

February 28, 2007

To Whom It May Concern

Nihon Unisys, Ltd.  
Katsuto Momii, President & CEO  
Code: 8056  
(Tokyo Stock Exchange First Section)

### **Announcement of Commencement of the Tender Offer for the Shares of Netmarks Inc.**

At the meeting of board of directors held on February 28, 2007, Nihon Unisys, Ltd. (hereinafter referred to as the "Company") resolved to obtain the shares and share purchase warrants of Netmarks Inc. (Code No. 3713 the First section of Tokyo Stock Exchange, hereinafter referred to as "the Target Company") through a tender offer (hereinafter referred to as the "Tender Offer") as below mentioned.

#### NOTE

##### **1. Purpose of the Tender Offer**

The Company sets out a future vision "to become a high-growth corporate group setting itself the 'challenge towards 500 billion yen in revenue.", pursuant to the management concept that it shares values with customers, U&U: Users & Unisys. Thus, it promotes an M&A strategy as one of the challenges for growth in addition to the implementation of the four areas of basic strategy, such as marketing strategy, service business strategy, group strategy, and human resources strategy.

Currently, broadband and mobile device significantly prevail in Japan. Against the backdrop of informatization that involves individuals as well as companies, new businesses are being created. In the ICT market (Note 1) that is deployed on the basis of next generation network, various business opportunities are expected to occur for each layer such as contents application, platform, network and terminal. Above all, the two markets of "system integration" (hereinafter referred to as SI) and "network integration" (hereinafter referred to as NI) that used to be divided are expected to be merged into a larger market at the request of customers wishing for an integrated solution for system and network. Also, in this situation, mission critical business is expected to increasingly depend on network, against the backdrop of an increase of demand for next generation network related businesses that gain momentum.

The Company thinks that it is essential for its future growth strategy to enhance its capability of providing solutions integrating high-value added system and network that are not fully offered by the existing IT service companies, by understanding the changes in the industry environment that can take place in future, and further strengthening its NI capability on the basis of its existing strong SI capability.

The Target Company is the company that pioneered the NI business in Japan. It provides a wide variety of added values such as IP telephony and security in addition to the basic solutions of design, architecture, maintenance and operation of network for large-scale companies, universities and government and other public offices by leveraging sales and support etc. of network infrastructure devices manufactured by US Cisco Systems, Inc. It enjoys an established reputation for the capability of selling and providing network solutions to many customers of wide variety of industries. A strong complementary relationship will be created by interrelating with the capabilities the long-cultivated SI capability, development capability of application and solution, project management and infrastructure operation, support formation and expertise of the Company.

The Company has made its 100% subsidiary Uniadex Ltd. deploy a business of designing and architecting networks and providing related supports, by positioning the NI business as part of its group core businesses. It is thought that any further enhancement of corporate values of the entire group can be expected by assimilating the Target Company into the group of the Company as a critical strategic partner for the "comprehensive IT solution service company group", sharing strategies and deploying business in future.

Concretely, what can be expected is a stronger capability of providing high-value added solutions and an increase of orders by enhancing sales to mutual customers (cross-selling) etc. by merging and deepening solution capabilities in the fields of system and network that the Company group and the Target Company hold. Also, cost reduction by leveraging the advantage of scale realized by integration of the management foundation of maintenance/support function and purchase division etc., enhancement of product

development capability, efficiency promotion of R&D, management enhancement by interrelating upstream services, and enhancement of NI product line-up etc. can be expected.

The Company now executes a Tender Offer about the Target Company without setting upper limit, with the purpose of including it in its group that is currently listed on the first section of the Tokyo Stock Exchange. It will promote strategic business collaboration with the Target Company by performing the Tender Offer and thus strengthening capital ties. It does not plan to reshuffle the organization of the Target Company after the Tender Offer at this point in time. It has not decided on the possibility of additionally purchasing the shares of the Target Company after the Tender Offer, now.

