

(Translation purpose only)

6 March 2008

To whom it may concern:

Minoru Ikeda, Chairman, President and Representative Director

Noboru Otsuka, contact officer

General Manager

GignoSystem Japan, Inc. (OSE Hercules Code 4300)

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Notice of Support for Tender Offer by Parent Company TOKYO FM Broadcasting Co., Ltd.

GignoSystem Japan Inc. ("the Company") hereby announces that it has resolved at a meeting of its Board of Directors held today, on 6 March 2008, to express its support for the tender offer for the common stock and the stock subscription rights of the Company ("the tender offer," its public announcement scheduled for 7 March 2008) received today from TOKYO FM Broadcasting Co., Ltd. ("the offering party"), and recommend its shareholders and stock subscription right holders to subscribe to the tender offer.

The resolution is based on the premise that the offering party intends to make the Company its wholly owned subsidiary, even in case the offering party could not acquire all Company stock through the tender offer and if the tender offer is successful, the shares of the Company will be delisted from the Hercules Nippon New Market ("Hercules") of the Osaka Securities Exchange, either as a result of the tender offer, or following a sequence of procedures subsequent thereto.

1. Profile of the offering party

(as of 6 March 2008)

1) Business name	TOKYO FM Broadcasting Co., Ltd.
2) Main Business activities	Broadcasting, project planning and production, information provider services, leasing
3) Date of establishment	17 March 1970
4) Address of head office	1-7 Kojimachi, Chiyoda-ku, Tokyo-to, Japan
5) Title and name of representative	Michiomi Fukita, President and Representative Director
6) Amount of capital	1,335 million yen

7) Major shareholders and shareholding ratio (as of 30 September 2007)	Tokai University		8.89%
	Tokyo Tower		6.67%
	Mizuho Corporate Bank, Ltd.		4.94%
	Matsushita Electric Industrial Co., Ltd.		4.89%
	Yomiuri Shimbun, Tokyo head office		4.89%
	Hokuriku University		4.44%
	NEC Corporation		4.00%
	Japan Trustee Services Bank, Ltd.		3.33%
	(Re-trustee arm of Mitsui Trust Bank and Sumitomo Mitsui Banking Corp retirement benefits trustee)		
	Mizuho Capital Co., Ltd.		2.89%
	King Records Co., Ltd.		2.67%
Nippon Telegraph & Telephone East Corp.		2.67%	
8) Relationship between offering party and the Company	Capital relationship	The offering party owns 250,000 shares of the Company, 53.61% of the total issued shares (“the ownership percentage”).	
	Personal relationship	Natsuo Karashima, the outside director of the Company, and Yoshihisa Sekita, the outside auditor of the Company, also serve as executive officer and the employee of the offering party respectively, and Kazuhiko Taira, the executive director of the Company is seconded from the offering party. Other employees are also seconded to the Company from the offering party.	
	Business relationship	The offering party has contracts for system development and others and real estate leasing with the Company.	
	Applicability to Related party	As parent company of the Company, the offering party constitutes a Related party.	

2. Opinion on the tender offer, and Basis and Reasons Thereof

(1) Opinion on the tender offer

The Company has resolved to express its support for the tender offer for the shares and stock subscription rights of the Company by the offering party at the meeting of its Board of Directors on 6 March 2008 and recommend its shareholders and stock subscription right holders to tender the shares and stock subscription rights,

considering that the sequence of transactions including the tender offer to make the Company a wholly owned subsidiary would be conducive to the future medium- and long-term enhancement of our enterprise value, that it provides an opportunity for its shareholders to sell at a reasonable price and other terms of the tender offer are proper in that they do not conflict with the interest of shareholders.

(2) Basis and reasons for opinion

Founded as Photonet Japan K.K. in 1996, the Company has developed a business led by the sale of pictorial and other content to individual users through i-mode and other official sites of the various mobile handset telecoms carriers. In 2000 the Company changed its business name to GignoSystem Japan, Inc. and in March 2002 listed its shares on the NASDAQ Japan (now Hercules) market of the Osaka Securities Exchange.

In October 2004 the Company then concluded a capital and business alliance agreement with the offering party with the aim of developing broadcasting operations coupled with services targeting mobile handset users, and the Company became a consolidated subsidiary of the offering party by means of, distinct from this tender offer, a tender offer made to the Company by the offering party and a private placement of Company shares with the offering party (“the capital participation”).

