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Securities Code: 9715

March 4, 2010

To Those Shareholders with Voting Rights

Masataka Okuda
President and COO
transcosmos inc.
25-18, Shibuya 3-chome, Shibuya-ku,
Tokyo, Japan

NOTICE OF THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the Extraordinary General Meeting of Shareholders. The meeting will be held as described below.

If you are unable to attend the meeting, you can exercise your voting rights by paper ballot using the Voting Rights Exercise Form enclosed herein or electronically via the Company's website on the exercise of voting rights indicated on the Voting Rights Exercise Form (please refer to the instructions on page 2).

Please review the Reference Documents for the General Meeting of Shareholders shown in the following pages and either return the Voting Rights Exercise Form with your vote by postal mail or vote via the Internet by 5:50 p.m. of March 18, 2010 (Thursday).

1. Date and Time: 10:00 a.m., Friday, March 19, 2010

2. Place: Aoyama Diamond Hall 1st Floor (Diamond Room)
6-8, Kita-Aoyama 3-chome, Minato-ku, Tokyo

3. Agenda of the Meeting:

Proposals to be resolved:

Proposal Approval of Absorption-type Merger Agreement of transcosmos inc. with DoubleClick Japan Inc.

1. For those attending, please submit the enclosed Voting Rights Exercise Form at the reception desk on arrival at the meeting.
2. Please be notified beforehand that if it becomes necessary to amend any matters related to the contents described in the attached Reference Documents for the General Meeting of Shareholders, before the day preceding the General Meeting of Shareholders, it will be presented on the Company's website at: (<http://www.trans-cosmos.co.jp/e/ir/>).

Procedures for the Electronic Exercise of Voting Rights (via the Internet, etc.)

If you prefer to exercise your voting rights via the Internet, please accept the following conditions before exercising your rights.

1. Shareholders exercising their voting rights via the Internet can only do so via the website designated by the Company (shown below). They can also exercise their voting rights online by mobile phone.
(Website URL for the exercise of voting rights) <http://www.webdk.net>
*** If you have a mobile phone with barcode-reading capability, you can exercise your voting rights via the company-designated website by scanning the “QR code” to the right. For further details on the procedure, please refer to the operation manual for your mobile phone.**
2. If you are exercising your voting rights via the Internet, please enter the code and the password for the exercise of voting rights indicated on the Voting Rights Exercise Form attached herein and follow the instructions on the screen to register whether you approve or disapprove of each proposal.
3. Exercise of voting rights via the Internet is accepted until 5:50 p.m. of March 18, 2010 (Thursday). Note, however, that we would like to ask you to exercise your voting rights as soon as possible to ensure that we have sufficient time for tallying the votes.
4. If you exercise your voting rights twice, once by mail and once via the Internet, we will treat your Internet vote as the valid exercise of your voting rights, regardless of the time or date of arrival of your vote.
5. If you exercise your voting rights several times via the Internet, we will treat the most recent vote as the valid exercise of your voting rights.
6. Connection fees payable to the providers and communication expenses payable to telecommunication carriers (including telephone charges) when accessing the website for the exercise of voting rights will be borne by the shareholders.

System Environment for the Electromagnetic Exercise of Voting Rights (via the Internet, etc.)

The following system environment is required for the use of the website to exercise voting rights.

- 1) Access to the Internet
- 2) If you are to exercise voting rights using your personal computer, Microsoft® Internet Explorer 6.0 (or above) must be installed as your browser. Any PC hardware capable of supporting these browsers will be adequate.
- 3) If you are to exercise voting rights via mobile phone, the device must be capable of 128bit SSL telecommunication (encrypted communication). (For security reasons, the Company website is only configured to support mobile telecommunications (encrypted communication). Consequently, certain devices cannot be used.

(Microsoft® is a trademark of U.S. Microsoft Corporation in the U.S. and other countries.)

Inquiries about the Exercise of Voting Rights via the Internet

If you have any questions about the exercise of voting rights via the Internet, please call one of the following numbers.

Transfer Agent:	The Sumitomo Trust & Banking Co., Ltd. Stock Transfer Agency Department
Direct Line:	(Toll free) 0120-186-417 (accessible 24 hours; within Japan only)
Other inquiries:	(Toll free) 0120-176-417 (Weekdays 9 a.m. - 5 p.m.; within Japan only)

TSE Platform for the Electronic Exercise of Voting Rights

Management trust banks and other nominee shareholders (including standing proxies) who send in applications to use the “Electronic Voting Platform for Institutional Investors” (the “TSE Platform”) managed by ICJ Inc., founded by Tokyo Stock Exchange Group, Inc., may use the TSE Platform as an alternative to the conventional method of online voting described above.

Reference Documents for the General Meeting of Shareholders

Proposals and references

Proposal: Approval of Absorption-type Merger Agreement of transcosmos inc. with DoubleClick Japan Inc.

The Company entered into an absorption-type merger agreement with its subsidiary DoubleClick Japan Inc. (hereinafter referred to as “DoubleClick”) as of January 25, 2010 (such agreement hereinafter referred to as “this Absorption-type Merger Agreement”) to implement an absorption-type merger (hereinafter referred to as “this Merger”), with March 30, 2010 as the effective date of the merger, whereby the Company will survive and DoubleClick will dissolve.

This Merger shall be executed through a share exchange, which will become effective on March 29, 2010, whereby the Company will become the full parent company and DoubleClick will become a wholly-owned subsidiary (hereinafter referred to as “this Share Exchange”) pursuant to a share exchange agreement into which the Company and DoubleClick entered as of January 25, 2010.

Attendant upon this Merger, approximately 1.1 billion yen is expected to be posted as a loss on extinguishment of tie-in shares in the non-consolidated settlement of accounts of the Company. Accordingly, we ask our shareholders to approve this Absorption-type Merger Agreement pursuant to the proviso of Article 796, Paragraph 3 and provisions of Article 795, Paragraph 1 of the Company Law.

1. Reasons for Absorption-type Merger

Since its founding in 1966 as a pioneer in the data-processing outsourcing business, the Company has engaged in such businesses as digital marketing, support desk services, system development, and design services, centering on a call center service business. Today, as one of the leading outsourcers in Japan, the Company mainly provides a human “operation capability” in the domains of contact center, data entry, help desk, and Internet marketing. It has a stable customer base and capability to provide services in the outsourcing service sector.

Meanwhile, as a technology company, since its establishment, DoubleClick has been offering services that take advantage of new communications methods in the Internet era. However, the market environment surrounding DoubleClick has changed significantly due to a business downturn in the wake of the so-called Lehman Shock. In particular, DoubleClick is being urged by its clients to provide a “mechanism” for further expanding their sales and reducing costs.

Under such a violently changing environment, the Company and DoubleClick reached the conclusion, to further develop three businesses (mail distribution business, mobile promotion business, and website analysis business) of DoubleClick, excluding the DART business DoubleClick plans to sell to Google Inc. (hereinafter referred to as “Google of the U.S.”) or its subsidiary (combined with Google of the U.S., hereinafter referred to as “Google of the U.S., etc.”) (as for the outline of the said business transfer, please refer to 3. (3) 2) (c), mentioned later), they will engage in the three businesses as part of comprehensive solutions with a view to optimizing Marketing Chain Management (MCM) as a whole, in which these businesses are merged with an “operation capability” provided by the Company, rather than engage in these businesses separately, so that these businesses better meet the needs of clients and enhance the growth potential and future prospects of the management resources held by DoubleClick. Against this backdrop, the Company and DoubleClick decided to implement this Merger.

This Merger of the two companies is aimed at maximizing the group synergies of the Company and increasing the corporate value of the Company by uniting the operational capabilities of the Company, an outsourcer, and technologies of DoubleClick, a technology provider.

2. Details of Absorption-type Merger Agreement

The details of this Absorption-type Merger Agreement, into which the Company and DoubleClick entered on January 25, 2010, are as follows:

Absorption-type Merger Agreement (copy)

transcosmos inc. (hereinafter referred to as “transcosmos”) and DoubleClick Japan Inc. (hereinafter referred to as “DoubleClick”) enter into an Absorption-type Merger Agreement (hereinafter referred to as “this Agreement”) on January 25, 2020 (hereinafter referred to as the “Agreement Date”) concerning the merger of transcosmos and DoubleClick, as follows:

Article 1 (Method of Merger)

transcosmos and DoubleClick shall merge, whereby transcosmos will survive and DoubleClick will dissolve (hereinafter referred to as “this Merger”).

Article 2 (Trade Name and Address)

The trade names and addresses of transcosmos and DoubleClick are as specified in the following items:

- (i) transcosmos: Surviving company as a result of the absorption-type merger

Trade name: transcosmos inc.

Address: 25-18, Shibuya 3-chome, Shibuya-ku, Tokyo, Japan

- (ii) DoubleClick: Absorbed company as a result of the absorption-type merger

Trade name: DoubleClick Japan Inc.

Address: 20-6, Oi 1-chome, Shinagawa-ku, Tokyo, Japan

Article 3 (Matters Regarding Cash or Other Consideration Delivered upon this Merger and Allotment of Cash or Other Consideration)

Because transcosmos owns all the shares of DoubleClick on the day immediately prior to the Effective Date (to be defined in Article 5; hereinafter, the same shall apply), it shall not deliver to the shareholders of DoubleClick cash or other consideration (including shares of transcosmos and cash) for the shares held by them upon this Merger.

Article 4 (Matters Regarding Stock Acquisition Rights Issued by DoubleClick)

DoubleClick shall acquire and retire the stock acquisition rights issued by DoubleClick up to the Agreement Date, by the day immediately prior to the Effective Date.

Article 5 (Effective Date of this Merger)

The date on which this Merger becomes effective (hereinafter referred to as the “Effective Date”) shall be March 30, 2010; provided, however, that the Effective Date may be changed after mutual consultation between transcosmos and DoubleClick if such is necessary due to the progress of the procedures for this Merger.

