

This English translation is provided for information purposes only. If any discrepancy is identified between this translation and the Japanese original, the Japanese original shall prevail.

April 25, 2023

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 and CEO

Contact:

Makoto Hanamura
Director of the Board, Managing Director
Head of Finance and Planning Division
TEL: +81-3-6422-0530

Announcement of Monthly Disclosure for March 2023

With respect to the business performance of the hotels owned by Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) for March 2023, 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.

		March	Fluctuation compared with the same month of 2022 (Note 9)	Change in fluctuation compared with the same month of 2022	Cumulative total (Note 10)	Fluctuation of the cumulative total compared with 2022 (Note 11)	Change in fluctuation of the cumulative total compared with 2022	【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	82.6%	27.4%	49.8%	73.9%	25.5%	52.6%	(3.9%)	(11.1%)
	ADR (JPY)	17,917	6,693	59.6%	15,966	5,415	51.3%	9.9%	5.5%
	RevPAR (JPY)	14,795	8,607	139.1%	11,794	6,686	130.9%	5.6%	(6.1%)
	Sales (JPY1M)	5,093	2,585	103.1%	12,188	6,181	102.9%	(1.4%)	(11.1%)
The 16 HMJ Hotels	Occupancy rate	82.0%	27.7%	51.1%	72.8%	25.2%	52.9%	(5.5%)	(11.7%)
	ADR (JPY)	20,695	7,872	61.4%	18,122	6,290	53.2%	13.0%	8.9%
	RevPAR (JPY)	16,965	10,007	143.8%	13,191	7,560	134.3%	6.9%	(3.8%)
	Sales (JPY1M)	4,530	2,285	101.8%	10,682	5,381	101.5%	(0.7%)	(9.9%)

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

<Special Items>

The number of inbound visitors in March 2023 achieved a 9.2 pt increase from the previous month and a 34.2% decrease from the same month in 2019, led by steady recovery trend of inbound visitors from the U.S. and other regions, while the inbound visitors from China decreased by 89.0% from the same month in 2019. On the other hand, domestic accommodation demand remained strong due to the national travel subsidy program, spring vacation, etc. As a result, RevPAR for the total of the 25 Hotels with Variable Rent, etc. owned by JHR in March in 2023 increased by 5.6% from RevPAR for the same month in 2019.

Under such circumstances, we are working with operators of each hotel to achieve continuous recovery and growth of hotel performance through creating attractive products that fully utilize the characteristics of the properties we own, providing added value, effective marketing measures and expansion of channel for sales to attract domestic and inbound demand in the future in addition to continuing effort for cost management and operational streamlining.

the b ikebukuro, which had been accepting COVID-19 patients since July 2020, finished accepting new patients at

the end of March 2023 and resumed hotel operations on April 1, 2023.

* One hotel (Note 14) has 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, 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.
- (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 2022 means the fluctuation between the month subject to disclosure in this notice and the same month of 2022.
- (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 2022 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 2022 (January) to the same month in 2022.
- (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/>