



July 31, 2014

Ladies and Gentlemen

Company Name	Resorttrust, Inc.
Representative Name	Katsuyasu Ito, President and COO
Code Number	4681, First Section of the Tokyo and Nagoya Stock Exchanges
Contact Details	Corporate Officer and General Manager Management Planning & Investor Relations Division Certified Public Accountant Chie Aikawa

Notice concerning the Acquisition of the Real Property “The Kahala Hotel & Resort” in United States, Hawaii and Capital Increase of Our Fully Owned United States Local Subsidiary

Today, we received approval from the Board to acquire real property located in Hawaii (Kahala District, Honolulu County, Hawaii) and entered into a purchase and sale agreement of the same including certain conditions precedent, with its owner of “Kahala Hotel Investors LLC”. The rights concerning the acquisition of the above mentioned real property will be transferred to our 100% owned United States local subsidiary “Resorttrust Hawaii, LLC”, and the conveyance of the property from the seller to our local entity “Resorttrust Hawaii, LLC” is scheduled to take place on September 30, 2014 (local time).

Since the closing of the above mentioned purchase and sale agreement is conditioned upon the fulfillment of certain conditions precedent agreed upon with the seller, we will make a notice again when the said conditions precedent is fulfilled and the transaction is completed.

Also today, for the purpose of smoothly operating the business after the completion of the transaction, we have undertaken and resolved to increase the capital of the local entity “Resorttrust Hawaii, LLC”.

1. Reason for Acquisition

The hotel which we have executed the purchase and sale agreement is a high class resort hotel widely known throughout the world as a hotel which overwhelms the others with an exceptionally high brand power, having the legacy of operating in Hawaii, one of the world’s most famous resort, for over 50 years since its founding and the record of hosting many celebrities. We decided to acquire the property since we expect that, by including the hotel to our group of hotels, we would be able to provide new values to our existing customers, contribute to building new customer base, and important role with respect to the future overseas expansions.

2. Overview of the Real Property

Name of the Property	The Kahala Hotel & Resorts
Location	5000 KAHALA AVE HONOLULU, HI
Intended Use	Hotel
Floor Space of the Building	35,534 square meters
Floor Numbers/ Room Numbers	13 stories above ground (2 buildings), 338 rooms
Acquisition Price	USD 300 million (Approximately JPY 30,600 million)

(Note) Acquisition price does not include the costs for acquisition, fixed asset tax, city planning tax, consumption tax, etc.

(Note) The JPY amount is calculated using the Telegraphic Transfer Middle Rate (1USD=102.13 JPY) as of July 30, 2014

3. Overview of the Seller

(1) Name	Kahala Hotel Investors, LLC	
(2) Location	55 Merchant Street, Suite 1560 Honolulu, HI 96813	
(3) Name & Position of Representative	Sean Hehir, President	
(4) Business Purpose	Owning the Kahala Hotel & Resort	
(5) Date of Incorporation	September 2, 2005	
(6) Relationship with the Seller and us	Capital Relation	None
	Personal Relation	None
	Transaction Relation	None

(Note) We have not stated details of Seller's financial information as Seller will not publicly disclose this transaction.

4. Schedule for Acquisition

(1) Date of Board Resolution	July 31, 2014
(2) Date of Execution	July 31, 2014
(3) Date of Closing	September 30, 2014 (Scheduled)(local time)

(Note) The closing date is subject to the fulfillment of the conditions precedent at that time.

5. Overview of the Local Entity (Our 100% Subsidiary)

(1) Name	Resorttrust Hawaii, LLC
(2) Location	1001 Bishop Street, ASB Tower, Suite 2100, Honolulu, Hawaii 96813
(3) Name & Position of Representative	Nobuhiko Kawasaki
(4) Business Purpose	Hotel Management
(5) Date of Incorporation	July 25, 2014
(6) Amount of Stated Capital	USD 1,000 (Approximately JPY 100 thousand)

(Note) The JPY amount is calculated using the Telegraphic Transfer Middle Rate (1USD=102.13 JPY) as of July 30, 2014

6. Details of the Capital Increase

(1) Amount of Capital Increase and Payment Date	(First) USD 17,999 thousand (Approximately JPY 1,800 million) Early August, 2014 (Scheduled)
	(Second) USD 182 million (Approximately JPY 18,600 million) Late September, 2014 (Scheduled)
(2) Amount of Capital after Capital Increase	USD 200 million (Approximately JPY 20,400 million)

(Note) The JPY amount is calculated using the Telegraphic Transfer Middle Rate (1USD=102.13 JPY) as of July 30, 2014

7. Future Outlook

We expect an annual cash flow (EBITDA) of approximately JPY 1 billion per year based on the hotel's operating income. Further, we are scheduling to contemplate the sales of the property membership. Although the contents of the product, the timing to start the sales, and effect on the P/L is yet to be determined, we believe that such sales will make a significant contribution to early investment recovery and steady operation of the Hotel.

End

(FYR) The Kahala Hotel & Resorts Website URL: <http://kahalaresort.com>

The Kahala Hotel & Resorts (Current State)



(Exterior)



(Lobby)



(Guest Room)



(Dolphins Lagoon)



(Restaurant Hokus)