2020/06/10

Company:	CYBERDYNE Inc.
Name of Representative:	Yoshiyuki Sankai, President and CEO
Code:	7779 (Mothers Section of the Tokyo Stock Exchange)
Contact:	Shinji Uga, Director and CFO (Tel. +81-29-869-9981)

Additional investment on Lpixel; leading company of medical image diagnosis with AI ~ Cyberdyne substantially became the largest outside shareholder to strengthen medical AI ~

CYBERDYNE, Inc. [Tsukuba, Ibaraki, CEO: Yoshiyuki Sankai (the "Company")] announced to make an extra investment in LPixel Inc. [Chiyoda, Tokyo, CEO: Tomihisa Kamada & Yuki Shimahara ("LPixel")], a leading company in medical image diagnosis, in order to enhance further coordination and to strengthen AI for medical fields. With the additional investment, the Company substantially became the largest outside shareholder of LPixel

■ Background

The Company and LPixel formed a business and capital alliance to develop innovative medical technology including medical Big Data analysis through fusion and combination of the Company's Cybernics Technology and LPixel's AI medical image diagnosis technology.

Following the alliance, LPixel made steady progress in its business such as obtaining Japanese medical device approval for "EIRL aneurysm", which is an image analysis software that uses deep learning to identify suspected aneurysms from brain MRI. EIRL aneurysm became the first deep learning-powered software as a medical device for brain MRI in September 2019.

Today, as announced by LPixel, the embezzlement by a former director of LPixel in the course of business was discovered, and LPixel is reviewing the internal control system, strengthening the audit system, and strengthening the management control system. The Company has evaluated the essential business value accumulated by LPixel to date and determined to make an additional capital investment in LPixel with JAFCO CO., Ltd. and TomyK Ltd., on the condition that the recurrence of the problem is prevented by strengthening the governance. As a lead investor in this round, the Company decided to strengthen the medical AI in cooperation with LPixel.

■ Prospect

The Company do not expect the event to have any impact on the consolidated results for the fiscal year ending March 2021, but we will promptly disclose any information that should be disclosed.

■ Link

CYBERDYNE and LPixel make announcement to form alliance (October 29, 2018)
https://www.cyberdyne.jp/wp_uploads/2018/10/181029_News_LPixel_ENG.pdf

(LPixel) arrest of former director (June 10, 2020)
https://lpixel.net/news/press-release/2020/10039/

CYBERDYNE Inc.

URL	https://www.cyberdyne.jp/english/
Founded	June 2004
Share capital	26.778 billion Japanese yen (as of March 31, 2020: non-consolidated, Japanese GAAP)
CEO	President and CEO Yoshiyuki Sankai
Address	2-2-1 Gakuen-minami, Tsukuba, Ibaraki, Japan

The Group's business is to realize "Society 5.0/5.1", a future society based on the idea of Techno-Peer-Support where human and technology live together and support each other. This goal is attained through revolutionary changes in industry and society, and The Group seeks to utilize "Cybernics Technology" (fusion and combination of systems of human, robot and information) that handles "human" + Cyberspace" + "Physical space", to create a "Cybernics Industry" for this transition following the breakthroughs of the Robotics Industry and IT Industry.