[Translation]

February 2, 2009

To whom it may concern:

Company Name: Systems Engineering Laboratory Co., Ltd.
Representative: Masayuki Takahashi, Director and President
Code No.: 4789
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Announcement Concerning Expression of Opinion Regarding the Tender Offer for Shares of the Company by IT Holdings Corporation.

Systems Engineering Laboratory Co., Ltd. (hereinafter the "Company") is pleased to announce that the Board of Directors of the Company, at its meeting held on February 2, 2009, adopted a resolution expressing approval of a tender offer (hereinafter the "Tender Offer") for the common shares of the Company by IT Holdings Corporation (hereinafter the "Tender Offeror"), as described below.

1. Outline of the Tender Offeror

(1)	Corporate name	IT Holdings Corporation	
(2)	Business	Operation and management of its subsidiary companies and the whole group, and other incidental businesses	
(3)	Founded	April 1, 2008	
(4)	Head office	5-5, Ushijima-Shinmachi, Toyama-shi, Toyama	
(5)	Name and title of representative	Susumu Okamoto, Representative Director and President	
(6)	Capital	¥10,000,000,000 (as of April 1, 2008)	
(7)	Major shareholders and shareholding ratio (As of September 30, 2008) (*1)	Japan Trustee Services Bank, Ltd.	15.9%
		The Master Trust Bank of Japan, Ltd.	11.7%
		Trust & Custody Services Bank, Ltd.	3.0%
		Nippon Life Insurance Company	3.0%
		The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2.4%
		INTEC Holdings, Ltd.	1.5%

<table>
<tr><td></td><td></td><td colspan="2">Obayashi Corporation</td><td>1.3%</td></tr>
<tr><td></td><td></td><td colspan="2">JCB Co., Ltd.</td><td>1.3%</td></tr>
<tr><td></td><td></td><td colspan="2">Sanshin Co., Ltd.</td><td>1.3%</td></tr>
<tr><td></td><td></td><td colspan="2">Citibank London Standard Life Investment Fund Ltd. (Standing proxy: Citibank Japan Ltd.)</td><td>1.2%</td></tr>
<tr><td rowspan="4">(8)</td><td rowspan="4">Relationship, etc. between the Tender Offeror and the Company</td><td>Capital relationship</td><td colspan="2">As of September 30, 2008, the Tender Offeror indirectly holds 51.0% (1,937,000 shares) of the total shares of the Company. (*2)</td></tr>
<tr><td>Personnel relationship</td><td colspan="2">2 directors out of 4 directors and 1 company auditor out of 3 company auditors of the Company are either a company auditor or an operating officer of TIS Inc. (hereinafter “TIS”), which is a wholly owned subsidiary of the Tender Offeror. 1 company auditor of 3 company auditors of the Company is a company auditor at TIS Solution Business Co., Ltd. and at TIS System Service Inc., both of which are wholly owned subsidiaries of the Tender Offeror. One of the employees at TIS, which is a wholly owned subsidiary of the Tender Offeror, has been seconded to the Company.</td></tr>
<tr><td>Transaction relationship</td><td colspan="2">The Company provides systems engineering services to TIS, which is a wholly owned subsidiary of the Tender Offeror.</td></tr>
<tr><td>Relevant party status</td><td colspan="2">The Tender Offeror is a parent</td></tr>
</table>

			company of the Company, and is therefore a relevant party.

(*1)

Pursuant to Article 67, Paragraph 1 of the Enforcement Regulations of the Companies Act of Japan, exercising of the voting rights on the shares held by INTEC Holdings, Ltd. (hereinafter "INTEC HD") is restricted.

(*2)

A copy of the Report Concerning the Status on Possession of Larger Volume of Shares, etc. dated October 7, 2008 has been delivered by the Tender Offeror and its joint holders TIS System Service Inc., BM Consultants Inc., and TIS Leasing Co., Ltd., which reports that as of October 1, 2008, the Tender Offeror has acquired 977,000 shares from TIS by an absorption-type split and is currently holding the same.

The above-mentioned Report Concerning the Status on Possession of Larger Volume describes shareholdings as follows:

Name / Company Name	Address / Location	Shares Held (thousand)	Ratio of Shares Held to the Total Number of Outstanding Shares (%)
IT Holdings Corporation	5-5, Ushijima-Shinmachi, Toyama-shi, Toyama	977	25.7
TIS System Service Inc.	11-30, Enoki-cho, Suita-shi, Osaka	340	9.0
BM Consultants Inc.	1-14-5, Kaigan, Minato-ku, Tokyo	340	9.0
TIS Leasing Co., Ltd.	2-7-15, Hamamatsu-cho, Minato-ku, Tokyo	280	7.4

2. Opinion concerning the Tender Offer and grounds and reasons for the opinion

(1) Opinion concerning the Tender Offer

The Board of Directors of the Company, at its meeting held on February 2, 2009, adopted a resolution expressing approval of the Tender Offer by the Tender Offeror and recommending the Company's shareholders to tender shares in the Tender Offer.

(2) Grounds for the judgment that it is appropriate to recommend that the Company’s shareholders tender shares in the Tender Offer

(i) Purpose and background of the Tender Offer

The Tender Offeror was established in April 2008 as a joint holding company through a joint share transfer for the purpose of combining the business of TIS and INTEC HD. The Tender Offeror consists of numerous companies such as TIS and INTEC HD, which are a part of the information technology industry, which has an important role in the improvement of the social infrastructure, and together form a corporate body with several comprehensive businesses (hereinafter “IT Holdings Group”). The Tender Offeror optimizes group synergy and is in the process of establishing a group organization that is most optimal to the maintenance of a cohesive group structure.

The Company was established in 1979 for the purpose of developing software for computers manufactured by IBM Japan Ltd. (hereinafter “IBM Japan”) for growing and midsized companies. In 1990, the Company concluded a license agreement with Aspect Computing Pty., the copyright holder of LANSA, in connection with the exclusive right to distribute LANSA, which is a case tool for IBM Japan’s business server AS/400 for growing and midsized companies, in Japan. Thereafter, business related to LANSA has become the core business of the Company.

The shares of the Company became listed on NASDAQ Japan (currently Hercules) of the Osaka Securities Exchange Co., Ltd. (hereinafter the “OSE”) in 2000. In July 2001, the Company agreed to a business and capital alliance with TIS, which is a major systems integrator, and became a consolidated subsidiary of TIS in order to improve its position in the iSeries (an integrative application server of IBM Japan) business. Upon establishment of the Tender Offeror, the Company vigorously strived to expand its business as a consolidated subsidiary of the Tender Offeror, to become the “No.1 system provider of the iSeries.” As a result, out of approximately 10,000 users of IBM Japan servers in Japan that are growing and midsized companies, which are the primary target customers for the Company, more than 1,200 users have already installed LANSA. Moreover, the Company is considered to be one of the top software companies that specialize in the iSeries software.

In today’s fast-moving and globally depressed economy, each user is faced with the need to reduce costs while improving services in order to survive intense competition. There are opportunities for the Company to expand its business since further improvement of information technology for each user directly serves such purpose. On the other hand, options for clients have increased concurrently with the advancement of information technology in recent years, and competition is intensifying for the Company.

Under such circumstances, the Tender Offeror has come to the conclusion that it is best to merge the Company with TIS Solution Business Co., Ltd. on the target merger date (scheduled to be July 1, 2009) after completing the Tender Offer and the procedures (described below) to make the Company into a wholly owned subsidiary, in order to achieve quicker decision making based on the long to middle term strategies of the entire IT Holdings Group. The Tender Offeror expects to expand business by improving group synergies and maximizing the total power of the group in order to maximize the corporate value of the entire IT Holdings Group, as well as formulating an optimal organizational system for the IT Holdings Group in the forthcoming interim management plan, which is being prepared at this time.

In recent years, when the economic environment around the Company as described above is becoming increasingly difficult, the Company also understands the need to reorganize its business more flexibly within IT Holdings Group, beyond the group of the Company, in order to solidify the cooperative relationship with IBM Japan and business partners of IBM Japan, and to execute “the strategy of improving clients’ satisfaction in the SE service business by utilizing its competitive superiority in the areas of LANSA, e-PACK and Pliant, all of which are part of the package business” more precisely and effectively. Since execution of such expedited business reorganization and maximization of group synergy are considered to be necessary for the growth of the Company in the long and middle run, as well as for the maximization of corporate value, in order to further make use of the IT Holdings brand and thereby strengthen the systems of accepting orders, the Company has determined that becoming a wholly owned subsidiary of the Tender Offeror (the holding company of the Company) and merging with TIS Solution Business Co., Ltd., with which the Company is able to mutually complement its customer base, and whose specialized solutions are compatible with the Company’s, is the best option, and has determined to agree to the Tender Offer to be launched by the Tender Offeror.

Note: Both AS/400 and iSeries above are similar business servers of IBM Japan for growing and midsized companies.

(ii) Basis of calculation

In determining the tender offer price for the Tender Offer, the Tender Offeror considered the Valuation Report submitted by Nomura Securities Co., Ltd. (hereinafter ”Nomura”), which is the Tender Offeror’s financial advisor and a third party assessment entity, on January 30, 2009. After studying calculation methods for the Tender Offer, Nomura assessed the value of shares of the Company using each of the market average share price method, the comparable company method and the discounted cash flow method (hereinafter the "DCF Method").

According to the Valuation Report, the range of the value of a common share of the Company is assessed based on such methods as follows:

(A) Market Average Share Price Method: Ranges from JPY 180 to JPY 181

Period during which share prices were taken		Per share value
Closing price of the calculation reference date	January 30, 2009	JPY 180
Average of the immediately preceding 3 business day period	From January 28, 2009 to January 30, 2009	JPY 181
Calculation results		Ranges from JPY 180 to JPY 181

(Note): The most recent material announcement is referred to as the "Notice regarding Revisions of the Business Performance Forecast" announced by the Company on January 27, 2009.

(B) Comparable Company Method: Ranges from JPY 240 to JPY 312

(C) DCF Method: Ranges from JPY 323 to JPY 518

Under (A), the market average share price method, the share price and the volume of trading were observed, and the per-share value was calculated to range from JPY 180 to JPY 181 when the average of the immediately preceding 3 business day period following the most recent material announcement and the closing price of the reference date, which is January 30, 2009, were valuated.

Under (B), the comparable company method, the market share price and the financial indicators indicating the profitability, etc., of listed companies engaged in comparably similar business as the Company were compared, and the share value of the Company was evaluated. The per-share value was calculated to range from JPY 240 to JPY 312.

Under (C), the DCF Method, the Company's free cash flow expected in the future is then discounted at a fixed discount rate to obtain the present value, based on the expected profit of the Company from the financial year ending in March 2009 to the financial year ending in March 2013, also taking into account various factors such as business plans, recent performance and publicly available information about the Company. The corporate value as well as the share price are analyzed with it. As a result, the per-share value was calculated to range from JPY 323 to JPY 518.

The Tender Offeror determined that it was reasonable to offer to the shareholders of the Company a tender offer price increased by with an appropriate premium, with the market share price of the Company when the past cases in which a premium was attached to a tender offer price in a tender offer offered by a person other than the issuer of the shares, the Company's agreement or opposition to the Tender Offer, the movement of the market price of the Company's shares, the future prospects of the Tender Offer and the results of consultation and negotiation with the Company taken into consideration.

