Results of Meitec Group for 2nd Quarter of the Fiscal Year Ending March 31, 2011

- For the 6 months ended September 30,2010 -

November 12, 2010

Ⅰ. Report of Meitec Group <Consolidated>

Report of Meitec Group
<Consolidated>

MEITEC

<Consolidated Results for 2Q FY Ending March 31, 2011>
- For 6 months ended Sept 30, 2010 -

(Million of Yen)

			Net Sales	Operating Income	Ordinary Income	Net Income
Results for Second Quarter	Consolidated	FY2011 '10/4-9	29,357	662	2,087	1,615
		FY2010 '09/4-9	26,203	(3,248)	(850)	(1,214)
		Change(%)	12.0%	-	-	-
	Non-Consolidated	FY2011 '10/4-9	22,698	239	1,573	900
		FY2010 '09/4-9	20,097	(1,931)	109	31
		Change(%)	12.9%	-	-	-

<NOTE：Forecasts Fiscal Year Ending March 31, 2010>

Revised Earnings Forecast September 28, 2010	Consolidated	29,000	400	2,000	1,500
	Non-Consolidated	22,400	0	1,400	800
Initial Forecasts	Consolidated	27,000	0	1,800	1,000
	Non-Consolidated	21,000	0	1,500	800

Company ' s consolidated net sales to the 2nd quarter increased by 12.0% compare to the same period of the previous fiscal year to 29,357 million yen.

The consolidated operating income turned to profits of 662 million yen compared to 3,248 million yen of loss for the same period of previous fiscal year.

And the Company posted consolidated ordinary income of 2,087 million yen where it was 850 million yen of loss for the same period of the previous fiscal year. And the consolidated net income was 1,615 million yen where it was 1,214 million yen of loss for the same period of the previous fiscal year

For the Meitec alone, the company posted 22,698 million yen of non-consolidated ordinary income, increased by 12.9% compared to the same period of the previous fiscal year. The non-consolidated operating income turned to 239 million yen of profit compared to 1,931million yen of loss for the same period of previous fiscal year. And the non-consolidated income and net income turned to profit of 1,573 million yen and 900 million yen respectively.

The results were just about equal to the forecast announce on September 28, 2010.

MEITEC

＜ Status of Achieving Management Target for the Fiscal Year Ending March 31, 2011＞

1. Group Management Policy：Achieving self-supporting corporate continuation
   Building a corporate system which can sustain the business without depending on the government subsides for employment adjustment.

2. Group Management Target：Achieving the operating profits for the fiscal year
   Achieving profits in consolidated and non-consolidated basis for fiscal year.

➡ Possibility of achieving the target became high

＊ We have achieved operating profits for the first half of the fiscal year ending March 31, 2011 in consolidated and none-consolidated basis by our core business.

＊ Improvement of the utilization ration had continued from the latter half of the previous fiscal year, and now we above break even point.

As the Company have been making great effort to achieving our group management target of “Achieving the Operating Profits for the Fiscal Year” under a management policy of “Achieving Self-supporting Corporate Continuation”, possibility of achieving this target became higher with the result for the first half of the year.

We have also achieved level of engineer utilization ratio above the break even point by the September 2010.

MEITEC

<Overview of the market for the 1st Half of the Fiscal Year Ending March 31, 2011>

1. Status of Meitec Group's main customer, manufacturers
   - Performance of our main customers, major manufacturing industries, are firmly recovering. Therefore, Resumption of R&D investment are gradually expanding.
   - On the other hand, as the market becomes un-certain due to conditions such as high yen rate, industries continues to make their investments very carefully and firmly, and not tend to make major technological development investments.
   - They still continue to apply cost reduction measures, and there are companies who continuing termination and reduction of their business.
2. Status of our core business, temporary engineer staffing
   - Under above environments, our business continue to recover since the latter half of the previous fiscal year.
   - Termination of contract at the end of each quarter is now near the normal year level.
   - Therefore, our utilization ratio continue to improve

   (MT alone = 86.3% for the month of September 2010)

Performance of our main customers, major manufacturing industries, are firmly recovering. Therefore, Resumption of R&D investment are gradually expanding.

On the other hand, because of un-certainty such as high yen rate, industries who would make large technological development investment at once was not many.

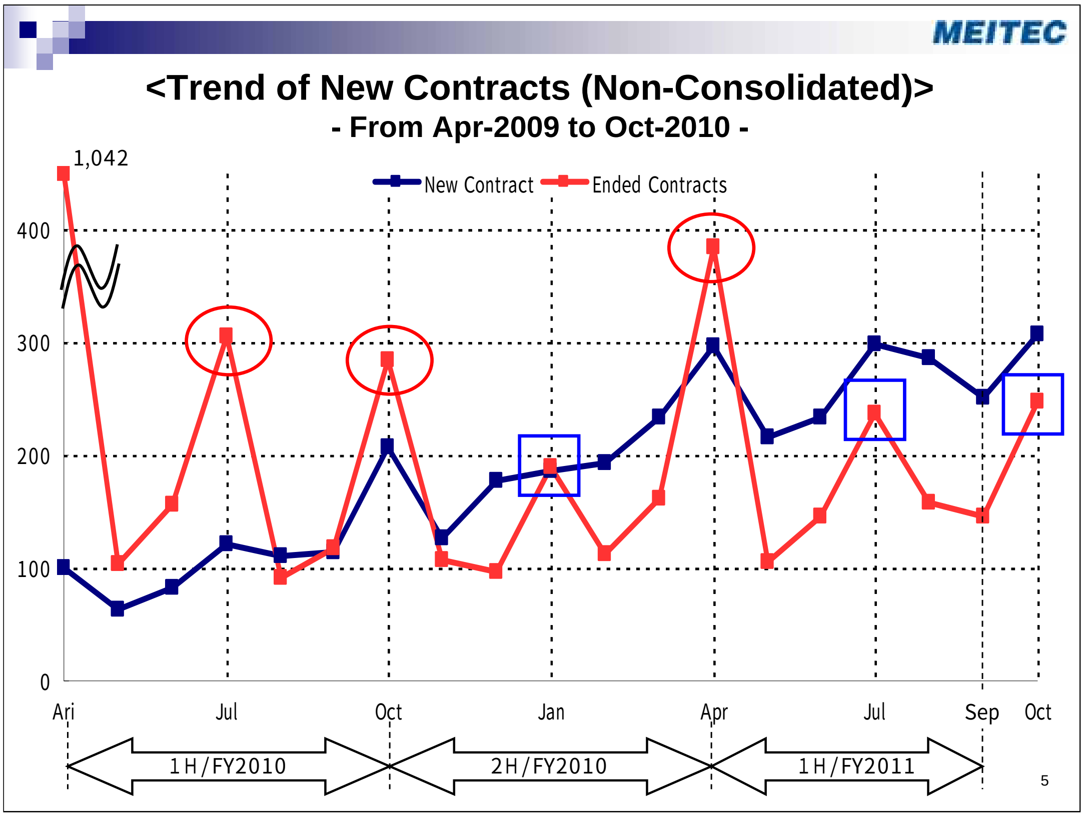
Especially because of outside elements such as the rapid high yen rate and the end of tax break of the economic cars, we were worried that each customer might tighten up their R&D investment budget for the latter half of the year.

But actuary, we have not sensed any tendency of large reduction of R&D investment during the month of October, beginning of the latter half of the year. Therefore, we suspect that each customers are continuing to make their investment very carefully and firmly.

Off cause, they still continue to apply cost reduction measures, and there are companies who are continuing termination and reduction of their business.

Under these market conditions, orders for our core business, engineer staffing business, continue to recover as it started from latter half of the previous fiscal year.

Also, termination of the contracts at end of each quarter are now almost at the level of normal year, and our utilization ration continued to improve to 86.3% for the month of September 2010 for Meitec alone.



This graph shows trend of new contracts and ended contract for each month which we are disclosing as special information under crisis condition.

Blue line shows the new contracts and red line shows the ended contract.

On the April 2009, there was 1,042 ended contracts which we have never experienced.

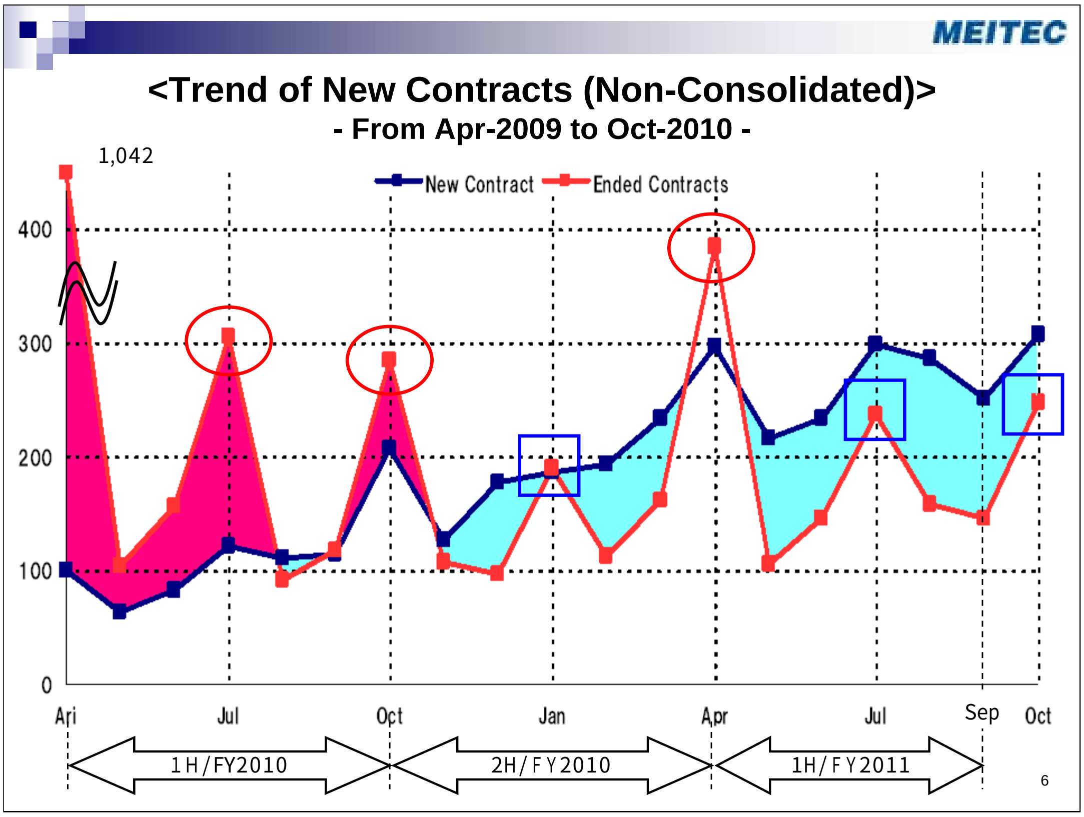
As we marked with red circles, we can see that customers' revision of their budget are done at end of each quarters as the number of our ended contracts tend to increase at the end of each quarters.

