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Announcement of the monthly disclosure for June 2012

With reference to the business performance of the hotels owned by Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) for June 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		June 2012	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	78.4%	2.4%	74.6%	3.8%
	ADR (JPY)	12,695	305	13,185	-108
	RevPAR (JPY)	9,956	536	9,831	429
	Total revenue (JPY 1M)	413	12	2,544	-2
Oriental Hotel Tokyo Bay	Occupancy rate	93.2%	25.0%	92.4%	32.3%
	ADR (JPY)	14,071	2,542	15,829	2,654
	RevPAR (JPY)	13,109	5,254	14,629	6,710
	Total revenue (JPY 1M)	532	150	3,221	1,001
Namba Oriental Hotel	Occupancy rate	82.5%	-11.0%	83.8%	-2.3%
	ADR (JPY)	8,995	-1,175	9,622	-546
	RevPAR (JPY)	7,424	-2,089	8,062	-688
	Total revenue (JPY 1M)	140	-23	885	-55
Hotel Nikko Alivila	Occupancy rate	66.8%	0.2%	68.7%	1.9%
	ADR (JPY)	20,292	2,577	19,537	705
	RevPAR (JPY)	13,545	1,764	13,423	847
	Total revenue (JPY 1M)	339	36	2,041	130
Oriental Hotel Hiroshima	Occupancy rate	68.3%	8.2%	67.2%	7.7%
	ADR (JPY)	7,748	122	8,031	-422
	RevPAR (JPY)	5,288	707	5,400	363
	Total revenue (JPY 1M)	171	32	989	84
Total of the five hotels		1,594	207	9,679	1,158

Hotel Indicators		June 2012	Fluctuation compared to previous month (Note 10)	Cumulative Total (Note 8)	Fluctuation of the annual total compared to previous year (Note 9)
Ibis Tokyo Shinjuku	Occupancy rate	91.4%	1.3%		
	ADR (JPY)	8,315	-242		
	RevPAR (JPY)	7,597	-115		
	Total revenue (JPY 1M)	51	-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 tenant(s) 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 the fluctuation of the annual total compared to the previous year are not available.

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

Kobe Meriken Park Oriental Hotel

In order to cover the lost school-excursion demands caused by the Great East Japan Earthquake (hereinafter called “the earthquake”) last year, the rooms department devoted efforts to capture the domestic demands centering on the leisure customers. Both occupancy rate and ADR exceeded the same month last year and the room sales also exceeded the same month last year. However, the unit price of the wedding fell below the same month last year thus the overall sales of the food and beverage department fell below the same month last year. As a result, the total hotel sales exceeded by approximately JPY12M compared with the same month last year.

Oriental Hotel Tokyo Bay

In association with the recovery from the earthquake last year, the sales of both the rooms department and the food and beverage department exceeded the same month last year. The total hotel sales exceeded by approximately JPY150M 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.), the rooms department focused on the leisure customers and inbound. However, both occupancy rate and ADR did not reach the level of the same month last year. Moreover, the rent of the non-hotel tenant was reduced and the total hotel sales fell below by approximately JPY23M compared with the same month last year.

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. The occupancy rate was almost the same as that of the same month last year but the hotel sales exceeded the same month last year as a consequence of increased ADR. Furthermore, the number of wedding the hotel handled exceeded the same month last year thus the sales of the food and beverage department exceeded the same month last year. The total hotel sales exceeded by approximately JPY36M compared with the same month last year.

Oriental Hotel Hiroshima

Because of the earthquake impact of last year and the hotel’s efforts to attract customers centering on the leisure customers with expanded sales channels, both occupancy rate and ADR exceeded the same month last

year, and the sales of the rooms department exceeded the same month last year. The food and beverage department also enjoyed higher departmental sales in comparison with the same month last year because of the number of weddings that exceeded the same month last year. The total hotel sales exceeded by approximately JPY32M compared with the same month last year.

Ibis Tokyo Shinjuku

The rooms department has experienced difficulty in attracting customers on June every year because of the seasonal aspect. Therefore, the hotel lowered ADR and made effort to catch foreign leisure customers mainly with the hotel website. The hotel efforts were rewarded by increased occupancy rate compared with the previous month but the total hotel sales decreased by approximately JPY2M from 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 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 (June) 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 (June).
- (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 (June) and the sum of the beginning of the last year to the same month last year.
- (Note 10) Fluctuation compared to previous month is the fluctuation between the subject month (June) and the previous month.

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