

INCJ to invest in ABEJA, Inc. Company provides data-analysis platform using AI

Tokyo, July 25, 2016 – Innovation Network Corporation of Japan (“INCJ”) announced today its decision to invest in ABEJA, Inc. (“ABEJA”), a company that provides a data-analysis platform that uses a ‘deep learning’ artificial intelligence (AI).

INCJ will invest up to ¥500 million to provide ABEJA with the necessary funding to support future business development. Archetype Venture Fund, L.P., managed by Archetype Ventures Corporation, will also invest in ABEJA.

ABEJA, founded in September 2012, has its expertise in deep learning technology, one of AI approach and its deployment over cloud-based virtualization platform. Leveraging this technology as a foundation, ABEJA developed the ABEJA Platform, a store analysis platform that has been used primarily in the retail and distribution industry since October 2015. ABEJA is now focusing on expanding to in-store analyticsⁱⁱ

The ABEJA Platform has an ability to distinguish the age group and gender of customers by analyzing data from video image obtained from in-store sensors. This platform enables to create the heat map to highlight where customers spend time and analyze in-store behavior as well as shopping duration. Using ABEJA’s proprietary deep learning-based data analytical technology, clients can optimize store layouts to match customer flows, tailor product displays according to costumer attributes, and enable quantitative measurements to guide the optimal assignment of store staff. As a result, clients are able to use objective data to optimize store management issues, instead of conventional way of relying store managers’ experience and intuition.

By integrating other information, including POS, order placement, inventory as well as weather forecasts and social media, ABEJA Platform can provide predictive sales analysis and suggest specific sales initiatives.

The ABEJA Platform has a number of compelling features: low implementation cost, speedy installation within two weeks, plug and play user interface. As of July 2016, the system has already been installed in over 100 store locations across Japan, including in leading retail and distribution companies, and has proven its effectiveness in optimizing staff assignment and increasing clients’ sales.

To date, the business has primarily focused on the retail and distribution sectors, but ABEJA is now expanding to encompass large-scale commercial facilities, train stations, shopping centers and school routes. This expansion includes addressing new opportunities in areas such as manufacturing, urban design and development, advertising digital signage and the flow of people in high-volume transit areas.

This deep learning technology has been wholly developed by ABEJA. Working with leading global authorities and in collaboration with numerous top academic institutions across Japan, ABEJA is using state-of-the-art technology to create services.

In addition to providing ABEJA with the capital needed to grow its business, INCJ will provide management support through the appointment of outside directors. ABEJA is one of very few venture businesses in the world that has commercialized AI technology, and by providing both financial and management support, INCJ is contributing to industrial structural reform not only in retail and distribution, but in many other sectors too.

¹ Deep learning is a type of AI machine learning computing technology which, similar to the way in which humans learn from experience, enables systems to assess and learn from inputted data and derive solutions independently.

² In-store analytics refers to the measurement and analysis of customer types, behaviors, volumes and length of time spent inside stores.

About ABEJA, Inc.

Established	10 September 2012
Headquarters	Minato-ku, Tokyo
Representative	President and CEO, Yosuke Okada
Business Outline	Support for business reform through deep learning
Url:	www.abeja.asia

About Innovation Network Corporation of Japan (INCJ)

INCJ was established in July 2009 as a public-private partnership that provides financial, technological and management support for next-generation businesses. INCJ specifically supports those projects that combine technologies and varied expertise across industries and materialize open innovation. INCJ has the capacity to invest up to ¥2 trillion (approx. US\$20 billion).

INCJ's management team is drawn from the private sector with diverse experience in investment, technologies and management. Through its Innovation Network Committee, INCJ assesses investment opportunities that contribute to industrial innovation in Japan in line with criteria set by the government.

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INCJ to invest in ABEJA, Inc.

