



CHALLENGE TOMORROW

Non-consolidated Financial Results

For FY ended March 2010

May 18, 2010

T-gaia Corporation

TSE : 3738

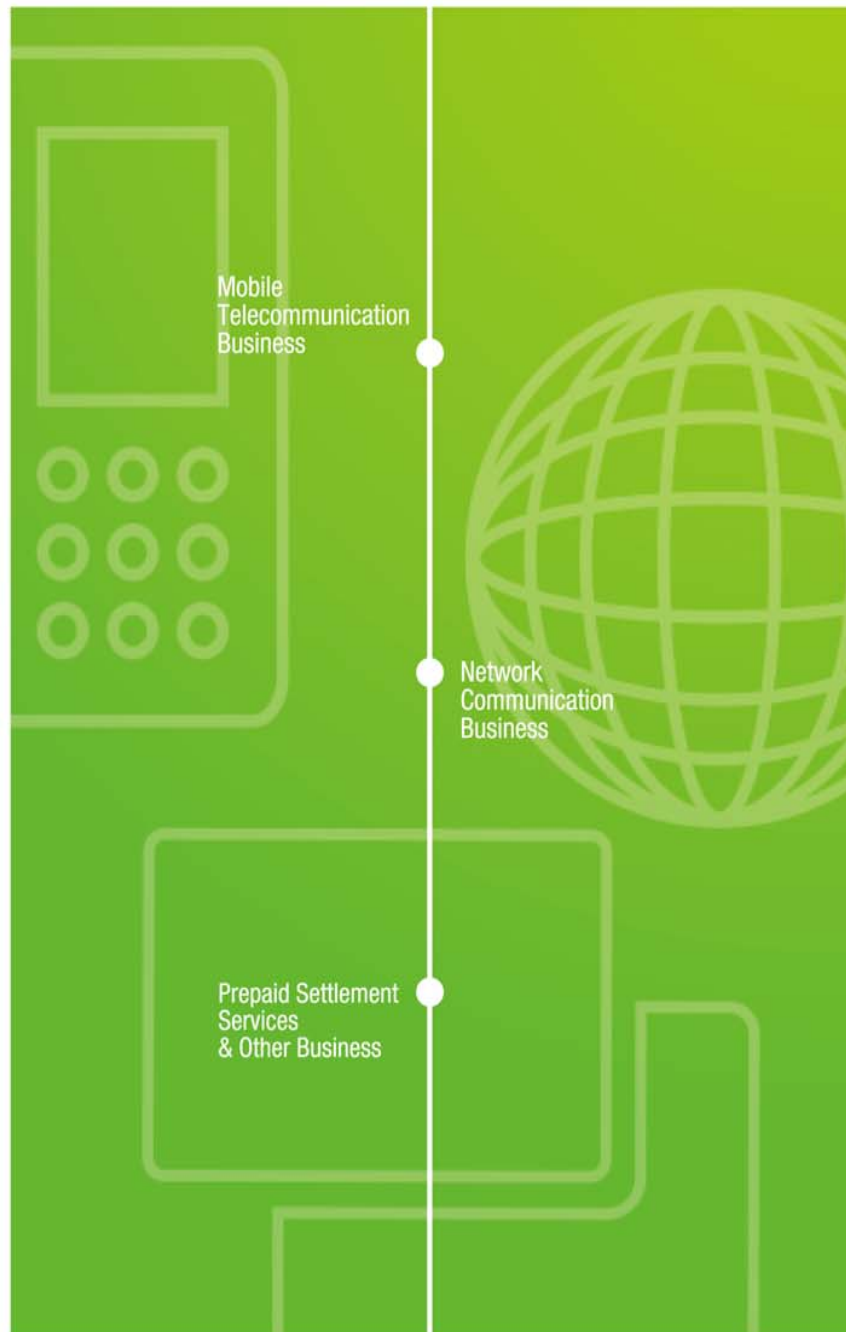


Table of Contents

■	Outline of Financial Results for FY ended March 2010	P.3
---	---	------------

■	Future Development & Forecasts for FY ending March 2011	P.14
---	--	-------------

*This material contains statements about the future performance of T-Gaia, which are based on management's assumptions and beliefs taking information currently available into consideration. Therefore, please be advised that T-Gaia'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 T-Gaia's principal markets as well as other factors detailed from time to time.

Outline of Financial Results for FY ended March 2010

Telepark has merged with MS Communications Co., Ltd. as of October 1, 2008 and changed the company name to T-Gaia Corp.

Therefore, the individual results of the fiscal year ended March 31, 2009 are calculated by adding results of the first-half for Telepark Corp. to results of the second-half for T-Gaia Corp.

Outline of Financial Results for FY ended March 2010

	※1			※2 Reference data			
(Unit: million yen)	09/3 Results	10/3 Results	YoY inc./Dec. (%)	10/3 Forecasts	Achievement Ratio (%)	09/3 Real Results	YoY inc./Dec. (%)
Net Sales	431,331	566,057	131.2%	567,000	99.8%	552,227	102.5%
Gross Margin (to Net Sales)	48,757 (11.3%)	61,890 (10.9%)	126.9%	61,900 (10.9%)	99.9%	—	—
SGA Expenses	36,355	46,697	128.4%	46,900	99.5%	—	—
Operating Income (to Net Sales)	12,401 (2.9%)	15,193 (2.7%)	122.5%	15,000 (2.6%)	101.2%	16,170	94.0%
Ordinary Income (to Net Sales)	11,965 (2.8%)	14,968 (2.6%)	125.1%	14,750 (2.6%)	101.4%	15,597	95.9%
Net Income (to Net Sales)	6,364 (1.5%)	8,135 (1.4%)	127.8%	8,000 (1.4%)	101.6%	7,934	102.5%
FCF	11,259	11,175	99.2%	8,190	—	—	—
Net Income/Share (yen)	15,422.68	15,878.52	102.9%	15,613.73	—	—	—
Dividend/Share (yen) (Dividend ratio)	5,500.00 (35.7%)	6,000.00 (37.8%)	—	5,500.00 (35.2%)	—	—	—

※1 09/3 3Q Results are calculated by adding Telepark's Non-consolidated 1H results to T-gaia's 3Q Results.

※2 09/3 Real 3Q Results are calculated by adding MS Com's 1H Results to the 09/3 3Q Results above.

