

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.

June 10, 2016

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, Representative Director and President

Contact:

Makoto Hanamura
General Manager
Investor Relations Department, Operations Division
TEL: +81-3-6422-0530

Notice Concerning Change in Name of Investment Asset
(ACTIVE-INTER CITY HIROSHIMA (Sheraton Hiroshima Hotel))

Japan Hotel REIT Investment Corporation (hereinafter called the “JHR”) informs you that it has decided to change the name of its investment asset as follows.

1. Summary of Change

Date of change	June 10, 2016
New name	ACTIVE-INTER CITY HIROSHIMA (Sheraton <u>Grand</u> Hiroshima Hotel)
Old name	ACTIVE-INTER CITY HIROSHIMA (Sheraton Hiroshima Hotel)

* The underlined word is added.

2. Rationale for Name Change

The lessee of the hotel, K.K. A.I.C Hiroshima Management (hereinafter called the “Lessee”) changed the name of Sheraton Hiroshima Hotel (hereinafter called the “Hotel”) to Sheraton Grand Hiroshima Hotel on June 10, 2016. JHR will accordingly change the name of the investment asset.

3. Background of Name Change

The Hotel is a full-service hotel carrying the name Sheraton, which is a brand under Starwood Hotels and Resorts Worldwide, Inc. (hereinafter called the “Starwood”), one of the world’s leading international hotel chains. In August 2015, Starwood announced its brand strategy that it will launch Sheraton Grand, a new premier-tier brand of Sheraton hotels. It said that it will grant certain hotels, out of about 450 Sheraton hotels around the world which meet the criteria from infrastructural and operational aspects, to use the name “Sheraton Grand.” It aims to change over 100 hotels worldwide to Sheraton Grand by 2017.

Since the Hotel meets the standards set by Starwood, the Lessee will change the name (hereinafter called the “change in the name”) to a new premier-tier brand category “Sheraton Grand” and conduct active sales promotions by targeting higher-end guests and aim to further improve medium- and long-term revenue.

With the change in the name, JHR also expects the Hotel to maintain and improve its competitiveness and earning capacity in the medium- and long-term.

The change in the name will not incur any additional capital expenditures and other expenses. There is also no change in terms and conditions of leasing and management.



4. Future Prospects

The impact of the change in the name is subtle, and no change is required for the operating forecast for the fiscal year ending December 2016 (January 1, 2016 through December 31, 2016).

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

* Website of Sheraton Grand Hiroshima Hotel: <http://www.starwoodhotels.com/sheraton/>