

May 27, 2013

**MOU between JBIC, Mizuho Corporate Bank, and SPRING Singapore to  
Promote Business Collaboration between SMEs in Japan and Singapore**

1. The Japan Bank for International Cooperation (JBIC), Mizuho Corporate Bank Ltd. (MHCB), and SPRING Singapore (SPRING) signed a memorandum of understanding (MOU) to establish a strategic partnership to jointly promote business collaboration between Japanese and Singaporean SMEs today at The China Club of Capital Tower.
2. “I am very happy to sign the MOU today, with SPRING and Mizuho Corporate Bank, for the purpose of supporting business deployment of Japanese and Singaporean SMEs into ASEAN countries,” said **Mr. Kazuo YUHARA, Managing Executive Officer and Global Head of Industry Finance Group of JBIC**. “JBIC had initiated the discussion of this MOU since last year, and here, I would like to thank you all who were seriously committed to this signing of the MOU.”
3. “The purpose of this MOU is to promote the Japanese companies’ investments in SMEs in Singapore and also to accelerate their joint business opportunities in Singapore and other ASEAN countries,” said **Mr. Hiroshi SUEHIRO, Managing Executive Officer, Head of Asia & Oceania of MHCB**. “Mizuho established an ASEAN-focused private equity fund. Taking this opportunity of equity participation of Mizuho and JBIC in the fund and having close relationship with SPRING, we can come up with valuable strategic alliance opportunities between Singapore SMEs and Japanese companies. The alliance makes it possible to enhance the competitiveness of the both sides and expand their joint business to neighboring ASEAN countries.”
4. “We are pleased to partner JBIC and Mizuho to promote and foster greater collaboration between SMEs from Singapore and Japan for expansion in the region,” said **Ms Choy Sauw Kook, Assistant Chief Executive of SPRING Singapore**. “With Singapore’s established infrastructure, talented workforce and good intellectual property protection regulations and Japan’s strong technological innovation capabilities; we are confident that this strategic partnership with JBIC and MHCB will facilitate and catalyse more meaningful collaboration between SMEs in Singapore and Japan.”
5. In March 2013, MHCB and JBIC had set up the Mizuho ASEAN Private Equity Fund (the Fund) to support business deployment of Japanese companies, including SMEs, into ASEAN countries. Riding on this opportunity, this subsequent MOU was signed as a result from the

discussion between JBIC, MHCBS and SPRING regarding promotion of business collaboration in the ASEAN region between Japanese and Singaporean SMEs.

6. The purpose of the MOU is to establish a strategic partnership between JBIC, MHCBS and SPRING to support and promote business collaboration between Japanese and Singaporean SMEs in the ASEAN region by:
  - Promoting business collaboration between Japanese and Singaporean SMEs in the ASEAN region;
  - Exchanging information on financial tools such as fund investments and/or loans etc, to promote business collaboration between Japanese and Singaporean companies in the ASEAN region, including the Fund's activities; and
  - Organising consultation regarding two topics above, where deemed necessary.
7. Singapore and Japan enjoy a long-standing economic relationship, with robust trade and investment ties. As the world's third largest economy, Japan was Singapore's 8th largest trading partner in 2012 with total trade amounting to S\$52.1 billion<sup>1</sup>. Akin to other developed countries, the economic growth of Japan and Singapore is significantly driven by SME activities. In Japan, over 99% of its registered companies are SMEs (according to Japan's SME Basic Act<sup>2</sup>'s definition), which account for more than half of the GVA (Gross Valued Added) in manufacturing sector. Similarly, 99% of all enterprises in Singapore are SMEs, which employ seven out of every 10 workers and contribute to nearly half of the national GDP. Apart from the existing economic contribution, the SMEs sector plays a critical role in revitalise and propel future economic growth, given their strong potential for innovation and agility to respond to market demands and mobility in accessing overseas markets. Both Japan and Singapore have strong interest to ensure the vibrancy of their SME sector.
8. With this MOU, JBIC, MHCBS and SPRING will be contributing to overseas business deployment and creation of business opportunities for both Japanese and Singaporean SMEs, by leveraging each party's network and knowledge regarding the ASEAN region. (Refer to Annex for the example/s of joint Japanese-Singaporean business partnership.)

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<sup>1</sup> Source: IE Singapore's StatLink

<sup>2</sup> Japan SME Basic Act - [http://www.chusho.meti.go.jp/sme\\_english/outline/08/01\\_01.html](http://www.chusho.meti.go.jp/sme_english/outline/08/01_01.html)

## **About JBIC**

JBIC is a policy-based financial institution wholly owned by the Japanese government. JBIC has the purpose of contributing to the sound development of Japan and the international economy and society, by taking responsibility for the financial function to promote the overseas development and securement of resources which are important for Japan, to maintain and improve the international competitiveness of Japanese industries and to promote the overseas business having the purpose of preserving the global environment, while having the objective of supplementing the financial transactions implemented by ordinary financial institutions. JBIC also provides the financial services that are necessary to prevent disruptions to international financial order or to take appropriate measures with respect to damages caused by such disruption. For more information, visit [www.jbic.go.jp/en](http://www.jbic.go.jp/en).

## **About MHCB**

Mizuho Corporate Bank, Ltd. provides financial and strategic solutions for the increasingly diverse and sophisticated needs of clients, focusing its efforts on serving major corporations, financial institutions, and public sector entities. A relationship management approach to serving clients enables Mizuho Corporate Bank, Ltd., together with group companies such as Mizuho Securities Co. Ltd., to develop customized solutions in areas such as corporate, structured and project finance, investment banking, transaction banking and risk management. With offices in more than 30 countries, Mizuho Corporate Bank, Ltd. offers clients both localized service and the extensive reach of a global business network. Mizuho Corporate Bank, Ltd. is a subsidiary of the Japan-based Mizuho Financial Group, Inc. (NYSE: MFG), one of the largest financial services companies in the world, with total assets of over \$1.8 trillion as of March 2013. For more information, please visit <http://www.mizuhocbk.com>.

## **About SPRING Singapore**

SPRING Singapore is an agency under the Ministry of Trade and Industry responsible for helping Singapore enterprises grow and building trust in Singapore products and services. As the enterprise development agency, SPRING works with partners to help enterprises in financing, capability and management development, technology and innovation, and access to markets. As the national standards and accreditation body, SPRING develops and promotes an internationally-recognised standards and quality assurance infrastructure. SPRING also oversees the safety of general consumer goods in Singapore. For more information, visit [www.spring.gov.sg](http://www.spring.gov.sg).