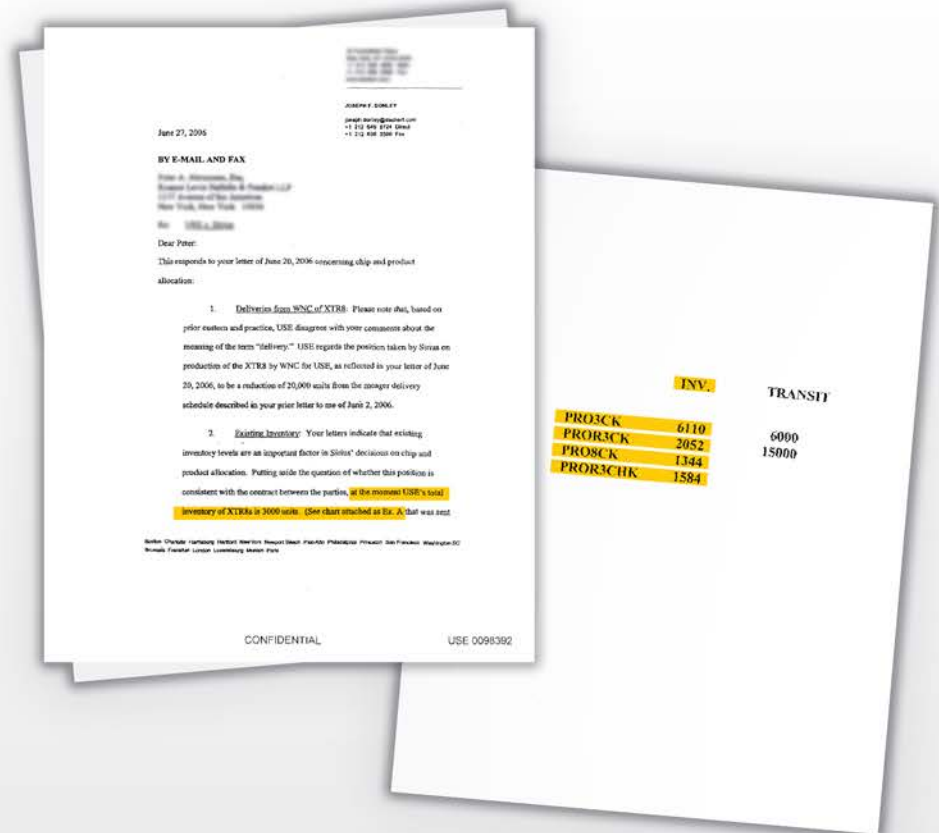


Electronics Inc. Claims of Low Inventory Levels

JUNE 27, 2006

...[A]t the moment Electronic Inc.'s total inventory of PRO8s is **3000 units.** (See chart attached as Ex. A....)

[SKU]	INV[ENTORY]
PRO3CK	6110
PROR3CK	2052
PRO8CK	1344
PROR8CHK	1584



Electronics Inc. Claims of Low Inventory Levels

JUNE 27, 2006

...[A]t the moment Electronic Inc.'s
total inventory of PRO8s is
3000 units. (See chart attached
as Ex. A....)

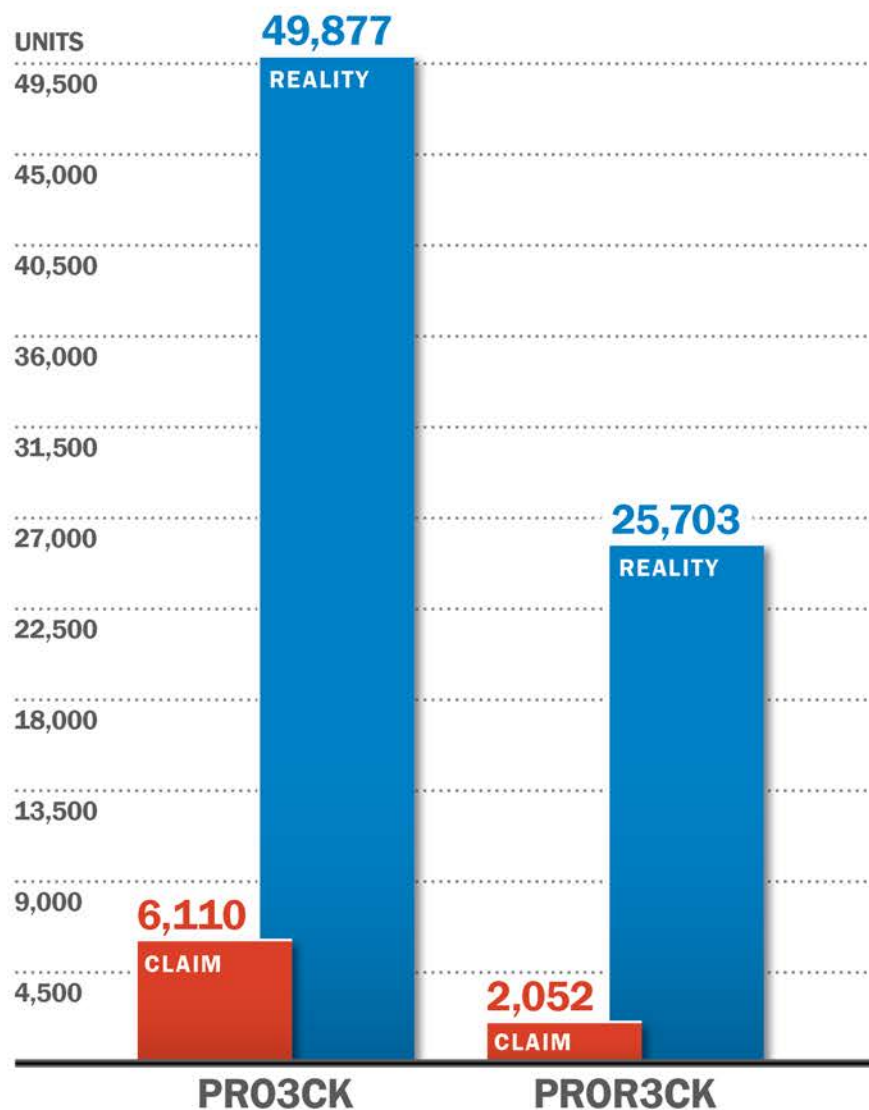
[SKU]	INV[ENTORY]
PRO3CK	6110
PROR3CK	2052
PRO8CK	1344
PROR8CHK	1584

Source: USE 0098392, 397

VS.

