



## Public Announcement

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May 23, 2003

Company: INNOTECH CORPORATION  
(JASDAQ code no. 9880)

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### **Innotech Corporation Decreases Additional Paid-in Capital**

At the May 23 meeting of the Board of Directors to authorize business results, Innotech Corporation made the decision to call for a vote with regards to reducing additional paid-in capital at the general shareholders' meeting planned for June 27. Details of the proposed changes, suggested due to revisions in the Corporate Code, are outlined below.

#### **1. Objective of the Proposed Decrease**

In response to the revisions to the Corporate Code introduced on October 1, 2001, Innotech Corporation proposed to eliminate a portion of additional paid-in capital by converting it to other retained earnings under Item 2, Article 289 of the revised code. Under the proposed changes, that proportion of profits that can be distributed as dividends will increase, and stock buybacks and other similar capital-related options which management might wish to avail itself of in the future will become easier to conduct.

#### **2. Details Pertaining to Decrease**

Under the proposed changes, Innotech will reduce additional paid-in capital, which stood at 9,246,500,000 yen on March 31, 2003, by 6,746,500,000 yen to 2,500,000,000 yen.

#### **3. Decrease Method**

The 6,746,500,000 yen eliminated from additional paid-in capital will be converted to other retained earnings.



#### 4. Schedule for Proposed Changes (Planned)

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|---|------------------------|
| (1) Date of Board of Directors Decision   | May 23, 2003 (Friday)  |
| (2) Date of General Shareholders' Meeting | June 27, 2003 (Friday) |

The proposed changes are due to be implemented sometime in early August, after the end of that period during which affiliated parties and business partners have the right to voice any objections that may exist.

Note: All of the proposed changes outlined above are conditional upon management obtaining approval at the general shareholders' meeting due to be held on June 27.

#### About INNOTECH

Founded in 1987, INNOTECH is Japan's premier importer of high-end semiconductor devices and equipment and a skilled support partner to many of Japan's top electronics makers. The Company maintains direct relationships with every major semiconductor manufacturer in Japan. Today's INNOTECH is a high-paced company that prides itself on making swift but informed decisions to keep up with the pace of an ever-changing electronics market. In recent years INNOTECH has begun to leverage its built-up corporate knowledge and technological expertise to expand in development, and licensing of our own patented technology in Japan.