

November 19, 2015

Press Release

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WirelessGate to start offering free Wi-Fi to inbound tourists in Niseko, Hokkaido from November 21

- Aiming to create a Wi-Fi Hotzone to cover the entire Niseko resort area with FON -

WirelessGate, Inc. (Head Office: Shinagawa-ku, Tokyo; Representative Director and CEO: Takehiro Ikeda; hereinafter "WirelessGate"), a wireless broadband service provider, has made headway in the Wi-Fi infrastructure business.

WirelessGate, the Niseko Promotion Board (Address: Kutchan-cho, Abuta-gun, Hokkaido), a public relations and marketing organization representing the Niseko resort area, Hokkaido, and Fon Japan K.K. (Head Office: Minato-ku, Tokyo; Representative Director and CEO: Hiroshi Kaneda), the Japanese subsidiary of the world's largest community Wi-Fi "FON," will jointly launch the project to construct a Wi-Fi environment that covers all the tourist areas in Niseko, Hokkaido, and will start providing a free Wi-Fi service to visitors in the area including inbound tourists (foreign visitors in Japan) from November 21.

Niseko is one of Japan's finest ski resorts and is world-renowned for its exceptional powder snow, which attracts many skiers. The resort also offers a wide range of off-season options, including outdoor sports activities, hot springs and cuisine using fresh ingredients in addition to the view of beautiful Mount Yotei (1,898 meters), which towers opposite the Niseko mountain range. It is a tourist spot visited by thousands of tourists from all over the world every year.

In the hotels, restaurants and activity facilities in the Niseko area, WirelessGate will install, operate and support the high-performance, low-cost wireless LAN routers manufactured by FON, which has developed over 17 million spots around the world and has users in more than 200 countries.

This will enable the facilities in the area to introduce Wi-Fi at a low cost and provide a Wi-Fi service to the tourists using their facilities free of charge for a set amount of time. Because FON is widely recognized around the world, the facilities will attract more foreign tourists and improve their convenience through the Wi-Fi service. The tourists will be able to use the service easily and safely by using the Facebook login function offered by FON without the bothersome task of entering personal information.

The service will commence on November 21, and approximately 100 facilities will provide the Wi-Fi service in Niseko area before the end of this year. WirelessGate will expand the area where the routers are installed sequentially so that Wi-Fi spots will be available in over 300 facilities in the future.

About the Niseko Promotion Board

The Niseko Promotion Board (commonly known as NPB) is a non-profit organization formed by members who own tourism-related business in Kutchan-cho or Niseko-cho. NPB carries out public relations and promotion activities for the Niseko area using membership fees as a financial source. Since the board's establishment in 2007, it has been promoting the area on behalf of its members with the objective of developing the area into an international residentialtype resort for all seasons. NPB carries out its activities as a representative of the ski sites, accommodation facilities, eating and drinking facilities and activity organizers in the area.

The Niseko Promotion Board 41-5 Aza Kabayama, Kutchan-cho, Abuta-gun, Hokkaido 044-0081 TEL 0136-21-2551 FAX 0136-21-2553 E-mail info@nisekotourism.com URL <u>www.nisekotourism.com</u>

About FON

FON Ltd. was founded by serial entrepreneur Martin Varsavsky in February 2006 with the goal of blanketing the world with Wi-Fi. The FON community where users share their own Wi-Fi with each other has expanded as an original cloud sourcing approach and has grown into the world's largest global Wi-Fi network, covering over 17 million Wi-Fi spots around the world. The company has business tie-ups with the communication carriers around the world including BT (UK), Deutsche Telekom (Germany), Vodafone (Spain, Italy), SFR (France), KPN (the Netherlands), Proximus (Belgium), NOS (Portugal), Netia (Poland), OTE (Greece), MTC (Russia), Oi (Brazil), KT (Korea), Telstra (Australia) and MWEB (South Africa). In addition, it has capital tie-ups with leading companies around the world including Google, Microsoft, Qualcomm, ITOCHU Corporation, Atomico, Index Ventures and Sequoia Capital.

FON's website: http://fon.ne.jp

Future prospects

The impact of this release on the consolidated earnings for the fiscal year ending in December 2015 will be negligible. As soon as there is an impact on the consolidated earnings estimate, the information will be disclosed.

WirelessGate will continue working to expand the Wi-Fi infrastructure and improve the level of service provided so that everyone can enjoy a reliable wireless broadband service by utilizing the communication services it provides as a comprehensive MVNO.

(Reference) Consolidated earnings estimates (announced on October 15, 2015) and actual earnings results from the previous fiscal year

	Consolidated	Consolidated	Consolidated	Consolidated
	net sales	operating profit	ordinary profit	net income
Consolidated earnings forecast for the current year (December 2015)	11,259 million yen	961 million yen	956 million yen	607 million yen
Consolidated performance for the previous fiscal year (December 2014)	9,105 million yen	794 million yen	789 million yen	499 million yen