

Financial Results
for FY ended March 2008



May 22, 2008





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*This material contains statements about the future performance of Telepark, which are based on management's assumptions and beliefs taking into account information currently available to it. Therefore, please be advised that Telepark's actual results could differ materially from those described in these forward-looking statements as a result of numerous factors, including general economic conditions in Telepark's principal markets as well as other factors detailed from time to time.

Outline of Financial Results for FY ended March 08



Financial Results & Business Performance



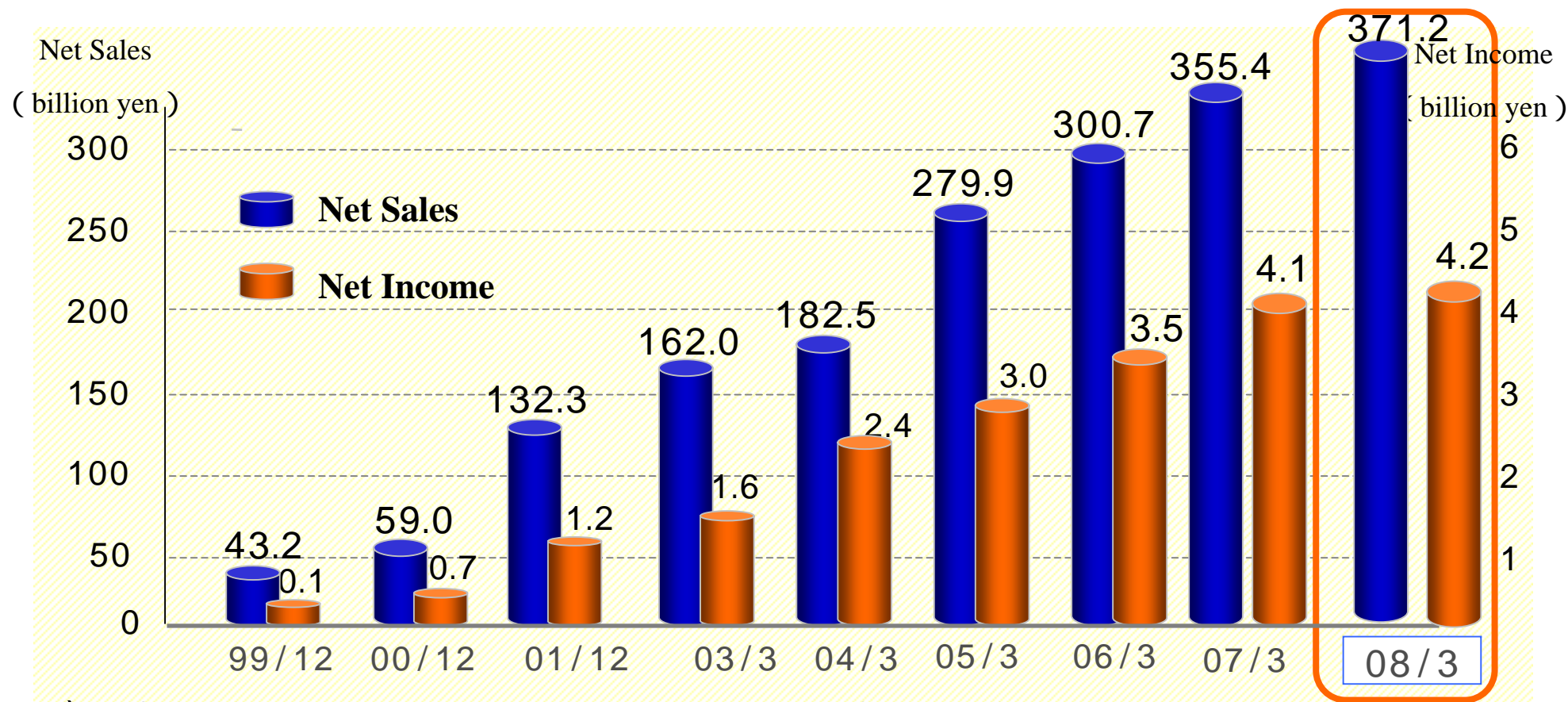
Achieved Increase in Both Net Sales & Income for Nine Consecutive Years

Responded to the change in the mobile market environment flexibly

Posted Record Net Sales as well as Net Income

Sold Historical High 3.71 Mil. Handsets on a non-consolidated basis

(3.91 Mil. Handsets on a consolidated basis)



Note) FY02/03 is omitted because the FY lasted only 3 months due to change of the accounting term

Financial Results on a Non-consolidated basis



Unit : Billion Yen	07 / 3 Results	08 / 3 Results	YoY Increase / Decrease (%)	08 / 3 Non-Consolidated Forecasts	Achievement Ratio (%)
Net Sales	355.40	377.17	4.4	390.0	95.0
Gross Margin	26.98	28.95	7.3	29.0	100.0
SGA Expenses	19.67	21.57	9.7	21.2	102.0
Operating Income	7.31	7.33	0.9	7.8	95.0
Ordinary Income	7.33	7.37	0.8	7.8	95.0
Net Income	4.12	4.19	1.8	4.5	93.0
FCF	2.00	4.65	—	3.13	—
Net Income / Share (Yen)	12,507 yen	12,721 yen	1.7	13,661 yen	—
Dividend / Share (Yen)	4,500 yen	5,000 yen (Payout ratio 39.3%)	11.1	5,000 yen (Payout ratio 36.6%)	—

