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Securities Code: 9715
June 3, 2015

To Our Shareholders

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

NOTICE OF THE 30th ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 30th Annual 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 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 and 4).

Please review the Reference Documents for the Annual 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 June 23, 2015 (Tuesday).

1. Date and Time: 10:00 a.m., Wednesday, June 24, 2015

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

3. Agenda of the Meeting:

Matters to be reported:
1. Business Report, Consolidated Financial Statements and results of audits by the Accounting Auditor and the Board of Statutory Auditors of the Consolidated Financial Statements for the 30th Fiscal Term (from April 1, 2014 to March 31, 2015)
2. Financial Statements for the 30th Fiscal Term (from April 1, 2014 to March 31, 2015)

Proposals to be resolved:

Proposal No. 1: Appropriation of surplus for the 30th fiscal term

Proposal No. 2: Renewal of Countermeasures to Large-Scale Acquisitions of Shares in the Company (Takeover Defense Measures)

Proposal No. 3: Partial Amendment to Articles of Incorporation

Proposal No. 4: Election of Sixteen Directors

Proposal No. 5: Election of One Substitute Statutory Auditor

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

Procedures for the Exercise of Voting Rights via the Internet

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.web54.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.**
   (QR Code is a trademark of DENSO WAVE INCORPORATED.)
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 June 23, 2015 (Tuesday). We would however 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, or if you exercise your voting rights more than once using the computer and mobile phone, 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 access charges) when accessing the website for the exercise of voting rights will be borne by the shareholders.

System Environment for the Exercise of Voting Rights via the Internet

If you are exercising your voting rights via the Internet, please confirm the following regarding your systems.

1. When using the website for personal computers:
   1) Display resolution shall be 800 dots horizontal x 600 dots vertical (SVGA) or higher.
   2) The following applications must have been installed:
      (a) Microsoft® Internet Explorer Ver.5.01 SP2 or later as web browser
      (b) Adobe® Acrobat® Reader™ Ver.4.0 or later, or Adobe® Reader® Ver.6.0 or later as PDF file reader
      * Internet Explorer is the registered trademark, trademark, or name of a product of U.S. Microsoft Corporation in the U.S. and other countries, while Adobe® Acrobat® Reader® and Adobe® Reader® are registered trademarks, trademarks, or names of products of the U.S. Adobe Systems Incorporated in the U.S. and other countries.
      *Each of the software mentioned above is distributed free of charge on the website of the respective companies.
   3) If you have activated the "popup blocker" function in the web browser or add-in tools, etc., of your personal computer, please disable (or temporarily disable) the function and allow the use of "Cookies" with the site in the settings concerning security.
   4) If you cannot access the site mentioned above, there is a possibility that communications with the Internet are restricted by the settings of firewall proxy server, antivirus software, etc. Please confirm details of these settings.
2. When using the website for mobile phones:
   The model of your mobile phone must be able to receive one of the following services and be equipped with 128bit Secure Socket Layer (SSL) to allow encrypted telecommunications.
   1) i-mode
   2) EZweb
   3) Yahoo!Keitai
   * i-mode is a trademark, registered trademark, or name of service of NTT DOCOMO, INC., while EZweb, Yahoo!, and Yahoo! Keitai are a trademark, registered trade mark, or name of service of KDDI CORPORATION, Yahoo! Incorporated of the U.S. and SoftBank Mobile Corp., respectively.

* If you access the website using the full browser application of mobile phones, if you access the website from a personal computer via telephone terminals using the phone only as a telecommunications device, or if you access the website using smartphones, your voting will be handled as voting on the website for personal computers even if the handset used satisfies the conditions described above.

Inquiries about How to Operate Personal Computers, etc.

1. If you have any questions about how to operate PCs, mobile phones, etc., concerning the exercise of voting rights via the Internet on the site, please call the following number.
   Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Web Support
   Direct Line: (Toll free) 0120-652-031 (9:00 – 21:00; within Japan only)
2. For other inquiries, please call one of the following numbers.
   1) Shareholders who have accounts with securities companies:
      Shareholders who have accounts with securities companies are requested to make inquiries to the securities company where they respectively have accounts.
   2) Shareholders who do not have accounts with securities companies (Shareholders who have special accounts):
      Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Administration Center
      (Toll free) 0120-782-031 (9:00 – 17:00, excluding the weekend and holidays; within Japan only)

TSE Platform for the Electronic Exercise of Voting Rights

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

Attached document (1)

BUSINESS REPORT

(from April 1, 2014 to March 31, 2015)

1. Business Overview of the Group

(1) Progress and Results of Operations

During the fiscal year ended March 31, 2015, the Japanese economy remained on a moderate recovery trend, thanks to the economic and monetary policies implemented by the Japanese government and the Bank of Japan, as shown by improvement in corporate earnings, a pickup in capital investment and improvement in employment conditions. However, the economic outlook was clouded by factors such as rising prices of raw materials following the yen's depreciation, weak consumer sentiment, and concerns about a downturn in overseas economies caused by the slowing of economic growth and political uncertainty in emerging nations.

In the information services market in which the Group is involved, demand for business process outsourcing (BPO) services continued to expand, based on the constant corporate needs for strengthening cost competitiveness and improving operational efficiency. With the spread and advancement of smartphones and tablet devices, companies accelerated the development of Electronic Commerce (EC) businesses. Accordingly, demand for EC-related services is becoming apparent.

Given such a situation, the Group achieved an order increase by providing BPO services centering on contact center services, back office services, design development services and Internet promotion services to customers in wide-ranging industries and lines of business.

As efforts toward achieving further growth, the Group is focusing on promoting global development in order to meet the demand for BPO services globally and strengthening the framework for one-stop services for EC businesses of customers.

Specifically, we established a service base in London, the Group's first base in Europe, through which we will provide one-stop EC services for the European market, support European companies with business expansion into the Asian market and promote capital and business alliances with local EC and BPO services-related companies. In addition, the Group is accelerating business development in the ASEAN market. In Thailand, transcosmos formed a capital and business alliance with the SAHA Group, Thailand's most prominent conglomerate, and opened its second call center in Bangkok with about 200 seats as part of efforts for promoting the development of BPO services for the Thai domestic market. In Singapore, we established TAKASHIMAYA TRANSCOSMOS INTERNATIONAL COMMERCE PTE. LTD., a joint venture with Takashimaya Co., Ltd. This joint venture company will carry out wholesale and retail sales operations to make proposals for and to supply high-quality Japanese products overseas. In addition, the Company opened the cross-border E-commerce website SPACE 879, which offers Western products to consumers in Japan. We will continue to strengthen the framework for E-commerce one-stop services.

As a result, consolidated operating results for the fiscal year ended March 31, 2015, were as follows. Net sales were 199,178 million yen, up 6.8% from the previous year. As for profit, due to the effects of exclusion of some subsidiaries from the scope of consolidation, operating income decreased 3.9% from the previous year to 9,166 million yen, and ordinary income declined 4.7% from the previous year to 9,603 million yen. Net income increased 16.9% from the previous year to 7,349 million yen, due to the recording of a gain on sales of subsidiaries' and affiliates' stocks.

The operating results by segment are indicated as follows.

The Company's services

In the outsourcing service business and other businesses of the Company, sales were 157,310 million yen, up 7.9% from the previous year, and segment profit was 7,374 million yen, up 6.3% from the previous year. This is due to expanding demand for BPO services and higher profitability as a result of proper adjustment of costs.

BtoB domestic subsidiaries

In BtoB domestic subsidiaries, orders increased steadily mainly at BPO services subsidiaries. As a result, sales increased 9.7% from the previous year to 22,695 million yen, and segment profit increased 24.5% from the previous year to 1,182 million yen.

BtoB overseas subsidiaries

In BtoB overseas subsidiaries, sales increased 25.9% from the previous year to 24,340 million yen, due to the expansion of orders for BPO services in South Korea. In the meantime, segment profit declined 5.1% from the previous year to 474 million yen, due to the deterioration of profitability of the offshore services business as a result of the yen's depreciation.

BtoC subsidiaries

In BtoC subsidiaries, sales were 6,209 million yen, down 44.1% from the previous year, and segment profit was 56 million yen, down 94.7% from the previous year. This is because some subsidiaries were excluded from the scope of consolidation in the first quarter of the current consolidated fiscal year.

Segment profits are calculated based operating profits on the Consolidated Statement of Income.

(2) Issues to Be Addressed

The environment surrounding the outsourcing business is changing considerably along with corporate needs. The Group's business environment changes on a daily basis, with events such as the maturing of markets, intensifying competition, globalization and technological innovation. Consequently, corporate outsourcing needs are changing from traditional ones, which focused on reducing costs, to needs for a management strategy to promptly and properly respond to rapidly changing business environments. Accordingly, the Group, an outsourcing service provider, understands that it is a key management issue to create, maintain and provide flexible and high value-added services to materialize corporate strategies while precisely grasping changing corporate needs. Also, in order to improve the Group's corporate competitiveness, we will focus our efforts on further pursuing global business, which is a high growth domain, and making a more solid management base to ensure stable growth, while continuing to increase efforts to improve customer satisfaction and service quality.

1) Increasing the value added to services

The Group provides comprehensive BPO services which help our client companies to increase their sales and reduce their costs. The Group does this by providing clients with each service or by integrating contact center service, business process outsourcing service and digital marketing service, . In order to further evolve these services, the Group will create and provide unique services which suit changing corporate needs by promptly incorporating state-of-the-art technologies and trends such as social media, smartphones, big data and omni-channel. In addition, we will promote the Global E-Commerce One-Stop Services for providing support to customers' E-commerce businesses as part of the next growth engines of BPO services, in order to meet business demand in the rapidly expanding E-commerce market.

2) Pursuit of global business

The Group will reinforce its overseas business development, regarding the global market as a growth area. Starting with an expansion into North America, we are now focusing on business development in China, South Korea, as well as Southeast Asia and Europe. In addition to the offshore services that help companies improve their cost competitiveness, the Group will carry out wide-ranging BPO services, including one-stop E-commerce services for overseas markets, utilizing our partner companies and personnel, who are very familiar with each market, and our business expertise and know-how which we have acquired through our long experience in the Japanese market, in order to establish our uniqueness and predominance in the global market.

3) Developing and consolidating crisis management system

It is essential for the Group, which undertakes the operations of its client companies, to continue to develop and consolidate a system which enables it to continue and promptly resume operations in a situation where it is difficult to continue business activities when a disaster happens. Therefore, the Group will improve the precision of its BCP, bracing for diversifying risks such as disasters, acts of terrorism and accidents, and will reinforce its measures against the expected electricity shortage so that it can continue business through the use of batteries and cooperation with each office all over Japan.

Based on these principles, the whole Company will continue to work together to put its corporate philosophy into practice (“Client satisfaction is the true value of our company, and the growth of every employee creates the value that shapes our future”), to strive to raise corporate value, and to contribute to the progress of our shareholders, client companies, employees, and society by growing our group businesses.

(3) Status of Raising Funds

There is nothing significant to be noted during the current fiscal year.

(4) Status of Capital Investment

There is nothing significant to be noted during the current fiscal year.

(5) Transfers, Absorption-type Splits, or Incorporation-type Splits of Business

There is nothing significant to be noted during the current fiscal year.

(6) Acquisition of Businesses of Other Companies

There is nothing significant to be noted during the current fiscal year.

(7) Succession of Rights and Duties of Other Institutions in Relation to Mergers or Absorption-type Splits

Based on the resolution of the Board of Directors held on October 31, 2014, the Company conducted an absorption-type merger of its consolidated subsidiary transcosmos CRM Okinawa, Inc., effective April 1, 2015.
In addition, the Company plans to conduct an absorption-type merger of its consolidated subsidiary NIHONCHOKUHAN Co., Ltd. effective July 1, 2015, based on the resolution of the Board of Directors held on March 18 and April 20, 2015.

(8) Acquisition or Disposal of the Shares, Other Equities, or Stock Acquisition Rights of Other Companies

There is nothing significant to be noted during the current fiscal year.

(9) Trends of Business Results and Assets of the Group

	FY 2012 (27th Fiscal Term)	FY 2013 (28th Fiscal Term)	FY 2014 (29th Fiscal Term)	FY 2015 (30th Fiscal Term)
Net sales (millions of yen)	161,208	166,335	186,503	199,178
Ordinary income (millions of yen)	8,970	8,507	10,082	9,603
Net income (millions of yen)	4,969	4,919	6,289	7,349
Net income per share (yen)	120.77	119.57	152.87	178.65
Total assets (millions of yen)	93,137	88,420	92,173	101,551
Net assets (millions of yen)	48,819	53,301	60,809	67,396
Net assets per share (yen)	1,101.41	1,212.44	1,394.09	1,580.91

Note: Net income per share is calculated by deducting the average number of treasury stock in each fiscal term from the average total number of shares issued in each fiscal term. Net assets per share are calculated by deducting the number of treasury stock as of end of the term from the total number of issued shares as of end of the term.

(10) Status of Parent Company and Major Subsidiaries

1) Relationship with the parent company

Not applicable.

2) Major subsidiaries

Name	Capital	Ratio of voting	Principal business
J-Stream Inc.	2,182 million yen	53.78%	Data distribution service business using the Internet
APPLIED TECHNOLOGY CO., LTD.	600 million yen	60.22%	System integration business for GIS/manufacturers
transcosmos Korea Inc.	KRW5,302 million	99.98%	BPO business in South Korea
transcosmos CRM Okinawa Inc.	100 million yen	100.0%	Contact center business in Japan

Note: transcosmos CRM Okinawa, Inc. was merged with transcosmos inc. in an absorption-type merger effective April 1, 2015.

(11) Principal Business of the Group (As of March 31, 2015)

The Company Group mainly engages in contact center services, business process outsourcing services, digital marketing services, EC one stop services, and BtoC services.

(12) Principal Business Offices of the Group (As of March 31, 2015)

Offices	Locations
Main Office of the Company:	25-18, Shibuya 3-chome, Shibuya-ku, Tokyo
Head Office, Branch Offices and Business Offices:	Osaka, Nagoya, Kyoto, Wakayama, Fukuoka, Silicon Valley
Domestic Offices:	Sapporo, Sendai, Utsunomiya, Kitakashiwa, Kawaguchi, Tokyo, Yokohama, Nagoya, Osaka, Wakayama, Fukuoka, Kumamoto, Miyazaki, Okinawa

Overseas Offices:	U.S.A. (New York, Los Angeles), U.K. (London), China (Beijing, Shanghai, Tianjin, Dalian, Guangzhou, Shenzhen, Suzhou, Daqing, Shenyang, Benxi), South Korea (Seoul, Seongnam, Busan), Indonesia (Jakarta), Thailand (Bangkok), Vietnam (Hanoi), Philippines (Manila), Malaysia (Kuala Lumpur), Singapore (Singapore)

(13) Employees (As of March 31, 2015)

1) Employees of the Group

Business segment	Number of employees	Number of temporary employees
Company's services	8,432	16,387
BtoB domestic subsidiaries	1,160	3,446
BtoB overseas subsidiaries	6,302	1,840
BtoC subsidiaries	101	17
Total	15,995	21,690

2) Employees of the Company

Number of employees	Year-on-year change	Average age	Average length of service
8,432 (16,387)	+ 387 (+1,171)	35 years, 7 months	8 years, 8 months

Note: "Number of employees" refers to the number of employees actually working at the Company. Number of temporary employees is separately indicated in parentheses, which shows the average number in the current fiscal year.

(14) Major Creditors (As of March 31, 2015)

There are no matters of particular note.

2. Matters Concerning Shares of the Company (As of March 31, 2015)

(1) Total number of shares authorized to be issued: 150,000,000 shares

(2) Total number of shares issued: 48,794,046 shares

(number of shares constituting one unit: 100 shares)

(3) Number of shareholders at end of the fiscal year: 16,167

(of which 13,052 shareholders hold unit shares)

(4) Top ten major shareholders

Name	Number of shares held (thousands of shares)	Shareholding ratio (%)
Koki Okuda	7,498	18.3
Masataka Okuda	5,910	14.4
Okuda Ikueikai, Public Interest Incorporated Foundation	1,753	4.3
Mihoko Hirai	1,463	3.6
Master Trust Bank of Japan, Ltd. (Account in Trust)	1,380	3.4
Japan Trustee Services Bank, Ltd. (Account in Trust)	1,116	2.7
GOLDMAN, SACHS & CO. REG	914	2.2
HM Kosan, Ltd.	722	1.8
Employee Shareholding Association of transcosmos inc.	613	1.5
STATE STREET BANK AND TRUST COMPANY 505103	559	1.4

Notes:
1. Although the Company holds 7,654 thousand shares of treasury stock, it is excluded from the top ten major shareholders above. Shareholding ratio is calculated by excluding treasury stock.
2. Number of shares held less than one thousand is rounded down to the nearest thousand.
3. Shareholding ratio is rounded off to the nearest first decimal.

3. Matters Concerning the Stock Acquisition Rights, etc. of the Company

(1) Stock Acquisition Rights, etc. Held by the Company's Officers (As of March 31, 2015)

Not applicable.

(2) Stock Acquisition Rights Delivered to the Company's Employees during the Fiscal Year

Not applicable.

