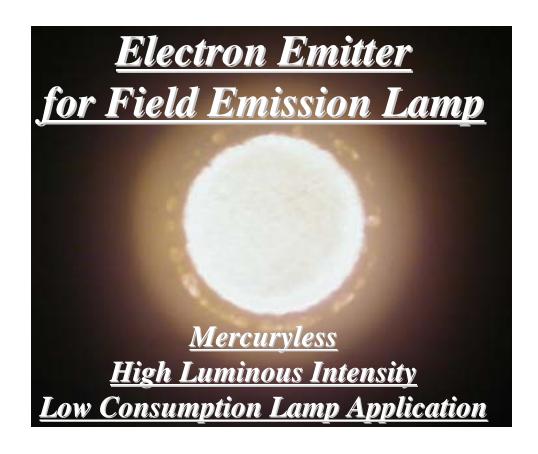


YAC Co., ltd.



YAC Confidential

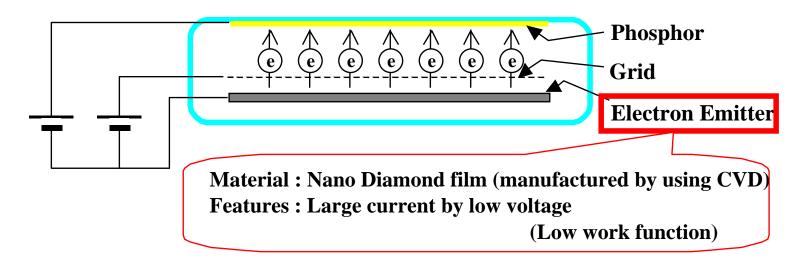


Proposal from YAC

There are two different Emitter types for FEL application.

One is *Hot Cathode Type*, like a Tungsten wire. It requires power supply for heating, therefore generates much heat. The other one is *Cold Cathode Type*, like CNT. It doesn't require heating, so that it has lesser heat generation and wider application. However, there is no Emitter what has long lifetime and high efficiency.

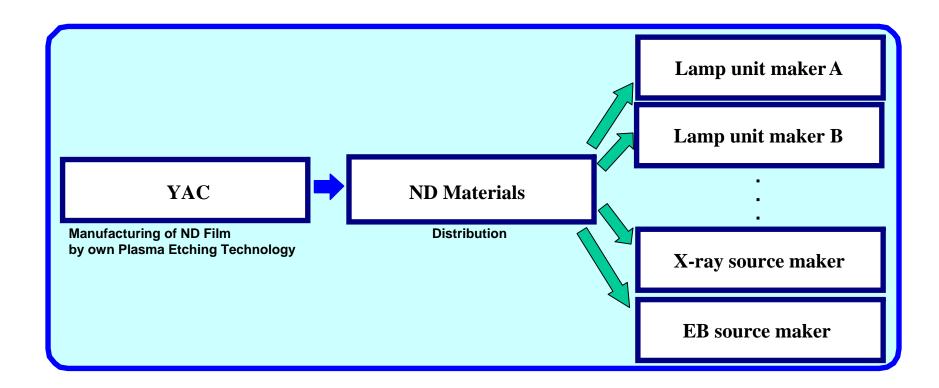
YAC proposes ND (Nano Diamond) Emitter as Cold Cathode Type for FEL application.





ND-Emitter Business Model

YAC manufactures ND-Emitter and supplies to lamp unit maker via "ND Materials Ltd". (Joint capital investment by YAC and other two companies.)





Applications

Vehicle lamp

Traffic light





Application example

·X-ray source-----Charge release, Sensor

for metal target

·Electron Beam source-----Sterilization,

Surface Modification

·Lamp----- Vehicle

Agriculture, Fishery,

Projector light source, etc.

for luminescence target



Low consumption

Long lifetime

Quick OA light respor Source

/scanner







Surface emission

Color selectivity

Light for clothing shop

Light for farm











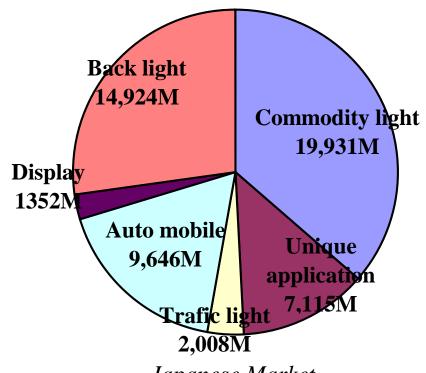




Lamp Application Market Size

Estimated Worldwide Sales in 2008: 86Billion US\$

(Japanese market 0.5Billion USD = 54,977M JPY)





