



La Vista TokyoBay

# Kyoritsu Maintenance Co., Ltd.

## Consolidated Financial Results for FY 3/22

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**KYORITSU**  
HOTELS & DORMITORIES

May, 2022

**01 Summary of Financial Results P. 2**

**02 Projected consolidated financial results P.21**

# 01 Summary of Financial Results

## 02 Projected consolidated financial results

## Recovered profitability by utilizing unrealized gains and saving costs in the continuing corona environment

- Dormitory business secured operating income of 4.5 billion yen despite the decreasing number of foreign students.
- Hotel business posted operating income of -9.4 billion yen, but improved by 6.5 billion yen in real terms from the previous year.
- Secured operating income of 8.2 billion yen through the real estate securitization business (fund recovery of 37.3 billion yen).

# Consolidated business results and main financial indicators

100 million yen	FY 3/21	FY 3/22	FY 3/22	YoY Comparison		Comparison with Forecasts		FY 3/21					
	Results	Forecast	Results					Results before the implementation of extraordinary loss processing due to temporary closure		FY 3/22 sales and leaseback Results		YoY Comparison without factors on the left	
	(4/2020—3/2021)	(4/2021—3/2022)	A (4/2021—3/2022)					B		C		A - B - C	
Net sales	1,212	1,730	<b>1,737</b>	+524	+43.2%	+7	+0.4%	1,212	373	<b>+149</b>	+12.3%		
Operating income	-90	20	<b>14</b>	+104	-	-5	-28.4%	-119	82	<b>+50</b>	-		
Ordinary income	-91	19	<b>18</b>	+109	-	-0	-4.5%	-120	82	<b>+55</b>	-		
Net income*1	-121	1	<b>5</b>	+127	-	+4	+439.1%	-121	57	<b>+69</b>	-		
EPS (yen)	-311.9	2.5	<b>13.8</b>	+325.8	-	+11.2	+439.1%						
Depreciation expense	49	57	<b>60</b>	+11	+22.3%	+3	+5.6%						
Cash flow*2	-72	58	<b>66</b>	+138	-	+7	+13.0%						
Capital investment	124	127	<b>95</b>	-29	-23.5%	-31	-25.0%						
Investment recovery by sales and leaseback	0	352	<b>373</b>	+373	-	+21	+6.2%						

\*1. In FY3/21, extraordinary losses of 5.9 billion yen were recorded, including 2.8 billion yen in losses from temporary closures to prevent the spread of COVID-19, and 2.5 billion yen in losses from the closure of the Korean office and global cabin. In addition, income taxes due to tax-effect accounting -2.7 billion yen, in the fiscal year ending March 31, 2022, income taxes due to tax-effect accounting -0.8 billion yen besides extraordinary losses of 0.6 billion yen.

\*2. Cash flow : Net income + depreciation

# Factors causing discrepancies between consolidated results and forecasts

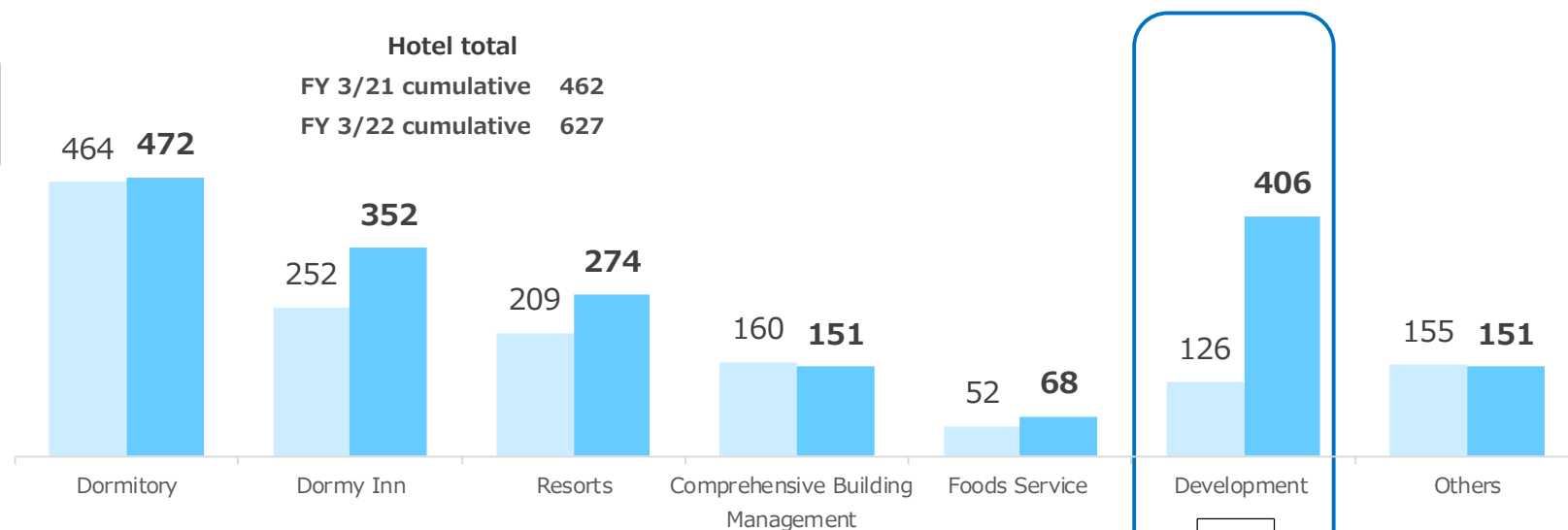
Operating income (100 million yen)		Q1 (4 - 6/2021)	Q2 (7 - 9/2021)	Q3 (10 - 12/2021)	Q4 (1 - 3/2022)	Full year (4/2021 - 3/2022)	
Dormitory business	Forecast	14	10	4	18	48	Due to prolonged restrictions on entry into Japan, the arrival of new international students scheduled to enter dormitories at the end of the fiscal year was delayed and resulted in a shortfall in contract payments.
	Act			4	15	45	
	Comparison with Forecasts			<b>-0</b>	<b>-3</b>	<b>-3</b>	
Dormy Inn business	Forecast	-27	-17	-5	-4	-54	RevPAR exceeded the plan by more than 10% in the third quarter since October, when the emergency declaration was lifted, and returned to profitability.
	Act			4	-5	-45	
	Comparison with Forecasts			<b>+9</b>	<b>-0</b>	<b>+8</b>	
Resorts business	Forecast	-21	-9	1	-3	-32	Occupancy rate significantly fell behind the plan due to the issuance of semi-emergency coronavirus measures in the fourth quarter.
	Act			-1	-16	-48	
	Comparison with Forecasts			<b>-2</b>	<b>-13</b>	<b>-16</b>	
Sales and leaseback of real estate business	Forecast	0	5	—	68	73	Recorded 37.3 billion yen in sales of 9 properties by promoting utilization of unrealized gains.
	Act			—	77	82	
	Comparison with Forecasts				<b>+10</b>	<b>+10</b>	
Others	Forecast	-5	-5	-3	0	-14	Senior business fell short of plan due to little growth in the acquisition of new contracts.
	Act			-4	-4	-19	
	Comparison with Forecasts			<b>-0</b>	<b>-5</b>	<b>-5</b>	
<b>Total</b>	Forecast	-40	-15	-2	78	20	
	Act			3	66	14	
	Comparison with Forecasts			<b>+6</b>	<b>-12</b>	<b>-5</b>	

# Net sales and operating income broken down by segment

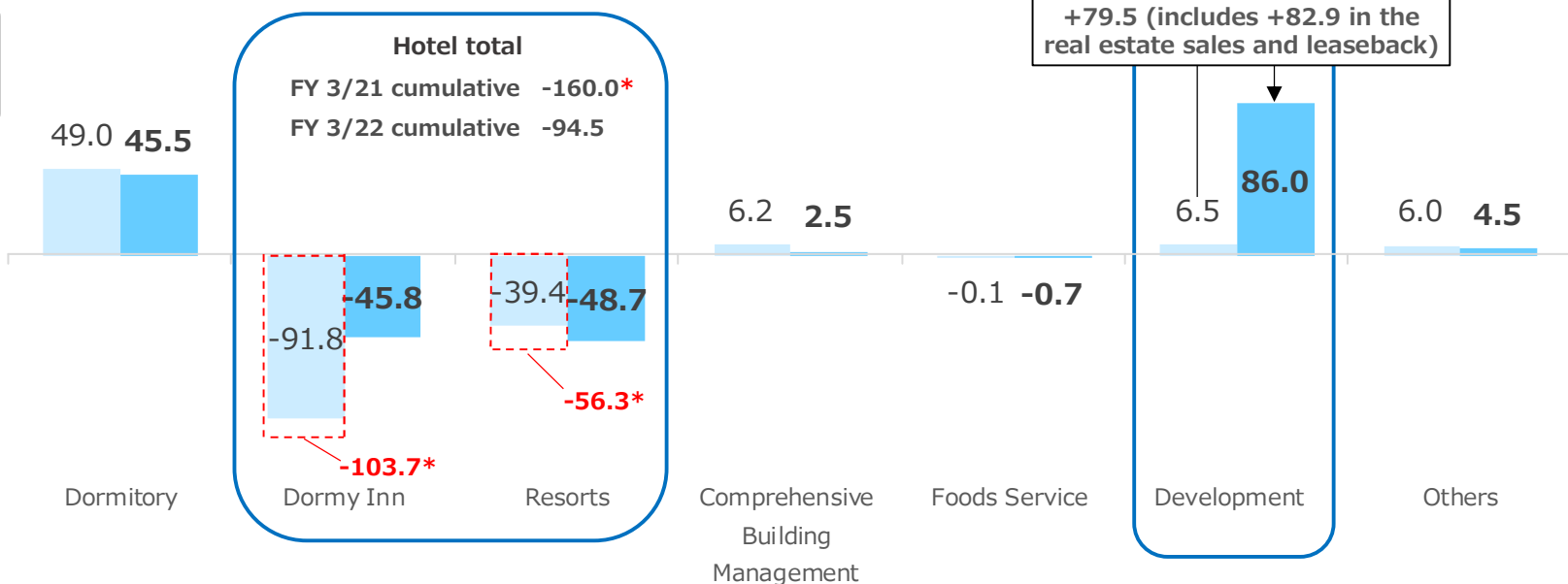
■ FY 3/21 cumulative ■ FY 3/22 cumulative

(100 million yen)

## Net sales



## Operating income

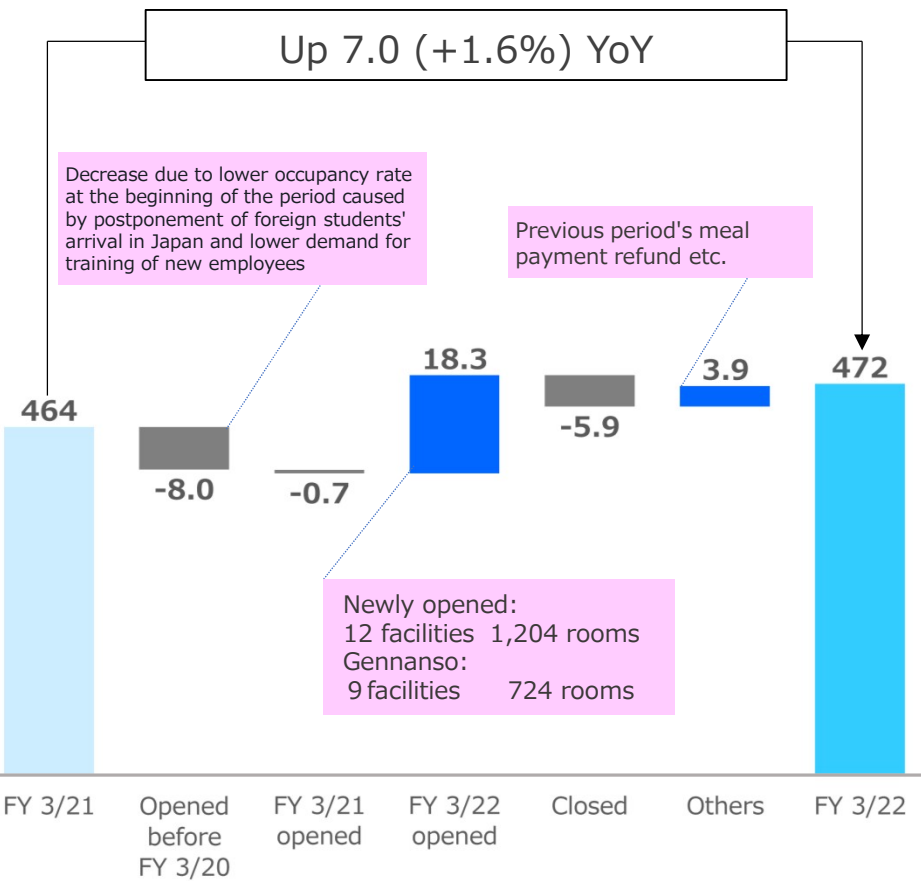


\* In the same period of FY 3/21, our hotels were temporarily closed in response to the request for closure due to the state of emergency, and the losses incurred were posted as extraordinary losses (Dormy Inn: 1.18 billion yen, Resort: 1.68 billion yen)

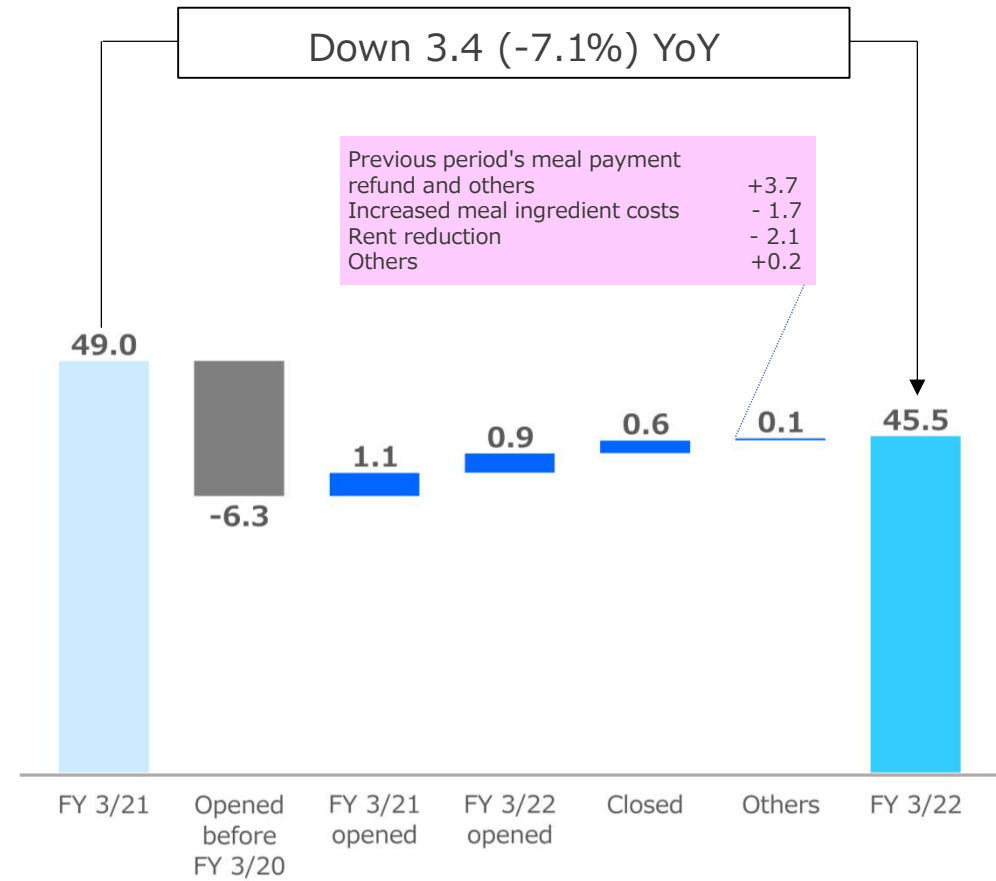
# Dormitory Business: Net sales and Operating income

