

Toyoharu Tsutsui

Born in Fukuoka Pref., Japan on July 29, 1951

President & CEO, Capital Partners Holdings Co., Ltd.
President & CEO, Capital Financial Holdings Co., Ltd.
Chairman & Representative Director, Capital Research & Investments Co., Ltd.
Representative Director, Capital Quest Corporation, Ltd.
Chairman of the Board, Foundation of Japan-Vietnam Cultural Association
Director, Noda Scholarship Foundation
Member of Kojunsha Club
Member of Rotary Club of Tokyo



《50-Years Work Experience of Toyoharu Tsutsui》

- Representative Director, Capital Partners Holdings Co., Ltd. since Jul. 1996
Representative Director, Capital Financial Holdings Co., Ltd. since Oct. 2018
May 2003: Started Capital Partner Securities after acquiring a brokerage subsidiary of Prudential Life
Mar. 2006: Realized a Japanese equity block trade; one of the largest trades in size; JP¥152.9 bn.
Apr. 2006: Appointed as Board Chairman of Foundation of Japan-Vietnam Cultural Association (to present)
Dec. 2006: Launched the first Japan-domiciled equity fund investing in Vietnamese equities with the initial investment amount of approx. JP¥30 bn.
Mar. 2010: Started Capital Asset Management after acquiring an advisory affiliate of CSK
From Oct. 2012 to Mar. 2022: Acted as Council to OBIC for 9 yrs. and 6 mos.
Since Oct. 2022: Appointed as Director of Noda Scholarship Foundation (to present)
- CS First Boston (currently UBS): From Apr. 1988 to Jun. 1996 for 8 yrs. and 2 mos.
Acquired TSE membership. Acted as Head of Investment Banking, Tokyo Branch Manager and Board Member of Japan Securities Dealers Association
- Morgan Stanley Securities: From Sep. 1983 to Mar. 1988 for 4 yrs. and 7 mos.
Reorganized Tokyo Rep. Office into a licensed local corporation. Having acquired TSE membership, constantly ranked as the top foreign broker/dealer in terms of trading volume.
- Nomura Securities: From Apr. 1974 to Aug. 1983 for 9 yrs. and 5 mos.
Apr. 1974: Joined Sales Section, Kyoto Branch: Won the top sales record in terms of investors' assets in custody through sales of bonds and mutual funds.
Jul. 1978: Corp. Business Dept., Osaka Branch: Advised Daiwa House (Formerly Daiwa Danchi) to issue SF-denominated convertible bonds; other clients include Torishima Pump, Matsushita Electric Works, Yuasa Battery, and NH Foods.
Mar. 1980: Overseas Investment Advisory Dept: Wrote Japan's first Buy analyst report on Yasukawa Electrics as a robotics company.
Dec. 1980: Nomura Singapore: Director and Executive Vice President, won a large number of new Chinese clients in ASEAN Countries.
Sep. 1981: Completed the first listing by a Japanese corporation Isetan Singapore on SGX, shares being held by approx. 2,500 local individual investors. Won a listing mandate from Jurong Shipyard, a majority owned by IHI.

《Educational Background》

Mar. 1970: Graduated from Nakatsu Minami High School of Oita Pref.
Mar. 1974: Graduated from Faculty of Economy, Kyushu University
May 1978: Acquired MBA Degree at Wharton School, University of Pennsylvania
Jun. 1996: Completed AMP/ISMP Program at Harvard University (AMP/ISMP)

《Wholly-Owned Subsidiaries of Capital Financial Holdings》

Capital Partner Securities Co., Ltd.	Capital Asset Management Co., Ltd.
Capital Research & Investments Co., Ltd.	Capital Financial Advisors Co., Ltd.
Capital Quest Corporation, Ltd.	
Capital Partners Vietnam Consulting Company Limited; Head Office in Hanoi, Vietnam	

Mr. Tsutsui's Speech at the Rotary Club

1. [From Childhood to University Graduation](#)
2. [Learning the Basics of the Securities Business at Nomura Securities](#)
3. [Launching Two Foreign Investment Banks](#)
4. [Entrepreneurship and the Establishment of a Holding Company](#)
5. [Passing on Independent Financial Holding Company to the Next Generation](#)
6. [Charitable Endeavors and Service Activities](#)

My name is Tsutsui, and I have just been introduced. I had the honor of joining the Rotary Club in January 2024 through the kind recommendation of Mr. Yoichiro Nakagawa and Mr. Kenji Hashidate. Today, I am truly grateful for the opportunity to give my initiation speech before all distinguished senior members. Although working in a financial holding company is perhaps a somewhat unusual occupational category, I would like to share with you my own personal journey, the lessons and insights gained through my work, and finally, my outlook for the future.

1. From Childhood to University Graduation

I was born on July 29, 1951, in a rural farming family in Fukuoka Prefecture as the eldest son. My father had passed away before I was born, and I grew up in poverty with my mother and elder sister. One of my closest friends from kindergarten through high school was Mr. Yoshifumi Hibako, later Chief of Staff of the Ground Self-Defense Force during the Great East Japan Earthquake. He is our source of pride, a man who issued deployment orders to 70,000 troops, even at his own career risk, without waiting for instructions from governors or the Minister of Defense.

