
June 2020

- WBF Group and Hoshino Resorts conclude “Basic Agreement on Appointment of Sponsor”

March 2021

- Hoshino Resorts acquired the shares of WBF, and the Hoshino Resorts took over the operations of 14 facilities from the WBF Group

List of WBF hotels (14 facilities) that the Hoshino Resorts has taken over ^(Note 2)



Source: Created by the Asset Management Company based on information provided by the Hoshino Resorts

Hotel WBF Fourstay Sapporo

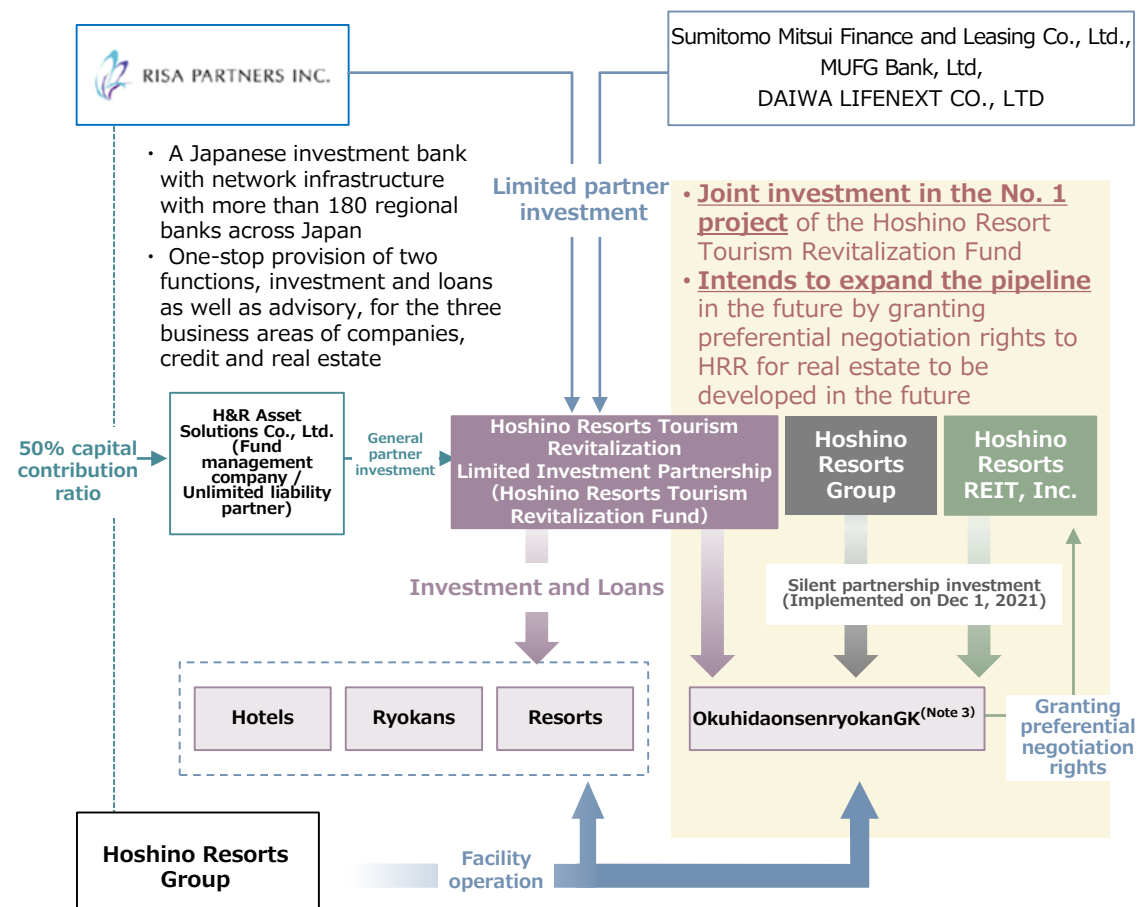


Hotel WBF Namba Kuromon



Revitalized property pipeline (2) Hoshino Resorts Tourism Revitalization Fund

Structure of Hoshino Resorts Tourism Revitalization Fund



(Note 1) “WBF Group” refers to WBF and WBF Holdings Co., Ltd. The same applies hereinafter.

(Note 2) There is no specific plan for HRR to acquire the hotels stated in the list, nor is there any guarantee that HRR will acquire them in the future.

(Note 3) There is no specific plan for HRR to acquire properties to be developed by OkuhidaonsenryokanGK in the future, nor is there any guarantee that HRR will acquire them in the future.

8th public offering investment highlights (2) Acquired “KAI Kirishima” and “KAI Beppu” opened in 2021 Hoshino Resorts operated property that can be expected to be competitive even under the pandemic

Hoshino Resorts REIT, Inc.

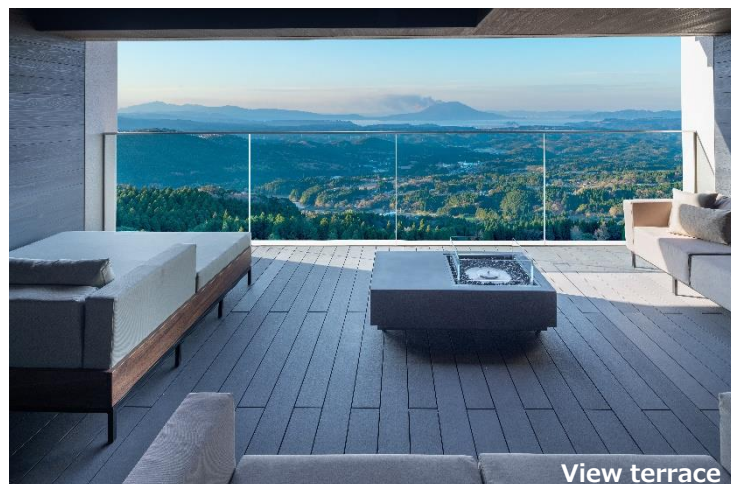
KAI Kirishima



A hot spring ryokan with a superb view overlooking Sakurajima

Highlights of acquisition

- Located in Kirishima Onsen, which has a rare natural environment, this hot spring ryokan offers a spectacular view of Sakurajima and Kinkowan from all guest rooms
- Achieved steady operational results even under the pandemic by capturing microtourism demand
- Acquired from the DBJ joint fund



View terrace



Guest room
panorama room



Open-air bath

Overview of the property

Address	Kirishima-shi, Kagoshima
Completion date	October 2020
Acquisition date	December 1, 2021
Total number of guest rooms	49
Lessee	Hoshino Resorts Group
Rent type	Fixed + Floating (fixed rent for the first 3.4 years)
Operator	Hoshino Resorts Group
Acquisition price	3,913 million Yen
Real estate appraisal value	4,020 million Yen
To real estate appraisal value	97.3%
Lease period	20 years

Appraisal NOI yield	5.8%
Appraisal NCF yield	5.5%
Yield after depreciation	4.3%



The charm of KAI Kirishima

- Surrounded by the magnificent nature of Kirishima Kinkowan National Park, **you can enjoy a panoramic view of Sakurajima and Kinkowan**
At the bathing hut down the mountain accessed via a slope car, soak in the sulfur springs of Kirishima and enjoy the rich nature and starry sky
- The guest rooms include the local room “Satsuma Shirasu-Daichi no Ma” with traditional crafts of Kagoshima prefecture such as Satsuma Japanese paper and headboard made of Shirasu, which is volcanic ash deposits peculiar to the prefecture, **and you can see Sakurajima from all the rooms**
- **A variety of sightseeing spots in the surrounding areas** such as Kirishima Jingu and Takachiho Farm, etc.
- Easy access, about 15 minutes by car from “Kirishima Jingu” station on the JR Kyushu Nippou Line, and about 45 minutes by car from “Kagoshima Airport”



Slope car



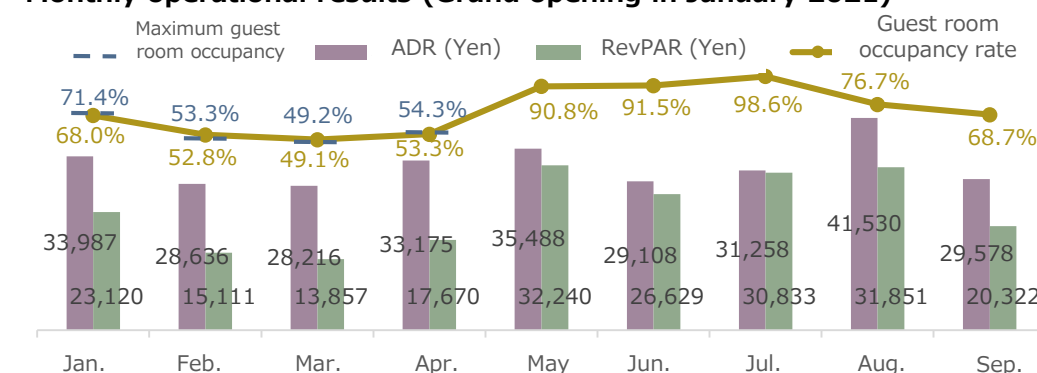
Bathing hut

Partnership agreement with Kirishima-shi

On November 1, 2019, Hoshino Resorts and Kirishima-shi, Kagoshima, signed a “Partnership Agreement” regarding the environmental improvement of Kirishima-Kinkowan National Park and the dissemination of its appeal associated with the construction of this property.

The agreement stipulates that Kirishima-shi and Hoshino Resorts will work together to create attractive accommodations that make the most of the natural environment while striving to protect the natural environment.

Monthly operational results (Grand opening in January 2021)(Note)



(Note) Because the opening day (grand opening) of “KAI Kirishima” is January 29, 2021, the total value from the opening day to the end of the month is shown for monthly operational results in January 2021.

8th public offering investment highlights (2)
Acquired "KAI Kirishima" and "KAI Beppu" opened in 2021
Hoshino Resorts operated property that can be expected to be competitive even under the pandemic

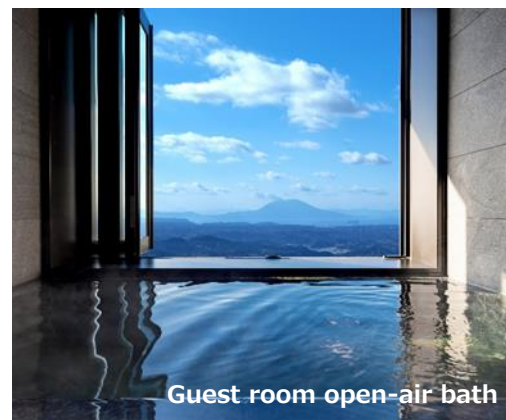
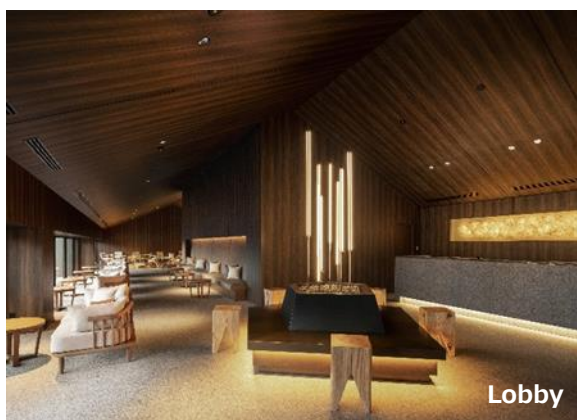
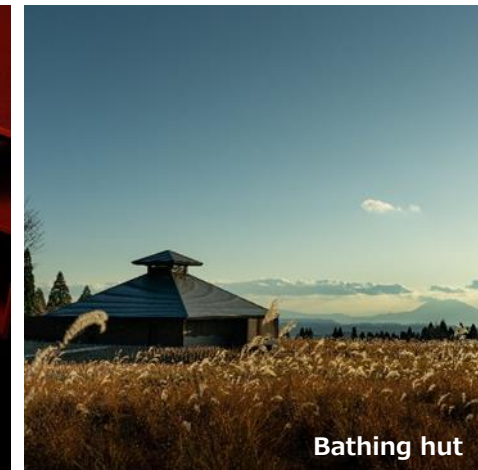
Hoshino Resorts REIT, Inc.

KAI Kirishima



A hot spring ryokan with a superb view overlooking Sakurajima

Photo gallery



8th public offering investment highlights (2) Acquired "KAI Kirishima" and "KAI Beppu" opened in 2021 Hoshino Resorts operated property that can be expected to be competitive even under the pandemic

Hoshino Resorts REIT, Inc.

KAI Beppu

Highlights of acquisition

- Located in Beppu Onsen, which boasts the largest number of springs and the amount of spring water in Japan^(Note 1) all guest rooms have ocean views overlooking Beppu Bay
- A hot spring ryokan where you can fully enjoy the charm of Beppu throughout your stay with the concept of "dramatic hot spring town"
- Acquired from the DBJ joint fund



Overview of the property

Address	Beppu-shi, Oita
Completion date	February 2021
Acquisition date	December 1, 2021
Total number of guest rooms	70
Lessee	Hoshino Resorts Group
Rent type	Fixed + Floating (fixed rent for the first 1.9 years)
Operator	Hoshino Resorts Group
Acquisition price	7,335 million Yen
Real estate appraisal value	7,650 million Yen
To real estate appraisal value	95.9%
Lease period	20 years

Appraisal NOI yield	5.3%
Appraisal NCF yield	5.3%
Yield after depreciation	3.9%



The charm of KAI Beppu

- A footbath overlooking Beppu Bay in front of you and a "lab" that resembles a night stall spread out, **reminiscent of the lively hot spring town of Beppu**, which was once compared to "Sleepless Town"
- The guest rooms feature **"Picture Window" where you can enjoy the sea like a painting**

In order to further enhance the beautiful seascape, **"Kakishibu-color" inspired by Beppu's famous "Blood Pond Hell" is used for the walls and headboards**

"Bungo Shibori Interior" that incorporates local traditional crafts and culture

- **There are many sightseeing spots** such as "Beppu JIGOKU MEGURI THE HELL TOUR," "Yukemuri Observatory" and "Takegawara Onsen"
- Easy access, about 10 minutes on foot from "Beppu" station on the JR Kyushu Nippou Line, and about 50 minutes by car from "Oita Airport"

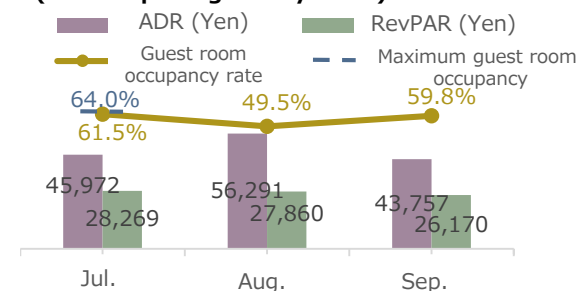


Designed by world-famous architect Kengo Kuma

Hoshino Resorts wants you to experience the charm of the area by discovering the local culture and traditional crafts, and Mr. Kuma wants to convey new charm by blending into the surrounding environment using materials rooted in the local area, and design of this property was realized as a result of matching principles

Monthly operational results

(Grand opening in July 2021) ^(Note 2)



(Note 1) This information is based on "10 Best Hot Springs by Prefecture (2019)" of JAPAN SPA ASSOCIATION (announced on April 19, 2021) and "Hot spring data, Overview of hot springs in the prefecture" on the website of the Oita Prefectural Government, and HRR does not guarantee or promise its accuracy.

(Note 2) Because the grand opening day of "KAI Beppu" is July 8, 2021, the total value from the grand opening day to the end of the month is shown for monthly operational results in July 2021.

8th public offering investment highlights (2)
Acquired “KAI Kirishima” and “KAI Beppu” opened in 2021
Hoshino Resorts operated property that can be expected to be competitive even under the pandemic

Hoshino Resorts REIT, Inc.

KAI Beppu



Stay in a dramatic hot spring town

Photo gallery



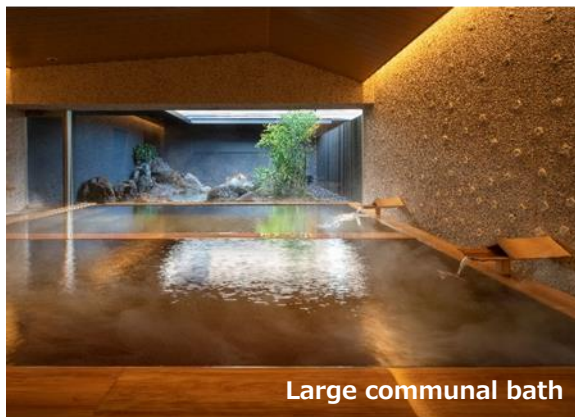
Bath place



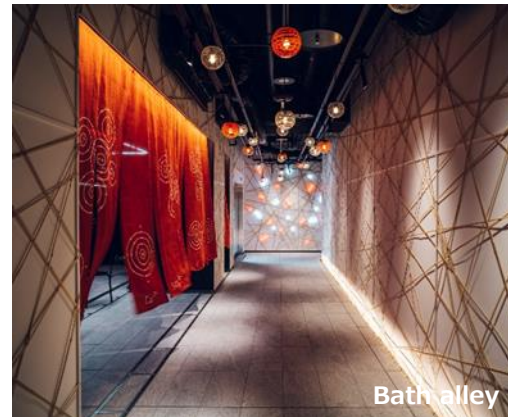
Seasonal kaiseki dining



Lab: hot spring mist making experience



Large communal bath



Bath alley



Gotochi-Gaku “Toji Jug Band”

Financial highlights (1)

Build a solid financial foundation that balances financial soundness with **Hoshino Resorts REIT, Inc.** property acquisition mobility

- While the procurement environment remains harsh for Hotel REITs(Note 1) due to the pandemic, the Investment Corporation has been praised for the steady operating results of Hoshino Resorts-managed properties and its stable cash flow. It has carried out the following:
 - Issuing of HRR bonds, the first such bonds issued by any Hotel REIT since the pandemic began (10 year green bonds)
 - Refinancing with refinance period of 5.5 years, the longest of any Hotel REIT since the pandemic began, thanks to its strong relationships with banking groups
- We have achieved fixing interest-bearing debt for a long period of time and distributing repayment dates.
- In addition to setting the sole Hotel-specific J-REIT commitment line of 5 billion yen, as of November 30, 2021, we had 7.9 billion yen in cash and deposits (after excluding 1.4 billion yen in distributions and 12.5 billion yen from the public offering) and have secured funds exceeding the refinancing funds of the 18th fiscal period ending Apr. 2022.

Most recent financing

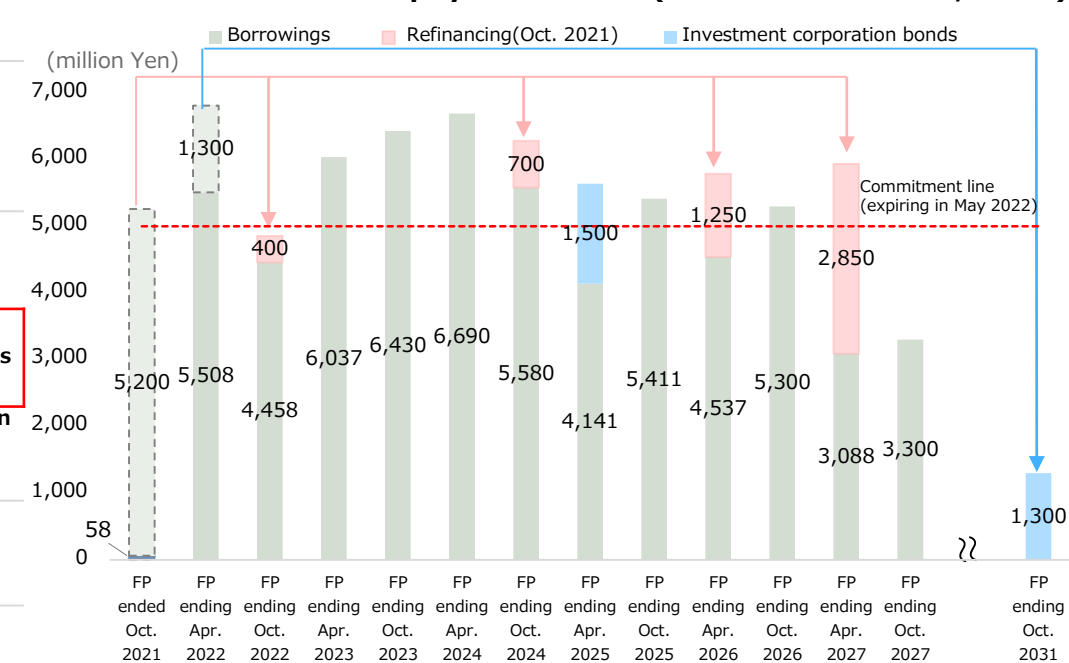
(1) Issuance of Green Bonds
(10-year bond)

Name	Second Series Unsecured Investment Corporation Bond (green bonds named Hoshino Resorts REIT Initiative Green “Owl Bonds”)
Issuance date	August 26, 2021
Term	10 years
Total issue amount	1.30 billion Yen
Interest rate (annual rate)	1.000%

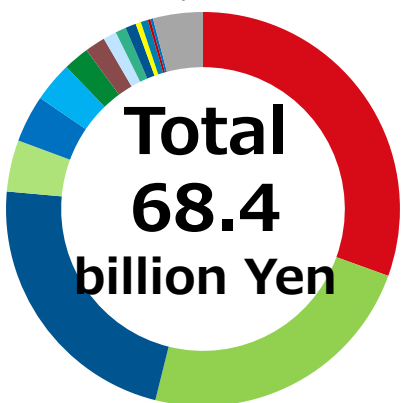
(2) Refinancing (up to 5.5 years)

Lenders	Syndication with MUFG Bank, Ltd. as the arranger (10 banks in total)			
Borrowing date	October 29, 2021			
Period	1.0 year	3.0 years	4.5 years	5.5 years
Amount of borrowings (total amount)	0.40 billion Yen	0.70 billion Yen (Total 5.20 billion Yen)	1.25 billion Yen	2.85 billion Yen
Borrowing interest (annual rate) (Note 2)	0.35727%	0.3995%	0.5175%	0.6300%

Diversification status of repayment dates (as of December 15, 2021)



Lender formation (as of December 15, 2021)



MUFG Bank, Ltd.	30.5%
Sumitomo Mitsui Banking Corporation	23.4%
Development Bank of Japan Inc.	22.5%
Resona Bank, Ltd.	4.2%
Mizuho Bank, Ltd.	3.9%
The Bank of Fukuoka, Ltd.	3.3%
The Yamaguchi Bank, Ltd.	2.1%
The Ashikaga Bank, Ltd.	1.7%
The Senshu Ikeda Bank, Ltd.	1.1%
The Hokuriku Bank, Ltd.	0.9%
The Bank of Kyoto, Ltd.	0.9%
THE NISHI-NIPPON CITY BANK, LTD.	0.4%
The Higo Bank, Ltd.	0.6%
SUMITOMO LIFE INSURANCE COMPANY	0.2%
The 77 Bank, Ltd.	0.2%
Investment corporation bonds	4.1%

Rating conditions

Credit Rating Agency	Japan Credit Rating Agency, Ltd. (JCR)	
Acquisition date and update date	January 8, 2021	
Subject of Rating	Long-term issuer rating	Green Finance Framework
Rating	A (Stable)	Green1(F)

(Note 1)“Hotel REITs” refers to six investment corporations listed on the Tokyo Stock Exchange which held accommodation facilities such as hotels and ryokans at 80% or more based on (planned) acquisition price as of the date of this document., and are five listed investment corporations specializing in hotels and ryokans provided by THE ASSOCIATION FOR REAL ESTATE SECURITIZATION (Japan Hotel REIT Investment Corporation, Ichigo Hotel REIT Investment Corporation, Ooedo Onsen Reit Investment Corporation, MORI TRUST Hotel Reit, Inc. and HRR) as well as Invincible Investment Corporation.

