

# RISA Corporate Solution Fund initiative



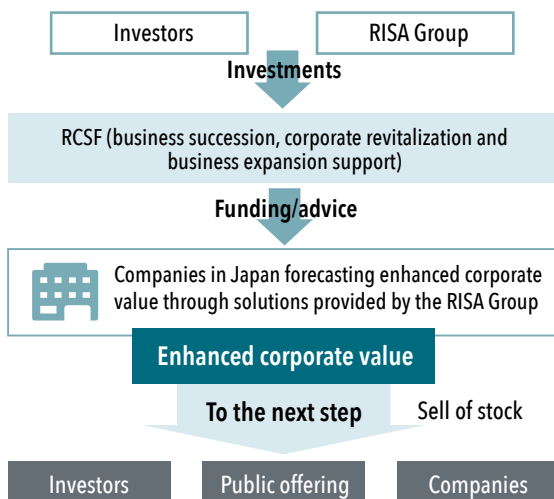
The RISA Corporate Solution Fund (RCSF) organized and run by RISA Partners, Inc. (RISA), is a private equity fund for the purpose of enhancing corporate value of the company receiving investment and providing solutions such as funding and advisory services for needs that include business succession, corporate revitalization and growth support. The operating capital of the fund has been raised from entities such as RISA and domestic institutional investors. RCSF differs from venture funds that primarily invest in start-up companies without a track-record as well as companies close to a public offering. The fund features characteristic that aim to enhance corporate value based on the needs for investment regardless of a public offering by emphasizing growing and mature enterprises while being able to flexibly adapt even the investment term. Funds are operated in phases that include investment after examination and audit of investment conditions, various advisory services to enhance corporate value and support the execution of measures. During these phases, funds generally outsource some of the services to experts because specialized knowledge and know-how over a wide range of subjects is necessary from finance to accounting, tax affairs, legal affairs, and real estate. However, RISA has hired these experts in-house who are involved in the operation of the fund throughout to rapidly and flexibly respond to the needs of borrowers.

RCSF has focused on lending for corporate revitalization which was a trend at the time it first began in 2006, but consultations from entrepreneurs and companies that aim to issue public offerings of stock are growing

today as well as business succession as founding presidents age. In 2017, RCSF had an investment that dramatically increased revenue through a public offering even though the initial consultation was related to a succession of shares from the entrepreneur. The “dream of a public listing” was discovered while organizing the problems with the company seeking investment, which transitioned support toward a public offering. Teamwork with the company seeking investment made the public offering a success by creating a road map for not only the provision of project funding to the company but also for the public offering, promoting support for the formulation of growth strategies, and the set up and enhancement of internal systems for the public offering.

RCSF investments up until now have provided various aid to more than 30 entities from business reorganization and revitalization to business expansion support that includes advancement overseas, support for public offerings and MBO\* support. Consultations are also brought to RISA by its network of more than 180 regional financial institutions throughout Japan. Many of the clients RISA invests in are local prestigious companies. By determining investment and support for companies forecast to confront challenges in revitalization and the enhancement of corporate value, the RCSF is able to create a new economic flow to regions in addition to the investment companies. We will remain committed to the RCSF to contribute to the revitalization of the regional economy.

\* MBO (Management Buyout): Corporate management utilizes this form of acquisition to buy out corporate stock or a business unit to establish as an independent entity.



RISA Partners, Inc. (from left)

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