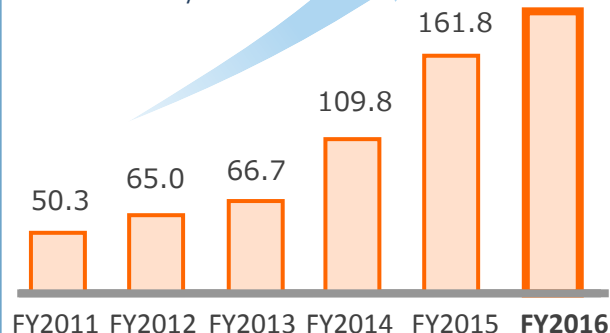




Operating Income

(Billions of yen)

Fifth consecutive year of growth, and record levels for third consecutive year



- Operating income increased to 189.1 billion yen, increasing for the fifth consecutive year and reaching record levels for the third consecutive year

- Net income also reached a record 149.6 billion yen, increasing for the fifth consecutive year and reaching record levels for the second consecutive year

➢ Operating Income:	189.1 billion yen	increase of 27.2 billion yen year-on-year
➢ Net Income:	149.6 billion yen	increase of 30.8 billion yen year-on-year
➢ Capital Investment:	273.8 billion yen	decrease of 20.1 billion yen year-on-year

- Achieved a net increase of 510,000 FLET'S Hikari subscriptions (including Hikari Collaboration), an increase of 240,000 compared to the net increase in FY2015

➢ At the end of October 2016, the numbers of FLET'S Hikari subscriptions reached 11 million, exceeding the number of fixed-line subscriptions.

(10,000 subscriptions)

	FY2015		FY2016	
	Net increase	No. of subscriptions	Net increase	No. of subscriptions
FLET'S Hikari (incl. Hikari Collaboration)	+26	1,067	+51	1,117
Hikari Collaboration (partial listing)*	+289	308	+225	533

*Includes subscriptions converted from FLET'S Hikari to Hikari Collaboration

(Ref.) Fixed line (Telephone Subscriber Lines + ISDN)	(76)	1,129	(68)	1,061
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- Reduced interest-bearing debt to 365.8 billion yen (a decrease of 65.1 billion yen compared to FY2015)

Hikari Subscriptions

(10,000 subscriptions)

1,040 +26 → 1,067 +51 → 1,117