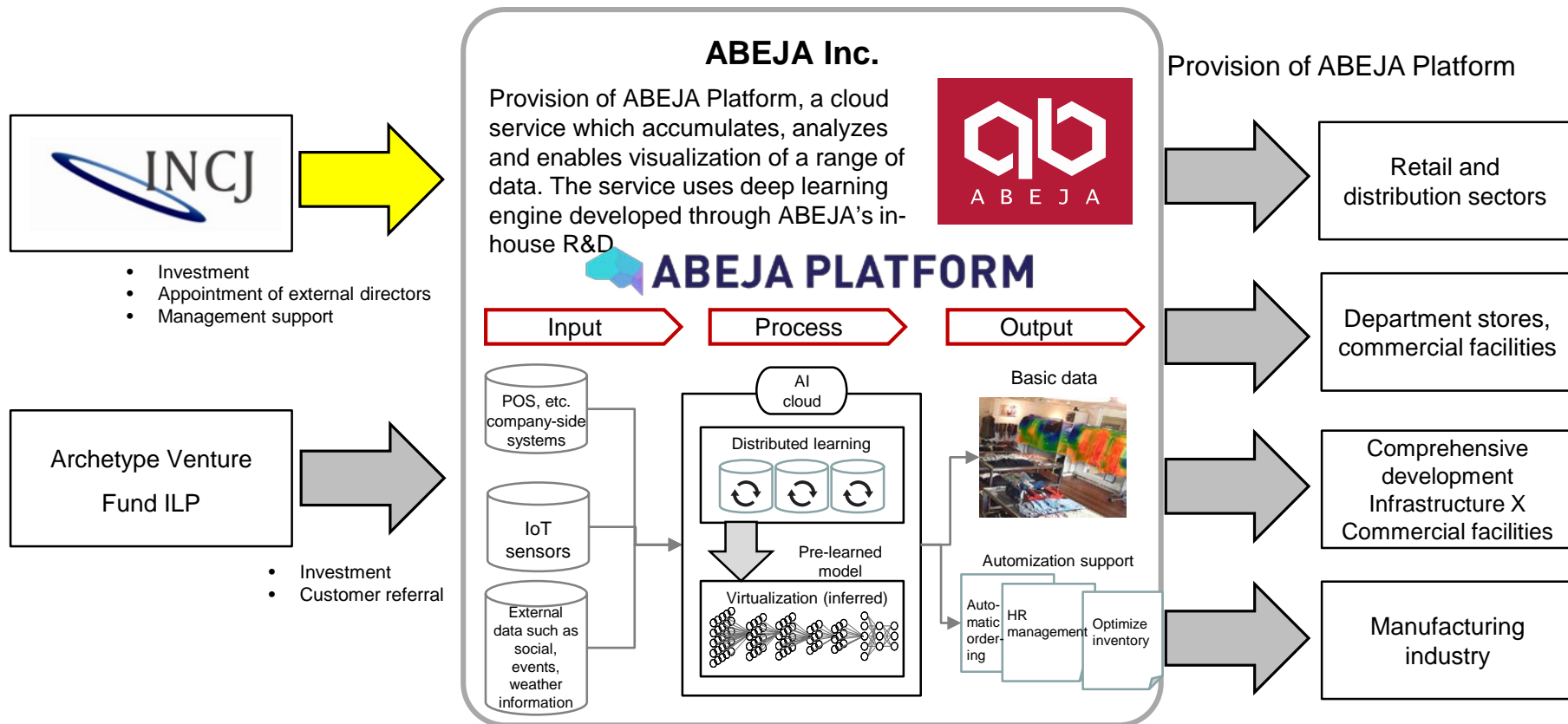
Company provides a data-analysis platform using AI

Target: ABEJA Inc.

Outline: Data analysis platform using AI

Investment: US\$500 million (maximum)

Date of announcement: July 25, 2016



- Providing financial and management support for one of very few venture businesses in the world that leveraged and commercialized Artificial Intelligence.
- Contribution to the realization of future visions using a deep learning for retail, distribution, and other sectors