



Israel - Japan Economic Insight Year 2006

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Index

January

- 1) Koizumi cancels visit to Israel, Palestinian areas
- 2) Panasonic Automotive Systems America to Showcase 3DVU Technology at Consumer Electronic Show 2006 in Las Vegas
- 3) 10 Israeli companies attend Semicon Japan exhibition
- 4) Safend Signs M Factory Corporation as Distributor, Secures Agreement with Credit Suisse Life Insurance
- 5) Tomen Electronics Invests in Wisair

February

- 1) Nova Introduces the NovaScan(R) 3090 Integration on Ebara Corporation F-REX300S CMP Polishers
- 2) Marubeni Solutions Offers Software That Inputs Data Optically
- 3) Siano Mobile signs three collaboration agreements with ALPS
- 4) Retalix signs deal with Japanese supermarket chain

March

- 1) Marubeni Solutions Offers Software That Inputs Data Optically
- 2) Corrigent Wins Top Exporter Award from the Israel-Japan Chamber of Commerce
- 3) Renesas to integrate Metalink's processor
- 4) Red Bend solution to upgrade Sharp 3G phones in Japan
- 5) BroadLight signs with Clavis Co
- 6) Nagase Co., Ltd. Transferred Its Healthcare Capture Business to TIS Japan
- 7) Fuji Medical USA to Offer Orthocrat TraumaCad Digital Orthopedic Solution

April

- 1) Einstein exhibition to open in Japan
- 2) 2.1m Vehicles in Israel, 38% from Japan
- 3) Can-Fite Signs an MOU for CF101 for Inflammatory Indications in Japan
- 4) KDDI Launches Global Passport International Roaming Service in Israel
- 5) JVC Introduces Televisions With MaxxBass
- 6) Silicom Penetrates Japan: Major Design Win With World Leading, Top Tier Japanese Server Manufacturer
- 7) Ricoh and EFI Deepen Partnership to Succeed in POD Market

May

- 1) Top generic drugmaker Teva sets up Japan unit
- 2) Japanese press: Teva seeks partners in Japan
- 3) El Al to fly Japan route
- 4) Olympus sues Given Imaging over patent
- 5) Japanese companies boost Israeli investment
- 6) Metalink to Demonstrate Streaming HDTV Over Wireless Home Networks at Interop Japan

June

- 1) Koizumi to visit Israel, Palestinian territory, Jordan in July
- 2) Sumo / Making a jumbo gesture for better ties with Japan
- 3) Sagawa Express to start operation in Israel
- 4) AMIMON's WHDI(TM) Technology Powers SANYO's Wireless HD Video Demo at InfoComm
- 5) Camtek receives multiple falcon order from Toshiba
- 6) Mempile Expands into Japan
- 7) PlayStation 3 Secret Weapon Revealed ?

July

- 1) Koizumi leaves for Israel, Palestinian areas before attending G8 summit
- 2) Japan urges Israel to take 'rational action' to Middle East crisis
- 3) Symbionix Signs an Agreement With Johnson & Johnson k.k., Japan, for Developing Virtual Simulation of Laparoscopic Colorectal Procedures
- 4) Japan PM pledges \$30 million in aid to Abbas-Palestinian leader
- 5) Exports to Japan up 27% in Q1
- 6) Red Bend Software Signs Agreement with NEC to Deploy FOTA Solutions on Mobile Phones
- 7) Teva Pharma Seeks To Double Generic Drug Sales In Japan By '10
- 8) Altech To Import Water Purification Plant Filtration Equipment
- 9) Waves MaxxBass(R) Technology Dramatically Improves Sound Quality of LCD TVs

August

- 1) Japan appoints new envoys to Israel, Spain, Greece, Denmark, Brunei
- 2) Japanese troops in Golan rocket near miss
- 3) Silex Prototypes UWB System For Display At Multiple Sites
- 4) NTT West-Okinawa Selects Alvarion's BreezeACCESS(R) VL
Japanese Incumbent Beginning Broadband Deployment in Rural and Island Areas of Okinawa
Pazkar to export sealants to Japan

September

- 1) Japan mulls dispatch of GSDF to Lebanon
- 2) Athena Smartcard Solutions Boosts offering through the acquisition of Aspects Software Java Card Activity
- 3) Largest Cable and Multi-Play Provider in Japan – J:COM – Extends Contract With Amdocs Through 2009
- 4) Waves Increase cooperation with Clarion
- 5) Saifun Signs Patent Licensing Agreement With NEC Electronics
- 6) Can-Fite Out Licenses Rights for its Drug, CF101, in Japan to the Seikagaku Corporation
- 7) New Wireless LAN System Offers Stabler Mobile Connections

October

- 1.) Storewiz and Tokyo Electron Device Announce Strategic Partnership in Japan
- 2.) BestTV and Invensys will launch an Internet television platform using a FTTH system
- 3.) Mitsui, Israeli Firm To Convert Passenger Jets Into Cargo Planes
- 4.) U.S. court says Eisai ulcer drug patent valid
- 5.) Kyowa Hakko Grants Keryx Biopharmaceuticals Exclusive Rights To UCN-01, A Novel, Anticancer Agent In Phase II Clinical Development
- 6.) Leading Japanese Insurance Provider, AXA to Implement NICE's VoIP Solutions in Four Sites
- 7.) Y-E Data UWB Hub, Based on Wisair Technology, Launched in Japan after Receiving TELEC Certification
- 8.) Hit in Japan - Pomelits from Israel –Season has begun Renesas and Yitran signed a ground-breaking agreement to develop and implement an open PLC (powerline communication) specification for automatic meter management in Spain

November

- 1) Tokyo Hosts Israel-Japan Diamond Trade Seminar
 - 2) Japan's equipment companies recruit for Intel's Fab 28 in Israel
 - 3) Japanese MVNO offers XP users a tiny, Linux-based firewall
 - 4) Giza, JAIC- Japanese fund collaborate on local investments
 - 5) Red Bend software to be installed in 2 new Sharp cellphones
 - 6) Olympus Medical Seeks OK To Market Capsule Endoscope
 - 7) Israeli Court Convicts Seaman For Japanese Fishermen's Deaths
 - 8) Casio Selects Camtek's Falcon for Inspecting WLP Bumped Wafers
 - 9) Forval Selects Jungo's OpenSMB Software Platform for its New ElipSwitch(TM)
- Business Gateway

December

- 1) Jordan, Israel, PA launch study to rescue Dead Sea
- 2) NEC Ships First Mobile Phone With Red Bend's Market-Leading vCurrent(R) Mobile Software
- 3) SANYO Adopts MaxxVoice(TM) to Improve Handsfree Performance in Mobile Phones
- 4) Asgent Inc. (Japan) and Decima Ventures invest 1.5M US\$ in PineApp
- 5) S-LCD Orders Orbotech AOI Systems for Gen 8 LCD TV Panel Production
- 6) HP Japan To Increase Sales At Its Commercial Digital Printer Ops
- 7) Alvarion Building Island-Wide Municipal Broadband Wireless Network in Hokkaido, Japan with Hokkaido Seiko Time Systems
- 8) Extricom expands wireless LAN switch offering for Japan

JANUARY

Koizumi cancels visit to Israel, Palestinian areas

Prime Minister Junichiro Koizumi on Thursday January 5th cancelled his plan to visit Israel and the Palestinian territories after Israeli Prime Minister Ariel Sharon suffered a life-threatening stroke, the Foreign Ministry said.

Koizumi had planned to visit Israel, the Palestinian areas and Turkey from Saturday to Jan. 13. The Foreign Ministry said in a statement Thursday afternoon that Japan, Israel and the Palestinian Authority will reschedule the visit at an appropriate time.

The ministry has rescheduled the prime minister's visit to Turkey, pushing it back from Jan. 9 to 13, the statement said.

A senior government official said the same day, "If (Koizumi) cannot meet Sharon, there would be no (point) to go to Israel."

Koizumi had hoped to use the trip to urge both the Israelis and the Palestinians to continue to adhere to the so-called road map for peace in the region, and underscore Tokyo's commitment to the Mideast peace process.

Because he will be unable to see Sharon, his meeting with Palestinian officials was also scrapped. The last time a Japanese leader visited the Middle East was in 1995, when then Prime Minister Tomiichi Murayama traveled to Saudi Arabia, Egypt, Syria, Israel, the Gaza Strip and Jordan.

It will be the first visit by a Japanese prime minister to Turkey in 15 years.





Panasonic Automotive Systems America to Showcase 3DVU Technology at Consumer Electronic Show 2006 in Las Vegas

3DVU, a leading global provider of 3D digital visualization of imagery, map data and other geographic content, announced that **Panasonic Automotive Systems America** will showcase its technology at coming Consumer Electronic Show (CES) in Las Vegas, January 5th to 8th, 2006.

Panasonic Automotive Systems America a Division of Panasonic Corporation North America, will demonstrate **3DVU visual map™** technology as part of a Rear Seat Infotainment Center. The demonstration is a virtual 3D representation of the Las Vegas Strip made of aerial imagery and 3D building provided by Sanborn of Colorado Springs, CO and building textures from Pictometry of Rochester, NY. Panasonic dominates the Rear Seat Entertainment (RSE) market and leads the J.D. Power and Associates 2005 Rear Seat Entertainment Satisfaction and Usage StudySM.

“Panasonic Rear Seat Infotainment Center is part of our vision to provide integrated infotainment platform for our customers” said Mr. Hakan Kostepen, Panasonic Automotive Systems America, Senior Manager, Product Planning. “Our collaboration with 3DVU will bring a new level of user experience combining location based information, entertainment and state of the art 3D visualization. It is the perfect combination to address our target audiences” added Kostepen.

“We at 3DVU are excited to join forces with Panasonic in addressing this new market segment and audiences” stated Isaac Levanon, 3DVU Chairman and Chief Executive Officer. “We are very pleased to be working closely with Panasonic. Through this initiative we will work together to ensure that we capitalize on the strengths of our respective technologies and competencies” added Levanon.





About Panasonic Automotive Systems America

Panasonic Automotive Systems America's current products include automotive audio systems, DVD Rear Seat entertainment systems, deck mechanisms, speakers and displays, as well as electronics components, including sensors, switches, motors and batteries. Panasonic Automotive Systems America a Division of Panasonic Corporation North America which is the principal North American subsidiary of Matsushita Electric Industrial Co., Ltd. (NYSE: MC) of Osaka, Japan, one of the world's leading developers and producers of innovative electronic and electrical products for consumer, business and industrial use.

About 3DVU

3DVU was established in the year 2000 to revolutionize the way in which we view, navigate and interact with our world. This vision remains allowing users to view the source of mapping—imagery. 3DVU has developed a unique technology that streams imagery and elevation and present it in 3D perspective on any digital device anywhere in the world.

This technology presents the most realistic navigation aid available on any digital device enabling in-car navigation systems, PDAs, PNDs, mobile handsets and PCs to display realistic, 3D virtual worlds. Using Visual Map™, satellite and aerial imagery, and terrain elevation, as well as mapping data, such as points of interest and route information, this information can now be streamed over limited-bandwidth communications with realistic 3D views and smooth maneuverability.

3DVU is changing the face of mapping by providing the freedom to look at the world in a more realistic manner. The company is strategically partnered with carmakers; navigation systems, mobile devices and handset developers; major satellite and aerial imager-sensing entities; and mapping and GIS data providers.



10 Israeli companies attend Semicon Japan exhibition

The Ministry of Industry, Trade and Labor economic attaché in Tokyo and the Israel Export and International Cooperation Institute have organized the visit to Japan of a delegation of ten Israeli semiconductor companies, including Camtek and Negevtech.

Ministry of Industry, Trade and Labor bilateral trade agreements division director Boaz Hirsch said the visit involved talks and exposure designed to present technological capabilities to target audiences. The companies' representatives will visit Fujitsu and Hitachi Ltd. meet procurement teams, attend a reception at the residence of the Israeli ambassador, and participate in the Semicon Japan exhibition.

The Ministry of Industry said Israel-Japan trade totaled \$1.68 billion in January-September 2005. Israeli exports to Japan totaled \$575 million, 16% more than in the corresponding period of 2004, and imports totaled \$1.1 billion, 2% more.

Safend Signs M Factory Corporation as Distributor, Secures Agreement with Credit Suisse Life Insurance

End-Point Security Firm Continues Global Expansion

Safend, a leading international endpoint security firm, announced that it has joined forces with **Japanese company M Factory Corporation**, introducing Safend solutions to Japanese markets. M Factory, a major distributor of complex network systems, has quickly brought Safend's product to market, signing a 1300-seat agreement with Credit Suisse Life Insurance.





"**Safend Protector** is feature-rich, easy to implement and competitively priced for the Japanese market," says Vito Molinaro, Vice President of Professional Services Division for M Factory Corporation. "As Japanese companies are becoming more conscious of end-point security due to the Privacy Law enacted this past April, we recognized the partnership with Safend as a good business opportunity."

Safend develops security solutions for enterprise endpoints. Their most recent product, Safend Protector, secures networks from data theft and tampering via their peripheral connections including USB, FireWire, WiFi, Bluetooth, Infrared (IrDA), and removable media such as CD/DVDs.

Recognizing the challenges of securing a mobile workforce such as those found in the financial and insurance industries, M Factory Corporation presented a security solution to Credit Suisse Life Insurance that offered high-level protection as well as regulation compliance.

"Most of the current endpoint security products don't include the strong focus on device control that Safend Protector provides," says **Kazunari Kurasaki**, Group Head of Information Technology Division for Credit Suisse Life Insurance.

"Combining this protection with Safend Auditor allows us to see specifically the threats we're facing. By presenting the two products, M Factory, in partnership with Safend, was able to provide us with a unique and comprehensive solution to a growing problem."

"We're very pleased with this partnership," says Gil Sever, Safend CEO. "M Factory's early success in launching our product in Japan simply reinforces the trust we have in their ability to expand our market. We look forward to many more mutual achievements."

Safend was presented to M. Factory by **Harel-Hertz Investments House (HH)** together with it's Partners **Pinnacle Japan**





About M Factory

Founded in 1997, M Factory specializes in the development and delivery of complex broadband IT systems, with a high degree of experience in media, contents, security, and network solutions. M Factory's comprehensive suite of solutions includes contents aggregation and provision, xOD and other middleware-based products, web and CRM packages, and security solutions covering endpoint security in addition to appliance and application-based products. M Factory's team of specialists includes CISSP-certified security experts able to provide tailored security consultancy services, and seasoned system integrators, all working to ensure customer needs are fully met.

About Credit Suisse Life Insurance

Credit Suisse Life Insurance Co., Ltd. is a member of Winterthur Group, the insurance arm of Credit Suisse Group. With the new concept of "asset building through life insurance", Credit Suisse Life offers life insurance as an active asset-building tool to help achieve an affluent lifestyle, whilst also providing protection against unexpected incidents. Founded in 1986, the company had premium income of JPY 62 billion for the year to 31 March 2005, and total assets of JPY 219 billion at that date.

About Safend

Safend is headquartered in Tel Aviv, Israel, with US offices in Philadelphia, PA, and is funded by Walden Israel, Elron Electronic Industries and Intel Capital. Safend provides the world's most comprehensive end-point security solutions for the enterprise with its USB Port Protector, Safend Protector, and Safend Auditor which are available exclusively through authorized resellers worldwide.





Tomen Electronics Invests in Wisair

Wisair Secures \$20 Million in C Round of Funding

UWB and Wireless USB Chipset Company to Use Funds to Transition to Volume Production and Broad Market Expansion

Wisair, the leading provider of Ultra Wideband (UWB) and Wireless USB (WUSB) chipset solutions, announced the receipt of \$20 Million in its C series of funding. The round was led by funds advised by **Apax Partners**, with participation from existing investors **Bynet**, **Intel Capital**, **RAD Group's founders**, **Vertex**, **new investor Tomen Electronics**, and **other strategic investors**.

"Wisair is at an exciting juncture in its growth as it has already created significant penetration in the market, with more than 80 customers adopting our development systems and reference designs that are based on our industry-proven chipsets. Today, these partners are just beginning to incorporate our offerings into a broad breadth of consumer products," said David Yaish, Wisair president and CEO. "With the new funds, we can continue to focus on expanding our sales channels and move to production shipment of our chipsets."

This announcement comes after successful participation in the Consumer Electronics Show (CES) in Las Vegas, where Wisair demonstrated its Wireless USB Hub reference design and its high performance 480 Mbps operation. Wisair also showcased various Wireless USB implementations with 13 companies including: D-Link, Intellon, Seagate and **Toshiba**.

"The WiMedia-based UWB and Wireless USB market made significant progress during the past year. We expect 2006 to continue this trend as WiMedia-based offerings are beginning to be incorporated into a number of PC and consumer-based products. In fact, we expect to see a compound annual growth rate of nearly 200% between 2006 and 2009," said Brian O'Rourke, Senior Analyst with InStat. "Wisair, with its latest round of



funding, is poised to be among the market leaders and start commercializing its solutions in this hot-growth-market sector."

"Wisair has demonstrated that it is a first-tier player in the UWB and Wireless USB space as it was first to market with WiMedia-based UWB chipsets, UWB development kits, reference designs, and also to receive FCC certification for its UWB technology," noted Meirav Har Noy at Apax Partners. "As the company has shown it has an exceptionally promising future, we are excited to be the lead investor in this funding round, as we were in previous rounds."

"The continued investment by existing venture capital firms reflects Wisair's impressive progress -- both technologically and business-wise -- and demonstrates confidence in the company's future roadmap," said Zohar Zisapel, chairman of Wisair's Board. "The investment will provide Wisair the necessary capital to expand its market activities and continue leading with its UWB chipset and solutions."

About Wisair

Wisair is a leading provider of Ultra Wideband (UWB) and Wireless USB (WUSB) chipset solutions for consumer electronics, PC peripherals, and mobile devices. Leveraging the management teams' decades of wireless communications product development expertise, Wisair is the first company to deliver fully-functional WiMedia-based UWB chipsets and small form-factor reference designs. Today, the fabless semiconductor company continues to focus on delivering low-cost, low-power, and high bit-rate wireless connectivity solutions.



FEBRUARY

Nova Introduces the NovaScan(R) 3090 Integration on Ebara Corporation F-REX300S CMP Polishers

Nova Continues the Introduction of its NovaScan(R) 3090 Series for Additional Semiconductor Manufacturing Processes and OEM Inte

Nova Measuring Instruments Ltd. , the market leader in Integrated Metrology (IM) and process control for the semiconductor industry, announced the introduction of a new integration of its NovaScan 3090 Integrated Metrology system for CMP applications, on Ebara Corporation F-REX300S polishers.

The system is an advanced CMP metrology platform for all process steps such as Poly, STI, Tungsten (W) plugs and Copper interconnect. That includes, among other, oxide residue and Step-height for STI, profiling for Tungsten plugs, and residue detection, erosion and MLT (Metal Line Thickness) for copper interconnect process.

The NovaScan 3090 is based on Nova's earlier field proven technology platform, the NovaScan 3060 system. NovaScan 3090 is integrated in the exact same configuration as the NovaScan 3060 system, thus offering customers an easy upgrade path.

Equipped with a single polarized channel, from Deep-UV to Near-IR, the NovaScan 3090 supports the measurement of solid areas, 2D structures and enables 3D shape characterization. The system provides real-time measurement of thickness and shape of dielectric materials and for a variety of Low-K materials.

Bents Kidron, Nova's Director of Marketing, stated: "The NovaScan 3090 delivers the measurement capability needed to control high-end 65nm and 45nm CMP applications. The unmatched MAM time of NovaScan 3090, the dynamic precision and tool-to-tool matching, along with built-in high reliability, all offer our customers a production worthy



tool covering a wide range of metrology solutions, enabling Wafer-to-Wafer process control, without affecting the process tool's overall throughput."

