

2 June 2015
Digital Garage, Inc.

To whom it may concern,

Notice of completion of regarding the acquisition of shares of econtext Asia Limited and borrowing of funds for share purchase

In relation to “Announcement on proposal to privatize econtext Asia Limited” dated 26 February 2015, Digital Garage would like to announce that “Scheme of Arrangement” under the Hong Kong law was approved by Hong Kong Court and has become effective. We would also like to announce that DG has decided to borrow funds in order to complete this share acquisition.

1. Regarding the Share Purchase

The SOA under Hong Kong law regarding the acquisition of shares of econtext Asia Limited was sanctioned by the Hong Kong court on June 2nd, 2015. As a result, the SOA is expected to become effective tomorrow on Wednesday, June 3rd 2015, and Econtext Asia Limited will be delisted from the Hong Kong Stock Exchange and become a fully-consolidated subsidiary.

2. Borrowing of Funds

We made the decision to obtain funds through the following loan to acquire the shares of econtext Asia Limited:

- ① Lender : Sumitomo Mitsui Banking Corporation
- ② Borrowing amount : 13,545 million Yen
- ③ Planned date of borrowing : 2015/6/8
- ④ Payment method : Lump sum payment
- ⑤ Repayment date : Within 6 months from start date of borrowing
- ⑥ Collateral : Unsecured, unguaranteed

3. Accounting method

Digital Garage achieved an early adoption of the “Accounting Standards for Business Combination” (Corporate Accounting Standard No. 21, September 13, 2013), and the “Accounting Standards for Consolidated Financial Statements” (Corporate Accounting Standard No.22, September 13, 2013). This purchase of additional shares of a subsidiary in which Digital Garage retains a controlling interest (econtext Asia Limited) will result in treatment whereby what is originally supposed to be recorded as goodwill due to changes in ownership interests will be recorded in the capital surplus account. The costs associated with this share purchase will be recorded as a non-operating expense in the current consolidated fiscal year.

4. Forecast

Although the impact of the share purchase on the consolidated operating results for the current fiscal year is immaterial, because the recording of minority interest will be eliminated, this share purchase will become a factor that increases net income for the year in the consolidated operating results of Digital Garage, as econtext Asia Limited will become a fully consolidated subsidiary of Digital Garage.