



Investor Presentation

For the Year Ended March 31, 2007

May 16, 2007

Information Development Co., Ltd.



- 1. Consolidated Performance Overview**
- 2. Industry Trend and Comparison with Peers**
- 3. Direction of the Next Three Years**
(FY Mar-2008-FY Mar-2010)

1. Consolidated Performance Overview

- Overview of ID Group
- Performance Highlights
- Revenue and Profits/Financial Position & Cash Flows
- Revenue Analysis by Business and Customers
- Factors for Revenue and Profit Increase
- Stock Data

Overview of ID Group (As of March 31, 2007)



Breakthrough ¥20B!

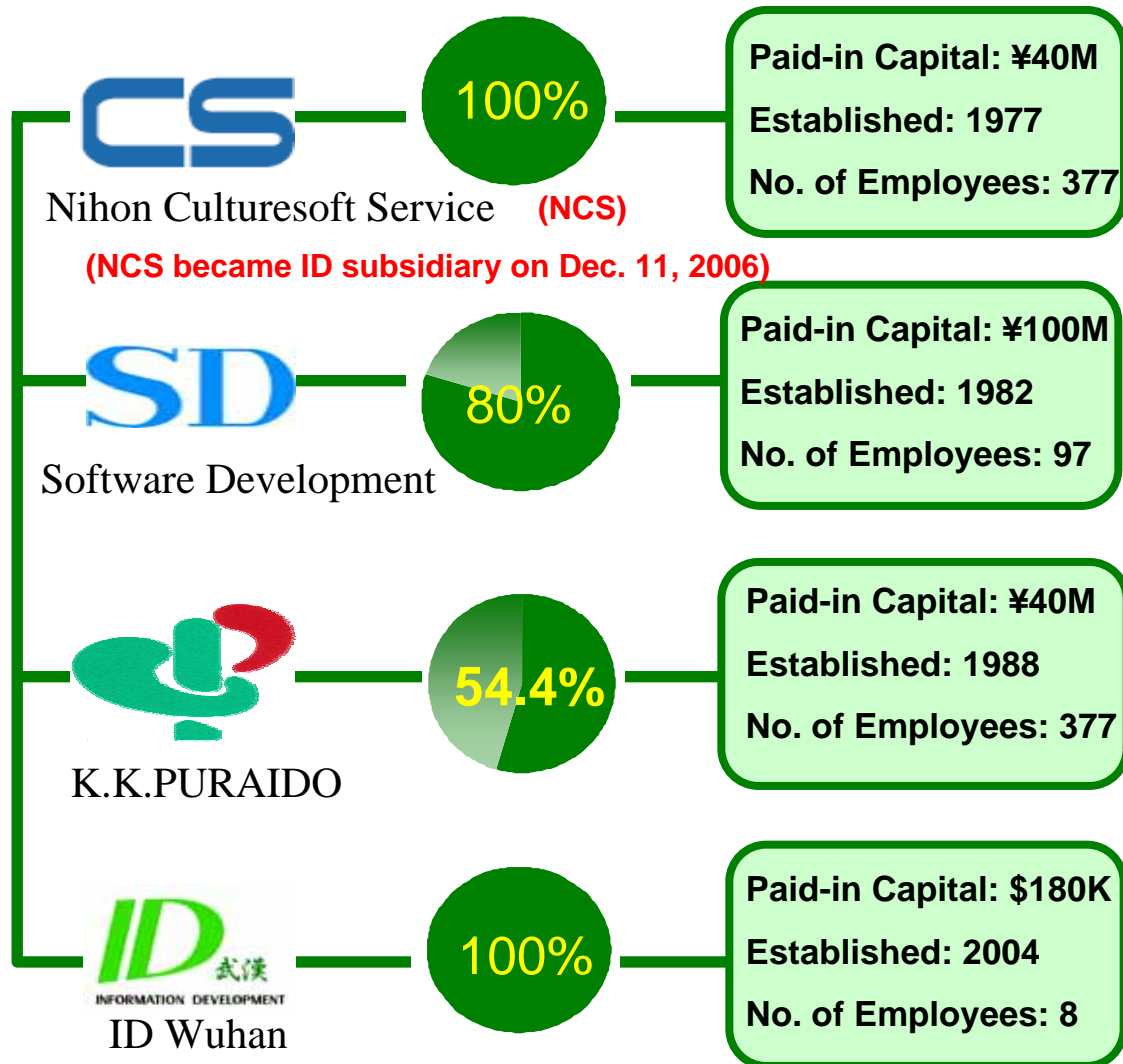


Paid-in Capital:
¥591.54 million

Established:
October, 1969

Number of Employees:
1,549

ID Ownership



Performance Highlights

(For the year ended March 31, 2007)



▶ **Both revenue & earnings increased vs. FY Mar-06 forecast and results**

▶ **Record-high revenue for two consecutive years (¥14.69B)**

▶ **Record-high recurring profit for two consecutive years (¥1.02B)**

▶ **Operating margin: 7.0%; ROE: 11.2%**

▶ **Nihon CultureSoft Services became wholly owned subsidiary**
(December 11, 2006)

▶ **Business alliance with TDC Software Engineering** (December 11, 2006)

▶ **Year-end cash dividends (planned): ¥18.00 (+¥3.00 vs. FY Mar-06)**

▶ **Launched medium-term business plan: Breakthrough ¥20B !**

Breakthrough ¥20B!

Revenue and Profits



Breakthrough ¥20B!

(¥ million)	2006/3	(% of Revenue)	2007/3	(% of Revenue)	YOY % Change	% Change to Forecast
Total Revenue	13,028		14,692		+12.8%	+7.2%
Cost of Sales	10,555	81.0	11,890	80.9	+12.6%	+7.4%
Gross Profit	2,472	19.0	2,802	19.1	+13.3%	+6.6%
SG&A Expenses	1,621	12.5	1,777	12.1	+9.6%	+2.2%
Operating Profit	851	6.5	1,024	7.0	+20.4%	+15.3%
Recurring Profit	845	6.5	1,024	7.0	+21.1%	+14.8%
Extraordinary Profit & Loss	(87)		(46)		-	-
Net Profit	430	3.3	550	3.7	+28.0%	+13.3%
EPS (Yen)	68.68		72.00		+4.8%	+16.2%

Financial Position & Cash Flows



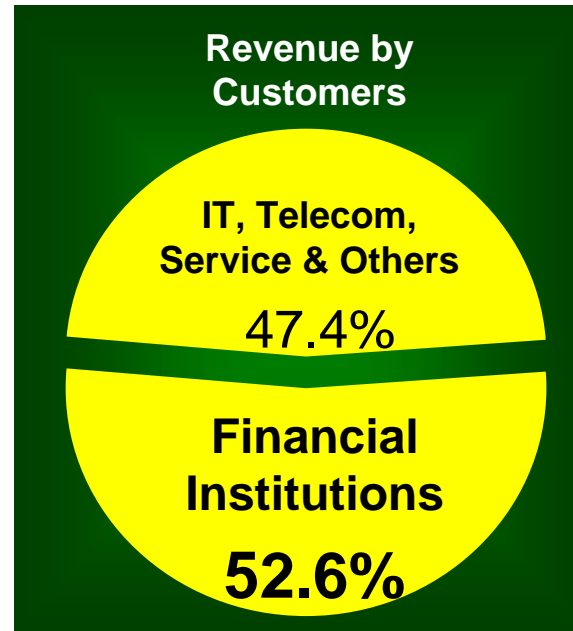
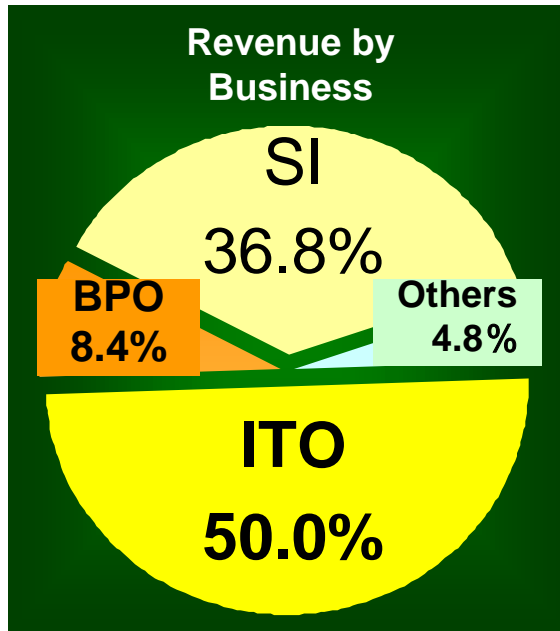
Breakthrough ¥20B!

(¥ million)	2006/3	2007/3	YOY % Change	Overview
Current Assets	3,965	4,863	+22.6%	<p>Investment for Future Growth</p> <p>IBD: +¥1.2B</p> <ul style="list-style-type: none"> M&A: NCS Stock purchase: TDC Software Engineering <p>Shareholder Return</p> <ul style="list-style-type: none"> 1:1.3 stock split (+1,841,576 shares vs. FY Mar-06) ROE: 11.2% (+1.9 point vs. FY Mar-06)
Cash and Deposits	1,637	1,564	(4.4)%	
Fixed Assets	3,957	5,032	+27.2%	
Total Assets	7,923	9,895	+24.9%	
Liabilities	2,994	4,735	+58.2%	
Interest-Bearing Debt	118	1,318	+1110.2%	
Earned Surplus	3,698	4,139	+11.9%	
Shareholders' Equity*	4,794	4,954	+3.3%	
ROE (%)	9.3	11.2	+1.9p	
Cash Flows from Operating Activities	1,081	376	(65.2)%	
Cash Flows from Investing Activities	275	(587)	-	
Cash Flows from Financing Activities	(938)	68	-	

*¥80 million valuation and translation adjustment was excluded from Shareholders' Equity.

Revenue Analysis (by Business; Customers; Contracts)

Breakthrough ¥20B!



- **Outsourcing: 58.4%**
- **Financial Institutions: 52.6%**
- **Direct Contracts: 88.4%**

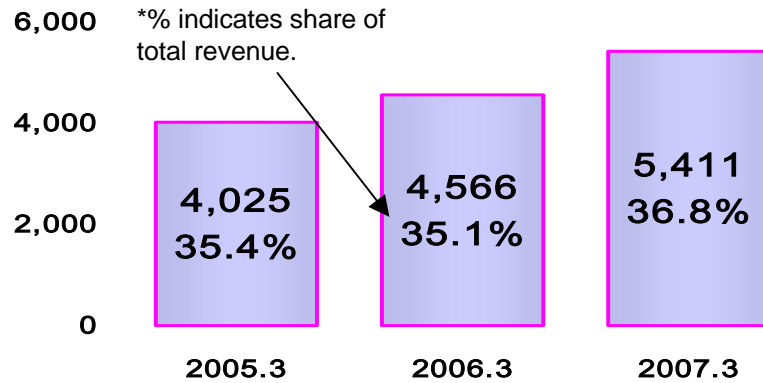
Revenue by Business



Breakthrough ¥20B!

