

■ No. of Metal-plus subs rose to 3.17M at end-September.

1. Metal-plus



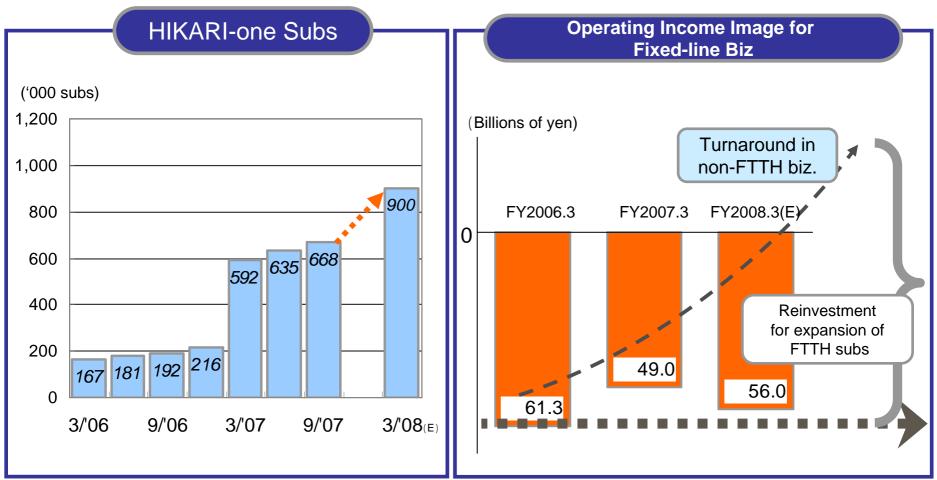


Designing The Future



2. HIKARI-one (FTTH) (1)

■ No. of HIKARI-one (FTTH) subs increased to 0.67M at end-September.





2. HIKARI-one (FTTH) (2)

- Reinforce sales force including sales channels and competitiveness of products.
- In 2H, expand sales for condos and for homes in the Tokyo-Metropolitan area.

| Course Name (Targeted area) | | HIKARI-one Condo (All major cities nationwide) | HIKARI-one Home (Tokyo-Metropolitan area) |
|--------------------------------|---------------------------|---|--|
| Challenges | | ➤Intensify sales force | Strengthen product competitiveness |
| | | | |
| Initiatives to take | Sales & Market- ing | Fully utilize the channels of the consumer business domain. Increase customer touch points through multi-ISP Sales shift from Metal-plus to FTTH Strengthen developer sales (HIKARI-one Condo) | |
| | Product | Develop products suited to market needs (DVD Burning)* Change ISP brand from "DION" to "au one net" and strengthen linkage with "au." | |

Strengthen sales efforts and product competitiveness for FTTH business. Also, establish successful models targeting homes in the Tokyo-Metropolitan area.

* DVD Burning is a service enabling users to download DVD video that is for sale.