(Note 2) For “Borrowing interest (annual rate)” (excluding the period of 1.0 year), interest payable has been fixed by an interest rate swap agreement. “Borrowing interest (annual rate)” for the period of 1.0 year is for borrowings on a floating interest basis, but was calculated based on JBA three-month Japanese Yen TIBOR as of October 27, 2021. The actual floating rate applied is three-month Japanese Yen TIBOR at the specified point in time two business days before each due date of interest payment, and may differ from the borrowing rate.

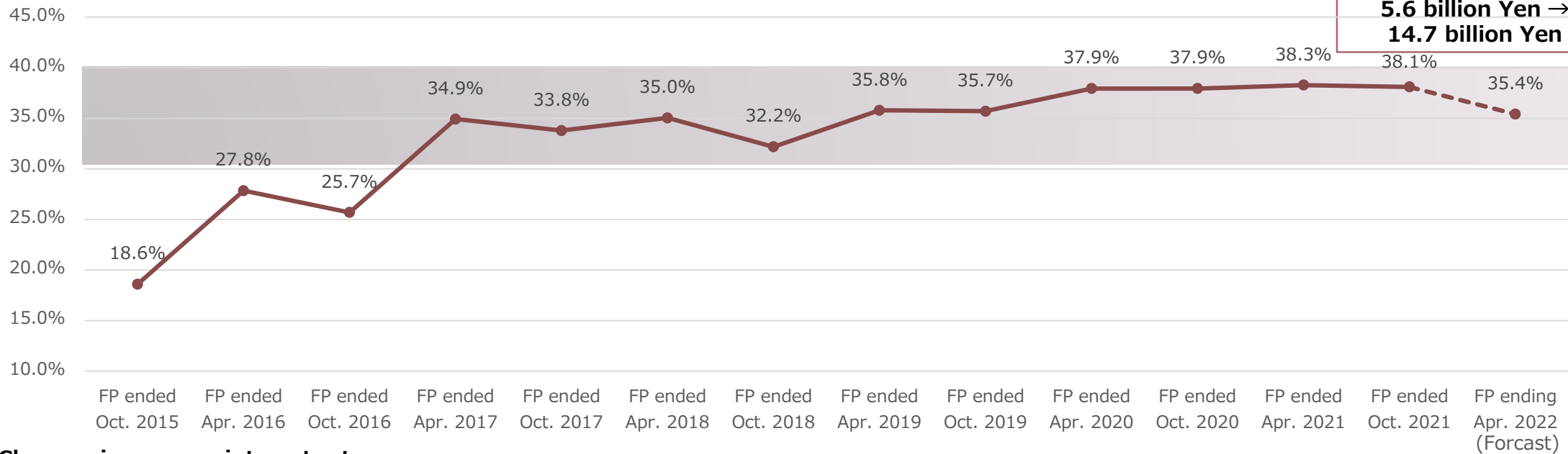
Financial highlights (2)

Build a solid financial foundation that balances financial soundness with property acquisition mobility

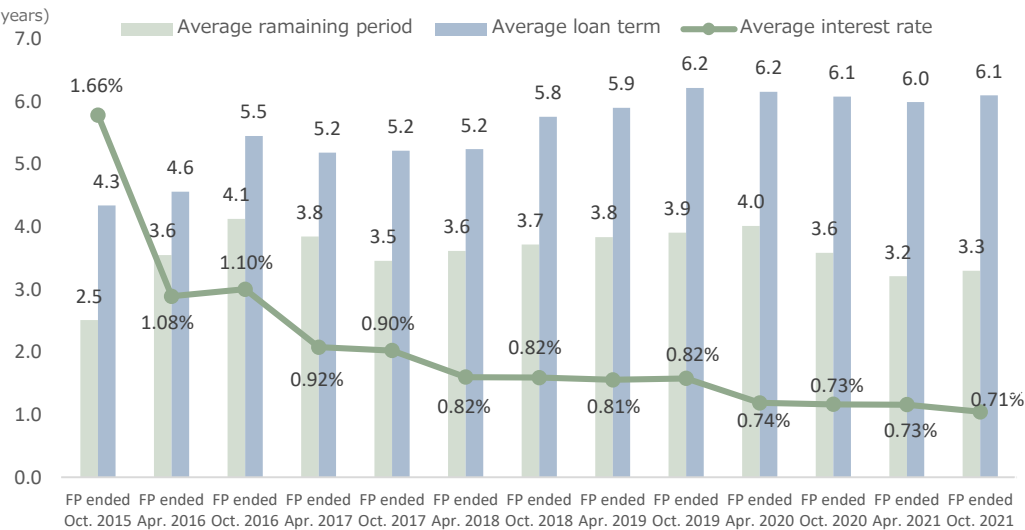
Hashino Resorts REIT, Inc.

With the 8th public offering, we have increased our acquisition capacity by 9.1 billion yen compared to October 2021 to 14.7 billion yen, providing us with greater property acquisition mobility. We will also strive to extend procurement times and reduce costs, continuing our stable financial operations by maintaining a high fixed interest ratio.

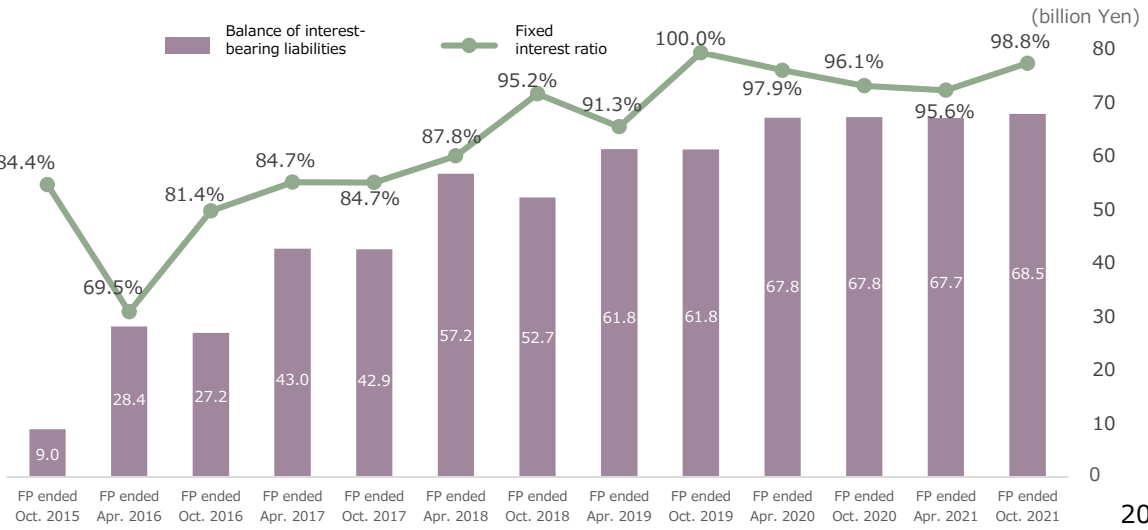
LTV control (as of December 15, 2021)



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



Interest-bearing debt fixed interest ratio



Impact on real estate appraisal amounts, etc.

Hoshino Resorts REIT, Inc.

The solid business results of Hoshino Resorts-managed properties and the 22 roadside properties despite the COVID-19 situation have been recognized, and appraisal amounts during each reporting period are rising. For the properties other than Hoshino Resorts-managed properties, appraisal amounts fell again, following the drop in the 16th fiscal period ended Apr. 2021, but the percentages of each drop are shrinking, and the falling appraisal amounts show signs of bottoming out. Cap rates have remained unchanged for all properties.

(millions of Yen)

	Real estate appraisal amount, etc.			Direct reduction amount		DCF amount	
	End of current fiscal period (17th FP)	Change (amount) (vs. 16th FP)	Change (percentage) (vs. 16th FP)	End of current fiscal period (17th FP)	Change (percentage) (vs. 16th FP)	End of current fiscal period (17th FP)	Change (percentage) (vs. 16th FP)
Total for 63 properties	180,644	+137	+0.1%	183,630	▲0.2%	178,810	+0.3%
Total for Properties operated by the Hoshino Resorts	68,867	+279	+0.4%	68,760	+0.1%	68,753	+0.7%
4 HOSHINOYA Properties	25,610	+120	+0.5%	25,690	-	25,400	+0.9%
2 RISONARE Properties	12,300	+110	+0.9%	12,010	+0.4%	12,580	+1.4%
11 KAI Properties (Note)	20,287	+59	+0.3%	20,430	+0.1%	20,103	+0.4%
Others	10,670	▲10	▲0.1%	10,630	-	10,670	▲0.2%
Total for Properties operated by outside operators	111,777	▲142	▲0.1%	114,870	▲0.4%	110,057	+0.1%
3 ACP Properties	29,030	▲10	▲0.0%	30,420	▲0.1%	28,420	-
2 Hyatt Properties (Note)	23,650	▲120	▲0.5%	24,010	▲1.3%	23,320	+0.3%
22 Roadside Properties	19,321	+37	+0.2%	19,555	+0.2%	19,089	+0.2%
4 the b Properties	19,260	▲40	▲0.2%	20,190	▲0.2%	18,860	▲0.2%
Others	20,516	▲9	▲0.0%	20,695	▲0.4%	20,368	+0.2%

(Note) KAI Nagato (one of the 11 KAI properties) and Grand Hyatt Fukuoka (one of the 2 Hyatt properties) were acquired on June 1, 2021, so when calculating figures for the end of the 16th fiscal period ended Apr. 2021 for these two properties, the figures indicated in the real estate appraisal as of the time of acquisition of the property were used.

The Investment Corporation and the Asset Management Company actively carry out environmental and social initiatives.

GRESB Real Estate Assessment <3 Stars> GRESB Public Disclosure Assessment <A Level>

The Investment Corporation participated in the 2021 GRESB Real Estate Assessment, and its GRESB rating, which is assigned using a five-point scale based on global rankings of total scores, was <3 Stars>.

Areas such as our risk assessment and tenant community were rated more highly than in 2020, the first year we underwent assessment, when we were given the rating of <2 Stars>.

Furthermore, in the GRESB Public Disclosure Assessment, our ESG information disclosure initiatives were rated highly, and we were given the rating of <A Level>, the highest level, surpassing the <B Level> we were given in 2020.



Task Force on Climate-related Financial Disclosures Declaration of support for the TCFD recommendations

In November 2021, the Asset Management Company declared its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) with regard to asset management by the Investment Corporation, and it joined the TCFD Consortium and began taking part in its activities.



Issuing of green bonds (HRR bonds)

Some of these green bonds were used as funds for making payments before maturity for existing loans related to BEB5 Karuizawa (BELS Certification: ★★)

The Investment Corporation sees forest conservation, which is closely related to the problem of climate change, as a critical matter. To prevent the spirit of conserving the environment from being forgotten, these green bonds have been named "Hoshino Resorts REIT Initiative Green "Owl Bonds".

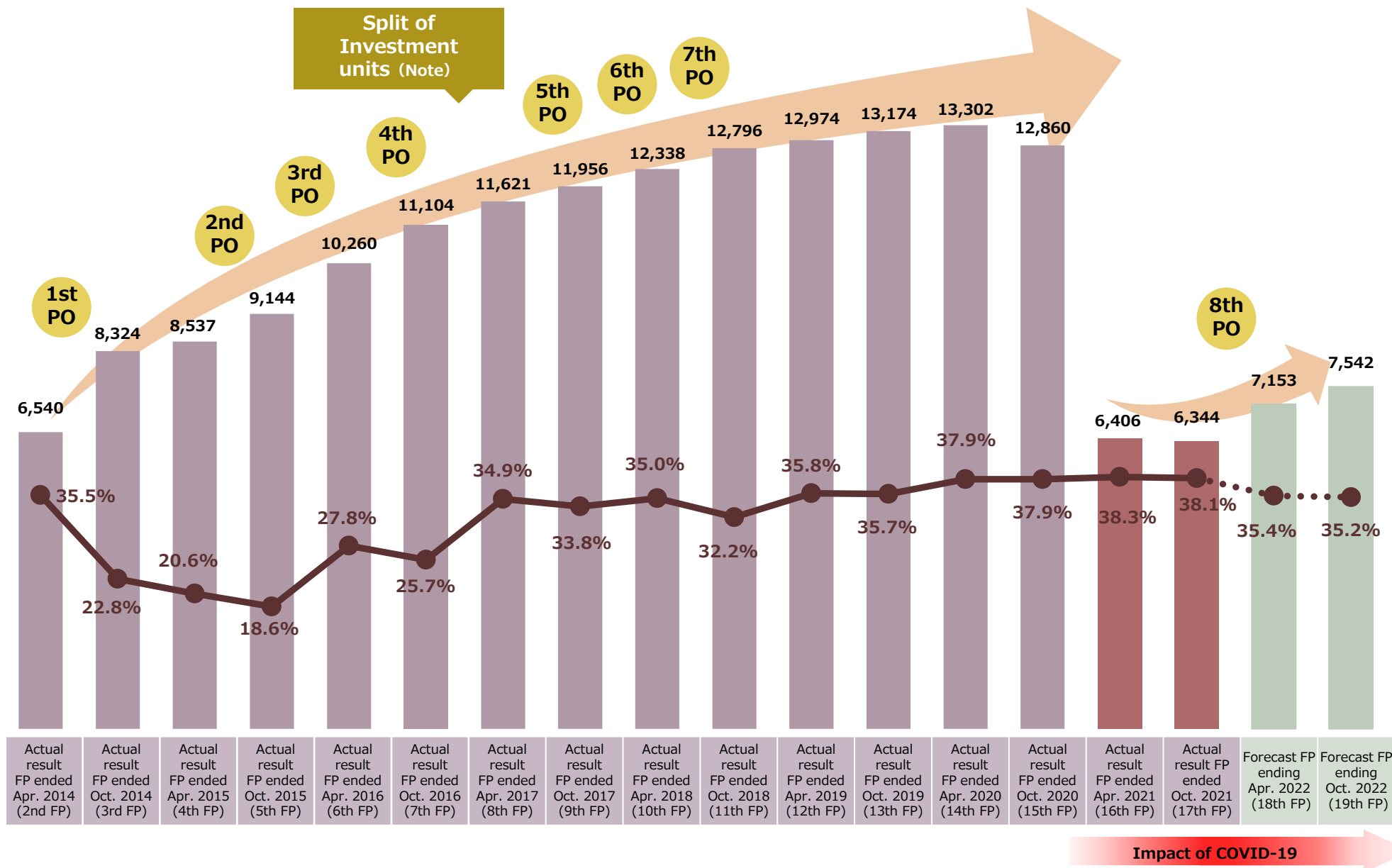
Owls live in the Karuizawa National Wild Bird Sanctuary Forest, which is located adjacent to BEB5 Karuizawa, and diverse wildlife maintains the balance of the natural ecosystem. Every day, BEB5 Karuizawa welcomes guests, protected by the rich forest around it.

II

Forecasts for 18th
fiscal period
ending April 2022 and
19th fiscal
period ending October
2022



Changes in distributions per unit (Yen) and LTV (%)



Forecasts for 18th fiscal period ending April 2022 and 19th fiscal period ending October 2022

Hoshino Resorts REIT, Inc.

FP ending April 2022		Assumption	FP ending October 2022		Assumption
Operating revenue (millions of yen)	5,431	[Operating revenue] Fixed rent 4,590 million yen Floating rent 797 million yen Other rent 10 million yen Other revenue 32 million yen	Operating revenue (millions of yen)	5,521	[Operating revenue] Fixed rent 4,755 million yen Floating rent 715 million yen Other rent 10 million yen Other revenue 39 million yen
Operating profit (millions of yen)	2,203	[Operating expenses] Fixed assets tax, city planning tax, etc. 480 million yen Depreciation 1,527 million yen	Operating profit (millions of yen)	2,246	[Operating expenses] Fixed assets tax, city planning tax, etc. 506 million yen Depreciation 1,550 million yen
Ordinary profit (millions of yen)	1,755	[Non-operating expenses] Debt-financing-related expenses 405 million yen Investment unit issuance costs 43 million yen	Ordinary profit (millions of yen)	1,850	[Non-operating expenses] Debt-financing-related expenses 396 million yen
Profit (millions of yen)	1,754	[Expected LTV at the end of FP] 35.4%	Profit (millions of yen)	1,849	[Expected LTV at the end of FP] 35.2%
(Note) Distribution per unit (yen)	7,153		(Note) Distribution per unit (yen)	7,542	

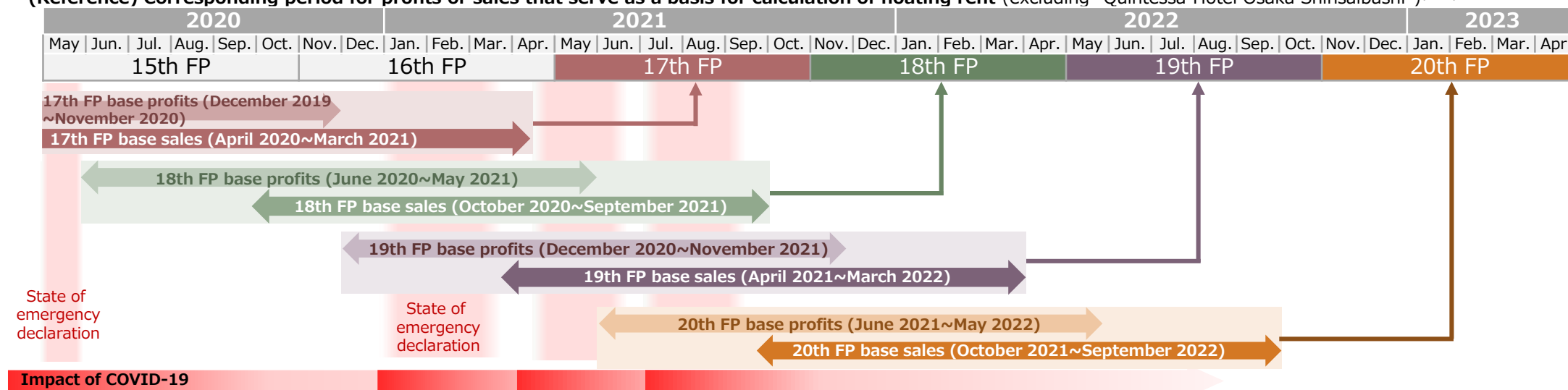
(Note) The distribution per unit is calculated by dividing by the estimated total number of investment units issued and outstanding (245,324 units), including the maximum number of units to be issued by third-party allotment (969 units). Those are assuming that these distributions will be made after performing a reversal of part of the reserve for tax purpose reduction entry included in retained earnings.

Actual rent for 17th fiscal period ended October 2021 and Expected rent for 18th fiscal period ending April 2022 and 19th fiscal period ending October 2022

Hoshino Resorts REIT, Inc.

