

2. Trends in Inward FDI to Japan

The growth rate in Japan's inward FDI stock has slowed, and on a net flow basis, it has declined for the second consecutive year; nevertheless, the number of greenfield investments and cross-border M&A transactions targeting Japan have turned to an increase.

Section 1: Trends in Inward FDI to Japan

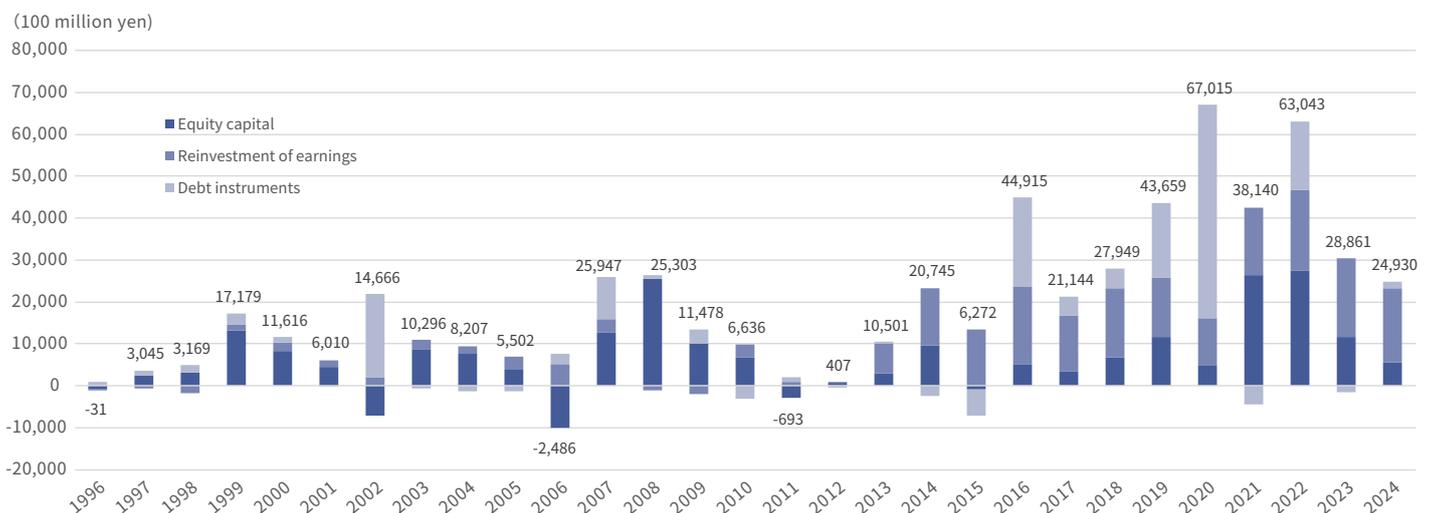
1. Trends in Net Flows

■ Although equity capital has declined by more than 50% for two consecutive years, a net inflow has been maintained

According to the Ministry of Finance (MOF) and the Bank of Japan (BOJ)'s Balance of Payments Statistics (the asset/liability principle), inward FDI to Japan (net flows) in 2024 amounted to 2.5 trillion yen, down 13.6% year-on-year (Chart 2-1). By capital type, equity capital decreased 51.8% year-on-year to 0.6 trillion yen, reinvested earnings fell 4.9% to 1.8 trillion yen, and debt instruments shifted from minus 0.1 trillion yen to plus 0.2

trillion yen. Equity capital has declined by more than 50% for the second consecutive year; factors such as heightened global geopolitical risks, monetary tightening, and inflation concerns have likely caused more cautious capital movements. On the other hand, reinvested earnings have remained robust; internally retained capital provides stable support for the overall level of FDI in Japan.

Chart 2-1: Trends in Inward FDI to Japan (Net Flows)



Note: This chart is based on the Balance of Payments Manual (BPM) standards. Since 2014, the statistical standards have shifted from BPM5 (the directional principle) to BPM6 (the asset/liability principle), adopting a method in which intercompany capital flows are recorded separately for lending and borrowing sides. This change has made capital movements more transparent. On the other hand, some sources may present figures on a net basis by offsetting flows, so caution is required when interpreting the data.

Source: Based on "Balance of Payments" by MOF and BOJ

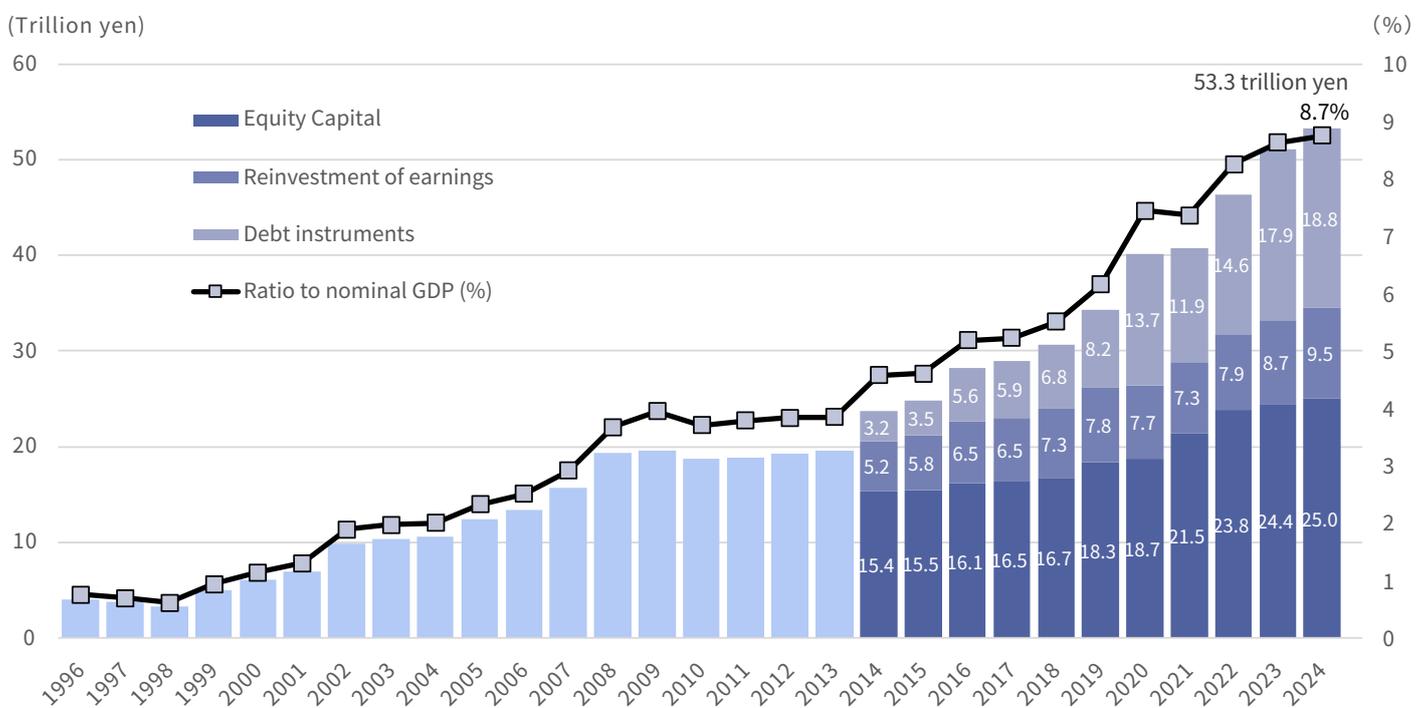
2. Trends in Stock

■ While maintaining an upward trend, the growth rate has slowed

At the end of 2024, FDI stock in Japan (the asset/liability principle) stood at 53.3 trillion yen, up 4.5% from the previous year, representing 8.7% of GDP (Chart 2-2). By capital type, equity capital increased 2.7% year-on-year to 25.0 trillion yen, reinvested earnings rose 8.2% to 9.5 trillion yen, and debt instruments increased 5.1% to 18.8 trillion yen. Comparing the

composition ratios of each stock for 2014, when the breakdown was first published, and 2024, equity capital decreased from 64.8% to 47.0%, a drop of 17.8 percentage points, and reinvested earnings fell from 21.8% to 17.7%, down 4.1 points. In contrast, debt instruments surged from 13.4% to 35.3%, an increase of 21.9 points.

Chart 2-2: Trends in Inward FDI in Japan (Stock)



Note: Since 2014, Japan has shifted its Balance of Payments Manual (BPM) standards from the fifth edition (the directional principle) to the sixth edition (the asset/liability principle with gross recording). As a result, loan and borrowing positions are now recorded separately as assets and liabilities. In particular, liability-type capital such as borrowings newly appears as distinct outstanding amounts. Therefore, caution is required when comparing time-series data across the break in 2014, as continuity and consistency may not be maintained.

Source: Based on "International Investment Position of Japan" by MOF and BOJ and "National Accounts of Japan" by the Cabinet Office

Section 2: Inward FDI to Japan by Country and Region

1. Net Flows

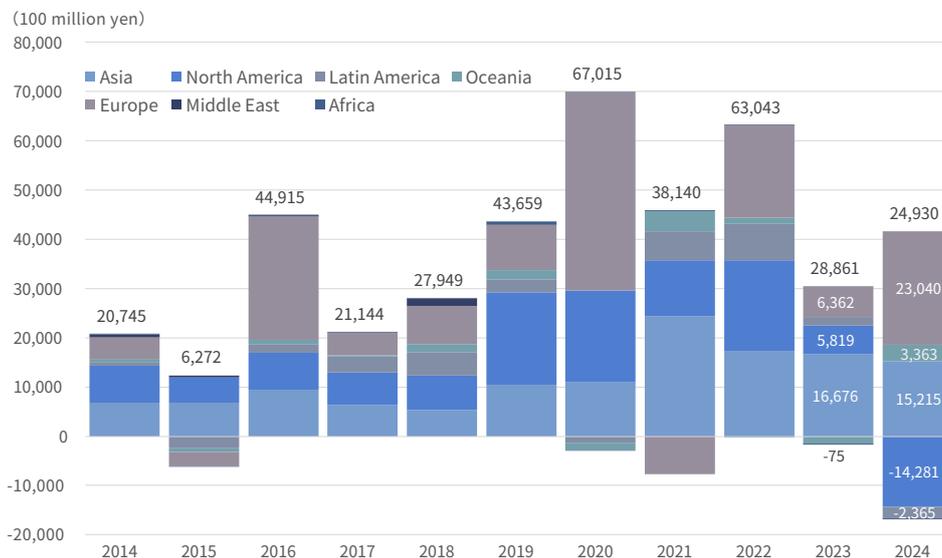
■ Net investment declined for the second consecutive year, primarily due to significant net withdrawals from the U.S.

Looking at the flow of FDI in Japan (the asset/liability principle) in 2024 by region, net investment inflows were recorded in Europe (2.3 trillion yen), Asia (1.5 trillion yen), and Oceania (0.3 trillion yen) (Chart 2-3). On the other hand, net withdrawals were recorded in North America (1.4 trillion yen) and in Latin America (0.2 trillion yen), resulting in a total net withdrawal of 1.7 trillion yen—the largest since the current statistical standards were adopted in 2014. By country, Switzerland recorded the highest amount at 933.8 billion yen, a sharp rebound from 700 million

yen in 2023 (Chart 2-4). Meanwhile, the United States saw both execution and recovery reach record highs* at 21.6 trillion yen and 23.1 trillion yen, respectively, resulting in a net withdrawal of 1.6 trillion yen. This may have been influenced by factors such as the repayment of intercompany loans (debt instruments) and the sale of Japanese subsidiaries by U.S. companies.

Note *: This refers to the period from 2014 onwards, after changing to the comparable statistical standard currently in use.