On the other hand, in consideration of the fact that the Tender Offeror is the parent company of the Company, in order to ensure the appropriateness and fairness of the tender offer price in the Tender Offer, the Company requested, independently of the Tender Offeror, SN Corporate Advisory Co., Ltd., a third party calculation institution independent from the Company and from the Tender Offeror (hereinafter the "SN Corporate Advisory"), to calculate the share value of the Company, and received from SN Corporate Advisory a Valuation Report on the share value of the Company. In the Valuation Report, SN Corporate Advisory calculates the share value of the Company by means of the DCF method, market average share price method (volume weighted average price for (a) the period commencing from the business date immediately following January 27, 2009, on which the latest Notice regarding Revisions of the Business Performance Forecast was announced until the basis date of calculation, January 30, 2009, and for (b) the periods of the last one (1) month, three (3) months, and six (6) months until the basis date of calculation), and the comparable company method. The calculation results of the value of the common share of the Company per share ranged from JPY 283 to JPY 356 in the DCF method, JPY 181 to JPY 207 in the market average share price method, and JPY 269 to JPY 275 in the comparable company method.

Also, the tender offer price in the Tender Offer is (i) the closing price of the common shares of the Company of JPY 180 in the Osaka Securities Exchange Hercules Market (hereinafter the "Hercules") as of January 30, 2009, with an added premium of 65.56% (rounded to the second decimal place), (ii) the simple average value of the closing price of the common shares of the Company in the Hercules for the past one (1) month until the same date, which is JPY 191 (rounded off to the nearest whole number) with an added premium of about 56.02% (rounded to the second decimal place), (iii) the simple average value of the closing price of the common shares of the Company in the Hercules for the past three (3) months until the same date, which is JPY 195 (rounded off to the nearest whole number) with an added premium of 52.82% (rounded to the second decimal place), (iv) the simple average value of the closing price of the common shares of the Company in the Hercules for the past six (6) months until the same date, which is JPY 205 (rounded off to the nearest whole number) with an added premium of about 45.37% (rounded to the second decimal place). A premium of 49.75% (rounded to the second decimal place) will also be added to the closing price of the common shares of the Company of JPY 199 in the Hercules as of January 27, 2009, immediately prior to the Company's release of "Notice regarding Revisions of the Business Performance Forecast" as of the same date.

In light of the results of the Valuation Report by SN Corporate Advisory, and in consideration of the financial conditions of the Company, market value trends of the common shares of the Company, and the amount of premium over the market value of the common shares of the Company in the tender offer price in the Tender Offer, etc., the Company determined that the tender offer price of JPY 298 per common share of the Company in the Tender Offer is appropriate from a financial perspective.

(iii) Process of calculation

The Tender Offeror was established in April 2008 as a joint holding company through a joint share transfer for the purpose of combining the business of TIS and INTEC HD. The Tender Offeror consists of numerous companies such as TIS and INTEC which are a part of the information technology industry, which has an important role in the improvement of the social infrastructure, and together form IT Holdings Group. The Tender Offeror optimizes group synergy and is in the process of establishing a group organization that is most optimal to the maintenance of a cohesive group structure.

In July 2001, the Company agreed to a business and capital alliance with TIS, which is a major systems integrator, and became a consolidated subsidiary of TIS in order to improve its position in the iSeries (an integrative application server of IBM Japan) business. Upon establishment of the Tender Offeror, the Company vigorously strived to expand its business as a consolidated subsidiary of the Tender Offeror to become the "No.1 system provider of the iSeries."

In today's rapid and worldwide recessionary economy, each user is faced with the need to reduce costs while improving services in order to survive the intense competition. There are opportunities for the Company to expand its business since further improvement of information technology has been necessitated to serve such purpose. On the other hand, options for clients have increased concurrently with the advancement of information technology in recent years, and the competition with competitors is intensifying for the Company.

Under such circumstances, the Tender Offeror has come to the conclusion that it is best to merge the Company with TIS Solution Business Co., Ltd. on the target merger date scheduled to be July 1, 2009 after completing the Tender Offer and the Procedures for Turning the Company into a Wholly Owned Subsidiary (as defined below) to make the Company into a wholly owned subsidiary in order to achieve quicker decision making based on the long to middle term strategies of IT Holdings Group.

(A) Name of the third party whose Valuation Opinion was obtained upon calculation

In determining the tender offer price of the Tender Offer, the Tender Offeror obtained an Evaluation Report on the value of shares of the Company from Nomura on January 30, 2009. The Tender Offeror did not obtain an opinion on the fairness of the tender offer price (fairness opinion) from Nomura. Nomura is an assessment entity independent of the Tender Offeror and is not a relevant party of the Tender Offeror.

(B) Summary of the Valuation Opinion

Nomura assessed the value of shares of the Company using the market average share price method, the comparable company method and the DCF method, the range of per-share value calculated for each method is as follows:

Market Average Share Price Method:
Ranges from JPY 180 to JPY 181
Comparable Company Method:
Ranges from JPY 240 to JPY 312
DCF Method:
Ranges from JPY 323 to JPY 518

(C) Process of determining the Tender Offer Price in consideration of the Valuation Opinion

In consideration of the calculation result of each method in the Valuation Report, the Tender Offeror determined that it is reasonable to offer to the shareholders of the Company a tender offer price that is increased by an appropriate premium, with the market share price of the

Company when the past cases in which a premium was attached to a tender offer price in a tender offer offered by a person other than the issuer of the shares, the Company's agreement or opposition to the Tender Offer, the movement of the market price of the Company's shares, the future prospects of the Tender Offer and the results of consultation and negotiation with the Company, etc. taken into consideration. It was determined at the Tender Offeror's Board of Directors' meeting held on February 2, 2009 that the tender offer price per share at the Tender Offer would be JPY 298.

On the other hand, in consideration of the fact that the Tender Offeror is the parent company of the Company, in order to ensure appropriateness and fairness in the tender offer price in the Tender Offer, the Company requested, independently of the Tender Offeror, SN Corporate Advisory, a third party calculation institution independent from the Company and from the Tender Offeror, to calculate the share value of the Company, and received from SN Corporate Advisory on January 30, 2009 a Valuation Report on the share value of the Company. The Company has not obtained from SN Corporate Advisory any opinion concerning fairness in the tender offer price in the Tender Offer (fairness opinion). In the Valuation Report, SN Corporate Advisory calculates the share value of the Company by means of the DCF method, market average share price method (volume weighted average price for (a) the period commencing from the business date immediately following January 27, 2009, on which the latest Notice regarding Revisions of the Business Performance Forecast was announced, until the basis date of calculation, January 30, 2009, and for (b) the periods of the last one (1) month, three (3) months, and six (6) months until the basis date of calculation), and the comparable company method. The calculation results of the value of the common share of the Company per share ranged from JPY 283 to JPY 356 in the DCF method, JPY 181 to JPY 207 in the market average share price method, and JPY 269 to JPY 275 in the comparable company method.

Also, the tender offer price in the Tender Offer is (i) the closing price of the common share of the Company of JPY 180 in the Hercules as of January 30, 2009 with an added premium of about 65.56% (rounded to the second decimal place), (ii) the simple average value of the closing price of the common share of the Company in the Hercules for the past one (1) month until the same date, which is JPY 191 (rounded off to the whole number) with an added premium of about 56.02% (rounded to the second decimal place), (iii) the simple average value of the closing price of the common share of the Company in the Hercules for the past three (3) months until the same date, which is JPY 195 (rounded off to the whole number) with an added premium of about 52.82% (rounded to the second decimal place), (iv) the simple average value of the closing price of the common share of the Company in the Hercules for the past six (6) months until the same date, which is JPY 205 (rounded off to the whole number) with an added premium of about 45.37% (rounded to the second decimal place). Premium of about 49.75% (rounded to the second decimal place) will also be added to the closing price of the common share of the Company of JPY 199 in the Hercules as of January 27, 2009 immediately prior to the Company's release of "Notice regarding Revisions of the Business Performance Forecast" as of the same date.

As a result of discussions and negotiations with the Tender Offeror, and in light of the results of the Valuation Report by SN Corporate Advisory, the Board of Directors of the Company determined at its meeting held on February 2, 2009 that, in consideration of the financial conditions of the Company, market value trends of the common shares of the Company, and the amount of premium over the market value of the common shares of the Company in the tender offer price in the Tender Offer, etc., the tender offer price of JPY 298 per common share of the Company in the Tender Offer is appropriate from a financial perspective, and in consideration of the conditions described in (3) (ii) below, decided, upon agreeing with the Tender Offer, to recommend that the shareholders of the Company tender shares in the Tender Offer.

(iv) Relationship with calculation institution

Neither Nomura nor SN Corporate Advisory is applicable as a relevant party of the Tender Offeror or the Company.

(3) Measures to ensure fairness in the tender offer price, etc. and to prevent conflicts of interest in the Tender Offer

The Company is a consolidated subsidiary of the Tender Offeror, and thus the Company and the Tender Offeror have made the following efforts to ensure fairness in the tender offer price, etc. and to prevent conflicts of interest in the Tender Offer:

(i) Measures to secure the fairness of the tender offer price

In order to secure the fairness of the tender offer price for the shares of the Company in the Tender Offer, the Tender Offeror obtained the Valuation Report from Nomura, which is a third party assessment entity independent of the Tender Offeror and the Company, in order to determine the tender offer price. However, the Tender Offeror did not obtain an opinion on the fairness of the tender offer price (fairness opinion) from Nomura. The tender offer price of JPY 298 per share has been determined after comprehensive consideration of Nomura's Valuation Report, the past cases in which a premium was attached to a tender offer price in a tender offer offered by a person other than the issuer of the shares, the Company's agreement or opposition to the Tender Offer, the movement of the market price of the Company's shares, the future prospects of the Tender Offer and the result of the consultation and negotiation with the Company, etc.

On the other hand, in consideration of the fact that the Tender Offeror is the parent company of the Company, in order to ensure appropriateness and fairness in the tender offer price in the Tender Offer, the Company requested, independently of the Tender Offeror, SN Corporate Advisory, a third party calculation institution independent from the Company and from the Tender Offeror, to calculate the share value of the Company, and received from SN Corporate Advisory the Valuation Report on the share value of the Company. The Company has not obtained from SN Corporate Advisory any opinion concerning fairness in the tender offer price in the Tender Offer (fairness opinion). We have relied on the Valuation Report in determining whether to agree with the Tender Offer. In the Valuation Report, SN Corporate Advisory calculated the share value of the Company by means of the DCF method, market average share price method (volume weighted average price for (a) the period commencing from the business date immediately following January 27, 2009, on which the latest Notice regarding Revisions of the Business Performance Forecast is announced, and until the basis date of calculation, which shall be January 30, 2009, and for (b) the periods of the last one (1) month, three (3) months, and six (6) months until the basis date of calculation), and the comparable company method. The calculation results of the value of the common share of the Company per share ranged from JPY 283 to JPY 356 in the DCF method, JPY 181 to JPY 207 in the market average share price method, and JPY 269 to JPY 275 in the comparable company method.

