

JAPAN'S LARGEST VENTURE CAPITAL COMPANY OPENS KOREA OFFICE

- JAFCO Asia to invest part of US\$178 million technology fund in Korea

Seoul, 11 June, 2001 – JAFCO Investment (Asia Pacific) Limited, otherwise known as JAFCO Asia, announced today the opening of its Korean office in Kangnam-Ku. Armed with its recently launched US\$178 million JAFCO Asia Technology Fund, the company will be actively looking out for promising technology ventures to invest in.

"We have ear-marked up to 15% of the new fund for Korean investments," said Vincent Chan, JAFCO Asia's director and executive vice president for north Asia, based in Hong Kong. Despite the slowdown in technology stocks, JAFCO Asia's view on the development and growth of technology in Korea is over the long term. "There has never been a better time to seek out pockets of opportunities to invest in promising companies at reasonable valuations," said Mr Chan.

With the second largest Gross National Product in Asia, and being one of the leading 'high-tech' countries in the world, Korea - with its broadband infrastructure, high penetration of mobile phone and electronics products and talent - is regarded by JAFCO Asia as fertile ground for its investments.

Several large Japanese corporations contributed to the Fund. "Our Japanese investors retain a positive outlook in Asia. The appetite for investment has not diminished. Beyond just profit, they are also looking for synergies with our investees," said Mr. Takeshi Sanda, vice-president of JAFCO Korea. "The average investment size will be in the region of US\$2 to 5 million." Some of the additional synergies investors and investees can enjoy are broadening of their customer bases, collaboration in technology and possible joint-venture spin-offs. The company will leverage its strengths and connections in the Japanese market as a gateway for its investee companies.

The JAFCO Asia Technology Fund will focus in these key technology sectors in Korea: Wireless, Semiconductor, Optical, Software, Telecommunications and Internet Infrastructure. JAFCO Asia seeks opportunities where funding is required in the early stages of a company, primarily first and second institutional rounds, but will also consider financing middle stage opportunities on a selective basis.

About JAFCO Asia:

JAFCO Investment (Asia Pacific) Ltd., formerly Nomura/JAFCO Investment (Asia) Ltd., is a venture capital firm investing in promising young technology enterprises with high-growth potential in the Asia Pacific region.

First incorporated in Singapore in March 1990 as a joint venture between JAFCO Co., Ltd. and The Nomura Securities Co., Ltd., JAFCO Asia became a wholly-owned subsidiary of JAFCO Co., Ltd, on 31 March 1999.

JAFCO Asia offers in-depth local knowledge in the region, with offices in nine countries: Hong Kong, Taiwan, The Philippines, Thailand, Malaysia, Singapore, Indonesia, Australia and Korea. The company currently manages seven private equity funds in aggregate of over US\$800 million. Its track record of investments in over 240 companies and over 110 exits, of which 70 have reached the initial public offering (IPO) stage, makes JAFCO Asia a pre-eminent venture capital firm in the region.

JAFCO Co., Ltd., listed on the Tokyo Stock Exchange, is the largest venture capital company in Japan, with US\$2.4 billion in committed capital in Asia, North America and Europe. The U.S. subsidiary, JAFCO America, has offices in Silicon Valley and Boston, and is recognised as a leading VC in America. It has been ranked a top five VC in the US by Forbes magazine.

Nomura Securities, the co-founding joint-venture partner, is Japan's largest securities house with over 61 offices, subsidiaries and affiliates in 26 countries. Today, JAFCO Asia remains an integral part of the Nomura Group network.

Globally, as at the end of March 2001, the group has invested in more than 2,400 portfolio companies, of which more than 626 have been listed. This represents a vast wealth of knowledge and experience that is available to JAFCO Asia's entrepreneurial partners.

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