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HIKARI TSUSHIN, INC. (TSE First Section)
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Hikari Tsushin and VLC Establish Joint Venture

Hikari Tsushin, Inc. (Hikari Tsushin) and VLC HOLDINGS CO., LTD. (VLC) today announced that they have reached an agreement for a joint venture to provide SaaS system services.

1. Purpose of establishment of the joint venture

VLC operates two main businesses, "Consulting business" and "Marketing Research Business". In consulting business, the company provides support services of information security management system and development of internal control. In marketing research business, they use various methods for the research.

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

Through the joint venture, we will operate SaaS * business, which can be one of new profit-making sources for us, by sharing the sales know-how and the system development.

*SaaS . . . SaaS is a model of software deployment whereby a provider licenses an application to customers for use as a service on demand.

2. Overview of the joint venture (plan)

- (1) Name of Company: not yet determined
- (2) Chairman: Hiroshi Asakawa (VLC)
- (3) Office location: Cyuo-ku Tokyo
- (4) Date of Establishment: April 2009
- (5) Business activity: SaaS business
- (6) Capital: ¥50 million
- (7) Capitalization: VLC 51% Hikari Tsushin 49%

3. Schedule

April 2009	Agreement of establishment of the Joint Venture
April 2009	Date of the establishment (plan)
June 2009	Date of starting operation (plan)

4. Outlook

Hikari Tsushin believes this will only have a minimal impact on its business performance at the moment.