



April 13, 2000

Electric Power Development Co., Ltd.

Nagoya Railroad Co., Ltd.

Kinki Nippon Railway Co., Ltd.

Initiation of leased optical fiber business between Tokyo-Nagoya-Osaka First attempt of cross-industrial mutual accommodation within the region

Electric Power Development Co., Ltd. (EPDC), Nagoya Railroad Co., Ltd. (Meitetsu) and Kinki Nippon Railway Co., Ltd. (Kintetsu) announced a joint optical fiber lease business between Tokyo, Nagoya, Osaka, and Shima, interconnecting the optical communication network maintained by the three companies in the region. The lease business is scheduled to become available next spring.

This is the first long-distance optical fiber lease business to be provided by non-Category 1 Telecommunications Utilities in the Tokyo-Nagoya-Osaka district.

EPDC intends to provide approximately 330 kilometers of optical fiber installed along the transmission lines (from Shinjuku, Tokyo to Inuyama City, Aichi Prefecture) through its 100 percent subsidiary - Japan Network Engineering, while Meitetsu and Kintetsu will participate in the business respectively by interconnecting approximately 80 kilometers (Meitetsu, Inuyama City to Nagoya City, etc.) and 250 kilometers (Kintetsu, Nagoya City to Osaka City and Shima district in Mie Prefecture) of optical fiber installed the railroads owned by the two companies. This will link the 660 kilometers of route between Tokyo to Osaka and Shima via Nagoya. The communication route will be offered for lease in April, 2001.

Currently, the route is under construction by the three participating firms with the exception of the Osaka to Shima segment already completed. The entire route will be completed by March, 2001.

The business targets newly-established Category 1 Telecommunication Utilities along with other clients, and negotiation with several potential customers have already begun.

Inquiry on this article

Reference for this article:

Company	Section	Contact
EPDC	Public Relations Room, General Affairs Department Information/Communication Activities Group, Business Development Department	Phone: +81 3 3546 2211
Meitetsu	Public Relations, Public Relations/Advertisement Section Information, Management Planning Section	Phone: +81 52 581 6006 Phone: +81 52 581 0929
Kintetsu	Planning Room	Phone: +81 6 6775 3647

<Outline of business>

- Services to be offered:

(1) Leasing of optical fiber capacity

* 15 year lease on a IRU (Indefeasible right of user) agreement basis

(2) Route offered for lease

* Tokyo - Nagoya - Osaka, and Shima district

(3) Optical fiber specifications

* Single Mode (SM) fiber corresponding to multifrequency optical data transmission

(4) Maintenance/Service

* Maintenance and service of the fiber network to be provided by the provider

(5) Optical relay station housing service (for EPDC-owned segment only)

* Accommodation of optical relays installed by the client with power supply

- Estimated annual turnover:

EPDC: 1 billion yen

Meitetsu: 100 million yen

Kintetsu: 600 million yen

<Specifics pertaining to Japan Network Engineering>

Established: August 1991

Capital fund: 50 million yen (100 percent EPDC-owned subsidiary)

Location: 3-3-1 Sugamo, Toshima-ku Tokyo

President: Masayoshi Kitamura (Director of New Business Development, EPDC)

Employees: 6

Primary activities:

- Engineering services related to information and telecommunication
- Leasing of optical fiber transmission capacity
- Consultation services pertaining to the installation/design of wireless communication systems including WLL
- Maintenance and management of disaster control communication systems
- Registered as Category 2 General Telecommunications Utility as of February 25, 1998, started the provision of data transmission services to the EPDC group.

End of announcement