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REIT Issuer:

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Notice Concerning Revision of Operating Forecast and Forecast of Dividend
for Fiscal Year Ending December 2015 (16th Period)

Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) informs you of its revision of the operating forecast and forecast of dividend for the fiscal year ending December 2015 (January 1, 2015 through December 31, 2015), which was announced in the “Notice Concerning Revision of Operating Forecast and Forecast of Dividend for Fiscal Year Ending December 2015 (16th Period)” dated October 29, 2015.

1. Revision of the operating forecast and forecast of dividend for the fiscal year ending December 2015 (January 1, 2015 through December 31, 2015)

	Operating revenue	Operating income	Ordinary income	Net income	Dividend per unit (Excess of earnings exclusive)	Dividend per unit resulting from excess of earnings
Previous forecast (A)	JPY1M 16,901	JPY1M 10,332	JPY1M 8,603	JPY1M 8,602	JPY 2,748	JPY 0
Revised forecast (B)	JPY1M 17,326	JPY1M 10,927	JPY1M 9,224	JPY1M 9,223	JPY 2,945	JPY 0
Variance (C) = (B) – (A)	JPY1M 424	JPY1M 595	JPY1M 620	JPY1M 620	JPY 197	JPY 0
Variance (D) = (C) / (A)	% 2.5	% 5.8	% 7.2	% 7.2	% 7.2	% 0

(Reference) Forecast of net income per unit for the full year: JPY3,014

(Calculated based on the forecast period-average number of investment units of 3,060,647 units.)

- (*1) Reserve for dividends, JPY36M, is planned to be the source of dividend payment.
- (*2) Dividend per unit is calculated based on the number of investment units issued: 3,144,227
- (*3) For assumptions of operating forecast and forecast of dividend, please see <Reference Information> Assumptions of the operating forecast for the full fiscal year ending December 2015 (16th Period)."
- (*4) Amounts are rounded down to the nearest JPY1M, and percentage figures are rounded off to one decimal place.

Note: This document is intended to serve as a press release to make available the information on the revision of the operating forecast and forecast of dividend for the fiscal year ending December 2015 (16th Period). This document should not be construed as an offer to sell or solicitation of an offer to purchase any investment units or other investment of JHR. Prospective investors are advised to make any investment decisions at their own risk and responsibility.

2. Rationale for the revision of operating forecast and forecast of dividend

Major factors for the variance of operating forecast and forecast of dividend for the full fiscal year ending December 2015 (16th Period) and the previous forecast are as follows in (1) and (2).

(1) Increase in variable rent

Due to an increase in rooms department sales resulting from strong domestic and inbound leisure demand, we have forecasted an increase in variable rent and income from management contracts from gain in GOP^(*) of HMJ's five hotels^(*), Accor's six hotels^(*), and six "the b" hotels^(*). Together with other increases such as upside sharing, operation revenue is forecasted to increase by JPY424M compared with the previous forecast.

For hotel sales and hotel GOP for HMJ's five hotels, Accor's six hotels, and six "the b" hotels, please see "<Reference Material 1> Sales and GOP of HMJ'S five hotels, <Reference Material 2> Sales and GOP of Accor's six hotels, and <Reference Material 3> Sales and GOP of five "the b" hotels of <Reference Information> Assumptions of the operating forecast for the full fiscal year ending December 2015 (16th Period)."

(*1) GOP is Gross Operating Profit, which is the remaining amount calculated by deducting operating expenses from total sales. Operating expenses are expenses such as personnel cost and general and administrative expenses, incurred directly from hotel operation.

(*2) HMJ's five hotels are five hotels, namely, Kobe Meriken Park Oriental Hotel, Oriental Hotel Tokyo Bay, Namba Oriental Hotel, Hotel Nikko Alivila, and Oriental Hotel Hiroshima.

(*3) Accor's six hotels are the six hotels, namely, ibis Tokyo Shinjuku, ibis Styles Kyoto Station, ibis Styles Sapporo, Mercure Sapporo, Mercure Okinawa Naha, and Mercure Yokosuka.

(*4) Six "the b" hotels represent the five "the b" hotels, namely, the b akasaka-mitsuke, the b ikebukuro, the b ochanomizu, the b hachioji, and the b hakata, plus the b suidobashi which was rebranded on July 1, 2015 from Dormy Inn Suidobashi.

(2) Decrease in operating expenses, etc.

With regard to operating expenses, financial expenses, etc., operating expenses, financial expenses, etc. are forecasted to decrease by JPY195M compared with the previous forecast as a result of conducting a review of expenses.

