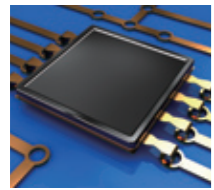
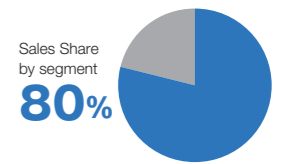


Introduction of Business



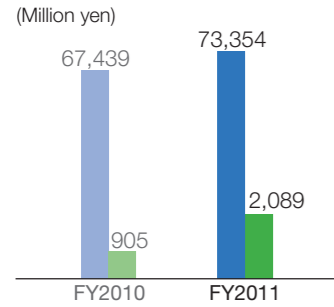
Electronic Components Business

Our core business, with a focus on developing our own brand products and expanding overseas, in addition to procuring and selling cutting-edge semiconductors



Electronic Components Business

■ Net sales ■ Ordinary income



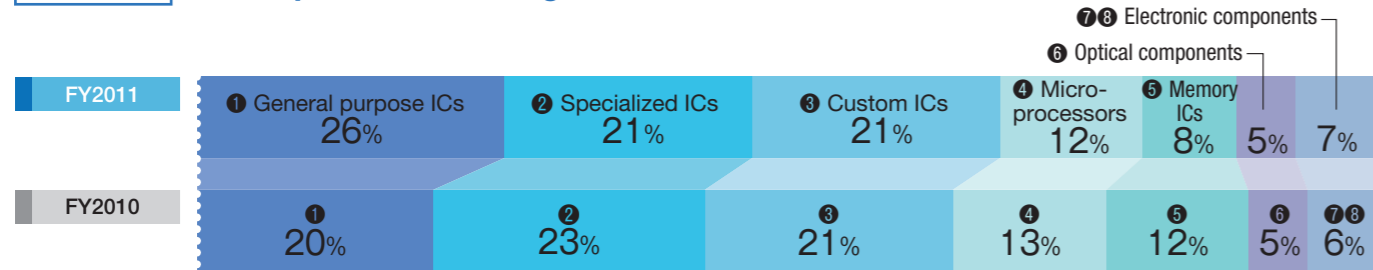
Financial results for the fiscal year ended March 2011

Since the start of 2011, demand has been persistently weak for semiconductor products for digital home appliances, including flat-screen televisions and peripherals as well as other consumer appliances. In contrast, demand related to industrial equipment, including medical equipment, semiconductor production equipment, and factory automation equipment, has been brisk. As high-value-added products requiring technical support, analog ICs and custom ICs achieved solid sales growth. This segment earned net sales of 73,354 million yen (up 8.8% year on year) and ordinary income of 2,089 million yen (up 130.6% year on year).

Feature 1 Procuring from leading overseas semiconductor manufacturers

 Location: California, USA Products: FPGA/CPLD (Custom ICs)	 Location: California, USA Products: Analog ICs	 Location: Texas, USA Products: DSPs, logic ICs, etc.	 Location: Texas, USA Products: Microprocessors	 Location: California, USA Products: Optical components
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Feature 2 A lineup centered on high-value-added semiconductors



1 General purpose ICs ICs used for various purposes Main Products and Suppliers Analog ICs (Linear Technology) Logic ICs (Texas Instruments) Main Applications Car navigation systems, factory automation equipment, office automation equipment, digital home appliances, and mobile phone base stations	2 Specialized ICs ICs made for specific applications Main Products and Suppliers ICs for image correction (Pixelworks) ICs for image compression (ViXS Systems) ICs for communication (Zarlink Semiconductor) ICs for security <i>inrevium</i> Main Applications LCD projectors, digital televisions, DVD systems, mobile phone base stations, and security camera systems	3 Custom ICs ICs made to customer specifications Main Products and Suppliers PLD ^{*1} (Xilinx) ASIC ^{*2} (Fujitsu Semiconductor) Main Applications Medical equipment, factory automation equipment, digital home appliances, and printers	4 Microprocessors ICs having operation and control functions that make them the brains of computers Main Products and Suppliers Microprocessors (Freescale Semiconductor) DSP (Texas Instruments) Main Applications Mobile phone base stations, printers, medical equipment, and car navigation systems
5 Memory ICs ICs used exclusively for memory Main Products and Suppliers Flash memories ^{*3} (Fujitsu Electronics) SRAM (IDT) Main Applications Digital home appliances, mobile phones, communication equipment, and factory automation equipment	6 Optical components Electronic components that convert electricity into light for use Main Products and Suppliers LED ^{*4} , Photo couplers ^{*5} (Avago Technologies) Main Applications Mobile phones, in-vehicle equipment, and factory automation equipment	7 Electronic components elements Components having single functions such as amplification and rectification Main Products and Suppliers Discrete components (ON Semiconductor) Main Applications Personal computers and factory automation equipment	8 Electronic components, etc Boards and Power supplies Main Products and Suppliers Evaluation boards <i>inrevium</i> Power supplies (Cosel) Main Applications Digital home appliances, medical equipment, factory automation equipment, and communications equipment

