



November 22, 2016

Press Release

Company Name: WirelessGate, Inc.  
(Code 9419: TSE First Section)  
Location: 5F Tennozu Yusen Bldg., 2-2-20  
Higashi Shinagawa, Shinagawa-ku, Tokyo  
Representative: Takehiro Ikeda,  
Founder and CEO  
Inquiries: Naoki Sunaga,  
CIRO and Member of the Board  
Corporate Officer  
Head of Investor Relations Department  
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## **Joint Development of Profit Sharing Wi-Fi Service Requiring No Expenses for Initial Wi-Fi Installation and Operation**

–New Monetization Model Funded with Advertising Revenue Based on Ad Distribution  
Using Wi-Fi Infrastructure –

WirelessGate, Inc. (Head Office: Shinagawa-ku, Tokyo; Representative Director and CEO: Takehiro Ikeda; hereinafter "WirelessGate"), a wireless broadband service provider, has agreed to jointly develop Wi-Fi services for which all operating expenses will be funded with advertising revenue with Maverick Inc. (Head Office: Shinjuku-ku, Tokyo; Representative Director: Isamu Birumachi; hereinafter "Maverick") and Appleberry Networks, Inc. (Head Office: Minato-ku, Tokyo; Representative Director: Tomoki Ohsawa; hereinafter "Appleberry").

In the first phase, WirelessGate will provide ltnail Wi-Fi service at nail salons across Japan in cooperation with ltnail, Japan's largest nail-art-based column and curation website operated by Fan Appli. Inc. (Head Office: Minato-ku, Tokyo; Representative Director: Tsuyoshi Haya; hereinafter "Fan Appli").

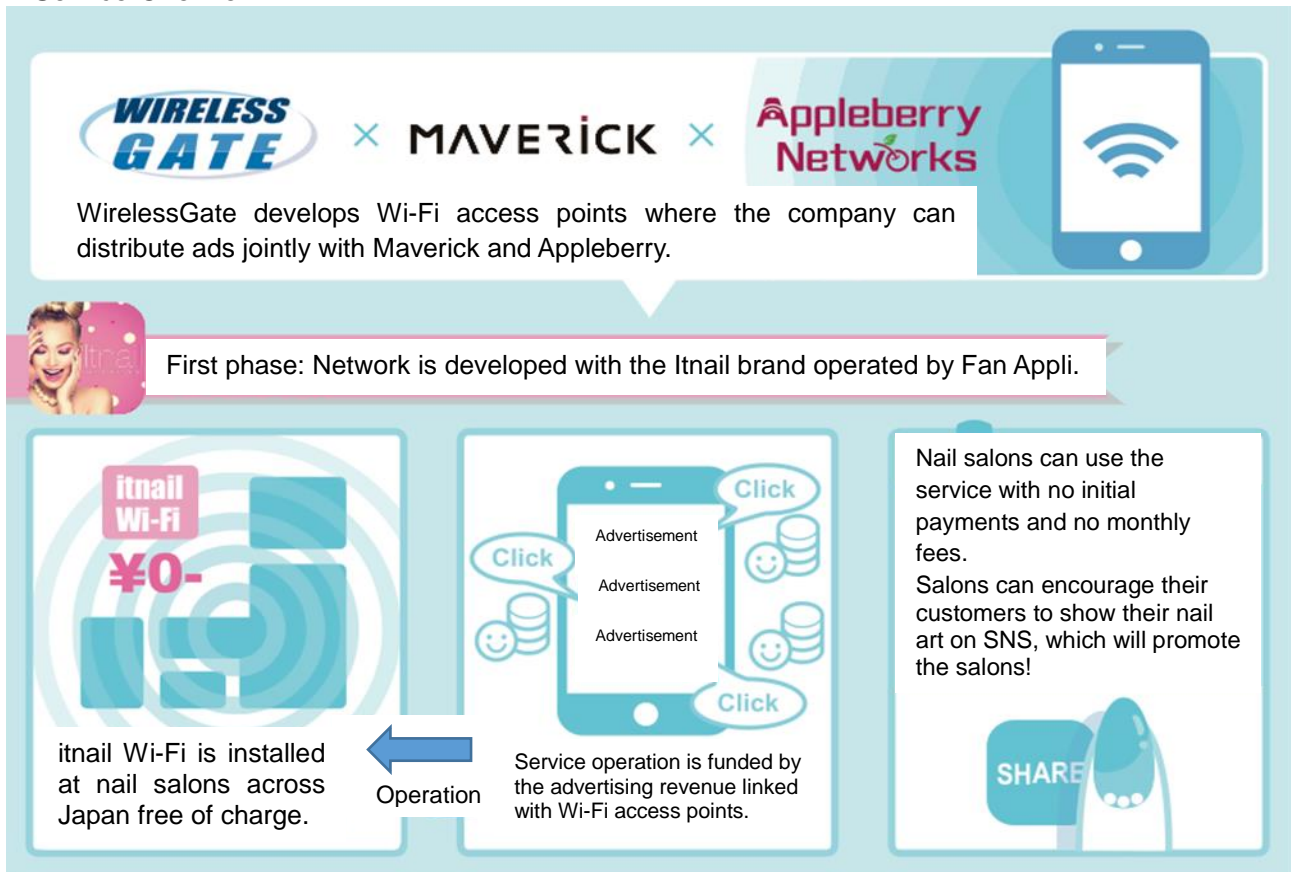
Without paying any initial or monthly fees, nail salons installing ltnail Wi-Fi will be able to increase customer satisfaction and promote their salons for their salon visitors with high beauty literacy through a Wi-Fi connection, who will be encouraged to show their nail art on SNS.

