

February 17, 2015

## Prince Hotels Inc. Fortifies Operations in Thailand

1. Establishes a new Sales Office in Bangkok, Thailand
2. Concludes a marketing alliance agreement with Dusit International

In December of 2014, Prince Hotels, Inc. (Head Office: Toshima-ku, Tokyo; President & CEO, Masanori Kobayashi) established its new Bangkok Office sales location in Bangkok Thailand with the aim to enhance its overall inbound tourism positioning for visitors to Japan from Thailand and other ASEAN countries. In addition, in February 2015, Prince Hotels, Inc. has also concluded a marketing alliance agreement with Dusit International, a major Thailand-based hotel group which owns, operates and develops hotels in numerous countries throughout Asia and the Middle East.

Prince Hotels, Inc. regards Thailand, with its significant future growth potential, as a key feeder market for enhancing its overall inbound tourism positioning for leisure travelers, MICE (Meeting, Incentive, Convention, Exhibition/Event) and other business travelers, and other potential visitors to Japan.



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 Seibu Group  
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## **1. Establishment of new Bangkok Office**

In December 2014, the Bangkok Office was established as a new sales office in Bangkok Thailand with the aim of enhancing overall inbound tourism positioning for visitors to Japan from ASEAN countries.

Beginning July 1, 2013, in line with its promotion of a "tourism-oriented country", the Japanese government has eased visa requirements and implemented visa waiver programs for 5 countries in Southeast Asia, including Thailand with its continuing economic growth. As a result, visitors from Thailand who come to Japan for short stays no longer require a visa, and the number of visitors to Japan has greatly increased from approximately 260,000 in 2012 to approximately 450,000 in 2013, an approximately 74% year-on-year increase, with a high repeater ratio of approximately 60%, and future growth is still expected from this market.

\*Source: Number of visitors to Japan is cited from the Japan National Tourism Organization (JNTO) and repeater ratio from the Japan Tourism Agency's *Consumption Trend Survey for Foreigners Visiting Japan*.

Adding the Bangkok Office in Bangkok Thailand to the existing ASEAN country Singapore Office enables Prince Hotels, Inc. to further enhance its initiatives targeting travel and tourism demand from visitors to Japan from Thailand and neighboring Vietnam, both markets with significant growth potential, as well as other ASEAN countries for leisure travelers as well as travelers on incentive tours and other MICE-oriented travel.

Prince Hotels, Inc. continues to monitor trends and activity in demand for inbound tourism, setting its sights on the construction of an infrastructure for Asian countries, including ASEAN countries, through a variety of initiatives including the establishment of its new Taipei Office in Taiwan on October 1, 2014.

### 1. Bangkok Office core initiatives

#### (1) Fortify sales

- Increase awareness and appeal of the Prince Hotels brand through direct sales to travel agencies, airlines and local businesses.

#### (2) Expand sphere of business

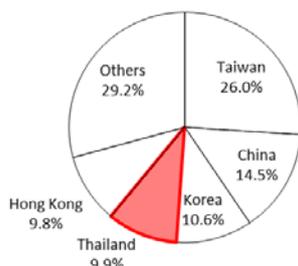
- Construct an infrastructure, anchored on the current strategic base in Bangkok Thailand, for neighboring Vietnam and other ASEAN countries for the future.

#### (3) Promotion activities

- Participate in tourism and travel exhibitions, hold Prince Hotel sponsored business conferences, and carry out branding PR through local media.

### 2. Recent numbers of visitors from overseas staying at Prince Hotels in Japan

Looking at the percentages of visitors to Japan from overseas staying at Prince Hotels from January to December 2013 shows that approximately 80% of all visitors were from Asia, with 22% of the visitors from Asia being from the rapidly growing ASEAN countries. Approximately 10% of all visitors from overseas were from Thailand, ranking the country fourth overall in terms of number of visitors from other countries, also making it the country with the most visitors to Japan from the ASEAN countries, and highlighting it as a market with significant growth potential.



[Number of visitors staying at Prince Hotels from January to December 2013]

## **2. Conclusion of marketing alliance agreement with Dusit International**

In February 2015, Prince Hotels, Inc. concluded a marketing alliance agreement with Dusit International, a major Thailand-based hotel group which owns, operates and develops hotels in China, India, the UAE, the United States and other countries throughout the world.