<u>Features</u>

Features of FEL with ND Emitter

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·Mercuryless ----- Countermeasure for Environmental issue
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·Large Emission Size -- 75mm x 75mm size achieved (Si substrate)

·High Efficiency ----- 120 lm/W

·High Luminous Intensity ---- 25,000 cd/m²

·Long Lifetime ----- 100,000 hour

·Low Temperature ----- < 50 °C (Emitter's temperature)

.... Subject to
luminous material's
characteristic

YAC supplies Emitter with above features for lamp application via "ND Materials ltd".



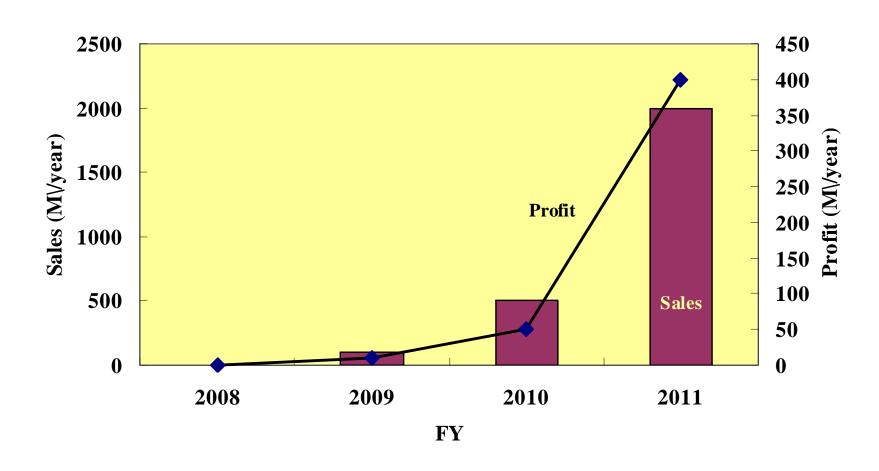
Characteristics Comparison

	FEL	CCFL	OLED	EL	Halogen
Energy Efficiency	30 %	10 %	7 %	3 %?	15 %
Disadvantage	Difficulty on cathode development	Use of Mercury (Toxic substance)	Limitation of color wavelength	Weather- proof Required	Slow lighting response
Power Consumption (5,000cd/m²)	0.5-1.0 W	30-40W	10-20W	10-20W	100-200W
Life Time (khr)	50-100	20-30	30-50	5-10	20-30
Heat Generate	Very low	Yes	Yes	Yes	Yes
Use of Gas	No	Argon	No	No	Halogen

Original Data Source: Valloy. Inc



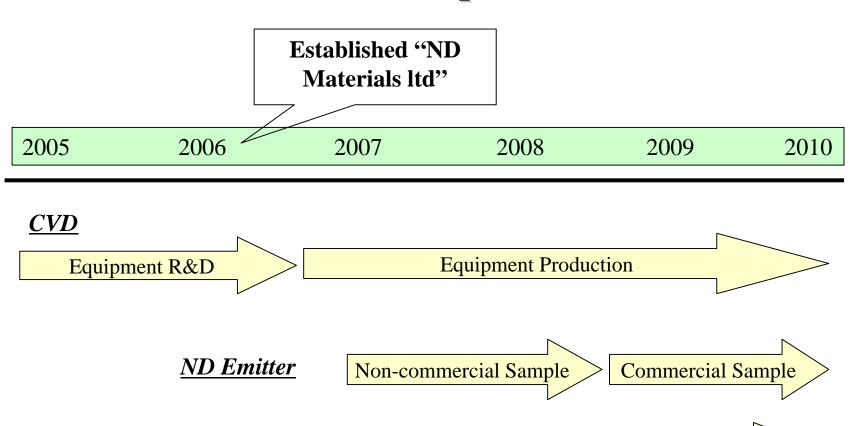
Business Plan



YAC



Roadmap



Lamp Trial Manufacturing

YAC

Vacuum Tube