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The official press release is in Japanese.

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Stock Listing:	Tokyo Stock Exchange Mothers Section
Stock Code:	8789
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Notice Regarding Change in Subsidiary Status Due to Share

April 11, 2019—The Board of Directors at FinTech Global Incorporated (hereafter, “FGI” and “the Company”) resolved today that the Company would execute a partial transfer and purchase of shares held by the Company in Geoplan Namtech Inc. (hereafter, “Geoplan Namtech”), currently a consolidated subsidiary. Details are provided below.

Due to this resulting change in equity status, Geoplan Namtech will no longer be treated as a consolidated subsidiary and instead become an affiliate accounted for under the equity method.

Details

1. Reason for share transfer and share purchase

The company to which the shares will be transferred is Nippon Koei Co., Ltd. (hereafter, “Nippon Koei”). This company plays a part in nation-building efforts in countries all over the world through consulting and power engineering businesses related to social infrastructure improvement, and it is ranked No.1 in terms of net sales among domestic construction consulting businesses. Management at FGI felt that under the umbrella of a company like Nippon Koei with an extensive track record, Geoplan Namtech would be able to expand the scope of its business activities and boost corporate value. With this in mind, the decision was made to execute a transfer of shares.

However, management agreed that FGI should retain a certain level of equity in Geoplan Namtech to promote public finance-related services offered under the FGI Group umbrella. For this reason, FGI will purchase 400 shares held by the representative director at Geoplan Namtech and transfer 3,360 shares to Nippon Koei, a change that will shrink the Company’s equity stake to 34% from the original 83.3%.

2. Outline of the subsidiary undergoing change in status

(1)	Name	Geoplan Namtech Incorporated		
(2)	Address	3-1, Kamiosaki 1-chome, Shinagawa-ku, Tokyo		
(3)	Name and title of representative	Tsunehiko Nishizawa, Representative Director		
(4)	Business activities	Plan, design, configure, maintain, operate and manage information systems related to infrastructure and utilities		
(5)	Paid-in capital	¥31 million		
(6)	Date of establishment	April 15, 2016		
(7)	Major shareholders and shareholding ratios	FGI 83.3% Tsunehiko Nishizawa 16.7%		
(8)	Relationships with FGI	Capital relationship	• FGI holds 83.3% equity in Geoplan Namtech.	
		Personnel relationship	• Two employees of FGI serve concurrently as directors at Geoplan Namtech, and one FGI director serves concurrently as a corporate auditor at Geoplan Namtech	
		Business relationship	• FGI signed a loan agreement, a line of credit agreement and a management services agreement with Geoplan Namtech. The Company also sublets part of a building it leases for itself to Geoplan Namtech.	
(9)	Consolidated performance and financial position for the past three years (Note 2)			
	Fiscal year	Fiscal 2016 (From January 1, 2016 to December 31, 2016)	Fiscal 2017 (From January 1, 2017 to September 30, 2017)	Fiscal 2018 (From October 1, 2017 to September 30, 2018)
	Net assets	¥0 million	¥24 million	¥91 million
	Total assets	¥0 million	¥131 million	¥293 million
	Net revenue	—	¥135 million	¥259 million
	Operating income (loss)	(¥1 million)	¥38 million	¥9 million
	Recurring profit (loss)	(¥1 million)	¥38 million	¥7 million
	Net income (loss)	(¥1 million)	¥24 million	¥5 million

- Notes: 1. Fiscal 2017, ended September 30, 2017, was a nine-month irregular accounting period due to a change in fiscal year-end.
2. The old Geoplan Namtech, which was established through a stock split in March 2018 to engage in the licensing business, was absorbed through a merger in May 2018.
3. FGI included Geoplan Namtech in the scope of consolidation from the end of the second quarter of fiscal 2018, ended September 30, 2018, due to the acquisition of shares.

3. Outline of counterparty in share transfer

(1)	Name	Nippon Koei Co., Ltd.	
(2)	Address	4, 5-chome, Kojimachi, Chiyoda-ku, Tokyo	
(3)	Name and title of representative	Ryuichi Arimoto, Representative Director and President	
(4)	Business activities	Construction consulting business and power engineering business	
(5)	Paid-in capital	¥7,437 million	
(6)	Date of establishment	June 1946	
(7)	Major shareholders and shareholding ratios	The Master Trust Bank of Japan, Ltd. (Trust account) 5.44% Nippon Koei Group Employees Shareholding Association 4.96% MUFG Bank, Ltd. 4.65% (As of December 31, 2018)	
(8)	Relationships with FGI	Capital relationship	• Not applicable.
		Personnel relationship	• Not applicable
		Business relationship	• Not applicable.
		Related party interests	• Not applicable

4. Overview of counterparty in share purchase

(1)	Name	Tsunehiko Nishizawa
(2)	Address	Taito-ku, Tokyo
(3)	Relationship with FGI	Representative director of FGI subsidiary Geoplan Namtech

5. Number of Shares for Transfer/Purchase, Transfer/Purchase Price and Status of Shareholding Before and After Transfer/Purchase

(1)	Shareholding prior to change	5,000 shares (Number of voting rights: 5,000) (Shareholding ratio: 83.3%)
(2)	Number of shares for transfer	3,360 shares (Number of voting rights: 3,360)
(3)	Number of shares for purchase	400 (Number of voting rights: 400)
(4)	Shareholding after change	2,040 shares (Number of voting rights: 2,040) (Shareholding ratio: 34%)

6. Schedule

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| (1) Resolution by Board of Directors | April 11, 2019 |
| (2) Conclusion of share transfer agreement | In April 2019 (planned) |
| (3) Anticipated date of share transfer/purchase | In May 2019 (planned) |

7. Outlook

This share transfer/purchase will have a minor impact on fiscal 2019 results, but the FGI Group will also draw on its cooperative relationship with the Nippon Koei Group to reinforce public finance related services.

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