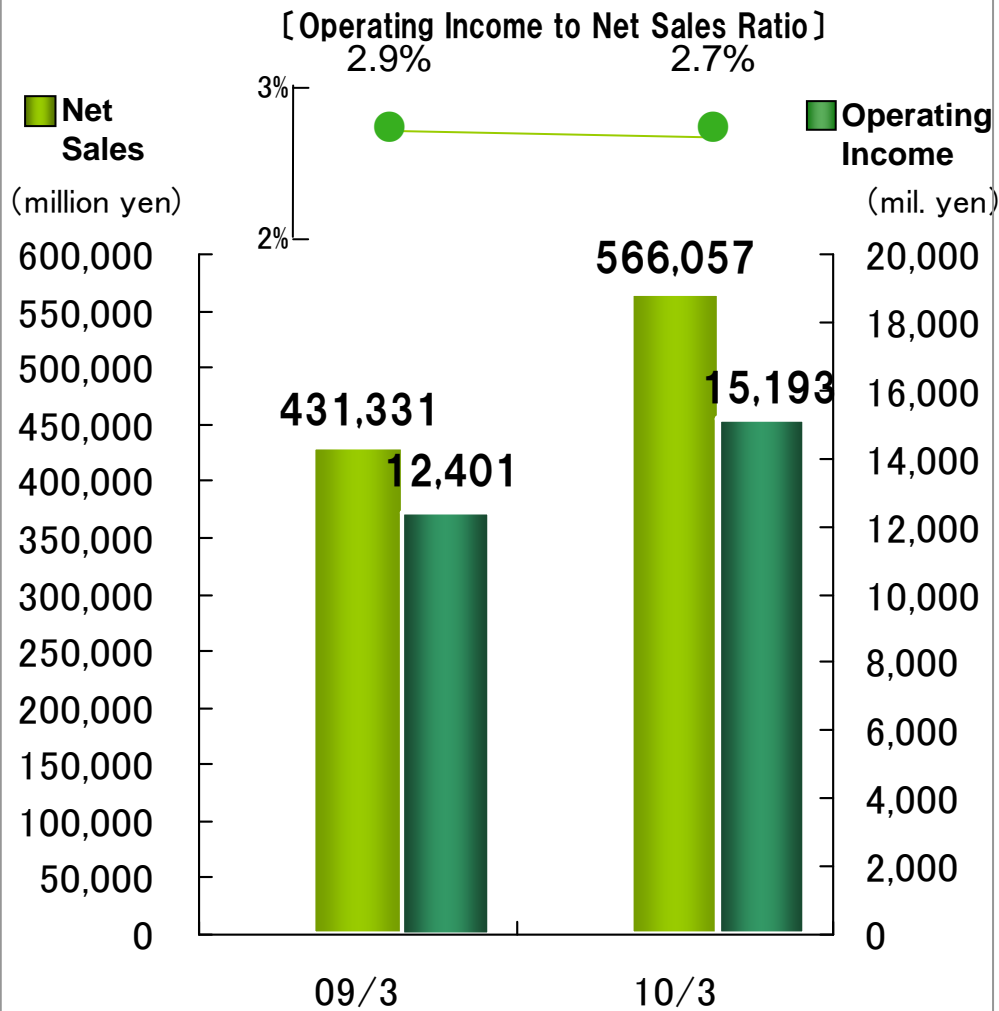
※ We revised our full-year forecasts upward on October 22, 2009.

Outline of Financial Results on Quarterly Basis

(Unit: million yen)	1Q	2Q	3Q	4Q	Accumulated Total
Net Sales	135,306	144,604	129,005	157,142	566,057
Gross Margin	15,093	16,139	14,018	16,640	61,890
SGA Expenses	10,946	12,238	11,334	12,179	46,697
Operating Margin	4,146	3,900	2,684	4,463	15,193
Ordinary Margin	4,081	3,845	2,637	4,405	14,968
Net Income	2,270	2,082	1,381	2,402	8,135
FCF	—	—	—	—	11,175
Net Income/Share (yen)	4,432.24	4,063.94	2,695.56	4,686.78	15,878.52
Dividend/Share (yen)	—	3,000.00	—	3,000.00	6,000.00

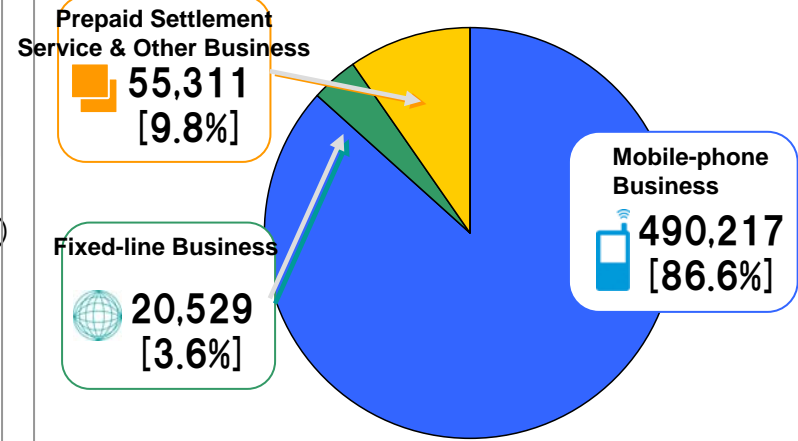
Change of Financial Results & Composition Ratio by Business Segment

Change of Financial Results

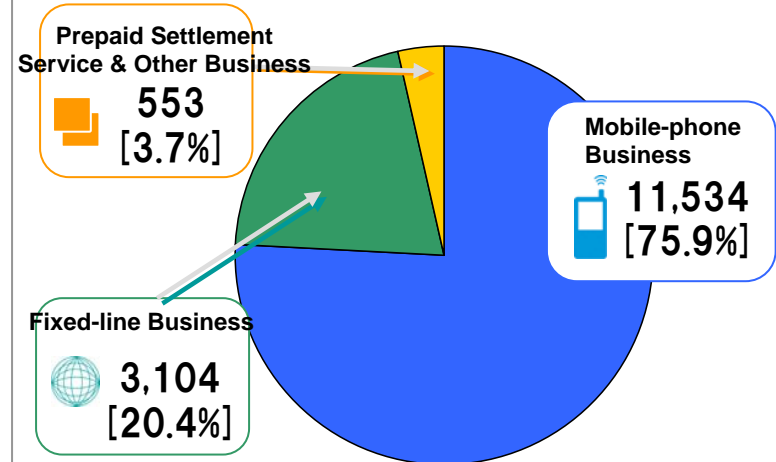


09/3 Results recorded by Telepark only

Net Sales by Segment (Unit : million yen)



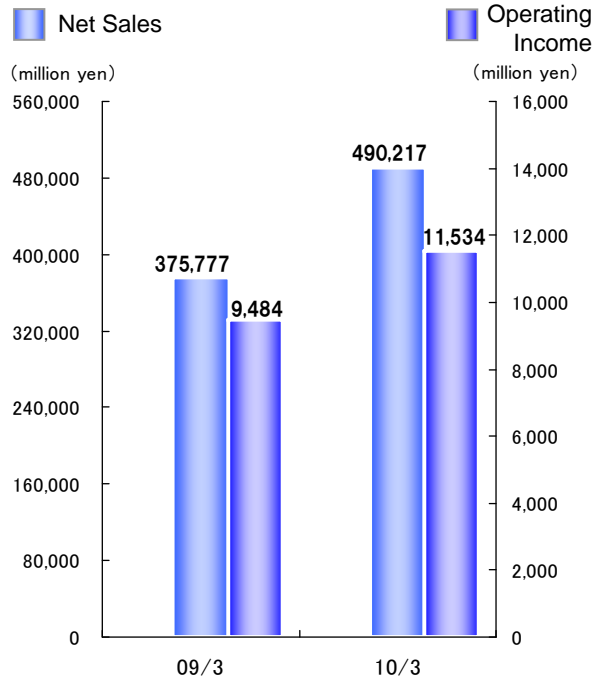
Operating Income by Segment (Unit: million yen)



