



Public Announcement

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Company: INNOTECH CORPORATION
(JASDAQ code no. 9880)

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Innotech Corporation Abolishes Director Retirement Bonus System

Innotech Corporation made the decision to abolish its current director retirement bonus system at a meeting of the Board of Directors on May 23.

1. Date of Implementation

June 27, 2003

2. Reasons for Change

- (1) Management is keen to more fully integrate the company's positions with regards to shareholder value creation and director compensation systems.
- (2) The existing director bonus system places too much emphasis on years of service, predicated as it is upon an employment-for-life mentality and a strict seniority system. Management came to the conclusion that such a system was not in keeping with the performance-based evaluation system applicable to employees.
- (3) The new changes will minimize the financial effects of the director bonus system whilst allowing Innotech to avoid the risk of carrying debts over into the future. This will allow new gains to be made in bolstering the company's financial structures.

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.