



**4th Fiscal Period (ended April 2015)
Presentation Materials**

Hoshino Resorts REIT, Inc.

June 18, 2015

Asset Management Company
Hoshino Resort Asset Management Co., Ltd.

Security Code: 3287

<http://www.hoshinoresorts-reit.com/>

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I. Management Results of the Fiscal Period Ended April 2015

Overview of financial results for the 4th fiscal period (Ended April 2015)

	Results of the 3rd fiscal period	Forecast for the 4th fiscal period (as of December 15, 2014) (A)	Results of the 4th fiscal period (B)	Comparison with forecast (B)-(A)
Operational status (millions of yen)				
Operating revenue	1,563	1,598	1,599	–
Operating income	895	809	818	9
Ordinary income	716	722	734	12
Net income	715	720	733	12
Distribution per unit (yen)				
Distribution per unit	16,649	16,779	17,075	296
Others				
NOI (millions of yen)	1,416	1,397	1,407	9
NOI yield (%)	8.5	8.4	8.4	–
LTV	22.8%	20.5%	20.6%	–

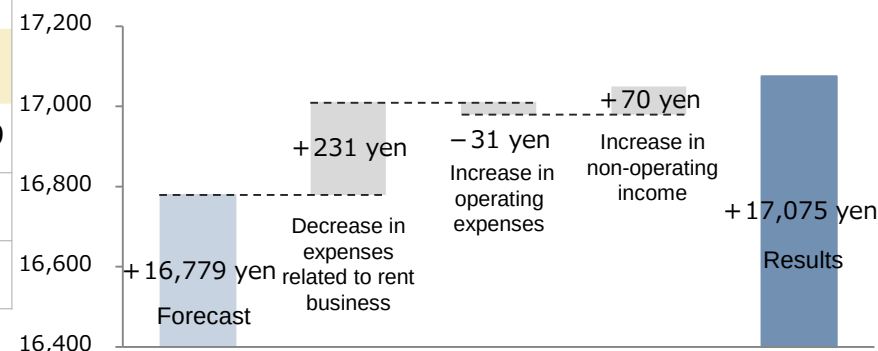
(Amounts are rounded down and ratios are rounded off.)

Overview of financial results for the fiscal period ended April 2015

- ✓ Distribution per unit was **17,075** yen
- ✓ Comparison with forecast was **+ 296** yen (**+1.8 %**)
- ✓ Breakdown of **1,599** million of operating revenue:
Fixed rent **1,400** million, floating rent **197** million

Main differences in net income from the forecast

- +9M** Decrease in expenses related to rent business
 - Decrease in maintenance/repair expenses 4M
 - Decrease in fixed assets tax and city planning tax 3M
- 1M** Increase in operating expenses
 - Increase in other expenses 1M
- +3M** Increase in non-operating income
 - Interest on refunds of consumption tax 1M

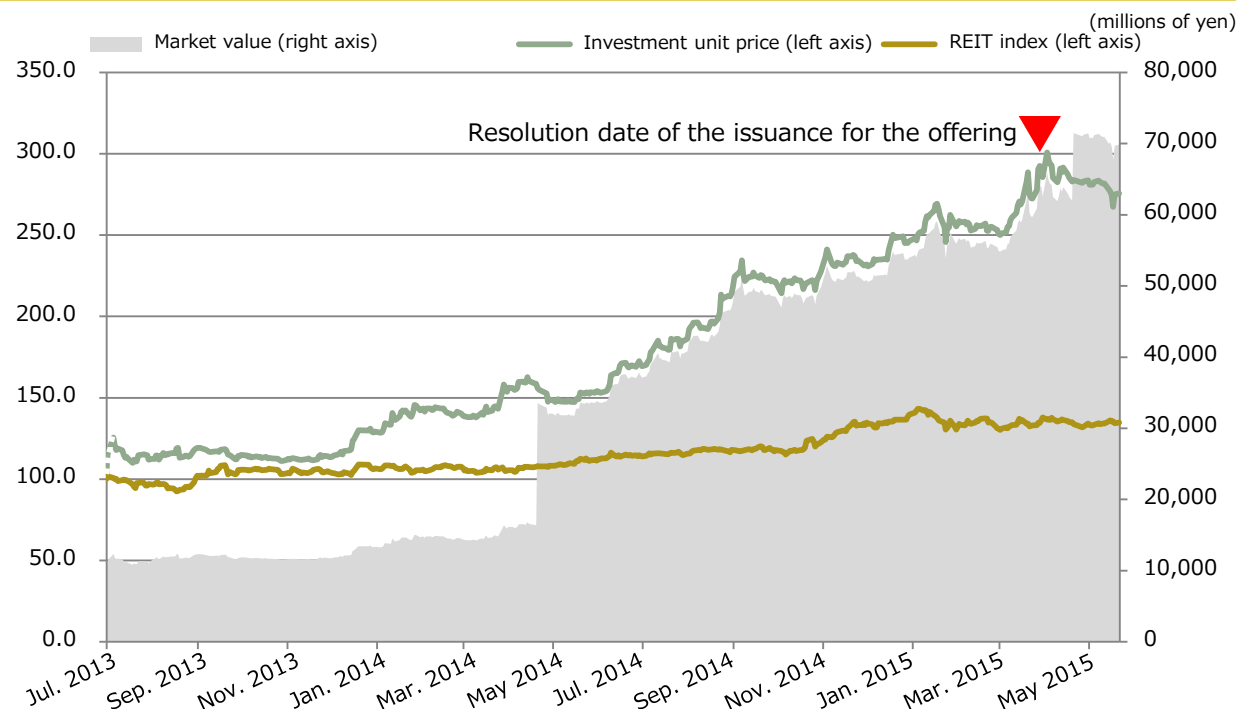


Overview of capital increase through public offering

Hoshino Resorts REIT, Inc.

Overview of offering

Offering form	Domestic offering
Number of units offered	Domestic primary offering: 6,400 units Third-party allotment: 320 units Total: 6,720 units
Total amount paid in	¥9,107 million
Issue price per unit	¥1,404,215
Resolution date of the issuance	April 10, 2015
Pricing date	April 21, 2015
Lead manager	Nomura Securities Co., Ltd.



Portfolio status after the offering

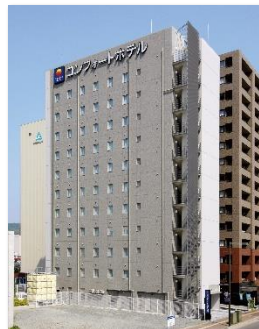
	Properties owned as of April 30, 2015	Properties acquired on May 1, 2015 and June 1, 2015	Properties owned as of June 18, 2015
No. of properties owned	30 properties	8 properties	38 properties
Total acquisition price	¥33.3 billion	¥7.2 billion	¥40.5 billion
Total real estate appraisal value ^(Note)	¥38.5 billion	¥7.7 billion	¥46.3 billion
Ratio of acquisition price to appraisal value ^(Note)	86.5%	92.9%	87.6%
Appraisal NOI yield	7.9%	6.4%	7.6%
Total number of guest rooms	2,443 rooms	1,114 rooms	3,557 rooms

(Note) Amounts for the properties owned as of April 30, 2015, properties acquired on May 1, 2015 and properties owned as of June 1, 2015 are based on figures in the real estate appraisal reports which evaluated values as of October 31, 2014, as of February 28, 2015, and as of December 15, 2014, respectively.

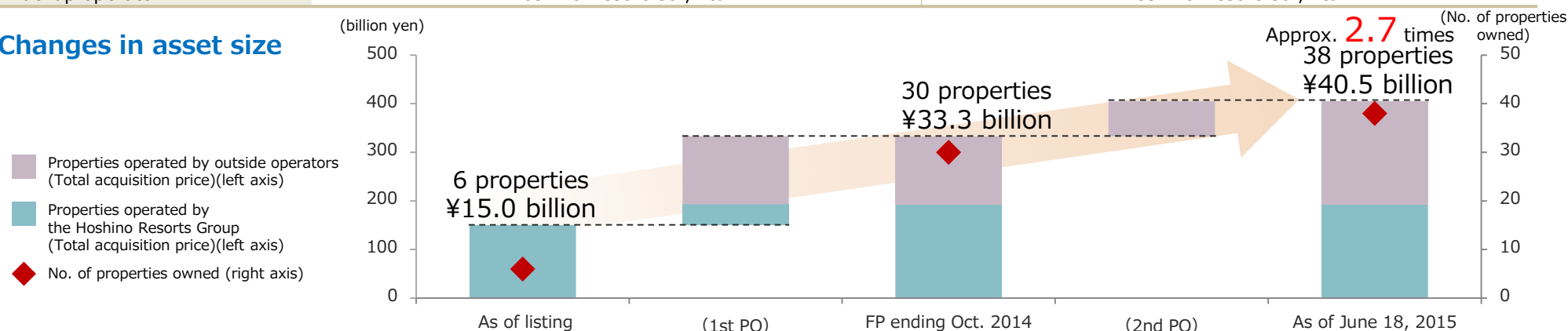
External growth (newly acquired properties)

Hoshino Resorts REIT, Inc.

Overview of properties acquired

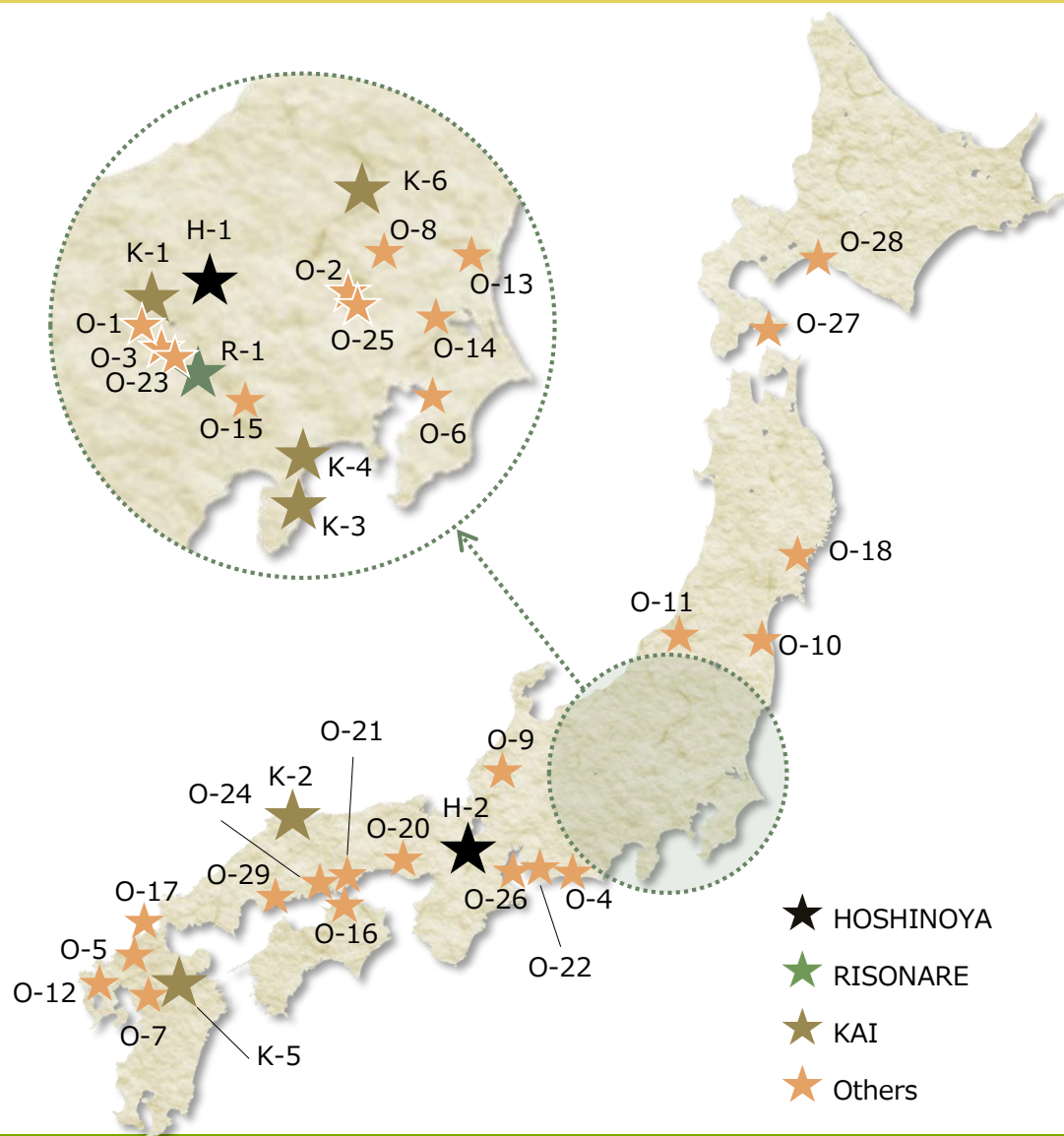
properties acquired	5 Candeo properties		3 Greens properties	
Name of facility	Candeo Hotels Handa Candeo Hotels Chino Candeo Hotels Fukuyama	Candeo Hotels Sano Candeo Hotels Kameyama	Comfort Hotel Hakodate Comfort Hotel Tomakomai Comfort Hotel Kure	
Acquisition route	Acquisition through the Asset Management Company's unique route			
Seller	Tameike Kanzai Co., Ltd.		TAKATAYA Co., Ltd.	
Name of operator	Candeo Hospitality Management, Inc.		Greens Co., Ltd.	
Type	Fixed rent		Fixed rent	
Total acquisition price	¥4.2 billion		¥3.0 billion	
Total real estate appraisal value	¥4.5 billion		¥3.1 billion	
Ratio of acquisition price to appraisal value	92.0 %		94.3 %	
Average building age	6.8 years		6.7 years	
Average lease period	20.0 years		20.0 years	
Average remaining lease period	20.0 years		12.8 years	
Appraisal NOI yield	6.6 %		6.2 %	
Backup operator	Hoshino Resort Co., Ltd.		Hoshino Resort Co., Ltd.	

Changes in asset size

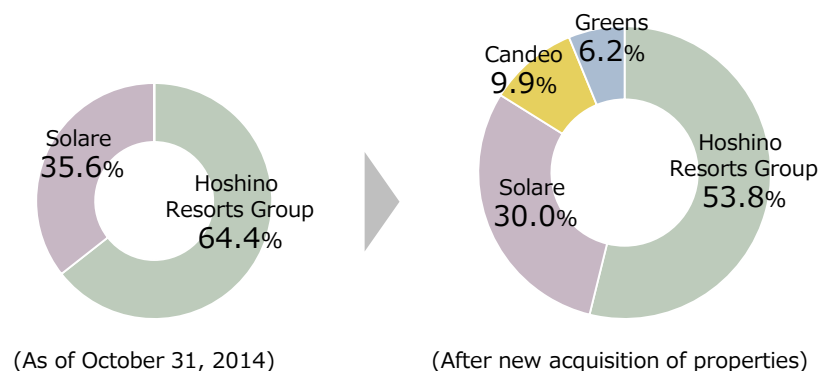


External growth (Status of portfolio after new acquisition of properties)

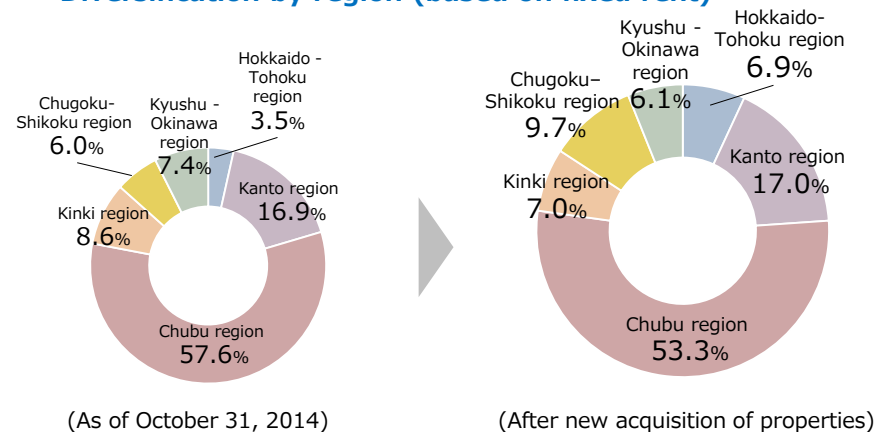
Hoshino Resorts REIT, Inc.



Diversification by operator (based on fixed rent)



Diversification by region (based on fixed rent)



Internal growth (management results highlights)

Hoshino Resorts REIT, Inc.

As for the overall operational results of properties from November 2014 to April 2015, **sales increased approximately 870 million yen year-on-year.**

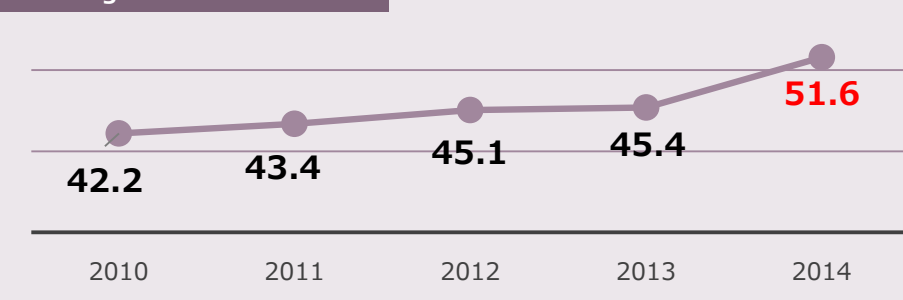
Especially, the increase in sales of **HOSHINOYA Karuizawa** (increase of approx. 92 million yen) and **RISONARE Yatsugatake** (increase of approx. 183 million yen) are notable.

Improved recognition rate and enhanced appeal of facilities in winter season have contributed to the sales increase.

Changes in recognition rate



Changes in intent to use



(Source) Survey by the Hoshino Resorts Group

Enhancement of
recognition rate



Enhancement of
intent to use



Increase in
sales

	From April 2013 to March 2014 Sales (Note 1)	From April 2014 to March 2015 Sales (Note 1)	Change (comparison to previous year)
HOSHINOYA Karuizawa	¥2,754 million	¥2,895 million	+¥141 million
HOSHINOYA Kyoto	¥511 million (Note 2)	¥956 million	—
RISONARE Yatsugatake	¥3,810 million	¥4,129 million	+¥319 million
KAI Matsumoto	¥432 million	¥471 million	+¥39 million
KAI Izumo	¥598 million	¥579 million	— ¥19 million
KAI Ito	¥571 million	¥660 million	+¥89 million
KAI Hakone	¥637 million	¥729 million	+¥92 million
KAI Aso	¥319 million	¥347 million	+¥28 million
KAI Kawaji	¥635 million (Note 3)	¥557 million (Note 3)	—
21 Solare properties	¥3,166 million	¥3,276 million	+¥109 million

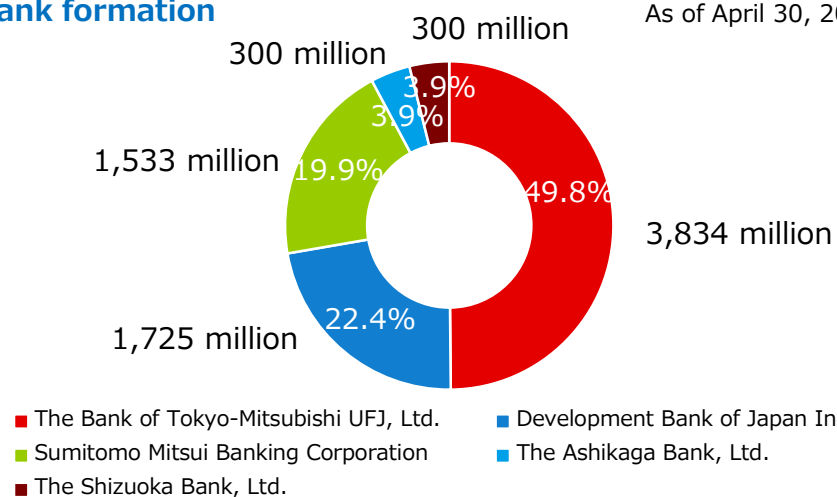
(Note 1) Sales are rounded off to the nearest million.