About Nova:

Nova Measuring Instruments Ltd. develops, designs and produces integrated process control systems in the semiconductor manufacturing industry. Nova provides a broad range of integrated process control solutions that link different semiconductor processes and process equipment.

Marubeni Solutions Offers Software That Inputs Data Optically

Marubeni Solutions Corp. has begun sales of software to improve the efficiency of data input to accounting and other systems.

The software makes it possible to directly input trading slips, receipts and the like by scanning them using optical character recognition technology.

The software will cut down on manual input and make it possible to speed up compliance with legislation pertaining to electronic document storage.

Marubeni Solutions has begun marketing eFLOW, a product of Top Image Systems Ltd., an Israeli firm. Forms that a company uses are registered in advance, allowing the software to determine what has been recorded on scanned documents. It can also determine how to classify the information.





Digital data, including e-mail and other information read via a scanner, can be managed with the software automatically distributing data to the appropriate system.

In addition, once paper documents have been scanned, the image data can be stored externally.

Prices will begin at 2 million yen. Marubeni Solutions will directly sell the software to large companies. In addition, it plans to market the product in partnership with firms that construct systems. In its first year, the company will aim for sales of 100 million yen.

Siano Mobile signs three collaboration agreements with ALPS

Israeli start-up **Siano Mobile Silicon Ltd.**, a developer of chipsets for receiving digital television broadcasts on mobile devices, has signed cooperation agreements with **three Far Eastern mobile digital television companies: Japan's Alps Electric Company Ltd. (TSE:6670), Taiwan's Compal Communications Inc., and Singapore's Innoxius Technologies.**

Under the agreements, the Asian companies will develop products based on Siano's SMS1000 chipset, which receives digital television broadcasts sent over various bandwidths and protocols on mobile devices. Alps Electric develops mobile digital television (MDTV) modules for large customers, including leading makers of cellular telephones.

The Leading Japanese Electronic Device Maker Will Address Tier-One Handset and Other Hand-Held Consumer Electronics Makers.





Alps will use the Siano SMS1000 chipset to develop an international line of MDTV modules that will support the DVB-H, DVB-T, T-DMB and DAB/EDAB standards, in various spectrum ranges, including multi-standard and multi-band modules.

These modules are targeted by Alps to receive MDTV transmission in portable and hand-held products such as mobile phones, portable media players and notebooks. Alps' modules will be extremely miniature, designed to minimize the space they occupy in these portable and hand-held devices.

"As the world leader in TV tuners, we are strategically targeting the mobile digital TV market," said Shigetoshi Matsuta, General Manager, ALPS RF Module Business Unit. "Siano's slim chipset will allow us to provide handset and consumer device makers with the most complete solution that is optimal in size, power consumption and cost."

"The cooperation with Alps is a strategic step for Siano, positioning the company as a leading supplier of semiconductor solutions for the MDTV market," said Alon Ironi, CEO of Siano.

Compal Communications is Taiwan's largest original design manufacturer (ODM) of handsets, making internationally known brands. Compal has already included Siano chipsets in its devices, and presented a smart phone that supports MDTV at the 3GSM World Congress in Barcelona this week.

Innoxius sets up wireless communications networks. It will use Siano's chipsets in mobile devices in MDTV projects in Southeast Asian countries, probably first in Indonesia.

Siano develops integrated silicon receivers for the MDTV market. Founded in 2004, the company has raised \$11.5 million to date from Jerusalem Venture Partners (JVP), Star Ventures, and Walden Israel. The company has 40 employees in Netanya, and has branches in China and Taiwan.

Retalix signs deal with Japanese supermarket chain

Zen Nippon Shokuhin is one of Japan's largest supermarket chains.

Retalix Ltd. a developer software solutions for retailers and gas stations, is expanding its business in Japan. The company yesterday announced that **one of Japan's largest supermarket chains, Zen Nippon Shokuhin**, had chosen Retalix's solutions for 1,000 of its stores across the country.

The contract is reportedly worth \$3-6 million, and will be spread over five to eight years. Zen Nippon Shokuhin may expand the contract to 800 franchise stores. This is Retalix's first contract with a Japanese retail chain.

Zen Nippon Shokuhin president and CEO Mitsuhiro Saito said, "We selected Retalix as our technology partner, because Retalix solutions have flexible and easily configurable features and functionality that are well suited for our member stores' environment. We believe that by implementing this world-renowned software solution from Retalix, we will significantly enhance our growth potential."

Retalix president and CEO Barry Shaked said, "Becoming a leading player in the Japanese retail market is a significant part of our global strategy. Following our success in the Japanese health and beauty segment, we are delighted with this important move into the Japanese grocery segment with the deployment of Retalix solutions throughout the Zen Nippon Shokuhin chain across Japan. "

Retalix has a market cap of \$465 million. It is due to publish its financial report for the fourth quarter of 2005 on February 21. According to the analysts' consensus, the company will post \$54.2 million in revenue, and have earnings per share of \$0.24.

[index](#)

MARCH

Marubeni Solutions Offers Software That Inputs Data Optically

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Corrigent Wins Top Exporter Award from the Israel-Japan Chamber of Commerce.

Corrigent Systems, a leading provider of **Packet Transport** for next-generation transport networks, announced that it has been named the top exporter from Israel to Japan for all of 2005.

The award is given every year to the company that has the most exports to Japan by the Israel-Japan Chamber of Commerce. The award is for sales of the CM-100 to the Japanese market, mainly to **KDDI, Japan's** second largest telecom carrier. The CM-100 is a next generation transport platform used by telecom service providers to aggregate and transport video, voice and data services capable of supporting millions of subscribers throughout a nation wide network. Last year Corrigent received an award as the "Outstanding New Exporter to Japan" from the same organization.

"The success of our customers in Japan enabled us to receive this award," said Ehud Rokach, CEO of Corrigent Systems. "Our products meet the needs of service providers that offer advanced services for video, voice, cellular and data markets. We thank the Israel-Japan Chamber for recognizing our efforts," he said.

About Corrigent

Corrigent leads a new class of metro-optical transport products that is revolutionary in its economics. Corrigent's CM-100 packet transport equipment fuses together SONET/SDH technologies with packet technologies such as RPR, Ethernet and MPLS, to evolve today's SONET/SDH-based transport infrastructure to the next generation packet-based transport network, in both a standards-based and interoperable manner. This breakthrough architecture solves the metro dilemma for service providers worldwide by



allowing them to bridge their existing SONET services with next-generation data, voice and video services. Orckit Communications (NASDAQ:ORCT) is the parent company of Corrigent.

Renesas to integrate Metalink's processor

Japan's Renesas Technology Corp. will work with **Metalink Ltd.** to integrate Renesas's SH4 and Metalink's 802.11n processors for applications in the home entertainment market.

Metalink, a specialist in processors for broadband wireless and wireline networks, developed the 802.11n processor for high-speed wireless LANs. Renesas's SH4 processor manages multimedia traffic between the 802.11n processor and wireless networks.

According to ABI Research, 802.11n processors sales will reach \$212 million in 2006 and \$2.3 billion by 2008. A draft standard has been approved, and the spec is expected to take effect the end of 2006.

Another Israeli wireless developer, Ceragon Networks Ltd., said it has launched family of products to transmit data at up to 400 Mbps. Ceragon claims that expanding transmission speed from 50 to 400 Mbps makes it possible to use software only to handle higher levels of network traffic.

Red Bend solution to upgrade Sharp 3G phones in Japan

Sharp Corp. will use **Red Bend Software's** mobile software management technology and its firmware over the air (FOTA) update client suite to allow customers to wirelessly download software upgrades to the Vodafone 904SH handset offered by Vodafone KK in





Japan. This function will let Vodafone 904SH customers upgrade their phones without visiting a service facility.

Red Bend's vCurrent mobile FOTA client suite is pre-installed on the Vodafone 904SH, a new 3G handset from Sharp. The handset is expected to be available in April.

Soon, Red Bend will demonstrate a prototype of its Embedded Feature Delivery (EFD). This technology allows low- and mid-range mobile phones, as well as smart phones, to be quickly and easily enhanced with new or upgraded core functions.

While today's users can update a portion of their phone's user interface and add small applets, such as Java games, to their phones, EFD makes it possible to add or update core handset functionality. For example, EFD could be used to improve a phone's browser, add a messaging client or support for a new language, and install a new media codec.

Users of FOTA technology include BenQ-Siemens, LG Electronics, Sharp, Sony Ericsson and other large handset makers. Its customers account for more than half of the global mobile handset market. Founded in 1999, the Israeli startup is backed by Israeli VC funds Carmel Ventures, Pitango Venture Capital, Poalim Ventures and Infinity, and San Mateo, Calif.-based Greylock Partners. (Greylock has invested in seven other Israeli startups.)

FOTA technology potentially opens up a wider base of handsets for customization, including those lower-spec units that form the mass market.

BroadLight signs with Clavis Co.

Israeli startup, **BroadLight Inc.**, has signed a distribution agreement with **Clavis Co.** in Japan to market BroadLight's end-to-end gigabit passive optical network (GPON) solution in Japan and other selected countries in Asia.





Clavis is a division of Macnica Inc., a distributor and representative of electronics and information technology in Japan and elsewhere in Asia, as well as a consumer technology solutions provider.

Currently, BroadLight has the only end-to-end solution—from the customer premises to the central office—on the market for equipment vendors designing ITU-T-compliant GPON systems.

At the core is an integrated access device for voice and IP applications over PONs. The solution is geared toward office buildings, or multitenant units.

At each building, an intelligent head-end communicates with a transport module located at the telco central office via the PON. Within the building, customers can be connected to the system using a single-fiber backbone. In its next generation of its products, BroadLight will integrate its device into a system-on-chip, which can be used over a PON or any other point-to-multipoint network.





Nagase Co., Ltd. Transferred Its Healthcare Capture Business to TIS Japan

TIS Japan Expects More Than \$750K in New Revenues in 2006 as it has obtained 14 of **Nagase's** Existing Customers and 45 Installations.

Top Image Systems Ltd. , the leading innovator of data capture solutions, announced that it had signed an agreement with Nagase Co., Ltd to take over the capture business of their healthcare unit, effective February 1, 2006.

Nagase Co., Ltd is a major Japanese provider of supply related technologies, information and services to the chemical, plastics, electronics and healthcare industries, and is also a marketer of raw material and finished products for those industries. Nagase has been a customer and distributor of TIS for the last 7 years, selling TIS' software products including AFPSPRO, known as FormChatcher in Japan, to the healthcare industry. As a natural evolution of this partnership, Nagase decided to transfer this business to **TIS Japan**. To ensure continuity and a high level of services for its customers, Nagase has also assigned four of its employees to TIS Japan.

TIS Japan will maintain the current products and operating systems while gradually upgrading them to eFLOW, the latest version of its software solution. TIS Japan's new position in the healthcare industry is expected to generate more than \$750K in 2006 revenues, as well as offering new opportunities for expansion.

"The move adds important knowledge and extends our vertical reach into the healthcare market. As Japan has always been an important market for TIS, we have invested significant resources to establish a strong presence and increase our revenues from this market. We are excited by this opportunity and are confident that we will continue providing Nagase's former customers with state-of-the-art information input solutions and the highest level of services," stated Dr. Ido Schechter, CEO of TIS.





About Top Image Systems

Top Image Systems is a leading innovator of enterprise solutions for managing and validating content entering organizations from various sources.

Whether originating from mobile, electronic, paper or other sources, TIS solutions deliver the content to applications that drive the organization.

TIS' eFLOW Unified Content Platform is a common platform for the company's solutions. TIS markets its platform in more than 30 countries through a multi-tier network of distributors, system integrators, value-added resellers as well as strategic partners.

Fuji Medical USA to Offer Orthocrat TraumaCad Digital Orthopedic Solution

Orthocrat, Ltd. announced an agreement with **FUJIFILM Medical Systems USA** (Stamford, Conn., www.fujimed.com) for the distribution in the U.S. of **Orthocrat's TraumaCad digital orthopedic solution** as part of Fuji's Synapse® PACS offering. A full-featured digital orthopedic surgical planning and templating solution, TraumaCad enables precise manipulation of soft-copy medical images and application of fixation and prosthetic systems. Accessed through a custom-developed Fuji drag-and-drop interface, TraumaCad will provide Synapse users with seamless, ultra-convenient and comprehensive orthopedic workflow.

"As we continue to evolve our offering to best meet the needs of Orthopedics and Radiology, adding TraumaCad to our portfolio makes strategic sense," said Bill Urban, Fuji's Synapse product manager. "They offer an innovative, high-quality, orthopedic imaging product that has been favorably received by the market. And because their architecture is analogous to ours, the streamlined integration has yielded an extremely easy-to-use solution for our Synapse PACS customers here in the U.S. market. We plan to eventually expand our agreement and make the Orthocrat TraumaCad solution a



global offering.”

The fully integrated **Fuji-Orthocrat solution** is accessed through a single point of entry, with Synapse providing authentications for both systems. Once logged in, doctors access patient images through the PACS and drag and drop them into the TraumaCad workspace to use the application. TraumaCad enables comprehensive digital planning of a full range of orthopedic surgeries, provides a library of prosthetic templates and includes an advanced modular deformity correction and pediatric package.

Completed surgical plans are saved to the Synapse archive along with other patient files. Based on thin-client, Web-based architecture, the Fuji-Orthocrat solution supports access to the complete digital orthopedic work environment thorough any Internet-enabled computer.

“We are proud to partner with a company of Fuji’s stature and high-quality reputation,” said Zeev Glozman, Orthocrat CEO and founder. “With Synapse’s advanced, Web-based design and open architecture, the two products came together easily with impressive results. We anticipate a tremendous response in the marketplace.”

Orthocrat Vice President of Business Development Hayim Raclaw commented, “We look forward to working with Fuji on an ongoing basis as both our products continue to evolve. Our two companies share a commitment to meeting the needs of Orthopedics and Radiology, and to delivering a product that remains in the forefront of technology.”

TraumaCad is a thin-client, DICOM application that integrates with any PACS and network architecture, while delivering a consistent orthopedic work environment over a Web-enabled PC. While distinguished by its standards-based architecture, it also is a highly effective stand-alone orthopedic solution.

Orthopedic surgeons at prestigious U.S. institutions have chosen Trauma-Cad for its industry-leading benefits. The advanced software solution also been selected by a range of well-known medical equipment manufacturers for integration into PACS solutions to





enable state-of-the art digital orthopedic functionality.

TraumaCad was developed by a team of highly experienced clinicians who recognized a gap in the marketplace and were committed to filling it with a comprehensive, thoughtfully designed digital solution for orthopedic surgeons that they themselves would use. With offices in the U.S. and Israel, Orthocrat was formed in 2003 to market TraumaCad worldwide and maintain the company's strong commitment to research, development and quality that today has become its hallmark.

[index](#)



APRIL

Einstein exhibition to open in Japan

"**Einstein's Love and his Encounters**," a traveling exhibition hosted by The Yomiuri Shimbun and other organizations that showcases Albert Einstein's life, opened in Sendai.

This is the nation's first major exhibition about Einstein, and many of the items, such as some of his letters and manuscripts, will be displayed here for the first time.

The exhibition was to run in Sendai until April 19 and then move on to Kurihara, Miyagi Prefecture, where it would run April 22 to April 28. It was then to visit places including Sapporo, Niigata, Tokyo, Kyoto Prefecture, Kobe, Fukuoka Prefecture and Tokushima Prefecture until April 2008.

Einstein stayed in Japan for 43 days in 1922, during which time he promoted academic exchanges with Japanese scientists and the public through his lectures delivered across the nation. His frank personality earned him great popularity among Japanese.

The exhibition aims to depict Einstein as a man who promoted love for science and humanity through his peace activities.

One of the project's cosponsors is **Israel's Hebrew University of Jerusalem**, which is home to a large number of documents left by Einstein.

The exhibition comprises four sections, which let visitors learn about Einstein from various angles, from his great academic achievements to his quirky character. The sections are: Einstein's views on Japan; Einstein the way he was; Einstein as a revolutionary person who changed the view of the world; and "You can be an Einstein."



The section about Einstein's view of Japan, which is mainly about his stay in this country, will feature two sets of items never exhibited in the country before.

One is drawings of Einstein and his wife by Kanji Maeda, a Western-style painter. Another is a diary of encounters with Einstein by Fukuhei Takabeya, a doctor of engineering famous for his steel frame theory. Both items have been in the care of the families of the two persons.

Both Maeda and Takabeya happened to be on the same ship--Haruna Maru of Nippon Yusen K.K. - with Einstein during his return to Germany. The diary suggests Einstein enjoyed associating with Japanese aboard the ship.

Tsutomu Kaneko, professor emeritus of Osaka Prefecture University and a researcher of science history, who wrote "Einstein Shock," a book depicting the physicist's time in Japan, praised the exhibition.

"Dr. Einstein wrote a letter of introduction to a publishing company for Takabeya. The documents are precious records that reveal his personality," Kaneko said.

The Sendai exhibition was to be open from 10 a.m. to 7:30 p.m. (to 5 p.m. on the last day) on the seventh and eighth floor of Fujisaki Department Store, 3-2-17 Ichibancho, Aoba Ward, Sendai.

2.1m Vehicles in Israel, 38% from Japan

Israel had over 2.1 million motorized vehicles at the end of 2005, 3.4% more than at the end of 2004, the Central Bureau of Statistics reported on April 30th. The number of vehicles in Israel increased by 2.8% in 2004 and 1.1% in 2003. The annual growth in the number of vehicles reflects the standard of living and salaries for each year. The number



of vehicles increased by a net 69,500 in 2005. 16.5% of vehicles are diesel powered, including 2.6% of private cars.

38% of vehicles in Israel were made in Japan, 11% in France, 10.1% in South Korea, 9.4% in Spain, 8.6% in Germany, 5.5% in Italy and 4.1% in the US. Israel has 302 vehicles per 1,000 residents, a fairly low proportion among developed countries.

Buses, taxis and heavy trucks over 34 tons are disproportionately involved in road accidents with injuries. 72 of every 1,000 heavy trucks were involved in road accidents with injuries in 2005, compared with 65.3 of every 1,000 taxis and 46.4 of every 1,000 buses, 30.5 of every 1,000 motorcycles and 28 of every 1,000 minibuses.

Can-Fite Signs an MOU for CF101 for Inflammatory Indications in Japan

Can-Fite BioPharma announced the signing of an MOU with a Japanese Company for out-licensing of rights for use of CF101 for treatment of inflammatory diseases in Japan. The MOU is non-binding and the conclusion of the license is subject to the signing of a definitive agreement among the parties, which is expected to occur within a few months. The license will provide the Japanese company with exclusivity for use of CF101 in Japan, both by oral administration and by injection, for treating inflammatory diseases. It may be expanded in the future, subject to further negotiation, to a few other Asian countries.

Situated in Petah Tikva, Israel's Can-Fite BioPharma is a public company, traded on the Tel-Aviv Stock Exchange. The Company has research laboratories and offices in Israel. The Company's lead drug, CF101, for the treatment of rheumatoid arthritis is currently in Phase II clinical trials and to date went through clinical trials in the USA, UK and Israel.





KDDI Launches Global Passport International Roaming Service in Israel

KDDI and **Okinawa Cellular** are pleased to announce the launch of their Global Passport international roaming service, which enables au mobile handsets used in Japan to be used without modification overseas, in Israel. Voice roaming service will be available from February 16 with the cooperation of Israel's Pelephone Communications Ltd. (henceforth Pelephone), in service areas currently covered by Pelephone.

Global Passport does not require any special sign-up or optional fees, and users overseas will be able to use the same au mobile handset and mobile phone number they use in Japan. With the launch of service in Israel, Global Passport will now be available in 18 countries including China, Hong Kong, South Korea, and the U.S.

KDDI and Okinawa Cellular are also making arrangements with CDMA carriers in other countries.

