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For Immediate Release

New Horizon Capital Co., Ltd.

NH-3 to Receive 6 Billion Yen Investment from SMRJ

New Horizon Capital Co., Ltd. (Head Office: Minato-ku, Tokyo; Chairman: Yasushi Ando; hereinafter NHC), a leading independent private equity fund, announced today that its third fund, NH-3, expected to reach 15 billion JPY in the near future and will receive a capital investment of six billion yen from the Organization for Small & Medium Enterprises and Regional Innovations, Japan (hereafter SMRJ). NH-3's final fund amount is expected to be around 25 billion yen.

SMRJ cooperates and provides support to promote business in regional economies through the Regional Future Investment Promotion Act of the Ministry of Economy, put into effect on July 31, 2017. As an eligible fund under the aforesaid Act, NH-3 will receive six billion yen from SMRJ. NHC believes that the decision to invest in NH-3 was made based on NHC's conforming to the purpose of the Act by having stable investment results and successful business succession/carve-outs and providing growth support and revitalization for small and medium-sized enterprises, which account for about 80 percent of NHC's past investment projects.

NH-3 recently invested in Showa Corporation (Head Office: Minato-ku, Tokyo) to implement a business succession plan and provide growth support, and has many other new investment cases under consideration.

Yasushi Ando, Chairman of New Horizon Capital, commented that, "The need for business succession plans, corporate revitalization and growth support is expanding, mainly in small and medium-sized enterprises that are playing central roles in the regional industrial economies of Japan. The importance of the role of PE funds as catalysts to promote industry reorganization is increasing. In addition, a number of regional financial institutions are regarding NHC's in-depth experience and know-how as being beneficial to the promotion of the Financial Services Agency's statement on regional banks, shifting the emphasis of their lending decisions from the creditworthiness to the borrower's business potential. We will continue to support the revitalization of the Japanese economy by increasing our achievements."

About NHC:

New Horizon Capital (NHC) is a top-tier Japanese PE fund targeting small- to mid-cap buyout deals, with approximately 15 years of experience and a cumulative AUM of 260 billion yen. NHC was spun off from Phoenix Capital, which was founded by Yasushi Ando. NHC has been managing three funds since its foundation and eight funds in total as Phoenix Capital and NHC. The NHC team has an excellent equity-investment track record, including Mitsubishi Motors Corporation, Teac Corporation, Tokyu Construction, Fudo Construction, Seikitokyu Kogyo, Ichida, Tsumura, Hitachi Housotec, Marumo Industry, Mag2, iae Holdings, Tachikichi, Takeda Industry, SnSnap, Shibaura Fire Pump Corporation, and Kawasaki Holdings. NHC possesses the largest investment track record, having invested in more than 100 firms, including 40 equity investments, in Japan.

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