

20 November, 2014

To whom it may concern

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Explanation of Financial Results for the Period Ended 30 September 2014

Wedge Holdings Co., LTD recently released financial results for the period ended 30 September 2014. We hereby would like to explain concisely our company policy and the financial results for this year to our shareholders, business partners, and investors for your better understanding.

1. Performance for the present period

Our performance for this period is as stated below.

	Full-year actual result for 2014	Full-year actual result for 2013	Year-on-year	Full-year forecast for 2014	Completion %
Net Sales	5,995	4,875	123.0%	5,700	105.2%
Operating Income	311	791	39.3%	700	44.4%
Ordinary Income	389	857	45.4%	700	55.6%
Net Income	80	490	16.3%	40	200.0%

Although the net sales showed favorable growth and the net income exceeded forecast, the overall income decreased as a result. Below are the factors for these results.

- (1) Finance business which has major impact on our financial performance has accomplished its business expansion. However, our performance was affected by the economic slowdown in Thailand, therefore we had to increase more allowances for doubtful accounts.
- (2) New business in entertainment business started to make profit contribution, the sales in Japan domestic continued in a gradual uptrend
- (3) Both of finance business and entertainment business has actively invested for medium- to long-term growth. Therefore, investment and development costs increased.

As a result of the above mentioned factors, performances by segment are as stated below.

Segment		Q4 September 2013 period	Q4 September 2014 period	Year-on-year
Finance Business	Sales	4,113,405	5,373,421	130.63%
	Segment Profits	979,567	508,711	51.93%
Entertainment Business	Sales	582,972	620,939	106.51%
	Segment Profits	108,961	149,197	136.93%

2. Business policy and activities for this period

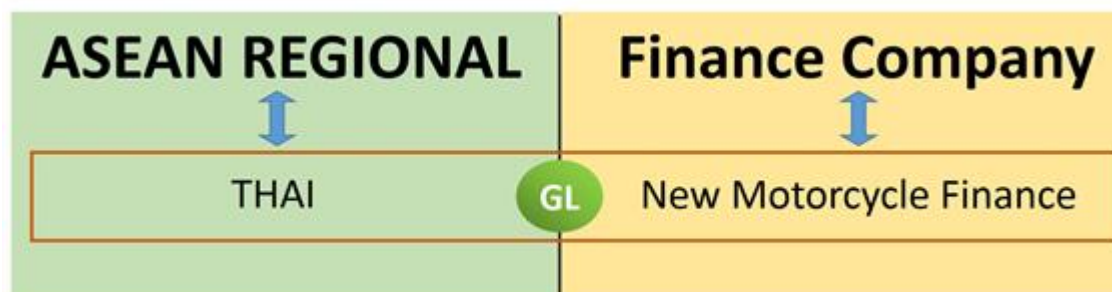
In this year, we moved forward with business development activities in both finance business and entertainment business in order to achieve our medium term business plan "Acceleration Plan". We hereby explain what we executed.

(1) Finance business

As we informed on 29 March, 2012, Group Lease PCL (GL) announced the ASEAN Regional Finance Company Vision (ARFC). (Announcement provided only in Japanese: http://www.wedge-hd.com/cms_v2/assets/files/IR/NEWS/2012/i201203292.pdf)