During the previous fiscal year, although how many we obtain the new orders each month, we could not increase our utilization ratio because of the ended contract at end of each quarters.

For the month of April 2010, there were nearly 400 ended contract. But for the month of July and October, number of ended contract were below 300. We think the termination of contracts at the end of each quarter is settling down.

On the other hand, we can see the trend in increase of new contract by the blue line picking up

For the recent month of October, .we obtained more new contracts than ended contracts. And as you can see in the utilization ratio disclosure made today, utilization for the month of October had improved to 86.6% from 86.3% of previous month, letting us start the latter half of the year with little win.



In this graph, the red area indicates the decrease of the utilization ratio.

And the blue area indicates the increase of utilization ratio.

For the first half of the current fiscal year, blue area increased significantly, meaning the improvement of utilization ratio.

MEITEC

<TOPICS During the 1st Half of the Fiscal Year Ending March 31, 2011>

Resuming Strategy of Increasing Number of Engineers

・We have resumed hiring newly graduate from September 1, 2010 for the graduates who are to join us on April 2011

* Plans to hire : 50

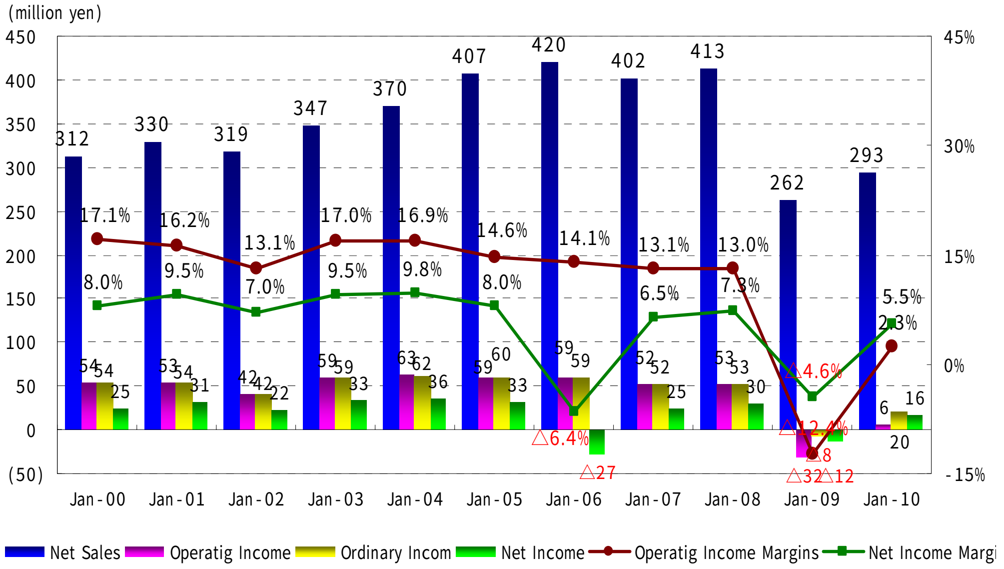
Major topics during the first half of the year was resuming strategy of increasing number of engineers.

Since our business is a human resource business, without increase in number of the human resources, we can not glow.

And we have started the recruiting activities for the newly graduate for the coming April from September 1, 2010.

We plan to hire 50 engineers. The number is not large, but this means that we have turn to offensive for the future growth from this September instead of defensive management since April of 2009.

<Consolidated Operating Results for 2Q FY Ending March 31, 2011>
- For 6 months period ended Sept 30, 2010 -

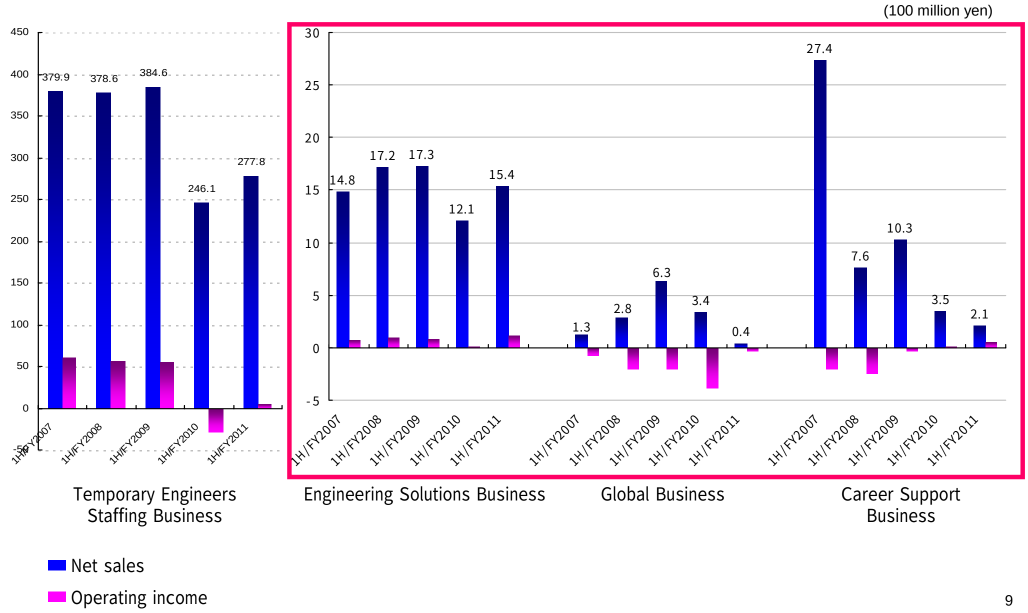


This graph shows the trend of consolidated performances from the past.

MEITEC

<Four Meitec Group's business domains Results for 2Q FY Ending March 31, 2011>

- For 6 months period ended Sept 30, 2010 -



9

This graph shows the status of each of our four business segments at each quarters.

Far left graph show the engineer staffing business. Net sales of 22,700 million yen for this business consists 95% of the consolidated net sales. Remaining 5% is consisted of the engineering solution business, the global business, and the career support business.

Although the operating income for are still at lower level, engineer staffing business, engineering solution business, and the career support business are now making profits.

Although the global business, human resource business in China, is still posting losses, the amount of loss has been improved.

As I noted in the previous IR meeting, even it is in loss, we would like to continue this business for the future growth strategy.

<Meitec Group Results for 2Q FY Ending March 31, 2011>

- For 6 months period ended Sept 30, 2010 -

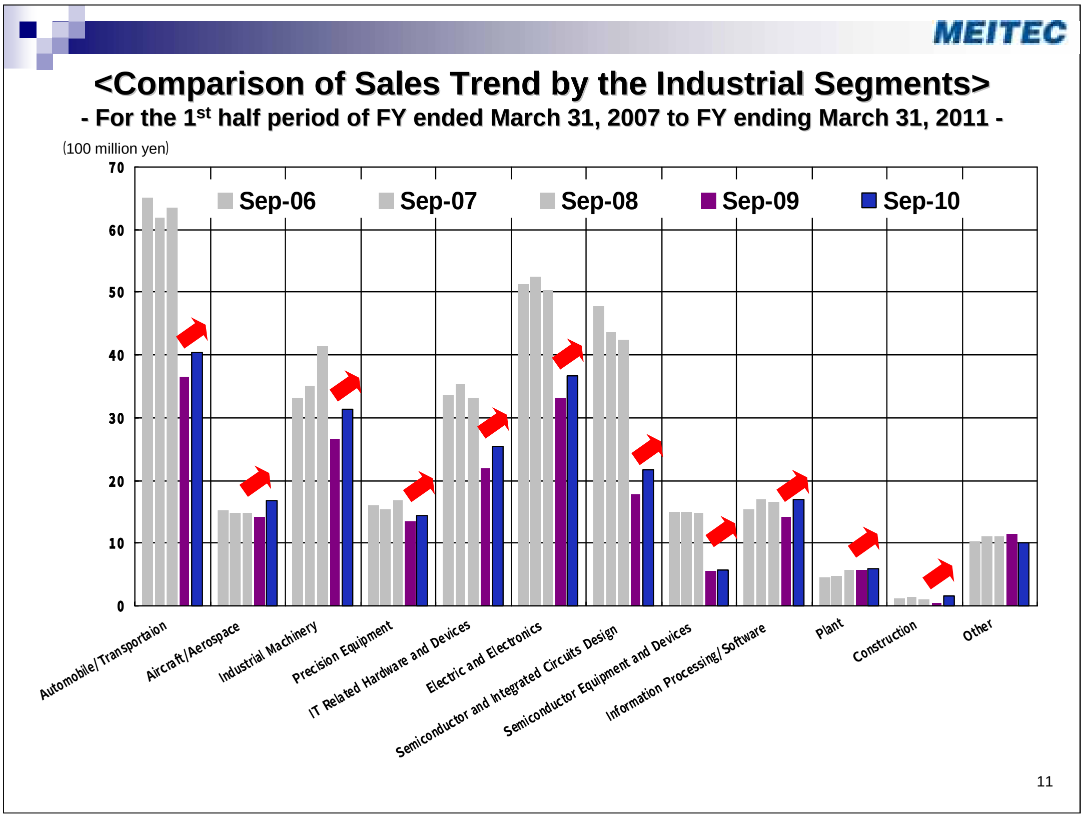
(Millions of Yen)

		Net Sales	Operating Income	Ordinary Income	Net Income
Results for 2Q/FY2010 -For 6 months-	Meitec	22,698	239	1,573	900
	Meitec Fielders	3,942	254	389	373
	Meitec Cast	1,241	26	28	15
	Meitec CAE	581	87	91	54
	Apollo Giken Group	916	37	54	27
	Meitec Global Solutions*1	48	(12)	(10)	(11)
	Meitec Shanghai	12	(2)	(11)	(11)
	Meitec Guangzhou*2	1	(2)	(2)	(2)
	Meitec Xian	5	(5)	(5)	(5)
	Meitec Chengdu	3	(12)	(12)	(12)
	Meitec Shanghai HR	19	(2)	(2)	(2)
	Meitec Next	215	53	55	54
	all engineer.jp	5	(1)	(1)	(1)
	Consolidated	29,357	662	2,087	1,615

