(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.

Security code : 9744

May 27, 2015

MEITEC CORPORATION
2-20-1, Kosei-tori,Nishi-ku, Nagoya, Japan
President and CEO: Hideyo Kokubun

Notice of Convocation of 42nd Annual General Meeting of Shareholders

To Our Shareholders:

MEITEC CORPORATION (the Company) requests your attendance at the 42nd Annual General Meeting of Shareholders, which will be held as follows**:**

If you will not attend the meeting, you may exercise your voting right by method in following page. After reviewing the reference material for the meeting herein, please exercise your voting right by 6:00 pm on June 17, 2015 (Wednesday).

1. Date and time: Thursday, June 18, 2015 at 2:00 p.m.

2. Place: Meitec Tokyo Office,
8-5-26, Akasaka, Akasaka DS Building 7th Floor,
Minato-ku, Tokyo, Japan

3. Purpose of the meeting:

Matters to be reported:

1) Presentation of the Business Results and Consolidated Financial Statements as well as Audit Results from the audit of the Consolidated Financial Statements by the independent accounting auditor and the Audit & Supervisory Board, for the 42nd fiscal period (from April 1, 2014, to March 31, 2015)

2) Presentation of the Non-consolidated Financial Statements, for the 42nd fiscal period (from April 1, 2014, to March 31, 2015)

Matters to be resolved:

Agenda Item 1 Dividend of the retained earnings (year end dividend for the fiscal year ended March 31, 2015)

Agenda Item 2 Partial amendments to the Articles of Incorporation

Agenda Item 3 Election of nine (9) Directors

Agenda Item 4 Election of one (1) Audit & Supervisory Board Member

Agenda Item 5 Election of one (1) Alternate Audit & Supervisory Board Member

4. About Exercising Your Voting Right

1) Exercising your voting right by mail

Please indicate whether you approve or disapprove on the resolution to the enclosed "Card for the Exercise of Voting Rights" and return it to the Company via mail, by 6:00 pm on June 17, 2015 (Wednesday)

2) Instructions for exercising your vote on the internet

If you are to attend the meeting, neither voting by sending the "Card for the Exercise of Voting Rights" nor voting by internet is necessary.

3) Treatment of non-indication of vote on the "Card for the Exercise of Voting Rights"

If approval or disapproval is not indicated on the "Card for the Exercise of Voting Rights" in exercising the voting right via mail, it shall be treated as if approval were voted.

4) Treatment of duplicate exercise by the internet

In case that multiple number of vote is exercised on the internet, last vote registered on the internet will be recognized as valid. Furthermore, if you exercise your voting rights in duplicate by accessing the voting website from a personal computer, a smart phone and a mobile phone, the last time that you exercise your voting rights shall be deemed valid.

5) Treatment of duplicate exercise by writing and by the internet

In case that a voting right is exercised both by writing using the "Card for the Exercise of Voting Rights" and on the internet, only the vote registered on the internet will be recognized as valid.

6) About diverse exercise of your vote

If you wishes to make diverse exercise your voting right, please notify the Company in writing by 3 days prior to the Annual General Meeting of Shareholders stating your intention of making the diverse exercise and the reasons.

Reference for Exercise of Voting Rights

Matters to be resolved:

Agenda Item 1: Dividend of the retained earnings (year end dividend for the fiscal year ended March 31, 2015)

The Company's basic policy for distribution of profits is to provide our shareholders with dividend payments proportionate to the fiscal period's profits. The dividend payout ratio will be equal to or more than 50% of net income. The dividend payout ratio should be at least 5% of the consolidated dividend on equity ratio (DOE).

Based on the above mentioned basic policy, with consideration of performance, the Company proposes the year-end dividend as following.

(1) Type of dividends : Cash

(2) Allotment of property for dividends and total amount thereof :
¥67 per share of the Company's common stocks, which consists of a regular dividend of ¥57 per share and a commemorative dividend of ¥10 per share to celebrate the 40th anniversary of the Company's founding., for a total of ¥2,029,116,105.
These dividends would result in annual dividends, including the interim dividend of ¥44 per share, of ¥111 per share.

(3) Effective date of dividends of the retained earnings : June 19, 2015

Agenda Item 2: Partial amendments to the Articles of Incorporation

1. Reason for amendments

In line with the scheduled enforcement in this fiscal year of the Act for Partial Revision of the Act for Securing the Proper Operation of Worker Dispatch Undertakings and Protecting Dispatched Workers and Other Acts, and in response to the resulting abolishment of the categories of "specified worker dispatch undertaking (notification system)" and "general worker dispatch undertaking (license system)" and to the fact that all worker dispatch undertakings will be conducted under the license system, the Company proposes to partially amend Article 2 (Purposes) of the Articles of Incorporation.

In addition, under the Act for Partial Revision of the Companies Act (Act No. 90 of 2014) which was enforced on May 1, 2015, a company may now enter into a limited liability agreement with directors who are not executive directors, etc. and with audit & supervisory board members who are not outside audit & supervisory board members. Accordingly, the Company proposes to partially amend Article 27 (Exemption from liability of directors) and Article 35 (Exemption from liability of audit & supervisory board members) of the Articles of Incorporation in order to enable such directors and audit & supervisory board members to fully perform the duties expected of them; and also to make necessary amendments to clarify the provisions.

Note that consent to the amendments to Article 27 (Exemption from liability of directors) of the Articles of Incorporation has been obtained from each audit & supervisory board member.

2. Details of amendments

The details of the amendments are as follows.

(Underlined portions represent amendments.)

Current Articles of Incorporation	Proposed amendments
(Purposes) Article 2 The purposes of the Company shall be to engage in the following businesses: (1) - (12) <Omitted> (13) General and Specified worker dispatch business as defined in the Worker Dispatch Act (14) - (16) <Omitted> [Omitted] (Exemption from liability of directors) Article 27 Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the board of directors, exempt directors (including former directors) from their liability for damages under Article 423, Paragraph 1 of the Companies Act to the extent prescribed by laws and regulations.	(Purposes) Article 2 The purposes of the Company shall be to engage in the following businesses: (1) - (12) <Unchanged> (13) Worker dispatch business as defined in the Worker Dispatch Act (14) - (16) <Unchanged> [Omitted] (Exemption from liability of directors) Article 27 Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the board of directors, exempt directors (including former directors) from their liability for damages arising from their failure to perform their duties to the extent prescribed by laws and regulations.

Current Articles of Incorporation	Proposed amendments
2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with outside directors to the effect that their liability for damages under Article 423, Paragraph 1 of the Companies Act shall be limited to the amount prescribed by laws and regulations.	2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with directors (excluding executive directors, etc.) to the effect that their liability for damages arising from their failure to perform their duties shall be limited; provided, however, that the maximum amount of liability under such agreement shall be the amount prescribed by laws and regulations.
[Omitted]	[Omitted]
(Exemption from liability of audit & supervisory board members) Article 35 Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the board of directors, exempt audit & supervisory board members (including former audit & supervisory board members) from their liability for damages under Article 423, Paragraph 1 of the Companies Act to the extent prescribed by laws and regulations.	(Exemption from liability of audit & supervisory board members) Article 35 Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the board of directors, exempt audit & supervisory board members (including former audit & supervisory board members) from their liability for damages arising from their failure to perform their duties to the extent prescribed by laws and regulations.
2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with outside audit & supervisory board members to the effect that their liability for damages under Article 423, Paragraph 1 of the Companies Act shall be limited to the amount prescribed by laws and regulations.	2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with audit & supervisory board members to the effect that their liability for damages arising from their failure to perform their duties shall be limited; provided, however, that the maximum amount of liability under such agreement shall be the amount prescribed by laws and regulations.
<Following contents omitted>	<Following contents omitted>

Agenda Item 3: Election of nine (9) Directors

The term of office of all the nine (9) current directors ends at the conclusion of the 42nd Annual General Meeting of Shareholders. The Board of Directors proposes that, nine (9) directors, including one (1) new director in order to further promote the group mid-term management plan and two (2) outside directors, are to be elected.

The candidates for directors are as follows.

	Name (Date of birth)	Career Summary and other Current Positions	Number of shares held in the Company
1	Hideyo Kokubun (October 20, 1959)	Apr. 1982 Joined MEITEC CORPORATION Feb. 1996 General Manager of the Atsugi Solutions Center Nov. 1999 General Manager of the Office of the President Apr. 2002 General Manager of the Customer Relations Center Apr. 2003 Executive officer of MEITEC CORPORATION Jun. 2003 Director of MEITEC CORPORATION Apr. 2006 Vice CEO of Temporary Staffing Business Group Jan. 2007 CEO of Temporary Staffing Business Group, In charge of Business Execution Division Mar. 2009 General Manager of the Sales Promotion Center Apr. 2014 President of MEITEC CORPORATION (current)、 CEO, Meitec Group (current)、 CEO, COO of MEITEC CORPORATION (current) [Current position] President of MEITEC CORPORATION CEO, Meitec Group CEO, COO of MEITEC CORPORATION Executive officer for the Internal Audit Dept., the CSR Dept., In charge of subsidiaries in China [Important Concurrent Positions] Director of MEITEC FIELDERS INC. Director of MEITEC CAST INC. Director of MEITEC NEXT CORPORATION	8,700

