



Investor Presentation

For the year ended March 31, 2012

June 2012

INFORMATION DEVELOPMENT CO., LTD.

JASDAQ Standard
code:4709

1. Performance overview
- 2 . Directions of the mid-term management plan

1. Performance overview

Change or Die!

May 2011

- Business alliance with SYSCOM (USA) INC. (location : NY, USA)

Sep. 2011

- Business alliance with Newton Information Technology Ltd. (location : London, UK)

Nov. 2011

- All the stock of CAT co., Ltd owned by ID was transferred.

Feb. 2012

- Business alliance with KAWATEC PTE LTD (location : Singapore)

Feb. 2012

- Establishment of ID Wuhan Shanghai branch

Apr. 2012

- Establishment of Sanin branch (the 8th domestic office)

May 2012

- Establishment of ID Singapore

Jun. 2012

- Establishment of ID Wuhan **iD-CLOUD** Operation Center (location : Suzhou, China)



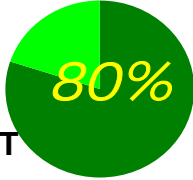
ID's ownership



NIHON CULTURESOFTECH SERVICE

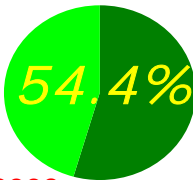
Became a subsidiary in Dec. 2006
* SI division was absorbed by ID in Apr. 2011

Paid-in capital: ¥90M
Established: 1977
No. of employees: 236



SOFTWARE DEVELOPMENT

Paid-in capital: ¥100M
Established: 1982
No. of employees: 101



PURAIDO

Became a subsidiary in Apr. 2002

Paid-in capital: ¥40M
Established: 1988
No. of employees: 21



ID Wuhan

Paid-in capital: \$1.1M
Established: 2004
No. of employees: 107



ID Singapore

Established in May 2012

Paid-in capital: S\$1.5M
Established: 2012

Paid in capital:
¥592.34million

Established:
October, 1969

No. of employees:
1,765 (nonconsolidated)
2,230 (consolidated)

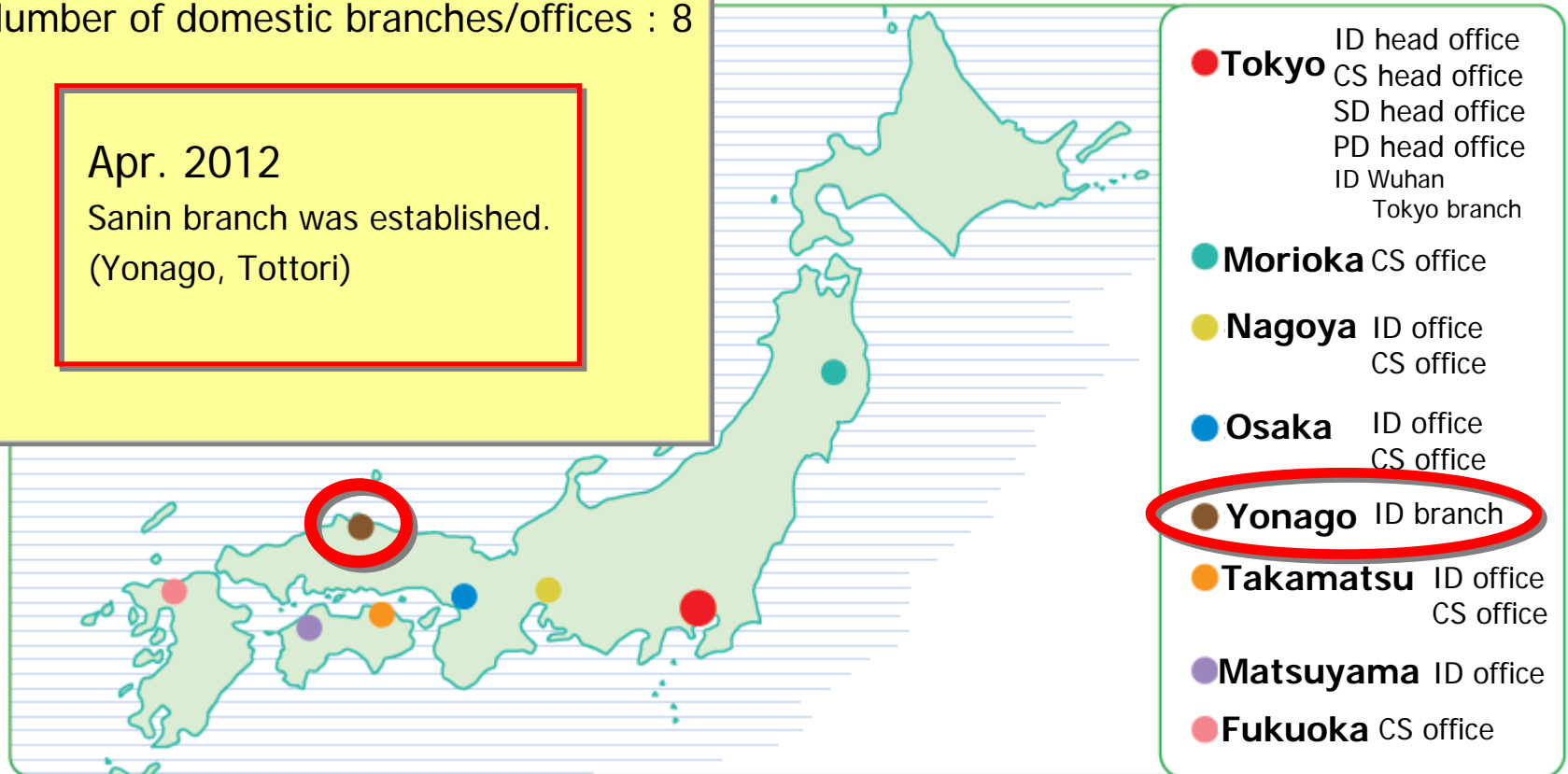
Change or Die!

NB)
*No. of employees : as of March 31, 2012
*ID's ownership ratios are calculated by number of shares excluding treasury stocks.

Number of domestic branches/offices : 8

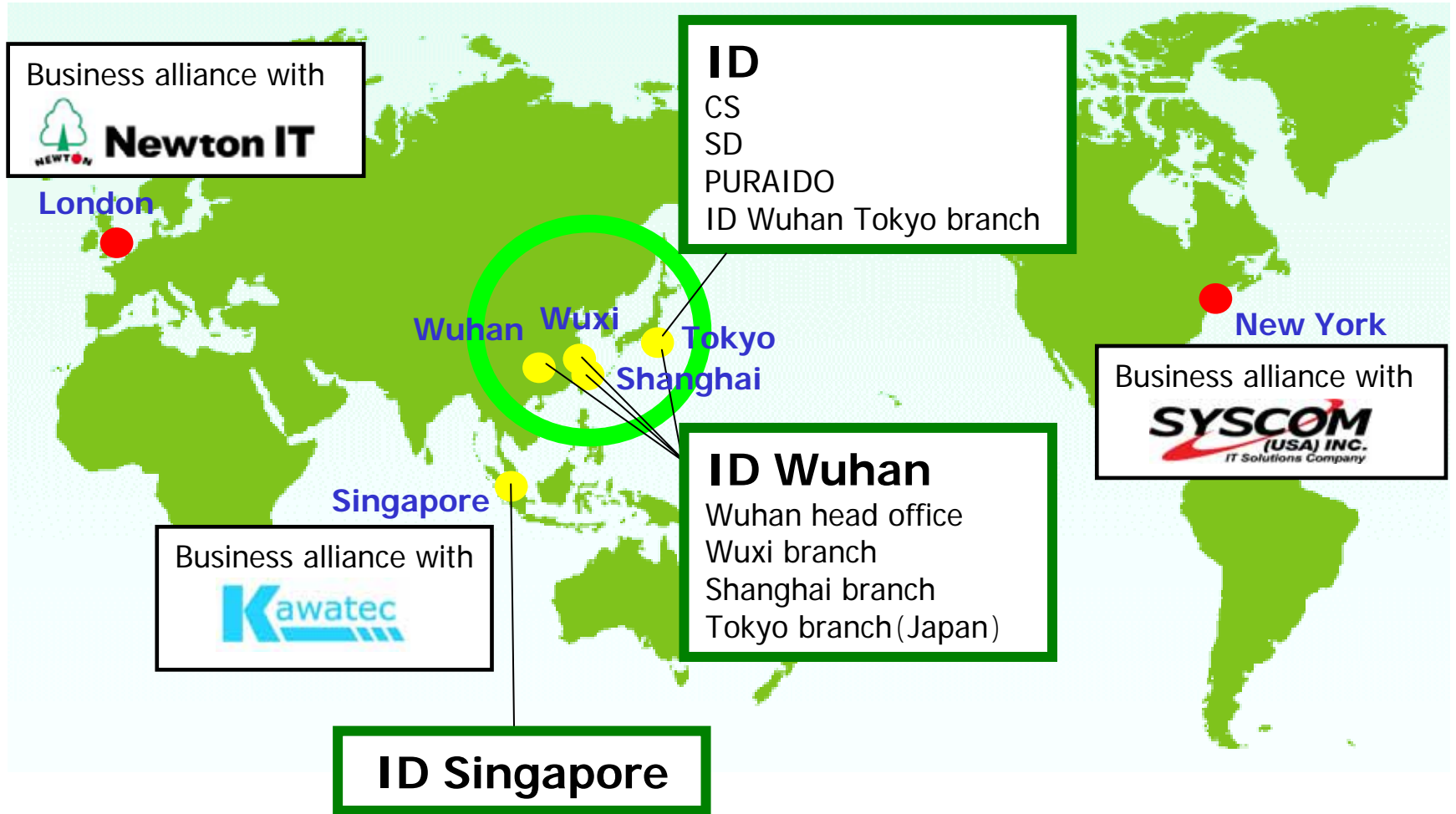
Apr. 2012

Sanin branch was established.
(Yonago, Tottori)



Change or Die!