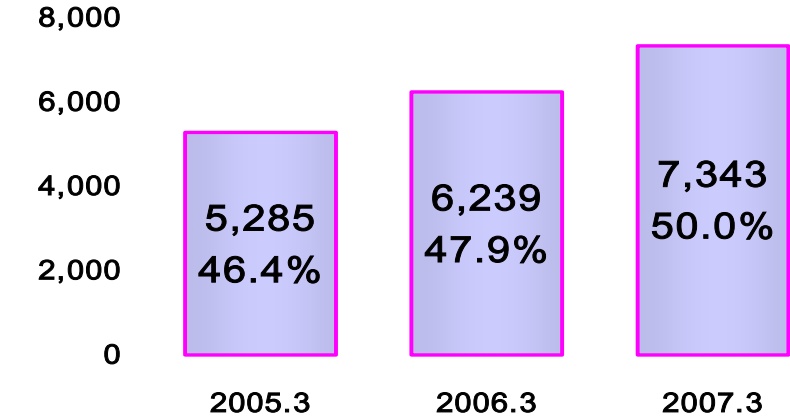
SI +18.5%

(¥ million)



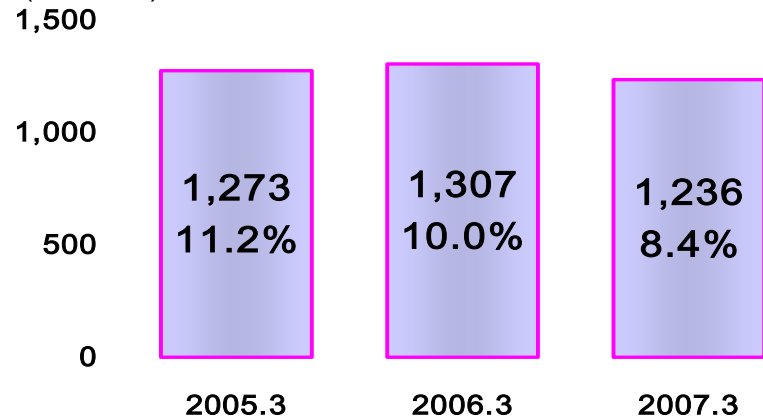
ITO +17.7%

(¥ million)



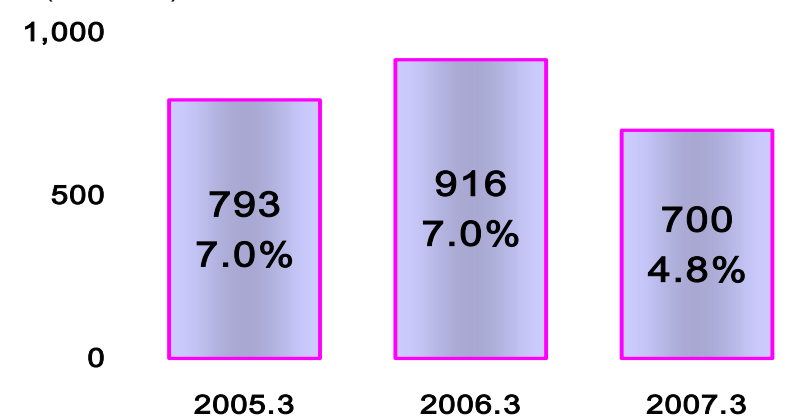
BPO (5.4)%

(¥ million)



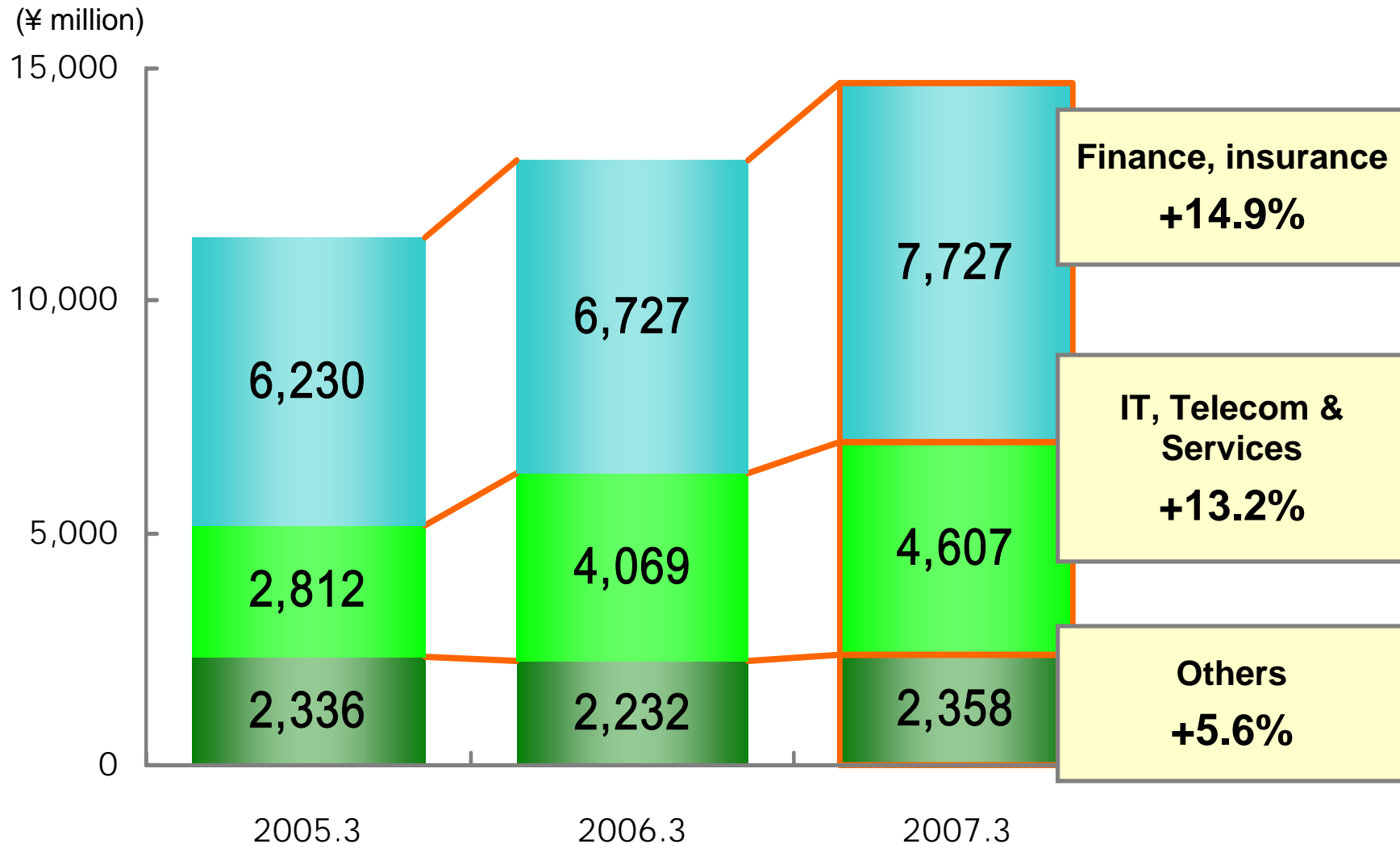
Consulting & Security (23.5)%

(¥ million)



