September 17, 2008
Encirq Co., Ltd.
Ubiquitous Corporation

Ubiquitous Acquires Intellectual Property Rights to DeviceSQL from Encirq and Enters Embedded Database Business
The World's Most Compact Ultrahigh-speed Data Management Solution Optimum for Embedded Systems

Ubiquitous Corporation (Head Office: Shinjuku-ku, Tokyo; President: Matt Kawauchi; listed on the JASDAQ NEO (security code: 3858); hereinafter referred to as "Ubiquitous") has acquired the intellectual property rights to the embedded database software "DeviceSQL" from Encirq Co., Ltd. (the Japanese subsidiary of Encirq Corporation with its head office located in California, the U.S.). With the launch of embedded database business this month, we hereby announce the details of this business.

Route to the acquisition of the intellectual property rights

Today, the increasing complexity of programs arising from the rapid increase in data volumes and the resultant increase in development costs are seen as problems in embedded device development. Under these circumstances, DeviceSQL, the 'simple, compact, and High-Speed' embedded database developed as a solution for those problems by Encirq Corporation, is attracting attention. In the Japanese market, among others, there are many sophisticated products that handle large volumes of data, such as cellular phones and AV equipment, and thus there is a high need for data management, as shown by the fact that the sales of DeviceSQL in the Japanese market accounted for as high as some 80 percent of those in the global market. Encirq Corporation was looking for an efficient measure to continue to provide enhancements and detailed support services that can timely satisfy such needs in the Japanese market.

On the other hand, Ubiquitous, providing 'compact, efficient, and high-speed' network software for use with embedded devices, was exploring the possibilities of cooperating with Encirq because it has a lot in common with that company regarding product features, target devices, and customers. As a result, we reached the following conclusion: if the Japanese company Ubiquitous takes the initiative in business related to embedded databases, the major market for which is currently in Japan, it would become able to do business efficiently, and on a larger scale as well, as to provide Japanese customers with services that would be better in geographical and cultural terms. Consequently, we decided to purchase the intellectual property rights pertinent to DeviceSQL

from Encirq and to launch an embedded database business in the capacity of the sole company entitled to do business related to DeviceSQL, including its enhancement, in Japan and overseas.

Organization

The new Business Division IV was established in Ubiquitous to undertake the embedded database business. This division is to engage in the subsequent development of and support for DeviceSQL, as well as sales activities. Several of Encirq's key members, including Kazuhiro Hirakawa and Tadafumi Yoshihara, who had served at Encirq as Vice President in Charge of Sales and Vice President in Charge of Professional Services and the Asia-Pacific Region, respectively, joined Ubiquitous this month to take charge of our embedded database business. Ubiquitous is committed to having Business Division IV carry out subsequent development operations and support services concerning DeviceSQL, enrich the professional services that have been provided by Encirq so far, and respond to the needs of equipment makers and other customers in detail.

> Ubiquitous Business Division IV (newly established)
> ・Operations undertaken: sales, support, and development relating to embedded database business
> ・Director of Business Division IV: Tomoyuki Ietaka (concurrently serving as Director and Chief Financial Officer of Ubiquitous)
> ・Vice Directors of Business Division IV: Kazuhiro Hirakawa (in charge of sales), Tadafumi Yoshihara (in charge of development)

Due to the above transfer of intellectual property rights, we will request customers that have a contract with Encirq to switch to one with Ubiquitous. DeviceSQL is to be sold directly by Ubiquitous as well as through sales representatives.

Upon the transfer of the intellectual property rights to DeviceSQL, Encirq Co., Ltd. and Encirq Corporation in the U.S. discontinued its embedded database business this month.

Future policy

Ubiquitous aims to expand its business by combining the embedded software family that has been developed and sold by Ubiquitous with DeviceSQL. For example, by combining DeviceSQL with "UbiquitousAV," a home network solution owned by Ubiquitous and conforming to the DLNA guidelines, the user can search for and reproduce various contents distributed over a network quickly without being aware of their locations. Or, by combining DeviceSQL with the "UbiquitousCONNECT" USB host solution, the user can retrieve desired contents quickly from either a portable digital media player that is USB-connected with onboard vehicle equipment or home audio equipment as well as from such equipment.

In the coming ubiquitous network society, it will be important to manage, retrieve, and process data distributed to various sensors or storages on a network. Ubiquitous is committed to developing and offering solutions for this.

Ubiquitous aims to operate its embedded database business so it will yield sales of approximately 300 to 500 million yen in the coming 3 years.

Ms. Deborah Goslin, the CEO of Encirq Corporation in the U.S., published the following message: "I expect that Ubiquitous adding DeviceSQL to one of its product families will accelerate the growth of this technology. The synergy effect of Ubiquitous' and Encirq's high-performance, small-footprint technologies will be greatly appreciated in embedded industries such as the consumer-electronics industry. Ubiquitous well understands the needs and changes of Japanese industries. I believe the company will make a positive contribution to customers from now on."

Mr. Minoru Yamada, a Director and Managing Executive Officer of Core Corporation (Head Office: Sangenjaya, Setagaya-ku, Tokyo; listed in the First Section of the Tokyo Stock Exchange; security code: 2359) and the President of Embedded Solution Company, one of the business promotion divisions of Digital Information Technologies Corporation, published the following message regarding Ubiquitous' acquisition of DeviceSQL from Encirq:
"By combining Ubiquitous products, including the excellent embedded database DeviceSQL, with our wide range of achievements in embedded system development, we can offer new solutions and win customers."

● **About DeviceSQL**
DeviceSQL, developed by Encirq Corporation, was released in 2002 as a totally new category of data management software based on stream-based data management technologies specialized for embedded systems. The software has been installed in cellular phones, onboard vehicle equipment, IP set-top boxes, communication equipment, and so forth, and has the following features:
・Small code size (footprint: 24 to 50 KB)
・Quick movement (20 to 30 times quicker than ordinary embedded database products, according to an Encirq survey)
・Support for various storage media
・Fastest start-up speed (20 to 30 times quicker than ordinary embedded database products, according to an Encirq survey)
・A reliability level high enough for onboard vehicle equipment

- **About Ubiquitous Corporation (JASDAQ 3858)**

Ubiquitous was established with the aim of realizing the dream of ubiquitous networks for connecting the various devices that we constantly use today so seamlessly that we needn't even think about it making connections. Compact, efficient and hight-speed software is indispensable to the creation of such ubiquitous networks, and Ubiquitous is committed to contributing to this endeavor through developing the world's most compact, efficient and hight-speed network software.

■ Contacts

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