Change or Die!



ID Group's total IT outsourcing services

IT Service

Data Center Management



Software Development/Maintenance



B
P
O

System Operation
Management

Software
Development
Software
Maintenance

Security

IT Platform
Service

Consulting



Change or Die!

Revenue and profits (consolidated)

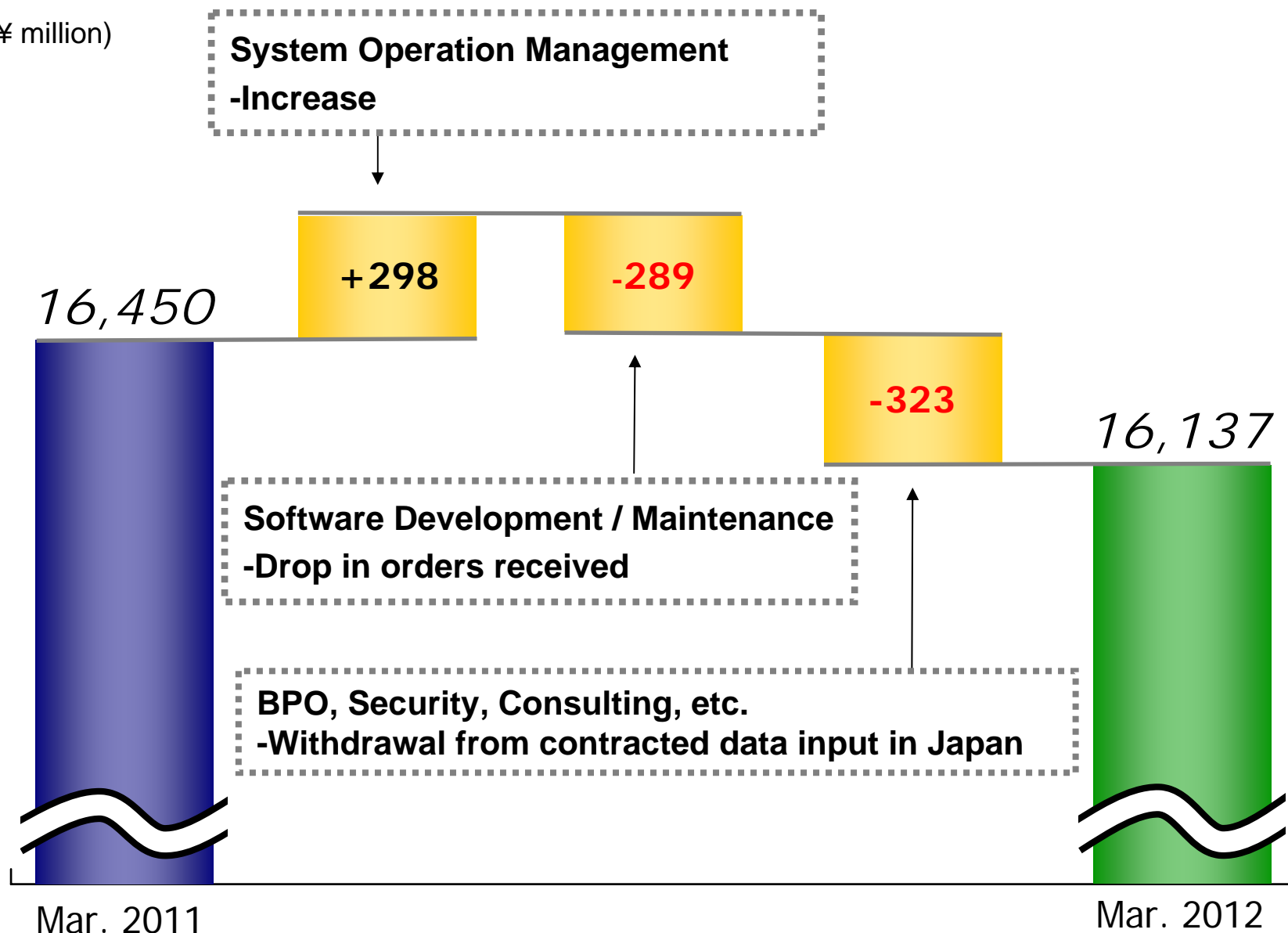


(¥ million)	Mar. 2011	(% of revenue)	Mar. 2012	(% of revenue)	YOY % changes	% against forecast
Revenue	16,450	100.0	16,137	100.0	-1.9%	+0.2%
Cost of Sales	13,209	80.3	13,207	81.8	0.0%	+0.7%
Gross Profit	3,241	19.7	2,929	18.2	-9.6%	-1.7%
SG&A Expenses	2,402	14.6	2,299	14.3	-4.3%	-2.1%
Amortization of goodwill	78	0.5	78	0.5	0.0%	-
Operating Profit	839	5.1	629	3.9	-25.0%	-0.1%
Recurring Profit	892	5.4	659	4.1	-26.1%	+1.4%
Net Profit	447	2.7	365	2.3	-18.4%	-22.3%
EPS (yen)	60.21	-	49.15	-	-11.06	-14.13

Change or Die!

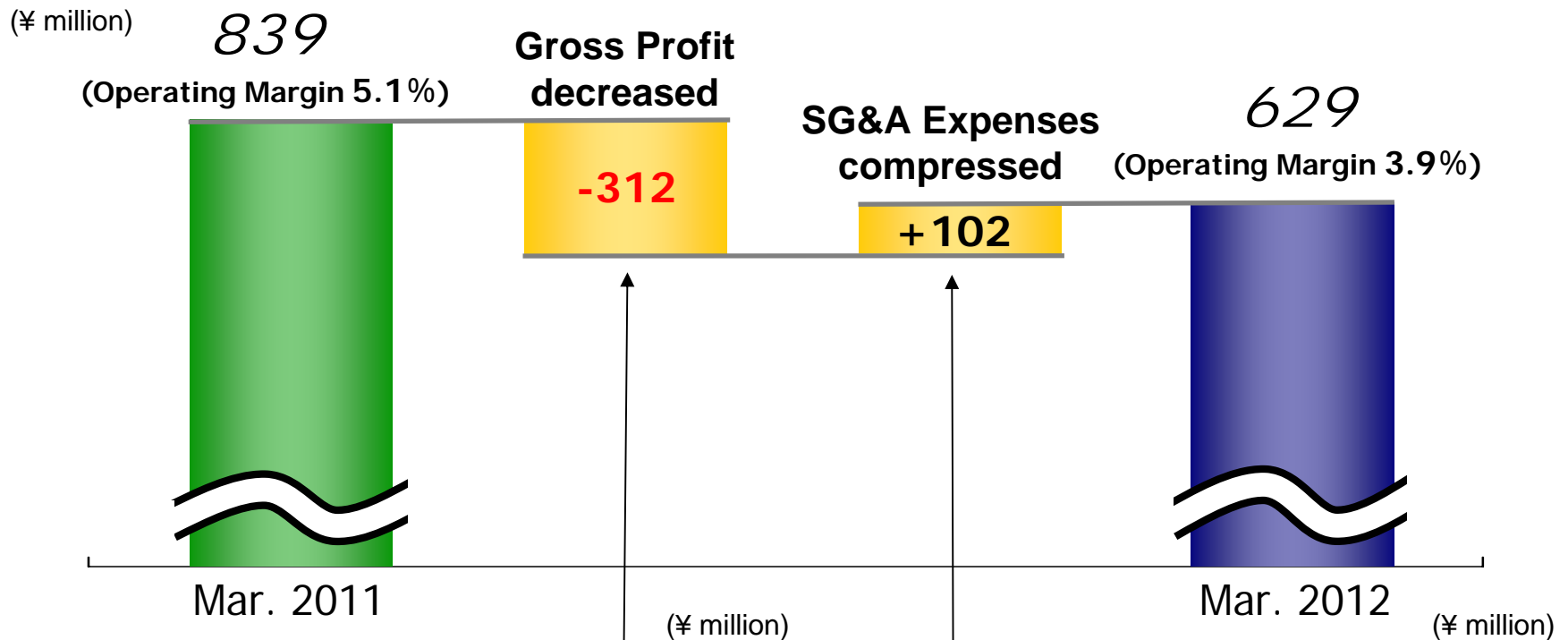
Factors contributing to revenue

(¥ million)



Change or Die!

Factors contributing to operating profit



Gross Profit	-312
Revenue	-313
Cost of Sales	+1
<Factors contributing to Cost of Sales>	
• Labor costs	+22
• Production costs	-30
• Outsourcing costs	-46
• Carrying work in process	-19
• Final work in process	+4
• Purchasing	+103

SG&A Expenses	-102
<Factors contributing to SG&A Expenses >	
• Labor costs (integration of corporate division)	-112
• Others	+9

Change or Die!

Financial position (consolidated)



Change or Die!

