



For Immediate Release

**Shinsei Bank Implements Direct Connection of Internal IP Phone Network and IP Network
First Corporation to Adopt New IP Phone Solution Services by Japan Telecom**

- 20-30% Reduction in Total Communication Costs -

Shinsei Bank, Limited
Japan Telecom Co., Ltd.

Tokyo (Tuesday, March 1, 2005) --- Shinsei Bank, Limited ("Shinsei Bank") and Japan Telecom Co., Ltd. ("Japan Telecom") today announced that Shinsei Bank adopted "SIP Direct Line", a seamless IP phone service to directly connect enterprise-wide IP phone network and the external IP network from February 28, 2005. By using the voice over IP device called "SIP-DSU", uniquely developed by Japan Telecom, Shinsei Bank becomes the first corporation in the world to establish a seamless IP phone service with a network of more than four thousand internal IP phones.

SIP Direct Line, developed for improving communication, is a solution which greatly expands a function of CallManager(※). By directly connecting an internal IP phone network of a user company to the external IP network, it enables to provide seamless IP phone service using 050 number, thereby leading to a 20% to 30% reduction in the total communication costs including basic telephone charges and call charges.

With "SIP Direct Line," Shinsei Bank expects the following benefits:

(1) To reduce the total network communication costs

The individual office telephones and peripheral devices used in branches will be unnecessary, thereby reducing the network connection costs.

(2) To increase reliability and security of the network

The external IP network and IP phones in the organization are directly connected to two bases in Tokyo and Osaka. Even if there is any problem at one base, there is flexibility to divert connections from the other base, thereby increasing reliability and security of the network.

(3) To simplify the management of network operations

By directly connecting to the external IP network, the telephone devices in each base will not be necessary, thereby simplifying the task of network administration and operations throughout the company.

(4) To increase efficiency of communication

The number 050 can be allocated to all employees, and even if employees or divisions move to any other offices in the country, they can continue to have the same direct or extension number, thereby performing their work effectively.

Shinsei Bank became the first organization in Japan to use the advanced technology of IP phones in 2001. It has promoted highly developed network with thousands of IP phones. The introduction of this solution will further reduce operation costs and increase efficiency. Shinsei Bank will continue to make efforts to apply advanced communication technology in its operations and to expand its internal network infrastructure.

Japan Telecom has introduced IP phones for its internal communication network to establish a new working style in January 2005, and has allocated the number 050 to its all employees. The aim of this solution is to propose a new working style and business model to customers, and increase convenience and user-friendliness of IP phone services for corporate customers. Hereafter, Japan Telecom will strive to create services using the state-of-the-art technology and to provide business models and working styles that meet customers' needs.

(※) Cisco CallManager, a product of Cisco systems, is a device having the IP phone exchange function, and currently it is the most widely used IP Phone network in Japanese market.