



October 24, 2008

To: Whom it may concern,

Corporate Name: Net One Systems Co., Ltd.

President & CEO: Takayuki Yoshino

(Stock Code: 7518 First Section of Tokyo Stock Exchange)

Director: Norihisa Takayama

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Notice regarding the establishment of a new subsidiary

The company's board of directors' meeting held on October 24, 2008 resolved as follows to newly establish a subsidiary.

1. Reason for establishing a subsidiary

Our Company will establish a new strategic subsidiary that will collaborate with partner companies to pioneer unexplored markets and attract new customers through developing current partner business group and aim for prolonged growth of our corporate group.

The new established subsidiary will be Net One Systems' 100% consolidated subsidiary.

2. Overview of the subsidiary to be established

(1)	Corporate Name	Net One Partners Co., Ltd.
(2)	Representative	President & CEO Shingo Saito (Net One Systems Managing Director)
(3)	Address	2-2-8, Higashi-Shinagawa, Shinagawa, Tokyo
(4)	Date of establishment	Beginning of November 2008 (tentative)
(5)	Overview of the business	Network integration business
(6)	End of fiscal year	March
(7)	Number of employees	40 (tentative as of December 1, 2008)
(8)	Main office	Shinagawa Tokyo
(9)	Capital	400M yen
(1 0)	Major shareholder and percentage of ownership	Net One Systems Co., Ltd. (100%)

3. Schedule

October 24, 2008	Resolution of board of directors
Begging of November 2008	Date of registration
December 1, 2008	Commecement of business

4. Effect on performance

As the new subsidiary will be established based on existing partner business group (sales for FY ending March 2008 was 6,800M yen), the effect on consolidated business report for fiscal year ending March 2009 is nominal.

5. Impact on our company's business forecast

○Forecast of magnitude of sales by new subsidiary

(unit: million yen)

	FY ending March 2009 (4 months irregular accounting period)	FY ending March 2010	FY ending March 2011
Sales	1, 000	10, 000	15, 000