JVC Introduces Televisions With MaxxBass

Waves Audio announced that **JVC** has introduced several LCD TV models with Waves patented MaxxBass psychoacoustic bass extension technology.

In separate announcements, JVC has introduced several European and Japanese LCD TV products with MaxxBass processing, as well as their HD-ILA rear projection models for the North American market.

Waves MaxxBass technology allows the new LCD television models to deliver rich and natural bass frequency response without the large size of traditional high quality speaker





systems. These new JVC models establish new audio quality standards in LCD TV products combined with a slim attractive design.

MaxxBass is not a bass boost technology, but instead uses a Waves patented psychoacoustic algorithm to allow you to hear bass far below the physical limitation of the speakers by taking advantage of the latest research in how sound is perceived. MaxxBass allows you to hear frequencies up to 1.5 octaves below what is generated. By enabling small full range speakers to be embedded in a wide range of consumer products, Waves is opening up a whole new realm of possible applications, including portable loudspeakers, car audio, LCD TVs, computers and home theater systems. Israel's Waves is the world's leading provider of audio signal processing tools for professionals. Its processors are used to improve sound quality in the creation of practically all of the world's most popular music, movie soundtrack and multimedia titles. Waves offers both award-winning embedded software for digital audio workstations and various hardware product tools to the world's most successful and demanding audio professionals.

Silicom Penetrates Japan: Major Design Win With World Leading, Top Tier Japanese Server Manufacturer

Silicom Ltd. announced a major new Design Win from one of the world's top tier server manufacturers, representing its first Japanese **Design Win**. The Design Win followed a rigorous 30-month discussion, evaluation and qualification process during which the customer scrutinized Silicom's manufacturing and support capabilities together with all aspects of the Silicom copper and fiber Gigabit Server adapters that the customer intends to use within its server systems





Silicom has already delivered first shipments of the Company's server adapters to the customer per its initial production orders and received additional orders for future deliveries.

"The selection of our product by such a large and prestigious company - especially one that is known for its extreme standards for quality, reliability and performance - takes our credibility to a new level and paves the way towards additional penetration of the strategic Japanese market," said Mr. Shaike Orbach, President and CEO of Silicom. "Beyond the significant potential represented by this Design Win, we will now begin marketing additional products within the same division, as well as to the other divisions of this customer's worldwide organization which have indicated an interest in our products. In addition, the Design Win is already making it easier for us to gain entry into other major Japanese manufacturers.

"As such, this Design Win is an important boost to the momentum that we have been building steadily over the past two years. We are proud to have recently posted another record quarter with the highest sales and profits in our history. With growing markets, a base of about 35 existing Design Wins, a top-quality reputation and a strong track record with the industry's largest players, we are more excited than ever regarding our future prospects."

Silicom Ltd. is an industry-leading provider of high-performance server/appliances networking solutions. The Company's flagship products include a variety of multi-port Gigabit Ethernet, copper and fiber-optic, server adapters and innovative BYPASS adapters designed to increase throughput and availability of server-based systems, security appliances and other mission-critical gateway applications. Silicom also offers a broad range of its traditional PC Cards, PCI cards and USB products.





Ricoh and EFI Deepen Partnership to Succeed in POD Market

Ricoh Company, Ltd. President and CEO, M. Sakurai, announced a new partnership with **EFI** as part of an overall strategy to penetrate further into the high-end Print-On-Demand market.

Ricoh, a pioneer in digital office automation, has now set its sights on the high-end POD market. EFI, the world leader in digital controllers, superwide format printers and inks, and print management solutions for commercial and enterprise printing, is the ideal partner for achieving these aims.

This business alliance builds upon the strong **Ricoh-EFI** relationship, dating back to EFI's founding in 1989. The companies' collaboration includes delivering EFI's industry-leading Fiery server technology, optimized with advanced production and workflow control capabilities for customers of Ricoh's Aficio multifunction products (MFPs).

In addition, both companies share an "open standards" philosophy that benefits customers as well as facilitates the collaborative process. Both parties are active participants in organizations such as PODi (PPML) and CIP4 (JDF), among others.

Specifically, the two companies have committed to working together in the following areas:

Development and marketing of POD workflow solutions to expand both EFI and Ricoh business in the Production Printing market;

Establishing a seamless process ranging from R&D through production, marketing and customer support.

"Following on our acquisition of Hitachi Printing Solutions last year," said Shiroh Kondoh, Executive VP, Head of MFP Business, "we are now in a good position to take our POD initiative to the next level. EFI provides us with the right workflow solutions for this demanding market."





"Ricoh's and EFI's joint objective in extending our relationship is to provide Ricoh's POD and production customers with EFI's industry-leading digital controllers and innovative digital workflow solutions," said Guy Gecht, EFI CEO. "Our new alliance will create greater leverage and synergies between our two companies and further enable Ricoh's customers to profitably grow their digital printing business.

Initially the efforts of the new global alliance will be focused on the North American market. Ricoh Corporation was to demonstrate POD solutions at the upcoming venues: Connect 2006, EFI's seventh annual users' conference, (Las Vegas, April 30 - May 3, www.efi.com/connect06) as well as On Demand (Philadelphia, May 15-18, www.ondemandexpo.com).

[index](#)



MAY

Top generic drugmaker Teva sets up Japan unit

Japan now hosts the world's top three generic drugmakers following the move by **Israel's Teva Pharmaceutical Industries Ltd.** to establish a Japanese unit in Tokyo.

In March, the world's largest manufacturer of generic drugs applied for approval to sell drugs in the Japanese market, with an eye toward handling products already available in the U.S. and Europe.

Teva plans to gradually expand its offerings, rolling out two injection products in 2007. The company is set to hire sales and technical personnel for its Japanese subsidiary. Teva's global sales amounted to the equivalent of 580 billion yen in 2005. The company has grown rapidly overseas through acquisitions of industry peers, and may acquire products of Japanese manufacturers to quickly gain a foothold in this country.

Novartis affiliate Sandoz GmbH, the world's second-largest generic drugmaker, and third-ranked Merck KGaA of Germany have stepped up their Japanese operations as well.

Sandoz KK, a unit of Sandoz, posted sales of 3.2 billion yen in 2005 and says it aims to become a leader in the Japanese market.

In Japan, generic drugs accounted for 16% of prescription drugs on a quantity basis in fiscal 2003, compared with about 50% in Europe and the U.S.

Domestic sales of generics do not amount to much, coming to only about 25 billion yen apiece at leading players Towa Pharmaceutical Co. and Sawai Pharmaceutical Co.





The expanded presence of global leaders in Japan will lead to a stable supply of low-priced generic drugs, offering consumers a wider array of choices.

The Ministry of Health, Labor and Welfare is promoting generic drugs with the aim of curtailing the increase in medical expenses.

Japanese press: Teva seeks partners in Japan

The Japanese press claims Teva will set up a center in Tokyo, and may collaborate with or acquire a local generic drug company.

TEVA romance with the Japanese market has taken a new direction. The Japanese press today reported that Teva is about to set up a new center in Tokyo, which will cooperate with Japanese generic drug makers. The Japanese press added that Teva might make an offer to acquire a Japanese generic drug company.

The reports state that Teva has two companies “in its sights”: **Towa Pharmaceutical Company Ltd. (TSE:4553)** and **Sawai Pharmaceutical Company Ltd. (TSE:4555)**, each of which has a market cap of \$400-500 million. Although these would not be acquisitions on the scale of Ivax Corp. or Sicor, they would involve a foothold in a potential new market for Teva.

Teva’s relations with Japan were strengthened three years ago in May 2003, when it signed a strategic agreement with **Eisai Company Ltd. (TSE:4523)** to collaborate on developing Teva’s Rasagiline for uses other than Alzheimer’s disease. Teva and Eisai are due to jointly market Rasagiline in the US.



El Al to fly Japan route

In response to heavy demand for flights to Japan, **El-Al Israel Airlines Ltd.** will inaugurate a route in September. According to reports by Globes Financial Newspaper.

For now, the airline is only planning two weekly flights, in order to meet growing demand by Israeli businesspeople wanting to go to Japan. Israeli travellers currently have to fly via Hong Kong to reach various Japanese destinations. El Al will probably use recently leased wide-bodied Boeing 767s, which will enter service this autumn, for the route.

Olympus sues Given Imaging over patent

Japanese imaging giant **Olympus** is suing capsule endoscopy company **Given Imaging** of Israel for patent infringement.

Given Imaging has reported that it has received notice that Olympus Corporation and its subsidiaries Olympus Medical System Corporation and Olympus America Inc. filed a complaint in the US District Court for the Eastern District of Pennsylvania against Given Imaging Ltd. and Given Imaging, Inc. for alleged infringement of US Patent 5,010,412 entitled "High Frequency, Low Power Light Source for Video Camera." The '412 patent, which expires in December 2008, was bought by Olympus Medical from The Boeing Company in July 2005.

Given Imaging said that, in November 2002, Boeing approached it offering to grant it a license to the '412 patent. Given Imaging believes that its PillCam capsule neither infringes nor utilizes any invention claimed under any valid claim in the '412 patent. The company said that Boeing abandoned its pursuit of this issue early in 2004.

Olympus also seeks a declaratory judgment that its capsule endoscopy system, which it plans to sell in the US, does not infringe Given Imaging's US Patent 5,604,531. Given



commented that Olympus has not yet completed its clinical trials for its product, and does not have the FDA clearance necessary to market its product in the US.

The filing by Olympus follows a decision of the US Patent and Trademark Office on April 7, 2006 confirming the validity of 13 of the original 17 claims of Given Imaging's patent '531. Given Imaging says it believes this complaint is without merit and that it will take the necessary actions to protect its interest.

"We were aware of this patent from Boeing which we addressed in 2003 that expires in 2008. We are confident about the strength of our broad IP portfolio and our leadership position," said Homi Shamir, president and CEO of Given Imaging.

Japanese companies boost Israeli investment

Nippon Venture Capital Corp. has made a direct investment in Israeli digital pen startup **Pegasus Technologies** while **Fujitsu** is investing in a wireless developer.

Also participating in the \$4.8 million investment round with Nippon Venture was **New Frontier Partners** and **Cedar Fund**. **Hitachi Ltd.** invested in the Pegasus in 2002.

Pegasus developed an electronic pen that captures natural handwriting onto computing devices in real time. Its products include handwriting-capture devices for PCs, PDAs and cellphones.

Fujitsu participated in an \$8 million investment round in ASOCS, a wireless fabless startup. ASOCS is developing a baseband chip that supports multiple wireless technologies and standards. The technology enables phones to access global wireless networks and supports fixed mobile convergence with a single processor.

Nokia, Samsung and Motorola will introduce different models based on ASOCS's technology using the same platform. ASOCS is also in talks with Fujitsu to manufacture the chip.





Metalink to Demonstrate Streaming HDTV Over Wireless Home Networks at Interop Japan

Metalink Ltd. , a provider of high-performance wireless and wireline broadband communication silicon solutions, today announced that it will demonstrate its WLANPlus(TM) chipset, a technology based on the emerging 802.11n standard, with unique capabilities for wireless multimedia distribution, at Interop Japan in Tokyo, June 5-9, 2006, at booth #4U22.

The demonstrations will feature the delivery of high-definition television (HDTV) over wireless LAN, at wire line quality, using Metalink's WLANPlus technology. WLANPlus is an advanced Wireless Local Area Networking (WLAN) technology, designed to enable high-throughput, rich-content, quality-critical applications. Targeted at the emerging 802.11n standard, WLANPlus introduces a significant increase in WLAN throughput and range over 802.11a or 802.11g. WLANPlus addresses the growing need for wireless A/V streaming and high-speed data. Exhibiting breakthrough data rates in true indoor environments, WLANPlus is suitable for products and services that require guaranteed performance and large bandwidth, while supporting WiFi legacy interoperability. This solution provides an optimal high-throughput wireless interface for various consumer electronics products such as Residential Gateways, DTV, HDTV, Set Top Boxes, Media Adaptors and Digital Video Recorders (DVR).

About Interop Japan

Interop showcases the very latest platform technology essential for realizing advanced network environments and a range of solutions used for such, and is a fantastic opportunity for both exhibitors and attendees to pursue new business opportunities. This event provides you with an opportunity to come into contact with the latest network technology and solutions in three ways: through its promotions, presentations, and educational programs.





About WLANPlus(tm)

The WLANPlus family consists of the company's MtW8170 baseband device and the MtW8150 radio frequency integrated circuit (RFIC). A combination of features enables Metalink's WLANPlus family to deliver multiple HDTV streams to any location within a radius of 100 feet, while maintaining full QoS performance. Innovative packet-aggregation techniques boost media access control (MAC) efficiency with double the effective throughput of other solutions. The inclusion of 2x3 real Multiple-In Multiple-Out (real MIMO) technology further improves throughput and QoS, and the use of sophisticated channel-bonding and antenna-loading techniques in the 5 GHz frequency band provide critical additional video-distribution performance.

The WLANPlus chipset also includes a full implementation of an integrated lower and upper MAC, reducing dramatically the required processing power and memory allocation from the host application processor. This simplifies the integration with consumer electronics devices and reduces the total product cost. Additionally, Advanced Low Density Parity Check (LDPC) forward error-correction (FEC) coding significantly boosts coverage range and signal robustness as compared to previous approaches. The chipset also fully supports 802.11i security features and the 802.11e QoS standard, both of which are critical for high-priority voice and video services.

About Metalink

Metalink Broadband is a leading provider of high performance wireless and wireline broadband communication silicon solutions. Metalink's WLAN and DSL technologies are designed to enable true broadband connectivity in every home, and its products revolutionize the broadband experience by facilitating the convergence of telecommunication, networking and entertainment.

Metalink is a fabless semiconductor company headquartered in Yakum, Israel. The company has subsidiaries in Atlanta (US), South Korea, and Japan as well as offices in China.

[index](#)



JUNE

Koizumi to visit Israel, Palestinian territory, Jordan in July

Prime Minister Junichiro Koizumi plans to visit Israel, the Palestinian territory and Jordan immediately before attending the summit of the Group of Eight nations in Russia in mid-July, Chief Cabinet Secretary Shinzo Abe said.

Koizumi will take the opportunity to urge the Israeli and Palestinian authorities to put more effort into advancing peace in the Middle East and will offer Japan's continued support to that end.

In Jordan, the Japanese premier will engage in political dialogue on stability in the Middle East. Koizumi plans to leave Japan for the trip on July 11. He will take part in the G-8 summit in St. Petersburg on July 15-17.

Koizumi, who will retire as premier in September, had planned to go to Israel and the Palestinian territory in January but the trip was canceled after then Israeli Prime Minister Ariel Sharon suffered a massive stroke.

It will be the first trip by a Japanese premier to Israel and the Palestinian region since September 1995 when Prime Minister Tomiichi Murayama visited there.

The Japanese government constantly repeats that peace and stability in the Middle East is in Japan's national interest because of the country's dependence on oil from the region.

Koizumi has recently instructed Cabinet ministers to make more trips overseas and engage in more "strategic" diplomacy, especially in countries and areas that are rarely or have never been visited by Japanese leaders and ministers.



The premier has also cited plans this summer for such overseas visits as one of the reasons he insisted not extending the parliament session, which ended recently.

Sumo / Making a jumbo gesture for better ties with Japan

A team of Japan's - and the world's - top sumo wrestlers, led by sumo legend and master **Kotonowaka**, was in Israel for a week-long tour of the country under the banner of "Fellowship and Peace."

"The State of Israel has waited a long time for an opportunity to host such a prestigious and respectable club, from one of the oldest and most noble fields of sport in the world," said Tourism Minister Isaac Herzog at a press conference to welcome the delegation. The wrestlers, superstars back home, presented the minister with a traditional sumo garment.

Touring Israel are Ozeki Kotooshu, ranked third in Japan and considered professional sumo's tallest wrestler, at 2.04 meters tall; Sekiwake Kotomitsuki; rising sumo star Meagashira Kotoshogiku; Sadogatake Oyakata and others.

Herzog said Israelis were very proud to host the delegation, terming the wrestlers "emissaries of peace, reconciliation and fellowship."

The wrestlers, guests of the Tourism and Foreign ministries, were to tour Jerusalem's holy sites, including the Western Wall, the Via Dolorosa and the Church of the Holy Sepulcher. A float in the Dead Sea, mud baths and a spring tour was also on the wrestlers' itinerary.

The wrestlers will also demonstrate their art on Tel Aviv's beaches, visit sick children at Petah Tikva's Schneider Hospital and compete in a tournament in the Caesarea



amphitheater on Wednesday night.

Herzog said he was sure that by the end of the visit, there wouldn't be a single Israeli child who didn't know the names of the wrestlers, and that "the entire young generation in Israel would be in love with sumo."

The rare tour - the wrestlers only leave Japan once every two years - by the sumo "stable," or **sadogatake**, is designed to strengthen Japanese-Israeli ties and boost tourism between the two countries, said **Japanese Ambassador to Israel Jun Yokota**.

Sagawa Express to start operation in Israel

The Japanese Logistic company Sagawa Express will start activity in Israel after signing with Jacky Line Company. The co-op will focus on airfreight solutions for exporters and importers

The Japanese Logistic company **Sagawa Express** will start activity in Israel after signing with **Jackie Line Company** on a representation agreement. The agreement was signed after long negotiations that took almost a year. In the first phase, the cooperation will focus on airfreight solutions to/from Japan.

Sagawa group was established 40 years ago. Today the company has 334 offices throughout Japan, it employs more than 31,000 workers and has over 20,000 trucks. Sagawa's annual income is about 7.5 Billion.

"The company's spread throughout Japan enables overnight distributions and pick-ups, and this is our main interest", said Jacky Biton, Jacky Line's CEO.





“After long negotiations and further examinations, the Japanese company was convinced in our reliability and our financial strength. We managed to spark some interest in them after they saw the potential of the Japanese-Israeli market”, he added.

Jacky Line's CEO stated that in the first stage, the co-op will focus airfreight solutions for exporters and importers while using Tokyo's airport as a base hub. In the second stage the service package will grow and it will include seafreight and containers consolidations both in import and export through Yokohama port.

AMIMON's WHDI(TM) Technology Powers SANYO's Wireless HD Video Demo at InfoComm

Uncompressed HD Video Is Delivered Wirelessly With "Wired Quality"

AMIMON Inc., an emerging leader in semiconductor technology for wireless transmission of high-definition video (HD video), will team up with CE giant **SANYO Electric Co., Ltd.** to demonstrate its revolutionary uncompressed HD video technology in the SANYO booth, number 3316, that was to take place at InfoComm in June. SANYO was demonstrating a new concept for a wireless projector system featuring an audio visual (A/V) unit that accepts standard HD video inputs, including HDMI™, DVI and component video, and delivers the HD stream wirelessly to the projector.

In the demonstration, a SANYO A/V prototype unit connected to an HD-DVD player will wirelessly deliver uncompressed 720p HD-DVD video content at an equivalent data rate of 1.3Gbps to a SANYO projector. The wireless link is powered by AMIMON's WHDI™ (Wireless High-Definition Interface) technology, providing video quality equivalent to that achieved with wired interfaces such as HDMI™. AMIMON unveiled its WHDI™ technology at the Consumer Electronics Show in January 2006. Semiconductor chips



based on WHDI™ are expected to be available to consumer electronics manufacturers in early 2007

About WHDI™

AMIMON's WHDI™ technology enables wireless transmission in the 5GHz unlicensed band of uncompressed high-definition video streams with equivalent video data rates of up to 3Gbps (including 1080p) using 40 MHz of bandwidth in compliance with FCC regulations. Video data-rates of up to 1.5Gbps (including 1080i and 720p) can be delivered using 20MHz 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 electronic 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 Wireless High-Definition Interface (WHDI™) 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™.