Chart 2-3: Trends in Inward FDI to Japan by Region (Net Flows)



Source: Based on "Balance of Payments" by MOF and BOJ

Chart 2-4: Top 10 Countries and Regions for inward FDI to Japan (Net Flows)

(100 million yen, %)

Ranking	Investor Country / Region	2024		
		Value	Growth rate (YoY)	Share
1	Switzerland	9,338	140,824.0	37.5
2	Netherlands	7,405	*	29.7
3	Hong Kong	5,241	88.2	21.0
4	Singapore	4,099	-50.0	16.4
5	Australia	3,276	*	13.1
6	Taiwan	2,480	5.2	9.9
7	China	2,051	13.6	8.2
8	France	2,043	-35.8	8.2
9	Canada	1,332	145.5	5.3
10	Belgium	1,095	50.0	4.4
-	United Kingdom	-1,678	*	*
-	Cayman Islands	-3,237	*	*
-	United States	-15,613	*	*
	Total	24,930	-13.6	100.0

Note: Items marked with * in the table are not shown as one of the comparative data is negative. Source: Based on "Balance of Payments" by MOF and BOJ

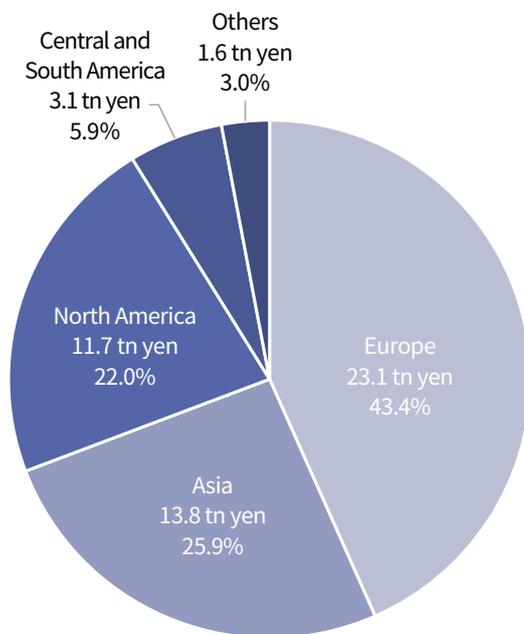
2. Stock

■ Due to substantial net withdrawals of the U.S., Asia has surpassed North America by region, rising to second place for the first time in two years

Looking at inward FDI stock in Japan (the asset/liability principle) at the end of 2024, Europe had the largest share at 23.1 trillion yen (43.4%), followed by Asia at 13.8 trillion yen (25.9%), and North America at 11.7 trillion yen (22.0%) (Chart 2-5). By country and region, as the U.S. saw its first net decrease in the stock since 2014, when this data became available, Asia surpassed North America for the first time in two years in regional ranking, although the United States still maintained

the highest position at 10.6 trillion yen (20.0%) (Chart 2-6). This was followed by the United Kingdom at 9.1 trillion yen (17.0%) and Singapore at 6.1 trillion yen (11.4%) (Chart 2-6). France, which ranked fourth in 2023, saw only a slight increase from the previous year to 3.3 trillion yen, while the Netherlands, which ranked fifth last year, increased 10.9% to 3.7 trillion yen, swapping positions with France. The share of the top ten countries and regions fell slightly from 85.8% in 2023 to 83.2%.

Chart 2-5: Inward FDI Stock in Japan by Region (End of 2024)



Source: Based on "International Investment Position of Japan" by MOF and BOJ

Chart 2-6: Top 20 Countries/Regions for inward FDI Stock in Japan (End of 2024)

(100 million yen, %)

Ranking	Country/Region	Stock	Growth rate (YoY)	Ratio
1	United States	106,369	-14.3	20.0
2	United Kingdom	90,870	3.9	17.0
3	Singapore	60,746	14.6	11.4
4	Netherlands	36,931	10.9	6.9
5	France	33,289	1.0	6.2
6	Hong Kong	32,590	17.0	6.1
7	Switzerland	29,202	37.3	5.5
8	Cayman Islands	24,501	-9.6	4.6
9	Taiwan	14,870	15.0	2.8
10	Germany	14,121	0.8	2.6
11	China	13,251	8.6	2.5
12	Australia	10,840	27.4	2.0
13	Canada	10,682	18.6	2.0
14	Korea	9,519	2.2	1.8
15	Luxembourg	8,778	-4.6	1.6
16	Thailand	3,533	9.4	0.7
17	Belgium	2,953	61.8	0.6
18	Italy	2,101	17.2	0.4
19	Malaysia	1,893	-0.1	0.4
20	Spain	1,098	33.5	0.2
	Others	24,855	36.1	4.7
	Total	532,991	4.5	100.0

Source: Based on "International Investment Position of Japan" by MOF and BOJ

Section 3: Inward FDI to Japan by Industry

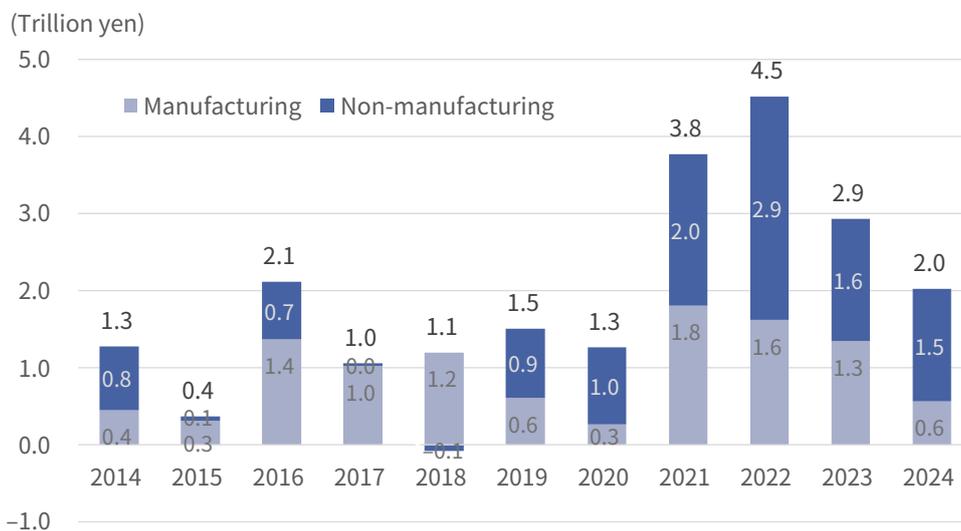
1. Net Flows

■ Significant decrease observed in chemicals and pharmaceuticals, and electric machinery industries

In 2024, inward FDI to Japan (net flows, the directional principle) by industry sector decreased 31.0% from the previous year to 2.0 trillion yen. By major industry category, manufacturing recorded 600 billion yen (down 58.4% year-on-year), while non-manufacturing stood at 1.5 trillion yen (down 7.8%), resulting in a sharp decline in manufacturing, reversing the trend seen in 2023 (Chart 2-7). Within the manufacturing sector, the most significant declines were seen in precision machinery, down 417.2 billion yen year-on-year; chemicals and pharmaceuticals,

down 269.1 billion yen; and electric machinery, down 255.5 billion yen, resulting in a total decline of about 900 billion yen for the three industries (Chart 2-8). Looking at the leading industries, finance and insurance recorded 746.2 billion yen (down 23.2% year-on-year), communications at 434.7 billion yen (decreased by 22.9 billion yen), and services at 309.3 billion yen (minus 8.6 billion yen in 2023). The top three industries were all non-manufacturing, accounting for over 70% of the total.

Chart 2-7: Inward FDI to Japan by Industry Sector (Net Flows)



Note: This is based on the directional principle and different from that of the statistics by country/region (the asset/liability principle).

Source: Based on "Balance of Payments" by MOF and BOJ

Chart 2-8: Top 10 Industries for Inward FDI to Japan (Net Flows)

(100 million yen, %)

Ranking	Sector	2024		
		Growth rate (YoY)	Share	
1	Finance and insurance	7,462	-23.2	36.9
2	Communications	4,347	*	21.5
3	Services	3,093	*	15.3
4	Electric machinery	2,579	-49.8	12.8
5	Transportation equipment	2,385	78.5	11.8
6	Chemicals and pharmaceuticals	1,942	-58.1	9.6
7	Real estate	938	47.2	4.6
8	General machinery	765	47.3	3.8
9	Transportation	575	-9.5	2.8
10	Textile	125	40.9	0.6
-	Precision machinery	-1,791	-	-
-	Wholesale and retail	-3,407	-	-
	Total	20,217	-31.0	100.0

Note: Items marked with * in the table are not shown as one of the comparative data is negative.

Source: Based on "Balance of Payments" by MOF and BOJ

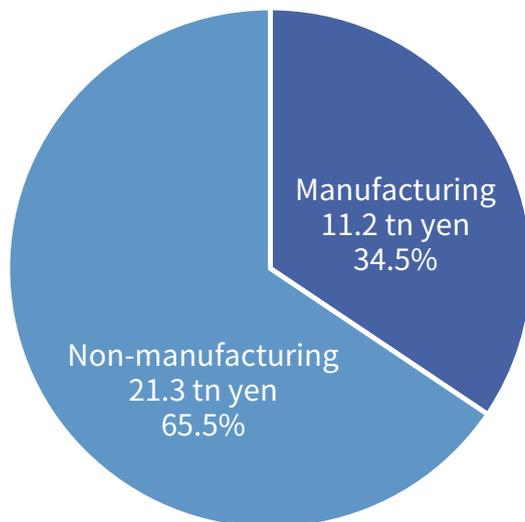
2. Stock

■ Finance and insurance industry standing out at 40%

At the end of 2024, inward FDI stock in Japan by industry sector (the directional principle) totaled 32.5 trillion yen, up 2.8% from the previous year. By major industry category, manufacturing accounted for 11.2 trillion yen (down 1.3% year-on-year, 34.5% of the total), while non-manufacturing reached 21.3 trillion yen (up 5.1% year-on-year, 65.5% of the total) (Chart 2-9). Looking at details of industries, the finance and insurance industry was

the largest, up 4.4% from the previous year to 12.1 trillion yen (37.1% of the total), followed by chemicals and pharmaceuticals, up 0.5% to 3.2 trillion yen (9.9% of the total), and transportation equipment, up 4.0% to 3.2 trillion yen (9.8% of the total), maintaining the same ranking as in 2023 (Chart 2-10). The industries showing the most notable growth rates were real estate (up 18.3% year-on-year) and communications (up 12.3%).

Chart 2-9: Inward FDI Stock in Japan by Industry Sector
(End of 2024)



Source: Based on "International Investment Position of Japan" by MOF and BOJ

Chart 2-10: Top 10 Industries for Inward FDI Stock in Japan
(End of 2024)

(100 million yen, %)

Ranking	Sector	Stock	Growth rate (YoY)	Share
1	Finance and insurance	120,503	4.4	37.1
2	Chemicals and pharmaceuticals	32,045	0.5	9.9
3	Transportation equipment	31,780	4.0	9.8
4	Communications	28,515	12.3	8.8
5	Electric machinery	25,626	-5.0	7.9
6	Services	15,955	12.6	4.9
7	Transportation	14,089	3.3	4.3
8	Real estate	6,951	18.3	2.1
9	General machinery	6,093	3.4	1.9
10	Glass and ceramics	4,746	-1.5	1.5
	Others	38,643	-6.7	11.9
	Total	324,946	2.8	100.0

Source: Based on "International Investment Position of Japan" by MOF and BOJ

Section 4: Greenfield Investment in Japan

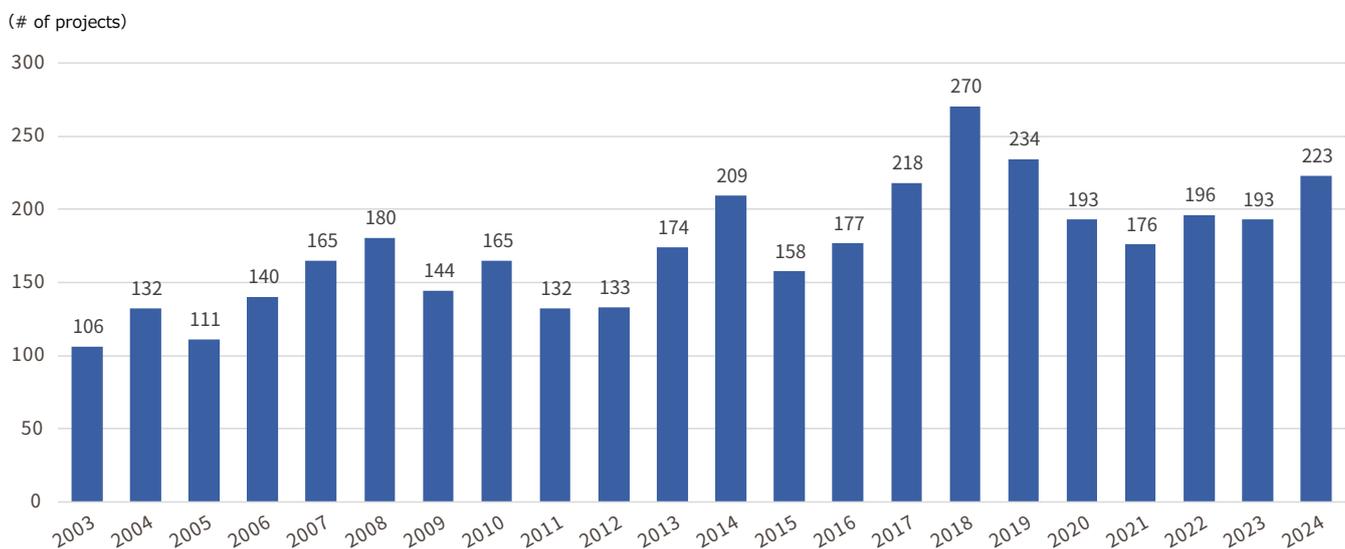
1. Trends in the Number of Investments

■ Notable increases observed in sectors of communications, semiconductor chips, and electronic components

In 2024, the number of greenfield investments in Japan (based on announcement date) was 223, up 15.5% from the previous year (Chart 2-11). While the global total of greenfield investments (19,356) increased only 2.9% from the previous year, Japan saw solid performance in sectors of communications, semiconductor

chips, and manufacturing of electronic components, devices, and electronic circuits, and these three sectors combined accounted for 50 cases, up 18 from the previous year, representing a 22.4% share.