Since the capital participation, the Company has pursued the development of cross-media business coupling broadcasts and the Internet in coordination with the various firms in the offering party’s corporate group. Our business alliance with TFM Interactive, Inc. (“TFM Interactive”), a broadband operating company and a consolidated subsidiary of the offering party, in September 2007 may be considered tangible action to that end.

While the business alliance between the Company and TFM Interactive pursued a strategy to grow into a “platform company for the coming era of next-generation networks (NGN)” in broadcast-coupled Internet content targeting personal computer and mobile handset users, however, we have encountered a number of obstacles to a genuine integration of the Company and TFM Interactive and, moreover, competitive relations now exist within the offering party’s corporate group by overlapped cross-media functions.

This led to the assessment that the best course to solve the management challenges facing the Company and develop cross-media businesses in the offering party’s corporate group would be to strengthen coordination of businesses between the Company and the offering party’s corporate group and pursue group synergies by the offering party acquiring all Company shares.

Therefore, if the Company is made a wholly owned subsidiary of the offering party, we estimate that it will both accelerate Company decision-making, as well as further enhance our enterprise value by enabling the Company to provide customers with more advanced services and pioneering new markets through (1) eliminating

competitive relations within the group by consolidating within the Company the cross-media function duplicated across the group, (2) an integration of budgeting and accounting systems in an internal group reorganization, and (3) bolstering our advertising sales unit with the injection of group company management resources (capital, personnel, networks, etc.) into the Company.

(3) Course of the offering party decision-making leading to the tender offer

1) Outline of the tender offer

The offering party currently holds a 53.61% equity stake in the Company, which is a consolidated subsidiary of the offering party, and proposing to make the Company a wholly owned subsidiary, the offering party has made the tender offer with the objective of acquiring all issued shares and stock subscription rights of the Company, excepting own shares held by the Company. (There is a possibility that stock subscription rights will be exercised while the tender offer remains valid, and any Company common stock issued or transferred as a result of such exercise will also be an object of the tender offer.)

2) Course of the offering party decision-making leading to the tender offer

Since its foundation, the offering party has been engaging in FM (ultra-shortwave) broadcasting as its core business, with other operations in Internet, event production, publishing and real estate businesses, and has built an integrated media group encompassing a for-fee all-music broadcasting firm employing communications satellites, a broadcast programming production firm, a broadband content production firm, an event production firm, and a recording studio operator and broadcast engineer employment agency.

While seeking to maintain stable revenue from FM broadcasting, the offering party has also sought to build a "cross-media" business coupling broadcasts and Internet content through coordination among the various companies in its corporate group and for the reasons stated above has pursued a growth strategy that positioned the Company, which it made a consolidated subsidiary, as its driving force. The business alliance, announced in September 2007, between the Company and TFM Interactive may be considered tangible action in the offering party's group strategy highlighting cross-media business development. The offering party has also conducted three-segment broadcasting, a full-fledged multimedia service, from a development test station of the Digital Radio Promotion Association. In May 2008, three years before the full digitization of terrestrial television broadcasts in 2011, the systemic and technical issues involved in commercialization are to be summarized at the Ministry of Internal Affairs and Communications' advisory panel on multimedia broadcast services for mobile handsets and the timeline is finally taking shape for the formation of multimedia broadcast firms, license applications, the issue of preliminary licenses

and other steps. Coming into force 1 April 2008, the Law for Partial Revision of the Broadcast Law will enable the introduction of a system of authorized broadcasting holding companies, and other broadcasters as well as the offering party will face the pressing task of group reorganization with a view to availing themselves of this system. Meanwhile, the mass media industry faces an adverse business environment as existing mass media revenues continue to fall in newspaper, magazine and radio advertising, and businesses throughout the sector are confronted with major change and fiercer competition resulting from technological innovation and the diversification of user needs.

As the linchpin of the offering party's corporate group growth strategy, the Company faces the following circumstances at this time of upheaval., i.e. sales from our content business targeting mobile handset users ("the information provider operations") have dropped off by some 25% from their level at the time of the capital participation of the offering party, while our solutions operations that perform development and contracted operation of mobile Internet sites have not yet grown sufficiently to make up for the decline in the information provider operations. Further, we suspended e-commerce business operations in February 2008, and while our subsidiaries operating video and music production businesses, bring the Company to record an extraordinary loss for the year ending March 2008, as already disclosed, although the performance has varied by subsidiary.