(¥ million)	Mar. 2011	Mar. 2012	% changes
Current Assets	5,206	5,740	+10.3%
Cash and Deposits	2,012	2,583	+28.4%
Fixed Assets	4,072	4,105	+0.8%
Total Assets	9,279	9,845	+6.1%
Liabilities	3,091	3,457	+11.8%
Interest-Bearing Debt	823	1,186	+44.1%
Earned Surplus	5,340	5,564	+4.2%
Total Shareholders' Equity	6,048	6,272	+3.7%

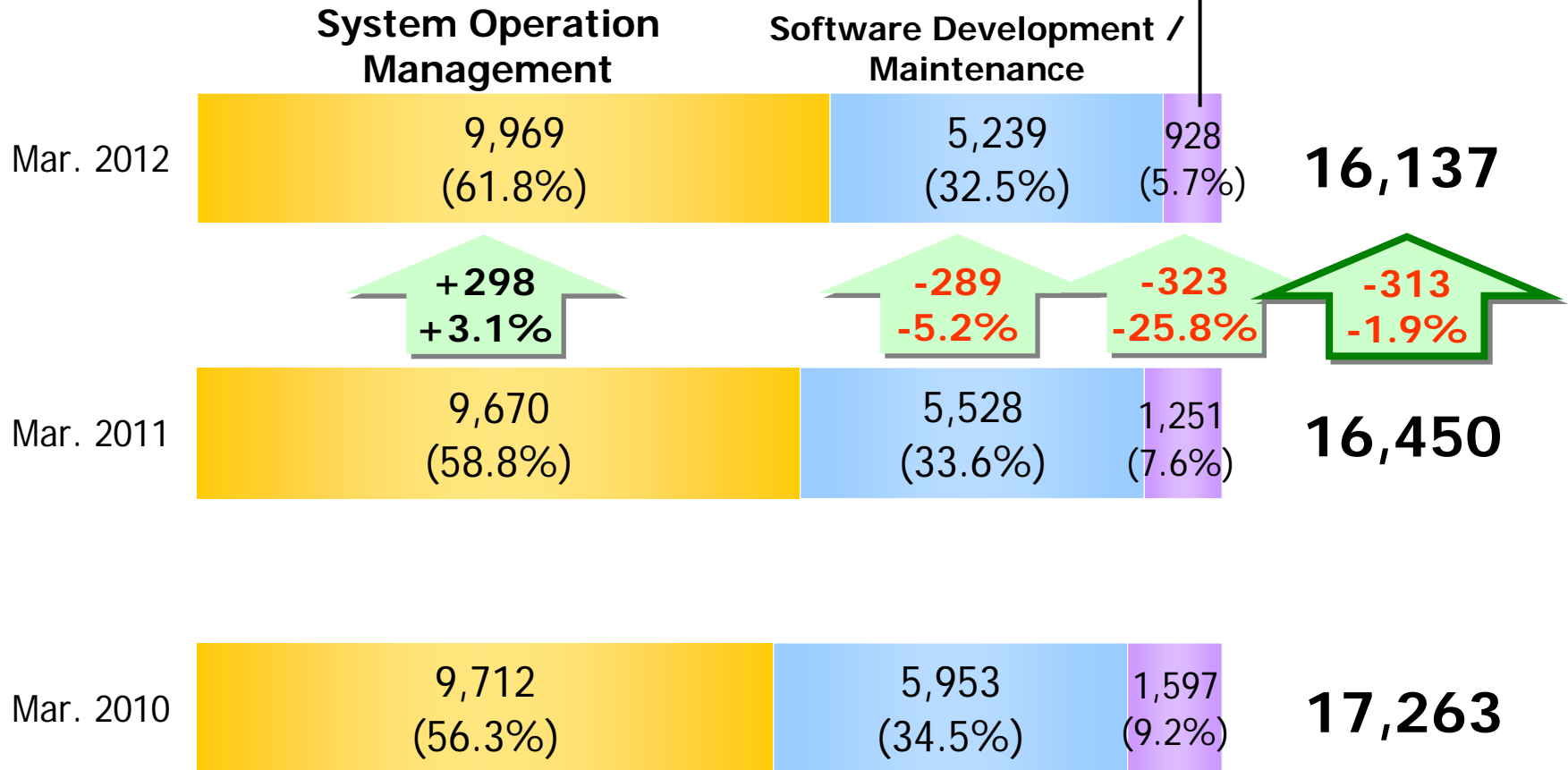
	Mar. 2011	Mar. 2012
Cash Flows from Operating Activities	238	666
Cash Flows from Investing Activities	22	-324
Cash Flows from Financing Activities	-17	217

Revenue by business

(¥ million)

*Figures in brackets indicate % of revenue.

**BPO, Security,
Consulting, etc.**

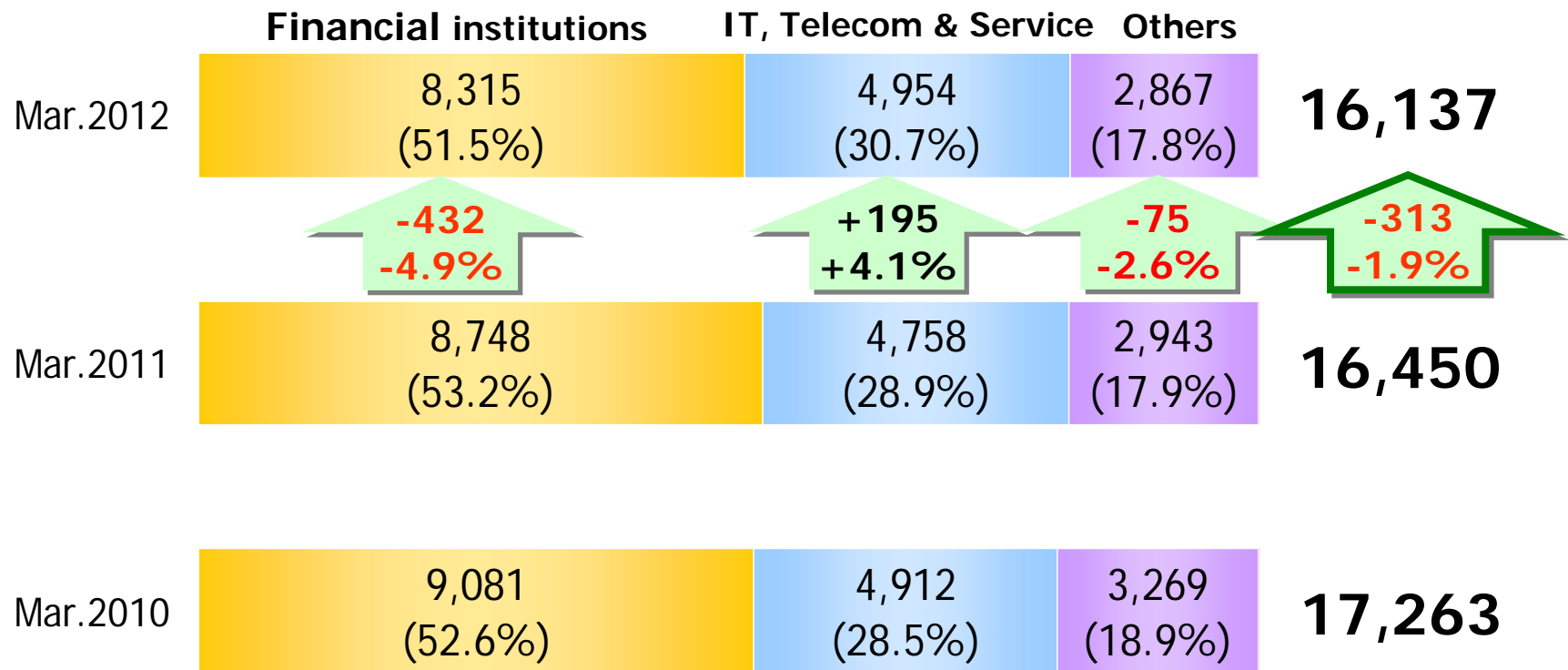


Change or Die!

Revenue by customer

(¥ million)

*Figures in brackets indicate % of revenue.



Change or Die!

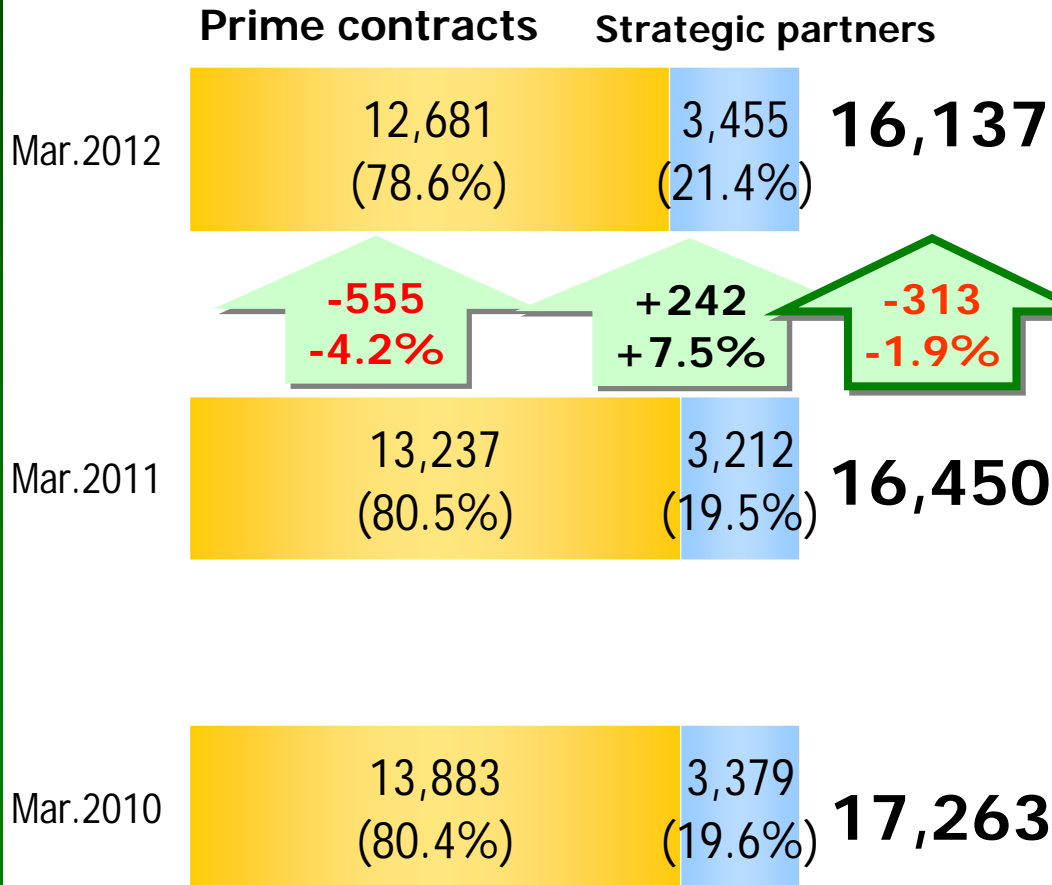
Feature of ID Group 3



Revenue by contract

(¥ million)

*Figures in brackets indicate % of revenue.



