
INCJ to make investment in Axelspace Corporation
Company provides integrated microsatellite services from development to data analysis and aims to build a global observation network

Tokyo, December 7, 2018 — INCJ Ltd. ('INCJ') announced today its decision to make an investment of up to JPY 850 million in Axelspace Corporation (Axelspace) to be used for accelerating its business, and the completion of JPY 600 million of this phased investment. In addition, the investors in this round of financing include 31 Ventures Global Innovation Fund I (managed by Mitsui Fudosan and Global Brain Corporation), UTokyo Innovation Platform Co., Ltd, SBI Investment Co., Ltd., and the Dai-ichi Life Insurance Company, Ltd.

Axelspace is a start-up company that develops microsatellites and provides data from them. Originating with microsatellite technology developed at the University of Tokyo and Tokyo Institute of Technology, the company will offer integrated services, from satellite development to data analysis. By launching several satellites to develop Earth observation infrastructure, the company will be able to obtain imagery of the whole planet once every day. It will enable to solve global environmental and social issues such as rapid climate change and the depletion of natural and energy resources and to create new and more meaningful use of satellites in various industries like agriculture, disaster monitoring, and urban planning.

Since its founding in 2008, Axelspace has developed, assembled and operated three satellites, including the world's first commercial satellite owned by a private company. The company is accelerating the creation of AxelGlobe, an Earth observation service providing high-quality, daily imageries of the entire globe and insights from the analysis. For building the platform, Axelspace is planning to launch its first GRUS microsatellite in December 2018 and two more satellites in 2020 utilizing the finance from this round.

In addition to health, medical, and elderly care, material chemistry, robotics, AI, IoT, and big data, space-related industry is one of INCJ's prioritized investment areas. Furthermore Japanese government policy has also highlighted the necessity of strengthening industrial competitiveness by utilizing space. Axelspace's satellites will create diverse applications to boost competitiveness of Japanese industries, improve people's daily lives and contribute to economic development and national security.

About Axelspace Corporation

Established: August 2008

Headquarters: Chuo-ku, Tokyo

Representative: Yuya Nakamura

Business outline: Solutions based on microsatellite technology, design and production of microsatellites and related components, launch arrangements and operational support, business related to microsatellite data

URL: <https://www.axelspace.com>

About INCJ, Ltd.

INCJ, Ltd. was established in September 2018 via company split from Innovation Network Corporation of Japan (INCJ). INCJ was established in July 2009 with the aim of overcoming boundaries between companies and industries, creating and nurturing key industries via open innovation for the prosperity of future generations, and the company has changed its name to Japan Investment Corporation (JIC) and begun new activities. INCJ, Ltd. will continue the activities of INCJ, engaging in “Value Up” activities such as overseeing additional investments, milestone investments and exits from investments in portfolio companies until March 2025.

URL : <http://www.incj.co.jp>

<Press Contacts>

Japan Investment Corporation

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Overview of New Investment Decision

Target: Axelspace Corporation

Established: August 2008

Headquarters: Chuo-ku, Tokyo

Representative: Yuya Nakamura

Business outline: Solutions based on microsatellite technology, design and production of microsatellites and related components, launch arrangements and operational support, business related to microsatellite data

Overview of investment

Authorized investment: JPY850 million (maximum)

Amount invested: JPY600 million (as the milestone)

Co-investors: 31 Ventures Global Innovation Fund I (managed by Mitsui Fudosan and Global Brain Corporation), Innovation Platform for the University of Tokyo, SBI Investment Co., Ltd., and the Dai-Ichi Life Insurance Company, Ltd.

Investment structure outline: See appendix

Significance of investment

Supporting social needs

- As global environmental and social issues such as rapid climate change and the depletion of natural and energy resources worsen, the need for global satellite monitoring data will increase. Axelspace will enable continuous global observation to meet these expanding needs.
- Japan's Space Activities Act enacted in November of 2016 established a system for developing full-fledged space projects by private enterprises. The government provides support for domestic space start-ups with policies like its "Space Vision" and "New Support Package for the Promotion of Space Ventures." This business is in alignment with the government's policy for space-related industries.

Growth Potential

- In addition to the development and manufacture of satellites, Axelspace has already begun working on a platform for the sale of satellite images and the use of analysis technology. As the market for satellite data is expanding, the creation of the company's global observation solution platform is expected create even more added value for the business.

- Co-invest in space-industry startups proactively with the private sector.
- Research and development are being conducted in cooperation with domestic and overseas government institutions, including the University of Tokyo and JAXA, and with private-sector companies. This includes financial support.

Innovation

- In addition to being the first start-up company contracted with the manufacture of satellite by JAXA, Axelspace has a big presence and proven track record of reliability.
- While there are several other businesses that claim to be able to provide global observation capabilities in the world, there are no other businesses that can acquire consistently high-quality imageries of the entire globe every day, and in resolutions that support a wide variety of practical uses. This gives Axelspace globally competitive position.
- Compared to conventional medium-resolution satellites, Axelspace's satellites are expected to have higher resolution, bigger swathe width and wider spectral band at a lower price. Potential customers already have high expectations for the satellites.

Target: Axelspace Corporation

Business outline: Solutions based on microsatellite technology, design and production of microsatellites and related components, launch arrangements and operational support, business related to microsatellite data

Authorized investment: JPY850 million (maximum)

Investment decision announced: December 7, 2018



Investment
Management support



Investment
Management support
Business cooperation

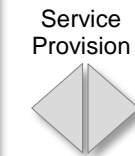
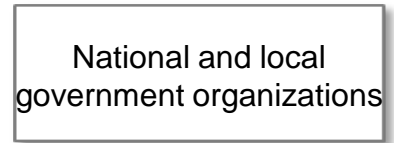
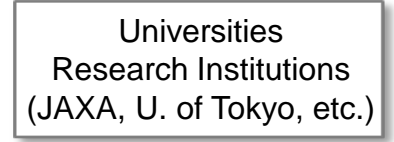
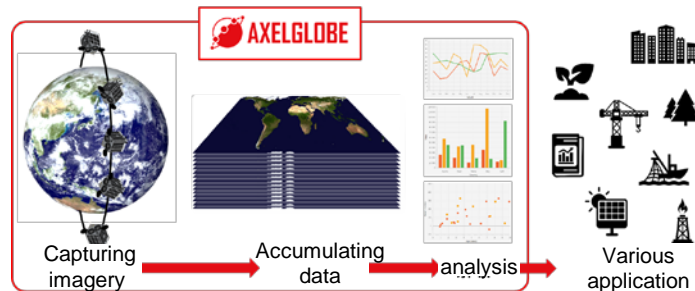
* Managed by Mitsui Fudosan
and Global Brain Corporation



Investment
Management support
Business cooperation



- A start-up company which develops, launches, and operates high performance and low-cost microsatellites.
- It will launch “AxelGlobe”, an Earth observation service based on a 23-“GRUS” satellite constellation. It will provide daily imageries and analysis service utilizing its accumulated imagery data.



Cooperation/
Partnership

- The need for Earth observation data will increase as global environmental and social issues such as rapid climate change and depletion of natural and energy resources worsen.
- By providing risk money and initial investment stimulation, INCJ promotes SMEs and private-sector investors to enter the space industry, start-ups and large companies to collaborate with each other, and academia to commercialize its technology.