Article 6 (General Meeting of Shareholders)

- (1) transcosmos shall convene a general meeting of shareholders on March 19, 2010 and call for resolutions to approve this Agreement and matters required for this Merger; provided, however, that this process of shareholder approval may be changed after mutual consultation between transcosmos and DoubleClick if such is necessary due to the progress of the procedures for this Merger or for other reasons.
- (2) Pursuant to the provisions of the short-form merger in Article 784, Paragraph 1 of the Company Law, DoubleClick shall carry out this Merger without obtaining the approval of a general meeting of shareholders, stipulated in Article 783, Paragraph 1 of the same law, regarding this Agreement, because transcosmos owns all the shares of DoubleClick on the day immediately prior to the Effective Date.

Article 7 (Transfer of Corporate Assets)

- (1) DoubleClick shall transfer to transcosmos its assets, liabilities, and any other rights and obligations on the Effective Date, identifying them in its balance sheets as of December 31, 2009 and other financial statements as of that same day, and making additions and exclusions concerning increases or decreases that occur during the period from December 31, 2009 to the Effective Date, and transcosmos shall succeed to them.
- (2) DoubleClick shall clearly indicate transcosmos the details of changes to its assets, liabilities, and any other rights and obligations that occur during the period from December 31, 2009 to the Effective Date by attaching a separate statement of accounts.

Article 8 (Other Organizational Restructuring, etc.)

- (1) transcosmos and DoubleClick shall confirm that they will enter into a share exchange agreement on January 25, 2010, whereby transcosmos will become the wholly owning parent company and DoubleClick will become a wholly-owned subsidiary, and that they plan to carry out a share exchange, with March 29, 2010 as its effective date (hereinafter referred to as the "Effective Date of Share Exchange"), on condition that approval of the agreement shall be obtained at a general meeting of shareholders of DoubleClick, to be held during March 2010.
- (2) transcosmos and DoubleClick shall confirm that they will enter into an Asset Purchase Agreement with Google Inc. (hereinafter referred to as "Google of the U.S.") as of January 25, 2010, and that DoubleClick (in case this Merger becomes effective, transcosmos) will transfer part of its business to Google of the U.S. and its subsidiary (hereinafter referred to as "this Business Transfer") on March 31, 2010 in accordance with the said agreement.
- (3) transcosmos and DoubleClick shall confirm that DoubleClick plans to change its trade name to TCI MCM Solution Inc. as of March 31, 2010 on condition that approval shall be obtained for the proposed amendment to the Articles of Incorporation at the general meeting of shareholders of DoubleClick, scheduled to be held during March 2010.

Article 9 (Management of Corporate Assets, etc.)

transcosmos and DoubleClick shall execute their respective businesses with the duty of care of a good manager during the period from the Agreement Date to the Effective Date, except as otherwise specified in this Agreement. If a party intends to carry out an act that is outside the scope of ordinary business, that party shall consult with the other party hereto and carry out the act upon mutual consent.

Article 10 (Amendment of Merger Terms and Conditions and Cancellation of This Agreement)

- (1) During the period from the Agreement Date to the Effective Date, if, due to a natural disaster or other such event, any material change occurs to the property or management conditions of either of transcosmos or DoubleClick, or events that would seriously hinder the execution of this Merger, transcosmos and DoubleClick may, upon prompt mutual consultation and consent, amend the terms and

conditions of this Merger or cancel this Agreement.

(2) Other than the cases specified in the preceding paragraph, if it is rationally expected that this Business Transfer will not be carried out on March 31, 2010, transcosmos and DoubleClick may, upon prompt mutual consultation and consent, change the Effective Date or cancel this Agreement.

Article 11 (Validity of Agreement)

This Agreement shall be void if, by the day immediately prior to the Effective Date, (i) the resolution to approve this Agreement is not obtained at the general meeting of shareholders of transcosmos; (ii) the share exchange specified in Article 8, Paragraph 1 does not become effective on the effective date of share exchange; or, (iii) the approval of the relevant authorities specified in laws and regulations cannot be obtained by the day immediately prior to the Effective Date.

In witness whereof, transcosmos and DoubleClick shall execute this Agreement in duplicate, affix the name and seal, and retain one copy each.

January 25, 2010

transcosmos:

Masataka Okuda, President and COO

transcosmos inc.

25-18, Shibuya 3-chome, Shibuya-ku, Tokyo, Japan

DoubleClick:

Yoshimitsu Nakayama, President and CEO

DoubleClick Japan Inc.

20-6, Oi 1-chome, Shinagawa-ku, Tokyo, Japan

3. Outline of Items Listed in Article 191 of the Enforcement Regulations for the Company Law

(1) Matters concerning the reasonableness of the absence of provisions on the matters listed in Article 749, Paragraph 1, Items 2 and 3 of the Company Law

This Merger shall become effective upon effectuation of this Share Exchange. Because the Company, the surviving company as a result of the absorption-type merger, owns all the shares of DoubleClick, the absorbed company as a result of the absorption-type merger, on the day immediately prior to the Effective Date of this Merger, the Company shall not deliver to the shareholders of DoubleClick cash or other consideration (including shares of the Company and cash) for the shares held by them.

(2) Details of financial statements of DoubleClick for the final fiscal year

As described in the reference documents given from page 11 to page 39.

(3) Events occurring after the end of the final fiscal year of the companies undertaking the merger that significantly affect the status of corporate assets

1) The Company

(a) Share exchange with DoubleClick

The Company and DoubleClick entered into a share exchange agreement concerning this Share Exchange, whereby the Company is the wholly-owning parent company and DoubleClick is a wholly-owned subsidiary. The Share Exchange is summarized as follows:

(i) Effective Date

This Share Exchange is planned to be implemented, with March 29, 2010 as its Effective Date, on condition that approval is obtained at an extraordinary general meeting of shareholders of DoubleClick, scheduled for March 8, 2010. At the Company, this Share Exchange is planned to be carried out without obtaining approval for the share exchange agreement at a general meeting of shareholders in accordance with the procedures for simple share exchange, specified in Article 796, Paragraph 3 of the Company Law.

As a result of this Share Exchange, the stock of DoubleClick will be delisted on March 24, 2010.

(ii) Number of shares to be delivered through this Share Exchange

Through this Share Exchange, the Company will allot 1,871,748 shares of common stock to the shareholders of DoubleClick, appropriating treasury stock held by the Company as the shares to be delivered. To the shareholders entered or recorded in the shareholder registry of DoubleClick (excluding the Company) immediately before the Company acquires all issued shares of DoubleClick (excluding shares of DoubleClick held by the Company) through this Share Exchange (hereinafter referred to as the "Record Time"), the Company plans to allocate 27 shares of common stock for each of the shares of common stock of DoubleClick held by these shareholders. The aforementioned number of shares is calculated on the basis of the total number of issued shares of DoubleClick as of September 30, 2009, which stands at 203,669, the number of shares in treasury stock held by DoubleClick as of the same date, standing at 10,792, and the number of shares of common stock of DoubleClick held by the Company as of the same date, standing at 123,553.

Pursuant to a resolution of the Board of Directors of DoubleClick to be held by the day immediately prior to the Effective Date of this Share Exchange, DoubleClick plans to retire all the shares in treasury stock it holds as of the Effective Date of this Share Exchange (including shares in treasury stock to be acquired as a result of share purchases responding to demands for the purchase of shares by dissenting shareholders, as stipulated in Article 785, Paragraph 1 of the Company Law, which will be executed in connection with this Share Exchange) after effectuation of the said purchase of shares concerning the demand for the purchase of shares and prior to the Record Time.

(b) Termination of the agreement on duty to refrain from competition, etc., with Google of the U.S., etc. and business transfer, etc. to them

The Company agreed with DoubleClick and Google of the U.S. as of January 25, 2010 to: terminate the agreement on duty to refrain from competition between the Company and Google of the U.S.; nullify the rights of the Company based on this agreement; transfer the DART business operated by DoubleClick to Google of the U.S., etc. (hereinafter referred to as "this Business Transfer"); and, terminate the agreement between DoubleClick and Google of the U.S., concerning the DART business (hereinafter referred to as the "DART Agreement") and other agreements. The Company and

DoubleClick will receive a total of 45 million U.S. dollars from Google of the U.S., etc., in consideration for these transactions.

The date for execution of this Business Transfer is planned on March 31, 2010. If this Merger becomes effective as originally planned, this Business Transfer shall be executed by the Company, which will have absorbed DoubleClick in an absorption-type merger.

Following the transaction described above with Google of the U.S., etc., the Company is forecast to post approximately 3.7 billion yen as an extraordinary gain in its non-consolidated and the consolidated financial statements.

(c) Extraordinary loss

As described in the aforementioned, if this Merger becomes effective, an extraordinary loss of approximately 1.1 billion yen is expected to be posted as a loss on extinguishment of tie-in shares in the non-consolidated settlement of accounts of the Company.

(d) Merger with TCIPlus Inc.

The Company entered into an absorption-type merger agreement with its subsidiary TCIPlus Inc. (hereinafter referred to as "TCIPlus") as of February 17, 2010 to implement an absorption-type merger, whereby the Company will survive and TCIPlus will dissolve, for the purpose of strengthening the Company's digital marketing sector. This merger is summarized as follows:

(i) Effective Date

The aforementioned merger is planned to be implemented, with March 31, 2010 as its effective date. At the Company, the aforementioned merger is planned to be implemented with the procedures for the simple merger, specified in Article 796, Paragraph 3 of the Company Law, and, at TCIPlus, with the procedures for the short-form merger, specified in Article 784, Paragraph 1 of the Company Law, without obtaining the approval of a general meeting of shareholders of either company.

(ii) Number of shares to be delivered through the merger

Through the aforementioned merger, the Company will allot 140 shares of common stock of the Company to the shareholders of TCIPlus excluding the Company (7 shares of common stock of the Company for each share of common stock of TCIPlus held by such shareholders), appropriating treasury stock held by the Company as the shares to be delivered.