Reality: PRO3 EOM Inventory

JUNE 2006



Electronics Inc. Claims of Low Inventory Levels

JUNE 27, 2006

...[A]t the moment Electronic Inc.'s
total inventory of PRO8s is
3000 units. (See chart attached
as Ex. A....)

[SKU]	INV[ENTORY]
PRO3CK	6110
PROR3CK	2052
PRO8CK	1344
PROR8CHK	1584

Source: USE 0098392, 397



Reality: PRO8 EOM Inventory

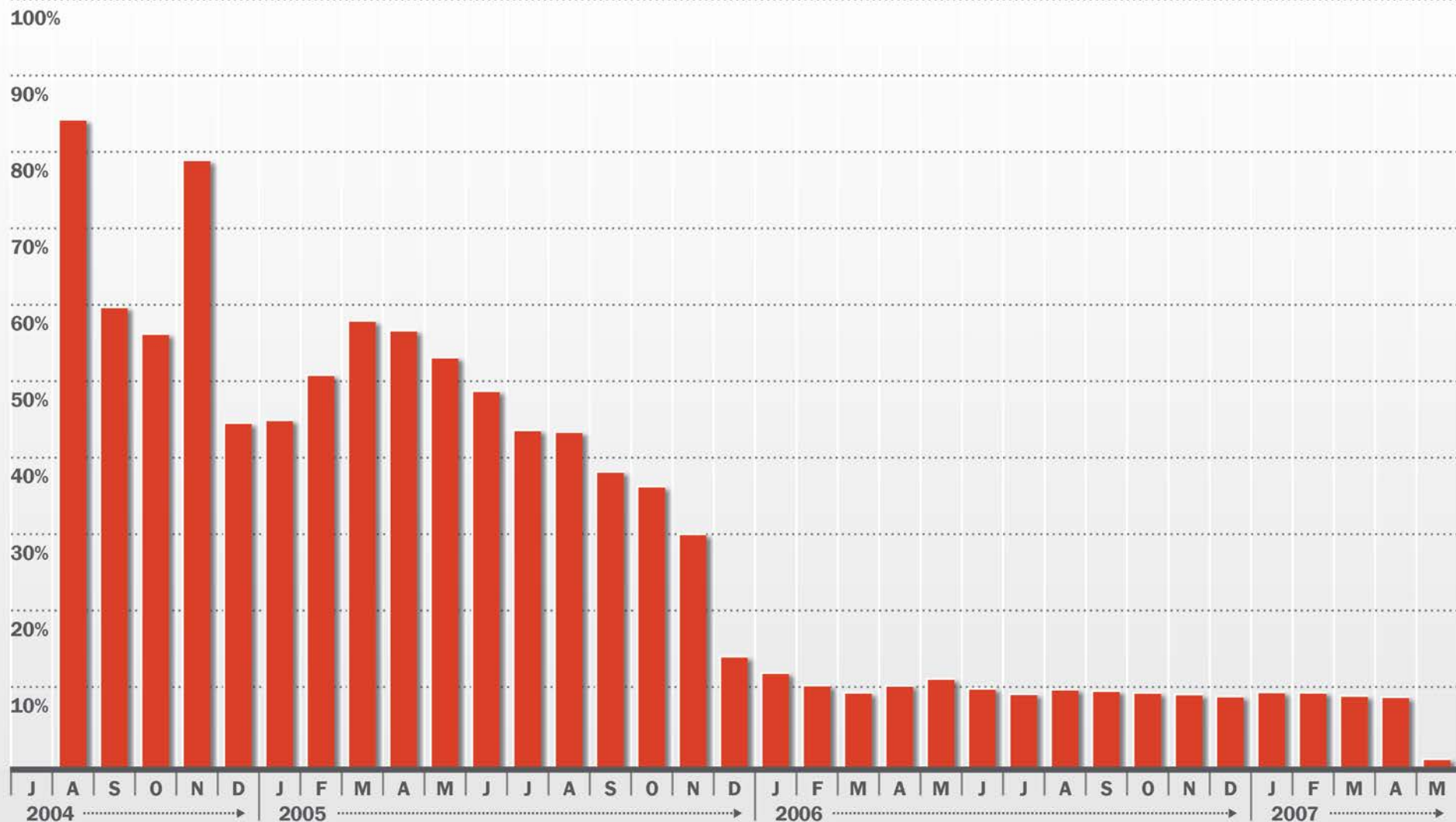
JUNE 2006



Inventory Levels for Electronics Inc.'s PR01 Product

