



CHALLENGE TOMORROW 

Non-consolidated 1Q Financial Results for FY ending March 2010

August 13, 2009

T-gaia Corporation

TSE : 3738

*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 1Q Financial Results & Prospect for FY ending 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.

2010/3 1Q Financial Results

(unit: billion yen)	09/3 1Q Results ₁	10/3 1Q Results	Year-on-Year basis(%)	10/3 Full-year Forecasts	10/3 Achievement ratio(%)
Net Sales 135.30 bln. yen YoY: 180.2%					
Net Sales	75.08	135.30	180.2%	562.00	24.1%
Gross Margin (Gross margin to net sales)	8.01 (10.7%)	15.09 (11.2%)	188.3%	60.65 (10.8%)	24.9%
SGA Expenses	6.24	10.94	175.3%	47.55	23.0%
Operating Income (Operating income to net sales)	1.77 (2.4%)	4.14 (3.1%)	234.1%	13.10 (2.3%)	31.7%
Ordinary Income	1.52 (2.0%)	4.08 (3.0%)	267.6%	12.75 (2.3%)	32.0%
Net Income (Net income to net sales)	0.66 (0.9%)	2.27 (1.7%)	342.1%	6.85 (1.2%)	33.2%
FCF	5.39	8.92	165.3%	8.19	109.0%
Net Income / Share (yen)	2,014.24	4,432.24	220.0%	13,369.32	33.2%
Dividend / Share (yen) ₂	5,500.00	-	-	5,000.00	-

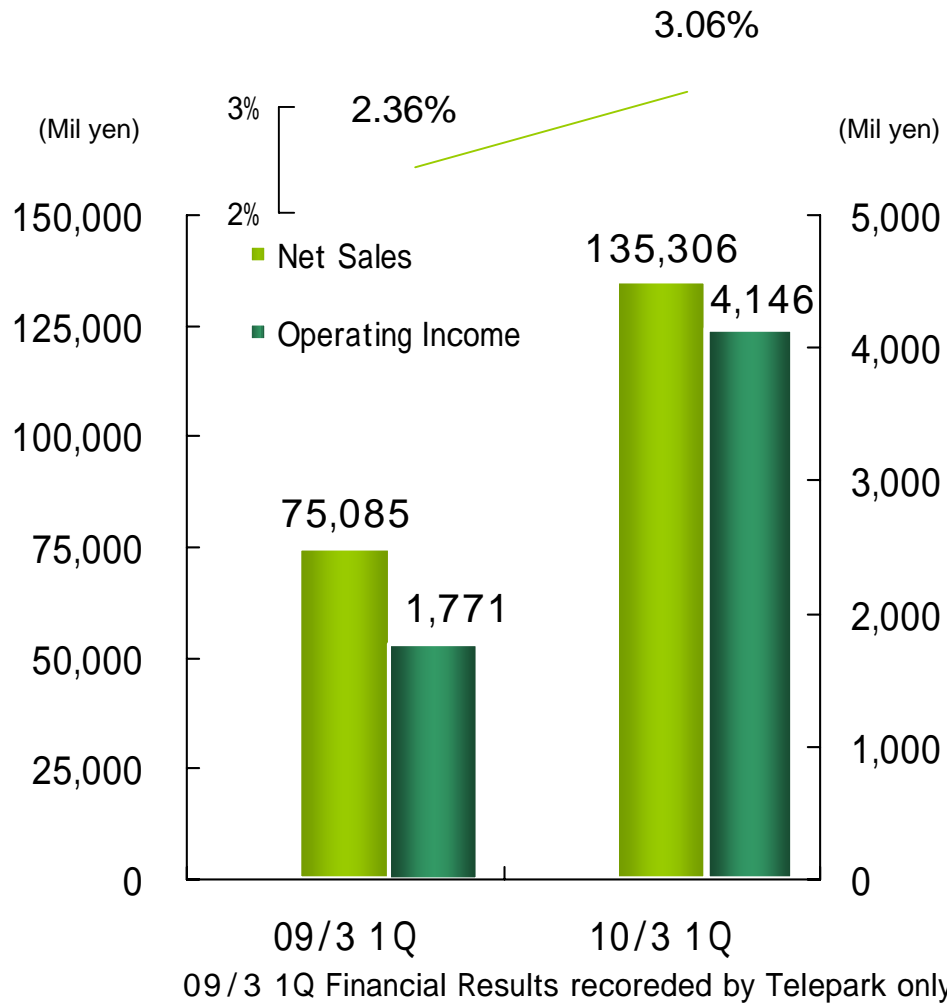
1 : 09/3 1Q Financial Results recorded by Telepark only

2 : Including the Merger Memorial Dividend of 500 yen

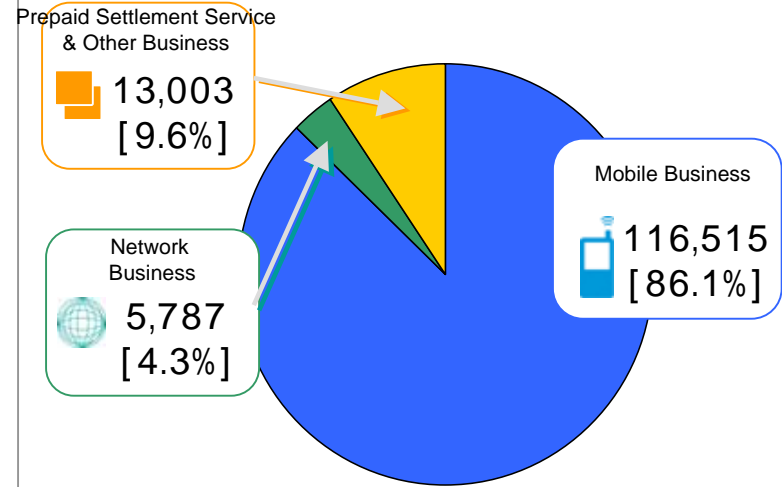
(All amounts are rounded down to the nearest million yen) 3

Change of Operating Income to Net Sales & Composition Ratio by Business Segment as of June 30, 2009

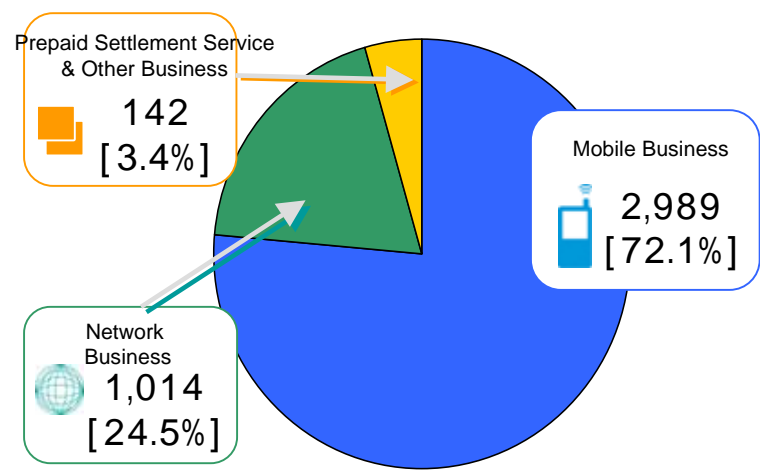
Change of Operating Income to Net Sales (%)



