

Results of Meitec Group For the Interim Period Ended September 30, 2006 (Consolidated)

MEITEC

FY2007 Interim Period : Market Conditions

1. Conditions in the manufacturing sector, Meitec Group's main customer segment

- Generally favorable conditions across all industries.
- ※ However, we notice a trend among some clients to start cutting back their development budgets.
- High crude oil and materials prices have not had a clear effect in the technical development field.

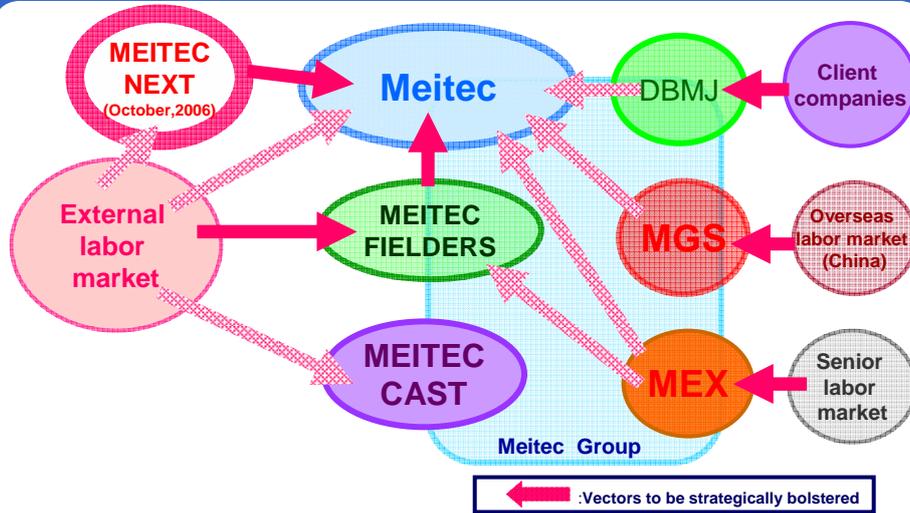
2. Conditions in Meitec's principal market (temporary engineering staff business)

- Orders remain robust, continuing the trend from the previous term.
- We are having difficulty securing enough new workers to meet demand
- Client companies are hiring more full-time workers, but this is not affecting orders for dispatch workers.
- In the technical development field, many client companies are moving to reinforce both their in-house staff and their outsourced staff.

Key issue for the Meitec Group **[Ongoing]**: How to expand its workforce?

※ Phrases in red represent additions or changes to previous comments.

Group Workforce Expansion Strategy - Flow of people across the entire Group -

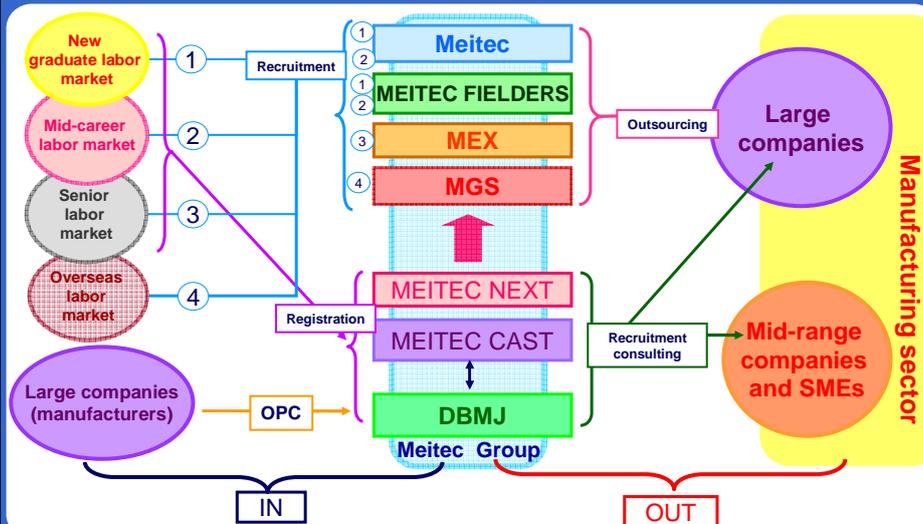


Interim period ended September 30, 2006

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Evolution of the Group's Human Resources In/Out Model



Interim period ended September 30, 2006

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Topics (2) for the FY 2007 Interim : Disposition of NGI

1. The disposition of NGI (the U.S. subsidiary/human resource training business of DBM-J) in August 2006 marks the completion of the restructuring process implemented after the acquisition of DBM-J in October 2004.
2. Financial aspects of the disposition (accounting for the goodwill impairment loss related to DBM-J) will also be completed during the present fiscal year.

Results : Interim Period Ended September 30, 2006 <Consolidated>

(Millions of Yen)

	Net Sales	Operating Income	Ordinary Income	Net Income
FY2006	42,009	5,929	5,889	-2,702
FY2005	40,723	5,935	5,996	3,250
Change(%)	3.2%	-0.1%	-1.8%	-

Downward revision of net income for the FY Ending 2007(1)

(Losses occurring after the restatement forecast disclosed on August 22, 2006)

【Consolidated basis】

• Impairment loss in consolidated adjustment account:
4,292 million yen

- ➡ Amount posted to the consolidated adjustment account at the beginning of the term to account for DBM-J goodwill: 4,939 million yen
- ※ According to the results of the impairment test performed in consultation with our auditing firm during the present interim accounting period, concomitant with the disposition of NGI (August 2006).

【Non-consolidated basis】

• Adjustment for loss on revaluation of investment in DBM-J

- ➡ 10,426 million yen was adjusted downward to 9,896 million yen
- Upward revision of 530 million yen, upon calculations referencing present value of DBM-J's excess earning power

Downward revision of net income for the FY Ending 2007(2)

(Losses occurring after the restatement forecast disclosed on August 22, 2006)

<Revision Announced on November 6, 2006 >

【Affecting Consolidated and Non-consolidated Results】

• Accounting procedural change: Reversal of deferred tax assets concerning land reappraisals

