



Investor Presentation

For the year ended on March 31, 2011

June, 2011

INFORMATION DEVELOPMENT CO., LTD.

(JASDAQ Standard, code:4709)

Change or Die!

1. Consolidated performance overview
2. Industry trend and comparison with peers
3. Directions of the new mid-term management plan and forecast

1. Consolidated performance overview

- Overview of ID Group
- Financial revenue and profits / position & cash flows
- Revenue / profits analyses
- Performance of subsidiaries
- Feature of ID Group
- Trends in revenue and operating profit (since listing)
- Stock data

Overview of ID Group (as of April 1, 2011)



ID's ownership



NIHON CULTRESOFT SERVICE

Became a subsidiary in Dec. 2006

* SI division was absorbed by ID in Apr. 2011

100%

Paid-in capital: ¥90M
Established: 1977
No. of employees: 249



SOFTWARE DEVELOPMENT

80%

Paid-in capital: ¥100M
Established: 1982
No. of employees: 103



PURAIDO

Became a subsidiary in Apr. 2002

54.4%

Paid-in capital: ¥40M
Established: 1988
No. of employees: 22



Became a subsidiary in Aug. 2008

59.5%

Paid-in capital: ¥90M
Established: 1992
No. of employees: 37



ID Wuhan

100%

Paid-in capital: \$1.1M
Established: 2004
No. of employees: 58

Paid in capital:
¥592.34million

Established:
October, 1969

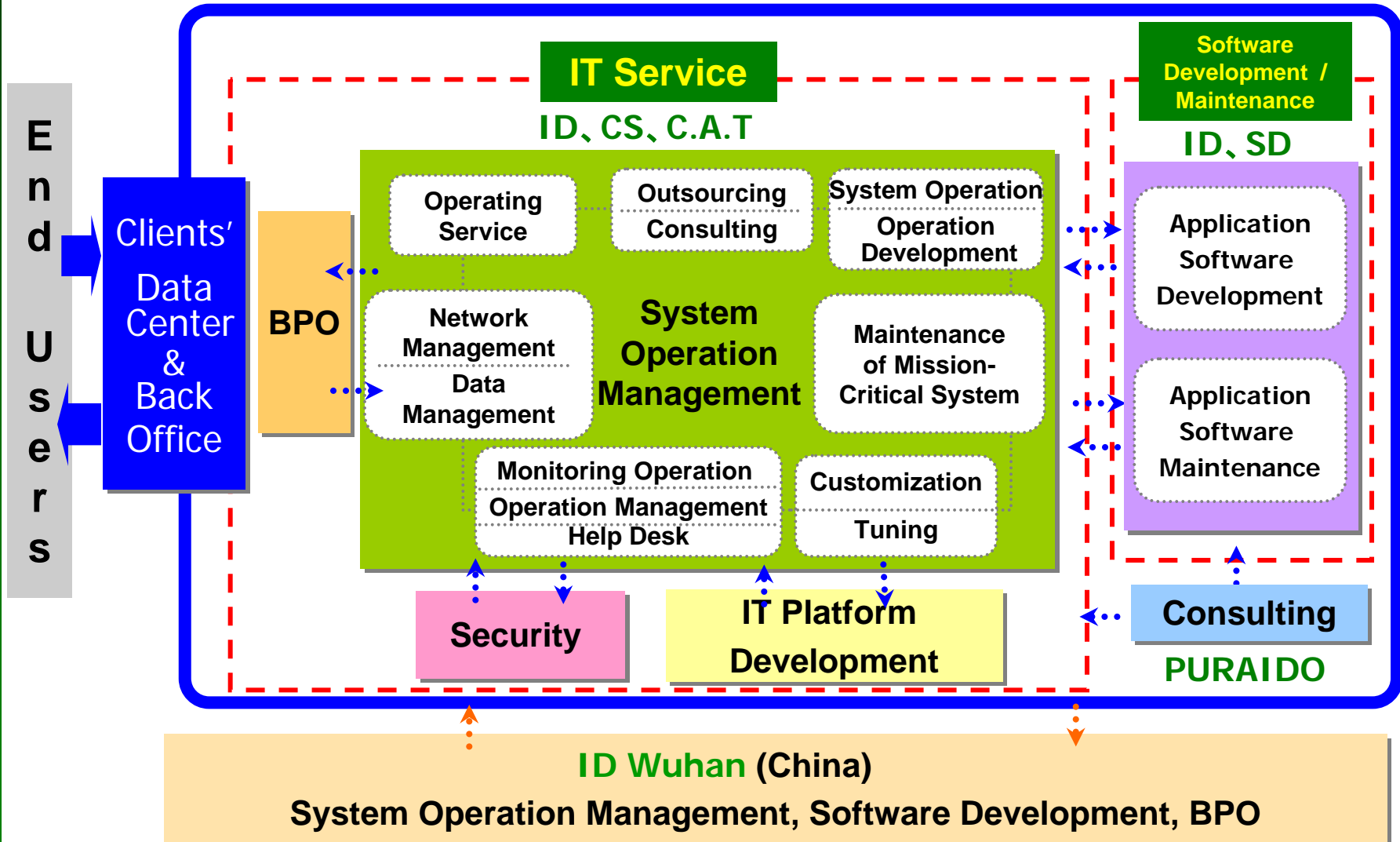
No. of employees:
1,848 (nonconsolidated)
2,317 (consolidated)

*ID's ownership ratios are calculated by number of shares excluding treasury stocks.

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ID Group's total IT outsourcing services

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Revenue and profits (consolidated)



(¥million)	Mar. 2010 (% of revenue)	Mar. 2011 (% of revenue)	YOY % changes	% changes to forecast
Revenue	17,263	16,450	-4.7%	-6.0%
Cost of Sales	13,943 80.8	13,209 80.3	-5.3%	-5.8%
Gross Profit	3,319 19.2	3,241 19.7	-2.3%	-6.8%
SG&A Expenses	2,468 14.3	2,402 14.6	-2.7%	-1.1%
Amortization of goodwill	150	78	-47.8%	-
Operating Profit	850 4.9	839 5.1	-1.4%	-20.1%
Recurring Profit	864 5.0	892 5.4	+3.3%	-15.0%
Net Profit	155 0.9	447 2.7	+188.4%	-18.7%
EPS (Yen)	20.88	60.21	+39.33	-

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Financial position and cash flows (consolidated)



(¥million)	Mar. 2010	Mar. 2011	% changes
Current Assets	4,919	5,206	+5.8%
Cash and Deposits	1,773	2,012	+13.5 %
Fixed Assets	4,564	4,072	-10.8%
Total Assets	9,483	9,279	-2.2%
Liabilities	3,589	3,091	-13.9%
Interest-Bearing Debt	698	823	+17.9%
Earned Surplus	5,034	5,340	+6.1%
Total Shareholders' Equity	5,743	6,048	+5.3%
Cash Flows from Operating Activities		238	
Cash Flows from Investing Activities		22	
Cash Flows from Financing Activities		-17	

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Revenue and profits (nonconsolidated)