(3) Acquisition of a new property

As announced in today's press release "Notice Concerning Acquisition and Lease of New Asset ("ACTIVE-INTER CITY HIROSHIMA (Sheraton Hiroshima Hotel)), JHR plans to acquire ACTIVE-INTER CITY HIROSHIMA on December 18, 2015. Since the operating period is only 14 days during the full fiscal year ending December 2015, an impact on the operating status for the full fiscal year ending December 2015 is minor.

We will later announce the annualized operating forecast and forecast of dividend after the acquisition of ACTIVE-INTER CITY HIROSHIMA once they are determined.

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3. Highlights of operating forecast and forecast of dividend

The following table provides factors for variances between the new operating forecast for the fiscal year ending December 2015 (16th period) and the operating forecast announced in the “Notice Concerning Revision of Operating Forecast and Forecast of Dividend for Fiscal Year Ending December 2015 (16th Period)” dated October 29, 2015.

(Unit: JPY1M)

		15th Period	16th Period		Variance from Forecast Previous Time		Major causes for variance
		Actual	Forecast Previous Time (A)	Forecast This Time (B)	(B) - (A) Variance		Existing properties
Properties	No. of properties	30	35	36	1	2.9%	
	Acquisition price	173,429	208,403	225,723	17,320	8.3%	
Profit and loss	Operating revenue	12,760	16,901	17,326	424	2.5%	
	Fixed rent	Composition 71.1% 9,066	Composition 62.0% 10,292	Composition 60.7% 10,334	42	0.4%	
	Variable rent	28.9% 3,693	38.0% 6,303	39.3% 6,685	382	6.1%	Increase in variable rent, etc.
	Gain on sale of real estate properties	0	305	305	0	0.0%	
	NOI (*1)	11,002	14,323	14,792	468	3.3%	
	NOI yield (*1)	6.3%	6.9%	(*2) 6.6%	-0.3%		
	NOI after depreciation (*1)	8,597	11,464	11,988	523	4.6%	
	NOI yield after depreciation (*1)	5.0%	5.5%	(*2) 5.3%	-0.2%		
	Operating income	7,545	10,332	10,927	595	5.8%	
	Net income	5,774	8,602	9,223	620	7.2%	Decrease in operating expenses, etc.
Dividend	Use of negative goodwill	240	37	36	- 0	-1.0%	
	Total dividends	6,015	8,640	9,259	619	7.2%	
	No. of units issued	2,791,281	3,144,227	3,144,227	0	0.0%	
	Dividend per unit (JPY)	2,155	2,748	2,945	197	7.2%	

(*1) Each is calculated using the following formula.

NOI (Net Operating Income) = Real estate operating revenue - Real estate operating costs + Depreciation + Loss on retirement of noncurrent assets

NOI yield = NOI ÷ Acquisition price

NOI after depreciation = Real estate operating revenue - Real estate operating costs

(*2) NOI yield and NOI yield after depreciation excluding the impact of ACTIVE-INTER CITY HIROSHIMA (Sheraton Hotel Hiroshima) are 7.1% and 5.7%, respectively.

[Note]

The above is the operating forecast as of today, and actual dividend per unit may fluctuate. This forecast does not guarantee the amount of dividend shown above.

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

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< Reference Information > Assumptions of the operating forecast for the full fiscal year ending December 2015 (16th Period)