	Name (Date of birth)	Career Summary and other Current Positions	Number of shares held in the Company
2	Hiroshi Yoneda (June 16, 1954)	Apr. 1978 Joined Japan Recruitment Center Co.,Ltd. (currently Recruit Holdings Co.,Ltd.) Oct. 1988 General Manager of the Tokyo Communication Technology Dept., and General Manager of the Technical Services Dept. Apr. 1994 General Manager of the Kansai Human Resources Service Division Jun. 2002 Director of Recruit Ablic Inc. (currently Recruit Career Co.,Ltd.) Jun. 2003 Managing Director of Recruit Ablic Inc. (currently Recruit Career Co.,Ltd.) Jun. 2005 Director of MEITEC CORPORATION (current) President of Drake Beam Morin-Japan, Inc. Apr. 2006 CEO of Career Support Business Group Jul. 2006 President of MEITEC NEXT CORPORATION Nov. 2007 CCSO (Chief Career Support Officer), Meitec Group Oct. 2009 President of MEITEC FIELDERS INC. (current) [Current position] Director of MEITEC CORPORATION In charge of MEITEC FIELDERS INC., MEITEC NEXT CORPORATION [Important Concurrent Positions] President of MEITEC FIELDERS INC. Director of MEITEC NEXT CORPORATION	5,900

	Name (Date of birth)	Career Summary and other Current Positions	Number of shares held in the Company
3	Kiyomasa Nakajima (December 11, 1956)	Apr. 1979 Joined Japan Recruitment Center Co.,Ltd. (currently Recruit Holdings Co.,Ltd.) Jun. 1997 Director of Recruit Ablic Inc. (currently Recruit Career Co.,Ltd.) Jun. 2001 Managing Director of Recruit Ablic Inc. (currently Recruit Career Co.,Ltd.) Jul. 2006 Executive officer of MEITEC CORPORATION (current), assistant to president Jun. 2007 Director of MEITEC CORPORATION (current) CRO (Chief Recruitment Officer), Meitec Group Mar. 2009 In charge of headquarter Dept. Apr. 2012 President of All engineer.jp CORPORATION Apr. 2014 In charge of the Career Support Division (current) Nov. 2014 In charge of the Group Recruiting Division (current) [Current position] Director of MEITEC CORPORATION Executive officer for the Career Support Divisions, the Group Recruiting Division, All engineer.jp CORPORATION [Important Concurrent Positions] Director of MEITEC FIELDERS INC. Director of MEITEC NEXT CORPORATION Director of All engineer.jp CORPORATION	4,600
4	Masato Uemura (July 23, 1967)	Apr. 1990 Joined Saitama Bank, Limited. (currently Saitama Resona Bank, Limited.) Jul. 1999 Planning Dept, The Asahi Bank, Limited (currently Resona Bank, Limited.) Mar. 2003 Financial Dept, Resona Holdings, Inc. and Planning Dept, Resona Bank, Limited Jan. 2007 Joined MEITEC CORPORATION General Manager of the Management Information Dept. Mar. 2008 Executive officer of MEITEC CORPORATION (current) Jun. 2009 Director of MEITEC CORPORATION (current) Apr. 2014 In charge of Personnel Division (current) [Current position] Director of MEITEC CORPORATION In charge of the Personnel Division Executive officer for the Accounting Dept., the Management Administration Dept. [Important Concurrent Positions] Director of APOLLO GIKEN CO.,LTD.	5,200

	Name (Date of birth)	Career Summary and other Current Positions	Number of shares held in the Company
5	Hidenori Nagasaka (September 10, 1956)	Apr. 1983 Joined MEITEC CORPORATION Nov. 2002 General Manager of the EC Support Center Apr. 2003 Executive officer of MEITEC CORPORATION (current) Jun. 2009 Executive officer for the Central Japan Area Jan. 2011 Deputy Executive officer for the Business Execution Divisions, General Manager of the Sales Promotion Dept. May. 2011 Executive officer for the Business Execution Divisions Jun. 2011 Director of MEITEC CORPORATION (current) Jun. 2013 In charge of the Personnel Division [Current position] Director of MEITEC CORPORATION Executive officer for the Business Operations Management Division, the Sales Administration Dept. In charge of APOLLO GIKEN CO.,LTD. General Manager of the Sales Administration Dept. [Important Concurrent Positions] Director of MEITEC CAST INC. Director of APOLLO GIKEN CO.,LTD.	2,700
6	Akiyoshi Ogasawara (April 2, 1963)	Apr. 1988 Joined MEITEC CORPORATION Jul. 2005 Executive officer of MEITEC CORPORATION Jan. 2007 Director and Executive officer of MEITEC FIELDERS INC. Jan. 2011 Executive officer for the Business Execution Divisions of MEITEC FIELDERS INC. Oct. 2011 Manager, the Business Support Dept. of MEITEC FIELDERS INC. Jun. 2013 Director of MEITEC CORPORATION (current), Executive officer of MEITEC CORPORATION (current), Executive officer for the Business Execution Division (current) [Current position] Director of MEITEC CORPORATION Executive officer for the Business Execution Division In charge of MEITEC CAST INC., MEITEC EX CORPORATION [Important Concurrent Positions] Director of MEITEC FIELDERS INC Director of MEITEC CAST INC. Director of MEITEC EX CORPORATION	2,500

	Name (Date of birth)	Career Summary and other Current Positions	Number of shares held in the Company
7 ※	Hiroyuki Rokugo (July 5, 1961)	Apr. 1985 Joined RECRUIT CO., LTD. (currently Recruit Holdings Co., Ltd.) Apr. 1987 Transferred to Recruit Human Resource Center Co., Ltd. (currently Recruit Career Co., Ltd.) Apr. 2000 Nagoya Branch Manager of Recruit Ablic Inc. (currently Recruit Career Co., Ltd.) Apr. 2005 Executive officer of Recruit Ablic Inc. (currently Recruit Career Co., Ltd.) Jul. 2006 Executive officer of MEITEC NEXT CORPORATION Jun. 2007 Director of MEITEC NEXT CORPORATION Jun. 2010 President of MEITEC NEXT CORPORATION (current) Apr. 2014 President of Meitec Shanghai (current) 、President of Meitec Shanghai Human Resources Co., Ltd. (current) [Important Concurrent Positions] President of MEITEC NEXT CORPORATION President of Meitec Shanghai President of Meitec Shanghai Human Resources Co., Ltd.	1,000
8	Minao Shimizu (March 7, 1961)	Mar. 1983 Graduated from the Faculty of Law, University of Tokyo Apr. 1988 Entered the Legal Training and Research Institute of the Supreme Court of Japan Apr. 1990 Registered as attorney at law (Tokyo Bar Association) Joined Kawai, Takeuchi,Nishimura and Inoue Law Office(currently Sakura Kyodo Law Office.) Jul. 1996 Appointed partner of Sakura Kyodo Law Offices Oct. 2005 Established Minao Shimizu Law Office (current) Jun. 2011 Outside Director of MEITEC CORPORATION (current) [Important Concurrent Positions] Attorney at Law (Minao Shimizu Law Office)	3,700

	Name (Date of birth)	Career Summary and other Current Positions	Number of shares held in the Company
9	Hiroyuki Kishi (September 1, 1962)	Apr. 1986 Entered the Ministry of International Trade and Industry (currently the Ministry of Economy, Trade and Industry) Oct. 1995 Transferred to The Korean Peninsula Energy Development Organization (KEDO) Jun. 1998 Returned to the Ministry of International Trade and Industry (currently the Ministry of Economy, Trade and Industry) Aug. 2000 Assigned to Cabinet Secretariat in charge of Information Technologies (IT) Oct. 2001 Assistant to the Minister of State for Economic and Fiscal Policy Oct. 2002 Assistant to the Minister for Financial Services Sep. 2004 Secretary to the Minister of State for Economic and Fiscal Policy and the Minister of State for Privatization of the Postal Services Oct. 2005 Secretary to the Minister for Internal Affairs and Communications Oct. 2006 Assistant Professor, Research Institute for Digital Media and Content, Keio University Jan. 2007 Special Advisor, Avex Group Holding Inc. Apr. 2007 Associate Professor, Research Institute for Digital Media and Content, Keio University Jun. 2007 Director of Avex Group Holding Inc. Apr. 2008 Professor, Graduate School of Media Design, Keio University (current) Jun. 2010 Director of Avex Marketing Inc. (currently Avex Music Creative Inc.) (current) Jun. 2011 Outside Director of MEITEC CORPORATION (current) [Important Concurrent Positions] Professor, Graduate School of Media Design, Keio University Director of Avex Music Creative Inc.	0

Notes:

1. Candidate marked with ※ is new candidate.
2. No special interests exist between the candidate and the Company.
3. Mr. Minao Shimizu and Mr. Hiroyuki Kishi are candidates for outside director.
4. Reason for selecting Mr. Minao Shimizu and Mr. Hiroyuki Kishi as the candidate for the outside director are as follows;

(1) Mr. Minao Shimizu is attorney at law, and the Company expects that, utilizing his high knowledge in law, he will continuously contribute to over sighting the management and strengthening the function of the board of directors of the Company as an independent outside director. Although he had not participated in the management of the Company by the method other than by being an outside director nor an outside auditor, the Company judges that he can carry out his duty as an outside director properly because of above reasons. Mr. Minao Shimizu will have served as independent outside director of the Company for four (4) years at the close of this General Meeting of Shareholders since he was appointed to the said post.

(2) Mr. Hiroyuki Kishi has a wide knowledge as a professor of a graduate school of a university. The Company expects that, utilizing his experiences in the field of government administration and director of public company, he will continuously contribute to over sighting the management and strengthening the function of the board of directors of the Company as an independent outside director. Mr. Hiroyuki Kishi will have served as independent outside director of the Company for four (4) years at the close of this General Meeting of Shareholders since he was appointed to the said post.

