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Announcement of Monthly Disclosure for December 2015

With respect to the business performance of the hotels owned by Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) for December 2015, JHR informs you of the monthly sales, occupancy rates, ADR, and RevPAR of rooms department as below.

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

<HMJ's five hotels >

Hotel / Indicators		December	Fluctuation compared with the same month last year (Note 7)	Change in fluctuation compared with the same month last year	Cumulative total (Note 8)	Fluctuation of the cumulative total compared with last year (Note 9)	Change in fluctuation of the cumulative total compared with last year
Kobe Meriken Park Oriental Hotel	Occupancy rate	74.3%	-7.4%	-9.0%	80.0%	-0.5%	-0.6%
	ADR (JPY)	22,030	3,224	17.1%	17,361	2,006	13.1%
	RevPAR (JPY)	16,363	1,010	6.6%	13,896	1,528	12.3%
	Sales (JPY 1M)	501	23	4.7%	5,252	30	0.6%
Oriental Hotel tokyo bay	Occupancy rate	99.4%	0.4%	0.4%	98.1%	0.0%	0.0%
	ADR (JPY)	22,623	936	4.3%	20,027	720	3.7%
	RevPAR (JPY)	22,487	1,024	4.8%	19,655	711	3.8%
	Sales (JPY 1M)	694	0	0.1%	7,322	112	1.6%
Namba Oriental Hotel	Occupancy rate	78.9%	-14.8%	-15.8%	89.7%	-1.2%	-1.3%
	ADR (JPY)	18,585	3,781	25.5%	16,949	4,047	31.4%
	RevPAR (JPY)	14,669	795	5.7%	15,204	3,473	29.6%
	Sales (JPY 1M)	209	6	2.8%	2,530	382	17.8%
Hotel Nikko Alivila	Occupancy rate	59.8%	-5.1%	-7.9%	83.6%	3.6%	4.5%
	ADR (JPY)	23,745	-87	-0.4%	26,651	1,570	6.3%
	RevPAR (JPY)	14,200	-1,279	-8.3%	22,283	2,211	11.0%
	Sales (JPY 1M)	347	-32	-8.5%	5,948	457	8.3%
Oriental Hotel Hiroshima	Occupancy rate	79.6%	1.3%	1.6%	80.0%	1.9%	2.4%
	ADR (JPY)	8,648	197	2.3%	8,908	391	4.6%
	RevPAR (JPY)	6,880	263	4.0%	7,122	472	7.1%
	Sales (JPY 1M)	223	37	19.8%	2,134	-90	-4.0%
Total of five hotels	Sales (JPY 1M)	1,974	34	1.7%	23,186	890	4.0%

<HMJ's group hotel>

Hotel / Indicators		December	Fluctuation compared with the same month last year (Note 7)	Change in fluctuation compared with the same month last year	Cumulative total (Note 8)	Fluctuation of the cumulative total compared with last year (Note 9)	Change in fluctuation of the cumulative total compared with last year
Okinawa Marriott Resort & Spa	Occupancy rate	69.2%					
	ADR (JPY)	17,454					
	RevPAR (JPY)	12,080					
	Sales (JPY 1M)	267					

<Accor's six hotels>

Hotel / Indicators		December	Fluctuation compared with the same month last year (Note 7)	Change in fluctuation compared with the same month last year	Cumulative total (Note 8)	Fluctuation of the cumulative total compared with last year (Note 9)	Change in fluctuation of the cumulative total compared with last year
Mercure Sapporo	Occupancy rate	90.4%	15.3%	20.4%	82.1%		
	ADR (JPY)	10,518	518	5.2%	11,009		
	RevPAR (JPY)	9,509	2,003	26.7%	9,044		
	Sales (JPY 1M)	108	19	20.8%	1,172		
ibis Styles Sapporo	Occupancy rate	92.1%	5.1%	5.8%	87.8%		
	ADR (JPY)	7,741	889	13.0%	9,335		
	RevPAR (JPY)	7,130	1,166	19.5%	8,197		
	Sales (JPY 1M)	77	13	19.9%	1,019		
ibis Tokyo Shinjuku	Occupancy rate	81.2%	-8.8%	-9.8%	88.5%	-3.4%	-3.7%
	ADR (JPY)	12,314	963	8.5%	11,809	538	4.8%
	RevPAR (JPY)	9,997	-220	-2.2%	10,456	98	0.9%
	Sales (JPY 1M)	70	-3	-4.1%	873	2	0.2%
ibis Styles Kyoto Station	Occupancy rate	93.6%	5.9%	6.8%	90.7%	6.0%	7.1%
	ADR (JPY)	10,011	726	7.8%	10,491	820	8.5%
	RevPAR (JPY)	9,369	1,231	15.1%	9,520	1,328	16.2%
	Sales (JPY 1M)	69	11	19.5%	814	124	18.0%
Mercure Okinawa Naha	Occupancy rate	76.2%	7.2%	10.4%	80.7%		
	ADR (JPY)	10,774	990	10.1%	10,038		
	RevPAR (JPY)	8,211	1,456	21.5%	8,097		
	Sales (JPY 1M)	82	14	21.5%	923		
Mercure Yokosuka	Occupancy rate	90.5%					
	ADR (JPY)	11,457					
	RevPAR (JPY)	10,374					
	Sales (JPY 1M)	100					
Total of six hotels	Sales (JPY 1M)	506					

