Results of Meitec Group for FY2009

-For the Fiscal Year ended March 31, 2009-

May 13, 2009

Ⅰ. Performance and Forecast

I would like to take this opportunity to thank everyone today for their participation in the Results IR Briefing for the Meitec Group. For the fiscal year ended March 31, 2009, we reported lower earnings on lower net sales in both our non-consolidated and consolidated results. If we compare our condition with the large Japanese manufacturing companies that comprise the principal clients of our Group, the effects of the economic crisis appear to have been relatively slight.

However, with respect to the fiscal year ending March 31, 2010, the effect of the worldwide economic crisis will have a "ripple effect" through the entire temporary engineers staffing business, including our Group.

As a result, we face the extremely serious prospect of an operating loss for the year in addition to large declines in revenue in both our non-consolidated and consolidated results.

Thus, we would like to discuss this situation today, centering the discussion on questions such as "How will we adapt?" "What changes will be made to our strategies?" and "How will we implement cost reductions?"

MEITEC

<Results for FY2009>

－ For the fiscal year ended March 31, 2009 －

（Million of Yen）

		Net Sales	Operating Income	Ordinary Income	Net Income
Consolidated	FY2009	79,898	9,280	9,260	4,303
	FY2008	82,102	11,365	11,334	4,958
	Change (%)	-2.7%	-18.3%	-18.3%	-13.2%
Non-Consolidated	FY2009	60,457	8,807	9,294	2,998
	FY2008	62,956	10,460	10,768	4,938
	Change (%)	-4.0%	-15.8%	-13.7%	-39.3%

The operating results were generally in line with, and profit was slightly higher than, the full-year forecast guidance that we announced for the third-quarter accounts in February this year.

In particular, although the outlook for the fiscal year ended March 31, 2009 was for net income of ¥3.9 billion, the final result was ¥4.3 billion. As a result, the final dividend as at February forecast was ¥27.5, which corresponds to DOE 5% minimum requirement. However since earnings increased slightly, the final dividend will be amended to ¥28 per share, from ¥27.5 per share.

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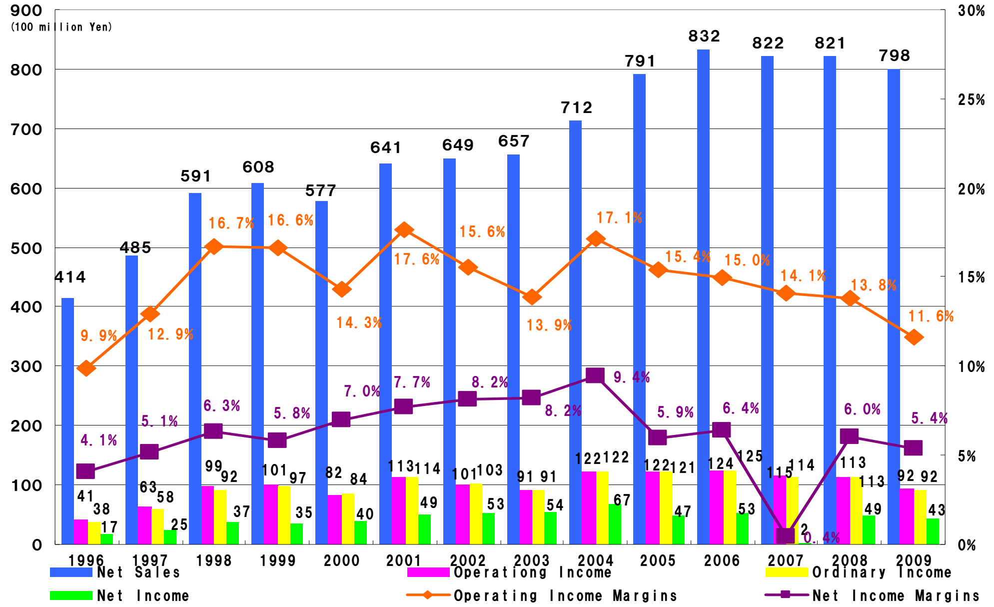
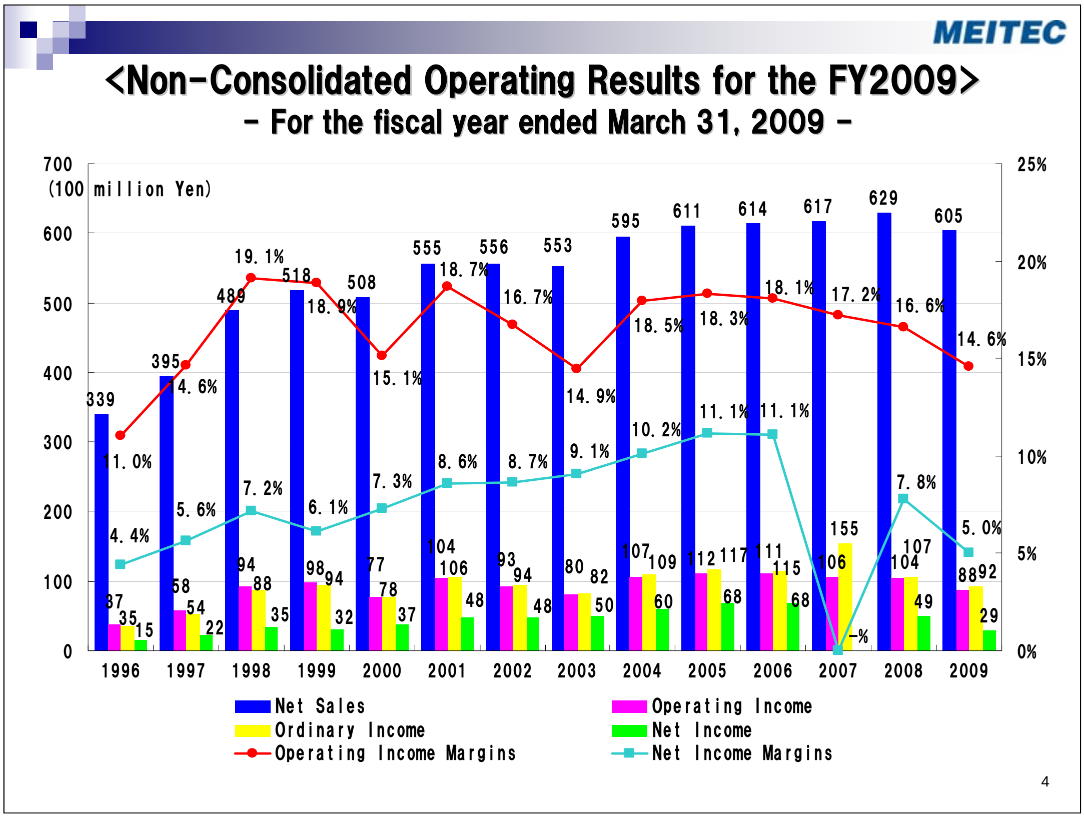
<Consolidated Operating Results for the FY2009>
- For the fiscal year ended March 31, 2009 -

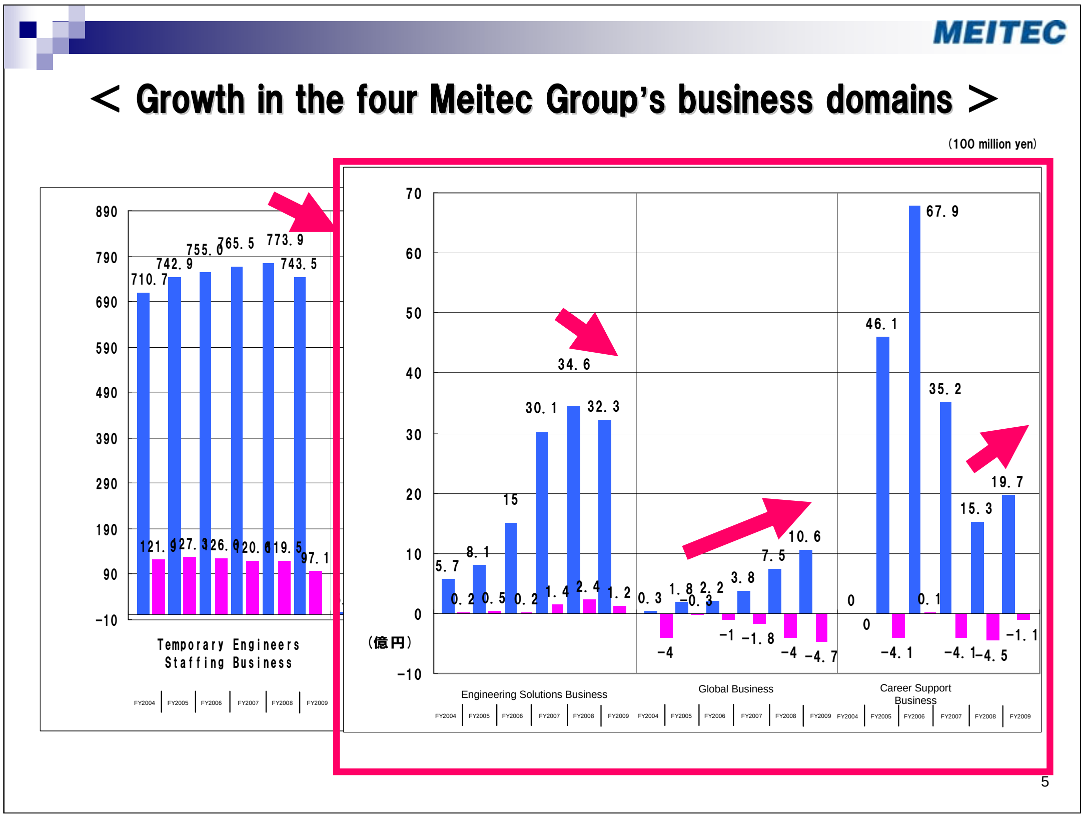


Page 3 shows graphs describing the trends in consolidated business results through the year.



In the same manner, page 4 shows graphs describing the trends in non-consolidated business results through the year.

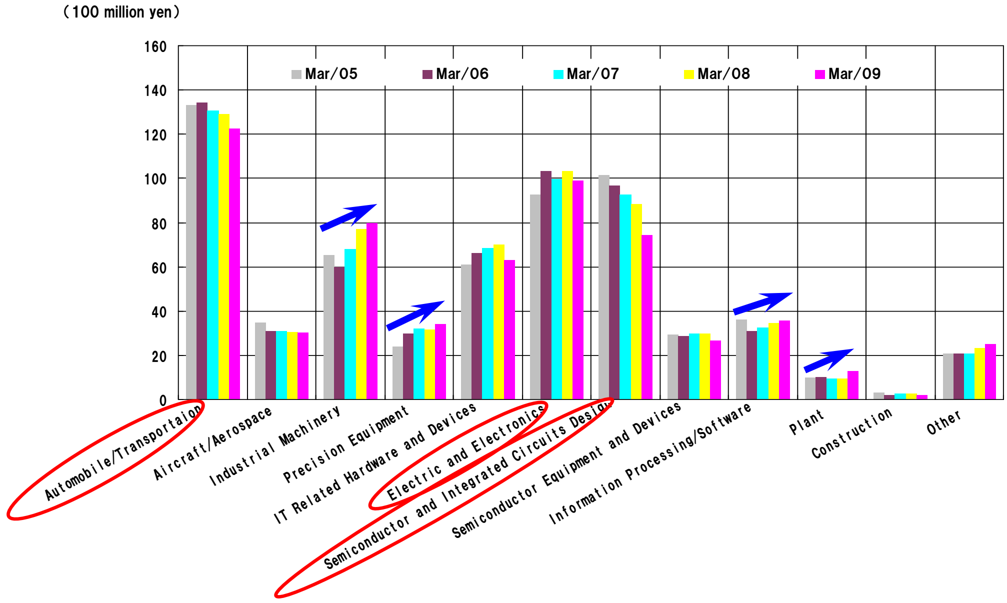
Please also refer to these graphs.



