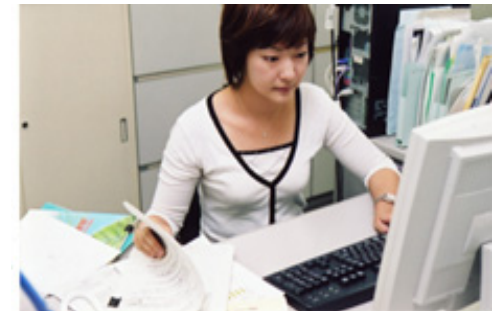


Information Development Co., Ltd.
FY2005 Semiannual Fiscal Summary
January 2006



- 1. Semiannual Fiscal Result & Annual Forecast**
- 2. Mid/Long Term Strategy**
- 3. Reference Materials**



FY 2005

Semiannual Fiscal Result & Annual Forecast



- Revenue: 6.28 billions yen <Record setting performance>
(Y/Y +19.7%)

- Operating profit margin : 6.4% (Y/Y +4.6point)
- Much improved labor productivity

- Extraordinary Loss :230millions yen
- Disposition of old company housing

- Interest-Bearing Debt decreased

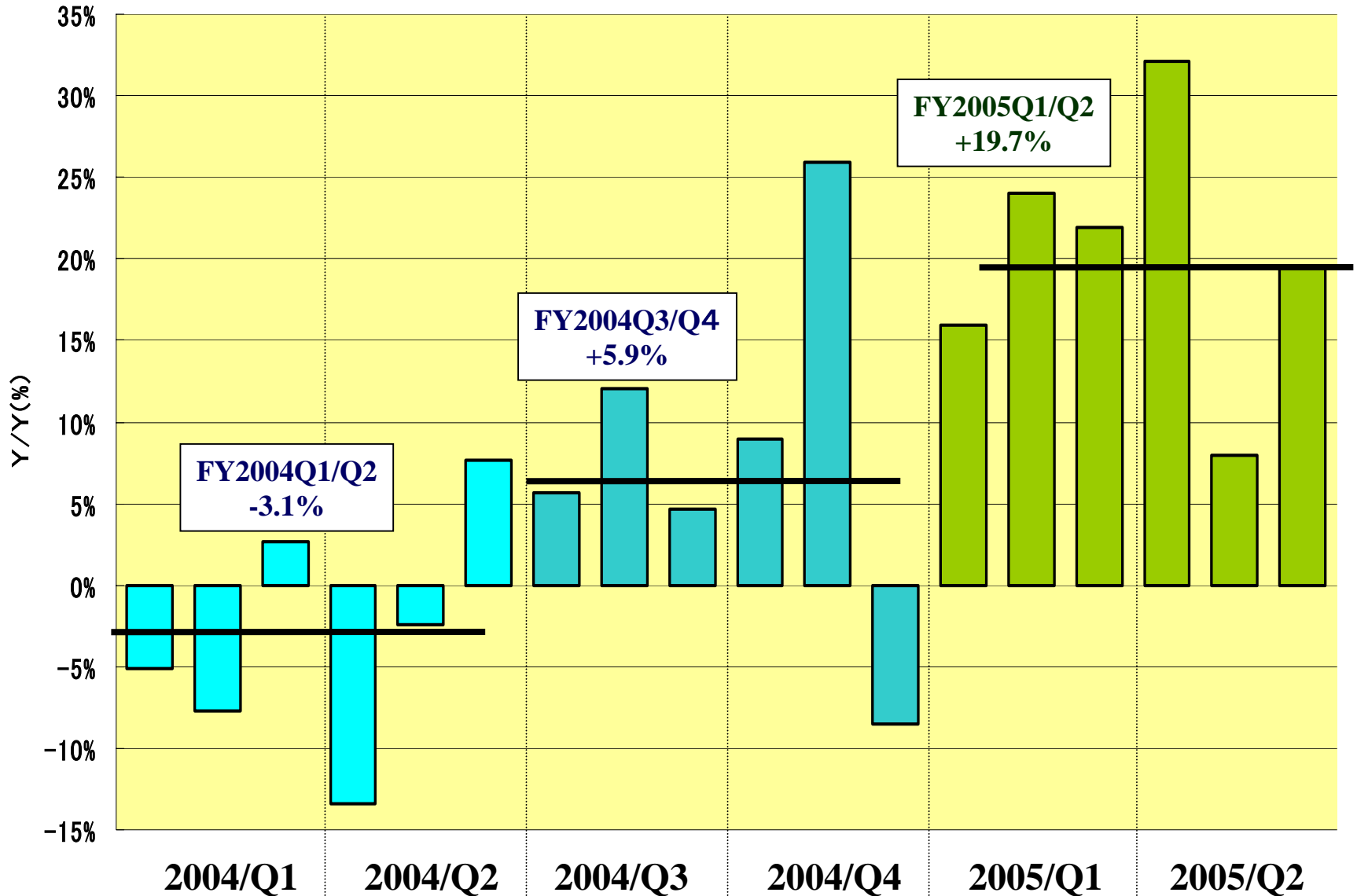
- Numbers of Employees: 1,673 (Y/Y+6.1%)
- The most import point for our business expanding:
- Reinforcement of human resource

FY2005 Semiannual B/S (Consolidated)

(M yen)	FY2004 semiannual	FY2005 semiannual	Y/Y	Forecast
Revenue	5,249	6,284	+19.7%	5,790
Operating profit	96	403	+316.4%	190
Operating profit ratio	1.8%	6.4%	+4.6p	3.3%
Recurring profit	97	394	+304.7%	180
Net profit	52	89	+69.8%	90
Net profit Per share	8.9	15.1	+70.0%	15.1

- Revenue & operating profit exceeded our target
- Positive growth in all business segments
- Specially, big growth in ITO&SI business segments
- Operating profit much improved
 - Even though outsourcing cost increased, labor productivity was much improved
- Extraordinary loss (Disposition of old company housing): 230M yen

Trend of Monthly Revenue(parent)

