Summary of Financial Results (REIT) for Fiscal Period Ended February 28, 2017

April 14, 2017

REIT Securities Issuer	MORI TRUST Hotel Reit, Inc.	Stock Exchange Listing:	Tokyo Stock Exchange
Securities Code:	3478	URL:	http://www.mt-hotelreit.jp/en/
Representative:	Nobuyuki Endo, Executive Director		

Asset Management Company: MORI TRUST Hotel Asset Management Co., Ltd.
Representative: Nobuyuki Endo, President and CEO
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Scheduled date of submission of securities report: May 24, 2017
Scheduled date of commencement of cash distribution payment: May 22, 2017

Preparation of supplementary financial results briefing materials: Yes
Holding of financial results briefing session: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen)

1. Status of Management and Assets for Fiscal Period Ended February 28, 2017 (from March 1, 2016 to February 28, 2017)

(1) Management Status (% figures are the rate of period-on-period increase (decrease))

Fiscal period	Operating revenues		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Ended Feb. 2017	2,264	–	1,780	–	1,595	–	1,593	–
Ended Feb. 2016	–	–	(5)	–	(40)	–	(40)	–

Fiscal period	Net income per unit	Rate of return on equity	Ordinary income to total assets ratio	Ordinary income to operating revenues ratio
	yen	%	%	%
Ended Feb. 2017	4,257	6.2	3.0	70.4
Ended Feb. 2016	(40,670)	(51.1)	(40.8)	–

(Note 1) The calculation period for the fiscal period ended February 28, 2017 of MORI TRUST Hotel Reit is a period of 365 days from March 1, 2016 to February 28, 2017, but the actual asset management period is a period of 216 days from July 28, 2016.

(Note 2) Net income per unit is calculated by dividing profit by the daily weighted average number of investment units.

(Note 3) The rate of period-on-period increase (decrease) is shown as "-" when the ratio exceeds 1,000%.

(2) Status of Cash Distributions

Fiscal period	Distributions per unit (excluding distributions in excess of earnings)	Total distributions (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit	Total distributions in excess of earnings	Payout ratio	Ratio of distributions to net assets
	yen	million yen	yen	million yen	%	%
Ended Feb. 2017	3,105	1,552	0	0	97.4	3.8
Ended Feb. 2016	0	0	0	0	–	–

(Note 1) Funds for payment of cash distributions for the fiscal period ended February 28, 2017 are net income for the fiscal period less undisposed loss brought forward from the previous fiscal period. Consequently, funds for payment of cash distributions and net income do not match.

(Note 2) The payout ratio is calculated by the following formula:
Payout ratio = Total cash distributions (not including excluding distributions in excess of earnings) ÷ Net income × 100

(3) Financial Position

Fiscal period	Total assets	Net assets	Unitholders' capital to total assets	Net assets per unit
	million yen	million yen	%	yen
Ended Feb. 2017	107,183	51,552	48.1	103,105
Ended Feb. 2016	99	59	59.7	59,329

(4) Status of Cash Flows

Fiscal period	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
Ended Feb. 2017	1,246	(97,905)	100,398	3,829
Ended Feb. 2016	(0)	(10)	100	89

2. Forecast of Management Status for Fiscal Period Ending August 31, 2017 (from March 1, 2017 to August 31, 2017)

(% figures are the rate of period-on-period increase (decrease))

Fiscal period	Operating revenues		Operating income		Ordinary income		Net income		Distributions per unit (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit
	million yen	%	million yen	%	million yen	%	million yen	%	yen	yen
Ending Aug. 31, 2017	2,287	1.0	1,596	(10.3)	1,505	(5.6)	1,504	(5.6)	3,010	0

(Reference) Forecast net income per unit (fiscal period ending August 31, 2017): 3,009 yen

* Other

(1) Changes in Accounting Policies, Changes in Accounting Estimates, and Retrospective Restatement

(i) Changes in accounting policies accompanying amendments to accounting standards, etc.: No

(ii) Changes in accounting policies other than (i): No

(iii) Changes in accounting estimates: No

(iv) Retrospective restatement: No

(2) Total number of investment units issued and outstanding (including treasury units) at end of period

(i) Total number of investment units issued and outstanding (including treasury units) at end of period

Fiscal period ended February 28, 2017	500,000
Fiscal period ended February 29, 2016	1,000