Until February of this year, we have been implementing the group management plan named "True Global Vision 21", which involves the strategic implementation of a business expansion into four business areas centering on our core temporary engineers staffing business.

Although there was a slight drop in revenue for the fiscal year ended March 31, 2008 for the temporary engineers staffing business and the engineering solutions business, the global business centering on the bridge engineer business in addition to the career support business experienced higher revenue.

<Comparison of Sales Trend by the Industrial Segments>
(Non-consolidated)



This is the overall non-consolidated position for the fiscal year ended March 31, 2009. First, by sector there is a graph showing the shift in sales by segment. There is no particularly large change. The left end of the graph shows the main customer sector of automobile/transportation.

Although these sectors display a slight fall compared to the previous year, there was no large change to the effect of the automobile industry overall yet. However, for the fiscal year ending March 31, 2010, there is a possibility of a sizeable effect.

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<Top 10 Clients by Sales and Shares of Net Sales>
(Non-consolidated)

< Five years ago > < Current > (million yen)

Fiscal year ended March 31,2004			Fiscal year ended March 31,2008			Fiscal year ended March 31,2009		
Companies Name			Companies Name			Companies Name		
1 Panasonic			1 Panasonic			1 Panasonic		
2 Sony Corp.			2 Canon Inc.			2 Canon Inc.		
3 Toyota Motor			3 Sony Corp.			3 Sony Corp.		
4 Mitsubishi Heavy			4 Mitsubishi Heavy			4 Mitsubishi Heavy		
5 Canon Inc.			5 Omron Corp.			5 Denso Corporation		
6 Seiko Epson			6 Denso Corporation			6 Nikon Corp.		
7 Omron Corp.			7 Nikon Corp.			7 Omron Corp.		
8 Nikon Corp.			8 Toyota Motor			8 Toyota Motor		
9 Jatoco T.T.			9 Seiko Epson			9 Seiko Epson		
10 Sony EMCS			10 Yazaki Parts			10 Yazaki Parts		
Top 10 Total	21,954	36.9%	Top 10 Total	20,681	32.8%	Top 10 Total	20,610	34.1%
Top 20 Total	28,774	48.3%	Top 20 Total	27,429	43.6%	Top 20 Total	27,096	44.8%
Others	30,774	51.7%	Others	35,527	56.4%	Others	33,361	55.2%
Total	59,518	100.0%	Total	62,956	100.0%	Total	60,457	100.0%

This shows the 10 largest clients of Meitec Corporation.

There is no large change. However, there is a possibility that there will be a slight change in the order for the fiscal year ending March 31, 2010.

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<Meitec Group Results for FY2009>

– For the fiscal year ended March 31, 2009 –

(million yen/%)

		Net Sales	Change	Operating Income	Change	Ordinary Income	Change	Net Income	Change
	Meitec (MT)	60,457	-4.0	8,807	-15.8	9,294	-13.7	2,998	-39.3
	Meitec Fielders (MF)	10,582	-1.5	819	-37.5	825	-37.5	467	-39.3
	Meitec Cast (MC)	3,434	-13.3	78	-56.7	78	-56.6	42	-57.6
	Meitec Experts (MEX)	328	59.2	-3	-	-3	-	-3	-
	3D Tec (3DT)	593	-17.7	36	-36.9	35	-38.2	20	-38.2
	Apollo Giken Group (AP)	1,846	4.1	9	-89.6	22	-76.7	-20	-
	Meitec CAE (CAE)	796	24.7	85	52.6	85	51.7	47	49.8
	Meitec Global Solutions (MGS)	1,153	69.8	-326	-	-326	-	-329	-
	Meitec Shanghai	24	-31.5	-18	-	-18	-	-18	-
FY2009	Meitec Dalian	45	46.8	-8	-	-8	-	-8	-
	Meitec Guangzhou	11	-30.4	-33	-	-34	-	-42	-
	Meitec Zhejiang	21	17.8	-12	-	-13	-	-19	-
	Meitec Xian	19	67.1	-27	-	-29	-	-29	-
	Meitec Chengdu	2	-	-45	-	-49	-	-49	-
	Meitec (Shanghai) Human Resources	3	-	-1	-	-1	-	-1	-
	DBM-Japan Group (DBM)	1,483	15.6	13	-	5	-	-330	-
	Meitec Next (NEXT)	480	90.4	-78	-	-78	-	-79	-
	All engineer.jp	15	-	-21	-	-21	-	-22	-
	Consolidated	79,898	-2.7	9,280	-18.3	9,260	-18.3	4,303	-13.2

*Amounts for each company are non-consolidated basis

These are the business results for each company in the Group for the fiscal year ended March 31, 2009.

<Forecasts : Fiscal Year Ending March 31,2010>

(Million of Yen)

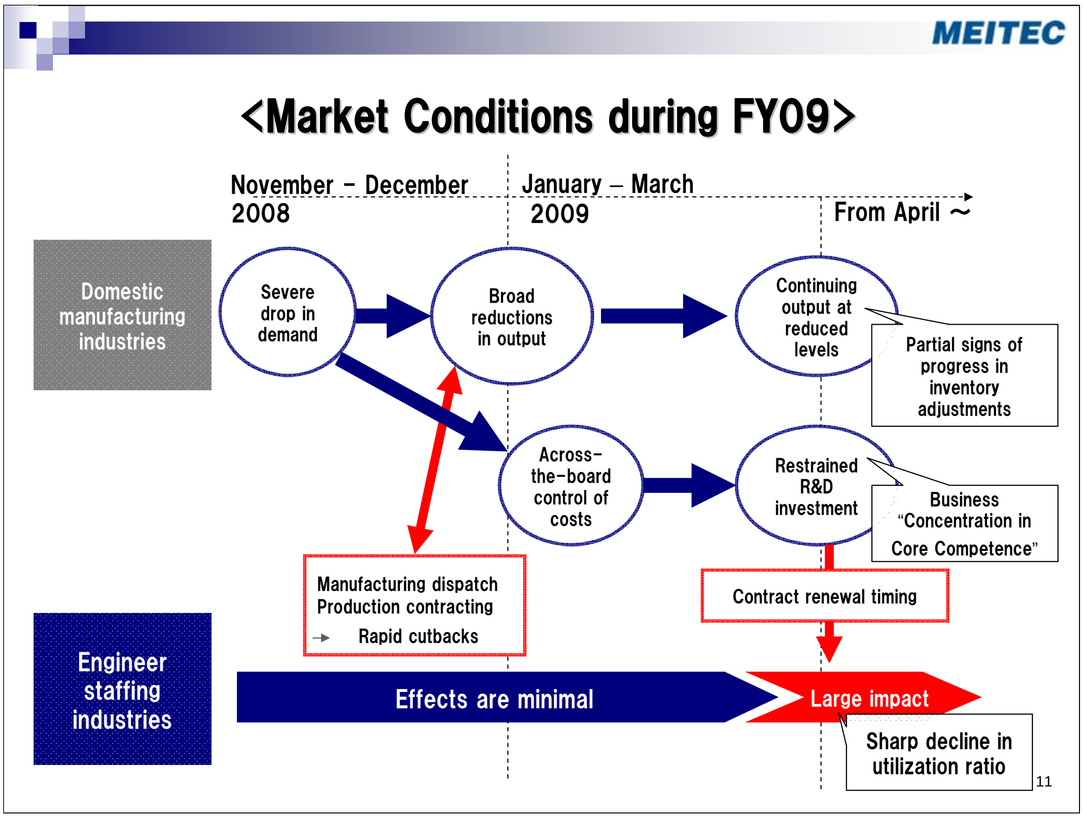
		Net Sales	Operating Income	Odrdinary Income	Net Income
Consolidated	Second Quarter FY2009 09/4-9	27, 500	-3, 200	-3, 200	-3, 250
	Second Quarter FY2008 09/4-9	41, 396	5, 375	5, 395	3, 039
	Change (%)	-33. 6%	—	—	—
	FY2009	59, 000	-3, 100	-3, 100	-3, 200
	FY2008	79, 898	9, 280	9, 260	4, 303
	Change (%)	-26. 2%	—	—	—
Non-consolidated	Second Quarter FY2009 09/4-9	20, 800	-2, 100	-1, 800	-1, 850
	Second Quarter FY2008 09/4-9	31, 163	4, 985	5, 471	3, 402
	Change (%)	-33. 3%	—	—	—
	FY2009	45, 500	-1, 450	-1, 150	-1, 200
	FY2008	60, 457	8, 807	9, 294	2, 998
	Change (%)	-24. 7%	—	—	-

These are the forecast results for the fiscal year ending March 31, 2010.

II.Market Condition and Forecast

We will now answer questions such as "What is the reason for these severe results?" and "In these conditions, how will we adapt?"

We will discuss the changes to the market and estimates.



This figure describes the state of the various companies in the Japanese manufacturing sector from the second half of last year, as well as how the market for the temporary engineers staffing and outsourcing industries has changed and what has occurred.

The cause can be ascribed to the so-called "Lehman shock."

Thereafter, business conditions for companies in the Japanese manufacturing sector have been characterized by an extreme drop in demand, resulting in a sudden fall in production across all industries from the end of last year to the beginning of this year. The effect of the fall in production has caused a large negative effect from the end of last year on staffing work for the manufacturing industries and production contract work.

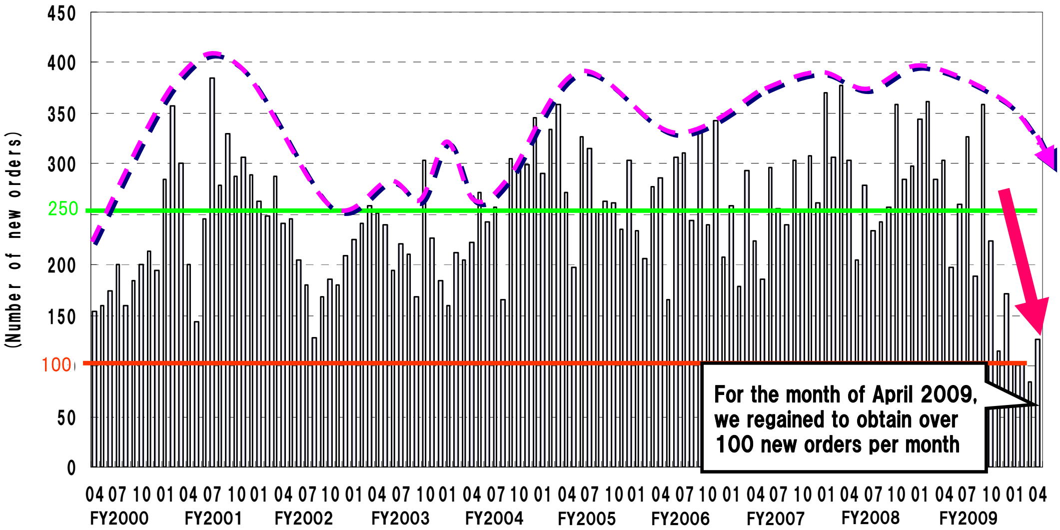
On the other hand, the effect was slight on the temporary engineers staffing business. At that point in time, although there was a reduction in production, large Japanese manufacturing companies maintained a continuation of medium- to long-term R&D investment. As a result, the effect on our business was slight and although there was a reduction by March, our utilization rate was maintained at 90% at a minimum. However from the beginning of the new year to the end of the fiscal year, in addition to a simple decrease in production, there has been a major effort by all companies to cut costs radically through initiatives such as "reducing outsourcing to zero."