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



Camtek receives multiple falcon order from Toshiba

Camteck announced on June 15th that it received an order to supply several Falcon 830 multiple bumped-wafer metrology systems to **Toshiba**. The systems will be used in Toshiba's manufacturing plant in **Oita, Japan**, for in-line inspection of 300 mm wafers through measurements of bumps. The value of the deal was not disclosed. Toshiba is expected to take delivery of the systems in the second quarter of 2006.

Camtek Japan general manager Avishai Shklar said, "We are proud to have been selected by a world leader as Toshiba, following a short, but intensive evaluation. We are committed to supporting Toshiba, as well as our other customers in Japan, in their current and future inspection needs."

A few weeks ago, Camtek raised its guidance for 2006, increasing its annual sales forecast from \$90-100 million to \$100-110 million. It said then that it expected to see 4.5% growth in the second quarter of 2006, compared with 16.5% in the first quarter, and would post revenue of \$26-29 million. Camtek raised its earnings guidance twice during the first quarter of 2006.

Camtek, which is **controlled by Priortech Ltd.** (77%), develops and manufactures optical inspection systems to the semiconductor manufacturing and Packaging, high-density interconnect substrates (HDI-S), and printed circuit board (PCB) industries.





Mempile Expands into Japan

Mempile announced that it would expand its operations, relocating its Drive development center from Colorado, USA, **to Japan**.

Mempile said that after successfully expanding their development and marketing efforts in Japan, Mempile wanted to increase the synergy between drive and media development with their Japanese partners. At the same time, they are strengthening the material development and testing in the Israeli R&D centre.

Mempile develops a technology enabling storage on removable discs of up to one Terabyte (1,000 gigabytes) of content. This technology, combined with anticipated technical improvements already underway in the disk drive industry, will enable recording the equivalent of 1,400 CD-ROMs or 200 DVD-ROMs on a single disc. The technology was designed for an ever-increasing demand for storage capacity, by a group of interdisciplinary scientists with unique expertise in chemistry, materials and laser optics. The company headquarters are located near Jerusalem, Israel, in Neve Ilan.

Mempile Inc., and its R&D subsidiary Mempile Ltd. (Mempile), were incorporated in May 2000, in Delaware and Israel. Following its formal establishment, the Company raised \$5.5 million dollars. The first investment was \$1 million from a group of highly reputable private investors. In May 2001, in a second financing round, Mempile raised \$3 million from **Millennium Materials Technologies Fund II**. The majority of the seed money and the first round of investment funds were directed towards the development of the Company's core technology and logistical infrastructure as a media storage provider. In July 2003, a further 1.5 million was received as a bridge loan from a few investors. This was followed in February 2004 by a second round of investment totaling \$11.6m; **Kodiak Ventures** lead the investment and was joined by **Israel Seed Partners, JVP, Hitachi CSK, Portview, and Alta Berkeley**. Current investors also took part in the investment.

PlayStation 3 Secret Weapon Revealed?

MEGAGAMES is running a story that claims **Sony** has a secret ace up its sleeve; a device that would take the Eye Toy concept to a whole new level by allowing the PlayStation 3 to recognize the user and the surrounding environment.

The device would be the result of a **partnership between Sony and an Israel-based company called Prime Sense**, which claims to have developed a technology that allow devices to “see” the world. According the company’s web site, Prime Sense is "operating in stealth mode".

MegaGames claims an insider told them that through the use of this technology, Sony will allow the PlayStation 3 to perceive the world in 3D and understand the user and the surroundings based on sight, just the way humans do.

“The way our, very reliable, source was reminded of Minority Report has to do with a scene in the movie in which a user manipulates a computer screen using special gloves; only with this tech you do not need the gloves. This reminds us of what Gesture Tek have hinted is possible with Xbox 360, but taken one big step further.”

*“Our source became even more specific claiming that the add-on will be available for the **PS3** on the CONSOLE’S global release in mid November while Logitech will come up with a PC version a few months later. Additionally we found out that the Department of Defense, has expressed an interest in the technology although that is unlikely to affect the PS3 version of the hardware.”*

The good news is that if this happens to be true, then we guess Microsoft could also license the technology from Prime Sense, unless Sony has secured an exclusive deal.

[index](#)

JULY

Koizumi leaves for Israel, Palestinian areas before attending G8 summit

Prime Minister Junichiro Koizumi left Japan for a five-day visit to the Middle East before attending an annual meeting of the Group of Eight leaders, scheduled this year in St. Petersburg.

The premier's trip comes as Israel pushes ahead with a military offensive in the Palestinian territories and as concern grows following North Korea's recent missile launches.

"The Israeli-Palestinian conflict has a long history and I understand that it cannot be easily resolved, but amid the rising tensions, Japan will call for self-restraint and seek a means of preventing the vicious cycle of hatred and violence," Koizumi told reporters ahead of his departure from Tokyo's Haneda airport on a government plane.

Israel has expressed hope that Koizumi might help deliver a message from Jerusalem to the Palestinian authorities during his visit, as the two sides are in serious conflict over an Israeli soldier abducted by Palestinian militants.

"I believe there are ways that Japan can provide assistance that are different from that given by Europe and the United States, such as in humanitarian assistance and support for the foundations of daily living," Koizumi said, adding he hopes to convince the Israeli and Palestinian people that it will be for their own good to coexist peacefully.

Koizumi, the second Japanese premier to visit Israel, was also to stop in Jordan before heading on to St. Petersburg, Russia, for the G-8 summit.



"Among a wide range of issues to be discussed at the summit, there is the issue of North Korea's missile launches," Koizumi said of topics to be taken up at his sixth and last summit before stepping down as premier in September.

"Each country has its own view on this issue and it is not a problem that can be immediately resolved with a panacea," he said. "Even so, I will be persistent in explaining Japan's position and I believe there needs to be measures from the world to prevent North Korea from causing further incidents."

In Jerusalem, Koizumi was planned to meet Israeli Prime Minister Ehud Olmert and President Moshe Katsav. He will then travel to Ramallah to lay a wreath in memory of the late Palestinian leader Yasser Arafat and hold talks with Palestinian President Mahmoud Abbas.

Olmert said in Jerusalem that he plans to discuss with Koizumi the nuclear arms issues involving North Korea and Iran. He said he shares concerns over nuclear proliferation among non-democratic states such as North Korea and called on the international community to step up pressure on Iran.

Japan will offer to resume humanitarian assistance to the Palestinian territories through U.N. bodies and nongovernmental organizations, a Japanese Foreign Ministry source said.

In Jordan, Koizumi will attend a dinner hosted by King Abdullah and meet Jordanian Prime Minister Marouf al-Bakhit the next day, where they are expected to discuss promoting stability in the Middle East and sign documents on economic cooperation. Koizumi had planned to go to Israel and the Palestinian territories in January but the trip was canceled after then Israeli Prime Minister Ariel Sharon suffered a massive stroke. The last visit to Israel and the Palestinian territories by a Japanese premier was in 1995 when Prime Minister Tomiichi Murayama met with Israeli Prime Minister Yitzhak Rabin. Japan has been eager to play a role as a mediator between the Israelis and the

Palestinians, and the Japanese government emphasizes that peace and stability in the Middle East are in Japan's national interest because of the country's dependence on oil from the region.

From Jordan, Koizumi will head for St. Petersburg where he will attend the G-8 summit.

Japan urges Israel to take 'rational action' to Middle East crisis

Japanese Prime Minister **Junichiro Koizumi** has won Israeli support for its accusation of North Korea's military threat, while calling on Israel to take "rational action" to the escalating Middle East crisis.

Paying the first visit to the region by a Japanese leader for over a decade, Koizumi held talks with his Israeli counterpart **Ehud Olmert** at the prime minister's residence. North Korea's recent missile launches and its nuclear weapons program are "a threat to the peace of the international community," Koizumi told a joint news conference with Olmert.

"We agreed that the international community must form a united front to send a message to stop such nuclear development," the Japanese premier said.

Olmert replied: "Developing non-conventional weapons by a non-democratic country will bring deep concern to the international community. We would like to continue talking about what action we should take as a member of the international community."

Koizumi has left behind a crisis closer to home after North Korea test-fired seven missiles, including a long-range Taepodong-2, into the Sea of Japan (East Sea), sparking international condemnation.



Tokyo has sought to secure a binding UN resolution on North Korea, but China and Russia, key UN Security Council members, are showing reluctance to imposing any punitive measures against Pyongyang.

The Koizumi-Olmert talks came with the Middle East flung into another phase of crisis as Israel launched an assault in Lebanon after Hezbollah captured two soldiers along the Jewish state's northern border.

The Israeli army launched a ground and air assault on Lebanon -- the first such operation since Israeli troops withdrew from southern Lebanon in May 2000.

"I know Israeli people feel strong resentment against the current situation," Koizumi said. "But we heartily hope that Israel will take rational action by considering the importance of the coexistence and co-prosperity in the mid- and long run."

But Olmert put aside the Japanese suggestion. "I listened to various hopes from Prime Minister Koizumi, but our stance is clear and that will involve pains," he said.

The summit will be followed by talks between Koizumi and Palestinian leader Mahmud Abbas in the West Bank town of Ramallah, when Koizumi planned to announce a fresh package of humanitarian assistance for the Palestinians.

Japan feels it can play an important role as a mediator between the Israelis and Palestinians as it sees itself as a neutral party and is a key backer of the stalled Middle East peace process.

Tokyo insists the aid will not be used to finance the Hamas administration, which won a dramatic election victory in January and formally advocates the destruction of the Jewish state.





The Japanese premier, who has no plan to meet any Hamas leaders, will travel to Jordan to visit King Abdullah II before flying to Saint Petersburg to attend the Group of Eight summit.

More than 60 Palestinians and one Israeli soldier have been killed since Israeli tanks and troops poured into the Gaza Strip on July 5 in a bid to stop Palestinian rocket attacks and secure Corporal Gilad Shalit's release.

Japan is the third largest donor for the Middle East peace process following the United States and the EU, with 844 million dollars given to the Palestinians since the 1994 launch of the Oslo autonomy process.

He is the longest-serving Japanese premier in three decades and has tried to increase Tokyo's role on the world stage and in the Middle East, sending 600 troops to Iraq on an historic mission for the pacifist nation.

Simbionix Signs an Agreement With Johnson & Johnson k.k., Japan, for Developing Virtual Simulation of Laparoscopic Colorectal Procedures

Simbionix USA Corporation (Simbionix), a developer of medical simulators and hands-on curriculum for training medical professionals, announced that it has signed an agreement with **Johnson & Johnson k.k., Japan**, for the development of an educational and training simulator for laparoscopic colorectal procedures.

"This new contract is a reflection of Simbionix' strong leadership position in the medical simulator and education market, and signifies the confidence and trust placed in Simbionix' ability to deliver needed solutions," says Gary Zamlar, Simbionix' new CEO.





"This has been a very good year for us, in which we continue to broaden our close industry partner relationship."

Doron Zilberman, V.P. Sales & Business Development, added, "This contract is an important step in the adoption of simulators for training by the medical community and industry, gradually migrating from the old methods including usage of animal and practicing on live patients. J & J k.k. is one of the global leaders in the MIS field in general and specifically in Professional Education and Surgical Training. There is no doubt that the usage of medical simulators will become a formal and mandatory part of the qualification process of surgeons in the near future."

Simbionix is a global leader in medical simulation and education technologies. The company's mission is to provide state of the art, simulation-based medical education and training systems, and to set the standard for minimally invasive surgical training and performance. Since the successful introduction of the GI Mentor(TM) to the world market in 2000, Simbionix completed four other medical training simulators, which provide medical experts with hands-on training in a comprehensive array of Minimally Invasive Surgery procedures; the URO Mentor(TM) -- a simulator for endourology procedures, the PERC Mentor(TM) for percutaneous access procedures, the LAP Mentor(TM) -- a multi-disciplinary simulator for laparoscopic skills and surgery procedures, and the recently launched and enthusiastically received ANGIO Mentor(TM) for interventional cardiologists, interventional radiologist and vascular surgeons that can use it to perform complete procedures, as well as acquiring basic skills.

Since its inception in 1997, Simbionix has raised approximately \$11 million. Investors include, among others, Early Stage Partners and Koor Corporate VC. The Company is now in the process of raising additional financing in order to fund the global rollout of its Total Solution simulation product offering.



Japan PM pledges \$30 million in aid to Abbas-Palestinian leader

Japanese Prime Minister Junichiro Koizumi pledged nearly \$30 million in aid to President Mahmoud Abbas to help keep basic Palestinian services functioning.

Israel and Western countries cut aid to the Hamas-led Palestinian government after the Islamists refused to recognize the Jewish state and disarm. That has crippled some government services and left 165,000 state workers unpaid for four months. But the international community has sought to back the moderate Abbas, who favours peace talks with Israel. Hamas is sworn to Israel's destruction.

Japanese officials said the money was earmarked for boosting medical services in Gaza and the occupied West Bank, as well as improving sanitation and sewerage.

"Japan's influence may not be as great as that of the United States and Europe, but we want to help Israelis and Palestinians live together and prosper," Koizumi told a news conference with Abbas in the West Bank city of Ramallah.

Koizumi came to the region hoping to promote peace between Israel and the Palestinians, but his visit has been overshadowed by spiraling Middle East violence.

Japan is the second-largest aid donor to the Palestinian territories on a country basis after the United States, and the new aid will mainly go through international organizations, the way most of the \$844 million Japan has given the territories since 1993 has been dispensed.





Exports to Japan up 27% in Q1

Israeli exports to Japan rose 27 percent in the first quarter over the same period last year, while imports from Japan sank 17%, the Industry, Trade and Labor Ministry said - as Japanese Prime Minister Junichiro Koizumi arrived on his first visit to Israel.

Given the "immense" size of the Japanese economy, trade between the two countries is still far from meeting potential, a ministry official said, noting that trade had been hindered by geographical and cultural distances and the lack of direct flights. Nonetheless, recent events and increased tourism have helped bring the countries closer together, the ministry said.

In 2005, exports to Japan totalled \$742 million and imports from Japan came to \$1.35 billion.

Red Bend Software Signs Agreement with NEC to Deploy FOTA Solutions on Mobile Phones

Red Bend Software, the leading provider of firmware over-the-air (FOTA) updating solutions for mobile phones, has concluded an agreement with NEC Corporation of Japan to install Red Bend's **vCurrent® Mobile FOTA** updating technology on **NEC's mobile phones**.

NEC will begin shipping mobile devices with the Red Bend update client in the fall of 2006.

This new agreement between Red Bend and NEC follows an earlier agreement between Red Bend and Sharp Corporation, announced in October 2005, and establishes Red Bend as a leading supplier of FOTA solutions to Japan's two biggest manufacturers of mobile phones. Red Bend provides firmware update technology to most of the world's largest mobile phone manufacturers including BenQ Mobile, LG Electronics, Sony Ericsson and others.





Red Bend's patented FOTA solution makes it possible to efficiently and reliably deliver updated firmware over-the-air to phones already in users' hands. In this way, NEC can deliver new features and products to the market more quickly and enhance their users' satisfaction with their phones. Red Bend's vCurrent Mobile technology achieves this by generating extremely compact updates which can be rapidly and cost-effectively delivered onto the handset with 100% accuracy. Unlike other FOTA solutions, vCurrent Mobile generates firmware updates without interfering with the original firmware image, making the update process simpler and faster.

"The selection of our products by NEC, an important mobile phone manufacturer and an early adopter of FOTA technology, testifies to the advantages of Red Bend's technology and our ability to support our customers in all global markets," said Yoram Salinger, CEO of Red Bend. "This agreement with NEC solidifies our leading position in Japan, one of the most sophisticated and demanding markets for mobile phones."

About Red Bend Software

Red Bend Software helps mobile phone manufacturers and network operators accelerate the adoption of new services and features, respond rapidly to customer problems and reduce support costs through mobile software management solutions. BenQ Mobile, LG Electronics, Sharp, Sony Ericsson, and other large handset manufacturers use Red Bend's firmware over-the-air (FOTA) technology to quickly and reliably deliver compact firmware updates to mobile phones already in the hands of users. 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.



Teva Pharma Seeks To Double Generic Drug Sales In Japan By '10

Teva Pharmaceutical Industries Ltd., the world's largest generic drug manufacturer, is stepping up its business activities in Japan with the goal of doubling sales in five years.

The Israeli company recently set up a subsidiary in Tokyo and is aggressively expanding the range of active pharmaceutical ingredients (APIs) offered in Japan. APIs are the bulk materials from which finished pharmaceutical products are made.

Teva now markets around 30 APIs in Japan and generates yearly sales of about 16 million dollars. The company intends to broaden its API lineup to 80 compounds by March of 2007, and to 100 compounds by the end of that year. It will focus on generic drugs for treating heart disease, cancer and diabetes.

Teva has focused on rapidly expanding its business in North America and Europe. The new attention on Japan is based on the view that the market there for generic drugs will grow as greater efforts are made to curb medical expenses.

Ahoron Yari, head of the company's global API division, said that the objective is to at least double sales in Japan by the end of 2010.

Altech To Import Water Purification Plant Filtration Equipment

Aiming to capture upgrade demand for water purification plants, **Altech Co.** will import and market filtration equipment made by an Israeli firm.





Altech Alt Co. will import equipment made by a subsidiary of **Amiad Filtration Systems Ltd.**, marketing the products through eight construction companies including **Kajima Corp.** Targeting the roughly 30,000 water purification facilities in Japan, Altech hopes to supply at least 20 systems in fiscal 2007, aiming for sales of around 1.5 billion yen.

Altech will offer filtration equipment in which about 3,600 plastic sheets wrapped in a thin 10-micron thread are arranged in a ring pattern. The equipment can filter out substances measuring 3 microns and larger. It can reportedly eliminate 99.9% of the Cryptosporidium parasite in river and underground water.

To date, Altech Alt has imported from the same Israeli firm purification-use filtering equipment for industrial plants and other private-sector facilities.

Founded in 1962, Amiad Headquarters today covers over 40,000m² including an Injection Molding Plant, Production and Assembly Halls, Warehouses and Office Space, containing an international filtration training center and research laboratories. Amiad Filtration Systems is one of the world's most significant producers of water filtration products and filtration solutions. Through strategic acquisitions, international expansions and substantial research and development investments, Amiad continues to strengthen its technology and market base.

Waves MaxxBass(R) Technology Dramatically Improves Sound Quality of LCD TVs

JVC's New LCD TVs Use New MaxxBass ASIC, Which Was Developed Rapidly With Assistance From Tower Semiconductor Ltd.

Waves Audio Ltd., a leading provider of audio signal processing technologies, announced that **JVC** is receiving strong reviews for its new LCD TVs using Waves **MaxxBass®** technology. **JVC is Waves' first major LCD TV customer.** Waves worked



with Tower Semiconductor to rapidly deliver an improved MaxxBass ASIC, MX3000DS required for JVC's LCD TV requirements.

"Traditionally, it has been difficult to design TVs which provide rich, low sound," said Mitsuharu Nagai, President of AV Review Division, a popular consumer electronics magazine in Japan. "However, MaxxBass is an epoch-making technology that reconstructs the missing fundamental and allows the audience to feel live voice and sound, recreating rich low sound even from speakers with small volumes such as JVC's new LCD TV models."

"As the LCD TV market matures, fewer customers use external home theater audio systems, so the built-in audio must deliver great sound," said Koichi Kotajima, manager of product planning at **JVC Display Category**. "JVC models with MaxxBass deliver dramatically better audio performance than is otherwise possible in the slim LCD TV design style that consumers prefer."

"Waves MaxxBass has already become a de facto standard in battery-operated iPod speakers, but the technical demands in LCD TVs are much more challenging," said Paul Bundschuh, vice president sales & marketing, Waves Semiconductor Division. "JVC required rapid silicon design changes to our standard MaxxBass ASIC, and thanks to Tower Semiconductor, Waves was able to deliver this new version on time for JVC's models."

