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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:

Junichi Hirayama
Director, Operations Division
TEL : +81-3-6422-0530

Announcement of the monthly disclosure for May 2012

With reference to the business performance of the hotels owned by Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) for May 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		12-May	Year-on-Year (Note 10)	Cumulative Total (Note 8)	Year-on-Year (Note 9)
Kobe Meriken Park Oriental Hotel	Occupancy rate	79.9%	-3.4%	73.8%	4.1%
	ADR (JPY)	14,771	49	13,288	-201
	RevPAR (JPY)	11,799	-464	9,806	409
	Total revenue€ (JPY1M)	459	-73	2,131	-14
Oriental Hotel Tokyo Bay	Occupancy rate	91.3%	37.8%	92.3%	33.8%
	ADR (JPY)	17,433	3,790	16,179	2,623
	RevPAR (JPY)	15,922	8,621	14,930	6,997
	Total revenue€ (JPY1M)	565	172	2,689	851
Namba Oriental Hotel	Occupancy rate	84.7%	-4.3%	84.0%	-0.5%
	ADR (JPY)	10,036	-304	9,744	-424
	RevPAR (JPY)	8,500	-698	8,188	-411
	Total revenue€ (JPY1M)	152	-12	745	-32
Hotel Nikko Alivila	Occupancy rate	57.2%	-9.8%	69.1%	2.3%
	ADR (JPY)	24,846	1,065	19,393	340
	RevPAR (JPY)	14,222	-1,727	13,399	665
	Total revenue€ (JPY1M)	335	-45	1,702	94
Oriental Hotel Hiroshima	Occupancy rate	70.5%	5.5%	67.0%	7.6%
	ADR (JPY)	8,400	-401	8,088	-531
	RevPAR (JPY)	5,924	197	5,422	295
	Total revenue€ (JPY1M)	145	-27	818	52
Total of the five hotels	Total revenue€ (JPY1M)	1,655	15	8,085	951

Hotel Indicators		12-May	Year-on-Year (Note 10)	Cummulative Total (Note 8)	Year-on-Year (Note 9)
Ibis Tokyo Shinjuku	Occupancy rate	90.1%	1.0%		
	ADR (JPY)	8,557	-669		
	RevPAR (JPY)	7,712	-508		
	Total revenue (JPY 1M)	53	-2		

Note: The sales volume of the Ibis Tokyo Shinjuku is the sales volume of the hotel business only and the rent from the non-hotel tenants 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 year-on-year are not available.

Comments from Japan Hotel REIT Advisors Co., Ltd. (Asset Management Company)
concerning the Actual of May

Kobe Meriken Park Oriental Hotel

In order to cover the lost school-excursion demands occurred by the Great East Japan Earthquake last year, (hereinafter called “the earthquake”), Kobe Meriken Park Oriental Hotel focused on the domestic demands centering on the leisure customers. However, the occupancy rate did not reach the level of the same month last year and the sales ended lower than that of the same month last year. With reference to the food and beverage department, the number of weddings was lower than that of the same month last year thus the total departmental sales also ended lower than that of the same month last year. As a result, the total hotel sales fell below the same month last year by approximately JPY73M.

Oriental Hotel Tokyo Bay

Because of the recovery from the earthquake last year, the sales of the rooms department and the food and beverage department exceeded the same month last year. Consequently, the total hotel sales exceeded by approximately JPY172M compared with the same month last year.

Namba Oriental Hotel

In order to cover the vacancy brought by the normalized rooms demand (Namba Oriental Hotel enjoyed the high occupancy last year because of the earthquake evacuation needs.), Namba Oriental Hotel focused on both the leisure customers and inbound. However, both the occupancy rate and ADR did not reach the level of the same month last year. Moreover, the rent of non-hotel tenant was reduced and the total hotel sales fell below the same month last year by approximately JPY12M.

Hotel Nikko Alivila

The number of those who came to Okinawa islands exceeded the same month last year and the Hotel Nikko Alivila strategically increased ADR. However, the occupancy rate eventually fell below the same month last year and the sales did not reach the level of the same month last year. The declined occupancy rate affected the restaurant sales and the restaurant sales fell below the same month last year. Accordingly, the departmental 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 JPY45M.

Oriental Hotel Hiroshima

The occupancy rate exceeded the same month last year due to the impact of the earthquake last year and the efforts to expand the customer channels with focus on the leisure customers this year while ADR decreased.

Consequently, the sales of the rooms department exceeded the same month last year. However, the number of the weddings did not reach the level of the same month last year thus the total sales of the food and beverage department fell below the same month last year. As a result, the total hotel sales fell below the same month last year by approximately JPY27M.

Ibis Tokyo Shinjuku

Because of the specific seasonal factor, May is a difficult month for the rooms department to attract customers every year. Therefore, Ibis Tokyo Shinjuku decreased ADR and appealed to the foreign leisure customers with mainly the hotel website for booking. The hotel efforts were rewarded by increased occupancy rate compared with the previous month but the total hotel sales remained the same as that of the previous month.

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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 No. 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) Year-on-year figures are fluctuation between the month (May) 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 (May).
- (Note 9) Year-on-year figures of cumulative total are the fluctuation between the sum from the beginning of the term (January) to the subject month above (May) and the sum of the begging of the last year to the same month last year.
- (Note 10) Month-to-month figures are fluctuation between the subject month (May) and the previous month.

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