



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

February 21, 2013

REIT Issuer:

Japan Hotel REIT Investment Corporation (TSE code: 8985)

Yukio Isa, Executive Director

Asset Management Company:

Japan Hotel REIT Advisors Co., Ltd.

Hiroyuki Suzui, Representative Director

Contact:

Noboru Itabashi

General Manager of Accounting and Reporting

Operations Division

TEL : +81-3-6422-0530

Announcement of the monthly disclosure for January 2013

With reference to the business performance of the hotels owned by Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) for January 2013, 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                 |                        | January 2013 | 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         | 68.7%        | 7.1%  | 68.7%                     | 7.1%   |
|                                  | ADR (JPY)              | 12,623       | -432  | 12,623                    | -432   |
|                                  | RevPAR (JPY)           | 8,677        | 629   | 8,677                     | 629  |
|                                  | Total revenue (JPY 1M) | 343          | -17   | 343                       | -17  |
| Oriental Hotel Tokyo Bay         | Occupancy rate         | 90.5%        | 0.2%  | 90.5%                     | 0.2%   |
|                                  | ADR (JPY)              | 14,727       | 1,311   | 14,727                    | 1,311  |
|                                  | RevPAR (JPY)           | 13,322       | 1,216   | 13,322                    | 1,216  |
|                                  | Total revenue (JPY 1M) | 485          | -2  | 485                       | -2   |
| Namba Oriental Hotel             | Occupancy rate         | 86.5%        | 7.0%  | 86.5%                     | 7.0%   |
|                                  | ADR (JPY)              | 9,566        | 136   | 9,566                     | 136  |
|                                  | RevPAR (JPY)           | 8,276        | 777   | 8,276                     | 777  |
|                                  | Total revenue (JPY 1M) | 150          | 8   | 150                       | 8  |
| Hotel Nikko Alivila              | Occupancy rate         | 62.0%        | 1.8%  | 62.0%                     | 1.8%   |
|                                  | ADR (JPY)              | 19,466       | 1,607   | 19,466                    | 1,607  |
|                                  | RevPAR (JPY)           | 12,064       | 1,319   | 12,064                    | 1,319  |
|                                  | Total revenue (JPY 1M) | 302          | 19  | 302                       | 19   |
| Oriental Hotel Hiroshima         | Occupancy rate         | 59.9%        | -1.0%   | 59.9%                     | -1.0%  |
|                                  | ADR (JPY)              | 7,791        | 164   | 7,791                     | 164  |
|                                  | RevPAR (JPY)           | 4,665        | 25  | 4,665                     | 25   |
|                                  | Total revenue (JPY 1M) | 130          | 0   | 130                       | 0  |
| Five hotels in total             | Total revenue (JPY 1M) | 1,410        | 8   | 1,410                     | 8  |

| Hotel Indicators               |                       | January 2013 | 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) |
|--------------------------------|-----------------------|--------------|---|---------------------------|--|
| <b>Ibis Tokyo Shinjuku (*)</b> | Occupancy rate        | 85.4%        | 9.9%  | 85.4%                     | 9.9%   |
|                                | ADR (JPY)             | 9,000        | 592   | 9,000                     | 592  |
|                                | RevPAR (JPY)          | 7,684        | 1,342   | 7,684                     | 1,342  |
|                                | Total revenue (JPY1M) | 54           | 10  | 54                        | 10   |

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.

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

Kobe Meriken Park Oriental Hotel

The rooms department adopted flexible pricing strategy to capture leisure customers mainly, and the occupancy rate and room sales exceeded that of the same month last year. However, the wedding sales fell below the same month last year due to decreased number of wedding banquets, and the sales of the food and beverage department fell below the same month last year. As a result, the hotel gross sales decreased by approximately JPY17M compared with the same month last year.

Oriental Hotel Tokyo Bay

The strategy to increase ADR was effective and the room sales exceeded that of the same month last year. Though the banquet sales exceeded that of the same month last year, the wedding sales dropped due to decreased number of the wedding banquets, and the sales of the food and beverage department fell below the same month last year. As a result, the hotel gross sales fell below the same month last year by approximately JPY2M.

Namba Oriental Hotel

The room sales department focused on the leisure demands and occupancy rate, ADR and the room sales exceeded that of the same month last year. The hotel gross sales increased by approximately JPY8M compared with the same month last year.

Hotel Nikko Alivila

The strategy to increase ADR during the busy season at the beginning of the year was effective and occupancy rate, ADR and the room sales exceeded those of the same month last year. The banquet sales also exceeded that of the same month last year due to increased number of banquets, thus the sales of the food and beverage department exceeded the same month last year. As a result, the hotel gross sales exceeded that of the same month last year by approximately JPY19M.

Oriental Hotel Hiroshima

The Hotel made efforts to capture the leisure customers and ADR exceeded that of the same month last year. However, the occupancy rate fell below the same month last year and the room sales ended almost the same as that of the same month last year. The sales of the food and beverage department was also the same as that the same month last year, and the hotel gross sales ended the same as that of the same month last year.

### Ibis Tokyo Shinjuku

The rooms department strived to capture the leisure customers by the positive sales activities and both occupancy rate and ADR exceeded those of the same month last year. Therefore, the hotel gross sales exceeded the same month last year by approximately JPY10M.

- 
- (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 (January) 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 (January).
- (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 (January) and the sum of the beginning of the last year to the same month last year.

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