While the business alliance between the Company and TFM Interactive described above pursued a strategy to grow into a "platform company for the coming era of next-generation networks (NGN)" in broadcast-coupled Internet content targeting personal computer and mobile handset users, we have encountered a number of obstacles to a genuine integration of our firms and competitive relations among the offering party's corporate group as cross-media function has proliferated in the offering party and among other corporate group firms. In order to maximize Company enterprise value and that of the offering party's corporate group, therefore, we consider it essential to make up-front investments in such areas as the further integration of our content business units, bolstering our advertising sales units that handle producing and marketing, injecting the management resources of the offering party and companies in the offering party's corporate group into the Company, concentrating duplicate and overlapping functions scattered about the group, and putting in place the structures to achieve these objectives.

Execution of this strategy by the offering party's corporate group will require large new investments to implement the integration of business units, the integration of communications systems and budgeting and accounting systems their merger and abolition will entail, and bolstering the advertising sales units, but the investments entailed may lead to a deterioration in performance in the short term

and temporarily damage shareholders' interests. The offering party therefore deemed the best course in the execution of this group strategy to be to make the Company a wholly owned subsidiary by means of the tender offer and the procedures described below, planned to follow the takeover in order to avoid foisting unavoidable risks on general shareholders and execute the group strategy within the offering party's corporate group with assurance.

(4) Basis for deeming proper recommendation to shareholders to subscribe to the tender offer (including provisions to secure fairness and provisions to avoid conflict of interest)

In view of concerns over a possible conflict of interest arising from the Company's status as a consolidated subsidiary of the offering party, the Company and the offering party have devised the provisions described below to secure the fairness of evaluation of the offered price and to avoid any conflict of interest. Seeing as the number of shares held by Plaza Create Co., Ltd. ("Plaza Create"), a major Company shareholder that has agreed to subscribe to the tender offer, is 97,301 shares and subtracting the number of shares held by the offering party (250,000) and the number of own shares (1,702) held by the Company from the total number of issued shares (466,300) of the Company and the maximum number of Company shares (6,495) that may be issued or transferred as a result of the exercise of stock subscription rights before the end of the period in which the tender offer is valid gives 221,093 shares outstanding, of which 110,547 shares then constitute the majority, a condition for the success of the tender offer is that the equity stake held by the offering party subsequent to the takeover would be 76.53% (rounding up from five at the third decimal place) and tenders would amount to 110,547 shares. By thus making the success of the tender offer conditional on the support of a certain number of general shareholders as well as that of the offering party, which is the Company's parent company, and major shareholder Plaza Create, we are attaching due significance to the views of Company shareholders.

1) Appraisal of purchase price

Basis of appraisal

The purchase price for Company common stock in the tender offer of 16,500 yen per share ("the tender offer price") constitutes a 60.35% premium (rounding up from five at the third decimal place, and likewise below in "Basis of appraisal" and "Particulars of appraisal") over the 10,290 yen closing price of Company stock on Hercules on 5 March 2008, the business day preceding the resolution of the Board of Directors on the tender offer, a premium of 75.33% over the 9,411 yen average closing price of Company stock on Hercules over the month through 5 March 2008, and a premium of 66.32% over the 9,921 yen average closing price of Company stock on Hercules over the three months through 5 March 2008.