"Tower Semiconductor is excited to manufacture the MaxxBass ASIC for Waves," said Dvir Hagay, vice president of sales for Europe and Asia, Tower Semiconductor Ltd. "We expect the manufacturing volumes of the MaxxBass ASIC to continue to grow dramatically as it continues to gain popularity in LCD TVs, portable audio, and other consumer audio products."





Not a Bass Boost Technology

MaxxBass is not a bass boost technology. Instead, it uses a Waves-patented psycho-acoustic algorithm which extends perceived bass response by up to 1.5 octaves. By enabling small speakers to deliver full range sound, Waves is improving the performance for a wide variety of consumer electronics products, including portable loudspeakers, car audio, LCD TVs, computers and home theater systems.

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. Maxx® solutions are rapidly being adopted by firms such as **Sony, Sanyo, Samsung, JVC, NEC, Altec Lansing**, and others.

[index](#)



August

Japan appoints new envoys to Israel, Spain, Greece, Denmark, Brunei

Japan appointed new ambassadors to five countries, including Israel, as well as to the United Nations in Cabinet decisions, government officials said.

Yoshinori Katori, the ministry's press secretary, took the post of Japan's top envoy to Israel. Katori, 56, served in posts such as minister at the Japanese Embassy in South Korea and head of the Consular Affairs Bureau.

Motohide Yoshikawa, director general of the ministry's Middle Eastern and African Affairs Bureau, became envoy to Spain. Yoshikawa, 55, used to serve as Japan's representative to the United Nations.

Japanese troops in Golan rocket near miss

Japanese troops serving with the UN force in the Israeli-occupied Golan Heights evacuated to a bomb shelter after an apparent Hezbollah rocket landed near their base, officials have said.

Kyodo and Jiji news agencies, quoting unnamed Japanese government sources, said the rocket fell near Camp Ziouani, forcing 31 Japanese troops there to move to a bomb shelter temporarily.

It was presumed to be a Katyusha, a favored weapon of the Lebanese Shiite militia Hezbollah which has been launching rockets onto Israeli cities amid the Jewish state's offensive in its northern neighbor, the Chunichi Shimbun said.

The Defense Agency said all Japanese troops were safe but declined to give details.

"It is confirmed that the Self-Defense Forces members deployed there are all present and well," an agency spokeswoman said. "We have learned that the personnel on the spot took steps accordingly to avoid danger," she said.





Forty-five Japanese ground troops are part of the 1,000-strong United Nations Disengagement Observer Force on the Golan Heights, a plateau captured by Israel in the 1967 Six-Day War. Other troops come from Austria, Canada, India, Japan, Nepal, Poland, and Slovakia.

Japan joined the mission in 1996 to offer logistical support as the officially pacifist nation tries to take a more active role overseas.

The Golan Heights incident took place only weeks after Japan ended its reconstruction mission in Iraq, which was the first time since World War II that Japanese troops were deployed in a country where fighting was going on.

The Japanese encampment in Iraq came under mortar shell attack several times but there were no casualties and property damage was not serious.

Silex Prototypes UWB System For Display At Multiple Sites

Silex Technology Inc. has developed a prototype system that uses wireless communications in the ultrawideband (UWB) spectrum to transmit signals from a personal computer to other nearby display systems so that the same high-quality images can be viewed in multiple places at virtually the same time.

Restrictions on the use of UWB are expected to be lifted in Japan this fall. The prototype system takes advantage of the greater bandwidth that UWB provides to display streams of HDTV-class video in multiple locations with no discernible time lag.

The system uses a chipset developed by **Israeli firm Wisair Ltd.** to compress and transmit the signals to receivers stationed 5-10 meters away. The receivers decompress the signals and convert them to analog for display with projectors and on televisions and monitors.

Because the system is wireless, multiple displays can be set up in commercial facilities and event halls without the time and cost involved in laying cables.

Other wireless systems have been developed, but they work by first converting the video data into a file for transmission, so there is a time lag. In addition, special software is required on the receiving end.





Silex, a leading manufacturer and marketer of print servers, aims to have a commercial version of its system ready next year.

NTT West-Okinawa Selects Alvarion's BreezeACCESS(R) VL **Japanese Incumbent Beginning Broadband Deployment in Rural and** **Island Areas of Okinawa**

Alvarion Ltd., the world's leading provider of wireless broadband solutions and specialized mobile networks, announced that **NTT West-Okinawa Corporation**, a subsidiary of NTT West, has signed a supply agreement for its BreezeACCESS VL system. The Japanese incumbent is beginning a broadband deployment to serve the rural and island areas of Okinawa where wired infrastructure is too difficult and costly to deploy.

"We selected Alvarion's BreezeACCESS VL after an extensive trial period," said **Kenichi Honda, president of NTT West-Okinawa**. "Given our island topography, we need a robust system that is easy to deploy and offers high quality services in non line-of-sight conditions. We are impressed with both the VL's overall performance and cost effectiveness, and the result is we now see a way to close the digital divide in our region."

BreezeACCESS VL's enhanced features such as OFDM non-line-of-sight (NLOS), extended reach of more than 30 kilometers (19 miles), high capacity, encryption and quality of service (QoS) mechanisms enable carriers, mobile operators, ISPs, enterprises and others can use the VL to provide triple play services to business and residential subscribers in the 5 GHz bands. With its advanced features such as 20 MHz channel spacing and automatic clear channel selection (ACCS) and its built-in spectrum analyzer to monitor the noise on each channel, BreezeACCESS VL enables greater flexibility in frequency planning.

"We are very excited to strengthen our relationship with NTT West-Okinawa, one of the world's largest incumbent carriers, as they deploy broadband services throughout Okinawa," said Tzvika Friedman, president and CEO of Alvarion. "Our BreezeACCESS VL provides broadband with quality of service to thousands of users over large coverage



areas and is an excellent choice for island terrain. This deployment is a direct result of our flexibility and investments in optimizing the VL for the local Japanese market."

With a per chassis maximum capacity on the base station of over 300 Mbps in a single 3U shelf, carriers offers subscribers up to 32 Mbps (net FTP). The BreezeACCESS VL is supported by AlvariSTAR(TM), a carrier-class network management system that simplifies network deployment and enables rapid expansion of a service provider's customer base with effective fault management for quick resolution.

About NTT West-Okinawa Corporation

NTT West-Okinawa Corporation is part of NTT West Group Companies, which is part of NTT Group the incumbent operator in Japan. NTT West provides Regional Telecommunication Services in the west area of Japan. Such Telecommunication services include: Telephone services, Integrated Digital services, Leased Line service and so on.

About Alvarion

With more than 2 million units deployed in 150 countries, Alvarion is the world's leading provider of innovative wireless network solutions enabling personal broadband services to improve lifestyles and productivity with portable and mobile data, VoIP, video and other applications. Providing systems to carriers, ISPs and private network operators, the company also supplies solutions to extend coverage of GSM and CDMA mobile networks to developing countries and other hard to serve areas.

Leading the WiMAX revolution, Alvarion has 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 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. Alvarion works with several global OEM providers and more than 200 local partners to support its diverse global customer base in solving their last-mile challenges.





As a wireless broadband pioneer, Alvarion has been driving and delivering innovations for more than 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(TM) is focused on increasing the widespread adoption of standards-based products in the wireless broadband market and leading the entire industry to mobile WiMAX solutions

Pazkar to export sealants to Japan

Paz Oil Company Ltd subsidiary Pazkar Ltd located in the Alon Tavor Industrial park in northern Israel, will export \$250,000 worth of sealants to Japan. Pazkar managing director Eli Ungar Shachaf said that the company's exports would reach \$1.2 million by the end of 2007, and added that Pazkar's products were preferred over those of other manufacturers because of their environmental advantages and other technical benefits.

PazKar has signed an agreement with Bufa, a large Tokyo-based distributor and marketer of building materials to the Japanese construction industry

Pazkar's new partners in Japan, Bufa, are about to apply Pazkar's range of environmentally friendly pastes for spraying and for hand applications.

According to Bufa's management, Pazkar's products were proved as very qualitative, easy to apply and competitive in the Japanese Market.



September

Japan mulls dispatch of GSDF to Lebanon

The Japanese government is thinking of dispatching Ground Self-Defense Force troops to Lebanon to offer logistics support to the U.N. Interim Force there monitoring a ceasefire between Israel and Hezbollah militants, government sources have said.

A ceasefire between Hezbollah and Israeli troops in southern Lebanon went into effect Aug. 14 following the passage of an earlier U.N. resolution urging an end to the hostilities.

It remains uncertain, though, whether Japan will give the go-ahead for the deployment, given strong concerns in the government that fighting may erupt again in southern Lebanon.

The fighting erupted July 12 when Hezbollah militants abducted two Israeli soldiers and killed three others in a cross-border raid.

The U.N. Security Council adopted a resolution Aug. 11 that calls for a "full cessation of hostilities" between Hezbollah and Israel -- specifically demanding that Hezbollah end its attacks. It also says Israel should cease its "offensive military operations."

The ceasefire came into effect a few days later, and both parties basically accepted the resolution.

With the establishment of a ceasefire and other conditions under the five-point principle Japan stipulates for engaging in peacekeeping missions, the government has begun considering a GSDF deployment in view of the 1992 Japanese law governing participation in U.N.-led peacekeeping operations.

Japan has sent missions under the U.N. peacekeeping framework to areas including Cambodia, Mozambique and East Timor, and Japanese troops are currently providing logistic support in the Israeli-occupied Golan Heights in southern Syria.

The Foreign Ministry, which is keen on sending the GSDF, has been spearheading efforts for GSDF participation in the UNIFIL framework, the sources said.

The envisioned task for GSDF is not to be directly involved in frontline activities to monitor the ceasefire but rather be engaged in logistic support, such as providing fuel, food and other supplies for foreign troops that are tasked to monitor the ceasefire, the sources said.

The Defense Agency, meanwhile, has expressed caution over this due to security concerns in southern Lebanon which, depending on the security situation at hand, may force an early withdrawal from the area, they said.

Subsequently, other proposals are being floated. One of them is to deploy Self-Defense Forces vessels to neighboring Cyprus, which serves as the base for collecting goods, and assign it to transport goods to Lebanon, according to the sources.

The decision on whether or not to send the GSDF is expected to face a rough road as the final decision will be handled by the post-Koizumi administration.

Athena Smartcard Solutions Boosts offering through the acquisition of Aspects Software Java Card Activity

Athena Smartcard Solutions, smart card technology innovator and developer of the ASECard Crypto family of Enterprise and Government Identity solutions announced the acquisition of Aspects Software's smart card OS assets including the Aspects OS755 Java Card and development platforms. The OS755 Java Card product family includes innovative FIPS approved operating systems for Identity and multimedia (SD/MMC), Visa approved banking and GSM solutions.

This move strengthens Athena's smart card expertise, adding open platform products to its established line of cryptographic smart cards. The timing of the acquisition coincides with recent large scale project wins for Athena in the Enterprise, Financial and Government sectors and an increase in demand for the company's leading Unified Badge solutions. Athena will now be able to better support its customers from the expanded office network in the US and the UK, joining Athena's offices in Japan and Israel and its world-wide distributor and partner network.





“The acquisition of the **Aspects Java Card assets** is an important step for Athena as we strive to continue and offer our customers the most advanced and secure smart ID solutions. Following the acquisition, our expanded team includes some of the industry most innovative and accomplished Java Card professionals and together with our experienced native OS and cryptographic middleware group we are able to answer the needs of the most demanding customers,” commented **Masaru Kosaka**, Chairman, Athena.

The acquired technology is already integrated within the new ASECard Crypto J multi-application PKI smart card which will be available soon in contact and dual interface, ISO7816 and ISO 14443, versions.

About Athena Smartcard Solutions

Athena Smartcard Solutions is a global smart card company offering a wide range of products and solutions for Government, Enterprise and Financial institutions. Athena's products include advanced smart card operating systems, cross-platform cryptographic middleware and innovative biometric and card management solutions as well as advanced smart card readers. Through the acquisition, Athena now offers FIPS and VISA certified Java Card solutions for ID and Finance on various smart card silicon and in a variety of form-factors.

Athena Smartcard Solutions is leading the industry in smart card enabling technology, with corporate **headquarters in Tokyo Japan, an R&D center in Herzliya, Israel**, and a world-wide distributor network. Athena's team of smart card experts and engineers has been developing smart card operating systems, middleware and smart card readers since 1995. Athena possesses unique smart card technologies, software security techniques and embedded systems expertise.

Athena's mission is to provide developers, integrators, Original Equipment Manufacturers, and users with the optimal professional platforms for smart card integration and operability. Athena's products include: Smart card operating systems and smart cards, cryptographic middleware, software development kits, smart card integration kits and high-end PC and embedded smart card readers available in desktop, keyboard, PC internal, and other forms.



Designed to support the most demanding requirements, Athena's ASE products integrate with other products and solutions including banking terminals, payment systems, healthcare solutions, transportation systems, internet access, digital signature and various security applications. The ASE Reference Designs are licensed to some of the world's leading PC and peripheral manufacturers.

Athena's proven professional approach to business guarantees to save customers time and money. It offers cutting edge technology, cost effective designs and implementation solutions which will always be upgradeable. Athena maintains a clear product roadmap, spanning computing platforms, leading edge operating systems, card schemes and industry standards.

Athena's second-to-none line of ASEDrive IIIe Smart card readers are some of the fastest and most reliable readers available today in the industry.

Athena is one of the few smart card manufacturers which develop the smart card readers, middleware and smart card operating systems in house. This helps to fine tune their products to the best available performance.

Largest Cable and Multi-Play Provider in Japan - J:COM - Extends Contract With Amdocs Through 2009

Amdocs to continue and support J:COM's expansion across Japan as it bundles cable TV, broadband Internet, fixed, mobile and IP-based voice offerings

Amdocs the leading provider of software and services to enable integrated customer management and the intentional customer experience(TM), announced that Jupiter Telecommunications Co. (J:COM), the largest cable provider in Japan, has signed an agreement to extend its existing contract with Amdocs through 2009. Amdocs will continue to enable J:COM's ongoing evolution into a multi-play provider to a growing customer base, becoming a "one-stop-shop" for innovative bundles of services, including cable TV and broadband Internet, as well as wireline, wireless and IP-based voice.



"To ensure we have the best systems in place to support our rapid growth in both subscribers and offerings, we recently completed a rigorous market analysis and found that Amdocs is the best company to address the complexities of service convergence," said Masakazu Kawabata, Director of IT at J:COM. "Amdocs will continue to help us unify customer service across markets and launch new technologies, services and multi-play bundles quickly and cost-efficiently. This will allow us to further strengthen our brand value of 'more, better, and simpler -- and for less.'"

Since it was founded in 1995, J:COM has been expanding its customer base across Japan via acquisitions, becoming the largest MSO (multiple systems operator) in the country. Amdocs' customer care and billing platform was initially deployed at J:COM in 1995. Since then, J:COM has been standardizing on Amdocs across its multiple nationwide operations and lines of business.

"For service providers to move towards multi-play and realize a more profitable future, they need to put the customer at the center of their business," said Michael Matthews, chief marketing officer at Amdocs. "J:COM is striving to do just that, as it continues to work with Amdocs to provide a personalized experience to its customers across all touch-points."

BillingSoft Japan has been Amdocs' business partner and the systems integrator in this long-term project.

"Together with Amdocs, we have been providing J:COM with billing and subscriber management support for the past ten years," said Kaneyoshi Sakagami, chief executive officer at BillingSoft Japan. "This helped J:COM grow customer loyalty and average spend, while steadily increasing its market share."

Through its expansion across Japan, combined with an intense sales and marketing campaign to introduce multi-play to the Japanese public, J:COM has been able to grow sales by more than a third over the past three years, and by an additional 20.4% in the first quarter of 2006, reaching a leading 30% market share.

About Amdocs





Amdocs combines innovative software and services with deep business knowledge to accelerate implementation of integrated customer management by the world's leading service providers. By delivering a comprehensive portfolio of software and services that spans the customer lifecycle, Amdocs enables service companies to deliver an intentional customer experience TM, which results in stronger, more profitable customer relationships. Service providers also benefit from a rapid return on investment, lower total cost of ownership and improved operational efficiencies. A global company with revenue of more than \$2 billion in fiscal 2005, Amdocs has approximately 15,000 employees and serves customers in more than 50 countries around the world.

Waves Increase cooperation with Clarion

Waves Psycho-Acoustic Bass Technology Enables Small, High Performance Subwoofers for Space Limited Automotive Applications

WAVES AUDIO LTD., a leading provider of audio signal processing technologies, announced that Clarion has expanded its line of powered automotive subwoofer products with **MaxxBass(R)** technology. Due to strong market acceptance in Japan and Europe, Clarion now offers three different MaxxBass powered subwoofer models, the SR314, SR617 and SRV102.

"**Car audio** customers often desire strong bass, but this is usually difficult to achieve without large, high power subwoofers," said Isao Masaki, manager Product Planning Dept., Sales & Marketing Division, Clarion. "MaxxBass is unique in that it allows us to achieve power bass levels without large enclosures. It is ideal for space limited car applications."

"Waves MaxxBass is being adopted in an increasingly wide range of applications from iPod speakers to LCD TVs to PCs, and now with Clarion's support, powered automotive subwoofers," said Paul Bundschuh, vice president sales & marketing, Waves Semiconductor Division. "Waves is pleased to assist Clarion in creating such innovative automotive audio products."

Not a Bass Boost Technology





MaxxBass is not a bass boost technology. Instead it uses a Waves-patented psycho-acoustic algorithm, which extends perceived bass response by up to 1.5 octaves. By enabling small speakers to deliver full range sound, Waves is improving the performance for a wide variety of consumer electronics products, including portable loudspeakers, car audio, LCD TVs, computers and home theater systems.

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.

Firms such as **Sony, Sanyo, Samsung, JVC, NEC, Altec Lansing**, and others are rapidly adopting Maxx solutions.

About Clarion Co., Ltd.

Clarion ranked among the top 100 Global OEM Suppliers by Automotive News. Clarion, an international leader in car audio and electronics since 1940, is positioned as the No. 1 independent car audio manufacturer. The company conducts research, development, engineering, design, manufacturing, and sales and marketing of entertainment, communications, security, and navigation products for the automotive environment, including IVCS (in-vehicle computing systems). Clarion has 11 factories in 8 countries, with marketing and sales affiliates in Europe, North and South America, Asia and Australia.

Saifun Signs Patent Licensing Agreement With NEC Electronics

Saifun Semiconductors Ltd., a leader in flash memory technology, announced that it has entered a patent license agreement with **NEC Electronics Corp.** to provide Saifun's NROM technology for embedded flash memory products.

Kobi Rozengarten, President of Saifun said, "The addition of NEC Electronics to our list of world-class licensing partners further underscores the growing acceptance of NROM among leaders in the Non-Volatile Memory space. Our unique NROM architecture



provides unparalleled efficiency, reliability and scalability. We believe a tremendous amount of growth potential exists for single-chip solutions in the embedded market and look forward to working with NEC Electronics to bring this high-performance, cost-effective technology to market, and helping them generate value for their customers."

About Saifun Semiconductors Ltd.

Saifun is a provider of intellectual property (IP) solutions for the non-volatile memory (NVM) market. The company's innovative Saifun NROM(R) technology allows semiconductor manufacturers to deliver high performance, reliable products at a lower cost per megabit, with greater storage capacity, using a single process for all NVM applications. Saifun licenses its IP to semiconductor manufacturers who use this technology to develop and manufacture a variety of stand-alone and embedded NVM products. These include Flash memory for the telecommunications, consumer electronic, networking and automotive markets. The companies currently licensing Saifun NROM technology include Qimonda AG, Macronix International, Semiconductor Manufacturing International Corporation, Sony Corporation, Spansion, and Tower Semiconductor.

