



May 07, 2018

4-1-28 Toranomon, Minato-ku, Tokyo Japan Communications Inc. Naohisa Fukuda Representative Director-President (Code No.: 9424) For enquiries: Yuko Horie PR Manager Tel: 03-5776-1700

JCI receives regulatory certifications for unlicensed LTE base station

Japan Communications Inc. (JCI, TSE First Section code: 9424) announced today that it received Japan's first regulatory certification under both the Radio Law and Telecommunications Business Law for an unlicensed LTE (u-LTE) base station.

The Ministry of Internal Affairs and Communications designated u-LTE spectrum through Radio Law amendments that came in to effect on October 1 of last year. JCI, having waited for this reform, immediately began the certification processs for our small LTE base station. As the Radio Law and Telecommunications Business Law certification processes for u-LTE was not defined, JCI coordinated with regulatory authorities throughout the certification. Now all required certifications have been received. This is the first u-LTE base station certified in Japan.

LTE is the most accepted and used mobile technology in the world. However, to date it could only be deployed in each country by the few operators that acquired spectrum licenses. However, following advancements in LTE technology there is strong momentum globally to level the playing field and enable many more operators to deploy LTE base stations and provide LTE services.

LTE is the core mobile telecommunications technology in use today. LTE stands for Long Term Evolution. As the name

implies, LTE is a technology that has been continuously improved over a long period. Mobile telecommunication technologies have progressed from 3G to 4G and are now moving towards supporting higher speeds and data volumes with 5G. All of these are based on LTE technologies. As the technology evolves, the area covered by a single base station shrinks. This means that the era of large base stations being deployed to cover large areas will come to an end.

u-LTE fits perfectly with JCI's founding principle to provide secure and reliable communications. In particular, u-LTE is the optimal technology to deliver services such as secure and reliable office networks or IoT networks.



The u-LTE base station JCI has had certified

Given this background, in October 2017 JCI executed a strategic partnership with wireless infrastructure provider, Baicells. JCI has now obtained Radio Law and Telecommunications Business Law certifications for an LTE base station developed by Baicells that meets Japan's u-LTE spectrum standards.

Through partnership with VAIO Corporation, the LTE module embedded in VAIO laptops has already received Radio Law and Telecommunications Business Law approvals for use with u-LTE in Japan.

Regarding this announcement, JCI Representative Director and Chairman Frank Seiji Sanda said: "u-LTE is the first step in the obsolescence of legacy mobile operators."

Baicells Vice President, Bai Wei stated that: "Cooperation with JCI on u-LTE is a milestone for Baicells, as it will breed some new business models and acquire more commercial opportunities. We will make every effort to help our customers succeed, and that will be Baicells' success."

JCI, together with potential customers waiting for u-LTE solutions and our business development partners, will now commence field testing in preparation for full commercial service.

* "VAIO" is registered trademark of Vaio Corporation. * The names of other companies and products are trademarks or registered trademarks of their respective companies.

About Japan Communications Inc.

Japan Communications Inc. (JCI) was established on May 24, 1996 as the company to fulfill the objective of the Ministry of Communications and Internal Affairs (MIC) that next-generation Internet, driven by mobile communications, should form the foundation of Japan's future economic growth. JCI's business model later became to be called MVNO. In March 2009, JCI achieved interconnection with NTT docomo under MIC's policies to liberalize the mobile market. This interconnection meant that consumers could purchase mobile connectivity (SIMs) from sources other than the mobile carriers for the first time and led to the creation of the "kakuyasu SIM" market. Now it is time for companies from all industries, not just cellular companies, to embed mobile connectivity in to their devices. As the MVNO pioneer and the world's first mobile solutions enabler, we are using our strong technological vision and know-how in implementation to build the next generation platforms required to support the next phase of global economic growth, which will originate in Japan. Offices are located in Tokyo, Japan, Denver (Colorado) and Ponte Vedra (Florida) in the United States, and Dublin, Ireland. JCI is listed on the Tokyo Stock Exchange. (Securities Code: 9424). As JCI's Corporate governance policy, outside directors comprise the majority of the Board of Director and all outside directors are independent directors.