(iii) Summary of TCIPlus

1) Details of business

BtoB media services

2) Business results for the final business year and financial position at the end of the final business year

The business results for the final business year of TCIPlus (January 1, 2008 to December 31, 2008) and financial position as of the end of the final business year are summarized as follows:

a) Net assets:	38,352,965 yen
b) Total assets:	236,325,430 yen
c) Net sales:	335,716,290 yen
d) Operating income:	-180,328,573 yen
e) Ordinary income:	-142,898,120 yen
f) Net income:	-184,695,161 yen

2) DoubleClick

(a) Posting of extraordinary losses and revision of earnings forecasts

Pursuant to the October 29, 2009 setting of the ruling date of March 29, 2010 by the Court of Arbitration of the International Chamber of Commerce regarding the arbitration against Google of the U.S., etc. (as for the outline of the said arbitration, please refer to (d), mentioned later), DoubleClick has posted extraordinary losses of 167 million yen as additional expenses such as attorney fees from October 2009 to the conclusion of the arbitration ruling on March 29, 2010. In addition, that company has revised its first-half and full-year earnings forecasts for the fiscal year ending March 31, 2010 (April 1, 2009 to March 31, 2010) announced on May 14, 2009 with the annual earnings report.

(b) Share exchange with the Company

As mentioned in 1) (a) above, DoubleClick plans to carry out this Share Exchange, whereby the Company is the wholly-owning parent company and DoubleClick is a wholly-owned subsidiary, pursuant to the share exchange agreement into which DoubleClick and the Company entered as of January 25, 2010.

(c) Business transfer to Google of the U.S., etc.

As described in the aforementioned 1) (b), DoubleClick plans to implement this Business Transfer, with March 31, 2010 as its execution date, in accordance with the agreement reached with the Company and Google of the U.S. If this Merger becomes effective as originally planned, this Business Transfer shall be executed by the Company, which will have absorbed DoubleClick in an absorption-type merger. This Business Transfer is summarized as follows:

(i) Details of the DART business division

DART for Publishers (DFP):	ASP-based service under which DART technologies are leased for a certain period to media that operate websites by advertising revenues or to ad network operators
DART for Advertisers (DFA):	ASP-based service under which DART technologies are leased for a certain period to advertisers and advertising agencies that want to unitarily control advertisements they put up or analyze the trends of users who visit their homepages by clicking an advertisement
DART Enterprise (DE):	Introduction-type software that offers functions to distribute and manage Internet advertisements to media that operate websites by advertising revenues or to ad network operators, as well as provides e-commerce websites with the eCRM function to effectively distribute content

(ii) Operating results of the DART business division (fiscal year ended March 2009)

	DART business (a)	DoubleClick (b)	Ratio (a/b)
Net sales	597 million yen	1,574 million yen	37.9%
Gross profit	161 million yen	550 million yen	29.3%
Operating income	(14) million yen	22 million yen	-

Note: Operating loss of the DART business represents the figure after head office expenses, etc., are allocated.

(iii) Items and amount of assets and liabilities to be transferred

The assets to be transferred include intellectual property rights and contracts concerning the DART business and other technological information, etc., related to the DART business. Google of the U.S., etc., will not succeed to liabilities attendant upon the said transfer, except certain liabilities that have not yet been executed under contracts to be transferred from DoubleClick to Google of the U.S., etc.

(iv) Transfer value

The Company and DoubleClick will receive a total of 45 million U.S. dollars from Google of the U.S., etc. in consideration for assets subject to transfer in this Business Transfer, transfer of contracts, etc., from the Company to Google of the U.S., etc., termination of the DART Agreement, etc. between DoubleClick and Google of the U.S. and termination of the agreement on duty to refrain from competition between the Company and Google of the U.S.

(v) Time of transfer

This Business Transfer is scheduled to be executed on March 31, 2010. This Business Transfer will be carried out without obtaining the approval of a general meeting of shareholders for the business transfer agreement because it does not fall under “the transfer of significant part of the business,” specified in Article 467, Paragraph 1, Item 2 of the Company Law.

(d) Termination of procedures for arbitration between DoubleClick and Google of the U.S., etc.

To seek faithful execution of the DART Agreement, DoubleClick applied for a provisional disposition and arbitration against Google of the U.S., etc., and started in and continued arbitration procedures from October 2008.

However, after comprehensively taking into consideration the series of disputes with Google of the U.S., etc., and their adverse influence on the DART business of DoubleClick, DoubleClick has judged that it will contribute to the interests of DoubleClick to put an end to the disputes with Google of the U.S., etc., by implementing this Business Transfer and terminating the DART Agreement, etc., in exchange for receiving fair consideration from Google of the U.S., etc., and concentrate management resources on the technology business. Accordingly, DoubleClick agreed, contingent on the execution of this Business Transfer, to terminate arbitration procedures after execution of this Business Transfer, in the agreement with Google of the U.S. related to this Business Transfer.

Reference document

DOUBLECLICK JAPAN INC. **BUSINESS REPORT** (from April 1, 2008 to March 31, 2009)

1. Business Overview of the Company

(1) Progress and Results of Operations

External environment

In the fiscal year ended March 31, 2009, the Japanese economy was in a severe condition which was referred to as a “once-in-a-century recession”. The business performance of many companies, including manufacturers which had led the Japanese economy, significantly worsened because of the simultaneous global recession caused by the financial crisis in the U.S.

Even in these circumstances, in the Internet marketing market, which is the business domain of the Company, the customer base has steadily expanded as the users of the Internet start to use broadband capability. However, because of the economic uncertainty as mentioned above, advertising expenses, sales promotion expenses, and similar expenses of companies are expected to be reduced.

General overview of operations of the Company

Under this environment, the Company, as a technology company which always tries to create further customer satisfaction, has aimed at developing products and enhancing our relationships with our customers.

As for the ASP Internet advertising delivery systems DART for Publishers and DART for Advertisers, which are the main products of the Company, the capacity of delivery increased threefold to 300KB in response to the so-called “advertising creatives” which tend to have a large capacity. Access Publishing Co., Ltd., Digitalize Inc., Luke 19 Co., Ltd., Nikkei Business Publications, Inc. and other companies introduced DART for Publishers and the usage of DART for Publishers expanded in the market. With respect to the rich media advertising solution DART Motif, we released EASY10 in October 2008, which enabled simple and easy implementation of large-size videos of up to 10MB, advertising delivery and effect measurement. Rakuten, Inc., The Nishinippon Shimbun Co., Ltd. and other companies introduced the product and we steadily performed operating activities. As for the software-based Internet advertising delivery system DART Enterprise, we held a user conference called the DART Enterprise Summit in May 2008 to enhance our relationships with our customers. In addition, in March 2009 we started to provide the latest version DART Enterprise 6.5 in which usability is improved for both advertisers and people who provide advertising manuscripts, and sold the product steadily, and companies such as Golf Digest Online Inc. and Forecast Communications Inc. introduced this version.

As for the integrated mobile marketing service MobileMK, in June 2008 we released a new version, MobileMK 1.8, in which we enhanced a high-speed mail delivery system and expanded functions such as the registration and management of customer data. Further, we tried to improve the functionality of the products by adding a personal information access authority function in December 2008 and enhancing the search function in March 2009 to enable the analysis of the link between search criteria and user actions. GlaxoSmithKline K.K., Fusion Communications Corp., Sinanen Co., Ltd., Japan Beauty Academy Sogo Biyo Gakuen and other companies introduced the product and we steadily performed operating activities.

As for the mail marketing software ClickM@iler, we released the ASP service ClickM@iler.jp in April 2008. In October 2008 we released the software version of ClickM@iler 5.0 in which we sped up delivery and expanded the functionality to easily create HTML mails for mobile phones. Moreover, in February 2009 we began to provide the automatic delivery service for recommendation mails based on the action history of users in the site by linking up with KBMJ, Inc.’s recommendation engine Personalized Recommender. Because of this linkup, the link between the website data and mail delivery, which is next-generation integrated marketing, can be created and sales are expected to expand in the future. Further,

as sales measures, we are trying to increase revenue and market share by enhancing support for sales representatives and expanding agents in order to broaden our user company base and entering into a new agency agreement with te-co Co., Ltd. and other companies. Capcom Co., Ltd., Shirohato Co., Ltd and other companies introduced ClickM@iler and Mitsubishi Corporation Futures Ltd., Hilton Resorts Marketing Corporation, SMS Co., Ltd., boox inc., animate Ltd., Luke 19 Co., Ltd., and other companies introduced ClickM@iler.jp and as a result, the number of customers and sales increased successfully.

As for the web analysis service Omniture SiteCatalyst, we became an Omniture Genesis partner of Omniture, Inc. in September 2008; this made it possible to provide our mail marketing solutions ClickM@iler and ClickM@iler.jp as an integrated application of Omniture Genesis, by means of which applications can be linked just by making simple settings according to the wizard. Consequentially, we were able to make a comprehensive effect measurement and accurate targeting and remarketing which associate the website data with mail marketing, and sales are expected to expand as a result of the link between Omniture SiteCatalyst and ClickM@iler and ClickM@iler.jp. As part of our sales promotion activities, we participated in the Omniture Summit Tokyo 2008 held by Omniture, Inc. in May 2008 and emphasized our track record as a sales and support company and tried to enhance our relationships with customers by holding a next-generation marketing seminar in January 2009, which was an introductory seminar of the integrated marketing for mail delivery and site analysis solutions. Mizuno Corporation, Kenko.com, Inc. and other companies introduced the product and the number of customers and sales successfully increased.

In the management aspect, we further promoted effective management by commencing a full-scale divisional system and promoting faster decision making and the clarification of liabilities and authorities. Each division will try to expand the scale and we are also trying to expand the business as a corporation. In addition, in September 2008 we acquired 10,792 shares of treasury stock in order to improve capital efficiency and realize an agile capital policy corresponding to the management environment.

As a result, for the current fiscal year, net sales amounted to 1,574 million yen, 100.9% compared with the previous term, operating income amounted to 22 million yen, 26.5% compared with the previous term, ordinary income amounted to 50 million yen, 38.9% compared with the previous term, and net loss amounted to 273 million yen (in the previous term net income of 127 million yen was recorded).

Operating income decreased because of the enhancement of personnel to strengthen the management system and sales force and the increase in the selling and general administrative expenses for the amortization of goodwill of MO-ON which had been assigned to us in the previous fiscal year.

The net loss was incurred for reasons including the attorney fees related to the petition for provisional disposition and arbitration concerning DART technology against Google Inc. and other parties of 246 million yen and the impairment loss related to part of the mobile business (mobile marketing ASP service MO-ON which has been assigned to us on October 1, 2007) of 73 million yen were recorded as an extraordinary loss.

