

Fiscal 2006 Interim Results Presentation (Supplementary Materials)

November 15, 2005

ITX Corporation

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1. Interim Results

	Life Sciences		Networking & Technologies		Mobile Communications		Business Innovations		Eliminations and Corporate		Total	
	Interim FY05	Interim FY06	Interim FY05	Interim FY06	Interim FY05	Interim FY06	Interim FY05	Interim FY06	Interim FY05	Interim FY06	Interim FY05	Interim FY06
Revenues	4.9	20.2	68.1	60.2	80.3	95.0	5.3	8.7	-	-0.4	158.6	183.7
(Sales of investment securities for business incubation)	(1.0)	(1.0)	(7.4)	(2.6)	(-)	(-)	(0.0)	(-)	(-)	(-)	(8.4)	(3.6)
(Equipment sales and services)	(3.9)	(19.2)	(60.7)	(57.6)	(80.3)	(95.0)	(5.3)	(8.7)	(-)	(-0.4)	(150.2)	(180.2)
Gross profit	1.3	3.9	5.8	6.1	8.8	9.6	0.9	1.8	-	-0.0	16.8	21.4
(Sales of investment securities for business incubation)	(0.9)	(0.8)	(3.3)	(2.4)	(-)	(-)	(0.0)	(-)	(-)	(-)	(4.2)	(3.2)
(Impairment loss on investment securities)	(-0.1)	(-)	(-0.1)	(-0.0)	(-)	(-)	(-0.0)	(-0.1)	(-)	(-)	(-0.2)	(-0.2)
(Equipment sales and services)	(0.6)	(3.1)	(2.6)	(3.8)	(8.8)	(9.6)	(0.9)	(1.9)	(-)	(-0.0)	(12.8)	(18.4)
Selling, general & administrative expenses	-1.1	-2.7	-3.0	-3.9	-8.5	-10.3	-1.0	-2.1	-0.6	-0.6	-14.2	-19.6
(Sales of investment securities for business incubation)	(-0.1)	(-0.1)	(-0.3)	(-0.3)	(-0.0)	(-0.0)	(-0.1)	(-0.1)	(-0.3)	(-0.3)	(-0.8)	(-0.7)
(Equipment sales and services)	(-1.0)	(-2.6)	(-2.7)	(-3.6)	(-8.5)	(-10.3)	(-0.9)	(-2.0)	(-0.3)	(-0.3)	(-13.4)	(-18.9)
Operating income	0.2	1.2	2.8	2.3	0.3	-0.7	-0.1	-0.3	0.6	-0.7	2.6	1.8
(Sales of investment securities for business incubation)	(0.6)	(0.7)	(3.0)	(2.1)	(-0.0)	(-0.0)	(-0.1)	(-0.2)	(-0.3)	(-0.3)	(3.2)	(2.3)
(Equipment sales and services)	(-0.4)	(0.5)	(-0.2)	(0.2)	(0.3)	(-0.7)	(-0.0)	(-0.1)	(-0.3)	(-0.4)	(-0.6)	(-0.5)

*Non consolidated SG&A expenses are split evenly between investment securities for business incubation and equipment sales and services

Interim Performance by Core Subsidiary (YoY Comparison)

(¥ billion)

Interim FY06 Results	ITX Corp.	IT Telecom	KS OLYMPUS	ITX-EG	AVS	TMX	Soliste
Revenues	45.1	94.0	15.0	6.6	3.7	3.6	2.5
Operating income	-0.6	0.3	0.5	0.1	0.0	0.3	-0.1
Net income	0.8	0.1	0.3	0.1	0.0	0.1	-0.1

Interim FY05 Results	ITX Corp.	IT Telecom	KS OLYMPUS *	ITX-EG	AVS	TMX	Soliste
Revenues	54.4	80.2	14.0	6.3	3.6	2.8	3.7
Operating income	-1.2	1.4	0.4	0.1	0.0	0.2	0.0
Net income	3.7	0.7	0.2	0.1	0.0	0.1	0.0

YoY Change	ITX Corp.	IT Telecom	KS OLYMPUS	ITX-EG	AVS	TMX	Soliste
Revenues	-9.3	13.8	1.0	0.3	0.1	0.8	-1.2
Operating income	0.6	-1.1	0.1	0.0	0.0	0.1	-0.1
Net income	-2.9	-0.6	0.1	0.0	0.0	0.0	-0.1

*Some company names in the above table have been abbreviated: ITX-EG=ITX E-Globaleedge, TMX=TechMatrix. TOKYO

DEN-ON changed its name to Soliste in October 2004

*KS Olympus was consolidated in the second half of fiscal 2005 after a share acquisition in December 2004

2. Full-Year Forecasts

FY05 Full-Year Results & FY06 Full-Year Forecasts by Segment

(¥ billion)

	Life Sciences		Networking & Technologies		Mobile Communications		Business Innovations		Eliminations and Corporate		Total	
	FY05 Full-Year Results	FY06 Full-Year Forecasts	FY05 Full-Year Results	FY06 Full-Year Forecasts	FY05 Full-Year Results	FY06 Full-Year Forecasts	FY05 Full-Year Results	FY06 Full-Year Forecasts	FY05 Full-Year Results	FY06 Full-Year Forecasts	FY05 Full-Year Results	FY06 Full-Year Forecasts
Revenues (Sales of investment securities for business incubation) (Equipment sales and services)	(24.0)	(40.8)	(121.3)	(77.3)	(178.8)	(205.4)	(11.6)	(18.3)	(14.1)	(7.5)	349.7 (14.1) (335.6)	348.0 (7.5) (340.5)
Gross profit (Sales of investment securities for business incubation) (Impairment loss on investment securities) (Equipment sales and services)	(3.5)	(6.6)	(6.2)	(7.2)	(18.6)	(20.9)	(2.2)	(4.3)	(8.6)	(6.7)	39.2 (8.6) (30.6)	44.9 (6.7) (38.2)
Selling, general & administrative expenses (Sales of investment securities for business incubation) (Equipment sales and services)	(-3.5)	(-5.7)	(-6.1)	(-6.5)	(-18.2)	(-20.7)	(-2.1)	(-4.2)	(-1.5) (-0.6)	(-1.3) (-0.7)	-32.0 (-1.5) (-30.5)	-39.0 (-1.3) (-37.7)
Operating income (Sales of investment securities for business incubation) (Equipment sales and services)	(0.0)	(0.9)	(0.1)	(0.7)	(0.4)	(0.3)	(0.1)	(0.1)	(7.1) (-0.6)	(5.4) (-1.5)	7.2 (7.1) (0.1)	5.9 (5.4) (0.5)

*Non consolidated SG&A expenses are split evenly between investment securities for business incubation and equipment sales and services.