Amounts for each company are non-consolidated basis

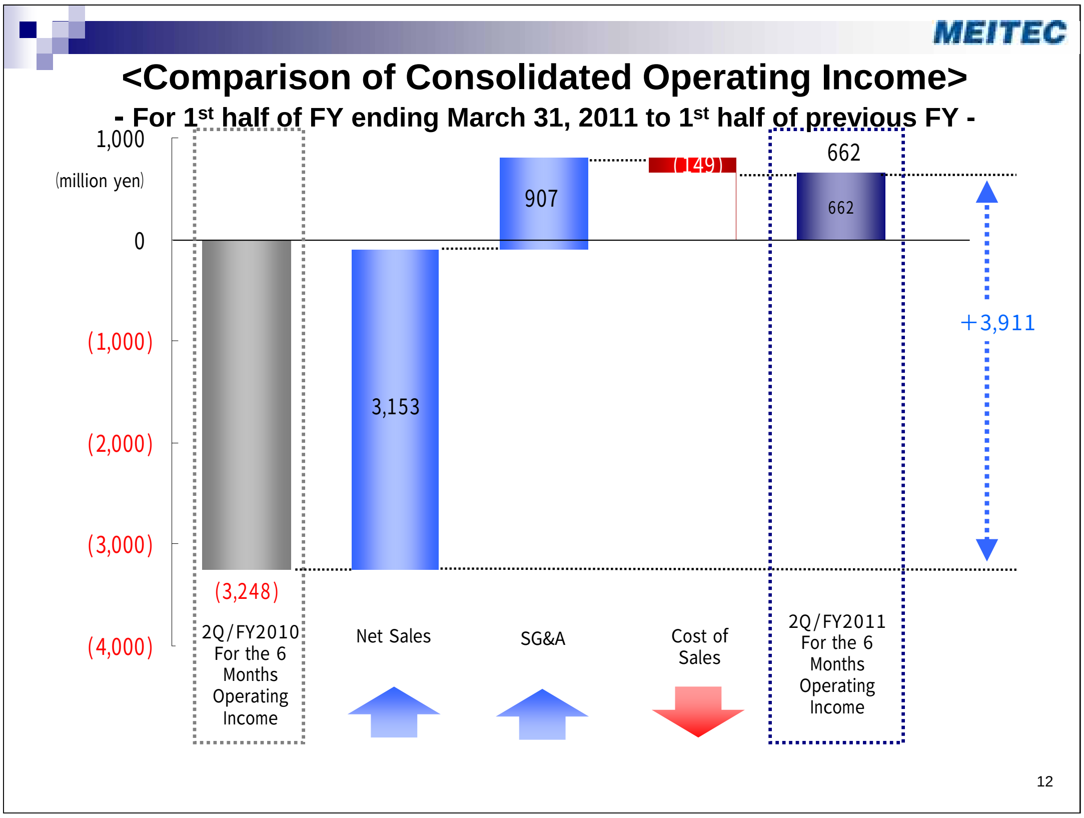
*1. Meitec had integrated MGS's Bridge Engineer business by a company split on April 1, 2010.
*2. Meitec Guangzhou had suspended its vocational training business and only conducts employment agency business.

This table shows the result of the each group companies for the first half of the current fiscal year.



This graph shows the trend of sales for the each industrial segments for Meitec alone.

It is noticeable that improvements can be seen evenly for all the segments.



This graph shows the comparison of consolidated operating income to the same period.

Left end bar shows 3,248 million yen of the operating loss for the first half of the previous fiscal year.

Right end bar shows 662 million yen of the operating profits for the first half of the current fiscal year.

And the center three bar show reasons for the improvements of 3,911 million yen.

The increase of the net sales had effect of plus 3,253 million yen, and the reduction of SG&A had effect of plus 907 million yen, but the increase of cost of sales had negative effect of 149 million yen.

When the utilization improve, it number of engineer working increases, then the payroll expenses increase. So when the sales increase, cost of sales increases.

MEITEC

<Note on Financial Performance for the 1st Half of Fiscal Year Ending March 31, 2011>

- Posted 662 million yen of consolidated operating income even after posting 1,225 million yen, consolidated maximum amount for the half year, of expense for the return to the employee
- For Meitec alone, posted 239 million yen of operating income even after posting 1,073 million yen, maximum amount for the half year, of expense for the return to the employee.

Maximum amount expected and amount to be reruned to employee for the 1st half

Millions of yen	Consolidated	Non-Consolidated
Expected maximum amount to be returned for the fiscal year	2,453	2,149
Reduction and return of director 's compensations, Voluntary return of auditor's compensation	—	—
Payroll reduction for executive officers and (non-union) managers	205	154
Of which for the executive officers	—	—
Reduction for general employee	2,247	1,995
Expected maximum amount to be returned for the 1st half of the year	1,225	1,073
Cost of Sales	1,094	964
SG&A	130	109

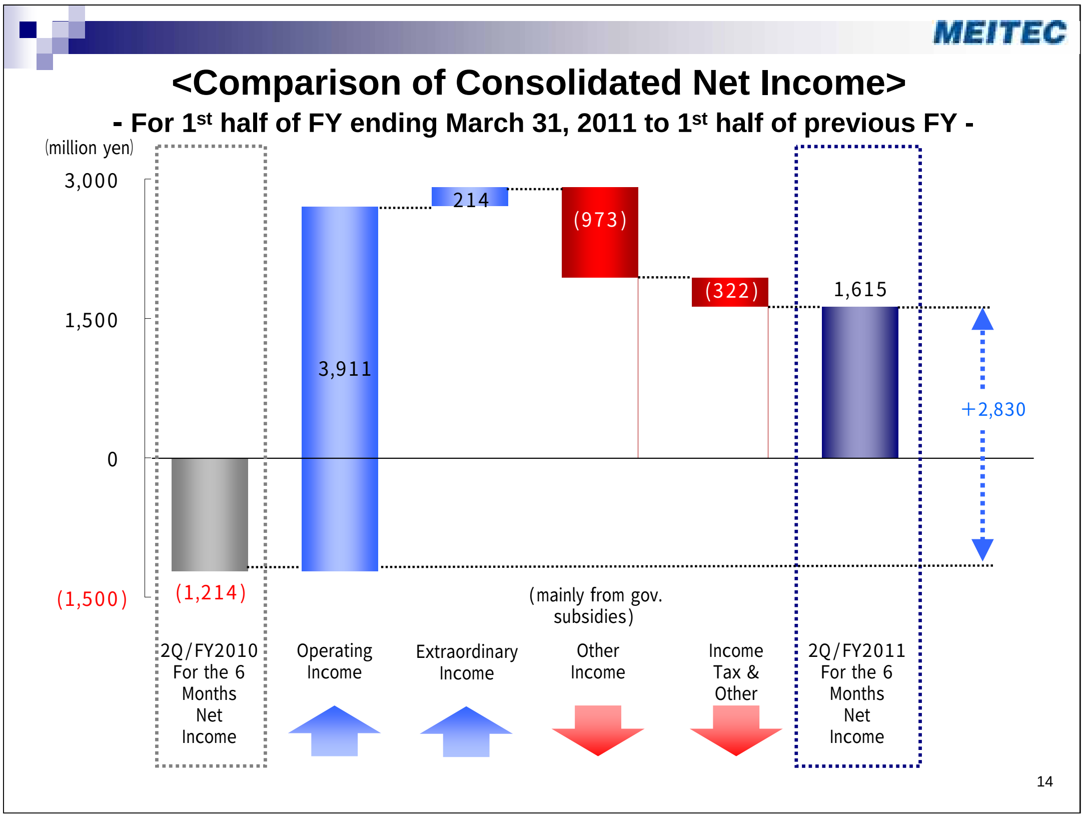
Allocation of this excess profits up to the maximum amount as allowance is not fixed. Depending on the performance of the Company, the amount of allowance may not reach its maximum amount set. On the other hand, if the actual amount of operating profits exceeds the maximum amount, the Company will post operating profits.

As it is noted in the page 18 of the "Results for the Second Quarter ended September 30, 2010", above table explains about return to the employee.

We have posted 1,225 million yen as the expected amount to be returned to the employee for the first half of the year in consolidated basis, and 1,073 million yen for the Meitec alone.

As we explained in our previous IR meeting, the Company and the union is in agreement that the company is determined to clear the management target of "achieving the consolidated operating profits" with understanding and cooperation of Meitec and group company employee even if it means cutting back on payroll.

Although in our initial assumptions, we suspected that we can not achieve the profit without payroll cut back, as our performances improved beyond our assumptions, we were able to post the return to the employee to the upper limit we have set for the half of the fiscal year and still post operating profits.



This graph show the comparison of consolidated net income to the same period of previous fiscal year.

As shown in far left bar, net income was 1,214 million yen of loss for the first half of the previous fiscal year.

The net income for the first half of current fiscal year was 1,615 million yen of profits. And the center of the graph explains the four element contributed to the 2,830 million yen of improvements.

