

November 11, 2008

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

At a meeting convened on November 11, 2008, the Board of Directors approved a merger between Vantec Corporation, Vantec RF Solutions Corporation and Liti Research & Development Inc.

### **1. Objectives**

The merger was approved in order to enhance the Group's operational efficiency and simplify its structures as one step in its reorganization plans, while we are targeting the goals of our medium-term management plan for 2008-2010.

### **2. Outline**

#### **a. Schedule**

Board of Directors meeting for approval of the merger	November 11, 2008
Conclusion of the merger agreement	December 1, 2008
Shareholders' meetings for approval of merger (Vantec Corporation)	December 1, 2008
Implementation of merger	January 1, 2009

#### **b. Method**

Vantec Corporation will assume business operations, and Vantec RF Solutions Corporation and Liti Research & Development Inc. will be dissolved.

#### **c. Merger ratio and delivered money**

No merger ratio will be set, as the merger is to be executed between wholly owned consolidated subsidiaries. No stock options will be offered or capital increases conducted, nor will any delivery of merger money be necessary.

### 3. Profiles of the companies involved

(As of March 31, 2008)

Name	Vantec Corporation	Vantec RF Solutions Corporation	Liti Research & Development Inc.
Establishment	January 6, 1954	November 28, 2006	January 17, 2006
Core business	Automotive part and beverage logistics, transportation, relocation	Planning, programming, sales and maintenance of IC tag system and other systems	Studying integration of ubiquitous networking and IP technology
Headquarters	6-145, Hanasaki-cho, Nishi-ku, Yokohama, Kanagawa	6-145, Hanasaki-cho, Nishi-ku, Yokohama, Kanagawa	1-1, Kitanijo-nishi, Chuo-ku, Sapporo, Hokkaido
President	Toshiharu Yamada	Yasuaki Suzuki	Hiroshi Morito
Common stock	¥2,441,000,000	¥250,000,000	¥10,000,000
Issued stock	22,931,800 shares	1 share	200 shares
Total assets	¥40,840,000,000	¥373,000,000	¥25,000,000
Net assets	¥16,906,000,000	¥358,000,000	¥6,000,000
Settlement of accounts	March 31	March 31	March 31
Employees	1,110	12	11
Shareholders (ownership ratio) as of October 31	Vantec Group Holdings Corporation (100%)	Vantec Corporation (100%)	Vantec RF Solutions Corporation (100%)

Notes: 1. Figures are rounded down to the nearest million.

2. Vantec Corporation shareholder composition is as of October 31, 2008.

### 4. Business performance for the last three years

(Millions of yen)

	Vantec Corporation			Vantec RF Solutions Corporation			Liti Research & Development Inc.		
	2006	2007	2008	2006	2007	2008	2006	2007	2008
Fiscal years ended March 31									
Net sales	74,572	70,687	81,226	-	85	184	16	87	111
Operating income	3,302	2,336	2,762	-	(70)	(137)	0	(9)	4
Ordinary income	3,846	2,265	2,854	-	7	(136)	0	(9)	4
Net income	2,251	786	1,977	-	4	(146)	0	(9)	5

Notes: 1. Figures are rounded down to nearest million.

2. Vantec RF Solutions Corporation was established on November 28, 2006, therefore there are no figures for 2006.

## **5. Profile after the merger**

Name	Vantec Corporation
Headquarters	6-145, Hanasaki-cho, Nishi-ku, Yokohama, Kanagawa
President	Toshiharu Yamada
Common stock	¥2,441,000,000
Shareholders	Vantec Group Holdings Corporation (100%)
Core business	Automotive part and beverage logistics, transportation, relocation
Settlement of accounts	March 31

## **6. Effects on financial results**

The merger will have no major impact on the Group's consolidated financial results, as it will be conducted between wholly owned consolidated subsidiaries.