

Japan Korea  
Week

# Post event report

7 - 10 May 2019 | Seoul & Tokyo

INFRASTRUCTURE  
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# Infrastructure Investor Japan Korea Week 2019

The Infrastructure Investor Japan Korea Week, comprising of the second annual Seoul Summit and fifth annual Tokyo Summit, gathered more than 600 infrastructure professionals for networking and lively debate on the future of Tokyo and Korea's institutional outbound investments into the asset class.

Key themes from the week included: The rise of mid-market infrastructure, investing in the energy transition, opportunities for investing in Asia and understanding the Japanese and Korean LPs views on the current market. Thank you to all our speakers that shared their insights on the trends currently affecting global infrastructure investments.

Thank you also to our sponsors for their valuable contributions. To all those who attended, we hope you found the Summit enjoyable and thought-provoking - we

look forward to welcoming you back next year to Tokyo and Seoul. If you have any further queries about the Japan Korea Week or our other Infrastructure Investor conferences - please do not hesitate to get in contact with me.

Kind regards,

A handwritten signature in black ink that reads 'Andrew Wolff'.

Andrew Wolff  
andrew.w@peimedia.com



# Key speakers at the Tokyo Summit



**Hisashi Hatta**  
Advisor (formerly CEO)  
AISIN Employees' Pension Fund



**Hisamitsu Iida**  
Section Manager  
Sompo Japan Nipponkoa Insurance



**Takako Koizumi**  
General Manager, Infrastructure Investments  
Tokio Marine Asset Management



**Shigefumi Kuroki**  
General Manager, Head of Global Infrastructure  
Investments, Structured Finance Department  
Development Bank of Japan



**Tadasu Matsuo**  
Head of Alternative Investment  
Japan Post Insurance



**Yasuhiro Ono**  
Director  
Japan Post Bank



**Keisuke Sakamoto**  
Director, Public-Private Partnership/Private  
Finance Initiative (PPP/PFI) Promotion Office  
Cabinet Office of Japan



**Satoru Tanabe**  
Head of Infrastructure  
Pension Fund Association

# Key speakers at the Seoul Summit



**Gwenola Chambon**  
Head of Infrastructure Funds  
Mirova



**Byung Kyu Cheon**  
Chief Investment Officer  
DGB Life insurance



**Hyungon Kim**  
Senior Manager  
KTCU



**Jason Hyunjae Kim**  
Head of Infrastructure Team 2  
Samsung Fire and Marine Insurance



**Jake Lee**  
Head of Infrastructure  
Hyundai Insurance



**Janghwan Lee**  
Executive Director, Division Head of Alternative  
Investment Division  
Lotte Non-Life Insurance



**Si Wan Lee**  
Head of Project Finance  
Samsung Life Insurance



**David Luboff**  
Head of Asia-Pacific Infrastructure  
KKR

# Key takeaways from the Week



## 1. **Get ready to go beyond core**

Perhaps because of the squeeze on core returns, Japanese institutional investors are gearing up to diversify their exposure to the asset class – in terms of strategies, geographies and fund managers.

Yasuhiro Ono, director of private equity and infrastructure at Japan Post Bank, said that his firm is looking to diversify their regional, vintage and sector exposure. “We also believe that we should diversify our approach to investment, and we are making efforts to participate in co-investment opportunities,” Ono added.

Still, Japanese LPs made clear that, between shifting asset class definitions and new infrastructure-like products entering the market, they are more eager than ever to understand the assets being acquired by managers.

“It’s important for us to visit the assets and understand the risks associated [with them], and that the risk level is not too high,” Hisamitsu Iida, private assets portfolio manager at Sompo Japan Nipponkoa Insurance, said.

## 2. **Tough times for debt investors**

Infrastructure debt is worrying Korean LPs, as returns have compressed across the asset class.

“PPP-type projects are preferred [among Korean investors]. But senior loans from these are only yielding 2 percent in Europe. That is not enough [for us] to go into that market,” Jason Hyunjae Kim, head of the infrastructure team at Samsung Fire & Marine Insurance.

And as fund managers move towards lesser-known geographies in search of higher returns, Korean LPs are having a hard time following them. Si Wan Lee, head of project finance at Samsung Life Insurance, admitted that his firm is having issues committing capital to more “exotic countries” due to its “strong” investment guidelines.

“We can venture into Latin America, [countries] like Mexico, Peru, or Chile. [But] it is tough due to our internal credit team’s concerns [on investing in these countries],” he said.

