News Release July 5, 2001 IBM Japan, Ltd. Justsystem Corporation

IBM Japan and Justsystem to Cooperate on Online Distribution System --Partners Will Develop EMMS-Compliant Player, Offer Complete Framework--

IBM Japan, Ltd. (head office: Minato-ku, Tokyo; president: Takuma Otoshi) and Justsystem Corporation (head office: Tokushima City, Tokushima Prefecture; president: Kazunori Ukigawa) have entered into an agreement on the provision of an online distribution system for multimedia content. Justsystem will develop products in its BeatJam series of digital audio software that supports the Electronic Media Management System (EMMS), IBM's digital distribution technology, and commence offering them in the market. Using these products, content service providers will be able to install and use with ease a comprehensive system, with copyright management features, that links to client-side software.

IBM has licensed the EMMS digital distribution technology, with its included copyright protection technology, to Justsystem. Based on its licensing contract with IBM, Justsystem will develop a player, compliant with the successful EMM technology, which performs such functions as downloading and playing content, as well as sending that content to different media. The company will make this player a part of its BeatJam series of digital audio software. Users will thus be able to access such content, make payment, and perform other organization operations with simple controls. There will also be no need to have multiple client applications from content providers; the new player will be able to handle a wide range of multimedia content that supports EMMS. The company has further plans to develop software that will have a high degree of functionality and usefulness for all users of digital music, with consideration to be given to linkages between personal computers and handheld devices as well, in time to come.

By linking EMMS servers with the BeatJam client software, it will be possible for content service providers to install comprehensive systems that provide support that encompasses everything from downloading to playing of copyright-protected content.

EMMS is a system developed by IBM for digital distribution of content of all media types. The software package responds to the needs of the digital distribution market, which is expected to expand further in future, by protecting the value of digital content, while at the same time offering security features that are open standards-based, flexible, and solid, in order to increase its usefulness to consumers.

Since its initial release in December of 1999, the BeatJam series from Justsystem has received great acclaim for its ability to create high-quality music files in MP3, WMA, and WAVE formats with ease. The latest version actively supports music distribution in the broadband age, by including such features as an ATRAC 3 decoder as standard. The company will go on developing applications that will enable users to enjoy digital music in a comprehensive fashion in rapidly growing broadband environments, with consideration for such elements as copyright and security.

Through this cooperative relationship, both partners will aggressively promote e-business using online distribution of multimedia content.

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