

To all concerned parties:

Real Estate Investment Trust Securities Issuer:
 Oedo Onsen Reit Investment Corporation
 Representative: Fuminori Imanishi,
 Executive Director
 (Securities Code: 3472)

Asset Manager:
 Oedo Onsen Asset Management Co., Ltd.
 Representative: Fuminori Imanishi,
 Chief Executive Officer
 Inquiries: Tomohiro Honda,
 Chief Financial Officer
 (TEL:03-6262-5456)

Notice Concerning Revisions to Forecasts of Financial Results and Distributions for the Fiscal Period Ending November 30, 2022 and Forecasts of Financial Results and Distributions for the Fiscal Period Ending May 31, 2023

Oedo Onsen Reit Investment Corporation (the “Investment Corporation”) announced today its forecasts of financial results and distributions for the 13th fiscal period ending November 2022 announced July 20, 2022 have been revised as follows. Also announced its forecasts of financial results and distributions for the 14th fiscal period ending May 31, 2023 as follows.

1. Revision and announcement of forecasts of financial results and distributions

(1) Revised forecasts of financial results and distributions for the 13th fiscal period ending November 2022 (from June 1, 2022 to November 30, 2022)

	Operating revenues (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Distributions per unit (yen) (excluding optimal payable distribution)	Optimal payable distribution per unit (yen)	Distributions per unit (yen) (including optimal payable distribution)
Previous forecast (A)	1,256	520	330	329	1,401	19	1,420
Revised forecast (B)	1,225	489	313	312	1,326	19	1,345
Increase or decrease (B-A)	-30	-30	-17	-17	-75	-	-75
Rate of increase or decrease	-2.5%	-6.0%	-5.4%	-5.4%	-5.4%	-	-5.3%

<Reference>

Fiscal Period Ending November 2022

Number of investment units outstanding at the end of the period: 235,347

Estimated profit per unit: 1,325yen

- (Note1) For the forecasts for the financial results for the fiscal period ending November 2022 is the current forecasts calculated based on the assumptions written in the Attachment “Assumptions Underlying Forecasts of the Financial Results for the Fiscal Period Ending November 2022 and May 2023.” Therefore, actual operating revenues, operating income, ordinary income, net income, distributions per unit (excluding optimal payable distribution) and optimal payable distribution per unit may change because of differences from an assumption. Thus, the forecast information does not guarantee the amount of distributions.
- (Note2) This forecast information may be revised if it is anticipated it will differ by a particular degree from current forecast information.
- (Note3) The values are rounded down to the nearest specified unit and percentage is rounded to one decimal place.

(2) Forecasts of financial results and distributions for the 14th fiscal period ending May 2023 (from December 1, 2022 to May 31, 2023)

	Operating revenues (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Distributions per unit (yen) (excluding optimal payable distribution)	Optimal payable distribution per unit (yen)	Distributions per unit (yen) (including optimal payable distribution)
Forecast	1,206	492	323	322	1,369	19	1,388

<Reference>

Fiscal Period Ending May 2023

Number of investment units outstanding at the end of the period: 235,347

Estimated profit per unit: 1,369yen

- (Note1) For the forecasts for the financial results for the fiscal period ending May 2023 is the current forecasts calculated based on the assumptions written in the Attachment “Assumptions Underlying Forecasts of the Financial Results for the Fiscal Period Ending November 2022 and May 2023.” Therefore, actual operating revenues, operating income, ordinary income, net income, distributions per unit (excluding optimal payable distribution) and optimal payable distribution per unit may change because of differences from an assumption. Thus, the forecast information does not guarantee the amount of distributions.
- (Note2) This forecast information may be revised if it is anticipated it will differ by a particular degree from current forecast information.
- (Note3) The values are rounded down to the nearest specified unit and percentage is rounded to one decimal place.

2. Reasons for the Revisions

According to the press releases of “Notice Concerning Transfer of real estate in Jpan (Oedo-Onsen Monogatari Kamoshika-so and Oedo-Onsen Monogatari Kinosaki)” and “Notice Concerning Revisions to Fixed-term Building Lease Contracts” announced today, operating revenues are expected to decline due to the temporary rent reduction, regardless the gain on sale is generated.

In those results, assumptions of forecasts for the fiscal period ending November 2022 in Summary of REIT Financial Report for the 12th Fiscal Period published on July 20, 2022, are expected to change, so the Investment Corporation has decided to revise the forecasts for the fiscal period ending November 2022, and due to the elimination of uncertainties that existed as of July 20, 2022, it announced the forecasts for the fiscal period ending May 2023 for the first time.

