

## News Release

September 22, 2011

Jupiter Telecommunications Co., Ltd.

Tokyu Corporation

### J:COM and TOKYU Jointly Acquire Yokohama Cablevision

#### ~Next Stage in CATV Industry~

Jupiter Telecommunications Co., Ltd. (Chiyoda-ku, Tokyo; President & CEO: Shuichi MORI), (J:COM) and Tokyu Corporation (Shibuya-ku, Tokyo; President: Hirofumi NOMOTO) (TOKYU) have concluded an agreement today with Sotetsu Holdings, Inc. (Nishi-ku, Yokohama; President: Makoto TORII) (SOTETSU) on transferring of the shares of Yokohama Cable Vision (Nishi-ku, Yokohama; President: Toshio FURUYA) (YCV) owned by SOTETSU. The parties have agreed that of all the outstanding shares of YCV, J:COM shall acquire 51%, and TOKYU 49%.

This joint acquisition of YCV by J:COM and TOKYU aims toward development and deployment of new life supporting services based on the CATV service by allowing collaborations between J:COM, the largest operator in the cable industry with an established customer base, and TOKYU, who centers its business on railway and “town building” and deploys various daily life supporting services.

J:COM and TOKYU will facilitate their management resources and know-hows of both companies and discuss mutual alliances opportunities with an aim to evolve CATV into a life service media in a community.

The original disclosure in Japanese was released on Sep. 22, 2011 at 15:30 (GMT+9)

## Announcement

### I. Share Acquisition

#### 1. Reasons for Share Acquisition

YCV operates in Yokohama with 260,000 homes passed (network constructed and ready for subscription). The company's service area is surrounded by service areas of J:COM Group and iTSCOM, a TOKYU group affiliate; thus joint management by the two companies provides for various synergy effects in terms of geographical and business strategies.

The companies believe they will be able to improve the penetration and provide high added value services by fully capitalizing sales, customer support and other management resources of the two groups.

#### 2. Counter Party

- |                     |  |
|---------------------|--|
| (1) Company         | Sotetsu Holdings, Inc.                                 |
| (2) Representative  | Makoto TORII, Representative Director & President      |
| (3) Address         | 1-3-23 Kitasaiwai, Nishi-ku, Yokohama, Kanagawa, Japan |
| (4) Business Domain | Group Business Management                              |

#### 3. Acquisition Details and Date

##### (1) Acquisition Details

J:COM will acquire 3,264 (51% of outstanding shares) and TOKYU 3,136 (49%) from the current parent company Sotetsu Holdings, Inc. With this acquisition, YCV will become J:COM's consolidated subsidiary and TOKYU's equity method affiliate.

##### (2) Acquisition Date

October 7, 2011 (plan)

#### 4. Schedule

September 22, 2011	Closing of Share Transfer Agreement
October 7, 2011	Share Transfer Date (plan)

## II. Mutual Collaboration between J:COM and TOKYU

### 1. Background

J:COM is Japan's largest multiple system operator and multiple channel operator that operates CATV business as well as media business. As the industry leader, the company has deployed broadcasting and telecommunication business in major urban areas in Japan. On the other hand, TOKYU has deployed CATV business through its affiliate iTSCOM as a part of railway line's area services. Both companies offer multi channel TV including retransmission of terrestrial broadcasting, high speed Internet access and fixed phone as the main services of CATV business.

CATV industry has arrived at the new stage as the digitization of terrestrial broadcast completed this July (excluding 3 Tohoku prefectures afflicted by the earthquake) marking a break in CATV's role of retransmission of terrestrial broadcasting. In order to secure the profit, it is vital to expand the paid services like multi-channel TV. With such background, establishing business strategy toward improvement of enterprise value in the future is an urgent agenda for CATV industry and operators.

### 2. Direction of Restructuring Business Strategy

As J:COM and TOKYU looked ahead of CATV business for mid to long term, both companies recognize that the business resources, gained through the triple-play service of "TV, Internet, and telephony", including customer base, home network technology, and close relationship with community, should serve as strong and valuable foundations for the future business deployment. The companies are considering "developing life supporting service" to enrich our customers' life further through utilizing such resources.

The companies will also discuss opportunities to generate mutual business synergies by providing TOKYU's various life supporting services to J:COM customer base.

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