JULY 2004 — JANUARY 2007

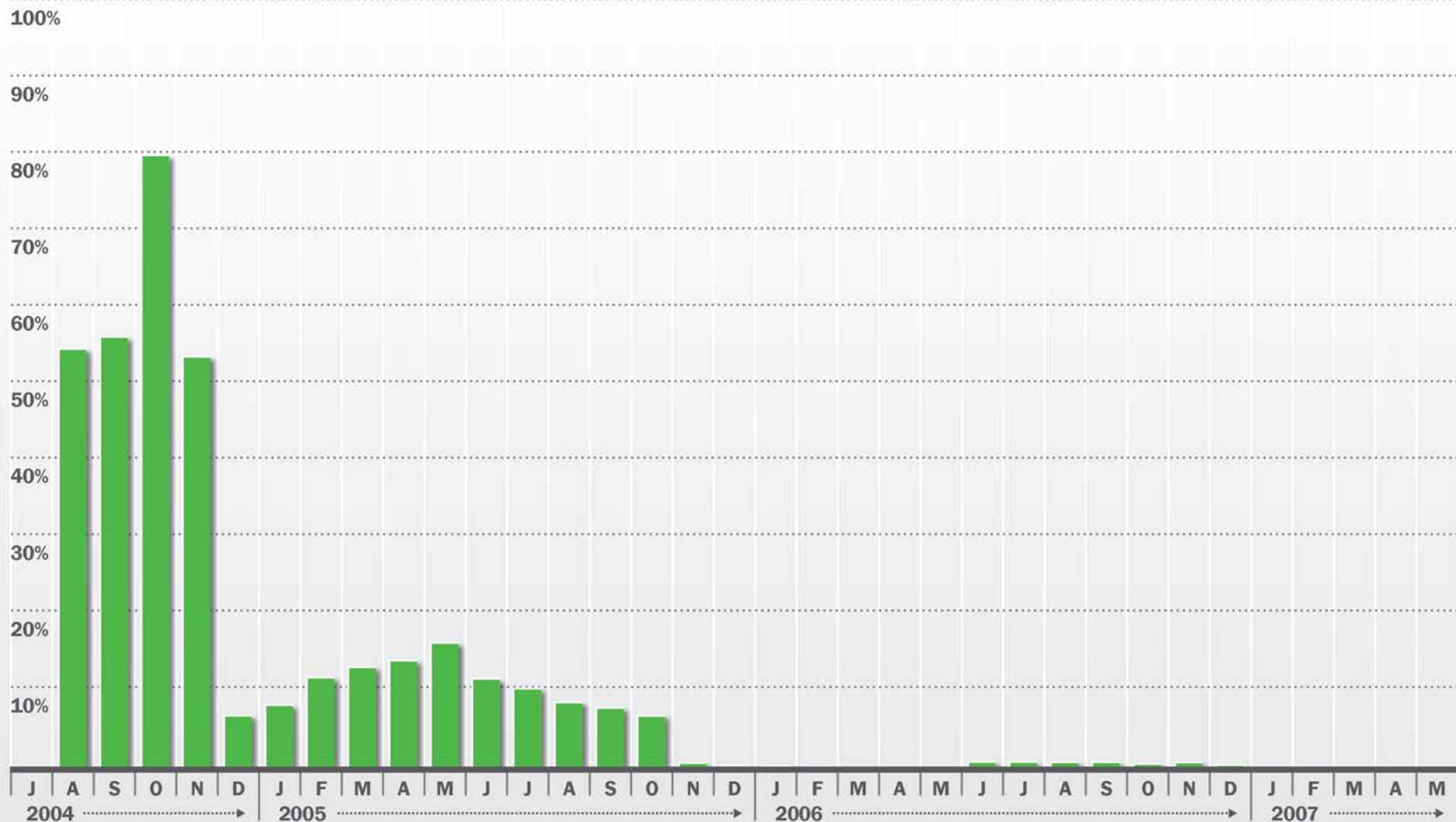
PERCENTAGE OF TOTAL EOM INVENTORY
TO CUMULATIVE PRODUCTION



Inventory Levels for NFC's TK-SP1 Product

JULY 2004 — JANUARY 2007

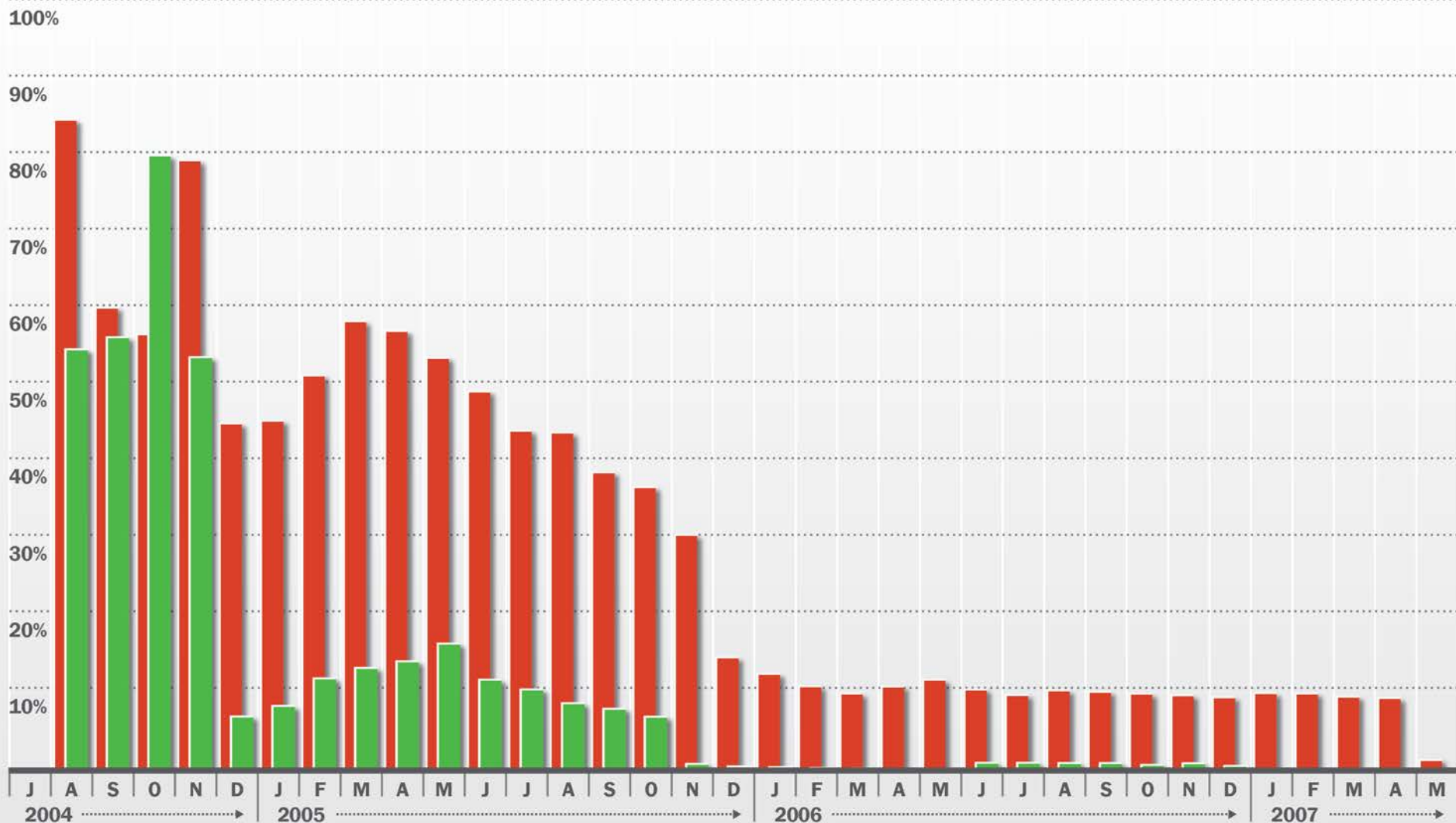
PERCENTAGE OF TOTAL EOM INVENTORY
TO CUMULATIVE PRODUCTION



Electronics Inc.'s Inventory Levels Were Almost Always HIGHER than NFC's Inventory Levels

KEY: ■ ELECTRONICS INC. (PRO1) ■ NFC (TK-SP1)

