



[Translation]

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For immediate release

Name of company: Japan Systems Co., Ltd.
Representative: Tomohiro Kawada
President & Representative Director
(Code No.: 9758, TSE JASDAQ)
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Announcement of Change to Opinion regarding the Tender Offer for Our Shares to be Conducted by JSL Holdings LLC

Japan Systems Co., Ltd. (the “**Company**”) hereby announces that there is a partial change to the “Announcement of Opinion regarding the Tender Offer for Our Shares to be Conducted by JSL Holdings LLC” released by the Company on December 24, 2020 (the “**Company’s Press Release Dated December 24, 2020**”).

The Company announced that it resolved at its board of directors meeting held on December 24, 2020 to express its opinion in favor of a tender offer (the “**Tender Offer**”) for its common shares (the “**Company Shares**”) to be conducted by JSL Holdings LLC (the “**Tender Offeror**”) and to take a neutral position regarding whether its shareholders tender their shares in the Tender Offer, thereby leaving that decision to the judgment of its shareholders. The Company decided to refrain from recommending that its shareholders tender shares in the Tender Offer and to leave the decision on whether its shareholders tender their shares in the Tender Offer to the judgment of its shareholders because (i) the MBO Proposal (for details, please refer to “(C) Process of and Reasons for the Decision by the Company” of “(2) Grounds and Reasons for the Opinion on the Tender Offer” in the Company’s Press Release Dated December 24, 2020) presented by Mr. Tomohiro Kawada, the president and representative director of the Company, implied the possibility of implementing a competitive tender offer with the tender offer price being 615 yen per share, and (ii) Mr. Tomohiro Kawada has implied the possibility of implementing a competitive tender offer in the event of the implementation of the Tender Offer (however, the Company did not express its opinion on the probability of such tender offer actually being implemented).

Subsequently, while the market value of the Company Shares has remained above 590 yen, which is the tender offer price in the Tender Offer, Mr. Tomohiro Kawada has not implemented a competitive tender offer; accordingly, the Company sent a letter to Mr. Tomohiro Kawada on January 12, 2021 requesting a response by January 18, 2021 regarding whether he intends to

implement a competitive tender offer for the Company Shares, the specific conditions and timing of such tender offer, and other matters. In response to this, the Company received a response from Mr. Tomohiro Kawada on January 18, 2021 indicating that there were no decided matters to be disclosed regarding the terms and conditions and details of a competitive tender offer for the Company Shares as of January 18, 2021, so the Company examined the details of the response and carefully considered whether it was necessary to change the Company's opinion stated in the Company's Press Release Dated December 24, 2020 from the perspective of the interests of the Company's minority shareholders. As a result, the Company determined at the meeting of the board of directors held today that in light of the matters reported by the special committee, there is a considerably lower possibility compared to December 24, 2020 that Mr. Tomohiro Kawada will implement a competitive tender offer within the tender offer period of the Tender Offer (the "**Tender Offer Period**") and resolved to maintain its opinion in support of the Tender Offer and recommend that the shareholders of the Company tender shares in the Tender Offer.

Therefore, the Company hereby changes the Company's Press Release Dated December 24, 2020 as follows. Changes are indicated in underlined text.

3. Details of Opinion on the Tender Offer and Grounds and Reasons Therefor
 - (1) Details of the Opinion on the Tender Offer

