

## **INCJ to sell its shares in KBI Biopharma, Inc.**

**Tokyo, December 8, 2016** – Innovation Network Corporation of Japan (“INCJ”) announced today its decision to sell all of its shares in KBI Biopharma, Inc. (“KBI”) to JSR Corporation (“JSR”) and CMIC HOLDINGS Co., Ltd. (“CMIC”). After completion of the transfer, JSR will own 90% and CMIC will own 10% of KBI.

Compared to small molecules produced by chemical synthesis, biopharmaceuticals are said to be more effective with fewer side effects. However, the development and manufacture of biopharmaceuticals is dominated by the US and Europe with more than 80% of the market, whilst Japan has only a few percent. In light of this, in March 2015, INCJ, JSR, and CMIC jointly acquired KBI, a US company that develops and manufactures biopharmaceuticals under contract, in order to accelerate development in areas such as bioprocessing and contract services for biopharmaceutical development and manufacture in Japan and Asia.

Since the acquisition, KBI’s business has progressed as planned with an increase in orders from leading pharmaceutical companies, biotech ventures, and academia. Meanwhile, JSR has been enhancing its life sciences business, which together with petrochemicals and fine chemicals form the company’s three core business areas. After completion of the transfer, JSR will focus not only on KBI’s growth, but also on rapidly creating synergies between KBI and its own life sciences business. In addition, CMIC will further strengthen its efforts in biopharmaceuticals and support KBI’s expansion in Japan and Asia. INCJ believes that in order for KBI to develop its business further, it is important that management of the business be entrusted to the companies. For that reason, INCJ has decided to transfer all its shares in KBI to JSR and CMIC.

### **Reference**

INCJ has previously issued the following news releases:

INCJ, JSR Corporation, and CMIC Holdings Co., Ltd. acquire U.S. biopharmaceutical contract development and manufacturer and KBI Biopharma, Inc. (February 26, 2015)

<http://www.incj.co.jp/PDF/1424913823.en.pdf>

### **About KBI Biopharma, Inc.**

Established	1996
Business Outline	Analysis and development of biopharmaceuticals
Headquarters	Durham, North Carolina, United States
Representative	President, Timothy M. Kelly
URL:	<a href="http://www.kbibipharma.com/">http://www.kbibipharma.com/</a>

### **About JSR Corporation**

Established	December 1957
Business Outline	Petrochemical, fine chemicals and life science business, etc.
Headquarters	Minato-ku, Tokyo
Representative	Mitsunobu Koshiba
URL:	<a href="http://www.jsr.co.jp/">http://www.jsr.co.jp/</a>

### **About CMIC HOLDINGS Co., Ltd.**

Established	March 1985
Business Outline	Development, manufacture and sales support of pharmaceuticals
Headquarters	Minato-ku, Tokyo
Representative	Kazuo Nakamura
URL:	<a href="http://www.cmic-holdings.co.jp/">http://www.cmic-holdings.co.jp/</a>

### **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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