

The background of the slide features a close-up of vibrant green leaves with water droplets, set against a soft, out-of-focus green backdrop. The leaves are positioned primarily at the top and right edges, with some droplets scattered across the white space.

Wedge Holdings Company Limited Business Presentation March 2014

7 March 2014

 **Wedge**Holdings

 www.wedge-hd.com



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1st Quarter Financial Results

Consolidated Business Results(P/L)

(units:1000JPY)

	Q1 Sept 2013	Q1 2014 Sept	YOY
Sales	988,874	1,383,049	139.9%
Operating Income	221,111	-102,082	-46.2%
Ordinary income	227,929	-50,124	-22.0%
Current Net Income	48,354	-56,802	-117.5%

Consolidated Financial Position(B/S)

(units:1000JPY)

Consolidated B/S	Sept 2013	Q1 Sept 2013	Ratio
Current Assets	15,330,482	16,506,957	107.7%
Fixed Assets	3,865,298	4,048,271	104.7%
(Breakdown) Investments and other assets	2,750,090	2,872,795	104.5%
Total Assets	19,195,780	20,555,228	107.1%
Current Liabilities	5,379,742	6,341,267	117.9%
Fixed Liabilities	4,078,836	4,263,606	104.5%
Total Liabilities	9,458,578	10,604,873	112.1%
Shareholders' Total Equity	5,259,714	5,202,911	98.9%
Total Net Assets	9,737,202	9,950,354	102.2%

Current Ratio	285.0%	260.3%
Fixed Ratio	73.5%	77.8%
Equity Ratio	27.4%	25.3%
D/E Ratio	170.4%	194.7%

Segment Results

(units:1000JPY)

Segment		Q1 Sept 2013	Q1 Sept 2014	YOY
Finance Business	Sales	733,099	1,231,737	168.02%
	Segment Profit	259,675	▲ 6,902	-2.66%
Entertainment Business	Sales	145,355	150,934	103.84%
	Segment Profit	21,167	45,070	212.93%

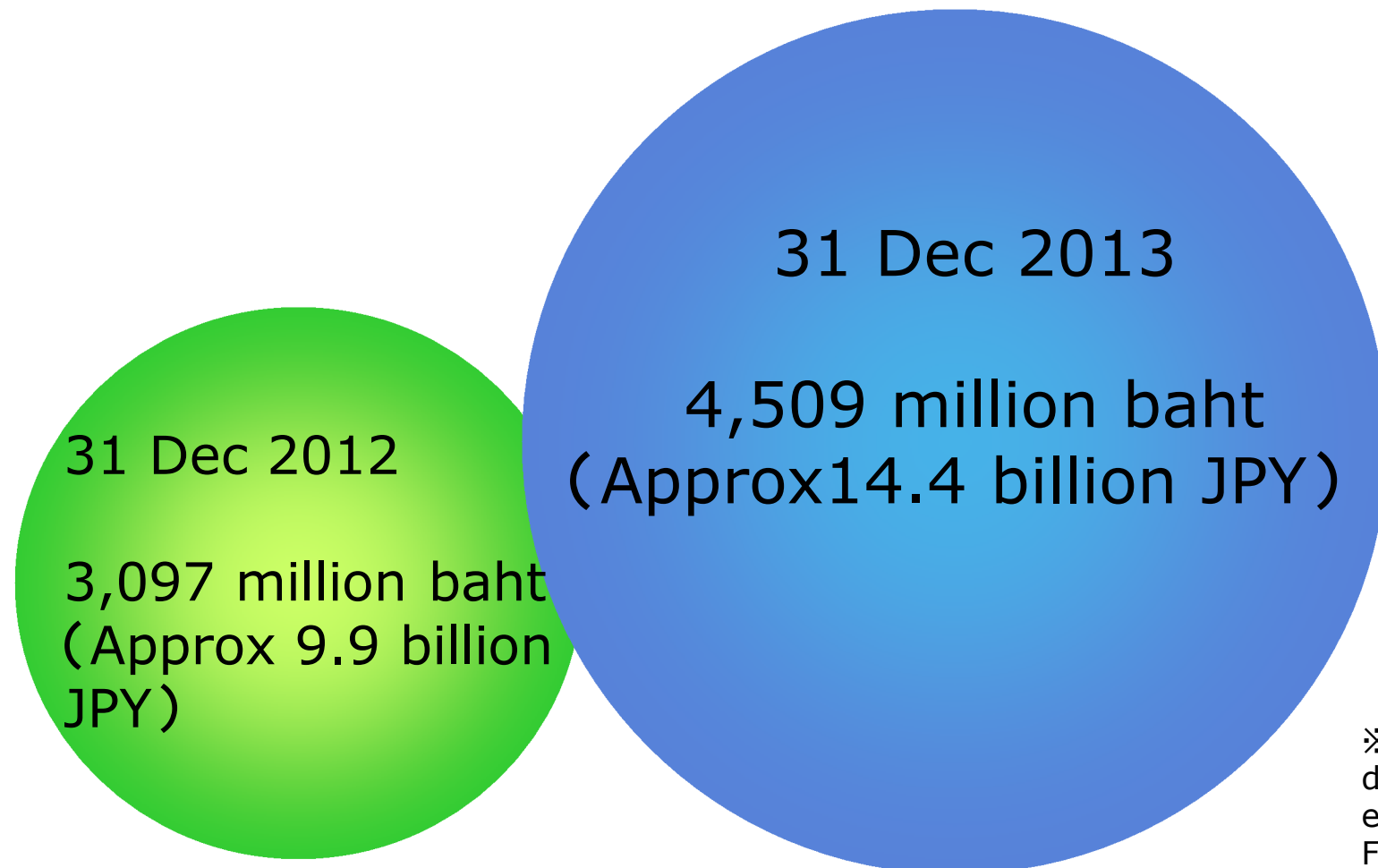
※Merchandizing Business has been transferred in the previous consolidated financial year and therefore is excluded



Main Topics

Rapid leasing growth from business expansion

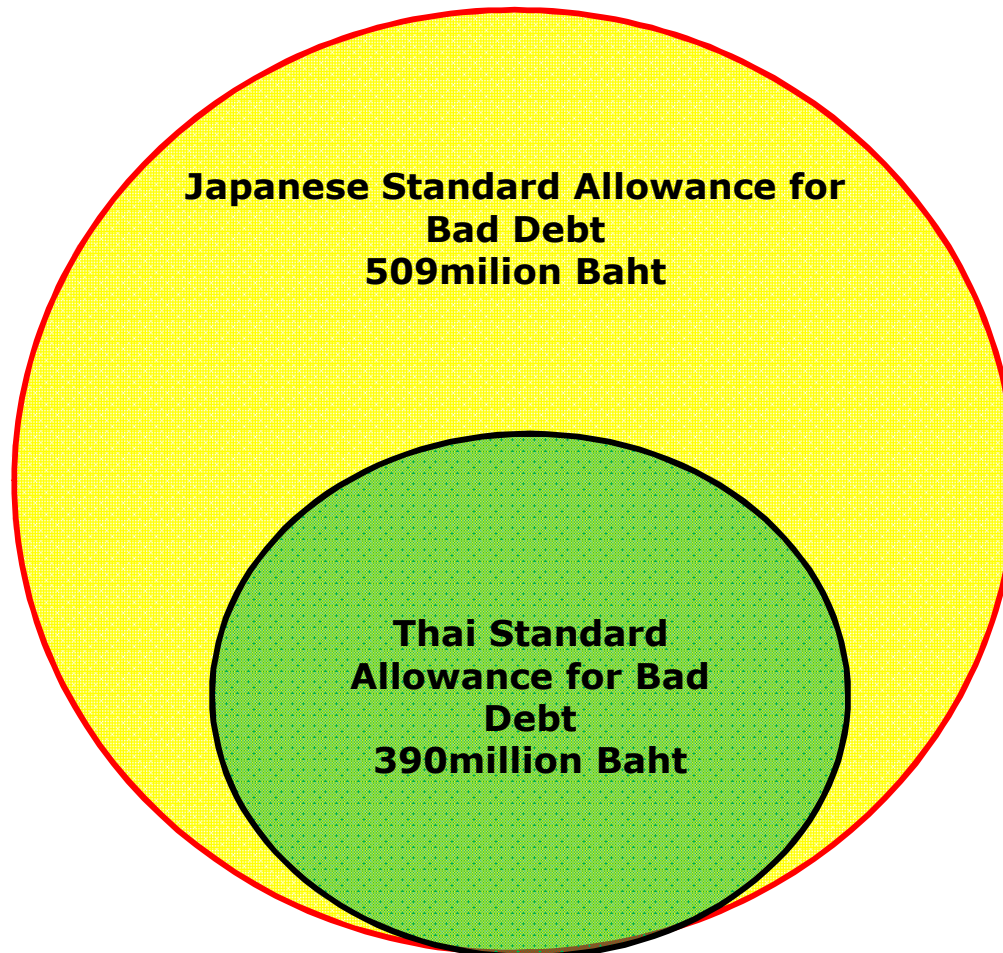
- ❖ 45% annual growth of total loan (portfolio) of Finance business.