Terminology
^{*1} [PLD] Custom ICs consisting of programmable logic elements that can be developed more quickly than ASIC
^{*2} [ASIC] Custom ICs expected to offer high performance that take a long time to develop
^{*3} [Flash memories] A medium that stores data electrically even when power is switched off
^{*4} [LED] A diode that glows when an electric current passes through which is used in lamps and indicators
^{*5} [Photo couplers] Elements that convert electric signals into light for transmission. They have an advantage of electrical insulation.

Action Policies for the Fiscal Year Ending March 2012

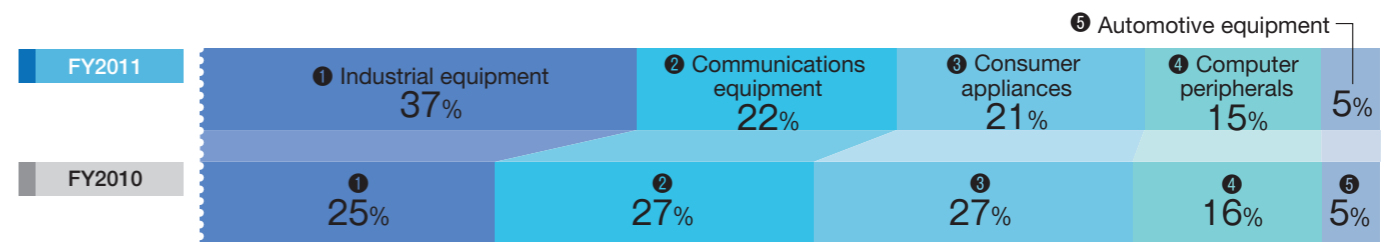
1 Acquiring commercial rights and introducing new products

We will strive to acquire commercial rights for customers and find new suppliers to boost sales through synergy with new products.

2 Further stepping up customer-oriented sales operations

We will allocate more human resources to sales locations and station technical support engineers (FAEs) at these locations to enhance customer-oriented sales operations.

Feature 3 Selling a broad array of products mainly from leading electronics manufacturers



1 Industrial equipment Main applications Medical equipment, broadcasting equipment, semiconductor testing devices, robots, measuring equipment Main customers Hitachi, Oki, Panasonic, Toshiba	2 Communications equipment Main applications Mobile phones, routers, transmission equipment and mobile phone base stations Main customers Fujitsu, Hitachi, NEC, Panasonic	3 Consumer appliances Main applications Digital cameras, flat-screen TVs and AV equipment Main customers Hitachi, Panasonic, Sharp, Sony, Toshiba	4 Computer peripherals Main applications Multifunctional printers, projectors, PCs, and peripheral devices Main customers Fuji Xerox, NEC, Panasonic, Toshiba	5 Automotive equipment Main applications Car navigation systems and car audio equipment Main customers Aisin, Panasonic
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*Major customers are indicated by their respective group names in abbreviated forms without titles and arranged in order of Japanese syllabary.

