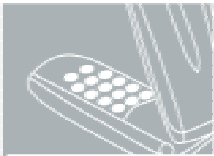


Interim Consolidated Financial and business Results ended September 2006

Faith, Inc.

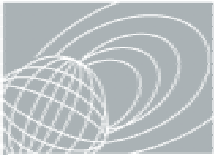
November 22, 2006



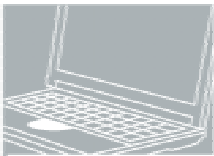
Mobile



Game



Internet



Computer

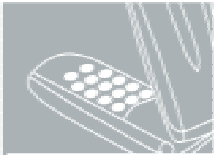


Technology

Notice



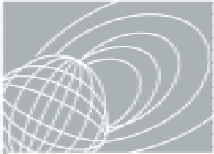
This document and its supporting documents contain forecasts of our company's future performance. These are estimates by the management of Faith based on currently available information. There are potential risks and uncertainties that may affect the results. Please be advised that actual performance may differ significantly from the forecast.



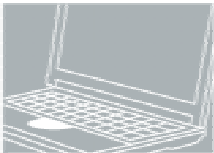
Mobile



Game



Internet

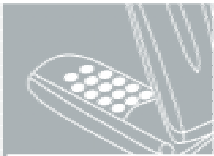


Computer



Technology

Interim Consolidated Financial Results ended September 2006



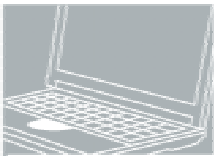
Mobile



Game



Internet



Computer



Technology

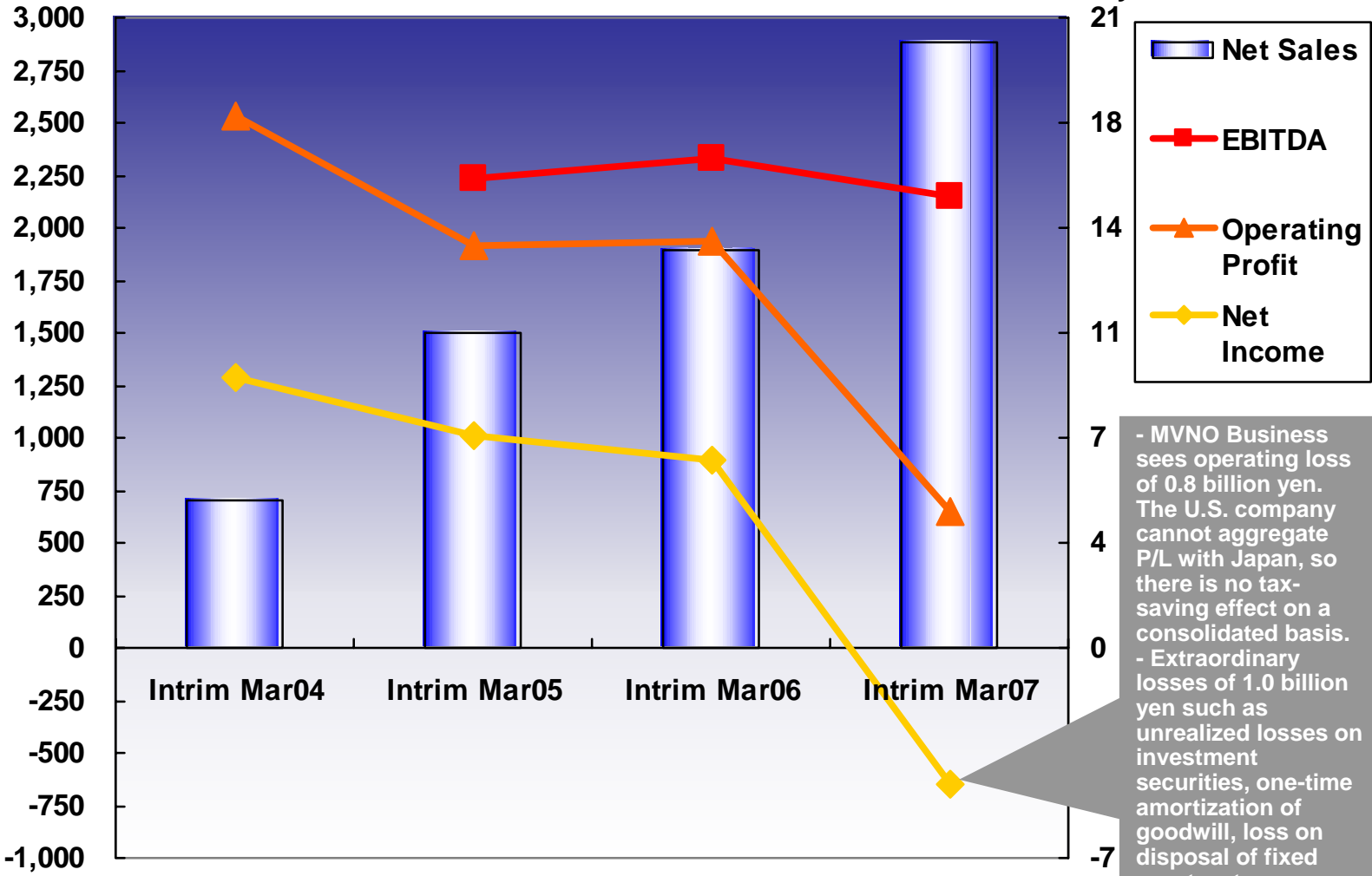
Highlights of Consolidated Financial Result



We continued to achieve high growth in net sales thanks to the growth of group companies through tie-ups and acquisitions. Profit decreased due to decline in sales from the ringtone distribution service of parent company and to upfront investments to create new market.

Profit: million yen

Net Sales: billion yen



Legend:

- Net Sales (Blue Bar)
- EBITDA (Red Line with Square)
- Operating Profit (Orange Line with Triangle)
- Net Income (Yellow Line with Diamond)

- MVNO Business sees operating loss of 0.8 billion yen. The U.S. company cannot aggregate P/L with Japan, so there is no tax-saving effect on a consolidated basis.
 - Extraordinary losses of 1.0 billion yen such as unrealized losses on investment securities, one-time amortization of goodwill, loss on disposal of fixed assets, etc.



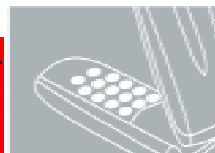
Interim FY March 2007 Financial Result (by segment)



Contents Distribution Business realize profit in real term thanks to factors such as acquisition of Giga Networks, Inc.*
Electronic Payment Business (WebMoney) contributes to group growth in terms of both sales and profit.