As a result, by the end of the period, cost reductions—including those to R&D investment and medium- to long-term technical development investment—have been conspicuous.

At the same time, from the end of the fiscal year to the start of the new one, there has been a large effect of cost-cutting on all R&D investment corresponding with contract renewals.

Broad termination of contracts has occurred, causing a radical reduction in the utilization rate from the end of March into April.

<Trend in New Orders by Month (Non-Consolidated)>



A precise example of what has occurred is the sharp decrease in new orders. Although the number of monthly orders displays fluctuations, business can be called good if there are 250 new orders or more, month on month.

From November of last year, the number fell suddenly below 250, and in March, the monthly number of orders fell below 100. Although April showed a recovery to more than 100 orders, the level of 250 monthly orders remains a long way off.

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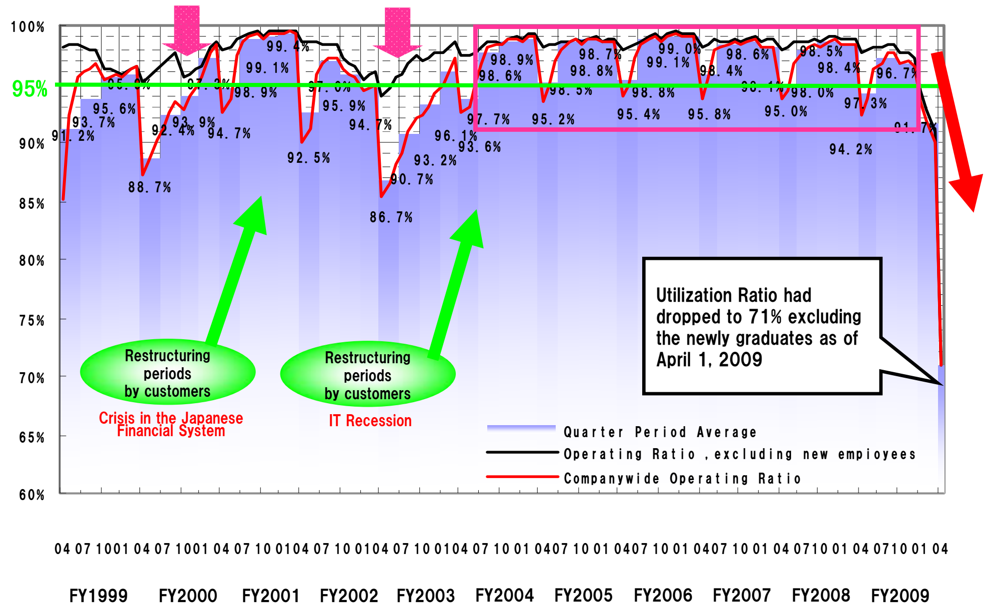
<Utilization Ratio (Non-Consolidated)>



Although in the six years from 2003, we operated continuously under conditions of near-full capacity at 95% or more, there has been a sharp decline since we entered the new year: using a base of operational personnel excluding new graduates current at April 1, our utilization rate has been reduced to 71%.

Since the utilization rate is one of the most important management indicators for us, we have been promptly disclosing the accurate monthly utilization rate each month.

The utilization rate for April was disclosed on the website on May 18.

On this occasion, in the context of an emergency and an extremely serious outlook entailing a loss, we have made the extraordinary announcement of the utilization rate on the basis of operational personnel current at April 1.

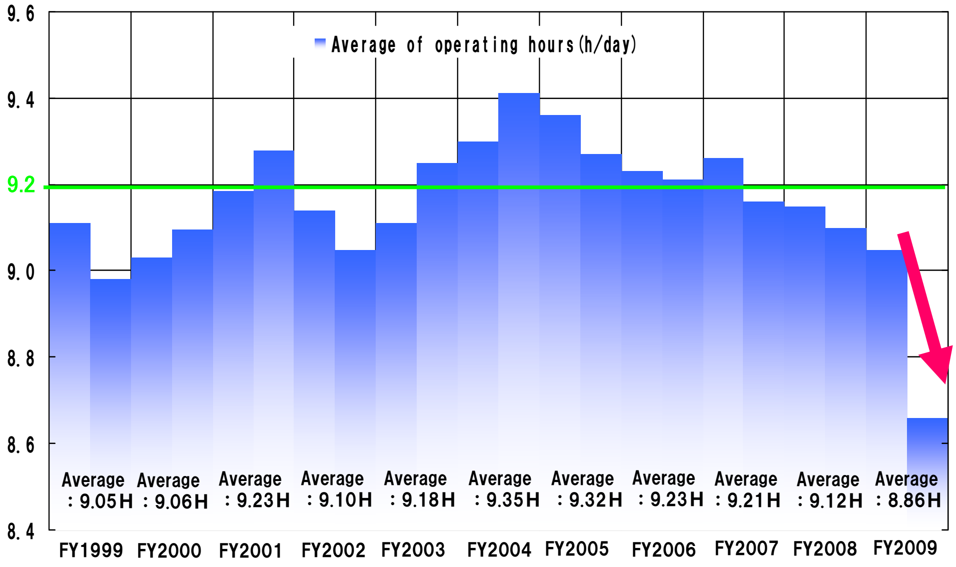
Although this figure is a preliminary figure, taking into account utilization rates using the base of operational personnel, the only occasion in which the utilization rate decreased to this point in the Company's 35-year history was the period from 1992 to 1993, which was affected by the bursting of Japan's bubble economy in 1991. The business conditions that we are facing from April are the same severe business conditions experienced during the collapse of the bubble economy in the period 1992 to 1993.

Please refer to below URL for method of calculating monthly utilization ratio.

http://www.meitec.co.jp/ir/financial/index.htm

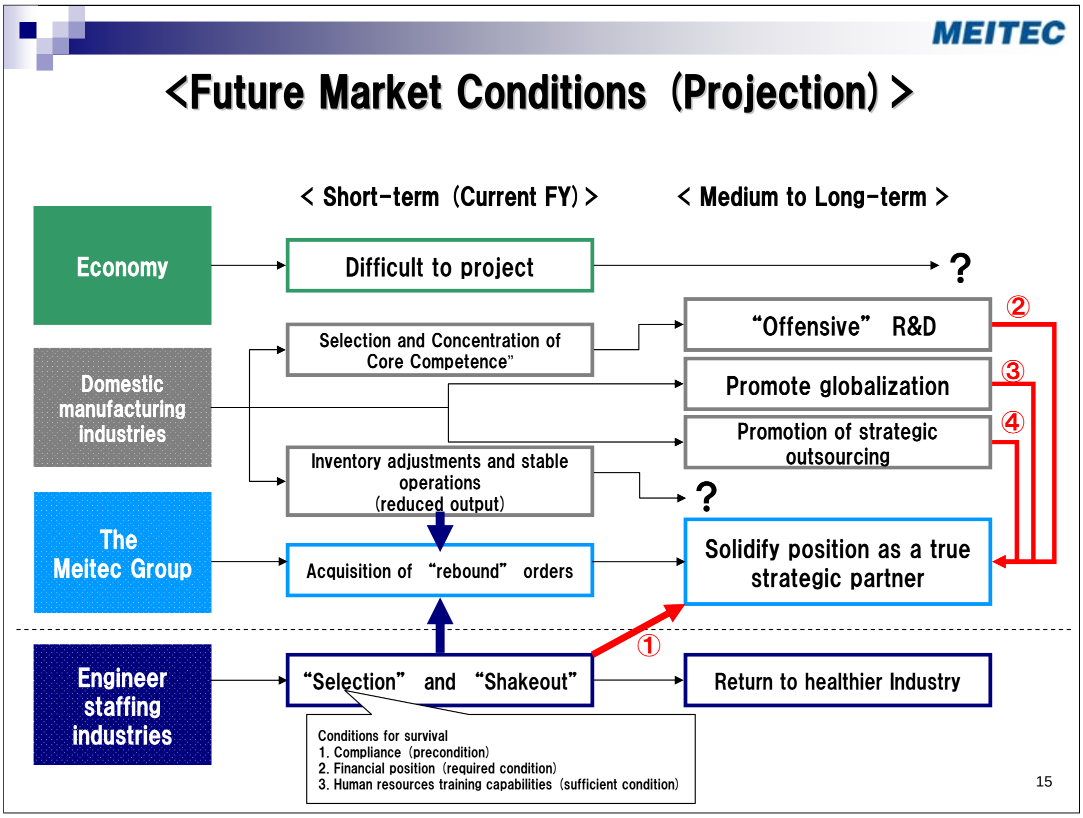
Present calculations method for utilization ratio has been introduced since 1995.
And since the method prior to that was based on number of engineer instead of hours, the result can not be compared in precise manner.

<Operating Hours (Non-Consolidated)>



Operating hours of at least 9.2 hours per day are classified as peak operation. Operating hours have a tendency to undergo reduced working hours and fall over the long term.

However, in the second half of the year, there was a sudden fall. The average daily operating hours for the second half of the year fell to 8.7 hours. Based on these conditions, April displays extremely difficult conditions and we expect to record a loss in March 2010.



Although the following is at most an estimate, we will discuss what has occurred in the short term and, after the completion of the coming fiscal year, how the medium- to long-term prospect should be approached.

First, although there is a view that some economic indicators should soon reach bottom or improve, at the present time we think that such an estimation is not possible.

Since an estimation of business condition is not possible, we believe that companies in the manufacturing sector will promote an approach of selection and concentration of business and aim for stable operations while managing existing inventories. Some says that the industries have already adjusted inventories to a predetermined level.

We believe, though, that unfortunately it is overly optimistic to believe that business conditions up until before the last summer can be recovered by adjusting inventories.

We take the view that even under stable operations, such operations will be conducted at a reduced production level. Nevertheless, at present, almost all industries have not sufficiently addressed the adjustment of inventories and actions to cut costs have continued into 1Q of the fiscal year ending March 31, 2010. At the stage of adjusting inventories and entering stable operations, however—not only reduced production—issues of how to undertake aggressive R&D arise from questions such as "What type of product will we make next?" and "What strategy will we implement next?"

