

SUMMARY OF THE Q&A SESSION
AT THE IR MEETING ON MAY 9, 2013
FOR THE FISCAL YEAR ENDING MARCH 31, 2013

MEITEC CORPORATION

1. Date: May 9, 2013, 14:00-14:55
2. Place: Conference Room at Tokyo Head Office
3. Q&A

Q: How do you cope with the current discouraging mid-career recruitment environment? Also, what plans do you have for hiring new graduates given that the government is expected to fortify its policies related to the hiring of new graduates?

A: After the Lehman Shock, and taking changing customer needs into consideration, we not only engaged in hiring engineers but also efforts to place them as early as possible. Furthermore, we took steps to boost the sense of security and confidence in Meitec by elaborating on Meitec's advantages regarding operations and career advancement to job applicants.

With regard to hiring new graduates, given that schools offer detailed and planned vocational guidance, we take into account their intentions while also engaging in activities that help school officials/teachers and students understand our work methods properly.

Q: Is the aej portal site you will start in October related to hiring activities?

A: It is not directly connected to our hiring activities. The objective is to enhance the recognition and presence of Meitec among engineers throughout Japan. We anticipate this will consequently boost Meitec's hiring activities.

Q: Why doesn't the ranking of your major customers change much, even of electric machinery manufacturers? What is your outlook on trends among your major customers in FY2013?

A: I believe that the ranking of our major customers does not change much, even of electric machinery manufacturers, as it reflects the fact that many customers continue to invest in medium- to long-term technological development, even when business is weak. Our share of net sales among the top 10 customers decreased compared with its equivalent in FY2007, the fiscal year prior to the Lehman Shock. Meanwhile, our share of net sales among the top 20 customers is rising. This indicates that our dependence on major customers is declining and is better distributed. This trend is also favorable from the standpoint of portfolio management. We therefore would like to sustain this trend going forward.

Q: Do you anticipate an improvement in the utilization ratio at Meitec to levels prior to the Lehman Shock on a non-consolidated basis?

A: We believe there is potential for the utilization ratio to recover, even a small amount. We believe it is feasible to aim for the same high utilization ratio attained prior to the Lehman Shock in the second half, as long as we are able to maintain our sales strategy, which will enable us to place all of our newly hired graduates during the first half—this is essential, as during the first half new graduates join the company, which essentially brings down the utilization ratio.

Q: Why do you forecast flat profit growth at Meitec Next?

A: In FY2012 we managed to save costs by efficiently carrying out our recruitment activities. However, we are somewhat more careful in our estimate of these expenses in FY2013. In addition, we take into account costs for structural reforms in the next three years. In light of these factors, we forecast operating income is likely to remain on a par with the previous fiscal year.

Q: What are the reasons behind your forecast for earnings improvement at Apollo Giken Group?

A: We anticipate beneficial impact to emerge from the streamlining of our sales system in the previous fiscal year.