

**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.**

February 28, 2012

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: +81-3-6422-0530

Notice regarding the Monthly Disclosure of Hotel Performance Results for January 2012

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 January 2012 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		2012 January (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 (%)	61.7%	-4.9%	78.5%	-4.3%
	ADR (Yen)	13,055	1,005	15,026	1,367
	RevPAR (Yen)	8,049	30	11,793	491
	Total Revenues (Million Yen)	359	-13	2,410	-46
Oriental Hotel Tokyo Bay	Occupancy Rate (%)	90.2%	2.7%	97.3%	3.7%
	ADR (Yen)	13,416	-675	16,487	-53
	RevPAR (Yen)	12,106	-223	16,036	563
	Total Revenues (Million Yen)	488	-22	2,962	93
Namba Oriental Hotel	Occupancy Rate (%)	79.5%	1.3%	83.8%	1.8%
	ADR (Yen)	9,429	-67	9,964	190
	RevPAR (Yen)	7,499	68	8,351	337
	Total Revenues (Million Yen)	142	-8	761	-16
Hotel Nikko Alivila	Occupancy Rate (%)	60.2%	-12.0%	72.6%	2.9%
	ADR (Yen)	17,858	1,606	20,294	185
	RevPAR (Yen)	10,745	-984	14,735	722
	Total Revenues (Million Yen)	283	-34	1,869	134
Oriental Hotel Hiroshima	Occupancy Rate (%)	60.8%	3.4%	74.0%	5.6%
	ADR (Yen)	7,627	-669	8,223	-547
	RevPAR (Yen)	4,640	-128	6,081	88
	Total Revenues (Million Yen)	129	13	881	36
Total	Total Revenues (Million Yen)	1,402	-64	8,883	200

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

#### Kobe Meriken Park Oriental Hotel

In the room segment, although the number of foreign visitors to Japan and other factors has declined, 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, revenues for the overall segment were lower than in the same month of FY2011 due to the decrease in the number of weddings. As a result, the total revenues of the hotel were approximately 13 million yen lower than in the same month of FY2011.

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

In the room segment, occupancy rates were higher than in the same month of FY2011 due to the effect of Tokyo Disney Sea’s 10th anniversary, but ADR was lower than last year, so revenues were lower than in the same month of FY2011. In the food and beverages segment, revenues for the overall segment were lower than in the same month of FY2011 due to the decline in the number of weddings. As a result, the total revenues of the hotel were approximately 22 million yen lower than in the same month of FY2011.

#### Namba Oriental Hotel

In the room segment, the impact of the earthquake disaster has lessened and occupancy rates increased due to diversification of our channels for attracting guests and our wide range of products, so revenues were higher than in the same month of FY2011. 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 8 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. However revenues were lower than in the same month of FY2011 because occupancy rates were lower than last year due to the decrease in our sales of low-price products although ADR were higher than last year. 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 but restaurant revenues were lower than in the same month of FY2011 due to the decline in the number of guests in the restaurants, so 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 34 million yen lower 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, the revenues for the overall segment were higher than in the same month of FY2011 due to the increase in the number of general banquets. As a result, the total revenues of the hotel were approximately 13 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):

Total room revenues during a certain period (excluding service charge) / Total number of rooms sold to the guests during the same period.

(Note 5) 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 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/>