



MORI
TRUST HOTEL REIT

MORI TRUST Hotel Reit, Inc. (Securities Code : 3478)

6th Fiscal Period Operating Results & Presentation
(September 1, 2018 – February 28, 2019)

Asset Management Company
MORI TRUST Asset Management Co., LTD.

Table of Contents

■ Summary of Operating Results for 6th FP Ended February 2019

Operational Highlights	3
Summary of the 6th FP Results	4
6th FP Operating Results by Property (Year-on-Year Comparison)	5
6th FP Operating Results by Property (Period-on-Period Comparison)	6
Performance of Courtyard by Marriott Tokyo Station	7
Performance of Courtyard by Marriott Shin-Osaka Station	8
Appraisal Value of Properties (End of 6th FP)	9
7th FP Results Forecast (1-Mar-2019 to 31-Aug-2019)	10
Financial Operations	11
Growth Strategy	12
Major Hotels Developed, Held and/or Operated by Mori Trust Group	13
Major Hotel Development Projects Underway by Mori Trust Group	14

■ Market Conditions

Number of Foreign Visitors to Japan	16
Global Travel Trends	17

■ Profile of MORI TRUST Hotel REIT

Features of MORI TRUST Hotel REIT	19
Basic Philosophy and Investment Policy	20
Portfolio Development Policy	21
List of Portfolio Properties	22
Rent Types of Portfolio Properties	23
ESG Initiatives (1)	24
ESG Initiatives (2)	25

■ APPENDIX

Overview of Portfolio Properties	27
Development Capabilities of Mori Trust Group	31
Hotel Operation and Management Capabilities of Mori Trust Group	32
Balance Sheets and Statements of Income (6th FP)	33
Revenues and Expenses by Property (6th FP)	34
List of Interest-Bearing Debt (End of 6th FP)	35
Status of Unitholders (End of 6th FP)	36
Overview of Mori Trust Hotel REIT and the Asset Management Company	37
Management Structure of Mori Trust Hotel REIT, Inc.	38
Disclaimer / Inquiries	39

Summary of Operating Results for 6th FP Ended February 2019

Distribution per unit

Results for the 6th FP
ended February 2019
3,090 yen
(+102 yen from forecast)

Operating revenues	2,322 mn yen (+36 mn yen from forecast)
Real estate rental income	1,775 mn yen (+44 mn yen from forecast)
NOI	2,088 mn yen (+44 mn yen from forecast)
Net income	1,544 mn yen (+50 mn yen from forecast)

Operational Status of Owned Hotels

- No. of inbound tourists (Source) Materials publicized by Japan National Tourism Organization
 - Total for January through February 2019
5.29 million (+5.6% year-on-year)
 - Total for 2018
31.19 million (+8.7% year-on-year)
- Two Courtyard (CY) brand hotels
(6th FP rent calculation period : Jun. 2018 to Nov. 2018)

	CY Tokyo (6 th FP Average)	CY Shin-Osaka (6 th FP Average)
Occupancy rate	92.9%	Occupancy rate 90.4%
ADR	26,970 yen	ADR 18,603 yen
RevPAR	25,088 yen	RevPAR 16,831 yen

Assets

No. of properties	4 properties
Asset size (Note1)	102.0 bn yen
Appraisal value	116.5 bn yen
Unrealized gain (Note2)	15.6 bn yen
NOI yield (Note3)	4.1 %
Yield after depreciation (Note4)	3.5 %
No. of guestrooms	1,306 rooms

Debt

Interest-bearing debt	48.5 bn yen
LTV (Note5)	46.1 %
Fixed-rate debt ratio	91.8 %
Average interest rate	0.43 %
Average remaining maturity of debt	2.4 years

Equity

NAV (Note6)	65.6 bn yen
NAV per unit (Note7)	131,226 yen
Market capitalization (Note8)	67.9 bn yen
Investment units outstanding	500,000 units
Mori Trust Group's holding ratio (Note9)	36.8 %

(Note1) Total acquisition price
 (Note2) Unrealized gain = Appraisal value at end of period - Book value at end of period
 (Note3) NOI yield = NOI for the 6th FP (annualized) / Total acquisition price
 (Note4) Yield after depreciation = Real estate rental income after depreciation for the 6th FP (annualized) / Total acquisition price
 (Note5) LTV = Interest-bearing debt at end of period / Total assets at end of period
 (Note6) NAV = Net assets at end of period - Total distributions + Unrealized gain

(Note7) NAV per unit = NAV / Investment units issued and outstanding
 (Note8) Market capitalization = Investment unit price (closing price on February 28, 2019) × Investment units issued and outstanding
 (Note9) Represents the ratio based on the number of investment units held by Mori Trust Group as of the end of the 6th FP

Summary of the 6th FP Results

Distribution per unit (actual) : 3,090 yen (+102 yen from forecast)

(million yen)

Major factors of change

Item	6th FP ended Feb. 2019 (actual)	6th FP ended Feb. 2019 (forecast)	Change	4th FP ended Feb.2018 (actual)	Change
Operating revenues	2,322	2,285	36	2,306	15
Real estate rental revenues ①	2,322	2,285	36	2,306	15
Shangri-La	937	908	28	893	44
CY Tokyo	383	378	5	355	28
CY Shin-Osaka	348	346	2	406	- 57
Sunroute	652	652	-	652	-
Operating expenses	677	685	- 8	681	- 4
Real estate rental expenses ②	546	554	- 8	543	2
(Depreciation) ③	312	312	- 0	312	0
Other operating expenses	131	130	0	137	- 6
Real estate rental income ④=①-②	1,775	1,730	44	1,763	12
NOI ④+③	2,088	2,043	44	2,075	12
Operating income	1,644	1,600	44	1,625	19
Ordinary income	1,545	1,495	50	1,534	11
Net income	1,544	1,494	50	1,533	11
Total cash distributions	1,545	1,494	51	1,533	11
Investment units outstanding (units)	500,000	500,000	-	500,000	-
Distribution per unit (yen)	3,090	2,988	102	3,067	23

(from 6th FP forecast)

■ Operating revenues	
Real estate rental revenues	+36 mn yen
Shangri-La	+28 mn yen
CY Tokyo	+5 mn yen
CY Shin-Osaka	+2 mn yen
Sunroute	No change as rents are fixed
■ Operating expenses	
Real estate rental expenses	-8 mn yen
Decrease in taxes and public dues	-7 mn yen
■ Non-operating expenses	
Decrease in interest expenses	-5 mn yen

(from 4th FP actual : YoY comparison)

■ Operating revenues	
Real estate rental revenues	+15 mn yen
Shangri-La	+44 mn yen
CY Tokyo	+28 mn yen
CY Shin-Osaka	-57 mn yen
Sunroute	No change as rents are fixed
■ Operating expenses	
Real estate rental expenses	+2 mn yen
Decrease in repairs and maintenance expenses	-2 mn yen
Increase in taxes and public dues	+4 mn yen
Other operating expenses	-6 mn yen
■ Non-operating expenses	
Increase in interest expenses	+8 mn yen

Shangri-La Hotel, Tokyo

4th FP (Operating period: Sep. 1, 2017 to Feb. 28, 2018)

Base month for rent	2017						4th FP total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	
Rent recording month	2017				2018		
	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
Rent (million yen)	160	135	152	133	140	170	893

Courtyard by Marriott Tokyo Station

4th FP (Operating period: Sep. 1, 2017 to Feb. 28, 2018)

Base month for rent	2017						4th FP avg.
	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	
Occupancy rate (%)	97.5%	96.2%	94.1%	94.5%	96.5%	98.2%	96.2%
ADR (yen)	24,045	22,529	21,118	23,490	27,051	25,942	24,021
RevPAR (yen)	23,441	21,662	19,874	22,206	26,103	25,469	23,116
Rent recording month	2017				2018		4th FP total
	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
Rent (million yen)	57	53	49	55	73	66	355

Courtyard by Marriott Shin-Osaka Station

4th FP (Operating period: Sep. 1, 2017 to Feb. 28, 2018)

Base month for rent	2017						4th FP avg.
	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	
Occupancy rate (%)	90.3%	97.0%	94.9%	87.6%	96.7%	97.4%	94.0%
ADR (yen)	16,896	18,252	18,486	17,985	18,983	19,456	18,346
RevPAR (yen)	15,260	17,702	17,540	15,753	18,349	18,956	17,269
Rent recording month	2017				2018		4th FP total
	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
Rent (million yen)	53	68	69	61	77	75	406

6th FP (Operating period: Sep. 1, 2018 to Feb. 28, 2019)

2018	2018						6th FP total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	
2018	2018				2019		
	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
	155	148	153	140	150	189	937

6th FP (Operating period: Sep. 1, 2018 to Feb. 28, 2019)

2018	2018						6th FP avg.
	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	
	94.2%	92.1%	87.1%	92.3%	95.2%	96.5%	92.9%
	26,314	26,099	24,928	26,506	30,230	27,734	26,970
	24,794	24,033	21,706	24,462	28,787	26,772	25,088
2018	2018				2019		6th FP total
	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
	63	58	51	60	75	73	383

6th FP (Operating period: Sep. 1, 2018 to Feb. 28, 2019)

2018	2018						6th FP avg.
	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	
	92.5%	95.5%	85.0%	79.3%	92.5%	97.3%	90.4%
	17,448	18,272	18,883	17,594	19,707	19,684	18,603
	16,134	17,447	16,049	13,949	18,219	19,153	16,831
2018	2018				2019		6th FP total
	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
	47	57	55	44	72	72	348

(Note1) Base month for rent represents the month used as the base for calculating rent. Indicators for respective hotels (Occupancy rate, ADR and RevPAR) show the relevant values of respective hotels for each base month for rent. The indicators of Shangri-La Hotel, Tokyo are not disclosed, however, as no consent to disclosure has been obtained from the end tenant. The base month is the month four months prior to the rent recording month for Shangri-La Hotel, Tokyo, and the month three months prior to the rent recording month for Courtyard by Marriott Tokyo Station and Courtyard by Marriott Shin-Osaka Station, respectively.

(Note2) Rent recording month represents the month for which MORI TRUST Hotel REIT records rent revenues. Rent indicates the rent for each rent recording month. Rent shows the actual value for each property, rounded down to the nearest million yen.

(Note3) ADR (average daily rate) represents the average unit price of guestrooms, including service charges. RevPAR (revenue per available room) represents the accommodation revenue per room for the total number of guestrooms available for sale, including service charges.

