

March 27, 2013

Company Name: NIPPON KANZAI Co., Ltd.  
Representative: Shintaro Fukuda, President and Representative Director  
(Code No. 9728 , Tokyo Stock Exchange and Osaka Securities Exchange, First Section)  
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**Notice Regarding Acquisition of Shares  
of Prudential Investment Company of Australia Pty Ltd,  
an Australian Strata Management Company  
(as an Equity-Method Affiliate)**

We are pleased to announce that NIPPON KANZAI Co., Ltd (hereinafter “NIPPON KANZAI”) has agreed to acquire shares of Prudential Investment Company of Australia Pty Ltd (hereinafter “PICA”), a strata management company, whose headquarters are located in Sydney, Australia, by acquiring shares from FEXCO International Limited, the current share holder, and by subscribing for newly issued shares. PICA will be an equity-method affiliate of NIPPON KANZAI after this acquisition.

1. Purpose of the acquisition

PICA, whose core business is strata management, operates throughout Australia and has a strong, high-profile brand-name “BCS” in the Australian residential management industry. PICA provides body corporates with services such as arranging of annual general meetings, collection of maintenance fees, arrangement of repair works, and compliance services. PICA manages circa 169 thousand lots in circa 10,100 properties. PICA is the top-ranked player in the Australian Strata Management market, with approximately 8% of the market share.

PICA does not provide facility management services such as security, cleaning, facilities management, or repair works. Rather, they make arrangements for such services with outside subcontracting companies for customers. Therefore, we can expect synergy effects such as further development of PICA, by utilizing NIPPON KANZAI’s know-how and engineering to enable PICA to provide its own services in these areas.

PICA belongs to the Ireland-based FEXCO group, which provides financial services worldwide, including in the United Kingdom, the United States of America, Asia-Pacific countries, and the Middle East.

2. Overview of the equity-method affiliate (as of December 31, 2012)

Company name	Prudential Investment Company of Australia Pty Ltd
Headquarters	Level 27, 66-68 Goulburn St., Sydney NSW 2000 Australia
Name and title of the representative	Mr. Greg Haywood, Group CEO
Business	Strata management (management of sectionally-owned real estates)
Net sales	Approx. AUD 65 million
Foundation date	October 4, 1948
Share capital	AUD 8,069,740

3. Overview of the seller

Company name	FEXCO International Limited
Headquarters	15 Galena Road, London, W6OLT, United Kingdom
Name and title of the representative	Brian McCarthy, Group Chairman
Business	Holding company
Foundation date	September 17, 1991
Share capital	Stg£ 20,000
Relationship with NIPPON KANZAI	There is no capital, personal, or transactional relationship between FEXCO and NIPPON KANZAI to be reported. In addition, there is no capital, personal, or transactional relationship between FEXCO's related parties and affiliates, and NIPPON KANZAI's related parties and affiliates, to be reported.

4. Number of shares acquired, acquisition price, and number of shares owned before and after acquisition

Number of shares before acquisition	- 0.0% of shares issued
Total Number of acquired shares	15,494,987 shares 50.0% of shares issued
Number of shares acquired by subscribing for newly issued shares	6,260,601 shares
Number of shares acquired from existing share holder	9,234,386 shares
Number of shares after acquisition	15,494,987 shares 50.0% of shares issued

Acquisition price will not be disclosed under agreement with the seller.

5. Schedule

Conclusion of transfer contract

expected on March 28, 2013

Delivery date of the shares

expected on March 28, 2013

6. Impacts on business forecasts

There is no impact on NIPPON KANZAI's consolidated business forecast of the current fiscal year.