

**Provisional Translation Only**

**This English translation of the Japanese original is provided solely for information purposes. In the event that there is any discrepancy between this translation and the Japanese original, the Japanese original shall prevail.**

July 17, 2009

REIT Issuer:

Japan Hotel and Resort, Inc. (TSE code: 8981)  
Hiroyuki Suzui, Executive Director

Asset Management Company:

Japan Hotel & Resort K.K.  
Hiroyuki Suzui, Chief Executive Officer

Inquiries:

Noboru Itabashi  
Director, Operations Division  
Tel: +81-3-6439-0333

Notice regarding the Monthly Disclosure of Hotel Performance Results for June 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 June 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 June	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 (%)	49.3%	-26.4%	68.6%	-8.2%
	ADR (Yen)	12,818	-1,109	15,495	313
	RevPAR (Yen)	6,323	-4,218	10,636	-1,036
	Total Revenues (Million Yen)	380	-156	5,010	-690
Oriental Hotel Tokyo Bay	Occupancy Rate (%)	61.1%	-16.7%	81.8%	3.7%
	ADR (Yen)	15,263	-1,468	18,472	-652
	RevPAR (Yen)	9,332	-3,689	15,115	181
	Total Revenues (Million Yen)	408	-76	5,520	-38
Namba Oriental Hotel	Occupancy Rate (%)	53.3%	-28.1%	74.9%	-12.0%
	ADR (Yen)	9,097	-1,210	10,438	-103
	RevPAR (Yen)	4,853	-3,537	7,818	-1,338
	Total Revenues (Million Yen)	117	-35	1,477	-157
Hotel Nikko Alivila	Occupancy Rate (%)	77.0%	2.1%	74.5%	0.0%
	ADR (Yen)	21,032	-1,885	22,366	179
	RevPAR (Yen)	16,188	-968	16,672	127
	Total Revenues (Million Yen)	372	-22	3,925	-83

Oriental Hotel Hiroshima (Note 6)	Occupancy Rate (%)	66.6%	4.3%	70.8%	10.7%
	ADR (Yen)	8,479	11	8,952	216
	RevPAR (Yen)	5,647	370	6,342	1,088
	Total Revenues (Million Yen)	174	1	1,813	158
Total	Total Revenues (Million Yen)	1,452	-288	17,745	-810

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

#### Kobe Meriken Park Oriental Hotel

In the room segment, the large impact of the swine influenza continued from last month, and the overall market was hit by cancellations of room reservations and a dramatic slowdown in the pace of reservations, so revenues were lower than in the same month of FY 2008. In the restaurants segment, revenues were lower than in the same month of FY 2008 due to the decline in breakfast revenues resulting from the decline in the number of hotel guests, and the across-the-board decline in the number of restaurant customers as people avoid going out. The number of general banquets declined due to the impact of the swine influenza, and the number of wedding banquets also declined due to the impact of new competing wedding facilities, so revenues in the banquets segment were lower than in the same month of FY 2008. As a result, the total revenues of the hotel were approximately 156 million yen lower than in the same month of FY 2008.

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

The room segment was affected by the ending of TDR's 25th anniversary events and the impact of the swine influenza so 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, breakfast and dinner revenues declined as a result of the decline in the number of hotel guests, so revenues were lower than in the same month of FY 2008. In the banquets segment, revenues from wedding banquets were higher than in the same month of FY 2008 but revenues from general banquets were lower than in the same month of FY 2008. As a result, the total revenues of the hotel were approximately 76 million yen lower than in the same month of FY 2008.

#### Namba Oriental Hotel

In the room segment, there was a large decline in demand in the overall market as a result of the stagnation of inbound tourism from South Korea due to the strengthening of the yen and people avoiding business trips to Kansai due to the impact of the swine influenza, so revenues were lower than in the same month of FY 2008. As a result, the total revenues of the hotel were approximately 35 million yen lower than in the same month of FY 2008.

#### Hotel Nikko Alivila

In the room segment, even though the number of visitors to the main island of Okinawa continued to fall compared to last year, our occupancy rates were higher than in the same month of FY 2008 due to our sales of additional campaign products. However, the increases were not enough to cover the fall in ADR, 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 due to the decline in revenues from wedding banquets and restaurant weddings. As a result, the total revenues of the hotel were approximately 22 million yen lower than in the same month of FY 2008.

Oriental Hotel Hiroshima

In the room segment, there was a worsening of business confidence in the overall market but our sales activities focused on the expansion of reservation sources and Internet sales were successful, so revenues were higher than in the same month of FY 2008. The food & beverages segment was affected by the swine influenza, resulting in a decline in the number of visitors to the restaurants and a decline in the number of general banquets. However, there was an increase in the number and unit price of wedding banquets so revenues in the food & beverages segment were higher than in the same month of FY 2008. As a result, the total revenues of the hotel were approximately 1 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 continued 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 June, the direct impact was approximately 42 million yen at the Kobe Meriken Park Oriental Hotel, approximately 5 million yen at the Namba Oriental Hotel, and totaled approximately 15 million yen at the other hotels, so the total impact for the five hotels came to approximately 62 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.