Shangri-La Hotel, Tokyo

5th FP (Operating period: Mar. 1, 2018 to Aug. 31, 2018)

Base month for rent	2017		2018				5th FP total
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Rent recording month	2018						1,018
Rent (million yen)	Mar.	Apr.	May	Jun.	Jul.	Aug.	
	173	194	131	146	178	193	

Courtyard by Marriott Tokyo Station

5th FP (Operating period: Mar. 1, 2018 to Aug. 31, 2018)

Base month for rent	2017		2018				5th FP avg.
	Dec.	Jan.	Feb.	Mar.	Apr.	May	
Occupancy rate (%)	94.6%	87.9%	95.4%	95.5%	95.0%	92.2%	93.4%
ADR (yen)	24,215	24,555	26,530	27,151	27,911	25,351	25,935
RevPAR (yen)	22,918	21,577	25,304	25,919	26,521	23,368	24,243
Rent recording month	2018						5th FP total
Rent (million yen)	Mar.	Apr.	May	Jun.	Jul.	Aug.	
	58	58	54	69	67	60	367

Courtyard by Marriott Shin-Osaka Station

5th FP (Operating period: Mar. 1, 2018 to Aug. 31, 2018)

Base month for rent	2017		2018				5th FP avg.
	Dec.	Jan.	Feb.	Mar.	Apr.	May	
Occupancy rate (%)	90.1%	75.4%	93.4%	87.2%	98.2%	92.2%	89.4%
ADR (yen)	20,145	17,519	19,468	19,885	21,264	18,515	19,466
RevPAR (yen)	18,159	13,208	18,185	17,337	20,876	17,077	17,466
Rent recording month	2018						5th FP total
Rent (million yen)	Mar.	Apr.	May	Jun.	Jul.	Aug.	
	72	32	55	67	80	63	371

6th FP (Operating period: Sep. 1, 2018 to Feb. 28, 2019)

2018						6th FP total
May	Jun.	Jul.	Aug.	Sep.	Oct.	
2018				2019		937
Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
155	148	153	140	150	189	

6th FP (Operating period: Sep. 1, 2018 to Feb. 28, 2019)

2018						6th FP avg.
Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	
94.2%	92.1%	87.1%	92.3%	95.2%	96.5%	92.9%
26,314	26,099	24,928	26,506	30,230	27,734	26,970
24,794	24,033	21,706	24,462	28,787	26,772	25,088
2018				2019		6th FP total
Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
63	58	51	60	75	73	383

6th FP (Operating period: Sep. 1, 2018 to Feb. 28, 2019)

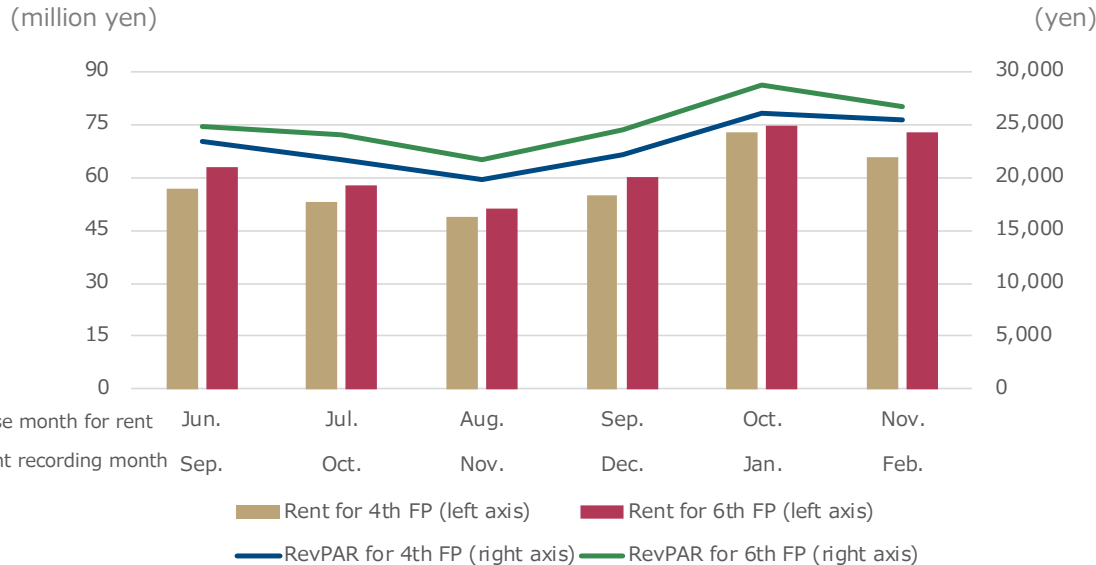
2018						6th FP avg.
Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	
92.5%	95.5%	85.0%	79.3%	92.5%	97.3%	90.4%
17,448	18,272	18,883	17,594	19,707	19,684	18,603
16,134	17,447	16,049	13,949	18,219	19,153	16,831
2018				2019		6th FP total
Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
47	57	55	44	72	72	348

(Note1) Base month for rent represents the month used as the base for calculating rent. Indicators for respective hotels (Occupancy rate, ADR and RevPAR) show the relevant values of respective hotels for each base month for rent. The indicators of Shangri-La Hotel, Tokyo are not disclosed, however, as no consent to disclosure has been obtained from the end tenant. The base month is the month four months prior to the rent recording month for Shangri-La Hotel, Tokyo, and the month three months prior to the rent recording month for Courtyard by Marriott Tokyo Station and Courtyard by Marriott Shin-Osaka Station, respectively.

(Note2) Rent recording month represents the month for which MORI TRUST Hotel REIT records rent revenues. Rent indicates the rent for each rent recording month. Rent shows the actual value for each property, rounded down to the nearest million yen.

(Note3) ADR (average daily rate) represents the average unit price of guestrooms, including service charges. RevPAR (revenue per available room) represents the accommodation revenue per room for the total number of guestrooms available for sale, including service charges.

Change in Major Indicators for 6th FP (Year-on-Year Comparison)



	6th FP avg.	YoY change
Occupancy rate	92.9 %	- 3.3 pt
ADR	26,970 yen	+2,949 yen
RevPAR	25,088 yen	+1,972 yen

Rent	6th FP total	YoY change
6th FP (actual)	383 mn yen	+28 mn yen
6th FP (forecast)	378 mn yen	
Change	+5 mn yen	

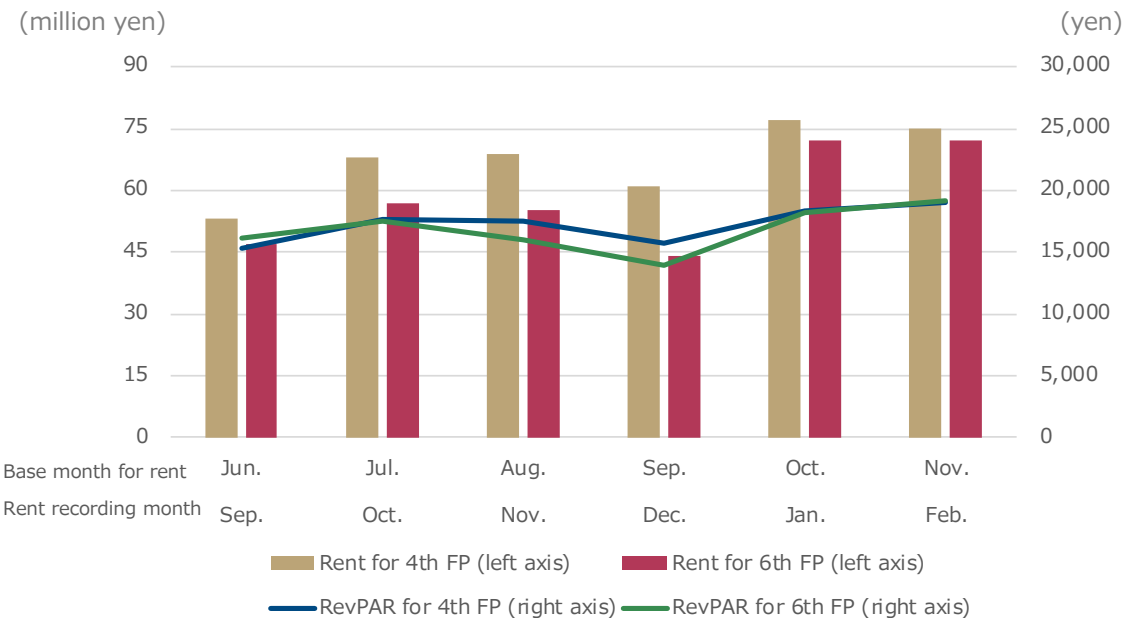
6th FP (actual)

- The accommodation department kept both occupancy rate and ADR at a high level.
Occ. : **92.9%** (6th FP average; - 3.3 pt YoY)
ADR : **26,970 yen** (6th FP average; + 12.3% YoY)
- With the merger of Marriott and Starwood, the world's largest new loyalty program "Marriott Bonvoy" started on February 2019, with over 125 million members.
- In other departments, restaurants have been performing well.

Initiatives for the 7th FP and Thereafter

- Continued revenue management that aims for further ADR improvement, capitalizing on high occupancy.
- Capture lodging demand arising from international events such as the Rugby World Cup Japan 2019 and the Tokyo 2020 Olympic and Paralympic Games.

Change in Major Indicators for 6th FP (Year-on-Year Comparison)



	6th FP avg.	YoY change
Occupancy rate	90.4 %	- 3.6 pt
ADR	18,603 yen	+257 yen
RevPAR	16,831 yen	- 438 yen

Rent	6th FP total	YoY change
6th FP (actual)	371 mn yen	- 57 mn yen
6th FP (forecast)	360 mn yen	
Change	+10 mn yen	

6th FP (actual)

- Occupancy rates and RevPAR dropped due to natural disasters such as the northern Osaka earthquake in June, Heavy rain in western Japan in July, and the abeyance of Kansai International Airport due to Typhoon Jebi in September.
- Smooth recovery occurred from October, and full recovery was seen towards the end of November.

Occ. : **90.4%** (6th FP average; - 3.6 pt YoY)

ADR : **18,603 yen** (6th FP average; +1.4 % YoY)

Initiatives for the 7th FP and Thereafter

- Develop a marketing strategy to increase direct reservations via Marriott.com.
- Capture lodging demand arising from international events such as the 2019 G20 Osaka Summit and the Rugby World Cup Japan 2019.
- Further boost the demand for using the hotel as a sightseeing base, with full operations set to begin in March 2019 for the Osaka Higashi Line (direct rapid transit between Nara and Shin-Osaka).

Appraisal Value of Properties (End of 6th FP)

Property name	Appraisal agency	Appraisal value at end of 6th FP (million yen)	Period-on-period change (million yen)	Appraisal value by capitalization method				Book value at end of 6th FP (million yen)	Unrealized gain or loss (million yen)	Reference	
				Direct capitalization method		Discounted cash flow (DCF) method				Acquisition price (million yen)	Appraisal value at end of 5th FP (million yen)
				Capitalization rate (%)	Period-on-period change	Discount rate (%)	Terminal capitalization rate (%)				
Shangri-La Hotel, Tokyo	Japan Real Estate Institute	48,000	+600	3.4%	-	3.1%	3.6%	41,674	6,325	42,000	47,400
Courtyard by Marriott Tokyo Station	Japan Real Estate Institute	18,300	+2,400	3.8%	- 0.1pt	3.5%	4.0%	13,642	4,657	13,800	15,900
Courtyard by Marriott Shin-Osaka Station	Japan Real Estate Institute	19,000	-2,200	4.3%	- 0.1pt	4.0%	4.5%	17,419	1,580	17,600	21,200
Hotel Sunroute Plaza Shinjuku	Japan Real Estate Institute	31,200	+800	3.7%	- 0.1pt	3.5%	3.9%	28,149	3,050	28,600	30,400
Total	-	116,500	+1,600	-	-	-	-	100,886	15,613	102,000	114,900

Forecast distribution per unit : 3,160 yen

【Reference】 (million yen)

Item	7th FP ended Aug. 2019 (forecast)	5th FP ended Aug. 2018 (actual)	Difference	6th FP ended Feb. 2019 (actual)	Difference
Operating revenues	2,379	2,409	- 30	2,322	57
Real estate rental revenues ①	2,379	2,409	- 30	2,322	57
Shangri-La	977	1,018	- 40	937	40
CY Tokyo	388	367	20	383	4
CY Shin-Osaka	361	371	- 10	348	12
Sunroute	652	652	-	652	-
Operating expenses	692	684	7	677	15
Real estate rental expenses ②	556	555	1	546	10
(Depreciation) ③	313	312	1	312	1
Other operating expenses	135	129	6	131	4
Real estate rental income ④=①-②	1,822	1,854	- 32	1,775	46
NOI ④+③	2,136	2,167	- 30	2,088	47
Operating income	1,686	1,725	- 38	1,644	42
Ordinary income	1,581	1,628	- 47	1,545	35
Net income	1,580	1,627	- 47	1,544	35
Total cash distributions	1,580	1,627	- 47	1,545	35
Investment units outstanding (units)	500,000	500,000	-	500,000	-
Distribution per unit (yen)	3,160	3,255	- 95	3,090	70

Major factors of difference

(From 5th FP actual: YoY comparison)

■ Operating revenues	
Real estate rental revenues	-30 mn yen
Shangri-La	-40 mn yen
CY Tokyo	+20 mn yen
CY Shin-Osaka	-10 mn yen
Sunroute	No difference as rents are fixed
■ Operating expenses	
Real estate rental expenses	+1 mn yen
Decrease in taxes and public dues	-1 mn yen
Increase in repairs and maintenance expenses	+1 mn yen
Other operating expenses	+6 mn yen
■ Non-operating expenses	
Increase in interest expenses	+9 mn yen

Basic Policy for Debt Financing

Make it a basic policy to implement stable and sound financial operations, with an aim to build a robust financial standing.