As disclosed in the news release with titled Notification on Petition for Provisional Disposition and Arbitration Concerning DART Technology Against Google Inc. and Other Parties and publicized on January 29, 2009, we have to say that a series of acts by Google Inc. was a complete act of aggression ignoring the DART agreement. We expect, however, that they correctly understand the importance of the DART technology developed by us and our position in the development of advertising delivery business in the Japanese market and we intend to continue to consult with Google Inc. on the business scheme to build the amicable and collaborative relationship in the future concurrently with the pending arbitration proceedings.

Sales by segment are as follows.

Category	11th Fiscal Term		12th Fiscal Term		Ratio of year-on-year increase or decrease
	Sales	Composition Ratio	Sales	Composition Ratio	
	Million yen	%	Million yen	%	%
Software license	158	10.1	76	4.8	(51.8)
ASP usage	907	58.2	973	61.8	7.2
Services and miscellaneous	494	31.7	525	33.4	6.3
Total	1,559	100.0	1,574	100.0	0.9

Sales of software licenses decreased by 81 million yen (51.8% decrease) year-on-year to 76 million yen because we accepted a large order for DART Enterprise in the previous term.

Sales of ASP usage increased by 65 million yen (7.2% increase) year-on-year to 973 million yen because of the contribution of the mobile marketing ASP service MO-ON which we started providing on October 1, 2007, and ClickM@iler.jp which we started providing on April 15, 2008, to the sales throughout the term and the steady expansion of sales of DART for Advertisers, SiteCatalyst and MobileMK.

Sales of services and miscellaneous increased by 30 million yen (6.3% increase) year-on-year to 525 million yen.

(2) Status of Capital Investment and Financing

There is nothing significant of note during the current fiscal year.

(3) Business Results and Summary of Assets for the Preceding Three Business Terms

Category	9th Fiscal Term (March 2006)	10th Fiscal Term (March 2007)	11th Fiscal Term (March 2008)	12th Fiscal Term (This fiscal year) (March 2009)
Net sales (thousands of yen)	1,207,080	1,375,279	1,559,975	1,574,469
Operating income (thousands of yen)	102,273	112,618	85,427	22,641
Ordinary income (thousands of yen)	131,583	142,534	128,416	50,001
Net income (loss) (thousands of yen)	55,258	159,574	127,466	(273,936)
Net income (loss) per share (yen)	272.43	784.94	626.18	(1,384.50)
Total assets (thousands of yen)	3,279,304	3,433,163	3,616,187	3,361,844
Net assets (thousands of yen)	3,017,068	3,180,512	3,312,398	2,710,397
Net assets per share (yen)	14,845.81	15,643.66	16,264.12	14,052.47

Note: From the 10th fiscal term, the Company has adopted the Accounting Standard for Presentation of Net Assets in the Balance Sheet (Accounting Standards Board of Japan (ASBJ) Statement No. 5, December 9, 2005) and the Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet (ASBJ Guidance No. 8, December 9, 2005).

(4) Major Status of Parent Company and Subsidiaries

1) Relationship with the parent company

The parent company of the Company is transcocosmos inc., which holds 64.06% of the total number of voting rights of the Company (123,553 shares).

transcocosmos inc. is a distributor of the Company's products and has a business relationship with the Company.

2) Major subsidiaries

Not applicable

(5) Issues to Be Addressed

As a technology company which proposes the role of the next-generation communication and continues to try to create further customer satisfaction, the Company pursues development of the Internet marketing in the technology field. In such circumstances, rich media products including large banner advertisements and Flash and advertisements such as Internet commercial messages have increased in terms of our business field of Internet advertisement. Moreover, also in the mobile marketing field, it is expected that a new advertising method will be developed and the field will be increasingly lively in the future. To respond to these situations accurately and immediately, the Company should mainly address the following five important issues:

1) Development of new products and expansion of services

We have marketed many new products and new services. The media and advertisers are seeking more cost-effective services as it has become possible to adopt marketing methods using the Internet and various ways to verify effects. We have highly reliable products and services backed up by our technology and we believe that the basis for increasing our corporate value is the periodical provision of products corresponding to the degree of maturity of the Internet advertising market the development and provision of services that meet customers' system and support needs.

2) Promotion of a divisional system

Since the domain of our business has been clarified, in April 2008 we introduced a divisional system to further promote business growth. We think that going forward we should promote faster decision making and clarification of liabilities and authorities and accelerate active business development.

3) Creation of business synergy

We newly established the Business Development Department in April 2009 as an organization to support each division in a cross-sectional manner. We have announced the cooperation between ClickM@iler and Omniture SiteCatalyst and we suppose that to generate a further synergetic effect among divisions we should try to promote cooperation between existing products and services and also between new businesses and the Company's products and services.

4) Expansion of market share through business investment

We have actively expanded our domain by integrating our business with the business of Inphase Co., Ltd which is a mobile marketing system company in July 2005 and purchasing the business of MO-ON which is the mobile marketing ASP service from Nexway Co., Ltd. in October 2007. We think it is important to continuously work on strategic alliances and M&As to further expand the size of business and try to expand the share of the Internet marketing market.

5) Enhancement of corporate governance

We have established appropriate internal control by enhancing the internal control system and corporate governance in accordance with the stage of growth. We believe that going forward we must

work harder than ever before on building and managing internal control by enhancing an internal control system and corporate governance which are appropriate to the Company.

(6) Principal Business of the Company (As of March 31, 2009)

- 1) ASP (application service provider) advertising delivery services
- 2) Licensing services for advertising delivery software
- 3) ASP mail delivery services
- 4) Licensing services for mail delivery software
- 5) Licensing services and service provision for mobile phone marketing software
- 6) ASP web analysis services

(7) Principal Business Offices of the Company (As of March 31, 2009)

Name	Location
Head Office	Oi, Shinagawa-ku, Tokyo

(8) Employees (As of March 31, 2009)

Number of employees	Year-on-year change	Average age	Average length of service
48	Up 4	36.0 years	3.0 years

Notes:

1. The number of employees refers to the number of employees actually working at the Company.
2. Four employees seconded to the Company from outside are included in the number of employees.
3. Four temporary workers are included in the number of employees.
4. The average age and average length of service are calculated excluding those of the four seconded employees.
5. The average age and average length of service are calculated excluding those of the four temporary workers.

(9) Major Creditors (As of March 31, 2009)

Not applicable

(10) Other Significant Matters Concerning Business of the Company

We filed a petition for provisional disposition requesting suspension of termination of the DART agreement (on October 29, 2008) and a petition for arbitration (on November 4, 2008) against Google Inc. of the U.S. and Google Japan Inc. to seek faithful execution of an exclusive license agreement concerning DART technology.

As for the petition for provisional disposition, the superior court of New York County, New York fully accepted our claim and a decision for provisional disposition was given on December 29, 2008 against Google Inc. of the U.S. and Google Japan Inc. to the effect that they shall not terminate the DART agreement until the completion of the arbitration proceedings. We believe that our claim will eventually be accepted with respect to the pending arbitration proceedings.

2. Shares of the Company (As of March 31, 2009)**(1) Total number of shares authorized to be issued: 706,176****(2) Total number of shares issued: 203,669**

(including treasury stock of 10,792 shares)

(3) Number of shareholders: 7,257**(4) Major shareholders**

Name	Investment in the Company by the Shareholder	
	Number of shares held (Shares)	Ratio of shares held (%)
transcosmos inc.	123,553	64.06
Impress Holdings, Inc.	2,641	1.37
Dentsu Inc.	2,000	1.04
Hisao Inaba	1,007	0.52
Osaka Securities Finance Company, Ltd.	836	0.43
Mikio Ido	705	0.37
Tsukasa Nanzato	702	0.36
Eiji Matsuura	667	0.35
Hiroyuki Imakita	605	0.31
Yao Wei Gang	560	0.29

Notes:

1. The Company holds 10,792 thousand shares of treasury stock, which are excluded from the number as basis of calculating ratio of shares held above.
2. Ratio of shares held is rounded off to the nearest hundredth.

3. Status of Stock Acquisition Rights

Status of the Stock Acquisition Rights held by the Company's Officers (As of March 31, 2009)

1) Stock acquisition rights approved by resolution of the Board of Directors' Meeting held on August 8, 2003

- Number of stock acquisition rights
92 (one share per stock acquisition right)
- Number of shares subject to stock acquisition rights
92
- Amount paid for stock acquisition rights
Issued without consideration
- Property value to be contributed when stock acquisition rights are exercised
37,789 yen per stock acquisition right (37,789 yen per share)
- Matters related to capital stock and capital reserve when shares are issued upon exercise of stock acquisition rights
Amount credited to capital stock: 18,895 yen
Amount credited to capital reserve: 18,894 yen
- Period during which stock acquisition rights may be exercised
From September 2, 2005 to September 1, 2009
- Conditions for exercising stock acquisition rights
 1. If shares are split up or consolidated on or after the date on which rights are granted, the number of shares subject to unexercised stock acquisition rights shall be adjusted in proportion to the ratio of split-up or consolidated shares.
 2. If, after the stock acquisition rights are granted, a person to whom the stock acquisition rights are granted loses its position as officer or employee of the Company, the exercise of stock acquisition rights may be separately handled in accordance with the provisions of the stock acquisition rights allocation agreement described in Paragraph 3 below.
 3. Details other than those mentioned above shall be determined in accordance with the provisions of the stock acquisition rights allocation agreement entered into between the Company and the person(s) to whom the stock acquisition rights are granted.
- Holding of stock acquisition rights by the Company's Officers

	Number of Stock Acquisition Rights	Number of shares subject to Stock Acquisition Rights	Number of holders
Directors (Outside Directors excluded)	46	46	1

2) Stock acquisition rights approved by resolution of the Board of Directors' Meeting held on July 30, 2004

