

October 28, 2022

Marubeni Corporation

The Joyo Bank, Ltd.

ORIX Bank Corporation

Investing in Digital Securities Preparatory Co., Ltd

Marubeni Corporation; J-Raise Investment Limited Partnership, a CVC (Corporate Venture Capital) fund in which The Joyo Bank, Ltd. has invested; and ORIX Bank Corporation (hereinafter, “the three companies”) have completed an investment in Digital Securities Preparatory Co., Ltd. (hereinafter, “DS”) as of October 27, 2022.

DS is preparing to launch its real estate STO business*¹, which will allow real estate to be converted into security tokens using blockchain technology, with the aim of providing next-generation financial products that will enable anyone to become a wealthy person.

Ownership Co., Ltd. (hereinafter, “OS”), a system subsidiary of DS, filed an application on August 29, 2022 for accreditation of the Testing of New Technology Demonstration Plan based on the Act on Strengthening Industrial Competitiveness (the so-called “Regulatory sandbox system”^{*2}). The certification was granted on October 14, 2022^{*3}, and DS and OS are diligently preparing for the implementation of the demonstration.

Through their investment in DS, the three companies will support DS’s efforts in the security token market, which is expected to become a new source for Japan’s personal financial assets, in order to soundly promote the government’s “shift from savings to investment” policy.

*¹ Real Estate STO (Security Token Offering) business

STO is a method of raising funds by issuing “security tokens” (digital securities) that are issued electronically using distributed ledger technology represented by blockchain technology. Real estate STOs are digital securities whose underlying assets are real estate or rights related to real estate and are attracting attention as a next-generation financial product that differs from conventional real estate securitization products.

*² Regulatory sandbox system

In cases where the practical application of new technologies such as IoT, blockchain, robots, etc., or the implementation of new business models such as platform-type businesses, sharing economy, etc., is difficult in relation to current regulations, this system allows businesses, based on their applications, to conduct demonstrations certified by regulatory authorities for the social implementation of new technologies and business models, and to use information and data obtained through the demonstrations to lead to regulatory revisions.

*³ Cabinet Secretariat Press Release : [20221014_sandbox.pdf \(cas.go.jp\)](https://cas.go.jp/20221014_sandbox.pdf)

Demonstration Plan Summary : [20221014_3shiryu1-1.pdf \(cas.go.jp\)](https://cas.go.jp/20221014_3shiryu1-1.pdf)

Company Overview

Name: Digital Securities Preparatory Co., Ltd.
Founded: November 12, 2020
Representative: Kohei Yamamoto
Location: 4-15-1, Akasaka, Minato-ku, Tokyo 107-0052, Japan
Business: Preparing to launch Real Estate STO business
Website: <https://digitalsecurities.jp>

Name: Marubeni Corporation
Founded: December 1, 1949
Representative: Masumi Kakinoki
Location: 4-2, Ohtemachi 1-chome, Chiyoda-ku, Tokyo 100-8088, Japan
Website: <https://www.marubeni.com/en/>

Name: The Joyo Bank, Ltd.
Founded: July 30, 1935
Representative: Tetsuya Akino
Location: 5-5, Minami-machi 2-chome, Mito, Ibaraki 310-0021, Japan
Website: <https://www.joyobank.co.jp/eng/>

Name: ORIX Bank Corporation
Founded: August 23, 1993
Representative: Yuichi Nishigori
Location: ORIX Inui Building 3-22-8, Shiba Minato-ku, Tokyo 105-0014, Japan
Website: <https://www.orixbank.co.jp/>