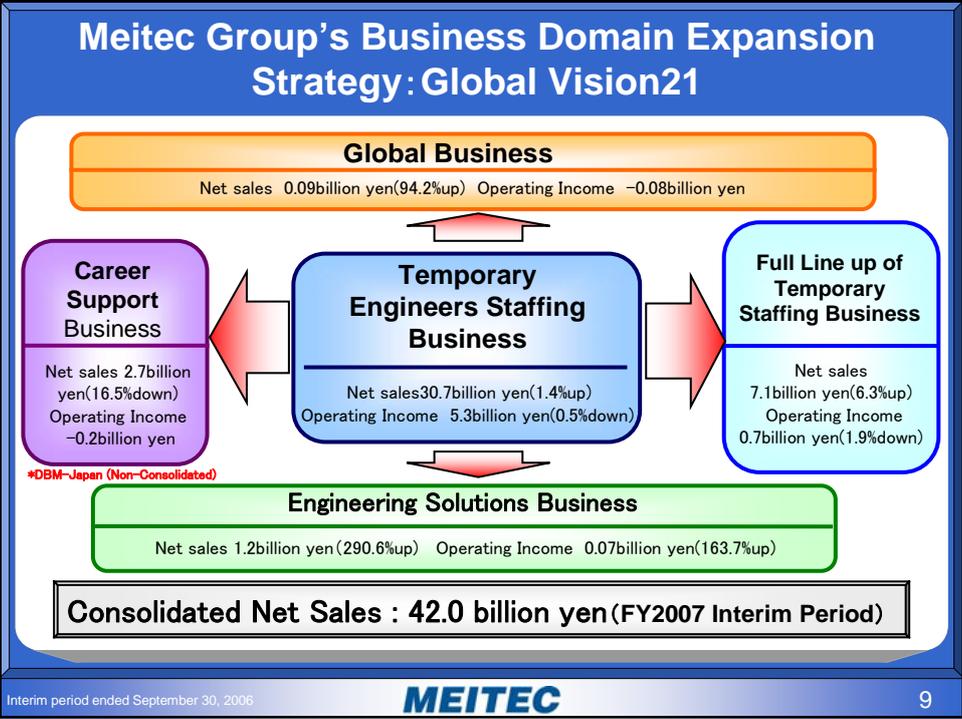
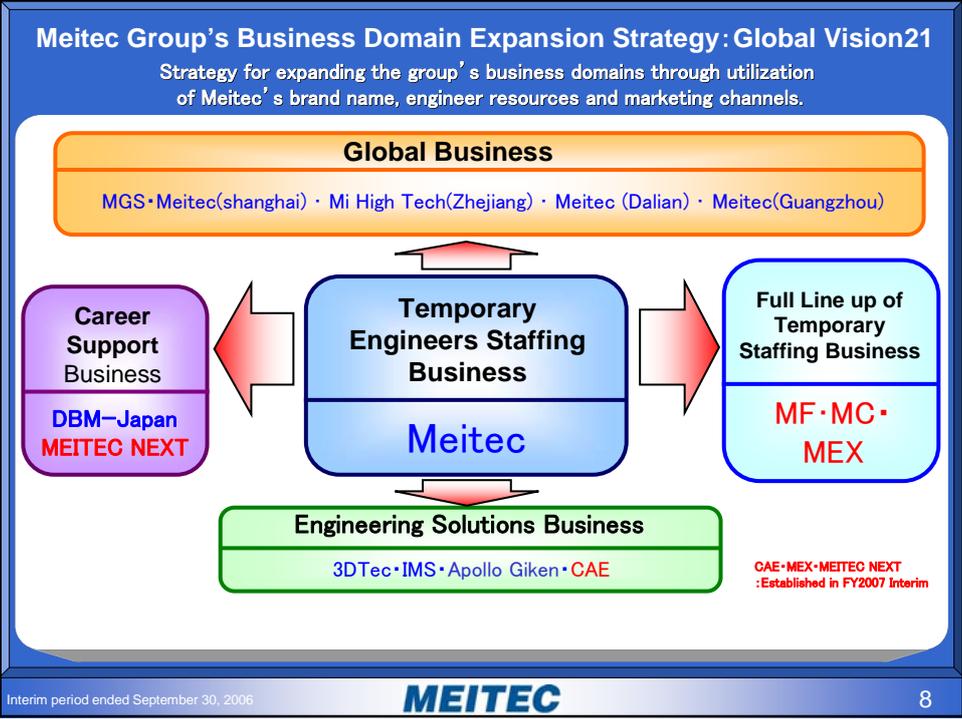
<Previous Accounting Treatment >

Deferred tax asset concerning land reappraisal (B/S) 629 million yen ➡ Difference in land reappraisal (B/S) 629 million yen

<Current Accounting Treatment >

Deferred tax asset concerning land reappraisal (B/S) 629 million yen ➡ Income taxes, Deferred (P/L) 671 million yen
Deferred tax liability concerning land reappraisal (B/S) 42 million yen

※The land owned by Meitec is 100% commercial;
therefore, treatment as a deferred tax asset was deemed
to be inappropriate.



Meitec Group Results Interim Period Ended September 30, 2006

		(Million of Yen)							
		Net Sales	Change	Operating Income	Change	Ordinary Income	Change	Net Income	Change
Interim Period	Meitec	30,799	1.4%	5,353	-0.5%	9,745	70.1%	-3,379	-
	Meitec Fielders	5,403	5.7%	651	9.3%	653	9.3%	385	8.3%
	Meitec East	1,963	5.3%	93	-20.1%	93	-19.2%	52	-24.8%
	Meitec Experts	27	-	-25	-	-25	-	-25	-
	3D Tec	311	27.0%	26	28.4%	26	28.2%	14	19.1%
	IMS	215	14.0%	12	17.0%	12	17.3%	7	16.0%
	Apollo Giken	719	-	2	-	1	-	0	-
	Meitec CAE	234	-	37	-	37	-	21	-
	Meitec Global Solutions	117	78.8%	-48	-	-48	-	-48	-
	Meitec Shanghai	11	44.8%	-9	-	-9	-	-9	-
	Meitec Dalian	4	-	-25	-	-25	-	-25	-
	Meitec Guangzhou	0	-	0	-	0	-	0	-
	Meitec Zhejiang	-	-	-	-	-	-	-	-
	Meitec Next	0	-	-34	-	-34	-	-34	-
	DBM-Japan Group	2,742	-17.0%	-94	-	-129	-	-850	-
Consolidated	42,009	3.2%	5,929	-0.1%	5,889	-1.8%	-2,702	-	

*Amounts for each company are non-consolidated basis

Interim period ended September 30, 2006

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Drake Beam Morin-Japan Group FY2007 Interim Period

		(million of yen)			
		Net Sales	Operating Income	Ordinary Income	Net Income
DBM-J	FY2007 Interim	1,205	-27	4	-563
	FY2006 Interim	1,414	-126	-29	-333
	changes	-14.8%	-	-	-
Novations Group(U.S)	FY2007 Interim	1,536	-66	-111	-76
	FY2006 Interim	1,882	21	-41	19
	changes	-18.4%	-	-	-
Consolidated	FY2007 Interim	2,742	-94	-129	-850
	FY2006 Interim	3,305	-67	-41	-185
	changes	-17.0%	-	-	-

*Amounts for each company are non-consolidated basis

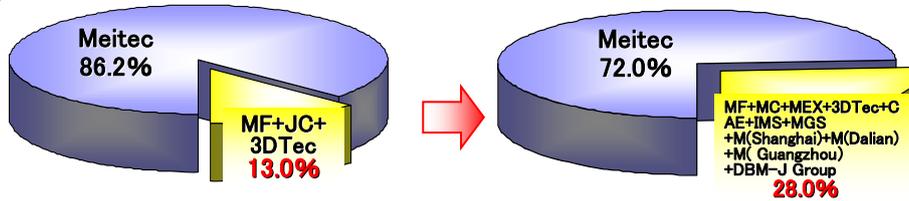
Only NGI's results for its interim accounting period (January to June 2006) are reflected in our forecasts of results for the fiscal year ending March 2007. As for NGI's July to August results, only the current term net profit/loss was posted as an extraordinary loss at the time of disposition of NGI, and beginning with the second half of the present fiscal year NGI was no longer treated as a consolidated subsidiary.

