

Word of Trust

# Israel - Japan Economic Insight January – July 2007

**Prepared by:** Elchanan S. Harel

**President** 

Harel-Hertz Investment House Ltd. 91 Medinat Hayehudim Street, 3rd Floor PO Box 4103, Herzliya Pituach 46140 ISRAEL Tel: +972-9-960-6900/1 / Fax: +972-9-960-6910

E-mail: elchanan@harel-hertz.com web: www.harel-hertz.com



### Index

### **January**

- 1) Israel's Olmert eyeing visit to Japan as early as in spring.
- 2) Israeli, Japanese FMs agree to boost dialogue
- 3) Israel's Livni hails Japan's support for U.N. sanctions on Iran
- 4) Livni in Tokyo: Iran threat to int'l community
- 5) SANYO Demonstrates World's First Wireless High-Definition Projector Based on AMIMON'S WHDI Technology at CES.
- 6) Japan's Polished Imports Continue to Slide in November
- 7) Kyocera, Runcom unveil Mobile WiMAX alliance

### **February**

- 1) Invest in Israel, Fischer tells Japanese company chiefs
- 2) Japanese FM seeks 'unique role' in Mideast
- 3) Minicom Partners With NEC Display Solutions in Multeos Launch
- ChipX Purchases Oki's U.S. ASIC Business Assets and Signs Business Collaboration Agreement
- 5) Japan Radio Company Brings Red Bend's Mobile Software Management Solution to Willcom



### March

- 1) Japan to Invest \$100 Million in Jericho Agro-Industry Zone
- 2) Middle East Envoys Laud Japan's Peace Efforts, Invite Abe To Visit
- 3) NTT West, Alvarion deploy wireless broadband network
- 4) Wireless IC Tag Reader Can Discern Closely Stacked Items
- 5) NEC Adopts Red Bend's vCurrent(R) Mobile for Its Ultra Slim 3G Model, the 706N
- 6) JRC and Runcom Completed the Development of Mobile WiMAX Base Station and User Terminal of FFT Size (2K) and Bandwidth (20MHz)

### **April**

- 1) Japan PM heads to Mideast on profile-raising trip
- 2) JICA starts three new Middle East projects
- 3) Given wins Japan approval for capsule endoscopes
- 4) Given Imaging and Fujinon Corporation Sign Global Strategic Collaboration
- 5) Israeli, Japanese Firms Develop Multilayer Disc That Holds 300GB
- 6) NTT DoCoMo adopts RADVISION's ProLab 3G-324M Test Solution
- 7) IncrediMail Introduces Japanese Language Version of Popular Email Application



### **May**

- 1) Imperial Couple's five-minute visit raises eyebrows
- 2) Japan to resume ODA to Palestinian Authority
- 3) Eisai Wins Ruling on Aciphex Patent; Teva Will Appeal
- 4) COREFLOW LTD. AND NAGASE GROUP SIGN A DISTRIBUTION AGREEMENT FOR THE FPD AND SEMICONDUCTOR MARKETS

### <u>June</u>

- The First Technical-Level Meeting of the Four-Party Consultative Unit for the Concept of the "Corridor for Peace and Prosperity".
- 2) Nomura Holdings to invest in Israeli firms
- 3) Given Imaging Receives Reimbursement Clearance for PillCam(TM) SB From Japan's Central Health Insurance Committee.
- 4) Mitsubishi Electric Co. Selects Camtek's Dragon and Pegasus AOI Systems for IC Substrate Line
- 5) Internix to invest up to \$40 million in Israeli semiconductors startups
- 6) Israel a hit with Japanese students
- 7) Japan's Diamond Imports Continue Monthly Decline During April
- 8) Sanyo Broadens Use of MaxxVoice(TM) in Mobile Phones
- 9) New JVC LCD TVs With MaxxAudio Deliver Home Theater-Quality Sound
- 10) Yazaki Corp.'s New Driving Support System Warns against Collision and Lane Departure with 1 Camera



### **July**

- 1) Japan extends SDF peacekeeping mission in Golan Heights
- 2) KDDI and Alvarion Contribute to Bridging Digital Divide in Emerging Asian Countries
- 3) Metalink and Brilliant Technologies Company, a Division Company of Macnica, Inc., Announce Distribution Agreement to Provide 802.11n Home Networking Solutions in Japan
- 4) Insightix raise \$6 millions -lead by SOFTBANK CAPITAL
- 5) Israel: Citrus exports up 23% in 2006
- 6) Ricoh, Usaco Team On Israeli Firm's Scientific Lit Search System
- 7) Red Bend's Device Management Client Suite Tapped for SANYO(R) Mobile Phones



# **January**

### Israel's Olmert eyeing visit to Japan as early as in spring

(Kyodo) \_ Israeli Prime Minister Ehud Olmert will consider visiting Japan as early as in spring, Israeli Foreign Minister Tzipi Livni was quoted by Japanese officials as saying in Tokyo on Thursday in response to an invitation by the Japanese premier.

"Japan would like to contribute to the Middle East peace process. Japan and Israel are on good terms right now, and we would like to further develop the bilateral relations," Japanese Prime Minister Shinzo Abe was also quoted as telling Livni in their talks at his office.

They also exchanged opinions on the North Korean and Iranian nuclear issues and Livni expressed particular concern to the developments in Iran, the officials said.

Livni, who is also Israel's vice prime minister, also expressed understanding for Japan's hopes to press North Korea to return all abducted Japanese nationals and said Israel will cooperate with Japan in resolving the issue.

The two sides also agreed on the importance of proceeding with a Japan-proposed plan to promote agriculture in the Palestinian territories along the Jordan valley to build trust and achieve a sustainable peace.

Abe's predecessor, Junichiro Koizumi, won Olmert's support for the project, which will also involve the Palestinian authorities and neighboring Jordan, last July when he visited Israel.

Japan has been eager to play a role as a mediator in the peace process and stresses that peace and stability in the region are in Japan's national interest due to its dependence on oil imports.



### Israeli, Japanese FMs agree to boost dialogue

Israeli Foreign Minister Tzipi Livni and her Japanese counterpart Taro Aso signed a memorandum to boost strategic dialogue between their two countries, officials said.

The signing took place after Livni arrived here from Seoul to continue her Far East tour, Japanese foreign ministry officials said.

The memorandum of understanding committed the two countries to establish a "framework of strategic dialogue" at the level of vice ministers, to hold talks on regional situations and other topics, the officials said.

Livni and Aso then exchanged views on the Middle East peace process, Iran's nuclear program and bilateral relations, the officials said.

(Kyodo) \_ Japanese Foreign Minister Taro Aso and his Israeli counterpart, Tzipi Livni, agreed Wednesday to launch a political dialogue at the subcabinet level to exchange opinions on the peace process in the Middle East and other political issues, a Japanese official said.

The first dialogue is expected to be held in Tokyo in the spring, with Japan to be represented by Mitoji Yabunaka, deputy foreign minister in charge of political affairs, and Israel by Aharon Abramovitch, director general, the official said.

Japan has been eager to play a role as a mediator in the Middle East peace process and stresses that peace and stability in the region are in Japan's national interest due to the country's dependence on oil imports.

She is also scheduled to meet Prime Minister Shinzo Abe Thursday, before giving a news conference.

While in Tokyo, she will also discuss possibilities for Israeli-Japanese cooperation in space research and work with the Japanese international aid agency, JICA, according to the Israeli foreign ministry.



Livni arrived in Japan after visiting South Korea, where she expressed concern over a "connection" between Iran and North Korea in their efforts to develop nuclear weapons.

Iran insists that its nuclear programme is entirely peaceful, and has refused to bow to a UN demand to halt uranium enrichment work.

North Korea tested its first nuclear weapon on October 9 last year. — AFP

### Israel's Livni hails Japan's support for U.N. sanctions on Iran

(Kyodo) \_ Israeli Foreign Minister Tzipi Livni on Wednesday welcomed Japan's strong support for a recent U.N. sanctions resolution against Iran, saying she will convey Israel's appreciation during her upcoming trip to Tokyo.

"When I come to Japan I would like to express our appreciation to the Japanese support of Resolution 1737," she said in an interview with a group of Japanese correspondents ahead of his Japan visit from Jan. 17. "We would like to express our appreciation to taking economic steps that were needed."

On Dec. 23, the U.N. Security Council unanimously adopted a resolution to ban trading with Iran in sensitive nuclear materials and technology due to its refusal to suspend uranium enrichment.

Livni said she plans to compare notes with Japanese officials on military ties between Iran and North Korea. "This is something that I would like to do in Japan but don't take it as a yes or no answer," she added.

Asked about the protracted peace talks with the Palestinians, the Israeli foreign minister said she favors dialogue with the Palestinians.

"Right now, the idea is not to jump in terms of implementation of the road map and to forget or to jump over the first phase to the second stage, this is not the idea," she said. "The idea is to speak, to negotiate with the Palestinians."



But she rejected dialogue with Hamas, the militant group that controls the Palestinian government and is in conflict with Israel.

Livni praised Japan for extending economic support for the Palestinian people.

"It was very wise and important the way Japan supported (economic) projects that helped directly the Palestinians," she said. "But we also believe that when it comes to this kind of project it also helped the region."

During his visit to the Middle East in July last year, then Japanese Prime Minister Junichiro Koizumi proposed a plan to promote agriculture and industry in the Palestinian territories aimed at building trust and achieving sustainable peace in the region.

# Livni in Tokyo: Iran threat to int'l community

Israeli foreign minister urges international community to impose harsher sanctions on Iran during speech in Tokyo, says 'Iran's goal not just to wipe Israel off map, but to remake entire region'

Iris Georlette (ynet)

TOKYO - Foreign Minister Tzipi Livni, currently in Japan on a diplomatic visit, commented on the resignation of IDF Chief General Halutz

"I have much respect for the IDF chief of staff. His resignation demands a high standard of values as an officer in the army and we, as well as our soldiers, can learn from this about responsibility. I believe his actions are admirable," she said.

In response to a question by Reuters regarding the challenges Israel faced following the investigation of its, PM Olmert, Livni said, "I have full belief in the law enforcement and justice system in Israel to make an independent inquiry.

Meanwhile the Israeli government is going to meet challenges in the best way."

Livni was received in Tokyo with a special gesture. A rare tape of former Prime Minister Golda Meir from 1962 was played in the hall in which Livni gave her speech.



The tape was recorded at precisely the same time, in the same hall, and at the same table over four decades ago. On the tape, Golda Meir was heard saying, "The only thing that scares me about this visit is meeting the press."

"We believe to begin with that there is a need for stronger sanctions and that the sanctions the international community adopted were a soft touch," Livni continued, "It is clear that the world cannot afford a nuclear Iran that's why further decisions must be made."

Livni emphasized the difference between moderate Arab states and extremist ones, and continued to stress the importance of the international community's role against the Iranian threat.

"Iran is a threat not just to Israel, but to the entire region," Livni said.

"Its goal is not just to wipe Israel off the map, but to remake the entire region. The nuclear threat is not Israel's private problem, but the problem of the entire international community."

Livni expressed her appreciation for the fact that Japan is the biggest contributor to the Palestinian Authority with regards to financial aide and regional projects.

"The way to strengthen the moderates is through financial incentives combined with offering a diplomatic horizon to the Palestinian people," Livni said.

'Nuke threat not Israel's private problem'

Foreign Minister Livni said that she too hoped to successfully deal with the challenge of meeting the press. "I can understand Golda's vision," Livni said to the hundreds of foreign correspondents who arrived at the Tokyo hall Thursday.

In her speech before the foreign press, Livni focused on the Iranian nuclear issue. "Israel's image is that of an attacker, like David and Goliath. We, unfortunately, represent Goliath today."



# SANYO Demonstrates World's First Wireless High-Definition Projector Based on AMIMON'S WHDI Technology at CES

AMIMON's WHDI Technology Enables SANYO's Projector to Receive Uncompressed HD Signals From CE Devices Wirelessly

AMIMON, Inc., an emerging leader in semiconductor technology for wireless transmission of high-definition (HD) video, has partnered with CE giant SANYO Electric Co., Ltd. to demonstrate the world's first wireless high-definition projector in SANYO's booth, Central Hall #11017, at CES. The SANYO projector is embedded with Amimin's innovative Wireless High-definition Interface (WHDI<sup>™</sup>) technology.