Chart 2-11: Trends in the Number of Greenfield Investments in Japan



Note: The number of investments is collected continuously based on company announcements and updated at the end of each month. Figures include cases where the investment destination region or prefecture is unknown.

Source: Based on "fDi Markets" by the Financial Times

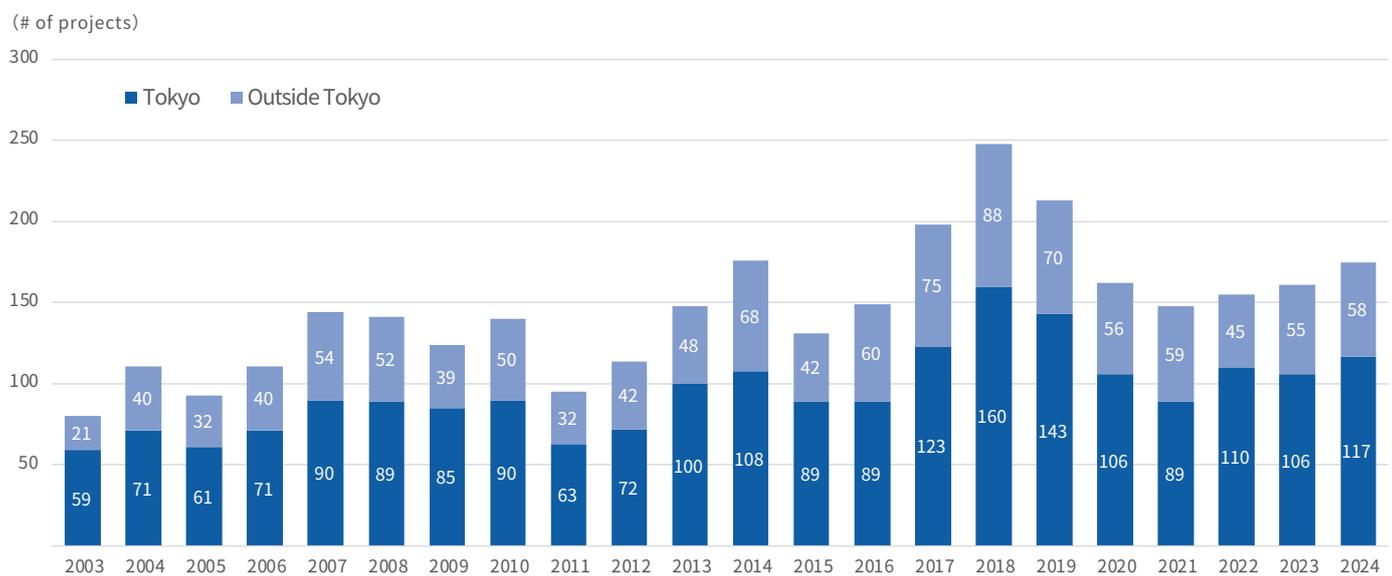
2. Number of Investments by Destination Region (Tokyo and Other Regions)

■ Investment projects in Tokyo accounted for about 70%

Dividing greenfield investment projects in Japan (based on announcement dates) where the destination region (prefecture) is known, into Tokyo and other regions, there were 117 cases

in Tokyo and 58 cases in other regions in 2024 (Chart 2-12). The share of Tokyo has generally remained at around 60–70% over the past two decades.

Chart 2-12: Number of Greenfield Investments in Japan (Tokyo and Other Regions)



Note: Figures exclude cases where the investment destination region or prefecture is unknown.

Source: Based on "fDi Markets" by the Financial Times

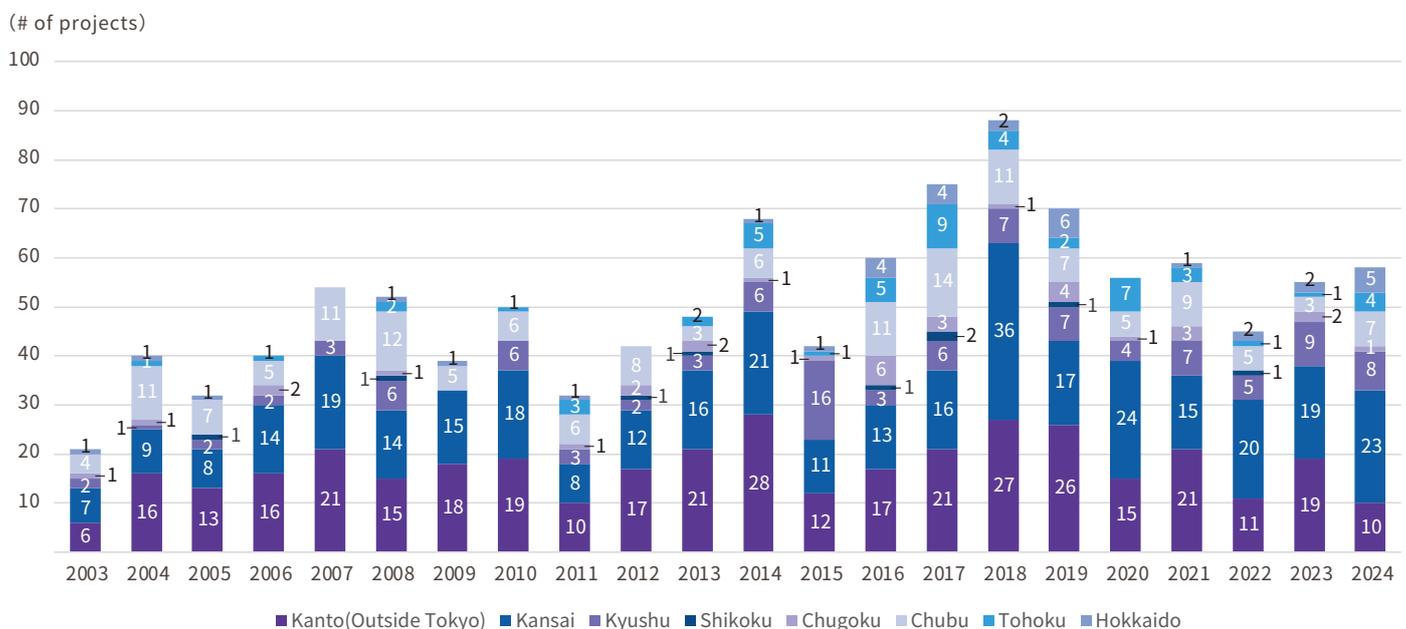
3. Trends in the Number of Investments by Destination Region (Breakdown of Regions Other Than Tokyo)

■ Outside the Kanto region, each region in Kansai and further east exceeded their 2023 level

Looking at greenfield investment projects in Japan (based on announcement date) where the destination region (prefecture) is known—excluding Tokyo, in 2024, the Kansai region recorded 23 cases, up 4 from the previous year, Chubu had 7 cases, up 4, Hokkaido had 5 cases, up 3, and Tohoku had 4 cases, up 3, all

showing year-on-year increases (Chart 2-13). On the other hand, the Kanto region excluding Tokyo saw a decrease of 9 cases to 10, Kyushu fell by 1 to 8, and Chugoku declined by 1 to 1, compared to 2023, indicating regional differences.

Chart 2-13: Number of Greenfield Investments in Japan (Breakdown of Regions Other than Tokyo)



Note: Figures exclude cases where the investment destination region or prefecture is unknown. The Kanto region (other than Tokyo) includes six prefectures; Ibaraki, Kanagawa, Gunma, Saitama, Chiba, and Tochigi.

Source: Based on "fDi Markets" by the Financial Times

4. [Reference] Analysis of Spillover Effects of Greenfield Investment in Japan

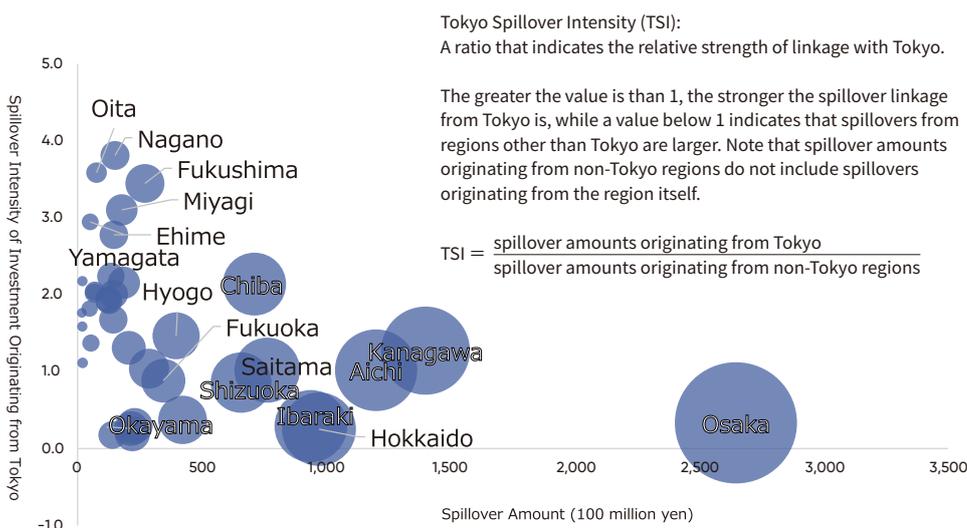
■ A 2 trillion yen investment in Tokyo generates 600 billion yen spillover investment in other regions

Of the 223 greenfield investment projects in Japan in 2024 (based on announcement date), 166 projects for which the destination region (prefecture) is known*—with a total value of 21.1 billion US dollars (approximately 3.2 trillion yen)—were analyzed to estimate spillover investment amounts to other regions for direct investment in each prefecture. The results showed that investments of 19.8 billion US dollars (approximately 3.0 trillion yen) had been induced in regions other than the primary destination. Investment destinations were concentrated in the Kanto region, with Tokyo accounting for 74.7% of the total at 14.8 billion US dollars (approximately 2.2 trillion yen).

Calculating the spillover effects of the investment in Tokyo, it induced 10 billion US dollars (approximately 1.5 trillion yen) within Tokyo and 4 billion US dollars (approximately 0.6 trillion yen) in other regions (Chart 2-14). Regions highly responsive to Tokyo-origin investments could expect additional spillover amounts by improving conditions for receiving such investments (e.g., industrial structure and incentives).

Note *: Nine projects with inconsistencies in the spillover effect calculations were excluded from the analysis, leaving 166 projects for the trial estimate.