Before Change

The Company resolved at its board of directors meeting held on December 24, 2020 to express its opinion in favor of the Tender Offer and to take a neutral position regarding whether its shareholders tender shares in the Tender Offer, thereby leaving that decision to the judgment of its shareholders, based on the grounds and reasons stated in "(2) Grounds and Reasons for the Opinion on the Tender Offer" below. As stated in "(C) Process of and Reasons for the Decision by the Company" in "(2) Grounds and Reasons for the Opinion on the Tender Offer" below, in order for the Company to take advantage of the chance to dramatically expand the domains to which it contributes as a company promoting innovation amid the recent acceleration of the trend towards digitalization, since the Company can expect to make aggressive investments and expeditious business decisions using the management resources of the Longreach Group (as defined below) by reviewing the Company's previous capital structure and cooperating with the Longreach Group, the Company has determined that the Tender Offer will contribute to the enhancement of Company's corporate value and has expressed its opinion in support of the Tender Offer. 590 yen, which is the tender offer price in the Tender Offer, is reasonable from the perspective of providing the general shareholders of the Company with an opportunity to recover their investments and can be determined to have been sufficiently valued. However, (i) as stated in "(C) Process of and Reasons for the Decision by the Company" in "(2) Grounds and Reasons for the Opinion on the Tender Offer" below, since the New MBO Proposal (for details, please refer to "(C) Process of and Reasons for the Decision by the Company" of "(2) Grounds and Reasons for the Opinion on the Tender Offer" below) presented by Mr. Tomohiro Kawada, the president and representative director of the Company, implied the possibility of implementing a competitive tender offer with the tender offer price being 615 yen per share (however, because whether such tender offer will actually be implemented or not will be determined by the party

making the MBO Proposal, the Company does not express its opinion on the probability thereof; in addition, DXC (as defined below) has expressed its intention not to support or tender shares in such tender offer even if it is actually implemented) and (ii) although the Company does not express its opinion on the probability of the MBO Proposal being implemented, because the Company thought that if it recommends that its shareholders tender shares in the Tender Offer under the present circumstances where Mr. Tomohiro Kawada has implied the possibility of implementing a competitive tender offer in the event of the implementation of the Tender Offer, it is likely that such recommendation could invite a misunderstanding that the Company has made a decision regarding the case of the implementation of a competitive tender offer despite the fact that the Company has not made any decision on whether or not to support the MBO Proposal as of today, and therefore the Company cannot recommend that its shareholders tender shares in the Tender Offer and leaves the decision on whether or not to tender shares in the Tender Offer to the judgment of the shareholders.

The above board of directors' resolution was made by the method stated in "(E) Approval of All Disinterested Directors of the Company" of "(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" below.

After Change

The Company resolved at its board of directors meeting held on December 24, 2020 to express its opinion in favor of the Tender Offer and to take a neutral position regarding whether its shareholders tender shares in the Tender Offer, thereby leaving that decision to the judgment of its shareholders, based on the grounds and reasons stated in "(2) Grounds and Reasons for the Opinion on the Tender Offer" below. As stated in "(C) Process of and Reasons for the Decision by the Company" in "(2) Grounds and Reasons for the Opinion on the Tender Offer" below, in order for the Company to take advantage of the chance to dramatically expand the domains to which it contributes as a company promoting innovation amid the recent acceleration of the trend towards digitalization, since the Company can expect to make aggressive investments and expeditious business decisions using the management resources of the Longreach Group (as defined below) by reviewing the Company's previous capital structure and cooperating with the Longreach Group, the Company has determined that the Tender Offer will contribute to the enhancement of Company's corporate value and has expressed its opinion in support of the Tender Offer. 590 yen, which is the tender offer price in the Tender Offer, is reasonable from the perspective of providing the general shareholders of the Company with an opportunity to recover their investments and can be determined to have been sufficiently valued. However, as of December 24, 2020, (i) as stated in "(C) Process of and Reasons for the Decision by the Company" in "(2) Grounds and Reasons for the Opinion on the Tender Offer" below, since the New MBO Proposal (for details, please refer to "(C) Process of and Reasons for the Decision by the Company" of "(2) Grounds and Reasons for the Opinion on the Tender Offer" below) presented by Mr. Tomohiro Kawada, the president and representative director of the Company, implied the possibility of implementing a competitive tender offer with the tender offer price being 615 yen per share (however, because whether such tender offer will actually be implemented or not will be determined by the party making the MBO Proposal, the Company had not

expressed its opinion on the probability thereof; in addition, DXC (as defined below) had expressed its intention not to support or tender shares in such tender offer even if it is actually implemented) and (ii) although the Company had not expressed its opinion on the probability of the MBO Proposal being implemented, because the Company thought that if it recommended that its shareholders tender shares in the Tender Offer under the circumstances where Mr. Tomohiro Kawada had implied the possibility of implementing a competitive tender offer in the event of the implementation of the Tender Offer, it was likely that such recommendation could invite a misunderstanding that the Company had made a decision regarding the case of the implementation of a competitive tender offer despite the fact that the Company had not made any decision on whether or not to support the MBO Proposal as of December 24, 2020, and therefore the Company could not recommend that its shareholders tender shares in the Tender Offer and left the decision on whether or not to tender shares in the Tender Offer to the judgment of the shareholders.