2010/3 Financial Results by Business Segment



Mobile-phone Business



- Strengthened marketing for corporate clients via “Movino-star”
- Streamlined sales channels

Segment Results (million yen)

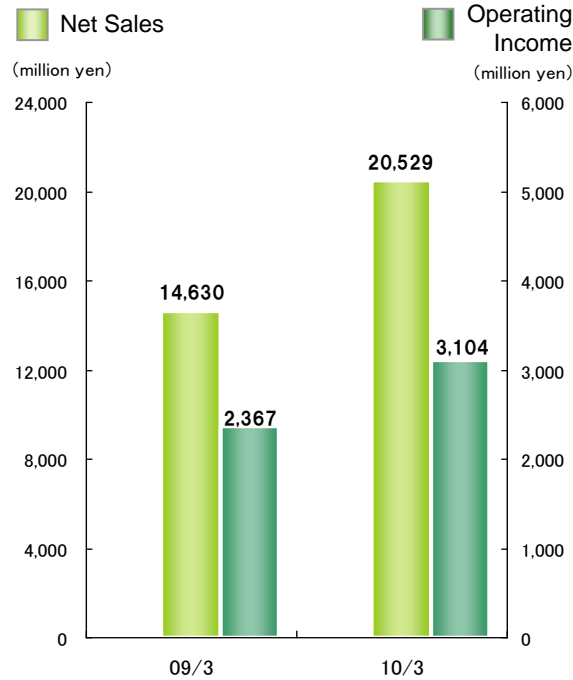
Net Sales : 490,217

Operating Income : 11,534

Mobile-handset sold : 5.13 mil. units
(Post-paid only)



Fixed-line Business



- Developed/cultivated sales agents
- Strengthened business alliance

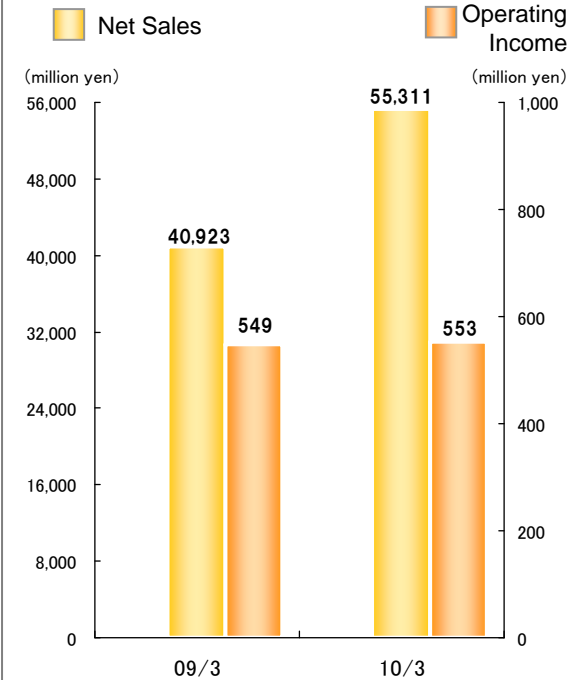
Segment Results (million yen)

Net Sales : 20,529

Operating Income : 3,104



Prepaid Settlement Service & Other Business



- Gained higher recognition among major convenience chains

Segment Results (million yen)

Net Sales : 55,311

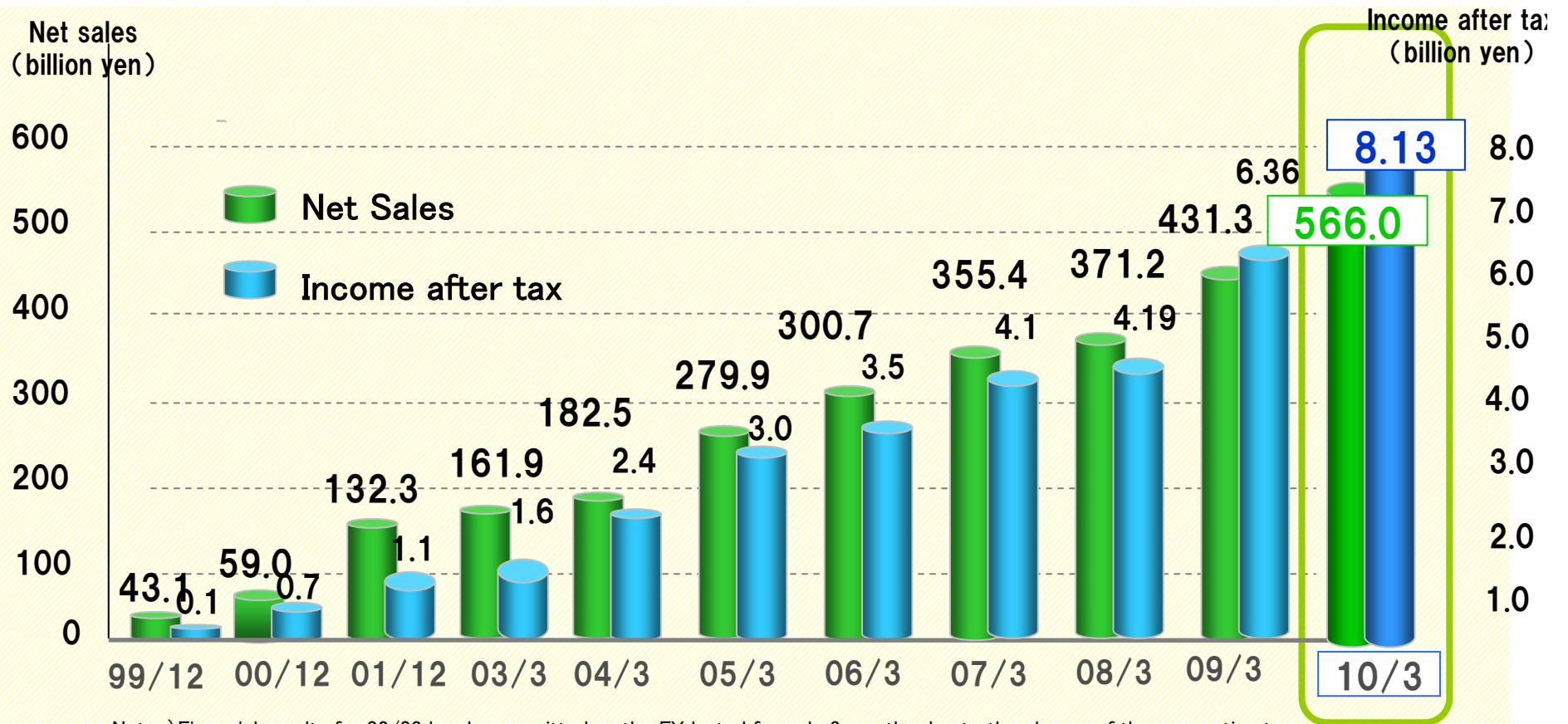
Operating Income : 553

※ 09/3 Results recorded by Telepark only

Financial Results for the Last Eleven Fiscal Years

Increased Net Sales & Income for Eleven Consecutive Fiscal Years

- In addition to effect of the merger, each business segment showed steady performance
⇒ Achieved net sales growth and reached the record high income
- Sold the record-high 5.13 million mobile handsets partially due to effect of the merger
- Increased dividend by 500 yen for both interim & year-end and paid out 6,000 yen in total



Notes) Financial results for 02/03 has been omitted as the FY lasted for only 3 months due to the change of the accounting term.