Item	Assumptions																				
Calculation period	• Full year of fiscal year ending December 2015 (16th period): • January 1, 2015 through December 31, 2015 (365 days)																				
Investment Assets	• The total of 35 properties owned by JHR as of today (hereinafter called “existing properties”), plus ACTIVE-INTER CITY HIROSHIMA to total 36 properties is assumed. • In addition, it is assumed that there will be no change in assets (acquisition or disposition, etc.) other than the above through the end of the fiscal year ending December 2015 (16th period). The actual number may fluctuate, though, depending on the changes in assets that may take place.																				
Operating Revenue	• Operating revenue is calculated based on the effective lease contracts, etc. as of today and in consideration of hotel competitiveness and market environment, etc. • Rents of the main hotels are calculated based on the following assumptions. (1) HMJ’s five hotels The assumptions of the fixed rent and variable rent for the HMJ’s five hotels are as follows. Annual rent (JPY6,139M) = Fixed rent (JPY3,221M/year) + Variable rent (See below for calculation) Variable rent = [(a) Total GOP of HMJ’s five hotels - (b) GOP base amount^(*)] x 81.5% HMJ’s five hotels for the fiscal year ending December 2015 (16th period) (Unit: JPY1M) <table><tr><td></td><td>Total GOP of HMJ’s five hotels (a)</td><td>GOP base amount (b)</td><td>Variable rent ((a)-(b)) x 81.5%</td></tr><tr><td>Midterm</td><td>2,572</td><td>1,675</td><td>730</td></tr><tr><td>Full year</td><td>6,932</td><td>3,351</td><td>2,918</td></tr></table> (*)1 It is assumed that there will be no change in the GOP base amount throughout the contract period of the lease contracts. (*)2 Please see “<Reference Material 1> Sales and GOP of HMJ’s five hotels” below for the comparison of sales and GOP, etc. of HMJ’s five hotels. (2) Okinawa Marriott Resort & Spa The fixed rent and variable rent of Okinawa Marriott Resort & Spa are calculated as follows. Rent for fiscal year ending December 2015 (16th period) (*) (JPY722M) = Fixed rent (JPY261M) + Variable rent Variable rent = [(a) GOP of the hotel - (b) GOP base amount] x 90.0% (Unit: JPY1M) <table><tr><td></td><td>GOP of the hotel (a)</td><td>GOP base amount (b)</td><td>Variable rent ((a)-(b)) x 90.0%</td></tr><tr><td>Fiscal year ending December 2015 (16th Period)</td><td>877</td><td>365</td><td>460</td></tr></table> (*) The rent for the fiscal year ending December 2015 (16th period) shows the figure estimated to incur during the 175 days from July 10, 2015 through December 31, 2015. Furthermore, it is assumed that the annual GOP base amount after January 1, 2016 will be JPY700M and the annual fixed rent will be JPY550M.		Total GOP of HMJ’s five hotels (a)	GOP base amount (b)	Variable rent ((a)-(b)) x 81.5%	Midterm	2,572	1,675	730	Full year	6,932	3,351	2,918		GOP of the hotel (a)	GOP base amount (b)	Variable rent ((a)-(b)) x 90.0%	Fiscal year ending December 2015 (16 th Period)	877	365	460
		Total GOP of HMJ’s five hotels (a)	GOP base amount (b)	Variable rent ((a)-(b)) x 81.5%																	
	Midterm	2,572	1,675	730																	
	Full year	6,932	3,351	2,918																	
		GOP of the hotel (a)	GOP base amount (b)	Variable rent ((a)-(b)) x 90.0%																	
Fiscal year ending December 2015 (16 th Period)	877	365	460																		

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Item	Assumptions																															
Operating Revenue	(3) ACTIVE-INTER CITY HIROSHIMA ACTIVE-INTER CITY HIROSHIMA is a complex facility composed of a hotel building, an office building, and a commercial zone. Rent for each facility is calculated as follows. ① Hotel building (Sheraton Hiroshima Hotel) Fixed rent JPY14M is expected from the hotel building (Sheraton Hiroshima Hotel) for fiscal year ending December 2015 (16 th period). The variable rent scheme is not applied to fiscal year ending December 2015 (16 th period). (*) The fixed rent and variable rent for fiscal year ending December 2016 (17 th period) will be calculated as follows. Annual rent= Fixed rent (JPY348M/year) + Variable rent (See below for calculation) Variable rent= [(a) GOP of the hotel – (b) GOP base amount(JPY468M)] x 82.5% ② Office building and commercial zone Rent from the office building and the commercial zone for fiscal year ending December 2015 is expected to be JPY17M. (*) Regarding annual rent based on effective lease agreements, etc. as of the end of October 2015, office rent is JPY289M and retail rent is JPY135M. Shop rent excludes variable rent which is linked to the shops’ sales.																															
	(4) Accor’s six hotels Income from management contracts and variable rent of Accor’s six hotels (Unit: JPY1M)																															
	<table><tr><td></td><td>ibis Tokyo Shinjuku</td><td>ibis Styles Kyoto Station</td><td>ibis Styles Sapporo</td><td>Mercure Sapporo</td><td>Mercure Okinawa Naha</td><td>Mercure Yokosuka</td><td>Total</td></tr><tr><td>Midterm</td><td>243</td><td>180</td><td>202</td><td>167</td><td>152</td><td>41</td><td>989</td></tr><tr><td>Full year</td><td>469</td><td>438</td><td>508</td><td>462</td><td>369</td><td>117</td><td>2,365</td></tr></table>		ibis Tokyo Shinjuku	ibis Styles Kyoto Station	ibis Styles Sapporo	Mercure Sapporo	Mercure Okinawa Naha	Mercure Yokosuka	Total	Midterm	243	180	202	167	152	41	989	Full year	469	438	508	462	369	117	2,365							
		ibis Tokyo Shinjuku	ibis Styles Kyoto Station	ibis Styles Sapporo	Mercure Sapporo	Mercure Okinawa Naha	Mercure Yokosuka	Total																								
	Midterm	243	180	202	167	152	41	989																								
	Full year	469	438	508	462	369	117	2,365																								
	(*1) Please see “<Reference Material 2> Sales and GOP of Accor’s six hotels” below for the comparison of sales and GOP, etc. of Accor’s six hotels.																															
	(*2) It is assumed that the respective hotel’s GOP amount is posted as income from management contracts and the management contract fees to be paid by JHR is posted as an operating expenses item. In cases where certain revenue from non-hotel tenant(s) is included in the respective hotel’s GOP, income from management contracts is posted by subtracting such amount equivalent to tenant revenue from GOP. The concerned amount equivalent to revenue from non-hotel tenant(s) is posted as fixed rent, etc.																															
	(*3) Mercure Sapporo includes variable rent from non-hotel tenant(s).																															
	(5) Six “the b” hotels Fixed rent and variable rent of six “the b” hotels (midterm) (Unit: JPY1M)																															
<table><tr><td></td><td>the b suidobashi (*1)</td><td>the b akasaka-mitsuke</td><td>the b ikebukuro</td><td>the b ochanomizu</td><td>the b hachioji</td><td>the b hakata</td><td>Total</td></tr><tr><td>Fixed(*2)</td><td>42</td><td>57</td><td>91</td><td>29</td><td>50</td><td>36</td><td>307</td></tr><tr><td>Variable</td><td>-</td><td>58</td><td>53</td><td>20</td><td>33</td><td>27</td><td>193</td></tr><tr><td>Total</td><td>42</td><td>115</td><td>145</td><td>49</td><td>84</td><td>63</td><td>500</td></tr></table>		the b suidobashi (*1)	the b akasaka-mitsuke	the b ikebukuro	the b ochanomizu	the b hachioji	the b hakata	Total	Fixed(*2)	42	57	91	29	50	36	307	Variable	-	58	53	20	33	27	193	Total	42	115	145	49	84	63	500
	the b suidobashi (*1)	the b akasaka-mitsuke	the b ikebukuro	the b ochanomizu	the b hachioji	the b hakata	Total																									
Fixed(*2)	42	57	91	29	50	36	307																									
Variable	-	58	53	20	33	27	193																									
Total	42	115	145	49	84	63	500																									

