

INCJ announces decision to invest in SmartDrive, a telematics service provider

Tokyo, August 5, 2015 – Innovation Network Corporation of Japan (“INCJ”) today announced its decision to provide up to ¥660 million in capital to support the future business development of SmartDrive (“SmartDrive”), a company working to grow its main telematics* analysis services. AXA General Insurance Co., Ltd (“AXA Direct”) has also invested in SmartDrive.

Recently a diverse range of services utilizing telematics, such as telematics insurance (which provides insurance premiums at a discount in accordance with drivers’ specifications) and services for used-car sales that capitalize on a car’s operational history, has spread across the US and Europe. In Japan, the creation of new automobile-related services and the enhancement and streamlining of existing services is also expected.

Many providers utilizing telematics-based services are expanding vertically on their own, offering services that range from the distribution of telematics-receiving terminals to data collection and utilization. But these providers are often limited by the high costs of service development, and the challenges of data analysis and usage know-how.

SmartDrive is a business venture established in 2013 that aims to change the car industry with big data. SmartDrive takes the a car’s operating information from the OBD-II* in real time and aims to build a cross- industry and service telematics platform that makes possible the development of a variety of services, including telematics insurance, fleet management, and CRM tools for car dealers. By using SmartDrive’s platform, car-related service providers are able to deploy low-cost, fast and flexible services.

SmartDrive was selected as the No. 1 project for the 2014 ICT Innovation Challenge Program by the Ministry of Internal Affairs and Communications, and is engaged in developing a technology utilizing telematics that takes advantage of cooperation between smartphones and a car’s OBD-II.

SmartDrive has already signed a business partnership agreement with AXA Direct regarding the development and provision of new products and services. In addition, SmartDrive plans to adopt Intel processors and technology for its telematics-oriented service platform, including services for vehicle equipments. By providing global-scale services through collaborations with leading domestic and foreign companies, SmartDrive aims to build a strong position in telematics services.

In addition to supplying SmartDrive with capital growth, INCJ will provide management support to

the company through the dispatch of external directors, and assist with further business development and overseas expansion. Through this investment, INCJ strives to contribute to the realization of an open platform capable of using telematics to solve social problems such as traffic congestion and accidents. INCJ hopes the venture will serve as the foundation for the creation of innovative new services.

*The term “telematics” is a combination of telecommunication and informatics, and refers to the provision of services using the mobile communications system of smartphones. Typically it is used in the context of services for automobiles.

*The OBD-II (On-board diagnostics, second generation) port is a vehicle’s maintenance system designed to global standards. The port is capable of acquiring around 150 types of driving-related information, such as vehicle speed, engine speed, and mileage.

About SmartDrive

Established	October 2013
Business outline	Development of telematics-receiving terminals Telematics data collection and analysis
Headquarters	8F Fujita Inzex Bldg., 9-5 Shinsen-cho, Shibuya-ku, Tokyo
President	Retsu Kitagawa
URL	http://www.smartdrive.co.jp

About Innovative 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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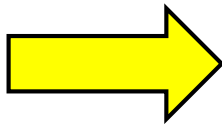
Target: SmartDrive

Outline: Development of telematics receiving terminal, telematics data collection and analysis

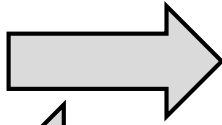
Authorized Investment: ¥660 million (maximum)



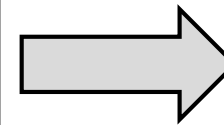
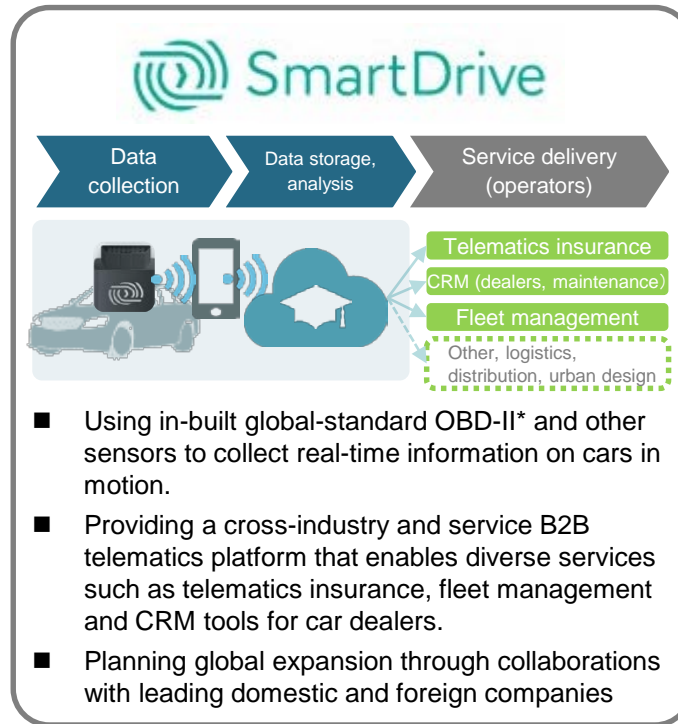
Investment,
management support



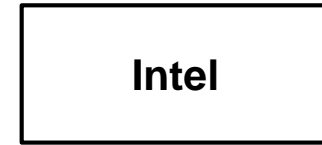
Investment,
management support



Business partnership,
device/data provision



Device/data provision



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- Many countries are actively pushing to commercialize telematics-based services. In this field, Japan is supporting the only venture business capable of building a platform that makes global expansion possible.
- The company aims to contribute to the realization of an open platform that uses telematics to address and solve social problems such as traffic congestion and accidents.