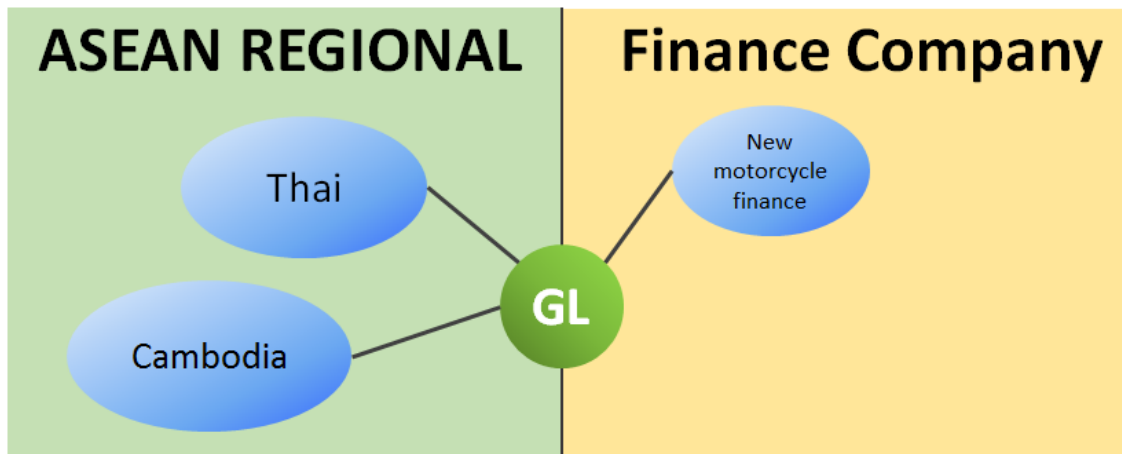
The vision of ARFC made a major shift in a direction of our finance business. Until then, GL's business specialized in new motorcycle finance domestically in Thailand. With a new vision, GL commit to international business expansion to ASEAN (Vision "A") and diversify its finance business new motorcycle (Vision "B").

Upper part of the following chart shows the new direction and bottom part shows the old direction.



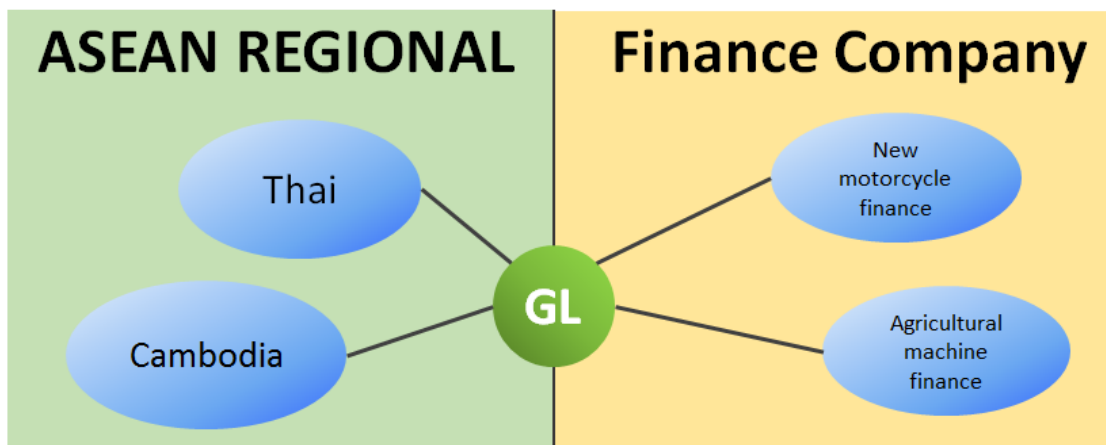
<1 October, 2013>

Early in this period, as of 1 October, 2013, GL with a long year experience for motorcycle finance in Thailand, started to provide new motorcycle finance service in Cambodia as the first finance company and the only financial provider for HONDA who hold a dominant position on the Cambodian motorcycle market (Vision "A").