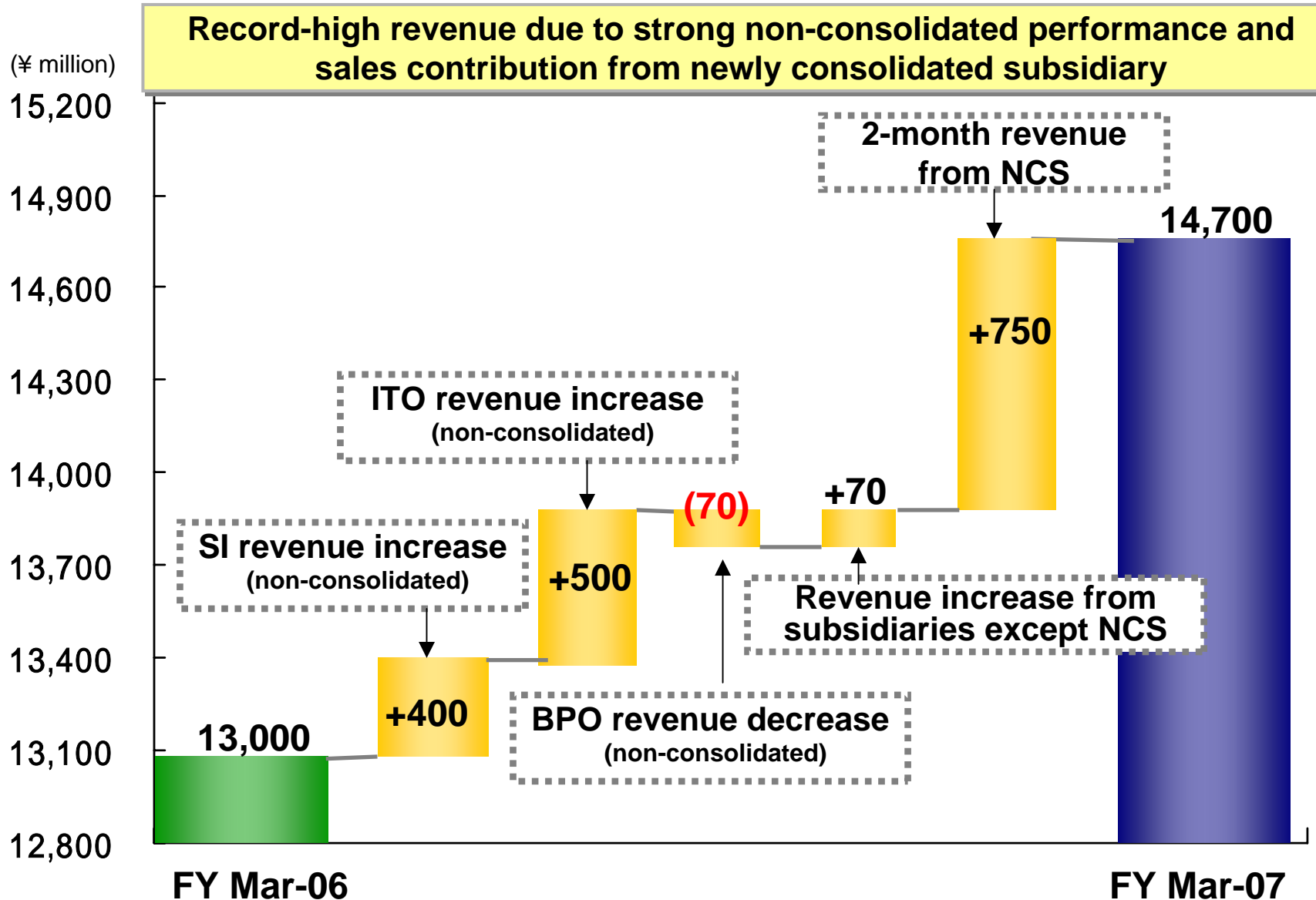
Revenue by Customers

▶ Revenue increased in all business sectors



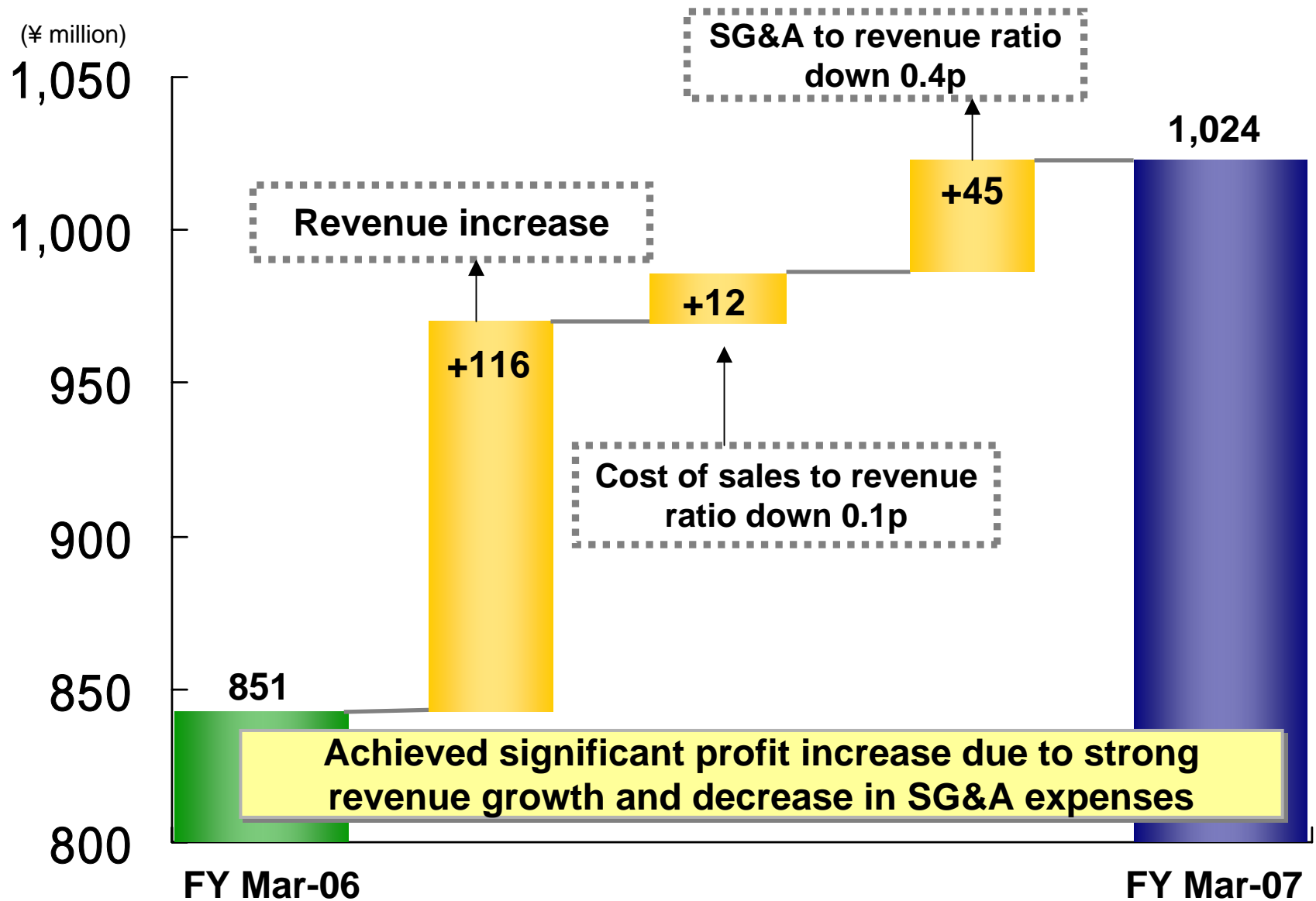
Factors for Revenue Increase

Breakthrough ¥20B!

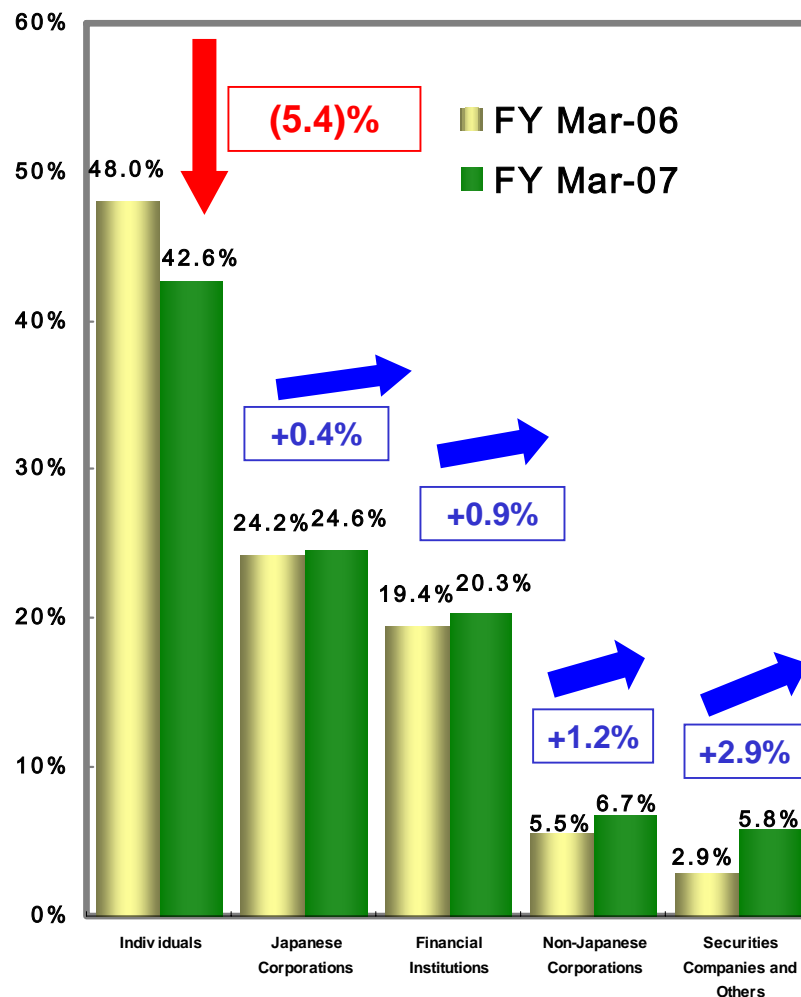


Factors for Operating Profit Increase **ID GROUP**

Breakthrough ¥20Bi



◆ Shareholding by Investor Type



*449,720 shares (+270,805 shares vs. FY Mar-06) of treasury stock are excluded from the above.

◆ No. of Shareholders: 2,103 (-166 vs. FY Mar-06)

