

This is an UNOFFICIAL English-language translation of the original Japanese-language version.
To the extent that there are discrepancies between this translation and the original version, the original version shall be definitive.



November 16, 2006

6-25-3 Minami Ohi, Shinagawa-ku, Tokyo
Japan Communications Inc.

Frank Seiji Sanda
Representative Director-President
(Code No.: 9424)

For enquiry: Naohisa Fukuda, Managing Director-CFO
TEL: 03-5767-9100 (Main Number)

KGT and JCI Subsidiary Arxceo Japan to Begin Sales of “Ally ip100”
World’s smallest IPS, offering top of the range functions at an affordable price

KGT Inc. (HQ: Shinjuku, Tokyo; President and CEO: Hiroshi Kato, hereafter “KGT”) and JCI’s consolidated subsidiary Arxceo Japan Inc. (HQ: Shinagawa, Tokyo; CEO: Masataka Fujisawa, hereafter “Arxceo”), have reached an agreement regarding the “Ally ip100” network Intrusion Prevention System (IPS) sold by Arxceo. KGT will initiate sales today.

Although the deployment of network IPS is an important counter-measure to the increasing seriousness of Internet security problems, until now IPS has been very expensive (for example, an intermediate model for 3 million yen (US avg. market price)). The Ally ip100 puts an end to this problem as it uses “anti-port scanning” technology to stop network reconnaissance by would-be intruders. While it does have a top network throughput speed of 100 Mbps, in all other respects this affordable IPS system – the world’s smallest – offers the same functions as top of the range models.

Based on the “Plug-and-Protect” concept, simply deploy the device between a PC and a broadband connection router on a company’s internal network or even on home ADSL and it will protect the workplace and the home against unauthorized intrusion, without the need for complicated set-up procedures.

KGT is engaged in the sale of mail servers, as well as network- and security-related products, and plans to develop security solutions that combine the Ally ip100 with these existing products and services.

Appendix

Product Name	Network Intrusion Prevention System “Ally ip100”
Sales Begin	November 16, 2006 (initial date of sale according to KGT)
Price	Open Price
Sales Method	Direct sales from KGT, as well as indirect sales through retail stores

Product Features

1. Extremely small (13.5 cm x 1.9 cm x 3.1 cm)
2. Unique anomaly-type detection engine installed
3. Undetectable on network (stealth management administrative console)

Main Functions

1. Blocks network vulnerability scans
2. Returns false information to prevent reconnaissance such as port scanning
3. Blocks DoS and DDoS attacks
4. Stops zero-day attacks
5. Prevents network address spoofing
6. Prevents leakage of data due to DNS cache poisoning and DNS tunneling
7. Prevents the propagation of worms
8. Supports SNMP and Syslog

Advantages of Implementation

- Scans for and defends against unauthorized access in realtime, preventing attacks on home and business networks.
- Strengthens security by dealing with attacks associated with security holes not handled by antivirus and firewall software, as well as DoS attacks (including DDoS/DRDoS and other similar attacks).
- Even in unlikely event of an infection by viruses and worms, an inline-deployed Ally ip100 can localize the infected area and minimize damage.

Product Introduction Page URL

http://www.kgt.co.jp/feature/ally_ip100/

Customer Contact Line KGT Inc.
Internet Solutions Business Division
Internet Solutions Sales Division
Partner Business Group
Tel: +81-3-3225-0373 E-mail: arxceo@kgt.co.jp

Media Contact Line KGT Inc.
Internet Solutions Business Division
Internet Solutions Sales Division
Planning Group Ms. Ide
Tel: +81-3-3225-0373 E-mail: csoft-news@kgt.co.jp

Reference Data

KGT Inc.

Company Name	KGT Inc.
Representative	Hiroshi Kato, CEO
Headquarters	2-8-8 Shinjuku, Shinjuku-ku, Tokyo
Established	November 1994
Capital	100 million yen
Holding Co.	Cybernet Systems Co., Inc.
URL	http://www.kgt.co.jp/
Business Focus	Development and sales of computer software Consultation regarding computer system development, sales and operation

Arxceo Japan Inc.

Company Name	Arxceo Japan Inc.
Representative	Masataka Fujisawa, CEO
Headquarters	6-25-3 Minami-Ohi, Shinagawa-Ku, Tokyo
Established	August 24, 2006
Capital	50 million yen
Holding Co.	Japan Communications Inc.
URL	http://www.arxceo.co.jp/
Business Focus	Development and sales of network security solutions

About JCI

Japan Communications Inc. (JCI) was the first to introduce the Mobile Virtual Network Provider (MVNO) business model to the world in 1996. JCI, a publicly listed company in Japan (JPN-9424), is the first and the largest data MVNO in the world. It has pioneered wireless data solutions, which address particular needs of specific customers both in consumer and enterprise markets. Operating as an integrator of wireless and fixed network services with information technology, it is the leading provider of end-to-end wireless data solutions.

* b-mobile, InfinityCare and the Telecom Battery are registered trademarks of Japan Communications Inc..
All company names and product names used in this release are trademarks or registered trademarks.