※30 DEC 2013 Yen-denominated exchange rate. For convenience, calculation is of 3.21 yen per 1 Baht

Allowance for Bad Debt Standards in Thailand and Japan

Difference in allowance standards between Thailand and Japan is 119 million baht
Additional 381 million yen is calculated

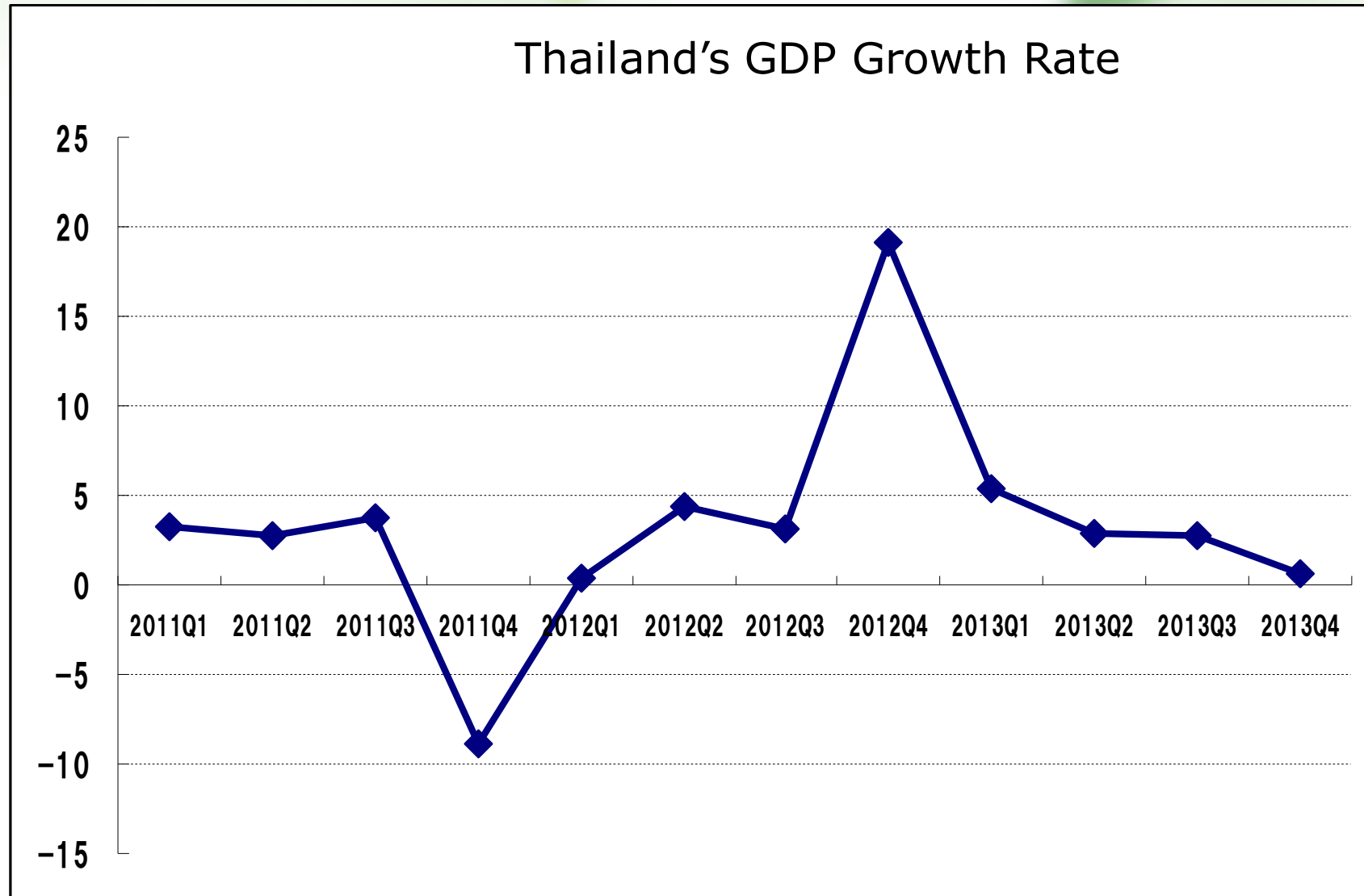




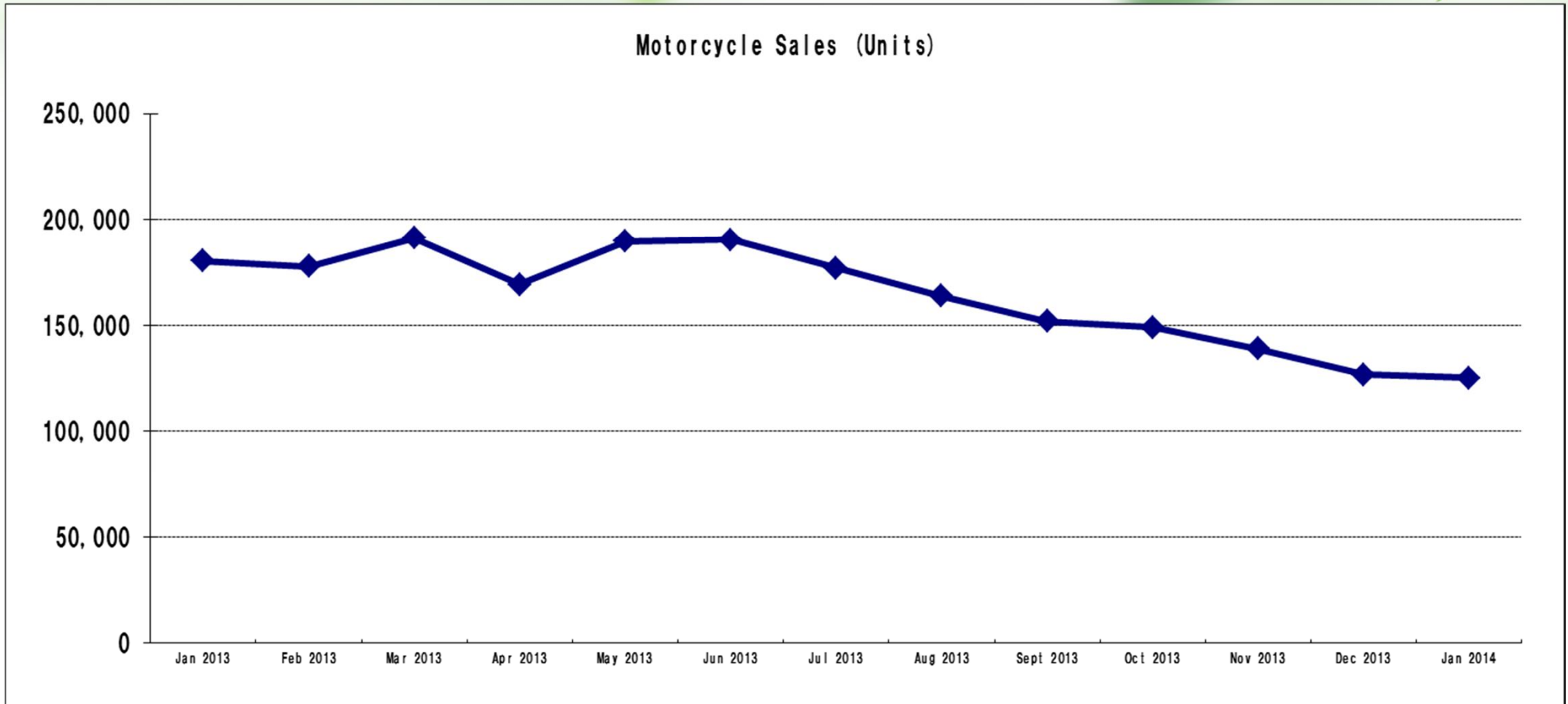
Finance Business

- ❖ GL continues the following 3 measures:
 1. Controlled growth (emphasizing on quality of credit rather than sales growth)
 2. International expansion - Cambodia
 3. Offering of new services – Agricultural machine lease

