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REIT Issuer:

Japan Hotel REIT Investment Corporation (TSE code: 8985)

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Notice Concerning Revision of Operating and Dividend Forecast
for the Fiscal Year Ending December 2024 (25th Period)

Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) informs you of the revisions to operating and dividend forecast for the fiscal year ending December 2024 (January 1, 2024 through December 31, 2024) announced in “Financial Report for the Fiscal Year Ended December 31, 2023” dated February 21, 2024, as follows.

1. Revision of the Operating Forecast for the Midterm of the Fiscal Year Ending December 2024
(January 1, 2024 through June 30, 2024)

	Operating revenue	Operating income	Ordinary income	Net income	Dividend per unit (Excess of earnings exclusive)	Dividend per unit resulting from excess of earnings
Previous forecast (A)	JPY1M 13,936	JPY1M 7,974	JPY1M 6,880	JPY1M 6,880	JPY —	JPY —
Revised forecast (B)	JPY1M 14,210	JPY1M 8,264	JPY1M 7,185	JPY1M 7,185	JPY —	JPY —
Variance (C) = (B) – (A)	JPY1M 273	JPY1M 289	JPY1M 304	JPY1M 305	JPY —	JPY —
Variance ratio (D) = (C) / (A)	% 2.0	% 3.6	% 4.4	% 4.4	% —	% —

(*1) For the assumptions of the operating forecast above, please refer to “<Reference Information 1> Assumptions of the operating forecast for the midterm of the fiscal year ending December 2024 (25th Period) and the full fiscal year ending December 2024 (25th Period)” below.

(*2) Amounts are rounded down to the nearest millions of yen and percentages are rounded off to the nearest second decimal place. The same shall apply hereinafter.

Note: This document is intended to serve as a press release to make available the information on the revision of operating and dividend forecast for the fiscal year ending December 2024 (25th Period). This document should not be construed as an offer to sell or solicitation of an offer to purchase any investment unit or other investment of JHR. Prospective investors are advised to make any investment decision at their own risk and responsibility. This press release does not constitute an offer of securities in the United States. Securities may not be offered or sold in the United States without registration or an exemption from registration under the United States Securities Act of 1933 (as amended). Any public offering of securities to be made in the United States will be made by means of an English language prospectus prepared in accordance with the U.S. Securities Act of 1933 that may be obtained from the issuer or distributor of the security and that will contain detailed information about the issuer and its management as well as its financial statements. However, the securities referred to above will not be publicly offered or sold in the United States.

2. Revision of the Operating and Dividend Forecast for the Full Fiscal Year Ending December 2024 (January 1, 2024 through December 31, 2024)

	Operating revenue	Operating income	Ordinary income	Net income	Dividend per unit (Excess of earnings exclusive)	Dividend per unit resulting from excess of earnings
Previous forecast (A)	JPY1M 31,288	JPY1M 18,815	JPY1M 16,713	JPY1M 16,712	JPY 3,722	JPY —
Revised forecast (B)	JPY1M 32,758	JPY1M 19,963	JPY1M 17,396	JPY1M 17,395	JPY 3,764	JPY —
Variance (C) = (B) – (A)	JPY1M 1,469	JPY1M 1,148	JPY1M 683	JPY1M 683	JPY 42	JPY —
Variance ratio (D) = (C) / (A)	% 4.7	% 6.1	% 4.1	% 4.1	% 1.1	% —

(Reference) Forecast of net income per unit for the full fiscal year ending December 2024: JPY3,575 (Calculated based on the forecast of the average number of investment units during fiscal period ending December 2024 (4,865,133 units))

- (*1) In addition to the number of investment units issued as of today (4,637,006 units), it is assumed that all 460,000 new investment units will be issued through a public offering (up to 451,641 units) (investment units to be purchased and underwritten by the domestic and the overseas underwriters in the domestic public offering and the overseas offering (hereinafter collectively called the “Offering”) and additional new investment units to be issued upon the exercise of the over-allotment option granted to the overseas underwriters) and by way of third-party allotment (up to 8,359 units) determined by the resolution at the JHR’s Board of Directors meeting held today. For details, please refer to “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units” dated today.
- (*2) JHR plans to reverse and distribute JPY1,789 million of reserve for temporary difference adjustment due to negative goodwill.
- (*3) For the assumptions of the operating forecast above, please refer to “<Reference Information 1> Assumptions of the operating forecast for the midterm of the fiscal year ending December 2024 (25th Period) and the full fiscal year ending December 2024 (25th Period)” below.
- (*4) The acquisition of the 4 properties (OKINAWA HARBORVIEW HOTEL, Southern Beach Hotel & Resort OKINAWA, MIMARU Tokyo Shinjuku West and HOTEL AMANEK Shinjuku-Kabukicho) (hereinafter called the “Assets for Anticipated Acquisition”) which is announced in the press release “Notice Concerning Acquisition and Lease of Domestic Real Estate Beneficial Interests in Trust (OKINAWA HARBORVIEW HOTEL, Southern Beach Hotel & Resort OKINAWA, MIMARU Tokyo Shinjuku West and HOTEL AMANEK Shinjuku-Kabukicho)” dated today is assumed.

3. Rationale for the revisions of the operating and dividend forecast

JHR revises its operating and dividend forecast for the full fiscal year ending December 2024 (25th Period) to reflect the followings: (1) the issuance of new investment units announced in the press release “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units” dated today, (2) the decision to acquire the Assets for Anticipated Acquisition announced in the press release “Notice Concerning Acquisition and Lease of Domestic Real Estate Beneficial Interests in Trust (OKINAWA HARBORVIEW HOTEL, Southern Beach Hotel & Resort OKINAWA, MIMARU Tokyo Shinjuku West and HOTEL AMANEK Shinjuku-Kabukicho)” dated today, and (3) increase in variable rent, etc. in the real estate beneficial interests in trust held by JHR as of today (hereinafter referred to as the “Existing Properties”). At the same time, JHR revises the operating forecast for the midterm of the fiscal year ending December 2024 (25th Period).

To manage the dilution of investment units expected to be caused by the issuance of new investment units, JHR plans to appropriate the reserve for temporary difference adjustment due to negative goodwill up to the level of the internal growth amount mentioned in (3) above.

For details of the comparison with the previous forecast of the operating and dividend for the fiscal year ending December 2024 (25th Period), please refer to “4. Highlights of the operating and dividend forecast.”