- Number of stock acquisition rights
220 (one share per stock acquisition right)
- Number of shares subject to stock acquisition rights
220
- Amount paid for stock acquisition rights
Issued without consideration
- Property value to be contributed when stock acquisition rights are exercised
66,000 yen per stock acquisition right (66,000 yen per share)
- Matters related to capital stock and capital reserve when shares are issued upon exercise of stock acquisition rights
Amount credited to capital stock: 33,000 yen
Amount credited to capital reserve: 33,000 yen
- Period during which stock acquisition rights may be exercised
From September 2, 2006 to September 1, 2010
- Conditions for exercising the stock acquisition rights
 1. If shares are split up or consolidated on or after the date on which rights are granted, the number of shares subject to unexercised stock acquisition rights shall be adjusted in proportion to the ratio of split-up or consolidated shares.
 2. If, after the stock acquisition rights are granted, a person to whom the stock acquisition rights are granted loses its position as officer or employee of the Company, the exercise of stock acquisition rights may be separately handled in accordance with the provisions of the stock acquisition rights allocation agreement described in Paragraph 3 below.
 3. Details other than those mentioned above shall be determined in accordance with the provisions of the stock acquisition rights allocation agreement entered into between the Company and the person(s) to whom the stock acquisition rights are granted.
- Holding of stock acquisition rights by the Company's Officers

	Number of Stock Acquisition Rights	Number of shares subject to Stock Acquisition Rights	Number of holders
Directors (Outside Directors excluded)	220	220	3

3) Stock acquisition rights approved by the resolution of the Board of Directors' Meeting held on July 29, 2005

- Number of stock acquisition rights
480 (one share per stock acquisition right)
- Number of shares subject to stock acquisition rights
480
- Amount paid for stock acquisition rights
Issued without consideration
- Property value to be contributed when stock acquisition rights are exercised
123,000 yen per stock acquisition right (123,000 yen per share)
- Matters related to capital stock and capital reserve when shares are issued upon exercise of stock acquisition rights
Amount credited to capital stock: 61,500 yen
Amount credited to capital reserve: 61,500 yen
- Period during which stock acquisition rights may be exercised
From September 2, 2008 to September 30, 2011
- Conditions for exercising stock acquisition rights
 1. If shares are split up or consolidated on or after the date on which rights are granted, the number of shares subject to unexercised stock acquisition rights shall be adjusted in proportion to the ratio of split-up or consolidated shares.
 2. If, after the stock acquisition rights are granted, a person to whom the stock acquisition rights are granted loses its position as officer or employee of the Company, the exercise of stock acquisition rights may be separately handled in accordance with the provisions of the stock acquisition rights allocation agreement described in Paragraph 3 below.
 3. Details other than those mentioned above shall be determined in accordance with the provisions of the stock acquisition rights allocation agreement entered into between the Company and the person(s) to whom the stock acquisition rights are granted.
- Holding of stock acquisition rights by the Company's Officers

	Number of Stock Acquisition Rights	Number of shares subject to Stock Acquisition Rights	Number of holders
Directors (Outside Directors excluded)	480	480	3

4. Status of Corporate Officers

(1) Directors and Statutory Auditors (as of March 31, 2009)

Position and assignment in the Company	Name	Representation in other companies
Representative Director, President & CEO	Yoshimitsu Nakayama	
Director & CTO	Hiroaki Takamatsu	
Director & CSO	Hiroyuki Ohta	
Director	Hirofumi Inoue	Web Works, Ltd., Representative Director & President transcosmos mobile networks inc, Representative Director & President
Director	Shunji Hidaka	
Director	Takuichi Matsumoto	
Standing Statutory Auditor	Teruyuki Hiroyuki	
Statutory Auditor	Hiroyuki Furuwara	Tci-Business-Service Co., Ltd. Representative Director & President transcosmos assist inc., Representative Director & President transcosmos health insurance association, Chairperson transcosmos corporate pension fund, Chairperson
Statutory Auditor	Atsuhiko Suwahara	

Notes:

1. Directors Hirofumi Inoue, Shunji Hidaka and Takuichi Matsumoto are Outside Directors.
2. Standing Statutory Auditor Teruyuki Hiroyuki and Statutory Auditor Atsuhiko Suwahara, are Outside Statutory Auditors.
3. Atsuhiko Suwahara, Statutory Auditor, is a certified public tax accountant and possesses considerable expertise and experience in finance and accounting.
4. Statutory Auditor Hiroyuki Furuwara is an Executive Officer and head of the Business Administration Headquarters of transcosmos inc. which is the parent company of the Company.

(2) Directors and Statutory Auditors retiring during the fiscal year

Directors Yoichi Kono, Kiyonori Takechi, and Akira Tanaka retired from office due to the expiration of their respective terms of office at the conclusion of the 11th Ordinary General Meeting of Shareholders held on June 26, 2008.

(3) Total remuneration paid to Directors and Statutory Auditors during the current fiscal year

Position	Number of Directors and Statutory Auditors paid (person)	Amount paid (thousands of yen)	Remuneration paid to officers by the parent company or subsidiaries of the parent company (thousands of yen)
Directors	3	53,109	-
(Outside Directors included above)	(0)	(-)	(-)
Statutory Auditors	1	3,600	2,400
(Outside Statutory Auditors included above)	(1)	(3,600)	(2,400)
Total	4	56,709	2,400

Notes:

1. The remuneration paid to Directors was limited to 100,000 thousand yen a year (salary paid to employees not included) by resolution of the Extraordinary General Meeting of Shareholders held on February 28, 2001.
2. The remuneration paid to Statutory Auditors was limited to 20,000 thousand yen a year by resolution of the Extraordinary General Meeting of Shareholders held on January 9, 2001.

(4) Outside Corporate Officers

- 1) Status of positions held in other companies as executive officer and relationship between the Company and the said other companies
 - Director Hirofumi Inoue concurrently holds the positions of Corporate Senior Officer and General Manager of the Digital Marketing Services Sector Web Integration Services Division of transcocosmos inc. which is the parent company of the Company; Director Shunji Hidaka concurrently holds the positions of Corporate Officer and General Manager of Digital Marketing Services Sector Services Promotion Division of transcocosmos inc. and is concurrently in charge of Ad Solution Department and Media Software Development Department; and Statutory Auditor Atsuhiko Suwahara concurrently holds the position of Manager of the Administration Department Affiliated Companies Management, Domestic Affiliated Companies of transcocosmos inc. transcocosmos inc. is a distributor of the Company's products and has a business relationship with the Company.
 - Director Hirofumi Inoue is a Representative Director and President of Web Works, Ltd. and transcocosmos mobile networks inc
 - Director Takuichi Matsumoto is a Project Manager of the Business Sector, Digital Business Promotion Office of Dentsu Inc. Dentsu Inc. is in a business alliance with the Company.

- 2) Status of positions concurrently held as Outside Directors in other companies (as of March 31, 2009)

Title Corporate Officer holds in the Company	Name	Positions concurrently held as Outside Directors
Standing Statutory Auditor	Teruyuki Hiiro	transcocosmos inc., Outside Statutory Auditor
Statutory Auditor	Atsuhiko Suwahara	Applied Technology Co., Ltd., Outside Statutory Auditor

3) Principal Activities during the current fiscal year

Attendance at Board of Directors' Meetings and Board of Statutory Auditors' Meetings and Comments

Position	Name	Activities	
		Attendance at meetings (number of times)	Comments
Director	Hirofumi Inoue	11 out of 14 (Board of Directors' Meetings)	By taking advantage of the knowledge gained in the Digital Marketing Department of the parent company, he asks questions at the Board of Directors' Meetings in an appropriate manner and also expresses his opinion as required.
Director	Shunji Hidaka	13 out of 14 (Board of Directors' Meetings)	By taking advantage of the knowledge gained in the Digital Marketing Department of the parent company, he asks questions at the Board of Directors' Meetings in an appropriate manner and also expresses his opinion as required.
Director	Takuichi Matsumoto	12 out of 16 (Board of Directors' Meetings)	By taking advantage of the knowledge gained in the e-business of Dentsu Inc., he asks questions at the Board of Directors' Meetings in an appropriate manner and also expresses his opinion as required.
Standing Statutory Auditor	Teruyuki Hiiro	16 out of 16 (Board of Directors' Meetings) 12 out of 12 (Board of Statutory Auditors' Meetings)	By taking advantage of the knowledge gained as a Statutory Auditor of the parent company, he asks questions at the Board of Directors' Meetings and Board of Statutory Auditors' Meetings in an appropriate manner and also expresses his opinion as required.
Statutory Auditor	Atsuhiko Suwahara	15 out of 16 (Board of Directors' Meetings) 12 out of 12 (Board of Statutory Auditors' Meetings)	By taking advantage of the knowledge gained in the Accounting & Finance Division of the parent company and as a certified public tax accountant, he asks questions at the Board of Directors' Meetings and Board of Statutory Auditors' Meetings in an appropriate manner and also expresses his opinion as required.

Note: The number of the Board of Directors' Meetings and Board of Statutory Auditors' Meetings held during the current fiscal year was 16 and 12, respectively, and the number of the Board of Directors' Meetings held after Directors Hirofumi Inoue and Shunji Hidaka assumed the office of Director was 14.

4) Outline of Terms of Liability Limitation Agreement

In order for the Company to hire competent personnel, the Company entered into an agreement with the Outside Directors and Outside Statutory Auditors to limit the liabilities to compensate for damages described in Paragraph 1 of Article 423 of the Company Law pursuant to the provisions of Paragraph 1 of Article 427 of the Law. The maximum amount of liability the Outside Directors or Outside Statutory Auditors are to bear for damages under such agreement shall be the higher of either the amount of 1 million yen or more, or the amount prescribed by the relevant laws and regulations.

5. Principal Activities of the Accounting Auditor

(1) Name Ernst & Young ShinNihon LLC

Note: On July 1, 2008, Ernst & Young ShinNihon became Ernst & Young ShinNihon LLC due to a change in the type of auditing firm.

(2) Remuneration paid to the Accounting Auditor during the current fiscal year

Amount of remuneration to be paid to the Accounting Auditor during the current fiscal year	22 million yen
Amount of remuneration related to businesses other than those described above	- million yen
Total	22 million yen

Note: In the audit agreement between the Company and the Accounting Auditor, the amount of remuneration for audits under the Company Law and the amount of remuneration for audits under the Financial Instruments and Exchange Law are not separate nor can they be effectively separated. Accordingly, the total of these amounts is described as the amount of remuneration to be paid during the current fiscal year.

