

## Translation

Notice: This document is a translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

January 11, 2018

To whom it may concern:

Company name: CRESCO LTD.  
Representative: President, Operating Officer      Hiroyuki Nemoto  
(Stock code: 4674 Tokyo Stock Exchange, First Section)  
Inquiries: Director, Managing Executive      Chihiro Sugawara  
Officer, General Manager of Group  
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### Notice Concerning Acquisition of Shares of Nexus Corporation (for Conversion into a Subsidiary)

CRESCO LTD. (the “Company”) hereby announces the decision made at the Board of Directors meeting held on January 11, 2018 to make Nexus Corporation (“Nexus”) its subsidiary by acquiring outstanding shares excluding treasury shares of Nexus. Details are set forth below.

#### 1. Reasons for the share acquisition

The CRESCO Group has grown into an IT conglomerate currently with nine subsidiaries, one sub-subsidiary and three entities accounted for using equity method under their parent company, CRESCO LTD. Leveraging the organic interconnections linking each of the companies together, we develop and provide services that meet a broad range of needs including consultation for corporate IT strategy planning, development, and operation and maintenance.

Since its founding, Nexus has provided comprehensive services relating to system development such as solution services, system development services, and server infrastructure architecture services. We believe this share acquisition will contribute to expansion of our business in the area of system development where an increasing growth of demand is anticipated and be conducive to greater corporate value of the CRESCO Group.

We remain committed to maximizing sales channels and technologies of each group company, delivering more value-added solution services that support our customers’ core businesses, and further expanding our business while demonstrating our strength of integrated capabilities.

#### 2. Outline of Nexus Corporation

(1)	Name	Nexus Corporation
(2)	Location of headquarters	Daini Eiwa Building, 1-6-10, Hiranuma, Nishi-ku, Yokohama-shi, Kanagawa
(3)	Hokkaido branch	Shikishima Kitaichijo Building 8F, 3-3, Kitaichijo-nishi, Chuo-ku, Sapporo-shi, Hokkaido
(4)	Title and name of representative	Kuniaki Hagiwara, President
(5)	Major line of business	Solution service, System development service Server infrastructure architecture service
(6)	Capital	35,000,000 yen
(7)	Date established	February 1998
(8)	Major shareholder and shareholding ratio	Kuniaki Hagiwara      100.0%

(9)	Relationship between the listed company and the relevant company	Capital Relationship	There are no particularly notable capital relationships between the Company and the relevant company. There are also no particularly notable capital relationships between the related persons and affiliates of the Company and related persons and affiliates of the relevant company.	
		Personnel Relationship	There are no particularly notable personnel relationships between the Company and the relevant company. There are also no particularly notable personnel relationships between the related persons and affiliates of the Company and related persons and affiliates of the relevant company.	
		Business Relationship	There are no particularly notable business relationships between the Company and the relevant company. There are also no particularly notable business relationships between the related persons and affiliates of the Company and related persons and affiliates of the relevant company.	
(10)	Operating results and financial position of the relevant company for the last three years			
Fiscal year-end		Fiscal year ended June 30, 2015	Fiscal year ended June 30, 2016	Fiscal year ended June 30, 2017
Net assets		314 million yen	335 million yen	339 million yen
Total assets		456 million yen	471 million yen	435 million yen
Net assets per share		491,069 yen	524,039 yen	530,117 yen
Net sales		939 million yen	896 million yen	757 million yen
Operating profit		23 million yen	46 million yen	(6) million yen
Ordinary profit		32 million yen	53 million yen	4 million yen
Profit		14 million yen	21 million yen	3 million yen
Earnings per share		22,822 yen	32,970 yen	6,078 yen
Dividend per share		-	-	-

### 3. Outline of the major counterparty for the share acquisition

(1)	Name	Kuniaki Hagiwara		
(2)	Address	Aoba-ku, Yokohama-shi, Kanagawa		
(3)	Relationship between the listed company and the relevant individual	Capital Relationship	There are no particularly notable capital relationships between the Company and the relevant individual. There are also no particularly notable capital relationships between the related persons and affiliates of the Company and the relevant individual.	
		Personnel Relationship	There are no particularly notable personnel relationships between the Company and the relevant individual. There are also no particularly notable personnel relationships between the related persons and affiliates of the Company and the relevant individual.	
		Business Relationship	There are no particularly notable business relationships between the Company and the relevant individual. There are also no particularly notable business relationships between the related persons and affiliates of the Company and the relevant individual.	

**4. Number of shares to be acquired and shares held before and after change**

(1)	Number of shares held before change	0 shares (Number of voting rights: 0) (Percentage of the shares held: 0%)
(2)	Number of shares acquired	640 shares (Number of voting rights: 640)
(3)	Number of shares held after change	640 shares (Number of voting rights: 640) (Percentage to number of outstanding shares) 91.4% (Percentage of voting rights held) 100%

**5. Schedule**

(1) Board of Directors Meeting	Thursday, January 11, 2018
(2) Date of Share Transfer Agreement	Thursday, January 11, 2018
(3) Date of Share Transfer	Friday, January 12, 2018

**6. Future outlook**

This acquisition of shares is expected to have only a minimal effect on the business performance of the Company for the fiscal year ending March 2018. If an event which is required to be disclosed arises, the Company will promptly announce such event.