In the booth, attendees and exhibitors will witness a SANYO HD projector displaying HD content it receives wirelessly via WHDI link from an HD-DVD player. This AMIMON and SANYO demonstration will highlight WHDI's ability to deliver uncompressed HD video to HD displays from CE devices. AMIMON's WHDI technology achieves the same quality and speed consumers currently enjoy with standard HD video inputs, including HDMI<sup>TM</sup>, DVI and component video.

"Integrating AMIMON's WHDI technology in a Sanyo HD projector is an appealing idea to consumers, prosumers and installers who are ready to take the next step in the home viewing and entertainment experience by freeing themselves from a wired mess," said Kazuto Sugimura, senior manager, SANYO Electronic Co., Ltd. AV company, Projector Technology BU, Product Development Department. "Additionally, WHDI's ability to deliver flawless uncompressed HD streams was a key ingredient and differentiator in our selection of AMIMON's technology."

A wireless SANYO projector is an ideal solution in a variety of settings: corporate boardrooms, arenas, home theaters, trade shows, conference centers, amphitheaters, showgrounds, etc. The flexibility and ease-of-use of a wireless projector opens the door to many possible applications.

"The installation of HD projectors has traditionally been exasperating and expensive because of the hassles of connecting wires between CE devices. WHDI eliminates these costs and simplifies the process, delivering the same quality picture as would be received over a wired connection," said Noam Geri, AMIMON's vice president of marketing and



business development. "This demo with SANYO establishes that uncompressed wireless HD Video is here now and WHDI is the technology of choice."

#### About WHDI

AMIMON's WHDI™ technology enables wireless transmission in the 5GHz unlicensed band of uncompressed HD video streams with equivalent video data rates of up to 3 Gbps (including 1080p) using 40 MHz of bandwidth in compliance with FCC regulations. Video data rates of up to 1.5 Gbps (including 1080i and 720p) can be delivered using 20 MHz of bandwidth, conforming to worldwide 5GHz spectrum regulations. WHDI has been demonstrated at ranges of up to 100 feet through walls, and has a latency of less than one millisecond. All other wireless solutions are limited to delivering compressed video such as MPEG, which is typically not available at the output of most consumer electronics video devices.

#### About AMIMON

Amimon is a fabless semiconductor company pioneering wireless uncompressed high-definition video for universal connectivity among CE video devices. AMIMON's uncompressed (WHDI<sup>TM</sup>) allows flat-panel televisions and multimedia projectors to wirelessly interface to all HDTV video sources at a quality equivalent to that achieved with wired interfaces such as component video, DVI and HDMI<sup>TM</sup>.

The company is headquartered in Herzlia, Israel, with offices in Santa Clara, Calif., USA, and Tokyo, Japan.

#### About SANYO

SANYO Electric Co., Ltd. is a \$23 billion manufacturer and distributor of consumer electronics and commercial equipment, including multimedia and telecommunication products. SANYO Fisher Company (a division of SANYO North America Corporation, a subsidiary of SANYO Electric Co., Ltd.), based in Chatsworth, California markets PCS phones, audio systems, portable and mobile electronics, televisions, dictation devices, digital camera/camcorder combinations, home appliances, LCD projectors, security video equipment and air conditioning systems.



### Japan's Polished Imports Continue to Slide in November

Imports of polished diamonds to Japan fell 19.1 percent in November, totaling \$74.3 million. The country imported 214,915 carats during the month, an average of \$346 p/c (per carat). The average value is also declining, as imports by volume have increased 18.3 percent.

According to data released by J Club Japan, during the first 11 months of the year, Japan imported \$945.5 million worth of loose diamonds, an 11.7 percent decline compared to 2005. In weight, it imported 2,516,041 carats, a 9.8 percent increase, lowering the average price to \$375.79 p/c.

India was the leading source of polished goods to Japan by value - \$26.78 million or 36 percent of total - and volume - 154,549 carats, 71.9 percent for an average value of \$173 p/c. Belgium followed with \$17.828 million and 17,437 carats – an average of \$1,022 p/c.

Israel was the third leading supplier by value, shipping 8,654 carats worth \$10.57 million - \$1,222 p/c. Hong Kong was the third largest supplier by volume, 17,014 carats worth \$6.07 million, an average of \$357 p/c.

Several diamond dealers have expressed concerns recently about trade with Japan, fearing the economic recovery will flatten in 2007. One Indian Sightholder told IDEX Online that he is not seeing great activity in that country anymore.



### Kyocera, Runcom unveil Mobile WiMAX alliance

CDMA products supplier Kyocera Wireless has signed a development agreement with Israel-based Runcom Technologies, provider of OFDMA-enabling technology for Mobile WiMAX. The agreement aims to combine Kyocera's mobile device development expertise with Runcom's chipset technologies. They are co-operating to develop new consumer electronics products featuring the latest broadband Mobile WiMAX technology. These include PC cards, customer premises equipment (CPE), residential gateways and others. These will include Runcom's RNA 200 Mobile WiMAX baseband ASIC with MIMO capability.

WiMax delivers high-speed broadband fixed and mobile services wirelessly to large areas using considerably less infrastructure than previous wireless protocols. When paired with new MIMO (multiple input, multiple output) technology, it can deliver mobile services three to five times faster than today's third-generation (3G) standards at a lower cost. A growing number of wireless service providers around the world are planning to use WiMax's multimedia capabilities to complement existing cellular networks and service offerings.

"Mobile WiMax devices and their diverse capabilities will change the landscape of wireless services available to consumers, truly offering a 'quadruple play' of cable television, broadband Internet, home telephone and mobile telephone functionality," said Dave Carey, vice president of strategic planning for Kyocera Wireless Corp. "Users will enjoy an unprecedented combination of productivity, connectivity and entertainment that's as mobile as they are. Kyocera is determined to be at the leading edge of this evolution and we are pleased to be working with Runcom, a company that clearly shares this vision."

Kyocera and Runcom worked closely over the last several months in the early development of multiple classes of Mobile WiMAX terminals, such as PC cards, customer-premises equipment (CPEs), residential gateways and others.



# **February**

### Invest in Israel, Fischer tells Japanese company chiefs

Fischer met presidents of Japan's 12 largest investment houses during his visit to the country. (Globes)

The Ministry of Industry, Trade and Labor held an investors forum with the participation of Governor of the Bank of Israel Prof. Stanley Fischer and the presidents of Japan's largest investment houses, which manage more than \$250 billion in assets.

The presidents of Japan's top 12 investment houses and representatives of Japanese companies attended the meeting with investments in Israel. Among those attending were Goldman Sachs Japan, Nomura Securities, BNP and Nikko.

Ministry of Industry, Trade, and Labor foreign trade administration director of Asia Pacific division Amiram Halevy-Laher said that the investment houses and corporations attending the forum has invested \$500 million in Israel in recent years, and that the event had drawn substantial interest from Japanese companies.

Addressing the forum, Fischer urged the Japanese executives to invest in Israel. According to Ministry of Industry, Trade and Labor bilateral trade agreements division director Boaz Hirsch, the event represented yet a further indication of the warming of economic relations with Japan. This has been seen primarily in a new openness towards Israel, and an interest on the part of the Japanese, to form economic ties. Hirsch added that in view of the renewed momentum in the Japanese economy, and the volume of trade with Israel, which is low in proportion to the size of the Japanese economy, there was substantial as yet untapped potential for economic cooperation between the two countries.

As a consequence, the Ministry of Industry, Trade, and Labor Foreign Trade Administration intends to increase the number of business delegations due to visit Japan



this year, and it is also planning a similar event with Japanese companies, which will meet Israeli venture capital managers next month.

Trade with Japan totaled \$2.3 billion in 2006. Exports to Japan, mostly electronic machines and instruments, optical devices, medical equipment, chemical products and diamonds, rose 2% over 2005 to \$763 million. Imports from Japan rose 13% to \$1.53 billion. Vehicle imports rose 45% and imports of electronic machinery and instruments rose 30%.

### Japanese FM seeks 'unique role' in Mideast

TOKYO (AFP) - As a non-Western yet highly developed nation, Japan can play a "unique role" in bringing peace to the Middle East, Foreign Minister Taro Aso said Wednesday. In a speech described as a broad vision of Japan's Middle East policy, Aso said he has

personally reflected on Islam and understands the sense of "injured pride" among Muslims.

Japan, the world's second-largest economy, has been striving for greater global influence. It is set to bring together Israeli, Palestinian and Jordanian officials on March 14 for four-way peace talks.

Aso said he has often heard Middle Eastern people say that Japan is "a rare example of a non-Western European country that has successfully modernised while maintaining its own traditions."

"If indeed it is the case that Japan is a country fortunate enough to be seen without particular prejudices by the various countries and factions around the region, then that suggests a unique role has emerged for Japan," he said.

Peoples with long animosity "are able to discuss issues with full peace of mind when the venue is Japan," Aso said.

He cited Japan's warm relationship with Iran, saying Japan "enjoys a very unusual position in the international community" as it can "hold conversations with any country throughout the Middle East."



Aso acknowledged a top reason for Japan's interest in the Middle East is its oil, on which the Asian economic power is almost completely dependent.

But Aso, a Christian, also said that the Japanese have no ill will towards Muslims.

Aso, who is known for his conservative views on Japan's imperialist past, said he understood Muslims who remember past glories and are "yearning in their heart for words that will ease some of the pain of this injured pride."

"I believe that a sensitivity toward this matter must be the first building block for Japan's diplomacy toward the Middle East," he said.

### Minicom Partners With NEC Display Solutions in Multeos Launch

Minicom is proud to announce its partnership with NEC Display Solutions for the launch of the Multeos line of multifunctional LCD screens. Minicom is supporting the launch with their DS Vision 3000 player-to-screen distribution system ensuring that the Multeos screens have the very latest in player-to-screen distribution technology.

Minicom's DS Vision 3000 is Minicom's latest CATx-based distribution system delivering dynamic real-time multimedia content up to 300m (1000ft) while maintaining perfect picture quality. According to Ronni Guggenheim, President of Minicom Europe; "NEC Display Solutions is a world leader in the LCD public display market while Minicom is a world leader in the player-to-screen last mile. Together, we can offer a unique quality solution to the booming digital signage market."

Thorsten Prsybyl, Product Line Manager of Public Displays for NEC Display Solutions says; "Our cooperation with Minicom is a classic win-win. Being able to fully integrate the DS Vision 3000's receiver unit into all our new LCD public displays provides the best solution for our customers available on the market today."

#### About Minicom Advanced Systems

Minicom is a leader in the development of multimedia distribution systems for digital signage with over 100,000 screens worldwide displaying content via Minicom technology. Founded in 1988, the company has a global presence in over 50 countries, with regional



headquarters in North America and Europe. In 2006 Minicom was named a Deloitte Technology Fast 50 company, a testament to the success of its technological innovations in generating company growth.

### About NEC Display Solutions

NEC Display Solutions Ltd. with its headquarters in Tokyo, Japan, is a 100 percent subsidiary of the NEC Corporation, Tokyo. The European headquarters of NEC Display Solutions Europe GmbH are based in Munich, Germany and look after Europe, the Middle East and Africa. NEC Display Solutions benefits from the technological skills and technologies of the NEC Corporation and, with its own Research and Development Division, is one of the world's leading manufacturers of commercial desktop LCD monitors, special displays for the medical sector as well as for color-critical applications, and Public Displays - large format screens for displaying information and advertising.

# ChipX Purchases Oki's U.S. ASIC Business Assets and Signs Business Collaboration Agreement

ChipX and Oki Semiconductor Collaborate in Sharing Oki Semiconductor's Technology, Libraries and Foundry Services for Worldwide Market

ChipX Inc., provider of differentiated ASIC solutions, announced it has signed an agreement with Oki Semiconductor Company, a division of Oki America Inc., regarding an asset purchase and business collaboration.

