

## MIRAIT ONE Makes Kokusai Kogyo a Subsidiary—Limited Impact on Rating

The following is Japan Credit Rating Agency, Ltd. (JCR)'s opinion on the making Kokusai Kogyo Co., Ltd. a subsidiary by MIRAIT ONE Corporation (security code: 1417).

On November 10, 2023, MIRAIT ONE Corporation (the "Company") announced that its board of directors had resolved to acquire all shares of Kokusai Kogyo Co., Ltd. and make it a subsidiary of the Company, and that the Company had executed a share transfer agreement on the same day. The Company aims to develop a "Full-Value Model" business structure that simultaneously promotes "horizontal integration," which combines various engineering areas, and "vertical integration," which conducts all phases from planning and proposal to construction, maintenance, and operation. Kokusai Kogyo has advanced geospatial information technology and is highly complementary to Company's Group, and the strategic appropriateness of making Kokusai Kogyo a subsidiary can be recognized. Given that the acquisition price will be approximately 45.5 billion yen, JCR considers that the goodwill will also amount to large. However, JCR believes that the impact of acquisition of shares on the Company's rating will be limited in light of (i) the Company's ability to generate cash flow and financial strength, and (ii) Kokusai Kogyo's earnings and financial conditions.

Mikiya Kubota, Yasuhiro Shimoda

### <Reference>

Issuer: MIRAIT ONE Corporation

Long-term Issuer Rating: A+      Outlook: Stable

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