

INCJ to invest in Incubation Alliance Inc., a company aiming to use innovative manufacturing methods for early stage commercialization of graphene

Tokyo, March 3, 2016 – Innovation Network Corporation of Japan (“INCJ”) announced today its decision to invest in Incubation Alliance Inc. (“Incubation Alliance”), a company aiming for commercialization and large-scale synthesis of superior quality graphene. INCJ will invest up to ¥700 million through a third party share allocation to provide Incubation Alliance with the necessary funding to support future business development and capital expenditure. Daiwa Corporate Investment Co., Ltd. already fund an investment in Incubation Alliance by managing and operating an Investment Limited Liability Partnership. Kao Corporation has also decided to participate in the development process.

Graphene is a one-layer sheet made of only carbon atoms. As the thinnest material in existence at present, it is also harder than diamond and is of superior quality. High thermal conductivity is a key feature of graphene, which has over ten times the thermal conductivity of metals such as aluminum and copper, which are known for effective heat transmission. Graphene was first discovered in 2004 in the United Kingdom. After six years, in 2010, the developers of graphene were awarded the Nobel Prize generating expectations for graphene to be applied in a variety of ways including electrodes, composite materials and in the the medical field. However, commercialization is yet to progress due to difficulty in large scale synthesis and handling of graphene.

President and CEO of Incubation Alliance, Kazuo Muramatsu was involved with research and development of carbon materials previously at Kobe Steel, Ltd. Muramatsu leveraged this experience, continued research into graphene and succeeded in starting his own company and developing the large scale synthesis of low-cost graphene. Additionally, the New Energy and Industrial Technology Development Organization (NEDO) selected Incubation Alliance for its Innovation Commercialization Venture Support Project helping them to succeeded in the difficult process of molding graphene’s sheet-like product by three-dimensional processing.

Incubation Alliance’s graphene has high thermal conductivity, and as it is lightweight and can be subject to a range of three-dimensional processing, there are high expectations for applications in heat dissipation. Recently with the development of heat generating new electronic devices such as wearable devices and the increase in electronic components in cars, along with the shift to IoT, there is a growing need for high performance heat dissipation components. Incubation Alliance’s

graphene components are expected to see high demand from domestic and international device and product manufacturers.

In addition to providing Incubation Alliance with growth capital, INCJ will also promote the advancement of industrial sciences and mass production technology for the future. Through the appointment of outside directors INCJ will also offer management support in business expansion operations. By constructing a system of cooperation with partner companies such as manufacturers, INCJ will support the early commercialization of the highly anticipated graphene product.

About Incubation Alliance, Inc.

Established	May 2007
Business Outline	Manufacture and sale of carbon materials
Headquarters	Kobe, Hyogo Prefecture
President	Kazuo Muramatsu
URL	http://incu-alliance.co.jp/

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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