

May 13, 2008

Meitec Corporation

## Notice Regarding the Plan of Acquisition and Retirement of Treasury Stock in the Fiscal Year Ending March 31, 2009

Meitec Corporation, as part of its ongoing measures to increase shareholder satisfaction, will conduct an acquisition of treasury stock based on its established fundamental policy regarding distribution of earnings, and in accordance with provisions of its articles of incorporation.

\* Basic policy regarding acquisition of treasury stock is to link acquisition to the Group's cash management.

\* The method of calculating the funds for acquisition of treasury stock linked to the Group's cash management is as follows:

Funds for acquisition of treasury stock = [Cash and cash equivalents on the consolidated balance sheet at the end of the previous fiscal year] – [Working capital (funds necessary for operations)]

- Working capital (funds necessary for operations) is set at two months' consolidated sales.
- When no substantial capital demands are expected during the succeeding year, of the consolidated cash position at the end of the fiscal year, the portion of retained earnings that exceeds working capital is designated as the treasury stock acquisition amount for the next fiscal year.
- When no substantial capital demands are expected during the succeeding fiscal half-year, half the designated amount is used to acquire treasury stock during the first half of the period.

<Planned acquisition and retirement of treasury stock in the fiscal year ending March 31, 2009>

Planned amounts in the acquisition and retirement of treasury stock	Of which, amount planned for acquisition during the current first half
¥2,800 million (maximum) by March 31, 2009	¥1,400 million (maximum) by September 30, 2008

Notes:

1. The class of shares to be acquired and retired is common stock.
2. The number of shares to be acquired and retired will be determined by the sums shown above.
3. Policies regarding the handling of treasury stock after acquisition, as follows, are presented in the fundamental policy regarding distribution of earnings.
  - The upper limit on treasury stock held after acquisition, in order to provide for a flexible financial policy for the implementation of future growth strategies and to counter risks associated with growth, and with the aim of achieving the targets of the business plan, is two million shares.
  - Uses of treasury stock held include, in general, proactive investment, including M&A, conducive to achieving the targets of the business plan; as well as maintaining a stable defense against increases in risks, mainly from expansion of business scale due to growth.
  - The portion of treasury stock acquired and held in excess of two million shares is retired each fiscal half-year.
4. The amount planned for acquisition and retirement during the first half of the fiscal year is ¥1.550 billion (upper limit), equivalent to 50% of the plan for the full year presented above.
5. Separate disclosure will be made regarding the decision by the Board of Directors based on the Company Law and other regulations regarding the actual purchase of treasury stock.