Dusit International is a subsidiary of group company Dusit Thani Public Co., Ltd., headquartered in Bangkok Thailand, and boasts over 65 years of history owning, developing and operating hotels, resorts, serviced apartments, spas and other facilities. At present the company operates 24 hotels under 4 brands (Dusit Thani, Dusit Devarana, dusitD2 and Dusit Princess) in addition to operating Dusit Residences and the Devarana Spa. In spring 2015, the company is opening the Dusit Thani Guam Resort, which will be the island's tallest building, and plans to open a further 24 hotels in the future.

This Marketing Alliance Agreement is aimed at further strengthening brand awareness for both companies by enhancing and expanding both companies' business domains, leveraging each other's sales and marketing networks and carrying out joint online promotion.

### **Marketing Alliance Activities**

- [Marketing] Mutual Promotion and Collaboration  
(printed media promotion, loyalty program members, etc.)
- [Website] reciprocal links

### **Comments**

Prince Hotels Inc.

Mr. Masanori Kobayashi, President

"We are extremely happy to have been able to conclude this marketing alliance agreement with Dusit International."

"We expect that the synergistic benefits reaped through this alliance agreement between Dusit International, a company which delivers the gracious hospitality of Thailand, the 'land of smiles', and Prince Hotels, which fosters the spirit of Japanese *omotenashi* hospitality, will greatly enhance global awareness of both brands."

Dusit International

Khun Chanin Donavanik, Managing Director and CEO

"We are very pleased to enter into this partnership with Prince Hotels, as Japan is an extremely important market for the entire Dusit Group."

"This mutually beneficial alliance agreement will serve as a key foothold enabling both companies to strengthen global awareness of our hotel brands presence. Dusit International and Prince Hotels are both brands which built upon a common core value of hospitality, and I am confident the sharing of this core value will allow us to make this partnership highly successful and rewarding for both companies for many years to come."

### **Prince Hotels, Inc. Corporate Profile**

|                       |  |
|-----------------------|--|
| [Company Name]        | Prince Hotels, Inc.  |
| [Address]             | 3-1-5, Higashi-ikebukuro, Toshima-ku, Tokyo  |
| [Founded]             | 1956   |
| [Capital]             | 3.6 Billion Yen  |
| [Number of Employees] | 6,657 (As of March 31, 2014)   |
| [Number of Hotels]    | 51 Hotels (As of February 2015)<br>*Including hotels on F/C, M/C and hotels run by other<br>Seibu Group affiliated companies |

Prince Hotels, Inc. is one of Japan's leading hotel and leisure companies and the core company of the Seibu Group, comprised of 55 companies and approximately 22,000 employees within Japan and overseas organized around Seibu Holdings Inc., which was listed in the First Section of the Tokyo Stock Exchange in 2014.

Under its 3 main brands, "The Prince", "Grand Prince Hotel" and "Prince Hotel", the company operates 43 hotels in world-famous cities and resort areas throughout Japan including Tokyo, Kyoto, Hiroshima, Karuizawa, Hakone, Sapporo and Furano, where it specializes in providing its unique brand of Japanese "omotenashi" hospitality spirit and techniques", refined over the years since the company's founding, and boasts the top sales in Japan's hotel industry.

In addition to hotels, the company also operates a variety of other unique facilities including golf courses (28 resorts within Japan), ski resorts (10 resorts within Japan), *onsen* hot spring resorts, tennis courts, movie theaters and aquariums, and both prides itself and takes responsibility for creating more enjoyable, happier experiences for customers by providing multifaceted support for every aspect of customer travel including accommodation, tourism and amusement.

The company also operates franchise and other hotels, golf courses and ski resorts overseas in locations in Hawaii, China, Taiwan, and Malaysia, and maintains sales offices in major cities throughout the world (Honolulu, Los Angeles, Paris, Singapore, Shanghai, Taipei, Bangkok) to promote the brand worldwide.

### **Dusit International Corporate Profile**

|                       |  |
|-----------------------|--|
| [Company Name]        | Dusit International  |
| [Address]             | The Dusit Thani Building 946 Rama IV Road Bangkok Thailand                               |
| [Founded]             | 1949   |
| [Capital]             | 13.7 Billion Yen (*Total for parent Company: Dusit Thani Public Co., Ltd.)               |
| [Number of Employees] | 3,299 (As of end of 2013)<br>(*Parent Company: Dusit Thani Public Co., Ltd.)             |
| [Number of Hotels]    | 24 Hotels (As of February 2015) *Total for parent Company: Dusit Thani Public Co., Ltd.) |