



Analyst Kit

ROSETTANET

POWERED BY GS1 US



Dear Analysts:

"I am pleased to provide this update on RosettaNet's activities. RosettaNet has a robust new strategy that addresses the needs of our existing community while providing a platform to create industry value across multiple sectors. These examples illustrate how the RosettaNet community has adopted and implemented standards, and how the community continues to respond to changes in the environment that affect trading partner relationships.

Our members continue to lead development in new process areas while continuously improving our internal processes, methodologies, and tools. We would be delighted to provide additional details on any RosettaNet initiative or engage in a discussion about future opportunities."

**Sincerely,
Herman Stiphout,
President of RosettaNet
SVP GS1 US, Inc.[®]**

RosettaNet Overview



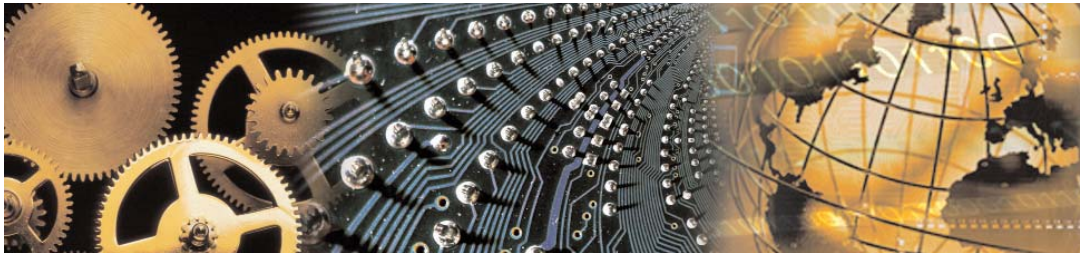
RosettaNet is a neutral, not-for-profit consortium dedicated to the collaborative development and rapid deployment of open, Internet-based standards that enable companies to improve the performance and productivity of their business processes.

More than 1200 multinational and regional companies in the information technology, electronic components, semiconductor manufacturing, telecommunications, logistics, and chemical industries utilize RosettaNet's global standards. The consortium's reach includes the Americas, Asia, Europe, and Australia.

RosettaNet's standards help businesses improve the efficiency of key business processes. The supply and demand chain benefits include:

- Reduction in errors, re-work, and manual processing in procure-to-pay, manufacturing/assembly, and order-to-cash processes
- Improved inventory management
- Increased transaction capacity
- Improved order management cycle time
- Greater supply chain access, visibility, and transparency
- Savings in procurement activities
- Increased cash utilization

RosettaNet Fact Sheet



Established: 1998

Global Headquarters: Lawrenceville, New Jersey, USA

Membership:

- Over 500 companies worldwide
- More than \$1.2 trillion in market capitalization
- Representation in the Americas, Europe, Asia, and Australia

Industries Supported:

- High technology
- Chemicals
- Logistics
- Aeronautics

Automated Process Standards:

- Sales and demand forecasts
- Inventory management
- Materials composition
- Manufacturing and assembly
- Procure-to-pay
- Order-to-cash

RosettaNet Leadership:

Matti J. Heikkila
Chairman, RosettaNet
Vice President of Strategy and
Business Development, Nokia

Herman Stiphout
President, RosettaNet

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RosettaNet...Producing Supply Chain Results, Unlocking Business Value



RosettaNet standards provide e-business frameworks that enable companies to bring unprecedented accuracy, speed, automation, and efficiency to their collaborative business processes. These standards are globally supported and endorsed by industry, providing companies with a means to improve the way they conduct business with their trading partners, both nationally and internationally.

Results:

- Order Management cycle time reduced from 24 hours to 1 hour
- 100% error-free Forecast-to-Cash procurement process
- 50% reduction in manual workload
- 50% reduction in transaction processing operations
- 78% fewer shipments, lowering logistics costs
- 30% increase in capacity utilization
- Inventory turns increased from 3.3 to 7.0
- Transaction capability doubled from 20 per minute to 40 per minute

Value:

- Streamline and simplify processes used in global trading networks
- Reduce supply chain costs and delays
- Improve customer satisfaction
- Standardized, automated processes
- Better use of personnel and financial resources

2006-2007 Highlights

RosettaNet Members join EPC Discussion Group

RosettaNet members IBM, Intel, Motorola, Cisco, Nokia, and DHL agreed to join the Consumer Electronics Discussion Group in EPCglobal. The discussion group will determine industry requirements and identify opportunities to utilize EPC-enabled RFID technologies to increase business value by leveraging RosettaNet business process automation standards

10,000 Connection Milestone Achieved

RosettaNet trading partner connections exceeded the 10,000 mark by the end of 2006 (a connection defined as one company executing one process standard with one trading partner). The RosettaNet consortium has experienced connection growth of 111% per year, and trading partner network growth of 49% per year since 2002. Growth has come from its core technology sector, as well as pharmaceuticals and chemicals.

