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Announcement of Monthly Disclosure for May 2021

With respect to the business performance of the hotels owned by Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) for May 2021, JHR informs you of the monthly sales, occupancy rates, ADR, and RevPAR of rooms department of the 24 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		May	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	【Reference】	
								Change in fluctuation compared with the same month two years ago (Note 12)	Change in fluctuation of the cumulative total compared with two years ago (Note 12)
Total of the 24 Hotels with Variable Rent, etc.	Occupancy rate	30.1%	22.7%	304.3%	30.3%	(7.4)%	(19.6)%	(65.4)%	(64.2)%
	ADR (JPY)	11,690	2,271	24.1%	11,061	(2,495)	(18.4)%	(28.0)%	(30.2)%
	RevPAR (JPY)	3,519	2,818	401.8%	3,354	(1,761)	(34.4)%	(75.1)%	(75.0)%
	Sales (JPY 1M)	1,641	1,317	406.8%	7,863	(2,110)	(21.2)%	(67.8)%	(66.6)%
The 14 HMJ Hotels	Occupancy rate	28.1%	23.5%	513.2%	27.3%	(9.9)%	(26.6)%	(68.2)%	(67.7)%
	ADR (JPY)	13,961	18	0.1%	13,401	(1,887)	(12.3)%	(23.5)%	(24.8)%
	RevPAR (JPY)	3,923	3,284	514.0%	3,660	(2,029)	(35.7)%	(75.7)%	(75.7)%
	Sales (JPY 1M)	1,449	1,205	491.9%	6,884	(1,639)	(19.2)%	(67.0)%	(65.6)%

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

<Special Items>

With regard to the hotels owned by JHR, RevPAR of the total of the 24 Hotels with Variable Rent, etc. for May 2021 decreased by 75.1% from the same month two years ago (2019) due to the declaration of a state of emergency for several areas and other factors.

As for RevPAR of the total of the 24 Hotels with Variable Rent, etc. for June 2021, we consider that the same situation will continue as in May due to the extension of the duration of the state of emergency and the stricter measures to prevent the spread of the virus. Therefore, as of today, RevPAR for June 2021 is expected to decrease by around 75% from the same month two years ago. However, following the lift of the state of emergency in prefectures other than Okinawa, we expect a gradual recovery in July.

Under such circumstances, each hotel continues to strive to give consideration to health of guests and employees and working to manage hygiene environment and conducting operations while thoroughly implementing cost management. In addition, each hotel is working to secure sales by taking measures aimed at capturing demand for

the near term and leisure demand in summer, such as developing value-added products and price-conscious products that meet market conditions.

*As of today, the following hotels of the 24 Hotels with Variable Rent, etc. are temporarily closed.

Hotel Oriental Express Osaka Shinsaibashi : April 20, 2020 till for the time being
 Holiday Inn Osaka Namba : December 6, 2020 till for the time being

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

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- (Note 1) The 24 Hotels with Variable Rent, etc. refers to 24 hotels, which are The 14 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 14 HMJ Hotels refers to 14 hotels, which are Kobe Meriken Park Oriental Hotel, Oriental Hotel tokyo bay, Namba Oriental Hotel, Hotel Nikko Alivila, Oriental Hotel Hiroshima, 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 and Hilton Tokyo Odaiba.
- (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 last year means the fluctuation between the concerned month (May) 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 (May).
- (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 (May) and the cumulative total from the beginning of the period last year (January) to the same concerned month (May) last year.
- (Note 12) The change in fluctuation compared with two years ago means the fluctuation between the concerned month (May) and the same month two years ago (2019. The same shall apply hereinafter.). The change in fluctuation of the cumulative total compared with two years ago means the fluctuation between the cumulative total from the beginning of the period (January) to the concerned month (May) this year and the same period two years ago.
- (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/>