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REIT Issuer:

Japan Hotel REIT Investment Corporation (TSE code: 8985)

Yukio Isa, Executive Director

Asset Management Company:

Japan Hotel REIT Advisors Co., Ltd.

Hisashi Furukawa, Representative Director and President

Contact:

Makoto Hanamura

General Manager

Investor Relations Department, Operations Division

TEL: +81-3-6422-0530

Announcement of Monthly Disclosure for July 2015

With respect to the business performance of the hotels owned by Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) for July 2015, JHR informs you of the monthly sales, occupancy rate, 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		July	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	82.6%	4.7%	6.1%	80.4%	3.2%	4.2%
	ADR (JPY)	16,629	2,329	16.3%	15,269	1,224	8.7%
	RevPAR (JPY)	13,729	2,601	23.4%	12,272	1,435	13.2%
	Sales (JPY 1M)	422	2	0.4%	2,845	1	0.0%
Oriental Hotel tokyo bay	Occupancy rate	99.1%	0.5%	0.5%	97.3%	-0.1%	-0.1%
	ADR (JPY)	18,468	563	3.1%	18,196	488	2.8%
	RevPAR (JPY)	18,297	647	3.7%	17,710	458	2.7%
	Sales (JPY 1M)	570	-10	-1.8%	3,965	19	0.5%
Namba Oriental Hotel	Occupancy rate	94.5%	3.4%	3.7%	93.2%	3.9%	4.4%
	ADR (JPY)	17,296	4,785	38.2%	15,310	3,450	29.1%
	RevPAR (JPY)	16,337	4,941	43.4%	14,273	3,678	34.7%
	Sales (JPY 1M)	225	45	25.1%	1,413	236	20.0%
Hotel Nikko Alivila	Occupancy rate	89.1%	-4.1%	-4.4%	84.0%	5.1%	6.5%
	ADR (JPY)	43,274	4,670	12.1%	23,030	747	3.4%
	RevPAR (JPY)	38,540	2,568	7.1%	19,353	1,766	10.0%
	Sales (JPY 1M)	766	37	5.0%	3,143	224	7.7%
Oriental Hotel Hiroshima	Occupancy rate	79.8%	1.5%	1.9%	77.2%	2.4%	3.2%
	ADR (JPY)	8,707	465	5.6%	8,490	292	3.6%
	RevPAR (JPY)	6,950	494	7.7%	6,555	420	6.8%
	Sales (JPY 1M)	180	-20	-9.8%	1,172	-74	-5.9%
Total of five hotels	Sales (JPY 1M)	2,162	54	2.5%	12,538	406	3.3%

<Accor's six hotels>

Hotel / Indicators		July	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	94.3%			77.2%		
	ADR (JPY)	13,737			10,859		
	RevPAR (JPY)	12,947			8,384		
	Sales (JPY 1M)	133			633		
ibis Styles Sapporo	Occupancy rate	96.3%			86.3%		
	ADR (JPY)	13,085			8,915		
	RevPAR (JPY)	12,598			7,696		
	Sales (JPY 1M)	129			558		
ibis Tokyo Shinjuku	Occupancy rate	96.6%	1.8%	1.9%	92.7%	1.4%	1.6%
	ADR (JPY)	11,492	405	3.7%	11,792	554	4.9%
	RevPAR (JPY)	11,103	595	5.7%	10,935	674	6.6%
	Sales (JPY 1M)	79	4	5.0%	532	30	5.9%
ibis Styles Kyoto Station	Occupancy rate	89.1%	6.5%	7.9%	87.7%	8.6%	10.8%
	ADR (JPY)	9,748	986	11.3%	9,688	478	5.2%
	RevPAR (JPY)	8,682	1,448	20.0%	8,493	1,208	16.6%
	Sales (JPY 1M)	63	12	22.2%	421	64	17.8%
Mercure Okinawa Naha	Occupancy rate	83.9%			79.5%		
	ADR (JPY)	10,274			9,272		
	RevPAR (JPY)	8,617			7,371		
	Sales (JPY 1M)	83			490		
Mercure Yokosuka	Occupancy rate	76.2%					
	ADR (JPY)	10,815					
	RevPAR (JPY)	8,244					
	Sales (JPY 1M)	67					
Total of six hotels	Sales (JPY 1M)	555					

<Six "the b" hotels>

Hotel / Indicators		July	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	93.0%					
	ADR (JPY)	11,398					
	RevPAR (JPY)	10,597					
	Sales (JPY 1M)	41					
the b ikebukuro	Occupancy rate	94.8%					
	ADR (JPY)	10,460					
	RevPAR (JPY)	9,912					
	Sales (JPY 1M)	55					
the b ochanomizu	Occupancy rate	90.9%					
	ADR (JPY)	10,814					
	RevPAR (JPY)	9,826					
	Sales (JPY 1M)	22					
the b hachioji	Occupancy rate	91.7%					
	ADR (JPY)	7,084					
	RevPAR (JPY)	6,498					
	Sales (JPY 1M)	48					
the b hakata	Occupancy rate	98.8%					
	ADR (JPY)	6,548					
	RevPAR (JPY)	6,467					
	Sales (JPY 1M)	36					
the b soudobashi	Occupancy rate	84.9%					
	ADR (JPY)	9,725					
	RevPAR (JPY)	8,255					
	Sales (JPY 1M)	26					
Total of six hotels	Sales (JPY 1M)	227					

<Special items>

Kobe Meriken Park Oriental Hotel

Rooms department sales exceeded those of the same month last year by attracting increasing inbound demand as well as domestic leisure demand. But since wedding sales dropped below those of the same month last year, the hotel's total sales were about the same as those of the same month last year.

Hotel Nikko Alivila

Although the hotel received cancellations due to typhoons in July, the rooms department focused on attracting guests in the higher-rate segment and increased ADR. The hotel's total sales topped those of the same month last year.

Oriental Hotel Hiroshima

Rooms department sales exceeded those of the same month last year by attracting domestic leisure demand. But since wedding sales and restaurant sales dropped below those of the same month last year, the hotel's total sales fell below 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, Mercure Okinawa Naha, 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.

- (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 (July) 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 (July).
- (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 (July) and the cumulative total from the beginning of the period last year to the same concerned month (July) last year.

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