

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 29, 2010

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**Notice regarding Revisions to the Forecast of Business Performance
for the Fiscal Year ending August 31, 2010**

Japan Hotel and Resort, Inc. (hereinafter “JHR”) hereby provides notice that JHR has decided to revise the forecast of business performance for the fiscal year ending August 31, 2010 (September 1, 2009 - August 31, 2010) that was announced in the notice regarding Revisions to the Forecast of Business Performance for the Fiscal Year ending August 31, 2010 that were released on June 30, 2010. The details of the revision are as follows.

1. Revision to the Forecast of Business Performance for the Full Fiscal Year ending August 31, 2010 (September 1, 2009 - August 31, 2010)

	Dividend per Unit (excluding profit surplus dividend per unit)	Profit surplus dividend per unit
Previous forecast (A)	11,019 Yen	-
Revised forecast (B)	12,640 Yen	-
Change (C)= B – A	1,621 Yen	-
Change (D)= C/A	14.7 %	-
【Reference】 Dividend per unit of FY2009	11,913 Yen	-

(Note 1) Forecasted number of issued investment units at the end of the fiscal year: 105,719

(Note 2) The above figures are rounded down to the nearest million yen and the nearest yen, and rounded off to the first decimal place.

Note: The purpose of this document is to provide the general public with information about the revisions to the forecast by JHR of business performance in the fiscal year ending August 31, 2010. It was not written for the purpose of soliciting investment. Should you intend to make any investment, please do so based on your own judgment and at your own risk.

2. Reason for the Revisions to the Forecast of Business Performance

JHR has made these revisions to the forecast of business performance because it now expects hotel GOP (Note) associated with the Kobe Meriken Park Oriental Hotel, the Oriental Hotel Tokyo Bay, the Numba Oriental Hotel, the Hotel Nikko Alivila and the Oriental Hotel Hiroshima (hereinafter “5 hotels with variable rents”) that it leases to Hotel Management Japan K.K. (hereinafter “HMJ”) in the fiscal year ending August 31, 2010 will be better than in the previous forecast and therefore that there will be an increase in its variable rents.

(Note) GOP (Gross Operating Profit): Total departmental profit minus unallocated expenses.

【Note】

If in the future we expect a difference from this forecasted figure, we may make a revision to the forecast. JHR does not guarantee the dividend amount in this forecast.

* The Japanese original was distributed to the press clubs in the Tokyo Stock Exchange, Ministry of Land, Infrastructure and Transport.

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