
INCJ, JSR Corporation, and CMIC Holdings Co., Ltd. acquire U.S. biopharmaceutical contract development and manufacturer KBI Biopharma, Inc.

Tokyo, February 26, 2015—Innovation Network Corporation of Japan (“INCJ”), JSR Corporation (“JSR”) and CMIC Holdings Co., Ltd. (“CMIC”) announced today the joint acquisition of KBI Biopharma, Inc. (“KBI”), a biopharmaceutical contract development and manufacturing organization (CDMO) based in North Carolina, USA. Following completion of the acquisition, shareholding ratios are as follows; INCJ: 44%; JSR; 51%, CMIC; 5%.

The acquisition aims to allow JSR and CMIC to target the growing demand in biopharmaceuticals. Biopharmaceuticals (medical products produced using biotechnology) such as antibodies, growth hormones and insulin, can be more effective and have fewer side effects for a number of conditions, in comparison to chemically synthesized small molecule drugs, and are thus becoming more widespread. The growth of the biopharmaceutical market has been accompanied by the expansion of the CDMO industry, largely in the US and Europe. In Japan, the establishment and development of this industry is anticipated.

KBI, with state-of-the-art analytical and process development technologies, provides an integrated service at every stage from initial development to commercial manufacturing, for large pharmaceutical and biotechnology companies primarily in the US and Europe. Through the acquisition of KBI, JSR and CMIC will leverage KBI’s business and operations in development, manufacturing and regulatory approval processes of biopharmaceuticals, which already has a proven track record with their clients. With this base, JSR and CMIC intend to accelerate the expansion of KBI’s biopharmaceutical contract development and manufacturing services as well as JSR’s bioprocessing businesses in Japan and Asia.

INCJ aims to drive biopharmaceutical drug discovery within Japan by establishing a value chain from research, development, and manufacturing in the space, combined with its network of Japanese biotechnology companies and small- and medium-sized pharmaceutical companies. This investment enables INCJ to support the acquisition of cutting-edge expertise in the field of biopharmaceutical development and manufacturing that still has many hurdles and contributes to the further enhancement of the Japanese biopharmaceutical industry.

About KBI Biopharma, Inc.

KBI is a leading contract development and manufacturing organization focusing on biopharmaceuticals. To date, KBI has helped to advance drug development programs for over 200 clients around the world. KBI offers an extensive suite of expert development and manufacturing services through an agile, science-based and customer-focused approach.

Location of headquarters: Durham, North Carolina, USA

President & CEO: Joseph T. McMahon

Established: 1996

URL: <http://www.kbibipharma.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).

INCJ is run by industry-leading professionals from a range of backgrounds including investment, technology, and management. Investments are made to promote innovation in business in Japan. All investment decisions are made by INCJ's internal Innovation Network Committee in compliance with Japanese law, and based on criteria for support determined by the Japanese government.

Press contacts:

Innovation Network Corporation of Japan

Corporate Planning

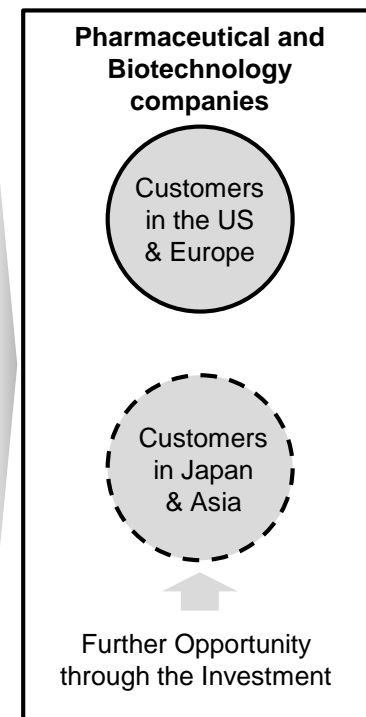
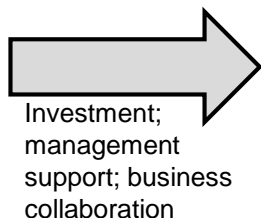
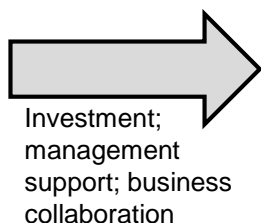
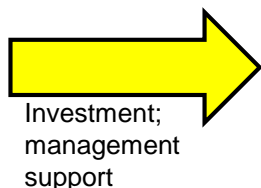
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Target: KBI Biopharma Inc.
Outline: Biopharmaceutical contract analytical/process development/manufacturing services for large pharmaceutical companies and biotechnology companies



- Enhance the biopharmaceutical industry in Japan/Asia through the further expansion of currently the US/Europe-focused KBI's business into Japan/Asia, with the acquisition of cutting-edge U.S. technology and expertise in the development and manufacturing of biopharmaceuticals such as antibodies
- Drive biopharmaceutical drug discovery by establishing a value chain from research, development, and manufacturing, combined with INCJ's network of Japanese biotechnology companies and small- and medium-sized pharmaceutical companies