

June 9, 2008

Notice Concerning Establishment of Subsidiary in Korea

BancTec Japan, Inc. made a decision to establish a subsidiary in Korea, which will be mainly engaged in the outsourcing business for scanning paper documents to enter the electronic documentation market in Korea where expansion of the demand is expected in the future.

Profile of new Korean subsidiary

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|---------------------------------------|---|
| 1. Company name | Primagest Korea, Inc. |
| 2. Location | Hanshin IT Tower 601&602, 235 Guro-3Dong, Guro-ku, Seoul |
| 3. Planned establishment | July 2008 |
| 4. Representative | Geun-Young, Choi |
| 5. Capital | 450 million won |
| 6. Shareholder | BancTec Japan, Inc. (100%) |
| 7. Business activities | Entrusted scanning of documents and other related businesses |
| 8. Effect on future operating results | Currently, BancTec does not prepare consolidated financial statements and we do not expect to consolidate the new Korean company for this fiscal year. Therefore, the effect on the current operating results will be insignificant. However, as the operation in Korea expands, they may contribute to the consolidated operating results in the future. |