



PLANEX COMMUNICATIONS INC.

Katsuaki Kubota, President

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March 9, 2006

## Notice of additions and corrections to “Brief Statement of the Financial Results for the Fiscal Year Ending December 2005 (Consolidated)” and “Individual Financial Statements for the Fiscal Year Ending December 2005”

The following additional information and corrections apply to the “Brief Statement of the Financial Results for the Fiscal Year Ending December 2005 (Consolidated)” and “Individual Financial Statements for the Fiscal Year Ending December 2005” which had been announced as of February 17, 2006.

1. Information to be added to “Brief Statement of the Financial Results for the Fiscal Year Ending December 2005 (Consolidated)”

“8. Deferred Tax Accounting” and “9. Transactions with Related Parties” should be added to page 27 and the numbering should be moved down sequentially.

### 8. Deferred Tax Accounting

Current Term (December 31, 2005)	Previous Term (December 31, 2004)
1 Detailed main cause of accrual of deferred tax assets and deferred tax liabilities.	1 Detailed main cause of accrual of deferred tax assets and deferred tax liabilities.
Deferred tax assets	Deferred tax assets
Inventory evaluation loss	Inventory evaluation loss
31,343 thousand yen	25,317 thousand yen
Unrealized profit of inventory assets	Unrealized profit of inventory assets
8,999 thousand yen	13,268 thousand yen
Taxable depreciation of software	Taxable depreciation of software
57,077 thousand yen	6,579 thousand yen
Allowance for sales return	Excess over depreciation
43,225 thousand yen	23,410 thousand yen
Excess over depreciation	Retirement allowances for directors
21,291 thousand yen	59,397 thousand yen
Retirement allowances for directors	Loss carried forward
67,172 thousand yen	377,828 thousand yen
Extraordinary loss from valuation of securities	Other
92,214 thousand yen	57,097 thousand yen
	Sub-total of deferred tax assets
	562,896 thousand yen
	Allowance account
	-534,747 thousand yen
	Total amount of deferred tax assets
	28,148 thousand yen

Loss carried forward	171,019 thousand yen	Deferred tax liabilities	
Other	73,023 thousand yen	Leveraged lease	-98,787 thousand yen
Sub-total of deferred tax assets	565,367 thousand yen	Special depreciation reserve	-1,922 thousand yen
Allowance account	-542,591 thousand yen	Variance in Appraisal of Stocks and Others	-10,129 thousand yen
Total amount of deferred tax assets	22,776 thousand yen	Total amount of deferred tax liabilities	-110,839 thousand yen
Deferred tax liabilities		Net amount of deferred tax liabilities	-82,690 thousand yen
Leveraged lease	-106,292 thousand yen		
Variance in Appraisal of Stocks and Others	-24,522 thousand yen		
Total amount of deferred tax liabilities	-130,815 thousand yen		
Net amount of deferred tax liabilities	-108,038 thousand yen		
Current Term (December 31, 2005)		Previous Term (December 31, 2004)	
2 Breakdown of significant cause of difference of statutory effective tax rate and corporate tax rate etc. after application of tax effect accounting.		2 Breakdown of significant cause of difference of statutory effective tax rate and corporate tax rate etc. after application of tax effect accounting.	
Statutory effective tax rate	40.5%	For the current consolidated term, it is not stated because of a current net loss before tax adjustment.	
(Adjustment)			
Permanent difference item such as entertainment and social expenses etc.	3.1%		
Accumulated earning tax	8.1%		
Amount exceeding the limit of foreign tax credit	11.7%		
Effect of allowance account	-51.6%		
Amortization of consolidation account adjustment	14.4%		
Other	4.7%		
Burden rate of corporate tax etc. after application of tax effect accounting	30.9%		

#### 9. Transactions with related parties

Previous term (Starting January 1, 2004 Ending December 31, 2004)

Not applicable

Current term (Starting January 1, 2005 Ending December 31, 2005)

#### 1 Directors and main individual shareholder

Attribution	Name	Address	Capital or contribution to capital (thousand yen)	Line of business or profession	Voting right (own or owned %)	Contents of relation		Contents of transaction	Transaction amount (thousand yen)	Account title	Year-end balance (thousand yen)
						Concurrently serving, etc.	Relation of business				
Directors and their close family	Katsuki Kubota	Chiyoda-ku, Tokyo		President of the Company	(Owned) Direct 37.8	-	-	Company resident rent	4,836	-	-
	Noriyuki Yamazaki	Shibuya-ku, Tokyo		Vice-president of the Company				Company resident rent	1,008	-	-
								Share acquisition of Red SIP, Inc	3,000	-	-

(Terms and decision policy of the transaction) Noriyuki Yamazaki has retired as a director as of February 13, 2006.

