



PRESS RELEASE

February 13, 2015
The Royal Hotel, LTD.

Renovation and reopening announcement of RIHGA Royal Hotel Kyoto

The Royal Hotel, LTD. (“Royal Hotel”) today announced the renovation and reopening of RIHGA Royal Hotel Kyoto (“the Hotel”), which is located in Shimogyo-ku, Kyoto and first opened in 1969. The Hotel will be closed for seven months from February 2016 due to large-scale renovations and is scheduled to reopen in autumn 2016. The renovation will enable the Hotel to provide all of the facilities and services of a first-rate contemporary hotel, while retaining the historic feel and traditional elements of Japan’s most culturally rich city.

On February 13, 2015, Royal Hotel signed a tripartite agreement regarding the transfer and business consignment of the Hotel with Florentia TMK (“Florentia”) and RRH Kyoto Operations GK (“RRH Kyoto Operations”). Pursuant to the hotel management contract with RRH Kyoto Operations, Royal Hotel will continue to operate the Hotel under its current name.

Throughout its long history, the Hotel has developed a loyal and distinguished clientele, and it continues to attract more customers including more and more overseas visitors. In this way, the Hotel continues to contribute to the development of Kyoto’s tourism industry. By enhancing the current facilities, the renovation will enable the Hotel to provide a further enhanced level of comfort and convenience.

■ Renovations

<Accommodations>

Guestrooms will be renovated to a contemporary Japanese-style design reflecting Kyoto’s unique culture and scenery. The Hotel is planning to add new guestrooms as well as to expand existing guestrooms.



Guestroom image

<Lobby / Reception area and F & B outlets >

The Lobby and Reception area will be fully re-designed and the renovation of Corbeille All Day Dining will convey a more dramatic impression as guests enter the first floor. The French restaurant Top of Kyoto, Kyoto's only revolving restaurant, will also be renovated so that guests will be able to enjoy breakfast, while taking in breathtaking 360-degree panoramic views of the city.



Lobby / Reception image

■ Change of ownership

Royal Hotel currently operates the Hotel and owns the land and building of The Hotel. The assets of the Hotel are scheduled to be transferred to Florentia and leased to RRH Kyoto Operations on March 27, 2015. On the same day, Royal Hotel is planning to sign a hotel management contract with RRH Kyoto Operations, pursuant to which Royal Hotel will continue to operate the Hotel as the RIHGA Royal Hotel Kyoto.



■ Hotel profile

Hotel name: RIHGA Royal Hotel Kyoto

Address: 1 Taimatsu-cho, Shiokoji-sagaru, HigashiHorikawa-dori
Shimogyo-ku, Kyoto 600-8237

Opened: November, 1969

Facilities: 482 guest rooms & suites, 8 restaurants & bars
22 meeting rooms, 12 private dining rooms, parking, beauty salon and barber
shop, wedding facilities, florist, gourmet food shop

Notes: 1. Florentia TMK was formed by a fund managed by an affiliate of Fortress Investment Group LLC (together with its affiliates, "Fortress"). Fortress is a leading, highly diversified global investment manager with approximately U.S. \$67.5 billion of assets under management as of December 31, 2014. Fortress Investment Group LLC is listed on the New York Stock Exchange under the symbol "FIG". Fortress-managed funds currently own and manage over 1,500 real estate investments in Japan.

2. RRH Kyoto Operations is a hotel management company, formed by Fortress.

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