4. Corporate Officers (As of March 31, 2015)

(1) Directors and Statutory Auditors

Position	Name	Assignment or principal responsibilities and significant concurrent positions
Founder, Representative Director & Group CEO	Koki Okuda	Group Chief Executive Officer
Chairman, Representative Director & CEO	Koji Funatsu	Chief Executive Officer Outside Director, Member of the Board of KADOKAWA･DWANGO CORPORATION
President, Representative Director & COO	Masataka Okuda	Chief Operating Officer
Executive Vice President	Koichi Iwami	Chief of Global Business Sector, General Manager of Services Promotion Division, and in charge of Contact Center Services Headquarters Chairman of transcosmos MCM Shanghai Co., Ltd. Chairman of transcosmos Korea Inc. Director of transcosmos analytics inc. Director of transcosmos philippines, inc.
Senior Executive Managing Director	Hiroyuki Mukai	In charge of Sales Headquarters
Senior Executive Managing Director	Masakatsu Moriyama	General Manager of BtoC Business Development Division, and in charge of Digital Marketing Services Sector Representative Director of TEAMLAB Business Development Inc. President and Representative Director of Co-Core Inc. Director of transcosmos philippines, inc. Representative Director of NIHONCHOKUHAN Co., Ltd.
Senior Executive Managing Director	Shinichi Nagakura	Deputy Chief of Global Business Sector, Manager of Global Business Sector, Silicon Valley Branch and President and CEO of transcosmos America, Inc. Director of Merlin Information Systems Group Limited Director of PFSweb, Inc.
Executive Managing Director	Masaaki Muta	Chief of Sales Headquarters and Deputy General Manager of Services Promotion Division
Executive Managing Director	Masatoshi Kouno	Chief of Business Process Outsourcing Services Headquarters and Deputy General Manager of Services Promotion Division
Executive Managing Director	Hitoshi Honda	Chief Financial Officer, in charge of Accounting & Finance Division, Administrative Division, Affiliated Companies Corporate Management Division, Portfolio Management Administration Department and Corporate Management Division of the Company Director of transcosmos philippines, inc. Director of transcosmos America, Inc.
Executive Managing Director	Kiyoshi Shiraishi	CTO and Services Promotion Division Deputy President and Representative Director of Up Arrows Inc. Chairman and Representative Director of J-Stream Inc.

Outside Director	Takeshi Natsuno	Guest Professor of Keio University, Graduate School of Media and Governance Outside Director of Sega Sammy Holdings Inc. Director of Pia Corporation Part-time Director of NTT Resonant Inc. Director of Dwango Co., Ltd. Outside Director of DLE Inc. Outside Director of GREE, Inc. Outside Director of U-NEXT Co., Ltd. Director, Member of the Board of KADOKAWA・DWANGO CORPORATION
Outside Director	Jutaro Takinami	Part-time Director of APPLIED TECHNOLOGY CO., LTD. Outside Director of transcosmos Technologies Inc.
Outside Director	Nozomu Yoshida	Representative Director of nozomu.net Outside Director of Concent, Inc. Representative Director of Odayaka Living Co., Ltd. Outside Statutory Auditor of ASAHI Net, Inc.
Outside Director	Eiji Uda	
Standing Statutory Auditor	Hideaki Ishioka	
Standing Statutory Auditor	Kunio Shimofusa	
Outside Statutory Auditor	Toshiaki Nakamura	Outside Statutory Auditor of Riso Kyoiku Co., Ltd. Outside Statutory Auditor of Tokyo Bay Hotels Corporation
Outside Statutory Auditor	Setsuo Yamane	

Notes:

1. Changes in Directors during the fiscal year are as follows:
   Executive Managing Director, Hitoshi Honda: Elected at the 29th Annual General Meeting of Shareholders held on June 25, 2014, and took office
   Executive Managing Director, Kiyoshi Shiraishi: Elected at the 29th Annual General Meeting of Shareholders held on June 25, 2014, and took office
   Outside Director, Eiji Uda: Elected at the 29th Annual General Meeting of Shareholders held on June 25, 2014, and took office
2. Changes in Statutory Auditors during the fiscal year are as follows:
   Standing Statutory Auditor Kunio Shimofusa: Elected at the 29th Annual General Meeting of Shareholders held on June 25, 2014, and took office
3. Outside Director Eiji Uda retired upon his resignation as a Director of salesforce.com Co., Ltd., which had been one of his concurrent positions, on December 31, 2014.
4. Directors Takeshi Natsuno, Jutaro Takinami, Nozomu Yoshida and Eiji Uda are Outside Directors.
5. Statutory Auditors Toshiaki Nakamura and Setsuo Yamane are Outside Statutory Auditors.
6. Outside Statutory Auditor Toshiaki Nakamura is a certified public tax accountant and possesses considerable expertise and experience in finance and accounting.
7. The Company has designated Outside Directors Takeshi Natsuno, Jutaro Takinami and Eiji Uda, and Outside Statutory Auditor Toshiaki Nakamura and Setsuo Yamane as independent executives stipulated by the Tokyo Stock Exchange, and registered them with the exchange as such.

(2) Outside Corporate Officers

1) Status of significant concurrent positions as executive officer held outside the Company and relation of said other organizations with the Company

Outside Director Takeshi Natsuno concurrently holds the positions of Director of Pia Corporation, Director of Dwango Co., Ltd. and Director, Member of the Board of KADOKAWA・DWANGO CORPORATION. There is no special relationship between these companies and the Company.

Outside Director Nozomu Yoshida concurrently holds the positions of Representative Director of nozomu.net and Representative Director of Odayaka Living Co., Ltd. There is no special relationship between these companies and the Company.

salesforce.com Co., Ltd., where Outside Director Eiji Uda served as Director, has a business relationship with the Company.

2) Status of significant concurrent positions as Outside Directors, etc. held outside the Company and relation of said other organizations with the Company

Outside Director Takeshi Natsuno concurrently holds the positions of Part-time Director of NTT Resonant Inc., Outside Director of Sega Sammy Holdings Inc., DLE Inc., GREE, Inc., and U-NEXT Co., Ltd. The Company has business relationships with NTT Resonant Inc., DLE Inc., GREE, Inc., and U-NEXT Co., Ltd.

Outside Director Jutaro Takinami concurrently holds the positions of Part-time Director of APPLIED TECHNOLOGY CO., LTD. and Outside Director of transcosmos Technologies Inc. Both companies are subsidiaries of the Company.

Outside Director Nozomu Yoshida concurrently holds the position of Outside Director of Concent, Inc. and the position of Outside Statutory Auditor of ASAHI Net, Inc. The Company has a business relationship with ASAHI Net, Inc.

Outside Statutory Auditor Toshiaki Nakamura concurrently holds the position of Outside Statutory Auditor of Riso Kyoiku Co., Ltd. and Tokyo Bay Hotels Corporation. There is no special relationship between these companies and the Company.

3) Liability Limitation Agreement with Outside Directors and Outside Statutory Auditors

The Company has entered into, with each of Outside Directors and with each of Outside Statutory Auditors, the liability limitation agreement, which limits liability for damage under Article 423, Paragraph 1 of the Companies Act pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act.

The maximum amount of liability for damage under such agreement is 1 million yen or the amount provided for in Article 425, Paragraph 1 of the Companies Act, whichever is higher, for Outside Directors Takeshi Natsuno, Jutaro Takinami, Nozomu Yoshida and Eiji Uda; and 1 million yen or the amount provided for in Article 425, Paragraph 1 of the Companies Act, whichever is higher, for Outside Statutory Auditors Toshiaki Nakamura and Setsuo Yamane.

(3) Principal Activities of Outside Corporate Officers

Principal Activities at Board of Directors' and Board of Statutory Auditors' Meetings during the current fiscal year

Name of Outside Corporate Officers	Position	Attendance at Board of Directors' Meetings and Board of Statutory Auditors' Meetings (Number of times)	Main comments
Takeshi Natsuno	Outside Director	16/18 —	He has generally given advice and made proposals on matters to be resolved and reported, as necessary, based on the viewpoint of former director of listed companies and his wide knowledge and experience in Internet business.
Jutaro Takinami	Outside Director	18/18 —	He has generally given advice and made proposals on matters to be resolved and reported, as necessary, based on his wide knowledge and experience in management of other companies for long term.
Nozomu Yoshida	Outside Director	18/18 —	He has generally given advice and made proposals on matters to be resolved and reported, as necessary, based on his wide knowledge and experience in Internet business.
Eiji Uda	Outside Director	13/13 —	He has generally given advice and made proposals on matters to be resolved and reported, as necessary, based on his wide knowledge and experience in management of other companies for long term.
Toshiaki Nakamura	Outside Statutory Auditor	18/18 15/15	He has generally given opinions on matters to be resolved and reported, as necessary, based on his wide knowledge and experience as a public tax accountant.
Setsuo Yamane	Outside Statutory Auditor	18/18 15/15	He has generally given opinions on matters to be resolved and reported, as necessary, based on his wide knowledge and experience on police duty for long term...

Note: Changes to Director during the fiscal year are as follows:
Outside Director Eiji Uda: Elected at the 29th Annual General Meeting of Shareholders held on June 25, 2014.

(4) Remuneration paid to Directors and Statutory Auditors

Category	Number of Directors and Statutory Auditors paid	Amount paid
Directors (Outside Directors among the above)	15 (4)	422 million yen (55 million yen)
Statutory Auditors (Outside Statutory Auditors among the above)	4 (2)	33 million yen (12 million yen)
Total	19	455 million yen

Notes:
1. Amount paid includes Directors' bonuses of 48 million yen resolved at Board of Directors' Meeting held on April 30, 2015.
2. A resolution of the General Meeting of Shareholders limits the remuneration to Directors to 800 million yen per year. (Annual General Meeting of Shareholders held on June 25, 2014)
3. A resolution of the General Meeting of Shareholders limits the remuneration to Statutory Auditors to 60 million yen per year. (Annual General Meeting of Shareholders held on June 25, 2014)

5. Status of the Accounting Auditor

(1) Name of the Accounting Auditor

Ernst & Young ShinNihon LLC

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

Total remuneration to be paid during the current fiscal year of the Company (Note)	95 million yen
Total amount of money and other profits from properties to be paid by the Company and its subsidiaries to the Accounting Auditor	157 million yen

Note: The Audit agreement between the Company and the Accounting Auditor does not separate or is unable to effectively separate audit remunerations for audits under the Companies Act and audit remunerations for audits under the Financial Instruments and Exchange Act. Accordingly, the amount described above does not separate these two types of payment.

(3) Matters concerning audits of subsidiaries

Among the major subsidiaries of the Company, transcosmos Korea Inc. underwent legal audits by certified public accountants or accounting auditor other than the Company's Accounting Auditor (including overseas accountants with qualifications similar to those of these accountants).

(4) Non-auditing service

The Company pays accounting auditor's compensation for the service relating to agreed procedures, etc., other than the service as provided in Article 2, Paragraph 1 of the Certified Public Accountants Act.

(5) Summary of the Liability Limitation Agreement

Not applicable.

(6) Policy on determining the dismissal or non-reappointment of the Accounting Auditor

If the Accounting Auditor commits or causes any violations of or conflicts with the provisions of the Companies Act, the Certified Public Accountants Act, or any other laws or regulations of Japan, or if there is any considerable doubt therefor, the Board of Directors will, after obtaining the consent of the Board of Statutory Auditors, submit a proposal for the dismissal or non-reappointment of the Accounting Auditor to the General Meeting of Shareholders. If any of the provisions of Article 340, Paragraph 1 of the Companies Act applies to the Accounting Auditor, the Board of Statutory Auditors will dismiss the Accounting Auditor upon the unanimous approval of the Statutory Auditors. Further, the Board of Statutory Auditors may decide on the reappointment or non-reappointment by taking into consideration the length of years the Accounting Auditor has served in his or her office.

Note: Following the enforcement of the "Act for Partial Revision of the Companies Act" (Act No. 90 of 2014) effective May 1, 2015, the Company changed the decision-making body for proposal for dismissal or non-reappointment of Accounting Auditor from the Board of Directors to the Board of Statutory Auditors. Note that the Company's policy for determining dismissal or non-reappointment of Accounting Auditor for the current business year is as described above.

6. Corporate Structure and Policies

(1) 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

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

In order to satisfy corporate social responsibility, compliance with laws and regulations, and compliance with the Articles of Incorporation, the Company ensures that Directors adhere to the Compliance Charter, the Code of Conduct, and the Compliance Rules in the execution of duties. The Company will further raise the awareness of all of the Directors on matters of compliance through training sessions on compliance and ensure the execution of duties based on these principles.

The Meeting of Board of Directors, which is to be held once a month in principle, will be operated in accordance to the Board of Directors Regulations. Communication among the Directors is encouraged, and the Directors will oversee the execution of one another's duties. The Statutory Auditors will also participate in the Board Meetings and oversee the execution of the duties of the Directors to ensure that such duties are performed in accordance with all relevant laws. Outside Directors will also be present at the Board Meetings and work to enhance management oversight functions.

Through the implementation of the laws and regulations related to internal control, the Company has once again drawn up a set of basic plans for the establishment of a stronger system for internal control, with the cooperation and support of attorneys, certified public accountants, and other external consultants.

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 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 as necessary.

The administrative work related to these matters, including the inspections to confirm whether the rules are applied and the reviews of the procedures, will be managed under the control of the General Manager of the Business Administration Division and reported to the Board of Directors in a timely manner.

To ensure efficient execution of business, the Company shall endeavor to further promote a system for the rationalization of business and implementation of the IT system.

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

As stipulated under the Internal Audit Regulations, the Internal Audit Office, an organization under the direct supervision of the President, will prepare an audit plan based on careful consideration of the items to be audited and the audit methods, and conduct the audit in accordance with the plan.

If any breach of laws, regulations, or the Articles of Incorporation is found through an audit by the Internal Audit Office, or if any business act which may lead to a risk of loss due to other causes is found, the matter shall be reported immediately to the President.

The Compliance Promotion Department will be in charge of risk management in accordance with the basic rules on risk management.

Each department will conduct risk management in relation to its respective sector and build a system to report matters promptly to the Compliance Promotion Department in case a risk of loss is discovered. To facilitate the collection of risk information, the Company will familiarize the Directors and employees with the importance of the existence of the Compliance Promotion Department and instruct them to promptly report any risk of loss they discover through the organization.

The information management system will be enhanced based on privacy marks and other personal information protection regulations.

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

The Company will ensure the efficient performance of business and implement an assessment and remuneration system linked to the performance results by drawing up an annual plan, medium term management plan, etc., clarifying the objectives to be achieved by the Company, clarifying the organization and business targets with which each Director will be charged, and then by having the Board of Directors review the level of target achievements and feedback the results.

In accordance with the Board of Directors Regulations, the Rules on the Division of Authorities, and the Document Approval Rules, the Company will clarify the authoritative powers and the responsibilities of the Directors.

The Directors will manage and oversee the execution of business by the Executive Officers.

The Company will simplify its processes to ensure that decisions can be made promptly in accordance with the rules of management meetings. Decisions on significant matters shall be made promptly and with care at management meetings comprising the representative directors.

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

The Company will see to it that all of employees are familiar with the Compliance Charter, Code of Conduct, and Compliance Rules, to ensure that the employees fulfill their social responsibilities and comply with all relevant laws and regulations, and the Articles of Incorporation in the execution of their duties.

Anti-social elements threatening the order and safety of civil society will be approached with a resolute attitude by the organization as a whole and an internal system excluding business and all other relationships with these elements shall be developed based on the Code of Conduct.

The Compliance Department will name managers in charge of the department as the responsible person, and plan for and implement compliance programs regularly. The Company will raise employees' knowledge of compliance and create a mindset that adheres to compliance by holding training sessions on compliance and preparing and distributing manuals.

The Company will create hotlines in order to establish an environment in which internal whistleblowers may easily provide information.

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

In order to confirm whether there is any information suggestive of a risk to the Company group made up of the Company and its subsidiaries, the departments in charge of the Company's subsidiaries will take necessary measures for the management of the subsidiaries in accordance with the management rules of the affiliated companies, as called for by the situations of the subsidiaries.

If the departments in charge of the subsidiaries discover any risk of loss of the subsidiaries, it will promptly notify the representative directors of the details of the risk of loss discovered, the level of possible loss, and the influence on the Company.

The Company will dispatch its personnel as Directors or Statutory Auditors to the subsidiaries, and the dispatched directors will attend the Board of Directors' Meetings of the subsidiaries and manage the operations of the subsidiaries.

In order to prevent improper transactions or accounting procedures between the Company and the subsidiaries, the Internal Audit Office will conduct audits, as necessary.

The Group periodically holds a Statutory Auditors Group Meeting constituted of Standing Statutory Auditors of the Company and major subsidiaries and takes measures to raise efficiency and effectiveness of audits.

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 representative directors will select one or more suitable employees promptly after considering the reasons for their assignment as assistants to the Statutory Auditors, the number of employees to assign, and the conditions and period of the assignment.

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

Employees who are to assist the Statutory Auditors in their work will support the auditing business of the Statutory Auditors under the direction and supervision of the Statutory Auditors. Transfers, evaluation, and disciplinary measures of such employees shall be carried out with the prior consent of the Board of Statutory Auditors.

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, 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 and the Compliance Department
- 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 system to ensure that audits by the Statutory Auditors will be effectively conducted

The Directors and employees will work to deepen their understanding of the audits by the Statutory Auditors and to improve the environment for the audits by the Statutory Auditors.

The representative directors will exchange opinions regularly with the Statutory Auditors and establish a system to help the Statutory Auditors communicate efficiently with the Internal Audit Office and perform effective auditing services.

11) System to conduct timely and appropriate disclosures

The Company will keep the officers and employees well informed in accordance with the Timely Disclosure Rules, and establish a reporting line of disclosure information within the Company group consisting of the Company and the subsidiaries. The propriety of the details will be secured, and timely and appropriate disclosures will be achieved at the management meetings.

Note: The above describes the system in operation for the current fiscal year. Following the enforcement of the "Act for Partial Revision of the Companies Act" (Act No. 90 of 2014) and the "Ministerial Ordinance for Partial Revision of the Ordinance for Enforcement of the Companies Act" (Ordinance of the Minister of Justice No.6 of 2015) effective May 1, 2015, its details are partially revised by the resolution of the Board of Directors held on May 15, 2015.

(2) Basic Policy Regarding the Control of the Company

Basic Policy regarding persons who control decision on the Company's financial and business policies

1) Details of the Basic Policy

The Company believes that the persons who control decisions on the Company's financial and business policies need to be persons who understand the source of the Company's corporate value and who will make it possible to continually and persistently ensure and enhance the Company's corporate value and the common interests of its shareholders.

If any party proposes a purchase involving a transfer of corporate control of the Company, the Company believes that the decision on the proposed purchase shall be ultimately made based on the intent of the shareholders as a whole. Also, the Company would not reject a large-scale purchase of the Company's shares if it would contribute to ensuring and enhancing the Company's corporate value and the common interests of its shareholders. Nonetheless, there are several forms of corporate acquisition that benefit neither the corporate value of the target company nor the common interests of its shareholders, such as the following: those with a purpose that would obviously harm the corporate value of the target company and the common interests of its shareholders.

