



January 31, 2019

To Whom It May Concern:

Company: **VeriServe Corporation**
24-1, Nishi-Shinjuku 6-chome, Shinjuku-ku, Tokyo
Representative: Yoshiyuki Shinbori, Representative Director and
President
(Code No.: 3724; First Section of the Tokyo Stock
Exchange)
Contact: Masahiko Shimizu, Director & Corporate Officer
(Phone: 03-5909-5700)

**Notice Regarding Revision of Dividend Forecast (No Dividend) for the Fiscal Year Ending
March 2019 (the 18th) and Abolition of Shareholder Incentives Plan**

VeriServe Corporation (the “Company”) hereby announces that it resolved at its board meeting held today to revise its dividend forecast for the fiscal year ending March 2019 and not to pay dividends at the end of the fiscal year ending March 2019, and also resolved to abolish its shareholder incentives plan, subject to the successful completion of a tender offer for shares of the Company to be conducted by SCSK Corporation (the “Offeror”) (such tender offer, the “Tender Offer”) as described in the press release separately issued today titled “Announcement of Opinion in Support of the Tender Offer for Our Shares to be Conducted by SCSK Corporation, a Controlling Shareholder, and Recommendation for Our Shareholders to Tender Their Shares in the Tender Offer.”

Description:

1. Reason for Revision of Dividend Forecast and Abolition of Shareholder Incentives Plan

The Company resolved at its board meeting held today to express its opinion in support of the Tender Offer and to recommend that the Company’s shareholders tender their shares in the Tender Offer.

The above resolution by the Company’s board of directors was made on the premise that the Offeror intends to make the Company its wholly-owned subsidiary and that the Company’s shares will be delisted through the Tender Offer and procedures to be taken thereafter. For further details, please see the press release separately issued today titled “Announcement of Opinion in Support of the Tender Offer for Our Shares to be Conducted by SCSK Corporation, a Controlling Shareholder, and Recommendation for Our Shareholders to Tender Their Shares in the Tender Offer.”

The Company operates its business with a view to becoming a partner to our customers in enhancing the quality of their system and product development. At the same time, the Company regards the return of its profits to shareholders as an important business mission and has a basic policy of returning profits while securing stable management bases and considering internal reserves for business development. However, if the Company pays year-end dividends with a record date of March 31, 2019, which falls after the settlement for the Tender Offer, the economic outcome might differ between shareholders who tender their shares and those who do not. Therefore, from the perspective of ensuring fairness for all shareholders, the Company resolved at its board meeting held today to revise its dividend forecast for the fiscal year ending March 2019 and not to pay dividends at the end of the fiscal year ending March 2019, and also resolved to abolish its shareholder incentives plan, subject to the successful completion of the Tender Offer.

2. Details of Revision

(i) Revision of dividend forecast

Record date	Annual dividend (yen)		
	2nd quarter end	Fiscal year end	Total
Previous forecast (as of October 24, 2018)	-	15 yen	27 yen
Revised forecast	-	0 yen	12 yen
Actual amount paid this fiscal year (ending March 2019)	12 yen	-	-
Actual amount paid last fiscal year (ending March 2018)	10 yen	12 yen	22 yen

(ii) Time of abolition of shareholder incentives plan

The shareholder incentive plan for the shareholders entered or recorded in the shareholder register as of the end of March 2019 will be abolished.

(Reference) Details of the shareholder incentive plan to be abolished

Number of shares held (Record date: March 31 and September 30 of each year)	Benefits offered (The benefit actually offered for September 2018)
Shareholders holding 100 shares (1 unit) or more	QUO card worth 500 yen

End