4. Highlights of the operating and dividend forecast

Note: This document is intended to serve as a press release to make available the information on the revision of operating and dividend forecast for the fiscal year ending December 2024 (25th Period). This document should not be construed as an offer to sell or solicitation of an offer to purchase any investment unit or other investment of JHR. Prospective investors are advised to make any investment decision at their own risk and responsibility. This press release does not constitute an offer of securities in the United States. Securities may not be offered or sold in the United States without registration or an exemption from registration under the United States Securities Act of 1933 (as amended). Any public offering of securities to be made in the United States will be made by means of an English language prospectus prepared in accordance with the U.S. Securities Act of 1933 that may be obtained from the issuer or distributor of the security and that will contain detailed information about the issuer and its management as well as its financial statements. However, the securities referred to above will not be publicly offered or sold in the United States.

Comparison and the major factors causing the variance between the operating and dividend forecast (revised forecast) for the full fiscal year ending December 2024 (25th Period) and the previous forecast.

(Unit: millions of yen)

		FY12/2024 (25th Period)	FY12/2024 (25th Period)	Comparison with the Previous Forecast		Existing Properties	Assets for Anticipated Acquisition (*1)	Factors Causing Variance
		Previous Forecast (A)	Revised Forecast (B)	(B)-(A)	% of increase / decrease			
Properties	No. of Properties	47	51	4	-	-	4	
	Acquisition Price	396,918	453,108	56,190	14.2%	-	56,190	
Profit and Loss	Operating Revenue	31,288	32,758	1,469	4.7%	240	1,229	
	Real Estate Operating Revenue	31,288	32,758	1,469	4.7%	240	1,229	
	Fixed Rent	15,132	16,128	996	6.6%	91	904	The Ishin Group Hotels (*3) +JPY54MM Others +JPY36MM
	Composition	48.4%	49.2%					
	Other Income	1,034	1,067	32	3.2%	29	3	
	Composition	3.3%	3.3%					
	Variable Rent	15,121	15,562	440	2.9%	119	321	The 19 HMJ Hotels (*3) +JPY163MM The Accor Group Hotels (*3) (JPY48MM) The Ishin Group Hotels (*3) + (JPY5MM) Others +JPY11MM
	Composition	48.3%	47.5%					
	NOI (*2)	26,825	28,331	1,505	5.6%	305	1,200	
	NOI Yield (*2)	6.8%	6.3%					
Dividend	NOI after Depreciation (*2)	21,248	22,458	1,209	5.7%	252	957	
	NOI Yield after Depreciation (*2)	5.4%	5.0%					
	Operating Income	18,815	19,963	1,148	6.1%			
	Ordinary Income	16,713	17,396	683	4.1%			
	Net Income	16,712	17,395	683	4.1%			
	Amount of Reversal from Reserve for Temporary Difference Adjustments (Negative Goodwill)	549	1,789	1,240	225.6%	Amount of reversal from reserve for temporary difference adjustments Previous forecast: 50-year amortization amount on negative goodwill: JPY262MM Loss on retirement of noncurrent assets: JPY231MM Amortization of trademark rights: JPY56MM		
	Total Dividends	17,258	19,185	1,926	11.2%	Revised Forecast: 50-year amortization amount on negative goodwill: JPY262MM Loss on retirement of noncurrent assets: JPY231MM Amortization of trademark rights: JPY56MM Dilution: JPY1,240MM		
	Number of Units Issued (Unit)	4,637,006	5,097,006	460,000	9.9%			
	Dividend per Unit (JPY)	3,722	3,764	42	1.1%			

(*1) Stating the amount of the impact (forecast) by the acquisition of the Assets for Anticipated Acquisition.

(*2) Each is calculated using the following formula. The same shall apply hereinafter.

NOI (Net Operating Income) = Real estate operating revenue – Real estate operating costs + Depreciation + Loss on retirement of noncurrent assets + Asset retirement obligations expenses

NOI yield = NOI / (Anticipated) acquisition price

NOI after depreciation = Real estate operating revenue – Real estate operating costs

NOI yield after depreciation = NOI after depreciation / (Anticipated) acquisition price

(*3) The Five HMJ Hotels refers to the following 5 hotels JHR leases to HMJ:

Kobe Meriken Park Oriental Hotel

Oriental Hotel Tokyo Bay

Namba Oriental Hotel

Hotel Nikko Alivila

Oriental Hotel Hiroshima

The same shall apply hereinafter.

The 19 HMJ Hotels refers to the Five HMJ Hotels plus the following 14 hotels which JHR leases to the subsidiaries of HMJ:

Oriental Hotel Okinawa Resort & Spa

Sheraton Grand Hiroshima Hotel (main facility of ACTIVE-INTER CITY HIROSHIMA)

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Oriental Hotel Fukuoka Hakata Station
Holiday Inn Osaka Namba
Hilton Tokyo Narita Airport
International Garden Hotel Narita
Hotel Nikko Nara
Hotel Oriental Express Osaka Shinsaibashi
Hilton Tokyo Odaiba
Hotel Oriental Express Fukuoka Tenjin
Oriental Hotel Universal City
Oriental Hotel Kyoto Rokujo
Hotel Oriental Express Fukuoka Nakasukawabata
Hotel JAL City Kannai Yokohama
The same shall apply hereinafter.

The Accor Group Hotels refers to the following 5 hotels: ibis Styles Kyoto Station, ibis Styles Sapporo, Mercure Sapporo, Mercure Okinawa Naha and Mercure Yokosuka
The same shall apply hereinafter.

The Ishin Group Hotels refers to the following 4 hotels: the b suidobashi, the b ikebukuro, the b hachioji and the b hakata
The same shall apply hereinafter.

(Note)

The above forecasts are based on status of operation as of today, and the actual dividend per unit may fluctuate. The forecasts do not guarantee the amount of dividend shown above.

*Website of Japan Hotel REIT Investment Corporation: <https://www.jhrth.co.jp/en/>

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<Reference Information 1>

Assumptions for the operating forecasts for the midterm of the fiscal year ending December 2024 (25th Period) and the full fiscal year ending December 2024 (25th Period)

