

Press Release

Cool Japan Fund Inc.

Tokyo, February 19, 2015

Investing in a media localization service to accelerate the distribution of Japanese content overseas

Cool Japan Fund has entered into an agreement with Imagica Robot Holdings (IRHD) and Sumitomo Corporation to purchase 100% of the stock in SDI Media Group, Inc. (SDI), the world's leading provider of media localization services (dubbing, subtitling, etc.). Cool Japan Fund will invest US \$59.5 MM (approx. ¥7.0 BN).

SDI operates in 37 countries in more than 80 languages, and has a stable client base made up of the world's major media corporations and production companies. Through this investment, SDI's strength in media localization will become available to the numerous domestic businesses to accelerate overseas distribution of television programs, animation, film, and other Japanese content by reducing the localization cost and improving the quality, speed, and efficiency while accumulating knowledge. In addition, it is expected that SDI's international network will open new markets and accelerate distribution of Japanese content around the world.

Recently the global demand for popular media content is increasing due to the diversification of media outlets through digitization. However, the distribution of Japanese content such as television programs, animation, films, etc. to overseas market is not sufficient. One of the major obstacles is the cumbersome and costly process of localizing Japanese content into other languages.

In order to resolve this issue, Cool Japan Fund along with IRHD, the major domestic media related service provider, and Sumitomo Corporation, the leading general trading company with various media businesses in both domestic and overseas market, agreed to jointly purchase stock in SDI, the world's leading provider of media localization services, for US\$160.0MM (approx. ¥19.0BN). Of the total purchase price, Cool Japan Fund will invest US\$59.5MM (approx. ¥7.0BN). SDI will become IRHD's consolidated subsidiary after this transaction.

SDI serves a stable client base made up of the world's major media corporations and production companies, and enjoys a competitive edge in the global localization market through its unparalleled network of owned-and-operated facilities spanning 37 countries and more than 80 languages. It operates 150 recording rooms around the world, maintains an extensive pool of talented translators and voice actors, and has developed an advanced IT system to streamline the localization process. Through this investment, SDI's strength in localization will become available to the numerous domestic businesses to accelerate overseas distribution of television programs, animation, film, and other Japanese content by reducing the localization cost and improving the quality, speed, and efficiency while accumulating knowledge. In addition, it is expected that SDI's international network will open new markets and accelerate distribution of Japanese content around the world.

Through this investment, Cool Japan Fund aims to provide a localization platform to the numerous domestic businesses and resolve one of the major issues related to the distribution of Japanese content overseas. Cool Japan Fund especially hopes that this investment will provide new opportunities for locally produced content and content produced by ambitious creators to be exported overseas.

[About Imagica Robot Holdings Inc.]

Founded: February, 1935

Business Domain:

Manages group companies involved in imaging technology services, imaging software, broadcasting, imaging systems, and human resources consulting, etc.

Location of Head Office: Shinagawa Ward, Tokyo

Representative Director & President: Makoto Tsukada

Website: <https://www.imagicarobot.jp/en/>

[About Sumitomo Corporation]

Established: December, 1919

Business Domain:

Engages in the sales of a variety of goods and services domestically as well as import, export, and triangular trade leveraging the global network and the trusting relationships in a broad array of fields with both corporations and consumers. Sumitomo takes a multi-perspective approach to business that harnesses its collective strengths through various means, including investment both in Japan and overseas markets.

Location of Head Office: Chuo Ward, Tokyo

President and CEO: Kuniharu Nakamura

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

◆Contact for details regarding this document:

Cool Japan Fund Tel: +81(0)3-6406-7500