

To Shareholders:

Yasuhiko Igarashi
President and Representative Director
INES Corporation
9-2, Ushikubo 3-chome
Tsuzuki-ku, Yokohama
Kanagawa Prefecture, Japan

Notice of Convocation of the 48th Ordinary General Meeting of Shareholders

You are hereby invited to the 48th Ordinary General Meeting of Shareholders of INES Corporation (the Company), which will be held as stated below.

If attending in person, please present the enclosed Voting Rights Exercise Form at the meeting reception desk.

If you are unable to attend the meeting in person, you can exercise your voting rights by written notice. Please indicate on the Voting Rights Exercise Form enclosed herewith your approval or disapproval of the items on the agenda, after examining reading the "Ordinary General Meeting of Shareholders Reference Documents" attached hereto, and return this document to the Company by Thursday, June 24, 2010.

Particulars

- 1. Date and Time:** 10:00 a.m. on June 25, 2010 (Friday)
- 2. Place:** INES Corporation
4th Floor Hall, Head Office of INES Corporation
9-2, Ushikubo 3-chome, Tsuzuki-ku,
Yokohama, Kanagawa Prefecture, Japan
- 3. Agenda:**
 - Matters to be Reported:**
 - Item 1:** The Reports on the Business Report, Consolidated Financial Statements and the Audit Results on the Consolidated Financial Statements by the Accounting Auditors and the Board of Corporate Auditors for the 48th fiscal year (from April 1, 2009, to March 31, 2010)
 - Item 2:** The Report on the Non-Consolidated Financial Statements for the 48th fiscal year (from April 1, 2009, to March 31, 2010)
 - Matters to be Resolved:**
 - Item 1:** Appropriation of Retained Earnings
 - Item 2:** Election of Seven (7) Corporate Directors in Accordance with Expiration of Term of Office for All Corporate Directors

4. Matters have been determined at the Board of Meeting relating to convocation

(1) Exercise of Voting Rights by Proxy

In accordance with Article 20 of the Company's Articles of Incorporation, when exercising voting rights by proxy, the proxy is limited to one (1) shareholder of the Company who has voting rights. Moreover, in this case the proxy must present, in addition to the Voting Rights Exercise Form, a mandate form or other documents to prove power of attorney at the reception desk of the Ordinary General Meeting of Shareholders.

(2) Handling of the Voting Rights Exercise Form Submitted by Shareholders Regarding the aforementioned Ordinary General Meeting of Shareholders, if a shareholder presents a Voting Rights Exercise Form on which approval or disapproval of all the items on the agenda has not been indicated or the shareholder has abstained from voting, this will be taken as indication of intent to approve the items on the agenda presented by the Company.

(3) Method of Notification in the Event of Inconsistent Exercise of Voting Rights

In the event that shareholders exercise voting rights inconsistently, the parties must inform the Company in writing at least three days prior to the convening of the Ordinary General Meeting of Shareholders of the cause or reasons for the inconsistency.

In the event that the Ordinary General Meeting of Shareholders Reference Documents, the Business Report, the Consolidated Financial Statements and the Non-Consolidated Financial Statements need to be revised, the amendments will be publicized by posting on the Company's website (<http://www.ines.co.jp>).

Disclaimer: This is the translation of the original notice of convocation in Japanese. In case of any discrepancy between the translation and the original Japanese, the Japanese version shall prevail.

Ordinary General Meeting of Shareholders Reference Documents

Item 1: Appropriation of Retained Earnings

Based on comprehensive consideration of various factors, including its performance in the year under review, appropriation of profit, and future business strategies, the Company plans to declare a year-end dividend as follows.

For the year, we plan to pay total annual dividends of ¥12.00 per share, up ¥2.00 from the previous fiscal year. This includes an interim dividend of ¥6.00 per share, paid on December 7, 2009.

