



Press release

August 7, 2017
CYBERDYNE, INC.
Covia, Inc.

**CYBERDYNE and Covia establish a joint venture for communication/device business on
IoH/IoT**

~realizing “Society5.0” where all kinds of humans and things are connected by networks ~

CYBERDYNE, INC. (Head office: Tsukuba, Ibaraki, JAPAN, President and CEO: Yoshiyuki Sankai, hereinafter referred to as “the Company”) and Covia Inc. (Head office: Yokohama, Kanagawa, JAPAN, Representative Director: Toshihiko Kumashiro, hereinafter referred to as “Covia”) agreed to establish a joint venture company, “CYBERDYNE Omni Networks, INC.” (“the JV”) to conduct communication business, distribution of communication devices and related services on Internet of Human (“IoH”) and Internet of Things (“IoT”), where all kind of humans and things will be connected by internet. The JV will take on the central role on networking of Big Data that the Company works on. By deploying business related to IoH/IoT to all situations of medicine, nursing-care and daily life, the Company, Covia and the JV (collectively referred to as “the Involved Parties”) aim to promote the realization of “Society 5.0”^{*1} (super smart society) where all humans and things are connected through internet.

<Background of establishment of the JV and its major line of business>

The Company is one of the driving forces to realize Society 5.0. In such a society each individual will be connected to, and live together with, technologies and all kind of “things” and “humans” will be connected regardless of their located environment. By combining of IoH and IoT, information of human and things will be connected/integrated, which leads to an establishment of a next generation network society unlike no other. To realize such a society, safe and standardized communication network infrastructure must be established, in order to gather and manage vast amount of information (“Big Data”).

The Company has utilized Cybernic technology, which is a combination/fusion of human, robot and information in order to develop various Cybernic systems such as the Robot Suit HAL that is anticipated to solve problems caused by hyper aging society. All of these systems

can be connected to network, so that it could accumulate and analyze Big Data on brain-neuro-physical systems and vital and living information. These efforts could lead to findings such as methods: to detect signs of diseases in the early stages, to prevent diseases and to improve the work environment, by which various problems that the society face could be solved.

Covia is a company engaged in the design, development and manufacture of Information and Communication Equipment. We are developing a wide range of advanced product planning in the Communication field, such as SIM free smartphone, IoT gateway (Bluetooth / Wi-Fi / ZigBee / LPWA / IMES), GPS tracker and so on.

In September 2014, Covia's solution was deployed as 'Medical IoT' at Fukui University School of Medical Sciences Hospital. Their smart phone is operated as a PDA in cooperation with extension calls and nurse calls, and the introduction of their Positional Information Notification System attracts attention not only medical field but also various industries.

Using Covia's IoT business as its foundation, the JV will newly develop a service that includes communication business. Specifically, the JV will develop and sell micro communication devices that could gather vital information from the Company's medical robots, environmental information from Transport and Cleaning Robots and other information from the Company's products, such as Vital sensor that is capable of measuring hardening of arteries. The JV will also gather these Big Data to data center, and offer system /services that would allow them to analyze, integrate and securely manage these Big Data. The JV aims to comprehensively deploy business including IoH, which surpasses the concept of IoT that is traditionally limited to the connection of things or industry, in order to lead the movement to realize the super smart society, "Society 5.0".

<Outline of CYBERDYNE Omni Networks> *

Name of the Company: CYBERDYNE Omni Networks,INC.

Location: Tsukuba Ibaraki (HQ), Chiyoda Tokyo, Yokohama Kanagawa

Date of the founding: August 2017

Capital stock and legal capital surplus: three hundred and ten (310) millions of yen

Shareholding ratio: Covia: 51%, CYBERDYNE,INC.: 49 %

Representative: Representative Director and Chairman: Yoshiyuki Sankai, Representative and CEO: Naoyuki Yamamoto

Business line: Development and sales of IoH/IoT devices, IoH/IoT systems and IoH/IoT services (including communication services), centered around field of Cybernics.

* On August 4, 2017, IoT business company that span out of Covia conducted the first annual meeting of share holders as a new company, to conduct a resolution to determine the company name and members in the Board of Directors.

<Explanation of terminology>

*1 Society 5.0: a concept of super-smart society of the future, promoted by the Japanese government. It is the fifth society after “hunter-gatherer society (Society 1.0)”, “agricultural society (Society 2.0)”, “industrial Society (Society 3.0) and “information society (Society 4.0)”. It is a new image of a society brought by science and technological innovation, where technologies such as artificial intelligence (AI) and Internet of Things (IoT) will be fully implemented into the society. It was stated in the 5th Science and Technology Basic Plan that Japan is going to start their endeavor ahead of other countries to realize this society. As Japan was the host of the G7 Meeting that was held in May 2016, Japanese government projected this concept to the world as the ideal future society where humans and technology coexist. As one of the major power force driving the endeavors to realize “Society 5.0”, CYBERDYNE contributed to the G7 Science and Technology Ministers’ Meeting that was held in Tsukuba, Ibaraki, Japan as CEO Yoshiyuki Sankai presented a keynote speech as well as a speech addressing the ministers at the meeting. CYBERDYNE also hosted a group of representatives from the G7 countries to visit CYBERDYNE’s headquarters.

*2 Cybernics: A new academic field that is centered around human, robots and information systems. Targeting medicine, welfare and living support fields (including labor support) as its main industries,. It fuses and combines the functions of humans, robots and information systems, realizing interactions between physical-information-vital systems. Cybernics is championed by Dr. Yoshiyuki Sankai, a professor at the University of Tsukuba (he is also the President and CEO of CYBERDYNE) and the technology is

thought to be one of the core technical domain that drives the movements to realize “Society 5.0”. Cybernic technology means practical application of Cybernics

<About CYBERDYNE, INC.>

Since CYBERDYNE, INC. was established as a venture company from the University of Tsukuba in 2004, the Company has promoted the comprehensive development of various Cybernic systems (Cybernic devices, Cybernic interfaces, etc.) that utilize Cybernic technology from research and development to social implementation, aiming to tackle the various issues facing society. The company has developed business in the fields of medicine, welfare and daily living (including the work environment), and its main product Robot Suit HAL® is widely distributed not only in the medical and welfare fields but also in care support and labor support fields. In addition, new products such as Transport Robots and Cleaning Robots equipped with artificial intelligence and environment recognition functions, HAL (Lumbar Type) that reduces the load and stress on the lower back, smaller-sized HAL (Single-Joint Type), vital sensors for detecting arteriosclerosis and arrhythmia measurements, etc. are continuously being developed.

For more details, please refer to the following website: www.cyberdyne.jp/eng/

<About Covia Co., Ltd. >

Covia Co., Ltd. has started business since 2001, focusing on the emerging broadband market. Through collaboration with the world's leading global companies, they have been able to offer outstanding and competitive products in terms of quality, speed and cost.

A number of products invented by Covia team, such as network products, portable communication equipment, digital consumer products, have been offered as OEM to telecommunications carriers, famous brand manufacturers and service providers.

Conventional development achievements cover advanced technologies such as mobile communication, short distance communication, GPS, various sensor nodes, information security, cloud services, etc. Their experience and technical development know-how becomes their core, and they can propose to optimize the whole system in the field of IoT and IoH.

For details, please visit <http://www.covia.co.jp>.