It concluded an "agreement about the Tender Offer" as of February 28, 2007 with Sumitomo Electric Industries, Ltd. the largest shareholder of the Target Company in connection with the Tender Offer. Thus, it obtained an agreement from the company to participate in the Tender Offer, as regards 74,773 common shares of the Target Company that it holds (42.76% of the outstanding shares). Also, the meeting of board of directors held at the Target Company on February 28, 2007 resolved to approve the Tender Offer.

Furthermore, the meeting of board of directors held at the Target Company on February 28, 2007 resolved that the 3,920 shares of Starnet Co., Ltd. its subsidiary (Note 2) that the Target Company holds (40.83% of the outstanding shares) are sold to Sumitomo Electric Industries, Ltd. for 783,541,360 yen. The meeting of board of directors on February 28, 2007 held at Starnet Co., Ltd. resolved to approve the sale.

The common stock of the Target Company is listed on the first section of the Tokyo Stock Exchange, Inc. The Tender Offer does not intend to delist the Target Company stock. However, the Tender Offer does not cap the share count subject for the Tender Offer. Therefore, the stock may be delisted by going through a fixed procedure pursuant to the delisting standard stipulated by the Tokyo Stock Exchange, depending on the result of the Tender Offer. If the delisting standard should be violated, the Company will consider measures by negotiating with the Target Company. At this point in time, it has not decided on policy for the measures.

In the case of the Tender Offer, if the total number of applied share certificates and other securities is below the "number of shares to be purchased that are converted in share" described in the below-mentioned 5. Number of share certificates and other securities to be purchased, all of the applied share certificates and other securities will not be purchased. If the total number of applied share certificates and other securities is the "Number of shares to be purchased that are converted in share" or over, all of the applied share certificates and other securities will be purchased.

(Note 1) Information Communication Technology:

In the past, the word, IT Information Technology was used. However, there is a global trend that this abbreviation by including 'communication' takes root. By considering that there is an increasing significance of communication in the area of information communication in the times of ubiquitous network, the 'IT policy outline' was renamed as 'ICT policy outline' by Ministry of Internal Affairs and Communications from the fiscal year of March 2005.

(Note 2)

Starnet Co., Ltd. runs businesses of network integration and network service etc. mainly for large-scale companies including Sumitomo Electric Industries, Ltd. Its net sale is 7,450million yen and its net income is 208 million yen for the period ended March 2006.

## 2. Outline of Tender Offer etc.

### (1) Outline of the Target Company

1	Trade name	Netmarks Inc.																					
2	Business content	Design, architecture, maintenance and operation etc. of network systems																					
3	Date of incorporation	March 18, 1997																					
4	Main Office	3-12, Moto-akasaka 1-chome, Minato-ku, Tokyo																					
5	Representative person	Representative Director & President Atsushi Ohashi																					
6	Capital	2,970,977thousand yen (as of September 30, 2006)																					
7	Major shareholders and respective shareholding ratio	<table border="0"> <tr> <td>Sumitomo Electric Industries, Ltd.</td> <td>48.76%</td> </tr> <tr> <td>Nomura Research Institute, Ltd.</td> <td>5.92%</td> </tr> <tr> <td>Sumitomo Densetsu Co., Ltd.</td> <td>3.53%</td> </tr> <tr> <td>Terilogy Co., Ltd.</td> <td>2.17%</td> </tr> <tr> <td>Netmarks employee shareholding association</td> <td>1.74%</td> </tr> <tr> <td>TIS Inc.</td> <td>0.92%</td> </tr> <tr> <td>Taichirou Nagao</td> <td>0.91%</td> </tr> <tr> <td>Internet Initiative Japan Ltd.</td> <td>0.69%</td> </tr> <tr> <td>The Master Trust Bank of Japan, Ltd. (trust account)</td> <td>0.56%</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (trust account)</td> <td>0.55%</td> </tr> </table> (as of September 30, 2006)		Sumitomo Electric Industries, Ltd.	48.76%	Nomura Research Institute, Ltd.	5.92%	Sumitomo Densetsu Co., Ltd.	3.53%	Terilogy Co., Ltd.	2.17%	Netmarks employee shareholding association	1.74%	TIS Inc.	0.92%	Taichirou Nagao	0.91%	Internet Initiative Japan Ltd.	0.69%	The Master Trust Bank of Japan, Ltd. (trust account)	0.56%	Japan Trustee Services Bank, Ltd. (trust account)	0.55%
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8	Relationship between the tender offeror and the target company	Capital relationship	Uniadex Ltd. the subsidiary of the Company holds 0.27% of the outstanding shares of the Target Company.																				
		Personnel relationship	There is no personnel relationship between the Company and the Target Company.																				
		Business relationship	Purchase and sale of network devices etc. by Uniadex Ltd. Entrusted maintenance/support by Uniadex Ltd.																				
		Applicability to the related party	Not applicable																				

