News Release

INCJ to make a strategic LP investment in Kansai Science City ATR-Venture NVCC Investment Limited Partnership

VC fund aims to invest in ATR technology seeds to commercialize research outcomes

Tokyo, February 23, 2015–Innovation Network Corporation of Japan (“INCJ”) announced today its decision to make a strategic LP investment of up to ¥2.5 billion in the Kansai Science City ATR-Venture NVCC Investment Limited Partnership (“Keihanna ATR Fund”), a fund newly set up and managed by Nippon Venture Capital Co., Ltd. (“NVCC”) to invest in venture companies aiming to commercialize technology seeds originated in the Advanced Telecommunications Research Institute International (“ATR”).

The Keihanna ATR Fund will also receive LP investment from other companies.

Since its establishment,INCJ has actively invested in the business growth of venture companies including those originating in research organizations and academia with the aim of establishing an ecosystem surrounding Japanese startups while providing post investment hands-on support. In conjunction with this, INCJ has made strategic LP investments in impartial partners that share its investment philosophy.

NVCC, an independent venture capital company based in Tokyo and Osaka, invests mainly in start-ups and early stage companies, which it provides with hands-on support. To date, NVCC has invested a total of 78.3 billion yen in 21 different funds. In the field of industrial-academic alliances, NVCC has extensive experience in the commercialization of seeds originated in academia, having operated several venture funds from universities in the Kansai region including Osaka University, Kyoto University, and Doshisha University, and, through its investment partnerships with major corporations, has nurtured many companies that eventually listed on the stock exchange.

As the core research organization behind Kansai Science City (“Keihanna Science City”), ATR conducts cutting-edge and creative research in information and communication-related fields both within Japan and overseas via industry-government-academia partnerships. ATR was among the first to begin research in, and produce results in, not only technologies that are now widespread such as speech translation, speech recognition and wireless technologies, but also computational neuroscience and life-supporting robot technologies that it is hoped it will help solve problems associated with aging populations and declining birthrates. ATR is also actively involved in commercializing research outcomes, such as in the form of the establishment of joint ventures with listed companies.

NVCC will provide hands-on support for all aspects of management, making maximum use of its experience and networks. ATR will contribute to the rapid and smooth commercialization of its research outcomes by providing research seeds, technical support and up-to-date information in related fields.

Through its strategic LP investment in the Keihanna ATR Fund, INCJ will support commercialization of technology seeds in the fields of computational neuroscience including BMI research development and artificial intelligence research, life-supporting robots, and wireless communications with the aim of achieving social implementation of its research outcomes. INCJ will also provide growth funding to Kansai-based venture companies that do not necessarily receive adequate funding under existing venture capital arrangements, thereby contributing to the vitalization of Keihanna Science City and the rest of the Kansai area. INCJ also aims to strengthen Japanese capability to incubate and foster innovation of the seeds coming out of research institutions and academia that will eventually give rise to technologies that support Japan's growth.

*1 Brain Machine Interface (BMI)

Unlike traditional interfaces in which users convey instructions to robots and other machines by physically operating switches etc., BMI surmise the user's instructions based on brain activity, and are characterized by not requiring physical input. BMI may be invasive, whereby electrodes are surgically implanted into the brain (currently the subject of much research in Europe and the United States), or non-invasive, whereby sensors are merely attached to the scalp. Also referred to as a "Brain-Computer Interface" (BCI).

About Nippon Venture Capital Co., Ltd. (NVCC)

Business outline	Operation of venture capital funds
Headquarters	34th Floor Marunouchi Building, 2-4-1 Marunouchi, Chiyoda-ku, Tokyo
Capital	2,050 million yen
President	Shuichi Okuhara
URL	http://www.nvcc.co.jp

About Advanced Telecommunications Research Institute International (ATR)

Business outline	Cutting-edge and creative research in information and communication-related fields Headquarters 2-2-2 Hikaridai, Seika-cho, Soraku-gun, Kyoto
Capital	100 million yen
President	Yasuo Hirata
URL	http://www.atr.jp/index_e.html

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 an internal Industry Innovation Committee, INCJ assesses investment opportunities that contribute to industrial innovation in Japan in line with criteria set by the government.