I attended Oita Prefectural Nakatsu Minami High School with Mr. Hibako. At Nakatsu Station stood a statue of Mr. Yukichi Fukuzawa, and his thought permeated our lives: the school song "*Fukuzawa's dreams, where are they?*" referenced him, bookstores had Yukichi corners, and our lives seemed suffused with his influence. His "[An Encouragement of Learning](#)" was said to be based on 17 letters originally addressed to childhood friends in Nakatsu, emphasizing importance of "practical learning." At that time, Japan's population was about 35 million, yet 3.4 million copies were sold. Mr. Fukuzawa founded Keio University, the nation's first university, with both the Faculty

of Economics and the Faculty of Medicine growing into its flagships, rooted in his philosophy. Naturally, choosing the faculty of economics near my hometown as my path seemed inevitable.

2. Learning the Basics of the Securities Business at Nomura Securities

Although I spent much of college life doing part-time jobs, after graduating from Kyushu University I joined Nomura Securities in April 1974, assigned to its Kyoto Branch sales division. During my student years, I had learned cutting-edge sales techniques at Recruit's Fukuoka Branch, using RPG approaches. While most of my colleagues did cold-call visits, I centered my sales on letters. Within a year, I ranked the top performer among 300 new hires.

This led to my selection as one of eight candidates to study abroad, and I met my lifelong friend, Mr. Kitao. After having racked my brains, I went on to earn my MBA at Wharton School, the oldest business school on the East Coast. Upon returning to Japan, I worked in the Corporate Division of the Osaka Branch, engaging with 20 listed companies and having the pleasure of meeting corporate executives. Among the executives who most influenced me were Mr. Shigeo Ishibashi, then president of Daiwa Danchi (now Daiwa House), and Mr. Ryuhei Harada, President of Torishima Pump Mfg. At the opportunity of issuance of Swiss franc-denominated convertible bonds of Daiwa Danchi, I got associated with Mr. Ishibashi. By the way, during this CB issue, I became acquainted with Mr. Hashidate and it has been nearly 47 years we have known each other. From Mr. Ishibashi, I received guidance until his passing, including his oft-stated principle: "Have a mentor." On the anniversary of his death, I visit the grave every year with his nephew. Incidentally, Mr. Ishibashi's own mentor was Mr. Shigeo Nagano of Nippon Steel, a man who, during a price slump in Daiwa House's stock, bought heavily to save it, when its stock price was about to decline lower than 50 yen. Just so you know, I have taken the liberty of considering Mr. Noda, Chairman of OBIC, as my mentor.

In December 1980, I married a woman I had met by chance on the Yamanote Line in March of the same year, with Mr. Kitao of SBI emceeding our wedding, and I played the same role for his wedding. She happened to be a secretary of Mr. Setsuya Tabuchi, then Nomura's President. Right after the wedding, I was sent to Singapore as Executive Vice President of Nomura Singapore. My wife, struggling with English, often visited the Isetan bookstore with me, where, by chance, we discovered a

connection that led to the first IPO of a Japanese company in Singapore, establishing 2,500 shareholders. This IPO business, too, was born out of a mere coincidence. During three years, whenever then-President Tabuchi visited Singapore—twice in total—I had the privilege of joining him for dinner. He kindly used to ask, “Tsutsui, how is your wife doing?” and also tease, “Aren’t you feeling withered away in such a small country like Singapore?” To be honest, I did envy the success of Mr. Kitao in New York and Mr. Kumagai in London. But he told me, “Singapore will grow into a great nation. Study hard and build your network.” Looking back now, I can only admire President Tabuchi’s remarkable foresight. His words became the catalyst that drove me to commission Nomura Research Institute in Hong Kong to survey 124 Chinese families in Southeast Asia and to launch aggressive client development. Within three years, more than half of those families had become Nomura’s clients. I believe this laid the foundation for Nomura’s subsequent expansion into Southeast Asia.

3. Launching Two Foreign Investment Banks

After five years since my study abroad, in June 1983, I decided to leave Nomura Singapore, and with some bumps and detours I resigned from Nomura three months later. In September of the same year, I joined Morgan Stanley in Tokyo. Playing an active role in its elevation to branch status and obtaining TSE membership, I was eventually posted to New York six years later, where I belonged to the equities division. When I returned to the office around five o’clock after a day trip to Dallas or Houston, I often found that my boss and everyone else had already left. One evening, I happened to share the elevator on the way down with Chairman Parker Gilbert. After introducing myself, we chatted a bit and then parted ways in front of the building. Expecting a large limousine to be waiting for him, as I watched his back while seeing him off, he briskly walked down into the subway.

By contrast, I, a mere 33-year-old junior employee at the time, was always booked in first class for every overseas business trip from the day I joined until the day I left. There was even an occasion when I flew the Concorde from New York to London to make it in time for a meeting.