*Net Sales 1.89 billion, EBITDA 1.01 billion, Operating profit 0.28 billion (From June to September)
(Unit : Million)

	Interim FY Mar 2004	Interim FY Mar 2005	Year-on- year change	Year-on- year change	Interim FY Mar 2006	Year-on- year change	Year-on- year change	Interim FY Mar 2007	Year-on- year change	Year-on- year change
Net Sales	4,919	10,521	5,602	113.8%	13,249	2,728	25.9%	20,193	6,944	52.4%
Content-distribution Services	4,860	5,390	530	10.9%	6,373	983	18.2%	8,502	2,129	33.4%
Service Business	4,315	4,338	23	0.5%	5,376	1,038	23.9%	7,563	2,187	40.6%
License Business	545	1,051	506	92.8%	997	54	-5.1%	939	58	-5.8%
Electronic Payment Business	-	5,127	-	-	6,854	1,727	33.6%	9,890	3,036	44.2%
MVNO Business	-	-	-	-	-	-	-	1	-	-
EBITDA	-	2,230	-	-	2,330	100	4.4%	2,185	145	-6.2%
Content-distribution Services	-	2,279	-	-	2,263	16	-0.7%	2,644	381	16.8%
Electronic Payment Business	-	50	-	-	53	103	-	267	214	403.7%
MVNO Business	-	-	-	-	-	-	-	723	-	-
Operating Profit	2,529	1,909	620	-24.5%	1,940	31	1.6%	644	1,296	-66.8%
Content-distribution Services	-	2,016	-	-	1,931	85	-4.2%	1,305	626	-32.4%
Electronic Payment Business	-	106	-	-	5	101	-	210	215	-
MVNO Business	-	-	-	-	-	-	-	825	-	-
Recurring profit	2,441	1,939	502	-20.5%	2,027	88	4.5%	563	1,464	-72.2%
Net Income	1,291	1,014	277	-21.4%	889	125	-12.3%	653	1,542	-



Mobile



Game



Internet



Computer



Technology

FY Interim March 2007 Financial Result for the Content-distribution Service

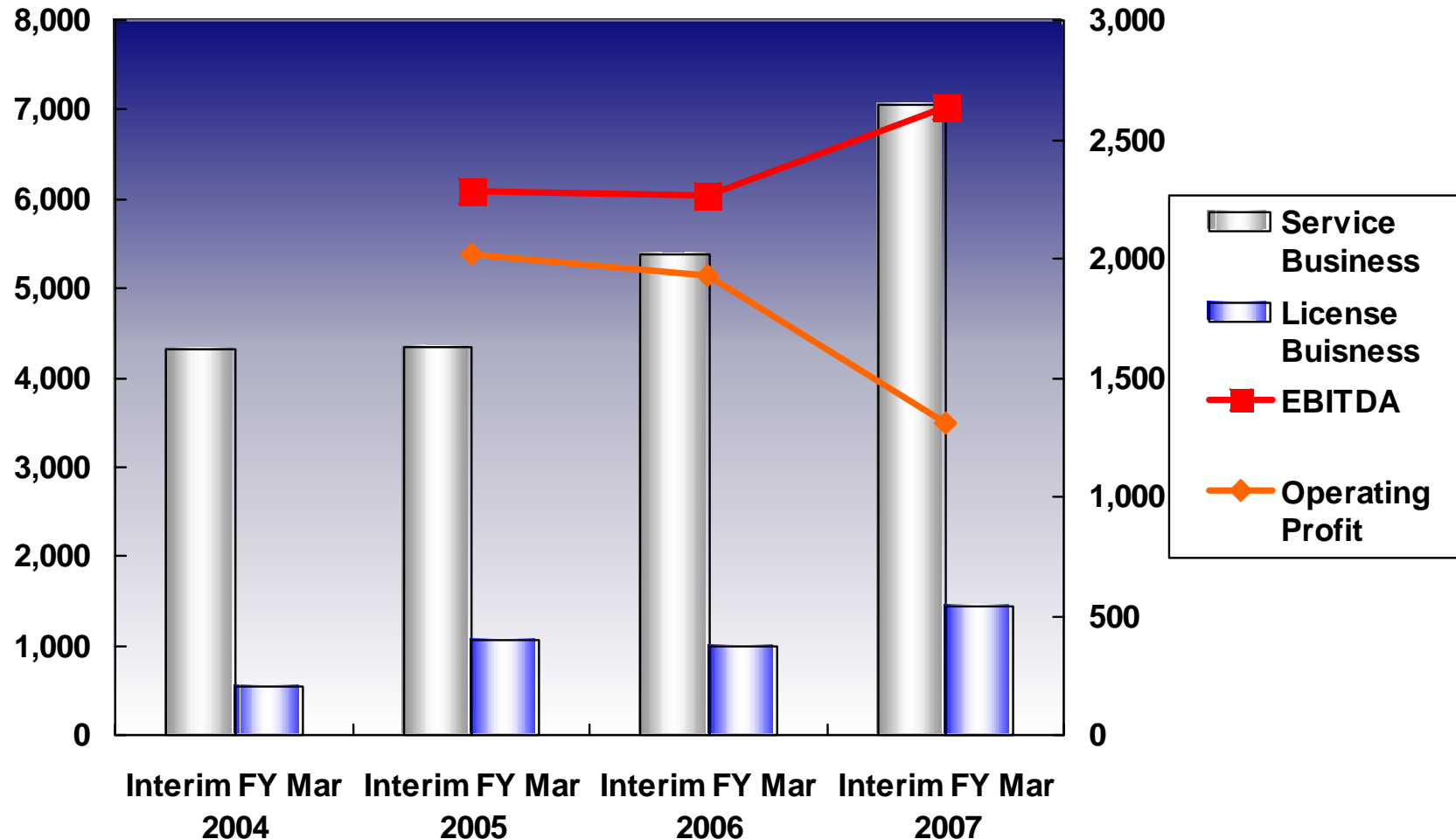


Operating profit decrease due to decrease in ringtone distribution service of parent company
 Net sales and profit Increase with the purchase of Giga Networks

