

**Results for FY07
(Supplementary Materials)**

May 15, 2007
ITX Corporation

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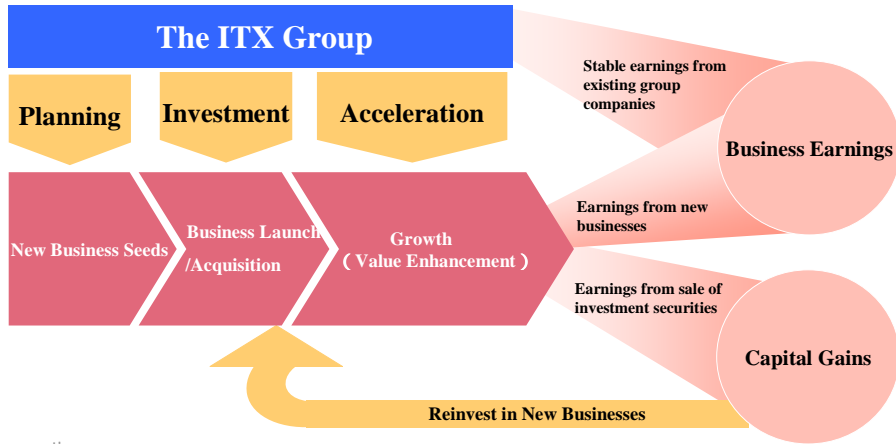
ITX Group: Business Model and Earning Structure

ITX invests to create new enterprise value by playing a central role in the management of investees.

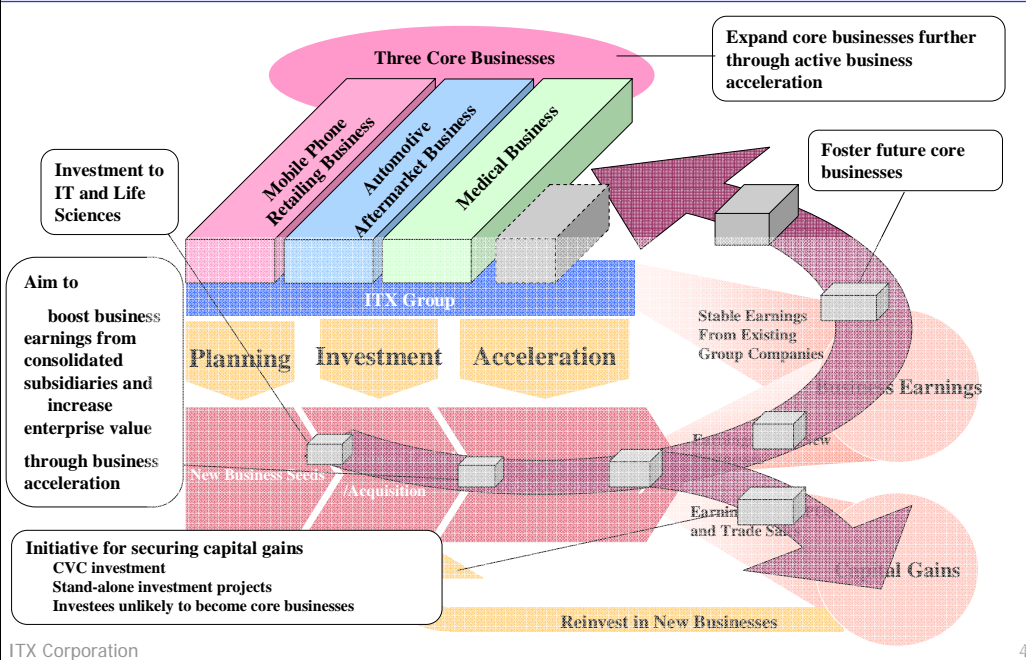
ITX generates earnings in two ways:

1. Stable business earnings from consolidated subsidiaries
2. Secure capital gains when business values are high

Business Model



Business Acceleration Strategy



Capital Gains at ITX

ITX generates capital gains in three ways:

1. From the sale of investment securities for business incubation (business incubation securities in affiliates/business incubation securities)

Amount gained from sale booked under revenues, book value at time of acquisition booked under cost of revenues

