

20 ANNIVERSARY
YEARS DIGITAL GARAGE

HONG KONG

TOKYO

SAN FRANCISCO

Digital Garage, Inc.

2Q of FYE June 30, 2014 Financial Report

2014.2.13

 **Digital Garage**

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Mission & Business Model





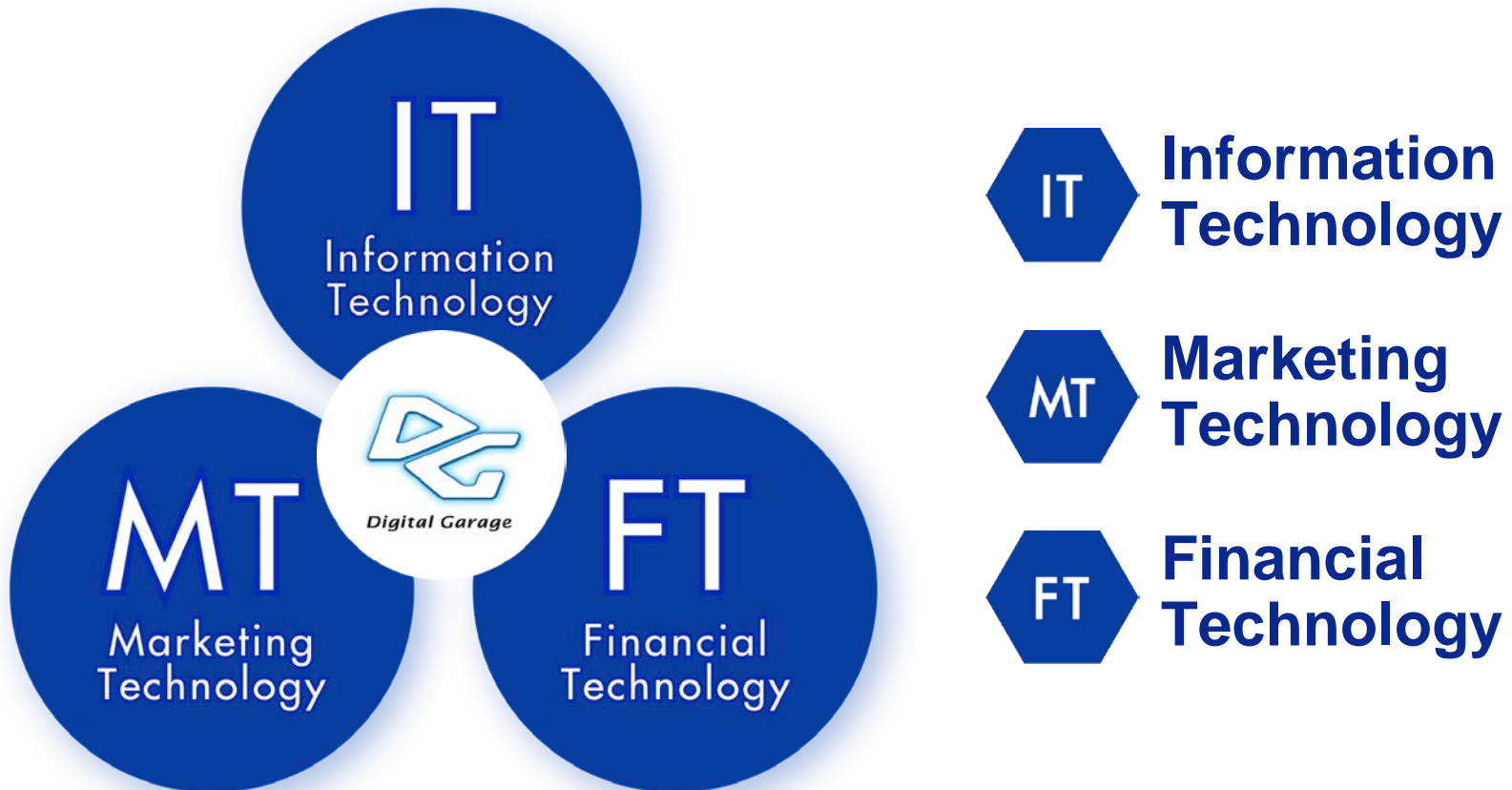
As a

Context Company

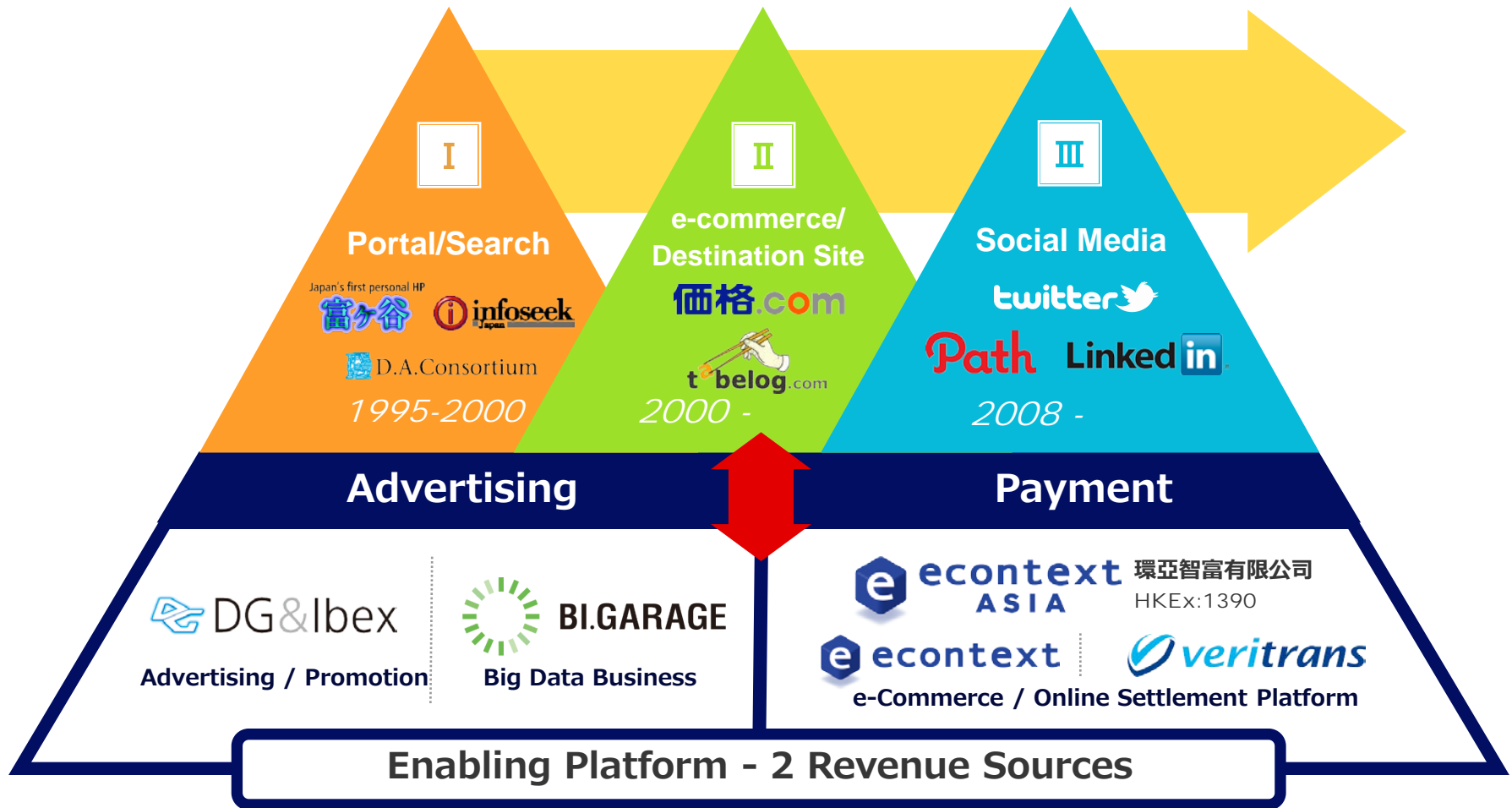
Digital Garage creates innovative business *context* for the new Internet age and provides unique business solutions for new lifestyles, society, and industries by linking

Real & Cyber
Local & International
Marketing & Technology
Present & Future

Producing and incubating Internet businesses by optimizing our 3 core strengths: IT, MT, and FT



DG continues to incubate and develop unique Internet services through its *Enabling Platform* since the early days of the Internet



Investment Highlights



Completed global expansion structure

- Established the Lean Global structure connecting the 3 headquarters in the US, Japan, and Hong Kong -

I Revised FYE14.6 H1 forecasts upwards

- Incubation Segment to outperform significantly due to favorable equity market conditions, particularly in the domestic market
- Incurred gain on change in equity to extraordinary income resulting from the listing of econtext ASIA (環亞智富有限公司)

II Launched DG717, an incubation space in San Francisco

- Officially launched the incubation center connecting Silicon Valley and Asia
- Sourcing promising startups and providing support in development and global expansion bi-directionally

III econtext ASIA's IPO on Hong Kong Stock Exchange (HKEx :1390)

- Accelerating Asian expansion of the settlement and EC-related services
- As cornerstone investors TIS and Dentsu joined the existing partners including major credit card companies (SMCC, Credit Saison, JCB) to jointly promote expansion in the rapidly-growing EC market in Asia

Officially launched an incubation center connecting Silicon Valley and Asia

DG717 : an incubation center and an intersection for the Eastern and Western cultures

Center of the latest incubation ecosystem

FUNCTION 1 Co-working Space

Supporting growth of promising startups by providing a collaborative workspace

FUNCTION 2 Agile Development Support

Providing software development and consulting support by Neo Innovation located in DG717

FUNCTION 3 Events

Events and workshops with worldly-known entrepreneurs

FUNCTION 4 Global Mentorship

Global expansion of Open Network Lab which has nurtured over 170 entrepreneurs and engineers

