

**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.**

November 21, 2011

REIT Issuer:

Japan Hotel and Resort, Inc. (TSE code: 8981)  
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 October 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 October 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 October (FY 2012)	Change from the same month of FY 2011 (Note 6)	(Reference) Cumulative total (Note 7)	(Reference) Change in cumulative total from FY 2011 (Note 8)
Kobe Meriken Park Oriental Hotel	Occupancy Rate (%)	83.3%	-4.9%	83.2%	-4.3%
	ADR (Yen)	15,290	1,398	15,063	1,622
	RevPAR (Yen)	12,740	480	12,525	767
	Total Revenues (Million Yen)	555	-52	1,011	-44
Oriental Hotel Tokyo Bay	Occupancy Rate (%)	99.1%	1.5%	98.9%	1.2%
	ADR (Yen)	17,732	-392	17,068	427
	RevPAR (Yen)	17,576	-114	16,886	619
	Total Revenues (Million Yen)	657	8	1,173	11
Namba Oriental Hotel	Occupancy Rate (%)	83.4%	3.9%	83.3%	2.2%
	ADR (Yen)	10,124	223	9,905	225
	RevPAR (Yen)	8,447	576	8,255	399
	Total Revenues (Million Yen)	152	-2	294	-10
Hotel Nikko Alivila	Occupancy Rate (%)	86.7%	5.8%	86.0%	0.7%
	ADR (Yen)	18,253	-341	21,840	-413
	RevPAR (Yen)	15,834	792	18,776	-204
	Total Revenues (Million Yen)	420	33	885	13

Oriental Hotel Hiroshima	Occupancy Rate (%)	77.0%	2.8%	76.8%	4.7%
	ADR (Yen)	8,406	-467	8,336	-491
	RevPAR (Yen)	6,468	-109	6,402	36
	Total Revenues (Million Yen)	190	2	338	-10
Total	Total Revenues (Million Yen)	1,974	-12	3,701	-39

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

#### Kobe Meriken Park Oriental Hotel

In the room segment, occupancy rates have fallen due to the decline in the number of foreign visitors to Japan and other factors, but ADR increased because the impact of the Great East Japan Earthquake (herein after the “earthquake disaster”) has lessened and we brought in domestic demand centered on leisure customers, so revenues were higher than in the same month of FY2011. In the food and beverages segment, as the number of weddings were lower than in the same month of FY2011 revenues for the overall segment were lower than in the same month of FY2011. As a result, the total revenues of the hotel were approximately 52 million yen lower than in the same month of FY2011.

#### 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 Sea’s 10<sup>th</sup> anniversary, although ADR was lower than last year, revenues were at the same level as last year. In the food and beverages segment, although restaurant revenues were lower than in the same month of FY2011 wedding revenues were higher than in the same month of FY2011, so revenues for the overall segment were higher than in the same month of FY2011. As a result, the total revenues of the hotel were approximately 8 million yen higher than in the same month of FY2011.

#### Namba Oriental Hotel

In the room segment, the impact of the earthquake disaster has lessened and both occupancy rates and ADR increased, so revenues were higher than in the same month of FY2011. On the other hand, restaurant revenues were lower than in the same month of FY2011 due to the decline in the number of guests in the restaurants, and in the tenant segment some tenant rents declined, so the total revenues of the hotel were approximately 2 million yen lower than in the same month of FY2011.

#### Hotel Nikko Alivila

The room segment is recovering from the impact of the earthquake disaster primarily due to demand from leisure customers, and occupancy rates were higher than in the same month of FY2011, so revenues were also higher than in the same month of FY2011. In the food and beverages segment, wedding revenues were higher than in the same month of FY2011 due to the increase in the number of weddings, so revenues for the overall segment were higher than in the same month of FY2011. As a result, the total revenues of the hotel were approximately 33 million yen higher than in the same month of FY2011.

#### Oriental Hotel Hiroshima

In the room segment, occupancy rates were higher than last year because our efforts to bring in demand by enhancing our channels for attracting guests but ADR was lower than last year, so revenues were lower than last year. In the food and beverages segment, wedding revenues were higher than last year due to the rise in the unit cost of weddings, so the revenues for the overall segment were higher than in the same month of FY2011. As a result, the total revenues of the hotel were approximately 2 million yen higher than in the same month of FY2011.

- (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 3) 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 4) 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 5) 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 6) 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 7) The change from the same month of FY 2011 is the change between the month under review and the same month in FY 2011.
- (Note 8) The cumulative total is the cumulative values from the beginning of the term under review to the month under review.

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