Item	Assumptions										
Calculation Period	- Midterm of the fiscal year ending December 2024 (25th Period): January 1, 2024 through June 30, 2024 (182 days) - Full fiscal year ending December 2024 (25th Period): January 1, 2024 through December 31, 2024 (366 days)										
Assets under Management	- The 47 properties owned by JHR as of today and the following 4 properties (Assets for Anticipated Acquisition), for a total of 51 properties are assumed. < Assets for Anticipated Acquisition > <table border="1"> <thead> <tr> <th>Acquisition date</th><th>Name of asset</th></tr> </thead> <tbody> <tr> <td>July 12, 2024</td><td>MIMARU Tokyo Shinjuku West</td></tr> <tr> <td>July 12, 2024</td><td>HOTEL AMANEK Shinjuku-Kabukicho.</td></tr> <tr> <td>July 31, 2024</td><td>OKINAWA HARBORVIEW HOTEL</td></tr> <tr> <td>July 31, 2024</td><td>Southern Beach Hotel & Resort OKINAWA</td></tr> </tbody> </table> - It is assumed that there will be no changes in assets under management (acquisition of new properties, sale of the Existing Properties, etc.) other than the above by the end of the fiscal year ending December 2024 (25th Period). However, changes in the actual assets under management may take place.	Acquisition date	Name of asset	July 12, 2024	MIMARU Tokyo Shinjuku West	July 12, 2024	HOTEL AMANEK Shinjuku-Kabukicho.	July 31, 2024	OKINAWA HARBORVIEW HOTEL	July 31, 2024	Southern Beach Hotel & Resort OKINAWA
Acquisition date	Name of asset										
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July 12, 2024	HOTEL AMANEK Shinjuku-Kabukicho.										
July 31, 2024	OKINAWA HARBORVIEW HOTEL										
July 31, 2024	Southern Beach Hotel & Resort OKINAWA										
Number of issued investment units	- In addition to the number of investment units issued as of today (4,637,006 units), it is assumed that all 460,000 new investment units will be issued through a public offering (up to 451,641 units) (investment units to be purchased and underwritten by the domestic and the overseas underwriters in the Offering and all additional new investment units to be issued upon the exercise of the over-allotment option granted to the overseas underwriters) and by way of third party allotment (up to 8,359 units) determined by the resolution at the JHR's Board of Directors meeting held today. Dividend per unit is calculated based on the expected outstanding 5,097,006 investment units as of the end of the fiscal year ending December 2024 (25th Period). - It is assumed that there will be no additional issuance of investment units or purchase of own investment units other than the above until the end of the fiscal year ending December 2024 (25th Period).										

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Operating Revenue	- Operating revenue is calculated based on the conditions of the effective lease contracts as of today, etc. (as for the Assets for Anticipated Acquisition, the lease contracts, etc. that will be in effect at the time of the acquisition of the property) and we take the competitiveness of hotels, market environment and other factors into consideration for the operating revenue. If there are lease contracts with facilities other than hotels, such as commercial facilities and offices, operating revenue calculated based on the said lease contracts is included. - Rents, etc. of the main hotels are calculated based on the following assumptions.																																																																																																								
	(1) The 19 HMJ Hotel																																																																																																								
	Rents for the 19 HMJ Hotels consist of fixed and variable rents, and variable rents are calculated using the following formula.																																																																																																								
	Variable rent = [Hotel AGOP (*1) – Base Amount] × Variable rent ratio (%)																																																																																																								
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	<table><tr><th rowspan="2"></th><th colspan="2">Fixed rent</th><th colspan="2">Variable rent</th><th colspan="2">Total rent</th></tr><tr><th>Midterm</th><th>Full year</th><th>Midterm</th><th>Full year</th><th>Midterm</th><th>Full year</th></tr><tr><td>The Five HMJ Hotels</td><td>1,610</td><td>3,221</td><td>1,074</td><td>3,211</td><td>2,685</td><td>6,432</td></tr><tr><td>Oriental Hotel Universal City</td><td>158</td><td>316</td><td>605</td><td>1,481</td><td>764</td><td>1,798</td></tr><tr><td>Oriental Hotel Okinawa Resort & Spa</td><td>274</td><td>550</td><td>—</td><td>507</td><td>274</td><td>1,057</td></tr><tr><td>Sheraton Grand Hiroshima Hotel (*2)</td><td>174</td><td>348</td><td>178</td><td>380</td><td>352</td><td>728</td></tr><tr><td>Oriental Hotel Fukuoka Hakata Station</td><td>212</td><td>425</td><td>665</td><td>1,307</td><td>877</td><td>1,732</td></tr><tr><td>Holiday Inn Osaka Namba</td><td>288</td><td>576</td><td>284</td><td>670</td><td>572</td><td>1,246</td></tr><tr><td>Hotel Oriental Express Fukuoka Tenjin</td><td>67</td><td>135</td><td>224</td><td>434</td><td>291</td><td>569</td></tr><tr><td>Hilton Tokyo Narita Airport</td><td>222</td><td>444</td><td>88</td><td>230</td><td>310</td><td>674</td></tr><tr><td>International Garden Hotel Narita</td><td>168</td><td>336</td><td>94</td><td>219</td><td>262</td><td>555</td></tr><tr><td>Hotel Nikko Nara</td><td>210</td><td>420</td><td>1</td><td>103</td><td>211</td><td>523</td></tr><tr><td>Hotel Oriental Express Osaka Shinsaibashi</td><td>55</td><td>110</td><td>54</td><td>100</td><td>109</td><td>211</td></tr><tr><td>Hilton Tokyo Odaiba</td><td>799</td><td>1,600</td><td>471</td><td>1,200</td><td>1,271</td><td>2,800</td></tr><tr><td>Oriental Hotel Kyoto Rokujo</td><td>85</td><td>171</td><td>74</td><td>159</td><td>159</td><td>330</td></tr></table>		Fixed rent		Variable rent		Total rent		Midterm	Full year	Midterm	Full year	Midterm	Full year	The Five HMJ Hotels	1,610	3,221	1,074	3,211	2,685	6,432	Oriental Hotel Universal City	158	316	605	1,481	764	1,798	Oriental Hotel Okinawa Resort & Spa	274	550	—	507	274	1,057	Sheraton Grand Hiroshima Hotel (*2)	174	348	178	380	352	728	Oriental Hotel Fukuoka Hakata Station	212	425	665	1,307	877	1,732	Holiday Inn Osaka Namba	288	576	284	670	572	1,246	Hotel Oriental Express Fukuoka Tenjin	67	135	224	434	291	569	Hilton Tokyo Narita Airport	222	444	88	230	310	674	International Garden Hotel Narita	168	336	94	219	262	555	Hotel Nikko Nara	210	420	1	103	211	523	Hotel Oriental Express Osaka Shinsaibashi	55	110	54	100	109	211	Hilton Tokyo Odaiba	799	1,600	471	1,200	1,271	2,800	Oriental Hotel Kyoto Rokujo	85	171	74	159	159	330
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Item	Assumptions						
Operating Revenue	(Unit: millions of yen)						
		Fixed rent		Variable rent		Total rent	
		Midterm	Full year	Midterm	Full year	Midterm	Full year
	Hotel Oriental Express Fukuoka Nakasukawabata	87	174	78	157	165	331
	Hotel JAL City Kannai Yokohama	67	135	—	51	67	186
	Total	4,480	8,962	3,896	10,216	8,377	19,178
	(*1) AGOP (Adjusted GOP = GOP after adjustment) is the amount calculated by subtracting certain fees and other items from GOP. GOP (gross operating profit) is the remainder after expenses incurred in hotel operation, such as personnel costs and general administrative expenses, etc., are deducted from total sales. The same shall apply hereinafter.						
	(*2) The rent for Sheraton Grand Hiroshima Hotel, the major facility of ACTIVE-INTER CITY HIROSHIMA. The fixed and variable rents for offices and commercial tenants in ACTIVE-INTER CITY HIROSHIMA are as follows:						
	(Unit: millions of yen)						
		Fixed rent		Variable rent		Total rent	
		Midterm	Full year	Midterm	Full year	Midterm	Full year
	ACTIVE-INTER CITY HIROSHIMA (Offices and Commercial Tenants)	246	502	5	11	252	514

