October 16, 2026

For immediate release

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Notice Concerning Revisions to Management Status Forecast and Distribution Forecast for the Fiscal Period Ending October 2026 and Revisions to Management Status Forecast and Distribution Forecast for the Fiscal Period Ending April 2027

Hoshino Resorts REIT, Inc. (hereinafter "HRR") announces today that it has revised the management status forecast and distribution forecast for the fiscal period ending October 2026 (May 1, 2026, to October 31, 2026) and the management status forecast and distribution forecast for the fiscal period ending April 2027 (November 1, 2026, to April 30, 2027), which were announced in the Financial Report dated June 15, 2026, as follows.

1. Revisions to Management Status Forecast and Distribution Forecast

(1) Revisions to Management Status Forecast and Distribution Forecast for the Fiscal Period Ending October 2026

	Operating revenue	Operating profit	Ordinary profit	Profit for the period	Distribution per unit (Including distributions in excess of earnings)	Distribution per unit (Excluding distributions in excess of earnings)	Distribution in excess of earnings per unit **(Amount equivalent to allowance for temporary difference adjustments)**
Previously announced forecast (A)	9,422 million yen	4,845 million yen	3,926 million yen	3,921 million yen	6,700 yen	6,700 yen	-
Currently revised forecast (B)	9,480 million yen	4,876 million yen	3,971 million yen	3,353 million yen	7,197 yen	6,341 yen	856 yen
Amount of increase/ decrease (C) (B)-(A)	58 million yen	30 million yen	44 million yen	(567 million yen)	497 yen	(359 yen)	856 yen
Percentage change (C)/(A)	0.6%	0.6%	1.1%	(14.5%)	7.4%	(5.4%)	-

[Reference]

- Net income per unit (previously announced forecast): 6,693 yen
  Net income per unit (currently revised forecast): 5,724 yen (decrease of 969 yen, or 14.5%, from the previously announced forecast)
- Forecasted investment units issued and outstanding at the end of the fiscal period in the revised forecast this time: 585,834

(2) Revisions to Management Status Forecast and Distribution Forecast for the Fiscal Period Ending April 2027

	Operating revenue	Operating profit	Ordinary profit	Profit for the period	**Reversal of allowance for temporary difference adjustments**	Distribution per unit (Including distributions in excess of earnings)	Distribution per unit (Excluding distributions in excess of earnings)	Distribution in excess of earnings per unit
Previously announced forecast (A)	9,563 million yen	4,966 million yen	4,013 million yen	4,008 million yen	-	6,850 yen	6,850 yen	-
Currently revised forecast (B)	9,796 million yen	5,199 million yen	4,228 million yen	4,223 million yen	(501 million yen)	6,355 yen	6,355 yen	-
Amount of increase/ decrease (C) (B)-(A)	232 million yen	233 million yen	215 million yen	214 million yen	(501 million yen)	(495 yen)	(495 yen)	-
Percentage change (C)/(A)	2.4%	4.7%	5.4%	5.4%	-	(7.2%)	(7.2%)	-

[Reference]

- Net income per unit (previously announced forecast): 6,842 yen
  Net income per unit (currently revised forecast): 7,209 yen (increase of 367 yen, or 5.4%, from the previously announced forecast)
- Forecasted investment units issued and outstanding at the end of the fiscal period in the revised forecast this time: 585,834

[Notes]

1. The distribution per unit for the fiscal period ending October 2026 is based on the assumption that the entire amount of the reserve for tax purpose reduction entry included in retained earnings will be reversed for distribution.
2. The distribution per unit for the fiscal period ending April 2027 is based on the assumption that the allowance for temporary difference adjustments will be reversed.
3. Distributions in excess of earnings per unit for the fiscal period ending October 2026 are entirely attributable to the allowance for temporary difference adjustments and do not constitute capital-reduction distributions under Japanese tax law.
4. The above forecast figures have been calculated as of the date of this announcement based on the assumptions set forth in the attachment, “Assumptions for the Management Status Forecast for the Fiscal Periods Ending October 2026 and April 2027.” Actual operating revenue, operating profit, ordinary profit, profit for the period, net income per unit, distributions per unit (excluding distributions in excess of earnings), reversals of and provisions for the allowance for temporary difference adjustments, and distributions in excess of earnings per unit may differ from the forecasts due to future acquisitions or dispositions of real estate and other assets, developments in the real estate market, interest rate trends, and other changes in circumstances surrounding HRR. In addition, the above forecast figures do not guarantee the distribution amounts.
5. HRR may revise the forecast in the event that it expects discrepancies over a certain level from the forecast above.
6. Amounts are rounded down, and ratios are rounded to the nearest specified unit. The same shall apply hereinafter.

