

Nagova Tokoname

February 1, 2016 Sun Frontier Fudousan Co., Ltd. (Stock code: 8934) Listing: First Section, Tokyo Stock Exchange

Notice of launch initial practice of "SPRINGSUNNY Hotel Nagoya Tokoname"

Please note that this document is a translation of the official announcement that was released in Tokyo. The translation is prepared and provided for the purpose of the readers' convenience only. All readers are strongly recommended to refer to the original Japanese version of the news release for complete and accurate information.

Sun Frontier Fudousan has agreed to make a business alliance with Shanghai Spring Group for the development of hotel chain that provide Japanese beautiful nature and our great hospitality for the foreign tourists. Today we launched initial practice of "SPRINGSUNNY Hotel Nagoya Tokoname", as the first hotel of our collaborative brand.

1. Profile of SPRINGSUNNY Hotel Nagoya Tokoname

In Tokoname, where Chubu Centrair International Airport is locating and is famous for "lucky cat" that is called "Maneki-neko" in Japan, Sun Frontier Fudousan launched initial practice of "SPRINGSUNNY Hotel" nearby Meitetsu Tokoname station. The express train reaches Tokoname from the airport in 3 minutes, and it takes about 4 minutes by vehicle from Rinkuu IC or Tokoname IC, so that transportation convenience from the airport is excellent, within 10 .minutes.

The hotel is reinforced concrete building, 15 stories high, and has 194 guest rooms. Each guest room has more than 24 m2 large area. We renovated for structural change to the building which completion year is 2008, and replaced equipment, so our guest will feel cleanly, goodly and relaxed atmosphere. On the high-story, our guests can pass the Japanese-style hallway with tatami flooring and stay the room combined tatami room and bed (pocket coil mattress) space. This hotel has the big common tabs with togoal and sauna. The guests can observe a wonderful view from the rooftop garden for seeing sunrise, sunset and airplanes taking off. And the hotel provide huge breakfast in the restaurant, triple-bedded rooms for family use, Chinese response and free Wi-Fi.

The hotel is currently under construction of restaurant expansion and elevator addition in order to enhance the guests' convenience and comfort.

Name : SPRINGSUNNY Hotel Nagoya Tokoname Address : 3-174-1 Shinkaichou, Tokoname, Aichi, Japan

Phone : 0569-36-1600

Rooms: 194

Facilities : coin washing machine, drying machine, vending machine, water dispenser, automatic

icemaker, vibromasseur, Internet connection PC, free Wi-Fi, barrier-free restroom

We launched "SPRINGSUNNY Hotel Nagoya Tokoname" by combining our ability to revitalize and operate real estate based on the viewpoint of customers, and the Spring Group's capability of escorting Chinese tourists to Japan. We aim to being warm for excursion tourists or personal travelers.













2. Foreign tourists marcket overview

Fueled by relaxed visa requirements for Asian countries and by weak yen, the international inbound tourism is set to continue to grow in the near future. In 2015 as a whole, 19.7 million visitors came to Japan up 47.1% from the previous year.

Expenditure of foreign visitors is also increasing to 3.4 trillion yen up 71.5% from the previous year.

The amount of expenditure per visitor is 176 thousand yen up 16.5% from the previous year. Notably, the amount of expenditure on shopping per Chinese visitor is more than double the average for all nationalities.