Interim period ended September 30, 2006

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Growth in Group Net sales - Shift from Non-Consolidated to Consolidated Growth -

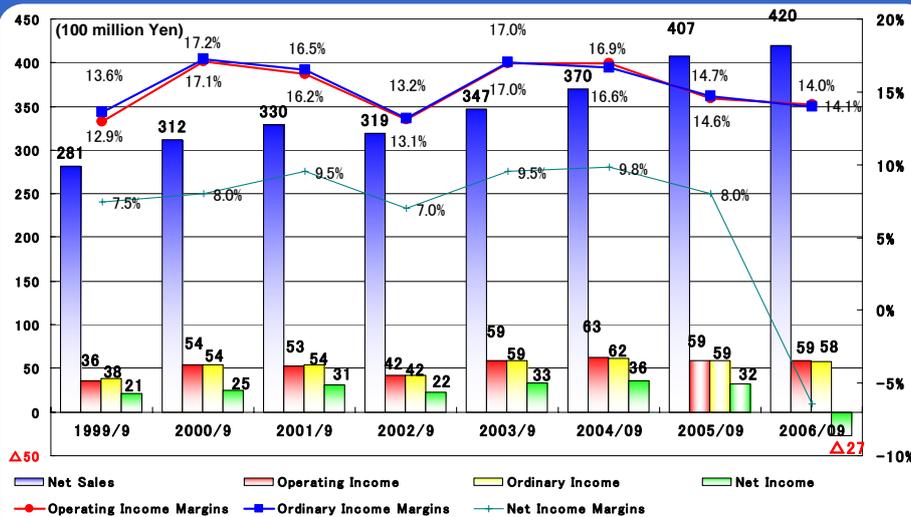


FY2001 Interim
FY2007 Interim
(Hundred Million of Yen)

	FY2001 Interim	FY2007 Interim	Change	Change(%)
Meitec	271.4	307.9	36.5	13.4%
Group Companies excluding Meitec	41.0	117.5	76.5	186.6%
Consolidated Net Sales	312.5	420.0	107.5	34.4%
Composition Ratios Excluding Meitec ※	13.0%	28.0%	-	-

※Amounts for each companies are non-consolidated basis

Consolidated Operating Results Interim Period Ended September 30, 2006



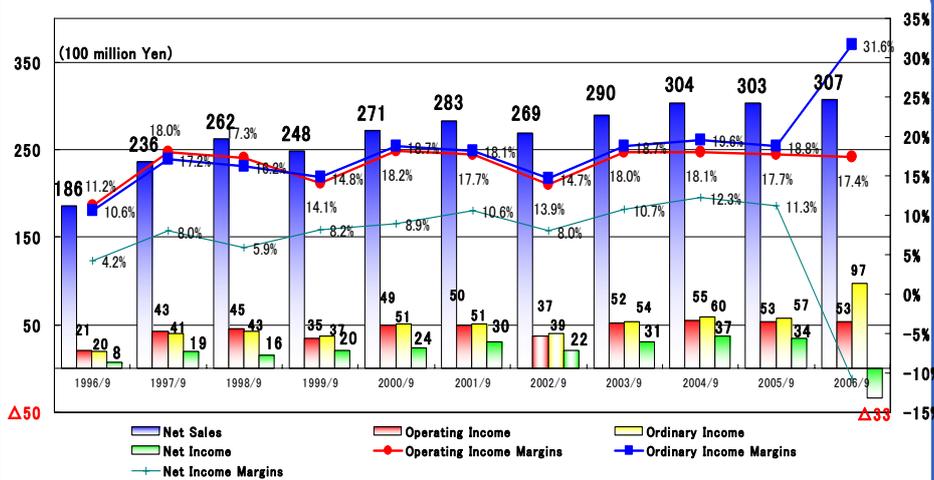
Results of Meitec For the Interim Period Ended September 30, 2006 (Non - Consolidated)

Interim period ended September 30, 2006

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Non-Consolidated Operating Results Interim Period Ended September 30, 2006



Interim period ended September 30, 2006

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Core Business (Temporary engineers staffing business) Results FY2007 Interim Period

※ Meitec + Meitec Fielders (Net sales 36.2billion Yen, 86.2% of Consolidated Net Sales)

※ Lower figure is the previous year's result

	Meitec + MF	Meitec	Meitec Fielders
Utilization Ratio	96.4%	97.1%	95.7%
	96.8%	97.1%	95.4%
Operating Hours	-	9.26h/day	9.41h/day
	-	9.23h/day	9.3h/day
Average Rate Revision	-	1.8% up	2.6% up
	-	1.5% up	2.3% up

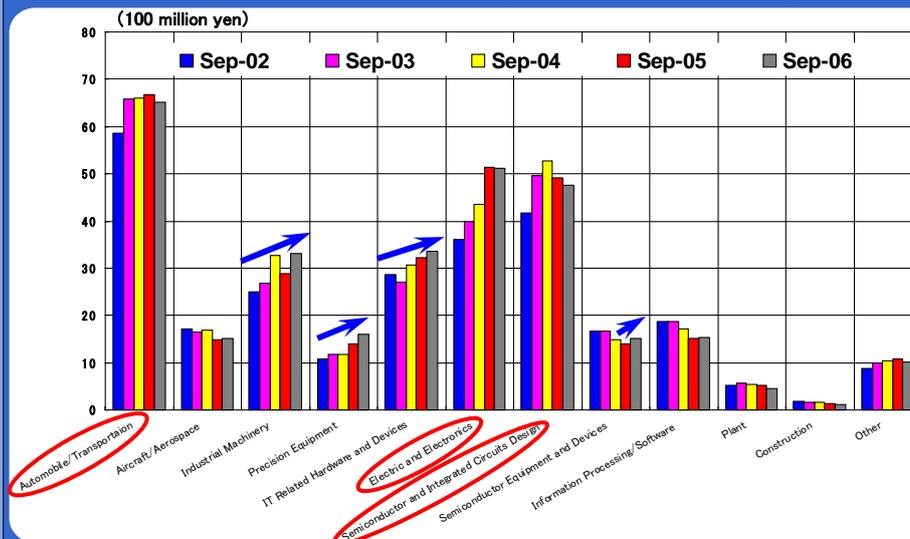
Number of Engineers	Meitec	MF	MGS	MEX	M-CAE	Total
		5,852	1,372	46	21	47
	5,878	1,349	-	-	-	7,227