5. The Company has entered into a liability limitation agreement with Mr. Minao Shimizu and Mr. Hiroyuki Kishi, respectively, pursuant to Article 423, Paragraph 1, of the Companies Act. The maximum amount of liability limitation provided under such an agreement is the minimum liability limitation amount stipulated in Article 425, Paragraph 1, of the Companies Act.

6. The Company filed Mr. Minao Shimizu and Mr. Hiroyuki Kishi as independent director as defined by Article 436, Paragraph 2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc. In the event that Mr. Minao Shimizu and Mr. Hiroyuki Kishi were appointed as independent outside directors after the approval of the Agenda Item 2, they should be successively filed as independent director. In addition, the Company sets out the "criteria for the independence of candidates regarding the appointment of independent outside directors or outside audit & supervisory board members" as meeting the two requirements: (i) to satisfy the qualifications for independent director stipulated by Tokyo Stock Exchange, Inc. (Article 436, Paragraph 2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc.); and (ii) not to fall under the additional disclosure requirements stipulated by Tokyo Stock Exchange, Inc. (Article 211, Paragraph 4, Item 5-a of the Enforcement Rules for the Securities Listing Regulations of Tokyo Stock Exchange, Inc. Which to be abolished on June 1, 2015) They satisfy the criteria for independence.

Agenda Item 4: Election of one (1) Audit & Supervisory Board Member

The term of audit & supervisory board member of Mr. Masatoshi Saito will end at the conclusion of the 42nd Annual General Meeting of Shareholders. The Board of Directors proposes one (1) audit & supervisory board member to be elected.

This proposal has the approval of the Audit & Supervisory Board.

The candidate for audit & supervisory board member is as follows.

Name (Date of birth)	Career Summary and other Current Positions	Number of shares held in the Company
Masatoshi Saito (March 6, 1951)	Aug. 1976 Joined Tsuji Accountant's Office (currently Hongo Tsuji Certified Public Accountant's Corporation) Jun. 1980 Registered as a licensed tax accountant. Sep. 1995 Deputy Director, Tsuji Accountant's Office Sep. 1995 Representative Director, Shinwa Business Consulting Jun. 1997 Audit & Supervisory Board Member of MEITEC CORPORATION (current) Apr. 2002 Partner and Deputy Director of Hongo Tsuji Certified Public Accountant's Corporation Jan. 2005 Established Masatoshi Saito Certified Tax Accountant Office (current) [Important Concurrent Positions] Tax Accountant (Masatoshi Saito Certified Tax Accountant Office)	11,500

Notes:

1. No special interests exist between the candidate and the Company.
2. Mr. Masatoshi Saito is a candidate for outside audit & supervisory board member.
3. Reason for selecting Mr. Masatoshi Saito as a candidate for outside audit & supervisory board member is as follows;

   Mr. Masatoshi Saito is a certified tax accountant. The Company expects that, utilizing his knowledge in finance and accounting, he will contribute to over sighting the management and strengthening the function of the board of directors of the Company as a independent outside audit & supervisory board member. Although he had not participated in the management of company by the method other than being an outside director nor an outside audit & supervisory board member, the Company judge that he can carry out the duty as an outside audit & supervisory board member properly because of above reasons.

   Years of his appointment as audit & supervisory board member of the Company will be eighteen (18) years at the close of this Annual General Meeting of Shareholders.
4. Mr. Masatoshi Saito and the Company entered into a liability limitation agreement pursuant to Article 423, Paragraph 1, of the Companies Act. The maximum amount of liability limitation provided under such an agreement would be the minimum liability limitation amount stipulated in Article 425, Paragraph 1, of the Companies Act.
5. The Company filed Mr. Masatoshi Saito as independent audit & supervisory board member as defined by Article 436, Paragraph 2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc. In the event that Mr. Masatoshi Saito was appointed as independent outside audit & supervisory board member after the approval of the Agenda Item 2, he should be successively filed as independent audit & supervisory board member. In addition, the Company sets out the "criteria for the independence of candidates regarding the appointment of independent outside directors or outside audit & supervisory board members" as meeting the two requirements: (i) to satisfy the qualifications for independent audit & supervisory board member stipulated by Tokyo Stock Exchange, Inc. (Article 436, Paragraph 2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc.); and (ii) not to fall under the additional disclosure requirements stipulated by Tokyo Stock Exchange, Inc. (Article 211, Paragraph 4, Item 5-a of the Enforcement Rules for the Securities Listing Regulations of Tokyo Stock Exchange, Inc. Which to be abolished on June 1, 2015) He satisfies the criteria for independence.

Agenda Item 5: Election of one (1) Alternate Audit & Supervisory Board Member

The company is seeking approval of election of one alternate audit & supervisory board member which is to prepare against the event of the number of audit & supervisory board falling below legal stipulations.

Shareholders are advised that the effectiveness of appointment of the alternate audit & supervisory board member may be cancelled before the alternate audit & supervisory board member assumes an audit & supervisory board member position by a resolution of the Board of Directors with Audit & Supervisory Board approval.

This proposal has the approval of the Audit & Supervisory Board.

The candidate for alternate audit & supervisory board member is as follows.

Name (Date of birth)	Career Summary and other Current Positions	Number of shares held in the Company
Toru Kunibe (December 9, 1960)	Mar. 1985 Graduated from the Faculty of Law, University of Tokyo Apr. 1990 Entered the Legal Training and Research Institute of the Supreme Court of Japan Apr. 1992 Registered as attorney at law (Tokyo Bar Association) Joined Arai Law Office Apr. 1998 Established Kunibe Law Office (current) [Important Concurrent Positions] Attorney at Law (Kunibe Law Office)	0

Notes:

1. No special interests exist between the candidate and the Company.
2. Mr. Toru Kunibe is a candidate for alternate outside audit & supervisory board member.
3. Reason for selecting Mr. Toru Kunibe as a candidate for the alternate outside audit & supervisory board member is as follows;

   Mr. Toru Kunibe has wide knowledge as an attorney at law and the Company expect that he will contribute to over sighting the management and strengthening the function of the board of directors of the Company as a independent outside audit & supervisory board member. Although he had not participated in the management of company by the method other than being an outside director nor an outside audit & supervisory board member, the Company judge that he can carry out the duty as an outside audit & supervisory board member properly because of above reasons.
4. In the event that Mr. Toru Kunibe were appointed as an outside audit & supervisory board member, he and the Company plan to enter into a liability limitation agreement pursuant to Article 423, Paragraph 1, of the Companies Act. The maximum amount of liability limitation provided under such an agreement would be the minimum liability limitation amount stipulated in Article 425, Paragraph 1, of the Companies Act.
5. The Company sets out the "criteria for the independence of candidates regarding the appointment of independent outside directors or outside audit & supervisory board members" as meeting the two requirements: (i) to satisfy the qualifications for independent audit & supervisory board member stipulated by Tokyo Stock Exchange, Inc. (Article 436, Paragraph 2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc.); and (ii) not to fall under the additional disclosure requirements stipulated by Tokyo Stock Exchange, Inc. (Article 211, Paragraph 4, Item 5-a of the Enforcement Rules for the Securities Listing Regulations of Tokyo Stock Exchange, Inc. Which to be abolished on June 1, 2015) He satisfies the criteria for independence.

人と技術で次代を拓く

MEITEC

メイテックグループ

(Attached Documents for the Notice of Convocation of the 42nd Annual General Meeting of Shareholders)

Report for 42nd fiscal year

(From April 1, 2014 to March 31, 2015)

MEITEC CORPORATION

(Security Code:9744)

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

Greetings from the President



I would like to express my sincere appreciation for your continuing supports to all the shareholders.
I hereby present you with the business report for fiscal year ended March 31, 2015.
I ask all of our shareholders for your continued understanding and support going forward.

May 2015

Hideyo Kokubun
CEO, Meitec Group

Meitec Group management concept
"Mutual Growth & Prosperity"

"Ideal State" of the Meitec Group

We, the Meitec Group, with cooperation of all the employees, shall improve the five values continuously from the "Value to Engineers" as a starting point.

1. Value to Engineers: We continue to provide optimum "opportunities and placement" for all engineers who aim for affluent "Career Style of Engineer".

2. Value to Employees: We continue to provide optimum "opportunities and placement" for employees who sympathize with the intension of "independence and mutual supports" and continue to grow as professional.

3. Value to Clients: We continue to provide optimal services of "People and Technology", aiming to becoming a "reliable Best-Partner" for all clients.

4. Value to Shareholders: We maximize mid and long-term shareholders returns by creating "sound profits" based on continuous improvement of the Values.

5. Value to the Society: We will be a pioneer in creating a "Professional Labor Market" in Japan, through establishing a career style of "lifetime professional engineers".

BUSINESS REPORT

(from April 1, 2014 to March 31, 2015)

1. Business Outline

(1) Results of Operations

During the fiscal year under review (April 1, 2014 to March 31, 2015), the Japanese economy faced an uncertain outlook due to lackluster economic growth in emerging markets, the impact of the increase in the consumption tax rate, and other factors. However, due to factors such as the effects of the government's economic and financial policies, corporate earnings improved, among other signs, and the economy exhibited a moderate recovery trend.

During the fiscal year under review, many leading manufacturers, which are the major clients of the Company, continued investing in technological development looking to the next generation, unaffected by business conditions. Under this environment, companies redoubled their efforts on recruiting activities, leading to an increase in the number of engineers. Under this strong order environment, the number of engineers assigned to clients steadily increased.

