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Digital Garage and Tokyo Tanshi to Establish a JV for Blockchain Financial Service R&D and Business in the Fintech Field

Digital Garage, Inc. (TSE first section: 4819; HQ: Tokyo; Representative Director, President Executive Officer and Group CEO: Kaoru Hayashi; DG) and The Tokyo Tanshi Co., Ltd. (HQ: Tokyo; President: Shoji Ushiro; Tokyo Tanshi) have established a joint-venture company for blockchain financial service R&D and business in the Fintech field.

DG is engaged in cooperative business development with investees and other companies through DG Lab, its open innovation R&D organization. Tokyo Tanshi is a financial institution with over 100 years of experience, mainly intermediary and brokerage services in the interbank transaction and open markets. It is involved in a wide range of markets including the short-term money, bond, and commercial paper markets, as well as the foreign exchange and interest/stock derivative markets via its group companies. DG and Tokyo Tanshi entered into a cooperative-industry partnership in November 2017, and have been considering the creation of new Fintech businesses combining the cutting-edge blockchain technologies that are the subjects of DG Lab's R&D and Tokyo Tanshi's financial market expertise.

Furthermore, DG and Tokyo Tanshi will establish a joint-venture company with the aim of accelerating R&D on advanced financial services and use cases leveraging blockchain and encryption technology, with the aim of offering innovative services in the emerging cryptocurrency and blockchain fields.

"We are starting full-scale measures to take on the challenge of developing blockchain technologies and other finance businesses, and of offering advanced financial services. We will support the healthy growth of the industry by developing numerous use cases, and also work to accelerate financial innovation from Japan. I hope you will expect great things of this initiative that makes maximum usage of both companies' strengths." (Shoji Ushiro, Tokyo Tanshi President)

"Japanese interest in Bitcoin and blockchain technology is rapidly increasing, but these are still in the early stage. We are establishing a joint-venture company with Tokyo Tanshi to build a well-organized techniques of blockchain. I look forward to working together with Tokyo Tanshi for creating the new financial service leading world from Japan." (Kaoru Hayashi, DG Representative Director, President Executive Officer and Group CEO)

【Outline of the joint-venture company (tentative)】

Name: Crypto Garage, Inc.

Location: Shibuya-ku, Tokyo

Name and position of representative: President Masahito Okuma

Services: R&D and commercialization of financial services utilizing blockchain

Stock capitalization: 30 million yen

Fiscal year end: March 31st

Capital contribution ratio: Digital Garage, Inc. 60%; The Tokyo Tanshi Co., Ltd. 40%

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[About DG Lab] <https://www.dglab.com/en/>

An open innovation R&D organization jointly established and operated by DG, Kakaku.com, Inc. (TSE first section: 2371, HQ: Tokyo; President and Representative Director: Shonosuke Hata) and Credit Saison Co., Ltd. (TSE first section: 8253; HQ: Tokyo; President and CEO: Hiroshi Rinno).