

Notice Concerning Management Rationalization Measures

Meitec Corporation

Meitec Corporation (the "Company") hereby announces that at a meeting held on February 23, 2010, the Board of Directors of the Company passed a resolution concerning the management rationalization measures. Details are as follows.

1. Reason for Taking Management Rationalization Measures

For the fiscal year ending March 31, 2010, Company expect 5,800 million yen of operating loss. But for the ordinary loss, the Company expects it to reduce to 800 million yen. Difference between them is due to the expected income by the government subsidies for the employment adjustment, a governmental support.

(Reference)Performance of Prior Fiscal Year and Forecast of Current Fiscal Year

(Millions of Yen)	Net Sales	Operating Income	Ordinary Income	Net Income
FY ended Mar, 2009 (Actual)	79,898	9,280	9,260	4,303
FY ending Mar, 2010 (Forecast)	52,500	(5,800)	(800)	(1,200)

Considering the current condition, Meitec Group has set its management policy for the fiscal year ending March 31, 2011 as "Achieving Self-supporting Corporate Continuation"

With a precondition of each Meitec Group companies will carry out measures appropriate to condition for the each companies are in, accordance to this management policy, Meitec Group have set its management target as "Achieving the Operating Profit for the Fiscal Year (consolidated, non-consolidated for each companies).

Therefore, reason for the management rationalization measures announced today are to achieving this management target.

2. Details of the Management Rationalization Measures

(1) Reduction and Return of Directors' monthly Compensation, Voluntarily Return of Auditors' Compensation

(1)-1. President and CEO

It was reduced for 30% from April 2009, and is reduced for 50% from Jan. 2010.

(1)-2. Directors and Auditor

It was reduced for 10% from April 2009, and is reduced for 30% from Jan. 2010.

(1)-3. Outside Directors and Auditor

It is reduced for 30% from Jan. 2010.

(2) Reduction of Executive Officer and (Non-union) Managers' Compensation

(2)-1. Monthly payroll was reduced for 2.5% to 7.5% from Jan. 2010 and will be reduced for 5.0% to 15.0% from April 2010.

(2)-2. Reduction of preset number of month applied to calculating bonus for 33.3% from winter 2010.

(3) Reduction of allowances and bonus to general employee (union member)

Company had proposed following measures to the employee union. They will take effect as soon as Company and union reach an agreement.

(3)-1. Suspension of various employee benefits

(3)-2. Suspension of grade up promotion and pay raise

(3)-3. Chang of number of month applied to calculating the employee bonus for winter 2010 and summer 2011.

(3)-4. Temporary leave of un-assigned engineers and engineer in educational training at subsidiaries.

3. Effect of Management Rationalization Measures to the Performance Forecast

Effects by the management rationalization measures are small for the current fiscal year. But we expect about 3,000 million yen of expense reduction for the next fiscal year.

Details on the management rationalization measures and forecast for the next fiscal year is planned to be announced when we announce the results of the fiscal year ending March 31, 2010.

End