

Cool Japan Fund Inc.
Tokyo, September 25, 2014

Investing in a commercial facility
that will become a hub for Cool Japan in Malaysia

Cool Japan Fund today announced the decision to invest a maximum of 29.4 million RM (approx. 970 million JPY) alongside Isetan Mitsukoshi Holdings Ltd. (IMH) towards a commercial facility that will become a hub for Cool Japan in Malaysia.

Through this project to create the world's first Cool Japan commercial facility, Cool Japan Fund supports the overseas development plans of small to medium-sized companies that have difficulty in expanding overseas independently, and aims to spread the Japanese lifestyle through Southeast Asia and the Islamic world.

Southeast Asia is booming, and is a very important market for the Japanese department store industry. In Malaysia, increases in population, average household income, and the number of wealthy citizens has intensified competition in the retail sector, and it is becoming more and more necessary to find a way to transcend the department store concept of the past and create an entirely new business model.

Cool Japan Fund has decided to invest a maximum of 29.4 million RM (approx. 970 million JPY) alongside IMH towards the construction of a commercial facility that will become a hub for Cool Japan in Malaysia.

The project will involve the renovation of existing IMH-owned store in the most bustling area of Kuala Lumpur to create a Cool Japan hub, and the entire facility is planned to be opened in October, 2015 (at a total investment cost of 60 million RM or 1.98 billion JPY and total commercial floor space of approx.11,000 m²).

This unprecedented commercial facility will offer an array of foods, fashion, cosmetics, general merchandise, interior furnishings, and lifestyle goods that exemplify the excellence of both traditional and revolutionary Japanese products and services. It will support the expansion plans of small to medium-sized companies that have difficulty expanding overseas independently, including those which deal in regional products and traditional crafts.

Cool Japan Fund has gathered information on distribution, employee training, quality control, Halal requirements and other aspects with the aim of introducing Southeast Asia and the Islamic world to the Japanese lifestyle

through this facility in Malaysia, the world's first commercial facility centred on the Cool Japan concept. This is also expected to help spark an interest in Japan among locals and increase tourists to Japan.

Cool Japan Fund will actively support small to medium-sized companies that take part in this project. Those companies exemplifying Cool Japan ideal and looking to expand overseas will be provided with information on funding and other support provided by related institutions such as Japan Finance Corporation and Shoko Chukin Bank.

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[About Isetan Mitsukoshi Holdings Ltd.]

Established: April, 2008

Business description:

1. Operational planning and administration of subsidiaries and group companies operating in the department store industry, and related businesses.
2. Department store operations

Location of Head Office: Shinjuku 5-16-10, Shinjuku Ward, Tokyo

President and CEO: Hiroshi Ohnishi

Website: <http://www.imhds.co.jp/english/>

[About Cool Japan Fund]

Cool Japan Fund was founded in November 2013 as a public-private fund under law with the aim of supporting and promoting the development of overseas demand for excellent Japanese products and services. We aim to commercialize the Cool Japan concept and increase overseas demand by providing risk capital for businesses across a variety of areas, including media & content, food & services, and fashion and lifestyle.

(Website: <http://www.cj-fund.co.jp/en/>)

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