(100 million yen)

## Net sales

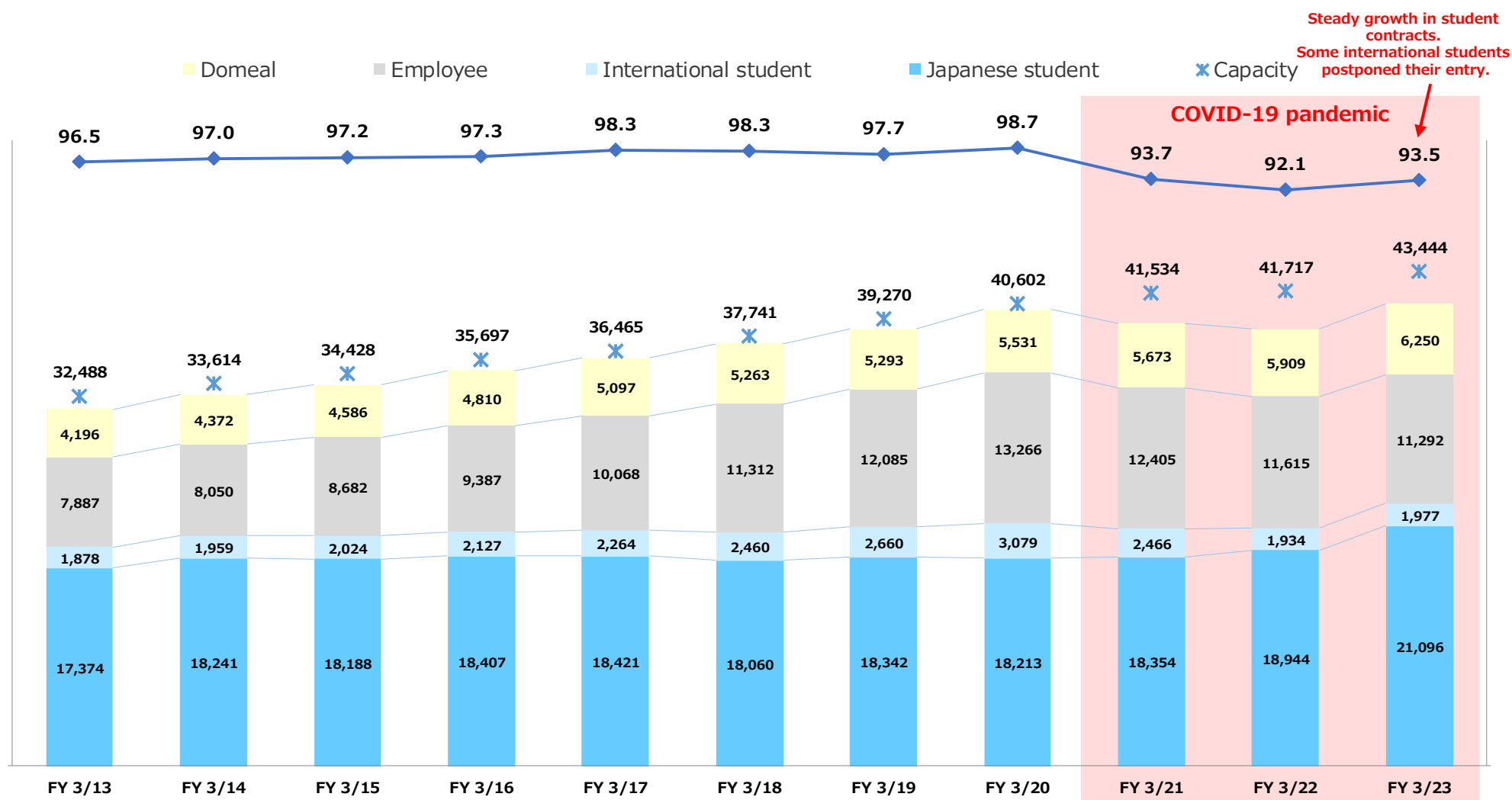


## Operating income





# Dormitory Business:Trends in initial number of leased units/occupancy ratio



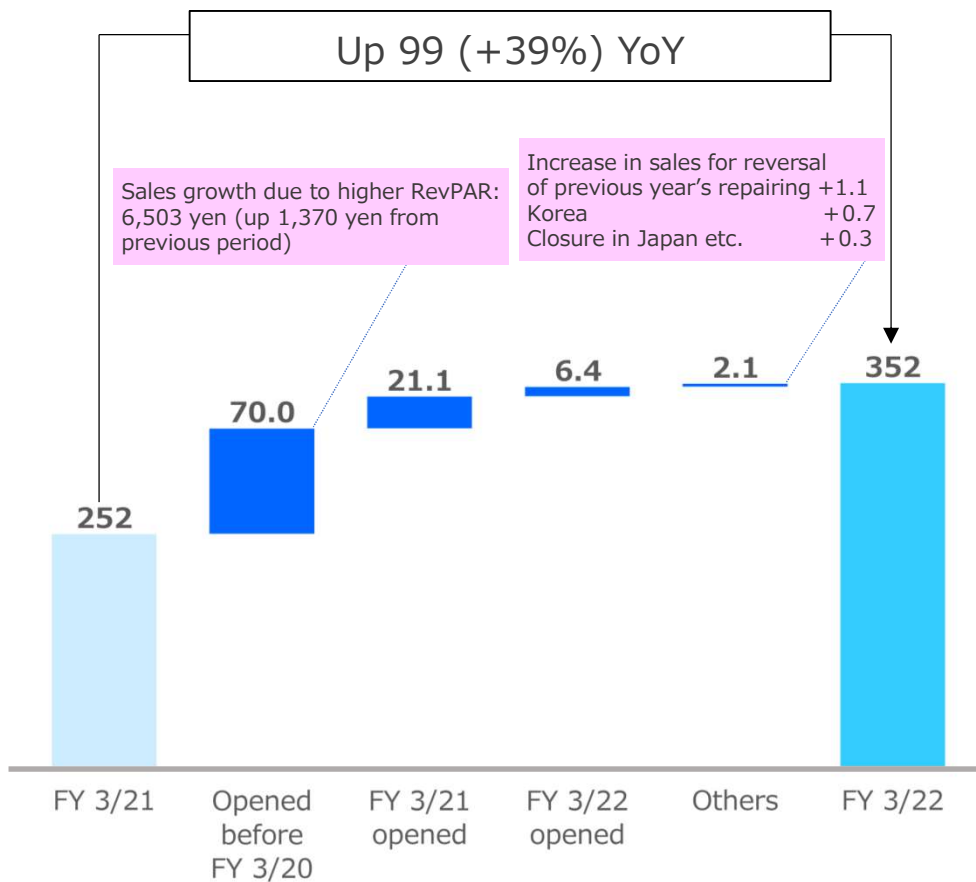
	FY 3/21	FY 3/22	YOY	FY 3/23	YOY
occupancy ratio (%)	93.7%	92.1%	△1.6PP	93.5%	+1.4PP
Number of properties (facilities)	505	502	△3	514	+12
Number of rooms (room)	41,534	41,717	+183	43,444	+1,727
Number of rooms occupied (room)	38,898	38,402	△496	40,615	+2,213

Breakdown of occupied rooms :	FY 3/21	FY 3/22	YOY	FY 3/23	YOY
Japanese student (room)	18,354	18,944	+590	21,096	+2,152
International student (room)	2,466	1,934	△532	1,977	+43
Employee (room)	12,405	11,615	△790	11,292	△323
Domeal (room)	5,673	5,909	+236	6,250	+341

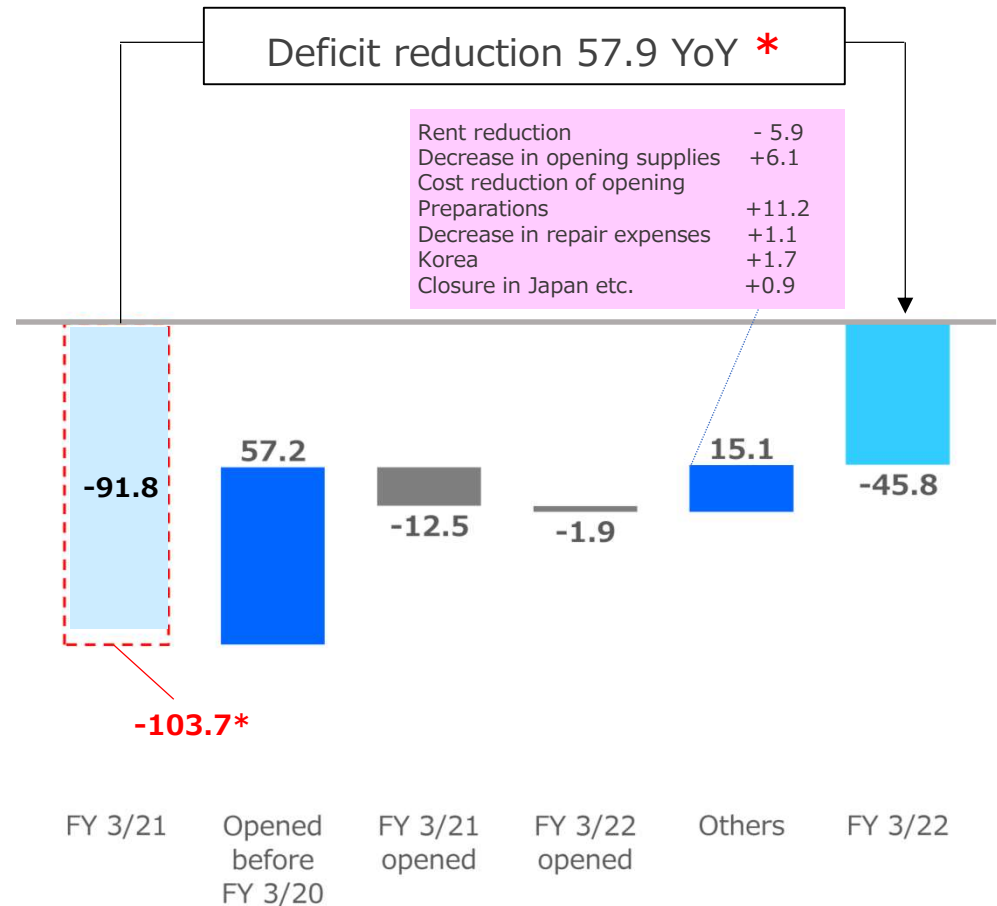
# Dormy Inn Business: Net sales and operating income

(100 million yen)

## Net sales

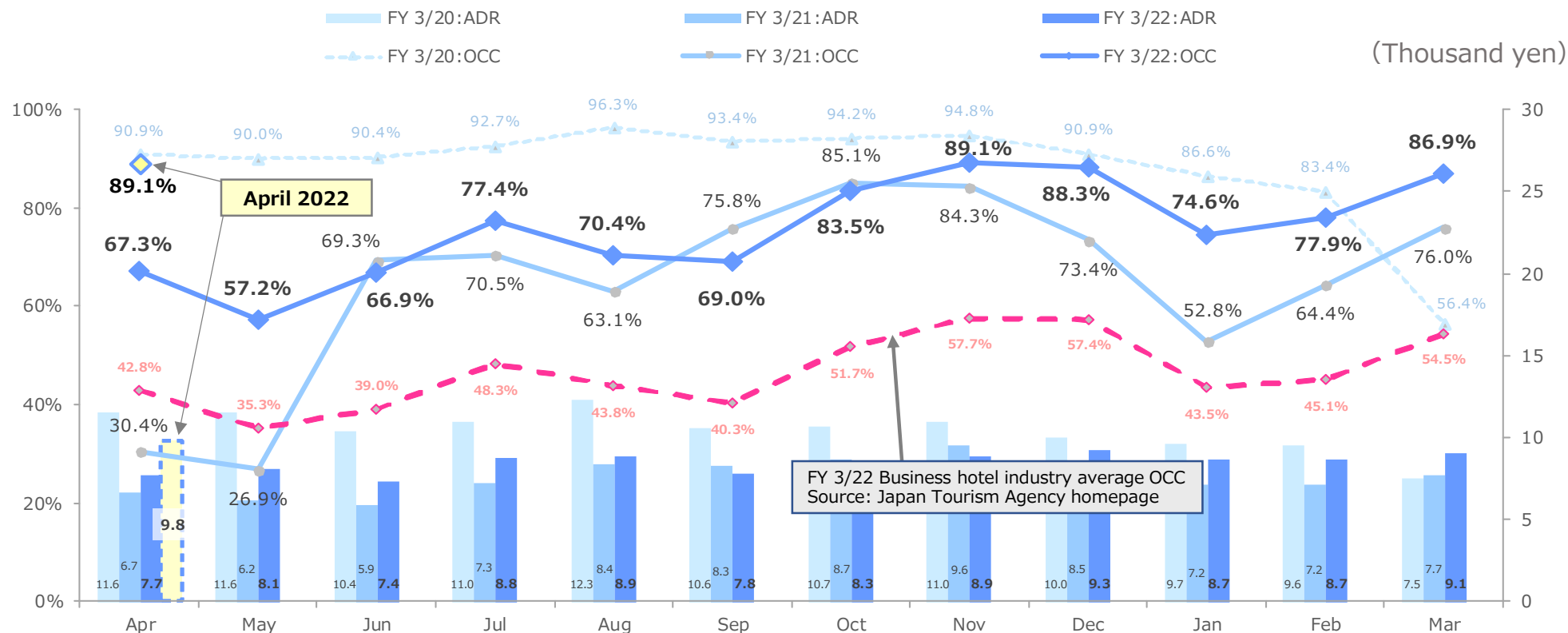


## Operating income



\*Including extraordinary losses of 1.18 billion yen caused by a temporary closure of hotels in the same period of FY 3/21

# Dormy Inn Business: Monthly trends in Occupancy Ratio and Average Daily Rate



<b>FY 3/21</b>	First state of emergency	Relaxing requests for self-restraint	"Go To Travel campaign" (except TOKYO)	"Go To Travel campaign" (add TOKYO)	Campaign temporarily suspended	Second state of emergency	
<b>FY 3/22</b>	Third state of emergency		Fourth state of emergency			Semi-state of emergency	

## OCC

(%)	Q1	Q2	Q3	Q4	Annual cumulative total
FY 3/20 (Act)	90.4%	94.2%	93.3%	75.0%	88.1%
FY 3/21 (Act)	42.2%	69.8%	80.9%	64.3%	64.8%
<b>FY 3/22 (Act)</b>	<b>63.7%</b>	<b>72.3%</b>	<b>87.0%</b>	<b>79.9%</b>	<b>75.8%</b>
YoY	+21.6pp	+2.5pp	+6.1pp	+15.5pp	+10.9pp

