



ORIX Real Estate to Open Sora Kan, the New Guest Room Building of the Beppu SUGINOI HOTEL Large-Scale Renovation Project, on January 26

TOKYO, Japan - January 24, 2023 - ORIX Real Estate Corporation (“ORIX Real Estate”) announced that it will open the second new guest room building, Sora Kan, on January 26, 2023, as part of a large-scale renovation project*¹ underway at its Beppu SUGINOI HOTEL, scheduled for full completion in 2025.



Exterior of Sora Kan



Sorayu, an open-air bath with a panoramic view

Sora Kan is located at the northwesternmost part of the hotel premises. The open-air bath on the top floor offers a panoramic view of Beppu from a height of approximately 250 meters above sea level. In addition, TERRACE & DINING SORA, a buffet restaurant, has many terrace seats, leveraging Sora Kan's location with a view of Beppu Bay. Guest rooms are available in five various types (approximately 26 to 90 square meters), including western-style and Japanese-western-style rooms.

In ORIX's real estate business, the company in principle acquires external certifications (CASBEE*², etc.) for its new development properties (office buildings, logistics facilities, condominiums, rental condominiums, etc.), which can be used to display environmental performance to third parties, and promotes sustainable initiatives such as reducing environmental impact. Sora Kan has acquired the highest rank of S in the CASBEE building assessment certification at the completion of construction, as well as ZEB Oriented*³, through the introduction of energy-saving facilities, effective use of geothermal energy, and other measures.

ORIX Real Estate will continue to contribute to promoting and revitalizing local communities by developing facilities that meet customers' needs while striving for environmental friendliness, safety, and security.

*1 [ORIX Real Estate to Begin Large-scale Renovations of Beppu Suginoi-Hotel \(June 12, 2019\)](#)

*2 A system that comprehensively evaluates the quality of buildings, including environmental friendliness, such as energy conservation and the use of materials and equipment with low environmental impact, as well as indoor comfort and consideration for the landscape.

*3 A certification system for buildings with a total floor area of 10,000 square meters or above, in which measures are taken to achieve further energy conservation in addition to the use of high-performance building envelopes and high-efficiency energy-saving facilities. It is defined that hotels, hospitals, department stores, restaurants, and meeting halls are required to reduce their primary energy consumption by 30% or more from the base amount, except for renewable energy.

1. About the new guest room building of Beppu SUGINOI HOTEL, Sora Kan

Sora Kan is the second new guest room building in a large-scale renovation that involves the construction of three new guest room buildings. The new building will have a total of 336 guest rooms, ranging from suites to casual rooms, in five types ranging from approximately 26.46 to 90.57 square meters. The four suites will offer Western-style and Japanese-western-style rooms with spacious living quarters for a comfortable and relaxing stay.

The hotel's interior design symbolizes the richness of Beppu's sea and mountains, and the lobby is decorated with a roughly four-meter-high, 25-meter-long artwork by world-renowned plasterer Naoki Kusumi. The building uses local materials lavishly to create a luxurious space featuring a vase stand designed with inspiration from Beppu Bay and a café lounge (for an additional fee) whose walls are decorated with Beppu stone.

The building also features an open-air bath with a panoramic view of Beppu on the top floor, and a buffet restaurant TERRACE & DINING SORA (first floor) offering western-style cuisine based on ingredients locally grown in Oita and Kyushu, with terrace seating to enjoy the open-air view with a resort atmosphere. Sora Kan aims to be a facility that will accommodate a wide range of occasions, and meet the needs of both domestic and international tourists, as well as local residents.

Reference: [ORIX Real Estate to Open its Flagship Building, Sora Kan, on January 26, 2023 \(October 26, 2022\)](#) (in Japanese)



An example of the Deluxe Room



TERRACE & DINING SORA

[Comment from General Manager Tatsuya Kurama of Beppu SUGINOI HOTEL]



I am very pleased to announce that we will soon be welcoming guests to our second guest room building, following Niji Kan, which opened in July 2021, as part of a large-scale renovation project that has been underway since 2019. As the flagship building, Sora Kan will feature an open-air bath with a panoramic view, a restaurant, and other common facilities, offering guests the opportunity to enjoy a relaxing time in a luxurious space with a spectacular view. We will continue to make SUGINOI HOTEL an appealing facility and boost Beppu tourism as we move toward the completion of the large-scale renovation in 2025.