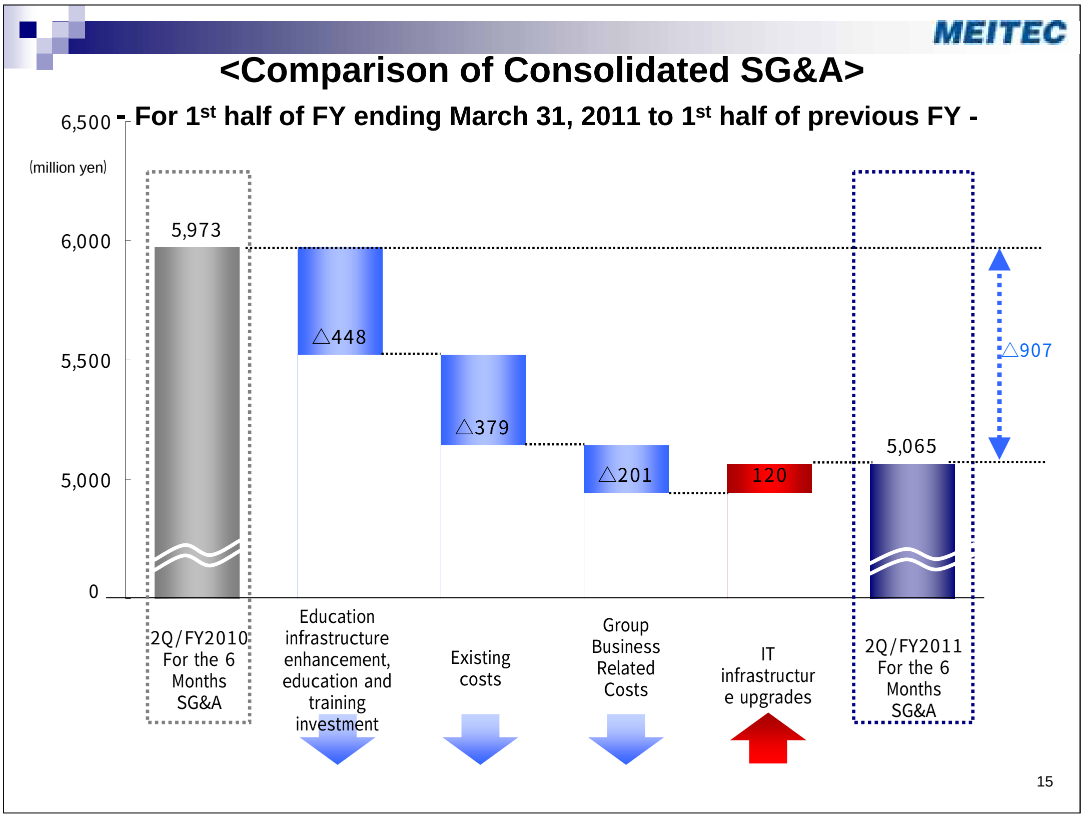
First, increase of the operating profits contributed for 3,811 million yen. Increase of extraordinary income contributed for 214 million yen. They were such things as sale of other company's stocks.

Reason for the decrease of other income was mainly due to the decrease of income from the government subsidies for employment adjustments.

As noted in the page 3 of the "Results for the Second Quarter ended September 30, 2010" as Other Income, income from the government subsidies for the employment adjustment had decreased 2,400 million yen compared to that of same period of previous fiscal year to 1,400 million yen, meaning 1,000 million yen decrease of other income.

Decrease of the government subsidies for the employment adjustment, a public funding, was due to improvement of utilization ratio, and it is as we expected.

And as the performance improved, the corporate taxes increased for 322 million yen, and we were able to post 1,615 million yen of the net profits.



This graph show the comparison of consolidated SG&A to the same period of previous fiscal year.

As shown in far left bar, SG&A was 5,973 million yen for the first half of the previous fiscal year.

The SG&A for the first half of current fiscal year was 5,065 million yen. And the center of the graph explains the four element contributed to the 907 million yen of improvements.

First, training and education cost for the un-assigned engineers had decreased. The Company conducts training and education to the un-assigned engineers and it would cause constant expenses. But when number of engineers assigned increases, the training and education cost would decrease. This had contributed as 448 million yen of expense reduction.

Reduction of existing costs was achieved by reducing the general operating cost for 379 million yen.

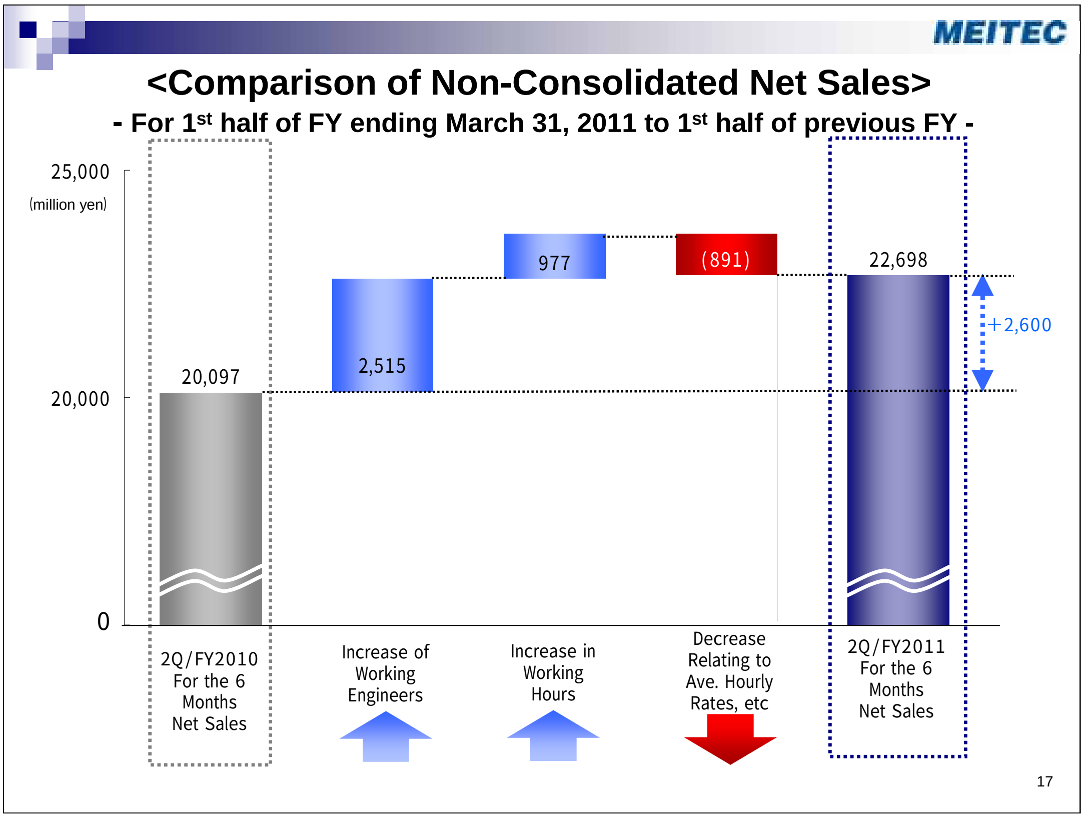
Also, since the strategy to expand group business has been suspended, cost related to the group business was reduced for 201 million yen.

On the other hand, since we have been making IT infrastructure upgrades to improve the efficiency in mid to long term basis, cost of this had increase for 120 million yen.

As a result, total reduction of SG&A was 907 million yen.

Ⅱ. Report of Meitec <Non-Consolidated>

Report of Meitec
<Non - Consolidated>



This graph show the comparison of non-consolidated net sales to the same period of previous fiscal year.

As shown in far left bar, net sales was 20,097 million yen for the first half of the previous fiscal year.

The net sales for the first half of current fiscal year was 22,698 million yen, increase of 2,600 million yen.

Reason for this 2,600 million yen of increase was 2,515 million yen increase by increase of assigned engineers and 977 million yen by the increase of working hours.

On the other hand, decrease of average rate had caused 891 million yen decrease.

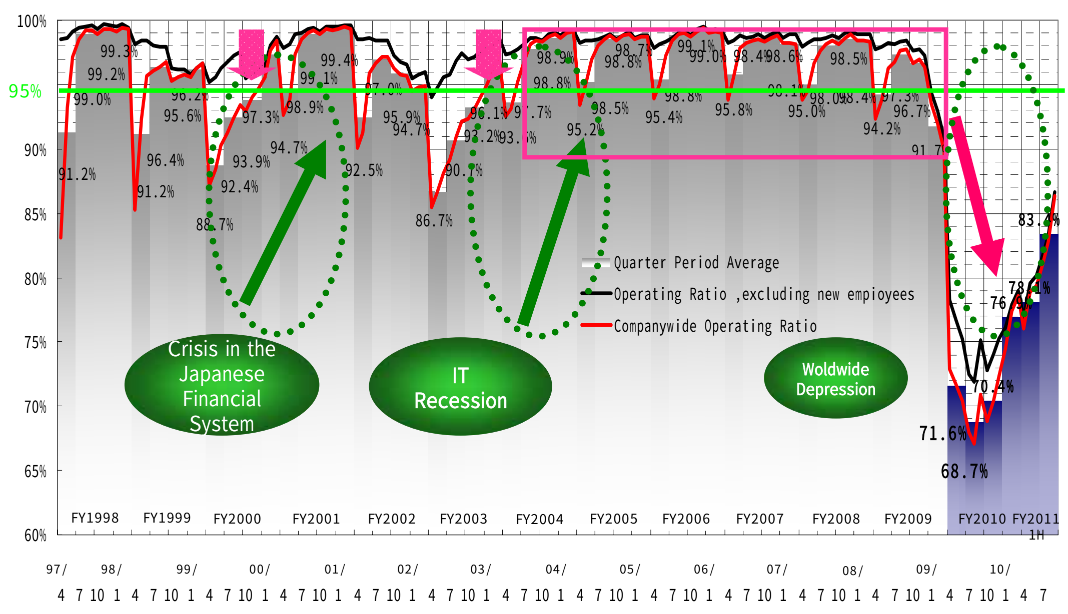
The market condition continue to be harsh, it continue to be hard to assign newly graduated engineer who joined us in April of 2009 and young engineer who are nearly newly graduated engineers.

Under such conditions, since our priority is their work experience, we are applying sales strategy to which we try to assign those young engineers to lower phase job at lower rate compared to the jobs we normally assign our engineers to in our business operation.