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Item	Assumptions							
Operating Revenue	Fixed rent and variable rent of six “the b” hotels (full year) (Unit: JPY1M)							
		the b suidobashi ^{(*)1}	the b akasaka-mitsuke	the b ikebukuro	the b ochanomizu	the b hachioji	the b hakata	Total
	Fixed ^{(*)2}	84	125	199	63	112	77	663
	Variable	9	139	124	43	79	69	466
	Total	94	265	324	106	190	147	1,129
	(*1) The rent scheme of the b suidobashi was changed to variable rent on July 1, 2015. Fixed rent before rebranding is shown in the midterm table.							
	(*2) Fixed rent includes rent from non-hotel tenant(s).							
	(*3) Please see “<Reference Material 3> Sales and GOP of five “the b” hotels” below for the comparison of sales and GOP, etc. of five “the b” hotels.							
	(6) Other hotels that have adopted variable rent							
	Variable rent of other hotels that have adopted variable rent (Unit: JPY1M)							
	Smile Hotel Nihombashi-Mitsukoshimae	Hotel Vista Kamata Tokyo	Chisan Inn Kamata	Hotel Keihan Universal City	Hotel Sunroute Shimbashi	Hilton Tokyo Bay	Total	
Midterm	16	6	33	(*)	64	(*)	356	
Full year	16	18	68	(*)	64	(*)	473	
(*) No information is shown since tenants that concluded lease agreements did not agree to disclose rent income, etc.								
• The following is the breakdown of variable rent and income from management contracts.								
<Breakdown of variable rent and income from management contracts for the fiscal year ending December 2015 (16 th period)> (Unit: JPY1M)								
	HMJ’s five hotels	Okinawa Marriott Resort & Spa	Active-Inter City Hiroshima	Accor’s six hotels	Six “the b” hotels	Other variable rent	Total	
Midterm	730	—	—	989	193	356	2,269	
Full year	2,918	460	—	2,365	466	473	6,685	
Operating Expenses	• Among real estate leasing expenses, which is the major operating expenses, expenses other than depreciation are calculated based on past actual data, and variable factors are reflected in the calculation. Operating expenses of the five “the b” hotels, Hotel Francs, Mercure Yokosuka, and Okinawa Marriott Resort & Spa that JHR acquired in the 16th period (hereinafter called “Acquired Assets”), and ACTIVE-INTER CITY HIROSHIMA are based on past actual data as provided by previous owners, etc., and variable factors are reflected in the calculation. • It is assumed that JPY940M will be posted as expenses for fixed asset taxes, city planning tax, and other taxes and public dues. • In general, fixed asset tax and city planning tax, etc. of acquired assets are settled with the previous owner at the time of acquisition, calculated on a pro rata basis of the holding period. For JHR, the settlement amount is included in the acquisition price, and it will not be posted as expenses for the calculation period of acquisition. Therefore, the fixed asset tax, city planning tax, and other taxes and public dues for the Acquired Assets and ACTIVE-INTER CITY HIROSHIMA will not be posted as expenses for the fiscal year ending December 2015 (16th period). The annual fixed asset tax and city planning tax, etc. for the five “the b” hotels and Hotel Francs acquired in the 16th period are estimated to be JPY147M, while the annual fixed asset tax and city planning tax, etc. for Mercure Yokosuka and Okinawa Marriott Resort & Spa are estimated to be JPY108M, and the annual fixed asset tax and city planning tax, etc. for asset-to-be-acquired ACTIVE-INTER CITY HIROSHIMA are estimated to be JPY123M. Moreover, the fixed asset tax and city planning tax, etc. to be recorded as expenses for the fiscal year ending December 2015 (16th period) for the three properties (ibis Styles Sapporo, Mercure Sapporo and Mercure Okinawa Naha) acquired in the fiscal year ended December 2014 (15th period) are assumed to be JPY81M (for nine months).							