Finance Business(Thailand)



Transition of Motorcycle Sales (Units)

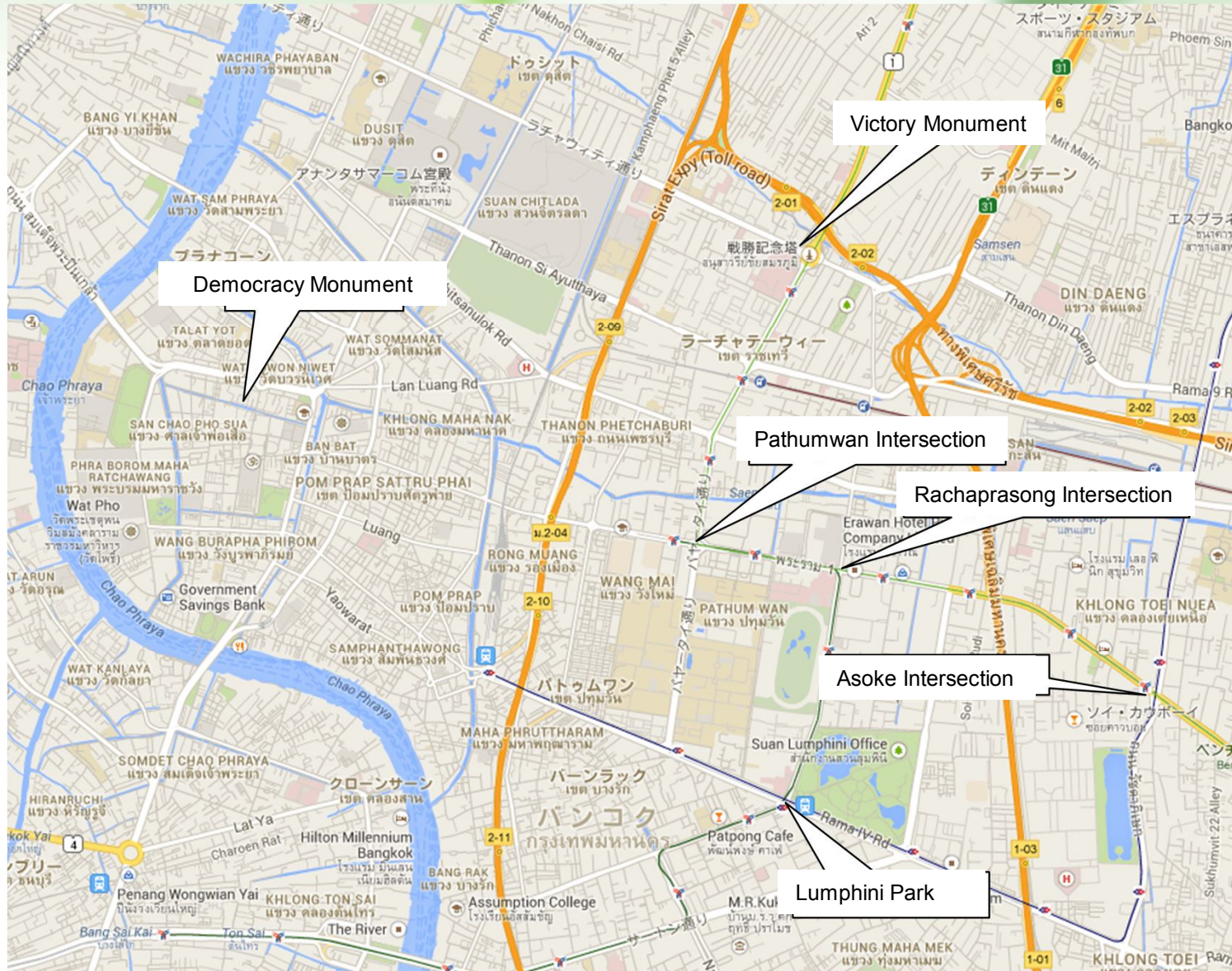


2013 Total	2012 Total	Fluctuation
2,004,498	2,130,067	-5.9%

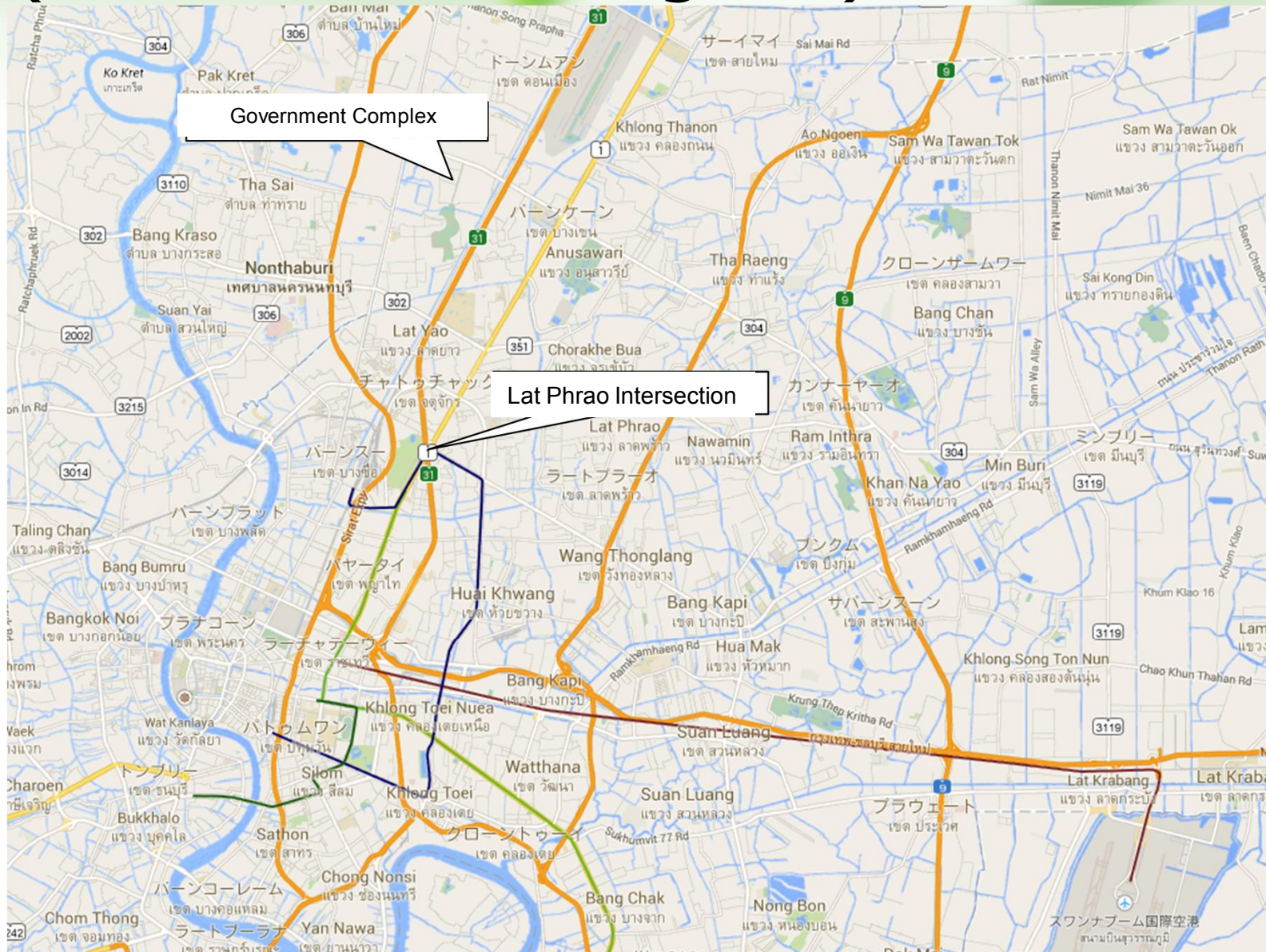
Conditions of Bangkok Demonstration

Date	Case Development
4 Jan 2014	Announcements were made for a massive protest and gatherings to take place after 13 Jan
6 Jan 2014	Announcements were made for 7 locations in Bangkok including Asoke Intersection, Ratchaprasong Intersection and Victory Monument to be the bases for protesting
13 Jan 2014	Large-scaled protestation took place at the Government Complex, Victory Monument, Lat Phrao Intersection, Asoke Intersection, Ratchaprasong Intersection, Pathumwan Intersection and Lumpini Park
14 Jan 2014	An explosion occurred near the leader's residence of the People's Party (Sukhumvit Road Soi 31)
17 Jan 2014	A hand grenade exploded at Banthat Thong Street (near BTS National Stadium)
21 Jan 2014	Thai Government declared a state of emergency in Bangkok
18 Feb 2014	Conflicts involving casualties occurred at Phanfa Bridge (near the Democracy Monument)
23 Feb 2014	An explosion involving casualties occurred at Ratchaprasong Intersection

