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Announcement of Monthly Disclosure for June 2016

With respect to the business performance of the hotels owned by Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) for June 2016, JHR informs you of the monthly sales, occupancy rates, 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.

<The Five HMJ Hotels>

Hotel / Indicators		June	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	74.5%	-2.1%	-2.7%	73.6%	-6.4%	-8.0%
	ADR (JPY)	15,418	673	4.6%	17,206	2,177	14.5%
	RevPAR (JPY)	11,488	192	1.7%	12,669	646	5.4%
	Sales (JPY 1M)	408	33	8.9%	2,465	42	1.7%
Oriental Hotel tokyo bay	Occupancy rate	97.2%	2.8%	3.0%	94.9%	-2.1%	-2.2%
	ADR (JPY)	16,138	1,358	9.2%	19,264	1,115	6.1%
	RevPAR (JPY)	15,683	1,739	12.5%	18,279	670	3.8%
	Sales (JPY 1M)	539	36	7.1%	3,454	59	1.7%
Namba Oriental Hotel	Occupancy rate	96.7%	4.9%	5.3%	91.4%	-1.7%	-1.8%
	ADR (JPY)	18,370	4,006	27.9%	19,612	4,647	31.1%
	RevPAR (JPY)	17,755	4,572	34.7%	17,916	3,997	28.7%
	Sales (JPY 1M)	230	38	20.1%	1,386	198	16.6%
Hotel Nikko Alivila	Occupancy rate	87.2%	7.2%	9.1%	81.4%	-1.8%	-2.1%
	ADR (JPY)	21,758	-1	0.0%	20,862	1,545	8.0%
	RevPAR (JPY)	18,968	1,574	9.1%	16,984	917	5.7%
	Sales (JPY 1M)	434	33	8.2%	2,421	43	1.8%
Oriental Hotel Hiroshima	Occupancy rate	80.0%	3.8%	5.1%	77.4%	0.7%	0.9%
	ADR (JPY)	8,658	531	6.5%	8,927	475	5.6%
	RevPAR (JPY)	6,923	737	11.9%	6,911	423	6.5%
	Sales (JPY 1M)	177	17	10.3%	1,025	33	3.4%
Total of five hotels	Sales (JPY 1M)	1,788	157	9.6%	10,751	375	3.6%

<The HMJ Group Hotels>

Hotel / Indicators		June	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
Okinawa Marriott Resort & Spa	Occupancy rate	85.3%			83.2%		
	ADR (JPY)	15,500			15,352		
	RevPAR (JPY)	13,216			12,771		
	Sales (JPY 1M)	265			1,607		
ACTIVE-INTER CITY HIROSHIMA (Sheraton Grand Hiroshima Hotel)	Occupancy rate	87.9%			83.2%		
	ADR (JPY)	15,393			16,554		
	RevPAR (JPY)	13,530			13,780		
	Sales (JPY 1M)	223			1,369		
Hotel Centraza Hakata	Occupancy rate	89.9%					
	ADR (JPY)	9,567					
	RevPAR (JPY)	8,597					
	Sales (JPY 1M)	225					

<The Six Accor Hotels>

Hotel / Indicators		June	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	85.7%	-0.4%	-0.5%	79.1%	4.8%	6.5%
	ADR (JPY)	12,889	1,298	11.2%	11,006	773	7.6%
	RevPAR (JPY)	11,045	1,065	10.7%	8,710	1,107	14.6%
	Sales (JPY 1M)	111	7	6.8%	546	47	9.3%
ibis Styles Sapporo	Occupancy rate	91.0%	-4.9%	-5.1%	88.3%	3.7%	4.3%
	ADR (JPY)	11,035	957	9.5%	8,635	532	6.6%
	RevPAR (JPY)	10,045	382	4.0%	7,625	768	11.2%
	Sales (JPY 1M)	102	5	4.9%	490	61	14.3%
ibis Tokyo Shinjuku	Occupancy rate	49.5%	-46.1%	-48.2%	77.5%	-14.6%	-15.9%
	ADR (JPY)	11,820	897	8.2%	12,597	751	6.3%
	RevPAR (JPY)	5,849	-4,589	-44.0%	9,757	-1,150	-10.5%
	Sales (JPY 1M)	41	-31	-42.5%	406	-47	-10.3%
ibis Styles Kyoto Station	Occupancy rate	97.9%	8.5%	9.5%	95.7%	8.2%	9.4%
	ADR (JPY)	9,471	1,230	14.9%	11,118	1,441	14.9%
	RevPAR (JPY)	9,275	1,904	25.8%	10,637	2,176	25.7%
	Sales (JPY 1M)	69	16	29.9%	464	107	30.0%
Mercure Okinawa Naha	Occupancy rate	84.5%	2.8%	3.5%	81.2%	2.4%	3.1%
	ADR (JPY)	10,208	1,417	16.1%	10,613	1,525	16.8%
	RevPAR (JPY)	8,625	1,448	20.2%	8,613	1,457	20.4%
	Sales (JPY 1M)	80	13	19.0%	489	82	20.2%
Mercure Yokosuka	Occupancy rate	74.9%	-8.9%	-10.6%	91.2%		
	ADR (JPY)	11,033	903	8.9%	12,250		
	RevPAR (JPY)	8,263	-225	-2.6%	11,170		
	Sales (JPY 1M)	75	-2	-3.1%	569		
Total of six hotels		Sales (JPY 1M)	478	8	1.6%	2,965	