Interim period ended September 30, 2006

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Condition for Meitec (Non-consolidated) - Comparison of Sales Trend by the Industrial Segments -



Interim period ended September 30, 2006

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Condition for Meitec (Non-consolidated) - Top 10 Clients by Sales and Shares of Net Sales -

< Five years ago >			< Current > (millions of yen)					
Interim Period Ended September 30, 2000			Interim Period Ended September 30, 2005			Interim Period Ended September 30, 2006		
Companies Name			Companies Name			Companies Name		
1	Seiko Epson		1	Matsushita Electric		1	Matsushita Electric	
2	Sony Corp.		2	Sony Corp.		2	Sony Corp.	
3	Mitsubishi Heavy		3	Toyota Motor		3	Canon Inc.	
4	Matsushita Electric		4	Seiko Epson		4	Mitsubishi Heavy	
5	Canon Inc.		5	Canon Inc.		5	Omron Corp.	
6	Nikon Corp.		6	Mitsubishi Heavy		6	Nikon Corp.	
7	Omron Corp.		7	Nikon Corp.		7	Toyota Motor	
8	Jatoco T.T		8	Omron Corp.		8	Seiko Epson	
9	Hitachi Ltd		9	Sony EMCS		9	Denso Corporation	
10	Toyota Motor		10	Kawasaki Heavy		10	Kawasaki Heavy	
Top 10 Total	8,781	32.4%	Top 10 Total	11,139	36.9%	Top 10 Total	10,514	34.1%
Top 20 Total	11,930	44.0%	Top 20 Total	14,670	48.3%	Top 20 Total	13,836	44.9%
Others	15,213	56.0%	Others	15,713	51.7%	Others	16,963	55.1%
Total	27,143	100.0%	Total	30,384	100.0%	Total	30,799	100.0%

Interim period ended September 30, 2006

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Future market trends in the temporary engineer dispatching business

1. Market indices all remain at high levels (for indices, see attached references for non-consolidated Meitec data on utilization ratios, total hours in utilization, and new orders).
2. Therefore, the market may be expected to remain strong unless risks emerge in the macro environment (sharp rises in crude oil and materials prices, declines in overseas markets, etc.).
※ However, we notice a trend among some clients to start cutting back their development budgets.

Interim period ended September 30, 2006

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Status of Global Vision21

1. Expansion of staff business with temporary engineering staff business at the core

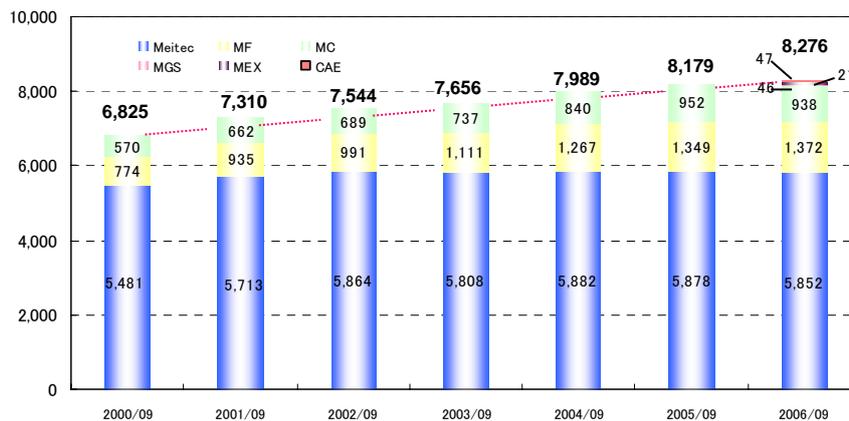
※Increase personnel for MEITEC + MEITEC FIELDERS (MF) + Meitec Cast (MC) + MGS + MEX + Meitec CAE

2. Expansion of gateway business with temporary engineering staff business at the core

※Foray into solutions business, in addition to staff business

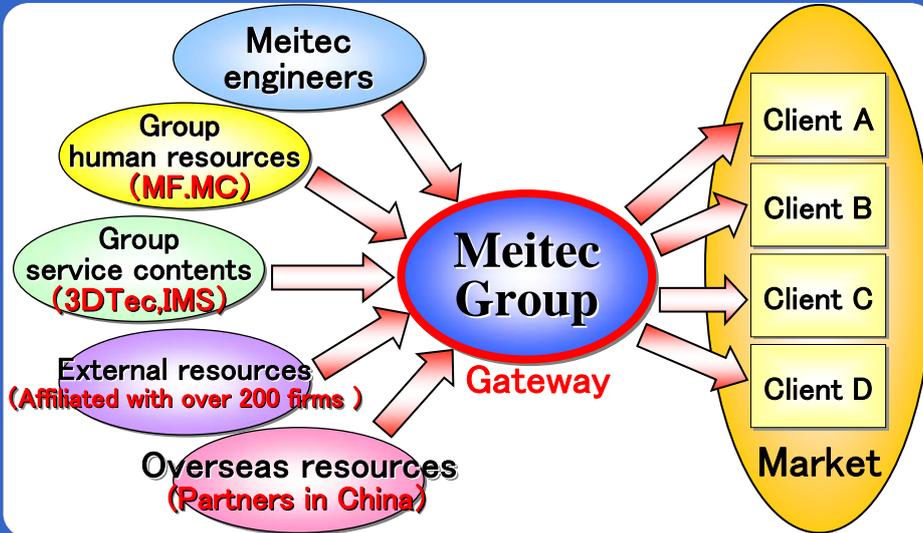
Status of Global Vision 21

- Trend in Number of Staffs<Meitec+MF+MC+MGS+CAE> -



*Both Meitec and Meitec Fielders' numbers are full-fledged engineers.
 *Japan cast's number is that of registered employees on job.
 *MGS's numbers are bridge engineers.
 *CAE was spined off in FY 2007 Interim period