Pursuant to the agreement, the entire Oki Semiconductor U.S. ASIC engineering team, ASIC specialists and marketing personnel have joined ChipX. This transaction will boost ChipX's ASIC team capabilities and enable it to become a broad-based ASIC company with a broad product offering of embedded arrays, gate arrays, structured ASICs and



standard cell ASICs. The combined company will have a track record of having executed and delivered more than 2000 ASIC designs over the past 20 years, with an outstanding percentage of first time working silicon.

As a result of the collaboration between the two companies, Oki Semiconductor has become a turnkey foundry for ChipX and has licensed its embedded array and Gate array technology and internally developed IP to ChipX. Oki Semiconductor has assigned all of its U.S. ASIC product backlog to ChipX and has contracted the completion of the ongoing customer designs to ChipX.

"We were very impressed with Oki Semiconductor's ASIC team capabilities and are looking forward to their contributions to our worldwide ASIC business," said Amnon Fisher, ChipX's President and CEO. "Our customers will now have access to a broader ASIC offering enabling us to service all their ASIC needs and continue to speed their time to market."

"We are confident that our U.S. customers will be well supported by ChipX and will benefit from ChipX's Structured ASIC offering," said Masaharu Ozawa, President and COO of Oki Semiconductor. "We are excited about our collaboration with ChipX and look forward to a long and mutually beneficial relationship."

### About ChipX

ChipX, Inc. is a pioneer and leader in the development and manufacturing of differentiated ASIC solutions, including Structured ASIC and Embedded Array technology. The company's innovative, patented technology consolidates wafer production tooling, reduces time-to-market and minimizes the total cost to profit. ChipX products are widely used in consumer equipment, computing peripherals, communication systems, industrial control, medical equipment, instrumentation and military/aerospace systems. For more information about ChipX broad range of ASIC solutions, please visit www.chipx.com. Headquartered in Santa Clara, CA, ChipX is a privately held corporation, founded in the U.S. in 1989. A subsidiary, ChipX (Israel) Ltd., performs Research & Development. Investors include Elron Electronic Industries, Ltd. VantagePoint Venture Partners, Wasserstein Venture Capital, Newlight Associates, Parker Price Venture Capital, UMC, Needham Capital Partners and Insite Capital.



#### About Oki Semiconductor

Building on Oki's century-long commitment to communications technologies and markets, Oki Semiconductor designs and markets a broad line of advanced integrated circuits for telecommunications, network, automotive, computer and consumer products. Oki's product lines include telecommunications, RF, laser, networking, speech synthesis, ASIC, microcontroller and memory devices, offered in a variety of creative packages. Founded in 1977 and headquartered in Sunnyvale, Calif., Oki Semiconductor is a division of Oki America Inc., which is a subsidiary of Oki Electric Industry Co, Ltd. Oki has ISO-9000-certified manufacturing facilities in Japan and Thailand.

# <u>Japan Radio Company Brings Red Bend's Mobile Software</u> <u>Management Solution to Willcom</u>

Red Bend Software Japan KK (Red Bend; located in Chiyoda Ward, Tokyo; President: Kazuhiro Abe), the market leader in Mobile Software Management and Firmware Overthe-Air (FOTA) updating solutions for mobile devices, announced that its vCurrent® Mobile software has been licensed by Japan Radio Company (JRC) for use in mobile phones for Japanese operator, Willcom, Inc.

JRC's WX220J, which went on sale January 25, can be used as a business office extension telephone. It features corporate security services including an "administrator lock" that can disable functions such as email, Internet and USB connection. The WX321J, available as of February 15, includes a fingerprint authentication device, 1.3 mega-pixel camera and document viewer.

With advanced software increasingly added to mobile phones, there is growing need to be able to deliver software improvements to devices after they reach consumers' hands. Using Red Bend's vCurrent Mobile, manufacturers and operators can perform software updates over the air, reducing customer service costs and improving the mobile user experience. Red Bend's unique failsafe feature guarantees 100% completion of the



update even if power to the mobile phone is lost during the update process. The solution is interoperable with standards-based Device Management servers.

"We had been interested in a firmware upgrade function as a critical function for improving customer satisfaction," said Yoichi Hijikata, manager of the Communications Equipment Headquarters Mobile Business Unit PHS Group, Japan Radio Company. "Red Bend's FOTA solution required neither major changes in our current software nor increased memory, and thus is a solution that is superlative from the standpoint of being simple to implement. We were able to incorporate the latest firmware upgrade functionality in our WX220J and WX321J products by adopting Red Bend's FOTA technology."

"The ability to receive mobile software updates is becoming a key consideration for businesses and consumers selecting mobile phones and services," said Kazuhiro Abe, President of Red Bend Software Japan KK. "This agreement will enable JRC and WILLCOM to maintain and build customer loyalty in the competitive Asia Pacific mobile market."

Last fall, Red Bend's vCurrent Mobile solution became available in the Sharp SoftBank 810SH, 811SH and 910SH, and the NEC SoftBank 705N mobile phones. This year it has been adopted in the SoftBank 705NK and N73 models, which have recently gone on sale. Red Bend's FOTA client software is now available in 58 mobile phone models used by 80 million consumers worldwide.

### About Red Bend Software

Red Bend Software helps mobile phone manufacturers and network operators to accelerate the adoption of new services and features, respond rapidly to customer needs, and reduce support costs through mobile software management solutions. LG Electronics, BenQ Mobile, NEC, Sharp, Sony Ericsson and other large handset manufacturers use Red Bend's firmware over-the-air (FOTA) mobile client software to quickly and reliably deliver compact firmware updates to more than 80 million mobile phones already in the hands of consumers. Founded in 1999, Red Bend Software is a privately held, venture capital-financed company with offices in China, Israel, Japan, Korea, the U.K and the U.S.



# **March**

### Japan to Invest \$100 Million in Jericho Agro-Industry Zone

Japanese Prime Minister Abe announced that Japan will invest \$100m in a joint Jordanian-Palestinian-Israeli agro-industrial zone on both banks of the Jordan River near Jericho, announced a mini-summit of the three countries hosted by in Tokyo.

During the conference, Israeli, Palestinian, and Japanese officials agreed to a plan to build an agroindustrial park in the West Bank, part of efforts backed by Japan to promote economic cooperation and development in the Middle Eas The parties agreed that Japan will dispatch a research team later to select possible sites for the park, Japanese Foreign Minister Taro Aso said at the end of a two-day conference in Tokyo attended by senior Israeli, Palestinian and Jordanian officials.

"Dialogue between Israel and Palestine is now more important than ever," said Tatsuo Arima, Japan's special envoy to the Middle East and moderator of the talks, which include officials from Israel, the Palestinian territories, Jordan and Japan.

Under the plan, the agroindustrial park will be built near the town of Jericho and process agricultural products from the Palestinian territories like oranges and tomatoes, according to a Foreign Ministry official who briefed reporters on customary condition of anonymity.

The finished products will be shipped to Jordan, while Israel will ensure the park's security and share technical expertise, the official said. The park will employ Palestinian workers from Jericho, he said.

Much of the funding for the park would come from Japanese development assistance. The Foreign Ministry declined to give a timeframe for the project or say how much it



would cost, saying Japan would wait for findings of the research team before deciding on specifics. Nonetheless, Japan has said it will give \$100 million to fund the project.

"Japan does not believe that realizing this vision alone will bring peace to the Middle East ... but we are prepared to work with other countries to achieve that peace," Aso told the visiting officials at a reception.

"We are hosting these talks in the hope it will help them deepen mutual trust and foster dialogue," Arima added.

Tokyo is the second-largest aid donor to the Palestinian territories on a country basis after the United States.

Abe said fostering economics would contribute towards regional stability and that Japan wanted to play an active role in various projects, including an agro-industrial zone and an airport in Jordan for exporting produce, as well as the training of thousands of people in modern agricultural techniques. He plans to call on Japanese companies to participate in tenders for Peace Valley projects.

# Middle East Envoys Laud Japan's Peace Efforts, Invite Abe To Visit

TOKYO (Kyodo)--Chief delegates from Israel, the Palestinian authorities and Jordan, in Tokyo for economic cooperation talks, expressed their appreciation to Prime Minister Shinzo Abe on for Japan's "very positive and constructive" role in pushing forward the Middle East peace process.

The envoys, who have been attending a confidence-building conference between the Israelis and the Palestinians, said they invited Abe to visit the region soon to sign an agreement with leaders of the three sides on the details of implementing a Japan-proposed economic cooperation framework.



At the onset of talks with the three delegates, Abe said, "The Middle East peace process is vital not only for the peace and stability of the region, but also for the world as a whole. Japan would like to play its role in contributing to confidence building among the parties concerned."

"This is the first time in the Middle East that such an economic operation takes place," Israeli Vice Premier Shimon Peres told reporters after the meeting.

Saeb Erakat, head of the Palestine Liberation Organization's Negotiations Affairs Department, said, "I think Japan has taken us to the future with their vision. This is an incentive of how things would look if the Palestinians and Israelis would reach peace."

"Japan is welcomed and accepted by all of us. We think Japan's role is very constructive and we look forward to the implementation of the Corridor of Peace and Prosperity," said Farouk Kasrawi, special adviser to Jordanian King Abdullah.

Under the initiative put forward last July by then Prime Minister Junichiro Koizumi during his visit to the Middle East, Japan will work with the Israelis, Palestinians and Jordanians to seek prosperity in the region through such measures as setting up an agro-industrial park in the West Bank and facilitating the transportation of goods.

At the meeting, Abe conveyed Japan's plan to provide \$12.6 million worth of humanitarian aid to the Palestinians.

This includes \$7.2 million of humanitarian assistance that has already been decided on March 2 and another 600 million yen, approximately \$5.4 million, for food and poverty relief to be finalized soon, according to the Japanese Foreign Ministry.

Concerning Abe's visit, Peres said, the Japanese leader "didn't say in so many words, but we understood that in principle he has accepted the invitation."

Erakat added that the three sides hope for a visit by Abe "early in the summer...June, July, when we open the project for implementation."

Speculation has been rife in Tokyo that Abe will visit the Middle East in late April or early May following a trip to Washington.

Pointing at a garden at the Prime Minister's Official Residence where the meeting was held, Peres said, "We saw the beautiful garden made of stones and I told the prime minister that unfortunately in the Middle East we use stones for a different purpose, and we would like to make out of these stones a garden, not a conflict."



His remark, which drew laughter from Erakat and Kasrawi, apparently referred to conflicts between Israeli army and stone-throwing Palestinian protesters.

### NTT West, Alvarion deploy wireless broadband network

Alvarion Ltd, the world's leading provider of WiMAX and wireless broadband solutions, announced that NTT West Corporation Okinawa Branch Group has successfully deployed the multiple broadband networks in Okinawa using its market leading BreezeACCESS VL system. The deployment came after the request by the Okinawa Prefecture to the NTT West Okinawa Branch Group.

Building on the ongoing and long term relationship between the two parties, NTT WEST Okinawa Branch Group adopted the VL at 4.9GHz to answer its Tier 1 carrier requirements for offering wireless broadband services and fast Internet access to residences and municipalities on the Okinawa islands of Tokashiki, Zamami and Aka.

BreezeACCESS VL's advanced features such as NLOS operation resulting from long experience of OFDM technology implementation, extended reach of more than 30 kilometers, high capacity of up to 54Mbps, encryption, and quality of service (QoS), enable carriers, mobile operators, ISPs, enterprises and other service providers to offer triple play services to both business and residential subscribers. Operating in the 5 GHz bands, VL supports great flexibility in frequency planning with its 20 MHz channel spacing, automatic clear channel selection (ACCS) and built-in spectrum analyzer, which monitors and avoids noise on any given channel.

AlvariSTAR, a comprehensive network management solution for managing broadband wireless and WiMAX networks and related equipment, supports the BreezeACCESS VL.

"Alvarion, supplying broadband wireless systems to one of the largest incumbent carriers



in the world to bring broadband throughout their region, is testament to the quality of our products and people," said Tzvika Friedman, President and CEO, Alvarion. "The BreezeACCESS VL is the best solution for Okinawa where wire line networks are too costly to deploy for broadband. And the success of this milestone project in Okinawa is a catalyst for additional and larger deployment projects in Okinawa and throughout Japan, which will further strengthen our relationship with NTT West Group."