Conditions of Demonstration (Central Bangkok)

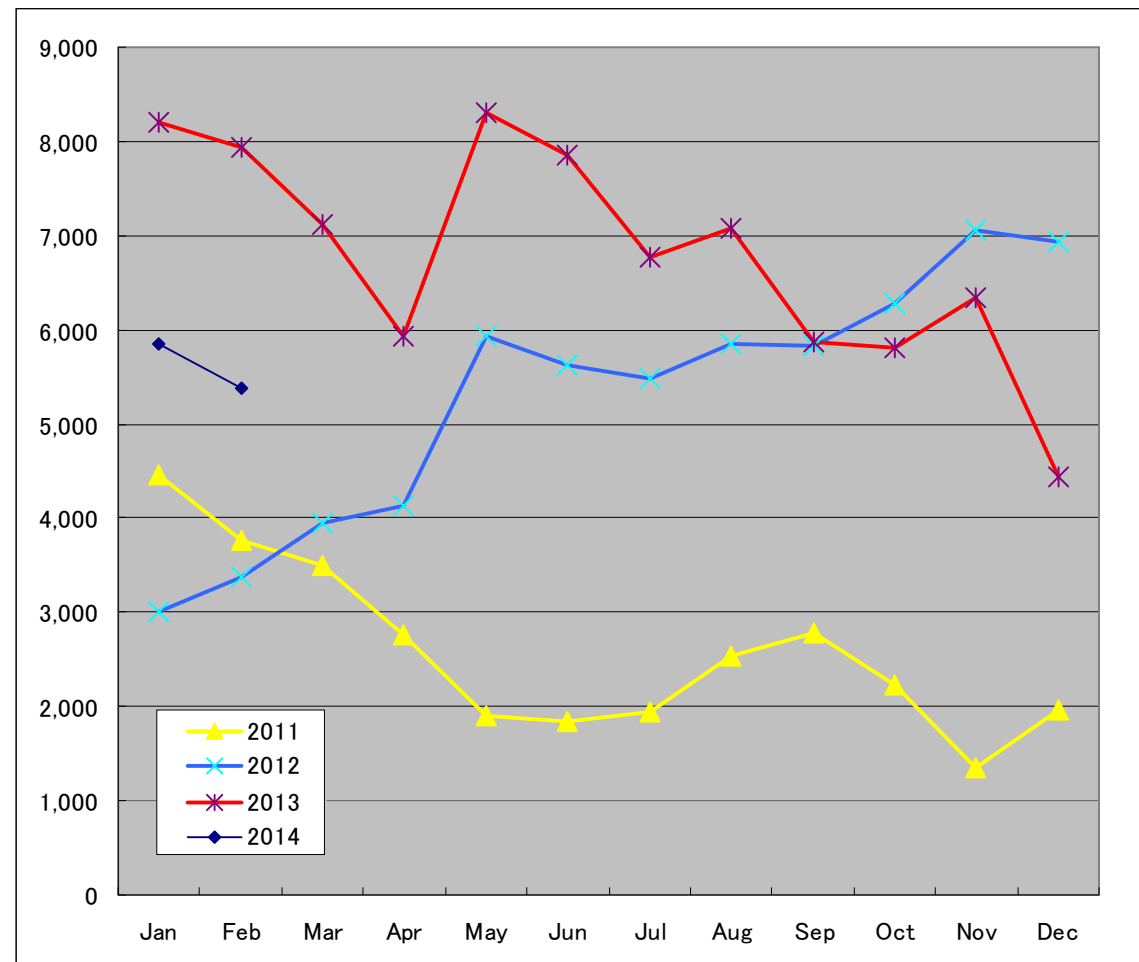


Conditions of Demonstration (Outskirts of Bangkok)



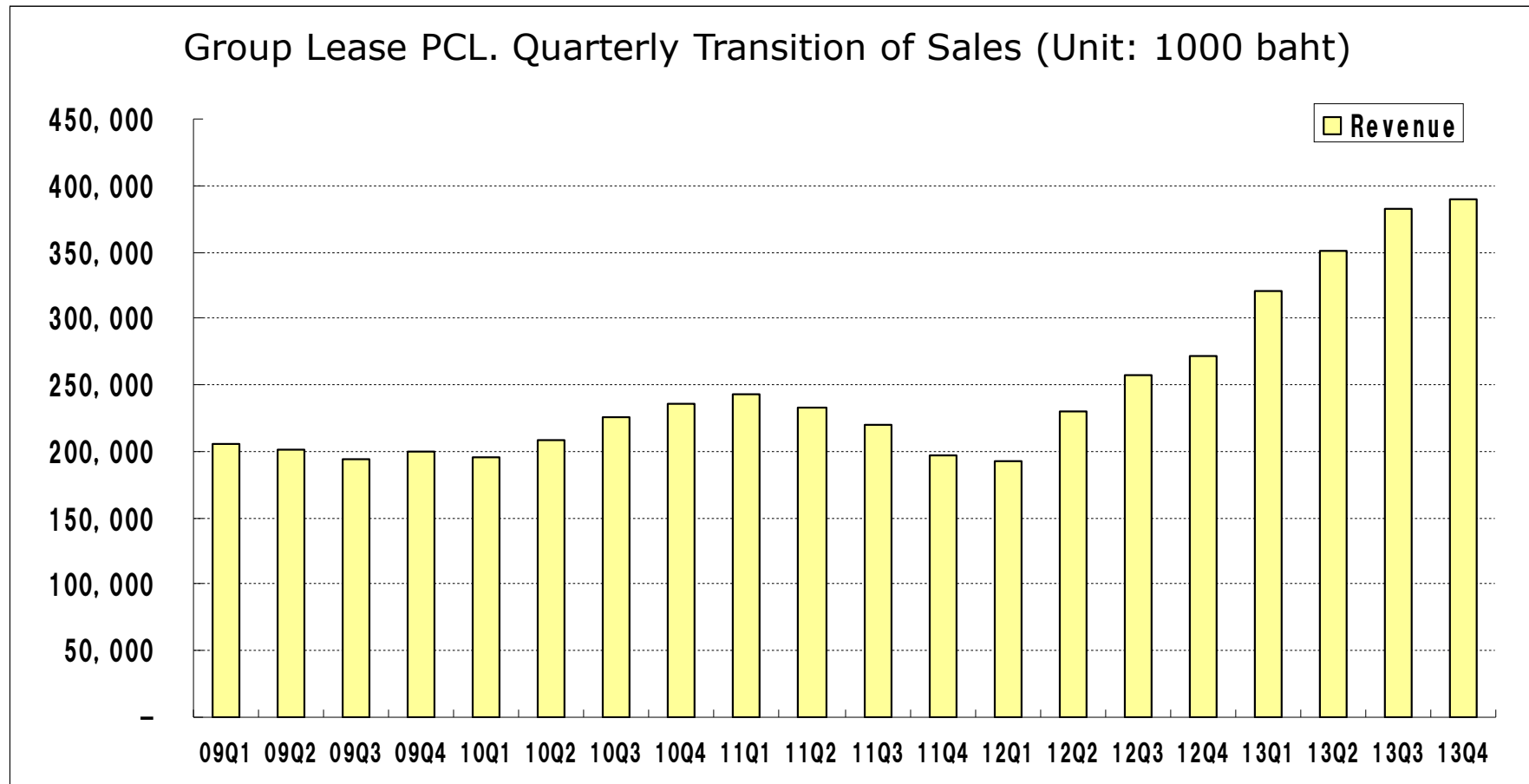
1: Controlled Growth

Due to the recent decline of new contracts, we will plan to improve the quality of credits to decrease bad debts in order to correspond to Thailand's economic slowdown and to increase profits in the future.



