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For Immediate Release

New Horizon Capital Co., Ltd.

NHC Invests in Iwata Industry Co., Ltd.

New Horizon Capital Co., Ltd. (Head Office: Minato-ku, Tokyo; Chairman: Yasushi Ando; hereinafter NHC), a leading independent private-equity fund, announced that, as of today, NHC's third fund (hereinafter NH-3) has acquired all shares of Iwata Industry Co., Ltd. (Head Office: Chiba-shi, Chiba; President: Susumu Iwata; hereinafter Iwata Industry).

Iwata Industry was founded in 1911 as Iwata Iron Factory, and was incorporated in 1947 as Iwata Industry Co., Ltd. At the beginning, the company was engaged in the manufacture and sales of livestock-related machinery and appliances, later moving into the construction industry. In recent years, the company has expanded its business, with its main business currently being the water plant engineering. Iwata Industry is highly trusted by its customers and has been commended as an excellent contractor by the Tokyo Metropolitan Government Bureau of Sewerage and the Tokyo Metropolitan Waterworks Bureau for its track record over many years of high-quality construction.

Taking into consideration the aging of Japan's water-supply-related infrastructure and the future of work to renew it, NHC decided to implement this investment, anticipating that Iwata Industry can achieve further growth as the renewal of infrastructure and seismic maintenance projects accelerates.

NHC will execute strategies to increase the corporate value of the company, first of all by strengthening human resources recruitment methods and enhancing governance to help solve the labor-shortage problem, which is a common issue in the construction industry.

Susumu Iwata will remain as a representative director and Haruyoshi Nakazono as an executive managing director of Iwata Industry. For the new management structure, NHC will post several new directors and corporate auditors after the acquisition.

About NHC:

New Horizon Capital (NHC) is a top-tier Japanese PE fund targeting small- to mid-cap buyout deals, with approximately 18 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 Housotec, Marumo Industry, Mag2, iae Holdings, Tachikichi, Takeda Industry, GENEROSITY, Shibaura Fire Pump Corporation, Kawasaki Holdings, Showa Corporation, Kagayaku Cosmetics, Wood TEC, NITTO and Japan System Care. 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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