### (2) Tender offer period

1. Tender offer period which is intended as of the filing of the tender offer  
From Monday, March 5, 2007 to Thursday, April 12, 2007 (28 business days)
2. Possibility of extension pursuant to a request from the Target Company  
If an opinion in writing that describes a request from the Target Company to extend the tender offer period (hereinafter referred to as the "Tender Offer Period") is submitted pursuant to Article 27-10, Paragraph 3 of Securities Exchange Law (hereinafter referred to as "the Law"), the Tender Offer Period will be extended up to Monday, April 16, 2007, whereby the Tender Offer Period consists of 30 business days.

### (3) Tender offer price

Share certificate 80,300 yen per share

Share purchase warrant

1. Share purchase warrant issued pursuant to a resolution at the 6th ordinary general meeting of shareholders of June 28, 2002 (hereinafter referred to as the 'first-issue share purchase warrant')  
1 yen per 1 share purchase warrant
2. Share purchase warrant issued pursuant to a resolution at the 7th ordinary general meeting of shareholders of June 30, 2003  
(hereinafter referred to as the 'second-issue share purchase warrant')  
1 yen per 1 share purchase warrant
3. Share purchase warrant issued pursuant to a resolution at the 8th ordinary general meeting of shareholders of June 24, 2004  
(hereinafter referred to as the 'third-issue share purchase warrant')  
1 yen per 1 share purchase warrant
4. Share purchase warrant issued pursuant to a resolution at the 9th ordinary general meeting of shareholders of June 24, 2005  
(hereinafter referred to as the 'fourth-issue share purchase warrant')

1 yen per 1 share purchase warrant

(4) Basis for calculation of purchase price, etc.

1. Basis for the calculation of the purchase price

(i) Share certificate

The Company asked Morgan Stanley Japan Limited (hereinafter referred to as "Morgan Stanley") the financial adviser for the Company to assess the stock value of the Target Company as a referential data for deciding the purchase price, in order to decide the purchase price of the common stock for the Tender Offer. Morgan Stanley studied appraisal methods to apply and implemented appraisals according to market stock price average method, discounted cash flow method (hereinafter referred to as "DCF method"), similar business comparison method etc. The value ranges per common stock of the Target Company according to each method are listed below.

Market stock price average method, :	76,718yen—78,387yen
DCF method :	46,747yen—85,604yen
Similar business comparison method :	53,355yen—65,739yen

(Note)

DCF method and Similar business comparison method calculate values by considering effects of the sale of Starnet Co., Ltd. stock held by the Target Company to Sumitomo Electric Industries, Ltd.

