

March 5, 2007
Mitsubishi Electric Corporation
Intellex Corporation

MITSUBISHI ELECTRIC AND INTELEFLEX ANNOUNCE MEMORANDUM OF UNDERSTANDING FOR UHF BAND RFID READER/WRITER PROTOCOL WITH EXTENDED MEMORY SUPPORT

Optimal for aircraft parts maintenance, factory automation, and production management

Mitsubishi Electric Corporation (President and CEO: Setsuhiro Shimomura) and Intellex Corporation (Chairman and CEO: Richard Bravman) have concluded an exclusive three-year license agreement for UHF-band RFID¹ reader/writer protocol which supports extended, user-rewritable memories in passive mode for Intellex's Gen2XM family of RFID ICs. The protocol is compatible with EPCglobal C1G2 protocol², and allows for a number of security features such as password-protected read and write locks for individual memory blocks.

This agreement between Mitsubishi Electric and Intellex offering extended memory capability for RFID passive tags within the EPC-standards framework is an important strategic alliance since the protocol enables data-rich applications on RFID-tagged parts, in contrast to "license plate" passive tags which require a database lookup to access information pertaining to the part.

Mitsubishi Electric will exhibit prototypes of the 64 kb extended memory RFID technology at the IC Card World 2007 exhibition taking place at the Tokyo Big Sight exhibition hall on March 6-9, 2007.

¹Radio Frequency Identification: contactless, automatic identification technology using radio frequency

²EPCglobal UHF Class 1 Generation 2: A protocol standard proposed by EPCglobal Inc., an international organization working on international standards for the use of Passive RFID Tags and Readers

Contract Summary

Scope	Summary of terms
Exclusive license enabling Mitsubishi Electric to offer extended memory control in their fixed station UHF reader/writer using Intellex's C1G2-compatible protocol among Japanese companies	- EPC global C1G2 compatible, 1 kilobit block access protocol in Passive mode - Exclusivity among Japanese companies for 3 years (license not to be offered to other Japanese companies for 3 years)

Contract Background

RFID tags are an essential part of automatic identification technologies. In July 2006, Mitsubishi Electric was the first vendor in Japan to release a C1G2-compliant, UHF band RFID evaluation kit, used in field testing of such applications as equipment management, logistics control, and vehicle entry/exit management systems.

Intellex was selected by The Boeing Company as the single source IC (chip) supplier for EPC-compatible UHF RFID tags that will be attached to approximately 2000 parts in their next generation aircraft, the 787 Dreamliner. This parts marking initiative by Boeing will bring higher efficiencies and improved parts tracking during manufacturing, airframe assembly, and maintenance operations. The extended memory will house critical information about the history of marked parts (such as, current part number, date of manufacture, serial number and country of origin), as well as current operational state and maintenance history of the part-information that is accessible instantly through an RFID reader at the point of assembly or maintenance.

Mitsubishi Electric has acquired exclusive rights among Japanese companies to implement Intellex's protocol on its fixed-station reader/writer family enabling reading and writing to the extended memory in blocks of 1 kilobits. Mitsubishi Electric will engage in the development of UHF band RFID reader/writer devices. This will create ideal solutions in aircraft parts maintenance and factory automation production management.

Future developments

Mitsubishi Electric's extended memory 64 kb RFID system evaluation kit is scheduled to ship in June, 2007.

CONTACT INFORMATION

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About Mitsubishi Electric

With over 80 years of experience in providing reliable, high-quality products to both corporate clients and general consumers all over the world, Mitsubishi Electric Corporation (TSE:6503) is a recognized world leader in the manufacture, marketing and sales of electrical and electronic equipment used in information processing and communications, space development and satellite communications, consumer electronics, industrial technology, energy, transportation and building equipment. The company recorded consolidated group sales of 3,604 billion yen (US\$ 30.8billion*) in the fiscal year ended March 31,2006. For more information visit <http://global.mitsubishielectric.com>*At an exchange rate of 117 yen to the US dollar, the rate given by the Tokyo Foreign Exchange Market on March 31, 2006.

About Intellex

Intellex Corporation's Intelligent RFID Platform that spans ICs, tags and readers provides breakthrough performance at a breakthrough price in a standards framework. Intellex tags and readers are designed to deliver unprecedented range and read/write accuracy, user-defined memory, and application-specific security. Intellex is at the forefront of the next wave of RFID systems that not only identify, but communicate, remember and sense. For more information, visit www.intellex.com.