Controlled Growth of Sales

- ❖ Continued expansion of sales of Finance business along with expansion of portfolio

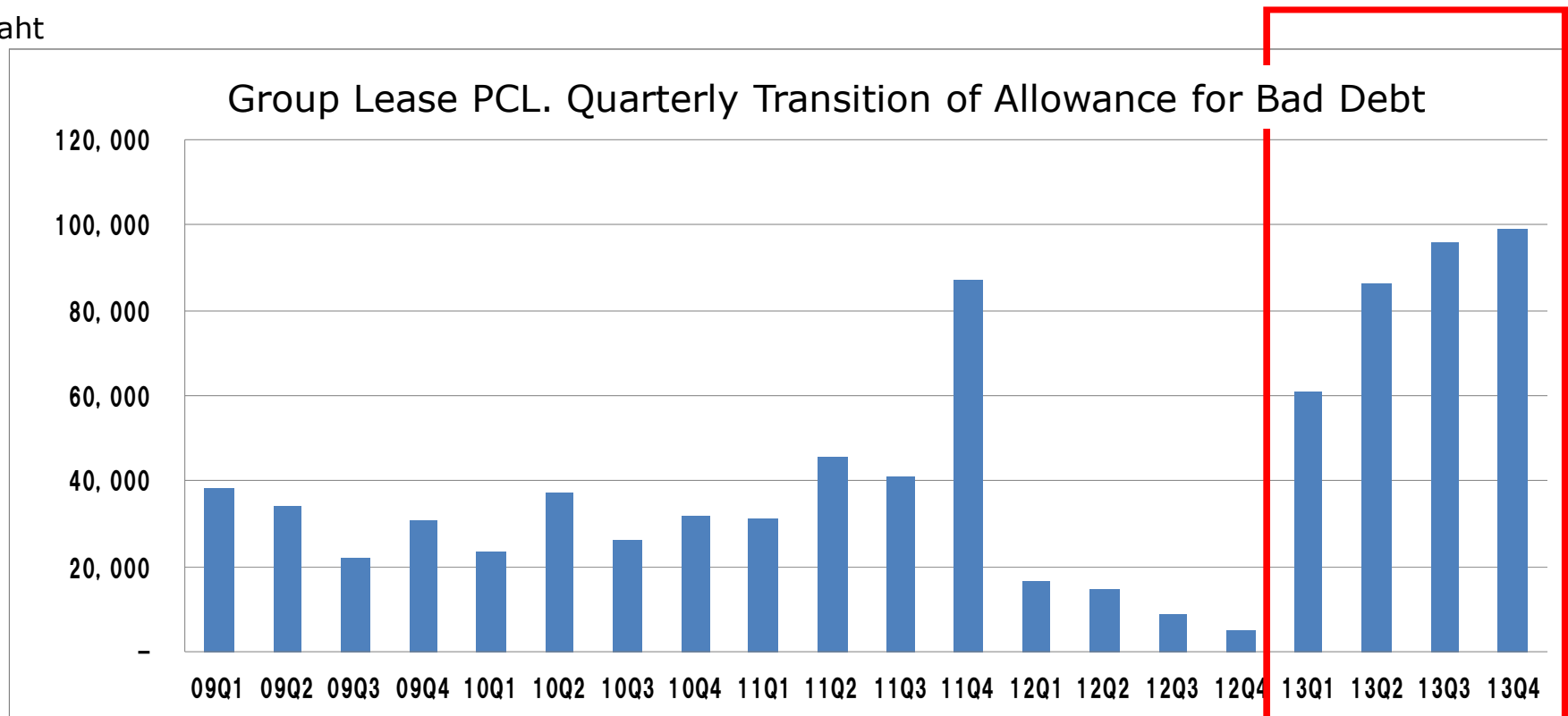


Controlled Increased Amount of Allowance for Bad Debts

Main reasons for increased allowance for bad debts

- Continued portfolio expansion from previous year
- Low level of allowance in the previous year as reserves temporarily increased due to floods
- Shifted to a conservative allowance for bad debt criterion implemented during the end of 2012