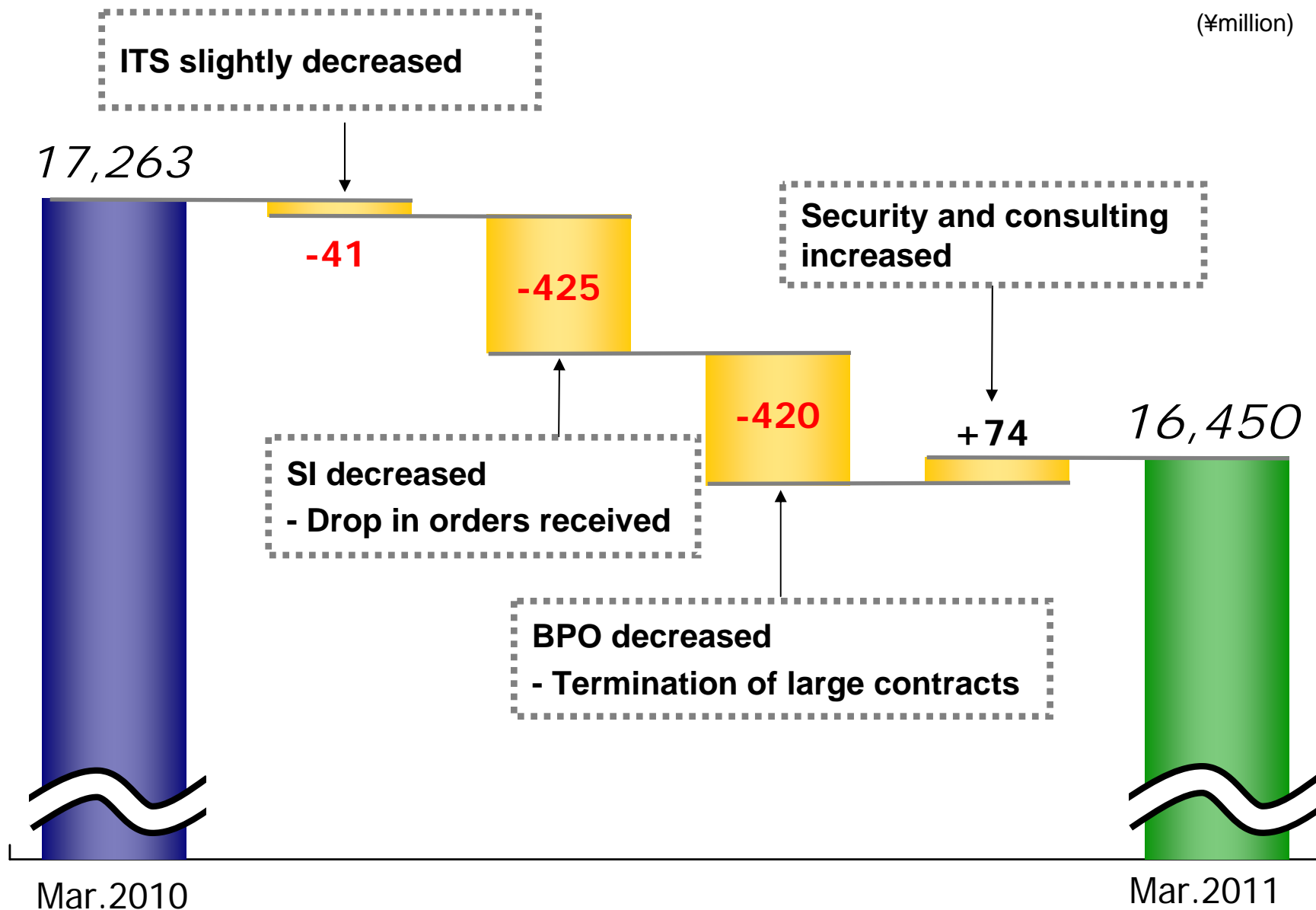


(¥million)	Mar. 2010	(% of revenue)	Mar. 2011	(% of revenue)	YOY % changes	% changes to forecast
Revenue	13,039		12,193		-6.5%	-7.6%
Cost of Sales	10,522	80.7	9,917	81.3	-5.8%	-6.6%
Gross Profit	2,516	19.3	2,276	18.7	-9.5%	-11.8%
SG&A Expenses	1,728	13.3	1,713	14.1	-0.9%	-5.7%
Operating Profit	788	6.0	563	4.6	-28.5%	-26.3%
Recurring Profit	844	6.5	606	5.0	-28.2%	-30.3%
Net Profit	91	0.7	322	2.6	+252.8%	-36.7%
EPS (Yen)	12.32		43.45		+31.13	-

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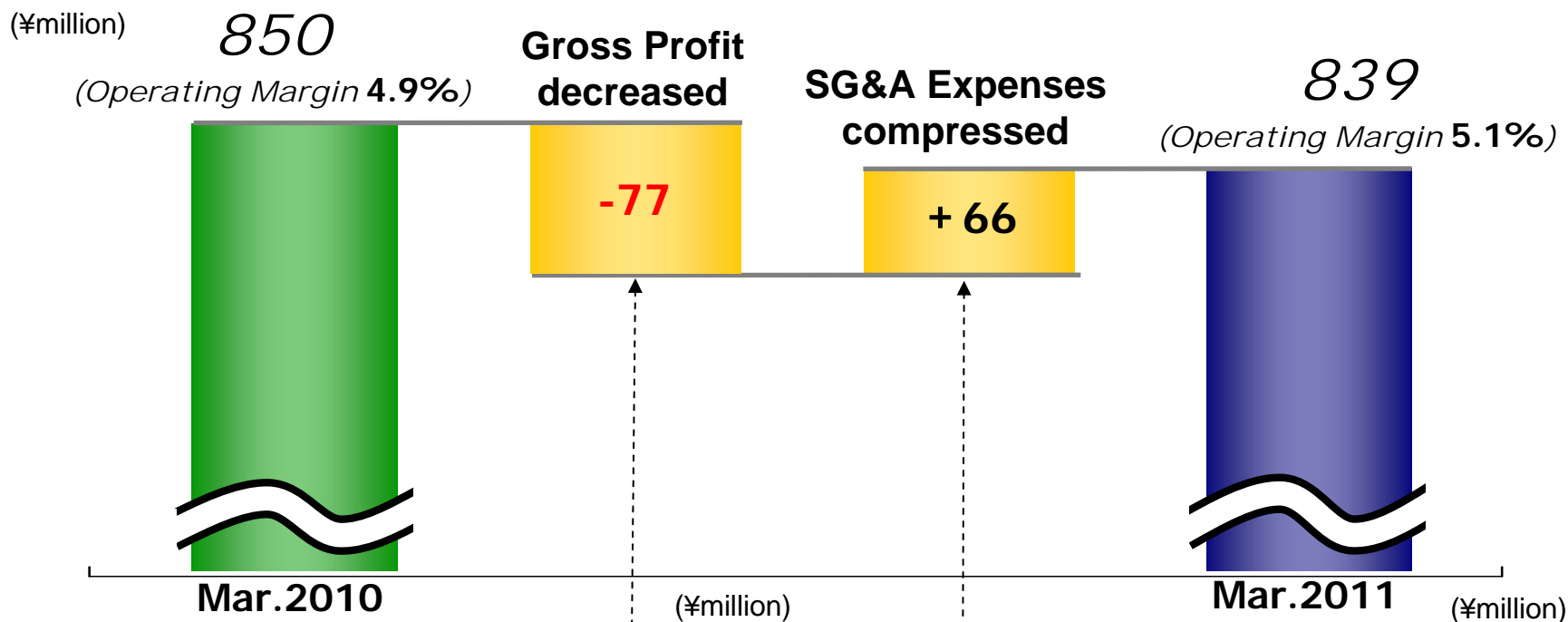
Factors contributing to revenue

(¥million)



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Factors contributing to operating profit