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Items	Assumptions														
Operating Expenses	- Depreciation is calculated by a straight-line method and is estimated to be JPY2,791M. This calculation includes the acquisition price of the ACTIVE-INTER CITY HIROSHIMA (including incidental costs) as well as planned capital expenditures (JPY1,815M) for the fiscal year ending December 2015 (16th period). - Repair expenses for buildings are posted as expenses. Repair expenses necessary for each operating period are estimated. Please bear in mind that the repair expenses of each operating period may differ materially from the forecast amount for various reasons, such as 1. Emergency repair expenses may be necessary due to damage, etc. to buildings from unexpected causes, 2. The amount of repair expenses generally tends to fluctuate over time, and 3. Repair expenses are not required on a regular basis.														
Non-Operating Expenses	- JPY1,718M is expected for interest expense, arrangement fee and amortization for the following (1) handling fees, (2) derivative instrument (interest rate caps), etc. - Expenses for additional issuance of investment units and secondary offering are amortized over a period of three years by the straight-line method.														
Interest-Bearing Debt	- It is assumed that the balance of interest-bearing debt (sum of loans and investment corporation bonds) is JPY93,852M as of today, and JPY102,772M as of December 31, 2015. - It is assumed that a loan to acquire ACTIVE-INTER CITY HIROSHIMA is JPY9,000M. - It is assumed that the contractual repayment in the amount of JPY80M will be paid by cash.														
Issuance of Investment Units	- The total number of investment units issued as of today (3,144,227 units) is assumed. - It is assumed that there will be no additional issuance of investment units through to the end of the fiscal year ending December 2015 (16th period).														
Dividend per Unit	- It is assumed that the whole amount of net income excluding the amount posted as a loss on retirement of noncurrent assets is distributed. - Dividend per unit for the fiscal year ending December 2015 (16th period) is calculated based on the following assumptions. <table border="0" style="width: 100%; margin-top: 10px;"> <tr> <td style="width: 70%;">Net income</td><td style="text-align: right;">JPY9,223M</td></tr> <tr> <td>Balance carried forward</td><td style="text-align: right;">JPY1M</td></tr> <tr> <td>Use of negative goodwill (Loss on retirement of noncurrent assets)(*)</td><td style="text-align: right;">JPY13M</td></tr> <tr> <td>Use of negative goodwill (financial costs in accordance with prepayment at the timing of selling properties)</td><td style="text-align: right;">JPY23M</td></tr> <tr> <td style="border-top: 1px solid black;">Distributable amount</td><td style="text-align: right; border-top: 1px solid black;">JPY9,261M</td></tr> <tr> <td style="border-top: 1px solid black;">Total number of investment units issued</td><td style="text-align: right; border-top: 1px solid black;">3,144,227 units</td></tr> <tr> <td>Dividend per unit</td><td style="text-align: right;">JPY2,945</td></tr> </table> (*) Amount posted as a loss on retirement of noncurrent assets will be appropriated by reserve for dividends (negative goodwill) and expects to have little impact on dividend per unit. - Dividend per unit may fluctuate by various causes, such as transfer of asset(s), transfer of hotel lessee(s), etc., fluctuation of rental income resulting from change of business environment, etc. surrounding hotel lessee(s), etc. and unexpected repairs, etc. - The balance of reserve for dividends (negative goodwill) after the appropriation for dividends for the fiscal year ending December 2015 (16th period) is forecasted to be JPY13,891M.	Net income	JPY9,223M	Balance carried forward	JPY1M	Use of negative goodwill (Loss on retirement of noncurrent assets)(*)	JPY13M	Use of negative goodwill (financial costs in accordance with prepayment at the timing of selling properties)	JPY23M	Distributable amount	JPY9,261M	Total number of investment units issued	3,144,227 units	Dividend per unit	JPY2,945
Net income	JPY9,223M														
Balance carried forward	JPY1M														
Use of negative goodwill (Loss on retirement of noncurrent assets)(*)	JPY13M														
Use of negative goodwill (financial costs in accordance with prepayment at the timing of selling properties)	JPY23M														
Distributable amount	JPY9,261M														
Total number of investment units issued	3,144,227 units														
Dividend per unit	JPY2,945														