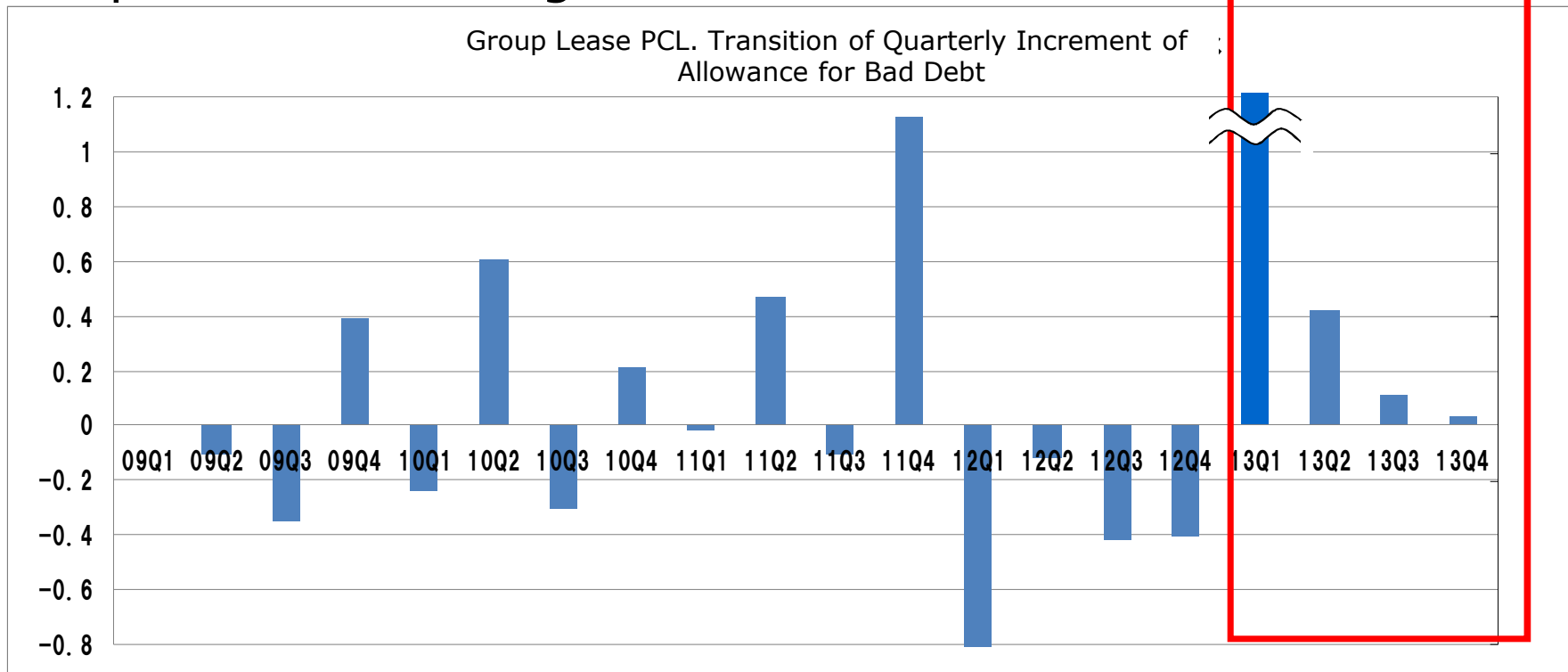
1,000 baht



Controlled Increment Rate of Allowance for Bad Debt

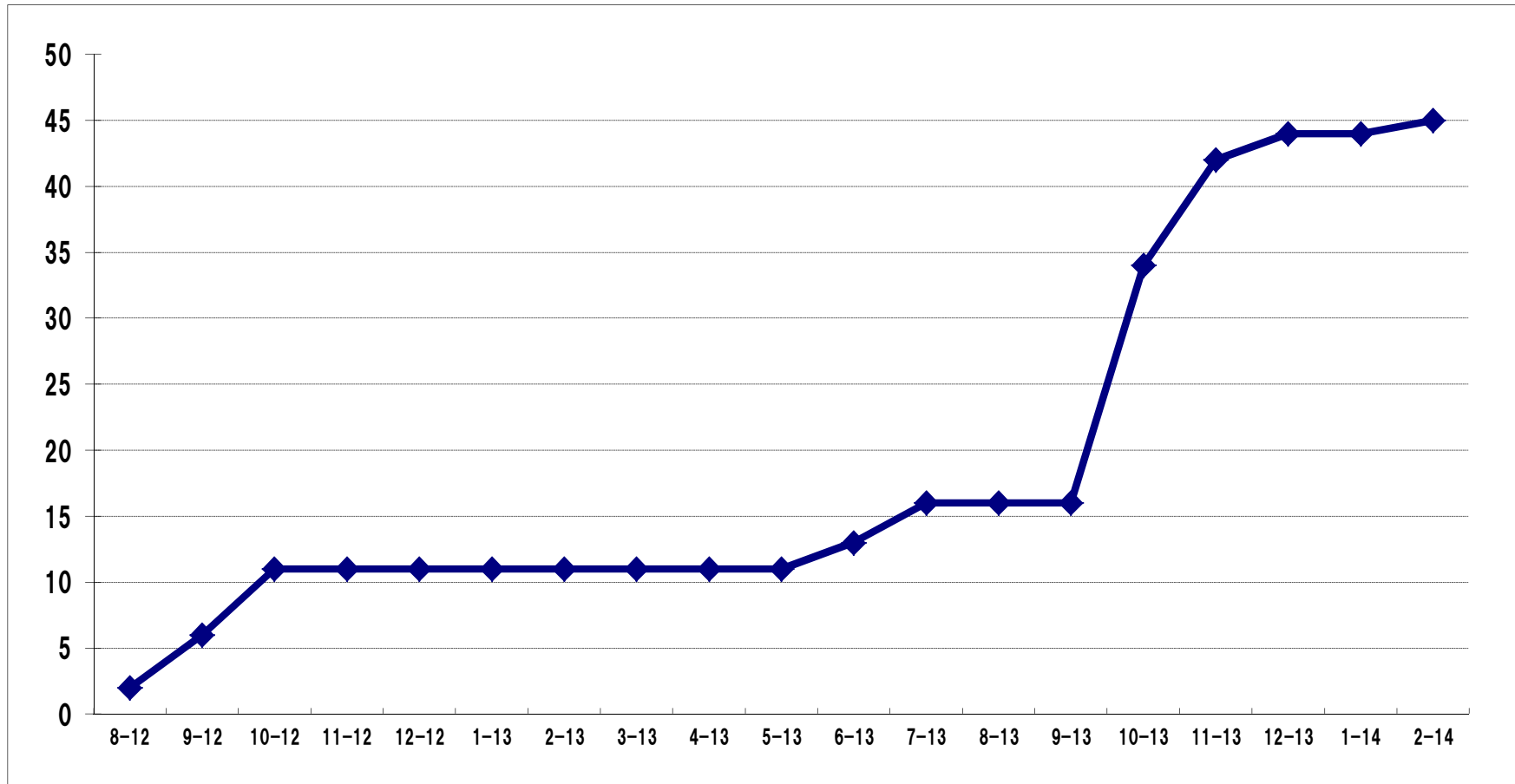
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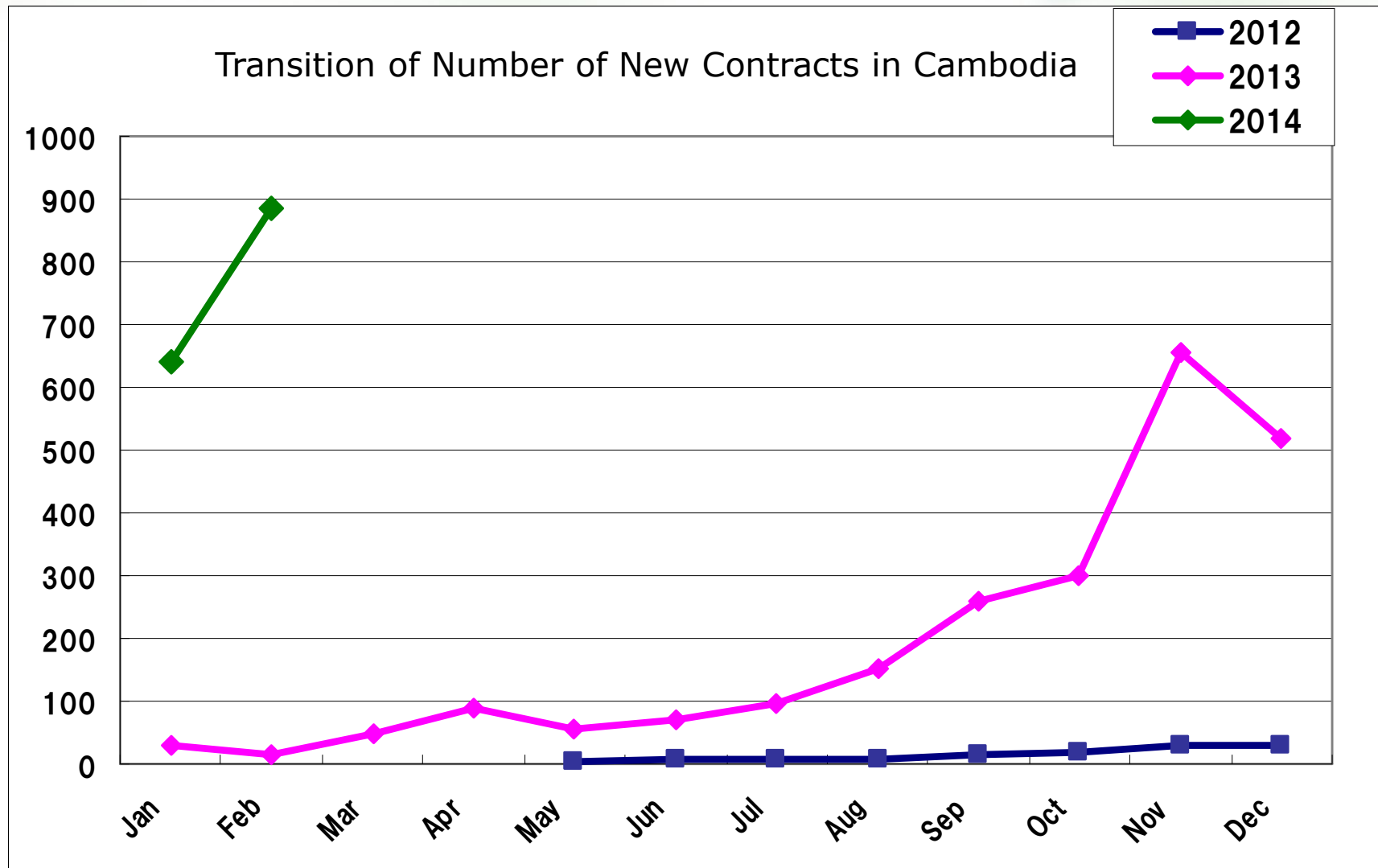
2: Finance Business (GLF Cambodia)

Transition of Motorcycle POS



Finance Business (GLF Cambodia)

Monthly Transition of Number of New Contracts



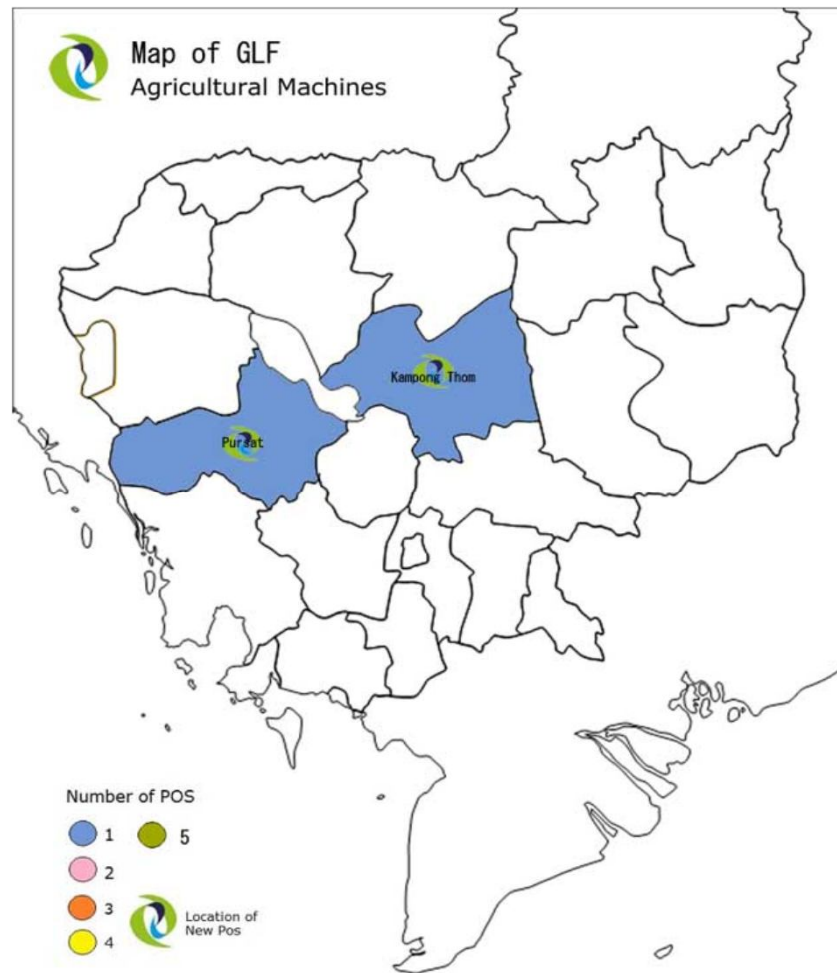
Finance Business (GLF Cambodia)

Cooperation with SIAM KUBOTA to initiate agricultural machine lease



Finance Business (GLF Cambodia)

Initiated Establishment of Agricultural Machine Lease POS



Finance Business (GLF Cambodia)

- ❖ Established POS of Agricultural Machine Lease



Finance Business (GLF Cambodia)

❖ Photos of KUBOTA FAMILY DAY held at Kampong Thom Province



Finance Business (GLF Cambodia)



The background of the slide features a soft-focus image of green leaves and water droplets. The leaves are scattered across the top and right sides, while two prominent water droplets are located in the bottom right corner. The overall aesthetic is clean and natural.