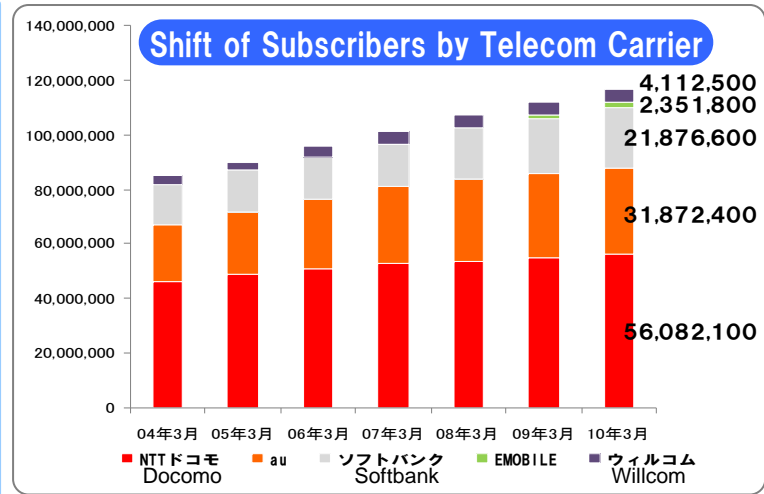


Market Environment & Business Strategy

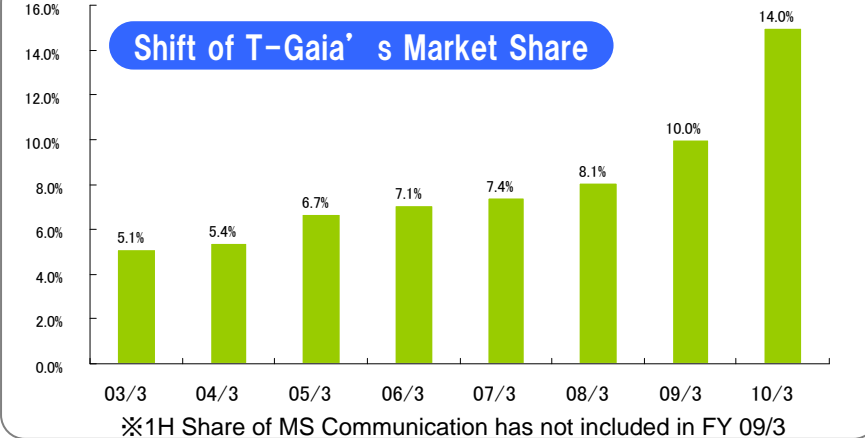
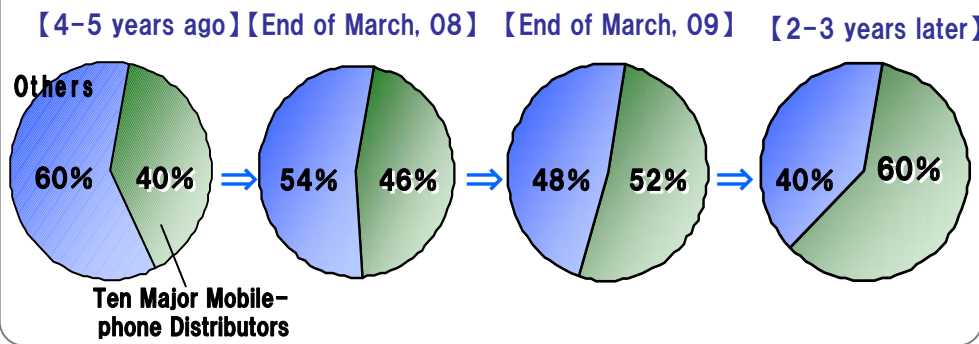
Market Environment

※After Saturation of Installment Payment System

- Impact of Saturation of Installment Payment System
 - Stabilization of Selling Price/Increase of After-sales Service
 - Prolonged Turnover Period/Decrease of No. of Handsets Sold
- Provision of New Services by Telecom Carrier
- Revitalization of “Smart-phone” Market
- Expansion of Demand of Corporate Clients
- Market Reorganization through M&A and Grouping



Accelerating Market Reorganization Transition of Mobile Market Share in the Total Market Share



Business Strategy

Increase of Market Share through M&A and Grouping / Improvement of Operational Efficiency

- 1 Expansion of Demand for Second Handsets
- 2 Strengthening of Sales for Corporate Clients
- 3 Optimization of Sales Channels



1 Expansion of Demand for Second Handsets

- Various new model of mobile handsets to satisfy users' needs including "Smart Phones", data communication cards, and digital photo frames, etc.
- Attractive telecommunication rate plans to attract users

2 Strengthening of Sales for Corporate Clients

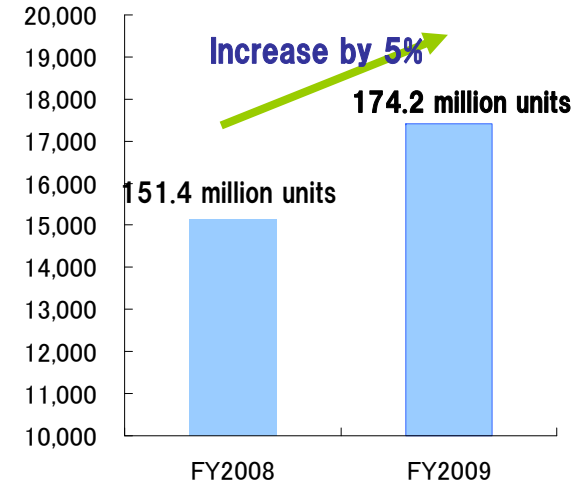
Growing Market for Corporate Clients Reaching 20 million handsets in few years

- Increased number of staff for Corporate Sales Dept. to Current 261
- "Consulting Marketing" to propose optimal solutions including carries & price plans depending on each company's needs for various brands such as NTT docomo, au, Softbank, EMOBILE, Wilcom
- Expanding client base starting with Mitsui, Sumitomo & Mitsubishi Groups
- Responding to the needs for Smart Phones
- Integrated "Mo-Vino" and "MobileStar" into "movino star" in October 09 to provide more attractive mobile solutions to our corporate clients



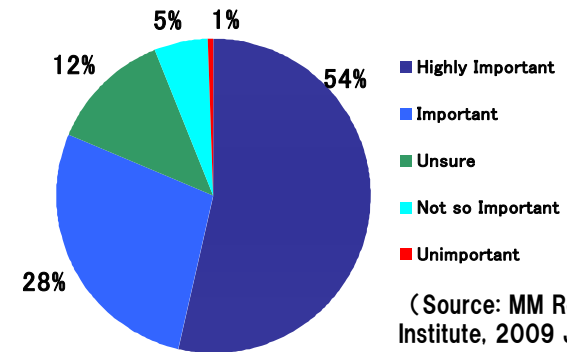
Volume of Smart Phone Shipment Worldwide