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Item	Assumptions																									
Acquired Assets and Asset-to-be-Acquired	• Operating forecast of Acquired Assets and Asset-to-be Acquired for fiscal year ending December 2015 is estimated as follows.																									
	< Acquired Assets > (Unit: JPY1M)																									
	<table><tr><td></td><td>the b akasaka-mitsuke</td><td>the b ikebukuro</td><td>the b ochanomizu</td><td>the b hachioji</td></tr><tr><td>Operating days</td><td>336 days</td><td>336 days</td><td>336 days</td><td>336 days</td></tr><tr><td>Operating revenue</td><td>265</td><td>325</td><td>107</td><td>199</td></tr><tr><td>NOI^(*1)</td><td>262</td><td>319</td><td>104</td><td>192</td></tr><tr><td>NOI yield (%)^(*2)</td><td>-</td><td>-</td><td>-</td><td>-</td></tr></table>		the b akasaka-mitsuke	the b ikebukuro	the b ochanomizu	the b hachioji	Operating days	336 days	336 days	336 days	336 days	Operating revenue	265	325	107	199	NOI ^(*1)	262	319	104	192	NOI yield (%) ^(*2)	-	-	-	-
		the b akasaka-mitsuke	the b ikebukuro	the b ochanomizu	the b hachioji																					
	Operating days	336 days	336 days	336 days	336 days																					
	Operating revenue	265	325	107	199																					
	NOI ^(*1)	262	319	104	192																					
	NOI yield (%) ^(*2)	-	-	-	-																					
	<table><tr><td></td><td>the b hakata</td><td>Hotel Francs</td><td>Mercure Yokosuka</td><td>Okinawa Marriott Resort & Spa</td></tr><tr><td>Operating days</td><td>336 days</td><td>276 days</td><td>274 days</td><td>175 days</td></tr><tr><td>Operating revenue</td><td>147</td><td>229</td><td>157</td><td>722</td></tr><tr><td>NOI^(*1)</td><td>143</td><td>227</td><td>97</td><td>709</td></tr><tr><td>NOI yield (%)^(*2)</td><td>-</td><td>-</td><td>-</td><td>-</td></tr></table>		the b hakata	Hotel Francs	Mercure Yokosuka	Okinawa Marriott Resort & Spa	Operating days	336 days	276 days	274 days	175 days	Operating revenue	147	229	157	722	NOI ^(*1)	143	227	97	709	NOI yield (%) ^(*2)	-	-	-	-
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	<table><tr><td></td><td>Fiscal year ending December 2015</td></tr><tr><td>Operating days</td><td>14 days</td></tr><tr><td>Operating revenue</td><td>43</td></tr><tr><td>NOI^(*1)</td><td>21</td></tr><tr><td>NOI yield (%)^(*2)</td><td>-</td></tr></table>		Fiscal year ending December 2015	Operating days	14 days	Operating revenue	43	NOI ^(*1)	21	NOI yield (%) ^(*2)	-															
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(*1) NOI = Real estate operating revenue – real estate operating costs + depreciation + loss on retirement of noncurrent assets																										
(*2) NOI yield = NOI /Acquisition price																										
NOI yield for fiscal year ending December 2015 is not stated due to the acquisition during the fiscal year.																										
Dividend per Unit Resulting from Excess of Earnings	• It is assumed that the excess of earnings (dividend per unit resulting from excess of earnings) will not be distributed.																									
Others	• It is assumed that no revision in law, tax law, accounting standard, regulations of the listing, regulations of The Investment Trusts Association, Japan, etc. that may impact the forecasts above will not be made. • It is assumed that unexpected major incident will not occur in the general economy, real estate market, hotel business environment, etc. • The numerical values are rounded down to the nearest JPY1M in the assumptions above.																									

