DDI Pocket, Inc.
Toshiba Corp.
Matsushita Electric Industrial Co., Ltd.
Kyushu Matsushita Electric Co., Ltd.
music.co.jp, Inc.

REGARDING THE MUSIC DOWNLOADING SERVICES VIA "SDAIR"

DDI Pocket, Inc. (Ken Okada, President; Capitalization: \75.251 billion; headquartered in Minato-ku, Tokyo) hereby announces that it is adopting the new "SDAIR" download initiative, jointly developed by Toshiba Corp., Matsushita Electric Industrial Co., Ltd., Kyushu Matsushita Electric Co., Ltd. and music.co.jp, Inc. The initiative supports SD Memory Cards, for the Sound Market music download service which is making it available to users of its feel H" devices. The company will be targeting to inaugurate service using SDAIR beginning late April 2001.

SDAIR is an architecture for downloading multimedia content to SD Memory Cards, using local wireless communications networks. By using SD Memory Cards, which more than two hundreds companies in the world also use, it becomes possible to transmit large volumes of data at high speeds, and thus to consider utilizing content from a wide range of fields, not only limited to music. By adopting this format in the Sound Market music download service which DDI Pocket is offering, users will be able to download digital music files via new feel H" portable devices provided by DDI Pocket to SDMI-compliant portable audio players, and thus listen to music whenever they feel like it.

The music download system for Sound Market, which supports the SDAIR architecture, was developed by music.co.jp, on a base of Electronic Media Management System (EMMS), IBM's digital download technology, and will be operated by music.co.jp.

In connection with the above, Toshiba is announcing "DL-B01" a new SDAIR-compliant feel H" device, and "MEA212AS/MEA211AS" a mobile audio player equipped with music download and playback features, as of this date.

Another device scheduled to be announced in the near future is a new feel H" device, developed and manufactured by Kyushu Matsushita Electric and sold by Matsushita Electric Industrial, which also supports the SDAIR format.

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Addendum

OUTLINE FOR MUSIC DOWNLOADING SYSTEMS
WHICH SUPPORT THE SDAIR FORMAT

Supported Memory Cards: The SDAIR format supports the SD memory card, a memory card which contains copyright protection features. The SD memory card is a standard jointly developed by SanDisk, Matsushita Electric Industrial, and Toshiba, which achieves large volume, high-speed data transmissions in a space the size of a postage stamp. The SD Association (SDA), which has been established to promote the adoption of this card, has 222 companies as members worldwide (as of March 20th, 2001), and is carrying out the study and formulation of application standards of all types, beginning with an SD audio download service support standard. Data Compression Format: Data is transmitted via AAC,* a high-quality audio compression technology which is used for digital satellite TV broadcasts and music downloads via the Internet. Copyright Protection Technologies: EMMS's Digital Right Managment technology (IBM) as well as Content Protection for Recordable Media (CPRM), a technology formulated by the 4C Consortium (Intel, IBM, Matsushita, and Toshiba).

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References

SD memory card
A format jointly developed by SanDisk, Matsushita Electric Industrial, and Toshiba. The SD Association (SDA) was established after the development of the technology to promote the adoption of this card, and is carrying out the study and formulation of application standards of all types, beginning with an SD audio download service support standard. It contains copyright protection features, and is suited for use with online distribution, including downloads to portable music players. The copyright protection features conform to SDMI. The card's dimensions are 32mm in length x 24mm in width x 2.1mm in height. The card comes with a write-protect switch to prevent deletion of data by mistake. At present, SD memory cards come in four capacities: 8MB, 16MB, 32MB, and 64MB.

AAC (MPEG-2 Advanced Audio Coding)
An audio coding format which combines high quality with a high compression ratio, AAC was standardized in April of 1997 as ISO 13818-7. It is also known as MPEG-2 Advanced Audio Coding, an international standard established by MPEG, an ISO working group.

EMMS (Electronic Media Distribution System)
EMMS is a comprehensive electronic media distribution and digital rights management system designed to support a broad range of media types, beginning first with music and audio content. EMMS provides the foundation for new business models created by the digital delivery of assets and offers a rich set of security features designed to protect the intellectual property rights of content owners throughout the delivery process. EMMS has an open architecture to allow technology advances in audio compression, encryption, formatting, watermarking, and end-user devices and applications to be integrated. EMMS is part of IBM's broadbased digital media management portfolio which offers comprehensive, enterprise-wide solutions for creating, managing, storing and distributing digital assets. Additional information on EMMS can be found at www.ibm.com/software/emms.

SDMI (Secure Digital Music Initiative)
A project for electronic music downloading jointly established by the RIAA (Recording Industry Association of America) and five major U.S. music concerns (SME, Warner Music Group, BMG Entertainment, EMI Recorded Music, and Universal Music Group). As of this writing, more than 180 companies are members. The project is formulating specifications for controlling illicit copying of music files in response to the flood of pirated music made possible by MP3.

CPRM (Content Protection for Recordable Media)
An encryption and two-way authentication technology developed jointly by IBM, Intel, Matsushita, and Toshiba, which protects the copyright of digital content stored on portable media. CPRM fulfills the required specification for copyright protection features as formulated by SDMI.

"Sound Market", the Music Download Service Being Offered by DDI Pocket:
Since November 30th 2000, DDI Pocket is offering "Sound Market", a music download service using "Keitai de Music" (Music by Cell Phone), a music download format based on UDAC-MB content protection technology, which uses secure multimedia cards. As of this writing, three feel H" devices which support this service: the Sanyo Electric RZ-J90, RZ-J91, and Kyocera PS-C1 are being sold.

With the additional adoption of the SDAIR-format music download system -- using SD memory cards, in parallel with the existing system --users will be able to choose products which fit the situations in which they use the memory cards, as well as their information devices and household component stereo systems of choice.

As the diagram (included in this kit) shows, the company is setting up a download server for each format, and will offer the service linked together with menu servers and sample audio servers. Connecting to the download servers is handled automatically by the ID in the music download-compliant feel H" devices, thus requiring no configuration or other operation on the part of the user.

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