(ii) Number of treasury units at end of period

Fiscal period ended February 28, 2017	0
Fiscal period ended February 29, 2016	0

* Presentation of Status of Implementation of Audit Procedures

At the time of disclosure of this financial report, audit procedures for financial statements pursuant to the Financial Instruments and Exchange Act have not been completed

* Explanation of Appropriate Use of Forecast of Management Status, and Other Matters of Special Note

Forecast of management status and other forward-looking statements contained in this document are based on information that are currently available and certain assumptions that are deemed reasonable by MORI TRUST Hotel Reit. Accordingly, the actual management status, etc. may differ materially due to various factors.

In addition, the forecast is not a guarantee of the amount of cash distributions. For details of the assumptions underlying forecast of management status, please refer to “Assumptions Underlying Forecast of Management Status for Fiscal Period Ending August 31, 2017” on page 3.

Assumptions Underlying Forecast of Management Status for Fiscal Period Ending August 31, 2017

<table>
<tr><th>Item</th><th>Assumption</th></tr>
<tr><td>Calculation Period</td><td>- Fiscal period ending August 2017 (3rd fiscal period): (from March 1, 2017 to August 31, 2017) (184 days)</td></tr>
<tr><td>Assets under Management</td><td>- The forecast of management status is based on the assumption of the four properties held as of February 28, 2017, and on the assumption that there will be no change in the assets under management (acquisition of new property or disposal of portfolio property, etc.) through to the end of the fiscal period ending August 2017.
- In actual practice, a change may arise due to the acquisition of new property or the disposition of portfolio property, etc.</td></tr>
<tr><td>Operating revenues</td><td>- Lease business revenues, which are calculated on the basis of the lease agreements currently in force, taking into account such factors as market trends and property competitiveness, is expected to be 2,287 million yen in the fiscal period ending August 2017
- Rent included in lease business revenues are calculated based on the following assumptions. Variable rent is calculated mainly on the basis of management results in the previous year by the method set out in the lease agreement of each property, taking into consideration factors for fluctuation such as recent hotel market conditions.

[Shangri-La Hotel, Tokyo]
Variable rent in the fiscal period ending August 31, 2017 (3rd fiscal period): 926 million yen
The variable rent for each month is amount calculated by multiplying the rent received from subtenant by tenant (hereinafter referred to as “subletting tenant rent” (see Note)) for month three months before month in question by 97%.
(Note) “Subletting tenant rent” is calculated by multiplying total sales from the subtenant’s hotel operations by a certain percentage. The percentage is not disclosed as the consent of the subtenant has not been obtained.

(Reference) Minimum annual guaranteed rent (from April each year to March the following year (see Note)): 882,700,000 yen
(Note) If the total amount of subletting tenant rent for the period from January to December each year is less than 910,000,000 yen (including if subletting tenant rent is not paid due to vacation by the subletting tenant, etc.), rent is calculated on the basis that the subletting tenant rent for the period is 910,000,000 yen (910,000,000 yen×97% = 882,700,000 yen), and the difference (shortfall) between this amount and the total amount of rent from April to March the following year is paid, together with the rent for March the following year, no later than the last day of February the following year.

[Courtyard by Marriott Tokyo Station]
Variable rent in the fiscal period ending August 31, 2017 (3rd fiscal period): 344 million yen
The variable rent for each month is amount (not less than 0 yen) calculated by multiplying adjusted operating income by facility (see Note) of the hotel for month three months before month in question by 90%.
(Note) “Adjusted operating income by facility” refers to sales from hotel operations less hotel operating expenses by department, unallocated operating expenses, fixed operating costs, and operating expenses of hotel operator allocated to head office (only expenses related to the hotel).

(Reference) Minimum annual guaranteed rent (from October each year to September the following year (see Note): 310,000,000 yen
(Note) If the total amount of rent for the period from October each year to September the following year is less than 310,000,000 yen, rent for period in question is taken as 310,000,000 yen, and the difference (shortfall) between this amount and the total amount of rent from October to September the following year is paid, together with the rent for September the following year, no later than the last day of August the following year.

