

Provisional Translation Only

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Notice regarding the Monthly Disclosure of Hotel Performance Results for September 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 September 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 September (FY 2011) | Change from the same month of FY 2010 (Note 6) | (Reference) Cumulative total (Note 7) | (Reference) Change in cumulative total from FY 2010 (Note 8) |
|-------------------------------------|------------------------------|--------------------------------|------------------------------------------------------------|------------------------------------------------|-----------------------------------------------------------------------------|
| Kobe Meriken Park Oriental Hotel | Occupancy Rate (%) | 86.7% | 15.4% | 86.7% | 15.4% |
| | ADR (Yen) | 12,966 | -2,886 | 12,966 | -2,886 |
| | RevPAR (Yen) | 11,240 | -65 | 11,240 | -65 |
| | Total Revenues (Million Yen) | 448 | -43 | 448 | -43 |
| Oriental Hotel Tokyo Bay | Occupancy Rate (%) | 97.9% | 8.2% | 97.9% | 8.2% |
| | ADR (Yen) | 15,114 | -1,494 | 15,114 | -1,494 |
| | RevPAR (Yen) | 14,798 | -96 | 14,798 | -96 |
| | Total Revenues (Million Yen) | 513 | 73 | 513 | 73 |
| Namba Oriental Hotel | Occupancy Rate (%) | 82.9% | 10.1% | 82.9% | 10.1% |
| | ADR (Yen) | 9,460 | -181 | 9,460 | -181 |
| | RevPAR (Yen) | 7,841 | 826 | 7,841 | 826 |
| | Total Revenues (Million Yen) | 150 | 12 | 150 | 12 |
| Hotel Nikko Alivila | Occupancy Rate (%) | 89.8% | 15.8% | 89.8% | 15.8% |
| | ADR (Yen) | 25,657 | -5,321 | 25,657 | -5,321 |
| | RevPAR (Yen) | 23,048 | 104 | 23,048 | 104 |
| | Total Revenues (Million Yen) | 485 | 26 | 485 | 26 |

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|--------------------------|------------------------------|-------|--------|-------|--------|
| Oriental Hotel Hiroshima | Occupancy Rate (%) | 70.0% | -6.9% | 70.0% | -6.9% |
| | ADR (Yen) | 8,777 | -687 | 8,777 | -687 |
| | RevPAR (Yen) | 6,148 | -1,139 | 6,148 | -1,139 |
| | Total Revenues (Million Yen) | 159 | -6 | 159 | -6 |
| Total | Total Revenues (Million Yen) | 1,755 | 62 | 1,755 | 62 |

Comments from Japan Hotel & Resort K.K. (Asset Management Company) about the September 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 FY2010, but ADR was lower than in the same month of FY2010 so revenues were slightly lower than in the same month of FY2010. In the food & beverages segment, restaurant revenues during lunch and dinner time were lower than in the same month of FY2010 due to the decrease in the number of restaurant guests and revenues from wedding were lower than in the same month of FY2010 due to the decrease in the number of weddings and therefore revenues for the overall segment were lower than in the same month of FY2010. As a result, the total revenues of the hotel were approximately 43 million yen lower than in the same month of FY2010.

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

In the room segment, although occupancy rates were higher than in the same month of FY2010 due to our aggressive sales of low-price products and bringing in of groups, ADR was lower than in the same month of FY2010, and therefore revenues were slightly lower than in the same month of FY2010. In the food & beverages segment, revenues from wedding banquets were higher than in the same month of FY2010 due to the increase in the number and unit price of weddings this year compared to last year, when we carried out chapel renovation work. Restaurant revenues were higher than in the same month of FY2010 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 FY2010. As a result, the total revenues of the hotel were approximately 73 million yen higher than in the same month of FY2010.

Namba Oriental Hotel

In the room segment, although ADR were lower than in the same month of FY2010 occupancy rates were higher than in the same month of FY2010 because demand from overseas visitors to Japan showed a recovery so revenues were higher than in the same month of FY2010. In the food and beverages segment, restaurant revenues were higher than in the same month of FY2010 because the number of restaurant guests for breakfast increased resulting from the rise in room occupancy and measures to attract guests that we have been carrying out such as revising the menus were successful. As a result, the total revenues of the hotel were approximately 12 million yen higher than in the same month of FY2010.

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 FY2010 and we have been carrying out our aggressive sales of low-priced products, although ADR were lower than in the same month of FY2010 occupancy rates were higher than in the same month of FY2010, so revenues were higher than in the same month of FY2010. In the food & beverages segment, revenues for the overall segment were higher than in the same month of FY2010 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 26 million yen higher than in the same month of FY2010.

Oriental Hotel Hiroshima

In the room segment, although we enhanced our channels for attracting guests, both occupancy rates and ADR were lower than in the same month of FY2010 partly due to the impact of the order of days of Silver Week, which resulted in a five-day weekend last year but only a three-day weekend this year. In the food & beverages segment, revenues for overall segment were higher than in the same month of FY2010 due to the increase in the number of weddings. As a result, the total revenues of the hotel were approximately 6 million yen lower than in the same month of FY2010.

- (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):

$$\text{Total room revenues during a certain period (excluding service charge)} / \text{Total number of rooms sold to the guests during the same period.}$$
- (Note 4) RevPAR (Revenue Per Available Room):

$$\text{Total room revenues during a certain period} / \text{Total number of rooms in service to the guests during the same period.}$$
- (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 2010 is the change between the month under review and the same month in FY 2010.
- (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 2010 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 2010 to month under review in FY 2010.

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