Entertainment Business



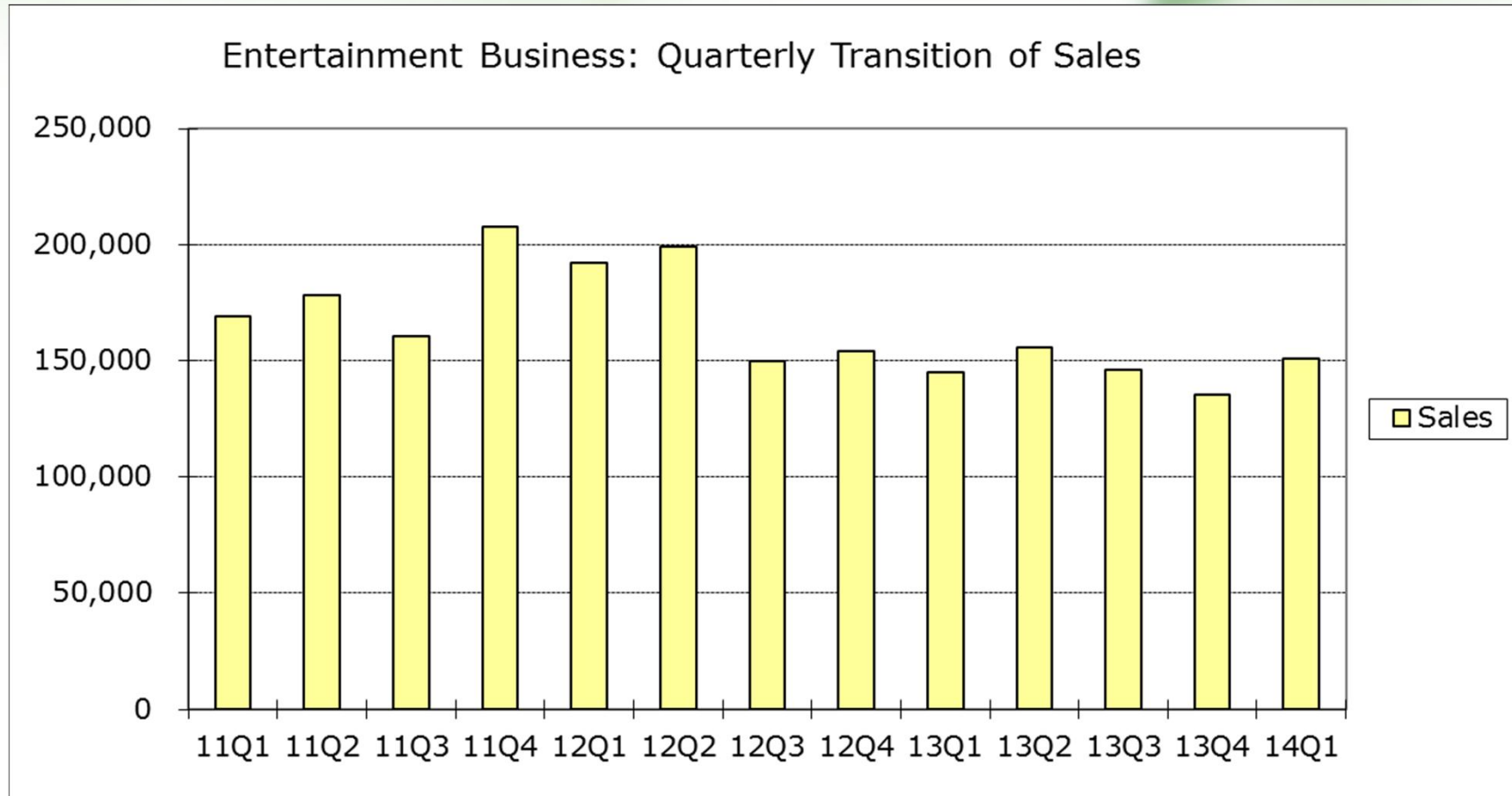
Entertainment Business

- ❖ Continued uphill battle due to withdrawals of existing clients from the publishing business this term.

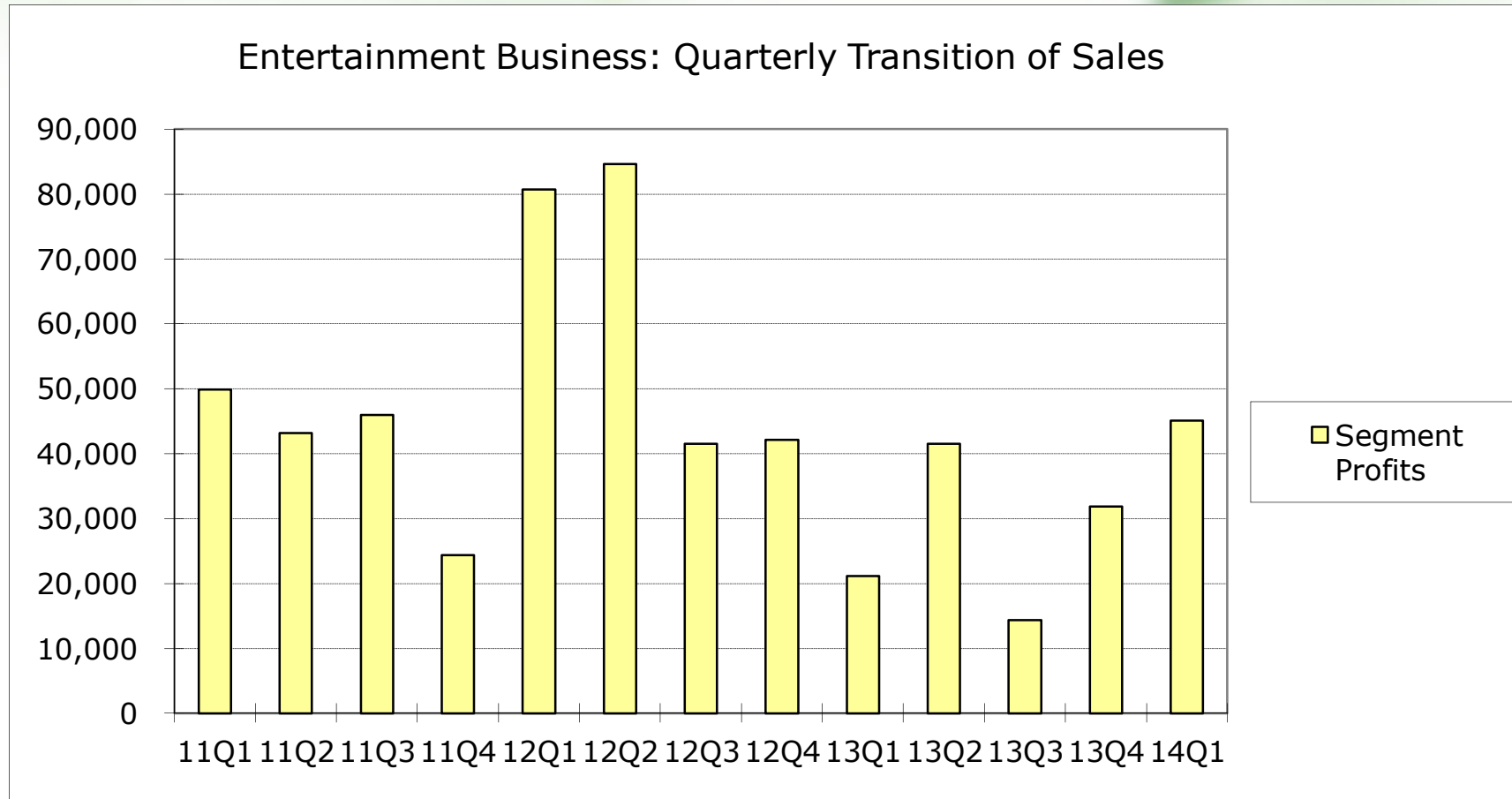
The entertainment business will implement the following preparations