### Wireless IC Tag Reader Can Discern Closely Stacked Items

TOKYO (Nikkei)--Mitsubishi Materials Corp. (5711) has developed a portable RFID (radio frequency identification) tag reader that can distinguish individual tags even when they are attached to such items as documents or books that are stacked tightly together.

The T11010301 tag reader is designed to read RFID tags that conform to ISO specifications and use the 13.56MHz frequency band. The reader measures 17.5 x 8.0 x 10.5cm, weighs 450 grams and can operate for one hour on its nickel-hydrogen battery. One feature that sets the T11010301 apart is its ability to differentiate individual RFID tags spaced just 1cm apart when the reader is held 2cm away. This makes the reader useful for inventorying stacked documents or books in offices and warehouses.

A second feature of the T11010301 is its use of wireless LAN technology to transmit data from the reader to the computer. The reader can send data as far as 20 meters to the controlling computer, whereas most existing RFID reader systems can only transmit information across several meters.

Mitsubishi Materials plans to market and provide maintenance services for the T11010301 tag reader though several companies, including Checkpoint Systems Japan, the local arm of Israeli. firm Checkpoint Systems Inc. It is targeting sales of 500 units in fiscal 2007 and 1,000 units in fiscal 2010.



# NEC Adopts Red Bend's vCurrent(R) Mobile for Its Ultra Slim 3G Model, the 706N

Red Bend Software Japan KK (located in Chiyoda Ward, Tokyo, representing director company president Kazuhiro Abe), the market leader in Mobile Software Management and Firmware Over-the-Air (FOTA) updating solutions for mobile phones and modules, announced that NEC Corporation has adopted Red Bend's vCurrent® Mobile FOTA client software for the SoftBank 706N mobile phone, which launched on March 7th. This is the second NEC model, following the 705N last December, to incorporate Red Bend's FOTA solution for efficient, reliable and cost-effective delivery of firmware updates to mobile phones in consumers' hands.

The 706N is NEC's ultra slim 3G mobile phone model for SoftBank. It features incoming mail in 3D animation and a customizable menu design. The phone has been produced in four colors: silver, black, cherry pink and raspberry pink, the latter two being Japan's spring colors.

With the addition of the 706N, Red Bend's vCurrent Mobile is now available in a total of 10 3G mobile phones from NEC and Sharp for SoftBank consumers. Red Bend also announced that its FOTA solution has been adopted by the Japan Radio Co. for the WX220J and WX321J models.

"Our customers have made Red Bend's vCurrent Mobile a must-have feature in their new phone models due to the superior performance of our software and the ease of integration with new platforms,"said Kazuhiro Abe, President of Red Bend Software Japan KK. "With this level of trust from world-class manufacturers such as NEC, Red Bend continues to increase its market leadership in Japan and demonstrate the value of our FOTA solution in improving the mobile user experience."

#### About Red Bend Software

Red Bend Software helps mobile phone manufacturers and network operators to accelerate the adoption of new services and features, respond rapidly to customer needs, and reduce support costs through mobile software management solutions. LG Electronics, BenQ Mobile, NEC, Sharp, Sony Ericsson and other large handset manufacturers use Red Bend's firmware over-the-air (FOTA) mobile client software to



quickly and reliably deliver compact firmware updates to more than 80 million mobile phones already in the hands of consumers. Founded in 1999, Red Bend Software is a privately held, venture capital-financed company with offices in China, Israel, Japan, Korea, the U.K and the U.S.

# JRC and Runcom Completed the Development of Mobile WiMAX Base Station and User Terminal of FFT Size (2K) and Bandwidth (20MHz)

Japan Radio Company (JRC) and Runcom Technologies Ltd, the leading OFDMA chipset manufacturer, completed recently the development of Mobile WiMAX base station equipment and user terminals based on advanced version of the IEEE802.16-2005 standard, utilizing the highest FFT size (2K) and bandwidth (20MHz) defined in the standard, the equipment operating at 2.5GHz achieved a record throughput of 30 megabits per second.

Runcom and JRC demonstrated at the CTIA Conference (March 27-29, 2007 in Orlando) the highest throughput ever achieved over Mobile WiMAX networks.

The User Terminals and Base stations developed by JRC are based on Runcom's unique OFDMA silicon technology embedded into the RNA200 ASIC and RNF2000 FPGA solution respectively.

"Running a High Definition TV application over a Mobile WiMAX Network enabled us to demonstrate the fantastic potential of Mobile WiMAX as a Broadband Access Technology" said Israel Koffman, Runcom's VP of Marketing;

"The collaboration with a leading company in radio technology such as JRC enabled the team to bring OFDMA technology to perform one of its highestrecords."

Dr Fumio Murakami, General Manager of WiMAX Project at JRC noted:" Japan, as a sophisticated communications market, is expecting superior performance from the WiMAX networks to compete with the existing broadband wireless networks in the country. The collaboration with a pioneer in OFDMA technology such as Runcom



supported JRC in its plan to demonstrate such performance to the leading operators in Japan."

### **About JRC**

JRC was founded in 1915 and since that time we have developed unique technology based on radio communications and information technologies. Today's communications world is bipolar - global and personal. JRC provides land mobile and personal, information and communications equipment that speeds and eases voice, data and image communications. Our original development efforts produce the latest, most advanced information and communications equipment. JRC's key wireless products include Satellite communication system, sub-mm wave Mobile backhaul system and FWA system, Trunked radio system, WiFi Products, GPS receivers and so on..

### About Runcom

Runcom is a technology company pioneering OFDMA based silicon solutions for user terminals and base stations that comply with the IEEE802.16-2005 standard for WiBro and Mobile WiMAX applications, Runcom products include the PHY and MAC communication layers. Runcom RNA200 ASIC was the first Mobile WIMAX compliant ASIC in the market.



# **April**

# Japan PM heads to Mideast on profile-raising trip

(Reuters)Japanese Prime Minister Shinzo Abe, following a meeting with U.S. President George W. Bush, headed for the Middle East to raise Japan's profile in the region and ensure a stable energy supply.

Japan has long felt it has a special role to play in the Middle East because it lacks much of the political baggage of the United States, allowing for warmer ties with Arab nations and a role as a mediator between Israel and the Palestinians.

With Japan dependent on the region for nearly all its crude oil, Tokyo has decided to boost its involvement in the area as competition for resources heats up with the economic growth of China and India.

The first stop on his five-nation trip is the world's top oil producer, Saudi Arabia, which has also recently taken a larger role in Middle East peace-making efforts.

Japanese Foreign Minister Taro Aso said earlier this year that Tokyo has to boost its presence in the Middle East because growing energy demand in China and India would make the oil market more of a seller's market than ever.

Officials said before Abe's trip that Tokyo aims to broaden its regional involvement to include non-oil investment and human development out of concern that overdependence on the oil industry among Gulf nations could lead to instability.

Abe is accompanied on his Middle East trip by an economic mission of some 175 businessmen from top Japanese firms. The mission is led by Fujio Mitarai, head of the Keidanren business lobby.

Trade officials said that Japan aims to conclude a free trade agreement with six Middle Eastern oil producing nations by 2008 including Saudi Arabia and the United Arab Emirates.

Analysts say Japan's push in the region is being driven at least in part by a desire to improve an image tarnished in the eyes of some Arab nations after Tokyo sent troops to Iraq on a reconstruction mission in support of the United States.



Japan withdrew its roughly 600 ground troops from Iraq last year following a noncombat mission that lasted more than two years. But some 200 air force personnel remain in Kuwait, where they airlift supplies to the U.S. military in Iraq.

The mission recently was extended for two more years.

Abe was set to visit an air base in Kuwait to thank the troops. He also was scheduled to stop in the United Arab Emirates, Qatar and Egypt before returning to Japan on May 2.

### JICA starts three new Middle East projects

As part of an ambitious Japanese initiative to promote greater regional economic cooperation in the Middle East and at the same time strengthen the peace process, Japan International Cooperation Agency(JICA) has started three new agricultural and water projects in the Jordan Valley.

The programs, launched at the end of March, include two feasibility studies to establish an agro-industrial park in the Jordan Valley and a related water resource development plan and a third project to strengthen the support system for sustainable agriculture in the region.

They are JICA's first involvement in a Japanese government initiative to try to strengthen the Middle East peace process by fostering closer economic ties between Israel, Jordan and the Palestinians. The project, the Concept for Creating the Corridor for Peace and Prosperity, was first proposed in 2006 by then Prime Minister Koizumi.

Under the auspices of Minister for Foreign Affairs Taro Aso, a ministerial-level startup meeting for the Four-Party Consultative Unit of the project was held in Tokyo March 14, followed by the launch of the JICA projects.

According to the Ministry of Foreign Affairs, the project "represents an even stronger commitment by Japan (in the Middle East) and reflects a deeper engagement in the peace-building efforts for the region."

The "Corridor for Peace" refers to the Jordan Valley, a key geographical landmark on the West Bank straddling Israel and Jordan. The proposed agro-industrial park would



promote the development of agriculture and related industries. Because the region is semi-arid, water resources must also be improved.

Once the park and a distribution center are established, Japan has said it will help finance a follow up scheme to transport products to markets overseas, helping to raise the standard of living of many people, whatever side of the border they live on.

JICA has been active in the region since the mid 1980s. It was first involved in training programs for the U.N. Relief and Works Agency (UNRWA). It later began training programs for Palestinians, the construction of community facilities such as hospitals, primary schools and bridges and projects to strengthen administrative and agricultural sectors, improve maternal and child health and promote tourism in depressed areas.

### Given wins Japan approval for capsule endoscopes

TOKYO, April 24 (Reuters) - Israel's Given Imaging won approval to import and sell its capsule-shaped endoscopes in Japan, ahead of market leader Olympus Corp., its local unit disclosed in Tokyo.

Given is the world's biggest maker of capsule-type devices -- tiny cameras that are swallowed by patients to examine insides of organs -- and will be the first in Japan to market a system designed to inspect the small intestine.

The product will be available in Japan from late May.

Given is trying to keep its lead in the new market as Tokyo-based Olympus, which controls 70 percent of the overall endoscopes market, in January also submitted for approval of its capsule product to Japanese regulators.

The launch of capsule-type models, which are less painful to patients than mainstream systems that are attached to long fiberscopes, is expected to fuel competition in the oligopolistic endoscope market that has been dominated by Olympus, a unit of Fujifilm Holdings Corp., and Pentax Corp. On the beginning of April, Given had agreed to give a unit of Japan's Fujifilm distribution rights for its capsule endoscopes in some markets, but the deal excluded Japan where Given already has a main distributor, Suzuken Co.



Given's Japanese unit was set up as joint venture in 2002 with local trading house Marubeni Corp., which has 34 percent stake, and Suzuken

"This is a major milestone for our company as it means that we will now be able to sell our flagship PillCam SB in the second largest healthcare market in the world," said Homi Shamir, president and CEO of Given Imaging. "Working closely with our partners, we plan to increase awareness of PillCam SB among Japanese gastroenterologists and build a strong installed base of Given workstations. Concurrently, we will work towards obtaining national reimbursement for capsule endoscopy. We expect this process to take between nine to twelve months."

# Given Imaging and Fujinon Corporation Sign Global Strategic Collaboration

Given Imaging Ltd. the global leader in capsule endoscopy, and Fujinon Corporation, a global leader in optical technologies and endoscopic equipment, announced the signing of a strategic agreement. The goal of the agreement is to build closer collaboration between the companies in research and development, component sourcing, marketing and product distribution worldwide except in Japan.

Under the terms of the agreement, Given Imaging and Fujinon will collaborate to develop future products for the gastrointestinal endoscopy and diagnostic field.

The agreement also grants Fujinon non-exclusive rights to distribute Given Imaging's capital equipment and small bowel products including Given Imaging's RAPID workstation and data recorders, PillCam SB, and Agile Patency capsules in certain countries worldwide, which will be determined by the two companies on a case-by-case basis.

"We are pleased to be working closely with a world leader in medical imaging technology," said Homi Shamir, president and CEO of Given Imaging. "Together with



Fujinon, we will work to develop the next generation of less-invasive gastrointestinal products, leveraging on the combined resources and technologies of both companies to provide more effective treatment options for patients with gastrointestinal disorders. We believe this agreement will immediately strengthen our competitive position around the world and reaffirm our technology leadership."