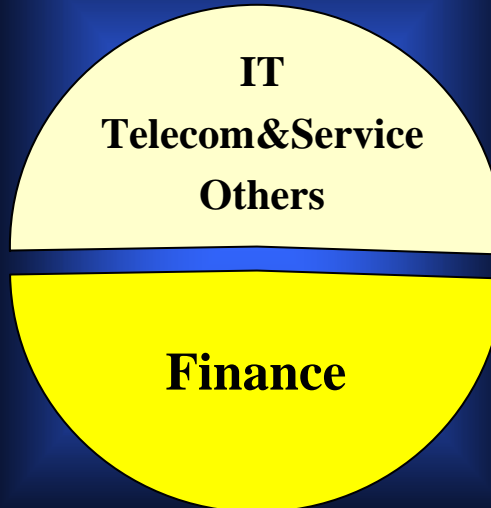


Our Business Character: Steady Growth & Stable Profitability

BUSINESS



CUSTOMERS

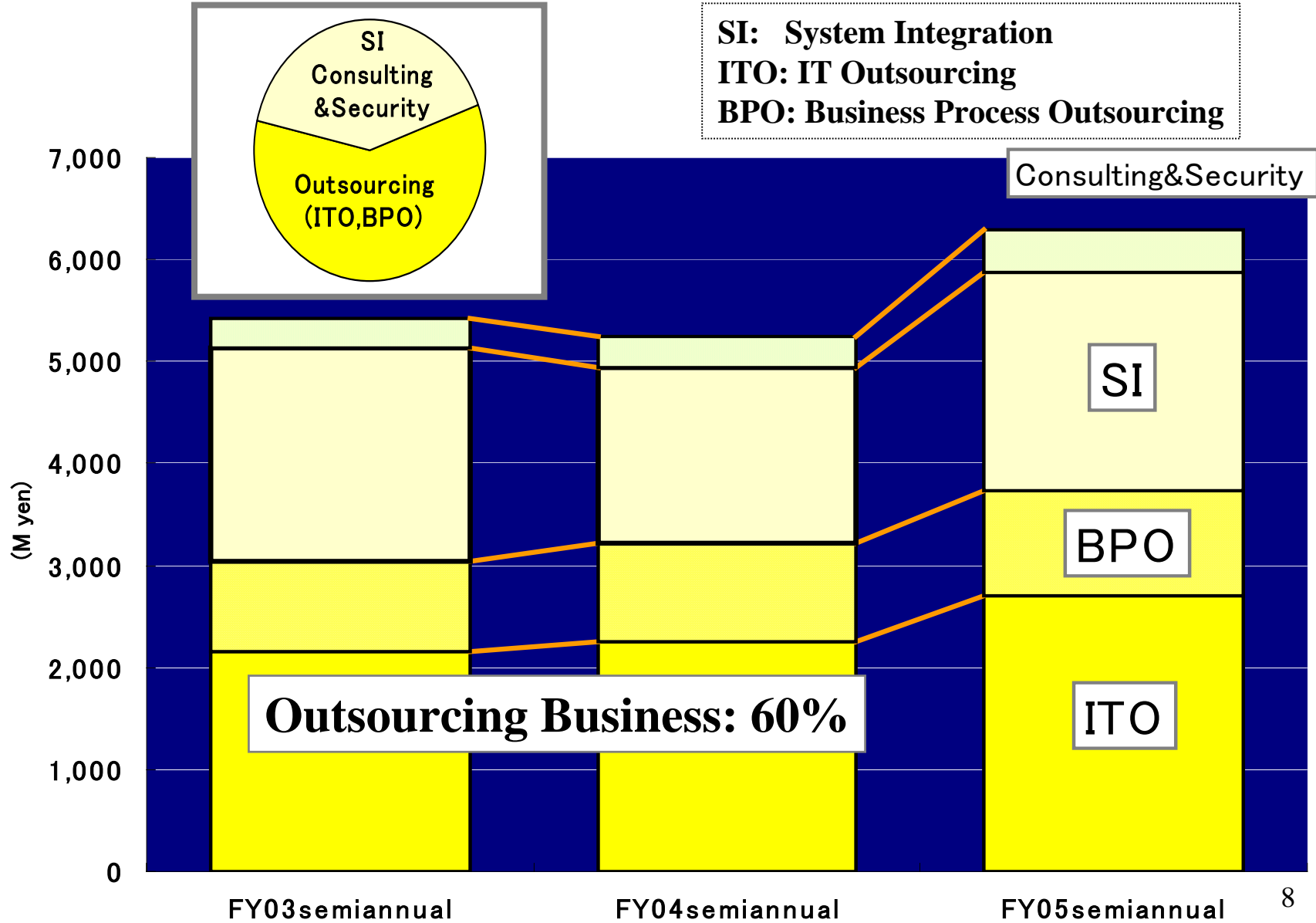


CONTRACT



- Outsourcing Business: about 60%
- Finance Customers: about 50%
- Direct Contracts: about 85%

Trend of Business Segments (Revenue)