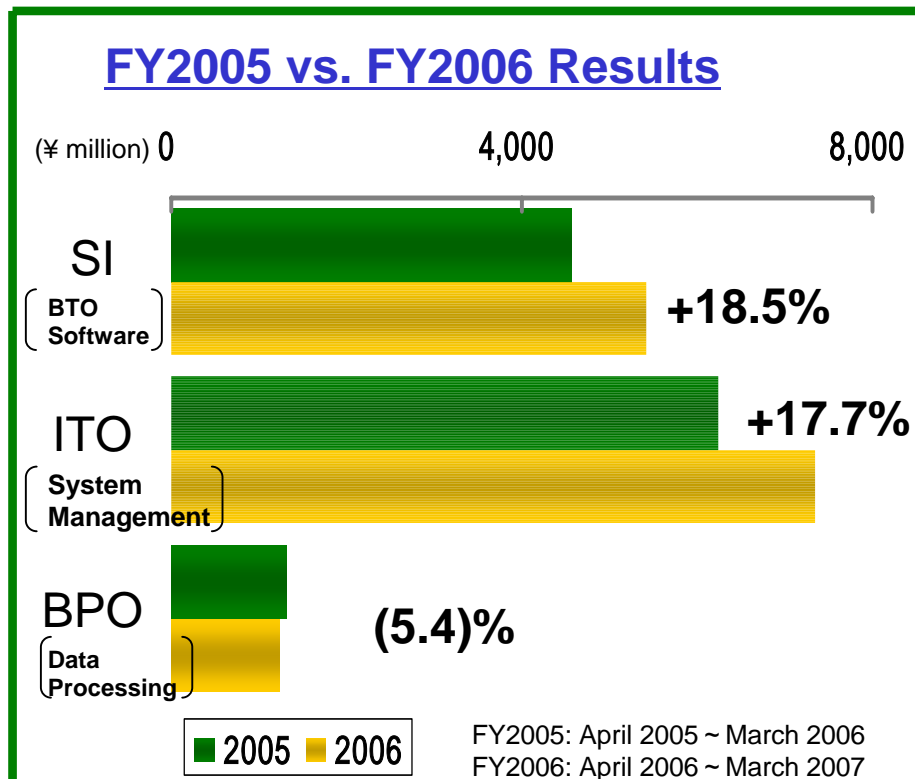
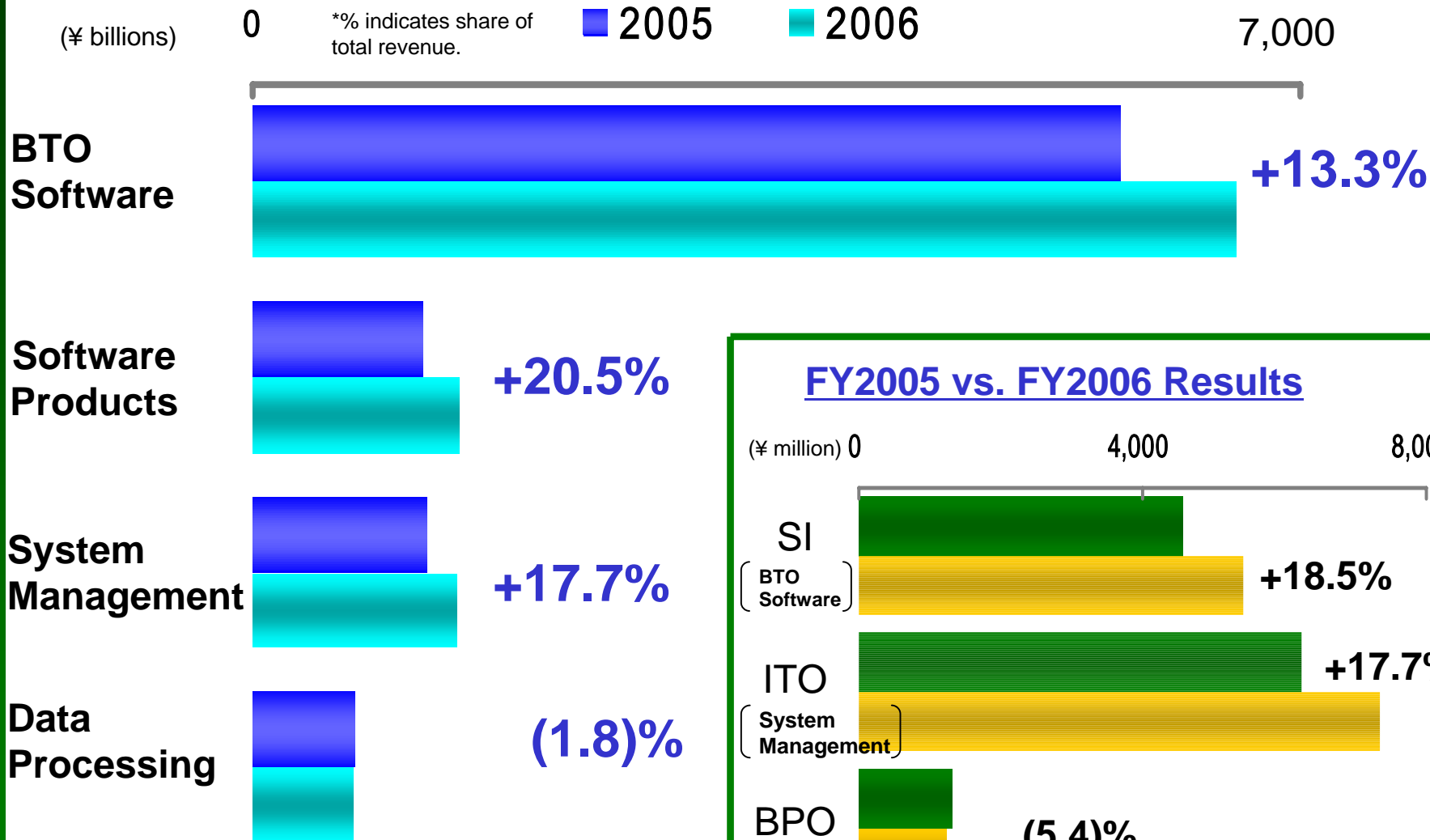
Major Shareholders		% of Total Shares
1	A. K. Corporation	8.7%
2	Mizuho Trust Systems Co., Ltd.	8.5%
3	ID Employee Ownership Account	5.9%
4	JPMorgan Chase CREF Jasdec Lending Account	5.3%
5	Trust & Custody Services Bank, Ltd. (Investment Trust Account)	3.9%
6	K.C.S Co., Ltd.	3.7%
7	Mizuho Trust & Banking Co., Ltd.	3.5%
8	The Master Trust Bank of Japan, Ltd. (Trust Account)	2.9%
9	Mizuho Corporate Bank, Ltd.	2.9%
10	Trust & Custody Services Bank, Ltd. (Pension Tokkin Account)	2.8%

2. Industry Trend and Comparison with Peers

- 2006 Industry Trends
- ID Industry Position
- Performance Comparison with Peers

2006 Industry Trends

Breakthrough ¥20B!



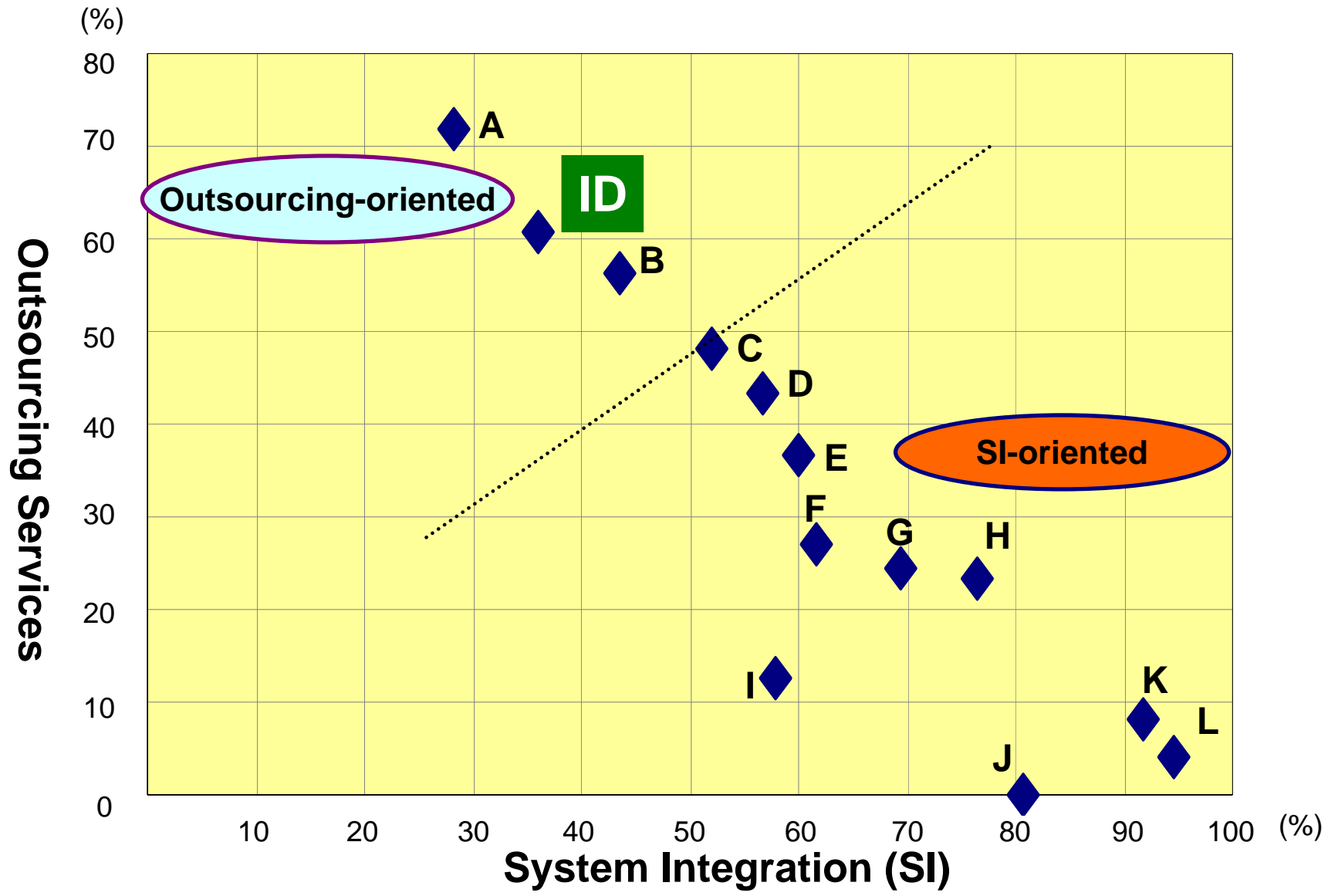
*Above graph was made by the Company referring "Trends in Specific Service Sector (METI)" from January-December 2005 and 2006)

ID Industry Position

(comparison by revenue share of SI and Outsourcing)



Breakthrough ¥20B!



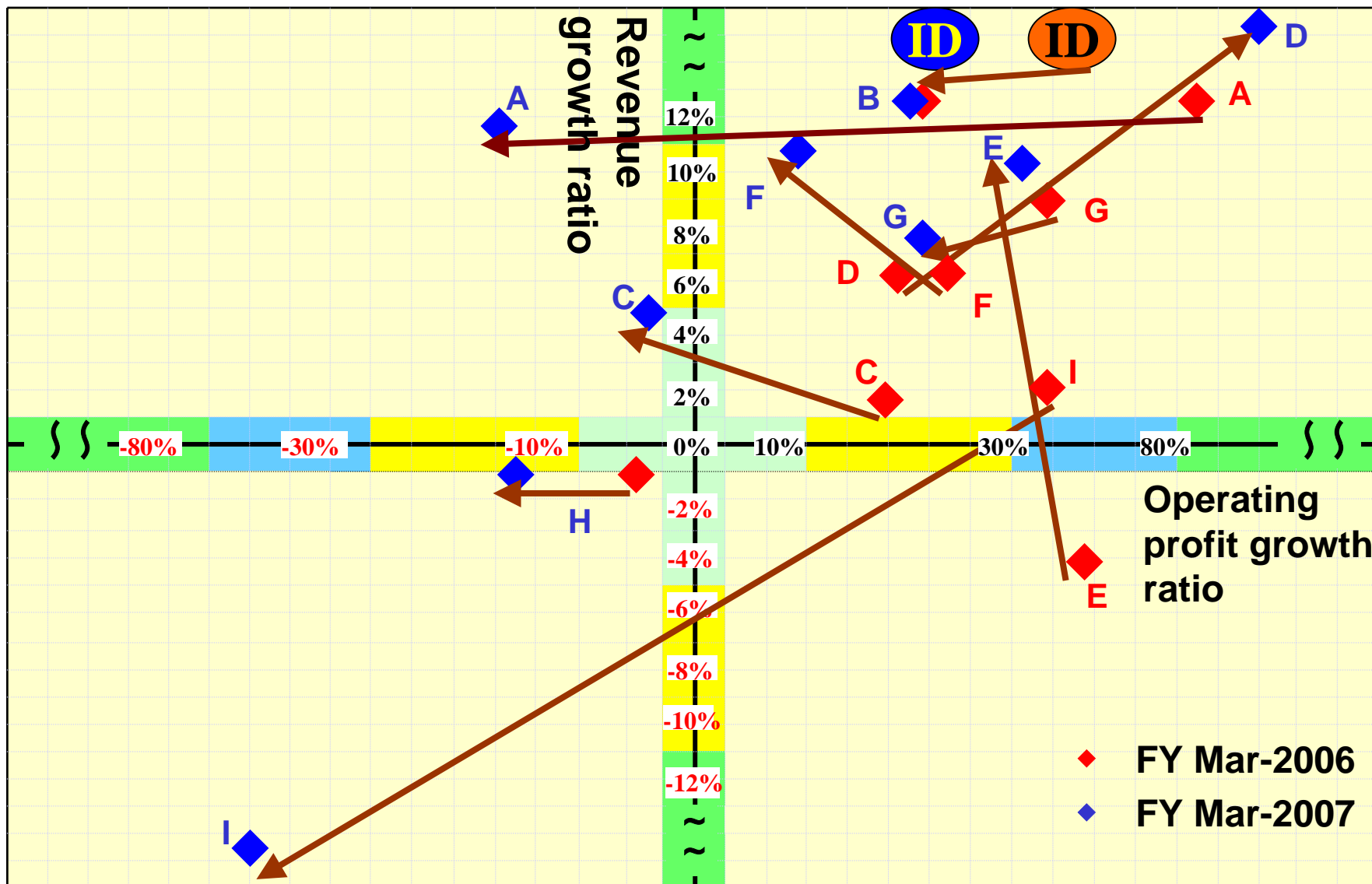
* Above chart was made by the Company based on financial materials of each indicated companies.