Status of Global Vision 21 - Gateway for the Resources and Services-



Results of Gateway Strategy (Group collaboration) 1

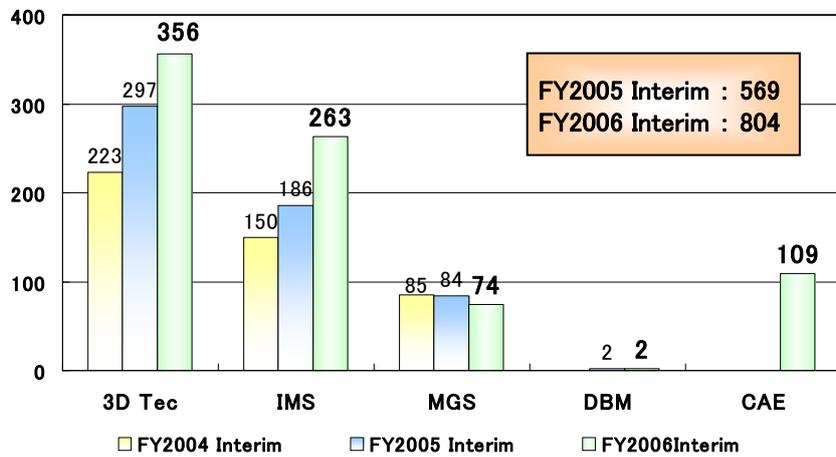
< Establishment of Cross-selling structure >

<Number of Orders> Apr. 2006 to Sep. 2006

(Number of Orders)

→	Meitec	MF	MC	MEX	3DT	IMS	AP	CAE	MGS	DBM	Total	Previous fiscal year
Meitec		317	455	14	384	349	7	131	120	18	1,795	1,355
MF			74		17	4			3	2	100	165
MC		7								2	9	94
MEX			2								2	
3DT		1	1			3			3		8	0
IMS					2						2	0
AP											0	
CAE											0	-
MGS			1							1	2	9
DBM	7	5	19								31	28
Total	7	330	552	14	403	356	7	131	126	23	1,949	
Previous fiscal year	105	257	490	-	353	242	-	-	150	54		1,651

Results of Gateway Strategy (Group collaboration) 2



Interim period ended September 30, 2006

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Forecasts; Fiscal Year Ending March 31, 2007

(Millions of Yen)

		Net Sales	Operating Income	Ordinary Income	Net Income
Consolidated	FY2006	83,500	12,000	12,000	750
	FY2005	83,223	12,485	12,562	5,302
	Change(%)	0.3%	-3.9%	-4.5%	-85.9%
Non Consolidated	FY2006	61,800	10,650	15,650	300
	FY2005	61,425	11,131	11,556	6,820
	Change(%)	0.6%	-4.3%	35.4%	-95.6%

Revisions disclosed November 7, 2006

Interim period ended September 30, 2006

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Forecasts; Fiscal Year Ending March 31 , 2007

		(Million Yen)			
		Net Sales	Operating Income	Ordinary Income	Net Income
Interim Period	Meitec	30,799	5,353	9,745	-3,379
	Meitec Fielders	5,403	651	653	385
	Meitec East	1,963	93	93	52
	Meitec Experte	27	-25	-25	-25
	SD Teo	311	26	26	14
	IMS	215	12	12	7
	Apollo Gilken	719	2	1	0
	Meitec OAE	234	37	37	21
	Meitec Global Solutions	117	-48	-48	-48
	Meitec Shanghai	11	-9	-9	-9
	Meitec Dalian	4	-25	-25	-25
	Meitec Quanzhou	0	0	0	0
	Meitec Zhejiang	0	0	0	0
	Meitec Sian	0	0	0	0
	Meitec Next	0	-34	-34	-34
	DBM-Japan Group	2,742	-94	-129	-850
Consolidated	42,009	5,929	5,889	-2,702	
Fiscal Year (forecast)	Meitec	61,800	10,650	15,650	300
	Meitec Fielders	11,100	1,400	1,400	820
	Meitec East	4,150	250	250	150
	Meitec Experte	120	-40	-40	-40
	SD Teo	700	65	65	35
	IMS	520	35	35	20
	Apollo Gilken	1,355	15	15	10
	Meitec OAE	500	50	50	35
	Meitec Global Solutions	490	-20	-20	-20
	Meitec Shanghai	70	10	10	10
	Meitec Dalian	40	-20	-20	-20
	Meitec Quanzhou	25	-25	-25	-25
	Meitec Zhejiang	9	-2	-2	-2
	Meitec Sian	0	0	0	0
	Meitec Next	40	-210	-210	-215
	DBM-Japan Group	3,537	-94	-129	-850
Consolidated	83,500	12,000	12,000	750	

*Amounts for each company are non-consolidated basis

Revisions disclosed November 6, 2006

Interim period ended September 30, 2006

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Precondition for the Forecasts of the Fiscal Year Ending March 31 2007<Meitec+MF+MGS>

		Meitec	MF	MGS
Utilization Ratio	First Half	97.1%	95.7%	50.7%
	Second Half	98.4%	98.4%	55.2%
	Fiscal Year	97.7%	97.1%	53.0%
Assignment of New Graduate		100% by end of August	100% by end of August	-
Operating Hours per day	First Half	9.26h/day	9.41h/day	9.18h/day
	Second Half	9.22h/day	9.43h/day	9.18h/day
	Fiscal Year	9.24h/day	9.42h/day	9.18h/day
Rate Revision (Compared to the previous year)		1.8%up	2.6%up	-
Mid-career Recruitment	First Half	44	41	-

Interim period ended September 30, 2006

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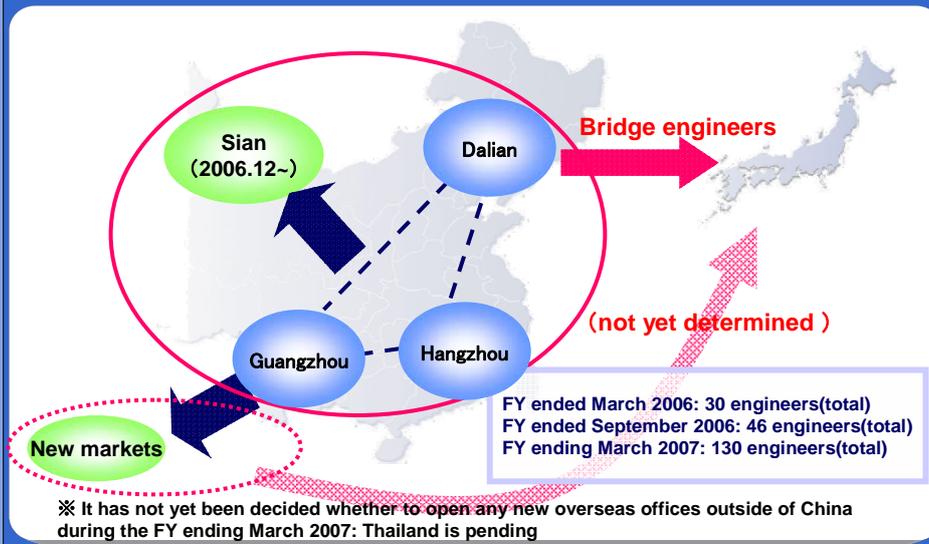
Main challenges for the second half of the FY : reinforcing our strategy to attract new human resources

Plan to expand mid-career recruiting to make up for the shortfall in hiring of new university graduates