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Item	Assumptions		
Operating Revenue	(2) Income from management contracts (*3) and variable rent from other hotels with variable rent, etc. (unit: millions of yen)		
		Midterm	Full year
	ibis Styles Kyoto Station (*3)	171	337
	ibis Styles Sapporo (*3)	194	539
	Mercure Sapporo (*3)	242	611
	Mercure Okinawa Naha (*3)	120	260
	Mercure Yokosuka	150	322
	the b suidobashi	62	108
	the b ikebukuro	114	213
	the b hachioji	68	118
	the b hakata	93	163
	dormy inn Kumamoto	12	67
	Comfort Hotel Tokyo Higashi Nihombashi	38	38
	Smile Hotel Nihombashi Mitsukoshimae	31	31
	Chisun Hotel Kamata	72	136
	Chisun Inn Kamata	43	80
	Hilton Tokyo Bay	Undisclosed (*4)	Undisclosed (*4)
	Hilton Nagoya	Undisclosed (*4)	Undisclosed (*4)
	UAN kanazawa	5	19
	Sotetsu Fresa Inn Shimbashi-Karasumoriguchi	108	108
	La'gent Stay Sapporo Odori	251	554
	Total	2,232	5,013
(*3) Management contract system has been adopted. Management contract system refers to the operation of the hotel property owned by JHR by entrusting the operation of the hotel to the trustee and incorporating the results of the operation into JHR as income from real estate management. Each hotel's GOP amount is recognized in operating revenues as income from management contracts. (*4) Undisclosed since tenants that concluded lease contracts do not agree to disclose rent revenue, etc.			
(3) Assets for Anticipated Acquisition			
1. MIMARU Tokyo Shinjuku West (*5)			
Rent is based on fixed rent and variable rent. Calculation method is as follows:			
Variable rent = Amount calculated based on GOP of the hotel			
However, if calculated amount is below 0 yen, the variable rent will be 0 yen.			
2. HOTEL AMANEK Shinjuku-Kabukicho. (*5)			
Rent is based on fixed rent and variable rent. Calculation method is as follows:			
Variable rent = Amount calculated based on GOP of the hotel			
However, if calculated amount is below 0 yen, the variable rent will be 0 yen.			
3. OKINAWA HARBORVIEW HOTEL (*6)			
Rent will be based on fixed rent only until July 31, 2026.			
4. Southern Beach Hotel & Resort OKINAWA (*7)			
Rent is based on fixed rent and variable rent. Calculation method is as follows:			
Variable rent = Amount calculated based on GOP of the hotel			
However, if calculated amount is below 0 yen, the variable rent will be 0 yen.			

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Item	Assumptions						
Operating Revenue	(Unit: millions of yen)						
		Fixed rent		Variable rent		Total	
		Midterm	Full year	Midterm	Full year	Midterm	Full year
	MIMARU Tokyo Shinjuku West	—	Undisclosed (*5)	—	Undisclosed (*5)	—	187
	HOTEL AMANEK Shinjuku-Kabukicho.	—	Undisclosed (*5)	—	Undisclosed (*5)	—	233
	OKINAWA HARBORVIEW HOTEL	—	440 (*6)	—	—	—	440
	Southern Beach Hotel & Resort OKINAWA	—	257 (*7)	—	107 (*7)	—	365
	Total	—	904	—	321	—	1,225
	(*5) Undisclosed since tenants that concluded lease contracts do not agree to disclose the breakdown of rent revenue. The rent for the period ending December 2024 is an estimated amount for 173-day from July 12, 2024 to December 31, 2024.						
	(*6) The annual fixed rent will be JPY1,050 million until July 31, 2026. The rent for the period ending December 2024 is an estimated amount for 154-day from July 31, 2024 to December 31, 2024.						
	(*7) The annual fixed rent will be JPY600 million. The rent for the period ending December 2024 for the Asset for Anticipated Acquisition is an estimated amount including the rent from commercial tenants for 154-day from July 31, 2024 to December 31, 2024.						
	• The following is the breakdown of variable rent and income from management contracts.						
(Unit: millions of yen)							
	Midterm		Full year				
The 19 HMJ Hotels	3,896		10,216				
Other hotels with variable rent, etc.	2,232		5,013				
Assets for Anticipated Acquisition	—		321				
Office and commercial tenants	5		11				
Total	6,133		15,562				
(*8) For details of variable rent of the Existing Properties, please refer to, “3. Reference Information; (1) Information on values of assets under management, etc.; B. Assets under management; (C) Other major assets under management; (iii) Overview of the hotel business; (a). Rent structures of hotels with variable rent, management contract or revenue-sharing rent” of the “Financial Report for the Fiscal Year Ended December 31, 2023” dated February 21, 2024.							