Subsequently, the Company resolved at the meeting of the board of directors held on January 25, 2021 to maintain its opinion in support of the Tender Offer and recommend that the shareholders of the Company tender shares in the Tender Offer on the grounds and for the reasons set out in “(C) Process of and Reasons for the Decision by the Company” of “(2) Grounds and Reasons for the Opinion on the Tender Offer” below. In addition, as stated in “(C) Process of and Reasons for the Decision by the Company” of “(2) Grounds and Reasons for the Opinion on the Tender Offer” below, the Company determined that there is a considerably lower possibility compared to December 24, 2020 that Mr. Tomohiro Kawada will implement a competitive tender offer within the Tender Offer Period.

The above board of directors’ resolution was made by the method stated in “(E) Approval of All Disinterested Directors of the Company” of “(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below.

- (2) Grounds and Reasons for the Opinion on the Tender Offer
- (C) Process of and Reasons for the Decision by the Company
 - (ii) Establishment of a structure for review and process of review

Before Change

(Omitted)

On November 30, 2020, the Company indicated to Mr. Tomohiro Kawada that there was doubt regarding the feasibility of the New MBO Proposal because it is conditional on DXC selling to Mr. Tomohiro Kawada (expected to be the company for purchase to be established by Mr. Tomohiro Kawada) the Company Shares in order to acquire 100% of the Company Shares based on the New MBO Proposal, meaning that the New MBO Proposal is conditional on approval by DXC, and requested him to reconsider the New MBO Proposal by December 7, 2020. On December 7, 2020, the Company received another proposal from Mr. Tomohiro Kawada indicating the possibility that although DXC did not approve the New MBO Proposal before December 7, 2020, while the terms of the proposal described above, which is conditional on approval by DXC, remain unchanged, if another tender offeror commences a tender offer before

DXC approves the New MBO Proposal, he would implement a tender offer with the purchase price per Company Share being 615 yen irrespective of whether the board of directors of the Company supports the New MBO Proposal. Whether Mr. Tomohiro Kawada or parties connected to him will actually implement such tender offer or not is left to the judgment of the party making the New MBO Proposal, and the Company does not express its opinion on the probability thereof.

(Omitted)

After Change

(Omitted)

On November 30, 2020, the Company indicated to Mr. Tomohiro Kawada that there was doubt regarding the feasibility of the New MBO Proposal because it is conditional on DXC selling to Mr. Tomohiro Kawada (expected to be the company for purchase to be established by Mr. Tomohiro Kawada) the Company Shares in order to acquire 100% of the Company Shares based on the New MBO Proposal, meaning that the New MBO Proposal is conditional on approval by DXC, and requested him to reconsider the New MBO Proposal by December 7, 2020. On December 7, 2020, the Company received another proposal from Mr. Tomohiro Kawada indicating the possibility that although DXC did not approve the New MBO Proposal before December 7, 2020, while the terms of the proposal described above, which is conditional on approval by DXC, remain unchanged, if another tender offeror commences a tender offer before DXC approves the New MBO Proposal, he would implement a tender offer with the purchase price per Company Share being 615 yen irrespective of whether the board of directors of the Company supports the New MBO Proposal. Whether Mr. Tomohiro Kawada or parties connected to him will actually implement such tender offer or not is left to the judgment of the party making the New MBO Proposal, and the Company had not expressed its opinion on the probability thereof as of December 24, 2020.

(Omitted)

(iii) Determinations

Before Change

(Omitted)

For details of the method of the resolution by the board of directors of the Company described above, please refer to “(E) Approval of All Disinterested Directors of the Company” in “(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below.