Results by Business Segment on a non-consolidated basis



Mobile Business

Flexibly responded to the change in the mobile market environment such as increase of penalty for short-term cancellation & introduction of new sales method
Increased operating income by 20% YoY

Billion yen	07 / 3 Results	08 / 3 Results	Difference	08 / 3 Forecasts	Achievement
Net Sales	336.54	349.95	4.0%	365.0	95.9%
Operating Income	4.84	5.88	21.3%	5.0	117.6%

Network Business

“Myline” business contributed to stable income
FTTH (optical fiber) business has been slowed down in dull market conditions

Billion yen	07 / 3 Results	08 / 3 Results	Difference	08 / 3 Forecasts	Achievement
Net Sales	12.18	10.53	13.6%	14.2	74.2%
Operating Income	2.44	1.56	36.2%	2.7	57.8%

New Settlement Business

Achieved net sales of 10.7 billion yen with business development in approx. 40 thousand convenience stores nationwide
Started “Prepaid Service” (PIN-related business) with Seven Eleven Japan in April 08

Billion yen	07 / 3 Results	08 / 3 Results	Difference	08 / 3 Forecasts	Achievement
Net Sales	6.68	10.7	60.2%	10.8	99.1%
Operating Income	0.03	0.05	—	0.1	—

Mid-term Business Plan “Challenge 5000” & Future Business Development



Corporate Strategy & Mid-term Business Plan



Maximizing Corporate Value by Concentrating Resources on Mobile / Network and Related Business

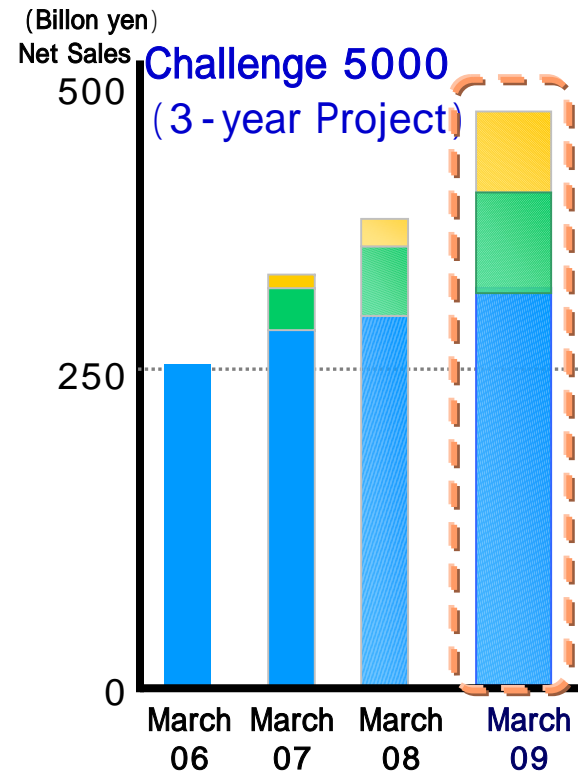
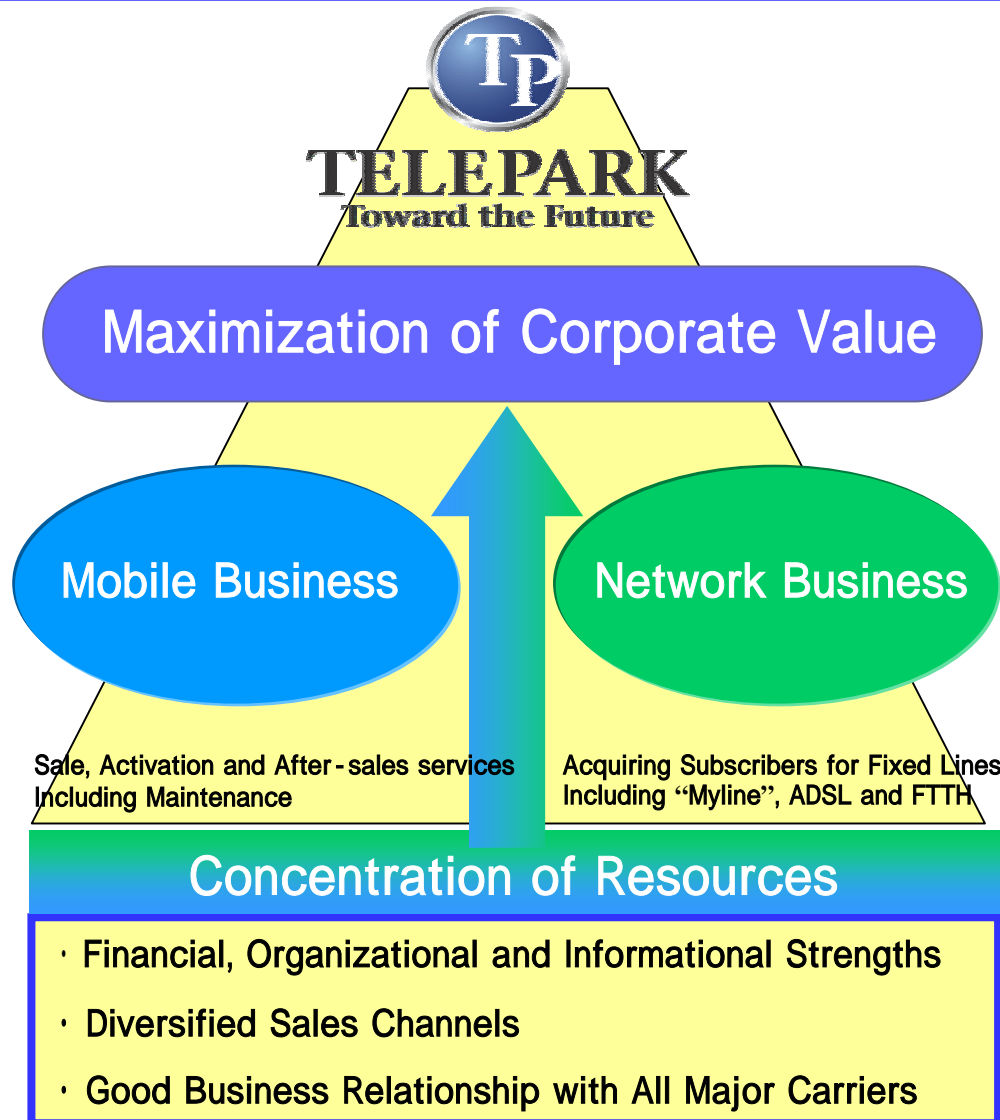
[Challenge 5000: Targets for FY ending March 2009]