Performance Comparisons with Peers

(For the year ended March 31, 2007)



Breakthrough ¥20B!



Source: Results announcements for FY Mar-07 by each company (compiled by the Company)

ID Group Medium-Term Business Plan

Breakthrough ¥20B!

3 . Direction of the next three years (FY Mar-2008-FY Mar-2010)

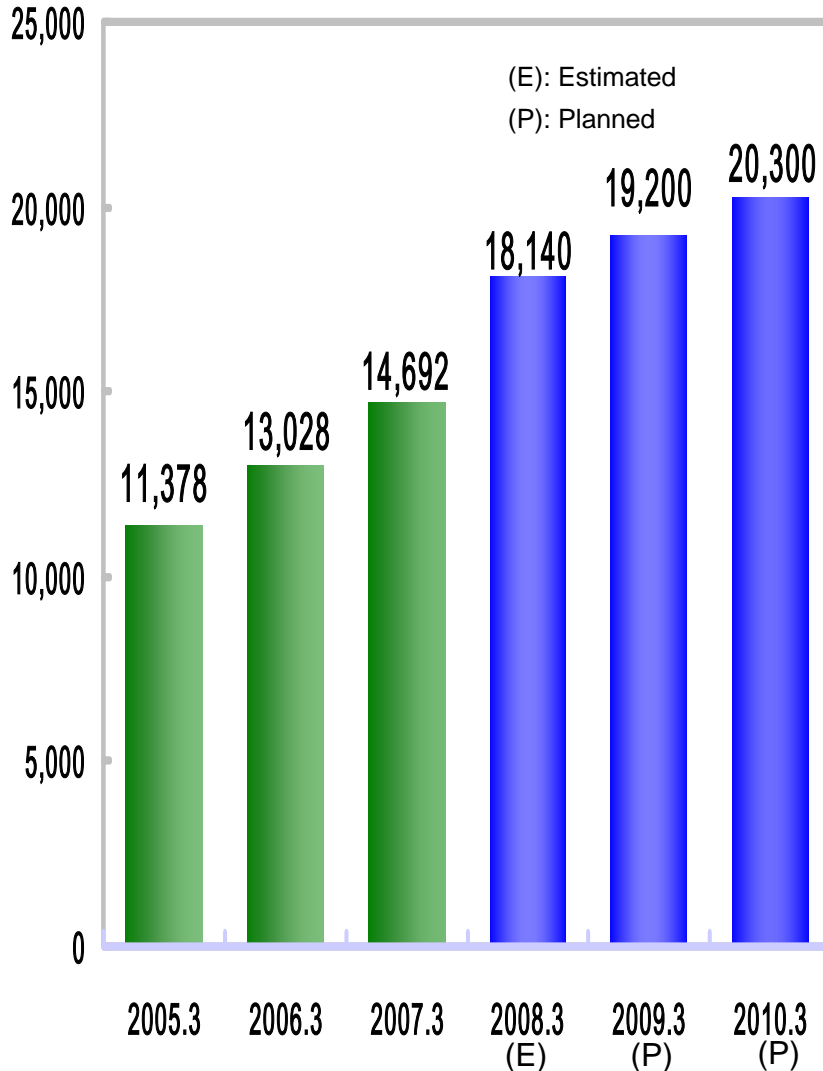
- Consolidated Performance Target
- Consolidated Cash Flows and Interest-Bearing Debt
- NCS Performance Target
- Strategic Direction
- Three-Year Revenue Trends
- Factors for Revenue Increase for the Next Three Years
- Dividend Policy

Consolidated Performance Target



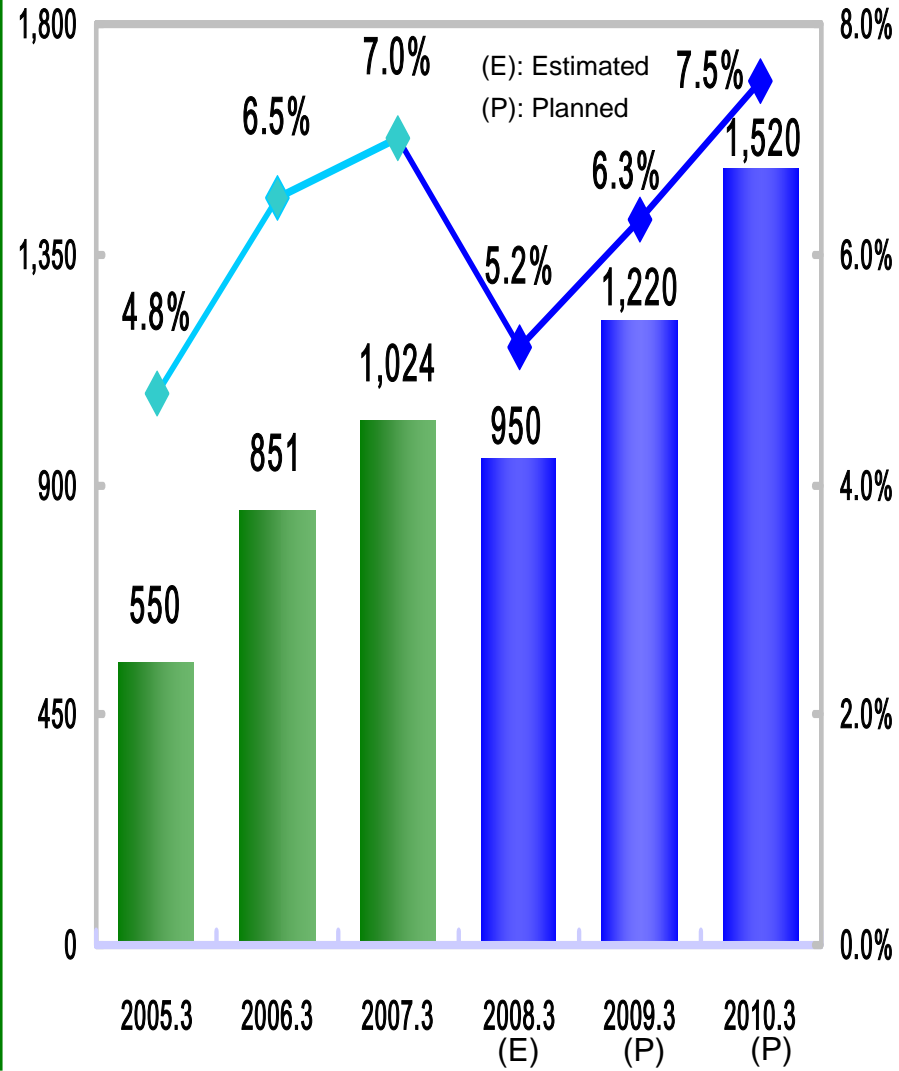
■ Total Revenue

(¥ million)



■ Operating Profit & Profit Margin

(¥ million)



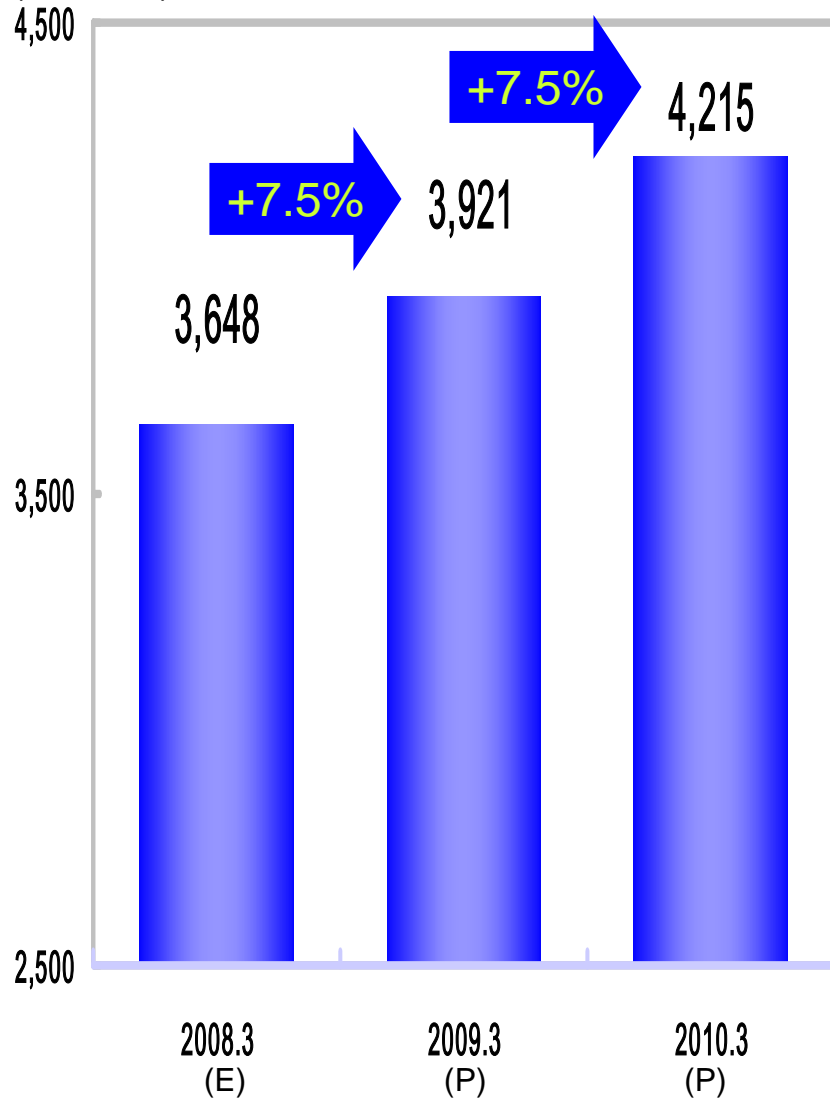
Breakthrough ¥20B!