## ADR

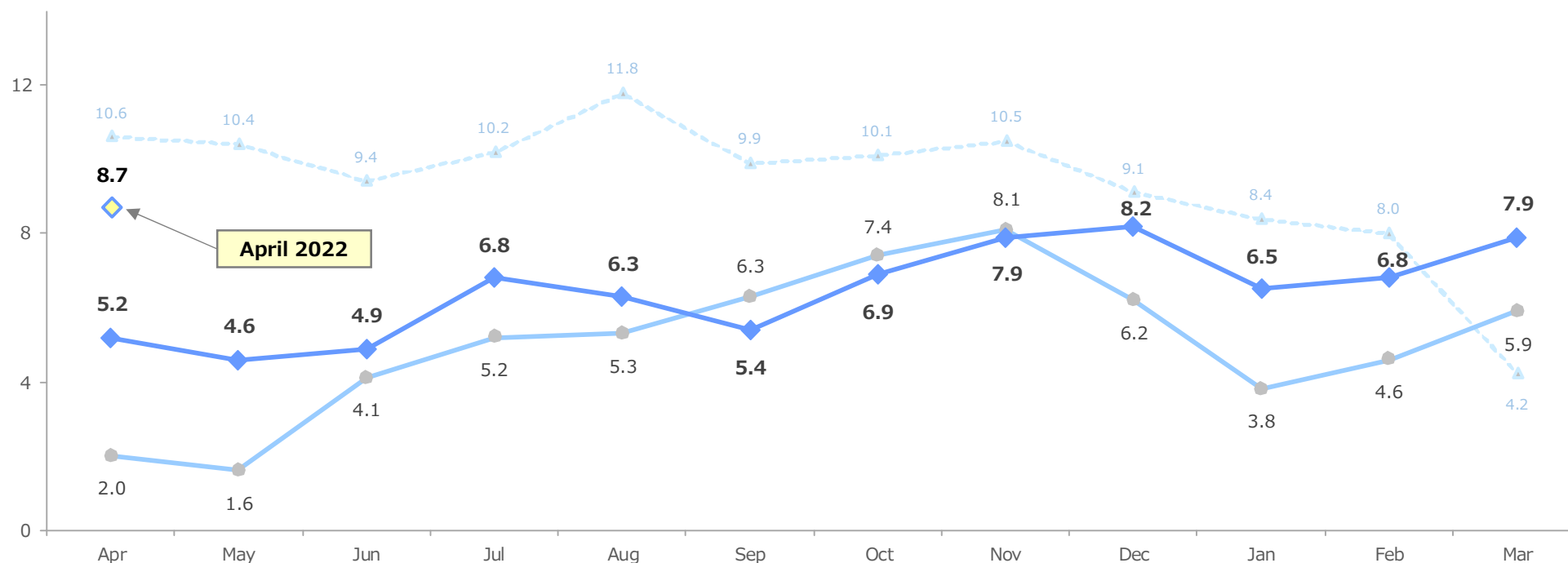
(thousand yen)	Q1	Q2	Q3	Q4	Annual cumulative total
FY 3/20 (Act)	11.2	11.3	10.6	9.1	10.6
FY 3/21 (Act)	6.2	8.0	8.9	7.4	7.9
<b>FY 3/22 (Act)</b>	<b>7.7</b>	<b>8.5</b>	<b>8.8</b>	<b>8.9</b>	<b>8.5</b>
YoY	+1.5	+0.5	-0.0	+1.4	+0.6

Note) The table above shows figures excluding hotels that opened in April 2020 or later, in order to enable comparison between the three periods under the same conditions

# Dormy Inn Business: RevPAR by month

(Thousand yen)

—△— FY 3/20:RevPAR    —●— FY 3/21:RevPAR    —◆— FY 3/22:RevPAR



<b>FY 3/21</b>	First state of emergency	Relaxing requests for self-restraint	"Go To Travel campaign" (except TOKYO)	"Go To Travel campaign" (add TOKYO)	Campaign temporarily suspended	Second state of emergency	
<b>FY 3/22</b>	Third state of emergency		Fourth state of emergency			Semi-state of emergency	

## RevPAR

(thousand yen)	Q1	Q2	Q3	Q4	Annual cumulative total
FY 3/20 (Act)	10.1	10.6	9.9	6.8	9.3
FY 3/21 (Act)	2.6	5.6	7.2	4.8	5.1
<b>FY 3/22 (Act)</b>	<b>4.9</b>	<b>6.1</b>	<b>7.7</b>	<b>7.1</b>	<b>6.5</b>
YoY	+2.3	+0.5	+0.4	+2.3	+1.3

Note) The table above shows figures excluding hotels that opened in April 2020 or later, in order to enable comparison between the three periods under the same conditions

# Dormy Inn Business: Third-party evaluation

Dormy Inn attained first place for the business hotel department at JCSI in 2021

Dormy Inn won first place in the ranking of “your most favorite business hotel”

Survey period: April 17 to April 24, 2022

Research organization: Netorabo Survey Team

(Softbank Group, IT media Inc.)

## Score of Customer Satisfaction in the Business Hotel Category

Ranking	2019	2021
1	↑ Dormy Inn 81.7	→ Dormy Inn 82.3
2	↓ Richmond Hotels 81.0	→ Richmond Hotels 82.2
3	→ Comfort Hotels 79.1	↑ Super Hotels 78.8
4	→ Super Hotels 78.5	↓ Comfort Hotels 76.9
5	→ Daiwa Roynet Hotels 77.4	

\*In FY2020, no survey was conducted due to the COVID-19.



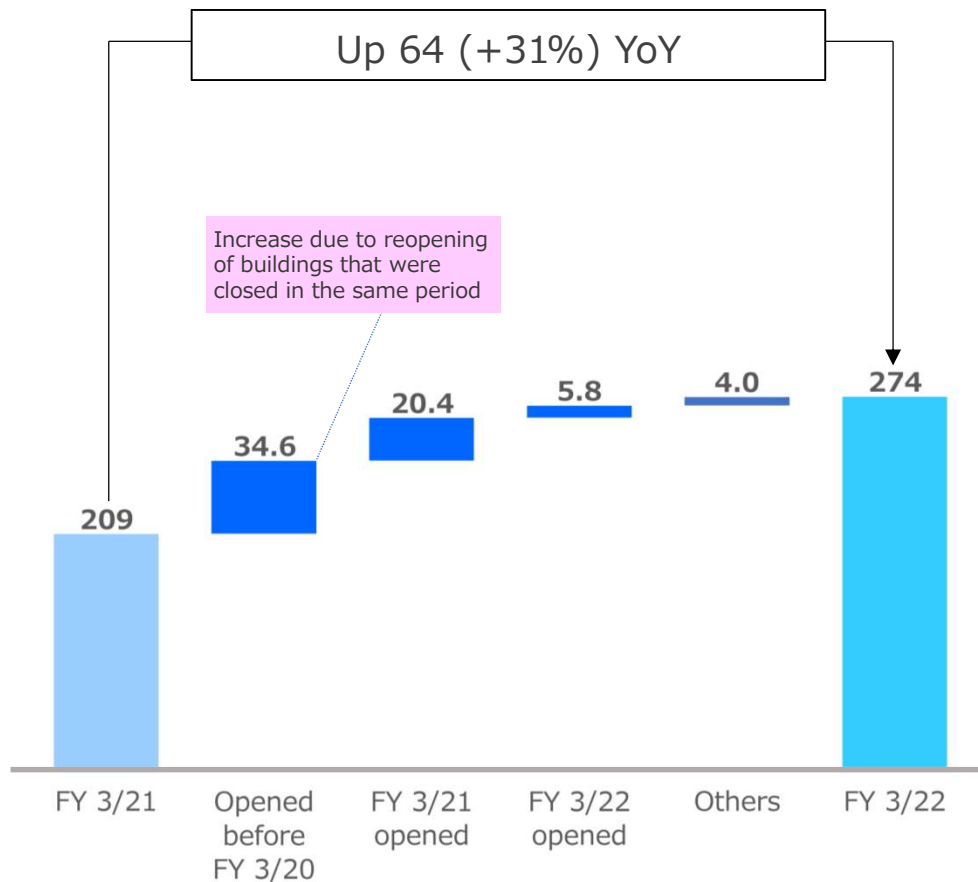
“JCSI(Japanese Customer Satisfaction Index)” is a survey of the customer satisfaction index in the service industries. Japan Productivity Center is conducting a survey at six times per year, approximately 30 industries, about 400 companies are targeted.

Rank	Name of Hotel	Vote tally
1	Dormy Inn	3,357
2	Route Inn Hotels	1,651
3	TOYOKO INN	1,096
4	Daiwa Roynet Hotels	992
5	Super Hotels	705
6	Richmond Hotels	560
7	Mitsui Garden Hotels	486
8	APA Hotels	414
9	Sotetsu Hotels	236
10	Tokyu REI Hotels	187
11	Mystays	111
12	Hotel Livemax	103
13	Smile Hotels	94
	Others	383

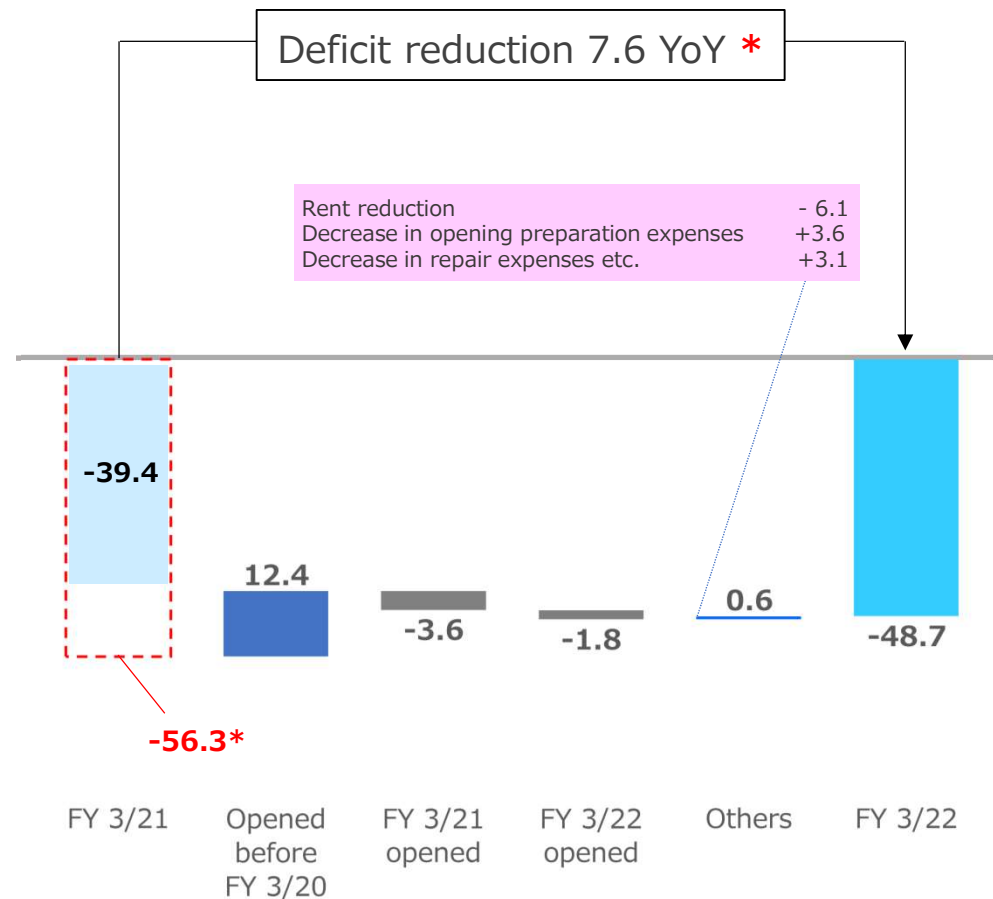
# Resorts Business: Net sales and operating income

(100 million yen)

## Net sales

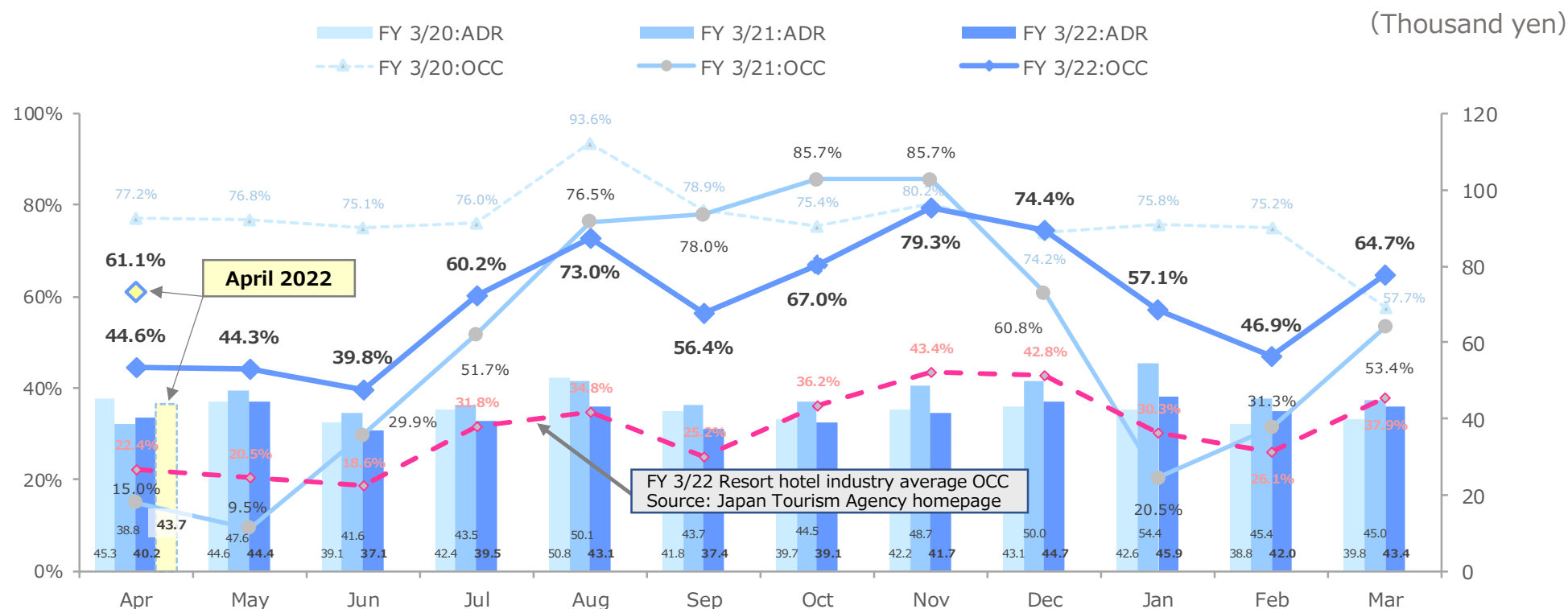


## Operating income



\*Including extraordinary losses of 1.68 billion yen caused by a temporary closure of hotels in the same period of FY 3/21

# Resorts Business: Monthly trends in Occupancy Ratio and Average Daily Rate



<b>FY 3/21</b>	First state of emergency	Relaxing requests for self-restraint	"Go To Travel campaign" (except TOKYO)	"Go To Travel campaign" (add TOKYO)	Campaign temporarily suspended	Second state of emergency
<b>FY 3/22</b>	Third state of emergency		Fourth state of emergency			Semi-state of emergency

## OCC

(%)	Q1	Q2	Q3	Q4	Annual cumulative total
FY 3/20 (Act)	76.4%	82.8%	76.6%	69.4%	76.3%
FY 3/21 (Act)	17.2%	68.9%	76.8%	35.0%	52.0%
<b>FY 3/22 (Act)</b>	<b>42.9%</b>	<b>63.3%</b>	<b>73.4%</b>	<b>56.6%</b>	<b>59.1%</b>
YoY	+25.7pp	-5.7pp	-3.4pp	+21.5pp	+7.1pp