After Change

(Omitted)

For details of the method of the resolution by the board of directors of the Company described above, please refer to “(E) Approval of All Disinterested Directors of the

Company” in “(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below.

Subsequently, while the market price of the Company Shares has remained above 590 yen, which is the tender offer price in the Tender Offer, a competitive tender offer has not been made by Mr. Tomohiro Kawada even though a considerable period of time has passed since the commencement of the Tender Offer. Accordingly, on January 12, 2021, the Company sent a letter to Mr. Tomohiro Kawada requesting a response by January 18, 2021 regarding whether he intended to implement a competitive tender offer for the Company Shares, the specific conditions and timing of such tender offer, and other matters. In response, the Company received a letter from Mr. Tomohiro Kawada and his sponsor on January 18, 2021 including the statement that, although they had continued to engage in various reviews and preparations, there were no decided matters to be disclosed as of January 18, 2021 regarding the terms and conditions and details thereof, so the Company delegated the special committee to consider whether it was necessary to change the opinion of the Company’s board of directors regarding the Transactions, including the Tender Offer, and to provide its opinion to the Company’s board of directors. In addition, the Company carefully discussed and considered whether it was necessary to change the opinion of the Company’s board of directors regarding the Tender Offer from the perspective of the interests of the minority shareholders of the Company. Specifically, the Company and the special committee examined the content of the letter dated January 18, 2021 received from Mr. Tomohiro Kawada and his sponsor and confirmed with DXC the changes in the status of the Transactions since December 24, 2020. On January 20, 2021, DXC responded that it had not received an offer of discussion on the MBO Proposal or any other contact from Mr. Tomohiro Kawada or his sponsor since December 24, 2020, and that there was no change in DXC’s intention not to support a competitive tender offer by Mr. Tomohiro Kawada or tender shares in such tender offer even if it is implemented by Mr. Tomohiro Kawada.

The Company then received a written report (the “**Report (2)**”) from the special committee on January 25, 2021 amending the content of the Report and including the statement that the special committee believes that (i) the board of directors of the Company should maintain its opinion in support of the Tender Offer and recommend that the shareholders of the Company tender shares in the Tender Offer, and (ii) deciding to maintain its opinion in support of the Tender Offer and recommend that the shareholders of the Company tender shares in the Tender Offer at the meeting of the board of directors of the Company would not be disadvantageous to the minority shareholders of the Company (for details of the Report (2), please refer to “(C) Establishment by the Company of an Independent Special Committee” in “(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below).

In light of the background described above, the Company carefully discussed and considered at the meeting of its board of directors held on January 25, 2021 whether it was necessary to change the opinion of the Company’s board of directors regarding the Tender Offer, based on legal advice from Nagashima Ohno & Tsunematsu and advice from a financial point of view from Mizuho Securities, giving the highest degree of respect to the determinations by the special committee presented in the

Report (2). As a result, as stated below, the Company came to the conclusion that it should maintain its opinion in support of the Tender Offer and recommend that the shareholders of the Company tender shares in the Tender Offer.