(Source: IDC / USA)



- Boosted by Response to Personal Info. Protection Law & Strengthening of Internal Control

Personal Info. Protection is Important Consideration for Corporations

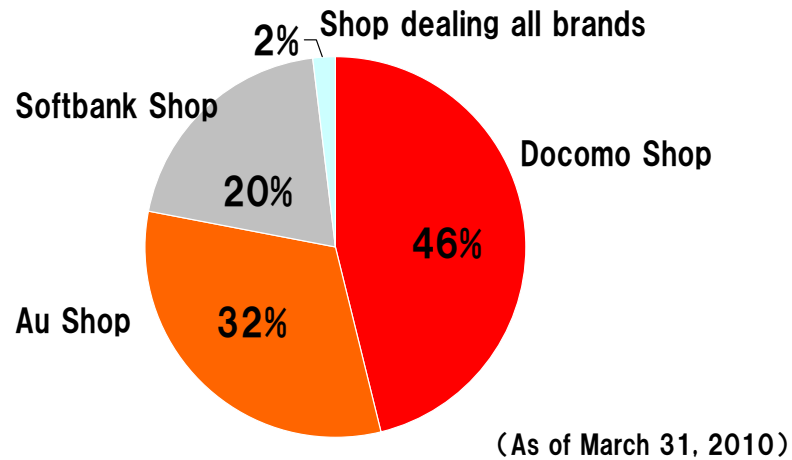


- As part of personal info. protection, No. of corporation, which switch their mobile handsets & PHSs from personal use to corporate use, have been increasing year by year.

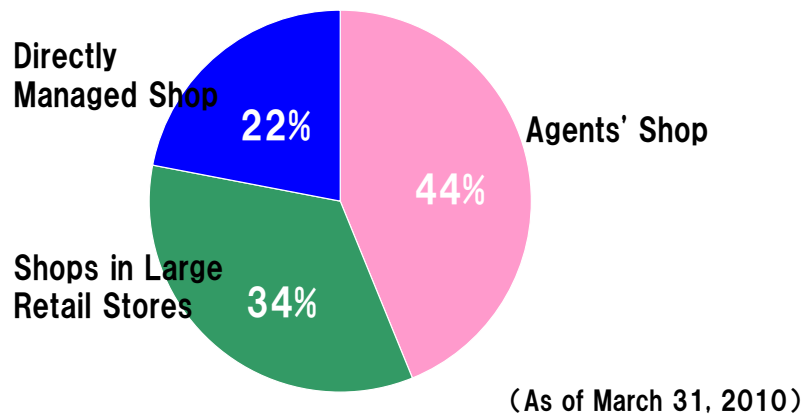
Optimization of Sales Channels

Well-balanced Sales Channel

Composition by Carrier in Directly Managed Shops

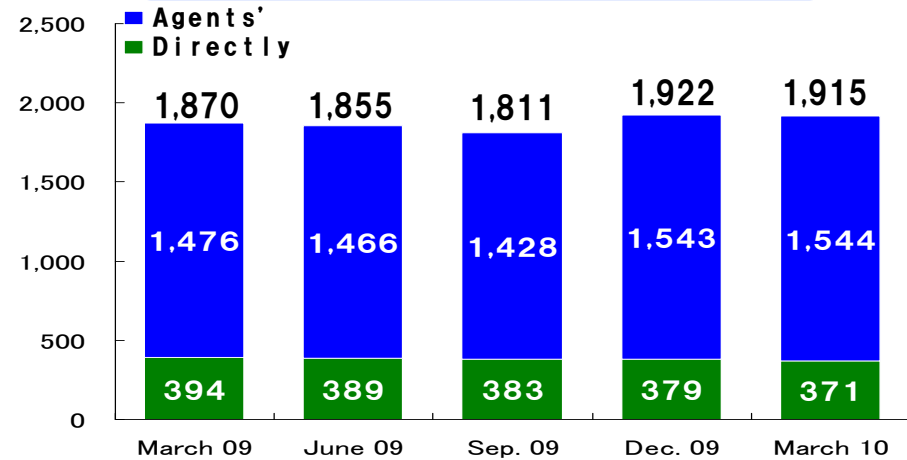


Composition by Sales Channel

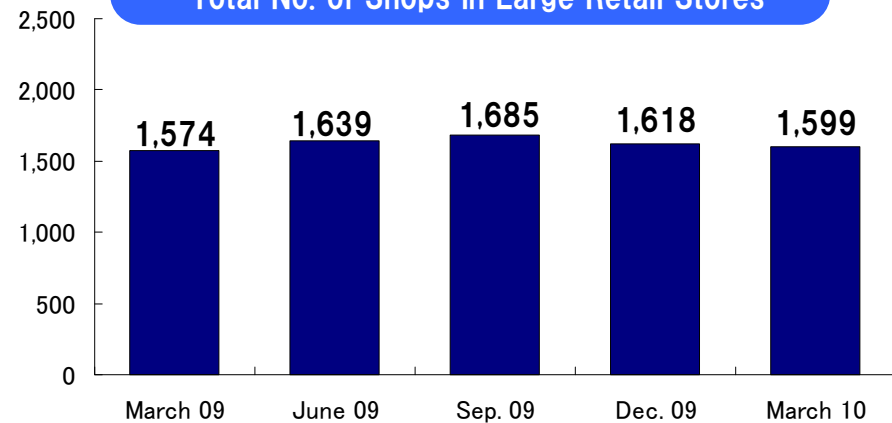


Increased Profitability by Efficient Operation

Total No. of Directly Managed & Agents' Shops



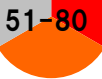
Total No. of Shops in Large Retail Stores



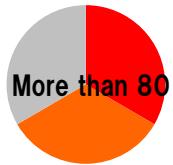
Directly Managed Carrier Shops All Over Japan

[Legend symbol for No. of shops]

Less than 20



More than 80



[Example of Carrier Shops]

