

INCJ to make strategic LP investment in Incubate Fund III, LP

VC fund seeks to promote the creation and growth of Japan's next generation of industry through incubation from the startup phase and to dramatically expand the Japanese venture ecosystem

Tokyo, January 5, 2015—Innovation Network Corporation of Japan ("INCJ") announced today its decision to make a strategic LP investment of up to ¥5 billion in Incubate Fund III, LP. The fund is newly set up and managed by Incubate Fund, a venture capital company specializing in investment from the startup phase.

In parallel with INCJ's investment, Incubate Fund III, LP will also receive strategic LP investment from companies in relevant industries.

Since its establishment, INCJ has provided needed capital to startups, seeds in the establishment stage, and promising early-stage venture companies 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 investment in impartial partners that share its investment philosophy to drive huge-scale expansion of Japan's venture ecosystem.

Incubate Fund has consistently focused on investment in companies in the startup phase and has pursued investment activities in many seed-stage startups. Over the past five years in particular, the company has invested in more than 120 companies through its funds, representing one of the highest number of investments in this field in Japan. Incubate Fund offers business-launch support such as assembling a launch team and formulating a business plan, through to comprehensive strategy, capital planning, and business development support at the market-entry phase. The company has achieved significant results in setting up and managing a number of high-performing funds, providing support for entrepreneurs and venture companies as a management partner and mentor.

Furthermore, by investing in funds managed by up-and-coming independent venture capitalists and seed accelerators with a common investment philosophy, Incubate Fund is contributing to the development of future venture capitalists.

Building on its track record with these previous funds, Incubate Fund will strive to achieve vertical acceleration for companies aiming to grow on a global scale and contribute to the creation and growth of Japan's next generation of industry through collaboration among INCJ, which has a strong network in relevant industries, Incubate Fund, which has a track record of incubation from the startup phase, and companies which are aiming to encourage innovation. Specifically, by approaching talented individuals and exploring promising business ideas the fund will create a

new style of entrepreneurship and make substantial investments from the startup phase.

Through this strategic LP investment in Incubate Fund III, LP, INCJ aims to support vertical acceleration from the startup phase. Moreover, INCJ is seeking the further creation of venture capital and venture capitalists that can give appropriate support to new businesses and provide sufficient risk capital, thereby establishing a sustained innovation platform for venture companies and enterprises.

About Incubate Fund

Business outline:	Management of venture capital funds
Location of headquarters:	Ark Hills Front Tower 705, 2-23-1 Akasaka, Minato-ku, Tokyo, Japan
General partners:	Tohru Akaura Masahiro Honma Keisuke Wada Yusuke Murata
URL:	http://incubatefund.com/

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).

To date, INCJ has invested approximately ¥800 billion in a total of 78 projects and is currently focused on a broad range of areas from green energy, electronics, IT and biotechnology to infrastructure-related sectors such as water supply. INCJ maintains a hands-on approach to investment, engaging in the business development of cutting-edge core technologies through intellectual property funds, expansion of venture companies and aggressive overseas development through initiatives such as restructuring and mergers of tech businesses and acquisitions of foreign companies.

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