1. Acquisition of new clients & contents and relate closely with existing clients
2. Equip a “Free-environment” that promotes Pioneer Spirit
3. Multilingual development throughout Asia

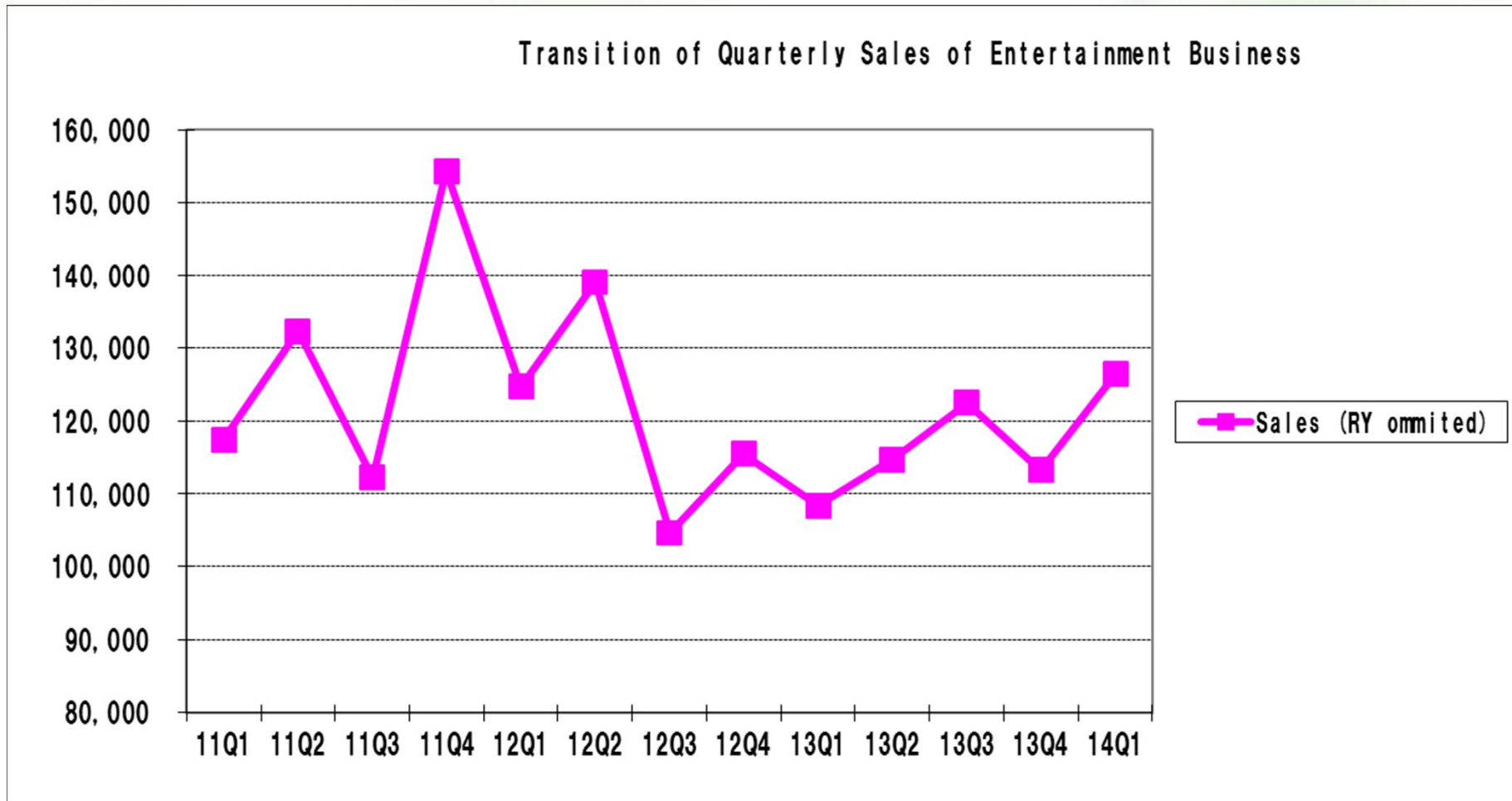
Transition of Business Results of Entertainment Business



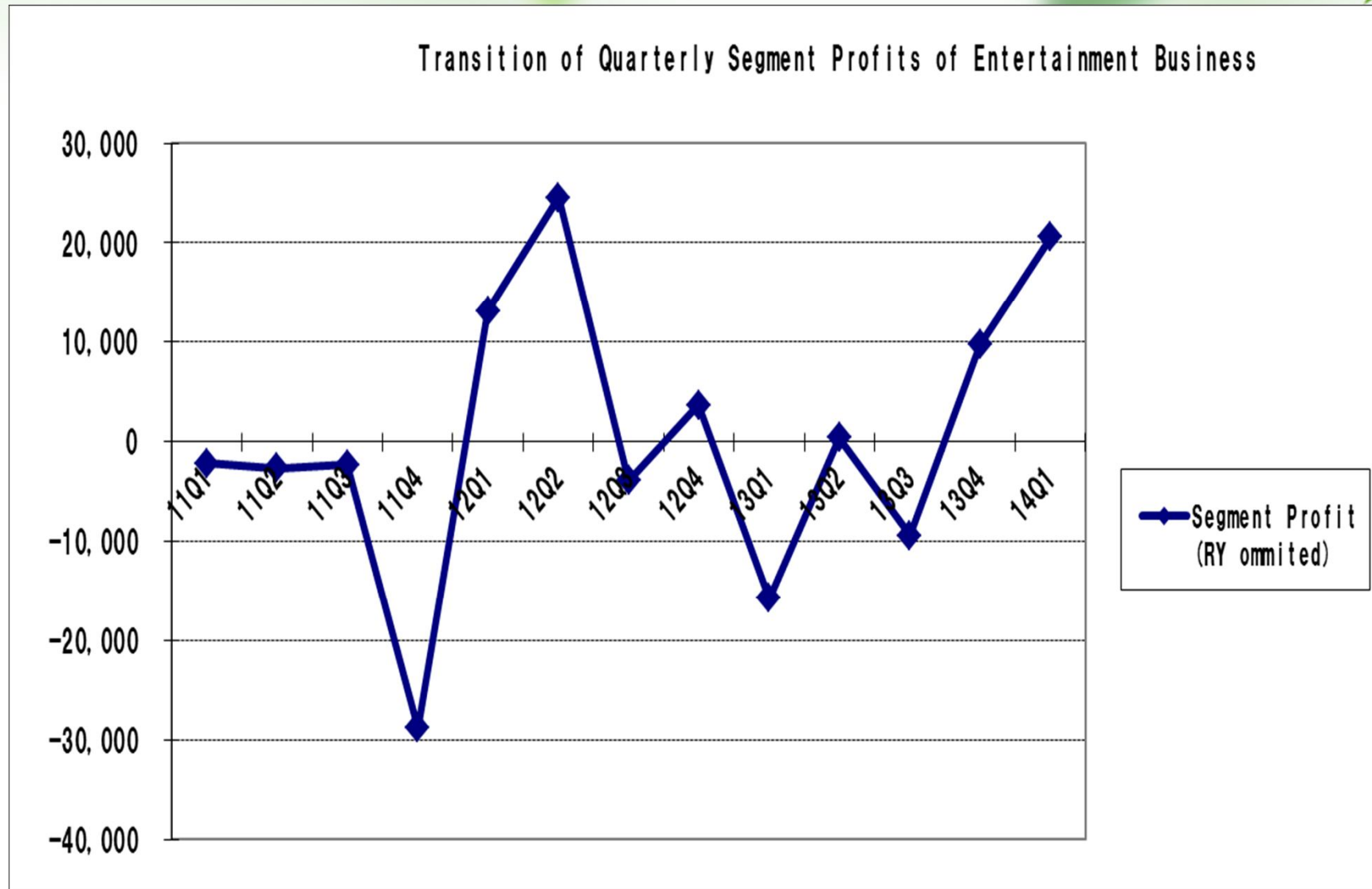
Transition of Business Results of Entertainment Business



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Transition of Business Results of Entertainment Business





Thank you!

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※*These materials include statements concerning the future, but these statements are not a guarantee of future results. Furthermore, the contents of these materials has not been audited and neither its accuracy nor certainty is guaranteed.