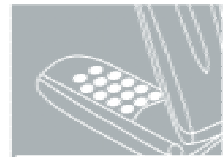


Net sales : million yen

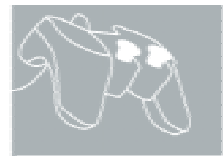
Profit : million yen



FY Interim March 2007 Financial Result for the Electronic Payment Business



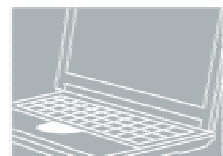
Mobile



Game



Internet



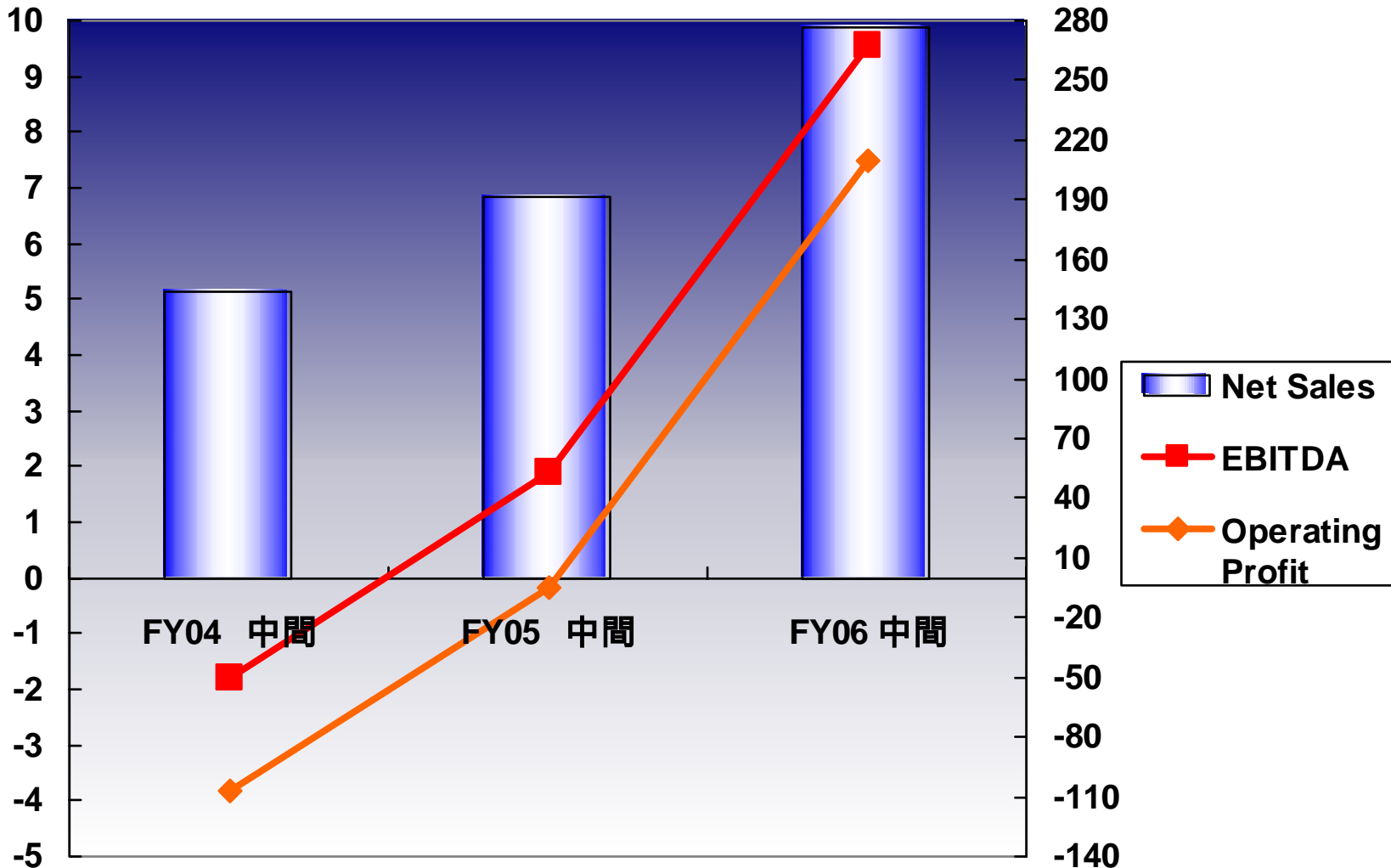
Computer



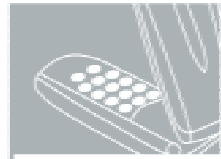
Technology

Net Sales : billion yen

Profit : million yen



Growth Strategy



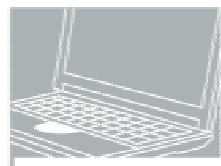
Mobile



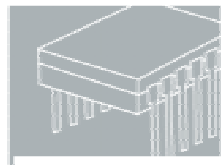
Game



Internet



Computer



Technology

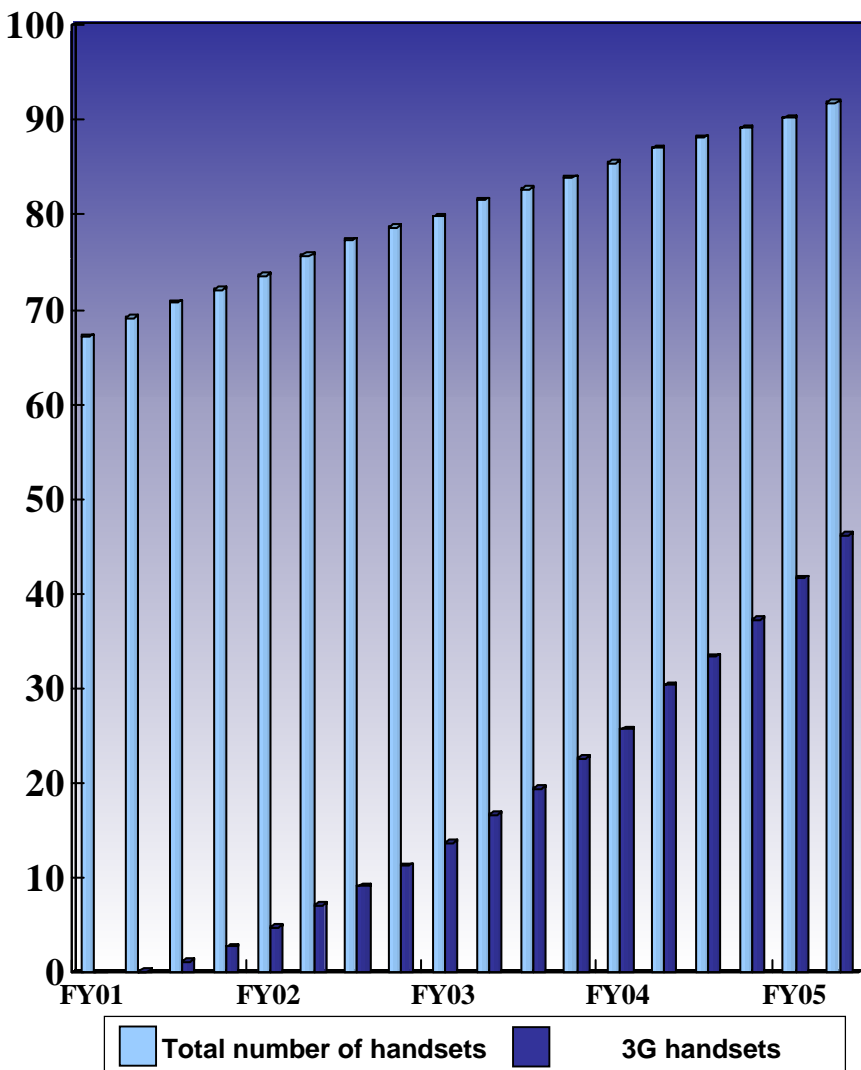
Changes in the business environment in Japan



Content market steadily expands accompanying the diffusion of 3G communication system. The ringtone market, the source of Faith's earnings, matures.

