

**Provisional Translation Only**

**This English translation of the Japanese original is provided solely for information purposes. In the event that there is any discrepancy between this translation and the Japanese original, the Japanese original shall prevail.**

September 24, 2010

**REIT Issuer:**

Japan Hotel and Resort, Inc. (TSE code: 898)  
Kaname Masuda, Executive Director

**Asset Management Company:**

Japan Hotel & Resort K.K.  
Hiroyuki Suzui, Chief Executive Officer

**Inquiries:**

Noboru Itabashi  
Director, Operations Division  
Tel: +81-3-6439-0333

**Notice regarding the Monthly Disclosure of Hotel Performance Results for August 2010**

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 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.

Hotel / Indicator		2010 August (FY 2010)	Change from the same month of FY 2009 (Note 6)	(Reference) Cumulative total (Note 7)	(Reference) Change in cumulative total from FY 2009 (Note 8)
Kobe Meriken Park Oriental Hotel	Occupancy Rate (%)	91.7%	0.4%	77.5%	6.9%
	ADR (Yen)	16,344	-178	13,958	-1,514
	RevPAR (Yen)	14,986	-100	10,823	-110
	Total Revenues (Million Yen)	493	-34	5,934	-66
Oriental Hotel Tokyo Bay	Occupancy Rate (%)	96.2%	13.2%	88.1%	7.4%
	ADR (Yen)	22,103	-1,519	16,673	-2,156
	RevPAR (Yen)	21,262	1,654	14,693	-512
	Total Revenues (Million Yen)	618	67	6,522	-20
Namba Oriental Hotel	Occupancy Rate (%)	88.0%	5.5%	81.2%	5.7%
	ADR (Yen)	10,145	-235	9,478	-887
	RevPAR (Yen)	8,923	367	7,698	-129
	Total Revenues (Million Yen)	175	17	1,832	52
Hotel Nikko Alivila	Occupancy Rate (%)	91.6%	12.9%	70.0%	-5.6%
	ADR (Yen)	54,398	-6,059	26,773	-789
	RevPAR (Yen)	49,838	2,230	18,754	-2,083
	Total Revenues (Million Yen)	943	56	5,033	-465

Oriental Hotel Hiroshima	Occupancy Rate (%)	85.0%	-0.1%	71.4%	-0.5%
	ADR (Yen)	9,812	-209	8,951	-91
	RevPAR (Yen)	8,335	-188	6,388	-109
	Total Revenues (Million Yen)	153	5	2,110	7
Total	Total Revenues (Million Yen)	2,382	111	21,431	-491

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

#### Kobe Meriken Park Oriental Hotel

In the room segment, due to our aggressive sales of low-price products, occupancy rates were higher than in the same month of FY2009, but ADR was lower than in the same month of FY2009 so revenues were slightly lower than in the same month of FY2009. In the food & beverages segment, restaurant revenues during lunch and dinner time were lower than in the same month of FY2009 due to the decrease in the number of restaurant guests and revenues from wedding were lower than in the same month of FY2009 due to the decrease in the number of weddings and therefore 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 34 million yen lower than in the same month of FY2009.

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

In the room segment, due to our aggressive sales of low-price products, occupancy rates were higher than in the same month of FY2009, but although ADR were lower than in the same month of FY2009 revenues were higher than in the same month of FY2009. In the food & beverages segment, revenues from wedding were higher than in the same month of FY2009 as there was a chapel renovation work in the same month of FY2009. Restaurant revenues were higher than in the same month of FY2009 due to the increase in the number of restaurant guests resulting from the rise in room occupancy, 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 67 million yen higher than in the same month of FY2009.

#### Namba Oriental Hotel

In the room segment, although ADR were lower than in the same month of FY2009 occupancy rates were higher than in the same month of FY2009 because demand from overseas visitors to Japan showed a recovery so revenues were higher than in the same month of FY2009. In the food and beverages segment, restaurant revenues were higher than in the same month of FY2009 because measures to attract guests that we have been carrying out such as revising the menus were successful and due to the increase in the number of restaurant guests resulting from the rise in room occupancy. As a result, the total revenues of the hotel were approximately 17 million yen higher than in the same month of FY2009.

#### Hotel Nikko Alivila

In the room segment, continuing on from last month the number of visitors to the main island of Okinawa was higher than in the same month of FY2009 and we have been carrying out our aggressive sales of low-priced products, although ADR were lower than in the same month of FY2009 occupancy rates were higher than in the same month of FY2009, so revenues were higher than in the same month of FY2009. In the food & beverages segment, revenues for the overall segment were higher than in the same month of FY2009 due to the increase in the number of restaurant guests resulting from the rise in room occupancy. As a result, the total revenues of the hotel were approximately 56 million yen higher than in the same month of FY2009.

Oriental Hotel Hiroshima

In the room segment, although we enhanced our channels for the attracting guests, both of occupancy rates and ADR were slightly lower than in the same month of FY2009. In the food & beverages segment, revenues from general banquets were higher than in the same month of FY2009 as we have been carrying out our original events, so revenues for overall segment were higher than in the same month of FY2009. As a result, the total revenues of the hotel were approximately 5 million yen higher than in the same month of FY2009.

- (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) The change from the same month of FY 2009 is the change between the month under review and the same month in FY 2009.
- (Note 7) The cumulative total is the cumulative values from the beginning of the term under review to the month under review.
- (Note 8) 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/>