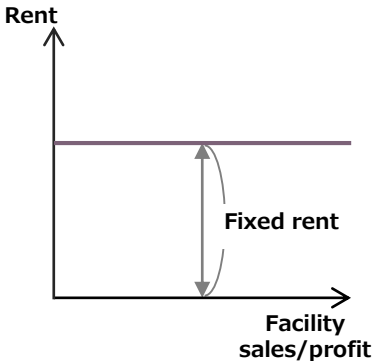
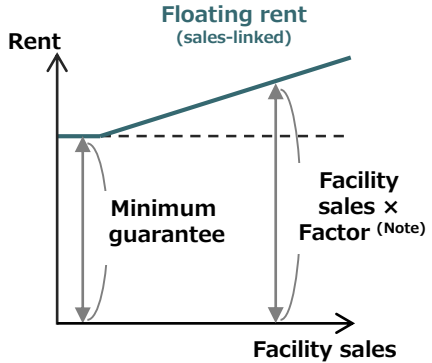
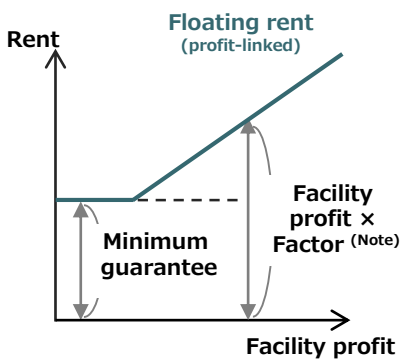
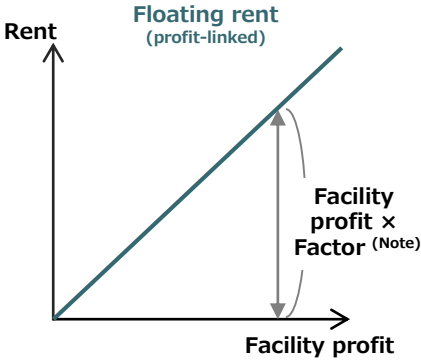
Operators	Brand	Actual rent for the 17th fiscal period ended October 2021			Expected rent for the (Note) 18th fiscal period ending April 2022			Expected rent for the (Note) 19th fiscal period ending October 2022			(million Yen)	Supplement
		Fixed rent, etc.	Floating rent	Total	Fixed rent, etc.	Floating rent	Total	Fixed rent, etc.	Floating rent	(Floating rent linked to sales)		
Properties operated by the Hoshino Resorts	HOSHINOYA	618	109	728	618	194	813	618	170	95	789	
	RISONARE	374	142	516	374	249	623	374	232	106	606	
	KAI	556	211	767	570	282	853	542	240	69	782	premium fixed rent for KAI Alps until 18th FP
	Others	386	-	386	386	-	386	386	-	-	386	
Subtotal		1,936	462	2,398	1,949	726	2,676	1,922	643	270	2,565	
Properties operated by outside operators	4 ACP properties (3 ACP properties from the 18th fiscal period ending Apr. 2022) (ANA Crowne Plaza Fukuoka)	720	-	720	696	-	696	696	-	-	696	ANA Crowne Plaza Fukuoka contributed for one month in May, 2021 during the 17th FP
		(24)	(-)	(24)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	
	2 Hyatt Properties	303	-	303	406	-	406	502	-	-	502	
	22 Roadside properties	558	41	600	558	70	628	558	65	65	623	
	4 the b properties	265	-	265	265	-	265	265	-	-	265	
	Others	513	-	513	513	-	513	522	7	-	529	
Subtotal		2,360	41	2,402	2,439	70	2,510	2,544	72	65	2,617	
Total		4,296	504	4,801	4,389	797	5,186	4,466	715	336	5,182	
Newly acquired properties	KAI Kirishima	-	-	-	76	-	76	101	-	-	101	In the 18th FP, newly acquired properties contribution for 5 months from Dec 2021.
	KAI Beppu	-	-	-	135	-	135	198	-	-	198	
Total for 65 properties after acquisition of new properties		4,296	504	4,801	4,601	797	5,398	4,765	715	336	5,481	

(Reference) Corresponding period for profits or sales that serve as a basis for calculation of floating rent (excluding "Quintessa Hotel Osaka Shinsaibashi") (Note)



(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 Hoshino Resorts REIT, Inc. and tenant, of each facility applicable to this fiscal period. Hoshino Resorts REIT, Inc. 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.

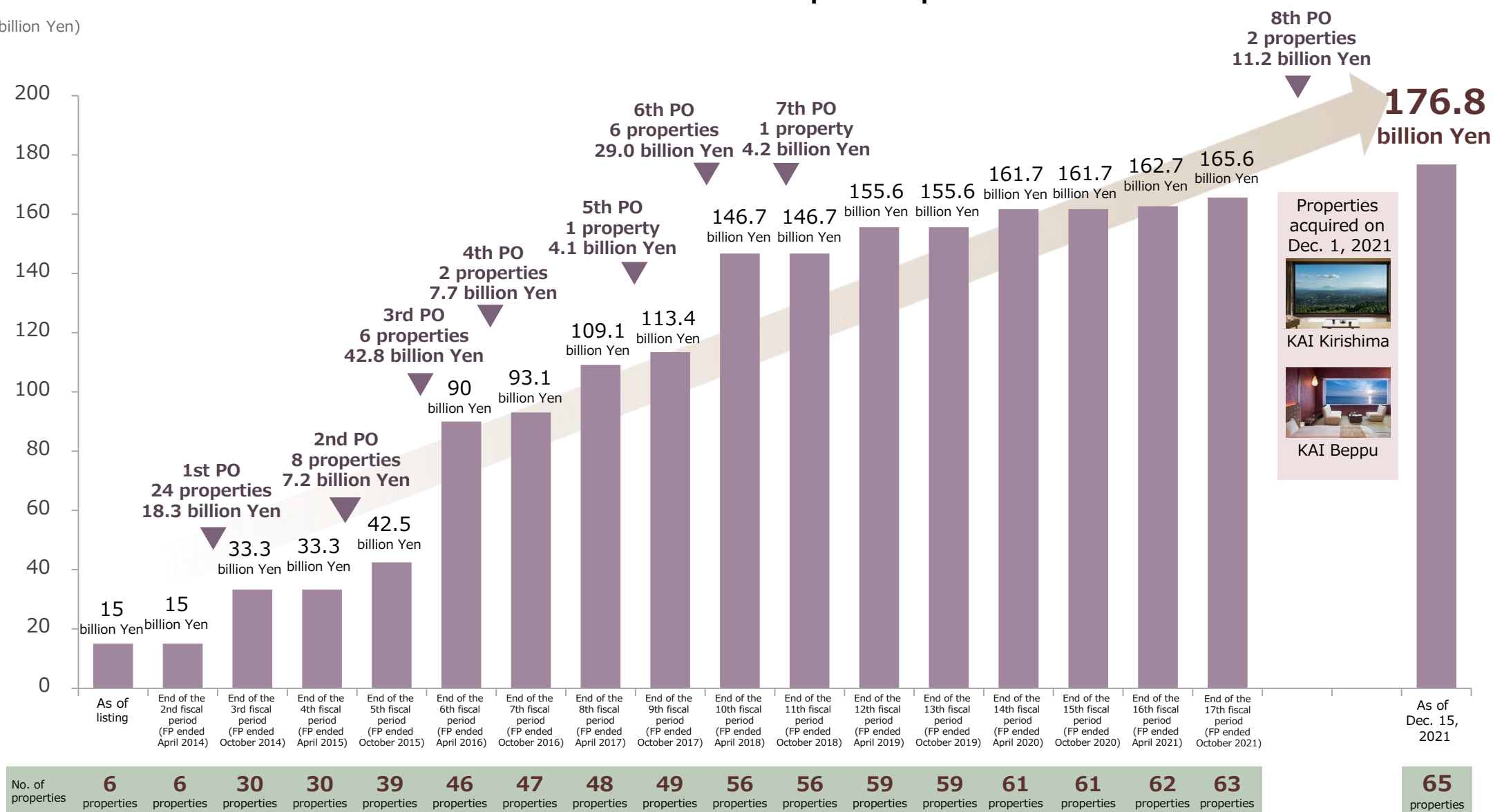
(As of Dec. 15, 2021)

Rent type		Fixed rent	Floating rent (With minimum guarantee)	Floating rent (With minimum guarantee)	Floating rent
Benchmark index for calculation of floating rent		—	Facility sales	Facility profits	Facility profits
No. of properties		9 properties	31 properties	24 properties	1 property
Acquisition Price	Amount	9.4 billion Yen	35.4 billion Yen	115.9 billion Yen	16.0 billion Yen
	Ratio	5.3%	20.0%	65.6%	9.0%
Name of property		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, KAI Nagato, KAI Kirishima, KAI Beppu, 3 ACP properties, OMO7 Asahikawa, Iriomote Hotel, BEB5 Karuizawa, 4 the b properties, hotel androoms Osaka Hommachi, Sol Vita Hotel Naha, Quintessa Hotel Osaka Shinsaibashi, Grand Hyatt Fukuoka	Hyatt Regency Osaka
Rent plan image					

(Note) Factors differ depending on property.

Asset scale in terms of acquisition price

(billion Yen)



III

Future operation strategy



The growth strategies of Hoshino Resorts and the Hoshino Resorts REIT (1) Strengthening the microtourism market

Hoshino Resorts REIT, Inc.

Hoshino Resorts will continue to develop attractions and conduct PR activities to nurture the microtourism market even as COVID-19 comes to an end and inbound demand returns.

Microtourism will continue even after the pandemic

Developing the microtourism market!



The full-grown domestic market



The seedling inbound tourism market



The seedling microtourism market

The inbound tourism market - Hoshino Resorts' demand recovery forecast

Vaccines administered to all who wish to be vaccinated

Exemption of self-quarantine requirements through use of vaccine/testing packages

Nov. 2021

~Spring

2022
15%

2023
40%

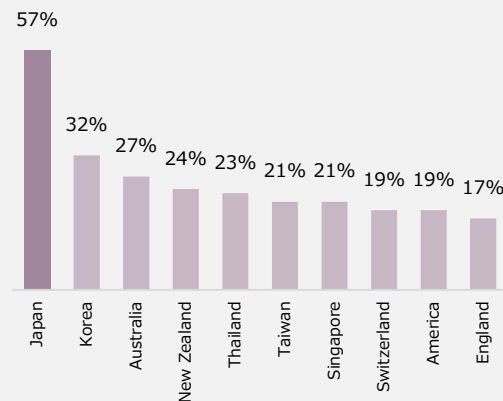
2024
70%

Osaka Expo 2025
100%

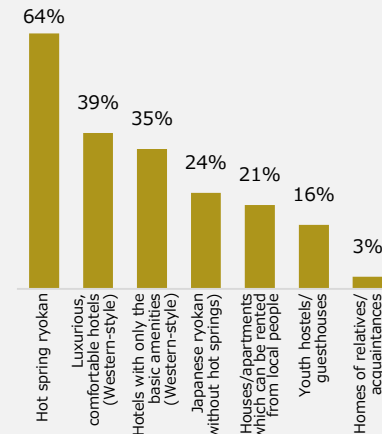
(Inbound tourism vs. 2019)

Survey on Inbound Tourists

Countries/regions people wish to visit next (n=5,692)



Lodging facilities people wish to stay at (n=3,261)



(Source: Development Bank of Japan Inc. and Japan Travel Bureau Foundation "Survey on Tourist Travel to Japan from Asia, Europe, the United States, and Australia (Second Special Study on the Impact of the COVID-19 Pandemic)")

The growth strategies of Hoshino Resorts and the Hoshino Resorts REIT (2)

Developments of KAI brand

Hoshino Resorts REIT, Inc.

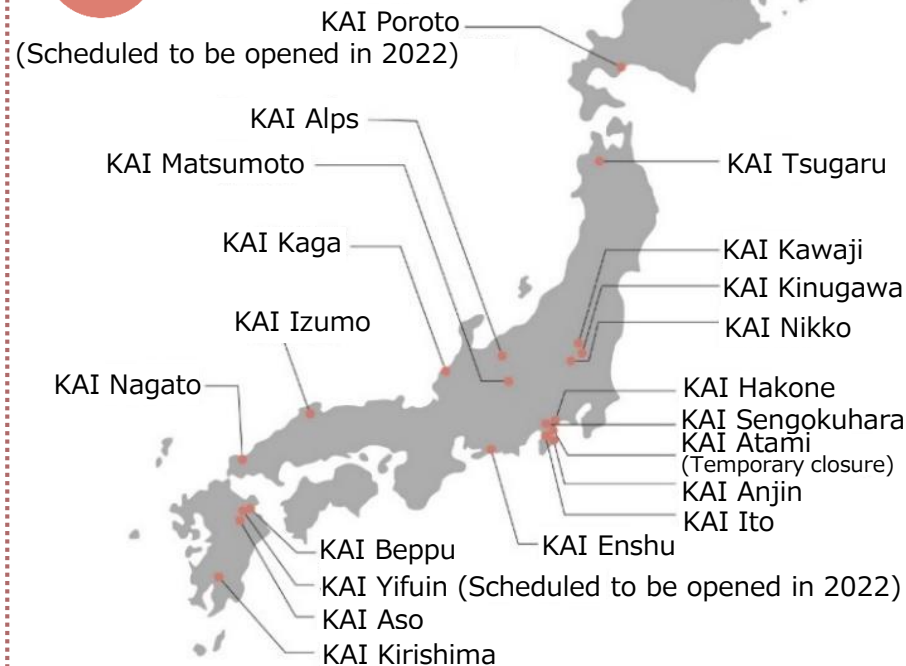
KAI is a Hoshino Resorts high-end hot spring ryokan brand with locations nationwide. It offers the latest in comfortable guestrooms and hot springs while leveraging natural beauty and local traditions, and it constantly strives to provide hospitality that enables people to truly relax. Through the pandemic, as well, it has effectively captured microtourism demand and other demand and posted solid business results. We are aiming to reach a total of 30 properties with 1,500 guestrooms in the future.

KAI

- Hoshino Resorts' **high-end hot spring ryokan brand**, celebrating its 10th history this year
- It features "**Gotochi-Gaku (cultural discovery)**" and "**local rooms**" where you can experience traditional crafts, culture, and entertainment
- "**KAI Kirishima**" was opened in January 2021, and "**KAI Beppu**" was opened in July 2021. The **19th KAI property**, "**KAI Poroto**," is scheduled to open in January 2022
- Hoshino Resorts aims to open **30 KAI properties** in famous hot springs areas nationwide



Development in areas nationwide (Note 1)

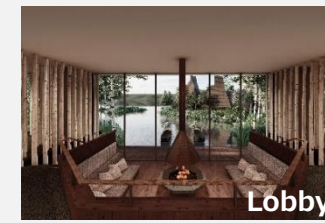


The new "KAI Poroto" resort

(January 14, 2022 Scheduled opening)

A hot spring ryokan with a cone-shaped bathhouse surrounded by Lake Poroto

- The first KAI property in Hokkaido
- All guestrooms face directly onto Lake Poroto, and guests can enjoy Ainu culture in the local rooms
- The distinctive "△ Hot Spring (triangle hot spring)" and "○ Hot Spring (circle hot spring)" are moor hot springs, a rarity not only in Japan but throughout the world (Note 2)
- In June 2018, Hoshino Resorts and the Hokkaido town of Shiraoi concluded a partnership agreement to collaborate to provide guests with experiences that foster harmonious coexistence with traditional Ainu culture.

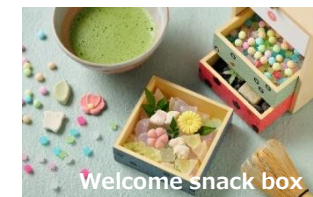
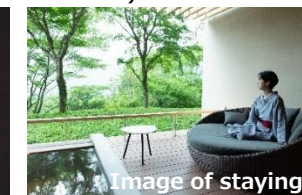
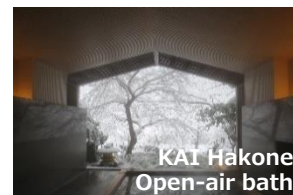


KAI Tabi 20s - A 21-hour hot spring stay that leaves me totally fulfilled -

KAI Tabi 20s was created for young people, who are traveling less and less, rooted in Hoshino Resorts' belief that Japan's allure lies in its provinces and its desire to draw together the ideas of the young people that will be the future of Japan and show them the wonders of travel, which provide rich life experiences. Over 30,000 guests have used this service.

Main features

- ✓ Conditions: Guests must be age 20 to 29 (reservations can be made for two or more guests)
- ✓ 19,000 Yen for one night (price per person for a party of two, includes dinner and breakfast, service fees included)



(Note 1) As of the present, HRR has no plans and has made no decisions to acquire the facilities introduced on this page which are not the property of HRR.

(Note 2) "Moor hot springs" are hot springs containing organic matter created through the decomposition of natural plant matter. They have a distinctive brown color.

The growth strategies of Hoshino Resorts and the Hoshino Resorts REIT (3)

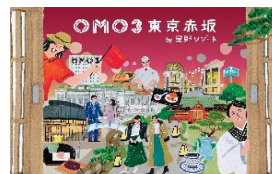
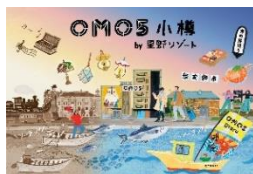
Developments of OMO brand

Hoshino Resorts REIT, Inc.

Looking towards the recovery in urban tourism demand in the post-COVID-19 world, Hoshino Resorts is accelerating its nationwide roll-out of the OMO urban tourism brand.

3 facilities scheduled to open in January 2022

【OMO5 Otaru】 "Scenic canal strolls in a retro port town" 140 guestrooms in total	【OMO3 Sapporo Susukino】 "A night out on the town in Susukino" 92 guestrooms in total	【OMO3 Tokyo Akasaka】 "First dibs on here!" 226 guestrooms in total
---	---	--



The OMO7 Osaka, scheduled to open in April 2022!

"Big-hearted and brassy, Osaka is yours"

This new hotel is located right beside the Shinsekai area, where the classical atmosphere of Osaka is alive and well. Situated in front of Shin-Imamiya Station, it provides convenient access to sightseeing destinations. It aims to be an urban tourism hotel packed with all the qualities of Osaka, making everyone who stays there think, "That's the real Osaka!"

✓Enjoy the allure of Osaka



✓Spacious lawn



✓436 guestrooms
with 8 guestroom types



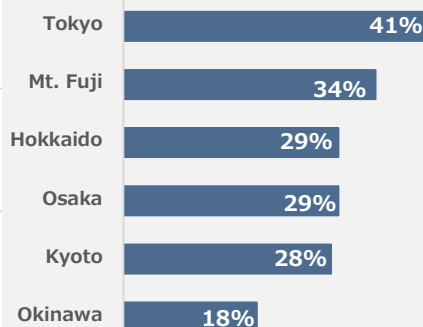
✓Enjoy the food culture
of Osaka



✓Neighborhood strolls



Survey on Inbound Tourists Survey on Tourist Destinations in Japan (n=5,726)

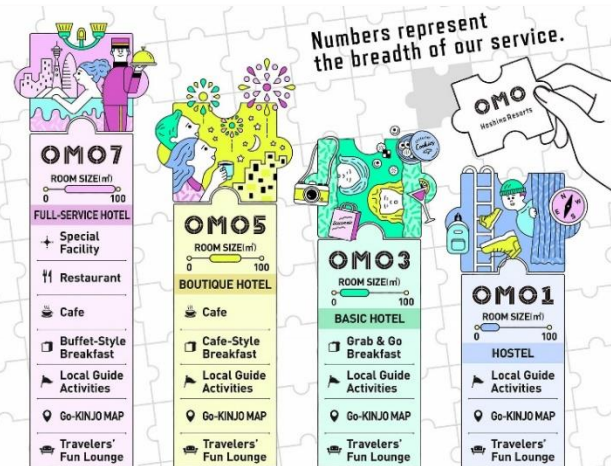


(Source: Development Bank of Japan Inc. and Japan Travel Bureau Foundation "Survey on Tourist Travel to Japan from Asia, Europe, the United States, and Australia (Second Special Study on the Impact of the COVID-19 Pandemic)")

Urban tourism hotels that go beyond mere places to sleep, instead making trips even more exciting
"OMO" brand is born

OMO7 Asahikawa

OMO5 Tokyo Otsuka



April 2022
10 facilities
(planned)
1,724
guestrooms

The number of guestrooms is expected to reach over 3,000

OMO1 Tokyo Kawasaki (planned)

OMO7 Osaka (planned)

OMO5 Otaru (planned)

OMO3 Sapporo Susukino (planned)

OMO3 Tokyo Akasaka (planned)

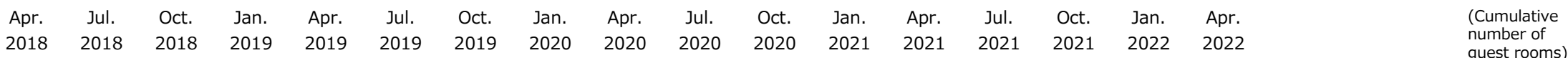
OMO5 Okinawa Naha

OMO5 Kyoto Sanjo

OMO3 Kyoto Toji

OMO5 Kyoto Gion

6 facilities
(current)
830 guestrooms



(Note) The only OMO brand property owned by HRR is OMO7 Asahikawa. As of the present, HRR has no plans and has made no decisions to acquire any other facilities.

The growth strategies of Hoshino Resorts and the Hoshino Resorts REIT (4)

Hoshino Resorts' initiatives aimed at the post-COVID-19 world

Hoshino Resorts REIT, Inc.

Hoshino Resorts has been quick to focus on the travel trends expected in the post-COVID-19 world and the social issues that have been highlighted by the pandemic. It is evolving its services based on its findings.

24 signs of rising travel intent



Source: Guide to Restoring Travel Business in the New Era - Insights from Social Media for Companies - Vol. 2



"Revenge" graduation trips at BEB and OMO

Until spring 2022, BEB and OMO are offering travel plans for people who were unable to take graduation trips due to the pandemic.