Under the current conditions, we understand that costs associated with sectors in which we are determined to maintain a presence are coming under increasing pressure and that production sites will suffer from a shortage of engineers. In particular, from 2Q into the second half of the year, we expect returning orders from certain sectors and we intend to ensure acquisition of such orders.

In addition to a simple crisis condition for all members of the temporary engineers staffing industry, we believe that selection and cutbacks will continue within the industry. In particular, from the end of last year, there has been a conspicuous trend in which due to problems associated with so-called "staffing cutting" in which the customers themselves only deal with business that strictly adheres to a level of compliance.

Furthermore, temporary engineers staffing companies that also produced personnel costs with respect to non-operating engineers in a permanent employment structure must have a strong financial base, so that they can continue to pay non-operational engineers and ensure their continued existence. Moreover, since non-operational engineers are not made to wait at home, there is an opportunity to acquire skills required for the next growth phase, that is to say, there is a condition for corporate survival with respect to whether or not human resource management carries out personnel training to the fullest.

All companies in our temporary engineers staffing industry are entering a period of selection and cutbacks. The conditions for survival include compliance as a pre-condition, a financial base as a necessary condition and human resource development as a sufficient condition.

Our Group is engaged in "survival policies" based on these three considerations. Although current business conditions do not allow for any optimism, we believe that our utilization rate will gradually increase after 2Q due to the acquisition of orders due to switching of orders resulting from the cutting back of other industry operators and returning orders due to excessive cost reductions by our clients. Since the medium- to long-term trend for the domestic manufacturing industry is not a simple case of reduced production but also entails no corporate growth, we believe that at some point in time there will be a shift to aggressive R&D in accordance with selection and concentration.

Furthermore, under these crisis we need to depend not only on the opportunities in the domestic market, but also on survival in a global market. We also have a view that outsourcers will be selected that can act as medium- to long-term partners in the development of strategic outsourcing. We believe that by properly adapting to the developments represented by "aggressive R&D," "increasing globalization" and "selection of outsourcers," we will continue to exist and further cement our position as the leader of the industry.

III.Change in Strategies

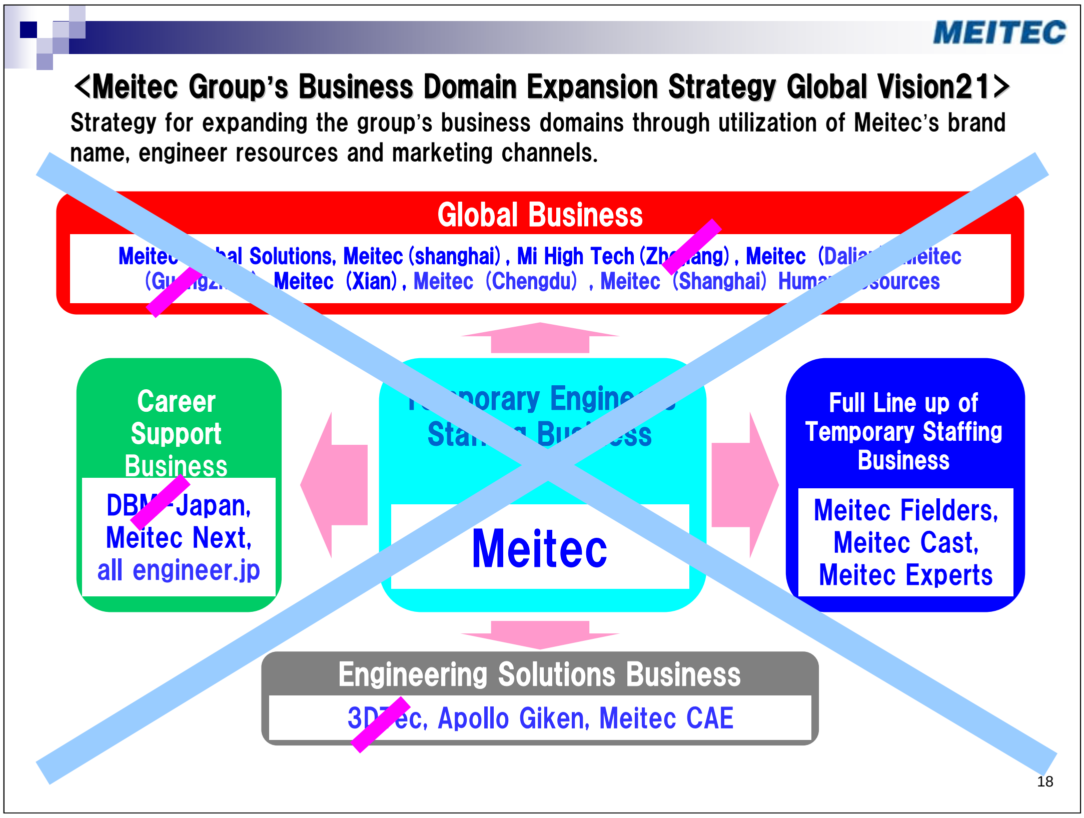
We will explain the changes and variations to our strategies based on the approach explained in the previous section.

＜Decision to Freeze Group Strategy “True Global Vision 21” ＞

In order to concentrate our effort to overcome the current crisis, we have frozen the True Global Vision 21, our long term business plan, including the target such as to build 10,000 workforce for group and 10 0billion yen group sales.

(Decided in February 2009)

Although it was already announced in February this year, in order to concentrate on overcoming the crisis in 2009, we have decided to freeze our strategy and the targets therein called for by True Global Vision 21, which stated growth targets of expansion into four business domains, 10,000 employees and annual sales of ￥100 billion.



Finally, we are assuming a contraction in the education business of the global business. We have closed operations at two educational sites: MEITEC Hangzhou TechnoCenter Co., Ltd., and MEITEC Guangzhou TechnoCenter Co., Ltd.

We also have decided to cease operations in the reemployment support area and transferred the Drake Beam Morin-Japan, Inc. business effective May 1 to Tempstaff Co., Ltd.

We have merged the mold testing and production business at Three D Tec Inc. with Meitec CAE Corporation within the Group. In this manner, we have frozen the strategy of expanding into four business domains.

In addition, we are seeking to concentrate and ensure continuation of our management resources in our core temporary engineers staffing business. These actions are premised on the implementation of a strategy allowing adaptation to the currents in the temporary engineers staffing industry of "selection and cutting back of operators," and "medium- to long-term aggressive R&D investment" and "continuing globalization" for companies in the domestic manufacturing sector.

<Meitec Group Policy in FY2010>

Concentrate on "Qualitative Differentiation" over "Quantitative Expansion" (1)

1. Temporary Engineers Staffing Business

Meitec / Meitec Fielders

1) Thorough education and training for unutilized employees
   - → 32 office training organization covering all of Japan

2) Stabilization of financial base
   - → Use of governmental employment subsidies (education and training)

3) Thorough compliance

→ Execute full range of defensive measures = Start for future offense

Previous page 15 ①、②、④

In our temporary engineers staffing business, we are pursuing three initiatives centering on Meitec Corporation and Meitec Fielders Inc.

First, we are carrying out the in-depth training of non-operational engineers.

Currently, the utilization rate of Meitec Corporation alone using a utilization rate with a base of operational personnel has fallen to 71%.

Meitec Corporation has approximately 1,700 personnel, Meitec Fielders Inc. has approximately 400, and together the two companies have approximately 2,100 non-operational engineers.

These engineers are currently undergoing intensive training and education at 32 centers nationwide centering on large-scale corporate training centers in Atsugi, Nagoya and Kobe.

Second, we are ensuring the stability of our financial base. Our Group had approximately ¥18 billion in cash at the close of the fiscal year ended March 31, 2009.

Currently, we do not envisage financial problems.

However, from the point of view of "using any means at our disposal" to overcome this crisis, we are making an application for labor adjustment subsidies.

Although we have made an application for labor adjustment subsidies, it is not for compensation for lost work time, but for labor adjustment subsidies for the purpose of performing training and education of staff.

Third, we are carrying out compliance in depth.

These policies are a yardstick for protecting our company and overcoming this crisis while protecting the employment of our employees to the greatest degree possible.

While firmly maintaining employee employment, we believe that our policy will bring large positive effect in future recruiting activities. Our training and education of non-operational engineers will further develop a relationship of trust with our clients. Alternatively, we want to develop these programs as a large advantage to distinguish our company from our competitors.

In this sense, we are carrying out these three initiatives to perform in-depth "defense," while at the same time preparing for our next "offense."

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<Meitec Group Policy in FY2010>

Concentrate on "Qualitative Differentiation" over "Quantitative Expansion" (2)

2. Engineering Solutions Business

Meitec CAE

- Strategically expand business → Projected increase in revenues and earnings in FY2010 as well

Apollo Giken

- Strategies to capture remaining market

Three D Tec

- Decided in March 2009 to transfer business to Meitec CAE and Meitec

→ Previous page 15 ② ④

Our engineering solutions business is formed by three companies. Meitec CAE Corporation achieved the only increase in net sales in the Group last year. Since business that meets the technical and development needs of manufacturing companies can grow, we are planning to increase net sales during the fiscal year ending March 31, 2010 while continuing and expanding our strategic business.

Apollo Giken Co., Ltd., is operating in markets related to the printed board industry which has contracted and is starting to undergo selection and cutbacks. Although recovery of this market cannot be expected, we are planning to acquire the residual market.

Three D Tec Inc., which is active in business related to testing and production of molds, is operating in a market for which the future is more uncertain than that of businesses related to printed boards. As a result of the risk associated with survival as a separate company, we have decided to transfer its functions to and concentrate management in Meitec CAE Corporation.

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<Meitec Group Policy in FY2010>

Concentrate on "Qualitative Differentiation" over "Quantitative Expansion" (3)

3. Global Business

Meitec Global Solutions (Bridge engineers business)

- Reduce size and continue business

Previous page 15 ③

→ Also use governmental employment subsidies

Job placement business in China: Meitec Shanghai, Meitec (Shanghai) Human Resources

- Continue by targeting Japanese manufacturers

Vocational training business in China

- Halt business at 2 of 5 locations in China (Guangzhou and Hangzhou)
- Continue providing services to extent possible with smaller size
- Shift focus onto the market within China

→ Execute full range of defensive measures = Start for future offense

Previous page 15 ③

The global business had been positioned as a new business for the global growth of our Group. However, even the current business conditions are extremely severe. Since our medium to long-term outlook is that companies in the domestic manufacturing sector will have to implement globalization, we have decided to continue the business in some sense. Although the bridge engineer business is operating at a lower utilization rate than Meitec Corporation, we intend to make use of labor adjustment subsidies to maintain the current scale in some form. However, as shown by the withdrawal from a part of the training and education companies in China, we have stopped the transfer of engineers to Japan from the Chinese education companies and plan to continue the business in its current scale.

Our business in China will be continued at down scale and with change in strategies. Of the five education sites in China, we have already stopped operations in Hangzhou and Guangzhou. Going forward, we will strengthen our business of engineer introduction service to Japanese manufacturing industry clients in China. Many Japanese manufacturing companies have focused strongly on the Chinese market even under the current conditions, and therefore we aim to use recruitment consulting needs as an introduction tool for expanding human resources services such as temporary staff and contract workers. Since by "contraction" we intend the meaning of "defense," we are already in a position to commence an offensive using a varied strategy linked to a business model which is closely related to domestic conditions in China.

