

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 June 2011

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 June 2011 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		2011 June (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 (%)	76.0%	-4.3%	77.2%	1.4%
	ADR (Yen)	12,390	234	13,601	-136
	RevPAR (Yen)	9,420	-346	10,503	90
	Total Revenues (Million Yen)	401	-33	4,630	-376
Oriental Hotel Tokyo Bay	Occupancy Rate (%)	68.1%	-22.9%	74.2%	-13.1%
	ADR (Yen)	11,529	-2,262	15,207	-984
	RevPAR (Yen)	7,855	-4,703	11,283	-2,844
	Total Revenues (Million Yen)	382	-131	4,578	-825
Namba Oriental Hotel	Occupancy Rate (%)	93.5%	15.2%	84.8%	4.1%
	ADR (Yen)	10,170	1,217	10,039	678
	RevPAR (Yen)	9,513	2,502	8,513	959
	Total Revenues (Million Yen)	163	17	1,566	64
Hotel Nikko Alivila	Occupancy Rate (%)	66.5%	-4.2%	67.7%	0.9%
	ADR (Yen)	17,714	-627	19,777	-1,466
	RevPAR (Yen)	11,781	-1,194	13,388	-800
	Total Revenues (Million Yen)	303	-13	3,329	-117

Oriental Hotel Hiroshima	Occupancy Rate (%)	60.1%	-2.9%	64.2%	-5.5%
	ADR (Yen)	7,626	-568	8,637	-199
	RevPAR (Yen)	4,581	-582	5,547	-610
	Total Revenues (Million Yen)	139	-25	1,634	-148
Total	Total Revenues (Million Yen)	1,387	-185	15,737	-1,403

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

Kobe Meriken Park Oriental Hotel

In the room segment, as demand declined particularly among business customers due to the impact of the Great East Japan Earthquake (hereinafter the “earthquake disaster”) occupancy rates were lower than in the same month of FY2010, so revenues were lower than in the same month of FY2010. In the food and beverages segment, revenues from general banquets were higher than in the same month of FY2010 due to the increase in the number of general banquets, but wedding revenues were lower than in the same month of FY2010 due to the decline in the number of weddings, so 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 33 million yen lower than in the same month of FY2010.

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

In the room segment, due to the earthquake disaster, revenues were lower than in the same month of FY2010. In the food and beverages segment, restaurant revenues were lower than in the same month of FY2010 due to the decline in the number of hotel guests and wedding revenues were lower than in the same month of FY2010 due to the decline in the number of weddings, so 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 131 million yen lower than in the same month of FY2010.

Namba Oriental Hotel

In the room segment, although the number of foreign visitors to Japan decreased due to the impact of the earthquake disaster, but we were able to bring in demand arising from evacuations from the Kanto area (*). As a result, revenues were higher than in the same month of FY2010. In the leasing segment, revenues were lower than in the same month of FY2010 because there was no longer the impact of the exit penalties income we had recorded in the same month of FY2010 when a tenant had left the hotel. As a result, the total revenues of the hotel were approximately 17 million yen higher than in the same month of FY2010.

(*) Demand arising from evacuations from the Kanto area caused by the earthquake disaster aims to ensure reservation of guest rooms as places for evacuees to stay. Therefore, in some cases, this demand does not entail actual accommodation.

Hotel Nikko Alivila

In the room segment, the number of hotel guests decreased due to the impact of the earthquake disaster and both occupancy rates and ADR were lower than in the same month of FY2010, so revenues were lower than in the same month of FY2010. In the food and beverages segment, restaurant revenues were lower than in the same month of FY2010 due to the decline in the number of hotel guests, but wedding revenues were higher than in the same month of FY2010 due to the increase in the number of wedding banquets, 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 13 million yen lower than in the same month of FY2010.

Oriental Hotel Hiroshima

In the room segment, both occupancy rates and ADR were lower than in the same month of FY2010 due to the impact of earthquake disaster, so revenues were lower than in the same month of FY2010. In the food and beverages segment, wedding revenues were lower than in the same month of FY2010 due to the decline in the number of wedding banquets, so 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 25 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/>