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December 14, 2005

Japan Communications Inc.  
NEC Magnus Communications, Ltd.

**Progress towards a Ubiquitous Network Society through Cooperation in the Telemetering Business**

~In Planning and Marketing of Network Enabled Hardware Products~

Japan Communications Inc. (JCI) (Headquarters: Shinagawa-ku, Tokyo. Representative Director and CEO: Frank Seiji Sanda) and NEC Magnus Communications, Ltd. (Headquarters: Minato-ku, Tokyo. President and CEO: Masao Hibino) have agreed to cooperate in the field of environmental measuring devices and unmanned parking lot meters equipped with wireless communication to enable remote operation and control (telemetering).

The scope of cooperation covers the followings.

1. JCI is offering the “Telecom Battery” that provides wireless communication service as a hardware component of the end product. As use of the Internet has grown, the ability for products to connect to the internet easily has increased. Therefore, there is great demand by manufactures to develop products with wireless communication service already included in the product. However, because it is necessary to sign a contract with a telecommunication carrier in order to use wireless communication enabled devices, either development and sales by the manufacturer needs to be done along with telecommunication carriers, or the end-users need to make separate contracts with the carriers after purchasing the products to utilize the communication.

JCI’s Telecom Battery solves this problem by building the communication service into the product as a hardware component. As a dry cell battery adds electric power to a product, the Telecom Battery adds communication. As soon as the product is purchased, wireless communication is possible without going through a contractual procedure with a mobile telecommunication carrier. Additionally, the product maker is free to develop products without having to negotiate with telecommunication carriers over connectivity.

Thus, it can be said that the Telecom Battery is a communication service component that is appropriate for the achievement of the ubiquitous network society.

In order to meet diversified customer needs, JCI and NEC Magnus Communications, Ltd. will expand the market for the Telecom Battery by combining it with the PHS adaptor unit terminals from NEC Magnus Communications, Ltd.

2. NEC Magnus Communications, Ltd. aims at further customer acquisition by offering services that combine JCI’s Telecom Battery with their PHS adaptor unit.
3. JCI and NEC Magnus Communications, Ltd. will cooperate in the marketing and development of ubiquitous

network products. Moreover, the two companies will respond to each customer needs by developing the best communication solution for them.

The two companies will leverage their network development and technological know-how centered on wireless communication, and provide products and services in which hardware and wireless communication service are united that is required to realize “ubiquitous society”.

- Please refer to following URL for product information on JCI's "Telecom Battery".

<http://www.bmobile.ne.jp/ubi/>

- Please refer to following URL for product information on NEC Magnus Communications, Ltd.'s "PHS adaptor unit".

<http://necmagnus.jp/pau/>

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Company names and brand names mentioned above are the trademarks or registered trademarks of each company.

< General Customers >

Japan Communications Inc. Ubiquitous Sales Division: M. Kobayashi, S. Okazaki

TEL: 03-5767-9102 / e-mail: asktb@j-com.co.jp

NEC Magnus Communications, Ltd. T. Watabe, H. Wakabayashi

TEL: 03-5443-9607

< Press Relations >

Japan Communications Inc. Public Relations: Y. Horie

TEL: 03-5767-9130 / e-mail: jcipr@j-com.co.jp

<Reference>

### Company Overview

■ **Japan Communications Inc.** (Osaka Securities Exchange code: 9424)

Headquarters: 6-25-3 Minami Ohi, Shinagawa-ku, Tokyo, Japan

Representative: Frank Seiji Sanda (Representative Director and CEO)

Capitalization: 2,245 million Yen (As of November 30, 2005)

Established: May 24, 1996

Business details: ■ Japan's first MVNO (Mobile Virtual Network Operator)

- "Infinity Care" is an end to end service concept for wireless data communication services for corporate customers.
- The "Telecom Battery enabling wireless internet anywhere" is a wireless internet connection concept for consumer products.
- Offered to OEMs, the Telecom Battery allows for the realization of the ubiquitous computing society and for the development of new communication services in cooperation with individual enterprise customers.

URL: <http://www.j-com.co.jp>

■ **NEC Magnus Communications, Ltd.**

Headquarters: Mita Kokusai Building 1-4-28 Mita, Minato-ku, Tokyo, Japan

Representative: Masao Hibino (President & CEO)

Paid-in capital: 190 million Yen

Business details: ■ Planning, development, sales, and installation of telecommunications & electronics equipment.

- Construction and operation of cable television networks
- Consulting services (telecommunications, electronics, and cable television systems)

URL: <http://www.necmagnus.com/>