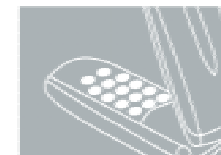
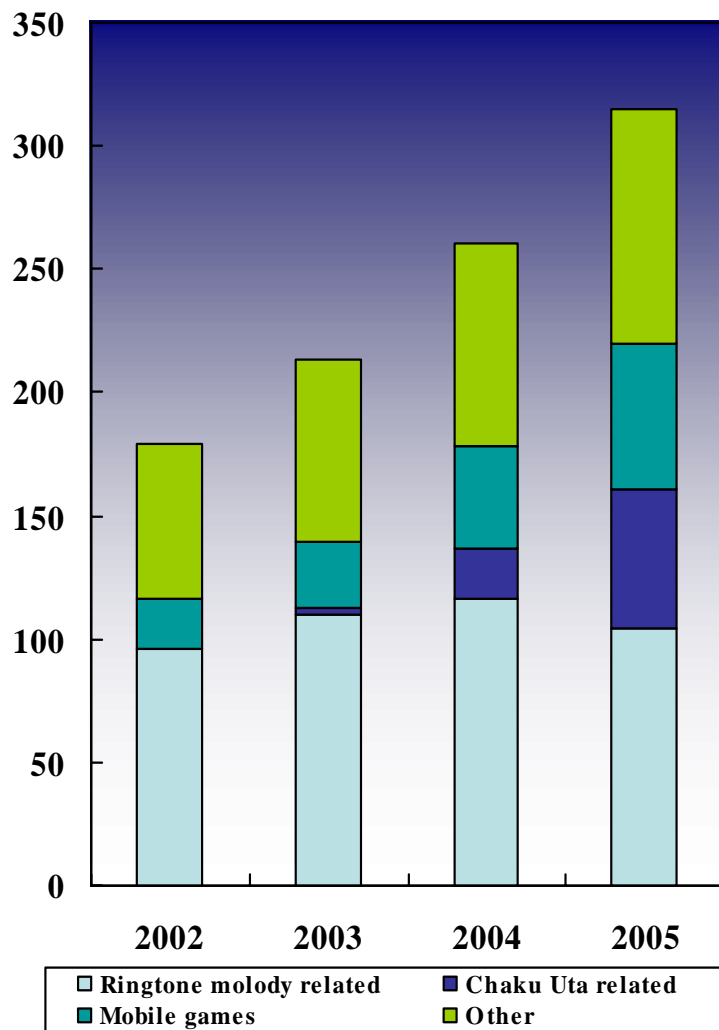
Number of mobile phone subscribers

(1 million contracts)



Mobile content market

(1 billion yen)



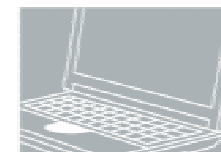
Mobile



Game



Internet



Computer



Technology

Growth Strategy for Domestic Contents Distribution Service



Priority Issue

Accelerate Rights (copyrights of contents) Creation and Expansion of User Reach

Rights

Video



Joint venture with Amuse Group

Music



Tie-up with Taito, SquareEnix

Information



Tie-up with Yoshimoto Kogyo

Game

Distribution infrastructure (Platform)

TV
Internet
Mobile phones
etc.

User reach (More than 10 mil.)

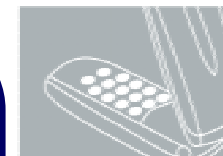


Users



Platform Solution

Platform technology



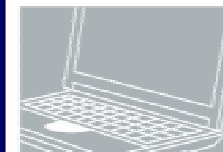
Mobile



Game



Internet



Computer



Technology

Highlights of Business Development during FY March 2007 (1)



Service

Acquired business rights of Giga Networks, No. 2 company in i-mode ringtones with roughly 3 million paying members, at 12.0 billion yen.

Strengthened alliance with Yoshimoto Kogyo. Giga Network increases capital through third-party distribution. Shareholder composition after capital increase:

Faith: 95.4% Yoshimoto Kogyo: 4.6%

Established Brave Inc., a jointly invested company by Faith Group, Taito, and Square Enix, involved in production & digital distribution of audio/visual software.

Brave Inc. achieves operating profit in 6 months after establishment.

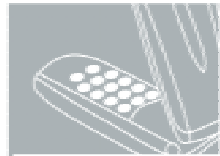
Established Desperado Inc., a joint venture with Amuse Group, etc., involved in production & digital distribution of video products such as movies.

Reached the alliance agreement with CROSSWARP Inc., and moved into the performance-based marketing business for online games market.

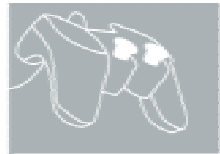
Decrease in both sales and profit of parent company due to decrease in demand for ringtone distribution service.

AnyMusic (China) receives Highest Revenue Award at the Bravo for BREW 2006 held in China.

Digiplug (France) achieved operating profit in the first half of this fiscal year.



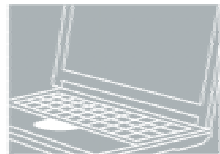
Mobile



Game



Internet



Computer



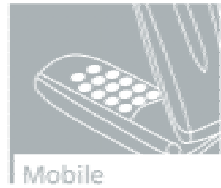
Technology

Highlights of Business Development during FY March 2007 (2)



License

Announced digital rights management technology for Intel® Viiv™ technology (applied for patented)
Technology Development Prize awarded by the Acoustical Society of Japan
Formed alliance with InterVideo, Inc. and launched collaborative marketing for the provision of licenses and related solutions in Japan and Europe.



Electronic Payment

Launched WebMoney sales at Seven Eleven (bill receipt at convenience stores)
Making use of its technology and know-how in electronic money, actively supported other companies such as supporting the issuance of independent brand electronic money.



