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For Immediate Release

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Notice of Expanding our Business Domain to AI/RPA Areas

DIP Corporation (hereinafter “DIP”) has been operating an “Internet Based Job Advertisement Media” as our main business domain. In order to solve the labor shortage issue in the Japanese labor market, we have been working on matching the supply and the demand for human resources, and creating employment. Today, as a “General Trading Company dealing in Labor Force”, by expanding our “Internet Based Job Advertisement Media” centered business domain, in addition to supporting recruitment through job advertisement, we are announcing that we have started a business of developing and providing services utilized by AI/RPA (Robotic Process Automation). We are evolving into a “Labor force solution company” which enables our clients to solve various types of labor-related issues such as labor shortages. We would also like to announce that we have created a new brand statement.

1. Our business domain expansion to AI/RPA Areas

DIP operates services such as “Baitoru”, a job advertisement platform for part time workers, “Baitoru NEXT”, for full time workers, “Hatarako Net”, a comprehensive personnel related platform covering part time, temporary and full time workers as well as dispatched workers, and “Nurse de Hatarako”, nurse staffing business. Amid the increasingly serious shortage of labor, DIP facilitates matching the demand and the supply for human resources by providing highly convenient services for both job seekers and companies seeking workers based on its corporate philosophy “Here at dip, we want to tap into dreams, ideas and passion to create a better society.”

In the Japanese labor market, the effective job offering ratio is remaining high, and the unemployment rate is showing a low level transition. Due to labor shortage, we have received a large number of inquiries for recruitment needs. On the other hand, the Japanese working-age population is estimated to decrease, and although preventive measures have been taken such as accepting foreign workers, labor shortages are expected to continue into the future. Also, by suggesting job advertisements to our customers through our “Internet Based Job Advertisement Media”, we were able to notice recruitment difficulties at business sites, and felt labor shortage directly. As a result, we have recognized the labor shortage issue, and have been looking for solutions for these problems.

Under these circumstances, DIP has been working on building a business base in the AI/RPA field. Specifically, in 2016, we have established “dip AI. Lab”, which is an AI specialized organization. In addition, we have started an operation of Japan's first artificial intelligence specialized media called “AINOW”. Currently, this

media has grown into an influential media in the AI field. In 2017, we launched Japan's first artificial intelligence startup specialized accelerator program called "AI.Accelerator". We have had about 600 applications from AI/RPA related startups and have selected more than 60 startups. As a result of supporting the selected companies to achieve rapid growth, we have invested in 13 companies. We will fully utilize the services and technologies of these companies, and will strongly promote business development in the AI/RPA domain. RPA was introduced at our office in 2018, and with the help of about 30 robots, we have reduced roughly 5,000 hours of working time, and have been working on improving work efficiency. Through these efforts, DIP now has a wide and strong access to AI/RPA related companies and human resources in Japan, and has built a solid business base in the AI/RPA field. We will leverage these business bases and help them to grow, and we will develop and provide services utilizing AI/RPA.

By expanding the conventional business domain, centered to "Internet Based Job Advertisement Media" we are evolving to a "Labor force solution company". This now allows us to provide services utilizing AI/RPA, in addition to supporting recruitment through job advertisements. DIP is going to be a "General Trading Company dealing in Labor Force". By leveraging advanced technology, we aim to create solutions for the labor shortage, and DIP will continue to offer solutions for various types of issues in the Japanese labor market.

2. Overview of the new business

In this project, we provide easily introduced templates that will link with existing systems, which will automate/save labor, and even help customers with no specialized knowledge about AI/RPA. In addition, we will offer automation and labor-saving tools as a package to our clients, developed and provided by our affiliate companies and the companies we invested in. In terms of sales, we plan to leverage our sales force, approximately 1,500 sales people, including 364 new graduates who will be joining in April 2019. The market size of AI/RPA is expected to reach ¥1 Trillion in 2020, and ¥2 Trillion in 2030. The AI/RPA Division, which will be established in April 1, 2019, is in charge of this business, and our sales target is approximately ¥45 Billion in FY2024, (Ending February 28, 2024). These are stock incomes based on a monthly charge system, and in combination with the flow revenues from our "Internet Based Job Advertisement Media", we can expect to bolster our revenue base.

3. Schedule

AI/RPA Division will be established in April 1st, 2019 (Planned)

The new service is planned to be launched in summer this year. However, there's a possibility for date changes depending on future developments.

4. Future outlook

The new service is planned to be launched in summer this year, and we forecast that it will contribute to the improvement of our business results over the medium to long-term. The impact of the new business on FY2020, (Ending February 28, 2020), is currently under examination, and will be announced in the Financial Results for FY2019, (Ending February 28, 2019), which will be announced on April 12, 2019. In addition, the details of the new business will be explained in the Operating Results Briefing for institutional investors and analysts, scheduled to be held on the same day.

5. Formulation of a new brand statement.

Since we are evolving from the conventional business domain, "Internet Based Job Advertisement Media", to a "Labor force solution company", we have created a new brand statement as follows.

(New brand statement)

Labor force solution company