<The Six *the b* Hotels>

Hotel / Indicators		June	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	88.8%	0.3%	0.3%	88.4%		
	ADR (JPY)	11,657	1,243	11.9%	12,240		
	RevPAR (JPY)	10,354	1,135	12.3%	10,818		
	Sales (JPY 1M)	38	4	11.8%	242		
the b ikebukuro	Occupancy rate	90.5%	-2.5%	-2.7%	90.2%		
	ADR (JPY)	10,549	472	4.7%	11,122		
	RevPAR (JPY)	9,548	174	1.9%	10,034		
	Sales (JPY 1M)	50	0	0.6%	323		
the b ochanomizu	Occupancy rate	90.4%	-2.7%	-2.9%	89.7%		
	ADR (JPY)	10,280	434	4.4%	11,098		
	RevPAR (JPY)	9,295	123	1.3%	9,952		
	Sales (JPY 1M)	20	0	1.4%	131		
the b hachioji	Occupancy rate	88.7%	-1.2%	-1.3%	90.3%		
	ADR (JPY)	7,153	369	5.4%	7,361		
	RevPAR (JPY)	6,342	249	4.1%	6,645		
	Sales (JPY 1M)	45	1	1.7%	291		
the b hakata	Occupancy rate	93.3%	-1.5%	-1.5%	95.3%		
	ADR (JPY)	7,862	1,648	26.5%	7,519		
	RevPAR (JPY)	7,336	1,447	24.6%	7,167		
	Sales (JPY 1M)	39	8	24.2%	230		
the b suidobashi	Occupancy rate	83.9%			85.3%		
	ADR (JPY)	10,613			11,450		
	RevPAR (JPY)	8,905			9,768		
	Sales (JPY 1M)	27			177		
Total of six hotels		Sales (JPY 1M)	219		1,394		

<Special items>

Oriental Hotel tokyo bay

The hotel adopted a price strategy in response to demand and increased ADR. As a result, the hotel's total sales exceeded those of the same month last year.

Oriental Hotel Hiroshima

The hotel attracted domestic and inbound leisure demand. Therefore, the hotel's total sales exceeded those of the same month last year.

ibis Tokyo Shinjuku

The hotel's total sales fell below those of the same month last year due to an impact of unavailability of some guest rooms resulting from renovation which started in May 2016. As a result, the hotel's total sales fell below those of the same month last year.

Mercure Sapporo, ibis Styles Sapporo, ibis Styles Kyoto Station, and Mercure Okinawa Naha

Against the backdrop of the strong market, the hotel attracted domestic and inbound leisure demand in the higher-rate segment. As a result, the hotel's total sales exceeded those of the same month last year.

the b akasaka-mitsuke

The hotel attracted inbound leisure demand in the higher-rate segment. As a result, the hotel's total sales exceeded those of the same month last year.

the b hakata

In spite of a series of earthquakes that have struck especially the Kumamoto region since April 14, 2016, the hotel successfully attracted inbound leisure demand in the higher-rate segment. As a result, the hotel's total sales exceeded 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, the b hakata, and ACTIVE-INTER CITY HIROSHIMA (Sheraton Grand Hiroshima Hotel) are the sales of hotel business only, and rent from non-hotel tenant(s) is not included. The previous lessees, etc. of the five *the b* hotels (five hotels excluding the b suidobashi from the six *the b* hotels) and Mercure Yokosuka did not agree with disclosure of numerical value. Therefore, fluctuation of the cumulative total compared with last year is unavailable for these hotels. The previous lessees, etc. of Okinawa Marriott Resort & Spa, ACTIVE-INTER CITY HIROSHIMA (Sheraton Grand Hiroshima Hotel), the b suidobashi, and Hotel Centraza Hakata 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 for these hotels.

- (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. The six Accor hotels and the 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 (June) 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 (June).
- (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 (June) and the cumulative total from the beginning of the period last year to the same concerned month (June) last year.

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