- Achieve an optimal mix of short-term and long-term loans
- Diversify repayment dates
- Diversify lender formation

- Mitigate refinance risks
- Reduce funding costs

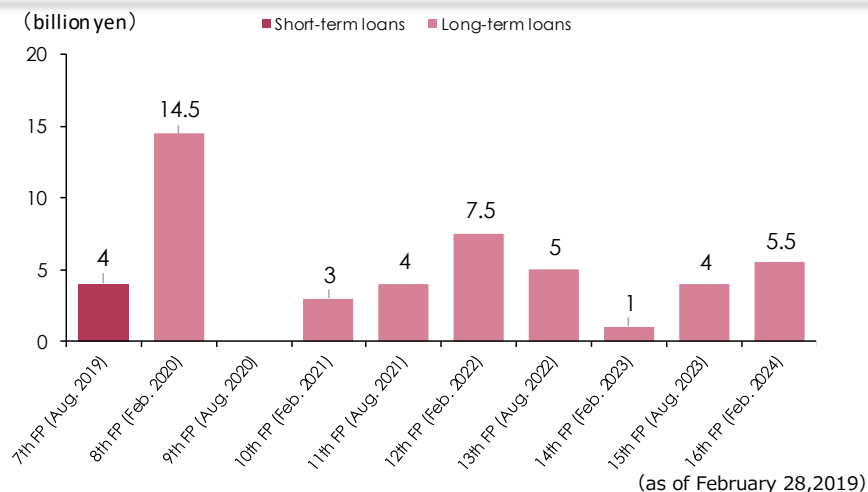
LTV Set 60% as upper limit, while targeting 50% as upper limit in normal operations.

Financial highlights for 6th FP

Refinanced 16 billion yen at the end of November 2018

- Of the 16 billion yen, 12 billion yen was procured through long-term loans with fixed interest rates
- Decreased LTV by repaying 1 billion yen with cash on hand
- Diversified repayment dates by adjusting repayment deadlines

Diversification of Repayment Dates

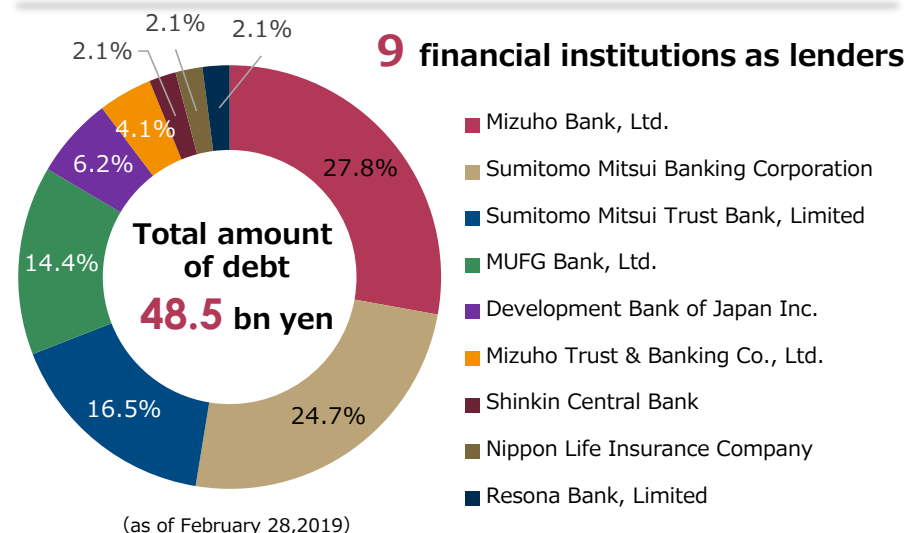


Interest-Bearing Debt Status

Item	End of 5th FP (Aug. 31, 2018)	End of 6th FP (Feb. 28, 2018)	Period-on-period change
Total interest-bearing debt at end of period (million yen)	49,500	48,500	-1,000
Short-term loans	17,000	4,000	-13,000
Long-term loans	32,500	44,500	+12,000
Investment corporation bonds	-	-	-
LTV (ratio of interest bearing debt to total assets)	46.5 %	46.1 %	-0.4 pt
Fixed-rate debt ratio	65.7 %	91.8 %	+26.1 pt
Average interest rate	0.39 %	0.43 %	+0.04 pt
Average remaining maturity of debt	1.8 years	2.4 years	+0.5years

(as of February 28, 2019)

Diversification of Lenders



Growth strategy that makes the best use of support by Mori Trust Group, both in terms of development and operation aspects

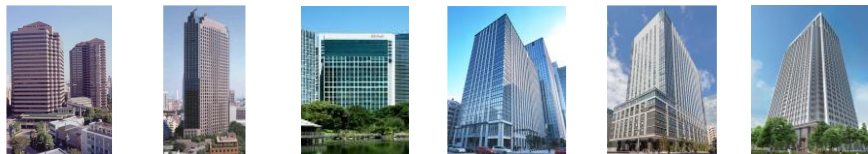
Development

Development capabilities



Years of achievements by Mori Trust Group in large-scale, multi-use development projects and hotel development and operations

Gotenyama Trust Tower 1990	Shiroyama Trust Tower 1991	Tokyo Shiodome Building 2005	Marunouchi Trust City 2008	Kyobashi Trust Tower 2014	Tokyo World Gate (underway) Scheduled for 2020
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Focus on Asset Quality

- Selection and concentration
 - : track record of development in selected locations
- Quality-focused creation of facilities
 - : cutting-edge functionalities
- Creation of highly advanced, sustainable communities
 - : disaster prevention and environmental performances

Invite hotels as “urban facilities” in multi-use development



Marunouchi Trust City
Shangri-La Hotel Tokyo

Kyobashi Trust Tower
Courtyard by Marriott Tokyo Station

The Number of Rental / managed facilities	Total floor area of Rental / managed Facilities	Rental Buildings
93 facilities	1.56mn ㎡	75 facilities 1.31 mn ㎡

(as of December 31, 2018)

Agreement for information provision on real estate properties

- Provide information on real estate transfer by Mori Trust Group
- Provide information on investment opportunities offered by third parties

Operation

Outstanding capabilities to operate and manage hotels



Conduct business through a variety of methods including business management, operations, investment, invitation and consulting

Mampeï Hotel Capital and management participation in 1997	Shangri-La Hotel Tokyo Invited in 2009	Tokyo Marriott Hotel Opened in 2013	Suiran, a Luxury Collection Hotel, Kyoto Opened in 2015

Alliance with the industry’s front runners

Alliance with a variety of international brand hotels

- Alliance with multiple hotel brands including Marriott International and Shangri-La Hotels & Resorts, the world’s largest hotel chains
- Worked with many international brand hotels that had otherwise no presence in Japan

Hotel chain	Marriott International	Shangri-La Hotels & Resorts	HILTON WORLDWIDE
Hotel brands developed by Mori Trust Group (examples)		 	
	Courtyard by Marriott Tokyo Station	The Westin Sendai Suiran, a Luxury Collection Hotel, Kyoto	Shangri-La Hotel, Tokyo (lease) CONRAD TOKYO

Agreement on sponsor support

- Provide information on the hotel market
- Provide information on acquisition, operation and administration of hotels, etc.



Aim to achieve growth strategy built on external growth

(Note)Except for the assets owned as of February 28, 2019, there is no fact that MORI TRUST Hotel REIT has decided to acquire the properties listed above, or there is no guarantee that it can acquire them in the future.

Major Hotels Developed, Held and/or Operated by Mori Trust Group



Alliance with a variety of international brand hotels



Correspondence to global standards by rebranding hotels

Of the Laforet Hotels & Resorts hotels, 5 hotels in Shuzenji, Yamanakako, Karuizawa, Biwako, and Nanki Shirahama were rebranded as Marriott Hotels, and one hotel in Hakuba was rebranded as Courtyard by Marriott

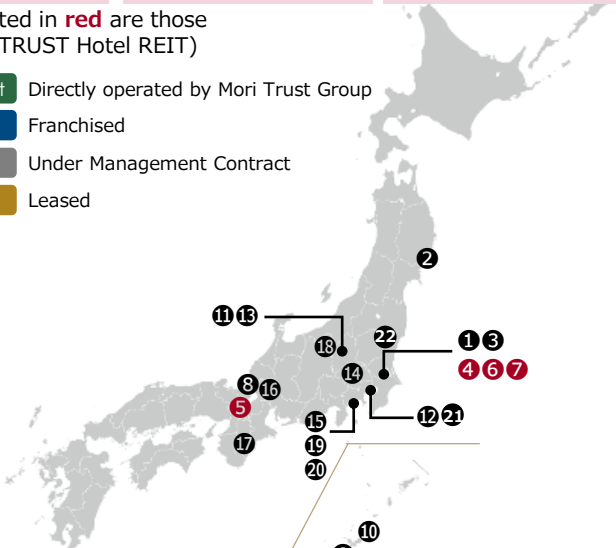


Major Metropolitan Areas

(Properties indicated in red are those owned by MORI TRUST Hotel REIT)

1	CONRAD TOKYO	290 rooms	MC
2	The Westin Sendai	292 rooms	FC
3	Tokyo Marriott Hotel	249 rooms	FC
4	Courtyard by Marriott Tokyo Station	150 rooms	FC
5	Courtyard by Marriott Shin-Osaka Station	332 rooms	FC
6	Shangri-La Hotel, Tokyo	200 rooms	LE
7	Hotel Sunroute Plaza Shinjuku	624 rooms	LE

- Direct: Directly operated by Mori Trust Group
- FC: Franchised
- MC: Under Management Contract
- LE: Leased



Resort Areas

8	Suiran, a Luxury Collection Hotel, Kyoto	39 rooms	FC
9	IRAPH SUI, a Luxury Collection Hotel, Miyako Okinawa	58 rooms	FC
10	Sheraton Okinawa Sunmarina Resort	246 rooms	FC
11	MAMPEI HOTEL	109 rooms	Direct
12	Gora-Kansuiro	14 rooms	Direct
13	Karuizawa Marriott Hotel	142 rooms	FC
14	Fuji Marriott Hotel Lake Yamanaka	105 rooms	FC
15	Izu Marriott Hotel Shuzenji	128 rooms	FC
16	Lake Biwa Marriott Hotel	274 rooms	FC
17	Nanki-Shirahama Marriott Hotel	182 rooms	FC
18	Courtyard by Marriott Hakuba	72 rooms	FC
19	Hotel Laforet Shuzenji	212 rooms	Direct
20	Laforet Club Ito Onsen Yunoniwa	84 rooms	Direct
21	Laforet Club Hakone Gora Yunosumika	44 rooms	Direct
22	Resort Hotel Laforet Nasu	118 rooms	Direct

(Source) Prepared by the Asset Management Company based on the information of Mori Trust Group available as of February 28, 2019

(Note) Except for the assets owned as of February 28, 2019, there is no fact that MORI TRUST Hotel REIT has decided to acquire the properties listed above, or there is no guarantee that it can acquire them in the future.

