

May 5, 2018

For Immediate Release

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**Prince Hotels to Open Two Property in Karuizawa Area for
Prince Vacation Club Membership Hotel Business**

Scheduled to open: July 2019
Membership drive opens: Mid-June 2018

Prince Hotels, Inc. (Head Office: 3-1-5 Higashi Ikebukuro, Toshima-ku, Tokyo; President: Shigeyoshi Akasaka; hereinafter “Prince Hotels”), a consolidated subsidiary of Seibu Holdings, Inc., will open a villa-style property and hotel-style property within the grounds of the Karuizawa Asama Prince Hotel in July 2019, as the first part of a new membership hotel business, Prince Vacation Club. Membership will first be offered exclusively to Prince Status Platinum and Gold Members of SEIBU PRINCE CLUB, a membership organization of the Seibu Group, from April 23, 2018, and the first round of general memberships will open in mid-June 2018.

Prince Hotels will partner with Tokyu Land Corporation (Head Office: 2-6-21 Minami Aoyama, Minato-ku, Tokyo; President & CEO: Yuji Okuma; hereinafter “Tokyu Land”) to sell memberships in Prince Vacation Club, with a proportion of the sales to be entrusted to Tokyu Land’s affiliate, Tokyu Resort Corporation (Head Office: Minami Aoyama, Minato-ku, Tokyo; President (CEO): Hideaki Ito; hereinafter “Tokyu Resort”). Members of Prince Vacation Club and members of Tokyu Land’s own membership resort hotel, Tokyu Harvest Club, will be offered semi-reciprocal use of each other’s property from July 2019.

Seibu Holdings is placing efforts into the creation of new business areas as a priority challenge with the aim of strong, sustained growth. By combining the know-how cultivated in our existing businesses and our services in existing leisure property such as golf courses and ski resorts and bringing them to the highly exclusive resorts it owns around Japan, we will strive to expand our customer base and increase profit opportunities, to further increase our corporate value. Details may be found on the attachment.



Karuizawa Asama Prince Hotel
Prince Vacation Club Villa Karuizawa Asama
Prince Vacation Club Karuizawa Asama
Conceptual image



Prince Vacation Club Villa Karuizawa Asama
Conceptual image of exterior

1. Prince Vacation Club

The Prince Vacation Club is a new business that Prince Hotels will launch with the objective of offering a new style of resort stay that combines the convenience of a cottage with the comforts of a hotel. Using its diverse property management know-how and assets in the leisure industry, the company will gradually expand the business by building new property and hotel rooms in resort areas such as Karuizawa, Izu, Hakone, Shonan, Nikko, Hokkaido, and Niigata. The target is to eventually have around 20 property nationwide. Two types of membership—co-ownership and deposit—will be available, depending on the characteristics of the establishment. In addition to the high degree of privacy that only a stay in a members-only hotel can provide, we will partner with nearby existing leisure property, such as shopping malls, golf courses, and ski resorts, to offer a unique style of vacation.



Prince Vacation Club Logo

Overview

- Memberships sold will be either co-ownership or deposit memberships, depending on the characteristics of the property.
- Each membership will be given 30 tickets per year (1 ticket for 1 night's accommodation in 1 room).
 - * 18 of those 30 tickets will be “home use tickets” that can be used at the property where the membership was purchased. The remaining 12 tickets are reciprocal use tickets that may be used at other membership hotels besides the member's home property, as well as at Prince Hotels in Japan (with some restrictions).
- Tickets may be transferred to friends and acquaintances.
- Prince Vacation Club Standard tariffs will apply all year round.
- Members may also patronize Prince Hotels, golf courses and ski resorts around Japan at special membership rates, and receive discounts for services from the various companies of the Seibu Group.
- Members may also use their reciprocal use tickets to access Tokyu Harvest Club establishments at membership rates.

2. Two Members-Only Hotels Scheduled to Open in July 2019

(1) Prince Vacation Club Villa Karuizawa Asama

- A membership hotel featuring 15 private villas that will be newly built in the grounds of Karuizawa Asama Prince Hotel. Adjacent to Karuizawa Asama Prince Hotel and Karuizawa Asama Golf Course, all 15 guest villas will have a spacious floor area of at least 80 m², and two of them will be “dog villas,” where guests will be able to bring their pet dogs to stay with them. Members can get away from the hustle and bustle of their daily lives and enjoy a relaxing, comfortable time with friends and family, as if staying in their own favorite cottagel holiday home.
- A total of 180 co-ownership memberships for 15 villas will be sold.

(2) Prince Vacation Club Karuizawa Asama

- A 48-room membership hotel featuring converted guest rooms in the Karuizawa Asama Prince Hotel. The hotel guest rooms will be refurbished and more rooms catering for families and three-generation parties will be added.
- A total of 576 deposit memberships for 48 rooms will be sold.

