Financial Disclosure Solutions
PRONEXUS

November 24, 2015

[Delayed]Notice concerning Capital Tie-up with Business Brain Showa-Ota Inc.

TOKYO, JAPAN, November 24, 2015 – PRONEXUS Inc. announced today that a resolution was passed at the Board of Directors' meeting held on November 24 concerning the acquisition of Business Brain Showa-Ota Inc. (hereinafter, "BBS") treasury stock through a third-party allotment from BBS in order to further strengthen its business partnership with BBS.

1. Background and Purpose of the Capital Tie-up

On August 25, 2015, PRONEXUS concluded a basic agreement concerning a business partnership with BBS, which operates a consulting and systems development business and management service, Business Process Outsourcing (BPO) business, focused on the fields of accounting and corporate management in order to achieve medium- to long-term growth as a disclosure operations support company. Currently, both companies are working together in the following areas in order to develop and introduce new services that can capitalize on both companies' resources.

1. Collaboration in the fields of systems and services related to accounting, account settlements, and disclosure operations
   - A) Development and introduction of systems for increasing the efficiencies of processes, from account settlements to disclosure operations for listed companies
   - B) Development and introduction of business support systems for asset management companies, such as investment trusts and J-REITs, etc.
2. Collaboration of information exchange and mutual complementation with regard to mutual clients, technologies and human resources, etc.
3. Development of new fields of business cooperation by capitalizing on mutual fields of expertise and know-how

Since concluding the business partnership agreement, both companies have discussed ways to further strengthen their partnership in order to encourage greater collaboration and achieve even greater results. As a result, PRONEXUS reached an agreement to acquire the treasury stock of BBS and a resolution was passed toward this end at today's Board of Directors' meeting.

2. Overview of Capital Tie-up

PRONEXUS will acquire 250,000 shares of BBS treasury stock through a third-party allotment from BBS (ordinary shares representing 3.13% of the BBS' total outstanding shares) for ¥1,034 per share (total amount of ¥258,500,000) with the payment date set as December 14, 2015.

3. Summary of Capital Tie-up Counterparty

(1) Company name	Business Brain Showa-Ota Inc.	
(2) Stock Code	9658 (Tokyo Stock Exchange First Section)	
(3) Address	21F Hibiya Central Bldg., 1-2-9 Nishishimbashi, Minato-ku, Tokyo 105-0003	
(4) Representative	Toshihiko Ishikawa, President & CEO	
(5) Business area	Management and systems consulting, business systems development, and management services (BPO)	
(6) Paid-in capital	2,233,490,000 yen	
(7) Principal shareholders and ownership ratio (As of Sep. 30, 2015)	BBS Group Employee Stock Ownership Plan (ESOP)	5.68%
	KY corporation	5.51%
	JFE Systems, Inc.	3.75%
	The Master Trust Bank of Japan, Ltd. (Stock grant ESOP Trust Account 75753)	3.41%
	Hitachi Solutions, Ltd.	3.25%
	The Master Trust Bank of Japan, Ltd. (Board Incentive Plan (BIP) Trust Account 75813)	2.63%
	The Master Trust Bank of Japan, Ltd. (ESOP Trust Account 75561)	2.17%
	Setsu Seki	1.50%
	Yukihiro Kimura	1.42%
	KREO CO., LTD.	1.25%
	MAEDA CORPORATION	1.25%
(8) Established	August 26, 1967	
(9) Relationship with PRONEXUS		
Capital relationship	Not applicable	
Personal relationship	Not applicable	
Business relationship	Business outsourcing agreements, etc., between both companies	
Status as to related parties	Not applicable	

(10) Business results and financial standing over the trailing three years (Unit: thousands of yen)

Fiscal year ended	March 31, 2013	March 31, 2014	March 31, 2015
Consolidated net assets	5,159,668	5,550,143	6,378,754
Consolidated total assets	10,299,569	10,660,410	11,693,385
Consolidated net assets per share (yen)	970.11	1,054.47	1,152.59
Consolidated net sales	15,977,895	16,972,919	18,335,605
Consolidated operating income	781,016	1,003,441	1,044,519
Consolidated ordinary income	810,746	1,022,453	1,067,429
Consolidated net income	464,245	567,438	632,258
Net income per share (yen)	65.70	110.26	122.30
Cash dividend per share (yen)	15.00	19.00	22.00

4. Schedule

Board of Directors' meetings of both companies: November 24, 2015 (today)

Conclusion of agreement for the third-party allotment

of BBS treasury stock: November 24, 2015 (today)

PRONEXUS' payment date for third-party allotment: December 14, 2015

5. Effects on the Consolidated Earnings Forecast

The effects on PRONEXUS' earnings forecast for the fiscal year ending March 2016 from this capital tie-up will be minimal.