		FY2006	Plan correction in fiscal year 2007 (The first plan at period of fiscal year 2007)
New Graduate Recruitment	Meitec	282	250 (400)
	Meitec Fielders	167	170 (300)
	Total	449	420 (700)
Mid-career Recruitment	Meitec	61	220 (120)
	Meitec Fielders	20	100 (49)
	Total	81	320 (169)
Bridge engineers		30	100 (100)
Total		560	840 (969)

Specific strategy: institute mid-career recruiting functions at all MEITEC offices (beginning in October 2006)

Global Strategy: Phase 2 - Into China and Beyond China -



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THE ENGINEERING OUTSOURCING® COMPANY

Summary for Meitec Group

Meitec Fielders		Meitec Global Solutions	
FY 2006 Net Sales	¥10,382Million	FY 2006 Net Sales	¥194Million
Capitalization	¥268Million	Capitalization	¥200Million
Employees	1,465	Employees	24
Establishment	December, 1979	Establishment	April, 2003
Business Description	Temporary engineering staff business	Business Description	International outsourcing services
Meitec East		Meitec (Shanghai)	
FY 2006 Net Sales	¥3,781Million	FY 2006 Net Sales	¥25Million
Capitalization	¥100Million	Capitalization	¥1,200,000
Employees	45	Employees	8
Establishment	February, 2000	Establishment	September, 2003
Business Description	Registered-style temporary staffing business and employment agency	Business Description	Corporate management consultation
Meitec Events		Meitec (Dalian)	
FY 2006 Net Sales	-	FY 2006 Net Sales	¥4Million
Capitalization	¥100Million	Capitalization	RMB 8,000,000
Employees	2	Employees	11
Establishment	April, 2006	Establishment	November, 2004
Business Description	Temporary senior engineering staff business	Business Description	Training business in China
GD Tec		Meitec (Guangzhou)	
FY 2006 Net Sales	¥501Million	FY 2006 Net Sales	-
Capitalization	¥201Million	Capitalization	RMB 8,000,000
Employees	18	Employees	8
Establishment	December, 2000	Establishment	December, 2005
Business Description	R&D support utilizing 3-D CAD design services	Business Description	Training business in China
BMS		ZHEJIANG MJ High Technology	
FY 2006 Net Sales	¥400Million	FY 2006 Net Sales	-
Capitalization	¥100Million	Capitalization	RMB 9,000,000
Employees	24	Employees	11
Establishment	September, 1983	Establishment	July, 2004
Business Description	Designing and manufacturing printed circuits board	Business Description	Training business in China
Apollo Giken		Meitec Next	
FY 2006 Net Sales	-	FY 2006 Net Sales	-
Capitalization	¥311Million	Capitalization	¥480Million
Employees	105	Employees	4
Establishment	August, 1978	Establishment	July, 2006
Business Description	Designing and manufacturing printed circuits board	Business Description	Job placement business for engineers
Shanghai Apomas (consolidated subsidiary of Apollo Giken)		Drake Beam Morin	
FY 2006 Net Sales	-	FY 2006 Net Sales	¥2,573Million
Capitalization	¥525,000	Capitalization	¥450Million
Employees	45	Employees	122
Establishment	August, 1997	Establishment	October, 1982
Business Description	Designing and manufacturing printed circuits board	Business Description	Outplacement Service
Meitec GAE			
FY 2006 Net Sales	-		
Capitalization	¥100Million		
Employees	49		
Establishment	April, 2006		
Business Description	Contract work and temporary staffing related to structural analysis		

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(Appendix-1)

Objectives of the business : Meitec Next

① Objectives of the business

- Strengthen our human resources business platform (enhance customer services)
- Function as part of our system to bolster the Meitec Group labor force
- Provide career support for engineers leaving the Meitec Group

② Key strategy for the new business:

Differentiation from existing human resources consulting businesses

- Model focused on engineers wishing to change jobs (recruitment consulting ≠ career consulting)
- Specialized in engineers
- Utilization of Meitec's client base (network of major manufacturers)
- Optimal matching system (unique system of career matching)
- Development of model for outsourcing engineers prior to permanent placement (synergy with our core outsourcing business)

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(Appendix-2)

Breakdown of Non-consolidated Net Sales

Meitec's non-consolidated net sales

= 30.7 billion yen

= Core Business (Temporary engineers staffing business)

+ **New Business (Gateway Business)**

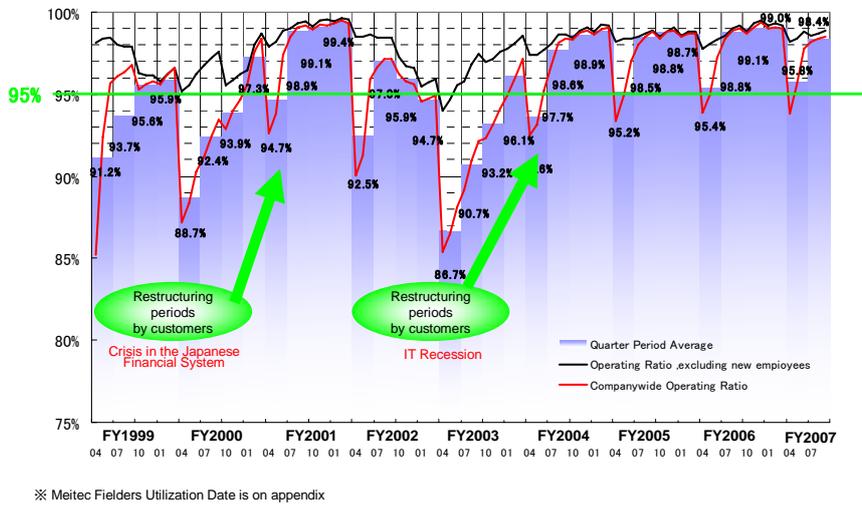
= 30.3 billion yen + **0.44 billion yen**

- Net sales of new business in previous year were 0.28 billion yen.
- * Net sales from new businesses are primarily from the cooperative marketing results with **3D Tec, Information Management System and Meitec Global Solutions, Inc.**, and customer transactions were posted to Meitec's account.