(Note 2) Due to the damage caused by Typhoon No. 18 on September 16, 2013, operation of HOSHINOYA Kyoto was suspended to conduct repair work as well as reconstruction work of some facilities. Thus operational results from October 2013 to January 2014 do not exist.

(Note 3) Operational results of KAI Kawaji from January 2014 to May 2014 do not exist as operations were suspended to conduct renovation work.

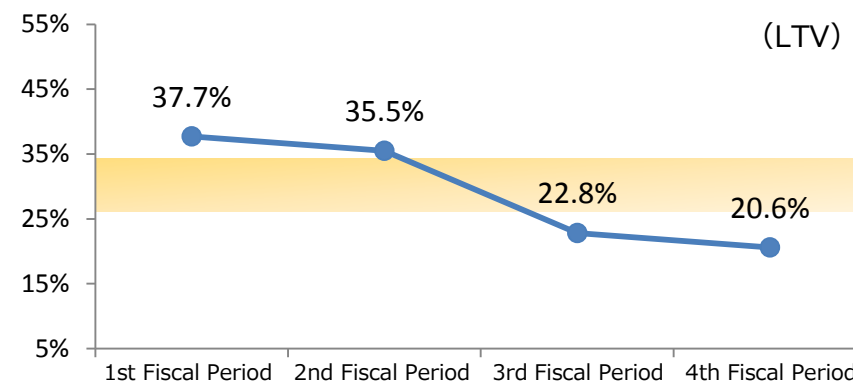
Bank formation

As of April 30, 2015



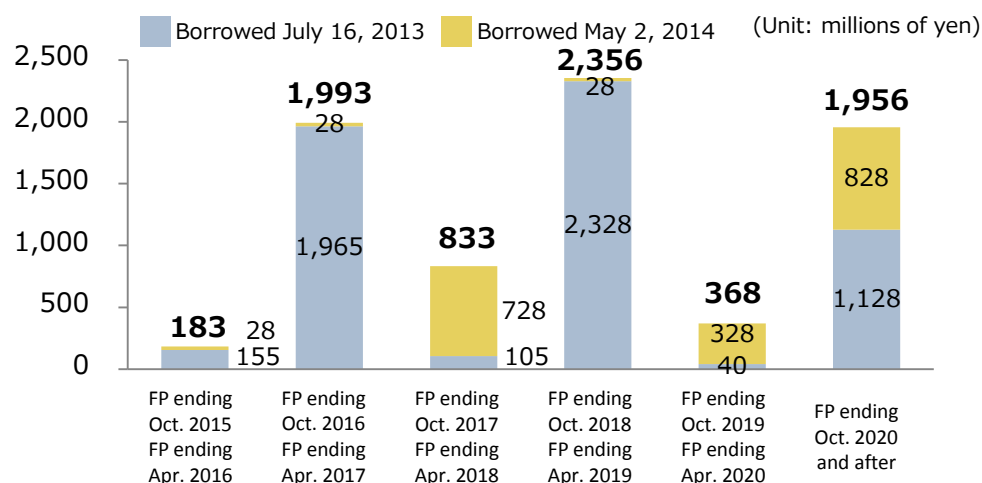
Growth capacity by controlling finance

- Generating acquisition capacity by controlling LTV

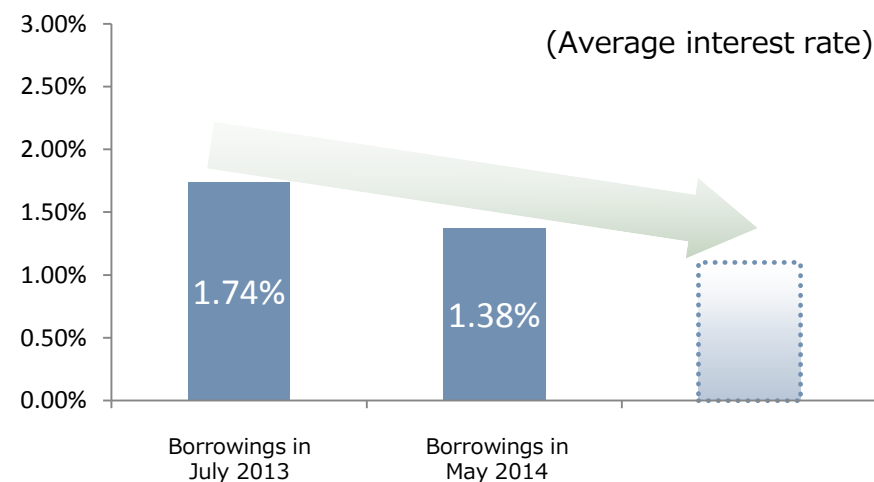


Diversification of final repayment dates

As of April 30, 2015



- Continuous reduction of interest costs





II. Operational Results for Each Property

Operational results for each property (1)

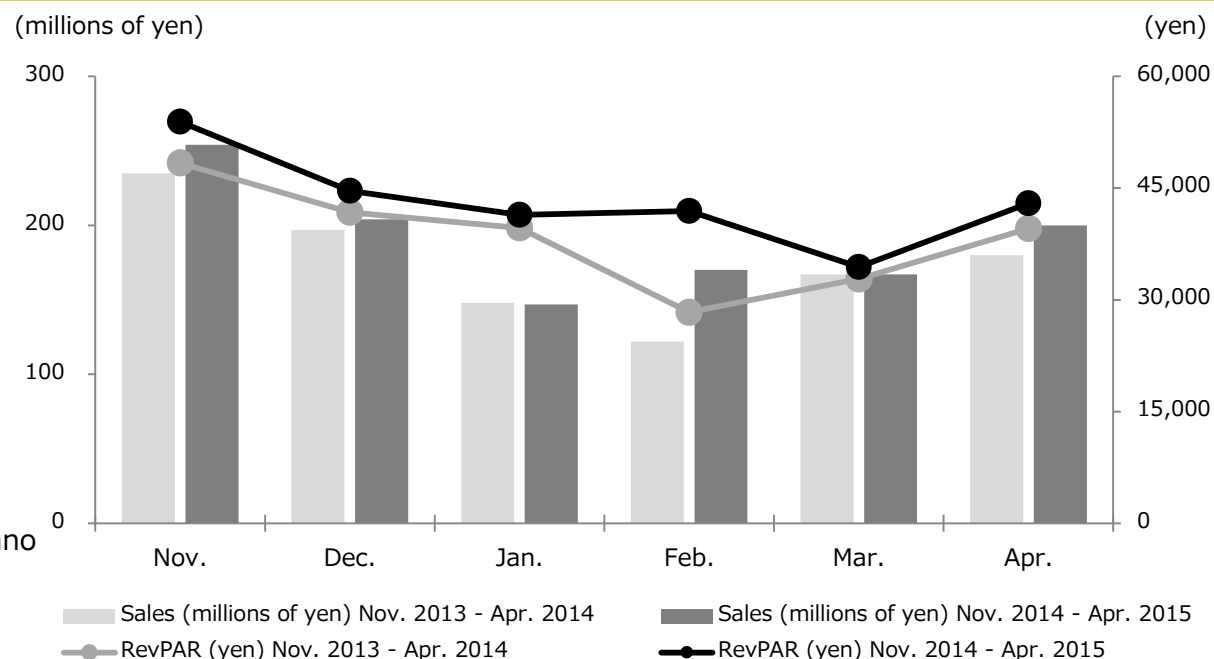
Hoshino Resorts REIT, Inc.

HOSHINOYA Karuizawa



Address: Karuizawa-machi, Kitasaku-gun, Nagano

Number of guest rooms: 77 rooms



Operational results

	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	78.8%	80.4%	91.9%	98.6%	93.5%	87.9%	83.5%	69.4%	67.6%	74.8%	65.0%	75.8%	81.1%
ADR (yen)	62,716	56,011	69,369	90,594	72,305	67,482	64,553	64,328	61,273	56,060	52,970	56,659	65,852
RevPAR (yen)	49,447	45,027	63,731	89,303	67,578	59,340	53,915	44,628	41,410	41,906	34,406	42,948	53,394
Sales (millions of yen)	241	216	295	432	305	285	254	204	147	170	167	200	2,915

(Note 1) The monthly major indices are based on figures provided by the lessee, Hoshino Resort Co., Ltd.

(Note 2) Figures for guest room occupancy rates are rounded off to one decimal place, and figures for ADR and RevPAR are rounded off to the nearest whole number. Figures for sales are rounded off to the nearest million.

Operational results for each property (2)

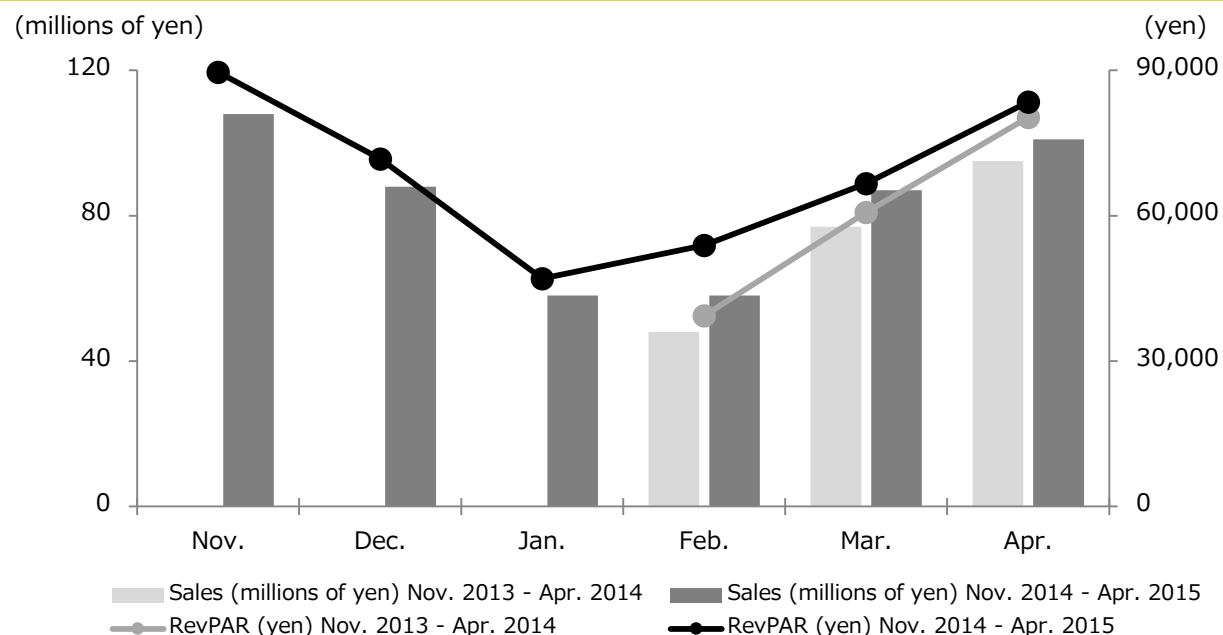
Hoshino Resorts REIT, Inc.

HOSHINOYA Kyoto



Address: Kyoto-shi, Kyoto

Number of guest rooms: 25 rooms



Operational results

	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	85.4%	71.6%	74.5%	84.3%	88.3%	87.9%	94.8%	86.4%	77.3%	91.2%	85.4%	90.0%	84.7%
ADR (yen)	74,762	64,414	75,802	81,804	69,626	78,506	94,553	83,049	60,784	59,099	78,054	92,796	76,942
RevPAR (yen)	63,861	46,120	56,498	68,949	61,457	68,984	89,637	71,754	47,006	53,878	66,673	83,516	65,191
Sales (millions of yen)	83	61	71	77	79	89	108	88	58	58	87	101	962

(Note 1) The monthly major indices are based on figures provided by the lessee, K.K. Arashiyama Onsen Rankyokan.

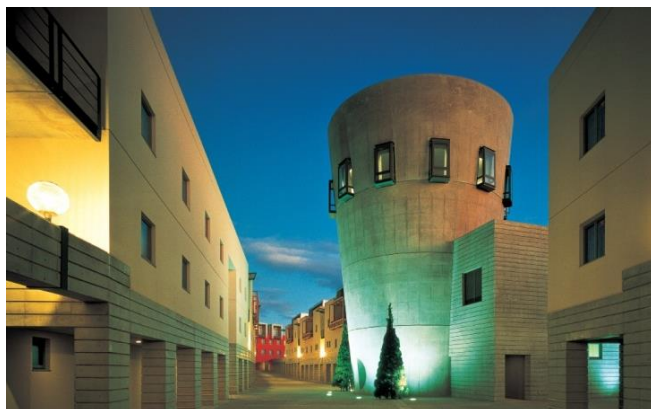
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Operational results for each property (3)

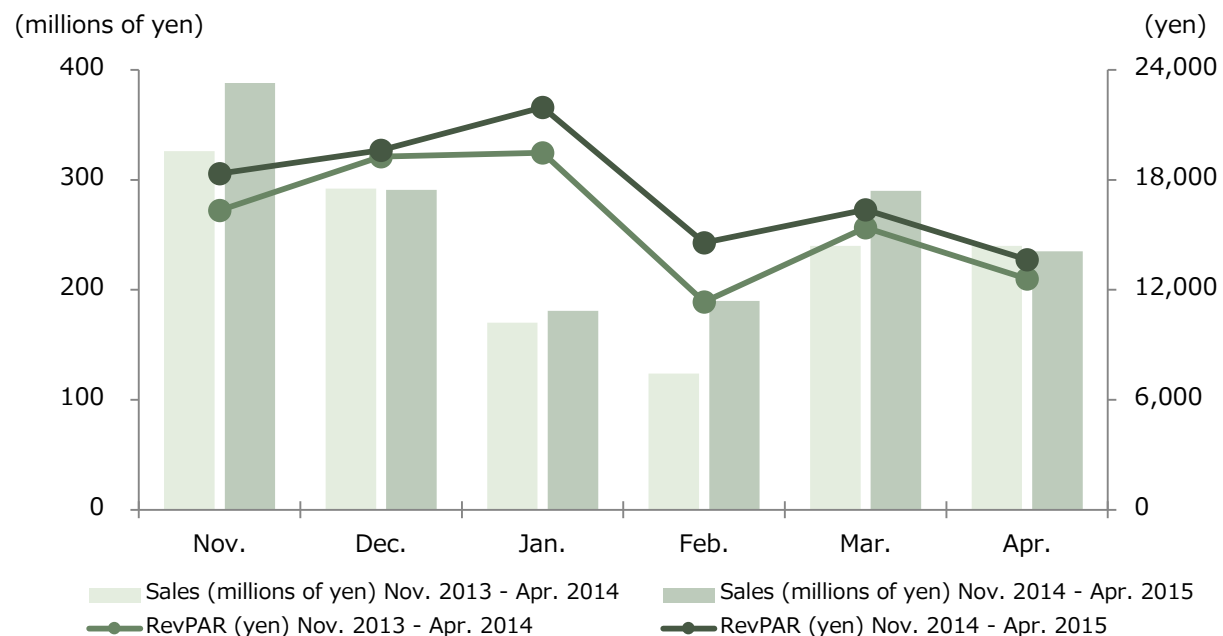
Hoshino Resorts REIT, Inc.

RISONARE Yatsugatake



Address: Hokuto-shi, Yamanashi

Number of guest rooms: 172 rooms



Operational results

	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	70.8%	73.4%	91.1%	98.6%	93.6%	86.1%	83.2%	67.7%	72.9%	69.9%	70.6%	60.6%	78.5%
ADR (yen)	24,620	19,040	30,270	47,662	27,511	22,790	22,051	28,982	30,130	20,869	23,183	22,518	27,337
RevPAR (yen)	17,426	13,968	27,591	46,973	25,757	19,623	18,342	19,617	21,958	14,577	16,379	13,655	21,449
Sales (millions of yen)	376	281	443	625	427	396	388	291	181	190	290	235	4,124

(Note 1) The monthly major indices are based on figures provided by the lessee, Hoshino Resort Co., Ltd./Yatsugatake.

(Note 2) Figures for guest room occupancy rates are rounded off to one decimal place, and figures for ADR and RevPAR are rounded off to the nearest whole number. Figures for sales are rounded off to the nearest million.

Operational results for each property (4)

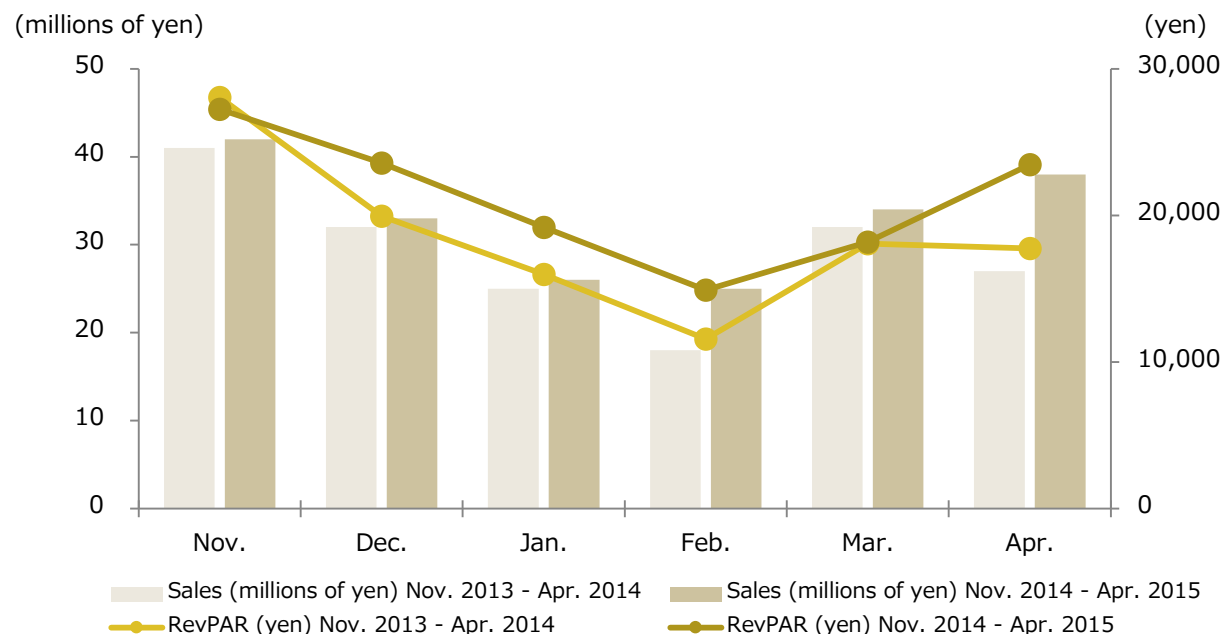
Hoshino Resorts REIT, Inc.