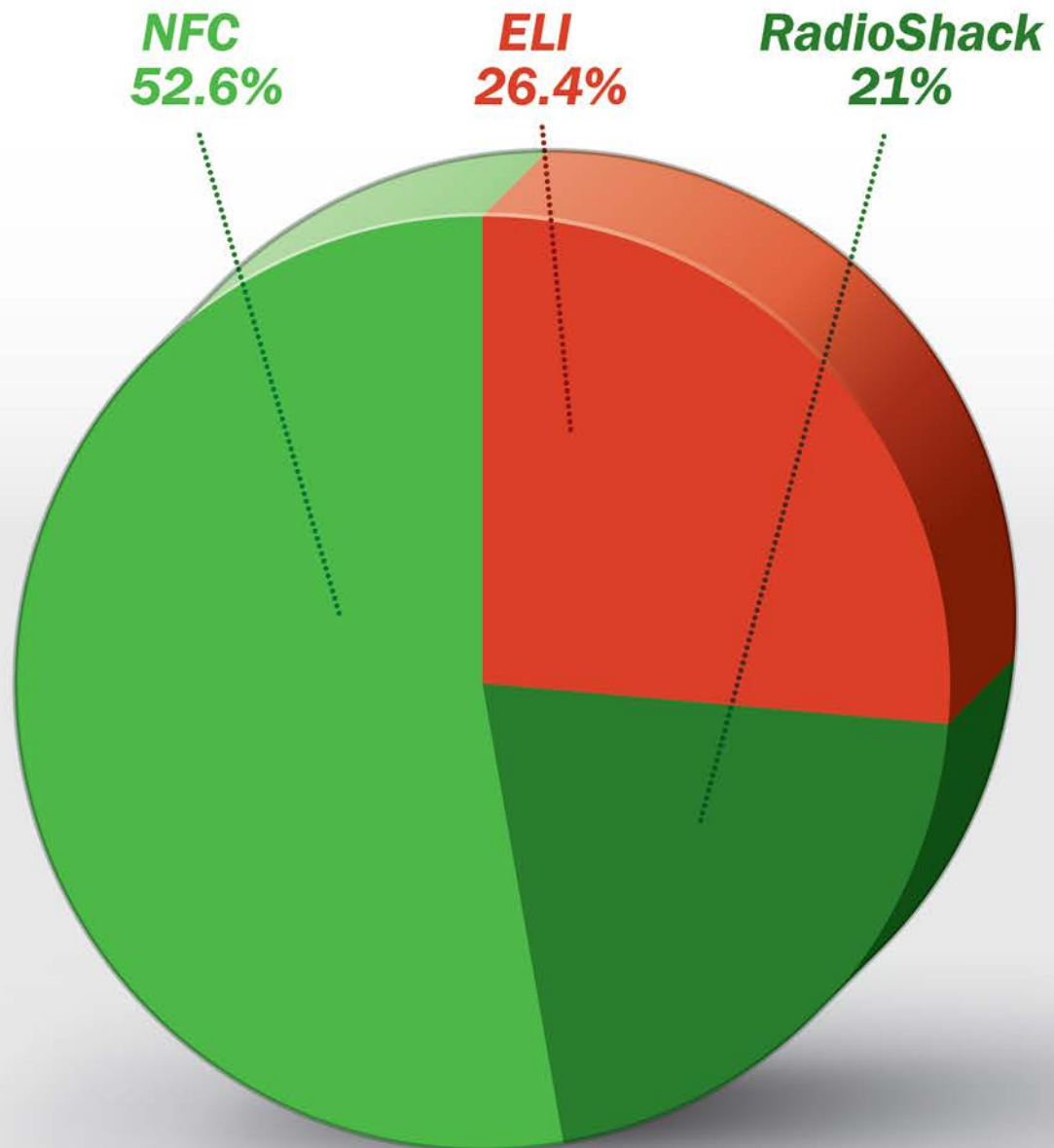
PERCENTAGE OF TOTAL EOM INVENTORY
TO CUMULATIVE PRODUCTION



JANUARY 2004 – JANUARY 2007

**Sales by
Major Retailers
to Consumers**

Electronics Inc.'s (ELI)
