

**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 August 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 August 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.

<b>Hotel / Indicator</b>		<b>2011 August (FY 2011)</b>	<b>Change from the same month of FY 2010 (Note 6)</b>	<b>(Reference) Cumulative total (Note 7)</b>	<b>(Reference) Change in cumulative total from FY 2010 (Note 8)</b>
Kobe Meriken Park Oriental Hotel	Occupancy Rate (%)	87.6%	-4.1%	77.8%	0.3%
	ADR (Yen)	18,026	1,682	14,126	168
	RevPAR (Yen)	15,795	809	10,994	171
	Total Revenues (Million Yen)	490	-4	5,588	-346
Oriental Hotel Tokyo Bay	Occupancy Rate (%)	99.6%	3.4%	77.3%	-10.8%
	ADR (Yen)	22,130	27	15,883	-790
	RevPAR (Yen)	22,046	784	12,284	-2,409
	Total Revenues (Million Yen)	599	-19	5,634	-888
Namba Oriental Hotel	Occupancy Rate (%)	92.9%	5.0%	86.7%	5.4%
	ADR (Yen)	10,419	274	10,171	694
	RevPAR (Yen)	9,683	760	8,814	1,115
	Total Revenues (Million Yen)	171	-4	1,917	84
Hotel Nikko Alivila	Occupancy Rate (%)	88.0%	-3.6%	70.9%	0.9%
	ADR (Yen)	53,155	-1,243	25,178	-1,595
	RevPAR (Yen)	46,803	-3,035	17,857	-897
	Total Revenues (Million Yen)	899	-43	4,906	-127

Oriental Hotel Hiroshima	Occupancy Rate (%)	75.3%	-9.7%	65.1%	-6.3%
	ADR (Yen)	9,170	-642	8,675	-276
	RevPAR (Yen)	6,904	-1,431	5,644	-744
	Total Revenues (Million Yen)	123	-29	1,916	-194
Total	Total Revenues (Million Yen)	2,282	-99	19,960	-1,472

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

#### Kobe Meriken Park Oriental Hotel

In the room segment, the impact of the Great East Japan Earthquake (hereinafter the “earthquake disaster”) has lessened and we brought in demand primarily from leisure customers so ADR increased and as a result revenues were higher than in the same month of FY2010. In the food and beverages segment, due to the decline in the number of weddings, 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 4 million yen lower than in the same month of FY2010.

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

In the room segment, the impact of the earthquake disaster has lessened and due to the effect of Tokyo Disney Resort’s measures for attracting guests, revenues were higher than in the same month of FY2010. In the food and beverage segment, restaurant revenues were lower than in the same month of FY2010 and in addition 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 19 million yen lower than in the same month of FY2010.

#### Namba Oriental Hotel

In the room segment, there was no longer the demand arising from evacuation from the Kanto area (\*), but the impact of the earthquake disaster has lessened, so both occupancy rates and ADR were higher than in the same month and 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 4 million yen lower 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 impact of the earthquake disaster has lessened but due to the impact of Typhoon No.9 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 weddings, so revenues for the overall segment were at the same level as 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 Hiroshima

In the room segment, the impact of the earthquake disaster has lessened but due to the impact of competitions, 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, revenues for the overall segment were lower than in the same month of FY2010 as wedding revenues were lower than in the same month of FY2010 due to the decline in the number of weddings. As a result, the total revenues of the hotel were approximately 29 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):  
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 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/>