



September 18, 2002
Electric Power Development Co., Ltd.

Japan Network Engineering Co., Ltd., a member of J-POWER Group, has acquired a Type-I Telecommunications Business License

Japan Network Engineering Co., Ltd. (JNE; Head Office: Chuo-ku, Tokyo; President: Kanji Shimada), a wholly owned subsidiary of the Electric Power Development Co., Ltd., has acquired a Type-I Telecommunications Business License (Exclusive Government Service (Official Wholesale Telecommunications Service)) from the Minister of Public Management, Home Affairs, Posts and Telecommunications.

The license for the Official Wholesale Telecommunications Service makes JNE a "carriers' carrier." Under this system, the carriers' carrier provides telecommunications services to other telecommunications service providers. JNE has interconnected its optic fibers with Meitetsu Railroad Co., Ltd. and Kinki Nippon Railway Co., Ltd. to offer long-distance optic fiber core line hiring services connecting Tokyo, Nagoya and Osaka, to customers using the IRU system (establishment of user rights), with effect from April 1, 2001.

The IRU system has been available only to a limited scope of customers such as Type-I Telecommunication Businesses, CATV businesses and local governments. Following the grant of this Official Wholesale Telecommunications Service license, however, the scope has been widened to include also Type-II Telecommunications Businesses such as Internet Service Providers (ISP). JNE provides both IRU and Official Wholesale Telecommunications Services (Resale type) and is in the process of expanding its hiring services for long-distance optic fiber core lines.

With effect from December 1, 2002, JNE started its service offering a fast end-end connection service for customer network bases between Tokyo and Nagoya by combining JNE's existing long-distance optic fibers with the optic fibers owned by operators such as local governments and public utilities. Through its service offering it is confident that it will make a significant contribution to the development and expansion of the broadband environment for long-distance networks.

In addition to the launch of an optic fiber service between Tokyo and Nagoya, JNE also envisages the expansion of its service area to as far as Osaka and the launch of a service offering optic fiber wavelengths to customers with the flexibility of meeting their diverse needs.

Service Description

Nature of service	Hiring of long-distance optic fiber core lines (Providing connecting services between network bases with the flexibility to suit customer needs)
Service charge	The actual service menu and tariff are still to be determined
Date of start of service	December 1, 2002 (scheduled)
Service area	Area spread from Metropolitan Tokyo to Aichi Prefecture

Company Profile

Name	Japan Network Engineering Co., Ltd.
Head office location	Ginza 7-15-5, Chuo-ku, Tokyo
President and CEO	Kanji Shimada (Executive Officer and General Manager of Business Development Department of J-POWER)
Date established	August 1991
Capitalization fund	50 million yen (Wholly invested by J-POWER)
Nature of business	Type-I Telecommunications Service (Official Wholesale Telecommunications Service) General Type-II Telecommunications Service (Voice/Data Transmission Service for the J-POWER Group) Optic Fiber Core Line Providing Service Engineering Services Related to Data Transmission Consulting Services on Installation and Design of Wireless Communications Systems Operating and Maintenance Services for Disaster Prevention Communications System.

End of announcement