If the sources of the corporate value are not understood and these elements are not secured and improved over the mid-to-long-term by the acquirer of a proposed large-scale purchase of the Company's shares, the Company's corporate value and the common interests of its shareholders will be harmed. The Company believes that it is necessary to ensure its corporate value and the common interests of its shareholders by taking necessary and reasonable countermeasures against such abusive purchases.

2) Summary of specific measures to realize the Basic Policy

a) Special measures to realize the Basic Policy such as effective use of the Company's assets and proper formation of the Company group

Medium-term Management Plan, etc.

The Company, with the understanding of the sources of its corporate value, will endeavor to improve the corporate value of the Company and common interest of shareholders by continuing to implement the following measures under the principle of "customer first" which it has upheld since its foundation.

The Company will strive to become "Your Global BPO Partner" for our customers by embracing Operational Excellence as the service philosophy and practicing it continuously.

(i) Provision of services aimed to expand sales of our client companies

The Company will provide various services, ranging from digital marketing to communication design/operation, analysis and E-commerce, in certain business fields aiming to expand sales of our client companies.

Specifically, as measures to expand new business/technology field in digital marketing business, we will respond to diversification and sophistication of the point of contact between companies and customers and assist in formulation of measures to create fans and improve earnings and operational efficiency based on research and analysis conducted by consultants and data scientists who have the know-how of utilizing big data. As measures for accelerating the development of service-specific contact center services, the Company will have its personnel with specialized knowledge conduct face-to-face sales promotion activities, visit customers individually and provide sales support to client companies, with the aim of raising the profile of their products and services and contributing to the expansion of their sales. As measures for focusing efforts on services for E-commerce and mail-order companies, we will form capital and business alliances with major business operators with extensive experience in various countries, and provide one-stop services to support the global E-commerce business development of client companies. In the Sales & Marketing services field, we will provide one-stop services to support various functions necessary for E-commerce businesses, ranging from building and operation of E-commerce websites to fulfillment (receipt, picking, packing and shipping of goods), customer care, Web promotion and analysis, based on client customers' E-commerce strategies and brand strategies.

(ii) Provision of services aimed to reduce the costs for client companies

The Company will provide services in business consulting, design and operation of the administrative operations of client companies.

Specifically, as services for improving the efficiency of the administrative tasks of companies, we will provide services to optimize the processes and cost of various administrative tasks, such as the mission-critical tasks of companies, to support the shift of in-house resources to the core businesses. We will also provide industry-specific product design process services by utilizing our know-how in design, which we have accumulated over the years, to provide wide-ranging services to support the design and development processes of client companies in the manufacturing industry to help them enhance their product development capabilities. The Company will provide services to increase the efficiency of operations of information system divisions by utilizing its know-how cultivated through the extensive experience of providing services and technologies, such as cloud services and thin client services, to realize the optimal IT environment that suits the needs of its client companies.

(iii) Utilizing business know-how in Japan to accelerate global business development

By utilizing business know-how in Japan, the Company will accelerate business development in the markets in China and South Korea, and actively tap into business opportunities in ASEAN, India, Europe and the U.S. as well as globally.

Specifically, we will reinforce the digital marketing business in our operations in South Korea to provide client companies that operate business in South Korea with contact center services, digital marketing services, one-stop E-commerce services, direct mail services and field services for the South Korean market. The Company will aim for further growth in the E-commerce market and financial and telecommunications market in its operations in China, while pursuing cost reductions and quality enhancement of offshore services for the Japanese market, and provide client companies that operate businesses in China with one-stop E-commerce services, contact center services, digital marketing services and IT outsourcing services for the Chinese market. As for services for the markets in Europe and the U.S., ASEAN and India, we aim to develop a global-standard service delivery system and provide contact center services, digital marketing services and one-stop E-commerce services for local markets.

To strengthen its corporate governance

In order to realize transparent and fair management, the Company's policy is to limit the tenure of directors to one year. In addition, it has strengthened the monitoring function on management by making four out of fifteen directors be independent outside directors. In terms of operations, the independence of each Director, who is a member of the Board of Directors, is ensured to enable him/her give opinions at his/her discretion, and there are active discussions. For instance, in business development in E-commerce business and overseas business, which the Company is currently promoting, the Company is achieving good results from promoting its business by obtaining the expertise of Outside Directors. Also, it has introduced an executive officer system in an attempt to enhance its responsiveness to changes in the business environment by expediting the decision-making process. The Board of Statutory Auditors consists of four Statutory Auditors including two Outside Statutory Auditors, and they attend important meetings such as the Board of Directors meetings and conduct audits on the Company and subsidiaries in and outside Japan, auditing the execution of duties by Directors.

(b) Measures to prevent inappropriate persons from controlling the financial and business policy decisions of the Company in light of the basic policy

(i) The Company decided to renew a plan as a countermeasure to any act of substantial acquisition of the Company shares (countermeasure to acquisition) (the “Plan”). This was based on the resolution of the Board of Directors Meeting held on May 15, 2012 and the resolution of the 27th Annual General Meeting of Shareholders held on June 27, 2012. A summary of the Plan is shown in (ii) below.

(ii) Summary of the Plan

The Board of Directors of the Company, as stipulated by the basic policy, thinks that persons who conduct a substantial acquisition of the Company shares which does not contribute to the corporate value of the Company or the common interest of shareholders are inappropriate as persons who control decisions relating to the Company’s finance and businesses. The Plan is intended to make it possible to propose alternative plans to shareholders when a substantial acquisition of the Company shares is conducted, secure information and time necessary for shareholders to determine whether to respond to such substantial acquisition or negotiate for shareholders, and prevent any substantial acquisition that would impair the corporate value of the Company and the common interest of shareholders.

The Plan sets out procedures necessary to achieve the purposes stated above, including requirements for acquirers to provide information in advance in case the acquirer intends to acquire 20% or more of the Company’s share certificates or other equity securities.

The acquirer must not effect a large-scale acquisition of the shares and other equity securities of the Company until and unless the Board of Directors determines not to trigger the Plan in accordance with the procedures for the Plan.

In the event that an acquirer does not follow the procedures set out in the Plan, or a large-scale acquisition of shares and other equity securities of the Company could harm the corporate value of the Company and, in turn, the common interests of its shareholders, etc., and in cases such as where the acquisition satisfies the triggering requirements set out in the Plan, the Company will implement a gratis allotment of stock acquisition rights (*shinkabu yoyakuken mushou wariate*) for stock acquisition rights with (a) an exercise condition that does not allow the acquirer, etc., to exercise the rights as a general rule, and (b) an acquisition provision to the effect that the Company may acquire the stock acquisition rights in exchange for shares in the Company from persons other than the acquirer, etc., to all shareholders, except the Company, at that time, or implement any other reasonable measures that may be taken under laws and ordinances and the Company’s Articles of Incorporation. If the gratis allotment of Stock Acquisition Rights were to take place in accordance the Plan and all shareholders other than the acquirer receive shares in the Company as a result of those shareholders exercising or the Company acquiring those stock acquisition rights, the ratio of voting rights in the Company held by the acquirer may be diluted by up to about a maximum of approximately 50%.

To eliminate arbitrary decisions by directors, the Company will establish the Independent Committee, which is solely composed of members who are independent of the management of the Company such as outside directors to make objective decisions with respect to matters such as implementation or non-implementation of the gratis allotment of stock acquisition rights or acquisition of stock acquisition rights under the Plan. In addition, the Board of Directors may, if prescribed in the Plan, hold a meeting of shareholders and confirm the intent of the Company’s shareholders regarding implementation of the gratis allotment of the stock acquisition rights or other measures.

Transparency with respect to the course of those procedures will be ensured by timely disclosure to all of the Company’s shareholders.

The effective period of the Plan is from June 27, 2012 to the conclusion of the Annual Shareholders Meeting associated with the last of the fiscal years that end within three years after the conclusion of the 27th Annual Shareholders Meeting.

The Company plans to introduce a proposal, “Renewal countermeasures to large-scale acquisitions of shares in the Company (takeover defense measures),” which will renew the aforementioned initiatives, at the 30th Annual General Meeting of Shareholders. For the details of this proposal, please refer to the Reference Documents for the Annual General Meeting of Shareholders in this Notice of the 30th Annual General Meeting of Shareholders.

(3) Policies on the Decision on Dividend of Surplus

The Company positions redistribution of profits to shareholders as one of its most important management policies. With regard to dividend policy, the Company adopts a policy to emphasize dividend propensity linked to business performance, and its basic policy is to improve the market value of the Company stock as a result of redistributing profits to shareholders.

We plan to pay a year-end dividend of 54.00 yen per share based on the aforementioned policy.

Note: Amounts shown in this Business Report are rounded down to the unit.

Attached document (2)

Consolidated Balance Sheet

(As of March 31, 2015)

(Millions of yen)

Assets		Liabilities	
Account item	Amount	Account item	Amount
Current assets	**69,269**	**Current liabilities**	**33,194**
Cash and deposits	31,880	Accounts payable—trade	7,706
Notes and accounts receivable—trade	31,690	Current portion of long-term bank loans	90
Securities	100		
Merchandise and finished goods	182	Accounts payable	4,631
Work and software in progress	898	Accrued expenses	7,668
Supplies	32	Income taxes payable	2,631
Deferred tax assets	1,843	Accrued consumption tax	5,348
Other	2,984	Advances received	706
Allowance for doubtful accounts	(342)	Accrued bonuses for employees	3,633
Fixed assets	**32,282**	Other	776
Tangible fixed assets	**7,914**		
Buildings and structures	3,727	**Fixed liabilities**	**961**
Vehicles and transportation equipment	5	Long-term bank loans	165
Tools, furniture and fixtures	2,824	Net defined benefit liability	19
Land	844	Long-term security deposits received	28
Lease assets	373	Other	747
Construction in progress	137		
Intangible fixed assets	**1,899**		
Goodwill	75		
Software	1,448		
Lease assets	13	**Total liabilities**	**34,155**
Software in progress	55	**Net Assets**	
Other	306	**Shareholders' equity**	**61,120**
Investments and other assets	**22,468**	**Common stock**	**29,065**
Investment in securities	4,272	**Capital surplus**	**20,510**
Investment in stocks of unconsolidated subsidiaries and affiliates	9,545	**Retained earnings**	**27,476**
Investment in unconsolidated subsidiaries and affiliates	2,256	**Treasury stock**	**(15,932)**
Long-term loans receivable	729	**Accumulated other comprehensive income**	**3,916**
		Unrealized gain on securities	**1,199**
Deferred tax assets	62	**Foreign currency translation adjustment**	**2,716**
Security deposits	5,533	**Minority interests**	**2,358**
Other	401		
Allowance for doubtful accounts	(332)	**Total net assets**	**67,396**
Total assets	**101,551**	**Total liabilities and net assets**	**101,551**

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

Attached document (3)

Consolidated Statement of Income

(from April 1, 2014 to March 31, 2015)

(Millions of yen)

Account item	Amount	
Net sales		**199,178**
Cost of sales		**162,490**
Gross Profit		**36,687**
Selling, general and administrative expenses		**27,521**
Operating income		**9,166**
Non-operating income:		
Interest income	102	
Dividend income	23	
Share of profit of entities accounted for using equity method	246	
Foreign exchange gains	361	
Employment development subsidy	115	
Other	260	1,110
Non-operating expenses:		
Interest expenses	23	
Provision of allowance for doubtful accounts	98	
Other	551	673
Ordinary income		**9,603**
Extraordinary gains:		
Gain on sales of subsidiaries and affiliates' stocks	1,841	
Gain on change in equity	1,331	
Other	336	3,509
Extraordinary losses:		
Impairment loss	406	
Loss on write-down of investment in securities	740	
Loss on valuation of stocks of subsidiaries and affiliates	999	
Other	86	2,232
Income before income taxes and minority interests		**10,881**
Income taxes—current	3,440	
Income taxes—deferred	(193)	3,247
Income before minority interests		7,634
Minority interests in income		284
Net income		**7,349**

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

Attached document (4)

Consolidated Statement of Changes in Net Assets

(from April 1, 2014 to March 31, 2015)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the fiscal year	29,065	20,510	22,105	(15,929)	55,753
Change during the fiscal year					
Dividend of surplus			(1,892)		(1,892)
Net income			7,349		7,349
Acquisition of treasury stock				(3)	(3)
Disposal of treasury stock		(0)		0	0
Change of scope of equity method			(86)		(86)
Net change in items other than shareholders' equity during the fiscal year					–
Total change during the fiscal year	–	(0)	5,370	(3)	5,367
Balance at the end of the fiscal year	29,065	20,510	27,476	(15,932)	61,120

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

(Millions of yen)

	Accumulated other comprehensive income			Minority interests	Total net assets
	Unrealized gain on securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at the beginning of the fiscal year	611	989	1,600	3,455	60,809
Change during the fiscal year					
Dividend of surplus			–		(1,892)
Net income			–		7,349
Acquisition of treasury stock			–		(3)
Disposal of treasury stock			–		0
Change of scope of equity method			–		(86)
Net change in items other than shareholders' equity during the fiscal year	588	1,727	2,316	(1,097)	1,219
Total change during the fiscal year	588	1,727	2,316	(1,097)	6,586
Balance at the end of the fiscal year	1,199	2,716	3,916	2,358	67,396

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

Notes to Consolidated Financial Statements

Basis of preparation of consolidated financial statements

1. Scope of Consolidation

(1) Number of consolidated subsidiaries: 47

The names of principal consolidated subsidiaries
J-Stream Inc., APPLIED TECHNOLOGY CO., LTD., transcosmos Korea Inc., transcosmos CRM Okinawa Inc.
Changes in our consolidated subsidiaries during the fiscal year under review are as follows:

(Newly included)
- transcosmos Asia Pacific Pte. Ltd. (Due to increase in importance)
- Ningbo Yifan Cross-Border Shopping E-Commerce Co.,Ltd. (Established in July 2014)
- TCT Holdings Co., Ltd. (Established in December 2014)
- TCT Services Co., Ltd. (Established in December 2014)
- JINAN Transcosmos Information Creative Co., Ltd.. (Due to increase in importance)
- Astropolis Inc. (Established in March 2015)
- METRODEAL Co., Ltd. (Established in March 2015)

(Excluded)
- FromSoftware, Inc. (Sold the entire shareholding)
- CCP-GLOBAL FUND II (Liquidation completed in February 2015)
- CCP Mezzanine 2006 Toushijigyokumiai (Liquidation completed in March 2015)
- Wuxi transcosmos Interactive Services Co., Ltd. (Liquidation completed in March 2015)

(2) Names of principal non-consolidated subsidiaries

transcosmos design development (Dalian) Co., Ltd. and others

(Reason for exclusion from the scope of consolidation)
All non-consolidated subsidiaries are small in size, and each item of their total assets, net sales, net income (calculated according to our equity interest) and retained earnings (calculated according to our equity interest) is not substantial, and do not have a material impact on the consolidated financial statements.

2. Application of equity method

(1) Number of affiliates accounted for by the equity method: 14

Names of principal non-consolidated subsidiaries and affiliates accounted for by the equity method
Nielsen Co., Ltd., Forecast Communications Inc.
Changes to our non-consolidated subsidiaries and affiliates accounted for by the equity method during the fiscal year under review are as follows:

(Newly included)
- UNQ(Shanghai) Co., Ltd.. (Newly acquired)
- TAKASHIMAYA TRANSCOSMOS INTERNATIONAL COMMERCE PTE. LTD. (Established in March 2015)

(Excluded)
- Qingdao Zuki Industrial Design Co., Ltd. (Sold the entire shareholding)

- Fuji TV-Lab, LLC (Decrease in the voting rights)

(2) Unconsolidated subsidiaries to which the equity method is not applied (transcosmos Design and Development (Dalian) Limited and others) are excluded from the scope of application of the equity method as their impact on net income or loss (amount proportional to the ownership) and retained earnings (amount proportional to the ownership) is infinitesimal, and has low importance as a whole.

(3) For those subsidiaries accounted for by the equity method that have different account closing dates from the Company, financial statements are stated according to fiscal year of the respective companies.

3. Fiscal year, etc. of the consolidated subsidiaries

Following are the consolidated subsidiaries with different account closing dates from the Company.

(Account closing date: December 31)

- APPLIED TECHNOLOGY CO., LTD.
- transcosmos Information Creative Japan
- NIHONCHOKUHAN Co. Ltd.
- transcosmos America, Inc.
- transcosmos Information Creative (China) Co., Ltd.
- transcosmos Information System (Shanghai) Co., Ltd.
- transcosmos MCM Shanghai Co., Ltd.
- transcosmos Korea Inc.
- Shine Harbour Ltd
- Transcosmos Information Creative Holdings.
- transcosmos CC China
- transcosmos (Thailand) Co., Ltd.
- Beijing transcosmos Interactive Services Co., Ltd.
- Shanghai transcosmos Interactive Services Co., Ltd.
- Suzhou transcosmos Information Creative Co., Ltd.
- transcosmos business service outsourcing suzhou Co., Ltd.
- Transcosmos Investment Consulting (Beijing) Co., Ltd. Investment Consulting
- Hottech digital technology (Tianjin) Co., Ltd.
- transcosmos Asia Pacific Pte.Ltd.
- Ningbo Yifan Cross-Border Shopping E-Commerce Co.,Ltd.
- TCT Holdings Co., Ltd.
- TCT Services Co., Ltd.
- Transcosmos Digital Marketing Cayman Co., Ltd.
- JINAN Transcosmos Information Creative Co., Ltd...
- Astropolis Inc.
- MetroDeal Co., Ltd.

The consolidated financial statements are prepared based on the financial statements of each of the consolidated subsidiaries as of its account closing date. In the case of significant transactions that took place between the account closing dates of the consolidated subsidiaries and the consolidated account closing date, necessary adjustments are made for consolidation purposes.

(Account closing date: September 30)

- CAREER INCUBATION, INC.

The consolidated financial statements are prepared based on the financial statements of each of the consolidated subsidiaries prepared on the basis of the provisional closing of account as of the consolidated account closing date.

4. Significant accounting policies

(1) Standards and methods of valuation of securities

Other available-for-sale securities

Securities with market value ·················· Market value method based on the market price as of the consolidated account closing 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 value ············· Stated at cost using the moving-average method.

Investments to limited liability partnership for investment, etc.

The evaluation is based on the Company's holding ratio of the net asset of the limited liability partnership for investment, etc., in which the Company invests, in the most recent fiscal year.