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< Meitec Group Policy in FY2010>

Concentrate on "Qualitative Differentiation" over "Quantitative Expansion" (4)

4. Career Support Business

Meitec Next: Job placement business specializing in engineers

All Engineer. Jp: Employment information Internet service business for engineers

•Continue business to answer any future change in our customer's "strategic outsourcing" and "". personnel strategies

Previous page 15 ④

Drake Beam Morin-Japan (DBM-J)

Decided in May 2009 to sell DBM-J business to Tempstaff Co., Ltd.

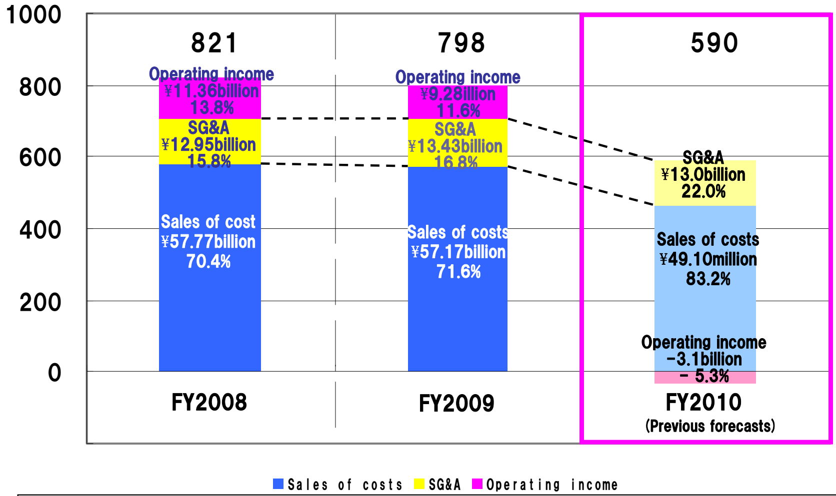
Our career support business Drake Beam Morin-Japan, Inc. was transferred effective May 1 to Tempstaff Co., Ltd. and we have withdrawn from the reemployment support business.

On the other hand, Meitec Next Corporation and All Engineer. Jp Corporation, which are active in the employment placement business for specialist engineers, will continue under changed human resources strategies and strategic outsourcing for clients. Companies in the manufacturing sector do not blindly use an external strategy of dispatch workers and contract workers, and a definite trend toward full-time workers is commencing. Although this trend will not see a shift to 100% full-time employees, over the medium to long term, we believe that there will be a large shift to a trend distinguishing between full-time workers and outsourcing. Thus, we want to maintain a presence in the business of employment placement of full-time engineers.

Ⅳ.Distribution of Management Resources

There will be modifications to our strategy. In such critical conditions, we believe that it is important to consider how to assign costs to management resources and which costs to reduce.

＜ SG&A for FY2009 and FY2010 ＞



➡ Will reduce costs and expenses as following for fiscal year ending March 31, 2010

Selling, General and Administrative expenses	: –0.43 billion yen
Cost of Sales	: –8.07 billion yen
Total	: –8.50 billion yen

In terms of the cost structure for the fiscal year ending March 31, 2010, we plan to reduce costs by ¥8.5 billion relative to the previous period, representing ¥430 million in selling, general and administrative (SG&A) expenses and ¥8.07 billion in costs.

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<SG&A for FY2010>

<SG&A : -0.43billion yen (compared with prior fiscal year) >

1. Strengthening of base for future growth	:+2.05 billion yen	
2. Revision strategy investment costs	:-1.35 billion yen	-2.48 billion yen
3. Reduction of existing costs	:-1.13 billion yen	

<Breakdown>

1. Strengthening of base for future growth		Total : -0.43 billion yen
• Education infrastructure enhancement, education and training investment	:1.60 billion yen	
→Cost for engineer to be internal teacher	:(1.30 billion yen)	
• IT infrastructure upgrades	: 0.45 billion yen	
2. Revision strategic investments costs		
• Staff increase cost	:-1.15 billion yen	
(* Number of employee to be hired during the current year has not been decided)		
• Job placement business-related costs	:-0.20 billion yen	
3. Reduction of existing costs		
• Existing costs	:-1.13 billion yen	

25

Although we aim to reduce SG&A expenses by ¥430 million, this figure represents an increase of ¥2.05 billion in strategic investment for strengthening our business base and expanding business for the continuation of the Company while carrying out radical reduction in current ordinary costs to plan for a final total of ¥430 million in savings.

The business base supporting the Company mainly includes ¥160 million for training and education of non-operative engineers, which can be broken down into ¥130 million for costs for instructors.

Since veteran engineers from the Company are included in the 2,100 non-operational engineers, if such personnel remain non-operative, the personnel costs accounted for as a cost will be accounted for as a sales management expense as education and training instructors.

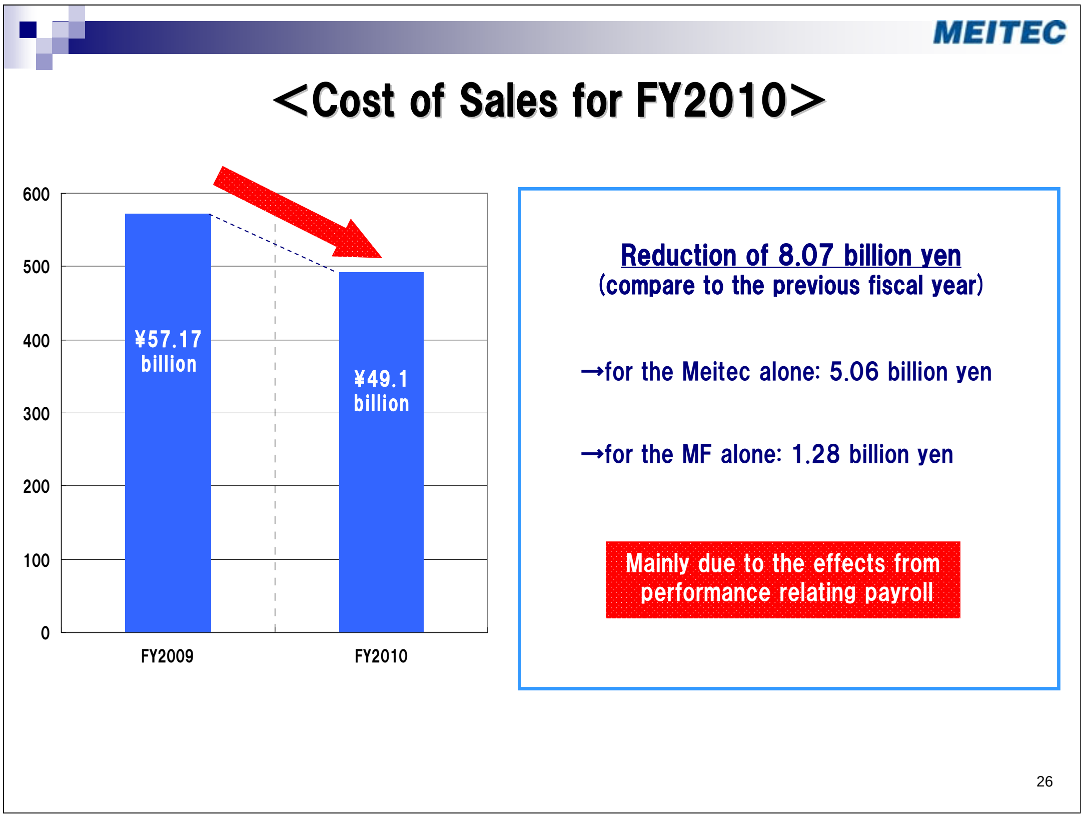
Therefore, the ¥130 million is not a cost flowing from the Company, and the ¥130 million will be transferred by accounting procedures from costs to sales management expenses.

The provision of IT infrastructure represents ¥450 million originally planned for the medium to long-term improvement of business efficiency. Employment costs related to strategic acquisition of staff excluding the employment of sales staff have been completely frozen with respect to employment of engineers, and the number of openings for the fiscal year ending March 31, 2010 has not been determined at the present time.

Therefore, we have realized ¥1.15 billion savings in employment costs.

We will continue with our employment placement business, Meitec Next Corporation.

However, we intend to realize ¥200 million in savings in the fiscal year ending March 31, 2010. By realizing ¥1.13 billion savings in initial costs, we estimate that a total reduction of ¥430 million in SG&A expenses will be saved.



The main component of costs is personnel expenses related to engineers.

We are planning to save ¥8.07 billion relative to the fiscal year ended March 31, 2009.

This figure represents ¥5.06 billion for Meitec Corporation, and ¥1.28 billion for Meitec Fielders Inc. The effect of our performance-linked wages system is shown here. The number of technical personnel in both Meitec Corporation and Meitec Fielders Inc. has remained largely unchanged during the fiscal year ended March 31, 2009 and the fiscal year ending March 31, 2010. However costs are reduced by cutting the per capita personnel expenses. We have designed a performance-linked wages system during normal operating periods in order to protect employment while distributing the burden of the emergency among all employees. As a result, we will realize ¥8.07 billion in cost savings.

Ⅴ. Projection of Performance for the Fiscal Year ending March 31, 2010

I now would like to talk about our projection of the results for the fiscal year ending March 31, 2010.

<Forecasts: Fiscal Year Ending March 31, 2010>

(Million of Yen)

		Net Sales	Operating Income	Odrdinary Income	Net Income
Consolidated	Second Quarter FY2010 '09/4-9	27,500	-3,200	-3,200	-3,250
	Second Quarter FY2009 '09/4-9	41,396	5,375	5,395	3,039
	Change (%)	-33.6%	—	—	—
	FY2010	59,000	-3,100	-3,100	-3,200
	FY2009	79,898	9,280	9,260	4,303
	Change (%)	-26.2%	—	—	—
Non-Consolidated	Second Quarter FY2010 '09/4-9	20,800	-2,100	-1,800	-1,850
	Second Quarter FY2009 '09/4-9	31,163	4,985	5,471	3,402
	Change (%)	-33.3%	—	—	—
	FY2010	45,500	-1,450	-1,150	-1,200
	FY2009	60,457	8,807	9,294	2,998
	Change (%)	-24.7%	—	—	—

- Will be in the red for the consolidated and non-consolidated operating income basis until the end of 2nd quarter. But forecast to be regain profit for the 3rd and 4th quarter period on the operating income basis.
- Income from governmental employment subsidies (education and training) is excluded from the forecast

We would add two further observations. The first observation is that although our guidance for the first half—which is the current 2Q consolidated aggregate period for both consolidated and non-consolidated results—is an operating loss, we predict operating income in the second half.

The second observation is that demand and supply application for labor adjustment subsidies by Meitec Corporation, Meitec Fielders Inc. and Meitec Global Solutions Inc. have been performed from April. However, the receipt of funds related to labor adjustment subsidies has been excluded from our results guidance. This is for the reason that public funds for the purpose of support are separate from profit related to business activities and, in the end, we view the effect as stabilizing our financial base. Therefore, such funds have been excluded from our actual profit guidance. However, there is a possibility that when the actual profit is calculated, the effect of this advantage may be realized.

