

5-1. Forecast for FY2011 (Revenues and Expenditures)

- Operating revenues are expected to decrease 57.1 billion yen to 1,900.0 billion yen, reflecting, among other things, the decrease in commissioned revenues and the impact of the Great East Japan Earthquake. Operating expenses are expected to decrease 49.9 billion yen to 1,830.0 billion yen due to, among other things, a decrease in expenses in conjunction with a decrease in commissioned revenues.
- The forecast for operating income for FY2011 has been adjusted 10.0 billion yen downward, from the 80.0 billion yen forecast made before the earthquake, to 70.0 billion yen (a decrease of 7.1 billion yen from the prior fiscal year).

	Forecast for FY2011	Increase (decrease) over previous year	Change from previous forecast announced on March 1 (*1)
Operating Revenues	1,900.0	(57.1)	(10.0)
Voice + IP-related revenues	1,475.0	(6.7)	(7.0)
Voice revenues	650.0	(92.2)	± 0.0
IP-related revenues	825.0	85.5	(7.0)
Other (leased line, commissioned, etc.)	425.0	(50.4)	(3.0)
Operating Expenses	1,830.0	(49.9)	± 0.0
Personnel expenses	114.0	(3.7)	2.0
General expenses	1,205.0	(37.6)	(2.0)
Depreciation expenses, etc.	511.0	(8.5)	± 0.0
Operating Income	70.0	(7.1)	(10.0)
Recurring profit	85.0 ^(*2)	(11.0)	(10.0)
Net income	44.0	(8.3)	-

(*1)Direct impact from the disaster (e.g., waiver of base charges for affected subscribers) and differences in actuarial calculations newly arising in FY2010.

(*2)Special losses are forecast to be 12.0 billion yen in FY2011.