

January 31, 2008

To all the members

Name of the Company: Daiwabo Information System Co., Ltd.

Representative: Hirokazu Matsumoto, President and CEO

(Code: 9912 First Section of Tokyo Stock Exchange/Osaka Securities Exchange)

Contact person: Yoshio Koyama, Managing Director

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On the Submission of a Change Report on January 30, 2008 by Effissimo Capital Management Pte Ltd.

Daiwabo Information System announce that Effissimo Capital Management Pte Ltd. (hereafter referred to as Effissimo) presented, on January 30, 2008, a report stating that Effissimo had acquired an additional 5,000 stocks Daiwabo Information System (0.03%), thus increasing the percentage of our stocks owned by Effissimo to 32.79% (33.24% of total shareholder voting rights) as of January 30, 2008.

Effissimo presented a report of change dated January 28, 2008 stating that it had increased its ownership of our stocks by about 9% as reported in our Press Release dated January 29, 2008 "On the Submission of a Change Report by Effissimo Capital Management Pte Ltd." (hereafter referred to as Daiwabo Information System Press Release dated January 29, 2008). We have implemented the procedure for requesting information disclosure (hereafter referred to as the policy) as announced in the Press Release entitled "Notice of Introduction of a Procedure for Requesting Information Disclosure on Stock Purchases" dated December 7, 2007. We have implemented the policy properly as described in the Exhibit. Also, As regards holding in excess of 20% of the shares on the date when this policy became effective, the policy asked Effissimo not to purchase stocks that would increase their share by more than 1% until the end of the policy review period.

Effissimo presented us with a letter entitled "Reconfirming Effissimo's perception and policy on the policy" as an attachment to a change of possession report dated January 30, 2008. The letter, with regard to Effissimo's perception of the policy, states that "Effissimo believes there is no legal obligation for investors purchasing Daiwabo Information System stocks to abide by the policy."

We believe it is both very important and justifiable in terms of the protection and improvement of our corporate value and the common interests of our shareholders that we ask acquirers of massive numbers of Daiwabo Information System Stocks to provide sufficient information and time for our

shareholders to consider such matters as their profiles, their management policies and business plans, and the impacts of their massive stocks acquisitions. The shareholders should also be informed about the management and any other parties concerned if any actions are to be taken that could seriously affect the status of those controlling the financial and business policies of Daiwabo Information System through the acquisition of our stocks in massive quantities (hereafter “massive stocks acquisitions”). The policy, whether as a safeguard against takeover or not, has been implemented in the belief that those who acquire massive numbers of our stocks who intend to protect and improve our corporate value and the common interests of our shareholders should abide by it.

The letter from Effissimo also states that “Effissimo provided its utmost cooperation” or “Effissimo has disclosed as much information as it can.” The information we received on January 4, 2008 from Effissimo left most of our concerns largely unanswered, citing investment fund operator’s “trustee” obligations or simply saying “for pure investment purposes” as regards their reason for purchasing our stocks. We, after paying full respect to the opinions of the independent committee and the “trustee” obligations of Effissimo, have determined that the information provided by Effissimo is insufficient for us and our shareholders to form appropriate opinions and reach decisions, and so we asked Effissimo for additional information on January 18, 2008 based on the policy. We have not yet received any response to this request from Effissimo.

Exhibit

Progress status of the procedure of the policy

	Action by Daiwabo Information System	Action by Effissimo
2007		
Dec. 7 (Fri)	Press Release “Notice of Introduction of a Procedure for Requesting Information Disclosure on Stock Purchases”	
Dec. 10 (Mon)	“An outline of actions related to the purchase of our stocks” describing actions subject to the policy in our predetermined format was presented to Effissimo.	Acquired 3,000 Daiwabo Information System stocks (0.02%) (*).
Dec. 11 (Tue)		“The outline of actions related to the purchase of our stocks” was presented to Daiwabo Information System.
Dec. 12 (Wed)	Press Release “On Receipt of Document of Stock Purchase”	
Dec.13(Thu)		Acquired 25,500 Daiwabo Information System stocks (0.13%) (*).
Dec.14(Fri)		Acquired 44,000 Daiwabo Information System stocks (0.23%) (*).
Dec.17(Mon)		Acquired 500 Daiwabo Information System stocks (0.00%) (*).
Dec.19(Wed)	Independent Committee meeting held.	Acquired 7,000 Daiwabo Information System stocks (0.04%) (*).
Dec.20(Thu)		Acquired 26,500 Daiwabo Information System stocks (0.14%) (*).
Dec.25(Tue)	Independent Committee meeting held.	Acquired 1,500 Daiwabo

