
PRESS RELEASE

CGM Marketing to accelerate the expansion of Kiip, a smartphone advertisement and rewards technology, to convenience stores, bringing O2O solutions to national chains

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"), has begun offering an O2O (Online to Offline) solution that utilizes the in-store kiosk terminals of major convenience store chains and Kiip, a smartphone advertising and rewards (=coupons) platform provided by Kiip, Inc. (Head Office: San Francisco, CEO: Brian Wong, henceforth "Kiip") with which DG has an exclusive distribution rights in Japan. This launch is in conjunction with "Petit Gift," a coupon platform operated by MD Partners Inc. (Head Office: Shibuya-ku, Tokyo; President Hironobu Hoshida, henceforth "MDP").

Through this solution various kinds of coupons will be distributed as Achievement Ads to smartphone apps adopting Kiip and will be shown when users reach a certain target or level. Kiip's Achievement Ads are supported by MDP's Petit Gift platform, which controls all the in-store kiosks in convenience stores, enabling users to bring in their smartphones to a nearby convenience store and redeem online coupons for physical coupons using an in-store kiosk.

Using this launch to convenience store in conjunction with Petit Gift as a starting point, CGMM will aggressively expand across many types of retail chains such as drugstores and supermarkets. At the same time, it will expand the app categories that support Kiip's Achievement Ad from gaming to apps for women, task management, cooking, and workout. By increasing both the retail stores that accept the coupons distributed by the Achievement Ads and the number of apps and app categories that display Achievement Ads, (CGMM) aims to achieve more efficient O2O marketing solutions, and to expand as the marketing measure for in-store sampling, promotion support, and increasing store visits.

*O2O (Online to Offline) = A marketing measure to influence consumers' offline spending behavior by navigating them through online interactions.

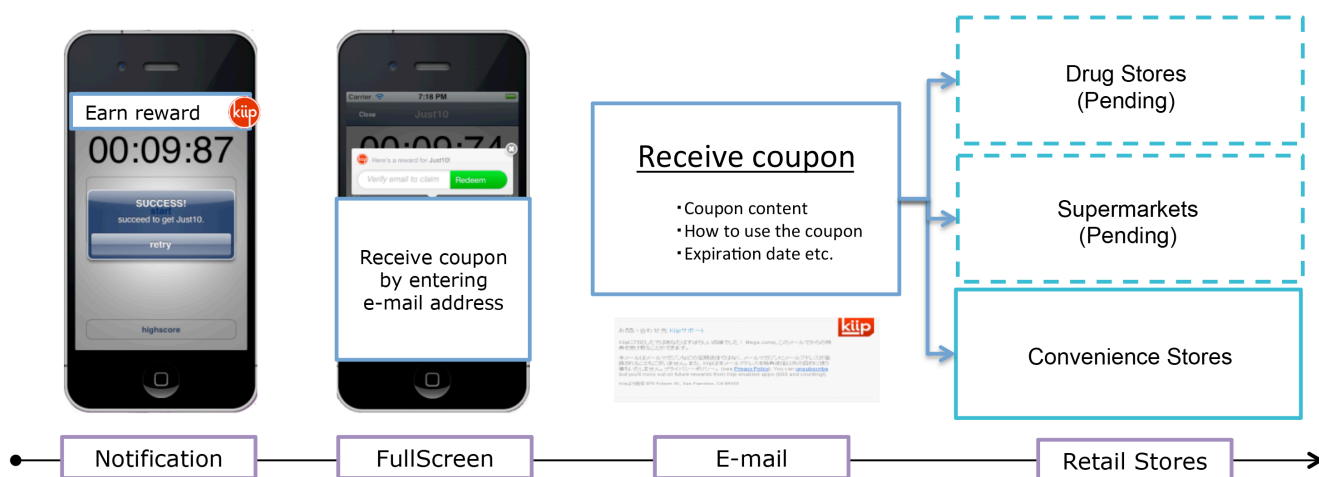
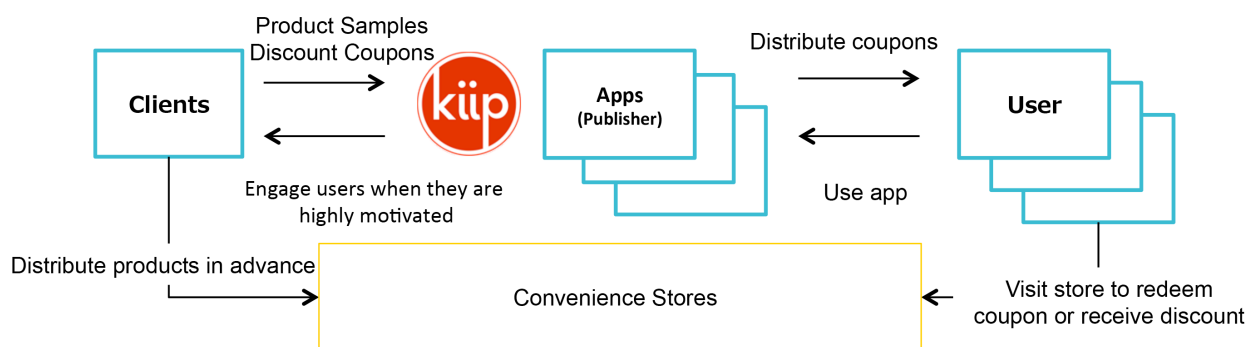
*Achievement ads = users feel a strong sense of accomplishment and elation when they finish a certain stage, gain a level, receive a high score, achieve points, or when they reach a certain target set by an app (= Achievement Moment). Kiip achieves a high-quality emotional marketing by displaying attractive coupons,

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samples, or premium content in Achievement Moment when users' motivations are high, creating a deep engagement between advertiser and users. A recent O2O campaign in partnership with Lawson (free L-Chicki fried chicken coupon at Loppi multimedia kiosk) recorded a 50% in-store exchange rate, proving Kiip highly effective.

◆ Outline of Kiip x CVS O2O Solution

- ✓ Commenced providing Kiip×Convenience Store solution. Expanding offline channels to strengthen O2O solutions in the future.



[About Kiip, Inc.]

Operates the Kiip platform, which has been adapted by over 1,000 apps in the US and many popular titles such as Aerox, MegaJump, Tree World, UnlockmeFree, totaling 35 million users while the number of sessions from Japan has been increasing rapidly. Kiip has been selected as one of The World's Most Innovative Companies 2013 by Fast Company.

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

[About MD Partners Inc.]

MD Partners Inc. began partnering with convenience stores to develop and operate its "PetitGift" multi-platform service to support O2O. It also runs Facebook apps and a coupon-scan system for small merchants called "mogly."

[About CGM Marketing, Inc.]

CGMM is a joint venture company of Digital Garage, Dentsu Inc., cyber communications inc., and Asatsu-DK, Inc.