Year-end dividend matters

- (1) Type of dividend
Cash dividend
- (2) Financial assets to be distributed as dividends and total dividend amount
¥6.00 per share of common stock
¥244,433,430 total dividend payment
- (3) Effective date of appropriation of retained earnings as cash dividends
June 28, 2010

Item 2: Election of Seven (7) Corporate Directors in Accordance with Expiration of Term of Office for All Corporate Directors

The term of office for all seven (7) directors of the Company expires at the conclusion of this Ordinary General Meeting of Shareholders. We propose the election of seven (7) directors. The candidates for the position of director are as follows:

Nominee Number	Name (Date of Birth)	Brief Personal History and Important concurrent role	Company Shares Owned
1	Yasuhiko Igarashi (June 13, 1946)	Apr. 1970 Joined Yoshizawa Business Machines K.K. Apr. 1971 Joined Hitachi, Ltd. Jan. 2000 Manager, Social Information Systems Operations Department, Hitachi, Ltd. Aug. 2001 General Manager, Public Systems Sales Control Department, Hitachi, Ltd. Apr. 2003 Joined Hitachi Software Engineering Co., Ltd.; General Manager, Sales Department, Hitachi Software Engineering Co., Ltd. Jun. 2003 Vice President and Executive Officer, General Manager, Sales Department, Hitachi Software Engineering Co., Ltd. Apr. 2005 Senior Vice President and Executive Officer, Hitachi Software Engineering Co., Ltd. Apr. 2008 Corporate Adviser, the Corporation Jun. 2008 President and Representative Director (Current position)	27,000
2	Yoshihiro Hayashi (July 25, 1949)	Apr. 1972 Joined Hitachi, Ltd. Apr. 2001 General Manager, Nationwide Public Systems, Public Systems Operations Department, Hitachi, Ltd. Apr. 2003 Joined Hitachi Software Engineering Co., Ltd.; Assistant General Manager, Public Social Systems Operations Department, Hitachi Software Engineering Co., Ltd. Apr. 2006 Assistant General Manager, Public Social Systems Operations Department, and General Manager, First Public Systems Department, Hitachi Software Engineering Co., Ltd.	7,000

		<p>Apr. 2007 Joined the Company; General Manager, Regional Office Division</p> <p>Jun. 2007 Managing Director</p> <p>Jun. 2008 Director and Managing Executive Officer (Current position)</p>	
3	Shoji Hanazato (March 2, 1950)	<p>Nov. 1970 Joined the Company</p> <p>Apr. 1992 President, Tohoku Branch</p> <p>Mar. 1999 Fourth Systems Division Manager, Application Development Division</p> <p>Aug. 2001 Manager for Development, Life Insurance Systems Division</p> <p>Apr. 2003 Deputy General Manager, Life Insurance Systems Division</p> <p>Jun. 2003 General Manager, Banking Institution Systems Division</p> <p>Jun. 2005 Director and General Manager, Banking Institution Systems Division</p> <p>Jun. 2007 Managing Director</p> <p>Jun. 2008 Director and Managing Executive Officer (Current position)</p> <p>(Important concurrent role)</p> <p>Director, KDS Inc. (since May 2009)</p>	12,000
4	Kenzo Tagami (March 28, 1950)	<p>Apr. 1974 Joined Nichiro Gyogyou Kabushiki Kaisha, Ltd. (Currently Maruha Nichiro Foods, Inc.)</p> <p>Nov. 1990 Joined the Hokkaido Takushoku Bank, Ltd.</p> <p>Mar. 1998 Joined the Company</p> <p>Apr. 1999 Manager, General Affairs Department</p> <p>Jul. 2001 General Affairs Manager, General Affairs Department</p> <p>Apr. 2004 General Manager, Administration Department</p> <p>Jun. 2005 Director and General Manager, Administration Department</p> <p>Jun. 2008 Director and Executive Officer, General Manager, Administration Department</p> <p>Oct. 2008 Director and Managing Executive Officer (Current position)</p>	7,700
5	Hiroshi Hogaki (November 24, 1952)	<p>Apr. 1977 Joined Tokyo Bank Ltd. (now The Bank of Tokyo-Mitsubishi UFJ, Ltd.)</p> <p>May 2004 Manager, Global Information Planning Division, Tokyo Bank Ltd.</p> <p>Jan. 2006 Manager, International Business Information Systems Division, Tokyo Bank, Ltd.</p> <p>Nov. 2006 Joined the Company: Deputy General Manager, Banking Institution System Division</p> <p>Jun. 2007 Director, General Manager, Banking Institution System Division</p> <p>Jun. 2008 Executive Officer, General Manager, Banking Institution System Division</p> <p>Oct. 2008 Executive Officer; Group Executive, Finance Systems Group</p> <p>Jun. 2009 Director and Executive Officer; Group Executive, Finance Systems Group</p> <p>Oct. 2009 Director and Managing Executive Officer; Group Executive, (Current position)</p>	5,800

