

*August 4, 2008***Notice of Revisions to Interim & Full Year Business Forecasts and Dividend Forecast for the Fiscal Year Ending December 2008**

BancTec Japan Inc. has revised the previous forecast for interim and full year earnings for the year ending December 2008 in light of recent trends in operating results. These forecasts replace the forecasts that were announced on February 15, 2008. The company has also revised the dividend forecast for the year ending December 2008.

1. Revisions to interim forecast (January 1, 2008 to June 30, 2008)

(Units: Yen in millions)

	Net sales	Operating income	Ordinary income	Interim net income
Previous forecast (A)	6,200	545	530	320
Revised forecast (B)	6,300	810	790	460
Change in yen (B-A)	100	265	260	140
Percentage change (%)	1.6	48.6	49.1	43.8

2. Reason for revision

BancTec Japan expects the interim sales amount to be somewhat above the initial target thanks to favorable performance in areas including system integration business for financial institutions other than banks, such as insurance companies and securities companies, and outsourcing service business.

The company also expects to outperform its initial interim profit targets. The enhanced performance in project management for the development of application software seems to have helped improve the gross profit margin. Furthermore, selling, general and administrative expenses were lower than budgeted because some outlays for research and development expenses were put off until the second half and the general improvement in efficient use of expenses also contributed.

3. Revisions to full year earnings forecast (January 1, 2008 to December 31, 2008)

(Units: Yen in millions)

	Net sales	Operating income	Ordinary income	Net income
Previous forecast (A)	12,500	1,030	1,000	600
Revised forecast (B)	13,100	1,300	1,275	720
Change in yen (B-A)	600	270	275	120
Percentage change (%)	4.8	26.2	27.5	20.0

4. Reason for revision

Net sales are expected to exceed the initial target also for the financial full year. While there are concerns that the companies in Japan, in general, may reduce investment in information technology, orders for imaging systems remain strong and the company's order book is healthy. The company also expects to outperform the initial profit targets for the full year. With the number of employees growing as the business steadily expands, the company plans to relocate the headquarters offices during the second half in order to expand office space and to further improve efficiency in office operations,

which should result in one-time outlays associated with the relocation. However, the company expects that the improved gross profit margin will hold steady in the second half to achieve the revised target.

5. Revisions to dividend forecast for the year ending December 2008

a. Revised details

Record date	Dividend per share (yen)		
	Interim period end	Year end	Annual
Previous forecast (A) (Released Feb. 15, 2008)		¥750.00	¥750.00
Revised forecast (B)		¥1,400.00	¥1,400.00
<For reference> Prior year (year ended Dec. 2007) actual		¥750.00	¥750.00

b. Reason for revision

The company's fundamental policy, in light of maximizing the shareholders' value, is to return profits to shareholders after comprehensively considering our profit situation, the outlook for earnings for the following year and beyond, the cash flow situation and the dividend payout ratio, with an emphasis on maintaining steady dividends while also ensuring that we have the internal reserves needed to strengthen the foundation of the business and expand business operations.

Based on this policy, we have decided to revise up the year-end dividend forecast sales and profits in the financial year are expected to be sharply higher than the previous year.

*This earnings forecast was determined based on information available at the time; actual results may vary from these figures due to a variety of factors.