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Japan Hotel REIT Investment Corporation (TSE code: 8985)

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Announcement of the monthly disclosure for December 2012

With reference to the business performance of the hotels owned by Japan Hotel REIT Investment Corporation (hereinafter called “JHR”) for December 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		December 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	84.6%	2.7%	80.0%	3.6%
	ADR (JPY)	17,964	366	14,326	-319
	RevPAR (JPY)	15,199	792	11,464	266
	Total revenue (JPY1M)	526	19	5,466	-88
Oriental Hotel Tokyo Bay	Occupancy rate	96.0%	-3.1%	94.0%	15.3%
	ADR (JPY)	20,467	1,369	17,469	1,528
	RevPAR (JPY)	19,649	727	16,425	3,882
	Total revenue (JPY1M)	649	-9	6,762	1,014
Namba Oriental Hotel	Occupancy rate	89.3%	2.5%	87.6%	0.3%
	ADR (JPY)	11,138	360	10,049	-201
	RevPAR (JPY)	9,947	589	8,805	-144
	Total revenue (JPY1M)	170	-6	1,858	-51
Hotel Nikko Alivila	Occupancy rate	53.9%	-1.1%	73.4%	0.2%
	ADR (JPY)	22,336	-719	25,030	96
	RevPAR (JPY)	12,034	-631	18,364	121
	Total revenue (JPY1M)	312	-14	5,088	15
Oriental Hotel Hiroshima	Occupancy rate	76.7%	0.5%	72.2%	5.1%
	ADR (JPY)	8,448	120	8,255	-224
	RevPAR (JPY)	6,478	136	5,959	267
	Total revenue (JPY1M)	218	8	2,137	198
Total of the five hotels	Total revenue (JPY1M)	1,874	-1	21,312	1,088

Hotel Indicators		December 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)
Ibis Tokyo Shinjuku (*)	Occupancy rate	80.8%	0.1%	83.5%	
	ADR (JPY)	9,792	707	9,154	
	RevPAR (JPY)	7,907	572	7,641	
	Total revenue (JPY1M)	56	4	629	

Note: The sales volume of Ibis Tokyo Shinjuku is the sales volume of the hotel business only and the rent from the non-hotel tenant(s) is not inclusive. "Fluctuation of the annual total compared to previous year" is not available, as the former lessee does not agree on disclosing the sales data.

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

Kobe Meriken Park Oriental Hotel

The rooms department made efforts to capture not only the domestic demands with focus on the leisure customers but events demands. Both occupancy and ADR exceeded those of the same month in the previous year, and the sales of the rooms department exceeded that of the same month in the previous year. Both restaurant sales and the wedding sales also exceeded those of the same month in the previous year by increased occupancy and improved number of weddings. Thus, the sales of the food and beverage department exceeded the result of the same month in the previous year, and the total hotel sales exceeded the result of the same month in the previous year by approximately JPY19M.

Oriental Hotel Tokyo Bay

The strategy to increase ADR was effective and the sales of the rooms department exceeded that of the same month in the previous year. However, the wedding sales fell below the same month in the previous year and the total sales of the food and beverage department fell below the same month in the previous year. The total hotel sales fell below the same month in the previous year by approximately JPY9M.

Namba Oriental Hotel

The rooms department focused on capturing the leisure customers, and both occupancy and ADR exceeded those of the same month in the previous year. However, the total hotel sales were lower than that of the same month in the previous year by approximately JPY6M. This is because the hotel had received the extraordinary compensation (approximately JPY12M) in the same month in the previous year to cover the operating loss caused by the earthquake.

Hotel Nikko Alivila

Though the rooms department strived for selling the price-appealing products to capture customers, both occupancy and ADR did not reach the levels of the same month in the previous year, and the sales of the rooms department fell below the same month in the previous year. The wedding sales exceeded that of the same month in the previous year, whereas the restaurant sales were lower than that of the same month in the previous year. The sales of the food and beverage department fell below the same month in the previous year, and the total hotel sales fell below the same month in the previous year by approximately JPY14M.

Oriental Hotel Hiroshima

The rooms department made efforts to mainly capture the leisure customers and both occupancy and ADR exceeded the same month in the previous year. The sales of the rooms department exceeded that of the same month in the previous year. The wedding sales also exceeded that of the same month in the previous year thus the total sales of the food and beverage department also exceeded the same month in the previous year. The total hotel sales exceeded the result of the same month in the previous year by approximately JPY8M.

Ibis Tokyo Shinjuku

The renovation has completed and the rooms department strived for responding the demands of leisure customers through positive sales activities. ADR exceeded that of the same month in the previous year, and the total hotel sales exceeded the result of the same month in the previous year by approximately JPY4M.

- (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 be noted 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 (December) 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 (December).
- (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 (December) and the sum of the beginning of the last year to the same month last year.

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