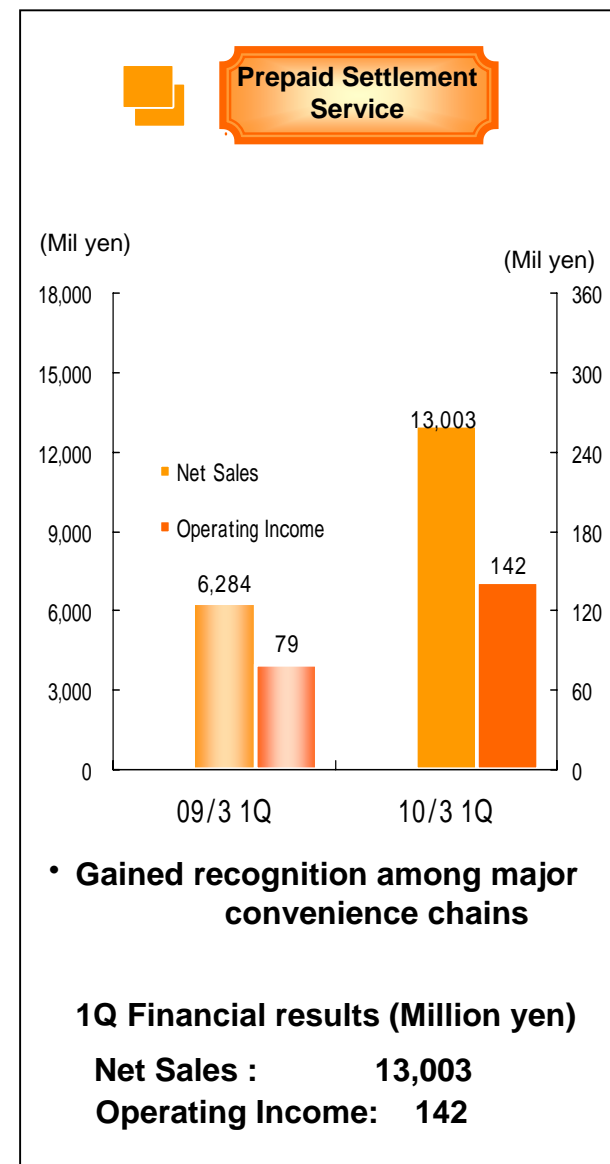
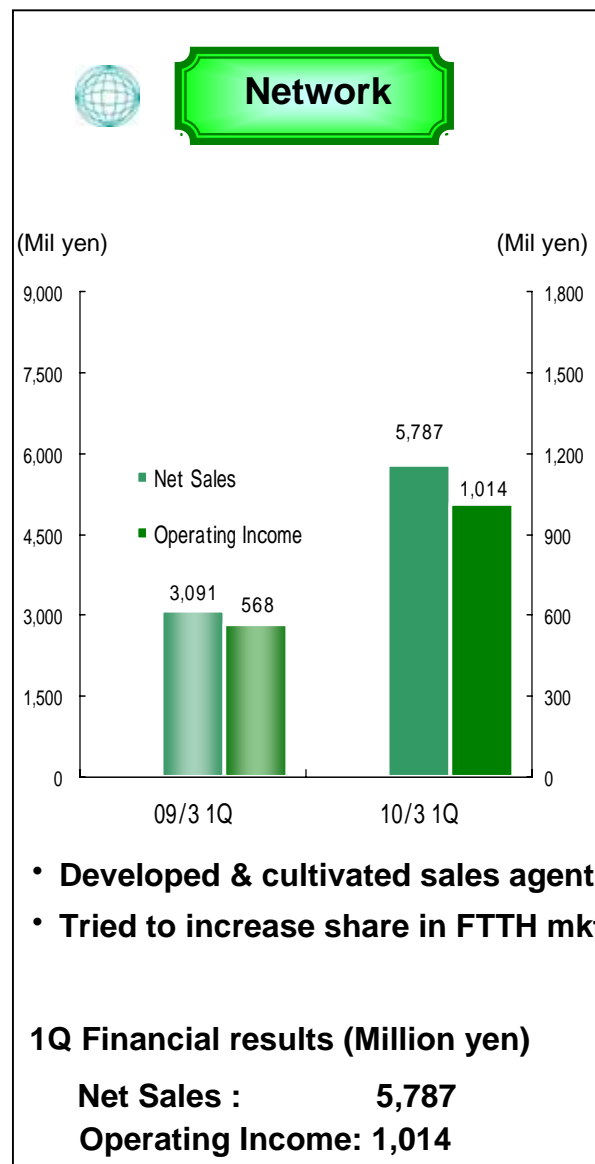
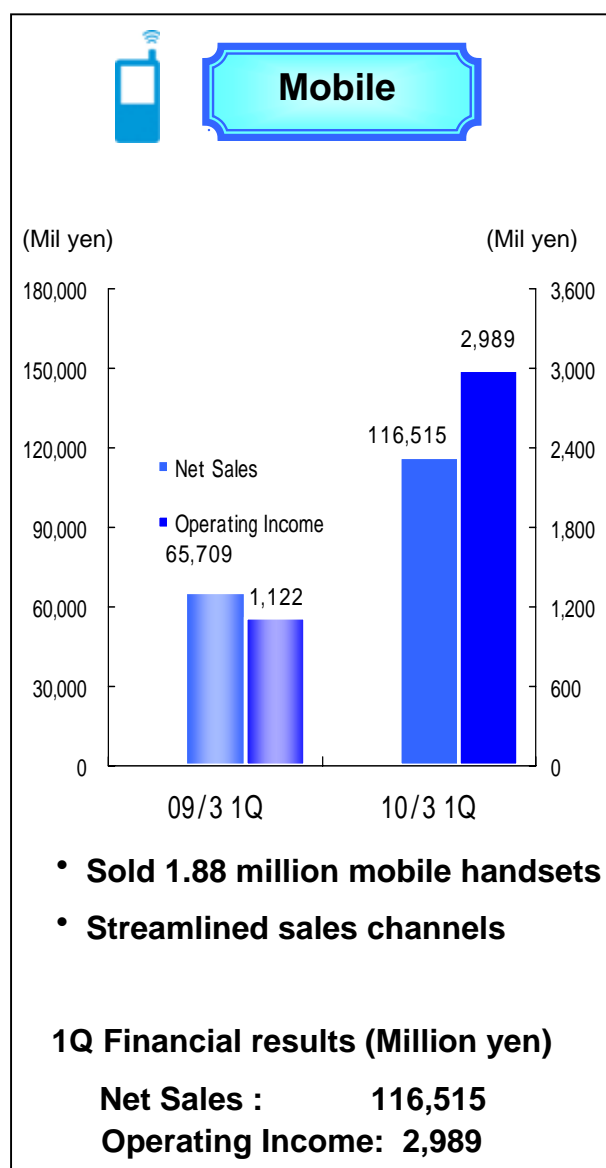
Net Sales by Segment (Unit: Mil. yen)