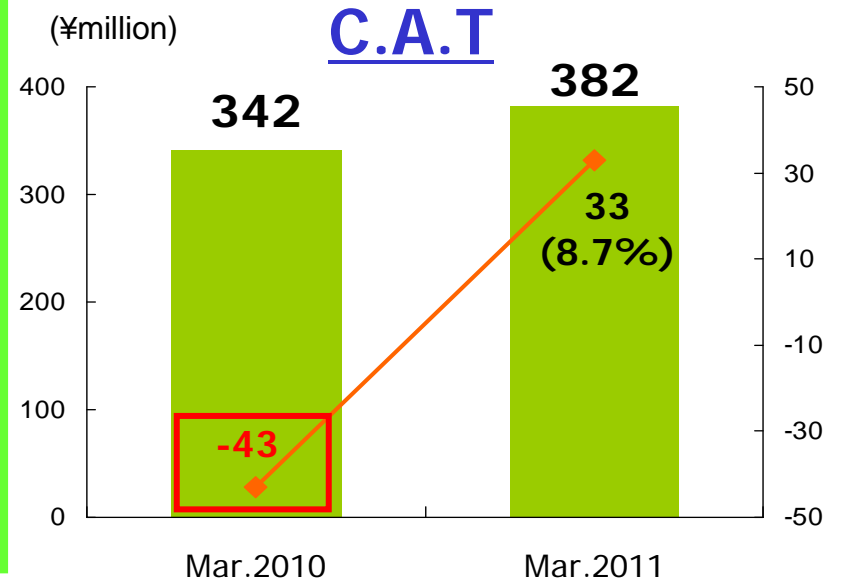
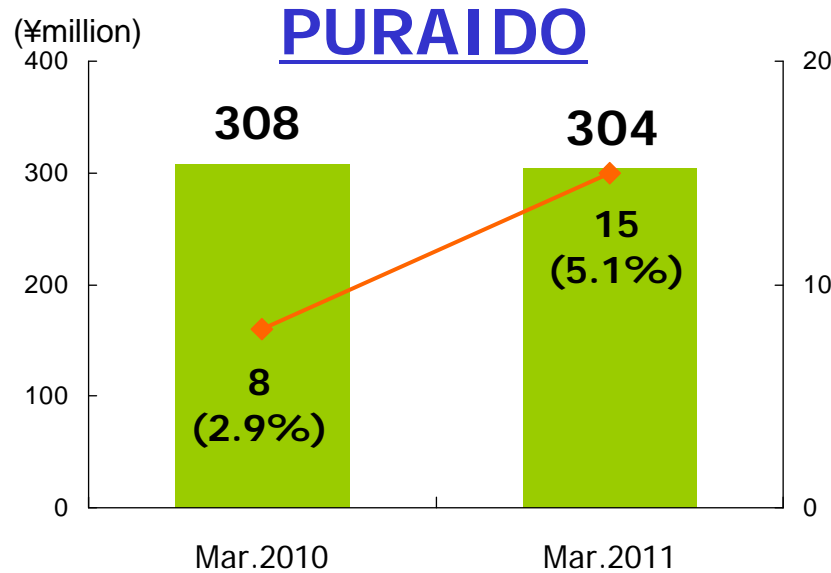
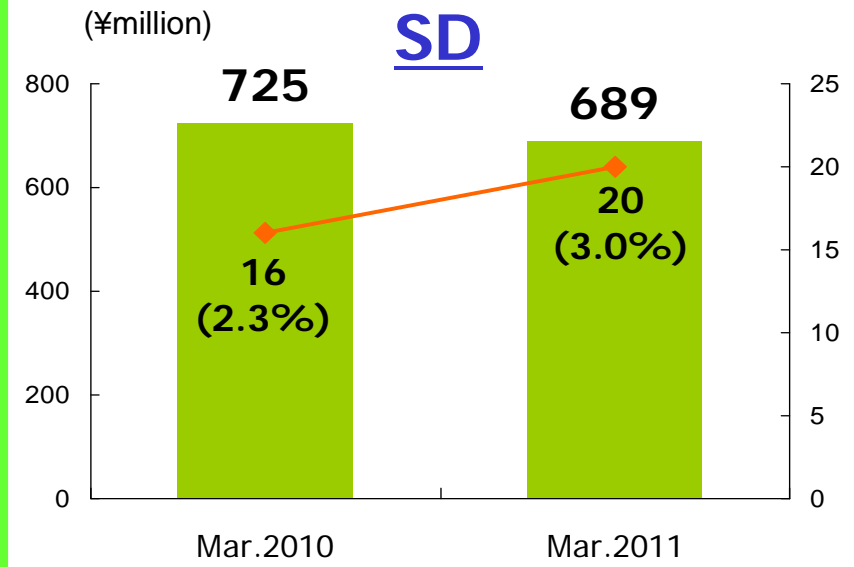
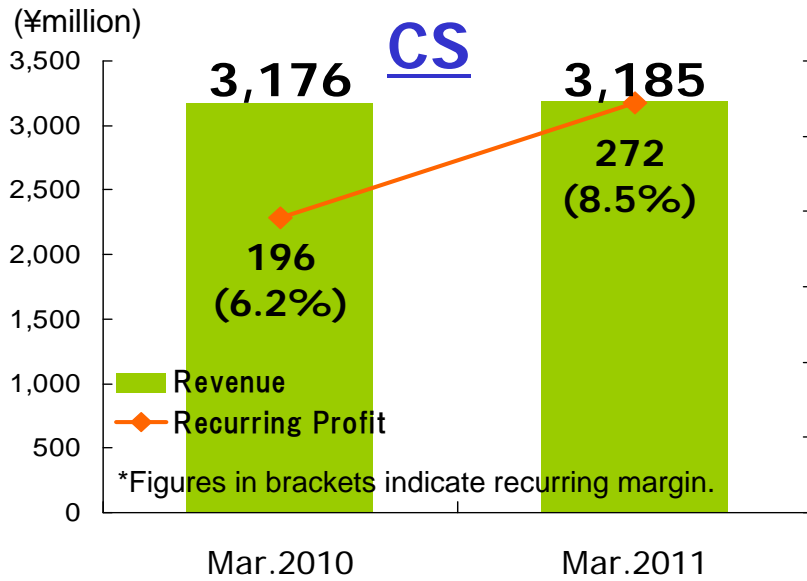
◆ Revenue	-812
◆ Cost of Sales	-734
· Labor cost	-305
· Outsourcing cost	-306
· Production cost	-28
· Purchasing (security products)	+57
· Variation of work in process	-153
(adoption of the percentage-of-completion method)	

◆ SG&A Expenses	-66
· Labor cost (integration of corporate division)	-4
· Amortization of goodwill	-71
(amortization of C.A.T goodwill in the previous year)	
· Others	+9

