

## **Establishment of Private Equity Firm, MSD Investments Ltd., and Launch of 1<sup>st</sup> Buyout Fund**

Mitsui & Co., Ltd. (“Mitsui”, Head Office: Tokyo, President and CEO: Tatsuo Yasunaga), Sumitomo Mitsui Banking Corporation (“SMBC”, President: Takeshi Kunibe) and the Development Bank of Japan Inc. (“DBJ”, President and CEO: Masanori Yanagi) (hereinafter collectively “Three Sponsors”) have jointly established a private equity firm, MSD Investments Ltd. (“MSD Investments”). MSD Investments has begun to manage the MSD 1st Investment Limited Partnership (“MSD Fund”), which was established today with capital commitments of ¥10 billion from each of the Three Sponsors, amounting to ¥30 billion.

Many companies in Japan today face a challenging economic environment and a wide range of problems, including intense competition in domestic and overseas markets as well as business succession issues of family business owners due to a lack of willing successors with the same family roots and managerial expertise. MSD Investments will work side-by-side with portfolio companies to assist them in advancing to the next phase of growth. The Three Sponsors will use a broad range of networks and business knowledge in their efforts to be the best partner of such portfolio companies, while taking a long-term perspective.

Mitsui has continually invested in domestic and overseas businesses, including both venture stage firms and matured enterprises, directly or through its affiliated vehicles. It plans to expand the scope and scale of its investments, especially in matured companies, by making direct equity investments or capital commitments to funds in Japan and overseas that it identifies or forms, typically with strategic partners, as in the present case. To ensure the success of this particular initiative, Mitsui will utilize its domestic and international networks as well as its managerial expertise. Mitsui believes that its tangible and intangible assets accumulated over time could contribute to the growth of portfolio companies, in such areas as overseas expansion and operational improvements.

SMBC will provide solutions for its clients to resolve a broad range of business issues, including business succession, and contribute to their growth through this initiative by taking advantage of the networks, corporate value creation, finance expertise, and human resources of the Three Sponsors, as well as by providing risk capital.

DBJ is committed to contributing to the growth of companies in Japan and the revitalization of the Japanese economy. To materialize the strategy through this initiative, DBJ will not only utilize its accumulated investment knowledge and extended networks but provide risk capital in collaboration with Mitsui and SMBC. This initiative will also be eligible for the Growth Co-creation Facility, which was established on June 29, 2015 as an independent initiative by DBJ with the aim of facilitating the creation and expansion of domestic growth capital markets.

### Profile of MSD Investments Ltd.

Trading name	MSD Investments Ltd.
Address	8F, Nikkei Building, 3-7, Ohtemachi 1-chome, Chiyoda-ku, Tokyo
Capital	¥99 million
Shareholders	Mitsui & Co., Principal Investment Ltd.: 33.3% SMBC: 33.3% DBJ: 33.3%
Established	September 1, 2015
Representatives	Hidemasa Aida (Representative Director) Hiroshi Yasuda (Representative Director)
Contact for inquiries	Telephone: +81-3-3285-3622
Activities	Manage investment partnerships and provide management consulting services
Basic philosophy	As a private equity firm established by Japanese sponsors for Japanese companies, we will strive to maximize value for all stakeholders, including shareholders, suppliers and employees, by helping companies to resolve issues and achieve growth.

### Profile of Managed Fund

Fund name	MSD 1st Investment Limited Partnership
Fund size	¥30 billion
General partner	MSD Investments Ltd.
Limited partners	Mitsui SMBC DBJ
Established	October 1, 2015
Term	10 years

## Sponsors



Sumitomo Mitsui Banking Corporation



MITSUI & CO.



Development Bank of Japan