"We are proud to be collaborating with Given Imaging, a proven innovator in the GI field," said Takeshi Higuchi, Representative Director and President of Fujinon Corporation. "Being able to offer Given's capsule endoscopy products alongside our own product portfolio gives our customers a powerful set of diagnostic and therapeutic tools and solidifies our position as the leading provider of GI Imaging solutions. We are confident that the venture between our companies will result in additional innovative benefits to patients worldwide."

Financial details of the agreement were not disclosed.

### About Given Imaging Ltd.

Given Imaging is redefining gastrointestinal diagnosis by developing, producing and marketing innovative, patient-friendly products for detecting gastrointestinal disorders. The company's technology platform is the PillCam(TM) Platform, featuring the PillCam video capsule, a disposable, miniature video camera contained in a capsule, which is ingested by the patient, a sensor array, data recorder and RAPID® software. Given Imaging has three commercially available capsules: the PillCam SB video capsule to visualize the entire small intestine which is currently marketed in the United States and in more than 60 other countries; the PillCam ESO video capsule to visualize the esophagus; and the Agile(TM) patency capsule to determine the free passage of the PillCam capsule in the GI tract. The PillCam COLON video capsule to visualize the colon has been cleared for marketing in the European Union, and multi-center clinical trials are underway in Europe and the U.S. A capsule to visualize the stomach is under development. More than 500,000 patients worldwide have benefited from the PillCam capsule endoscopy procedure. Given Imaging's headquarters, manufacturing and R&D facilities are located in Yogneam, Israel; it has direct sales and marketing operations in the United States, Germany and France, and local offices in Japan, Spain and Australia



### About Fujinon

Fujinon has continually developed as an optical equipment manufacturer of Fujifilm Group. The company has developed numerous products compatible with high-performance and high-quality images using the established optical techniques and provided them to the whole world. In the broadcast fields, the company developed lens compatible with Hi-Vision early and got various lineup including the 101x lens which is the highest quality zoom lens in the world, to have more than 50% of the worldwide market share. Regarding the lens unit for a mobile phone with camera function getting popular in the market, the company leads the world with high-resolution, compact lens unit using aspherical lenses.

In the fields of endoscopes, the company has developed continuously various innovative products promoted the expansion of business by introducing the products such as Double-Balloon Endoscope System, which make the examination and treatment in whole small intestine possible, endoscopic diagnostic imaging support functions FICE, and trans-nasal gastroscope which is prevailing in Japan and Asia for the examination with less pain to be inserted through the nose.

Endoscope business of the company maintains two-digit growth every year, and aims at further expansion and growth in the fields of gastroenterological endoscopy.



### Israeli, Japanese Firms Develop Multilayer Disc That Holds 300GB

TOKYO (Nikkei)--Israel-based start-up Mempile Inc. and Memory-Tech Corp., a leading manufacturer of optical discs, have developed optical storage technology that records data to more than 100 layers on a disc.

Using this technology, a single-sided disc can store 300 gigabytes, which is six times more than a next-generation Blu-ray Disc.

The two companies hope to have a commercial product ready within three years that can be used by businesses for long-term storage of financial information.

With conventional discs, light is reflected off of pits in the disc surface to read bits of data. Reflections from multiple layers limit the number of possible layers to less than 10. In the new technology, bits are written and read using a pair of light beams. Only where the two beams meet in a focal point is the energy high enough to write data bits and to trigger the fluorescence used to read bits. Light passes through the disc medium in all places except the focal point, so data can be stored in more than 100 layers.

Each recording layer is only 5 microns thick, so a disc with 100 layers is no thicker than a normal DVD.

The new discs can be manufactured using existing machinery, but special equipment is needed for writing and reading. Mempile and Memory-Tech will collaborate with Japanese makers of electronics and components to develop optical pickups and drives that can be used with the new discs.

Mempile has an office in Japan, and Memory-Tech is an investor in the start-up.

About Mempile Inc.

Mempile is developing the next generation revolutionary optical storage medium and drive technologies enabling one TeraByte archival storage on a DVD-size using 2-photon technology resulting in a significant increase in capacity at reduced marginal costs. Strategic agreements have been reached with leading manufacturers for the production of media and drive components. Mempile is backed by leading Israeli, American, Japanese, UK and European equity and strategic investors and has a global presence in Israel and Japan.



### NTT DoCoMo adopts RADVISION's ProLab 3G-324M Test Solution

RADVISION announced that NTT DoCoMo purchased its ProLab 3G-324M Test Solution.

NTT DoCoMo commented that the decision to purchase the ProLab 3G-324M Test Solution was based on its rich feature set. These features include the simulation of 3G-324M signaling and media, the monitoring of H.223, H.245 and media. In addition, the ProLab 3G-324M Test Solution supports IMTC and GCF test case scenarios.

The fact that ProLab was bought by an operator of NTT DoCoMo's stature is an honor for RADVISION. The ProLab 3G-324M testing solution was also certified by GCF and PTCRB. RADVISION will add more features to the ProLab family of testing and analysis solutions, not only for 3G-324M, but also for NGN (Next Generation Networks) for customers to easily execute high level tests in a shorter period.

RADVISION is the industry's leading provider of market-proven products and technologies for unified visual communications over IP and 3G networks. With its complete set of standards-based video networking infrastructure and developer toolkits for voice, video, data and wireless communications, RADVISION is driving the unified communications evolution by combining the power of video, voice, data and wireless - for high definition video conferencing systems, innovative converged mobile services, and highly scalable video-enabled desktop platforms on IP, 3G and emerging next-generation IMS networks.



# IncrediMail Introduces Japanese Language Version of Popular Email Application

IncrediMail Ltd. (NASDAQ: MAIL), a software company specializing in Internet consumer products and services, announced it has released a new Japanese language version of its flagship product, IncrediMail. This new version will offer Japanese consumers the ability to customize the appearance of their emails with IncrediMail's easy-to-use interface and high-quality graphics.

The company expects that its experience model, already successful in other markets, will thrive in Japan. The IncrediMail "experience model" is based on IncrediMail's concept that an application's aesthetics and features will eventually become more important to consumers than its core purpose. In other words, the user eventually trusts the basic functionality and focuses, instead, on the cosmetic appeal.

"Entering the Japanese market is a tremendous opportunity for IncrediMail," said IncrediMail's CEO, Yaron Adler. "Our research indicates that Japanese consumers tend to embrace products with exciting and fun graphics. Because this is one of IncrediMail's main strengths, we believe our products will be very well accepted in this market."

In the future, Japanese users will not only have access to an interface in their language, but also to localized graphic content, including email backgrounds and emoticons.

"In addition to launching the Japanese-language version of IncrediMail, we plan to offer new products, including our soon-to-be released messenger solution, for this market," said IncrediMail's executive vice president, Jeff Holzmann. "By delivering Japanese-focused content and targeted advertising and marketing initiatives we intend to build IncrediMail's brand recognition and reach in this market."

IncrediMail is currently available in English, French, Spanish, Portuguese, German, Dutch, Italian and Swedish. The company also plans to release simplified and standard Chinese versions of its IncrediMail product.

"We currently have more than 10 million active users worldwide and are dedicated to continually expanding and innovating our offerings, enabling us to grow our user base as well as ensure our users are given the best product possible," Adler added.

About IncrediMail Ltd.



IncrediMail designs and markets an integrated suite of customized and entertaining email software products for the consumer market, offering users the ability to design highly personalized email presentations with our large collection of multimedia content for email communication. Our products include: IncrediMail Xe, which allows users to personalize email messages with creative features and is offered free of charge; IncrediMail Premium, an enhanced version of IncrediMail Xe; IncrediMail Letter Creator, which enables further personalization of backgrounds; The Gold Gallery, a content database of additional backgrounds, animations and notifiers; JunkFilter Plus, an anti-spam solution; and the recently introduced Magentic, a solution offering desktop Wallpapers and Screensavers. IncrediMail generates revenue by the sale of these products and services; licensing and co-branding the Incredi brand to operators of third party websites; and selling paid advertising and sponsored links on its website and email client.



### **May**

### A brief stop to honor Sugihara

### **Imperial Couple's five-minute visit raises eyebrows**

VILNIUS (Kyodo) Emperor Akihito and Empress Michiko visited on Saturday a monument in Lithuania to pay homage to the late Chiune Sugihara, a Japanese diplomat who helped save about 6,000 Jews from the Nazi Holocaust by issuing them transit visas.

Emperor Akihito visits the monument in Vilnius to Chiune Sugihara, a Japanese diplomat who rescued Jews in Lithuania during World War II, on Saturday. AP PHOTO But their visit was brief, taking up only about five minutes out of their 24-hour stay in the Baltic state on the fourth leg of their 10-day European tour.

It is not clear why the visit to a monument honoring so widely respected a man as Sugihara was kept so short, but observers say it probably reflects the Foreign Ministry's complex attitude toward Sugihara's actions.

Sugihara issued visas against his government's orders and was forced to resign from the ministry after the war. The ministry waited more than half a century to restore his honor by establishing a plaque for him.

He died in 1986 at age 86.

In 1940, a year after Nazi Germany invaded Poland, scores of Jews flooded the Japanese Consulate in Kaunas, the former Lithuanian capital, seeking transit visas to Japan to go to the United States and elsewhere.

Then Foreign Minister Yosuke Matsuoka instructed the consulate not to issue visas to those who did not meet financial and other requirements, an order apparently issued out of consideration for Germany, with which Japan was negotiating the Tripartite Pact.

Sugihara defied the orders and continued to issue thousands of visas to fleeing Jews on humanitarian grounds until the consulate was closed.



He was forced to quit the ministry in 1947, after the war had ended, giving rise to a charge that he was dismissed for defying Tokyo's orders during the war.

For years, Sugihara remained virtually unknown to the world, but his actions came to light in 1985 when Israel awarded him the honor of "the Righteous Among the Nations."

He is now referred to as a "Japanese Schindler," after Oskar Schindler, a German industrialist who worked to save Jews during World War II and on whose life the 1993 movie "Schindler's List" was based.

The Japanese government had long maintained that Sugihara was not dismissed for defying orders, and his honor was not restored until 2000, when the ministry set up a plaque honoring his actions at its Diplomatic Record Office in Tokyo.

Sugihara "exhibited the significance of humanitarian consideration by his courageous judgment," then Foreign Minister Yohei Kono said at the plaque's unveiling ceremony.

Katsumasa Watanabe, who heads a group studying Sugihara's acts, speculates that Saturday's Imperial visit to the monument is the result of a compromise by the government. The government "couldn't ignore (Sugihara's memory) during the Lithuanian visit by the Emperor and Empress, so its best judgment may have been the five-minute stop," he said.

Chihiro Sugihara, a grandchild of Sugihara who lives in Thailand, said before the Imperial visit, "I hope the visit serves as an opportunity not to bring up the past but to hand down the story of a man's acts from generation to generation."

### Japan to resume ODA to Palestinian Authority

(The Yomiuri Shimbun)

The government on May 11<sup>th</sup>, decided to resume economic assistance to the Palestinian Authority, with Foreign Ministry officials to be dispatched in June to discuss with the Palestinian government programs to be funded by Japan's official development assistance, sources said.

From 1993 to 2005, the government provided about 1 billion dollars (120 billion yen) in assistance to the Palestinian Authority. However, direct assistance was frozen in March last year after the Islamist Palestinian militant group Hamas won an election for the



Palestinian Legislative Council and formed a majority government. The Foreign Ministry concluded that Japan's ODA could be used by Hamas for militant activities.

Assistance to the Palestinian autonomous territories had been limited to humanitarian assistance through U.N. organizations, thereby circumventing the Palestinian government.

Following the formation of a unity government in March between Hamas and Palestinian President Mahmoud Abbas' Fatah movement, which has adopted a softer stance toward Israel, Tokyo began considering the resumption of assistance to the region.

The United States and Europe, meanwhile, have chosen to continue their freeze on assistance to the Palestinians indefinitely

#### **Eisai Wins Ruling on Aciphex Patent; Teva Will Appeal**

May 11 (Bloomberg) -- Eisai Co., Japan's fourth-largest drugmaker, won a U.S. court ruling that would block generic competition to its billion-dollar drug Aciphex, used to stop excess production of stomach acid.