(2) Standards and method of valuation of inventories

The cost method (method to reduce book value from lower profitability) is adopted as the standard for valuation.

Merchandise and finished goods ·················· Gross average method
Work and software in progress····················· Specific cost method
Supplies ··· Cost using the last-purchase-price method

(3) Depreciation methods for fixed assets

Tangible fixed assets
(excluding lease assets) ························ Buildings (excluding building fixtures)

a) Buildings acquired on or before March 31, 1998
Depreciated using the old declining-balance method.

b) Buildings acquired between April 1, 1998 and March 31, 2007
Depreciated using the old straight-line method.

c) Buildings acquired on or after April 1, 2007
Depreciated using the straight-line method.

Other property and equipment

a) Other property and equipment acquired on or before March 31, 2007
Depreciated using the old declining-balance method.

b) Other property and equipment acquired on or after April 1, 2007
Depreciated using the declining-balance method.
Overseas consolidated subsidiaries mainly use the straight-line method.
In addition, items acquired on or before March 31, 2007 are depreciated using the straight line method over five years starting the fiscal year following the fiscal year when the final depreciable limit is reached.

Intangible fixed assets
(excluding lease assets) ························ Depreciated mainly using the straight-line method. As for software for in-house use, the straight-line method is used with a useful life of five years. Software for commercial sale is depreciated based on the quantity expected to be sold within three years after being put on the market. If the amount of depreciation is less than the amount of even installment based on the remaining life, it is depreciated with the amount not less than the even installment.

Lease assets ······································ Finance leases other than those for which the ownership of the leased property is deemed to transfer to the lessee.
These lease transactions are accounted for by straight-line method based on lease period of useful lives with residual values of zero.

(4) Standards of accounting for significant allowances, accruals and reserves

Allowance for doubtful accounts ············ Allowance for estimated uncollectible amounts are calculated using historical data for general receivables and individually considering the probability of collection for doubtful receivables.

Accrued bonuses for employees ············· Accrued bonuses for employees of the Company and domestic consolidated subsidiaries is calculated based on the estimates of bonus obligations for the current fiscal term.

Accrued bonuses for directors ················ Accrued bonuses for directors are provided based on the estimates of bonus obligations attributable to the current fiscal term.

(5) Other important issues which are bases for preparing consolidated financial statements

1) Translation of significant foreign-currency-denominated assets and liabilities into yen

Monetary assets and liabilities denominated in foreign currencies are translated into yen at the spot exchange rate as of the end of the fiscal term, and the resulting exchange differences are credited or charged to income. Assets and liabilities of overseas subsidiaries are translated into yen at the spot exchange rate as of the account closing date of each company. The resulting exchange differences have been recorded as a component of “foreign currency translation adjustment” and “minority interests” in the section of Net Assets.

2) Accounting for consumption taxes

Consumption tax and local consumption tax are accounted for by the tax exclusion method.

3) Basis for recording significant revenues and expenses

Basis for recording revenues and expenses on software produced on orders

The percentage of completion method (the cost-to-cost method, etc. for the percentage of completion estimate) is applied for the portion completed by the end of the fiscal year ended March

31, 2015, which is deemed to be certain to complete, and the completed contract method is applied otherwise.

4) Method and period of amortization of goodwill and negative goodwill

Goodwill and negative goodwill incurred on or before March 31, 2010 are amortized by equal installments over five years. If any circumstance arises which prevents the effect of amortization of goodwill, amount of amortization will be decreased accordingly.

5) Standards of accounting for liabilities for retirement benefits

To calculate liabilities for retirement benefits and retirement benefit expenses, some consolidated subsidiaries use a simplified method that assumes that the retirement benefit obligation is equal to the amount of benefits that would be required to be paid if all eligible employees voluntarily retire at the fiscal year-end.

5. Change in presentation

(Consolidated statement of income-related)

"Gain on sales of investment securities" (330 million yen in the current fiscal year), which was presented separately in Extraordinary gains in the previous fiscal year, is included in "Other" in Extraordinary gains" in the current fiscal year because it has decreased in significance in terms of amount.

"Gain on change in equity" (36 million yen in the previous fiscal year), which was included in "Other" in Extraordinary gains in the previous fiscal year, is presented separately in Extraordinary gains in the current fiscal year because it has increased in significance in terms of amount.

"Loss on valuation of stocks of subsidiaries and affiliates" (115 million yen in the previous fiscal year), which was included in "Other" in Extraordinary losses in the previous fiscal year, is presented separately in Extraordinary losses in the current fiscal year because it has increased in significance in terms of amount.

Notes to the Consolidated Balance Sheet

Accumulated depreciation of tangible fixed assets ¥14,695 million

Notes to the Consolidated Statement of Changes in Net Assets

1. Total number of shares issued

Class of shares	Number of shares at the beginning of the current 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)	48,794,046	—	—	48,794,046

2. Treasury stock

Class of shares	Number of shares at the beginning of the current 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)	7,653,376	1,455	80	7,654,751

(Outline of causes for changes)

Details of number of shares increased are as follows.
Increase due to purchase of shares less than one unit: 1,455 shares
Details of number of shares decreased are as follows.
Decrease due to sale of shares less than one unit: 80 shares

3. Dividends

(1) Dividends paid

Resolution	Class of shares	Total amount of dividends (millions of yen)	Dividend per share (yen)	Record date	Effective date
Annual General Meeting of Shareholders held on June 25, 2014	Common stock	1,892	46	March 31, 2014	June 26, 2014

(2) Dividends with an effective date falling in the following fiscal year, among distributions with record dates belonging to the current fiscal year

Resolution	Class of shares	Source of dividends	Total amount of dividends (millions of yen)	Dividend per share (yen)	Record date	Effective date
Annual General Meeting of Shareholders held on June 24, 2015	Common stock	Retained earnings	2,221	54	March 31, 2015	June 25, 2015

Notes on financial instruments

1. Matters related to the status of financial instruments

(1) Policy on financial instruments

The Company Group makes investments in stocks based upon the request of business promotions including business or capital tie-up, or invests excess funds in financial instruments such as deposits whose principles are secured, as a basic policy. In order to obtain funding, the Company selects the most adequate financial instruments, including bank borrowings, bond issuance or stock issuance, depending on the situations. And derivatives are used in interest rate swap, currency swap and currency forward transactions to hedge against market risks and the Company has a policy not to use derivatives for speculation.

(2) Details, risks and risk management of financial instruments

Notes and accounts receivable-trade, which are operating receivables, are exposed to customers' credit risks. With regard to these risks, we manage maturities and balances for each business partner and strive to find out early and mitigate concerns for collection due to deteriorating financial circumstances. Investment in securities mainly consists of stocks related to operations and capital alliances. Although these are exposed to market fluctuation risk and issuers' credit risks, we grasp the market prices and obtain issuers' financial statements on a regular basis and we grasp the market prices and obtain issuers' financial statements on a regular basis. At the same time, we properly review the values of investment and make efforts to collect the investment values.

Most of accounts payable-trade and accrued expenses, which are operating payables, have payment due dates that are less than one year away. Short-term bank loans out of loans payable are mainly financing for operational transactions; long-term bank loans (less than five years as a general rule) are financing for long-term investments such as capital investments.

As to operational debts and bank loans, the Company Group manages them by having each company prepare monthly cash flow plans in order not to detract the creditability of the Company Group. The Company Group also has commitment-line contracts in place in order to ensure to fulfill all obligations.

2. Matters related to fair values of financial instruments

The recorded amounts on the consolidated financial statements, fair values and the differences of these as of March 31, 2015 are as follows. Financial instruments whose fair values are extremely difficult to determine are not listed in the following table.

(Millions of yen)

	Recorded amount on consolidated balance sheet*	Fair value*	Difference
(1) Cash and deposits	31,880	31,880	–
(2) Notes and accounts receivable- trade	31,690	31,690	–
(3) Securities and investment in securities			
Other available-for-sale securities	2,629	2,629	–
(4) Accounts payable-trade	(7,706)	(7,706)	–
(5) Accrued expenses	(7,668)	(7,668)	–
(6) Long-term bank loans	(256)	(257)	(1)

*Items recorded in Liabilities are marked with ( ).

Note 1: Measurement of fair value of financial instrument and matters related to securities

(1) Cash and deposits and (2) Notes and accounts receivable-trade

As these are settled in the short term, their fair values are almost equivalent to book values, and therefore their book values are used.

(3) Securities and investment in securities

With regard to the fair values of securities and investment in securities, market prices at stock exchanges are used for stocks and prices provided by banks are used for bonds.

(4) Accounts payable-trade, and (5) Accrued expenses

As these are settled in the short term, their fair values are almost equivalent to book values, and therefore their book values are used.

(6) Long-term bank loans

The fair values of long-term bank loans are measured based upon the present values obtained by discounting the total amount of principals and interests at a rate with term to maturity and credit risk taken into account.

Note 2: Unlisted equity securities (Consolidated balance sheet amount: 1,742 million yen) are not included in the above “(3) Securities and investment securities, Other available-for-sale securities” since their market price is not available, it is not possible to estimate the future cash flows, and the assessment of their fair values is deemed extremely difficult.

Notes regarding per share data

1. Net assets per share 1,580.91 yen

2. Net income per share 178.65 yen

Notes regarding significant subsequent events

(Transactions Between Entities under Common Control)

Based on the resolution of the Board of Directors held on October 31, 2014, the Company conducted an absorption-type merger of its consolidated subsidiary transcosmos CRM Okinawa, Inc., effective April 1, 2015.

1. Overview of transaction

(1)Name and line of business of combined entity

Name of combined entity	transcosmos CRM Okinawa, Inc.
Line of business	Contact center operation business

(2)Date of business combination

April 1, 2015

(3)Legal form of business combination

An absorption-type merger wherein the Company will be the surviving company and transcosmos CRM Okinawa, Inc. will be dissolved

(4)Name of company after business combination

transcosmos inc.

(5)Other matters regarding the outline of transaction

The Company decided to conduct an absorption-type merger of its consolidated subsidiary transcosmos CRM Okinawa, Inc. in order to enhance the flexibility of its response and operational efficiency for the diversification and aggregation of services as it promotes further expansion and development of the Group's business in the Okinawa area.

2. Overview of accounting treatment

In accordance with the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, issued on September 13, 2013) and the "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestiture" (ASBJ Guidance No.10, issued on September 13, 2013), the transaction was accounted for as a common control transaction.

Attached document (5)

Non-Consolidated Balance Sheet

(As of March 31, 2015)

(Millions of yen)

Assets		**Liabilities**	
Account item	Amount	Account item	Amount
Current assets	**46,789**	**Current liabilities**	**25,571**
Cash and deposits	18,462	Accounts payable—trade	7,567
Notes receivable	16	Accounts payable	1,994
Accounts receivable—trade	24,740	Accrued expenses	5,502
Merchandise	36	Income taxes payable	2,251
Work and software in progress	237	Accrued consumption tax	4,216
Supplies	6	Advances received	361
Advances	396	Deposits received	283
Prepaid expenses	622	Accrued bonuses for employees	3,256
Accounts receivable—other	126	Accrued bonuses for directors	48
Deferred tax assets	1,458	Other	90
Other	687	**Fixed liabilities**	**1,217**
Allowance for doubtful accounts	(1)	Provision for loss on guarantees	736
Fixed assets	**32,010**	Deferred tax liabilities	316
Tangible fixed assets	**2,319**	Other	164
Buildings	874		
Structures	6		
Tools, furniture and fixtures	1,189		
Land	136		
Lease assets	112	**Total liabilities**	**26,789**
Intangible fixed assets	**847**	**Net Assets**	
Software	725	**Shareholders' equity**	**50,892**
Lease assets	9	**Common stock**	**29,065**
Telephone rights	89	**Capital surplus**	**20,510**
Software in progress	23	Other capital surplus	20,510
Investments and other assets	**28,843**	**Retained earnings**	**17,247**
Investment in securities	3,955	Legal retained earnings	1,001
Investment in stocks of subsidiaries and affiliates	16,906	Other retained earnings	16,246
		Unappropriated retained earnings	16,246
Investment in subsidiaries and affiliates	2,436	**Treasury stock**	**(15,932)**
Long-term loans receivable from subsidiaries and affiliates	3,616	**Valuation and translation adjustments**	**1,118**
		Net unrealized gain (loss) on securities	**1,118**
Security deposits	3,099		
Other	334		
Allowance for doubtful accounts	(1,505)		
		Total net assets	**52,010**
Total assets	**78,799**	**Total liabilities and net assets**	**78,799**

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

Attached document (6)

Non-Consolidated Statement of Income

(from April 1, 2014 to March 31, 2015)

(Millions of yen)

Account item	Amount	
Net sales		**157,310**
Cost of sales		**132,035**
Gross Profit		**25,274**
Selling, general and administrative expenses		**17,900**
Operating income		**7,374**
Non-operating income:		
Interest income	44	
Dividend income	70	
Foreign exchange gains	453	
Gain on investment in partnership	230	
Other	230	1,029
Non-operating expenses:		
Interest expenses	7	
Provision for loss on guarantees	209	
Other	529	746
Ordinary income		**7,657**
Extraordinary gains:		
Gain on sales of subsidiaries and affiliates' stocks	2,379	
Other	54	2,433
Extraordinary losses:		
Impairment loss	363	
Loss on sale/disposal of investment in securities	695	
Loss on valuation of stocks of subsidiaries and affiliates	1,041	
Other	24	2,124
Income before income taxes		**7,966**
Income taxes—current	2,872	
Income taxes—deferred	(84)	2,788
Net income		**5,178**

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

Attached document (7)

Non-Consolidated Statement of Changes in Net Assets

(from April 1, 2014 to March 31, 2015)

(Millions of yen)

	Shareholders' equity		
	Common stock	Capital surplus	
		Other capital surplus	Total capital surplus
Balance at the beginning of the fiscal year	29,065	20,510	20,510
Change during the fiscal year			
Dividend of surplus			–
Net income			–
Acquisition of treasury stock			–
Disposal of treasury stock		(0)	(0)
Net change in items other than shareholders' equity during the fiscal year			–
Total change during the fiscal year	–	(0)	(0)
Balance at the end of the fiscal year	29,065	20,510	20,510

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

(Millions of yen)

	Shareholders' equity				
	Retained earnings			Treasury stock	Total shareholders' equity
	Legal retained earnings	Other retained earnings	Total retained earnings		
		Unappropriated retained earnings			
Balance at the beginning of the fiscal year	811	13,149	13,961	(15,929)	47,608
Change during the fiscal year					
Dividend of surplus	189	(2,081)	(1,892)		(1,892)
Net income		5,178	5,178		5,178
Acquisition of treasury stock			–	(3)	(3)
Disposal of treasury stock			–	0	0
Net change in items other than shareholders' equity during the fiscal year			–		–
Total change during the fiscal year	189	3,096	3,286	(3)	3,283
Balance at the end of the fiscal year	1,001	16,246	17,247	(15,932)	50,892

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

(Millions of yen)

	Valuation and translation adjustments		Total net assets
	Net unrealized gain (loss) on securities	Total valuation and translation adjustments	
Balance at the beginning of the fiscal year	421	421	48,030
Change during the fiscal year			
Dividend of surplus		–	(1,892)
Net income		–	5,178
Acquisition of treasury stock		–	(3)
Disposal of treasury stock		–	0
Net change in items other than shareholders' equity during the fiscal year	696	696	696
Total change during the fiscal year	696	696	3,979
Balance at the end of the fiscal year	1,118	1,118	52,010

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

Notes to Non-Consolidated Financial Statements

Significant accounting policies

1. Standards and methods of valuation of securities

Shares of majority-owned subsidiaries and affiliates
…… Stated at cost using the moving-average method

Other available-for-sale securities

Securities with market value …… Market value method based on the market price as of the account closing 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 value …… Stated at cost using the moving-average method.

Investments to limited liability partnership for investment, etc.
The evaluation is based on the Company's holding ratio of the net asset of the limited liability partnership for investment, etc., in which the Company invests, in the most recent fiscal year.

2. Standards and methods of valuation of inventories

The cost method (method to reduce book value from lower profitability) is adopted as the standard for valuation.

Merchandise …… Gross average method
Work and software in progress …… Specific cost method
Supplies …… Cost using the last-purchase-price method

3. Depreciation methods for fixed assets

Tangible fixed assets
(excluding lease assets) …… Buildings (excluding building fixtures)

a. Buildings acquired on or before March 31, 1998
Depreciated using the old declining-balance method.

b. Buildings acquired between April 1, 1998 and March 31, 2007
Depreciated using the old straight-line method.

c. Buildings acquired on or after April 1, 2007
Depreciated using the straight-line method.

Other property and equipment

a. Other property and equipment acquired on or before March 31, 2007
Depreciated using the old declining-balance method.

b. Other property and equipment acquired on or after April 1, 2007
Depreciated using the declining-balance method.
In addition, items acquired on or before March 31, 2007 are depreciated using the straight line method over five years starting the fiscal year following the fiscal year when the final depreciable limit is reached.

Intangible fixed assets
(excluding lease assets)………………………… Straight-line method
As for software for in-house use, the straight-line method is used with a useful life of five years.

Lease assets …………………………………… Finance leases other than those for which the ownership of the leased property is deemed to transfer to the lessee.
These lease transactions are accounted for by straight-line method based on lease period of useful lives with residual values of zero.

4. Standards of accounting for allowances, accruals and reserves

Allowance for doubtful accounts ……………… Allowance for estimated uncollectible is calculated using historical data for general receivables and individually considering the probability of collection for doubtful receivables.

Accrued bonuses for employees ……………… Accrued bonuses for employees are calculated based on the estimates of bonus obligations for the current fiscal term.

Accrued bonuses for directors………………… Accrued bonuses for directors are provided based on the estimates of bonus obligations attributable to the current fiscal term.

Provision for loss on guarantees ………………To prepare for losses arising from fulfilling guarantee obligations of affiliated companies, the Company appropriates a provision for the estimated cost of losses for guarantee obligation which are highly likely to be required for fulfilling such obligations, taking into consideration the recoverability by exercising right of indemnity.

5. Basis for recording revenues and expenses

Basis for recording revenues and expenses on software produced on orders ······ The percentage of completion method (the cost-to-cost method for the percentage of completion estimate) is applied for the portion completed by the end of the fiscal year ended March 31, 2015, which is deemed to be certain to complete, and the completed contract method is applied otherwise.