*Sales of investment securities for business incubation in each segment are shown in the Eliminations and Corporate column in sum total.

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FY05 Full-Year Results & FY06 Full-Year Forecasts by Core Subsidiary

(¥ billion)

FY06 Full-Year Forecasts	ITX Corp.	IT Telecom	KS OLYMPUS	ITX-EG	AVS	TMX	Soliste
Revenues	51.0	203.1	30.9	17.8	8.2	8.0	5.4
Operating income	1.0	2.3	1.0	0.8	0.0	0.7	-0.1
Net income	3.5	1.2	0.6	0.5	0.0	0.3	-0.1

FY05 Full-Year Results	ITX Corp.	IT Telecom	KS OLYMPUS*	ITX-EG	AVS	TMX	Soliste
Revenues	105.9	177.9	30.1	12.2	7.5	6.6	6.7
Operating income	2.0	2.5	0.9	0.2	0.0	0.6	-0.0
Net income	7.8	1.1	0.5	0.2	0.0	0.3	0.0

YoY Change	ITX Corp.	IT Telecom	KS OLYMPUS	ITX-EG	AVS	TMX	Soliste
Revenues	-54.7	25.2	0.8	5.6	0.7	1.4	-1.3
Operating income	-0.1	-0.2	0.1	0.6	0.0	0.1	-0.1
Net income	-4.3	0.1	0.1	0.3	0.0	0.0	-0.1

*Some company names in the above table are abbreviated: ITX-EG=ITX E-Globaledge, TMX=TechMatrix. TOKYO DEN-ON changed its name to Soliste in October 2004

* ITX consolidated results for fiscal 2005 only include operating results for KS Olympus for the second half of the fiscal year since ITX purchased shares in KS Olympus in December 2004.

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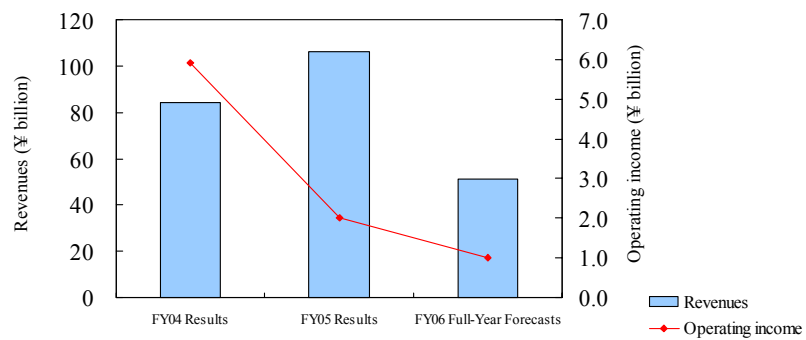
3. Core Subsidiary Operating Results and Forecasts

Core Subsidiary: Operating Results

ITX Corporation

(¥ billion)

	FY04 Results	FY05 Results	FY06 Interim Results	FY06 Full-Year Forecasts
Revenues	84.0	105.9	45.1	51.0
Operating income (loss)	5.9	2.0	-0.6	1.0
Net income (loss)	6.5	7.8	0.8	3.5



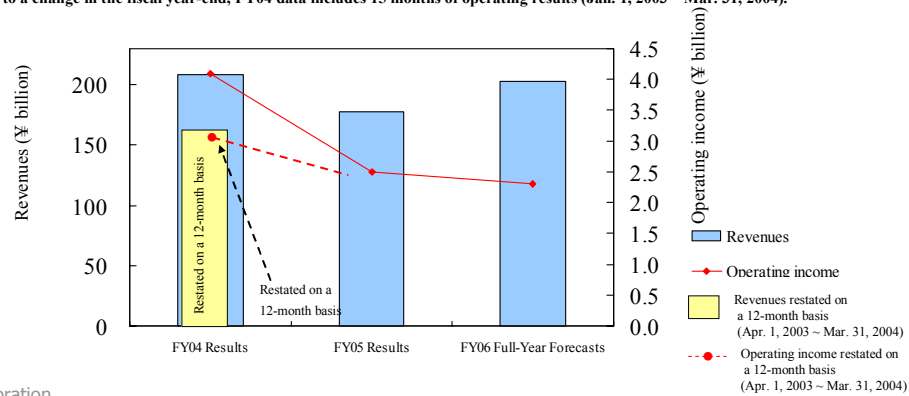
Core Subsidiary: Operating Results

IT Telecom

(¥ billion)

	FY04 Results (15 months)	Reference) (Restated for the period Apr. 03 ~ Mar. 04)	FY05 Results	FY06 Interim Results	FY06 Full- Year Forecasts
Revenues	208.5	165.0	177.9	94.0	203.1
Operating income (loss)	4.1	2.9	2.5	0.3	2.3
Net income (loss)	2.0	1.4	1.1	0.1	1.2

*Due to a change in the fiscal year-end, FY04 data includes 15 months of operating results (Jan. 1, 2003 ~ Mar. 31, 2004).



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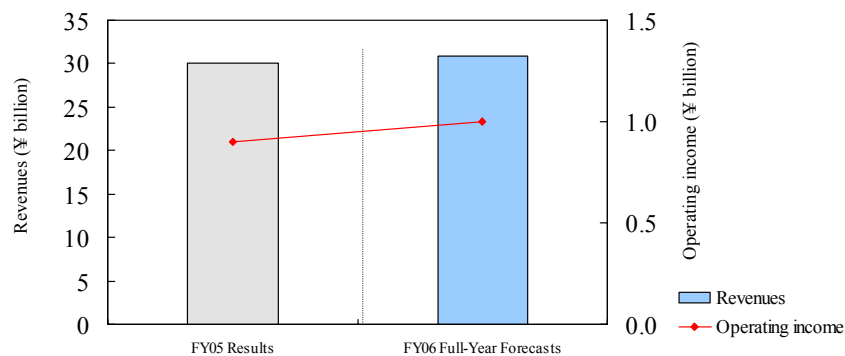
Core Subsidiary: Operating Results

KS OLYMPUS

(¥ billion)

	FY05 Results	FY06 Interim Results	FY06 Full-Year Forecasts
Revenues	30.1	15.0	30.9
Operating income	0.9	0.5	1.0
Net income	0.5	0.3	0.6

*ITX consolidated results for fiscal 2005 only include operating results for KS Olympus for the second half of the fiscal year



