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For Immediate Release

New Horizon Capital Co., Ltd.

NHC Invests in Wood TEC Corporation

New Horizon Capital Co., Ltd. (Head Office: Nishishinbashi, Minato-ku, Tokyo; Chairman: Yasushi Ando; hereinafter NHC), a leading independent private-equity fund, announced today that the company's third fund, NH-3, has acquired all outstanding ordinary shares of Wood TEC Corporation (Head Office: Inzai-shi, Chiba; President: Hiroyuki Onodera; hereinafter Wood TEC) as of January 31, 2020.

Wood TEC, which was established as Koike Setsubi Kogyo Corporation in 1972, has been expanding its business with the construction of fire-fighting equipment as its core since 2001. After undergoing a merger in 2001 with Wood TEC Corporation, whose main pillar was the construction of fire-fighting equipment, it changed its company name from Koike Setsubi Kogyo Corporation to Wood TEC. Wood TEC has been expanding its business in recent years in response to increased demand for its equipment in the greater Tokyo area. Furthermore, its performance is growing favorably due to large orders from Olympics-related facilities.

Wood TEC decided to entrust its management to NHC with the aim of ensuring its smooth business succession and sustainable future growth.

Considering the aging of social infrastructure facing Japan and the future of renovation work, NHC reached its decision to invest in Wood TEC with the view that Wood TEC can expect further growth in the future as social infrastructure development accelerates.

NHC will proceed by implementing value-creating strategies, such as enhancing its recruitment system to solve the labor shortage, which is a common problem in the construction industry, advance its expansion, improve its efficiency, and enhance its governance through the roll up of other companies in the same industry.

NHC plans to have Hiroyuki Onodera continue as president and newly appoint several outside directors and outside corporate auditors from NHC to form a new organizational structure.

About NHC:

New Horizon Capital (NHC) is a top-tier Japanese PE fund targeting small- to mid-cap buyout deals, with approximately 17 years of experience and a cumulative AUM of 270 billion yen. NHC was spun off from Phoenix Capital, which was founded by Yasushi Ando. NHC has been managing three funds since its foundation and nine funds in total as Phoenix Capital and NHC. The NHC team has an excellent equity-investment track record, including Mitsubishi Motors Corporation, Teac Corporation, Tokyu Construction, Fudo Construction, Seikitokyu Kogyo, Ichida, Tsumura, Hitachi Housetec, Marumo Industry, Mag2, iae Holdings, Tachikichi, Takeda Industry, Generosity, Shibaura Fire Pump Corporation, Kawasaki Holdings, Showa Corporation, and Kagayaku Cosmetics. NHC possesses the largest track record of investment in Japan, having invested in more than 100 firms, including 40 equity investments.

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