



ORIX Real Estate to Begin Large-scale Renovations of Beppu Suginoi-Hotel

TOKYO, Japan – June 12, 2019 – ORIX Real Estate Corporation (“ORIX Real Estate”) announced today that it will start large-scale renovations of its Beppu Suginoi-Hotel.



Concept image of completion

The renovations will entail the construction of two new guest room buildings, as well as the reconstruction of existing guest room building “Hana-kan”. Construction work related to facility infrastructure will begin first, before work commences on other areas in turn; the renovations are slated for completion in 2025. Details about the renovation plans will be announced in due course, after the relevant permits have been acquired.

ORIX Real Estate acquired Suginoi-Hotel (the current Beppu Suginoi-Hotel) in 2002. Using the ORIX Group’s financial expertise, improvements were made to the hotel’s financial structure, while the hotel was remodeled to include Tanayu, an open-air bath with a magnificent view of Beppu Bay, as well as a buffet-style restaurant serving local delicacies; in this way, the hotel has continued to be updated with innovative ideas. Beppu Suginoi-Hotel is categorized as a “hot spring resort” by ORIX HOTELS & RESORTS, the ORIX Real Estate’s onsen hotel and hotel operating business brand, and is patronized by customers from both Japan and overseas.

The renovations announced today will lead to improved facilities and higher-quality services; at the same time, by communicating the charms of the Beppu area and Oita Prefecture, the updated hotel will contribute to the further revitalization of the region.

1. About Beppu Suginoi-Hotel

(1) Background

Opened in 1944, Beppu Suginoi-Hotel has established itself as one of Beppu's leading hotels. The period of rapid economic growth in Japan from the mid-1950s to the early-1970s saw increased demand for holidays and leisure; as a result, the hotel gradually increased in size, and is now recognized as a major resort, particularly by people living in the west of Japan. ORIX Real Estate acquired the hotel in 2002 and commenced direct management in 2008.



Beppu Suginoi-Hotel

(2) Major renovations so far

2003: Tanayu, an open-air bath with a superb view

Tanayu, an open-air bath with a superb view, consists of a complex of tubs spread out in five tiers like terraced rice paddies. It commands an expansive view of Beppu Bay and Beppu City.



Tanayu, an open-air bath

2010: The Aqua Garden open-air hot spring

The Aqua Garden is an open-air swimsuit hot spring facility that can be enjoyed by families and couples. Visitors can also enjoy a fantastic, illuminated, musical fountain show while relaxing inside the hot spring.



The Aqua Garden open-air hot spring

2012: Chapel and other wedding facilities

Updates to the hotel's wedding facilities led to the creation of a spacious chapel with views of Beppu Bay, and a reception hall that can be customized according to customer requests.

2015: World Dining Ceada Palace

The hotel theater was completely refurbished and converted into a buffet-style restaurant that can be enjoyed by adults and children alike. In the center of the restaurant stands a huge aquarium, filled with fish from local Oita waters.



World Dining Ceada Palace

(3) Facility Overview

Address:	1, Kankaiji, Beppu-shi, Oita-ken
Guest rooms:	647 (Hon-kan:369, Han-kan:215, Naka-kan:63)
Facilities:	Tanayu, an open-air hot spring with a magnificent view, and one other open-air hot spring; six restaurants and bars; the Aqua Garden; ACQUABEAT; a bowling alley; a games corner; etc.
Access:	Five minutes by car from the Beppu Interchange on the Oita Expressway Ten minutes by car from JR Beppu Station (a free shuttle bus operates between the hotel and the West Exit of JR Beppu Station)
Operating company:	Suginoi Hotel And Resort Co., Ltd. (a fully-owned subsidiary of the ORIX Group)

2. Overview of the ORIX HOTELS & RESORTS Brand

ORIX HOTELS & RESORTS is an onsen hotel and hotel operating business brand. It is responsible for 12 ORIX Real Estate facilities in Japan whose operation has not been entrusted to other companies.

The brand concept is “a location to which customers wish to return.” ORIX HOTELS & RESORTS seeks to become a brand that caters in a refreshing manner to the diverse needs of its customers and even, at times, satisfies desires they did not know they had.

<https://www.orixhotelsandresorts.com/>

(1) List of Accommodation Facilities

FACILITIES LIST



(2) Overview of the Brand’s Business Categories

ORIX HOTELS & RESORTS divides the facilities it operates into four different categories. It proposes destinations suited to a variety of different usage scenarios, depending for example on age, party size, and travel aims and styles.

Brand Categories:



Hot Spring Ryokans	ASHINOKO HANAORI Hotel Banso Onyado Toho	UNAZUKI YAMANOHA OHTSUKI HOTEL WAFUUKAN HOTEL MICURAS
Hot Spring Resorts	Beppu Suginoi-Hotel	
City Travel	CROSS HOTEL SAPPORO CROSS HOTEL KYOTO CROSS HOTEL OSAKA	
Parkside Hotels	Hotel Universal Port Hotel Universal Port Vita	

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About ORIX:

ORIX Corporation (TSE: 8591; NYSE: IX) is a financial services group which provides innovative products and services to its customers by constantly pursuing new businesses.

Established in 1964, from its start in the leasing business, ORIX has advanced into neighboring fields and at present has expanded into lending, investment, life insurance, banking, asset management, automobile related, real estate and environment and energy related businesses. Since entering Hong Kong in 1971, ORIX has spread its businesses globally by establishing locations in 37 countries and regions across the world.

Going forward, ORIX intends to utilize its strengths and expertise, which generate new value, to establish an independent ORIX business model that continues to evolve perpetually. In this way, ORIX will engage in business activities that instill vitality in its companies and workforce, and thereby contribute to society. For more details, please visit our website: <https://www.orix.co.jp/grp/en/>

(As of March 31, 2019)

Caution Concerning Forward Looking Statements:

These documents May contain forward-looking statements about expected future events and financial results that involve risks and uncertainties. Such statements are based on our current expectations and are subject to uncertainties and risks that could cause actual results that differ materially from those described in the forward-looking statements. Factors that could cause such a difference include, but are not limited to, those described under "Risk Factors" in the Company's annual report on Form 20-F filed with the United States Securities and Exchange Commission and under "(4) Risk Factors" of the "1. Summary of Consolidated Financial Results" of the "Consolidated Financial Results April 1, 2018 – March 31, 2019."