6	(New appointee) Mitsuhiro Nakamura (October 9, 1951)	<p>Apr. 1976 Joined The Daiichi Mutual Fire and Marine Insurance Company</p> <p>Apr. 1999 General Manager, Information Systems Division, The Daiichi Mutual Fire and Marine Insurance Company Director, Daiichi Fire Computer Services Co., Ltd.</p> <p>Apr. 2001 Joined the Company; General Manager, Sakurada Center, Information Systems Division</p> <p>Apr. 2003 General Manager, Nonlife Insurance Systems, Application Systems Division</p> <p>Apr. 2007 Deputy General Manager, Banking Institution System Division</p> <p>Jun. 2007 General Manager, Nonlife Systems Division</p> <p>Oct. 2008 Executive Officer and General Manager, Public Systems Division (Current position)</p>	4,500
7	(New appointee) Junichiro Sato (October 29, 1948)	<p>Apr. 1973 Joined Hitachi Software Engineering Co., Ltd.</p> <p>May 1995 General Manager, Second Banking Systems, Financial Systems Dept., Systems Business Division, Hitachi Software Engineering Co., Ltd.</p> <p>Oct. 2004 Deputy General Manager, Financial Systems Division, Hitachi Software Engineering Co., Ltd.</p> <p>Apr. 2005 Executive Officer and Deputy General Manager, Financial Systems Division, Hitachi Software Engineering Co., Ltd.</p> <p>Apr. 2007 Executive Officer and General Manager, Financial Systems Division, Hitachi Software Engineering Co., Ltd.</p> <p>Apr. 2009 Managing Executive Officer, Hitachi Software Engineering Co., Ltd.</p> <p>Apr. 2010 Director, Senior Managing Executive Officer, Hitachi Software Engineering Co., Ltd. (Current position)</p> <p>(Important concurrent role) Director and Senior Managing Executive Officer, Hitachi Software Engineering Co., Ltd. (since Apr. 2010)</p>	—

Notes:

1. None of the above appointees have special vested interests with the Company.
2. Junichiro Sato is a candidate for outside director.
3. Reason for choosing Junichiro Sato as a candidate for outside director: Mr. Sato has spent many years in corporate management and amassed a vast amount of experience and knowledge throughout his career history. With this in mind, the Company concluded that Mr. Sato can be relied upon to supervise and conduct checks on the Company's management.
4. If the election of Junichiro Sato is approved, the Company plans to sign an agreement with him to limit the liability for his actions provided for in Article 423-1 of the Corporate Law, assuming Mr. Sato performs his duties with good intentions and without serious mistakes, to the amount provided for in Article 427-1 of the Corporate Law.

Consolidated Balance Sheets
(As of March 31, 2010)

(¥ millions)

