

Newsletter

Marunouchi Office

Dec. 2025 | Vol.1 | Celebrating 10 Years

SO & SATO
INNOVATIVE LAWYERS

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Global Network

Joining IPG & WTL

New Members

Welcoming T. Ichikawa &
Y. Hasegawa

ABLJ Contribution

Private Equity Regulations
in Japan

Global Network

So & Sato Law Offices has taken a new step forward to meet global legal needs.

Cross-border M&A
Tech Regulations
Global Compliance
Data Privacy

Strengthening Global Connections

International Practice Group World Tech Legal

We are pleased to announce that So & Sato Law Offices has joined two prominent legal networking groups: the International Practice Group (IPG) and World Tech Legal (WTL). Membership in these networks enhances our ability to connect with peers across jurisdictions, share insights on complex legal matters, and stay at the forefront of international and technology-focused legal developments. Participation in IPG and WTL will further support our clients' cross-border and tech-related transactions by giving us access to a broad, collaborative professional community.



International
Practice
Group

world tech
LEGAL

Welcoming New Team Members



**Tomokazu
Ichikawa**

Attorney-at-Law

Mr. Ichikawa specializes in M&A, corporate law, and cross-border transactions, with a focus on the healthcare sector. His expertise spans high-profile international mandates, PMI, and start-up advisory, complemented by his role as External Director for a leading med-tech firm.

Uniquely, he combines legal experience with strategy consulting and investment banking backgrounds. He holds an MiF from London Business School and an MBA from the University of Cambridge.



**Yurie
Hasegawa**

Certified Labor and Social Security Attorney

Certified Labor and Social Security Attorney, with expertise in social insurance, payroll, internal regulations, subsidies, and labor-related consultations. She also brings experience from major telecommunications and financial companies.

Ms. Hasegawa will strengthen our support for foreign clients entering the Japanese market, particularly regarding employment and labor matters.

New Article: Private Equity Funds in Japan

Contributions to Asia Business Law Journal

REGIONAL GUIDE
CO-PUBLISHED ARTICLE

Laws and regulations on private equity funds in Japan

So & Sato Law Offices routinely provide legal advice on the formation of private equity funds and their operation. The legal regulations surrounding PE funds in Japan can be challenging, and the firm hopes this brief explains will be helpful.

PE funds handling so-called small-cap and mid-cap deals are gaining recognition and attention from overseas investors.

This is largely due to Japan's geopolitical stability, the relatively stable multiples, and the perceived undervaluation of Japan's domestic M&A deals, particularly large-scale and medium-sized enterprises, suggesting the potential success of such PE funds.

Furthermore, PE funds handling so-called mid-cap and large cap may now start to receive more attention as tender offers and management buyout deals, anticipating changes to the Tokyo Stock Exchange's listing standards scheduled for April 2025.

This article focuses on PE funds with investors who are primarily Japanese institutional investors, with some participation from overseas institutional investors or family offices.

Legal structure

Institutional funds can be classified based on the investment targets, legal structure, jurisdiction of establishment (governing law), categories of investors, and so on.

PE funds are typically structured as closed-end, partnership-type funds. Under Japanese law, they are often organised as investment limited partnerships (ILPs) (see pages 50-51) under the Law Concerning Investment Limited Liability Partnerships (LPS Act).

If a majority of investors are based overseas, parallel funds are often established as limited partnerships in tax haven jurisdictions such as the Cayman Islands.

SPS investors include listed companies, corporations with capital or net assets of JPY50 million or more, and general partners (GPs) of a PE fund is required to be registered as:

- A type II financial instruments business operator to conduct the principal business of partnership interests in Japan; and
- An investment manager to manage funds and other assets contributed by investors and to invest them through investments in securities.

For many, it may not be practical for many fund managers, including SPSQI, to meet the registration requirements such as hiring personnel (including a compliance officer) with the necessary knowledge and experience, and meeting capital requirements.

Therefore, most GPs rely on an exemption called the Specially Permitted Business for Capital-raised Financial Instruments (SPSQI). The SQSI allows the GP to conduct the business described in the "subject activities" and "categories of permissible investors" along with the conditions set out below. Below is an overview of the SQSI.