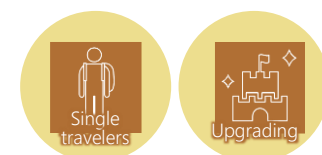
(Example) BEB "Revenge" Graduation Trip Plan

- * Board games (loaned)
- * Chat gacha (loaned)
- * Night meals
- * Remedies for sleepy travelers, etc.

Perfect for people who want to have so much fun there's no time for sleeping!



BEB5 Karuizawa



KAI Izumo, KAI Kaga

Deluxe meals normally only available for two or more guests can now be enjoyed by guests dining on their own.



KAI Izumo "Hono-style Steamed Fresh Crab"

New normal meals

"Chochin (Japanese Paper lantern) Meals"

The problems with "masked meals" are that taking masks off and putting them back on over and over again takes time and effort, and it's difficult to read the expressions of the people you're dining with. To enable guests to enjoy peace of mind while eating without using a mask, "HOSHINOYA Tokyo" developed "Tokyo Paper Lantern Meals." Diners sit inside custom-made paper lantern partitions which prevent the spread of droplets but enable those gathered to enjoy dining and chatting without worry or hesitation.

- Paper lantern partitions developed jointly with a veteran paper lantern maker
- Diners enjoy peace of mind without the need for a mask



Hoshino Resorts employee vaccination rate

Providing customers with peace of mind

We share accurate information regarding vaccines within the company and are striving to reach higher vaccination rates. We also conduct PCR testing for employees who are unable to receive vaccinations due to extenuating circumstances.

Vaccination Rate
94.6 %

(as of Dec. 1, 2021)
(Source: provided by Hoshino Resorts)

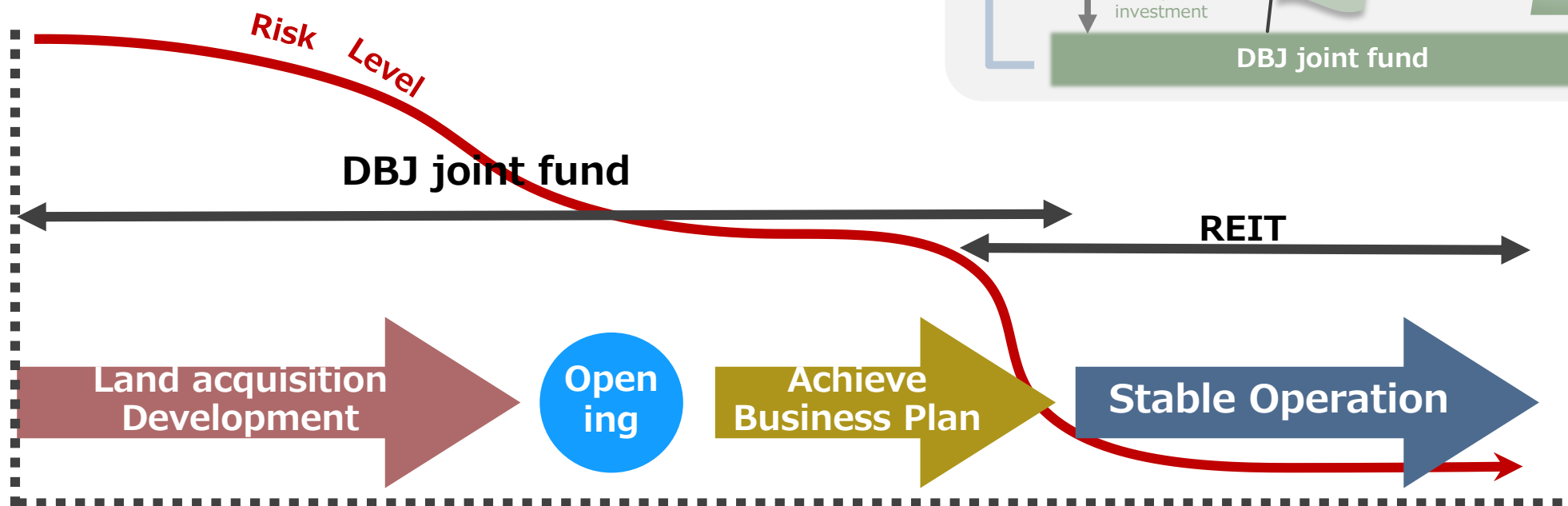
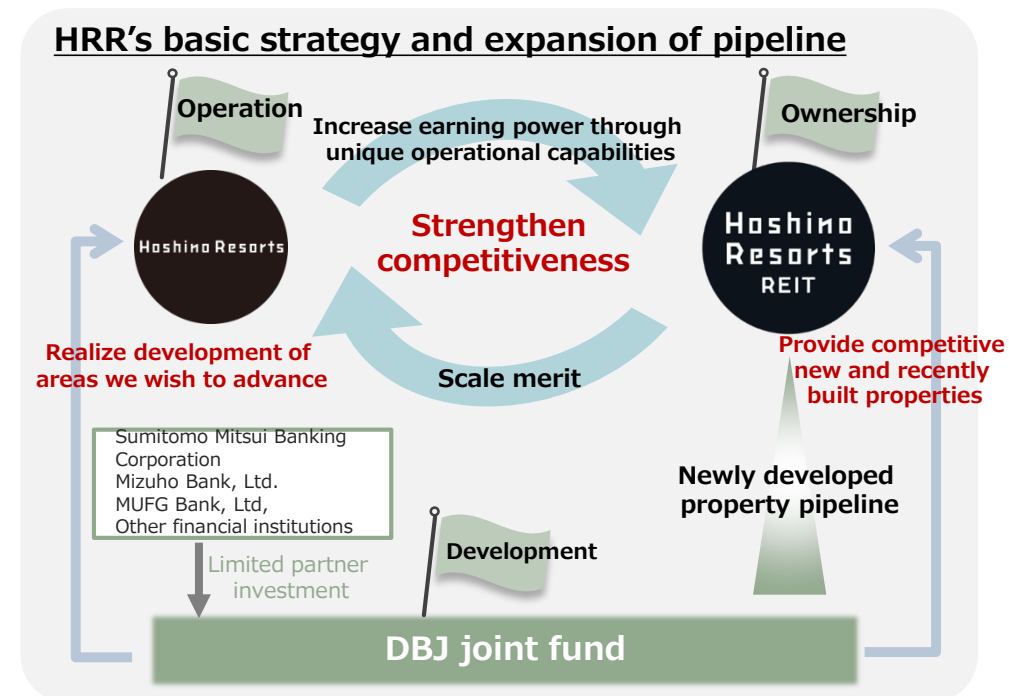
Operation strategy (1)

The fundamental strategies of Hoshino Resorts REIT

Hoshino Resorts REIT, Inc.

HRR, Hoshino Resorts, and the DBJ Joint Fund are responsible for each of the three important functions that make up the hotel business: ownership, operation, and development. They work together to produce synergistic benefits.

- Since 1992, Hoshino Resorts has employed strategies focused on operation. HRR has grown by leveraging these powerful operational capabilities.
- HRR is responsible for ownership, enabling Hoshino Resorts to dedicate itself to operations. The Investment Corporation has grown by leveraging these powerful operational capabilities.
- The growth of HRR's ownership functions have helped improve the probability of development outcome success, and brought about the formation of the DBJ Joint Fund, which is responsible for comparatively risky development.
- Until now, Hoshino Resorts has had to wait for revitalization projects, but with the formation of the DBJ Joint Fund, it is now able to open the facilities it wants and offer the services it wants where it wants.
- We believe that the close collaboration between these three parties helps enhance the competitiveness of the Investment Corporation's portfolio while at the same time further strengthening Hoshino Resorts' operation capabilities and customer drawing power.



Operation strategy (2)

External growth (List of sponsor pipeline)

Hoshino Resorts REIT, Inc.

HRR aims to achieve an asset scale of 300 billion yen in the medium term through further external growth by acquiring properties mainly through sponsor pipelines.

List of the major sponsor pipeline

Hoshino Resorts Group owned facilities

Start of operation	Name of facility
1995	Karuizawa Hotel Bleston Court
2003	Bandaisan Onsen Hotel
2008	KAI Atami (under renovation)
2013	KAI Nikko
2017	The Surfjack Hotel & Swim Club
2019	RISONARE Kohamajima

DBJ joint fund owned facilities

Start of operation	Name of facility
2019	RISONARE Nasu
2020	HOSHINOYA Okinawa
2022 (planned)	KAI Poroto
2022 (planned)	OMO7 Osaka

Hoshino Resorts Group development projects (part)

Start of operation	Address
2022	Yufu-shi, Oita (KAI Yufuin)
2022	Unzen-shi, Nagasaki
2023	Kumaomoto-shi, Kumamoto
2024	Nara-shi, Nara (Former Nara Prison)
2025	Yokohama-shi, Kanagawa
2025	Shimonoseki-shi, Yamaguchi (RISONARE Shimonoseki (tentative name))
TBA	Asuka-mura, Nara
TBA	Wazuka-cho, Kyoto

WBF owned facilities

Start of operation	Name of facility
2010	Hotel WBF Kushiro
2014	Hotel WBF Grande Hakodate
2015	La Jolie Motomachi by WBF
2015	Hotel WBF Grande Asahikawa
2018	Hotel WBF Namba Kuromon
2019	Hotel WBF Hakodate
2019	Hotel WBF Fourstay Sapporo

Mezzanine loan receivables/silent partnership investments

Start of operation	Name
TBA	TLS5 Specified Purpose Company Class D Loan Receivables (collateral assets: (Tentative Name) Hotel WBF Grande Kansai Airport)
TBA	OkuhidaonsenryokanGK Silent Partnership Equity Interest

Third-party owned facilities (part)

Start of operation	Name of facility
2004	RISONARE Tomamu
2004	Tomamu The Tower
2005	Aomoriya
2005	Oirase Keiryu Hotel
2010	KAI Tsugaru
2016	HOSHINOYA Tokyo
2017	HOSHINOYA Bali
2017	KAI Anjin
2018	OMO5 Tokyo Otsuka
2018	KAI Sengokuhara
2019	HOSHINOYA Guguan
2020	BEB5 Tsuchiura
2021	OMO3 Kyoto Toji
2021	OMO5 Kyoto Sanjo
2021	HOSHINO Resorts KASUKE Tiantai
2021	OMO5 Okinawa Naha
2021	OMO5 Kyoto Gion
2022 (planned)	OMO3 Tokyo Akasaka
2022 (planned)	OMO3 Sapporo Susukino
2022 (planned)	OMO5 Otaru
2022 (planned)	OMO1 Tokyo Kawasaki

■ KAI Nikko Address: Tochigi



■ RISONARE Kohamajima Address: Okinawa



■ HOSHINOYA Okinawa Address: Okinawa



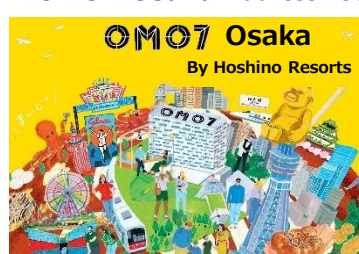
■ KAI Poroto Address: Hokkaido



■ RISONARE Nasu Address: Tochigi



■ OMO7 Osaka Address: Osaka



■ RISONARE Tomamu Address: Hokkaido



Operation strategy (3)

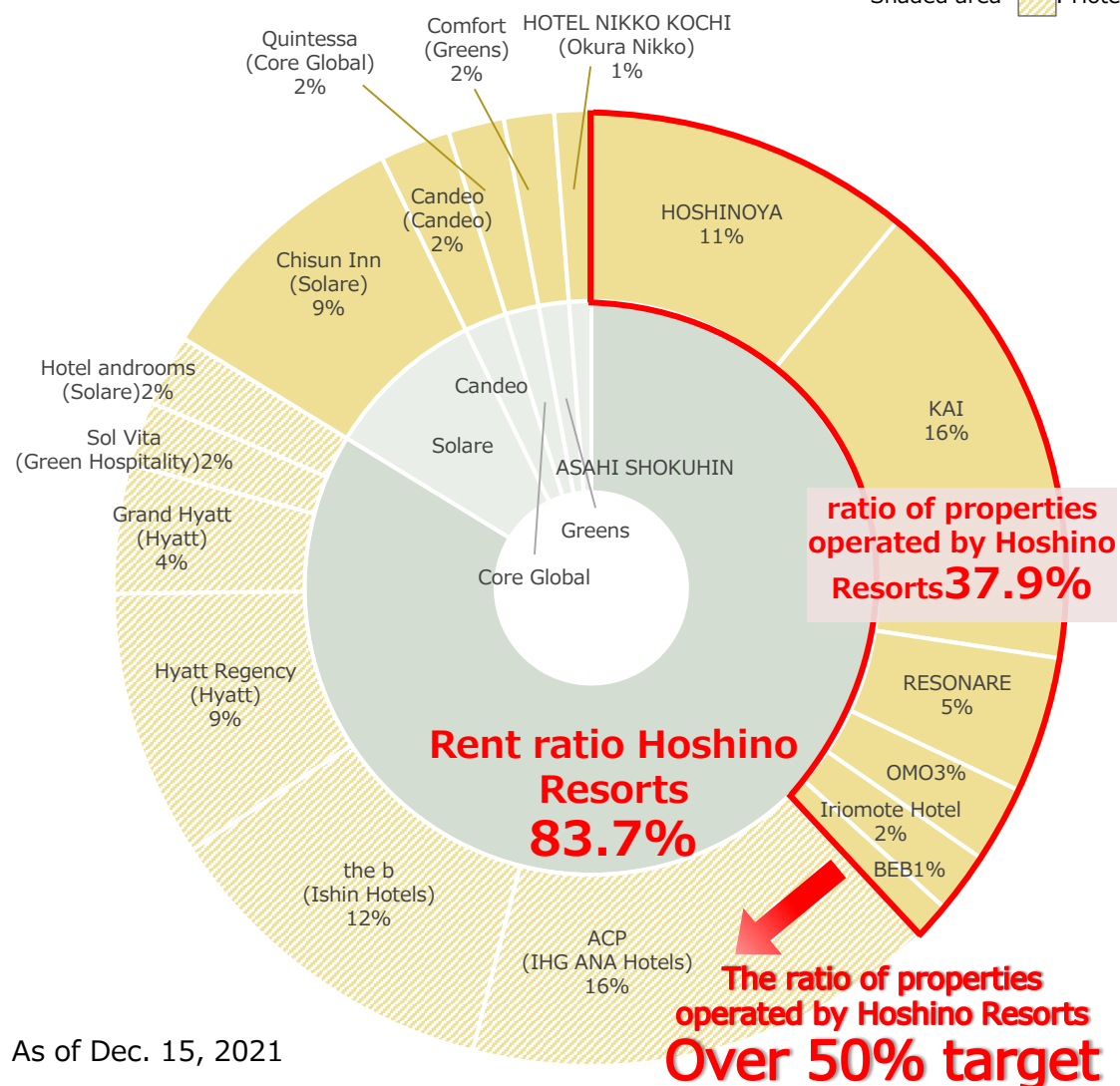
Portfolio structure

Hoshino Resorts REIT, Inc.

We are aiming for a Hoshino Resorts-managed property composition ratio of over 50%, which is expected to bring in stable, long-term cash flow.

Portfolio structure (based on acquisition price)

Inner circle : Breakdown by tenant
Outer circle : Breakdown by hotel brand (names of hotel operators are shown in parentheses)
Shaded area : Hotel management contracts with Hoshino Resorts



Tenant composition

- ◆ Hoshino Resorts, which accounts for 83.7% of the tenant portfolio, has a solid financial foundation that has enabled it to continue paying rent as normal, without rent reductions or payment grace periods, despite the unprecedented impact of the COVID-19 pandemic on the tourism industry.

Operator composition

- ◆ 37.9% of the portfolio is operated by Hoshino Resorts
- ◆ The remaining 62.1% is operated by outside operators
- ◆ Hoshino Resorts is a tenant of some of the properties operated by outside operators. It has been entrusted with hotel operations and has entered corresponding hotel management contracts (shaded section in the doughnut chart).

Brand composition

(see P. 51 – 52 for an overview of these brands).

- ◆ Hoshino Resorts Brand
Hoshino Resorts REIT, Inc. owns three main brands (HOSHINOYA, KAI, RISONARE) and other brands including OMO and BEB. These properties meet a wide range of travel needs, from resort and hot spring tourism to urban tourism and travel by young consumers.
- ◆ Outside Operators
It owns properties used for tourism purposes that have potential for rebranding as Hoshino Resorts brand properties and properties with completely fixed leasing rates that are expected to bring in stable leasing revenue.

As of Dec. 15, 2021

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



AUM

Over 300 billion Yen in the medium term

- Added to the Tokyo Stock Exchange REIT Core Index
- 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
- Obtain/improve external certification/evaluation related to ESG

IV

ESG initiatives



The condition of our planet's environment is worsening day by day, with a growing number of disasters caused by climate change. The Investment Corporation believes that it is vital to use sustainable methods to promote "Creating Shared Value (CSV)," a source of competitiveness in the new modern era, by contributing to the environment and society while generating profits, helmed by the powerful leadership of executives and management personnel.

In order to meet the expectations of stakeholders with respect to environmental, social, and governance issues, in December 2021 the Asset Management Company, as a member of the tourism industry, created the Sustainability Promotion Office, whose objectives are to speedily and thoroughly address these global issues.

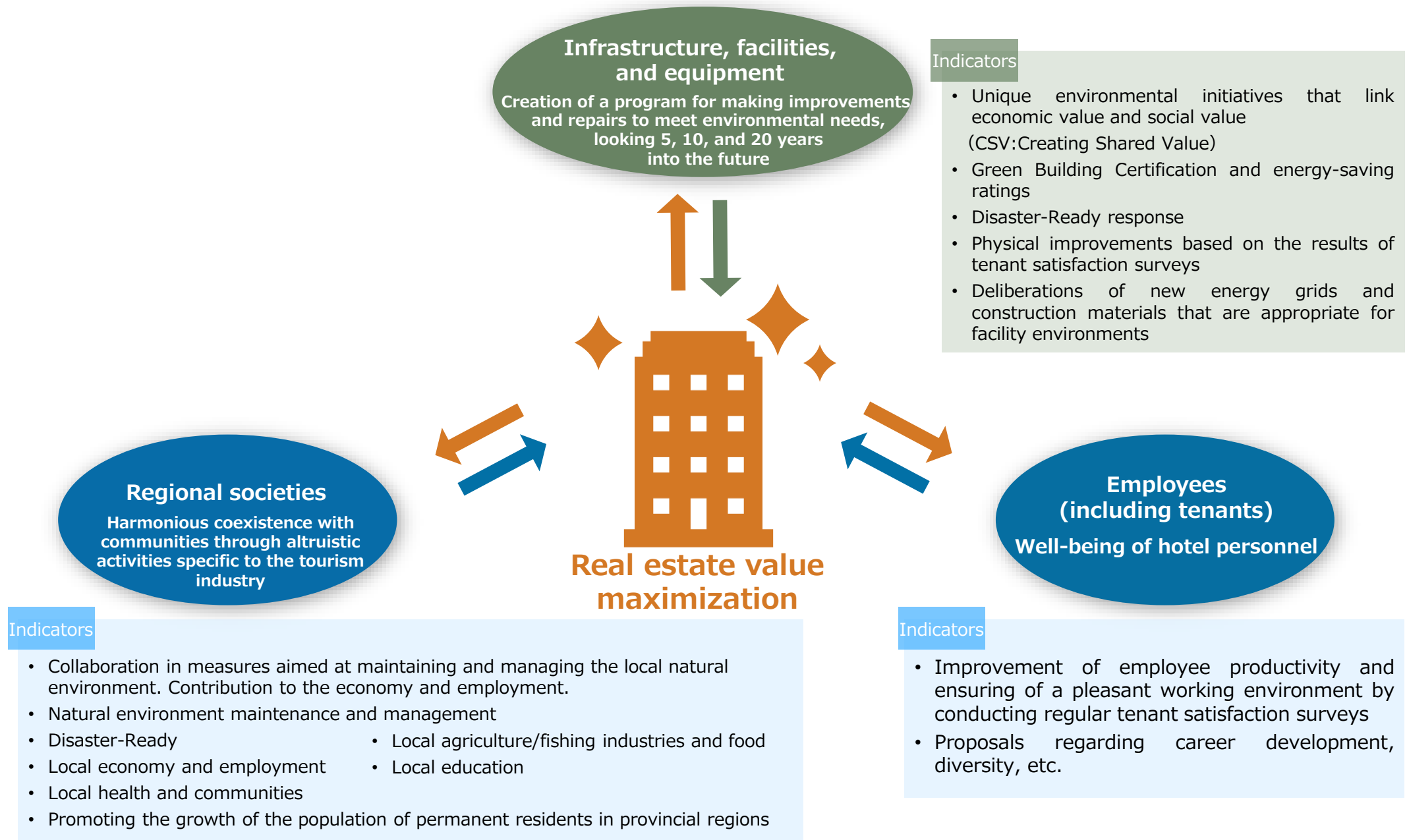
CSV: Creating Shared Value

The concept of CSV was developed by Michael Porter, an American management scholar. In the CSV approach, commercial enterprises create both economic value and social value by meeting society's needs (solving social issues).

Creating and promoting ESG unique to the tourism industry

Hoshino Resorts REIT, Inc.

Our goal is to create an ecosystem unique to the tourism industry, consisting of "building design and construction," "regional societies," and "employee well-being," from a real estate perspective.



