

## **IRCJ to carry out partial sale of equity held in Shikisai Hotel Co., Ltd.**

**Tokyo, February 23, 2005** – The Industrial Revitalization Corporation of Japan (“the IRCJ”) has resolved to carry out a partial sale of the equity it holds in Shikisai Hotel Co., Ltd. (“Shikisai Hotel”).

### **1. Background**

On June 4, 2004 the IRCJ approved an application for assistance by Shikisai Hotel Co., Ltd. (“Shikisai Hotel”) under Article 22, Clause 3 of the Industrial Revitalization Corporation Act of 2003. On July 30, 2004 the IRCJ reached agreement on the purchase of Shikisai Hotel’s debt under Article 25, Clause 1 of the same act. In November 2004 operations were transferred to a new company, which received a capital injection. Since then the IRCJ has been carrying out a business revitalization plan for Shikisai Hotel, while at the same time making the preparations necessary to sell its equity in the company. Having resolved to sell its equity in Shikisai Hotel, the IRCJ will now move as promptly as possible to complete the share transfer contract with the buyer, with the aim of completing the transaction by March 2005.

### **2. Capital injection, etc.**

Through a capital injection of 186 million yen, the IRCJ holds ordinary shares in Shikisai Hotel that give it 97% of voting rights (96.5 million yen of the capital injection) and holds 100% of preferred shares (89.5 million yen of the capital injection). The IRCJ will sell 58.7% of its ordinary shares and 60% of its preferred shares of Shikisai Hotel. Following the sale, the IRCJ will hold ordinary shares that give it 40% of voting rights (equivalent to 39.8 million yen of the original capital injection) and will hold 40% of preferred shares (equivalent to 35.8 million yen of the original capital investment).

### **3. Comment from the State Ministers in charge of the Industrial Revitalization Corporation of Japan**

None expressed.

Note on comments from ministers: The IRCJ is a quasi-governmental organization. As such the IRCJ is required to obtain comments from the government ministers in charge of the IRCJ about decisions to assist or engage in other initiatives relating to private sector companies.

### **For more information, please contact**

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### **About the IRCJ**

The IRCJ was established jointly by the public and private sector on April 16, 2003, with the aim of providing revitalization assistance beneficial to both the industrial and the financial sectors in Japan. It targets assistance at companies that have sound business fundamentals but are unable to thrive because of excessive debt levels or other factors. The IRCJ has approximately 200 employees and is based in Tokyo. For more information please visit [www.ircj.co.jp](http://www.ircj.co.jp)