

INCJ to jointly invest in global pioneer of Al-based elderly care plans New company's care plans promote elderlies to live independent lives and prevent deterioration of care users' condition

- Addresses social issues of escalating social security costs and care-worker shortage
- Creates open innovation encompassing entire sector, including care service providers and social services corporations
- Represents a paradigm shift to independence support provided by a neutral, independent new company

Tokyo, April 14, 2017 – Innovation Network Corporation of Japan ('INCJ') and Saint-Clare Holding Corporation ('Saint-Clare HD') today agreed to jointly invest in a new company, Care Design Institute Inc. ('CDI'), which provides care plans* developed using artificial intelligence that are designed to promote elderlies to live independent lives and prevent deterioration in the care service user's condition.

JCG Corporation, Tsukui Corporation, Kohoen Social Welfare Corporation, and other careservices providers will also jointly invest, bringing the total investment value to 1.5 billion yen.

As Japanese society ages, the country is facing the social challenges of rising social welfare costs and a shortage of care workers, and there is a demand for effective services that are tailored to each elderly patient and which promote self-reliance and prevent deterioration of the care service user's condition.

Through the application of AI, CDI creates care plans appropriate to the physical condition and ailment of the individual requiring nursing care. It also develops and markets systems for managing care in a way that supports self-reliance and prevents deterioration of the care service user's condition ('Main Business'). CDI was created in a spin off from Saint-Clare HD with the objective of implementing this Main Business, building on the empirical research that Saint-Clare HD has conducted in collaboration with major local governments.

The AI program at the core of the Main Business learns the care plans of previous care service users and creates a plan that promotes self-reliance and prevents deterioration of the patient's condition, which is then provided to the care manager.

CDI has a business alliance with Activity Recognition, a Silicon Valley-based company established by a researcher with many years of experience in the research and development of artificial intelligence. The goals for CDI are to accelerate R&D while cooperate with local governments and investors such as care service providers, social welfare corporations and others to conduct surveillance studies on AI care plans in action, and commercialize the system. CDI has formed a consortium with other companies in the sector and Social Welfare Corporations, engaging in open innovation to incubate a platform for co-creation in the care services sector.

By supporting CDI's goal of creating a care-services industry platform and through the service developed by CDI, INCJ is optimistic about the realization of a society that enables its elderly members to live independent lives. INCJ firmly believes that the application of the latest AI technology in the care-services industry can help address the issue of Japan's aging society

and create new value.

By having AI learn from its expertise in the care-services sector, Saint-Care HD aims to transition from a model of care that emphasizes nursing to a model that supports the independence of elderly citizens. Saint-Care HD believes that as its expertise permeates society via AI, it will bring greater happiness to elderly citizens and contribute to a paradigm shift that supports independence in society.

*Care plan: A plan used in care services that is created based on the needs and circumstances of the careservices user and in consultation with the user's family.

1.	Name	Care Design Institute Inc.
2.	Address	3rd Floor, KDX Nihonbashi 216 Building
		2-16-2 Nihonbashi, Chuo-ku, Tokyo
3.	Name and title of	Shigeo Okamoto, CEO
	representative	
4.	Business outline	Development and provision of care plans developed with AI
5.	Capital (planned)	750 million yen (capital reserve: 750 million yen)
6.	Major shareholders	Innovation Network Corporation of Japan
		Saint-Clare Holding Corporation
		JCG Corporation
		Tsukui Corporation
		Kohoen Social Services Corporation
		Others

Overview of New Company

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.

About Saint-Clare Holding Corporation

Company Name	SAINT-CARE HOLDING CORPORATION
Location	Head Office: 5F Yomiuri Yaesu Building, 2-8-7 Kyobashi, Chuo-ku,
	Токуо
	TEL 03-3538-2943 FAX 03-3538-2947
Representatives	Yoshiharu Murakami, Chairman
	Takeshi Mori, CEO, President
Established	March 24, 1983
Capital	1,731,510,680 yen (as of January 31, 2017)
Subsidiaries	26 (as of April 1, 2016)
Number of Workforce /	Full-time employees: 2,911
Employees	Contract employees: 6,807
	(as of December 31, 2016)
Number of locations	500 (as of December 31, 2016)
Services Contents	Visiting care service, Home-visit bathing service, In-home long-
	term care management, Home visit nursing, Sales and rental of
	social welfare equipment, Daily-life group care for the elderly with
	dementia, Day care, Short-stay daily-life care service, Small-scale
	and multifunction type in-home care, Regular visiting/as-needed
	handling type visiting care and home visit nursing,ets

Press contacts

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Saint-Clare Holding Corporation Corporate Planning Office Morimoto, Hirosawa Tel. (03) 3538-2943 URL : <u>https://www.saint-care.com/</u>

Care Design Institute Inc. Marketing Planning Division Hashimoto Tel. 070-3190-2939



Target: Care Design Institute Inc.
Business Outline: Create and provide AI-based elderly care plans
Total Investment: 1.5 billion yen (of which INCJ will invest a maximum of 800 million yen)
Date of Announcement: April 14, 2017



- · Addresses social issues of escalating social security costs and care-worker shortage
- Creates open innovation encompassing entire sector, including care service providers and social services corporations
- The new, independent company acts as a platform to create a paradigm shift to support self-reliance for the elderly

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