Docomo Shop



172



au Shop



118



Softbank Shop

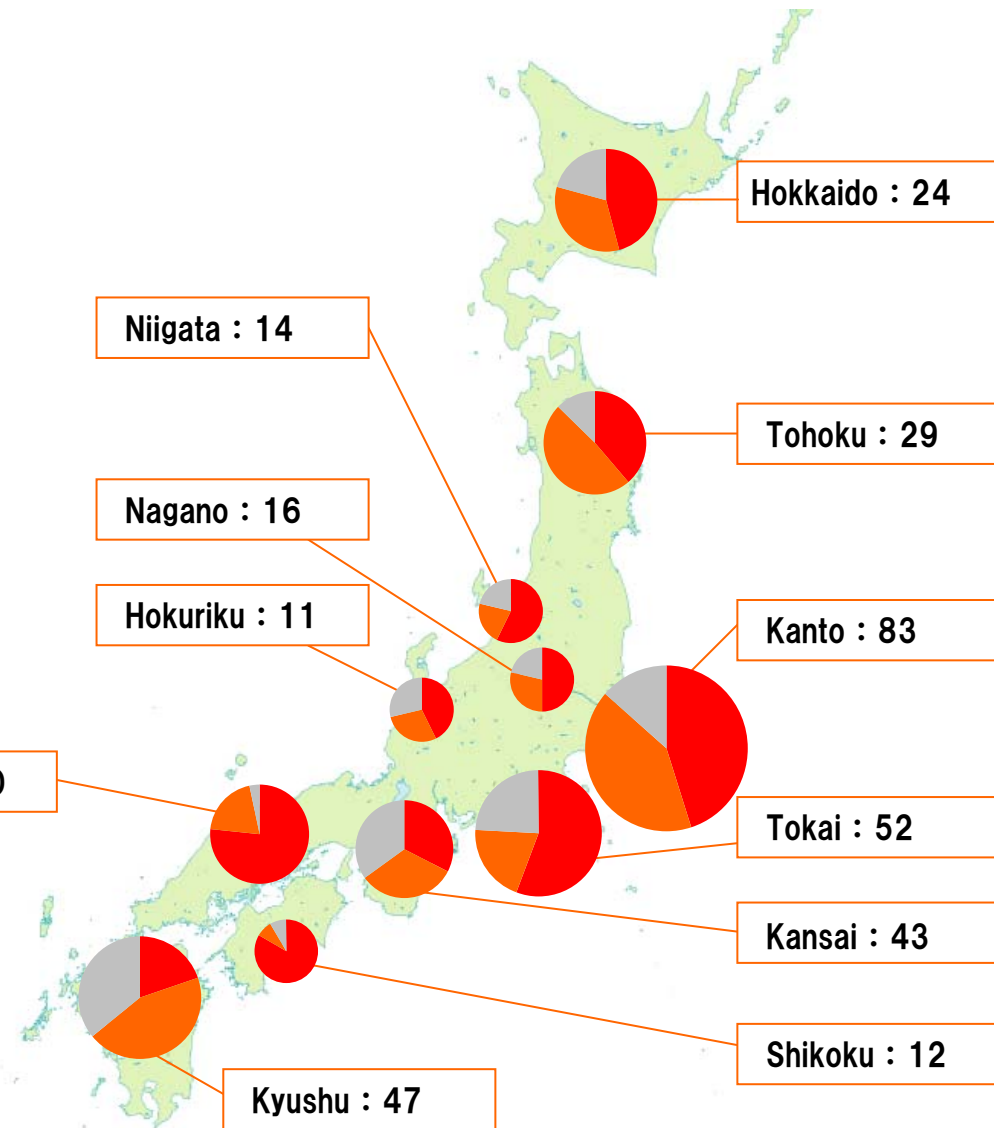


73



Total: 363

(As of March 31, 2010)



※Shops in large retail stores such as “DS Service Counters”, “au Squares”, “SB Sites” and “SB Stages” have been counted as directly managed carrier shops.



Market Environment & Business Strategy

Present Market Situation

Expansion of Broadband Services with Penetration of Internet Usage

*No. of Subscribers: 19.55 (Mar. 05) to 31.62 mil. (Feb. 10)

High Speed & High Capacity FTTH (Optical Fibers) Became Mainstream

● No. of "Myline" Subscribers **Approx. 37.5**

● No. of Broadband Service Subscribers
《As of Feb. 2010》 **Approx. 31.6**

Future Market Situation

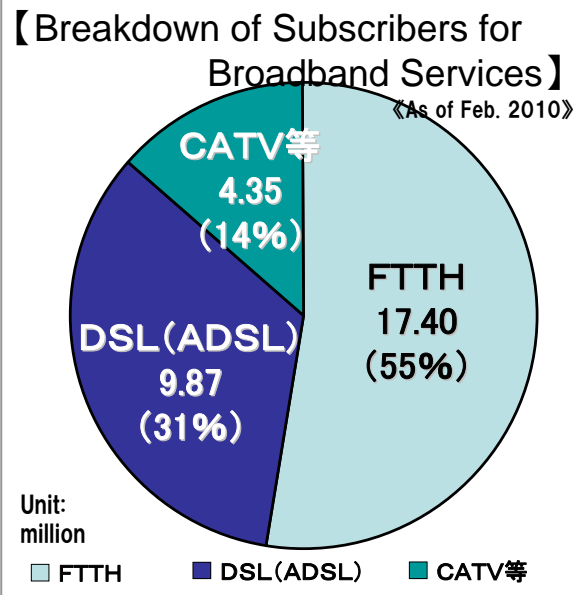
Further Expansion of Broadband Services

- Broadband Service Subscribers will increase to 60 million by 2015 at all home & offices in Japan”
: Mr. Haraguchi, Minister of MIC (Ministry of Internal Affairs & Communications)

•Diversification of FTTH Usage

Use of Various Contents such as Projected Images
Varied Network Terminals including Personal Computers, Television, Game Machines, Cameras, “Smart Phones”, e-Book and Home ICT, etc.

Development of FMC(Fixed Mobile Convergence) Services



Business Strategy

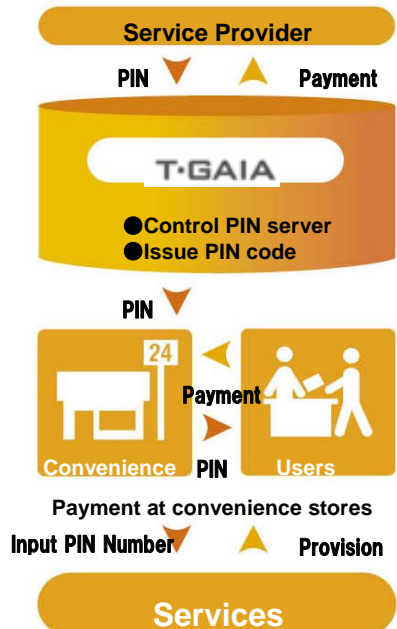
Strategy Focusing on Expansion of FTTH Business taking Trend of FMC Service Market & NGN Market into Consideration

- Acquiring new sales agents
- Marketing for one unit homes
- Providing content services inc. video pictures & IP telephones
- Diversifying sales & marketing method such as business alliance
- Cooperation with Corporate Sales Dept. with the view to “FMC Era”



Market Environment & Business Strategy

Structure of PIN Service



Development of Settlement Service (For Prepaid Mobile Handsets, Overseas Calls, E-money, and Contents, etc.)