As a result, consolidated net sales for the fiscal year under review increased ¥7,230 million from a year earlier to ¥82,136 million. Consolidated cost of sales increased ¥5,110 million from a year earlier to ¥60,481 million, chiefly because of increased labor costs due to an increase in the number of engineers, along with other factors. Consolidated selling, general and administrative expenses fell by ¥441 million from a year earlier to ¥12,114 million. As a result, consolidated operating income rose ¥2,561 million from a year earlier to ¥9,540 million. Consolidated ordinary income increased ¥2,664 million from a year earlier to ¥9,643 million.

Moreover, during the second quarter, having judged that there will be no problem in the quality and quantity of engineer education and training, the Company decided to suspend the use of several aging training facilities and other facility in order to reduce the burden of maintenance costs and the risk of future cost increases. Chiefly as a result of this action, extraordinary losses of ¥3,621 million were recorded.

As a result of the above, as well as the impact of the increase in tax expenses including the reversal of deferred tax assets in conjunction with the promulgation of a law related to the lowering of the corporate tax rate, consolidated net income decreased by ¥313 million from a year earlier to ¥3, 659 million.

The impact of the reversal of deferred tax assets was ¥610 million.

Results by business segment were as follows:

The Company has changed reportable segments to include the former "Global Business" into the "Recruiting & Placement Business" from the fiscal year under review.

Moreover, the Company merged with its consolidated subsidiary Meitec CAE on October 1, 2014. As a result, the operating results of Meitec CAE, which had been included in the Engineering Solutions Business segment were presented within the Temporary Staffing Business segment from the fiscal year under review.

Therefore for this report, to facilitate comparison with the same period of the previous fiscal year, figures for the same period of the previous fiscal year have been reclassified according to the segment after such change.

ⅰ.Temporary Staffing Business

Net sales in the Temporary Staffing Business segment for the period under review increased ¥6,860 million from a year earlier to ¥79,346 million. The reason for this increase was an increase in the number of engineers assigned to clients in the Temporary Staffing Business, which accounts for more than 90% of consolidated net sales, particularly in the professional staffing business for engineers, the core business of this segment. Operating income increased ¥2,336 million from a year earlier to ¥9,145 million.

The Company's non-consolidated utilization ratio (overall) maintained a high level of 96.1%, compared with 94.7% in the same period of the previous fiscal year, as 378 newly graduated engineers who were hired in April of this year were smoothly assigned to customers, while assignment of existing engineers also progressed smoothly.

Also, working hours were steady at 8.93 hours/day, same as 8.93 hours/day for the same period of the previous fiscal year.

ⅱ. Recruiting & Placement Business

The Recruiting & Placement Business segment operates job placement and information portal site businesses for engineers.

Net sales in the Recruiting & Placement Business advanced ¥328 million from a year earlier to ¥1,340 million, and operating income increased ¥203 million to ¥387 million.

Meitec Next achieved sales and profit growth due to a continuing increase in the number of job placements.

ⅲ. Engineering Solutions Business

The Engineering Solutions Business segment provides technology support services such as printed- circuit board design.

Net sales in the Engineering Solutions Business for the fiscal year under review rose ¥94 million from a year earlier to ¥1,657 million, and an operating income of ¥12 million was posted, compared with a loss of ¥21 million a year earlier.

Apollo Giken Group saw an increase in sales, and returned to operating profitability after recording an operating loss a year earlier.

Note: 1: All figures are exclusive of consumption taxies.

Note 2: Sales figures for each segment include intersegment transactions and transfers.

(2) Capital Investment for the Meitec Group

During the consolidated fiscal year under review, we have made capital investment mainly to improve our business supporting system, and total amounted to ¥388 million.

And, capital investment by segments were, ¥343 million for the Temporary Staffing Business, ¥13 million for the Recruiting & Placement Business, and ¥31 million for the Engineering Solution Business.

These capital investment amounts include the cost for software and other (software in progress.)

(3) Financing for the Meitec Group

The Company meets its capital requirements with its own funds. The Company did not procure capital through the issuance of new shares or bonds during the consolidated fiscal year under review.

(4) Issues to Be Addressed

Main business of our corporate group is the temporary engineer staffing business. Based on our group management concept “Mutual Growth & Prosperity”, we, the Meitec Group, with cooperation of all the employees, shall improve the five values (Value to Engineers, Value to Employees, Value to Clients, Value to Shareholders, Value to the Society) continuously from the "Value to Engineers" as a starting point.

Future performances of the temporary engineer staffing business depend on higher number of engineers and higher utilization ratio. Therefore we recognize that most important objective is to realize the sustainable growth by continued strengthening the sales effort to obtain new orders, recruitment and increasing the employee and supporting employee carrier advancement in consideration of the environmental changes.

ⅰ.Sales effort to obtain new orders

Main business of our corporate group, temporary engineer staffing business, is also a business of supporting carrier advancement of the engineers. Not limited to obtaining the orders to sustain or increase the number of engineers on job and utilization ratio, it is most important to continue providing the chance and place for expansion of their work segments so that they can widen their selection of carrier advancement. Therefore, we will try to build stronger clients basis where we can obtain orders in any economic conditions regardless of under crisis or not. We will continue to improve our sales system to strengthen our sales ability.

ⅱ.Recruitment and increasing employee

For Meitec Group, as largest “Group of professional engineers” in Japan, hiring more excellent engineers and staffs would be the source of growth. Therefore, we will establish a brand name with reliability and sense of security as the leader of the industry in the human resource market, and reinforce our recruiting ability. We will continue to execute efficient recruiting effort and increase the employee to meet with the changing market condition regardless of under crisis or not.

ⅲ. Supporting employee carrier advancement

It is essential to provide close support to each and every engineer for their carrier advancement in order to sustain and improve the quality of the largest “Group of professional engineers” in Japan. To provide proper and timely support, we have determined that the quality of services which the engineers provide to be “Technological strength multiplied by Human strength equals Total Strength”. We will continue our effort to provide the extended support to the carrier advancement needs initiated from the engineers and strengthen the carrier advancement support led by the company. We will continue our effort in strengthening the efficient support for the carrier advancement by timely catching the changes and expansion of the clients’ needs.

(5) Changes in Assets and Income

ⅰ.Changes in Assets and Income of the Meitec Group

(unit : million yen)

Item	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015 (current consolidated fiscal year)
Net Sales	66,955	70,330	74,906	82,136
Operating Income	5,450	6,354	6,979	9,540
Ordinary Income	5,531	6,427	6,978	9,643
Net Income	2,827	5,993	3,973	3,659
Net Income per Share	85.45	186.08	128.30	120.11
Total Assets	57,559	58,002	61,445	65,098
Net Assets	37,209	38,422	36,188	37,565
Net Assets per Share	1,135.09	1,229.61	1,182.84	1,238.77

ⅱ.Changes in Assets and Income of the Company

(unit : million yen)

Item	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015 (current fiscal year)
Net Sales	53,188	55,822	58,876	64,675
Operating Income	4,613	5,402	5,751	7,925
Ordinary Income	4,988	5,698	6,149	8,438
Net Income	2,590	6,056	3,425	3,340
Net Income per Share	78.27	188.04	110.60	109.62
Total Assets	55,504	55,918	58,450	58,483
Net Assets	35,203	36,507	34,991	36,221
Net Assets per Share	1,076.45	1,170.20	1,145.17	1,195.99

(6)Important Status of Parent Company and Subsidiaries（as of March 31, 2015）

ⅰ.Status of Important Parent Company

Not Applicable.

ⅱ.Status of Important Subsidiaries

Company Name	Location	Capital	Voting rights held by Meitec (%)	Main business
MEITEC FIELDERS INC.	Tokyo	(million yen) 120	100.0	Temporary Staffing Business
MEITEC CAST INC.	Tokyo	(million yen) 100	100.0	Temporary Staffing Business
MEITEC EX CORPORATION	Aichi	(million yen) 50	100.0	Temporary Staffing Business
MEITEC NEXT CORPORATION	Tokyo	(million yen) 30	100.0	Recruiting & Placement Business
All engineer.jp CORPORATION	Tokyo	(million yen) 70	100.0	Recruiting & Placement Business
Meitec Shanghai	China	(US$1,000) 2,478	100.0	Recruiting & Placement Business
Meitec Shanghai Human Resources Co., Ltd.	China	(US$1,000) 300	70.0	Recruiting & Placement Business
. Meitec Xian TechnoCenter Co., Ltd.	China	(US$1,000) 2,272	100.0	Recruiting & Placement Business
Meitec Chengdu TechnoCenter Co., Ltd.	China	(US$1,000) 2,130	100.0	Recruiting & Placement Business
APOLLO GIKEN CO.,LTD.	Kanagawa	(million yen) 311	81.2	Engineering Solutions Business
Shanghai Apomac Science & Technology	China	(US$1,000) 808	81.2	Engineering Solutions Business

Note1 :Voting right ratio held by Meitec include that of indirect ownership interest.

Note2 :On October 1, 2014, Meitec CAE, a consolidated subsidiary, was merged into Meitec

ⅲ.Situation of important combination of enterprises etc.

Not Applicable.