Environmental operation of HRR

<Sustainability targets>

HRR 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 working on applying ingenuity and implementing measures led by the concept of not placing the burden of endurance on guests or staff members. The Asset Management Company has defined our energy usage reduction targets as follows.

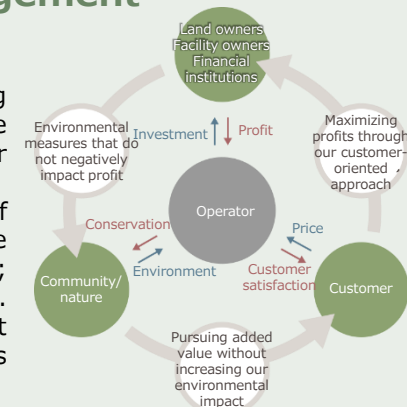
<For total assets held by HRR, our goal is to reduce annual energy usage by 1% in accordance with the Act on the Rational Use of Energy (commonly known as the Energy Conservation Act)>

Hoshino Resorts' environmental management

<Ecosystem of prosperous coexistence>

Hoshino Resorts sees hotels and local communities as being inseparable. Greater local allure directly contributes to an increase in hotel business. Likewise, when hotels share the allure of their areas, it helps increase the area's brand power.

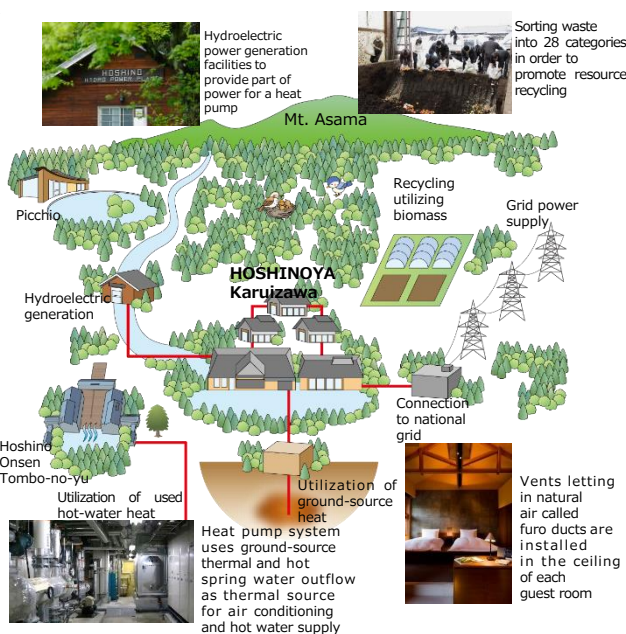
These locally-rooted activities are one of our sources of sustainable corporate competitiveness. Local communities have regional techniques; agricultural, forestry, and fishery products; tourism resources, and more. These are all sources of value. Hoshino Resorts also believes that environmental management requires development in the areas of ecotourism, zero emissions operation, and energy grids without environmental impacts.



We carry out unique initiatives based on the above philosophy.

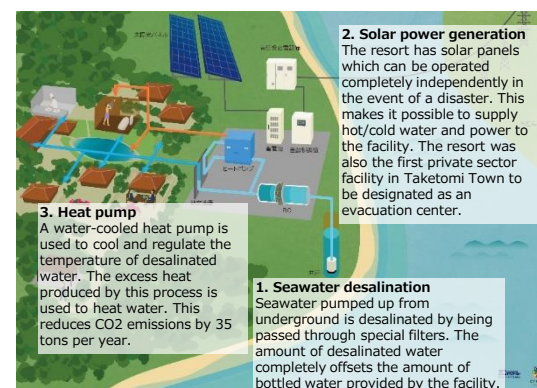
"EIMY" self-sufficient energy system of HOSHINOYA Karuizawa

"EIMY" stands for "Energy In My Yard". It is the concept of generating the power that you use locally, to the greatest degree possible, using local natural energy sources. Hydroelectric power generation facilities have been used in "HOSHINOYA Karuizawa" since early 20th century. We have combined this with measures that leverage the features of our resorts, such as geothermal energy and waste heat from hot springs. "HOSHINOYA Karuizawa" also has facilities aimed at conserving the natural environment, such as the Karuizawa National Wild Bird Sanctuary Forest.



HOSHINOYA Taketomi Island seawater desalination equipment and community contribution measures

The equipment installed at "HOSHINOYA Taketomi Island" is a "thermal desalination heat pump system" that not only desalinates seawater, but also generates and stores solar power and functions as a heat pump.^(Note) It cuts annual CO2 emissions by 65 tons and can supply island residents with water in the event of a disaster.



In addition, on March 11, 2021, Hoshino Resorts, operator of "HOSHINOYA Taketomi Island", concluded a partnership agreement with "Taketomi-jima Regional Foundation" ("the Foundation"), which is dedicated to maintaining the natural environment of Taketomi Island, with the aim of preserving the island's natural environment and sustainably protecting island culture. Under this agreement, "HOSHINOYA Taketomi Island" and the Foundation will collaborate in increasing Taketomi Island's social and economic value through measures such as revitalizing traditional crops and developing activities aimed at solving the problem of waste washing ashore on the island.



Partnership agreement with Taketomi-jima Regional Foundation

Three collaborations

1. Develop activities aimed at solving the problem of waste washing ashore
2. Revitalize traditional crops across the island
3. Engage in technical collaboration with the aim of turning traditional crops into a local specialty

Other environmental measures

Hoshino Resorts REIT, Inc.

Japan's first ecotourism resort activities in Iriomote Hotel, on the island of Iriomote, a World Natural Heritage Site

In July 2021, Iriomote was registered as a World Natural Heritage Site. In order to protect the island's natural environment and create a system of sustainable tourism, both employees and guests are engaged in activities aiming to make the resort Japan's first ecotourism resort.

1. Ecological hotel operation

The resort is taking on the challenges of completely eliminating the use of all plastic bottles and single-use plastics and becoming a zero-emissions resort. To achieve this, **all guests are guided to bring their own amenities**. Furthermore, **in addition to offering no plastic bottled water in guestrooms**, from August 2021, the resort also **stopped selling beverages in plastic bottles in its shops and vending machines**. **Water servers (available free of charge) have been installed**, and **guests are encouraged to bring their own bottles**. For guests who don't have bottles, a bottle loan service is available.

2. Nature tours that share the island's appeal and value

Iriomote is home to a large number of endangered and indigenous species, such as the Iriomote cats for which the island is famous. In addition to **offering nature tours that promote a greater understanding of biodiversity among guests**, it has also begun **offering World Heritage workshops**.

3. Iriomote cat protection activities

To help protect Iriomote cats, an endangered species, the resort engages in various conservation activities, such as **cutting grass along roadsides to provide greater visibility and help prevent roadkill**.

4. Oceanic environmental conservation

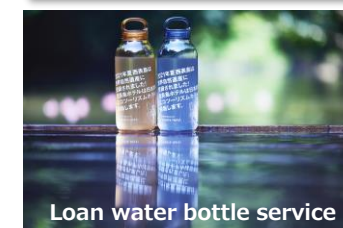
To help combat microplastics and protect the living environments of aquatic wildlife, **employees began beach cleaning activities** from March 2021. They collect plastic bottles, buoys, styrofoam, plastic products, glass products, and the like, measuring them in units of garbage bags.



Scan this QR code for more detailed information.



The endangered Iriomote cat



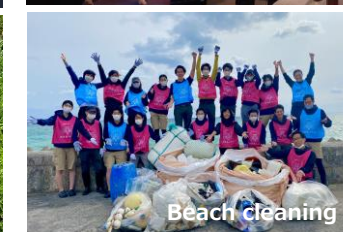
Loan water bottle service



World Heritage workshop



Grass cutting



Beach cleaning

Green lease agreements

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.

Number of properties with green lease agreements and agreement coverage percentage ^(Note 1)

31 properties (of 63 properties), Approx. 80.7% ^(Notes 2,3)

3R -Reduce, Reuse, Recycle-

◆Hoshino Resorts

Refillable pump bottles

At all Hoshino Resorts operating facilities, we phased out the use of all individually packaged shampoos, conditioners, and body soaps and switched to using refillable pump bottles.



【Waste reduction】

Approx. 49 tons of plastic containers
Approx. 73 kiloliters of soaps

Toothbrush recycling

At 30 facilities operated by Hoshino Resorts, 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. As of December 15, 2021, Hoshino Resorts is the only company that operates multiple lodging facilities that is engaged in this initiative.

(Note 1) Figures are based on agreement status as of Oct. 31, 2021.

(Note 2) The following calculation method was used to calculate the percentage of properties that have concluded agreements: (total area of properties that have concluded green lease agreements) ÷ (total area of properties in portfolio)

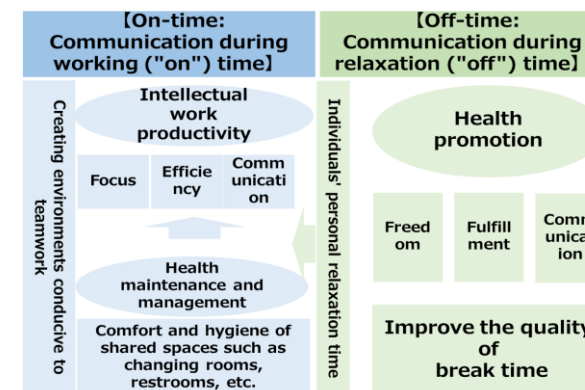
(Note 3) As a general rule, the leasable area is determined using only figures from leasing agreements already concluded between the Investment Corporation and tenants.

Tenant satisfaction surveys

◆ Hoshino Resort Asset Management Co., Ltd.

The Asset Management Company has begun conducting tenant satisfaction surveys to identify the needs of tenant employees in properties owned HRR and making proposals for improvements that maintain or raise work productivity. In March 2021, the survey was administered to all employees of the 30 properties to be surveyed. The survey also included well-being perspectives, such as the quality of the working environment, health maintenance and management, and health promotion. The survey had a high 65.5% response rate. In the future, we will invest in the improvement of work productivity and motivation and the creation of workplaces in which people can work safely and securely, maximizing real estate value while reflecting the intentions of stakeholders.

Two qualitative work productivity perspectives (hypothesis)



Scan this QR code for more detailed information.



Local community contribution measures

◆ Chisun Inn

○ Providing low-cost hotels that offer simple, comfortable stays

HRR operates a wide range of hotels to meet the usage purposes and budgets of various guests.

Among them, the Chisun Inn brand of simple, high convenience roadside hotels (total of 22 properties) offer reasonably priced, comfortable stays all year round, together with ample parking space. They are perfect for logistics, business negotiations, and other business uses, as well as for leisure use by guests traveling by car.



Measures for employees

◆ Hoshino Resort Asset Management Co., Ltd.

The Asset Management Company is part of Hoshino Resorts and uses Hoshino Resorts' personnel development system. HRR believes that the expertise the asset management company has developed as a professional real estate management firm can be combined with Hoshino Resorts' wealth of knowledge regarding hotel management to produce competitiveness and uniqueness in asset management. To achieve this, HRR strives to regularly engage in personnel exchanges with Hoshino Resorts and has created a system for developing human resources with hotel management knowledge. Furthermore, in our hiring and new employee development, we strive to rapidly nurture high quality human resources through our internship system, primarily for students, and through the participation of newly hired HRR employees in Hoshino Resorts' personnel development program for new hires.

Furthermore, from 2021, we have conducted tenant satisfaction surveys and we manage our lodging facilities in such a way as to improve tenant employee work environments and increase real estate value.

Personnel data (As of December 31 for each year)

	2018	2019	2020
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	23hours/month



Appendix (1) About Hoshino Resorts

108 YEARS
Hoshino Resorts



Hoshino Onsen Ryokan (at the time of its opening)

Hoshino Resorts

"The travel and tourism industry will be a leading industry in maintaining world peace."

Led by this idea, Hoshino Resorts is a company that dreams big and will work steadily to bring the people of the world together in friendship over the century to come.

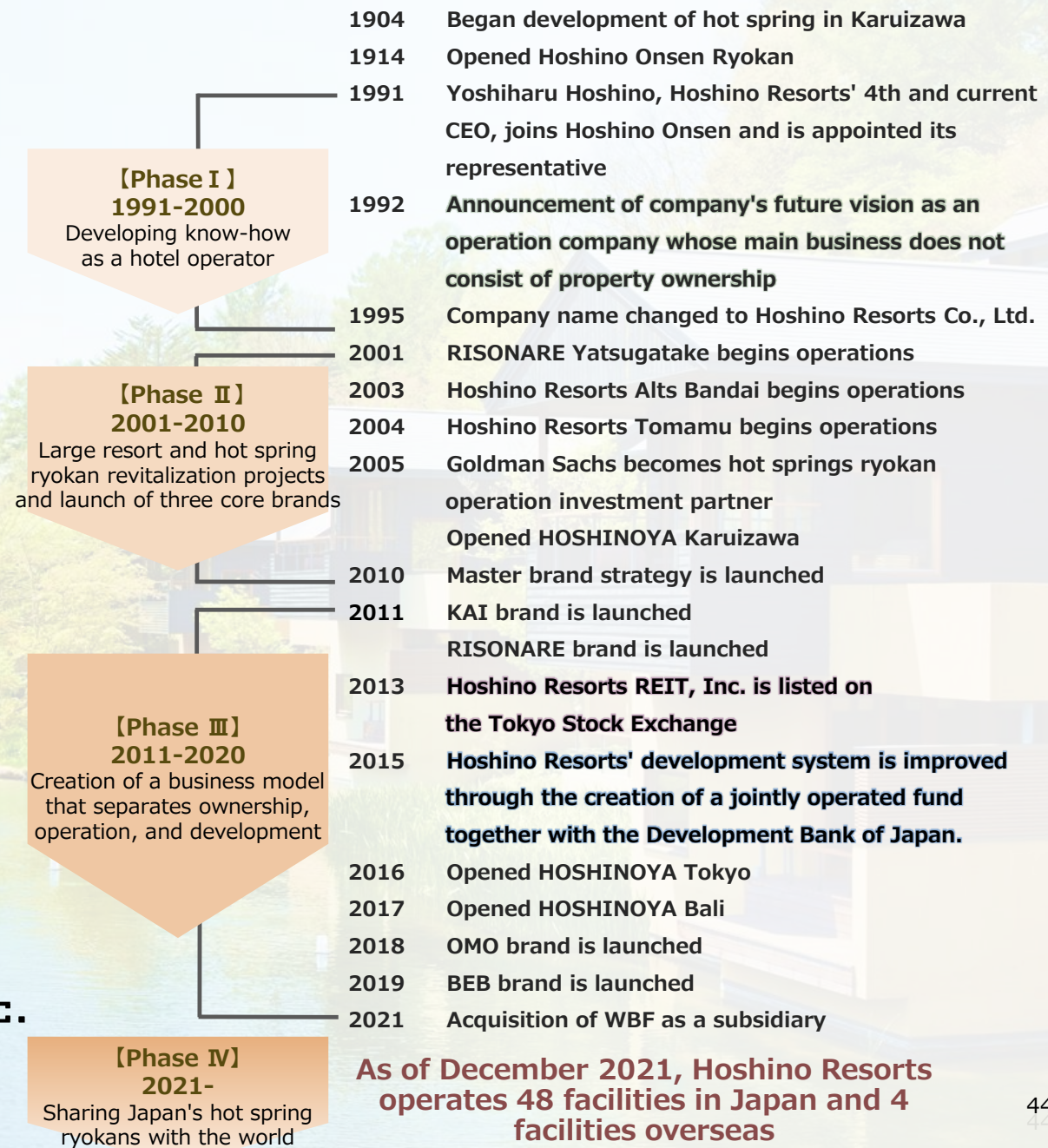
Hoshino Resorts Operation

Hotel business

development

ownership

DBJ joint fund Hoshino Resorts REIT, Inc.



As of December 2021, Hoshino Resorts operates 48 facilities in Japan and 4 facilities overseas

Seven Spheres of Delight



[HOSHINOYA Flagships]

A brand that provides people with overwhelmingly extraordinary experiences through unique concepts
Authentic Japan with modern comfort



[OMO]

Urban tourism hotels that go beyond mere places to sleep, instead making trips even more exciting
Instant access to the lively local scene



[BEB]

More than a Japanese pub, but not quite a full journey - hotels where everyone can kick back and relax
Kicked-back stays with the crew



[RISONARE]

Western-style hotels combining refined design with a wealth of activities
Recreation — the art of creating anew



[Other Unique Lodgings]

Distinctive resort hotels and hot spring ryokans in Japan and abroad
Getaways with a sense of place



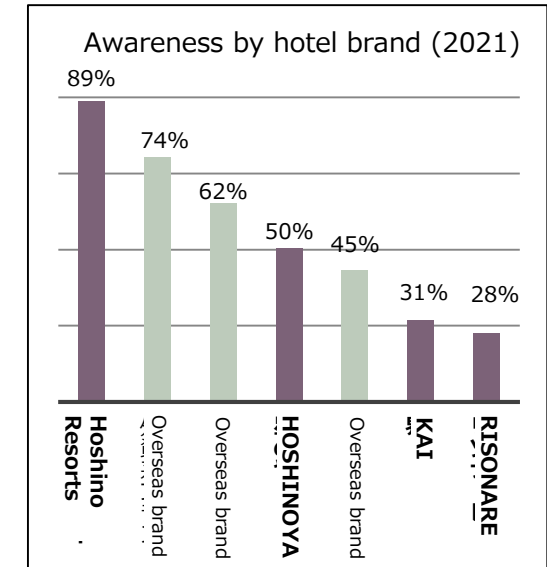
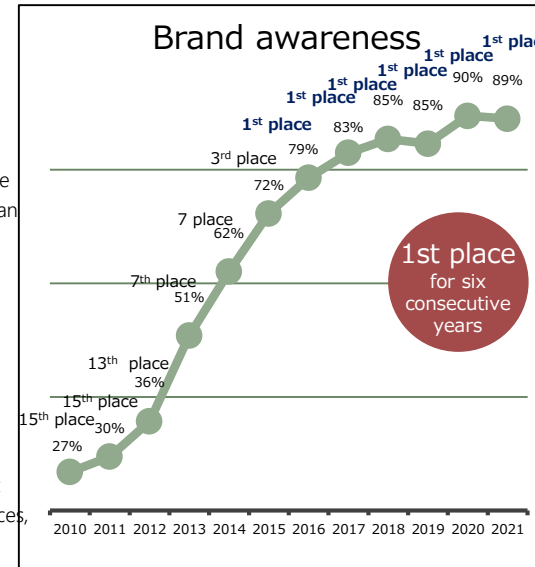
[KAI]

Sophisticated hot spring ryokans with a comfortable Japanese aesthetic where guests can rediscover regional appeal
Destinations for blissful bathing and dining



[Daytrip Destinations]

Helping customers enjoy every moment of their day through wide-ranging services, from hot springs to skiing
Thermal soaks and thrilling slopes



Three key points for building long-term customer draw, developed through our history as a resort operator

Hoshino Resorts makes a point of building long-term competitive advantages into the hotels we operate. As hotel supply increases going forward, it will become more important than ever to develop customer-drawing power that is sustainable and unaffected by market fluctuations.

One of the reasons guests choose a hotel will always be “it’s new and beautiful.” During the decades-long lifecycle of your property, there will always be fresh-faced newcomers entering the fray, and you must have a strategy to avoid competing head to head with these younger counterparts.

Business models that rely on “hardware,” that is, buildings and facilities, favor the latecomer. You need to leverage your “soft” power to build platforms with a first-mover advantage. Hoshino Resorts answers this challenge with three types of “soft” power, cultivated through our 108 years of operation in the Japanese countryside.

CEO, Hoshino Resorts Yoshiharu Hoshino

Flat organization culture

- Independent PDCA cycle through the sharing of management information
- Hierarchy-free organization in which members can actively engage in debate and discussion

Flat organization culture

Smooth reservations through our own website

- Website designed with a focus on convenience, such as providing optimal rates and advance reservations for activities
- High profits through the high percentage of reservations made directly from our website (60% to 70%)
- Maintain equal footing with OTAs, providing mutual synergistic benefits

In-house reservations

Communicating appeal

Multitasking

- Each employee can perform front desk, guestroom, restaurant, and other duties, improving productivity
⇒The time that is freed up is used in development aimed at providing facilities with greater allure

Ongoing, year-long communication of new appeal

- The development of new attractions and enticements for the season to come is conducted by each facility, not the head office

Close ties with the community

- Showcasing what an area has to offer improves local brand power and creates an even stronger collaborative relationship between Hoshino Resorts and the community

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. We propose stays for avoiding the 3Cs, consisting of thorough 3-C avoidance and hygiene management, as the model form of travel in the midst of the prolonged COVID-19 pandemic.

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

As the prolonged COVID-19 pandemic continues, 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

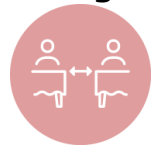


Thorough disinfection and cleaning on the premises



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.