6. Other important issues which are bases for preparing non-consolidated financial statements

(1) Standard for translation of assets and liabilities denominated in foreign currencies into yen
Monetary assets and liabilities denominated in foreign currencies are translated into yen at the spot exchange rate as of the end of the fiscal term, and the resulting exchange differences are credited or charged to income.

(2) Accounting for consumption taxes ······ Consumption tax and local consumption tax are accounted for by the tax exclusion method.

7. Change in presentation

(Non-consolidated balance sheet-related)

“Short-term loans receivable” (5 million yen in the current fiscal year), which was presented separately in Current assets in the previous fiscal year, is included in “Other” in Current assets in the current fiscal year because it has decreased in significance in terms of amount.
“Investments in other securities of subsidiaries and affiliates” (0 million yen in the current fiscal year), which was presented separately in Investments and other assets in the previous fiscal year, is included in Other in Investments and other assets in the current fiscal year because it has increased in significance in terms of amount.

(Non-consolidated statement of income-related)

“Gain on sales of shares of subsidiaries” (11 million yen in the previous fiscal year), which was included in Other in Extraordinary gains in the previous fiscal year, is presented separately in the current fiscal year because it has increased in significance in terms of amount.

“Company establishment subsidies” (1 million yen for the current fiscal year), which was presented separately in the previous fiscal year, is included in Other in Extraordinary gains in the current fiscal year because it has decreased in significance in terms of amount.

“Loss on valuation of stocks of subsidiaries and affiliates” (117 million yen in the previous fiscal year), which was included in Other in Extraordinary gains in the previous fiscal year, is presented separately in the current fiscal year because it has increased in significance in terms of amount.

Notes to the Non-Consolidated Balance Sheet

1. Liabilities for guarantees:

Guarantee for debt obligations to subsidiaries and affiliates	
Co-Core Inc.	¥165 million
Guarantee on deposit obligations from subsidiaries and affiliates	
Tci-Business-Service Co., Ltd.	¥1,989 million
Guarantee of loans from financial institutions	
Shanghai transcosmos Interactive Services Co., Ltd.	¥181 million
transcosmos CC China	¥354 million
Total	¥2,690 million

2. Accumulated depreciation of tangible fixed assets ¥8,229 million

3. Monetary receivables from and monetary payables to subsidiaries and affiliates (excluding separate line item)

Short-term monetary receivables from subsidiaries and affiliates	¥330 million
Short-term monetary payables to subsidiaries and affiliates	¥1,552 million

Notes to the Non-Consolidated Statement of Income

Transactions with subsidiaries and affiliates

Net sales	¥229 million
Net purchase	¥13,345 million
Transactions other than operating transactions	¥137 million

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

Treasury stock

Class of shares	Number of shares at the beginning of the current 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)	7,653,376	1,455	80	7,654,751

(Outline of causes for changes)

Details of the number of shares increased are as follows.

Increase due to purchase of shares less than one unit: 1,455 shares

Details of number of shares decreased are as follows.

Decrease due to sale of shares less than one unit: 80 shares

Notes concerning tax effect accounting

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

Deferred tax assets:	
Accrued bonuses for employees	¥1,076 million
Accrued enterprise tax	¥209 million
Loss on write-down of investment in unconsolidated subsidiaries and affiliates	¥1,903 million
Loss on write-down of investment in securities	¥1,027 million
Allowance for doubtful accounts	¥482 million
Impairment loss	¥137 million
Loss on investments in movie business fund	¥48 million
Inventory based on the percent of completion method	¥30 million
Other	¥686 million
Sub-total	¥5,600 million
Provision for devaluation	¥3,877 million
Total of deferred tax assets	¥1,723 million
Deferred tax liabilities:	
Sales under the percent of completion method	¥55 million
Unrealized gain on securities	¥524 million
Other	¥1 million
Total of deferred tax liabilities	¥582 million
Net of deferred tax assets	¥1,141 million

2. Adjustment in the amount of deferred tax assets and deferred tax liabilities due to changes in corporate tax rates

"The Act for Partial Revision of Income Tax Act, etc." (Act No. 9 of 2015) and "The Act for Partial Revision of Local Tax Act, etc." (Act No. 2 of 2015) were promulgated on March 31, 2015. In conjunction with this, the statutory tax rate used to calculate deferred tax assets and deferred tax liabilities for the current fiscal year (provided that they are canceled on or after April 1, 2015) has been changed from 35.64% in the previous fiscal year to 33.06% for those expected to be recovered or paid from April 1, 2015 to March 31, 2016, and to 32.30% for those expected to be recovered or paid on or after April 1, 2016.

As a result, the amount of deferred tax assets (after deduction of deferred tax liabilities) has decreased by 80 million yen, and the amount of income taxes–deferred and valuation difference on available-for-sale securities recorded for the current fiscal year have increased by 134 million yen and 54 million yen, respectively.

Notes concerning transactions with related parties

(1) Parent company and major corporate shareholders, etc.

Not applicable.

(2) Subsidiaries, affiliates, 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 related parties	Type of transaction	Transaction amount (millions of yen)	Account	Balance as of the end of the fiscal year (millions of yen)
Subsidiary	Tci-Business-Service Co., Ltd.	¥100 million	BtoB domestic subsidiaries	Owning Direct 100.0%	Loan of funds	Loan of funds (Note 1)	839	Long-term loans receivable from subsidiaries and affiliates	1,185
						Collection of loan	1,023		
						Guarantee of obligations (Note 2)	1,989		
Subsidiary	TCT Services Co., Ltd.	1 million Thai baht	BtoB overseas subsidiaries	Owning Indirect 100.0%	Loan of funds	Loan of funds (Note 1)	1,829	Long-term loans receivable from subsidiaries and affiliates	1,825
Subsidiary	transcosmos Asia Pacific Pte. Ltd.	24 million Singapore dollars	BtoB overseas subsidiaries	Owning Direct 100.0%	Interlocking directors	Subscription to capital increase (Note 3)	2,177	-	-
Affiliate	UNQ(Shanghai) Co., Ltd.	1 million Chinese yuan	BtoB overseas subsidiaries	Owning Direct 26.3%	Interlocking directors	Subscription to capital increase (Note 3)	868	-	-

Note: Terms and conditions of transactions and the policies on determination thereof:

1. The interest rate of the loan was determined reasonably based on the market interest rate and fund raising rate.
2. This guarantees obligations in custody from the subsidiaries and affiliates.
3. The Company subscribed to a capital increase undertaken by its affiliated company.
4. Transactional amounts and balances as of the end of the fiscal year are recorded exclusive of consumption taxes.
5. Percentages of owning (owned) voting rights, etc. are rounded off to the nearest first decimal place.

(3) Brother companies

Not applicable.

(4) Directors and primary individual shareholders

Not applicable.

Notes concerning per share data

1. Net assets per share 1,264.25 yen
2. Net income per share 125.88 yen

Notes regarding significant subsequent events

"Notes regarding significant subsequent events" in the Notes to the Non-Consolidated Financial Statements are the same as the aforementioned "Notes regarding significant subsequent events" in the Notes to the Consolidated Financial Statements. For details, therefore, please refer to the said item.

Attached document (8)

Certified Copy of the Accounting Auditor's Report on Consolidated Financial Statements

REPORT OF INDEPENDENT AUDITORS

May 13, 2015

To the Board of Directors of transcosmos inc.

Ernst & Young ShinNihon LLC

Designated and Engagement Partner
Certified Public Accountant
Yasunori Arao

Designated and Engagement Partner
Certified Public Accountant
Toru Oshitanai

Designated and Engagement Partner
Certified Public Accountant
Nobuaki Chonan

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the consolidated financial statements, that is, the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets, and the notes to consolidated financial statements of the Company applicable to the fiscal year from April 1, 2014 to March 31, 2015.

Management's responsibility for the consolidated financial statements
The management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with generally accepted accounting principles in Japan. This includes the development, implementation, and maintenance of internal control deemed necessary by the management for the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditors' responsibility
Our responsibility is to express an opinion on the consolidated financial statements based on our audits as independent auditors. We conducted our audits in accordance with auditing standards generally accepted in Japan. Those auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected and applied depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. The purpose of an audit is not to express an opinion on the effectiveness of the entity's internal control. However, in making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used, the method of their application, and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Audit opinion
As a result of our audit, it is our opinion that the consolidated financial statements properly present in all material respects the Company's financial position and the results of operations of the corporate

group comprising the Company and its consolidated subsidiaries in accordance with accounting standards generally accepted in Japan.

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

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

Attached document (9)

Certified Copy of the Accounting Auditor's Report

REPORT OF INDEPENDENT AUDITORS

May 13, 2015

To the Board of Directors of transcosmos inc.

Ernst & Young ShinNihon LLC

Designated and Engagement Partner
Certified Public Accountant
Yasunori Arao

Designated and Engagement Partner
Certified Public Accountant
Toru Oshitanai

Designated and Engagement Partner
Certified Public Accountant
Nobuaki Chonan

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the financial statements, that is, the balance sheet, the statement of income, the statement of changes in net assets, the notes to financial statements, and the supplementary schedules of the Company applicable to the 30th business year from April 1, 2014 to March 31, 2015.

Management's responsibility for the financial statements
The management is responsible for the preparation and fair presentation of these financial statements and the supplementary schedules in accordance with generally accepted accounting principles in Japan. This includes the development, implementation, and maintenance of internal control deemed necessary by the management for the preparation and fair presentation of financial statements and the supplementary schedules that are free from material misstatement, whether due to fraud or error.

Independent auditors' responsibility
Our responsibility is to express an opinion on the financial statements and the supplementary schedules based on our audits as independent auditors. We conducted our audits in accordance with auditing standards generally accepted in Japan. Those auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the supplementary schedules are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the supplementary schedules. The procedures selected and applied depend on our judgment, including the assessment of the risks of material misstatement of the financial statements and the supplementary schedules, whether due to fraud or error. The purpose of an audit is not to express an opinion on the effectiveness of the entity's internal control. However, in making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements and the supplementary schedules in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used, the method of their application, and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the supplementary schedules.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Audit opinion
As a result of our audit, it is our opinion that the 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.

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

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

Attached document (10)

Certified Copy of the Audit Report of the Board of Statutory Auditors

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 30th business term from April 1, 2014 to March 31, 2015, 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 audit plan for the term under review, received reports regarding the status of audits and the results thereof from each Statutory Auditor, as well as reports regarding the status of the execution of duties from the Directors and Accounting Auditor, and requested explanations as necessary.

In accordance with the auditing standards for Statutory Auditors determined by the Board of Statutory Auditors and the auditing policies and the audit plan for the term under review, 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' meetings 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 the head office and principal offices. In addition, with respect to contents of resolutions of the Board of Directors regarding the development of the system to ensure that the performance of duties by the Directors conforms to the laws and regulations and the Articles of Incorporation and other systems that are stipulated in Article 100 (1) and (3) of the Ordinance for Enforcement of the Companies Act as being necessary to ensure appropriateness of operations of a joint stock company, and also the systems (Internal Control system) established in accordance with such resolutions, as described in the Business Report, Statutory Auditors periodically received reports from the Directors and employees, requested explanations as necessary and expressed opinions, on the establishment and management of such systems. The contents of the basic policies set forth in Article 118, Item 3-a of the Ordinance for Enforcement of the Companies Act and undertakings set forth in Item 3-b of said article, as described in the business report, were also considered in light of the circumstances, etc. of deliberations by the board of directors and other bodies. With respect to subsidiaries, each Statutory Auditor endeavored to facilitate communication and exchange information with Directors, Statutory Auditors and other employees of subsidiaries, and received business reports from subsidiaries as necessary. In accordance with the procedures mentioned above, Statutory Auditors reviewed the business reports and the supplementary schedules for the fiscal year ended on March 31, 2015.

Further, Statutory Auditors monitored and verified that Accounting Auditor maintains independence and conduct the audits appropriately. Each Statutory Auditor also received reports on the status of the execution of duties from Accounting Auditor and requested explanation as necessary. In addition, Statutory Auditors 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, Statutory Auditors reviewed the financial statements (the balance sheet, statement of income, statement of changes in net assets and notes to the financial statements) and the supplementary schedules, as well as the consolidated financial statements (the consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets and notes to the consolidated financial statements) and the supplementary schedules, for the fiscal year ended on March 31, 2015.

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;
3) Resolution of the Board of Directors regarding the internal control system is fair and reasonable. There is no matter requiring additional mention concerning the internal control system with respect to the contents of the Business Report and the execution of duties by Directors; and
4) There is no matter to be pointed out with respect to the basic principles on those who shall control the decision of the Company's financial and operational policies described in the business reports. Activities stipulated in Article 118, Item 3-b of the Ordinance for Enforcement of the Companies Act, which are described in the business reports, are in line with such basic principles, unharmful to common interest of shareholders, and not intended to maintain the positions of Directors or Statutory Auditors of the Company.

(2) Results of audit of financial statements and supplementary schedules

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

(3) Results of audit of consolidated financial statements

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

May 15, 2015
Board of Statutory Auditors of transcosmos inc.

Standing Statutory Auditor	Hideaki Ishioka
Standing Statutory Auditor	Kunio Shimofusa
Outside Statutory Auditor	Toshiaki Nakamura
Outside Statutory Auditor	Setsuo Yamane

Reference Documents for the Annual General Meeting of Shareholders

Proposals and references

Proposal No. 1: Appropriation of surplus for the 30th fiscal term

Matters related to year-end dividend

The Company proposes to pay a year-end dividend as follows in accordance with its dividend policy.

(1) Type of dividend asset

Cash dividend

(2) Allotment of dividend assets to shareholders and the total amount

54 yen per share of common stock of the Company

Total amount 2,221,521,930 yen

(3) Effective date of dividend of surplus

Thursday, June 25, 2015

Proposal No. 2: Renewal of Countermeasures to Large-Scale Acquisitions of Shares in the Company (Takeover Defense Measures)

The Company renewed a plan for countermeasures to large-scale acquisitions of the shares in the Company (the "Former Plan") in accordance with the resolution at the Board of Directors meeting held on May 15, 2012 and the resolution by shareholders at the 27th Annual General Meeting of Shareholders of the Company held on June 27, 2012, and the effective period of the Former Plan is until the conclusion of this Annual General Meeting of Shareholders.

Before the expiration of the effective period of the Former Plan, the Board of Directors determined at its meeting held on May 15, 2015 to partially revise the contents of the Former Plan and introduce a renewed plan (the "Renewal"; and the plan after the Renewal is referred to as the "Plan") as a measure to prevent decisions on the Company's financial and business policies from being controlled by persons deemed inappropriate (Article 118, Item 3(b)(ii) of the Enforcement Regulations of the Companies Act) under a basic policy regarding the persons who control decisions on the Company's financial and business policies (as provided in Article 118, Item 3 of the Enforcement Regulations of the Companies Act; the "Basic Policy")

The Company, therefore, proposes that the shareholders approve the assignment to the Board of Directors of the authority to decide matters regarding gratis allotment of stock acquisition rights in the manner described in 2. 'Details of Proposal' below in order to use it for the Plan, in accordance with Article 41, Paragraph 2 of the Company's Articles of Incorporation.

1. Reasons for Proposal

(1) Basic Policy Regarding Persons Who Control Decisions on the Company's Financial and Business Policies

The Company believes that the persons who control decisions on the Company's financial and business policies need to be persons who understand the source of the Company's corporate value and who will make it possible to continually and persistently ensure and enhance the Company's corporate value and, in turn, the common interests of its shareholders.

The Company believes that ultimately its shareholders as a whole must make the decision on any proposed acquisition that would involve a transfer of corporate control of the Company. Also, the Company would not reject a large-scale acquisition of the shares in the Company if it would contribute to ensuring and enhancing the corporate value of the Company and, in turn, the common interests of its shareholders. Nonetheless, there are some types of corporate acquisition that benefit neither the corporate value of the target company nor the common interests of its shareholders including (i) those with a purpose that would obviously harm the corporate value of the target company and the common interests of its shareholders, (ii) those with the potential to substantially coerce shareholders into selling their shares, (iii) those that do not provide sufficient time or information for the target company's board of directors and shareholders to consider the details of the large-scale acquisition or for the target company's board of directors to make an alternative proposal, and (iv) those that require the target company to negotiate with the acquirer in order to procure more favorable terms for shareholders than those presented by the acquirer.

The Company places value on client satisfaction and strives to ensure and enhance its corporate value. We believe the source of corporate value of the Company is found in (i) the comprehensive IT utilization capabilities that the Company has accumulated since its establishment as a pioneer in the outsourcing business of information processing, (ii) personnel who can promptly respond to changes in the environment and combine the latest technology, making use of originality and ingenuity, and (iii) "the stable and long-term relationships of trust with clients" established based on its strength as an independent corporation. Unless the acquirer of a proposed acquisition of the shares in the Company understands the source of the corporate value of the Company and would ensure and enhance these elements over the medium-to-long term, the corporate value of the Company and, in turn, the common interests of its shareholders would be harmed. The Company believes that it is necessary to ensure the corporate value of the Company and, in turn, the common interests of its shareholders by taking the necessary and reasonable countermeasures against an inappropriate large-scale acquisition by such persons.

(2) Purpose of the Plan

The Plan is renewed in line with the Basic Policy for the purpose of ensuring and enhancing the corporate value of the Company and, in turn, the common interests of its shareholders.

As set out in the Basic Policy, the Board of Directors believes that persons who would propose a large-scale acquisition in a manner that does not contribute to the corporate value of the Company or the common interests of its shareholders would be inappropriate to become persons who control decisions on the Company's financial and business policies. The purpose of the Plan is to prevent decisions on the Company's financial and business policies from being controlled by persons deemed inappropriate, to deter large-scale acquisitions that are detrimental to the corporate value of the Company and, in turn, the common interests of its shareholders, and on the occasion that it receives a large-scale acquisition proposal for the shares in the Company from an acquirer, to enable the Board of Directors to present an alternative proposal to the shareholders or ensure necessary time and information for the shareholders to decide whether or not to accept the large-scale acquisition proposal, and to enable the Board of Directors to negotiate for the benefit of the shareholders.

