

**Provisional Translation Only**

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REIT Issuer:

Japan Hotel and Resort, Inc. (TSE code: 8981)

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Notice regarding the Monthly Disclosure of Hotel Performance Results for October 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 October 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 hotellessee.

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Hotel/Indicator		2009 October (FY2010)	Change from the same month of FY2009 (Note 6)	(Reference) Cumulative total (Note 7)	(Reference) Change in cumulative total from FY2009 (Note 8)
Kobe Meriken Park Oriental Hotel	Occupancy Rate (%)	74.9%	-4.9%	73.1%	-4.5%
	ADR (Yen)	14,530	-1,373	15,164	-588
	RevPAR (Yen)	10,876	-1,811	11,087	-1,133
	Total Revenues (Million Yen)	567	5	1,058	17
Oriental Hotel Tokyo Bay	Occupancy Rate (%)	93.2%	0.2%	91.5%	-0.6%
	ADR (Yen)	17,716	-2,050	17,182	-1,834
	RevPAR (Yen)	16,518	-1,867	15,719	-1,784
	Total Revenues (Million Yen)	632	-18	1,071	-136
Namba Oriental Hotel	Occupancy Rate (%)	85.3%	-2.9%	79.1%	-5.4%
	ADR (Yen)	8,555	-2,110	9,046	-1,596
	RevPAR (Yen)	7,299	-2,112	7,159	-1,841
	Total Revenues (Million Yen)	145	-20	283	-35
Hotel Nikko Alivila	Occupancy Rate (%)	73.9%	-16.9%	74.0%	-18.8%
	ADR (Yen)	20,485	-336	25,649	1,580
	RevPAR (Yen)	15,148	-3,772	18,982	-3,348
	Total Revenues (Million Yen)	384	-84	842	-157

OrientalHotelHiroshima	OccupancyRate(%)	72.6%	-7.9%	74.8%	-4.7%
	ADR(Yen)	8,985	147	9,228	281
	RevPAR(Yen)	6,524	-592	6,899	-210
	TotalRevenues(MillionYen)	197	-8	362	-10
Total	TotalRevenues(MillionYen)	1,924	-125	3,616	-321

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

#### Kobe Meriken Park Oriental Hotel

In the room segment, we were able to bring in more demand through aggressive sales of products with their price as the selling point but due to the impact of the economic slowdown both occupancy rates and ADR were lower than in the same month of FY2009 and therefore revenues were lower than in the same month of FY2009. Revenues in the restaurant segment were lower than in the same month of FY2009 due to the decline in breakfast revenues caused by the decline in room occupancy rates. Meanwhile, in the banquet segment, revenues from wedding banquets were higher than in the same month of FY2009 as we enhanced our marketing activities to produce a recovery in the number of orders. As a result, the total revenue of the hotel were approximately 5 million yen higher than in the same month of FY2009.

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

In the room segment, we were able to maintain occupancy rates at about the same level as in the same month of FY2009 by attracting group customers and setting prices flexibly but Tokyo Disney Resort's 25th anniversary was no longer attracting guests and price competition among competing facilities grew stronger, so ADR was lower than in the same month of FY2009, and consequently revenues were also lower than in the same month of FY2009. In the restaurant segment, there was a decline in breakfast revenues due to a fall in the food intake ratio and in addition there was the impact of the economic slowdown, so revenues were lower than in the same month of FY2009. In the banquet segment, general banquet revenues were lower than in the same month of FY2009 due to the impact of the economic slowdown but wedding revenues were higher than in the same month of FY2009 due to the positive effect of the opening of the new chapel on October 3, so overall revenues in the banquet segment were higher than in the same month of FY2009. As a result, the total revenues of the hotel were approximately 18 million yen lower than in the same month of FY2009.

#### Namba Oriental Hotel

In the room segment, we maintained our competitiveness at the same level as in the same month of FY2009 through flexible price-setting but there was a large fall in demand in the market so both occupancy rates and ADR were lower than in the same month of FY2009 and therefore revenues were also lower than in the same month of FY2009. In the restaurant segment, we maintained revenues at almost the same level as in the same month of FY2009 but the total revenues of the hotel were approximately 20 million yen lower than in the same month of FY2009.

#### Hotel Nikko Alivila

In the room segment, we aimed to support revenues by strengthening our Internet products but demand for trips declined because people continued to avoid taking trips due to the impact of the influenza and the economic slowdown, and because there was a typhoon and a backlash after the Silver Week period in September, and as a result there was an even greater fall in the number of visitors to the main island compared to the same month of FY2009, so both ADR and occupancy rates were lower than in the same month of FY2009 and consequently revenues were also lower than in the same month of FY2009. In the food & beverage segment, the food intake ratio of dinners improved due to the various measures we took, and there was an increase in demand for restaurant weddings, 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 FY2009.

FY2009. As a result, the total revenues of the hotel were approximately 84 million yen lower than in the same month of FY2009.

Oriental Hotel Hiroshima

In the room segment, we enhanced our channels for attracting guests and brought in more demand but due to the impact of the economic slowdown in the market revenues were lower than in the same month of FY 2009. In the food & beverages segment, the restaurants segment maintained the same level of revenues as in the same month of FY 2009 due to the various measures we took, but revenues from general banquets were lower than in the same month of FY 2009 due to the fall in unit prices for corporate banquets and revenues from wedding banquets were also lower than in the same month of FY 2009 due to the decline in the number of wedding banquets, so revenues were lower than in the same month of FY 2009. As a result, the total revenues of the hotel were approximately 8 million yen lower than in the same month of FY2009.

\*Reference

About the Impact of the Swine Influenza

In October, cancellations of reservations caused by the swine influenza (the direct impact) reduced the revenues of Kobe Meriken Park Oriental Hotel by approximately 1 million yen, Oriental Hotel Tokyo Bay by approximately 3 million yen, Namba Oriental Hotel by approximately 1 million yen, Hotel Nikko Alivila by approximately 3 million yen, Oriental Hotel Hiroshima by approximately 3 million yen, so the total impact for the five hotels came to approximately 10 million yen.

- (Note1) The above comments were prepared based on information provided by the lessee to the asset management company, and have been provided simply as a 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.
- (Note2) 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.
- (Note3) 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.
- (Note4) 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.
- (Note5) 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.
- (Note6) The change from the same month of FY2009 is the change between the month under review and the same month in FY2009.
- (Note7) The cumulative total is the cumulative values from the beginning of the term under review to the month under review.
- (Note8) The change in cumulative total from FY2009 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 FY2009 to month under review in FY2009.