

October 16, 2007

To whom it may concern:

SK-Electronics Co., Ltd.
436-2, Tatetomita-cho, Ichijo-agaru,
Higashi Horikawa-dori, Kamigyo-ku, Kyoto
Yoshitada Nogami, President
(Stock Code: 6677)
Contact: Hideaki Horiuchi, Director
Telephone: +81-75-441-2333 (reception)

Notice Concerning Transfer of Business (Circuit Verification Support Tools)

The Board of Directors of SK-Electronics Co., Ltd ("SK-Electronics"), at its meeting on October 9, 2007, resolved to transfer the circuit verification support tools business as described below.

SK-Electronics established its circuit verification support tools business in October 2004, with the objective of providing verification systems and support for the semiconductor industry to address customers' diverse needs in the verification process.

Because customer conversions from the systems used traditionally have not occurred as SK-Electronics initially projected, however, and there are limits on the development of this business within the SK-Electronics Group, the Company decided to transfer this business to Accverinos Co., Ltd., which was established on October 16, 2007. The Company also plans to consign its existing contracts and maintenance to the new company.

The Company projects the costs incurred when it transfers this business will not be material.

SK-Electronics wishes to express its sincere appreciation to all of the individuals concerned with the circuit verification support tools business since its inception for their warm patronage and cooperation. Although it will terminate its circuit verification support tools business services as a company, SK-Electronics and the SK-Electronics Group will continue devoting their efforts to broadly providing solutions for its customers' needs in the future.

Summary of Accverinos Co., Ltd.

Date established: October 16, 2007

President & CEO: Masato Fujii

Head office: 3-19, Kita-Saiwai 2-chome, Nishi-ku, Yokohama, Kanagawa Prefecture 220-0004

Nisso No. 8 Building 5F

TEL: 045 (317) 2068 / FAX: 045 (313) 4610

URL: <http://www.accverinos.jp/>

SK-Electronics has no capital relationship with Accverinos Co., Ltd.