The Company has decided to consider the value range of one stock within the range from 46,747 yen the lowest to 85,604 yen the highest among the above appraisal results. Synergy effect brought about with the Target Company, effect of the Tender Offer to the profit per share of the Company, agreement or disagreement by the Target Company with the Tender Offer, results of due diligence of the Target Company about business aspect, legal affairs aspect, and accounting & tax aspects, and the transfer of the Starnet Co., Ltd. shares to Sumitomo Electric Industries, Ltd. and prospects etc. of the Tender Offer were comprehensively considered. Also, results etc. of negotiations and discussions with Sumitomo Electric Industries, Ltd. were considered. As a result, the purchase price was decided to be 80,300 yen. The purchase price for the Tender Offer is equivalent to a value of adding approx. 6.2% (rounded to one decimal place) premium to the simple average value 75,629 yen (rounded to the nearest whole number) of closing prices of the first section of the Tokyo Stock Exchange for the past 1 month up to February 27, 2007.

(ii) Share purchase warrant

As of February 27, 2007, the exercise price per share for the first-issue share purchase warrant is 50,625 yen, 29,675 yen below 80,300 yen the purchase price per common stock of the Tender Offer.

As of February 27, 2007, the exercise price per share for the second-issue share purchase warrant is 111,250 yen, 30,950 yen above 80,300 yen the purchase price per common stock of the Tender Offer.

As of February 27, 2007, the exercise price per share for the third-issue share purchase warrant is 335,261yen, 254,961 yen above 80,300 yen the purchase price per common stock of the Tender Offer.

As of February 27, 2007, the exercise price per share for the fourth-issue share purchase warrant is 328,030 yen, 247,730 yen above 80,300 yen the purchase price per common stock of the Tender Offer.

(However, as regards the fourth-issue share purchase warrant, the period of right exercise is from July 1, 2007 to March 31, 2012. Share purchase warrant holders are not in a position to exercise right on February 27, 2007)

However, every share purchase warrant was issued as stock option to the directors, auditors or employees of the Target Company.

There are exercise conditions such as 1) if a person who received an allocation of share purchase warrant loses the position of the director, auditor or employee of the Target Company (including affiliated companies of the Target Company as regards the third-issue and fourth-issue share purchase warrants) due to reasons other than fixed reasons of retirement because of term termination and mandatory retirement etc., he or she cannot exercise right, and 2) a transfer of share purchase warrant (excepting a case of transfer of the second-issue share purchase warrant), pledge, or any other disposition is not permitted, and in a case of decease of share purchase warrant holder, inheritor does not inherit the share purchase warrant. Therefore, because it is thought that if the Tender Offeror purchases the share purchase warrants by the Tender Offer it cannot exercise them, the above purchase price of share

purchase warrant was decided.

## 2. Background of calculation

### (i) Background

- About July, 2006: The Company and the Target Company started negotiation about possibility of business association
- About January, 2007: The Company, the Target Company and Sumitomo Electric Industries, Ltd., the largest shareholder of the Target Company started negotiation about business association that involved capital ties
- From the latter part of January to the middle part of February 2007: Due diligence was conducted about the business aspect, legal affairs aspect, accounting and tax aspects of the Target Company
- About the latter part of February, 2007: The appraisal result of stock value of the Target Company was received from Morgan Stanley.
- February 28, 2007: The meeting of board of directors of the Company decided the Tender Offer about the common stock and share purchase warrant of the Target Company. An agreement about the Tender Offer was concluded with Sumitomo Electric Industries, Ltd.

### (ii) Opinions etc. of third –party appraiser

The Company examined the business and financial status of the Target Company by conducting due diligence of business, legal affairs, and accounting & tax aspects etc. with the cooperation of a third party. At the same time, it discreetly considered about synergy effects to be brought about by capital ties strengthened by the Tender Offer.