2. From the sale of investment securities

Gains/losses booked under other income/expenses

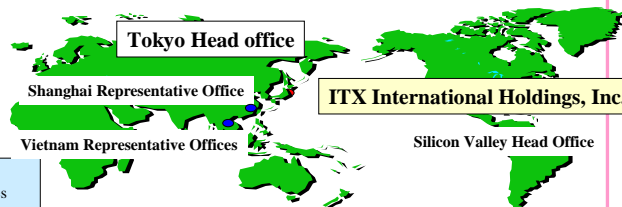
3. From the sale of shares in affiliates

Gains/losses booked under extraordinary gains/losses

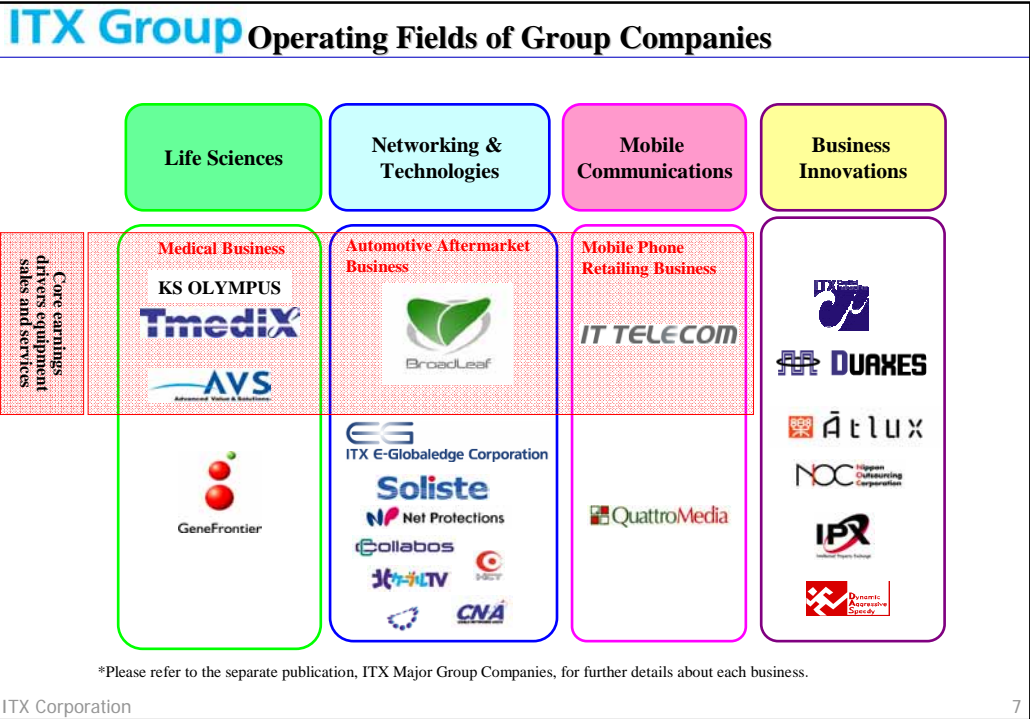
Business Acceleration and Business Model Characteristics

Investment and Business Acceleration Approach

- ◆ Earnings derived from two sources: consolidated business earnings and capital gains
- ◆ Investment and exit strategies based on business acceleration approach that emphasizes assessing viability through close involvement in investee operations
- ◆ Significant stake taken in investees to play an active hands-on management role (executives/employees loaned, business support, marketing support, etc.) to ensure greater chance of success in individual investment projects (differs to typical Japanese venture capital approach – numerous, small-stake investments)
- ◆ Active use of assets such as overseas bases, group companies, business network from trading company past, and strategic partner shareholders



ITX (Japan)
ITX International Holdings (US) / 9 employees
Shanghai Representative Office / 5 employees
Vietnam Representative Offices / 11 employees
(Hanoi, Ho Chi Minh)



2. Data

FY06 & FY07 Consolidated Operating Results by Segment

(¥ billion)