Independently of the offering party, the Company Board of Directors commissioned appraisals of the Company stock value from Sumitomo Mitsui Banking Corporation (“Sumitomo Mitsui Bank”) and from BDOSJ Business Consulting K.K. (“BDOSJ Business Consulting”), which are third parties independent of both the offering party and the Company and neither of which is an interested party, and received an “Appraisal of Shareholder Value” concerning the Company’s share price from Sumitomo Mitsui Bank dated 5 March 2008 (“Appraisal of Shareholder Value”) and a “Stock Valuation Report” concerning the Company’s stock value from BDOSJ Business Consulting dated 3 March 2008 (“Stock Valuation Report”). The “Appraisal of Shareholder Value” analysis employed the average market price method (the average trade price over the one to three months immediately preceding a reference date, using a reference date of 5 March 2008), the discounted cash flow method (“DCF”) and the comparable peer company method, and stated appraisals of the Company’s stock value of from 9,365 yen to 9,878 yen with the average market price method, from 15,488 yen to 16,430 yen with DCF, and from 14,789 yen to 14,827 yen with the comparable peer company method. The “Stock Valuation Report” analysis employed a compromise method with a 60% weighting for a historical market price analysis (the simple arithmetic average of the one-month simple arithmetic closing-price average, the three-month simple arithmetic closing-price average and the six-month simple arithmetic closing-price average, inclusive of the 31 January 2008 reference date), a 20% weighting for a DCF analysis and a 20% weighting for a current-value net asset analysis, and based on a historical market price valuation of 11,169 yen, a DCF valuation of 15,437 yen and a current-value net asset valuation of 17,012 yen, stated an appraisal of the Company stock value of 13,191 yen.

Particulars of appraisal

Drawing on the “Appraisal of Shareholder Value” and “Stock Valuation Report” (N.B. the Company did not obtain a fairness opinion from third-party institutions), the Company engaged in thorough discussion and negotiation with the offering party and examined the tender offer, the purchase price and the adequacy of the conditions of the tender offer prudently from perspectives of the financial positions of the offering party and the Company, operational synergies and shareholder fairness. We concluded that the conditions of the tender offer are proper and not in conflict with the interests of shareholders and that the tender offer provides the Company’s shareholders with an opportunity to sell Company shares at a reasonable price, and the Board of Directors meeting on 6 March 2008 resolved to support the tender offer and to recommend that Company shareholders and stock subscription right holders subscribe to the tender offer.

As a measure to secure fair evaluation of the tender offer price in determining the

tender offer price for this tender offer, the offering party for its part commissioned an appraisal of the Company stock value from Mizuho Securities Co., Ltd. ("Mizuho Securities"), a third party independent of both the offering party and the Company that does not constitute an interested party, and received an "Appraisal of Share Value" concerning the Company's stock value dated 5 March 2008 ("Appraisal of Share Value"). The "Appraisal of Share Value" analysis employed a market-price reference method, DCF and comparable peer company method. Drawing on the content of the "Appraisal of Share Value", at a meeting of its board of directors on 6 March 2008 the offering party determined it, as the outcome of due diligence concerning the Company's business operations and legal and accounting aspects, and in view broadly of the Company's financial position, the acceptability of the tender offer to the Company, the prospects for the tender offer and the outcome of discussions and negotiations with the Company, suitable to offer the Company's existing shareholders a purchase price constituting a considerable premium over the market price of the Company's shares and, in view of precedents of premiums attached when determining offer prices in past instances of tender offers, decided on a tender offer price of 16,500 yen per share.

The objects of the tender offer include stock subscription rights, which are all issued as stock options to Company directors, auditors and employees which (i) require that the right holder at the time of their exercise be a Company director, auditor, employee or contingent employee (except in cases of mandatory retirement, retirement due to completion of a term of office or change in law or regulation, and inheritance by either the spouse or one first-degree kin of the right holder) and (ii) do not permit the right holder to transfer, offer as pledge or otherwise dispose of the right.

Thus, it is construed that even were it to purchase these stock subscription rights through the tender offer, the offering party would not be able to exercise their rights, and the purchase price of the stock subscription rights that are objects of the tender offer is thus for all rights fixed at one yen per right.

Relationships with institutions providing appraisals

Mizuho Securities, Sumitomo Mitsui Bank and BDOSJ Business Consulting are not related parties with respect to the Company or the offering party.

2) Provisions to avoid conflict of interest and guarantee fairness in Company decision-making

Natsuo Karashima, the outside director of the Company and the executive officer of the offering party and Kazuhiko Taira, the executive director seconded from the offering party as its employee did not participate in the discussion and resolution at the meeting of the Company's Board of Directors on notice of opinion on the

tender offer, as they are deemed to have special interests nor did they participate in any way in examinations of the tender offer within the Company.

All the directors of the Company, other than the mentioned Karashima and Taira, participated in discussion and resolution of support for the tender offer at the meeting of the Company Board of Directors and the directors participating in the resolution resolved unanimously to announce support of the tender offer.

