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Notice Concerning Renovation of the Entire Building for Ibis Tokyo Shinjuku

This is to inform you that Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) has renovated the operating asset, Ibis Tokyo Shinjuku (hereinafter called “Hotel”), in due order as below, and the services have been offered in the renovated property.

1. Construction summary

Hotel Location	10-5, 7-chome, Nishi-Shinjuku, Shinjuku-ku, Tokyo	
Construction detail	<p>One hundred four guest rooms in total at four guest room floors (3<sup>rd</sup> floor, 5<sup>th</sup> floor, 6<sup>th</sup> floor, and 9<sup>th</sup> floor)(*).</p> <p>Café bar and the lobby floor (2<sup>nd</sup> floor)</p> <p>Hotel signs on the outer wall.</p> <p>JHR intended to create a bright atmosphere and improve pleasantness by renewing the obsolete fixtures and equipment deteriorated over time.</p>	
<Guest room> (Twin type)	<p>Before renovation</p> 	<p>After renovation</p> 

<Café bar>	<p>Before renovation</p> 	<p>After renovation</p> 
<Lobby>	<p>Before renovation</p> 	<p>After renovation</p> 
<Outside appearance>	<p>Before renovation</p> 	<p>After renovation</p> 

Target areas for renovation	Guest rooms and corridors of guest room floors (3 <sup>rd</sup> floor, 5 <sup>th</sup> floor, 6 <sup>th</sup> floor, and 9 <sup>th</sup> floor), café bar and lobby floor, and the hotel signs on the outer wall
Renovation cost in total	Approximately JPY227M
Start of Renovation	July 17, 2012
Date to offer services	October 5, 2012 (Café bar and lobby floor) December 18, 2012 (Guest rooms and corridors)

(\*) Four guest room floors renovated this time are the floors that had not been renovated by the former tenant. In order for the consistent design and quality, the fixtures such as beds and chairs at the guest room floors have all been replaced.

## 2. Renovation purpose and reason

JHR has rebranded this hotel to “ibis” which is one of Accor brand categories on November 1, 2011, and strengthened to capture the customers through the operational know-how and the network of Accor. Taking advantage of this renovation opportunity, JHR has renewed all obsolete equipment to differentiate the hotel from the competitors and strengthen the sales further to improve the hotel’s earning capacity.

## 3. Outlook going forward

The renovation impact has already been inclusive in the operating forecast announced for FY12/2012 (April 1, 2012 through December 31, 2012) and FY12/2013 (January 1, 2013 through December 31, 2013). Therefore, no change is required.

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