1. The transaction amounts do not include the consumption taxes.
2. Noriyuki Yamazaki had directly owned 9.1% of voting rights for Red SIP, Inc., however the Company has acquired all shares during the current term to make it a consolidated subsidiary. The acquisition amount of the shares has been decided considering appraisal done by a third party.

## 2 Subsidiaries, etc.

Attribution	Name	Address	Capital or contribution to capital (thousand yen)	Line of business or profession	Voting right (own or owned %)	Contents of relation		Contents of transaction	Transaction amount (thousand yen)	Account title	Year-end balance (thousand yen)
						Concurrently serving, etc.	Relation of business				
Affiliate Company (including consolidated subsidiary of the Company)	Susteen, Inc	Irvine, California, USA	250 thousand dollars	Product development specialized in data communication and mobile computing	(Own) Direct 20.0	None	Supply of the service and purchase of products	Development consignment	64,542	-	-
								Purchase of products	23,518	Account payable	3,738
								Market research	429	-	-
								Acceptance of allocation of new shares to a third party	322,856	-	-

(Terms and decision policy of the transaction) Decisions are made on condition of general transactions.

1. The transaction amounts do not include the consumption taxes.
2. Susteen, Inc. has become an affiliated company subject to equity method by accepting the allocation of new shares to a third party. The acquisition amount of the shares has been decided considering appraisal done by a third party.

2. About addition to "Individual Financial Statements for the Fiscal Year Ending December 2005" "12. Deferred Tax Accounting" should be added to page 9 and the numbering should be moved

down sequentially.

## 12. Deferred Tax Accounting

Current Term (December 31, 2005)		Previous Term (December 31, 2004)	
1 Detailed main cause of accrual of deferred tax assets and deferred tax liabilities.		1 Detailed main cause of accrual of deferred tax assets and deferred tax liabilities.	
Deferred tax assets		Deferred tax assets	
	27,287		21,464
Inventory evaluation loss	thousand	Inventory evaluation loss	thousand
	yen		yen
	57,077		6,075
Taxable depreciation of software	thousand	Taxable depreciation of software	thousand
	yen		yen
	21,236		23,410
Excess over depreciation	thousand	Excess over depreciation	thousand
	yen		yen
	67,172		59,397
Retirement allowances for directors	thousand	Retirement allowances for directors	thousand
	yen		yen
	81,806		377,828
Extraordinary loss	thousand	Loss carried forward	thousand
from valuation of securities	yen		yen
	147,536		46,573
Loss carried forward	thousand	Other	thousand
	yen		yen
	25,413		534,747
Other	thousand	Sub-total of deferred tax assets	thousand
	yen		yen
	427,529		-534,747
Sub-total of deferred tax assets	thousand	Allowance account	thousand
	yen		yen
	-427,529		-thousand
Allowance account	thousand	Total amount of deferred tax	yen
	yen		
Total amount of deferred tax assets	-thousand	Deferred tax liabilities	
	yen		-98,787
		Leveraged lease	thousand
Deferred tax liabilities			yen
	-106,292		-1,922
Leveraged lease	thousand	Special depreciation reserve	thousand
	yen		yen
	-24,083		-10,129
Variance in Appraisal of Stocks and Others	thousand	Variance in Appraisal of Stocks and Others	thousand
	yen		yen
	-130,375		-110,839
Total amount of deferred tax liabilities	thousand	Total amount of deferred tax liabilities	thousand
	yen		yen
	-130,375		-110,839
Net amount of deferred tax liabilities	thousand	Net amount of deferred tax liabilities	thousand
	yen		yen
Current Term (December 31, 2005)		Previous Term (December 31, 2004)	