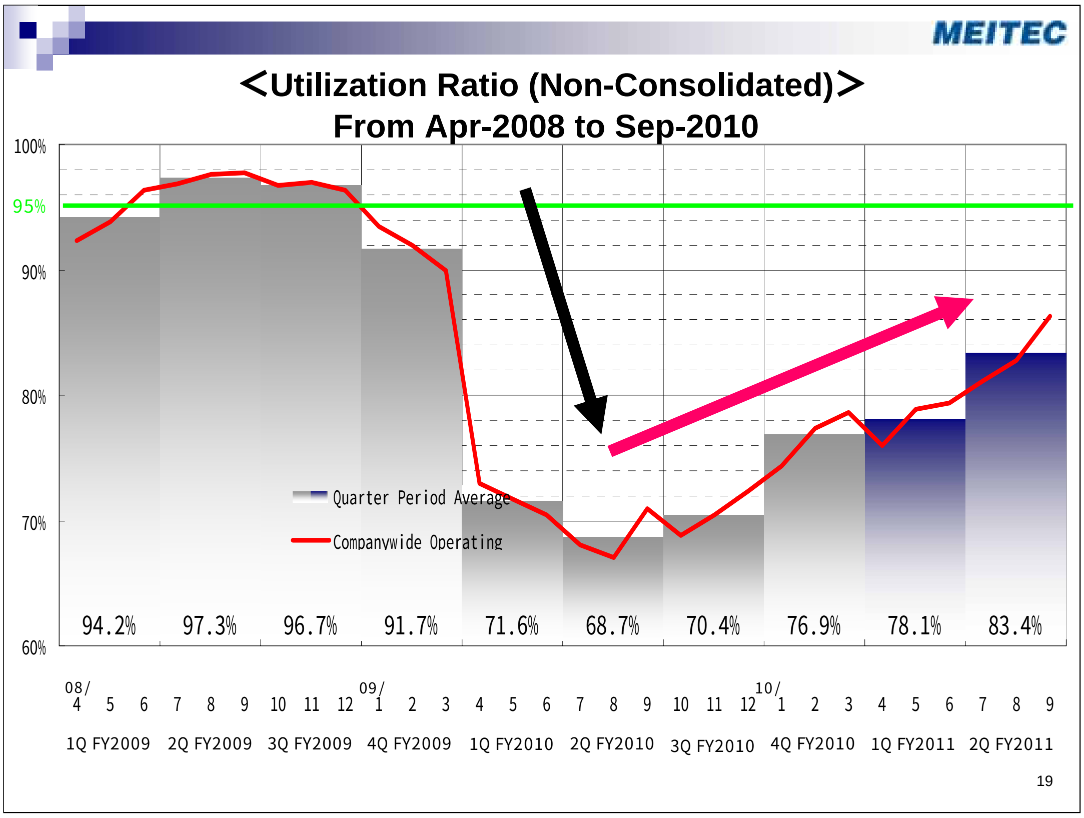
As a result of assigning the newly graduated engineers and younger engineers at lower rate, it caused the decrease of average rate for entire company. It had impact of 891 million yen in sales.

During the latter half of the current fiscal year, we will try to re-assign those engineers to normal phase jobs.

＜Utilization Ratio (Non-Consolidated)＞
From Apr-1997 to Sep-2010



This graph shows non-consolidated utilization ratio, which is one of our important management index.

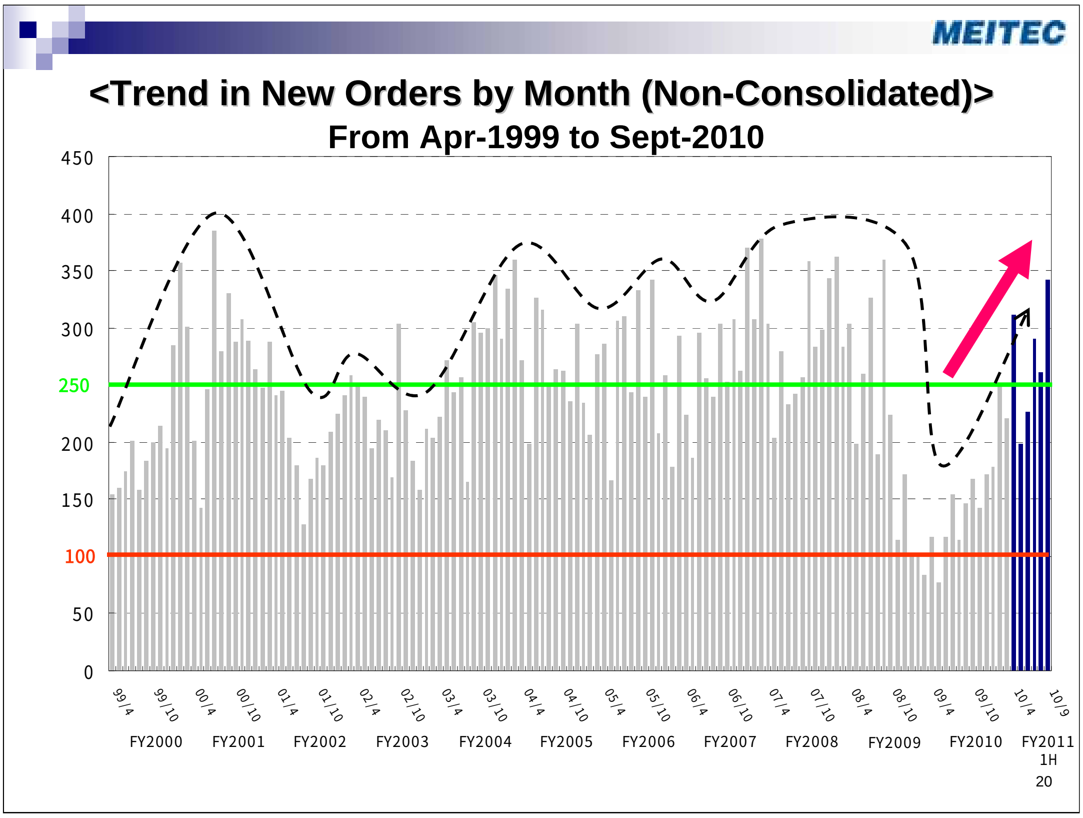


This graph show the trend of non-consolidated utilization ratio.

From high utilization ratio above 90% until the fiscal year ended March 31, 2009, it had sharply dropped in April 2009.

And for the first half of the previous fiscal year, the utilization ratio dropped to critical phase of 68.7%. But after that, we were able to improve at quarters.

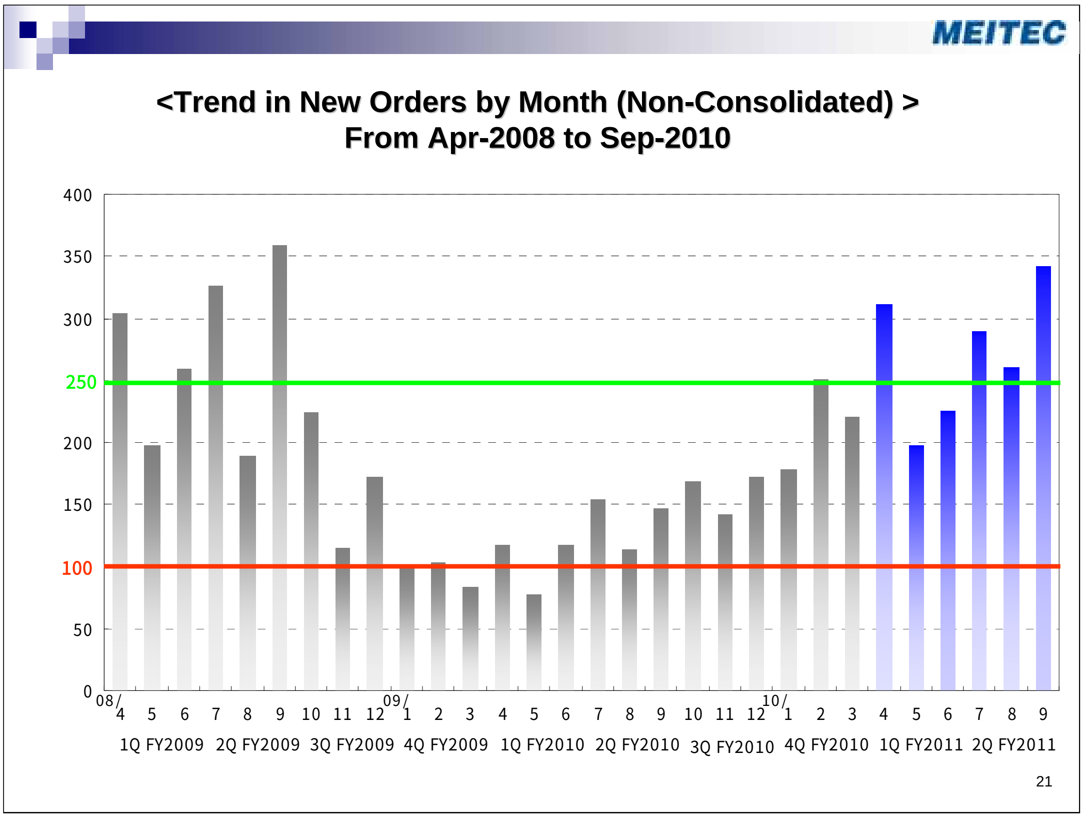
For the recent first half of the current fiscal year, the utilization ratio improved to 83.4%, level of our break even point for normal year. But since it includes the young engineers who were assigned at lower rate, this level is minimum break even point for now.



This graph shows the trend of new orders for each month in non-consolidated basis from past.

This index would shows it movement slightly prior to the utilization ratio.

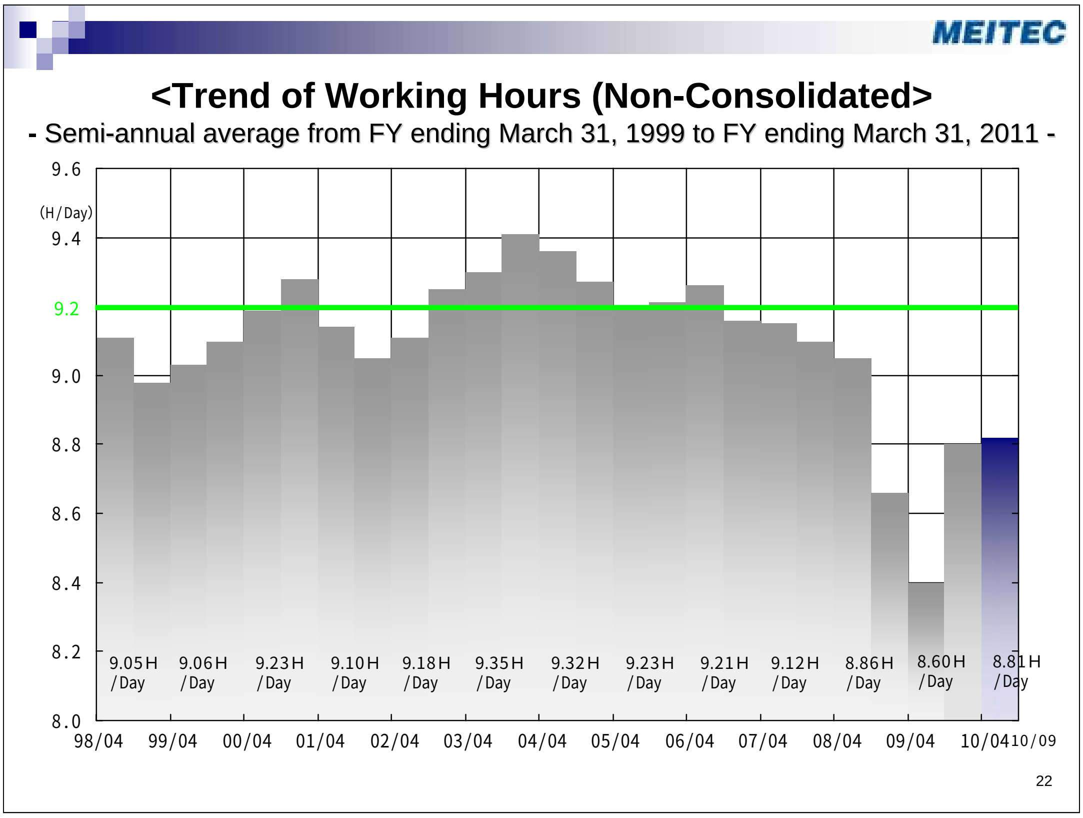
We think that if we can obtain over 250 orders per month, the market is stable.



