

Cool Japan Fund Inc.
Tokyo, August 3, 2018

Establishment of a Fund to Support the Creation of Japanese Visual Content Aimed for International Distribution

Cool Japan Fund is pleased to announce the decision to invest a maximum of 5.15 billion yen to launch the Japan Contents Factory Investment Business Limited Liability Partnership (“this fund”) in order to support the creation of Japanese visual content aimed for international distribution by establishing Japan Contents Factory Inc. (JCF), a fund-operated company. Cool Japan Fund will cooperate with NTT Plala Inc. (NTT Plala), YD Creation, Inc. (YDC), Bungeishunju Ltd. (Bungeishunju), and Aeon Entertainment Co., Ltd. (Aeon Entertainment) to establish the fund, which is scheduled to begin operation in autumn of 2018.

This fund provides capital until payment of license fees and supports production companies for visual content within a contract that promises payment after completion (“presales contracts”) with Video On Demand (VOD) media services etc.

Through this fund, Cool Japan Fund will contribute to the development of the domestic content industry and the distribution of the allure of Japanese content overseas by providing a platform to raise funds for production companies with outstanding planning and production capabilities.

With the expansion of the VOD market, the demand for original video content is increasing and domestic production companies are expanding their opportunities to develop their own global visual content. Under such circumstances, presales contracts with VOD media services are also increasing, but the procurement of production funds until completion is still difficult.

Cool Japan Fund established the JCF, a fund management company, with NTT Plala, YDC, Bungeishunju, and Aeon Entertainment to launch a fund to support the creation of visual content in Japan aimed for international distribution and has decided to invest a maximum of 5.15 billion yen. The fund is scheduled to begin operation in autumn of 2018.

In addition to animation, movies, TV dramas, and variety shows which have concluded the presales contracts with VOD media services etc., this fund will also provide capital until payment for visual content within new fields such as VR and AR.

With the establishment of this fund, domestic production companies will be able to expand their limited means of procuring funds prior to the completion of visual content. The fund will also have a ripple effect that expands opportunities for subjective secondary usage, such as visual content being distributed after content completion, broadcasting, VOD, commercialization, and video game adaptations, to be distributed to the global market.

Through this fund, Cool Japan Fund aims to eliminate the bottlenecks found in production companies which had difficulties in creating content by themselves or developing their businesses due to limited means of financing despite having outstanding planning and production capabilities. Cool Japan Fund will provide a fundraising platform that will allow them to contribute to the development of the domestic content industry and the distribution of the allure of Japanese content overseas.

[About Japan Contents Factory Inc.]

Headquarters: Sunshine 60 22F 3-1-1 Higashi Ikebukuro, Toshima Ward, Tokyo
President: Koji Bando
Outline of Business: Operation of the investment business LLP
Capital: 510 million JPY (Including capital reserve)
Shareholders Ratio: NTT Plala Inc. 39.2%
Cool Japan Fund 29.4%
YD Creation, Inc. 19.6%
Bungeishunju Ltd. 5.9%
Aeon Entertainment Co., Ltd. 5.9%
Establishment Date: May 7, 2018
Business starting date: Autumn 2018
Homepage: www.jc-factory.co.jp
Contacts: info@jc-factory.co.jp

[About the Japan Contents Factory Investment Business Limited Liability Partnership]

Time of formation: July 2018
Limited Liability Partner: Cool Japan Fund
General Partner: Japan Contents Factory Inc.
Total investment: 5.3 billion yen
Investment period (Scheduled): Until June 2028 (10 years)
Beginning of operations: Autumn 2018

[About NTT Plala Inc.]

Establishment Date: December 1995
Headquarters: Ikebukuro, Toshima Ward, Tokyo
President and CEO: Koji Bando
Outline of Business: Telecommunications
Homepage: <http://www.nttplala.com/english/>

[About YD Creation, Inc.]

Establishment Date: October 2015
Headquarters: Shinjuku Ward, Tokyo
President: Akihiko Okamoto
Outline of Business: Planning, creating, producing and selling of video and digital content
Homepage: <http://ydcr.jp/>

[About Bungeishunju Ltd.]

Establishment Date: January 1923
Headquarters: Chiyoda Ward, Tokyo
President: Yoshihito Nakabe
Outline of Business: Publication of books, separate volume books,
pocket edition books, paperback books,
collections, distribution of web-media,
e-book business, etc.
Homepage: <http://www.bunshun.co.jp/>

[About Aeon Entertainment Co., Ltd.]

Establishment Date: October 1991
Headquarters: Minato Ward, Tokyo
President: Kazuaki Arima
Outline of Business: Provides entertainment through movies,
plays, music and various events using multiplex
systems; operates various entertainment facilities
attached to movie theaters, such as eating
and drinking establishments and shops
Homepage: <http://www.aeoncinema.com/company/>