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<Reference Material 1> Sales and GOP of HMJ's five hotels

(1) Hotel sales (by hotel)

((Unit: JPY1M))

Sales of HMJ's five hotels		Fiscal year ending December 2014		Fiscal year ending December 2015			
		Actual	Comparison with previous period	Forecast last time First half: actual Second half: forecast Full year: forecast	Forecast this time First half: actual Second half: forecast Full year: forecast	Comparison with the forecast last time	Comparison with previous period
Kobe Meriken Park Oriental Hotel	1 st half of the year	2,424	0.4%	2,424	2,424	0.0%	-0.0%
	2 nd half of the year	2,798	0.1%	2,972	2,855	-3.9%	2.0%
	Full year	5,222	0.2%	5,395	5,278	-2.2%	1.1%
Oriental Hotel tokyo bay	1 st half of the year	3,366	4.9%	3,395	3,395	0.0%	0.9%
	2 nd half of the year	3,844	-3.3%	3,936	3,900	-0.9%	1.4%
	Full year	7,210	0.4%	7,331	7,295	-0.5%	1.2%
Namba Oriental Hotel	1 st half of the year	998	6.8%	1,189	1,189	0.0%	19.1%
	2 nd half of the year	1,151	10.9%	1,264	1,341	6.2%	16.5%
	Full year	2,149	9.0%	2,452	2,530	3.2%	17.8%
Hotel Nikko Alivila	1 st half of the year	2,190	-0.1%	2,377	2,377	0.0%	8.6%
	2 nd half of the year	3,301	3.7%	3,454	3,593	4.0%	8.8%
	Full year	5,491	2.2%	5,831	5,970	2.4%	8.7%
Oriental Hotel Hiroshima	1 st half of the year	1,046	-0.0%	991	991	0.0%	-5.2%
	2 nd half of the year	1,178	-2.5%	1,174	1,137	-3.1%	-3.4%
	Full year	2,223	-1.4%	2,165	2,129	-1.7%	-4.3%
Total	1 st half of the year	10,024	2.3%	10,376	10,376	0.0%	3.5%
	2 nd half of the year	12,272	0.6%	12,799	12,826	0.2%	4.5%
	Full year	22,296	1.4%	23,175	23,202	0.1%	4.1%

(*1) Numbers are based on figures obtained from hotel lessees. Please note that these numerical numbers have not been audited or gone through other procedures. No guarantee is made as to the accuracy or completeness of each number.

(*2) Sales are rounded off to the nearest JPY1M. Comparison with the previous period is rounded off to one decimal place.

(2) Hotel GOP

((Unit: JPY1M))

GOP of HMJ's five hotels	Fiscal year ending December 2014		Fiscal year ending December 2015			
	Actual	Comparison with previous period	Forecast last time	Forecast this time	Comparison with the forecast last time	Comparison with previous period
Total of HMJ's five hotels	6,302	2.4%	6,749	6,933	2.7%	10.0%
Ratio of GOP to sales	28.3%	0.3%	29.1%	29.9%	0.8%	1.6%

(*1) Numbers are based on figures obtained from hotel lessees. Please note that these numerical numbers have not been audited or gone through other procedures. No guarantee is made as to the accuracy or completeness of each number.

(*2) GOP is rounded off to the nearest JPY1M. Ratio of GOP to sales and comparison with the previous period are rounded off to one decimal place.

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<Reference Material 2> Sales and GOP of Accor's six hotels

(1) Hotel sales (by hotel)

(Unit: JPY1M)

Sales of Accor's six hotels		Fiscal year ending December 2014		Fiscal year ending December 2015			
		Actual	Comparison with previous period	Forecast last time First half: actual Second half: forecast Full year: forecast	Forecast this time First half: actual Second half: forecast Full year: forecast	Comparison with the forecast last time	Comparison with previous period
ibis Tokyo Shinjuku	1 st half of the year	427	12.0%	453	453	0.0%	6.1%
	2 nd half of the year	445	7.5%	438	426	-2.6%	-4.2%
	Full year	872	9.6%	891	879	-1.3%	0.8%
ibis Styles Kyoto Station	1 st half of the year	305	-1.2%	357	357	0.0%	17.1%
	2 nd half of the year	384	13.3%	426	457	7.4%	19.0%
	Full year	690	6.3%	783	815	4.0%	18.1%
ibis Styles Sapporo	1 st half of the year	397	2.3%	429	429	0.0%	7.9%
	2 nd half of the year	522	4.8%	568	580	2.2%	11.1%
	Full year	920	3.7%	997	1,009	1.2%	9.7%
Mercure Sapporo	1 st half of the year	425	5.5%	499	499	0.0%	17.5%
	2 nd half of the year	573	3.9%	645	668	3.6%	16.7%
	Full year	998	4.6%	1,145	1,167	2.0%	17.0%
Mercure Okinawa Naha	1 st half of the year	363	28.0%	407	407	0.0%	12.1%
	2 nd half of the year	414	14.5%	442	509	15.3%	22.8%
	Full year	778	20.5%	849	916	7.9%	17.8%
Mercure Yokosuka	1 st half of the year	545	3.7%	550	550	0.0%	1.0%
	2 nd half of the year	491	9.5%	471	508	7.9%	3.5%
	Full year	1,036	6.4%	1,021	1,058	3.6%	2.2%
Total	1 st half of the year	2,463	7.5%	2,696	2,696	0.0%	9.5%
	2 nd half of the year	2,829	8.3%	2,989	3,149	5.4%	11.3%
	Full year	5,292	7.9%	5,685	5,845	2.8%	10.4%

(*1) Numbers are based on figures obtained from hotel operators and hotel lessees. Please note that these numerical numbers have not been audited or gone through other procedures. No guarantee is made as to the accuracy or completeness of each number.