In light of the results of the Valuation Report by SN Corporate Advisory, and taking into account legal advice from the Company's legal advisor City-Yuwa Partners regarding the legality of the tender offer procedures and the appropriateness of the decisions of the Board of Directors of the Company as to such decisions, the Company determined that, in consideration of the financial conditions of the Company, market value trends of the common shares of the Company, and the amount of premium over the market value of the common shares of the Company in the tender offer price in the Tender Offer, etc., the tender offer price of JPY 298 per common share of the Company in the Tender Offer is appropriate from a financial perspective.

Furthermore, by setting 30 business days as a tender offer period for the Tender Offer, the Tender Offeror allows other purchasers the opportunity to purchase the shares of the Company. In this way, the Tender Offeror also assures the fairness of the Tender Offer.

(ii) Measures to prevent conflicts of interest in the Tender Offer

In consideration of the fact that the Tender Offeror is the parent company of the Company, in order to ensure fairness in the discussions and negotiations, etc. between the Tender Offeror and the Company regarding the Tender Offer and to encourage the transparency and objectivity of the transactions, the Company requested SN Corporate Advisory, a third party calculation institution independent from the Company and from the Tender Offeror, to calculate the share value of the Company, and received from SN Corporate Advisory on January 30, 2009 the Valuation Report on the share value of the Company. Also, the Company received legal advice from its legal advisor City-Yuwa Partners regarding the legality of the tender offer procedures and the appropriateness of the decisions of the Board of Directors of the Company as of this date, and taking into account such advice and the results of discussions and negotiations with the Tender Offeror, the Company carefully evaluated the conditions of the Tender Offer at the meeting of the Board of Directors held on February 2, 2009.

As a result of careful evaluation, the Board of Directors of the Company has determined that, as described in (2) (iii) and (3) (i) above, the conditions of the Tender Offer, including the tender offer price are reasonable, that the Tender Offer offers an opportunity for the shareholders of the Company to sell their shares of the Company at a reasonable price, and that implementation of the Tender Offer and the procedures to make the Company a wholly owned subsidiary of the Tender Offeror, as expected after the completion of the Tender Offer will contribute to the reinforcement of the business infrastructure of the Company, the restructuring of the Company's business, and future development of the Company, thereby realizing medium and long term growth and maximization of the corporate value of the Company. Therefore, the Board of Directors of the Company decided, upon agreeing with the Tender Offer, to recommend that the shareholders of the Company tender shares in the Tender Offer. The resolution at the meeting of the Board of Directors of the Company was made with the unanimous consent of the participating directors.

In order to prevent conflict of interests between the Tender Offeror and the Company, two of the directors of the Company, Mr. Yasuo Goto and Mr. Akira Kato, who are operating officers of TIS, a wholly owned subsidiary of the Tender Offeror, did not participate in the discussions and resolution at the meeting of the Board of Directors described above, and did not participate in the discussions and negotiations with the Tender Offeror (in its capacity as a director of the Company), on the ground that they are in a position to be able to take part in the Tender Offer.

Among the company auditors of the Company, Mr. Kazumoto Onizuka, who is a full-time company auditor of the Company, has expressed his agreement with the Company’s Board of Directors’ decision to agree to the Tender Offer. Other company auditors of the Company, Mr. Osamu Takemura and Mr. Yasuaki Kawamura did not participate in the discussion of the Tender Offer at the Board of Directors’ meeting based on the facts that Mr. Takemura is also a company auditor at TIS (a wholly owned subsidiary of the Tender Offeror) and that Mr. Kawamura is also a company auditor at TIS Solution Business Co., Ltd. and TIS System Service, Inc. (wholly owned subsidiaries of the Tender Offeror).

(4) Future acquisition of the shares of the Company by the Tender Offeror after the Tender Offer (Items on So-called Two-Tier Buyout)

As provided above, the Tender Offeror will launch the Tender Offer for the acquisition of all issued shares of the Company (excluding shares that the Tender Offeror already owns or treasury shares owned by the Company) for the purpose of making the Company into a wholly owned subsidiary of the Tender Offeror. In this Tender Offer, the Tender Offeror has not set any maximum or minimum number of shares to be purchased; therefore, the Tender Offeror intends to purchase all shares tendered for sale. If the Tender Offeror is unable to acquire all issued shares of the Company (exclusive of treasury shares and shares of the Company that the Tender Offeror already owns) through the Tender Offer, the Tender Offeror plans to proceed with the acquisition of all issued shares of the Company (exclusive of treasury shares) after completion of the Tender Offer while continuing to provide to shareholders of the Company other than the Tender Offeror opportunities to sell their shares through the following methods (hereinafter the “Procedures for Turning the Company into a Wholly Owned Subsidiary”).

Specifically, after completion of the Tender Offer, the Tender Offeror intends to request the Company to: (i) amend a part of the Company’s Articles of Incorporation to designate the Company as a corporation with class shares, as provided under the Companies Act of Japan; (ii) amend a part of the Company’s Articles of Incorporation, as amended under (i), to stipulate a provision that allows the Tender Offeror to call on all of its common shares that the Tender Offeror issued (hereinafter the “Wholly Call,” as provided in Article 108 (1) (vii) of the Companies Act; (iii) issue shares of the Company that are different in class in exchange for acquisition of all shares subject to the Wholly Call; and (iv) hold an extraordinary general meeting of shareholders in which (i) , (ii) and (iii) above are submitted as proposals (hereinafter the “Extraordinary General Meeting of Shareholders”). In regard to proceeding with the Procedures for Turning the Company into a Wholly Owned Subsidiary, if (i) above is approved at the Extraordinary General Meeting of Shareholders, the Company will become a corporation with class shares, as provided under the Companies Act. However, in order to approve (ii) above, a general meeting of class shareholders, which members consist of holders of common shares of the Company that are subject to the Wholly Call, must be held pursuant to Article 111 (2) (i) of the Companies Act (hereinafter the “Class Meeting”) in addition to the Extraordinary General Meeting of Shareholders. Therefore, the Tender Offeror plans to request the Company to hold the Extraordinary General Meeting of Shareholders and the Class Meeting on the same day. The Tender Offeror plans to agree to the abovementioned proposals at the Extraordinary General Meeting of Shareholders and the Class Meeting.

If the above proposals are approved, all common shares issued by the Company become subject to the Wholly Call, and all such shares (exclusive of treasury shares) will be acquired by the Company. The shareholders of the Company will be compensated by receiving a different class of shares issued by the Company. If issuance of the different class of shares as consideration for acquisition of all shares results in any fractional shares, the amount of cash obtained by selling the sum of all such fractional shares (including instances where the Company purchases all or part of such shares) (provided that any fraction resulting from such summation of fractional shares is dropped; the same shall apply hereinafter) is expected to be provided to the shareholders of such fractional shares pursuant to Article 234 of the Companies Act and other relevant regulations. The purchase price for the sum of such fractional shares or the amount of cash to be provided to the shareholders as a result of sales are expected to be calculated based on the tender offer price, unless there are special circumstances. However, such price may be different from the tender offer price because the purchase price or the amount of cash is calculated at a different time. Although the class and the number of shares of the Company to be issued in exchange for the common shares of the Company subject to the Wholly Call have not been determined, the Tender Offeror plans to request the Company to coordinate so that the Tender Offeror will own all issued shares of the Company (exclusive of treasury shares) and so that the shares of the Company to be issued to the shareholders of the Company other than the Tender Offeror will be fractional.

For the purpose of protecting the rights of minority shareholders, pertaining to the above procedures (i) through (iv), the Companies Act provides that: (A) upon amendment of the Articles of Incorporation to make the common shares of the Company subject to the Wholly Call as provided in (ii) above, any objecting shareholders may make a claim to have the Tender Offeror purchase their shares pursuant to Articles 116 and 117 of the Companies Act and other relevant regulations; and (B) if the Extraordinary General Meeting of Shareholders passes a resolution for acquisition of all shares subject to the Wholly Call as provided in (iii) above, the shareholders may petition to have their shares appraised pursuant to Article 172 of the Companies Act and other relevant regulations. In either (A) or (B), since a court is entitled to finally determine the per-share purchase price or acquisition price, such prices may be different from the tender offer price. Shareholders are responsible for checking and ascertaining the procedures available to them in order to make such claim or petition. Depending on the interpretation, etc. of relevant regulations by the authoritative government agencies, the Tender Offeror's Shareholding Ratio after the Tender Offer, or the shareholding by shareholders of the Company other than the Tender Offeror after the Tender Offer, etc., the Tender Offeror may employ other methods in addition to the procedures (i) through (iv) above to effect the same result. However, even in such cases, the Tender Offeror plans to arrange to provide a cash amount as consideration for the shares of the Company, so that the Tender Offeror will own all issued shares of the Tender Offeror (exclusive of treasury shares). Similarly, although the cash amount to be provided to the shareholders of the Company in this case will be calculated based on the tender offer price, it may be different from the tender offer price.

The Tender Offer will not solicit approval of the shareholders of the Company at the Extraordinary General Meeting of Shareholders and at the Class Meeting. Shareholders are solely responsible for checking with tax experts in regard to tax issues that may arise from the Procedures for Turning the Company into a Wholly Owned Subsidiary, or with respect to making a claim to have the Tender Offeror purchase their shares through such procedures.

Further, the Company has resolved at the meeting of the Board of Directors held on February 2, 2009, that the Company will not pay any year-end dividend with a record date of March 31, 2009, on the condition that the Tender Offer is successfully completed, so as to avoid differences in the financial results of shareholders who tendered shares in the Tender Offer and shareholders who did not.

(5) Expected delisting

(i) Expected delisting and the reasons for the expected delisting

Currently, the shares of the Company are listed on the Hercules. Since the Tender Offer does not set a maximum number of shares to be purchased, the shares of the Company may be delisted from Hercules through certain prescribed procedures pursuant to the delisting standards of the OSE after completion of the Tender Offer, depending on the result of the Tender Offer. Even if the result of the Tender Offer does not meet such delisting standards, the shares of the

Company are likely to be delisted through certain prescribed procedures pursuant to the OSE's delisting standards, because the Tender Offeror is expected to own all issued shares of the Company (exclusive of treasury shares) after the implementation of the Procedures for Turning the Company into a Wholly Owned Subsidiary following the completion of the Tender Offer. After delisting, the shares of the Company may no longer be traded on Hercules.

(ii) Reasons for recommending the subscription of the Tender Offer with the expected delisting and review of alternative measures

The Company, as stated in (2) (i) above, has determined that in order for the Company to continue to develop its business, it is necessary to enhance the Company's credibility to outside parties and reinforce its business infrastructure by having the Tender Offeror make the Company its wholly owned subsidiary. The Company believes that by becoming a wholly owned subsidiary of the Tender Offeror, the Company will be able to build a system under which necessary decisions can be made promptly and efficiently by management, taking into account the medium to long term perspective, to enhance the corporate value of the Company.

