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For Immediate Release

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Seibu Group makes investment in Hapuna Beach Prince Hotel to enhance value of property
Hotel will join “Westin” brand as new member and commence operation in February 2018
under its new name “The Westin Hapuna Beach Resort”
with a view to enlarging presence in US market

Based on a franchise agreement executed with Westin Hotel Management, L.P. (Head Office: State of Delaware, US), the “Hapuna Beach Prince Hotel,” which is operated by Seibu Holdings Inc.’s consolidated subsidiary Prince Resorts Hawaii Inc. (Head Office: Honolulu, State of Hawaii, US) in the Island of Hawaii belonging to the State of Hawaii, will join the “Westin” brand of hotels under the Starwood Group. Moreover, the Seibu Group will take advantage of this opportunity to invest approx. 46 million USD in conducting a full-scale enhancement of the value of that hotel, and will newly commence operation in February 2018 with the new name “The Westin Hapuna Beach Resort.”

With the addition of the Hapuna Beach Prince Hotel to the Westin brand, in addition to gaining the ability to approach the approx. 21 million guest members that the Starwood Group holds in the US and throughout the world, the Seibu Group will proceed to offer a diverse array of luxury services to hotel guests through collaborating with the adjacently-located Mauna Kea Beach Hotel, which is also operated by Prince Resorts Hawaii Inc.

Moreover, as Seibu Holdings, Inc. disclosed in its press release dated August 19, 2016, the Hapuna Beach Prince Hotel conducted a partial sale of its assets with the intention of enhancing the value of the hotel. In addition to applying the funds gained through said sale towards an investment for that enhancement as part of the “new business model” that the Seibu Group is pushing forward under its Hawaii Business, that hotel is now a member of the Westin brand, which carries considerable weight in its key market of the US.



Complete view of hotel (image representation)

According to the Hawaii Tourism Authority, the number of travelers to the Island of Hawaii belonging to the State of Hawaii has been trending upwards year after year. With Japan Airlines planning on offering direct flights to Kona from Japan as well starting in September 2017, that number is anticipated to grow even further.

A breakdown of visitors to the Island of Hawaii reveals that those visiting from the American mainland account for approx. 85%. Under the Hawaii Business of the Seibu Group, enhancing recognition of the Group's Hawaiian hotel and golf course offerings in the US had been a pressing matter. A key aim behind joining the Westin brand was to further demonstrate the appeal of those offerings of the Seibu Group to the American market. Through new promotional activities geared towards the guest members of the Starwood Group and other efforts, the Seibu Group will strive to attain new high-end customers.

The investment to enhance the value of the Hapuna Beach Prince Hotel will take the form of a major, full-scale renovation of that facility that will cover its lobby, guest rooms, restaurants and lounge as well as involve an increase in the number of pools, the relocation of the fitness center, the establishment of approach pathways from the hotel to the sea, and more. This renovation work will be conducted between late August 2017 and June 2018.

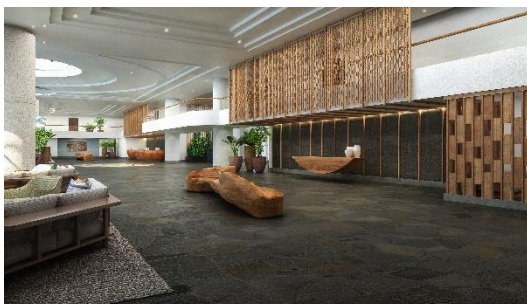
The name change of Hapuna Beach Prince Hotel to The Westin Hapuna Beach Resort is scheduled to take place in February 2018. Prior to that, reservations to stay at the hotel can be made through the website or reservation center of the Starwood Group starting on September 25, 2017. The hotel will continue to accommodate an increasingly wider range of diverse guest needs in its capacity of a brand-leading operation of the Seibu Group.

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About the Hotel

1. Lobby

In the lobby, where the sea spreads out in all directions to create a tremendous sense of openness, sculptures that express “the spring of life,” where the word “hapuna” comes from, will be placed. These will transform the lobby into a comfortable space that exudes an even more unmistakable resort atmosphere.



Lobby following renovation (image representation)

2. Guest Rooms

The guest rooms will undergo a full renovation to accommodate the luxury needs of wealthy North American clientele. In addition to undergoing design improvements, the rooms will be transformed into accommodations that also boast enhanced functionality. The selection of room types available will also become more varied, and will include standard rooms, ground floor rooms with access to the hotel courtyard, and suites.



Guest rooms following renovation (image representation)

3. Resort Area

A new infinity pool will be added to the hotel courtyard. Pathways will be established from the lobby and restaurants to make access to the pools and beach more convenient.



Pools following renovation (image representation)

About Prince Resorts Hawaii Inc.

Prince Resorts Hawaii Inc. operates the following three luxury hotels and golf courses on two islands in the State of Hawaii: the Prince Waikiki and Hawaii Prince Golf Club on the Island of Oahu and the Hapuna Beach Prince Hotel & Golf Course and the Mauna Kea Beach Hotel & Golf Course. This consolidated subsidiary of the Seibu Group specializes in the provision of oceanfront hotel accommodations, golf courses hosting championship courses, heartfelt Hawaiian hospitality, and delectable cuisine.

For details, please visit the following website: www.PrinceHotels.co.jp/hotels_resorts/area/kaigai.html