

**Phronesis Partners Co., Ltd., a private equity firm focusing on growth buyouts, formed
New Paradigm Fund I Investment Limited Partnership**

-The first closing was concluded with 3billion yen, aiming to extend the total fund size to 10 billion yen-

Phronesis Partners Co., Ltd. (hereafter, “Phronesis Partners”), an independent Japanese private equity firm focusing on small-cap buyouts, formed today “New Paradigm Fund I Investment Limited Partnership” (hereafter, “Fund”).

Further, Phronesis Partners has executed a partnership agreement with the Organization for Small & Medium Enterprises and Regional Innovation, JAPAN (hereafter, “SMRJ”), whereby SMRJ invests 1.5 billion yen of the total amount of 3 billion yen at the first closing, as described below.

The Fund focuses on buyout investments in small-caps aiming to realize the potential of investee companies and achieve further growth. The Fund will source business succession, carve-out, and financial restructuring (including capital infusion) type deals. In addition to risk capital from the Fund, Phronesis Partners provides hands-on managerial support in redirecting business strategies, forming an effective management system and, building the management team to lead further growth.

At the first closing, the Fund has been established with 3 billion yen including 1.5 billion yen from SMRJ. Phronesis Partners plans to extend the total fund size to 10 billion yen. SMRJ commits to invest a maximum of 2.5 billion yen in line with the increase of fund size.

Through its successful management of the Fund, Phronesis Partners endeavors to establish the role and significance of the private equity industry in Japan and to contribute to the development of the Japanese economy.

Contact details for inquiries

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About Phronesis Partners Co., Ltd.

Phronesis Partners is an independent Japanese private equity firm established in 2013, specializing in small-cap buyout investments. Through its unique investment strategy, “Growth Buyout”, Phronesis Partners aim to achieve sustainable growth of its investee companies and contribute to strengthening the Japanese industrial structure. The founding members have a distinguished investment track record in the Japanese buyout market from its inception. Phronesis Partners also operates Phronesis Management Academy, to train and foster professional managers as candidates to dispatch to investee companies as the management team member and increase corporate value.

Company Outline

Company : Phronesis Partners Co., Ltd.
Address : Toranomom 40MT Building 7F, 5-13-1 Toranomom, Minato-ku, Tokyo
Representative : Co-CEO, Partner Takahisa Koitabashi, Tomoya Shiraishi
Establishment : March 5, 2013
Paid up Capital : 37.5 million yen
URL : <http://www.phronesis-partners.co.jp/>

About Phronesis Partners Co-CEO

Takahisa Koitabashi (Co-CEO, Partner)

Mr. Koitabashi started his carrier at Yamaichi Securities where he engaged in cooperate finance advisory to financial institutions and industrial companies. He then joined Recof in 1995 and worked in M&A advisory service. After leaving Recof, he joined General Electric Corporation, Corporate Financial Services, and gained expertise in corporate turnarounds. Since 2007, he served as the deputy head of I-Sigma Business Advancement Fund 1 at I-Sigma Capital and also gained managerial experience as the CEO of a portfolio company. In 2013, he founded Phronesis Partners to achieve long-term increase in the value of investments through the sustainable growth of the portfolio companies.

B.A in Economics at Keio University (1987), M.B.A at University of Virginia, Colgate Darden School of Business (1993)

Tomoya Shiraishi (Co-CEO, Partner)

Mr. Shiraishi has 30 years private equity experience in Japan, US and Asian countries. His investment track record includes venture / growth capital investments, buyouts and corporate rehabilitations based on the Growth Buyout Investments strategy. He joined JAFCO in 1986, lead the buyout team of JAFCO and he was head of Japan office of global private equity firm Pemira from 2005 to 2009. After the East Japan earthquake in Mach 2011, he spent most of his time to support revitalizing the local economy and social enterprises. He decided to join Phronesis to make it a leading, sustainable firm and achieve long-term value increase in Japanese small-cap buyouts.

B.A in Law at Hitotsubashi University (1986)