

INCJ to sell its shares in Zephyr Corporation

Tokyo, October 4, 2016 – Innovation Network Corporation of Japan (“INCJ”) announced today its decision to sell all of its shares in Zephyr Corporation (“Zephyr”) to Denki Kogyo Co., Ltd. (“Denki Kogyo”).

In May 2010, INCJ decided to invest in Zephyr, a company specializing in small wind power generation equipment and established through collaboration between government, industry, and academia under the philosophy of “open innovation,” to support the development of its business. Since that time until the present day, INCJ has given Zephyr continued and proactive support to strengthen the company’s management structure, develop new markets, and enhance profitability. As a result, Zephyr now holds the top share in the Japanese small wind power generation equipment market.

Denki Kogyo’s business covers the design, manufacture, and construction of telecommunications facilities and equipment such as antennas, and the manufacture and sale of high-frequency induction heating equipment. The company now wishes to expand its business into the small wind power generation equipment market, a new business area for the company. With this in mind, INCJ believes that transferring its management rights in Zephyr to Denki Kogyo will lead to potential synergies between the two companies and support further growth of Zephyr in Japanese and international markets. As such, INCJ has resolved to sell all of its shares in Zephyr to Denki Kogyo.

Note: INCJ released two press releases related to Zephyr in 2010 and 2012 (Japanese only):

- [“INCJ to invest in small-size wind power generation equipment venture to support business expansion” \(2010\)](#)
- [“Decision to make additional investment into Zephyr” \(2012\)](#)

About Zephyr Corporation

Established	June 1997
Business Outline	Development, manufacture, sale, installation, importation, consultation, and maintenance for energy-related equipment including for wind, solar, and water power generation equipment, and batteries
Headquarters	Minato-ku, Tokyo
President and CEO	Tomoshige Tanaka
URL	https://www.zephyreco.co.jp/en/

About Denki Kogyo Co., Ltd.

Established	June 1950
Business Outline	Telecommunications: Design, manufacture, construction, and sale of antennas, steel towers, and shelters Radio frequency: Design, manufacture, and sale of high-frequency induction heating equipment, and IH heat-treatment processing
Headquarters	Chiyoda-ku, Tokyo
President/Rep. Director	Mikio Matsuzawa
URL	www.denkikogyo.co.jp/en

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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