2. Reason for Revisions

The management status forecasts for the fiscal periods ending October 2026 and April 2027, originally announced in the Financial Report dated June 15, 2026, have been revised due to expected changes in the underlying assumptions. This revision reflects the consolidation of hotel operations at Grand Prince Hotel Osaka Bay, the demolition of the building on leased land, and the return of leased land, among other matters, all announced in today's "Notice Concerning Consolidation of the Operating Structure of Domestic Real Estate (Grand Prince Hotel Osaka Bay)."

For further details on the consolidation of hotel operations at Grand Prince Hotel Osaka Bay, the demolition of the building on leased land, and the return of leased land, among other matters, please refer to the "Notice Concerning Consolidation of the Operating Structure of Domestic Real Estate (Grand Prince Hotel Osaka Bay)" and the "Supplementary Explanatory Material for the Press Releases Dated October 16, 2026," both published today.

* The HRR website address: https://www.hoshinoresorts-reit.com/en/

** This English translation is provided for informational purposes only. If there is any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.*

[Attachment]

Assumptions for the Management Status Forecast for the Fiscal Periods Ending October 2026 and April 2027

Item	Assumptions
Calculation period	• Fiscal period ending October 2026 (27th period): May 1, 2026, to October 31, 2026 (184 days) • Fiscal period ending April 2027 (28th period): November 1, 2026, to April 30, 2027 (181 days)
Assets under management	• The forecast assumes that, in addition to the 71 properties held by HRR as of the date of this document, HRR will continue to hold three classes of preferred shares in Yomitan Hotel Management Co., Ltd., a silent partnership interest in Okuhidaonsenryokan GK, and a silent partnership interest in Onsen Ryokan GK No. 3, and that HRR will transfer Sol Vita Hotel Naha on November 4, 2026. • It is assumed that the Hoshino Resorts Group (collectively referring to Hoshino Resorts Inc. and its parent company and subsidiaries) will end its operation of RISONARE Osaka, located within Grand Prince Hotel Osaka Bay (which may hereinafter be referred to as the "Property"), on November 23, 2026; that the entire Property will transition to a single-operator structure under Seibu Prince Hotels Worldwide Inc. around December 1, 2026 (hereinafter the "Change in Operating Structure"); and that, upon expiration of the land lease agreement, the chapel building Le Salon Blanc (hereinafter the "Building on Leased Land, etc."), located on the leased portion of the Property, will be demolished by March 31, 2027 (hereinafter the "Demolition"). • The forecast of management status is based on the assumption that there will be no changes in the assets under management (acquisition of new assets, sale of owned assets, etc.) other than the above from the date of this document until April 30, 2027. • In reality, changes may occur due to the acquisition of new assets and the sale of assets held other than the above.

Operating revenue

- Leasing business revenue is calculated taking into consideration the terms of the lease agreements for properties owned, as well as the market environment and the competitiveness of properties, and is expected to be 9,474 million yen in the fiscal period ending October 2026 and 8,764 million yen in the fiscal period ending April 2027. It is assumed that the Change in Operating Structure will take place on November 23, 2026, and the Change in Operating Structure will have no impact on the floating rent for the Property in the fiscal periods ending October 2026 and April 2027. In addition, the wedding business currently operated in the Building on Leased Land, etc. is expected to be consolidated into the wedding facilities on the Property's owned land and to continue operating after the Demolition. Accordingly, the impact of the Demolition on the floating rent for the Property is currently expected to be minor.
- In connection with the Change in Operating Structure, it is assumed that HRR will receive a consent fee of 260 million yen from K.K. Horizon Hotels, the counterparty to the agreement concerning the Change in Operating Structure. The consent fee corresponds to the unrecovered portion of the costs of renovation work carried out by HRR at the request of the lessee of RISONARE Osaka and is assumed to be recorded as operating revenue (other income) in the fiscal period ending April 2027.
- The transfer of Sol Vita Hotel Naha is anticipated to yield a gain on sale of 766 million yen in the fiscal period ending April 2027.
- Except for the above, leasing business revenue is based on the assumption that there will be no termination of lease agreements or default or non-payment of rent by the lessees.
- Of leasing business revenue, the rent by investment category is assumed to be as follows.

