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Tokyu Land Corporation Tokyu Resorts & Stays Co., Ltd.

# The first phase in the "Value up NISEKO road to 2030" project Upgrading of the Niseko United lift with the highest transportation volume to a new state-of-the-art gondola

## Scheduled to begin operation during the 2024 winter season

Tokyu land Corporation (Headquarters: Shibuya-ku, Tokyo; President: Masashi Okada; hereinafter referred to as "Tokyu Land") and Tokyu Resorts & Stay Co., Ltd. (Headquarters: Shibuya-ku, Tokyo; President: Toshiyasu Awatsuji; hereinafter referred to as "Tokyu Resorts & Stays") have announced that it has been decided to upgrade the "Ace #2 Quad Lift Center Four" (hereafter "Center Four") located at Niseko tokyu grand Hirafu (hereafter the "Ski Resort"), which is operated and managed in Kutchan-cho, Hokkaido, with the upgraded lift targeted to begin operation during the 2024 winter season as the first phase in the "Value up NISEKO road to 2030" project (hereinafter the "Project").



New gondola concept image

#### ■ Lift upgrade background

Niseko's powder snow is recognized by skiers and snowboarders from around the world as "JAPOW" (an abbreviation for "Japan Powder" snow), leading to Niseko becoming an international ski resort. There are high expectations for Niseko to become a world-class resort in light of a variety of initiatives targeted for the year 2030, including the extension of the Hokkaido Shinkansen bullet train line, the opening of a new express roadway, and the development of luxury hotels. However, the heavy emphasis on the ski season causes numerous issues, including employment problems and the decline of commercial and accommodation functions

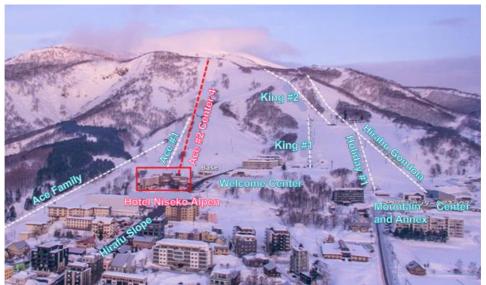
due to differences between the peak and off-season periods, which makes working toward becoming an all-season resort an urgent and priority issue. Niseko is positioned as a flagship property in the Tokyu Group's hotel and resort business portfolio, and this project will also include the sequential upgrade and renovation of other ski resort-related facilities and ski lifts as well, all beginning with the Center Four upgrade. The project will also promote the establishment of all-season attractions through the creation of activities and entertainment spaces utilizing the skiing areas, and will also focus on helping to resolve local community issues.

#### ■ The upgrading of Japan's oldest quad lift to a state-of-the-art gondola

Center Four is the oldest quad lift in Japan\*1, which began operation in 1985 as the main lift of the Alpen Course which was operated by the St. Moritz Lift Company at the time. It is easily accessible from both the "Hirafu Zaka" main street and the Welcome Center, and has been a one of the most popular ski lifts for many years, with long lines of skiers lining up for the lift to access the fresh powder snow even before the lift begins operation in the mornings during the ski season. Center Four is the lift with the highest transportation volume\*3 at Niseko United\*2 and serves as a major transportation artery, however it is also now more than 30 years old, and as a central lift for Niseko United as it aims to become a world-class level resort, the upgrading of this lift is aimed at improving the image of the entire Ski Resort, as well as guest comfort, and transportation capacity. In addition, the conversion from a 4-person lift to the new 10-person gondola will significantly increase the hourly transportation capacity from 1,800 people per hour to 2,800 people per hour, and will also increase the operating speed by approximately 1.5 times\*4, both of which are expected to ease the congestion which could occur immediately after the start of operations and during peak hours up until now.

Dismantling work will begin after the end of the 2023-2024 winter season as part of the lift upgrade (The Center Four lift will continue operate as usual during the 2022-23 season. Some construction work is planned to be carried out before the dismantling work begins, but will not affect normal operation.), and the new gondola is scheduled to be begin operation during the 2024-25 winter season.

- \*1 The first four-person automatic circulating chairlift in Japan (<a href="https://ansaku.jp/publics/index/40">https://ansaku.jp/publics/index/40</a>)
- \*2 "Niseko United" is the collective name for the four ski resorts located at the foot of Mt. Niseko Annupuri, consisting of Niseko tokyu grand Hirafu, Niseko Hanazono Resort, Niseko Village Ski Resort, and Niseko Annupuri International Ski Area.
- \*3 In terms of the cumulative total since the opening of Niseko Mountain Resort Grand Hirafu (now Niseko tokyu grand Hirafu) in 2004.
- \*4 Current lift: (Ski season) 4.0 m/sec → New gondola: 6.0 m/sec



Location of property

Photograph courtesy of Kutchan Tourist Association

#### Working toward becoming an all-season resort

As part of the Niseko region-wide initiative to become a prime bicycling destination, the new gondola will be equipped with bike racks to also allow cyclists access to downhills, flow trails, and other mountain biking courses on the slopes. A 360-degree screen will also be installed to allow visitors to enjoy a spectacular panoramic view of Mt Yotei. In addition, renovation of the facilities in the middle of the slopes is also planned so that visitors can enjoy the view of Mt. Yotei during the green season, and to create a new "après-ski" (a French term meaning "after skiing" which refers to social activities after a day's skiing) spot for non-skiers during the ski season.

The King #3 lift was replaced in 2016, the Ace Family Quad Lift in 2017, and the Mountain Center Annex new ski area facility was added in 2019. A variety of initiatives are being planned for a transition to all-season use with the newly upgraded gondolas, in order to provide a wide range of services not only during the ski season but throughout all the seasons.







Flow trail course

### ■ Development of Niseko by Tokyu Land Corporation

1963	Resort tourism business started
1985	Tokyu Land acquires shares of Niseko Kogen Kanko Co. and begins management of Niseko Hirafu Ski Resort and Niseko Weiss Ski Resort.
1992	Niseko Hanazono Ski Resort opened
2004	Operation of the current Niseko tokyu grand HirafuTokyu begins with the integration of the Niseko Alpen Course.
2011	50th anniversary of the opening of the Hirafu ski lift
2021	Value Up NISEKO road to 2030 project launched
2022	"Comprehensive Collaborative Agreement regarding the Formation of an All-Season International Resort on the Occasion of the 50th Anniversary of the Declaration of Kutchan as a Ski Resort Town" concluded with Kutchan Town