In order to consider purchase price, the Company referred to the stock appraisal value on the basis of market price average method, DCF method, similar business comparison method, and other methods implemented by Morgan Stanley, its financial adviser, in addition to the due diligence result. Also, it considered premiums granted when purchase prices were decided in the past Tender Offer cases of share certificates and other securities implemented by those other than issuers, and transfer of Starnet, Co., Ltd. shares to Sumitomo Electric Industries, Ltd., etc. Furthermore, it comprehensively considered prospects of the Tender Offer including a possibility of application by Sumitomo Electric Industries, Ltd. the largest shareholder of the Target Company, and effects of the Tender Offer on a profit per share of the Company, etc. As a result, the purchase price of share certificate for the Tender Offer was decided to be 80,300 yen per share at the February 28, 2007 meeting of the board of directors of the Company. The purchase price of share purchase warrant was also decided to be 1 yen per share purchase warrant pursuant to the rationale described in the Basis for the calculation of the purchase price, at the same meeting of board of directors.

## 3. Relationship with appraiser

Morgan Stanley is not a related company of the Company.

### (5) Number of share certificates and other securities to be purchased

Type of share certificates and other securities	1. Number of shares to be purchased that are converted in share	2. Number of shares to be over-purchased that are converted in share
Share certificate	80,949 shares	—share
Share purchase warrant certificate	—share	—share
Certificate of bond with share purchase warrant	—share	—share
Deposit receipt for share certificates and other securities ( )	—share	—share
Total	80,949 shares	—share

#### (Note 1)

If the total number of applied share certificates and other securities is under the “number of shares to be purchased that are converted in share” (80,949 shares. Hereinafter referred to as the “Number of Shares to Be Purchased”), all of the applied share certificates and other securities are not purchased. If the total number of applied share certificates and other securities

is the Number of Shares to Be purchased or above, all of the applied share certificates and other securities are purchased.

(Note 2)

Treasury stock held by the Target Company is not planned to be obtained through the Tender Offer.

(Note 3)

There is a possibility that the first-issue through third-issue share purchase warrants may be exercised by the end of the Tender Offer Period. The common stock of the Target Company to be issued or transferred by the exercise is also the subject of the Tender Offer.

(Note 4)

Certificates of share purchase warrant out of share certificates and other securities are converted as follows, pursuant to the issue guidance of each share purchase warrant. According to the description of the 11 th semi-annual financial report submitted by the Target Company on December 15, 2006, 80 pieces of first-issue share purchase warrant that are not exercised as of November 30, 2006 are converted to be 16 shares per piece, 203 pieces of the second-issue share purchase warrant that are not exercised as of November 30, 2006 are converted to be 4 shares per piece, and 68 pieces of the third-issue share purchase warrant that are not exercised as of November 30, 2006 are converted to be 2 shares per piece.

(Note 5)

The number of shares that are converted into the common stock of the Target Company that the Tender Offeror obtains by the Tender Offer is 175,472 shares max. It represents 174,848 shares the outstanding shares of September 30, 2006 as described in the 11th semi-annual financial report submitted by the Target Company on December 15, 2006, plus 2,228 shares, the maximum number of common shares of the Target Company that are possible to be issued or transferred by the exercise of the first-issue through third-issue share purchase warrants (including the common shares of the Target Company issued or transferred by exercising the share purchase warrants from October 1, 2006 to February 27, 2007), minus 1,604 treasury stocks held by the Target Company. However, an agreement from Uniadex Ltd. holding 480 common shares of the Target Company that it would not participate in the Tender Offer was obtained. It will be 174,992 shares max. by excepting the shares held by Uniadex Ltd.

(6) Changes in the percentage of voting rights of share certificates and other securities resulting from the Tender Offer

Number of voting rights represented by share certificates and other securities owned by Tender Offeror before Tender Offer	0	(Percentage of voting rights of share certificates and other securities before Tender Offer 0.00%)
Number of voting rights represented by share certificates and other securities to be purchased	80,949	(Percentage of voting rights of share certificates and other securities after Tender Offer 46.41%)
Total number of voting rights of shareholders of the Target Company	173,240	

(Note 1)

The "number of voting rights represented by share certificates and other securities to be purchased" is the number of voting rights of the share certificates and other securities to be purchased by the Tender Offer.