Net Sales : 500 billion yen

Mobile Market Share: 10% or Sale of 5 million Handsets

Business Environment

- Slowdown in Mobile Market Growth
Fiercer Market Competition
- Reorganization of Sales Agents
Good Opportunity for Business Expansion



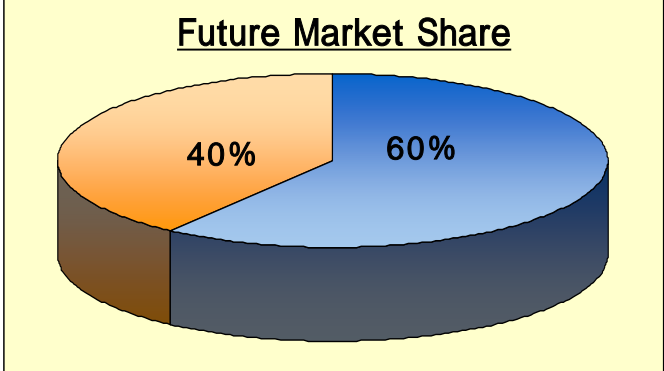
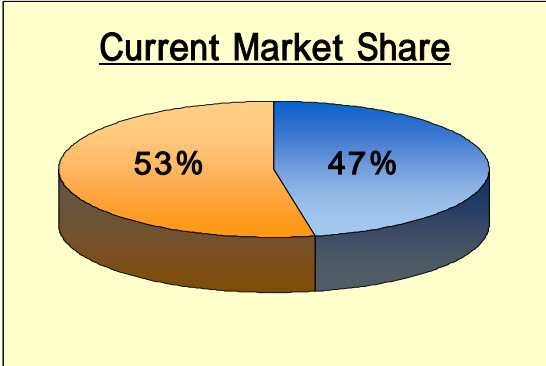
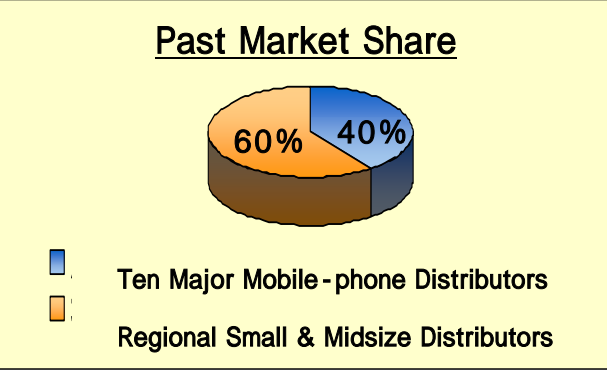
KEY POINTS

- New Business**
- Settlement Business
- Network**
- FTTH
- Mobile**
- M&A / Grouping
- Volume Retailer
- Sales for Corporate Clients

