

March 23rd, 2016

For General Release

Information Services International-Dentsu, Ltd.

ISiD Participates in the Establishment of Setouchi Brand Corporation Providing IT Support for One of the Largest Regional Brand Promotion Organizations in Japan (Japanese DMOs^{*1})

Information Services International-Dentsu, Ltd. (TOKYO: 4812) (Head office: Minato-ku, Tokyo; President, CEO & COO: Setsuo Kamai; hereafter “ISiD”) will participate in and contribute capital toward Setouchi Brand Corporation, established on April 1, 2016. This company is a joint effort by 27 companies and 19 financial institutions within and outside the region, to invigorate tourism in the Setouchi region.

■Role of the New Company■

Setouchi Brand Corporation will create the Setouchi Brand Promotion Organization^{*3} (Setouchi DMO), one of the largest such organizations in Japan. The company will liaise with The Inland Sea, SETOUCHI Tourism Authority^{*2} (slated for establishment in April 2016). The role of the company is to accelerate the branding of the Setouchi region, and, furthermore, it is expected to spearhead the creation of a tourism region from the perspective of tourist destination management. In an effort to make the Setouchi region a destination of choice for people both inside and outside Japan, the company will provide management and funding support for tourism-related industries in a bid to maximize value in the Setouchi region.

■Backgrounds for Participation■

This participation is one aspect of the “innovation in regional revitalization” initiatives described in “ISiD Open Innovation 2018 ‘Joint Value Creation’,” the medium-term management plan for the ISiD Group.

ISiD has been active in research and development promoting the use of leading-edge technology to create new communities and tourism services. For example, at Grand Front Osaka, a large-scale complex that opened in 2013, we introduced the world’s first social city platform in cooperation with the community’s operator. Furthermore, in 2015 we conducted a demonstration experiment making use of bicycle sharing and smartphones to direct foreign travelers to regional points of interest and shopping districts in the region around the Shinagawa-Shuku stop on the former Tokaido Trail.

ISiD has also been an early proponent of the FinTech sector, where the potential of new financial services for regional revitalization is gaining attention. We are pursuing initiatives of our own accord by investing in and collaborating with FinTech startup companies.

In participating in the new company, ISiD supports with technology to foster innovation in collaboration with diverse partners by leveraging our experience and expertise. As a result, we aim to help maximize the value of the Setouchi region—the objective of the new company and Setouchi DMO.

■Overview of Investment■

- (1) Investment method: Founders each to provide ¥10 million
- (2) Expected investment date: April 1, 2016
- (3) Total investment: ¥10,000,000
- (4) Shares subscribed: 10,000

■Overview of New Company■

- (1) Name: Setouchi Brand Corporation
- (2) Representative: Kei Mizukami, President and Representative Director
- (3) Head office location: 10-3 Motomachi, Naka-ku, Hiroshima, Hiroshima Prefecture
- (4) Employees: Around 15
- (5) Capital: ¥450 million
- (6) Investors: 27 companies, 19 financial institutions
- (7) Scheduled establishment: April 1, 2016
- (8) Businesses:
 - 1) Management support, as needed, in commercialization, business expansion and new business development
 - 2) Provision of funding needed for commercialization and growth
 - 3) DMS^{*4} development

***1 DMO/Japanese DMO**

A destination management organization (DMO) conducts integrated activities to foster regional demand for tourism, including the formulation of strategies, conducting various studies, marketing, preparing products and handling promotions. These organizations are seen primarily in the United States and Europe. In line with its “Comprehensive Strategy for the Revitalization of Towns, People and Work” and “Action Program toward the Realization of Japan as a Tourism-Oriented Country,” the Japanese government is promoting the creation of “Japanese DMOs,” which are being positioned as bodies that will drive the creation of tourist regions that contribute to regional revitalization.

***2 The Inland Sea, SETOUCHI Tourism Authority**

This general incorporated institution is tasked with establishing the Setouchi Brand. Its representative is a private citizen, and its trustees hail from seven prefectures: Hyogo, Okayama, Hiroshima, Yamaguchi, Tokushima, Kagawa and Ehime.

***3 Setouchi Brand Promotion Organization**

This organization, a Japanese DMO^{*1}, links The Inland Sea, SETOUCHI Tourism Authority, tourism-related companies and Setouchi Brand Corporation in the aim of adding value to the Setouchi region.

***4 DMS**

A destination management system (DMS) supports DMO activities by integrating a host of channels and platforms to deliver tourism content in a comprehensive manner (as a service).

Overview of ISiD

Company Name:	Information Services International-Dentsu, Ltd. (ISiD)
Representative:	Setsuo Kamai, President, CEO & COO
Headquarters:	2-17-1, Konan, Minato-ku, Tokyo, 108-0075 Japan
Website:	http://www.isid.co.jp/english/
Establishment:	1975
Capital:	JPY 8,180.5 million
Employees (consolidated basis):	2,559 (as of December 31, 2015)
Net Sales (consolidated basis):	JPY 56,771 million (fiscal year ended December 2015) ※9months due to change in our fiscal year-end
Business domain:	Since its establishment in 1975, ISiD has provided comprehensive services as a business partner for its clients, from consulting services to system planning, design, development, operations and maintenance support. ISiD aims to be an “IT Solution Innovator” and is proactively deploying businesses in various fields, including solutions for financial institutions, product development solutions, group management and consolidated accounting solutions, HRM(personnel, payroll and performance management), ERP, marketing, and cloud-based services.

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Note: Company and product names in this release are the trademark or registered trademark of each company respectively.