Development Capabilities



Operation & Management Capabilities



Strategic Investment

Multiple new hotel development projects

The Tokyo EDITION, Toranomon

The Tokyo EDITION, Ginza

Akasaka 2-chome

Sapporo Odori Park

Karuizawa Shiozawa

Karuizawa Nagakura

Karuizawa Shinonome

Kanazawa Hirooka

Hida Takayama

Hakuba Sakka

Hakone Nakagora

Hakone Gora

Atami Kinomiya

Nara Yoshikien

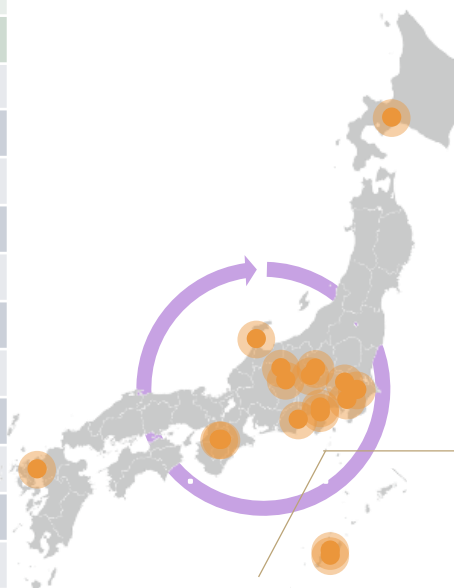
JW Marriott Hotel Nara

Nagasaki Minamiyamate

Hilton Grand Vacations (Sesoko)

Hilton Okinawa Sesoko Resort

Okinawa Fucyaku



Luxury Destination Network

Major Metropolitan Areas



The Tokyo EDITION, Toranomon
in Tokyo World Gate

Scheduled to open in the spring through summer of 2020

JW Marriott Hotel Nara

Scheduled to open in the spring of 2020

EDITION



The Tokyo EDITION, Ginza

Scheduled to open in the spring through summer of 2021

Hilton Okinawa Sesoko Resort
(tentative name)

Scheduled to open in 2020

Akasaka 2-chome

Scheduled to complete in fiscal 2024



The Hilton Grand Vacations (Sesoko)

Scheduled to open in 2021

Resort Areas



JW MARRIOTT

Resort Areas in Okinawa



Hilton



HILTON GRAND VACATIONS

(Source) Prepared by the Asset Management Company based on the information of Mori Trust Group available as of February 28, 2019

(Note) Except for the assets owned as of February 28, 2019, there is no fact that MORI TRUST Hotel REIT has decided to acquire the properties listed above, or there is no guarantee that it can acquire them in the future.

Market Conditions

Number of Foreign Visitors to Japan

- Amid domestic travel remaining stagnant, the number of foreigners visiting Japan surpassed the government's target in 2016, significantly ahead of planned schedule.
- The number of foreigners visiting Japan in 2018 totaled 31.19 mn (year-on-year increase of 8.7%); and that in January to February 2019 stood at 5.29 mn (increase of 5.6%). (Source) Materials publicized by Japan National Tourism Organization

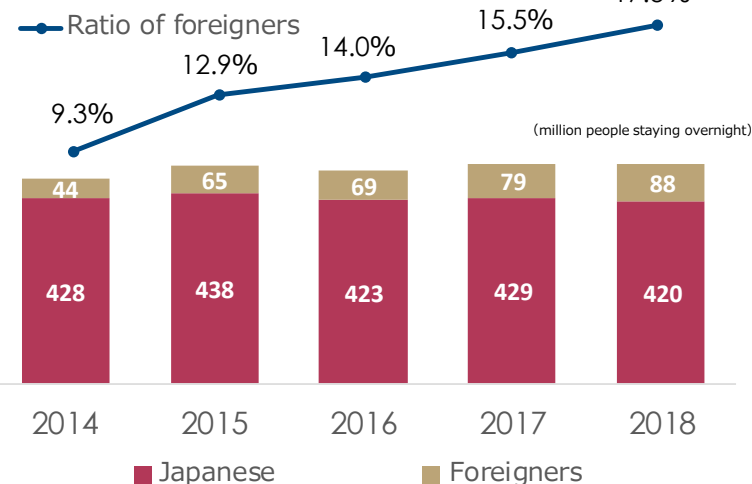
Number of Foreign Visitors to Japan

(million people)



(Source) Prepared by the Asset Management Company based on the collection of measures in the "Tourism Vision to Support the Future of Japan" publicized by the government and materials publicized by Japan National Tourism Organization.

Number of Users Lodging in Domestic Accommodation Facilities



(Source) Prepared by the Asset Management Company based on the materials publicized by the Japan Tourism Agency.

Average Overnight Stays of Foreigners Visiting Japan (for Sightseeing and Leisure) in 2018 by Country

All countries	China	South Korea	Taiwan	Hong Kong
5.9	6.0	3.2	5.1	5.7
U.S.	U.K.	Germany	Russia	Australia
9.9	13.1	13.5	9.2	12.8

(Source) Prepared by the Asset Management Company based on the Consumption Trend Survey for Foreigners Visiting Japan by the Japan Tourism Agency

Upcoming international events

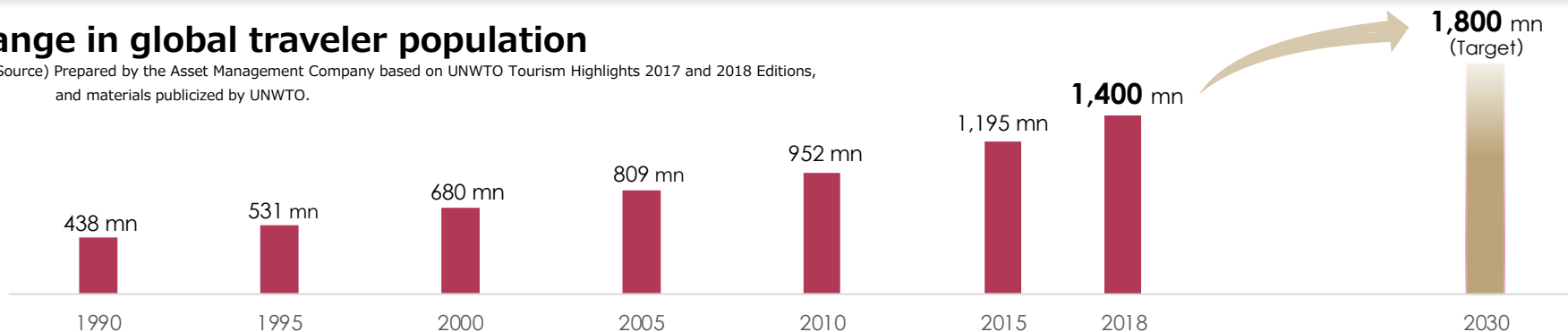
2019	<ul style="list-style-type: none"> ◆ 2019 G20 Osaka Summit ◆ Rugby World Cup Japan 2019
2020	◆ Tokyo 2020 Olympic and Paralympic Games
2021	<ul style="list-style-type: none"> ◆ World Masters Games 2021 Kansai ◆ 19th FINA World Aquatics Championships 2021 Fukuoka
2025	◆ Osaka Expo 2025

(Note) These events are scheduled as of February 28, 2019, and are subject to change.

- The world's travelling population continues to grow, as it reached the 2020 target of 1.4 billion in 2018, and is expected to reach 1.8 billion by 2030.
- Travel expenditures from Japan's neighbors, the Asia Pacific region and Russia, have shown high growth.

Change in global traveler population

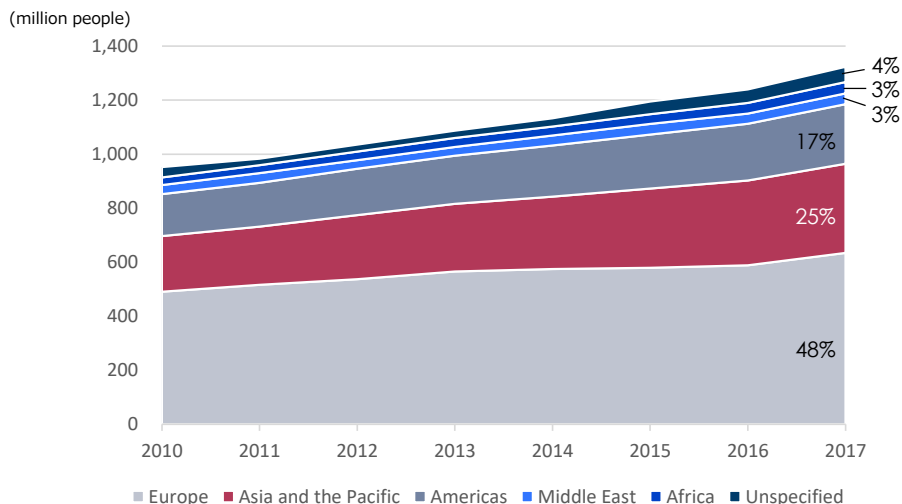
(Source) Prepared by the Asset Management Company based on UNWTO Tourism Highlights 2017 and 2018 Editions, and materials publicized by UNWTO.



Growth in travelers from the Asia

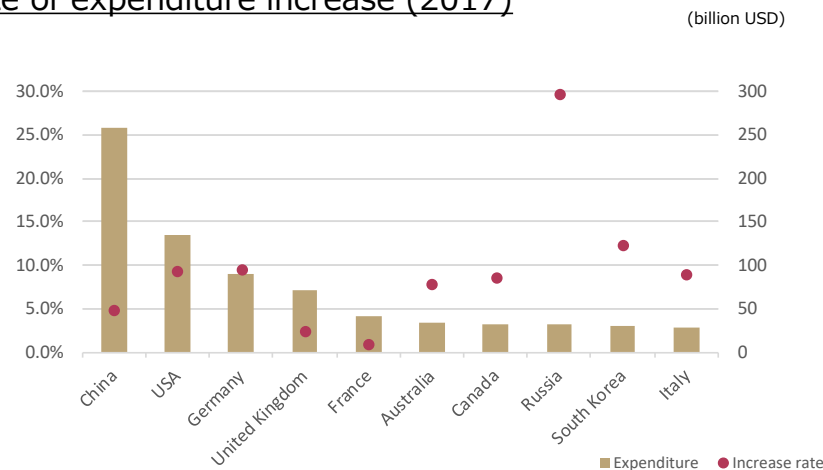
(Source) Prepared by the Asset Management Company based on UNWTO Tourism Highlights, 2012 - 2018 Edition

Change in travelers' region of origin



Travelers from the Asia Pacific region accounts for only a quarter of all travelers.

