

Notice Regarding the Plan of Acquisition and Retirement of Treasury Stock in the Fiscal Year Ending March 31, 2008

As one measure in its continuing pursuit of shareholder-value-centered management, Meitec has since the fiscal year ended March 31, 2002, sought to increase capital efficiency through the acquisition and retirement of treasury stock. Meitec Corporation, based on the previous cash management policy (*1), in accordance with the Articles of Incorporation, and assuming the approval of the Company's proposal regarding reduction of reserves (*2) that will be made at the 34th General Meeting of Shareholders scheduled for June 21, 2007, announces that it has decided on a plan for further acquisition and retirement of shares to be implemented during the fiscal year ending March 31, 2008.

- *1. Calculation method of share assets for retirement based on the cash management policy
Share assets for retirement = "Cash and cash equivalents on the consolidated balance sheets at the end of the previous fiscal year" – "Necessary operating capital on a consolidated basis = Monthly revenue x Two months"
- When the Company's cash position at the end of the fiscal year exceeds the amount of capital deemed necessary for operation of the Meitec Group (two months of monthly revenue), retained earnings in excess of this amount are designated as funds for retirement of shares during the following fiscal year.
- The retirement of shares is conducted in two stages, with each comprising half the designated amount used to retire shares when no investments with substantial capital demand are planned during the succeeding fiscal half-year.
- *2. For further details on the reduction of reserves, see the separate announcement also released today, "Notice of Reduction in Capital Surplus and Retained Earnings"

<Planned acquisition and retirement of treasury stock in the fiscal year ending March 31, 2008>

Planned amounts in the acquisition and retirement of treasury stock
¥3,100 million (maximum) by March 31, 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. Shares retired will include not only treasury stock acquired during the fiscal year ending March 31, 2008, but also treasury stock held in reserve to exercise stock options obligations that are now expired or relinquished, and shares acquired in response to requests for purchases of odd lots.
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.