

The Extinction of ETIC's loan to Hakuyuukai Medical Corporation

December 6th, 2012
Enterprise Turnaround Initiative Corporation of Japan

The Enterprise Turnaround Initiative Corporation of Japan ("ETIC"), following a decision by the ETIC Committee, has resolved to receive a loan repayment to Hakuyuukai Medical Corporation and the related company (collectively "Hakuyuukai"). As a result, ETIC no longer holds any obligation or any other interests in Hakuyuukai.

1. Names of or companies concerned

Hakuyuukai Medical Corporation and Atlas Co., Ltd. (collectively, "Hakuyuukai")

2. Background

ETIC resolved to provide support to Hakuyuukai on March 31st, 2011, under Article 25, Clause 4 of the Enterprise Turnaround Initiative Corporation of Japan Act (Act 63, of 2009; includes changes to the Act thereafter; hereafter "the ETIC Act"), and subsequently on June 28th of the same year resolved not to implement a purchase of debt under Article 31, Clause 1 of the Act. In August of the same year, ETIC provided loans of ¥462 million as funds to refinance the debt with minor creditors.

ETIC then proceeded with the business revitalization of Hakuyuukai. Having reached a certain level of progress with regard to the revitalization, ETIC resolved to receive a loan repayment owed to Hakuyuukai. The settlement is scheduled to be completed within December 2012.

3. Amount of debt

ETIC provided Hakuyuukai with loans of ¥462 million, and received partial repayment (¥124 million) through the business revenue and the execution of the collateral. Repayment of the remaining loan amount of ¥338 million is scheduled to be completed.

4. Comments from State Ministers in charge of ETIC

Prime Minister, Minister of Internal Affairs and Communications, Minister of Finance, Minister of Health, Labour and Welfare, Minister of Economy, Trade and Industry: No opinion expressed