Chart 2-14: Regional Comparison of Investment Spillover Amount and Spillover Intensity Originating from Tokyo



[Explanation of Chart]

1. Nationwide Secondary Core Type (Osaka)
 Representative: Osaka
 Criteria: Osaka only (Spillover Amount: 264.7 billion yen)
 Osaka is Japan's second-largest core city after Tokyo. It has overwhelming scale and an independent acceptance structure, occupying the position of a secondary core.
2. Nationwide Cluster Type (Hubs)
 Representative: Aichi, Kanagawa
 Criteria: TSI \geq 1.0 and Spillover Investment Amount > 105 billion yen
 A cluster that receives spillovers on a nationwide scale. Backed by industrial cluster and major urban functions, it plays a role in inducing investment across the country.
- 3-1. Regional Core Type (Independent)
 Representative: Hokkaido, Ibaraki, Shizuoka, Fukuoka, Okayama
 Criteria: Independent type (TSI < 1) and medium-scale spillover amount (30.0–105.0 billion yen)
 Serves as the center of a regional block without relying on linkage with Tokyo.
- 3-2. Regional Core Type (Linked)
 Representative: Saitama, Chiba, Hyogo
 Criteria: Linked type (TSI \geq 1.0) and medium-scale spillover amount (30.0–105.0 billion yen)
 Supports the regional economy while remaining linked to spillovers originating from Tokyo.
4. Others (small-scale, highly linked regions)
 Representative: Nagano, Oita, Fukushima, Miyagi, Yamagata, Ehime, etc.
 Criteria: Generally, TSI \geq 2.0 and spillover investment amount of 30.0 billion yen or less
 These regions exhibit relatively high linkage to spillovers originating from Tokyo. Because they are small-scale prefectures, the effect of direct investment from Tokyo is observed to be relatively large.

Note: Exchange rate: ¥151.48/USD (2024 fiscal year conversion rate based on the Bank of Japan website, Tokyo interbank market, USD/JPY spot rate, monthly average of central rates).
 The bubble size corresponds to the X-axis and visualizes the spillover amount.

Source: Based on "Inter-Prefectural Input-Output Table (26 sectors)" by the Ministry of Economy, Trade and Industry

5. Top 10 Countries/Regions and Top 10 Industries

■ By country, the United States accounts for just over 30%, far surpassing all others

Looking at the number of greenfield investments in Japan in 2024 (based on announcement date) by source country/region, the United States had the most with 71 cases, up 10.9% from the previous year (Chart 2-15). Singapore, which ranked second in 2023, fell from 21 to 16 cases and dropped to third place. The United Kingdom, previously third, edged down slightly 18 to 17 cases, but moved up to second place. As in 2023, China ranked

fourth and Hong Kong ranked fifth. Broken down by industry, software & IT services remained the leading sector, as in 2023, with a 2.7% year-on-year increase (Chart 2-16). Sectors with the largest growth rates included communications (+84.6%), renewable energy (+83.3%), and electrical components (+66.7%). Those with the largest declines were financial services (-23.1%) and industrial equipment (-37.5%).

Chart 2-15: Top 10 Investor Countries/Regions in the Number of Greenfield Investments in Japan

(# of Projects, %)

Ranking	Country/Region	2024		
		# of Projects	Growth rate (YoY)	Share
1	United States	71	10.9	31.8
2	United Kingdom	17	0.0	7.6
3	Singapore	16	-23.8	7.2
4	China	14	27.3	6.3
5	Hong Kong	12	100.0	5.4
6	Germany	8	60.0	3.6
7	Canada	6	50.0	2.7
7	France	6	50.0	2.7
9	South Korea	3	-25.0	1.3
9	Switzerland	3	-40.0	1.3
	Total	223	15.5	100.0

Source: Based on "fDi Markets" by the Financial Times

Chart 2-16: Top 10 Industries in the Number of Greenfield Investments in Japan

(# of Projects, %)

Ranking	Sector	2024		
		# of Projects	Growth rate (YoY)	Share
1	Software & IT services	38	2.7	17.0
2	Business services	34	6.3	15.2
3	Communications	24	84.6	10.8
4	Financial services	20	-23.1	9.0
5	Real estate	18	12.5	8.1
6	Electronic components	15	66.7	6.7
7	Transportation & Warehousing	11	10.0	4.9
7	Renewable energy	11	83.3	4.9
9	Industrial equipment	10	-37.5	4.5
9	Semiconductors	10	0.0	4.5
	Total	223	15.5	100.0

Source: Based on "fDi Markets" by the Financial Times

6. Major Greenfield Investment Projects in Japan (January 2024 to September 2025, based on announcement date)

■ Large-scale projects for data centers and logistics facilities stand out

Looking at greenfield investment projects in Japan from January 2024 to the end of Q3 2025, while large-scale projects such as the construction of production plants by major semiconductor manufacturers were notable in 2023, this period has seen a

series of announcements for data center and logistics facility construction projects, with a significant increase in the number of cases (Chart 2-17).

Chart 2-17(1): Major Greenfield Investment Projects in Japan (January 2024 to September 2025)

Company name	Country/ Region	Sector	Investment destination (prefecture)	Outline	Announcement date	Value
						(Million US\$)
Ada Infrastructure	Singapore	Communications	Tokyo and Kansai regions	Ada Infrastructure is a global data center (DC) business brand launched in September 2023 by Singapore-based logistics facility developer GLP. The company announced the projects of two DCs in the Tama area of Tokyo, two DCs in Chiba, a DC in Kansai region. Overall, it plans to build DCs with a total IT power of 600MW (a supply capacity of 900 MW). The one in the Tama area has already launched and the others will be in operation around 2027-2028.	May 2024	11,760
Patience Capital Group	Singapore	Leisure and Entertainment	Niigata	In November 2023, Singapore-based Patience Capital Group acquired Myoko Suginojara Ski Resort in Niigata Prefecture and entrusted its operation to Seibu Holdings. The company has announced plans to invest a total of 200 billion yen to redevelop Myoko Kogen as a year-round resort.	March 2025	1,343
ESR	Hong Kong	Real Estate	Hyogo	ESR, a leading logistics real estate company in Hong Kong has completed construction of a six-story multi-tenant logistics facility in Kawanishi City, Hyogo Prefecture. The facility will be one of Japan's largest logistics facilities, with a total site area of approximately 500,000 square meters. It is one of the leading logistics hubs in the Kansai region, which covers not only the Kansai region but also the broader western Japan area, serving as a logistics base capable of handling the "last mile" in the Hanshin area, such as from central Osaka to the north and to Kobe City, etc.	April 2025	1,300
			Saitama	ESR has completed construction of a four-story multi-tenant logistics facility with a site area of approximately 17,000 square meters in Hidaka City, Saitama Prefecture, as its seventh project in the prefecture. Located in a highly accessible area near the center of Saitama Prefecture, the facility can accommodate a wide range of logistics needs, including deliveries not only to the entire Kanto region and Niigata, but also to areas west of Kanto.	September 2024	357
			Tokyo	ESR announced that it would develop its fourth domestic DC in central Tokyo. The planned power receiving capacity is 60MW. Construction is scheduled to begin in the second quarter of 2026 and service to begin in the fourth quarter of 2028. This DC will be the one following those in Osaka City, Osaka Prefecture (130MW), Higashikurume City, Tokyo (30MW), and Soraku-gun, Kyoto Prefecture (100MW).	May 2024	357
Google	United States	Communications	Ibaraki and Mie	Google announced that it would invest 1 billion US dollars in laying submarine cables in Japan. The plan is to connect the United States and Japan by laying two new submarine cables, "Proa" and "Taihei," and expanding existing submarine cables.	April 2024	1,000
CapitaLand	Singapore	Communications	Osaka	CapitaLand Investment, a major real estate investment company based in Singapore, will develop a DC in Osaka Prefecture. This is the first time the company has engaged in DC business in Japan. The planned power capacity is approximately 50MW and the company announced that it had secured a considerable amount of power supply.	February 2025	700

Note: Ranked by investment amount based on announcements or media reports (fDi Markets, including estimates).

(Continued on the next page)

Source: Based on "fDi Markets" by the Financial Times, and announcements by each company

Chart 2-17(2): Major Greenfield Investment Projects in Japan (January 2024 to September 2025)

Company name	Country/ Region	Sector	Investment destination (prefecture)	Outline	Announcement date	Value
						(Million US\$)
Ekus Energy	Australia	Renewable Energy	Miyazaki	Ekus Energy, an Australian energy storage company, announced plans for a 30MW/120MWh Battery Energy Storage System (BESS) project to be developed in Miyazaki City, Miyazaki Prefecture. This project is based on a 20-year offtake agreement with Tokyo Gas. Construction began in the second half of 2024 and operations are scheduled to begin in July 2026. The battery is said to be capable of supplying electricity to approximately 63,000 households for four hours.	April 2024	604
UI Japan	Hong Kong	Real Estate	Shiga	UI JAPAN, a real estate development company with a Hong Kong developer as its parent company, has completed construction of the UI Konan Logistics Center II, a four-story multi-tenant logistics facility with a total floor area of approximately 188,141 square meters in Konan City, Shiga Prefecture. The site area is approximately 99,062 square meters and each floor is approximately 45,000 square meters. The facility can be divided into up to 6 tenants for each floor and totally into 24 tenants. It features high-performance specifications, including up-and-down ramps for large vehicles, a clearance height of 6 meters under the beams, double-sided berths, and a floor load capacity of 2.5 tons per square meter.	June 2025	434
Prologis	United States	Real Estate	Aichi	Prologis, a U.S. major logistics real estate company, has decided to develop a multi-tenant logistics facility named "Prologis Park Tokai 1" in Tokai City, Aichi Prefecture. The facility comprises four above-ground floors, with a site area of approximately 72,800 square meters and a total floor area of approximately 160,000 square meters. Accessible from central Nagoya in approximately 30 minutes. The groundbreaking ceremony was held in August 2025, with completion scheduled for May 2027. It aims to strengthen the logistics network in the Chubu region.	May 2025	434
			Aichi	At the same time, the company announced a development plan for Prologis Park Tokai 2, a build-to-suit (BTS) logistics facility designed and constructed to meet requirements of a specific tenant, on an adjacent site to Prologis Park Tokai 1. The facility will comprise four above-ground floors, with a site area of approximately 29,300 square meters and a total floor area of approximately 63,700 square meters. With excellent access to major arterial roads and ports, the facility serves as a strategic hub connecting to the Nagoya metropolitan area. Completion date is yet to be announced.	May 2025	434
			Iwate	Prologis has decided to develop a multi-tenant logistics facility named "Prologis Park Kitakami-Kanegasaki" in Kanegasaki Town, Isawa-gun, Iwate Prefecture. Located near a major transportation hub, the site offers excellent accessibility to various parts of the Tohoku region. The groundbreaking ceremony was held on June 6, 2024. Completion is scheduled for January 2026.	June 2024	357
			Osaka	Prologis has decided to develop a BTS logistics facility named "Prologis Park Sakai" in Sakai City, Osaka Prefecture. Designed exclusively for specific companies, the facility will comprise four above-ground floors, with a site area of approximately 17,400 square meters and a total floor area of approximately 37,000 square meters. Located approximately 6 km from the Hanshin Expressway Sakai Interchange, the site offers access to central Osaka City in about 30 minutes and aims to strengthen the wide-area logistics network across the Kansai region. Construction began in 2025 and is scheduled for completion in 2027.	April 2024	357
			Okayama	Prologis has decided to develop a multi-tenant logistics facility named "Prologis Park Okayama" in Okayama City, Okayama Prefecture. Designed as a general-purpose logistics base that can accommodate multiple companies, the facility has four above-ground floors, with a site area of approximately 16,600 square meters and a total floor area of around 35,000 square meters. Located approximately 9 km from the Kurashiki Interchange and about 3.5 km from the Hayashima Interchange on the Sanyo Expressway, the facility aims to strengthen the wide-area logistics network across the Chugoku and Shikoku regions. The groundbreaking ceremony was held in April 2024 and the facility was completed in August 2025.	April 2024	357

Note: Ranked by investment amount based on announcements or media reports (fDi Markets, including estimates).

