



Tokyo Stock Exchange (JASDAQ)

Jun 5, 2014

To All Concerned Parties

Company Name: en-japan inc. (Code: 4849)

Representative: Takatsugu Suzuki, President

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Planning Division Director

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## en-japan to Acquire New Era India Consultancy Pvt. Ltd.

en-japan inc. passed a resolution at a meeting of its Board of Directors today to acquire shares of New Era India Consultancy Pvt. Ltd. (head office: Republic of India, CEO: Arvind Sehgal; hereafter "New Era"), a job placement agency in India and make it a subsidiary of en-japan, as described below.

### 1. Purpose of making New Era a subsidiary

en-japan inc. has been working on global business deployment as one of its key strategies to achieve further growth going forward. We currently introduce the best mid-career talent to global companies in eight countries across Asia Pacific through our recruiting businesses including en world Japan K.K., a subsidiary of en-japan since 2010.

India, a new market we are entering, has a high GDP growth rate of 5.0%. In addition to being the second most populous country in the world, India is the youngest nation in Asia, with a population having an average age of 27 years. Projections indicate that 67.6% of India's population will be in the working-age cohort by 2025, and we anticipate future growth in the recruitment services industry.

\*Source: GDP growth rate (FY2012) according to materials disclosed by the Indian government; population and average age according to The World Factbook 2014; production-age population according to the United Nations "World Population Prospects 2012".

New Era, which will become a subsidiary, has a high reputation in the Indian market and demonstrates strengths in job placement services particularly in the IT field, servicing a number of global companies as clients. Headquartered in New Delhi, the firm has operating sites in major cities around the country and plans on further expanding its business in India going ahead.

In expectation that this equity participation will bring synergies with the en Group's client base and expertise, we will focus on expanding transactions

particularly with Japanese companies to achieve further growth of New Era.

## 2. Basic scheme and schedule

The basic scheme and schedule of the share acquisition to make New Era a wholly-owned subsidiary are as follows.

### [Step 1]

In accordance with the share transfer agreement signed today, en-japan and en-Asia holdings Ltd., a consolidated subsidiary, will acquire 60.0% of the total issued shares of New Era from Mr. Arvind Sehgal, the largest shareholder of New Era.

### [Step 2]

en-japan plans to acquire 40.0% of the total issued shares of New Era in 2016 to make New Era a wholly-owned subsidiary of en-japan.

## 3. Overview of company to be acquired

(As of March 31, 2014)

(1) Company name	NewEra India Consultancy Pvt. Ltd.	
(2) Representative	CEO Arvind Sehgal	
(3) Head office address	E-156, First Floor, Main Road, Kalkaji, New Delhi-110019, India	
(4) Date established	October 2000	
(5) Main business	job placement	
(6) Paid-in capital	16.5million Indian rupee	
(7) Fiscal year end	March 31	
(8) Number of Employees	331	
(9) Major Shareholders	Name	Ownership (%)
	Arvind Sehgal	90.0
	Archana Chawla	5.0
	Manoj Sehgal	5.0
(10) Relationship with en-japan inc.	Capital relationship	Not applicable
	Personnel relationship	Not applicable
	Business relationship	Not applicable

(11) Business performance for recent three fiscal years (Unit: thousand Indian rupee)

	Fiscal 2011	Fiscal 2012	Fiscal 2013
Net assets	82,611	103,536	116,304
Total assets	101,429	115,594	120,891
Net assets per share (Indian rupee)	50.1	62.7	70.5
Sales	153,502	149,546	157,111
Operating Income	51,541	36,327	27,636
Net Income	43,149	27,525	20,469
Net income per share (Indian rupee)	26.2	16.7	12.4
Dividend per share (Indian rupee)	4.0	3.7	13.6

4. Overview of main shareholders whose shares will be acquired

(1) Name	Arvind Sehgal	
(2) Relationship with en-japan inc.	Capital relationship	Not applicable
	Personnel relationship	
	Business relationship	

5. Number of shares to be acquired, acquisition value, and number of shares held after acquisition

- (1) Number of shares to be acquired: 990,000 shares
- (2) Planned acquisition value: 345 million Indian rupee  
(approximately 600 million yen)
- (3) Ratio against total number of issued shares: 60.0%
- (4) Basis of calculation of acquisition value

To ensure a fair and appropriate calculation of acquisition value, we requested a third-party agent, independent of en-japan and New Era, to calculate the share value of New Era. The acquisition value has been calculated taking into account the results of a DCF analysis and other methods described in the calculation report obtained from the agent.

6. Schedule

(1) Resolution of board of directors	May 23,2014
(2) Signing of share purchase agreement	Jun 5,2014
(3) Closing date of this share acquisition	Jun 11,2014(Tentative)

#### 7. Impact on business performance

Based on our disclosure policy, we will appropriately announce the impact of this acquisition of shares on business performance for the year ending March 31, 2015 as soon as relevant details are finalized.

End