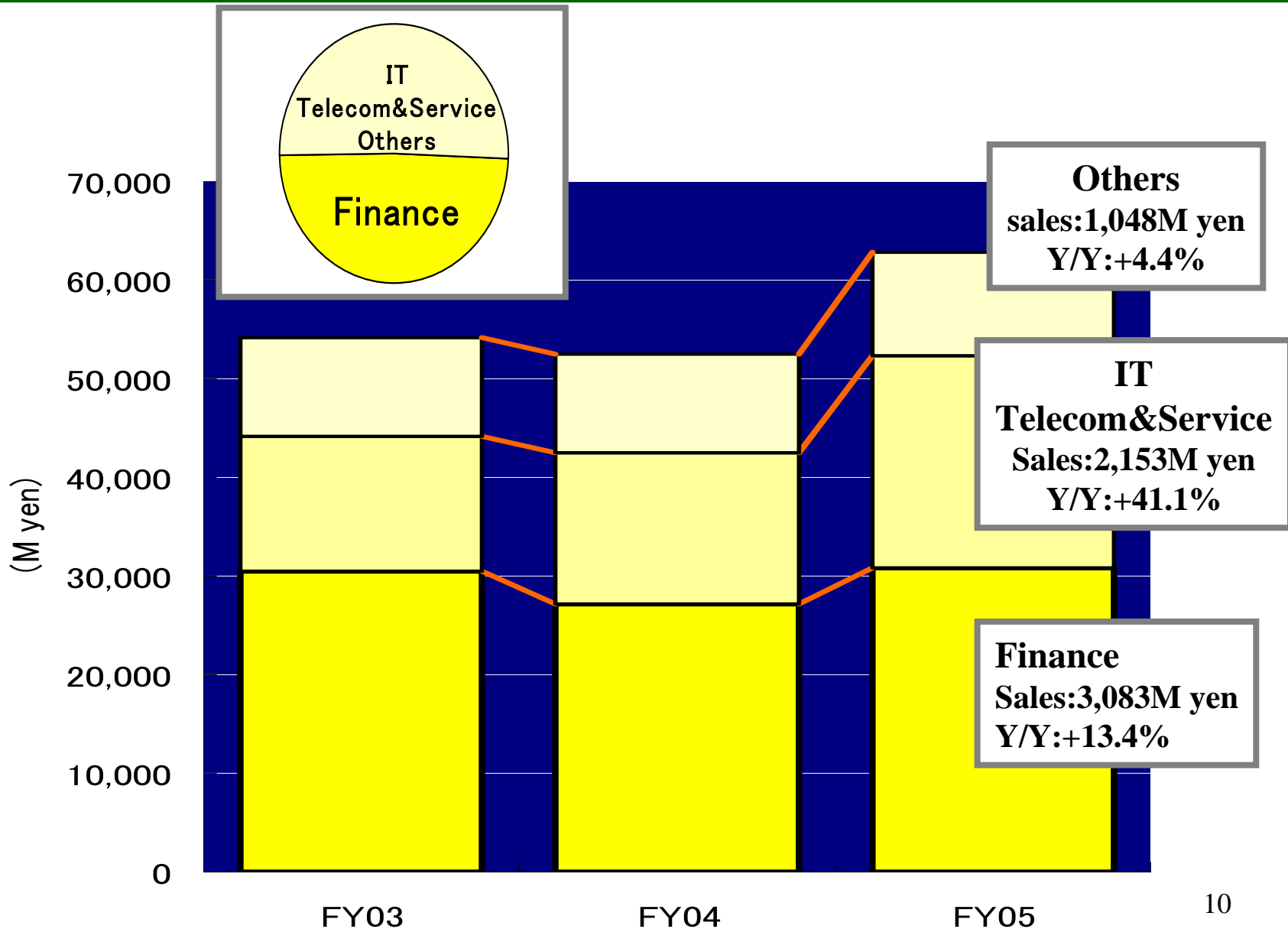
Revenue Detailed By Business Segments

(M yen)	FY2004 semiannual		FY2005 semiannual		Y/Y	
	Revenue	Ratio (A)	Revenue	Ratio (B)	Revenue	Change (B) - (A) P: Point
SI	1,719	32.7%	2,147	34.2%	+24.9%	+1.5p
ITO	2,257	43.0%	2,708	43.1%	+20.0%	+0.1p
BPO	967	18.4%	1,017	16.2%	+5.2%	-2.2p
Consulting & Security	306	5.8%	411	6.6%	+34.3%	+0.8p

<Major factors of Y/Y>

- **SI** : Recovery trend of IT investment in major our customers (finance & public related, etc)
- **ITO** : Developed a big new customer(insurance related)
- **BPO**: Business growth in office work outsourcing
- **Consulting&Security**: Security business is going well

Revenue Detailed By Customers



FY2005 Semiannual B/S & C/F(Consolidated)

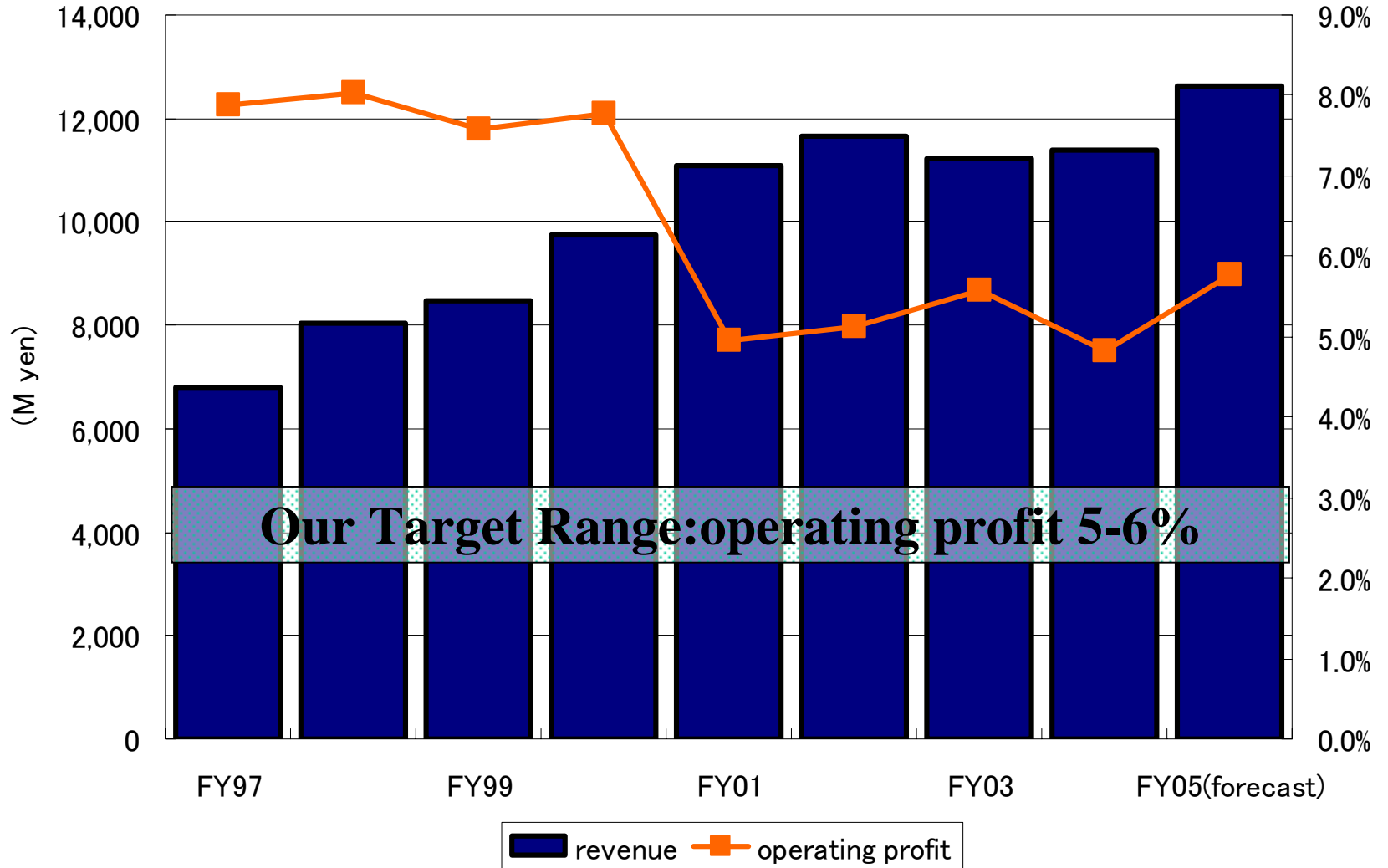
(M yen)	FY2004 semiannual	FY2005 semiannual	Y/Y	General Points
Current Assets	3,024	3,107	83	<ul style="list-style-type: none"> • C/F from operating activities improved • Interest-bearing debt decreased • Cash at year-end: 870 M yen (for future investments) • Fixed Assets: 170M yen decreased (Disposition of old company housing) • Shareholder's equity ratio: 60.5% Financial structure is stable
Fixed Assets	4,260	4,218	-42	
Total Assets	7,284	7,325	41	
Liabilities	2,824	2,767	-57	
Interest-Bearing Debt	987	337	-650	
Total Shareholder's Equity	4,341	4,433	92	
C/F From Operating Activities	245	382	137	
Depreciation	76	79	3	
C/F From Investment Plant and Equipment	-96	-42	54	
Investment	-17	-23	-6	
C/F From Financial Activities	-317	-687	-370	
Cash and Cash Equivalents(Y/Y)	-169	-346	-177	
Cash and Cash Equivalents at Year-End	1,171	870	-301	

