

## Announcement Regarding Determination of Terms of Issue of Zero Coupon Convertible Bonds due 2023

Digital Garage, Inc. (hereinafter the "Company") hereby announces the determination of the terms of issue and certain other matters (as well as those terms that were already determined) in respect of the issuance of Zero Coupon Convertible Bonds due 2023 (bonds with stock acquisition rights (*tenkanshasaigata shinkabu yoyakukēn-tsuki shasai*)) (the "Bonds with Stock Acquisition Rights", of which the bonds and the stock acquisition rights are to be hereinafter referred to as the "Bonds" and the "Stock Acquisition Rights", respectively), which was approved by the resolution of the Board of Directors as of August 29, 2018.

### 1. Matters Relating to the Stock Acquisition Rights

(1) The Price of the Asset to be Contributed upon Exercise of the Stock Acquisition Rights	Equal to the principal amount of the Bonds
(2) Conversion Price	¥5,558
(Reference) Share Price, etc. on the Pricing Date (August 29, 2018)	
(i) Share Price (Closing Price) on Tokyo Stock Exchange	¥3,970
(ii) Conversion Premium [ $\{(Conversion\ Price)/(Share\ Price\ (Closing\ Price)) - 1\} \times 100$ ]	40.00%

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*This announcement is not for distribution, directly or indirectly, in or into the United States (including its territories and possessions, any State of the United States and the District of Columbia). This announcement does not constitute an offer of, or the solicitation of an offer to buy or subscribe for the Bonds or the Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular the Bonds and the Shares issuable upon exercise of the Stock Acquisition Rights (together, the "Securities") have not been, and will not be, registered under the U.S. Securities Act of 1933 (the "Securities Act") and, subject to certain exceptions, may not be offered or sold within the United States. The Securities may not be offered or sold within the United States absent registration or an exemption from the registration requirements of the Securities Act. There will be no public offer of Securities in the United States.*