



September 1, 2011

J-STAR Co., Ltd.
Gregory Hara
President & Representative Director

Acquisition of shares of Burn Repair Inc.

This is to announce that, through our wholly managed and operated J-STAR Number One Investment Limited Partnership, we have established Burn Group K.K. (“BG”) and its wholly owned subsidiary BR K.K. (“BR”). In addition, in May 2011, BR acquired all issued shares of Burn Repair Inc. (Headquarters: Shinjuku-ku, Tokyo, Representative: Akio Hayashi, <http://www.burn-repair.co.jp>).

Burn Repair was founded in 1995 with the goal of providing home repair services. Today, it is one of the largest in the domestic repair industry; consisting of 25 locations across the country and approximately 500 workers. In addition to delivering high-quality repair services to corporate clients such as homebuilders and manufacturers of construction materials, Burn Repair utilizes its wide network to provide post-sale services for homes such as inspections and adjustments. Through subsidiaries HouseBox Inc. and KSM, Inc., Burn Repair also develops and sells repair materials and provides interior finish work; contributing to the group-wide culture of maintenance.

Now, Burn Repair and other Group companies must reinforce their position as the top player in the industry by refining repair techniques, continually expanding its network nationwide, and building on Group management infrastructure. Through our share acquisition, we will actively work to support this expansion of Burn Repair’s business.

In evaluating this investment, we employed Corporate Directions, Inc. for business due diligence, A.G.S. Consulting Company, Ltd. for financial and tax-related due diligence and The Tokyo-Marunouchi Law Offices for legal due diligence. Fundraising for the share acquisition is accomplished through financing by Resona Bank.

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J-STAR

J-STAR Co., Ltd. (<http://www.j-star.co.jp/en/>)

Founded in 2006 as independent Japanese firm, J-STAR is mainly involved in private equity investments for private companies. Management rights are acquired from the company to undertake management buyout (MBO) investments that improve corporate value. J-STAR has the following three standards for investment: (1) a superior management team and staff, (2) ample potential for increasing added value through the contributions of fund managers and (3) a uniqueness / superiority of market status and business models. Following these standards, we focus on companies with a corporate value ranging from 3 billion yen to 10 billion yen. Since its founding, J-STAR invested in more than 12 transactions in various industries such as consumer goods, B to B/B to C service, Healthcare, Environment, and Manufacturing.