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Item	Assumptions
Operating Expenses	• With respect to real estate operating expenses, which constitute a major part of the operating expenses, expenses other than depreciation, are calculated based on historical data, and variable factors of costs are reflected in the calculation. • It is assumed that the JPY2,097 million will be recognized as expenses for fixed asset taxes, city planning taxes, etc. In general, fixed asset tax and city planning tax and other taxes and public dues on assets acquired during the fiscal year are settled with the previous owners on a pro rata basis of the holding period. For JHR, such settlement amount is included in the acquisition price. Therefore, the fixed asset tax and city planning tax, etc. of the Assets for Anticipated Acquisition will not be recorded in the costs for the relevant calculation period. • Capital expenditure is assumed to be JPY7,311 million (JPY3,745 million for capital expenditure I, JPY400 million for capital expenditure II, and JPY3,165 million for capital expenditure III) for the fiscal year ending December 2024 (25th Period). (*) JHR classifies capital expenditures into the following 3 categories. (I) Capital investment related to renewal of equipment and facilities of buildings which is required to maintain proper values of properties, (II) capital investment for fixtures, furniture and equipment that are not directly related to building structure or facilities but necessary for operating hotels, and (III) strategic capital investment such as renovating guest rooms, etc. for improving the competitiveness of the hotels. • Depreciation is calculated using the straight-line method including the planned capital expenditures above and is assumed to be JPY5,640 million. • Repair expenses for buildings are recognized as expenses in the assumed amount necessary for each calculation period. Please note that the repair expenses of each calculation period may differ materially from the forecast amount for various reasons, such as (1) Emergency repair expenses may be necessary due to damage to buildings from unexpected causes; (2) The amount of repair expenses generally tends to increase in difference over time; and (3) Repair expenses are not required on a regular basis.
Non-operating Expenses	• JPY2,568 million is expected for borrowing-related costs, including interest expense, amortization for financing fee, arrangement fee, and other non-operating expenses.
Interest-bearing Debt	• Borrowings associated with the acquisition of Assets for Anticipated Acquisition are assumed to be JPY30,000 million. • The balance of interest-bearing debt (total of borrowings and investment corporation bonds) as of today is JPY175,231 million and expected to be JPY205,231 million as of July 31, 2024 after the acquisition of Assets for Anticipated Acquisition. It is assumed that there will be no change in the balance of interest-bearing debt until the end of the fiscal year ending December 2024 (25th Period). • The amount of loans due by the end of the fiscal year ending December 2024 (25th Period) is JPY6,100 million, but the entire amount is assumed to be refinanced. • The amount of investment corporation bonds due by the end of the fiscal year ending December 2024 (25th Period) is JPY3,000 million, but the entire amount is assumed to be refinanced or investment corporation bonds is assumed to be issued.

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Item	Assumptions
Dividend per Unit	Dividend per unit for the fiscal year ending December 2024 (25th Period) is calculated based on the following assumptions.
	Net income JPY17,395 million
	Reversal of reserve for temporary difference adjustment (negative goodwill)
	50-year amortization amount of negative goodwill (*1) JPY262 million
	Loss on retirement of noncurrent assets (*2) JPY231 million
	Amortization of trademark rights (*3) JPY56 million
	Correspondence to dilution (*4) JPY1,240 million
	Distributable amount JPY19,185 million
	Total number of investment units issued 5,097,006 units
	Dividend per unit JPY3,764
	(*)1 JPY262 million (hereinafter called “50-year amortization amount of negative goodwill”) will be paid out as dividends, with the remaining balance of the reserve for temporary difference adjustment (negative goodwill) set as the maximum amount, for every fiscal year.
	(*)2 Amount recognized as a loss on retirement of noncurrent assets will be appropriated by reserve for temporary difference adjustment (negative goodwill) and is expected to have no impact on dividend per unit.
	(*)3 The trademark rights are amortized over 10 years using the straight-line method. Amortization expected to be recognized during the current fiscal year will be appropriated by reserve for temporary difference adjustment (negative goodwill) and is expected to have no impact on dividend per unit.
	(*)4 For the dividend per unit for the fiscal year ending December 2024 (25th Period), JHR plans to reverse a reserve for temporary difference adjustment (negative goodwill) up to the level of the internal growth amount of the Existing Properties in order to cope with dilution of investment units through the issuance of new investment units due to the acquisition of Assets for Anticipated Acquisition.
	- Dividend per unit may fluctuate due to various causes, such as fluctuation of rent revenue resulting from transfer of assets under management, change of tenants, etc. at hotels, change in the business environment of hotel business for hotel tenants, etc., unexpected repairs, and actual number of new investment units issued, etc. - The remaining balance of the reserve for temporary difference adjustment (negative goodwill) after the appropriation of the reserve for temporary difference adjustment (negative goodwill) for dividends for the fiscal year ending December 2024 (25th Period) is expected to be JPY6,964 million.

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Item	Assumptions																																																
Anticipated Acquisition	• The operating status of the Assets for Anticipated Acquisition for the fiscal year ending December 2024 is assumed as follows. <MIMARU Tokyo Shinjuku West> (unit: millions of yen) <table><tr><td></td><td>Fiscal year ending December 2024</td></tr><tr><td>Operating days</td><td>173 days</td></tr><tr><td>Operating revenue</td><td>188</td></tr><tr><td>NOI (*1)</td><td>182</td></tr></table> <Reference> <table><tr><td>Appraisal NOI (*1) (*2)</td><td>459</td></tr><tr><td>Appraisal NOI yield (%) (*2) (*3)</td><td>4.8</td></tr></table> <HOTEL AMANEK Shinjuku-Kabukicho.> (unit: millions of yen) <table><tr><td></td><td>Fiscal year ending December 2024</td></tr><tr><td>Operating days</td><td>173 days</td></tr><tr><td>Operating revenue</td><td>235</td></tr><tr><td>NOI (*1)</td><td>229</td></tr></table> <Reference> <table><tr><td>Appraisal NOI (*1) (*2)</td><td>489</td></tr><tr><td>Appraisal NOI yield (%) (*2) (*3)</td><td>5.5</td></tr></table> <OKINAWA HARBORVIEW HOTEL> (unit: millions of yen) <table><tr><td></td><td>Fiscal year ending December 2024</td></tr><tr><td>Operating days</td><td>154 days</td></tr><tr><td>Operating revenue</td><td>440</td></tr><tr><td>NOI (*1)</td><td>431</td></tr></table> <Reference> <table><tr><td>Appraisal NOI (*1) (*2)</td><td>1,474</td></tr><tr><td>Appraisal NOI yield (%) (*2) (*3)</td><td>6.9</td></tr></table> <Southern Beach Hotel & Resort OKINAWA> (unit: millions of yen) <table><tr><td></td><td>Fiscal year ending December 2024</td></tr><tr><td>Operating days</td><td>154 days</td></tr><tr><td>Operating revenue</td><td>365</td></tr><tr><td>NOI (*1)</td><td>357</td></tr></table> <Reference> <table><tr><td>Appraisal NOI (*1) (*2)</td><td>1,135</td></tr><tr><td>Appraisal NOI yield (%) (*2) (*3)</td><td>7.0</td></tr></table> (*1) NOI = Real estate operating revenue – Real estate operating costs + Depreciation + Loss on retirement of noncurrent assets + Asset retirement obligations expenses (*2) NOI for Anticipated Acquisition is calculated based on the NOI, which is the assumption in calculating the revenue value through the direct capitalization method in the real estate appraisal reports as of April 30, 2024. (*3) NOI yield = NOI / Anticipated acquisition price		Fiscal year ending December 2024	Operating days	173 days	Operating revenue	188	NOI (*1)	182	Appraisal NOI (*1) (*2)	459	Appraisal NOI yield (%) (*2) (*3)	4.8		Fiscal year ending December 2024	Operating days	173 days	Operating revenue	235	NOI (*1)	229	Appraisal NOI (*1) (*2)	489	Appraisal NOI yield (%) (*2) (*3)	5.5		Fiscal year ending December 2024	Operating days	154 days	Operating revenue	440	NOI (*1)	431	Appraisal NOI (*1) (*2)	1,474	Appraisal NOI yield (%) (*2) (*3)	6.9		Fiscal year ending December 2024	Operating days	154 days	Operating revenue	365	NOI (*1)	357	Appraisal NOI (*1) (*2)	1,135	Appraisal NOI yield (%) (*2) (*3)	7.0
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Item	Assumptions
Dividend per Unit Resulting from Excess of Earnings	• It is assumed that the distribution of excess of earnings (dividend per unit resulting from excess of earnings) will not be made.
Others	• It is assumed that revisions in law, tax system, accounting standard, regulations of the listing, and regulations of the Investment Trusts Association, Japan that may impact the forecasts above will not be made. • It is assumed that unexpected major incidents will not occur in the general economy, real estate market and hotel business environment, etc. • The numerical values are rounded down to the nearest millions of yen in the assumptions above.

