

*December 2, 2011*

**Notice Concerning Judicial Decisions in Litigation and Appeal**

Dated November 30, 2011, Miroku Jyoho Service Co., Ltd. ("MJS") was handed a court ruling by the Tokyo District Court concerning a complaint filed by PFU Limited (hereafter, "Plaintiff") citing as the defendant and codefendant the company and Miroku System Trading Co., Ltd., a subsidiary of the company (hereafter, "MST"). Notice is therefore given as follows. Details

1. Ruling court and date of the ruling

Tokyo District Court

November 30, 2011

(Date of service of the ruling to the MJS: December 2, 2011)

2. Description of the plaintiff of the action

(1) Corporate name: PFU Limited

(2) Address: Nu 98-2 Unoke, Kahoku-shi, Ishikawa prefecture

(3) Position and name of the representative: Representative director and chairman, Fujio Wajima

3. Outline of the subsidiary (defendant)

(1) Corporate name: Miroku System Trading Co., Ltd.

(2) Address: 4-31, Yotsuya TS Building, Yotsuya, Shinjuku-ku, Tokyo

(3) Position and name of the representative: Takeji Ishikawa

(4) Line of business: Software

(5) Capital: 90 million yen

4. Background from the initiation of the action until the court decision

As described in the "Notice of Initiation of Litigation" released on January 16, 2008, with respect to the deliverables that are the subject of a sales agreement between MST and the plaintiff (the seller), it was discovered that delivery was not performed as contracted under the agreement, on which grounds MST dispatched to the plaintiff a written notice of termination of the said agreement, whereupon the said agreement was terminated. In response, the plaintiff filed a complaint seeking payment from MST and the MJS of 4,040,139,390 yen (subsequently reduced to 3,458,445,440 yen), either in the performance of the payment obligation in the amount of the transaction price based on the said agreement or as compensation for damages on grounds of tort as the joint and several obligation of MST and MJS.

With respect to the sales agreement asserted by the plaintiff, MST and MJS in their defense asserted the legitimacy of their argument that since the said agreement was already terminated without the delivery of the deliverables, no obligation exists on the part of MST and MJS to pay either the transaction price based on the said agreement nor an obligation to pay compensation for damages.

5. Content of the ruling

(1) With respect to the claim to payment asserted by the plaintiff against MJS, the Court accepted the argument of MJS and rejected the claim of the plaintiff.

(2) With respect to the claim to payment asserted by the plaintiff against MST, the court ordered provisional execution, accepting the claim of the plaintiff as follows. "The defendant MST shall pay to the plaintiff the amount of 3,458,445,440 yen and an amount thereon corresponding to 60 percent per annum for the period from January 16, 2008, until the completion of payment."

(3) With respect to the costs of the court, the court ruled that none are payable by MJS and that the plaintiff must pay the expenses of MJS. Furthermore, the court ruled that MST must pay one-half of the expenses of the plaintiff.

6. Further action

MST, which believes this ruling against it to be inappropriate, will in response to this action presently file a petition for appeal with the Tokyo Court of Appeals and seek to have this ruling overturned. Currently this litigation is not anticipated to affect the consolidated business results for fiscal year ending March 2012.

Any future matters that need to be disclosed in relation to this litigation will be immediately made public.