

**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 September 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 September 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 September (FY 2012)</b>	<b>Change from the same month of FY 2011 (Note 6)</b>	<b>(Reference) Cumulative total (Note 7)</b>	<b>(Reference) Change in cumulative total from FY 2011 (Note 8)</b>
Kobe Meriken Park Oriental Hotel	Occupancy Rate (%)	83.0%	-3.7%	83.0%	-3.7%
	ADR (Yen)	14,827	1,861	14,827	1,861
	RevPAR (Yen)	12,303	1,064	12,303	1,064
	Total Revenues (Million Yen)	456	9	456	9
Oriental Hotel Tokyo Bay	Occupancy Rate (%)	98.7%	0.8%	98.7%	0.8%
	ADR (Yen)	16,379	1,256	16,379	1,265
	RevPAR (Yen)	16,174	1,376	16,174	1,376
	Total Revenues (Million Yen)	516	3	516	3
Namba Oriental Hotel	Occupancy Rate (%)	83.3%	0.4%	83.3%	0.4%
	ADR (Yen)	9,677	217	9,677	217
	RevPAR (Yen)	8,056	215	8,056	215
	Total Revenues (Million Yen)	142	-8	142	-8
Hotel Nikko Alivila	Occupancy Rate (%)	85.2%	-4.7%	85.2%	-4.7%
	ADR (Yen)	25,615	-42	25,615	-42
	RevPAR (Yen)	21,816	-1,232	21,816	-1,232
	Total Revenues (Million Yen)	465	-20	465	-20

Oriental Hotel Hiroshima	Occupancy Rate (%)	76.6%	6.6%	76.6%	6.6%
	ADR (Yen)	8,264	-513	8,264	-513
	RevPAR (Yen)	6,334	186	6,334	186
	Total Revenues (Million Yen)	148	-12	148	-12
Total	Total Revenues (Million Yen)	1,727	-28	1,727	-28

Comments from Japan Hotel & Resort K.K. (Asset Management Company) about the September 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 9 million yen higher 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, revenues were 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, but restaurant revenues were lower than in the same month of FY2011, 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 3 million yen higher than in the same month of FY2011.

#### 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 of FY2011. Restaurant revenues were lower than in the same month of FY2011 due to the decline in use by groups of foreign visitors to Japan. As a result, the total revenues of the hotel were approximately 8 million yen lower than in the same month of FY2011.

(\*) 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.15 both occupancy rates and ADR were lower than in the same month of FY2011, as a result revenues were lower than in the same month of FY2011. In the food and beverages segment, restaurant revenues were lower than in the same month of FY2011 due to the decline in the number of hotel guests and 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 lower than in the same month of FY2011. As a result, the total revenues of the hotel were approximately 20 million yen lower than in the same month of FY2011.

Oriental Hotel Hiroshima

In the room segment, occupancy rates was higher than last year because our efforts to bring in demand by enhancing our channels for attracting guests produced results and because we brought in room demand in preparation for the opening of the neighboring commercial facilities, so revenues were higher than last year. In the food and beverages segment, revenues for the overall segment were lower than in the same month of FY2011 as wedding revenues 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 12 million yen lower 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/>