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<Reference Information 2>

The annualized effect simulated based on the forecasts for the fiscal year ending December 2024 (25th Period), target NOI after Active Asset Management, and the assumptions for the annualized effect and the target NOI

<1>The annualized effect simulated based on the forecasts for fiscal year ending December 2024 (25th Period) and the assumptions

- (1) As to the calculation for rent, etc. of the Assets for Anticipated Acquisition, there is no change from “<Reference Information 1> Assumptions of the operating forecast for the midterm of the fiscal year ending December 2024 (25th Period) and the full fiscal year ending December 2024 (25th Period)” above.
- (2) Annual rent, etc. for the full year of the Assets for Anticipated Acquisition are as follows.

(unit: millions of yen)

	Fixed rent	Variable rent	Total
MIMARU Tokyo Shinjuku West	Undisclosed (*1)	Undisclosed (*1)	412
HOTEL AMANEK Shinjuku-Kabukicho.	Undisclosed (*1)	Undisclosed (*1)	490
OKINAWA HARBORVIEW HOTEL	1,050	—	1,050
Southern Beach Hotel & Resort OKINAWA	614	153	767
Total	2,090	630	2,720

- (3) The property taxes and city planning taxes, etc. of the Assets for Anticipated Acquisition are assumed to be JPY147 million (for 12 months).
- (4) For non-operating expenses, borrowings related to the asset acquisition, and expenses incurred in the issuance of new investment units, etc. are assumed on an annualized basis (for 12 months). On the other hand, major one-time financial cost incurred for asset acquisition is not included.
- (5) The annualized effect simulated based on forecast NOI, forecast NOI after depreciation and forecast net income (*2) of the Assets for Anticipated Acquisition for fiscal year ending December 2024 are as follows.

(unit: millions of yen)

Assets for Anticipated Acquisition	MIMARU Tokyo Shinjuku West	HOTEL AMANEK Shinjuku-Kabukicho.	OKINAWA HARBORVIEW HOTEL	Southern Beach Hotel & Resort OKINAWA	Total
Forecast NOI (Yield)	376 3.9%	459 5.2%	1,002 4.7%	698 4.3%	2,536 4.5%
Forecast NOI after Depreciation (Yield)	337 3.5%	432 4.9%	815 3.8%	463 2.9%	2,049 3.6%
Forecast Net Income	208	313	527	246	1,296

(*1) Undisclosed since tenants that concluded lease contracts do not agree to disclose the breakdown of rent revenue.

(*2) Net Income of the Assets for Anticipated Acquisition is calculated according to the following formula. The same shall apply hereinafter.

NOI after Depreciation of the Assets for Anticipated Acquisition – Operating costs for the Assets for Anticipated Acquisition (excluding real estate operating costs) – Non-operating costs associated with financing for the Assets for Anticipated Acquisition

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<2> Target NOI after Active Asset Management (*1) and the Assumptions

- (1) Target NOI for the Assets for Anticipated Acquisition is NOI for the full year estimated by Japan Hotel REIT Advisors, Co., Ltd. (hereinafter called “JHRA”), reflecting the expected effects, etc. of Active Asset Management. Note that target NOI calculation process and prerequisites include JHRA's judgment, evaluation, and assumptions, and target NOI does not refer to the forecast for any future period and future results may differ significantly.
- (2) JHRA assumes that, among other things, the following measures will be implemented as the Active Asset Management for the Assets for Anticipated Acquisition; approx. JPY3.5 billion CAPEX (*2) for the renovation of guest rooms, restaurants, pools, etc. (expected to be implemented during 2025) is expected for OKINAWA HARBORVIEW HOTEL, as well as a new lease contract for Southern Beach Hotel & Resort OKINAWA, which is expected to be executed with the lease terms assumed by JHRA (*3) after the expiration of the current fixed term lease contract (scheduled to expire in December 2025).
- (3) Rent for OKINAWA HARBORVIEW HOTEL is based on the fixed and variable rent described below, which will be applied on and after August 1, 2026:
 Fixed rent = JPY55 million / month
 Variable rent = [Hotel AGOP – Base Amount of JPY720 million] × 95.0%
 However, if AGOP is less than the Base Amount, the variable rent will be zero.
- (4) Target NOI of the Assets for Anticipated Acquisition, target NOI after depreciation and target net income are as follows. See “<Reference Information 3> Hotel operation indexes, sales and GOP” for target occupancy, target ADR, target RevPAR and target revenue of OKINAWA HARBORVIEW HOTEL and Southern Beach Hotel & Resort OKINAWA.

(unit: millions of yen)

Assets for Anticipated Acquisition	MIMARU Tokyo Shinjuku West	HOTEL AMANEK Shinjuku- Kabukicho.	OKINAWA HARBORVIEW HOTEL	Southern Beach Hotel & Resort OKINAWA	Total
Target NOI (Yield)	464 4.8%	486 5.5%	1,570 7.3%	1,019 6.3%	3,540 6.3%
Target NOI after Depreciation (Yield)	425 4.4%	459 5.2%	1,094 5.1%	784 4.8%	2,764 4.9%
Target Net Income	295	338	798	563	1,995

- (*1) Active Asset Management is the proactive asset management by JHRA that aims to achieve strong internal growth, improve profits and eventually increase the portfolio's asset value.
- (*2) The timing, amount, etc. of CAPEX have not been determined and may change in the future.
- (*3) The contractual rent is assumed to be “JPY600 million/year + when Hotel GOP exceeds JPY650 million, the excess × 93%”.