Top spenders in international tourism and rate of expenditure increase (2017)



Count also on wealthy travelers from Asian countries and Russia in the future.

Profile of MORI TRUST Hotel REIT

Build on the Growth Potential of Japan's Tourism Industry

Capture a variety of needs associated with increasing inbound tourism

Attract tourists from Europe and the U.S.

Advantage of high-quality hotels focused on international brand hotels

Globally extended customer base

- Get customers from not only Asia but wider areas including North America and Europe
- Operate hotels stably bolstered by the abundant customer base ranging over wide areas

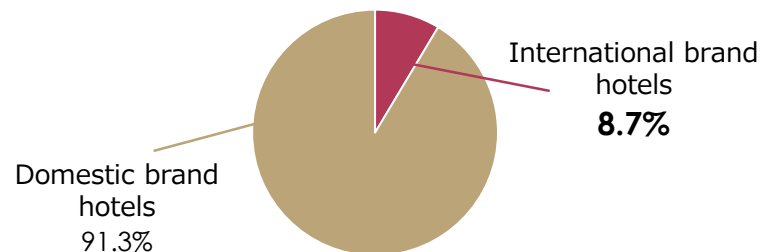
Advantages of member organization and use of reservation system

- Attract member customers around the world having strong trust in brands
- Accept direct reservation by member customers through the reservation systems unique to the brands

Provision of world-class services and operational expertise

- Respond to inbound customers who want services matching global standards
- Improve the proprietary operating expertise through franchised hotel operations

International brand hotels account for less than 10% of hotels in Japan



(Note) Prepared by the Asset Management Company based on "List of Hotel Chain Groups in Japan 2019" by Weekly Hotels and Restaurants. The compilation covers the hotels indicated in the source, not the entire hotels in Japan.

Implementing the hotel business by the sponsors



MORI TRUST



MORI TRUST HOTELS & RESORTS

Expertise of Mori Trust Group

Development capabilities

×

Hotel operation and Management capabilities

Cooperation

Stimulating the market by providing opportunities for investment



MORI TRUST HOTEL REIT

Focused investments in "high-quality and attractive hotel assets"

A new "REIT specialized in hotels"

Quality of Mori Trust Group Providing Support with its Development and Operation Capabilities



Capabilities to develop hotels with potential high asset quality

- Locations vigorously selected under the “selection and concentration” policy
- Grade of buildings demonstrating high quality
- Facility specifications featuring disaster prevention and environmental performances

Trust Quality

Expertise of Mori Trust Group

Development Capabilities
×
Operation and Management Capabilities



Excellent hotel operation and management capabilities

- Alliance with industry front runners
- Scenario creation for enhancing profitability
- Support system through efficient organizational functions

Trust Value

Focused Investment in Hotel Assets that Share the “Trust Value” Created by “Trust Quality”



Asset quality

Stability

Growth potential

Hotel assets that demonstrate **Asset Quality × Stability × Growth Potential**

- Situated in prime locations in central Tokyo or world-famous tourist destination areas
- Quality that is assessed “excellent” by customers around the world
- Customer base not only in Japan but extending throughout the world
- High-level hospitality offered by hotel operators having abundant experiences and achievements
- Proportion of “fixed rent and variable rent” giving considerations to the balance of stability and growth potential
- Enjoying the growth potential backed by the Japanese government’s policies and demand from inbound tourists

Aim to Develop a Portfolio that Demonstrates **“Asset Quality × Stability × Growth Potential”**

Area

Pay attention to **“asset quality”**, which is the essential worthiness of real estate

Major cities around Japan

23 wards of Tokyo and government ordinance-designated cities

Famous tourist destinations

Areas expected to attract many tourists

Focus on “locations and areas”

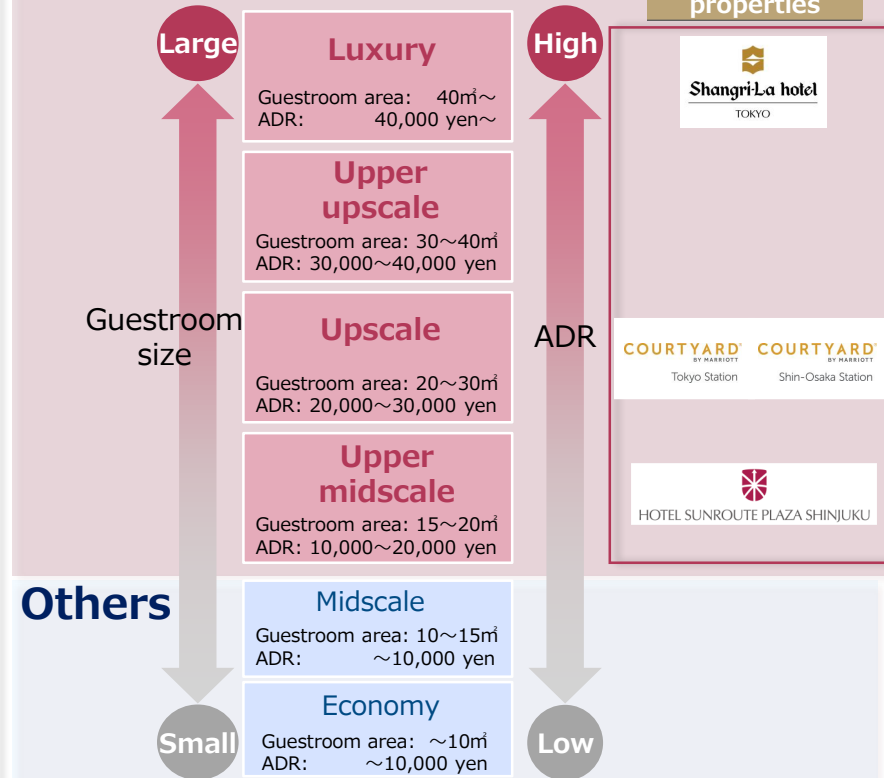
Assets located in areas capable of attracting guests, regardless of being in city centers or regional areas

- Ability to attract guests in a stable manner
- High competitiveness due to superiority of locations
- Mitigates the impact of changes in economic environment
- Advantageous for inviting international brand hotels

Grade

Focus investments in hotels of the **top four grades**

Focused investment targets



List of Portfolio Properties

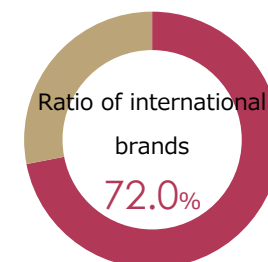
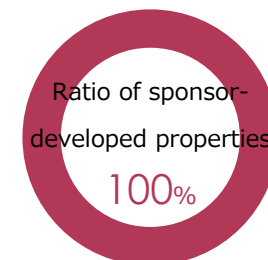
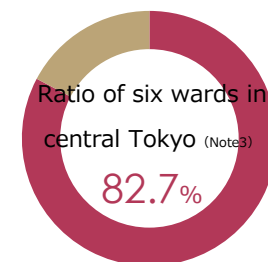
Portfolio Highlights
(as of February 28, 2019)

No. of properties :
4 properties

Total acquisition price :
¥102.0 billion

Total No. of guestrooms :
1,306 rooms

Property name	Shangri-La Hotel Tokyo	Courtyard by Marriott Tokyo Station	Courtyard by Marriott Shin-Osaka Station	Hotel Sunroute Plaza Shinjuku
Property photo				
Location	Chiyoda Ward, Tokyo 1-minute walk from Tokyo Sta.	Chuo Ward, Tokyo 4-minute walk from Tokyo Sta.	Yodogawa Ward, Osaka 1-minute walk from Shin-Osaka Sta.	Shibuya Ward, Tokyo 3-minute walk from Shinjuku Sta.
Complete	November, 2008	February, 2014	March, 1997 (renovated in Nov., 2015)	August, 2007
Acquisition date	September 1, 2016	September 16, 2016	September 16, 2016	July 28, 2016
Acquisition price (million yen)	42,000	13,800	17,600	28,600
Developer	Mori Trust	Mori Trust	Mori Trust	Mori Trust
Hotel grade	Luxury	Upscale	Upscale	Upper midscale
No. of guestrooms	200	150	332 (Note1)	624
Hotel operation format	Leased	FC (Note2)	FC (Note2)	Leased
Hotel operator	Shangri-La Hotels Japan	Mori Trust Hotels & Resorts	Mori Trust Hotels & Resorts	Sotetsu Hotel Management



※The respective ratios have been calculated on the basis of acquisition price.

(Note1) The figure indicates the total number of guest rooms of the entire building, including the rooms under co-ownership by other owners. The equity held by MORI TRUST Hotel REIT in the trust beneficiary interest is 74/100.

(Note2) FC means franchised and indicates the format in which Mori Trust Group operates the hotels by itself, with brand use rights granted by respective brands.

(Note3) Represents Chiyoda, Minato, Chuo, Shinjuku, Shibuya and Shinagawa Wards

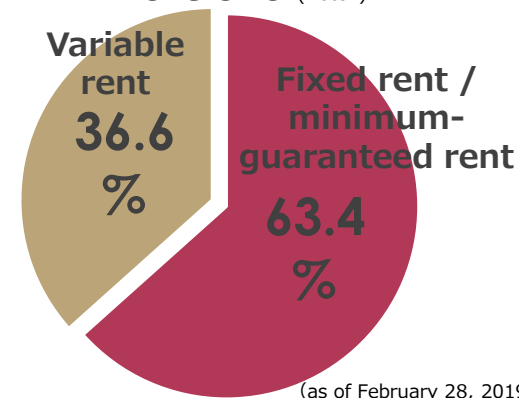
Variable rent (Note1) : Possible to enjoy upside growth potential

Minimum-guaranteed rent (Note2) : Secures stability
/ Fixed rent (Note3)



Pursue an Optimal Mix of Stability and Growth Potential

Ratio by Rent Type of the Portfolio (Note4)



Property name	Rent type	Calculation base for variable rent	Fixed rent (minimum-guaranteed rent)
Shangri-La Hotel Tokyo	Variable With minimum annual guaranteed rent	Sales	Minimum annual guaranteed rent (Note5) 882,700,000 yen
Coutyard by Marriott Tokyo Station	Variable With minimum annual guaranteed rent	Profit	Minimum annual guaranteed rent (Note6) 310,000,000 yen
Coutyard by Marriott Shin-Osaka Station	Variable With minimum annual guaranteed rent	Profit	Minimum annual guaranteed rent (Note6) 460,000,000 yen
Hotel Sunroute Plaza Shinjuku	Fixed	-	Fixed annual rent 1,304,673,360 yen

(Note1) Variable rent refers to the rent determined by such management indices as sales and profits from hotel operations.

(Note2) Minimum-guaranteed rent represents the rent format in which, when the total rent for a certain period falls short of a certain amount (minimum-guaranteed rent), the difference between the amount of minimum-guaranteed rent and the total rent shall be paid later.

(Note3) Fixed rent refers to the rent that shall be paid at a fixed amount each time for a certain period.