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			 Go-KINJO Delivery Ranger xOMO5 Tokyo otsuka  Strawberry farmer xKAI Nikko, Kawaji,Kinugawa  Charter boat and long-established confectioner xHOSHINOYA Tokyo  Shinshu support marchéxKaruizawa Hoshino Area  Winery xKAI Matsumoto  Commercial launch of milk jam xRISONARE Nasu  Hirosaki apple farming assistance xKAI Tsugaru  Gastronomy fair xHoshino Resorts Aomoriya  Neighborhood delivery café xOMO7 Asahikawa  Development of tea yokan xKAI brand			
preserving traditional crafts, Helping creators	 Yachimun creator xHoshino Resorts Banta Cafe  Sanshin performer xHOSHINOYA Taketomi Island	 Shimada Tea Industrial Promotion Association x KAI Enshu  Shinshu pickle shop x KAI Alps  Enshu handheld firework pyrotechnician x KAI Enshu  Izumo brewery x KAI Izumo	 Mashiko ware artist xKAI Nikko, Kawaji,Kinugawa  Odawara Lantern shop xKAI Hakone  Artist xKAI Sengokuhara	 Nebuta master xHoshino Resorts Aomoriya  Hirosaki neputa artistxKAI Tsugaru  Fireworksx Hoshino Resorts Tomamu		
Activity			 Wine festival xRISONARE Yatsugatake  Nasu discovery BOX xRISONARE Nasu			
Collaboration with tourism operators			 Autumn skybus xKAI Nikko, Kawaji,Kinugawa  Night skybus TokyoxHOSHINOYA Tokyo	 Skybus Tokyox Hoshino Resorts Oirase Keiryu Hotel		



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).

Launch of "Hoshino Resorts Tourism Revitalization Fund"

Hoshino Resorts REIT, Inc.

Hoshino Resorts and RISA Partners, Inc. completed the formation of the Hoshino Resorts Tourism Revitalization Limited Investment Partnership (hereinafter referred to as the "Hoshino Resorts Tourism Revitalization Fund"), targeting domestic lodging facilities, and has begun operations on October 30, 2020.

Details of this fund

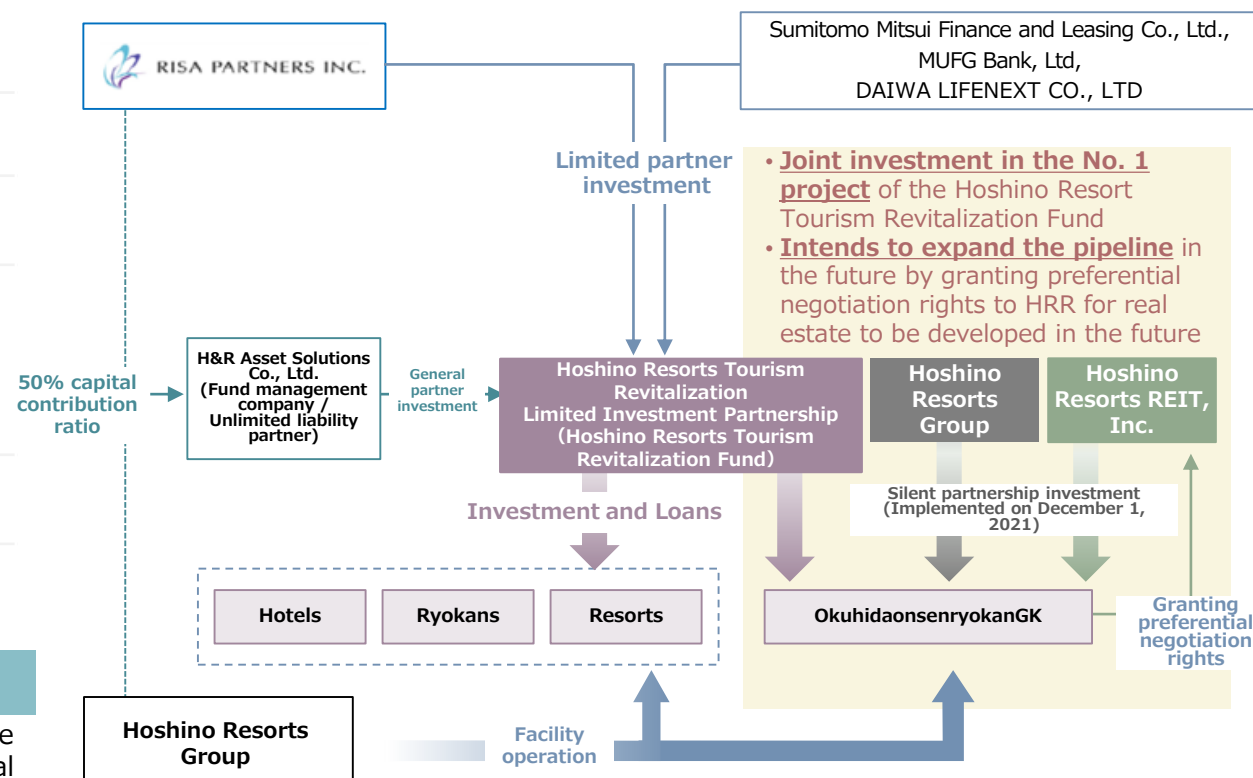
Name	Hoshino Resorts Tourism Revitalization Fund
Total Fund	About 5 billion Yen (as of November 2021)
Fund management company	H&R Asset Solutions Co., Ltd.
Investor	Sumitomo Mitsui Finance and Leasing Co., Ltd., MUFG Bank, Ltd, DAIWA LIFENEXT CO., LTD RISA Partners, Inc.
Fund Formation Date	October 30, 2020
Investment Target	Accommodation properties (real estate) of hotels and ryokans

About RISA Partners, Inc.

Investment bank established and run in Japan with nation-wide connections of over 180 local banks and focuses on the financial and real estate markets, with services ranging from investment, financing to those-related 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 (Number of Consolidated Group Employees, as of 1 January, 2021)
President	Yoshio Narukage

Structure of Hoshino Resorts Tourism Revitalization Fund



Excerpt from Hoshino Resorts' May 29, 2020 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.

VI

Appendix (2) Information regarding owned properties



Overview of owned properties by brand (1)

Hoshino Resorts REIT, Inc.

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

As of December 15, 2021

Operator	Hoshino Resorts				
Brand name		 Hoshino Resorts RISONARE		 by Hoshino Resorts	
Genre	Flagship	Family resort	High-end hot spring ryokan	Urban hotel	Casual hotel
Overview of facility	A brand that provides people with overwhelmingly extraordinary experiences through unique concepts	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 everyone can kick back and relax
Annual ADR ^(Note 1)	Approx 75,000 Yen	Approx 43,000 Yen	Approx 37,000 Yen ^(Note 2)	Approx 11,000 Yen	Approx 15,000 Yen ^(Note 3)
Representative hotel	 HOSHINOYA Karuizawa	 RISONARE Yatsugatake	 KAI Hakone	 OMO7 Asahikawa	 BEB5 Karuizawa
Number of owned facilities	4	2	13	1	1
Total acquisition value (ratio)	19,593 million Yen (11.1%)	8,250 million Yen (4.7%)	28,823 million Yen (16.3%)	4,619 million Yen (2.6%)	2,170 million Yen (1.2%)

(Note 1) The Annual ADR is a reference value calculated based on the period between November 2018 and October 2019.

(Note 2) Annual ADR for the KAI brand is the ADR for 13 KAI properties other than KAI Enshu, KAI Nagato, KAI kirishima and KAI Beppu.

(Note 3) Annual ADR for BEB5 Karuizawa is a reference value calculated based on the average ADR for the nine-month period between February and October 2019.

Overview of owned properties by brand (2)

Hoshino Resorts REIT, Inc.

Hoshino Resorts REIT, Inc. also invests in properties operated by companies other than Hoshino Resorts which are capable of producing long-term, stable cash flow.

As of December 15, 2021

Operator	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	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	Iconic luxury hotels that offer grand stays	Hotels designed to maximize the value of connections	Stylish city hotels located in major cities across the nation
Annual ADR ^(Note)	Approx 6,000 Yen	Approx 13,000 Yen	Approx 29,000 Yen	Approx 16,000 Yen	Approx 10,000 Yen
Representative hotel	 Chisun Inn Fukushima Nishi IC	 ANA Crowne Plaza Toyama	 Grand Hyatt Fukuoka	 Hyatt Regency Osaka	 the b akasaka
Number of owned facilities	22	3	1	1	4
Total acquisition value (ratio)	15,995 million Yen (9.0%)	28,401 million Yen (16.1%)	7,700 million Yen (4.4%)	16,000 million Yen (9.0%)	20,800 million Yen (11.8%)

(Note) The Annual ADR is a reference value calculated based on the period between November 2018 and October 2019. Annual ADR for Grand Hyatt Fukuoka was calculated based on the period from January to December 2019.

Status of portfolio (As of December 15, 2021)

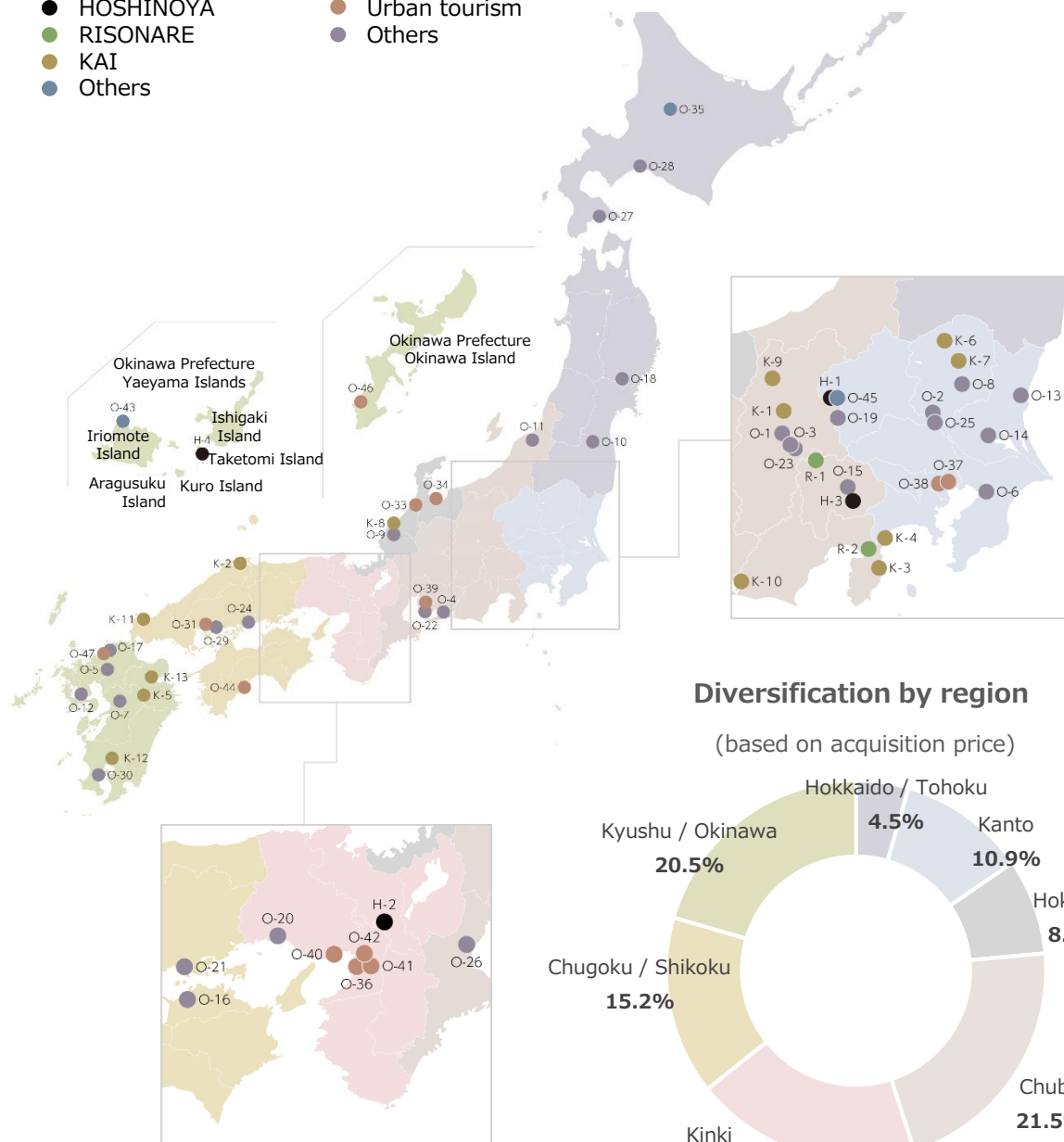
Hoshino Resorts REIT, Inc.

Properties operated by the Hoshino Resorts

- HOSHINOYA
- RISONARE
- KAI
- Others

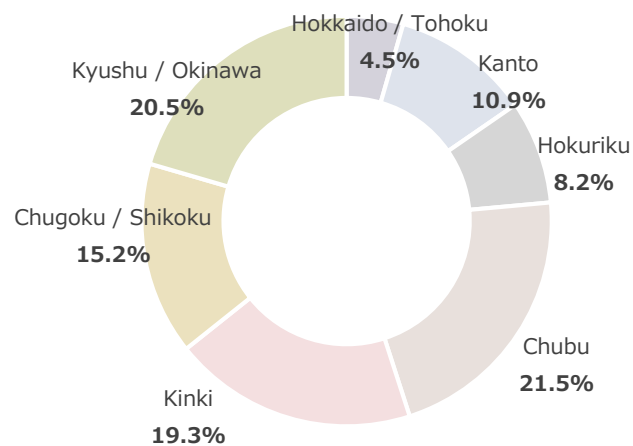
Properties operated by outside operators

- Urban tourism
- Others



Diversification by region

(based on acquisition price)



Category	Property No.	Property name
<Properties operated by the Hoshino Resorts>		
	H-1	HOSHINOYA Karuizawa
	H-2	HOSHINOYA Kyoto
	H-3	HOSHINOYA Fuji
	H-4	HOSHINOYA Taketomi Island
	R-1	RISONARE Yatsugatake
	R-2	RISONARE Atami
	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
	K-11	KAI Nagato
	K-12	KAI Kirishima
	K-13	KAI Beppu
	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-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
	O-47	Grand Hyatt Fukuoka
	O-1	Chisun Inn Shiojiri Kita IC
	O-2	Chisun Inn Sano Fujioka IC
	O-3	Chisun Inn Suwa IC
Others	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

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														
	2020		2021										Accumulated Total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	98.6%	92.3%	59.0%	52.5%	67.8%	63.9%	72.5%	70.8%	70.8%	88.6%	88.8%	81.8%	76.2%	+1.7pt
ADR (Yen)	87,015	90,090	90,529	66,168	81,819	88,838	95,464	85,878	115,735	125,837	99,780	97,026	95,572	+13,880
RevPAR (Yen)	85,763	83,194	53,406	34,765	55,466	56,809	69,256	60,790	81,995	111,551	88,647	79,377	72,823	+11,971
Sales (millions of Yen)	314	307	130	141	227	202	276	228	319	436	325	308	3,218	+302

HOSHINOYA Kyoto



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

Operational results														
	2020		2021										Accumulated Total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	98.5%	81.8%	47.6%	39.0%	66.8%	44.3%	36.0%	54.4%	75.3%	69.2%	61.3%	65.7%	62.2%	-10.9pt
ADR (Yen)	125,706	114,539	101,674	86,378	107,640	101,327	88,524	79,384	86,382	85,902	83,898	104,763	99,818	+8,930
RevPAR (Yen)	123,862	93,700	48,409	33,728	71,939	44,854	31,868	43,161	65,075	59,480	51,457	68,805	62,055	-4,385
Sales (millions of Yen)	131	107	49	26	72	52	38	48	77	67	61	79	814	-65

HOSHINOYA Fuji



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

Operational results														
	2020		2021										Accumulated Total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	98.7%	95.0%	59.0%	59.5%	63.7%	55.0%	62.9%	61.4%	64.9%	79.5%	85.1%	75.9%	72.1%	-6.9pt
ADR (Yen)	83,500	88,865	89,880	81,693	86,085	94,392	96,276	71,200	96,245	111,201	91,438	95,051	90,960	+19,355
RevPAR (Yen)	82,387	84,421	53,058	48,586	54,844	51,915	60,587	43,728	62,481	88,423	77,798	72,132	65,625	+9,024
Sales (millions of Yen)	150	152	79	54	116	90	102	80	113	155	139	131	1,367	+128

HOSHINOYA Taketomi Island



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

Operational results														
	2020		2021										Accumulated Total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	93.3%	82.7%	30.6%	35.7%	55.4%	58.5%	55.3%	32.5%	43.9%	54.7%	36.0%	51.8%	53.0%	-18.0pt
ADR (Yen)	56,894	61,800	61,907	43,867	61,737	68,934	73,610	74,413	89,084	95,258	78,514	73,022	69,557	+11,961
RevPAR (Yen)	53,101	51,126	18,959	15,661	34,188	40,307	40,713	24,184	39,094	52,110	28,243	37,836	36,859	-4,039
Sales (millions of Yen)	126	118	35	31	103	96	100	56	84	109	59	87	1,009	+46

Operational results for each property (2)

Hoshino Resorts REIT, Inc.

RISONARE Yatsugatake



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

Operational results														
	2020		2021										Accumulated Total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	97.3%	83.6%	32.7%	52.6%	59.3%	43.6%	51.9%	65.9%	80.3%	90.8%	65.3%	83.4%	67.9%	-6.0pt
ADR (Yen)	37,269	56,783	68,109	37,555	52,056	51,387	51,932	38,010	66,395	92,675	65,869	54,289	57,360	+15,420
RevPAR (Yen)	36,279	47,454	22,251	19,753	30,860	22,387	26,959	25,067	53,308	84,141	43,006	45,268	38,926	+7,959
Sales (millions of Yen)	418	439	152	102	333	245	355	327	512	751	432	501	4,572	+933

RISONARE Atami



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

Operational results														
	2020		2021										Accumulated Total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	87.9%	75.3%	31.9%	44.6%	76.2%	53.5%	45.7%	56.1%	49.9%	50.0%	74.8%	75.2%	60.0%	-19.0pt
ADR (Yen)	63,934	89,448	96,802	66,127	78,426	78,342	86,546	66,369	90,221	127,817	63,774	66,895	79,377	+25,367
RevPAR (Yen)	56,198	67,327	30,879	29,515	59,732	41,879	39,568	37,218	45,057	63,883	47,712	50,297	47,653	+4,980
Sales (millions of Yen)	191	215	81	84	204	142	127	104	147	201	158	171	1,831	+31

10 KAI properties (Note)



Total number of guest rooms: 355

Operational results														
	2020		2021										Accumulated Total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	99.6%	96.3%	53.6%	57.4%	77.0%	52.8%	56.5%	62.1%	76.7%	82.1%	75.8%	85.8%	73.3%	-2.1pt
ADR (Yen)	44,521	45,935	48,184	46,285	46,721	48,578	49,172	38,675	44,047	56,590	43,208	44,326	46,385	+7,714
RevPAR (Yen)	44,358	44,240	25,850	26,557	35,969	25,664	27,770	24,012	33,765	46,451	32,732	38,016	33,986	+4,852
Sales (millions of Yen)	902	851	415	399	733	484	525	439	674	866	623	714	7,631	+479

OMO7 Asahikawa



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

Operational results														
	2020		2021										Accumulated Total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	59.5%	27.1%	9.3%	15.3%	25.4%	19.8%	13.5%	8.7%	29.2%	26.0%	20.4%	35.7%	23.6%	-27.5pt
ADR (Yen)	10,441	9,991	11,799	9,808	9,439	11,096	18,522	18,336	22,583	22,405	14,603	12,404	14,085	+3,929
RevPAR (Yen)	6,215	2,703	1,096	1,503	2,398	2,198	2,503	1,588	6,584	5,827	2,971	4,431	3,323	-1,865
Sales (millions of Yen)	55	29	10	14	38	18	25	14	64	53	27	46	399	-475

(Note) KAI Nagato was acquired in June 2021, so its figures are not included. For individual operation results figures, please see P.59.

Operational results for each property (3)

Hoshino Resorts REIT, Inc.

BEB5 Karuizawa



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

Operational results														
	2020		2021										Accumulated Total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	90.7%	73.3%	33.3%	60.3%	74.9%	53.9%	69.6%	61.7%	84.3%	96.0%	91.8%	80.2%	73.3%	+3.7pt
ADR (Yen)	17,966	19,188	21,427	16,315	16,056	16,736	17,593	16,379	17,406	20,217	17,608	17,204	17,803	+845
RevPAR (Yen)	16,294	14,058	7,134	9,834	12,026	9,017	12,236	10,112	14,676	19,404	16,169	13,790	13,046	+1,246
Sales (millions of Yen)	38	34	13	17	33	22	30	24	36	49	38	34	374	+45

ANA Crowne Plaza Hiroshima



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

Operational results														
	2020		2021										Accumulated Total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	68.0%	39.9%	13.8%	25.8%	29.5%	25.2%	19.6%	24.2%	30.7%	26.5%	25.9%	48.1%	31.4%	-11.4pt
ADR (Yen)	13,510	10,569	9,495	9,485	9,239	9,105	10,000	7,982	9,109	9,115	8,024	8,584	9,932	-819
RevPAR (Yen)	9,189	4,218	1,308	2,448	2,725	2,291	1,957	1,928	2,797	2,412	2,082	4,130	3,121	-1,482
Sales (millions of Yen)	291	218	69	92	149	151	109	104	147	131	122	191	1,780	-734

ANA Crowne Plaza Kanazawa



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

Operational results														
	2020		2021										Accumulated Total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	82.9%	54.5%	11.4%	28.4%	31.9%	24.1%	13.6%	23.2%	46.6%	31.4%	36.5%	56.1%	36.7%	-2.8pt
ADR (Yen)	16,881	13,084	12,549	9,742	10,546	11,340	13,905	7,636	9,345	8,797	7,753	10,751	11,586	-1,917
RevPAR (Yen)	13,997	7,136	1,433	2,766	3,369	2,728	1,886	1,768	4,356	2,764	2,831	6,026	4,256	-1,086
Sales (millions of Yen)	217	194	68	60	79	75	48	62	124	66	77	184	1,259	-282

ANA Crowne Plaza Toyama



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

Operational results														
	2020		2021										Accumulated Total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	67.3%	47.7%	21.3%	24.0%	33.1%	35.6%	27.2%	34.1%	41.2%	37.3%	34.7%	56.1%	38.4%	-5.9pt
ADR (Yen)	10,233	8,420	7,318	8,101	8,447	8,776	10,438	8,264	9,860	10,634	8,357	9,611	9,211	+508
RevPAR (Yen)	6,884	4,016	1,561	1,946	2,793	3,127	2,843	2,814	4,060	3,966	2,898	5,393	3,534	-321
Sales (millions of Yen)	156	120	51	57	108	77	79	91	94	72	63	132	1,104	-229

Operational results for each property (4)

Hoshino Resorts REIT, Inc.

