

May 23, 2008

Vantec Group Holdings Corporation
(Securities code: 9382,
First Section, Tokyo Stock Exchange)
Representative Director and President: Hiroaki Shinoda
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Addition of Consolidated Subsidiaries

At a meeting on May 23, 2008, the Board of Directors of Vantec Group Holdings Corporation resolved to accept a new share allocation from Vantec Sumiso Logistics (Wuhan) Co., Ltd., an equity method affiliate, raising this company's capital and converting it to a consolidated subsidiary.

1) Outline of new share allocation

Vantec Sumiso Logistics provides automotive part logistics services in China. The company will provide a foothold for the Group's automotive part logistics business in central, eastern and southern China, thereby improving the Group capabilities, enhancing its corporate value and promoting its business expansion in China.

2) Method of consolidation

By accepting a new share allocation of US\$337,000, Vantec Corporation's voting rights will increase from 40.0% to 51.0%.

3) Company profile

<input type="checkbox"/> Name:	Vantec Sumiso Logistics (Wuhan) Co., Ltd.
<input type="checkbox"/> Representative Director:	Kouki Sugihara
<input type="checkbox"/> Headquarters:	Eastern Warehouse, No.13 South Area, Private Enterprise Industrial Park, Economic and Technological Development Zone, Wuhan, Hubei, People's Republic China
<input type="checkbox"/> Established:	May 29, 2004
<input type="checkbox"/> Core business:	Automotive part logistics
<input type="checkbox"/> Settlement of accounts:	December 31
<input type="checkbox"/> Employees:	157 (as of December 31, 2007)
<input type="checkbox"/> Location of major branches:	Wuhan, Xiangfan, Guangzhou
<input type="checkbox"/> Common stock:	US\$1,500,000
<input type="checkbox"/> Number of shares issued:	None
<input type="checkbox"/> Major shareholders (ownership ratio):	Vantec Corporation, Japan: US\$937,000 (51.0%) Sumitomo Warehouse Co., Ltd., Japan: US\$450,000 (24.5%) Kerry EAS Logistics, China: US\$450,000 (24.5%)

<u>Financial highlights</u>		(Millions of yen)
Years ended or as of December 31,	2006	2007
Net sales	576	713
Gross profit	146	150
Operating income	32	15
Ordinary income	31	12
Net income	31	12
Total assets	322	316
Net assets	213	226
Dividend per share	—	—

- 4) Equity participation (equity ratio)
- Equity participation as equity method affiliate US\$600,000 (40.0%)
 - New equity participation as consolidated subsidiary US\$337,000
 - Equity participation as a consolidated subsidiary US\$937,000 (51.0%)
- 5) Schedule
- Board of Directors meeting for approval of new share allocation May 23, 2008
 - Payment of new share allocation June 2008 (tentative)
- 6) Remarks
- This change will have no major effect on the consolidated financial statements of the Vantec Group.
- A new representative director will be appointed by the Vantec Group.