Operating Income by Segment (Unit: Mil. yen)



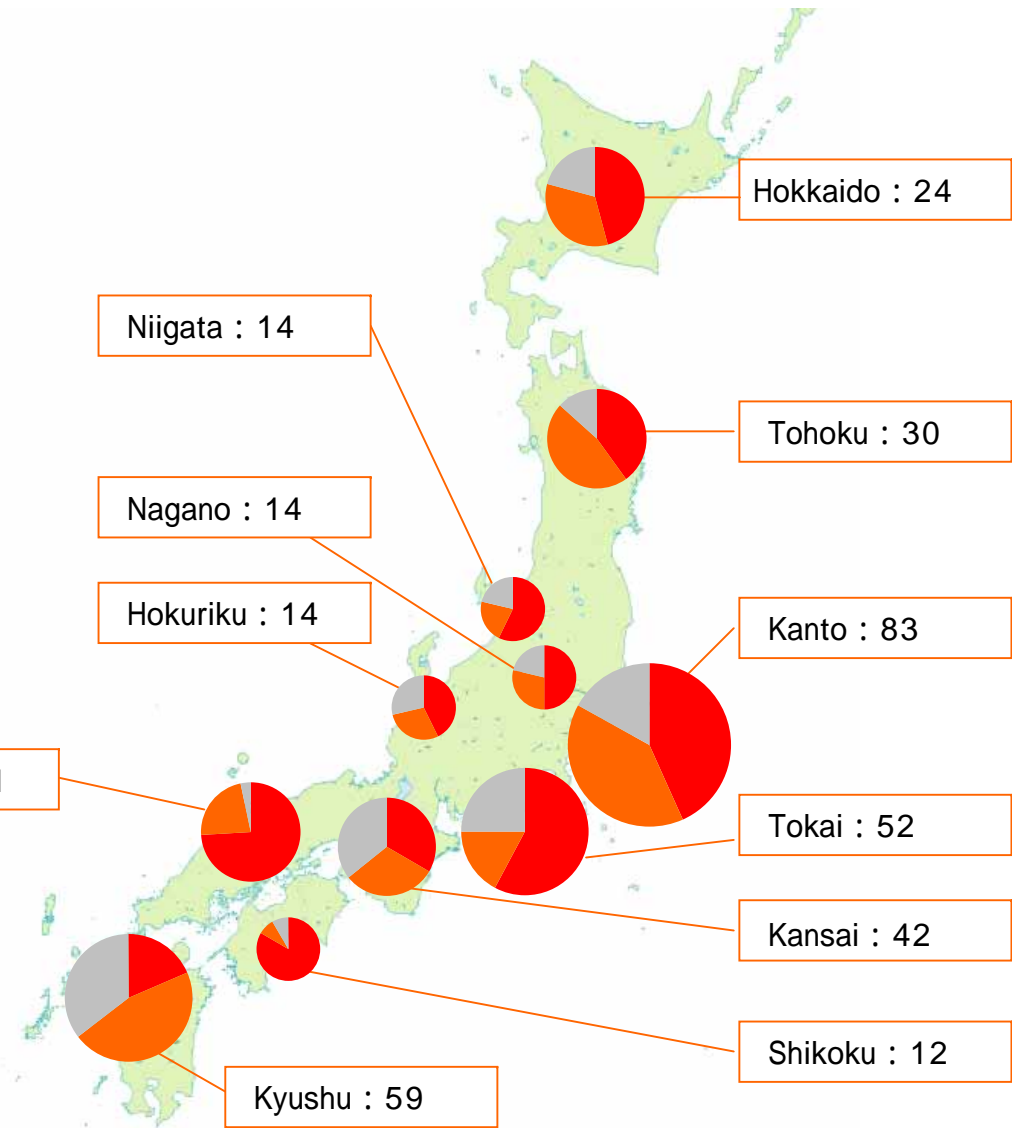
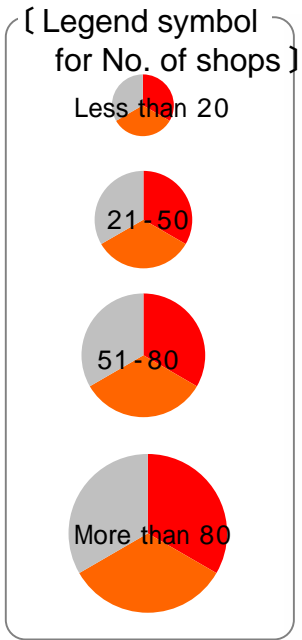
2010/3 1Q Financial Results by Business Segment



09/3 1Q Financial Results recorded by Telepark only

Directly Managed Carrier Shops All Over Japan

Mobile Business



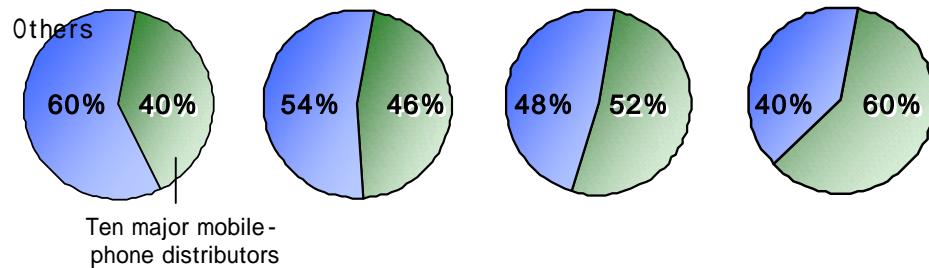
(As of June 30, 2009)

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.