(7)Primary business of the group（as of March 31, 2015）

Temporary Staffing Business
Recruiting & Placement Business
Engineering Solutions Business

(8) Primary Office of the Group (as of March 31, 2015)

ⅰ.The Company

Registered Corporate Headquarters	2-20-1 Kosei-tori Nishi-ku Nagoya
Corporate Headquarters	8-5-26, Akasaka, Akasaka DS Building, Minato-ku, Tokyo
Engineering Center (EC)	Sendai EC (Miyagi), Utsunomiya EC (Tochigi), Takasaki EC (Gunma), Saitama EC (Saitama), Mito EC (Ibaraki), Tsukuba EC (Ibaraki), Chiba EC (Chiba), Tokyo EC (Tokyo), Tokyo-Kita EC (Tokyo), Tachikawa EC (Tokyo), Tokyo Solution Center (Tokyo), Yokohama EC (Kanagawa), Atsugi EC (Kanagawa), Shonan EC (Kanagawa), Mishima EC (Shizuoka), Shizuoka EC (Shizuoka), Hamamatsu EC (Shizuoka), Koshinetsu EC (Nagano), Okazaki EC (Aichi), Toyota EC (Aichi), Nagoya EC (Aichi), Nagoya-Minami EC (Aichi), Mie EC (Mie), Gifu EC (Gifu), Nagoya Solution Center(Aichi), CAE Center(Aichi), Kanazawa EC (Ishikawa), Shiga EC (Shiga), Kyoto EC (Kyoto), Osaka EC (Osaka), Osaka-Higashi EC (Osaka), Kobe EC (Hyogo), Hiroshima EC (Hiroshima), Fukuoka EC (Fukuoka)
Techno-Center	Atsugi, Nagoya, Kobe

ⅱ.Subsidiaries and Affiliates

Locations of the subsidiaries are listed in above, "(6)Important Status of Parent Company and Subsidiaries, ② Status of Important Subsidiaries".

(9) Employees (as of March 31, 2015)

ⅰ.Number of employees of corporate groups

Business segment	Number of employees	Compared to the end of the previous fiscal year
Temporary Staffing Business	8,530	504
Recruiting & Placement Business	75	(11)
Engineering Solutions Business	120	(38)

ⅱ.Number of employees of the Company

Business segment	Number of employees	Compared with the end of the previous fiscal year
Temporary Staffing Business	6,786	445

(10) Principal lenders and the amount of loans (as of March 31, 2015)

Not applicable.

(11) Other Significant Matters Relating to the Status of the Corporate Group

Not applicable.

2. Status of Shares

ⅰ.Total Number of shares authorized to be issued 142,854,400 shares

ⅱ.Total Number of issued shares 32,200,000 shares
(Including treasury stock of 1,914,685 shares)

Note: "Total number of shares issued" decreased by 300,000 shares compared to the previous fiscal year due to the retirement of treasury stock executed in March 2015.

ⅲ.Number of shareholders 5,941 persons
(Decreased by 436 persons from the end of the previous fiscal year)

ⅳ.Major shareholders (top ten)

Name of shareholder	Number of shares held by the shareholder (thousand shares)	Ratio of shares held (%)
The Master Trust Bank of Japan, Ltd. (trust account)	2,600	8.58
State Street Bank and Trust Company 505223	2,417	7.98
Japan Trustee Services Bank, Ltd. (trust account)	1,771	5.84
Nippon Life Insurance Company	1,591	5.25
Japan Trustee Services Bank, Ltd. (trust account 9)	1,539	5.08
MEIJI YASUDA LIFE INSURANCE COMPANY	1,215	4.01
JP Morgan Chase Bank 385632	1,048	3.46
Meitec Employee Stock Ownership Plan	947	3.12
State Street Bank and Trust Company	565	1.86
Mellon Bank, N.A. As Agent For Its Client Mellon Omnibus US Pension	562	1.85

Note: The Company hold 1,914,685 shares as treasury stock. But since there is no voting right to the treasury stock, it is excluded from above list and the ratio of share held is calculated excluding the treasury stock.

3. About Stock Purchase/Subscription Warrant

None

4. Matters concerning Directors and Audit & Supervisory Board Members

(1) Names and other details of Directors and Audit & Supervisory Board Members (as of March 31, 2015)

Title	Name	Position and important positions concurrently held at other companies
Representative Director and President	Hideyo Kokubun	CEO, Meitec Group CEO and COO of MEITEC CORPORATION Executive officer for the Internal Audit Department, the CSR Department, In charge of subsidiaries in China Director of MEITEC FIELDERS INC. Director of MEITEC CAST INC. Director of MEITEC NEXT CORPORATION
Chairman and Director	Kosuke Nishimoto	Representative director of the Nippon Engineering Outsourcing Association Vice president of the Japan Association of Human Resource Services Industry
Director	Hiroshi Yoneda	In charge of MEITEC FIELDERS INC., MEITEC NEXT CORPORATION Representative Director and President of MEITEC FIELDERS INC. Director of MEITEC NEXT CORPORATION
Director	Kiyomasa Nakajima	Executive officer for the Career Support Divisions, the Group Recruiting Division, In charge of All engineer.jp CORPORATION Director of MEITEC FIELDERS INC. Director of MEITEC NEXT CORPORATION Director of All engineer.jp CORPORATION
Director	Masato Uemura	In charge of the Personnel Division Executive officer for the Accounting Department, the Management Administration Department Director of APOLLO GIKEN CO.,LTD.
Director	Hidenori Nagasaka	Executive officer for the Business Operations Management Division, the Sales Planning Department In charge of MEITEC APOLLO GIKEN CO.,LTD. General Manager of the Sales Planning Department Director of MEITEC CAST INC. Director of APOLLO GIKEN CO.,LTD.
Director	Akiyoshi Ogasawara	Executive officer for the Business Execution Division In charge of the Kanagawa, Shizuoka Area and the Western Area In charge of MEITEC CAST INC., MEITEC EX CORPORATION Director of MEITEC FIELDERS INC. Director of MEITEC CAST INC. Director of MEITEC EX CORPORATION
Director	Minao Shimizu	Attorney at Law (Minao Shimizu Law Office)
Director	Hiroyuki Kishi	Professor, Graduate School of Media Design, Keio University Director of Avex Music Creative Inc.

Audit & Supervisory Board Member	Makoto Fukai	(Standing) Outside Audit & Supervisory Board Member of MEITEC FIELDERS INC. Outside Audit & Supervisory Board Member of MEITEC NEXT CORPORATION Outside Audit & Supervisory Board Member of APOLLO GIKEN CO., LTD.
Audit & Supervisory Board Member	Masatoshi Saito	Tax Accountant (Masatoshi Saito Certified Tax Accountant Office)
Audit & Supervisory Board Member	Hiroshi Watanabe	Certified Public Accountant (Hiroshi Watanabe Public Accountant Office)

Note: 1. Minao Shimizu and Hiroyuki Kishi are outside directors.

2. Makoto Fukai, Masatoshi Saito and Hiroshi Watanabe are Outside Audit & Supervisory Board Members.

3. Other company which Makoto Fukai, an Outside Audit & Supervisory Board Member, hold a concurrent position is a consolidated subsidiary of the Company.

4. There are no special relationship with other companies which Minao Shimizu and Hiroyuki Kishi, Outside Directors, and Masatoshi Saito and Hiroshi Watanabe, Outside Audit & Supervisory Board Members, hold a concurrent position with.

5. Outside Director Minao Shimizu and Hiroyuki Kishi, and Outside Audit & Supervisory Board Member Makoto Fukai, Masatoshi Saito and Hiroshi Watanabe are independent executives defined by Tokyo Stock Exchange, Inc.

6. Standing Outside Audit & Supervisory Board Member Makoto Fukai have extended knowledge regarding financing and accounting from his long experiences with financial institution.

7. Outside Audit & Supervisory Board Member Masatoshi Saito hold tax accountant license, and possess sufficient knowledge on financing and accounting.

8. Outside Audit & Supervisory Board Member Hiroshi Watanabe hold certified accountant license, and possess sufficient knowledge on financing and accounting.

9. There were no changes in director or Audit & Supervisory Board Member during the subject fiscal year.

10. The Company has introduced the executive officer system from April 1, 2003. Executive officers of the Company (as of March 31, 2015) are as following.

Type of Officer	Name
Representative Director and President CEO and COO	Hideyo Kokubun
Director and Executive Officer	Kiyomasa Nakajima, Masato Uemura, Hidenori Nagasaka, Akiyoshi Ogasawara
Executive Officer	Koichi Nakagawa, Tetsuya Yabe, Hiroshi Yamada, Keisuke Ito, Sonoe Shimizu, Yuji Hachiya

(2) Remuneration for Directors and Audit & Supervisory Board Members

	Number of persons	Amount of remuneration (million yen)
Directors (Of which, outside directors)	9 (2)	255 (13)
Audit & Supervisory Board Members (Of which, Outside Audit & Supervisory Board Members)	3 (3)	36 (36)
Total	12	292

(3) Matters Concerning the Determination of Remuneration to Directors and Audit & Supervisory Board Members, and Methods of Calculation

ⅰ.Method for Determining the Remuneration Policy

The Company's policies on executive remuneration are determined by the Board of Directors Meeting.

Remuneration to individual directors was approved at the 37th Annual General Meeting of Shareholders held on June 24, 2010.

ⅱ.Overview of the Remuneration Policy

a. The Company's policy on executive remuneration is as follows.

- The process of determining executive remuneration will be clarified and disclosed in order to enhance management transparency, and strengthen corporate governance.
- The independence of Audit & Supervisory Board Members will be enhanced in order to strengthen corporate governance.
- The proportion of performance-linked executive compensation will be increased in order to clarify management responsibility, and to enhance the incentive to executives to increase corporate value.

b. Executive remuneration approved at the 37th Annual General Meeting of Shareholders held on June 24, 2010, is as follows.