Expansion of Business with 40 Thousand Convenience Stores
(incl. 32 Thousand Stores with whom Online Network for PIN System has been Established)

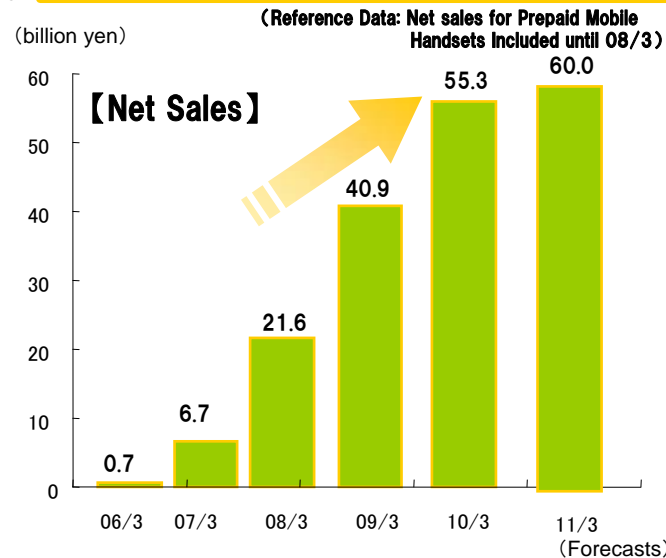
Secure Sales Channel for Future Growth

【 Strengthening of E-settlement business using PIN (*) 】

- ① For mobile handsets : Settlement of calling rate for prepaid & postpaid mobile handsets
- ② For overseas calls: Settlement of overseas calls
- ③ E-money: Convenient & secured general purpose e-money
- ④ For variety of products: iTunes Card, Amazon ® Gift Card & game cards, etc.

(注) PIN (Personal Identification Number)
: Password accessed by users to utilize the PIN-based services

Further Growth though Effect of Merger



(Sample of Prepaid Card)



**■ Future Development &
Forecasts for FY ending March 2011**

Maximization of Corporate Value



Sustainable Growth by Expansion of Existing Business

Realization of Larger Synergy Effect of Merger

Globalization via Aggressive Investment in Overseas & New Business

Further Enhancement of Sales Force

- Enhance Marketing for Corporate Clients
- Regional Supplement
- Optimize Sales Channel

Streamline Operations

- Centralize logistics & Inventory Management
- Integration of Activation centers
- Effective Posting of HR

Actively Challenge Overseas & New Business

- MVNO-related Business
- Launch Logistic Business
- Expand Business Overseas

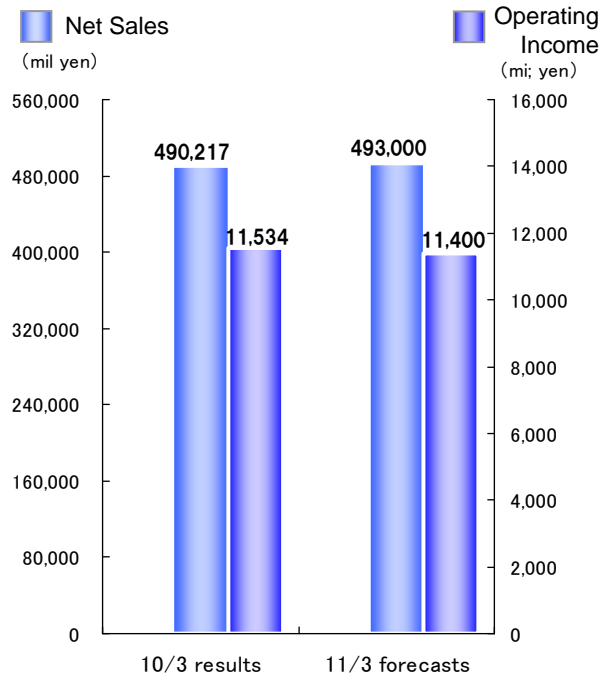
Forecasts for FY ending March 2011

(Unit: million yen)	2010/3 Results	2011/3 Forecasts	Change of amount	Year-on-Year basis (%)
Net Sale	566,057	571,000	4,943	100.9%
Gross Margin	61,890	58,750	△3,140	94.9%
SGA Expenses	46,697	45,150	△1,547	96.6%
Operating Income	15,193	13,600	△1,593	89.5%
Ordinary Income	14,968	13,400	△1,568	89.5%
Net Income	8,135	7,000	△1,135	86.0%
FCF	11,175	9,850	△1,325	88.1%
Net Income/share (yen)	15,878.52	13,661.34	△2,217.18	86.0%
Dividend/share (yen) (Pay-out ratio)	6,000.00 (37.8%)	5,500.00 (40.3%)	△ 500.00	91.6% (+2.5%)

Forecasts for FY ending March 2011 by Business Segments



Mobile Phone Business

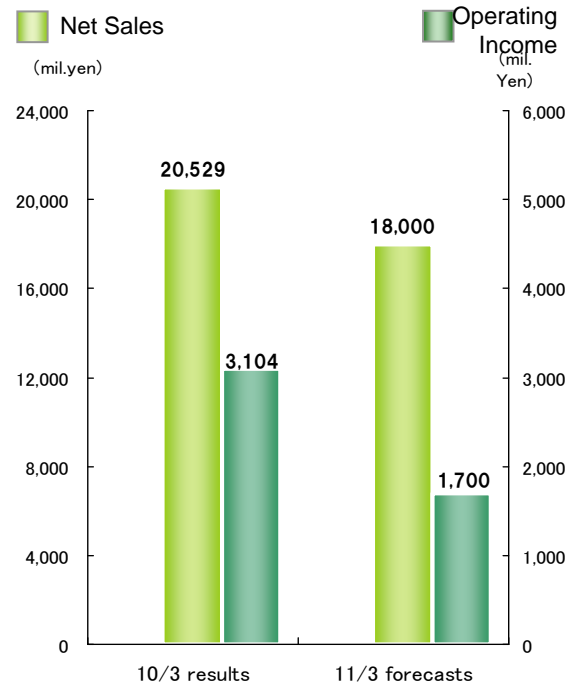


Full-year Forecasts (mil. yen)

- Net Sales 493,000
- Operating Income 11,400
- No. of handsets sold 5.1 mil. units <Ref.> 10/3 Results
- Net Sales 490,217
- Operating Income 11,534
- No. of handsets sold 5.13 mil units



Fixed-line Business

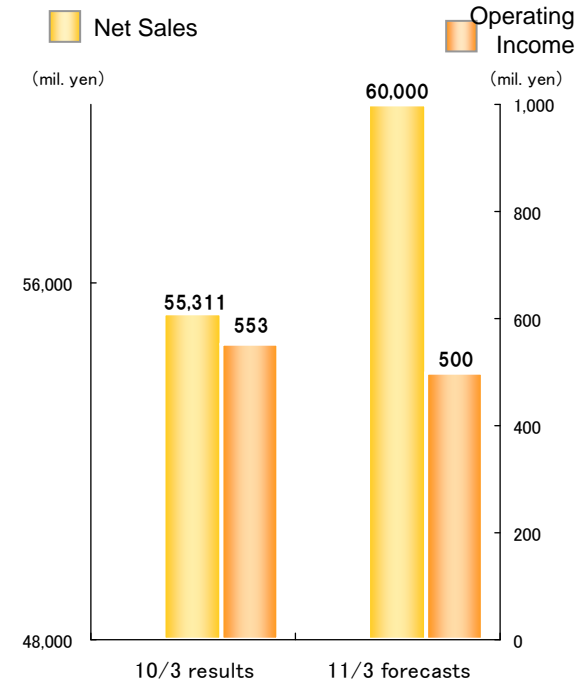


Full-year Forecasts (mil. yen)

- Net Sales 18,000
- Operating Income 1,700
- Net Sales 20,529
- Operating Income 3,104