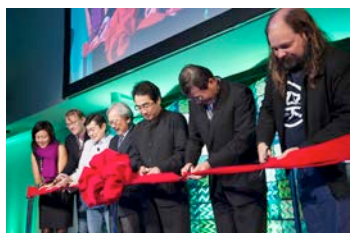


DG717 : <http://www.dg717.com/>



DG717 Opening Event on November 5th & 6th

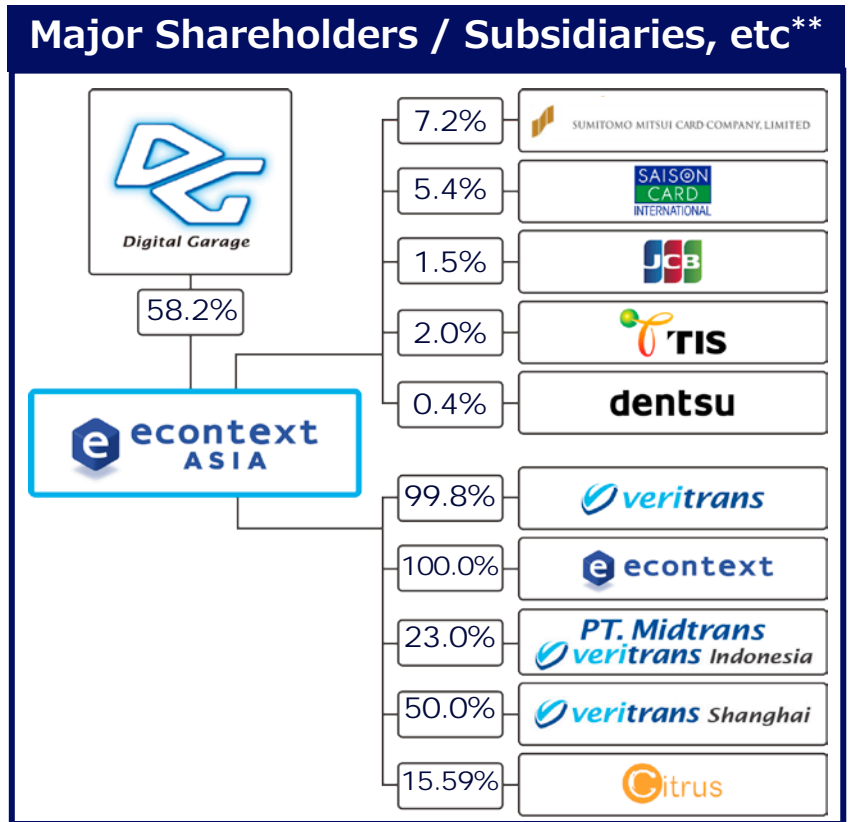
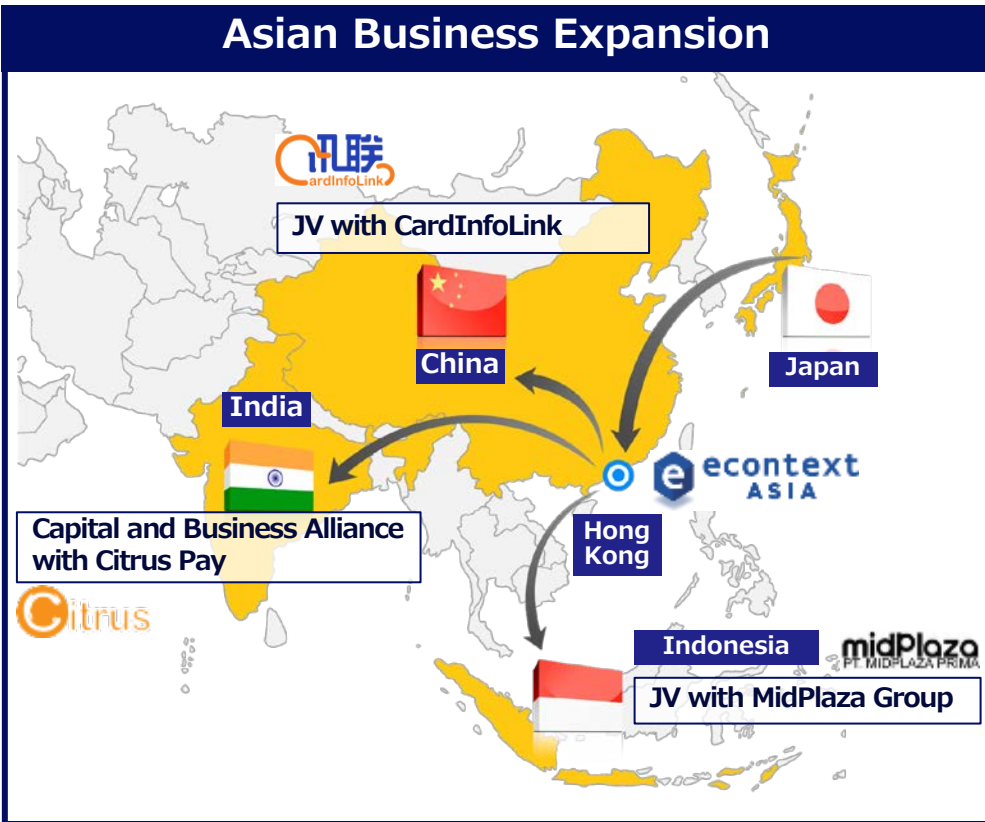
- SF Mayor Ed Lee proclaimed November 5th to be *Digital Garage Day* -



Accelerating Business Expansion of Payment and e-Commerce Solutions to Asia
- Raised 6.8 B* JPY for Asian Business Expansion -

IPO Outline

Market: HKEx (1390) Date of IPO: 12/19/2013 Market Cap : 4.7 B HK\$, 63.7 B JPY (new high@9.23 HK\$, Jan 14th)



Note * includes over-allotment on January 9, 2014
 ** PT Midtrans : Non-consolidated, Veritrans Shanghai : Equity method affiliated company, Citrus : investment

Group Financial Performance Review



First half of FY14 results significantly exceeded the initial forecast

~ Incubation delivered results due to favorable market conditions. Posted extraordinary income as a result of the listing of econtext ASIA on the HKEx ~

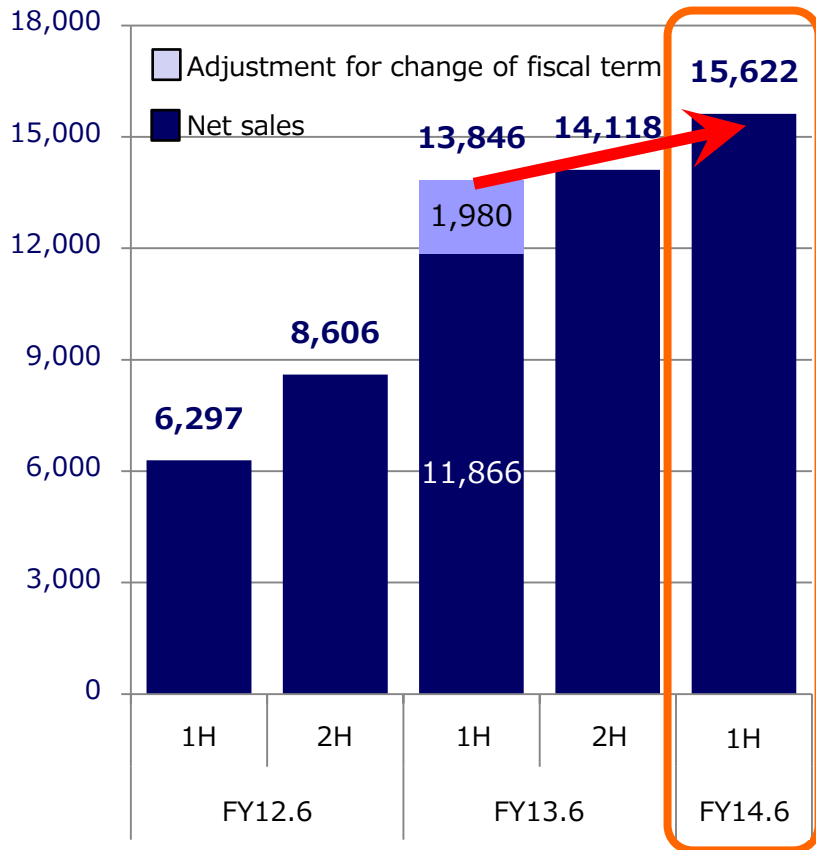
| JPY in Million | FY13.6 2Q Cumulative Actual | FY14.6 2Q | | Ratio | | FY14.6 Full Year | |
|------------------------------------|-----------------------------------|---------------------|----------------------|-------------|----------------|------------------|----------------|
| | | Initial Forecast | Cumulative Actual | YoY | Act vs Fcst | Forecast | 1H Progress |
| Net sales | 13,846 | 15,000 | 15,622 | +13% | +4% | 32,000 | 49% |
| Operating income | 472 | ▲ 300 | 812 | +72% | - | 1,800 | 45% |
| Non-operating income | 905 | | 1,196 | +32% | | | |
| Investment profit on equity method | 566 | | 776 | +37% | | | |
| Foreign exchange gain | 199 | | 272 | +37% | | | |
| Non-operating expenses | 210 | | 321 | +53% | | | |
| Ordinary income | 1,167 | 350 | 1,687 | +45% | 4.8x | 3,500 | 48% |
| Extraordinary income | 184 | | 473 | +157% | | | |
| Gain on change in equity | 18 | | 350 | +1844% | | | |
| Extraordinary loss | 4 | | 14 | +250% | | | |
| Income before income taxes | 1,347 | | 2,146 | +59% | | | |
| Income taxes | 460 | | 695 | +51% | | | |
| Net income | 913 | 100 | 1,426 | +56% | 14.3x | 2,100 | 68% |
| EBITDA | 2,269 | 940 | 2,926 | +29% | 3.1x | 4,800 | 61% |

Note: EBITDA is based on preliminary calculation

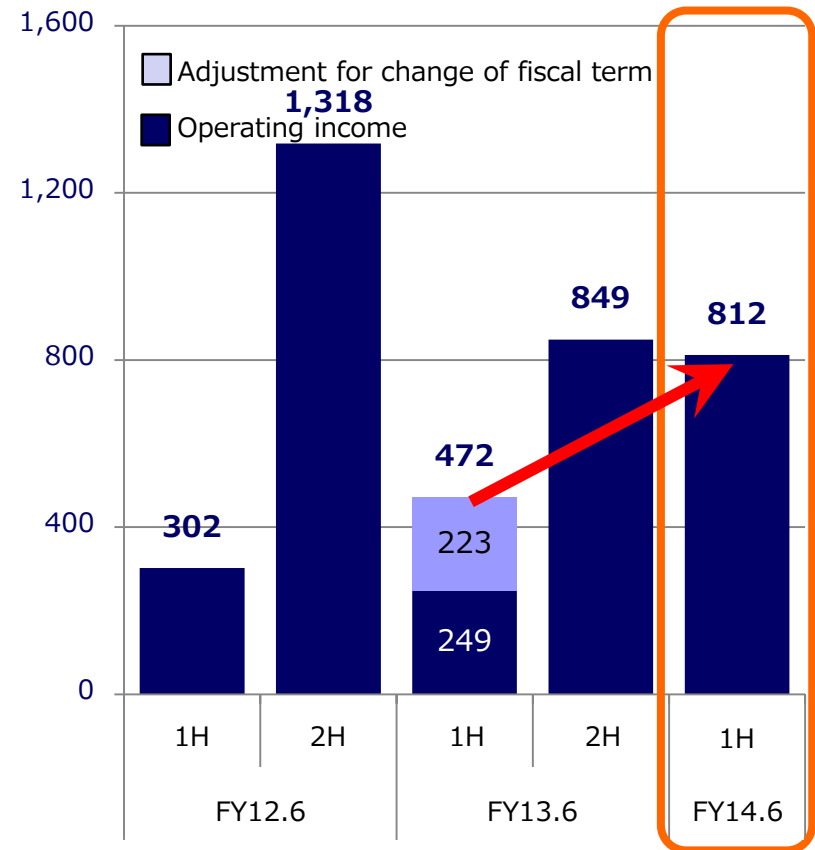
Sales grew +13% YoY, operating income grew +72% YoY
 ~ In ream terms*, sales grew +32% YoY, operating income grew 3.3x YoY ~

(JPY in Million)

【Net Sales】



【Operating Income】



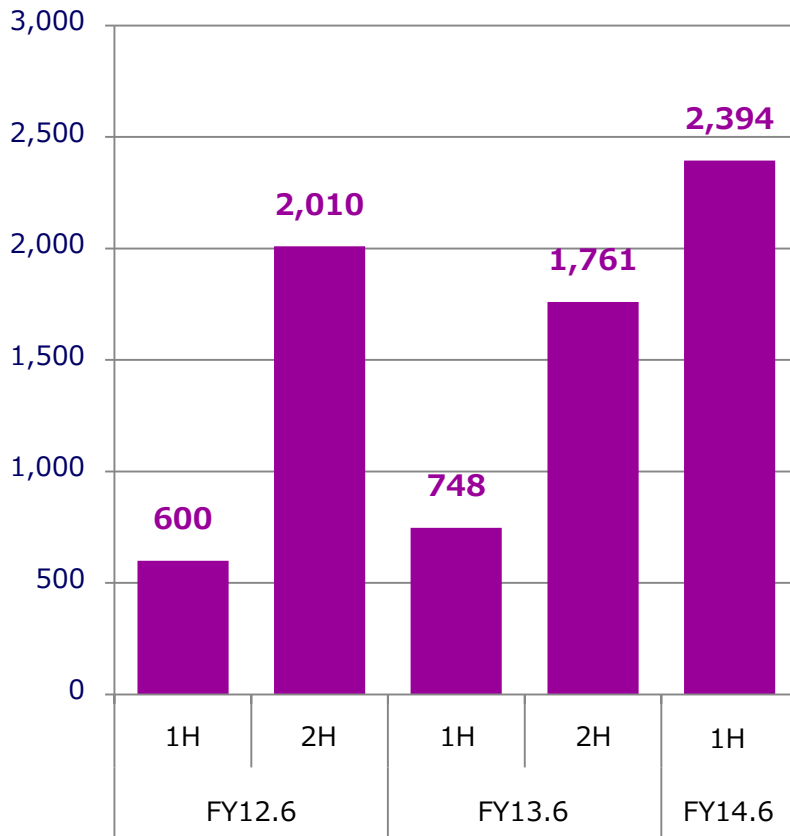
Note : FY13.6 actuals include the effect of an irregular 15-month reporting period, due to the fiscal year end shift from March to June for consolidated Veritrans Group. 9 months for 1H, 6 months for 2H