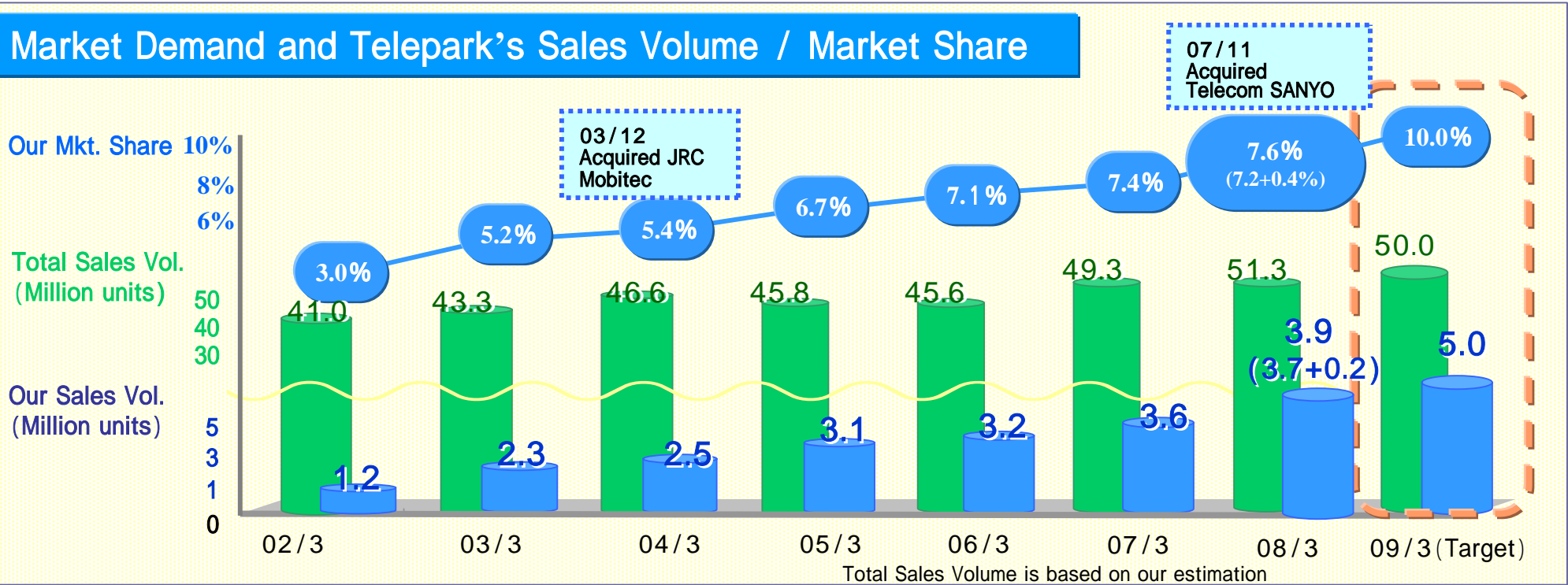
Further Expansion of Sales Forces by Share Acquisition



Accelerating Market Reorganization & Acquisition of Sales Agents via M&A / Grouping