2. Details of Proposal

(1) Plan Outline

The Plan sets out procedures necessary to achieve the purpose stated above, including requirements for acquirers to provide information in advance in the case that the acquirer intends to make an acquisition of 20% or more of the Company's share certificates or other equity securities.

The acquirer must not effect a large-scale acquisition of the shares and other equity securities of the Company until and unless the Board of Directors determines not to trigger the Plan in accordance with the procedures for the Plan.

In the event that an acquirer does not follow the procedures set out in the Plan, or a large-scale acquisition of shares and other equity securities of the Company could harm the corporate value of the Company and, in turn, the common interests of its shareholders, etc., and in cases such as where the acquisition satisfies the triggering requirements set out in the Plan, the Company will implement a gratis allotment of stock acquisition rights (*shinkabu yoyakuken mushou wariate*) for stock acquisition rights with (a) an exercise condition that does not allow the acquirer, etc. to exercise the rights as a general rule, and (b) an acquisition provision to the effect that the Company may acquire the stock acquisition rights in exchange for shares in the Company from persons other than the acquirer, etc., or implement any other reasonable measures that could be taken under the laws and ordinances and the Company's Articles of Incorporation.

If a gratis allotment of stock acquisition rights were to take place in accordance with the Plan and all shareholders other than the acquirer received shares in the Company as a result of those shareholders exercising or the Company acquiring those stock acquisition rights, the ratio of voting rights in the Company held by the acquirer may be diluted by up to a maximum of approximately 50%.

In order to eliminate arbitrary decisions by directors, the Company will establish the Independent Committee, which is solely composed of members who are independent from the management of the Company such as outside directors to make objective decisions with respect to matters such as the implementation or non-implementation of the gratis allotment of stock acquisition rights or the acquisition of stock acquisition rights under the Plan. In addition, the Board of Directors may, if prescribed in the Plan, hold a meeting of shareholders and confirm the intent of the Company's shareholders.

Transparency with respect to the course of those procedures will be ensured by timely disclosure to all of the Company's shareholders.

(2) Procedures for Triggering the Plan

(a) Targeted Acquisitions

The Plan will be applied in cases where any purchase or other acquisition of share certificates, etc. of the Company that falls under (i) or (ii) below or any similar action (including a proposal (Note 1) for such action) (except for such action as the Board of Directors separately determines not to be subject to the Plan; the “Acquisition”) takes place.

(i) A purchase or other acquisition that would result in the holding ratio of share certificates, etc. (*kabuken tou hoyuu wariai*) (Note 2) of a holder (*hoyuusha*) (Note 3) totaling at least 20% of the share certificates, etc. (*kabuken tou*) (Note 4) issued by the Company; or

(ii) A tender offer (*koukai kaitsuke*) (Note 5) that would result in the party conducting the tender offer’s ownership ratio of share certificates, etc. (*kabuken tou shoyuu wariai*) (Note 6) and the ownership ratio of share certificates, etc. of a person having a special relationship (*tokubetsu kankei-sha*) (Note 7) totaling at least 20% of the share certificates, etc. (*kabuken tou*) (Note 8) issued by the Company.

The party intending to make the Acquisition (the “Acquirer”) shall follow the procedures set out in the Plan, and the Acquirer must not effect an Acquisition until and unless the Board of Directors passes a resolution not to implement the gratis allotment of stock acquisition rights (the “Stock Acquisition Rights;” see (4) below, ‘Outline of the Gratis Allotment of Stock Acquisition Rights,’ for an outline thereof) or other measures in accordance with the Plan.

(b) Submission of Acquirer’s Statement

The Company will request an Acquirer to submit to the Company in the form separately prescribed by the Company a legally binding document which includes an undertaking that the Acquirer will comply with the procedures set out in the Plan (signed by, or affixed with the name and seal of, the representative of the Acquirer and to which no or conditions or reservations are attached) and a qualification certificate of the person who signed or affixed its name and seal to that document (collectively, “Acquirer’s Statement”) before commencing or effecting the Acquisition. The Acquirer’s Statement must include the name, address or location of headquarters, location of offices, the governing law for establishment, name of the representative, contact information in Japan for the Acquirer and an outline of the intended Acquisition. The Acquirer’s Statement, Acquisition Document set out in (c) below and other reference materials that the Acquirer submits to the Company or the Independent Committee must be written in Japanese.

(c) Request to the Acquirer for the Provision of Information

The Company will provide an Acquirer the format for the Acquisition Document (defined below), including a list of information that the Acquirer should provide to the Company, no later than 10 business days after receiving the Acquirer’s Statement. The Acquirer must provide the Board of Directors with the documents in the form provided by the Company (collectively, “Acquisition Document”), which includes the information described in each item of the list below (“Essential Information”).

If the Board of Directors receives the Acquisition Document, it will promptly send it to the Independent Committee (standards for appointing members, requirements for resolutions, resolution matters, and other matters concerning the Independent Committee are as described in Note 9 and business backgrounds and other matters of members of the Independent Committee at the time of the Renewal are as described in Attachment ‘Profiles of the Members of the Independent Committee’). If the Independent Committee determines that the Acquisition Document does not contain sufficient Essential Information, it may set a reply period and request that the Acquirer provide additional information. In such case, the Acquirer should provide the additional information within the set time limit.

(i) Details (including name, capital relationship, financial position, operation results, details of violation of laws or ordinances in the past (if any), and terms of previous transactions by the Acquirer similar to the Acquisition) of the Acquirer and its group (including joint holders, (Note 10) persons having a special relationship and persons having a special relationship with a person in relation to whom the Acquirer is the controlled corporation (Note 11)). (Note 12)

(ii) The purpose, method and specific terms of the Acquisition (including the amount and type of consideration, the timeframe, the scheme of any related transactions, the legality of the Acquisition method, and the feasibility of the Acquisition).

(iii) The amount and basis for the calculation of the purchase price of the Acquisition.

(iv) Information relating to the details of any agreement between the Acquirer and a third party regarding the shares and other equity securities of the Company and any previous acquisition of shares and other equity securities of the Company by the Acquirer.

(v) Financial support for the Acquisition (specifically including the names of providers of funds for the Acquisition (including all indirect providers of funds), financing methods and the terms of any related transactions).

(vi) Post-Acquisition management policy, business plan, capital and dividend policies for the Company group.

(vii) Post-Acquisition policies for the Company's shareholders (other than the Acquirer), and any other stakeholders such as employees, business partners and customers of the Company group.

(viii) Specific measures to avoid any conflict of interest with other shareholders in the Company.

(ix) Information regarding any relationship with an anti-social force.

(x) Any other information that the Board of Directors or the Independent Committee reasonably considers necessary.

(d) Consideration of Acquisition Terms, Negotiation with the Acquirer, and Consideration of an Alternative Proposal

(i) Request to the Board of Directors for the Provision of Information

If the Independent Committee reasonably determines that the Acquirer has submitted the Acquisition Document and any additional information that the Independent Committee requested (including information that the Independent Committee requested additionally; hereinafter the same), the Independent Committee may set a reply period as it deems appropriate and request that the Board of Directors presents an opinion (including an opinion to refrain from giving such opinion; hereinafter the same) on the Acquirer's Acquisition terms, materials supporting such opinion, an alternative proposal (if any), and any other information, etc., that the Independent Committee considers necessary.

(ii) Independent Committee Consideration

The Independent Committee should conduct its consideration of the Acquisition terms, collection of information such as the management plans and business plans of the Acquirer and the Board of Directors and comparison thereof, and consideration of any alternative plan presented by the Board of Directors, and the like for 90 days from the receipt of such information if the Independent Committee reasonably determines that the Acquirer has sufficiently submitted the Acquisition Document and any additional information. (the period for information collection and consideration by the Independent Committee is hereinafter referred to as the "Independent Committee Consideration Period").

In order to ensure that the Independent Committee's decision contributes to the Company's corporate value and, in turn, the common interests of its shareholders, the Independent Committee may at the cost of the Company obtain advice from financial advisers, certified public accountants, attorneys, tax accountants, consultants or any other experts.

Further, if it is necessary in order to improve the terms of the Acquisition from the standpoint of ensuring and enhancing the corporate value of the Company and the common interests of its shareholders, the Independent Committee will directly or indirectly discuss and negotiate with the Acquirer. If the Independent Committee directly or indirectly requests the Acquirer to provide materials for consideration or any other information, or to discuss and negotiate with the Independent Committee, the Acquirer must promptly respond to such request.

The Independent Committee may, to the reasonable extent that it is considered necessary for actions such as consideration of the terms of the Acquirer's Acquisition, consideration of an alternative proposal and negotiation with the Acquirer, extend the Independent Committee Consideration Period once or multiple times, in principle up to 30 days.

(e) Recommendation by the Independent Committee

In such cases as the Independent Committee determines that the Acquisition falls under one of the trigger events set out below in (3), 'Requirements for the Gratis Allotment of Stock Acquisition Rights, Etc.' (including Quasi Trigger Event set out in (3), collectively "Trigger Event"), the Independent Committee will recommend the implementation of the gratis allotment of Stock Acquisition Rights or any other reasonable measures that could be taken under the laws and ordinances and the Company's Articles of Incorporation (Note 13) (collectively, the "Gratis Allotment of Stock Acquisition Rights, Etc.") to the Board of Directors except in any specific case where further disclosure of information by the Acquirer or negotiation or discussion and the like with the Acquirer is necessary. In cases such as where it is concerned that an Acquisition may fall under the second Trigger Event ("Trigger Event (2)"), the Independent Committee may recommend implementation of the gratis allotment of Stock Acquisition Rights subject to obtaining approval at the shareholders meeting in advance.

Notwithstanding the foregoing paragraph, even after the Independent Committee has already made a recommendation for the implementation of the gratis allotment of Stock Acquisition Rights, if the Independent Committee determines that either of the events (A) or (B) below applies, it may make a new recommendation that (i) (on or before the second business day prior to the ex-rights date with respect to the gratis allotment of Stock Acquisition Rights) the Company should suspend the gratis allotment of Stock Acquisition Rights, or (ii) (from the effective date of the gratis allotment of Stock Acquisition Rights and until the day immediately prior to the commencement date of the exercise period of the Stock Acquisition Rights) the Company should acquire the Stock Acquisition Rights for no consideration.

(A) The Acquirer withdraws the Acquisition or the Acquisition otherwise ceases to exist after the recommendation.

(B) There is no longer any Trigger Event due to a change or the like in the facts or other matters on which the recommendation decision was made.

On the other hand, if the Independent Committee determines there is no Trigger Event regarding the Acquisition, the Independent Committee will not recommend the implementation of the Gratis Allotment of Stock Acquisition Rights, etc., to the Board of Directors.

Notwithstanding the foregoing paragraph, subsequently, if there is a change in the facts or other matters on which the recommendation decision was made and a Trigger Event arises, the Independent Committee may make a new recommendation that the Company should implement the Gratis Allotment of Stock Acquisition Rights, Etc.

In addition to the foregoing paragraph, if the Acquisition may harm the corporate value of the Company and thus common interests of shareholders, the Independent Committee may hold the Annual Shareholders' Meeting on such grounds and confirm the intention of shareholders regarding the Acquisition by the Acquirer.

(f) Resolutions of the Board of Directors

The Board of Directors, in exercising its role under the Companies Act, will make a resolution relating to the implementation or non-implementation of the Gratis Allotment of Stock Acquisition Rights, Etc. respecting to the maximum extent any recommendation of the Independent Committee described above. However, if the Shareholders Meeting for Confirmation of the Intention of Shareholders is convened in accordance with (g) below, the Board of Directors, in exercising its role under the Companies Act, will make a resolution relating to the implementation or non-implementation of the Gratis Allotment of Stock Acquisition Rights, Etc. subject to any resolution at the Shareholders Meeting.

(g) Convocation of the Shareholders Meeting for Confirmation of the Intention of Shareholders

The Board of Directors may convene a meeting of shareholders (the "Shareholders Meeting for Confirmation of the Intention of Shareholders") and confirm the intent of the Company's shareholders regarding the implementation of the Gratis Allotment of the Stock Acquisition Rights, Etc., if (i) the Independent Committee recommends implementation of the Gratis Allotment of Stock Acquisition Rights, Etc. subject to confirming the intent of shareholders in advance in accordance with (e)(i) above, or if the Independent Committee recommends that the intention of shareholders regarding the Acquisition by the Acquirer be confirmed. or (ii) the applicability of Trigger Event (2) or any other matter becomes an issue and the Board of Directors determines it appropriate to confirm the shareholders' intent taking into consideration the time required to convene a shareholders' meeting or other matters pursuant to the duty of care of a good manager.

(h) Information Disclosure

When operating the Plan, the Company will disclose, in a timely manner, information on matters that the Independent Committee or the Board of Directors considers appropriate including the progress of each procedure set out in the Plan (including the fact that the Acquirer's Statement and Acquisition Document have been submitted, the fact the Independent Committee Consideration Period has commenced, and the fact that the Independent Committee Consideration Period has been extended), an outline of recommendations made by the Independent Committee and an outline of resolutions by the Board of Directors in accordance with the applicable laws and ordinances or the regulations of the financial instruments exchange.

(3) Requirements for the Gratis Allotment of Stock Acquisition Rights, Etc.

The requirements to implement gratis allotment of Stock Acquisition Rights as the triggering of the Plan are as follows. As described above in (e) of (2), ‘Procedures for Triggering the Plan,’ the Board of Directors will make a determination as to whether any of the following requirements applies to an Acquisition for which the recommendation by the Independent Committee has been obtained.

Trigger Event (1)

The Acquisition is not in compliance with the procedures prescribed in the Plan (including cases where reasonable time and information necessary to consider the details of the Acquisition is not offered) and it is reasonable to implement the gratis allotment of Stock Acquisition Rights.

Trigger Event (2)

The Acquisition falls under any of the items below and it is reasonable to implement the gratis allotment of Stock Acquisition Rights.

(a) An Acquisition that threatens to cause obvious harm to the corporate value of the Company and, in turn, the common interests of its shareholders through any of the following actions:

- (i) A buyout of share certificates to require such share certificates to be compulsorily purchased by the Company or the Company’s affiliates at a high price.
- (ii) Management that achieves an advantage for the Acquirer to the detriment of the Company, such as temporary control of the Company’s management for the low-cost acquisition of the Company group’s material assets.
- (iii) Diversion of the Company group’s assets to secure or repay debts of the Acquirer or its group company.
- (iv) Temporary control of the Company’s management to bring about the disposal of high-value assets that have no current relevance to the Company group’s business and declaring temporarily high dividends from the profits of the disposal, or selling the shares at a high price taking advantage of the opportunity afforded by the sudden rise in share prices created by the temporarily high dividends.

(b) Certain Acquisitions that threaten to have the effect of coercing shareholders into selling shares, such as coercive two-tiered tender offers (meaning acquisitions of shares including tender offers, in which no offer is made to acquire all shares in the initial acquisition, and acquisition terms for the second stage are set that are unfavorable or unclear).

(c) Acquisitions whose terms (including amount and type of consideration, the timeframe, the legality of the Acquisition method, the feasibility of the Acquisition being effected, and post-Acquisition policies dealing with the Company’s other shareholders, the Company group’s employees, customers, business partners and any other stakeholders in the Company) are inadequate or inappropriate in light of the Company’s intrinsic value.

(d) Acquisitions that materially threaten to oppose the corporate value of the Company and, in turn, the common interests of shareholders, by destroying relationships with the Company group’s employees, customers, business partners and the like, which are indispensable to the generation of the Company’s corporate value.

In addition to the above, the Company may take reasonable measures that could be taken under the laws and ordinances and the Company’s Articles of Incorporation as the triggering of the Plan if any requirement similar to any of the Trigger Events above is met and it is reasonable to trigger the Plan ("Quasi Trigger Event"). In this case, such decision is always made through the recommendation of the Independent Committee as set out in (e) of (2), 'Procedures for Triggering the Plan' above.

(4) Outline of the Gratis Allotment of Stock Acquisition Rights

An outline of the gratis allotment of Stock Acquisition Rights that may be implemented under the Plan is described below.

(a) Number of Stock Acquisition Rights

The Company will implement a gratis allotment of Stock Acquisition Rights in the same number as the most recent total number of issued shares in the Company (excluding the number of shares in the Company held by the Company at that time) on a certain date (the "Allotment Date") that is separately determined in a resolution by the Board of Directors or the general meeting of shareholders relating to the gratis allotment of Stock Acquisition Rights ("Gratis Allotment Resolution").

(b) Shareholders Eligible for Allotment

The Company will allot the Stock Acquisition Rights to those shareholders, other than the Company, who are recorded in the Company's final register of shareholders on the Allotment Date (hereinafter referred to as the "Entitled Shareholders".), at a ratio of one Stock Acquisition Right for each share in the Company held.

(c) Effective Date of Gratis Allotment of Stock Acquisition Rights

The effective date of the gratis allotment of Stock Acquisition Rights will be separately determined in the Gratis Allotment Resolution.

(d) Number of Shares to be Acquired upon Exercise of the Stock Acquisition Rights

The number of shares in the Company to be acquired upon exercise of each Stock Acquisition Right (the "Applicable Number of Shares") shall, in principle, be one share.

(e) Amount to be Contributed upon Exercise of Stock Acquisition Rights

Contributions upon exercise of the Stock Acquisition Rights are to be in cash, and the amount per share in the Company to be contributed upon exercise of the Stock Acquisition Rights will be an amount separately determined in the Gratis Allotment Resolution within the range of a minimum of one yen and a maximum of the amount equivalent to one-half of the fair market value of one share in the Company. "Fair market value" means an amount equivalent to the average closing price (including quotations) for regular transactions of the common stock of the Company on the Tokyo Stock Exchange on each day during the past 90 day period prior to the Gratis Allotment Resolution (excluding the days on which trades are not made), with any fraction less than one yen after such calculation to be rounded up to the nearest whole yen.

(f) Exercise Period of the Stock Acquisition Rights

The commencement date will be a date separately determined in the Gratis Allotment Resolution (this commencement date of the exercise period shall be referred to as the "Exercise Period Commencement Date"), and the period will, in principle, be a period from one month to six months long as separately determined in the Gratis Allotment Resolution.