MVNO

Launched trial operation in the Los Angeles area (USA) for "Voce"
Expand trial operation area in San Francisco and Las Vegas



Subjects to be solved for further growth (1)

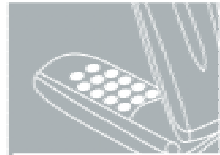


Service

- Acquire “Rights*” through tie-ups with leading companies etc.
 - Production, Acquisition, and Publishing of rights if necessary as well as tie-ups
- Expansion of User Reach
- Strengthen efforts in free content distribution service relying on advertisement revenue

- Maintain and improve profitability of ringtone distribution service
 - Develop high value-added next generation services making good use of the user reach of 10 million users, one of the largest in Japan
 - Curb running cost (distribution operating, server management, etc.) by exploiting economy of scale

*Rights ; copyright of content



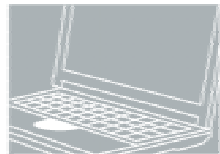
Mobile



Game



Internet



Computer



Technology

Subjects to be solved for further growth (2)

License

- Early commercialization of digital rights management technology
Promotion of dissemination and establishment of business scheme through tie-up with major companies such as Intel, Inc.
- Strengthening licensing of sound source technology to foreign manufacturers of mobile phones

Electronic Payment

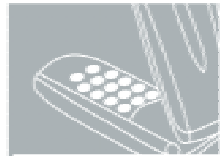
- Reinforcing relationship with leading digital affiliations such as strengthening ties with other payment methods
- Reinforcing partnership with Internet-service companies such as supporting the issuance of individual brand electronic money

MVNO

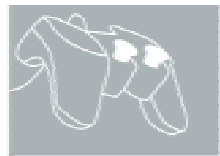
- Quick full launch of business and expansion of subscribers

Management

- Business expansion through promotion of group management and effective and efficient management throughout the Group



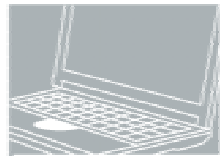
Mobile



Game



Internet

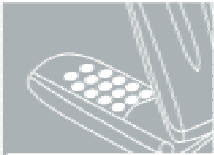


Computer



Technology

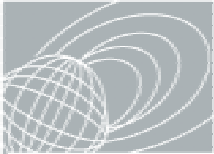
A New Approach for Content Distribution Service in Japan



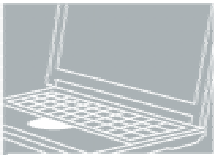
Mobile



Game



Internet



Computer



Technology

Strengthening strategic alliance with Yoshimoto Kogyo Group



Creating new video and audio distribution markets

- Yoshimoto Kogyo's content planning and creating abilities, marketing abilities, and brand strength
- Viiv™ technology, the core to Intel® digital home concept
- Faith's authentication technology and know-how of server operation
- Faith Group's 10 million users, including Giga Networks' 3 million paying members

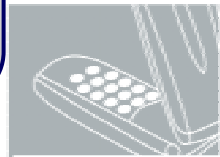
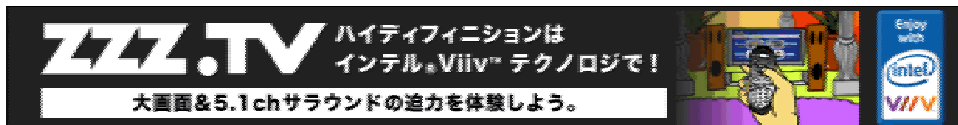
GIGA NETWORKS

Expansion of business tie-up on the occasion of capital tie-up with Yoshimoto Kogyo

- Open comedy movie site "Odekake Sho Room" on mobile distribution service "GIGA Rainbow"
- Expand the Yoshimoto "Sho" (Comedy) Room
- Planning for linking digital broadcast, such as one-seg, to mobile phone distribution services
- Linking celebrities' events to mobile phone distribution services
- Joint planning for block distribution services for mobile phones, personal computers, and TVs using Faith's authentication technology



ZZZ.TV, an entertainment distribution company created jointly by Faith, Yoshimoto Kogyo, and Intel, implements free content distribution service compatible with Viiv™ technology.



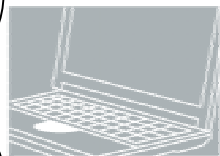
Mobile



Game



Internet



Computer

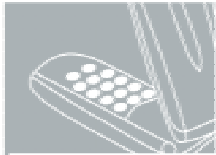
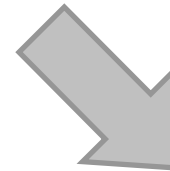
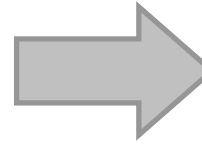
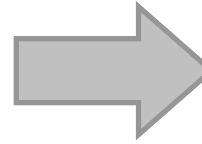
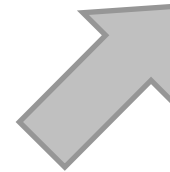
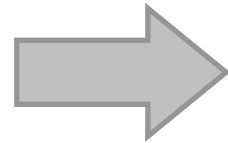


Technology

Creating New Music Distribution

Creating Digital Label

Expanding Digital Channel



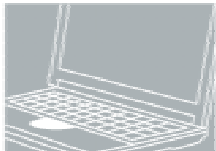
Mobile



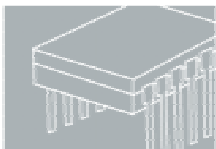
Game



Internet



Computer



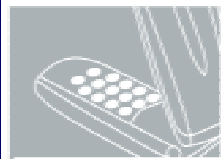
Technology

Launch of Production & Digital Distribution of Movies (1)



Established Desperado Inc. to create a new movement that will revolutionize the scheme for the distribution of video contents.

- Emphasize Human Resource (Software) and Planning (Know-how)
Improve the quality of contents and establish an environment that nurtures and keep talented creators by providing appropriate incentives for the contributions by members in-house and outside
- Establish new distribution system for video products regardless of distribution platform
- Produce quality video and music such as TV programs, CM, and music focusing on movies, and launch video business that maximizes property rights