Item	Amount	Item	Amount
ASSETS		LIABILITIES	
Current Assets:	30,729	Current Liabilities:	5,061
Cash and deposits	8,759	Accounts payable	1,364
Notes and accounts receivable	8,304	Accrued expenses	935
Marketable securities	151	Income taxes payable	187
Work in process	665	Accrued consumption taxes	124
Raw materials and supplies	67	Advances received	252
Prepaid expenses	239	Provision for bonuses	1,215
Deferred tax assets	878	Provision for directors' bonuses	46
Deposit paid	11,651	Provision for loss on order received	332
Others	43	Others	602
Allowance for doubtful accounts	(31)	Noncurrent Liabilities:	8,664
Noncurrent Assets:	29,780	Provision for retirement benefits	8,229
Tangible Noncurrent Assets:	21,443	Provision for directors' retirement benefits	91
Buildings and structures	9,161	Others	343
Tools, furniture and fixture	1,180	Total Liabilities	13,726
Land	11,101	NET ASSETS	
Intangible Noncurrent Assets:	2,891	Shareholders' Equity:	46,784
Software	2,850	Capital stock	31,457
Others	40	Capital surplus	17,548
Investments and Other Assets:	5,446	Retained earnings	3,214
Investment securities	896	Treasury stock	(5,436)
Long-term prepaid expenses	440	Valuation, Translation Adjustment and Others	(152)
Deferred tax assets	3,240	Valuation differences on available	(152)
Others	872	Subscription rights to shares	75
Allowance for doubtful accounts	(3)	Minority Interests	76
Total Assets	60,510	Total Net Assets	46,784
		Total Liabilities and Net Assets	60,510

Consolidated Statements of Operations
(For the Year Ended March 31, 2010)

(¥ millions)

Item	Amount	
Revenue		35,711
Cost of services		28,580
Gross Profit		7,131
Selling, general and administrative expenses		5,233
Operating Income		1,898
Non-Operating Income:		148
Interest income	64	
Dividends income	12	
Real estate rent	34	
Dividend on insurance	17	
Others	19	
Non-Operating Expenses:		53
Interest expenses	6	
Rent expenses on real estate	44	
Others	3	
Ordinary Income		1,992
Extraordinary Income:		0
Reversal of allowance of doubtful accounts	0	
Extraordinary Losses:		374
Loss on retirement of noncurrent assets	198	
Loss on sales of subsidiaries and affiliates' stock	31	
Office removal expenses	18	
Loss on disposal of inventories	124	
Others	1	
Income before Income Taxes		1,618
Income Taxes and Others		163
Adjustment of Corporate Taxes		96
Minority Interests		2
Net Income		1,355

Consolidated Statements of Changes in shareholders' Equity
(For the Year Ended March 31, 2010)

(¥ millions)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at March 31, 2009	31,457	17,548	2,389	(5,434)	45,960
Changes During Year					
Cash Dividends from Retained Earnings			(529)		(529)
Net Income			1,355		1,355
Purchase of Treasury Stock				(1)	(1)
Disposal of Treasury Stock		(0)		0	0
Net Changes in Items Other than Shareholders' Equity					
Total Changes During Year	-	(0)	825	(1)	824
Balance at March 31, 2010	31,457	17,548	3,214	(5,436)	46,784

	Valuation, Translation Adjustment and Others		Subscription Rights to Shares	Minority Interests	Total Net Assets
	Valuation Differences on Available	Total Valuation, Translation Adjustment and Others			
Balance at March 31, 2009	(122)	(122)	46	74	45,959
Changes During Year					
Cash Dividends from Retained Earnings					(529)
Net Income					1,355
Purchase of Treasury Stock					(1)
Disposal of Treasury Stock					0
Net Changes in Items Other than Shareholders' Equity	(30)	(30)	28	2	0
Total Changes During Year	(30)	(30)	28	2	824
Balance at March 31, 2010	(152)	(152)	75	76	46,784

Non-Consolidated Balance Sheets
(As of March 31, 2010)

(¥ millions)

