

December 26, 2019

To Whom It May Concern,

Corporate Name: TechnoPro Holdings, Inc.  
(Code:6028, TSE First Section)  
Representative: Yasuji Nishio, President, Representative Director & CEO  
Contact: Toshihiro Hagiwara, Director & CFO  
(Tel. 03-6385-7998)

## Announcement Concerning Change in Status of Sub-Subsidiary Company via Dividends in Kind

At a meeting held December 26, 2019, the TechnoPro Holdings, Inc. board of directors resolved to acquire all shares of TechnoPro Construction, Inc., owned by wholly owned subsidiary TechnoPro, Inc., as dividends in kind. As a result of this transaction, TechnoPro Holdings will own all shares of TechnoPro Construction, resulting TechnoPro Construction changing in status from a sub-subsidiary to a subsidiary owned directly by TechnoPro Holdings.

### 1. Reasons for In-Kind Dividend from Subsidiary (Change in Status of Sub-Subsidiary)

TechnoPro and TechnoPro Construction are mainstay operating companies within the TechnoPro Holdings Group core engineer staffing business. Making the former TechnoPro Construction sub-subsidiary into a subsidiary owned directly by TechnoPro Holdings will facilitate group management strategy planning, while also and clarifying the profitability and business responsibilities for each group company. At the same time, this transaction will allow for the pursuit of synergistic effects among group companies. TechnoPro will distribute a dividend in kind representing all stock of TechnoPro Construction as a dividend of surplus (qualified dividend in kind).

Through this transaction, TechnoPro Holdings will acquire all stock of TechnoPro Construction and TechnoPro Construction will become a subsidiary owned directly by TechnoPro Holdings.

### 2. Disposition of TechnoPro Retained Earnings

TechnoPro will execute a dividend from surplus (dividend in kind) as described below.

#### (1) Type of Assets Distributed and Total Book Value

The type of assets subject to distribution are assets other than monetary assets (common stock). The total book value of the assets in question immediately prior to the distribution are as follows

Corporate Name	Number of shares	Ownership ratio	Book value
TechnoPro Construction, Inc.	2,200 shares	100%	3,241 million yen

#### (2) Allocation of Assets to be distributed to TechnoPro Holdings

Upon taking effect, the entire dividend in kind will be allocated to TechnoPro Holdings, holder of all voting rights.

#### (3) Effective Date of the Dividend of Surplus

December 27, 2019

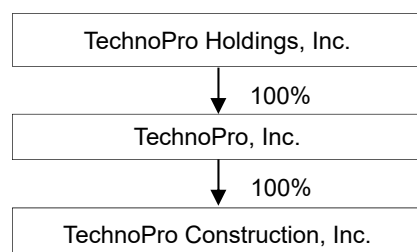
### 3. Overview of the Company Executing the Dividend in Kind

(1) Company Name	TechnoPro, Inc.
(2) Head Office	6-10-1 Roppongi, Minato-ku, Tokyo
(3) Representative (Name, Title)	Yasuji Nishio, representative director
(4) Business Lines	Engineer staffing and subcontracting businesses related to technical fields
(5) Capital	101 million yen
(6) Established	June 1997
(7) Net assets	28,293 million yen (as of June 2019)
(8) Total assets	49,964 million yen (as of June 2019)
(9) Major Shareholders and Ownership Ratios	TechnoPro Holdings, Inc. 100%

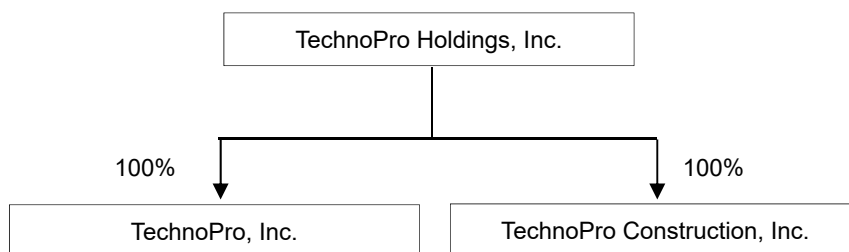
### 4. Change in Status of Sub-Subsidiary Company

(1) Company Name	TechnoPro Construction, Inc.
(2) Head Office	6-10-1 Roppongi, Minato-ku, Tokyo
(3) Representative (Name, Title)	Tatsuya Sekiwa, representative director
(4) Business Lines	Engineer staffing in the construction management field
(5) Capital	110 million
(6) Established	November 2008
(7) Net assets	3,377 million yen (as of June 2019)
(8) Total Assets	6,486 million yen (as of June 2019)
(9) Major Shareholders and Ownership Ratios	TechnoPro, Inc. 100%

#### [Before Change]



#### [After Change]



### 5. Schedule

TechnoPro Holdings, Inc. board resolution	December 26, 2019
TechnoPro, Inc. general meeting of shareholders resolution	December 26, 2019
Effective date	December 27, 2019

### 6. Future Outlook

This intra-group transaction will entail no changes to the non-consolidated or consolidated net assets of TechnoPro Holdings. Accordingly, there will be no impact on consolidated financial results for the fiscal year ending June 2020.

#### Note

This document is provided for informational purpose only. If there are any discrepancies between this and the original, the original Japanese document prevails.