KAI Matsumoto



Address: Matsumoto-shi, Nagano

Number of guest rooms: 26 rooms



Operational results

	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	64.0%	62.7%	70.0%	93.5%	85.0%	80.6%	70.3%	57.0%	54.0%	59.9%	67.8%	70.4%	70.0%
ADR (yen)	39,671	32,204	38,166	56,714	40,153	38,108	38,776	41,357	35,549	24,885	26,801	33,326	38,091
RevPAR (yen)	25,398	20,202	26,707	53,055	34,130	30,732	27,243	23,585	19,194	14,904	18,177	23,456	26,654
Sales (millions of yen)	39	33	41	72	51	49	42	33	26	25	34	38	482

(Note 1) The monthly major indices are based on figures provided by the lessee, Hoshino Resort Management Co., Ltd.

(Note 2) Figures for guest room occupancy rates are rounded off to one decimal place, and figures for ADR and RevPAR are rounded off to the nearest whole number. Figures for sales are rounded off to the nearest million.

Operational results for each property (5)

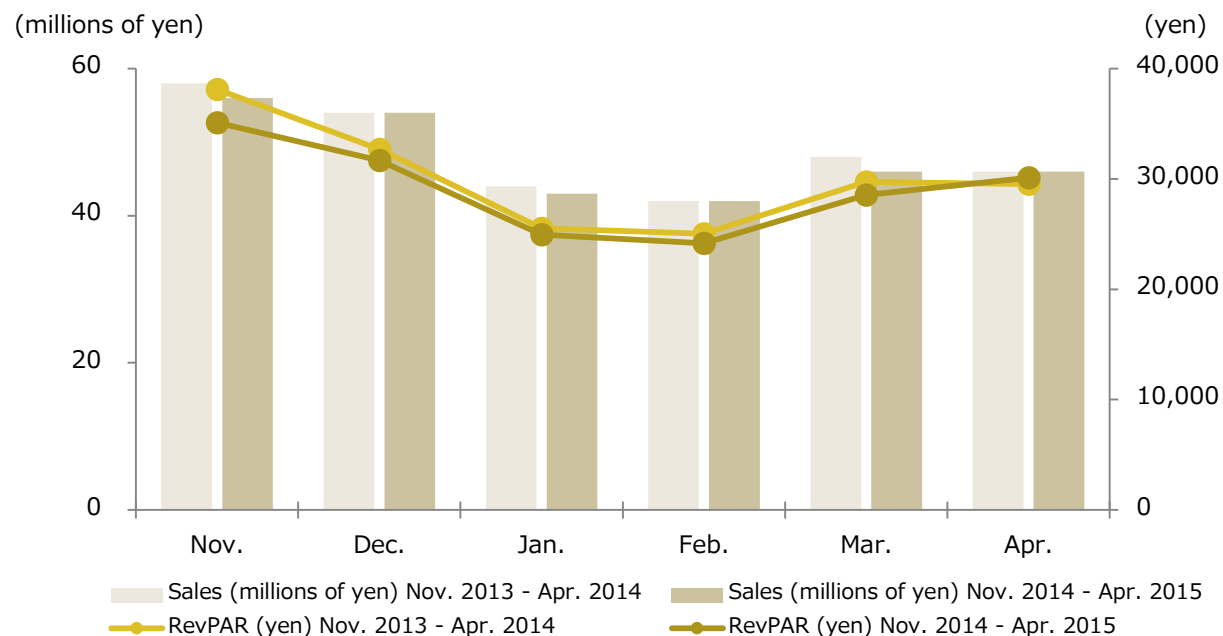
Hoshino Resorts REIT, Inc.

KAI Izumo



Address: Matsue-shi, Shimane

Number of guest rooms: 24 rooms



Operational results

	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	89.7%	84.9%	84.0%	97.3%	98.4%	96.9%	98.8%	94.4%	83.2%	95.8%	92.4%	87.6%	91.9%
ADR (yen)	34,990	27,897	30,850	40,138	31,962	35,119	35,539	33,582	29,988	25,219	30,887	34,369	32,740
RevPAR (yen)	31,369	23,674	25,915	39,059	31,456	34,033	35,095	31,686	24,949	24,168	28,535	30,121	30,087
Sales (millions of yen)	50	40	43	59	47	54	56	54	43	42	46	46	579

(Note 1) The monthly major indices are based on figures provided by the lessee, Hoshino Resort Management Co., Ltd.

(Note 2) Figures for guest room occupancy rates are rounded off to one decimal place, and figures for ADR and RevPAR are rounded off to the nearest whole number. Figures for sales are rounded off to the nearest million.

Operational results for each property (6)

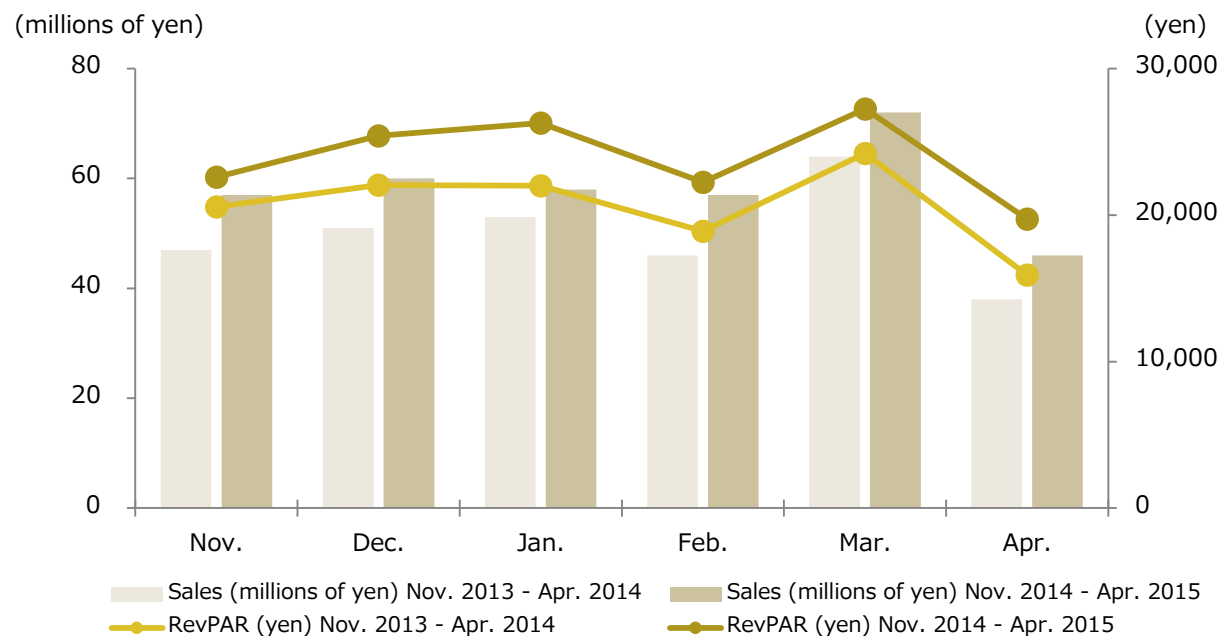
Hoshino Resorts REIT, Inc.

KAI Ito



Address: Ito-shi, Shizuoka

Number of guest rooms: 34 rooms



Operational results

	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	54.4%	53.7%	63.3%	92.7%	72.8%	66.1%	72.7%	71.0%	75.7%	87.3%	92.3%	68.7%	72.5%
ADR (yen)	35,012	25,612	29,735	44,537	27,429	28,384	31,069	35,804	34,742	25,496	29,509	28,732	31,711
RevPAR (yen)	19,034	13,760	18,817	41,283	19,980	18,769	22,601	25,409	26,285	22,256	27,241	19,738	23,003
Sales (millions of yen)	45	38	48	88	52	47	57	60	58	57	72	46	668

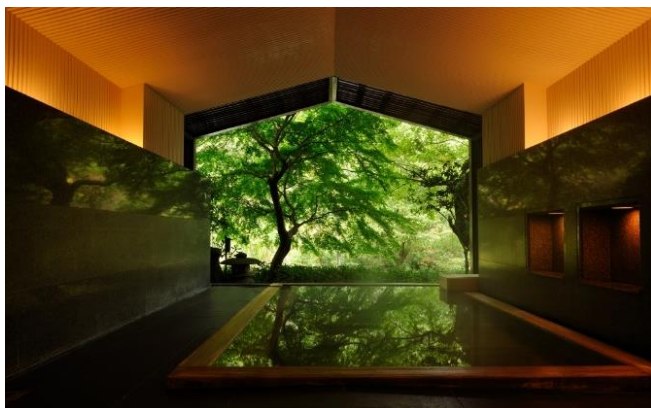
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(Note 2) Figures for guest room occupancy rates are rounded off to one decimal place, and figures for ADR and RevPAR are rounded off to the nearest whole number. Figures for sales are rounded off to the nearest million.

Operational results for each property (7)

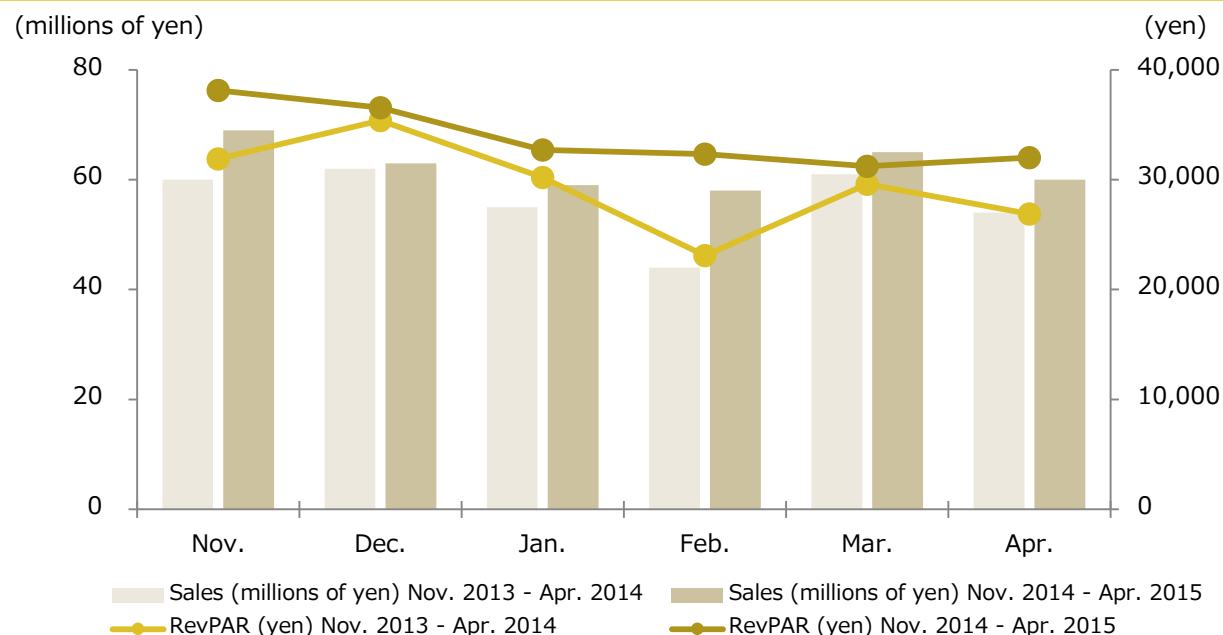
Hoshino Resorts REIT, Inc.

KAI Hakone



Address: Hakone-machi, Ashigarashimo-Gun, Kanagawa

Number of guest rooms: 31 rooms



Operational results

	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	74.1%	65.9%	74.9%	87.3%	75.7%	75.2%	81.7%	78.3%	76.5%	85.1%	87.6%	79.9%	78.6%
ADR (yen)	41,506	33,540	36,323	53,087	40,700	42,746	46,674	46,674	42,758	37,963	35,629	40,052	41,664
RevPAR (yen)	30,750	22,087	27,214	46,348	30,809	32,160	38,142	36,550	32,722	32,321	31,217	31,999	32,731
Sales (millions of yen)	58	45	55	81	59	63	69	63	59	58	65	60	735

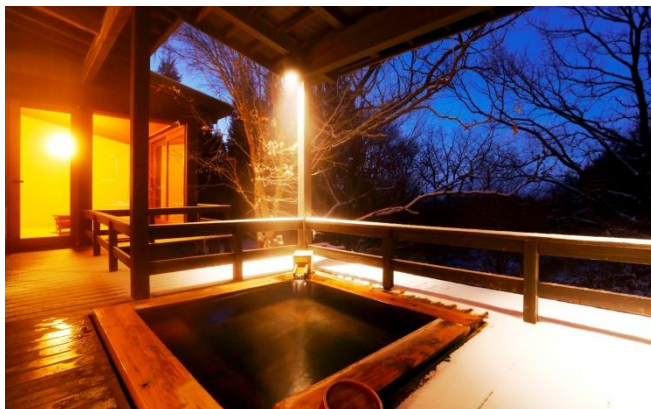
(Note 1) The monthly major indices are based on figures provided by the lessee, Hoshino Resort Management Co., Ltd.

(Note 2) Figures for guest room occupancy rates are rounded off to one decimal place, and figures for ADR and RevPAR are rounded off to the nearest whole number. Figures for sales are rounded off to the nearest million.

Operational results for each property (8)

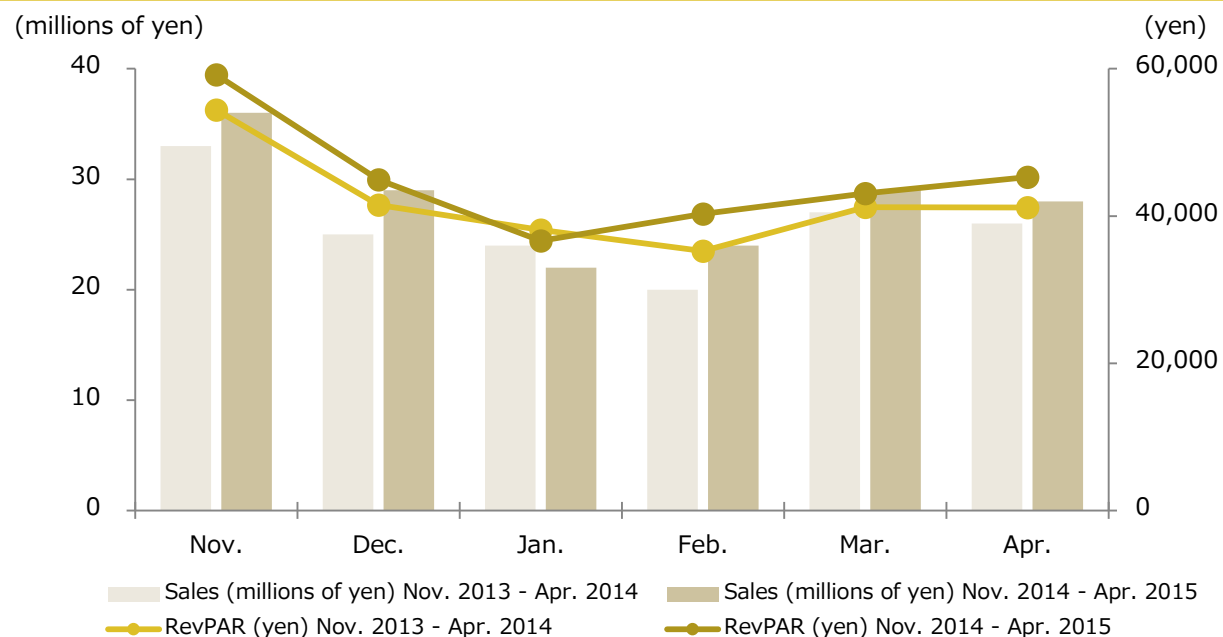
Hoshino Resorts REIT, Inc.

KAI Aso



Address: Kokonoe-machi, Kusu-gun, Oita

Number of guest rooms: 12 rooms



Operational results

	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	78.5%	77.6%	72.3%	84.4%	92.5%	81.7%	93.1%	76.6%	64.1%	84.3%	86.8%	79.2%	80.9%
ADR (yen)	60,556	49,757	55,546	72,334	55,896	59,514	63,620	58,670	57,141	47,814	49,607	57,190	57,537
RevPAR (yen)	47,533	38,605	40,167	61,056	51,703	48,635	59,202	44,949	36,616	40,305	43,073	45,276	46,563
Sales (millions of yen)	30	24	26	37	33	32	36	29	22	24	29	28	350

(Note 1) The monthly major indices are based on figures provided by the lessee, Hoshino Resort Management Co., Ltd.

(Note 2) Figures for guest room occupancy rates are rounded off to one decimal place, and figures for ADR and RevPAR are rounded off to the nearest whole number. Figures for sales are rounded off to the nearest million.

Operational results for each property (9)

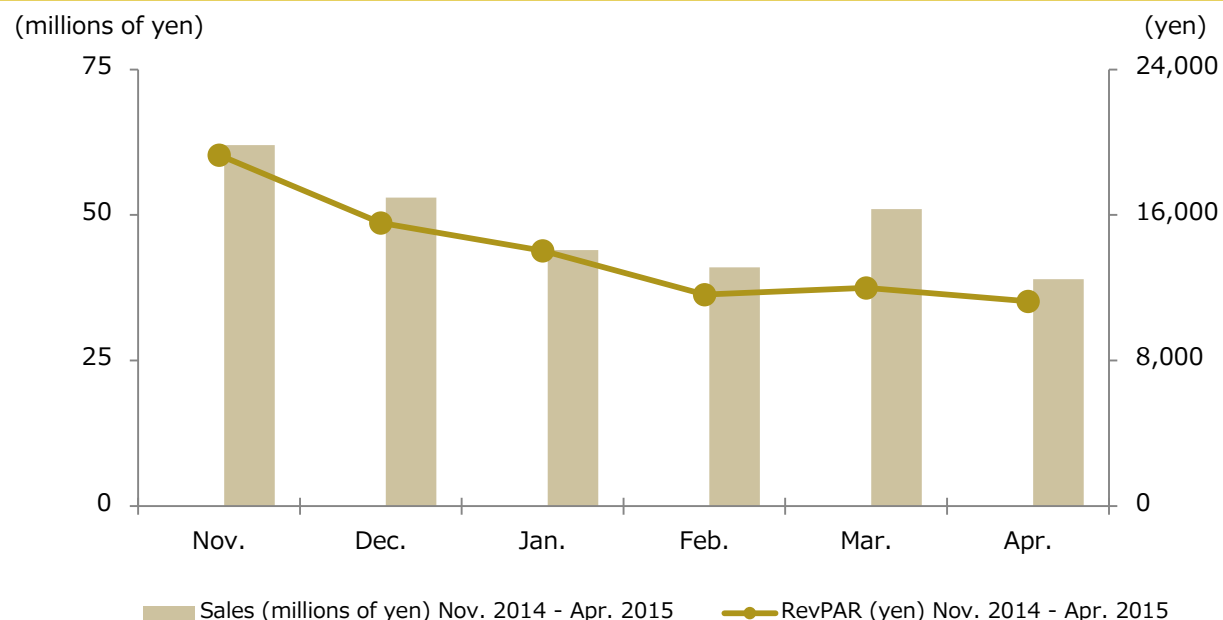
Hoshino Resorts REIT, Inc.