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<Appendix>

INCJ to make a strategic LP investment in Kansai Science City ATR-Venture NVCC Investment Limited Partnership

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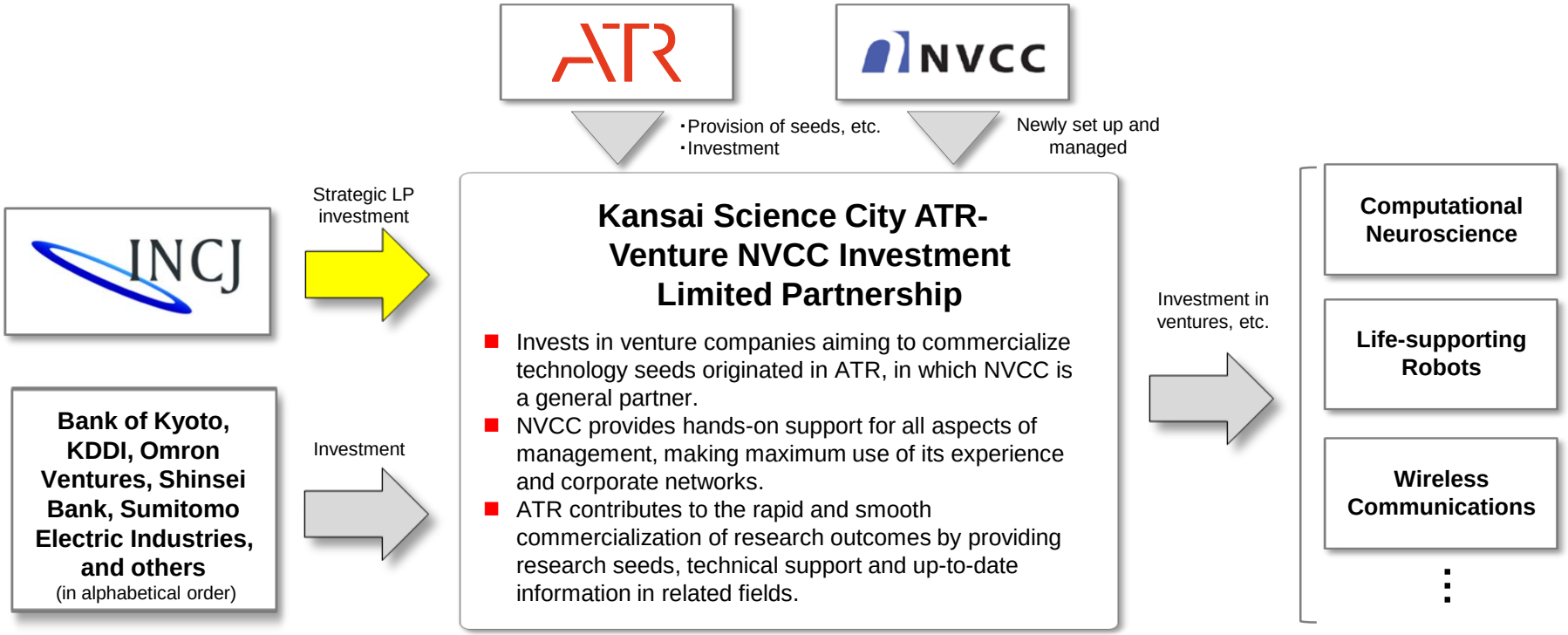
Target:	Strategic LP investment in Kansai Science City ATR-Venture NVCC Investment Limited Partnership (Keihanna ATR Fund) newly set up and managed by Nippon Venture Capital Co., Ltd. (NVCC)
Outline:	Venture investment operation to support commercialization of technology seeds in the fields of computational neuroscience, life-supporting robots, and wireless communications, chiefly elicited from ATR's BMI*1 research development and artificial intelligence research, with the aim of achieving social implementation of research outcomes
Authorized Investment:	2.5 billion yen (maximum)



- Providing growth funding to Kansai-based venture companies, thereby contributing to the vitalization of Keihanna Science City and the rest of the Kansai area
- INCJ aims to create a platform for innovation and incubation among the seeds coming out of research institutions and academia that drive the ecosystem supporting Japan's growth.

*1 Brain Machine Interface (BMI): Unlike traditional interfaces in which users convey instructions to robots and other machines by physically operating switches etc., BMIs surmise the user's instructions based on brain activity, and are characterized by not requiring physical input.