

## **INCJ sells holding in Kyoto Robotics Corporation**

**Tokyo, April 8, 2021** — INCJ, Ltd. (“INCJ”) announced that it has sold its entire holding in Kyoto Robotics Corporation (“KRC”) to Hitachi, Ltd. (“Hitachi”).

### **About Kyoto Robotics Corporation**

Established: December 2000 (formerly 3D MEDiA Co., Ltd.)

Headquarters: Kusatsu, Shiga

Representative: Gang Xu, President and CEO

Business outline: Development and sales of three-dimensional vision system and of intelligent robotic picking controller for logistics and manufacturing sites

URL: <https://www.kyotorobotics.co.jp/en/index.html>

### **About Hitachi, Ltd.**

Established: February 1, 1920

Headquarters: Chiyoda-ku, Tokyo

Representative: Toshiaki Higashihara, Representative Executive Officer, President & CEO

Business outline: Development, production, and product sales and services across IT, energy, industry, mobility, and smart life segments

URL: <https://www.hitachi.com/>

### **About INCJ, Ltd.**

INCJ, Ltd. was established in September 2018 via 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. Following revisions to its governing law—the Industrial Competitiveness Enhancement Act—the continuing company changed its name to Japan Investment Corporation (JIC) and began new activities. INCJ, Ltd. is mandated until March 2025 to pursue the activities of the original Innovation Network Corporation of Japan, engaging in “Value Up” initiatives at portfolio companies, making additional and milestone investments, and developing exit strategies from investments in portfolio companies.

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

## Appendix

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### **Overview of investment**

Announcement date: May 2016

Authorized investment: JPY800 million (maximum)

Amount invested: JPY400 million

- Press releases:

INCJ, SPARX Group and Mitsubishi UFJ Capital to invest in 3D MEDiA Co., Ltd.

Company develops and markets world's first "3D robot vision system"

<https://www.incj.co.jp/english/newsroom/upload/docs/2ebed5edd21a4b1d6bc1166aeb1934388e2d8306.pdf>

#### **1. Background of investment**

KRC was established in 2000<sup>(\*)</sup> as the first venture company from Ritsumeikan University, and in 2011 it developed TVS, the world's first 3D robot vision sensor for industrial robots. In 2012, the company received the

The Best SME Venture Prize <sup>(\*\*)</sup> at the 5<sup>th</sup> Robot Awards in 2012. Highly evaluated, this advanced technology contributes to the automation of factories and has been adopted at the production sites of more than 200 companies.

INCJ anticipated that systems provided by KRC would help address labor shortages and contribute to greater productivity and efficiency, and also strengthen innovative competitiveness in the manufacturing industry by promoting open innovation through collaboration with system integrators and robot manufacturers. Accordingly, INCJ invested JPY400 million in KRC from an authorized maximum investment of JPY800 million announced in May 2016.

#### **2. Business progress**

In addition to further developing its 3D vision sensor (TVS) and promoting its introduction to production sites, KRC has been working in automation of the logistics field since 2017, leveraging the know-how gained through this business. By utilizing a 3D vision system which acts as "eyes" and unique AI technology that serves as a "brain," KRC is steadily building a track record in automating operations for loading and unloading pallets, which has been a challenge in the logistics field.

Since its investment in KRC in 2016, INCJ has played a catalytic role by supporting KRC's business expansion and gaining support from private VCs, in addition to dispatching an outside director.

<sup>(\*)</sup> Established as 3D MEDIa Co., Ltd.

<sup>(2)</sup> the Best SME Venture Prize (Small and Medium Enterprise Agency Director-General Award) at the 5<sup>th</sup> Robot Awards in 2012 (held by the Ministry of Economy, Trade and Industry and Japan Machinery Federation)

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

KRC is highly valued in manufacturing and logistics fields for its ability to develop unique technologies related to intelligent robotic systems. However, developing solutions that more accurately grasp the needs of end users through close collaboration with system integrator ("SI") companies is essential for the future growth of the company. INCJ supported the negotiations for the alliance between Hitachi and KRC as it determined that collaboration between the two companies would expand the customer base and contribute to solving the recent labor shortage problem.

Hitachi Group aims to provide a speedy, one-stop robot SI for entire automated production lines in logistics and FA fields, and with the acquisition of KRC, Hitachi expects to generate synergistic effects with the company's intelligent robot technology.

Based on this, INCJ has determined that KRC would benefit from operating under the umbrella of Hitachi to further accelerate the development of KRC's technology and its social implementation, and has thus sold all of its shares in KRC to Hitachi.

Press Contacts

Japan Investment Corporation

Corporate Planning, Communications Group: Irie, Nonomiya

Tokyo Toranomon Global Square 9F,

1-3-1 Toranomon, Minato-ku, Tokyo 105-0001

Tel. (03) 5532-7086