		Information System stocks (0.01%) (*).
Dec.26(Wed)	List of required information presented to Effissimo. Press Release “On the Issuance of a List of Required Information about the Purchase of Our Stocks”	Acquired 2,500 Daiwabo Information System stocks (0.01%) (*).
Dec.27(Thu)		Acquired 16,500 Daiwabo Information System stocks (0.09%) (*).
Dec. 28 (Fri)		Acquired 33,000 Daiwabo Information System stocks (0.17%) (*).
2008		
Jan. 4 (Fri)		List of required information presented to Daiwabo Information System.
Jan. 7 (Mon)	Press Release “On Receipt of a Response Letter to a List of Required Information”	
Jan. 10 (Thu)	Independent Committee meeting held.	
Jan. 16 (Wed)		Acquired 8,000 Daiwabo Information System stocks (0.04%) (*).
Jan. 17 (Thu)	Independent Committee meeting held.	
Jan. 18 (Fri)	“Request for Additional Information” presented to Effissimo. Press Release “On Request for Additional Information regarding Response Letter to List of Required Information”	Letter presented to Daiwabo Information System stating that “Effissimo believes no further negotiations with Daiwabo Information System Board of Directors on and cooperation for the procedure of the policy are necessary.”
Jan. 21 (Mon)	Letter presented to Effissimo asking them to clarify the intent of Effissimo’s letter including Effissimo’s willingness to	Acquired 169,500 Daiwabo Information System stocks (0.88%) (*).

	respond to “Request for Additional Information.”	
Jan. 22 (Tue)		Acquired 292,500 Daiwabo Information System stocks (1.52%) (*).
Jan. 23 (Wed)		Acquired 306,000 Daiwabo Information System stocks (1.59%) (*).
Jan. 24 (Thu)		Acquired 130,500 Daiwabo Information System stocks (0.68%) (*). In response to Daiwabo Information System’s question dated January 21, a letter was presented to Daiwabo Information System stating that “Effissimo has not changed its policy of refusing cooperation on the policy.”
Jan. 25 (Fri)		Acquired 269,000 Daiwabo Information System stocks (1.39%) (*).
Jan. 28 (Mon)	Independent Committee meeting held.	Acquired 374,000 Daiwabo Information System stocks (1.94%) (*). Presented Daiwabo Information System with a report on change including the percentage of Daiwabo Information System stocks owned by Effissimo increasing to 32.76%.
Jan. 29 (Tue)	Press Release “On the Submission of a Change Report by Effissimo Capital Management Pte Ltd.”	<u>Acquired 5,000 Daiwabo Information System stocks (0.03%) (*2) (Posting from a report on change presented by Effissimo on January 30, 2008)..</u>
Jan. 30 (Wed)		<u>Presented Daiwabo Information</u>

		<u>System with a report on change including the percentage of Daiwabo Information System stocks owned by Effissimo increasing to 32.79%.</u>
<u>Jan. 31 (Thu)</u>	<u>Press Release “On the Submission of a Change Report by Effissimo Capital Management Pte Ltd.”</u>	

(Note 1) (*) in the above table indicates a posting from a report of change presented by Effissimo on January 28, 2008.

(Note 2) (u) (underline) in the above table indicates changes from the Press Release Exhibit dated January 29, 2008 “On the Submission of a Change Report by Effissimo Capital Management Pte Ltd.”

(Note 3) Daiwabo Information System cannot determine Effissimo’s reason for purchasing Daiwabo Information System stocks based on the information thus received from Effissimo. Therefore, Daiwabo Information System disclosed in its Press Release dated January 29, 2008 that “Effissimo Capital Management Pte Ltd. (hereafter referred to as Effissimo) presented Daiwabo Information System with a report on change stating that it had increased the percentage of Daiwabo Information System stocks that it owns to 32.76% (33.21% of total shareholder voting rights, as it continued to acquire Daiwabo Information System stocks after December 11, 2007, increasing the percentage of Daiwabo Information System stocks it owns by about 9%.(excerpt)”