

INCJ to sell its shares in ROYAL GATE Inc.

Tokyo, November 18, 2016 – Innovation Network Corporation of Japan (“INCJ”) announced today its decision to sell all of its shares in ROYAL GATE Inc. (“ROYAL GATE”) to Hinoki Co., Ltd. (“Hinoki”).

In October 2013, INCJ decided to invest in ROYAL GATE – a comprehensive IT solutions company which develops and operates a smart device payment platform for B2B transactions – by providing funds to support the growth of its business.

Following this investment, INCJ gave proactive support to ROYAL GATE by providing introductions to potential customers and strengthening the company’s organizational structure. INCJ has now received an offer from Hinoki to purchase all of its shares held in ROYAL GATE. Hinoki works in the real estate sector and also provides business support to venture companies, and is a shareholder in ROYAL GATE. In recognition of this, INCJ believes that transferring all its shares to Hinoki will contribute to the further growth of ROYAL GATE.

Reference

INCJ issued the following news release on October 15, 2013 (Japanese only):

[INCJ to invest in ROYAL GATE Inc., a company that develops and operates B2B Payment Platform PAYGATE®](#)

About ROYAL GATE Inc.

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| Established | September 2007 |
| Business description | ASP, IT solutions, and IT consulting business |
| Headquarters | Minato-ku, Tokyo |
| President and CEO | Keiji Umemura |
| URL | <u>http://www.ROYAL GATE.co.jp/</u> |

About Hinoki Co.,Ltd.

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| Established | April 1955 |
| Business description | Real estate development and leasing |
| Headquarters | Minato-ku, Tokyo |
| Capital | ¥185 million |
| Representative | Teruki Ishikawa |
| URL: | http://www.hi-no-ki.co.jp/ |

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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