PRO1 Product

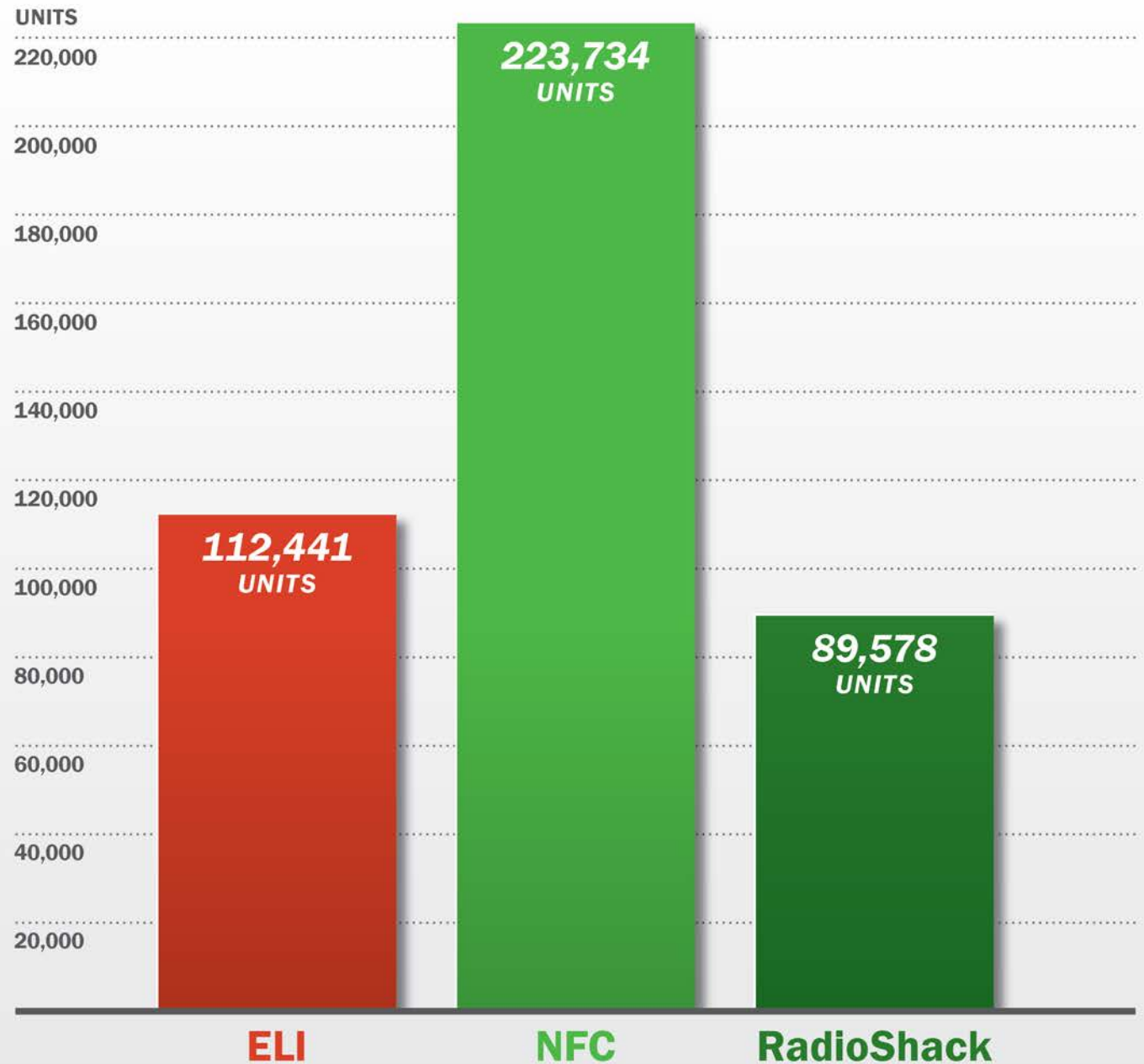


Total Sales: 425,753

JANUARY 2004 – JANUARY 2007

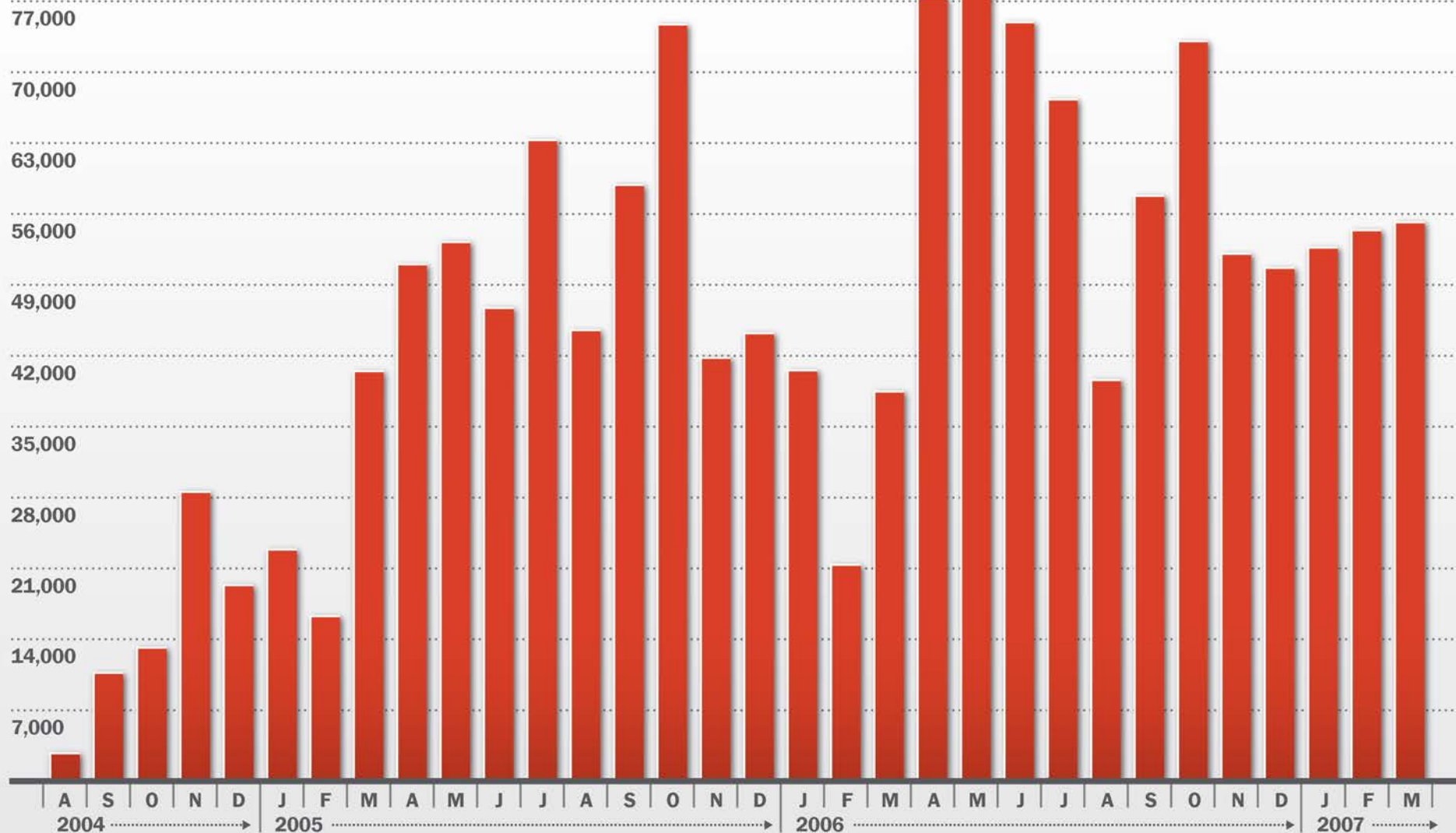
**Sales by
Major Retailers
to Consumers**