## 3. **Co-investment is key**

Korean players are used to investing directly in their domestic infrastructure market and are looking for similar opportunities abroad. Therefore, when it comes to choosing global fund managers, potential co-investment opportunities play an important role.

“What is important for us is to have more opportunities for co-investment, and

# Key takeaways from the Week



more information [about deals coming to the market],” explained Samsung Fire & Marine Insurance’s Kim, during one of the panels in Seoul.

Hyungon Kim, senior manager at the Korean Teachers’ Credit Union, sent a clear message to the GPs in the room, explaining that his institution is looking for mid-sized funds that also provide co-investment opportunities.

“Our investment ticket stands at between \$50 million and \$100 million,” he said. “But we can have a higher ticket under exceptional circumstances, when we are building a special relationship with a GP.”

#### 4. **Get used to lower returns...**

To date, Japanese investors have focused most of their energy on core infrastructure. But as Philippe Busslinger, senior managing director for Europe at Canadian pension Ontario Municipal Employees Retirement System, pointed out, “it’s getting harder and harder to generate excess returns” from core infrastructure. Harder, but not impossible. Despite the “healthy competition”, Busslinger argued opportunities still exist to make “a very good [risk-adjusted] return”.

Also, as QIC global head of infrastructure Ross Israel said, the definition of core is not static. “Core assets in the next 10 years will be different to those

in the last 10 years,” he said, highlighting how assets in the electricity sector have been evolving.

Savvy investors looking for outsized returns from traditional infrastructure would do well to spot this new generation of core as early in the cycle as possible.

#### 5. **Avoid copy and paste emails**

South Korean institutional investors have asked fund managers to do research on LPs before contacting them and to “tailor” their pitches rather than sending generic e-mails.

“When we get an e-mail, the impression is that the text is not really specific,” Jake Lee, head of infrastructure at Hyundai Marine & Fire Insurance, explained during a panel discussion at Infrastructure Investor’s Seoul Summit on 7 May.

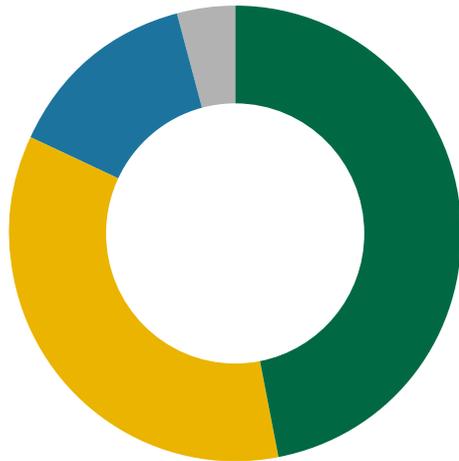
“In some cases, there are really shoddy copy-paste e-mails, with the text still in blue colour,” he added, referring to the font that some e-mail providers use for forwarded messages.

Vist [infrastructureinvestor.com/japankoreaweek](https://www.infrastructureinvestor.com/japankoreaweek)  
for more insight from the event

# 2019 attendee breakdown

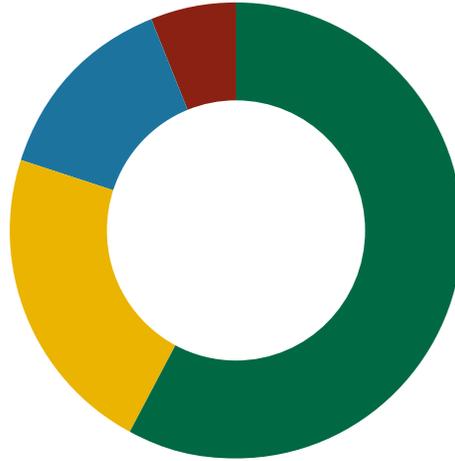


Attendees included:



- CEO, CIO, Partner, President, Director 47%
- Head of Region/ Department, Senior Manager 35%
- Consultant 14%
- Other 4%

Regional attendance breakdown:



- Japan & Korea 58%
- Europe, Middle East, Africa 22%
- APAC ex. Japan & Korea 14%
- Americas 6%