Prepaid Settlement Service & Other Business



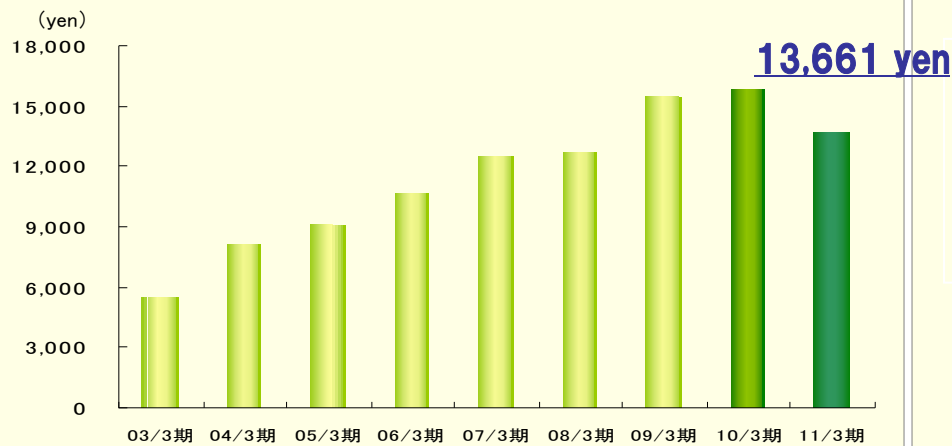
Full-year Forecasts (mil. yen)

- Net Sale 60,000
- Operating Income 500
- Net Sales 55,311
- Operating Income 553

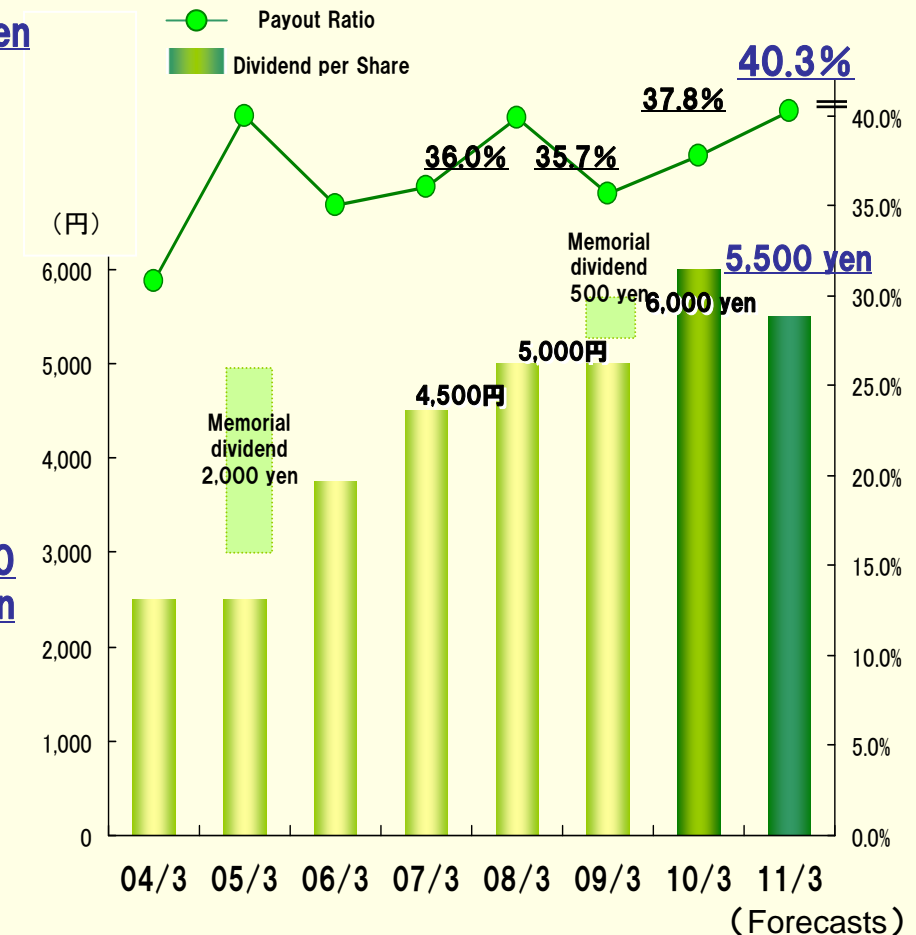
Financial Strategy & Return to Shareholders

Targeting Dividend Payout Ratio over 30% Level based on our Stable Dividend Policy to Strengthen the Future Business Development and the Management Base

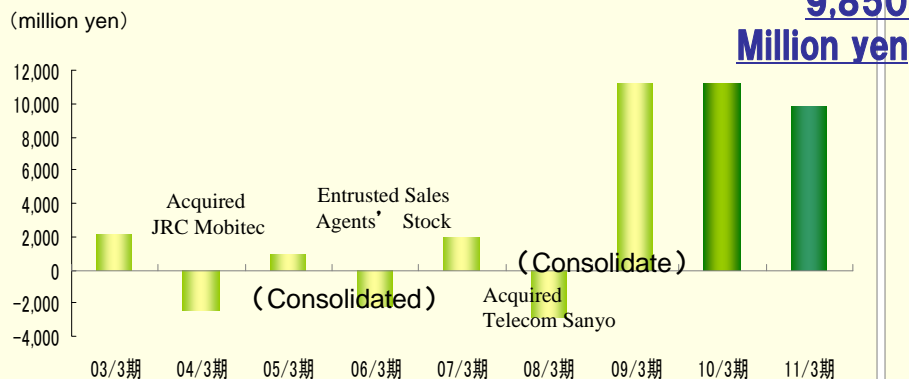
Adjusted Net Income per Share



Adjusted Dividend per Share & Payout Ratio



Historical FCF Data



Analysis of Cash Flows

Item/Fiscal Year (Unit: million yen)	FY ended March 31, 2009	FY ended March 31, 2010	YoY change (Amount)
Cash Flows from Operating Activities	13,678	12,019	△1,659
(inc. Amortization of Goodwill)	1,125	1,531	406
Cash Flows from Investing Activities	△2,419	△844	1,575
Cash Flows from Financing Activities	△10,608	△12,400	△1,792
Free Cash Flows	11,259	11,175	△84
Cash and Cash Equivalents	2,690	1,465	△1,225

- Cash Flows from Operating Activities : Decreased by 1,659 million yen
Mainly due to the inclusion of income taxes payment of 7,785 million yen and income before tax of 14,847 million yen as well as an increase of 6,066 million yen in accounts payable
- Cash Flows from Investing Activities : Increased by 1,575 million yen
Mainly due to 1,001 million yen used for the acquisition of tangible fixed assets, 202 million yen used for the payment on leasehold deposits, and 550 million yen in proceeds from the returned leasehold deposits
- Cash Flows from Financing Activities : Decreased by 1,792
Mainly attributable to 4,000 million yen decrease in short-term borrowings, 5,328 decrease in long-term borrowings, and cash dividend payment of 3,073 million yen
- Cash and Cash Equivalents at the end of FY ended March 31, 2010 : Decreased by 1,225 million yen
Because of factors such as expenditures for purchase of property, plant and equipment as well as expenditures for loan payments despite an increase in income before taxes of 14,847 million yen
(27.9% increase YoY)