Can-Fite Out Licenses Rights for its Drug, CF101, in Japan to the Seikagaku Corporation

Can-Fite BioPharma a biotechnology company traded on the Tel Aviv Stock Exchange, has entered into an exclusive license agreement with a Japanese pharmaceutical company, Seikagaku Corporation, to develop and market CF101 in Japan for the treatment of inflammatory indications including rheumatoid arthritis (RA) but not including ophthalmic indications. Under the terms of the agreement, Can-Fite will receive an aggregate consideration of approximately US\$ 19.5 million, according to agreed milestones, and collect substantial royalties from the sale of CF101 in Japan.

Within the agreement, the Japanese company was granted exclusive license to develop and market CF101 for inflammatory diseases in the Japanese market. This will enable Seikagaku Corporation to develop the drug in Japan for the treatment of rheumatoid



arthritis (RA) and other inflammatory diseases, not including ophthalmic indications. As previously announced, Can-Fite expects to soon enter a phase IIa clinical trial in Israel with CF101 for the treatment of Keratoconjunctivitis Sicca (KCS), an indication excluded from the SKK license agreement.

Can-Fite will immediately receive a US\$ 3.5 million payment and a further US\$ 1.5 during the course of the coming year, contingent on achieving progress-related milestones in the ongoing phase IIb RA trial, which is due for completion in the course of 2007. The Company will also receive annual license fees up to a total of US\$2.5 million. Can-Fite will receive the remainder of the consideration, US\$ 12 million, contingent on achieving milestones set forth in the agreement and based on Seikagaku Corporation's progress in developing CF101 for RA in Japan.

Other than these funds, Can-Fite will also receive substantial royalties from the sales of CF101, if marketed by Seikagaku Corporation, and generate additional income from the sale to Seikagaku Corporation of the active pharmaceutical ingredient needed to manufacture the drug for marketing in Japan.

Dr. Ilan Cohn, co-founder of Can-Fite, Deputy Chairman of the Board of the company, who led the negotiations with SKK on behalf of Can-Fite, said today that "we are very pleased to partner with a respectable Japanese company such as Seikagaku Corporation. Seikagaku Corporation is a very experienced and well established research-based Japanese pharmaceutical company that entered into this agreement after having conducted a thorough and in-depth due diligence pertaining to all aspects of our CF101 drug. In signing this agreement, SKK became the first reputable international company to validate the scientific foundations of Can-Fite and the results of the clinical trials conducted thus far. This agreement will allow a continued cash flow which will help Can-Fite to continue to develop its drug pipeline." Dr. Cohn also added that this agreement and the progress made in the clinical development are very important milestones towards lucrative deals with large multinational pharmaceutical companies.

Can-Fite's drug CF101 is a targeted drug that specifically attacks affected cells without compromising normal body systems, and therefore has a favorable safety profile. The



receptor targeted by CF101 was found to be predominantly expressed on the surface of diseased cells. This was demonstrated in trials conducted by the company.

Can-Fite also announced recently of its intention to commence a Phase II trial in psoriasis and is currently preparing for a trial in this indication. As also recently announced, the Company has also received approval from the Israeli Ministry of Health to conduct a phase II clinical trials with CF101 for the treatment of DES, and has also initiated a Phase IIb trial with CF101 in 250 patients with RA in the US, Europe and Israel.

About Seikagaku

SEIKAGAKU CORPORATION is a significant, research-based and innovative Japanese pharmaceutical company traded on the Tokyo Stock Exchange. The company is a pioneer and leader in the field of glycoscience and therapeutics for joint diseases such as arthritis. It has developed sodium hyaluronate injection (trade named: SupartzR, ArtzR or ArtzalR), is a first specialty product for osteoarthritis and acquired approval in 23 countries, including the USA. Based on the existing core business area and further focusing on inflammation including arthritis, Seikagaku is engaged actively in the collaborative research and in-licensing arrangement with companies or organizations who have innovative technologies, particularly in the areas of inflammatory and allergy diseases.

About Can-Fite

CAN-FITE BIOPHARMA LTD is a public company listed on the Tel Aviv Stock Exchange. The Company, which commenced business activity in 2000, was co-founded by investigator Prof. Pnina Fishman and patent attorney Dr. Ilan Cohn. The Company focuses on the development of molecule-based drugs that inhibit the development of cancer and inflammatory cells.

The potential market for RA treatments is estimated at approx. US\$ 7 billion annually and is projected to grow at an annual rate of approx. 20%. Can-Fite is also developing a drug for the treatment of DES; the potential market for DES treatments is estimated at US\$ 1 billion. The Company has recently entered drug development for the treatment of





psoriasis; the potential market for psoriasis treatments is estimated at US\$ 3 billion annually.

New Wireless LAN System Offers Stabler Mobile Connections

Marubeni Solutions Corp. will begin marketing a wireless LAN (local area network) system that is less prone to communication disruptions even when the user is moving.

Developed by Israeli firm **Extricom**, the system has a specialized switch linked to up to eight access points that controls the radio waves from each point, creating a single virtual access point and enabling all points to communicate on the same frequency band. It can handle 36 megabits of data per second.

Conventional systems have to vary frequencies from point to point to prevent problems caused by interference among radio waves from the different points. But using different frequencies can disrupt communications for mobile users.

In addition, the new switch manages access logs instead of having them kept on equipment at each access point, thereby eliminating the worry that personal information will leak out if equipment at an access point is stolen.

The system will be sold in sets consisting of one switch and equipment for eight access points. A set will cost 1.28 million yen, and Marubeni Solutions is targeting sales of 200 the first fiscal year.

About Extricom

Extricom develops high performance 802.11 a/b/g wireless LAN (WLAN) technologies for the enterprise market. The company's unique solution delivers a WLAN infrastructure with complete coverage and extended reach at full modem speed. Extricom's solution significantly improves the performance, capacity, scalability and total cost of ownership (TCO) of the enterprise installation.

Extricom takes a completely new approach to WLAN deployment; the company's patent-pending technologies require no RF expertise during installation and are easy to manage and maintain. Extricom's standards-based and client-agnostic solution features the best



of the wired and wireless worlds - the simplicity, stability, and speed of wired networks, together with the mobility and ubiquity of WLANs.



October

Storewiz and Tokyo Electron Device Announce Strategic Partnership in Japan

Win-win-win for Storewiz, Tokyo Electron Device and the Japanese market

Storewiz, Inc., a provider of online data compression solutions, and Tokyo Electron Device announced a strategic partnership to bring Storewiz solutions to the Japanese market. Harel-Hertz Investment House assisted Storewiz in penetrating the Japanese market by spearheading the partnership.

Storewiz has developed a unique, patent-pending data compression technology that dramatically boosts storage capacity while significantly reducing the cost of storage hardware and management. An industry first, the Storewiz solution is based on a plug-and-play appliance that is agnostic to any storage system and boasts real time transparent compression with no performance impact.

Storewiz appliances deliver two to five times CAPEX reduction across the entire data storage infrastructure with substantial IT OPEX gains and reduced I/O service time -- resulting in significant performance enhancement.

Since the first shipment of its flagship STN-5000 product in October 2005, Storewiz solutions have been successfully implemented in more than 100 sites worldwide, including a range of blue-chip customers.

Storewiz products support NAS and iSCSI environments, with Fibre Channel support available toward the end of 2006.

Key benefits realized by installed Storewiz data compression technology users include:

- * Postponing of costly storage hardware additions/upgrades
- * Short time to market allowed for new applications
- * Reduction of backup/restore window
- * Decrease of Network traffic for remote backup operations
- * Reduction of the number of storage units to be managed and IT resources



used

The win-win partnership of Storewiz and TED will include a reseller framework agreement with key VARs and the distribution of the Storewiz product line by TED to its 2nd tier channels. TED expands its product offerings for its channel partners with next-generation data compression solutions from Storewiz, and Storewiz gains a wider market through TED throughout Japan.

While the business engagement of Storewiz and TED at the outset is valued at a few million dollars for 2006, the companies are forecasting significant business growth in 2007 with additional OEM and IT vendor opportunities under the partnership.

Nir Kunik, Executive Vice President of Worldwide Sales for Storewiz praised the relationship by saying, "We are honored to enter a partnership with TED, a company well-recognized in Japan for the best storage solutions and support. By adding the Storewiz solutions to the offerings of our new partner in Japan, we will quickly see validation of the incredible business potential of our innovative technology. We also want to note the significant contribution of **Harel Hertz Investment House, who was an integral part of the process.**"

Mr. Amano, Corporate VP & General Manager of Tokyo Electron Device CN Business Section, added, "We expect to see impressive sales from our new Storewiz product offering as along with our unique value to both channel partners and customers increasing concurrently."

Eran Harel, Managing Director at Harel Hertz Investment House said, "We identified Tokyo Electron Device as a leading distributor of storage equipment in Japan and the ideal partner for Storewiz. Together with Storewiz, we have created a consortium of OEM, VARs and distributors, which will enable Storewiz to have access to over 50% of the market."

About Tokyo Electron Device (TED)

Tokyo Electron Device is an affiliate of Tokyo Electron Limited, a leading supplier of innovative semiconductor and FPD production equipment worldwide. TED CN Business Section handles a wide range of computer system and network- related products supporting IT infrastructure to provide businesses with solutions and support services for



the broadband era. TED CN Business Section has marketing organizations in the US and Japan, which respond to the latest technological trends and needs.

About Storewiz

Storewiz, Inc. is a leading provider of solutions that dramatically boost storage space on network storage environments. Storewiz data compression appliances are installed between the organization's storage arrays and their network. Uniquely agnostic to the storage array brand it is connected to, the Storewiz appliance typically provides organizations with 2-5X additional capacity with associated savings in capital, operational, maintenance and management resources. Privately held and headquartered in Gaithersburg, Maryland, Storewiz is a member of the Storage Networking Industry Association (SNIA) and has gained an ISO 9001:2000 certification.

BestTV and Invensys will launch an Internet television platform using a FTTH system

Best Broadband Solutions (BestTV), which provides a solution for setting up and managing video channels on the Internet, has reached an agreement with Japanese investment company Invensys to establish a video Internet platform in that country.

BestTV predicts that the contract will generate \$2 million revenue over the next two years, and could grow to tens of millions of dollars as the service expands in Japan. BestTV was founded in 2002. It has mostly focused on developing the technology in recent years. The company has developed an Internet TV platform that is installed in video servers, enabling the management of television channels and video-on-demand (VOD) systems, while providing statistical, billing, and advertising tools.

Harel-Hertz Investment House has engineered this collaboration which led to the signing of the strategic alliance agreement.

Mr Oded Peld founder and CEO of BestTV: "Japan is the Global leader in adopting Broadband Technologies and constructing FTTH infrastructure, we have realized the world is adopting technologies successfully experimented in Japan, Our success to



penetrate this important country ,is a token to our readiness to penetrate other strategic markets”

Mr. Satoshi Hirachi President of Invensys commented: "Following Government regulations all TV Broadcasts should adopt Digital format by 2011. As a result all Internet and content providers are looking for suitable technologies and broadcasting platforms that may answer the needs of future market trends”.

In the past few years, the company has been able to reach mainly Israeli customers, including Hebrew daily “Ha’aretz”, ONE sports portal, Yellow Pages and 360 Channels Ltd. The agreement with Invensys is the company’s first large international deal.

Under the agreement, BestTV and Invensys will launch an Internet television platform using a fiber-to-the-home (FTTH) system. BestTV believes that, initially, five million households in Japan that watch the channel for which the service will be provided will join the service.

Mitsui, Israeli Firm To Convert Passenger Jets Into Cargo Planes

Mitsui & Co. and Israel Aircraft Industries Ltd. (IAI) will launch a joint venture specializing in turning used passenger aircraft into cargo carriers.

The new firm is scheduled to be set up around January at a capitalization of 1 million dollars. The headquarters for this 50/50 joint venture has yet to be decided.

The company will modify Boeing Co. B767-300 passenger jets according to client needs. The major Japanese trading firm and the Israeli state-owned aerospace company are hoping to receive 80 to 100 conversion orders during the first 10 years.

Introduced in the 1980s, roughly 600 of the 250-seat-class passenger carriers are currently flying around the world. The joint venture plans to buy B767-300s that are 10 to 20 years old, modify them, and sell them for around half the typical price of new cargo planes.

Buoyed by the growth in China, India and other emerging economies, the volume of air cargo is forecast to triple over the next two decades. This, in turn, is expected to double demand for cargo planes to about 3,500.

With Japanese airline companies alone currently using nearly 100 B767-300s, Mitsui plans to also work with IAI in purchasing used B767-300s, as well as selling and leasing converted cargo jets.

IAI is the world's leader in the conversion of passenger jets into cargo planes. It has already handled nearly 100 such projects.

U.S. court says Eisai ulcer drug patent valid

Eisai Co. Ltd., Japan's fourth-largest drug maker, said a U.S. court had ruled that a substance patent on its ulcer drug Aciphex was valid, reducing the risk that generic versions could hit the market soon.

Aciphex is the company's major product in the U.S. market, accounting for about 45 percent of its overall U.S. drug sales of 254.7 billion yen (\$2.14 billion) in the last business year. The patent for the drug will expire in May 2013.

Eisai's stock was up 3.5 percent at 6,270 yen in afternoon trade compared with a 2 percent climb for the drug sector index.

In November 2003, Eisai and its U.S. unit filed a lawsuit with the Southern District Court of New York against Israel's Teva Pharmaceutical Industries Ltd. and India's Dr. Reddy's Laboratories Ltd., seeking to stop them making a generic equivalent to Aciphex.

Teva said in February this year it had been granted tentative U.S. Food and Drug Administration approval for its generic version of Aciphex. The court's summary judgment motion decisions were favourable to the company, but the court will still hear arguments from the generic makers, who say there were flaws in Eisai's patent procedure. "If the courts rule in favour of this claim, a generic could still go on sale before the expiration of the substance patent," said Nomura analyst Ryoichi Urushihara. "However, the validity of the patent itself has been recognised, which we consider a major step forward in allowing Eisai to exercise its patent rights on Aciphex," he said.

Eisai spokesman Takeshi Shimizu declined to elaborate on the details of the lawsuit or to say when a ruling could be expected.

Officials at Teva and Dr. Reddy's were not immediately available for comment.



Kyowa Hakko Grants Keryx Biopharmaceuticals Exclusive Rights To UCN-01, A Novel, Anticancer Agent In Phase II Clinical Development

Keryx Biopharmaceuticals, Inc. announced that it has entered into an exclusive license agreement with **Kyowa Hakko Kogyo Co., Ltd.** (Kyowa Hakko), of Tokyo, Japan, for the worldwide development and commercialization rights, excluding Japan, to UCN-01 (7-hydroxystaurosporine).

UCN-01 is a novel multi-kinase inhibitor for the treatment of cancer which, in preclinical models, has demonstrated a synergistic effect with agents inhibiting the PI3K pathway, including perifosine. UCN-01 is currently in several Phase II clinical trials both as a single agent and in combination with other anticancer agents which are being conducted under the direction and sponsorship of the National Cancer Institute. In accordance with the terms of the agreement, Keryx will make up-front and milestone payments as well as pay royalties on product sales.

Commenting on the in-licensing of UCN-01, I. Craig Henderson, MD, the Company's President, stated "We are excited about this drug because it targets some of the most interesting pathways involved in the propagation and survival of cancer cells and complements our ongoing program with KRX-0401 (perifosine)."

About UCN-01

UCN-01 is an anticancer drug that belongs to the family of drugs called staurosporine analogs which have demonstrated an ability to inhibit multiple kinases involved in cell-cycle progression and apoptosis, including Chk-1 and PDK1. In pre-clinical studies, UCN-01 has demonstrated synergistic effect with DNA-damaging agents including chemotherapy and radiation therapy. In-vitro, UCN-01 has been shown to be synergistic with agents affecting the PI3-K pathway including perifosine and mTOR inhibitors. In clinical trials, as reported by investigators at the National Cancer Institute, durable single-agent responses have been seen in patients with anaplastic large-cell lymphoma.

About Keryx Biopharmaceuticals, Inc

Keryx Biopharmaceuticals, Inc. is focused on the acquisition, development and commercialization of novel pharmaceutical products for the treatment of life-threatening



diseases, including diabetes and cancer. Keryx's lead compound under development is Sulonex(TM), previously referred to as KRX-101, a first-in-class, oral heparinoid compound for the treatment of diabetic nephropathy, a life-threatening kidney disease caused by diabetes. Sulonex is in a pivotal Phase III and Phase IV clinical program under a Special Protocol Assessment with the Food & Drug Administration.

Additionally, Keryx is developing Zerenex(TM), an oral, inorganic, iron-based compound that has the capacity to bind phosphate and form non-absorbable complexes. Zerenex is currently in Phase II clinical development for the treatment of hyperphosphatemia (elevated serum phosphorous levels) in patients with end-stage renal disease. Keryx is also developing clinical-stage oncology compounds, including KRX-0401 (perifosine), a novel, first-in-class, oral modulator of Akt, a pathway associated with tumor survival and growth, and other important signal transduction pathways. KRX-0401 (perifosine) is currently in Phase II clinical development for multiple tumor types. Keryx also has an active in-licensing and acquisition program designed to identify and acquire additional drug candidates.

Leading Japanese Insurance Provider, AXA to Implement NICE's VoIP Solutions in Four Sites

NICE Systems the global provider of advanced solutions that enable organizations to extract Insight from Interactions™ to drive performance, announced that it has been selected by AXA Non-life Insurance Company Ltd., Japan, to supply its VoIP solution to centralize recording of customer interactions in its multi-site environment. The order was received through NICE channel partner ITFOR.

NICE's unified architecture enables AXA Non-life Insurance Company Ltd to implement centralized recording for hybrid capture of TDM and VoIP customer interactions, across four sites. The solution will also capture interactions on IP and digital phones from various leading vendors. AXA Non-life Insurance Company Ltd will benefit from NICE's system resilience, advanced redundancy capabilities, and a suite of applications for liability and risk management.





After a rigorous selection process, AXA Non-life Insurance Company Ltd. has selected NICE for a multi-site VoIP environment, to address challenges as a financial services provider.

“We are happy to have been chosen by AXA, one of Japan’s leading financial services companies,” said Doron Ben-Sira, President of NICE APAC. “NICE is leading the market in large-scale, mission-critical deployments of VoIP recording. Our VoIP solutions along with our advanced applications for quality monitoring, liability and interactions analytics have become the de-facto choice for organizations whether operating in pure VoIP or hybrid environments.”

“Furthermore, the NICE Perform Compliance Suite is proving to be a unique competitive differentiator, as financial services organizations are seeking to harness the power of interaction analytics to address key challenges in regulatory compliance, risk management, and corporate governance,” he continued.

About AXA Non-Life Insurance Japan

AXA Non-Life Insurance Company Limited (AXA Direct Japan) is a member of the AXA Group companies in Japan and has been doing business closely with AXA Japan Holding and AXA Life Insurance. AXA Non-Life Insurance sells its automobile products through their own contact centers, e-brokers, agents, FAX OCR and web site. Group products are sold through the sale network of AXA Life. Currently, there are four call centers located in different regions within Japan with more than 400 agents and 100 administrative staff working in the organization.

About AXA

AXA Group is a worldwide leader in Financial Protection. AXA's operations are diverse geographically, with major operations in Western Europe, North America and the Asia/Pacific area. AXA had Euro 1,064 billion in assets under management as of December 31, 2005. For full year 2005, IFRS revenues amounted to Euro 72 billion and IFRS underlying earnings amounted to Euro 3,258 billion. The AXA ordinary share is listed and trades under the symbol AXA on the Paris Stock Exchange. The AXA American Depositary Share is also listed on the NYSE under the ticker symbol AXA.





