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April 21, 2014

REIT Issuer:

Japan Hotel REIT Investment Corporation (TSE code: 8985)

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Announcement of Monthly Disclosure for March 2014

With reference to the business performance of the hotels owned by Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) for March 2014, 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, etc. and agreed with the monthly disclosure as follows:

<Hotels with variable rent>

Hotel Indicators		March 2014	Fluctuation compared to the same month last year (Note 7)	Cumulative total (Note 8)	Fluctuation of the annual total compared to last year (Note 8)
Kobe Meriken Park Oriental Hotel	Occupancy rate	84.2%	-0.8%	74.2%	-0.6%
	ADR (JPY)	14,582	1,760	13,525	818
	RevPAR (JPY)	12,276	1,380	10,041	536
	Total revenue (JPY 1M)	495	49	1,178	68
Oriental Hotel Tokyo Bay	Occupancy rate	99.4%	0.8%	97.8%	1.9%
	ADR (JPY)	25,459	4,193	19,108	2,474
	RevPAR (JPY)	25,317	4,334	18,679	2,736
	Total revenue (JPY 1M)	765	95	1,733	143
Namba Oriental Hotel	Occupancy rate	91.4%	-3.2%	90.0%	-2.0%
	ADR (JPY)	12,173	1,733	11,450	1,536
	RevPAR (JPY)	11,123	1,248	10,300	1,183
	Total revenue (JPY 1M)	177	11	493	30
Hotel Nikko Alivila	Occupancy rate	78.0%	-6.4%	67.4%	-7.3%
	ADR (JPY)	19,382	-430	17,979	-229
	RevPAR (JPY)	15,117	-1,610	12,122	-1,487
	Total revenue (JPY 1M)	409	-23	951	-83
Oriental Hotel Hiroshima	Occupancy rate	74.9%	-0.8%	70.4%	2.3%
	ADR (JPY)	8,534	62	8,205	94
	RevPAR (JPY)	6,391	-17	5,780	249
	Total revenue (JPY 1M)	235	34	551	69
Total of five hotels	Total revenue (JPY 1M)	2,081	166	4,907	227

<Hotels operated through management contract>

Hotel indicators		March 2014	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)
Ibis Tokyo Shinjuku (*)	Occupancy rate	92.7%	-4.6%	89.5%	-3.3%
	ADR (JPY)	11,428	1,885	11,488	1,829
	RevPAR (JPY)	10,594	1,307	10,282	1,319
	Total revenue (JPY 1M)	76	10	213	28
Ibis Styles Kyoto Station (*)	Occupancy rate	82.6%		73.8%	
	ADR (JPY)	10,021		8,682	
	RevPAR (JPY)	8,282		6,406	
	Total revenue (JPY 1M)	59		134	

Note: The sales volumes of both Ibis Tokyo Shinjuku and Ibis Styles Kyoto Station are the sales volume of the hotel business only, and rent from the non-hotel tenant(s) is not included. The previous operator of Ibis Styles Kyoto Station did not agree with disclosure of numerical figures. Therefore, fluctuation compared to the same month last year and fluctuation of the annual total compared to last year are not available.

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

Kobe Meriken Park Oriental Hotel

In addition to domestic and inbound leisure demand, business demand was also favorable. Rooms department's strategy to increase ADR was successful, and room sales exceeded the same month last year. Wedding sales exceeded the same month last year, and the total food and beverage sales also exceeded the same month last year. As a result, the total hotel sales exceeded the same month last year by approximately JPY49M.

Oriental Hotel Tokyo Bay

Despite completion of thirty year anniversary event* of Tokyo Disney Resort, rooms department was successful in attracting demand without decreasing high unit price during spring vacation season. Room sales exceeded the same month last year. Banquet, wedding and restaurant sales in food and beverage department also exceeded those of the same month last year. As a result, the total hotel sales exceeded the same month last year by approximately JPY95M.

(*The thirty year anniversary event of Tokyo Disney Resort completed in March 20, 2014.)

Namba Oriental Hotel

Domestic leisure demand and inbound demand increased and market was continuously favorable. Rooms department focused on attracting customers who can afford guest room with higher unit price. Room sales exceeded the same month last year, and the total hotel sales exceeded the same month last year by approximately JPY11M.

Hotel Nikko Alivila

Approximately one-third of the entire guest rooms were not available due to closure for renovation by the middle of March, and room sales fell below the same month last year. Meanwhile, both banquet and wedding sales exceeded the same month last year, and the total food and beverage sales exceeded the same month last year. The total hotel sales fell below the same month last year by approximately JPY23M.

Oriental Hotel Hiroshima

Although business demand (e.g., demand from learned society) fell below the same month last year, rooms department strived to attract domestic leisure demand. Room sales are the same as that of the same month last year. Wedding sales exceeded the same month last year, and the total food and beverage sales also exceeded the same month last year. As a result, the total hotel sales exceeded the same month last year by approximately JPY34M.

Ibis Tokyo Shinjuku

In addition to attract inbound travelers through the operator's booking website, the strategy to increase ADR of domestic leisure customers was successful. Room sales exceeded the same month last year. The total hotel sales exceeded the same month last year by approximately JPY10M.

Ibis Styles Kyoto Station

Rooms department strived to attract domestic leisure demand as well as inbound travelers mainly through the operator's booking website. The hotel will continuously aim at maximizing the profit through attracting leisure demand.

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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 during the same period. Ibis Tokyo Shinjuku and Ibis Styles Kyoto Station do not request service charge.
- (Note 5) RevPAR (Revenue Per Available Room): Divide the total room sales during the certain fixed period by the total available rooms for sale during the same period. It is the same as ADR x 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 (March) and the same month last year.
- (Note 8) Cumulative total is the cumulative value from the beginning of the term (January) to the month above (March).
- (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 month above (March) and the sum from the beginning of the last year to the same month last year.