Accelerating Market Reorganization

Transition of Mobile Market Share in the Total Market Sales

【4-5 years ago】【End of March, 2008】【End of Sep., 2009】【2-3 years later】



Expansion of Demand for Second Handsets

Various new model of mobile handsets to satisfy users' needs including smart phones

Attractive telecommunication rate plans to attract users

2007 Global Mobile-phone Penetration Ranking

順位	国名	普及率
1	UAE	176%
2	Macao	165%
3	Qatar	150%
~~~~~		
10	Italy	135%
~~~~~		
20	England	117%
21	German	117%
~~~~~		
62	korrean	90%
65	France	89%
75	Japan	83%
77	USA	83%

(Source: ITU (International Telecommunication Union))

Penetration rate : 83%  
Ranking : 75th

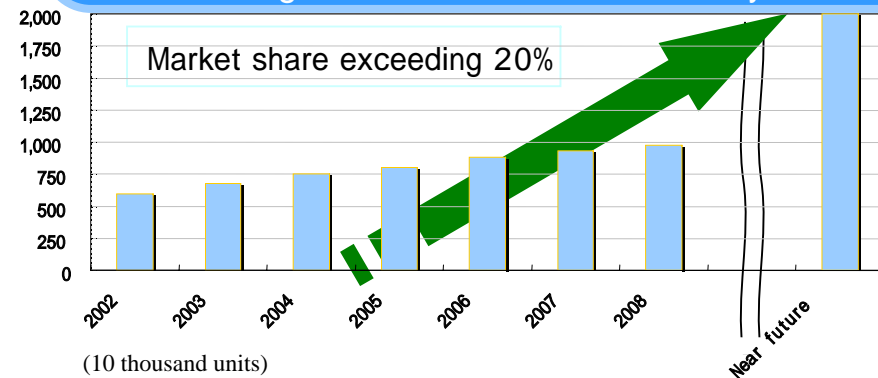
Market environmental differs by nation.  
For instance, prepaid mobile phones are popular abroad.

### Strengthening of Sales for Corporate Clients

- Increasing number of staff for Corporate Sales Dept. from Current 262 to approx. 280 by the end of March 2010
- 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 for various mobile carriers such as **NTT docomo, au, Softbank, EMOBILE and Willcom**
- Responding to the needs for smart phones
- Expanding client base starting with Mitsui, Sumitomo & Mitsubishi Groups
- Integrating “Mo-Vino” and “MobileStar” into “movino star” in October 2009 to provide more attractive mobile solutions to our corporate clients
