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Announcement of Monthly Disclosure for July 2021

With respect to the business performance of the hotels owned by Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) for July 2021, 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		July	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	【Reference】	
								Change in fluctuation compared with the same month two years ago (Note 12)	Change in fluctuation of the cumulative total compared with two years ago (Note 12)
Total of the 24 Hotels with Variable Rent, etc.	Occupancy rate	42.3%	16.2%	61.8%	32.3%	(0.5)%	(1.5)%	(51.6)%	(62.2)%
	ADR (JPY)	16,258	3,019	22.8%	11,882	(1,465)	(11.0)%	(10.1)%	(26.0)%
	RevPAR (JPY)	6,879	3,418	98.7%	3,840	(540)	(12.3)%	(56.5)%	(72.0)%
	Sales (JPY 1M)	2,583	1,041	67.5%	12,061	(199)	(1.6)%	(51.2)%	(64.0)%
The 14 HMJ Hotels	Occupancy rate	40.2%	18.1%	81.9%	29.5%	(2.0)%	(6.3)%	(54.9)%	(65.6)%
	ADR (JPY)	20,787	2,882	16.1%	14,586	(909)	(5.9)%	1.8%	(19.0)%
	RevPAR (JPY)	8,350	4,396	111.2%	4,310	(576)	(11.8)%	(54.0)%	(72.1)%
	Sales (JPY 1M)	2,334	976	71.8%	10,648	122	1.2%	(48.4)%	(62.7)%

*As the impact of COVID-19 has been significant since February 2020, the change in fluctuation compared with two years ago (2019) is also stated.

<Special Items>

With regard to the hotels owned by JHR, RevPAR of the total of the 24 Hotels with Variable Rent, etc. for July 2021 decreased by 56.5% from the same month of 2019, but improved from June 2021 (down by 75.9% from the same month of 2019) because of the demand related to the Tokyo Olympics in some hotels, despite the impact of the state of emergency and the stricter measures to prevent the spread of the virus.

In August 2021, the occupancy rate is expected to be maintained at the same level as in July due to demand related to the Tokyo Olympics and other factors, although the areas subject to the state of emergency and other measures are expanding. On the other hand, RevPAR in August 2021 is currently expected to decline by more than 65% from the same month of 2019 due to a decline in leisure demand with high unit prices, particularly in the Okinawa area by the impact of the state of emergency, etc..

Under such circumstances, each hotel continues to strive to give consideration to health of guests and employees and working to manage hygiene environment and conducting operations while thoroughly implementing cost

management. In addition, each hotel is working to secure sales by taking measures aimed at capturing demand for the near term and leisure demand in summer, such as developing value-added products and price-conscious products that meet market conditions.

*As of today, the following hotel of the 24 Hotels with Variable Rent, etc. is temporarily closed.
Hotel Oriental Express Osaka Shinsaibashi : April 20, 2020 till for the time being

* the b ikebukuro (since July 14, 2020), Holiday Inn Osaka Namba (since August 17, 2021) and one other hotel (Note 14) have been accepting COVID-19 patients with mild or no symptoms.

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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.
- (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 (July) 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 (July).
- (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 (July) and the cumulative total from the beginning of the period last year (January) to the same concerned month (July) last year.
- (Note 12) The change in fluctuation compared with two years ago means the fluctuation between the concerned month (July) and the same month two years ago (2019. The same shall apply hereinafter.). The change in fluctuation of the cumulative total compared with two years ago means the fluctuation between the cumulative total from the beginning of the period (January) to the concerned month (July) this year and the same period two years ago.
- (Note 13) Sales are only from hotels and exclude rent from non-hotel tenants.
- (Note 14) The hotel name is not disclosed because the approval of the related person has not been obtained.

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