



ORIX Group Achieves Horizontal Recycling of Aluminum Windows from SUGINOI HOTEL's Naka Kan

TOKYO, Japan – March 26, 2026 – ORIX Real Estate Corporation ("ORIX Real Estate"), ORIX Corporation ("ORIX"), and ORIX Eco Services Corporation ("ORIX Eco Services") announced that they will carry out the horizontal recycling of used window glass and aluminum window frames generated by the demolition of the Naka Kan guest room building at Beppu SUGINOI HOTEL ("SUGINOI HOTEL").



Building on the left: Naka Kan at Beppu SUGINOI HOTEL, which closed in January 2025



Windows are separated into glass and aluminum window frames

This initiative leverages the scheme for horizontal recycling of entire aluminum windows^{*1} established by ORIX and ORIX Eco Services. This initiative realizes a circular economy through collaboration between the ORIX Group's real estate and environmental businesses. This is the first time this scheme has been implemented in Kyushu.

Naka Kan, which closed in January 2025 as part of the large-scale renovation of SUGINOI HOTEL, is currently being demolished. The aluminum windows were removed from the guest rooms at Naka Kan, and separated into window glass and aluminum window frames, after which a cullet recycling company and a metal processing company conducted quality checks. The materials will subsequently be recycled by their respective manufacturers into new glass and aluminum window frames.

Horizontal recycling is a recycling method in which used products are reused as raw materials to manufacture the same type of product again. It has been drawing attention across a wide range of industries because it reduces waste and promotes the effective use of resources, thereby lowering environmental impact. In the construction sector, achieving carbon neutrality by 2050 requires reducing CO₂ emissions^{*2} across the entire building lifecycle, from the manufacture and construction of building materials through demolition. This initiative will help advance resource circulation at the building demolition stage.

As one of its focus areas, ORIX Group has set “global warming and limited resources” and is working toward realizing a circular economy. In its real estate business, ORIX Real Estate will go beyond environmentally conscious development and contribute to a sustainable society by reducing environmental impact across the entire building lifecycle, including demolition.

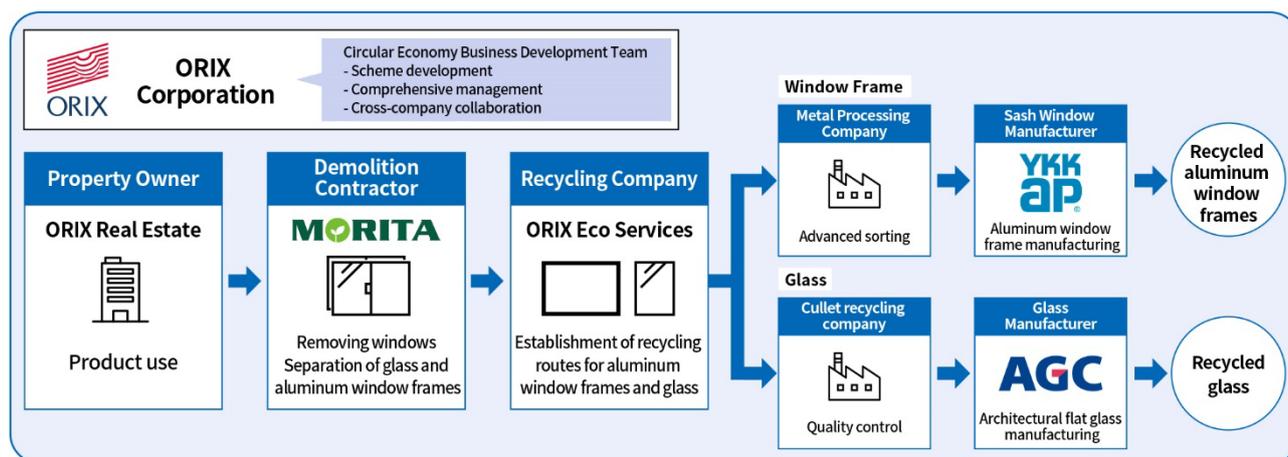
*1 [ORIX Group Achieves Horizontal Recycling of Entire Aluminum Windows \(June 02, 2025\)](#)

*2 [Ministry of Land, Infrastructure, Transport and Tourism, Study Group on Systems to Promote the Calculation and Evaluation of Building Lifecycle Carbon](#) (in Japanese)

■ About the Horizontal Recycling of Window Glass and Aluminum Window Frames from Naka Kan

During demolition, the demolition contractor removed the aluminum windows from the building and separated them into window glass and aluminum window frames. The glass was processed into cullet and quality-checked by a cullet recycling company, and will be used by glass manufacturers as raw material for new architectural flat glass. The aluminum window frames will undergo advanced sorting by a metal processing company and be reused by sash window manufacturers as recycled aluminum in the production of new window frames.

ORIX oversaw conceptualizing the business scheme and overall management for this horizontal recycling initiative by leveraging ORIX Eco Services' corporate network.



Scheme diagram

<Effects of the Initiative>

Currently, at least 500,000 tons of waste window glass are generated each year from buildings within Japan. Most of these are disposed in landfills or reused as lower quality products through cascade recycling. Horizontal recycling of window glass not only reduces industrial waste, but also helps conserve virgin raw materials*³ and lower raw material import dependence by increasing the ratio of cullet used in glass manufacturing. In addition, because cullet can be melted at lower temperatures than virgin raw materials, it also contributes to reducing CO₂ emissions in the manufacturing process. Recycled aluminum can reduce CO₂ emissions during manufacturing by approximately 97%*⁴ compared to primary aluminum, which requires aluminum metal to be extracted from underground resources during smelting.

