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REIT Issuer:

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Announcement of Monthly Disclosure for December 2022

With respect to the business performance of the hotels owned by Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) for December 2022, JHR informs you of the monthly sales, occupancy rates, ADR, and RevPAR of rooms department of the 25 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	December	Fluctuation compared with the same month of 2021 (Note 9)	Change in fluctuation compared with the same month of 2021	Cumulative total (Note 10)	Fluctuation of the cumulative total compared with 2021 (Note 11)	Change in fluctuation of the cumulative total compared with 2021	[Reference]		
							Change in fluctuation compared with same month of 2019 (Note 12)	Change in fluctuation of the cumulative total compared with 2019 (Note 12)	
Total of the 25 Hotels with Variable Rent, etc.	Occupancy rate	80.6%	18.2%	29.2%	65.1%	25.9%	66.1%	(5.2%)	(24.7%)
	ADR (JPY)	16,191	3,641	29.0%	13,255	1,630	14.0%	3.9%	(18.8%)
	RevPAR (JPY)	13,052	5,220	66.7%	8,623	4,070	89.4%	(1.6%)	(38.9%)
	Sales (JPY1M)	5,289	2,171	69.6%	39,100	15,021	62.4%	0.6%	(36.4%)
The 16 HMJ Hotels	Occupancy rate	79.5%	16.4%	26.1%	64.1%	26.9%	72.4%	(6.7%)	(26.4%)
	ADR (JPY)	18,572	4,266	29.8%	15,121	1,584	11.7%	6.5%	(16.3%)
	RevPAR (JPY)	14,767	5,745	63.7%	9,694	4,660	92.5%	(0.6%)	(38.5%)
	Sales (JPY1M)	4,746	1,926	68.3%	34,752	13,183	61.1%	2.3%	(35.6%)

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

<Special Items>

With regard to the hotels owned by JHR, RevPAR of the total of the 25 Hotels with Variable Rent, etc. for December 2022 continued its recovery from last month to 98.4% of the RevPAR in the same month of 2019 month. This is due to clear recovery trend of both international and domestic demand including significant increase in inbound travelers to 1.5 times as many as last month, especially driven by those from South Korea and the U.S., in addition to increase in domestic leisure demand backed by national travel support.

Although the pace of recovery in RevPAR in January 2023 is expected to slow down temporarily due to the temporary suspension of national travel support during the year-end and New Year holiday period, full-fledged recovery in inbound travel is expected, in addition to a full recovery in the domestic market in 2023. Under such circumstances, we will work with operators of each hotel to maximize sales by creating attractive products that fully utilize the characteristics of the properties we own, providing added value, and effective marketing measures. In the meantime we will continue to strive for cost management and streamlining operation in order to achieve continuous recovery and growth of hotel performance.

\* the b ikebukuro (since July 14, 2020) and one other hotel (Note 14) have been accepting COVID-19 patients with mild or no symptoms.

- (Note 1) The 25 Hotels with Variable Rent, etc. refers to 25 hotels, which are The 16 HMJ Hotels plus 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 16 HMJ Hotels refers to 16- hotels, which are Kobe Meriken Park Oriental Hotel, Oriental Hotel tokyo bay, Namba Oriental Hotel, Hotel Nikko Alivila, Oriental Hotel Hiroshima, Oriental Hotel Okinawa Resort & Spa (former 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, Hilton Tokyo Odaiba, Hotel Oriental Express Fukuoka Tenjin and Oriental Hotel Universal City. Ibis Tokyo Shinjuku (transferred in December 2021) was excluded from 24 Hotels with Variable Rent, etc. which was subject to our disclosure in FY2021 and Hotel Oriental Express Fukuoka Tenjin and Oriental Hotel Universal City were added to our disclosure in FY2022.
- (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 of 2021 means the fluctuation between the month subject to disclosure in this notice and the same month of 2021.
- (Note 10) Cumulative total is the cumulative total from the beginning of the fiscal year (January) to the month subject to disclosure in this notice.
- (Note 11) Fluctuation of cumulative total compared with 2021 means the fluctuation between the cumulative total from the beginning of the fiscal year (January) to the month subject to disclosure in this notice and the cumulative total from the beginning of 2021 (January) to the same month in 2021.
- (Note 12) The change in fluctuation compared with 2019 means the fluctuation between the month subject to disclosure in this notice and the same month in 2019. The change in fluctuation of the cumulative total compared with 2019 means the fluctuation between the cumulative total from the beginning of the fiscal year (January) to the month subject to disclosure in this notice and the same period of 2019.
- (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/>