3) Other provisions to secure fairness

In addition to the provisions described in sections 1) and 2) above, the offering party has assured opportunity for the purchase of the Company shares and stock subscription rights by other purchasers by scheduling the comparatively long period for effecting the purchases of the tender offer of 30 business days. Nor have the Company and the offering party made any agreement, with respect to purchase of the Company shares and stock subscription rights, to obstruct the appearance or execution of another purchaser.

Thus, the appropriateness of the tender offer price is objectively secured by assuring opportunity for purchase by third parties.

(5) The two-stage acquisition

As described in sections (3) 1) "Outline of the tender offer" and 2) "Course of the offering party decision-making leading to the tender offer" above, it is the purpose of the tender offer, for the offering party to make the Company a wholly owned subsidiary. So the offering party has defined in the tender offer only a floor and not a ceiling for the number of shares it intends to purchase, and if the total number of shares tendered exceeds the number it plans to purchase, the offering party will then purchase all shares tendered.

In case the offering party cannot acquire all of the issued shares of the Company through the tender offer, a share exchange in which the offering party becomes the wholly owning parent company of the Company and the Company becomes a wholly owned subsidiary of the offering party ("the share exchange"; the offering party being an unlisted company and subject to restrictions in the transfer of its shares, it intends to deliver cash in consideration for equity) is planned to request to the Company by the offering party subsequent to the conclusion of the tender offer, for the purpose of making the offering party a controlling company and the Company a wholly owned subsidiary and the offering party intends to acquire all issued shares of the Company while continuing to provide the Company's shareholders, who hold Company shares which the offering party was unable to acquire through the tender offer, the opportunity to exercise their rights to require the Company to purchase Company shares. The offering party has potential to utilize the procedure for an informal organizational restructuring stipulated in Article 784, paragraph 1 of the Companies Act of Japan and in doing so to effect such without a general meeting of shareholders

of the Company.

Depending on the views of the authorities concerned on the applicable laws and regulations and on the status of holdings of Company shares by shareholders other than the offering party subsequent to the tender offer, the offering party may acquire all issued shares of the Company by other means that are equally effective, instead of by the means described above, to make the Company a wholly owned subsidiary. The amount of cash that would be delivered when undertaking the procedures for making the Company a wholly owned subsidiary remains undetermined at this stage, but, it is planned for the valuation of Company stock when that decision is taken on the amount of cash to be identical to the offer price, unless exceptional circumstances apply. The offer price may legitimately differ with such particular circumstances as may arise from changes in the environment in which the Company operates, fluctuations in stock markets or shifts in the offering party's and/or the Company's performance. Further, while any Company shareholder may be able, in accordance with legal procedures, to require the Company to purchase Company stock at the time procedures are undertaken to make the Company a wholly owned subsidiary, the purchase price per share of Company stock at this time may differ from the favorable price available to Company shareholders in the offer price or through procedures undertaken to make the Company a wholly owned subsidiary. We request that shareholders at their own responsibility check with their own tax advisers on the tax treatment accorded the tender offer, procedures undertaken to make the Company a wholly owned subsidiary and require the Company to purchase shares during procedures undertaken to make the Company a wholly owned subsidiary.

Additionally, if the offering party is unable to acquire all stock subscription rights through the tender offer, it may appeal to the Company and undertake other procedures required to acquire the individual stock subscription rights in order to make the Company a wholly owned subsidiary. The amount of cash that would ultimately be delivered to right holders in these procedures remains undetermined at this stage, but, it is planned for the valuation of the rights when that decision is taken on the amount of cash to be a price identical to the purchase price of the rights in the tender offer, unless exceptional circumstances apply. Further, the offering party intends to request the Company to retire own shares held by the Company before the share exchange, and the Company intends to respond to this request by retiring the own shares that it holds.

Note that neither the tender offer by the offering party, nor the Company's notice of support for the tender offer in this document constitute a solicitation of shareholder support for the share exchange.

