News Release

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"

Tokyo, May 26, 2016 – Innovation Network Corporation of Japan ("INCJ") announced today its decision to jointly invest in 3D MEDiA Co., Ltd. ("3D MEDiA"), together with SPARX Group Co., Ltd.[1] ("SPARX") and Mitsubishi UFJ Capital Co., Ltd. ("Mitsubishi UFJ Capital") through a third party share allocation. 3D MEDiA develops and markets the world's first 3D robot vision system. INCJ will invest up to ¥800 million, while SPARX and Mitsubishi UFJ Capital will invest ¥250 million and ¥50 million, respectively, to provide 3D MEDiA with the necessary funding to support future commercialization, strengthen sales structure and provide investment in new R&D facilities.

Conventional robots can only move in programmed patterns, which has made it impossible for them to do tasks that require more improvised movement, such as picking up individual industrial parts from an unsorted pile ("bulk parts picking"). As a result, this task is now commonly carried out by human workers. Although simple, the labor intensity of this work means that demand for robot automation is growing. Rising labor costs in developing countries, shorter product lifecycles, increasing variety and declining volumes of products are also contributing to demand. This trend is expected to grow in the future.

3D MEDiA is the first venture company from Ritsumeikan University. In 2011, with support from the Ministry of Economy, Trade and Industry's Supporting Industry Project[2], it began development and sales of the world's first 3D robot vision system for industrial robot use (TVS 1.0). This system gives "eye" and "brain" functionality to industrial robots that allows them to recognize the position of individual parts and move independently of preconfigured patterns. 3D MEDiA subsequently received support from NEDO[3], and through a combination of propriety algorithms and hardware, 3D MEDiA has made possible high-precision and high-speed image recognition of black, semi-transparent, and reflective parts—something that conventional sensors could not do. In 2014, 3D MEDiA developed and launched the TVS3.0 series, which has achieved stable image recognition by combining the ability to recognize an object from point groups with the conventional method of using object's contours. As of March 2016, sales to customers in the automotive,

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[1] The investment is funded by the Mirai Creation Fund managed and operated by SPARX Group Co., Ltd.

[2] Supporting Industry Project: Ministry of Economy, Trade and Industry's Strategic Foundational Technology Improvement Support Operation

[3] New Energy and Industrial Technology Development Organization (NEDO)

electrical machinery, and other industries have rapidly increased, surpassing 130 units, with more than 30 units now in use on production lines.

3D MEDiA will leverage this investment to strengthen its technological development and sales structure to achieve its goal of mass production. The company plans to set up a research and development office in Tokyo by the summer of 2016 and to open an intelligent robot research institute by 2017. At the same time, it will establish a framework for overseas sales and focus on hiring personnel to drive these projects forward. Looking further ahead, 3D MEDiA is aiming for aggressive overseas expansion through partnerships with domestic and overseas robot manufacturers, developing new products and reducing the size and weight of the system.

INCJ's decision to invest in 3D MEDiA was based on a number of factors. The robot vision system provided by 3D MEDiA can contribute to improving manufacturing productivity and efficiency and address the issue of labor shortages. This innovative Japanese technology also makes possible open innovation through collaboration with system integrators and robot manufacturers and has implications for improving innovative competitiveness. INCJ will also provide management support through the appointment of outside directors and the strengthening of the company's business development framework. This investment marks the third time INCJ and NEDO have provided joint support in line with their "mutual cooperation agreement to create new industries."

SPARX has decided to invest in 3D MEDiA due to the numerous possibilities to expand its technology not only within Japan, but also on a global scale. The system it provides contributes to improving and ensuring the safety of the working environment, improving user productivity, increasing cost competition by saving manpower and stabilizing the quality of each product. SPARX will support 3D MEDiA's business growth by providing the necessary investment, appointing outside directors and through management support.

Mitsubishi UFJ Capital has decided to invest in 3D MEDiA due to its superior technology. 3D MEDiA's system has already been introduced in a number of companies and is used in production lines. As user needs remain high, Mitsubishi UFJ Capital also expects market expansion in the future.

About 3D MEDiA Co., Ltd.

Established	December 2000
Business Outline	Development and sales of a 3D robot vision system for industrial use
Headquarters	Kusatsu, Shiga
Board Member, CEO and President	Gang Xu
URL	http://www.3dmedia.co.jp/index.html

- 2012: 5th Robot Awards – Best small and medium sized venture companies award (The

Small and Medium Enterprise Agency Award)

- 2015: 13th Industry-Academia-Government Collaboration Award – Minister of Economy Industry and Trade Award

About Innovation Network Corporation of Japan (INCJ)

Established	July 2009
Headquarters	Marunouchi, Chiyoda-ku, Tokyo
President and COO	Mikihide Katsumata
URL	http://www.incj.co.jp/

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.

About SPARX Group Co., Ltd.

Established	July 1989
Group Business Outline	Asset Management Business (Investment Advisory Business, Investment Trust Management Business)
Headquarters	Shinagawa-ku, Tokyo
President	Shuhei Abe
URL	http://www.sparx.jp/

About Mitsubishi UFJ Capital Co., Ltd.

Established	August 1974
Business Outline	Investment in unlisted companies and consulting business
Headquarters	Chuo-ku, Tokyo
President	Kei Andoh
URL	http://www.mucap.co.jp/

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