

March 1, 2010

Company name	Mitsubishi Shindoh Co., Ltd.
Head office	4-7-35, Kita-shinagawa, Shinagawa-ku, Tokyo Japan

Basic agreement relating to entering into business alliance with SDI

Mitsubishi Shindoh Co., Ltd. (hereinafter “Mitsubishi”) resolved signing the basic agreement on business alliance with SDI Corporation (hereinafter “SDI”. Its head office is at 260,SEC.2,CHANG NAN ROAD CHANG HUA,TAIWAN. The Representative is Chen Jau Shyong. TWSE code is 2351.) at the Board of the Directors meeting held on February 26, 2010.

1. Purpose of the business alliance

Main business of Mitsubishi is copper and copper alloy manufacturing. Mitsubishi has technology and know-how of manufacturing dual gauge strip¹ for lead frame. Main business of SDI is discrete semiconductor² lead frame manufacturing. SDI has continuous production line of semiconductor including plating and stamping³.

SDI is the main customer of Mitsubishi dual gauge strip for long time. Mitsubishi and SDI agreed to enter into the basic agreement of business alliance for constructing continuous production line of semiconductor products starting from manufacturing of dual gauge strip. This alliance will bring Mitsubishi and SDI the competitiveness in the tough competition of discrete semiconductor market.

2. Outline of the basic agreement

Mitsubishi will supply the technology and equipments of manufacturing dual gauge strip to SDI. Equipments are those used in RM (Ryoshindoh Manufacturing Sdn. Bhd., Mitsubishi’s subsidiary manufacturing dual gauge strip in Malaysia). Then, SDI will be able to manufacture semiconductors from plain (single gage) strip supplied from Mitsubishi. It will contribute to responding customer’s needs because SDI will be able

¹ Stepped strip (See attached photo for reference.)

² Simple semiconductor bearing one function. It differs from complex semiconductor such as IC or LSI.

³ Press punching out

to reduce stock and shorten lead time.

Mitsubishi will acquire capital in SDI to strengthen relationship with SDI.

Production place of lead frame for discrete semiconductor is moving to Asia from Europe. Also, China's market is expanding and global competition in quality, cost, and delivery time continues to intensify. SDI is one of the biggest manufacturers of lead frame. Mitsubishi and SDI are going to strengthen competitiveness and expand the share in production of discrete semiconductor. Mitsubishi and SDI will work on discussing the terms in detail about the business alliance.

Mitsubishi and RM will develop a scheme the future business of RM.

3. Overview of SDI (December, 2009)

(1) Company name	SDI CORPORATION	
(2) Representative	Chen Jau Shyong	
(3) Location of head office	260,SEC.2,CHANG NAN ROAD CHANG HUA,TAIWAN	
(4) Month of establishment	October 1967	
(5) Primary business	Lead frames 80%, Stationary 19%, Other 1%	
(6) Capital	1,735 million NTD	
(7) Number of employees	Approx. 900	
(8) Issued stock	173,558,000	
(9) Stock listing	Taiwan stock exchange	
(10) Internet website	WWW.SDI.COM.TW	
(11) Intercompany relationships	Capital	Not applicable
	Personnel	Not applicable
	Transactions	Mitsubishi sells dual gauge strip and other to SDI.
	Relevant relationship	Mitsubishi Shindoh is not an affiliate of SDI. SDI is not an affiliate of Mitsubishi Shindoh.

4. Schedule

Mitsubishi and SDI will enter into the agreement of business alliance, technical assistance and transfer of equipments by 2010.

5. Estimated impact of this agreement on financial results

The impact of the Share Exchange on Mitsubishi Shindoh performance for fiscal year 2010 is estimated to be minimal

Dual Gauge

