

This English translation is provided for information purposes only. If any discrepancy is identified between this translation and the Japanese original, the Japanese original shall prevail.

February 12, 2016

REIT Issuer:

Japan Hotel REIT Investment Corporation (TSE code: 8985)
Kaname Masuda, 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

Notice Concerning Revision of Operating Forecast and Forecast of Dividend
for Fiscal Year Ending December 2016 (17th 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 2016 (January 1, 2016 through December 31, 2016), which was announced in the “Notice Concerning Revision of Operating Forecast and Forecast of Dividend for Fiscal Year Ending December 2016 (17th Period)” dated January 4, 2016 as follows.

1. Operating forecast and forecast of dividend for the fiscal year ending December 2016 (January 1, 2016 through December 31, 2016)

	Operating revenue	Operating income	Ordinary income	Net income	Dividend per unit (Dividend from excess of earnings exclusive)	Dividend from excess of earnings per unit
Previous forecast (A)	JPY1M 20,332	JPY1M 12,538	JPY1M 10,871	JPY1M 10,871	JPY 3,275	JPY 0
Revised forecast (B)	JPY1M 20,332	JPY1M 12,538	JPY1M 10,871	JPY1M 10,871	JPY 3,276	JPY 0
Variance (C) = (B) – (A)	JPY1M 0	JPY1M 0	JPY1M 0	JPY1M 0	JPY 1	JPY 0
Variance (D) = (C) / (A)	% 0.0	% 0.0	% 0.0	% 0.0	% 0.0	% 0.0

(Reference) Forecast of net income per unit for the full year: JPY3,282

(Calculated based on the forecast period-average number of investment units of 3,312,096 units.)

- (*1) The number of investment units issued as of the end of December 2015 was 3,144,227 units. On top of this, additional issuance of new investment units through public offering (170,000 units) and new investment units by way of third-party allotment (7,680 units) based on the resolution of JHR’s Board of Directors meeting held on January 4, 2016 are assumed.
- (*2) For the assumptions of the operating forecast above except for the number of issued investment units, see the press release of “Notice Concerning Revision of Operating Forecast and Forecast of Dividend for Fiscal Year Ending December 2016 (17th Period)” dated January 4, 2016.
- (*3) There is no change in operating forecast for the midterm of the fiscal year ending December 2016 (17th 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 2016 (17th 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 revising the operating forecast and forecast of dividend

As JHR announced in the press release “Notice Concerning Determination of Number of Investment Units to be Issued by Way of Third-Party Allotment” today, JHR has received a notice from the allottee, SMBC Nikko Securities Inc., of its intention to subscribe for 7,680 units of the new investment units by way of third-party allotment, varying from the previous assumptions in forecast of 8,500 units.

Note:

The above is the operating forecast as of today and the 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/>

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 2016 (17th 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.