

Notice Concerning Establishment of U.S. Small & Mid Cap Growth Concentrated Fund

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Bayview Asset Management Co., Ltd.

Ken Yagi,

President and CEO

This is to notify you that Bayview Asset Management Co., Ltd., (represented by Ken Yagi, President & CEO; hereinafter referred to as "BVAM") has newly established on December 28, 2017, the privately placed investment trust, U.S. Small & Mid Cap Growth Concentrated Fund (hereinafter referred to as "the Fund") where the management is to be entrusted to RS Investments (hereinafter referred to as "RSI"), an asset management boutique of Victory Capital Management Inc. (hereinafter referred to as "Victory Capital") with which BVAM has a comprehensive business alliance contract for investment management.

In the United States, innovation that brings major changes in the lives of people and corporate activities, including technological innovation in the fields of IT and biotechnologies, as well as the development of new services in the consumer and financial sectors is accelerating. As start-ups in the United States are leading such activities and creating the next generation, investing mid to long term in such small companies in their growth stage when their corporate value rises very quickly makes it possible to achieve major returns. However, for most start-up companies, their existence is not well known in the stock market, and it is difficult merely to conduct surveys on them.

RSI, established in 1986 as the investment arm of Robertson, Stephens and Company (RS & Co.), which had cultivated numerous venture companies that would bear the next generation, is headquartered in San Francisco, California, overlooking Silicon Valley. The company has 18 analysts specialized in middle and small cap equities and a splendid investment record of discovering attractive start-ups based on thorough bottom-up research. In Japan, RSI has enjoyed a close alliance with the BVAM since its establishment in 1998. It has since been selected as an entrusted asset management company for eleven privately and publicly offered investment trusts that invest in U.S. mid- and small-cap equities. While many of the excellent small-cap funds have reached their maximum investment potential, and opportunities for new investments are limited, this Fund that selectively invests in 20 to 40 U.S. small-cap stocks, mainly start-ups with a high certainty for growth, offers Japanese investors a new opportunity to invest up to 30 billion yen in innovation.

Victory Capital, based in Cleveland, Ohio, is a leading U.S. independent multi-boutique investment firm ranked 21st in Barron's 2016 U.S. asset management company rankings. It operates ten investment boutiques that specialize in different asset classes and strategies, including RSI.

BVAM, as a pioneer and a leader of Japan's independent boutique house specializing in active investments in Japanese equities, U.S. equities, and multi-assets, provides sophisticated investment products and will celebrate its 20th anniversary in January 2018. Thanks to high recognition from a wide variety of customers from individual investors to institutional investors, including pension funds, the BVAM has steadily developed to become one of the biggest independent investment companies in Japan with approximately 390 billion yen in assets under contract and about 60 officers and employees. BVAM aims to become the first full-fledged multi-boutique asset management company in Japan by offering a product lineups that include those of high-grade U.S. asset management boutiques in addition to its proprietary products based on a unique platform of high-quality client services.