

November 30th, 2017
TOPPAN PRINTING CO., Ltd
BELLSYSTEM24 Holdings, Inc.

TOPPAN PRINTING and BELLSYSTEM24 Holdings Enter BPO Business Partnership

Combining TOPPAN PRINTING's media creation and back-office business with BELLSYSTEM24's contact center business, striving for more expanded and advanced BPO business

TOPPAN PRINTING CO., Ltd (HQ: Chiyoda Ward, Tokyo, Representative Director and President: Kaneko Shingo, referred to below as TOPPAN PRINTING) and BELLSYSTEM24 Holdings, Inc. (HQ: Chuo Ward, Tokyo; Representative Director, President, CEO: Tsuge Ichiro; referred to below as "BELLSYSTEM24") agreed on working together in the BPO field with back-office and contact center operations, signing a Business Partnership Agreement (referred to below as "Partnership Agreement") on November 30th, 2017. TOPPAN PRINTING will acquire an approximately 14% stake in BELLSYSTEM24 from the private equity fund BainCapital Bellsystem HongKong Limited, as well as stock options from the former Representative Director (worth 1% of the shares), on December 5th.



Scenes from TOPPAN PRINTING's back-office operations (left) and BELLSYSTEM24's contact center operations (right)

■ **Background of the Partnership Agreement**

In recent years, outsourcing needs from customers such as operations, registration, inquiries and more have increased with the goal of operational efficiency improvements. In particular, along with changes in laws and systems pertaining to the finance, medical/healthcare, environment and energy industries, public and local government services, and the support that is involved with them, the operations supporting these industries have grown in scale and complexity, with the level of quality required rising.

TOPPAN PRINTING is a general printing company established in 1900, with a major focus on BPO business that involves carrying out a wide variety of operations from office and mailing work for companies and local governments to contact centers. TOPPAN PRINTING has implementation know-how concerning large amounts of information as well as high and reliable security standards for handling personal information, with a significant domestic track record. TOPPAN PRINTING has 11

business sites with BPO Square Asaka being the main one, having opened in 2016 (Saitama Prefecture), as well as diversified business areas involving BPO business cooperation overseas like that with a large Vietnamese IT company.

BELLSYSTEM24 has more than 30 years of experience of being the leading company administering contact centers in the CRM field. Since receiving funding from ITOCHU Corporation in 2014, BELLSYSTEM24 signed a comprehensive agreement with ITOCHU and ITOCHU Techno-Solutions Corporation, an ITOCHU Group company, in the BPO business field with CRM as a central focus. With the comprehensive agreement, BELLSYSTEM24 has moved forward with providing cutting-edge BPO services. In a business climate where it is said that hiring human resources is difficult, BELLSYSTEM24 has 31 centers and uses its hiring ability developed over many years to retain approximately 32,000 agents, carrying out operations ranging from large scale centers to highly technical small and medium-sized centers. In addition to BPO services with phone, email, chat, social media, and other channels, BELLSYSTEM24 is also currently working proactively on providing services using new technologies like AI.

Through this Partnership Agreement, TOPPAN PRINTING and BELLSYSTEM24 will develop and release new services for a wide variety of industries, including local governments and financial institutions. Along with expanding their BPO businesses, both companies will promote advanced BPO business using AI, RPA (Robotic Process Automation), and more, strengthening their business scale not just domestically, but also in Asia.

About Specific Business Developments

Both companies will open “Promotion Offices” in December 2017 to enhance mutual understanding and contribute to business cooperation in operations, sales, design through the exchange of human resources, along with promoting further collaboration with medium and long-term business growth in mind.

Predicted Synergy Effect

(1) Greater Abilities to Provide Solutions

TOPPAN PRINTING and BELLSYSTEM24 will combine their respective strengths of media creation and back-office operations with contact center operations, to provide robust and wide-ranging solutions. Specifically, both companies will combine their strengths to create new solutions to lead the BPO market with solutions for rapidly growing and evolving markets like Fin-Tech, and the Healthcare/Medical industry.

(2) Increased Sales of Services Leveraging the Customer Base of Each Company

Both companies will combine their strengths to provide service solutions to the wide customer base they possess.

(3) Accelerated Overseas Business

Both companies will accelerate their business growth in Asia, where outsourcing needs are predicted to rise, with the sites of the Vietnamese company that TOPPAN PRINTING invested in and TOPPAN PRINTING’s child company in Singapore, as well as the Vietnamese company that BELLSYSTEM24 invested in, all acting as starting points.

(4) Promotion of Entry into Growing Markets

Both companies will use new technology like AI, RPA, and MA (Marketing Automation) to proactively move forward and enter growing markets like the Healthcare/Medical, Education ICT, Smart Energy, Agriculture industries.

Goals Going Forward

TOPPAN PRINTING and BELLSYSTEM24 will not just pursue expanded BPO business with efficiency improvements and advancements to operations for their existing customer bases, they will also provide new solutions with the goal of reaching 20 billion yen in new sales revenue by 2022.

Furthermore, both companies will consider what new service solutions they can provide in the future based on ITOCHU Corporation's, BELLSYSTEM24's main shareholder, advanced network in the information and communication fields, combining each other's strengths with ITOCHU's network.

*All product and service names in this news release are the trademark or registered trademark of their respective owner.

*This news release details the situation planned as of the timing of its publication. Details may change without advance notice.

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