(¥ million)	2008/3 (Estimated)	2009/3 (Planned)	2010/3 (Planned)
Cash Flows from Operating Activities	882	869	1,255
Cash Flows from Investing Activities	(225)	(109)	(110)
Cash Flows from Financing Activities	(1,059)	(465)	(227)
Free Cash Flows	656	760	1,144
Interest-Bearing Debt	400	81	0

Breakthrough ¥20B!

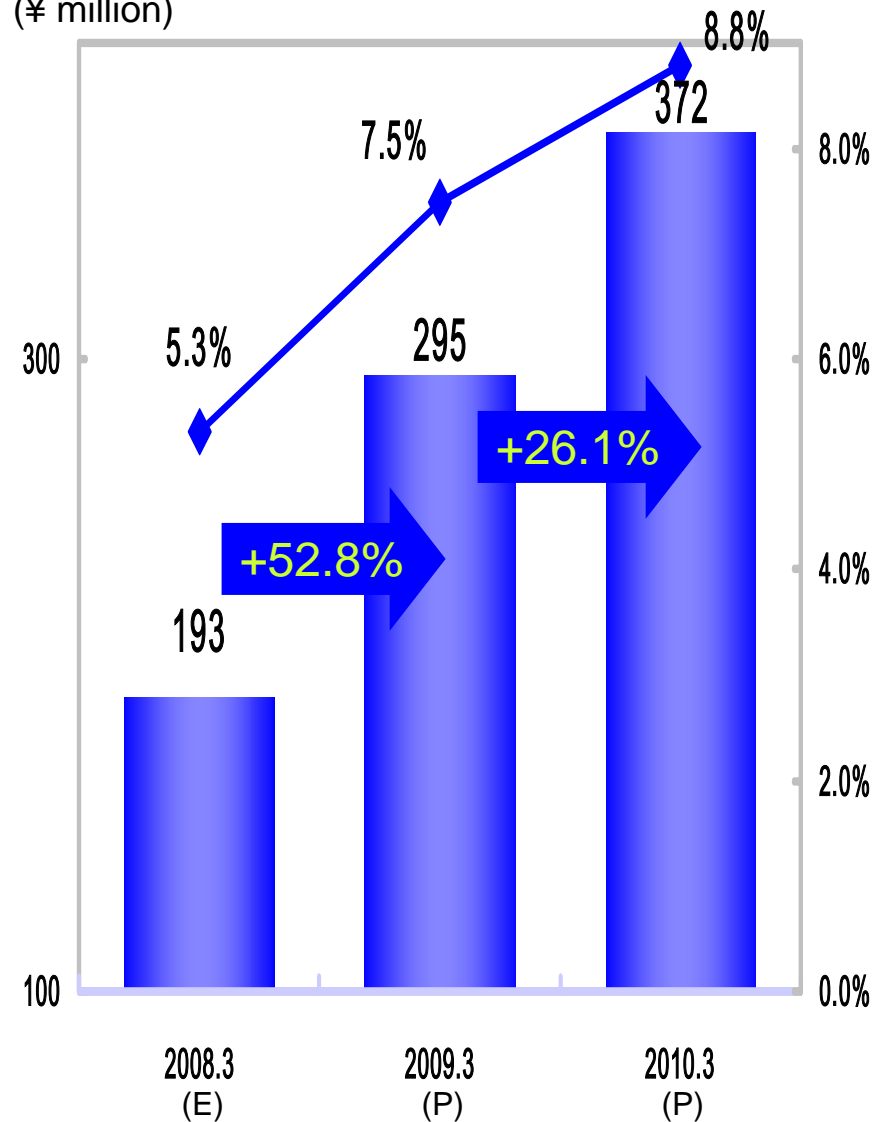
■ Total Revenue

(¥ million)



■ Operating Profit & Profit Margin

(¥ million)



Maximize Group Synergy

Breakthrough ¥20B!

Target for the year ending March 31, 2010
Total Revenue: ¥20.3B; Operating Profit Margin: 7.5%; ROE: 13.0%

Maximize Group Synergy

Share and effectively use Group resources

Penetrate Existing Customers

- Finance, Insurance
- Transportation, Energy
- IT, Telecom, Services

- Finance, Insurance
- IT, Telecom, Services

- Finance, Insurance
- Public, Association

- Finance
- Public, Association

Select & Focus on Potential Customers

Develop New Customers

Accelerate Alliances with Strategic Partners

SI

ITO

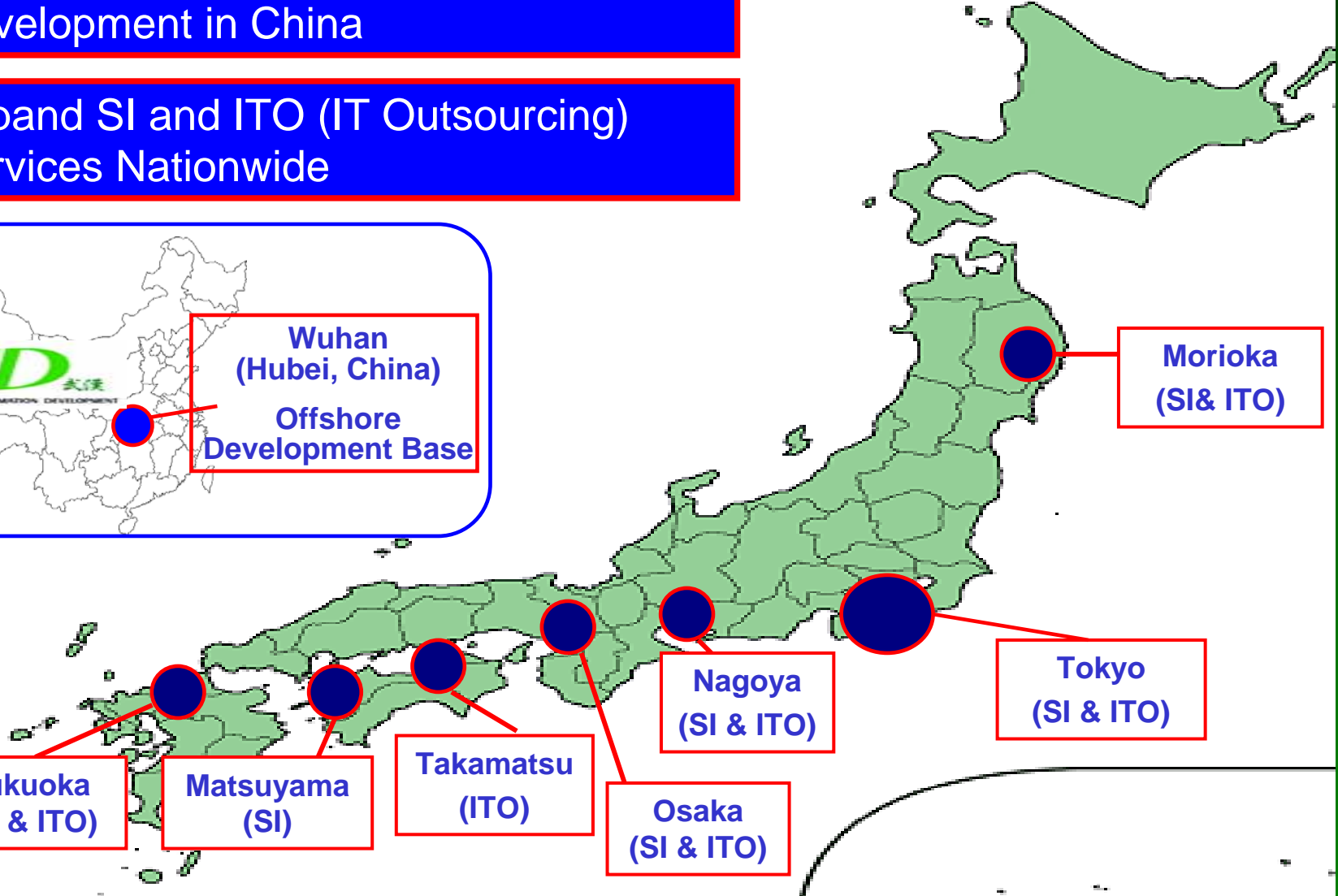
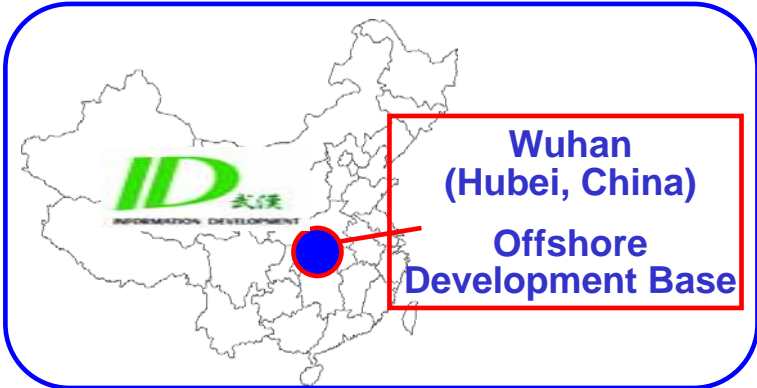
BPO

NCS

Breakthrough ¥20B!