<Forecasts: Fiscal Year Ending March 31, 2010>

(Millions of Yen)

		Net Sales	Operating Income	Ordinary Income	Net Income
Fiscal Year	Meitec	45,500	-1,450	-1,150	-1,200
	Meitec Fielders	7,300	-1,300	-1,300	-1,300
	Meitec Cast	2,500	0	0	0
	Meitec Experts	240	0	0	0
	Apollo Giken Group	1,600	10	10	10
	Meitec CAE	1,050	80	80	40
	Meitec Global Solutions	1,000	-370	-370	-370
	Meitec Shanghai	20	-5	-5	-5
	Meitec Dalian	45	-15	-15	-15
	Meitec Xian	15	-25	-25	-25
	Meitec Chengdu	15	-30	-30	-30
	Meitec (Shanghai) Human Resources	30	-10	-10	-10
	DBM-Japan	180	30	30	30
	Meitec Next	390	0	0	0
	all engineer. Jp	15	0	0	0
	Consolidated	59,000	-3,100	-3,100	-3,200

*Amounts for each company are non-consolidated basis

* Since the transfer of the business from Three D Tech to Meitec CAE will be carried out in step by step, figures for the Meitec CAE are total of both companies.
* Because the business of DBM-Japan was transferred to Tempstaff Co., Ltd. as of May 1, 2009, figures for DBM-J are only for the month of April, 2009.
* The vocational training business at MEITEC Guangzhou TechnoCenter Co., Ltd. and at MEITEC Hangzhou TechnoCenter Co., Ltd. has been terminated.

We have estimated the results for the fiscal year ending March 31, 2010 for each company in the Group.

MEITEC

<Precondition for the Forecasts of the FY2010>
- Meitec + Meitec Fielders + Meitec Global Solutions -

		Meitec	MF	MGS
Utilization Ratio	First Half	72.0%	64.8%	31.6%
	Second Half	82.1%	78.4%	42.1%
	Fiscal Year	77.1%	71.4%	36.9%
Operating Hours per day	First Half	8.40h/day	8.43h/day	8.12h/day
	Second Half	8.96h/day	8.48h/day	8.02h/day
	Fiscal Year	8.69h/day	8.45h/day	8.07h/day

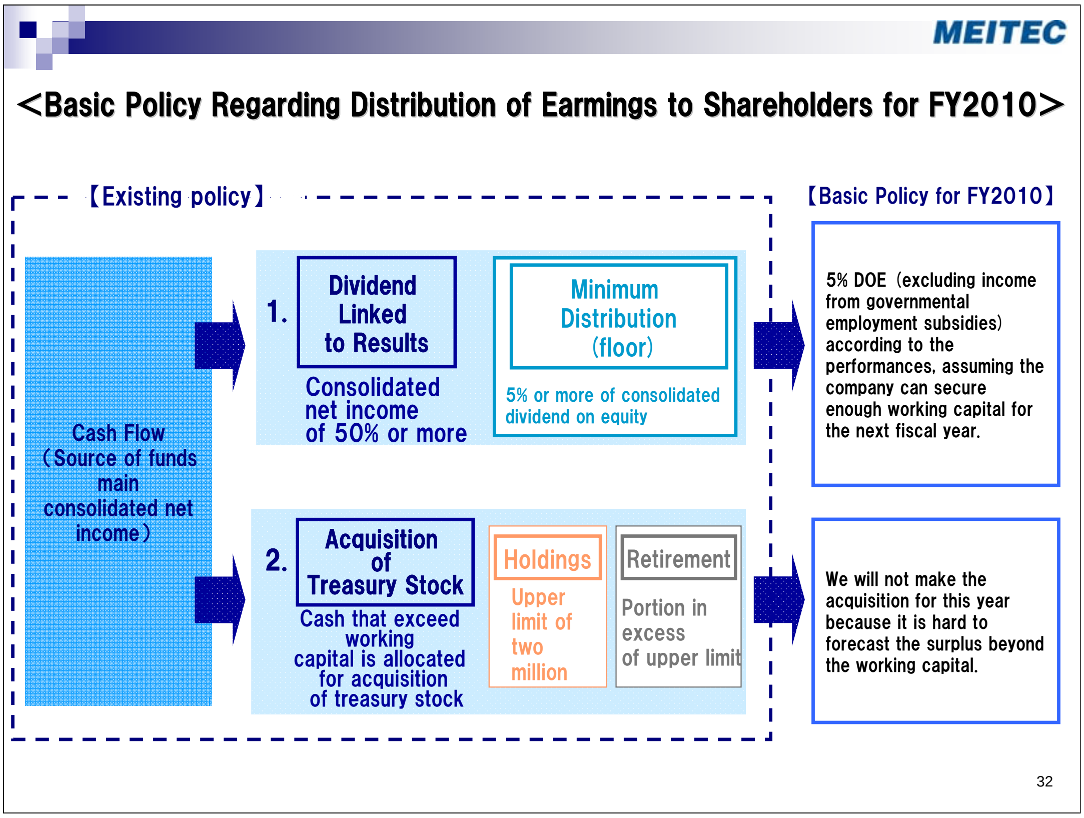
We project the Utilization Ratio at both Meitec and Meitec Fielders to exceed the break-even point (*Meitec = about 80%, Meitec Fielders = about 85%) in the second half of the fiscal year.

The guidance for the results for the fiscal year ending March 31, 2010 is based on the following premise.

The main indicator is the utilization rate. The utilization rate for Meitec Corporation alone in the first half is 72% and 82.1% in the second half, with a yearly value of 77.1%. During the second half, we have incorporated an estimate of a utilization rate corresponding to the breakeven point for Meitec Corporation and Meitec Fielders Inc.

Ⅵ. Shareholder Return Policy

Finally, we would like to explain our approach to returning value to shareholders during crises.



The basis for dividends, share buybacks and the overall return of value policy is working capital.

Working capital must be firmly maintained and, in the absence of large investment proposals, any excess amount should be returned to shareholders in the form of dividends or share buybacks. Basically this approach should be followed during emergencies. However, with respect to dividends, although we are forecasting a level corresponding to DOE of 5%, which is the minimum level based on results estimations, since labor adjustment subsidies are public funds, return of value to shareholders will be performed by way of dividends excluding such funds, as we believe that dividends should be based on profits from business. In addition, since working capital forms the base, once the working capital required for the following year is ensured at the end of the period, we will distribute a dividend.

Thus, although we are planning an interim dividend, a decision will be made at the end of the period based on a decision regarding business conditions.

Share buybacks are not planned for the fiscal year ending March 31, 2010.

We intend to use cash at the end of the period as a base and any excess amount exceeding working capital as a source for share buybacks.

For the fiscal year ending March 31, 2010, we are in a condition in which it is extremely difficult to discern whether working capital is in excess, and therefore we will not proceed until we can determine whether working capital is in excess.

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33

We ask for your understanding with respect to the current profit guidance, which is the approach of the Company at the present time to problems such as changes to strategy. The current conditions demonstrate the large effect of external causes, which have resulted in a new trend resulting from unexpected events.

We have determined that the emerging trends display a strong possibility of both upward and downward tendencies.

There may be further changes to our approach in terms of alteration of strategy or profit guidance depending on changes in external factors.

Furthermore, in view of the extremely challenging economic environment and market environment, our guidance regarding an operating loss places a strong burden on our responsibility as management.

On the basis of this approach, the remuneration of the full-time members of the Board of Directors and the full-time auditor has been cut as of April.

As a management team, the entire Group and all employees are united in striving to achieve a return to profitability as soon as possible and to meet the expectations of shareholders.

Therefore, we ask for your understanding.

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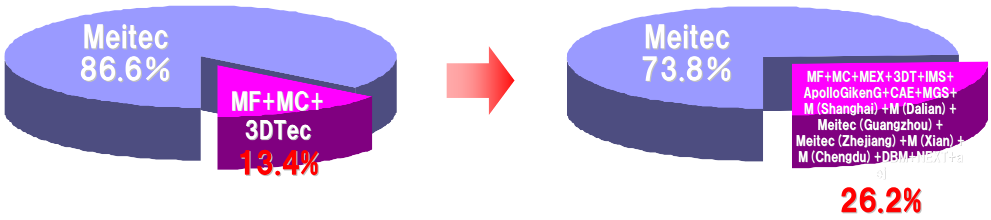
<Summary for Meitec Group>

Meitec Fielders		**Meitec Global Solutions**	
Capitalization	¥268Million	Capitalization	¥200Million
Employees	1,425	Employees	350
Establishment	December, 1979	Establishment	April, 2003
Business Description	Temporary engineering staff business	Business Description	International outsourcing services
Meitec Cast		**Meitec (Shanghai)**	
Capitalization	¥100Million	Capitalization	$1,200,000
Employees	49	Employees	9
Establishment	February, 2000	Establishment	September, 2003
Business Description	Registed-style temporary staffing business and employment agency	Business Description	Corporate management consultation
Meitec Experts		**Meitec (Dalian)**	
Capitalization	¥100Million	Capitalization	RMB 10,500,000
Employees	4	Employees	19
Establishment	April, 2006	Establishment	November, 2004
Business Description	Temporary senior engineering staff business	Business Description	Training business in China
Apollo Giken		**Meitec (Xian)**	
Capitalization	¥311Million	Capitalization	$1,200,000
Employees	168	Employees	12
Establishment	August, 1978	Establishment	September, 2006
Business Description	Designning and manufacturing printed circuits board	Business Description	Training business in China
Shanghai Apomac (consolidated subsidiary of Apollo Giken)		**Meitec (Chengdu)**	
Capitalization	$525,000	Capitalization	$1,200,000
Employees	10	Employees	16
Establishment	August, 1997	Establishment	October, 2007
Business Description	Designning and manufacturing printed circuits board	Business Description	Training business in China
Meitec CAE		**Meitec (Shanghai) Human Resources**	
Capitalization	¥100Million	Capitalization	RMB 2,059,000
Employees	72	Employees	1
Establishment	April, 2006	Establishment	September, 2003
Business Description	Contract work and temporary staffing related to structural analysis	Business Description	Corporate management consultation
Meitec Next		**All Engineer.jp**	
Capitalization	¥30Million	Capitalization	¥70Million
Employees	37	Employees	1
Establishment	July, 2006	Establishment	October, 2007
Business Description	Job placement for engineers	Business Description	Internet-based information services; etc.