- Marketing for SMEs via sales agents & directly managed stores



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

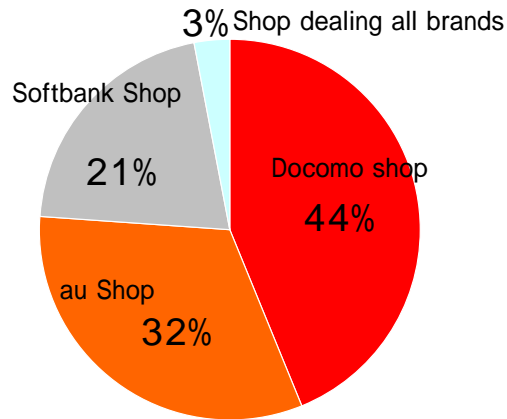


# Optimization of Sales Channels

## Mobile Business

### Strengthening of Directly Managed Carrier Shops

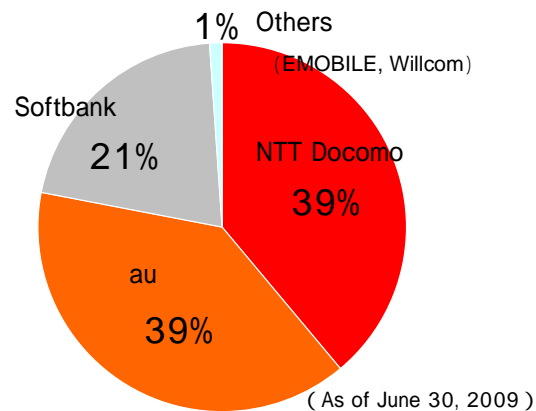
#### By Carrier in Directly Managed Shops



(As of June 30, 2009)

### Well-balanced Inner Share

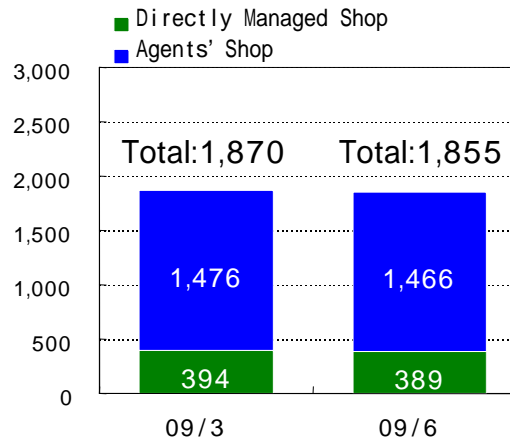
#### By Mobile Carrier



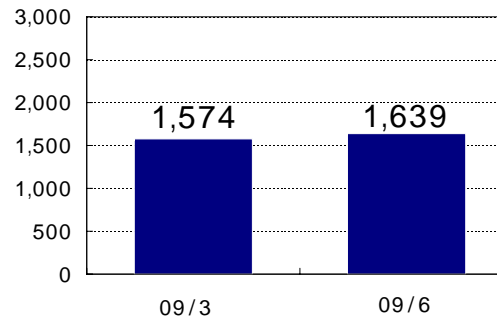
(As of June 30, 2009)

### Increase of Profitability by Efficient Operation

#### Directly Managed & Agents' Shops

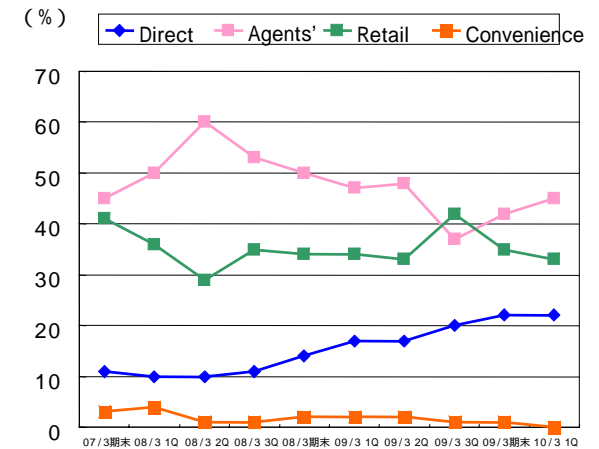


#### Shops in Large Retail Stores



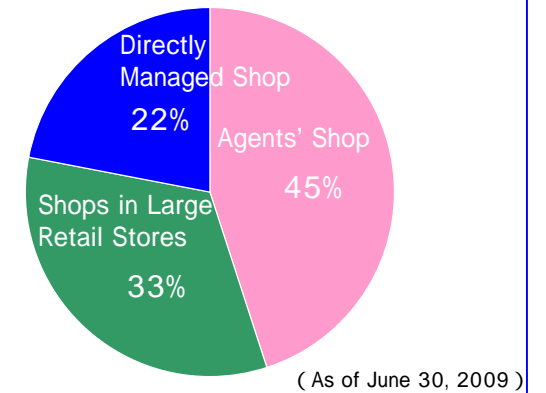
### Well-balanced Sales Channel

#### Shift of Sales Channel



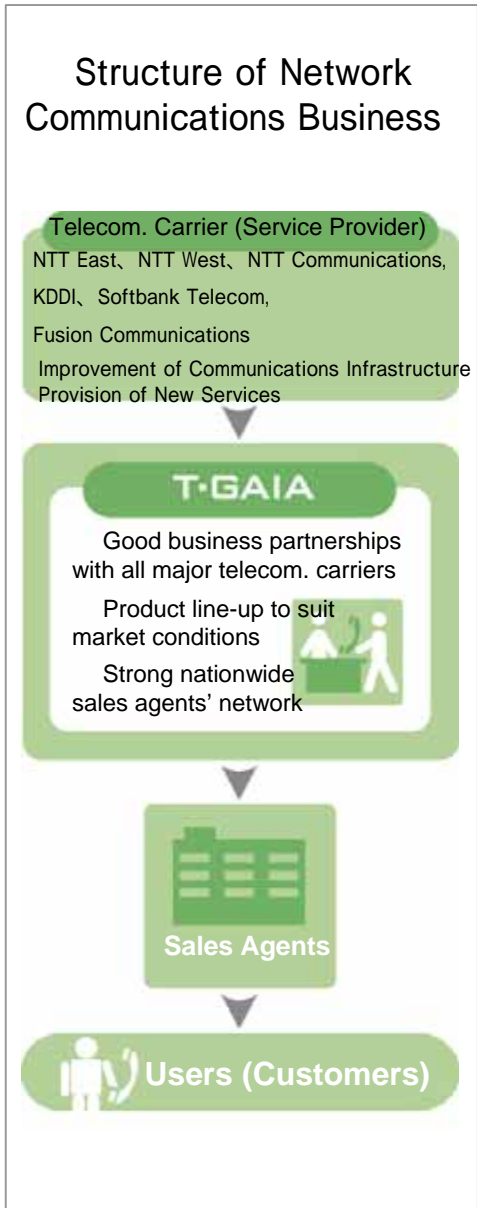
(As of June 30, 2009)

#### By Sales Channel



(As of June 30, 2009)





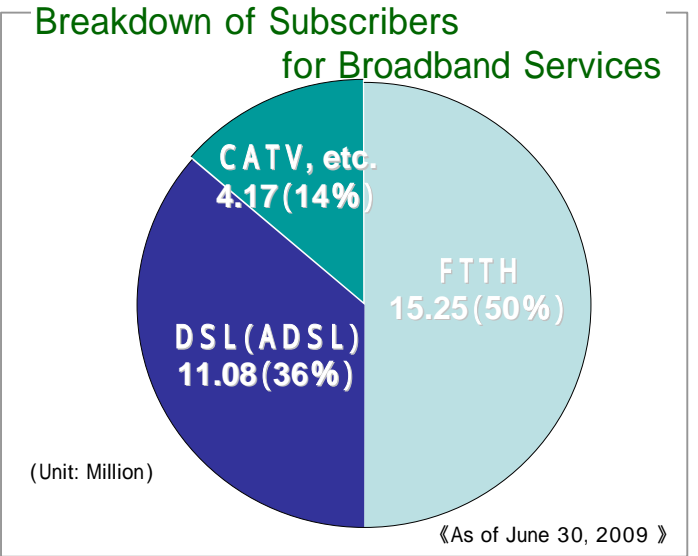
### Market Environment

#### Fixed - line Market

No. of Subscribers for “Mylne” Services  
 Approx: 42.0 million  
 《As of June 30, 2009》

No. of Subscribers for Broadband Services  
 Approx: 30.5 million

FTTH users are expected to grow to 20 million in 2010 or later  
 《 As of June 30, 2009 》



### Strategy Network Communications Business Strategy

#### Strategy Focusing on Expansion of FTTH Business

- Acquiring new sales agents