The Tender Offeror optimizes group synergy and is in the process of establishing a group organization that is most optimal to the maintenance of a cohesive group structure. In today's fast-moving and globally depressed economy, the Tender Offeror is committed to quicker decision making based on the long to middle term strategies of the entire IT Holdings Group in order to improve corporate value. Under such strategies and for the purpose of pursuing synergies for the entire IT Holdings Group, and to achieve closer communication between the Tender Offeror and the Company in the long to middle term, the Tender Offeror determined that turning the Company into a wholly owned subsidiary of the Tender Offeror is desirable. The purpose of the Tender Offer and the Procedures for Turning the Company into a Wholly Owned Subsidiary is not to delist the shares of the Company, but to provide opportunities for the shareholders of the Company to receive cash amounts as consideration for the shares of the Company, because the shares are expected to be delisted as part of the process of turning the Company into a wholly owned subsidiary.

Therefore, the Company has decided to recommend that the shareholders of the Company tender shares in the Tender Offer, after the agreement to the Tender Offer by the Tender Offeror, which will result in the delisting of shares of the Company.

If the common shares of the Company are delisted, the shares will not be traded on the Hercules.

To protect the interests of the Company's minority shareholders, the Tender Offeror intends to offer the Company's shareholders (other than the Tender Offeror) opportunities to sell the Company's shares through the procedures described in (4) above, as an alternative measure that can be taken prior to delisting. Although the amount of cash to be delivered to the Company's shareholders (again, other than the Tender Offeror) in the process of Turning the Company into a Wholly Owned Subsidiary of the Tender Offeror is scheduled to be calculated based on the tender offer price for the common shares in the Tender Offer, the amount may differ from the tender offer price in the Tender Offer.

(6) Items related to the important agreements pertaining to the acceptance of the Tender Offer between the Tender Offeror and the shareholders of the Company

As of today, the Tender Offeror has concluded the Tender Offer Acceptance Agreement with TDK Corporation, which is the major shareholder of the Company, and obtained TDK's agreement to accept the Tender Offer as to the 450,000 shares of the Company owned by TDK.

The Tender Offeror has also obtained agreements from TIS System Service Inc., BM Consultants Inc. and TIS Leasing Co., Ltd., all of which are subsidiaries of the Tender Offeror, to accept the Tender Offer as to all shares owned by them (340,000 shares, 340,000 shares, 280,000 shares respectively; totaling 960,000 shares).

(7) Prospects of Company after the Tender Offer and after the Company becomes a wholly owned subsidiary

The Tender Offeror believes that this business merger by way of merger with TIS Solution Business Co., Ltd. after completion of the Tender Offer and the Company's becoming the wholly owned subsidiary of the Tender Offeror, with the resulting collaboration of management resources, will enable (a) prompt management decisions based on the medium and long term business strategies of the whole IT Holdings Group and (b) the growth of the overall business by fully realizing the combined potential from group synergy effects, which will result in the improvement of the corporate value of the Company.

3. Content of offer of interest by the Tender Offeror or its specially related parties

Not applicable

4. Policies for handling the basic policy regarding the rules of the Company

Not applicable

5. Questions to the Tender Offeror

Not applicable

6. Request for extension of the Tender Offer period

Not applicable

7. Summary of purchase, etc. by the Tender Offeror

Please refer to the attached materials.

（ATTACHMENT）

[English Version]

February 2, 2009

Company Name: IT Holdings Corporation
(Code No.: 3626, First Section of the Tokyo Stock Exchange)
Representative: Susumu Okamoto, Representative Director / President
Contact: Iwao Sakuma, General Manager Public Relations Department
(Tel: 03-6738-7557)

Commencement of Tender Offer for Shares of
Systems Engineering Laboratory Co., Ltd., a Subsidiary of IT Holdings Corporation

IT Holdings Corporation (hereinafter the “Tender Offeror” or the “Company”) hereby announces that the Board of Directors of the Company passed a resolution to acquire shares of Systems Engineering Laboratory Co., Ltd. (Code No.: 4789, Osaka Securities Exchange Co., Ltd. Hercules Market, hereinafter the “Target”) through a tender offer (hereinafter the “Tender Offer”) at its Board of Directors’ meeting held on February 2, 2009. The Company plans to turn the Target into its wholly owned subsidiary by the Tender Offer and other procedures following the Tender Offer. In such event, the shares of the Target are expected to be delisted. Any reference to “shares” herein refers to rights that are generally indicated on share certificates, etc. including if share certificates are not issued for such shares (, as in the case of, electronic shares).

1. Purpose of the Tender Offer

(1) Summary of the Tender Offer

The Company currently owns 977,000 common shares of the Target (25.74% of the shareholding ratio against all issued shares, excluding treasury shares held by the Target (hereinafter the “Shareholding Ratio”, provided that any fraction of less than a thousandth digit is rounded up or down to the closest hundredth digit)) and the Company indirectly holds 960,000 shares (25.29% Shareholding Ratio), totaling 1,937,000 shares (51.02% Shareholding Ratio), and the Target is designated as a consolidated subsidiary of the Company. At this time, the Company is launching a tender offer for the purpose of acquiring all issued shares of the Target excluding shares already owned by the Company and treasury shares owned by the Target.

(2) Purpose and Background of Tender Offer

The Company was established in April 2008 as a joint holding company through a joint share transfer for the purpose of combining the businesses of TIS Inc. (hereinafter "TIS") and INTEC Holdings, Ltd. (hereinafter "INTEC HD"). The Company consists of numerous companies such as TIS and INTEC, Inc., which are a part of the information technology industry, which has an important role in the improvement of the social infrastructure, and together form a corporate body with several comprehensive businesses (hereinafter "IT Holdings Group"). The Company optimizes group synergy and is in the process of establishing a group organization that is most optimal to the maintenance of a cohesive group structure.

The Target was established in 1979 for the purpose of developing software for computers manufactured by IBM Japan Ltd. (hereinafter "IBM Japan") for growing and midsized companies. In 1990, the Target concluded a license agreement with Aspect Computing Pty., the copyright holder of LANSA, which is a case tool for IBM Japan's business server AS/400 for growing and midsized companies in connection with the exclusive right to distribute LANSA, in Japan. Thereafter, business related to LANSA has become the core business of the Target.

The shares of the Target became listed on NASDAQ Japan (currently Hercules) of the Osaka Securities Exchange Co., Ltd. (hereinafter the "OSE") in 2000. In July 2001, the Target agreed to a business and capital alliance with TIS, which is a major systems integrator, and became a consolidated subsidiary of TIS in order to improve its position in the iSeries (an integrative application server of IBM Japan) business. Upon establishment of the Company, the Target vigorously strived to expand its business as a consolidated subsidiary of the Company, to become the "No.1 system provider of the iSeries." As a result, out of approximately 10,000 users of IBM Japan servers in Japan that are growing and midsized companies, which are the primary target customers for the Target, more than 1,200 users have already installed LANSA. Moreover, the Target is considered to be one of the top software companies that specialize in the iSeries software.

In today's fast-moving and globally depressed economy, each user is faced with the need to reduce costs while improving services in order to survive intense competition. There are opportunities for the Target to expand its business since further improvement of information technology for each user directly serves such purpose. On the other hand, options for clients have increased concurrently with the advancement of information technology in recent years, and competition is intensifying for the Target.

Under such circumstances, the Company has come to the conclusion that it is best to merge the Target with TIS Solution Business Co., Ltd. on the target merger date (scheduled to be July 1, 2009), by completing the Tender Offer and the procedures (described below) to make the Target into a wholly owned subsidiary, in order to achieve quicker decision making based on the long to middle term strategies of the entire IT Holdings Group. The Company expects to expand business by improving group synergies and maximizing the total power of the group in order to maximize the corporate value of the entire IT Holdings Group, as well as to formulate an optimal organizational system for the IT Holdings Group in the forthcoming interim management plan, which is being prepared at this time for future implementation.

In recent years, when the economic environment around the Target as described above is becoming increasingly difficult, the Target also understands the need to reorganize its business more flexibly within IT Holdings Group, beyond the group of the Target, in order to solidify the cooperative relationship with IBM Japan and business partners of IBM Japan, and to execute "the strategy of improving clients' satisfaction in the SE service business by utilizing its competitive superiority in the areas of LANSA, e-PACK and Pliant, all of which are part of the package business" more precisely and effectively. Since execution of such expedited business reorganization and maximization of group synergy are necessary for the growth of the Target in the long and middle run, as well as for the maximization of corporate value, the Target has determined that becoming a wholly owned subsidiary of the Company (the holding company of the Target) in order to make use of the IT Holdings Group brand further and strengthen its systems, under which orders are received, and merging with TIS Solution Business Co., Ltd., which has a customer base that mutually supports the customer base of the Target and specializes in solutions compatible with the solutions that the Target specializes in, is the best option, and has determined to agree to the Tender Offer to be launched by the Company.

Note: Both AS/400 and iSeries above are similar business servers of IBM Japan for growing and midsized companies.

(3) Policies on Organizational Restructuring, etc. after the Tender Offer (Items on So-called Two-Tier Buyout)

As provided above, the Company will launch the Tender Offer for acquisition of all issued shares of the Target (excluding shares already owned by the Company and treasury shares owned by the Target) for the purpose of making the Target into a wholly owned subsidiary of the Company. In this Tender Offer, the Company does not set any maximum or minimum number of shares to be purchased; therefore, the Company intends to purchase all shares tendered for sale. If the Company is unable to acquire all issued shares of the Target (exclusive of treasury shares) through the Tender Offer, the Company plans to proceed with the acquisition of all issued shares of the Target (exclusive of treasury shares) after completion of the Tender Offer while continuing to provide to shareholders of the Target other than the Company opportunities to sell their shares through the following methods (hereinafter the “Procedures for Turning the Target into a Wholly Owned Subsidiary”).

Specifically, after completion of the Tender Offer, the Company intends to request the Target to: (i) amend a part of the Target’s Articles of Incorporation to designate the Target as a corporation with class shares, as provided under the Companies Act of Japan; (ii) amend a part of the Target’s Articles of Incorporation, as amended under (i), to stipulate a provision applicable to common shares that allows the Company to call on all of its common shares that the Company issued (as provided in Article 108 (1) (vii) of the Companies Act; hereinafter the “Wholly Call”); (iii) issue shares of the Target that are different in class in exchange for acquisition of all shares subject to the Wholly Call; and (iv) hold an extraordinary general meeting of shareholders in which (i), (ii) and (iii) above are submitted as proposals (hereinafter the “Extraordinary General Meeting of Shareholders”). In regard to proceeding with the Procedures for Turning the Target into a Wholly Owned Subsidiary, if (i) above is approved at the Extraordinary General Meeting of Shareholders, the Target will become a corporation with class shares, as provided under the Companies Act. However, in order to approve (ii) above, a general meeting of class shareholders, which members consist of holders of common shares of the Target that are subject to the Wholly Call, must be held pursuant to Article 111 (2) (i) of the Companies Act (hereinafter the “Class Meeting”) in addition to the Extraordinary General Meeting of Shareholders. Therefore, the Company plans to request the Target to hold the Extraordinary General Meeting of Shareholders and the Class Meeting on the same day. The Company plans to agree to the abovementioned proposals at the Extraordinary General Meeting of

Shareholders and the Class Meeting.

