

February 26, 2014

For Immediate Release:

Jupiter Telecommunications Co., Ltd.  
JAPAN CABLENET LIMITED  
KDDI Corporation  
Sumitomo Corporation

## **J:COM and JCN to merge**

### **JCN brand and services to be consolidated into J:COM in June**

Jupiter Telecommunications Co., Ltd. (“J:COM”; head office: Chiyoda-ku, Tokyo; President: and Representative Director: Toshio Maki) passed a resolution during its Board of Directors concerning its merger with JAPAN CABLENET LIMITED (“JCN”; head office: Chuo-ku, Tokyo; President: Toshio Maki) today.

#### **1. Background/purpose of merger**

J:COM, JCN, KDDI Corporation (“KDDI”; head office: Chiyoda-ku, Tokyo; President: Takashi Tanaka) and Sumitomo Corporation (“Sumitomo Corporation”; head office: Chuo-ku, Tokyo; President: Kuniharu Nakamura) announced the integration of J:COM and JCN on November 19, 2013. In line with this announcement, J:COM acquired all shares of JCN on December 2, 2013 and has been preparing to merge with JCN in April 2014. Today’s J:COM Board of Directors resolution established an official date of April 1 for the merger.

The newly merged company will be seeking economies of scale by integrating brands and services as well as improved customer satisfaction by introducing new services, and will pursue further growth as a top runner among cable television companies.

#### **2. Date of merger: April 1, 2014**

#### **3. Operating policies of newly merged company**

The newly merged company will maintain J:COM’s medium-term strategies of evolving into a “community partner” by bolstering community-based services and of transitioning into a comprehensive media business group by enhancing its media content business, all the while capitalizing on its know-how in smart television services pioneered by JCN.

By leveraging KDDI’s “au” (the brand’s mobile phone carrier) products, marketing channels, and research and development capabilities for mobile and fixed-line as well as Sumitomo Corporation’s knowledge of the media industry and its connections in various business sectors (retail business, IT, real estate, etc.), the newly merged company will endeavor to further

improve service quality and maintain/expand competitiveness.

#### **4. Future integration schedule:**

[April 1, 2014]

The head office functions of JCN will be consolidated into J:COM, and gradually be relocated to J:COM's office in the Marunouchi area.

[June 1, 2014 (tentative)]

The JCN brand will be switched to the J:COM brand.

In areas served by JCN, new sales will consist of services equivalent to those presently offered by J:COM.

\*Customers who already subscribe to JCN services will continue to have access to these services.

Some of the programs currently broadcasted on "Nippon Cable Channel," JCN's community channel, will be transferred to J:COM Television (nickname: J:Tele), a J:COM-original nationwide channel, and JCN's community channel will be renamed "J:COM Television (nickname: J:Tele)."