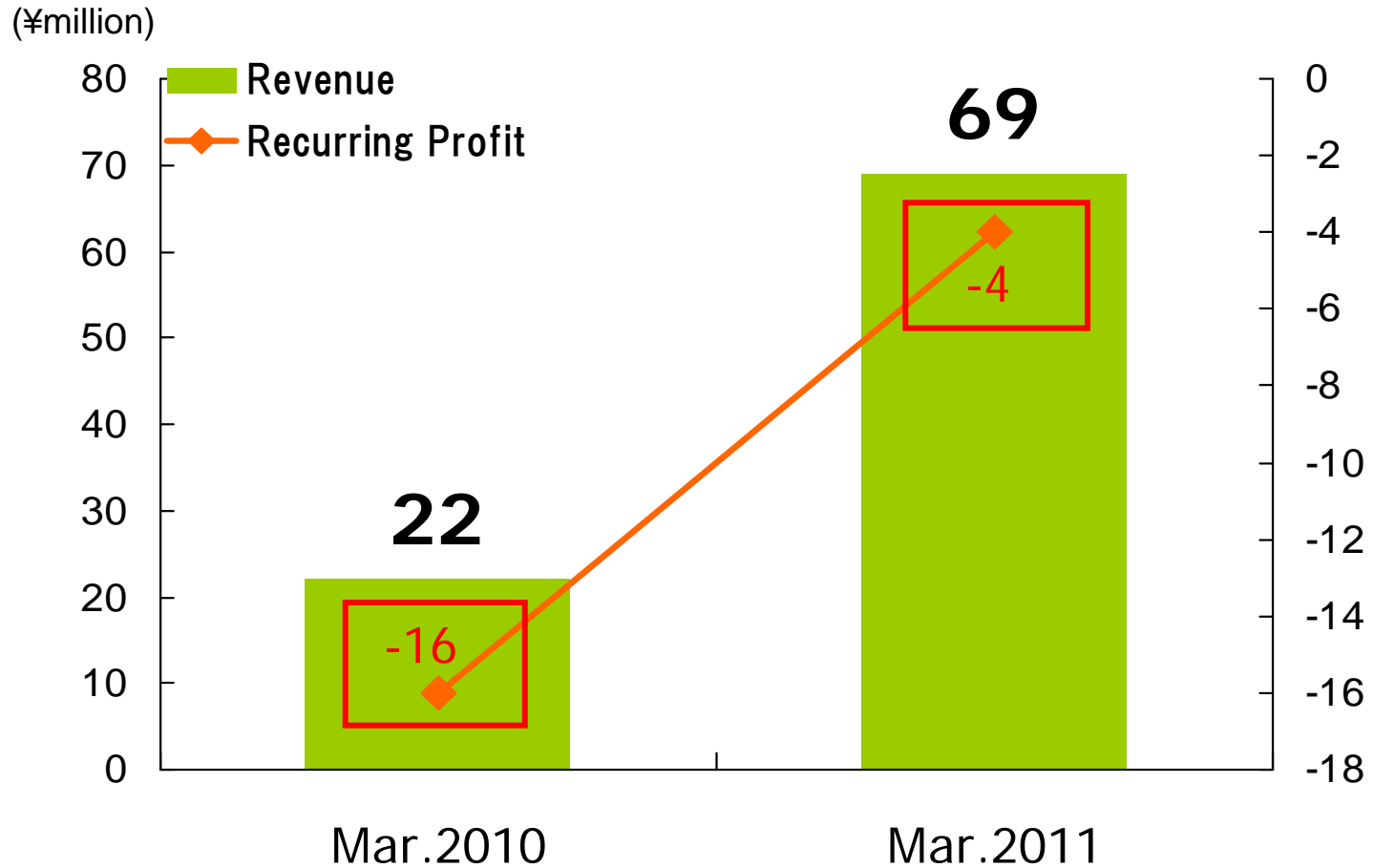
Performance of domestic subsidiaries



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ID Wuhan

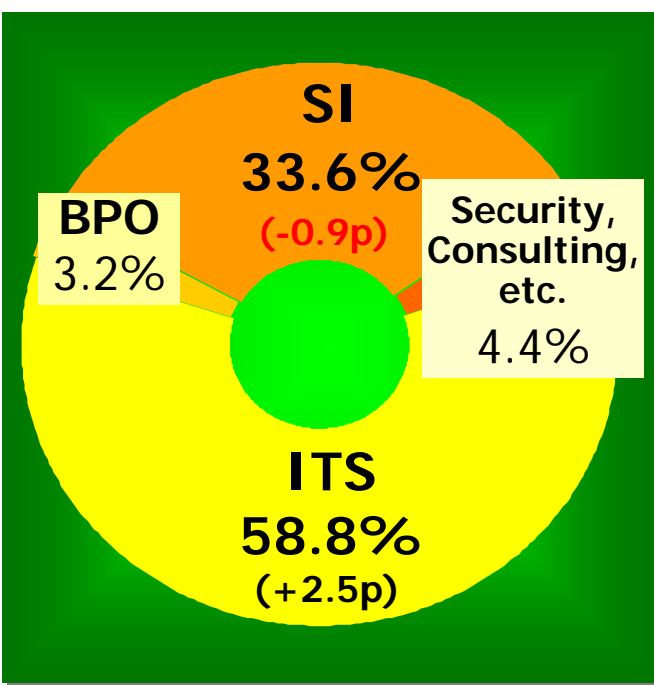


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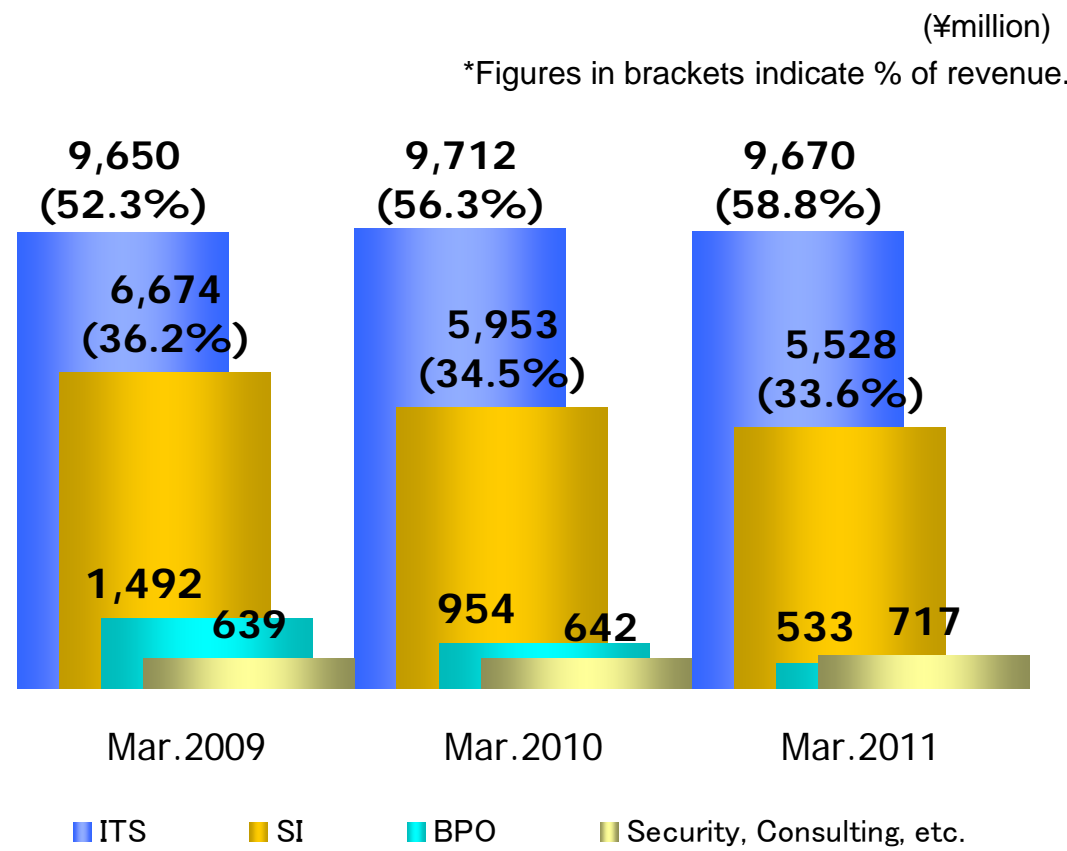
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<YOY changes>	ITS	SI	BPO	Security, Consulting, etc.
(¥million)	-41	-425	-420	+74
	(-0.4%)	(-7.1%)	(-44.1%)	(+11.7%)

Revenue by business

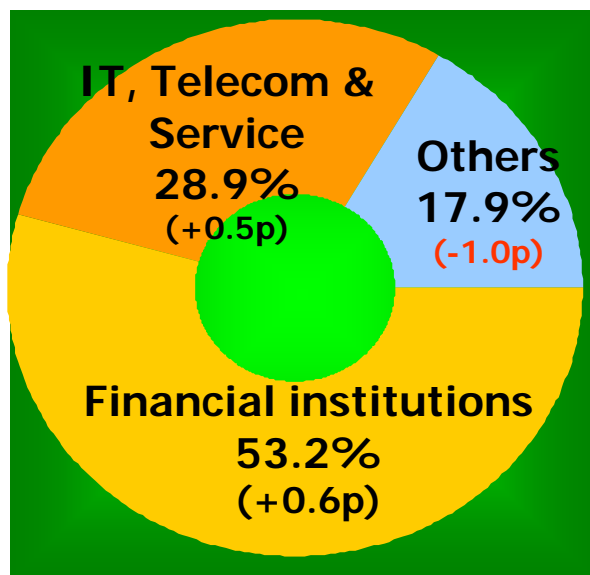


*Figures in brackets indicate YOY changes of % of revenue.

