



## Monthly Newsletter: February Edition

*This newsletter aims to share the latest updates from  
Tokyo as a global financial hub and FinCity.Tokyo*

### Updates from Tokyo – Global Financial Hub

#### <Recent news>

- **Daiwa partners with Japan Post on full-scale entry into investment advisory** – Daiwa Asset Management is undergoing a major shift, accepting a 20% investment from Japan Post Insurance in October 2024 to enter the investment advisory business. The company aims to expand its asset management capabilities, leveraging Japan Post Insurance's JPY 1 trillion in assets and enhancing its foreign bond investments through its New York office. CEO Mikita Komatsu emphasized that this move is crucial for retaining top talent and competing globally, as well as for diversifying beyond ETFs and mutual funds. The partnership is expected to strengthen Daiwa's institutional investor base and provide a foundation for long-term growth in asset management.
- **Tokyo Stock Exchange to toughen management buyout rules** – The Tokyo Stock Exchange (TSE) plans to tighten rules on management buyouts (MBOs) this spring to prevent large shareholders from taking companies private at unfairly low prices, protecting minority shareholders. The new regulations will require boards to justify the MBO process and pricing, establish external committees to assess fairness, and disclose business plans post-buyout. Additional measures under consideration include requiring majority support from non-management shareholders and publishing committee meeting minutes. Companies failing to comply will face public disclosure requirements and fines, as Japan sees a growing number of MBOs, including a potential buyout of Seven & i Holdings.
- **KKR, Apollo and others targeting JPY 900 trillion in Japan life insurance for assets** – Companies controlled by KKR, Apollo Global Management and other giant investors, are expanding into Japan insurance market, leveraging reinsurance deals to manage life insurance and annuity assets. KKR estimates only 1% of Japan's insurable assets have been reinsured so far, highlighting significant untapped potential. These firms redirect reinsured funds into high-yield private credit investments, though regulators are closely monitoring risks tied to liquidity and market stability. As Japan's new insurance capital regulations take effect in 2025, more insurers may turn to reinsurance to offload liabilities and optimize their balance sheets.
- **Tokyo- London Financial Seminar 2025** – On February 4, Tokyo Metropolitan Government and City of London Corporation co-hosted the "[Tokyo-London Financial Seminar 2025](#)" in London. The event covered various topics and discussions, outlining potential opportunities to tap the Japanese market from a UK perspective, as well as deep diving into current market trends in the Japanese market and opportunities for cooperation between the UK and Japanese companies.

#### <Upcoming activities>

- **Japan Fintech Week** – "[Japan Fintech Week 2025](#)" will take place from March 3-7, aiming to showcase Japan's fintech innovations and foster business opportunities. Now in its 9th edition, the event will feature FIN/SUM 2025, co-hosted by the Financial Services Agency and Nikkei, along with various industry-led fintech events. By collaborating with key stakeholders, it will serve as a hub for domestic and international fintech leaders to connect and explore new opportunities. If you are interested in and wish to register for the events, please choose and complete [the registration form](#).
- **Japan Securities Summit** – "[Japan Securities Summit](#)" will be held on March 3 in New York at Japan Society, marking its return to the city after two years. It aims to introduce Japanese economic and stock market trends to local institutional investors and financial professionals. Japanese participants will gain insights into U.S. investor sentiment, the securities industry, and regulatory impacts. Through discussions, the event will also strengthen market and industry networks.

## FinCity.Tokyo updates

### <Recent activities >

- **FINTECH in JAPAN: Your pathway to Tokyo** – On February 4, FinCity.Tokyo hosted "FINTECH in JAPAN: Your pathway to Tokyo" in London, a roundtable discussing the significant changes in Japan's traditionally cash centric market. The event covered topics such as the surge in cashless transactions, the shift from saving to investing, the impact of labor shortages on the digitalization of workflows at financial institutions, and tokenization in relation to global initiatives.
- **FinCity.Tokyo's Ambassador talks about Japanese corporate governance and foreign landscape on TV** – On February 10, David Semaya, Executive Chairman and Representative Director of Sumitomo Mitsui Trust Asset Management and FinCity.Tokyo Ambassador, discussed Japan's evolving corporate governance and foreign investment landscape amid global leadership shifts on [Bloomberg TV](#). He emphasized the importance of strong diplomatic ties, citing former Prime Minister Abe's relationship with President Trump as a strategic advantage. Semaya highlighted key corporate governance reforms, including updates to the Tokyo Stock Exchange, reforms driven by METI, and the Corporate Governance Code, which have improved transparency, shareholder returns, and Japan's global competitiveness. While acknowledging risks from yen depreciation, he noted that effective hedging and Bank of Japan interest rate hikes have created stability and investment opportunities, reinforcing Japan's appeal to foreign investors.
- **FinCity.Tokyo Global Forum 2025 highlights Tokyo's future as a finance hub and Japan's commitment to GX** – On January 24, FinCity.Tokyo held its annual global forum, where policymakers, industry leaders, and international experts explored Tokyo's financial hub ambitions and Japan's green transformation (GX). FinCity.Tokyo Chairman Hiroshi Nakaso warned of global economic fragmentation but was optimistic about Japan overcoming deflation, while Masato Kanda highlighted Japan's RISE strategy for secure supply chains. Moderator and FinCity.Tokyo Ambassador Jesper Koll emphasized Japan's growing financial appeal, driven by market reforms and stronger corporate governance. On GX, panelists stressed the role of transition finance, with BlackRock Japan CEO Hiroyuki Arita advocating blended finance for decarbonization and Brookfield's Keiji Hattori urging Japan to enhance investment opportunities to attract global capital. The archived videos of the forum are available both in [Japanese](#) and [English](#). For more details, this [summary piece](#) also provides an excellent overview of the discussion.

#### <Upcoming activities>

- **Online Media roundtable: Sustainable Finance Frontiers: Advancing ESG in an Era of Growing Regionalism” (5:00pm – 6:30pm Tokyo March 4, 2025)** – As the situation around ESG continues to evolve rapidly, what do these developments mean for Japan and Europe, which are leading ESG markets? At this media roundtable, our panel of experts, Hideki Takada, (Director, GX Acceleration Agency), Petra Dismorr (Co-Founder & Chief Executive Officer, NorthPeak Advisory) and Miyuki Zeniya (Group Chief Sustainability Officer, Mitsubishi UFJ Financial Group & Chief Sustainability Officer, MUFG Bank, Ltd.) will:
  - Provide an update on how the U.S. anti-ESG stance affects the ESG markets in Japan and Europe
  - Examine the significance of sustainability disclosure standards and their role in sustainable finance
  - Explore ways ESG investment and sustainable finance can continue to deliver value despite challenges
  - Discuss the initiatives and perspectives of financial institutions in promoting sustainable finance and how their efforts have positively influenced corporate attitudes

If you are interested and wish to register for the roundtable, please complete [the registration form](#). You will receive a calendar invitation.

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#### **ABOUT FINCITY.TOKYO**

**FinCity.Tokyo** is dedicated to raising Tokyo's profile as a global financial hub, with a focus on building a world-leading ecosystem for asset management and fintech. We work with the Government of Japan and the Tokyo Metropolitan Government, as well as 59 industry associations, major financial institutions, global investors, and service providers. You can find more information on [our homepage](#).

#### **Media Inquiries:**

Kekst CNC: [FinCity.Tokyo@kekstcnc.com](mailto:FinCity.Tokyo@kekstcnc.com)

If you have any questions or interview/briefing requests, please do not hesitate to contact us. We also welcome any requests for comments or quotes.

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