<Six “the b” hotels>

Hotel / Indicators		December	Fluctuation compared with the same month last year (Note 7)	Change in fluctuation compared with the same month last year	Cumulative total (Note 8)	Fluctuation of the cumulative total compared with last year (Note 9)	Change in fluctuation of the cumulative total compared with last year
the b akasaka-mitsuke	Occupancy rate	87.5%					
	ADR (JPY)	11,844					
	RevPAR (JPY)	10,366					
	Sales (JPY 1M)	40					
the b ikebukuro	Occupancy rate	92.9%					
	ADR (JPY)	10,544					
	RevPAR (JPY)	9,800					
	Sales (JPY 1M)	54					
the b ochanomizu	Occupancy rate	84.8%					
	ADR (JPY)	10,608					
	RevPAR (JPY)	8,997					
	Sales (JPY 1M)	20					
the b hachioji	Occupancy rate	91.5%					
	ADR (JPY)	6,951					
	RevPAR (JPY)	6,362					
	Sales (JPY 1M)	49					
the b hakata	Occupancy rate	93.2%					
	ADR (JPY)	7,105					
	RevPAR (JPY)	6,623					
	Sales (JPY 1M)	36					
the b soudobashi	Occupancy rate	81.4%					
	ADR (JPY)	10,909					
	RevPAR (JPY)	8,879					
	Sales (JPY 1M)	27					
Total of six hotels	Sales (JPY 1M)	227					

<Special items>
Kobe Meriken Park Oriental Hotel

Amid the favorable market, the hotel adopted a strategy to increase ADR and attracted guests in the higher-rate segment. This led to an increase in ADR. The hotel's total sales exceeded those of the same month last year in spite of decrease in occupancy rate.

Namba Oriental Hotel

The occupancy rate dropped since some of the guest rooms were not available due to renovation which started in December. But the hotel attracted guests in the higher-rate segment and increased ADR. As a result, the hotel's total sales exceeded those of the same month last year.

Mercure Sapporo and ibis Styles Sapporo

Against the backdrop of the favorable market, the hotel attracted domestic and inbound leisure demand in the higher-rate segment. As a result, the hotel's total sales exceeded those of the same month last year.

ibis Tokyo Shinjuku

Although ADR exceeded that of the same month last year by attracting guests in the higher-rate segment, the hotel's total sales dropped compared with the same month last year because some of the guest rooms were not available due to renovation which had started at the end of September.

Mercure Okinawa Naha

Against the backdrop of the favorable market, the hotel attracted domestic and inbound leisure demand in the higher-rate segment. As a result, the hotel's total sales exceeded those of the same month last year.

*The sales of Mercure Sapporo, ibis Styles Sapporo, ibis Tokyo Shinjuku, ibis Styles Kyoto Station, the b akasaka-mitsuke, the b ikebukuro, the b hachioji, and the b hakata are the sales of hotel business only, and rent from non-hotel tenant(s) is not included. The previous lessees, etc. of Mercure Sapporo, ibis Styles Sapporo, and Mercure Okinawa Naha did not agree with disclosure of numerical value. Therefore, fluctuation of the cumulative total compared with last year is unavailable for these hotels. The

previous lessees, etc. of Okinawa Marriott Resort & Spa, Mercure Yokosuka, and six “the b” hotels did not agree with disclosure of numerical value. Therefore, fluctuation compared with the same month last year and fluctuation of the cumulative total compared with last year are unavailable for these hotels.

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- (Note 1) The 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. Please note that the numerical figures and information shown in the comments have neither been audited nor been the subject of the independent verification of the asset management company. No guarantee is made as to the accuracy or completeness of the numbers and information.
- (Note 2) Each month’s numbers have not been audited; therefore, the amount that is a sum total of each month may be different from the six-month or annual sales total stated in the annual securities report to be submitted later. Sales of each month may also differ from that stated in the annual securities report.
- (Note 3) Occupancy rate: The number of rooms sold during the period is divided by the number of rooms available during the same period.
- (Note 4) 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. Accor’s six hotels and six “the b” hotels do not request service charges.
- (Note 5) 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 6) 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 7) Fluctuation compared with the same month last year means the fluctuation between the concerned month (December) and the same month last year.
- (Note 8) Cumulative total is the cumulative total from the beginning of the period (January) to the concerned month (December).
- (Note 9) 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 (December) and the cumulative total from the beginning of the period last year to the same concerned month (December) last year.

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