This graph shows the trend of new orders for each month in non-consolidated basis from previous fiscal year.

During the first quarter of the current fiscal year, new order did not reach 250 for the month of May and June. But during the second quarter, we were able to obtain over 250 new orders for the consecutive three month, July to September.

Even though, we would not be optimistic that we are back in normal condition since it is merely a result of three month period.



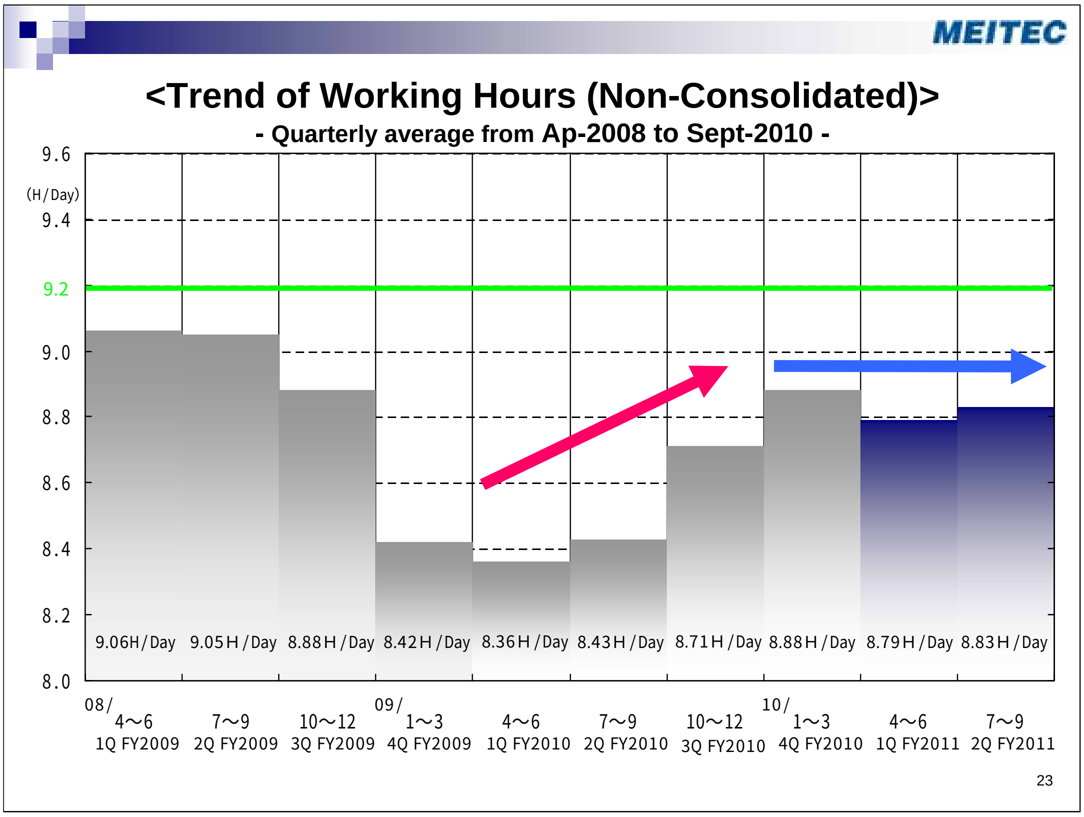
This graph show the trend of non-consolidated working hours.

The working hours a element which would have large impact to the net sales.

Since it is result of how many hours of engineering services our engineer would provide to, It would be affected by the busyness of our customers.

From our past statistics, 9.2 hours per day is the level of normal time.

But in April 2009, the working hours had sharply dropped, and continue to dropped to 8.6 hours per day during second quarter of the previous fiscal year. After that, it is recovering.

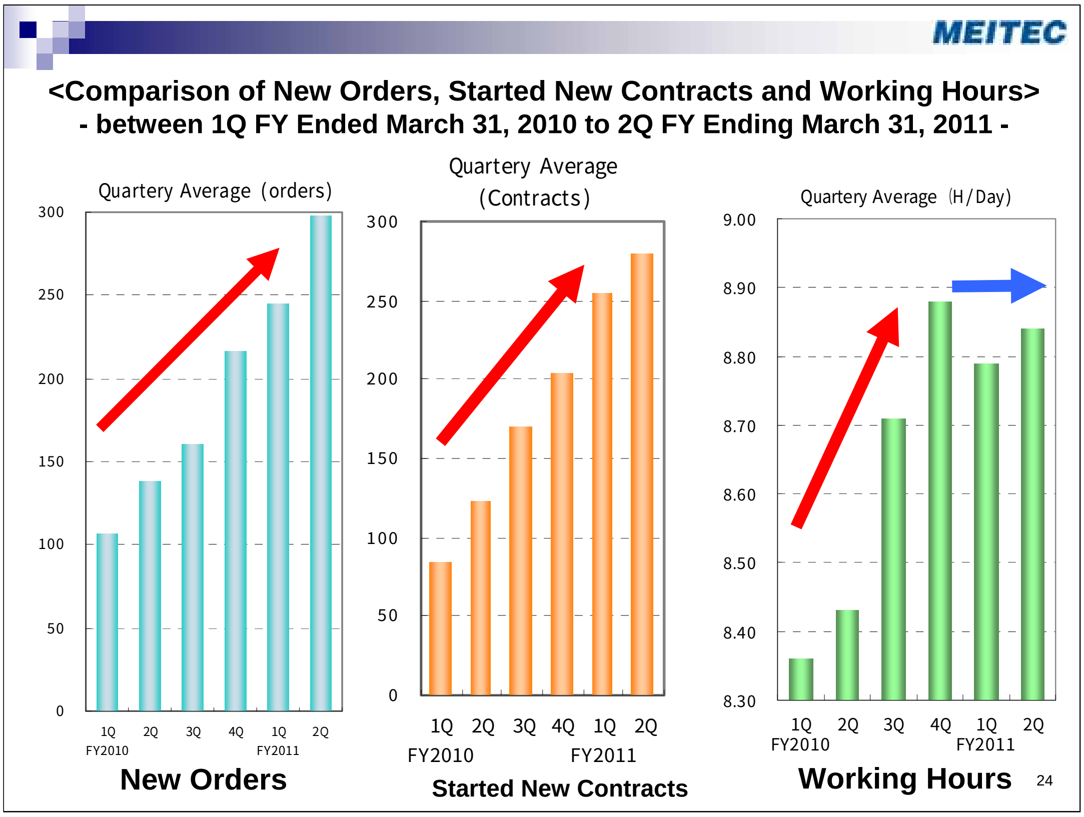


Since the bottom of the working hours was first quarter of previous fiscal year, we may say that it had hit the bottom one quarter prior to utilization ratio hitting its bottom.

And the working hours has been around 8.8 hours per day from January 2010.

But we believe that it is not in conditions that the working hours would drastically improve to over 9 hours per day.

Since our customers are continuing to apply strict cost control measures including the over time work, we think that it is hard for our working hours to increase beyond 8.8 hours per day.



This graph shows trend of new orders, started new contracts, and working hours each quarters.

Although the working hours seems to be hitting the limit, over all trend is toward recovery.

Therefore, we see that our customers continue to make technological development investments carefully but firmly.

Ⅲ. Performance Forecast

Performance Forecast

MEITEC

<Assumptions of the Market in 2nd Half of the Year>

1. Although there are many uncertainty such as foreign exchange, etc., manufactures are sustaining their R&D investment.
2. Therefore utilization of Meitec alone will continue to improve. But the speed is moderate.
3. We expect same trend as Meitec for other business at group companies.

This is our assumptions of the market for the 2nd half of the fiscal year.

Although there are many uncertainty such as foreign exchange, etc., manufactures are sustaining their R&D investment.

Therefore utilization of Meitec alone will continue to improve. But the speed is moderate.

We expect same trend as Meitec for other business at group companies.

<Forecasts; Fiscal Year Ending March 31, 2011>

		Net Sales	Operating Income	Ordinary Income	Net Income
Consolidated	FY2011	59,500	1,600	4,100	2,900
	FY2010	53,776	(4,928)	(276)	(904)
	Change(%)	10.6%	-	-	-
Non-consolidated	FY2011	46,500	1,000	3,300	1,900
	FY2010	41,319	(2,964)	822	53
	Change(%)	12.5%	-	301.5%	3484.9%

(Millions of Yen)		Net Sales	Operating Income	Ordinary Income	Net Income
Announced May. 13, 2010 Initial Forecast	Consolidated	55,000	100	3,400	1,900
	Non consolidated	43,000	0	2,800	1,600

We have announced a revision of forecast for the fiscal year ending March 31, 2011 according to our market assumptions and result of first half of the year.

At the beginning of the year, we forecasted that the consolidated net sales to be 55,000 million yen. But we revised it 4,500 million yen upward to 59,500 million yen.

And, although we announced that we forecast the consolidated operating profits to be 100 million yen and non-consolidated operating profits to be zero, we have revised upward to be 1,600 million yen consolidated basis and 1,000 million yen non-consolidated basis.