If the above proposals are approved, all common shares issued by the Target become subject to the Wholly Call, and all such shares (exclusive of treasury shares) will be acquired by the Target. The shareholders of the Target will be compensated by receiving a different class of shares issued by the Target. If issuance of the different class of shares as consideration for acquisition of all shares results in any fractional shares, the amount of cash obtained by selling the sum of all such fractional shares (including instances where the Target purchases all or part of such shares) (provided that any fraction resulting from such summation of fractional shares is dropped; the same shall apply hereinafter) is expected to be provided to the shareholders of such fractional shares pursuant to Article 234 of the Companies Act and other relevant regulations. The purchase price for the sum of such fractional shares or the amount of cash to be provided to the shareholders as a result of sales are expected to be calculated based on the tender offer price, unless there are special circumstances. However, such price may be different from the tender offer price because the purchase price or the amount of cash is calculated at a different time. Although the class and the number of shares of the Target to be issued in exchange for the common shares of the Target subject to the Wholly Call have not been determined, the Company plans to request the Target to coordinate so that the Company will own all issued shares of the Target (exclusive of treasury shares) and so that the shares of the Target to be issued to the shareholders of the Target other than the Company will be fractional.

For the purpose of protecting the rights of minority shareholders, pertaining to the above procedures (i) through (iv), the Companies Act provides that: (A) upon amendment of the Articles of Incorporation to make the common shares of the Target subject to the Wholly Call as provided in (ii) above, any objecting shareholders may make a claim to have the Company purchase their shares pursuant to Articles 116 and 117 of the Companies Act and other relevant regulations; and (B) if the Extraordinary General Meeting of Shareholders passes a resolution for acquisition of all shares subject to the Wholly Call as provided in (iii) above, the shareholders may petition to have their shares appraised pursuant to Article 172 of the Companies Act and other relevant regulations. In either (A) or (B), since a court is entitled to finally determine the per-share purchase price or acquisition price, such prices may be different from the tender offer price. Shareholders are responsible for checking and ascertaining the procedures available to them in order to make such claim or petition. Depending on the interpretation, etc. of relevant regulations by the authoritative government agencies, the Company's Shareholding Ratio after the Tender Offer, or the shareholding by the shareholders of the Target other than the Company after the Tender Offer, etc., the Company may employ other methods in addition to the procedures (i) through (iv) above to effect the same result. However, even in such cases, the Company plans to arrange to provide a cash amount as consideration for the shares of the Target, so that the Company will own all issued shares of the Target (exclusive of treasury shares). Similarly, although the cash amount to be provided to the shareholders of the Target in this case will be calculated based on the tender offer price, it may be different from the tender offer price.

The Tender Offer will not solicit approval of the shareholders of the Target at the Extraordinary General Meeting of Shareholders and at the Class Meeting. Shareholders are responsible for checking with tax experts in regard to tax issues that may arise from the Tender Offer, the Procedures for Turning the Target into a Wholly Owned Subsidiary, or with respect to making a claim to have the Company purchase their shares through such procedures.

(4) Expected Delisting and Such Events

Currently, the shares of the Target are listed on the OSE Hercules Market (hereinafter "Hercules"). Since the Tender Offer does not set a maximum number of shares to be purchased, the shares of the Target may be delisted from Hercules through certain prescribed procedures pursuant to the delisting standards of the OSE after completion of the Tender Offer, depending on the result of the Tender Offer. Even if the result of the Tender Offer does not meet such delisting standards, the shares of the Target are likely to be delisted through certain prescribed procedures pursuant to the OSE's delisting standards, because the Company is expected to own all issued shares of the Target (exclusive of treasury shares) after the implementation of the Procedures for Turning the Target into a Wholly Owned Subsidiary following the completion of the Tender Offer. After delisiting, the shares of the Target may no longer be traded on Hercules.

(5) Reason for Delisting

The Company optimizes group synergy and is in the process of establishing a group organization that is most optimal to the maintenance of a cohesive group structure. In today's fast-moving and globally depressed economy, the Company is committed to quicker decision making based on the long to middle term strategies of the entire IT Holdings Group in order to improve corporate value. Under such strategies and for the purpose of pursuing synergies within the entire IT Holdings Group, and achieving closer communication between the Company and the Target in the long to middle run, the Company determined that turning the Target into a wholly owned subsidiary is desirable.

The purpose of the Tender Offer and the Procedures for Turning the Target into a Wholly Owned Subsidiary is not to delist the shares of the Target, but to provide opportunities for the shareholders of the Target to receive cash amounts as consideration for the shares of the Target, which are to be delisted, as part of the process of turning the Target into a wholly owned subsidiary.

(6) Measures to Assure Fairness of the Tender Offer Price and Measures to Prevent any Conflicts of Interest

In order to assure the fairness of the tender offer price for the shares of the Target, the Company has obtained and examined a statement of share value assessment (hereinafter the “Valuation Report”) from Nomura Securities Co., Ltd. (hereinafter “Nomura”), which is a financial advisor to the Company, as well as a third party assessment entity independent of the Company and the Target as part of determining the tender offer price. The tender offer price of JPY 298 per share has been determined after comprehensive consideration of Nomura’s Valuation Report, the past cases in which a premium was attached to a tender offer price in a tender offer offered by a person other than the issuer of the shares, the Target’s agreement or opposition to the Tender Offer, the movement of the market price of the Target’s shares, the future prospects of the Tender Offer and the results of consultation and negotiation with the Target, etc. The tender offer price of JPY 298 was calculated by: (a) adding a premium of 56.02% (any fraction less than a thousandth digit is rounded up or down to the closest hundredth digit) on JPY 191 (any fraction is rounded up or down to the closest whole number), which is the simple average of closing prices of regular transactions for the shares of the Target on Hercules for the period of one month ending on January 30, 2009; (b) adding a premium of 52.82% (any fraction less than a thousandth digit is rounded up or down to the closest hundredth digit) on JPY 195 (any fraction is rounded up or down to the closest whole number), which is the simple average of closing prices of regular transactions for the shares of the Target on Hercules for the period of 3 months ending on January 30, 2009; and (c) adding a premium of 65.56% (any fraction less than a thousandth digit is rounded up or down to the closest hundredth digit) on JPY 180, which is the closing price of regular transactions for the shares of the Target on Hercules on January 30, 2009.

Since the Company is a holding company of the Target, the Target has requested SN Corporate Advisory Co., Ltd. (hereinafter “SN Corporate Advisory”), which is a third party assessment entity independent of the Company and the Target, to assess the value of shares of the Target in order to assure the fairness of the consultation and negotiation procedures between the Company and the Target pertaining to the Tender Offer and to improve the transparency and the objectivity of the transaction. The Target obtained the report on valuation of shares from SN Corporate Advisory on January 30, 2009. With regard to the legality of the tender offer procedures and the appropriateness of management’s decision at the time of passing the resolution at the Board of Directors’ meeting of the Target, the Target obtained legal advice from City-Yuwa Partners, which is the legal advisor of the Target, and reviewed the conditions of the Tender Offer at the Board of Directors’ meeting of the Target held on February 2, 2009 in consideration of such report and such legal advice, as well as the result of consultation and negotiation with the Company.

As a result, the Board of Directors of the Target determined that the conditions of the Tender Offer, including the tender offer price, are fair and provide an opportunity for the shareholders of the Target to sell their shares at a reasonable price. The Board of Directors of the Target also determined that the Tender Offer as well as the Procedures for Turning the Target into a Wholly Owned Subsidiary, which is to be executed after the completion of the Tender Offer, serve to strengthen the management base of the Target, to reestablish the Target’s business, to contribute to the Target’s future expansion, to facilitate the growth of the Target in the long to middle term and to maximize the corporate value of the Target. Therefore, the Board of Directors passed a resolution to agree to the execution of the Tender Offer and to recommend to its shareholders to sell their shares in the Tender Offer. The Company has been informed that all of the participating directors at the Board of Directors’ meeting of the Target unanimously passed the resolution.

In order to prevent a conflict of interest between the Company and the Target, two directors of the Target, Mr. Yasuo Goto and Mr. Akira Kato (who are the operating officers of TIS, a wholly owned subsidiary of the Company), did not participate in the discussion and the voting at the Board of Directors’ meeting based on the fact that they are in positions that may be involved in the Tender

Offer. They also did not participate in any part of the consultation or the negotiation with the Company.

Among the company auditors of the Target, Mr. Kazutomo Onizuka, who is a full-time company auditor of the Target, has expressed his agreement with the Target's Board of Directors' decision to agree to the Tender Offer. Other company auditors of the Target, Mr. Osamu Takemura and Mr. Yasuaki Kawamura, did not participate in the discussion of the Tender Offer at the Board of Directors' meeting based on the facts that Mr. Takemura is also a company auditor at TIS (a wholly owned subsidiary of the Company) and that Mr. Kawamura is also a company auditor at TIS Solution Business Co., Ltd. and TIS System Service, Inc. (wholly owned subsidiaries of the Company).

Furthermore, by setting 30 business days as the tender offer period for the Tender Offer, the Company ensures that other purchasers have the opportunity to purchase the shares of the Target. In this way, the Company also assures the fairness of the Tender Offer.

(7) Items Related to Important Agreements Pertaining to the Acceptance of the Tender Offer between the Company and the Shareholders of the Target

As of today, the Company has concluded the Tender Offer Acceptance Agreement with TDK Corporation, which is the major shareholder of the Target, and obtained TDK's agreement to accept the Tender Offer, with respect to the 450,000 shares of the Target owned by TDK.

The Company has also obtained agreements of TIS System Service Inc., BM Consultants Inc. and TIS Leasing Co., Ltd., all of which are subsidiaries of the Company, to accept the Tender Offer, with respect to all shares owned by them (340,000 shares, 340,000 shares, 280,000 shares respectively; totaling 960,000 shares).

2. Overview of the Tender Offer

(1) Overview of the Target

① Trade Name	System Engineering Laboratory Co., Ltd.
② Businesses	1. Development, sales and maintenance of computer software 2. Sales of computers and ancillary products

<table>
<tr><td></td><td colspan="2">3. Dispatchment of workers
4. Any other businesses relating to any of the above</td></tr>
<tr><td>③ Date of Incorporation</td><td colspan="2">May 18, 1979</td></tr>
<tr><td>④ Address of Principal Office</td><td colspan="2">SA Building 2-17-12, Kiba
Koto-ku, Tokyo</td></tr>
<tr><td>⑤ Name and Title of Representative</td><td colspan="2">Representative Director / President
Masayuki Takahashi</td></tr>
<tr><td>⑥ Capital Amount</td><td colspan="2">JPY 616,800,000
(as of September 30, 2008)</td></tr>
<tr><td>⑦ Major Shareholders and Their Shareholding Ratio</td><td colspan="2">TIS Inc. (Note 1) 25.7%
TDK Corporation 11.8%
TIS System Service Inc. 9.0%
BM Consultants Inc. 9.0%
TIS Leasing Co., Ltd. 7.4%
A&I System Co., Ltd. 5.5%
Andor Systems Co., Ltd. 5.3%
Employee Shareholder’s Committee of System Engineering Laboratory 2.3%
TISC Co., Ltd. 2.1%
Lansa Holdings Inc. 2.1%
(As of September 30, 2008)</td></tr>
<tr><td rowspan="2">⑧ Relationship Between the Tender Offeror and the Target</td><td>Capital Relationship</td><td>The Company holds 1,937,000 shares of the Target, consisting of 51.0% of the issued shares of the Target, through indirect shareholding (as of September 30, 2008) (Note 1).</td></tr>
<tr><td>Personnel Relationship</td><td>2 directors out of 4 directors and 1 company auditor out of 3 company auditors of the Target are either a company auditor or an</td></tr>
</table>

		operating officer of TIS, which is a wholly owned subsidiary of the Company. 1 company auditor out of 3 company auditors of the Target is a company auditor at TIS Solution Business Co., Ltd. and at TIS System Service, Inc., both of which are wholly owned subsidiaries of the Company. One of the employees at TIS, which is a wholly owned subsidiary of the Company, has been seconded to the Target.
	Business Transactional Relationship	The Target provides system engineering services to TIS, which is a wholly owned subsidiary of the Company.
	Applicability as a Relevant Party	The Target is a consolidated subsidiary of the Company and is applicable as a relevant party.