FY2005 Annual Forecast

(M yen)	FY2004	FY2005 Forecast ※corrected by Dec. 9.2005		The First Forecast	
	Result	Amount	Y/Y	Amount	Y/Y
Revenue	11,378	12,630	+11.0%	12,300	+8.1%
Operating Profit	550	730	+32.7%	610	+10.9%
Operating Profit Margin	4.8%	5.8%	+1.0p	5.0%	+1.1p
Recurring Profit	557	720	+29.2%	600	+7.7%
Net Profit	119	360	+200.6%	310	+160.5%
Net Profit Per Share(yen)	17.8	58.2	+226.0%	49.9	+180.3%

- Recovery trend of IT investment in major our customers will continue.
- Outsourcing business will stably grow.
- Operating Profit Margin will be 5.8% that is higher than the first target, because labor productivity is much improved.

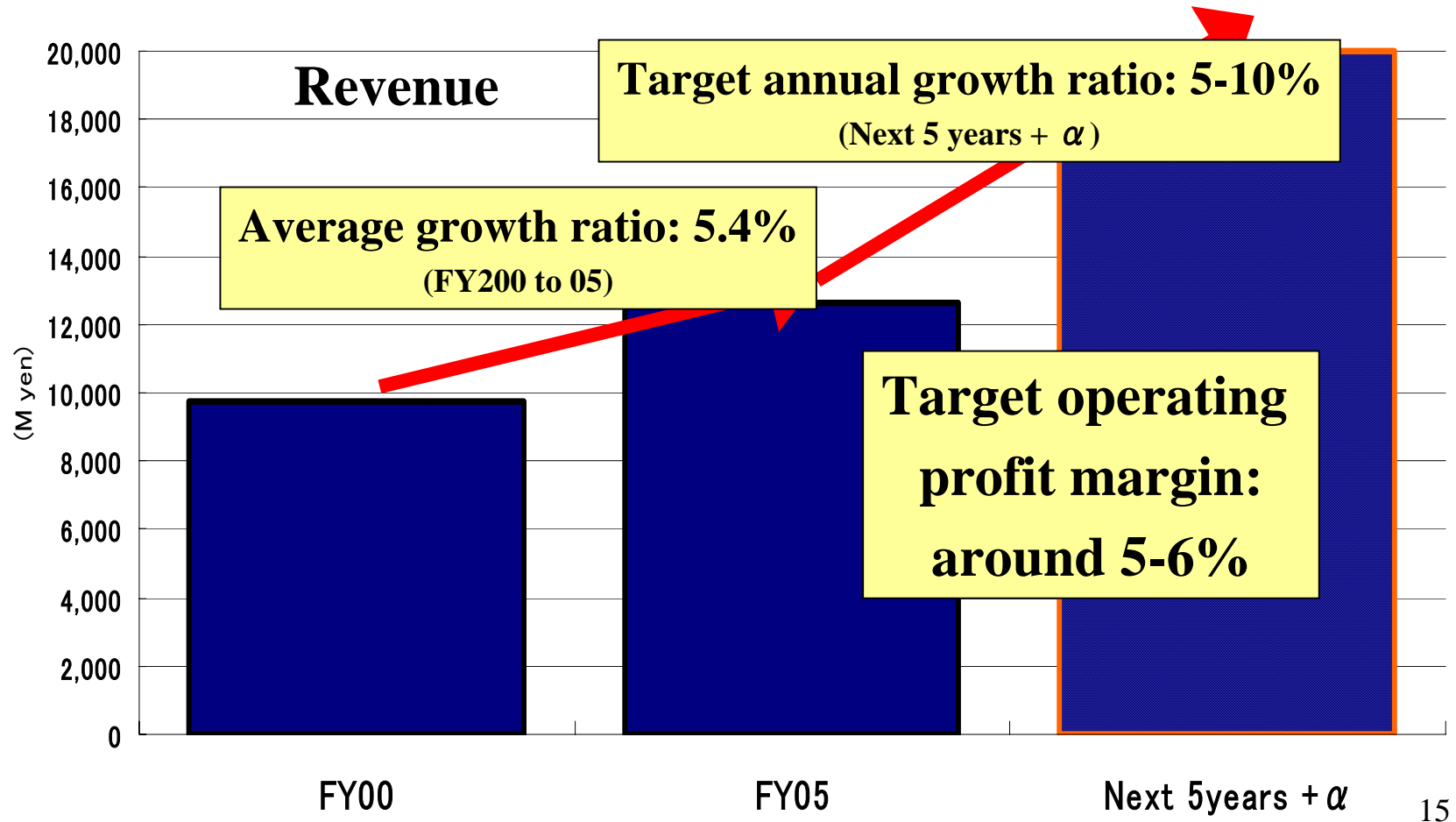
Trend of Revenue & Operating Profit(Annual)



