



May 20, 2015

Press Release

Company Name: WirelessGate, Inc.  
(Code 9419: Mothers)  
Location: 5F Tennozu Yusen Bldg., 2-2-20  
Higashi Shinagawa, Shinagawa-ku, Tokyo  
Representative: Takehiro Ikeda,  
Founder and CEO  
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## **Notice regarding conclusion of business and capital alliance contract with Andeco.inc**

WirelessGate, Inc. (Head Office: Shinagawa-ku, Tokyo; Representative Director and CEO: Takehiro Ikeda; hereinafter "WirelessGate"), a wireless broadband service provider, has entered into a basic agreement in business and capital alliance as of March 18, 2015 with Andeco.inc (Head Office: Osaka, Osaka Prefecture; Representative Director: Yoshiaki Hayakawa; hereinafter "Andeco"), a provider of platforms for mobile sales, as per the press release dated March 18, 2015 ("Notice regarding conclusion of a basic agreement in business and capital alliance with Andeco,inc."). Progress has been made thereafter regarding details based on the said contract, with the Board of Directors meeting held today passing a resolution on the respective conclusion of a business alliance contract with Andeco and a contract concerning capital alliance (hereinafter "capital alliance contract") with Andeco as well as its major shareholders Mr. Yoshiaki Hayakawa and Mr. Kinya Maeno, thereby concluding the contracts. The details are as follows.

### **1. Purpose of the business and capital alliance**

WirelessGate has been providing wireless/broadband services since it was established in January 2004 and will provide high value-added communication services by further enhancing Japan's Wi-Fi infrastructure going forward.

Meanwhile, Andeco is a company that provides infrastructure (electric power, water) through platforms (Mobility-Store Platform) for mobile sales by utilizing IT in various venues.

The purpose of this alliance is to augment corporate value by combining the expertise of the two companies to create a brand new format (style) for Wi-Fi hotspots.

## 2. Content of the business and capital alliance

### (1) Content of the business alliance

A location and commerce business, which will create new types of economic activities hinged on Wi-Fi hotspots, will be operated jointly by combining WirelessGate's Wi-Fi hotspots with Andeco's Mobility-Store Platform in various locations, such as tourist areas and commercial facilities, where WirelessGate has built Wi-Fi infrastructure.

Customers can comfortably connect to the Internet at a Wi-Fi hotspot, of course, and can also enjoy mobile sales by utilizing kitchen cars or mobility carts through the Mobility-Store Platform. In addition, not only can the service be utilized by mobile sales vendors, but this will also launch an environment in which various types of mobile sales (small businesses) would be able to operate.

Specific content of the alliance will be finalized based on detailed conditions set by individual contracts following discussions between WirelessGate and Andeco.

### (2) Content of the capital alliance

WirelessGate will assume all of the 150 (common) shares (total amount of around 19 million yen) to be issued via the third-party allocation method in order to realize a joint location and commerce business with Andeco, and not just limit itself to providing business-based support. The percentage of voting rights of Andeco held by WirelessGate following the assumption of the said shares will be 11.95%. WirelessGate will solidify its trust and cooperative relationship with Andeco also by supporting Andeco on the capital front.

## 3. Overview of the other parties in the business and capital alliance

(1) Name	Andeco.inc	
(2) Location	6-14-18, Fukushima, Fukushima-ku, Osaka	
(3) Position, name of representative	Representative Director Yoshiaki Hayakawa	
(4) Type of business	Platform business for mobile sales vendors	
(5) Capital	15,500,000 yen	
(6) Date of establishment	July 2, 2014	
(7) Major shareholders and their percentage of holdings	Yoshiaki Hayakawa	76.9%
	Kinya Maeno	13.6%
	Minoru Harada	9.0%
(8) Relationship between the listed company and the subject company	Capital relationships	Not applicable
	Personal relationships	Not applicable
	Trade relationships	Not applicable
	Status of relationship with related parties	Not applicable

\*Earnings performance and fiscal conditions of the subject company has been omitted as it was established in July 2014.

#### 4. Schedule

(1) Board of Directors resolution	May 20, 2015
(2) Conclusion of business alliance contract	May 20, 2015
(3) Conclusion of capital alliance contract	May 20, 2015
(4) Payment date	May 29, 2015 (scheduled)

#### 5. Outlook

The impact of the business and capital alliance on earnings for the fiscal year ending in December 2015 will be negligible. Any impact on the Company's consolidated earnings estimates will be swiftly disclosed going forward.

(Reference) Consolidated earnings estimates (announced on February 12, 2015) and actual earnings results from the previous fiscal year

	Consolidated net sales	Consolidated operating profit	Consolidated ordinary profit	Consolidated net income
Consolidated earnings forecast of the current year (December 2015)	12,472 million yen	1,350 million yen	1,348 million yen	856 million yen
Consolidated performance of the previous fiscal year (December 2014)	9,105 million yen	794 million yen	789 million yen	499 million yen