(3) Policy on determining the dismissal or denial of reappointment of the Accounting Auditor

If the performance of duties of the Accounting Auditor is interfered with or otherwise deemed necessary, the Board of Directors will, after obtaining the consent of the Board of Statutory Auditors or upon request of the Board of Statutory Auditors, put matters concerning the dismissal or denial of reappointment of the Accounting Auditor on the agenda of a General Meeting of Shareholders.

If any of the items of Article 340, Paragraph 1 of the Company Law applies to the Accounting Auditor, the Board of Statutory Auditors will dismiss the Accounting Auditor upon the approval of all of the Statutory Auditors. In such case, the Statutory Auditor appointed by the Board of Statutory Auditors will report the fact that they dismissed the Accounting Auditor and reasons for the dismissal at the first General Meeting of Shareholders convened after the dismissal.

6. Structure to Ensure the Properness of Operations

General description of matters determined about corporate structure to ensure legal compliance and compliance with the Articles of Incorporation in the execution of duties by Directors and other corporate structure to ensure the properness of operations of the Company is as follows.

- 1) Corporate structure to ensure legal compliance and compliance with the Articles of Incorporation in the execution of duties by Directors

In order to ensure that the Directors comply with all relevant laws and regulations and the Articles of Incorporation in the execution of their duties and to satisfy corporate social responsibility, the Company established Board of Directors Regulations, Internal Audit Regulations, and Internal Report System Regulations and Statutory Auditors and mandated that the person responsible for the internal audit perform ordinary monitoring. To satisfy social responsibility in the execution of duties by Directors, the Company further raises the awareness of all of the Directors on matters of compliance through training on compliance and ensures the execution of duties based on the Compliance Rules, the Compliance Charter and the Code of Conduct.

The Company appoints Outside Directors to improve the legality of the execution of duties by Directors. Further, the organization as a whole will firmly handle unreasonable claims by antisocial forces, establish an internal system under which the Company does not have relations, business or

otherwise, with antisocial forces, enhance cooperation with the police and corporate attorneys and try to collect information.

In order to properly respond to reports about actions that violate laws and regulations, the Company established an internal reporting system and a reporting contact point. Through the contact point the Board of Statutory Auditors, which immediately takes measures to rectify the situation and prevent the recurrence thereof while protecting the reporters, audits the functions and effectiveness of the internal control system.

2) System for the storage and management of information in relation to the execution of duties by the Directors

Important decision making and reports are made in accordance with the Board of Directors Regulations. Documents related to the execution of duties, and documents to manage contracts and other information shall be handled in compliance with the Document Management Rules, Information Management Rules, and Insider Trading Rules. Inspections will be carried out to confirm whether these rules are applied properly, and each rule will be reviewed continuously. Also, the Company promotes rationalization of system and introduction of IT for efficient business operations.

3) Rules related to the management of the risk of loss and other systems

The President established the Internal Audit Office under the direct supervision of the President and appointed a person responsible for the internal audit and person in charge of the internal audit in accordance with the Internal Audit Regulations. The person responsible for the internal audit prepares an audit plan and conducts the audit in accordance with the plan through the predetermined procedures, discovers any breach of law, regulations, or the Articles of Incorporation or other risks and conducts its business for the important purpose of preventing or minimizing the risks. Further, a responsible person of each department manages the risks related to each department in accordance with the basic rules on risk management and has built a system to report matters promptly in case the risk information is discovered.

In addition, to facilitate the collection of risk information, the Company familiarizes employees with the importance of the risk management and instructs them to promptly report any risk information they discover through the organization. Moreover, the Company has obtained privacy marks to familiarize the employees with the information management.

4) System to ensure the efficient execution of duties by the Directors

In accordance with the Board of Directors Regulations, the Rules on the Division of Authorities, the Organization Regulations, the Regulations of Executive Officers and the Document Approval Rules, the Company clarifies the authoritative powers and the responsibilities of the Representative Director & President, Operating Officers, Executive Officers and persons responsible for each department and also clarifies the department and business targets with which each of them is charged in an attempt to improve the efficiency of execution of duties. Further, the management meetings comprising the Representative Director & President, Operating Officers and Executive Officers are regularly held and the Company ensures the proper understanding of the details of business and the efficient operations through a multifaceted discussion.

5) System to ensure that the execution of duties by the employees complies with laws and regulations, and the Articles of Incorporation

In order to ensure that the employees comply with all relevant laws and regulations, and the Articles of Incorporation in the execution of their duties and to satisfy corporate social responsibility, the Company established the Compliance Charter Regulations, the Working Regulations, and the Internal Report System Regulations and Statutory Auditors perform ordinary monitoring. Further, the

Company tries to maintain the compliance by providing employees with the information through the compliance training and preparing and distributing manuals.

- 6) System to ensure the properness of operations by the Company group made up of the Company, and its parent company and subsidiaries

The Company is a subsidiary of transcosmos inc. and as a member of the group, we think that the basic recognition that it is important to ensure the properness of operations of the entire Company group is the basis for compliance. As for the cooperation with transcosmos inc., the Company brought Outside Directors from transcosmos inc., and by participating in the internal audit workshop held by transcosmos inc. and regularly holding the management division meetings, the Company promotes the enhancement of practical cooperation and enhancement and improvement of general compliance based on common recognition. Since transcosmos inc. has established the group's corporate governance and system to prevent demand for unreasonable transactions against subsidiaries we do not have to establish any specific system, but we have established a structure to eliminate unreasonable transactions by properly carrying out the Board of Directors Regulations, the Document Approval Rules and the Rules on the Division of Authorities of the Company.

As for the internal system, the responsible Directors of the Company and responsible persons of each department have the authority and responsibility for operations in respect of the internal control to ensure the properness of execution of duties by each department and the Company has established the system therefor.

The Internal Audit Office of the Company conducts internal audits, reports the result of audits to responsible persons mentioned above and directs the plans to improve the internal control and gives support for and advice on the conduct of the plans as necessary.

- 7) Matters related to employees appointed for the support of Statutory Auditors when so requested by Statutory Auditors

If the Statutory Auditors request the Company to appoint employees to assist them in their work, the Statutory Auditors shall submit the document containing the number of employees to assign, the conditions and period of the assignment and the reasons for their assignment to a person responsible for the management department. Upon such request, in principle, the Directors will select one or more assistant employees in proper communication with the Statutory Auditors after fully considering the opinions of a person responsible for the management department and other related persons, submit the matter to the Board of Directors and fulfill the request of the Statutory Auditors.

- 8) Matters related to the independence of the employees described in 7) above from Directors

Assistant employees who are selected upon request of the Statutory Auditors work exclusively for the Statutory Auditors with an emphasis on of independence from the Directors and the Statutory Auditors have the authority of command and control, in principle. Further, the remuneration paid to assistant employees shall be determined in accordance with the internal regulations and evaluation shall be determined after making adjustment with the Statutory Auditors and the same shall apply if it becomes necessary to transfer the assistant employees during the predetermined period.

- 9) System for reporting to the Statutory Auditors by Directors and employees, and other systems for reporting to the Statutory Auditors

Directors and employees shall report to the Statutory Auditors regularly on the following items, and the Statutory Auditors will attend the Board of Directors' Meetings and other important meetings for briefing.

- Matters to be resolved and matters to be reported at the Board of Directors' Meetings

- Monthly, quarterly, semi-annually, and annual business results, earnings forecasts, and financial conditions
- Details of significant disclosure materials
- Significant organizational and personnel changes
- Matters that may cause material loss to the Company
- The Company's significant accounting principles, accounting standards, and any changes thereto
- Activities of the Internal Audit Office
- Other significant matters for approval, or for resolution

If any other event determined by the Statutory Auditors to require reporting occurs, it shall be promptly reported.

10) Other systems to ensure that audits by the Statutory Auditors will be effectively conducted

The Directors and employees will work to further their understanding of the audits by the Statutory Auditors and to improve the environment for the audits by the Statutory Auditors. They exchange opinions regularly and support the performance of effective auditing services to enable the performance of effective auditing services in proper cooperation with the Statutory Auditors.

The Board of Statutory Auditors will periodically report the audit policy, audit plan, and state and results of performed audits to the Representative Director and the Directors. Further, the Board of Statutory Auditors will regularly hold meetings with the auditing firm and request a report on the state of accounting audits and internal control audits.

11) System to conduct timely and appropriate disclosure

The Company will establish a disclosure manual, keep the officers and employees well informed, ensure the completeness of the disclosed information, and ensure the appropriateness of all of the above by confirming the details at the management meetings to make timely disclosure.

Non-Consolidated Balance Sheet

(As of March 31, 2009)

(Thousands of yen)

Assets		Liabilities	
Account item	Amount	Account item	Amount
Current assets	3,228,012	Current liabilities	640,476
Cash and deposits	603,359	Accounts payable—trade	334,515
Accounts receivable—trade	167,034	Accounts payable	45,352
Prepaid expenses	57,682	Accrued expenses	3,434
Advances paid	34	Income taxes payable	5,030
Deposits paid	2,400,000	Accrued consumption tax	15,006
Other	0	Deposits received	3,270
Allowance for doubtful accounts	(100)	Unearned revenue	99,690
		Accrued bonuses for employees	4,278
		Reserve for loss on litigation	124,509
		Forward exchange contracts	4,678
		Other	709
Fixed assets	133,831	Fixed liabilities	10,970
Tangible fixed assets	27,903	Deferred tax liabilities	5
Buildings	12,562	Provision for retirement benefits	7,494
Tools, furniture and fixtures	15,341	Forward exchange contracts	3,470
		Total liabilities	651,446
Intangible fixed assets	15,201	Net Assets	
Software	14,400	Shareholders' equity	2,718,164
Telephone rights	800	Common stock	1,883,782
		Capital surplus	1,098,186
Investments and other assets	90,727	Legal capital surplus	497,140
Investment in securities	219	Other capital surplus	601,046
Claims provable in bankruptcy, claims provable in rehabilitation	105	Retained earnings	68,362
Long-term prepaid expenses	45,048	Other retained earnings	68,362
Lease deposits	45,459	Unappropriated retained earnings	68,362
Allowance for doubtful accounts	(105)	Treasury stock	(332,166)
		Valuation and translation adjustments	(7,766)
		Net unrealized gain on securities	8
		Deferred gains or losses on hedges	(7,774)
		Total net assets	2,710,397
Total assets	3,361,844	Total liabilities and net assets	3,361,844

Note: Figures less than one thousand are rounded down to the nearest thousand.

