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November 25, 2022

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Announcement of Monthly Disclosure for October 2022

With respect to the business performance of the hotels owned by Japan Hotel REIT Investment Corporation (hereinafter called "JHR") for October 2022, JHR informs you of the monthly sales, occupancy rates, ADR, and RevPAR of rooms department of the 25 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.

[Reference]

| Hotel / Indicators | | October | Fluctuation compared with the same month of 2021 (Note 9) | Change in fluctuation compared with the same month of 2021 | Cumulative total (Note 10) | Fluctuation of the cumulative total compared with 2021 (Note 11) | Change in fluctuation of the cumulative total compared with 2021 | Change in fluctuation compared with same month of 2019 (Note 12) | Change in fluctuation of the cumulative total compared with 2019 (Note 12) |
|--|----------------|---------|---|--|----------------------------|--|--|--|--|
| Total of the 25 Hotels with Variable Rent, etc. | Occupancy rate | 74.7% | 25.4% | 51.7% | 61.9% | 27.1% | 78.1% | (14.4%) | (28.3%) |
| | ADR (JPY) | 14,020 | 4,184 | 42.5% | 12,631 | 968 | 8.3% | (13.3%) | (23.2%) |
| | RevPAR (JPY) | 10,467 | 5,626 | 116.2% | 7,820 | 3,765 | 92.8% | (25.8%) | (44.9%) |
| | Sales (JPY 1M) | 4,057 | 1,883 | 86.6% | 29,381 | 11,042 | 60.2% | (23.3%) | (42.3%) |
| The 16 HMJ Hotels | Occupancy rate | 74.4% | 26.2% | 54.3% | 61.0% | 28.6% | 88.1% | (16.0%) | (30.0%) |
| | ADR (JPY) | 15,979 | 4,886 | 44.0% | 14,392 | 677 | 4.9% | (11.7%) | (20.9%) |
| | RevPAR (JPY) | 11,895 | 6,544 | 122.3% | 8,773 | 4,329 | 97.4% | (25.8%) | (44.6%) |
| | Sales (JPY 1M) | 3,631 | 1,682 | 86.3% | 26,065 | 9,663 | 58.9% | (22.9%) | (41.5%) |

*As the impact of COVID-19 has been significant since February 2020, the change in fluctuation compared with 2019 is also stated.

<Special Items>

With regard to the hotels owned by JHR, RevPAR of the total of the 25 Hotels with Variable Rent, etc. for October 2022 recovered to 74.2% of the RevPAR in the same month of 2019 due to an increase in inbound travelers caused by the significant easing of entry restrictions in addition to a significant increase in domestic leisure demand by the start of nationwide travel support.

RevPAR for October 2022 is expected to recover to the mid 80% range compared to the RevPAR in the same month of 2019 due to further increase in domestic and international leisure demand. In addition, Hotel Oriental Express Osaka Shinsaibashi, which has been temporarily closed since April 2020, is scheduled to resume operation on December 8, 2022, as inbound demand recovers.

Under such circumstances where the market has begun a full-fledged recovery, each hotel is striving to further stimulate and capture domestic and international leisure demand by implementing strategic measures to capture sales, such as developing attractive products to capture strong domestic leisure demand, creating products targeting inbound demand and other measures, while continuing to thoroughly implement environmental sanitation and cost management.

* the b ikebukuro (since July 14, 2020), Holiday Inn Osaka Namba (since August 17, 2021) and one other hotel (Note 14) have been accepting COVID-19 patients with mild or no symptoms.

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- (Note 1) The 25 Hotels with Variable Rent, etc. refers to 25 hotels, which are The 16 HMJ Hotels plus 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 16 HMJ Hotels refers to 16- hotels, which are Kobe Meriken Park Oriental Hotel, Oriental Hotel tokyo bay, Namba Oriental Hotel, Hotel Nikko Alivila, Oriental Hotel Hiroshima, Oriental Hotel Okinawa Resort & Spa (former Okinawa Marriott Resort & Spa), ACTIVE-INTER CITY HIROSHIMA (Sheraton Grand Hiroshima Hotel), Oriental Hotel Fukuoka Hakata Station, Holiday Inn Osaka Namba, Hilton Tokyo Narita Airport, International Garden Hotel Narita, Hotel Nikko Nara, Hotel Oriental Express Osaka Shinsaibashi, Hilton Tokyo Odaiba, Hotel Oriental Express Fukuoka Tenjin and Oriental Hotel Universal City. Ibis Tokyo Shinjuku (transferred in December 2021) was excluded from 24 Hotels with Variable Rent, etc. which was subject to our disclosure in FY2021 and Hotel Oriental Express Fukuoka Tenjin and Oriental Hotel Universal City were added to our disclosure in FY2022.
- (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.
- (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 of 2021 means the fluctuation between the month subject to disclosure in this notice and the same month of 2021.
- (Note 10) Cumulative total is the cumulative total from the beginning of the fiscal year (January) to the month subject to disclosure in this notice.
- (Note 11) Fluctuation of cumulative total compared with 2021 means the fluctuation between the cumulative total from the beginning of the fiscal year (January) to the month subject to disclosure in this notice and the cumulative total from the beginning of 2021 (January) to the same month in 2021.
- (Note 12) The change in fluctuation compared with 2019 means the fluctuation between the month subject to disclosure in this notice and the same month in 2019. The change in fluctuation of the cumulative total compared with 2019 means the fluctuation between the cumulative total from the beginning of the fiscal year (January) to the month subject to disclosure in this notice and the same period of 2019.
- (Note 13) Sales are only from hotels and exclude rent from non-hotel tenants.
- (Note 14) The hotel name is not disclosed because the approval of the related person has not been obtained.

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