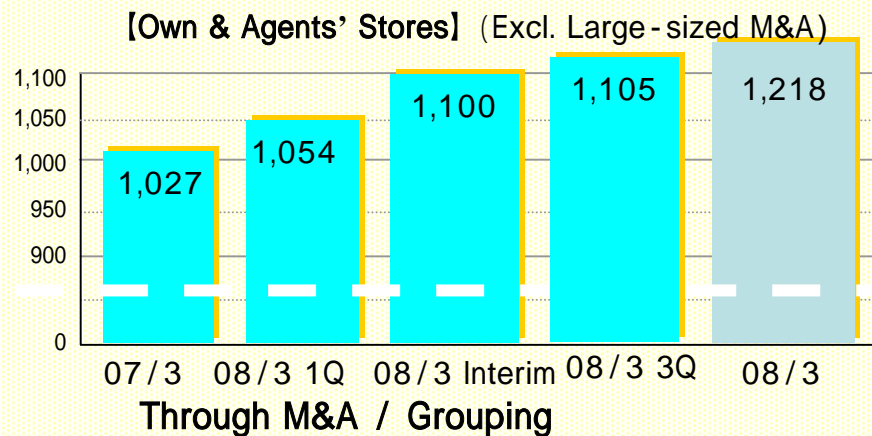


*Based on Total Sales Volume in Japanese Mobile Market

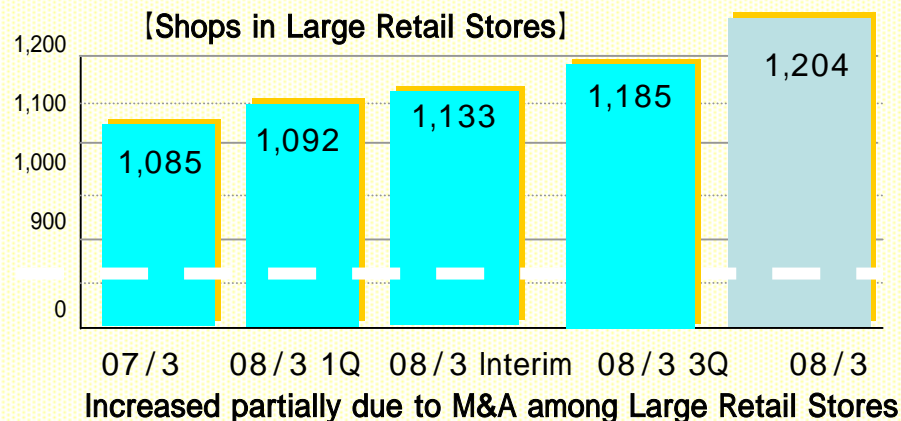


Mobile Action Plans for the Year ending March 08

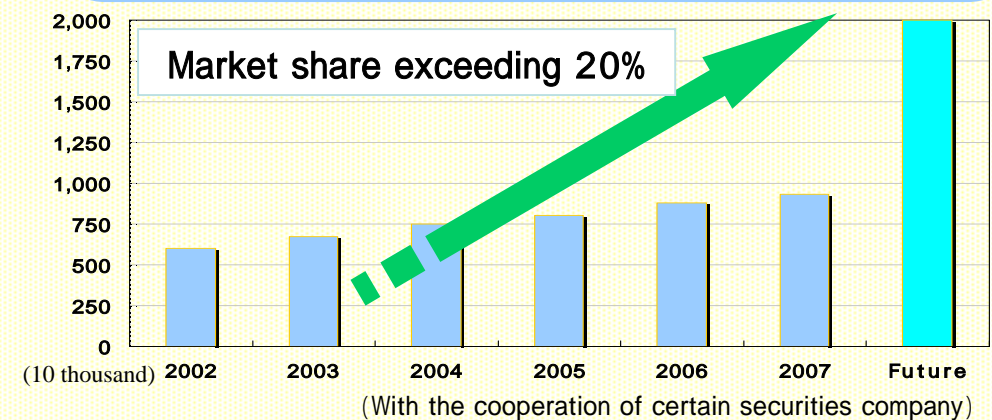
Expansion of Sales Channels



Expansion of Business w/ Large Retail Stores



Rapidly Growing Market for Corporate Clients Reaching 20 million handsets in few years



[Strengthening of Sales for Corporate Clients]

: June 06: Established Corporate Sales Dept.
Currently consists of approx. 90 staff

- Boosted by stricter compliance with Personal Info. Protection Law & internal control system in addition to MNP effect
- “Consulting Marketing” to propose optimal solutions incl. carries & price plans depending on each company’s needs
- Expanding client base starting with Mitsui Group
- Cooperation with Mitsui & Co. Promoting “Mo-Vino”, service to unify mgmt. of billing & usage for mobile phones for corporate clients
- Marketing for SMEs via sales agents

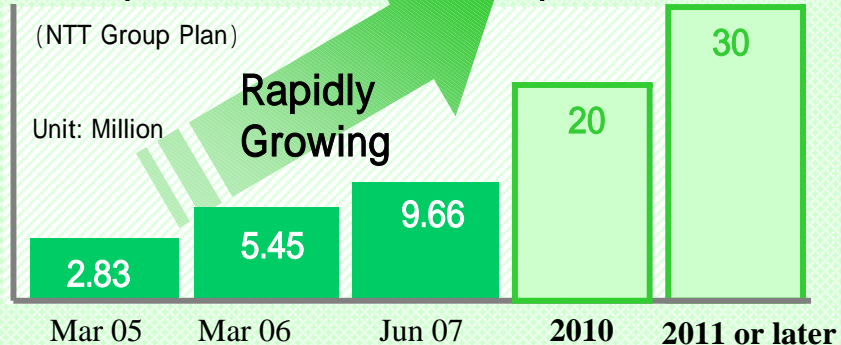


1. Business Strategy

Business Expansion in FTTH Market

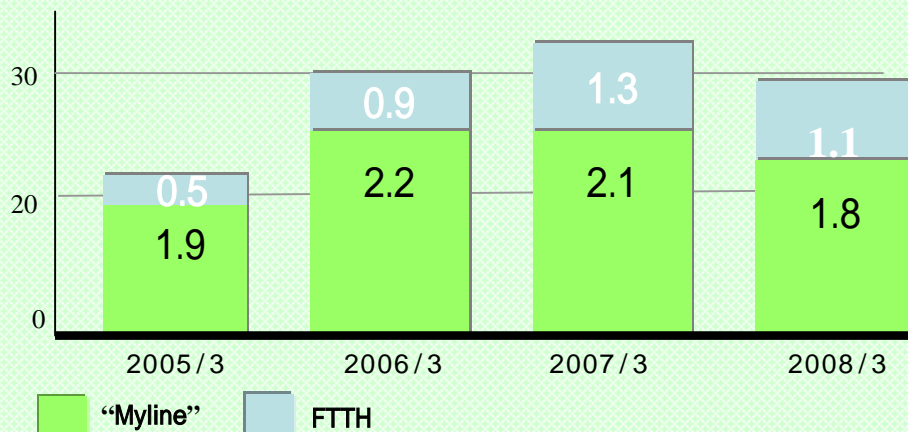
【Market Environment】

Expected Subscribers for Optical Fibers



Gross Margin by Business Category

Unit: Billion yen



2. Action Plans

Expansion of FTTH Business

- Marketing for One Unit Homes
- Shift of Sales Force from “Myline” to FTTH Business
- Acquiring New Sales Agents
- Start Content Service Business such as video picture & IP telephone

Continuing Traditional “Myline” Business

- Profit Contribution with Stable Income

**Business Expansion
Profit Increase**

New Development : Settlement Business

(For Overseas Calls, E-money, and Contents, etc.)