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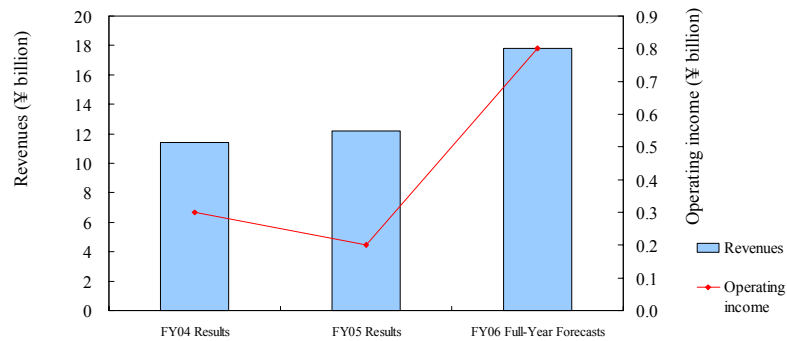
Core Subsidiary: Operating Results

ITX E-Globaledge

(¥ billion)

	FY04 Results	FY05 Results	FY06 Interim Results	FY06 Full-Year Forecasts
Revenues	11.4	12.2	6.6	17.8
Operating income	0.3	0.2	0.1	0.8
Net income	0.2	0.2	0.1	0.5

*Some equipment sales and services handled by ITX were transferred to ITX E-Globaledge in April 2002



Core Subsidiary: Operating Results

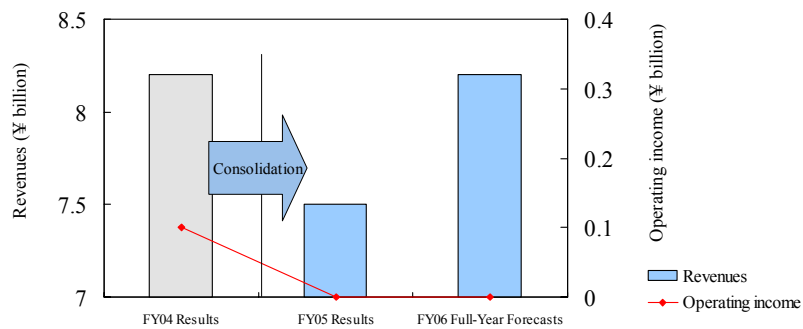
AVS

(¥ billion)

	FY04 Results	FY05 Results	FY06 Interim Results	FY06 Full-Year Forecasts
Revenues	8.2	7.5	3.7	8.2
Operating income	0.1	0.0	0.0	0.0
Net income	0.0	0.0	0.0	0.0

*OLYMPUS AVS Co., Ltd. was acquired in April 2004 and consolidated in the ITX Group from FY05.

The company name was changed to AVS Co., Ltd. in June 2004.



Core Subsidiary: Operating Results

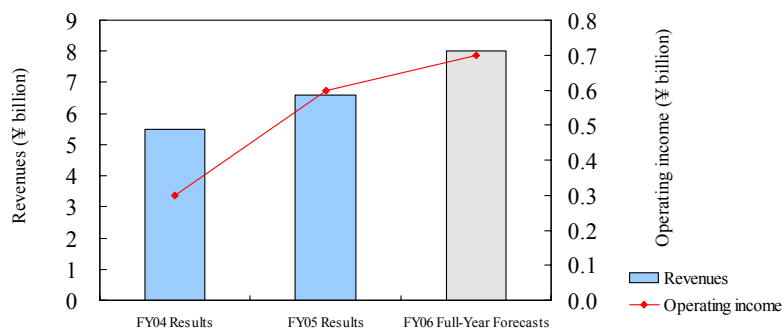
TechMatrix

(¥ billion)

	FY04 Results	FY05 Results	FY06 Interim Results	FY06 Full-Year Forecasts
Revenues	5.5	6.6	3.6	8.0
Operating income	0.3	0.6	0.3	0.7
Net income	0.1	0.3	0.1	0.3

* TechMatrix is now treated as an equity-method affiliate following a partial sale of shares in the company in September 2005.

(Reference)

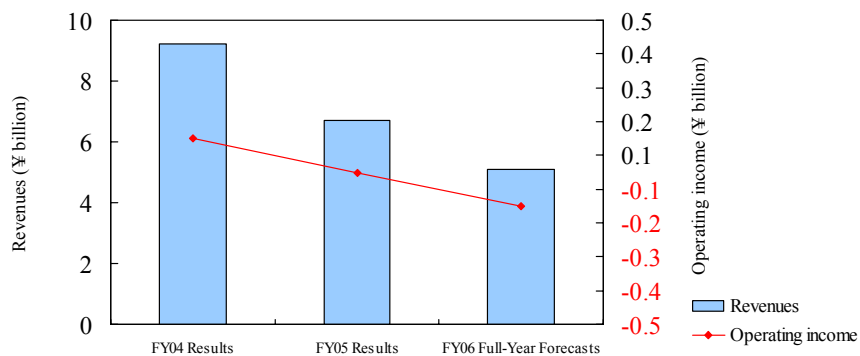


Core Subsidiary: Operating Results

Soliste

(¥ billion)

	FY04 Results	FY05 Results	FY06 Interim Results	FY06 Full-Year Forecasts
Revenues	9.2	6.7	2.5	5.4
Operating income (loss)	0.1	0.0	-0.1	-0.1
Net income (loss)	0.1	0.0	-0.1	-0.1



Financial Results of Key Companies Incorporated or Acquired Since ITX's Inception												
(¥ billion)												
	FY02 Results		FY03 Results		FY04 Results		FY05 Results		FY06 Interim Results		FY06 Full-Year Forecasts	
	Revenues	Operating income (loss)	Revenues	Operating income (loss)	Revenues	Operating income (loss)	Revenues	Operating income (loss)	Revenues	Operating income (loss)	Revenues	Operating income (loss)
New businesses in 2001												
Collabos												
MarkAny Japan	0.0	-0.2	0.0	-0.4	0.2	-0.4	0.5	-0.3	0.5	0.0	1.1	-0.1
Net Protections												
New businesses in 2002												
DIGITAL ARX												
GeneFrontier			0.1	-0.1	0.9	-0.2	0.9	-0.2	2.3	-0.1	5.4	0.0
Minerva Collection Agency												
New businesses in 2003												
IPX					1.0	-0.2	1.0	-0.4	0.2	-0.2	0.6	-0.5
Moranet												
LA PLANTA												
New businesses in 2004												
QuattroMedia							0.8	0.0	1.4	0.1	3.5	0.2
Tmedix												
Total	0.0	-0.2	0.1	-0.5	2.1	-0.8	3.2	-0.9	4.4	-0.2	10.6	-0.4