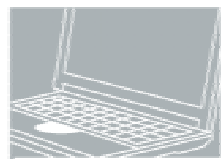
Mobile



Game



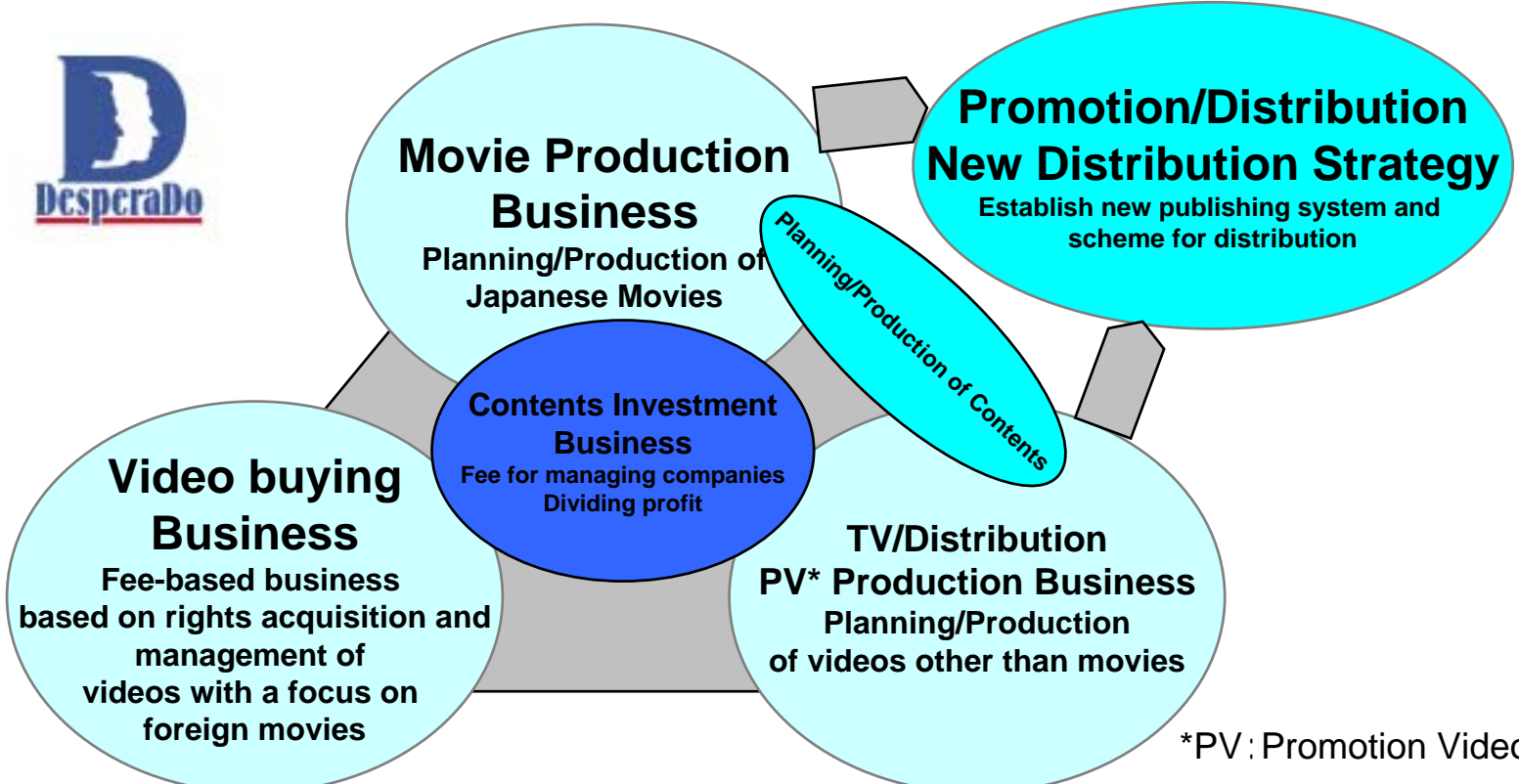
Internet



Computer



Technology



*PV: Promotion Video

Launch of Production & Digital Distribution of Movies (2)



List of movies by Desperado Inc.

Advertisement “Abduction: The Megumi Yokota Story”
(Japanese premiere on November 25)

Funding Production “Heat Island” “Phoenix” “Little DJ”
(All released in 2007)

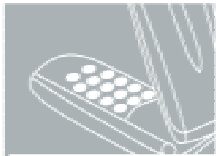
Purchase “My Date with Drew” (Premiere on December 16)



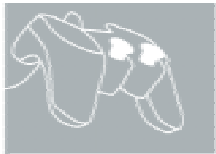
“Abduction: The Megumi Yokota Story”

(C) Safari Media LLC 2006

“My Date with Drew”



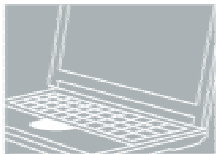
Mobile



Game



Internet

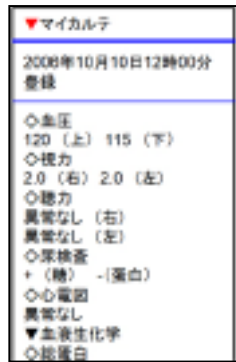


Computer

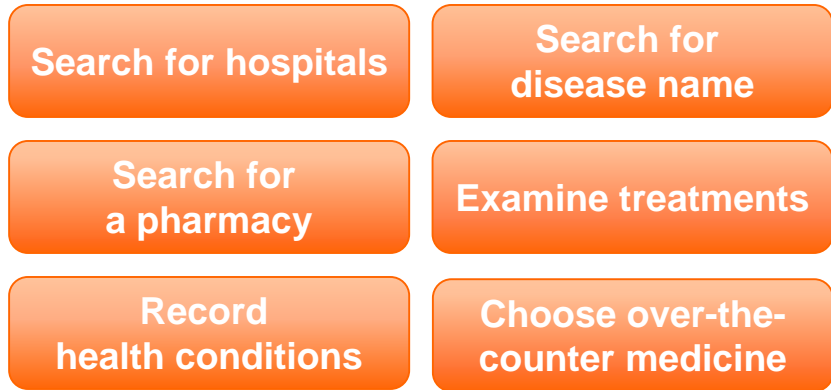


Technology

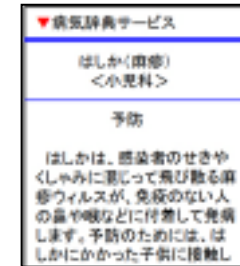
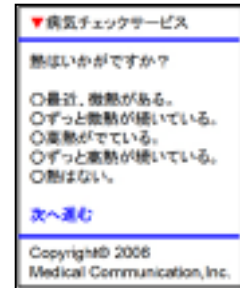
Mobile phone service for “immediate” medical support
in an emergency “anytime” and “anywhere”



Quickly and simply access the service
24 hours a day through finger touch



using mobile phone and GPS function



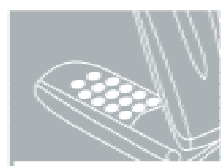
Launch of the service in this fall

Providing information and promotion service for online games

~ Creating an affiliate advertising market where fees are based on results ~



Promotion site that provides the official videos, news, blogs, strategic information, and original product presents of online game companies for free and attracts the registration of new members