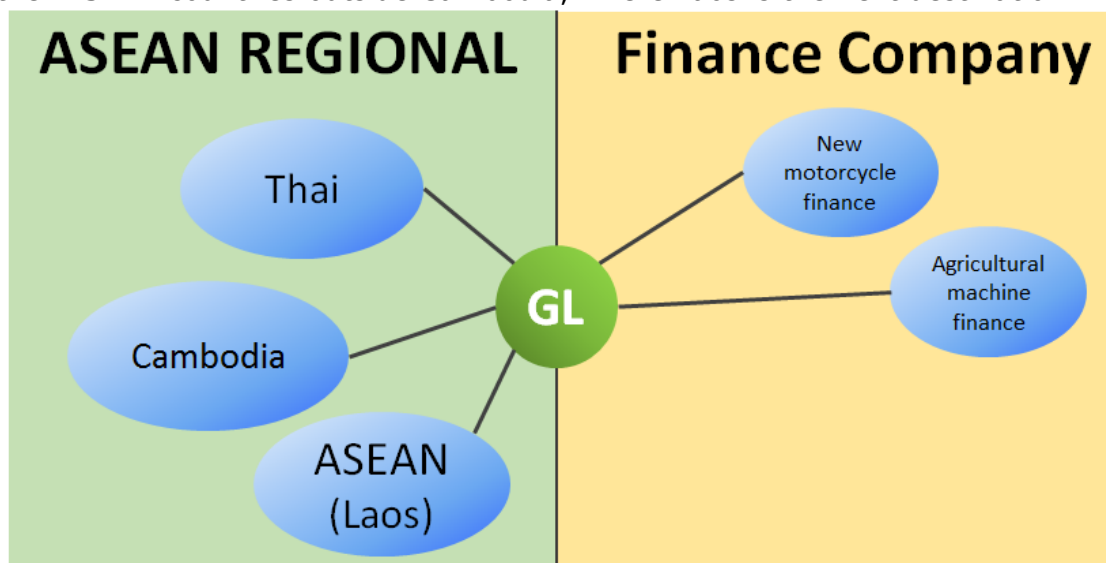


<23 January, 2014>

Afterward, as we announced on 6 September, 2013, GL Finance PLC (GLF) signed a business alliance with SET listed major agricultural machine manufacturer SIAM Kubota Corporation Co., Ltd. and initiated the agricultural machine lease on 23 January, 2014 in Cambodia (Vision "A" and "B").



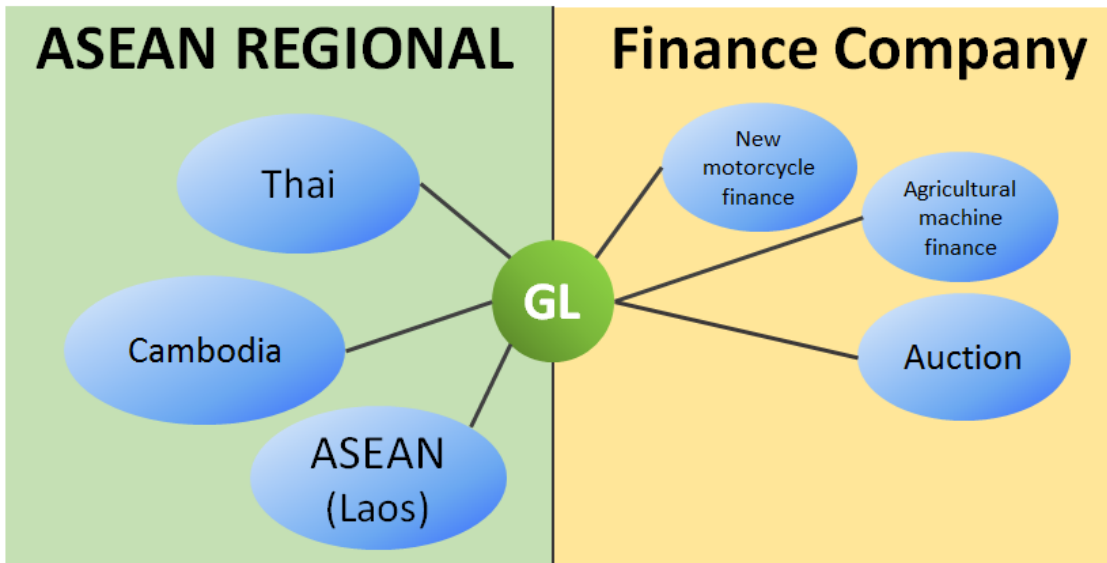
Furthermore, GL is proceeding with negotiations and other preparations for business expansion to other ASEAN countries outside Cambodia, where Laos is the next destination.



<12 June, 2014>

We started operating a new auction facility in Thailand and we managed to be a leading auction operating company in Thailand. This allowed us to increase our impact on used motorcycle market (Vision "B").

