

Provisional Translation Only

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REIT Issuer:

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Notice regarding Details and Conditions of Investor Benefit Program for 2012

Japan Hotel and Resort, Inc., (hereinafter “JHR”) hereby provides notice that JHR has decided the details and conditions for the Investor Benefit Program for 2012 as follows.

1. Eligible Investors

Investors recorded in the Register of Investors as of the last day of February, 2012 (JHR’s interim financial periods) shall be eligible, with each investor eligible for these benefits regardless of the number of investment units the investor owns.

(The final rights-attached trading day in the current fiscal year is February 24, 2012.)

2. Validity, Conditions and Remarks

【Validity】

- ◆ JHR will distribute five room discount coupons offering a 50% discount on the list price and five restaurant discount coupons offering a 20% discount on the list price to each investor in the middle of May, 2012 (planned).
- ◆ Validity of the discount coupons is one year from June 1 of the year of issue to May 31 of the following year. Reservations will be accepted upon your receipt.

Eligible Hotel		
Kobe Meriken Park Oriental Hotel	Kobe city, Hyogo	<a href="http://www.kobe-orientalhotel.co.jp/">http://www.kobe-orientalhotel.co.jp/</a>
Oriental Hotel Tokyo Bay	Urayasu city, Chiba	<a href="http://www.oriental-hotel.co.jp/">http://www.oriental-hotel.co.jp/</a>
Namba Oriental Hotel	Osaka city, Osaka	<a href="http://www.nambaorientalhotel.co.jp/">http://www.nambaorientalhotel.co.jp/</a>
Hotel Nikko Alivila	Nakagami-gun, Okinawa	<a href="http://www.alivila.co.jp/">http://www.alivila.co.jp/</a>
Oriental Hotel Hiroshima	Hiroshima city, Hiroshima	<a href="http://www.oriental-hiroshima.com/">http://www.oriental-hiroshima.com/</a>

【Conditions for Rooms Discounts】

- ◆ A 50% discount on the list price for all guest room types (except Alivila Suite and Royal Suite, Hotel Nikko Alivila) is offered.
- ◆ This discount is offered on a per-room basis so more than one guest can use the discount, but only up to the maximum capacity for each guest room.
- ◆ Extra bed charges and early check in and late check out charges are also eligible for the

- ◆ 50% discount subject to the availability of the services.
- ◆ One discount coupon entitles the guests to stay in one room for up to three consecutive days.
- ◆ These benefits do not apply to some of the hotel's pick-up and drop-off services.
- ◆ Prior reservation is required. The hotels will not be able to accept reservations if there are no vacancies.
- ◆ The discounts are not applicable during the following periods.

Eligible Hotels	Non-applicable periods
Kobe Meriken Park Oriental Hotel	August 4, 11-14, 2012 December 22-24, 2012 December 31, 2012-January 3, 2013 April 27-May 5, 2013
Oriental Hotel Tokyo Bay	August 11-15, 2012 December 22-24, 2012 December 31, 2012-January 2, 2013 April 28-May 5, 2013
Namba Oriental Hotel	August 13-14, 2012 December 31, 2012-January 2, 2013 May 2-5, 2013
Hotel Nikko Alivila	July 28-August 19, 2012 December 31, 2012-January 1, 2013 May 3-5, 2013
Oriental Hotel Hiroshima	August 4-5, 2012 December 31, 2012-January 1, 2013 May 3-5, 2013

【Conditions for Restaurant Discounts】

- ◆ One discount coupon entitles a maximum of four diners (elementary school students or older) to a 20% discount on the price of their meal and drink.
- ◆ These benefits do not apply to charges for private rooms in the restaurants, cover charges, music charges, the cost of having a bottle kept in a restaurant, take-outs, catering services, dinner shows and other events, or to some event fairs.
- ◆ The use and reservation of restaurants is subject to availability.
- ◆ The discount coupon can also be used for room service.
- ◆ The eligible restaurants are as follows (subject to change).

Eligible Hotel	Eligible Restaurant	Category
Kobe Meriken Park Oriental Hotel	Santa Monica's Wind	Terrace Restaurant
	Pier	Lounge & Dining
	Oriental	Steak House
	Sekitei	Japanese/Sushi Restaurant
	Toukashun	Cantonese Restaurant
	Kou's	Sky Lounge
Oriental Hotel Tokyo Bay	Grand Cinq	Buffet Restaurant
	Chinese Table	Chinese Restaurant
	Mihama	Japanese Restaurant
	Le Bois de Boulogne	Bar Lounge
Namba Oriental Hotel	Nagi	Shabu-shabu Restaurant
Hotel Nikko Alivila	Verdemar	Brasserie
	Sawa	Japanese Restaurant
	Kinshasa	Chinese Restaurant
	Gosamaru	Teppan-yaki Restaurant
	Hanahana	Herb & Grill
	Altamira	Grotto Bar

Oriental Hotel Hiroshima	Ariacara	Lounge
	Sol ※	Beach Barbecue
	OZAWA	French Restaurant
	New York Cafe	Cafe Restaurant
	Mitsuki	Japanese Restaurant

※The Sol restaurant is closed during winter season.

【Remarks】

- ◆ These discount coupons cannot be used in combination with other discount offers such as reservations made through reservation web sites operated by each eligible hotel and third parties or travel agencies, etc.
- ◆ The discount rates and conditions of special plans that the each eligible hotel offers on their WEB site may subject to be more favorable than this benefit program depending on the season.
- ◆ Payment shall be by cash or credit card only. Payments by coupons or cash vouchers, etc., are not acceptable.
- ◆ Please present the discount coupon to the hotel staff when you arrive at the hotel, enter the restaurant or use room service.
- ◆ In principle, the benefit program is for investors and the people accompanying them, however, the holder of the coupons will be eligible for the discounts.
- ◆ If your discount coupons are lost or stolen, they will not be reissued.
- ◆ The user of the discount coupons may be asked to fill in the short questionnaire sheets regarding services etc.

3. Handling of Personal Information

Any personal information acquired by JHR, the asset management company and the eligible hotels through this benefit program will be used only for this program and will not be used for any other purpose.

4. Others

As announced in the “Notice Concerning the Execution of Merger Agreement between Nippon Hotel Fund Investment Corporation (hereinafter “NHF”) and Japan Hotel and Resort, Inc.” dated December 22, 2011, JHR will merge with NHF with April 1, 2012 as the effective date of the Investment Corporations Merger.

This benefit program will be implemented by NHF (Note) which will be the surviving corporation.

The details of the operating rules of this benefit program for 2013 will be announced at a later date, as soon as they have been decided.

(Note) NHF will change its corporate name to Japan Hotel REIT Investment Corporation on April 1, 2012.

5. Inquiries

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\* 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/>