	Life Sciences		Networking & Technologies		Mobile Communications		Business Innovations		Eliminations and Corporate		Total	
	FY06	FY07	FY06	FY07	FY06	FY07	FY06	FY07	FY06	FY07	FY06	FY07
Revenues	42.4	45.1	83.7	51.3	204.3	216.4	16.9	17.6	-0.5	-0.1	346.9	330.3
(Sales of investment securities for business incubation)	(2.4)	(0.5)	(2.9)	(4.1)	(-)	(-)	(0.6)	(0.2)	(-)	(-)	(5.9)	(4.9)
(Equipment sales and services)	(40.0)	(44.6)	(80.8)	(47.2)	(204.3)	(216.4)	(16.3)	(17.3)	(-0.5)	(-0.1)	(341.0)	(325.4)
Gross profit	8.0	6.8	8.7	18.4	20.2	21.5	4.2	2.8	-0	-	41.1	49.5
(Sales of investment securities for business incubation)	(1.9)	(0.2)	(2.1)	(2.2)	(-)	(-)	(0.2)	(-0.5)	(-)	(-)	(4.2)	(1.9)
(Equipment sales and services)	(6.1)	(6.6)	(6.6)	(16.2)	(20.2)	(21.5)	(4.0)	(3.3)	(-0)	(-)	(36.9)	(47.6)
Selling, general & administrative expenses	-5.6	-6.3	-6.7	-14.6	-20.3	-20.7	-4.3	-3.9	-1.2	-1.1	-38.2	-46.7
(Sales of investment securities for business incubation)	(-0.2)	(-0.1)	(-0.4)	(-0.2)	(-0)	(-0)	(-0.1)	(-0.1)	(-0.6)	(-0.5)	(-1.3)	(-1.0)
(Equipment sales and services)	(-5.4)	(-6.2)	(-6.3)	(-14.4)	(-20.3)	(-20.7)	(-4.2)	(-3.8)	(-0.6)	(-0.5)	(-36.9)	(-45.7)
Operating income	2.4	0.5	2.0	3.8	-0.1	0.8	-0.1	-1.2	-1.2	-1.1	2.9	2.8
(Sales of investment securities for business incubation)	(1.7)	(0.1)	(1.7)	(2.0)	(-0)	(-0)	(0.1)	(-0.6)	(-0.6)	(-0.5)	(2.9)	(0.9)
(Equipment sales and services)	(0.7)	(0.3)	(0.3)	(1.8)	(-0.1)	(0.9)	(-0.2)	(-0.6)	(-0.6)	(-0.5)	(0)	(1.8)

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

FY06 & FY07 Consolidated Operating Results by Core Subsidiary

(¥ billion)

FY07 Results	ITX Corp.	IT Telecom	KS OLYMPUS	Broadleaf	ITX-EG
Revenues	4.8	214.0	34.9	16.7	18.5
Operating income	-1.0	3.3	1.1	1.2	0.5
Ordinary income	1.8	3.2	1.1	1.2	0.3
Net income	1.8	1.3	0.6	1.4	0.1

FY06 Results	ITX Corp.	IT Telecom	KS OLYMPUS	Broadleaf	ITX-EG
Revenues	56.0	202.1	30.7		14.0
Operating income	-2.5	1.8	1.0		0.2
Ordinary income	-2.1	1.7	1.1		0.2
Net income	0.6	1.0	0.6		0.1

YoY Change	ITX Corp.	IT Telecom	KS OLYMPUS	Broadleaf	ITX-EG
Revenues	- 51.2	11.9	4.2	16.7	4.5
Operating income	1.5	1.5	0.1	1.2	0.3
Ordinary income	3.9	1.5	0	1.2	0.1
Net income	1.2	0.3	0	1.4	0

*Some company names in the above table have been abbreviated: ITX-EG=ITX E-Globaledge

*Profit consolidated from Broadleaf since FY07.

FY07 Results & FY08 Forecasts by Segment

(¥ billion)

	Life Sciences		Networking & Technologies		Mobile Communications		Business Innovations		Eliminations and Corporate		Total	
	FY07 Results	FY08 Forecasts	FY07 Results	FY08 Forecasts	FY07 Results	FY08 Forecasts	FY07 Results	FY08 Forecasts	FY07 Results	FY08 Forecasts	FY07 Results	FY08 Forecasts
Revenues (Sales of investment securities for business incubation) (Equipment sales and services)	(44.6)	(49.3)	(47.2)	(46.8)	(216.4)	(236.8)	(17.3)	(19.8)	(4.9)	(5.4)	(4.9)	(5.4)
Gross profit (Sales of investment securities for business incubation) (Equipment sales and services)	(6.6)	(8.0)	(16.2)	(16.0)	(21.5)	(23.1)	(3.3)	(5.0)	(1.9)	(2.0)	(1.9)	(2.0)
Selling, general & administrative expenses (Sales of investment securities for business incubation) (Equipment sales and services)	(-6.2)	(-7.0)	(-14.4)	(-14.5)	(-20.7)	(-21.3)	(-3.8)	(-5.0)	(-1.0)	(-1.1)	(-1.0)	(-1.1)
Operating income (Sales of investment securities for business incubation) (Equipment sales and services)	(0.3)	(1.0)	(1.8)	(1.5)	(0.9)	(1.8)	(-0.6)	(0)	(0.9)	(0.9)	(1.8)	(3.6)