(6) Possibility of delisting and reasons thereof

The common stock of the Company is currently listed on Hercules, but because the

offering party has not placed a ceiling on the number of shares it will purchase through the tender offer, the outcome of the tender offer may result in the delisting of Company common stock from Hercules through the prescribed procedures in accordance with the stock delisting criteria. Even if those criteria are not met upon completion of the tender offer, the shares of the Company will eventually be delisted through the prescribed procedures in accordance with the Hercules stock delisting criteria through the procedures described in (5) "The two-stage acquisition" above for making the Company a wholly owned subsidiary of the offering party. After delisting, common stock of the Company will no longer be able to be traded on Hercules.

(7) Reasons for recommending the tender offer for aiming for delisting and consideration of alternative measures

As stated in (1) "Opinion on the tender offer" above, the Company considers the sequence of transactions, including the tender offer, to make the Company a wholly owned subsidiary of the offering party to be essential to the enhancement of the Company's medium- and long-term enterprise value going forward through such means as the integration of the cross-media functions scattered across the offering party's corporate group and further investment of the management resources of that corporate group in the Company, and the Company is confident that this will ultimately contribute to the interests of the Company's shareholders.

Further, so as not to impair the interests of the Company's minority shareholders, the offering party intends, as described in (5) "The two-stage acquisition" above, to acquire all issued shares of the Company while continuing to provide shareholders holding Company shares that it is unable to acquire through the tender offer the opportunity to exercise rights to require the Company to purchase shares accorded by Company stock. The amount of cash that would be delivered when undertaking the procedures for making the Company a wholly owned subsidiary remains undetermined at this stage, but, it is planned for the valuation of Company stock when that decision is taken on the amount of cash to be identical to the offer price, unless exceptional circumstances apply.

(8) Matters concerning important agreements between the offering party and Company shareholders concerning subscription of the tender offer

The Company is in receipt of reports that the offering party has concluded a tender offer subscription agreement with Plaza Create, a major Company shareholder, and obtained its agreement to subscribe, in principle, to the tender offer with all 97,301 Company shares held by that firm (a 20.86% equity stake), and that on the basis of their contract Plaza Create will deliver to the offering party a letter of proxy for the exercise of the voting rights for all shares held by Plaza Create at the Company's annual general meeting of shareholders for the year ending March 2008.

(9) Future outlook

Subsequent to the tender offer, the offering party intends to work towards maximization of Company enterprise value and that of the offering party's corporate group by executing its group strategy consisting of making the Company a wholly owned subsidiary according to the methods stated in (5) "The two-stage acquisition" above and, as stated in (3) 2) "Course of the offering party decision-making leading to the tender offer" above, the further integration of content business units of the Company and TFM Interactive, bolstering our advertising sales unit that handle producing and marketing, injecting the management resources of the offering party and companies in the offering party's corporate group into the Company, concentrating duplicate and overlapping functions scattered about the group, and putting in place the structures to achieve these objectives.

At the meeting of its Board of Directors on 6 March 2008, the Company resolved to forecast to pay a year-end dividend for the year ending March 2008 ("the year-end dividend", not yet effected) of 300.00 yen per share. Shareholders may experience a delay in the receipt of the year-end dividend if 1) in accordance with legal requirements for the holding and transfer of securities, they have deposited the Company shares with the Japan Securities Depository Center, Inc. ("JASDEC"), 2) they have then withdrawn the actual stock certificates from JASDEC in order to subscribe to the tender offer, and 3) they have then failed to complete the procedures for transferring their names from JASDEC to their own identities in the register of shareholders by the fixed date for the year-end dividend entitlement ("the fixed date"). Ways to avoid such a delay would include either completing procedures for transferring names to the register of shareholders by the fixed date or utilizing the JASDEC account transfer system to subscribe to the tender offer, but shareholders are requested to confirm themselves with a securities firm or legal counsel the procedures required and expenses entailed for receiving the year-end dividend without delay and undertake procedures to subscribe to the tender offer at their own judgment.

3. Profit-Sharing with the Offering Party or its Particular Interested Parties

None.

4. Corresponding Principles in Basic Policy for Corporate Control

None.

5. Questions for the Offering Party

None.

6. Request for Extension of the Tender Offer Period

None.

7. Outline of Purchase by the Offering Party

Please refer to the “Notice of Placement of Tender Offer for Company Subsidiary GignoSystem Japan Inc. Securities”, announced by the offering party.

(Note)

The tender offer will be conducted in compliance with the procedures and disclosure standards prescribed by the Financial Instruments and Exchange Law of Japan.