(Note 2)

The "total number of voting rights of shareholders of the Target Company " is the number of voting rights of all shareholders as described in the 11 th semi-annual financial report submitted by the Target Company on December 15, 2006.

(Note 3)

The "Percentage of voting rights of share certificates and other securities before Tender Offer" and the "Percentage of voting rights of share certificates and other securities after tender Offer" are rounded off to two decimal places.

(7) Purchase price 6,500,204,700 yen

(Note)

Purchase price is the estimated value in a case of purchasing the number of share certificates and other securities to be purchased (80,949 shares) for purchase price (80,300 yen). It costs 14,090,401,600 yen to purchase all 175,472 shares which represents 174,848 shares, the outstanding shares as of September 30, 2006 as described in the 11 th semi-annual financial report submitted by the Target Company on December 15, 2006, plus 2,228 shares, the maximum number of common stock of the Target Company that are possible to be issued or transferred by exercising the first-issue through third-issue share purchase warrants by the end of the Tender Offer Period (including the common stock of the Target Company that is issued or transferred by exercising the share purchase warrant from October 1, 2006 to February 27, 2007) and minus 1,604 treasury stocks held by the Target Company. However, a consent from Uniadex Ltd. holding 480 common shares of the Target Company that it would not participate in the Tender Offer was obtained. It will cost 14,051,858,188yen max. to purchase 174,992 shares max. by excluding the shares held by Uniadex Ltd.

(8) Method of settlement

1. Name and location of securities company and bank etc. in charge of settlement of Tender Offer.

2. Commencement date of settlement  
Thursday, April 19, 2007

(Note)

In a case that an opinion in writing is submitted by the Target Company to request an extension of Tender Offer Period pursuant to the stipulation of Article 27, Paragraph 10, Item 3 of the Law, the commencement day of settlement is Monday, April 23, 2007.

3. Method of settlement

After the end of the Tender Offer Period, a notice of purchase will be mailed to the address or the location of the applying shareholders (or the address of the standing proxy, in the case of foreign shareholders) without delay. Payment of the purchase price will be made in cash. The TOB agent will remit the purchase price for the share certificates without delay, on and after the commencement date of settlement, to the places designated by the applying shareholders, or pay at the main office or branch offices in Japan, in accordance with the applying shareholders' instructions.

4. Method of returning share certificates and other securities

In a case that applied share certificates and other securities are not purchased under the conditions described in "1. Conditions stipulated in each item of Article 27-13 Paragraph 4 of the Law" and "2. Conditions for withdrawal etc. of the Tender Offer, contents thereof and method of disclosure of withdrawal etc." of the below "(9) Other conditions and methods of purchase etc.", applied share certificates and other securities that need to be returned are provided to applying shareholders or mailed to their addresses (the address of the standing proxy in a case of foreign shareholders) immediately on or after the commencement day of settlement (in a case of Tender Offer withdrawal etc., the day when the withdrawal etc. was executed) according to the direction of the applying shareholders. Or, in a case that the applied share certificates and other securities were stored by the TOB agent (or Japan Securities Depository Center, Inc. via TOB agent) at the time of application, they are returned to a status of storage at the time when the application was made.

(9) Other conditions and methods of purchase etc.

1. Conditions set forth in each item of Article 27-13 Paragraph 4 of the Law

If the total number of applied share certificates and other securities is under the Number of Shares to Be Purchased (80,949 shares), all of the applied share certificates and other securities are not purchased. If the total number of applied share certificates and other securities is the Number of Shares to Be Purchased or above, all of the applied share certificates and other securities are purchased.

