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REIT Issuer:

Japan Hotel REIT Investment Corporation (TSE code: 8985)

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Announcement of the monthly disclosure for September 2012

With reference to the business performance of the hotels owned by Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) for September 2012, JHR informs you of the monthly sales volume, occupancy rate of the rooms department, ADR and RevPAR as below:

JHR continues the monthly disclosure for the hotels that have paid the variable rent and agreed with the monthly disclosure.

Hotel Indicators		September 2012	Fluctuation compared to the same month last year (Note 7)	Cumulative total (Note 8)	Fluctuation of the annual total compared to previous year (Note 9)
Kobe Meriken Park Oriental Hotel	Occupancy rate	86.2%	3.2%	78.5%	4.1%
	ADR (JPY)	13,916	-911	13,831	-461
	RevPAR (JPY)	11,991	-312	10,853	226
	Total revenue (JPY 1M)	440	-16	3,904	-56
Oriental Hotel Tokyo Bay	Occupancy rate	97.9%	-0.9%	93.2%	21.4%
	ADR (JPY)	15,971	-408	16,903	1,672
	RevPAR (JPY)	15,631	-543	15,756	4,824
	Total revenue (JPY 1M)	509	-7	4,899	1,109
Namba Oriental Hotel	Occupancy rate	89.0%	5.8%	86.1%	-1.8%
	ADR (JPY)	9,634	-42	9,874	-386
	RevPAR (JPY)	8,578	522	8,502	-519
	Total revenue (JPY 1M)	151	9	1,367	-66
Hotel Nikko Alivila	Occupancy rate	81.6%	-3.6%	73.9%	0.6%
	ADR (JPY)	24,982	-633	27,272	336
	RevPAR (JPY)	20,375	-1,441	20,166	416
	Total revenue (JPY 1M)	430	-34	4,034	82
Oriental Hotel Hiroshima	Occupancy rate	71.3%	-5.3%	70.5%	6.9%
	ADR (JPY)	8,187	-77	8,186	-339
	RevPAR (JPY)	5,840	-493	5,774	349
	Total revenue (JPY 1M)	176	29	1,514	180
Total of the five hotels	Total revenue (JPY 1M)	1,707	-20	15,719	1,249

Hotel Indicators		September 2012	Fluctuation compared to previous month (Note 10)	Cumulative total (Note 8)	Fluctuation of the annual total compared to previous year (Note 9)
Ibis Tokyo Shinjuku	Occupancy rate	73.5%	-11.0%		
	ADR (JPY)	9,359	48		
	RevPAR (JPY)	6,878	-985		
	Total revenue (JPY 1M)	46	-9		

Note: The sales volume of Ibis Tokyo Shinjuku is the sales volume of the hotel business only and the rent from the non-hotel tenant(s) is not inclusive. We were not able to obtain approval from the former lessee to disclose their sales data. Therefore, fluctuation compared to the same month last year, cumulative total and the fluctuation of the annual total compared to the previous year are not available.

Comments from Japan Hotel REIT Advisors Co., Ltd. (Asset Management Company)
concerning the actual performance of September

Kobe Meriken Park Oriental Hotel

The rooms department applied the flexible pricing policies and the occupancy exceeded the same month last year. However, ADR did not reach the level of the same month last year and the sales fell below the same month last year. With respect to the food and beverage department, increased wedding banquets boosted up the wedding sales in comparison with the same month last year but the sales of the general banquet did not reach the level of the same month last year where the large scale banquet of the learned society had been held. As a result, the sales of the food and beverage department fell below the same month last year and the total hotel sales fell below the same month last year by approximately JPY16M.

Oriental Hotel Tokyo Bay

The sales of the rooms department for this September did not reach the level of the same month last year, as the same month last year enjoyed the extraordinary opportunity to increase sales such as school excursions delayed by the earthquake. Meanwhile, the restaurant sales of the food and beverage department exceeded the same month last year but the wedding sales fell below the same month last year. As a result, the sales of the food and beverage department did not exceed the level of the same month last year, and the total hotel sales fell below the same month last year by approximately JPY7M.

Namba Oriental Hotel

The rooms department strived for catching the leisure customers and both occupancy rate and sales exceeded the same month last year. Despite decreased rent from a hotel tenant, the total hotel sales exceeded the same month last year by approximately JPY9M.

Hotel Nikko Alivila

Because of the typhoon occurred on September, both occupancy and ADR fell below the same month last year, and the room sales fell below the same month last year. The restaurant sales were affected by the declined occupancy and fell below the same month last year. As a result, the overall sales of the food and beverage department fell below the same month last year, and the total hotel sales fell below the same month last year by approximately JPY34M.

Oriental Hotel Hiroshima

Though the rooms department positively sold the price-appealing products to capture customers, the sales did not reach the level of the same month last year. This is because the sales of the same month last year included the accommodation demands of those who prepared to open the commercial facility nearby. The wedding sales exceeded the same month last year and the total departmental sales of the food and beverage department exceeded the same month last year. As a result, the total hotel sales exceeded the same month last year by approximately JPY29M.

Ibis Tokyo Shinjuku

Because of the ongoing hotel renovation, rooms unavailable increased and the occupancy fell below the previous month. As a result, the total hotel sales fell below the previous month by approximately JPY9M.

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- (Note 1) The above comments have been made based on the information the asset management company had obtained from the lessees. It has only been provided as a reference that indicates the general tendency. Please note that the numerical figures and information shown on the comments above have neither been audited nor been the subject of the independent verification of the asset management company. Each numerical figure, accuracy or the completeness of the information are not guaranteed.
- (Note 2) The numerical figures of each month have not been audited, therefore, the sum above may be different from the total sales for six months or twelve months that will be later shown on the annual securities report. The sales of each month may also differ from that of the annual securities report to be shown later.
- (Note 3) Occupancy rate: Divide the number of rooms sold during the certain period by the number of available rooms during the same period
- (Note 4) ADR (Average Daily Rate): Divide the total room sales during a certain fixed period (excluding service charge) by the total No. of rooms sold for the same period. Ibis Tokyo Shinjuku does not request the service charge.
- (Note 5) RevPAR (Revenue Per Available Room): Divide the total room sales of the certain fixed period by the number of available rooms for sale for the same period. It is the same as ADR x occupancy rate
- (Note 6) Occupancy rate: Round off to second decimal place. ADR & RevPAR: Round off to first decimal place. Sales volume: Less than JPY1M has been rounded off.
- (Note 7) Fluctuation compared to the same month last year means the fluctuation between the month (September) and the same month last year.
- (Note 8) Cumulative total is the cumulative values from the beginning of the term (January) to the subject month (September).
- (Note 9) Fluctuation of the annual total compared to previous year means the fluctuation between the sum from the beginning of the term (January) to the subject month above (September) and the sum of the beginning of the last year to the same month last year.
- (Note 10) Fluctuation compared to previous month is the fluctuation between the subject month (September) and the previous month.

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