U.S. District Judge Gerard E. Lynch in New York said the patent on the drug was enforceable and infringed by Dr. Reddy's Laboratories Ltd. and Teva Pharmaceutical Industries Ltd. Teva, the world's biggest generic-drug maker, said it will appeal this ruling and an earlier one upholding the patent's validity.

The brand-name drug, whose active ingredient is rabeprazole, has annual sales of about \$1.3 billion, based on data from the market research firm IMS Health, Teva said in February when it received approval to sell the generic drug. Tokyo-based Eisai co-promotes the drug with Johnson & Johnson.

"Throughout this process we were adamant that our company's rabeprazole composition of matter patent is valid and enforceable until its expiration date on May 8, 2013," Eisai Chief Executive Officer Hajime Shimizu said in a statement.



Teva, based in Petah Tikva, Israel, and Dr. Reddy's, in Hyderabad, India, accused Eisai of withholding information from the U.S. Patent and Trademark Office to obtain the patent. A trial on the issue was held in March.

The withheld information "even if material, and even if perpetrated with deliberateness, would not justify the extreme sanction of holding unenforceable the valid rabeprazole patent," Lynch said.

The two generic drug manufacturers are expected to appeal the verdict, and it will likely take at least a year for the case to be resolved. But investors are "less nervous this time around," said Mayo Mita, an analyst at Morgan Stanley Japan Securities Co.

But that does not take the pressure off Eisai to develop new drugs promising enough to succeed Aciphex and Aricept as major profit sources because the two products account for nearly 60% of the company's sales.

In its medium-term business plan covering six years through March 2012, Eisai aims to reduce its reliance on the two drugs to less than half of all sales by introducing new products. Because its patent for Aricept is slated to expire in 2010 in the U.S. and soon after in Japan and Europe, the next business plan will need to set a target for further lowering the ratio.

For that purpose, Eisai has been shoring up its development of new drugs, enhancing work on those in areas related to neurology and oncology. Its new Parkinson's disease medicine is now in the final phase of clinical trials in the U.S. and Europe, and Eisai researchers have started to work on developing an eventual cure for Alzheimer's.

Eisai acquired in autumn last year four oncology-related products from a California-based biopharmaceutical company and purchased Morphotek Inc. in March, a biotech firm in Pennsylvania that possesses cutting-edge antibody technology. It increases research and development outlays every year, allocating roughly 120 billion yen for the current fiscal year, double the amount from five years earlier.

While drugmakers are busy merging or acquiring other firms in the industry, Eisai intends to stand alone, said President Haruo Naito. Amid a dearth of breakthrough drugs, the company will need to demonstrate its strength in developing original remedies. And that is what investors will be focusing on.



### COREFLOW LTD. AND NAGASE GROUP SIGN A DISTRIBUTION AGREEMENT FOR THE FPD AND SEMICONDUCTOR MARKETS

Nagase will market and support CoreFlow products in Japan and Asia Pacific Rim CoreFlow Ltd. a privately-held manufacturer of aeromechanical subsystems for the Semiconductor and Flat Panel Display (FPD) industries, and Nagase & Co., Ltd. a publicly-owned technology oriented marketing company (listed on Tokyo Stock Exchange Section 1), have signed an exclusive distribution agreement for CoreFlow's systems in Asia Pacific. Under this agreement, Nagase will handle all sales, marketing and customer support activities of CoreFlow systems in the region, for the FPD and Semiconductor industries.

CoreFlow technologies enable glass substrates for TFT production to be accurately gripped, positioned, flattened, and moved by handling platforms – all with minimal contact. This enables improvements in a wide range of photo, chemical and plasma processes for TFT production. CoreFlow technologies can be seamlessly scaled to support glass substrates of any size generation, delivering significant advantages in TFT LCD production. CoreFlow subsystems are implemented in hundreds of systems worldwide. The technologies can be applied to a variety of other industries such as chemical and metal film production and printing industries.

Mr. Horie, Kenichi, Division Manager, Communication & Imaging Systems Division at Nagase, points out: "As a first phase, we carefully select each manufacturer we choose to represent in Japan. CoreFlow systems offer our customers in the FPD industry a variety of innovative handling and conveying solutions for the ever-growing substrates. CoreFlow's innovative solutions answer our customers' demand to produce digital TV (DTV) on Gen 8 glass. The new concept of glass handling and conveying supports evolving design rules, minimizes contamination and electric discharge, and dramatically decrease manufacturing costs. This enables better and more effective system design and opens new opportunities for TFT LCD fabs as well as for process and inspection system manufacturers."



Dr. Levin, CEO of CoreFlow adds: "Japan and Asia-Pacific lead the FPD industry and are important players in the semiconductors capital equipment market. Nagase has excellent presence in these markets with tight connections with leading customers and understanding of their needs. For us, Nagase is a very promising partner."

Nagase, founded in 1832 as a Dyestuff wholesaler, has since diversified to include Chemical, Plastics, Electronics and recently Healthcare products. Nowadays the company not only markets raw material and finished products for those industries, but has also earned a high reputation for supply related technologies, information and services. "Creating business with intelligence and wisdom" - that's the heart of Nagase's technology oriented marketing activities. FY2005 total revenue forecast is 461 billion Yen. Nagase has 862 employees and is headquartered in Tokyo, Japan. Tokyo Stock Exchange listed number 8012.

CoreFlow develops, manufactures and markets advanced aeromechanical subsystems for the Semiconductor and Flat Panel Display (FPD) industries, and other precision manufacturing industries. A pioneer in the use of aeromechanical principles for precision substrate handling and transportation, CoreFlow was founded in 1999. Its R&D team brings together multidisciplinary experience in fluid dynamics, mechanical engineering and capital equipment development. Today, CoreFlow's worldwide customer base includes many of the leading names in semiconductor and FPD process and testing equipment.



### **June**

# The First Technical-Level Meeting of the Four-Party Consultative Unit for the Concept of the "Corridor for Peace and Prosperity" June 28, 2007 MOFA

The first technical-level meeting of the Four-Party Consultative Unit for the concept of the "Corridor for Peace and Prosperity" was held on June 27 (Wed) at the Dead Sea in Jordan with the participation of experts from Israel, Japan (headed by Mr. Shinsuke Sugiyama, Deputy Director-General of the Middle Eastern and African Affairs Bureau), Jordan and Palestine. This meeting was a follow-up on the agreement reached at the Start-up meeting of the Four-Party Consultative Unit hosted by Japan last March.

The meeting was conducted in a frank and friendly atmosphere and the Four Parties had a constructive exchange of views on various issues related to the development of the concept.

The outcome of the meeting is as follows;

- The Japanese side briefed the current status of the Feasibility Study (F/S) and its future schedule. Each of the Four Parties explained about its respective cooperation to be extended in order to formulate related projects.
- The Four Parties expressed their views on the possible location of the agro-industrial park, and agreed to decide the location as soon as possible while taking the progress of the F/S into consideration.
- The Israeli side expressed its agreement for the reconstruction of Damiya (Prince Mohammad) Bridge and the other Parties welcomed the decision. The Four Parties agreed to further discuss on the details of this issue.
- The Four Parties agreed to establish a contact mechanism which is aimed at directly sharing information and coordinating among the Four Parties in order to materialize the concept.
- The Four Parties agreed to hold the next technical-level meeting in the region in the second half of October.



### Nomura Holdings to invest in Israeli firms

Representatives of Japan's largest investment bank arrive in Israel for series of meetings with Israeli firms in order to look into future investments in some companies

Golan Hazani –ynet

Japan's largest investment bank, Nomura Holdings, plans to invest in Israeli companies, Yedioth Ahronoth has learned.

The bank's representatives were expected to land in Israel on and to hold a series of meetings with representatives of Israeli firms in order to look into future investments in some of those companies.

The most senior representative expected to arrive in Israel was the bank's vice president of operations, and another senior official is expected to arrive next week.

The companies expected to meet with the Japanese bank representatives include Strauss, Rad Binat Holdings Ltd, Syneron Medical Ltd, Gemini Israel Funds, Pitango Venture Capital and other high-tech companies. Numora is also looking into the possibility of investing in an Israeli investment firm. Irit Hillel of Magnolia Capital Partners represents the Japanese bank in Israel.

Japanese investors have refrained from expanding their activities to Israel since the year 2000, mostly because of the intifada, which led to Israel's ranking as a "high-risk investment."

In the past two years, the risk level dropped and Japanese investors began looking into investments in Israel. The bank has so far invested in only two Israeli companies – Commtouch and XTL Biopharmaceuticals Ltd.



## Given Imaging Receives Reimbursement Clearance for PillCam(TM) SB From Japan's Central Health Insurance Committee

Given Imaging Ltd. (NASDAQ: GIVN), the global leader in capsule endoscopy, today announced that Japan's Chuikyo (Central Social Health Insurance Committee) has approved reimbursement for the company's PillCam(TM) SB capsule endoscope. Effective October 1st, 2007, Japan's entire adult population will be eligible for reimbursement of the PillCam SB procedure for small bowel indications with obscure GI bleeding. This announcement follows approval from Japan's Ministry of Health, Labor and Welfare (MHLW) to market and sell the PillCam SB capsule endoscope in Japan on April 23rd of this year. Japan is believed to be the world's second largest healthcare market. Homi Shamir, president and CEO of Given Imaging, said, "This is an important day for our company as it means that patients in Japan who suffer from abdominal symptoms can now be diagnosed using PillCam SB, a proven patient-friendly, effective procedure. We are very pleased that Chuikyo issued its reimbursement decision well ahead of our expectations and will continue to work closely with our Japanese partners to educate gastroenterologists throughout the country and accelerate sales of PillCam SB. In the future, we will introduce the rest of our product line including the PillCam SB 2, PillCam ESO 2, AGILE patency and PillCam COLON into the Japanese market."

About Given Imaging Ltd.

Given Imaging is redefining gastrointestinal diagnosis by developing, producing and marketing innovative, patient-friendly products for detecting gastrointestinal disorders. The company's technology platform is the PillCam® Platform, featuring the PillCam video capsule, a disposable, miniature video camera contained in a capsule, which is ingested by the patient, a sensor array, data recorder and RAPID® software. Given Imaging has three commercially available capsules: the PillCam SB video capsule to visualize the entire small intestine which is currently marketed in the United States and in more than 60 other countries; the PillCam ESO video capsule to visualize the esophagus; and the Agile(TM) patency capsule to determine the free passage of the PillCam capsule in the GI tract. The PillCam COLON video capsule to visualize the colon has been cleared for marketing in the European Union, and multi-center clinical trials are underway in Europe



and the U.S. A capsule to visualize the stomach is under development. More than 500,000 patients worldwide have benefited from the PillCam capsule endoscopy procedure. Given Imaging's headquarters, manufacturing and R&D facilities are located in Yokneam, Israel. It has operating subsidiary companies in the United States, Germany, France, Japan and Australia.

### Mitsubishi Electric Co. Selects Camtek's Dragon and Pegasus AOI Systems for IC Substrate Line

Camtek Ltd. (NASDAQ: CAMT; TASE: CAMT), announced that Mitsubishi Electric Corporation, a leading Japanese manufacturer of electronic equipment, has purchased Camtek's Dragon FL and Pegasus 200S automated optical inspection systems for its plant in Sagamihara. This Mitsubishi Electric's plant specializes in ultra-thin, high-density substrates. The Dragon FL is used for in-process inspection of fine-line substrates in panel form, while the Pegasus inspects finished substrates in strip form. This is the first sale in Japan of the Pegasus 200S, a new model Camtek introduced in December 2006 Avishai Shklar, general manager of Camtek Japan, commented, "Naturally we are excited about the opportunity to serve a prominent customer such as Mitsubishi Electric. We believe that the concept of implementing along the production line compatible inspection systems from the same manufacturer can maximize efficiency and productivity - in particular in demanding applications such as Mitsubishi's advanced substrates."

**About Camtek** 

With headquarters in Migdal Ha'Emek Israel, Camtek Ltd., designs, develops, manufactures, and markets automatic optical inspection systems and related products. Camtek's automatic inspection systems are used to enhance both production processes and yield for manufacturers in the printed circuit board industry, the high density interconnect substrate industry and the semiconductor manufacturing and packaging industry.

