

For Immediate Release

Sale of the shares of IDSP Co., Ltd. (the holding company of Aucnet, Inc.)

Polaris Private Equity Fund II (“Polaris Fund II”), managed by Polaris Capital Group Co., Ltd. (“Polaris”), today completed the sale of its entire holdings in IDSP Co., Ltd. (“IDSP”), which owns 100% of Aucnet, Inc. (“Aucnet”), to IDSP through a stock repurchase transaction.

Aucnet provides information services to facilitate B to B trades such as virtual used car auctions. Polaris Fund II invested in Aucnet via IDSP at the time of Management Buy-Out (MBO)* in July 2008 and took part in its management. Since then, Aucnet reduced its cost of operations, started distribution-related information services such as “Shared Inventory” and expanded into non-auto auction services for flowers, used PCs and brand items so that it could deal with the impact of the Great Financial Crisis and the steep appreciation of yen. As a result of these efforts, Aucnet achieved significantly better results in 2010.

Aucnet and Polaris Fund II have been discussing how to cope with the new business environment after the Great Financial Crisis and recently came to an agreement for a revision of the exit plan of Polaris Fund II. Previously Aucnet targeted for an IPO in several years with Polaris’ support, but now decided to pursue long-term growth strategies on its own with its strong business franchise and solid financial position built in two and a half years since MBO. Polaris Fund II respected the decision and agreed to step out.

*Management Buy-Out is generally used to mean a purchase of the controlling shares of the target company from the existing shareholders jointly by its management and an outside partner to continue the operations of the target company.

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