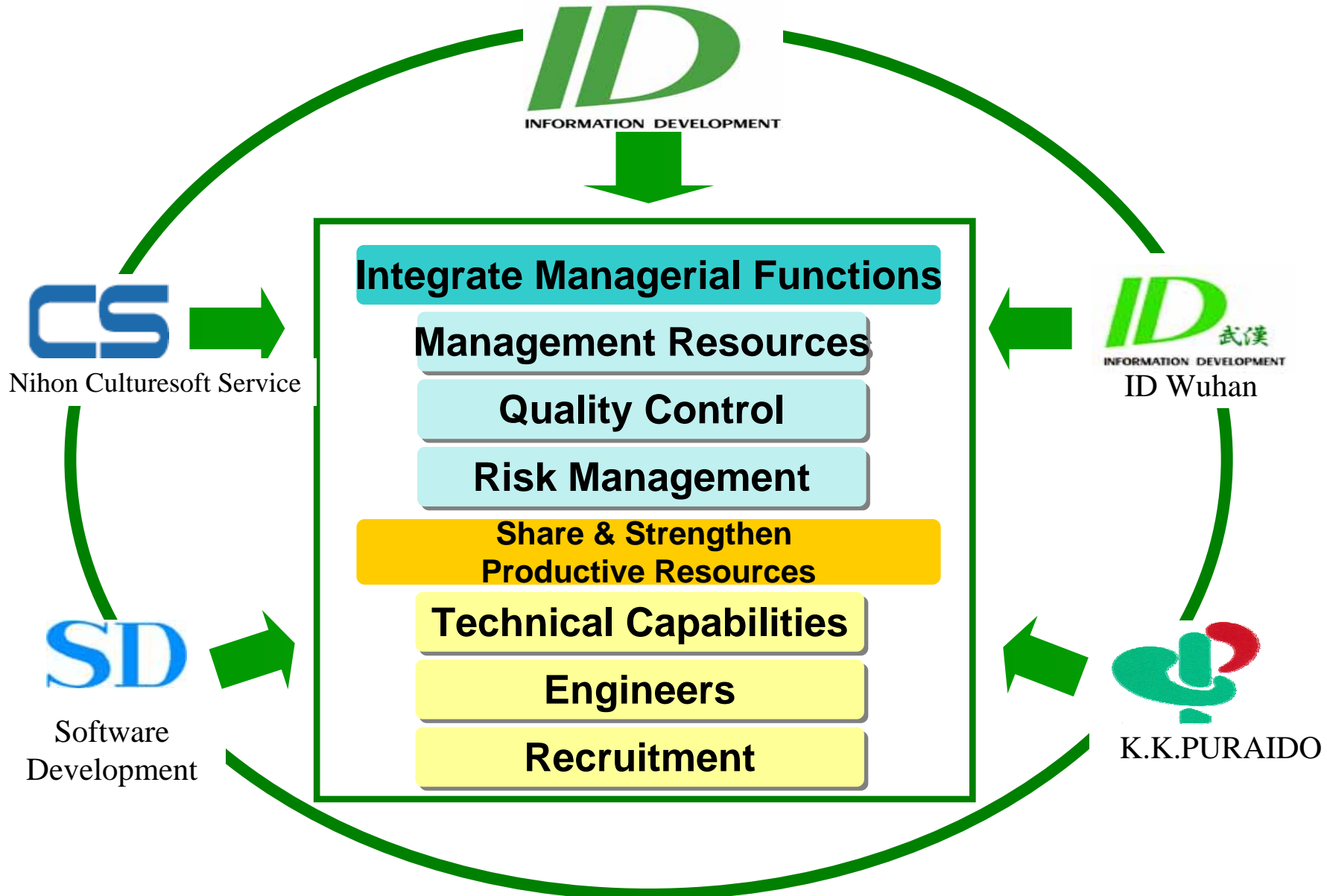
Accelerate and Strengthen Offshore Development in China

Expand SI and ITO (IT Outsourcing) Services Nationwide



Improve Management Efficiency (1)

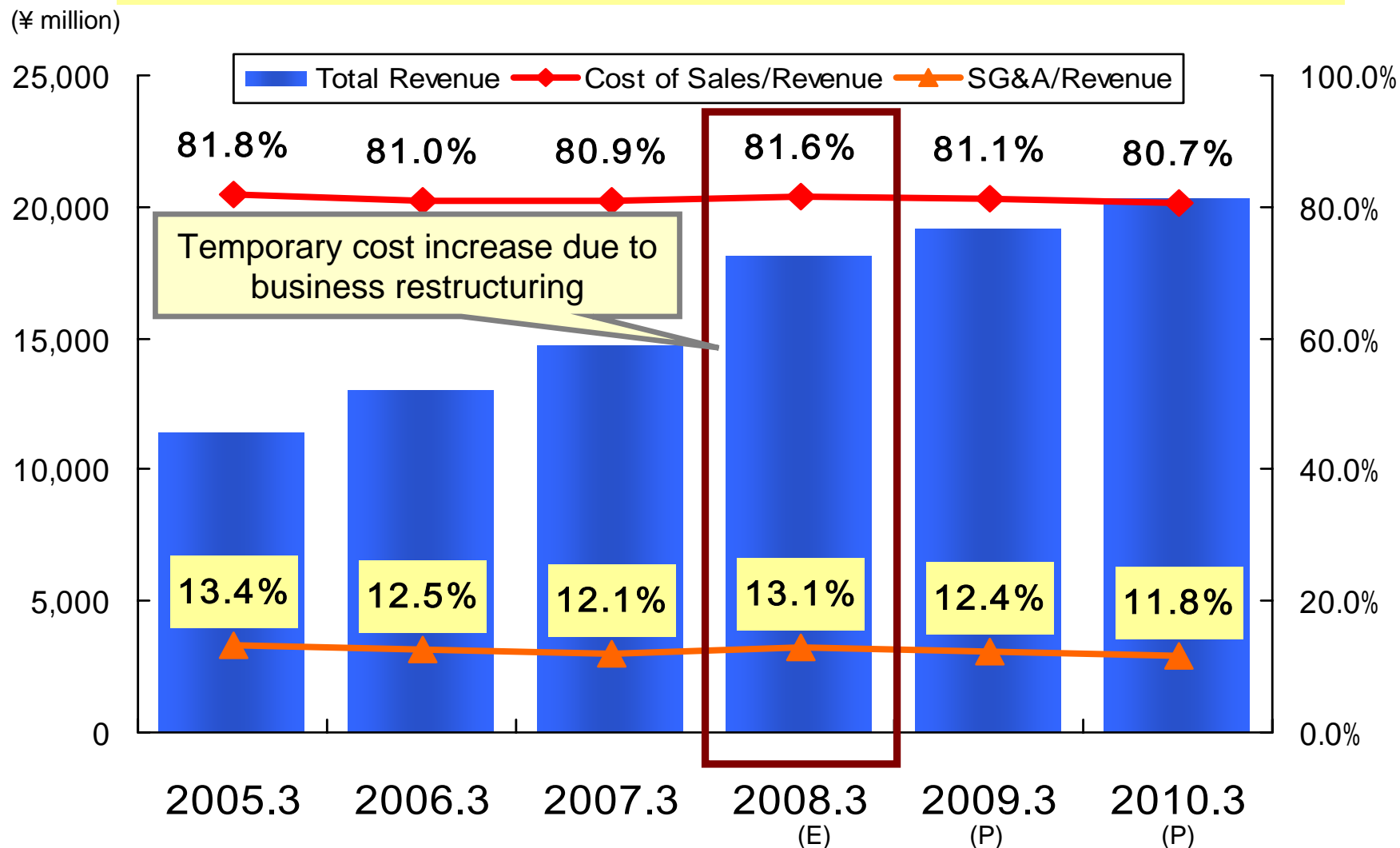
Breakthrough ¥20B!



Improve Management Efficiency (2)



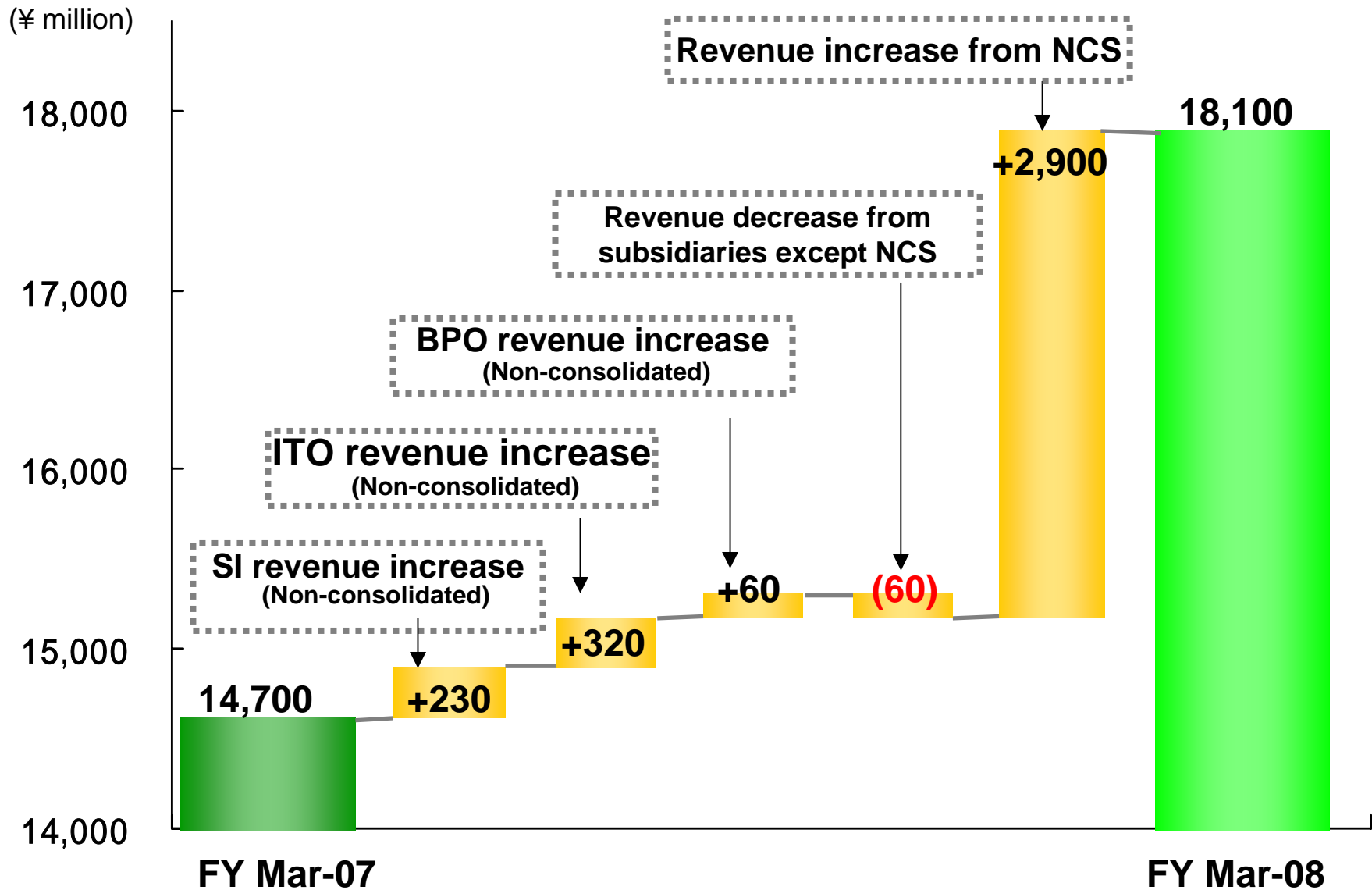
Cost reduction through effective group management