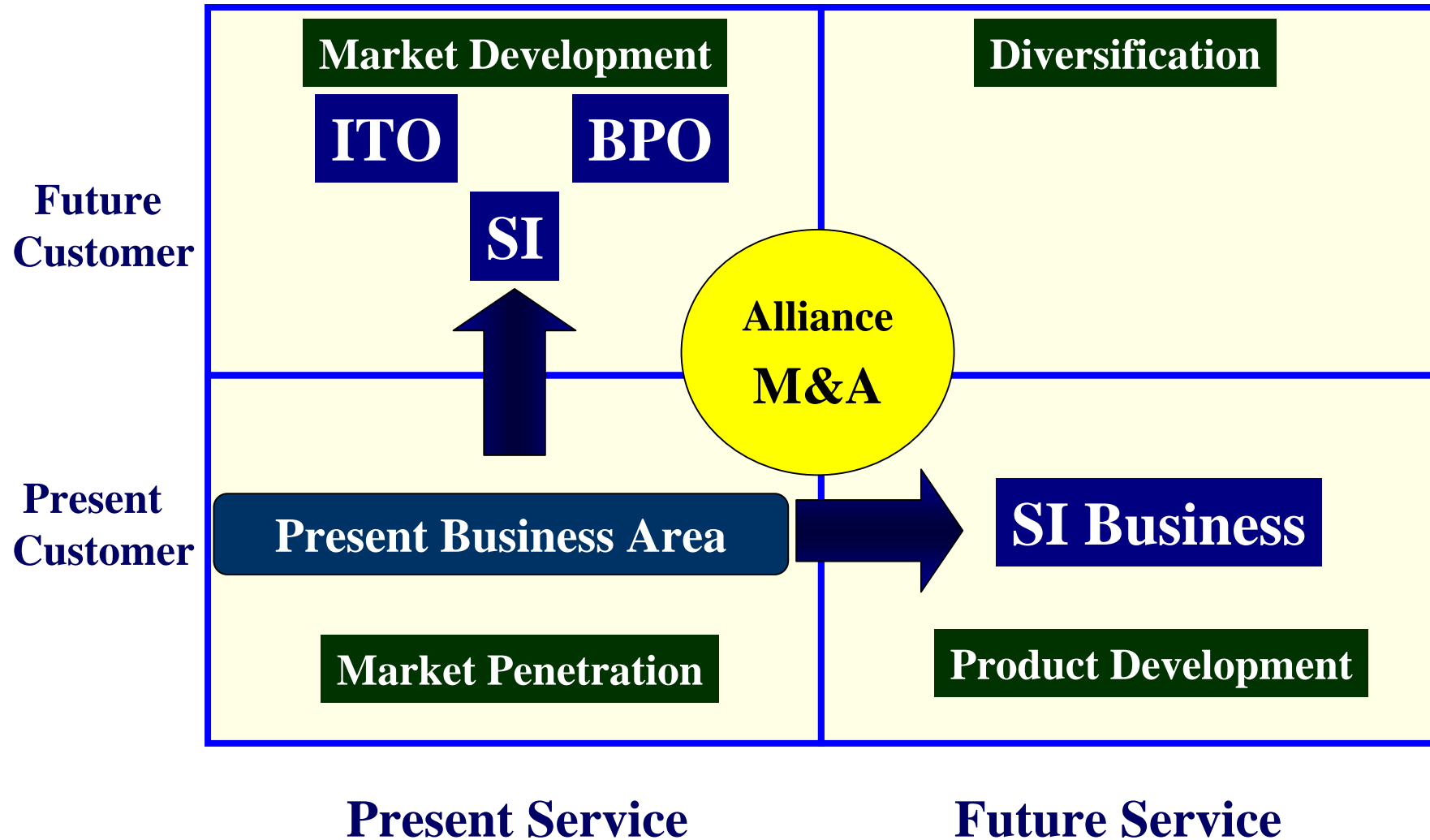
Mid/Long Term Strategy

To Create Company Value

- Stable growth in ITO business
 - Market development with strategic alliance partners (IBM etc.)
 - Reinforcement of human resource
- + M&A