(Note4) Variable rent is calculated based on the amount that is obtained by subtracting the minimum annual guaranteed rent (pro rata value in accordance with the operating days of the 6th FP) of the three properties (Shangri-La Hotel, Tokyo, Coutyard by Marriott Tokyo Station and Coutyard by Marriott Shin-Osaka Station) from the total rent of these properties received in the 5th FP.

(Note5) If the total rent for the period from April each year to March next year falls short of the minimum annual guaranteed rent, the difference shall be paid by the end of February next year, together with the rent for March next year.

(Note6) If the total rent for the period from October each year to September next year falls short of the minimum annual guaranteed rent, the difference shall be paid by the end of August next year, together with the rent for September next year.

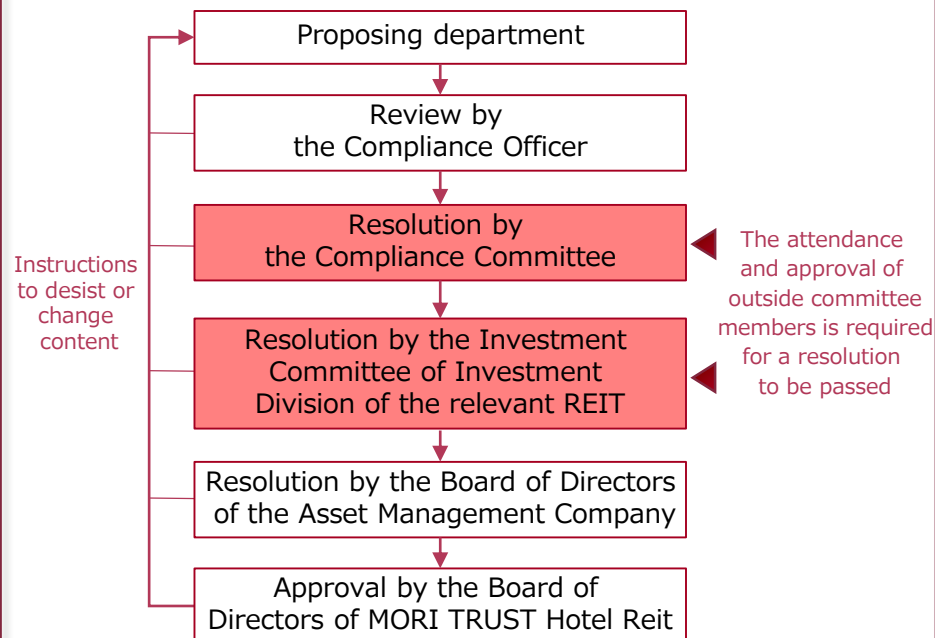
Sustainability Policy

The Asset Management Company of Mori Trust Hotel REIT has established a Sustainability Policy as outlined below, and is engaged in initiatives to improve sustainability.

1. Promoting energy savings and GHG emissions reduction
Promotion of efficient use of energy in assets under management, introduction of facilities conducive to energy saving and low carbonization
2. Contributing to recycling-oriented society
Promotion of initiatives for effective use of limited resources, including 3R for water saving and waste reduction
3. Streamlining the internal management system and strengthening compliance
Establishment of the internal system for the effective promotion of initiatives under this policy, compliance with laws and regulations, educational and awareness-rising activities concerning ESG directed at employees
4. Collaborating with external stakeholders
Construction of good relationships with tenants, customers, local communities and other external stakeholders
5. Disclosing ESG information
Broad disclosure of this policy and information regarding the situations of initiatives for sustainability, among others

Governance Initiatives

- Countermeasures against conflicts of interest and the adoption of an operation system to secure impartiality
- Decision-making flow of the Asset Management Company in related party transactions



- Integrating the interests of investors and sponsors (Same-boat investment by Mori Trust Group)

Unitholding ratio of Mori Trust Group	Mori Trust Holdings	164,000 units
	Mori Trust Hotels & Resorts	20,000 units
36.8% (as of February 28, 2019)		

Environmental Initiatives

- Environmental considerations upon property acquisitions

When acquiring properties, conduct environmental risk evaluations such as obtaining engineering reports, etc.

- Install environmentally friendly facilities

In order to reduce environmental load, install LED lighting, highly efficient air conditioners, etc.

Social Initiatives

As a contribution to local society, participate in and support local events and conduct regional clean-up activities, etc.



(Example) Participated in local event “EDO ART EXPO” and sponsored the Sanno Festival(Courtyard by Marriott Tokyo Station)

Employee Initiatives (MORI TRUST) (Note)

- Promoting the empowerment of women and work-life balance (Mori Trust Co., Ltd.)

From the perspective of diversity, at Mori Trust Co., Ltd. initiatives to promote the empowerment of women and work-life balance are conducted.

Female employment ratio	32.0%
Female employee ratio	24.0%
Female management position ratio	7.7%
Rate of paid leave taken	84.6%



Acquired certification as a company that supports employees with childcare (Minister of Health, Labour and Welfare certification)

- Personnel Development

Conduct various initiatives to develop personnel that can create “Trust Quality” and “Trust Value”

MT TALK (company-wide presentation)

Conducted discussion and presentations among employees on the strategy and roadmap to create “Trust Value”

MT ACADEMY (employee training)

Training by job role (e-learning*, group work, presentations)
*an e-learning program administered by the Graduate School of Management of Globis University

MT MEETUP FUTURE (in-house lectures)

Conduct in-house lectures by inviting experts from outside management and researchers

(Note) The employees of the Hotel REIT Management Division of the Asset Management Company of Mori Trust Hotel REIT are comprised of personnel seconded from Mori Trust Co., Ltd.

APPENDIX

NO.1

SHANGRI-LA HOTEL, TOKYO



Shangri-La Hotel, Tokyo



Luxury
Upper upscale
Upscale
Upper midscale

Location : Chiyoda Ward, Tokyo
 Floors (Note1) : 37 with 4 basement floors
 Guestrooms : 200 (Note2)

Developed by Mori Trust

Leased

1-minute walk from Tokyo Sta.

[31-37F]
Guestrooms

[27-29F]
Lobby/Lounge
Conference rooms
Banquet/The Spa
Restaurants
Health club
Swimming pool

[1F]
Entrance

Property Characteristics

- International luxury hotel with high scarcity value, in close proximity to Tokyo Station.
- Located in Marunouchi, Chiyoda Ward, Tokyo – location that is rare and precious for REIT-owned properties.
- The first foray in Japan for Shangri-La, a top-of-the-line international brand hotel.

(Note1) The figure indicates the number of floors for the Tower MAIN and Tower NORTH of Marunouchi Trust Tower.

(Note2) The figure indicates the number of guest rooms available for sale.

NO.2 COURTYARD BY MARRIOTT TOKYO STATION



Courtyard by Marriott Tokyo Station

COURTYARD
BY MARRIOTT

Tokyo Station

Luxury

Upper upscale

Upscale

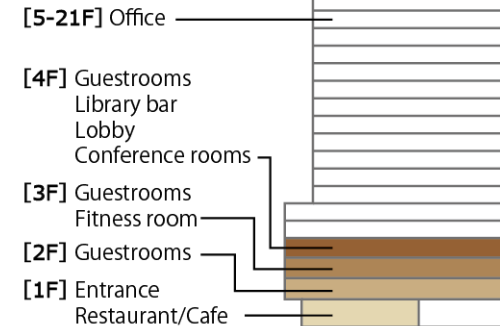
Upper
midscale

Location : Chiyoda Ward, Tokyo
 Floors (Note1) : 21 with 3 basement floors
 Guestrooms : 150 (Note2)

Developed by
Mori Trust

Operated by
Mori Trust
Group

4-minute walk from Tokyo Sta.



Property Characteristics

- A 4-minute walk from Tokyo Station, featuring comfortable access both for business and sightseeing purposes.
- A core brand having the largest number of facilities among the Marriott Group.
- Among the largest hotel chains in the world, with over 6,900 hotels globally. Membership program of the Marriott Group applicable for over 125 million members. (Note2)

(Note1) The figure indicates the number of floors of the entire building.

(Note2) Based on the website of Marriott International (as of April 1, 2019).

NO.3 COURTYARD BY MARRIOTT SHIN-OSAKA STATION

Courtyard by Marriott Shin-Osaka Station

COURTYARD[®]
BY MARRIOTT

Shin-Osaka Station

Luxury

Upper upscale

Upscale

Upper
midscale

Location : Yodogawa Ward, Osaka

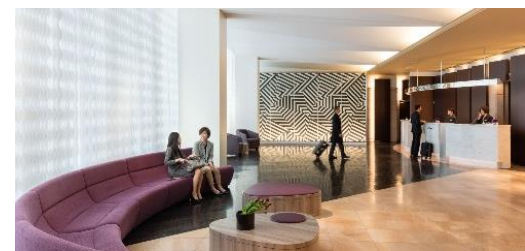
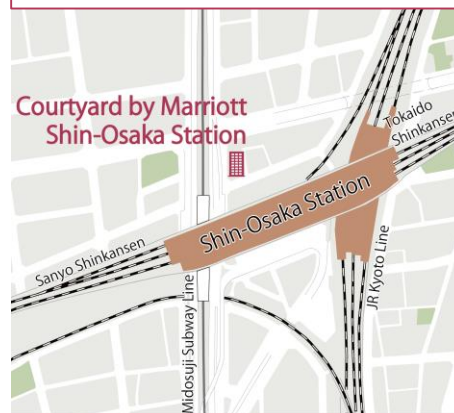
Floors : 18 floors (Note1)

Guestrooms : 332 (Note2)

Developed by
Mori Trust

Operated by
Mori Trust Group

1-minute walk from Shin-Osaka Sta.



Property Characteristics

- A 1-minute walk from Shin-Osaka Station, which is the base for sightseeing and business purposes.
- Rebranded from Hotel Laforet Shin-Osaka to Courtyard by Marriott and opened in November 2015.
- The guest rooms, which count to 332 rooms in total (Note2), have an area of 30 m² to 90 m², securing comfortably wide spaces.

(Note1) The figure indicates the number of floors of the entire building.

(Note2) The figure indicates the total number of guest rooms of the entire building, including the rooms under co-ownership by other owners. The equity held by MORI TRUST Hotel REIT in the trust beneficiary interest is 74/100.

NO.4
HOTEL
SUNROUTE PLAZA
SHINJUKU

Hotel Sunroute Plaza Shinjuku



HOTEL SUNROUTE PLAZA SHINJUKU

Luxury

Upper upscale

Upscale

Upper
midscale

Developed by
Mori Trust

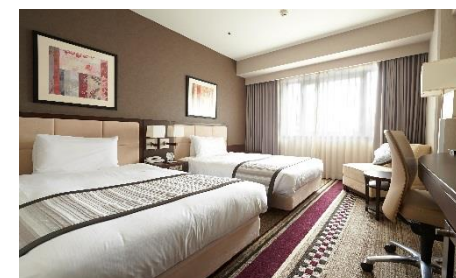
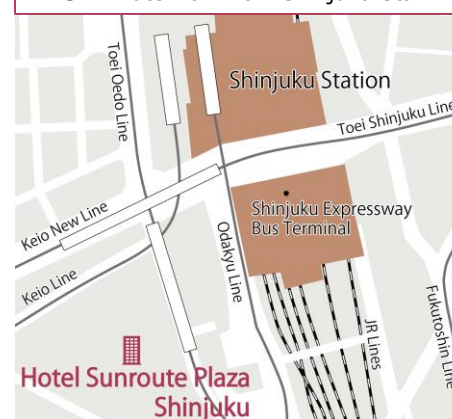
Leased

Location : Shibuya Ward, Tokyo

Floors : 14 with a basement floor

Guestrooms : 624

3-minute walk from Shinjuku Sta.



