

September 17, 2020

Shinsei Bank, Limited
Shinsei Business Succession Co., Ltd.

Share Transfer Agreement of World Kaihatsu Kogyo Co., Ltd. for the purpose of Business Succession

~ The first investment project of Shinsei Business Succession Co., Ltd.

Today (Thursday, September 17, 2020) --- Shinsei Business Succession Co., Ltd. (Headquarters: Chuo-ku, Tokyo, Koushi Tsukagoshi, Chief Executive Officer; hereinafter, "Shinsei Business Succession"), a subsidiary of Shinsei Bank, Limited (Headquarters: Chuo-ku, Tokyo; Hideyuki Kudo, President and CEO hereinafter, "Shinsei Bank") specializes in investment to support business succession, entered into a share transfer agreement with AKTIO Corporation (Headquarters: Chuo-ku, Tokyo, Mitsuo Konuma, Chairman and CEO; hereinafter, "AKTIO"), as its first investment project, to acquire all of the outstanding shares of the company held by the founders of World Kaihatsu Kogyo Co., Ltd. (Headquarters: Nagano-shi, Nagano, Shichiro Harada, President and Representative Director; hereinafter, "WKK")

For more than 50 years since its foundation, WKK has been developing road construction projects, mainly in ODA projects, in Japan as well as in more than 20 countries in Asia, Africa and Oceania. WKK is expanding the scope of its business by responding flexibly in a variety of on-site environments, backed by its outstanding technological capabilities and the large number of heavy machinery units which are among the top in Asia. Going forward, the demand for road maintenance and repair works is expected to increase further as the aging of social infrastructure is an urgent issue in Japan as well.

It has been a long-standing management issue for WKK to find a successor of the founder. Shinsei Business Succession has decided to enter into this agreement as it can support smooth succession process by the organizational transition support from Shinsei Business Succession through acquiring all of our shares from the founder and the business support which Actio provides based on its know-how in the construction machinery rental business. Shinsei Business Succession and Actio will work together to further enhance the corporate value of WKK.

Against the backdrop of rising social needs for business succession, the Shinsei Bank Group has developed a platform which can provide hands-on supports including business succession and closure of businesses to management people who have a wide variety of challenges by leveraging all range of the Shinsei Bank Group's products and services. In October 2019, the relaxation of the limit on the ownership of voting rights held by banks related to business succession (the so-called 5% Rule) was introduced. Accordingly, Shinsei Bank established Shinsei Business Succession in March 2020 as a subsidiary specializing in investment for the purpose of supporting business succession.

The Shinsei Business Succession supports smooth business succession by providing financial and management support to medium-sized companies which have management issues including shortage of business successors and by utilizing the know-how and networks with external partners of the Shinsei Bank Group.

[Overview of World Kaihatsu Kogyo Co., Ltd.]

Name : World Kaihatsu Kogyo Co., Ltd.
Address : 7484 Wakahowatauchi, Nagano City, Nagano Prefecture
Representative : Shichiro Harada, President and Representative Director
Business : New road construction, roadbed regeneration construction, etc.
Activities
Date of : January 21, 1970
establishment
Paid-in Capital : JPY 20 million
Recent results : Fiscal Year-end June 2020
(Non-Consolidated)
Net sales JPY 11.75 million
Total assets JPY 6.351 million

[Overview of AKTIO Corporation]

Name : AKTIO Corporation
Address : Asahi Building 7F, 3-12-2 Nihonbashi, Chuo-ku, Tokyo
Representative : Mitsuo Konuma, Chairman and CEO
Business : Construction machinery rental services
Activities
Date of : January 10, 1967
establishment
Paid-in Capital : JPY 500 million

[Overview of Shinsei Business Succession Co., Ltd.]

Name : Shinsei Business Succession Co., Ltd.
Address : 2-4-3, Nihonbashi Muromachi, Chuo-ku, Tokyo
Representative : Koushi Tsukagoshi, Chief Executive Officer
Business : Investment for the purpose to support business succession
Activities
Date of : March 4, 2020
establishment
Paid-in Capital : JPY 10 million

Shinsei Bank is a leading diversified Japanese financial institution providing a various range of financial products and services to both institutional and individual customers. The Bank has a network of outlets throughout Japan and is committed in its pursuit of uncompromising levels of integrity and transparency in all of its activities in order to earn the trust of its customers, staff and shareholders. The Bank is committed to delivering long-term profit growth and increasing value for all its stakeholders. News and other information about Shinsei Bank is available at <https://www.shinseibank.com/corporate/en/index.html>

For further information, please contact:
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