As result, we have made upward revision to forecast of consolidated ordinary income to be 4,100 million yen and non-consolidated ordinary income to be 3,300 million yen, consolidated net income to be 2,900 million yen and non-consolidated income to be 1,900 million yen for the fiscal year.

<Not to the Financial Forecast for the Fiscal Year Ending March 31, 2011>

1. Expected Amount for the Return to the Employee
   - Posting maximum amount scheduled for the year, 2,450 million yen, had been considered. (Consolidated)
   - For Meitec alone, posting maximum amount scheduled for the year, 2,150 million yen, had been considered.
2. Revising Amount to Receive for the Government Subsidies for Employment Adjustment
   - As we expect the utilization ratio to exceed our initial forecast for our core business, temporary engineer staffing business, we revised the amount to receive for the government subsidies to 2,400 million yen from 3,200 million yen.

As noted in the "Results for the Second Quarter ended September 30, 2010", our expected amount of the return to the employee for the fiscal year is 2,450 million yen consolidated base and 2,150 million yen non-consolidated base. We expect to post operating profit even after posting maximum amount in consolidated and non-consolidated base.

Now we would like to explain regarding the revision of income from the government subsidies for the employment adjustment which is major positive element for other income.

Increase of utilization ratio would decrease the number of engineer who the government subsidies for the employment adjustment to be applied to.

At the beginning of the fiscal year, we expected the amount to be 3,200 million yen. But we have revised it to be 2,400 million yen this time.

This would decrease other income by 800 million yen. But we expect that the consolidated ordinary income and the net income to exceed our initial forecast.

MEITEC

<Income from Government Subsidies for Employment Adjustment>
- Actual / Projected for the FY ending March 31, 2011 -

(Reference)

(million yen)	1st Half (Actual)	2nd Half (Revised Forecast)	Fiscal Year (Revised Forecast)	Fiscal Year (Initial Forecast)
Meitec	1,251	915	2,167	2,750
Meitec Fielders	132	80	212	440
Apollo Giken	18	5	23	10
Consolidated	1,401	1,000	2,401	3,200

What is "Government Subsidies for Employment Adjustment (GSEA)"
(From the Homepage of Ministry of Health, Labour and Welfare)

The GSEA was established in 1981 for preventing increased unemployment. Through the subsidies, the Ministry of Labour supports employers who are obliged to downsize their business activities because of economic fluctuations, changes in the industrial structure, and for other economic reasons, but are making efforts to maintain employment levels via temporary suspension of business, education and training, or transferring employees to related companies.

* Meitec Group is applying this government grants in purpose of supporting our educational training for un-assigned engineers.

This table shows amount of the government subsides for the employment adjustment we received for the first half of the fiscal year forecast for the second half of the fiscal year, and for the entire fiscal year along with initial forecast for the fiscal year.

<Forecasts for Meitec Group; Fiscal Year Ending March 31, 2011>

	(Millions of Yen)	Net Sales	Operating Income	Ordinary Income	Net Income
FY2010	Meitec	46,500	1,000	3,300	1,900
	Meitec Fielders	7,900	400	600	500
	Meitec Cast	2,300	30	30	10
	Meitec CAE	1,100	130	130	70
	Apollo Giken Group	1,700	50	60	50
	Meitec Global Solutions*1	150	0	0	0
	Meitec Shanghai	25	0	0	0
	Meitec Guangzhou*2	15	0	0	0
	Meitec Xian	10	△ 15	△ 15	△ 15
	Meitec Chengdu	10	△ 25	△ 25	△ 25
	Meitec Shanghai HR	60	0	0	0
	Meitec Next	380	50	50	50
	all engineer.jp	15	0	0	0

*1. Meitec had integrated MGS's Bridge Engineer business by a company split on April 1, 2010.
*2. Meitec Guangzhou had suspended its vocational training business and only conducts employment agency

This table shows forecast of the each group company for the fiscal year.

<Prerequisites of Performance Forecast>

- (MT+MF) for FY ending March 31, 2011 -

			MT	MF
Utilization ratio	1H FY2011	Initial Forecast	76.7%	77.1%
		Actual	80.7%	88.3%
	2H FY2011	Initial Forecast	79.4%	80.8%
		Forecast	85.8%	93.3%
	FY2011	Initial Forecast	78.0%	78.9%
		Forecast	83.2%	90.7%
Operating Hours	1H FY2011	Initial Forecast	8.82h/day	8.89h/day
		Actual	8.81h/day	8.86h/day
	2H FY2011	Initial Forecast	8.79h/day	8.85h/day
		Forecast	8.79h/day	8.80h/day
	FY2011	Initial Forecast	8.80h/day	8.87h/day
		Forecast	8.80h/day	8.83h/day

We have revised the assumption of the utilization ratio and the working hours for our core business, engineer staffing business, as this table from that of made at beginning of the fiscal year.

We have set the utilization ratio at the same level as results of the first half of the fiscal year, 85.8% for Meitec and 88.6% for Meitec Fielders.

Ⅳ. About Dividend

About Dividend

MEITEC

＜Dividend Forecast for the Fiscal Year Ending March 31, 2011＞

	First quarter dividends	Second quarter dividends	Third quarter dividends	Year-end dividends	Total
Previous Forecast (Announced May. 13, 2010)		0.00		0.00	0.00
Revised Forecast				N/A	N/A
Actual. Current Period		0.00			
Actual. Previous Fiscal Year ended march 31, 2010		24.50		0.00	24.50

- For the first half of the fiscal year, the Company will not issue the dividend as forecasted
- Since we forecast the consolidated operating income to be 1,600 million yen for the year even after considering the expenses for the return to the employee as noted above "3" financial forecast, the Company plans to consider regarding the end of the year dividend according to the operating profits.
- But since the operating profits after considering the expenses for retune to the employee is not definite, the Company revises its forecast for the dividend to "not decide" from "zero".
- And the Company is planning to announce more firm forecast of the end of year dividend as the financial performance for the fiscal year become more firm by the late March 2011
- The Company shall make it best effort to meet the shareholders expectation. And the Company would appreciate it for your understanding.

We have announced revision of forecast for year end dividend today.

Although our forecast at the beginning of the fiscal year was "zero", we have changed it to "not decided".

First, since we are in position of receiving the government subsidies for the employment adjustment, we have not changed our basic stand point that we should suspend the dividend according to the net profit under normal time rule.

But as we have explained in our previous IR meeting that we would consider resuming the dividend if we were able to achieve operating income from our business activities.

We are expecting to post operating profits for the fiscal year in our current forecast.

But it is still not actual and not confirmed.

Therefore, by the late March of 2011, after confirming more firm forecast of our performances, with proper decision making process, we would like to disclose regarding the dividend.

MEITEC

<Midterm Management Plan from Next Fiscal Year>

Midterm Management Plan will be

disclosed at the IR meeting

for the fiscal year ending March 31, 2011

At last, we would like to inform you that we are now preparing the midterm management plan starting from next fiscal year.

We believe that the market change after the financial crisis is not a simple recession, but is major structural change of the market.

Major manufacturing industries who are our customer are making major change in their business structures with “globalization” and “selection and concentration” as key words.

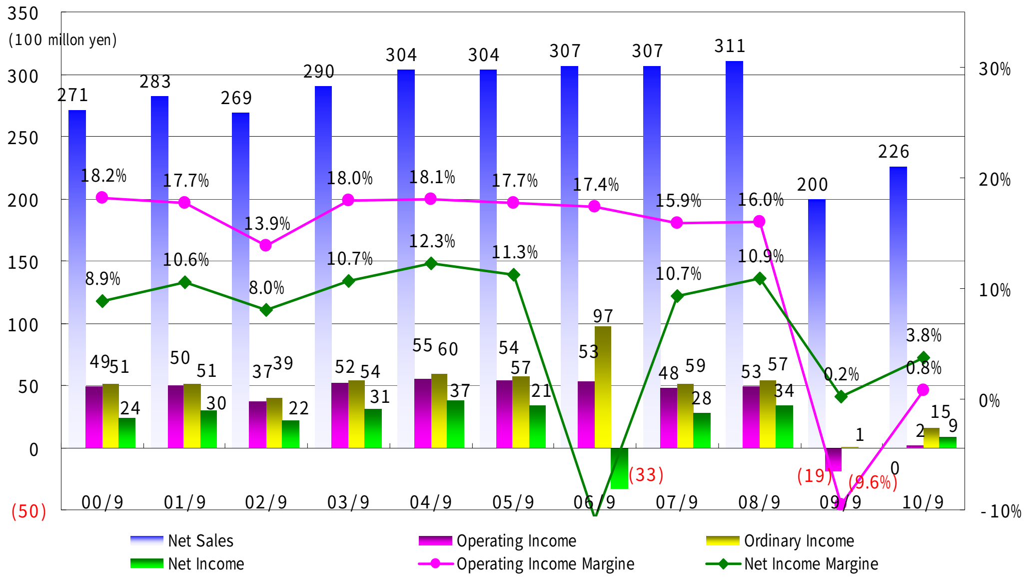
We also can suspect that for temporary staffing market restrictions may significantly change as the revision of the worker dispatch law is under discussion in the diet.

We are now discussing how we should carry out our growth strategy, as we confront the various structural changes at same time.

We are planning to disclose the result of our study at our IR meeting for the fiscal year ending March 31, 2011.

Also, to start out our growth strategy from next fiscal year, we would continue to make best efforts to achieve the consolidated operating profits, as No.1 management target.