About NICE

NICE Systems (Nasdaq:NICE) is the leading provider of Insight from Interactions™ solutions, based on advanced analytics of unstructured multimedia content – from telephony, web, radio and video communications. NICE is revolutionizing VoIP interactions management with state-of-the-art solutions for IP contact centers, branches, and command and control centers. NICE's solutions are changing the way organizations make decisions, helping them improve business and operational performance, address security threats and be proactive. NICE has over 24,000 customers in 100 countries, including over 75 of the Fortune 100 companies

Y-E Data UWB Hub, Based on Wisair Technology, Launched in Japan after Receiving TELEC Certification

Y-E Data Ltd., and Wisair, a leading provider of Ultra Wideband (UWB) chipset solutions, announced that the Y-E Data UWB hub product, based on the Wisair chipset, is being launched today to the market, after receiving TELEC certification. The Y-E Data hub is the first UWB product to receive Japanese certification and to be launched commercially.

TELEC (Telecom Engineering Center) is the official certification organization for UWB in Japan. UWB was officially approved in August by Japan's Ministry of Internal Affairs and Communications (MIC).

"We are thrilled to be behind the first UWB product to be certified in Japan, and are looking forward towards the shipment of the product to customers," said Mr. M. Nishino, general manager Multimedia Product Division at Y-E Data.

Y-E Data's four-port wireless hub is designed to seamlessly replace any wireline USB connection with a wireless connection. USB devices such as printers, scanners, remote hard disks, and digital cameras can plug into the UWB hub, which can be placed anywhere in the room. Data is transmitted wirelessly from the hub to a PC or notebook via a dongle that is plugged into the PC's USB port.





About Y-E DATA

Y-E Data, Inc. develops and manufactures the computer peripherals that form the basis for today's and tomorrow's information-oriented society. Since its founding in 1973 as a member of the Yaskawa Electric group, Y-E Data designed a “spark of ingenuity” into every product it delivered. The tradition that began with the first Japanese-produced floppy disk drive (FDD) in 1974 is alive and well at Y-E Data today.

About Wisair

Wisair is a leading provider of WiMedia ultra-wideband (UWB) chipset solutions for consumer electronics, PC peripherals, and mobile devices. Leveraging the management teams' decades of wireless communications product development expertise, Wisair is the first company to deliver fully-functional WiMedia-based UWB chipsets and small form-factor reference designs. Today, the fabless semiconductor company continues to focus on delivering low-cost, low-power, and high bit-rate wireless connectivity solutions.

Hit in Japan - Pomelits from Israel –Season has begun

Some half-million crates of Israeli pomelit fruits were exported to Japan, where they are rapidly becoming a major hit. And not only in Japan...

Two shiploads of the Israeli fruit left for Japan, after having undergone a careful check by Agriculture Ministry supervisors. Though a ripe pomelit is generally yellow, it is shipped to Japan while still green, the color symbolizing health and flowering in Japanese culture.

The pomelo is a citrus fruit, somewhat larger than a grapefruit but with a similar flavor and a thicker rind. The pomelit is a hybrid of the two fruits. The Agriculture Ministry notes that pomelit juice has special qualities enabling the reduction of blood pressure and cholesterol levels, as proven by studies in Kaplan Hospital in Rehovot and the Hebrew University of Jerusalem.

Research conducted by a Hebrew University scientist shows that those who regularly eat, or drink the juice of, the unique Israeli citrus are able to **lower their blood cholesterol** and **increase their antioxidant** activity. **Pomelit juice** is also known as **Jaffa Sweetie juice** in Israel.

Another 500,000 crates of the fruit are soon to be on their way to European markets. The citrus export season in Israel begins in September, and so far some 25,000 of the anticipated 160,000 tons - up 15% from last year - have been exported. Some 36,000 tons of citrus fruits are to be sent to eastern Europe, also a large increase over previous years.

Aryeh Shreiber, Chairman of the Citrus Fruit Growers Association, says that the citrus fruit sector has flourished once again over the past years. Citrus fruits are grown in 200,000 dunams (50,000 acres) worth of orchards around the country, and thousands of families work in farming, packing and related industries.

Renesas and Yitran signed a ground-breaking agreement to develop and implement an open PLC (powerline communication) specification for automatic meter management in Spain

Endesa, Spain's largest utility and one of Europe's five leading electricity companies, **Renesas Technology** the worldwide leading supplier of semiconductor solutions to the metering industry, and **Yitran** a leading PLC fabless semiconductor company and the inventor of the IT800 DCSK based powerline modulation technique, have signed an agreement on 27th July 2006 to jointly develop an open specification for Automatic Meter Management (AMM).

Endesa's AMM Project

Endesa, with the participation of various internal units and the collaboration of many national and international leading meter manufacturers, has defined an innovative AMM system, which will allow for remote reading and operation of its domestic meters. This system will improve the service offered to the clients by the company (multi-tariffs, control of demanded power, connect and disconnect of power supply, etc.) using the low-voltage power distribution lines as physical support for communications.

The volume of the meter grid reaches almost 11 million meters in Spain alone. With the implementation of an AMM system, Endesa targets a further improvement of the service quality offered to its customers in a progressive and secure manner. The quality and



efficiency will be guaranteed by an open specification that allows the participation of several suppliers with fully interoperable equipment.

After analyzing existing PLC technologies and a rigorous evaluation process, Endesa has selected the most advanced and suitable solution in order to cover its customers' needs, leading to the agreement signed with Renesas and Yitran. The technology provided by these two companies, adapted to Endesa's requirements, will mean a significant innovation in the metering field using narrowband PLC technology.

Whilst Endesa will provide its suppliers with an open specification and the freedom to implement it in any way they choose, they will have the added security of knowing that a cost effective and complete implementation will already be available based on Renesas' M16C PLC platform and Yitran's IT800 device.

The specification puts Endesa's metering concept into practice via a jointly developed networking layer based on a combination of Endesa's meter management know-how and Renesas' experience in the implementation of its widely acclaimed RUN-MTM meter networking software. The physical layer is based on Yitran's IT800 using DCSK modulation technique that has been especially designed to cope with the characteristic distortion phenomena of distribution powerlines.

Renesas' M16C Family and PLC / AMR Solutions

Renesas originally selected Yitran's DCSK technology due to its robust communications capability and signed a license agreement with Yitran in 2002 to incorporate Yitran's DCSK technology into its M16C family of microcontrollers to provide single chip PLC solutions. The M16C was already a microcontroller family of choice for many of the world's leading meter manufacturers and continues to be adopted by them for single and three phase electricity meter applications to this day. Furthermore Renesas developed its high performance RUN-MTM networking implementation to run on the single chip M16C PLC microcontrollers and this has since been proven in the field in several real life implementations.





Yitran's IT800 DCSK Technology

Yitran's IT800 DCSK based technology is widely used around the world for metering as well as for smart home and white goods appliances. The technology was chosen as a standard by the Echonet forum in Japan, as well as ITRI in Taiwan and by the LNCP forum in Korea. IT800 DCSK has also been selected as the HomePlug base line technology for the coming Command and Control standard HPCC.

About Endesa

ENDESA is the leading utility in Spain and the number one private-sector multinational electricity utility in Latin America; it is one of the five largest electric utilities in Europe; it is also a major operator in the Iberian natural gas market; its business in the renewable energies field is well consolidated. It operates in the electricity markets of 14 countries spanning three continents. Its shares are listed on the Spanish Stock Exchanges, the New York Stock Exchange in the form of American Depositary Receipts (ADRs) and on the Santiago de Chile Offshore Exchange. At 31 December 2005 its total assets were Euro 55,365 million. In 2005, the company reported net income of Euro 3,182 million, EBITDA of Euro 6,020 million, EBIT of Euro 4,244 million and total revenues of Euro 17,508 million. At the end of 2005, ENDESA's workforce totaled 27,204, with 12,709 staff employed in its business in Spain and Portugal and 14,495 in other countries and business areas.

About Renesas Technology Corp

Renesas Technology Corp. is one of the world's leading semiconductor system solutions providers for mobile, automotive and PC/AV (Audio Visual) markets and the world's No.1 supplier of microcontrollers. It is also a leading provider of LCD Driver ICs, Smart Card microcontrollers, RF-ICs, High Power Amplifiers, Mixed Signal ICs, System-on-Chip (SoC), System-in-Package (SiP) and more. Established in 2003 as a joint venture between Hitachi, Ltd. (TSE:6501, NYSE:HIT) and Mitsubishi Electric Corporation (TSE:6503), Renesas Technology achieved consolidated revenue of 906 billion JPY in FY2005 (end of March 2006). Renesas Technology is based in Tokyo, Japan and has a global network of manufacturing, design and sales operations in around 20 countries with about 26,200 employees worldwide.



About Yitran

A fabless semiconductor company, Yitran Communications Ltd. designs, develops, and markets high performance, low cost PLC (Power Line Communication) modem chips and systems. Yitran's products provide robust and reliable communication over the existing electrical wiring and power grids. The technology enables a variety of 'No New Wires' applications, such as Home Automation, Command & Control, AMR (Automatic Meter Reading) and Internet distribution over power lines (in hotels and MDU/MTU markets). Yitran's customer and partner lists include leading companies, such as Renesas, Matsushita Electric Works, Hitachi, KEPCO, Kinden, LG and Microsoft.



November

Tokyo Hosts Israel-Japan Diamond Trade Seminar

Israel's economic mission to Japan held a one-day seminar in Tokyo on Israel's diamond industry and opportunities for trade between the two countries. The seminar was held on November 28 in conjunction with the Tokyo Diamond Exchange (TDE.), which is comprised of 50 diamond companies. The seminar was initiated by Israel economic attaché in Tokyo, Amiran Halevy, and intended to further strengthen Japan as a major destination market for Israel's polished diamonds.

Halevy and Israel Diamond Exchange (IDE) board member and honorary secretary, Ilan Samuel, as well as representatives attended the event from Schachter-Namdar, A. Schwartz, Brinks, Malca Amit and other Israel-headquartered companies with offices in Tokyo.

The primary messages were centered upon assuring all parties that Israel's diamond industry offers a safe and lucrative business environment, and towards promoting existing and new business relationships between Israeli diamantaires and buyers in Tokyo.

According to Halevy, diamond exports from Israel to Japan during the first half of 2006 comprised 20 percent of Israel's total exports to Japan. However, in recent years there has been a decline in the percentage of Israel's diamond exports vis-à-vis Israel's total exports to Japan.

According to the Israeli Economic Consul to Japan Amiram Halevi, polished diamond exports to Japan, \$1.2 billion annually, have remained constant in the past five years at a time when exports from Israel to Japan have grown dramatically.

In 2000, diamond exports represented 20 percent of total exports from Israel to Japan, falling to just 2 percent last year.



At the conclusion of the seminar, buyers from Tokyo expressed interest in Israel's diamond industry and agreed to visit in June 2007. This will be followed by a visit from an Israeli delegation to Japan in September 2007.

[Japan's equipment companies recruit for Intel's Fab 28 in Israel](#)

Several Japanese semiconductor manufacturing equipment companies are already supplying services for Intel's 300-mm Fab 28 wafer fab in Kiryat Gat, Israel and its construction is expected to create 500 jobs in Israel for those companies.

The 500-job estimate comes from Eran Harel, managing director of the Harel Hertz Investment House, who specializes in promoting business between Japan and Israel. "Two thirds of the new workers are expected to be from Israel and the rest will come from all over the world," he said.

The companies include Tokyo Electron, Hitachi High Tech Instruments, Hitachi Kokusai Electric, Nikon, DNP, Daifuku and Shinko.

The Japanese companies are set to provide Intel with various products and services, including the sale, installation and maintenance of equipment for clean rooms, steppers and other wet and dry processing equipment. Tokyo Electron, the world's second largest vendor of semiconductor manufacturing equipment, has already been active field service engineers to joins its team based at Kiryat Gat.

Apparently successful applicants will be part of a team covering all aspects of field service in support of a "strategic customer" that we take to be the world's largest chipmaker, Intel Corp.

The main field work for the Japanese companies in Kiryat Gat is due to begin in March 2007. Currently, teams from Japanese capital equipment companies are being trained in Fab 32, which Intel is building in Chandler, Arizona. The Kiryat Gat fab is slated to be an exact copy of the 300-mm Arizona fab.





Fab 28 in Kiryat Gat involves an investment of over \$3.5 billion by Intel, in addition to a grant of \$525 million from the government of Israel. It will work at the 45-nanometer manufacturing node on 300-mm diameter wafers. Production is expected to start in the first half of 2008.

Intel has had operations in Israel since 1974 and currently has five development centers and two wafer fabs. Intel started building a 300-mm wafer fabrication facility at its site in Kiryat Gat late in 2005. The factory, designated Fab 28, is set to cost \$3.5 billion and to produce processors in the second half of 2008 on 45-nanometer process technology.

Semiconductor and capital equipment companies from Japan have recently begun increasing their cooperation with Israel, according to Harel.

Japanese MVNO offers XP users a tiny, Linux-based firewall

Linux security device vendor Arxceo says its tiny Linux security appliance was used by Japanese MVNO JCI ("mobile virtual network operator") as the basis for the "Personal IPS" (intrusion prevention system), which aims to protect Windows XP laptops connected via WiFi, Ethernet, or JCI's PHS network.

JCI acquired Arxceo in February, in a deal valued at up to \$15M. The Personal IPS is the first joint product release for the two companies.

The Personal IPS will be marketed as part of JCI's B-Mobil service offering. B-Mobile services include Internet access via JCI's virtual PHS (personal handyphone system) network, as well as through a WiFi network of over 850 hotspots. The IPS can protect Windows XP systems regardless of which network connection type they are using, Arxceo says.

Rather than scanning traffic for known virus signatures, the Personal IPS uses patented



algorithms aimed at spotting "zero-day attacks" -- security lingo for viruses released into the wild before or concurrent with their discovery.

Arxceo CEO Don Davidson stated, "Our unique anti-reconnaissance design and extremely efficient traffic analysis offers the best anomaly-based security option for networks, wireless access points, and now our first end-point PC-based implementation."

Israel-based Yoggie Security Systems recently unveiled a similar Linux firewall for Windows XP PCs,

Venture-funded Israeli startup Yoggie Security Systems is readying a tiny, Linux-based remote access device designed to protect Windows XP laptops. The credit-card-sized Yoggie Personal Security Gatekeeper has two Ethernet ports, and runs sophisticated firewall, VPN, and monitoring software on a hardened Linux kernel, the company says. According to Yoggie, the Gatekeeper will allow itinerant workers to securely access corporate resources from insecure networks, such as wireless hotspots found in airports and hotel rooms. The small device can support up to five simultaneous users, when placed behind a hub or switch.

Giza, JAIC- Japanese fund collaborate on local investments

Giza venture capital announced on November 14th, that it had signed a cooperation agreement with Japan Asia Investment Co. (JAIC). Under the unique agreement, JAIC will be Giza's partner in Japan for joint investments in portfolio companies. JAIC will also direct Giza portfolio companies to other investors, customers, and potential partners in Japan.

Giza and JAIC will also set up a joint fund that will expose Israeli companies to strategic partners and strategic investors in Japan's semiconductor, telecommunications, and IT industries. The joint fund will be a platform for Japanese entities interested in exposure to





the Israeli technology market, but which lack a presence in Israel or teams specializing in investment in Israeli companies.

Red Bend software to be installed in 2 new Sharp cellphones

Red Bend develops firmware over-the-air (FOTA) updating solutions for mobile phones.

Israeli start-up Red Band Software is expanding its with **Sharp Corp.** Red Bend said Sharp would include its vCurrent Mobile technology for remote upgrading of cellphones in the company's two new 3G models: **SoftBank 810SH and SoftBank 811SH.**

The two companies began collaborating in March, and Sharp already uses Red Bend's technology in several wireless devices.

Red Bend, founded by CTO Sharon Peleg in 1999, develops mobile software management and firmware over-the-air (FOTA) updating solutions for mobile phones. The technology enables wireless communications operators to easily provide customers with services and features. Users can update the software remotely with a phone call, without having to go to a service center.

Olympus Medical Seeks OK To Market Capsule Endoscope

TOKYO (Nikkei)--Olympus Corp. subsidiary Olympus Medical Systems Corp. has applied to the Health Ministry for permission to manufacture and market its capsule endoscope, which is swallowed like a pill and transmits images of the inside of the gastrointestinal tract as it moves through the body.

Since the approval process in Japan for medical instrumentation typically takes one to two years, Olympus Medical hopes to receive permission and begin domestic marketing of the product as early as 2008.



In addition to being less discomforting to the patient, the capsule endoscope can provide detailed images of the inside of the small intestine, an area of the body difficult to access with a normal endoscope.



Olympus began clinical trials on its capsule endoscope in Japan, the U.S. and Europe in 2004. The company began marketing the device in Europe in October 2005, and it applied for approval in the U.S. at the end of last month.

The Israeli company Given Imaging Ltd., the leader in the field of capsule endoscopy, applied for permission to market its PillCam in Japan in 2004. However, that capsule endoscope is still under review.

(The Nihon Keizai Shimbun Thursday morning edition)

Israeli Court Convicts Seaman For Japanese Fishermen's Deaths

JERUSALEM (Kyodo)--A court in Haifa, Israel, sentenced a crew member of an Israeli ship Sunday to two and a half years in prison, suspended for three years, for causing through negligence the deaths of seven Japanese fishermen in a collision in September last year.

Pilastro Zdravko, 40, the Montenegrin second officer of the Israeli container ship Jim Asia that collided with the Japanese fishing boat Shinsei Maru No. 3 off Japan, was also ordered to do community service for six months at a hospital, and fined 18,000 shekels (\$4,200 or 500,000 yen).

Zdravko had initially denied the charges but made a plea bargain with the prosecutors on lightening the punishment in exchange for admitting the charges.

The ruling is expected to be final as neither the defendant nor the prosecutors plan to appeal, according to court sources.



Zdravko was in charge of navigation on the ship in place of the skipper, who was asleep when the collision occurred in the early hours of Sept. 28, 2005, off Nemuro in Hokkaido, northern Japan, according to the indictment.

He was charged with failing to appropriately navigate the ship, resulting in the collision with the Japanese boat and the deaths of seven of the eight people aboard.

The Israeli police arrested the skipper as well as Zdravko and another crew member in October last year but the prosecutors indicted only Zdravko.

The Japanese authorities have no legal jurisdiction over the case as the incident took place on the high seas.

Casio Selects Camtek's Falcon for Inspecting WLP Bumped Wafers

Camtek Ltd. reported that Casio Computer Co. Ltd., a major Japanese manufacturer of electronic products, has qualified Camtek's Falcon Bumped Wafer Metrology system for monitoring the bumping process in Casio's unique wafer-level Chip-Scale Packaging (WLP) technology. Casio is using several Falcon systems for this particular semiconductor packaging process.

Mr. Takeshi Wakabayashi, General Manager of the Advanced Packaging Technology Department at Casio Computer, commented, "The key to Casio's WLP technology is protecting the surface and copper redistribution layer by post-sealing with epoxy resin. The contrast and variations in reflectivity between these materials create difficulties for ordinary optical inspection systems. Camtek's Falcon has proven its ability to successfully handle this technology, and is providing us with the consistent measurements we expect."

"The market for bumped wafer metrology is very demanding," said Avishai Shklar, General Manager of Camtek Japan. "Qualification by a technology leader like Casio demonstrates the Falcon's abilities in inspecting and measuring 3-dimensional structures even in challenging applications, and further accounts for its fast-growing acceptance in this important market."





Wafer-level chip-scale packaging is a technology that performs all the packaging steps on the wafer itself, practically turning the silicon chip itself into the finished package, ready for attachment to the system board. This technology results in the smallest possible package and is particularly suitable for mobile devices such as portable phones and wrist cameras.

About Casio Computer Co. Ltd.