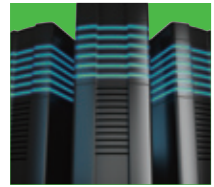
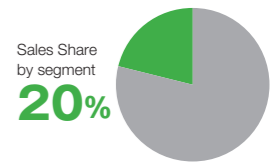
Our strength



Offering advanced technical support

We position field application engineers (FAEs) at each of our suppliers to offer them in-depth technical support in stages ranging from planning to manufacturing. In addition to their core work of explaining the technical aspects of new products to clients and answering their questions, our FAEs quickly address any issues that emerge. They also assist our suppliers with product evaluation and technical surveys. Through these activities, we have earned the trust of both our clients and suppliers as a trading company specializing in technology that is able to offer solutions.

Introduction of Business



Computer Networks Business

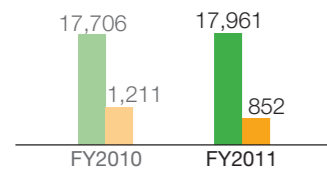
Principally involved in procuring and selling IT equipment while also conducting systems development and offering maintenance support.



Computer Networks Business

■ Net sales ■ Ordinary income

(Million yen)



Financial results for the fiscal year ended March 2011

Because of a delay in recovery of IT investment demand, product sales on computer and network equipment were sluggish while software for embedded devices achieved strong sales and the maintenance service business remained bullish. In this segment, net sales were 17,961 million yen (up 1.4% year on year) whereas ordinary income was 852 million yen (down 29.6% year on year), the result of an increase in selling, general, and administrative expenses.

Feature 1 Handling products from manufacturers with cutting-edge technologies in the IT field

<p>Location: Washington, USA Products: Network appliances</p>	<p>Location: California, USA Products: LAN switches</p>	<p>Location: Washington, USA Products: Software for embedded devices</p>	<p>Location: California, USA Products: Storage area network switches</p>	<p>Location: California, USA Products: Storage area network adapters</p>
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Feature 2 A lineup centered on high-specialty products



<h4>1 Network products</h4> <p>Distribution of Internet connection loads and security enhancement</p> <p>Main suppliers F5 Networks Extreme Networks Thales and others</p>	<h4>2 Software</h4> <p>Databases for controlling operating systems and data for embedded devices</p> <p>Main suppliers Microsoft Japan Oracle and others</p>	<h4>3 Storage products</h4> <p>Realization of large-volume data storage and cost cutting with integration technologies</p> <p>Main suppliers Brocade Communications Systems EMC Emulex and others</p>
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Action Policies for the Fiscal Year Ending March 2012

1 Concentrating on a select range of products

We will introduce new technologies and state-of-the-art products in line with the trend towards cloud computing, while refining the range of products we handle to boost overall profitability.

2 Increasing direct sales efforts

We will continue to step up direct sales efforts to end user customers and attempt to expand the maintenance business.

3 Expanding products for embedded devices

We will seek to expand sales of software for embedded devices.

Feature 3 Supporting IT environments tailored to customer needs

<h4>Product sales</h4>	<h4>Systems construction</h4>	<h4>Maintenance and support</h4>
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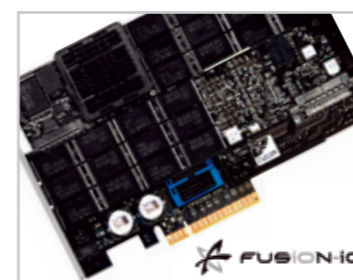
Focal Point

Introducing products that respond to cloud needs



Focusing on direct sales of data warehouse engines

A data warehouse (DWH) engine called "Greenplum Database," which achieves high-speed processing of large volumes of data, has been attracting attention. The Greenplum Database is a next-generation DWH solution that increases data processing capacity at low cost to deal with data growth following the introduction of operational systems in the corporate sector. We offer verification services in anticipation of its introduction as well as introduction assistance services such as performance evaluation and system sizing.



The Fusion-io ioDrive – an ultra-high speed semiconductor storage solution

The ioDrive is a mainstay product of Fusion-io, Inc. of the United States. It is a storage product with NAND flash memory implemented on PCI-express cards to provide performance and reliability comparable with large-scale SAN storage. This is a revolutionary product equipped with the functions of increasing the speed of system performance. It helps reduce costs while saving annual power consumption. It gives users a high-speed storage environment without requiring the construction of large, complicated storage infrastructure. It also draws attention as a storage system for large-scale Web services and extensive databases.