3. Services

(1) Establishment of new onsen building

A new onsen building will be built, using the hot spring water of the Karuizawa Oshitate Onsen (tentative title), a company-owned hot spring in the hotel grounds. For guests' added convenience, a monorail will also be built between the hotel and the onsen building. The onsen property will be free for Prince Vacation Club members, and guests staying at the Karuizawa Asama Prince Hotel will be able to use them for a fee.

(2) Raising the value of the hotel

The hotel's front desk and restaurant will be refurbished.

* Thirty of the guest rooms at the Karuizawa Asama Prince Hotel will continue to be operated as a hotel available for non-member guests.

4. Overview of Sales

Property	Prince Vacation Club Villa Karuizawa Asama	Prince Vacation Club Karuizawa Asama
Membership Type	Co-ownership	Deposit
Number of Guest Rooms	15 villas	48 rooms
Membership Term	35 years	15 years
Number of Memberships	180	576
Membership Price (First round)	From ¥13,000,000 per membership	From ¥3,700,000 per membership (Of which, ¥1.5 million is refundable deposit)
Annual Fee	¥162,000 per membership	¥118,800 per membership
Maintenance Fee	¥3,600 per membership per year	—
Land Lease Fee	¥4,800 per membership per year	—
Tariff	Home members: ¥23,760 (per night) Reciprocal use: ¥29,700 (per night)	Home members/reciprocal use: ¥4,536 per adult ¥3,132 per child
Launch of Sales	April 23, 2018: Sales limited to SEIBU PRINCE CLUB Platinum & Gold Status Members Mid-June 2018: General sales	April 23, 2018: Sales limited to SEIBU PRINCE CLUB Platinum & Gold Status Members Mid-June 2018: General sales
Opening	Scheduled July 2019	Scheduled July 2019

5. Overview of Establishments

(1) Prince Vacation Club Villa Karuizawa Asama

Address: 1399-1 Magoe, Hocchi, Karuizawa-machi, Kitasaku-gun, Nagano, 389-0113

Access: Free shuttle bus operates from South Exit of Karuizawa Station on the Hokuriku Shinkansen. 5 km (usually about 6 minutes) from Usui-Karuizawa Interchange on the Joshin-Etsu Expressway.

Structure/Size: Guest villas: Wooden, single-story

Guest Room Types: Villa (81 m² / Capacity: 6) 13 villas

Dog Villa (82 m² / Capacity: 6) 2 villas

(2) Prince Vacation Club Karuizawa Asama

Address: 1399-1 Magoie, Hocchi, Karuizawa-machi, Kitasaku-gun, Nagano, 389-0113

Access: Free shuttle bus operates from South Exit of Karuizawa Station on the Hokuriku Shinkansen. 5 km (usually about 6 minutes) from Usui-Karuizawa Interchange on the Joshin-Etsu Expressway.

Structure/Size: Steel frames, reinforced concrete, 3 stories

Guest Room Types: Twin room (30 m² / Capacity: 2-3) 44 rooms
Family room (from 60 m² / Capacity: 4) 4 rooms

Major Facilities: Restaurant, convenience store, shop*Non-members may also use these property .

(3) Onsen Building

Name: Undecided

Open Date: Scheduled for July 2019

Details of Facility: Hot spring baths (indoor/open-air); washing area; powder room; sauna; cold water bath; Treatment salon; lounge

Hot spring quality: Sodium-hydrogen carbonate-chloride hot spring

Structure/Size: Reinforced concrete, with some log construction, 1 basement floor, 1 aboveground floor

6. Contracting of Sales to Tokyu Resort

(1) Contracting of Membership Sales

A portion of the sales of Prince Vacation Club memberships will be contracted out to Tokyu Resort. Tokyu Resort has a wealth of experience in resort membership sales, having been involved in the sale of memberships in Tokyu Harvest Club for many years, so it has been decided to entrust the sale of Prince Vacation Club memberships to this firm. The Prince Vacation Club will be advertised and marketed to a wide range of customers through the sales networks of Tokyu Resort and Prince Hotels.

(2) Semi-Reciprocal Use of Membership Establishments

Prince Vacation Club members will be able to use Tokyu Harvest Club establishments at membership rates. Similarly, Tokyu Harvest Club members will be able to use Prince Vacation Club establishments at membership rates, adding extra convenience for members of both clubs.

* Under semi-reciprocal use arrangements, in addition to one's own company's home establishments and reciprocal-use establishments, members may use their reciprocal-use tickets to stay at partner companies' establishments at membership rates.

Karuizawa Asama Prince Hotel / Prince Vacation Club Villa Karuizawa Asama / Prince Vacation Club Karuizawa Asama



Conceptual image of Entire Resort



Conceptual Illustration of Bird's-eye View

Prince Vacation Club Villa Karuizawa Asama



Conceptual image of exterior



Conceptual image of living room



Conceptual image of bedroom



Conceptual image of terrace

Prince Vacation Club Karuizawa Asama



Conceptual image of Family Room living room



Conceptual image of Family Room bedroom

Onsen Building



Conceptual image of open-air bath in Onsen Building



Conceptual image of lounge in Onsen Building