

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 January 2010

We hereby announce results of the monthly total revenues, the ADR, and the RevPAR of Japan Hotel and Resort, Inc. (hereinafter "JHR") for January 2010 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.

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Hotel/Indicator		2010 January (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 (%)	70.7%	5.4%	74.6%	-1.0%
	ADR (Yen)	12,485	-1,700	14,710	-1,725
	RevPAR (Yen)	8,821	-437	10,977	-1,443
	Total Revenues (Million Yen)	406	29	2,612	-88
Oriental Hotel Tokyo Bay	Occupancy Rate (%)	76.4%	-3.6%	86.4%	-2.3%
	ADR (Yen)	13,368	-1,296	16,689	-2,234
	RevPAR (Yen)	10,208	-1,514	14,426	-2,359
	Total Revenues (Million Yen)	474	2	2,746	-248
Namba Oriental Hotel	Occupancy Rate (%)	75.5%	2.2%	80.5%	-0.4%
	ADR (Yen)	9,025	-1,372	9,207	-1,646
	RevPAR (Yen)	6,813	-804	7,410	-1,367
	Total Revenues (Million Yen)	141	-8	729	-63
Hotel Nikko Alivila	Occupancy Rate (%)	47.1%	-8.5%	59.4%	-15.2%
	ADR (Yen)	20,106	-680	23,296	147
	RevPAR (Yen)	9,465	-2,085	13,842	-3,441
	Total Revenues (Million Yen)	244	-46	1,656	-372

Oriental Hotel Hiroshima	Occupancy Rate(%)	59.3%	-3.9%	71.3%	-3.3%
	ADR(Yen)	8,455	-221	8,977	-59
	RevPAR(Yen)	5,014	-473	6,397	-343
	Total Revenues(Million Yen)	131	-24	904	-59
Total	Total Revenues(Million Yen)	1,396	-47	8,647	-831

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

Kobe Meriken Park Oriental Hotel

In the room segment, occupancy rates were higher than in the same month of FY2009 due to our aggressive sales of products with their price as the selling point but ADR was lower than in the same month of FY2009. In the food & beverages segment, revenues from wedding banquets and general banquets were both higher than in the same month of FY2009 due to an increase in the numbers of both banquets, and revenues from restaurants were also higher than in the same month of FY2009 due to our success in attracting family groups to the restaurants so revenues for the overall segment were higher than in the same month of FY2009. As a result, the total revenues of the hotel were approximately 29 million yen higher than in the same month of FY2009.

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 implemented flexible pricing policies but both occupancy rates and ADR were lower than in the same month of FY2009 so revenues were also lower than in the same month of FY2009. In the food & beverages segment, restaurant revenues were lower than in the same month of FY2009 because revenues declined due to the impact of the economic slowdown but revenues from wedding banquets were higher than in the same month of FY2009 due to the positive effect of the opening of the new chapel. As a result, the total revenues of the hotel were approximately 2 million yen higher than in the same month of FY2009.

Namba Oriental Hotel

In the room segment, occupancy rates were higher than in the same month of FY2009 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 lower than in the same month of FY2009. Restaurant revenues were higher than in the same month of FY2009 because the measures to attract guests that we have been carrying out were successful. As a result, the total revenues of the hotel were approximately 8 million yen lower than in the same month of FY2009.

Hotel Nikko Alivila

In the room segment, the trend of a fall in the number of visitors to the main island of Okinawa continued to the same month of FY2009 and demand for products with a high unit price was weak, and both occupancy rates and ADR were lower than in the same month of FY2009, so revenues were also lower than in the same month of FY2009. In the food & beverages segment, revenues were lower than in the same month of FY2009 mainly because of the decline in the number of hotel guests. As a result, the total revenues of the hotel were approximately 46 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 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. In the food & beverages segment, revenues from wedding banquets were lower than in the same month of FY2009 due to the decline in the number of wedding banquets, and restaurant revenues were also lower than in the same month of FY2009 due to the decline in the number of people using the restaurants so as a result revenues for the overall segment were lower than in the same month of FY2009. As a result, the total revenues of the hotel were approximately 24 million yen lower than in the same month of FY2009.

- (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 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 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.

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