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## NEWS RELEASE

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### Digital Garage expands its incubation business in Asia by investing in Indonesia's major online baby-product retailer Bilna

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Digital Garage, Inc. (TSE JASDAQ: 4819, Head Office: Shibuya-ku, Tokyo, Japan, President & Group CEO: Kaoru Hayashi, henceforth, "DG"), through its investments and incubation subsidiary DG Incubation, Inc. (Head Office: Shibuya-ku, Tokyo, Japan, President: Yasuyuki Rokuyata, henceforth, "DGI"), invested in PT Bilna (Head Office: Jakarta, Indonesia, CEO: Ferry Tenka, henceforth, "Bilna"), the operator for the largest baby-product e-Commerce service Bilna (<http://www.bilna.com/>). Launched in December 2012, Bilna handles approximately 10,000 items from 500 brands including major foreign names such as Procter & Gamble, Nestle, Danone, and Kao. Bilna's growth has been backed by the Indonesia's booming Internet user-base as well as the on-going baby boom where more than 5 million babies are born each year.



The DG Group has been enthusiastically accelerating the cultivation of the Asian markets by utilizing its experience in payment and incubation businesses nurtured in Japan. In Indonesia, through its payment subsidiary econtext Asia Limited (HKEx: 1390, Head Office: Hong Kong, Chairman: Kaoru Hayashi / CEO: Takashi Okita, henceforth, "econtext ASIA") the company has established PT Midtrans (VeriTrans Indonesia), a joint venture with others including a local partner which provides e-Commerce payment and infrastructure services and also has invested in Tokopedia, the operator for Indonesia's largest online marketplace. In addition, econtext ASIA has entered the Chinese market by establishing a joint venture while investing in Citrus, one of India's leading online payment solutions providers, in November, 2013. This investment in Bilna is a part of its expansion strategy in Asia to provide payment platform and invest in promising startups that use such a platform. Bilna already utilizes the VeriTrans Indonesia's payment platform for settlements on their own website.

The Founders of Bilna, Ferry Tenka and Eka Himawan, who worked at other startups and prominent companies in the U.S. in the past, used the growing baby-product market as their tail-wind and have gained the endorsement of users by managing their own website development and operation, delivery, and customer support. In areas with poor traffic conditions such as Jakarta, they have established their own distribution network of bike deliverers. With these efforts, Bilna's traffic has increased to over 1,000 orders a day despite having started their service roughly one year ago.

The DG Group will continue to actively support promising startups to contribute to the advancement of Internet businesses in the Asia region.