* Oedo Onsen Reit Investment Corporation website:<https://oom-reit.com/en/>

Assumptions Underlying Forecasts of the Financial Results
for the 13th fiscal period ending November 2022 and the 14th fiscal period ending May 2023

Item	Assumption
Calculation period	<ul style="list-style-type: none"> • Fiscal period ending November 2022 (13th fiscal period: from June 1, 2022, to November 30, 2022) (183 days) • Fiscal period ending May 2023 (14th fiscal period: from December 1, 2022, to May 31, 2023) (182 days)
Managed Assets	<ul style="list-style-type: none"> • The number of properties owned by the Investment Corporation is assumed to decrease to 12 after the transfer of Ooedo-Onsen Monogatari Kamoshika-so and 30% of co-ownership interest of Ooedo-Onsen Monogatari Kinosaki as of November 30, 2022, and decrease to 11 after the transfer of remaining 70% of co-ownership interest of Ooedo-Onsen Monogatari Kinosaki as of February 28, 2023. • It is assumed that there will be no changes other than the above (acquisition of new properties, sale of owned properties, etc.) by the end of May 2023. • The managed assets may change due to acquisition of assets other than the owned properties above, the disposition of assets under management, etc.
Operating revenue	<ul style="list-style-type: none"> • Lease operations revenue from the owned assets is calculated based on the lease agreements effective on November 30, 2022. It is calculated in light of rent revisions to be made in the future, taking into consideration market trends and other factors. It assumes that there is no delinquency or non-payment of rent by the tenant. • The period constituting the basis for calculating variable rents are determined by multiplying the modified GOP for the period between September 2021 and August 2022 in the 13th fiscal period ending November 2022 and determined by multiplying the modified GOP for the period between March 2022 and February 2023 in the 14th fiscal period ending May 2023 by the premium rate that is specified in each lease agreement. This assumes that the effects of the COVID-19 pandemic will cause a decrease in the modified GOP that becomes the basis of calculating variable rents, resulting in no variable rents for all properties in the 13th fiscal period ending November 2022 and the 14th fiscal period ending May 2023. It is also assumed that fixed rents shall be paid in full to the effect that the provisions of lease agreements are effective on November 30, 2022. <p>Rent is calculated based on the following assumptions:</p> <p>[Ooedo-Onsen Monogatari Reoma Resort] Fixed rent: 52,456,896 yen monthly (Except from September 2022 to February 2023; 50% of the amount.) Variable rent: 5,181,730 yen monthly; and will be calculated using the following calculation method from June 2019</p> <ol style="list-style-type: none"> (1) Modified GOP (Note 1) for the most recent one-year period × 5.0% (yearly; the monthly amount is 1/12th thereof) (2) Only if 58.7% of the modified GOP exceeds one year's fixed rent, variable rent will apply. <p>Ooedo-Onsen Monogatari Reoma Resort, a fixed-term land lease agreement has been concluded with the tenant and land rent based on this fixed-term land lease agreement of 83,700 yen per month is received separately, however, this land rent will be revised every year and will be calculated as follows.</p> <p>Amount of rent after revision = $((A \times 12 - B) + B') \div 12$ A: Amount of rent at that particular point in time B: Sum total of fixed asset tax and other taxes and public dues levied on the land, calculated based on the tax notice as of October 31 immediately preceding the start date of the immediately preceding base fiscal year (refers to one-year period commencing on December 1 each year; the same applies hereinafter), and the land rent (annual rent payable at that particular point in time) B': Sum total of fixed asset tax and other taxes and public dues levied on the land, calculated based on the tax notice as of October 31 immediately preceding the start date of that particular base fiscal year, and the land rent (annual rent payable at that particular point in time)</p>

[Ooedo-Onsen Monogatari Ise-shima]

Fixed rent: 18,009,399 yen monthly (Except from September 2022 to February 2023; 50% of the amount.)

Variable rent: 962,993 yen monthly from December 2016; and will be revised every six months and calculated as follows:

- (1) Modified GOP for the most recent one-year period \times 4.0% (yearly; the monthly amount is 1/12th thereof)
- (2) Only if 77.0% of the modified GOP exceeds one year's fixed rent, variable rent will apply.

[Ito Hotel New Okabe]

Fixed rent: 12,296,799 yen monthly (Except from September 2022 to February 2023; 50% of the amount.)

Variable rent: 1,471,251 yen monthly from December 2016; and will be revised every six months and calculated as follows:

- (1) Modified GOP for the most recent one-year period \times 5.0% (yearly; the monthly amount is 1/12th thereof)
- (2) Only if 52.0% of the modified GOP exceeds one year's fixed rent, variable rent will apply.