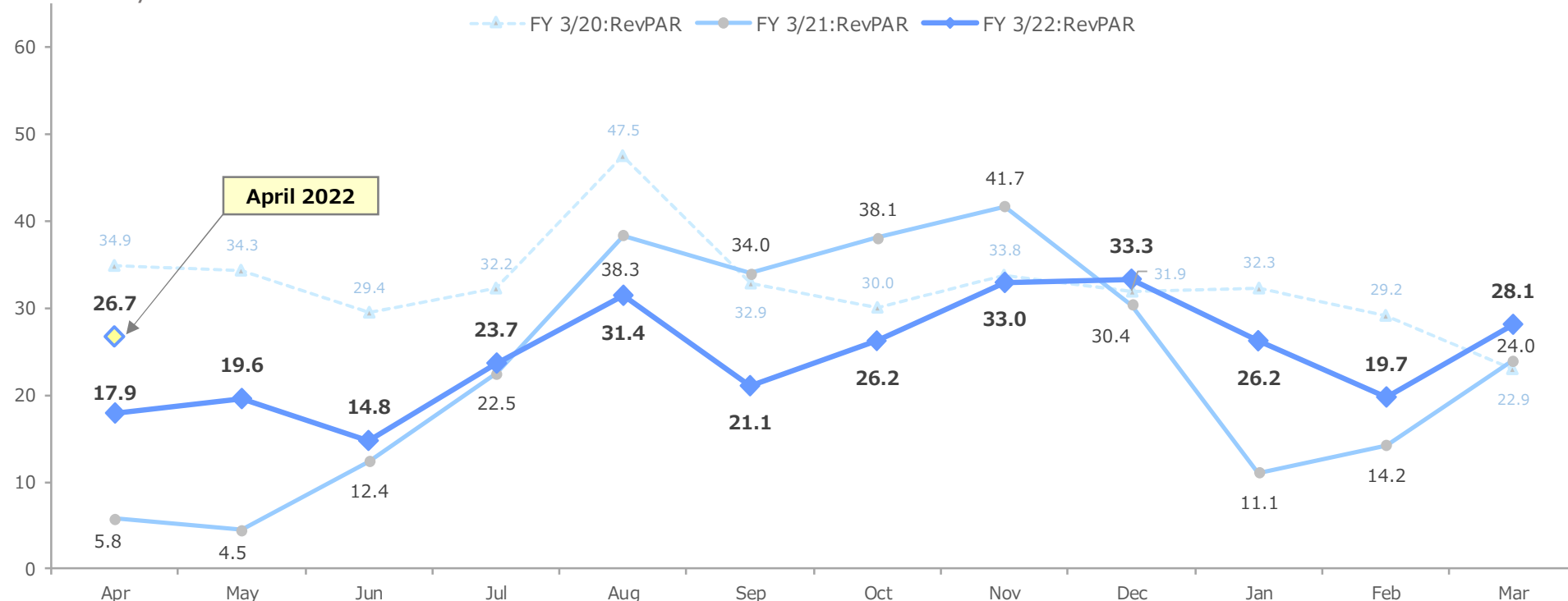
## ADR

(thousand yen)	Q1	Q2	Q3	Q4	Annual cumulative total
FY 3/20 (Act)	43.2	45.3	41.7	40.5	42.7
FY 3/21 (Act)	41.7	46.1	47.5	47.0	46.6
<b>FY 3/22 (Act)</b>	<b>40.7</b>	<b>40.3</b>	<b>41.9</b>	<b>43.9</b>	<b>41.7</b>
YoY	-0.9	-5.7	-5.6	-3.1	-4.8

Note) The table above shows figures excluding hotels that opened in April 2020 or later, in order to enable comparison between the three periods under the same conditions

# Resorts Business: RevPAR by month

(Thousand yen)



April 2022

<b>FY 3/21</b>	First state of emergency	Relaxing requests for self-restraint	"Go To Travel campaign" (except TOKYO)	"Go To Travel campaign" (add TOKYO)	Campaign temporarily suspended	Second state of emergency	
<b>FY 3/22</b>	Third state of emergency		Fourth state of emergency			Semi-state of emergency	

## RevPAR

(thousand yen)	Q1	Q2	Q3	Q4	Annual cumulative total
FY 3/20 (Act)	33.0	37.5	31.9	28.1	32.6
FY 3/21 (Act)	7.1	31.7	36.5	16.4	24.2
<b>FY 3/22 (Act)</b>	<b>17.4</b>	<b>25.5</b>	<b>30.7</b>	<b>24.8</b>	<b>24.6</b>
YoY	+10.3	-6.2	-5.7	+8.3	+0.4

Note) The table above shows figures excluding hotels that opened in April 2020 or later, in order to enable comparison between the three periods under the same conditions



# Resorts Business: Third-party evaluation

## Rakuten Travel Awards 2021

### Rakuten Travel Gold Award



La Vista Hakodate Bay



Tokinoyu Setsugetsuka

### Rakuten Japan Inn Award TOP47



Arashiyama Hot Spring  
Kadensho in Kyoto



Hamachidori no Yu Kaishu



Onyado Shikishimakan

## Japan Brand Collection 2022 Inns & Hotels TOP100 (MEDIA PAL Co., Ltd.)

**Awarded for two consecutive years**

### Inazumi Hot Spring

TOP100 selection

### Kotohira hot Spring Onyado Shikishimakan

TOP100 selection



# Sales and leaseback of real estate business

**Executed liquidation of 9 properties**  
**Secured operating income of 8.2 billion yen and recovered 37.3 billion yen**



**Izumo Inishie no yado Keiu (60 rooms)**  
**Izumo Oyado Tsukiyo no Usagi (100 rooms)**

July 2017 Grand Opening

**La Vista Kusatsu Hills**  
(69 rooms)

September 2021 Grand opening

**Jozankei Yuraku Souan**  
(102 rooms)

Scheduled to open in winter 2022



**Dormy Inn Mito**  
(264 rooms)

March 2020 Grand opening



**Onyado Nono Matsue**  
(199 rooms)

April 26, 2022 Open



**Dormy Inn Premium Ginza**  
(154 rooms)

Scheduled to open in summer 2022

**Other 3 facilities :**  
Shuhokaku (Hotel)  
Kyoto Nijojo (lot)  
Kobikikan Ginza building (Office)

# Balance sheet

## End of March 2021

<p>Assets 239.0 billion yen</p> <p style="border: 1px dashed red; padding: 5px;">Cash and deposits 24.5 billion yen</p> <p style="border: 1px dashed red; padding: 5px;">Non-current assets 176.4 billion yen</p>	<p>Liabilities 168.2 billion yen</p> <p style="border: 1px dashed red; padding: 5px;">Interest-bearing liabilities 130.0 billion yen</p> <p>*Include CB of 30.1 billion yen</p>
	<p>Net assets 70.7 billion yen</p> <p style="border: 1px dashed white; padding: 5px;">Treasury stock -0.3 billion yen</p>

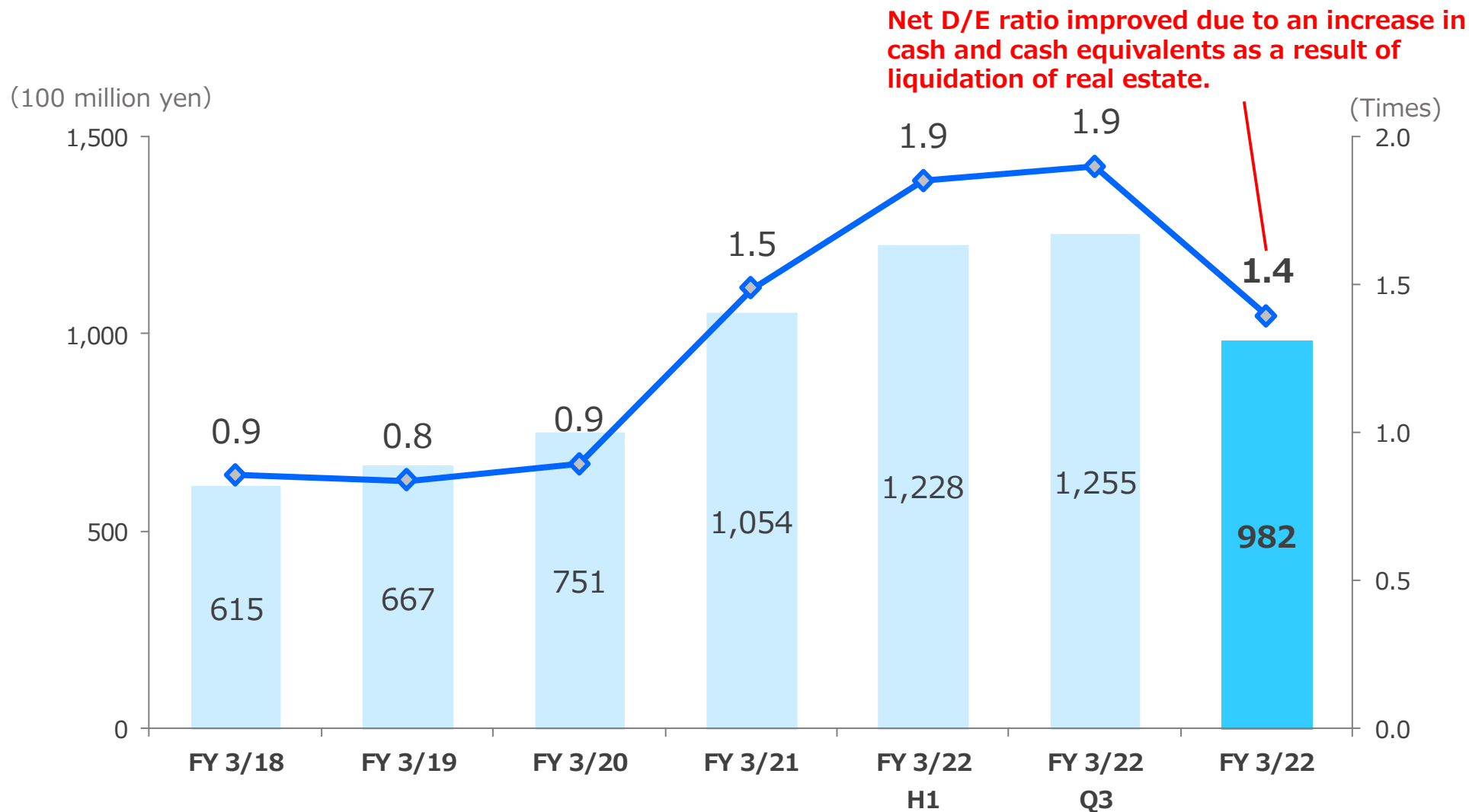
## End of March 2022

<p>Assets 241.7 billion yen (+2.6 billion yen)</p> <p style="border: 1px dashed red; padding: 5px;">Cash and deposits 37.9 billion yen (+13.3 billion yen)</p> <p style="border: 1px dashed red; padding: 5px;">Non-current assets 168.2 billion yen (-8.2 billion yen)</p>	<p>Liabilities 171.1 billion yen (+2.8 billion yen)</p> <p style="border: 1px dashed red; padding: 5px;">Interest-bearing debt 136.1 billion yen (+6.1 billion yen)</p> <p>*Include CB of 30.1 billion yen</p>
	<p>Net assets 70.5 billion yen (-0.1 billion yen)</p> <p style="border: 1px dashed white; padding: 5px;">Treasury stock -0.3 billion yen</p>

Notes: Interest-bearing liabilities = Short-term loans payable + Current portion of bonds + Bonds + Long-term loans payable + Lease debts + Convertible bonds (CB)

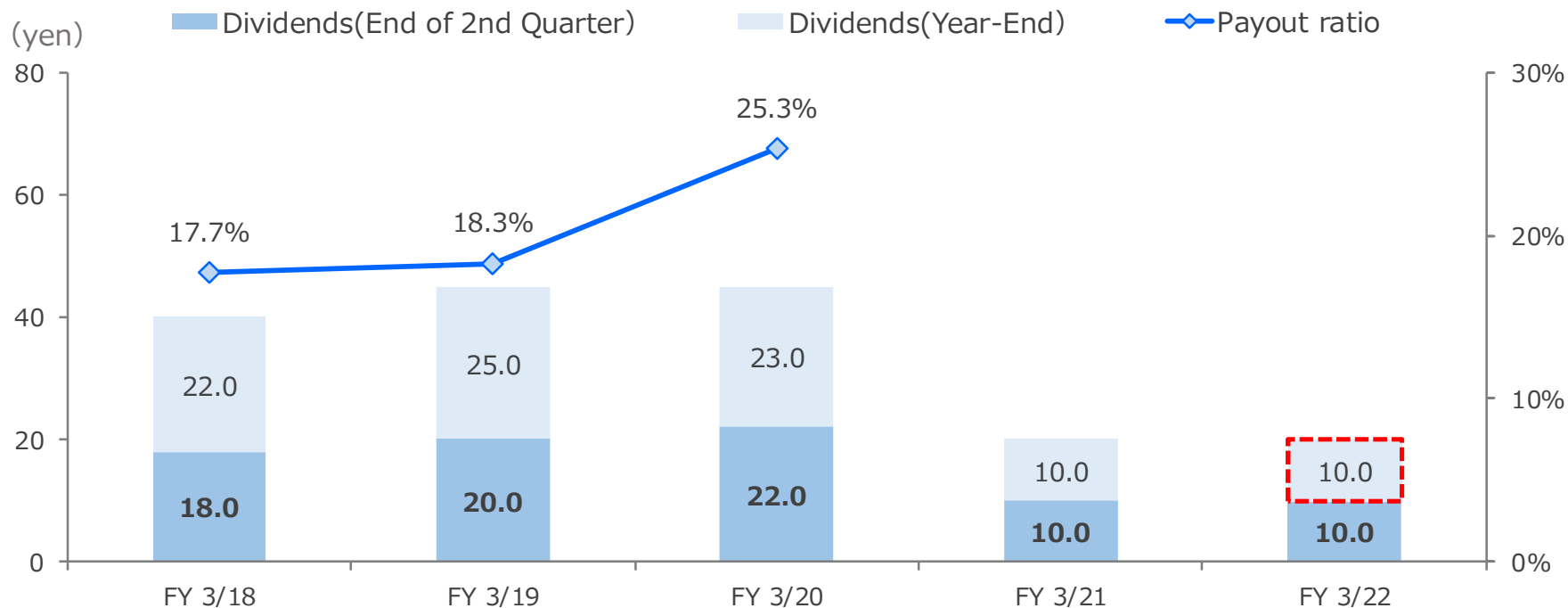
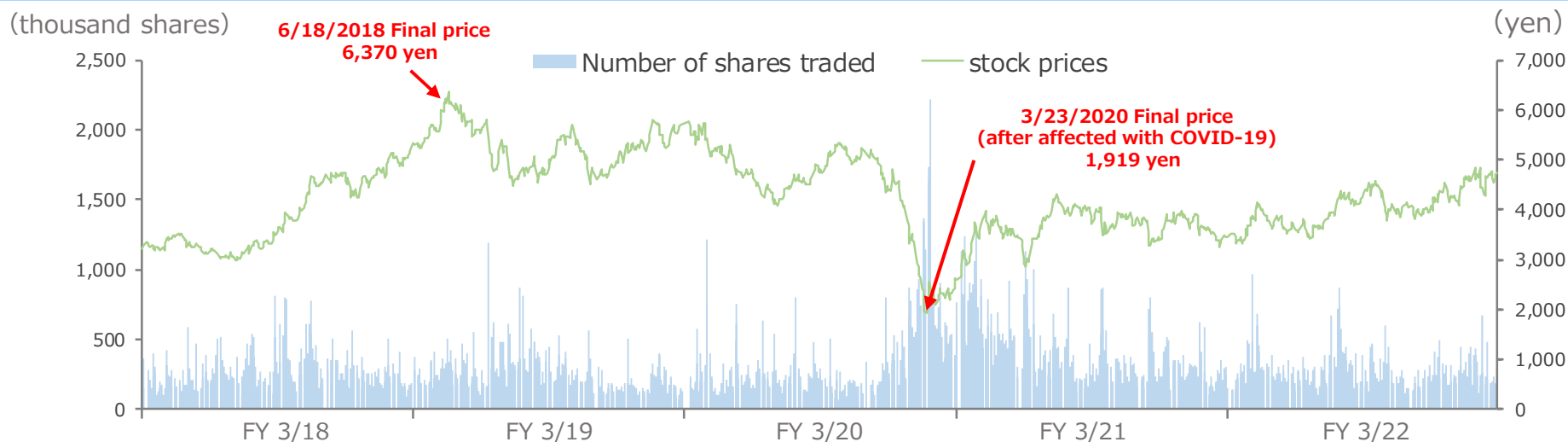
# Interest-bearing liabilities and Net D/E ratio

Interest-bearing liabilities (net)      Net debt-to-equity (D/E) ratio



# Share Price Trends and Dividends

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Note) The Company's profit distribution is determined based on the perspective of "returning profits to shareholders through performance-linked and earnings-responsive dividends" and the basic stance of "rewarding shareholders through stable and steady dividends over the long term."