<Non-Consolidated Operating Results for 2Q FY Ending March 31, 2011>
– For 6 months period ended Sept-30, 2010 -



<Outline of the Core Business (Engineer Staffing Business)>

- For the 1st half of FY ending March 31, 2011 -

			MT+MF+MGS+CAE	MT+MF+MGS	MT	MF	CAE	MGS
2Q/FY2011 For the 6 Month	Utilization ratio (Company-wide)	Actual	-	82.1%	80.7%	88.3%	-	-
		2Q/FY2010 For the 6 Month	-	69.3%	70.2%	65.6%	-	-
	Operating Hours	Actual	-	-	8.81h/day	8.86h/day	-	-
		2Q/FY2010 For the 6 Month	-	-	8.4h/day	8.48h/day	-	-
	Number of Engineers	Actual	7,058	6,971	5,746	1,225	87	-
		2Q/FY2010 For the 6 Month	7,682	7,302	5,878	1,424	84	296

<Sales by the Industrial Segments (Non-Consolidated)>

(million yen)

Segment	2Q/FY2007 ('06/4-9)	2Q/FY2008 ('07/4-9)	2Q/FY2009 ('08/4-9)	2Q/FY2010 ('08/4-9)	"2Q/FY2011 ('10/4-9)"			
	Nete Sales				Net Sales	Total Net Sales(%)	Change	Change (%)
Automobile/Transportation	6,514	6,190	6,357	3,650	4,046	17.8%	396	10.8%
Aircraft/Aerospace	1,514	1,478	1,484	1,427	1,685	7.4%	258	18.1%
Industrial Machinery	3,306	3,518	4,135	2,671	3,126	13.8%	455	17.0%
Precision Equipment	1,590	1,541	1,670	1,342	1,431	6.3%	89	6.6%
IT Related Hardware and Devices	3,358	3,522	3,320	2,188	2,545	11.2%	357	16.3%
Electric and Electronics	5,122	5,235	5,029	3,322	3,661	16.1%	339	10.2%
Semiconductors and Integrated Circuits Design	4,764	4,363	4,248	1,776	2,167	9.5%	391	22.0%
Semiconductor Equipment and Devices	1,500	1,489	1,474	550	574	2.5%	25	4.5%
Information Processing/Software	1,531	1,689	1,665	1,418	1,700	7.5%	282	19.9%
Plant	454	465	577	565	599	2.6%	34	6.1%
Construction	122	146	97	46	158	0.7%	112	246.5%
Others	1,018	1,112	1,103	1,142	1,006	4.4%	-136	-11.9%
Total	30,799	30,753	31,163	20,098	22,699	100.0%	2,601	12.9%

<Top 10 Clients by Sales and Shares of Net Sales>

(Non-consolidated)

(million yen)

＜Five years ago ＞

2Q/FY2006('05/4-9)		
Companies Name		
1 Panasonic		
2 Sony Corp.		
3 Canon Inc.		
4 Toyota Motor		
5 Omron Corp.		
6 Nikon Corp.		
7 Mitsubishi Heavy		
8 Seiko Epson		
9 Denso Corporation		
10 Kawasaki Heavy		
Top 10 Total	10,513	34.6%
Top 20 Total	14,076	46.4%
Others	16,289	53.6%
Total	30,365	100.0%

＜Previous Year ＞

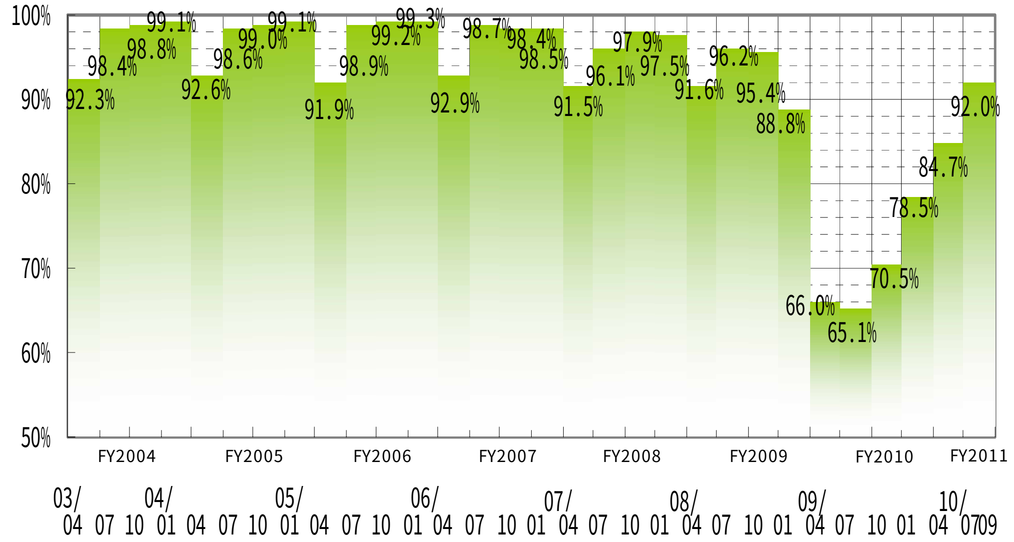
2Q/FY2010('09/4-9)		
Companies Name		
1 Panasonic		
2 Mitsubishi Heavy		
3 Canon Inc.		
4 Sony Corp.		
5 Nikon Corp.		
6 Denso Corporation		
7 Toyota Motor		
8 Seiko Epson		
9 Kawasaki Heavy		
10 Omron Corp.		
Top 10 Total	7,327	36.5%
Top 20 Total	9,532	47.4%
Others	10,566	52.6%
Total	20,098	100.0%

＜Current＞

2Q/FY2011('10/4-9)		
Companies Name		
1 Panasonic		
2 Mitsubishi Heavy		
3 Canon Inc.		
4 Nikon Corp.		
5 Sony Corp.		
6 Denso Corporation		
7 Toyota Motor		
8 Kawasaki Heavy		
9 Seiko Epson		
10 Daikin Industries		
Top 10 Total	7,205	31.7%
Top 20 Total	9,601	42.3%
Others	13,098	57.7%
Total	22,699	100.0%

<Utilization Ratio (Meitec Fielders)>

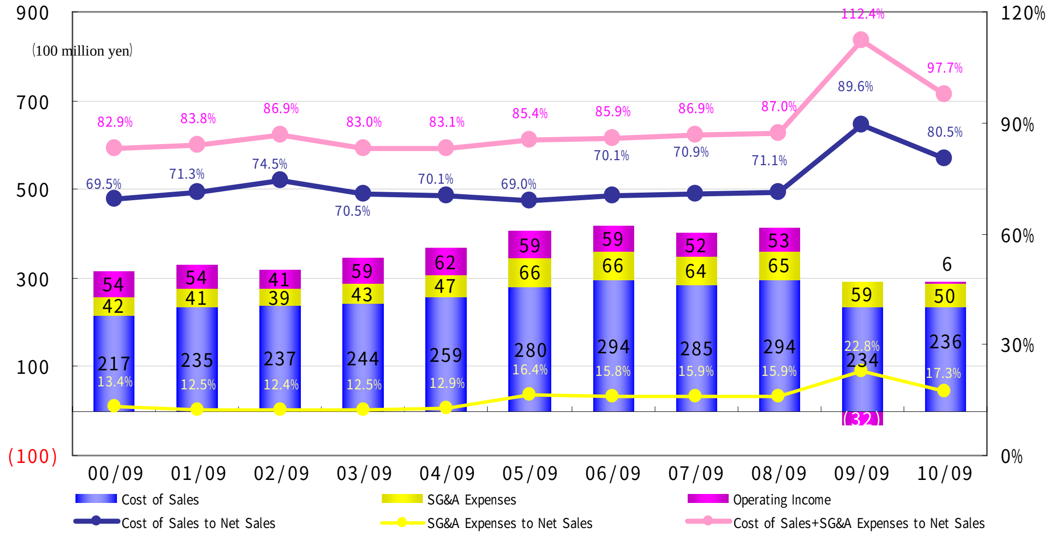
- From FY ended March 31, 2004 to 2Q FY ending March 31, 2011 -



MEITEC

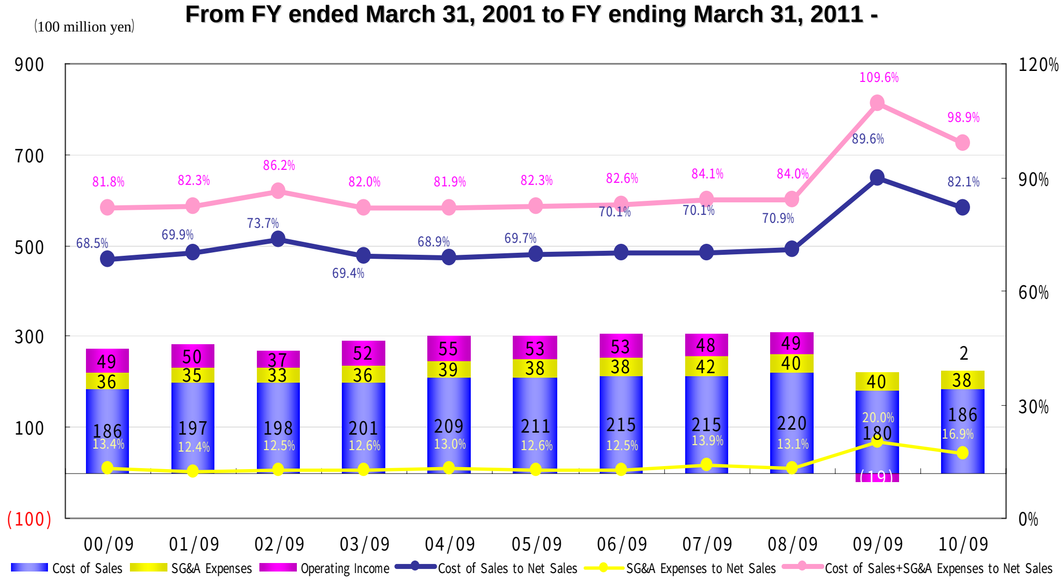
<Consolidated SG&A Expenses and Cost of Sales, and Their Ratio to the Sales>

- Comparison at each end of half year From FY ended March 31, 2001 to FY ending March 31, 2011 -



<Non-Consolidated SG&A Expenses and Cost of Sales, and Their Ratio to the Sales>

**- Comparison at each end of half year
From FY ended March 31, 2001 to FY ending March 31, 2011 -**



MEITEC

<Shareholders by Business Segments (Non-Consolidated)>
- At the end of 2Q FY ending March 31, 2011 -

Shareholder Segment	(As of the Second Quarter Period Ended September 30, 2010)			
	Shareholders	%	Shares Held	%
Banks	3	0.04%	1,137,401	3.24%
Trust Banks	21	0.30%	6,631,400	18.89%
Life and against loss insurance companies	28	0.40%	4,662,683	13.28%
Securities financing and other financial companies	2	0.03%	3,560	0.01%
Securities companies	30	0.43%	99,444	0.28%
Business concerns and other companies	118	1.70%	337,100	0.96%
Overseas companies and investors	129	1.86%	16,464,345	46.91%
Individuals and others	6,618	95.22%	5,764,067	16.43%
Total	6,949	100.0%	35,100,000	100.0%