

June 24, 2014

Company Name: Meitec Corporation  
Representative: Hideyo Kokubun  
President, Group CEO  
Code No.: 9744 TSE 1<sup>st</sup> Section

## **Notice Regarding Absorption-Type Merger (Simplified Merger/Short Form Merger) of a Subsidiary**

Meitec Corporation (the Company) announces that, at the Board of Directors Meeting held on June 24, 2014, it resolved to merge through absorption its consolidated subsidiary, Meitec CAE Corporation (Meitec CAE), with effective date of October 1, 2014 (planned).

Since this merger is a simplified merger of a wholly-owned subsidiary, certain disclosure items and details have been omitted.

### **1. Purpose of merger**

Purpose of merger is to enhance added value to the professional staffing business for engineers of the Meitec Group through adoption of CAE technology.

### **2. Summary of merger**

#### **(1) Schedule**

Resolution on merger by Board of Directors	June 24, 2014
Execution of the merger agreement	June 24, 2014
Effective date of the merger	October 1, 2014 (planned)

Note: Since this merger is a simplified merger as specified in Article 796, Paragraph 3 of the Companies Act for the Company, and a short form merger as specified in Article 784, Paragraph 1 of the Companies Act for the Meitec CAE, general meeting of shareholders for approval of the merger agreement will not be held at either companies.

#### **(2) Merger method**

An absorption-type merger with the Company as the surviving company, and Meitec CAE will be dissolved.

#### **(3) Details of allocation relating to merger**

There will be no issuance of new shares or cash payment as a result of the merger.

#### **(4) Handling of share acquisition rights and bonds with share acquisition rights of the dissolved company**

Meitec CAE has not issued share acquisition rights or bonds with share acquisition right.

(Note) This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translation and the Japanese original, the original shall prevail.

### 3. Outline of the companies in merger

(As of March 31, 2014)

	Surviving Company	Merged Company
Company Name	MEITEC CORPORATION	Meitec CAE Corporation
Headquarters	2-20-1 Kosei-tori, Nishi-ku, Nagoya, Aichi	500-30 Nanzan, Komenogicho, Nisshin-city, Aichi
Representative	Hideyo Kokubun, President, Chief Executive Officer & Chief Operational Officer	Tsugio Yamashita, President and Representative Director
Business Description	Professional staffing business for engineers (Specified Worker Dispatching )	Engineering Solutions Business
Capital	16,825 million yen	100 million yen
Established	July 17, 1974	April 3, 2006
Number of Shares Issued	32,500,000 shares	2,000 shares
Fiscal Year End	March 31	March 31
Principal Shareholders and Shareholding Percentage (as of March 31, 2014)	State Street Bank and Trust Company 505223 8.80% The Master Trust Bank of Japan, Ltd. (trust account) 7.85% State Street Bank and Trust Company 5.69%	MEITEC CORPORATION 100%
Financial position and operating results for the most recent fiscal year		
Net Assets	36,188 million yen *	394 million yen
Total Assets	61,445 million yen *	530 million yen
Net assets per share	1,182.85 yen *	197,065.78 yen
Net Sales	74,906 million yen *	1,226 million yen
Operating Income	6,979 million yen *	116 million yen
Ordinary Income	6,978 million yen *	116 million yen
Net Income	3,973 million yen *	70 million yen
Net income per share	128.30 yen *	35,256.10 yen

\* Consolidated

### 4. Status after merger

After the merger, there will be no changes made to the company name, operations, headquarters, representative, capital, and fiscal year-end of the Company.

### 5. Future outlook

As the merger is with the Company's wholly-owned consolidated subsidiary, there will be no effect to the Company's consolidated business performance.

### Reference:

Consolidated forecast for the fiscal year ending March 31, 2015 and consolidated results of the fiscal year ended March 31, 2014.

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income
Forecast Fiscal year ending March 31, 2015	79,000	7,700	7,700	4,900
Result Fiscal year ended March 31, 2014	74,906	6,979	6,978	3,973

End