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Notice regarding the Monthly Disclosure of Hotel Performance Results for July 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 July 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 July	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 (%)	69.8%	-7.4%	68.7%	-8.2%
	ADR (Yen)	13,873	-1,170	15,342	172
	RevPAR (Yen)	9,683	-1,923	10,547	-1,118
	Total Revenues (Million Yen)	462	-34	5,472	-724
Oriental Hotel Tokyo Bay	Occupancy Rate (%)	68.0%	-17.5%	80.5%	1.8%
	ADR (Yen)	17,181	-1,279	18,371	-686
	RevPAR (Yen)	11,680	-4,106	14,796	-217
	Total Revenues (Million Yen)	470	-82	5,991	-121
Namba Oriental Hotel	Occupancy Rate (%)	74.6%	-10.1%	74.9%	-11.8%
	ADR (Yen)	9,632	-965	10,363	-183
	RevPAR (Yen)	7,186	-1,794	7,759	-1,380
	Total Revenues (Million Yen)	146	-18	1,623	-174
Hotel Nikko Alivila	Occupancy Rate (%)	82.8%	-6.8%	75.3%	-0.7%
	ADR (Yen)	41,999	-959	24,369	-86
	RevPAR (Yen)	34,770	-3,727	18,352	-225
	Total Revenues (Million Yen)	686	-79	4,611	-162

Oriental Hotel Hiroshima (Note 6)	Occupancy Rate (%)	68.6%	-6.2%	70.6%	9.2%
	ADR (Yen)	8,738	149	8,933	213
	RevPAR (Yen)	5,990	-434	6,309	953
	Total Revenues (Million Yen)	143	-38	1,955	120
Total	Total Revenues (Million Yen)	1,907	-251	19,652	-1.061

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

Kobe Meriken Park Oriental Hotel

In the room segment, although a recovery was seen compared to last month, particularly in the leisure market, we were unable to overcome the continuing impact of the swine influenza on group demand, 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. Revenues from general banquets increased compared to the same month of FY 2008 because of the holding of parties, etc. that had been postponed due to the impact of the swine influenza, but the number of wedding banquets declined due to the impact of new competing wedding facilities, so overall 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 34 million yen lower than in the same month of FY 2008.

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

In the room segment, both ADR and occupancy rates were lower than in the same month of FY 2008, mainly due to the fact that TDR's 25th anniversary events were no longer attracting guests, and as a result revenues were lower than in the same month of FY 2008. In the restaurants segment, lunch revenues were high but 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 82 million yen lower than in the same month of FY 2008.

Namba Oriental Hotel

In the room segment, although there was a recovery of leisure demand, the drop in inbound tourism from South Korea due to the strengthening of the yen continued and there was a delay in the recovery of business demand due to the decline in business confidence. Consequently, both ADR and occupancy rates were lower than in the same month of FY 2008 and therefore revenues were also lower than in the same month of FY 2008. As a result, the total revenues of the hotel were approximately 18 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, we were able to maintain occupancy to some extent in the first half of the month by offering products at reduced prices. However, demand was weak from the beginning of the summer holiday period when unit prices were at high levels, so both ADR and occupancy rates were lower than in the same month of FY 2008 and as a result revenues were lower than in the same month of FY 2008. In the food & beverages segment, the number of restaurant visitors declined due to the decline in the number of hotel guests, so revenues were lower than in the same month of FY 2008. As a result, the total revenues of the hotel were approximately 79 million yen lower than in the same month of FY 2008.

Oriental Hotel Hiroshima

In the room segment, revenues were lower than in the same month of FY 2008 due to the direct impact of cancellations after the confirmation of the first case of swine influenza in Hiroshima City at the end of last month. The food & beverages segment was strongly affected by cancellations of general banquets because of the influenza. Although revenues from the restaurants segment were higher than in the same month of FY 2008 due to the success of plan product sales, overall revenues in the food & beverages segment were lower than in the same month of FY 2008. As a result, the total revenues of the hotel were approximately 38 million yen lower than in the same month of FY 2008.

* Reference

About the Impact of the Swine Influenza

In July, cancellations of reservations for rooms, general banquets, restaurants, etc. (the direct impact) caused by the swine influenza began to slow down in all of the hotels except Kobe and Hiroshima.

Since the middle of August there have been a large number of media reports about swine influenza. We will provide information about the impact of these reports in the upcoming monthly disclosures.

* In July, the direct impact was approximately 3 million yen at the Kobe Meriken Park Oriental Hotel, approximately 4 million yen at Oriental Hotel Hiroshima, and totaled approximately 1 million yen at the other hotels, so the total impact for the five hotels came to approximately 8 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/>