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Company: CYBERDYNE, INC.

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AMED adopted CYBERDYNE's proposal on "Research and Development of Clothes Type HAL for Walking Support to the elderly people" for its subsidy program

A proposal of CYBERDYNE, INC. (the "Company") on "Research and Development of Clothes type HAL for Walking Support" for the maintenance and improvement of the elderly people's walking ability, was adopted by Japan Agency for Medical Research and Development ("AMED") for its solicited subsidy program, "Project to Support Development and Standardization of Robotic Devices for Nursing Care". AMED also determined granting of the subsidy to the Company's project.

1. Goal of "the Project to Support Development and Standardization of Robotic Devices for Nursing Care" of AMED

This project aims to contribute to the creation of new manufacturing industries of emerging products in Japan and realization of the society of good health and longevity through the following endeavors.

- Evaluating and measuring the effectiveness of existing robotic devices for nursing care
- Developing new robotic devices for nursing care, which could help the elderly user to become independent from nursing care
- Establishing safety standards for new robotic devices for nursing care
- Standardizing nursing-care robots

2. Adopted project of CYBERDYNE t

a. Name of the project

"Research and Development of Clothes Type HAL for Walking Support" for the maintenance and improvement of the elderly people's walking ability

b. Detail of the development

The Company promotes the development of an easy-to-wear and operate Clothes Type HAL designed to maintain and improve elderly user's ability to walk. Existing HAL devices (including "Clothes Type HAL") use the system to actuate the user's intended motions by detecting bio-electrical signals ("BESs") with cardiograph type of electrodes directly attached on the skin surface. On the other hand, on the Clothes Type HAL, the Company uses a new non-contact sensor which detects BESs without direct contact with the skin. This new sensor makes the Clothes Type HAL so easy to put on and operate, and reduces reluctance of the elderly user to put on the device. Easiness to wear also allows its elderly user to wear the device for a long time without stress. Consequently this will also lead to expansion of the user bases. While the user is wearing each type of HAL (including the Clothes Type HAL), the device realizes the intended motion of the wearer. This information of the motion is sent back to the brain. Repetition of realizing the motion and sending information back to the brain forms a so-called "interactive bio-feedback loop" between the brain-nervous system and HAL. Interactive bio-feedback loop does not only improves the user's walking ability while he/she wears the device, but also maintains and improves the walking ability of the user even after HAL is taken off. This development will lead to rapid commercialization of Clothes Type HAL that could make the elderly people more independent from the assistance of the caregiver.

- c. Period of development (estimate)
 - From the date of when the subsidy is determined to be granted to March 31, 2021. Mid-term assessment will be conducted every fiscal year and AMED will judge whether they should continue supporting the development in the next fiscal year.
- d. Amount of subsidy (estimate)
 Total of ¥270.5 million (FY2018: 95.9 Million, FY2019: 100.9 Million, FT2020: 73.7 Million. Subsidy amount will be determined after each mid-term assessment)

3. Schedule

The subsidized amount is planned for posting in the consolidated statement of profit or loss for each fiscal year as other income.