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REIT Issuer:

Japan Hotel REIT Investment Corporation (TSE code: 8985)

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Announcement of Monthly Disclosure for March 2020

With respect to the business performance of the hotels owned by Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) for March 2020, JHR informs you of the monthly sales, occupancy rates, ADR, and RevPAR of rooms department of the 20 Hotels with Variable Rent, etc.(Note 1) as below. For each hotel’s track record of hotel operations, please check JHR’s website (Note 2).

JHR continues to announce monthly disclosure of hotels from which JHR receives variable rent or income from management contracts and whose lessees, etc. have agreed with the monthly disclosure.

Hotel / Indicators		March	Fluctuation compared with the same month last year (Note 9)	Change in fluctuation compared with the same month last year	Cumulative total (Note 10)	Fluctuation of the cumulative total compared with last year (Note 11)	Change in fluctuation of the cumulative total compared with last year
Total of the 20 Hotels with Variable Rent, etc.	Occupancy rate	29.7%	(57.3)%	(65.8)%	58.2%	(26.2)%	(31.1)%
	ADR (JPY)	12,670	(2,158)	(14.6)%	12,967	(1,005)	(7.2)%
	RevPAR (JPY)	3,765	(9,136)	(70.8)%	7,541	(4,249)	(36.0)%
	Sales (JPY 1M)	1,257	(2,652)	(67.8)%	6,945	(3,371)	(32.7)%
The 10 HMJ Hotels	Occupancy rate	32.5%	(55.9)%	(63.2)%	59.2%	(24.8)%	(29.5)%
	ADR (JPY)	14,041	(3,001)	(17.6)%	14,391	(1,205)	(7.7)%
	RevPAR (JPY)	4,570	(10,497)	(69.7)%	8,527	(4,575)	(34.9)%
	Sales (JPY 1M)	1,083	(2,134)	(66.3)%	5,635	(2,593)	(31.5)%

<Special Items>

Due to the impact of the coronavirus (COVID-19) pandemic, the number of inbound visitors to Japan for March 2020 declined by 93.0% from the same month last year, which was the largest decline up to date.

With regard to the hotels owned by JHR, RevPAR of the total of the 20 Hotels with Variable Rent, etc. for March declined by 70.8% from the same month last year, as a result of self-restraint in organizing various events throughout Japan, and the suspension of the operations of large-scale theme parks, in addition to the decrease in the number of inbound visitors to Japan due to the travel restriction to Japan from foreign countries.

Consequently, each hotel owned by JHR has been substantially affected by the state of emergency announced by the government on April 2020. Therefore, as of today, we consider there is a possibility that RevPAR of the total of the 20 Hotels with Variable Rent, etc. for April will decline by around 90% from the same month last year.

Under these circumstances, the hotels among the 20 Hotels with Variable Rent, etc. below are temporarily closed.

<Information of temporary closure of the hotels owned by JHR>

Oriental Hotel Tokyo Bay	: April 20, 2020 to Mid May, 2020 (scheduled)
Oriental Hotel Hiroshima	: April 26, 2020 to May 31, 2020 (scheduled)
the b Ikebukuro	: April 26, 2020 to May 31, 2020 (scheduled)
Okinawa Marriott Resort & Spa	: April 17, 2020 to May 31, 2020 (scheduled)
Holiday Inn Osaka Namba	: April 20, 2020 till for the time being
International Garden Hotel Narita	: May 1, 2020 to May 31, 2020 (scheduled)
Hotel Nikko Nara	: April 17, 2020 to May 31, 2020 (scheduled)

*Closing period may be changed. Please refer to the official website of each hotel for the detail of closure.

- (Note 1) The 20 Hotels with Variable Rent, etc. are The 10 HMJ Hotels plus ibis Tokyo Shinjuku, ibis Styles Kyoto Station, ibis Styles Sapporo, Mercure Sapporo, Mercure Okinawa Naha, Mercure Yokosuka, the b Ikebukuro, the b Hachioji, the b Hakata and the b Suidobashi. The Ten HMJ Hotels are Kobe Meriken Park Oriental Hotel, Oriental Hotel Tokyo Bay, Hotel Nikko Alivila, Oriental Hotel Hiroshima, Okinawa Marriott Resort & Spa, ACTIVE-INTER CITY HIROSHIMA (Sheraton Grand Hiroshima Hotel), Holiday Inn Osaka Namba, Hilton Tokyo Narita Airport, International Garden Hotel Narita and Hotel Nikko Nara (With regard to Oriental Hotel Fukuoka Hakata Station (formerly Hotel Centraza Hakata), large-scale renovation works accompanied by suspension of entire hotel operation was carried out from October 1, 2018 to April 8, 2019. Namba Oriental Hotel had initially been scheduled to implement large-scale renovation works accompanied by suspension of entire hotel operation starting within this year (at present, the timing of the renovation will be decided later). Therefore, numbers for these hotels are not included in HMJ Group Hotels.)
- (Note 2) Please check JHR's website below for each hotel's track record of hotel operations.
<https://www.jhrth.co.jp/en/portfolio/review.html>
- (Note 3) The numbers and comments above have been prepared based on information the asset management company had obtained from the lessees, etc. and are only provided as a reference of general trends.
- (Note 4) Numbers for each month and numbers and information shown in the comments have not been audited nor been the subject of the independent verification of the asset management company. Therefore, no guarantee is made as to the accuracy or completeness of the numbers and information. Also, the sales for each month and sum total of each month may be different from total sales for the six-month or full year stated in the annual securities report, etc. to be submitted later.
- (Note 5) Occupancy rate: The number of rooms sold during the period is divided by the number of rooms available during the same period.
- (Note 6) ADR (Average Daily Rate): Total rooms revenue for a certain period (excluding service charges) is divided by the total number of rooms sold during the period.
- (Note 7) RevPAR (Revenue Per Available Room): Total rooms revenue for a certain period (excluding service charges) is divided by the total number of available rooms during the period. It is the same as multiplying ADR by occupancy rate.
- (Note 8) Occupancy rate is rounded off to the first decimal place. ADR and RevPAR are rounded off to the nearest whole number. Sales are rounded off to the nearest million yen.
- (Note 9) Fluctuation compared with the same month last year means the fluctuation between the concerned month (March) and the same month last year.
- (Note 10) Cumulative total is the cumulative total from the beginning of the period (January) to the concerned month (March).
- (Note 11) Fluctuation of cumulative total compared with last year means the fluctuation between the cumulative total from the beginning of the period (January) to the concerned month (March) and the cumulative total from the beginning of the period last year (January) to the same concerned month (March) last year.
- (Note 12) Sales are only from hotels and exclude rent from non-hotel tenants.

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