Fiscal period ending October 2026 (27th period) (millions of yen)

Operational category	Investment category		Fixed rent Other rent (Note 2)	Floating rent (Note 2)	Total
Properties operated by the Hoshino Resorts Group	HOSHINOYA		1,030	375	1,406
	RISONARE		374	295	669
	KAI		598	501	1,100
	OMO		468	474	943
	Other		125	55	181
Properties operated by outside operators	Urban tourism	3 ANA Crowne Plaza properties (Note 1)	696	235	931
		5 the b properties (Note 1)	312	592	905
		Grand Prince Hotel Osaka Bay / Quintessa Hotel Osaka Shinsaibashi / Grand Hyatt Fukuoka / hotel androoms Osaka Hommachi / Sol Vita Hotel Naha / HOTEL VISTA MATSUYAMA	492	1,032	1,525
	Other		800	1,004	1,805
Total			4,898	4,568	9,467

(Note 1) Of the 71 properties that HRR owns as of today, three properties operated by IHG-ANA Hotels Group Japan LLC are referred to as "3 ANA Crowne Plaza properties," and five properties operated by Ishin Hotels Group Co., Ltd. are referred to as "5 the b properties." The same shall apply hereinafter.

(Note 2) Fixed and other rents, and floating rent are, in principle, calculated based on the prescribed rent amount or calculation method applied during the relevant fiscal period pursuant to the lease agreement of the respective properties that HRR has entered into with the lessee. In addition, HRR may agree in the lease for each property to a fixed rent which is applicable only for a specified period after the commencement of the lease and which is a fixed amount or an amount that varies in stages depending on the period, and if such an agreement is made, HRR will calculate the rent using such agreed upon fixed rent. Furthermore, floating rent is calculated based on actual figures of past sales and profits of each property, reflecting seasonal and other fluctuating factors.

Operating revenue

Fiscal period ending April 2027 (28th period) (millions of yen)

Operational category	Investment category		Fixed rent Other rent (Note)	Floating rent (Note)	Total
Properties operated by the Hoshino Resorts Group	HOSHINOYA		1,030	362	1,392
	RISONARE		374	303	677
	KAI		579	597	1,177
	OMO		468	270	738
	Other		125	54	179
Properties operated by outside operators	Urban tourism	3 ANA Crowne Plaza properties	696	257	953
		5 the b properties	325	634	959
		Grand Prince Hotel Osaka Bay / Quintessa Hotel Osaka Shinsaibashi / Grand Hyatt Fukuoka / hotel androoms Osaka Hommachi / Sol Vita Hotel Naha / HOTEL VISTA MATSUYAMA	426	784	1,210
	Other		736	731	1,467
Total			4,761	3,995	8,757

(Note) Fixed and other rents, and floating rent are, in principle, calculated based on the prescribed rent amount or calculation method applied during the relevant fiscal period pursuant to the lease agreement of the respective properties that HRR has entered into with the lessee. In addition, HRR may agree in the lease for each property to a fixed rent which is applicable only for a specified period after the commencement of the lease and which is a fixed amount or an amount that varies in stages depending on the period, and if such an agreement is made, HRR will calculate the rent using such agreed upon fixed rent. Furthermore, floating rent is calculated based on actual figures of past sales and profits of each property, reflecting seasonal and other fluctuating factors.

Operating expenses

- Of operating expenses, property tax, city planning tax and depreciable asset tax are assumed to be 656 million yen for the fiscal period ending October 2026 and 656 million yen for the fiscal period ending April 2027. In general, property tax, city planning tax (for applicable assets only; the same applies hereinafter), and depreciable asset tax (for applicable assets only; the same applies hereinafter) on acquired assets are prorated between HRR and the previous owner and settled upon acquisition. However, HRR includes the settlement amount in the acquisition cost, rather than recognizing it as an expense in the fiscal period of acquisition.
- Building repair expenses are recorded as the amount estimated to be necessary based on the repair plans formulated by the Asset Management Company for each property. However, due to the fact that repair expenses may arise urgently because of unpredictable factors, the amount generally varies greatly from year to year, and the costs are not incurred on a regular basis, the actual amount may differ significantly from the estimated amount.
- Expenses related to the leasing business other than depreciation and amortization, which are calculated by taking into account factors causing fluctuation in expenses, are assumed to be 1,569 million yen for the fiscal period ending October 2026 and 1,489 million yen for the fiscal period ending April 2027.
- Depreciation and amortization, calculated using the straight-line method by including incidental expenses, etc. in the acquisition price, is assumed to be 2,140 million yen for the fiscal period ending October 2026 and 2,159 million yen for the fiscal period ending April 2027.