My 13 years of experience at foreign investment banks made me acutely aware of the cultural differences with Japan’s seniority-based system and lifetime employment, as well as the contrast in how employees were treated. At our firm today, we also place the

highest priority on family and health. Most of our staff leave the office by five. Work is important, but family matters even more.

During my assignment in New York, I had the opportunity to meet Jack Hennessy, CEO of First Boston. I was told that First Boston had underwritten all of Japan's postwar government agency dollar funding, and after confirming this with the late former Finance Minister Michio Ochi, I decided to transfer to the firm out of a sense of gratitude. I served as General Manager of the Tokyo Branch for eight years, and in the last few years also held a seat on the board of the Japan Securities Dealers Association.

When I was heading the Tokyo Branch, the Financial Attaché at the U.S. Embassy was Timothy Geithner—who would later become Secretary of the Treasury. Attending meetings alongside American branch managers, I often felt a sense of discomfort as a Japanese whenever senior officials from Washington would declare, "*Our national interest is ...*" Those experiences gave rise to doubts about my position within an American institution and stirred in me a desire for freer management. I suppose Mr. Yukichi Fukuzawa's principle of "*independence and self-respect*" was running through my mind at the time.

4. Entrepreneurship and the Establishment of a Holding Company

In late June 1996, I completed the three-month intensive AMP program at HBS and returned to Japan. Shortly thereafter, on July 4th—America's Independence Day—I established Capital Partners Co., Ltd. That day also became my own "Independence Day." Of course, becoming independent did not mean that income started flowing immediately. Around that time, a managing director of Fuji Bank suddenly came to visit me. He explained that then-Deputy President Kazuhiko Kasai had instructed him to sign a one-year advisory contract with my company. The managing director remarked that there had been no precedent for such an arrangement, and I was deeply humbled by Mr. Kasai's generosity. From then on, I would visit the Securities Division of Fuji Bank each month to give lectures on selected themes. Later, Mr. Kasai moved to SoftBank and played a key role as a close aide to Mr. Masayoshi Son. Sadly, he passed away twelve years ago at the age of 76. To this day, I will never forget the kindness he showed me.

Through the introduction of an American close friend, I entered into negotiations with the Vice Chairman of Prudential's headquarters in Newark, which led to the acquisition

of its Japanese securities subsidiary in May 2003. At a time when Japanese companies were being acquired by foreign funds, I personally acquired a foreign securities firm. This became Capital Partners Securities, now part of our group. A few years later, in March 2010, we acquired and merged two firms—Humid Investment Advisory, founded by former Yasuda Trust executives, and Plaza Capital, a failed CSK subsidiary—to establish Capital Asset Management. Subsequently, we went on to establish other businesses, including an M&A advisory firm, a financial products intermediary, an investment partnership GP company, and a local subsidiary in Vietnam. In October 2018, these six companies were consolidated into a financial holding company. Accounting, IT systems, HR, and general administration were centralized within the holding company, which provides services to each subsidiary as needed. Seven years have since passed, and the six subsidiaries continue to collaborate closely while advancing their businesses.

This is the story of how an independent financial holding company was born.

5. Passing on Independent Financial Holding Company to the Next Generation

As you know, the financial and securities industry is subject to rapid changes. However, in our country, labor laws impose strict regulations on dismissals. Unlike in the United States, we cannot easily lay off staff from underperforming divisions. Therefore, when surplus personnel arise, we adjust through transfers among group companies.

Securities firms generally operate with high leverage, but following the 2008 Lehman Shock, I shifted to a debt-free management model. Even through the difficult post-crisis years, we managed to navigate with original ideas. The greatest strategic lesson I gained in the process was not to compete. Instead, I focused on pursuing niche businesses that we could handle exclusively. We were the first in Japan to introduce Vietnam funds and Vietnamese equities—when the VN Index was around 200, compared to 1,700 today. We were also the first in Japan to handle Japanese equity hedge funds, now numbering over 30. Thanks to these efforts, we have begun business with corporate pension funds and university endowments.

Economics praises competition as the engine of growth, but at the micro level, perfect competition produces no profit.

Lately, I have been reflecting on what the world might look like 20 years from now, in 2045. Twenty years ago, the untapped Vietnamese market and hedge funds delivered far greater results than expected. The question now is how to pass on this niche strategy to the next generation. I believe the key lies in foreign talent. Since twenty years ago, we have been hiring foreign graduates, and now 15% of our workforce is non-Japanese. They command at least three languages—Japanese, English, and their native tongue—and on top of that, they are remarkably hungry to succeed.

Many leading U.S. companies, such as NVIDIA and Tesla, were founded by immigrant entrepreneurs. While China's youth unemployment rate now exceeds 20%, young people there remain hungry and determined. And what about Japan's youth? I cannot help but feel that too many are clinging to the legacies of the past.

6. Charitable Endeavors and Service Activities

Since 2006, I have served as Chairman of the Foundation of Japan-Vietnam Cultural Association, engaged in international charitable endeavors, fostering mutual goodwill and understanding that ultimately enriches our business as well. Sharing Rotarian ideals of service, I am deeply honored to be here and look forward to learning and serving alongside you—not only in business, but also in contributing to society.

Thank you very much for your kind attention.