(Note 1): The Company and its co-holders, TIS System Service Inc, BM Consultants Inc. and TIS Leasing Co., Ltd., have distributed a copy of the Report Concerning the Status on Possession of Larger Volume of Shares, etc., dated October 7, 2008, to the Target, and reported that the Company acquired 977,000 shares of the Target from TIS through an absorption-type split effective as of October 1, 2008. The Shareholding Ratio of the Company is 25.7 %.

(2) Tender Offer Period

(i) Initial Tender Offer Period at the Time of Filing

For 30 business days, from Tuesday February 3, 2009 to Tuesday March 17, 2009

(ii) Possibility of Extension upon Request of the Target

Not applicable

(3) Tender Offer Price

JPY 298 per share

(4) Basis of Calculation of Tender Offer Price

(i) Basis of Calculation

In determining the tender offer price for the Tender Offer, the Company considered the Valuation Report submitted on January 30, 2009 by Nomura, which is the Company's financial advisor and a third party assessment entity. After studying calculation methods for the Tender Offer, Nomura assessed the value of shares of the Target using each of the market average share price method, the comparable company method and the discounted cash flow method (hereinafter the "DCF Method").

According to the Valuation Report, the range of the value of a common share of the Target is assessed based on such methods as follows:

(A) Market Average Share Price Method: Ranges from JPY 180 to JPY 181

Period during which share prices were taken		Per share value
Closing price of the calculation reference date	January 30, 2009	JPY 180
Average of the immediately preceding 3 business day period	From January 28, 2009 to January 30, 2009	JPY 181
Calculation results		Ranges from JPY 180 to JPY 181

(Note): The most recent material announcement is referred to as the "Notice regarding Revisions of the Business Performance Forecast" announced by the Target on January 27, 2009.

(B) Comparable Company Method: Ranges from JPY 240 to JPY 312

(C) DCF Method: Ranges from JPY 323 to JPY 518

Under (A), the market average share price method, the share price and the volume of trading were observed, and the per-share value was calculated to range from JPY 180 to JPY 181 based on the average of the immediately preceding 3 business day period following the most recent material announcement and the closing price of the reference date, which is January 30, 2009.

Under (B), the comparable company method, the market share price and the financial indicators indicating the profitability, etc., of listed companies engaged in comparably similar business as the Target were compared, and the share value of the Target was evaluated. The per-share value was calculated to range from JPY 240 to JPY 312.

Under (C), the DCF Method, the Target's free cash flow expected in the future is then discounted at a fixed discount rate to obtain the present value, based on the expected profit of the Target from the financial year ending in March 2009 to the financial year ending in March 2013, taking into account various factors such as business plans, recent performance and publicly available information about the Target. The corporate value as well as the share price are analyzed with it. As a result, the per-share value was calculated to range from JPY 323 to JPY 518.

The Company determined that it was reasonable to offer to the shareholders of the Target a tender offer price increased by an appropriate premium, with the market share price of the Target when the past cases in which a premium was attached to a tender offer price in a tender offer offered by a person other than the issuer of the shares, the Target's agreement or opposition to the Tender Offer, the movement of the market price of the Target's shares, the future prospects of the Tender Offer and the results of consultation and negotiation with the Target all being taken into consideration.

The tender offer price of JPY 298 was calculated by: (a) adding a premium of 56.02% (any fraction less than a thousandth digit is rounded up or down to the closest hundredth digit) on JPY 191 (any fraction is rounded up or down to the closest whole number), which is the simple average of closing prices of regular transactions for the shares of the Target on Hercules for the period of one month ending on January 30, 2009; (b) adding a premium of 52.82% (any fraction less than a thousandth digit is rounded up or down to the closest hundredth digit) on JPY 195 (any fraction is rounded up or down to the closest whole number), which is the simple average of closing prices of regular transactions for the shares of the Target on Hercules for the period of 3 months ending on January 30, 2009; and (c) adding a premium of 65.56% (any fraction less than a thousandth digit is rounded up or down to the closest hundredth digit) on JPY 180, which is the closing price of regular transactions for the shares of the Target on Hercules on January 30, 2009.

(ii) Process of Calculation

(A) Process of Consideration

The Company was established in April 2008 as a joint holding company through a joint share transfer for the purpose of combining the businesses of TIS and INTEC HD. The Company consists of numerous companies such as TIS and INTEC, Inc., which are a part of the information technology industry, which has an important role in the improvement of the social infrastructure, and together form IT Holdings Group. The Company optimizes group synergy and is in the process of establishing a group organization that is most optimal to the maintenance of a cohesive group structure.

In July 2001, the Target agreed to a business and capital alliance with TIS, which is a major systems integrator, and became a consolidated subsidiary of TIS in order to improve its position in the iSeries (an integrative application server of IBM Japan) business. Upon establishment of the Company, the Target vigorously strived to expand its business as a consolidated subsidiary of the Company to become the “No.1 system provider of the iSeries.”

In today's fast-moving and globally depressed economy, each user is faced with the need to reduce costs while improving services in order to survive intense competition. There are opportunities for the Target to expand its business since further improvement of information technology directly serves this purpose. On the other hand, options for clients have increased concurrently with the advancement of information technology in recent years, and competition is intensifying for the Target.

Under such circumstances, the Company has come to the conclusion that it is best to merge the Target with TIS Solution Business Co., Ltd. on the target merger date (scheduled to be July 1, 2009), after completing the Tender Offer and the Procedures for Turning the Target into a Wholly Owned Subsidiary to make the Target into a wholly owned subsidiary, in order to achieve quicker decision making based on the long to middle term strategies of IT Holdings Group.

(B) Name of the Third Party Whose Opinion Was Obtained upon Calculation

In determining the tender offer price of the Tender Offer, the Company obtained a Valuation Report on the value of shares of the Target from Nomura on January 30, 2009. The Company did not obtain an opinion on the fairness of the tender offer price (fairness opinion) from Nomura. Nomura is an assessment entity independent of the Company and is not a relevant party with relation to the Company.

(C) Summary of the Valuation Opinion

Nomura assessed the value of shares of the Target using the market average share price method, the comparable company method and the DCF method, and the range of per-share value calculated for each method was as follows:

Market Average Share Price Method:
Ranges from JPY 180 to JPY 181
Comparable Company Method:
Ranges from JPY 240 to JPY 312
DCF Method:

Ranges from JPY 323 to JPY 518

(D) Process of Determining the Tender Offer Price in Consideration of the Valuation Opinion

In consideration of the calculation result of each method in the Valuation Report, the Company determined that it is reasonable to offer to the shareholders of the Target a tender offer price that is increased by an appropriate premium, with the market share price of the Target when the past cases in which a premium was attached to a tender offer price in a tender offer offered by a person other than the issuer of the shares, the Target's agreement or opposition to the Tender Offer, the movement of the market price of the Target's shares, the future prospects of the Tender Offer and the results of consultation and negotiation with the Target, etc. all being taken into consideration. It was determined at the Board of Directors' meeting held on February 2, 2009 that the tender offer price per share for the Tender Offer would be JPY 298.

(E) Other Measures to Assure the Fairness of the Tender Offer Price

In order to assure the fairness of the tender offer price for the shares of the Target in the Tender Offer, the Company obtained and examined the Valuation Report from Nomura, which is a third party assessment entity independent of the Company and the Target, as part of determining the tender offer price. However, the Company did not obtain an opinion on the fairness of the tender offer price (fairness opinion) from Nomura. The tender offer price of JPY 298 per share has been determined after comprehensive consideration of Nomura's Valuation Report, the past cases in which a premium was attached to a tender offer price in a tender offer offered by a person other than the issuer of the shares, the Target's agreement or opposition to the Tender Offer, the movement of the market price of the Target's shares, the future prospects of the Tender Offer and the results of consultation and negotiation with the Target, etc.

The Target obtained the report on valuation of shares" on the value of the shares of the Target from SN Corporate Advisory, which is a third party assessment entity independent of the Company and the

Target. However, the Target did not obtain an opinion on the fairness of the tender offer price (fairness opinion) from SN Corporate Advisory. With regard to the legality of the tender offer procedures and the appropriateness of management's decision at the time of passing the resolution at the Board of Directors' meeting of the Target, the Target obtained legal advice from City-Yuwa Partners, which is the legal advisor of the Target, and reviewed the conditions of the Tender Offer at the Board of Directors' meeting of the Target held on February 2, 2009 in consideration of such report and such legal advice, as well as the result of consultation and negotiation with the Company.

As a result, the Board of Directors of the Target determined that the conditions of the Tender Offer, including the tender offer price, are fair and provide an opportunity for the shareholders of the Target to sell their shares at a reasonable price. The Board of Directors of the Target also determined that the Tender Offer as well as the Procedures for Turning the Target into a Wholly Owned Subsidiary, which is to be executed after the completion of the Tender Offer, serve to strengthen the management base of the Target, to reestablish the Target's business, to contribute to the Target's future expansion, to facilitate the growth of the Target in the long to middle term and to maximize the corporate value of the Target. Therefore, the Board of Directors passed a resolution to agree to the execution of the Tender Offer and to recommend to its shareholders to sell their shares in the Tender Offer.

(F) Measures to Prevent any Conflicts of Interest

In order to assure the fairness of the tender offer price for the shares of the Target, the Company obtained and examined the Valuation Report from Nomura, which is a financial advisor to the Company and a third party assessment entity independent of the Company and the Target, as part of determining the tender offer price. The tender offer price of JPY 298 per share has been determined after comprehensive consideration of Nomura's Valuation Report, the past cases in which a premium was attached to a tender offer price in a tender offer offered by a person other than the issuer of the shares, the Target's agreement or opposition to the Tender Offer, the movement of the market price of the

Target's shares and the future prospects of the Tender Offer and the results of consultation and negotiation with the Target, etc. The tender offer price of JPY 298 was calculated by: (a) adding a premium of 56.02% (any fraction less than a thousandth digit is rounded up or down to the closest hundredth digit) on JPY 191 (any fraction is rounded up or down to the closest whole number), which is the simple average of closing prices of regular transactions for the shares of the Target on Hercules for the period of one month ending on January 30, 2009; (b) adding a premium of 52.82% (any fraction less than a thousandth digit is rounded up or down to the closest hundredth digit) on JPY 195 (any fraction is rounded up or down to the closest whole number), which is the simple average of closing prices of regular transactions for the shares of the Target on Hercules for the period of 3 months ending on January 30, 2009; and (c) adding a premium of 65.56% (any fraction less than a thousandth digit is rounded up or down to the closest hundredth digit) on JPY 180 (any fraction is rounded up or down to the closest whole number), which is the closing price of regular transactions for the shares of the Target on Hercules on January 30, 2009.