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<Reference Information 3> Hotel operation indexes, sales and GOP

The numeral figures are based on figures obtained from hotel lessees, etc. Please note that these figures have not been audited or gone through other procedures. No guarantee is made as to the accuracy or completeness of the figures and information. Note that target values of the Assets for Anticipated Acquisition reflecting active asset management include JHRA's judgment, evaluation, and assumptions, and target NOI does not refer to the forecast for any future period and future results may differ significantly.

ADR (*1) and RevPAR (*2) are rounded off to the nearest yen. Sales and GOP are rounded off to the nearest millions of yen. Occupancy rate and percentage are rounded off to the first decimal place.

<1> The 19 HMJ Hotels

		Fiscal year ended December 2023		Fiscal year ending December 2024			
		Results	Comparison with previous year	Previous forecast	Revised forecast	Comparison with previous year	Comparison with previous forecast
Occupancy Rate	First half of the year	75.8%	21.2pt	82.3%	81.8%	6.0pt	(0.5pt)
	Second half of the year	81.3%	7.8pt	84.8%	84.8%	3.5pt	—
	Full year	78.6%	14.4pt	83.5%	83.3%	4.7pt	(0.2pt)
ADR (JPY)	First half of the year	18,055	46.9%	19,698	19,715	9.2%	0.1%
	Second half of the year	21,286	23.8%	22,999	22,999	8.0%	—
	Full year	19,740	30.6%	21,383	21,396	8.4%	0.1%
RevPAR (JPY)	First half of the year	13,685	103.8%	16,204	16,123	17.8%	(0.5%)
	Second half of the year	17,302	37.1%	19,507	19,507	12.7%	—
	Full year	15,508	60.0%	17,865	17,824	14.9%	(0.2%)
Sales (JPY1M)		23,947	88.3%	27,668	27,530	15.0%	(0.5%)
	Rooms Dept.	14,564	123.5%	17,341	17,254	18.5%	(0.5%)
	F&B Dept.	7,972	70.6%	9,229	9,157	14.9%	(0.8%)
	Others	1,411	(7.9%)	1,098	1,120	(20.7%)	2.0%
Sales (JPY1M)		29,373	33.3%	33,190	33,190	13.0%	—
	Rooms Dept.	18,720	50.3%	21,105	21,105	12.7%	—
	F&B Dept.	9,335	16.0%	10,915	10,915	16.9%	—
	Others	1,317	(13.7%)	1,170	1,170	(11.2%)	—
Sales (JPY1M)		53,320	53.4%	60,858	60,721	13.9%	(0.2%)
	Rooms Dept.	33,284	75.5%	38,446	38,359	15.2%	(0.2%)
	F&B Dept.	17,307	36.0%	20,144	20,072	16.0%	(0.4%)
	Others	2,729	(10.8%)	2,268	2,290	(16.1%)	0.9%
GOP (JPY1M)	First half of the year	7,464	386.0%	9,183	9,349	25.3%	1.8%
	Second half of the year	10,935	75.8%	12,577	12,577	15.0%	—
	Full year	18,399	137.2%	21,760	21,926	19.2%	0.8%

(*1) ADR represents Average Daily Rate, which is calculated by dividing total room revenue of the accommodation department (including service charges) for a certain period by the total number of rooms sold during the period. The same shall apply hereinafter.

(*2) RevPAR represents Revenue Per Available Room, which is calculated by dividing total room revenue of the accommodation department (including service charges) for a certain period by the total number of rooms available for sale during the period. The same shall apply hereinafter.

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<2> The 28 Hotels with Variable Rent, etc. (*)

		Fiscal year ended December 2023		Fiscal year ending December 2024			
		Results	Comparison with previous year	Previous forecast	Revised forecast	Comparison with previous year	Comparison with previous forecast
Occupancy Rate	First half of the year	75.9%	20.1pt	82.0%	81.2%	5.3pt	(0.8pt)
	Second half of the year	80.8%	6.6pt	84.6%	84.6%	3.7pt	—
	Full year	78.4%	13.3pt	83.3%	82.9%	4.5pt	(0.4pt)
ADR (JPY)	First half of the year	16,227	49.3%	17,899	17,955	10.6%	0.3%
	Second half of the year	19,184	27.7%	20,578	20,578	7.3%	—
	Full year	17,764	34.0%	19,267	19,300	8.6%	0.2%
RevPAR (JPY)	First half of the year	12,311	103.0%	14,670	14,575	18.4%	(0.6%)
	Second half of the year	15,504	39.2%	17,400	17,400	12.2%	—
	Full year	13,920	61.4%	16,043	15,995	14.9%	(0.3%)
Sales (JPY1M)	First half of the year	27,046	88.3%	31,557	31,343	15.9%	(0.7%)
Rooms Dept.		17,209	117.7%	20,620	20,487	19.0%	(0.6%)
F&B Dept.		8,345	71.9%	9,759	9,657	15.7%	(1.0%)
Others		1,492	(6.9%)	1,177	1,199	(19.6%)	1.9%
Sales (JPY1M)	Second half of the year	33,203	34.2%	37,469	37,469	12.8%	—
Rooms Dept.		22,031	49.2%	24,726	24,726	12.2%	—
F&B Dept.		9,778	17.0%	11,488	11,488	17.5%	—
Others		1,393	(13.7%)	1,254	1,254	(10.0%)	—
Sales (JPY1M)	Full year	60,249	54.1%	69,025	68,812	14.2%	(0.3%)
Rooms Dept.		39,240	73.1%	45,346	45,213	15.2%	(0.3%)
F&B Dept.		18,124	37.2%	21,248	21,146	16.7%	(0.5%)
Others		2,885	(10.3%)	2,431	2,453	(15.0%)	0.9%
GOP (JPY1M)	First half of the year	8,462	365.2%	10,590	10,752	27.1%	1.5%
	Second half of the year	12,388	75.6%	14,259	14,259	15.1%	—
	Full year	20,849	134.9%	24,850	25,011	20.0%	0.7%

(*) The 28 Hotels with Variable Rent, etc. refers to the 19 HMJ Hotels, the Accor Group Hotels and the Ishin Group Hotels.

