



**A New Onsen Hotel of ORIX HOTELS & RESORTS:
Hakone Gora KARAKU to Open on October 2, 2020
- Reservations to be accepted from July 1 -**

TOKYO, Japan - July 1, 2020 - ORIX Real Estate Corporation (“ORIX Real Estate”) announced that Hakone Gora KARAKU, the onsen hotel it is developing in Gora, Hakone-machi, will open on October 2, 2020. Reservations will be accepted on the official website starting today: <https://www.gora-karaku.jp/>



Lobby and lounge



Japanese style guest room, East Wing

Hakone Gora KARAKU is the second onsen hotel to be newly constructed by ORIX Real Estate. Hotel staff understand that all guests have their own views of what constitutes an “appropriate distance” during their stay; for this reason, when reservations are made, staff ask guests how they wish to spend their time at the hotel, and what culinary preferences they might have. In this way, the hotel seeks to tailor the hospitality it offers to suit each individual guest.

The external appearance and interior decorations of the hotel make use of Gora’s natural materials. Guests can choose from a variety of locations to spend their time in comfort: the guest rooms, for example, feature outstanding views in close proximity to nature, while two terraces have been positioned between the hotel’s buildings.

The hotel comprises a total of four buildings. The Main Building houses the Lobby and lounge, Restaurant Mutsuki, and open-air baths with splendid views; the Annex houses a *Teppanyaki* restaurant Tomura, private rental baths, and a spa where guests can relax both mind and body. The West and East Wings feature a guest lounge that, depending on the time of day, offers drinks and finger food, as well as a total of 70 deluxe guest rooms in Western and Japanese styles, each with its own open-air bath.

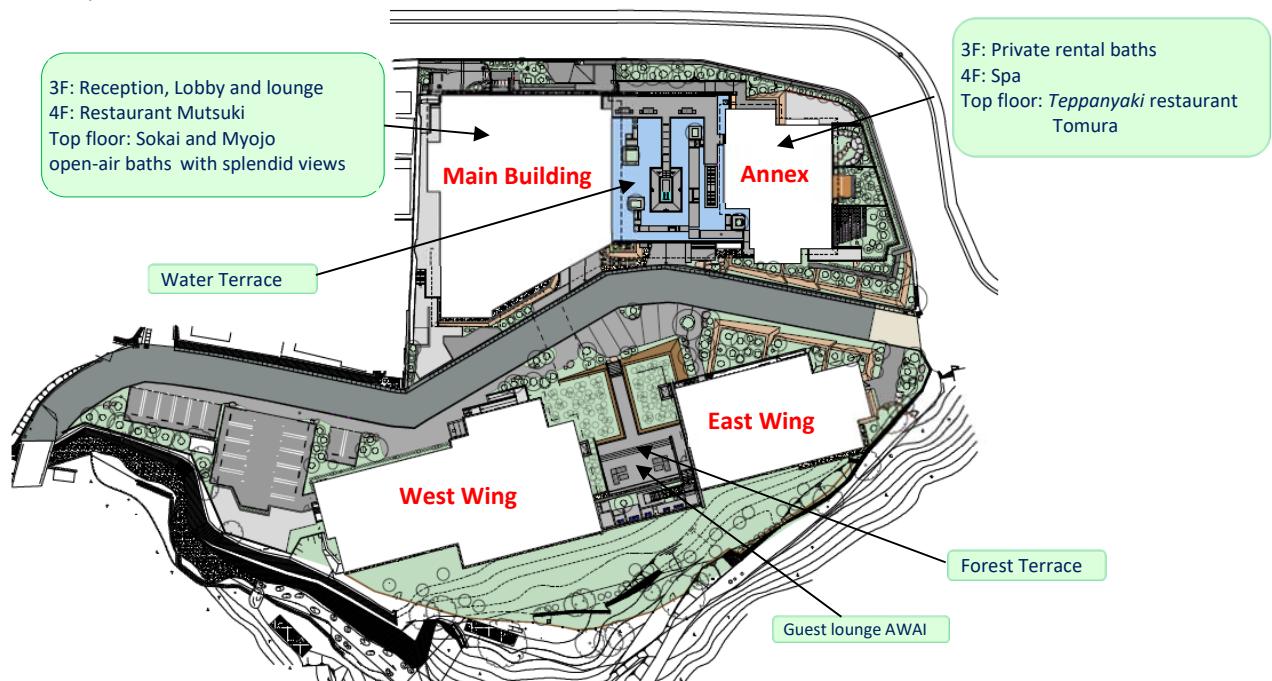
So that guests can fully enjoy natural hot springs sourced from Gora’s outstanding natural environment, Hakone Gora KARAKU is furnished with two open-air baths with splendid views of *daimonji* bonfires and Sagami Bay, as well as three private rental baths. Each guest room is also equipped with its own open-air bath for the exclusive use of the room’s occupants.

