
Araya and Sumitomo Shoji Machinex Agree on Business and Capital Alliance

Araya and Sumitomo Shoji Machinex jointly develop and propose AI solutions and products in the manufacturing industry.

Tokyo, Japan - October 3, 2019 - Araya Inc. (Headquarters: Minato-ku, Tokyo, CEO: Ryota Kanai) and Sumitomo Shoji Machinex Co., Ltd. (Headquarters: Chiyoda-ku, Tokyo, President: Meizo Sahashi) are pleased to announce that the two companies have reached an agreement on a business and capital alliance. Both companies have been working together, such as jointly proposing solutions to the manufacturing industry, and this alliance will further strengthen it. In the future, we will continue to jointly develop and offer solutions and products using AI, mainly in the manufacturing industry.

Background of Business and Capital Alliance

In the manufacturing industry, labor shortages and labor environment improvements are significant issues. Also, there is a growing need for upgrading existing businesses and developing new businesses. In this context, AI demand is expected to increase dramatically worldwide into an approximately 87 trillion JPY (806 billion USD) market in 2030, according to Ernst & Young Institute.

About Araya

Founded in 2013, Araya has solved problems in a wide range of industries, including manufacturing business. The company has advanced image recognition technologies with Deep Learning, which has been employed in various manufacturing enterprises. Its proven AI algorithms can be applied to a wide range of other manufacturers.

Besides, the company has developed a patented Edge AI technology, which compresses an original AI model to 1/4-1/16 with comparable accuracy. At the manufacturing sites, the technology is expected to allow industrial robot's AI to move at higher speeds, for example.

Furthermore, Araya is developing Autonomous AI, which allows robots or drones to perform their tasks without human teaching. It can be applied to drone inspection, where it is dangerous for humans to work.

About Sumitomo Shoji Machinex

Sumitomo Shoji Machinex provides various facilities and solutions to more than 1,500 business partners, including the manufacturing and construction industries. The company has extensive knowledge and know-how regarding production sites and facilities.

Sumitomo Shoji Machinex Co., Ltd. President Meizo Sahashi released the following statement (translated):

"We are confident that through this capital and business alliance, both companies will be able to leverage their strengths and provide new value to our business partners. We believe that our company's mission is to respond to various problems existing in the industry and contribute to the

solution. With Araya's advanced AI technologies and the network of the Sumitomo Corporation Group, we will contribute to the advancement and stabilization of industrial infrastructure."

Contact

Araya Inc.

ARK Mori Building, 24F., 1-12-32 Akasaka, Minato-ku, Tokyo, 107-6024, JAPAN

support@araya.org

<https://www.araya.org/>