- Remuneration Amounts to Individual Directors and Audit & Supervisory Board Members

CEO	Monthly payment	¥3,000,000or less
COO	Monthly payment	¥2,500,000or less
Director	Monthly payment	¥2,000,000or less
Outside Director	Monthly payment	¥500,000or less
Standing Audit & Supervisory Board Member	Monthly payment	¥2,000,000or less
Audit & Supervisory Board Member (excluding Standing Audit & Supervisory Board Member)	Monthly payment	¥500,000or less

Note:

1. In cases where the CEO and COO positions are held by the same person, the compensation for CEO applies.
2. The amount of remuneration of individual directors will be determined by the resolution of the Board of Directors Meeting and the amount of remuneration of individual Audit & Supervisory Board Members will be determined by consultation among Audit & Supervisory Board Members.
3. If the amount of consolidated operating income is less than ¥10 billion and consolidated operating margin (as calculated by consolidated operating income divided by consolidated sales) is less than 10% for a given consolidated fiscal year, the amount of remuneration of individual directors as determined pursuant to "2." above shall be uniformly reduced by 10% for the following consolidated fiscal year.
4. Other benefits and allowances, such as commuting and relocation benefits, are paid separately.
5. In cases where a director also serves as an employee, the employee salary is included. (An employee

bonus is not paid to directors who also serve as employees.)

- Business Performance-Linked Directors' Compensation

  An amount equal to 2% of consolidated net income (not including business performance-linked directors' remuneration), with fractions of ¥1 million and less discarded, shall be the total amount of business performance-linked directors' compensation. This amount shall be distributed among directors based on the individual business performance of each director (provided, however, that the maximum amount that can be allocated to an outside director shall be limited to ¥6 million).

c. The retirement bonus system for directors and audit & supervisory board members was abolished in the fiscal year ended March 31, 2002.

d. Compensation to directors from subsidiaries in which a director holds a concurrent post is waived in principle.

e. Audit & Supervisory Board Members are not given performance-linked compensation in order to preserve audit & supervisory board member independence.

f. The amount of compensation to individual directors has been disclosed since the 30th Annual General Meeting of Shareholders held on June 24, 2003.

(4) Matters concerning Outside Directors and Outside Audit & Supervisory Board Members

ⅰ.Relationship between the Company and Significant Companies Where Outside Directors and Outside Audit & Supervisory Board Members Hold Concurrent Posts

The status and other information on significant concurrent posts are listed in "4. Matters concerning Directors and Audit & Supervisory Board Members; (1) Names and other details of Directors and Audit & Supervisory Board Members."

ⅱ.Status of Main Activities during the Subject Fiscal Year

Name	Attendance (total attended/total held)	Major Activities
Minao Shimizu (Outside Director)	Directors' meetings 16/16	He provided proper advice and proposals as needed, based on his sufficient knowledge and experiences.
Hiroyuki Kishi (Outside Director)	Directors' meetings 12/16	He provided proper advice and proposals as needed, based on his sufficient knowledge and experiences.
Makoto Fukai (Outside Audit & Supervisory Board Member)	Directors' meetings 16/16 Audit & Supervisory Board 14/14	At the board of directors meetings, he made appropriate questions, advice and proposals as needed. Also at the Audit & Supervisory Board, as standing outside audit & supervisory board member, he made reports and provided opinions to other outside audit & supervisory board members.
Masatoshi Saito (Outside Audit & Supervisory Board Member)	Directors' meetings 15/16 Audit & Supervisory Board 13/14	He provided proper advice and proposals as needed, based on his sufficient knowledge and experiences, especially in the field of financing, accounting and tax matter.
Hiroshi Watanabe (Outside Audit & Supervisory Board Member)	Directors' meetings 16/16 Audit & Supervisory Board 14/14	He provided proper advice and proposals as needed, based on his sufficient knowledge and experiences, especially in the field of financing and accounting.

ⅲ.Description of Limited Liability Agreement

The Company enters into a liability limitation agreement with its outside director and outside audit & supervisory board member pursuant to Article 423, Paragraph 1, of the Companies Act. The maximum amount of liability limitation provided under such an agreement would be the minimum liability limitation amount stipulated in Article 425, Paragraph 1, of the Companies Act.

5. Status of the Accounting Auditor

(1) Name of Accounting Auditor

Deloitte Touche Tohmatsu LLC

(2) Compensation to Accounting Auditor for current fiscal year

Description	Amount of compensation (thousand yen)
1. Total compensation and amounts paid by Meitec	46,800
2. Total amount of cash and other property profits to be paid by Meitec and its subsidiaries to the independent accountant	46,800

Note: In the audit agreement between Meitec and the independent accounting auditor, the amounts of compensation for conducting auditing services in accordance with the Companies Act and auditing services in accordance with the Financial Instruments and Exchange Law are not separated, and the above amounts contain compensation and other remuneration for auditing services under the Financial Instruments and Exchange Law.

(3) Description of Non-auditing Job

The Company does not commission the accounting auditor to provide service which is out side of the scope of the activities defined in the Article 2, Paragraph 1 of the Certified Public accountants Act.

(4) Policy regarding decisions on the dismissal or non-reappointment of the Accounting Auditor

If the Accounting Auditor is deemed to fall under any of the items prescribed in Article 340, Paragraph 1 of the Companies Act, Meitec will be dismissed. If the Accounting Auditor determine any competency against various laws, it is policy that he will not renew the appointment of the accounting auditor, and select appropriate auditing firm to be proposed to the share holders meeting.

6. Corporate Structure and Policies

The Board of Directors Meeting determines the basic policy regarding the internal control system in accordance with the Companies Act. Basic Policy regarding the Development and Maintenance of Internal Control System and its implementation status are as follows.

Basic Policy regarding the Development and Maintenance of Systems to Ensure Sound Business Operations (Internal Control Systems)

(1) Framework to ensure compliance by directors and employees with laws, regulations and the Company's articles of incorporation in the course of the execution of their duties

(Companies Act, Article 362, Paragraph 4-6, and Enforcement Regulations of the Companies Act, Article 100, Paragraph 1-4; Guideline for How Companies Prevent Damage from Anti-Social Forces)

In its interaction with the rest of society, the Company shall comply with all laws and regulations and its articles of incorporation. The Company shall maintain high ethical

standards and management that is sound and highly transparent. To enhance its corporate value, the Company shall build effective governance and monitoring systems that are appropriate to the particular characteristics of the business and size of the Meitec Group.

The Company shall formulate Group Management Concept, the Meitec Group Chater of Employee Behavior, the Employee Code of Conduct and other related documents. The Company shall undertake effective efforts to thoroughly inform directors and employees on compliance issues. Directors and employees shall carry out their duties in compliance with all laws and regulations, the Company's articles of incorporation and internal Company rules in a fair and reasonable manner.

Through the establishment of the Meitec Group Helpline System which provides full protection to whistleblowers-and programs to inform employees about this helpline, the Company shall endeavor to quickly detect and take appropriate action against any malfeasance that may occur.

The Company shall interdict any and all relationship with anti-social forces and groups which threaten the order and safety of the civil society. And against such anti-social forces, the entire Meitec Group, from the CEO down, shall respond in uncompromising manner.

(2) Framework for storing and managing information relating to the directors' execution of duties

(Enforcement Regulations of the Companies Act, Article 100, Paragraph 1-1)

In accordance with the stipulations of all laws and regulations, the Company's articles of incorporation and internal rules, information regarding the execution of duties by directors shall be recorded, stored and managed in an appropriate and timely manner. From time to time, internal rules shall be proactively reviewed and revised as necessary.

(3) Framework for risk management

(Enforcement Regulations of the Companies Act, Article 100, Paragraph 1-2)

The Company, its subsidiaries and affiliates (the Meitec Group) shall work to comprehensively and systematically gather information on, and analyze, risks faced by the Group. Risk trends shall be monitored appropriately, and timely measures shall be taken in response to risks, commensurate with the severity of the risk. The Company shall continually strive to maintain and enhance the soundness of its management.

(4) Framework to ensure the efficient execution of duties by directors and employees

(Enforcement Regulations of the Companies Act, Article 100, Paragraph 1-3)

The directors shall appropriately divide up their duties and supervisory responsibilities, and shall delegate authority in accordance with internal rules to speed up decision making. In addition, the directors shall formulate a business plan stipulating clear targets and goals, and undertake appropriate management of operations and progress based on this plan. Targets and goals shall be revised as necessary. This framework

aims to ensure that the directors' duties are carried out efficiently.

(5) Framework for employees to be assigned to assist audit & supervisory board members carry out their duties and to ensure that these employees retain their independence from directors

(Enforcement Regulations of the Companies Act, Article 100, Paragraphs 3-1 and 3-2)

Audit & supervisory board members are supported by the Office of audit & supervisory board member which is consisted of employee who is separated from the execution of business to improve the effectiveness of audit.

Regarding the evaluation and re-assignments of such employee, in order to reflect the opinion from audit & supervisory board member as much as possible, it is carried out with consent of audit & supervisory board member.

(6) Framework for reporting by directors and employees to audit & supervisory board members and framework to ensure other auditing activities by audit & supervisory board members are carried out effectively

(Enforcement Regulations of the Companies Act, Article 100, Paragraphs 3-3 and 3-4)

The Company shall build a management system that directors and employee can make proper report to audit & supervisory board members. Also audit & supervisory board members shall be given the authority to attend meetings of the Board of Directors Meeting and all other internal meetings. Furthermore, audit & supervisory board members shall have access to all important information relating to decision making and the execution of business operations. Based on these principles, the Company shall build a management system that is effectively audited. In particular, auditing shall ensure that the execution of duties complies with laws and regulations, and that the development and operation of internal control systems is adequate.