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Financial Results of Key Companies Acquired or Reorganized Since ITX's Inception														
(¥ billion)														
	FY01 Results		FY02 Results		FY03 Results		FY04 Results		FY05 Results		FY06 Interim Results		FY06 Full-Year Forecasts	
	Revenues	Operating income (loss)	Revenues	Operating income (loss)	Revenues	Operating income (loss)	Revenues	Operating income (loss)	Revenues	Operating income (loss)	Revenues	Operating income (loss)	Revenues	Operating income (loss)
IT Telecom														
Nichimen Telecom acquired in Jul. 2000; merged with NI Telecom in Oct. 2000.	81.8	1.6	153.0	2.8	150.3	3.7	208.5	4.1	177.9	2.5	94.0	0.3	203.1	2.3
TechMatrix														
Acquired in Jul. 2000.	5.0	0.3	4.7	-0.3	4.8	0.0	5.5	0.3	6.6	0.6	3.6	0.3	8.0	0.7
Soliste														
Nichimen Electric Technology acquired in Jul. 2000; merged with TOKYO DEN-ON in Oct. 2001.	9.7	0.2	11.2	0.1	9.2	-0.1	9.2	0.1	6.7	0.0	2.5	0.0	5.4	-0.1
ITX E-Globaledge														
Part of ITX's operations transferred to ITX-EG in Apr. 2002.	6.1	0.2	4.5	-0.1	10.4	0.1	11.4	0.3	12.2	0.2	6.6	0.1	17.8	0.8
AVS														
OLYMPUS AVS acquired in Apr. 2004; part of ITX's operations transferred to this company.									7.5	0.0	3.7	0.0	8.2	0.0
OLYMPUS SOGO SERVICE														
Acquired in Apr. 2004; merged with Nippon Outsourcing Corporation (NOC).									4.4	0.3	2.6	0.2	4.8	0.2
QuattroMedia														
Jointly established by IT Telecom, ITX E-Globaledge and Gismo Plus through a demerger of certain operations in Oct. 2004									0.8	0.0	1.0	0.0	2.3	0.1
Total	102.6	2.3	173.4	2.5	174.7	3.7	234.6	4.8	216.1	3.6	115.2	0.9	249.7	4.0

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*Total is the simple sum of figures in the above table

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4. Balance Sheet Information

Consolidated Balance Sheets				(¥ billion)			
	As of March 31, 2005	As of September 30, 2005	Change		As of March 31, 2005	As of September 30, 2005	Change
Cash and cash equivalents	26.1	28.8	2.7	Short-term interest-bearing debt	28.3	17.7	-10.6
Marketable securities	1.2	1.2	0.0	Other current liabilities	52.7	44.7	-8.0
Other current assets	72.0	61.0	-11.0	Long-term interest-bearing debt	56.3	64.6	8.3
Total current assets	99.3	91.0	-8.3	Other non-current liabilities	2.4	2.5	0.1
Tangible non-current assets	7.9	7.6	-0.3	Total liabilities	139.7	129.5	-10.2
Intangible non-current assets (Deferred tax assets)	36.7 (33.8)	33.4 (31.3)	-3.3 (-2.5)	Minority interests	4.5	2.8	-1.7
Investment securities	8.0	8.3	0.3	Capital/capital reserve	48.4	48.4	0.0
Investment securities for business incubation	11.7	13.4	1.7	Retained earnings	-22.7	-21.5	1.2
Other non-current assets	6.4	5.8	-0.6	Net unrealized holding gain on available-for-sale securities	1.0	0.9	-0.1
Total non-current assets	70.7	68.5	-2.2	Other	-0.9	-0.6	0.3
Deferred assets	0	0	0	Total shareholders' equity	25.8	27.2	1.4
Total assets	170.0	159.5	-10.5	Total liabilities, minority interests and shareholders' equity	170.0	159.5	-10.5

Interim FY06 Overview

◆ Consolidated Balance Sheet (Compared to March 31, 2005)

◆ Total assets ⇒ Decreased ¥10.5 billion

- Decline in trade notes and accounts receivable of ¥8.4 billion
(IT Telecom: -¥5.5 billion; KS Olympus: ¥1.5 billion, etc.)
- Decline in intangible assets of ¥3.2 billion
(Decrease in goodwill of ¥2.4 billion: write-down following sale of shares, impairment loss, etc.)

◆ Interest-bearing debt

⇒ Short-term interest-bearing debt: -¥10.6 billion

⇒ Long-term interest-bearing debt: +¥8.3 billion

- As a result of repaying short-term debt by refinancing it with long-term debt

Non consolidated Balance Sheets

	As of March 31, 2005	As of September 30, 2005	Change		As of March 31, 2005	As of September 30, 2005	Change
Cash and cash equivalents	6.2	15.5	9.3	Short-term interest-bearing debt	15.1	6.7	-8.4
Marketable securities	1.2	1.2	0.0	Other current liabilities	8.9	8.4	-0.5
Other current assets	16.2	10.6	-5.6	Long-term interest-bearing debt	47.6	56.4	8.8
Total current assets	23.6	27.3	3.7	Other non-current liabilities	0.5	0.9	0.4
Tangible non-current assets	0.1	0.1	0.0	Total liabilities	72.1	72.4	0.3
Intangible non-current assets	0.2	0.2	0.0	Capital/capital reserve	48.4	48.4	0.0
Investment securities for business incubation	5.7	6.1	0.4	Retained earnings	-15.6	-14.8	0.8
Investment securities for business incubation—in affiliates	9.9	9.9	0.0	Net unrealized holding gain on available-for-sale securities	0.1	0.2	0.1
Investment securities—in affiliates	58.0	55.3	-2.7	Total shareholders' equity	32.9	33.8	0.9
Investment securities	5.2	5.5	0.3	Total liabilities, minority interests and shareholders' equity	105.0	106.2	1.2
Other non-current assets	2.4	1.8	-0.6				
Total non-current assets	81.5	78.9	-2.6				
Total assets	105.0	106.2	1.2				

Interim FY06 Overview

◆ Non consolidated Balance Sheet (Compared to March 31, 2005)

- ◆ **Cash and cash equivalents ⇒ Increased by ¥9.3 billion**
 - Recovery of loans to consolidated subsidiaries, proceeds from share sales, etc.
- ◆ **Interest-bearing debt ⇒ Short-term interest-bearing debt: -¥8.4 billion**
Long-term interest-bearing debt: +¥8.8 billion
 - As a result of repaying short-term debt by refinancing it with long-term debt

5. Investments

FY06 Interim Investment Performance—Overview of New Investments
(ITX Corporation and US investment subsidiaries)

(1/2)

