

INCJ to invest in EEI Smart Energy Limited Partnership

Venture capital fund supporting energy-related innovations

Tokyo, April 14, 2015—Innovation Network Corporation of Japan (“INCJ”) announced today its decision to make a strategic LP (limited partnership) investment of up to ¥5.0 billion in EEI Smart Energy Limited Partnership for Investment. The fund will be newly structured and managed by Energy & Environment Investment, Inc. (“EEI”), one of Japan’s largest venture capital firms specializing in energy and resource related sectors. EEI Smart Energy Limited Partnership for Investment plan to raise capital from further LP investors.

Since its establishment, INCJ has actively invested in the business growth of venture companies. INCJ provides needed capital to promising seed and early-stage venture companies with the aim of establishing an ecosystem surrounding Japanese startups, while providing post investment hands-on support. At the same time, INCJ has made strategic LP investments in complementary and neutral partners that share its investment philosophy, to drive the expansion of Japan’s venture ecosystem.

EEI is a pioneer in hands-on capital investment in environmental and energy-related ventures, going beyond the provision of risk money. EEI actively assists management teams in the development and implementation of promising initiatives, by drawing on its knowledge base, business network and team of highly experienced professionals. This approach has led to good performance in multiple invested funds.

EEI also has a particularly strong track record in collaborating with large corporations and in providing support for established companies looking to rejuvenate their organizations through new ventures and initiatives. It has also helped numerous corporate entities realign their business portfolios.

EEI Smart Energy Limited Partnership for Investment aims to operate as a hands-on venture capital fund combining INCJ’s strong industry network and EEI’s extensive environmental and energy-related investment experience. It will support the creation of new businesses arising from energy / electricity deregulation related opportunities, and provide funding for innovative ventures in the field of smart energy.

The fund intends to invest substantial amounts in businesses at various stages of development, from establishment to growth acceleration. Investments will be made in “smart homes” and other

energy related areas, where industrywide ripple effects are expected with the integration of leading edge IT in IoT, Big Data and such, stemming from the electricity deregulation. At the same time, needs such as those of established energy providers will also be considered.

Investments by the fund will focus on ventures and other entities active in (1) smart energy, including energy-related services and energy/resource conservation, and (2) technologies and services that optimize supply and demand.

Through this strategic LP investment in EEI Smart Energy Limited Partnership for Investment, INCJ seeks to (1) promote collaboration between venture firms and large corporations, and (2) serve as a lead investor by providing necessary risk money while also actively participating in developing business ventures. By extension, INCJ also aims to provide large corporations, the primary component of the ecosystem that nurtures innovation in Japan, with a robust, replicable and self-sustaining foundation for continual innovation.

About Energy & Environment Investment, Inc. (EEI)

Established: March 2006

Business outline: Fund management with a specialization in energy and resource related sectors

Address: 5-20-7 Higashi Gotanda, Shinagawa-ku, Tokyo

CEO: Shuichiro Kawamura

URL: <http://www.ee-investment.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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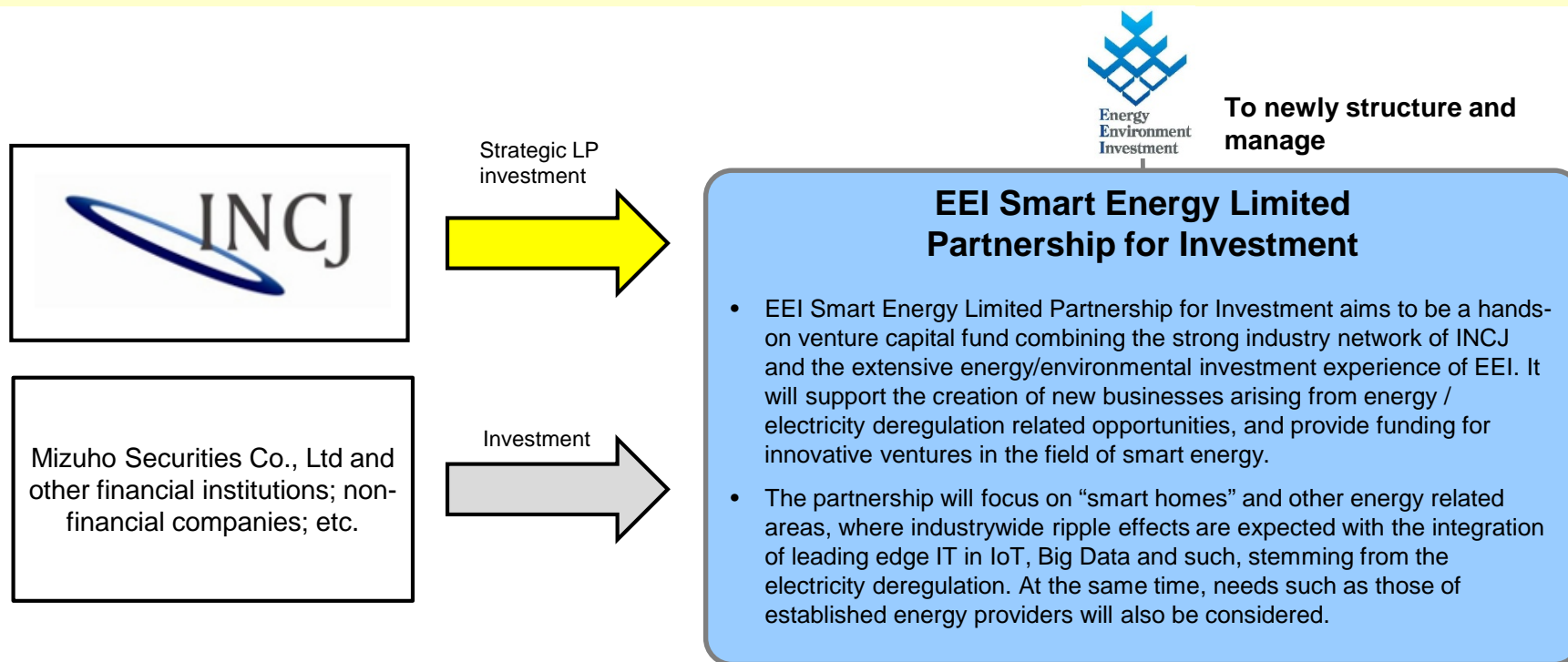
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Target: Strategic LP (limited partner) investment in EEI Smart Energy Limited Partnership for Investment, a fund to be newly structured and managed by Energy & Environment Investment, Inc. (EEI)

Outline: Investment business that, amid a trend toward electricity/energy deregulation, aims to support business start-ups and “smart energy” related ventures.

Authorized Investment: Maximum ¥5 billion (strategic LP investment in fund set up and managed by EEI)



- Through this strategic LP investment, INCJ seeks to (1) promote collaboration between venture firms and large corporations and (2) serve as a lead investor by providing risk money while also actively participating in developing business ventures and contributing to the vitality of venture capital in Japan.
- This initiative is also aimed at providing large corporations, the primary component of the ecosystem that nurtures innovation in Japan, with a solid, replicable and self-sustaining foundation for continual innovation.