[Ooedo-Onsen Monogatari Atami]

Fixed rent: 15,619,380 yen monthly (Except from September 2022 to February 2023; 50% of the amount.)

Variable rent: 939,716 yen monthly from December 2016; and will be revised every six months and calculated as follows:

- (1) Modified GOP for the most recent one-year period \times 4.0% (yearly; the monthly amount is 1/12th thereof)
- (2) Only if 74.0% of the modified GOP exceeds one year's fixed rent, variable rent will apply.

[Ooedo-Onsen Monogatari Toi Marine Hotel]

Fixed rent: 9,098,235 yen monthly (Except from September 2022 to February 2023; 50% of the amount.)

Variable rent: 1,016,579 yen monthly from December 2016; and will be revised every six months and calculated as follows:

- (1) Modified GOP for the most recent one-year period \times 7.0% (yearly; the monthly amount is 1/12th thereof)
- (2) Only if 72.0% of the modified GOP exceeds one year's fixed rent, variable rent will apply.

[Ooedo-Onsen Monogatari Awara]

Fixed rent: 10,963,033 yen monthly (Except from September 2022 to February 2023; 50% of the amount.)

Variable rent: 608,360 yen monthly from December 2016; and will be revised every six months and calculated as follows:

- (1) Modified GOP for the most recent one-year period \times 3.0% (yearly; the monthly amount is 1/12th thereof)
- (2) Only if 62.0% of the modified GOP exceeds one year's fixed rent, variable rent will apply.

[Ooedo-Onsen Monogatari Kamoshika-so] *The transfer date is scheduled for November 30, 2022.

Fixed rent: 5,953,916 yen monthly

Variable rent: 655,836 yen monthly from December 2016; and will be revised every six months and calculated as follows:

- (1) Modified GOP for the most recent one-year period \times 6.0% (yearly; the monthly amount is 1/12th thereof)
- (2) Only if 62.0% of the modified GOP exceeds one year's fixed rent, variable rent will apply.

[Ooedo-Onsen Monogatari Ikaho]

Fixed rent: 6,126,558 yen monthly (Except from September 2022 to February 2023; 50% of the amount.)

Variable rent: 708,097 yen monthly from December 2016; and will be revised every six months and calculated as follows:

- (1) Modified GOP for the most recent one-year period \times 7.0% (yearly; the monthly amount is 1/12th thereof)
- (2) Only if 67.0% of the modified GOP exceeds one year's fixed rent, variable rent will apply.

[Ooedo-Onsen Monogatari Kimitsu-no-mori]

Fixed rent: 4,098,412 yen monthly (Except from September 2022 to February 2023; 50% of the amount.)

Variable rent: 436,860 yen monthly from December 2016; and will be revised every six months and calculated as follows:

- (1) Modified GOP for the most recent one-year period \times 5.0% (yearly; the monthly amount is 1/12th thereof)
- (2) Only if 52.0% of the modified GOP exceeds one year's fixed rent, variable rent will apply.

[Ooedo-Onsen Monogatari Kounkaku]

Fixed rent: 7,017,209 yen monthly (Except from September 2022 to February 2023; 50% of the amount.)

Variable rent: 755,005 yen monthly from June 2018; and will be revised every six months and calculated as follows:

- (1) Modified GOP for the most recent one-year period \times 4.5% (yearly; the monthly amount is 1/12th thereof)
- (2) Only if 45.3% of the modified GOP exceeds one year's fixed rent, variable rent will apply.

[Kinugawa Kanko Hotel]

Fixed rent: 29,069,741 yen monthly (Except from September 2022 to February 2023; 50% of the amount.)

Variable rent: 1,188,094 yen monthly from June 2018; and will be revised every six months and calculated as follows:

- (1) Modified GOP for the most recent one-year period \times 2.4% (yearly; the monthly amount is 1/12th thereof)
- (2) Only if 56.0% of the modified GOP exceeds one year's fixed rent, variable rent will apply.

[Ooedo-Onsen Monogatari Kinosaki] *The transfer date of 30% of co-ownership interest is scheduled for November 30, 2022 and 70% of co-ownership interest is scheduled for February 28, 2023.

Fixed rent: 13,147,999 yen monthly

Variable rent: 650,945 yen monthly from June 2018; and will be revised every six months and calculated as follows:

- (1) Modified GOP for the most recent one-year period \times 2.4% (yearly; the monthly amount is 1/12th thereof)
- (2) Only if 47.7% of the modified GOP exceeds one year's fixed rent, variable rent will apply.