* Ream terms defined as comparison excluding the additional three months - adjustment for the fiscal year end change

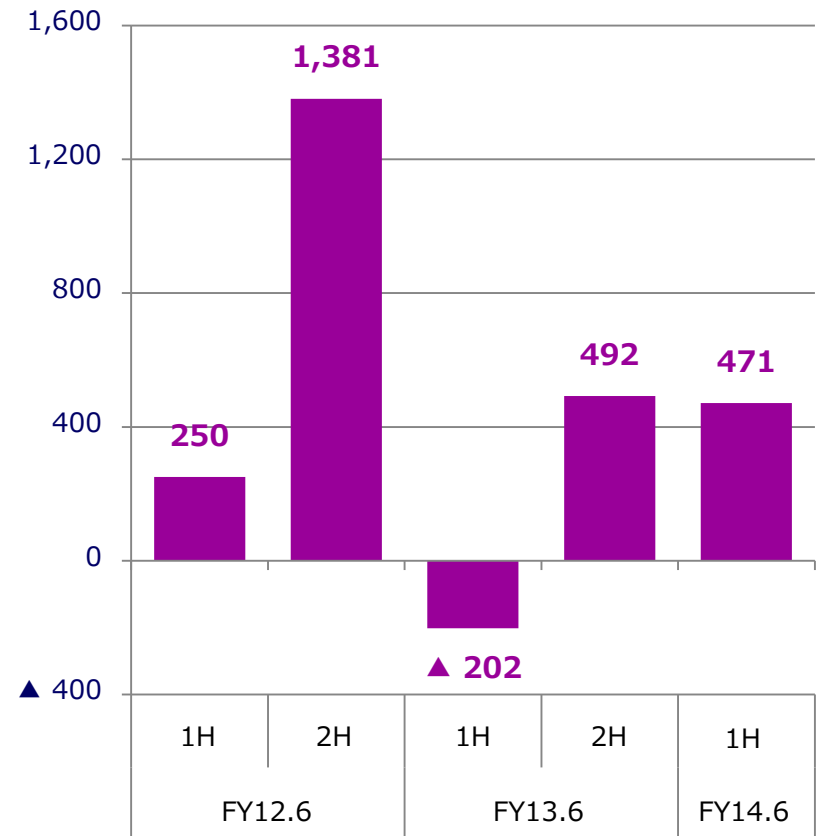
Achieved strong sales and operating income growth from the sales of stocks due to favorable market conditions
 ~ Neo's software agile business grew steadily ~

(JPY in Million)

【Net Sales】



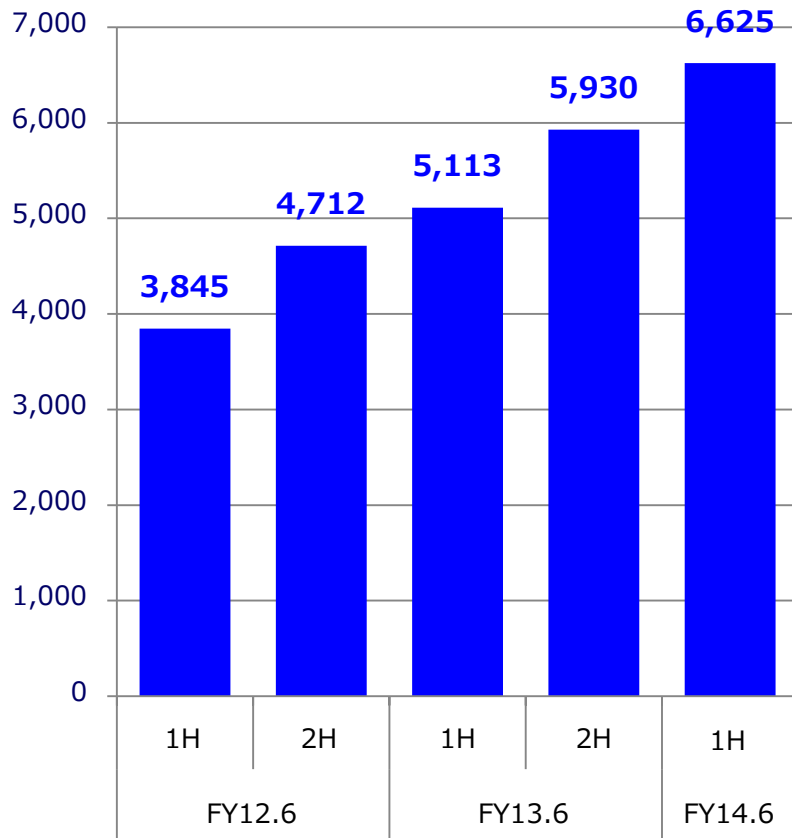
【Operating Income】



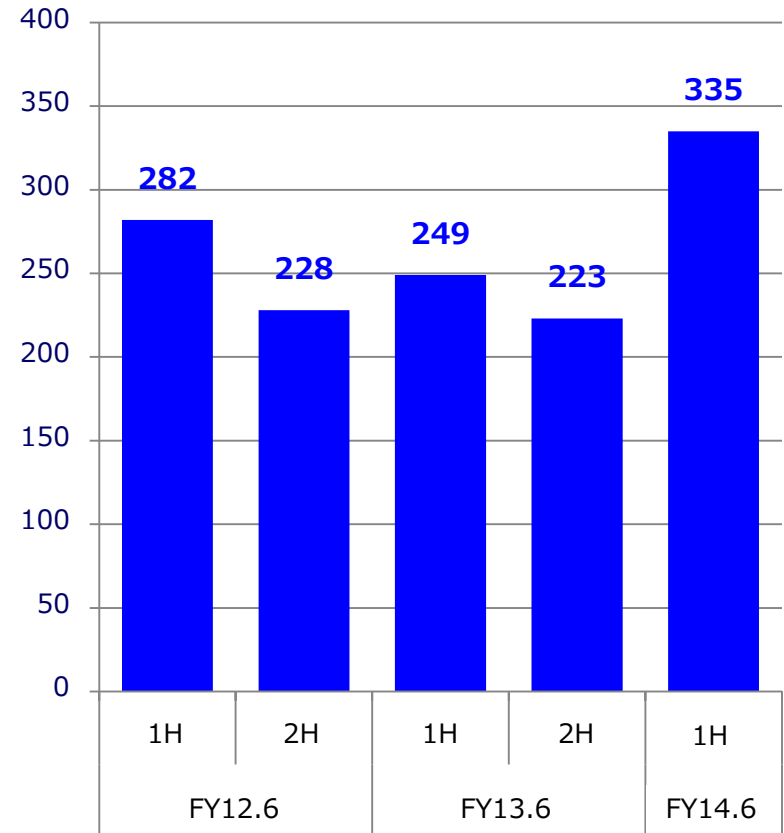
Growth gaining traction in internet ads and mall business
 ~ Investing in data science business ~

(JPY in Million)

【Net Sales】



【Operating Income】

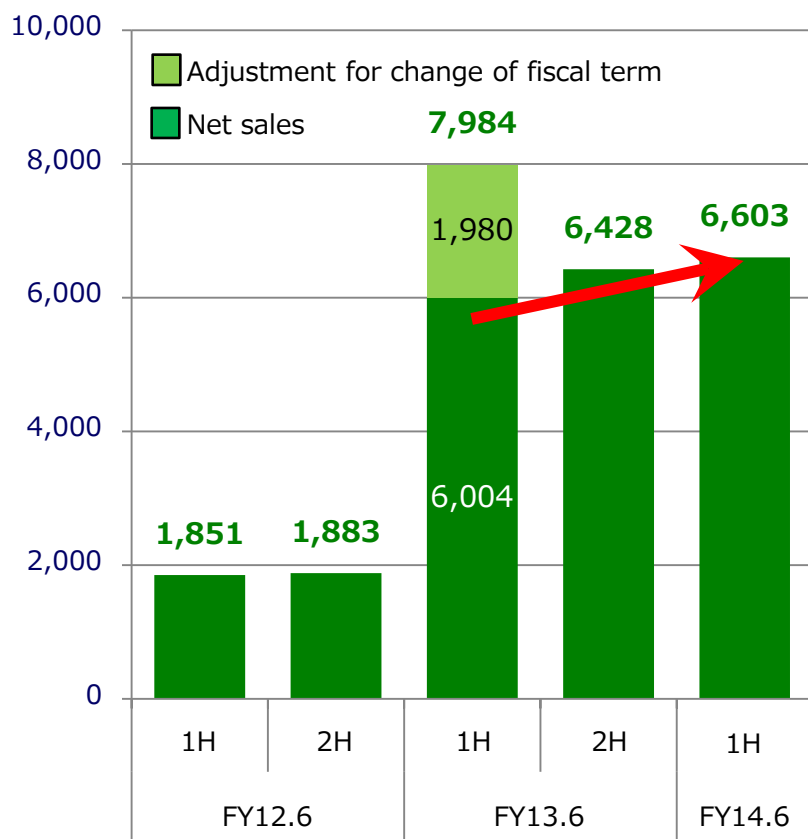


Achieved net sales and operating income growth of 10% YoY in real terms*, following the expansion of domestic e-commerce market

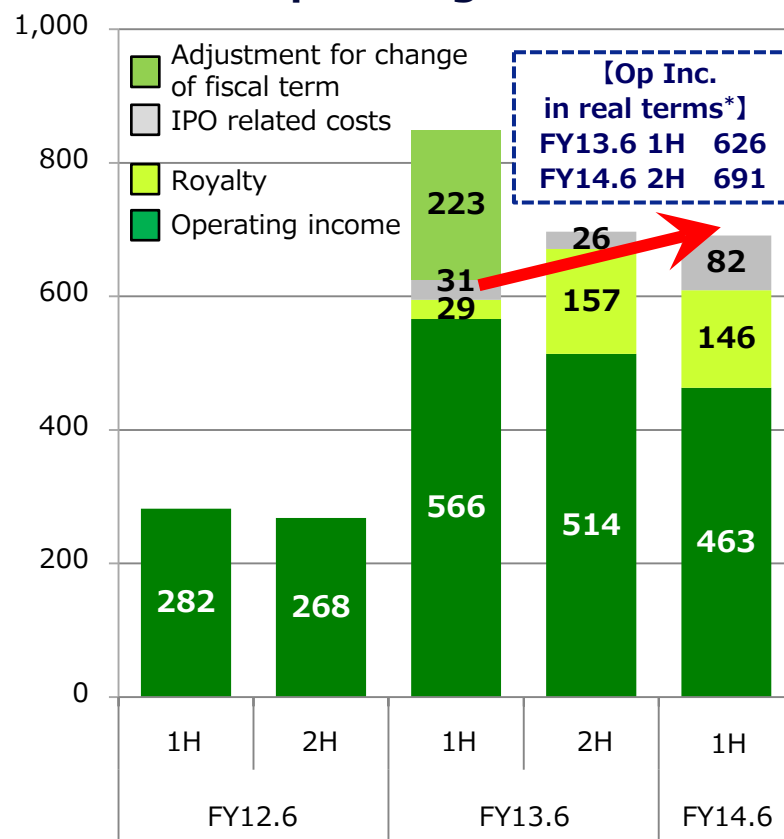
~ econtext ASIA became listed on the HKEx. Started full-fledged Payment strategy in Asia ~

