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Notice regarding the Monthly Disclosure of Hotel Performance Results for May 2009

We hereby announce results of the monthly total revenues, the guest room occupancy rates in the room segment, the ADR, and the RevPAR of Japan Hotel and Resort, Inc. (hereinafter “JHR”) for May 2009 as follows. JHR will continue to provide monthly disclosures about the hotels with payments of variable rents for which we are able to obtain consent for disclosure from Hotel Management Japan K.K., the hotel lessee.

Hotel / Indicator		2009 May	Change from the same month of FY 2008 (Note7)	(Reference) Cumulative total (Note8)	(Reference) Change in cumulative total from FY 2008 (Note9)
Kobe Meriken Park Oriental Hotel	Occupancy Rate (%)	53.5%	-28.9%	70.8%	-6.2%
	ADR (Yen)	17,984	1,869	15,700	385
	RevPAR (Yen)	9,613	-3,651	11,109	-683
	Total Revenues (Million Yen)	541	-115	4,629	-534
Oriental Hotel Tokyo Bay	Occupancy Rate (%)	65.6%	-5.8%	84.1%	6.0%
	ADR (Yen)	19,948	-1,012	18,729	-656
	RevPAR (Yen)	13,077	-1,871	15,751	607
	Total Revenues (Million Yen)	522	-24	5,112	38
Namba Oriental Hotel	Occupancy Rate (%)	56.6%	-30.3%	77.3%	-10.2%
	ADR (Yen)	10,928	206	10,540	-25
	RevPAR (Yen)	6,182	-3,135	8,144	-1,096
	Total Revenues (Million Yen)	134	-31	1,360	-122
Hotel Nikko Alivila	Occupancy Rate (%)	73.2%	-9.8	74.3%	-0.3%
	ADR (Yen)	26,518	2,680	22,517	411
	RevPAR (Yen)	19,409	-365	16,726	247
	Total Revenues (Million Yen)	443	-28	3,553	-61

Oriental Hotel Hiroshima (Note 6)	Occupancy Rate (%)	69.0%	-1.1%	71.3%	11.4%
	ADR (Yen)	9,788	349	9,001	236
	RevPAR (Yen)	6,754	140	6,418	1,167
	Total Revenues (Million Yen)	190	13	1,639	158
Total	Total Revenues (Million Yen)	1,829	-185	16,293	-522

Comments from Japan Hotel & Resort K.K. (Asset Management Company) about the May results:

Kobe Meriken Park Oriental Hotel

The room segment performed strongly during Golden Week, so revenues in the first half of the month grew at a faster pace than in the same month of FY 2008, but on May 16 in Kobe City the first outbreak of swine influenza in Japan was confirmed, and the overall market was hit by a large number of cancellations of room reservations. Furthermore the pace of subsequent reservations slowed down dramatically, so revenues were lower than in the same month of FY 2008. The swine influenza had a large impact in the food & beverages segment as well, and although we maintained revenues in the weddings segment at almost the same level as the same month of FY 2008, in the general banquets segment the number of banquets declined due to cancellations, and the number of guests declined in the restaurants segment, so segment revenues were lower than in the same month of FY 2008. As a result, the total revenues of the hotel were approximately 115 million yen lower than in the same month of FY 2008.

Oriental Hotel Tokyo Bay (Former Shin-Urayasu Oriental Hotel)

The room segment performed strongly during Golden Week but with the ending of TDR's 25th anniversary events and the impact of the swine influenza from the middle of the month, both ADR and occupancy rates were lower than in the same month of FY 2008. As a result, revenues were lower than in the same month of FY 2008. In the restaurants segment, lunches and dinners performed strongly as the special buffet plans during Golden Week were featured on television, so revenues were higher than in the same month of FY 2008. In the banquets segment, revenues from both general banquets and wedding banquets were higher than in the same month of FY 2008. As a result, the total revenues of the hotel were approximately 24 million yen lower than in the same month of FY 2008.