## 01 Summary of Financial Results

## 02 Projected consolidated financial results

### **Plan to increase revenues and profits by absorbing temporary expenses with Dormitory and Hotel businesses recovering**

- **Dormitory business plans to see a recovery in occupancy rate at the beginning of the period and an increase in the number of foreign student contracts during the period.**
- **Hotel business aims to return to profitability as RevPAR recovers significantly.**
- **Including temporary expenses such as opening costs and major repairs associated with reopening.**
- **Real estate liquidation is not included in the initial earnings forecast.**

# Projected consolidated financial results : main financial indicators

100 million yen	FY 3/22 Results (4/2021-3/2022)	FY 3/23 Forecast A (4/2022-3/2023)	Change	
Net sales	1,737	<b>1,740</b>	+2	+0.2%
Operating income	14	<b>30</b>	+15	+109.6%
Ordinary income	18	<b>22</b>	+3	+21.3%
Net income	5	<b>10</b>	+4	+85.5%
EPS (yen)	13.8	<b>25.6</b>	+11.8	+85.5%
Dividends per share (yen)	20	<b>20</b>	-	-
Depreciation expense	60	<b>65</b>	+4	+7.9%
Cash flow *	66	<b>75</b>	+9	+14.2%
Capital investment	95	<b>142</b>	+47	+49.8%
Investment recovery by sales and leaseback	373	<b>0</b>	-373	-

\* Cash flow: Net income + depreciation

FY 3/22 Results excluding sales and leaseback <b>B</b>	FY 3/23 Preparation costs for proactive new openings <b>C</b>	FY 3/23 Construction costs for large-scale renovations <b>D</b>	YoY Comparison without factors on the left <b>A - B - C - D</b>	
1,362	0	0	<b>+376</b>	+27.7%
-68	-38	-8	<b>+144</b>	
-64	-38	-8	<b>+132</b>	
-52	-38	-8	<b>+108</b>	

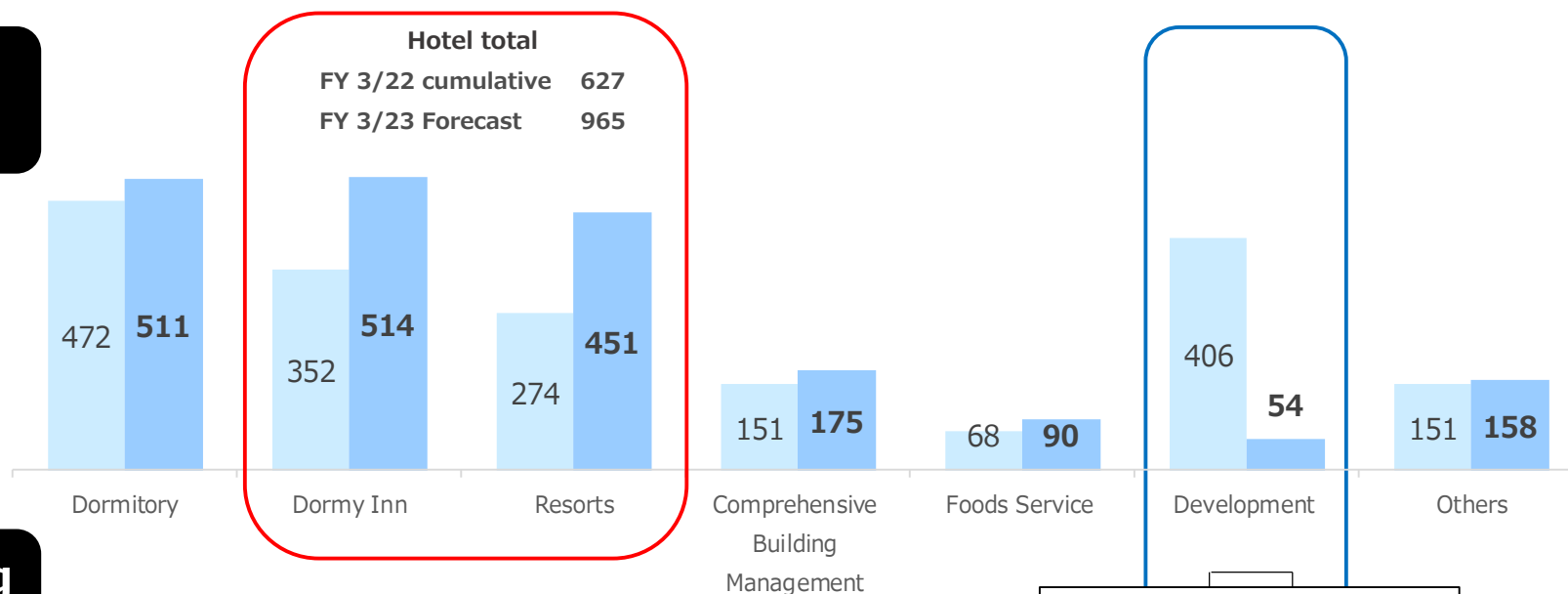


# Projected consolidated financial results : broken down by segment

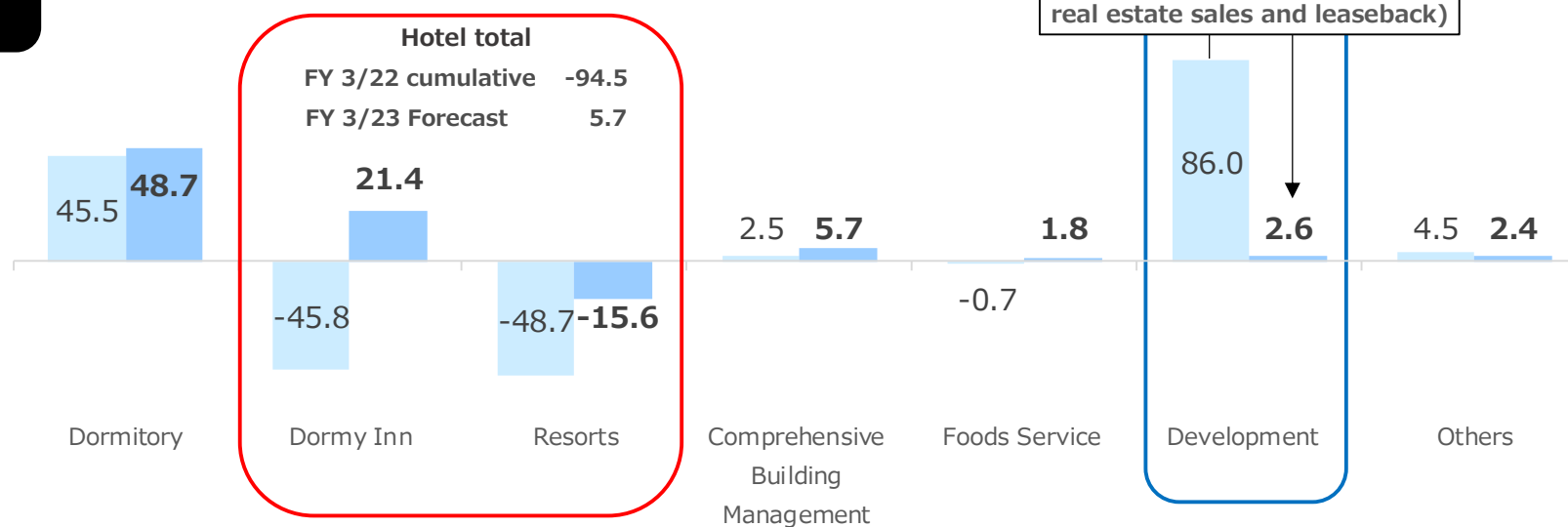
■ FY 3/22 cumulative ■ FY 3/23 Forecast

(100 million yen)

## Net sales



## Operating income



# Projected consolidated financial results : Operating Income by Major Segments by Quarter

Operating income (100 million yen)		Q1 (4 - 6)	Q2 (7 - 9)	Q3 (10 - 12)	Q4 (1 - 3)	Annual cumulative total
Dormitory business	FY 3/22 Act	14	10	4	15	45
	FY 3/23 Forecast	10	8	8	22	48
	<b>Comparison with Forecasts</b>	<b>-3</b>	<b>-2</b>	<b>+3</b>	<b>+6</b>	<b>+3</b>
Dormy Inn business	FY 3/22 Act	-27	-17	4	-5	-45
	FY 3/23 Forecast	8	14	5	-6	21
	<b>Comparison with Forecasts</b>	<b>+35</b>	<b>+32</b>	<b>0</b>	<b>-1</b>	<b>+67</b>
Resorts business	FY 3/22 Act	-21	-9	-1	-16	-48
	FY 3/23 Forecast	-13	8	1	-11	-15
	<b>Comparison with Forecasts</b>	<b>+7</b>	<b>+17</b>	<b>+3</b>	<b>+4</b>	<b>+33</b>
Sales and leaseback of real estate business	FY 3/22 Act	0	5	-	77	82
	FY 3/23 Forecast	-	-	-	-	-
	<b>Comparison with Forecasts</b>	<b>-</b>	<b>-5</b>	<b>-</b>	<b>-77</b>	<b>-82</b>
Others	FY 3/22 Act	-5	-5	-4	-4	-19
	FY 3/23 Forecast	-7	-6	-5	-5	-24
	<b>Comparison with Forecasts</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-4</b>
<b>Total</b>	FY 3/22 Act	-40	-15	3	66	14
	FY 3/23 Forecast	-2	24	8	0	30
	<b>Comparison with Forecasts</b>	<b>+37</b>	<b>+40</b>	<b>+5</b>	<b>-67</b>	<b>+15</b>

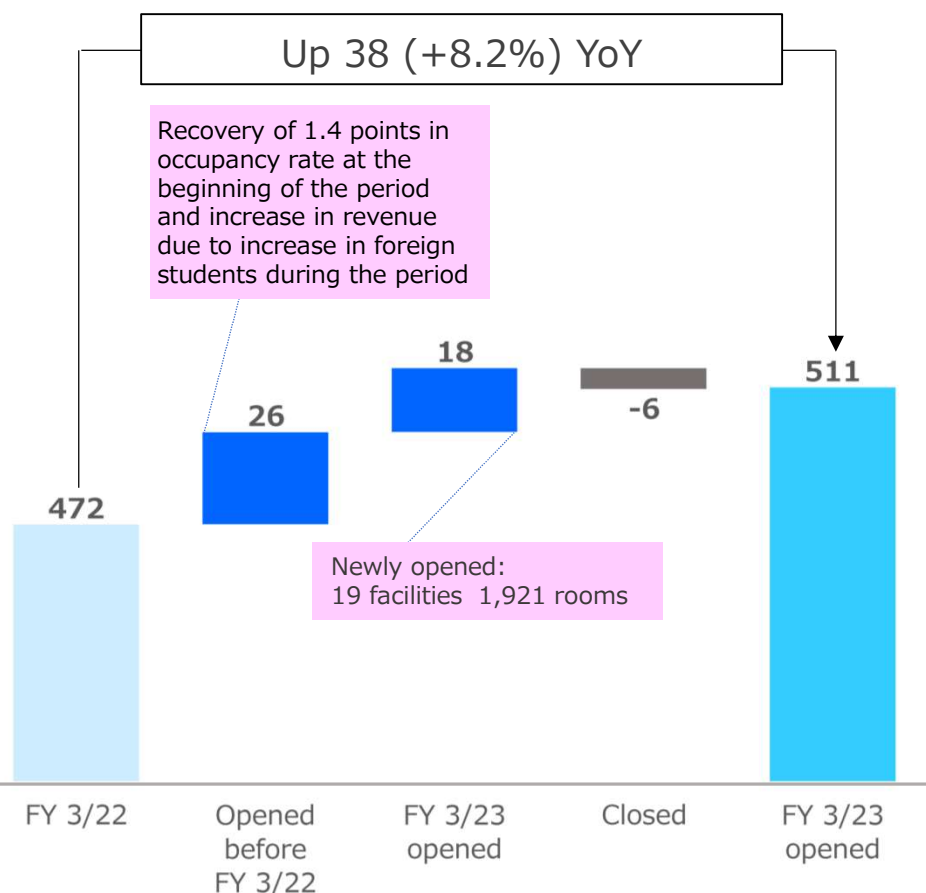
# Projected consolidated financial results : Hotel Business Sub-segment

Operating income (100 million yen)		Q1 (4 - 6)	Q2 (7 - 9)	Q3 (10 - 12)	Q4 (1 - 3)	Annual cumulative total
Opened before FY 3/22	FY 3/22 Act	-27	-17	4	-5	-45
	FY 3/23 Forecast	10	16	8	-2	32
	<b>Comparison with Forecasts</b>	<b>+38</b>	<b>+33</b>	<b>+3</b>	<b>+2</b>	<b>+77</b>
FY 3/23 opened(7 facilities)	FY 3/22 Act	-	-	-	-	-
	FY 3/23 Forecast	-2	-1	-2	-0	-6
	<b>Comparison with Forecasts</b>	<b>-2</b>	<b>-1</b>	<b>-2</b>	<b>-0</b>	<b>-6</b>
Large-scale renewal	FY 3/22 Act	-	-	-	-	-
	FY 3/23 Forecast	-	-	-1	-3	-4
	<b>Comparison with Forecasts</b>	<b>-</b>	<b>-</b>	<b>-1</b>	<b>-3</b>	<b>-4</b>
<b>Dormy Inn business</b>	FY 3/22 Act	-27	-17	4	-5	-45
	FY 3/23 Forecast	8	14	5	-6	21
	<b>Comparison with Forecasts</b>	<b>+35</b>	<b>+32</b>	<b>0</b>	<b>-1</b>	<b>+67</b>
Opened before FY 3/22	FY 3/22 Act	-21	-9	-1	-16	-48
	FY 3/23 Forecast	-10	14	10	-	15
	<b>Comparison with Forecasts</b>	<b>+11</b>	<b>+24</b>	<b>+11</b>	<b>+16</b>	<b>+64</b>
FY 3/23 opened(5 facilities)	FY 3/22 Act	-	-	-	-	-
	FY 3/23 Forecast	-3	-6	-8	-9	-28
	<b>Comparison with Forecasts</b>	<b>-3</b>	<b>-6</b>	<b>-8</b>	<b>-9</b>	<b>-28</b>
Large-scale renewal	FY 3/22 Act	-	-	-	-	-
	FY 3/23 Forecast	-	-	-	-3	-3
	<b>Comparison with Forecasts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-3</b>	<b>-3</b>
<b>Resorts business</b>	FY 3/22 Act	-21	-9	-1	-16	-48
	FY 3/23 Forecast	-13	8	1	-11	-15
	<b>Comparison with Forecasts</b>	<b>+7</b>	<b>+17</b>	<b>+3</b>	<b>+4</b>	<b>+33</b>