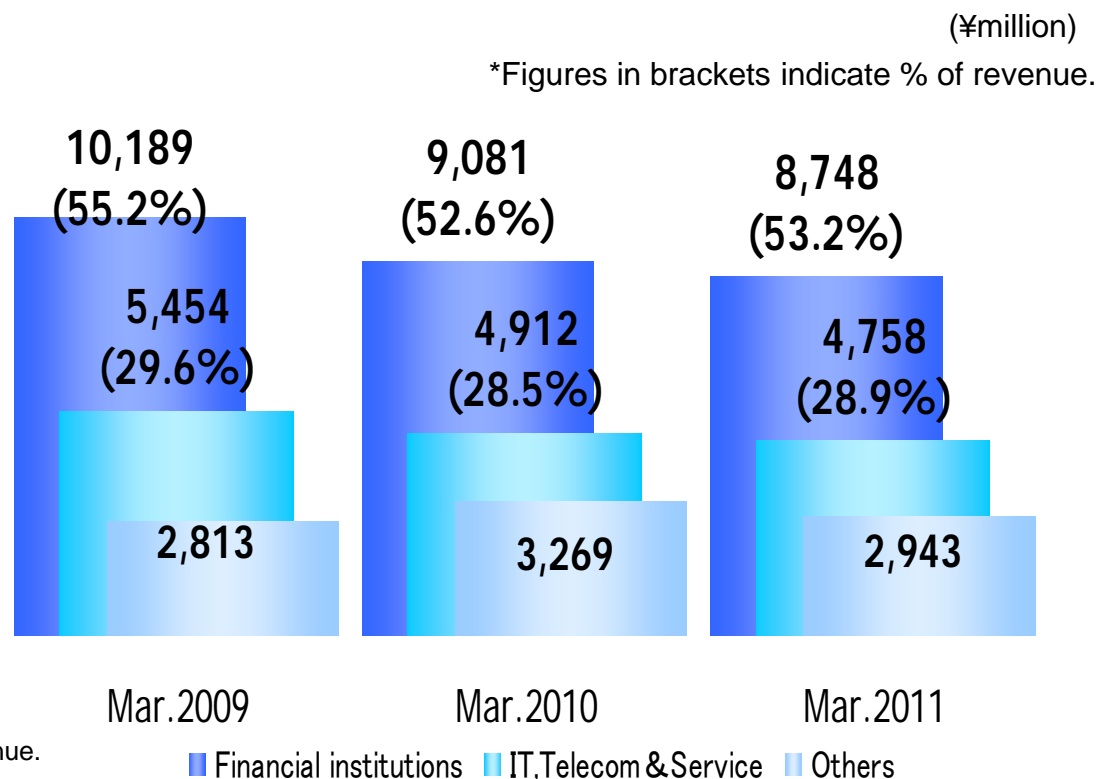


<YOY changes> (¥million)	Financial institutions	IT, Telecom & Service	Others
	-332 (-3.7%)	-153 (-3.1%)	-326 (-10.0%)

Revenue by customer



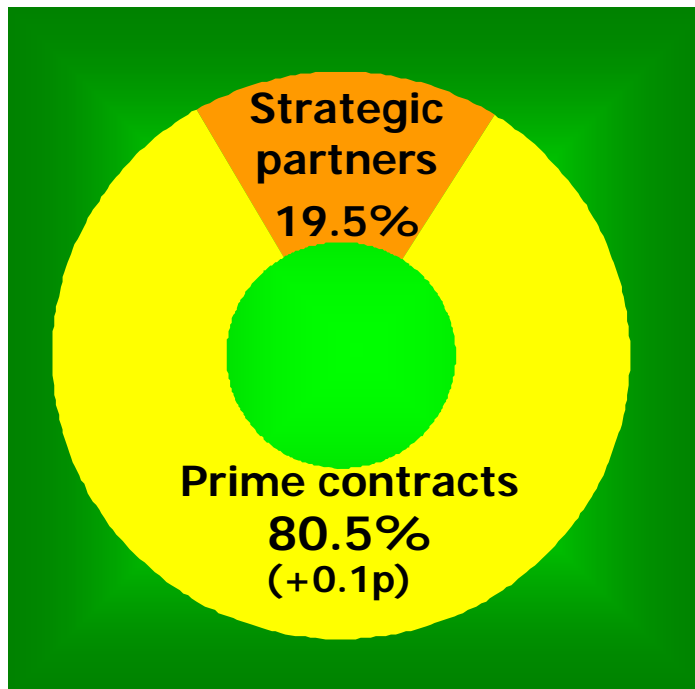
*Figures in brackets indicate YOY changes of % of revenue.