- Marketing for one unit homes
- Providing content services incl. video pictures & IP telephones
- Diversifying sales & marketing method such as business alliance
- Expanding sales channel nationwide
- Cooperating with Corporate Sales Dept. taking “FMC Era” into consideration



### 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(*) 】

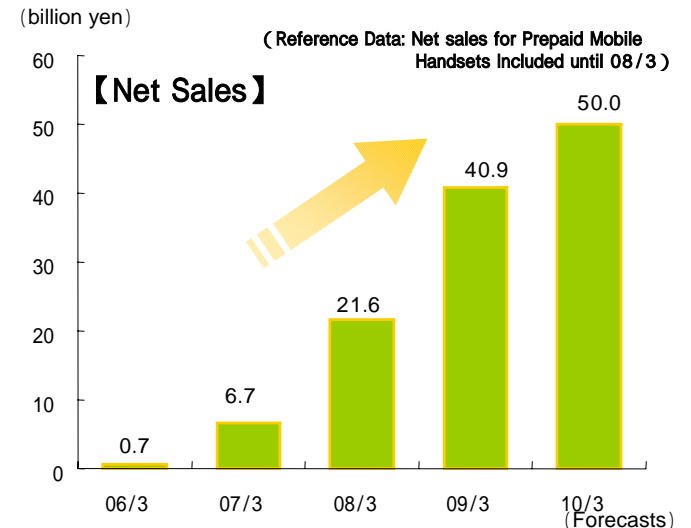
For mobile handsets : Settlement of calling rate for prepaid & postpaid mobile handsets  
 For overseas calls: Settlement of overseas calls  
 E-money: Convenient & secured general purpose e-money  
 For variety of products: iTunes Card, online shopping & game cards, etc.

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

### Further Growth though Effect of Merger



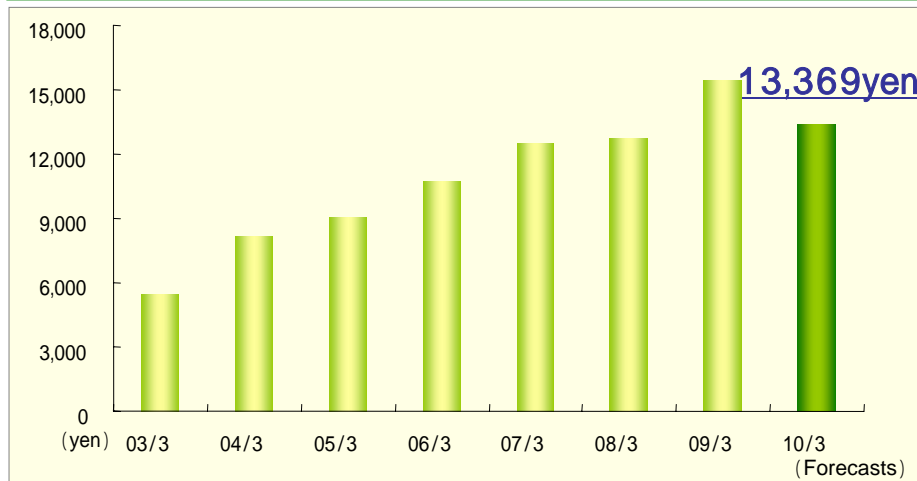
(Sample of Prepaid Card)



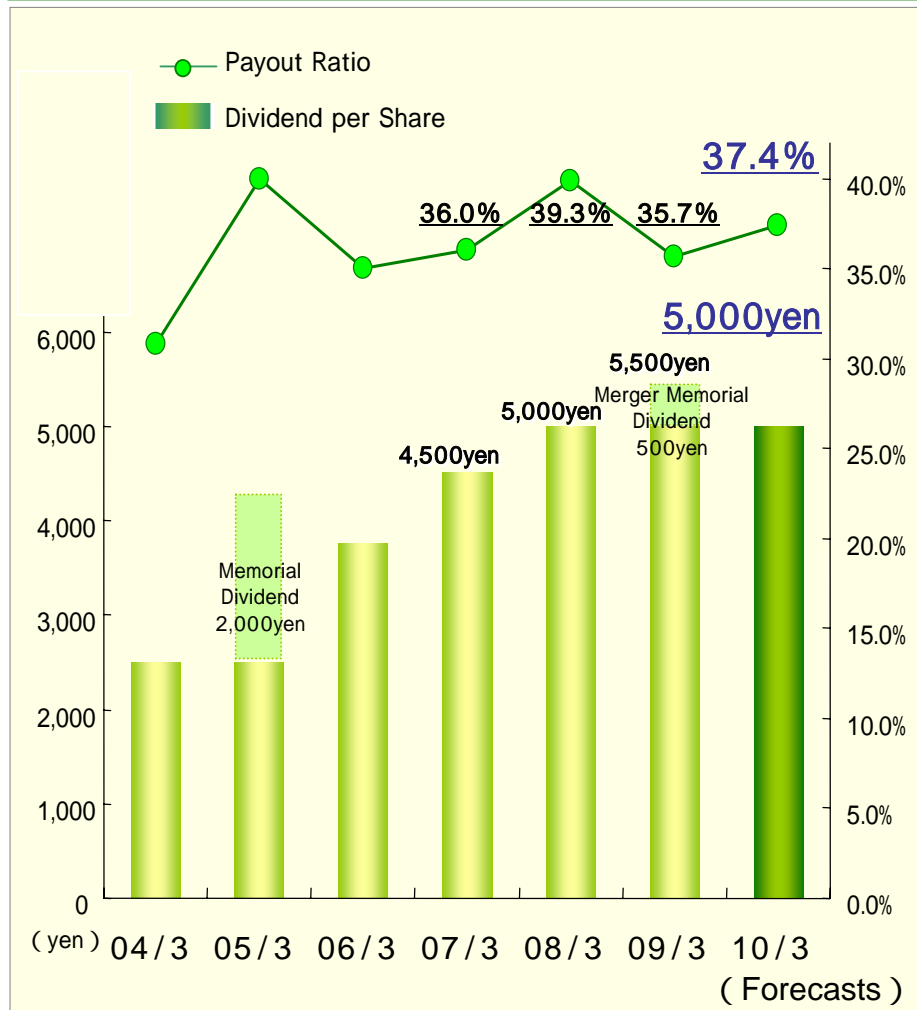
# Financial Strategy & Return to Shareholders

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

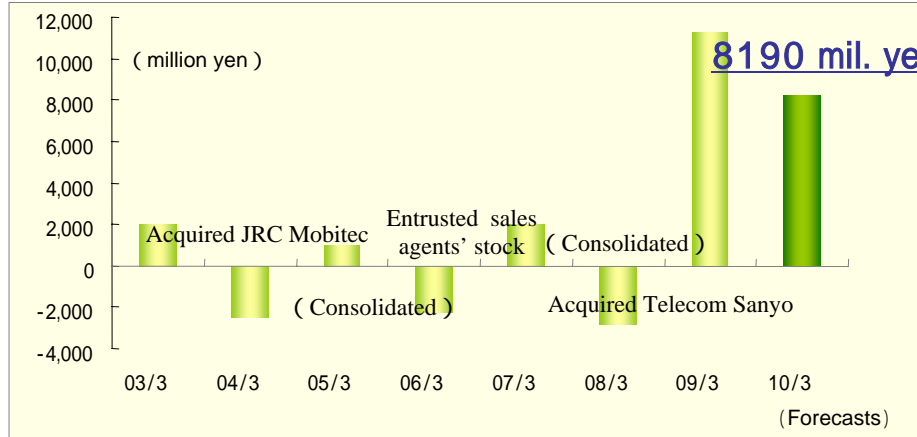
### Adjusted Net Income per Share



### Adjusted Dividend per Share & Payout Ratio



### Historical FCF (Free Cash Flow) Data



# Future Development

# Historical Financial Results & Synergy Effect of Merger

**Increasing Net Sales & Income for 11 Consecutive Years!!**  
( Non - consolidated basis )