[Courtyard by Marriott Shin-Osaka Station]
Variable rent in the fiscal period ending August 31, 2017 (3rd fiscal period): 364 million yen
The variable rent for each month is amount (not less than 0 yen) calculated by multiplying adjusted operating income by facility (see Note) of the hotel for month three months before month in question by 90%.
(Note) “Adjusted operating income by facility” refers to sales from hotel operations less hotel operating expenses by department, unallocated operating expenses, fixed operating costs, and operating expenses of hotel operator allocated to head office (only expenses related to the hotel). Only sales and expenses relating to the accommodation of general users of the hotel are included in the calculation of adjusted operating income by facility, in principle. Sales and expenses relating to the accommodation of guests who are members of the Laforet Club of tenant, Mori Trust Co., Ltd., food and beverages, parking facilities, etc. are not included.</td></tr>
</table>

Item	Assumptions
Operating revenues	(Reference) Minimum annual guaranteed rent (from October each year to September the following year (see Note): 460,000,000 yen (Note) If the total amount of rent for the period from October each year to September the following year is less than 460,000,000 yen, rent for period in question is taken as 460,000,000 yen, and the difference (shortfall) between this amount and the total amount of rent from October to September the following year is paid, together with the rent for September the following year, no later than the last day of August the following year. [Hotel Sunroute Plaza Shinjuku] Fixed rent in the fiscal period ending August 31, 2017 (3rd fiscal period): 652 million yen (Note) "Fixed rent" means rent that is paid in the same amount every month. (Reference) Annual fixed rent: 1,304,673,360 yen
Operating expenses	- Of expenses related to property rental business, which constitute a major component of operating expenses, expenses other than depreciation, are calculated on the basis of historical data, taking into consideration factors causing fluctuations in expenses. It is expected to be 233 million yen in the fiscal period ending August 2017. - Property tax and city planning tax, etc. recognized as expenses in the fiscal year ending August 2017 are expected to be 226 million yen - Building repairs and maintenance expenses are expected to be 3 million yen in the fiscal year ending August 2017. However, factors such as repairs possibly arising from unforeseeable causes, the variation in the amount depending on the fiscal year generally being large and not being an amount that arises periodically may result in repair expenses differing materially from the forecast amount. - Depreciation and amortization, which is calculated using the straight-line method inclusive of incidental expenses, etc., is assumed to be 312 million yen in the fiscal period ending August 2017.
Non-operating expenses	- Interest expenses are expected to be 90 million yen in the fiscal period ending August 2017.
Loans	- MORI TRUST Hotel Reit's outstanding balance of interest-bearing liabilities as of today is 50,500 million yen. - It is assumed that the outstanding balance of interest-bearing liabilities will be 49,500 million yen at the end of the fiscal period ending August 2017. - A refund of consumption taxes for the fiscal period ending February 2017 is expected during the fiscal period ending August 2017, and the assumption is, therefore, that this refund will be used as the source of funds to repay 1,000 million yen in loans in the fiscal period ending August 2017. - LTV is expected to be around 46.7% at the end of the fiscal period ending August 2017. - The following formula is used in the calculation of LTV, and LTV is rounded down to the nearest first decimal place. LTV = Total interest-bearing liabilities ÷ Total assets × 100
Investment units	- The assumption is that there will be no change in the number of investment units due to issuance of new investment units, etc. through to the end of the fiscal period ending August 2017. - Distributions per unit (excluding distributions in excess of earnings) is calculated on the basis of the estimated number of investment units issued and outstanding at the end of the fiscal period ending August 2017, which is 500,000 units.
Distribution per unit	- Distributions per unit (excluding distributions in excess of earnings) is calculated based on the assumption of the policy for cash distribution set forth in the Articles of Incorporation of MORI TRUST Hotel Reit. - Distributions per unit (excluding total distributions in excess of earnings) may vary due to various factors, including changes in assets under management, fluctuation in rent income accompanying changes in tenants and other events, and the incurrence of unexpected repairs.
Distributions in excess of earnings per unit	- There are no plans at this time to distribute cash in excess of profit (distributions in excess of earnings per unit).
Others	- The assumption is that there will be no revision of laws and regulations, tax systems, accounting standards, the listing regulations of the Tokyo Stock Exchange, etc., or rules of the Investment Trusts Association, Japan, etc. that will impact the forecast figures above. - The assumption is that there will be no unforeseen serious change in general economic trends and real estate market conditions, etc.