2. Conditions of withdrawal etc. of Tender Offer, details thereof and method of disclosure of withdrawal etc.

Upon the occurrence of any event listed in Article 14 Paragraph 2 Items (イ) through (リ) and Items (ヲ) through (ヅ), Item 2, Item 3 (イ) through (チ), and Item 5, as well as Article 14 Paragraph 2 Items 3 through 6 of the Enforcement Order of the Securities Exchange Law (hereinafter referred to as the "Order"), the Company may withdraw the Tender Offer. In the event that the Company intends to withdraw the Tender Offer, it will give public notice thereof through electronic disclosure and disclose the existence of such notice through *the Nihon Keizai Shimbun*; provided, however, that if it is difficult to give such notice by the last day of the Tender Offer Period, the Company will make a public announcement pursuant to Article 20 of the Cabinet Office Ordinance and forthwith give public notice.

3. Conditions of reduction of purchase price, etc., details thereof and method of disclosure of reduction

Pursuant to Article 27-6 Paragraph 1 Item 1 of the Law, in case that the Target Company takes any action enumerated in Article 13 Paragraph 1 of the Order, the Company may reduce the purchase price of the Tender Offer in accordance with the methods provided in Article 19 of the Cabinet Office Ordinance. In the event that the Company intends to reduce the purchase price of the Tender Offer, it will give public notice thereof through electronic disclosure and disclose the existence of such notice through *the Nihon Keizai Shimbun*; provided, however, that if it is difficult to give such notice by the last day of the Tender Offer Period, the Company will make a public announcement pursuant to Article 20 of the Cabinet Office Ordinance and forthwith give public notice. If any of the purchase conditions or other terms is modified, the Company will purchase the Applied Share Certificates, etc. offered prior to the announcement of such modifications under the purchase conditions as modified.

4. Matters concerning applying shareholders' right of cancellation of agreement

The applying shareholders may cancel an agreement on the Tender Offer at any time during the Tender Offer Period. In case of such cancellation, the applying shareholders are required to deliver or mail the receipt of the application for the Tender Offer as well as the document requesting the cancellation of the application on the Tender Offer (hereinafter referred to as the "document of cancellation") to the main office of the branch offices in Japan of the TOB agent by 15:30 of the last day of the Tender Offer Period; provided, however, that in case of cancellations sent by mail, the document of cancellation shall not have any effect unless it arrives by 15:30 of the last day of the Tender Offer Period. No compensation for damages or penalty payment will be claimed to any applying shareholders by the Tender Offeror even if the agreement with the applying shareholders is cancelled. The cost of returning the share certificates, etc. will be borne by the Tender Offeror.

5. Method of disclosure if the terms and conditions of the Tender Offer are changed

In the event that the Company intends to change the terms and conditions of the Tender Offer, it will give public notice thereof through electronic disclosure and disclose the existence of such notice through *the Nihon Keizai Shimbun*; provided, however, that if it is difficult to give such notice by the last day of the Tender Offer Period, the Company will make a public announcement pursuant to Article 20 of the Cabinet Office Ordinance, and forthwith give public notice. If any of the terms and conditions is modified, the Company will purchase the applied share certificates, etc. offered prior to the announcement of such modifications under the purchase conditions as modified.

6. Method of disclosure if the amendment statement is submitted

If the amendment statement is submitted to the Director of the Kanto Local Finance Bureau, the Company will forthwith make a public announcement of the contents thereof to the extent that such amendments related to the contents of the public notice of the Tender Offer, pursuant to the manner set forth in Article 20 of the Cabinet Office Ordinance. The Company will also forthwith amend the Tender Offer Explanatory Statement and provide the amended Tender Offer Explanatory Statement to the applying shareholders who have received the previous Explanatory Statement. If the amendments are limited in extent, however, the Company may prepare and deliver a document stating the reason for the amendments, the matters amended and the contents after the amendments to the applying shareholders, instead of providing an amended Tender Offer Explanatory Statement.

7. Method of disclosure of results of the Tender Offer

The Company will make a public announcement concerning the results of the Tender Offer in accordance with Article 9-4 of the Order and Article 30-2 of the Cabinet Office Ordinance on the day following the last day of the Tender Offer Period.

