



June 30, 2016

To Whom It May Concern,

Corporate Name: TechnoPro Holdings, Inc.
Representative: Yasuji Nishio, president, representative director, and CEO
(Securities Code: 6028, TSE First Section)
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Announcement Concerning Absorption-Type Merger of Sub-Subsidiary Company by Consolidated Subsidiary Company

The board of directors of TechnoPro Holdings, Inc. today passed a resolution approving the merger of TechnoPro Holdings consolidated subsidiary TechnoPro, Inc. and TechnoPro subsidiary (TechnoPro Holdings sub-subsidiary) TechnoPro Embedded, Inc.

As this is an absorption-type merger between a wholly owned subsidiary and sub-subsidiary, certain disclosures and details have been omitted.

1. Purpose of Merger

TechnoPro Holdings subsidiary company TechnoPro intends to strengthen its competitive position in the embedded control field, a field expected to grow as demand rises in connection with self-driving cars, robots, the Internet of Things, and other technologies. To this end, TechnoPro made TechnoPro Embedded (formerly known as Yaskawa Information Embedded Corporation prior to acquisition) a subsidiary on December 20, 2016, taking advantage of the latter company's expertise, human resources, and history of success in embedded software development. Since that time, TechnoPro has built up its contract services business and competitive posture in the field of embedded control. TechnoPro and the TechnoPro Holdings Group aim to expand in the field of contract services, including businesses related to embedded control. The decision to conduct the merger referenced herein was made in response to the conclusion that an efficient and integrated business management structure, created through a consolidation of management resources, was an indispensable step in continuing to provide high-quality technical services, while responding rapidly to changes in the business environment at the front lines of technology development.

2. Merger Overview

(1) Merger Schedule

Board of directors meeting to approve merger agreement (TechnoPro Holdings, merging companies): June 30, 2017

Execution of merger agreement: June 30, 2017

General meeting of shareholders to approve merger (merging companies): September 29, 2017 (tentative)

Merger date (effective date): October 1, 2017 (tentative)

(2) Merger Method

Absorption-type merger in which TechnoPro will be the surviving entity and TechnoPro Embedded will be the absorbed entity.

(3) Allocations related to Merger

As TechnoPro Embedded is a wholly owned subsidiary of TechnoPro, no new stock will be issued, no increase in stated capital will occur, and no payments in consideration will be made in connection with this merger.

(4) Stock Acquisition Rights and Bonds with Stock Acquisition Rights related to Merger

No stock acquisition rights or bonds with stock acquisition rights were issued by TechnoPro Embedded.

3. Overview of Merging Parties (as of June 30, 2017)

(1) Name	TechnoPro, Inc. (surviving entity)	TechnoPro Embedded, Inc. (absorbed entity)
(2) Business Lines	Engineer staffing and subcontracting businesses related to technical fields	Subcontracting, contract services , and staffing related to the field of embedded development
(3) Date Established	June 2, 1997	December 14, 1999
(4) Address	6-10-1 Roppongi, Minato-ku, Tokyo	4-1-8 Tsutsujigaoka, Miyagino-ku, Sendai City, Miyagi Prefecture
(5) Representative	Yasuji Nishio, Representative Director	Tetsuya Abe, Representative Director
(6) Capital	¥100 million	¥63 million
(7) Total Assets	¥37,328 million (Note)	¥164 million (Note)
(8) Net Assets	¥21,334 million (Note)	¥89 million (Note)
(9) Fiscal Year End	June 30	January 31
(10) Shares Issued	3,888 shares	9,000 shares
(11) Major Shareholders and Ownership Ratios	TechnoPro Holdings, Inc. 100%	TechnoPro, Inc. 100%

(Note) Fiscal year end figures for TechnoPro (as of June 30, 2016) and TechnoPro Embedded (as of January 31, 2017).

4. Circumstances Subsequent to Merger

The surviving entity TechnoPro will retain its current corporate name, headquarters address, representative name and title, business lines, capital, and fiscal year end.

5. Future Outlook

As this is a merger with a wholly owned subsidiary, the transaction will have no impact on consolidated earnings.

Note on translation

This is a translation of the original Japanese document and provided for informational purpose only. If there are any discrepancies between this and the original, the original Japanese document prevails.