*Nonconsolidated 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 as a total in the Eliminations and Corporate column.

FY07 Results & FY08 Forecasts by Core Subsidiary

(¥ billion)

FY08 Forecasts	IT Telecom	KS OLYMPUS	Broadleaf	ITX-EG
Revenues	232.4	36.3	17.8	15.9
Operating income	3.7	1.2	1.5	0.4
Ordinary income	3.6	1.1	1.4	0.4
Net income	1.9	0.7	1.3	0.2

FY07 Results	IT Telecom	KS OLYMPUS	Broadleaf	ITX-EG
Revenues	214.0	34.9	16.7	18.5
Operating income	3.3	1.1	1.2	0.5
Ordinary income	3.2	1.1	1.2	0.3
Net income	1.3	0.6	1.4	0.1

YoY Change	IT Telecom	KS OLYMPUS	Broadleaf	ITX-EG
Revenues	18.4	1.4	1.1	-2.6
Operating income	0.4	0.1	0.3	-0.1
Ordinary income	0.4	0	0.2	0.1
Net income	0.6	0.1	-0.1	0.1

*Some company names in the above table have been abbreviated: ITX-EG=ITX E-Globaledge

Overview of FY07 Period (Consolidated)

◆ Consolidated balance sheet (compared to March 31, 2006)

Total assets Increase ¥11.2 billion

- ◆ Increase in cash and cash equivalents of ¥8.5 billion
(ITX Corp. — up ¥6.0 billion, Broadleaf — up ¥2.8 billion, etc.)
- ◆ Increase in trade notes and accounts receivable of ¥7.1 billion
(IT Telecom — up ¥3.1 billion, Broadleaf — up ¥1.8 billion, ITX-EG — up ¥0.7 billion, etc.)
- ◆ Decrease in marketable securities — down ¥1.2 billion
(ITX Corp.: redemption of short-term government securities — down ¥1.2 billion)
- ◆ Decrease in investment securities — down ¥1.6 billion
(Shares in USEN — down ¥1.8 billion, etc.)

Interest-bearing debt

Short-term interest-bearing debt — down ¥8.3 billion

Long-term interest-bearing debt — up ¥11.3 billion

- ◆ Refinanced short-term borrowings as long-term debt

Overview of FY07 Period (Nonconsolidated)

◆ Nonconsolidated balance sheet (compared to March 31, 2006)

Total assets approximately at the same level as for FY06 (year ended March 31, 2006)

- ◆ Current assets — up ¥4.8 billion
(cash and cash equivalents — up ¥6.0 billion, marketable securities — down ¥1.2 billion, short-term loans receivable — up ¥2.6 billion)
- ◆ Non-current assets — down ¥4.8 billion
business incubation securities — up ¥0.7 billion
business incubation securities in affiliates — down ¥2.8 billion
securities in affiliates — up ¥0.5 billion investment securities — down ¥1.7 billion
other business incubation securities in affiliates — up ¥0.6 billion
long-term loans — down ¥2.1 billion

Interest-bearing debt Short-term interest-bearing debt — down ¥11.7 billion

Long-term interest-bearing debt — up ¥11.6 billion

- ◆ Refinanced short-term borrowings as long-term debt and procured long-term operating fund

New Investments in FY07 Period

(By ITX Corp.)