[Ooedo-Onsen Monogatari Higashiyama Grand Hotel]

Fixed rent: 8,631,767 yen monthly (Except from September 2022 to February 2023; 50% of the amount.)

Variable rent: 940,567 yen monthly from June 2018; and will be revised every six months and calculated as follows:

- (1) Modified GOP for the most recent one-year period \times 4.5% (yearly; the monthly amount is 1/12th thereof)
- (2) Only if 45.0% of the modified GOP exceeds one year's fixed rent, variable rent will apply.

Fiscal Period Ending November 2022 (13th fiscal period)

(million yen)

Property name	Primary rent (Note 2)		Secondary rent (Note 5)	Other revenue	Total (Note 9)
	Fixed rent (Note 3)	Variable rent (Note 4)			
Ooedo-Onsen Monogatari Reoma Resort	236	-	30	0 (Note 6)	266
Ooedo-Onsen Monogatari Ise-shima	81	-	3	-	84
Ito Hotel New Okabe	55	-	8	-	63
Ooedo-Onsen Monogatari Atami	70	-	3	-	74
Ooedo-Onsen Monogatari Toi Marine Hotel	40	-	1	-	42
Ooedo-Onsen Monogatari Awara	49	-	8	-	57
Ooedo-Onsen Monogatari Kamoshika-so	35	-	5	95 (Note 7)	136
Ooedo-Onsen Monogatari Ikaho	27	-	3	-	31
Ooedo-Onsen Monogatari Kimitsu-no-mori	18	-	5	-	23
Ooedo-Onsen Monogatari Kounkaku	31	-	4	-	36
Kinugawa Kanko Hotel	130	-	7	-	138
Ooedo-Onsen Monogatari Kinosaki	78	-	6	130 (Note 7)	215
Ooedo-Onsen Monogatari Higashiyama Grand Hotel	38	-	10	0 (Note 8)	48
Total (Note 9)	894	-	100	229	1,225

Fiscal Period Ending May 2023 (14th fiscal period)

(million yen)

Property name	Primary rent (Note 2)		Secondary rent (Note 5)	Other revenue	Total (Note 9)
	Fixed rent (Note 3)	Variable rent (Note 4)			
Ooedo-Onsen Monogatari Reoma Resort	236	-	30	0 (Note 6)	266
Ooedo-Onsen Monogatari Ise-shima	81	-	3	-	84
Ito Hotel New Okabe	55	-	8	-	63