Non-Consolidated Statement of Income

(from April 1, 2008, to March 31, 2009)

(Thousands of yen)

Account item	Amount	
Net sales		1,574,469
Cost of sales		1,023,881
Gross Profit		550,588
Selling, general and administrative expenses		527,946
Operating income		22,641
Non-operating income:		
Interest income	33,617	
Dividend income	1	
Purchase discounts	2,276	
Miscellaneous expenses	455	36,350
Non-operating expenses:		
Foreign exchange losses	6,327	
Commission for purchase of treasury stock	2,641	
Miscellaneous loss	21	8,990
Ordinary income		50,001
Extraordinary gains:		
Reversal of allowance for doubtful accounts	49	
Gain on sale of investment in securities	24	73
Extraordinary losses:		
Loss on disposal of fixed assets	1,691	
Impairment loss	73,764	
Loss on litigation	121,755	
Provision for loss on litigation	124,509	321,721
Loss before income taxes		271,646
Income taxes—current		2,290
Net loss		273,936

Note: Figures less than one thousand are rounded down to the nearest thousand.

Non-Consolidated Statement of Changes in Net Assets

(from April 1, 2008, to March 31, 2009)

(Thousands of yen)

Shareholders' equity	
Common stock	
Balance as of March 31, 2008	1,883,669
Change during the fiscal year	
Issuance of new shares (execution of stock acquisition rights)	113
Total change during the fiscal year	113
Balance as of March 31, 2009	1,883,782
Capital surplus	
Legal capital surplus	
Balance as of March 31, 2008	497,027
Change during the fiscal year	
Issuance of new shares (execution of stock acquisition rights)	113
Total change during the fiscal year	113
Balance as of March 31, 2009	497,140
Other capital surplus	
Balance as of March 31, 2008	601,046
Change during the fiscal year	
Total change during the fiscal year	-
Balance as of March 31, 2009	601,046
Total capital surplus	
Balance as of March 31, 2008	1,098,073
Change during the fiscal year	
Issuance of new shares (execution of stock acquisition rights)	113
Total change during the fiscal year	113
Balance as of March 31, 2009	1,098,186
Retained earnings	
Other retained earnings	
Unappropriated retained earnings	
Balance as of March 31, 2008	342,298
Change during the fiscal year	
Net income (loss)	(273,936)
Total change during the fiscal year	(273,936)
Balance as of March 31, 2009	68,362
Total retained earnings	
Balance as of March 31, 2008	342,298
Change during the fiscal year	
Net income (loss)	(273,936)
Total change during the fiscal year	(273,936)
Balance as of March 31, 2009	68,362

Treasury stock	
Balance as of March 31, 2008	-
Change during the fiscal year	
Acquisition of treasury stock	(332,166)
Total change during the fiscal year	<u>(332,166)</u>
Balance as of March 31, 2009	<u>(332,166)</u>
Total shareholders' equity	
Balance as of March 31, 2008	3,324,041
Change during the fiscal year	
Issuance of new shares (execution of stock acquisition rights)	226
Net income (loss)	(273,936)
Acquisition of treasury stock	(332,166)
Total change during the fiscal year	<u>(605,876)</u>
Balance as of March 31, 2009	<u>2,718,164</u>
Valuation and translation adjustments	
Unrealized gain on securities	
Balance as of March 31, 2008	-
Change during the fiscal year	
Net change in items other than shareholders' equity during the fiscal year	8
Total change during the fiscal year	<u>8</u>
Balance as of March 31, 2009	<u>8</u>
Deferred gains or losses on hedges	
Balance as of March 31, 2008	(11,642)
Change during the fiscal year	
Net change in items other than shareholders' equity during the fiscal year	3,867
Total change during the fiscal year	<u>3,867</u>
Balance as of March 31, 2009	<u>(7,774)</u>
Total valuation and translation adjustments	
Balance as of March 31, 2008	(11,642)
Change during the fiscal year	
Net change in items other than shareholders' equity during the fiscal year	3,875
Total change during the fiscal year	<u>3,875</u>
Balance as of March 31, 2009	<u>(7,766)</u>
Total net assets	
Balance as of March 31, 2008	3,312,398
Change during the fiscal year	
Issuance of new shares (execution of stock acquisition rights)	226
Net income (loss)	(273,936)
Acquisition of treasury stock	(332,166)
Net change in items other than shareholders' equity during the fiscal year	3,875
Total change during the fiscal year	<u>(602,000)</u>
Balance as of March 31, 2009	<u>2,710,397</u>

Note: Figures less than one thousand are rounded down to the nearest thousand.

Notes to Non-Consolidated Financial Statements

1. Significant accounting policies

(1) Standards and methods of valuation of assets

- (i) Standards and methods of valuation of securities
 - Other available-for-sale securities
 - Securities with market valueMarket value method based on the market price as of the fiscal year-end date. (Differences in valuation are included directly in net assets and costs of securities sold are calculated using the moving-average method.)
 - Securities without market valueStated at cost using the moving-average method.
- (ii) Standards and methods of valuation of derivatives
 -Market value method

(2) Depreciation methods for fixed assets

- (i) Tangible fixed assets (excluding lease assets)Declining-balance method
 - Useful life of years is as follows:
 - Buildings: 3-18 years
 - Tools, furniture and fixtures: 3-15 years
- (ii) Intangible assets (excluding lease assets)Goodwill is amortized over 5 years using the straight-line method.
 - Cost of production of package software for commercial use is amortized in respect of the larger of the amount of amortization based on the amount expected to be sold or the fixed amount of amortization based on the period during which the software is expected to be sold (3 years).
 - As for software for in-house use, the straight-line method is used with a useful life of 5 years.
- (iii) Lease assetsFinance leases other than those for which the ownership of the leased property is deemed to transfer to the lessee are accounted for over the lease terms without residual value.
 - Among the transactions of finance leases other than those for which ownership of the leased property is deemed to transfer to the lessee, the lease transactions that commence on or prior to March 31, 2008 are accounted for primarily as ordinary rental transactions.
- (iv) Long-term prepaid expense.....Amortized using the straight-line method

(3) Policies of accounting for allowances, accruals and reserves

- (i) Allowance for doubtful accountsAllowance for estimated uncollectible amounts for claims are estimated using historical data for general receivables and individually considering the probability of collection for doubtful receivables.

- (ii) Accrued bonuses for employees.....Accrued bonuses for employees are provided based on the estimates of bonus obligations for the current fiscal term.
 - (iii) Reserve for loss on litigationThe monetary loss that could occur in the future is estimated and the amount deemed necessary is posted to provide for loss regarding lawsuits.
 - (iv) Reserve for retirement benefits Reserve for retirement benefits for employees is provided based on the estimates of retirement benefit obligations as of the end of the fiscal term. Retirement benefit obligations are calculated using the simplified method.
- (4) Other basic policies for preparing the non-consolidated financial statements
- (i) Hedge accounting
 - (a) Hedge accounting.....Deferred accounting treatment is applied.
 - (b) Means for hedging and hedged itemsMeans for hedging: Forward exchange contracts
Hedged items: monetary payables determined in foreign currencies, anticipated transactions denominated in foreign currencies.
 - (c) Hedging policy.....In accordance with internal management rules, forward exchange contracts are entered into within the actual needs to hedge risks of exchange rate fluctuations for transactions denominated in foreign currencies.
 - (d) Assessment method of effectiveness of hedges
.....Because exchange contracts are entered into with respect to anticipated transactions, correlation due to subsequent exchange rate fluctuations is completely ensured. We determine such correlation instead of determining effectiveness (Assessment of effectiveness as of the end of the current fiscal year was omitted).
 - (ii) Accounting for consumption taxes.....Accounted for by the tax exclusion method.

(5) Changes in accounting policies

(Accounting Standard for Lease Transactions, etc.)

Although the transactions of finance leases other than those for which ownership of the leased property is deemed to transfer to the lessee were accounted for primarily as rental transactions, the Accounting Standard for Lease Transactions (Accounting Standards Board of Japan Statement No. 13 [Business Accounting Council Committee No. 1, June 17, 1993; revised March 30, 2007]) and the Implementation Guidance on Accounting Standard for Lease Transactions (Accounting Standards Board of Japan Guidance No. 16 [The Japanese Institute of Certified Public Accountants (JICPA) Accounting Standard Committee, January 18, 1994; revised March 30, 2007]) have been applied from the current fiscal year. Accordingly, the transactions are accounted for primarily as ordinary sales transactions.

Transactions of finance leases other than those for which the ownership of the leased property is deemed to transfer to the lessee, which commenced before the application of the standard for lease transactions, are accounted for primarily as ordinary rental transactions.

There are no impact due to the change on profits and losses.

2. Notes to the Non-Consolidated Balance Sheet

(1) Accumulated depreciation for tangible fixed assets	¥52,111 thousand
(2) Monetary receivables and payables from/to affiliates are as follows.	
(i) Short-term monetary receivables:	¥21,108 thousand
(ii) Short-term monetary payables:	¥4,488 thousand

3. Notes to the Non-Consolidated Statement of Income

(1) Transactions with subsidiaries and affiliates	
(i) Operating transactions	
Net sales	¥290,148 thousand
Cost of sales	¥720 thousand
(ii) Transactions other than operating transactions	¥33,159 thousand

(2) Details of impairment loss

In principle, the Company groups business properties by business segments.

In the current fiscal year, because part of the mobile business (mobile marketing ASP service MO-ON) was not expected to make a profit as initially expected, an impairment loss was recognized.

The breakdown of the impairment loss is as follows.

The recoverable value of the relevant business property is the higher of net selling price or value in use. The net selling price of assets that are difficult to sell or convert is assessed as zero, and the value in use is calculated as zero because the value assessed on the basis of future cash flow is negative.

Place	Use	Type	Impairment loss (thousands of yen)
Sub-office (Shinagawa-ku, Tokyo)	Mobile marketing ASP service MO-ON business	Building	1,857
		Tools, furniture, and fixtures	3,306
		Software	5,583
		Goodwill	63,017
		Total	73,764

4. Notes to the Non-Consolidated Statement of Changes in Net Assets

(1) Total number of shares issued

Class of shares	Number of shares at the end of the previous fiscal year	Number of shares increased during the current fiscal year	Number of shares decreased during the current fiscal year	Number of shares at the end of the current fiscal year
Common stock (shares)	203,663	6	-	203,669

Note: The total number of shares issued increased due to the issue of new shares upon exercising stock options during the current fiscal year.