(g) Conditions for Exercise of Stock Acquisition Rights

Except where any exceptional event (Note 14) occurs, the following parties may not exercise the Stock Acquisition Rights (the parties falling under (I) through (VI) below shall collectively be referred to as "Non-Qualified Parties"):

(I) Specified Large Holders; (Note 15)

(II) Joint Holders of Specified Large Holders;

(III) Specified Large Purchasers; (Note 16)

(IV) Persons having a Special Relationship with Specified Large Purchasers;

(V) Any transferee of, or successor to, the Stock Acquisition Rights of any party falling under (I) through (IV) without the approval of the Board of Directors; or

(VI) Any Affiliated Party (Note 17) of any party falling under (I) through (V).

Further, nonresidents of Japan who are required to follow certain procedures under applicable foreign laws and ordinances to exercise the Stock Acquisition Rights may not as a general rule exercise the Stock Acquisition Rights (provided, however, that the Stock Acquisition Rights held by nonresidents will be subject to acquisition by the Company in exchange for shares in the Company as set out in (ii) of paragraph (i) below, 'Acquisition of the Stock Acquisition Rights by the Company,' subject to making confirmation that the acquisition does not breach applicable laws or ordinances). In addition, anyone who fails to submit a written undertaking, in the form prescribed by the Company and containing representations and warranties regarding matters such as the fact that he or she satisfies the exercise conditions of the Stock Acquisition Rights, indemnity clauses and other covenants, may not exercise the Stock Acquisition Rights.

(h) Assignment of Stock Acquisition Rights

Any acquisition of the Stock Acquisition Rights by assignment requires the approval of the Board of Directors.

(i) Acquisition of Stock Acquisition Rights by the Company

(i) At any time on or before the date immediately prior to the Exercise Period Commencement Date, if the Board of Directors deems that it is appropriate for the Company to acquire the Stock Acquisition Rights, the Company may, on a day that falls on a date separately determined by the Board of Directors, acquire all of the Stock Acquisition Rights for no consideration.

(ii) On a date separately determined by the Board of Directors, the Company may acquire all of the Stock Acquisition Rights that have not been exercised before or on the day immediately prior to such date determined by the Board of Directors, that are held by parties other than Non-Qualified Parties (if any) and, in exchange, deliver shares in the Company in the number equivalent to the Applicable Number of Shares for each Stock Acquisition Right.

Further, if, on or after the date upon which the acquisition takes place, the Board of Directors recognizes the existence of any party holding Stock Acquisition Rights other than Non-Qualified Parties, the Company may, on a date determined by the Board of Directors that falls after the date upon which the acquisition described above takes place, acquire all of the Stock Acquisition Rights held by that party that have not been exercised by or on the day immediately prior to such date determined by the Board of Directors (if any) and, in exchange, deliver shares in the Company in the number equivalent to the number of the Applicable Number of Shares for each Stock Acquisition Right. The same will apply thereafter.

(j) Delivery of Stock Acquisition Rights in Case of Merger, Absorption-type Demerger (*kyushu bunkatsu*), Incorporation-type Demerger (*shinsetsu bunkatsu*), Share Exchange (*kabushiki koukan*), and Share Transfer (*kabushiki iten*)

These matters will be separately determined in the Gratis Allotment Resolution.

(k) Issuance of Certificates Representing the Stock Acquisition Rights

Certificates representing the Stock Acquisition Rights will not be issued.

(l) Other

In addition, the details of the Stock Acquisition Rights will be separately determined in the Gratis Allotment Resolution.

(5) Effective Period and Abolition of the Plan

The effective period of the Plan (the "Effective Period") will be the period until the conclusion of the Annual General Meeting of Shareholders relating to the last fiscal year ending within three years after the conclusion of this Annual General Meeting of Shareholders.

However, if, before the expiration of the Effective Period, (i) a resolution is passed at the Company's shareholders meeting to revoke its resolution to assign to the Board of Directors the authority set out in 3.4 above to decide matters relating to the gratis allotment of Stock Acquisition Rights, or (ii) the Board of Directors passes a resolution to abolish the Plan, the Plan will be abolished in accordance with the resolution.

Further, the Board of Directors may revise or amend the Plan even during the Effective Period of the Plan, if such revision or amendment is not against the purpose of a resolution of this Annual General Meeting of Shareholders such as cases where any law, ordinance, or regulation of a financial instruments exchange or the like concerning the Plan is established, amended or abolished and it is appropriate to reflect such establishment, amendment or abolition, cases where it is appropriate to revise the wording for reasons such as typographical errors and omissions, or cases where such revision or amendment is not detrimental to the Company's shareholders, and subject to the approval of the Independent Committee.

If the Plan is abolished, revised or amended, the Company will promptly disclose the fact that such abolition, revision or amendment has taken place, and (in the event of a revision or amendment) the details of the revision, amendment and any other matters.

(6) Revision Due to Amendment to Laws and Ordinances

The provisions of laws and ordinances referred to under the Plan are subject to the prevailing provisions as of May 15, 2015. If it becomes necessary after such date to revise the terms and conditions or definitions of terms set out in the paragraphs above due to the formulation, amendment or abolishment of laws and ordinances, the terms and conditions or definitions of terms set out in the paragraphs above will be read accordingly as required to a reasonable extent, taking into consideration the purposes of such formulation, amendment or abolishment.

(7) Other Matters

Matters regarding the content of the Plan, but that are not specified in this Proposal No. 2 or are not in conflict with this Proposal No. 2, may be decided by the Board of Directors.

(Note 1) "Proposal" includes solicitation of a third party.

(Note 2) Defined in Article 27-23(4) of the Financial Instruments and Exchange Act. This definition is applied throughout this Proposal No. 2.

(Note 3) Including persons described as a holder under Article 27-23(3) of the Financial Instruments and Exchange Act (including persons who are deemed to fall under the above by the Board of Directors). The same is applied throughout this Proposal No. 2.

(Note 4) Defined in Article 27-23(1) of the Financial Instruments and Exchange Act. The same is applied throughout this Proposal No. 2 unless otherwise provided for.

(Note 5) Defined in Article 27-2(6) of the Financial Instruments and Exchange Act. The same is applied throughout this Proposal No. 2.

(Note 6) Defined in Article 27-2(8) of the Financial Instruments and Exchange Act. The same is applied throughout this Proposal No. 2.

(Note 7) Defined in Article 27-2(7) of the Financial Instruments and Exchange Act (including persons who are deemed to fall under the above by the Board of Directors); provided, however, that persons provided for in Article 3(2) of the Cabinet Office Regulations concerning Disclosure of a Tender Offer by an Acquirer other than the Issuing Company are excluded from the persons described in Article 27-2(7)(i) of the Financial Instruments and Exchange Act. The same is applied throughout this Proposal No. 2.

(Note 8) Defined in Article 27-2(1) of the Financial Instruments and Exchange Act.

(Note 9) The outline of the rules of the Independent Committee is as follows.

- There will be no less than three members of the Independent Committee, and the Board of Directors shall elect the members from (i) outside directors of the Company, (ii) outside statutory auditors of the Company and (iii) other experts, who are independent from the management that executes the business of the Company. However, such experts must be experienced corporate managers, former employees of government agencies, parties with knowledge of the investment banking industry or business areas of the Company, lawyers, certified public accountants, researchers whose research focuses on the Companies Act or the like, or parties of similar qualifications, and must have executed with the Company an agreement separately specified by the Board of Directors that contains a provision obligating them to exercise the duty of care of a good manager or similar provision.
- Unless otherwise determined in a resolution by the Board of Directors, the term of office of members of the Independent Committee will be until the conclusion of the Annual General Meeting of Shareholders relating to the last fiscal year ending within three years of this Annual General Meeting of Shareholders. However, the term of office of any member of the Independent Committee who is an outside director or a statutory auditor of the Company will end at the same time they lose the status as an outside director or a statutory auditor (except in the case of their re-appointment).
- The Independent Committee will make decisions on the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights or any other reasonable measures that could be taken under the laws and ordinances and the Company's Articles of Incorporation (collectively, "Gratis Allotment of Stock Acquisition Rights, etc."), the cancellation of the Gratis Allotment of Stock Acquisition Rights, etc., or the gratis acquisition of Stock Acquisition Rights, any other matters which the Board of Directors has consulted the Independent Committee, or which the Independent Committee has decided that they can be performed, or other prescribed matters.
- As a general rule, resolutions of meetings of the Independent Committee will pass with a majority when all the members of the Independent Committee are in attendance (including attendance via video conference or telephone conference; hereinafter the same). However, in unavoidable circumstances a resolution may be passed with a majority of voting rights when a majority of the members of the Independent Committee are in attendance.

(Note 10) Defined in Article 27-23(5) of the Financial Instruments and Exchange Act, including persons regarded as a joint holder under Article 27-23(6) of the Financial Instruments and Exchange Act (including persons who are deemed a joint holder by the Board of Directors). The same is applied throughout this Proposal No. 2.

(Note 11) Defined in Article 9(5) of Order for Enforcement of the Financial Instruments and Exchange Act.

(Note 12) If an Acquirer is a fund, information relating to the matters described in (i) about each partner and other constituent members is required.

(Note 13) Specifically, the Company intends to require the Acquirer to cancel an Acquisition subject to the approval at the shareholders meeting, or to take other measures.

(Note 14) Specifically, the Company intends to set out that an "exceptional event" means when (x) an Acquirer cancels or revokes an Acquisition, or promises that it will not conduct any subsequent Acquisition, after the Gratis Allotment Resolution and the Acquirer or other Non-Qualified Parties dispose of their shares in the Company through a securities firm appointed and authorized by the Company to do so, and (y) the Acquirer's shareholding ratio determined by the Board of Directors (when calculating the shareholding ratio, Non-Qualified Parties other than the Acquirer and its Joint Holders are deemed to be Acquirer's Joint Holders, and Stock Acquisition Rights held by Non-Qualified Parties, the conditions of which have not been satisfied, are excluded) falls below 20%, the Acquirer or other Non-Qualified Parties making the disposal may exercise Stock Acquisition Rights to the extent that the number of shares to be issued or delivered upon exercise of the Stock Acquisition Rights is up to the number of shares disposed of. Detailed conditions and procedures for exercise of Stock Acquisition Rights by Non-Qualified Parties will be determined separately by the Board of Directors.

(Note 15) "Specified Large Holder" means, in principle, a party who is a holder of share certificates, etc., issued by the Company and whose holding ratio of share certificates, etc. in respect of such share certificates, etc. is at least 20% (including any party who is deemed applicable to the above by the Board of Directors); provided, however, that a party that the Board of Directors recognizes as a party whose acquisition or holding of share certificates, etc., of the Company is not contrary to the Company's corporate value or the common interests of shareholders or a certain other party that the Board of Directors determines in the Gratis Allotment Resolution is not a Specified Large Holder. The same is applied throughout this Proposal No. 2.

(Note 16) "Specified Large Purchaser" means, in principle, a person who makes a public announcement of purchase, etc., (as defined in Article 27-2(1) of the Financial Instruments and Exchange Act; the same is applied throughout this Note 16) of share certificates, etc., (as defined in Article 27-2(1) of the Financial Instruments and Exchange Act; the same is applied throughout this Note 16) issued by the Company through a tender offer and whose ratio of ownership of share certificates, etc., in respect of such share certificates, etc., owned by such person after such purchase, etc., (including similar ownership as prescribed in Article 7(1) of the Order for Enforcement of the Financial Instruments and Exchange Act) is at least 20% when combined with the ratio of ownership of share certificates, etc., of a person having a special relationship (including any party who is deemed to fall under the above by the Board of Directors); provided, however, that a party that the Board of Directors recognizes as a party whose acquisition or holding of share certificates, etc., of the Company is not contrary to the Company's corporate value or the common interests of shareholders or certain other party that the Board of Directors determines in the Gratis Allotment Resolution is not a Specified Large Purchaser. The same is applied throughout this Proposal No. 2.

(Note 17) An "Affiliated Party" of a given party means a person who substantially controls, is controlled by, or is under common control with such given party (including any party who is deemed to fall under the above by the Board of Directors), or a party deemed by the Board of Directors to act in concert with such given party. "Control" means to "control the determination of the financial and business policies" (as defined in Article 3(3) of the Enforcement Regulations of the Companies Act) of other corporations or entities.

--- End of Document ---

Attachment

Profiles of the Members of the Independent Committee

The following three persons are scheduled to be the members of the Independent Committee upon the Renewal.

Takeshi Natsuno

Born on March 17, 1965

April 1988	Joined Tokyo Gas Co., Ltd.
September 1997	Joined NTT Mobile Communications Network Inc. (now NTT DOCOMO, INC.)
June 2005	Appointed executive officer and manager in charge of multimedia services
June 2008	Appointed outside director of the Company (present post)
	Appointed outside director of Sega Sammy Holdings Inc. (present post)
	Appointed director of Pia Corporation (present post)
	Appointed part-time director of NTT Resonant Inc. (present post)
December 2008	Appointed director of Dwango Co., Ltd. (present post)
June 2009	Appointed outside director of DLE Inc. (present post)
September 2009	Appointed outside director of Gree, Inc. (present post)
December 2010	Appointed outside director of U-NEXT Co., Ltd. (present post)
November 2013	Appointed guest professor at Graduate School of Media and Governance, Keio University (present post)
October 2014	Appointed director, member of the board of KADOKAWA・DWANGO CORPORATION (present post)

Takeshi Natsuno is an outside director of the Company. He is scheduled to be reappointed as an outside director of the Company upon approval of the proposal regarding appointment of directors at this Annual General Meeting of Shareholders.

He does not have any special interest in the Company.

Eiji Uda

Born on August 3, 1956

April 1981	Joined IBM Japan, Ltd.
January 1999	Appointed senior general manager and manager of Information Service Industry Business Division of IBM Japan, Ltd.
January 2001	Appointed representative director & president of SOFTBANK COMMERCE CORP. (at present, SoftBank BB Corp.)
March 2004	Appointed senior vice president of salesforce.com, Inc.
April 2004	Appointed representative director & president of salesforce.com Co., Ltd.
April 2012	Appointed executive vice president of salesforce.com, Inc.

April 2014	Appointed director & executive advisor of salesforce.com Co., Ltd.
June 2014	Appointed outside director of the Company (present post)
January 2015	Appointed Special Advisor of salesforce.com Co., Ltd. (present post)

Eiji Uda is an outside director of the Company. He is scheduled to be reappointed as an outside director of the Company upon approval of the proposal regarding appointment of directors at this Annual General Meeting of Shareholders.

He does not have any special interest in the Company.

Setsuo Yamane

Born on January 23, 1948

March 1966	Employed as Police Officer of Metropolitan Police Department
February 1983	Police Inspector of Metropolitan Police Department
March 1984	Seconded to National Police Agency
March 1989	Chief of Security Section of Hisamatsu Police Station
March 1991	Superintendent of Metropolitan Police Department
March 1996	Deputy Chief of Akasaka Police Station
February 1997	Chief of Oshima Police Station
February 1999	Chief of Otsuka Police Station
February 2002	Senior Superintendent, Head of Mobile Telecommunications Department No. 1, Police Information and Telecommunications Division, Tokyo Metropolitan Government
February 2004	Vice President of Metropolitan Police Academy, Metropolitan Police Department
February 2006	Councilor, Personnel and Training Bureau
March 2007	Chief Superintendent
April 2007	Deputy General Manager of Grand Arc Hanzomon
April 2009	Advisor to Tokyo Gas Co., Ltd.
June 2013	Outside Statutory Auditor of the Company (present post)

Setsuo Yamane is an outside statutory auditor of the Company.

He does not have any special interest in the Company.

Proposal No. 3: Partial Amendment to Articles of Incorporation

1. Reasons for Amendments

(1) The Company partially makes changes in “Purposes” of Article 2 of the existing Articles of Incorporation of the Company in order to respond to diversification of its business activities in line with the current status of its businesses.

(2) “The Act for Partial Revision of the Companies Act” (Act No. 90 of 2014) was enacted effective May 1, 2015, and the scope of Company Directors and Officers who can enter into the limited liability agreement has changed. Accordingly, provisions of Article 25 (Limitation of Liability of Directors) and Article 35 (Limitation of Liability of Statutory Auditors) of the Articles of Incorporation shall be partially changed. The Agreement of each Statutory Auditor has been obtained as to the change of Article 25 of the Articles of Incorporation.

2. Details of Amendments

The details of the amendments are as follows.

(Underlined sections are amendments.)

Current Version	Proposed Amendments
(Purpose)	(Purpose)
Article 2. The purpose of the Company shall be to engage in the following businesses.	Article 2. The purpose of the Company shall be to engage in the following businesses.
1.-16. (Omitted)	1.-16. (Same as present)
17. <u>Travel agency business,</u> banking agency business and money lending business	17. Banking agency business and money lending business
18.-23. (Omitted)	18.-23. (Same as present)
24. Manufacturing, sale, export and import, acting as agency and brokerage of rice, <u>health</u> foods, apparels, accessories, housewares and sundry, health appliances, furniture, bedclothes, books, CDs, DVDs, home electronics, sporting goods and others	24. Manufacturing, sale, export and import, acting as agency and brokerage of rice, <u>meat, seafood</u> and foods , apparels, accessories, housewares and sundry, health appliances, furniture, bedclothes, books, CDs, DVDs, home electronics, sporting goods and others
25.-26. (Omitted)	25.-26. (Same as present)
27. All businesses incidental to each of the aforementioned items	27. <u>Tour business and travel agency business under the Travel Agency Act</u>
(Newly established)	28. <u>Financial instruments business and financial instruments intermediary service provider</u>
(Newly established)	29. <u>All businesses incidental to each of the aforementioned items</u>
(Limitation of Liability of Directors)	(Limitation of Liability of Directors)
Article 25. Pursuant to Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt Directors (including ex-Directors) from liability for damages due to neglect of duties to the extent permitted by laws and regulations.	Article 25. Pursuant to Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt Directors (including ex-Directors) from liability for damages due to neglect of duties to the extent permitted by laws and regulations.

2. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into contracts with <u>Outside Directors</u> that limit liability for damages due to neglect of duties; provided, however, that the limit on liability under such contracts shall be the higher of the predetermined amount, which is one million yen or more, or the amount prescribed by laws and regulations.	2. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into contracts with <u>Directors (excluding Executive Directors)</u> that limit liability for damages due to neglect of duties; provided, however, that the limit on liability under such contracts shall be the higher of the predetermined amount, which is one million yen or more, or the amount prescribed by laws and regulations.
(Limitation of Liability of Statutory Auditors)	(Limitation of Liability of Statutory Auditors)
Article 35. Pursuant to Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt Statutory Auditors (including ex-Statutory Auditors) from liability for damages due to neglect of duties to the extent permitted by laws and regulations.	Article 35. Pursuant to Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt Statutory Auditors (including ex-Statutory Auditors) from liability for damages due to neglect of duties to the extent permitted by laws and regulations.
2. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into contracts with <u>Outside Statutory Auditors</u> that limit liability for damages due to neglect of duties; provided, however, that the limit on liability under such contracts shall be the higher of the predetermined amount, which is one million yen or more, or the amount prescribed by laws and regulations.	2. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into contracts with <u>Statutory Auditors ()</u> that limit liability for damages due to neglect of duties; provided, however, that the limit on liability under such contracts shall be the higher of the predetermined amount, which is one million yen or more, or the amount prescribed by laws and regulations.

Proposal No. 4: Election of Sixteen Directors

The term of office of all the fifteen Directors will expire at the conclusion of this Meeting. Accordingly, the Company requests to add one more Director for reinforcing the management setup and approval for the election of sixteen Directors.

The candidates for Directors are as follows:

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company (Significant concurrent positions outside the Company)		No. of Company shares held
1	Koki Okuda (January 9, 1937)	June 1966	Established Maruei Keisan Center Kabushiki Kaisha and became President, Representative Director	7,498,800 shares (– shares)
		December 1974	President, Representative Director of Kabushiki Kaisha Kansai Maruei Keisan Center	
		June 1975	President, Representative Director of Wakayama Maruei Keisan Center Kabushiki Kaisha	
		November 1978	President, Representative Director of Kabushiki Kaisha Input Research Institute	
		January 1982	President, Representative Director of Gunma Maruei Keisan Center Kabushiki Kaisha	
		April 1982	President, Representative Director of Kabushiki Kaisha Maritec	
		June 1985	President, Representative Director of the Company	
		May 1997	President, Representative Director of J-Stream Inc.	
		June 1998	Chairman, Representative Director & President of the Company	
		December 1999	President, Representative Director of eVentures Inc.	
		September 2002	Chairman, Representative Director of the Company & Group CEO	
		June 2003	Founder, Representative Director & Group CEO (present post)	
2	Koji Funatsu (March 18, 1952)	April 1981	Joined RECRUIT CO., LTD.	25,200 shares (5,447 shares)
		December 1995	Director of Recruit Hokkaido Jalan Co., Ltd.	
		April 1998	Joined the Company, General Manager of Business Planning & Development Division	
		June 1998	Managing Director	
		June 1999	Senior Managing Director, Assistance in Overseas Business Control	
		April 2000	Vice President, Representative Director, in charge of Marketing and Consulting Divisions, in charge of each Business Divisions	
		September 2002	President, Representative Director & CEO	
		June 2003	Chairman, Representative Director & CEO (present post)	
		June 2011	Chairman of Japan Telemarketing Association (At present, Contact Center Association of Japan) (present post)	
		October 2014	Outside Director, Member of the Board of KADOKAWA･DWANGO (present post)	

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company (Significant concurrent positions outside the Company)		No. of Company shares held
3	Masataka Okuda (March 29, 1967)	April 1988	Joined the Company	5,910,368 shares (11,132 shares)
		June 1996	Director, Deputy General Manager of Marketing Division	
		June 1998	Managing Director, Chief of Office of President	
		April 2000	Vice President, Representative Director, Chief of Business Planning & Development, Deputy Chief of Overseas Business Division	
		April 2002	Vice President, Representative Director & Co-COO and CEO of Business Development Division of the Company	
		June 2002	Representative Director of eVentures Inc.	
		September 2002	Vice President, Representative Director & COO of the Company	
		June 2003	President, Representative Director & COO of the Company (present post)	
4	Koichi Iwami (January 10, 1967)	April 1993	Joined Ajinomoto Co., Inc.	10,800 shares (352 shares)
		March 2001	Joined the Company	
		June 2002	Director, Deputy General Manager of Business Development Division	
		June 2004	Corporate Executive Officer	
		February 2005	Chairman of transcosmos Information system (Shanghai) Co., Ltd.	
		June 2005	Senior Managing Director of the Company	
		August 2005	Chairman of transcosmos MCM Shanghai Co., Ltd. (present post)	
		June 2006	Executive Vice President, Director of the Company	
		March 2012	Chairman and Director of transcosmos Korea Inc. (present post)	
		May 2012	Director of transcosmos analytics inc. (present post)	
		July 2012	Director of transcosmos philippines, inc. (present post)	
		April 2014	Executive Vice President, Director, Chief of Global Business Sector, General Manager of Services Promotion Division, and in charge of Contact Center Services Headquarters of the Company (present post)	
5	Hiroyuki Mukai (July 23, 1952)	April 1977	Joined IBM Japan, Ltd.	– shares (12,282 shares)
		March 2005	President of Lenovo Japan Co., Ltd.	
		October 2007	Joined the Company, Corporate Executive Officer, in charge of Sales Planning Division of the Company	
		June 2008	Senior Managing Director, Chief of Sales Division	
		June 2012	Senior Managing Director, in charge of Sales Headquarters	
		April 2015	Executive Vice President, Director, in charge of Sales Headquarters (present post)	

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company (Significant concurrent positions outside the Company)		No. of Company shares held
6	Masakatsu Moriyama (May 21, 1970)	April 1993	Joined Pricewaterhouse Consultant Co., Ltd. (present IBM Japan, Ltd.)	2,000 shares (5,076 shares)
		June 2000	Joined the Company	
		June 2002	Director	
		June 2003	Managing Director	
		June 2004	Corporate Executive Officer	
		June 2005	Representative Director of transcosmos & Team Lab Inc. (at present, TEAMLAB Business Development Inc.) (present post)	
		September 2005	Senior Managing Director, General Manager of BtoC Business Development Division	
		March 2007	President and Representative Director of Co-Core Inc. (present post)	
		July 2012	Director of transcosmos philippines, inc. (present post)	
		December 2012	Representative Director of transcosmos Direct (currently NIHONCHOKUHAN Co., Ltd.) (present post)	
		April 2015	Senior Executive Managing Director, General Manager of Business Development Division and in charge of Digital Marketing Services Sector (present post)	
7	Shinichi Nagakura (January 7, 1964)	March 1986	Joined RECRUIT CO., LTD.	1,000 shares (2,888 shares)
		June 1998	Joined the Company	
		June 2004	Corporate Officer, General Manager of Service Development Division	
		June 2005	Corporate Senior Officer, in charge of Group Strategy	
		September 2005	Corporate Executive Officer, General Manager of Business Development & Investments	
		June 2006	Senior Managing Director	
		April 2009	President and CEO of transcosmos America, Inc. (present post)	
		November 2011	Director of Merlin Information Systems Group Limited (present post)	
		April 2014	Senior Executive Managing Director and Deputy Chief of Global Business Sector, Manager of Global Business Sector, Silicon Valley Branch, and President and CEO of transcosmos America Inc. (present post)	

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company (Significant concurrent positions outside the Company)		No. of Company shares held
8	Masaaki Muta (February 9, 1965)	April 1989	Joined RECRUIT CO., LTD.	108 shares (1,067 shares)
		April 1999	Joined Doubleclick Japan Inc.	
		June 1999	Managing Director of Doubleclick Japan Inc.	
		November 2001	Director, Vice President of K.K. AskJeeves Japan	
		June 2003	Joined the Company, Deputy Manager of Marketing Chain Management Services Business Division, Sales Division No. 1	
		June 2012	Executive Managing Director, Chief of Sales Division and General Manager of Sales Headquarters, Global Business Sales Administration Department	
		April 2015	Senior Executive Managing Director, Chief of Sales Headquarters and Deputy General Manager of Services Promotion Division (present post)	
9	Masatoshi Kouno (August 22, 1965)	March 1986	Joined the Company	4,800 shares (517 shares)
		July 2004	Corporate Officer, General Manager of Support Desk Service Division	
		June 2005	Corporate Senior Officer, General Manager of Support Desk Service Division	
		June 2011	Corporate Senior Officer, General Manager of Services Promotion Division of the Company	
		June 2013	Executive Managing Director, Chief of Business Process Outsourcing Services Headquarters and Deputy General Manager of Services Promotion Division	
		May 2014	Executive Managing Director, Chief of Business Process Outsourcing Services Headquarters and Deputy General Manager of Services Promotion Division (present post)	

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company (Significant concurrent positions outside the Company)		No. of Company shares held
10	Hitoshi Honda (April 1, 1967)	April 1990	Joined TOSHIBA CORPORATION	– shares (203 shares)
		April 2005	Joined Urban Corporation, Inc.	
		October 2005	Joined FAST RETAILING CO., LTD.	
		August 2008	Joined the Company, Corporate Officer and Manager of Corporate Planning Division	
		April 2011	Corporate Officer, Chief Financial Officer, in charge of Accounting & Finance Division and General Manager of Corporate Management Division of the Company	
		June 2011	Corporate Senior Officer, Chief Financial Officer, in charge of Accounting & Finance Division and General Manager of Corporate Management Division	
		July 2012	Director of transcosmos philippines, inc. (present post)	
		April 2014	Director of transcosmos America, Inc. (present post)	
		June 2014	Executive Managing Director, Chief Financial Officer, and in charge of Accounting & Finance Division, Administration Division, Affiliated Companies Corporate Management Division, Portfolio Management Administration Department and Corporate Management Division of the Company (present post)	
11	Kiyoshi Shiraishi (September 26, 1956)	April 1981	Joined FUJITSU LIMITED	– shares (121 shares)
		July 1988	Joined Recruit Holdings Co., Ltd.	
		November 1998	Joined the Company, Deputy General Manager of Business Planning & Development Division	
		November 1998	President and Representative Director of J-Stream Inc.	
		June 2006	Chairman, Representative Director & President and President & Corporate Officer of J-Stream Inc.	
		October 2013	President and Representative Director of Up Arrows Inc. (present post)	
		June 2014	Executive Managing Director, CTO and Services Promotion Division Deputy of the Company (present post) Chairman and Representative Director of J-Stream Inc. (present post)	

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company (Significant concurrent positions outside the Company)		No. of Company shares held
*12	Ralph Wunsch (March 6, 1986)	February 2011	Managing Director of MetroDeal Inc. (present post)	– shares (– shares)
		July 2011	Director of MetroDeal Holdings Ltd. (present post)	
		March 2015	Director of MetroDealCo., Ltd. (present post	
13	Takeshi Natsuno (March 17, 1965)	April 1988	Joined Tokyo Gas Co., Ltd.	– shares (67,638 shares)
		September 1997	Joined NTT Mobile Communications Network Inc. (present NTT DOCOMO INC.)	
		June 2005	Executive Officer and Manager in charge of Multimedia Services of NTT DOCOMO INC.	
		June 2008	Outside Director of the Company (present post) Outside Director of Sega Sammy Holdings Inc. (present post) Director of Pia Corporation (present post) Part-time Director of NTT Resonant Inc. (present post)	
		December 2008	Director of Dwango Co., Ltd. (present post)	
		June 2009	Outside Director of DLE Inc. (present post)	
		September 2009	Outside Director of GREE, Inc. (present post)	
		December 2010	Outside Director of U-NEXT Co., Ltd. (present post)	
		November 2013	Guest Professor at Graduate School of Media and Governance, Keio University (present post)	
		October 2014	Director, Member of the Board of KADOKAWA・DWANGO CORPORATION (present post)	
14	Nozomu Yoshida (December 1, 1956)	April 1980	Joined Dentsu Inc.	– shares (3,383 shares)
		October 2000	Representative Director of nozomu.net (present post)	
		January 2002	Director of Concent, Inc. (present post)	
		June 2004	Representative Director of takibi, Inc.	
		May 2008	Representative Director of Odayaka Living Co., Ltd. (present post)	
		June 2010	Outside Director of the Company (present post)	
		June 2011	Outside Statutory Auditor of ASAHI Net, Inc. (present post)	

Candidate No.	Name (Date of Birth)	Career summary, position and areas of responsibility at the Company (Significant concurrent positions outside the Company)		No. of Company shares held
15	Eiji Uda (August 3, 1956)	April 1981	Joined IBM Japan, Ltd.	– shares (– shares)
		January 1999	Senior General Manager and Manager of Information Service Industry Business Division of IBM Japan, Ltd.	
		January 2001	Representative Director & President of SOFTBANK COMMERCE CORP. (at present, SoftBank BB Corp.)	
		March 2004	Senior Vice President of salesforce.com, Inc.	
		April 2004	Representative Director & President of salesforce.com Co., Ltd.	
		April 2012	Executive Vice President of salesforce.com, Inc.	
		April 2014	Director & Executive Advisor of salesforce.com Co., Ltd.	
		June 2014	Outside Director of the Company (present post)	
		January 2015	Special Advisor of salesforce.com Co., Ltd. (present post)	
*16	Owen Mahoney (December 28, 1966)	November 2000	Chief vice-president of Electronic Arts Inc.	– shares (– shares)
		September 2009	Representative Director, Outspark Inc.	
		August 2010	CFO of Nexon Co., Ltd.	
		September 2010	Director of Nexon Co., Ltd.	
		March 2014	President & CEO of Nexon Co., Ltd. (present post)	

Notes: 1. Figures in parentheses in the column of "No. of Company shares held" by candidates for Directors are equities in the Directors' shareholding society. (Fractions smaller than one share are omitted.)

2. An asterisk (*) mark attached to the number of candidate represents a candidate newly standing for directorship.

3. Director candidate Masakatsu Moriyama concurrently holds the position of Representative Director of TEAMLAB Business Development Inc. and President and Representative Director of Co-Core Inc., with which the Company has business relationship.

   The Director candidate, Kiyoshi Shiraishi, concurrently holds the position of Chairman, Representative Director & President of J-Stream Inc. and the position of Representative Director & President of Up Arrows Inc., with which the Company has a business relationship.

   The Director candidate, Owen Mahoney, concurrently holds the position of CEO of Nexon Co., Ltd., with which the Company has a business relationship.

   No special interests exist between the Company and other candidates for Directors.

4. Takeshi Natsuno, Nozomu Yoshida, Eiji Uda and Owen Mahoney are candidates for Outside Directors.

5. Reasons for the election of candidates for Outside Directors and reasons why the Company considers the offices of Outside Directors to be performed appropriately

   Takeshi Natsuno, Nozomu Yoshida, Eiji Uda and Owen Mahoney have ample experience, track histories of performance, and knowledge, including knowledge and experience in corporate management, and are also in objective positions amenable to the execution of operations independently of our management team. We consider that their presence will be highly conducive to the management of the Company. Therefore, we nominate them for election as Outside Directors.

6. Liability Limitation Agreement with Outside Directors

   The Company has entered into, with each of Takeshi Natsuno, Nozomu Yoshida and Eiji Uda, the liability limitation agreement, which limits liability for damage under Article 423, paragraph 1 of the Companies Act pursuant to the provision of Article 427, paragraph 1 of the Companies Act. The maximum amount of liability for damage under such agreement is 1 million yen or the amount provided for in Article 425, paragraph 1 of the Companies Act, whichever is higher. If the re-election of Takeshi Natsuno, Nozomu Yoshida and Eiji Uda is approved, the Company intends to continue the liability limitation agreement. Moreover, if the election of Owen Mahoney is approved, the Company intends to enter into a liability limitation agreement with him.

7. Years for which the candidates for Outside Directors are to take office as Outside Directors:
   1) The term of office of Takeshi Natsuno, an Outside Director, shall be seven years at the conclusion of this Annual General Meeting of Shareholders.
   2) The term of office of Nozomu Yoshida, an Outside Director, shall be five years at the conclusion of this Annual General Meeting of Shareholders.
   3) The term of office of Eiji Uda, an Outside Director, shall be one year at the conclusion of this Annual General Meeting of Shareholders.
8. The Company has registered Takeshi Natsuno and Eiji Uda as independent executives stipulated by the Tokyo Stock Exchange. If this proposal is approved and the two candidates take the posts of Outside Directors, they will continue to be independent executives. Moreover, if the election of Owen Mahoney is approved, the Company intends to register him as an independent executive.

Proposal No. 5: Election of One Substitute Statutory Auditor

The effective tenure of Substitute Statutory Auditor Miwa Tsurumori, who was elected at the 29th Annual General Meeting of Shareholders held on June 25, 2014, expires at the beginning of this General Meeting. Therefore, it is proposed that one substitute Statutory Auditor be elected again in case the number of serving Statutory Auditors falls below the number required by law.

The candidate for substitute Statutory Auditor is as follows.

The Board of Statutory Auditors has previously given its consent to this proposal.

Name (Date of Birth)	Career summary and position at the Company (significant concurrent positions outside the Company)		No. of Company shares held
Miwa Tsurumori (February 10, 1977)	October 2006	Registered as a lawyer Joined Fairness Law Office (present post)	– shares
	October 2013	Joined Uchisaiwaicho Law Office (present post)	

Notes: 1. Miwa Tsurumori is a candidate for a substitute Outside Statutory Auditor.
2. Miwa Tsurumori provides in legal services under her maiden name (Matsutani).
3. No special interests exist between the Company and Miwa Tsurumori.
4. Regarding reasons for the election of the candidate for substitute Outside Statutory Auditor and reasons why the Company considers the office of substitute Outside Statutory Auditor shall be performed appropriately by same.
Though Miwa Tsurumori does not have experience of direct involvement in corporate management, she has extensive experience, a track history of performance, and knowledge, as an attorney, and is in an objective position amenable to the execution of operations independently of our management team. We consider that her presence will be highly conducive to the management of the Company. Therefore, we nominate her for election as substitute Outside Statutory Auditor.
5. If Miwa Tsurumori assumes the office of Outside Statutory Auditor, the Company will enter into an agreement that limits the liability for damages provided for in Article 423, paragraph 1 of the Companies Act with her pursuant to the provisions of Article 427, paragraph 1 of the said Act. The maximum amount for the liability for damages under the agreement is either of 1 million yen or the amount stipulated in Article 425, paragraph 1 of the Companies Act, whichever is higher.