(a) **Subject activities.** Under the SQSI exemption, the GP may conduct one or more of the following:

- Private placement of fund interests to one or more qualified institutional investors (QIIs) and up to 49 investors meeting certain requirements (SPF investors).
- The management of funds or other assets contributed by the above-mentioned investors, primarily as limited partners.
- (c) Categories of permissible investors.** The QII refers to natural and legal persons, such as registered securities dealers, pension funds, insurance companies, or others who have a portfolio of securities worth at least JPY50 billion (USD56 million) and have filed a notification to be treated as a QII.

Each due diligence process includes verifying customer information, such as the purpose and nature of the transaction, as well as how the transaction will affect the fund's investors or management of the funds, they are required to conduct certain "know your customer" (KYC) procedures and due diligence about their limited partners (LPs).

Act on Prevention of the Transfer of Financial Instruments (ATF) and the LPS Act, which are the laws that regulate the fund's investors or management of the funds, they are required to conduct certain "know your customer" (KYC) procedures and due diligence about their limited partners (LPs).

However, the business activities in which the LPS may engage are limited to those specified in the LPS Act, including the acquisition and holding of shares

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Three of our lawyers recently contributed to an article in the Asia Business Law Journal on the legal framework for private equity funds in Japan.

The article highlights challenges faced by fund managers, structures for domestic and cross-border funds, and compliance considerations under Japanese law. It also covers regulatory developments under the Financial Instruments and Exchange Act.

"PE funds are typically structured as closed-end, partnership-type funds. Under Japanese law, they are often organised as investment limited liability partnerships (toushi jigyo yugen sekinin kumiai) under the Law Concerning Investment Limited Liability Partnerships (LPS Act)."

Read Article

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丸の内オオフィス

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グローバル・ネットワーク

グローバルな法的ニーズに
対応するため、当事務所は
新たな一步を踏み出しました。

クロスボーダーM&A

テクノロジー法規制

グローバル・
コンプライアンス

データ・プライバシー

グローバル・ネットワークの強化

IPGおよびWTLへの加盟

この度、創・佐藤法律事務所は、世界的な独立系法律事務所のネットワークである「International Practice Group (IPG)」および「World Tech Legal (WTL)」に正式に加盟いたしました。

これらのネットワークは、欧米・アジアを含む世界主要都市の有力な法律事務所によって構成されています。これらに参画することにより、当事務所は世界各国の信頼できる専門家とダイレクトかつ強固な連携体制を構築することが可能となりました。

特に、多国間にまたがる複雑なM&A案件や、各国の規制が絡み合う最先端のテクノロジー法務、データプライバシー対応などにおいて、現地の最新情報に基づいた、より迅速で質の高いリーガルサービスを提供してまいります。

これまで以上にグローバルな視点を持ち、クライアントの皆様の海外事業展開を強力にサポートしていく所存です。今後とも変わらぬご愛顧を賜りますようお願い申し上げます。



新メンバー加入のお知らせ



市川 智和

弁護士

M&A、企業法務、クロスボーダー取引を専門とし、特にヘルスケア分野に注力しています。国際的な案件やPMI（合併後の統合）、スタートアップ支援において豊富な経験を有し、医療系テクノロジー企業の社外取締役も務めています。

早稲田大学商学部卒業、Cambridge大学MBA修了、London Business School、Masters in Finance卒業。大手法律事務所でキャリアをスタートし、戦略コンサルティング・ファーム、銀行等を経て、現職。



長谷川 友里恵

社会保険労務士

社会保険、給与計算、就業規則、助成金、および労務相談等の分野で高度な専門知識を有しています。大手通信会社や金融機関での実務経験も持ち合わせ、企業の労務課題に対して実践的なアドバイスを提供します。

長谷川の加入により、人事・労務DDにおいて、PMIを見据えたより実践的な対応が可能となるものと考えております。

日本のプライベート・エクイティ・ファンド規制

Asia Business Law Journal への寄稿

REGIONAL GUIDE
CO-PUBLISHED ARTICLE

当事務所の弁護士3名が、Asia Business Law Journalにて「日本のプライベート・エクイティ（PE）ファンドに関する法的枠組み」について執筆しました。

本記事では、ファンド・マネージャーが直面する課題、国内およびクロスボーダー・ファンドのストラクチャー、日本法におけるコンプライアンス上の留意点について解説しています。また、金融商品取引法（金商法）における最新の規制動向についても触れています。

"PE funds are typically structured as closed-end, partnership-type funds. Under Japanese law, they are often organised as investment limited liability partnerships (toushi jigyo yugen sekinin kumiai) under the Law Concerning Investment Limited Liability Partnerships (LPS Act)."

記事の全文を読む