



NEWS RELEASE

DG Lab Developed All-Purpose Framework "DG Lab DVEP (Digital Value Exchange Platform)" TM for Unique Cryptocurrency through Blockchain's Bitcoin

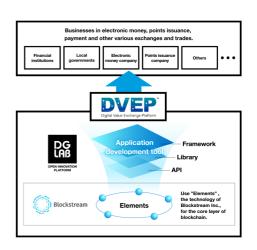
~Concluded experiment on Hidashin Association's "Sarubobo Coin" in collaboration with iRidge~

DG Lab, a joint R&D organization operated by Digital Garage, Inc. (TSE first section: 4819, HQ: Tokyo, Representative Director, President Executive Officer and Group CEO: Kaoru Hayashi, DG), Kakaku.com, Inc. (TSE first section: 2371, HQ: Tokyo, President and Representative Director: Shonosuke Hata, Kakaku.com), and Credit Saison Co., Ltd. (TSE first section: 8253, HQ: Tokyo, President and CEO: Hiroshi Rinno), has developed an all-purpose payment service framework: DG Lab DVEP TM for creating unique cryptocurrency through the use of Blockchain in Bitcoin. With DG Lab DVEP, DG Lab plans to make a "digital value trading platform" grounded on the reliability of the Blockchain technology in Bitcoin as well as offer this development to companies that will create their own regional currency, cryptocurrency, or points. There is also a collaborative development between DG and Credit Saison, which will add functions to DG Lab DVEP that will exchange points to cryptocurrency in real time and between cryptocurrencies.



DG Lab is already working on technical verification for DG Lab DVEP. As a first step, DG Lab DVEP contributed to "Sarubobo Coin", a regional crytpocurrency currently in development with Hidashin Association and iRidge, Inc. (TSE Mothers: 3917, HQ: Tokyo, CEO: Kentaro Oda, iRidge). The experiment for Sarubobo Coin concluded in August 2017, and DG Lab was able to function without any issues. Blockchain's application to Sarubobo Coin is currently under consideration.

DG Lab DVEP was developed using an open platform technology Blockstream Corp (HQ: Montreal, CEO: Adam Back, Blockstream) created with its many Blockchain core developers. Specifically, the framework uses Blockstream technology Elements' newest function called "Confidential Assets." The current Blockchain has been criticized from a privacy point-of-view for payment information and currency usage, and it was an issue that needed to be addressed in the enterprise. However, Confidential Assets is a technology that solves these issues. At this time, the all-purpose framework DG Lab created is the first-ever experiment aimed for commercialization. Blockstream is a company that DG invested via its wholly owned investment and incubation subsidiary DG Incubation, Inc. (HQ: Tokyo, Representative



Director, President: Kaoru Hayashi, DGI) and via DG Lab fund, an investment fund directed towards startups that specialize in next generation technology managed by DG Daiwa Ventures, Inc., a joint venture created by DG and Daiwa Securities Group, Inc. (TSE first section: 8601, HQ: Tokyo, President and CEO: Seiji Nakata; Daiwa Securities Group).

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