(JPY in Million)

【Net Sales】



【Operating Income】



Note: *Real terms defined as for net sales - YoY comparison of the net sales excluding adjustment for change of fiscal term, for operating income - YoY comparison of the operation income excluding adjustment for change of fiscal term but including IPO related costs and royalty. Royalty is IP licensing fees paid by econtext and Veritrans to Digital Garage for use of trade name / trademarks / registered domains

FY14.6 2Q Summary : B/S (Consolidated)

| JPY in Million | FY13.6 | FY14.6 2Q | Difference | Reason for change / Remarks |
|-----------------------------------|--------|-----------|------------|---|
| Current assets | 33,837 | 51,589 | +17,752 | |
| Cash and deposits | 15,329 | 22,836 | +7,507 | Financing - IPO of econext ASIA |
| Receivables | 9,037 | 11,416 | +2,379 | Payment segment related items |
| Money held in trust | 3,768 | 3,152 | -616 | Payment segment related items |
| Operational investment securities | 2,641 | 10,711 | +8,070 | Mark-to-market for listed stocks |
| Fixed assets | 22,173 | 22,559 | +386 | |
| Investment securities | 5,521 | 7,644 | +2,123 | Increased investment profit on equity method. Capital alliance, etc |
| Investment real estate | 3,102 | 3,304 | +202 | |
| Goodwill | 9,968 | 7,785 | -2,183 | Decreased stake in econext ASIA upon the listing |
| Total assets | 56,010 | 74,148 | +18,138 | |
| Current liabilities | 21,801 | 30,488 | +8,687 | |
| Deposits | 18,229 | 21,882 | +3,653 | Payment segment related items |
| Short-term borrowing | 305 | 2,297 | +1,992 | Increased demand for working capital |
| Deferred tax liability | 13 | 2,778 | +2,765 | Increased due to Mark-to-market |
| Fixed liabilities | 6,950 | 6,946 | -4 | |
| Long-term borrowing | 6,799 | 6,729 | -70 | |
| Total liabilities | 28,752 | 37,434 | +8,682 | |
| Net assets | 27,258 | 36,714 | +9,456 | |
| Retained earnings | 7,003 | 8,195 | +1,192 | |
| Unrealized gains on securities | 31 | 4,820 | +4,789 | Unrealized gains after tax → Unrealized gains |
| Minority interests | 1,468 | 5,129 | +3,661 | Increased upon the listing of econext ASIA |
| Liabilities / Net assets | 56,010 | 74,148 | +18,138 | |

Segment Performance Review

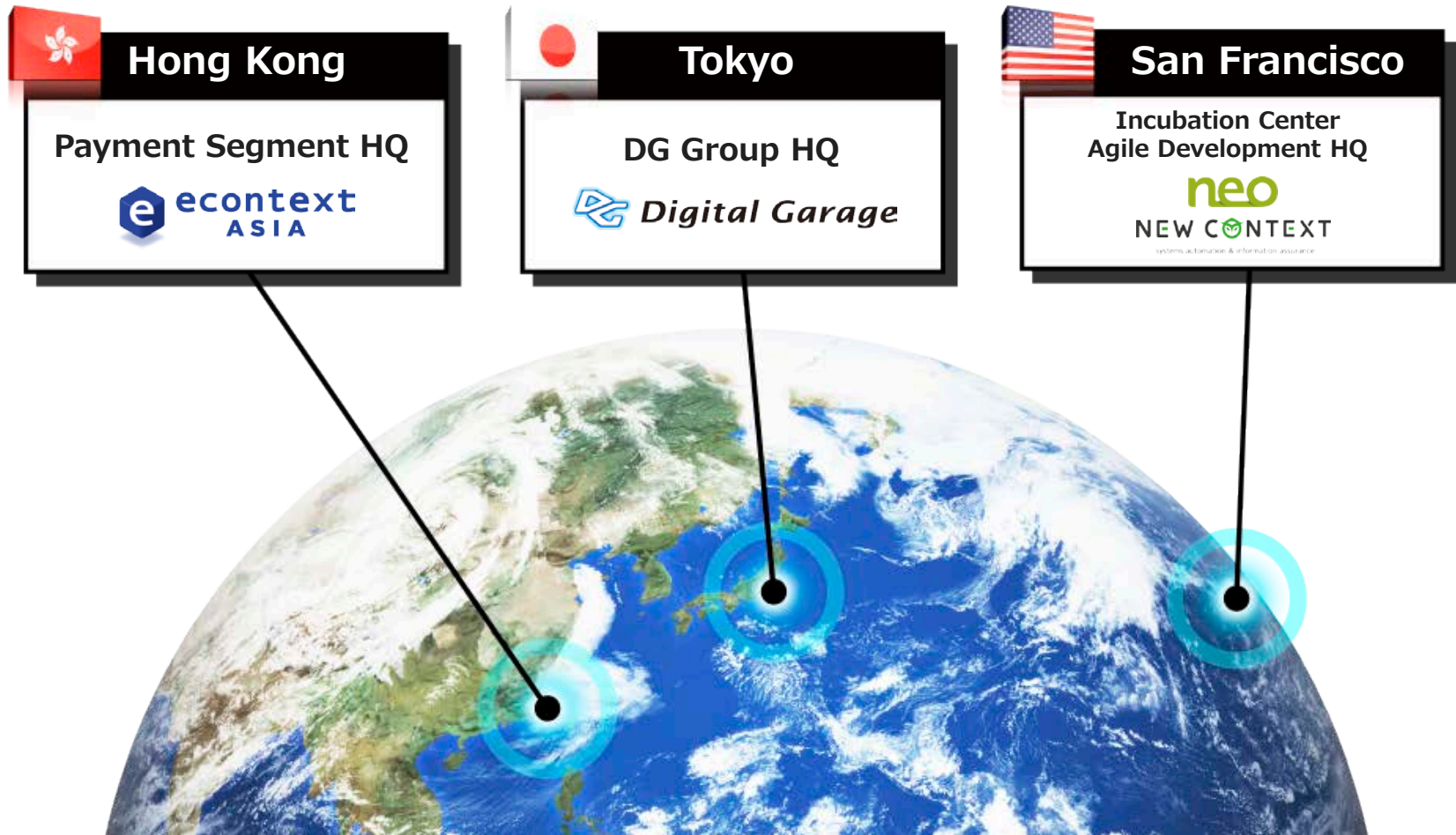




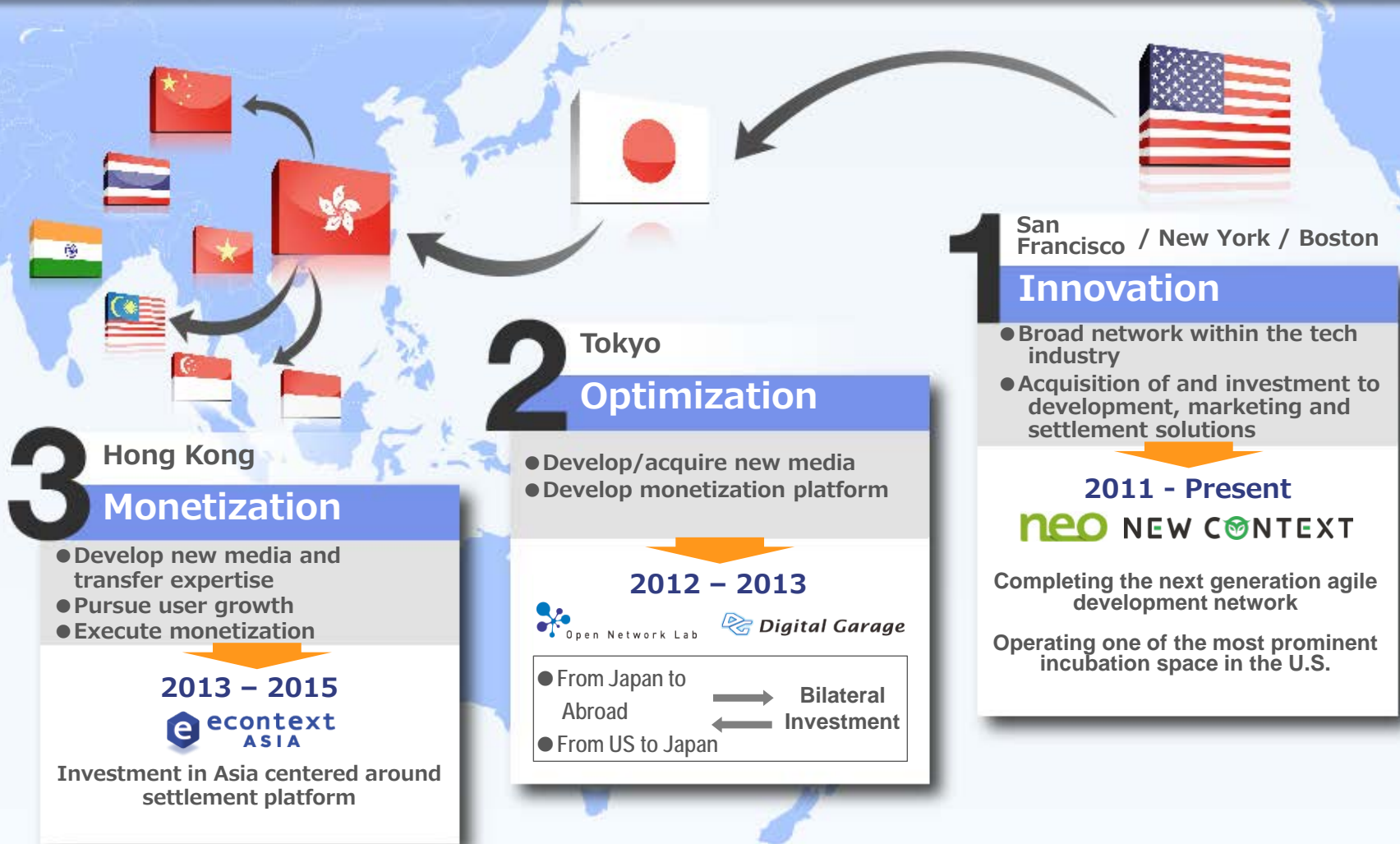
Lean Global

Providing New Contexts 

Lean Global Three HQs



Functions of the 3 Headquarters / Connecting Silicon Valley, Japan, and Asia

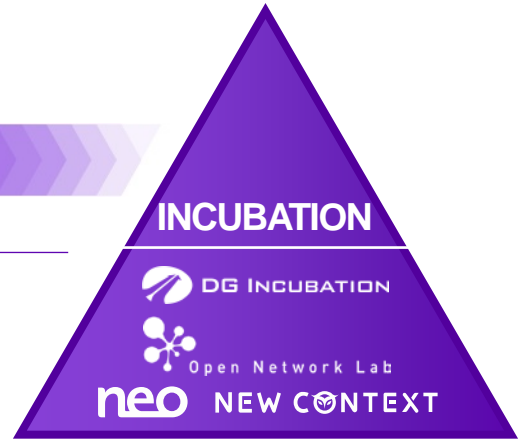


Accelerating *Lean Global* Through 3 Business Segments

I Incubation Segment

Global Incubation of next-generation Internet businesses

- ▶ Investments to cultivate promising startups
- ▶ Development of media
- ▶ Technological & business development based on agile development methodology