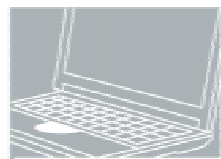
Mobile



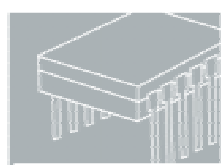
Game



Internet

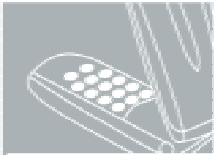


Computer



Technology

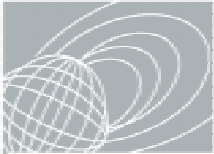
Overseas Content Distribution Service



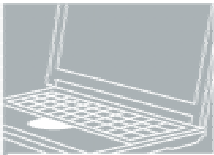
Mobile



Game



Internet



Computer

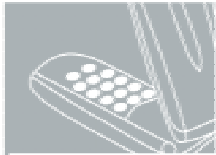
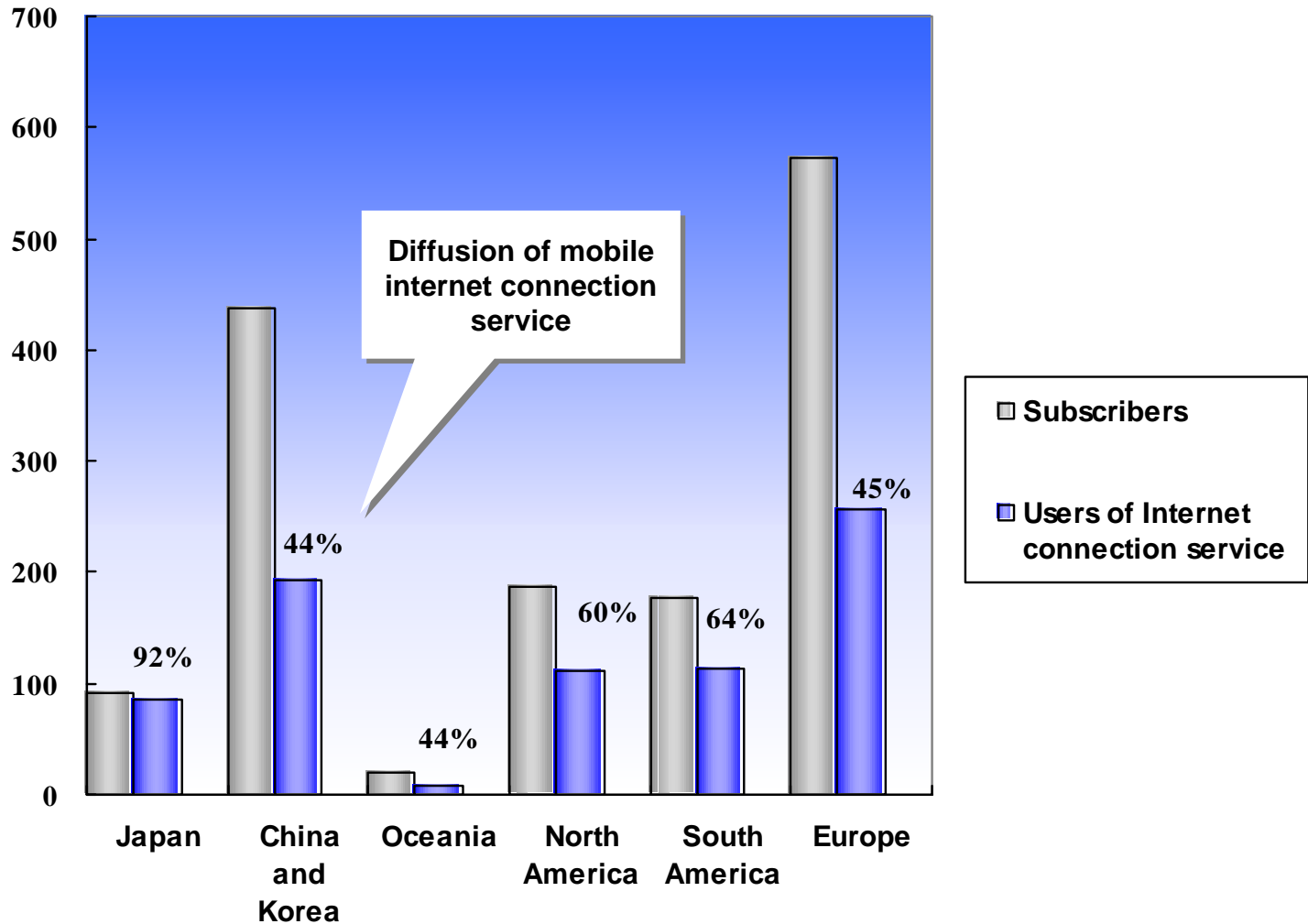


Technology

Potential of the Overseas Market

Diffusion of mobile internet will lead to further growth

(Million people) **Diffusion of mobile internet connection service** (based on Faith Inc. research)



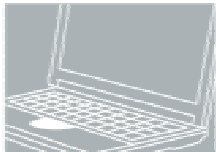
Mobile



Game



Internet



Computer



Technology

Global Expansion of Content Distribution



Overseas contents distribution service steadily expanding

Digiplug (France) achieved operating profit in first half of the year

AnyMusic (China) received Highest Revenue Award at the Bravo for BREW 2006

Europe

Asia

Japan

U.S.A.

