Introducing "the VR Factory for Media" Service with Solutions for Virtual Reality Media Companies

Hakuhodo DY Media Partners (HDYMP) is launching "the VR Factory for Media¹" service, a one-stop solution for media companies offering visual environments, distribution platforms, and content creation for virtual reality (VR) applications. HDYMP will be teaming up with Gateway Inc. to provide "the VR Factory for Media" service. (Hakuhodo DY Media Partners is headquartered in Minato-ku, Tokyo and is headed by President and CEO Hisao Omori. Gateway Inc. is headquartered in Kisarazu, Chiba Prefecture and headed by President and CEO Ryuta Nemoto.)

With 2016 being dubbed the first year of the virtual reality era, many companies are actively investing in the field and developing VR-related services. These trends have also encouraged our business partners in the media industry to invest their resources and run trials as well. Going forward, we are expecting even more business opportunities for boosting the value of media company content through VR technology. "The VR Factory for Media" is a complete solutions package that goes beyond the expected content creation services to include simple goggles for VR viewing, apps that allow users to view VR content on their smartphones, and payment functions/retail networks for selling VR content. As VR viewing environments become more widespread, our packages will expand further to include advertising distribution and more through VR Factory for Media platforms.

"The VR Factory for Media" has been adopted by Nippon Cultural Broadcasting (headquarter in Minato-ku, Tokyo and headed by President and CEO Akihiro Miki) for three popular programs on its "Cho! A&G+" internet radio station: "Sora Tokui no maaruku naare!" "Sachika Misawa no rajio wo kiku janne!" and "Kotaro Nishiama no taroyume!" Seven Net Shopping began taking pre-orders from listeners and consumers on Tuesday, November 22. The service has also been adopted by "the Guchi kiite TONIGHT2 VR" program broadcast by the Nagasaki Broadcasting Company, Kumamoto Broadcasting Company, and Minaminihon Broadcasting Company. Seven Net Shopping begins taking pre-orders from listeners and consumers on the date of this release, Friday, November 25. Media companies have also decided to introduce the service as we look to provide more VR content in the days and months ahead.

As Hakuhodo DY Media Partners develops and provides content and services using virtual reality technologies, the value of media company content will begin to increase as well.

¹ "The VR Factory for Media" is a one-stop virtual reality solution for media companies by Hakuhodo DY Media Partners. The service is offered in collaboration with "Hakuhodo-VRAR", a specialty VR/AR factory released on October 18, 2016 by Hakuhodo and Hakuhodo Product's.

■ For more information, contact:

Hakuhodo DY Media Partners

Public Relations Group c/o Yamasaki/Pen TEL: +81-3-6441-9347

About Gateway

Name: Gateway Inc.

Representative: President and CEO Ryuta Nemoto

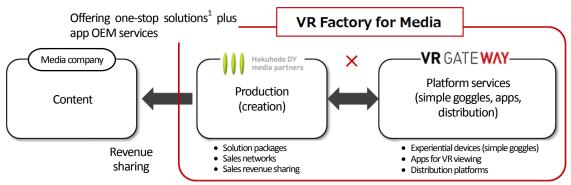
Head office: Kisarazu, Chiba Prefecture

Established: March 2014

On July 2016, coinciding with the release of "VR GATEWAY" (a VR content viewing application for smartphones), Gateway began serving as a VR content distribution agent and launched its retail business for GATESCOPE, simple VR goggles for smartphones. The company supplied 110,000 GATESCOPE units at summer music festivals. Gateway launched its app OEM business in August 2016, providing technologies for "dTV VR" and "FODVR".

Notes: Gateway had 53 VR content distribution agent accounts and a total delivery of 135,000 simple GATESCOPE VR goggles (including outsourced production) as of November 25, 2016.

VR Factory for Media overview



¹Customization and other additional features available at additional cost

QR Nippon Cultural Broadcasting's "Cho! A&G+" internet radio station

"Cho! A&G+" is internet radio station by Nippon Cultural Broadcasting specializing in anime and video game content. The company has added virtual reality content with never-before-seen immediacy and intense realism to three of the station's popular programs to positive audience reception.

Note: About ten minutes of special content was recorded for the virtual reality experience. It was not part of the regular programming.

The VR content can only be viewed via smartphone. The content is available as a set with the GATESCOPE simple VR goggles and a serial card for download for JPY 2,000 (plus tax). Seven Net Shopping began taking pre-orders on November 22, 2016 for a January 10, 2017 launch. Once users download the VR content with the serial card, they can view it using the VR GATEWAY app supplied by Gateway Inc.

"Guchi kiite TONIGHT2 VR"

Introducing new virtual reality content for the late-night terrestrial broadcast program "Guchi kiite TONIGHT2 VR" from the NBC Nagasaki Broadcasting Company, RKK Kumamoto Broadcasting Company, and MBC Minaminihon Broadcasting Company!

Three young women move to Tokyo from the countryside. The women live in a house together and share their frustrations in work and love... all in their native local dialects. The entire story is seen from the eyes of Ko-chan, a teddy bear that spies on all the action! It's a show made for lighthearted fun.

The VR content can only be viewed via smartphone. The content is available as a three-part set with the GATESCOPE simple VR goggles and a serial card for download for JPY 1,850 (plus tax). Seven Net Shopping begins taking pre-orders on November 25 for a December 16 launch. Once users download the VR content with the serial card, they can view it using the VR GATEWAY app supplied by Gateway Inc.