II Marketing Segment

Provider of web ads and latest marketing technologies

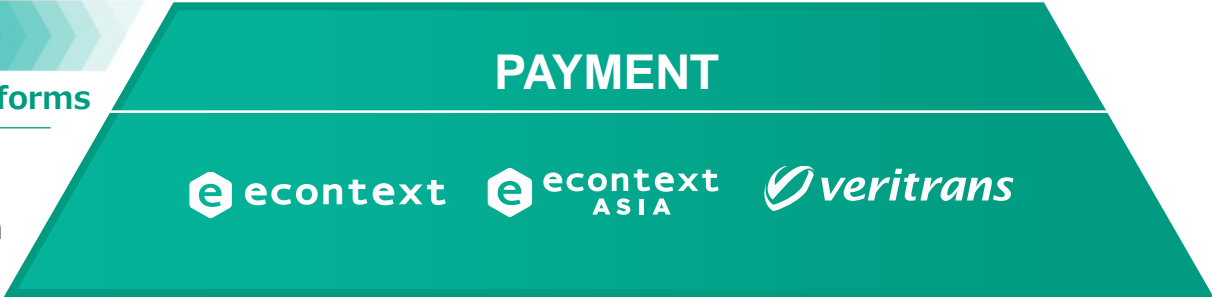
- ▶ Data science business
- ▶ Web advertisement, media business
- ▶ O2O related, business development



III Payment Segment

One of the Asia's largest payment platforms

- ▶ One of the largest online payment service providers in Japan
- ▶ Expansion of online payment platform to Asia



I Incubation Segment

| | | Net Sales | Operating Income |
|--------|--------------------|-------------|------------------|
| FY13.6 | 2Q(7-12)Actual | 748 M JPY | ▲ 202 M JPY |
| FY14.6 | 2Q(7-12)Actual | 2,394 M JPY | 471 M JPY |
| FY14.6 | Full Year Forecast | 5,000 M JPY | 1,100 M JPY |

▶ **DG Incubation, Inc.**

Invests in and incubates cutting-edge Internet startups



▶ **Open Network Lab, Inc.**

Provides support to Internet-business entrepreneurs with global visions



▶ **Digital Garage US, Inc.**

The US-based global strategy headquarters



▶ **Neo Innovation, Inc.**

Provides agile software development solutions and lean start up methodology



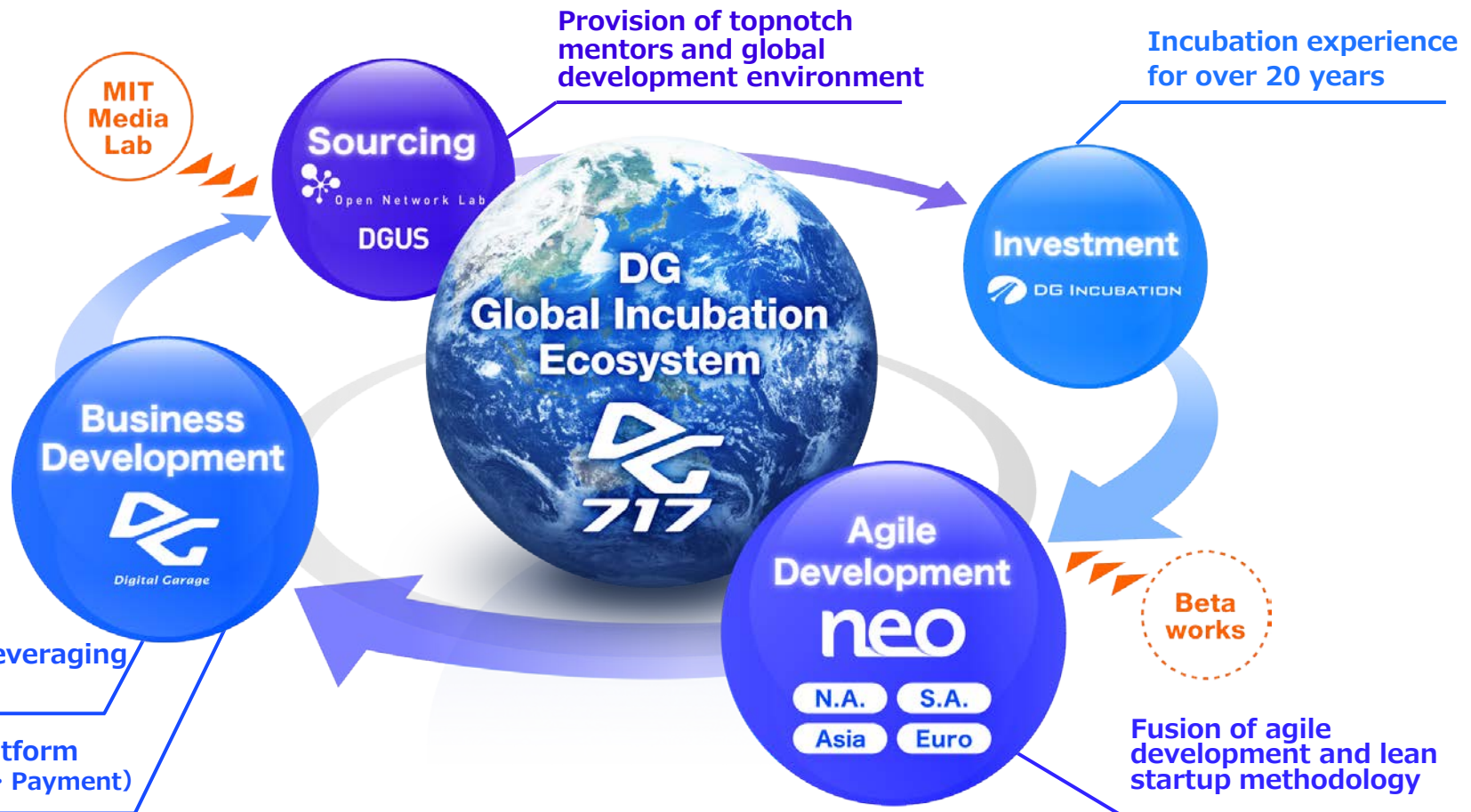
▶ **New Context Services, Inc.**

Provides unique disruptive solutions around data integrity



Incubation Ecosystem within the DG Group

Maximizing investment return through the global incubation platform where DG invests in and provides development and business support to portfolio companies at each growth stage



◆ Incubation Segment – Business Strategy

Seamlessly integrating the Import model with the Export model

Utilizing global agile development network and SF Incubation Center
Establishment of omnidirectional incubation model

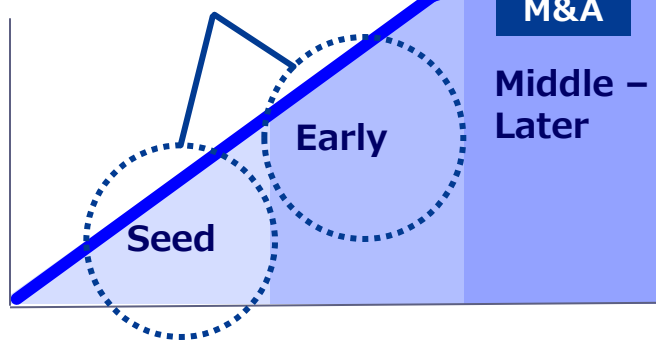
Import Model

- Incubating promising startups globally
- Supporting localization of foreign ventures



Media Lab Fund

Investing in ventures of each stage globally



Collaboration with DG717



Export Model

- Investing in promising domestic startups
- Supporting global expansion of Japanese *Lean Global* companies



Open Network Lab

Incubating promising seed-stage Japanese ventures

<http://onlab.jp/>

Accelerate Global Incubation

Accelerating foreign investments upon DG717 launch in addition to domestic investments

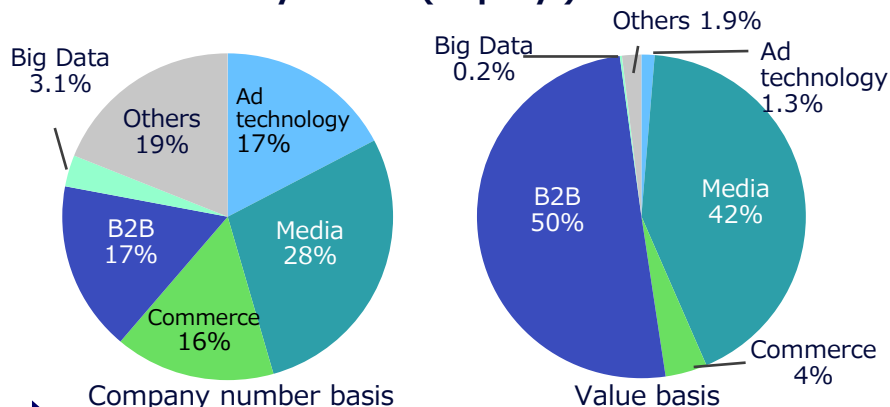
Developing unique solutions in collaboration with Advertising, Payment, and Future Lab (DG's tech team)

Current Portfolio

| Category | Number | Book Value (JPY in Million) |
|------------------|-----------|----------------------------------|
| Equity | 64 | 10,606 |
| Domestic company | 19 | 5,727 |
| Overseas company | 45 | 4,878 |
| Fund | 5 | 512 |
| Total | 69 | 11,118 |

Note : Mark-to-market as of quarter end for listed stocks

■ Distribution by sector (equity)



Investment Highlights



MEDIA DO Co., Ltd. [Domestic/B2B]

Successfully went public on TSE Mothers (3678) in December 2013. Its core e-Book business grew steadily along with the market. Announced stock-split in January 2014



CrowdWorks Inc. [Domestic/B2B]

Operates a crowd-sourcing service to free engineers and creators from time-and-location-dependent jobs. Registered jobs are worth over 10 billion yen and selected as one of the 100 Next Generation Ventures That Save Japan by Nikkei Business



iRidge, Inc. [Domestic/Ad Tech]

An O2O marketing provider including popinfo, a location-based push notification distribution platform for smartphones. Winner of O2O Grand Prix by EC Research Institute.



Udemy, Inc. [Foreign/Media]

A streaming site that empowers anyone to teach and learn on-line

Promoting global incubation by optimizing DG Group's Enabling Platform

Establishing brand recognition as Japan's premier seed accelerator program

- Have nurtured 45 teams / 170 entrepreneurs and engineers in 3 years since the program launch
- Launched global expansion program to SF and Asia and hosted events

Seed accelerator program update

- Increased international applicants

10 Countries 45 teams



- Global expansion in anticipation of funding from major global VCs



AnyPerk, Inc.

Employee perks and discounts provider. Accepted to Y Combinator

AppSocially Inc.

Customer acquisition tool for mobile apps. Accepted to 500 Startups



WHILL, Inc.

Next generation personal mobility provider. Accepted to 500 Startups
Launched the sales of WHILL Type-A

Supporting Entrepreneurs

- Hosted *Open Network Lab Global Pitch* at DG717



- Organized *UX/UI Conference Tokyo* with NTT DOCOMO



Developed agile development business by connecting leading software and design companies worldwide

Customer awareness and adoption for agile software development grew steadily among major companies and across many industries



Ian McFarland
Chairman
Formerly of Pivotal Labs, Friendster



Giff Constable
CEO
Formerly of Proof, Jefferies, Trilogy



Kaoru Hayashi
Board Member
Group CEO, Digital Garage



Joi Ito
Board Member
Director, MIT Media Lab



Joi Okada
Board Member
Board Director, Global Business Operations, Digital Garage



Ken Barker
COO
Founder, Edgcase



Evan Henshaw-Plath
CTO
Ex-CTO of Odeo, Twitter's former company



Rika Nakazawa
Global VP of Biz Development
Ex-Amex (Business development)

Global Coverage

Vision Statement:

Neo seeks to inspire the world to make software in a fundamentally better way; a way that leads to more value for society, organizations, and the creators themselves.