**633**  
ATTENDEES



**267**  
COMPANIES



**68**  
SPEAKERS



**28**  
COUNTRIES

# Companies that attended the Japan Korea Week included

- Aberdeen Standard Investments (Japan)
- ABL Life Insurance
- AES Infrastructure Advisors
- Ahlstrom Capital
- AISIN Employees' Pension Fund
- Alinda Capital Partners
- Altamar Infrastructurals
- AMP
- Antin Infrastructure Partners
- ArcLight Capital Partners
- Argo Infrastructure Partners
- Asahi Mutual Life Insurance
- Asset Management One
- AXA Life Insurance
- Bank of Yokohama
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- Columbia Threadneedle Investments
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- GC Capital
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- Greencoat Capital
- GTIS Partners
- Hana Financial Investment
- Hanwha Asset Management
- Hanwha Life Insurance
- Hermes GPE
- Heungkuk Life Insurance
- Hitachi Rail
- Hyundai Marine & Fire Insurance
- Hyundai Motor Securities
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- IGIS Asset Management
- Industrial Bank of Korea
- Infranode
- InfraRed Capital Partners
- InfraVia Capital Partners
- Intermediate Capital Asia Pacific
- Itochu

“As infrastructure as an asset class continues to grow, Infrastructure Investor’s events around the globe provide both investors and global infrastructure managers with a great forum to come together and discuss the industry - where we’ve been and where we’re going.”

Brandon Donnenfeld  
KKR

- Japan Co-Op Insurance Consumers' Co-Operative Federation
- Japan Post Bank
- Japan Post Insurance
- JF Kyosuien
- JP Morgan Asset Management
- KB Insurance
- KB Kookmin Bank
- KB Life Insurance
- KDB Bank
- KDB Life Insurance
- KDDI
- KEB Hana Bank
- Kohlberg Kravis Roberts
- Kookmin Bank
- Korea Fire Officials Credit Union
- Korea Growth Investment Corporation
- Korea Investment Corporation
- Korea Overseas Infrastructure & Urban Development
- Korean Teachers Credit Union
- Kye& Investment
- LINA Life Insurance of Korea
- Mainstream Renewable Capital
- Manulife Life Insurance
- Mercatus
- Mercuria Investment
- Meritz Fire & Marine Insurance
- Meritz Fire and Marine Insurance
- MetLife Korea
- MG Korean Federation of Community Credit Cooperatives
- MG Non-Life Insurance
- Mirae Asset Daewoo
- Miraeasset Life Insurance
- Mirova
- Mitsubishi Corporation
- Mitsubishi Heavy Industries
- Mitsubishi UFJ Trust and Banking Corporation
- Mitsui & Co. Alternative Investments
- Multilateral Investment Guarantee Agency
- National Agricultural Cooperative Federation (NACF)
- National Federation of Fisheries Cooperatives
- National Investment and Infrastructure Fund
- National Pension Research Institute
- National Pension Service (NPS)
- Natixis Investment Managers Japan
- NH Life
- NIIF
- Nippon Life Insurance
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- Nomura Funds Research and Technologies
- Nomura Research Institute
- Northern Trust
- Octopus Investments
- OMERS Infrastructure Management
- OMFIF
- Orange Life Insurance
- Orix Life Insurance Corporation
- Osaka Shoko Shinkin Bank
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- Pension Fund Association for Local Government Officials
- QIC
- Rubicon Infrastructure Advisors
- Samsung Fire & Marine Insurance
- Samsung Life Insurance
- Schroders Investment Management (Japan)
- Secom Pension Fund
- Seoul Guarantee Insurance
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- Shinkin Central Bank
- Shinsei Bank
- Sompo Japan Nipponkoa Insurance
- Srei
- Sumitomo Life Insurance
- Sumitomo Mitsui Asset Management
- Sumitomo Mitsui Banking Corporation
- Sumitomo Mitsui Trust Bank
- Sungdam
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- Teneo Partners Japan
- The Korea Development Bank
- The Korean Teachers' Credit Union
- The Police Mutual Aid Association
- Tokio Marine Asset Management
- Tokyo University of Science
- Tong Yang Life Insurance
- TransPacific Group
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- Vantage Infrastructure
- Vieira de Almeida & Associados
- Warburg Pincus
- Woori Bank
- wpd AG

“ I found the Infrastructure Investor Summits a great opportunity to gauge the market landscape ”  
from GPs and the current appetite of LPs from both a Japanese, Korean, and global perspective.

**Andrew Shin**  
Willis Towers Watson



## Interactions at the Japan Korea Week 2019

**38k**

website views

**7.9k**

engagements  
with the app

**796**

event content  
downloads



## Networking at the Summit

The Tokyo and Seoul Summits provide a unique opportunity for leading fund managers, institutional investors, service providers and developers to meet, share experiences and build relationships with those in the industry from Japan, Korea and around the globe.



**17+**  
hours of  
networking



“The Seoul Summit is very helpful to understand the market and to meet the people who matter.”

**Seungki Jeong**  
Analyst, DB Financial Investment

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