< Major customers >

Prime contracts

- Financial Institutions
- IT, Telecom & Service
- Others
(Manufacture, Transportation, Public, Energy etc.)

Strategic partners

Major IT Vendors

Revenue and profits (nonconsolidated)



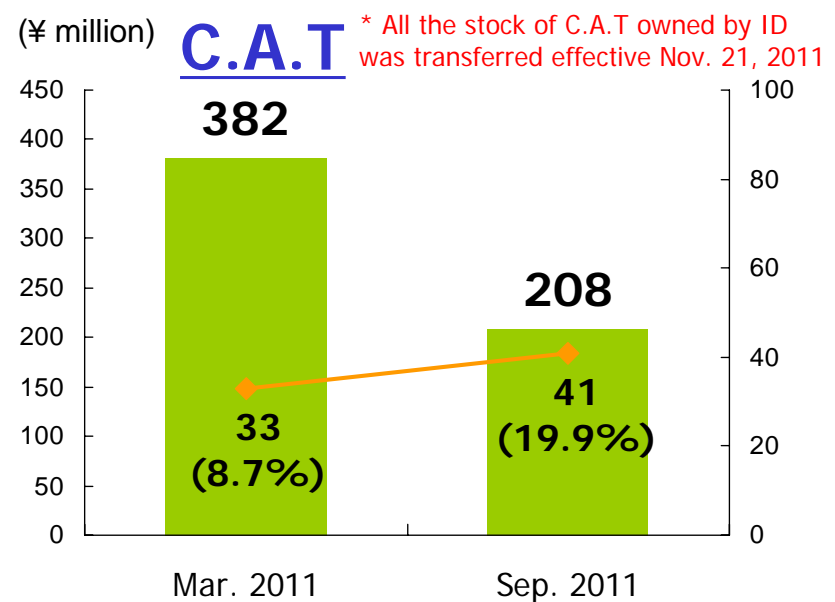
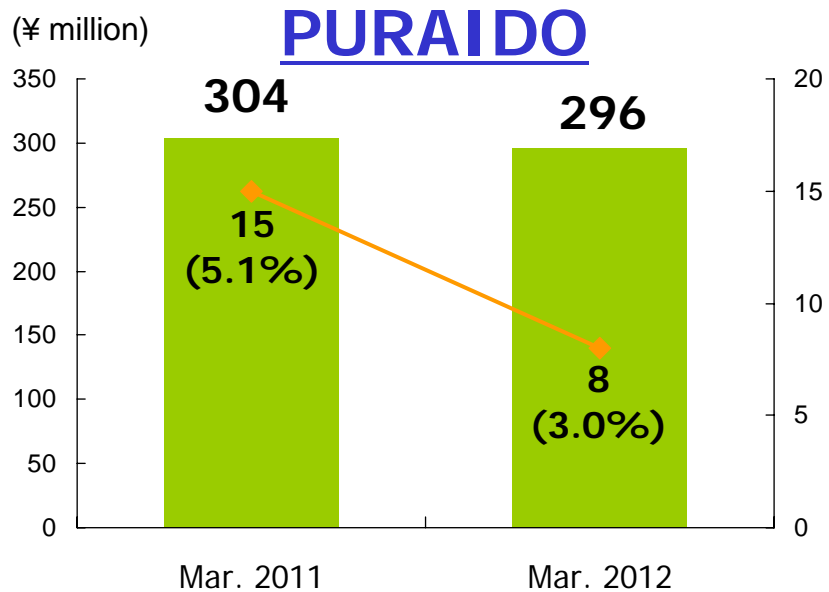
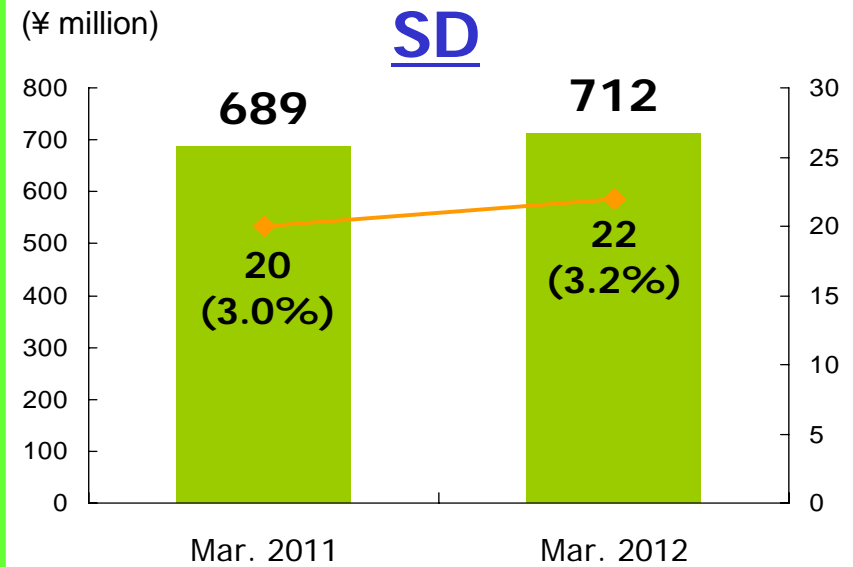
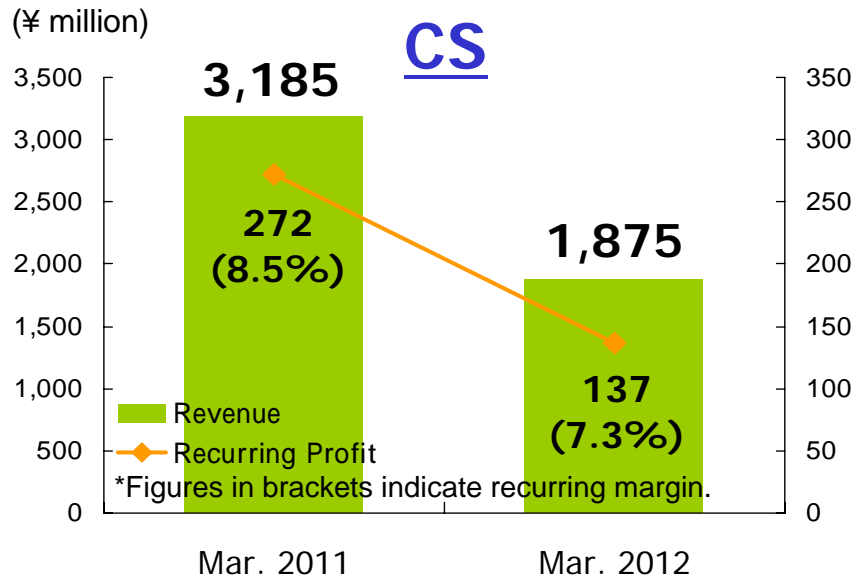
(¥ million)	Mar. 2011	(% of revenue)	Mar. 2012	(% of revenue)	YOY % changes
Revenue	12,193	100.0	13,256	100.0	+8.7%
Cost of Sales	9,917	81.3	10,975	82.8	+10.7%
Gross Profit	2,276	18.7	2,280	17.2	+0.2%
SG&A Expenses	1,713	14.1	1,784	13.5	+4.2%
Operating Profit	563	4.6	495	3.7	-12.1%
Recurring Profit	606	5.0	532	4.0	-12.1%
Net Profit	322	2.6	399	3.0	+23.8%

Change or Die!