Early Realization of Synergy Effect of Merger

Targeting at Early Realization of Synergy Effect & Maximization of Corporate Value in Each Business Segment!

Net Sales (Forecasts) **562.0 billion yen**  
Income after Tax (Forecasts) **6.85 billion yen**

## Further Enhancement of Sales Force

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

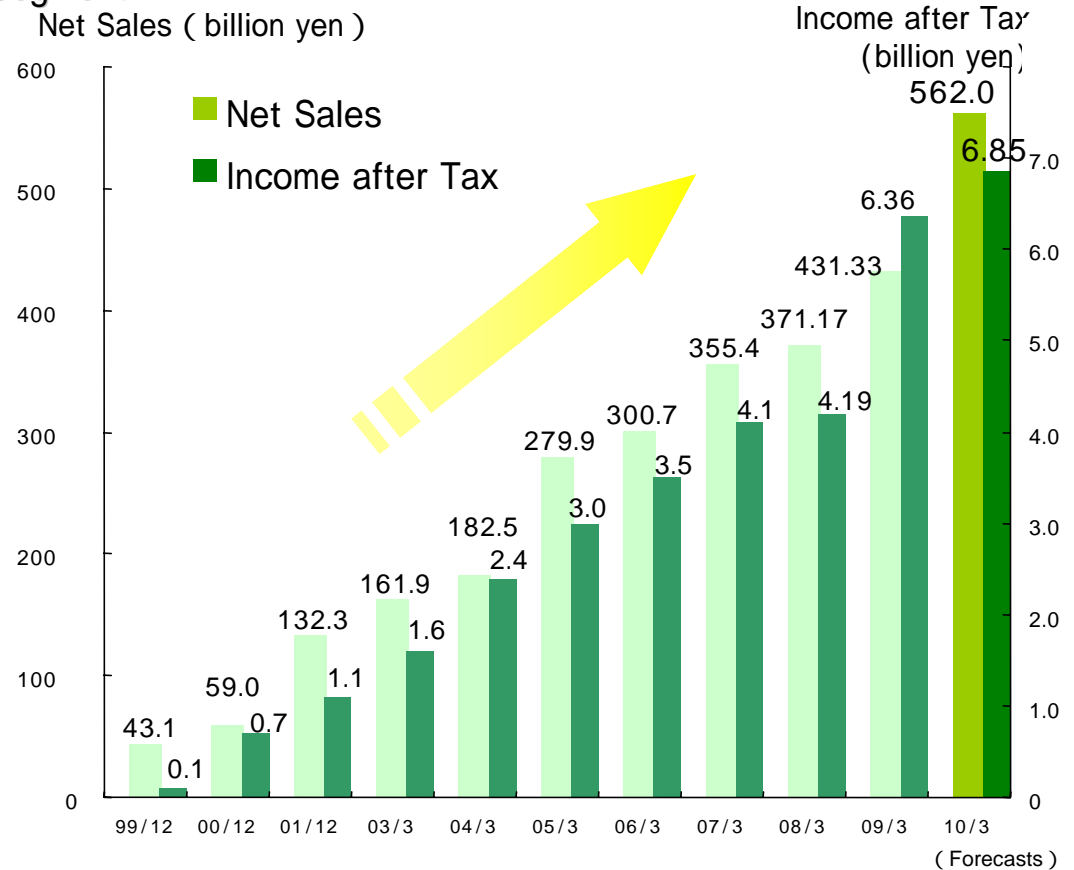
## Streamline Business Operations

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

## Actively Challenge

### New Business Domains

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



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

# Forecast for FY ending March 2010

Net Sales	( unit: billion yen )	09/3 Results 1	10/3 Forecasts	Change of amount	Year-on-Year basis(%)
<b>562.0 bln. yen</b> YoY: 130.3%	Net Sales	431.33	562.00	130.66	130.3%
Operating Income <b>13.1 bln. yen</b> YoY: 105.6%	Gross Margin	48.75	60.65	11.89	124.4%
	SGA Expenses	36.35	47.55	11.19	130.8%
Ordinary Income <b>12.75 bln. yen</b> YoY: 106.6%	Operating Income	12.40	13.10	0.69	105.6%
	Ordinary Income	11.96	12.75	0.78	106.6%
	Net Income	6.36	6.85	0.48	107.6%
Net Income <b>6.85 bln. yen</b> YoY:107.6%	FCF	11.25	8.19	3.06	72.8%
	Profit / share(yen) 2	15,422.6	13,369.3	2,053.3 yen	86.6%
	Dividend / share(yen) 3	5,500.0	5,000.0	500 yen	90.9%

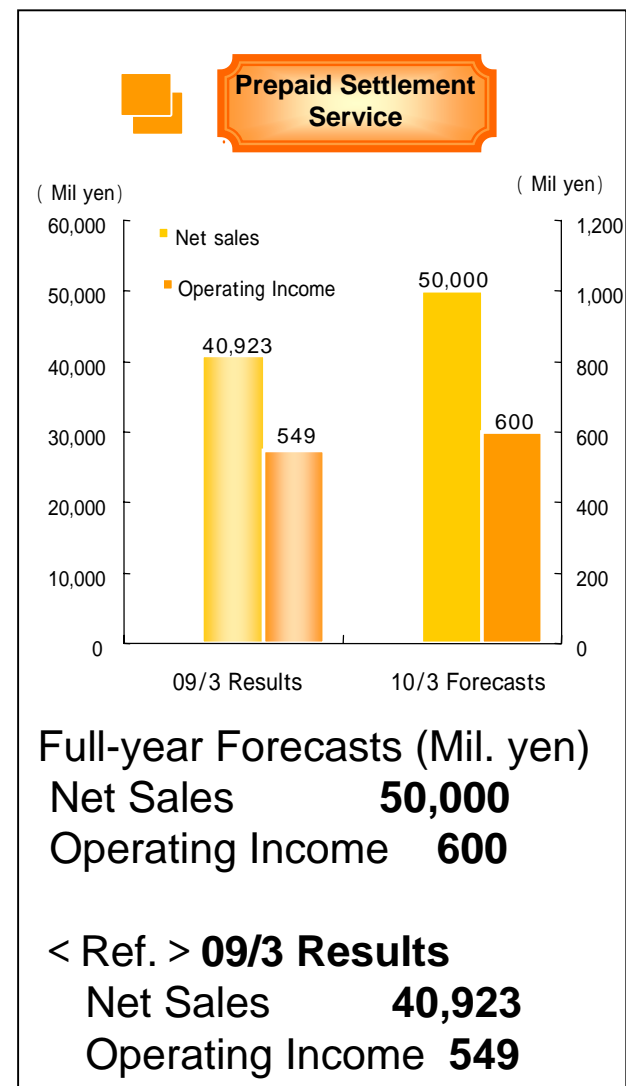