(2) Treasury stock

Class of shares	Number of shares at the end of the previous fiscal year	Number of shares increased during the current fiscal year	Number of shares decreased during the current fiscal year	Number of shares at the end of the current fiscal year
Common stock (shares)	-	10,792	-	10,792

Note: The number of treasury stocks of common stock increased by 10,792 due to the acquisition of treasury stock by a resolution of the Board of Directors' Meeting.

(3) Dividend of surplus

Not applicable

(4) Stock acquisition rights as of the end of the current fiscal year

	Stock acquisition rights approved by a resolution of the Board of Directors' Meeting held on August 8, 2003	Stock acquisition rights approved by a resolution of the Board of Directors' Meeting held on July 30, 2004	Stock acquisition rights approved by a resolution of the Board of Directors' Meeting held on July 29, 2005
Class of shares subject to stock acquisition rights	Common stock	Common stock	Common stock
Number of shares subject to stock acquisition rights	149 shares	320 shares	395 shares
Outstanding stock acquisition rights	149	320	395

Note: Stock acquisition rights for which the first day of the exercise period does not arrive are excluded.

5. Notes concerning tax effect accounting

Details by primary causes of deferred tax assets and deferred tax liabilities

Deferred tax assets:

Amount of loss carried forward	¥286,703 thousand
Impairment loss	¥30,014 thousand
Reserve for loss on litigation	¥50,662 thousand
Other	¥18,912 thousand
Sub-total	¥386,293 thousand
Valuation allowance	(¥386,293 thousand)
Total of deferred tax assets	¥- thousand

Deferred tax liabilities:

Unrealized gain on securities	(¥5 thousand)
Total deferred tax liabilities	(¥5 thousand)
Net deferred tax assets	(¥5 thousand)

6. Notes concerning leased fixed assets

Transactions of finance leases other than those for which ownership of the leased property is deemed to transfer to the lessee are accounted for as ordinary sales transactions, but there was no relevant lease agreement at the end of the current fiscal year.

Lease transactions that commence on or prior to March 31, 2008 are accounted for primarily as ordinary rental transactions, and the details are as follows.

(1) Amount equivalent to acquisition costs, accumulated depreciation, and year-end balance at the end of the fiscal year

As the lease period under the lease agreement expired, not applicable.

(2) Amount equivalent to future minimum lease payments subsequent to the end of the fiscal year
As the lease period under the lease agreement expired, not applicable.

(3) In addition to the foregoing, significant matters related to the relevant leased assets

Lease expenses	¥97 thousand
Amount equivalent to depreciation	¥81 thousand
Amount equivalent to interest expense	¥3 thousand

(4) Calculation method for amount equivalent to depreciation
Straight-line method

(5) Calculation method for amount equivalent to interest expense

Amount equivalent to an interest expense is determined by the difference between the total amount of lease expenses and the acquisition cost of leased assets. The interest portions are allocated to each fiscal year by the interest method.

7. Notes to transactions with related parties

(1) Parent company of the Company and major shareholders, etc. (limited to companies, etc.)

Attribution	Name of company, etc.	Capital stock or investments in capital	Description of business or occupation	Percentage of owning (owned) voting rights, etc. (%)	Relationship with the related parties	Details of transaction	Transaction amount (Thousands of yen)	Account	Balance as of the end of the fiscal year (Thousands of yen)
Parent company	transcosmos inc.	29,065	Information services business and venture capital business	Direct 64.06%	Sale of the Company's products Concurrent holding of position of officer	Sale of products	290,148	Accounts receivable	21,108

(2) Companies with the same parent company as the Company and subsidiaries, etc., of other affiliates of the Company

Attribution	Name of company, etc.	Capital stock or investments in capital	Description of business or occupation	Percentage of owning (owned) voting rights, etc. (%)	Relationship with the related parties	Details of transaction	Transaction amount (Thousands of yen)	Account	Balance as of the end of the fiscal year (Thousands of yen)
Company with the same parent company	Tci-Business Service Co., Ltd.	100	Shared services business to companies of transcosmos inc. group	-	Investment of surplus fund Concurrent holding of position of officer	Deposit of funds Interest income	2,400,000 33,488	Deposits paid -	2,400,000

Notes:

- Among the amounts described in Section (1) above, transaction amounts are recorded exclusive of consumption taxes and balances as of the end of the fiscal year are recorded inclusive of consumption taxes.
- Transaction conditions and policy for making decisions on transaction conditions, etc.
 - The transaction conditions for the sale of the Company's products are determined as in the same manners as general transaction deposits after considering the market price.
 - The interest rate on money deposited is reasonably determined after considering the market interest rate.

(Additional information)

Since the current fiscal year, the Company has adopted the Accounting Standard for Related Party Disclosures (Accounting Standards Board of Japan (ASBJ) Statement No. 11, October 17, 2006) and the Guidance on Accounting Standard for Related Party Disclosures (ASBJ Guidance No. 13, October 17, 2006).

The scope of disclosure remains the same even after this adoption.

8. Notes concerning per share data

- Net assets per share 14,052.47 yen
- Net loss per share 1,384.50 yen

REPORT OF INDEPENDENT AUDITORS

May 13, 2009

To the Board of Directors of DoubleClick Japan Inc.

Ernst & Young ShinNihon LLC

Designated and Engagement Partner
Certified Public Accountant
Kazuo Ogawa

Designated and Engagement Partner
Certified Public Accountant
Go Nakagawa

Designated and Engagement Partner
Certified Public Accountant
Nobuaki Chonan

Pursuant to Article 436, Paragraph 2 of the Company Law, we have audited the non-consolidated financial statements, that is, the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in net assets, the notes to non-consolidated financial statements, and the supplementary schedules of the Company applicable to the 12th business year from April 1, 2008 to March 31, 2009. These financial statements and the supplementary schedules are the responsibility of the Company's management. Our responsibility is to independently express an opinion based on the audit.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those auditing standards require that we plan and perform the audit to obtain reasonable assurance as to whether the non-consolidated financial statements and the supplementary schedules are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the non-consolidated financial statements and the supplementary schedules, assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall presentation of the non-consolidated financial statements and the supplementary schedules. We believe that our audit provides a reasonable basis for our opinion. Our audit includes audit procedures for subsidiaries as we considered necessary.

As a result of our audit, it is our opinion that the non-consolidated financial statements and the supplementary schedules properly present in all material respects the Company's financial position and the results of operations of the Company in accordance with accounting standards generally accepted in Japan.

Our firm and engagement partners have no interest in the Company that must be disclosed pursuant to the provisions of the Certified Public Accountants Law.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

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AUDIT REPORT OF STATUTORY AUDITORS

The Board of Statutory Auditors, having deliberated the issues based on the reports made by each Statutory Auditor concerning the methods and results of their audit of the business activities of the Directors for the 12th business term from April 1, 2008 to March 31, 2009, prepared this Audit Report and hereby submits it as follows:

1. Outline of auditing method applied by the Statutory Auditors and the Board of Statutory Auditors:
The Board of Statutory Auditors established the auditing policies and the division of operations, received reports and explanations regarding the status of audits and the results thereof from each Statutory Auditor, as well as reports and explanations regarding the status of the execution of duties from the Directors and Accounting Auditor, and requested explanation as necessary.

In accordance with the auditing standards for Statutory Auditors determined by the Board of Statutory Auditors and the auditing policies and the division of operations, each Statutory Auditor endeavored to collect information and established auditing circumstances through communication with Directors, internal audit staff and other employees, and attended the Board of Directors’ meeting and other important meetings to receive reports regarding execution of duties from Directors, employees, etc. and requested explanations as necessary. Each Statutory Auditor also inspected the significant approved documents and examined the status of operations and conditions of assets at its head office. Each Statutory Auditor monitored and verified the resolutions adopted by the Board of Directors regarding the establishment of the system for ensuring that the Directors’ duties are executed in conformity of laws and regulations, and the Articles of Incorporation of the Company, and the establishment of the system necessary to ensure proper business operations of the company set forth in Items 1 and 3 of Article 100 of the Ordinance for Enforcement of the Company Law, and the systems (Internal Control System) established in accordance with the resolution of the Board of Directors. In accordance with the procedures mentioned above, we reviewed the business reports and supplementary schedules for the year ended on March 31, 2009.

Further, Statutory Auditors monitored and verified that Accounting Auditor maintains independence and conduct the audits appropriately. Each Statutory Auditor also received reports of the status of the execution of duties from Accounting Auditor and requested explanation as necessary. In addition, we were informed of the arrangement of the “System for ensuring that the duties are executed appropriately” (matters stipulated in the items of Article 131 of the Corporate Accounting Rules in accordance with Standards for the Quality Control of Audits (Business Accounting Council, October 28, 2005)) from the Accounting Auditor and requested explanations as necessary. In accordance with the procedures mentioned above, we reviewed the non-consolidated financial statements (the non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in net assets and notes to the non-consolidated financial statements), and the supplementary schedules, for the year ended on March 31, 2009.

2. Results of Audit

- (1) Results of audit of business report etc.
 - 1) The business reports and supplementary schedules present fairly the financial condition of the Company in conformity with related laws and regulations, and the Articles of Incorporation of the Company;
 - 2) Regarding the performance of duties by Directors, there were no instances of misconduct or

material matters in violation of laws and regulations, nor the Articles of Incorporation of the Company; and

3) Resolution of the Board of Directors regarding the internal control system is fair and reasonable. There are no matters requiring additional mention regarding such internal control and the execution of duties by Directors.

(2) Results of audit of non-consolidated financial statements and supplementary schedules

The auditing methods and results of the Accounting Auditor, Ernst & Young ShinNihon LLC, are fair and reasonable.

May 14, 2009

Board of Statutory Auditors of DoubleClick Japan Inc.

Standing Statutory Auditor Teruyuki Hiroyuki

Statutory Auditor Hiroyuki Furuwara

Statutory Auditor Atsuhiko Suwahara