(Continued on the next page)

Source: Based on "fDi Markets" by the Financial Times, and announcements by each company

Chart 2-17(3): Major Greenfield Investment Projects in Japan (January 2024 to September)

Company name	Country/ Region	Sector	Investment destination (prefecture)	Outline	Announcement date	Value
						(Million US\$)
GLP Japan Development Venture	Singapore	Real Estate	Fukuoka	GLP Japan, a major logistics real estate company headquartered in Singapore, has begun Kyushu's first large-scale development project, the GLP Fukuoka IC Project, in Kasuya-gun, Fukuoka Prefecture. The project consists of multiple logistics facilities with a total floor area of over 150,000 square meters, with construction scheduled to begin in November 2025 and all buildings completed by the end of 2028. This location was selected as it is situated approximately 800 meters from the Fukuoka Interchange on the Kyushu Expressway, making it ideal for wide-area distribution throughout Kyushu. It will function as a critical infrastructure to meet the growing demand for logistics.	April 2025	425
			Kanagawa	GLP Japan has announced construction plans for GLP Kawasaki II, one of Japan's largest multi-tenant logistics facilities with frozen and refrigerated storage, which is currently under development in Kawasaki City, Kanagawa Prefecture. The facility has a total floor area of approximately 200,000 square meters and a storage capacity of approximately 186,000 tons, featuring not only frozen and refrigerated sections but also ambient-temperature sections. Construction began in March 2025 and is scheduled for completion at the end of August 2027.	October 2024	357
CB Richard Ellis (CBRE)	United States	Real Estate	Hokkaido	CBRE, a U.S. real estate company, has announced plans to develop a large-scale, multi-tenant logistics facility in the Chitose Distribution Business Park in Chitose City, Hokkaido. With a total floor area of 24,500 square meters, the facility will be a three-story steel-frame structure. Construction began in March 2025 and is scheduled to be completed in October 2026. It aims to capture logistics demand related to semiconductors.	October 2024	357
Goodman Group	Australia	Real Estate	Ibaraki	Goodman Group, an Australian real estate giant, plans to develop a new DC campus in Japan and provide 1,000MW of power. The company announced that site preparation and infrastructure work were underway in Tsukuba City, Ibaraki Prefecture, with the first DC scheduled for completion in 2026 with a power receiving capacity of 50MW.	January 2024	357
LaSalle Investment Management	United States	Real Estate	Aichi	LaSalle Investment Management, a U.S. real estate investment advisory firm, announced that it would build a multi-tenant logistics facility in Nagoya City, Aichi Prefecture, in collaboration with NIPPO. Construction is scheduled for completion in June 2025. In addition to serving as a wide-area distribution center for the entire Tokai area, it is planned to function as a relay center between the Tokyo metropolitan area and the Kansai region.	January 2024	357
EdgeConneX	United States	Communications	Osaka	EdgeConneX, a U.S. DC solutions provider, announced plans to enter the Japanese market. The company plans to open a DC campus with a capacity of over 140MW in the Osaka and Kyoto areas by 2027. When completed, the data center will be one of the largest in the Kansai region and will feature a cutting-edge design that meets high-density requirements of AI and high-performance computing.	January 2025	273
Zuora	United States	Communications	Uncategorized	Zuora, a U.S. telecommunications company (providing platforms for subscription businesses), has announced the start of operations of its new data center in Japan. The DC is designed to ensure robust compliance with Japan's Act on the Protection of Personal Information and significantly enhance its performance within the country, with the aim of acquiring domestic ISP vendors as clients.	November 2024	273

Note: Ranked by investment amount based on announcements or media reports (fDi Markets, including estimates).

(Continued on the next page)

Source: Based on "fDi Markets" by the Financial Times, and announcements by each company

Chart 2-17(4): Major Greenfield Investment Projects in Japan (January 2024 to September)

Company name	Country/ Region	Sector	Investment destination (prefecture)	Outline	Announcement date	Value
						(Million US\$)
CyrusOne KEP	United States	Communications	Osaka	CyrusOne, a U.S. DC developer and operator, and Kansai Electric Power Co. (KEPCO) have launched their first hyperscale data center project in Seika Town, Kyoto Prefecture. This project marks CyrusOne's first data center construction in Asia and will provide 48MW of IT capacity. Construction will be carried out in three phases, with the first 16 MW phase scheduled to begin operations in the first quarter of 2028.	September 2024	273
Empyrion Digital	Singapore	Communications	Tokyo	Empyrion Digital, a Singaporean digital infrastructure platform, announced that it would expand its business footprint in Asia by entering the Tokyo market. Plans include developing a 35MW AI-enabled DC (JP1) in central Tokyo. The DC will be established to support workloads for generative AI and high-performance computing.	September 2024	273
Equinix	United States	Communications	Osaka	Equinix, a U.S. company which owns, leases, and provides related services for DCs, has opened its fourth domestic hyperscaler DC, OS4x, in Minoh City, Osaka Prefecture. The center provides a total of 14.4 MW of IT power across 4,926 square meters of data hall space. This DC is designed to meet the growing demand for generative AI.	June 2024	273
Vantage Data Centers	United States	Communications	Osaka	Vantage Data Centers, a U.S.-based leading provider of hyperscale DC campus management, announced that it had begun construction of its first campus in Japan, Osaka (KIX1). This campus, to be built in Ibaraki City, Osaka Prefecture, will provide up to 68MW. The campus will support both cloud and high-density implementations, providing hyperscalers and cloud providers with flexibility and scalability to meet market needs.	May 2024	273
GDS Services, Gaw Capital	China and Hong Kong	Communications	Tokyo	GDS Services, a Chinese company which develops and operates DCs, announced plans to build a 40MW data center in Fuchu City, Tokyo, in collaboration with Hong Kong-based real estate investment firm Gaw Capital Partners. This data center will be located in the Fuchu Intelligent Park and is scheduled to begin operations by the end of 2026. The total site area is 10,969 square meters, and the IT capacity is expected to be 40MW, designed to meet Japan's digital infrastructure demand.	April 2024	273
AirTrunk	Australia	Communications	Chiba	AirTrunk, a specialist in hyperscale DCs, has begun construction of a new facility exceeding 40MW in TOK1, one of Japan's largest campuses, located in Inzai City, Chiba Prefecture. The campus covers an area of 13 hectares and is to consist of seven buildings, with a total power supply capacity expected to exceed 300MW. The company plans to have a domestic power supply infrastructure for IT equipment, exceeding 430MW by combining the capacity of TOK1, TOK2 (west of Tokyo), and OSK1 (west of Osaka).	June 2025	256
Enfinity Global	United States	Renewable Energy	Aomori	Enfinity Global, a U.S. renewable energy company, has completed construction of a 70MW solar power plant in Aomori Prefecture. This power plant is expected to generate over 75 GW of clean energy annually. Including this solar power plant, the company owns a solar power generation portfolio of 250MW in Japan and is positioned as one of the leading players in the Japanese market.	April 2024	195
Invenergy	United States	Renewable Energy	Hokkaido	Invenergy, a U.S. renewable energy company, has begun commercial operation of an onshore wind power plant in Rusutsu Village, Hokkaido. It consists of 15 large wind turbines and has an output of 4.2MW each, totally 63MW. It is expected to reduce carbon emissions by 64,000 tons annually, while supplying electricity to approximately 35,000 households in Hokkaido.	March 2024	189

Note: Ranked by investment amount based on announcements or media reports (fDi Markets, including estimates).

Source: Based on "fDi Markets" by the Financial Times, and announcements by each company

Section 5: Cross-Border M&A in Japan

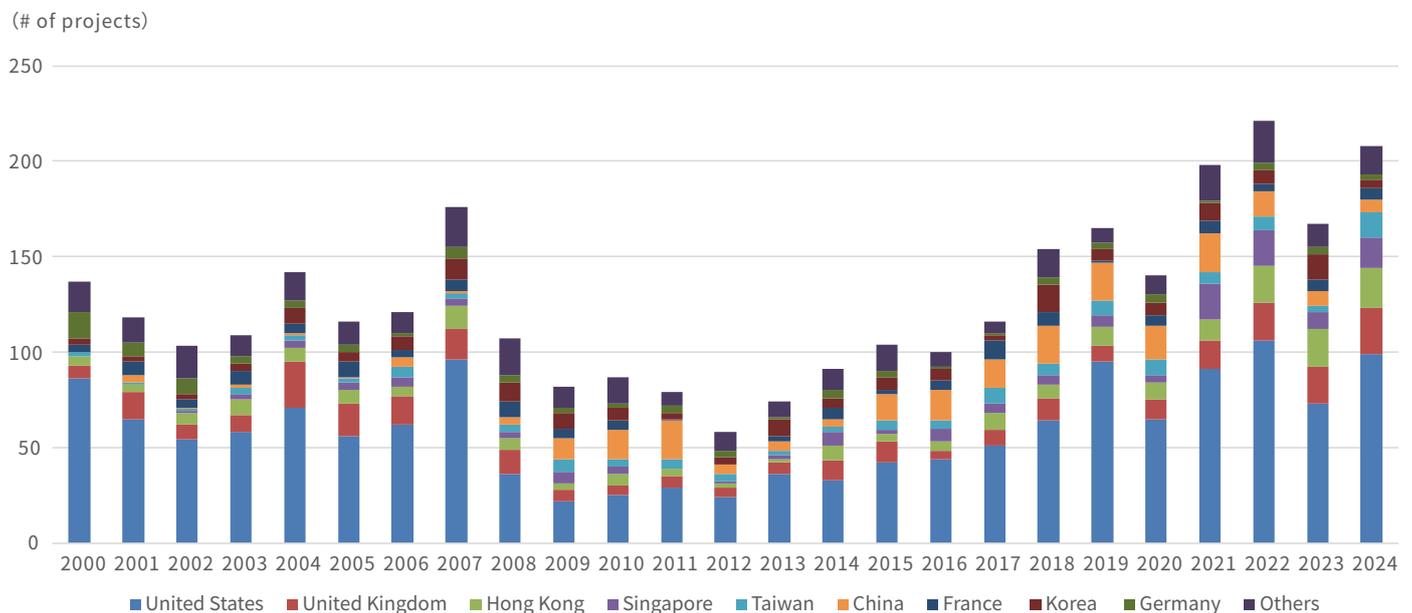
1. Trends in the Number of Deals and Top 5 Countries/Regions

■ The number of M&A deals in Japan recovered, with the United States maintaining a dominant lead

In 2024, cross-border M&A transactions targeting Japan in 2024 reached 208 deals, up 24.6% year-on-year, recovering from the decline in 2023 (Chart 2-18). This increase seems to have been driven by factors such as the yen's depreciation making Japanese companies and assets appear undervalued, improvements in the M&A environment through corporate governance reforms, and inflows of capital from overseas private

equity funds. By source country/region, the United States ranked first with 99 deals (accounting for 47.6%), followed by the United Kingdom with 24 deals (11.5%) and Hong Kong with 21 deals (10.1%) (Chart 2-19). Singapore rose significantly from 9 to 16 deals, and Taiwan from 3 to 13 deals, while South Korea declined from 13 to 4 deals.

Chart 2-18: Trends in the Number of Cross-Border M&A Deals in Japan



Note: Transaction forms include mergers, acquisitions, business transfers (including operational transfers), and capital participation. Deals targeting overseas subsidiaries of Japanese companies are excluded.

Source: Based on "MARR Pro" by RECOF DATA Corporation

Chart 2-19: Top 5 Investor Countries/Regions in M&A Targeting Japan

(# of projects, %)

Ranking	Country/Region	2024		
		Projects	Growth rate (YoY)	Share
1	United States	99	35.6	47.6
2	United Kingdom	24	26.3	11.5
3	Hong Kong	21	5.0	10.1
4	Singapore	16	77.8	7.7
5	Taiwan	13	333.3	6.3
	Total	208	24.6	100.0

Note: Transaction forms include mergers, acquisitions, business transfers (including operational transfers), and capital participation. Deals targeting overseas subsidiaries of Japanese companies are excluded.

