

July 30, 2010

HIKARI TSUSHIN, INC. (TSE First Section 9435)

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Notice of Tie-Up with Pacific Net Co.,Ltd.

Today it was decided that Hikari Tsushin will engage in a business and capital alliance with Pacific Net Co.,Ltd. (Headquarters Tokyo, Minato-ku, President Ueda Mitsuhiro, Listed on Mothers 3021, below "Pacific Net"). The details are described below.

1. Purpose of the Tie-Up

Pacific Net is a leading company of reuse recycling market, and management of environment by reuse recycling of PC and office equipment.

Hikari Tsushin Group, utilizing its strengths in selling power and through its nationwide sales networks, primarily acts as an agent to sell mobile phones, OA equipment, insurance, and Internet-related services.

The new joint venture between our two companies will take advantage of Hikari Tsushin's sales networks for the purpose of seeking even larger gains for both parties in the future.

2. Overview of Pacific Net

(As of May, 2010)

(1) Company Name	Pacific Net Co.,Ltd.	
(2) Representative	Ueda Mitsuhiro Representing Director	
(3) Headquarters	Tokyo, Minato-ku, Shiba 5-20-14	
(4) Established	July 8, 1988	
(5) Main Business	Reuse Recycling business Industrial waste collection transportation business	
(6) Capital	¥432.75 million	
(7) Fiscal Term	May	
(8) Employees	179	
(9) Issued Shares	25,875	
(10) Net Assets	¥1,619.49 million	
(11) Total Assets	¥2,131.04 million	
(12) Primary Shareholders	Shareholder	Ratio
	Ueda Mitsuhiro	57.39%

(As of November 2009)	Ueda Tomoko		5.79%
	Ueda Yuta		5.79%
(13) Connection to Hikari Tsushin	Capital	No relevant items	
	Personnel	No relevant items	
	Business relation	No relevant items	
	Circumstances for Relevant Parties	No relevant items	

(14) Pacific Net Business Performance in Recent Years

(Millions of yen)

	FY2008	FY2009	FY2010
Net Sales	4,145	3,408	3,349
Gross Sales	1,981	1,649	1,683
Operating Profit	239	△23	60
Ordinary Profit	250	△13	75
Net Profit	127	△25	31
Net Profit per Share (yen)	4,977.26	△1,032.47	1,295.38
Dividends per Share (yen)	1,700.00	1,000.00	1,100.00
Net Asset per Share (yen)	67,338.87	65,688.06	65,983.54

3. Overview of acceptance of 3rd party allotment of shares

Hikari Tsushin will accept 3rd party allotment of shares from Pacific Net.

- Common Stock 1,331 shares
- Issued Value per Share ¥40,000 per share
- Total Issued Value ¥53,240,000

4. Overview of the joint venture (tentative)

- (1) Company Name Are Mobile Co.,Ltd.
- (2) Headquarters Tokyo, Ota-ku,Tokai 1-3-6
- (3) Chairman Iwama Masatoshi
- (4) Establish August 2, 2010
- (5) Business Activities Purchase and sell for second hand mobile phones and used computers.
- (6) Capital 4,500 million yen
- (7) Fiscal Term May

(5) Financing Ratio	Pacific Net 51%	Hikari Tsushin 49%
(6) Board of Directors	Pacific Net 2	Hikari Tsushin 2

5. Scheduling

July 30, 2010	Resolution of investment committee
August 2, 2010	Establishment of a joint venture
August 20, 2010	Payment day

5. Impact on Performance

At this stage, Hikari Tsushin forecasts that this will have little impact on performance.