



## **Establishing a Special Purpose Company and an O&M Company for the Miyagi Prefecture Integrated Water Supply, Industrial Waterworks, and Sewerage Public-Private Partnership Management Project**

TOKYO, Japan - July 15, 2021 - In relation to the Miyagi Prefecture integrated water supply, industrial waterworks, and sewerage public-private partnership management project ("the Project")<sup>\*1</sup>, K.K. Mizumusubi Management Miyagi ("Mizumusubi Management Miyagi") was established as a special purpose company for the Project and K.K. Mizumusubi Service Miyagi ("Mizumusubi Service Miyagi") as an operation and maintenance company on May 19, 2021.

10 companies, selected as the Project's preferred negotiation right holders, hold shares in the two companies mentioned above: METAWATER Co., Ltd., Veolia Jenets K.K., ORIX Corporation, Hitachi, Ltd., Nihon Suido Consultants Co., Ltd., HASHIMOTOTEN Co., Ltd., Fukken Gijyutsu Consultants Co., Ltd., SANDEN KOGYO CORPORATION, TOKYU CONSTRUCTION CO., LTD., and METAWATER SERVICE Co., Ltd.

The names of the two companies include the word "*mizumusubi*" ("to connect water"), which was chosen as it embodies multiple meanings: the integration of Miyagi Prefecture's three water businesses (water supply, industrial waterworks, and sewerage); coordination with Miyagi Prefecture's water companies; and connecting Miyagi Prefecture's water infrastructure—which has been consistently maintained thus far—with the future. It is hoped that the two companies will achieve these three goals and realize sustainable water supply, industrial waterworks, and sewerage services in the prefecture.

Mizumusubi Management Miyagi, Mizumusubi Service Miyagi, and the ten shareholding companies will work together and hold discussions with Miyagi Prefecture with the aim of launching businesses in April 2022. At the same time, all parties concerned will further advance their ongoing preparations based on a basic agreement to commence business operations.

The Project entrusts the operation of Miyagi Prefecture's water supply business, industrial waterworks business, and sewerage business facilities to the private sector for a period of 20 years. At present, Miyagi Prefecture is engaged in preparations to launch businesses in April 2022, based on the assumption that an implementation contract can be concluded. To this end, the 379th Miyagi Prefectural Assembly (June 2021 Regular Session) approved a resolution for the transfer of operating rights for public facilities associated with the Project, according to the PFI Act, Article 19 Paragraph 4<sup>\*2</sup>.

Following the resolution's approval, in line with Article 24 Paragraph 4 of the Water Supply Act, Miyagi Prefecture has now applied to the Minister of Health, Labour and Welfare for permission to transfer water supply facility operating rights. When permission has been received, Miyagi Prefecture intends to conclude the implementation contract.

<sup>\*1</sup> For further information, see the Miyagi Prefecture integrated water supply, industrial waterworks, and sewerage public-private partnership management project page on the Miyagi Prefecture website: <https://www.pref.miyagi.jp/site/miyagigata/> (in Japanese)

<sup>\*2</sup> "PFI Act" is an abbreviation of "Act on Promotion of Private Finance Initiative"

**Overview of K.K. Mizumusubi Management Miyagi**

Address	27-21 Tachi-machi, Aoba-ku, Sendai, Miyagi
Representative	Masashi Sakai, President and CEO
Description of business	As the implementing body of the Miyagi Prefecture integrated water supply, industrial waterworks, and sewerage public-private partnership management project, the company will operate a total of nine separate businesses in three fields: two water supply businesses; three industrial waterworks businesses; and four sewerage businesses.
Date of establishment	May 19, 2021
Shareholders	METAWATER Co., Ltd. Veolia Jenets K.K. ORIX Corporation Hitachi, Ltd. Nihon Suido Consultants Co., Ltd. HASHIMOTOTEN Co., Ltd. Fukken Gijyutsu Consultants Co., Ltd. SANDEN KOGYO CORPORATION TOKYU CONSTRUCTION CO., LTD. METAWATER SERVICE Co., Ltd.
Website	<a href="https://www.mizumusubi.com/">https://www.mizumusubi.com/</a>

**Overview of K.K. Mizumusubi Service Miyagi**

Address	27-21 Tachi-machi, Aoba-ku, Sendai, Miyagi
Representative	Taketoshi Ando, President and CEO
Description of business	As the operation and maintenance company for the Miyagi Prefecture integrated water supply, industrial waterworks, and sewerage public-private partnership management project, the company will operate and maintain a total of nine separate businesses in three fields: two water supply businesses; three industrial waterworks businesses; and four sewerage businesses.
Shareholders	METAWATER Co., Ltd. Veolia Jenets K.K. ORIX Corporation Hitachi, Ltd. Nihon Suido Consultants Co., Ltd. HASHIMOTOTEN Co., Ltd. Fukken Gijyutsu Consultants Co., Ltd. SANDEN KOGYO CORPORATION TOKYU CONSTRUCTION CO., LTD. METAWATER SERVICE Co., Ltd.
Website	<a href="https://www.mizumusubi.com/">https://www.mizumusubi.com/</a>

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**About ORIX:**

ORIX Corporation (TSE: 8591; NYSE: IX) is a financial services group which provides innovative products and services to its customers by constantly pursuing new businesses.

Established in 1964, from its start in the leasing business, ORIX has advanced into neighboring fields and at present has expanded into lending, investment, life insurance, banking, asset management, automobile related, real estate and environment and energy related businesses. Since entering Hong Kong in 1971, ORIX has spread its businesses globally by establishing locations in 31 countries and regions across the world.

Going forward, ORIX intends to utilize its strengths and expertise, which generate new value, to establish an independent ORIX business model that continues to evolve perpetually. In this way, ORIX will engage in business activities that instill vitality in its companies and workforce, and thereby contribute to society. For more details, please visit our website: <https://www.orix.co.jp/grp/en/>  
(As of March 31, 2021)

**Caution Concerning Forward Looking Statements:**

These documents May contain forward-looking statements about expected future events and financial results that involve risks and uncertainties. Such statements are based on our current expectations and are subject to uncertainties and risks that could cause actual results that differ materially from those described in the forward-looking statements. Factors that could cause such a difference include, but are not limited to, those described under “Risk Factors” in the Company’s annual report on Form 20-F filed with the United States Securities and Exchange Commission and under “(4) Risk Factors” of the “1. Summary of Consolidated Financial Results” of the “Consolidated Financial Results April 1, 2020 – March 31, 2021.”