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Press Release

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## Notice of Revisions to Financial Forecasts

WirelessGate, Inc. announces that a meeting of the Board of Directors held today passed a resolution to revise the forecasts, announced on February 12, 2015, for the full consolidated fiscal year ending in December 2015.

### 1. Revision to financial forecasts for the full consolidated fiscal year ending December 2015 (January 1, 2015 – December 31, 2015)

	Total sales	Operating profit	Ordinary profit	Net income	Net income per share
Previous forecasts (A)	Million yen 12,472	Million yen 1,350	Million yen 1,348	Million yen 856	Yen 84.53
Revised forecasts (B)	11,259	961	956	607	59.62
Change (B-A)	-1,212	-388	-392	-248	
Change (%)	-9.7	-28.8	-29.1	-29.0	
(Reference) Consolidated financial results for the previous fiscal year (Full fiscal year ended December 2014)	9,105	794	789	499	49.28

### 2. Reason for the revisions

#### (1) Total sales

Regarding the wireless/broadband business, the WiMAX service and the Wi-Fi service, which serve as a revenue base, are more or less proceeding as initially expected, while the new business SIM service for individuals is expected to be lower than the initial forecast. The wireless platform business is moving along at more or less as expected based on the initial forecast, while sales of devices in other businesses are expected to be lower than the initial forecast. Meanwhile, the SIM service for travelers visiting Japan, which was not incorporated into initial forecasts, and an expanded sales channel as well as an increase in potential clients for M2M/IoT services for corporations have been trending at a healthy pace, and are contributing to an increase in total sales.

Regarding the SIM service for individuals, the number of members signed on is below forecast due to a delay in starting to provide the voice call plan as well as overheated competition for new customers and securing the fastest communication speed as a result of entry of new businesses, including those from other industries.

(2) Profit front

On the profit front, total sales are expected to end up below the previous forecast due to a decline primarily resulting from the aforementioned reasons. Specifically, the Company is working hard to optimize the costs for SIM service for individuals, while concurrently promoting to strengthen Wi-Fi, which is the source of how the Company differentiates itself from other firms. The Company is proactively working on sales promotions, among other things, toward increasing the number of new members for the SIM service for individuals.

In addition, the Company is working on expanding sales channels and client base in the SIM business for travelers visiting Japan, M2M/IoT service for corporations and the Wi-Fi infrastructure business.

Based on these conditions, the previous forecasts have been revised, given the major difference between the initial forecasts and current expectations for the SIM service for individuals.

(3) Measures to be implemented going forward

The Company will work on improving its profits at an early stage by differentiating itself from rival companies through a major push of the Company's proprietary service concept, which has been further reinforced in the Wi-Fi arena, while raising the profitability of each service plan.

The impact of the *Notice regarding a resolution on the conclusion of an MOU for stock acquisition of and business partnership with Fon Japan Co., Ltd.* announced today on the Company's consolidated financial results for the fiscal year ending December 2015 will be negligible. The impact on financial results going forward will be incorporated into the financial forecasts for the next fiscal year and forward.

\*The financial forecasts above were created based on information that could be obtained as of the release date of this material, and thus actual financial results may differ from forecasts based on various factors in the future.

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