Performance of domestic subsidiaries

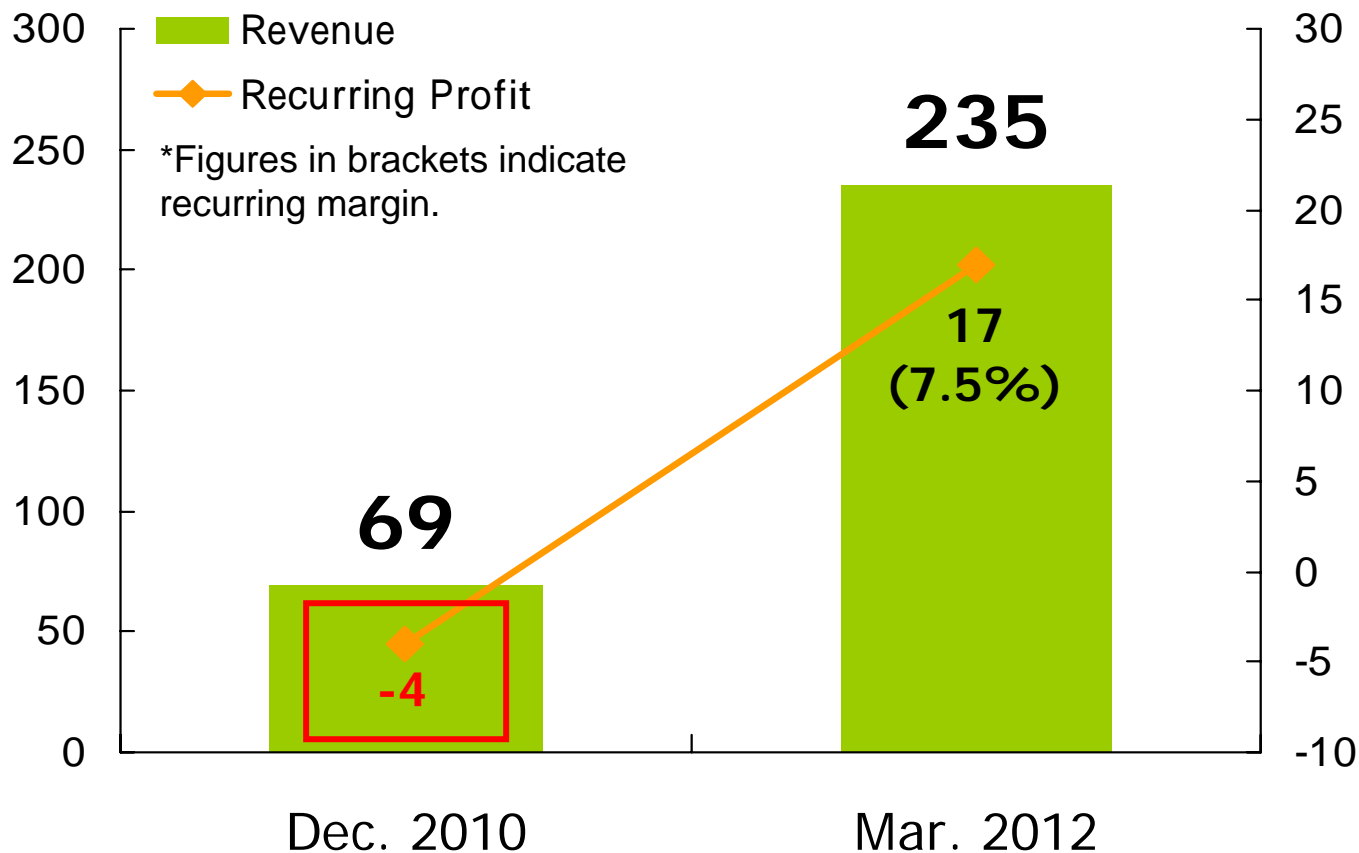


Change or Die!



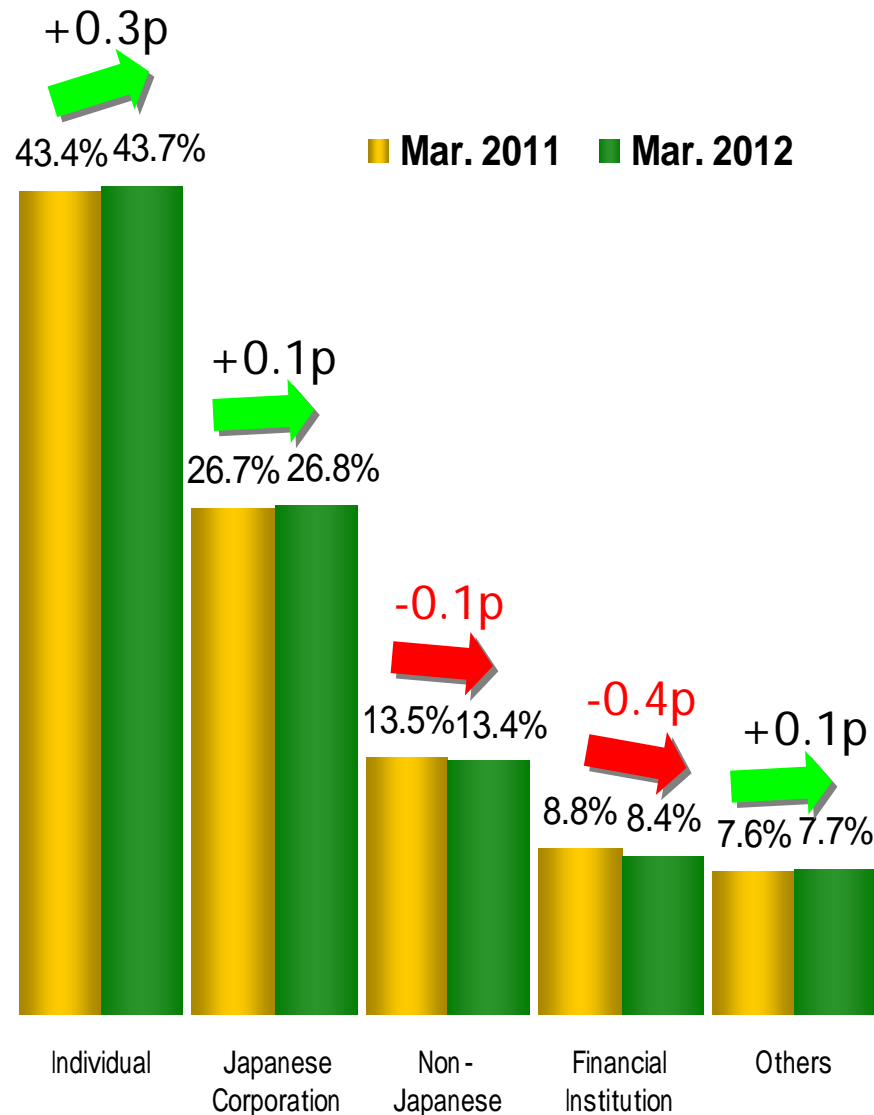
ID Wuhan

(¥ million)



Mar. 2012 data is based on the temporary accounts from Dec. 2010 to Mar. 2012. (15 months)

◆ Shareholding by investor type



◆ Major shareholders

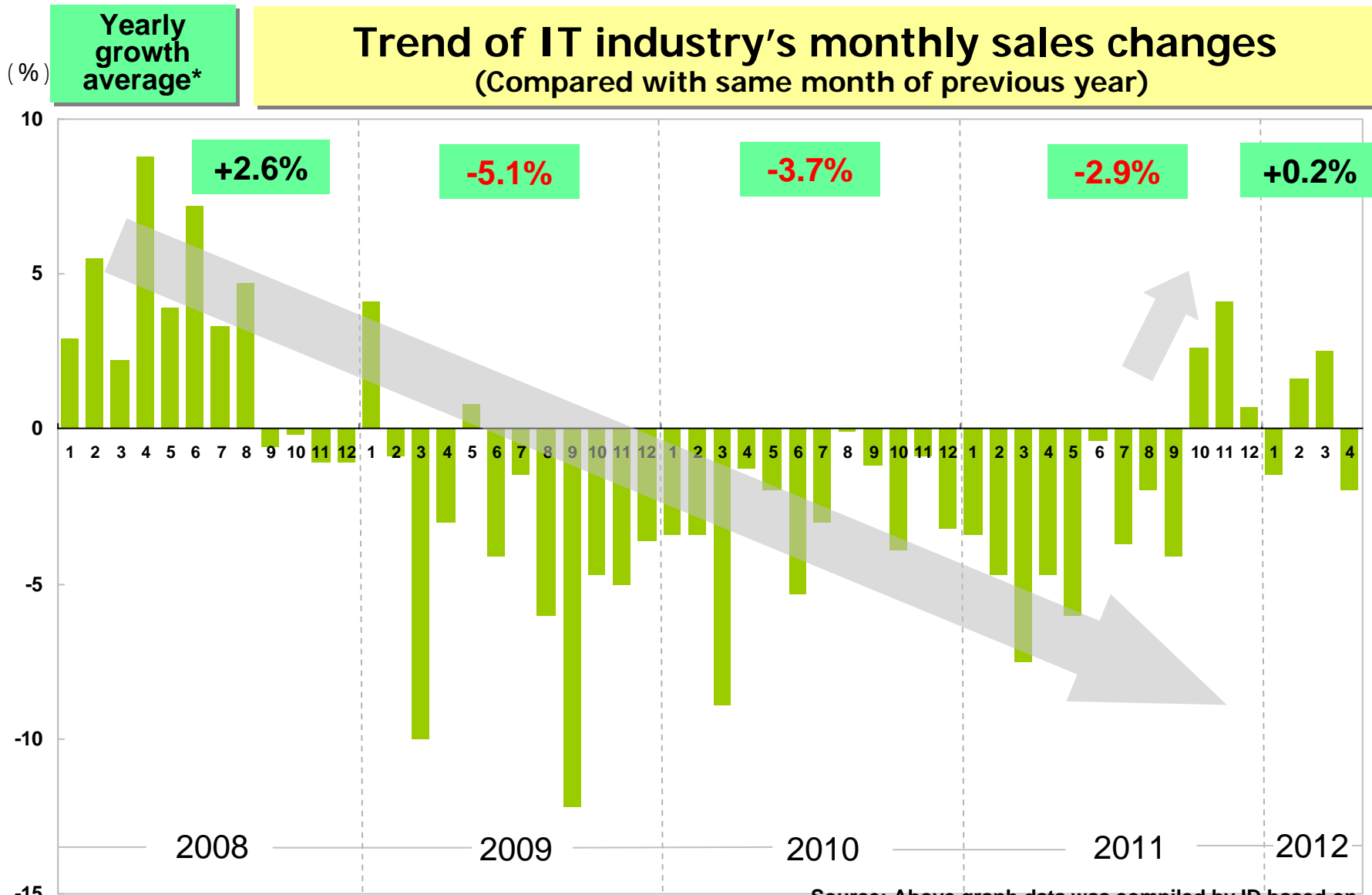
No. of shareholders: 1,824
(35 decreased from Mar. 31, 2011)

Major shareholders		% of total shares
1	A. K. Corporation	8.7%
2	Mizuho Trust Systems Co., Ltd.	8.5%
3	ID Employee Ownership Account	8.4%
4	Taiyo Pearl Fund, L.P.	7.8%
5	INFORMATION DEVELOPMENT CO., LTD	7.5%
6	State Street Bank and Trust Company 505104	4.4%
7	Mizuho Trust & Banking Co., Ltd.	3.5%
8	K.C.S Co., Ltd.	3.5%
9	The Master Trust Bank of Japan, Ltd. (Trust Account)	2.8%
10	Wahei Takeda	2.6%

Change or Die!