Going forward, ORIX Real Estate will continue to develop new ideas, proactively communicate regional cultures and attractions, and operate facilities that offer guests a fully immersive experience.

1. Overview of Hakone Gora KARAKU

The name “Hakone Gora KARAKU” has been chosen “so that happiness and goodness may continue for a long time” in Gora, Hakone—an area rich in nature, history, and culture. The onsen hotel features a distinctive Japanese design, which places importance on the country’s traditions and cultures, while its external appearance is inspired by the idea of “excellence, and a quiet-yet-powerful presence.”

Hakone Gora KARAKU comprises a total of four buildings: the Main Building, the Annex, the West Wing, and the East Wing. The Main Building and Annex are communal buildings: the Main Building houses the reception and lobby and lounge on the third floor, Restaurant Mutsuki on the fourth floor, and two open-air baths with splendid views on the top floor; the Annex is home to three private rental baths on the third floor, a spa on the fourth floor, and *Teppanyaki* restaurant Tomura on the top floor. The Water Terrace is located between the Main Building and the Annex, and the Forest Terrace between the two guest room wings. From these terraces, guests can escape the tribulations of their everyday lives and experience the unique scenery of KARAKU and Hakone’s splendid nature.



Hotel site plan

2. Hot Springs

On the top floor of the Main Building—from where guests can view the *daimonji* bonfires and Sagami Bay—are located two of Hakone’s leading open-air baths with splendid views, named “Sokai,” and “Myojo.” Each open-air bath is adjoined by a complex of indoor baths and saunas.

Three private rental baths are situated on the third floor of the Annex, each with its own decorative theme: Iwa-no-yu (“rock bath”), Hinoki-no-yu (“Japanese cypress bath”), and Shiruku-no-yu (“silk bath”). Here, guests can enjoy aesthetic charms distinct from the public baths of the Main Building in their own, private space. Reservations are required, and rental fees apply.



Hinoki-no-yu private rental bath

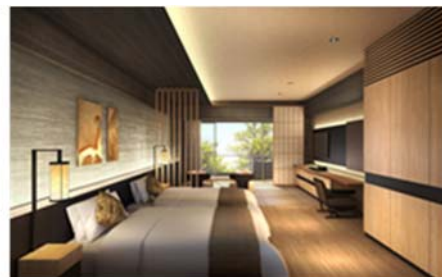


Myojo open-air bath with splendid view

3. Guest Rooms

The West Wing features 45 guest rooms where, with greenery visible from the room windows, guests can experience being one with nature. From the top floor of the East Wing, which has 25 guest rooms, guests can look down on nearby valleys and out to Sagami Bay. Together, the two wings house a total of 70 guest rooms, each with its own open-air bath. Both wings are five stories high, and both have been positioned to enable guests to observe scenery unique to KARAKU, and to enjoy being immersed in Hakone's natural environment.

All guest rooms are Deluxe-grade, and fall into one of two types, Western or Japanese. The generously sized rooms have a floor space of approximately 44 m²—and this extends to approximately 56 m² if balconies are included. Indeed, care has been taken to ensure the balconies have ample space for guests to spend time in their private open-air baths in comfort. Making use of traditional Japanese materials such as *washi* (Japanese paper) and *kigoshi* (latticed woodwork), the guest room interiors incorporate elements of Gora's natural environment. As for the layout of the rooms, tables are used to subtly divide them into living and sleeping areas for a more pleasant staying experience.