*Electronics Inc.'s (ELI)
PRO1 Product*



Electronics Inc.'s End of Month (EOM) Inventory August 2004 – March 2007

UNITS IN INVENTORY

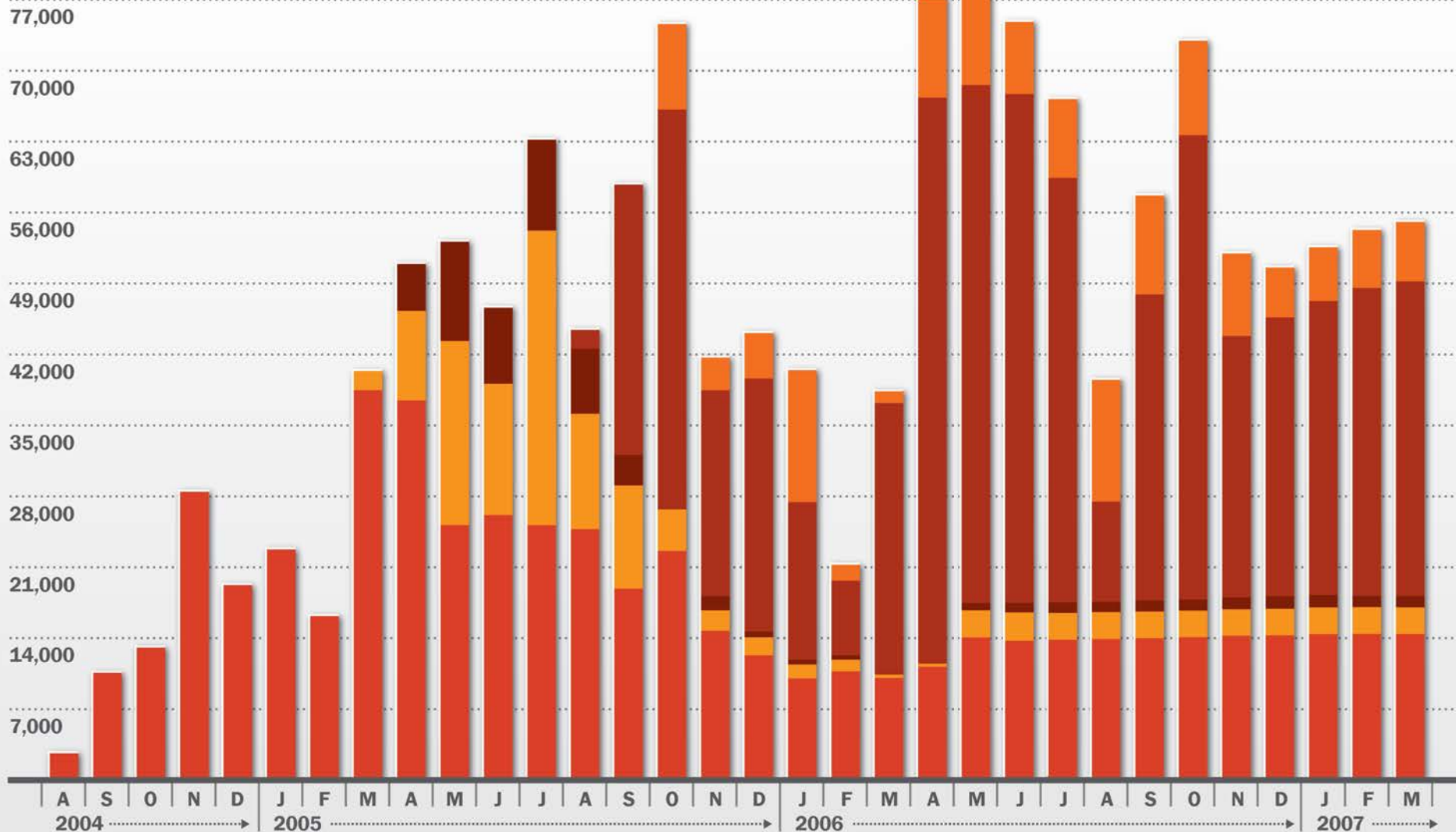


Electronics Inc.'s End of Month (EOM) Inventory

August 2004 – March 2007

KEY: PR01 PR02 PR03 PR04 PR05

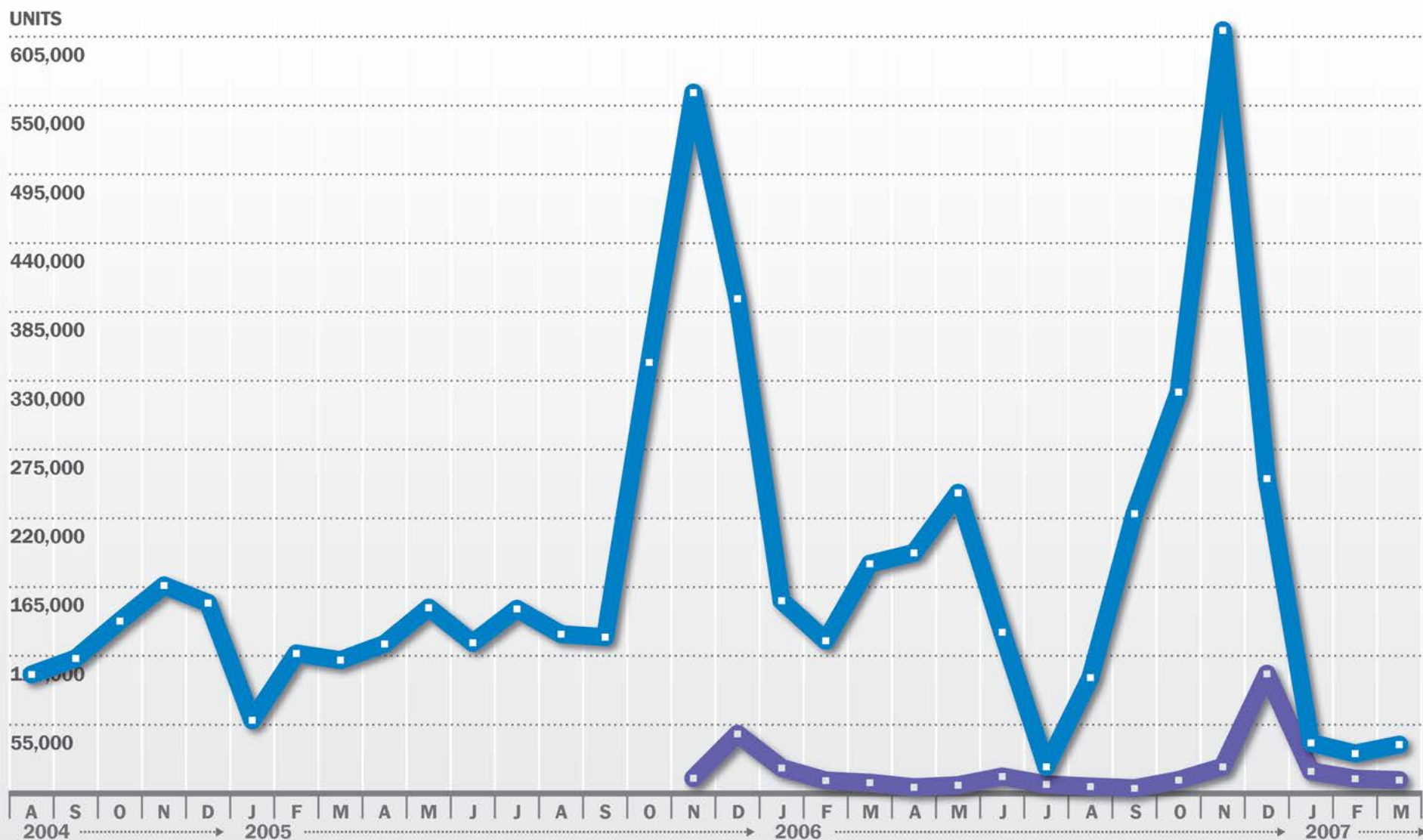
UNITS IN INVENTORY



Sales by Major Retailers to Consumers — Plug 'n Plays vs. Portables

August 2004 – March 2007

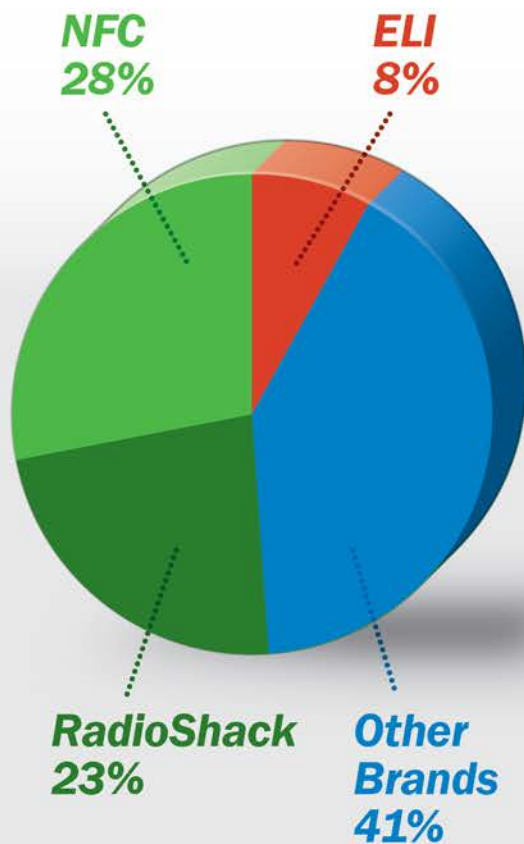