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(Appendix-3)

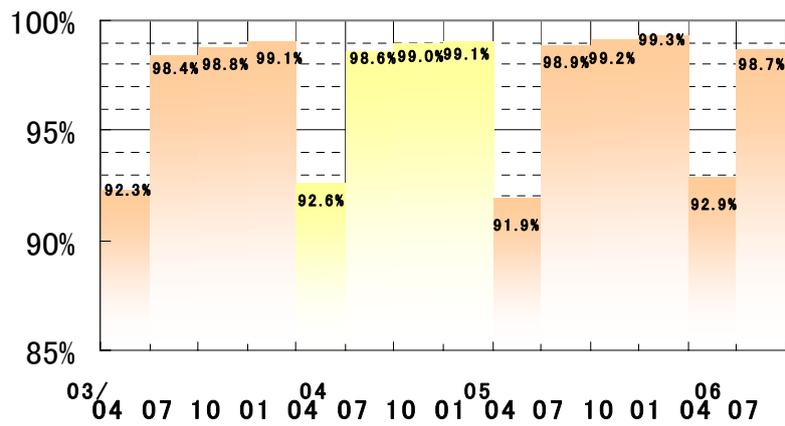
Utilization Ratio<Non-Consolidated>



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(Appendix-4)

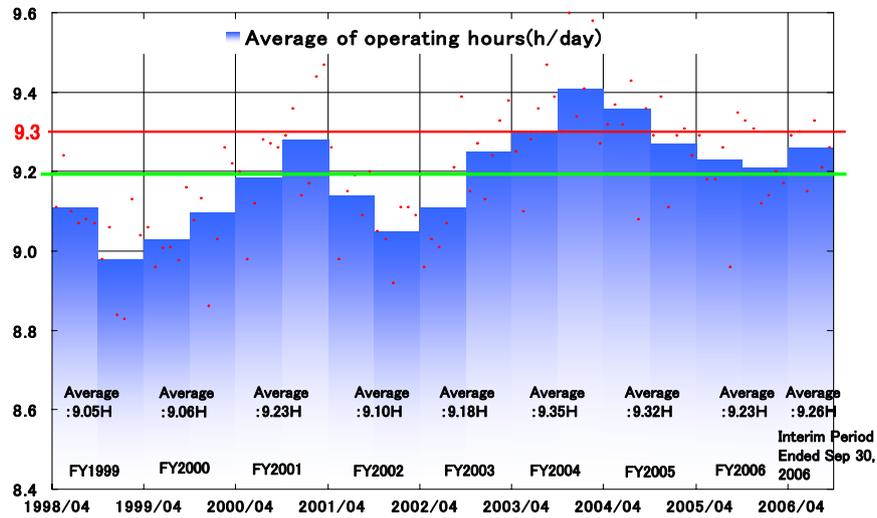
Utilization Ratio <Meitec Fielders>



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(Appendix-5)

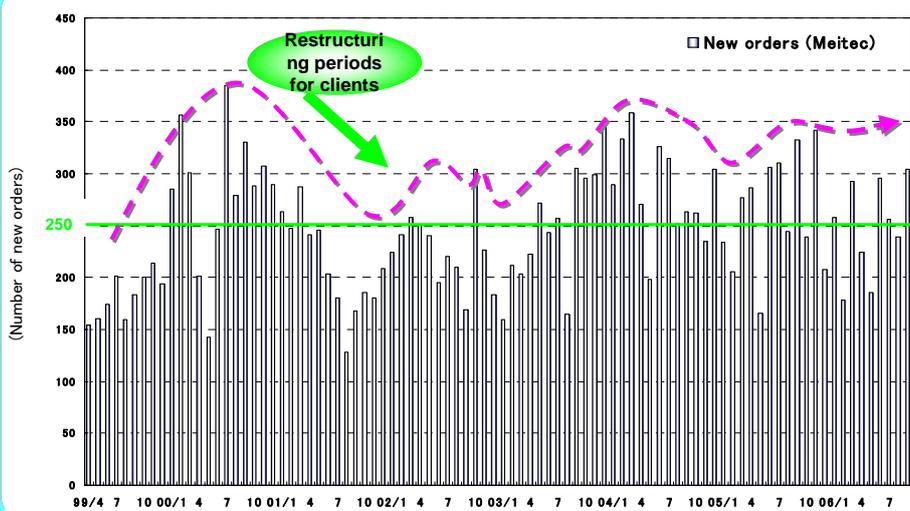
Operating Hours<Non-Consolidated>



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(Appendix-6)

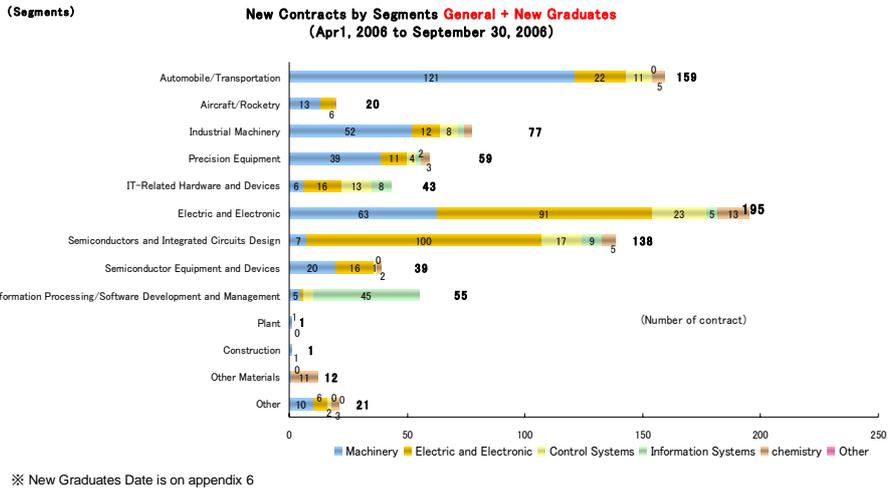
Trend in New Orders by Month<Non-Consolidated>



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(Appendix-7)

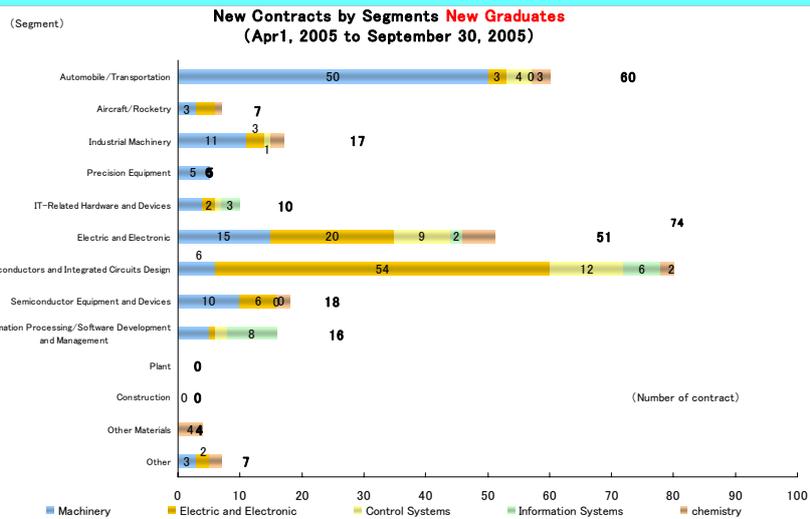
Condition for Meitec (Non-consolidated) - New Contract by the Industrial Segments -