KAI Kawaji



Address: Nikko-Shi, Tochigi

Number of guest rooms: 54 rooms



Operational results

	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	—	69.1%	57.6%	80.6%	73.0%	61.0%	62.7%	57.0%	48.9%	60.5%	62.5%	42.9%	61.5%
ADR (yen)	—	15,591	19,346	32,074	18,569	28,404	30,770	27,314	28,701	19,227	19,188	26,262	24,177
RevPAR (yen)	—	10,769	11,141	25,847	13,548	17,324	19,297	15,562	14,039	11,631	11,990	11,267	14,874
Sales (millions of yen)	—	53	48	84	57	61	62	53	44	41	51	39	593

(Note 1) The monthly major indices are based on figures provided by the lessee, Hoshino Resort Management Co., Ltd.

(Note 2) Figures for guest room occupancy rates are rounded off to one decimal place, and figures for ADR and RevPAR are rounded off to the nearest whole number. Figures for sales are rounded off to the nearest million.

(Note 3) Operational results of May 2014 do not exist as operations were suspended to conduct renovation work.

Operational results for each property (10)

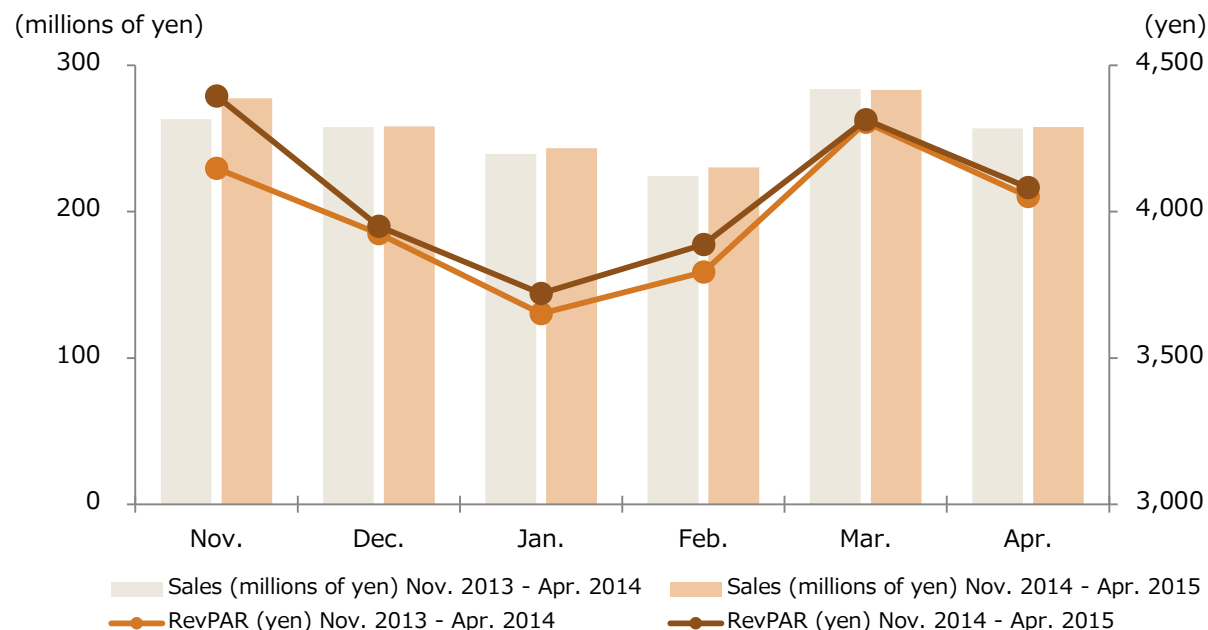
Hoshino Resorts REIT, Inc.

21 Solare properties



Total number of guest rooms: 1,988 rooms

Operational results of 21 Solare properties (comparison to previous year)



Operational results

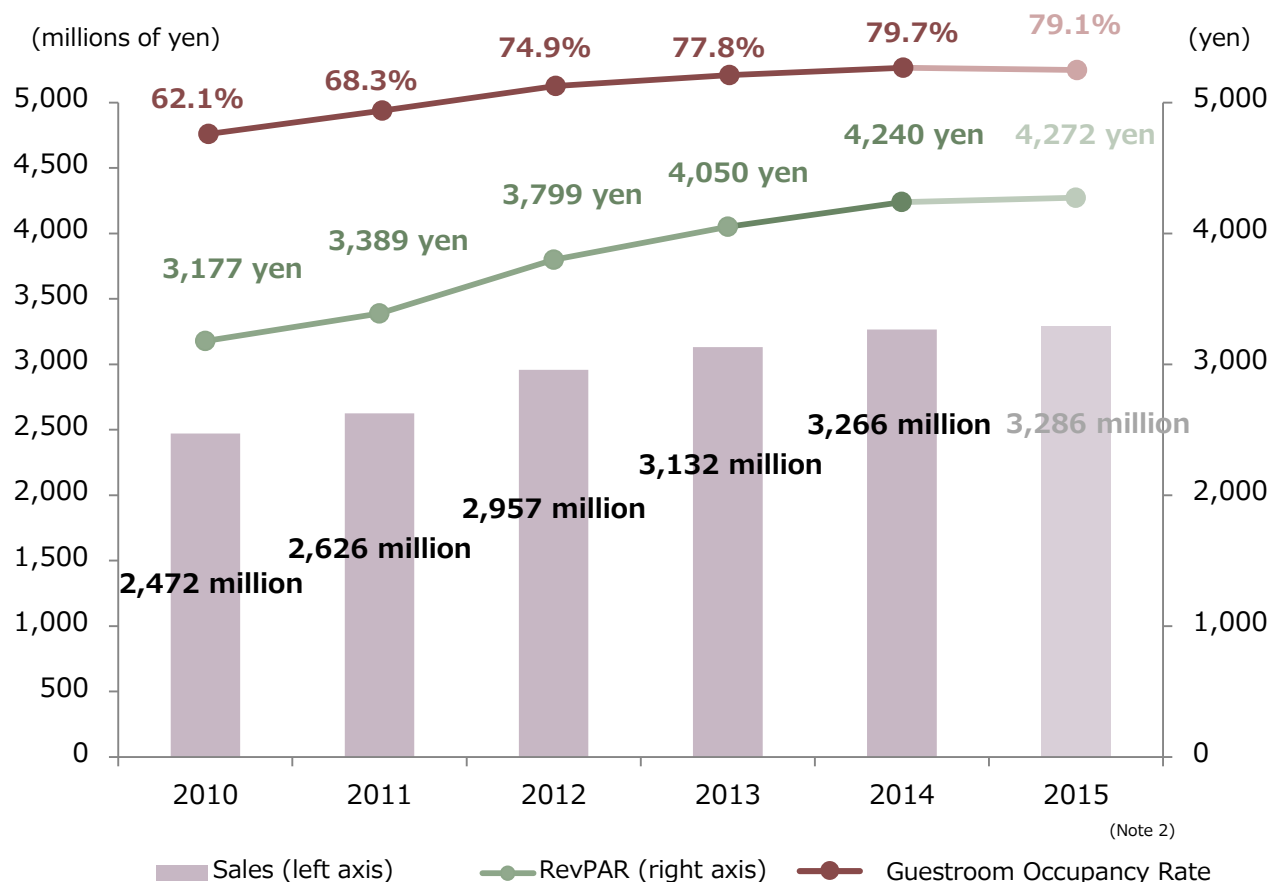
	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	79.6%	76.3%	80.8%	86.2%	81.3%	82.7%	82.7%	75.7%	71.3%	76.9%	79.6%	76.2%	79.1%
ADR (yen)	5,442	5,030	5,376	6,434	5,264	5,247	5,317	5,219	5,218	5,058	5,417	5,355	5,379
RevPAR (yen)	4,331	3,836	4,342	5,545	4,278	4,340	4,395	3,950	3,721	3,887	4,315	4,082	4,256
Sales (millions of yen)	283	243	283	361	273	283	278	258	243	230	283	258	3,276

Portfolio overview of 21 Solare properties



Acquisition Price	¥14,000 million
Appraisal Value (Note 1)	¥15,962 million
Appraisal NOI yield (Note 1)	7.5%
Number of guest rooms	1,988 rooms
Guest room occupancy rate (2014)	79.7%
ADR (2014)	5,319 yen
RevPAR (2014)	4,240 yen

Operational results of 21 Solare properties



(Note 1) Figures are based on real estate appraisal reports which evaluated values as of April 30, 2015. Appraisal NOI (Net Operating Income) is defined as operating revenues less operating expenses contained in the relevant real estate appraisal report, which is before depreciation. This is different from NCF (Net Cash Flow) calculated by subtracting gain on investment of leasehold deposit, etc., and capital expenditures from NOI. Appraisal NOI yield is the figure calculated by the Asset Management Company by dividing appraisal NOI by the acquisition price.

(Note 2) Sales, RevPAR and guest room occupancy rates of 2015 are calculated based on actual figures from January to April of 2015 and on forecasts from May to December of 2015.

Forecasts for 5th fiscal period ending October 2015 and 6th fiscal period ending April 2016

Hoshino Resorts REIT, Inc.

(Amounts are rounded down. Ratios are rounded off.)

FP ending October 2015		Assumption	FP ending April 2016		Assumption
Operating revenue (millions of yen)	1,908	[Operating revenue] Fixed rent ¥1,636 million (includes ¥5 million of premium fixed rent) Floating rent ¥272 million	Operating revenue (millions of yen)	1,932	[Operating revenue] Fixed rent ¥1,658 million Floating rent ¥274 million
Operating income (millions of yen)	1,024		Operating income (millions of yen)	985	
Ordinary income (millions of yen)	901	[Operating expenses] Fixed assets tax, city planning tax, etc. ¥127 million Depreciation ¥401 million Maintenance/repair expenses ¥67 million Asset management fees ¥184 million	Ordinary income (millions of yen)	902	[Operating expenses] Fixed assets tax, city planning tax, etc. ¥132 million Depreciation ¥410 million Maintenance/repair expenses ¥100 million Asset management fees ¥201 million
Net income (millions of yen)	900		Net income (millions of yen)	901	
Distribution per unit (yen)	18,128		Distribution per unit (yen)	18,149	
		[Non-operating expenses] Public-offering-related expenses ¥38 million Debt-financing-related expenses ¥84 million [Expected LTV at the end of FP] 16.2%			[Non-operating expenses] Debt-financing-related expenses ¥82 million [Expected LTV at the end of FP] 16.0%

Expected rent for the 5th fiscal period ending October 2015

Branding	Fixed rent	Floating rent	Total
HOSHINOYA	393	87	481
RISONARE	262	47	309
KAI	238	39	278
Others	741	98	839
Total	1,636	272	1,908

Expected rent for the 6th fiscal period ending April 2016

Branding	Fixed rent	Floating rent	Total
HOSHINOYA	393	84	478
RISONARE	262	48	310
KAI	233	40	273
Others	768	101	870
Total	1,658	274	1,932

(Note) The above forecasts are based on the financial report issued on June 17, 2015, and are subject to change due to future acquisitions/dispositions of properties, changes in the real estate market and other circumstances surrounding HRR. Furthermore, the above forecasts do not guarantee the distribution amount.



III. Future Management Policy

Continuous improvement in unitholder value

Maintenance of growth and stability of distribution

External growth strategy

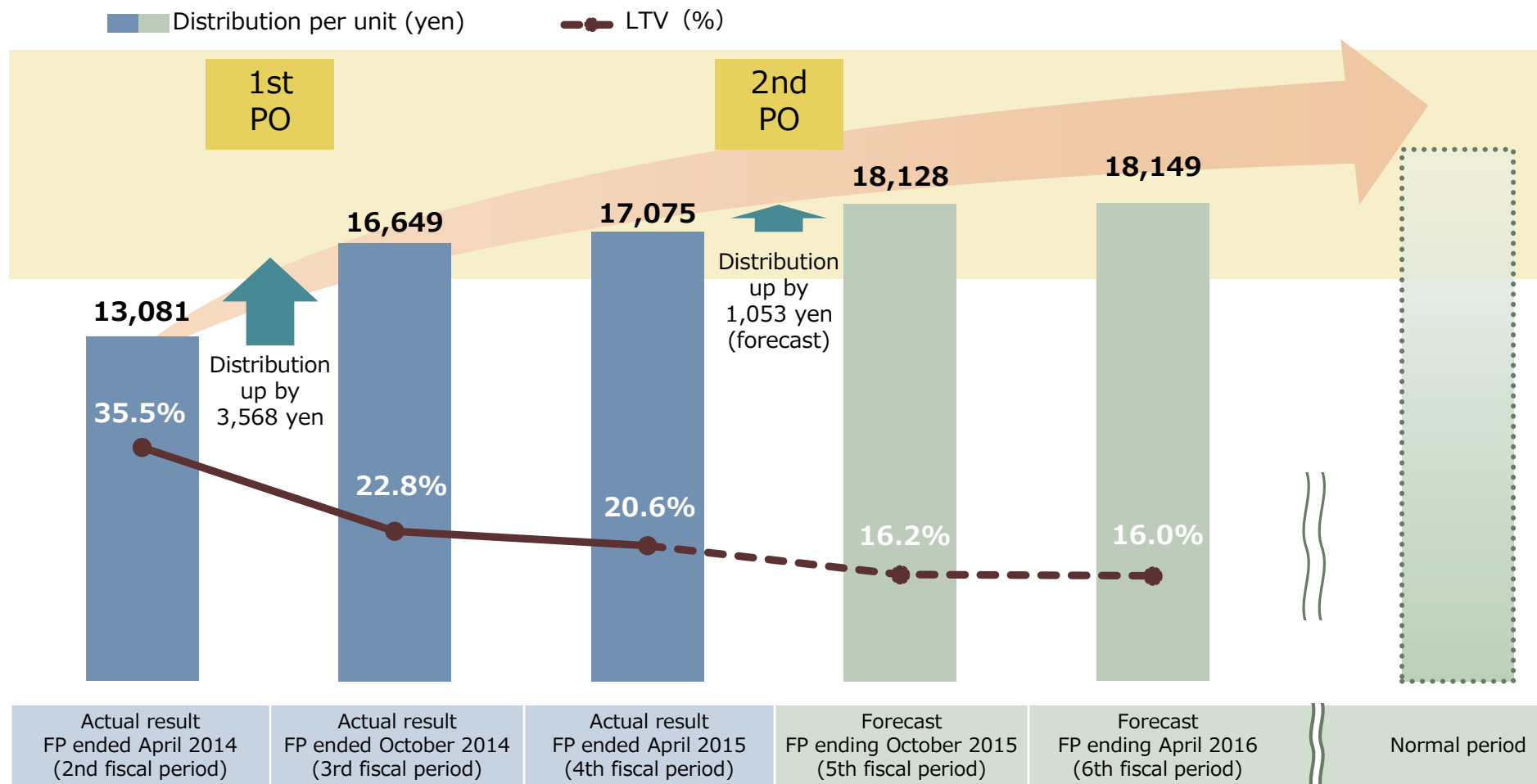
- 1 Utilization of Sponsor Support Agreement
- 2 Utilization of revitalization know-how of the Hoshino Resorts Group
- 3 Utilization of the Asset Management Company's unique information on properties operated by outside operators

Internal growth strategy

- 1 Internal growth by operators and the Asset Management Company
- 2 Introduction of floating rent linked to operational results
- 3 Maintenance/Enhancement of asset value and competitiveness of the portfolio through establishment/execution of capital expenditures and repair plans from a medium- to long-term perspective

Realization of stable distribution

Hoshino Resorts REIT, Inc.



Aim for stable improvement in distribution through realization of external growth utilizing acquisition capacity and internal growth by executing capital expenditures and repair plans from a medium- to long-term perspective.

Trends in the hotel property investment market

With hopes for further growth of the tourism industry in the future, such as from the total number of foreign visitors to Japan in 2014 exceeding 13 million, breaking the 2013 figure which was a record high at that time, movements of leading companies inside and outside the country for launching new hotels is active. The hotel transaction market has been very active and competition for acquisitions is intensifying mainly in the cities. The decline in cap rate is expected to deepen further.

HRR's strategy for differentiation

Criteria for selecting investment properties

Superior know-how and experience

Whether it has a business model, brand power, etc. that can differentiate itself from competitors, and whether it is operated by an operator with extensive expertise

Superior equipment and facilities

Whether the facility itself possesses superiority as to its location, rarity of the building, etc.

Even in the rather over-heated hotel transaction market, HRR will basically target properties that are competitive but with fewer acquisition competitors on a negotiation basis.

External growth strategy

[Measures for realization of external growth]

I Utilization of Sponsor Support Agreement

- ◆ HRR will utilize the comprehensive sponsor support, such as information on properties owned by the Hoshino Resorts Group, the provision of human/material resources, knowledge, experience and know-how in the tourism industry and the resort sector, etc.

II Utilization of revitalization know-how of the Hoshino Resorts Group

- ◆ HRR will be provided with information on properties that have regained attractiveness through revitalization know-how of the Hoshino Resorts Group.

III Utilization of the Asset Management Company's unique information on properties operated by outside operators

- ◆ HRR is collecting information on property acquisitions by establishing networks not only with the Hoshino Resorts Group but also with the owners and operators of hotels, ryokans and ancillary facilities across the nation. HRR will strive to acquire competitive properties by utilizing the Asset Management Company's unique information gathering ability.