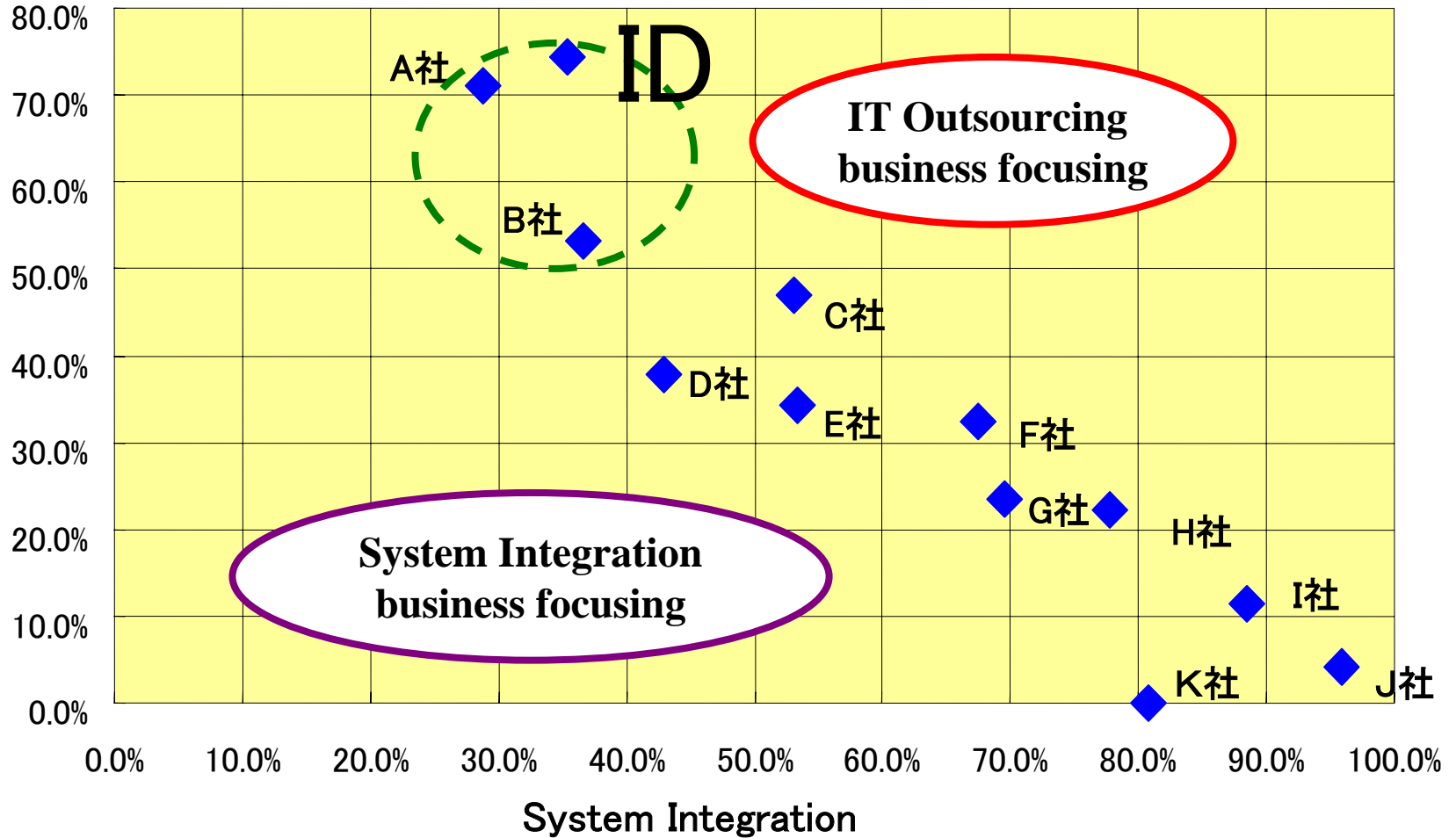
Our Growing Step



Enhancement of our ITO Strength

Comparison of SI & ITO business ratio in our bench mark companies (FY2004)

IT Outsourcing

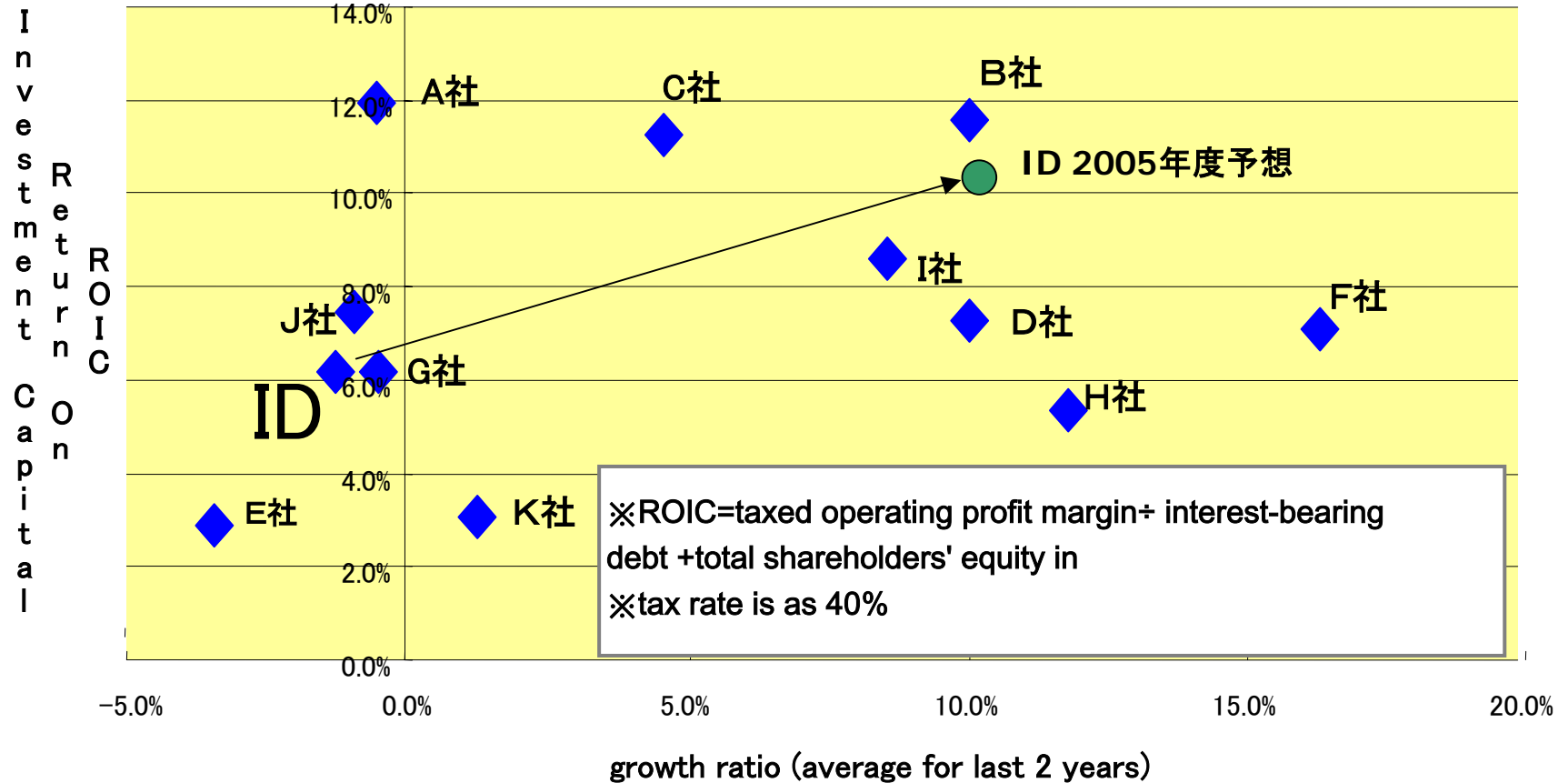


※Total of the rate may not be 100% because of there are other business in some companies.

