

Notice of Revision of Performance Forecast

INES Corporation

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In light of its recent financial results, INES Corporation hereby announces revisions of its performance forecasts for the year ending March 2009 (those forecasts were initially announced on April 22, 2008).

1. Revision of Consolidated Forecasts

First 2 Quarters (April 1–September 30, 2008)

(¥ millions, except per-share figures)

	Revenue	Operating income	Ordinary income	Net income	Net income per share (¥)
Initial forecast (April 22, 2008) (A)	17,900	400	420	360	8.36
Revised forecast (B)	17,900	530	590	500	11.72
Change (B – A)	-	130	170	140	-
Percentage change (B/A)	-	32.5	40.5	38.9	-
Result for interim period to Sept. 2007	17,865	(612)	(571)	(5,453)	(122.32)

Note: The above net income per share figures were calculated using 42,679,703 shares (average shares outstanding for the period, excluding treasury stock held on September 30, 2008) as the denominator.

Full Year (April 1, 2008–March 31, 2009)

(¥ millions, except per-share figures)

	Revenue	Operating income	Ordinary income	Net income	Net income per share (¥)
Initial forecast (April 22, 2008) (A)	38,500	1,650	1,680	1,480	34.37
Revised forecast (B)	38,500	1,700	1,730	1,480	35.03
Change (B – A)	-	50	50	-	-
Percentage change (B/A)	-	3.0	3.0	-	-
Result for year to March 2008	40,894	1,519	1,597	(3,619)	(81.91)

Note: The above net income per share figures were calculated using 42,252,375 shares (shares outstanding at the end of the period, excluding treasury stock, held on September 30, 2008) as the denominator.

2. Revision of Non-Consolidated Forecasts

First 2 Quarters (April 1–September 30, 2008)

(¥ millions, except per-share figures)

	Revenue	Operating income	Ordinary income	Net income	Net income per share (¥)
Initial forecast (April 22, 2008) (A)	15,600	300	400	400	9.29
Revised forecast (B)	15,700	430	560	480	11.25
Change (B – A)	100	130	160	80	–
Percentage change (B/A)	0.6	43.3	40.0	20.0	–
Result for interim period to Sept. 2007	15,588	(804)	(702)	(5,555)	(124.60)

Note: The above net income per share figures were calculated using 42,679,703 shares (average shares outstanding for the period, excluding treasury stock held on September 30, 2008) as the denominator.

Full Year (April 1, 2008–March 31, 2009)

(¥ millions, except per-share figures)

	Revenue	Operating income	Ordinary income	Net income	Net income per share (¥)
Initial forecast (April 22, 2008) (A)	33,600	1,300	1,400	1,360	31.59
Revised forecast (B)	33,700	1,350	1,450	1,360	32.19
Change (B – A)	100	50	50	-	-
Percentage change (B/A)	0.3	3.8	3.6	-	-
Result for year to March 2008	36,088	1,047	1,193	(3,877)	(87.76)

Note: The above net income per share figures were calculated using 42,252,375 shares (shares outstanding at the end of the period, excluding treasury stock, held on September 30, 2008) as the denominator.

3. Reasons for Revisions of Performance Forecasts

Since the beginning of the second quarter of the current fiscal year, the domestic economy has clearly begun to retreat, due to financial instability, global economic slowdown, and falling share prices stemming from the subprime loan crisis in the United States. Against this background, INES Corporation expects to post non-consolidated revenue in excess of its initial forecast, owing to increased revenue from the public sector and the insurance industry. We also expect an improvement in earnings due to the increase in revenue, as well as strong sales of ERP templates to the automotive parts industry and cost-cutting measures.

The Corporation has not changed its forecasts for cash dividends (¥3.00 interim dividend, plus ¥7.00 year-end dividend, for total annual dividends of ¥10.00 per share), as announced on April 22, 2008.

Disclaimer

Performance forecasts contained in this document reflect the Company's judgments, assumptions, and beliefs and are based on information available at the time of this document's release. However, the Company's business is affected by various factors, such as changing future economic conditions and internal and external circumstances concerning business operations, as well as uncertainties and latent risks inherent in making forecasts. Accordingly, actual results may differ from the forecasts contained herein.