

ITX Announces Reduction in Capital Reserve and Disposition of Surplus

ITX Corporation (“ITX”) announced today that a meeting of its Board of Directors held on May 25, 2010 has resolved to propose a reduction in capital reserve and the disposition of surpluses to the Annual General Meeting of Shareholders to be held on June 24, 2010. Details are as follows:

1. Purpose of Capital Reserve Reduction and Surplus Disposition

ITX will reduce its capital reserve by transferring part of the reserve to other capital surpluses to restore financial strength by eliminating the loss carried forward associated with losses incurred to date. ITX will also compensate for deficits in its retained earnings carried forward with other capital surpluses on the reduction in the capital reserve, thereby developing a flexible capital strategy and securing capital available for distribution.

2. Method of Capital Reserve Reduction

Pursuant to the provisions of Paragraph 1 of Article 448 of Companies Act, ITX will reduce its capital reserve from 10,964,892,985 yen (the amount of the capital reserve as of March 31, 2010) to 9,458,049,533 yen, a reduction of 1,506,843,452 yen that will be transferred to other capital surpluses.

3. Method of Surplus Disposition

Pursuant to the provisions of Article 452 of Companies Act, ITX will compensate for deficits in its retained earnings carried forward by transferring other capital surpluses of 8,556,770,930 yen (*) obtained through the reduction in the capital reserve to the retained earnings carried forward.

* The amount is equivalent to a deficit calculated under law that does not exceed the amount set forth in Item 2 of Paragraph 1 of Article 449 of the Companies Act.

4. Schedule for Capital Reserve Reduction and Surplus Disposition

(1) Resolution of Board of Directors	May 25, 2010
(2) Resolution of General Meeting of Shareholders	June 24, 2010 (scheduled)
(3) Effective Date	June 24, 2010 (scheduled)

5. Outlook

The reduction in capital reserve and disposition of surplus are implemented as a transfer between the relevant accounts of the category of “net assets,” and therefore the amount of ITX’s net assets remains the same as previously. The “Reduction in capital reserve and disposition of surplus” described above are subject to the approval and resolution of the Annual General Meeting of Shareholders to be held on June 24, 2010. ITX acknowledges the importance of dividends to shareholders and will consider a dividend declaration when it judges that it is able to make a consistent profit.