Source: Based on "MARR Pro" by RECOF DATA Corporation

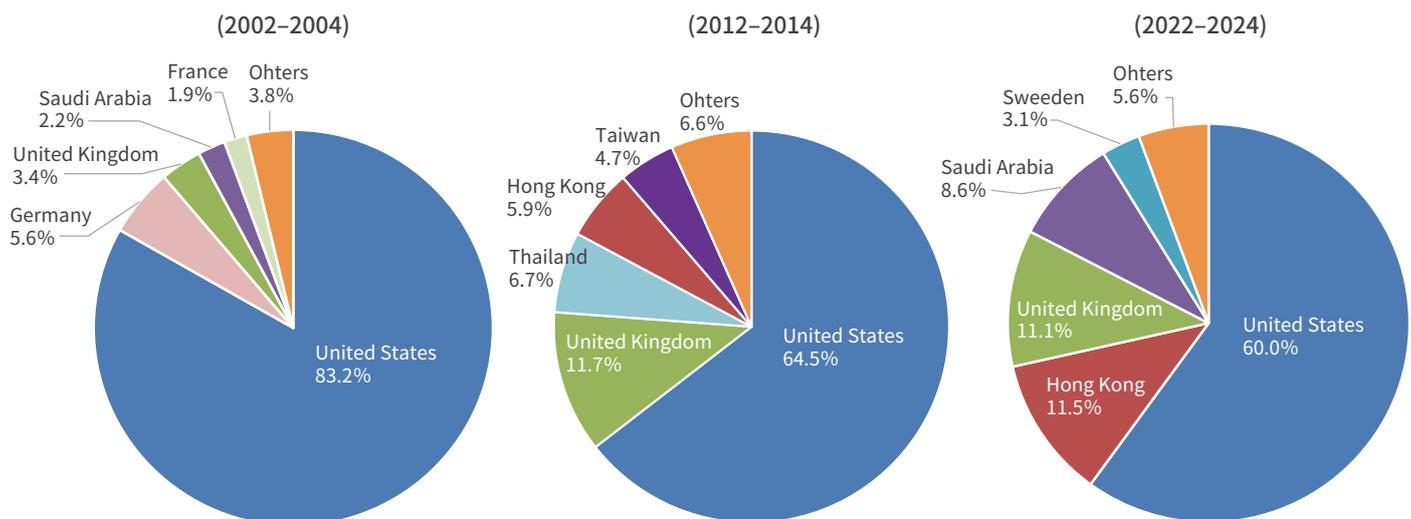
2. Trends in Deal Value by Investor Country/Region

■ The U.S. maintains majority share, while the second place and below fluctuate significantly

The total cross-border M&A investment value in Japan over the three-year period from 2022 to 2024 was approximately 7.4 trillion yen, with the top three countries—the United States, Hong Kong, and the United Kingdom—accounting for about 6.1 trillion yen, or 82.6% of the total (Chart 2-20). Looking at trends over consecutive three years on a ten-year interval basis, the total deal value for 2002–2004 stood at approximately 2.2 trillion yen, with the United States alone accounting for 1.8 trillion yen (83.2%) and demonstrating an overwhelming presence. In contrast, the total for 2012–2014 was approximately 1.5 trillion yen, only about 20% of the 2022–2024 figure. This decline reflects

the heightened caution toward investments and acquisitions both domestically and internationally, which stems from the global economic slowdown and uncertainty in international financial markets due to European sovereign debt crisis, as well as the disruption of supply chains and deterioration of earnings environment caused by the Great East Japan Earthquake in 2011. Looking at the top countries/regions over this period of over two decades, the United States has consistently maintained its position as the largest investor, but the rankings below have experienced significant fluctuations.

Chart 2-20: Cross-border M&A Deal Value in Japan by Country/Region (Based on Announcement Date)



Note: Transaction forms include mergers, acquisitions, business transfers (including operational transfers), and capital participation. Deals targeting overseas subsidiaries of Japanese companies are excluded.

Source: Based on "MARR Pro" by RECOF DATA Corporation

3. Number and Value of Acquired Companies by Industry (Total for 3 Years from 2022 to 2024)

■ Software and ICT leads in both number and value of deals

Looking at the acquired companies through cross-border M&A in Japan over the three years from 2022 to 2024 by industry, software and ICT led in the number of deals, with 245 (41.1% of the total), followed by services, with 79 (13.3%) and electric machinery, with 38 (6.4%) (Chart 2-21). The top two sectors were both non-manufacturing, which together accounted for over 50% of the total. Software and ICT also led in transaction

value, though its share of the total was just under 20%, lower than its share based on the number of deals (Chart 2-22). By contrast, transportation and warehousing, accounted for 13.0% of the total deal value, far exceeding its 1.2% share on a deal-count basis, indicating that the average investment value per transaction in this sector was relatively large.

Chart 2-21: Number of Cross-border M&A Deals in Japan by Industry (2022–2024, based on announcement date)

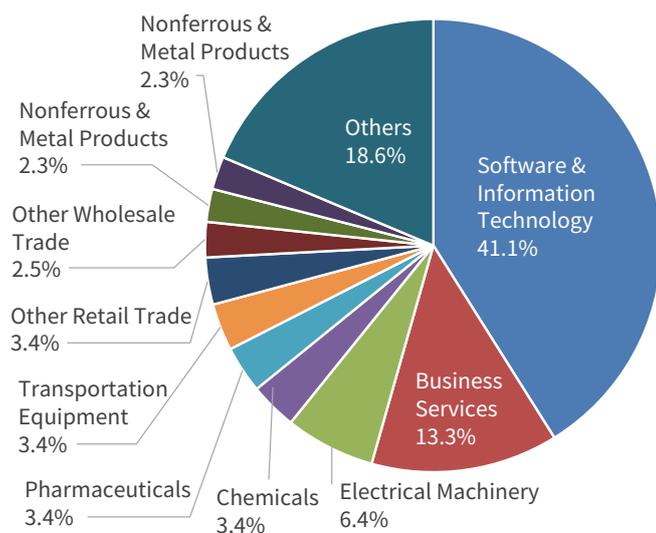
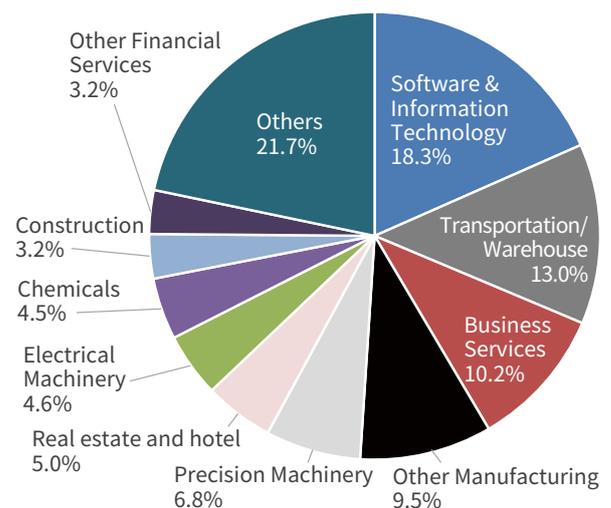


Chart 2-22: Value of Cross-border M&A Deals in Japan by Industry (2022–2024, based on announcement date)



Note: Transaction forms include mergers, acquisitions, business transfers (including operational transfers), and capital participation. Deals targeting overseas subsidiaries of Japanese companies are excluded.

Source: Based on "MARR Pro" by RECOF DATA Corporation

4. Trends in the Value and Number of M&A Deals in Japan

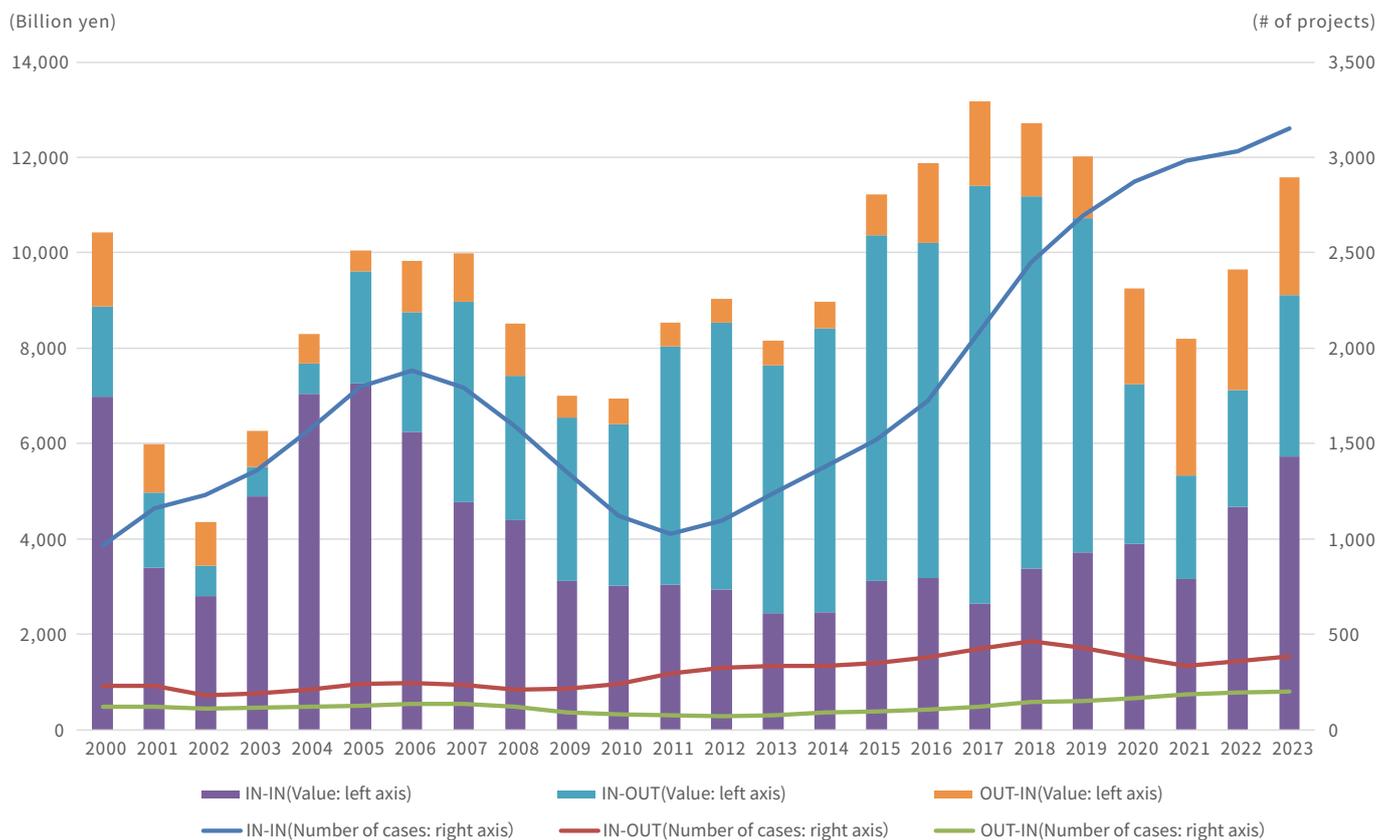
■ The deal volume is in an established upward trend, while the deal value shows signs of growth again

M&A transactions in Japan are classified into three categories: domestic transactions involving only Japanese parties (IN-IN), inbound transactions where one party is overseas (OUT-IN), and outbound transactions involving Japanese companies acquiring overseas firms (IN-OUT). Based on the three-year moving averages, the analysis on a value basis (left axis) shows that OUT-IN transactions have exhibited a clear upward trend since around 2015, indicating increased activity in large-scale cross-border M&A and private equity investments. IN-IN transactions have also shown an overall increase in value over the same

period, gradually expanding their shares.

On a deal-count basis (right axis), the increase in small-scale transactions, such as SME-to-SME M&A via IN-IN deals, is particularly notable, revealing a structure in which small-sized transactions are driving the overall number of deals. As of 2023, IN-IN transactions accounted for approximately 80% of all M&A deals. Meanwhile, IN-OUT and OUT-IN transactions have remained largely flat, with OUT-IN hovering at roughly 50% of IN-OUT.

Chart 2-23: Value and Number of M&A Deals in Japan (by Market, 3-Year Moving Average)



Note: Transaction forms include mergers, acquisitions, business transfers (including operational transfers), and capital participation. Deals targeting overseas subsidiaries of Japanese companies are excluded.

