

INCJ and HakuHodo to collaborate on investment ecosystem

Aim to drive social impact through “investment, management and creativity”

Tokyo, October 27, 2016 – Innovation Network Corporation of Japan (“INCJ”) announced today its decision to collaborate with HakuHodo Inc. (“HakuHodo”) to establish a venture ecosystem that generates social impact. INCJ will provide investment and collaborate with HakuHodo’s WHERE ART and SCIENCE FALL IN LOVE lab.



Left: INCJ President and COO Mikihide Katsumata, Right: HakuHodo President and CEO Hirokazu Toda

INCJ has a track record of venture investments in diverse sectors and recognizes that in order to create and foster future venture investment success stories it is critically important to engage not only in the logical thinking that comes from considering conventional technological capabilities and business feasibility, but also in “design thinking,” which seeks out intrinsic value through customer insight, observation, and empathy.

In 2015, HakuHodo set up the WHERE ART and SCIENCE FALL IN LOVE lab based on the concept of creating a new future through a fusion of expertise that eliminates the walls between arts and sciences and industry, academia and government. Through this initiative, HakuHodo offers creative consulting services and support for business growth scenarios by considering long-term social trends. HakuHodo also promotes projects that encourage collaboration among industry, academia and government.

In this context, both INCJ and HakuHodo determined that with INCJ’s investment and management expertise and HakuHodo’s social design and creative consulting strengths through its WHERE ART and SCIENCE FALL IN LOVE lab, an open and creative approach that incorporates “design thinking” could be introduced in certain areas of investment. Both

parties recognize the intrinsic value of this collaboration and aim to create and foster innovative venture companies with the expectation that they will have a positive impact on society.

President and COO of INCJ Mikihide Katsumata commented, “We have great expectations for this collaboration, which aims to create investment funds that fuse left and right-brain approaches.” Hakuhodo President and CEO Hirokazu Toda said, “Hakuhodo places a high value on creativity, and through this we hope to contribute to Japan’s industrial growth by supporting diverse venture companies.”

Examples of the initiatives to be undertaken by INCJ and Hakuhodo under this agreement include:

1. Providing “design thinking” solutions to INCJ’s portfolio companies at every phase.
2. Reviewing and providing support for investment in projects identified through application of social and consumer empathy, observation, and insight.
3. Co-creating projects with social impact, starting with review of investment ideas.
4. Providing creative consulting for INCJ portfolio companies other than the key companies involved in the introduction of design thinking.

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.

<http://www.incj.co.jp/>

About Hakuhodo Inc.

Hakuhodo Inc. is founded on two philosophies, consumer insight and partnership, which contribute towards driving innovation on a daily basis. Hakuhodo is composed of a highly creative and professional team, helping all clients to solve problems not only in the area of advertising but also through business strategies and social movements. By anticipating changes in the marketing environment our aim is to act as a world class

marketing company to improve the value of our client's business through our marketing management expertise.

<http://www.hakuhodo.co.jp/>

About Hakuhodo's WHERE ART and SCIENCE FALL IN LOVE lab:

Hakuhodo's WHERE ART and SCIENCE FALL IN LOVE consists of a design team aiming to create a new future by eliminating the walls between arts and sciences and industry, academia and government.

Representative: Kentaro Ichiki (Senior Creative Director)

Established: April 2015

Activities:

- R&D and publication of social designs
- Creative consulting business
- Creative collaboration with universities
- Drafting growth strategies for government agencies and local institutions
- "Investment, management and creativity" business scheme in collaboration with investment institutions

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