Major Clients

| Media / Telecom | Financial Services | Manufacturing | EC / Software | Public Services |
|-----------------|--------------------|---------------|---------------|-----------------|
| | | | | |

Established a new entity focused on the growth of data security and integrity (KSI)

Collaborating with Neo in anticipation of product innovation in the rapid growth of the cloud

Strategic Partners

guardtime 

Provider of KSI, which helps detect and mitigate unauthorized attacks, system compromises and any unauthorized changes to the network digital



Leader software developer in system automation and continuous deployment



Provides reliable traffic and message management solutions



Global Product Design and Innovation

Information Assurance

Alerts internal and external hacking, prevents data loss, identifies forgeries, and functions as the core of trusted data infrastructure

Reduces costs & error rates, improves time to market and begins to secure sensitive areas

Systems Automation

Allows scalability and removes single points of failure and serves every customer

Cloud Orchestration

3 Core Solutions of New Context Services



Daniel Riedel
CEO
20 years Technology/
Entrepreneur



Steve Mays
GM
20 years High Scale Computing Experience



Jason Hoffman
VP, Strategy and Portfolio; Head of Digital Strategy, Ericsson

Kaoru Hayashi
Group CEO, Digital Garage
Joi Ito
Director, MIT Media Lab

II Marketing Segment

| | | Net Sales | Operating Income |
|--------|--------------------|--------------|------------------|
| FY13.6 | 2Q(7-12)Actual | 5,113 M JPY | 249 M JPY |
| FY14.6 | 2Q(7-12)Actual | 6,625 M JPY | 335 M JPY |
| FY14.6 | Full Year Forecast | 12,000 M JPY | 650 M JPY |

▶ DG&Ibex company

Supports client's business through Online to Offline strategy and web marketing



▶ BI. Garage, Inc.

Develops and provides ad products incorporating data science, social marketing, and cutting edge ad technology



▶ NaviPlus Co., Ltd.

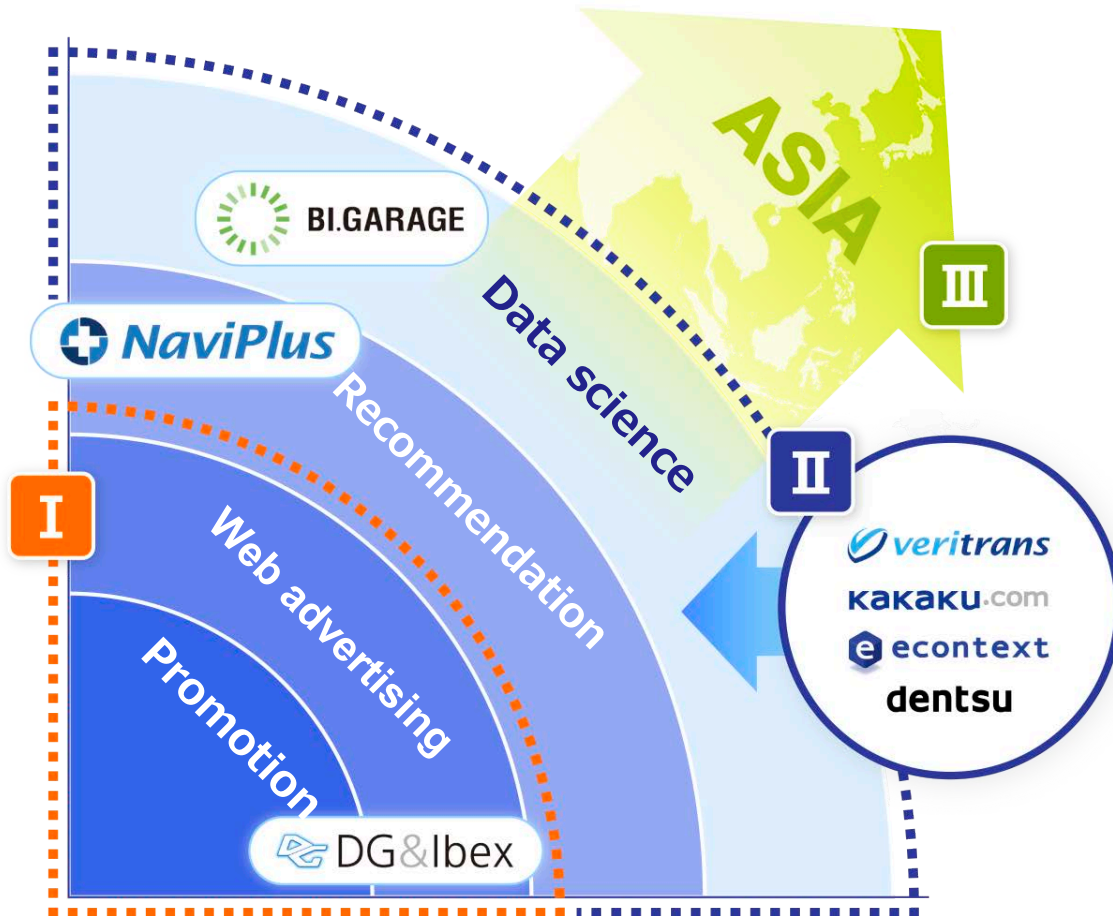
Offers website support tools including personalized recommendation engines



Marketing Segment – Business Strategy

Collaborating with Dentsu group to begin strategic data science business

Deeply cultivating exiting digital marketing business and realizing growth strategy illustrated by I, II, and III below



I Deeply cultivating digital marketing business

Monetization of O2O strategy and B2C media businesses in addition to promoting growth of web promotions and mall businesses

II Expanding growth of data science business

Gathering data and know-hows of DG Group and Dentsu group to pioneer a new frontier in data business

III Expanding each business to Asia

Horizontal expansion of businesses to the major Asian markets in conjunction with Payment Segment

Cumulative Results in FY14.6 2Q (July to December)

Total sales
6.27 billion JPY
 +38% YoY

Number of clients
274 companies
 +16% YoY

Sales per client
22.89 million JPY
 +19% YoY

Maintaining positive momentum from the previous half ; record sales in first half

【Growth Factors】

Growth led by ROI-focused marketing solutions taking advantage of deep know-hows in digital marketing

◆ **Solution**

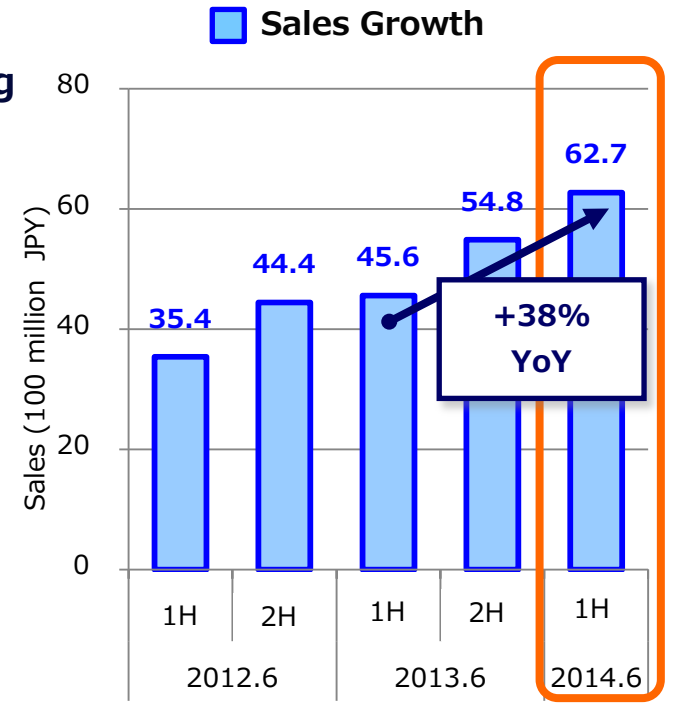
- Affiliated marketing targeting financial and cosmetic industries continued to lead sales

◆ **Media**

- Distribution value (for six months) increased 30% YoY to 26.3 billion yen at Point Mall
- Collaborating and partnering with a membership platform with millions of members

◆ **O2O**

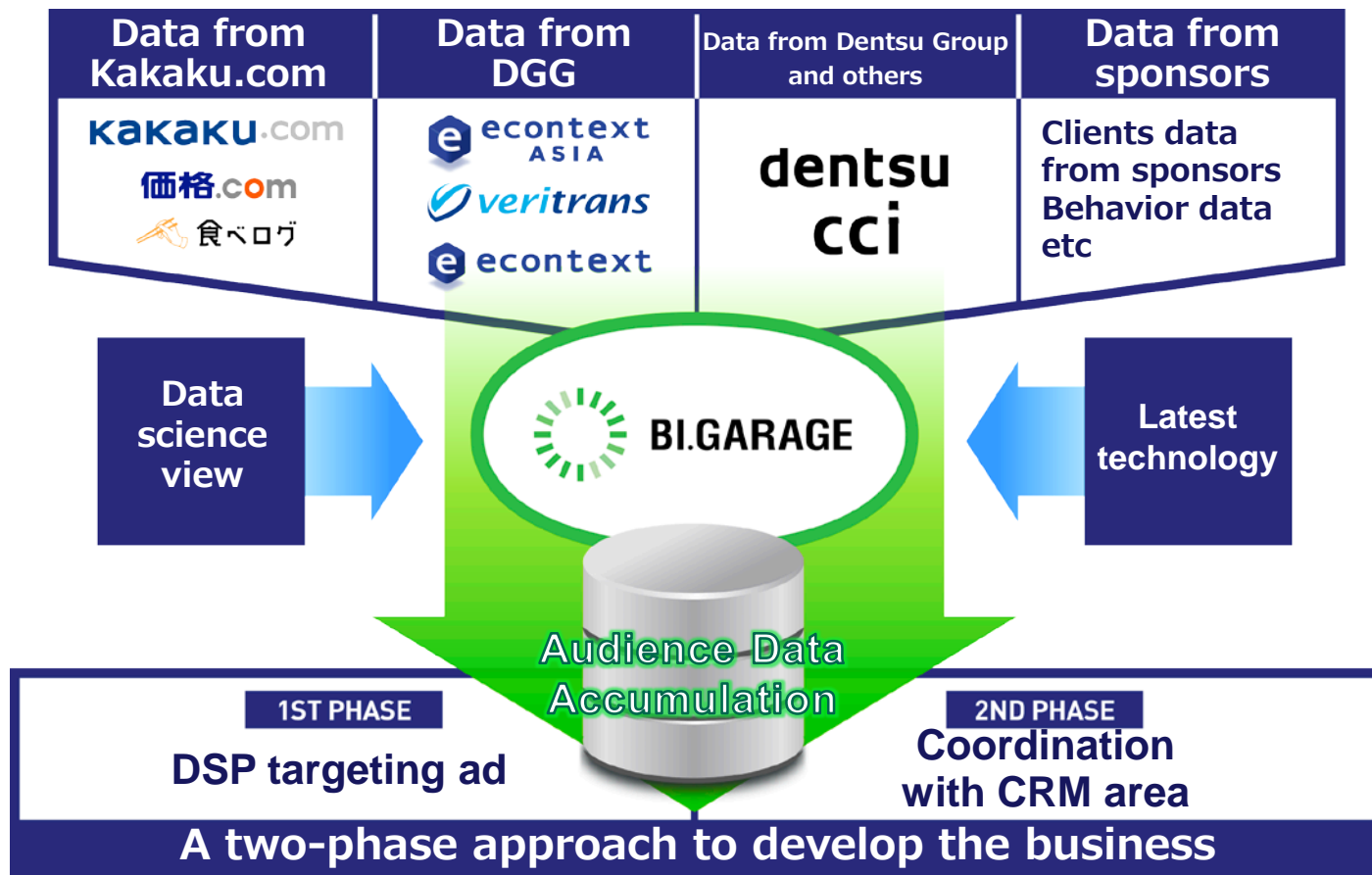
- Sending customers to actual storefronts based on the know-hows gained from the mall business
- Utilizing user data from major retail distributors to optimize customer communication and realize omni-channel retailing



