

August 12, 2013

INCJ to invest in JTOWER, an infrastructure-sharing business enhancing indoor mobile communications environments

Tokyo, August 12, 2013 – Innovation Network Corporation of Japan (“INCJ”) today announced its decision to invest in JTOWER Inc. (“JTOWER”), Japan’s first infrastructure-sharing company, which is working to overcome one of the biggest obstacles currently faced by mobile device users: poor signal coverage inside commercial facilities, offices, and residential buildings. The investment through a third-party allotment will provide JTOWER with up to ¥900 million in growth capital for equipment design and business development.

JTOWER will raise additional funding from JA Mitsui Leasing, Ltd. and a fund managed by IT-Farm Corporation, through a third-party allotment.

The data traffic in wireless communications has increased exponentially with the widespread adoption of smart phones and tablets. However, with the use of green building materials that have a propensity to block radio waves, it has become increasingly difficult for signals from outdoor base stations to penetrate indoors. As most mobile communication is currently carried out within commercial facilities, offices, and residential buildings, there is a pressing need to upgrade indoor mobile communications environments.

By building indoor mobile facilities that can be shared by multiple wireless carriers, JTOWER aims to significantly reduce the total capital expenditures for these systems borne by wireless carriers, real-estate developers, and other such businesses.

By reducing investment cost, it will become feasible for more properties to have their indoor mobile communications systems upgraded, thus enabling an improved reception environment for mobile communications users. JTOWER’s shared infrastructure also simplifies and increases the efficiency of the overall indoor mobile system design and implementation process for real-estate developers.

The Benefits of JTOWER's Infrastructure Sharing Service

Benefits for Mobile Users	Benefits for Wireless Carriers	Benefits for Real-estate Developers
<ul style="list-style-type: none"> • Increase the number of real-estate properties adopting upgraded indoor mobile communications environment with better signal 	<ul style="list-style-type: none"> • Significant reduction in capital expenditures related to indoor mobile communications systems 	<ul style="list-style-type: none"> • Significant reduction in capital expenditures related to indoor wireless systems • Simplification of processes for designing and implementing them

Looking ahead, JTOWER aims to expand its indoor mobile communications infrastructure-sharing business into emerging markets such as South-East Asia as well as to develop Wi-Fi location-based services.

INCJ will provide JTOWER with necessary funds while dispatching an outside board member, advising on its business structure, and providing support for overseas business expansion.

Through this investment, INCJ will support the development of a company that aims to create a new social infrastructure business model that reduces the total cost of mobile communications.

About JTOWER Inc.

Established: June 2012

Outline: Provision of shared-use solution to indoor mobile communications systems (equipment development, infrastructure design and construction of target properties, operation and maintenance, etc.)

Location of Headquarters: 602 Miki Building, 2-12-12 Shibuya, Shibuya-ku, Tokyo, Japan

Representative: Atsushi Tanaka

URL: www.jtower.co.jp/

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 approximately ¥2 trillion.

To date, INCJ has invested approximately ¥660 billion in a total of 44 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 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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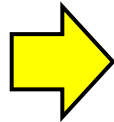
e-mail : info127@incj.co.jp

[Appendix] INCJ to invest in JTower, an infrastructure-sharing business enhancing indoor mobile communications environments

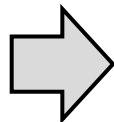
Target: JTower Inc.
 Outline: Provision of shared-use solutions for indoor mobile communications systems (equipment development, infrastructure design and construction of target properties, operation and maintenance, etc.)
 Investment: Up to ¥900 million (phased investment depending on business development)



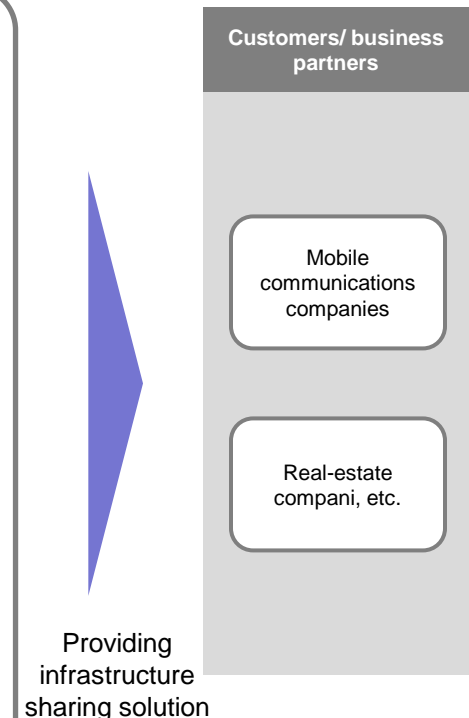
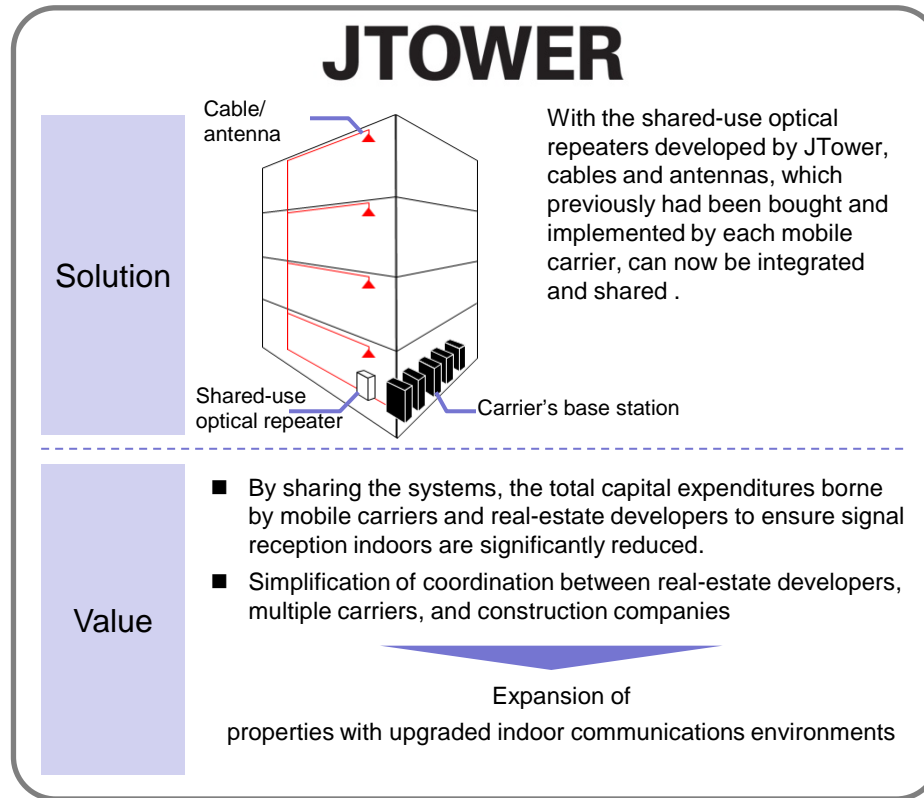
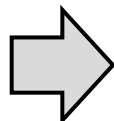
- Investment
- Management Support



- Investment
- Management/Business Partner



- Investment
- Management Support



Improve the indoor reception caused by the surge
in share of the volume of indoor mobile traffic and the increase in environmentally friendly buildings, etc.
Improve convenience for mobile users