Non-operating expenses

- Interest expenses and other borrowing related expenses are assumed to be 933 million yen for the fiscal period ending October 2026 and 1,000 million yen for the fiscal period ending April 2027.

Interest-bearing liabilities	• As of the date of this document, HRR has interest-bearing liabilities (total of borrowings and investment corporation bonds) of 105,048 million yen. • In the fiscal period ending October 2026, it is assumed that 7,150 million yen of borrowings maturing in October 2026 will be refinanced. • In the fiscal period ending April 2027, it is assumed that 7,898 million yen of borrowings maturing in April 2027 will be refinanced. • The LTV at the end of the fiscal period ending October 2026 is expected to be 40.9%, and the LTV at the end of the fiscal period ending April 2027 is expected to be 40.8%. LTV is calculated using the following formula: LTV = Balance of interest-bearing liabilities / Total assets (projected) × 100
Investment units	• It is assumed that the total number of investment units issued and outstanding as of today is 585,834 units. • It is assumed that there will be no change in the number of investment units due to issuance of new investment units, etc. by the end of the fiscal period ending April 2027.
Extraordinary losses	• In connection with the Demolition, it is assumed that a total of 612 million yen will be recorded as extraordinary losses, etc. in the fiscal period ending October 2026. The total comprises losses on retirement of non-current assets, specifically the Building on Leased Land, etc. (book value of 110 million yen); amortization of leasehold rights (book value of 301 million yen); and asset retirement obligations of 200 million yen associated with costs for restoring the leased land to its original condition through demolition, removal and related work.
Differences between accounting and tax treatment	• A difference between accounting and tax treatment arising from extraordinary losses (meaning a difference between accounting profit and taxable income; the same shall apply hereinafter) is expected to be an income-exceeding difference between accounting and tax treatment (meaning a difference where taxable income exceeds accounting profit; the same shall apply hereinafter), with an estimated amount of 501 million yen for the fiscal period ending October 2026. • To minimize the occurrence of corporate income taxes, etc., HRR plans to make distributions equivalent to the amount of the above income-exceeding difference between accounting and tax treatment, as described in “Reversal of allowance for temporary difference adjustments” and “Distribution in excess of earnings per unit” below.
Distribution per unit (Excluding distributions in excess of earnings)	• Distributions per unit (excluding distributions in excess of earnings) are calculated based on the cash distribution policy provided in the Articles of Incorporation of HRR. • For the fiscal period ending October 2026, it is assumed that the entire reserve for tax purpose reduction entry of 361 million yen will be reversed and added to unappropriated profit for the fiscal period for distribution. • Distributions per unit (excluding distributions in excess of earnings) may vary due to various factors, including fluctuation in rent revenue in line with a change in assets under management, change in tenants, etc. or incurrence of unexpected repairs, etc.
Distribution in excess of earnings per unit	• Distributions in excess of earnings per unit are calculated based on the distribution policy provided in the Articles of Incorporation of HRR. • Distributions of cash in excess of accounting profit (distributions in excess of earnings) are calculated based on the assumption that the total amount of income-exceeding differences between accounting and tax treatment will be distributed as an allowance for temporary difference adjustments for the purpose of minimizing the occurrence of corporate income taxes, etc. • As described in “Differences between accounting and tax treatment” above, an income-exceeding difference between accounting and tax treatment is expected to arise during the fiscal period ending October 2026. It is assumed that an allowance for temporary difference adjustments of 501 million yen will be recorded and applied to distributions for that fiscal period as distributions in excess of earnings corresponding to the expected difference. In addition, no capital-reduction distributions under Japanese tax law are scheduled at this point in time.

Reversal of allowance for temporary difference adjustments	• For the fiscal period ending April 2027, it is assumed that the entire allowance for temporary difference adjustments will be reversed, as the difference described in "Differences between accounting and tax treatment" above is expected to be resolved.
Other	• The forecast assumes that no amendments to laws and regulations, tax systems, accounting standards, securities listing regulations, rules established by the Investment Management Association of Japan, or other applicable rules that would affect the above forecast figures will come into effect. • The assumption is that there will be no unforeseen significant change in general economic trends and real estate market conditions, etc.