INCJ to make additional investment in Mido Holdings Ltd.

Tokyo, June 8, 2016 – Innovation Network Corporation of Japan (“INCJ”) announced today its decision to make an additional investment of up to US$10 million in Mido Holdings Ltd. (“Midokura”), a venture company which develops network virtualization solutions. This investment will provide Midokura with the necessary funding to support future product development and business expansion.

Simplex Inc., a Japanese Fintech company, and Midokura board member Allen Miner will also invest in the company.

Midokura was established in January 2010 as a global IT venture originating in Japan. The company was established in anticipation of full-scale development of the market for Software Defined Networking (SDN), which allows the virtualization of computer networks.

Midokura Enterprise MidoNet (“MEM”), which includes additional features such as support and monitoring. Midokura plans to use this capital investment to accelerate the development of MEM, strengthen its management and development team, and expand sales through strategic business collaboration with major corporations and other partners.

In April 2013, INCJ announced its decision to invest growth capital in Midokura for product and business development. With the additional investment announced today, INCJ expects that Midokura will enter a new stage of growth and become a true leader in this field as a global IT venture company originating in Japan.

1 Decoupling control from hardware and transferring it to a software application
Reference
INCJ issued the following news release on April 3 2013:

“INCJ to invest in Japanese global IT venture developing network virtualization solutions”
http://www.incj.co.jp/PDF/1369641204.en.pdf

About Mido Holdings Ltd. (“Midokura”)
Established   January 2010 (Midokura Co.,Ltd.)
Business Outline Development and sales of MidoNet network virtualization software
Locations Lausanne, Switzerland; Minato-ku, Tokyo, Japan; San Francisco, USA; Barcelona, Spain
Directors Dan Mihai Dumitriu (CEO), Tatsuya Kato (Chairman), Allen Miner
Number of employees:  50 (as of June 1, 2016)
Website:   http://www.midokura.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 ¥2 trillion (approx. US$20 billion).

INCJ’s management team is drawn from the private sector with diverse experience in investment, technologies and management. Through its Innovation Network Committee, INCJ assesses investment opportunities that contribute to industrial innovation in Japan in line with criteria set by the government.

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**Mido Holdings**

**Target:** Mido Holdings Ltd.  
**Outline:** Development of network virtualization solutions  
**Authorized investment:** ¥1,200 million (maximum) / US$10 million (maximum)  
**Date of investment:** April 3, 2013 / June 8, 2016

- **VC/CVC**  
  Fujitsu Limited, DOCOMO Innovation Ventures, Innovative Venture Fund (NEC¹)  
- **Fintech company**  
  Simplex Inc.  
- **Incubators**  
  SunBridge Global Ventures

- Investment  
- Dispatch of outside board members  
- Various managerial support

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**Software Defined Networking (SDN)**  
Through virtualization* of network hardware, it is no longer necessary to be concerned with physical networks.

**Solutions provided by Mido Holdings**
- Development of network virtualization software (MidoNet)  
- Benefits of implementing MidoNet:  
  - Allows flexible and rapid network feature changes and logical network configuration changes  
  - Reduces CAPEX and OPEX in network management

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**Value provided by Mido Holdings**

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- Support of a rare Japanese global IT venture developing core technology in the network field  
- By removing the financial constraints that are an issue in the Japanese entrepreneurial environment, we are aiming for global development and establishment of a business promotion framework that ranks alongside international competitors,

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¹ Innovative Venture Fund is sponsored by NEC Group, SMBC Group, and SME Support Japan. It is jointly administered by NEC Group and SMBC Group.

※MidoNet technology is validated by domestic and international players.