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Notice regarding the Monthly Disclosure of Hotel Performance Results for August 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 August 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 August	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 (%)	91.3%	1.2%	70.7%	-7.3%
	ADR (Yen)	16,523	-1,540	15,472	23
	RevPAR (Yen)	15,086	-1,181	10,933	-1,117
	Total Revenues (Million Yen)	528	-21	5,999	-745
Oriental Hotel Tokyo Bay	Occupancy Rate (%)	82.2%	-6.9%	80.7%	1.0%
	ADR (Yen)	23,691	-3,404	18,831	-986
	RevPAR (Yen)	19,471	-4,660	15,193	-591
	Total Revenues (Million Yen)	549	-123	6,539	-244
Namba Oriental Hotel	Occupancy Rate (%)	82.4%	-6.3%	75.5%	-11.3%
	ADR (Yen)	10,381	-1,360	10,365	-284
	RevPAR (Yen)	8,555	-1,859	7,827	-1,421
	Total Revenues (Million Yen)	158	-21	1,781	-195
Hotel Nikko Alivila	Occupancy Rate (%)	78.7%	-13.9%	75.6%	-1.8%
	ADR (Yen)	60,457	-2,381	27,561	-786
	RevPAR (Yen)	47,608	-10,608	20,837	-1,097
	Total Revenues (Million Yen)	887	-193	5,498	-355

Oriental Hotel Hiroshima (Note 6)	Occupancy Rate (%)	85.1%	-1.6%	71.8%	8.4%
	ADR (Yen)	10,021	172	9,043	198
	RevPAR (Yen)	8,523	-8	6,497	886
	Total Revenues (Million Yen)	147	26	2,103	146
Total	Total Revenues (Million Yen)	2,268	-332	21,920	-1,392

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

Kobe Meriken Park Oriental Hotel

In the room segment, occupancy rates were higher than in the same month of FY 2008 due to our measures to attract guests such as expanding corporate contracts, but ADR fell due to the impact of declining prices in the overall market so revenues were lower than in the same month of FY 2008. In the food & beverages segment, the number of wedding banquets declined due to the impact of new competing wedding facilities so revenues from wedding banquets declined, but revenues from general banquets increased because of the holding of parties, etc. that had been postponed due to the impact of the swine influenza, and in the restaurants segment revenues increased due to the success of our measures to attract guests such as menu revisions, etc. Therefore, overall revenues in the food & beverages segment were at a comparable level to the same month of FY 2008. As a result, the total revenues of the hotel were approximately 21 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 due to the intensifying competition among competing facilities, and as a result revenues were also lower than in the same month of FY 2008. In the restaurants segment, lunch revenues were high, but dinner revenues declined and breakfast 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 lower than in the same month of FY 2008 because of the impact of the chapel renovation work, and revenues from general banquets also declined due to the impact of the economic slump, so overall revenues were lower than in the same month of FY 2008. As a result, the total revenues of the hotel were approximately 123 million yen lower than in the same month of FY 2008.

Namba Oriental Hotel

In the room segment, we were able to bring in a lot of domestic leisure demand, but business demand declined due to the decline in business confidence and the drop in inbound tourism from South Korea due to the strengthening of the yen continued. 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 21 million yen lower than in the same month of FY 2008.

Hotel Nikko Alivila

In the room segment, the number of visitors to the main island of Okinawa continued to fall compared to last year, and in the second half of the month there were an increasing number of media reports in Okinawa about swine influenza, resulting in last-minute cancellations of reservations and a fall in demand. Consequently both ADR and occupancy rates fell and as a result revenues were lower than in the same month of FY 2008. In the food & beverages segment, the temporary restaurants we set up for the summer holiday period stimulated demand, but the decline in the number of restaurant visitors due to the decline in the number

of hotel guests had a large impact, so revenues were lower than in the same month of FY 2008. As a result, the total revenues of the hotel were approximately 193 million yen lower than in the same month of FY 2008.

Oriental Hotel Hiroshima

In the room segment, even though the overall market saw large falls in revenues our measures to enhance our channels for attracting guests were successful, and as a result our revenues in this segment were at almost the same level as in the same month of FY 2008. In the food & beverages segment, the numbers of both general banquets and wedding banquets increased so banquet revenues were higher than in the same month of FY 2008. However, revenues were lower than in the same month of FY 2008 in the restaurants segment because we attracted fewer guests at lunchtime and dinnertime. Nonetheless, overall 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 26 million yen higher than in the same month of FY 2008.

* Reference

About the Impact of the Swine Influenza

In August, cancellations of reservations caused by the swine influenza (the direct impact) reduced the revenues of the Hotel Nikko Alivila by approximately 9 million yen, but there was no direct impact on the other hotels.

- (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/>