<p>2 Breakdown of significant cause of difference of statutory effective tax rate and corporate tax rate etc. after application of tax effect accounting.</p> <table border="0"> <tr> <td style="padding-left: 20px;">Statutory effective tax rate</td> <td style="text-align: right;">40.5%</td> </tr> <tr> <td colspan="2"> </td> </tr> <tr> <td colspan="2">(Adjustment)</td> </tr> <tr> <td style="padding-left: 20px;">Permanent difference item such as entertainment and social expenses etc.</td> <td style="text-align: right;">0.9%</td> </tr> <tr> <td colspan="2"> </td> </tr> <tr> <td style="padding-left: 20px;">Amount exceeding the limit of foreign tax credit</td> <td style="text-align: right;">6.2%</td> </tr> <tr> <td style="padding-left: 20px;">Effect of allowance account</td> <td style="text-align: right;">-39.2%</td> </tr> <tr> <td style="padding-left: 20px;">Other</td> <td style="text-align: right;">0.8%</td> </tr> <tr> <td style="padding-left: 20px;">Burden rate of corporate tax etc. after application of tax effect accounting</td> <td style="text-align: right;">9.2%</td> </tr> </table>	Statutory effective tax rate	40.5%			(Adjustment)		Permanent difference item such as entertainment and social expenses etc.	0.9%			Amount exceeding the limit of foreign tax credit	6.2%	Effect of allowance account	-39.2%	Other	0.8%	Burden rate of corporate tax etc. after application of tax effect accounting	9.2%	<p>2 Breakdown of significant cause of difference of statutory effective tax rate and corporate tax rate etc. after application of tax effect accounting.</p> <p>For the current consolidated term, it is not stated because of a current net loss before tax adjustment.</p>
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Effect of allowance account	-39.2%																		
Other	0.8%																		
Burden rate of corporate tax etc. after application of tax effect accounting	9.2%																		

3. About partial correction of "Brief Statement of the Financial Results for the Fiscal Year Ending December 2005 (Consolidated)"

The following corrections should be applied to the statements on page 22.

5. Segment Information

(3) Overseas Sales

(Before correction)

< Current Term > ( Starting: January 1, 2005 Ending: December 31, 2005 )  
(thousands of yen)

	Asia	Other	Total
Overseas sales	578,254	97,489	<u>752,580</u>

(After correction)

< Current Term > ( Starting: January 1, 2005 Ending: December 31, 2005 )  
(thousands of yen)

	Asia	Other	Total
Overseas sales	578,254	97,489	<u>675,743</u>

4. About partial correction of "Individual Financial Statements for the Fiscal Year Ending December 2005"

1. The following corrections should be made regarding the description on page 7.

(4) Additional information

(Before correction)

2. For network building services, the entire amount of credit and liabilities is stated, whereas for sales, the figure stated is after having balanced sales with 882,133 thousand yen, the amount of external purchases. This is based on the idea of accounting over gross amount indication in "Regarding audit problems for information service industry" (Project team to consider special dealings in IT industry, Japanese Institute of Certified Public Accountants, March 2005) and "Practical handling regarding account processing of earnings from dealing software (proposal)" (Corporate Accounting Standard Committee 2006 Practical handling report publication draft No.20)

(After correction)

2. For network building services, the entire amount of credit and liabilities is stated, whereas for sales, the figure stated is after having balanced sales with 885,133 thousand yen, the amount of external purchases. This is based on the idea of accounting over gross amount indication in "Regarding audit problems for information service industry" (Project team to consider special dealings in IT industry, Japanese Institute of Certified Public Accountants, March 2005) and "Practical handling regarding account processing of earnings from dealing software (proposal)" (Corporate Accounting Standard Committee 2006 Practical handling report publication draft No.20)

(5) Explanatory Notes to the Financial Statements

1. Issues relating to balance sheet

2) Assets and liabilities with regards to non-consolidated subsidiaries and companies that have business with

Planex

(Before correction)

Accrued liability 3,368 thousand yen

(After correction)

Accrued liability 3,738 thousand yen

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