

INCJ to invest in Innophys Co., Ltd Company develops and sells powered exoskeletons

Tokyo, August 3, 2015—Innovation Network Corporation of Japan (“INCJ”) announced today its decision to make an investment of up to ¥650 million in Innophys Co., Ltd. (“Innophys”), a company that develops and sells powered exoskeletons, as funding needed for future business development.

TUS Business Holdings^{*1}, DBJ Capital Co., Ltd., Mitsubishi UFJ Capital Co., Ltd., JA Mitsui Leasing, Ltd., Seibu Shinkin Capital, The Tama Shinkin Bank, Toho Next Generation Support Fund^{*2}, Abukuma Shinkin Bank, The Daito Bank, and Fukushima Bank have also decided to invest in Innophys.

Innophys is a venture company established in 2013 to commercialize powered exoskeletons developed by Tokyo University of Science professor Hiroshi Kobayashi. They were previously being developed and sold with investment and management support from Kikuchi Seisakusho Co. Ltd., and with the increased investment provided by INCJ and others, the business foundation will be strengthened and product portfolio expanded.

Suitable for use by women and the elderly, powered exoskeletons are designed to provide a practical solution for physically stressful workplaces suffering from chronic worker shortages due to problems like back pain, such as those in the nursing, distribution and farming industries. They are especially suitable for small-to-medium sized businesses and home-visit businesses where it is difficult to introduce large-sized equipment. In recent years, various powered exoskeletons have been developed and successfully demonstrated, but introduction to regular workplaces has remained limited.

Innophys’s product is unique amongst powered exoskeletons, being powered by air pressure. The mechanism is driven by the flow of compressed air into and out of artificial muscles. This structural feature guarantees power and safety at a low cost, and the ease with which the suit can be put on and taken off makes it suitable for a wide range of users and uses.

Innophys started selling its powered exoskeletons officially in November 2014. Going forward, in addition to improvements to the current powered exoskeletons, new products will be developed such as an ‘airless’ type which provides strong supplementary force without requiring motive power, a type that assists with bent posture and a type that helps raise arms.

^{*1}. A holding company established October 2, 2014, by the Tokyo University of Science bringing together for-profit businesses

^{*2}. A n investment fund held 99% by The Toho Bank, Ltd.

As well as providing Innophys with the funding necessary for growth, INCJ will also provide management support and business strategy development through the dispatch of outside directors. With this investment, INCJ will be encouraging the introduction of powered exoskeletons into a wide range of workplaces, including in the nursing, medical, distribution and farming industries, protecting workforces and improving quality of life. Furthermore INCJ will use its industrial, academic and governmental network to support Innophys in becoming a successful example of a university produced venture business.

About Innophys Co. Ltd.

Established: December 2013

Main focus of business: Development, design, manufacturing and sales of nursing-care and welfare equipment; development, design, manufacturing and sales of specialist industrial equipment; consulting on idea creation and commercialization of equipment development techniques; acquirement, maintenance and management of IP; acquirement, maintenance and management of product certifications

Headquarters: Kagurazaka 4 chome 2-2, Shinjuku-ku, Tokyo

President and CEO: Isao Kikuchi*³

URL <http://innophys.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.

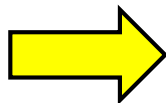
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*3. Isao Kikuchi will take over from current President and CEO Takashi Fujimoto from August 6, 2015

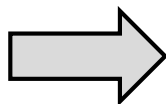
<Appendix> INCJ to invest in Innophys Co., Ltd.

Company develops and sells powered exoskeletons

Target: Innophys Co., Ltd
Outline: Development and sales of powered exoskeletons
Authorized Investment: ¥650 million (maximum)



Investment and management support



Investment and management support

TUS Business Holdings

DBJ Capital

Mitsubishi UFJ Capital

JA Mitsui Leasing

Seibu Shinkin Capital

The Tama Shinkin Bank

Toho Next Generation Support Fund

Abukuma Shinkin Bank

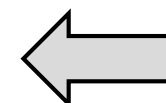
The Daito Bank

Fukushima Bank



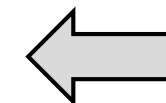
Innophys' powered exoskeleton

- The only exoskeleton powered by air pressure, artificial muscles are driven by the flow of compressed air
- Guarantees power and safety at a low cost, ease of putting on and taking off makes it suitable for a wide range of users and uses



Tokyo University of Science

Provision of IP and joint R&D



KIKUCHI SEISAKUSHO CO., LTD.

Management support and product manufacturing support

- Establish an independent business to accelerate the market penetration of powered exoskeletons, which have been tested and developed in academia and commercialized through affiliation with a private company.
- Stimulate the flow of investment into the underfunded robot-manufacturing field.
- Boost activity to help the robotics field enter the market place.