

Provisional Translation Only

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Notice regarding the Monthly Disclosure of Hotel Performance Results for December 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 December 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 December (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 (%)	82.9%	0.9%	75.6%	-2.6%
	ADR (Yen)	16,271	-2,455	15,238	-1,673
	RevPAR (Yen)	13,485	-1,864	11,525	-1,699
	Total Revenues (Million Yen)	538	-41	2,206	-117
Oriental Hotel Tokyo Bay	Occupancy Rate (%)	88.1%	0.1%	89.0%	-1.9%
	ADR (Yen)	18,262	-2,725	17,414	-2,462
	RevPAR (Yen)	16,097	-2,383	15,498	-2,574
	Total Revenues (Million Yen)	597	-36	2,273	-250
Namba Oriental Hotel	Occupancy Rate (%)	84.6%	9.4%	81.7%	-1.1%
	ADR (Yen)	9,472	-1,589	9,250	-1,706
	RevPAR (Yen)	8,017	-308	7,561	-1,511
	Total Revenues (Million Yen)	158	-2	588	-55
Hotel Nikko Alivila	Occupancy Rate (%)	44.6%	-15.2%	62.6%	-17.0%
	ADR (Yen)	24,073	-2,550	23,906	337
	RevPAR (Yen)	10,734	-5,184	14,954	-3,785
	Total Revenues (Million Yen)	266	-102	1,412	-326

OrientalHotelHiroshima	OccupancyRate(%)	69.3%	-2.7%	74.3%	-3.2%
	ADR(Yen)	8,691	-417	9,083	-28
	RevPAR(Yen)	6,024	-533	6,748	-310
	TotalRevenues(MillionYen)	195	0	773	-36
Total	TotalRevenues(MillionYen)	1,753	-181	7,252	-784

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

Kobe Meriken Park Oriental Hotel

In the room segment, occupancy rates were higher than in the same month of FY 2009 due to our aggressive sales of products with their price as the selling point but ADR was lower than in the same month of FY 2009, and therefore revenues were lower than in the same month of FY 2009. In the food & beverages segment, revenues from wedding banquets were higher than in the same month of FY 2009 due to an increase in the number of weddings but restaurant revenues were lower than in the same month of FY 2009 due to the decline in the number of guests so revenues for the overall segment were lower than in the same month of FY 2009. As a result, the total revenues of the hotel were approximately 41 million yen lower than in the same month of FY 2009.

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

In the room segment, even though Tokyo Disney Resort's 25th anniversary was no longer attracting guests and price competition among competing facilities grew stronger, we maintained occupancy rates at the same level as in the same month of FY 2009 through flexible pricing policies. However, ADR was lower than in the same month of FY 2009 so revenues were also lower than in the same month of FY 2009. In the food & beverages segment, restaurant revenues were lower than in the same month of FY 2009 because lunch and dinner revenues declined due to the impact of the economic slowdown but revenues from wedding banquets were higher than in the same month of FY 2009 due to the positive effect of the opening of the new chapel. As a result, the total revenues of the hotel were approximately 36 million yen lower than in the same month of FY 2009.

Namba Oriental Hotel

In the room segment, occupancy rates were higher than in the same month of FY 2009 due to our aggressive sales of products with their price as the selling point, but we could not avoid a fall in ADR, so revenues were at almost the same level as the same month of FY 2009. Restaurant revenues were higher than in the same month of FY 2009 because the measures to attract guests that we have been carrying out were successful. As a result, the total revenues of the hotel were at the same level as in the same month of FY 2009.

Hotel Nikko Alivila

In the room segment, the trend of a fall in the number of visitors to the main island of Okinawa compounded an additional impact from the bad order of days so occupancy rates were lower than in the same month of FY 2009, and consequently revenues were lower than in the same month of FY 2009. In the food & beverages segment, restaurant weddings and wedding banquets performed well but revenues were lower than in the same month of FY 2009 due to the impact of the decline in the number of hotel guests. As a result, the total revenues of the hotel were approximately 102 million yen lower than in the same month of FY 2009.

Oriental Hotel Hiroshima

In the room segment, we enhanced our channels for attracting guests and brought in more demand but revenues were lower than in the same month of FY 2009. In the food & beverages segment, revenues from restaurants were higher than in the same month of FY 2009 due to the various measures to attract guests. As a result, the total revenues of the hotel were at the same level as in the same month of FY 2009.

*ReferenceAbout the Impact of the Swine Influenza

In December, cancellations of reservations caused by the swine influenza (the direct impact) reduced the revenues of the five hotels by approximately 2 million yen.

The impact of the swine influenza on hotel revenues is now limited. Therefore, we will stop giving disclosures about the impact of the swine influenza from the January 2010 monthly disclosure onwards. Another report will be provided if the situation changes.

- (Note1) 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 can not 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):

$$\text{Total room revenues during a certain period (excluding service charge)} / \text{Total number of rooms sold to the guests during the same period.}$$
- (Note4) RevPAR (Revenue Per Available Room):

$$\text{Total room revenues during a certain period} / \text{Total number of rooms in service to the guests during the same period.}$$
- (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 FY 2009 is the change between the month under review and the same month in FY 2009.
- (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 FY 2009 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 2009 to month under review in FY 2009.

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