<Major customers>

Prime contracts : over 80%

Revenue by contract



Prime contracts

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

Strategic partners

Major IT Vendors

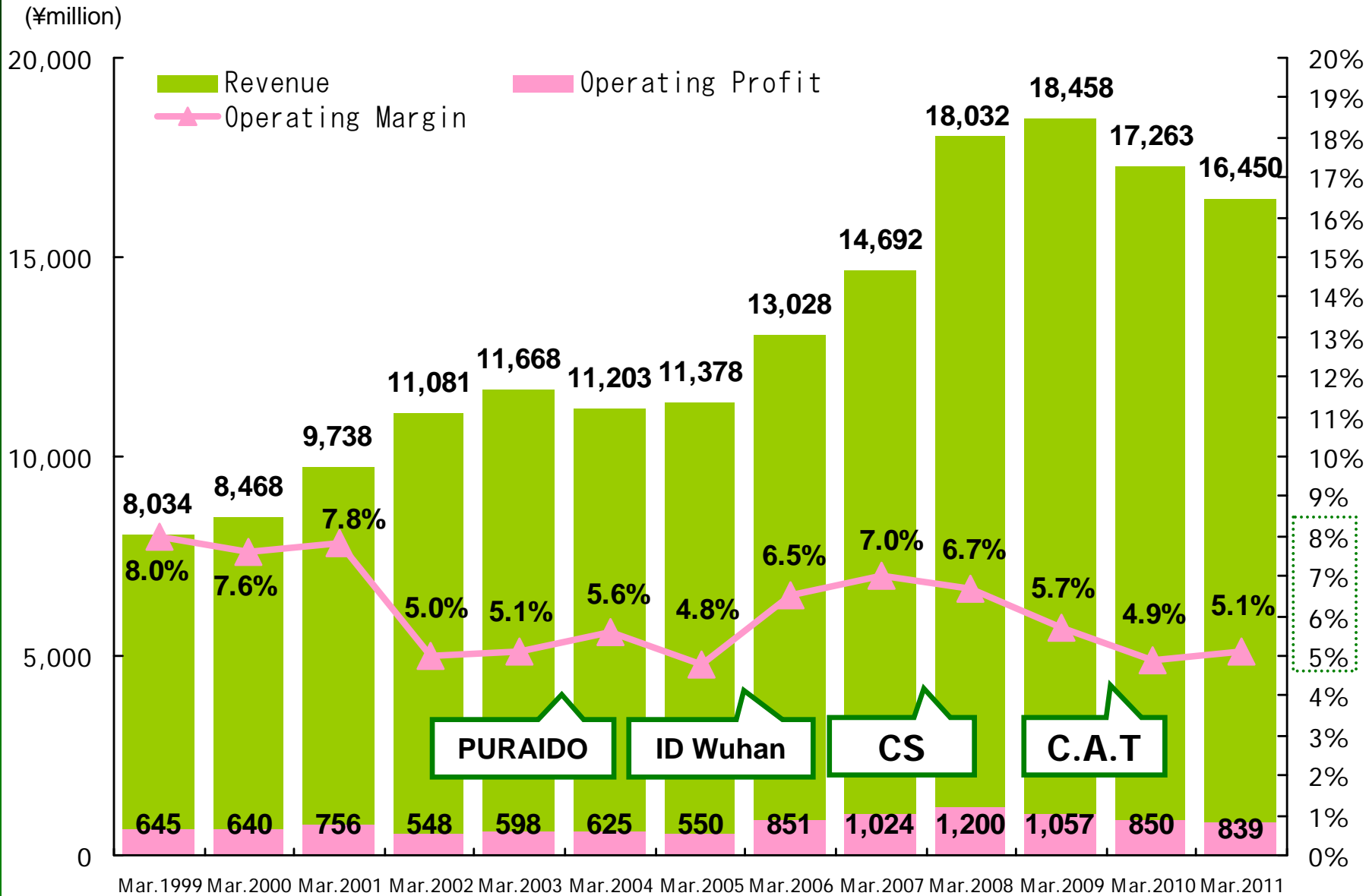
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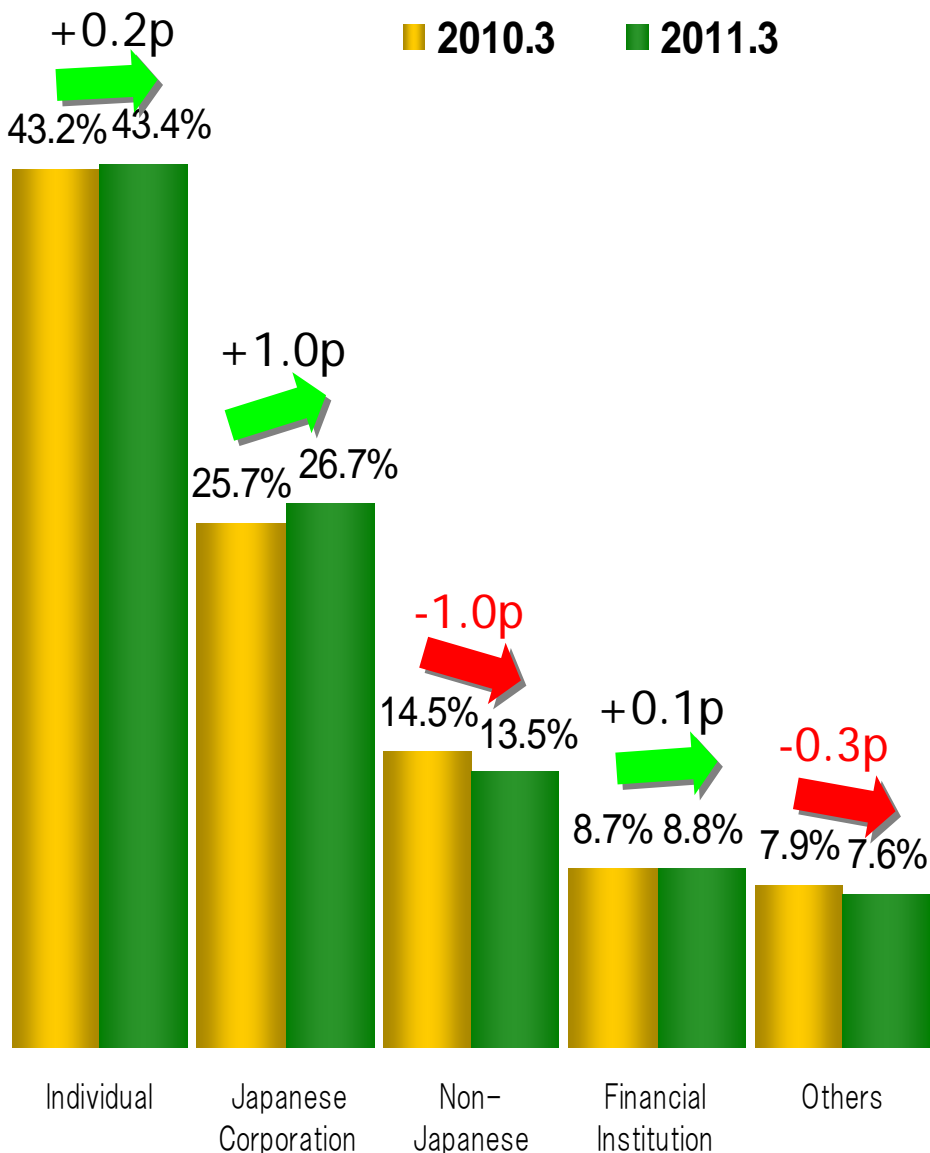
Trends in revenue and operating profit (since listing)



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◆ Shareholding by investor type



◆ No. of shareholders: 1,859

(69 decreased from Mar.31, 2010)

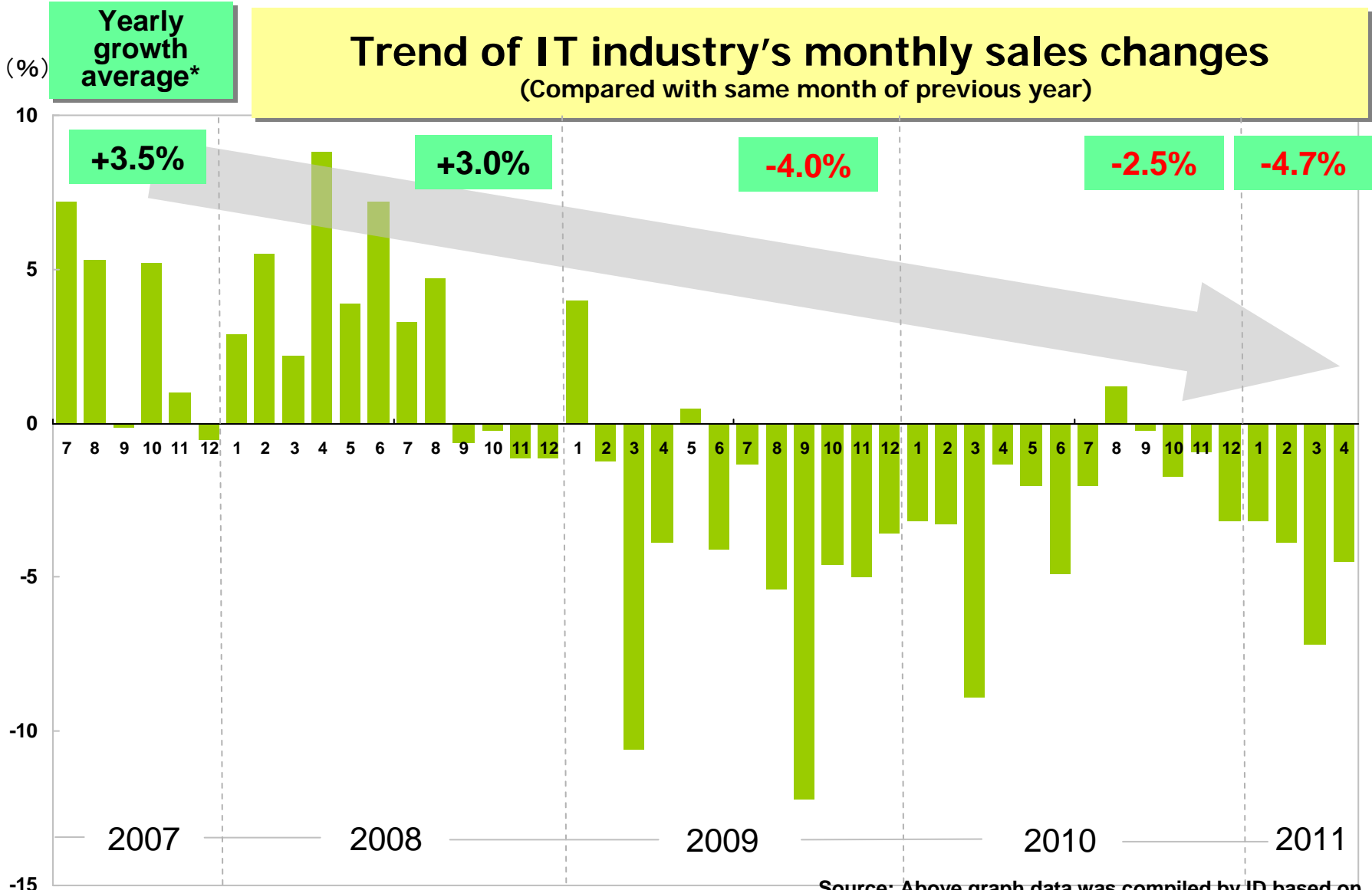
Major shareholders		% of total shares
1	A. K. Corporation	8.7%
2	Mizuho Trust Systems Co., Ltd.	8.5%
3	Taiyo Pearl Fund, L.P.	8.1%
4	ID Employee Ownership Account	7.7%
5	INFORMATION DEVELOPMENT CO., LTD	7.5%
6	State Street Bank and Trust Company 505104	4.4%
7	Mizuho Trust & Banking Co., Ltd.	3.5%
8	K.C.S Co., Ltd.	3.5%
9	The Master Trust Bank of Japan, Ltd. (Trust Account)	2.8%
10	Wahei Takeda	2.6%