Since the Company is a holding company of the Target, the Target has requested SN Corporate Advisory, which is a third party assessment entity independent of the Company and the Target, to assess the value of shares of the Target in order to assure the fairness of the consultation and negotiation procedures between the Company and the Target pertaining to the Tender Offer and to improve the transparency and the objectivity of the transaction. The Target obtained the report on valuation of shares from SN Corporate Advisory on January 30, 2009. With regard to the legality of the tender offer procedures and the appropriateness of management's decision at the time of passing the resolution at the Board of Directors' meeting of the Target, the Target obtained legal advice from City-Yuwa Partners, which is the legal advisor of the Target, and reviewed the conditions of the Tender Offer at the Board of Directors' meeting of the Target held on February 2, 2009 in consideration of such report and such legal advice, as well as the results of consultation and negotiation with the Company.

As a result, the Board of Directors of the Target determined that the conditions of the Tender Offer, including the tender offer price, are fair and provide an opportunity for the shareholders of the Target to sell their shares at a reasonable price. The Board of Directors of the Target also determined that the Tender Offer as well as the Procedures for Turning the Target into a Wholly Owned Subsidiary, which is to be executed after the completion of the Tender Offer, serve to strengthen the management base of the Target, to reestablish the Target's business, to contribute to the Target's future expansion, to facilitate the growth of the Target in the long to middle term and to maximize the corporate value of the Target. Therefore, the Board of Directors passed a resolution to agree to the execution of the Tender Offer and to recommend to its shareholders to sell their shares in the Tender Offer. The Company has been informed that all of the participating directors at the Board of Directors' meeting of the Target unanimously passed the resolution.

In order to prevent a conflict of interest between the Company and the Target, two directors of the Target, Mr. Yasuo Goto and Mr. Akira Kato (who are the operating officers of TIS, a wholly owned subsidiary of the Company), did not participate in the discussion and the voting at the Board of Directors' meeting based on the fact that they are in a position to be able to take part in the Tender Offer. They also did not participate in any part of the consultation or the negotiation with the Company.

Among the company auditors of the Target, Mr. Kazutomo Onizuka, who is a full-time company auditor of the Target, has expressed his agreement with the Target's Board of Directors' decision to agree to the Tender Offer. Other company auditors of the Target, Mr. Osamu Takemura and Mr. Yasuaki Kawamura, did not participate in the discussion of the Tender Offer at the Board of Directors' meeting based on the facts that Mr. Takemura is also a company auditor at TIS (a wholly owned subsidiary of the Company) and that Mr. Kawamura is also a company auditor at TIS Solution Business Co., Ltd. and TIS System Service, Inc. (wholly owned subsidiaries of the Company).

Furthermore, by setting 30 business days as the tender offer period for the Tender Offer, the Company ensures that other purchasers have the opportunity to purchase the shares of the Target. In this way, the Company also assures the fairness of the Tender Offer.

(iii) Relationship with the Assessing Entity

Neither Nomura nor SN Corporate Advisory is applicable as a relevant party of the Company or the Target.

(5) Number of Shares to be Purchased

Type of shares	① Expected number of shares to be purchased	② Expected minimum number of shares to be purchased	③ Expected maximum number of shares to be purchased
Share Certificates	2,819,295 shares	- shares	- shares
Share Acquisition Right Certificates	- shares	- shares	- shares
Bond Certificates with Share Acquisition Rights	- shares	- shares	- shares
Trust Beneficiary Certificates for Shares, etc.	- shares	- shares	- shares
Depository Receipts for Shares, etc.	- shares	- shares	- shares
Total	2,819,295 shares	- shares	- shares

(Note 1): In the Tender Offer, since there is no maximum or minimum number of shares to be purchased, all shares tendered for the Tender Offer will be purchased. The number of shares to be purchased by the Company in the Tender Offer, as provided in ① Expected number of shares to be purchased, is calculated by deducting the number of shares owned by the Company (977,000 shares as of September 30, 2008, as provided in the report of the second quarter of the 30th term of the Target submitted on November 13, 2008) and the number of treasury shares owned by the Target as of the date of this release (1,705 shares) from the total number of issued shares of the Target, as of September 30, 2008 (3,798,000 shares).

(Note 2): Shares that are less than one unit are also subject to the Tender Offer. When shareholders claim their right to have the Target purchase their shares that are less than one unit pursuant to the Companies Act, the Target may purchase such shares during the tender offer period in accordance with the procedures under the relevant laws and regulations.

(Note 3): The Target does not plan to purchase the treasury shares that it holds in the Tender Offer.

(6) Change of Shareholding Ratio as a Result of the Tender Offer

Number of voting rights represented by the shares held by the Tender Offeror prior to the Tender Offer	977 rights	Shareholding Ratio prior to the Tender Offer 25.74%
Number of voting rights represented by the shares held by specially related parties prior to the Tender Offer	1,008 rights	Shareholding Ratio prior to the Tender Offer 26.55%
Number of voting rights represented by the shares expected to be purchased	2,819 rights	Shareholding Ratio after the Tender Offer 100.00%
Total number of voting rights held by all shareholders of the Target	3,796 rights	

(Note 1): The "number of voting rights represented by the shares expected to be purchased" is the number of voting rights represented by the number of shares expected to be purchased at the Tender Offer (2,819,295 shares).

(Note 2): The "number of voting rights represented by the shares held by specially related parties prior to the Tender Offer" is the sum of the number of voting rights represented by the shares owned by each specially related party. Since the number of shares owned by specially related parties (exclusive of treasury shares owned by the Target) are also subject to the Tender Offer, the "number of voting rights represented by the shares held by specially related parties prior to the Tender Offer" is not included as part of the numerator in calculating the "Shareholding Ratio after the Tender Offer."

(Note 3): The "number of voting rights held by all shareholders of the Target" is the number of voting rights of all shareholders as of September 30, 2008, as provided in the report of the second quarter of the 30th term submitted by the Target on November 13, 2008 (one unit of shares being 1,000 shares). However, since the shares that are less than one unit are also subject to the Tender Offer, the denominator used to calculate the “Shareholding Ratio prior to the Tender Offer” and the “Shareholding Ratio after the Tender Offer” is deemed to be the “number of voting rights owned by the shareholders of the Target” (3,796 rights), which is the number of voting rights represented by the total number of issued shares as of September 30, 2008 (3,798,000 shares, as provided in the report of the second quarter of the 30th term of the Target), deducted by the number of treasury shares owned by the Target (1,705 shares) as of September 30, 2008.

(Note 4): With respect to the “Shareholding Ratio prior to the Tender Offer” and the “Shareholding Ratio after the Tender Offer,” any fraction less than a thousandth digit is rounded up or down to the closest hundredth digit.

(7) Tender Offer Amount JPY 840 Million

(Note): The tender offer amount is the number of shares expected to be purchased (2,819,295 shares) multiplied by the tender offer price per share (JPY 298).

(8) Settlement Method

(i) Name and Address of the Principal Office of the Financial Instruments Business Operator or Bank, etc. that Settles the Tender Offer

Nomura Securities Co., Ltd.
1-9-1 Nihonbashi, Chuo-ku, Tokyo

Joinvest Securities Co., Ltd. (subagent)
2-15-1 Konan, Minato-ku, Tokyo

(ii) Commencement Date of the Settlement

Wednesday, March 25, 2009

(iii) Settlement Method

Promptly after the end of the tender offer period, notices of purchase, etc. through the Tender Offer are to be sent to the addresses of the shareholders that have accepted the Tender Offer through the tender offer agent (or to the standing proxies in the case of foreign shareholders). If the Tender Offer is accepted through the subagent, Joinvest Securities Co., Ltd., the notice is to be given through an announcement on the website of Joinvest Securities Co., Ltd. (https://www.joinvest.jp/).

The purchase is to be settled in cash. The accepting shareholders may receive the sales price for their shares in a method which they designate, including wire transfer (please note that a wire transfer fee may apply).

(iv) Method of Returning Shares

If it is determined that the tendered shares are not to be purchased pursuant to the conditions provided in “(ii) Existence and Contents of Conditions of Withdrawal of the Tender Offer and Method of Announcing Withdrawal” of “(9) Other Conditions and the Method of Tender Offer,” the Company will return the tendered shares by revising the record promptly after the commencement date of settlement (or the date of withdrawal if the tender offer is withdrawn) so that the record indicates the status immediately before the tendering of such shares (if such shares are to be returned to an account of the accepting shareholder opened with another financial instruments business operator, that should accordingly be instructed).

(9) Other Conditions and the Method of Tender Offer

(i) Existence and Content of Conditions Provided in Each Item under Each Item of Article 27-13 (4) of the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended, hereinafter the “Act”)

There is no minimum or maximum number of shares to be purchased. Therefore, the Tender Offeror will purchase all shares tendered in the Tender Offer.

(ii) Existence and Content of Conditions of Withdrawal of the Tender Offer and Method of Disclosing Withdrawal

If any of the events provided in Article 14 (1) (i) (a) through (i) and (l) through (r) or Article 14 (1) (ii), Article 14 (1) (iii) (a) or (h), Article 14 (1) (v) and Article 14 (2) (iii) through (vi) of the Enforcement Order of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended, hereinafter the “Order”) occurs, the Company may withdraw the Tender Offer. In order to withdraw the Tender Offer, a public notice will be made electronically, and the fact of such notice will be published in the Nihon Keizai Shimbun. However, if there is difficulty in making such public notice by the end of the tender offer period, an announcement may be made pursuant to Article 20 of the Cabinet Office Ordinance on the Disclosure of Tender Offer of Shares by a Person Other than the Issuer (Ministry of Finance Ordinance No. 38 of 1990, as amended, hereinafter the “Ministry Ordinance”), and public notice will be made promptly thereafter.

(iii) Existence and Content of the Reduction of Tender Offer Price and Method of Disclosing Reduction

Pursuant to Article 27-6 (1) (i) of the Act, if the Target commits any of the acts provided in Article 13 (1) of the Order during the tender offer period, the Company may reduce the tender offer price in accordance with the standards provided in Article 19 (1) of the Ministry Ordinance. If the Company plans to reduce the tender offer price, it will make a public notice electronically, and the fact of such notice must be published in the Nihon Keizai Shimbun. However, if there is difficulty in making such public notice by the end of the tender offer period, an announcement may be made pursuant to Article 20 of the Ministry Ordinance, and public notice will be made promptly thereafter. If the tender offer price is reduced, the tender offer price for the shares tendered for sale prior to the date of such public notice will also be reduced accordingly.