Expansion of Business with 40 Thousand Convenience Stores to Secure Sales Channel for Future Growth

Strengthening of E-settlement business using PIN(*)

Sale of iTunes Card for music distribution sites

Sale of Settlement Card for leading online shopping site



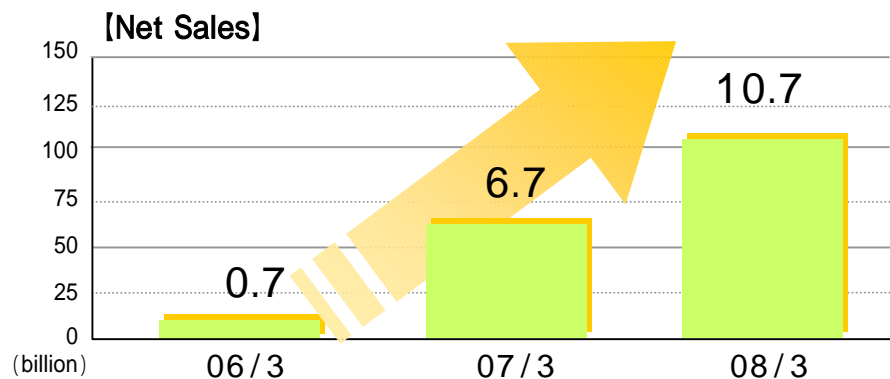
(*) PIN:

Personal Identification Number

Password accessed by users

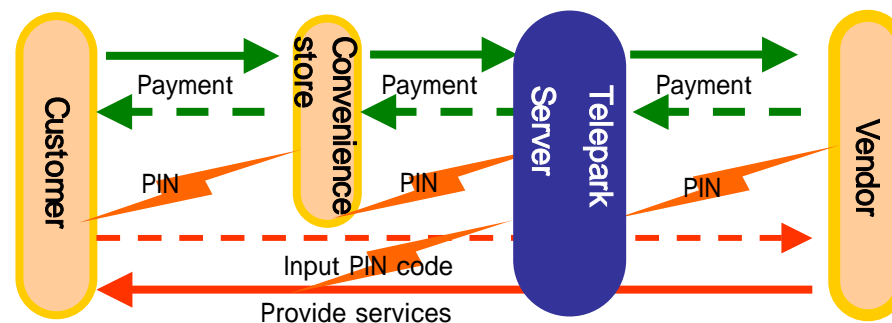
to utilize the PIN-based services

Rapid Growth



PIN system

Telepark controls PIN server & issues PIN code



Synergy Effect from Acquisition of Telecompark Corporation



Synergy Effect of Share Acquisition of Telecompark Corp.

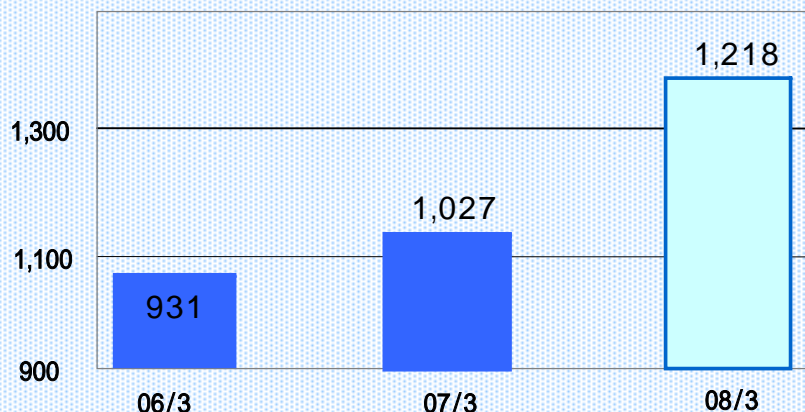


Made Efforts to Realize Synergy Effect in Each Segment at the Early Stage

- Increase of Net Sales & Income: Huge Step forward Mid-Term Business Plan “Challenge5000”
- Increase of Mobile-phone Handset Sales & Market Share: 3.94 mil handsets (Share:7.6%) in FY ended Mar. 08
 (Telecom SANYO data in H2: 1 billion yen of Net Asset, 16.2 bill yen of Net Sales, 130 mil yen of Operating Income and 0.21 mil handset sales)
- Expansion of Sales Channel Especially in West Japan Areas
 Obtainment of 64 Carrier Stores Directly Owned & Managed & 182 Agent Stores with Strong Sales Power
- Utilization of Advantage of Scale
 Increase of Volume & Manufacturer Incentives as well as Stock Commissions
 Cost Reduction by Streamlining Physical Distribution & Inventory Control Systems

Expansion of Sales Channels

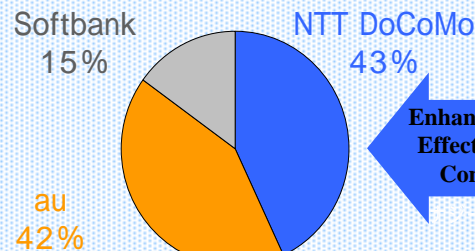
[Own & Agents' Stores]



