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Announcement of the monthly disclosure for September 2013

With reference to the business performance of the hotels owned by Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) for September 2013, JHR informs you of the monthly sales volume, occupancy rate, ADR and RevPAR of rooms department 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 2013	Fluctuation compared to the same month last year (Note 7)	Cumulative Total (Note 8)	Fluctuation of the annual total compared to last year (Note 9)
Kobe Meriken Park Oriental Hotel	Occupancy rate	84.2%	-2.0%	79.9%	1.4%
	ADR (JPY)	14,389	473	14,099	268
	RevPAR (JPY)	12,114	124	11,265	412
	Total revenue (JPY1M)	435	-5	3,706	-198
Oriental Hotel Tokyo Bay	Occupancy rate	98.2%	0.3%	95.5%	2.3%
	ADR (JPY)	20,733	4,762	19,349	2,446
	RevPAR (JPY)	20,354	4,723	18,476	2,720
	Total revenue (JPY1M)	610	102	5,124	225
Namba Oriental Hotel	Occupancy rate	90.8%	1.8%	91.6%	5.4%
	ADR (JPY)	10,736	1,102	10,557	683
	RevPAR (JPY)	9,747	1,169	9,665	1,162
	Total revenue (JPY1M)	160	9	1,446	79
Hotel Nikko Alivila	Occupancy rate	83.4%	1.9%	80.4%	6.4%
	ADR (JPY)	25,856	873	27,016	-256
	RevPAR (JPY)	21,570	1,195	21,719	1,553
	Total revenue (JPY1M)	463	33	4,313	278
Oriental Hotel Hiroshima	Occupancy rate	82.2%	10.8%	76.0%	5.4%
	ADR (JPY)	8,490	303	8,443	256
	RevPAR (JPY)	6,976	1,135	6,414	640
	Total revenue (JPY1M)	181	4	1,595	80
Total of the five hotels	Total revenue (JPY1M)	1,849	143	16,184	465

Hotel Indicators		September 2013	Fluctuation compared to the same month last year (Note 7)	Cumulative total (Note 8)	Fluctuation of the annual total compared to last year (Note 9)
<b>Ibis Tokyo Shinjuku (*)</b>	Occupancy rate	92.0%	18.5%	92.7%	7.8%
	ADR (JPY)	10,376	1,017	10,074	1,073
	RevPAR (JPY)	9,543	2,665	9,341	1,694
	Total revenue (JPY1M)	66	20	585	116

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 included.

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

Kobe Meriken Park Oriental Hotel

Rooms department attracted leisure customers well with the pricing strategy based on demand and increased ADR. Room sales exceeded the same month last year. Restaurant sales exceeded the same month last year but wedding sales fell below the same month last year due to decrease in number of wedding banquets. Food and beverage sales fell below the same month last year. As a result, the total hotel sales fell below the same month last year by approximately JPY5M.

Oriental Hotel Tokyo Bay

The thirty years anniversary event of Tokyo Disney Resort was continuously effective to attract customers, and the rooms department's strategy to increase ADR was jointly successful. Room sales exceeded the same month last year. Both restaurant sales and wedding sales also exceeded the same month last year and food and beverage sales exceeded the same month last year. As a result, the total hotel sales exceeded the same month last year by approximately JPY102M.

Namba Oriental Hotel

Both domestic leisure customers and inbound travelers have been increasing and booking status was in good shape. Thus, rooms department set higher rate and increased occupancy rate and ADR. Room sales exceeded the same month last year and the total hotel sales exceeded the same month last year by approximately JPY9M.

Hotel Nikko Alivila

The market was favorable and the rooms department implemented pricing strategy based on demand. It increased both occupancy rate and ADR and room sales exceeded the same month last year. Food and beverage sales also exceeded the same month last year and the total hotel sales exceeded the same month last year by approximately JPY33M.

Oriental Hotel Hiroshima

Rooms department focused on domestic leisure customers and increased occupancy rate and ADR. Room sales exceeded the same month last year. While restaurant sales exceeded the same month last year, both wedding sales and general banquet sales fell below the same month last year and food and beverage sales fell below the same month last year. As a result, the total hotel sales exceeded the same month last year by approximately JPY4M.

Ibis Tokyo Shinjuku

In addition to attracting inbound travelers through the operator's booking website, the strategy to increase ADR of the domestic leisure customers was jointly effective. Both occupancy rate and ADR increased, and room sales exceeded the same month last year (The same month last year was affected by the guest room renovation.) As a result, the total hotel sales exceeded the same month last year by approximately JPY20M.

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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, etc. 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 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 above 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 total available rooms for sale for the same period. It is the same as  $ADR \times \text{Occupancy rate}$
- (Note 6) Occupancy rate is rounded off to the first decimal place and the first decimal place is rounded off for ADR and RevPAR. Sales volume is rounded off to the nearest one million yen.
- (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 last 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.