

March 12, 2010
WILLCOM, Inc
Advantage Partners, LLP
SOFTBANK CORP.

Execution of Framework Agreement on the Revitalization of WILLCOM, Inc

WILLCOM, Inc (hereafter "WILLCOM"), funds served by Advantage Partners, LLP (hereafter "AP Funds") and SOFTBANK CORP. (hereafter "SOFTBANK") announce that the three parties and the Enterprise Turnaround Initiative Corporation of Japan (hereafter "ETIC") have signed a framework agreement on the revitalization of WILLCOM (hereafter "Framework Agreement") today.

WILLCOM had filed an application to ETIC for support for its business revitalization and had been discussing with AP Funds and SOFTBANK for support at the same time. ETIC has decided to support WILLCOM, and the parties concerned have signed the Framework Agreement today.

The main points of the Framework Agreement are stated below.

- (1) WILLCOM shall continue its PHS business and AP Funds shall invest in WILLCOM.**
- (2) SOFTBANK shall cooperate in cost reduction efforts of the PHS business of WILLCOM.**
- (3) ETIC shall loan necessary funds to WILLCOM for its revitalization.**
- (4) The XGP business of WILLCOM shall be transferred to a new company established by AP Funds, SOFTBANK and others.**
- (5) The base station sites of WILLCOM shall be transferred to the new company. WILLCOM shall make efforts to generate synergies in cost reduction by utilizing the relevant sites.**

Thus, while WILLCOM will continue to support the extensive customer base of its highly public PHS business in the future, AP Funds, the SOFTBANK Group and others will establish a new company aiming to roll out next generation high speed communications services.

WILLCOM has been informed that the Tokyo District Court has decided today to start corporate reorganization proceedings. WILLCOM is determined to revitalize itself through concerted efforts across the board with support from the sponsor companies under the supervision of the court.

Your kind understanding and cooperation on this matter is highly appreciated.

■Main Points of the Framework Agreement

(1) WILLCOM shall continue its PHS business and AP Fund shall invest in WILLCOM.

WILLCOM will retire shares of its existing shareholders for 100% decrease of capital after approval of its revitalization plan and then will increase capital through a third-party allocation of shares to AP Funds (JPY 300 million). AP Funds will endeavor to revitalize the PHS business.

(2) SOFTBANK shall cooperate in cost reduction efforts of the PHS business of WILLCOM.

SOFTBANK will execute a consignment of business contract with WILLCOM and cooperate in the cost reduction of WILLCOM's PHS business through more effective operations of network, customer support and other activities.

(3) ETIC shall loan necessary funds to WILLCOM for its revitalization.

ETIC will review various alternatives relating to loans from financial institutions. It is planned that WILLCOM will receive necessary and sufficient funds for immediate stable business operations through DIP financing.

(4) The XGP business of WILLCOM shall be transferred to a new company established by AP Funds, SOFTBANK and others.

AP Funds, SOFTBANK and others will establish a new company that will take over the XGP business of WILLCOM to roll out next generation high speed communications operations.

(5) The base station sites of WILLCOM shall be transferred to the new company. WILLCOM shall make efforts to generate synergies in cost reduction by utilizing the relevant sites.

Most of the base station sites will be transferred to the new company from WILLCOM.

WILLCOM will make efforts to generate synergies in cost reduction by utilizing the base station sites provided by the new company and through other efforts. The new company will also consider the provision of services to WILLCOM in the form of an MVNO.

■Schematic of Revitalization Scheme