Item	Amount	Item	Amount
ASSETS		LIABILITIES	
Current Assets:	27,858	Current Liabilities:	4,527
Cash and deposits	7,305	Accounts payable	1,397
Notes and accounts receivable	7,696	Accrued payable	215
Marketable securities	151	Accrued expenses	755
Work in process	622	Income taxes payable	87
Raw materials and supplies	67	Accrued consumption taxes	83
Prepaid expenses	210	Advances received	252
Deferred tax assets	787	Deposits received	227
Deposits paid	11,000	Provision for bonuses	1,075
Others	48	Provision for directors' bonuses	36
Allowance for doubtful accounts	(30)	Provision for loss on order received	332
Noncurrent Assets:	30,180	Others	63
Tangible Noncurrent Assets:	20,135	Noncurrent Liabilities:	8,094
Buildings	8,584	Provision for retirement benefits	7,744
Structures	51	Provision for directors' retirement benefits	25
Tools, furniture and fixture	1,063	Others	323
Land	10,436	Total Liabilities	12,622
Intangible Noncurrent Assets:	2,855	NET ASSETS	
Telephone rights	22	Shareholders' Equity:	45,494
Usage right of leased facility for telephone and telegraph	3	Capital stock	31,457
Software	2,828	Capital Surplus	17,548
Others	1	Capital reserve	7,864
Investments and Other Assets:	7,189	Other capital surplus	9,683
Investment securities	893	Retained earnings	1,924
Shares in affiliates	1,327	Other retained earnings	1,924
Long-term loans	45	Retained earnings carried forward	1,924
Long-term prepaid expenses	436	Treasury stock	(5,436)
Guarantee deposited	1,010	Valuation, Translation Adjustment and Others	(152)
Deferred tax assets	3,012	Valuation differences on available	(152)
Utility Membership	98	Subscription rights to shares	75
Claim in bankruptcy and reorganization	3	Total Net Assets	45,417
Others	364	Total Liabilities and Net Assets	58,039
Allowance for doubtful accounts	(3)		
Total Assets	58,039		

Non-Consolidated Statements of Operations
(For the Year Ended March 31, 2010)

(¥ millions)

Item	Amount	
Revenue		31,747
Cost of services		25,604
Gross Profit		6,143
Selling, general and administrative expenses		4,605
Operating Income		1,538
Non-Operating Income:		327
Interest income	60	
Dividend income on securities	1	
Dividends income	71	
Real estate rent	161	
Others	32	
Non-Operating Expenses:		165
Interest expenses	2	
Rent expenses on real estate	160	
Others	3	
Ordinary Income		1,700
Extraordinary Income:		—
Extraordinary Losses:		395
Loss on retirement of noncurrent assets	197	
Loss on sales of subsidiaries and affiliates' stock	54	
Office removal expenses	18	
Loss on disposal of inventories	124	
Others	1	
Income before Income Taxes		1,304
Income Taxes and Others		25
Adjustment of Corporate Taxes		99
Net Income		1,180

Non-Consolidated Statements of Changes in shareholders' Equity
(For the Year Ended March 31, 2010)

(¥ millions)

	Shareholders' Equity					
	Capital Stock	Capital Surplus			Retained Earnings	
		Capital Reserve	Other Capital Surplus	Total Capital Surplus	Other Retained Earnings Retained Earnings Carried Forward	Total Retained Earnings
Balance at March 31, 2009	31,457	7,864	9,683	17,548	1,273	1,273
Changes During Year						
Cash Dividends from Retained Earnings					(529)	(529)
Net Income					1,180	1,180
Purchase of Treasury Stock						
Disposal of Treasury Stock			(0)	(0)		
Net Changes in Items Other than Shareholders' Equity						
Total Changes During Year	-	-	(0)	(0)	651	651
Balance at March 31, 2010	31,457	7,864	9,683	17,548	1,924	1,924

	Shareholders' Equity		Valuation, Translation Adjustment and Others		Subscription Rights to Shares	Total Net Assets
	Treasury Stock	Total Shareholders' Equity	Valuation Differences on Available	Total Valuation, Translation Adjustment and Others		
Balance at March 31, 2009	(5,434)	44,845	(122)	(122)		
Changes During Year						
Cash Dividends from Retained Earnings		(529)				(529)
Net Income		1,180				1,180
Purchase of Treasury Stock	(1)	(1)				(1)
Disposal of Treasury Stock	0	0				0
Net Changes in Items Other than Shareholders' Equity			(30)	(30)	28	(1)
Total Changes During Year	(1)	649	(30)	(30)	28	647
Balance at March 31, 2010	(5,436)	45,494	(152)	(152)	75	45,417