

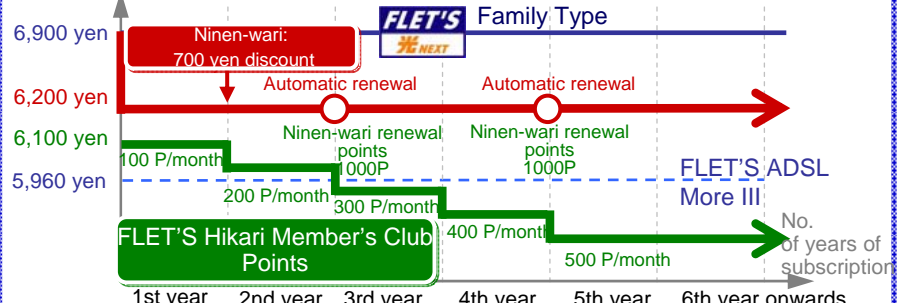



6-1. Measures Taken in FY2011 and Measures to Be Taken in the Future

Core Measures	Measures taken in FY2011	Measures to take in the future																				
<p>Providing Easy-to-Use Rate Menus</p>	<ul style="list-style-type: none"> Launched the two-tier fixed rate service, "FLET'S Hikari Light," that allows customers to use the Internet with reasonable basic monthly charges (June 2011). Effective in expanding the number of new subscriptions and for retaining FLET'S Hikari subscribers. Increase in the number of customers connecting FLET'S Hikari to their TVs in conjunction with the launch of terrestrial digital broadcasting. 	<ul style="list-style-type: none"> Plan to introduce "FLET'S Hikari Light Apartment Type" for residents of multi-unit apartment complexes. Enables use of the Internet at a more reasonable rate than the existing FLET'S Hikari Apartment Type (fixed-price service)  <p>※Charges may vary depending on the size of subscription in each multi-unit apartment complex.</p>																				
<p>Efforts to Retain Customers</p>	<ul style="list-style-type: none"> Launched "Ninen-wari," a monthly charge discount service conditioned on the users staying subscribed for a period of 2 years. At the same time, reviewed FLET'S Hikari Member's Club Points to provide points every month in accordance with years subscribed (March 2012). Achieved charges on par with ADSL charges by combining "Ninen-wari" and FLET'S Hikari Member Club Points. Popular plan with 450,000 subscription applications received within the first month of launching.  <p>※Includes Hikari Denwa (500 yen) and ISP usage charges (1,200 yen)</p>	<ul style="list-style-type: none"> Promote expansion of Ninen-wari (aiming for an expansion of services by 50% in FY2012). Introducing payment installment plans to reduce initial costs and charging the entire installation fee for FLET'S Hikari. Offering both a single payment option and installment payment option (24 installments) for installation fees. Implemented a discount campaign for new customers, offering discounts on monthly charges for 24 months. <p>Image of Campaign Implementation (For FLET'S Hikari Next Family (5,200 yen)) (excl. tax)</p> <table border="1" data-bbox="1276 933 2128 1157"> <thead> <tr> <th></th> <th>1st month</th> <th>2nd to 25th month</th> <th>26th month onward</th> </tr> </thead> <tbody> <tr> <td>Ninen-wari</td> <td>—</td> <td>700 yen discount</td> <td>700 yen discount</td> </tr> <tr> <td>Installation Fee (installments)</td> <td>—</td> <td>1,000 yen</td> <td>—</td> </tr> <tr> <td>Campaign</td> <td>One-month free campaign</td> <td>2-year discount campaign: 1,000 yen discount</td> <td>—</td> </tr> <tr> <td>Total charge</td> <td>0 yen</td> <td>4,500 yen</td> <td>4,500 yen</td> </tr> </tbody> </table> <p>* Installation fee if indoor wiring work is required (24,000 yen)</p>		1 st month	2 nd to 25 th month	26 th month onward	Ninen-wari	—	700 yen discount	700 yen discount	Installation Fee (installments)	—	1,000 yen	—	Campaign	One-month free campaign	2-year discount campaign: 1,000 yen discount	—	Total charge	0 yen	4,500 yen	4,500 yen
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<p>Promoting the Use of Hikari Services to Mobile Device Users</p>	<ul style="list-style-type: none"> Expanded Wi-Fi environment mainly through collaboration with businesses operating nationwide. Expanded areas mainly in 23 wards of the Tokyo metropolitan area through collaboration with Seven & i Holdings Co., Ltd. (1,200 shops). Launched Hikari Station (January 2012) and expanded into restaurants through collaboration with Gurunavi, Inc. (300 restaurants). Launched Hikari Portable Wi-Fi Cradle (November 2011). 	<ul style="list-style-type: none"> Expand business partners, enhance collaboration with local governments and communities, and shopping arcades. Expanding national chain store areas and to local chain stores. Expanding Wi-Fi environment through collaboration with each community and shopping arcade, such as the Jiyugaoka Shopping Arcade (utilizing Hikari Station). Providing a package service that enables mobile data communications even when outside Wi-Fi areas and during travel (April 2012). 