The installation and operation of this Wi-Fi service will be entirely funded by the advertisements displayed when connecting with the Wi-Fi and location data-linked advertisements.(\*).

(\*). See WirelessGate's press release dated June 22, 2016:

[http://www.wirelessgate.co.jp/pdf/Ad\\_Delivery\\_Linked\\_with\\_Location\\_Information\\_20160622.pdf](http://www.wirelessgate.co.jp/pdf/Ad_Delivery_Linked_with_Location_Information_20160622.pdf)

■ Service Overview



Subsequent activities will include increasing the value of this service for the advertisers in order to make it a sustainable based on advertising profit sharing.

The service is scheduled to start in or after December 2016 and the business will be expanded by increasing the number of participating salons and promoting the applications of this advertising revenue model to industries other than salons.

[Company Overview]

■ **Maverick Inc.**

- Head office: 3<sup>rd</sup> Fl. Shinjuku San-ei Bldg., 1-22-2 Nishi-Shinjuku, Shinjuku-ku, Tokyo
- Representative Director: Isamu Birumachi
- Business: DSP development and sales, support for introduction of RTB infrastructure, etc.  
Founded in 2013.

<http://www.mvrck.co.jp/>

■ **Appleberry Networks, Inc.**

- Head office: 10<sup>th</sup> Fl. Shiba Daimon Center, 1-10-11, Shiba Daimon, Minato-ku, Tokyo
- Representative Director: Tomoki Ohsawa
- Business: Production and sales of cloud-based Wi-Fi access points

<http://appleberrynetworks.com/>

■ **Fan Appli. Inc.**

- Head office: 3<sup>rd</sup> Fl. 4-10-11 Roppongi, Minato-ku, Tokyo
- Representative Director: Tsuyoshi Haya
- Business: Development of application software for Android phones and iPhones

<http://www.fanappli.com/index.html>

**[Contact information]**

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Contact form: <https://www3.webcas.net/form/fm/tripletgate/corp>**Future prospects**

This project will not have a material effect on WirelessGate's consolidated financial results for the year ending December 31, 2016. Any other influence on the prospects of the company's consolidated performance will be promptly disclosed.

WirelessGate aims to expand the Wi-Fi infrastructure and improve its services by using communication services that the company provides as an aggregator (integrated wireless carrier) to ensure that reliable wireless broadband service is available.

(Reference) Consolidated earnings forecast for the current year (announced on February 12, 2016) and the results of the previous consolidated fiscal year

	Consolidated net sales	Consolidated operating profit	Consolidated ordinary profit	Net income attributable to owners of the parent
Consolidated earnings forecast for the current year (December 31, 2016)	12,832 million yen	1,250 million yen	1,067 million yen	660 million yen
Consolidated results of the previous fiscal year (December 31, 2015)	11,311 million yen	1,065 million yen	1,062 million yen	684 million yen