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(Appendix-8)

New Contracts by the Industrial Segments for New Graduated Engineers <Non-consolidated>

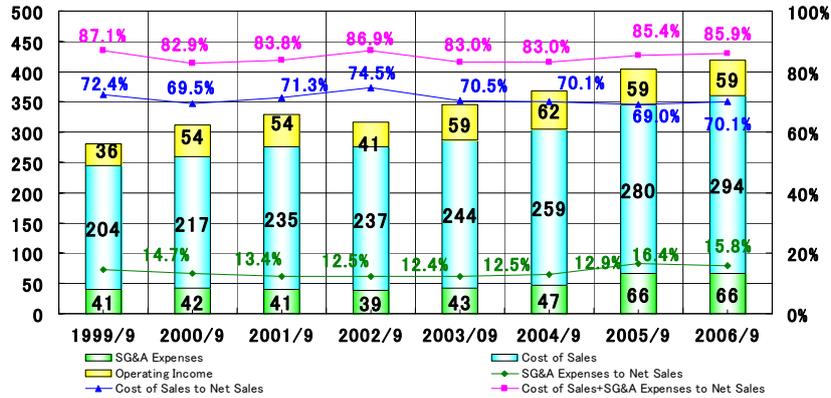


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(Appendix-9)

Consolidated SG&A Expenses and Cost of Sales, and Their Ratio to the Sales

(100 Million yen)

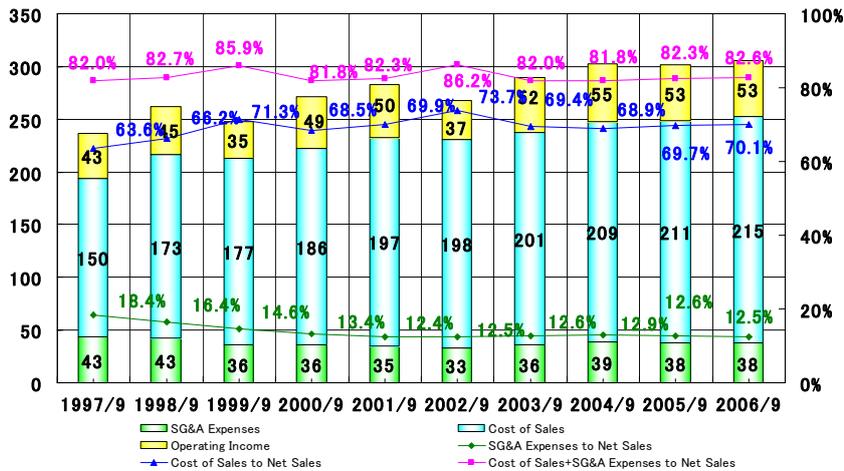


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(Appendix-10)

Non-Consolidated SG&A Expenses and Cost of Sales, and Their Ratio to the Sales

(100 Million yen)



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(Appendix-11)

Sales by the Industrial Segments <Non-Consolidated>

(Millions of yen)

Segment	Interim 2003	Interim 2004	Interim 2005	Interim 2006	Interim FY2007				
	Net Sales				Net Sales	Total Net Sales(%)	Change	Change (%)	
Automobile/Transportation	5,858	6,591	6,614	6,675	6,514	21.2%	-161	-2.4%	↓
Aircraft/Aerospace	1,705	1,641	1,700	1,495	1,514	4.9%	18	+1.2%	↑
Industrial Machinery	2,502	2,674	3,264	2,883	3,306	10.7%	423	+14.7%	↑
Precision Equipment	1,081	1,174	1,165	1,397	1,590	5.2%	192	+13.7%	↑
IT Related Hardware and Devices	2,851	2,706	3,059	3,231	3,358	10.9%	126	+3.9%	↑
Electric and Electronics	3,599	3,980	4,354	5,137	5,122	16.6%	-14	-0.3%	↓
Semiconductors and Integrated Circuits Design	4,160	4,968	5,277	4,911	4,764	15.5%	-147	-3.0%	↓
Semiconductor Equipment and Devices	1,667	1,874	1,485	1,388	1,500	4.9%	111	+8.0%	↑
Information Processing/Software	1,881	1,881	1,712	1,513	1,531	5.0%	18	+1.2%	↑
Plant	520	562	538	511	454	1.5%	-56	-11.0%	↓
Construction	187	160	168	128	122	0.4%	-6	-4.8%	↓
Others	886	987	1,041	1,091	1,018	3.2%	-73	-6.7%	↓
Total	26,897	28,999	30,377	30,360	30,799	100.0%	439	-	-

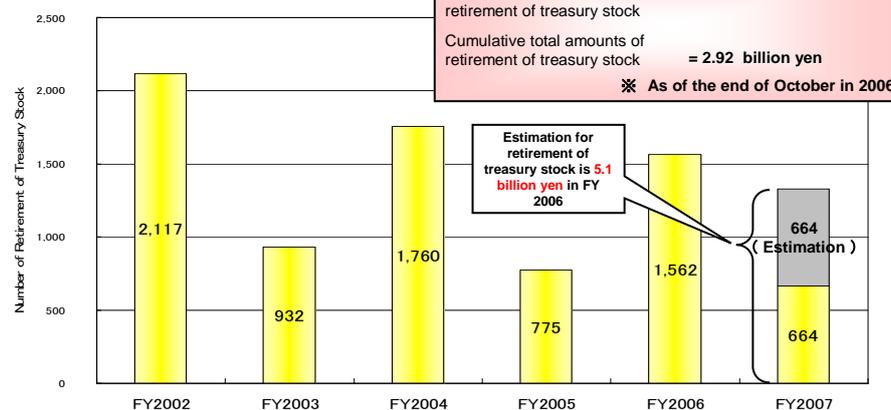
※ Yellow ink ; up compared to previous year

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(Appendix-12)

Results of Acquisition and Retirement of Treasury Stock

(Thousands of share)



※ Number of retirement of treasury stock for fiscal year 2007 was calculated average of closing price for the past three months (from February to April in 2006).

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(Appendix-13)

Shareholders by Business Segments <Non-Consolidated>

Shareholder Segment	(As of Interim Period Ended September 30, 2006)			
	Shareholders	%	Shares Held	%
Banks	13	0.14%	1,545,377	4.19%
Trust Banks	27	0.30%	8,700,600	23.62%
Life and against loss insurance companies	30	0.33%	4,967,083	13.48%
Securities financing and other financial companies	13	0.14%	74,760	0.20%
Securities companies	27	0.30%	390,512	1.06%
Business concerns and other companies	152	1.67%	425,595	1.16%
Overseas companies and investors	210	2.31%	15,506,511	42.09%
Individuals and others	8,618	94.81%	5,231,417	14.20%
Total	9,090	100.0%	36,841,855	100.0%

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(Appendix-14)