Property Characteristics

- A 3-minute walk from Shinjuku Station, which has the largest number of passengers getting on/off trains on average in Japan.
- A flagship hotel of the Sunroute chain with the affix of Plaza.
- A hotel mainly for overnight stays, with restaurants, bar and conference rooms available.

Development Capabilities of Mori Trust Group

Years of achievements by Mori Trust Group in large-scale, multi-use development projects and hotel development and operations

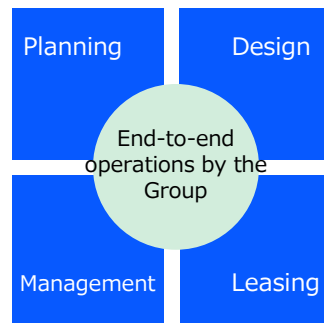


Focus on asset quality

- Selection and concentration
 - : track record of development in selected locations
- Quality-focused creation of facilities
 - : cutting-edge functionalities
- Creation of highly advanced, sustainable communities
 - : disaster prevention and environmental performances

Real estate development structure

Utilizing accumulated expertise



A business and commercial area representing Japan, with Tokyo Station serving as the base point



Marunouchi Trust City
Shangri-La Hotel, Tokyo
(Leased)



Kyobashi Trust Tower
Courtyard by Marriott
Tokyo Station



As of December, 2018

(Note) Except for the assets owned as of February 28, 2019, there is no fact that MORI TRUST Hotel REIT has decided to acquire the properties listed above, or there is no guarantee that it can acquire them in the future.

Years of Achievements by Mori Trust Group in Developing and Operating Hotels



Alliance with the industry's front runners

- Alliance with a variety of international brand hotels
 - Works to develop and operate hotels offering added value through alliance with Marriott International and Shangri-La Hotels & Resorts, the world's largest hotel chains.
 - Involved with multiple international brand hotels to embark on their first forays in Japan.

■ Strengths of international brand hotels

- Globally extended customer base
- Direct reservation by utilizing the membership organization and reservation systems
- Provision of services matching global standards and operational expertise

Hotel chain	Marriott International	Shangri-la Hotels & Resorts	HILTON WORLDWIDE
No. of brands	30	5	17
Brand	Marriott, Courtyard by Marriott, Westin, Luxury Collection, JW Marriott and others	Shangri-La Hotel, Hotel Jen, Kerry Hotel and others	Conrad, Hilton, Waldorf Astoria and others
No. of hotels and guestrooms	Over 6,900 hotels / over 1.31 mn rooms	Over 100 hotels / over 40,000 rooms	Over 5,600 hotels / over 913,000 rooms
No. of countries and regions	130	22	113
No. of members	Over 125 million	Over 4 million	Nearly 85 million
Brand of hotels developed by the Mori Trust Group	<ul style="list-style-type: none"> ● Tokyo Marriott Hotel ● Courtyard by Marriott Tokyo Station ● Courtyard by Marriott Shin-Osaka Station ● The Westin Sendai ● Suiran, a Luxury Collection Hotel, Kyoto ● IRAPH SUI, a Luxury Collection Hotel, Miyako Okinawa 	<ul style="list-style-type: none"> ● Shangri-La Hotel, Tokyo (leased) 	<ul style="list-style-type: none"> ● CONRAD TOKYO

※Hotels indicated in red are the first hotels of the brands in Japan

(Source) Prepared by the Asset Management Company based on the publicized figures on the websites of the respective hotel chains (as of April 1, 2019)

(Note) Except for the assets owned as of February 28, 2019, there is no fact that MORI TRUST Hotel REIT has decided to acquire the properties listed above, or there is no guarantee that it can acquire them in the future.

Balance Sheets and Statements of Income (6th FP)

(Thousands of yen)

Balance Sheets (as of February 28, 2018)

Current assets	4,320,619	Current liabilities	19,157,531
Cash and deposits	2,768,677	Operating accounts payable	3,644
Cash and deposits in trust	1,543,576	Short-term loans payable	4,000,000
Prepaid expenses	8,364	Current portion of long-term loans payable	14,500,000
Non-current assets	100,936,404	Accounts payable	106,388
Property and equipment	100,921,396	Accrued expenses	49,479
Buildings in trust	16,825,096	Distribution payable	5,779
Accumulated depreciation	-1,588,817	Income taxes payable	752
Structures in trust	5,640	Accrued consumption taxes	47,009
Accumulated depreciation	-3,675	Advances received	443,857
Tools, furniture and fixtures in trust	4,522	Deposits received	620
Accumulated depreciation	-377	Non-current liabilities	34,554,473
Land in trust	85,644,447	Long-term loans payable	30,000,000
Construction in progress in trust	34,560	Tenant leasehold and security deposits	4,554,473
Intangible assets	1,870	Total liabilities	53,712,004
Software	1,870	Unitholders' equity	51,545,019
Investments and other assets	13,138	Unitholders' capital	50,000,000
Guarantee deposits	10,000	Surplus	1,545,019
Long-term prepaid expenses	3,131	Unappropriated retained earnings	1,545,019
Deferred tax assets	7	Total net assets	51,545,019
Total assets	105,257,024	Total liabilities and net assets	105,257,024

Statements of income (September 1, 2018 – February 28, 2019)

Operating revenues	2,322,005
Rental revenues	2,322,005
Operating expenses	677,237
Rental expenses	546,113
Asset management fee	89,596
Asset custody and administrative service fees	11,735
Directors' compensations	3,600
Other operating expenses	26,191
Operating income	1,644,767
Non-operating income	380
Interest income	22
Insurance income	358
Other	0
Non-operating expenses	99,630
Interest expenses	99,630
Ordinary income	1,545,517
Income before income taxes	1,545,517
Income taxes – current	755
Income taxes – deferred	11
Net income	1,544,749
Retained earnings brought forward	269
Unappropriated retained earnings	1,545,019

Revenues and Expenses by Property (6th FP)

Item	Shangri-La Hotel Tokyo	Courtyard by Marriott Tokyo Station	Courtyard by Marriott Shin-Osaka Station	Hotel Sunroute Plaza Shinjuku	Entire portfolio
	6th FP	6th FP	6th FP	6th FP	6th FP
Operating period (from) (to)	Sep. 1, 2018 Feb. 28, 2019	Sep. 1, 2018 Feb. 28, 2019	Sep. 1, 2018 Feb. 28, 2019	Sep. 1, 2018 Feb. 28, 2019	Sep. 1, 2018 Feb. 28, 2019
Operating days (days)	181	181	181	181	181
Real estate rental revenues and expenses (thousand yen)					
Real estate rental revenues ①	937,220	383,872	348,575	652,336	2,322,005
Rent revenues	937,220	383,872	348,575	652,336	2,322,005
Real estate rental expenses ②	236,069	68,439	67,585	174,019	546,113
Taxes and public dues	125,953	23,093	14,979	64,496	228,523
Insurance expenses	1,302	343	611	881	3,138
Repairs and maintenance expenses	-	209	905	-	1,114
Depreciation ③	108,612	44,593	50,888	108,440	312,536
Other	200	200	200	200	800
Real estate rental income ④=①-②	701,151	315,432	280,989	478,317	1,775,891
NOI ⑤=④+③	809,764	360,026	331,877	586,758	2,088,427
NOI yield (annualized) (Note)	3.9%	5.3%	3.8%	4.1%	4.1%
Acquisition price (million yen)	42,000	13,800	17,600	28,600	102,000

(Note) Annualized NOI for the 6th FP / Acquisition price

List of Interest-Bearing Debt (End of 6th FP)

(as of February 28, 2019)

Category	Lender	Loan amount (mn yen)	Interest rate	Drawdown date	Repayment date	Remarks
Short-term loans	MUFG Bank, Ltd.	2,500	Base rate (Note) + 0.20%	Nov. 30, 2018	Aug. 30, 2019	Lump-sum repayment upon maturity Unsecured Unguaranteed Floating interest rate
	Mizuho Bank, Ltd.	500	Base rate (Note) + 0.20%	Nov. 30, 2018	Aug. 30, 2019	
	Sumitomo Mitsui Banking Corporation	500	Base rate (Note) + 0.20%	Nov. 30, 2018	Aug. 30, 2019	
	Sumitomo Mitsui Trust Bank, Limited	500	Base rate (Note) + 0.20%	Nov. 30, 2018	Aug. 30, 2019	
	Subtotal	4,000				
Long-term loans	Mizuho Bank, Ltd.	7,000	0.36750%	Nov. 30, 2016	Nov. 29, 2019	Lump-sum repayment upon maturity Unsecured Unguaranteed Fixed interest rate
	Sumitomo Mitsui Banking Corporation	5,500	0.36750%	Nov. 30, 2016	Nov. 29, 2019	
	Mizuho Trust & Banking Co., Ltd.	2,000	0.36750%	Nov. 30, 2016	Nov. 29, 2019	
	Mizuho Bank, Ltd.	1,000	0.38750%	Nov. 30, 2017	Nov. 30, 2020	
	Sumitomo Mitsui Banking Corporation	1,000	0.38750%	Nov. 30, 2017	Nov. 30, 2020	
	Resona Bank, Limited	1,000	0.37750%	Nov. 30, 2017	Nov. 30, 2020	
	Sumitomo Mitsui Trust Bank, Limited	2,000	0.35158%	Nov. 30, 2018	Aug. 31, 2021	
	Mizuho Bank, Ltd.	1,000	0.35158%	Nov. 30, 2018	Aug. 31, 2021	
	Sumitomo Mitsui Banking Corporation	1,000	0.35158%	Nov. 30, 2018	Aug. 31, 2021	
	Sumitomo Mitsui Trust Bank, Limited	3,000	0.49630%	Nov. 30, 2016	Nov. 30, 2021	
	MUFG Bank, Ltd.	3,000	0.49630%	Nov. 30, 2016	Nov. 30, 2021	
	Development Bank of Japan Inc.	1,500	0.49630%	Nov. 30, 2016	Nov. 30, 2021	
	Sumitomo Mitsui Banking Corporation	2,000	0.42661%	Nov. 30, 2018	Aug. 31, 2022	
	Mizuho Bank, Ltd.	1,000	0.42661%	Nov. 30, 2018	Aug. 31, 2022	
	Sumitomo Mitsui Trust Bank, Limited	1,000	0.42661%	Nov. 30, 2018	Aug. 31, 2022	
	Shinkin Central Bank	1,000	0.42661%	Nov. 30, 2018	Aug. 31, 2022	
	Sumitomo Mitsui Trust Bank, Limited	500	0.53250%	Nov. 30, 2017	Nov. 30, 2022	
	MUFG Bank, Ltd.	500	0.53250%	Nov. 30, 2017	Nov. 30, 2022	
	Nippon Life Insurance Company	1,000	0.55565%	Nov. 30, 2017	May 31, 2023	
	Mizuho Bank, Ltd.	1,000	0.49909%	Nov. 30, 2018	Aug. 31, 2023	
	Sumitomo Mitsui Trust Bank, Limited	1,000	0.49909%	Nov. 30, 2018	Aug. 31, 2023	
	MUFG Bank, Ltd.	1,000	0.49909%	Nov. 30, 2018	Aug. 31, 2023	
	Mizuho Bank, Ltd.	2,000	0.63750%	Nov. 30, 2016	Nov. 30, 2023	
Sumitomo Mitsui Banking Corporation	2,000	0.63750%	Nov. 30, 2016	Nov. 30, 2023		
Development Bank of Japan Inc.	1,500	0.63750%	Nov. 30, 2016	Nov. 30, 2023		
	Subtotal	44,500				
	Total	48,500				

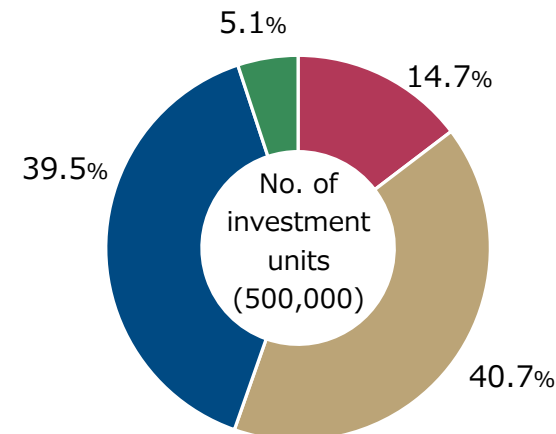
Debt financing conducted in the 6th FP ended February 2019

(Note) The base rate is the JBA (Japanese Bankers Association) 1-month Japanese Yen TIBOR.

