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Announcement of Monthly Disclosure for March 2019

With respect to the business performance of the hotels owned by Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) for March 2019, JHR informs you of the monthly sales, occupancy rates, ADR, and RevPAR of rooms department of the Major 21 Hotels with Variable Rent, etc. as below. For each hotel’s track record of hotel operations, please check JHR’s website (Note 1).

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 Major 21 Hotels with Variable Rent, etc.	Occupancy rate	87.4%	(2.1)%	(2.4)%	84.9%	(1.6)%	(1.9)%
	ADR (JPY)	14,028	(123)	(0.9)%	13,322	(113)	(0.8)%
	RevPAR (JPY)	12,260	(408)	(3.2)%	11,309	(318)	(2.7)%
	Sales (JPY 1M)	4,135	(67)	(1.6)%	10,981	(129)	(1.2)%
The Eleven HMJ Hotels	Occupancy rate	88.9%	(1.5)%	(1.6)%	84.8%	(0.7)%	(0.9)%
	ADR (JPY)	15,695	(350)	(2.2)%	14,489	(353)	(2.4)%
	RevPAR (JPY)	13,953	(550)	(3.8)%	12,287	(409)	(3.2)%
	Sales (JPY 1M)	3,442	(53)	(1.5)%	8,894	(102)	(1.1)%

<Special Items>

The number of inbound visitors to Japan in March 2019 recorded the highest for March, although there were some impacts, such as a decrease in the number of inbound visitors from South Korea, as South Korea had the highest number of inbound visitors to Japan in the same month last year.

While RevPAR of hotels owned by JHR in Tokyo and Bay area, Hiroshima area and other areas showed a favorable performance, RevPAR of hotels owned by JHR in Osaka and Okinawa area fell as compared to the same month last year. As a result, RevPAR of total of the Major 21 Hotels with variable rent, etc. and the Eleven HMJ Hotels was lower than those of the same month last year.

- (Note 1) Please check JHR's website below for each hotel's track record of hotel operations.
<http://www.jhrth.co.jp/en/portfolio/review.html>
- (Note 2) The Major 21 Hotels with Variable Rent, etc. are The Eleven 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 Eleven HMJ Hotels 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), Holiday Inn Osaka Namba, Hilton Tokyo Narita Airport, International Garden Hotel Narita and Hotel Nikko Nara (With regard to Hotel Centraza Hakata which is leased by HMJ group company, major renovation works (hereinafter the "Renovation") which needed to close entire hotel operation was scheduled from October 2018 to April 8, 2019. Therefore, numbers for Hotel Centraza Hakata are not included in HMJ Group Hotels as the hotel operation was suspended during the Renovation. Hotel Centraza Hakata was rebranded and changed its name to Oriental Hotel Fukuoka Hakata Station on April 9, 2019.
- (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. Of the Major 21 Hotels with Variable Rent, etc., Holiday Inn Osaka Namba, 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 do not request service charges.
- (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: <http://www.jhrth.co.jp/en/>