



## press release

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### **Faith Group globally strengthens strategic alliance with Yoshimoto Kogyo**

**- Promoting collaboration in content distribution service in China through the capital and  
business tie-up between the Faith Group and ROJAM -**



**Tokyo-March 30, 2007**---Faith, Inc. (hereinafter referred to as Faith) has acquired 29% of the issued stock of ROJAM Entertainment Holdings Ltd. (hereafter referred to as ROJAM). As part of the Yoshimoto Kogyo Group (hereinafter referred to as Yoshimoto Kogyo), ROJAM has been working on the entertainment business in Asia. Through this capital alliance, ROJAM and AnyMusic Inc. (hereinafter referred to as AnyMusic,) Faith's Chinese content distribution service subsidiary, will collaborate to break into the mobile content distribution market in China.

The ROJAM group, established in January 1998, calls its core theme a "Major Entertainment Network in Asia" and aims to offer customers a wide range of high quality music and entertainment content (in CD, DVD, Disco, mobile phone, the Internet, television programs, events and so on.) It has been expanding its business in digital content distribution, disco management and so on in Asia. Through ROJAM group, Yoshimoto Kogyo is at present working on intensifying the creation of original contents in China and uncovering artists affiliated with their own company.

Through AnyMusic, Faith offers content distribution services such as ringtone and mobile phone wallpaper throughout China via the big mobile communication carriers such as China Mobile and China Unicom.

China has the biggest mobile market in the world with over 400 million users. Still, however, it is only 33% of the population, and even higher growth is expected with the introduction of the third-generation communication systems.

Faith and Yoshimoto Kogyo have already been building on their strategic alliance through their capital and business collaboration to expand a new content distribution market. This further capital tie-up announced today will bring forth a collaborative business that will use the content planning and execution skills and marketing know-how of ROJAM and the music production experience, distribution technology and operational know-how of AnyMusic to offer services ranging from the promotion of the local artists and the creation and promotion of original music to the distribution of mobile content. Through this partnership we are now expanding our activities to the market in China in addition to Japan and the US.

Minor impact on the fiscal result of Faith Group on the consolidated basis is expected by this transaction.

### **The Strategic Alliance between the Yoshimoto Kogyo Group and the Faith Group**

- (1) Investment in Fandango, the Yoshimoto Kogyo Group's service provider (an investment ratio by Faith of 12.4%, a planned stock swap by Yoshimoto Kogyo on October 1, 2007 after a capital investment of 3.1% by Yoshimoto Kogyo to make it a wholly-owned subsidiary\*);  
\* Agreement to be concluded by Fandango shareholders at the shareholders' meeting on June 25, 2007
- (2) Joint establishment of Bellrock Media Inc;
- (3) Distribution of digital entertainment content for Intel Viiv products and sales of music and entertainment CDs and DVDs through the Bellrock Media Group;
- (4) Provision of digital distribution services for mobile phones of popular Yoshimoto Kogyo celebrities operated by Faith's content provider subsidiary Giga Networks (hereafter referred to as Giga Networks);
- (5) Capital investment by Yoshimoto Kogyo in Giga Networks (a capital investment ratio in Giga Networks of 4.6% by Yoshimoto Kogyo);
- (6) Capital investment by Yoshimoto Kogyo in Faith (a capital investment ratio of 1.5% by Yoshimoto Kogyo);
- (7) Joint implementation of the NFRM service\*\* demonstration experiment .

#### **\*\* About the NFRM service**

NFRM (Near Field Rights Management) is a new type of content distribution service (authentication technology) developed by Faith that links the mobile phones and PCs. We are in the process of implementing a demonstration experiment of the service for four months this year from March 6 to the end of June. Depending on the results of this experiment we are aiming to a full launch of this new content distribution business within this year.

For more information, visit <http://www.nfrm.jp/>

### **About Yoshimoto Kogyo**

(Code number 9665 listed on the 1st section of TSE)

Yoshimoto Kogyo was founded in 1912 and began with the management of the vaudeville-type theater “Daini Bungeikan” in the backstreets of Tenma-Tenjin shrine in Osaka by Mr Kichibei Yoshimoto and his wife Sei. At present, the company is a celebrity production company that operates throughout Japan. The company’s operations are not limited to the comedy business but extend to the following areas: owning a year-round theater, a rarity by in itself; managing more than 800 celebrities, athletes, and cultural figures; planning and creating TV and radio programs and commercials; internet content, creating and selling books and DVDs; real estate business; music; and development of amusement facilities.

For more information, visit <http://www.yoshimoto.co.jp/>

### **About ROJAM**

(Code number 8075 listed on the Hong Kong Stock Exchange GEM Market)

ROJAM is an overall entertainment company and is expanding its business throughout Asia: in Japan, China, Hong Kong, and Korea. Its main business is package distribution, digital distribution, disco management and other businesses related to music and entertainment.

For more information, visit <http://www.rojam.com/>

### **About AnyMusic**

With 430 million mobile phone subscribers, China is the world’s biggest market and AnyMusic is a driving force in the contents market in China. It covers the whole of China and is operating a content distribution service offering ringtones, mobile phone wallpaper, news, games and so on to major mobile communication carriers such as China Mobile (270 million subscribers) and China Unicom (150 million subscribers). At present, it is ranked in top place for China Unicom’s ringtone distribution service and China Mobile’s and China Unicom’s mobile phone wallpaper.

For more information, visit [http://www.anymusic.com.cn/anymusic\\_inc/index.htm](http://www.anymusic.com.cn/anymusic_inc/index.htm)

### **About Faith, Inc.**

(Company code, 4295; listed on the 1st section of TSE)

Faith was the first company in the world to design and apply “ringtones” for mobile phones and expanded its business activities not only within Japan, but also into 21 countries throughout the world including North America, Europe, the Asia-Pacific region and South America. Moreover, the company provides electronic money service used for settlement of accounts for on-line games, music distribution and e-commerce. In the United States, Faith also provides mobile telephone services (MVNO service) targeted towards a specific customer segment. In the future, Faith further aims to be a high added-value service company through the creation on a global scale of “a new scheme for the distribution of digital contents” in various environments such as mobile telephones and PCs.

For more information, visit <http://www.faith.co.jp/>