April 1, 2006 – March 31, 2007

	Segment	Section	Investment (¥ million)	Holding (%)	Business Overview
Valuedesign Inc.	Networking & Technologies	Business Incubation Securities	25	12.20%	Centrally-managed electronic gift cards and prepaid card business
CJTS Co., Ltd.	Business Innovations	Business Incubation Securities	60	6.11%	Leasing management services for both property owners and tenants
Mobile Technika Inc.	Business Innovations	Business Incubation Securities	100	6.29%	Development and sales of VoIP-related products
Dent House Inc. (Bonds with stock options)	Business Innovations	Business Incubation Securities	100	-	Real estate sales
CR Soken	Business Innovations	Business Incubation Securities	50	12.20%	Electronic money for IC cards (Pasmo) and point business
Star Flyer Inc.	Business Innovations	Business Incubation Securities	199	2.28%	Airline (Haneda Kitakyushu)
Onion Networks, Inc. (Bonds with stock options)	Business Innovations	Business Incubation Securities	200	-	Provision of infrastructure for video over the Internet
Rfstream Corporation	Business Innovations	Business Incubation Securities	150	5.25%	Distribution and sales of IC tuners for terrestrial digital tuners

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New Investments in FY07 Period

(By overseas subsidiaries)

January 1, 2006 – December 31, 2006

	Segment	Section	Investment (¥ million)	Holding (%)	Business Overview
Fluid Medical, Inc.	Life Sciences	Business incubation securities in affiliates	235	29.1%	Development and production of intravascular ultrasound catheters
ImaRx Therapeutics, Inc.	Life Sciences	Business Incubation Securities	345	2.36%	Development of thrombolytic agents using nanobubbles and therapeutic agents for cerebral infarction
Ambarella, Inc.	Networking & Technologies	Business Incubation Securities	115	0.9%	Development of video processing chips for next-generation digital media consumer products
Rubicor Medical, Inc.	Life Sciences	Business Incubation Securities	589	5.56%	Development and sales of transdermal breast biopsy devices
Cardiovascular Systems, Inc.	Life Sciences	Business Incubation Securities	238	3.28%	Manufacture and sales of atherectomy catheters for lower artery blockages

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New Investments in FY07 Period

(By domestic funds)

January 1, 2006 – December 31, 2006

	Segment	Section	Investment (¥ million)	Holding (%)	Business Overview
Web I Laboratories, Inc.	Business Innovations	Business incubation securities in affiliates	254	61.79%	Development and sales of EMP-related software and related consulting
JASI Corporation	Business Innovations	Business incubation securities in affiliates	808	93.75%	Development and sales of OTRS software for industrial productivity analysis and testing for manufacturing
Japan Market Intelligence K.K.	Business Innovations	Business incubation securities in affiliates	758	38.80%	Multi-industry market research and strategic consulting (investment of 14.16% on a unit-basis, the amount represents the total)
ICAL Co., Ltd.	Business Innovations	Business incubation securities in affiliates	147	45.99%	Development and sales of multi-dimension database and packaged software
Japan China Economic News Inc.	Business Innovations	Business incubation securities in affiliates	30 (50)	60.00%	China news service, China marketing research and report
NEO-BLOOD	Business Innovations	Business Incubation Securities	40 (10)	14.29%	Development and provision of URL databases
Concadoro, Ltd.	Business Innovations	Business Incubation Securities	119	8.48%	Italian restaurants
Venture Wave Inc.	Business Innovations	Business Incubation Securities	0	5.21%	Development of image compression software

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Investments Position

(As of March 31, 2007)

Accounting classification	Investment by ITX Corporation		Investment by US investment subsidiaries (As of December 31, 2006)	
	Balance (¥ billion)	No. of companies	Balance (¥ billion)	No. of companies
Core subsidiaries and affiliates	55.6	14	-	-
Business incubation securities in affiliates	22.3	18	0.2	2
Business incubation securities	7.1	37	2.1	14
Investment securities	3.6	38	0	3
Business incubation bonds in affiliates	0	0	-	-
Other business incubation securities in affiliates	2.0	2	-	-
Total	90.6	109	2.3	19
Segment	Investment by ITX Corporation		Investment by US investment subsidiaries (As of December 31, 2006)	
	Balance (¥ billion)	No. of companies	Balance (¥ billion)	No. of companies
Life Sciences	4.8	14	2.2	12
Networking & Technologies	29.7	36	0.1	7
Mobile Communications	40.5	2	-	-
Business Innovations	8.5	54	-	-
Eliminations and Corporate	7.1	3	-	-
Total	90.6	109	2.3	19

In addition to the above, there are investments through the ITX Capital Innovation fund.

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