



**“KARAKU” Luxury Onsen Hotel Brand
ORIX Real Estate to Develop Onsen Hotel in Izusan, Atami**

TOKYO, Japan - December 12, 2022 - ORIX Real Estate Corporation (“ORIX Real Estate”) announced today that it will develop a new onsen hotel (57 rooms) in Atami, Shizuoka. The facility will be operated by ORIX Hotel Management Corporation (“ORIX Hotel Management”).

熱海・伊豆山



佳ら久

ORIX HOTELS & RESORTS

The Atami Izusan KARAKU onsen hotel follows Hakone Gora KARAKU as the second facility under the flagship luxury brand KARAKU of ORIX Hotel Management’s business brand ORIX HOTELS & RESORTS.

The planned site is located 1.9 km from JR Atami Station, approximately seven minutes by car following National Route 135. The environment of the surrounding area is quiet and serene, dotted with luxury onsen hotels and vacation homes.

All rooms feature open-air baths, and rooms located on the middle floors and above offer spectacular views of Atami and Sagami Bay, allowing guests to enjoy a quiet and relaxing stay while enjoying the lush nature of Atami and Izusan. The exterior features a sophisticated and serene design in harmony with the nature, history, and culture of Atami and Izusan. In addition, Atami Izusan KARAKU is also planned to feature a full array of common facilities including a lounge with a view of Sagami Bay, a reception area, large public baths, and a restaurant.

Both companies have established the four key themes of “Transition to Carbon-Free,” “Environmental Considerations,” “Safety, Security, and Comfort,” and “Coexistence with Regional Communities” to promote sustainability. This onsen hotel will be developed as an environmentally friendly facility, including the acquisition a B+ rank in the Comprehensive Assessment System for Built Environment Efficiency (CASBEE)[※] and installation of electric vehicle (EV) charging facilities in the customer parking lot.

ORIX Real Estate and ORIX Hotel Management will continue to develop and operate facilities that meet the needs and lifestyles of customers and contribute to the promotion and further revitalization of regional communities.

* A system that comprehensively evaluates the quality of buildings, including environmental considerations such as energy-saving and the usage of environmentally friendly equipment and materials, as well as provision of a comfortable indoor environment and consideration for the surrounding landscape

1. Plan Overview (Tentative)

Address: 630-1 Aza Hama, Izusan, Atami, Shizuoka (lot number)
Site area: 6,148.46 m²
Total floor area: 9,151.50 m²
Structure/Scale: Partially steel-framed reinforced concrete structure, 7 above-ground and 1 underground story
Number of guest rooms: 57
Design: Taisei Corporation
Construction: Taisei Corporation
Construction start: August 26, 2021
Opening: Winter 2023 (tentative)



Location Map

2. About ORIX Real Estate Corporation

ORIX Real Estate is developing real estate-related businesses in a wide range of areas. These include development and investment in facilities such as office buildings, logistics facilities and commercial facilities; development and management of condominiums; real estate brokerage and construction contracting; and management of facilities such as onsen hotels, hotels, training facilities and aquariums. It is pursuing the creation of new value in the real estate business based on its accumulated expertise in the real estate business.

<Overview>

Address: 2-3-1 Hamamatsu-cho, Minato-ku, Tokyo
Established: March 1999
Representative: Toshinari Fukaya
Description of Business: Real estate investment and development business etc.
Website: <https://www.orix-realestate.co.jp/en/>

3. About ORIX Hotel Management Corporation

ORIX Hotel Management is an operating company for the ORIX Group, and operates 27 facilities in Japan, such as a wide variety of onsen hotels and hotels (including facilities outsourced to third parties for operation). Fifteen of these facilities fall under the ORIX HOTELS & RESORTS business brand, which is based on the brand concept of "a location to which customers wish to return," and are designed to provide visiting guests with experiences to match their various life stages. ORIX Hotel Management also operates training facilities and provides operational support to aquariums.

<Overview>

Address: 2-3-1 Hamamatsu-cho, Minato-ku, Tokyo

Established: January 1997 (name changed from Blue Wave Corporation on April 1, 2020)

Representative: Takaaki Nitanei

Description of Business: Operation of onsen hotels, hotels and training accommodation facilities

Major shareholders and their shareholding percentages:

ORIX Real Estate Corporation 100%

Website: <https://www.orix-realestate.co.jp/hotelmanagement/en/>

4. About ORIX HOTELS & RESORTS

ORIX HOTELS & RESORTS is the business brand for onsen hotels and hotels run by ORIX Hotel Management. From casual to luxury, the brand covers a wide range in both onsen hotels and hotels, providing visiting guests with experiences to match their various life stages in order to be "a location to which customers wish to return."

ORIX HOTELS & RESORTS currently has 15 onsen hotels and hotels under five brands throughout Japan, from Hokkaido in the north to Beppu in the south.

Brand series: Onsen hotels – KARAKU, HANAORI, RYOKAN Collection; Hotels – CROSS HOTEL, CROSS Life

Single hotel series: Beppu SUGINOI HOTEL, HOTEL UNIVERSAL PORT, HOTEL UNIVERSAL PORT VITA, HOTEL MICURAS

ORIX HOTELS & RESORTS official website:

<https://www.orixhotelsandresorts.com/> (in Japanese)

ORIX HOTELS & RESORTS official Instagram account:

https://www.instagram.com/orix_hotels_and_resorts/ (in Japanese)

5. About KARAKU

KARAKU is a luxury onsen hotel resort created so that all guests can relax and unwind to their heart's content. It delivers the finest experience by uncompromisingly pursuing the essentials with attentive hospitality and various spaces ("AWAI") under the brand concept of "a place where beautiful vitality is born." KARAKU was created as the flagship brand of ORIX HOTELS & RESORTS, and Hakone Gora KARAKU was the first hotel in the brand to open in October 2020.



Contact Information:

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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 28 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 September 30, 2022)

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, 2021 – March 31, 2022” furnished on Form 6-K.