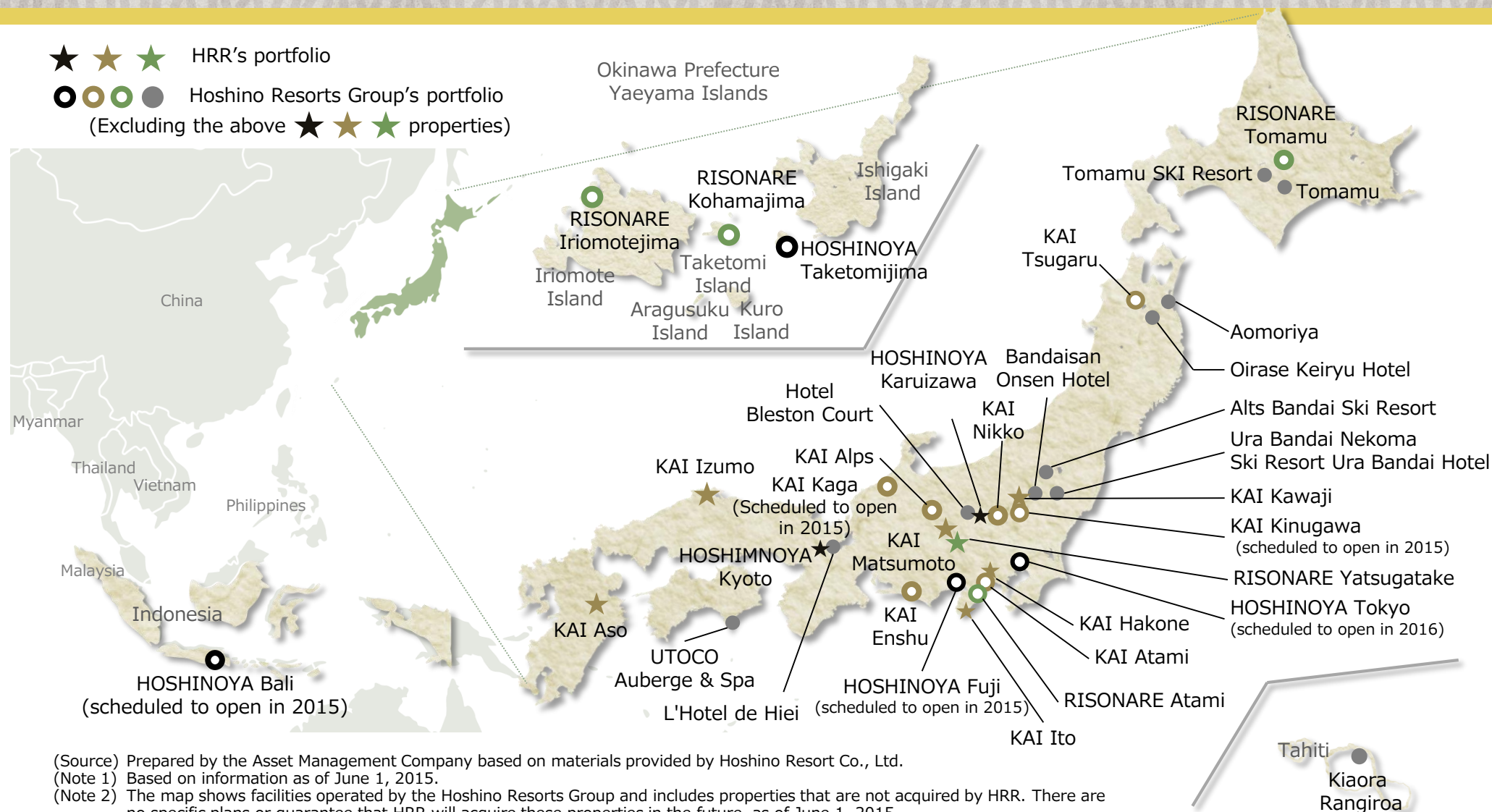
While focusing on stable growth and the speed of external growth, HRR will aim to make continuous property acquisitions from the Hoshino Resorts Group and also to acquire properties operated by outside operators from which long-term and stable cash flow can be expected.

Hotels and ryokans operated by the Hoshino Resorts Group

Hoshino Resorts REIT, Inc.

★ ★ ★ HRR's portfolio

○ ○ ○ ● Hoshino Resorts Group's portfolio
(Excluding the above ★ ★ ★ properties)



(Source) Prepared by the Asset Management Company based on materials provided by Hoshino Resort Co., Ltd.

(Note 1) Based on information as of June 1, 2015.

(Note 2) The map shows facilities operated by the Hoshino Resorts Group and includes properties that are not acquired by HRR. There are no specific plans or guarantee that HRR will acquire these properties in the future, as of June 1, 2015.

(Note 3) The scheduled openings are subject to change.

Properties to be newly operated by the Hoshino Resorts Group

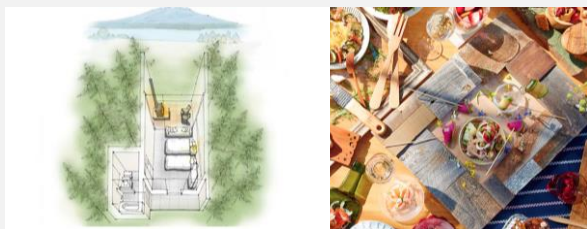
Hoshino Resorts REIT, Inc.

Expansion of sponsor pipeline is expected due to the start of operations of the following properties within the year. HRR intends to continue holding talks on acquisition with the sponsor.



Start operations on Oct. 30, 2015 (plan)

"HOSHINOYA Fuji" is built amidst the grand nature nurtured by Mt. Fuji, where Lake Kawaguchi, one of the Five Lakes of Mt. Fuji, spreads under its gaze. The concept is "Glamping on a hill." "Glamping" is a coined word which unites "glamorous" and "camping". "Glamping" has become a new global trend in recent years. We provide the first glamorous camping location in Japan at "HOSHINOYA Fuji." The 40 guest rooms present an interesting feeling, as if you are going into a scope. The terraces, as if they are floating in the forest, range in number of layers. The feeling of your stay is different on each terrace.



Address: Fujikawaguchiko-machi, Minamitsuru-gun,
Yamanashi
Number of guest rooms: 40
Rate: One room one night, from 45,000 yen (planned)



KAI Kinugawa

Start operations on Nov. 10, 2015 (plan)

Five minutes by car from Kinugawa Onsen Station. When you enter the forest by the footpath from the Kinugawa River, you will find silence among huge, mossy rocks, far from the crowds of the hot spring district. You can ride on the automatic glass slope car to go up to the entrance hall in the woods. When you arrive at the entrance hall, you will be welcomed by the Suikinkutsu (water harp cave), a local Mashiko handicraft. Soft sounds played by the Suikinkutsu, a traditional Japanese garden ornament, make the silence further conspicuous. All of the 48 guest rooms have modernistic designs with local, traditional handicrafts ("Room with a traditional, cultural feel." 20 of the rooms are equipped with an open-air bath facing the woods. A room where pets are allowed, first of its kind at KAI, is also available. You can enjoy the relaxing stay with your dog in a room with an open-air bath accommodated with a dog run.



Address: Nikko-shi, Tochigi
Number of guest rooms: 48
Rate: One night with two meals, from 32,000 yen per person (planned)



KAI Kaga

Start operations on Dec. 10, 2015 (plan)

Inheriting the same appearance of the long-established ryokan, with vestiges of the olden days still remaining, located in the Yamashiro hot-spring district, the guest rooms will undergo a complete reconstruction. The traditional Kaga architectural section will be left as is, while restoring the traditional architectural designs such as the Benigara grid pattern, Akakabe etc.. An eight-floor guesthouse built behind will look like folding screens to enhance the feeling of a traditional ambiance. Inside décor uses traditional Kaga crafts, creating a space with a fusion of traditional and modern. The guest rooms will offer proficient functionality by combining Japanese nuances with local personality in order to fit the lifestyles of modern people. This historical and cultural ryokan, which has hosted a number of important guests, including Kitaoji Rosanjin, is about to evolve.



Address: Kaga-shi, Ishikawa
Number of guest rooms: 48
Rate: One night with two meals, from 30,000 yen per person (planned)

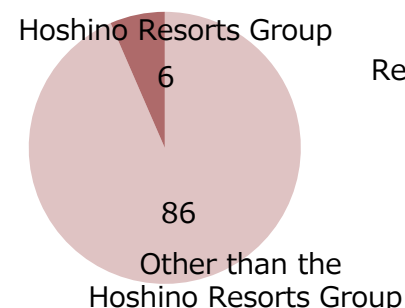
Realization of external growth by utilizing various acquisition routes and methods

	Property name	Operator's attribution	Seller's attribution
Properties acquired upon listing	HOSHINOYA Karuizawa	Hoshino Resorts Group	Hoshino Resorts Group
	RISONARE Yatsugatake		
	KAI Matsumoto		
	KAI Izumo		
	KAI Ito		
	KAI Hakone		
Properties acquired upon 1st PO	HOSHINOYA Kyoto	Hoshino Resorts Group	Hoshino Resorts Group
	KAI Kawaji		
	KAI Aso		
Properties acquired upon 2nd PO	21 Solare properties	Outside operators	Third party other than the Hoshino Resorts Group
	5 Candeo properties		
	3 Greens properties		

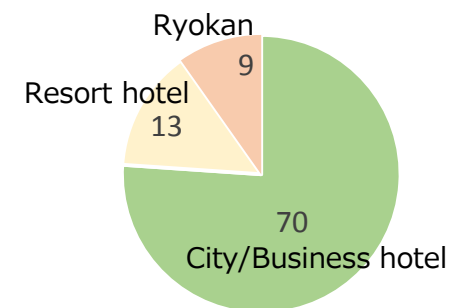
Properties under consideration through utilization of information unique to the Asset Management Company

92 cases were brought in during the 4th fiscal period (Ended April 2015)

Number of cases by origination



Number of cases by property type



Going forward HRR will continue to work proactively to acquire hotels, ryokans and such with “tourism” as a key word and will aim to achieve **“the asset size of 100 billion yen” by the 2020 Tokyo Olympic Games** after achieving “the asset size of 50 billion yen” within a year. HRR will continue to strive for further external and internal growth to secure stable distribution into the future.

Internal growth strategy

[Measures for realization of internal growth]

I

Internal growth by operators and the Asset Management Company

- ◆ HRR intends to maintain/enhance the competitiveness of facilities by selecting property management operators who have a deep understanding of HRR's property features and possess business models and know-how suitable for the relevant properties.
- ◆ The Asset Management Company will aim to reinforce the profitability of the portfolio by conducting operation, management and renewals for maintaining/enhancing the competitiveness of facilities.

II

Introduction of floating rent linked to operational results

HRR will discuss introduction of floating rent, linked to operational results in accordance with floating rates set with consideration given to the facility's brand and operating features, in addition to the fixed rent system. HRR believes this is a system that will enable HRR to enjoy the enhanced business results of hotels, ryokans and ancillary facilities operated with the know-how of operators.

III

Maintenance/Enhancement of asset value and competitiveness of the portfolio through establishment/execution of capital expenditures and repair plans from a medium- to long-term perspective

- ◆ HRR will aim for stable earnings from operations by reducing the future excessive risks of major repairs, and of decreased sales resulting from deterioration of facility attractiveness through careful and sufficient capital expenditures, while at the same time making efforts to maintain/enhance the asset value and competitiveness of the portfolio from a medium-term perspective.



HRR will aim to realize both “growth” of distribution by expanding sales that are the base of floating rent, and “stability” by securing profits.

Management efforts to increase sales in winter season

Hoshino Resorts REIT, Inc.

HRR aims to improve unitholder value through enhanced distribution per unit. This will be realized by working to increase floating rents through increased sales, with efforts put forth by operational skills of operators.

HOSHINOYA Karuizawa

星のや 軽井沢 | 星のや 軽井沢 | 星のや 軽井沢

二人の最高の思い出を夜空の下で 星空記念日



空気が澄みわたる、無数の星が輝く冬の軽井沢。この冬、暖かい食卓らしい森の中に、二人きりの小粋な形を彩る星空空間がお目見えした。専属の使いコンシェルジュが二人の記念日を完全サポートし、瞬かたでソファやベッドが満天にきらめく星空を眺める最高のひとときをお過ごしください。

ロマンティックな演出をサポート

東京の星空見たい日和と相違ない状態で、記念日や思い出を告げるサプライズ、使いコンシェルジュがお客様ごとに無理なくご協力を承り、柔軟な時間作りのお手伝いを致します。

専任のパトラーがおもてなし

星のやパトラーが専属のご案内、使いコンシェルジュと一緒にチームを組み、お二人のご要望にお応えします。お飲み物や食べ物の準備なども手付けください。

二人だけの星空散歩

雪が降りも冬の森の中にも、暖かく、思わず眠ってしまうようなふかふかのソファベッドを設けた星空リビングが登場。息を吐けばほいほい満天の星空の下、凍くらぬように星空ウォーキングが楽しめます。

おもてなし例

- 指輪を隠したスワイプBOXをサブライズでご披露し、星空の下でプロポーズ。結婚の誓いなど書き添えたミニアルバム、サブライズサービス、ご希望・ご協力を無断に承ります。



星のや 軽井沢 | 『星空記念日』 滞在時間1時間半プログラム（稼働代別） 期：12月〜2月 料金：2500円（1名／税別）
 ※全客予約希望はオプション 星のやの使いコンシェルジュ、専任のパトラー、従業員内人、宿泊トリップ

星のや 軽井沢

県庁北西方面、目の黒縁にほど遠く、温泉街の静寂な、文化人に愛されたりきたリゾート地へ、すべてが星の夜に包まれ、自ら「ふゆの記憶」へと変換し、心に残る一夜を過ごしたいと求める方々から、夢中なる賞賛の言葉をいただける場所です。今では「星の夜の町」とも呼ばれるので、おてしめの空間です。

このリリースに関する問合せ先 星のやグループ 広報室
 TEL : 02-5191-6222 FAX : 02-5369-0853 E-mail : pr@hyohorunyu.com

Karuizawa in winter can bring clear air and display countless shining stars. This winter, a new starry sky space has appeared in this scenic forest to showcase a small trip for a couple. An exclusive “celebration” concierge will be ready to fully support the couple’s anniversary. It will be an unforgettable moment of gazing a star-studded sky while relaxing on a warm sofa.

RISONARE Yatsugatake

Press Release (2014/10/17) G.O. 星野リゾート

星野リゾート リゾナーレハケ番 (山梨県・北杜市) ～ 吾郎園からのアクセスも抜群、ファミリー・スノーリゾートへ パーフェクトスノーデビュー～

「朝から車や電車での2時間」、「前乗りからのアクセス抜群」のファミリー・スノーリゾート
星野リゾート リゾナーレハケ番。グレンデムの無料送迎や豊富なウェア、用具のレンタルフリー等
ファミリーでも安心でスキーを楽しむ事も出来る。多客なスノーリゾートでも、
右回りの典禮を軽減するサービスを充実させる事でお子様の「スノーデビュー」を完全サポートします。

ババのカッコいい男を引出す
ばばちから

ママの負担を軽減
ままらくだ

ばばちから
の魅力

楽しく伝える相良
ババはインストラクター

ババにはもちろんインストラクターの資格を持ち、インストラクターの研修も受講済みのインストラクターが、家族の神主を務めます。一歩の足し出ができます。

NEW

【コース情報】リゾナーレハケ番 (G.O. Only Park)
●営業日 2014年11月27日(土)～12月20日(日) 土日限定
●営業時間 10:00～18:00
●料金 大人 3,000円(税込) 小児 1,500円(税込)
●スノーウェア・ウェア・用具は無料
●スキー・用具はレンタル(大人 1,200円(税込) 小児 600円(税込))
●保険 9,000～11,000円(※各家族の任意で加入可)

平日夜の大雪で閉鎖する **雪山大冒険** など、
様々なイベントも楽しめるハケ番もぜひどうぞ。

ままらくだ
の魅力

レンタルフリー

家族のレンタル品はすべてが不要です。
必要なアイテムは貸し出しの専用ロッカーに
レンタルフリーで借り出す事が出来ます。

NEW

●営業日 2014年11月27日(土)～12月20日(日)
●営業時間 スノーデビュープログラムが実施予定
●料金 大人 3,000円(税込) 小児 1,500円(税込)
●スノーウェア・ウェア・用具は無料
●スキー・用具はレンタル(大人 1,200円(税込) 小児 600円(税込))

● **パーフェクトスノーデビュー** の楽しみ

RISONARE Yatsugatake is a snow resort for families conveniently located “approximately two hours from central Tokyo by car or train,” enjoying “excellent access from the Tokyo metropolitan area.” Not only free shuttles to the ski slope, free ski wears/gears rentals and such to allow families to enjoy skiing empty-handed, various snow activities and many services to help mothers are in place to fully assist children’s “snow debut.”

Press Release (2014/10/13)

G&A 星野リゾート

G&A×スキー場 共同開発プログラム

お子様の年齢に合わせた豊富なプログラム
晴天率85%の晴天で楽しくスノーデビュー

幼児向け

雪ッス！

☆雪上発見教室スキー場

スノースライダー

ソリだけじゃ物足りない！

今年も雪を先に見て遊び尽くすために、
雪上発見教室スノースライダーが大人気です。
雪上発見教室・MAP&Aの両方で体験できるので、
のびのびとチャレンジできます。

●雪上発見教室 雪上発見教室の雪上発見教室
●雪上発見教室 雪上発見教室の雪上発見教室
●雪上発見教室 雪上発見教室の雪上発見教室

スキーやスノーボードはまだまだ早いかな？
というお子様や、まだ雪に慣れないというお子様でも安心！
「ハッピ アクティビティセンター G&A」では、
お子様のペースで雪と触れ合える雪遊びの雪ッス！に
なるスノープログラムを提供します。

親子でスキー体験

お子様のスキーデビューをご希望がサポートする
プログラム。専任スタッフのサポートでほわほわ、
親子のふれあいをたくさん感じながら、
内容から、親子で楽しんでいるとどんどん上達！
雪国なく楽しくステップアップできます。

●雪上発見教室 雪上発見教室の雪上発見教室
●雪上発見教室 雪上発見教室の雪上発見教室
●雪上発見教室 雪上発見教室の雪上発見教室

雪ッスCUP 2015

開催決定！

雪の原野「雪ッスCUP 2015」の開催が決定！
スノーボード・スキーの原野を元気に
お友達と一緒に遊ぶ事で、雪国生活に近づけます。
まはひり自給の雪国の中で盛り上げられる
雪国生活に近づけます。

●雪上発見教室 雪上発見教室の雪上発見教室
●雪上発見教室 雪上発見教室の雪上発見教室
●雪上発見教室 雪上発見教室の雪上発見教室

Securement of stable earnings over a medium term through well-planned capital expenditures

Hoshino Resorts REIT, Inc.

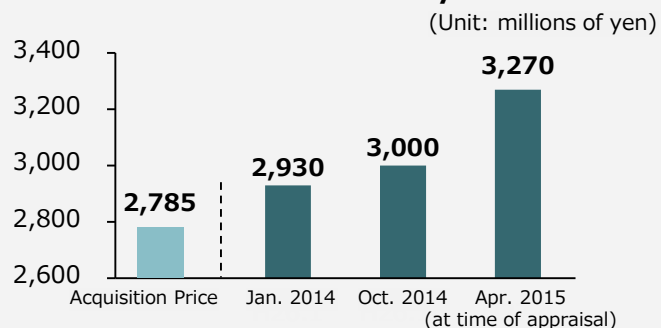
HRR aims to further improve ADR by implementing appropriate value enhancement works based on the in-depth market research by the Hoshino Resorts Group.