*3 Virgin raw materials are new raw materials not derived from recycling.

*4 [The Japan Aluminum Association, "Aluminum VISION 2050"](#) (in Japanese)

<Overview of Naka Kan>

Name	Beppu SUGINOI HOTEL Naka Kan
Total floor space	8,955 m ²
Guest rooms	63
Scale and structure	7 stories above ground, 1 below ground, reinforced concrete structure
Date of completion	Completed in 1961; seismically retrofitted in 2014 (65 years old)
Date of closure	January 6, 2025
Demolition period	January 2026 to December 2026 (planned)

■ About SUGINOI HOTEL's Environmental Initiatives

SUGINOI HOTEL began its large-scale renovation in 2019 and, over approximately five years, carried out the development of three guest room buildings, including new construction and rebuilding, as well as renovations to shared facilities and infrastructure improvements.^{*5} The flagship building, Sora Kan, which opened in January 2023, and Hoshi Kan, which opened in January 2025, have achieved the highest S Rank under CASBEE (new construction)^{*6} and obtained ZEB Oriented^{*7} certification through the introduction of energy-saving equipment and the effective use of geothermal energy.

Furthermore, at Sora Kan, the business owner, designers, and operating company worked together to continuously practice energy management for approximately three years after opening, going beyond the building's specifications themselves. In recognition of the highly energy-efficient hotel operations this achieved, it received the Minister of Economy, Trade and Industry Award, the highest honor in the Energy Conservation Best Practice Category, at the Fiscal Year 2025 Energy Conservation Grand Prize organized by The Energy Conservation Center, Japan.^{*8}

^{*5} [The Third New Guest Room Building "Hoshi Kan" to Open on January 23 ORIX Real Estate Completes Large-Scale Renovation of Beppu SUGINOI HOTEL \(January 21, 2025\)](#)

^{*6} A system that comprehensively evaluates building quality, including not only environmental considerations such as energy conservation and the use of materials and equipment with low environmental impact, but also indoor comfort and consideration for the surrounding landscape.

^{*7} A certification system for buildings with a total floor area of 10,000 m² or more in the non-residential portion that have taken measures to further reduce energy consumption in addition to high-performance building envelopes and highly efficient energy-saving equipment. For hotels, hospitals, department stores, restaurants, assembly halls, and similar facilities, it is defined as achieving a reduction of 30% or more in primary energy consumption compared with the base primary energy consumption, excluding renewable energy.

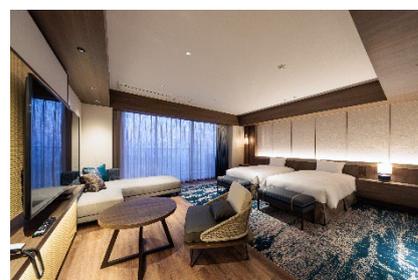
^{*8} [SUGINOI HOTEL Sora Kan Receives the Minister of Economy, Trade and Industry Award at the Energy Conservation Grand Prize \(January 29, 2026\)](#)

■ Overview of Beppu SUGINOI HOTEL

Beppu SUGINOI HOTEL is a group hotel operated under ORIX HOTELS & RESORTS, the hotel operation brand of ORIX Hotel Management Corporation, and is a large-scale hot spring resort founded in 1944. Following a large-scale renovation carried out over approximately five years beginning in 2019, the new guest room building Niji Kan, designed for active stays, opened in July 2021; the new flagship building Sora Kan, offering a luxury stay, opened in January 2023; and Hoshi Kan opened in January 2025 as the final new guest room building.

The resort offers the signature large panoramic open-air bath, Tanayu, the open-air bath with a view, Sorayu, and three buffet restaurants where guests can enjoy carefully selected dishes prepared by chefs throughout the four seasons. The property also features a full range of entertainment options, including the all-weather pool AQUABEAT (summer only), the open-air hot spring AQUA GARDEN, and SUGINOI BOWL & PARK.

Address	1 Kankaiji, Beppu, Oita
Guest rooms	791 (Niji Kan: 155, Sora Kan: 336, Hoshi Kan: 300)
Hot springs	Large open-air bath with view Tanayu, open-air bath with view Sorayu, and AQUA GARDEN
Dining facilities	Six restaurants (buffet, kaiseki cuisine, yakiniku, etc.)
Other facilities	AQUABEAT, game arcade, SUGINOI BOWL & PARK, etc.
Operating company	ORIX Hotel Management Corporation
Website	https://suginoi.orixhotelsandresorts.com/ (in Japanese)



Contact Information:

Investor Relations Department

ORIX Corporation

Tel: +81-3-3435-3121

About ORIX Group:

ORIX Group (ORIX Corporation TSE: 8591; NYSE: IX) was established in 1964 and has grown from its roots in leasing in Japan to become a global, diverse, and unique corporate group. Today, it is active around the world in financing and investment, life insurance, banking, asset management, real estate, concession, environment and energy, automobile-related services, industrial/ICT equipment, ships and aircraft. Since expanding outside of Japan in 1971, ORIX Group has grown its business globally and now operates in around 30 countries and regions across the world with approximately 36,000 people. ORIX Group unites globally around its Purpose: "Finding Paths. Making Impact." combining diverse expertise and innovative thinking to help our world develop in a sustainable way.

For more details, please visit our website: <https://www.orix.co.jp/grp/en/>

(As of September 30, 2025)

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