

Announcement of Acquisition of Wizlearn Technologies Pte. Ltd.,
an Education platform provider in Singapore,
and New Loan

October 5, 2015

Company name: V-cube, Inc.

Securities code: 3681

Stock exchange listings: The First Section of the Tokyo Stock Exchange

URL: (Japanese) <http://jp.vcube.com/> (English) <http://www.vcube.com/>

V-cube Global Services Pte. Ltd. (Location: Singapore, hereafter "VGS"), V-cube group's subsidiary and holding company of APAC region, has reached an agreement for the acquisition of Wizlearn Technologies Pte. Ltd. (Location: Singapore, hereafter "Wizlearn"), an education platform provider in Singapore, with the largest education platform provider in India, Educomp Solutions Ltd. (Location: India) whose subsidiary, Educomp Intelliprop Ventures Pte. Ltd. (Location: Singapore, hereafter "EIV"), is the mother company of Wizlearn. Details regarding the acquisition are described as follows.

1. Purpose of acquisition

V-cube group has considered the use of visual communication in the education industry one of the important pillars of its growth strategy. Beyond the development of solutions for education, V-cube has also acquired PioneerVC Corporation (previously named Pioneer Solutions Corporation and it was 100% subsidiary of PIONEER CORPORATION) – a company offering Smart Board and ICT solutions for education (e.g. for Active Learning) with high market share – in May 2014.

Wizlearn has 16 years of service offering history and more than 50% market share among public schools in Singapore, world's leading city for education ICT. Wizlearn's services can be integrated with various backend systems such as Microsoft Active Directory, SAP, Oracle Peoplesoft. This grants the company credibility and reliability. In recent years, besides schools, Wizlearn's services are used by many multinational companies including Japanese companies such as The Bank of Tokyo-Mitsubishi UFJ, Ltd. for training of employees as an education platform, proving Wizlearn's capability to provide customization and installation support, which are important for many multinational companies based in Singapore.

However, while offering high customer satisfaction with superior product helps stabilize high profitability, the operation of Wizlearn is limited to Singapore, the growing needs in other markets in Asia for education ICT solution and enterprise training has not been addressed.

As V-cube group is looking to become "Asia's No.1 Visual Communication Platform", this acquisition offers new integrated visual communication solutions for education and enterprise markets in Asia, thus boosting growth of the group.

From now onward, V-cube and Wizlearn will collaborate to integrate Wizlearn's Singapore market share No.1 education platform with V-cube's No.1 visual communication to create a new service dedicated to education with real-time components. This integrated solution is to offer V-cube services to Wizlearn's existing customers in Singapore including many school, education agencies and enterprises, while utilizing V-cube's network in China and Japan to offer Wizlearn's solution to various education networks and enterprise training opportunities.

In the near future, V-cube group aims to tackle other Asia markets such as Thailand, Malaysia, Indonesia, etc., to promote ICT of education and create new standards of education infrastructure as well as Singapore, Japan and China.

2. Transaction of acquisition and New loan

This acquisition proceeds with cash payment and borrowing of funds for the acquisition will be carried out as follows. The return of borrowed funds will be handled with free cash flow from the growth of Wizlearn business from now onwards.

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| 1) Purpose of the loan | Acquisition of shares of Wizlearn, payment of advisory expenses etc. |
| 2) Amount of the loan | 1,680 million JPY (20,000 thousand SGD) |
| 3) Lender | The Bank of Tokyo-Mitsubishi UFJ, Ltd. |

*In this document, SGD to JPY rate is 1 SGD = 84 JPY (our estimate on October 5, 2015)

3. Overview of Wizlearn

(1) Name	Wizlearn Technologies Pte. Ltd.		
(2) Address	10 Science Park Road, #03-13 The Alpha, Singapore Science Park II, Singapore		
(3) Representative	Victor Yuk Yung Ki, Chief Executive Officer		
(4) Business	Education Platform		
(5) Capital	9,821,954.20 SGD		
(6) Establishment	August 24, 1999		
(7) Shareholders	Educomp Intelliprop Ventures Pte. Ltd. 100.0%		
(8) Relations between V-cube Group and Wizlearn	Capital	N/A	
	Personnel	N/A	
	Business	N/A	
(9) Consolidated business results and financial position for past three years (thousands of SGD, except per share amounts)			
Fiscal Year	Fiscal Year ended March 31, 2013	Fiscal Year ended March 31, 2014	Fiscal Year ended March 31, 2015
Revenue	10,128	10,391	11,447
Profit before Tax	508	2,864	3,487
Net Profit	564	2,864	3,487
Net Profit per share	0.11	0.56	0.69
Dividend per share	—	—	—
Total Equity	12,135	14,999	18,487
Total Assets	13,495	15,676	19,286
Total Equity per share	2.39	2.95	3.64

4. Overview of EIV

(1) Name	Educomp Intelliprop Ventures Pte. Ltd.	
(2) Address	8 Shenton Way, #47-01 AXA Tower, Singapore	
(3) Representative	Shantanu Prakash, Director	
(4) Business	Intellectual property holding company	
(5) Capital	610 thousand Euro	
(6) Establishment	December 11, 2009	
(7) Total Equity	- 5,115 thousand Euro	
(8) Total Assets	14,262 thousand Euro	
(9) Shareholder	Educomp Solutions Ltd. 100.0%	
(10) Relations between V-cube Group and EIV	Capital	N/A
	Personnel	N/A
	Business	N/A
	Related Party Transactions	N/A

5. Overview of VGS

(1) Name	V-cube Global Services Pte. Ltd.
(2) Address	10 Collyer Quay, #03-06 Ocean Financial Centre, Singapore
(3) Representative	Naoaki Mashita, Director
(4) Business	V-cube group's holding company of APAC region
(5) Capital	550,000 SGD 3,004,000 USD

6. Number of shares acquired and ownership of shares before and after the acquisition

(1) Number of shares held before transfer	- share (voting rights: -) (voting rights holding ratio: - %)
(2) Number of shares to be acquired	Common stock 5,082,383 shares
(3) Acquisition price	Wizlearn's common stock 20,000 thousand SGD (1,680 million JPY)
	Advisory expenses etc. (Approx.) 60 million JPY
	Total (Approx.) 1,740 million JPY
(4) Number of shares held after transfer	5,082,383 shares (voting rights: 5,082,383) (voting rights holding ratio: 100.0%)

7. Schedule

(1) Resolution date	October 5, 2015
(2) Conclusion date of agreement	October 5, 2015
(3) Acquisition date	October 15, 2015 (scheduled)

8. Future Outlook

The potential impact on our earnings from this acquisition is at present difficult to estimate. V-cube is now reviewing its full-year consolidated business forecast for the fiscal 2015, the year ending December 31, 2015.

Information contained in this news release is current as of the date of the press announcement, but may be subject to change without prior notice.

The following English translation is for reference purposes only, as it was originally prepared and published by the Company in Japanese and is qualified in its entirety by the original Japanese version submitted to the Tokyo Stock Exchange. Please refer to the Japanese version in the event of any discrepancy between the English and Japanese versions.