Electronic Certificate of Analysis Program

In response to the multi-industry need for standardizing Certificates of Analysis, which are required at the time of product transfer, RosettaNet launched an effort to develop a global electronic Certificate of Analysis (eCofA) standard. An electronic certificate of analysis can be in any industry that requires product composition or tolerance data to be transferred to the buyer, such as chemicals, food processing, and pharmaceuticals. When developed, this standard will help companies reduce unnecessary costs and inefficiencies due to having to support multiple data elements, transfer methodologies, and business processes. The program will launch January of 2007 with an expected completion within 12 months.

Rapid Development for Process Data Exchange Standard

RosettaNet recently successfully completed and implemented a manufacturing business process standard that will allow the efficient exchange of process data from wafer fabrication through packaging. The standard, Partner Interface Process® (PIP®) 7C8: Semiconductor Process Data Exchange, takes overhead out of the manufacturing process by reducing cycle time, removing inaccuracies and manual methods used to interpret, comprehend and process data.

IBM Systems and Technology Group led a team that worked on the design and pilot implementation of this standard. The group represented a broad cross-section of the semiconductor industry, including IBM, Amkor, Freescale Semiconductor, Qualcomm, Texas Instruments, Samsung, Syntricity, Skytide, Jabil, and Celestica.

IBM and Jabil are in the middle of a pilot exchanging PIP7C8 for assembly yield data and they have already experienced a reduction in manual input of critical card yield data for card manufacturers.

The 7C8 team delivered this validated standard to the community in less than nine months. This level of velocity shows how the RosettaNet methodology is ahead of its time and ready to be used across all industries. Rapid development, deployment, and implementation of standards are the main benefits of the RosettaNet consortium. For over seven years hundreds of high tech companies have helped set the foundation for a standards development process that meets the fast paced needs of any supply chain.

2007 Strategies & Initiatives

GS1 Integration

By working more closely and collaboratively with GS1, its parent organization, RosettaNet will be able to increase the value it provides to consortium members.

- GS1 provides a gateway to over 100 Member Organizations worldwide to promote RosettaNet in new markets and industries
- GS1 System standards and solutions can be utilized by consortium members to achieve even greater supply chain optimization

EPC Collaboration

The Electronic Product Code™/Radio Frequency Identification (EPC/RFID) technology provides enormous opportunities for companies to achieve greater supply chain visibility, security, and accuracy. RosettaNet members have formed a collaborative discussion group within EPCglobal (a sister organization) to explore processes in which to utilize EPC/RFID technology.

- The technology is a natural fit within the consortium's core high-tech membership
- Pilot underway to integrate EPC and RosettaNet capabilities
- Consortium will continue to see new use-cases to drive additional value create for the industry

Small and Medium Enterprise Engagement

RosettaNet will work with its membership base to drive greater adoption of RosettaNet standards within their individual trading networks.

- Increased focus on educating small and medium-sized companies about the value and benefits of RosettaNet
- A low-cost annual subscription and simple on-boarding model is in development

New Industry Expansion

RosettaNet will partner and collaborate with GS1 and EPCglobal to expand from its core high tech focus into adjacent industries.

- Targeted sectors include chemical and aerospace, among others
- RosettaNet will adopt GS1 identifiers that are currently used in these targeted industries

Enhanced Governance Model

To help support RosettaNet's expansion and ensure its continued growth, the Executive Committee approved a new governance model. The goal is to drive adoption in existing industries, attract the interest and involvement of new industries, and recruit high-level executives whose influence could help execute the strategy.

- The Executive Committee was re-named the Board of Governors, with expansion up to 25 seats
- 6-8 members at large to be selected by a newly-established Nominating Committee
- 2-3 GS1 Member Organizations

Industry Endorsements



"History proves that standards advance civilizations. In its small way, RosettaNet has advanced trading in the high-tech ecosystem, enabling efficiencies that remain the envy of other industrial sectors. The achievements and value the consortium has produced are a testament to RosettaNet's significance as a global inter-enterprise lingua franca."

Fadi Chehade

Founder, RosettaNet

IBM

VP, Supply Chain Business Development

Managed Business Process Services

"At BOC Edwards, we have seen firsthand the benefits that RosettaNet standards have brought to other areas of our business. We are counting on RosettaNet's proven methodology to develop a collaborative solution that brings benefits to our customers, streamlines our operations, and adds value throughout the supply chain."

Walter Gotham

BOC Edwards

Manager, Planning and Logistics

"In the future, as an example over the next five years, I expect RosettaNet to be the de-facto standard, not only for high tech, but some of the related industries to high tech. I also see RosettaNet being leveraged with other standards such as RFID and EPC so that you can not only get information on the "what" and the "where", but also the "how.""

Manish Modi

Oracle

Vice President, Manufacturing and PLM Development

"The RosettaNet standards have enabled Intel to transact over \$18 billion in buy, sell and logistics transactions. We have connected with over 300 trading partners and delivered \$44 million in business value just last year."

Craig Brown

Intel

Vice President, Technology and Manufacturing Group



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