

## **INCJ sells its shares in CerebrEX Corporation**

**Tokyo, May 31, 2019** — INCJ, Ltd. (“INCJ”) announced today that it has transferred to sell all its shares in CerebrEX Corporation (“CerebrEX”) to Masahiro Kato, president and CEO of CerebrEX.

### **About CerebrEX Corporation**

Established: June 2012

Headquarters: Osaka, Osaka Prefecture

Representative: President & CEO Masahiro Kato

Business outline: Design and development of display controller LSIs

URL: <http://cerebrexinc.com/>

### **About INCJ Ltd.**

INCJ, Ltd. was established in September 2018 via a company split from Innovation Network Corporation of Japan (INCJ). INCJ was established in July 2009 with the aim of overcoming boundaries between companies and industries, creating and nurturing key industries via open innovation for the prosperity of future generations, and the company has changed its name to Japan Investment Corporation (JIC) and begun new activities. INCJ, Ltd. will continue the activities of INCJ, engaging in “Value Up” activities such as overseeing additional investments, milestone investments and exits from investments in portfolio companies until March 2025.

URL: <http://www.incj.co.jp/english/>

## Appendix

### **Target: CerebrEX Corporation**

Established: June 2012

Headquarters: Osaka, Osaka Prefecture

Representative: Masahiro Kato

Business outline: Design and development of display controller LSIs

### **Overview of Investment**

Authorized investment: JPY750 million (maximum)/JPY 500 million (maximum)

Amount invested: JPY750 million/JPY 500 million, JPY1.25 billion in total

Co-investors: Fortune Venture Capital, Nissay Capital Co., Ltd.,

Daiwa Corporate Investment Co., Ltd.

Announcement date: September 2012/ July 2017

Press releases: INCJ to invest in CerebrEX Corporation

<https://www.incj.co.jp/english/news/upload/docs/141ed66176944d6aa282001f75f56dfa10b9ed9.pdf>

INCJ to make additional investment in CerebrEX Corporation

<https://www.incj.co.jp/english/news/upload/docs/0a347668a3f59dfbbbc822f146c154df03410737.pdf>

Investment structure: <https://www.incj.co.jp/english/performance/upload/docs/CerebrEX.pdf>

### **1. Background to the investment**

CerebrEX is a fabless semiconductor company established in 2012. It develops semiconductors and IP for use in display controllers. CerebrEX products can be manufactured smaller than conventional products and can reduce power consumption, making them ideal for mid-sized displays that require both low power consumption and high-definition capabilities, such as computer displays. INCJ invested a total of JPY750 million into CerebrEX in 2012 and 2013, following which the company began full scale business operations.

### **2. Business progress**

Since its establishment, CerebrEX has worked together with major display companies in Japan and other countries to drive its business forward, and INCJ made an additional investment of JPY 500 million in 2017. Following this, CerebrEX focused on developing the CRX2000 next generation driver-integrated display controller as its flagship product. It shipped samples of the product in July 2018 and began mass production for major customers in December.

### **3. Reason for exit**

As mentioned above, the goal of mass production of CRX2000 was achieved. Nevertheless, due to the time taken for development and changes to the market environment in the intervening period, the company's business plan has diverged from that of when INCJ made its investment.

Recognizing this, CerebrEx's President and CEO Masahiro Kato submitted an offer to purchase all shares in CerebrEx held by INCJ. After much careful discussion and consideration, INCJ decided to accept the offer and transferred all shares held in the company to Mr. Kato.

### **4. Statement from the Minister of Economy, Trade and Industry**

Proactive support for venture companies will be key to strengthening Japan's industrial competitiveness going forward. INCJ will analyze the issues of this project and use the lessons from this to continue supporting venture companies, as well as endeavor to secure profitability in all projects receiving support.

<Press Contacts>

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