Casio Computer Co., Ltd. is one of the world's leading manufacturers of consumer electronics products and business equipment solutions. Since its establishment in 1957, Casio has strived to realize its corporate creed of "creativity and contribution" through the introduction of innovative and imaginative products. Today, Casio's offerings include timepieces, digital cameras, cellular phones, electronic dictionaries, calculators, musical instruments, system equipment, and electronic components such as LCDs. The Casio Group employs more than 10,000 people worldwide, shipping over 100 million products per year, with net sales of 580 billion yen (approx US\$4,959 million) in the fiscal year ended March 2006.

News and product information from CASIO is available at <http://world.casio.com/>

About Camtek Ltd.

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.





Forval Selects Jungo's OpenSMB Software Platform for its New ElipSwitch(TM) Business Gateway

Forval's New Elipswitch(TM) All-In-One Smart Wireless SOHO Networking Solution Powered by Jungo's OpenSMB Software Delivers a New Class of Multi Service Gateways for Small and Medium Businesses

Forval International, a subsidiary of **Forval Corporation** (JASDAQ: 8275) and a leading provider of IT services for SMBs, and Jungo Ltd., the leading provider of broadband gateway middleware today announced on November 7th. that Forval's new ElipSwitch(TM) All-in-one Business gateway will be powered by Jungo's OpenSMB software platform.

The ElipSwitch(TM) is a complete All-In-One solution, which enables the small to mid-size businesses users to easily set-up the device in a secure networked or wireless environment and start working immediately. The ElipSwitch provides SMB or SOHO customers with all the networking services they require, while dramatically lowering their IT costs by reducing or eliminating the need for on-site IT personnel.

The ElipSwitch(TM) gateway provides a full set of features and services, including a file server that lets employees to share files in a central location, a print server for easy sharing of central printers; built-in VPN capabilities for remote secure connection when employees are away from the office; and, a built-in Firewall for security from outside attacks. The ElipSwitch(TM) also provides user defined quality of service (QoS) capability to ensure timely delivery of critical data.

Jungo has provided Forval with its latest OpenSMB version which is comprised of the software foundation for small business gateways, and includes an application framework for the coordination and delivery of advanced IP-based services such as remotely managed services, remote backup capability, as well as provide a framework for delivering additional services such as anti-virus and anti-spam in the future. Delivering such services helps service providers and the Value Added Resellers (VARs) to generate



new revenue sources, increase average revenue per user (ARPU), create additional differentiation and significantly reduce customer churn.

"Forval's introduction of the ElipSwitch(TM) effectively delivers a wide range of valuable features and services that ideally serve the needs of SOHO market," said Ofer Vilenski, founder and CEO, Jungo. "We value Forval's partnership in deploying our fully featured OpenSMB software platform which effectively leverages the strength of the Forval platform."

"Jungo's OpenSMB software platform was the only solution that enabled the deployment of all the features required by Forval," said David Fortini, chief operating officer, Forval International. "We also relied on Jungo's solid architecture that will allow for efficient product modifications and enhancements in the future without the need for Hardware modifications."

About Jungo

Jungo develops the market leading broadband services software platform, which enables operators to have the simplest development, integration, deployment and support of broadband Customer Premises Equipment (CPE) in the market. Jungo is private company with offices around the globe.

Meanwhile Jungo was taken over by NDS for \$100 Millions on a deal declared on November 30th.

About Forval

Forval Corporation is a publicly traded company founded in 1980, headquartered in Tokyo. Specializing in telephony and IT services, Forval has over 150,000 customers with sales approaching half a billion dollars. Forval International is a Newport Beach, California, based partnership between Forval Corporation and Acorn Technology, a US-based firm also specializing in professional IT consulting services. Together, they have launched ElipServices as a managed service within the United States to expand Forval Corporation's global footprint.



DECEMBER

Jordan, Israel, PA launch study to rescue Dead Sea

SHUNEH, Jordan: Jordan, Israel and the Palestinian Authority yesterday launched a feasibility study to help save the rapidly vanishing Dead Sea, a joint statement said.

France, the Netherlands, Japan and the US will finance the two-year study estimated to cost around \$15mn. It will be managed by the World Bank, the statement said.

The study will examine the feasibility of building a canal to channel water from the Red Sea to the Dead Sea, where the level has been falling by about a meter each year, it said.

The agreement was reached between Jordan's Water Minister Zafer al-Aalem, Israeli Infrastructure Minister Benjamin Ben Eliezer and Mohamed Mustafa, the economic adviser to Palestinian President Mahmoud Abbas.

Also present at the meeting on the Jordanian shores of the Dead Sea were representatives of the World Bank, Europe, Japan and North America.

"The meeting, hosted by the Jordanian government, launched a feasibility study and environment and social assessment for the Red Sea-Dead Sea water conveyance study," the study said.

"The three beneficiary parties have requested the World Bank to co-ordinate donor support and to manage the study," it added.

The meeting capped more than three years of talks between Jordanian, Israeli and Palestinian experts to prepare and finalise the study's terms of reference.

"The significance of this joint study is not merely its importance in restoring the well-being of the Dead Sea and the producing of fresh water," Alaam said.

The Palestinian representative said "immediate attention to the current crisis of the Dead Sea is urgent and important".



NEC Ships First Mobile Phone With Red Bend's Market-Leading vCurrent(R) Mobile Software

Red Bend Software Japan KK (Red Bend; located in Chiyoda Ward, Tokyo; President: Kazuhiro Abe), the market leader in mobile software management and firmware over-the-air (FOTA) updating solutions for mobile phones, today announced that it has licensed its vCurrent Mobile client software in the Softbank 705N mobile phone from NEC

Corporation. This is the first NEC phone to come to market with Red Bend's vCurrent Mobile software. Red Bend announced its customer agreement with NEC in July 2006.

As the introduction of number portability frees consumers to shop around for the best mobile phones, services and prices, handset manufacturers and mobile operators are vying to retain customers and build brand loyalty by improving consumers' satisfaction and experience with their phones. FOTA technology, which delivers software improvements to the phone's firmware over the wireless network, has become an essential component of customer service for manufacturers and operators. FOTA provides a convenient and friendly software update mechanism for consumers while speeding time to market for handset introduction. Because of its benefits to the mobile value chain, FOTA has become an important and valuable feature on mobile phones, and is projected to be embedded in 50 percent of all mobile devices by 2008, according to a recently published free research paper from U.K.-based analyst firm ARCchart

"We're proud to work with NEC, one of the most innovative manufacturers worldwide, to enable efficient and reliable mobile software updates for their millions of consumers by installing Red Bend's FOTA software in their industry-leading 3G handset models," said Kazuhiro Abe, President of Red Bend Software Japan KK.

This year, the world's leading mobile phone manufacturers such as LG Electronics, BenQ Mobile, Sony Ericsson, Sharp, NEC, and other major mobile telephone manufacturers are accelerating their adoption of Red Bend's FOTA solutions. Red Bend's vCurrent Mobile client software is now embedded in more than 40 mobile phone models used by more than 45 million consumers around the world. As the market leader in FOTA and mobile



software management, Red Bend is pioneering the delivery of new software features and services using over-the-air technology.

"The eagerness with which the giants of the mobile phone industry are adopting vCurrent Mobile testifies to the unrivaled quality and performance of Red Bend's mobile software management solutions, and our growing leadership in the Japan and Asia Pacific markets," added Abe. "Red Bend is enhancing its local operations and services with an eye on even greater expansion of usage in Japan and the region."

The SoftBank 705N is a stylish new model with a simple, thin-profile (16mm) design that fits comfortably in the palm of the hand. The 705N includes a 2-megapixel mobile camera and is rich with features that consumers can customize according to taste or mood, such as wallpapers and menu icons. The new SoftBank 705N is available now to consumers.

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 45 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.





SANYO Adopts MaxxVoice(TM) to Improve Handsfree Performance in Mobile Phones

Waves' New Voice Communications Technology Improves Loudness, Clarity and Richness From Small Handsfree Speakers

WAVES AUDIO LTD., a leading provider of audio signal processing technologies, announced that **SANYO Electric Co., Ltd.** is its first customer for its new MaxxVoice® technology in their new mobile phone products. MaxxVoice overcomes the limited ability of small handsfree speakers to accommodate the natural variations in speech levels by utilizing patented psychoacoustic technologies. It dramatically improves the intelligibility and quality of the human voice over small speakers used in today's mobile phones by stabilizing and maximizing natural speech signal levels. SANYO's initial product with the MaxxVoice, SCP-M1 is now available.

"Waves's MaxxVoice technology enabled SANYO to both shrink the size of the handfree speaker and the overall phone from the previous generation phone," said Masayuki Hasegawa, engineering manager, Telecom Company of SANYO Electric Co., Ltd. MaxxVoice utilizes psychoacoustics to compensate for acoustic limitations. It allowed SANYO to increase maximum volume levels, improve intelligibility in noisy environments, deepen frequency response and reduce distortion."

"The handsfree performance of wireless phones is increasingly important to North American customers, who use the handsfree feature while driving," said Masayuki Hasegawa. "Improving the loudness and clarity of the speakerphone can be an important safety benefit to these users, allowing them to focus more on their driving."

"MaxxVoice makes wireless phones with small speakers sound larger and clearer," said Paul Bundschuh, vice president sales & marketing, Waves Semiconductor and OEM Licensing Division. "Shrinking the size of the phone and its handsfree speaker normally lowers the acoustic quality, but Waves MaxxVoice technologies enabled SANYO to improve both simultaneously. Waves believes that MaxxVoice may become a standard feature in future wireless handsets with handsfree capabilities."

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 **SANYO, Sony Samsung, JVC, NEC, Clarion, Altec Lansing**, and others are rapidly adopting Maxx solutions.

MaxxVoice combines Waves patented MaxxBass® psycho-acoustic bass extension with its new MaxxVolume(TM) technology. MaxxVolume is dynamic compensation technology, which delivers louder, clearer audio output without clipping. These algorithms are built on Waves' worldwide leadership in providing audio signal processing technologies to professionals in recording, mixing and mastering for almost 15 years.

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

Asgent Inc. (Japan) and Decima Ventures invest 1.5M US\$ in PineApp

PineApp has recruited 1.5 million US\$ from Decima Ventures and **Asgent Japan**, a distributor of network security solutions.

According to Mr. Hezi Erez, PineApp's CEO, half of this current investment will be used to finance the development of the next generation of security products. The second half will be used for PineApp's marketing activities worldwide. Mr. Erez added that an additional investment of one million US dollars is soon to arrive from a third strategic investor.

Asgent (Japan) is a distributor of pioneering Network Security solutions for enterprise and medium sized organizations. Besides the investment, Asgent will distribute PineApp's



products in Japan. It is estimated that this agreement will yield PineApp 4 million US\$ worth of transactions in the next three years.

S-LCD Orders Orbotech AOI Systems for Gen 8 LCD TV Panel Production

ORBOTECH LTD. announced the receipt of a major order from S-LCD Corporation - a joint venture formed by **Sony Corporation and Samsung Electronics Co., Ltd.** - for the purchase of multiple InVision(TM)-8080 and SuperVision(TM)-880 automated optical inspection (AOI) systems to be utilized in S-LCD's Gen 8 LCD panel fabrication facility for televisions in Tangeong, the largest TFT-LCD production complex in Korea.

"We are deeply honored to have been selected by S-LCD as the supplier of choice of yield management solutions for this most sophisticated fabrication plant", said **Mr.**

Nobuhiro Higashiiriki, President of Orbotech's Display Asia Pacific Division. "As the industry moves to mainstream production of Gen 8 panels, we are very well positioned at the technological forefront to enable the successful mass production of even the most advanced product designs, including up-to-the-minute large-size LCD-TVs."

About Orbotech Ltd.

Orbotech is a world leader in providing yield-enhancing, production support solutions for specialized applications in the supply chain of the electronics industry, principally for printed circuit boards (PCBs) and flat panel displays (FPDs). The Company designs, develops, manufactures, markets and services automated optical inspection (AOI) systems for bare and assembled PCBs and for FPDs, and imaging solutions for PCB production. The Company's innovative AOI, imaging and computer-aided manufacturing (CAM) technologies enable customers to achieve the increased yields and throughput essential to remaining at the forefront of electronics production. Through its subsidiary, Orbograph Ltd., the Company also develops and markets automatic check reading software to banks and other financial institutions. Of Orbotech's employees, more than



one quarter are scientists and engineers, who integrate their multi-disciplinary knowledge, talents and skills to develop and provide sophisticated solutions and technologies designed to meet customers' long-term needs. Orbotech maintains its headquarters and its primary research, development and manufacturing facilities in Israel, and more than 35 offices worldwide. The Company's extensive network of marketing, sales and customer support teams throughout North America, Europe, the Pacific Rim, China and Japan deliver its knowledge and expertise directly to customers the world over.

HP Japan To Increase Sales At Its Commercial Digital Printer Ops

TOKYO (Nikkei)--**Hewlett-Packard Japan Ltd.** plans to boost sales of commercial digital printers, which are used to print catalogues, posters and the like.

The company's **Indigo** sales division, which it founded last year to promote its Indigo series of printers, has already begun full-scale marketing efforts.

In the year through October 2007, the company aims to ship at least 30 printers, about 10 more than in the previous fiscal year, and to sell at least 40 in the year through October 2008.

In contrast to offset printers, which use plates, the digital printers make it possible to print products on an as-needed basis.

Parent company Hewlett-Packard Co. of the U.S. launched the operations in 2001, **purchasing the Israeli company that developed the Indigo printers.** The newest model, the HP Indigo Press 5000, can print 4,000 A4 pages in color per hour. The printer uses a liquid toner with a fine grain diameter of 1 micron, allowing for high-quality printing. Hewlett-Packard Japan currently employs 30 people in its Indigo division, including sales personnel and engineers. This number will be gradually increased.

Japan's market for such commercial digital printers, including consumables such as toner, is valued at less than 5 billion yen. But demand is growing, particularly among



advertisers, and Hewlett-Packard Japan aims to expand operations by improving its sales system.

(The Nikkei Business Daily Friday edition)

Alvarion Building Island-Wide Municipal Broadband Wireless Network in Hokkaido, Japan with Hokkaido Seiko Time Systems

After Successful Deployment In the Town of Koshimizu, Additional Municipalities Now Ordering BreezeACCESS® VL in 4.9GHz

Alvarion Ltd. the world's leading provider of wireless broadband solutions and specialized mobile networks, today announced additional orders to extend the BreezeACCESS VL network, following a successful initial deployment in the town of **Koshimizu**, located on Hokkaido Island, Japan. **Hokkaido Seiko Time Systems (HSTS)**, Alvarion's local partner and the system integrator, is responsible for extending the network to additional municipalities throughout the island

"We are pleased to be part of bringing the broadband revolution to northern Japan," said **Mr. Yasumasa Ito, President of Hokkaido STS**. "We began deployment in Koshimizu with a 2.4GHz wireless network, but we soon realized that the band had too many limitations preventing access to many of the city's residents, including line-of-sight, coverage, and slow speeds. Alvarion's BreezeACCESS VL solved these challenges for us, due to its advanced OFDM technology for non line-of-sight operation (NLOS) and its use of the less congested 4.9GHz band where the channels are larger. Since this deployment, several other major cities in Hokkaido have contacted us to understand how they could take advantage of the system, and we are now following through on deployments and plans with each of them. We look forward to continued successful network launches with Alvarion," Mr. Ito-san added.

Within the next three years, Hokkaido Seiko Time Systems plans to deploy thousands more Alvarion CPEs throughout Hokkaido Island and expand its installation in and around



the city of Koshimizu to supply residences with broadband data services as well as provide connectivity among the municipality's offices, libraries, schools, and in and around the train station.

BreezeACCESS VL's enhanced features such as OFDM non-line-of-sight (NLOS), extended reach of more than 20 kilometers (12.5 miles), high capacity, encryption, and quality of service (QoS) mechanisms enable carriers, mobile operators, ISPs, enterprises and others to provide WiMAX services today. With its advanced features such as 10MHz channel spacing and automatic clear channel selection (ACCS) and its built-in spectrum analyzer to monitor the noise on each channel, BreezeACCESS VL enables greater flexibility in frequency planning.

"This network represents the further strengthening of Alvarion's presence in Asia Pacific," commented Tzvika Friedman, CEO of Alvarion. "BreezeACCESS VL's high capacity and NLOS capabilities, combined with its compliance with strict Japanese regulations, make it the optimal solution to enable Japanese municipalities to have their own broadband networks while providing operators with an excellent business model."

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About Hokkaido STS

Based on Hokkaido area, Hokkaido STS is a successful company that primarily provides measurement systems for businesses. Currently, the company's market share is approximately 70% of the Hokkaido market. Beginning this year, Hokkaido STS also works as an Alvarion system partner by providing broadband wireless access systems to municipalities and residences together with a local carrier/ISP company. Together with its partners in broadband wireless, Hokkaido STS is working to close the digital divide in rural areas of Japan. For more information, Hokkaido STS KK Sapporo city, Chuou-ku, Kita 1jou, Nishi 9 chome, 3,

About Alvarion

With more than 2 million units deployed in 130 countries, Alvarion is the worldwide leader in wireless broadband, providing systems to carriers, ISPs and private network operators,





and also in extending coverage of GSM and CDMA mobile networks to developing countries and other hard to serve areas.

Leading the WiMAX revolution, Alvarion has 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 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. Alvarion works with several global OEM providers and more than 200 local partners to support its diverse global customer base in solving their last-mile challenges.

As a wireless broadband pioneer, Alvarion has been driving and delivering innovations for more than 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 mobile WiMAX solutions.

[Extricom expands wireless LAN switch offering for Japan](#)

Extricom, a designer and manufacturer of high-performance, next-generation wireless LAN infrastructure solutions for the enterprise, announced the launch of the Extricom EXSW-2400 Wireless LAN Switch in Japan.

The EXSW-2400 networks twenty-four high-bandwidth, **Extricom UltraThin(TM) Access Points** to create large wireless service zones that are ideal for covering wide areas such as multiple hospital floors, warehouses, and entire schools.

"We have been anticipating the arrival of this 24-port switch," commented Munekazu





Inoue, IT manager of **Kyorin University**.

"This switch will be a good complement to the existing 8-port switches which, for over a year now, we used to deploy and operate Extricom's unique WLAN"

Extricom's award-winning Interference-Free(TM) WLAN system represents the next generation of enterprise Wi-Fi, with a fundamental shift in architecture from "cell-planning" to a "channel blanket" topology.

The technology eliminates the co-channel interference that plagues traditional WLAN systems, to deliver seamless and zero-latency mobility, robust, 'wire-like' client connections, and the ability to design for a guaranteed and predictable level of service for all users.

All this, without the iterative and costly RF cell- planning of traditional solutions.

The result is a high-performance yet simple solution for powering the enterprise triple play of data, voice (VoWLAN), and video.

"Initial Japanese deployments have been well-served by our existing line- up of wireless LAN switches," said Dan Kirtchuk, executive vice president of sales and marketing for Extricom.

"But WLAN projects are getting larger and more demanding in terms of coverage and mobility.

Consequently, we are seeing accelerating demand, from both customers and partners, for the 24-port version of our WLAN switch."

The EXSW-2400 WLAN Switch supports all of Extricom's market-first capabilities, including guaranteed voice and data grade of service from separate and overlapping channel blankets operating in the same band, and TrueReuse, the patented technology that enables dynamic frequency re-use within the channel blanket, for an effective tripling of the aggregate bandwidth of each standard Wi-Fi channel.

About Extricom:

Extricom designs and manufactures enterprise Wireless LAN infrastructure solutions for converged data, voice (VoWLAN), and video.





The Extricom Interference-Free(TM) architecture enables dramatically easier WLAN deployment and lower total cost of ownership, while achieving a generational leap in capacity, coverage, seamless mobility and security performance.

The result is a large-scale WLAN infrastructure delivering enterprise-wide triple play services, with the dependability of a wired network.

Extricom is privately held, with strategic investors that include Motorola.