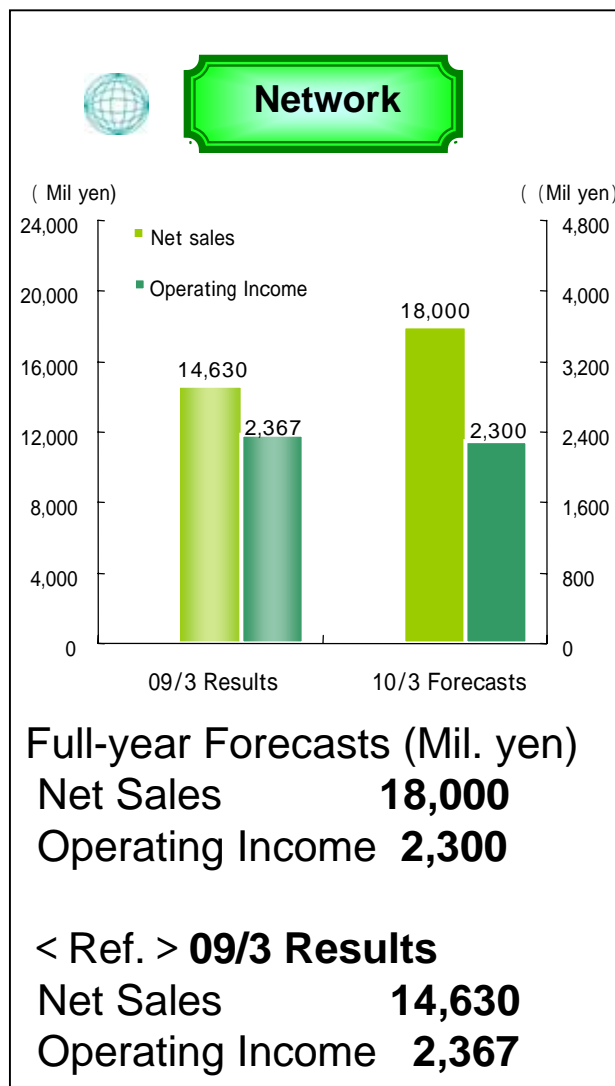
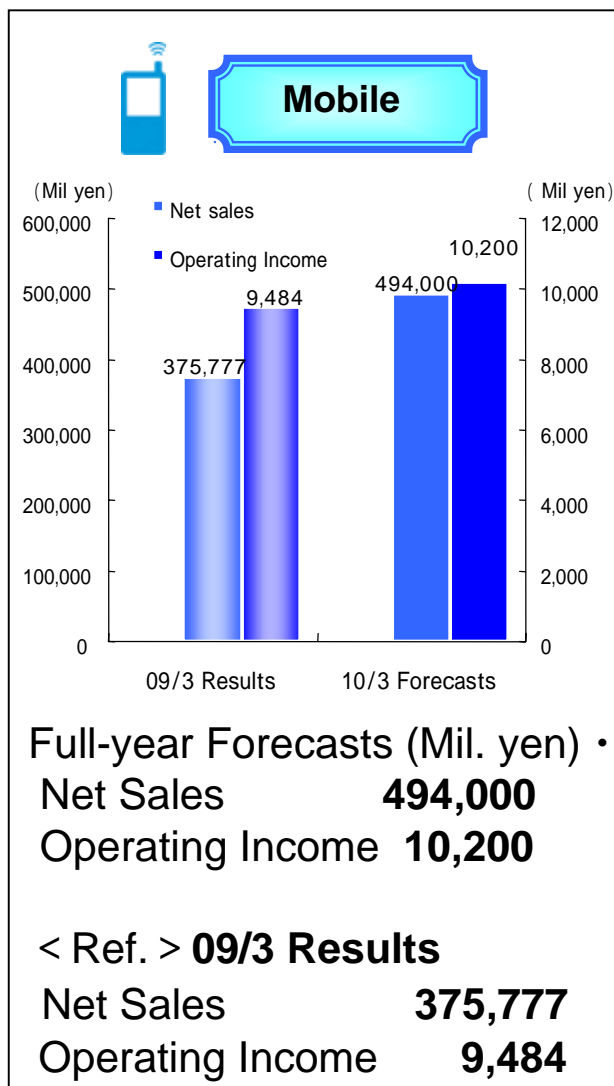
( Payout ratio: 35.7% ↯ Payout ratio: 37.4% )

1: 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.

2: Calculation was made using average number of shares outstanding of 412,657 for 09/3, and number of shares at the fiscal year-end of 512,367 for 10/3.

3: Including the Merge Memorial Dividend of 500 yen for 09/3 Results.

# Forecasts for FY ending March 2010 by Business Segment

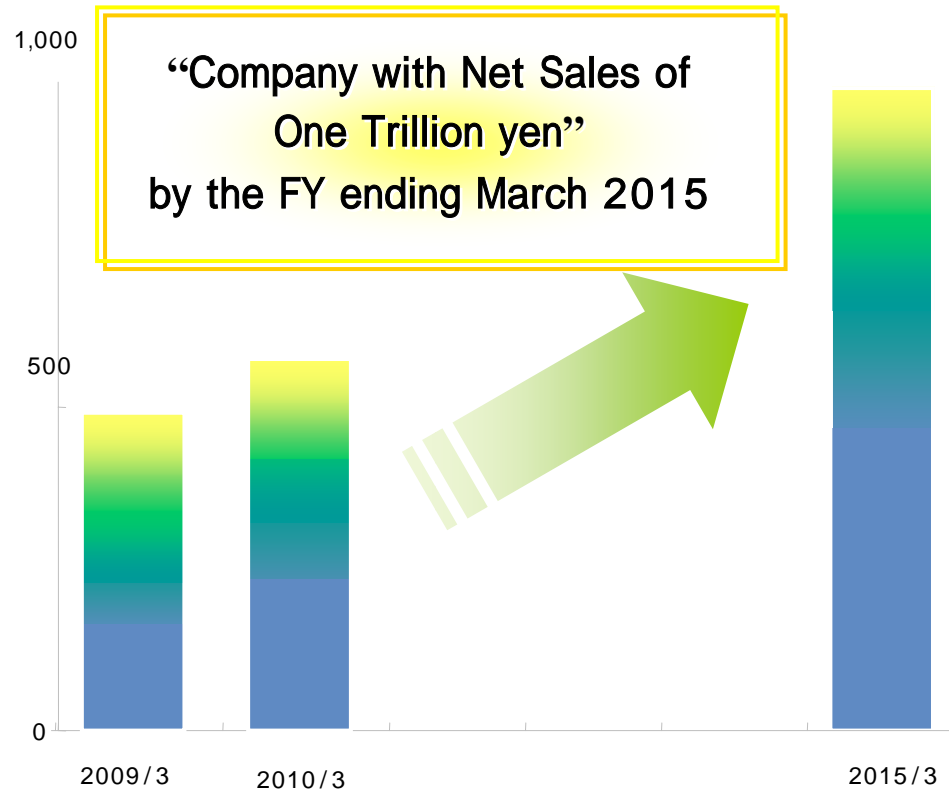


Telepark has merged with MS Communications Co., Ltd. as of October 1, 2008 and changed the company name to T-Gaia Corp. Therefore, the individual results of the fiscal year ended March 31, 2009 are calculated by adding results of the first-half for Telepark Corp. to results of the second-half for T-Gaia Corp.

# Future Vision of T-Gaia Corporation

Actively Promoting Marketing for Corporate Clients & New Business

( Net Sales: Billion yen )



## Dividend Policy

Dividend Payout Ratio :  
Continue to be maintained  
at stable level above 30%

## Priority Areas for Each Segment

### New Business

✓ Actively explore & promote new business domains

### Network Business

✓ Business Development taking FMC and/or NGN into consideration

### Mobile Business

✓ Strengthen marketing for corporate clients  
✓ Stimulate demand for second mobile handset