October 24, 2019

To Whom It May Concern

Company Name: SOU Inc.
Representative: Shinsuke Sakimoto, Representative Director
(Securities Code: 9270 TSE Mothers)
Contact: Ryoji Fukaya, General Manager, Office of the President
(Phone +81-3-4580-9983)

Announcement Concerning Establishment of Subsidiary

SOU Inc. (the "Company") announces that at a Board of Directors meeting held today, a resolution was made to establish a subsidiary as follows.

1. Purpose of Establishment of Subsidiary

The Company plans to establish SOU Technologies, Inc. as a new subsidiary for the Company's system development business. The purpose of this establishment is to improve the SOU Group's business performance by promoting our system development business further through this subsidiary.

2. Overview of New Subsidiary

(1) Company name	SOU Technologies, Inc.	
(2) Location	1-2-70 Konan, Minato-ku, Tokyo	
(3) Position and name of representative	Ryoji Fukaya, Representative Director	
(4) Business lines	System development business and other related businesses	
(5) Capital	66 million yen	
(6) Date of establishment	November 1, 2019 (tentative)	
(7) Fiscal year end	August 31	
(8) Major shareholders and ownership ratios	SOU Inc. 100%	
(9) Relationship with SOU Inc.	Capital relationships	Wholly-owned subsidiary of the Company
	Personal relationships	The Company intends to send directors and employees to the new subsidiary.
	Business relationships	There are no business relationships with the Company as the new subsidiary has not yet started operations.

3. Future Outlook

Establishment of this subsidiary will have a negligible impact on consolidated business results for the current fiscal year.