	5th FP	6th FP	7th FP	8th FP	9th FP	10th FP
HOSHINOYA		 The 1st Attractive Investment Project “HOSHINOYA Kyoto” • Renovation of restaurants • Renovation of the lobby lounge and the mid-air tea room • Renovation of bathrooms in guest rooms				
RESONARE				 The 2nd Attractive Investment Project “RISONARE Yatsugatake” • Renovation of guest rooms • Renovation of restaurants		
KAI						
Others					 The 3rd Attractive Investment Project and onward “KAI” project (tentative)	

Current analysis by the management company

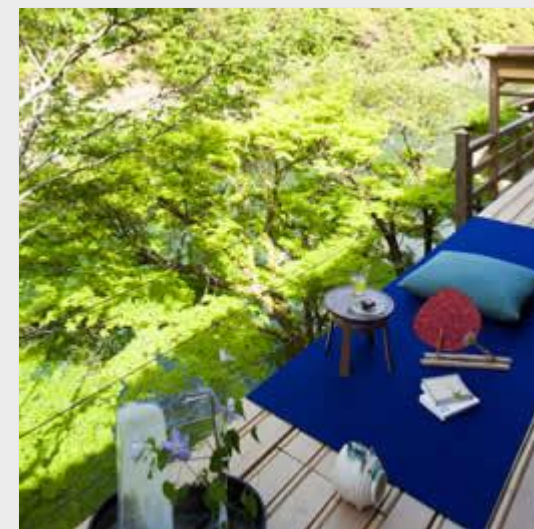
- Occupancy rate is remaining at a high level and ADR is steadily improving.
- Occupancy rate remains high throughout the year regardless of seasons (summer or winter).
- Improvement in ADR is necessary for RevPAR to improve. (But ADR is already at a high level at present.)
- Increase in real estate appraisal values is also significant, reflecting strong operational results.

Changes in real estate appraisal values
for “HOSHINOYA Kyoto”

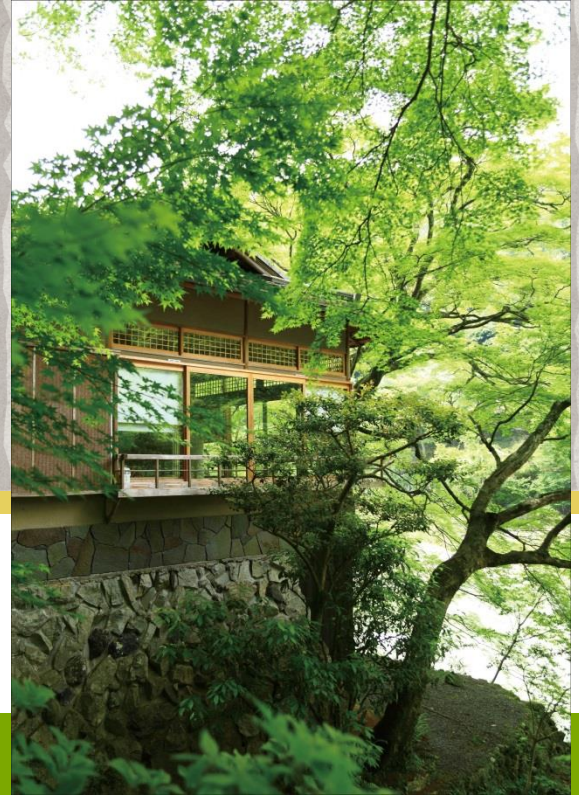


Future Management Policy

Measures to enhance facility's appeal will be necessary to raise the capacity for further improvement in ADR.



IV. Appendix



Portfolio overview (assets under management) (1)

Hoshino Resorts REIT, Inc.

HOSHINOYA



HOSHINOYA Karuizawa

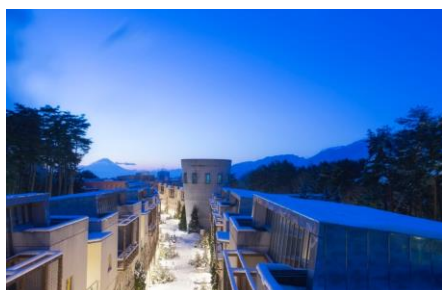
Address	Karuizawa-machi, Kitasaku-gun, Nagano
Acquisition Price	¥7,600 million
Real estate appraisal value	¥9,800 million
Appraisal NOI yield	7.5%
Name of tenant	Hoshino Resort Co., Ltd.
Total number of guest rooms	77



HOSHINOYA Kyoto

Address	Kyoto-shi, Kyoto
Acquisition Price	¥2,785 million
Real estate appraisal value	¥3,270 million
Appraisal NOI yield	7.4%
Name of tenant	K.K. Arashiyama Onsen Rankyokan
Total number of guest rooms	25

RISONARE



RISONARE Yatsugatake

Address	Hokuto-shi, Yamanashi
Acquisition Price	¥4,500 million
Real estate appraisal value	¥5,540 million
Appraisal NOI yield	9.7%
Name of tenant	Hoshino Resort Co., Ltd./ Yatsugatake
Total number of guest rooms	172

KAI



KAI Matsumoto

Address	Matsumoto-shi, Nagano
Acquisition Price	¥600 million
Real estate appraisal value	¥697 million
Appraisal NOI yield	9.9%
Name of tenant	Hoshino Resort Management Co., Ltd.
Total number of guest rooms	26



KAI Izumo

Address	Matsue-shi, Shimane
Acquisition Price	¥680 million
Real estate appraisal value	¥758 million
Appraisal NOI yield	8.6%
Name of tenant	Hoshino Resort Management Co., Ltd.
Total number of guest rooms	24



KAI Ito

Address	Ito-shi, Shizuoka
Acquisition Price	¥670 million
Real estate appraisal value	¥778 million
Appraisal NOI yield	9.7%
Name of tenant	Hoshino Resort Management Co., Ltd.
Total number of guest rooms	34

(Note) Figures are based on real estate appraisal reports which evaluated values as of April 30, 2015. Appraisal NOI (Net Operating Income) is defined as operating revenues less operating expenses contained in the relevant real estate appraisal report, which is before depreciation. This is different from NCF (Net Cash Flow) calculated by subtracting gain on investment of leasehold deposit, etc., and capital expenditures from NOI. Appraisal NOI yield is the figure calculated by the Asset Management Company by dividing appraisal NOI by the acquisition price.

Portfolio overview (assets under management) (2)

Hoshino Resorts REIT, Inc.

KAI



KAI Hakone

Address	Hakone-machi, Ashigarashimo-gun, Kanagawa
Acquisition Price	¥950 million
Real estate appraisal value	¥1,160 million
Appraisal NOI yield	9.0%
Name of tenant	Hoshino Resort Management Co., Ltd
Total number of guest rooms	31



KAI Aso

Address	Kokonoe-machi, Kusu-gun, Oita
Acquisition Price	¥575 million
Real estate appraisal value	¥657 million
Appraisal NOI yield	7.9%
Name of tenant	Hoshino Resort Management Co., Ltd
Total number of guest rooms	12



KAI Kawaji

Address	Nikko-shi, Tochigi
Acquisition Price	¥1,000 million
Real estate appraisal value	¥1,110 million
Appraisal NOI yield	8.6%
Name of tenant	Hoshino Resort Management Co., Ltd
Total number of guest rooms	54

Others



Chisun Inn Shiojiri Kita IC

Address	Shiojiri-shi, Nagano
Acquisition Price	¥672 million
Real estate appraisal value	¥768 million
Appraisal NOI yield	7.4%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	92



Chisun Inn Sano Fujioka IC

Address	Sano-shi, Tochigi
Acquisition Price	¥742 million
Real estate appraisal value	¥861 million
Appraisal NOI yield	7.4%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	92



Chisun Inn Suwa IC

Address	Suwa-shi, Nagano
Acquisition Price	¥658 million
Real estate appraisal value	¥757 million
Appraisal NOI yield	7.5%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	92

(Note) Figures are based on real estate appraisal reports which evaluated values as of April 30, 2015. Appraisal NOI (Net Operating Income) is defined as operating revenues less operating expenses contained in the relevant real estate appraisal report, which is before depreciation. This is different from NCF (Net Cash Flow) calculated by subtracting gain on investment of leasehold deposit, etc., and capital expenditures from NOI. Appraisal NOI yield is the figure calculated by the Asset Management Company by dividing appraisal NOI by the acquisition price.

Portfolio overview (assets under management) (3)

Hashino Resorts REIT, Inc.

Others



Chisun Inn Toyokawa IC

Address	Toyokawa-shi, Aichi
Acquisition Price	¥602 million
Real estate appraisal value	¥691 million
Appraisal NOI yield	7.4%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	94



Chisun Inn Kumamoto Miyukifueda

Address	Kumamoto-shi, Kumamoto
Acquisition Price	¥616 million
Real estate appraisal value	¥697 million
Appraisal NOI yield	7.6%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	98



Chisun Inn Tosu

Address	Tosu-shi, Saga
Acquisition Price	¥504 million
Real estate appraisal value	¥579 million
Appraisal NOI yield	7.6%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	92



Chisun Inn Utsunomiya Kanuma

Address	Utsunomiya-shi, Tochigi
Acquisition Price	¥714 million
Real estate appraisal value	¥795 million
Appraisal NOI yield	7.4%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	98



Chisun Inn Chiba Hamano R16

Address	Chiba-shi, Chiba
Acquisition Price	¥798 million
Real estate appraisal value	¥971 million
Appraisal NOI yield	7.4%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	94



Chisun Inn Fukui

Address	Fukui-shi, Fukui
Acquisition Price	¥644 million
Real estate appraisal value	¥724 million
Appraisal NOI yield	7.7%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	98

(Note) Figures are based on real estate appraisal reports which evaluated values as of April 30, 2015. Appraisal NOI (Net Operating Income) is defined as operating revenues less operating expenses contained in the relevant real estate appraisal report, which is before depreciation. This is different from NCF (Net Cash Flow) calculated by subtracting gain on investment of leasehold deposit, etc., and capital expenditures from NOI. Appraisal NOI yield is the figure calculated by the Asset Management Company by dividing appraisal NOI by the acquisition price.

Portfolio overview (assets under management) (4)

Hoshino Resorts REIT, Inc.

Others



Chisun Inn Fukushima Nishi IC

Address	Fukushima-shi, Fukushima
Acquisition Price	¥672 million
Real estate appraisal value	¥739 million
Appraisal NOI yield	7.4%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	98



Chisun Inn Hitachinaka

Address	Hitachinaka-shi, Ibaraki
Acquisition Price	¥742 million
Real estate appraisal value	¥879 million
Appraisal NOI yield	7.6%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	92



Chisun Inn Niigata Chuo IC

Address	Niigata-shi, Niigata
Acquisition Price	¥630 million
Real estate appraisal value	¥709 million
Appraisal NOI yield	7.4%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	98



Chisun Inn Tsuchiura Ami

Address	Ami-machi, Inashiki-gun, Ibaraki
Acquisition Price	¥770 million
Real estate appraisal value	¥896 million
Appraisal NOI yield	7.4%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	92



Chisun Inn Nagasaki Airport

Address	Omura-shi, Nagasaki
Acquisition Price	¥630 million
Real estate appraisal value	¥713 million
Appraisal NOI yield	7.4%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	92



Chisun Inn Kofu Isawa

Address	Fuefuki-shi, Yamanashi
Acquisition Price	¥658 million
Real estate appraisal value	¥751 million
Appraisal NOI yield	7.6%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	92

(Note) Figures are based on real estate appraisal reports which evaluated values as of April 30, 2015. Appraisal NOI (Net Operating Income) is defined as operating revenues less operating expenses contained in the relevant real estate appraisal report, which is before depreciation. This is different from NCF (Net Cash Flow) calculated by subtracting gain on investment of leasehold deposit, etc., and capital expenditures from NOI. Appraisal NOI yield is the figure calculated by the Asset Management Company by dividing appraisal NOI by the acquisition price.

Portfolio overview (assets under management) (5)

Hoshino Resorts REIT, Inc.

Others



Chisun Inn Marugame Zentsuji

Address	Marugame-shi, Kagawa
Acquisition Price	¥588 million
Real estate appraisal value	¥656 million
Appraisal NOI yield	7.6%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	98



Chisun Inn Karuizawa

Address	Karuizawa-machi, Kitasaku-gun, Nagano
Acquisition Price	¥812 million
Real estate appraisal value	¥933 million
Appraisal NOI yield	7.4%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	90



Chisun Inn Munakata

Address	Munakata-shi, Fukuoka
Acquisition Price	¥504 million
Real estate appraisal value	¥582 million
Appraisal NOI yield	7.7%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	98



Chisun Inn Himeji Yumesakibashi

Address	Himeji-shi, Hyogo
Acquisition Price	¥616 million
Real estate appraisal value	¥698 million
Appraisal NOI yield	7.7%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	98



Chisun Inn Iwate Ichinoseki IC

Address	Ichinoseki-shi, Iwate
Acquisition Price	¥700 million
Real estate appraisal value	¥749 million
Appraisal NOI yield	7.2%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	92



Chisun Inn Kurashiki Mizushima

Address	Kurashiki-shi, Okayama
Acquisition Price	¥728 million
Real estate appraisal value	¥814 million
Appraisal NOI yield	7.3%
Name of tenant	SHR Roadside Inn Co., Ltd.
Total number of guest rooms	98

(Note) Figures are based on real estate appraisal reports which evaluated values as of April 30, 2015. Appraisal NOI (Net Operating Income) is defined as operating revenues less operating expenses contained in the relevant real estate appraisal report, which is before depreciation. This is different from NCF (Net Cash Flow) calculated by subtracting gain on investment of leasehold deposit, etc., and capital expenditures from NOI. Appraisal NOI yield is the figure calculated by the Asset Management Company by dividing appraisal NOI by the acquisition price.

Portfolio overview (assets under management) (6)

Hoshino Resorts REIT, Inc.

Others



Candeo Hotels Handa

Address	Handa-shi, Aichi
Acquisition Price	¥620 million
Real estate appraisal value	¥654 million
Appraisal NOI yield	6.5%
Name of tenant	Candeo Hospitality Management, Inc.
Total number of guest rooms	126



Candeo Hotels Sano

Address	Sano-shi, Tochigi
Acquisition Price	¥1,260 million
Real estate appraisal value	¥1,390 million
Appraisal NOI yield	6.5%
Name of tenant	Candeo Hospitality Management, Inc.
Total number of guest rooms	124



Candeo Hotels Chino

Address	Chino-shi, Nagano
Acquisition Price	¥793 million
Real estate appraisal value	¥868 million
Appraisal NOI yield	6.7%
Name of tenant	Candeo Hospitality Management, Inc.
Total number of guest rooms	119



Candeo Hotels Kameyama

Address	Kameyama-shi, Mie
Acquisition Price	¥470 million
Real estate appraisal value	¥501 million
Appraisal NOI yield	7.0%
Name of tenant	Candeo Hospitality Management, Inc.
Total number of guest rooms	170



Candeo Hotels Fukuyama

Address	Fukuyama-shi, Hiroshima
Acquisition Price	¥1,075 million
Real estate appraisal value	¥1,170 million
Appraisal NOI yield	6.5%
Name of tenant	Candeo Hospitality Management, Inc.
Total number of guest rooms	164

(Note) Figures are based on real estate appraisal reports which evaluated values as of December 15, 2014. Appraisal NOI (Net Operating Income) is defined as operating revenues less operating expenses contained in the relevant real estate appraisal report, which is before depreciation. This is different from NCF (Net Cash Flow) calculated by subtracting gain on investment of leasehold deposit, etc., and capital expenditures from NOI. Appraisal NOI yield is the figure calculated by the Asset Management Company by dividing appraisal NOI by the acquisition price.

Portfolio overview (assets under management) (7)

Hoshino Resorts REIT, Inc.

Others



Comfort Hotel Kure

Address	Kure-shi, Hiroshima
Acquisition Price	¥1,100 million
Real estate appraisal value	¥1,170 million
Appraisal NOI yield	6.1%
Name of tenant	Greens Co., Ltd.
Total number of guest rooms	149



Comfort Hotel Tomakomai

Address	Tomakomai-shi, Hokkaido
Acquisition Price	¥963 million
Real estate appraisal value	¥1,020 million
Appraisal NOI yield	6.3%
Name of tenant	Greens Co., Ltd.
Total number of guest rooms	123



Comfort Hotel Hakodate

Address	Hakodate-shi, Hokkaido
Acquisition Price	¥937 million
Real estate appraisal value	¥993 million
Appraisal NOI yield	6.2%
Name of tenant	Greens Co., Ltd.
Total number of guest rooms	139



(Note) Figures are based on real estate appraisal reports which evaluated values as of February 28, 2015. Appraisal NOI (Net Operating Income) is defined as operating revenues less operating expenses contained in the relevant real estate appraisal report, which is before depreciation. This is different from NCF (Net Cash Flow) calculated by subtracting gain on investment of leasehold deposit, etc., and capital expenditures from NOI. Appraisal NOI yield is the figure calculated by the Asset Management Company by dividing appraisal NOI by the acquisition price.

Operational results for each property (1) (Solare)

Hoshino Resorts REIT, Inc.

Chisun Inn Shiojiri Kita IC

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	79.3%	79.2%	80.3%	87.8%	81.8%	85.2%	78.8%	71.9%	65.2%	72.0%	79.6%	76.4%	78.2%
ADR (yen)	5,457	5,336	5,396	6,505	5,319	5,254	5,221	5,009	4,962	4,842	5,190	5,403	5,351
RevPAR (yen)	4,328	4,224	4,330	5,713	4,351	4,474	4,116	3,602	3,232	3,484	4,129	4,128	4,182
Sales (millions of yen)	14	12	13	18	13	14	12	11	10	10	13	12	153

Chisun Inn Sano Fujioka IC

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	83.9%	84.7%	78.2%	83.7%	82.0%	82.5%	80.3%	86.5%	87.1%	89.1%	83.1%	81.7%	83.5%
ADR (yen)	5,617	5,329	5,355	6,005	5,491	5,455	5,769	5,457	5,434	5,148	5,662	5,605	5,528
RevPAR (yen)	4,714	4,514	4,189	5,026	4,504	4,502	4,633	4,719	4,730	4,584	4,703	4,581	4,618
Sales (millions of yen)	14	13	13	15	13	14	14	14	14	12	14	13	164

Chisun Inn Suwa IC

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	81.5%	78.1%	85.2%	94.2%	85.3%	88.9%	88.2%	77.2%	75.1%	76.2%	81.3%	75.7%	82.3%
ADR (yen)	5,675	5,258	5,549	7,006	5,891	5,501	5,462	5,402	5,290	4,976	5,319	5,536	5,603
RevPAR (yen)	4,626	4,105	4,725	6,598	5,026	4,887	4,816	4,172	3,974	3,790	4,322	4,190	4,611
Sales (millions of yen)	14	12	14	20	14	15	14	13	12	10	13	12	162

Chisun Inn Toyokawa IC

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	77.3%	73.2%	82.5%	87.3%	83.5%	87.6%	91.4%	85.0%	74.1%	89.1%	87.8%	89.5%	84.0%
ADR (yen)	4,938	4,333	4,488	5,226	4,617	4,389	4,659	4,788	4,686	4,521	5,045	4,786	4,713
RevPAR (yen)	3,817	3,170	3,704	4,562	3,853	3,844	4,259	4,069	3,473	4,027	4,429	4,283	3,958
Sales (millions of yen)	12	10	12	14	12	12	13	13	11	11	14	13	145

Chisun Inn Tosu

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	72.6%	63.1%	78.8%	84.6%	78.5%	79.0%	83.3%	67.1%	63.0%	63.2%	61.2%	65.5%	71.7%
ADR (yen)	4,918	4,304	4,499	5,164	4,502	4,497	4,823	4,890	5,226	4,867	5,125	4,806	4,797
RevPAR (yen)	3,571	2,714	3,544	4,369	3,534	3,554	4,017	3,279	3,294	3,075	3,134	3,148	3,441
Sales (millions of yen)	11	8	11	13	10	11	12	10	10	8	10	9	123

Operational results for each property (2) (Solare)

Hoshino Resorts REIT, Inc.