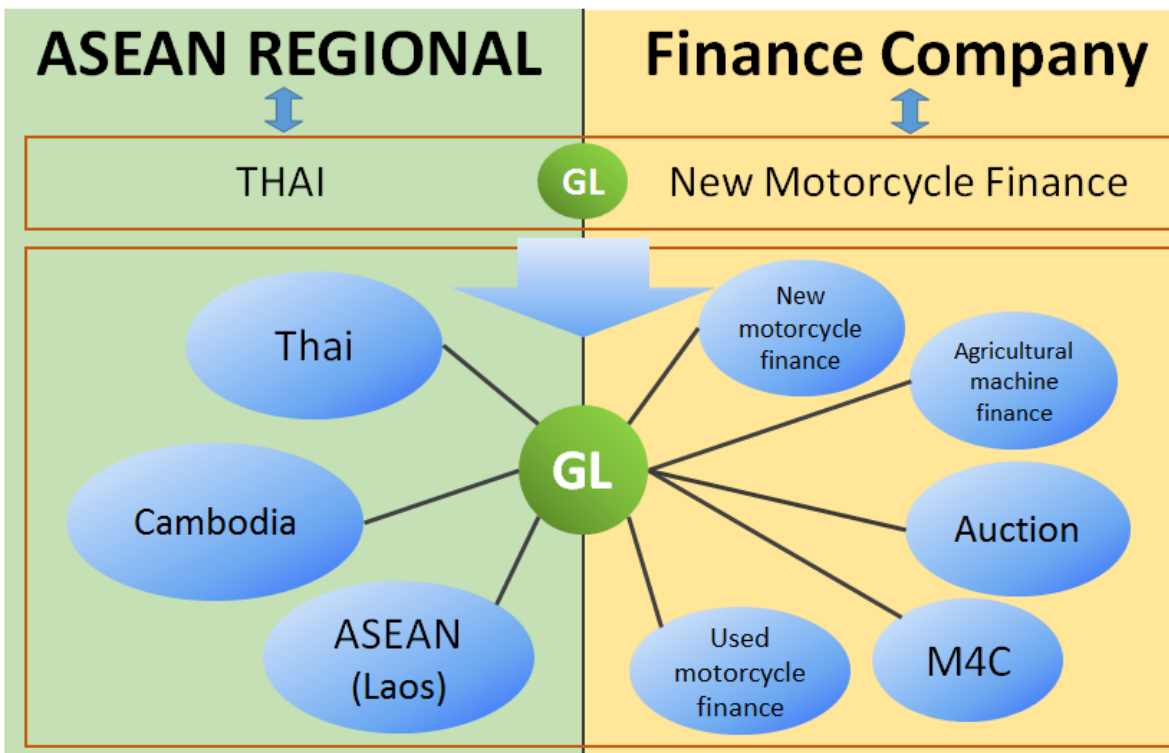
http://www.wedge-hd.com/cms_v2/assets/files/NEWS/2014/p20140612e.pdf



<18 June, 2014>

GL decided on acquisition of the domestic competitor Thanaban Company Limited. Refer to: http://www.wedge-hd.com/cms_v2/assets/files/NEWS/2014/p20140618e.pdf (Their acquisition was successfully completed as we announced.)

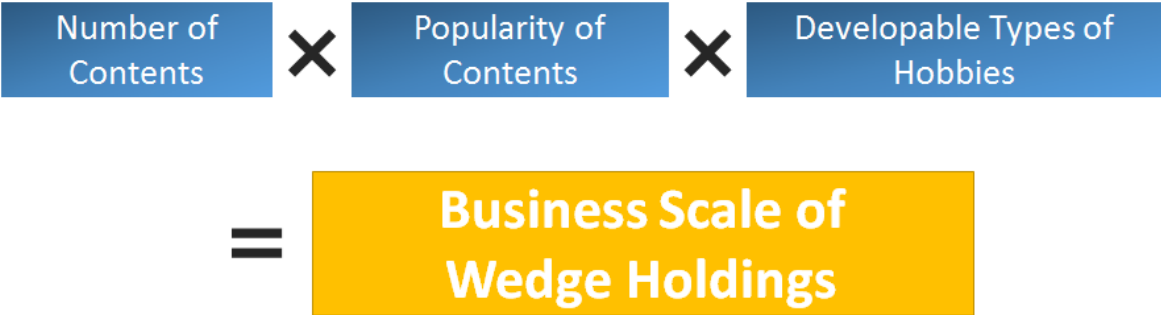
By this acquisition, GL, who used to specialize in providing lease finance for new motorcycle buyers in Thailand, dramatically expanded their current business and penetrate into two new business fields of "Motorcycle secured Loan (M4C=Moto for Cash)" and "Used motorcycle finance lease". The company is currently undertaking structural reform and making efforts to grow these two new businesses (Vision "B").