■ Overview of Sora Kan

Structure and scale	Reinforced concrete, partially steel-framed, 14 above-ground floors
Site area	19,805.11 m ²
Total floor space	34,222.90 m ²
Guest rooms	336
Dining facilities	Buffet restaurant TERRACE & DINING SORA
Other facilities	Open-air hot spring baths with a magnificent view Sorayu and Soraniwa
Start of construction	November 12, 2020
Completion of construction	October 20, 2022
Design	KAJIMA CORPORATION
Construction	KAJIMA CORPORATION
Opening	January 26, 2023

2. About CASBEE

CASBEE (Comprehensive Assessment System for Built Environment Efficiency) is a method of evaluating and rating buildings based on their environmental performance. It is a system that comprehensively assesses the quality of buildings, including not only environmental friendliness such as energy conservation and use of materials and equipment with low environmental impact, but also indoor comfort and consideration for the landscape. Evaluation is given on a five-level ranking from S, A, B+, B-, and C.

SUGINOI HOTEL's Sora Kan has received the highest S-rank in the CASBEE building evaluation certification at the completion stage of construction. It is rare^{*4} among hotels to be awarded the CASBEE S-rank, and the certification recognizes the excellent environmental performance of the building.

*4 Official website of the Institute for Built Environment and carbon Neutral for SDGs <https://www.ibec.or.jp/english/index.html>

3. About Beppu SUGINOI HOTEL

■ Overview of the large-scale renovation work

Including the opening of Sora Kan, a total of three new guest room buildings are planned to be constructed, and the opening of the third building, Hoshi Kan, in January 2025 (scheduled) will mark the full completion of this large-scale renovation project.

Reference: [ORIX Real Estate to Begin Construction of the Final Guest Room Building of Beppu SUGINOI HOTEL, Named "Hoshi Kan," in Its Large-Scale Renovation Project \(January 16, 2023\)](#)



Image of the large-scale renovation work

■ Overview of Beppu SUGINOI HOTEL

Address	1 Kankaiji, Beppu, Oita
Guest rooms	554 (Naka Kan: 63, Niji Kan: 155, Sora Kan: 336)
Hot springs	Tanayu (temporarily closed), an open-air hot spring bath with a magnificent view, and one other open-air hot spring bath
Dining facilities	5 restaurants and bars (buffet restaurant, Japanese restaurant, Italian restaurant, etc.)
Other facilities	AQUA GARDEN; AQUABEAT; a games corner; SUGINOI BOWL & PARK (opening on January 26); etc.
Access	5 minutes by car from the Beppu Interchange on the Higashi Kyushu Expressway 10 minutes by car from JR Beppu Station (a free shuttle bus operates between the hotel and the West Exit of JR Beppu Station) 20 minutes by car from Beppu International Tourism Port 45 minutes by car from Oita Airport
Operating company	Suginoi Hotel And Resort Co., Ltd. (a wholly owned subsidiary of the ORIX Group)
Telephone	0977-24-1141
URL	https://suginoi.orixhotelsandresorts.com/ (in Japanese)

4. 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.

<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/>

5. About ORIX HOTELS & RESORTS

ORIX HOTELS & RESORTS is the business brand for onsen hotels and hotels run by ORIX Hotel Management (Minato-ku, Tokyo, President: Takaaki Nitani). 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, THE RYOKAN COLLECTION; Hotels – CROSS HOTEL, CROSS Life
Single hotel series: Beppu SUGINOI HOTEL, HOTEL UNIVERSAL PORT, HOTEL UNIVERSAL PORT VITA, HOTEL MICURAS

ORIX Hotel Management official website: <https://www.orix-realestate.co.jp/hotelmanagement/en/>

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)

Contact Information:

Investor Relations and Sustainability Department
ORIX Corporation
Tel: +81-3-3435-3121

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.