Japanese-style guest room, West Wing (56.1 m² including balcony)



Western-style guest room, East Wing (57.8 m² including balcony)

4. Restaurants

For both breakfast and dinner, guests have a choice of two restaurants. Restaurant Mutsuki is a traditional Japanese restaurant where select seasonal Japanese ingredients are prepared in a variety of styles. One wall of the restaurant is made out of glass so that guests can observe the waters of the Water Terrace while dining; in this liberatingly open space, guests can opt to dine in private rooms, in semi-private rooms, or at tables that seat between two and four diners in a communal dining space.

Tomura is a *Teppanyaki* ("grilled on a hot plate") restaurant; here, diners can observe skilled chefs dynamically grilling carefully chosen meat and seafood, as well as seasonal vegetables. Located on the top floor of the Annex, the restaurant treats its diners with views of Mount Myojo and *daimonji* bonfires. Diners can eat at the counter, in private rooms, or at tables in the communal dining area.



Restaurant Mutsuki



Teppanyaki restaurant Tomura

5. Communal Spaces

Hakone Gora KARAKU offers a guest lounge and terraces where guests are free to come and go during their stays.

Guest lounge AWAI is intended to be the heart of the onsen hotel complex and, as such, it is located above the walkways used to access the guest room wings. Guests can enjoy after-dinner drinks or post-breakfast coffees at the lounge, or relax there at their leisure during the day, or after bathing. The hotel complex also features two on-site terraces—the Water Terrace and the Forest Terrace—where guests can unwind surrounded by nature.



Guest lounge AWAI



Water Terrace

6. Commemorative Accommodation Plan

Hakone Gora KARAKU will begin accepting reservations from July 1, 2020.

Period of stay: October 2, 2020–March 31, 2021

Room type: Deluxe Room, in Western or Japanese styles (approximately 56 m² including balcony)

Prices: from 41,800 yen per person (for two people sharing one room with dinner and breakfast; includes consumption tax and service charges; bath tax applies separately)

Reservation methods:

Official Hakone Gora KARAKU website: <https://www.gora-karaku.jp/>

Telephone: 0460-83-8850

* Telephone reservations will be accepted from 9:00 am to 6:00 pm

* In accordance with the Ministry of Health, Labor and Welfare's "New Lifestyles," and with industry group guidelines such as the "Guidelines for Accommodation Facilities to Combat the New Coronavirus," ORIX Real Estate has formulated and implemented its own "With COVID-19' Operation and Service Policies." For further information, please see the following press release (in Japanese only):

<https://www.orix-realestate.co.jp/news/pdf/20200601press.pdf>

7. Facility Overview

Address	1300-8 Gora, Hakone-machi, Ashigarashimo-gun, Kanagawa, Japan
Site area	7,200.43 m ²
Total floor area	10,252.34 m ²
Number of buildings	4 buildings in total: 2 buildings with 3 above-ground and 2 underground stories; 1 building with 2 above-ground and 1 underground story; and 1 building with 4 above-ground and 1 underground story
Number of guest rooms	The East and West Wings house a total of 70 guest rooms in Western and Japanese styles
Hot springs	Sokai and Myojo open-air baths with splendid views; Hinoki-no-yu and Iwa-no-yu private rental baths; each guest room is equipped with its own open-air bath
Dining facilities	Restaurant Mutsuki, <i>Teppanyaki</i> restaurant Tomura
Spa	Gora Spa AIOI (operated by The Day Spa Co., Ltd.)
Other facilities	Guest lounge AWAI, Water Terrace, Forest Terrace
Design company	Irie Miyake Architects & Engineers
Construction company	Fujita Corporation

Opening	October 2, 2020
Website	https://www.gora-karaku.jp/

8. 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



(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	Hakone Ashinoko HANAORI Hakodate Yunokawa HOTEL BANSO Aizu Higashiyama ONYADO TOHO	Kurobe Unazuki YAMANOHA Atami OHTSUKI HOTEL WAFUUKAN HOTEL MICRAS
	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, 2020)

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, 2019 – March 31, 2020."