

Provisional Translation Only

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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 December 2010

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 December 2010 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 | | 2010 December (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 (%) | 89.6% | 6.7% | 86.9% | 11.2% |
| | ADR (Yen) | 15,787 | -483 | 13,972 | -1,267 |
| | RevPAR (Yen) | 14,140 | 655 | 12,137 | 612 |
| | Total Revenues (Million Yen) | 518 | -20 | 2,084 | -122 |
| Oriental Hotel Tokyo Bay | Occupancy Rate (%) | 90.1% | 1.9% | 95.1% | 6.1% |
| | ADR (Yen) | 18,878 | 616 | 17,113 | -301 |
| | RevPAR (Yen) | 17,008 | 911 | 16,272 | 774 |
| | Total Revenues (Million Yen) | 585 | -12 | 2,359 | 86 |
| Namba Oriental Hotel | Occupancy Rate (%) | 84.0% | -0.7% | 82.9% | 1.2% |
| | ADR (Yen) | 10,090 | 618 | 9,840 | 591 |
| | RevPAR (Yen) | 8,473 | 456 | 8,162 | 601 |
| | Total Revenues (Million Yen) | 166 | 8 | 626 | 38 |
| Hotel Nikko Alivila | Occupancy Rate (%) | 48.7% | 4.1% | 69.1% | 6.5% |
| | ADR (Yen) | 22,116 | -1,956 | 21,133 | -2,773 |
| | RevPAR (Yen) | 10,772 | 37 | 14,594 | -360 |
| | Total Revenues (Million Yen) | 276 | 10 | 1,418 | 7 |

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|--------------------------|------------------------------|-------|-------|-------|-------|
| Oriental Hotel Hiroshima | Occupancy Rate (%) | 65.9% | -3.4% | 71.1% | -3.2% |
| | ADR (Yen) | 8,894 | 203 | 8,867 | -216 |
| | RevPAR (Yen) | 5,865 | -159 | 6,304 | -444 |
| | Total Revenues (Million Yen) | 204 | 10 | 729 | -43 |
| Total | Total Revenues (Million Yen) | 1,749 | -4 | 7,217 | -35 |

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

Kobe Meriken Park Oriental Hotel

In the room segment, although ADR was lower than in the same month of FY2010, occupancy rates were higher than in the same month of FY2010 due to our aggressive sales of low-price products, so revenues were higher than in the same month of FY2010. In the food & beverages segment, restaurant revenues were higher than in the same month of FY2010 due to our sales measures, but revenues for the overall segment were lower than in the same month of FY2010 due to the decrease in the number of weddings. As a result, the total revenues of the hotel were approximately 20 million yen lower than in the same month of FY2010.

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

In the room segment, both ADR and occupancy rates were higher than in the same month of FY2010 as our sales of products matched to demand were successful, so revenues were higher than in the same month of FY2010. In the food & beverages segment, wedding revenues were lower than in the same month of FY2010 due to the waning of the impact from the new chapel renovations, 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 12 million yen lower than in the same month of FY2010.

Namba Oriental Hotel

In the room segment, ADR were higher than in the same month because the measure to expand our sales channel was successful, so revenues were higher than in the same month of FY2010. In the food & beverages segment, restaurant revenues were higher than in the same month of FY2010 because the number of guests increased due to our attraction of group tours and because the measures to attract guests that we have carrying out such as revising the menus were successful. As a result, the total revenues of the hotel were approximately 8 million yen higher than in the same month of FY2010.

Hotel Nikko Alivila

In the room segment, although the number of visitors to the main island of Okinawa was lower than in the same month of FY2010, occupancy rates were higher than in the same month of FY2010 by expanding our web products, so revenues were higher than in the same month of FY2010. In the food & beverages segment, the number of guest increased as the food intake ratio improved by the various measures we took, 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 10 million yen higher than in the same month.

Oriental Hotel Hiroshima

In the room segment, ADR were higher than in the same month of FY2010, but 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 & beverages segment, revenues for the overall segment were also higher than in the same month because the unit price of general banquets were higher than in the same month of FY2010. As a result, the total revenues of the hotel were approximately 10 million yen higher 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/>