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Press Release

New Horizon Capital Co., Ltd.

**New Horizon Capital Launches 2nd Corporate Revitalization Fund
--Targeting up to 15 Billion Yen to Work with Regional Banks Nationwide -**

Japan's leading independent private equity fund, New Horizon Capital Co., Ltd. (Head Office: Nishi Shinbashi, Minato-ku, Tokyo; Chairman and President: Yasushi Ando; hereafter NHC), launched its 2nd fund "NH-2" with a 5.3 billion yen first close, including 2 billion yen from the Organization for Small & Medium Enterprises and Regional Innovation, JAPAN (hereafter SMRJ). The second close is expected by the first quarter of 2013. NH-2 will receive a maximum of an additional 2 billion yen from SMRJ, depending on the investment amount received from other investors, by the end of the second close. NHC continues to actively support and promote the growth, business succession, industrial revitalization and corporate rehabilitation of local small and medium-sized companies with regional banks and other financial institutions.

Both government and the private sector are seeking exit strategies for the SME Finance Facilitation Act, which will expire in March 2013, as the business environment for small and medium-sized enterprises remains severe. The only solution is to provide risk money through the private sector, which can develop mid- to long-term industrial revitalization and corporate rehabilitation with economic judiciousness. NHC, which has extensive experience in industrial revitalization and corporate rehabilitation, can execute exit strategies.

NHC is a top-tier Japanese PE fund targeting mid-to-small cap buyout deals with approximately 11 years of experience and a cumulative AUM of 230 billion yen. It was spun off from Phoenix Capital. NH-2 is NHC's second fund and 8th fund in total, including its record prior to the spin-off. The NHC team has an excellent equity investment track record of 26 firms, including Mitsubishi Motors Corporation, Teac Corporation, Tokyu Construction, Fudo Construction, Seikitokyu Kogyo, Ichida, Myodo Metal, and Tsumura. NHC's track record includes more than 70 firms when debt investment transactions are included.

In recent years, NHC successfully revitalized Housetech, acquired from Hitachi Group. Housetec successfully registered a recurring profit just one year into its business rehabilitation initiatives, and

thereafter recorded four consecutive years of earnings growth by the fiscal year ending March 2012, despite the severe business environment, including the negative impact of the Lehman shock and revision of the Japan Building Standards Law. To ensure the further growth of Housotec's business, Housotec was sold to YAMADA DENKI, the leading Japanese consumer electronics retailer, which has recently positioned a Smart House concept focused on its ECO-related businesses as one of its core growth engines.

For the second close, in addition to SMRJ, investments are expected from domestic pension funds, mega banks, regional banks, life insurers, foreign pension funds and funds of funds.

Yasushi Ando, Chairman and President of NHC, strongly believes that an independent PE fund has to have a solid track record and close working relationships with banks to promote the rehabilitation of small and medium-sized enterprises. NHC continues to be committed to work toward the recovery of the Japanese economy.

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