Hyatt Regency Osaka



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

Operational results														
	2020		2021										Accumulated Total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	38.3%	20.4%	21.8%	25.3%	17.2%	15.4%	12.8%	32.5%	24.4%	25.4%	22.4%	23.9%	23.3%	-8.2pt
ADR (Yen)	16,303	14,102	13,144	12,946	13,416	12,195	11,467	15,521	13,936	16,451	13,924	14,064	14,305	-776
RevPAR (Yen)	6,237	2,874	2,861	3,278	2,310	1,874	1,472	5,039	3,402	4,183	3,125	3,357	3,327	-1,417
Sales (millions of Yen)	174	116	64	66	90	68	45	129	117	110	88	137	1,210	-537

Grand Hyatt Fukuoka^(Note)



Address: Fukuoka-shi, Fukuoka
Number of guest rooms: 372

Operational results														
	2020		2021										Accumulated Total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	-	-	-	-	-	-	-	25.6%	36.7%	29.0%	27.4%	43.8%	-	
ADR (Yen)	-	-	-	-	-	-	-	22,779	25,141	24,406	23,880	23,945	-	
RevPAR (Yen)	-	-	-	-	-	-	-	5,837	9,215	7,075	6,549	10,488	-	
Sales (millions of Yen)	-	-	-	-	-	-	-	117	178	137	128	228	-	

22 Roadside properties



Total number of guest rooms: 2,205

Operational results														
	2020		2021										Accumulated Total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	77.2%	65.3%	54.9%	63.6%	71.1%	64.6%	59.4%	62.5%	62.7%	54.1%	57.8%	68.1%	63.4%	-1.0p
ADR (Yen)	5,749	5,473	5,447	5,518	5,649	5,706	6,044	5,585	6,215	6,686	5,815	5,820	5,800	+266
RevPAR (Yen)	4,435	3,573	2,991	3,506	4,019	3,684	3,589	3,490	3,895	3,617	3,359	3,962	3,677	+116
Sales (millions of Yen)	309	258	216	230	299	258	259	243	279	260	234	284	3,134	+78

4 the b properties



Total number of guest rooms: 667

Operational results														
	2020		2021										Accumulated Total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	59.3%	46.5%	28.9%	36.4%	49.1%	45.9%	30.2%	37.3%	49.1%	44.4%	43.3%	54.8%	43.8%	-3.2pt
ADR (Yen)	6,166	6,175	5,682	5,871	5,307	5,000	5,085	4,954	5,753	5,736	5,035	5,168	5,516	-2,170
RevPAR (Yen)	3,654	2,869	1,641	2,135	2,603	2,294	1,536	1,848	2,822	2,546	2,179	2,831	2,415	-1,193
Sales (millions of Yen)	74	75	49	54	73	61	46	51	74	68	58	75	763	-366

(Note) HRR acquired Grand Hyatt Fukuoka in June 2021, so no results, totals, or year-to-year comparison figures are listed before the acquisition date..

Operational results for each property (5)

Hashino Resorts REIT, Inc.

KAI Matsumoto	2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	99.7%	96.0%	49.4%	54.4%	80.6%	50.9%	53.8%	48.8%	74.2%	92.2%	84.2%	87.5%	73.5%	+1.6pt
ADR (Yen)	51,313	49,767	49,216	40,534	46,465	55,528	56,201	48,156	53,678	62,326	51,293	53,227	52,241	+7,885
RevPAR (Yen)	51,181	47,785	24,302	22,049	37,472	28,262	30,262	23,522	39,826	57,455	43,205	46,557	38,415	+6,505
Sales (millions of Yen)	70	60	28	15	64	38	36	32	54	77	57	63	601	+73

KAI Ito	2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	99.6%	97.5%	55.7%	64.5%	88.1%	53.4%	52.3%	55.7%	63.0%	88.8%	71.1%	76.9%	71.9%	-10.1pt
ADR (Yen)	48,000	53,756	53,474	52,850	54,335	60,103	58,794	49,025	58,530	66,716	48,024	48,024	54,236	+11,626
RevPAR (Yen)	47,787	52,412	29,784	34,081	47,845	32,121	30,724	27,314	36,880	59,255	34,150	36,922	39,000	+4,062
Sales (millions of Yen)	84	78	39	47	74	51	49	42	58	93	56	63	740	-16

KAI Aso	2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	99.7%	97.7%	62.6%	90.5%	96.8%	82.5%	88.9%	78.9%	90.1%	87.1%	97.2%	99.5%	89.2%	+7.6pt
ADR (Yen)	71,384	71,401	73,144	67,327	69,333	76,279	74,623	63,620	72,087	86,606	68,321	68,394	71,963	+1,228
RevPAR (Yen)	71,186	69,759	45,813	60,951	67,111	62,930	66,331	50,176	64,917	75,431	66,423	68,027	64,164	+6,476
Sales (millions of Yen)	38	36	22	26	36	33	31	26	35	40	36	38	402	+39

KAI Kinugawa	2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	99.6%	96.9%	50.9%	35.1%	70.4%	46.9%	55.5%	74.6%	78.6%	78.0%	73.1%	89.4%	71.4%	-2.7pt
ADR (Yen)	45,078	45,049	49,084	49,411	48,864	48,693	48,857	33,881	41,630	56,418	43,086	46,979	46,032	+9,051
RevPAR (Yen)	44,890	43,641	25,004	17,328	34,418	22,842	27,121	25,260	32,733	43,982	31,510	42,022	32,875	+5,477
Sales (millions of Yen)	116	109	51	34	77	56	68	66	87	106	76	106	956	+77

KAI Alps	2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	99.7%	93.7%	54.6%	53.4%	69.5%	41.1%	51.5%	54.0%	80.4%	91.3%	84.4%	88.0%	72.1%	+8.2pt
ADR (Yen)	31,484	32,404	35,155	28,210	28,438	30,268	39,054	28,385	35,015	46,833	33,101	33,159	34,162	+3,133
RevPAR (Yen)	31,396	30,355	19,184	15,068	19,759	12,443	20,131	15,333	28,167	42,773	27,951	29,192	24,647	+4,791
Sales (millions of Yen)	98	85	44	40	61	39	57	45	83	116	82	89	842	+129

KAI Izumo	2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	99.6%	98.7%	65.2%	84.1%	97.3%	89.7%	73.4%	64.7%	86.6%	95.4%	95.5%	99.7%	87.3%	+1.8pt
ADR (Yen)	55,625	50,884	53,685	51,844	52,613	51,959	53,039	47,217	50,648	59,337	48,703	48,312	52,118	+3,921
RevPAR (Yen)	55,393	50,200	34,996	43,619	51,199	46,630	38,924	30,559	43,840	56,609	46,529	48,157	45,473	+4,310
Sales (millions of Yen)	73	71	40	52	77	52	49	39	58	66	55	53	690	+85

KAI Hakone	2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	100.0%	98.4%	64.8%	69.2%	80.8%	56.0%	52.6%	56.9%	61.0%	87.4%	74.5%	78.9%	73.8%	-7.5pt
ADR (Yen)	56,078	60,385	56,033	56,932	56,982	60,890	63,927	54,098	57,946	65,099	55,205	55,528	58,339	+9,005
RevPAR (Yen)	56,078	59,411	36,319	39,408	46,068	34,115	33,639	30,805	35,340	56,896	41,106	43,829	43,037	+2,966
Sales (millions of Yen)	90	95	46	42	87	50	53	43	57	92	62	72	794	-14

KAI Kawaji	2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	99.3%	93.1%	38.1%	25.1%	56.3%	39.1%	55.6%	63.2%	69.2%	66.3%	65.5%	80.5%	64.1%	-8.1pt
ADR (Yen)	32,878	34,609	38,668	28,680	28,315	27,605	31,307	20,482	30,549	45,011	26,968	28,787	31,753	+7,265
RevPAR (Yen)	32,635	32,216	14,714	7,185	15,929	10,788	17,411	12,947	21,150	29,846	17,652	23,181	20,348	+2,672
Sales (millions of Yen)	114	107	38	15	76	40	61	39	75	94	62	85	812	+4

KAI Kaga	2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	99.8%	96.8%	50.0%	65.0%	75.1%	44.9%	42.7%	55.3%	83.2%	69.9%	60.6%	81.4%	68.4%	-6.3pt
ADR (Yen)	46,158	45,779	48,427	47,903	49,718	47,090	50,394	36,076	37,883	50,037	43,513	46,741	45,527	+8,159
RevPAR (Yen)	46,062	44,302	24,213	31,154	37,335	21,125	21,505	19,944	31,518	34,972	26,380	38,070	31,135	+3,243
Sales (millions of Yen)	135	134	58	70	94	55	55	53	92	91	69	69	981	-4

KAI Enshu	2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	99.6%	98.8%	66.1%	72.7%	89.8%	75.6%	73.4%	79.0%	88.4%	88.1%	82.6%	89.8%	83.6%	+2.4pt
ADR (Yen)	41,677	46,040	46,850	43,877	47,337	48,522	48,238	39,983	44,729	58,335	42,957	45,396	46,253	+10,988
RevPAR (Yen)	41,508	45,472	30,958	31,911	42,490	36,661	35,412	31,595	39,526	51,379	35,493	40,781	38,661	+10,028
Sales (millions of Yen)	79	72	45	54	82	64	62	50	71	87	64	73	808	+106

Operational results for each property (6)

Hoshino Resorts REIT, Inc.

(Note1)														
KAI Nagato	2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	-	-	-	-	-	-	-	77.7%	88.4%	90.4%	83.4%	98.4%	-	-
ADR (Yen)	-	-	-	-	-	-	-	32,380	37,148	44,872	37,033	35,655	-	-
RevPAR (Yen)	-	-	-	-	-	-	-	25,148	32,834	40,566	30,891	35,080	-	-
Sales (millions of Yen)	-	-	-	-	-	-	-	62	78	90	71	85	-	-
the b sangenjaya	2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	64.4%	59.4%	47.6%	47.7%	56.3%	51.9%	46.2%	52.7%	49.0%	51.5%	49.7%	56.8%	52.8%	-13.6pt
ADR (Yen)	8,457	7,851	7,556	9,276	8,328	7,748	6,682	6,647	9,745	8,768	7,887	8,217	8,099	-409
RevPAR (Yen)	5,446	4,662	3,598	4,427	4,685	4,022	3,085	3,505	4,774	4,513	3,921	4,667	4,275	-1,370
Sales (millions of Yen)	19	18	14	16	20	16	12	13	19	18	15	18	203	-68
the b kobe	2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	64.0%	55.6%	23.5%	30.5%	48.3%	29.3%	20.4%	32.7%	50.5%	43.5%	39.9%	64.9%	42.0%	-6.5pt
ADR (Yen)	7,526	7,372	6,725	6,156	5,526	5,435	5,456	5,028	5,946	6,470	5,030	5,177	6,077	-2,050
RevPAR (Yen)	4,815	4,097	1,580	1,876	2,668	1,593	1,114	1,642	3,003	2,816	2,005	3,361	2,554	-1,392
Sales (millions of Yen)	32	31	18	17	25	17	14	17	25	24	19	27	271	-104
Sol Vita Hotel Naha	2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	54.0%	44.3%	22.7%	35.0%	41.1%	31.8%	25.3%	70.4%	100.0%	100.0%	100.0%	100.0%	60.5%	+22.7pt
ADR (Yen)	5,626	5,741	5,720	6,144	5,507	5,210	5,271	6,621	6,681	6,681	6,681	6,681	6,304	-1,705
RevPAR (Yen)	3,038	2,541	1,299	2,150	2,262	1,655	1,332	4,659	6,681	6,681	6,681	6,681	3,816	+789
Sales (millions of Yen)	20	18	9	13	18	12	10	28	41	41	40	41	296	+47
ANA Crowne Plaza Fukuoka	(Note 2) 2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	79.0%	58.2%	24.1%	24.7%	41.3%	43.7%	28.1%	-	-	-	-	-	-	-
ADR (Yen)	13,470	12,917	10,624	10,241	10,683	10,662	10,171	-	-	-	-	-	-	-
RevPAR (Yen)	10,647	7,512	2,559	2,528	4,415	4,657	2,858	-	-	-	-	-	-	-
Sales (millions of Yen)	207	167	72	67	130	118	109	-	-	-	-	-	-	-

Iriomote Hotel	2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	65.9%	56.4%	11.6%	6.8%	21.5%	29.9%	34.7%	17.8%	33.9%	37.0%	25.8%	51.9%	33.1%	-7.0pt
ADR (Yen)	20,075	21,393	34,232	22,879	33,391	24,438	28,246	25,646	36,508	53,154	29,124	21,643	28,147	+2,750
RevPAR (Yen)	13,229	12,074	3,982	1,551	7,191	7,302	9,793	4,574	12,378	19,650	7,508	11,241	9,323	-876
Sales (millions of Yen)	93	87	17	9	72	53	63	28	72	117	45	72	733	+113
the b akasaka	2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	54.6%	32.1%	21.0%	26.7%	32.9%	39.3%	24.3%	26.8%	39.8%	38.2%	34.7%	41.7%	34.4%	+0.3pt
ADR (Yen)	4,472	4,950	4,212	4,339	4,249	3,977	4,122	4,388	4,820	4,502	4,070	4,080	4,361	-3,940
RevPAR (Yen)	2,443	1,591	886	1,160	1,396	1,561	1,001	1,175	1,919	1,720	1,411	1,702	1,498	-1,329
Sales (millions of Yen)	4	8	4	5	8	7	5	6	10	9	7	9	85	-109
the b nagoya	2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	56.3%	43.1%	28.7%	41.9%	57.7%	60.2%	33.5%	40.4%	54.9%	45.8%	48.8%	55.6%	47.2%	+2.5pt
ADR (Yen)	4,785	4,424	4,148	4,345	4,026	4,054	4,242	3,993	4,195	4,125	3,979	4,085	4,200	-2,117
RevPAR (Yen)	2,693	1,908	1,190	1,819	2,325	2,441	1,419	1,612	2,301	1,889	1,943	2,271	1,984	-844
Sales (millions of Yen)	18	16	11	14	20	20	13	14	19	16	16	20	202	-86
hotel androoms Osaka Hommachi	(Note3) 2020		2021										Accumulated total	Year to year comparison
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Guest room occupancy rate	16.9%	8.0%	0.1%	-	20.8%	9.3%	9.8%	13.4%	26.7%	25.7%	23.8%	27.8%	15.3%	-12.9pt
ADR (Yen)	8,799	8,870	8,239	-	7,366	7,911	7,269	6,975	6,705	7,426	6,924	7,351	7,416	-994
RevPAR (Yen)	1,486	713	7	-	1,534	732	712	934	1,787	1,907	1,647	2,046	1,135	-1,234
Sales (millions of Yen)	5	2	0	0	6	2	2	3	6	7	6	7	51	-50



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

(Note 1) HRR acquired KAI Nagato in June 2021, so no results, totals, or year-to-year comparison figures are listed before the acquisition date.
 (Note 2) ANA Crowne Plaza Fukuoka was transferred in June 2021, so no results, totals, or year-to-year comparison figures are listed beyond that point.
 (Note 3) Guestroom occupancy rate, ADR and RevPAR figures for hotel androoms Osaka Hommachi do not exist for the February 2021 period because the property was temporarily closed as a result of the COVID-19 pandemic.

Inbound tourism ratio at individual properties

Hoshino Resorts REIT, Inc.

Properties operated by Hoshino Resorts

Name of property	Nov. 2019 ~Oct. 2020	Nov. 2020 ~Oct. 2021	Change
HOSHINOYA Karuizawa	17.4%	0.2%	-17.3pt
HOSHINOYA Kyoto	23.5%	0.1%	-23.4pt
HOSHINOYA Fuji	21.3%	0.4%	-20.9pt
HOSHINOYA Taketomi Island	3.9%	0.2%	-3.7pt
RISONARE Yatsugatake	0.6%	0.0%	-0.6pt
RISONARE Atami	0.9%	0.0%	-0.9pt
KAI Matsumoto	2.8%	0.0%	-2.8pt
KAI Izumo	2.1%	0.0%	-2.1pt
KAI Ito	2.7%	0.0%	-2.7pt
KAI Hakone	7.7%	0.0%	-7.6pt
KAI Aso	8.6%	0.1%	-8.5pt
KAI Kawaji	1.9%	0.0%	-1.9pt
KAI Kinugawa	2.8%	0.0%	-2.8pt
KAI Kaga	2.0%	0.0%	-2.0pt
KAI Alps	6.4%	0.0%	-6.3pt
KAI Enshu	1.5%	0.0%	-1.5pt
KAI Nagato	0.0%	0.0%	+0.0pt
OMO7 Asahikwa	12.2%	0.4%	-11.8pt
Iriomote Hotel	0.1%	0.0%	-0.1pt
BEB5 Karuizawa	6.0%	0.0%	-6.0pt

Properties operated by those other than Hoshino Resorts

Name of property	Nov. 2019 ~Oct. 2020	Nov. 2020 ~Oct. 2021	Change
22 Roadside Properties	0.3%	0.0%	-0.3pt
ANA Crowne Plaza Hiroshima	13.7%	1.2%	-12.4pt
ANA Crowne Plaza Kanazawa	12.2%	0.1%	-12.0pt
ANA Crowne Plaza Toyama	14.4%	0.1%	-14.3pt
Hyatt Regency Osaka	28.9%	2.4%	-26.5pt
Grand Hyatt Fukuoka	18.3%	1.8%	-16.5pt
the b akasaka	33.9%	1.3%	-32.6pt
the b sangenjaya	4.6%	0.2%	-4.4pt
the b nagoya	28.5%	0.4%	-28.1pt
the b kobe	14.7%	0.1%	-14.6pt
hotel androoms Osaka Hommachi	40.7%	0.0%	-40.7pt
Sol Vita Hotel Naha	2.1%	0.1%	-2.1pt
Quintessa Hotel Osaka Shinsaibashi	61.8%	8.2%	-53.6pt
Overall portfolio	8.1%	0.4%	-7.7pt

VII

Appendix (3) Information regarding owned properties (financial)



Balance sheet as of the end of the fiscal period ended October 2021

Hoshino Resorts REIT, Inc.

(Unit: thousands of Yen)

	Previous fiscal period (ended Apr. 30, 2021)	Current fiscal period (ended Oct. 31, 2021)
Assets		
Current assets		
Cash and deposits	8,619,696	8,826,530
Cash and deposits in trust	-	81,175
Operating accounts receivable	56,074	84,800
Prepaid expenses	282,429	294,850
Consumption taxes receivable	108,251	506,973
Other	-	1,093
Total current assets	9,066,451	9,795,424
Non-current assets		
Property and equipment		
Buildings	91,080,063	92,632,070
Accumulated depreciation	△12,417,191	△13,269,501
Buildings, net	78,662,872	79,362,568
Structures	3,830,721	3,991,879
Accumulated depreciation	△451,978	△505,212
Structures, net	3,378,743	3,486,667
Machinery and equipment	83,801	83,801
Accumulated depreciation	△56,545	△59,876
Machinery and equipment, net	27,256	23,925
Tools, furniture and fixtures	1,228,286	1,085,827
Accumulated depreciation	△601,272	△556,983
Tools, furniture and fixtures, net	627,013	528,844
Land	79,890,678	73,132,411
Buildings in trust	-	5,257,881
Accumulated depreciation	-	△91,998
Buildings in trust, net	-	5,165,882
Structures in trust	-	37,383
Accumulated depreciation	-	△467
Structures in trust, net	-	36,916
Land in trust	-	2,567,140
Construction in progress	18,092	19,532
Total property, plant and equipment	162,604,656	164,323,888
Intangible assets		
Leasehold interests in land	3,547,500	4,024,597
Software	70,952	55,939
Total intangible assets	3,618,452	4,080,537
Investments and other assets		
Investment securities	505,365	505,365
Long-term prepaid expenses	612,011	608,030
Deferred tax assets	14	5,034
Guarantee deposits	10,000	10,000
Other	365,006	372,060
Total investments and other assets	1,492,398	1,500,490
Total non-current assets	167,715,507	169,904,916
Deferred assets		
Investment corporation bond issuance costs	5,732	15,220
Total deferred assets	5,732	15,220
Total assets	176,787,691	179,715,561

	Previous fiscal period (ended Apr. 30, 2021)	Current fiscal period (ended Oct. 31, 2021)
Liabilities		
Current liabilities		
Operating accounts payable	295,120	247,968
Short-term borrowings	1,699,000	450,000
Current portion of long-term borrowings	10,517,148	9,917,128
Accounts payable - other	606,777	752,031
Income taxes payable	909	6,472
Accrued consumption taxes	62,432	33,989
Accrued expenses	5,293	11,315
Advances received	748,518	817,188
Total current liabilities	13,935,199	12,236,094
Non-current liabilities		
Long-term borrowings	53,974,255	55,315,701
Investment corporation bonds	1,500,000	2,800,000
Leasehold and guarantee deposits received	3,174,111	3,086,058
Leasehold and guarantee deposits received in trust	-	120,000
Total non-current liabilities	58,648,366	61,321,759
Total liabilities	72,583,565	73,557,853
Net assets		
Unitholders' equity		
Unitholders' capital	102,737,981	104,702,180
Surplus		
Voluntary retained earnings		
Reserve for tax purpose reduction entry	-	44,746
Total voluntary retained earnings	-	44,746
Unappropriated retained earnings (undisposed loss)	1,466,144	1,410,781
Total surplus	1,466,144	1,455,528
Total unitholders' equity	104,204,125	106,157,708
Total net assets	104,204,125	106,157,708
Total liabilities and net assets	176,787,691	179,715,561

Statement of income for the fiscal period ended October 2021

Hashino Resorts REIT, Inc.