Breakdown of Unitholders

(as of February 28, 2019)

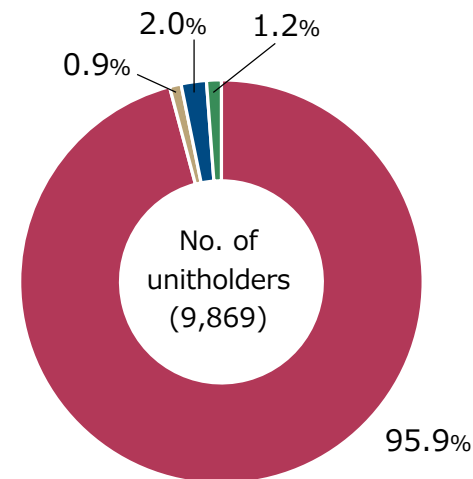
	Individuals	Financial institutions (including)	Other domestic corporations	Overseas corporations and individuals	Total
No. of investment units (units)	73,304	203,577	197,739	25,380	500,000
	14.7%	40.7%	39.5%	5.1%	100%
No. of unitholders (persons)	9,460	92	200	117	9,869
	95.9%	0.9%	2.0%	1.2%	100%



Major Unitholders (Top 10 Firms)

(as of February 28, 2019)

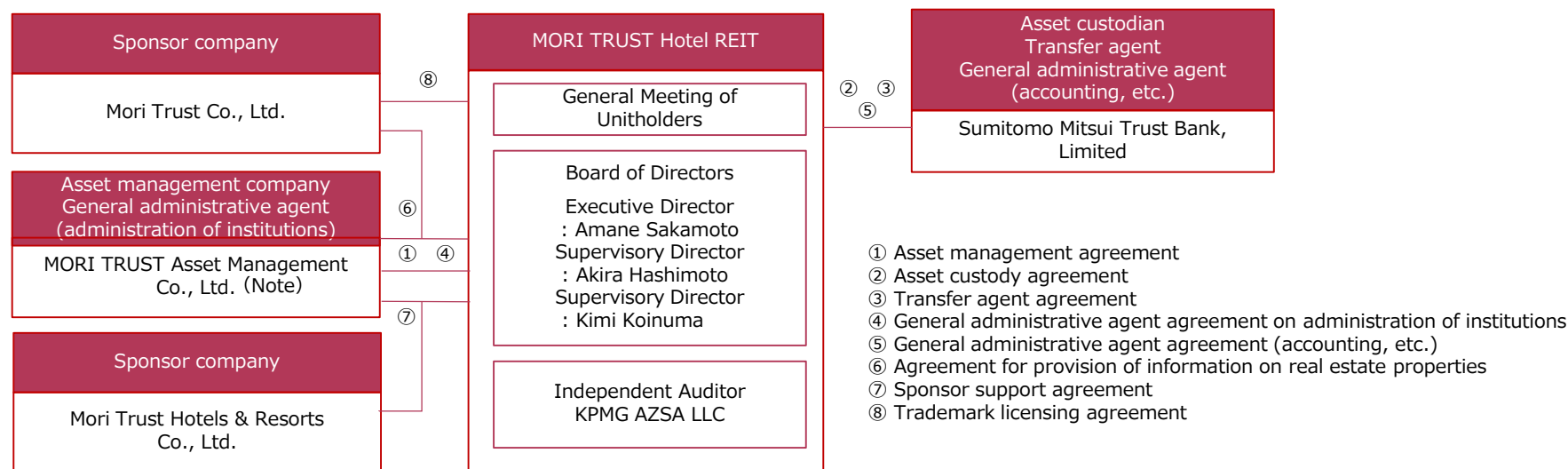
Name	No. of owned units (units)	Unitholding ratio (%)
Mori Trust Holdings Inc.	164,000	32.8%
Japan Trustee Services Bank, Ltd. (Trust Account)	77,763	15.6%
The Master Trust Bank of Japan, Ltd. (Trust Account)	40,582	8.1%
Mori Trust Hotels & Resorts Co., Ltd.	20,000	4.0%
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	13,390	2.7%
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	11,430	2.3%
The Bank of Kyoto, Ltd.	6,427	1.3%
STATE STREET BANK AND TRUST COMPANY 505012	5,593	1.1%
Fukoku Mutual Life Insurance Company	3,500	0.7%
Yamato Shinkin Bank	3,500	0.7%
Total (top 10 firms)	346,185	69.2%



- Individuals
- Financial institutions (including securities firms)
- Other domestic corporations
- Overseas corporations and individuals

Structure of MORI TRUST Hotel REIT

(as of March 1, 2019)



Structure of MORI TRUST Asset Management (Note)

(as of March 1, 2019)

Company name	MORI TRUST Asset Management Co., Ltd.
Shareholder composition	Mori Trust Co., Ltd. 95% Mori Trust Hotels & Resorts Co., Ltd. 5%
Registration / license	Financial instruments business, Registration No.: Kanto Local Finance Bureau Director-General (Financial instruments business) No.407 Comprehensive real estate investment advisory business, Registration No.: Minister of Land, Infrastructure and Transportation No.000001 Building lot and building transaction business, License No.: Minister of Land, Infrastructure and Transportation(4) No.6009 Discretionary trading agent, etc. for building lot and building transaction business, Permission No.: Minister of Land, Infrastructure and Transportation No.4 Member of The Investment Trusts Association, Japan

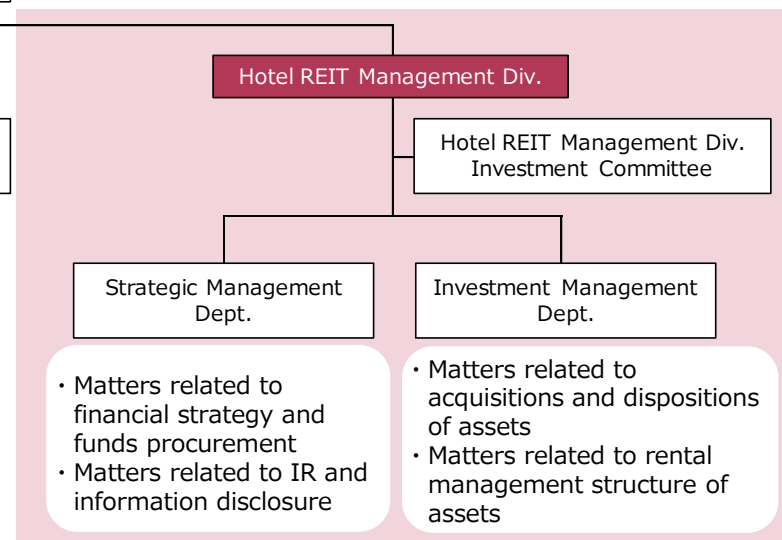
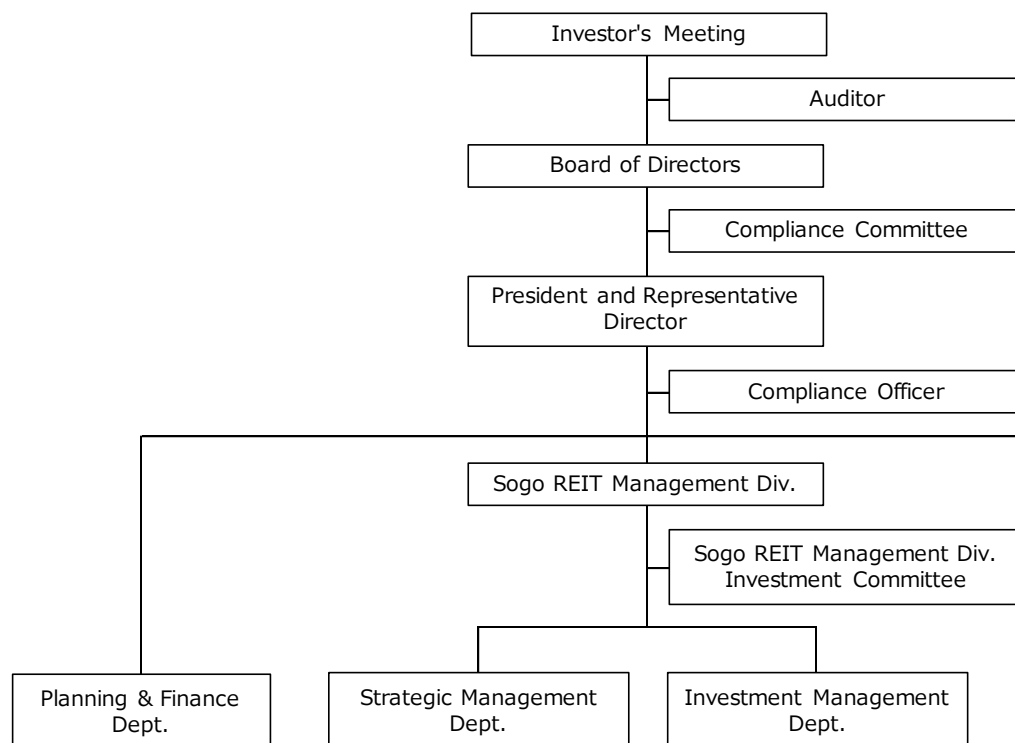
(Note) Mori Trust Hotel Asset Management Co., Ltd., the asset management company as of the end of the fiscal period, was merged with Mori Trust Asset Management Co., Ltd., in an absorption-type merger as of March 1, 2019. After the merger, Mori Trust Asset Management Co., Ltd. manages the assets of Mori Trust Hotel REIT.

- As of March 1, 2019, two asset management companies affiliated with Mori Trust Group merged.
- The Hotel REIT Management Division will be responsible for managing Mori Trust Hotel REIT, Inc.

Organizational structure after merger

MORI TRUST Asset Management Co., LTD.

(as of March 1, 2019)



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