The resolution at the meeting of the Company's board of directors held on December 24, 2020 in which the Company did not go so far as to recommend that its shareholders tender shares in the Tender Offer but instead left the decision on whether or not to tender shares in the Tender Offer to the judgment of the shareholders was based on the fact that the MBO Proposal had implied the possibility of implementing a tender offer with the tender offer price being 615 yen per share and that Mr. Tomohiro Kawada had implied the possibility of implementing a competitive tender offer in the event of the implementation of the Tender Offer. However, in the circumstances where there had been no specific activity by Mr. Tomohiro Kawada, such as offering a new proposal to or discussions with the Company and DXC, even though approximately one month had passed since December 24, 2020, the Company received a response that there were no decided matters as of January 18, 2021 regarding the terms and conditions and details of a competitive tender offer for the Company Shares, and no specific explanation was provided pertaining to specifically anticipated measures, expected timing, or the like. In addition, DXC has stated that DXC US has entered into the Transaction Agreement dated December 24, 2020 with the Tender Offeror based on the circumstances stated in "(i) Consultation between the Tender Offeror and the Company and DXC and decision-making process of the Tender Offeror" in "(B) Background, Purpose, and Decision-Making Process with respect to the Tender Offeror Conducting the Tender Offer, and Management Policy After the Tender Offer" above, and that there was no change in DXC's intention not to support a competitive tender offer by Mr. Tomohiro Kawada or tender shares in such tender offer, and thus even if a tender offer subject to DXC's support is commenced, it would be unlikely that that tender offer would be completed. While, as stated in "(i) Consultation between the Tender Offeror and the Company and DXC and decision-making process of the Tender Offeror" in "(B) Background, Purpose, and Decision-Making Process with respect to the Tender Offeror Conducting the Tender Offer, and Management Policy After the Tender Offer" above, DXC has agreed to hold 21% of the equity interests in DH Fund, which holds all of the equity interests of the Tender Offeror, and intends to continue its business relationship with the Company after the Transactions, the Company does not consider it particularly unreasonable that DXC's judged that it highly appraised the past investment results and experience of the Longreach Group and networks held by the Longreach Group and that DXC decided to sell the Company Shares with a price lower than the price offered to general shareholders on the assumption of the above transaction scheme and the relationship after the Transactions, and no circumstance requiring any change in that judgment has been found since the commencement of the Tender Offer. Therefore, the Company does not consider that DXC's continued intention not to support a competitive tender offer by Mr. Tomohiro Kawada or tender shares in such tender offer is unreasonable, either. In light of these circumstances, the Company considers that there is a significantly lower possibility compared with December 24, 2020 that a competitive tender offer will be made by Mr. Tomohiro Kawada during the Tender Offer Period and that there will thereby be an opportunity for all of the Company's minority shareholders to sell their Company Shares at a price higher than the Tender Offer Price, and in such circumstances, the Company believes there is no longer any reason why it cannot recommend that its shareholders tender shares in the Tender Offer. Considering the fact that the closing

price of the Company Shares on December 23, 2020, which is the Business Day immediately preceding the announcement date of the Tender Offer, was 409 yen, and that the market price of the Company Shares had remained around the Tender Offer Price for a certain period of time after the announcement of the Tender Offer, the Company considers that one of the factors contributing to the range of changes in the market price of the Company Shares being above 590 yen, which is the tender offer price in the Tender Offer, is that there are expectations that a competitive tender offer might be actually implemented by Mr. Tomohiro Kawada. However, in light of the above background, since the Company considers that the possibility that Mr. Tomohiro Kawada will implement a competitive tender offer during the Tender Offer Period is significantly lower compared with December 24, 2020, the Company has determined that it is necessary to appropriately disclose information to its shareholders.

Based on the above judgment, the Company resolved at the meeting of its board of directors held on January 25, 2021 to maintain its opinion in support of the Tender Offer and to recommend that the shareholders of the Company tender shares in the Tender Offer.

For details of the method of the resolution by the board of directors of the Company described above, please refer to “(E) Approval of All Disinterested Directors of the Company” in “(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below.

- (6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest
- (C) Establishment by the Company of an Independent Special Committee

Before Change

(iii) Determinations

Following the process described above, the special committee submitted the Report mainly stating the matters set out below on December 24, 2020 to the Company’s board of directors with the unanimous approval of all members of the special committee as a result of careful and repeated discussions and examination of the Delegated Matters based on the legal advice from Nagashima Ohno & Tsunematsu, advice from Stand by C from a financial perspective, and the matters stated in the Share Price Valuation Report (Mizuho Securities) submitted on December 24, 2020 and in the Share Price Valuation Report (Stand by C) submitted on December 23, 2020.

(Omitted)

After Change

(iii) Determinations

Following the process described above, the special committee submitted the Report mainly stating the matters set out below on December 24, 2020 to the Company’s board of directors with the unanimous approval of all members of the special committee as a result of careful and repeated discussions and examination of the

Delegated Matters based on the legal advice from Nagashima Ohno & Tsunematsu, advice from Stand by C from a financial perspective, and the matters stated in the Share Price Valuation Report (Mizuho Securities) submitted on December 24, 2020 and in the Share Price Valuation Report (Stand by C) submitted on December 23, 2020.

