
NEWS RELEASE

**Digital Garage Begins O2O Marketing
Using Kiip's Advertising & Rewards Technology
~Partners with Lawson to Use Convenience Store Kiosks
to Promote In-Store Traffic ~**

CGM Marketing, Inc (Head Office: Shibuya-ku, Tokyo, Japan, President & Group CEO: Kaoru Hayashi, henceforth CGMM), a subsidiary of Digital Garage, Inc. (JASDAQ: 4819, Head Office: Shibuya-ku, Tokyo, Japan, President & Group CEO: Kaoru Hayashi, henceforth DG), which has an agreement upon exclusive sales rights in Japan with Kiip, Inc. (Head Office: San Francisco, CEO: Brian Wong, henceforth Kiip), will start an O2O initiative today with Lawson, Inc. (Head Office: Tokyo, CEO: Takeshi Niinami, henceforth Lawson) by implementing Kiip's smartphone rewards platform with the multimedia kiosks "Loppi" at Lawson stores.

This partnership places free coupons for the Lawson's renowned fried chicken line ("L-chicki") into Kiip's platform to deliver them after "moments of achievement" in users' mobile apps and games. Users can then redeem the coupon using their mobile device and the Loppi kiosks located in Lawson stores. (Redeemable at: Lawson stores with Loppi kiosks, excluding 100 Natural Lawson Stores.)

The collaboration with Lawson is just the beginning for CGMM, as they plan to actively build partnerships with convenient stores, drug stores and retail stores this spring. CGMM hopes to strengthen O2O initiatives that will help drive foot traffic into stores, increase sampling and purchases, and promote partnerships with big-named vendors and app-developing companies that will utilize Kiip's platform.

*O2O (Online to Offline) = Business model that guides consumers from an online interactive experience to an act of purchase that takes place offline.

*Moments of Achievement = When users clear a level on a game, obtain a high score on an app, or attain points when achieving a goal, they feel a strong sense of accomplishment and elation. Kiip's platform allows advertisers to send rewards such as coupons, samples, and premium content during this emotional moment of achievement, encouraging engagement with active users and promotes high quality marketing. Market testing in Japan shows a significantly higher CTR of 12 percent, 100 times greater than other ad-networks.

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[Current Initiative]

PC: <http://www.lawson.co.jp/campaign/static/kiip/> (Japanese Only)

Lawson Website [“L-chicki” × Kiip]

How the coupon will appear on an app



[Regarding Lawson, Inc.]

Convenience store Lawson Inc. franchise chain with a total of 11,152 stores located in 47 prefectures in Japan (as of Jan 2013). Approximately 9000 stores carry Loppi kiosks.

[Regarding Kiip, Inc.]

Operates the Kiip platform. There are currently over 700 apps worldwide that utilize Kiip. Apps include “Aerox”, “MegaJump,” “Big Win Basketball,” and “UnblockMeFree,” as well as other popular apps, totaling over 45 million users.

Japan is the second biggest market after the USA, which has led to a rapid increase in traffic.

Also, last month Kiip was identified as one of the “The World’s Most Innovative Companies 2013”, ahead of Microsoft and Tumblr (Fast Company).

Company Name	Kiip, Inc.
URL	http://www.kiip.com
Established	2010
Head Office	San Francisco, CA
CEO	Brian Wong
Investors	Relay Ventures, True Ventures, Hummer Winblad Venture Partners, Verizon Ventures

[Regarding CGM Marketing, Inc.]

CGM Marketing is a subsidiary of Digital Garage, Dentsu Inc., Cyber Communications Inc., and Asatsu-DK Inc.