

March 13, 2018

To All Concerned Stakeholders

Company: INFORMATION DEVELOPMENT CO.,LTD
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Notification of Initiation of Holding Company Formation Preparation

At our Board of Directors meeting today, Information Development Co., Ltd., from here on written as “the Company”, resolved to prepare for the transition to a holding company system on October 1, 2018 (scheduled), and therefore the Company informs you as follows.

The transition to a holding company system is planned to be carried out subject to obtaining approvals from the Company's ordinary general meeting of shareholders that is to be held on June 22, 2018, and authorizations from the relevant governmental authorities.

1. Background and Purpose of the change to a holding company system

The environment surrounding the IT services industry is witnessing dramatic changes never seen in the past, due to increasing sophistication on the needs of customers and acceleration in the pace of technological innovation.

In order to keep pace with this kind of environment, in our “I-vision 50,” the Company’s mid-term management plan that is currently underway, has adopted three fundamental policies considering work style reform: “Thorough business process reengineering (BPR),” “Establishment of new growth areas,” and “Strengthening group governance.”

In order to promptly and steadily promote these fundamental policy directions, to achieve further growth of the Group and to maximize corporate value, bearing in mind overall optimization, the Company determined that it was necessary to build a structure for managing the Group that enables nimble and flexible management decision making, and thus decided on a direction to shift to a holding company system.

2. Transition process

The Company shall announce specific methods for the transition as they are determined.

Together with the transition to a holding company system, there is also a plan to change the name of the company, and to maintain a listing as a holding company.

3. Future Plans

- April 27, 2018 (plan): Approval of related measures by the Board of Directors
- June 22, 2018 (plan): Approval by the ordinary general meeting of shareholders
- October 1, 2018 (plan): Transition to a holding company system

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