Chisun Inn Chiba Hamano R16

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	89.0%	78.6%	89.3%	87.2%	81.9%	87.2%	83.5%	85.3%	82.9%	86.7%	87.7%	89.7%	85.8%
ADR (yen)	5,448	5,571	5,705	6,741	5,232	5,389	5,549	5,719	5,515	5,448	5,779	5,663	5,653
RevPAR (yen)	4,849	4,379	5,096	5,880	4,285	4,699	4,634	4,878	4,574	4,723	5,065	5,076	4,849
Sales (millions of yen)	15	13	16	18	13	14	14	15	14	13	16	15	176

Chisun Inn Kumamoto Miyukifueda

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	76.4%	69.4%	74.6%	81.0%	84.9%	79.9%	83.2%	74.3%	70.8%	75.8%	80.0%	64.7%	76.3%
ADR (yen)	4,948	4,323	4,514	5,006	4,424	4,400	4,659	4,620	4,771	4,808	4,901	4,955	4,693
RevPAR (yen)	3,780	2,998	3,368	4,053	3,756	3,513	3,874	3,432	3,379	3,644	3,922	3,203	3,578
Sales (millions of yen)	12	10	11	13	12	11	12	11	11	11	13	10	137

Chisun Inn Utsunomiya Kanuma

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	81.4%	72.5%	74.4%	81.3%	79.5%	87.2%	78.9%	75.1%	77.0%	81.4%	79.5%	76.1%	78.7%
ADR (yen)	5,705	5,428	5,629	6,288	5,648	5,791	5,941	5,645	5,372	5,338	5,670	5,586	5,678
RevPAR (yen)	4,643	3,932	4,187	5,110	4,487	5,051	4,685	4,236	4,134	4,343	4,508	4,250	4,467
Sales (millions of yen)	15	12	13	16	14	16	14	13	13	12	14	13	168

Chisun Inn Fukui

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	77.9%	71.4%	77.5%	80.9%	77.5%	77.6%	77.7%	74.9%	67.4%	72.8%	73.4%	70.1%	74.9%
ADR (yen)	5,115	4,846	5,163	5,728	5,253	5,165	5,413	5,121	5,321	5,181	5,486	5,288	5,261
RevPAR (yen)	3,981	3,458	3,998	4,634	4,072	4,005	4,203	3,835	3,586	3,770	4,024	3,707	3,942
Sales (millions of yen)	13	11	13	15	13	13	13	12	11	11	13	11	148

Chisun Inn Fukushima Nishi IC

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	81.8%	80.8%	84.9%	84.3%	87.1%	84.8%	84.8%	75.6%	70.2%	75.9%	82.1%	84.5%	81.4%
ADR (yen)	5,661	5,438	5,285	5,896	5,552	5,597	5,677	5,544	5,130	5,114	5,530	5,343	5,491
RevPAR (yen)	4,628	4,391	4,486	4,971	4,836	4,746	4,812	4,192	3,603	3,879	4,541	4,514	4,470
Sales (millions of yen)	15	14	14	16	15	15	15	14	12	11	15	14	170

Operational results for each property (3) (Solare)

Hoshino Resorts REIT, Inc.

Chisun Inn Niigata Chuo IC

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	64.9%	58.6%	66.8%	91.4%	75.8%	79.3%	77.4%	61.3%	64.2%	65.8%	72.4%	62.4%	70.1%
ADR (yen)	5,752	5,145	5,377	6,802	5,212	5,306	5,370	4,888	4,751	4,782	5,422	5,417	5,405
RevPAR (yen)	3,735	3,016	3,591	6,215	3,949	4,207	4,155	2,995	3,049	3,145	3,924	3,379	3,787
Sales (millions of yen)	12	9	12	20	12	14	13	10	10	9	13	11	144

Chisun Inn Nagasaki Airport

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	80.1%	77.3%	78.6%	81.1%	82.8%	86.8%	85.1%	80.9%	75.1%	87.4%	87.2%	66.5%	80.7%
ADR (yen)	5,194	4,646	4,826	5,579	4,614	6,097	5,077	4,795	5,032	4,969	5,461	5,293	5,142
RevPAR (yen)	4,158	3,590	3,793	4,526	3,821	5,289	4,318	3,880	3,781	4,342	4,760	3,517	4,150
Sales (millions of yen)	12	11	11	14	11	16	13	12	11	12	14	10	148

Chisun Inn Hitachinaka

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	87.9%	88.7%	94.5%	90.6%	90.2%	94.6%	95.8%	93.3%	84.4%	90.7%	88.1%	79.6%	89.9%
ADR (yen)	5,462	5,212	5,539	6,164	5,276	5,174	4,891	5,302	5,392	5,242	5,442	5,313	5,368
RevPAR (yen)	4,801	4,620	5,232	5,584	4,759	4,896	4,685	4,949	4,548	4,755	4,794	4,231	4,825
Sales (millions of yen)	14	13	16	17	16	15	14	15	14	13	16	12	173

Chisun Inn Tsuchiura Ami

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	88.8%	79.7%	85.5%	89.3%	83.9%	88.4%	89.4%	89.2%	83.9%	84.3%	87.5%	82.4%	86.1%
ADR (yen)	5,406	5,276	5,524	5,617	5,189	5,297	5,456	5,462	5,360	5,350	5,459	5,549	5,415
RevPAR (yen)	4,799	4,205	4,723	5,016	4,352	4,681	4,876	4,873	4,495	4,510	4,773	4,571	4,660
Sales (millions of yen)	14	12	14	15	13	14	14	15	14	12	14	13	165

Chisun Inn Kofu Isawa

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	79.0%	75.6%	81.4%	88.2%	79.9%	76.4%	79.8%	78.7%	72.3%	77.8%	81.7%	78.9%	79.2%
ADR (yen)	5,685	5,120	6,173	7,937	5,436	5,439	5,355	5,204	5,075	4,970	5,282	5,351	5,624
RevPAR (yen)	4,489	3,871	5,025	7,001	4,342	4,155	4,274	4,094	3,669	3,866	4,313	4,220	4,451
Sales (millions of yen)	13	11	15	21	13	13	12	12	11	11	13	12	158

Operational results for each property (4) (Solare)

Hoshino Resorts REIT, Inc.

Chisun Inn Marugame Zentsuji

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	71.9%	73.1%	76.1%	86.6%	81.8%	76.9%	81.4%	78.0%	68.6%	73.4%	84.8%	78.3%	77.6%
ADR (yen)	5,201	4,876	5,069	6,188	4,780	4,437	5,069	4,871	5,038	4,785	5,232	5,076	5,068
RevPAR (yen)	3,740	3,562	3,855	5,358	3,908	3,411	4,124	3,801	3,456	3,512	4,434	3,974	3,932
Sales (millions of yen)	12	11	12	17	12	11	13	12	11	10	14	12	149

Chisun Inn Munakata

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	82.0%	74.5%	78.0%	83.9%	74.6%	75.8%	80.6%	70.9%	77.7%	82.3%	80.7%	82.4%	78.6%
ADR (yen)	4,728	4,314	4,552	5,074	4,510	4,460	4,921	4,912	5,041	4,834	4,859	4,587	4,738
RevPAR (yen)	3,876	3,212	3,549	4,257	3,362	3,379	3,965	3,482	3,917	3,979	3,920	3,780	3,723
Sales (millions of yen)	13	10	12	14	11	11	12	11	13	12	13	12	143

Chisun Inn Iwate Ichinoseki IC

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	83.3%	81.8%	84.7%	87.5%	77.0%	77.8%	71.4%	56.2%	58.7%	56.3%	59.6%	57.9%	71.1%
ADR (yen)	5,556	5,081	5,519	6,429	5,796	5,852	5,993	5,413	5,504	5,215	5,645	5,749	5,669
RevPAR (yen)	4,628	4,154	4,675	5,622	4,462	4,555	4,277	3,040	3,230	2,933	3,366	3,330	4,032
Sales (millions of yen)	14	12	14	17	13	14	13	9	10	8	10	10	144

Chisun Inn Karuizawa

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	83.4%	87.7%	90.6%	91.7%	86.9%	81.0%	71.5%	55.8%	43.1%	56.3%	71.6%	79.6%	75.0%
ADR (yen)	7,148	6,102	8,551	14,058	8,107	7,036	6,774	6,836	7,239	5,879	5,880	6,094	7,677
RevPAR (yen)	5,961	5,351	7,748	12,884	7,043	5,701	4,841	3,817	3,115	3,308	4,208	4,850	5,758
Sales (millions of yen)	18	15	23	37	20	17	14	11	9	9	13	14	199

Chisun Inn Himeji Yumesakibashi

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	74.7%	74.8%	77.3%	81.5%	78.3%	82.7%	84.8%	79.7%	69.5%	79.3%	83.1%	80.2%	78.8%
ADR (yen)	5,251	4,592	4,891	5,950	4,788	4,741	4,991	4,913	5,193	4,890	5,718	5,422	5,120
RevPAR (yen)	3,919	3,433	3,778	4,849	3,749	3,920	4,233	3,913	3,610	3,876	4,752	4,347	4,034
Sales (millions of yen)	13	11	12	16	12	13	13	13	12	11	15	14	153

Operational results for each property (5) (Solare, Candeo Hotels, Comfort Hotel)

Hashino Resorts REIT, Inc.

Chisun Inn Kurashiki Mizushima

Operational results	2014								2015				Accumulated total
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Guest room occupancy rate	75.9%	81.3%	79.4%	87.0%	74.8%	78.7%	88.8%	72.9%	66.9%	78.1%	80.0%	79.0%	78.5%
ADR (yen)	5,391	4,748	4,944	5,468	4,847	4,941	5,131	5,183	4,996	5,245	5,713	5,702	5,198
RevPAR (yen)	4,093	3,858	3,924	4,758	3,627	3,886	4,558	3,779	3,339	4,096	4,567	4,501	4,082
Sales (millions of yen)	13	12	13	15	11	12	14	12	11	12	14	14	155

Candeo Hotels (5 properties)

Operational results	2015					Accumulated total
	Jan. – Mar.	Apr. – Jun.	Jul. – Sep.	Oct. – Dec.		
Guest room occupancy rate	71.3%	71.3%	78.6%	77.3%		74.6%
ADR (yen)	6,435	6,409	6,571	6,795		6,559
RevPAR (yen)	4,589	4,567	5,162	5,250		4,895
Sales (millions of yen)	302	304	347	353		1,306

Comfort Hotel Hakodate

Operational results	2014												Accumulated total
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	
Guest room occupancy rate	55.4%	72.9%	72.6%	67.1%	87.3%	81.8%	91.2%	93.4%	83.6%	90.2%	70.8%	82.4%	79.1%
ADR (yen)	4,250	4,257	4,244	4,516	4,981	5,055	5,535	6,292	5,537	4,961	4,618	4,331	4,950
RevPAR (yen)	2,355	3,103	3,081	3,030	4,350	4,133	5,045	5,875	4,630	4,474	3,269	3,570	3,918
Sales (millions of yen)	11	13	14	13	20	18	23	26	20	20	14	16	209

Comfort Hotel Tomakomai

Operational results	2014												Accumulated total
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	
Guest room occupancy rate	68.0%	74.7%	87.5%	81.9%	85.8%	91.8%	95.4%	94.3%	90.1%	87.3%	87.8%	86.1%	86.0%
ADR (yen)	4,715	4,932	4,592	4,548	4,890	5,175	5,561	5,866	5,703	5,434	5,268	4,718	5,142
RevPAR (yen)	3,205	3,683	4,020	3,725	4,197	4,753	5,306	5,532	5,136	4,741	4,624	4,063	4,420
Sales (millions of yen)	13	13	16	14	17	18	21	22	19	19	18	16	205

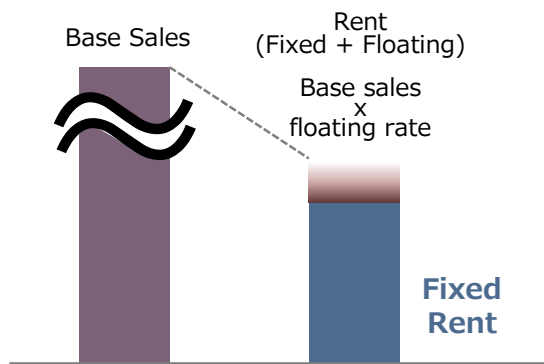
Comfort Hotel Kure

Operational results	2014												Accumulated total
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	
Guest room occupancy rate	83.4%	93.1%	94.8%	89.8%	91.9%	88.0%	88.8%	91.8%	93.0%	93.0%	96.9%	94.6%	91.6%
ADR (yen)	5,671	5,842	6,025	5,874	6,210	5,969	6,126	6,769	6,106	6,169	6,440	5,924	6,101
RevPAR (yen)	4,728	5,436	5,711	5,274	5,706	5,255	5,438	6,215	5,680	5,738	6,237	5,605	5,586
Sales (millions of yen)	23	24	27	25	27	24	26	30	26	28	29	27	316

Introduction of floating rent

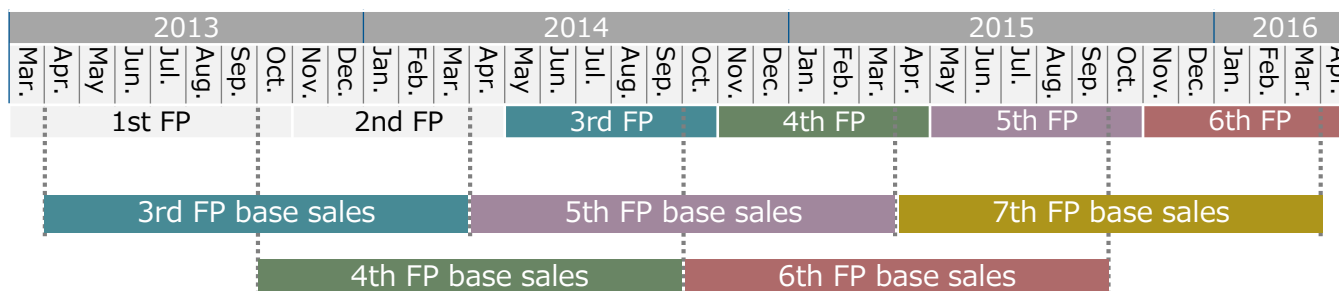
Hoshino Resorts REIT, Inc.

Structure of floating rent



Calculating method of monthly floating rent^(Note 1)

- (1) For May to October every year, deem sales for 12 months to be from April of the previous year to March of the relevant year as the base sales;
 - (2) For November to the next April every year, deem sales for 12 months to be from October of the previous year to September of the relevant year as the base sales.
- Subtract annual fixed rent from the amount obtained by multiplying the base sales by each facility's floating rate, then divide it by 12.



Name of facility	Floating rate in calculating floating rent	4th FP From Nov. 1, 2014 to April 30, 2015	5th FP From May 1, 2015 to Oct. 31, 2015	6th FP From Nov. 1, 2015 to April 30, 2016
HOSHINOYA	25%	Fixed rent + Floating rent		
RISONARE	15%	Fixed rent + Floating rent		
KAI	16%	Fixed rent + Floating rent		
21 Solare properties	36.5%	Fixed rent + Floating rent		
5 Candeo properties ^(Note 2)	—	—	Fixed rent	
3 Greens properties ^(Note 2)	—	—	Fixed rent	

(Note 1) The timing of floating rent accrual differs by the acquisition timing of each property.

(Note 2) Floating rents will not accrue for "5 Candeo properties" and "3 Greens properties" as their lease agreements stipulate rent system of only fixed rents.

Balance sheet for the fiscal period ended April 2015

Hoshino Resorts REIT, Inc.

(Unit: thousands of yen)

	Previous fiscal period (ended Oct. 31, 2014)	Current fiscal period (ended Apr. 31, 2015)		Previous fiscal period (ended Oct. 31, 2014)	Current fiscal period (ended Apr. 31, 2015)
Assets			Liabilities		
Current assets			Current liabilities		
Cash and deposits	3,493,585	3,552,630	Operating accounts payable	116,797	35,310
Operating accounts receivable	12,197	19,149	Short-term loans payable	1,000,000	-
Prepaid expenses	45,270	32,980	Current portion of long-term loans payable	183,576	183,576
Consumption tax receivable	967,371	-	Accounts payable	248,538	206,053
Deferred tax asset	15	14	Income taxes payable	867	854
Total current assets	4,518,441	3,604,775	Consumption tax payable	-	88,470
Non-current assets			Advance received	268,691	268,703
Property, plant and equipment			Total current liabilities	1,818,471	782,967
Buildings	27,063,685	27,199,180	Non-current liabilities		
Accumulated depreciation	-605,048	-929,076	Long-term loans payable	7,601,268	7,509,480
Buildings, net	26,458,636	26,270,104	Tenant leasehold and security deposits	1,389,320	1,389,320
Structures	632,941	632,941	Total non-current liabilities	8,990,588	8,898,800
Accumulated depreciation	-13,263	-25,443	Total liabilities	10,809,059	9,681,767
Structures, net	619,678	607,498	Net assets		
Machinery and equipment	83,801	83,801	Unitholders' equity		
Accumulated depreciation	-9,645	-13,262	Unitholders' capital	27,006,092	27,006,092
Machinery and equipment, net	74,156	70,538	Surplus		
Land	6,704,893	6,704,893	Unappropriated retained earnings (undisposed loss) (-)	715,409	733,732
Construction in progress	-	22,251	Total surplus	715,409	733,732
Total property, plant and equipment	33,857,364	33,675,286	Total unitholders' equity	27,721,502	27,739,825
Intangible assets			Total net assets	27,721,502	27,739,825
Leasehold rights	69,149	69,149	Total liabilities and net assets	38,530,562	37,421,593
Software	4,362	3,827			
Total intangible assets	73,512	72,977			
Investment and other assets					
Long-term prepaid expenses	71,244	58,554			
Guarantee deposits	10,000	10,000			
Total investment and other assets	81,244	68,554			
Total non-current assets	34,012,120	33,816,817			
Total assets	38,530,562	37,421,593			

Statement of income for the fiscal period ended April 2015

Hashino Resorts REIT, Inc.

