



14 June 2004

Name of Company :	WORKS APPLICATIONS Co., Ltd.
Representative:	Masayuki Makino Representative Director & CEO
Securities Code :	4329 (ISIN Code : JP3990050001)
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**Notice concerning capital tie-up with CCC Consulting, Inc.**

As outlined below, WORKS APPLICATIONS Co., Ltd. has entered into a capital tie-up with CCC Consulting, Inc. whereby the former will undertake to subscribe for a capital increase for the latter by allotment of shares to a third party. As a result, CCC Consulting, Inc. will become an equity-method affiliate of WORKS APPLICATIONS Co., Ltd.

1. Outline of the capital tie-up (as of May 31, 2004):

- (1) Trade name: CCC Consulting, Inc.
- (2) Lines of business: Management consulting on disclosure responsibilities;  
development and sale of financial reporting software packages
- (3) Date established: July 1, 1999
- (4) Location of headquarters: 2-1-21 Nihonbashi, Chuo-ku, Tokyo, Japan
- (5) Representative: Atsushi Kodama, CPA, Representative Director
- (6) Capital: 230 million yen
- (7) Number of shares outstanding: 8779
- (8) Number of employees: 19
- (9) Sales: 95 million yen (for the fiscal year ending June 2003)
- (10) Ordinary loss: 143 million yen (for the fiscal year ending June 2003)

Note: WORKS APPLICATIONS Co., Ltd. has no capital or personal relationship with CCC Consulting, Inc.

2. Outline of the capital tie-up whereby WORKS APPLICATIONS Co., Ltd. will undertake to subscribe for a capital increase for CCC Consulting, Inc. by allotment of shares to a third party:

- (1) Number of new shares issued: 3000
- (2) Number of shares for which WORKS APPLICATIONS Co., Ltd. has undertaken to subscribe: 2400
- (3) Percentage of shares held after this tie-up: 20.4%
- (4) Shareholder ranking after this tie-up: WORKS APPLICATIONS Co., Ltd. will be the largest shareholder in CCC Consulting, Inc.
- (5) Issue price of new shares: 75,000 yen per share
- (6) Amount paid by WORKS APPLICATIONS Co., Ltd.: 180 million yen
- (7) Date of payment: June 22, 2004
- (8) Personal relationships: Yoshiro Ishikawa, a Representative Director of WORKS APPLICATIONS Co., Ltd., is going to be nominated as a candidate for the Board of Directors of CCC Consulting, Inc. at its general meeting of shareholders.

3. Details of this tie-up:

Consideration will be given to a wide range of business cooperative efforts between WORKS APPLICATIONS Co., Ltd., which will offer the COMPANY® Accounting series (planned for release in December 2004), and CCC Consulting, Inc., which offers Financial Reporting Express®, a system for automating financial reporting under the Commercial Code of Japan.

Please see the Annex for details.

4. Effects on WORKS APPLICATIONS Co., Ltd. business performance:

Although CCC Consulting, Inc. will become an equity-method affiliate of WORKS APPLICATIONS Co., Ltd. with the latter's acquisition of 20.4% of shares in the former, since it is planned to deem this acquisition of shares to have taken place on the final day of June 2004, it will have no effect on WORKS APPLICATIONS' business performance for the fiscal year ending June 2004.

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**WORKS APPLICATIONS forms a capital tie-up with CCC Consulting:  
Incorporating the 3CC's automatic financial reporting system under the  
Commercial Code of Japan into Company's Accounting Series**

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WORKS APPLICATIONS Co., Ltd. (headquarters: Minato-ku, Tokyo; Representative Director and CEO: Masayuki Makino; referred to hereinafter as WORKS) has announced that it has undertaken to subscribe for a capital increase for CCC Consulting, Inc. (headquarters: Chuo-ku, Tokyo; Representative Director: Atsushi Kodama; referred to hereinafter as 3CC), which provides management consulting services with a focus on disclosure responsibilities, by allotment of shares to a third-party. As a result, 3CC will become an equity-method affiliate of WORKS.

Through this acquisition of 2400 shares (20.4% of the total), WORKS will become the largest shareholder in 3CC. The total acquisition price for these shares will be 180 million yen.

Through incorporation of Financial Reporting Express®, a system developed by 3CC for automating financial reporting under the Commercial Code of Japan, into the COMPANY® Accounting series of enterprise resource planning (ERP) software packages for large-sized firms planned for shipping at the end of this year, WORKS will enhance the functionality of this package in order to upgrade the efficiency of Japanese firms' IT investment further.

● **A management consulting company developing software packages for financial reports.**

In addition to providing management consulting services from the perspective of corporate disclosure responsibilities, 3CC develops and sells software packages related to financial reporting.

3CC's consulting business is based on the following two pillars: business-performance disclosure (financial reports under the Commercial Code of Japan, financial summaries, etc.) and budgetary disclosure (projections of business performance including cash flow). Currently, its primary product is Financial Reporting Express®, a software package related to business-performance disclosure.

In addition to its features for preparation of balance sheets, income statements, appropriation statements, and supplementary materials based on data from various types of financial reporting software applications, Financial Reporting Express® is a system that automates financial reporting under the Commercial Code of Japan through unified administration of non-accounting information such as share information and director information as well as the financial figures of business reports. More than 300 sets of Financial Reporting Express®, with an optional function for preparation of

summaries of financial reports, have been adopted at 120 business groups. This customer base is centered on publicly traded companies and large-sized firms under the Commercial Code, such as Tostem Inax Holding Corporation, Tokyu Finance & Accounting Co., Ltd., Tokyo Stock Exchange, Inc., and Zeon Corporation. A version compatible with consolidated statements under the Commercial Code will be released this fall.

Books written by 3CC Representative Director Atsushi Kodama, a Certified Public Accountant (CPA), include *Corporate Budget and Planning With Examples and Illustrations* (Seibunsha: 2000) and *Financial Reporting Book based on Commercial Code: Steps for Making Financial Statements with Numerical Models [New Edition]* (Seibunsha: 2003).

- **Incorporating this software into the COMPANY® Accounting series to enhance the function of financial reporting operations**

Using the opportunity provided by this capital tie-up, WORKS and 3CC will consider a wide-ranging business partnership in both the research and development and sales areas.

WORKS has evaluated highly the unique capabilities of 3CC's Financial Reporting Express® software package. As such, WORKS plans to take steps to enhance the additional functions it provides in order to upgrade the efficiency of Japanese firms' IT investment further, through data interface with the COMPANY® Accounting series planned for shipping in December 2004 and through incorporating Financial Reporting Express®, which has functions for automating finance reporting under the Commercial Code of Japan, into the COMPANY® Accounting series as an OEM supply arrangement.

In addition, by using this capital increase through allotment of shares to a third party to improve its financial constitution, 3CC plans to accelerate further functional enhancement for Financial Reporting Express® and also strengthen its research and development capabilities through the exchange of technology with WORKS, which leads to the future development of new systems for budgetary disclosure. Furthermore, 3CC expects to achieve results such as expansion of product sales through receiving sales support from WORKS.

[About the trademarks]

The names of products and other names used in this News Release are the trademarks or registered trademarks of the respective companies.

**Address any questions to:**

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