Thus, we have now progressed in both Vision A and B aggressively but in a steady manner to materialize the vision of ARFC. As you can see by comparing the current chart with the chart represented for 1 October, 2013, we made a huge step forward for international expansion and multifaceted expansion within only one year. In our current situation, the rapid expansion could weight on short-term profit in a sense. However, it is the investment and development costs for our dramatic medium- to long-term growth, and we have continued suitable and meaningful activities based on our visions.

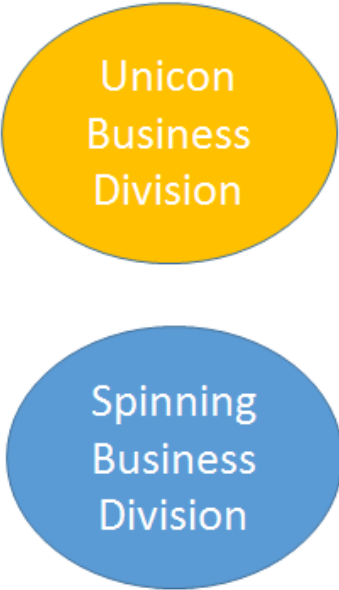
(2) Entertainment business

As for entertainment business, building long-term relationship of mutual trust with the contents holders is considered as the essence of our entertainment business. Based on these relationships, our business is made of developing various contents into different types of hobbies. The business is shown in the following formula.



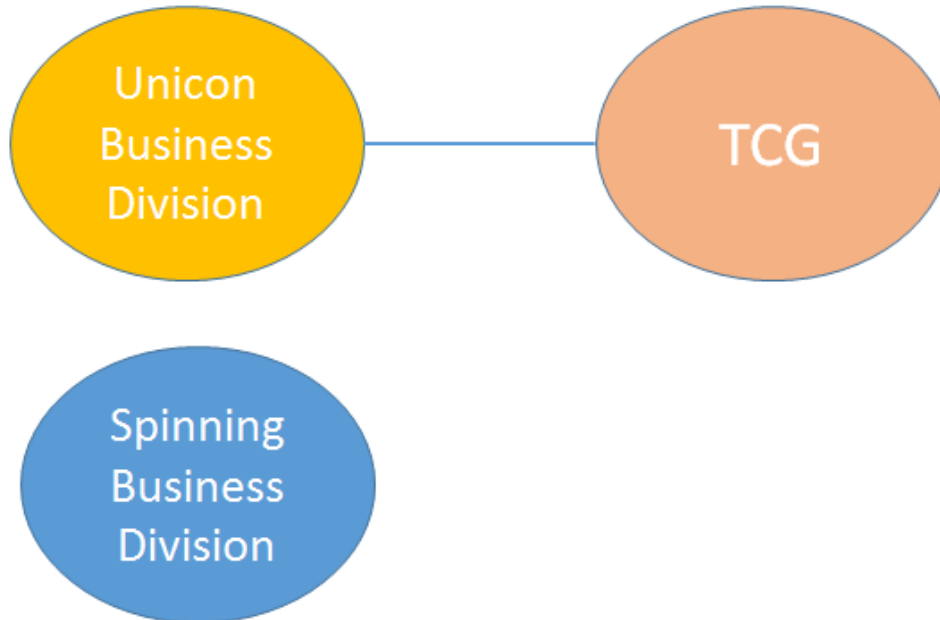
Together with intensifying activities in acquiring more contents, we increased manpower, reformed personnel affairs for enhancement of creativeness in the company, and taken various new measures in order to increase the variation of hobbies we can create.

Our business as of 1 October 2013 is shown as below.