2 . Directions of the mid-term management plan

Change or Die!



Change or Die!

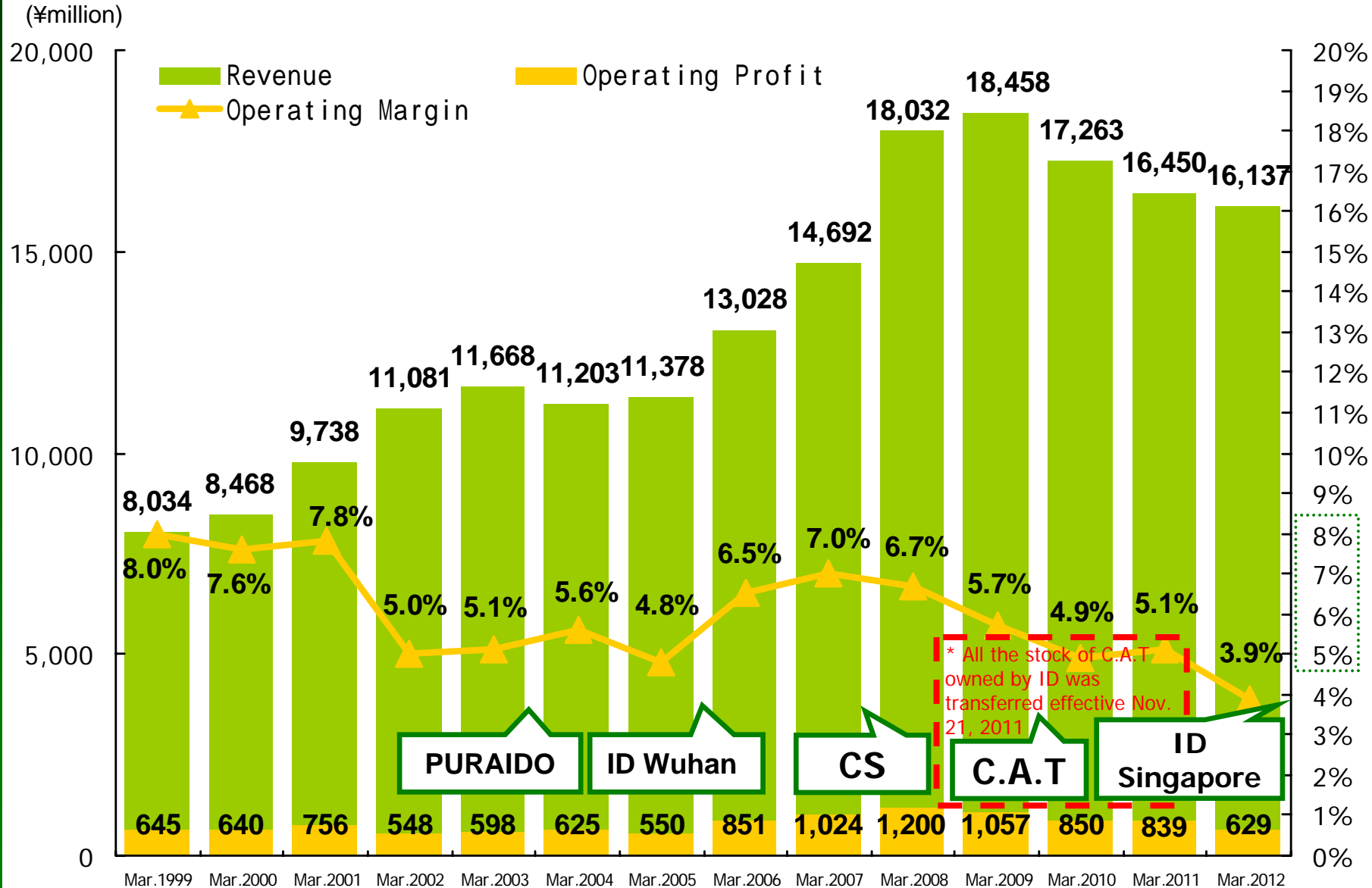
*The average is calculated from the total amount added simply together.

Source: Above graph data was compiled by ID based on "Trends in specific Service Sector (METI)"

Trends in revenue and operating profit (since listing)



Change or Die!



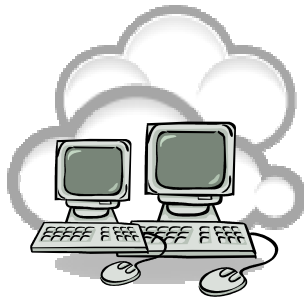
Enhancement of ID Group brand power

Business Operations Outsourcing

Global development



Promotion of *iD-CLOUD*



M&A, Business alliance

(M&A of IN-IN type)

Growing out of excessive competition in the domestic market

(M&A of IN-OUT type)

Advancement to overseas growth market

Group management upgrading

Change or Die!

Promote Business Operations Outsourcing* to expand services for existing and new customers of ID Group

*Providing multiple services to one customer, from software development to system operation management and BPO

Change or Die!

Customers:	A	B	C	D	E	F	G	H	I	J
System Operation Management	Existing Business	Existing Business <i>Target</i>	Existing Business	Existing Business	Existing Business <i>Target</i>	new <i>Target</i>	Existing Business	Existing Business new	new <i>Target</i>	new <i>Target</i>
Software Development/Maintenance	Existing Business	Existing Business	new <i>Target</i>	Existing Business	Existing Business	Existing Business	<i>Target</i>	Existing Business	new <i>Target</i>	new <i>Target</i>
BPO, Security, Consulting	Existing Business	Existing Business <i>Target</i>	Existing Business <i>Target</i>	Existing Business	new <i>Target</i>	Existing Business <i>Target</i>	<i>Target</i>	<i>Target</i>	new <i>Target</i>	<i>Target</i>

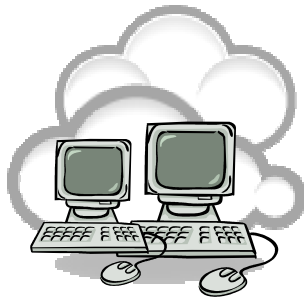
Enhancement of ID Group brand power

**Business Operations
Outsourcing**

Global development



Promotion of **iD-CLOUD**



**M&A,
Business alliance**

(M&A of IN-IN type)

Growing out of excessive competition in the domestic market

(M&A of IN-OUT type)

Advancement to overseas growth market

Group management upgrading

ID Group's Cloud Service

iD-CLOUD
INFORMATION DEVELOPMENT

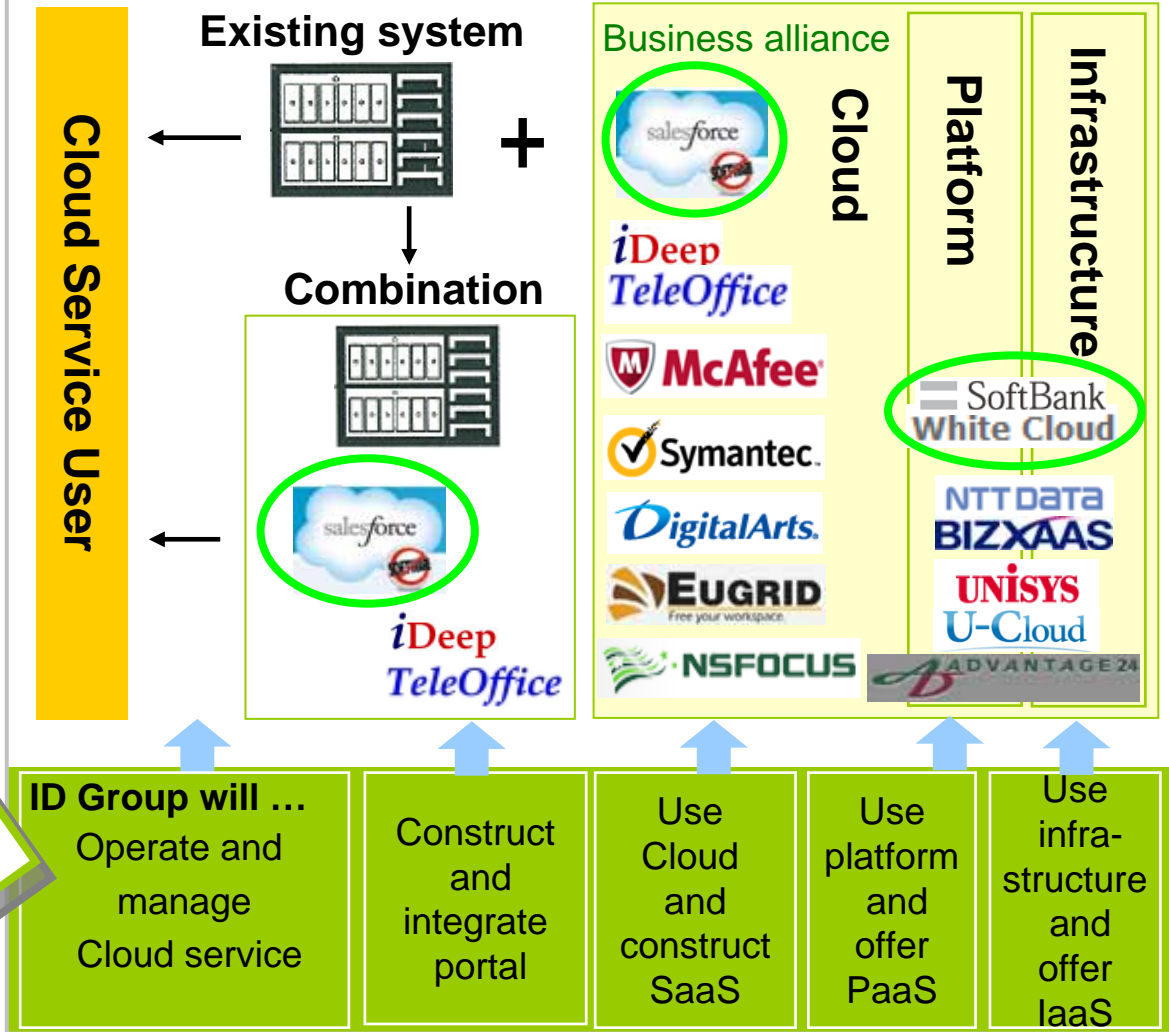
- Implementation of **iD-CLOUD**
- Corporation with strategic partners
- Expansion of global business

iD-CLOUD
Operation Center
(Suzhou, ID Wuhan)



