

February 27, 2009

J-STAR Co., Ltd.
Gregory Hara
President & Representative Director

Regarding the establishment of TSS K.K.
and transfer of business from Shinwa Frontec K.K. and Sanko Denki K.K.

This is to announce that through our wholly managed and operated J-STAR Number One Investment Limited Partnership, we have established TSS K.K. In addition, that on February 10, 2009 Shinwa Frontec K.K. (Kawasaki City, Kanagawa-ken, CEO Kazuo Fujita, “Shinwa”) and its subsidiary Sanko Denki K.K. (Sagamihara City, Kanagawa-ken, CEO Kazuo Fujita, “Sanko”) successfully transferred a portion of their business to TSS K.K.

Established in 1984, Shinwa began with the sale and manufacture of diagrams for electric circuit boards. In cooperation with neighboring companies, it later started selling and manufacturing specialty circuit boards itself. Sanko began in 1960 producing electric circuit boards on short lead times and in small lots for prototyping. In 2007, Shinwa arranged to expand its business. After qualifying for financial support and subsidies from Kanagawa prefecture and Sagamihara City, Shinwa acquired a new factory located in Sagamihara City and planned for relocation. However, a sudden and dramatic change in the economic environment combined with a failure to raise adequate funds resulted in its entering into business restructuring through the Tokyo District Court in September of last year.

Having taken over Shinwa’s development and large-scale manufacturing capacity and Sanko’s prototyping capability, TSS now combines the two as a new company. Shinwa has been involved in manufacturing a variety of specialty electric circuit boards. This includes those for high-demand applications such as hybrid and electric cars, industrial machinery and lighting. With the technology to deliver these specialized products, it is thus fully prepared to accommodate society’s changing needs for such parts. In addition, by expanding its longstanding small-lot manufacturing structure to meet more medium size orders, Sanko can better meet the needs of its customers as well.

TSS's newly appointed CEO is Teruo Konishi, who himself has experience establishing an electric circuit design business. He currently holds the position of Vice-Chairman of the Japan Electronics Packaging and Circuits Association. However, realizing the future possibilities for the businesses of Shinwa and Sanko, as well as the chance to build up a new field in the electric circuit board industry, he has graciously accepted the position as TSS's representative.

Under the leadership of new CEO Konishi, TSS will take advantage of its manufacturing technology to flexibly deliver its specialty products while continuing to expand its business. We will provide support to facilitate this expansion, and we sincerely thank all customers, vendors, and other interested parties for their continued support and understanding as well.

TSS Information

1. TSS Company Outline

Company Name:	TSS K.K.
Head Office:	8-20-25 Seishin, Sagamihara City, Kanagawa-ken
Established:	January 27, 2009
Representative:	Teruo Konishi
Director:	Hideaki Sakurai, Satoru Arakawa
Auditor:	Kenichi Harada
Shareholders:	J-STAR Number One Investment Limited Partnership, Pacific Minato, L.P.
Employees:	64 (As of February 27)
Location:	Sagamihara Head Office, Kawasaki Office (Nakahara-ku, Kawasaki)
Business:	1. Development, prototyping, and production service 2. Flexible (short lead time, small-lot) circuit board prototyping service 3. Develop and manufacturing thick copper PCB for large currents, and metal based PCB for thermal management

2. Background of President Konishi

Teruo Konishi, age 55

Currently held position: Vice-Chairman, Japan Electric Circuit Industry
Association

Chairman, Sowa Corporation

After graduating from college, he developed his business carrier at Design Company which was specialized in electric circuit. In 1983, he established Sowa Corporation which main business is diagramming electric circuit. In June 2008, he resigned from board of director and became Chairman of Sowa Corporation to play more honorable role.

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