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REIT Issuer:

Japan Hotel REIT Investment Corporation (TSE code: 8985)
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Notice Concerning Determination of Number of Investment Units
to be Issued by Way of Third-Party Allotment

Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) informs you that with respect to the issuance of new investment units by way of third-party allotment (the “Third-party Allotment”) that was resolved at the same time as the issuance of new investment units through a public offering and a secondary offering (in the form of over-allotment) at the Board of Directors meetings on January 8, 2019 and January 16, 2019, the allottee of the Third-party Allotment notified us today that it intends to subscribe for all of the new investment units scheduled to be issued as follows:

Issuance of new investment units by way of the Third-party Allotment

1.	Number of new investment units to be issued	3,700 units
		(Number of new investment units scheduled to be issued 3,700 units)
2.	Paid-in amount (Issue value)	¥73,927.- per unit
3.	Total paid-in amount (Issue value)	¥273,529,900.-
4.	Subscription period (Subscription date)	February 19, 2019 (Tuesday)
5.	Payment date	February 20, 2019 (Wednesday)
6.	Allottee	A domestic underwriter

Note: This press release has been prepared for the purpose of announcing to the public certain matters relating to the issuance of new investment units by way of third-party allotment, and not for the purpose of soliciting any investment. This press release does not constitute an offer of securities in the United States. The securities referred to above have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be publicly offered or sold in the United States.

<Reference>

1. This issuance of new investment units by way of the Third-party Allotment was resolved at the same time as the issuance of new investment units through a public offering and a secondary offering (in the form of over-allotment) at the Board of Directors meetings on January 8, 2019 and January 16, 2019.

For details of the Third-party Allotment, etc., please refer to our press releases “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units” dated January 8, 2019 and “Notice Concerning Determination of Prices, etc. for Issuance of New Investment Units and Secondary Offering of Investment Units” dated January 16, 2019.

2. Change in total number of investment units issued after the Third-party Allotment

(1) Total number of investment units issued as of today	4,458,647 units
(2) Increase in number of investment units by way of the Third-party Allotment	3,700 units
(3) Total number of investment units issued after the Third-party Allotment	4,462,347 units

3. Use of the proceeds

The proceeds from the issuance of new investment units by way of the Third-party Allotment of ¥273,529,900.- will be allocated to part of the funds for acquisition of “Hilton Tokyo Odaiba” (*1), a new specified asset (the meaning set forth in Article 2, Paragraph 1 of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended)) by JHR.

The residual funds of the proceeds from the issuance of new investment units through a public offering that was resolved on the same date as the issuance of new investment units by way of the Third-party Allotment and the issuance of new investment units by way of the Third-party Allotment, if any, will be retained as cash on hand to be allocated to part of the funds for future acquisition of specified assets, part of the funds for repayment of loans, or repair expenses and capital expenditures to maintain or improve competitiveness of existing properties.

(*1) See “Notice Concerning Acquisition and Lease of New Assets (Hilton Tokyo Odaiba and Hotel Oriental Express Osaka Shinsaibashi)” dated January 8, 2019 for details of Hilton Tokyo Odaiba that JHR plans to acquire.

(*2) Procured funds are planned to be deposited in financial institutions until its payment for intended use.

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

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