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<3> Assets for Anticipated Acquisition

(1) MIMARU Tokyo Shinjuku West

		Fiscal year ended December 2023		Fiscal year ending December 2024		Target Values (*1)
		Results	Comparison with previous year	Forecast	Comparison with previous year	
Occupancy Rate	First half of the year	85.6%	56.8pt	84.7%	(1.0pt)	—
	Second half of the year	85.1%	21.5pt	84.2%	(0.9pt)	—
	Full year	85.4%	39.0pt	84.4%	(0.9pt)	85.3%
ADR (JPY)	First half of the year	34,210	108.5%	49,522	44.8%	—
	Second half of the year	43,069	102.3%	45,804	6.3%	—
	Full year	38,662	95.4%	47,658	23.3%	47,941
RevPAR (JPY)	First half of the year	29,295	519.7%	41,934	43.1%	—
	Second half of the year	36,645	170.9%	38,560	5.2%	—
	Full year	33,000	259.5%	40,238	21.9%	40,893
Sales (JPY1M)	First half of the year	405	522.4%	582	43.7%	—
	Second half of the year	516	171.8%	540	4.7%	—
	Full year	921	261.3%	1,123	21.8%	1,139
GOP (JPY1M)	First half of the year	265	—	403	52.0%	—
	Second half of the year	350	236.0%	360	2.8%	—
	Full year	616	469.6%	763	24.0%	779

(*1) Target values JHRA estimated reflecting the JHRA's estimated reflecting effects of active asset management, described in “<Reference Information 2> The annualized effect simulated based on the forecasts for fiscal year ending December 2024 (25th Period), target NOI after Active Asset Management, and the assumptions of the forecast and the target NOI”. The first half of the year and the second half of the year is indicated as “-” because target values are calculated on an annualized basis. The same shall apply hereinafter.

(*2) The comparison in GOP for the first half of the year ended December 2023 with the previous year is indicated as “-” because it is more than 1,000%.

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(2) HOTEL AMANEK Shinjuku-Kabukicho.

		Fiscal year ended December 2023		Fiscal year ending December 2024		Target Values
		Results	Comparison with previous year	Forecast	Comparison with previous year	
Occupancy Rate	First half of the year	89.1%	—	92.8%	—	—
	Second half of the year	94.5%	—	93.1%	(1.5pt)	—
	Full year	93.1%	—	92.9%	—	92.7%
ADR (JPY)	First half of the year	16,212	—	21,710	—	—
	Second half of the year	20,261	—	21,403	5.6%	—
	Full year	19,262	—	21,556	—	22,736
RevPAR (JPY)	First half of the year	14,442	—	20,143	—	—
	Second half of the year	19,154	—	19,922	4.0%	—
	Full year	17,938	—	20,031	—	21,075
Sales (JPY1M)	First half of the year	161	—	648	—	—
	Second half of the year	622	—	643	3.3%	—
	Full year	784	—	1,291	—	1,354
GOP (JPY1M)	First half of the year	37	—	442	—	—
	Second half of the year	432	—	437	1.3%	—
	Full year	469	—	880	—	915

(Note) Since HOTEL AMANEK Shinjuku-Kabukicho opened on April 28, 2023, no comparison for the fiscal year ended December 2023 with the previous year or comparison for the first half and full year of the fiscal year ending December 2024 with the previous year are available. Results for the first half of the fiscal year ended December 2023 are results from April to June 2023.

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(3) OKINAWA HARBORVIEW HOTEL

		Fiscal year ended December 2023		Fiscal year ending December 2024		Target Values
		Results	Comparison with previous year	Forecast	Comparison with previous year	
Occupancy Rate	First half of the year	60.8%	12.0pt	70.6%	9.8pt	—
	Second half of the year	63.3%	1.2pt	81.8%	18.5pt	—
	Full year	62.1%	6.6pt	76.2%	14.2pt	80.1%
ADR (JPY)	First half of the year	11,975	36.3%	11,316	(5.5%)	—
	Second half of the year	12,435	11.0%	14,016	12.7%	—
	Full year	12,212	20.3%	12,773	4.6%	26,529
RevPAR (JPY)	First half of the year	7,277	70.0%	7,988	9.8%	—
	Second half of the year	7,876	13.1%	11,468	45.6%	—
	Full year	7,579	34.5%	9,738	28.5%	21,241
Sales (JPY1M)	First half of the year	1,089	78.4%	1,261	15.8%	—
Rooms Dept.		464	70.0%	512	10.4%	—
F&B Dept.		595	110.6%	718	20.7%	—
Others		30	(45.2%)	31	3.7%	—
Sales (JPY1M)	Second half of the year	1,296	24.7%	1,696	30.9%	—
Rooms Dept.		510	13.1%	743	45.6%	—
F&B Dept.		765	34.6%	909	18.8%	—
Others		21	3.5%	45	117.2%	—
Sales (JPY1M)	Full year	2,385	44.5%	2,958	24.0%	4,630
Rooms Dept.		974	34.5%	1,255	28.8%	2,729
F&B Dept.		1,360	59.8%	1,627	19.6%	1,761
Others		51	(32.3%)	76	49.7%	140
GOP (JPY1M)	First half of the year	175	—	190	8.5%	—
	Second half of the year	245	65.6%	412	68.3%	—
	Full year	420	311.7%	602	43.4%	1,728

(Note) The comparison in GOP for the first half of the year ended December 2023 with the previous year is indicated as "-" because it is negative.

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(4) Southern Beach Hotel & Resort OKINAWA

		Fiscal year ended December 2023		Fiscal year ending December 2024		Target Values
		Results	Comparison with previous year	Forecast	Comparison with previous year	
Occupancy Rate	First half of the year	70.9%	26.9pt	74.9%	4.0pt	—
	Second half of the year	68.7%	(7.7pt)	83.3%	14.6pt	—
	Full year	69.8%	9.4pt	79.1%	9.3pt	80.2%
ADR (JPY)	First half of the year	15,250	18.6%	15,679	2.8%	—
	Second half of the year	20,977	22.0%	21,873	4.3%	—
	Full year	18,091	15.8%	18,958	4.8%	20,745
RevPAR (JPY)	First half of the year	10,817	91.1%	11,741	8.5%	—
	Second half of the year	14,407	9.7%	18,219	26.5%	—
	Full year	12,627	33.9%	14,998	18.8%	16,631
Sales (JPY1M)	First half of the year	1,399	87.8%	1,561	11.5%	—
Rooms Dept.		877	91.1%	957	9.1%	—
F&B Dept.		478	86.5%	559	16.9%	—
Others		44	47.4%	44	0.2%	—
Sales (JPY1M)	Second half of the year	1,841	10.0%	2,235	21.4%	—
Rooms Dept.		1,188	9.7%	1,502	26.5%	—
F&B Dept.		600	12.7%	674	12.3%	—
Others		54	(8.1%)	59	10.2%	—
Sales (JPY1M)	Full year	3,240	34.0%	3,795	17.1%	4,150
Rooms Dept.		2,065	33.9%	2,459	19.1%	2,762
F&B Dept.		1,078	36.7%	1,233	14.4%	1,281
Others		98	10.6%	103	5.7%	107

(Note) GOP is undisclosed since tenants that concluded the lease contract does not agree to disclose.

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