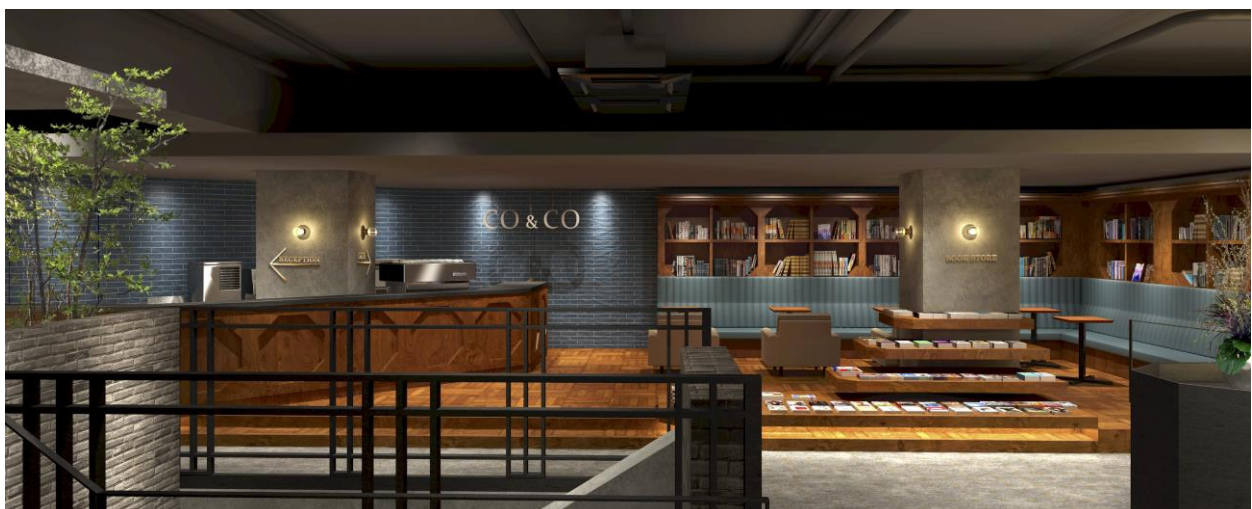


New Business and Capital Partnership with HOKKAIDO GLOBAL LINX Regarding “Area Innovation Project in Kyoto and Shiga”

- Collaboration with professionals in space creation and providing experience in particular locations -

Warehouse TERRADA has agreed on a capital investment in HOKKAIDO GLOBAL LINX Co., Ltd. (“HOKKAIDO GLOBAL LINX”) and a comprehensive business partnership including an “Area Innovation Project in Kyoto and Shiga.” Given current increases in consumption by inbound visitors, the number of tourists to Japan is estimated to reach 37 million people in 2020, representing a market size of 1,900 billion yen. Additionally, the trend in consumption by visitors to Japan is shifting from “purchasing something special” to “experiencing something special.” Based on these circumstances, we are developing an area innovation project to assemble cultural contents in Kyoto and Shiga which are suited to “experiencing something special and unique,” thus producing a “JAPAN CULTURE ORIGIN” area that connects these two regions.

As a professional in space creation, Warehouse TERRADA takes pride in making full use of our knowledge and expanding our business beyond traditional warehousing. HOKKAIDO GLOBAL LINX has a strong reputation for its educational tourism service, “Co&Co,” which was selected as a world’s top rated language service on popular online review sites for the second consecutive year^(*1-3). The company is also strong in attracting visitors in the inbound market, offering experience-based contents, arranging global service staff and establishing other systems in conjunction with attracting more visitors to Japan.



This business and capital partnership will produce and maximize synergies between the development knowledge of Warehouse TERRADA and the wealth of content, including the “Co&Co” service, offered by HOKKAIDO GLOBAL LINX, as part of the area innovation project in Kyoto and Shiga.

Please refer to the next page for details of the partnership.

- *1) On GoAbroad.com, the largest online review site in the United States, the “Co&Co” service by HOKKAIDO GLOBAL LINX became the first Japanese language school to be awarded “Top Language School” in 2016 for the second consecutive year.
- 2) On iStudy, a learning tourism media in the UK, it became the first Japanese language school to be awarded the “Global Award” in 2017 for the second consecutive year.
- 3) It was certified by Eaquals for the first time in Japan. Eaquals is the highest level of language school reviewer in Europe, originating in the UK, and is also the developer and administrator of CEFR which is a global guideline for achievement by learners of foreign languages.

[Details of the capital and business partnership]

Warehouse TERRADA has concluded an agreement with HOKKAIDO GLOBAL LINX, regarding the allocation of new shares to a third party (200 million yen). Based on the concept “Co-learn, Co-create and Co-live in one global community,” one of the goals of this partnership is to establish a world lounge produced by “Co&Co” as a place for creation. 3,000 people from more than 40 countries have registered as members of “Co&Co” executive classes in two locations in Sapporo and Kyoto. A community will also be established where both Japanese and people from other countries gather to learn and challenge together, which will create new businesses. At the same time, the partnership will launch a service to offer opportunities for people to experience lifestyles and cultural differences in Kyoto. These real-life experiences in Kyoto will be supported by expert concierge staff, and the service will be extended to Shiga.

[About HOKKAIDO GLOBAL LINX]

Company name: HOKKAIDO GLOBAL LINX Co., Ltd.

Main businesses: “Co&Co” (language and cultural education business, coworking space business and shared house business)

Representative: Sojiro Nakano, Director

Address: Takesato Building 2F, Kita 2 Nishi 3 1-29, Chuo-ku, Sapporo Hokkaido 060-0002

Kyoto Fukutoku Building 2F, Tearaimizu-cho 670, Karasumadori Nishikikoji Agaru, Nakagyo-ku, Kyoto, 604-8152

Established: January 2012

URL: <http://coandco.jp/en/>

[About Warehouse TERRADA]

Company name: Warehouse TERRADA

Main businesses: Preservation, storage and related businesses

Representative: Yoshihisa Nakano, CEO

Address: 2-6-10 Higashi-Shinagawa, Shinagawa-ku, Tokyo 140-0002

Established: October 1950

URL: <http://www.terrada.co.jp/>

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