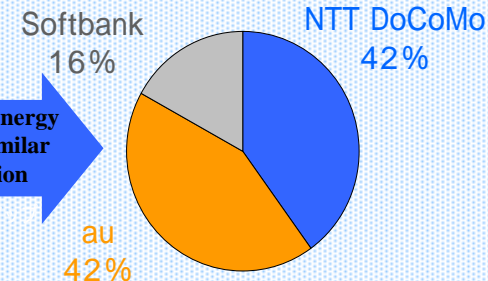
Mobile Carrier Composition as of the end of Mar 07

*Both Companies Have Well-balanced Relationship w/ All Major Carriers

[Telecom SANYO]



[Telepark]



Enhanced Synergy Effect by Similar Composition

Quantitative Synergy & Break Even Point



* Acquisition amount

: 4.8 bill. yen - Net asset 1.0 bill. yen (provisional value based on Telepark's accounting standard) = 3.8 bill. yen

380 mil. yen of annual goodwill amortization for ten years

* P/L contribution

Increase volume & maker incentives

Increase stock commission

Reduction of expense (by streamlining logistics)

As of March 2010

Net income brought by Telecompark > Annual Goodwill Amortization

380 mil. yen of annual goodwill amortization

NET Break Even Point

Target: March 2010

Telecompark's Net income as of Mar.07: 130 mil. yen

Shift of Net Income

Action Plans

- Acquired Telecom Sanyo stock (07/10/31)
- Telecompark became our consolidated subsidiary (07/11/1)
- Telecompark became our subordinate agent (07/12/1)
- Scrapped & Built sales channels
- Streamlined logistics

- Completely consolidated Telecompark into Telepark (2008/4/1)
- Increase synergy effect in terms of Marketing as well as Cost reduction

March 2008

March 2009

March 2010

Financial Strategy / Return to Shareholders & Future Telecommunication Market



Financial Strategy & Return to Shareholders



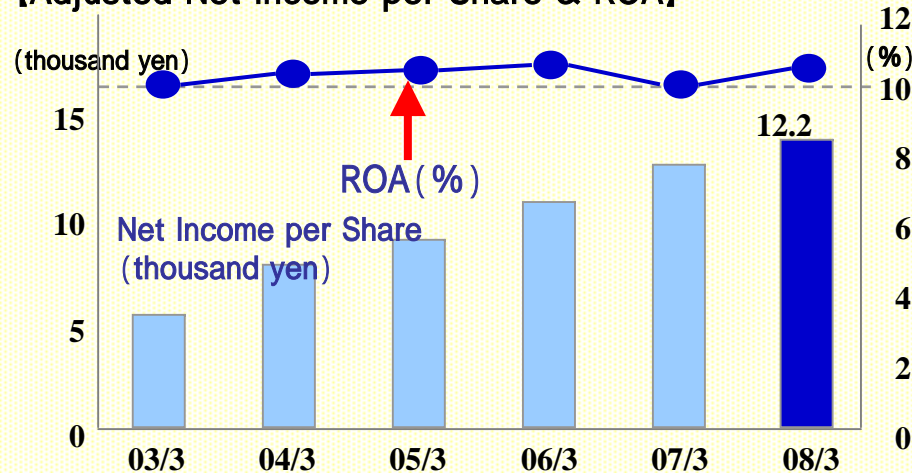
Financial Strategy & Dividend Policy

() Adjusted based on split-ups of stock implemented on 20 Jan 2006

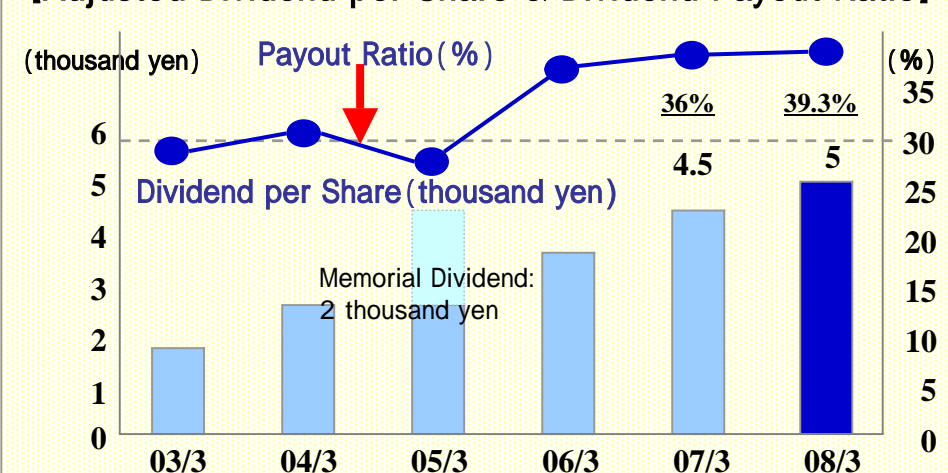
Increasing Net Sales while Securing Asset Efficiency:
ROA over 10% Level **Increasing Net Income per Share ()**