	Ooedo-Onsen Monogatari Atami	70	-	3	-	74
	Ooedo-Onsen Monogatari Toi Marine Hotel	40	-	1	-	42
	Ooedo-Onsen Monogatari Awara	49	-	8	-	57
	Ooedo-Onsen Monogatari Ikaho	27	-	3	-	31
	Ooedo-Onsen Monogatari Kimitsu-no-mori	18	-	5	-	23
	Ooedo-Onsen Monogatari Kounkaku	31	-	4	-	36
	Kinugawa Kanko Hotel	130	-	7	-	138
	Ooedo-Onsen Monogatari Kinosaki	27	-	2	306 (Note 7)	336
	Ooedo-Onsen Monogatari Higashiyama Grand Hotel	38	-	10	0 (Note 8)	48
	Total (Note 9)	807	-	90	307	1,206
	<p>(Note 1) “GOP” refers to gross operating profit, which is the amount remaining after deducting expenses arising directly from managing each facility, such as labor expenses and general and administrative expenses, from each facility’s sales. “Modified GOP” is the amount remaining after deducting real estate-related expenses for the property to be borne by the tenant (including, but not limited to, taxes and public charges, non-life insurance premiums and land and house rent, but excluding an amount equivalent to Secondary rent (defined below in Note 5)) from the GOP of each facility for the Modified GOP Calculation Period (defined below in Note 4). The same applies hereinafter.</p> <p>(Note 2) “Primary rent” refers to the sum of the fixed rent and the variable rent. The same applies hereinafter.</p> <p>(Note 3) “Fixed rent” refers to the monthly amount provided for in each facility’s lease agreement. The same applies hereinafter.</p> <p>(Note 4) “Variable rent” refers to the amount obtained by multiplying each facility’s modified GOP for the most recent 1-year period (for the 6 months starting from December of each year, this means the 1-year period from March of that year to February of the following year; for the 6 months starting from June of each year, this means the 1-year period from September of the previous year to August of that year) (these 1-year periods are referred to as “modified GOP Calculation Periods”) regarding each facility by the specific rate provided for in each lease agreement (yearly; the monthly amount is 1/12th thereof). The same applies hereinafter.</p> <p>(Note 5) “Secondary rent” refers to an amount equivalent to the total amount of taxes, public charges, nonlife insurance premiums, and other expenses (real estate management expenses) to be borne by the Investment Corporation for each facility owned by the Investment Corporation. The same applies hereinafter.</p> <p>(Note 6) Land rent based on the fixed-term land lease agreement is included in the fixed rent.</p> <p>(Note 7) The gain on sale of property is included in the others.</p> <p>(Note 8) Land rent based on the fixed-term land lease agreement is presented.</p> <p>(Note 9) Rents of properties are rounded down to the nearest million yen. Therefore, the total of each property’s rent, the total of fixed rents, the total of variable rents and the total of secondary rents may not add up to the figure indicated in the Total column.</p>					
Operating expenses	<ul style="list-style-type: none"> • Of the expenses related to leasing activities, which are a major component of operating expenses, the expenses related to leasing activities other than the depreciation are calculated based on past actual figures and by reflecting factors that cause expenses to fluctuate. • Taxes and public charges are assumed to be 87 million yen for the fiscal period ending November 2022 and 81 million yen for the fiscal period ending May 2023. • Building repair expenses are not expected to arise, as these expenses will, in principle, be borne by the tenant based on the lease agreement effective as of the date of this document. • Depreciation, which is calculated using the straight-line method inclusive of ancillary costs and additional capital expenditure in the future, is assumed to be 439 million yen for the fiscal period ending November 2022 and 415 million yen for the fiscal period ending May 2023. 					
Non-operating expenses	<ul style="list-style-type: none"> • Interest expenses and other debt-related costs are expected to total 176 million yen in the fiscal period ending November 2022 and 169 million yen in the fiscal period ending May 2023. 					
Borrowings	<ul style="list-style-type: none"> • The balance of loans outstanding as of the end of May 2022 is 11,874 million yen. • 157 million yen was repaid separately based on the agreement. • 147 million yen will be repaid separately based on the agreement. • 28 million yen was repaid in June 2022. • 575 million yen, a portion of 1,724 million yen in short-term borrowings, was repaid on August 31, 2022. 					

	<ul style="list-style-type: none"> • It is assumed that 250 million yen in short-term borrowings will be repaid, and 726 million yen before maturity will be repaid in November 2022. • It is assumed that 643 million yen before maturity will be repaid in February 2023. • The repayment of 10 million yen, a portion of 210 million yen in short-term borrowings, is assumed be repaid on February 28, 2023. In addition, 3,117 million yen in short-term borrowings and 3,016 million yen in long-term borrowings both of which become due for repayment on February 28, 2023, and 1,129 million yen in short-term borrowings and 2,225 million yen in long-term borrowings both of which become due for repayment on May 31, 2023, it is assumed that the same amounts will be refinanced.
Outstanding Investment Units	<ul style="list-style-type: none"> • The assumed number of investment units issued and outstanding as of the date of this document is 235,347, and it is assumed that the number of investment units will not change due to any additional issuance of new investment units or another reason before May 31, 2023. • Distribution per unit is calculated based on the expected number of investment units, 235,347 units issued and outstanding as of the end of the fiscal period ending.
Distribution per unit (Excluding excess cash distribution)	<ul style="list-style-type: none"> • Distribution per unit (excluding excess cash distribution) is calculated based on the policy for cash distributions provided for in the Investment Corporation's articles of incorporation. • Distribution per unit (excluding excess cash distribution) may change due to various factors, including changes of portfolio, changes in rent revenue due to a relocation of tenant, etc., the occurrence of unexpected capital expenditures, and other reasons.
Excess cash distribution per unit	<ul style="list-style-type: none"> • Recording of allowance for temporary difference adjustments of 4,236,246 yen is expected concerning the difference in accounts for tax and accounting purposes associated with recording of asset retirement obligation. • Regarding conducting excess cash distribution, the Investment Corporation will have a basic policy of conducting excess cash distribution of which amount will be equivalent to the increased amount of allowance for temporary difference adjustments. Pursuant to the policy, it is assumed that 19 yen of excess distribution per unit will be conducted.
Other	<ul style="list-style-type: none"> • It is assumed that revisions that affect the above forecast figures will not be made to laws or ordinances, tax systems, accounting standards, listing regulations, or rules or the like set by The Investment Trusts Association, Japan. • It is assumed that unforeseen material changes in general economic trends, in real estate market conditions, or in any other factors will not occur.