A new business in the business intelligence field leveraging big data

DG Group, Dentsu, and Kakaku.com jointly began data science business to optimize marketing activities

<Business Overview>

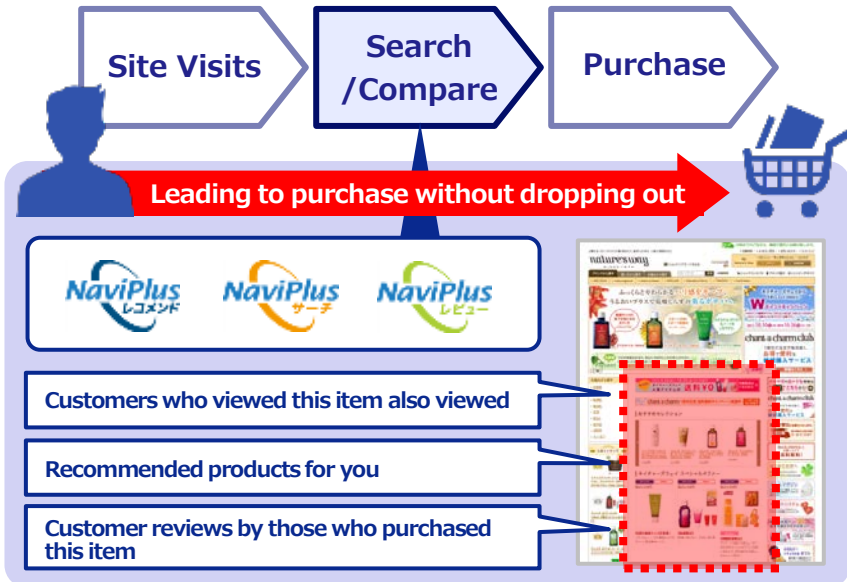


Further expanding customer base as a leading recommendation service provider in Japan

- Installed in 600+ websites, Over 1.5 billion requests per month -

NaviPlus' Comprehensive Marketing Tools

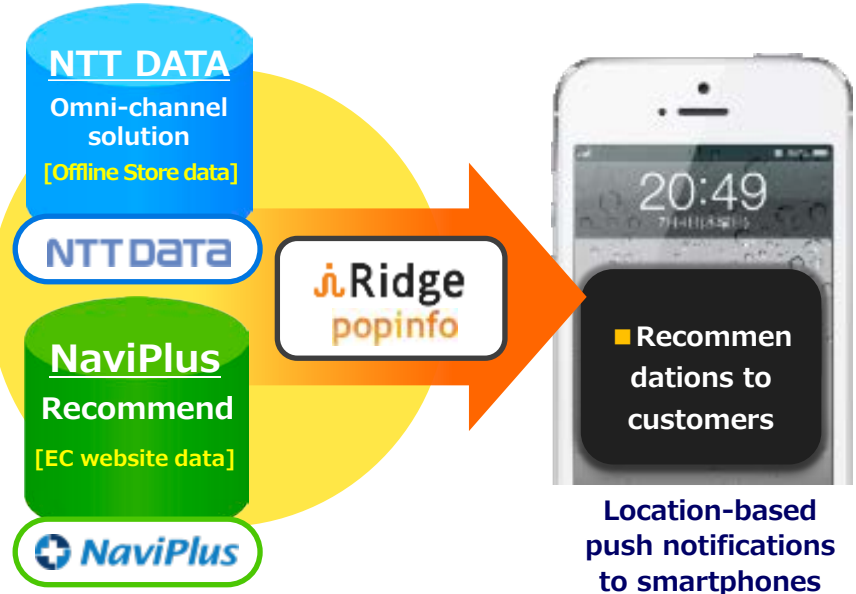
Providing tools such as recommendation engines and custom website search to increase visitor conversion rates and to increase sales of EC stores



Launch of Next Generation O2O Solutions

Omni-channel-compatible solution
"Recommend Push" with NTT DATA and iRidge

Providing recommendation based on
online and offline purchasing / behavior data



III Payment Segment

| | | Net Sales | Operating Income |
|--------|--------------------|--------------|------------------|
| FY13.6 | 2Q(7-12)Actual | 7,984 M JPY | 789 M JPY |
| FY14.6 | 2Q(7-12)Actual | 6,603 M JPY | 463 M JPY |
| FY14.6 | Full Year Forecast | 15,000 M JPY | 1,150 M JPY |

▶ econtext ASIA Ltd.

Payment headquarters to expand e-commerce platforms globally



▶ econtext, Inc.

Integrates online and offline business as the convenience store payment pioneer



▶ Veritrans Inc.

Provides leading e-commerce payment solutions



- ▶ **Veritrans Shanghai** (50% owned by econtext ASIA / equity method affiliated company)
Chinese JV



- ▶ **PT MIDTRANS** (Veritrans Indonesia) (23% owned by econtext ASIA / Non-consolidated)
Indonesian JV

PT. Midtrans

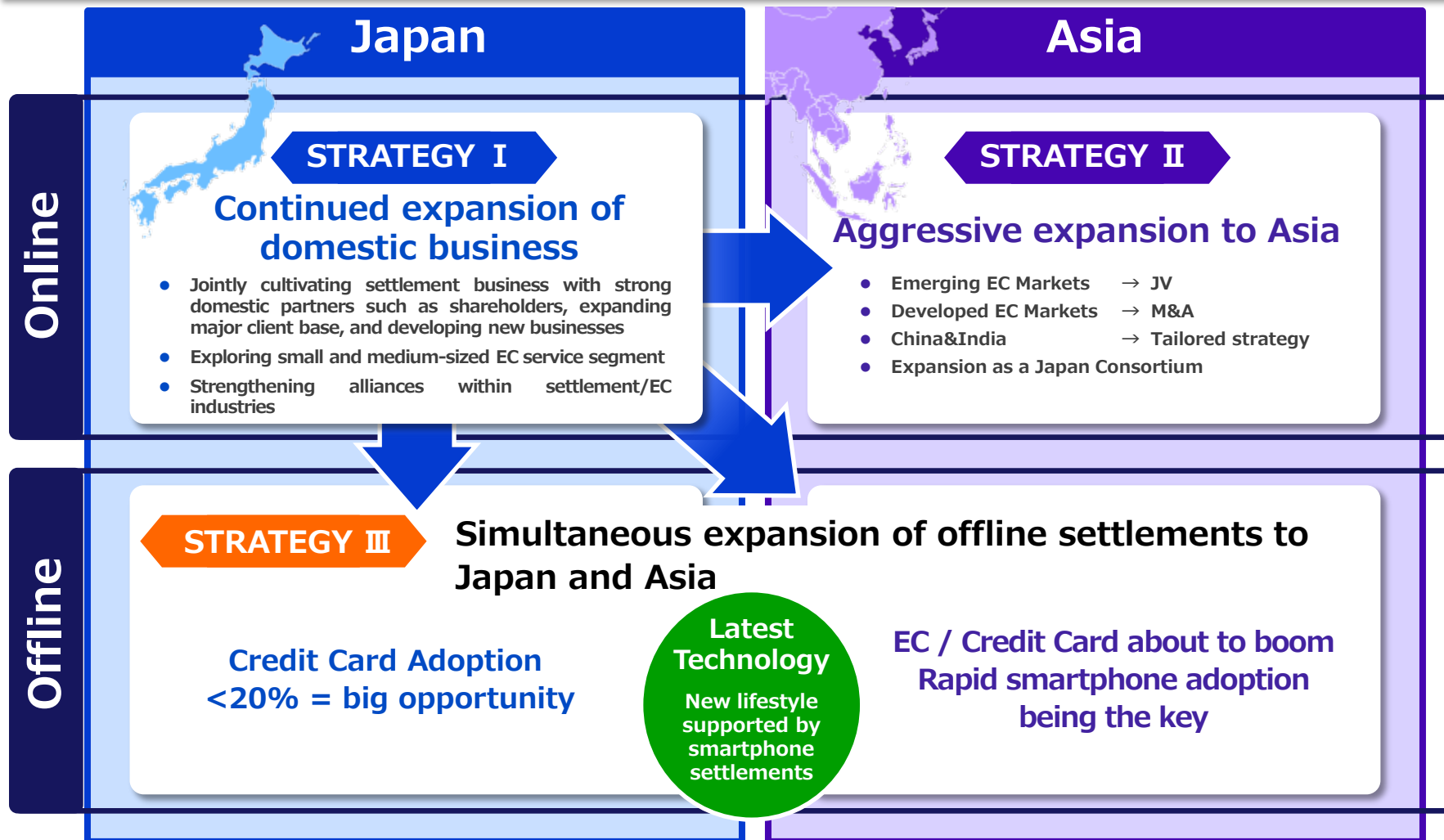
- ▶ **Citrus Payment Solutions Pte. Ltd** (15.59% / Investment)
The holding company for the Indian online payment solutions provider
(Citrus Payment Solutions Pvt. Ltd)



Payment Segment – Business Strategy

Further expanding payment business, upon econtext ASIA's IPO

Achieving multi-directional strategy by expanding the settlement expertise nurtured in Japan horizontally to Asia and to offline



Payment Business - Highlights

FY14.6 1H (July to December) Results

Services expanded to

4 countries

Japan, Indonesia, China, India

Number of transactions

83.57 million

+13.3% YoY

Total amount of transactions

396.2 billion JPY

+14.9% YoY

Accelerating business expansion upon econtext ASIA's IPO

- ◆ Domestic - Accelerating partnerships with major players (mPOS's full-scale launch)

[Major Partners - Veritrans]

- **NTT WEST**

Introduced mPOS (a smartphone-based settlement solution) to Flet's Smartpay

- **NTT EAST / WEST**

Added Flet's Matomete Payment to its payment options

- **Sagawa Financial**

Implemented voice-supported credit card registration system to EC customer service lines

[New Services - econtext]

- **Convenience Store O2O**

Receiving refunds and cash-backs at convenience stores, enabling deposits to DOCOMO accounts, and direct sales of Jetstar air tickets at Lawson



mpos
powered by Veritrans

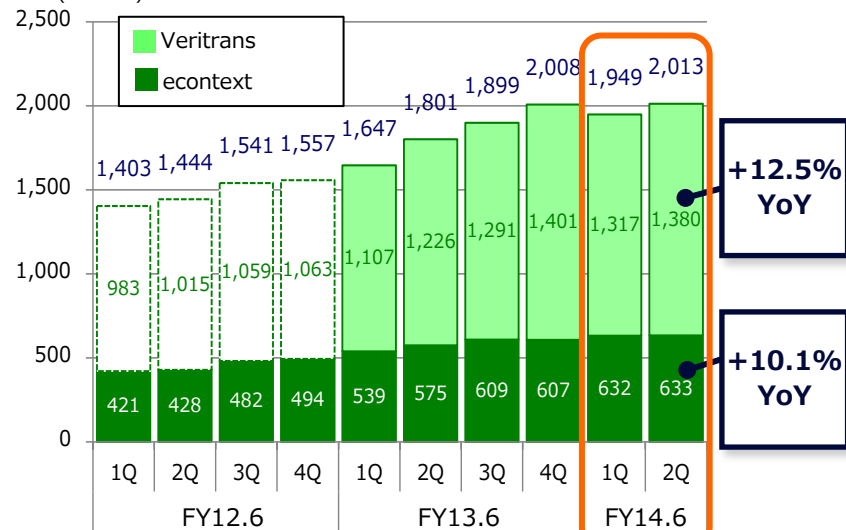
- ◆ Foreign - Widening Asian expansion upon IPO at HKEx

