

Japan Has Changed, More Changes to Come

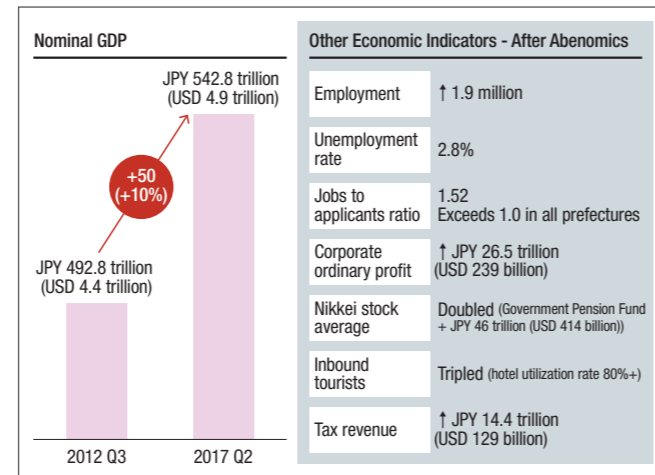
PM Abe and Top Executives Meet in New York City

Prime Minister Abe invited 15 world-renowned business leaders to breakfast during his visit to the United Nations General Assembly in New York City (Sept. 19, 2017). Abe and his guests—CEOs from leading manufacturers, asset management companies, institutional investors, and consulting and agri-business firms who were interested in and optimistic about the Japanese economy—had an active dialogue about investing in Japan.

The breakfast started off with a few words from Abe. He elucidated the remarkable changes that have happened through Abenomics such as increases in nominal GDP, employment, and corporate ordinary profit. At the same time, he pointed out that Japan also recognizes its need to pursue changes even further— increase productivity, better utilize retained earnings and fulfill the great potential of Japan’s SMEs and startups. Abe also stressed the importance of free trade and

declared his unwavering commitment to making the Trans-Pacific Partnership (TPP) Agreement happen.

Achievements of Abenomics



Abe received much positive feedback from the top executives, such as for his diligent efforts in creating a business-friendly environment to attract foreign investment, and his leadership in free trade. The participants also provided suggestions regarding future focuses ranging from boosting financial activities to transforming the corporate culture in Japan. While praising Japan’s great strength in R&D, many participants expressed that they expect more innovations in areas such as technology and healthcare. The importance of actively accepting more PE funds into Japan was also pointed out.

Abe respectively addressed each executive’s comments. When a participant lamented by saying, “I want to come for the 2020 Olympics but Japanese hotels are always booked,” Abe joked, “Well, in that case, how about starting your own hotel business in Japan?” In his responses, Abe elaborated on Japan’s ongoing efforts and

made further commitments: for instance, strengthening corporate governance. Japan plans to further refine its corporate governance code to increase transparency through increasing the number of outside directors in listed companies, and revise its stewardship code to improve dialogue between investors and corporates. Abe reiterated, “Changes have happened but these are just the beginning of the reformation—more changes are to come.”

In summary, Abe emphasized his expectations for more investment in Japan. Areas such as infrastructure and agriculture as well as hidden talent and untapped resources in Japan’s various local regions are a just a few of the many promising opportunities in Japan. Foreign investment is the real engine of the Japanese economy and Abe strongly expects to achieve sustainable growth through cooperation with companies around the world.

Session 1



Participant	Title	Organization
1 Dominic Barton	Global Managing Partner	McKinsey & Company
2 Larry Fink	Chairman and CEO	BlackRock
3 Paul J. Fribourg	Chairman and CEO	Continental Grain Company
4 Gregory J. Hayes	Chairman, President and CEO	United Technologies
5 Michael Sabia	President and CEO	Caisse de dépôt et placement du Québec
6 André Andonian	Managing Partner, Japan	McKinsey & Company
7 Thomas R. Nides	Vice Chairman	Morgan Stanley

Session 2



Participant	Title	Organization
1 André Andonian	Managing Partner, Japan	McKinsey & Company
2 Leon Black	Chairman, CEO and Director	Apollo Global Management
3 Wes Bush	Chairman, CEO and President	Northrop Grumman Corporation
4 William Ford	CEO	General Atlantic
5 Peter Grauer	Chairman	Bloomberg
6 Steven B. Klinsky	CEO	New Mountain Capital
7 Daniel S. Loeb	CEO	Third Point
8 Stephen A. Schwarzman	Chairman and CEO	The Blackstone Group
9 Alain Carrier	Senior Managing Director, Head of International	Canada Pension Plan Investment Board