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2. Industry trend and comparison with peers

- Industry trend
- Performance comparison with peers

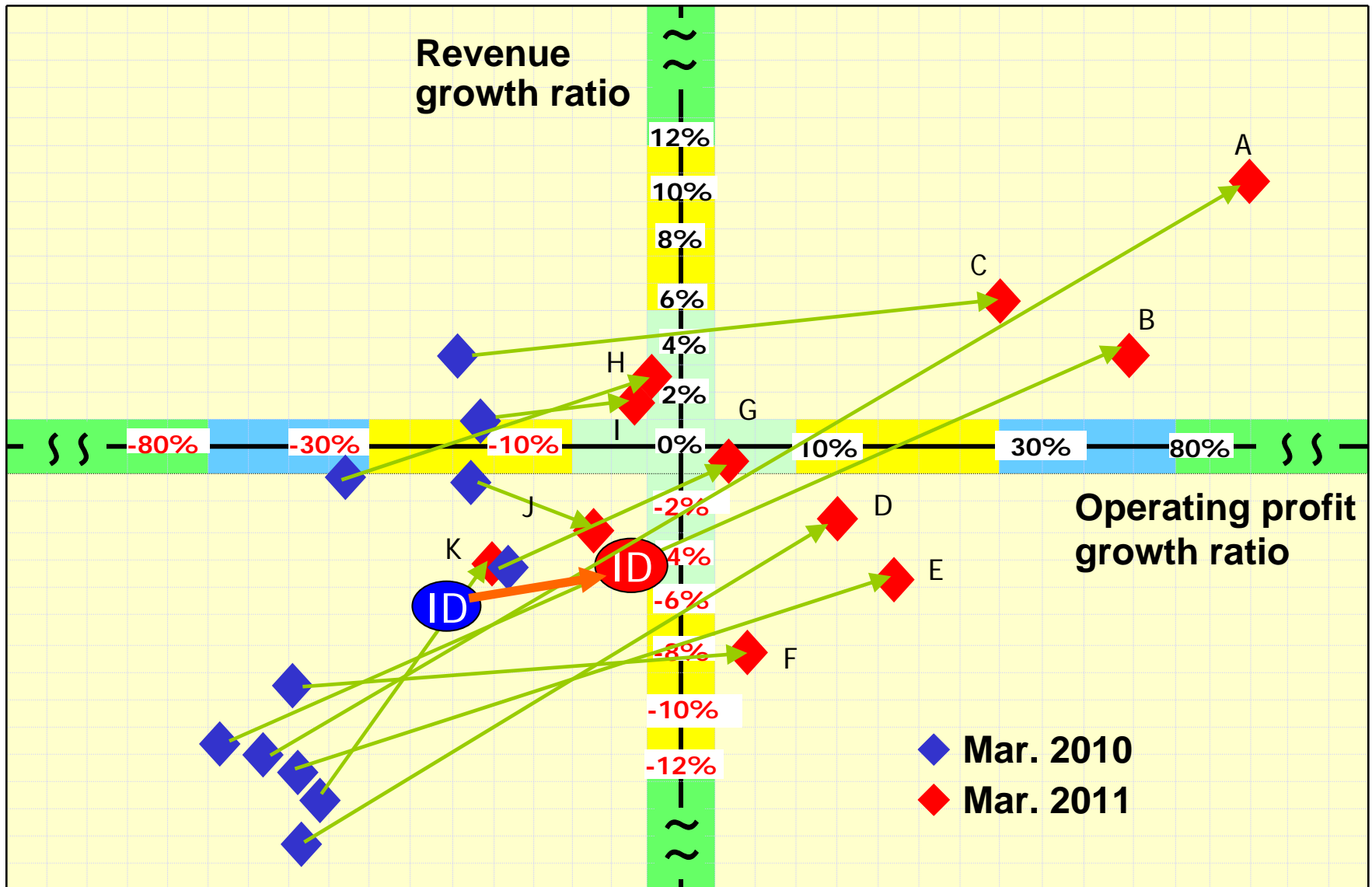
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*The average is calculated from the total amount added simply together.

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

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Source: Results announcements for the year by each company (compiled by ID).

3. Directions of the new mid-term management plan and forecast

- New mid-term management plan
- **i-Bos24**[®] Growth strategy
- Forecast for the year ending March 31, 2012

Continue with the guidelines and targets stated in “Breakthrough 200!” and aim to surpass 20.0 billion yen in consolidated net sales for the fiscal year ending March 31, 2014

**Business Operations
Outsourcing**

Global development



Respond to cloud computing



Foster corporate brands



Improve efficiency of Group management

Develop/cultivate human resources

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

*The strategy of providing integrated upstream and downstream services.