The Company's representative director and its departments responsible for internal auditing shall regularly and as necessary exchange opinions with audit & supervisory board members. The Company shall develop a system whereby the internal audit departments, audit & supervisory board members and independent accounting auditor are able to maintain effective communication channels and linkages.

The Company shall endeavor to continually enhance the effectiveness of audit functions carried out by audit & supervisory board members. This shall include cooperation with requests from audit & supervisory board members to directors and employees regarding inspections and hearings.

(7) Framework to ensure sound business operations within the Company and the Meitec Group

(Enforcement Regulations of the Companies Act, Article 100, Paragraph 1-5)

The Company shall respect the right of each group company to develop its business operations in an autonomous manner. In order for the Meitec Group as a whole to maintain sound business operations, each group company shall strictly comply with the basic policies stipulated in items 1–6 above.

7. Basic Policy Regarding Profit Distribution

The Company's objective is to maximize the shareholders return in mid to long term through realizing the sustainable growth of the company. The basic policy of the Company is to distribute profit in accordance with operating results. In view of maximizing shareholder's return in mid to long term, unless major investment demands are expected, total return ratio to be within 100% for the total shareholders return by dividend and acquisition of treasury shares.

Payout ratio for the dividend to be equal or more than 50%, and the interim dividend and the year-end dividend are to be paid. Minimum level of payout ratio is to be consolidated Dividend on Equity ratio (DOE) 5%. The amount of working capital required to continue our business has been set at the equivalent of three (3) months of consolidated net sales in our group cash management plan. Therefore acquisition of treasury shares will be executed with consideration of our total return ratio if the consolidated cash position at the end of previous fiscal year exceeds the three (3) month net sales and there are no major investment demands expected.

Treasury shares will be continued to be held by the company up to two million (2,000,000) shares. Treasury shares in excess of two million (2,000,000) shares will be retired by the end of the fiscal year.

(Note)

・Total Return Ratio = Total shareholders return for the year / Consolidated net income

Total Shareholders Return for Year = Total dividend paid (interim and year end) + Amount used to acquire the treasury shares during the fiscal year

・Payout Ratio = Total dividend paid (interim and year end) / Consolidated net income

・Dividend on Equity Ratio (DOE) = Dividend / consolidated shareholder's equity

・Three Month Net Sales = Working capital*: Consolidated two month net sales + Fund for strengthening the financial base (a fund to sustain the business operation in the event of a crisis equivalent to that of fiscal year ended March 2010): Consolidated one month net sales

* Working capital is determined according to such factors as account receivables.

To realize the flexible financial position, for the implementation of future growth strategies and response to the risk associated in achieving the goals of the management plan, treasury shares will be held by the company.

Figures for monetary amount and number of shares within this report are rounded off to displayed decimal.

Consolidated Balansce Sheets

(Thousand Yen)

	Fiscal year ended March 31, 2015
Assets	
Current assets	
Cash and deposits	34,773,112
Notes and accounts receivable-trade	12,858,068
Work in process	292,824
Deferred tax assets	2,495,163
Other	1,223,399
Allowance for doubtful accounts	(2,950)
Total current assets	51,639,617
Non-current assets	
Property, plant and equipment	
Buildings and structures, net	4,069,807
Tools, furniture and fixtures, net	272,405
Land	2,859,225
Other, net	6,409
Total property, plant and equipment	7,207,847
Intangible assets	
Software	481,749
Other	219,310
Total intangible assets	701,060
Investments and other assets	
Investment securities	80,669
Net defined benefit asset	13,948
Deferred tax assets	4,886,633
Other	595,420
Allowance for doubtful accounts	(26,875)
Total investments and other assets	5,549,796
Total non-current assets	13,458,703
Total assets	65,098,321

(Thousand Yen)

	Fiscal year ended March 31, 2015
Liabilities	
Current liabilities	
Accounts payable-trade	145,185
Accrued expenses	3,315,265
Income taxes payable	2,189,512
Accrued consumption taxes	3,083,257
Provision for directors' bonuses	80,509
Provision for bonuses	5,955,984
Provision for loss on liquidation of subsidiaries and associates	5,859
Other	1,021,872
Total current liabilities	15,797,445
Non-current liabilities	
Deferred tax liabilities for land revaluation	—
Net defined benefit liability	11,709,194
Other	26,023
Total non-current liabilities	11,735,218
Total liabilities	27,532,663
Net assets	
Shareholders' equity	
Capital stock	16,825,881
Capital surplus	7,275,447
Retained earnings	20,488,993
Treasury shares	(4,970,365)
Total shareholders' equity	39,619,957
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	—
Revaluation reserve for land	(646,046)
Foreign currency translation adjustment	(579)
Remeasurements of defined benefit plans	(1,456,612)
Total accumulated other comprehensive income	(2,103,238)
Minority interests	48,938
Total net assets	37,565,657
Total liabilities and net assets	65,098,321

Note : Amounts are stated by omitting fractions less than 1 thousand yen.

Consolidated Statements of Income

(Thousand Yen)

	Fiscal year ended March 31, 2015
Net sales	82,136,046
Cost of sales	60,481,056
Gross profit	21,654,989
Selling, general and administrative expenses	12,114,265
Operating income	9,540,724
Non-operating income	
Interest income	7,534
Dividend income	1,629
Rent income	6,884
Gain on sales of supplies	67,664
Other	29,529
Total non-operating income	113,241
Non-operating expenses	
Commitment fee	4,260
Loss on investments in partnership	1,035
Commission fee	3,859
Foreign exchange losses	—
Other	1,750
Total non-operating expenses	10,906
Ordinary income	9,643,059
Extraordinary income	
Gain on sales of investment securities	12,470
Gain on sales of golf memberships	7,550
Total extraordinary income	20,020
Extraordinary losses	
Loss on retirement of non-current assets	5,229
Impairment loss	3,615,115
Provision for loss on liquidation of subsidiaries and associates	—
Other	1,566
Total extraordinary losses	3,621,910
Income before income taxes and minority interests	6,041,169
Income taxes-current	3,660,788
Income taxes-deferred	(1,282,515)
Total income taxes	2,378,272
Income before minority interests	3,662,896
Minority interests in income	3,025
Net income	3,659,870

Note : Amounts are stated by omitting fractions less than 1 thousand yen.

Consolidated Statements of Changes in Equity

(Fiscal Ended March 31, 2015)

(Thousand Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	16,825,881	8,054,223	18,264,262	(4,844,452)	38,299,915
Cumulative effects of changes in accounting policies			1,379,045		1,379,045
Restated balance	16,825,881	8,054,223	19,643,307	(4,844,452)	39,678,960
Changes of items during period					
Dividends of surplus			(2,581,917)		(2,581,917)
Net income			3,659,870		3,659,870
Reversal of revaluation reserve for land			(232,266)		(232,266)
Purchase of treasury shares				(904,689)	(904,689)
Retirement of treasury shares		(778,775)		778,775	—
Disposal of treasury shares					—
Net changes of items other than shareholders' equity					
Total changes of items during period	—	(778,775)	845,685	(125,913)	(59,003)
Balance at end of current period	16,825,881	7,275,447	20,488,993	(4,970,365)	39,619,957

(Thousand Yen)

	Accumulated other comprehensive income					Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	3,041	(878,313)	(6,905)	(1,275,200)	(2,157,377)	46,031	36,188,569
Cumulative effects of changes in accounting policies							1,379,045
Restated balance	3,041	(878,313)	(6,905)	(1,275,200)	(2,157,377)	46,031	37,567,614
Changes of items during period							
Dividends of surplus							(2,581,917)
Net income							3,659,870
Reversal of revaluation reserve for land							(232,266)
Purchase of treasury shares							(904,689)
Retirement of treasury shares							—
Disposal of treasury shares							—
Net changes of items other than shareholders' equity	(3,041)	232,266	6,325	(181,411)	54,139	2,907	57,046
Total changes of items during period	(3,041)	232,266	6,325	(181,411)	54,139	2,907	(1,956)
Balance at end of current period	—	(646,046)	(579)	(1,456,612)	(2,103,238)	48,938	37,565,657

Note : Amounts are stated by omitting fractions less than 1 thousand yen.