	Investment (¥ million)	Holding (%)	Business Overview
(Non consolidated)			
1021 Technologies, Inc.	56	7.95%	Development of LSI chipsets for discrete multi-tone (DMT) very-high data rate digital subscriber lines (VDSL), algorithm software and system software.
C-Wave Marketing Co., Ltd.	51	8.12%	Development of a new market business linking advertising and actual sales activities (face-to-face promotions, sales of retailing booths)
AI, Inc.	57	13.55%	Development and sales of speech synthesis systems
Nippon EMC Ltd.	99	1.44%	Manufacture and sales of chemical semiconductor manufacturing equipment (MOVPE devices)
ESTAGE Inc.	99	10.22%	Marketing support, brand consulting and system development
VSN Inc.	100	1.07%	Personnel placement and outsourcing in technical fields, support for sole proprietorships and provision of recruiting services
NETCLEUS Systems Corporation	51	6.25%	R&D/manufacturing of telecommunications equipment and semiconductor devices

FY06 Interim Investment Performance—Overview of New Investments
(ITX Corporation and US investment subsidiaries)

(2/2)

	Investment (¥ million)	Holding (%)	Business Overview
(Non consolidated)			
BetterWave Inc.	45	11.53%	Operation of kids play parks; planning and holding kids events; planning, installation and operation of amusement equipment; running promotional events
SKIPPER WIRELESS Inc.	80	10.81%	Development of ad-hoc network systems and semiconductors
EndoVx, Inc.*	49	14.67%	Development, manufacturing and sales of low-invasive medical devices for obesity treatment
VL Inc.*	103	5.70%	Development of VoIP software
FibroGen, Inc.*	103	0.23%	Drug discovery research related to anemia and fibrosis; manufacture and sales of recombinant human collagens and synthetic gelatins

*Investments by US investment subsidiaries

6. Corporate Overview

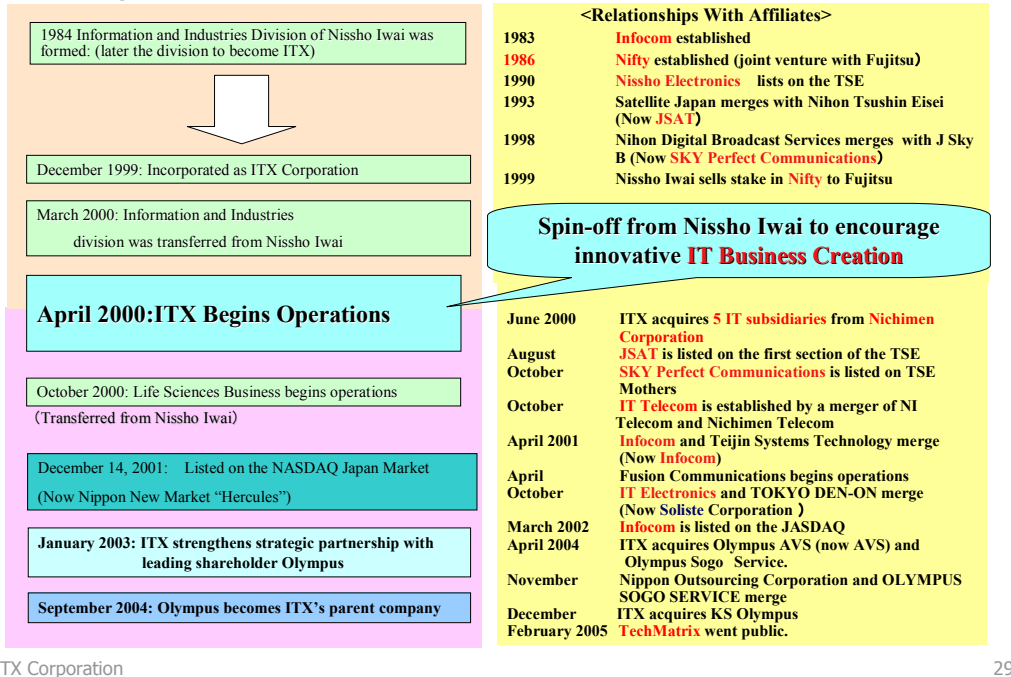
Corporate Overview

- ◆ President & CEO : Tetsuhiko Takei
- ◆ Start of operations : April 1, 2000
- ◆ Business activities: Investment and business incubation, equipment sales and service provision in the IT field
- ◆ Stock listing : Nippon New Market (Hercules) (Code: 2725)

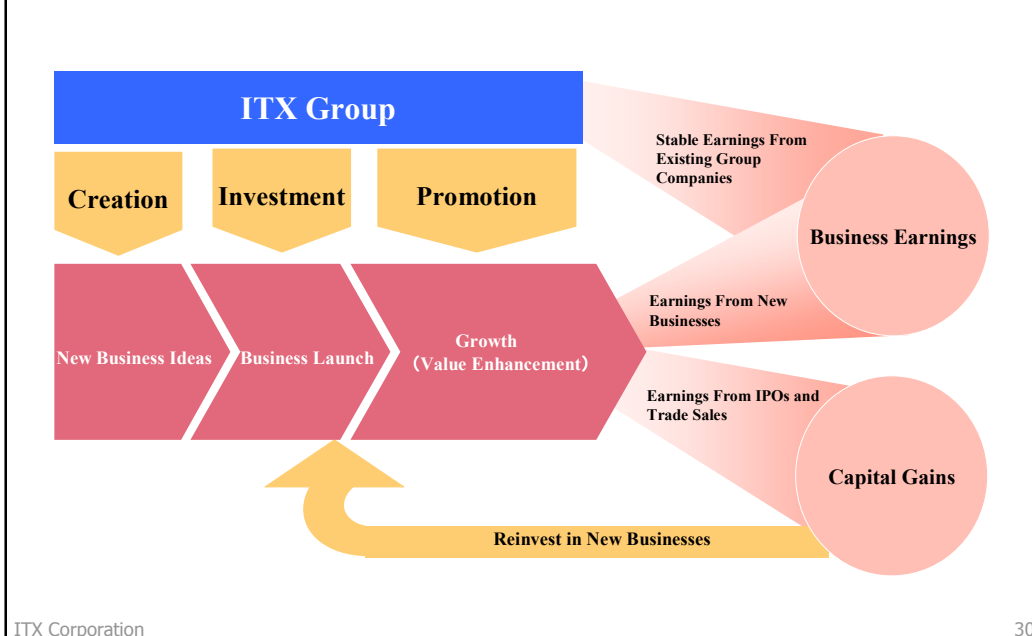
- ◆ Total no. of shares issued : 490,240
- ◆ Capital : ¥20.5 billion
- ◆ Revenues : ¥349.7 billion [Year ended March 31, 2005 (Fiscal 2005)]
- ◆ Net income : ¥0.6 billion (Fiscal 2005)