(iv) Items on Accepting Shareholders' Right to Terminate

Accepting shareholders may terminate the agreement pertaining to the tender offer at any time during the tender offer period. If any shareholder is to terminate the agreement through the tender offer agent, he or she must deliver or mail to the principal office or branch offices of the agent who has received the acceptance of the Tender Offer a written notice of termination of the agreement pertaining to the Tender Offer (hereinafter the "Termination Notice"), with the receipt of the acceptance of the Tender Offer attached, by 3:30 pm of the last day of the tender offer period (provided that the Termination Notice must be received by such agent by 3:30 pm of the last day of the tender offer period in the case of notice via mail). In order to terminate the agreement for shares tendered for sale through the subagent, Joinvest Securities Co., Ltd., the shareholders must proceed with the procedures provided on the website of Joinvest Securities Co., Ltd. (https://www.joinvest.jp/) by 3:30 pm of the last day of the tender offer period. The Tender Offeror will not claim any damages or penalties against accepting shareholders even if such shareholders terminate their agreements. The Tender Offeror also bears the cost of returning the shares submitted.

(v) Method of Disclosure upon the Change of Conditions of the Tender Offer

In order to change the conditions of the Tender Offer, the Company will make a public notice regarding such change of conditions and publish the fact of such notice in the Nihon Keizai Shimbun. However, if there is difficulty in making such public notice by the end of the tender offer period, an announcement may be made pursuant to Article 20 of the Ministry Ordinance, and public notice will be made promptly thereafter. If the conditions of the Tender Offer are changed, the conditions of the Tender Offer for the shares tendered for sales prior to such notice will also be changed accordingly.

(vi) Method of Disclosure upon Submission of Filing a Notice of Correction

If the Company files a correction statement with the Director-General of the Kanto Finance Bureau, the Company will promptly announce publicly the issues with respect to the content of the public notice delivered at the commencement of the Tender Offer, out of the matters contained in the correction statement by the method provided in Article 20 of the Ministry Ordinance. The Company will promptly make corrections on the tender offer explanatory statement and deliver such corrected tender offer explanatory statement to such accepting shareholders that had previously received the explanatory statement. However, if the corrections are minimal, the Company will make corrections by preparing a written document stating the reason for the corrections, the corrected matters and the corrections, and delivering such document to the accepting shareholders.

(vii) Method of Disclosure of the Result of the Tender Offer

The result of the Tender Offer will be announced publicly on the day following the last day of the tender offer period, pursuant to Article 9-4 of the Order and Article 30-2 of the Ministry Ordinance.

(viii) Method of Accepting the Tender Offer for Foreign Shareholders

Shareholders who reside overseas and do not have active accounts with the tender offer agent (including corporate shareholders, hereinafter the “Foreign Shareholders”), may accept the Tender Offer only through their standing proxies in Japan. The subagent, Jointvest Securities Co., Ltd., will not handle acceptances of the Tender Offer by Foreign Shareholders.

(10) Date of Public Notice on the Commencement of the Tender Offer
Tuesday, February 3, 2009

(11) Tender Offer Agent
Nomura Securities Co., Ltd.
1-9-1 Nihonbashi, Chuo-ku, Tokyo

Joinvest Securities Co., Ltd. (subagent)
2-15-1 Konan, Minato-ku, Tokyo

3. Policies, etc., and Outlook after the Tender Offer

(1) Policies, etc. after the Tender Offer
Please refer to "(3) Policies on Organizational Restructuring, etc. after the Tender Offer (Items on So-called Two-Tier Buyout)" in "1. Purpose of Tender Offer" with respect to the policies after the Tender Offer.

(2) Outlook for the Effects on Future Business Performance
The effects of the Tender Offer on the consolidated business performance and the unconsolidated business performance of the Company are being carefully examined. Should any correction in the forecast of business performance be required or should any fact arise that requires an announcement, the Company will promptly make such announcement pursuant to the Trading Participant Regulations of the Tokyo Stock Exchange.

4. Others

(1) Existence and Content of the Agreement between the Tender Offeror and the Target or the Tender Offeror and the Officers of the Target
(i) Existence and Content of the Agreement between the Tender Offeror and the Target or the Tender Offeror and the Officers of the Target
The Target passed a resolution at its Board of Directors' meeting held on February 2, 2009, to agree to the Tender Offer and to recommend its shareholders to sell their shares in the Tender Offer

(ii) Decision-Making Process of Determining the Launch of the Tender Offer
For the decision-making process of determining the launch of the

Tender Offer, please refer to “(2) Purpose and Background of the Tender Offer” in “1. Purpose of the Tender Offer.”

(iii) Content of Measures to Prevent any Conflicts of Interest

For the content of the measures to prevent any conflicts of interest, please refer to “(6) Measures to Assure Fairness of the Tender Offer Price and Measures to Prevent any Conflicts of Interest” in “1. Purpose of the Tender Offer.”

(2) Other Information Considered Necessary for Investors to Make a Decision on Whether to Accept the Tender Offer

(i) Expected Delisting and Such Events

Since the Tender Offer does not set a maximum number of shares to be purchased, the shares of the Target may be delisted from Hercules through certain prescribed procedures pursuant to the delisting standards of the OSE after completion of the Tender Offer, depending on the result of the Tender Offer. Even if the result of the Tender Offer does not meet the OSE’s delisting standards, the shares of the Target are likely to be delisted through certain prescribed procedures pursuant to the OSE’s delisting standards, because the Company is expected to own all issued shares of the Target (exclusive of treasury shares) after the Procedures for Turning the Target into a Wholly Owned Subsidiary following the completion of the Tender Offer.

After delisiting, the shares of the Target may no longer be traded on Hercules.

(ii) Revisions of the Business Performance Forecast by the Target

The Target announced the “Notice regarding Revised Business Performance Forecast” as of January 27, 2009. An overview of the revised values of this business performance forecast for the full year ending on March 31, 2009 is discussed in the summary that follows. Please refer to the “Notice regarding Revised Business Performance Forecast” for details of the Target’s announcement.

Revisions of the Values of the Consolidated Business Performance Forecast for the Full Year Ending in March 2009 (From April 1, 2008 to March 31, 2009)

	Sales	Operating Income	Ordinary Profit	Net Profit for the Current Term	Net Profit for the Current Term Per Share
Previously Announced Forecast (A)	(Million yen) 3,300	(Million yen) 90	(Million yen) 90	(Million yen) 39	(Yen) 10.27
Revised Forecast (B)	2,950	-30	-30	-30	-7.90
Difference (B－A)	-350	-120	-120	-69	-18.17
Increase or Decrease Rate (%)	-10.6	—	—	—	—
(For reference) Past performance for the previous financial year ending in March 2008	3,279	169	166	94	24.96

Revisions of the Values of the Unconsolidated Business Performance Forecast for the Full Year Ending in March 2009 (From April 1, 2008 to March 31, 2009)

	Sales	Operating Income	Ordinary Profit	Net Profit for the Current Term	Net Profit for the Current Term Per Share
Previously Announced Forecast (A)	(Million yen) 3,280	(Million yen) 85	(Million yen) 85	(Million yen) 38	(Yen) 10.01
Revised Forecast (B)	2,930	- 12	-12	-14	-3.69
Difference (B－A)	-350	-97	-97	-52	-13.70
Increase or Decrease Rate (%)	-10.7	—	—	—	—
(For reference)	3,269	161	157	88	23.36

Past performance for the previous financial year ending in March 2008					

(iii) Cessation of the End-of-the-Term Dividend Distribution

The Target passed a resolution at its Board of Directors' meeting held on February 2, 2009 stating that the Target will not distribute any end-of-the-term dividend for the term ending on March 31, 2009, on the condition that the Tender Offer is completed. Also, the Target's Board of Directors announced such resolution as of February 2, 2009. Please refer to the Target's announcement (the "Notice regarding the Revisions of the Dividend Distribution Forecast for the Term Ending in March 2009") for details of the Target's announcement.

(iv) Important Agreements Pertaining to the Acceptance of the Tender Offer between the Company and the Shareholders of the Company

Please refer to "(7) Items in the Important Agreements Pertaining to the Acceptance of the Tender Offer between the Company and the Shareholders of the Target" in "1. Purpose of the Tender Offer."

Restrictions on Insider Transactions

Please be advised that anyone who has viewed the information contained in this press release, as a first information recipients for purposes of insider trading restrictions under Article 167 (3) of the Financial Instruments and Exchange Act of Japan and Article 30 of the Enforcement Order of the Financial Instruments and Exchange Act, may be prohibited from purchasing the shares of System Engineering Laboratory Co., Ltd. for 12 hours after the announcement of this press release (from the time at which this press release is announced using the timely disclosed information viewing services of the Tokyo Stock Exchange in the afternoon of February 2, 2009). The Company will not be held responsible for any criminal, civil or administrative liabilities that such person may be liable for as a result of his or her purchase of shares.

Restrictions on Solicitation

This press release is intended for the announcement of the Tender Offer to the general public and is not intended to solicit sales of shares. If anyone desires to sell his or her shares, the shareholder should, at his or her own responsibility, review the tender offer explanatory statement and accept the Tender Offer in his or her own discretion. This press release is not considered as an offer or solicitation of sales of securities or solicitation of this purchase offer and does not constitute any such part. This press release (or any part of it) or the fact of its distribution does not provide a basis for any kind of agreement pertaining to the Tender Offer, and it may not be relied upon when executing any such agreement.

Other Countries

Announcement, issuance or distribution of this press release may be subject to legal restrictions in certain countries or regions. In such case, you are required to be aware of and comply with such restrictions. In such countries or regions that legally prohibit the launch of the Tender Offer, this press release does not constitute an offer for purchase or solicitation for offer or sales of shares regarding the Tender Offer, even if this press release or its translation is received in such countries or regions. In that case, it shall be considered as a mere distribution of informative materials.

Procedures and standards

The Tender Offer will be conducted in compliance with the procedures prescribed by the Financial Instruments and Exchange Act of Japan and related disclosure standards; however, these procedures and standards are not necessarily identical to those in the United States of America. In particular, Sections 13(e) and 14(d) of the U.S. Securities Exchange Act of 1934 and the Rules and Regulations thereunder shall not apply to the Tender Offer, and the Tender Offer may or may not be conducted in compliance with any procedure or standard thereunder.

Language

Unless otherwise specified, all procedures concerning the Tender Offer shall be conducted in Japanese. If all or a part of any document concerning the Tender Offer is prepared in English and there is any discrepancy between the English version and the Japanese version, the Japanese version shall prevail.

Forward-Looking Statements

This statement contains forward-looking statements as defined in Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934 (“Forward-Looking Statements”). Due to known or unknown risks, uncertainties or other factors, actual results may materially differ from any forecast, expressly or implicitly, indicated as a Forward-Looking Statement contained herein. Neither the Tender Offeror nor any of its affiliates guarantee that any forecast, expressly or implicitly, indicated as a Forward-Looking Statement will turn out to be accurate. Any Forward-Looking Statement is prepared based on information held by the Tender Offeror as of the date hereof, and the Tender Offeror and its affiliates do not intend, and disclaim any obligation, to update or modify any such statement to reflect future events or developments, except as may be required by any applicable laws and regulations.