(Unit: thousands of yen)

	Previous fiscal period (From May 1, 2014 to Oct. 31, 2014)	Current fiscal period (From Nov. 1, 2014 to Apr. 30, 2015)
Operating revenue		
Rent revenue – real estate	1,563,221	1,599,251
Total operating revenue	1,563,221	1,599,251
Operating expenses		
Expenses related to rent business	484,886	531,974
Asset management fee	124,122	161,820
Asset custody fee	807	1,760
Administrative service fees	6,740	8,765
Directors' compensations	2,640	2,640
Accounting auditors' compensations	4,000	6,000
Other operating expenses	44,756	67,519
Total operating expenses	667,953	780,479
Operating income	895,268	818,772
Non-operating income		
Interest income	273	363
Insurance received	5,917	-
Interest on refunds	-	1,488
Miscellaneous income	474	1,188
Total non-operating income	6,665	3,040
Non-operating expenses		
Interest expenses	77,240	73,170
Borrowing related expenses	48,902	13,999
Investment unit issuance expenses	59,466	-
Total non-operating expenses	185,610	87,170
Ordinary income	716,322	734,642
Income before income taxes	716,322	734,642
Income taxes – current	922	927
Income taxes – deferred	0	0
Total income taxes	922	928
Net income	715,400	733,714
Retained earnings brought forward	9	18
Unappropriated retained earnings (undisposed loss) (–)	715,409	733,732

Balance of payments for each property (HOSHINOYA, RISONARE, KAI)

Hoshino Resorts REIT, Inc.

(Unit: thousands of yen)

Property No.		H-1	H-2	R-1	K-1	K-2	K-3	K-4	K-5	K-6
Property name	Portfolio total	HOSHINOYA Karuizawa	HOSHINOYA Kyoto	RISONARE Yatsugatake	KAI Matsumoto	KAI Izumo	KAI Ito	KAI Hakone	KAI Aso	KAI Kawaji
(1) Total revenue from real estate management	1,599,251	350,458	98,700	292,645	37,500	47,147	48,676	54,960	23,420	55,222
Fixed rent	1,400,720	300,000	98,700	262,500	37,500	37,500	40,000	47,500	23,400	55,200
Floating rent	197,289	50,458	-	30,145	-	9,647	8,676	7,460	-	-
Other revenue	1,242	-	-	-	-	-	-	-	20	22
(2) Total expenses for real estate management	192,149	41,687	21,082	58,104	7,932	7,630	10,506	9,095	926	3,870
Maintenance expenses	26,971	1,469	742	11,134	858	562	1,110	1,904	180	1,947
Tax and public dues	73,462	4,595	1,779	25,161	4,334	4,238	5,456	5,479	-	-
Insurance	7,255	875	218	2,420	354	183	470	288	114	502
Land rent	12,761	6,243	-	3,937	-	2,280	-	-	-	300
Repair expenses	71,690	28,502	18,341	15,449	2,386	366	3,468	1,423	631	1,121
Other expenses	7	-	-	-	-	-	-	-	-	-
(3) NOI ((1) - (2))	1,407,102	308,771	77,617	234,541	29,567	39,516	38,170	45,865	22,493	51,351
(4) Depreciation	339,824	95,148	21,421	55,466	5,630	4,477	6,206	9,451	6,281	13,763
(5) Gain or loss in real estate rent business ((3) - (4))	1,067,277	213,622	56,196	179,074	23,936	35,039	31,964	36,414	16,211	37,588

Balance of payments for each property (Solare (1))

Hashino Resorts REIT, Inc.

(Unit: thousands of yen)

Property No.	O-1	O-2	O-3	O-4	O-5	O-6	O-7	O-8	O-9	O-10
Property name	Chisun Inn Shiojiri Kita IC	Chisun Inn Sano Fujioka IC	Chisun Inn Suwa IC	Chisun Inn Toyokawa IC	Chisun Inn Tosu	Chisun Inn Chiba Hamano R16	Chisun Inn Kumamoto Miyukifueda	Chisun Inn Utsunomiya Kanuma	Chisun Inn Fukui	Chisun Inn Fukushima Nishi IC
(1) Total revenue from real estate management	28,179	29,952	29,308	24,492	22,381	32,962	25,375	29,997	27,306	29,927
Fixed rent	24,000	26,460	23,460	21,480	18,000	28,500	21,960	25,500	22,980	24,000
Floating rent	4,179	3,492	5,848	3,012	4,381	4,462	3,415	4,497	4,326	5,927
Other revenue	-	-	-	-	-	-	-	-	-	-
(2) Total expenses for real estate management	2,207	1,815	1,933	396	569	2,001	363	1,976	1,856	1,708
Maintenance expenses	349	318	454	311	491	305	279	259	298	294
Tax and public dues	1,774	1,410	1,401	-	-	1,606	-	1,623	1,470	1,318
Insurance	83	86	78	85	77	89	84	94	87	93
Land rent	-	-	-	-	-	-	-	-	-	-
Repair expenses	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-	2
(3) NOI ((1) - (2))	25,972	28,137	27,374	24,095	21,811	30,961	25,011	28,021	25,450	28,219
(4) Depreciation	4,792	6,632	6,099	5,003	4,606	6,954	4,863	5,674	5,022	5,553
(5) Gain or loss in real estate rent business ((3) - (4))	21,179	21,505	21,275	19,092	17,204	24,007	20,147	22,346	20,428	22,665

Balance of payments for each property (Solare (2))

Hashino Resorts REIT, Inc.

(Unit: thousands of yen)

Property No.	O-11	O-12	O-13	O-14	O-15	O-16	O-17	O-18	O-19	O-20	O-21
Property name	Chisun Inn Niigata Chuo IC	Chisun Inn Nagasaki Airport	Chisun Inn Hitachinaka	Chisun Inn Tsuchiura Ami	Chisun Inn Kofu Isawa	Chisun Inn Marugame Zentsuji	Chisun Inn Munakata	Chisun Inn Iwate Ichinoseki IC	Chisun Inn Karuizawa	Chisun Inn Himeji Yumesakibashi	Chisun Inn Kurashiki Mizushima
(1) Total revenue from real estate management	25,390	25,842	31,470	30,927	27,657	26,302	24,322	27,714	34,783	26,307	29,917
Fixed rent	22,500	22,500	26,460	27,480	23,460	21,000	18,000	23,760	28,980	21,960	25,980
Floating rent	2,890	3,342	5,010	3,447	4,197	5,302	6,322	2,754	5,803	4,347	3,937
Other revenue	-	-	-	-	-	-	-	1,200	-	-	-
(2) Total expenses for real estate management	2,029	2,127	1,787	1,786	383	1,740	1,817	1,884	395	422	2,109
Maintenance expenses	289	469	417	287	303	320	279	423	294	322	295
Tax and public dues	1,654	1,578	1,283	1,413	-	1,333	1,453	1,368	-	-	1,727
Insurance	86	79	86	86	80	86	85	89	101	97	87
Land rent	-	-	-	-	-	-	-	-	-	-	-
Repair expenses	-	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	2	-	2	-
(3) NOI ((1) - (2))	23,361	23,715	29,682	29,141	27,274	24,562	22,504	25,830	34,387	25,884	27,807
(4) Depreciation	5,271	5,792	7,296	7,594	5,860	5,321	4,767	5,339	7,499	5,410	6,620
(5) Gain or loss in real estate rent business ((3) - (4))	18,089	17,923	22,385	21,547	21,413	19,240	17,737	20,491	26,888	20,473	21,186

**Real estate appraisal value for continuously owned properties
as of the end of the fiscal period ended April 2015
(properties operated by the Hoshino Resorts Group)**

Hoshino Resorts REIT, Inc.

Appraisal value for continuously owned properties	39,732 million yen	Unrealized gain	6,009 million yen	Net asset per unit	645,577 yen
Total book value	33,722 million yen	Unrealized gain per unit	139,863 million yen	NAV per unit	785,441 yen

(Unit: millions of yen)

Property No.	Property name	Acquisition Price	Appraisal value with the valuation date of Mar. 31, 2013 (acquisition time)	Appraisal value with the valuation date of Oct. 31, 2013	Appraisal value with the valuation date of Jan. 31, 2014 (acquisition time)	Appraisal value with the valuation date of Apr. 30, 2014	Appraisal value with the valuation date of Oct. 31, 2014	Appraisal value with the valuation date of Apr. 30, 2015
H-1	HOSHINOYA Karuizawa	7,600	8,930	9,160	—	9,240	9,470	9,800
H-2	HOSHINOYA Kyoto	2,785	—	—	2,930	—	3,000	3,270
R-1	RISONARE Yatsugatake	4,500	5,060	5,190	—	5,220	5,350	5,540
K-1	KAI Matsumoto	600	686	687	—	688	685	697
K-2	KAI Izumo	680	726	737	—	738	747	758
K-3	KAI Ito	670	714	717	—	723	761	778
K-4	KAI Hakone	950	1,080	1,090	—	1,100	1,140	1,160
K-5	KAI Aso	575	—	—	639	—	645	657
K-6	KAI Kawaji	1,000	—	—	1,100	—	1,100	1,110

Real estate appraisal value for continuously owned properties as of the end of the fiscal period ended April 2015 (21 Solare properties)

Hoshino Resorts REIT, Inc.

(Unit: millions of yen)

Property No.	Property name	Acquisition Price	Appraisal value with the valuation date of Jan. 31, 2014 (acquisition time)	Appraisal value with the valuation date of Oct. 31, 2014	Appraisal value with the valuation date of Apr. 30, 2015
O-1	Chisun Inn Shiojiri Kita IC	672	743	757	768
O-2	Chisun Inn Sano Fujioka IC	742	845	845	861
O-3	Chisun Inn Suwa IC	658	728	746	757
O-4	Chisun Inn Toyokawa IC	602	665	678	691
O-5	Chisun Inn Tosu	504	558	568	579
O-6	Chisun Inn Chiba Hamano R16	798	947	947	971
O-7	Chisun Inn Kumamoto Miyukifueda	616	675	686	697
O-8	Chisun Inn Utsunomiya Kanuma	714	769	770	795
O-9	Chisun Inn Fukui	644	702	715	724
O-10	Chisun Inn Fukushima Nishi IC	672	714	718	739
O-11	Chisun Inn Niigata Chuo IC	630	686	699	709
O-12	Chisun Inn Nagasaki Airport	630	688	702	713
O-13	Chisun Inn Hitachinaka	742	851	852	879
O-14	Chisun Inn Tsuchiura Ami	770	886	886	896
O-15	Chisun Inn Kofu Isawa	658	723	738	751
O-16	Chisun Inn Marugame Zentsuji	588	631	647	656
O-17	Chisun Inn Munakata	504	536	552	582
O-18	Chisun Inn Iwate Ichinoseki IC	700	738	739	749
O-19	Chisun Inn Karuizawa	812	898	918	933
O-20	Chisun Inn Himeji Yumesakibashi	616	672	686	698
O-21	Chisun Inn Kurashiki Mizushima	728	789	805	814

Information on unitholders as of the end of the fiscal period ended April 2015

Hoshino Resorts REIT, Inc.

Composition of unitholders

Number of units held by
type of unitholder
Total 42,969 units

11,529 units (26.8%)

19,759 units (46.0%)

3,776 units
(8.8%)

7,905 units
(18.4%)

Number of investors
by type of unitholder
Total: 6,841

6,554 (95.8%)

- Individual
- Financial institutions (including financial trading operators)
- Other domestic corporations
- Foreign corporations, etc.

48
(0.7%)

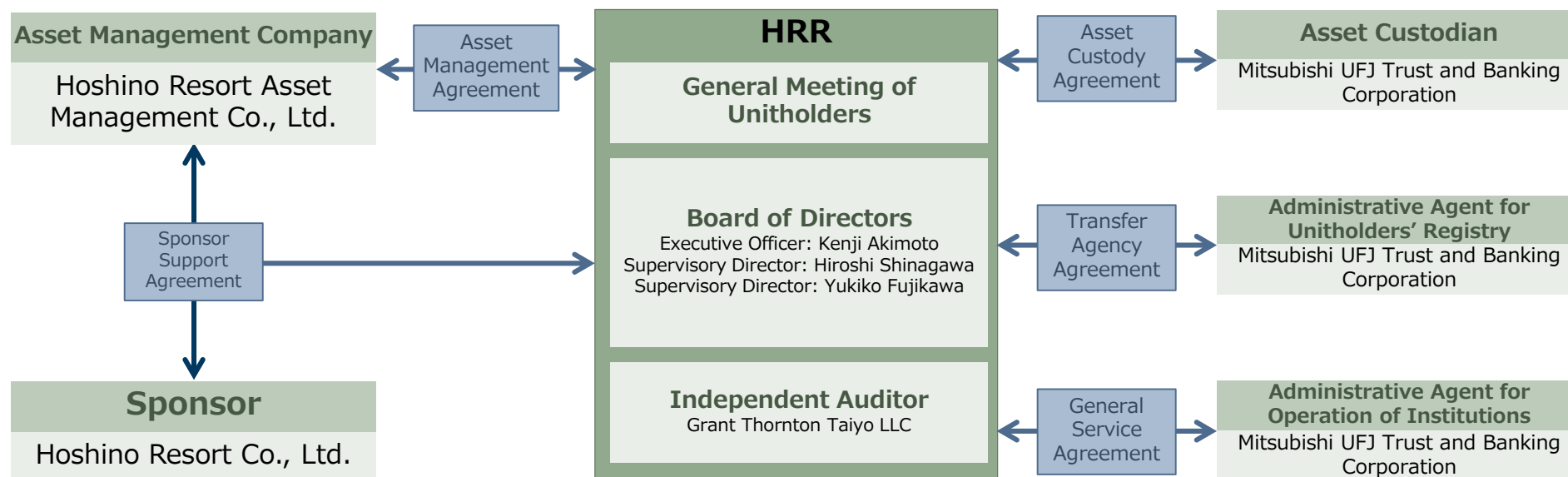
136
(2.0%)

103
(1.5%)

Major unitholders	Number of investment units held (units)	Ratio (%)
Japan Trustee Services Bank, Ltd. (Trust account)	8,210	19.10
Trust & Custody Services Bank, Ltd. (Securities investment trust account)	4,792	11.15
The Master Trust Bank of Japan, Ltd. (Trust account)	3,168	7.37
Hoshino Resort Co., Ltd.	2,835	6.59
Nomura Trust and Banking Co., Ltd. (Investment trust account)	1,085	2.52
SIX SIS Ltd.	774	1.80
EVERGREEN	666	1.54
STATE STREET BANK AND TRUST COMPANY 505223	606	1.41
The Hokkoku Bank, Ltd.	513	1.19
Nomura Bank (Luxembourg) S.A.	510	1.18
Total	23,159	53.89

(Note) Ratio indicates the ratio of the number of investment units held to the total investment units issued and outstanding, rounded down to two decimal places.

Structure of HRR



History

February 28, 2013

Application for registration of HRR was filed by the organizer (Hoshino Resort Asset Management Co., Ltd.) under Article 69-1 of the Act on Investment Trusts and Investment Corporations (Investment Trusts Act)

March 6, 2013

HRR was registered and established under Article 166 of the Investment Trusts Act

March 25, 2013

Application for registration of HRR was filed under Article 188 of the Investment Trusts Act

April 10, 2013

HRR was registered by the Prime Minister under Article 187 of the Investment Trusts Act (registration number 84, filed with the Director of the Kanto Local Financial Bureau)

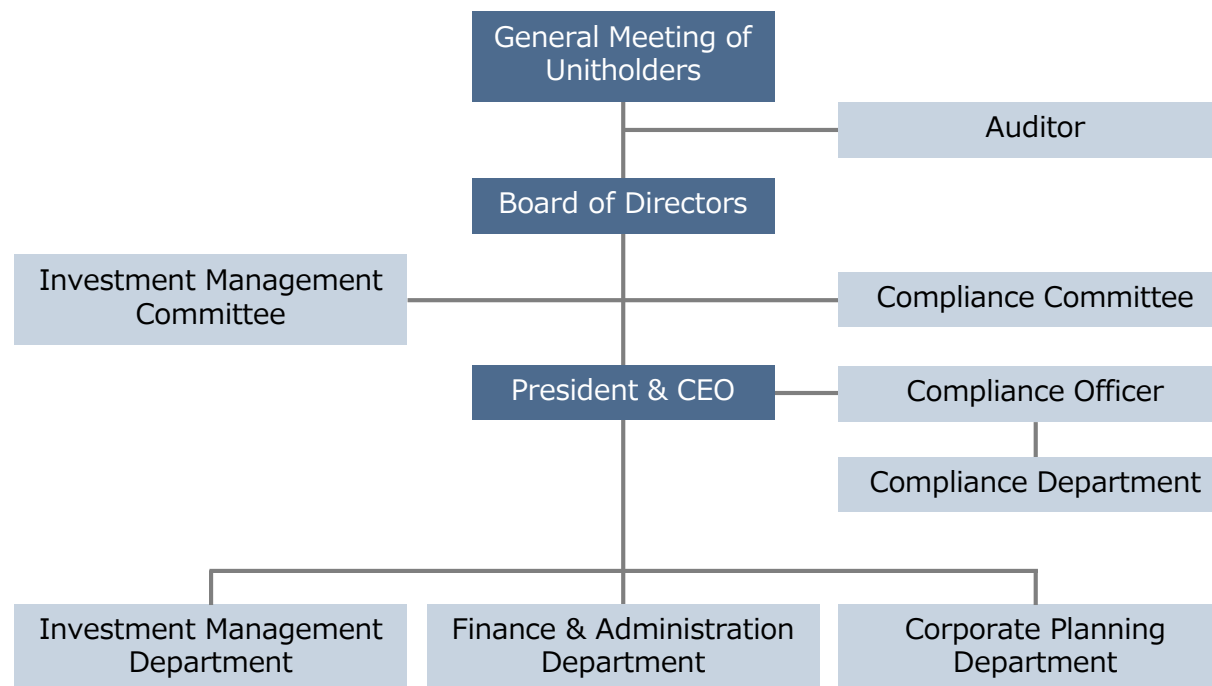
July 12, 2013

HRR was listed on the Real Estate Investment Trust Section of the Tokyo Stock Exchange (securities code: 3287)

July 16, 2013

Asset management started

Structure of Asset Management Company



Overview

Name	Hoshino Resort Asset Management Co., Ltd.
Address	6-18, Kyobashi 3-chome, Chuo-ku, Tokyo
Date of Establishment	May 14, 2010
Paid-in Capital	¥100 million
Shareholder	Hoshino Resort Co., Ltd. 100%
Registration and Licenses	Registration as a Financial Instruments Business: Director of Kanto Local Finance Bureau (Kin-sho) No. 2405 Discretionary Real Estate Transaction License: The Minister of Land, Infrastructure, Transportation and Tourism No.74 Building Lots and Buildings Transaction Business License: The Governor of Tokyo No. (1) 94316

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This document is not a disclosure document or report based upon the Financial Instruments and Exchange Act, the Act on Investment Trusts and Investment Corporations, public listing regulations of the Tokyo Stock Exchange or other related laws and regulations.

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The figures under the same item of other disclosed materials may differ from figures presented in this document due to different rounding of fractions and such.

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For the convenience of preparing graphs, the dates indicated may differ from actual business dates.

Contact

Hoshino Resort Asset Management Co., Ltd. TEL: +81-3-5159-6338

Registration as a Financial Instruments Business: Director of Kanto Local Finance Bureau (Kin-sho) No. 2405
Member of the Investment Trusts Association, Japan