(Omitted)

(iv) Changes in Determinations

As stated in “(C) Process of and Reasons for the Decision by the Company” of “(2) Grounds and Reasons for the Opinion on the Tender Offer” above, on January 18, 2021, the Company received from Mr. Tomohiro Kawada a written document to the effect that as of that day, there were no decided matters to be disclosed with regard to the terms and conditions and details of a competitive tender offer for the Company Shares, so the special committee carefully discussed and examined whether it is necessary to change the opinion of the Company’s board of directors regarding the Transactions, including the Tender Offer.

The special committee received explanations from the Company’s outside directors about the process of the Transactions from December 24, 2020, carefully reviewed the matters stated in the written document that the Company’s board of directors received from Mr. Tomohiro Kawada, and received information shared by the Company’s board of directors regarding the details of questions and answers exchanged between the Company and DXC.

Based on the above, the special committee submitted the Report (2) mainly stating the matters set out below on January 25, 2021 to the Company’s board of directors with the unanimous approval of all members of the special committee as a result of careful and repeated discussions and examination of the above matters based on the legal advice from Nagashima Ohno & Tsunematsu and advice from Stand by C from a financial perspective.

(a) Matters reported

- The Company’s board of directors should maintain its opinion in support of the Tender Offer and recommend that the shareholders of the Company tender shares in the Tender Offer.
- The special committee believes that the Company’s board of directors’ resolution to maintain its opinion in support of the Tender Offer and to recommend that the shareholders of the Company tender shares in the Tender Offer would not be disadvantageous to the minority shareholders of the Company. There is no change in the special committee’s belief that the determination of the board of directors of the Company as to making the Company a wholly-owned subsidiary of the Tender Offeror after the completion of the Tender Offer would not be disadvantageous to the minority shareholders of the Company.

(b) Reasons for giving the above opinions in the Report (2)

- The special committee does not find any particular circumstances based on which it should be determined that there have been changes in the matters that were used as the underlying assumptions when it determined that the Transactions are likely to contribute to the enhancement of the Company’s corporate value, that the process of negotiations leading to the Transactions and other related procedures are likely to be fair, and that the Tender Offer Price and other terms and conditions for the Tender Offer are fair.

- However, based on the circumstances described in “(C) Process of and Reasons for the Decision by the Company” of “(2) Grounds and Reasons for the Opinion on the Tender Offer” above, the special committee believes that the possibility that Mr. Tomohiro Kawada will actually implement a competitive tender offer during the Tender Offer Period is significantly lower than it was when the special committee submitted the Report on December 24, 2020.
- In light of the changes in the market price of the Company Shares, the special committee believes that one of the factors contributing to the range of changes in the market price of the Company Shares being above the Tender Offer Price is that there are expectations that a competitive tender offer will be actually implemented by Mr. Tomohiro Kawada. However, as stated above, the possibility that all of the minority shareholders of the Company would be able to sell the Company Shares at a price higher than the Tender Offer Price may be evaluated as being lower than it was when the special committee submitted the Report on December 24, 2020 and, for this reason, the special committee determined that it is reasonable to recommend that the Company’s shareholders tender shares in the Tender Offer from the standpoint of disclosing information necessary for the minority shareholders to make appropriate decisions on whether or not to tender shares in the Tender Offer.

