

News Release

INCJ to invest in Atonarp Inc.

Company develops and manufactures miniature equipment for molecular-level composition analysis

Tokyo, July 19, 2016 – Innovation Network Corporation of Japan (“INCJ”) announced today the decision to jointly invest in Atonarp Inc. (“Atonarp”), together with existing shareholders Silicon Valley venture capital firm Walden Riverwood Ventures, L.L.P., and the Innovative Venture Fund. Atonarp is engaged in the development, manufacture, and sales of analytical equipment.

This joint investment through a third-party allocation of shares will provide Atonarp with a maximum of US\$16 million in growth capital to fund its research and development. Of this, INCJ will invest up to US\$7.5 million.

Atonarp’s analytical instruments are used to determine the properties and measure the quantity of gases or liquids during processes such as energy and semiconductor production management and food quality control. Traditionally, these kind of analytic devices capable of conducting analysis at the molecular level have been similar in size to a multifunction office printer-copier or a fridge. Moreover, they required quite lengthy measurement time and had difficulty achieving both high-precision and high-speed measurements. There has been a growing need to miniaturize analytical instruments to take measurements in the field and for high-accuracy, continuous, real-time measurement over an extended period of time.

Atonarp was established in November 2009 to fill the gap in the market for a compact analyzer that can take measurements in the field. Atonarp has already successfully created two prototypes; the Smart Mass Spectrometer AMS Series, which measures gas molecules by using high-performance electronic circuits and advanced analysis algorithms, and the Smart Optical Spectrometer AOS Series, which measures liquid and solid molecules using a laser beam. This equipment is compact, the size of a laptop or smaller, and has the ability to understand and measure data in the field in real time. The applications of these analyzers are widespread – for example, they can analyze natural gas composition in real time and, immediately calculate energy usage based on those results. In the medical field they enable rapid measurement of the composition of patient fluids and exhalation, whilst reducing the physical burden. There are high expectations for a wide range of applications for these instruments for their ability to improve on-site efficiency by conducting analysis in real time.

Atonarp will leverage this investment to strengthen its technological development capabilities and its sales support forces to facilitate commercialization. Ultimately, Atonarp aims to supply businesses with the Smart Mass Spectrometer AMS-P1 prototype and finish development of the

Smart Spectrometer AOS-P1 prototype by Summer 2016. In the future, Atonarp anticipates that this analytical equipment will be miniaturized to the size of a chip, and hopes to expand its business into wearable devices and automotive applications.

INCJ will provide management support through the appointment of outside directors and by strengthening Atonarp's business development framework. The investment will help drive digitization of the industry for analytical equipment and through open innovation with other companies in the sector will strengthen Atonarp's competitiveness on the international stage. The Japanese and U.S. co-investors will continue to actively support Atonarp's business development.

About Atonarp Inc.

Established	November 2009
Business Outline	Development, manufacturing and sales of analytical equipment
Headquarters	Minato-ku, Tokyo
CEO, CTO & Founder	Sreedhar Prakash Murthy
URL	http://atonarp.com/

About Innovation Network Corporation of Japan (INCJ)

Established	July 2009
Headquarters	Chiyoda-ku, Tokyo
President and COO	Mikihide Katsumata
URL	http://www.incj.co.jp/

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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Appendix

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Company develops and manufactures miniature equipment for molecular level composition analysis

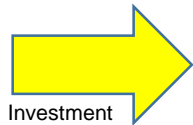


Target: Atonarp Inc.

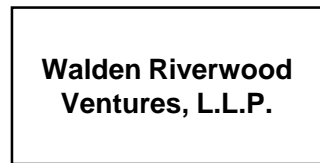
Outline: Development, manufacture, and sales of analytical equipment

Investment: US\$7.5million maximum

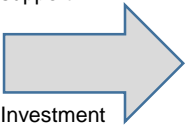
Date of Investment: July 19 2016




Investment
Dispatch of external
directors
Management
support



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directors
Management
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directors
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Atonarp Inc., is a global venture company that develops, manufactures and markets analytical equipment for high-precision real-time molecular composition analysis of gas and liquid.

Smart Mass Spectrometer AMS Series
Measures gas molecules by using high-performance electronic circuits and advanced analysis algorithms.



AMS series

Smart Spectrometer AOS series
Measures liquid and solid molecules by a laser beam.



AOS series



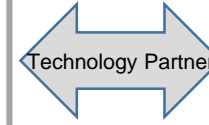
Collaboration with
various devices

Automotive and wearable
equipment manufacturer



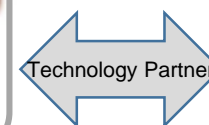
Collaboration with
various devices

Industrial and medical
equipment manufacturer



Technology Partner

High-volume analysis-
equipment manufacturer



Technology Partner

Electronic device
manufacturer

- Provides support for the development of Atonarp's miniature real-time spectrometer, an innovative mass spectrometer that has the ability to measure continually over an extended period of time
- Helps drive digitization of the industry for analytical equipment and through open innovation with other companies in the sector will strengthen Atonarp's competitiveness on the international stage.