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REIT Issuer:

Japan Hotel REIT Investment Corporation (TSE code: 8985)

Kaname Masuda, Executive Director

Asset Management Company:

Japan Hotel REIT Advisors Co., Ltd.

Hisashi Furukawa, President & CEO

Contact:

Makoto Hanamura

Executive Director,

Head of Planning Group, Operations Division

TEL: +81-3-6422-0530

Announcement of Monthly Disclosure for October 2020

With respect to the business performance of the hotels owned by Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) for October 2020, JHR informs you of the monthly sales, occupancy rates, ADR, and RevPAR of rooms department of the 24 Hotels with Variable Rent, etc.(Note 1) as below. For each hotel’s track record of hotel operations, please check JHR’s website (Note 2).

JHR continues to announce monthly disclosure of hotels from which JHR receives variable rent or income from management contracts and whose lessees, etc. have agreed with the monthly disclosure.

Hotel / Indicators		October	Fluctuation compared with the same month last year (Note 9)	Change in fluctuation compared with the same month last year	Cumulative total (Note 10)	Fluctuation of the cumulative total compared with last year (Note 11)	Change in fluctuation of the cumulative total compared with last year
Total of the 24 Hotels with Variable Rent, etc.	Occupancy rate	46.5%	(40.5)%	(46.5)%	34.7%	(51.1)%	(59.5)%
	ADR (JPY)	12,587	(3,902)	(23.7)%	13,263	(3,348)	(20.2)%
	RevPAR (JPY)	5,855	(8,496)	(59.2)%	4,607	(9,654)	(67.7)%
	Sales (JPY 1M)	2,619	(2,559)	(49.4)%	18,809	(30,571)	(61.9)%
The 14 HMJ Hotels	Occupancy rate	44.5%	(43.8)%	(49.6)%	32.7%	(53.8)%	(62.2)%
	ADR (JPY)	15,706	(3,016)	(16.1)%	15,944	(2,814)	(15.0)%
	RevPAR (JPY)	6,996	(9,552)	(57.7)%	5,219	(11,011)	(67.8)%
	Sales (JPY 1M)	2,380	(2,109)	(47.0)%	16,361	(25,883)	(61.3)%

<Special Items>

With regard to the hotels owned by JHR, RevPAR of the total of the 24 Hotels with Variable Rent, etc. for October declined by 59.2% from the same month last year, and further improved from September due to the impact of the inclusion of Tokyo in the “Go to Travel” campaign and other factors.

As of today, RevPAR of the total of the 24 Hotels with Variable Rent, etc. for November is expected to decline by around 50% compared to the same month last year. Although the number of new infections of COVID-19 is currently on the rise again, the level of RevPAR has been improving.

Under such circumstances, each hotel is implementing proactive sales measures including productions of attractive special plans and high-value-added products that take advantage of the characteristic of the hotel as well as response to the new demand, such as staycation or “workation,”etc. Furthermore, each hotel continues to strive to give consideration to health of guests and employees, working to manage hygiene environment and conducting

operations while thoroughly implementing cost management.

*As of today, the following hotels of the 24 Hotels with Variable Rent, etc. are temporarily closed, or going to be temporarily closed.

Namba Oriental Hotel	: July 6, 2020 till December 14, 2020
Hotel Oriental Express Osaka Shinsaibashi	: April 20, 2020 till for the time being
Holiday Inn Osaka Namba	: December 6, 2020 till for the time being

* the b ikebukuro has been accepting COVID-19 patients with mild or no symptoms since July 14, 2020.

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- (Note 1) The 24 Hotels with Variable Rent, etc. refers to 24 hotels, which are The 14 HMJ Hotels plus ibis Tokyo Shinjuku, ibis Styles Kyoto Station, ibis Styles Sapporo, Mercure Sapporo, Mercure Okinawa Naha, Mercure Yokosuka, the b ikebukuro, the b hachioji, the b hakata and the b suidobashi. The 14 HMJ Hotels refers to 14 hotels, which are Kobe Meriken Park Oriental Hotel, Oriental Hotel Tokyo Bay, Namba Oriental Hotel, Hotel Nikko Alivila, Oriental Hotel Hiroshima, Okinawa Marriott Resort & Spa, ACTIVE-INTER CITY HIROSHIMA (Sheraton Grand Hiroshima Hotel), Oriental Hotel Fukuoka Hakata Station, Holiday Inn Osaka Namba, Hilton Tokyo Narita Airport, International Garden Hotel Narita, Hotel Nikko Nara, Hotel Oriental Express Osaka Shinsaibashi and Hilton Tokyo Odaiba. From July 2020, the total of The 14 HMJ Hotels, including all hotels operated by HMJ and its subsidiaries, and The 24 Hotels with Variable Rent, etc. is disclosed.
- (Note 2) Please check JHR's website below for each hotel's track record of hotel operations.
<https://www.jhrth.co.jp/en/portfolio/review.html>
- (Note 3) The numbers and comments above have been prepared based on information the asset management company had obtained from the lessees, etc. and are only provided as a reference of general trends.
- (Note 4) Numbers for each month and numbers and information shown in the comments have not been audited nor been the subject of the independent verification of the asset management company. Therefore, no guarantee is made as to the accuracy or completeness of the numbers and information. Also, the sales for each month and sum total of each month may be different from total sales for the six-month or full year stated in the annual securities report, etc. to be submitted later.
- (Note 5) Occupancy rate: The number of rooms sold during the period is divided by the number of rooms available during the same period.
- (Note 6) ADR (Average Daily Rate): Total rooms revenue for a certain period (excluding service charges) is divided by the total number of rooms sold during the period.
- (Note 7) RevPAR (Revenue Per Available Room): Total rooms revenue for a certain period (excluding service charges) is divided by the total number of available rooms during the period.
- (Note 8) Occupancy rate is rounded off to the first decimal place. ADR and RevPAR are rounded off to the nearest whole number. Sales are rounded off to the nearest million yen.
- (Note 9) Fluctuation compared with the same month last year means the fluctuation between the concerned month (October) and the same month last year.
- (Note 10) Cumulative total is the cumulative total from the beginning of the period (January) to the concerned month (October).
- (Note 11) Fluctuation of cumulative total compared with last year means the fluctuation between the cumulative total from the beginning of the period (January) to the concerned month (October) and the cumulative total from the beginning of the period last year (January) to the same concerned month (October) last year.
- (Note 12) Sales are only from hotels and exclude rent from non-hotel tenants.

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