

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)  
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### Notice of Strengthening of Corporate Governance

Daiwabo Information System has decided to eliminate the retirement allowance system and increase the number of outside directors to clarify the directors' responsibility to shareholders in accordance with our medium-range management plan "VISION 2010" announced on March 21, 2008. The decisions will be put into effect on the condition that they are approved by shareholders at the 26th regular shareholders meeting scheduled for June 27, 2008.

#### 1. Objectives of strengthening of corporate governance

We recognize that strengthening corporate governance and increasing its transparency are vital in terms of realizing secure and improved corporate value and shareholders' interests. Based on this recognition, we have shortened the term in post of all our directors from two years to one year to clarify the directors' responsibilities, and the above decisions are part of this reform. We are now examining the directors' compensation system in relation to improving shareholders' interests. While preparing the above measures, we will make further efforts to strengthen our corporate governance.

#### 2. Reform of directors' compensation system

##### (1) Eliminating the retirement allowance system for directors

We will eliminate the retirement allowance system for directors at the conclusion of the regular shareholders meeting this year and integrate it into the standard compensation system. Up to the date of the regular shareholders meeting, the retirement allowance will be paid to eligible directors on the day they leave their office. Outside directors remain eligible for the lump-sum payment.

##### (2) Eliminating the retirement allowance system for Corporate Auditors

We will eliminate the retirement allowance system for auditors at the conclusion of the regular shareholders meeting and integrate it into the standard compensation system.

##### (3) Introduction of corporate performance related pay system

We will introduce a corporate performance related pay system that reflects the business results of the company and of each department during the preceding year as the standard compensation system for our directors. We will consider the details of the system and its date of introduction, taking account of this year's business results, this being the first year of our medium-term business plan.

### 3. Increasing the number of outside directors

We will increase the number of outside directors from the present one director to three directors to obtain useful business advice from a broader perspective, while increasing the fairness and transparency of our management. At the same time, we will invite a highly independent candidate to act as our outside auditor. The candidates for outside directors and auditor are as follows:

#### (1) Candidates for new outside directors

Tadashi Kato

Former President of Sansei Lease Co., Ltd.

Masahiro Kurokawa

Former Vice President of Zojirushi Corporation

Koichi Kita

Incumbent Managing Director and Operating Officer

Daiwabo Co., Ltd.

#### (2) Departing director

Hajime Sugano

#### (3) Candidate for new External Corporate Auditor

Hirokazu Yamamoto

Current President of Universal Traffic Management Society of Japan

Former Chief of Osaka Prefectural Police

#### (4) Departing Corporate Auditor

Haruta Muto