[Surveillance center]




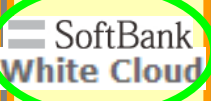





iD-CLOUD Service



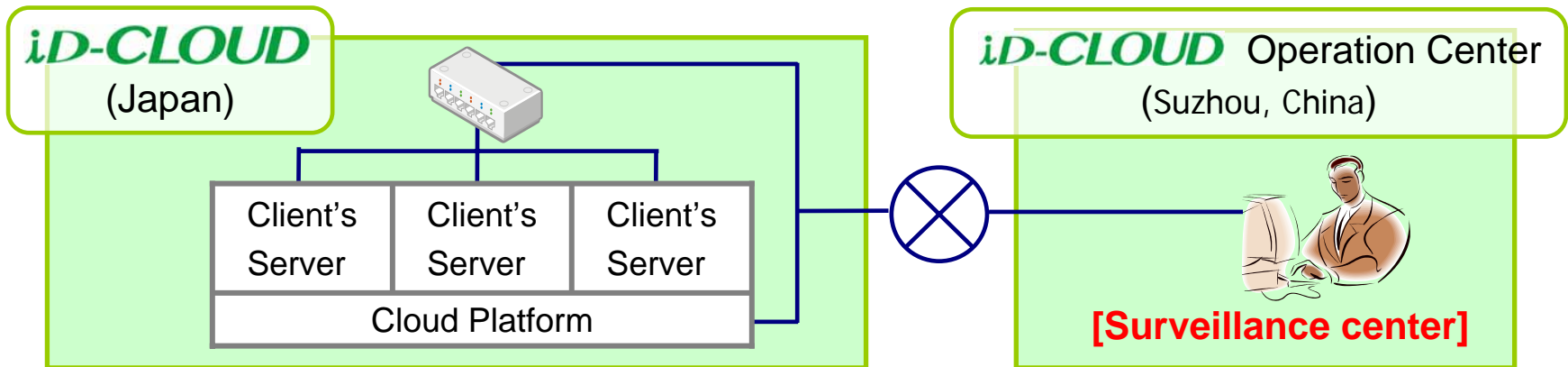
Source: Above table was compiled by ID based on "Association profile_2012_2013 (JISA)"

Change or Die!

iD-CLOUD Service Strategy Operation and surveillance in **iD-CLOUD** Operation Center

Operation	ID	ID	ID	ID	ID		ID
Migration							
Application (SaaS)						ID	
OS/Middleware (PaaS)							
Hardware (IaaS)	 						

Change or Die!



Enhancement of ID Group brand power

**Business Operations
Outsourcing**

Promotion of **iD-CLOUD**



Global development



**M&A,
Business alliance**

(M&A of IN-IN type)

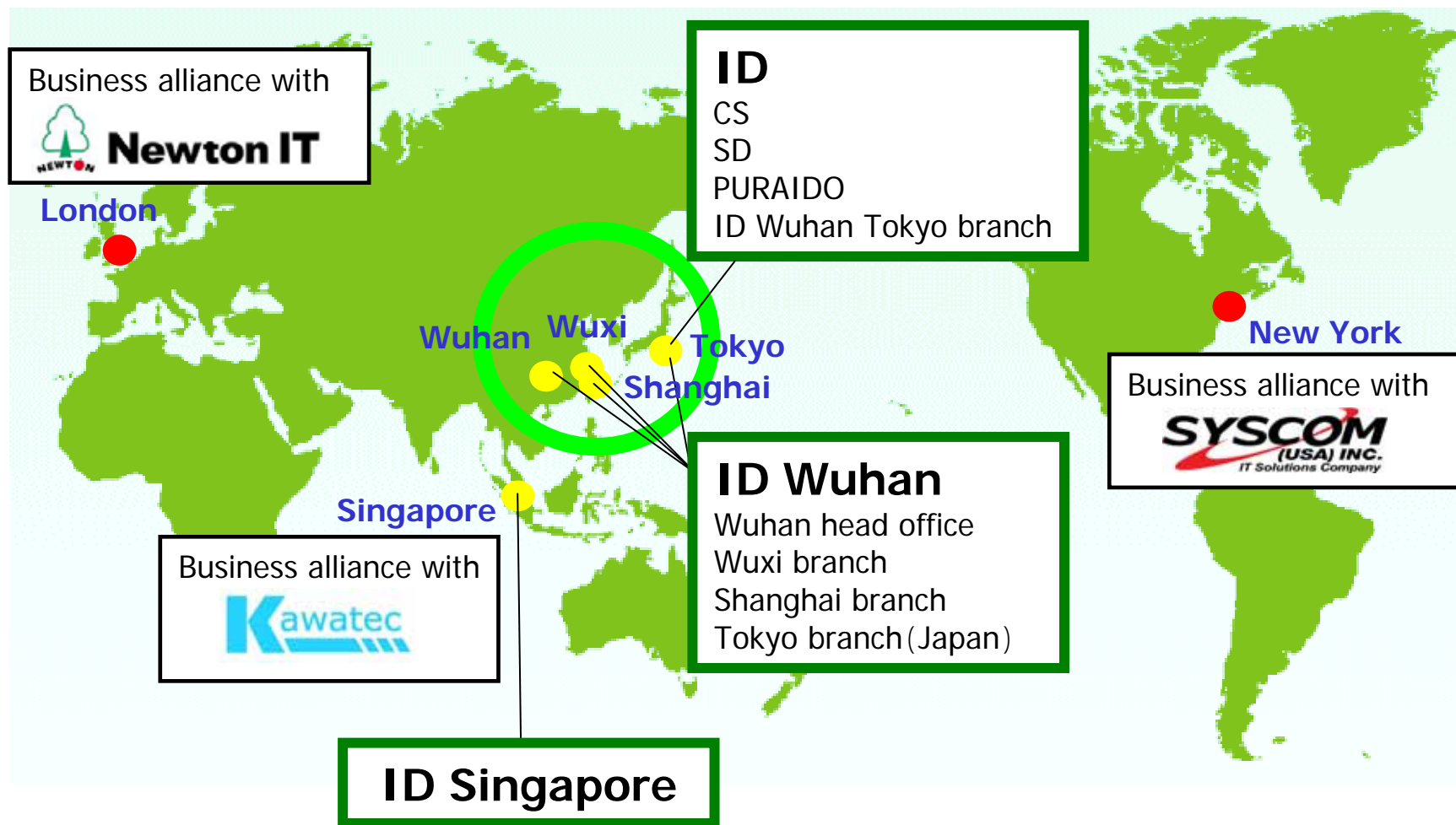
Growing out of excessive competition in the domestic market

(M&A of IN-OUT type)

Advancement to overseas growth market

Group management upgrading

Change or Die!