(*2) Sales are rounded off to the nearest JPY1M. Comparison with the previous period is rounded off to one decimal place.

(2) Hotel GOP

(Unit: JPY1M)

GOP of Accor's six hotels	Fiscal year ending December 2014		Fiscal year ending December 2015			
	Actual	Forecast last time	Forecast last time	Forecast this time	Comparison with the forecast last time	Comparison with previous period
Total of Accor's six hotels	2,075	15.6%	2,379	2,492	4.8%	20.1%
Ratio of GOP to sales	39.2%	2.6%	41.8%	42.6%	0.8%	3.4%

(*1) Numbers are based on figures obtained from hotel operators and hotel lessee. Please note that these numerical numbers have not been audited or gone through other procedures. No guarantee is made as to the accuracy or completeness of each number.

(*2) GOP is rounded off to the nearest JPY1M. Ratio of GOP to sales and comparison with the previous period are rounded off to one decimal place.

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<Reference Material 3> Sales and GOP of five “the b” hotels

(1) Hotel sales (by hotel)

(Unit: JPY1M)

Sales of five “the b” hotels		Fiscal year ending December 2014		Fiscal year ending December 2015			
		Actual	Comparison with previous period	Forecast last time First half: actual Second half: forecast Full year: forecast	Forecast this time First half: actual Second half: forecast Full year: forecast	Comparison with the forecast last time	Comparison with previous period
the b akasaka-mitsuke	1 st half of the year	131	-13.7%	221	221	0.0%	69.4%
	2 nd half of the year	213	94.9%	255	247	-3.0%	16.2%
	Full year	344	31.8%	476	469	-1.6%	36.4%
the b ikebukuro	1 st half of the year	279	8.1%	301	301	0.0%	7.7%
	2 nd half of the year	283	4.6%	317	320	1.1%	13.1%
	Full year	562	6.4%	617	621	0.6%	10.4%
the b ochanomizu	1 st half of the year	121	7.9%	132	132	0.0%	9.0%
	2 nd half of the year	124	1.6%	141	135	-4.7%	8.2%
	Full year	246	4.6%	273	267	-2.4%	8.6%
the b hachioji	1 st half of the year	242	9.8%	267	267	0.0%	10.4%
	2 nd half of the year	256	0.9%	290	292	0.8%	14.3%
	Full year	497	5.0%	557	559	0.4%	12.4%
the b hakata	1 st half of the year	172	7.0%	191	191	0.0%	10.9%
	2 nd half of the year	191	8.7%	198	208	5.4%	9.2%
	Full year	363	7.9%	388	399	2.7%	10.0%
Total	1 st half of the year	944	4.7%	1,111	1,111	0.0%	17.7%
	2 nd half of the year	1,067	14.6%	1,201	1,203	0.2%	12.7%
	Full year	2,011	9.7%	2,312	2,314	0.1%	15.1%

(*1) Numbers are based on figures obtained from hotel lessees. Please note that these numerical numbers have not been audited or gone through other procedures. No guarantee is made as to the accuracy or completeness of each number.

(*2) Sales are rounded off to the nearest JPY1M. Comparison with the previous period is rounded off to one decimal place.

(*3) The b akasaka-mitsuke completed its renovation work by the previous owner in April 2014. The number of guest rooms has increased from 91 to 122. Therefore, the number of guest rooms available for sales in the first half of 2015 and the first half of 2014 is different.

(2) Hotel GOP

(Unit: JPY1M)

GOP of five “the b” hotels	Fiscal year ending December 2014		Fiscal year ending December 2015			
	Actual	Comparison with previous period	Forecast last time	Forecast this time	Comparison with the forecast last time	Comparison with previous period
Total of five “the b” hotels	854	15.5%	1,049	1,069	1.9%	25.2%
Ratio of GOP to sales	42.4%	2.1%	45.4%	46.2%	0.8%	3.8%

(*1) Numbers are based on figures obtained from hotel lessees. Please note that these numerical numbers have not been audited or gone through other procedures. No guarantee is made as to the accuracy or completeness of each number.

(*2) GOP is rounded off to the nearest JPY1M. Ratio of GOP to sales and comparison with the previous period are rounded off to one decimal place.

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