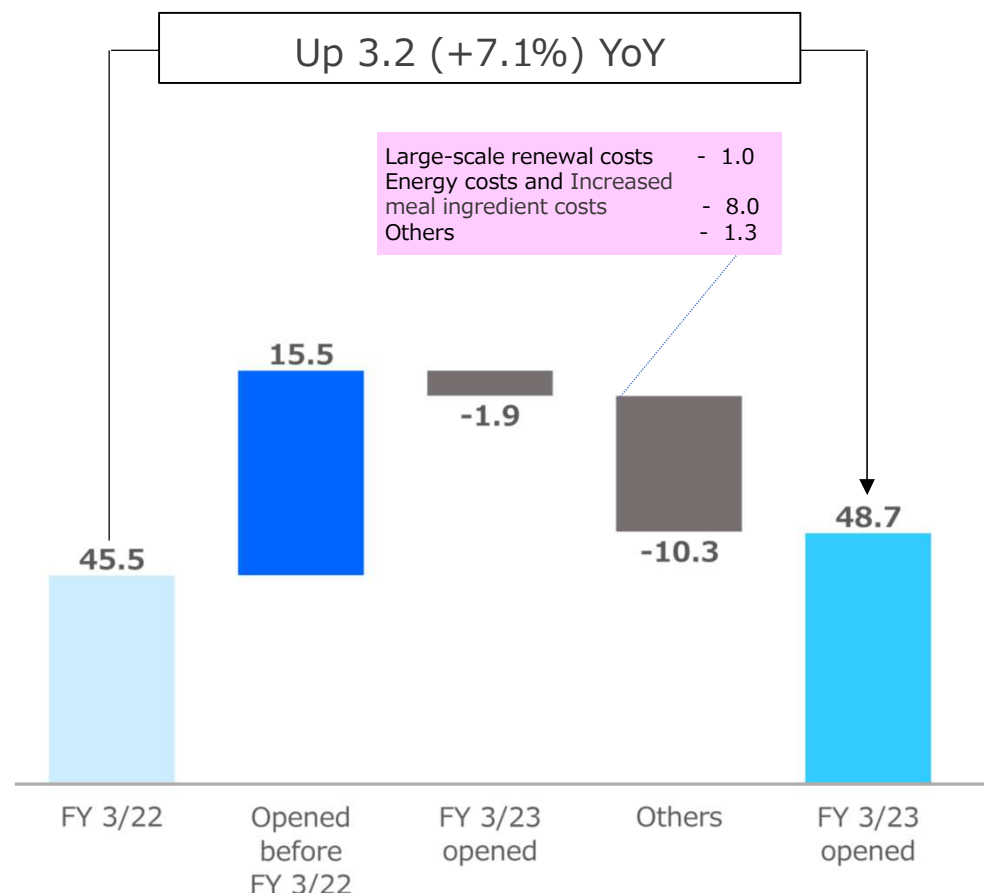
# Projected consolidated financial results : Dormitory Business: Net sales and Operating income

(100 million yen)

## Net sales



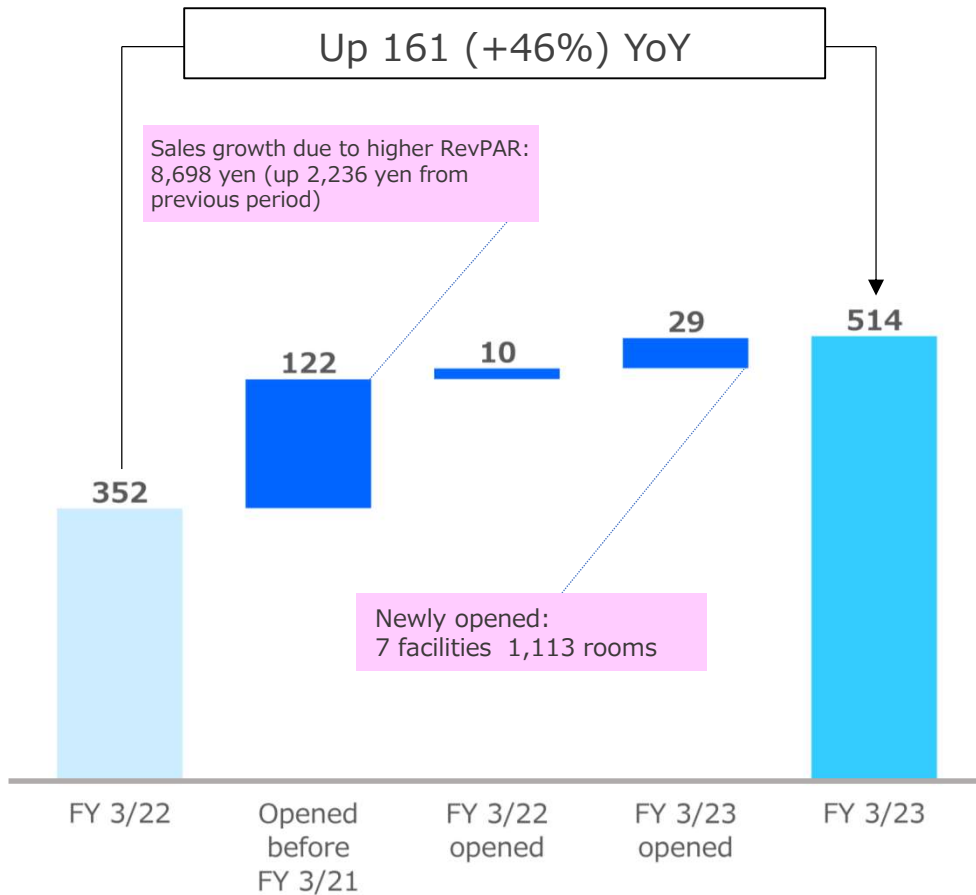
## Operating income



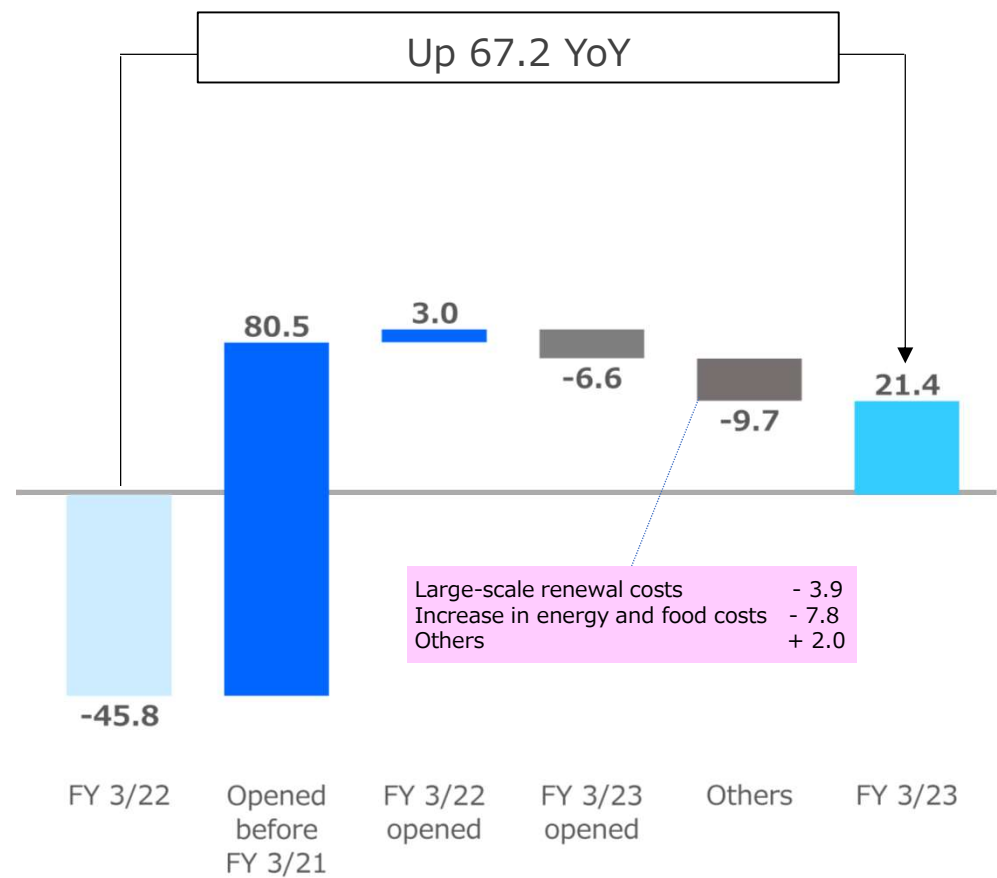
# Projected consolidated financial results : Dormy Inn Business: Net sales and operating income

(100 million yen)

## Net sales

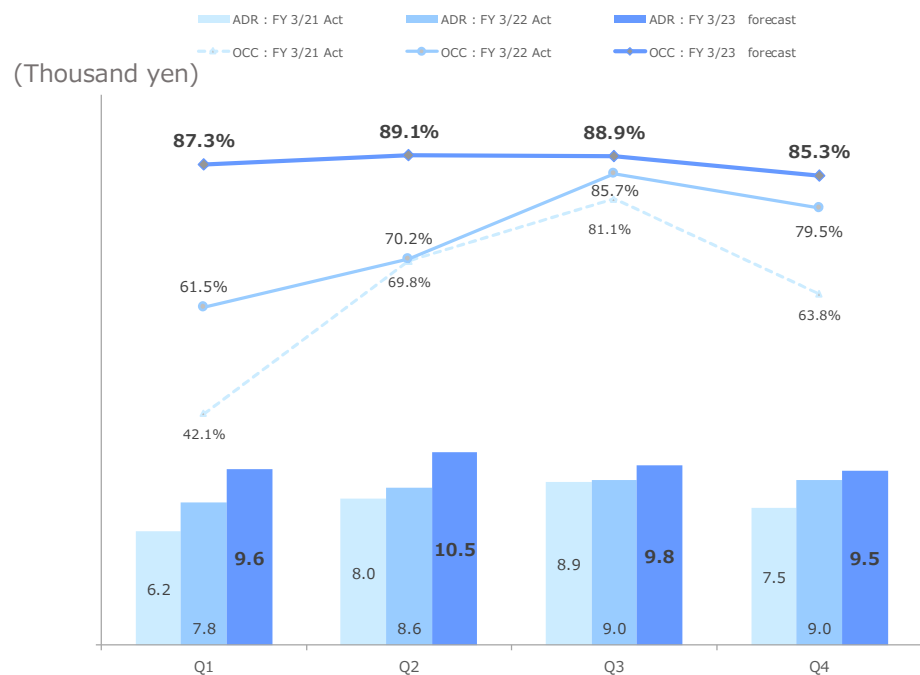


## Operating income



# Projected consolidated financial results : Quarterly trends in Dormy Inn business and KPIs

## OCC・ADR



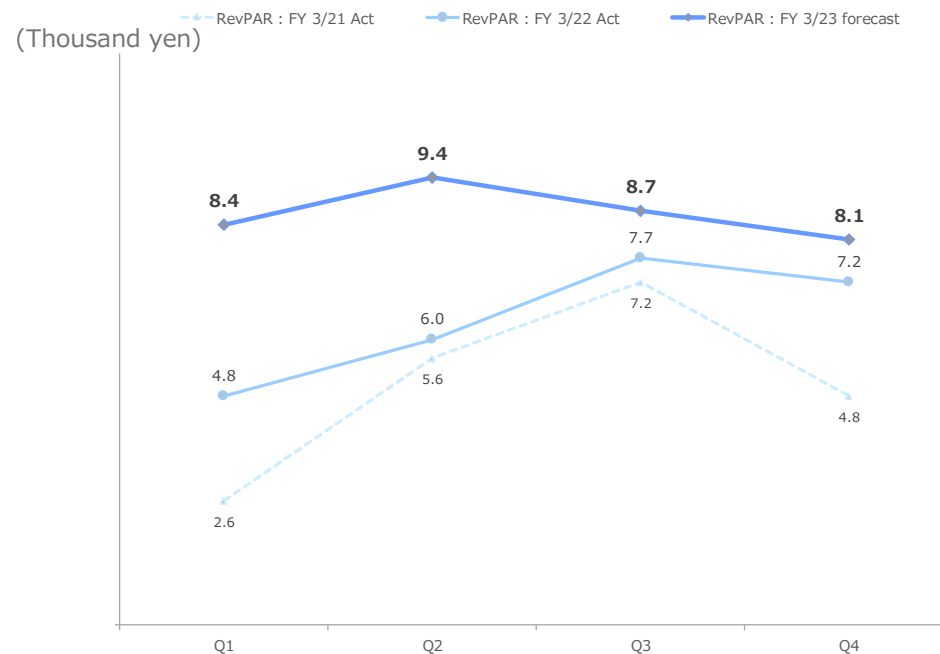
### OCC

(%)	Q1	Q2	Q3	Q4	Annual cumulative total
FY 3/21 (Act)	42.1%	69.8%	81.1%	63.8%	64.7%
FY 3/22 (Act)	61.5%	70.2%	85.7%	79.5%	74.2%
<b>FY 3/23 (Forecast)</b>	<b>87.3%</b>	<b>89.1%</b>	<b>88.9%</b>	<b>85.3%</b>	<b>87.7%</b>
Comparison with Forecasts	+25.9pp	+18.9pp	+3.2pp	+5.9pp	+13.4pp

### ADR

(thousand yen)	Q1	Q2	Q3	Q4	Annual cumulative total
FY 3/21 (Act)	6.2	8.0	8.9	7.5	7.9
FY 3/22 (Act)	7.8	8.6	9.0	9.0	8.7
<b>FY 3/23 (Forecast)</b>	<b>9.6</b>	<b>10.5</b>	<b>9.8</b>	<b>9.5</b>	<b>9.9</b>
Comparison with Forecasts	+1.8	+1.9	+0.8	+0.4	+1.2

