

Hotels and Resorts

Market Environment

Risks

- Delayed recovery in inbound customers due to the COVID-19 pandemic
- Decrease in business travel demand due to restricted activity and changes in working styles

Opportunities

- Diversification of purposes of stay within domestic demand (working, living, etc.)
- Expansion of domestic travel needs due to overseas travel restrictions

Competitive Advantages

- Mitsui Garden Hotel members: **Over 600,000**
- Number of directly managed guest rooms: **Approx. 13,100** (domestic and overseas)*1
- Development of 13 hotel and resort brands meeting diverse customer needs, from luxury to lodging-focused brands
- Demonstration of synergies through collaboration on products within the Group (collaboration with WORK STYLING shared offices, attraction of restaurant tenants by leveraging retail tenant relations, etc.)

*1 As of July 1, 2022

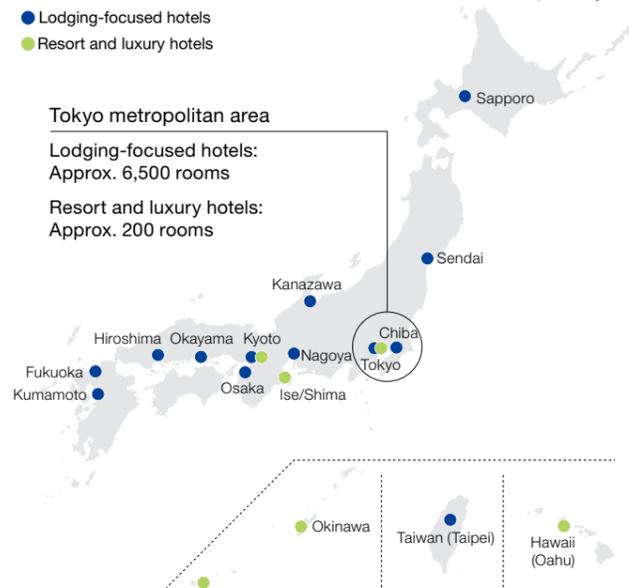
Business Strategy

- Capture new demand for working, living, etc.,² by providing places to stay
- Expansion and deepening of loyal customers through the expansion of membership organization³ services
- Active capture of domestic travel needs subject to overseas travel restrictions

² Need for telework, short-term residence, hospital treatment stays, stays for accompaniment of hospital patients, etc.
³ MGH Rewards Club, etc.

Development of Hotels and Resorts in Major Cities and at Tourist Destinations in Japan and Overseas (Approx. 13,100 rooms)

Our Company's Hotel and Resort Facility Located Areas (As of July 1, 2022)



Future Development Pipeline

Number of guest rooms (includes overseas)

Approx. 700 rooms

Of these, lodging-focused hotels: **Resort and luxury hotels:**

Approx. 400 rooms

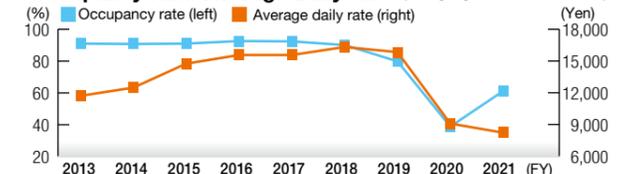
Approx. 300 rooms

(As of the end of August 2022. However, as of the end of June 2022 for overseas projects)

Lodging-Focused Hotels: Number of Rooms by Area¹

	No. of rooms	Percentage
Total	11,100	85%
Tokyo	5,400	42%
Tokyo metropolitan area (excluding Tokyo)	1,100	8%
Kyoto	1,300	10%
Osaka	500	4%
Other	2,800	21%

Occupancy Rate/Average Daily Rate (Lodging-focused hotels²)



Resort and Luxury Hotels: Number of Rooms by Area¹

	No. of rooms	Percentage
Total	2,000	15%
Tokyo	200	1%
Okinawa	500	4%
Other domestic	600	4%
Honolulu	700	6%

¹ Rooms rounded to the nearest 100 (As of July 1, 2022) ² Excluding Tokyo Dome Hotel

An Excellent Portfolio

Hotels and guest rooms (including overseas)

52 hotels

Approx. 13,100 rooms

(As of July 1, 2022)

Brands That Meet Diverse Customer Needs

Lodging-focused hotels



Resort and luxury hotels



TOPICS

Conversion of hotel guest rooms into private room shared offices

“Hotel × Work”

Conversion of hotel guest rooms into private room shared offices



“Hotel × Medical Care”

Capturing Accommodation Demand through Collaboration with a Hospital

The National Cancer Center Hospital East is visited by nearly 300,000 people a year from Japan and overseas. We built Mitsui Garden Hotel Kashiwa-no-Ha Park Side on the premises of the hospital to support the treatment of cancer patients. (Opened in July 2022)



TOPICS

Biodiversity conservation—Coral planting activities

At Halekulani Okinawa, we have a program to plant coral in areas where coral has died due to climate change or feeding damage in the waters around the hotel to restore the former coral reefs. Hotel guests can participate in this program. The funds for this activity come from Halekulani Boutique in the hotel using all of the profits from the sale of eco-bags made from recycled plastic (PET) bottles.

