

## 2. Business Overview

### (1) Business Segments (As of September 30, 2007)

Our Consolidated Group (“the Group”) comprises CYBIRD Holdings Co., Ltd. (“CYBIRD Holdings” or “the Company”) and 15 consolidated subsidiaries (CYBIRD Co., Ltd., JIMOS CO., LTD., S-CREW Inc., CYBIRD Investment Partners Inc., CYB INVESTMENT INC., and other 10 companies). Our six business fields are Mobile Content Business, Commerce Business, Solution Business, Advertising Business, Investment Business and International Business.

#### a. Mobile Content Business

We develop and provide paid content services for Internet-enabled mobile phones via major Japanese wireless network operators.

#### b. Commerce Business

The commerce business is being expanded by developing direct marketing, with the Group promoting its own brand of cosmetics, health foods, liquors using advertising and promotions, mainly by advertising in local information magazines and through flyers. Merchandise orders are taken by CYBIRD’s call center and processed and delivered. Outlet Plaza Co., Ltd., is carrying out retail and wholesale sales of consumer electronics products. Furthermore, in the mobile commerce business targeted at mobile phones, the Group is planning to expand business by developing a fashion-based e-commerce business, target of which is customers of F0 to F1 (Note 2). It is doing so by investing in Nutty Inc. (Note 1) as well as providing assistance in acquiring customers and in business promotion.

Note 1: Nutty Inc. was established in September 2007 to develop a principally fashion-based e-commerce business by CYBIRD Co., Ltd. (14.9% stake), Stylife Corporation (14.9% stake), and other venture capital companies (70.2% stake).

Note 2: F0: Girls 19 years old or younger; F1: Women from 20 to 34 years old.

#### c. Solution Business

We provide consulting services for mobile Internet businesses and solution services utilizing mobile phones for the planning, development, and operation of mobile Internet sites. In compensation for these services, we receive consulting fees and planning/ development/ operating fees. In addition, we provide support services for direct sales and software development and sales and related system building services for e-commerce business.

#### d. Advertising Business

We develop and sell e-mail products targeting specific customer groups and mobile advertising products for Web sites. We also perform advertising agency services to support the direct sales activities of other companies.

#### e. Investment Business

Under the management and control of consolidated subsidiary CYBIRD Investment Partners Inc., this business structures the CYBIRD Plus Mobile Fund and operates it based on ¥2.6 billion fund.

#### f. International Business

We provide Mobile Content distribution business in North America through Airborne Entertainment Inc. whose 85% shares are owned by CYB INVESTMENT INC., our consolidated subsidiary.

(2) CYBIRD's Consolidated Companies (As of September 30, 2007)

| Company                         | Principal Business                   | Capital   | CYBIRD's Stake (%) |
|---------------------------------|--------------------------------------|-----------|--------------------|
| CYBIRD Co., Ltd.                | Mobile Content Solution, Advertising | ¥350 mil. | 100.0              |
| JIMOS CO., LTD.                 | Commerce Solution                    | ¥350 mil. | 100.0              |
| S-CREW Inc.                     | Mobile Content Commerce              | ¥35 mil.  | 53.6               |
| CYBIRD Investment Partners Inc. | Investment                           | ¥220 mil. | 100.0              |
| CYB INVESTMENT INC. (Note 1)    | Overseas Investment                  | US\$4,581 | 100.0              |

- Notes: 1. CYB INVESTMENT's subsidiary Airborne Entertainment Inc., is a consolidated subsidiary in which CYBIRD indirectly holds a 85% stake.  
2. Based on the investments of the above companies, CYBIRD Holdings has acquired subsidiaries in addition to the five companies shown above. CYBIRD Holdings has a total of 15 consolidated subsidiaries.

