

Cool Japan Fund Inc.

Tokyo, March 25, 2016

LP Investment in a Fund Promoting Japanese Food, Agricultural Exports to the Middle East

Cool Japan Fund has decided to make a strategic LP investment of up to 40 million US dollars in the Gulf Japan Food Fund, which was newly formed by Mizuho Bank Ltd. and The Norinchukin Bank. The fund, launched its investment business on March 3, 2016, is a private equity fund which aims to provide financial support toward expanding exports of Japanese agricultural, forestry and fisheries products as well as improving food security in the six nations of the Gulf Cooperation Council (GCC) (Note 1).

Through the Gulf Japan Food Fund, Cool Japan Fund anticipates that safe and world-class quality agricultural, forestry and fisheries products and foods from Japan will be firmly established among the people of the Middle East and that Japanese brands will gain wide prominence in the Middle East by utilizing Japan's advanced cutting-edge technology, which creates such products, to build a food value chain in the Middle East.

In the context of the Japanese government's "Japan Revitalization Strategy", with a 1 trillion-yen target set for the export of food, agricultural and forestry products by 2020, development of a specific framework to expand exports by food-related industries is required. On the other hand, food security is a major policy challenge in the Middle East countries. Strong demand exists for safe high-quality foods and support for technology that will enhance efficiency and add value to food production and processing in the region.

Amid these conditions, Mizuho Bank and The Norinchukin Bank formed a private equity fund, Gulf Japan Food Fund (Note 2), aimed at providing financial support in response to the need to expand exports of Japanese agricultural, forestry and fisheries products, while also meeting improvement of food security in GCC countries. The fund, operated by Mizuho Gulf Capital Partners Ltd. that was established in Dubai in the United Arab Emirates as a wholly owned subsidiary of Mizuho Bank, started its investment business on March 3, 2016.

Cool Japan Fund decided to make a strategic LP investment of up to 40 million US dollars in the fund. In addition, investments from the Middle East have been decided, namely that from the Gulf Investment Corporation (GIC), the State General Reserve Fund (SGRF) and the National Investments Development Company (TANMIA) of the government of Oman.

The fund’s objective is to grow and promote food- and agriculture-related businesses (Note 3) for Japan and GCC countries by investing in newly established joint ventures, with coordination between corporations in Japan and the Middle East, while aiming to create added value and markets that are spawned by new alliances and partnerships that capitalize on platform functions that match Japanese corporations with those in the Middle East.

Through the Gulf Japan Food Fund, Cool Japan Fund anticipates that world-class, high-quality and safe agricultural, forestry and fisheries products and foods from Japan will be firmly established among the people of the Middle East. By utilizing the cutting-edge Japanese technology that develops such products to build a food value chain in the Middle East, Cool Japan Fund also expects that Japanese brands will gain prominence throughout the region.

[Notes]

Note 1) A total of six countries that are member states of the Gulf Cooperation Council: Saudi Arabia, the United Arab Emirates, Bahrain, Oman, Qatar and Kuwait.

Note 2) Both banks established and became shareholders of Gulf Japan Food Fund GP (registered in the British territory of Cayman Islands) on July 29, 2015, ahead of this project.

Note 3) (1) Import and export business; (2) Cultivation business; (3) Processing business; (4) Distribution business; (5) Sales business and (6) Food industry infrastructure business.

[Gulf Japan Food Fund]

Start of business	March 3, 2016
Total fund size	390 million US dollars
Term	Commitment period: six years from start of business (March 3, 2016) Overall fund period: 10 years from the start of business (with an option to extend for two years)

Main investment areas	GCC countries and Japan
Targeted businesses for investment	Industries that make up the food value chain and related industries —Import and export, cultivation, processing, distribution, sales, food industry infrastructure businesses, etc.
Investment format	Equities and equity-linked method (investment in common shares, preferred shares, etc.)