<Growth in Group Net sales FY2009>



Fiscal Year 2001

Fiscal Year 2009

*Meitec's group strategy was launched from fiscal year 2001

(100 Million of Yen)

	FY 2001	FY 2009	Change	Change (%)
Meitec	555.4	604.5	49.1	8.8%
Group Companies excluding Meitec	85.7	209.1	123.4	144.0%
Consolidated Net Sales	640.7	798.9	158.2	24.7%
* Composition Ratios Excluding Meitec ※	13.4%	26.2%	–	–

<Core Business（Temporary engineers staffing business）Results FY2009>
－ Meitec & MF Results Data －

＊ Meitec + Meitec Fielders（Net sales　71.0 billion Yen,　88.9% of　Consolidated Net Sales）

	Meitec + MF	Meitec	Meitec Fielders
Utilization Ratio	94. 7%	95. 0%	93. 1%
	97. 1%	97. 5%	95. 7%
Operating Hours	－	8. 86h/day	8. 90h/day
	－	9. 12h/day	9. 119h/day
Average Rate Revision	－	1. 8%　up	2. 4%　up
	－	2. 0%　up	2. 9%　up
Number of Engineers	7, 202	5, 788	1, 414
	7, 186	5, 822	1, 364

※ Lower figure is the previous year's result

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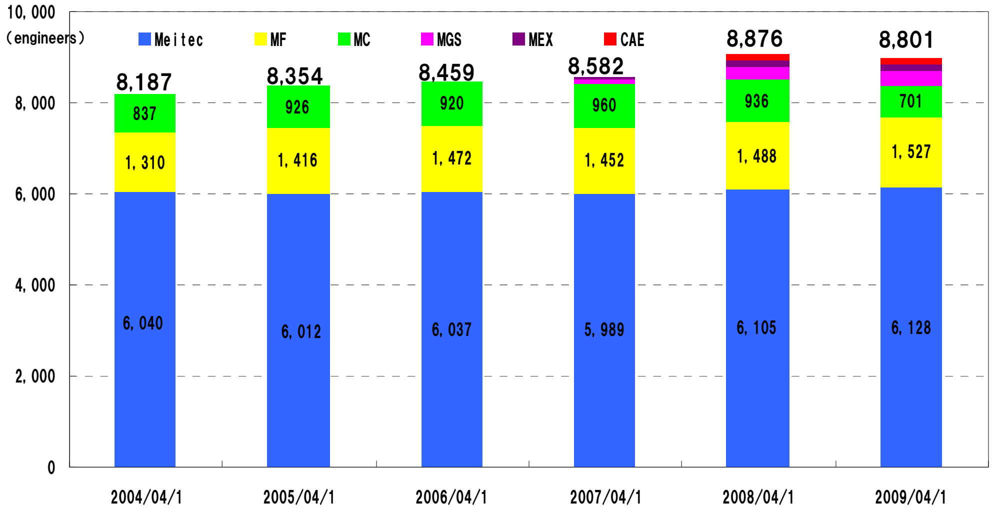
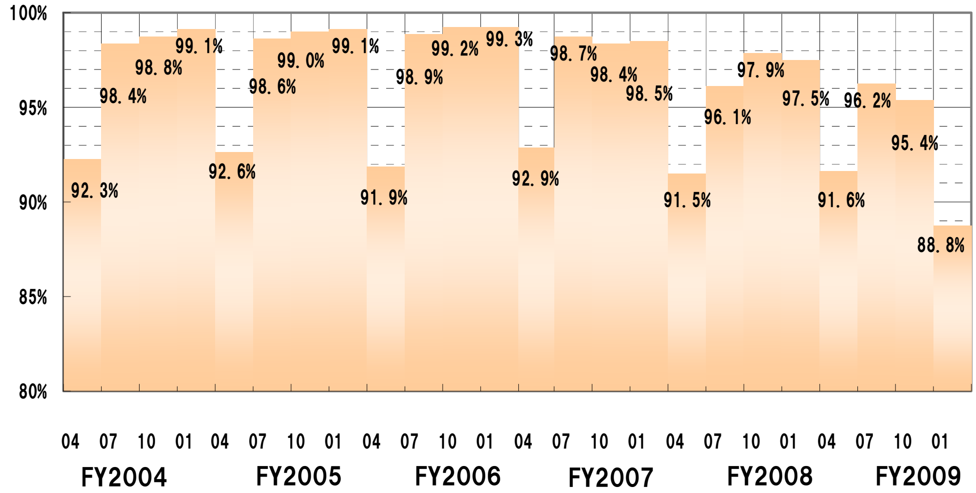
<Trend in Number of Staffs : Temporary Engineers Staffing Business>

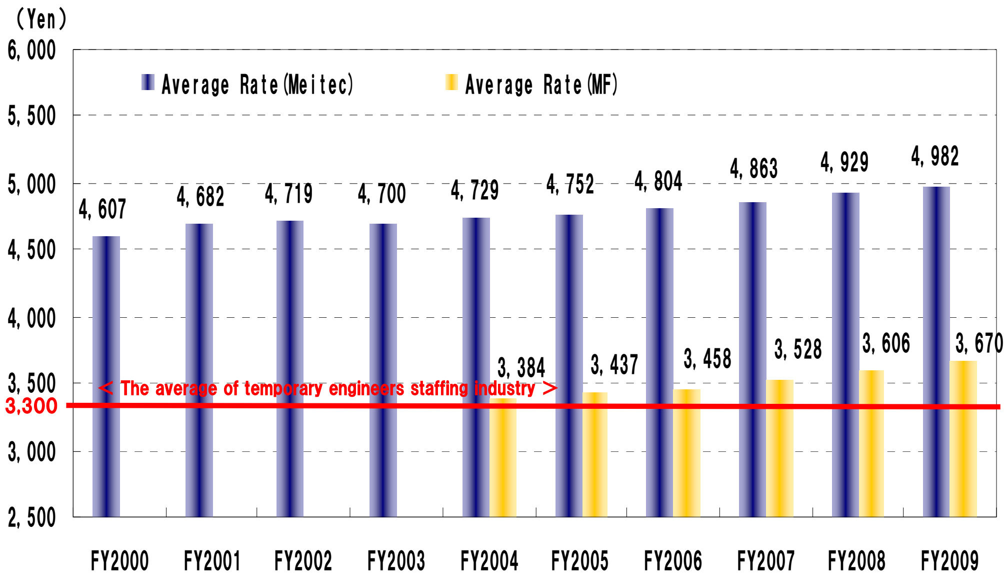


＊ Number for Meitec and MF is the number of engineers
＊ Number for the MC and MEX is the number of people registered
※ Number for the MGS is the number of the Bridge Engineers

<Utilization Ratio (Meitec Fielders)>



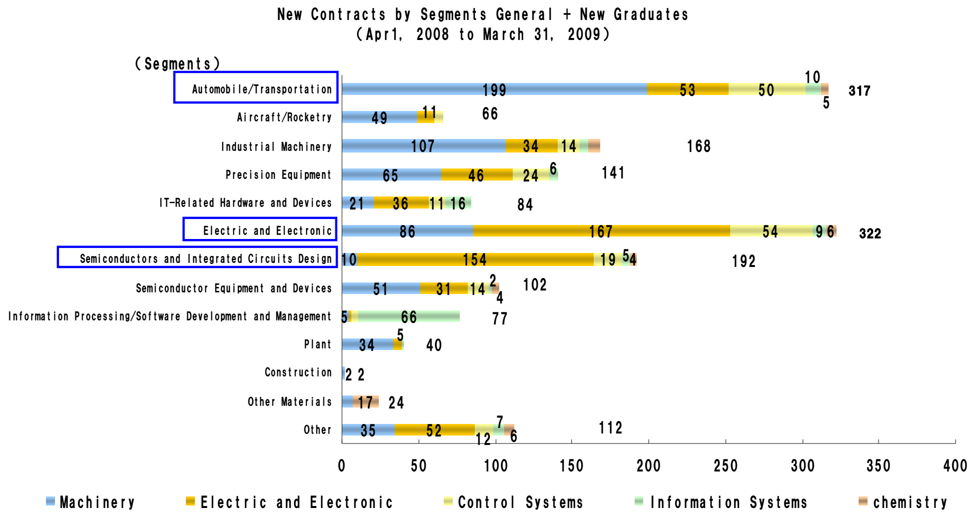
<Trend in Average Rate (Meitec, Meitec Fielders)>



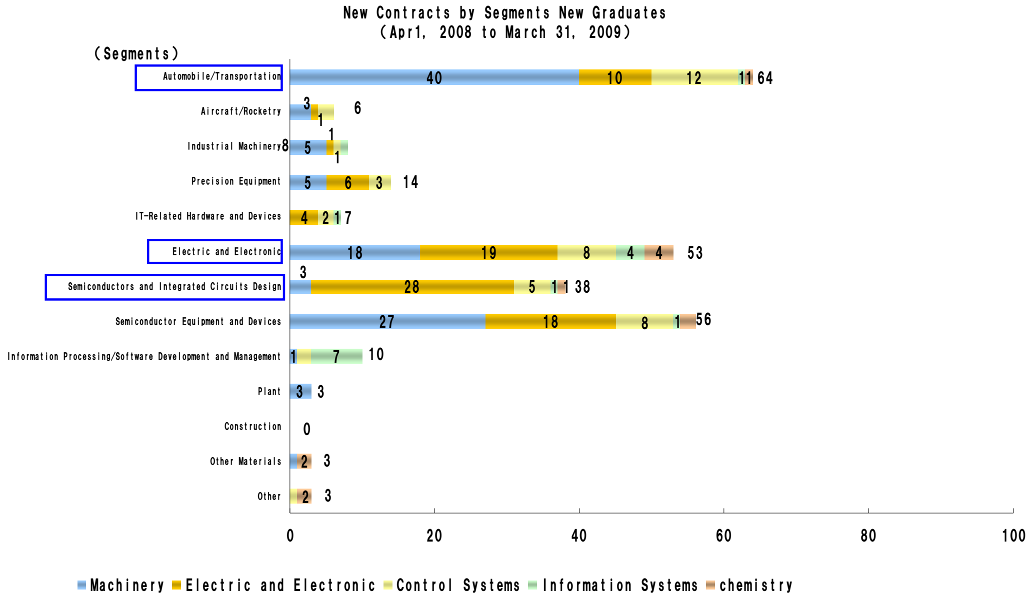
(Appendix-6)

<New Contract by the Industrial Segments>

- General + New Graduates -



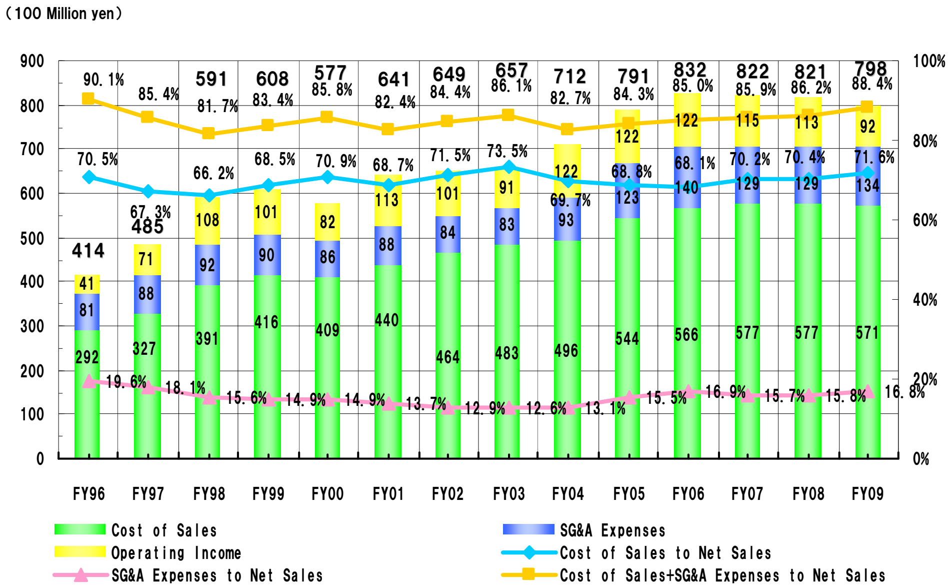
<New Contract by the Industrial Segments>
- New Graduates -



