



Launch of RISA Corporate Solution Fund II

TOKYO, July 29, 2008—RISA Partners, Inc. (“RISA Partners”) today announced the launch of RISA Corporate Solution Fund II Investment Limited Partnership (“Fund II”) with a major domestic institutional investor.

RISA Partners launched the first RISA Corporate Solution Fund (“Fund I”) in September 2006, and since then has administered and managed this fund with a final investment total of ¥21.85 billion. The company has now launched a second such fund, Fund II.

Fund I targeted companies that had been identified as having the potential for enhanced enterprise value through the utilization of RISA Partners’ expertise and the injection of human resources, and invested in these companies primarily through the acquisition of their shares. To date this fund, which has already been closed, has invested in 9 companies, applying nearly all of its available investment capital (please see attached reference material for details of Fund I activities).

Based on alliances with more than 70 financial institutions, RISA Partners has used its extensive network to provide a wide range of struggling companies with diverse solutions, working alongside these companies to facilitate business revitalization, business restructuring, and other matters such as business succession and the acceleration of business growth. In handling these situations, RISA Partners has observed a rapid increase in cases requiring the integration of RISA Partners’ solutions capabilities with equity investment, and such cases are expected to continue increasing.

Reflecting this environment, Fund I completed its investment activities earlier than had initially been planned, and the Company began preparing for the establishment of Fund II. A contract for Fund II was signed today with a domestic institutional investor. Backed by the investment capability enabled by the launch of Fund II, RISA Partners intends to meet growing market demand for its solutions services while also accelerating the growth of its investment business.

Fund II is being started with an initial investment total of ¥5.0 billion. It is planned to increase the fund to a final amount in the region of ¥30.0 billion, with additional investment from participants in Fund I and other investors. Management of the fund will be undertaken by RISA Capital Management Co., Ltd., a wholly owned subsidiary of RISA Partners.

Description of Fund II

Following on from Fund I, Fund II is being launched with the aim of facilitating business revitalization and enhancing enterprise value by providing RISA Partners’ comprehensive solutions capabilities to target companies. Investment will primarily be in the form of equity in domestic companies, with the possibility that a portion of funds will be invested in bonds.

The main features of Fund II are as follows:

1) Broad sourcing of investment targets

RISA Partners has alliances with more than 70 domestic financial institutions, and through this dense and broad network has access to a wide scope of potential investments. In addition,



RISA PARTNERS INC.

rather than participating in competitive auctions, RISA Partners is skilled at identifying and securing opportunities through direct contact with target companies, and has already built a strong track record with Fund I.

2) Sophisticated financial solutions

RISA Partners is able to draw on its extensive experience in applying sophisticated financial solutions, and is able to provide customized solutions and investment structures that reflect the characteristics of each particular situation.

3) Concerted efforts of specialists within RISA Group

As part of RISA Group, RISA Partners has access to a wide range of specialists in investment support, handling business revitalization, advisory services, all forms of due diligence, servicing, property management and other such matters. For example, Frontier Management Co., Ltd., which was established in 2007, is able to undertake due diligence, business planning, hands-on management support and a range of other specialist services, offering close synergies with Fund II.

Making full use of the features noted above, RISA Partners intends to pursue an investment style that is highly differentiated from other corporate investment funds.

Effect on financial results for the current fiscal year

This acquisition is not expected to have a material impact on RISA Partners' financial results for the current fiscal year, although in future RISA Partners may receive fee income from management of the fund, along with dividends, profit on sale, and other such investment rewards.

Please see attached reference material: INVESTMENT ACTIVITIES OF FUND I

For further information please contact:

Koji Ishidate

Corporate Planning Department

Tel.: 03 5573-8011

kishidate@risa-p.com

www.risa-p.com

**REFERENCE MATERIAL: INVESTMENT ACTIVITIES OF FUND I**

Fund I has been invested in the following companies. Investment proceeded at a rapid pace, and was completed 18 months after the launch of the fund.

No.	Target company	Category of investment	Date of investment	Scale of investment*	Business sector
1	Company A	Business revitalization	2007	B	Real estate
2	Company B	Growth support	2007	B	Manufacturing and retail
3	Company C	Revitalization support	2007	C	Manufacturing and retail
4	Home Improvement Hirose Co, Ltd.	Growth support	2007	B	Retail
5	Thanks Japan Corporation	MBO/Growth support	2007	A	Retail (formerly listed on Jasdaq; TOB implemented)
6	Maruya Co., Ltd.	Revitalization support	2008	B	Retail (TSE 2 nd section)
7	Company G	Growth support	2008	B	Restaurants
8	Company H	MBO/Growth support	2008	C	Manufacturing
9	Matsumoto Electric Railway Co., Ltd.	Revitalization support	2008	B	Transportation, retail, tourism

* A = More than ¥3.0 billion; B = ¥1.0 – 3.0 billion; C = Up to ¥1.0 billion