- ◆ Employees * : 78 (Salaried excluding directors and executive officers)
- ◆ Group employees * : 1,708
- ◆ Major shareholders * : Olympus Corporation (61.8%)、
Olympus Finance Hong Kong Limited (9.9%)、
Funai Electric Co., Ltd (7.7%)、
LGT Class Fund IT Ventures (3.8%)、
LGT Bank in Liechtenstein (3.0%)、
- ◆ Main Banks * : UJF Bank Limited, Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi, Ltd. Mizuho Bank, Ltd. The Norinchukin Bank , AOZORA BANK, Ltd

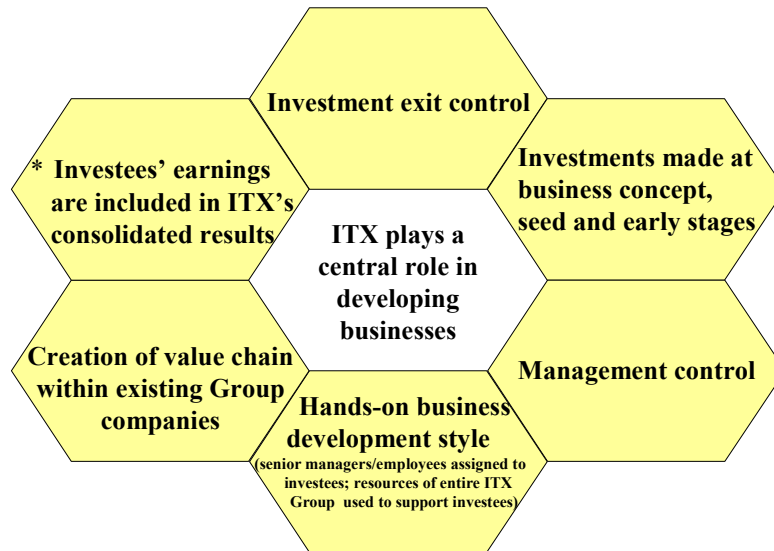
A History of ITX



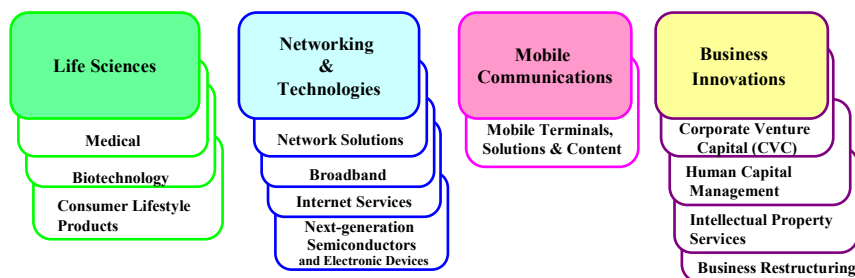
Business Creation Model & Earnings Structure



Characteristics of the ITX Business Model (Comparison to Typical Japanese VC Models)



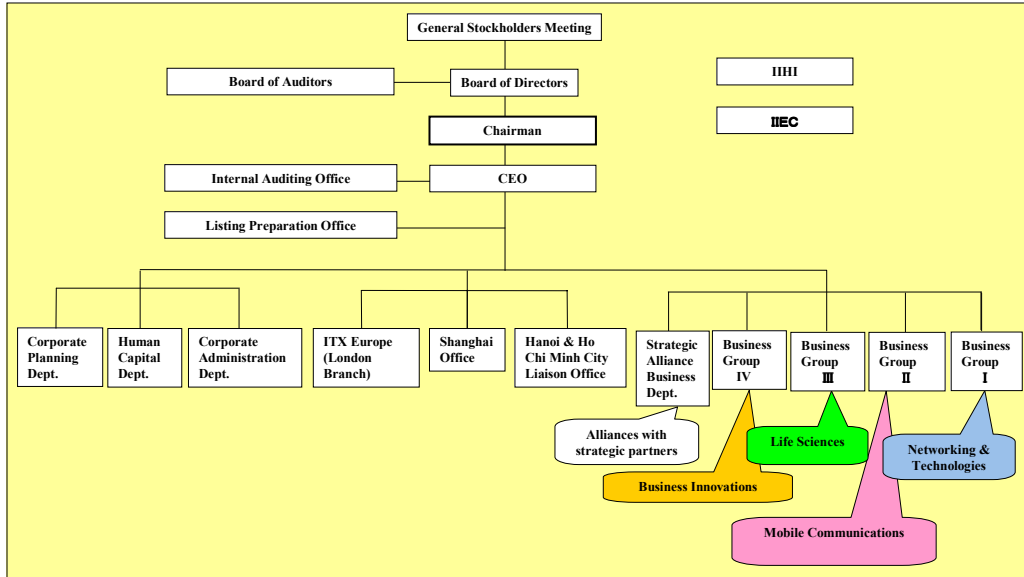
The Operating Scope of the ITX Group



*Please refer to the pamphlet *ITX Major Group Companies*, available on the ITX corporate website.

ITX Organization

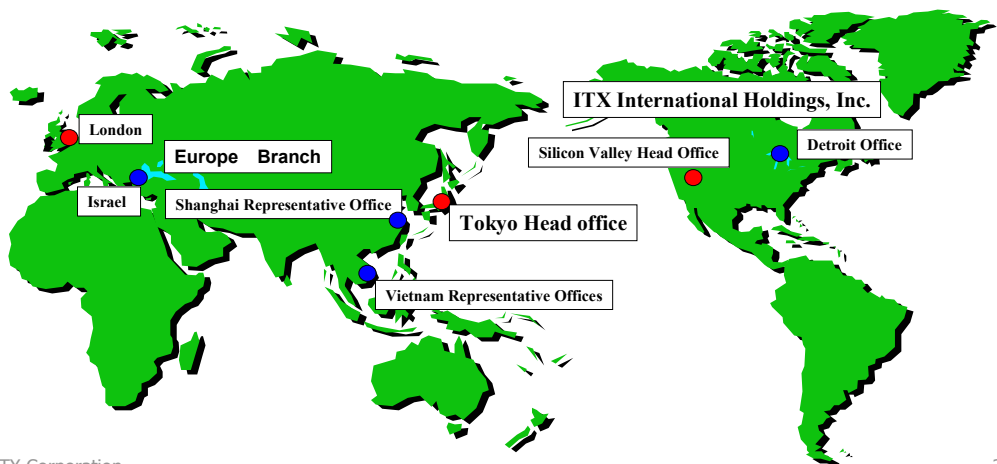
(As of September 30, 2005)