KEY: ■ PLUG 'n PLAYS ■ PORTABLES



Sales by Major Retailers to Consumers — Plug 'n Plays 2004 – 2006

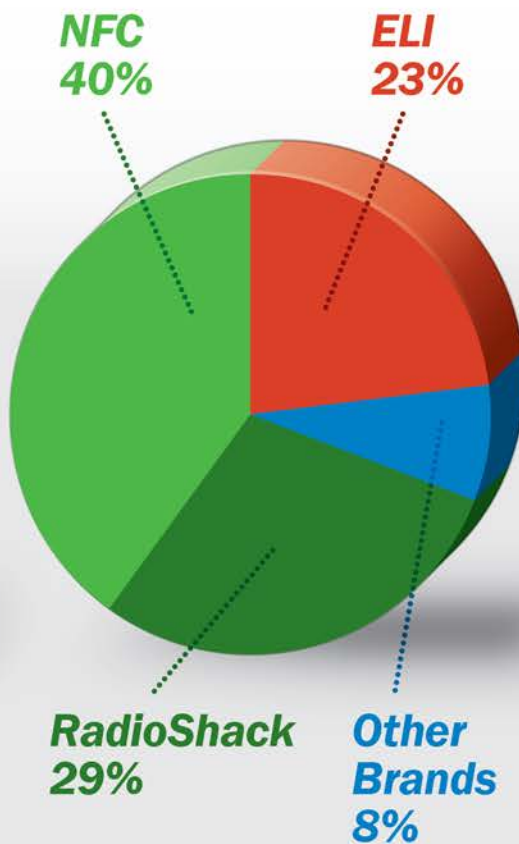
2004

514,765 TOTAL SALES



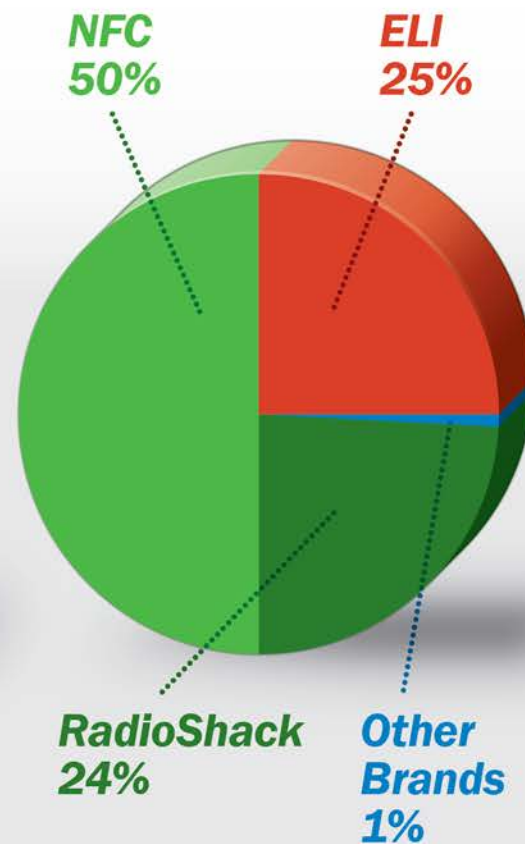
2005

1,387,128 TOTAL SALES



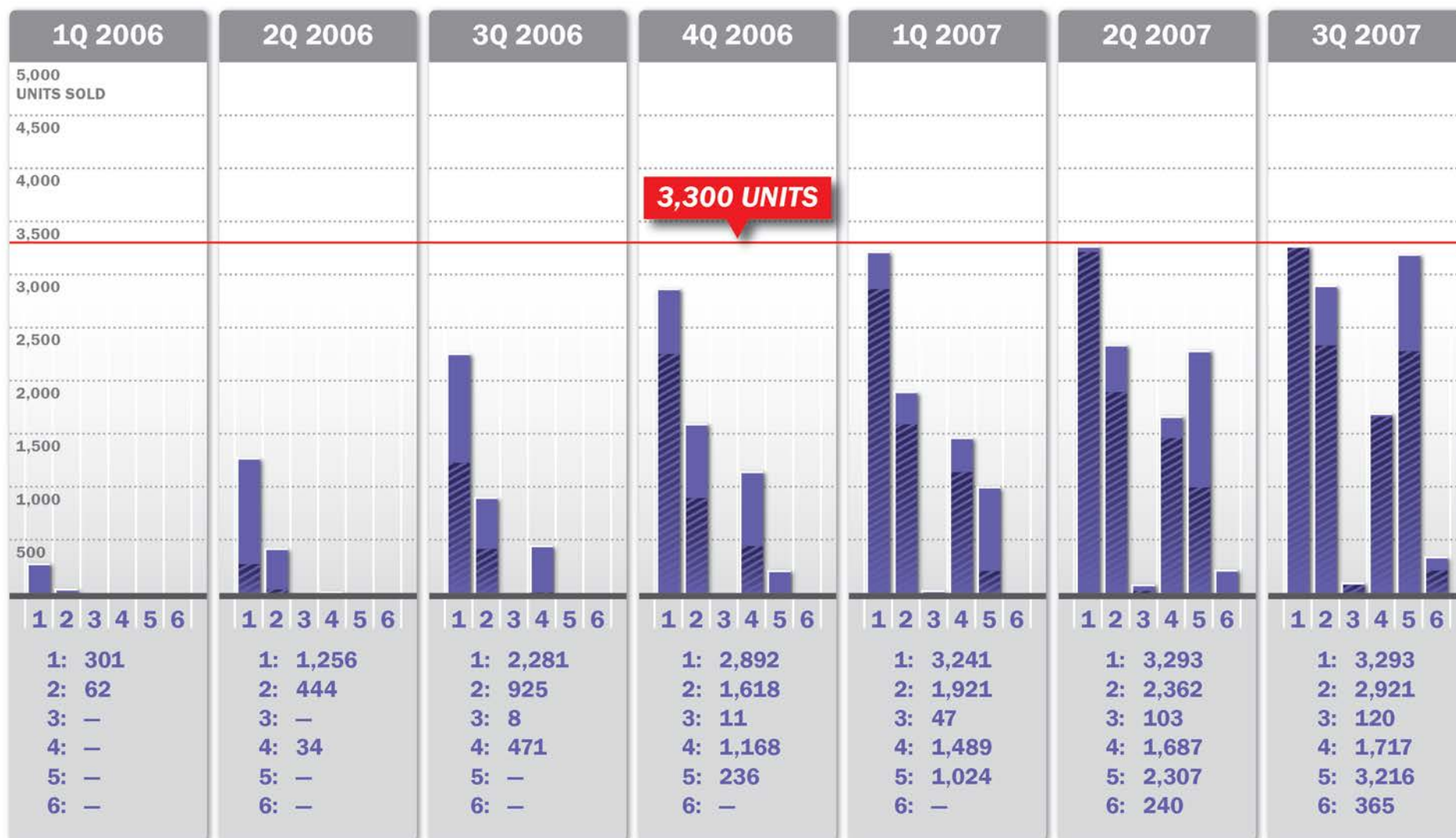
2006

1,381,691 TOTAL SALES



None of the Products Produced by the Market Leader Ever Sold More than 3,300 Units

