

November 30, 2016

Corporate Name: TechnoPro Holdings, Inc.
(Code: 6028, TSE First Section)
Representative: Yasuji Nishio, President, Representative Director
& CEO
Contact: Hiroshi Sato, Director & CFO
(Tel. 03-6385-7998)

TechnoPro Acquires Shares of Yaskawa Information Embedded Corporation

TechnoPro Holdings, Inc. (the “Company”) and its consolidated group company TechnoPro, Inc. (“TechnoPro”) resolved at the Board of Directors’ meeting held on November 30, 2016 that TechnoPro purchase 96.7% of the issued common shares of Yaskawa Information Embedded Corporation (“Acquired Company”) and make it a subsidiary of TechnoPro. The details of this acquisition are as follows:

1. Reason for Acquisition

In the “Growth 1000” medium-term management plan announced on August 3, 2015, the Company set out its aim to strengthen the earnings base of its engineer dispatch business and expand its contracting and outsourcing business. This acquisition will enable the Company to secure engineers and strengthen its capabilities in its contracting and outsourcing business in the field of embedded software.

Amid a tight supply-and-demand situation in the field of embedded software – a strategic technology for the Company (i.e. a technology that will support the future technological development of Japan) – securing high quality engineers for the Company’s business expansion is a significant challenge. The Acquired Company will support the Company in meeting this challenge, as it possesses top-level project managers and over 50 engineers with high potential working in contracted development in the field of embedded software.

Through this acquisition, the TechnoPro Group will (1) acquire engineers in the field of embedded software and improve the engineer training system, and (2) drive growth by enhancing its contracting and outsourcing business through the formation of a team comprising project managers from the Acquired Company and TechnoPro engineers. In addition, TechnoPro Group will revise cost structures to improve the profitability of the Acquired Company.

2. Overview of the Acquired Company (Yaskawa Information Embedded Corporation)

(1) Trade name	Yaskawa Information Embedded Corporation
(2) Location of head office	4-1-8 Tsutsujigaoka, Miyagino-ku, Sendai-shi, Miyagi Pref., Japan
(3) Name and title of representative	Takeshi Sato, President and Representative Director Tetsuya Ooishi, Representative Director
(4) Business description	Contracting, outsourcing, and dispatch in the field of embedded development
(5) Capital	63 million yen
(6) Date established	December 14, 1999
(7) Major shareholders and shareholding percentages	Yaskawa Information Systems Corporation (96.7%), Takeshi Sato (3.3%)

- (8) Relationship between the Company and Acquired Company There are no significant capital or personal relationships between the Company and the Acquired Company that need to be stated.

- (9) The Acquired Company's consolidated business results and financial position for the last three years

Fiscal year	Fiscal year ended Mar. 2014	Fiscal year ended Mar. 2015	Fiscal year ended Mar. 2016
Net assets	151 million yen	125 million yen	126 million yen
Total assets	239 million yen	212 million yen	230 million yen
Net assets per share	16,801 yen	13,934 yen	14,103 yen
Revenue	537 million yen	468 million yen	610 million yen
Operating profit	0 million yen	-13 million yen	3 million yen
Ordinary profit	3 million yen	-13 million yen	3 million yen
Net profit	8 million yen	-28 million yen	3 million yen
Net profit per share	979 yen	-3,163 yen	368 yen
Dividend per share	– yen	– yen	– yen

3. Overview of the Seller of the Shares

- (1) Trade name Yaskawa Information Systems Corporation
- (2) Location of head office 5-15 Higashiojimachi, Yahatanishi-ku, Kitakyushu-shi, Fukuoka Pref., Japan
- (3) Name and title of representative Toshio Morohoshi, President and Representative Director
- (4) Business description Creation and management of information systems and information processing services such as the development and sale of information-processing software
- (5) Capital 664 million yen
- (6) Date established February 1, 1978
- (7) Consolidated net assets 278 million
- (8) Consolidated total assets 6,427 million
- (9) Major shareholders and shareholding percentages Yaskawa Electric Corporation (38.56%)
Mitsui & Co., Principal Investments Ltd. Limited Partnership (20.00%)
Yaskawa Information Systems Corporation Employee Stockholding Association (9.13%)
The Bank of Fukuoka, Ltd. (1.44%)
Nobuo Nakajima (1.06%)
Ryouji Endo (0.41%)
Naoki Takada (0.36%)
Tamaki Masamoto (0.34%)
SBI Securities Co., Ltd. (0.32%)
Kazuo Tanaka (0.32%)
- (10) Relationship between the Company and the Seller There are no significant capital or personal relationships between the Company and the Seller that need to be stated.

4. The Number and Cost of Shares Acquired and the Status of Share Ownership Before and After Transfer

- (1) Number of shares held prior to transfer 0
(Number of voting rights: 0)
(Ownership percentage: 0%)
- (2) Number of shares to be acquired 8,700
(Acquiring Company: TechnoPro, Inc.)
(Number of voting rights: 8,700)
(Ownership percentage: 96.7%)

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| (3) Acquisition amount | Ordinary shares of the Acquired Company: 207,930,000 yen
Due diligence fees etc. (approx.): 10,000,000 yen
Total (approx.): 217,930,000 yen |
| (4) Number of shares held after transfer | 8,700
(Number of voting rights: 8,700)
(Ownership percentage: 96.7%) |
| (5) Method of determining acquisition amount | Based on due diligence conducted by external experts (financial, tax, and legal), the business was valued using the EBIT ratio method, etc., based on normalized earnings. In addition, the financial position of the company including its non-operating assets and interest-bearing debt was evaluated. The acquisition amount above was agreed based on careful examination and discussion of these items. |

5. Schedule

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| (1) Date of resolution of the Board of Directors | November 30, 2016 |
| (2) Date on which agreement was signed | November 30, 2016 |
| (3) Date of stock transfer | December 20, 2016 (planned) |

6. TechnoPro Group Financial Forecast

As a result of this acquisition, the Acquired Company's profit and losses will be reflected in the Company's consolidated financial results from the third quarter of the current period. However, the effect of this acquisition on the consolidated financial results for the period ending June 2017 will be minimal, and financial forecasts are not expected to be revised.

Furthermore, following this acquisition, the Company will promote growth and improve the efficiency of the Acquired Company, to contribute to the Company's consolidated financial results from fiscal year ending June 2018.

(Reference) The Company's consolidated financial forecasts for the current year (as announced on July 29, 2016) and the financial results of the previous year

(Unit: million yen)

	Revenue	Operating profit	Profit before taxes	Net profit attributable to owners of the parent company
Financial Forecasts (FY ending June 30, 2017)	98,000	9,100	9,000	7,700
Financial Results (FY ended June 30, 2016)	90,323	8,494	7,920	7,359