



### **Investment in Home Improvement Hirose Co., Ltd.**

TOKYO, November 28, 2008—RISA Partners, Inc. (“RISA Partners”) today announced the investment by RISA Corporate Solution Fund II Investment Limited Partnership, which the RISA Partners Group manages and operates, in Home Improvement Hirose Co., Ltd. (“HI Hirose”) by way of private placement. Details are as follows.

HI Hirose is a growing company that operates home center and food store businesses in Kyushu, and is an investment target of RISA Corporate Solution Fund Investment Limited Partnership. HI Hirose acquired some of the businesses of OK Enterprise Co., Ltd. (in Nagasaki Prefecture) in August 2008 for the purpose of business expansion, and successfully opened eight new stores in Nagasaki Prefecture. This investment will be appropriated for the acquisition fund.

HI Hirose currently operates a total of 18 home centers and super combos (with some also offering general foods), mainly in Oita Prefecture and Kumamoto Prefecture. It recorded net sales of 28.8 billion yen in the fiscal year ended May 2008. With the aim of further expanding its business, HI Hirose plans to advance into North Kyushu, the largest new market for its dominant strategy, and has entered Nagasaki Prefecture through the above-mentioned acquisition to gain a foothold for expansion.

This investment was made for the purpose of providing funds to HI Hirose for this acquisition, and the RISA Partners Group will increase the corporate value of the target company and maximize the investment return of the RISA Partners Group through this investment.

The RISA Partners Group will continue to endorse investments by the RISA Corporate Solution Fund and increase the corporate value of target companies by providing solutions unique to the Group.



- (1) Type of Shares: Home Improvement Hirose Co., Ltd. Series B Preferred Shares
- (1) No. of Shares for Subscription: 830,000 shares
- (2) Issue Price: 600 yen per share
- (3) Total Issue Amount: 498,000,000 yen
- (4) Payment Deadline: November 28, 2007
- (5) Allottee: RISA Corporate Solution Fund II Investment Limited Partnership
- (6) No. of Shares Allotted: 830,000 shares

Since these are non-voting preferred shares, voting rights will not ensue until a request for the acquisition of common shares becomes feasible (to be decided separately by shareholders).

## 2. Overview of Home Improvement Hirose Co., Ltd. (as of September 1, 2008)

- (1) Name: Home Improvement Hirose Co., Ltd.
- (2) Representative: Shunichi Hirose
- (3) Head Office Address: 1-18-2 Hagiwara, Oita-shi, Oita
- (4) Establishment: August 1978
- (5) Paid-In Capital: 1,166,730,000 yen
- (6) Primary Line of Business: Operating a chain of home centers and food stores.  
Operating a “super combo” that integrates the non-food products of a conventional home center with foodstuffs, including fresh food as a new business category.
- (7) Settlement of Accounts: May
- (8) No. of Employees: 1,171 (including part-time employees)
- (9) Website: <http://www.hih-net.com/>

## 3. Impact on RISA Partners' Business Performance

The value of shares held by RCSF is forecast to increase in the event that there is an improvement in the corporate value of HI Hirose. However, as the operating period that remains of the current fiscal year is only a month, the impact on the current fiscal year is expected to be minimal.



RISA PARTNERS INC.

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