

October 31, 2016

To: All Concerned Stakeholders

Company: INFORMATION DEVELOPMENT CO., LTD.
Representative: Masaki Funakoshi, President and
Representative Director
(Securities code: 4709; TSE 1st Section)
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Notice on Stock Split, Partial Amendment of the Articles of Incorporation Due to the Stock Split, and Revision of Dividend Forecast (Increase)

At the board of directors meeting held on October 31, 2016, Information Development Co., Ltd. (the Company) resolved to carry out a stock split, partially amend the Company's Articles of Incorporation due to the stock split, and revise the Company's dividend forecast (increase).

1. Purpose of the stock split

To improve the liquidity of the Company's shares and broaden the investor base by lowering the value per investment unit.

2. Summary of the stock split

(1) Method

The common shares of the Company held by the shareholders entered or recorded in the final shareholder register on December 31, 2016 (Saturday) will be subject to a 1.5-for-1 stock split. However, the Company will buy or sell in lump sum the fractional shares that arise because of the split and pay the sale proceeds to the shareholders who end up holding a fractional share in proportion to that fractional share.

(2) Increase in the number of shares due to the split

(i) Number of outstanding shares before the stock split	8,029,535 shares
(ii) Increased number of shares due to the split	4,014,767 shares
(iii) Number of outstanding shares after the stock split	12,044,302 shares
(iv) Total number of authorized shares after the stock split	36,000,000 shares

(3) Change of capital

There will be no change to the Company's capital because of the stock split.

3. Timing of the stock split (schedule)

(1) Record date and public notice date: December 15, 2016 (Thursday)

(2) Record date: December 31, 2016 (Saturday)

(3) Effective date: January 1, 2017 (Sunday)

4. Adjustment of share option exercise price

The Company will adjust the exercise price per share regarding share options from January 1, 2017 due to the stock split as follows.

Date of resolution by board of directors	Subject individuals	Pre-adjustment exercise price	Adjusted exercise price
June 23, 2011	The directors, auditors, and employees of the Company and the Company's subsidiaries	547 yen	365 yen

5. Partial amendment to the Company's Articles of Incorporation due to the stock split

(1) Partial amendment to the Company's Articles of Incorporation due to the stock split

The Company will change the total number of authorized shares stated in Article 6 of the Company's Articles of Incorporation on January 1, 2017 (Sunday) according to the resolution by the board of directors, which was passed pursuant to the provision of Article 184.2 of the Companies Act due to the stock split.

(2) Details of the change to the Company's Articles of Incorporation

(The underlined sections show the changes that were made.)

Current Articles of Incorporation	Amended Articles of Incorporation
(Total number of authorized shares) Article 6 The total number of authorized shares of the Company is <u>24 million shares</u> .	(Total number of authorized shares) Article 6 The total number of authorized shares of the Company is <u>36 million shares</u> .

6. Revision of dividend forecast

The Company will revise the year-end dividend forecast for the fiscal period ending March 2017 that was stated in the **Summary of Financial Results for the Fiscal Period Ended March 2016 [Japanese Accounting Standards] (Consolidated)** released by the Company on April 28, 2016 as follows.

The continuous return of long-term, steady profits to shareholders is the cornerstone of the Company's profit distribution policy. The year-end dividend for the fiscal period ending March 2017 will not be adjusted due to the stock split, and the Company will set the year-end dividend to 37.00 yen after taking into account the increased dividend, based on the revised earnings estimate. When converting the pre-stock split year-end dividend forecast per share, the dividend-per-share amount will increase from 35.00 yen (previous forecast) to the revised 55.50 yen, which is an effective increase of 20.50 yen.

The stock split will be discussed at the ordinary general shareholders' meeting schedule for June 2017.

Annual dividend/share			
	End of second quarter	End of fiscal period	Total
Previous estimate (April 28, 2016 announcement)	—	35.00 yen	35.00 yen
Previous revision estimate (Before stock-split conversion)	—	37.00 yen (55.50 yen)	37.00 yen (55.50 yen)
Current term results	0.00 yen	—	—
Previous term results (Fiscal period ended March 2016)	0.00 yen	35.00 yen	35.00 yen

End of document.