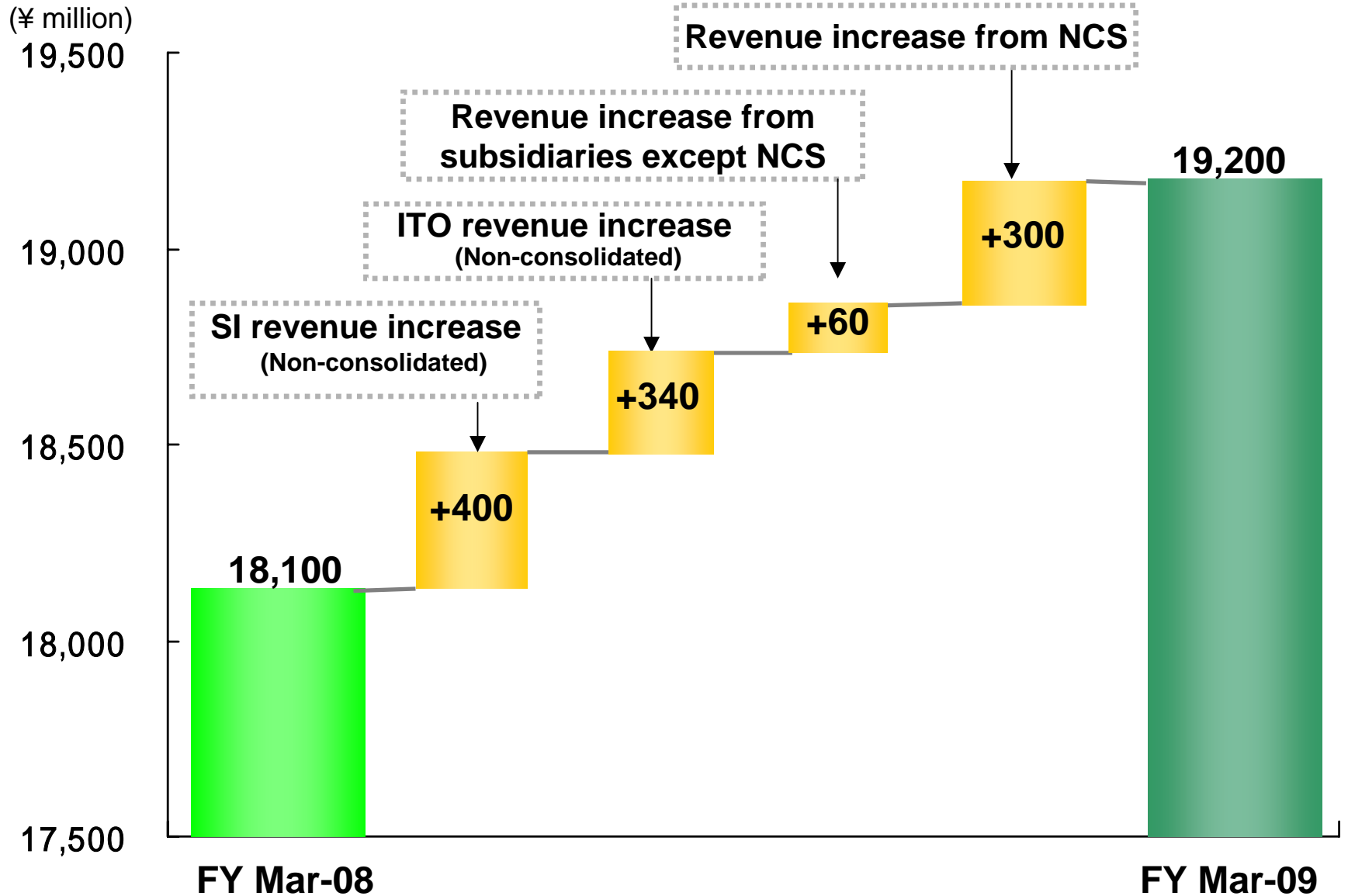
Note: Effective FY Mar-08, the Company will amortize goodwill in NCS at ¥64 million per year for a 10-year period.

Breakthrough ¥20B!

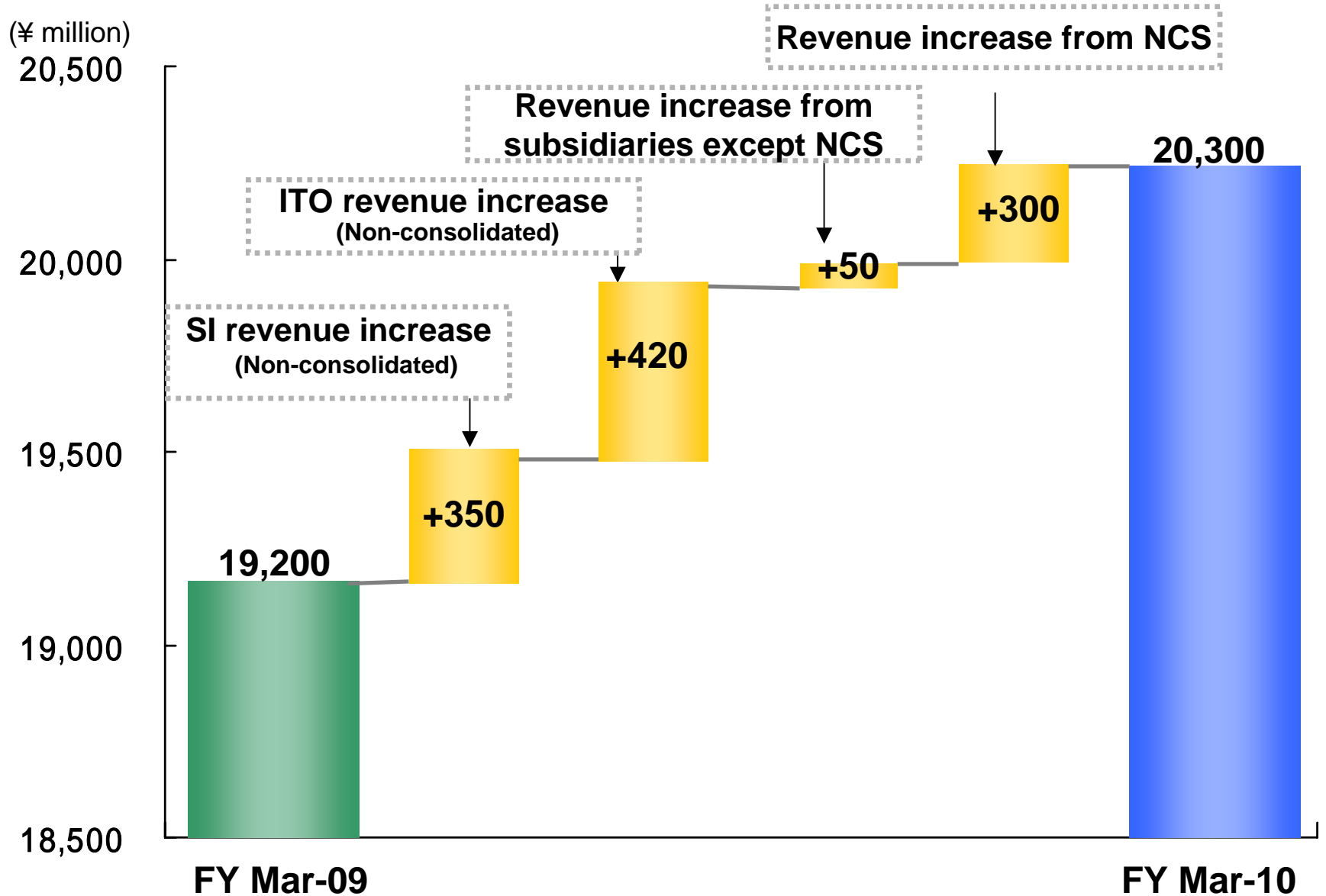
Breakthrough ¥20Bi



Breakthrough ¥20Bi



Breakthrough ¥20B!



Performance Forecasts

Breakthrough ¥20B!

	2007/3 (Actual)	2008/3 (Forecast)		% of Revenue *Figures in brackets indicate YOY changes.
	Amount	Amount	YOY Changes	
(¥ million)				
Total Revenue	14,692	18,140	+23.5%	-
Operating Profit	1,024	950	(7.3)%	5.2% (-1.8p)
Recurring Profit	1,024	940	(8.2)%	5.2% (-1.8p)
Net Profit	550	480	(12.8)%	2.6% (-1.1p)
EPS (Yen)	72.00	63.35	(12.0)%	-
ROE (%)	11.2	9.2	(2.0)p	-

- ◆ Consolidated revenue expected to rise significantly due to contribution from newly consolidated subsidiary.
- ◆ Temporary earnings decline forecast due to increase in SG&A (stemming from Group business restructuring) and amortization of goodwill (¥64 million per year for 10-year period).

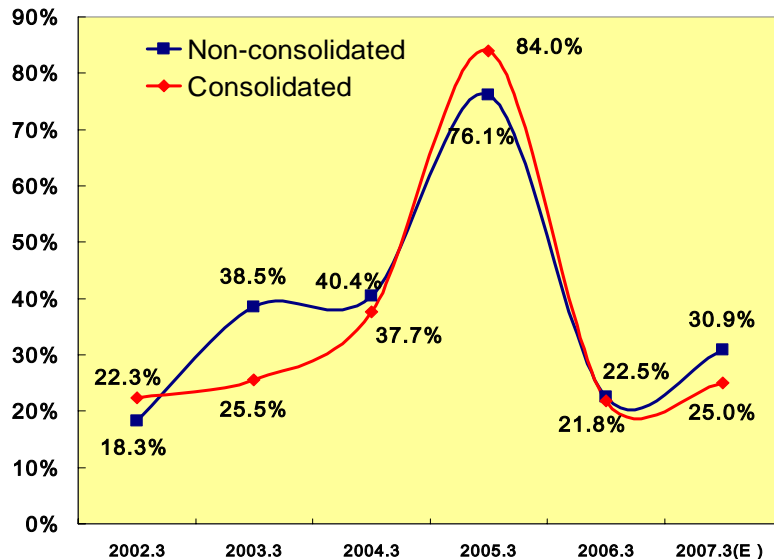
Dividend Policy

ID's stance on profit appropriation

- ✓ Allocate funds to increase corporate value
(via strategic alliances, M&As, other growth-oriented investments)
- ✓ Return to shareholders
- ✓ Ensure financial stability

Focus on Consolidated Payout Ratios

<Consolidated & non-consolidated payout ratios>



FY Mar-2008 (E)	
Cash Dividend per Share	¥18
Payout Ratio (Consolidated)	28.4%
Payout Ratio (Non-consolidated)	35.0%

*** Our dividend policy targets a consolidated payout ratio of 30%.**

Breakthrough ¥20B!

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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.