Source: Our estimation by the materials from bench mark companies

Target: Steady Growth & Stable Profitability

Growth & Profitability in FY2004

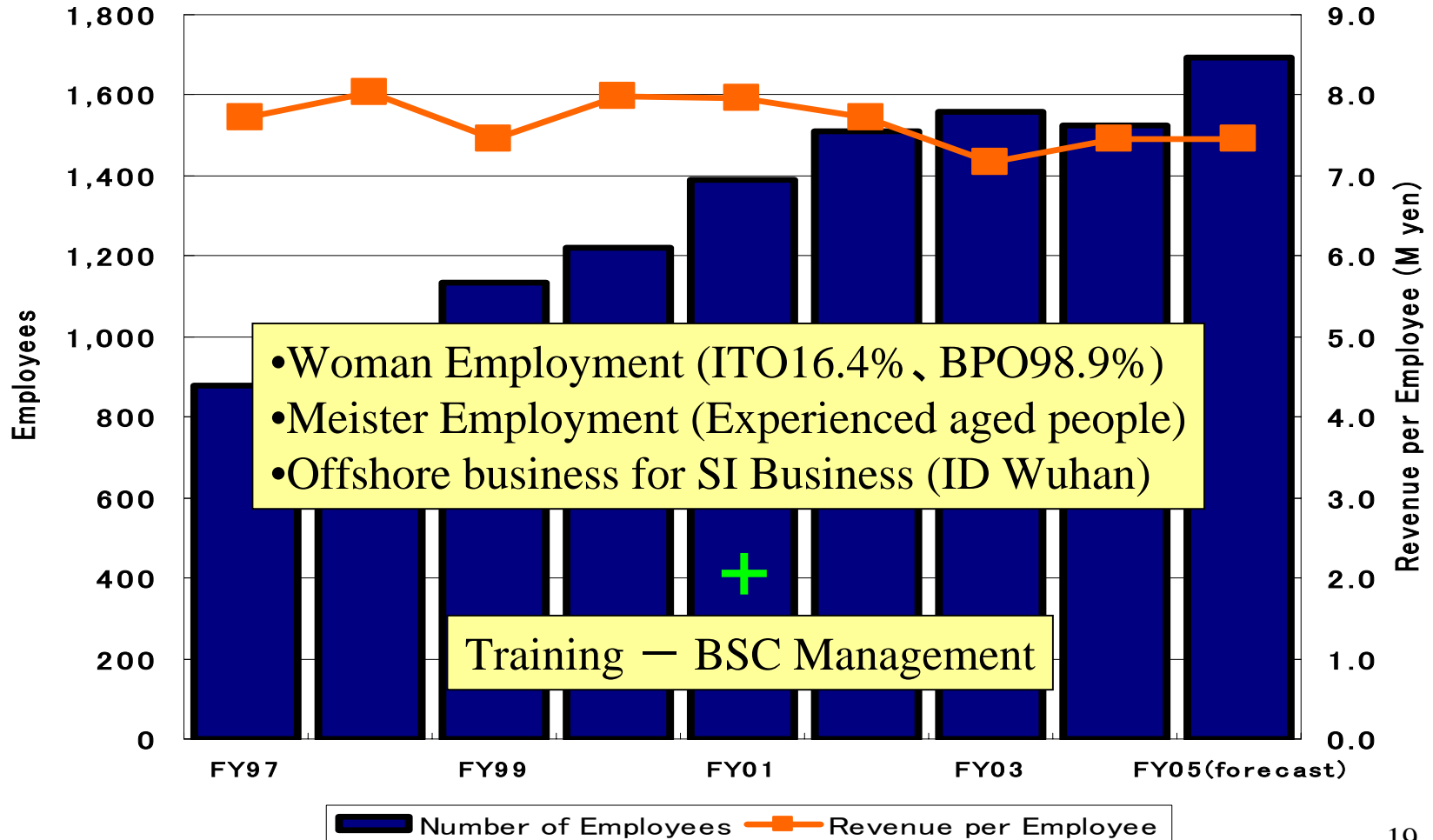


Source:Our estimation by the fiscal reports from bench mark companies 18

Key point for business growth: Reinforcement of Human Resource

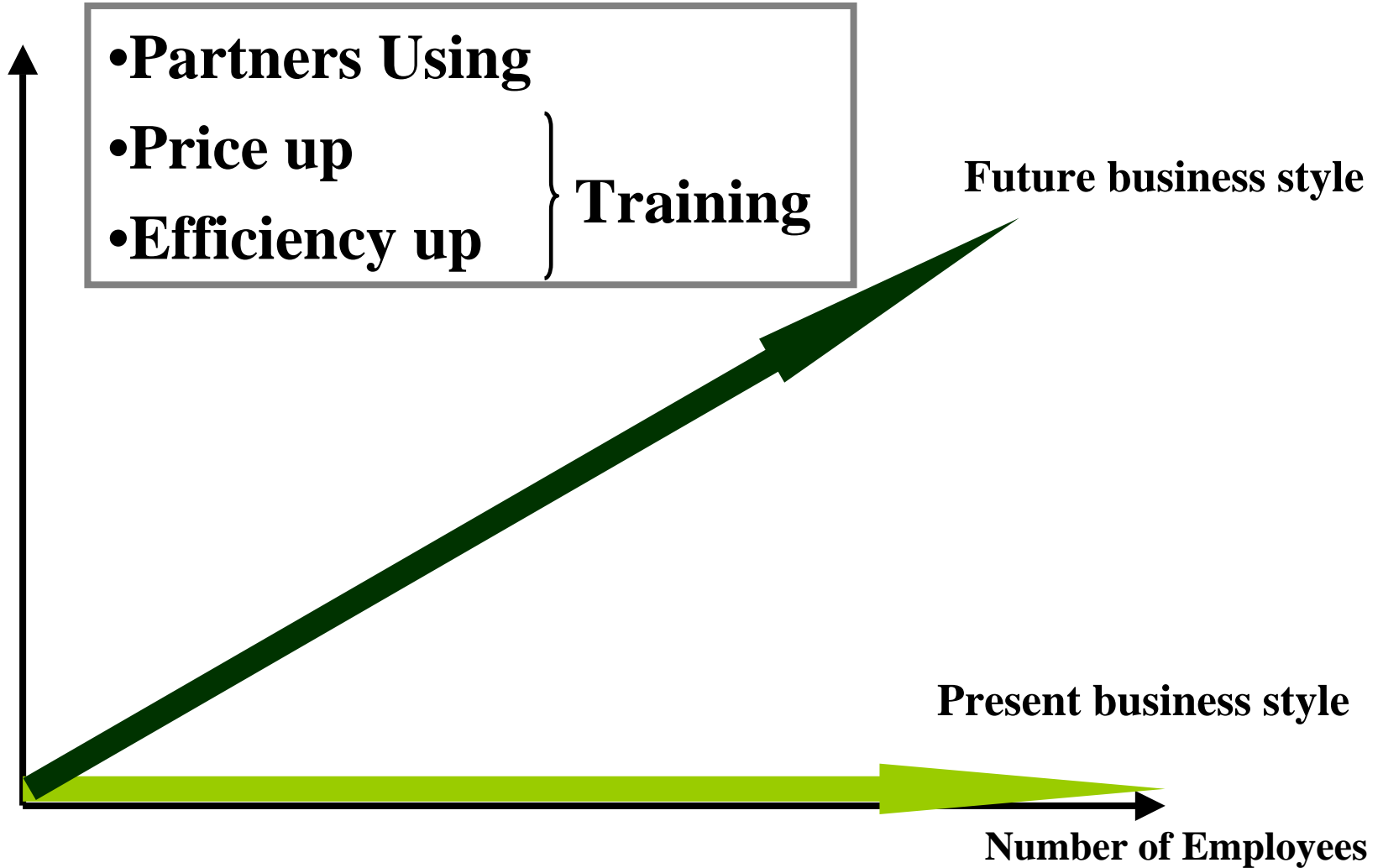
Number of System Management Engineers : 909