## RevPAR



### RevPAR

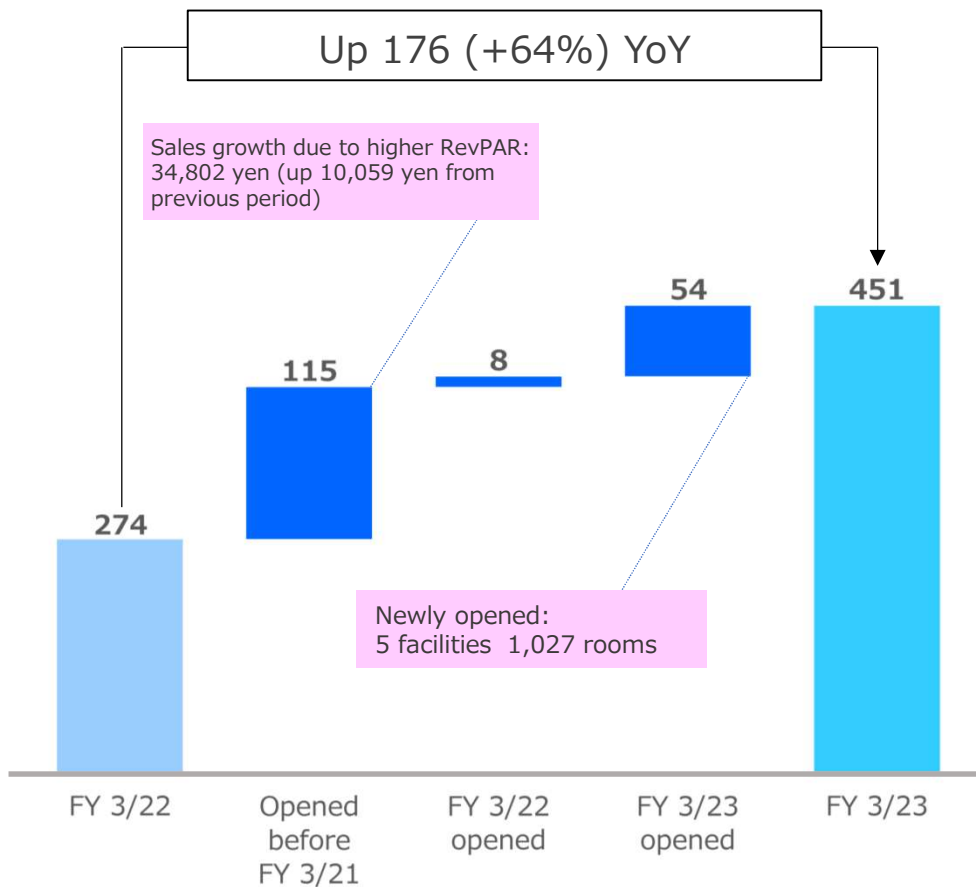
(thousand yen)	Q1	Q2	Q3	Q4	Annual cumulative total
FY 3/21 (Act)	2.6	5.6	7.2	4.8	5.1
FY 3/22 (Act)	4.8	6.0	7.7	7.2	6.4
<b>FY 3/23 (Forecast)</b>	<b>8.4</b>	<b>9.4</b>	<b>8.7</b>	<b>8.1</b>	<b>8.6</b>
Comparison with Forecasts	+3.6	+3.3	+1.0	+0.9	+2.2

Note) The table above shows figures excluding hotels that opened in April 2021 or later, in order to enable comparison between the three periods under the same conditions

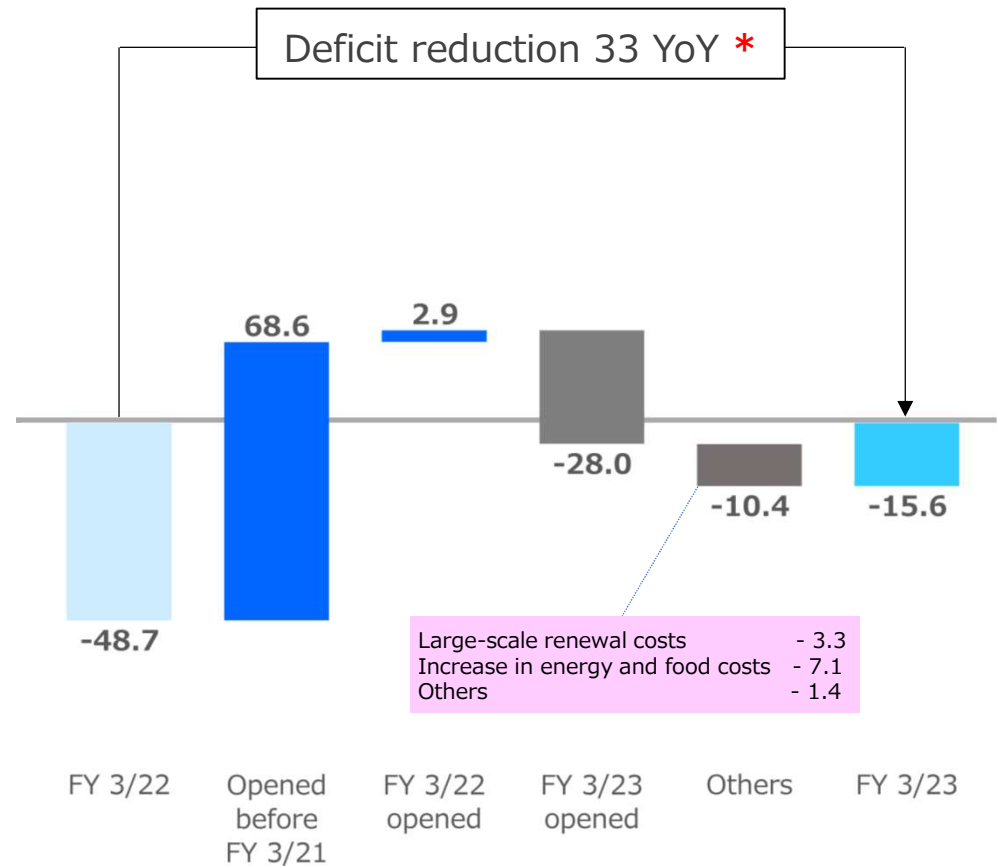
# Projected consolidated financial results : Resorts Business: Net sales and operating income

(100 million yen)

## Net sales

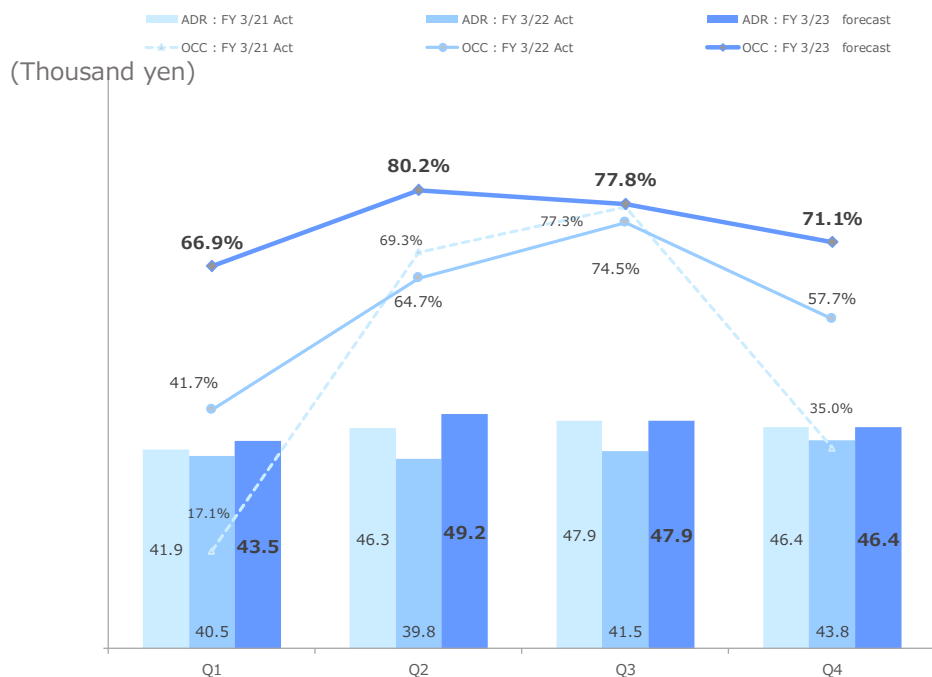


## Operating income



# Projected consolidated financial results: Quarterly trends in resorts business and KPIs

## OCC·ADR



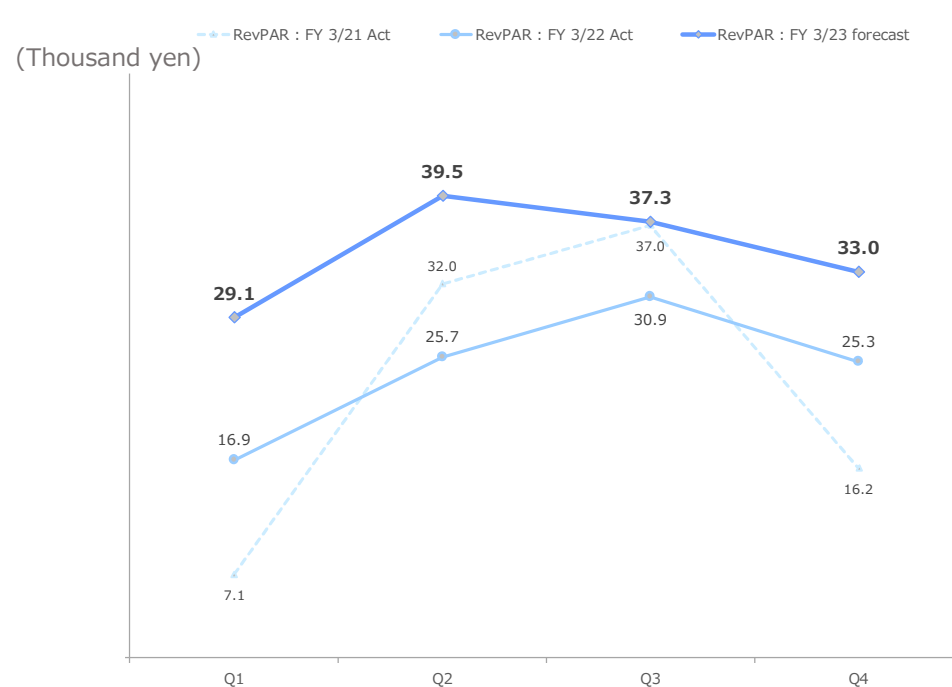
### OCC

(%)	Q1	Q2	Q3	Q4	Annual cumulative total
FY 3/21 (Act)	17.1%	69.3%	77.3%	35.0%	51.8%
FY 3/22 (Act)	41.7%	64.7%	74.5%	57.7%	59.7%
<b>FY 3/23 (Forecast)</b>	<b>66.9%</b>	<b>80.2%</b>	<b>77.8%</b>	<b>71.1%</b>	<b>74.1%</b>
Comparison with Forecasts	+25.1pp	+15.5pp	+3.3pp	+13.4pp	+14.3pp

### ADR

(thousand yen)	Q1	Q2	Q3	Q4	Annual cumulative total
FY 3/21 (Act)	41.9	46.3	47.9	46.4	46.6
FY 3/22 (Act)	40.5	39.8	41.5	43.8	41.4
<b>FY 3/23 (Forecast)</b>	<b>43.5</b>	<b>49.2</b>	<b>47.9</b>	<b>46.4</b>	<b>46.9</b>
Comparison with Forecasts	+3.0	+9.4	+6.3	+2.6	+5.5

## RevPAR



### RevPAR

(thousand yen)	Q1	Q2	Q3	Q4	Annual cumulative total
FY 3/21 (Act)	7.1	32.0	37.0	16.2	24.1
FY 3/22 (Act)	16.9	25.7	30.9	25.3	24.7
<b>FY 3/23 (Forecast)</b>	<b>29.1</b>	<b>39.5</b>	<b>37.3</b>	<b>33.0</b>	<b>34.8</b>
Comparison with Forecasts	+12.2	+13.7	+6.3	+7.7	+10.0

Note) The table above shows figures excluding hotels that opened in April 2021 or later, in order to enable comparison between the three periods under the same conditions



# Medium-Term Outlook : Impact of COVID-19

## Total number of Japanese guests

### 1 Up scenario

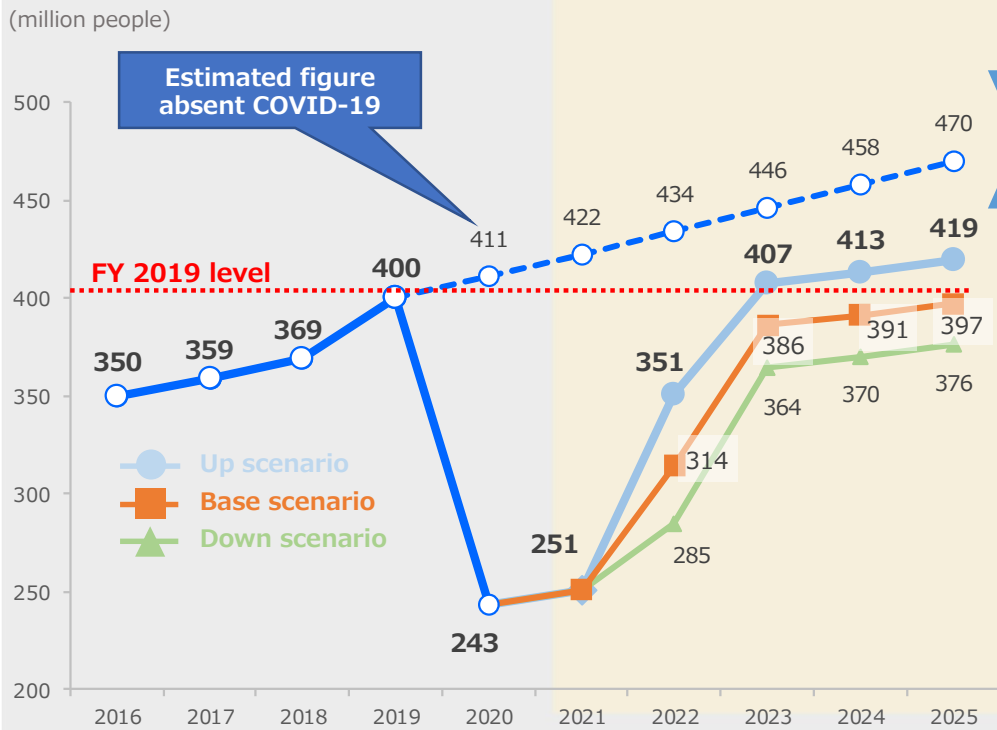
Assuming that 70% of the population has completed the second dose of vaccination until 21/10, followed by the third dose in about 6 months and that demand recovers from 22/3 for the new school term and new fiscal year.

### 2 Base scenario

Assuming recovery of demand to 2019 levels in 22/9, when the third round of vaccinations is completed.