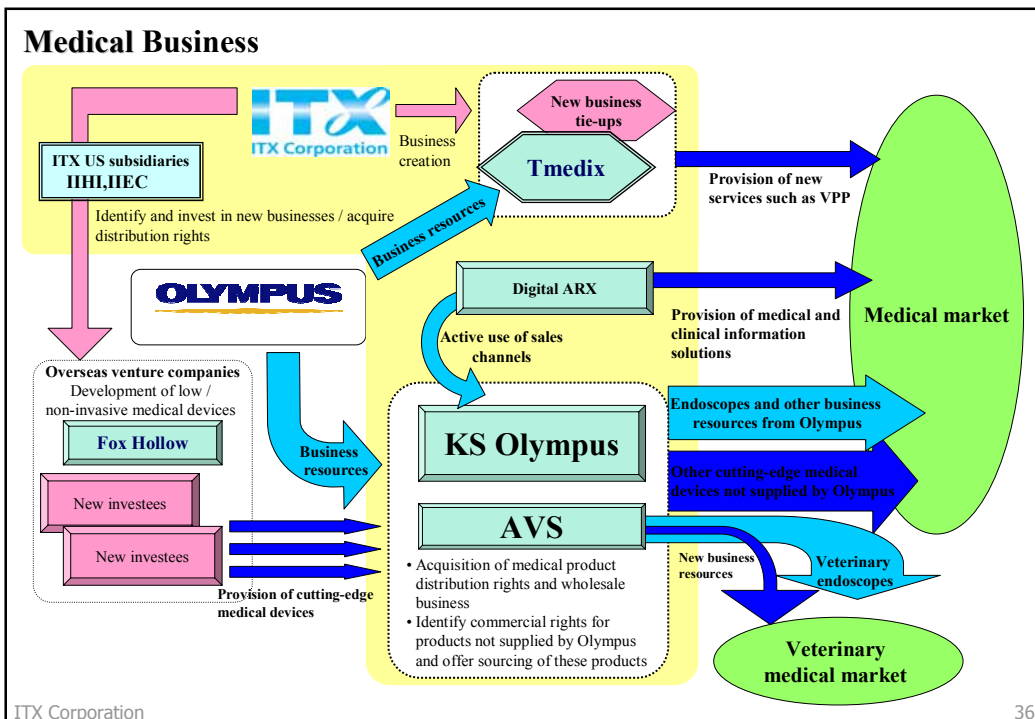
Overseas Bases

ITX's three main locations

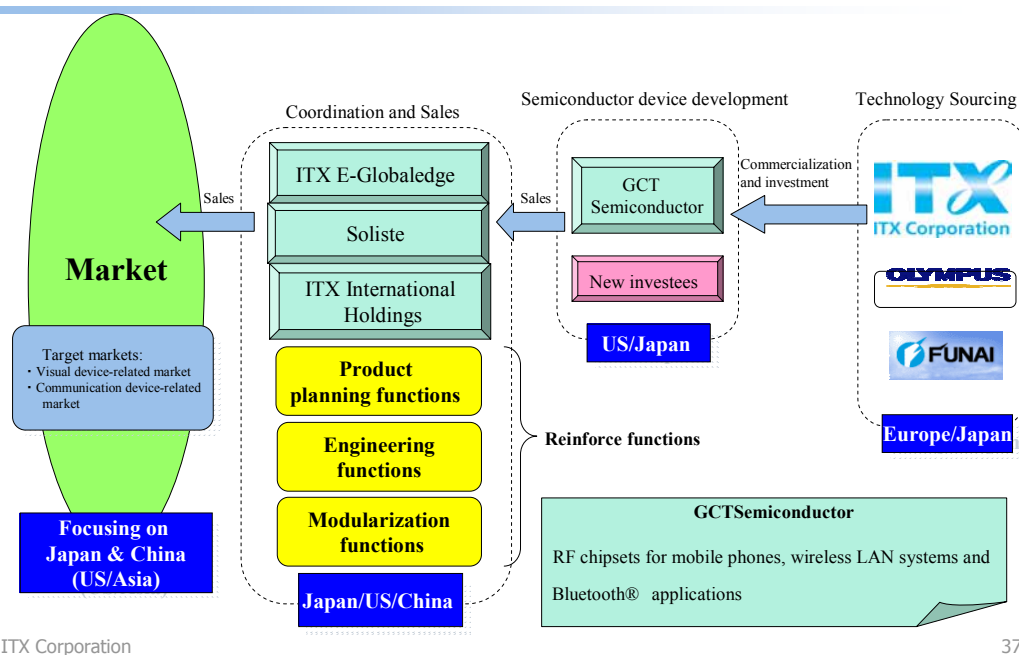
- ITX (Japan)
 - ITX International Holdings (US)/14 employees
 - ITX Europe Branch/5 employees
- (As of September 30, 2005)