(E) Approval of All Disinterested Directors of the Company

Before Change

(Omitted)

Of the eight directors of the Company (Mr. Takatsugu Ebi resigned from his position as a director on December 20, 2020), Mr. Nozomu Nishikawa, Mr. Lilian Furno-Schneider, and Mr. Dai Kirisawa serve as the representative director, the CFO, and the Manager of the Delivery Management Division of DXC’s Japanese corporations respectively, Mr. Eizo Takami had a position as an executive officer of DXC’s Japanese corporations, and Mr. Tomohiro Kawada made a separate proposal for privatizing the Company Shares; therefore, from the standpoint of eliminating the possibility of the deliberations and resolutions at the board of directors meeting being affected by problems with structural conflicts of interests and problems with asymmetric information in the Transactions, the Company’s board of directors meeting held on December 24, 2020 stated above was two-tiered: first, (i) the three directors other than Mr. Nozomu Nishikawa, Mr. Lilian Furno-Schneider, Mr. Dai Kirisawa, Mr. Eizo Takami, and Mr. Tomohiro Kawada participated in deliberations and passed a resolution as stated above by unanimous approval; and further, in order to exercise the utmost prudence, (ii) five directors (those three directors participating in (i) above plus Mr. Dai Kirisawa and Mr. Eizo Takami) once again passed a resolution as stated above by unanimous approval.

After Change

(Omitted)

Of the eight directors of the Company (Mr. Takatsugu Ebi resigned from his position as a director on December 20, 2020), Mr. Nozomu Nishikawa, Mr. Lilian Furno-Schneider, and Mr. Dai Kirisawa serve as the representative director, the CFO, and the Manager of the Delivery Management Division of DXC's Japanese corporations respectively, Mr. Eizo Takami had a position as an executive officer of DXC's Japanese corporations, and Mr. Tomohiro Kawada made a separate proposal for privatizing the Company Shares; therefore, from the standpoint of eliminating the possibility of the deliberations and resolutions at the board of directors meeting being affected by problems with structural conflicts of interests and problems with asymmetric information in the Transactions, the Company's board of directors meeting held on December 24, 2020 stated above was two-tiered: first, (i) the three directors other than Mr. Nozomu Nishikawa, Mr. Lilian Furno-Schneider, Mr. Dai Kirisawa, Mr. Eizo Takami, and Mr. Tomohiro Kawada participated in deliberations and passed a resolution as stated above by unanimous approval; and further, in order to exercise the utmost prudence, (ii) five directors (those three directors participating in (i) above plus Mr. Dai Kirisawa and Mr. Eizo Takami) once again passed a resolution as stated above by unanimous approval.

After that, as stated in “(C) Process of and Reasons for the Decision by the Company” of “(2) Grounds and Reasons for the Opinion on the Tender Offer” above, the Company’s board of directors resolved at its meeting held on January 25, 2021 to maintain its opinion in support of the Tender Offer and recommend that the shareholders of the Company tender shares in the Tender Offer with the unanimous approval of the Company’s directors who participated in the deliberations and resolution.

The Company’s board of directors meeting held on January 25, 2021 stated above was two-tiered in the same manner as the Company’s board of directors meeting held on December 24, 2020 stated above: first, (i) the three directors other than Mr. Nozomu Nishikawa, Mr. Lilian Furno-Schneider, Mr. Dai Kirisawa, Mr. Eizo Takami, and Mr. Tomohiro Kawada participated in deliberations and passed a resolution as stated above by unanimous approval; and further, in order to exercise the utmost prudence, (ii) five directors (those three directors participating in (i) above plus Mr. Dai Kirisawa and Mr. Eizo Takami) once again passed a resolution as stated above by unanimous approval.

10. Matters Relating to Transactions, Etc. with a Controlling Shareholder

Before Change

(Omitted)

- (3) Outline of Opinion Obtained from a Party Who Has No Interest in the Controlling Shareholder that Conducting the Transactions (Including the Company's Board of Directors Expressing Its Opinion in Favor of the Tender Offer and Taking a Neutral Position Regarding Whether its Shareholders Tender Shares in the Tender Offer, Thereby Leaving that Decision to the Judgment of its Shareholders) Would Not be Disadvantageous to the Minority Shareholders

On December 24, 2020, the Company received the Report from the special committee that includes a statement that the special committee believes that the board of directors of the Company expressing an opinion in support of the Tender Offer and

recommending that the shareholders of the Company tender the Company Shares in the Tender Offer would not be disadvantageous to the minority shareholders of the Company. Please refer to “(C) Establishment by the Company of an Independent Special Committee” of “(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” in “3. Details of Opinion on the Tender Offer and Grounds and Reasons Therefor” above for details.