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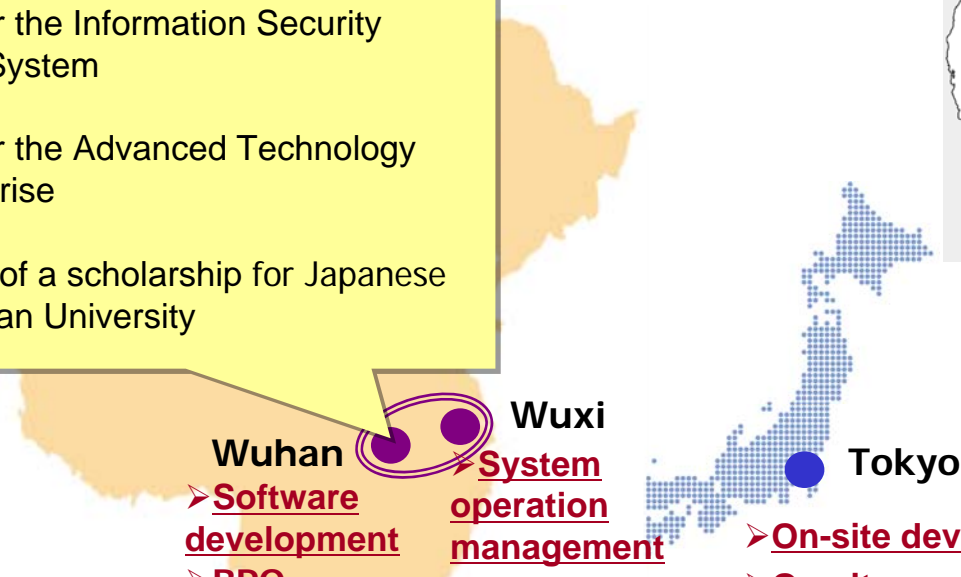
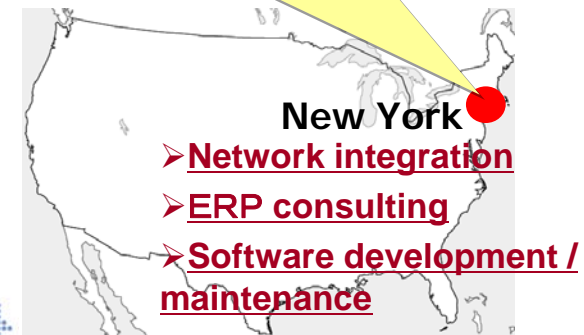
Customers:	A	B	C	D	E	F	G	H	I	J
ITS, BPO	Existing Business	<u>Target</u> Existing Business	Existing Business	Existing Business	<u>Target</u> new	<u>Target</u>	Existing Business	<u>Target</u> new	<u>Target</u>	<u>Target</u> new
SI	Existing Business	Existing Business	<u>Target</u>	Existing Business	Existing Business	Existing Business	<u>Target</u>	Existing Business	<u>Target</u>	<u>Target</u>
Security, Consulting	Existing Business	Existing Business <u>Target</u>	Existing Business <u>Target</u>	Existing Business	<u>Target</u>	Existing Business <u>Target</u>	<u>Target</u>	<u>Target</u>	new <u>Target</u>	new <u>Target</u>

ID Wuhan

Global development

- ★ Sep.2006
Establishment of a scholarship at Huazhong University of Science and Technology
- ★ Nov.2008
Establishment of a fund for Japanese class at Hubei University of Economics
- ★ Sep.2010
Certification for the Information Security Management System
- ★ Dec.2010
Certification for the Advanced Technology Service Enterprise
- ★ Sep.2011
Establishment of a scholarship for Japanese class at Jiangnan University

Business alliance with
SYSCOM(USA) Inc.



- Wuhan**
- Software development
 - BPO
- Wuxi**
- System operation management

- Tokyo**
- On-site development
 - On-site system operation management
 - Offshore
 - Training

- ❖ **IT support for Japanese companies' business in China**
- ❖ **Establishment of service network with leading local vendors throughout China**

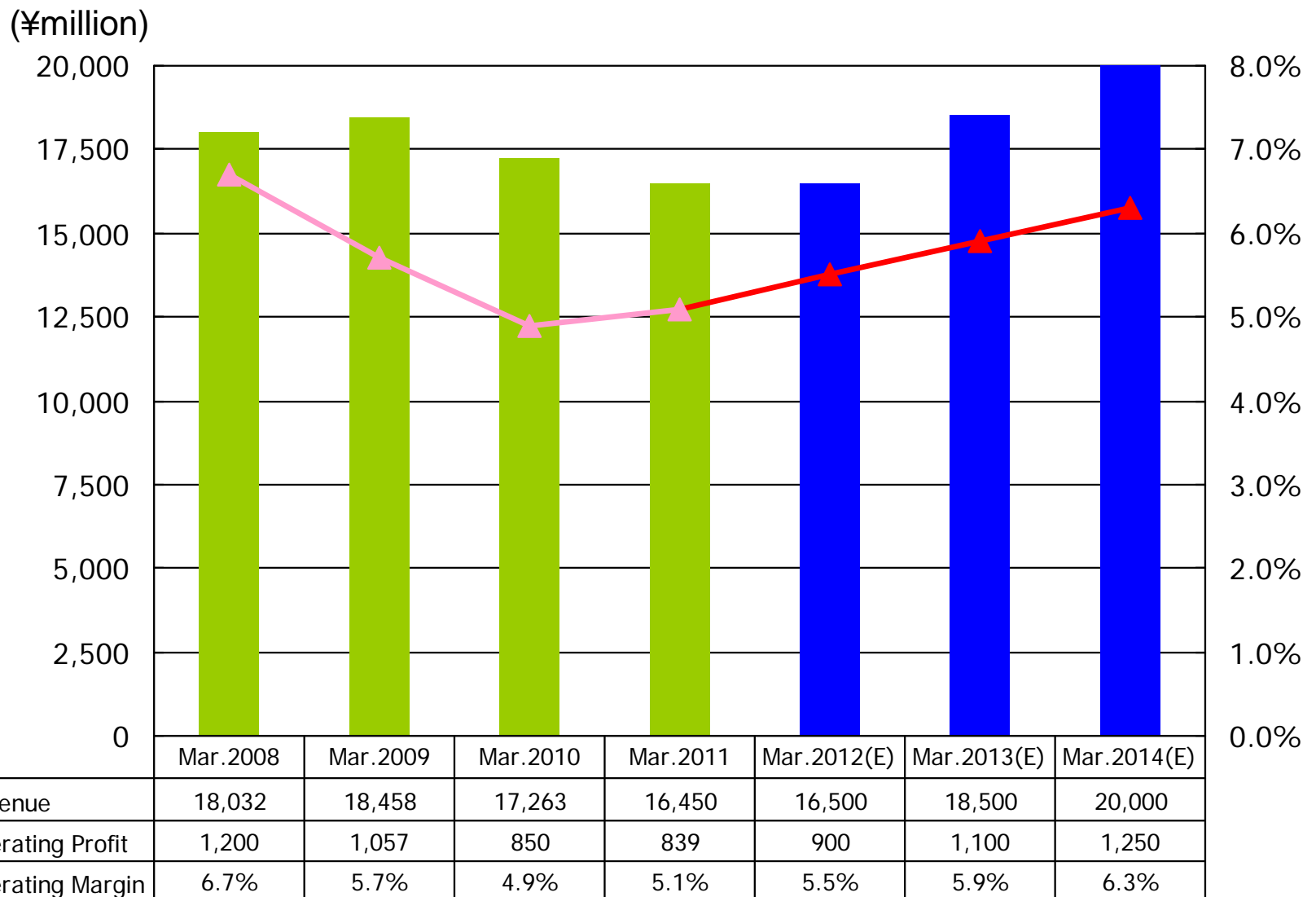
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The new mid-term management plan

Target value



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Performance forecast
(for the year ending March 31, 2012)



Change or Die!

(¥million)	Mar.2011	(% of revenue)	Mar.2012	(% of revenue)	YOY % changes
Revenue	16,450		16,500		+0.3%
Operating Profit	839	5.1	900	5.5	+7.2%
Recurring Profit	892	5.4	900	5.5	+0.8%
Net Profit	447	2.7	500	3.0	+11.8%
EPS (Yen)	60.21		67.31		+7.10
Dividend per Share (Yen)	19.00		21.00		+2.00

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Such forward-looking statements and information are based on data available when this presentation was prepared, and not based on historical facts.

These forward-looking statements and information also incorporate potential risk and uncertainties caused by changing economic trends, the competitive environment, and other factors. The Company's actual results, business development progress, and financial situation may differ significantly from forward-looking statements and information contained herein, due to competition in the industry, market demand, exchange rates, and other socioeconomic and political factors.