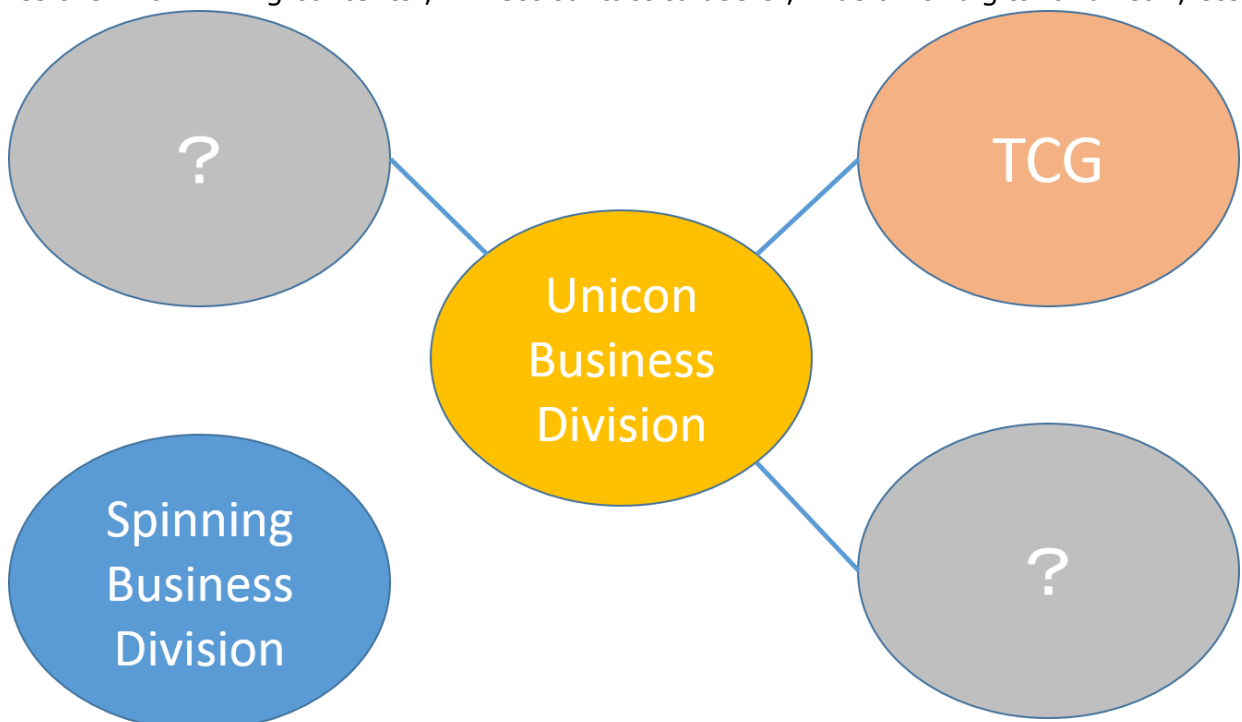
<1 July, 2014>

In entertainment businesses, by utilizing our advantages, some divisions such as trading card game (TCG) and development and operations support were seen a rapidly growth . Therefore, we established a new independent card game business division (Card Game Guild).



<1 October, 2014>

At the moment, we continue to deploy other new businesses. In accordance with this, we are getting new more staff. Also, by improving staff participation, we created internal system to allow our staff's passionate and favorites to sublimate into company activities. Keywords for our measures are "Maximizing contents", "Direct contact to users", "Fusion of digital and real", etc.



Thus, we have worked on various new exploitations for this year in entertainment business and expanded them furthermore. Financial results for entertainment business showed rapid profit growth for this year, but it might be just our luck. Our activities hardly cause the similar result but would rather weigh on short-term profit. However, we will continue investment and development to pursuit dramatic long term business growth as our primary goal.

3. Overall review

As explained above, this year is consider a year for business expansion and business diversification for both finance business and entertainment business. We will continuously focus on medium- to long-term dramatic growth, keep unwavering business policy, and expand business development.

We greatly appreciate your continuing support as our shareholders, business partners, investors, and employee.

Thank you.