Non-Consolidated Balance Sheets

(Thousand Yen)

	Fiscal year ended March 31, 2015
Assets	
Current assets	
Cash and deposits	30,432,418
Notes receivable – trade	5,483
Accounts receivable-trade	10,446,436
Work in process	197,497
Prepaid expenses	467,917
Deferred tax assets	1,986,772
Short-term loans receivable from subsidiaries and associates	25,000
Other	695,194
Allowance for doubtful accounts	(2,116)
Total current assets	44,254,604
Non-current assets	
Property, plant and equipment	
Buildings, net	4,040,514
Structures, net	19,796
Tools, furniture and fixtures, net	261,367
Land	2,859,225
Other	0
Total property, plant and equipment	7,180,904
Intangible assets	
Software	448,999
Other	205,702
Total intangible assets	654,702
Investments and other assets	
Investment securities	80,669
Shares of subsidiaries and associates	1,299,325
Investments in capital of subsidiaries and associates	119,742
Long-term loans receivable from subsidiaries and associates	165,000
Deferred tax assets	4,191,681
Guarantee deposits	526,093
Other	20,358
Allowance for doubtful accounts	(10,023)
Total investments and other assets	6,392,847
Total non-current assets	14,228,455
Total assets	58,483,060

(Thousand Yen)

	Fiscal year ended March 31, 2015
Liabilities	
Current liabilities	
Accounts payable-other	651,033
Accrued expenses	2,672,055
Income taxes payable	1,829,947
Accrued consumption taxes	2,459,254
Deposits received from subsidiaries and associates	—
Provision for directors' bonuses	74,000
Provision for bonuses	4,673,596
Other	288,620
Total current liabilities	12,648,507
Non-current liabilities	
Deferred tax liabilities for land revaluation	—
Provision for retirement benefits	9,537,548
Allowance for investment loss	72,943
Other	3,057
Total non-current liabilities	9,613,549
Total liabilities	22,262,057
Net assets	
Shareholders' equity	
Capital stock	16,825,881
Capital surplus	
Legal capital surplus	4,210,000
Other capital surplus	3,065,447
Total capital surplus	7,275,447
Retained earnings	
Other retained earnings	
Retained earnings brought forward	17,736,085
Total retained earnings	17,736,085
Treasury shares	(4,970,365)
Total shareholders' equity	36,867,048
Valuation and translation adjustments	
Valuation difference on available-for-sale securities	—
Revaluation reserve for land	(646,046)
Total valuation and translation adjustments	(646,046)
Total net assets	36,221,002
Total liabilities and net assets	58,483,060

Note : Amounts are stated by omitting fractions less than 1 thousand yen.

Non-Consolidated Statements of Operations

(Thousand Yen)

	Fiscal year ended March 31, 2015
Net sales	64,675,554
Cost of sales	47,857,964
Gross profit	16,817,589
Selling, general and administrative expenses	8,891,986
Operating income	7,925,603
Non-operating income	
Interest income	8,356
Dividend income	409,454
Interest on refund	—
Gain on sales of supplies	67,664
Other	37,814
Total non-operating income	523,288
Non-operating expenses	
Interest expenses	326
Commitment fee	4,260
Commission fee	3,859
Loss on investments in partnership	1,035
Other	1,114
Total non-operating expenses	10,596
Ordinary income	8,438,295
Extraordinary income	
Gain on sales of investment securities	12,470
Reversal of allowance for investment loss	11,064
Gain on extinguishment of tie-in shares	300,574
Total extraordinary income	324,109
Extraordinary losses	
Impairment loss	3,606,013
Provision of allowance for investment loss	—
Loss on valuation of shares of subsidiaries and associates	62,509
Loss on valuation of investments in capital of subsidiaries and associates	—
Other	4,804
Total extraordinary losses	3,673,327
Income before income taxes	5,089,077
Income taxes-current	3,002,324
Income taxes-deferred	(1,253,322)
Total income taxes	1,749,002
Net income	3,340,075

Note : Amounts are stated by omitting fractions less than 1 thousand yen.

Non-Consolidated Statements of Changes in Equity

(Fiscal Ended March 31, 2015)

(Thousand Yen)

	Shareholders' equity			
	Capital stock	Capital surplus		
		Capital reserve	Other capital surplus	Total capital surplus
Balance at beginning of current period	16,825,881	4,210,000	3,844,223	8,054,223
Cumulative effects of changes in accounting policies				
Restated balance	16,825,881	4,210,000	3,844,223	8,054,223
Changes of items during period				
Dividends of surplus				
Net income				
Reversal of revaluation reserve for land				
Purchase of treasury shares				
Retirement of treasury shares			(778,775)	(778,775)
Disposal of treasury shares				
Net changes of items other than shareholders' equity				
Total changes of items during period	—	—	(778,775)	(778,775)
Balance at end of current period	16,825,881	4,210,000	3,065,447	7,275,447

(Thousand Yen)

	Shareholders' equity		
	Retained earnings	Treasury shares	Total shareholders' equity
	Other retained earnings		
	Retained earnings brought forward		
Balance at beginning of current period	15,831,149	(4,844,452)	35,866,802
Cumulative effects of changes in accounting policies	1,379,045		1,379,045
Restated balance	17,210,194	(4,844,452)	37,245,847
Changes of items during period			
Dividends of surplus	(2,581,917)		(2,581,917)
Net income	3,340,075		3,340,075
Reversal of revaluation reserve for land	(232,266)		(232,266)
Purchase of treasury shares		(904,689)	(904,689)
Retirement of treasury shares		778,775	—
Disposal of treasury shares			
Net changes of items other than shareholders' equity			
Total changes of items during period	525,890	(125,913)	(378,798)
Balance at end of current period	17,736,085	(4,970,365)	36,867,048

Non-Consolidated Statements of Changes in Equity

(Fiscal Ended March 31, 2015)

(Thousand Yen)

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of current period	3,041	(878,313)	(875,271)	34,991,530
Cumulative effects of changes in accounting policies				1,379,045
Restated balance	3,041	(878,313)	(875,271)	36,370,575
Changes of items during period				
Dividends of surplus				(2,581,917)
Net income				3,340,075
Reversal of revaluation reserve for land				(232,266)
Purchase of treasury shares				(904,689)
Retirement of treasury shares				—
Disposal of treasury shares				
Net changes of items other than shareholders' equity	(3,041)	232,266	229,225	229,225
Total changes of items during period	(3,041)	232,266	229,225	(149,573)
Balance at end of current period	—	(646,046)	(646,046)	36,221,002

Note : Amounts are stated by omitting fractions less than 1 thousand yen.

[English Translation of Audit & Supervisory Board's Report Originally issued in the Japanese language.]

To Directors of MEITEC CORPORATION

Audit & Supervisory Board's Report (Certified Copy)

We the Audit & Supervisory Board Members of the Company, based on the audit reports prepared by each Audit & Supervisory Board Member regarding the performance of duties by the Directors during the 42nd business year from April 1, 2014, to March 31, 2015, prepared this audit report upon deliberation and hereby report, by unanimous show of hands, as follows:

I. Audit Methods by Audit & Supervisory Board Members and the Audit & Supervisory Board and its Details

the Audit & Supervisory Board established audit policy and assigned business, etc., and received reports from each the Audit & Supervisory Board Member regarding the state of implementation of his or her audits and results thereof, as well as received reports from the Directors, etc., and Independent the Audit & Supervisory Board Members regarding performance of their duties, and sought explanations whenever necessity arose.

Each the Audit & Supervisory Board Member complied with the auditing rule of the Audit & Supervisory Board Members established by the Audit & Supervisory Board, in accordance with the audit policy of this term, planning of audits, etc., communicated with the Directors, the internal audit department, other employees, etc., and made efforts to collect information and improve audit environment, and attended the Board of Directors Meeting and other important meetings, received reports from the Directors, employees, etc., regarding the state of performance of their duties, sought explanations whenever necessity arose, inspected important decision documents, etc., and made investigation into the state of activities and property at the head office and other main business offices of the Company.

Regarding the resolution by the board of director for development and maintenance of the framework to ensure compliance by directors and employees with laws, regulations and the Company's articles of incorporation in the course of the execution of their duties and other framework to ensure Sound Business Operations as regulated by the enforcement Regulations of the Companies Act, Article 100, Paragraph 1and 3, and framework developed and maintained according to the resolutions, Internal Control System, audit & supervisory board member received report from the directors and employee on the status of its developments and operations, and request for explanation and gave advise as needed.

With respect to subsidiaries, we communicated and exchanged information with directors, audit & supervisory board members, etc., of the subsidiaries, and received reports on business from them, as need.

Based on the above methods, we examined the business report and supporting schedules for the relevant business year.

Furthermore, we monitored and verified whether the Independent Auditors maintained their independence and implemented appropriate audits, and we received reports from

Independent Auditors regarding the state of performance of their duties and sought explanations whenever necessity arose. In addition, we received notice from the Independent Auditors the "The systems for ensuring the proper performance of duties" (matters set forth in each Item of Article 131 of the Regulations of Corporate Financial Calculation) is organized in accordance with the "Standards for Quality Control of Audit" (Business Accounting Council, October 28, 2005) and other relevant standards, and sought explanations whenever necessity arose. Based on the above methods, we examined the financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of change in equity, and foot notes) and supporting schedules related to the relevant business term, and the consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of change in equity, and foot notes).

II. Results of Audit

1. Results of Audit of Business Report and Other Relevant Documents

(i) In our opinion, the business report and supporting schedules fairly presents the state of the Company in accordance with the laws, regulations and Articles of Incorporation.

(ii) In connection with the performance by the Directors of their duties, no dishonest act or material fact of violation of laws, regulations, or the Articles of Incorporation exists.

(iii) In our opinion, the contents of the resolution of the Board of Directors regarding the internal control system are fair and reasonable. In addition, we have found nothing to be pointed out in relation to the performance of duties by the Directors regarding the internal control system.

2. Results of Audit of non-consolidated financial statements and supporting schedules

In our opinion, the methods and results of audit conducted by the Independent Auditors, Deloitte Touche Tohmatsu LLC are proper.

3. Results of Audit of consolidated financial statements

In our opinion, the methods and results of audit conducted by the Independent Auditors, Deloitte Touche Tohmatsu LLC are proper.

May 12, 2015

MEITEC CORPORARION
the Audit & Supervisory Board

Standing Outside Audit & Supervisory Board Member
Makoto Fukai

Outside Audit & Supervisory Board Member
Masatoshi Saito

Outside Audit & Supervisory Board Member
Hiroshi Watanabe