



Americable Intl. Japan, Inc.

December 1, 2011

Dear Americable Subscribers,

Americable has made continued efforts to be receptive to the military's needs over past years. The company has taken aggressive steps to keep operating expenses to a minimum, provide quality service and offer our service at affordable rates.

The company has not raised the rates for Cable Television services since the implementation of Digital Services in January of 2009 and Internet Services since January of 2010. Since our last rate increase for Cable Television the Yen Rate has dropped 25% which impacts what we pay for circuits to get both Cable Television from the U.S. to Japan and Internet Traffic from the Bases in Japan to the Internet Gateway. To complicate matters the overall demand for more bandwidth at ever increasing durations of time, have forced Americable to triple our overall capacity from 1 Gbps to the current capacity of 3 Gbps. Furthermore, our employees cost of living has risen exponentially with yen exchange rate's decline and we will have to take action to keep our quality work force in place.

In addition to adding nearly 30 channels of programming as part of our Digital Upgrade (whose rates increase annually), we have also added 21 channels of High Definition Programming for our Subscriber base which was not part of the Digital Upgrade. In fact, recently we added AFN Sports in HD on Channel 509 of our system as well as Channel 77 for nonsubscribers, making the U.S. Navy & Marine Corps Bases in Mainland Japan the first and only bases in the world to have AFN Sports in HD delivered to every outlet on Base.

To compensate for these rising costs we wish to notify the contracting office of the following increases to our residential and barracks subscribers which will take effect January 1, 2012:

Service Package	Old Rate	New Rate	Increase
Digital Basic	\$52.95/month	\$55.95/month	\$3/month
Expanded Digital	\$73.95/month	\$74.95/month	\$1/month
Silver Internet (up to 3 Mbps)	\$41.95/month	\$43.95/month	\$2/month
Gold Internet (up to 10 Mbps)	\$64.95/month	\$66.95/month	\$2/month

The Platinum Internet Package (up to 15 Mbps) and Premium Pay Channel rates will remain unchanged at this time.

Very Respectfully,  
James A. Smith, II  
Regional Manager  
Americable Intl Japan, Inc.