

February 12, 2009

HIKARI TSUSHIN, INC. (TSE First Section)
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Hikari Tsushin to Form Capital and Business Alliance and Establish the Joint Venture with USEN CORPORATION

Hikari Tsushin, Inc. signed an agreement to form a capital and business alliance and establish the joint venture with USEN CORPORATION (USEN).

1. Purpose of capital and business alliance

USEN Group operates various businesses such as Cable Broadcasting, which the company dominate the large shares of the market, and the Broadband & Telecom business, the Karaoke business, the Media Content business, the Business Systems business, and the Recruitment Consulting & Services business. USEN is one of the biggest media contents company in Japan and has strengths for its sales force, content business and technical capabilities.

Hikari Tsushin provides mobile phones, office equipments and internet-related services through sales network in Japan.

Through the joint venture, we aim to share sales network, management know-how and products and services, hereby giving them increased sales force and value-added services. We believe that it will help to heighten their corporate value as a result.

2. Capital and Business Alliance

(1) Overview of Business Alliance

Hikari Tsushin and USEN will set up the joint venture. Measures and policies are;

- a) Both companies will introduce their customers to the joint venture and the company is planning to sell products and services which provided by them.
- b) Both companies will provide sales know-how and selling tools to the joint venture.

(2) Overview of Capital Alliance

- a) Hikari Tsushin plans to acquire 500 preferred shares (total amount ¥2,500 million) issued by USEN.

In addition to this, Hikari Tsushin plans to acquire common shares of ¥500 million.

USEN plans to capitalize ¥1,000 million to our group companies.

b) Overview of the joint venture

1. Name of Company: not yet determined
2. Office location: Mid-town tower 9-7-1 Akasaka Minatoku Tokyo
3. Chairman: not yet determined
4. Capital: ¥45 million
5. Capitalization: USEN 60% Hikari Tsushin 40%
6. Business activity: Sales of mobile phones, office equipments, broadcasting and equipment of Karaoke machines.

3. Schedule

February 12, 2009	Signing of capital and business alliance agreement
February 27, 2009	Payment for preferred share
February 27, 2009 (plan)	Establishment of the joint venture

4. Outlook

Hikari Tsushin believes this Capital and Business Alliance will only have a minimal impact on its business performance.