About Mitsubishi Electric Corporation



With over 80 years of experience in providing reliable, high-quality products to both corporate clients and general consumers all over the world, Mitsubishi Electric Corporation (TSE:6503) is a recognized world leader in the manufacture, marketing and sales of electrical and electronic equipment used in information processing and communications, space development and satellite communications, consumer electronics, industrial technology, energy, transportation and building equipment.

Mitsubishi's Sagamihara's plant produces ultra-thin, high density substrates made of glass epoxy in buildup technology. These substrates are used in thin, high-definition semiconductor packaging and in modules for the latest mobile devices.

#### Internix to invest up to \$40 million in Israeli semiconductors startups

The Japanese company Internix will be investing between \$30 million to \$40 million in Israeli startups, mainly in semiconductors companies. It will be placing up to \$5 million in each one.

The management is already in negotiations with two potential investments. In parallel, Internix says it's planning to sign representation agreements with seven to eight Israeli companies, whose products it would market in Japan.

Internix is one of Japan's biggest distribution companies in the semiconductors sector. Its clients include the giants NEC, Fujitsu, OKI, Toshiba, Panasonic, Sharp, and Sanyo.

Internix was founded in September 1970 as the exclusive distributor or stocking rep in Japan for a small American ICs & semiconductor devices manufacturer. Subsequently, we have added many franchises for electronic product manufacturers, especially American ICs & semiconductor devices manufacturers, and we are now one of the leading foreign semiconductor distributors in Japan. We made IPO in JASDAC in August 2000, became listed in Section 2 of Tokyo Security Exchange in March 2003, and have been listed in Section 1 since September 2004. We have 9 sales offices, or locations, in Japan, 2 in China and 1 in Singapore.

Internix also maintains offices in Silicon Valley, California. It represents about 2,000 companies in Japan. In Israel, it is represented by SGI, which represents other



international bodies in Israel and also represents Israeli companies in the Far East and Europe.

#### Israel a hit with Japanese students

Visiting the Israeli Embassy in Tokyo has become the new "hot" thing to do for Japanese school students. Hundreds from schools across the Japanese capital have come to the embassy in recent months to learn more about the Jewish state and its representatives in Japan.

"In the past, visiting the Israeli Embassy was definitely not a fashionable thing to do," said the information and culture advisor at the embassy, Shmulik Bass. "But now Israel has simply become a hit here and many students want to come and hear about Israel."

Most of the groups that come consist of students between the ages of 12 and 16.

Bass noted that many of the groups of students are visiting other embassies too in the framework of studies dealing with international affairs. Nevertheless, "in the past no one visited us, and now we are one of the most popular embassies in Tokyo."

(June 07, 2007 by Staff Writer)



### Japan's Diamond Imports Continue Monthly Decline During April

Japan's imports of polished diamonds fell for the ninth consecutive month in April 2007 declining 20.7 percent to \$69.36 million. The total carat weight of imports dropped 15 percent to 177,752 carats. So far this year, January to April, Japan's polished diamond imports have fallen 17.7 percent to \$306.5 million, compared with the first four months of 2006.

Supply from all of Japan's polished diamond sources dropped during April, except from China which increased more than three-fold to \$1.95 million. India remained Japan's top supplier despite an 18.6 percent drop in supply to \$31.64 million. Imports from Belgium fell 15 percent to \$20.82 million, while those from Israel, Japan's third largest supplier, declined 14.6 percent to \$7.4 million.

Imports of ruby, sapphire, and emerald stones grew 10.3 percent to \$4.07 million with the bulk, or 88.6 percent of the total, coming from China.

For the category of "other colored stones," imports fell 16.7 percent to \$5.4 million. The majority of the imports came from Hong Kong, which grew 56.9 percent to \$2.89 million, and Brazil, which declined 85.7 percent to 9 million.

Japan's pearl imports dropped 20.3 percent to \$20.88 million, while platinum jewelry fell 9 percent to \$36.16 million and gold jewelry by 31.4 percent to \$59.2 million. Imports of silver jewelry declined 14.3 percent to \$19 million.



### Sanyo Broadens Use of MaxxVoice(TM) in Mobile Phones

Waves technology improves loudness and intelligibility of speech communications for Sanyo

WAVES AUDIO LTD., a leading provider of audio signal processing technologies, announced today that Sanyo has adopted MaxxVoice(TM) on the majority of its new mobile phone models in order to improve the loudness and intelligibility of speech. Using patented psycho-acoustic technologies, MaxxVoice overcomes the limitations of small handset speakers to accommodate the natural variation in speaker levels.

"Waves MaxxVoice technology enabled Sanyo to increase maximum volume levels, improve intelligibility in noisy environments, deepen frequency response, and reduce distortion," said Masayuki Hasegawa. "Sanyo has continued to adopt MaxxVoice on more models; it adds an important value to our phones." The M1, Sanyo's first mobile phone with MaxxVoice, began shipping in December 2006. Waves MaxxVoice has also been utilized on the SCP-7050 and Sanyo's newest model, the SCP-3200.

"Mobile phone products have achieved dramatic feature improvements, but the acoustic quality suffers from the restrictions of product size, power consumption, and cost," said Paul Bundschuh, vice president of sales & marketing, Waves Semiconductor and OEM Licensing Division. "Waves MaxxVoice technology substantially improves the most basic and important function of the phone, namely to be heard clearly."

About Waves Audio Ltd.

Waves is the world's leading developer and provider of professional digital audio processing tools. Waves technologies are used to improve sound quality in the creation of hit records, major motion pictures, popular gaming and multimedia titles the world over About Maxx®

With more than a decade of leadership in the development of psycho-acoustic algorithms, Waves now offers a variety of solutions under the Maxx® brand. Manufacturers of consumer electronics are dramatically improving performance and reducing system costs using Maxx technologies. These solutions include custom semiconductor devices and licensing Waves proprietary algorithms to DSP and computer platforms. Firms such as Sony, Sanyo, Samsung, JVC, NEC, Delphi, Altec Lansing and others are rapidly adopting Maxx solutions.



## New JVC LCD TVs With MaxxAudio Deliver Home Theater-Quality Sound

JVC TVs win Visual Grand-Prix for best TVs in Japan

Waves Audio Ltd., the world's leading developer of professional audio signal processing tools, announced today that JVC's latest generation of LCD televisions will be the industry's first to use their MaxxAudio technologies. MaxxAudio is a suite of psychoacoustic technologies that compensates for the limitations of small speakers. MaxxAudio is the first solution for televisions that enables them to deliver high quality sound without the cost and complexity of additional components. In fact, the extraordinary audio quality of JVC's new LCD TVs is comparable to that of complete moderately priced home theater systems.

"The current generation of JVC LCD TVs with Waves MaxxAudio technology recently received the Gold Award of VISUAL GRAND-PRIX from AV Review. The Gold Award recognizes the highest quality LCD TV product in the Japanese market -- the most quality-demanding market in the world," said Mitsuharu Nagai, President of AV Review, a popular consumer electronics magazine in Japan. "JVCs new generation of LCD TVs with Waves MaxxAudio technologies substantially improve overall audio quality. Listening tests of these JVC TVs show that the sound quality compares with external component audio for the very first time."

"JVC's new LCD TVs with MaxxAudio give consumers high audio quality without external components," said Koichi Kotajima, manager of product planning at JVC. "MaxxAudio is a major product breakthrough. It delivers outstanding audio quality while eliminating the need for extra speakers, components, wiring, and remote controls."

"Waves MaxxAudio re-masters the audio content and optimizes it for the speaker system, listening environment, and our ears," said Paul Bundschuh, vice president of sales and marketing for Waves Semiconductor Division. "Waves tools are used in the creation of the world's top music, movie soundtracks, and video games. These JVC TV models are the first consumer electronic products to utilize these same award-winning professional tools that compensate for acoustic limitations in dynamic range, frequency response and imaging."



## Yazaki Corp.'s New Driving Support System Warns against Collision and Lane Departure with 1 Camera

#### Nikkei Automotive Technology

Yazaki Corp. unveiled a driving support system (AWS-3000) that recognizes the images of preceding vehicles and traffic lanes by an in-vehicle camera.

The system is installed in trucks and buses, among others, after they were purchased. And the price is kept as low as 100,000 yen (USD 827) plus installation fee.

AWS-3000 was developed in conjunction with Mobileye N.V., and Yazaki Corp. changed the specification for use in Japan.

The system can recognize preceding vehicles and traffic lanes by a monocular camera set on the instrument panel. And it calls drivers' attention with sounds and images when the vehicle is too close to the preceding one and when they shift lanes without giving a turn signal.

Many automobile companies have already achieved the practical use of lane departure warning systems using a camera and collision-warning devices using radar. But only the new system can be installed after the purchase of vehicle and has both a lane departure alarm and a collision alarm with one camera.

The camera is a monochrome CMOS (640\*480). Pictures taken by the camera are only used for image procession and not displayed on the monitor. But, depending on circumstances, some pictures, such as an image of a car, appear with a warning beep.

The monitor and speaker that come with the product are set on the instrument panel. Also, the data of vehicle's speed and turn signal are used for vehicle identification.

AWS-3000 will be released on August 1, 2007, through the dealers of Yazaki Corp. The system can be equipped regardless of type of vehicle or manufacturer because it can be installed after the purchase of vehicle. And the company expects to sell 5,000 units in the first year.

The company has invented a digital tachograph that records speed of car for safe driving and a drive recorder that takes a picture at the time of crash for practical use. But they are used after driving a car or an accident.



The company expects the new system to be used for the prevention of accidents because it can alarm drivers before accidents occur.

"We are planning on linking it (AWS-3000) up with the system of the digital tachograph and drive recorder (in the future)," said Kuniaki Yoshioka, the company's executive director of instrument.

Mobileye was incorporated in May 1999 for the purpose of developing and marketing advanced products in the surging market of automated on-board driver assistant systems.

The Company has developed core technologies in the areas of algorithms and ASIC architecture design for monocular video processing supporting applications of Adaptive Cruise Control (ACC), Lane Departure Warning (LDW), Lane Change Assist and Blind Spot Detection (LCA/BSD), Vision-Radar sensor fusion for Pre-Crash, Pedestrian Protection and in-cabin Occupant Detection.

Mobileye's algorithms use an advanced spatio-temporal classification technique based on a novel machine learning approach that trains the system with static and dynamic visual information. The sophistication of the pattern recognition cores allows robust processing using a monocular (single camera sensor) configuration. Dual camera configurations fusing video inputs from multiple fields of view are also supported by the company's technological cores and ASIC architecture.

Mobileye's ASIC design incorporates a system-on-a-chip solution running at 120 MHz with proprietary high data bandwidth design and technological-specific silicon cores for achieving computing power comparable to two Pentium 4 running at 2GHZ.

The Company has offices in Jerusalem, Tokyo, and Detroit



### <u>July</u>

### Japan extends SDF peacekeeping mission in Golan Heights

(Kyodo) \_ The Japanese government decided Tuesday to extend the participation of the Self-Defense Forces in a U.N. peacekeeping mission in the Golan Heights for another six months until March 31.

The decision, made at a Cabinet meeting, came in response to a U.N. Security Council decision to extend the mission of the U.N. Disengagement Observer Force in the Golan Heights, Japanese officials said.

SDF members have been participating in the mission since February 1996.

Forty-five Japanese troops are taking part in UNDOF, which has been working to maintain a cease-fire between Israel and Syria since 1974.

The Japanese troops provide airlifts and other logistical support for the U.N. operations.

## KDDI and Alvarion Contribute to Bridging Digital Divide in Emerging Asian Countries

Projects in Cambodia and Vietnam Support Pan-Asian Initiative

Alvarion Ltd. (NASDAQ: ALVR), announced its collaborative work with KDDI to bridge the digital divide in Cambodia and Vietnam. KDDI promotes telecommunications and information and communications technology (ICT) services via its own specific activities, and also participates in the Asia-Pacific Telecommunity (APT) organization.

APT's main goal is to reduce digital divide and promote advanced services including Internet access, E-learning, E-Government, E-Commerce, and more as part of the pan-Asia initiative.



