

Polaris Capital Group Co., Ltd.
September 29, 2017

Sale of Works Applications Co., Ltd.

Polaris Private Equity Fund II, L.P. (“Polaris Fund II”), managed by Polaris Capital Group Co., Ltd. (“Polaris”), has agreed with a fund managed by ACA Investment Pte. Ltd. (“ACA Group”) on the sale of all of the shares of Works Applications Co., Ltd. (“WAP”) beneficially owned by Polaris Fund II via Polaris K&C Investment Partnership (“PK Partnership”) (which, combined with the shares owned by the co-investment fund managed by Polaris and Karita & Company Inc., represent a majority of the outstanding shares of WAP) and signed Share Purchase Agreement on September 27, 2017.

WAP is a leading company in the market of ERP (Enterprise Resource Planning) software packages for large corporations in Japan and has been achieving a steady growth in its core HR segment as well as accounting and SCM (Supply Chain Management) segment since the MBO (Management Buy Out) executed in 2011 under the sponsorship of PK Partnership. In January 2016, WAP launched “HUE”, the first ERP equipped with Artificial Intelligence, which attracted a significant amount of interest globally as an ERP suite with superior usability and comprehensive coverage of HR, Accounting and SCM, and is expected to grow in both the domestic and the global markets with “HUE” as its main product.

Since the MBO, Polaris has provided WAP with hands-on supports for strengthening its corporate governance and control and launching “HUE” product all the way from R&D stage. As a result, the consolidated annual sales of WAP increased from JPY23billion in FY June/2011 (immediately after the MBO) to JPY50billion in FY June/2017 (22% increase from the prior year) and the accumulated number of users exceeded 1,300 ranging from large corporations to governmental organizations. Polaris has decided to proceed with the sale since ACA Group would be able to help WAP increase its enterprise value through supporting the current growth strategy with “HUE” as the core product and the future re-listing plan.

For inquires:

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