After Change

(Omitted)

- (3) Outline of Opinion Obtained from a Party Who Has No Interest in the Controlling Shareholder that Conducting the Transactions (Including the Company’s Board of Directors Expressing Its Opinion in Favor of the Tender Offer and Recommending that its Shareholders Tender Shares in the Tender Offer) Would Not be Disadvantageous to the Minority Shareholders

On December 24, 2020, the Company received the Report from the special committee that includes a statement that the special committee believes that the board of directors of the Company expressing an opinion in support of the Tender Offer and taking a neutral position regarding whether its shareholders tender the Company Shares in the Tender Offer, thereby leaving that decision to the judgment of its shareholders, would not be disadvantageous to the minority shareholders of the Company. After that, on January 25, 2021, the Company received the Report (2) from the special committee that includes a statement that the special committee believes that the board of directors of the Company maintaining its opinion in support of the Tender Offer and recommending that the shareholders of the Company tender the Company Shares in the Tender Offer would not be disadvantageous to the minority shareholders of the Company. Please refer to “(C) Establishment by the Company of an Independent Special Committee” of “(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” in “3. Details of Opinion on the Tender Offer and Grounds and Reasons Therefor” above for details.

End

US Regulations

The Tender Offer will be conducted in compliance with the procedures and information disclosure standards provided under the Financial Instruments and Exchange Act of Japan, and those procedures and standards are not always the same as those applicable in the United States. In particular, neither Section 13(e) nor Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended, the “U.S. Securities Exchange Act of 1934”) or the rules under these sections apply to the Tender Offer; therefore, the Tender Offer is not conducted in accordance with those procedures or standards. The financial information included in this press release do not conform to the U.S. accounting standards and may not be equivalent to the financial statements of a company in the United States. Also, because the Tender Offeror and the Company are corporations incorporated outside the United States and some or all of their directors are non-U.S. residents, it may be difficult to exercise rights or demands against them under the U.S. securities laws. It also may be impossible to bring an action against a company that is based outside of the United States or its directors in a court outside of the United States on the grounds of a violation of the federal securities laws of the United States. There is also no guarantee that a company that is based outside of the United States or its subsidiaries or affiliates may be compelled to submit themselves to the jurisdiction of a U.S. court.

All procedures regarding the Tender Offer will be conducted in Japanese unless specifically set forth otherwise. All or part of the documents regarding the Tender Offer will be prepared in English. However, if there is any discrepancy between the documents in English and those in Japanese, the documents in Japanese shall prevail.

Before the commencement of the Tender Offer or during the purchase period of the Tender Offer, the Tender Offeror and its affiliate, and the affiliates of the financial advisor of each of the Tender Offeror and the Company might purchase by means other than the Tender Offer or conduct an act aimed at such a purchase of the Company Shares on their own account or the account of their client to the extent permitted by Japanese laws and regulations related to financial instruments transactions and other applicable laws and regulations in the scope of their ordinary business and in accordance with the requirements of Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934. If information regarding such a purchase is disclosed in Japan, that information will also be disclosed in the English language on a website of the person that conducted that purchase.

Prediction of the Future

This press release includes forward-looking statements as defined in Section 27A of the U.S. Securities Act of 1933 (as amended, the “U.S. Securities Exchange Act of 1933”) and Section 21E of the U.S. Securities Exchange Act of 1934. The actual results may be significantly different from the predictions expressly or impliedly indicated in the forward-looking statements, due to known or unknown risks, uncertainty, or other factors. The Tender Offeror or its affiliates do not guarantee that the predictions expressly or impliedly indicated as the forward-looking statements will turn out to be correct. The forward-looking statements included in this press release were prepared based on the information held by the Tender Offeror as of the date hereof, and unless obligated by laws or regulations or the rules of a financial instruments exchange, the Tender Offeror, the Company or their affiliates shall not be obligated to update or revise the statements to reflect future incidents or situations.