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<Submitted Document>	Extraordinary Report
<Submit to>	Director of Kanto Financial Bureau
<Submitting Date>	March 7, 2006
<Corporate Name>	Nihon Tsushin Kabushiki Kaisha
<English Name>	Japan Communications Inc.
<Name of Representative Person>	Representative Director-President: Frank Seiji Sanda
<Location of Head Office>	6-25-3 Minami Ohi, Shinagawa-ku, Tokyo
<Phone No>	03-5767-9100 (Main Number)
<Name of the Administrative Coordinator>	Director-CFO: Naohisa Fukuda
<Nearest Coordinating Channel>	6-25-3 Minami Ohi, Shinagawa-ku, Tokyo
<Phone No>	03-5767-9100 (Main Number)
<Name of the Administrative Coordinator>	Director-CFO: Naohisa Fukuda
<Location for Publishment>	Osaka Securities Exchange Co., Ltd. (1-8-16 Kitahama, Chuo-ku, Osaka)

#### 1 <Reason for Submission>

A change of specific subsidiary of the Company has occurred.

Thus, this Extraordinary Report is hereby submitted as stipulated in Article 24-5 paragraph 4 of the Securities Transaction Law and Article 19 paragraph 2 item 3 of the Cabinet ordinance corporate information disclosure.

#### 2 <Report Contents>

- (1) Name, office location, name of representative, paid-in capital and business activities of the specific subsidiary  
 Name: Arxceo Corporation  
 Office location: Huntsville, Alabama USA  
 Name of representative: Donald Davidson (Chairman, President and CEO)  
 Paid-in capital: US\$1.6 Million  
 Business activities: Develop and sell Intrusion Protection Systems
- (2) Number of voting rights held by the Company to the specific subsidiary and its percentage before and after the change of specific subsidiary

	Number of voting rights owned by the Company	Percentage to all shareholders' voting rights
Before change (as of February 28, 2006)	0	0%
After change	1,349,998	58%

- (3) Reason for change and Date of change

Reason for change:

Arxceo Corporation (hereinafter, "Arxceo") has an excellent Intrusion Protection Technology. The Company will be able to enhance its solution in network security by integrating Arxceo's technology into the Company's client software. Also, when the Company proceeds its business in US hereafter, the customer base of Arxceo will be effective as an initial customer.

Therefore, the Company has acquired 58% of Arxceo and made Arxceo subsidiary, by means of share purchasing from Arxceo's shareholders and subscription of new shares issued by Arxceo on March 3, 2006.

Arxceo shall be a specific subsidiary of the Company, because the paid in capital of Arxceo is no less than 10% of the paid in capital of the Company.

Date of change:

March 3, 2006