(Unit: thousands of Yen)

	Previous fiscal period (from Nov. 1, 2020 to Apr. 30, 2021)	Current fiscal period (from May 1, 2021 to Oct. 31, 2021)
Operating revenue		
Leasing business revenue	4,591,422	4,801,785
Gain on sale of real estate properties	-	38,695
Total operating revenue	4,591,422	4,840,480
Operating expenses		
Expenses related to leasing business	2,193,590	2,381,931
Asset management fee	439,446	447,603
Asset custody fee	5,726	5,767
Administrative service fees	27,437	24,118
Remuneration for directors (and other officers)	3,000	3,000
Audit fee	9,250	9,265
Other operating expenses	96,109	123,137
Total operating expenses	2,774,559	2,994,824
Operating profit	1,816,862	1,845,655
Non-operating income		
Interest income	49	40
Insurance income	4,928	1,819
Interest on tax refund	-	237
Miscellaneous income	2,851	1,171
Total non-operating income	7,829	3,268
Non-operating expenses		
Interest expenses	241,913	244,124
Interest expenses on investment corporation bonds	4,768	7,135
Amortization of investment corporation bond issuance costs	747	921
Borrowing related expenses	155,227	165,341
Investment unit issuance expenses	-	18,949
Other	25	361
Total non-operating expenses	402,682	436,834
Ordinary profit	1,422,010	1,412,090
Extraordinary income		
Subsidy income	44,971	-
Total extraordinary income	44,971	-
Profit before income taxes	1,466,981	1,412,090
Income taxes – current	916	6,478
Income taxes – deferred	△1	△5,019
Total income taxes	915	1,458
Profit	1,466,066	1,410,631
Retained earnings brought forward	78	150
Unappropriated retained earnings (undisposed loss)	1,466,144	1,410,781

Real estate appraisal value for continuously owned properties as of the end of the fiscal period ended October 2021

Hoshino Resorts REIT, Inc.

(Unit: millions of Yen)

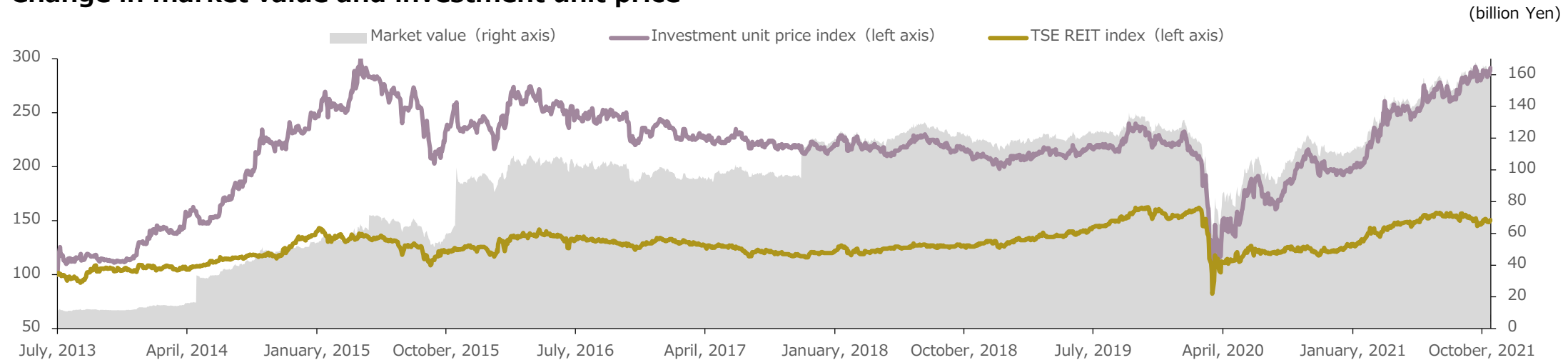
Property No.	Property name	Address	Number of guest rooms	Acquisition Price	Real estate appraisal value, etc.	
					Valuation date	
					Apr. 30 2021	Oct. 31 2021
H-1	HOSHINOYA Karuizawa	Karuizawa-machi, Nagano	77	7,600	11,900	12,000
H-2	HOSHINOYA Kyoto	Kyoto-shi, Kyoto	25	2,878	4,240	4,240
H-3	HOSHINOYA Fuji	Fujikawaguchiko-machi, Yamanashi	40	4,160	4,370	4,390
H-4	HOSHINOYA Taketomi Island	Taketomi-cho, Okinawa	48	4,955	4,980	4,980
R-1	RISONARE Yatsugatake	Hokuto-shi, Yamanashi	172	4,500	7,380	7,430
R-2	RISONARE Atami	Atami-shi, Shizuoka	81	3,750	4,810	4,870
K-1	KAI Matsumoto	Matumoto-shi, Nagano	26	600	804	806
K-2	KAI Izumo	Matsue-shi, Shimane	24	680	876	880
K-3	KAI Ito	Ito-shi, Shizuoka	30	670	1,600	1,600
K-4	KAI Hakone	Hakone-machi, Kanagawa	32	950	1,320	1,330
K-5	KAI Aso	Kokonoe-machi, Oita	12	575	708	711
K-6	KAI Kawaji	Nikko-shi, Tochigi	54	1,000	1,170	1,170
K-7	KAI Kinugawa	Nikko-shi, Tochigi	48	3,080	3,290	3,300
K-8	KAI Kaga	Kaga-shi, Ishikawa	48	3,160	3,320	3,330
K-9	KAI Alps	Omachi-shi, Nagano	48	3,060	3,160	3,170
K-10	KAI Enshu	Hamamatsu-shi, Shizuoka	33	1,050	1,070	1,080
K-11	KAI Nagato ^(Note)	Nagato-shi, Yamaguchi	40	2,750	2,910	2,910
O-35	OMO7 Asahikawa	Asahikawa-shi, Hokkaido	237	4,619	4,620	4,620
O-43	Iriomote Hotel	Taketomi-cho, Okinawa	139	3,650	3,810	3,800
O-45	BEB5 Karuizawa	Karuizawa-machi, Nagano	73	2,170	2,250	2,250
O-31	ANA Crowne Plaza Hiroshima	Hiroshima-shi, Hiroshima	409	17,784	18,700	18,700
O-33	ANA Crowne Plaza Kanazawa	Kanazawa-shi, Ishikawa	249	6,609	6,280	6,270
O-34	ANA Crowne Plaza Toyama	Toyama-shi, Toyama	252	4,008	4,060	4,060
O-36	Hyatt Regency Osaka	Osaka-shi, Osaka	480	16,000	14,900	14,800
O-37	the b akasaka	Minato-ku, Tokyo	162	4,860	4,630	4,620
O-38	the b sangenjaya	Setagaya-ku, Tokyo	118	4,420	4,250	4,240
O-39	the b nagoya	Nagoya-shi, Aichi	219	4,500	4,150	4,150
O-40	the b kobe	Kobe-shi, Hyogo	168	7,020	6,270	6,250
O-41	Quintessa Hotel Osaka Shinsaibashi	Osaka-shi, Osaka	132	3,339	3,430	3,430
O-42	hotel androoms Osaka Hommachi	Osaka-shi, Osaka	103	4,238	3,340	3,340
O-44	HOTEL NIKKO KOCHI ASAHI ROYAL	Kochi-shi, Kochi	191	2,200	2,250	2,260
O-46	Sol Vita Hotel Naha	Naha-shi, Okinawa	200	3,860	3,810	3,810
O-47	Grand Hyatt Fukuoka ^(Note)	Hakata-shi, Fukuoka	372	7,700	8,870	8,850
O-1	Chisun Inn Shiojiri Kita IC	Shiojiri-shi, Nagano	92	672	818	819
O-2	Chisun Inn Sano Fujioka IC	Sano-shi, Tochigi	92	742	898	908
O-3	Chisun Inn Suwa IC	Suwa-shi, Nagano	92	658	824	825
O-4	Chisun Inn ToyokawaIC	Toyokawa-shi, Aichi	94	602	727	727
O-5	Chisun Inn Tosu	Tosu-shi, Saga	92	504	643	641
O-6	Chisun Inn Chiba Hamano R16	Chiba-shi, Chiba	94	798	996	996
O-7	Chisun Inn Kumamoto Miyukifueda	Kumaomoto-shi, Kumamoto	98	616	734	727
O-8	Chisun Inn Utsunomiya Kanuma	Utsunomiya-shi, Tochigi	98	714	829	829
O-9	Chisun Inn Fukui	Fukui-shi, Fukui	98	644	796	796
O-10	Chisun Inn Fukushima Nishi IC	Fukushima-shi, Fukushima	98	672	751	751
O-11	Chisun Inn Niigata Chuo IC	Niigata-shi, Niigata	98	630	766	765
O-12	Chisun Inn Nagasaki Airport	Omura-shi, Nagasaki	92	630	754	753
O-13	Chisun Inn Hitachinaka	Hitachinaka-shi, Ibaraki	92	742	900	900
O-14	Chisun Inn Tsuchiura Ami	Ami-machi, Ibaraki	92	770	901	901
O-15	Chisun Inn Kofu Isawa	Fuefuki-shi, Yamanashi	92	658	776	777
O-16	Chisun Inn Marugame Zentsuji	Marugame-shi, Kagawa	98	588	724	724
O-17	Chisun Inn Munakata	Munakata-shi, Fukuoka	98	504	624	622
O-18	Chisun Inn Iwate Ichinoseki IC	Ichinoseki-shi, Iwate	92	700	765	765
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	736	734
O-21	Chisun Inn Kurashiki Mizushima	Kurashiki-shi, Okayama	98	728	862	861
O-22	Candeo Hotels Handa	Handa-shi, Aichi	126	620	652	649
O-23	Candeo Hotels Chino	Chino-shi, Nagano	119	793	870	867
O-24	Candeo Hotels Fukuyama	Fukuyama-shi, Hiroshima	164	1,075	1,170	1,160
O-25	Candeo Hotels Sano	Sano-shi, Tochigi	124	1,260	1,440	1,440
O-26	Candeo Hotels Kameyama	Kameyama-shi, Mie	170	470	471	467
O-27	Comfort Hotel Hakodate	Hakodate-shi, Hokkaido	139	937	960	961
O-28	Comfort Hotel Tomakomai	Tomakomai-shi, Hokkaido	123	963	972	972
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	2,380	2,420
Total		-	7,661	165,608	180,507	180,644

(Note) KAI Nagato and Grand Hyatt Fukuoka were acquired on June 1, 2021, so the real estate appraisal amounts as of April 30, 2021, for these two properties are based on real estate appraisals acquired in conjunction with the acquisition of each property.

Change in market value and investment unit price/ Information on unitholders as of the end of the fiscal period ended October 2021

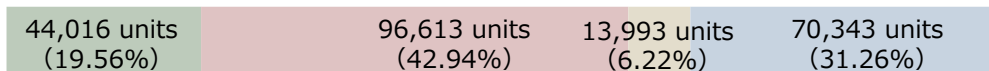
Hoshino Resorts REIT, Inc.

Change in market value and investment unit price (Note 1)

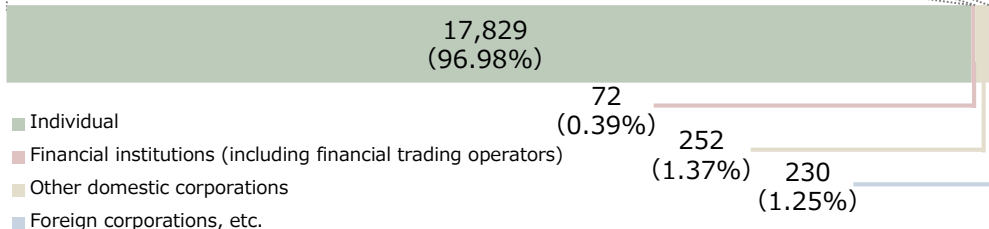


Composition of unitholders (as of October 31, 2021) (Note 2)

Number of units held
by type of unitholder
Total: 224,965 units



Number of investors
by type of unitholder
Total: 18,383



(Note 3)

Major unitholders	Number of investment units held (units)	Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	33,806	15.02
Custody Bank of Japan, Ltd. (Trust account)	22,814	10.14
BNP PARIBAS SECURITIES SERVICES SINGAPORE/JASDEC/CLIENT ASSET (Standing proxy: Hongkong and Shanghai Banking Corporation Limited, Tokyo Branch)	19,777	8.79
The Nomura Trust and Banking Co., Ltd. (Investment trust account)	9,666	4.29
Custody Bank of Japan, Ltd. (Securities Investment Trust)	6,182	2.74
Hoshino Resorts Inc.	6,140	2.72
J.P. MORGAN BANK LUXEMBOURG S.A. 381572 (Standing proxy: Mizuho Bank Settlement & Clearing Services Department)	5,430	2.41
STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing proxy: Mizuho Bank Settlement & Clearing Services Department)	4,197	1.86
Mizuho Securities Co., Ltd.	4,121	1.83
Hoshino Resorts Holdings Inc.	3,103	1.37
Total	115,236	51.22

(Note 1) 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 Yen (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.

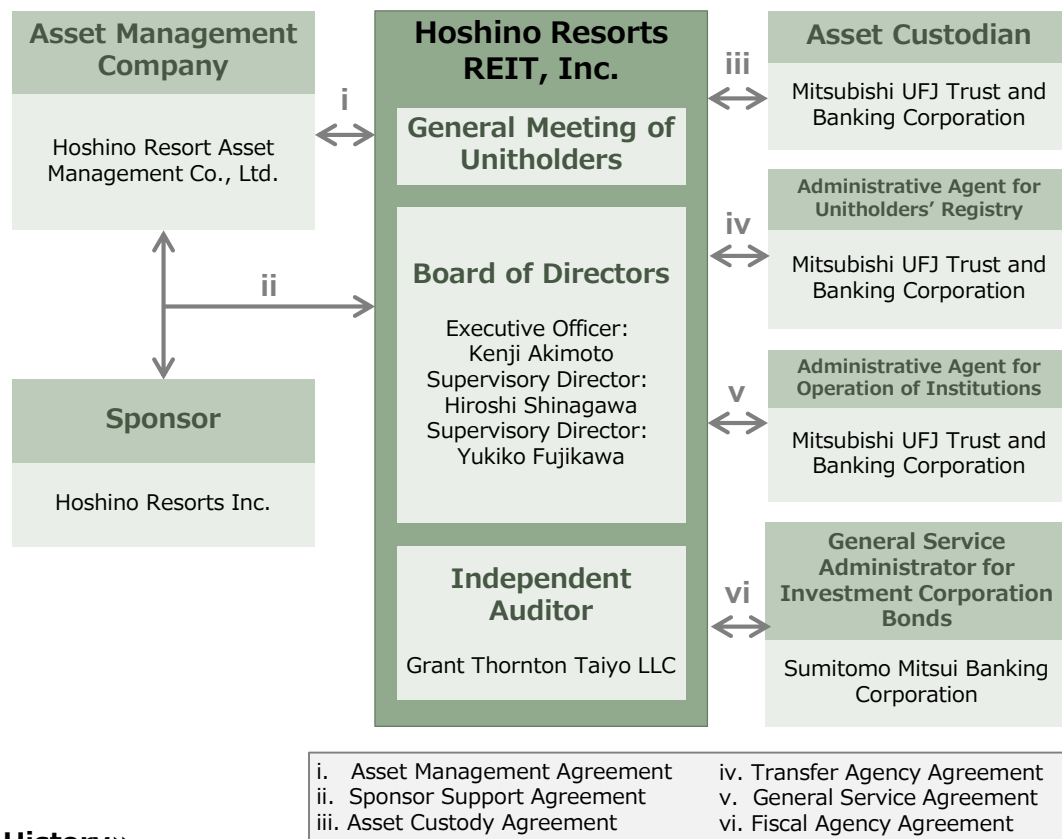
(Note 2) The ratios in the parentheses following the number of units held by type of unitholder represent the ratio of units held by each type of unitholder to the total number of issued investment equity units. The ratios in the parentheses following the number of investors by type of unitholder represent the ratio of investors by each type of unitholder to the total number of investors owning Hoshino Resorts REIT, Inc.. Each is rounded down to the second decimal place.

(Note 3) 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.

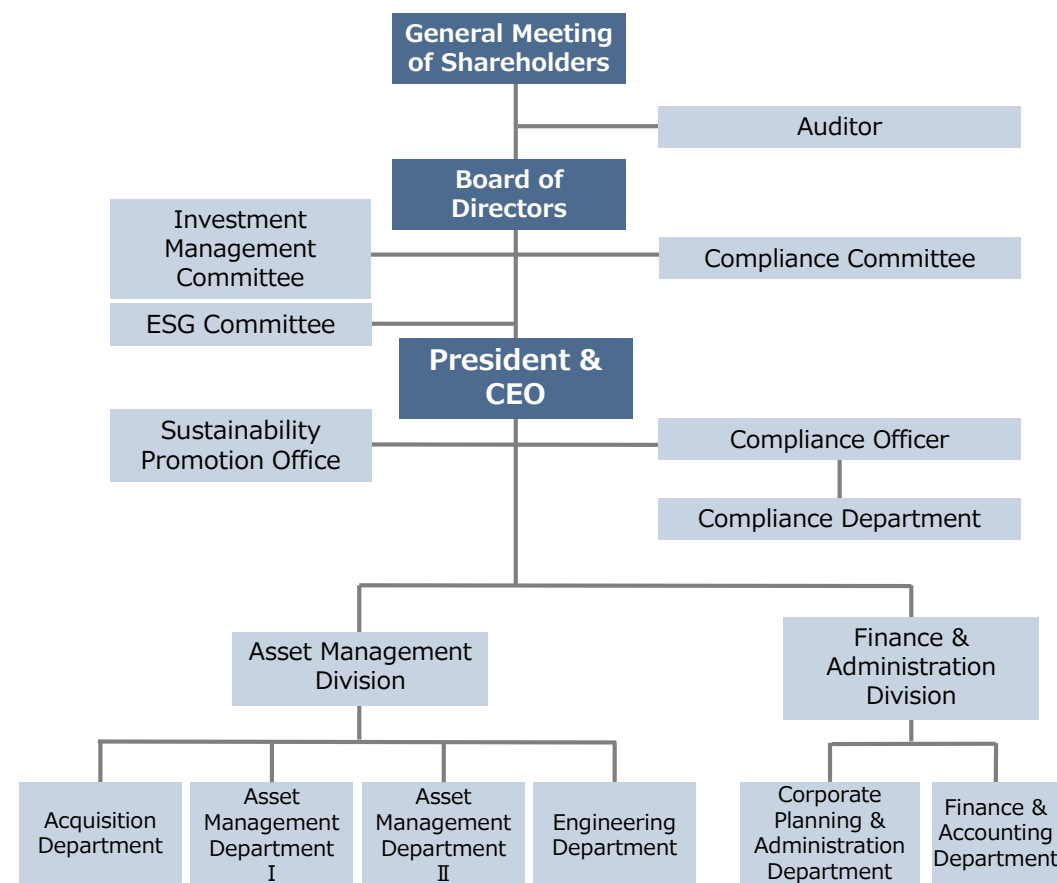
Overview of Hoshino Resorts REIT, Inc./ Overview of Asset Management Company

Hoshino Resorts REIT, Inc.

Structure of Hoshino Resorts REIT, Inc.



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

«History»

February 28, 2013

Application for registration of Hoshino Resorts REIT, Inc. 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

Hoshino Resorts REIT, Inc. was registered and established under Article 166 of the Investment Trusts Act

March 25, 2013

Application for registration of Hoshino Resorts REIT, Inc. was filed under Article 188 of the Investment Trusts Act

April 10, 2013

Hoshino Resorts REIT, Inc. 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

Hoshino Resorts REIT, Inc. was listed on the Real Estate Investment Trust Section of the Tokyo Stock Exchange (securities code: 3287)

July 16, 2013

Asset management started

This document is provided for information purposes only and is not a solicitation for investment, nor recommendation or invitation to make specific transactions. We caution readers to undertake investment decisions at their own discretion and responsibility.

This document is not a disclosure document or report based upon the Financial Instruments and Exchange Act, the Act on Investment Trusts and Investment Corporations, public listing regulations of the Tokyo Stock Exchange or other related laws and regulations.

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The figures under the same item of other disclosed materials may differ from figures presented in this document due to different rounding of fractions and such.

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

Contact TEL: +81-3-5159-6338

Hoshino Resort Asset Management Co., Ltd.

Registration as a Financial Instruments Business: Director of Kanto Local Finance Bureau (Kin-sho) No. 2405
Member of the Investment Trusts Association, Japan