

INCJ and The Bank of Kochi to invest in Nextremer, a venture company developing AI dialogue systems

- Develop dialogue systems between humans and computers through AI-powered natural language processing technology
- Support the introduction of AI and IoT technologies in various areas to supplement labor shortages
- Contribute to sustainable local communities through the establishment of a social implementation model for the technology

Tokyo, August 8, 2017 – Innovation Network Corporation of Japan (INCJ) and The Bank of Kochi, Ltd. (The Bank of Kochi) announced today the decision to invest in Nextremer Co., Ltd. (Nextremer), a venture company developing AI dialogue systems. INCJ and The Bank of Kochi will invest a total of 470 million JPY in growth capital.

Nextremer was established in 2012, and has been developing AI dialogue systems. In order to penetrate AI-powered services and products as a communication tool, it is essential to have a natural language processing function to allow computers to process spoken and written languages. Nextremer is developing a dialogue system with highly accurate responses based on unique deep learning and scenario databases specialized for each industry.

Nextremer has already experienced on joint research and development with major companies for public facilities. Nextremer will provide dialogue systems developed in-house, focusing on customer services and reception desks, and also plans to develop its business in the automobile and robotics sectors.

Through this investment, INCJ and The Bank of Kochi are providing Nextremer with growth capital to cover R&D, marketing, and others.

INCJ President Mikihide Katsumata commented, “Nextremer is establishing a model for commercializing promptly a human-collaborative AI dialogue system. The expansion of AI services and the spread of AI powered products is crucial in resolving labor shortage and in addressing international visitors. We will continue to provide support Nextremer and believe

that Nextremer will continue to grow in the future.”

The Bank of Kochi President Katsuhiko Morishita also said, “I am extremely pleased that we can contribute to boosting Nextremer’s growth through this investment. Also I am inspired by their business model, which aims to promote AI as a new industry in Kochi. I have high expectations that implementing services and products for collaboration between people and AI will create new employment and lead to regional economic revitalization in Kochi which is facing social issues such as population decline.”

Nextremer is contributing to industrial development through youth employment by an R&D laboratory and subsidiary in Kochi. It has begun working on a framework to integrate AI dialogue systems in the social fabric of the prefecture. Through these efforts and the continued expansion of its regional locations and subsidiaries, Nextremer hopes to contribute to the revitalization of the prefecture.

Kochi Prefecture aims to become a recognized leader nationally in taking innovative approaches to social issues such as population decline. This joint initiative between local government and company can serve as a role model for many other local governments encountering similar challenges of social issues including population decline.

About Nextremer Co., Ltd.

Established	October 2012
Headquarters	Itabashi-ku, Tokyo
Representative	Representative Director and CEO, Hisahiro Mukai
Business Outline	Research and development and services related to a dialogue system utilizing AI Open innovation business (joint research and development)
URL	http://www.nextremer.com/

About The Bank of Kochi, Ltd.

Established	January 1930
Headquarters	Kochi, Kochi Prefecture
Representative	President, Katsuhiko Morishita
Business Outline	Banking

About Innovation Network Corporation of Japan (INCJ)

INCJ was established in July 2009 as a public-private investment company 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 JPY2 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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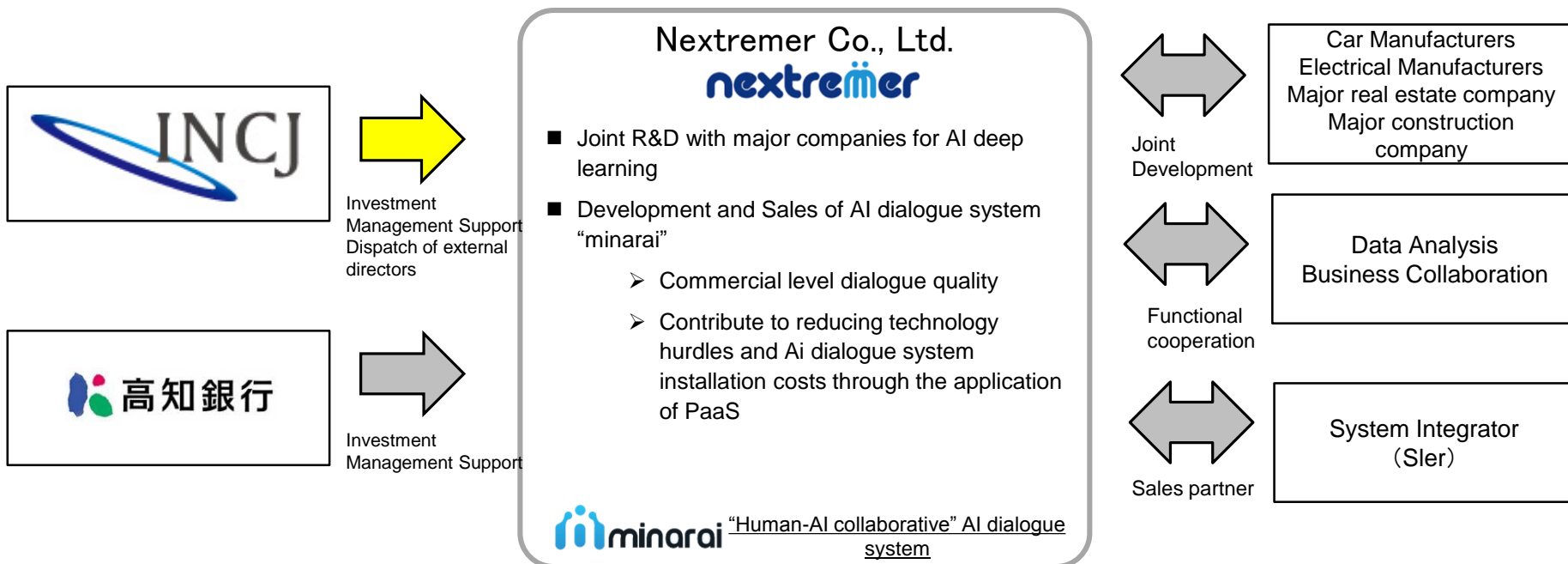
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Target: Nextremer Co., Ltd.

Business Outline: Development and sales of AI dialogue systems

Total Investment: 500 million JPY (maximum)

Date of Announcement: August, 8, 2017



- By combining scenario databases specialized for each industry and on original deep learning, it is possible to provide an AI dialogue system with highly accurate responses. This technology contributes to both improving productivity and cost reduction across a wide range of industries, by automating operations such as customer services and reception desks.
- This technology contributes to regional revitalization of local governments that have productivity issues due to an ageing society, by maintaining and improving productivity of the workforce through AI-powered social implementation models.