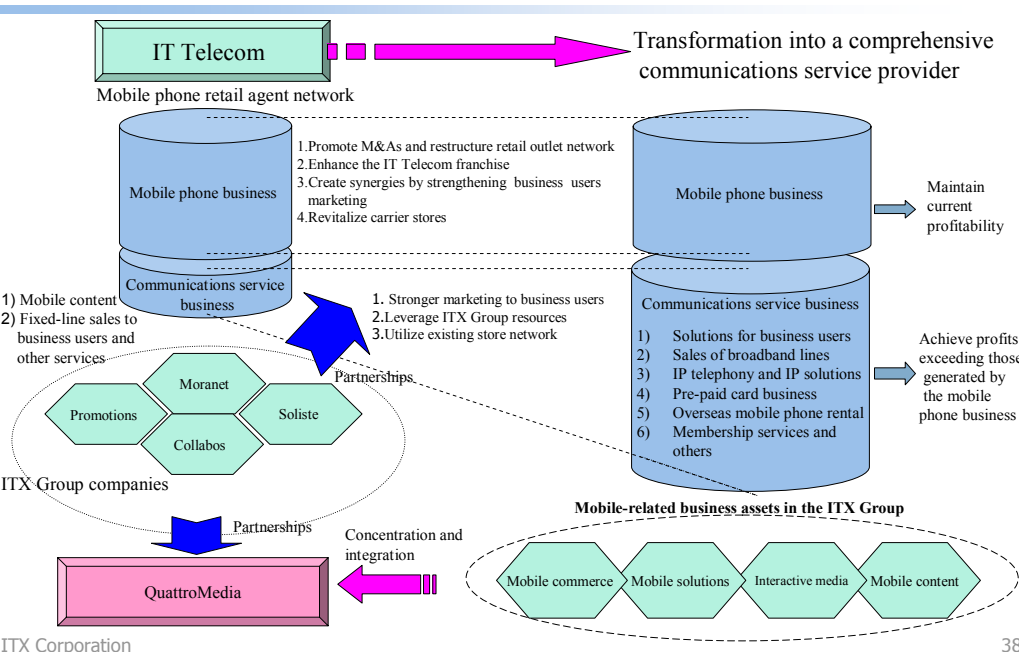
Key Strategic Businesses



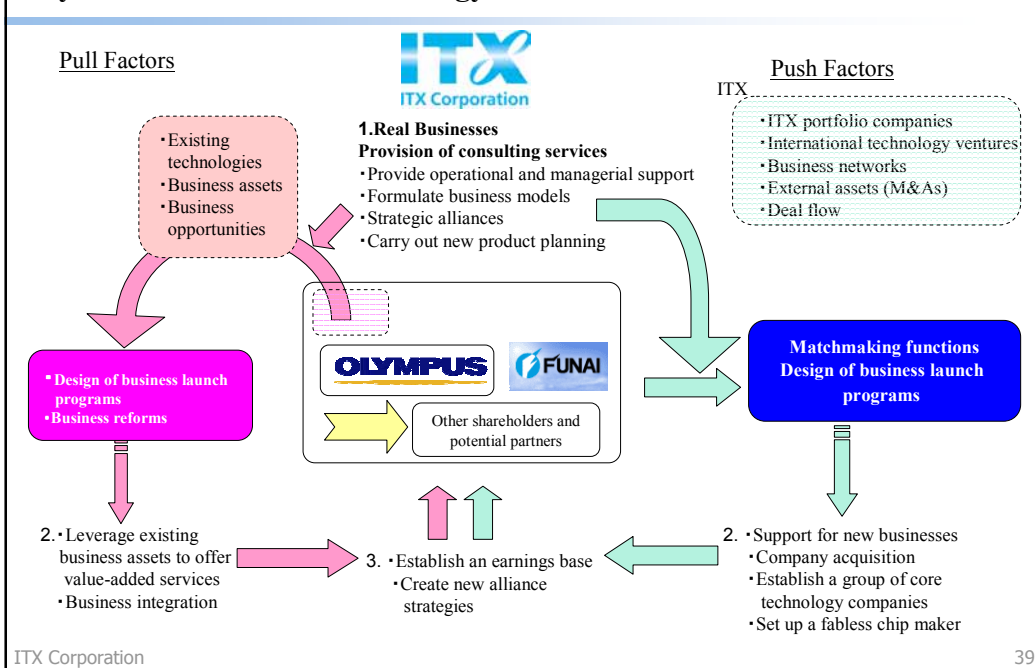
Next-generation Semiconductors and Electronic Devices



Mobile Communications



Key Initiatives—Alliance Strategy



Strategies of Core Business Field (Life Sciences)

◆ Medical Business

- ◆ **AVS:** Build up its expertise as a provider of unique and innovative cutting-edge medical technologies from Europe and the U.S.; enhance sourcing and sales capabilities
- ◆ **KS Olympus:** Expand sales of endoscopes and other medical equipment
- ◆ **Tmedix:** Provide consulting services focused on optimizing medical care processes, environments and cost efficiency; develop and provide value-per-procedure (VPP) programs and other support services for the introduction of endoscopes at medical institutions
- ◆ **DIGITAL ARX:** Expand the medical institution network business (linking up hospitals, etc.) to promote greater patient data sharing

◆ Biotechnology

- ◆ Strengthen sourcing capabilities in the genomic drug discovery field in preparation for future market growth.
- ◆ **GeneFrontier:** Establish company's brand recognition in the marketplace.
- ◆ Promote joint business activities with Olympus to leverage its overseas project sourcing capabilities

Strategies of Core Business Field (Networking & Technologies) (1)

◆ Network Solutions

- ◆ Become the leading provider of network solutions in niche fields, such as security industry

ITX E-Globaledge's customer base

+

TechMatrix's system integration capabilities

+

MarkAny Japan's digital rights management (DRM) services and other distinctive products provided by Group companies

- ◆ Creation of a ubiquitous platform for any device or location

◆ Next-generation semiconductors and electronic devices

- ◆ Build a highly profitable business model by expanding single chip business to high value-added device modularization business in specific fields such as imaging and communications areas.

Sourcing capabilities in Japan, Europe and U.S.

ITX International Holdings (U.S. subsidiary), branch offices in Europe, etc.

Fabless manufacturing capabilities

Unique devices developed by investees and partner companies

Sales capabilities

ITX E-Globaledge, Soliste

Newly added capabilities

Modularization

Product planning

Engineering

Strategies of Core Business Field (Networking & Technologies) (2)

◆ Broadband

◆ Fiber-optic broadband networks

- Moranet provides fiber-optic broadband connectivity services and applications supported by U's Communications' fiber-optic infrastructure to corporate users

◆ Cable TV

- Launch digital broadcasting, pay-per-view, VoIP and other new services
- Create finely tuned customer service network

- ◆ Use investment to promote greater operational cooperation by vertically integrating each internet service layer such as Net Protections' settlement services and e-commerce businesses

- ◆ Help each internet service company in the ITX Group to achieve IPO in order to accelerate business growth and building brands and credit worthiness

Strategies of Core Business Field (Mobile Communications)

◆ Mobile Terminals, Solutions & Content

- ◆ Position **IT Telecom** as the core company in the Mobile Communications field
 - Shift operational focus away from mobile phone sales business and become a comprehensive provider of communication services
 - Targeting all customer segments—large corporations, small/mid-size companies, SOHO businesses and individuals—aim to become a one-stop source for hardware and services provided by communications carriers, vendors and service providers (content, etc.)
- ◆ Consolidating all Mobile Communication-related business assets dispersed across the ITX Group (content, e-commerce, solutions, various media businesses, interactive services) into a single standalone company
⇒ **QuattroMedia** established

Strategies of Core Business Field (Business Innovations)

◆ Business Innovations

- ◆ Corporate Venture Capital (CVC)
Provide a deal sourcing capability for the company and find opportunities in all ITX's business fields
 - Generate fee income by identifying potential business projects and providing investment support services
 - Aim to set up investment funds with partners in niche business fields
⇒ **ITX Capital Innovations** establishes ITX-Nextream No.1 Investment Limited Liability Partnership
- ◆ Build a base in the private equity investment business by providing financing for corporate restructuring, making secondary investments in unlisted businesses, investing in buyouts related to corporate realignment, etc.
⇒ Investee **DUAXES** becomes the first company in the industry to develop entirely hardware-based URL filtering devices in 2005
- ◆ Strengthen capacity of companies providing consulting services (**Minerva Collection Agency**: business restructuring services; **Aflux**: recruitment support services and CRM solutions; **NOC**: total outsourcing services)
- ◆ **IPX**: Leveraging the client base built on the provision of patent analysis and consulting services, develop opportunities in the patent asset trading market to become a pioneer in the intellectual property business