KDDI is using Alvarion's solutions in Vietnam and Cambodia, to improve broadband data services to residents, schools and municipalities. Alvarion is supporting KDDI and working together to tailor solutions that are optimized for local requirements. For example, KDDI making use of Alvarion's BreezeMAX<sup>TM</sup> in Vietnam, and its BreezeACCESS<sup>®</sup> VL in Cambodia.

"We are impressed with Alvarion's qualifications, and after checking several top-tier vendors, we decided to use Alvarion's solutions for our projects throughout Asia." said Yuki Umezawa, Senior Manager, Head of International Cooperation Section in KDDI. "Alvarion answers to our high-standard requirements offering extensive field-experience and successful deployments across the globe. With products covering the full range of frequency bands, Alvarion has the optimal high-performance wireless broadband solutions and we look forward to additional projects with them throughout Asia."

"We are proud to be supporting one of Japan's top operators in addressing the growing broadband needs in emerging countries," said Rudy Leser, corporate vice president of strategy and marketing for Alvarion. "In addition to contributing to the APT initiative, this joint effort expands our presence in Asia and indicates the tremendous potential in the Asian markets in general and particularly in Japan."

#### About KDDI

KDDI is the only Japanese information and communication company that comprehensively provides all communications service, from fixed to mobile. KDDI is aggressively working towards realization of the coming Ubiquitous Network Society through its ability to develop leading-edge fixed and mobile communications networks and services to support them and through the ability to carry out technical R&D at a level unsurpassed anywhere.

#### **About APT**

The Asia-Pacific Telecommunity (APT) was established in July 1979 and is a unique organization of Governments, telecom service providers, manufactures of communication equipment, research & development organizations and other stake holders active in the field of communication and information technology. APT serves as the focal organization for communication and information technology in the Asia Pacific region. Through its



various programs and activities, APT has made a significant contribution to the growth of the ICT sector especially the telecommunications sector in the Asia Pacific region About Alvarion

With more than 3 million units deployed in 150 countries, Alvarion is the world's leading provider of innovative wireless broadband network solutions enabling Personal Broadband to improve lifestyles and productivity with portable and mobile data, VoIP, video and other services.

Alvarion is leading the market to Open WiMAX solutions with the most extensive deployments and proven product portfolio in the industry covering the full range of frequency bands with both fixed and mobile solutions. Alvarion's products enable the delivery of personal mobile broadband, business and residential broadband access, corporate VPNs, toll quality telephony, mobile base station feeding, hotspot coverage extension, community interconnection, public safety communications, and mobile voice and data.

As a wireless broadband pioneer, Alvarion has been driving and delivering innovations for over 10 years from core technology developments to creating and promoting industry standards. Leveraging its key roles in the IEEE and HiperMAN standards committees and experience in deploying OFDM-based systems, the Company's prominent work in the WiMAX Forum is focused on increasing the widespread adoption of standards-based products in the wireless broadband market and leading the entire industry to Open WiMAX solutions.



# Metalink and Brilliant Technologies Company, a Division Company of Macnica, Inc., Announce Distribution Agreement to Provide 802.11n Home Networking Solutions in Japan

Metalink Ltd. (NASDAQ: MTLK), a provider of high-performance wireless and wireline broadband communication silicon solutions, and Brilliant Technologies Company, a division company of Macnica, Inc., one of the largest semiconductor distributors in Japan announced that Brilliant Technologies Company was appointed as Metalink's authorized distributor in Japan. Metalink and Brilliant Technologies Company have established a team of experts to promote Metalink's WLAN solutions in this region and to provide innovative products for delivering data and high-definition (HD) multimedia over wireless home networks.

Japan is the world leader in electronics manufacturing today and is the home of many of the major multinational corporations in the industry. The emergence of 802.11n, the new Wi-Fi standard, is creating a rapidly-increasing consumer demand for home entertainment devices that can operate over wireless networks, capable of supporting the delivery of HD content at wire-like quality. Japanese consumer electronics vendors are ready to embrace such technologies, and Brilliant Technology Company is ready to support these emerging market needs.

Brilliant Technologies Company is offering Metalink's 802.11n-compliant WLANPlus™ chipset family to its valued customers. Metalink's WLANPlus chipset family is a best-in-breed technology for wireless delivery of video-grade content in the home network environment, supporting up to 300Mbps transmission speeds using both the 2.4GHz and 5GHz frequency bands. The WLANPlus chipset family offers more than twice the reach of competing 802.11n solutions due to its implementation of a Maximum Likelihood (ML) decoder combined with advanced Forward Error Correction (FEC) scheme and the use of Low Density Parity Check (LDPC) technology. WLANPlus offers the best match for various applications ranging from Residential Gateways, Access Points and Routers to PC cards, STBs, DMAs and wireless HDTVs.

"We are happy to have Brilliant Technologies Company, work together with us to distribute our cutting-edge 802.11n solutions in this country," said David Pereg, Vice



President of Corporate Development at Metalink. "A great portion of the world's Consumer Electronics devices is manufactured in Japan, making this market a highly strategic one for us. We believe that our close cooperation with Brilliant Technologies Company will enable Metalink to better penetrate the region, reaching top-tier customers who are looking for value-added 802.11n-compliant products."

"The Japanese market is exhibiting a growing demand for 802.11n solutions to enable delivery of HD multimedia content over wireless home networks," noted Ken Kato, Company President, at Brilliant Technologies Company. "Metalink's WLANPlus is the best-of-breed 802.11n chipset today, perfectly complementing our video product line. We are pleased to represent Metalink in Japan, offering our customers the most innovative and robust Wi-Fi technology as per their requirements."

#### About Brilliant Technologies Company

Brilliant Technologies Company is a division company of Macnica, Inc. Since its establishment in 1972, Macnica Inc. has specialized in the supply of wide a variety of high-value-added electronic parts and equipment, particularly semiconductors, to the electronics, information and communications industries. The company is justly known as a leader in the high-technology fields in which it operates. In recent years, Macnica has expanded its lineup to provide in-depth technical support to customers in addition to the supply of devices. Its customers include Japan's leading electrical and electronic products manufacturers.

The company is listed on the Tokyo Stock Exchange and has headquarters in Yokohama. Its subsidiaries are located in Hong Kong, Shanghai, Taiwan, Singapore, Thai Land and the USA.



### Insightix raise \$6 millions -lead by SOFTBANK CAPITAL

Insightix, a network access control startup, said it snagged \$6 million in a second round of funding from three new investors.

Most of the funding came from SoftBank Capital.

Insightix, based in Raanana, Israel, and Framingham, Massachusetts, has developed two technologies to give an enterprise complete control of all network devices and ensure that only authorized devices are allowed to access and operate on the network.

"Current discovery technologies only enable the identification of a maximum of 65 percent due to the use of mobile devices and personal firewalls," Insightix CEO and founder Lior Tal said.

Insightix software allows IT managers to find computers, routers, or switches on the organization's network in real time, as well as identify types of users and deny access to those who are unauthorized.

"They have a technology advantage over their competitors in terms of being able to provide comprehensive discovery," IDC researcher director Dan Yachin said.

The company has competition. Cisco Systems, McAfee, StillSecure, and Mirage Networks are all working in this area.

Will there be enough to go around? IDC predicts that demand for network access control technologies will expand rapidly in the coming years and become a multibillion-dollar market by 2010.

Insightix said it plans to use the new funds to expand marketing and sales operations in the United States, Europe, and the Far East. The company began sales in the first



quarter of last year. Its initial clients included the Boston Globe, Orbotech, 24/7, Real Media and MobiTV. In 2007 Insightix began selling to telecommunications companies as well as major financial institutions.

The latest round brings to \$10 million the amount of funding the company has raised since it was founded in 2004. Blumberg Capital, Quest Software, and Israeli high tech entrepreneur Israel Adir were previous investors in the startup.

In the latest round SoftBank Capital was joined by Ken Casey, former vice president of sales for Israel's Check Point Software and Dennis Bennie, founder of Canada's Delrina Software.

### Israel: Citrus exports up 23% in 2006

Climate problems in California last year allowed Israeli citrus exporters to extend their market share in Japan and for the first time penetrate the Chinese market. The Citrus Marketing Board reported lately a sharp increase in export of 23% in 2006.

In a statement issued by the Board it was noted that Citrus exports reached half a billion shekels last year.

The increase in exports was attributed to a cold snap that heavily destroyed citrus crops in California which is one of the largest citrus exporters in the world.

The climate problems in California last year allowed Israeli citrus exporters to extend their market share in Japan and for the first time penetrate the Chinese market.

Mr. Tal Amit, the director of the citrus sector at the Plants Board, said that the penetration into the Chinese fruit market projects huge potential for exports in the short term, to over 200,000 tons annually from the 141,000 tons exported in 2006.



### Ricoh, Usaco Team On Israeli Firm's Scientific Lit Search System

TOKYO (Nikkei)--Ricoh Co. has formed a business partnership with Usaco Corp., a leading marketer of scientific journals, to import and sell an Internet-based scientific literature search system to libraries.

The system, developed by the Israeli company Ex Libris Ltd., provides a highly efficient way to search and browse the scientific literature. Regular browsers cannot access many subscription sites where publishers post their electronic journals, but Ex Libris has formed contracts that allow its search system to show the titles and abstracts of the articles.

Ricoh and Usaco have separately established sales agency agreements with Ex Libris. Ricoh will market to universities and Usaco will market to corporations. Usaco will manage installation and support services. The price will vary depending on the architecture, but systems will start at several million yen.

Ricoh hopes to introduce systems to 100 schools by fiscal 2008. Leveraging this product, the company aims to increase the sales of its library system division by 50% to 3 billion yen in that year.

# Red Bend's Device Management Client Suite Tapped for SANYO(R) Mobile Phones July 30, 9:00 am ET

Red Bend Software Japan K.K. (located in Chiyoda Ward, Tokyo; President Kazuhiro Abe), the market leader in Mobile Software Management and Firmware-Over-the-Air (FOTA) update solutions for mobile phones and wireless modules, lately announced a licensing agreement with SANYO® Electric to use Red Bend's device management client software suite in mobile phones manufactured by SANYO.

Under the agreement, SANYO has licensed Red Bend's RDM(TM) client suite -- an Open Mobile Alliance (OMA) Device Management (DM) compliant and interoperable solution for mobile phones and wireless devices -- for its CDMA mobile phones. The Red Bend



DM client suite allows mobile operators and handset manufacturers to remotely manage mobile devices in the field. It is standards-based software that works with any OMA DM server to enable remote configuration, provisioning, diagnostics and updating of mobile phones over the air (OTA).

Takaaki Ueyama, Section Manager for telecom software development at SANYO Electric, explained, "Red Bend's OMA DM client can be used with any OMA DM compliant server, and we feel that flexibility is crucial. Red Bend's solution will make it possible for consumers to use their mobile phones with confidence."

Red Bend's portfolio of mobile software management solutions enables mobile phone manufacturers and network operators to deploy new services, reduce support costs and improve consumer satisfaction. Its vCurrent® Mobile software for firmware over-the-air (FOTA) updating allows mobile consumers to download and install the latest software features and improvements directly to their mobile phone, without visiting a service center.

"The adoption of our software by a cutting-edge mobile phone manufacturer like SANYO demonstrates Red Bend's growing market momentum, particularly with CDMA operators," said Kazuhiro Abe, President of Red Bend Software Japan K.K. "Our laser focus on managing software assets inside the device, combined with our record of innovation and performance, has made Red Bend a trusted partner for realizing the business value in over-the-air mobile software management."

#### **About Red Bend Software**

Red Bend Software helps mobile phone manufacturers and network operators to accelerate the adoption of new services and features, respond rapidly to customer needs, and reduce support costs through mobile software management solutions. LG Electronics, Motorola, NEC, Sharp, Sony Ericsson and other large handset manufacturers use Red Bend's firmware over-the-air (FOTA) mobile client software to quickly and reliably deliver compact firmware updates to more than 150 million mobile phones in the hands of consumers. Founded in 1999, Red Bend Software is a privately held, venture capital-financed company with offices in China, Israel, Japan, Korea, the U.K and the U.S.