### 3 Down scenario

Assuming recovery of tourism demand to only 2019 levels in 22/11 because of the appearance and prevalence of mutant strains again after the Omicron strain and the absence of the expected effect of additional vaccinations



## Number of foreign visitors to Japan

### 1 Up scenario

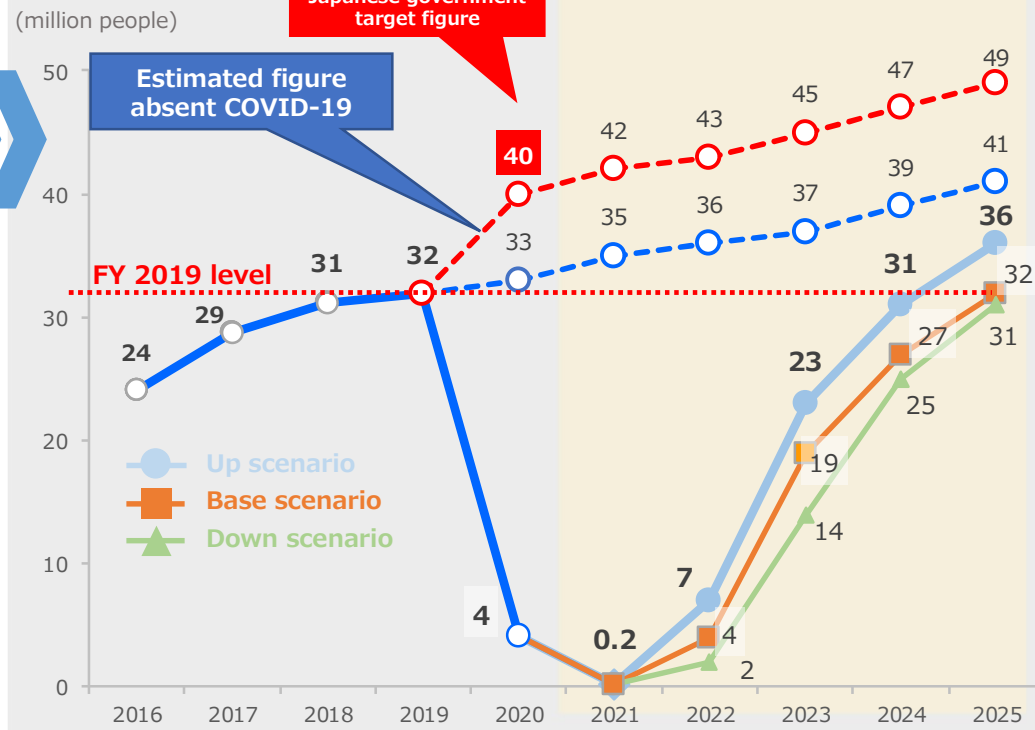
Assuming that it takes about 3 months for the Omicron strain outbreak of 22/1 to be under control, followed by easing of tourist entry from 22/6. (IATA up-scenario)

### 2 Base scenario

Assuming that the Omicron strain outbreak of 22/1 is settled but tourists are eased into the country in 22/9 when the third dose of vaccination is completed. (IATA baseline scenario)

### 3 Down scenario

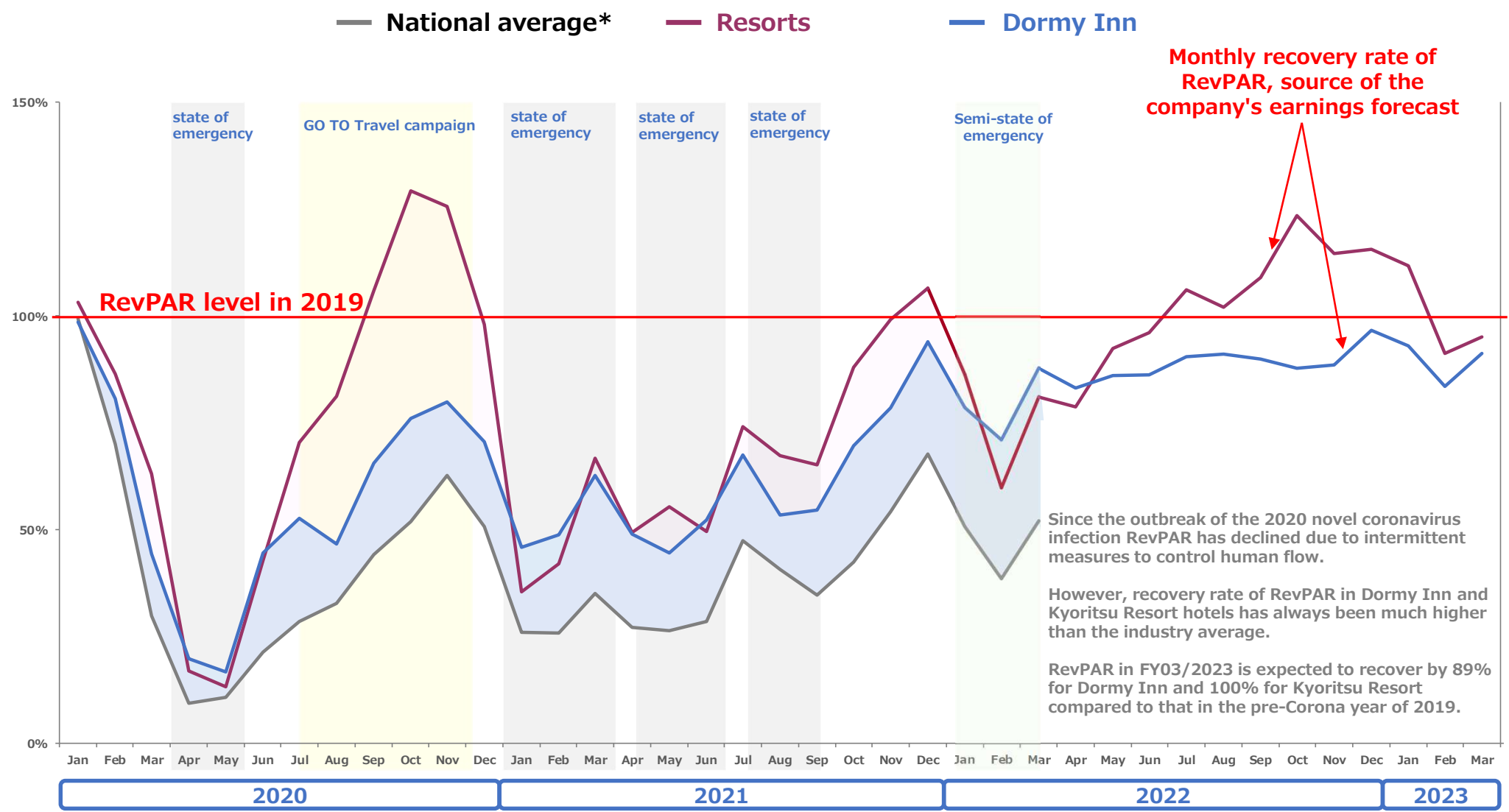
Assuming that tourists entry is eased in 23/1 due to an outbreak of Omicron strain or further mutant strains. (IATA baseline scenario)



※Source: Survey by major research organizations, February 2022

# outlook for recovery of Dormy Inn & Kyoritsu Resort

Recovery rate to RevPAR before COVID-19 impact (compared to the same month in 2019)



\* Source : STR 2022

# Funding and investment plan

	Purpose	Amount (100 million yen)	Details
<b>March,31 2022</b>	<b>cash equivalent</b>	<b>37.9billion yen</b>	
<b>fundraising</b>	Operating CF	7.5billion yen	
	Long-term borrowing	24.8billion yen	syndicate loan
<b>fund management</b>	<b>capital investment</b>	<b>14.2billion yen</b>	new business opening
	<b>Large-scale renewal</b>	<b>2.2billion yen</b>	Existing Businesses
	dividend	0.7billion yen	
	Agreement to return	8.5billion yen	
<b>March,31 2023</b>	<b>cash equivalent</b>	<b>44.4billion yen</b>	

Under the uncertain outlook, strengthening the financial base while taking the following three points into account

- ① Large-scale renovations to maintain and improve customer satisfaction and capital investment for future growth
- ② Utilizing syndicated loans with low interest rates
- ③ Securing the necessary funds for operations even at the end of the fiscal year ending March 31, 2023

● Breakdown of capital investment of 14.2 billion yen : Dormitory Business 15%, Dormy Inn business 30%, Resorts business 35%

Major Capital Investment	Property Name	Area
<b>Dormy Inn</b>	Onyado Nono Matsue	Tottori
	Onyado Nono Matsumoto	Nagano
	Onyado Nono Asakusa Bettei	Tokyo
	Dormy Inn Express Toyohashi	Aichi

Major Capital Investment	Property Name	Area
<b>Resorts</b>	La Vista TokyoBay	Tokyo
	Jozankei Yuraku Souan	Hokkaido
	Kannonzaki Keikyu Hotel	Kanagawa
	Kyoto Omuro Kadensho Ninnaji	Kyoto

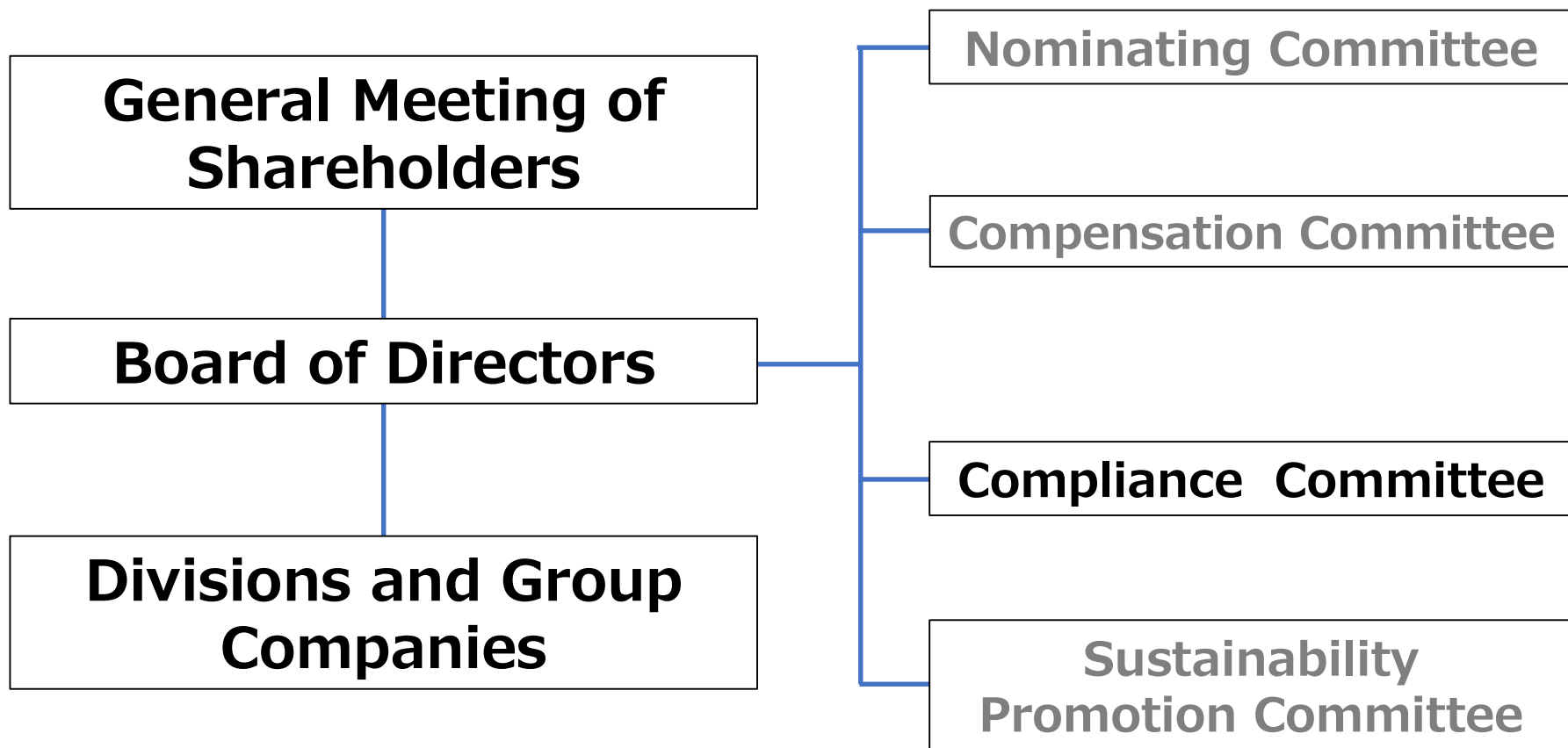
# Dormitory/hotel development plans and sales and leaseback projects for real-estate



## Planned

	FY 3/21		FY 3/22		FY 3/23		FY 3/24		FY 3/25	
<b>Dormitories, Domeal</b>	+15 facilities*	+1,181 rooms*	+21 facilities*	+1,928 rooms*	+19 facilities*	+1,921 rooms*	+15 facilities*	+1,500 rooms*	+15 facilities*	+1,500 rooms*
	Ending number of facilities	507 facilities	Ending number of facilities	512 facilities	Ending number of facilities	513 facilities	Ending number of facilities	523 facilities	Ending number of facilities	533 facilities
	Ending guest capacity	41,927 rooms	Ending guest capacity	42,551 rooms	Ending guest capacity	43,357 rooms	Ending guest capacity	44,457 rooms	Ending guest capacity	45,557 rooms
	Leasing rate	87.9%	Leasing rate	87.7%	Leasing rate	87.6%	Leasing rate	87.9%	Leasing rate	88.2%
	[L] Hokudai Avenue,[L] Nippori, [L] Sendai Tsutsujigaoka, [L] Nagakute,[L] Hamadayama, [L] Komazawa Park, [L] Esaka Park, [L] Yokohama-Nishi, [L] Hyakumanben Annex, [L] Azabujuban etc.		[L] Sakado Hanamachi, Niigata Akashidori, [L] Chuo University Nanpei, [L] Iriya,[L] Duo Jiyugaoka, [L] Kameari,[L] Angeliue Cour, [L] Tsuruma Park, [L] Osaka Fukushima, [L] Kyoto Kuinabashi, Gennanso, etc.		[L] Nishi-Shinjuku, [L] Utsunomiya, [L]Kashiwa Teikyo University Hachioji, [L] Tokai University mae, [L] Sapporo Oyachi [L] Sendai Yamamotocho, [L] Minamimoricho, [L] Kyoto Yamashina, [L] Nishinomiya Kitaguchi, etc.		[L] Hirosaki, [L] Sendai Teppo-chonishi, [L] Kyoto Fushimi, [L] Kyoto Saiin, [L] Otsuka, [L] Sendai Komatsushima, [L] Yamagata Honcho. etc.		[L] Nishinomiya Nigawa, [L] Osaka kyobashi, etc.	
<b>Dormy Inn</b>	+4 facilities*	+1,166 rooms*	+2 facilities*	+471 rooms*	+7 facilities*	+1,113 rooms*	+4 facilities*	+766 rooms*	+3 facilities*	+562 rooms*
	Ending number of facilities	85 facilities	Ending number of facilities	85 facilities	Ending number of facilities	91 facilities	Ending number of facilities	95 facilities	Ending number of facilities	98 facilities
	Ending guest capacity	15,219 rooms	Ending guest capacity	15,468 rooms	Ending guest capacity	16,453 rooms	Ending guest capacity	17,219 rooms	Ending guest capacity	17,781 rooms
	Leasing rate	99.1%	Leasing rate	99.1%	Leasing rate	99.1%	Leasing rate	99.2%	Leasing rate	99.2%
	[L] Premium Nagasaki Ekimae, [L] Nono Kyoto Shichijo, [L] Kobe Motomachi, [L] Ikebukuro.		[L] Nono Kanazawa, [L] Hiroshima Annex.		[L] Premium Ginza, [L] Nono Osaka Yodoyabashi, [L] Express Fujisan Gotemba, [L] Nono Sendai,[L] Okayama, [L] Nono Matsumoto, [L] Nono Matsue.		<u>Express Toyohashi,</u> <u>Nono Asakusa Bettei,</u> [L] Nono Beppu, [L] Aomori, etc.		[L] Nono Fukui, etc.	
<b>Resorts</b>	+3 facilities*	+297 rooms*	+1 facilities*	+69 rooms*	+5 facilities*	+1,027 rooms*	+1 facilities*	+79 rooms*	+2 facilities*	+127 rooms*
	Ending number of facilities	36 facilities	Ending number of facilities	37 facilities	Ending number of facilities	42 facilities	Ending number of facilities	43 facilities	Ending number of facilities	45 facilities
	Ending guest capacity	3,135 rooms	Ending guest capacity	3,207 rooms	Ending guest capacity	4,234 rooms	Ending guest capacity	4,321 rooms	Ending guest capacity	4,448 rooms
	Leasing rate	58.3%	Leasing rate	64.2%	Leasing rate	73.9%	Leasing rate	74.4%	Leasing rate	75.1%
	Shuzenji Hot Spring Katsuragawa, Okuhida Hot Spring Hirayukan, [L] Wakura Hot Spring Noto Kaishu.		[L] La Vista Kusatsu Hills.		[L] Kyoto Umekoji Kadensho, [L] La Vista Tokyo Bay, <u>Nasu Shiobara Rengetsu,</u> [L] Jozankei Yuraku Souan, [L] Hakodate Bay Annex.		[L] Kannonzaki Keikyu Hotel.		<u>Ninnaji,</u> <u>Takayu Hot Spring.</u>	
Companywide leasing rate	89.2%		89.3%		89.7%		90.0%		90.3%	

\* Indicates numbers of increases in facilities and rooms from development projects (does not indicate numbers of increases from the end of the previous year for facilities and rooms in operation at the end of the year)  
(Note) [L] indicates a leased property; red text indicates a property planned for real-estate securitization in the future.



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