(First ranked in IT Service Industry) ※BPO (139) is not included



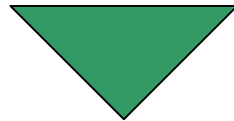
To achieve future business expansion

Productivity (Revenue per an employee)



Our Mission : will be achieved by CSR

**To devote ourselves to build
wonderful society in the future
through our information
service business**



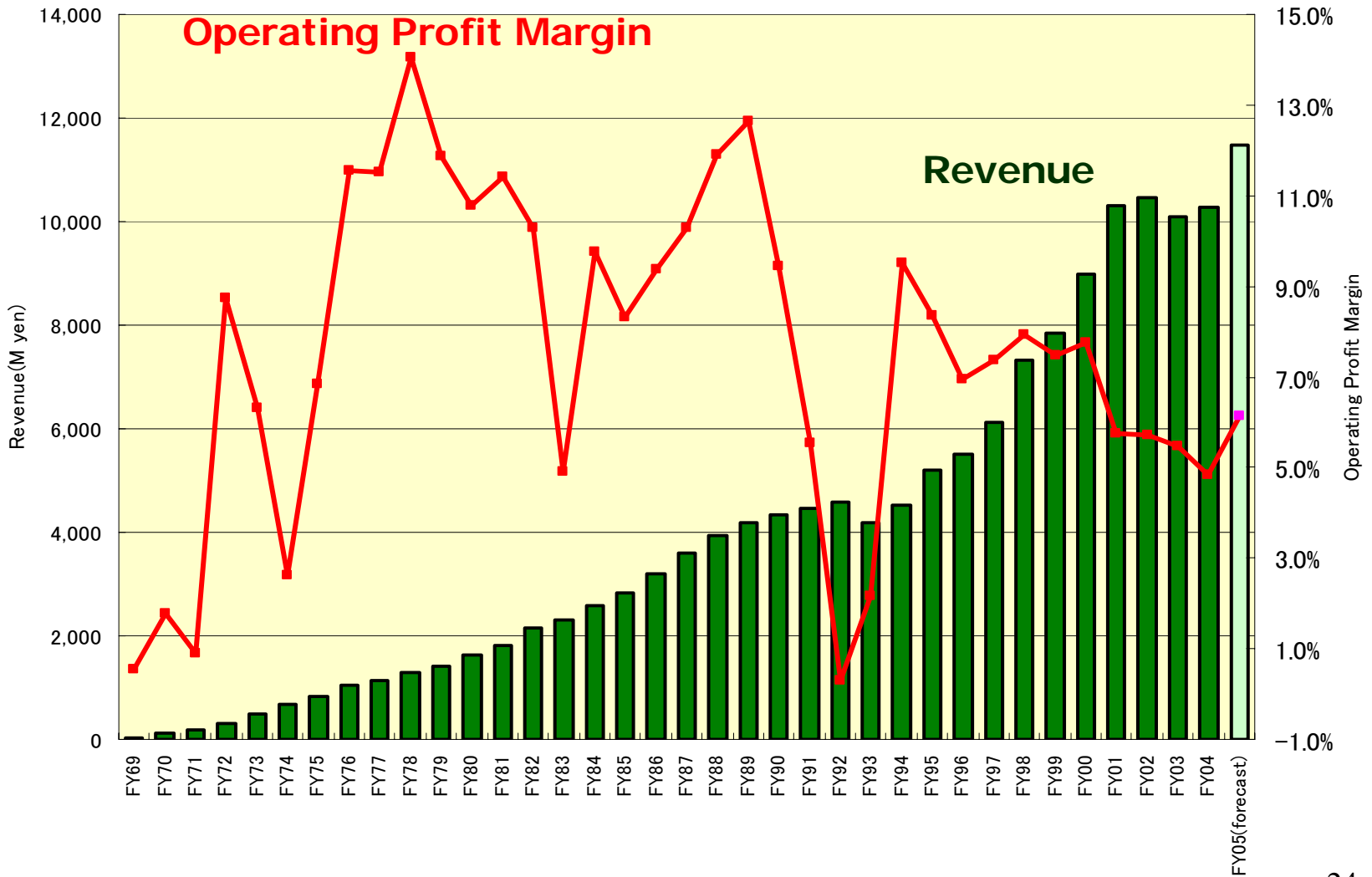
Increasing of company value by penetration of CSR

In these materials, statements that expect for the historical data, involve our expectation, strategies and plan based on information currently available to management.

These forward-looking statements involve some risks such as economy & market condition changes, also, uncertainties and other factors that may cause actual results and achievements to differ from those anticipated in these statements.

Reference Materials

Revenue&Operating Profit Margin (parent)



Our status②

About Our 4 Business Segments

Result				Future		Market Information (By JISA) IT Service Industry size: 14,527 B yen			
Revenue Y2004		Average (2 years recently)	Profitability/Stability	Growing Image	Profitability/Stability	Market Scale Y2004 (B yen)	Rate (%)	Y/Y (%)	
(B yen)	Rate(%)	(%)							
S I	4.0	35.4	1.3	△/△	Recover Expecting	○/△	<u>Software Development</u> 6,786	46.7	102.2
							<u>Software Product</u> 1,507	10.4	104.3
I T O	4.6	40.5	11.9	○/◎	Keep Growing	○/◎	<u>Information Process Service</u> 2,439	16.8	98.7
							<u>System Management</u> 1,507	12.7	106.9
B P O	2.0	17.2	7.4	○/◎	Keep Growing	○/○	<u>Database Service</u> 320	2.2	102.6
O T H E R S	0.8	7.0	21.7	△/○	Keep Growing	○/○	This area is part of the above business segments.		