Source: Based on "MARR Pro" by RECOF DATA Corporation

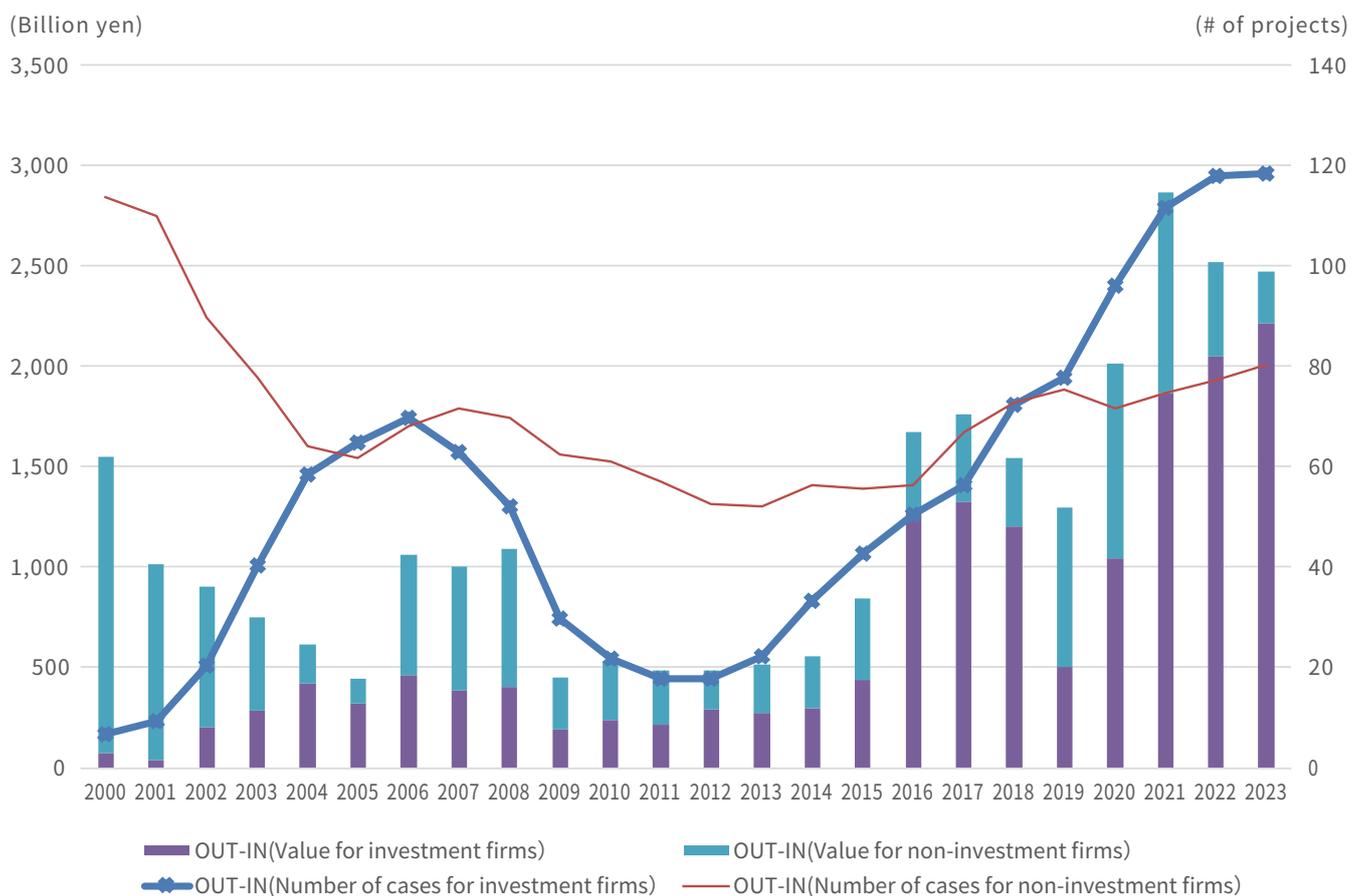
5. Trends in Value and Number of Cross-Border M&A Deals in Japan by Investment Firms

■ Investment firms' M&A transactions have increased significantly over the past decade

When examining trends in the value and number of cross-border M&A transactions targeting Japan, categorized by investment firms and non-investment operating firms and analyzed using a three-year moving average, it is evident that M&A activity by investment firms has shown a steadily upward trajectory in both deal value and deal count since around 2011 (Chapter 2-24). The transaction value increased approximately elevenfold, from 0.2 trillion yen in 2011 to 2.2 trillion yen in 2023, while the

number of transactions rose by about 6.6 times, from 18 deals in 2011 to 118 deals in 2023. Since around 2011, this growth has been driven by an increase in large-scale M&A transactions and private equity investments led primarily by U.S. and European investment firms, alongside increasingly active participation by sovereign wealth funds from regions, such as the Middle East and Singapore.

Chart 2-24: Value and Number of Cross-Border M&A Deals in Japan by Investment Firms (3-Year Moving Average)



Note: Transaction forms include mergers, acquisitions, business transfers (including operational transfers), and capital participation. Deals targeting overseas subsidiaries of Japanese companies are excluded.

Source: Based on "MARR Pro" by RECOF DATA Corporation

6. Major Cross-Border M&A Deals in Japan (January 2024 to September 2025, based on announcement date)

■ M&A led by investment firms accounts for the majority of transactions

As in 2023, management buyout (MBO) deals led by investment firms stood out as a prominent form of M&A transactions (Chart 2-25). The motives, purposes, and methods of transactions have become increasingly diverse, including the business transfers of York Holdings and Mitsubishi Tanabe Pharma, the prolonged

stakeholder alignment required for Fuji Soft's successful TOB, compliance with national security reviews under the Foreign Exchange and Foreign Trade Act for Shibaura Electronics, and capital participation in companies such as Kao, Sanwa Holdings, Tokyo Gas, NEC Networks & System Integration, and Shiseido.

Chart 2-25(1): Major Cross-Border M&A Deals in Japan (January 2024 to September 2025)

Target company (Transferring entity)	Sector	Acquiring company (Substantial acquiring entity *Note 1)	Country/ region of the acquiring company's ultimate parent company	Sector	Form	Outline	Publication date (Effective date) *Note 2	Values (100 million JPY) *Note 3
York Holdings Co., Ltd.	Retail trade	BCJ-96 (Receiving company) (Bain Capital)	U.S.	Other finance (Investment fund)	Transfer of business	Bain Capital, through its acquisition vehicle BCJ-96, acquired by way of a company split all rights and obligations related to the SST (superstore) business from York Holdings, a wholly-owned subsidiary of Seven & i Holdings Co., Ltd., which holds Ito-Yokado, York Benimaru (Koriyama, Fukushima), and other SST operations. Bain Capital aims to achieve an IPO by maximizing the potential value of the SST business group. The Seven & i Holdings will advance its growth strategy centered on the convenience store business.	2025/3/7 (2025/9/1)	8,147
FUJI SOFT INCORPORATED	Information and communications	FK (Acquisition company) (Fund managed by Kohlberg Kravis Roberts & Co. [hereafter, KKR])	U.S.	Other finance (Investment fund)	Acquisition	U.S. investment fund KKR took FUJI SOFT private through a two-step tender offer bid (TOB) conducted by FK established by FK Holdings, a corporation wholly owned by a fund managed by KKR. FUJI SOFT determined that partnering with KKR, which has human and capital resources, proven track records in both the IT and real estate fields, and a global network, would enable the company to achieve dramatic growth.	2024/8/9 (2025/5/20)	6,060
Mitsubishi Chemical Group Corporation (Parent company of Mitsubishi Tanabe Pharma Corporation, the target of transfer)	Chemicals (Pharmaceuticals)	BCJ-94 (Receiving company) (Fund advised in investment by Bain Capital)	U.S.	Other finance (Investment fund)	Transfer of business	BCJ-94, a corporation funded by a fund that is advised in investment by U.S. investment fund Bain Capital, took over all the shares and related assets of Mitsubishi Tanabe Pharma from Mitsubishi Chemical Group through a corporate split. The purpose of this M&A is to establish a system that enables Mitsubishi Tanabe Pharma to develop its business more flexibly and swiftly, aiming to enhance its pharmaceutical expertise and strengthen its competitiveness in the global market. Bain Capital emphasizes growth potential in the pharmaceutical sector and aims to optimize management resources and increase business value while ensuring Mitsubishi Tanabe Pharma's independence.	2025/2/8	5,100

Note 1: If the tender offeror is an SPC (special purpose company), etc., the substantive acquiring entity is also listed.

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Note 2: The "announcement date" refers to the date on which the transaction was disclosed to the public through news releases, newspaper articles, or similar sources, and the "effective date" refers to the date on which the deal was completed (including scheduled completion dates).

For transactions categorized as "capital participation," these transactions had already been completed as of the announcement date.

Note 3: In order of investment amount based on company announcements or media reports.

Source: Based on "MARR Pro" by RECOF DATA Corporation

Chart 2-25(2): Major Cross-Border M&A Deals in Japan (January 2024 to September 2025)

Target company (Transferring entity)	Sector	Acquiring company (Substantial acquiring entity *Note 1)	Country/region of the acquiring company's ultimate parent company	Sector	Form	Outline	Publication date (Effective date) *Note 2	Values (100 million JPY) *Note 3
TOPCON CORPORATION	Precision equipment	TK (Acquisition company) (Funded by the following: a fund managed by KKR, TOPCON's management, and a fund managed by JIC Capital, a subsidiary of Japan Investment Corporation)	U.S.	Other finance (Investment fund)	Acquisition (MBO)	The president of TOPCON, in collaboration with U.S. investment fund KKR, acquired TOPCON itself through a management buyout (MBO), and the company became a wholly owned subsidiary through a TOB conducted via TK, which is an acquisition company established by TK Holdings (TKHD) fully owned by a fund managed by KKR. Following the completion of the TOB, JIC Capital, a wholly-owned subsidiary of the Japan Investment Corporation, will invest a total of 95 billion yen through a fund it manages by underwriting preferred shares of TKHD. TOPCON designs, manufactures, and sells optical and device products for the space and defense industries. Leveraging KKR's global human and capital resources, TOPCON will not only enhance its own capabilities, but also implement measures to grow sales and improve profitability by supporting diversified growth strategies, including collaboration with outside parties and acquisitions.	2025/3/29	3,482
INFOCOM CORPORATION	Information and communications	PXJC2 Holding (Acquisition company) (Fund managed by the Blackstone Group)	U.S.	Other finance (Investment fund)	Acquisition	The Blackstone Group, a U.S. investment fund, acquired INFOCOM, a subsidiary of TEIJIN, that operates the smartphone-based digital comic distribution service "Mecha Comic," through a TOB conducted by PXJC2 Holding, which was established with full funding from a fund managed by Blackstone. Blackstone plans to leverage the expertise and network of its portfolio company, U.S.-based Candle Media, to provide support to accelerate INFOCOM's overseas expansion and monetization through the utilization of its intellectual property. TEIJIN is seeking to reform its business portfolio.	2024/6/19 (2024/10/18)	2,760
ALPS LOGISTICS CO., LTD.	Transportation and warehousing	LDEC (Acquisition company) (LOGISTEED: 90% owned by KKR)	U.S.	Transportation and warehousing	Acquisition	LOGISTEED (formerly Hitachi Transport System), a logistics company backed by U.S. investment fund KKR, acquired ALPS LOGISTICS through a TOB conducted via its wholly owned subsidiary LDEC. This acquisition enables them to provide high value-added and efficient logistics services consistent from procurement logistics to finished goods logistics, expand the customer base, realize economies of scale through increased logistics volume, and advance system development to a higher level.	2024/5/9 (2024/12/19)	1,761
Kao Corporation	Chemicals (Cosmetics)	Oasis Management Company	British Cayman Islands	Other finance (Investment fund)	Capital participation	Oasis Management Company, an investment fund registered in the British Cayman Islands, with an operational base in Hong Kong, has acquired a stake in Kao (purchasing 5.23% of its outstanding shares). The purpose of the holding stake is stated as "portfolio investment and making significant proposals." On April 1, 2025, Oasis issued a statement titled "a better Kao," calling for a greater focus on global expansion and a review of its brand portfolio.	2024/12/11	1,489

Note 1: If the tender offeror is an SPC (special purpose company), etc., the substantive acquiring entity is also listed.

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Note 2: The "announcement date" refers to the date on which the transaction was disclosed to the public through news releases, newspaper articles, or similar sources, and the "effective date" refers to the date on which the deal was completed (including scheduled completion dates). For transactions categorized as "capital participation," these transactions had already been completed as of the announcement date.

Note 3: In order of investment amount based on company announcements or media reports.