Targets for the term
ending in March 2015

Consolidated revenue	20.0 billion yen
Operating margin	6.0%

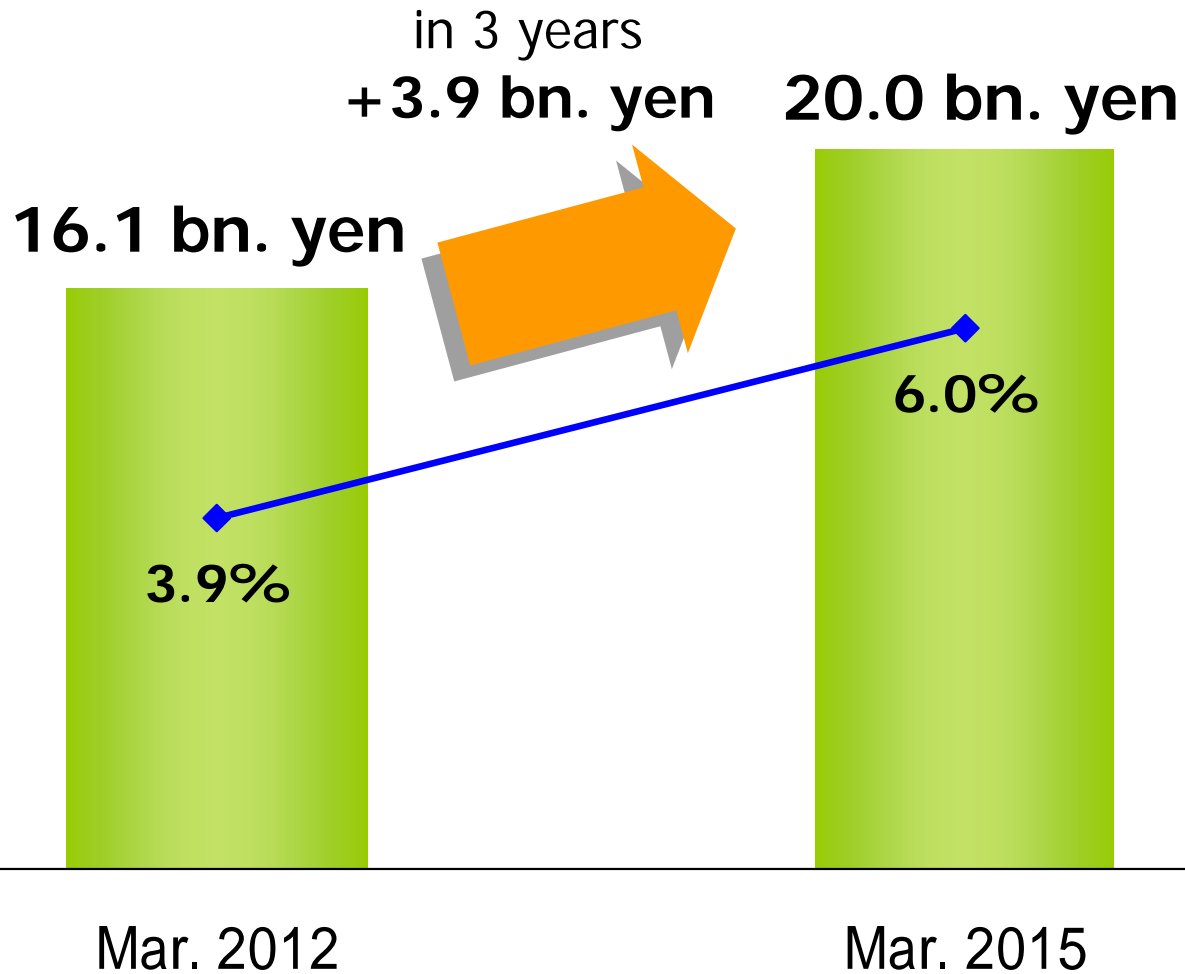
Reinforcement of
core competence

**Data center management
(including Cloud and IT platform services)**
Revenue 12.0 billion yen

Expansion of
global business

Overseas revenue	2.0 billion yen
Overseas subsidiary and branch	to 5 countries
Business alliance	to 6 companies

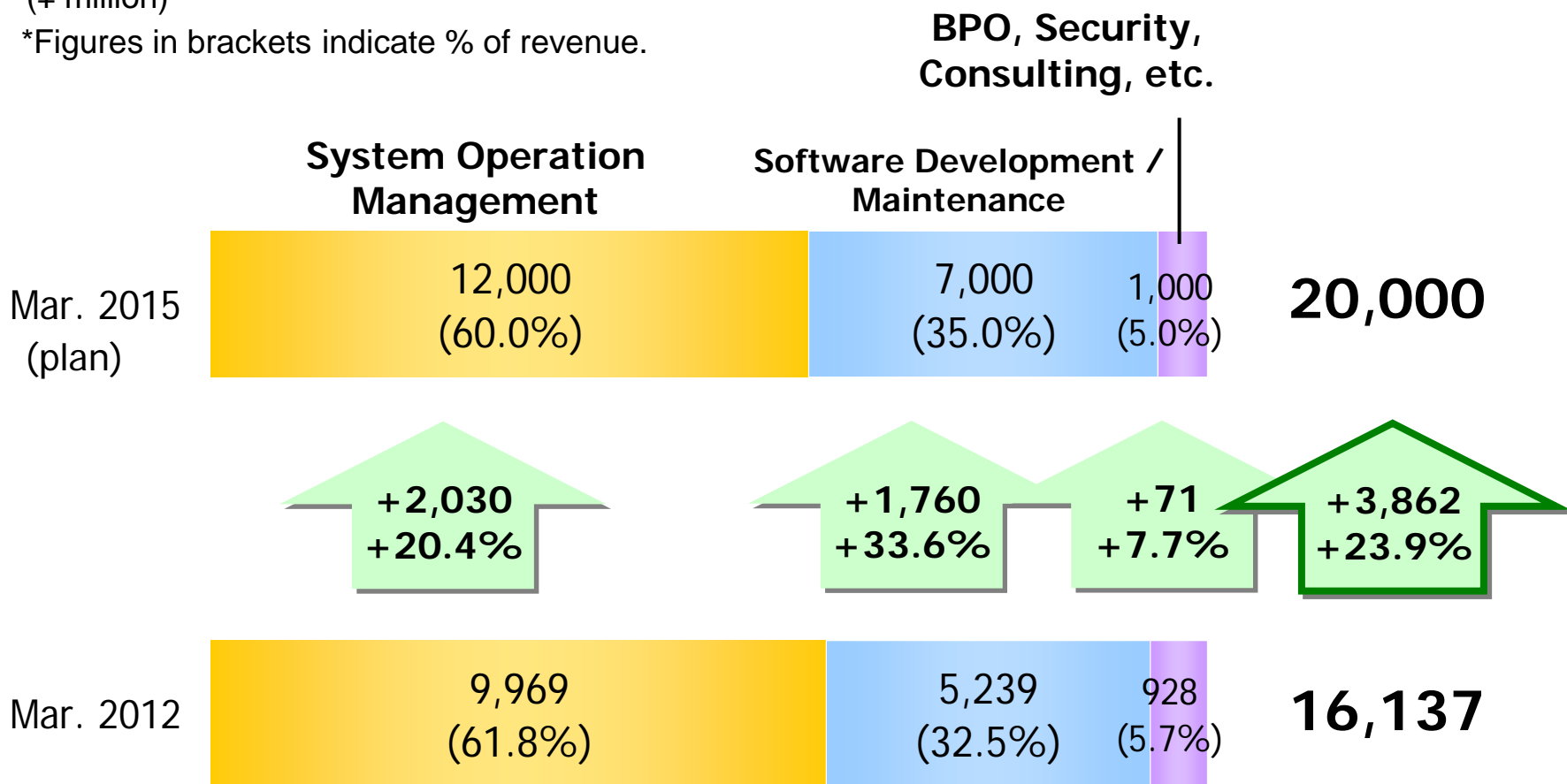
■ Revenue ◆ Operating Margin



Change or Die!

(¥ million)

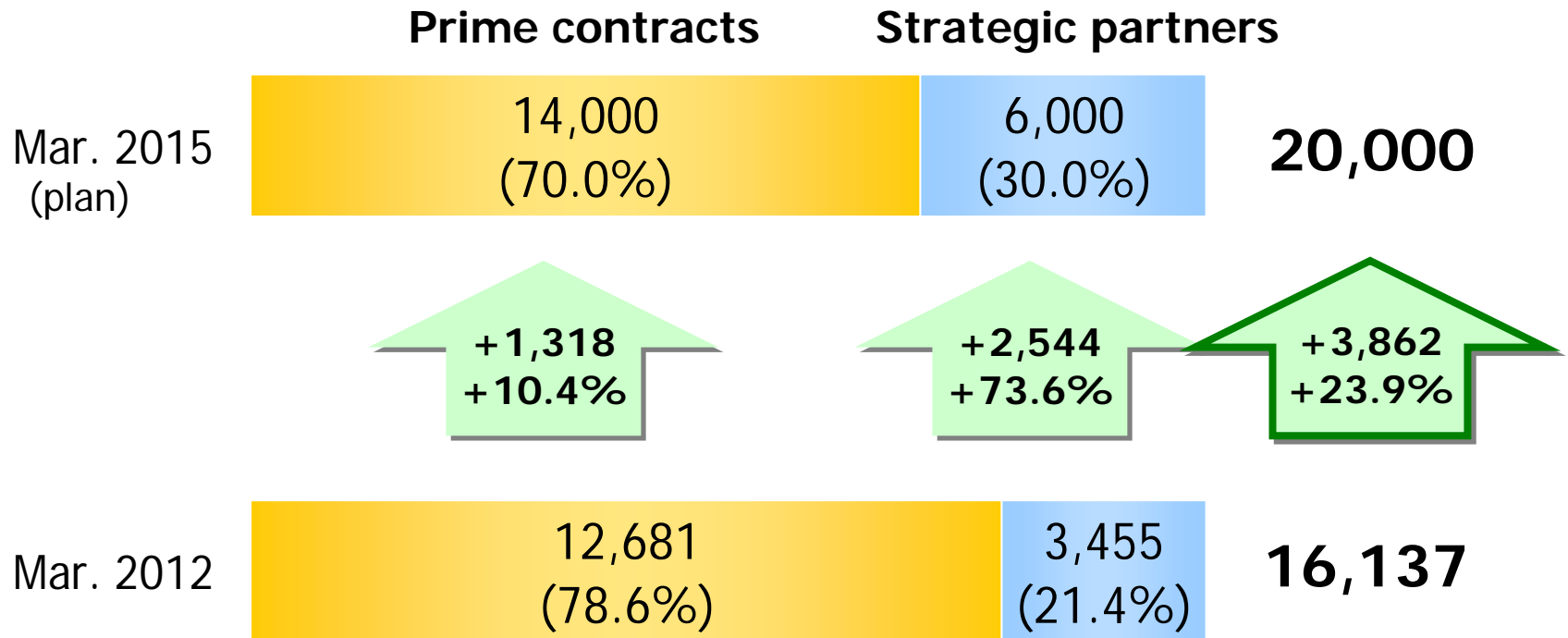
*Figures in brackets indicate % of revenue.



Change or Die!

(¥ million)

*Figures in brackets indicate % of revenue.



Change or Die!

(¥ million)	Mar. 2012	(% of revenue)	Mar. 2013	(% of revenue)	YOY % changes
Revenue	16,137	100.0	16,500	100.0	+2.2%
Operating Profit	629	3.9	825	5.0	+31.1%
Recurring Profit	659	4.1	825	5.0	+25.1%
Net Profit	365	2.3	460	2.8	+26.0%
EPS (yen)	49.15	-	61.93	-	+12.78
Dividend per Share (yen)	21.00	-	21.00	-	0.00

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