- Joint investment to major Indian settlement solution provider Citrus with Sequoia Capital, etc

- Capital and business alliance between econtext ASIA and TIS

Transaction amount (100 M)

[Transaction amount]



Note: # of transactions is on a gross basis. Transaction amount includes payment amount and data transaction amount. Veritrans's FY12 figures included for comparison

Appendix





About Betaworks

New York-based Startup Incubation Studio with a Focus on Social Media-related Businesses

Advanced Incubation Structure

Early-stage investments in promising startups and incubating businesses by providing development support with own engineers and designers

Broad Industry Connections

John Borthwick has wealth of industry experience including searing as the SVP of Technology and Corporate Alliances at Time Warner prior to founding Betaworks. He is one of the most respected figures in the New York's startup scene



John Borthwick

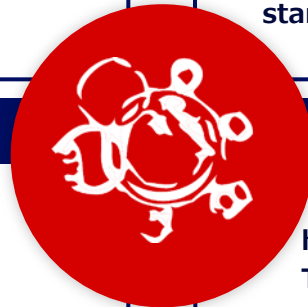
Diverse Portfolio

Holds shares in many promising startups with strong connections within the startup industry

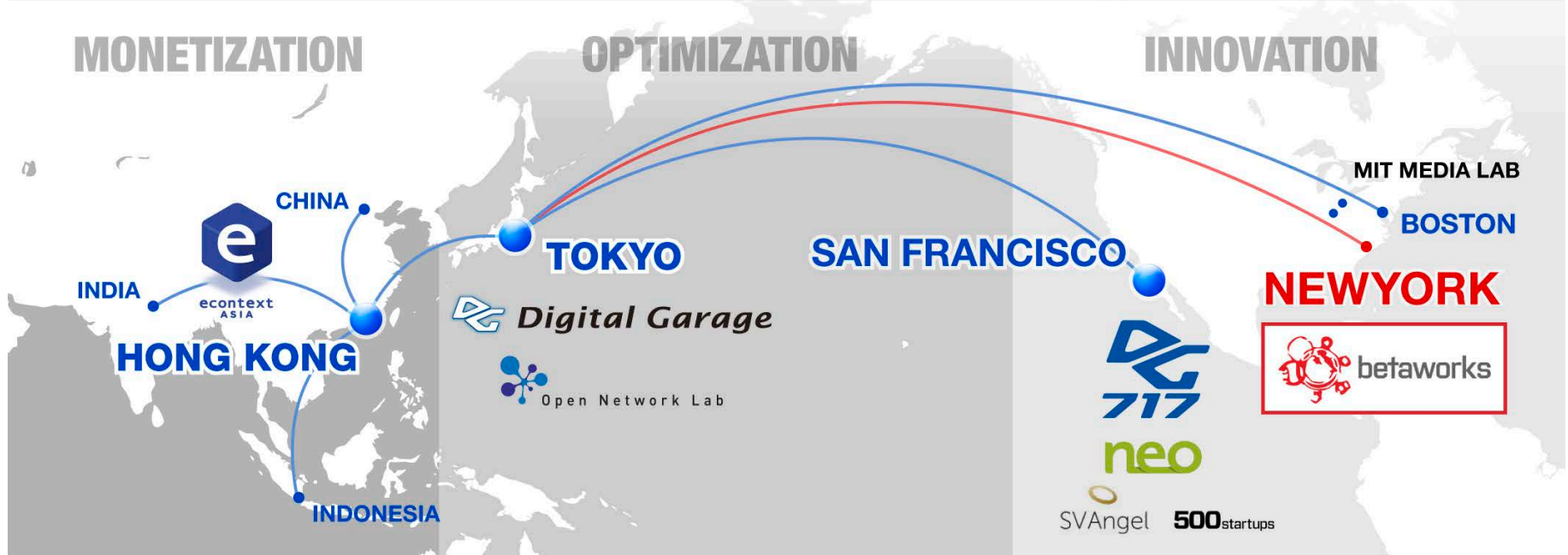


Exit Track Records

Provided development support to Summize, helping to develop the leading search engine for Twitter, and Tweetdeck, a power-user Twitter client for desktop, web, and mobile devices. Both these companies were subsequently sold to Twitter



Strengthening collaboration with a prominent studio in the emerging Silicon Alley (NYC)



Examples of Business Collaboration with DG Group

Deal source for investment

- Introducing promising startups to each other

Promoting rapid-growth of startups

- Accelerating incubation businesses in Asia including Japan

Open Network Lab

- Providing mentorship to participating teams

Collaboration with Neo

- Jointly working in New York and San Francisco offices

Media Accolades of Betaworks

BUSINESS INSIDER

Tech Finance Politics Strategy Life Entertainment All

TECH More: [Betaworks](#) [Twitter](#)

Betaworks Made ~\$50 Million On Two Twitter Acquisitions, Summize And Tweetdeck

digg ソーシャルニュースサイトDigg、Betaworksによる買収を発表

Josh Lovensohn (CNET News) 翻訳校正: 編集部 2012/07/13 08:02

Facebook 1 Google+ 2 Twitter 13 Bookmark CNET 高とて読む

【年間3万円】リリース・イベント・キャンペーン配信は企業情報センター

UPDATE ソーシャルニュースサイトDiggがついに買収され、ニューヨークを拠点とするBetaworksの傘下となる。

TC Get a tip? Let us know.

News - TCTV - Events - CrunchBase Follow us [social icons] Search

Pseudonymous Mobile Messaging App Vibe Acquired By Betaworks

TC Get a tip? Let us know.

News - TCTV - Events - CrunchBase Follow us [social icons] Search

Betaworks Leads \$3 Million Series B In Highflyer TweetDeck, New Desktop Goes Live

TC Get a tip? Let us know.

News - TCTV - Events - CrunchBase Follow us [social icons] Search

Digg Owner Betaworks Buys Instapaper To Go Big On Social Reading And Discovery

GIGAOM EVENTS RESEARCH JOBS

APPLE CLEANTECH CLOUD DATA EUROPE MEDIA MOBILE
















betaworks / betly / tweetdeck



Betaworks Raises \$20M From Intel, Others

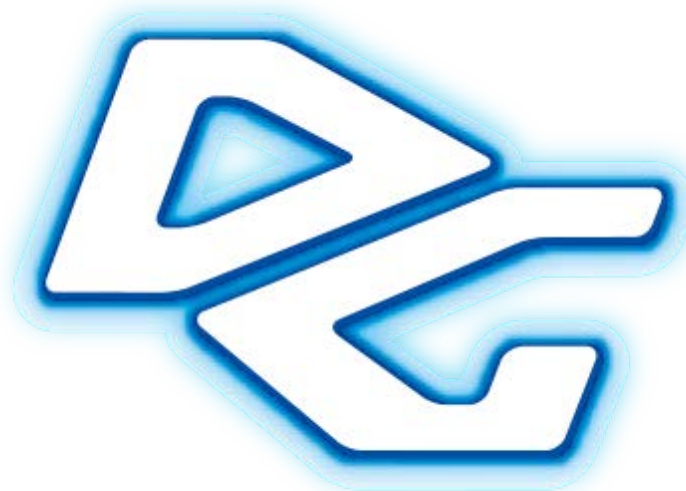
Quarterly Profit and Loss (Consolidated)

| JPY in Million | FY12.6 | | | | FY13.6 | | | | FY14.6 | |
|-------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q |
| Net sales | 3,418 | 2,879 | 5,202 | 3,403 | 5,307 | 8,539 | 6,482 | 7,636 | 7,273 | 8,349 |
| Incubation | 583 | 17 | 1,973 | 37 | 131 | 616 | 497 | 1,263 | 927 | 1,467 |
| Marketing | 1,906 | 1,939 | 2,295 | 2,416 | 2,364 | 2,748 | 2,825 | 3,104 | 3,068 | 3,557 |
| Payment | 928 | 922 | 933 | 949 | 2,810 | 5,174 | 3,158 | 3,269 | 3,277 | 3,326 |
| Operating income | 437 | △ 134 | 1,708 | △ 389 | △ 51 | 523 | 151 | 698 | 86 | 726 |
| Incubation | 387 | △ 136 | 1,650 | △ 268 | △ 258 | 56 | △ 20 | 512 | △ 77 | 548 |
| Marketing | 142 | 139 | 163 | 65 | 129 | 120 | 55 | 167 | 136 | 199 |
| Payment | 154 | 128 | 142 | 126 | 308 | 480 | 253 | 260 | 203 | 260 |
| Ordinary income | 594 | 70 | 2,193 | △ 149 | 167 | 1,000 | 719 | 1,191 | 473 | 1,214 |
| Net income | 533 | 77 | 1,747 | △ 251 | 213 | 700 | 1,294 | 507 | 389 | 1,037 |
| EBITDA | 698 | 163 | 2,292 | △ 186 | 696 | 1,573 | 2,050 | 1,581 | 970 | 1,956 |
| Amortization | 44 | 44 | 44 | 56 | 200 | 333 | 211 | 195 | 191 | 204 |

Note: Operating income per segment is based on figures prior to elimination or Group deduction. EBITDA is based on preliminary calculation.

| Date | | Title |
|------------|---|--|
| 2014.02.13 |  Digital Garage | Digital Garage to invest in and partner with US-based Internet studio Betaworks |
| 2014.01.07 |  Digital Garage | Digital Garage expands its incubation business in Asia by investing in Indonesia's major online baby-product retailer Bilna |
| 2013.12.25 |  | Digital Garage's econtext ASIA forms capital business alliance with TIS to jointly promote solutions to e-Commerce businesses in AsiaBLANK |
| 2013.12.25 |  | Digital Garage's econtext ASIA invested in the major Indian online payment solutions provider Citrus |
| 2013.12.19 |  | Digital Garage's econtext ASIA becomes listed at the Hong Kong Stock Exchange |
| 2013.12.05 |  | Digital Garage's subsidiary econtext ASIA to be listed on the Hong Kong Stock Exchange |
| 2013.11.06 |  | 「Kakaku.com」 and VeriTrans forms alliance to provide overseas delivery service |
| 2013.11.01 |  Digital Garage | Digital Garage Opens a Startup Incubation Center in San Francisco to Accelerate Investment Business on a Global Scale |
| 2013.11.01 |  Digital Garage | Digital Garage and Neo Innovation Launching New Context Services |
| 2013.11.01 |  Digital Garage | Data Science Business to Be Launched by JV |
| 2013.09.20 |  | New Context Services, A Neo Innovation Company, Announces Alliance with Guardtime to Help Deliver Authenticated Data |
| 2013.08.12 |  | econtext ASIA's subsidiary, VeriTrans, launched a smartphone-based payment service, VeriTrans mPOS |
| 2013.08.01 |  Digital Garage | Digital Garage and Dentsu to establish a joint venture, Dentsu ScienceJam, to commercialize results of latest scientific research |
| 2013.07.29 |  | Notice of Consolidated Subsidiary Company's Listing Application to Hong Kong Exchanges and Clearing Limited |
| 2013.07.23 |  | CGM Marketing to accelerate its acquisition of advertiser and publisher clients for the Kiip smartphone advertising and reward platform |

| Date | | Title |
|------------|---|--|
| 2013.07.09 |  | CGM Marketing to accelerate the expansion of Kiip, a smartphone advertisement and rewards technology, to convenience stores, bringing O2O solutions to national chains |
| 2013.07.02 |  Digital Garage | Digital Garage Forms Business Alliance with Credit Saison |



Digital Garage

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