Source: Based on "MARR Pro" by RECOF DATA Corporation

Chart 2-25(3): Major Cross-Border M&A Deals in Japan (January 2024 to September 2025)

Target company (Transferring entity)	Sector	Acquiring company (Substantial acquiring entity *Note 1)	Country/region of the acquiring company's ultimate parent company	Sector	Form	Outline	Publication date (Effective date) *Note 2	Values (100 million JPY) *Note 3
T-Gaia Corporation	Other sales and wholesale	BCJ-82-1 (Acquisition company) (Fund managed by Bain Capital)	U.S.	Other finance (Investment fund)	Acquisition	A fund managed by U.S. investment fund Bain Capital acquired T-Gaia, a major mobile phone sales agency, by conducting a TOB via BCJ-82-1, a wholly owned subsidiary of the fund. T-Gaia had been operating retail stores nationwide for carriers such as NTT DOCOMO and KDDI, but the business environment became increasingly challenging due to factors including the lengthening mobile phone replacement cycle. Bain Capital, leveraging its investment expertise in the retail and consumer industries, will support T-Gaia in enhancing the profitability of its mobile business, strengthening its corporate sales operations, accelerating growth through additional M&A, and bolstering its execution capabilities to achieve growth.	2024/10/1 (2025/03/05)	1,426
Japan KFC Holdings	Retail trade (Food and beverage)	Krispy (Acquisition company) (Fund managed by Carlyle Group)	U.S.	Other finance (Investment fund)	Acquisition	Carlyle Group, a U.S. investment fund, has acquired KFC Holdings Japan through a TOB conducted via Krispy, a wholly owned subsidiary of the Carlyle Group. KFC Holdings Japan became a subsidiary of Mitsubishi Corporation through a TOB in 2007 and subsequently sold a portion of its shares in 2015. Carlyle will accelerate new store openings and increase earnings at each store.	2024/5/21 (2024/09/20)	1,350
NISSIN CORPORATION	Transportation and warehousing	BCJ-98 (Acquisition company) (Fund managed by Bain Capital, NISSIN's current management team)	U.S.	Other finance (Investment fund)	Acquisition (MBO)	The U.S. investment fund Bain Capital acquired NISSIN, a comprehensive logistics company with NISSIN's side through a management buyout (MBO) via a TOB executed by BCJ-98, a company established and fully owned by a fund that is advised in investment by Bain Capital. NISSIN provides international multimodal transportation services that optimally combine all modes of transportation: land, sea, and air. By leveraging Bain Capital's global network, human resources network, and management expertise, the company aims to promote management reforms in a flexible and agile manner.	2025/5/13 (2025/07/15)	1,183
SHIBAURA ELECTRONICS	Electric machinery	YAGEO Electronics Japan LLC (Acquisition company) (Yageo Corporation)	Taiwan	Electric machinery	Acquisition (TOB)	YAGEO, a major Taiwanese electronic component manufacturer, conducted a tender offer bid (TOB) for shares of SHIBAURA ELECTRONICS through its acquisition company YAGEO Electronics Japan LLC. SHIBAURA ELECTRONICS specializes in the development, manufacturing, and sales of thermistor elements and temperature sensors, and has a strong foundation of trust and a customer network within Japan. YAGEO stated that the purpose of the acquisition is to maintain SHIBAURA ELECTRONICS's domestic foundation and support its business expansion leveraging YAGEO's international channels. Although YAGEO extended the TOB period multiple times due to national security reviews under Japan's Foreign Exchange and Foreign Trade Act, the TOB was ultimately completed after satisfying all legal requirements.	2025/2/6 (2025/7/8)	1,089

Note 1: If the tender offeror is an SPC (special purpose company), etc., the substantive acquiring entity is also listed.

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Note 2: The "announcement date" refers to the date on which the transaction was disclosed to the public through news releases, newspaper articles, or similar sources, and the "effective date" refers to the date on which the deal was completed (including scheduled completion dates). For transactions categorized as "capital participation," these transactions had already been completed as of the announcement date.

Note 3: In order of investment amount based on company announcements or media reports.

Source: Based on "MARR Pro" by RECOF DATA Corporation

Chart 2-25(4): Major Cross-Border M&A Deals in Japan (January 2024 to September 2025)

Target company (Transferring entity)	Sector	Acquiring company (Substantial acquiring entity *Note 1)	Country/region of the acquiring company's ultimate parent company	Sector	Form	Outline	Publication date (Effective date) *Note 2	Values (100 million JPY) *Note 3
Samty Holdings Co., Ltd	Real estate and hotels	Song Bidco G.K. (Acquisition company) (Fund managed by Hillhouse Investment Management)	Hong Kong	Other finance (Investment fund)	Acquisition	Hillhouse Investment Management, an alternative investment management firm based in Singapore and China, acquired Samty Holdings through a TOB conducted via Song Bidco G.K., which is wholly owned by a fund managed, advised and operated by Hillhouse. Hillhouse has an investment strategy centered on real estate, and will expand its real estate business in Japan, while Samty Holdings aims to shift its revenue structure from one focused on capital gains to one that expands income gains through rental income generated from its planned and developed income-producing properties. Additionally, the company will utilize third-party capital to form real estate development funds and core funds, and strengthen its asset management business.	2024/10/12 (2025/02/03)	1,068
NIHON HOUSING CO., LTD.	Real estate and hotels	Marcian HOLDINGS LLC (Acquisition company) (Goldman Sachs, NIHON HOUSING's current management team)	U.S.	Securities	Acquisition (MBO)	NIHON HOUSING, in collaboration with Goldman Sachs of the U.S., conducted a TOB via Marcian HOLDINGS LLC to delist the company through an MBO. NIHON HOUSING operates condominium business, building management business, and real estate management business. The company aims to rebuild its business foundation by leveraging Goldman Sachs' accumulated expertise and insights in the real estate development and facility management businesses, global and diverse real estate portfolio and network, as well as capabilities in providing strategic support and proposals related to M&A and business strategy.	2024/5/9 (2024/09/04)	944
TRANCOM CO., LTD.	Transportation and warehousing	BCJ-86 (Acquisition company) (Fund managed by Bain Capital, TRANCOM's current management team)	U.S.	Other finance (Investment fund)	Acquisition (MBO)	TRANCOM, a major logistics company, jointly conducted a TOB via BCJ-86, wholly owned by a fund that is advised in investment by U.S. investment fund Bain Capital, and it was taken private through a management buyout (MBO). TRANCOM is working to fundamentally improve logistics efficiency in response to changes in the business environment, including the so-called "2024 problem," where restrictions on drivers' overtime hours are expected to lead to a shortage in transportation capacity. By leveraging Bain Capital's global network, experience in driving growth through M&A, human resources network, and management expertise, the company aims to promote management reforms in a flexible and agile manner.	2024/9/18 (2025/01/17)	911

Note 1: If the tender offeror is an SPC (special purpose company), etc., the substantive acquiring entity is also listed.

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Note 2: The "announcement date" refers to the date on which the transaction was disclosed to the public through news releases, newspaper articles, or similar sources, and the "effective date" refers to the date on which the deal was completed (including scheduled completion dates). For transactions categorized as "capital participation," these transactions had already been completed as of the announcement date.

Note 3: In order of investment amount based on company announcements or media reports.

Source: Based on "MARR Pro" by RECOF DATA Corporation

Chart 2-25(5): Major Cross-Border M&A Deals in Japan (January 2024 to September 2025)

Target company (Transferring entity)	Sector	Acquiring company (Substantial acquiring entity *Note 1)	Country/region of the acquiring company's ultimate parent company	Sector	Form	Outline	Publication date (Effective date) *Note 2	Values (100 million JPY) *Note 3
JTOWER Inc.	Information and communication	DB Pyramid Holdings LLC (Acquisition company) (Fund managed by Digital Bridge Group)	U.S.	Other finance (Investment fund)	Acquisition	Digital Bridge Group, a U.S. digital infrastructure investor, acquired JTOWER, a telecommunications infrastructure sharing business, through a TOB conducted via DB Pyramid Holdings LLC, a wholly owned U.S. subsidiary of Digital Bridge Group. The company has a proven track record of supporting global telecommunications networks. JTOWER seeks to strengthen its management foundation by adding Digital Bridge as a new partner. Following the TOB, the company aims to improve its competitive advantage by enabling swift decision-making and more flexible investment strategies through delisting, while accelerating the development of the infrastructure sharing business and strengthening cooperation with domestic telecom carriers and partner companies.	2024/8/15 (2025/01/09)	760
Sanwa Holdings Corporation	Nonferrous and metal products	Value Act Capital Management, L.P.	U.S.	Other finance (Investment fund)	Capital participation	Value Act Capital Management, L.P., an activist hedge fund based in San Francisco, acquired a 5.94% stake in Sanwa Holdings, a leading building materials company engaged in mainly producing shutters, doors for buildings and condominiums, and aluminum storefront system. The stated purpose of the holding stake is "to give advice on investment and management, and make important proposals according to circumstances." Going forward, the company will propose management strengthening measures to accelerate growth, such as improving management efficiency, optimizing capital policies, developing new markets, and reviewing the business portfolio. Sanwa Holdings is expected to strengthen its competitiveness by utilizing the overseas investor network and management expertise.	2024/9/26	667
Roland DG Corporation	Electric machinery	XYZ (Acquisition company) (Fund managed by Taiyo Pacific Partners, Roland DG's current management team)	U.S.	Other finance (Investment fund)	Acquisition (MBO)	Jointly with U.S. investment firm Taiyo Pacific Partners, Roland DG, a commercial printer manufacturer, conducted a TOB via XYZ, a company established by a fund managed and operated by Taiyo Pacific Partners, and subsequently took Roland private via a management buyout (MBO). The company is shifting away from a business structure that relies on low-solvent printers for the signage market, which accounts for about 40% of its sales, and is accelerating growth by promoting corporate reforms that utilize external management resources.	2024/2/9 (2024/09/05)	664

Note 1: If the tender offeror is an SPC (special purpose company), etc., the substantive acquiring entity is also listed.

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Note 2: The "announcement date" refers to the date on which the transaction was disclosed to the public through news releases, newspaper articles, or similar sources, and the "effective date" refers to the date on which the deal was completed (including scheduled completion dates).

For transactions categorized as "capital participation," these transactions had already been completed as of the announcement date.

Note 3: In order of investment amount based on company announcements or media reports.

Source: Based on "MARR Pro" by RECOF DATA Corporation

Chart 2-25(6): Major Cross-Border M&A Deals in Japan (January 2024 to September 2025)

Target company (Transferring entity)	Sector	Acquiring company (Substantial acquiring entity *Note 1)	Country/region of the acquiring company's ultimate parent company	Sector	Form	Outline	Publication date (Effective date) *Note 2	Values (100 million JPY) *Note 3
TOKYO GAS CO., LTD	Electricity and gas	Elliott Investment Management L.P.	U.S.	Other finance (Investment fund)	Capital participation	U.S. activist fund Elliott Investment Management L.P. acquired approximately 5% of Tokyo Gas shares and is urging the company to improve management efficiency and strengthen its capital policy. Tokyo Gas is taking measures focused on improving capital efficiency and enhancing corporate value, and announced plans to repurchase up to 40 billion yen worth of its own shares and to consider selling non-core assets, such as real estate. The company has clearly stated its intention to allocate the proceeds to growth investments and shareholder returns. Top management emphasizes its commitment to optimizing the business portfolio and enhancing competitiveness through constructive dialogue with external shareholders.	2024/11/20	650
NEC Networks & System Integration Corporation	Information and communications	Oasis Management Company	Hong Kong	Other finance (Investment fund)	Capital participation	Oasis Management Company, an investment fund registered in the British Cayman Islands, with an operational base in Hong Kong, has acquired a stake in NEC Networks & System Integration (purchasing 6.01% of its outstanding shares). The purpose of the holding stake is stated as "portfolio investment and making significant proposals." Subsequently, Oasis increased its shareholding through on-market transactions, raising its stake to 10.42% and then to 13.12%. At the time NEC announced the completion of its TOB, Oasis had further increased its stake to 15.22%.	2024/11/7	595
Shiseido Company	Chemicals (Cosmetics)	Independent Franchise Partners, LLP	U.K.	Other finance (Investment fund)	Capital participation	Independent Franchise Partners, an investment management firm based in London, U.K., has acquired 5.2% of Shiseido's common stocks. In response, Shiseido is promoting structural reforms to improve profitability by undertaking initiatives to identify areas for improvement in earnings and capital efficiency by business unit, while visualizing their respective contributions to overall corporate value. Going forward, the company plans to expand these reforms globally and establish a sustainable profit structure. Management is actively communicating its results and plans, and appealing to shareholders and the market about its ability to execute and its commitment to increasing corporate value.	2025/2/20	581

Note 1: If the tender offeror is an SPC (special purpose company), etc., the substantive acquiring entity is also listed.

Note 2: The "announcement date" refers to the date on which the transaction was disclosed to the public through news releases, newspaper articles, or similar sources, and the "effective date" refers to the date on which the deal was completed (including scheduled completion dates). For transactions categorized as "capital participation," these transactions had already been completed as of the announcement date.

Note 3: In order of investment amount based on company announcements or media reports.

Source: Based on "MARR Pro" by RECOF DATA Corporation