8. Others

The Tender Offer is not being made, directly or indirectly, in or into, or by the use of the mails of, or any other means or instrumentality of interstate or foreign commerce (including, but not limited to, telephones, telexes, facsimile transmissions, e-mails and Internet communications) of, or of any facility of a national securities exchange of, the United States of America. No person may apply for this Tender Offer by the use of such means or instrumentality or of such facility, or from the United States of America. Accordingly, copies of this release and any related offering documents are not being, and must not be, mailed or otherwise transmitted or distributed in or into the United States of America. Any purported acceptance of the Tender Offer resulting directly or indirectly from a violation of these restrictions will not be accepted.

As regards the Tender Offer application, applying shareholders (or standing proxy in a case of foreign shareholders) may be requested to express and guarantee the following intentions; they are not located in the United States of America, either at the time of application or at the time that they send Tender Offer application form. They do not receive nor send any information (including copies) about the Tender Offer, directly or indirectly, in or into, or from within the United States of America. They do not utilize directly or indirectly the mails of, or any other means or instrumentality of interstate or foreign commerce (including, but not limited to, telephones, telexes, facsimile transmissions, e-mails and Internet communications) of, or of any facility of a national securities exchange of, the United States of America, as regards purchase or signature issuance of Tender Offer application form. They are not parties to act as representative without discretion or fiduciary or mandatary for other party (excepting a case that the other party gives all directions about purchase from outside of the United States of America).

(10) Day of public notification of commencement of the Tender Offer

Monday, March 5, 2007

- (11) TOB agent  
Nomura Securities Co., Ltd.  
9-1, Nihonbashi 1-chome, Chuo-ku, Tokyo

### 3. Others

- (1) Agreement between the Tender Offeror and the Target Company or its executives, and contents thereof  
The board of directors of the Target Company has agreed to the Tender Offer.

- (2) Other information that is judged to be necessary for investors to judge their application for the Tender Offer

1. The Tender Offer

The Tender Offer does not intend to delist the Target Company stock. However, the Tender Offer does not set the upper limit for the share count subject for Tender Offer. Therefore, the stock may be delisted by going through a fixed procedure pursuant to the delisting standard stipulated by the Tokyo Stock Exchange, depending on the result of the Tender Offer. If the delisting standard should be violated, the Company will consider measures by negotiating with the Target Company. At this point in time, it has not decided on policy for the measures.

2. Suit filed against the Target Company for payment of damage etc. by DigitalDesign, Co., Ltd. and countercharge by the Target Company in this connection

DigitalDesign, Co., Ltd. (hereinafter referred to as "DigitalDesign") filed a suit against the Target Company etc. to demand a payment of damages etc. caused by illegal action with Osaka District Court as of February 2, 2007 (hereinafter referred to as the "Suit"). Please read the document entitled "notice about a filed suit" disclosed by DigitalDesign as of February 2, 2007 for the details of the Suit.

Also, the Target Company countercharged DigitalDesign to demand the sale/purchase price as of February 15, 2007 in response to This Suit (hereinafter referred to as the "Countercharge"). Please read the document entitled "notice about a countercharge" disclosed by the Target Company as of February 15, 2007 about the details of the Countercharge.

(Note)

Readers who viewed information included in this document are kindly requested to note well as the first information receiver in connection with a regulation about deals by internal people (so-called insider deals), pursuant to the stipulations of Article 167 Paragraph 3 of Securities Exchange Law and Article 30 of the Enforcement Order, that there is a possibility that the purchase etc. of share certificates and other securities of Netmarks Inc. may be forbidden before 12 hours pass from the announcement of this document (February 28, 2007 afternoon time when the announcement is made at Tokyo Stock Exchange by utilizing Timely Disclosure network. Would they please understand in advance that the Company is not in a position to assume responsibility even if they are accused for criminal liability, civil liability, or administrative responsibility due to their purchases etc.