

June 5, 2009

To Our Shareholders and Investors

MEITEC CORPORATION

About the Recommendation Issued by Glass Lewis & Co. Regarding Our 2009 Annual Shareholders Meeting

We have obtained an information that Glass Lewis & Co., a proxy advisory services company, have issued a proxy report against one of the proposals, nomination of Kosuke Nishimoto, president and CEO of our company, for the election of directors, which we are presenting to the 2009 annual shareholders meeting. Meitec Corporation hereby expresses opposition to their recommendation as following.

Incidentally, we also have obtained information that another proxy advisory services company, Institutional Shareholder Services, Inc. had issued a recommendation as FOR regarding the all of the proposals for the election of directors. .

Glass Lewis & Co. have demanded that, for the company which have adopted a two-tier board structure, at least two member of the board should be independent outside directors. And in a case of which does not satisfy this criteria, as their general rule, they would recommend shareholders to vote against the reelection of the chairman or the president of the company. For our proposal of the election of directors, since the number of outside directors in the nominee is less than two, they have recommended that the shareholder to vote against election of Kosuke Nishimoto, president and CEO of the company.

As a basis for our counterargument, we would like to present the suggestions noted in a Nippon Keidanren publication*¹ "Towards Better Corporate Governance, Interim Discussion Paper on Key Issue" dated April 14, 2009 which are as following; *1 April 14, 2009 Nippon Keidanren publication <http://www.keidanren.or.jp/english/policy/2009/038.pdf>

Extract of Suggestions from Nippon Keidanren

- As to corporate governance structures, it is essential that the governance structures have "genuine substance" which means that it is guaranteed to function as a governance system with the confidence of shareholders, in a way that promotes fair and efficient management of the corporation, rather than merely satisfying formality of the structure.
- Companies with Kansayaku-kai (board of company/corporate auditors), a category to which the majority of listed companies in Japan belong, are subject to the requirement that at least half of their Kansayaku (company/corporate auditors) be Outside Kansayaku, though they are not obliged to appoint Outside Directors and it is left to the judgment of individual companies whether they should appoint Outside Directors.
- Adding to the supervisory functions of the Board of Directors, Japan's Companies Act contains provisions for supervision of Directors' business execution by Kansayaku and Kansayaku-kai, at least half of Kansayaku-kai member must be Outside Kansayaku, thus creating dual monitoring functions with regard to business execution. The fact that Kansayaku are company officers who do not engage in business execution gives them even greater independence from management than that of Outside Directors, constituting a mechanism never inferior to the functions for monitoring in companies in the U.S. and European countries.

Since Meitec Corporation is a company with board of company auditor with three auditors, and of which two are independent outside auditors, and as it was expressed in the Nippon Keidanren publication, our auditors attend all of the directors meetings and auditors meetings, our auditors are performing sufficient supervisory functions toward directors' business execution through providing proper advises as necessary and expressing their suggestions.

We do not deny the importance of appointing the outside director in order to receive appropriate suggestions and opinions from the stand point of independent outsider to improve the supervisory function toward directors' business execution in addition to the supervisory function provided by the board of auditors.

But for the board of directors to carry out its responsibilities as an organ of decision making in the business executions, it is needless to say that presence of inside directors who perform the business execution is indispensable.

We would like to ask the shareholders to understanding our point of view, and to vote yes to the election of Kosuke Nishimoto, the first nominee of the election of seven directors, in 3rd proposal for the meeting.

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