Targeting **Dividend Payout Ratio over 30% Level**
 Dividend per Share () Continuously Increasing

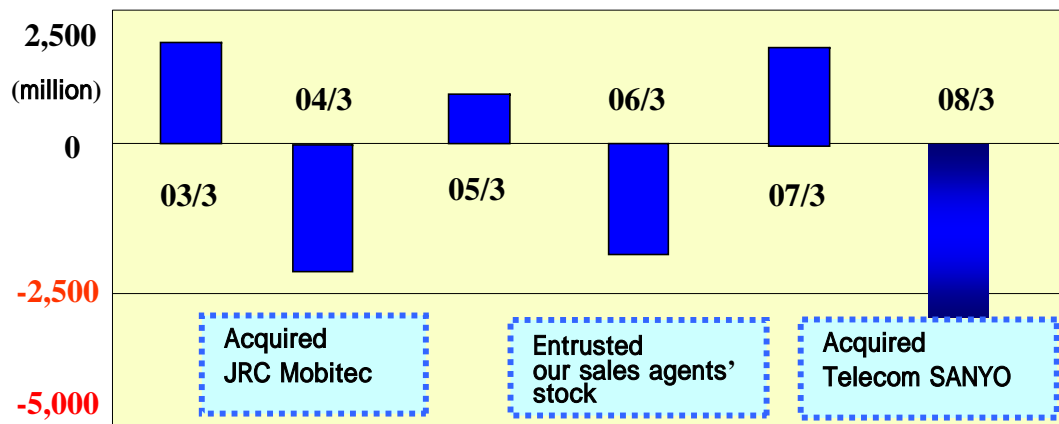
[Adjusted Net Income per Share & ROA]



[Adjusted Dividend per Share & Dividend Payout Ratio]



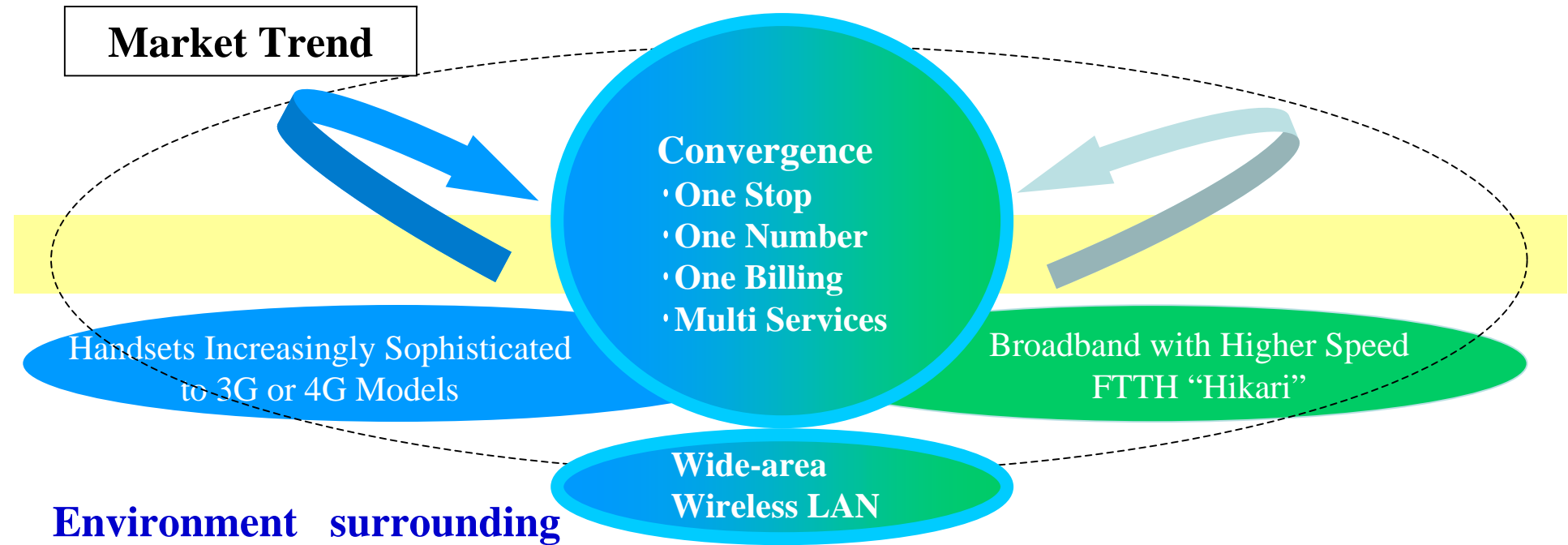
FCF (Free Cash Flow) & Future Activities



Future Activities

- Return to shareholders considering "Total Rate of Returns"
 (Dividend increase / Share buyback, etc.)
- New Business Investment

FMC Further Intensifies Competition among Telecom Carriers



Environment surrounding Telepark

New Business Model Resulted from Fiercer Competition



Telepark's Advantages

- Business Relationship with All Major Telecom Carriers
- Diversified Sales Channels & Dominant Position in Both Network & Mobile Phone Businesses