Namba Oriental Hotel

In the room segment, revenues were at about the same level as last year during Golden Week, but in inbound tourism from South Korea continued to be weak due to the strengthening of the yen, and revenues fell even further due to the impact of the swine influenza from the middle of the month, so even though ADR was higher than in the same month of FY 2008, occupancy rates fell dramatically and revenues were lower than in the same month of FY 2008. As a result, the total revenues of the hotel were approximately 31 million yen lower than in the same month of FY 2008.

Hotel Nikko Alivila

In the room segment, revenues were strong during Golden Week when we were able to sell guest rooms at a high unit cost, but after that the number of visitors to the main island of Okinawa fell compared to last year, and although ADR rose compared to last year, occupancy rates declined so revenues were lower than in the same month of FY 2008. Revenues were lower than in the same month of FY 2008 in the food & beverages segment as well, mainly due to the decrease in the number of guests. As a result, the total revenues of the hotel were approximately 28 million yen lower than in the same month of FY 2008.

Oriental Hotel Hiroshima

In the room segment, our sales activities centered on the expansion of reservation sources and Internet sales were successful, so revenues were higher than in the same month of FY 2008. Regarding the food & beverages segment, in the restaurants segment revenues increased from the same month of FY 2008 and in the banquets segment revenues from general banquets were lower than in the same month of FY 2008 due to a smaller number of general banquets, but revenues from wedding banquets were higher than in the same month of FY 2008 due to the greater number of wedding banquets and the increase in the unit cost of wedding banquets. As a result, the total revenues of the hotel were approximately 13 million yen higher than in the same month of FY 2008.

## \* Reference

About the Impact of the Swine Influenza

Due to the domestic outbreak of swine influenza, there has been a decline in revenues resulting from cancellations of reservations for rooms, general banquets, restaurants, etc. (the direct impact) and a decline in the number of visitors to the hotels (the indirect impact). In May, the direct impact was approximately 55 million yen at the Kobe Meriken Park Oriental Hotel, approximately 9 million yen at the Namba Oriental Hotel, and totaled approximately 6 million yen at the other hotels, so the total impact for the five hotels came to approximately 70 million yen.

- (Note 1) The above comments were prepared based on information provided by the lessee to the asset management company, and have been provided simply as reference information regarding overall trends. Please note that the figures and information seen within the comments have not been subject to procedures such as audits, etc., and cannot be examined independently by the asset management company, and the accuracy as well as completeness of individual figures and content cannot be guaranteed.
- (Note 2) Since the figures for each month have not undergone procedures such as audits, etc., the amount that is the total of each month may not match that of the six-month and one-year revenue totals in the mid-term reports and financial reports submitted later. Furthermore, the figures may differ from the revenues for each month in the mid-term reports and financial reports.
- (Note 3) ADR (Average Daily Rate):  
Total room revenues during a certain period (excluding service charge) / Total number of rooms sold to the guests during the same period.

- (Note 4) RevPAR (Revenue Per Available Room):  
Total room revenues during a certain period / Total number of rooms in service to the guests during the same period.
- (Note 5) Occupancy rate is rounded off to the first decimal place. ADR & RevPAR are rounded off to the nearest yen. Revenues are rounded off to the nearest million yen.
- (Note 6) Because Oriental Hotel Hiroshima was acquired on October 1, 2007, the September 2007 figures, which are the basis for calculation of the change from the same month of FY 2008 and the change in the cumulative total, have not been audited.
- (Note 7) The change from the same month of FY 2008 is the change between the month under review and the same month in FY 2008.
- (Note 8) The cumulative total is the cumulative values from the beginning of the term under review to the month under review.
- (Note 9) The change in cumulative total from FY 2008 is the change between the cumulative value from the beginning of the term under review to the month under review, and the cumulative value from the beginning of FY 2008 to month under review in FY 2008.

\* Japan Hotel and Resort, Inc. website: <http://www.jhrth.com/>