(Appendix-8)

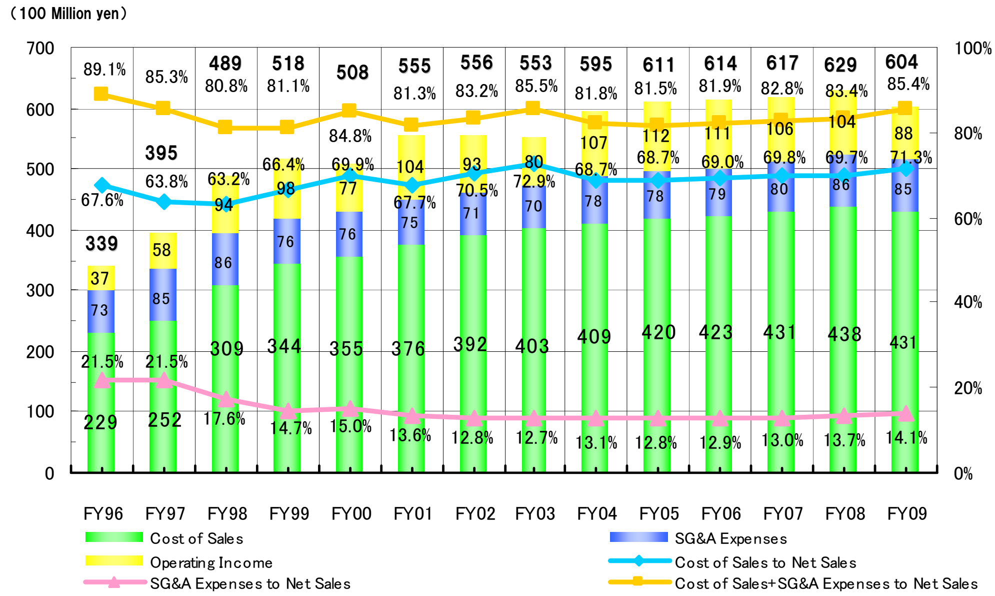
MEITEC

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



(Appendix-9)

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



(Appendix-10)

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

(Millions of yen)

Segment	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009				
	Net Sales				Net Sales	Total Net Sales (%)	Change	Change (%)	
Automobile/Transportation	13, 324	13, 432	13, 083	12, 927	12, 408	20. 5%	-518	-4. 0%	↓
Aircraft/Aerospace	3, 470	3, 090	3, 086	3, 056	3, 029	5. 0%	-26	-0. 9%	↓
Industrial Machinery	6, 501	5, 982	6, 814	7, 695	7, 988	13. 2%	293	+3. 8%	↑
Precision Equipment	2, 385	2, 963	3, 194	3, 151	3, 411	5. 6%	259	+8. 2%	↑
IT Related Hardware and Devices	6, 124	6, 609	6, 845	7, 009	6, 312	10. 4%	-697	-9. 9%	↓
Electric and Electronics	9, 269	10, 333	9, 993	10, 324	9, 860	16. 3%	-463	-4. 5%	↓
Semiconductors and Integrated Circuits Design	10, 146	9, 680	9, 274	8, 834	7, 459	12. 3%	-1, 375	-15. 6%	↓
Semiconductor Equipment and Devices	2, 944	2, 871	2, 983	2, 976	2, 676	4. 4%	-299	-10. 0%	↓
Information Processing/Software	3, 588	3, 105	3, 227	3, 467	3, 510	5. 8%	42	+1. 2%	↑
Plant	984	999	937	936	1, 274	2. 1%	337	+36. 0%	↓
Construction	301	260	261	274	190	0. 3%	-84	-30. 7%	↓
Others	2, 070	2, 095	2, 092	2, 302	2, 335	3. 9%	32	+1. 4%	↑
Total	61, 109	61, 425	61, 795	62, 956	60, 457	100. 0%	-2, 498	-	-

※ Yellow ink : up compared to previous year

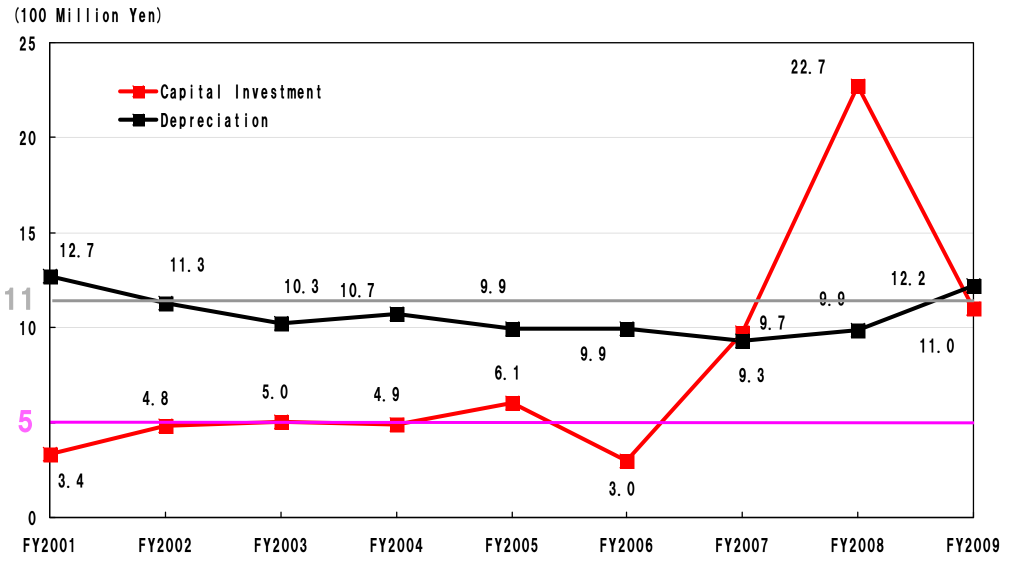
<Breakdown of Non-consolidated Net Sales>

Meitec's non-consolidated net sales
＝ 60.45 billion yen
＝Core Business （Temporary engineers staffing business）
＋ New Business （Gateway Business）
＝ 59.60 billion yen + 0.85 billion yen

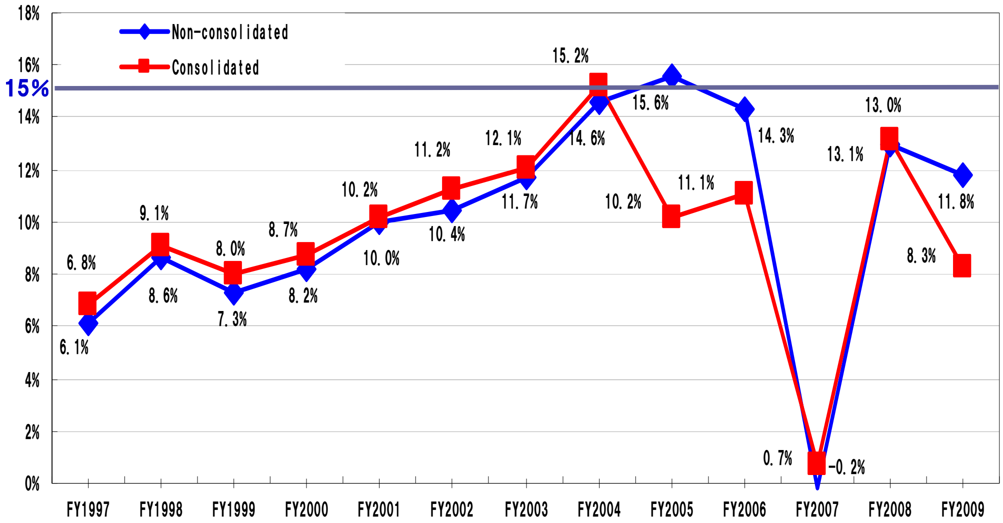
＊ Net sales of new business in previous year were 1.04 billion yen.

＊ Net sales from new businesses are primarily from the cooperative marketing results with 3D Tec, Meitec Global Solutions Apollo Giken, and Meitec CAE and customer transactions were posted to Meitec's account.

<Capital Investments and Depreciations (Non-Consolidated)>
- From the FY2001 to the FY2009 -

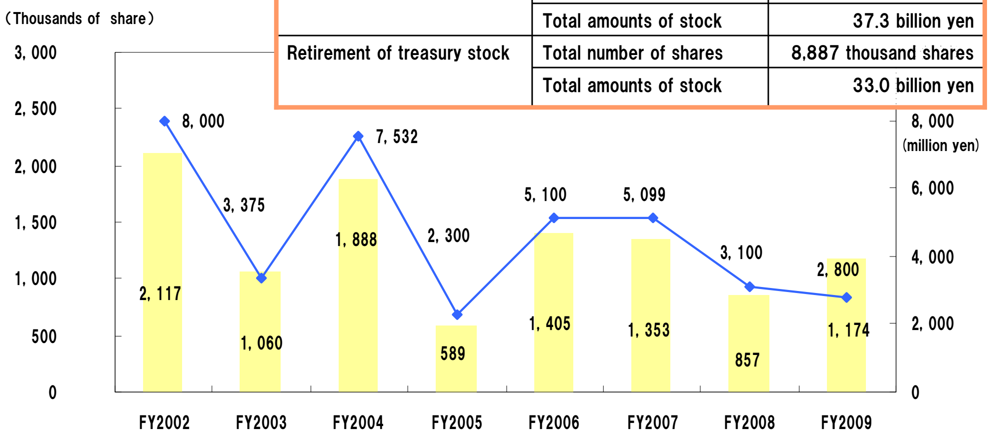


<Return on Equity（ROE）From the FY1994 to the FY2009>



<Results of Acquisition and Retirement of Treasury Stock>

From FY2002 to FY2009 ('08/4-' 09/3)		
Purchase of Treasury Stock	Total number of shares	10,442 thousand shares
	Total amounts of stock	37.3 billion yen
Retirement of treasury stock	Total number of shares	8,887 thousand shares
	Total amounts of stock	33.0 billion yen



*A total of 3,799,950 new shares were issued in October 2004 for a share exchange with Drake Beam Morin-Japan, Inc.

*Treasury stock held as of March 31, 2009 ; 1,949,447 shares

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<Shareholders by Business Segments (Non-Consolidated)>

Shareholder Segment	(As of the Fiscal year ended March 31, 2009)			
	Shareholders	%	Shares Held	%
Banks	6	0.08%	1,244,001	3.54%
Trust Banks	17	0.23%	7,666,676	21.84%
Life and against loss insurance companies	24	0.32%	4,996,383	14.23%
Securities financing and other financial companies	7	0.09%	48,760	0.14%
Securities companies	29	0.39%	270,404	0.77%
Business concerns and other companies	123	1.65%	338,150	0.96%
Overseas companies and investors	143	1.92%	14,778,315	42.10%
Individuals and others	7,102	95.31%	5,757,311	16.40%
Total	7,451	100.0%	35,100,000	100.0%