KEY: ① MARKET LEADER PRODUCT A ② MARKET LEADER PRODUCT B ③ MARKET LEADER PRODUCT C ④ MARKET LEADER PRODUCT D ⑤ MARKET LEADER PRODUCT E ⑥ MARKET LEADER PRODUCT F

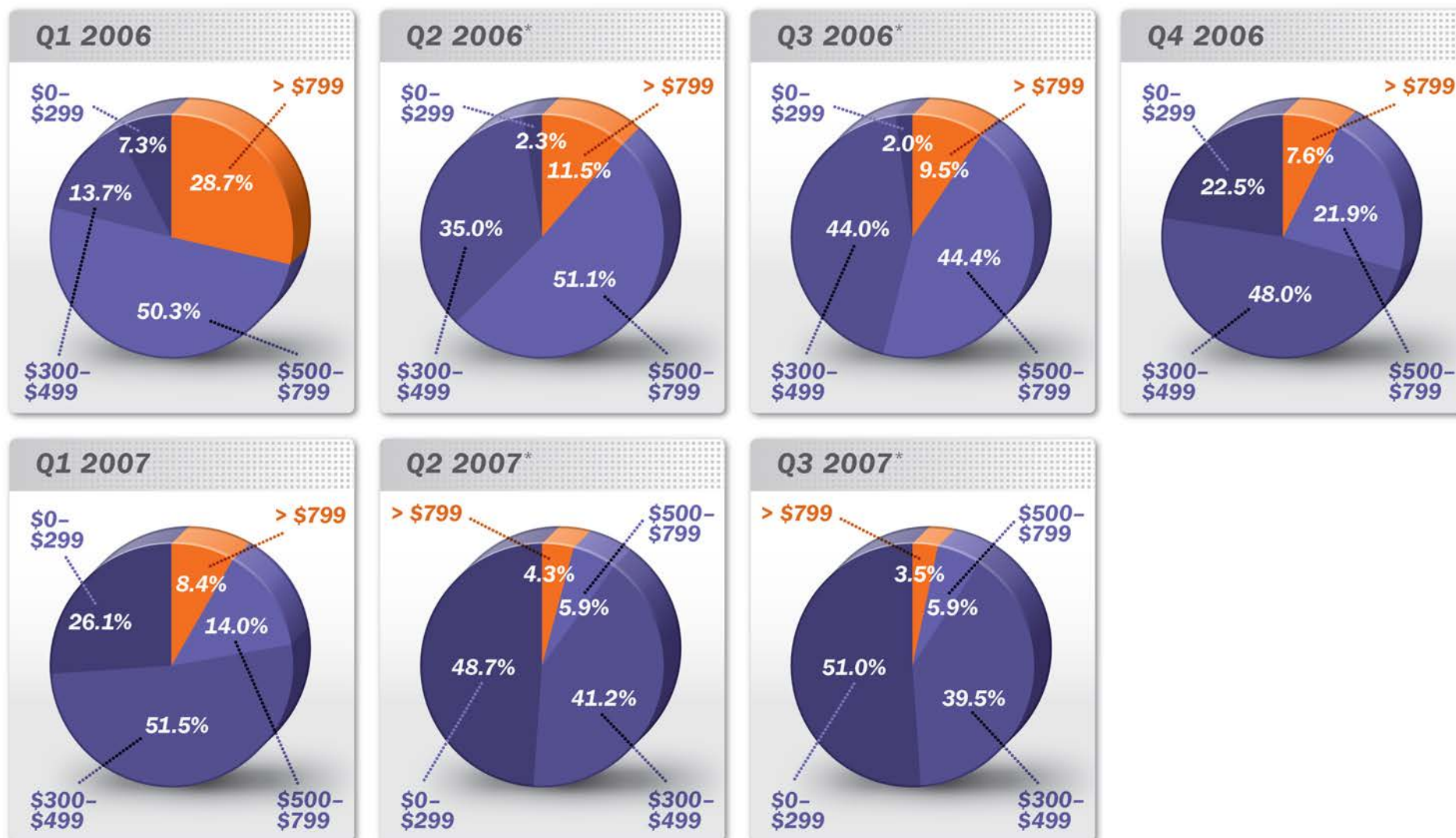


**At a Price Point
of Above \$1,000,
ELI Would Have
Been Unable to
Place the Product
at Wal-Mart or
Other Mass
Merchandisers**



It Would Be Difficult for ELI to Break Into the Product Market at a Price Point of \$1000

2008 UNIT MARKET SHARE BY PRICE POINT



*Total percentage does not equal 100% due to rounding.