South America



Digiplug



AnyMusic



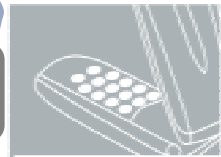
Faith



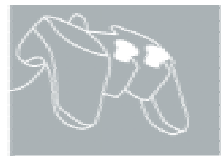
Moderati



TakeNet



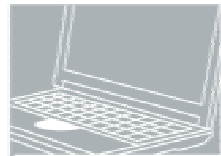
Mobile



Game



Internet



Computer



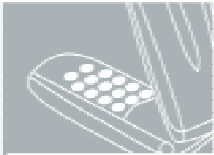
Technology



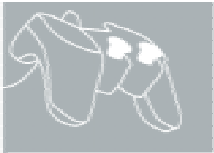
UNIVERSAL MUSIC GROUP



License Business



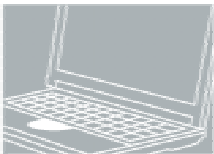
Mobile



Game



Internet



Computer



Technology

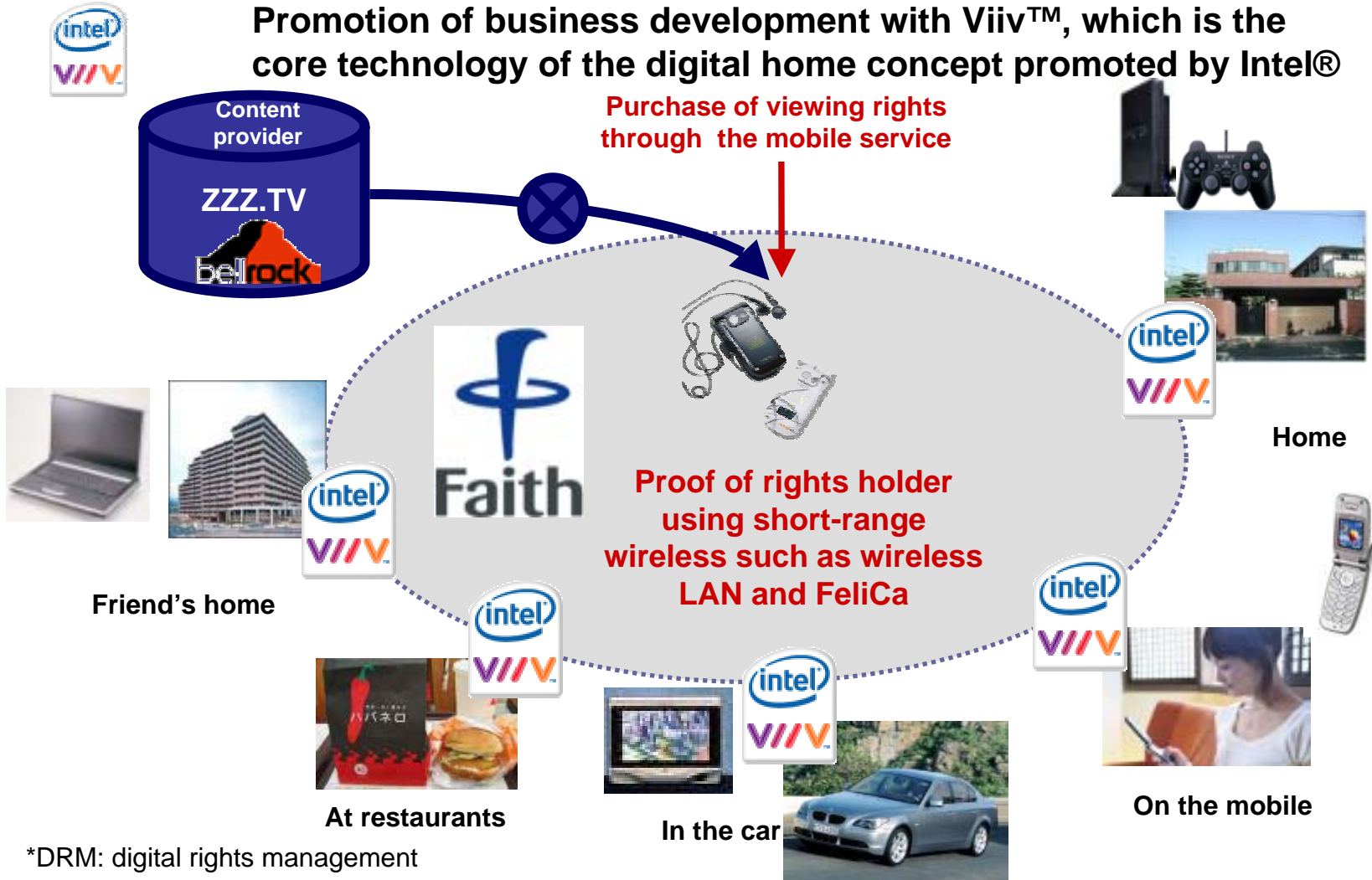
Creation of New Audio & Video Distribution Mechanism with New DRM* technology

~ To make New DRM the second pillar for license business in addition to sound source technology ~



DRM (Digital Rights Management) technology for Viiv™ technology by Intel®

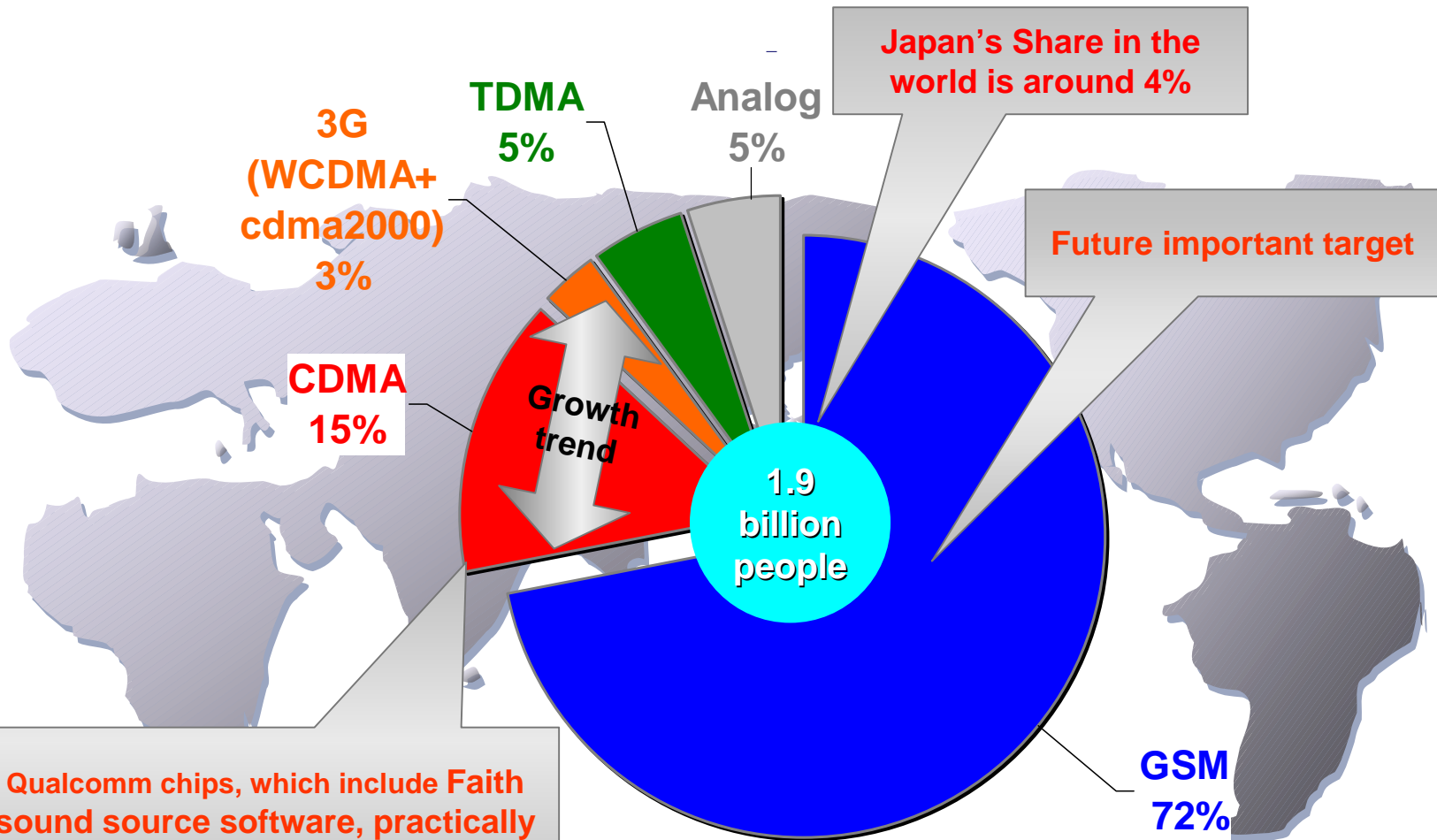
Promotion of business development with Viiv™, which is the core technology of the digital home concept promoted by Intel®



*DRM: digital rights management

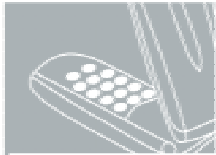
Mobile Users Throughout the World

Around 1.9 billion mobile users



Qualcomm chips, which include Faith sound source software, practically monopolize the market

Source: Faith Inc. research



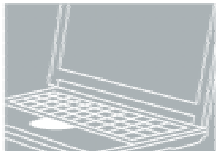
Mobile



Game



Internet

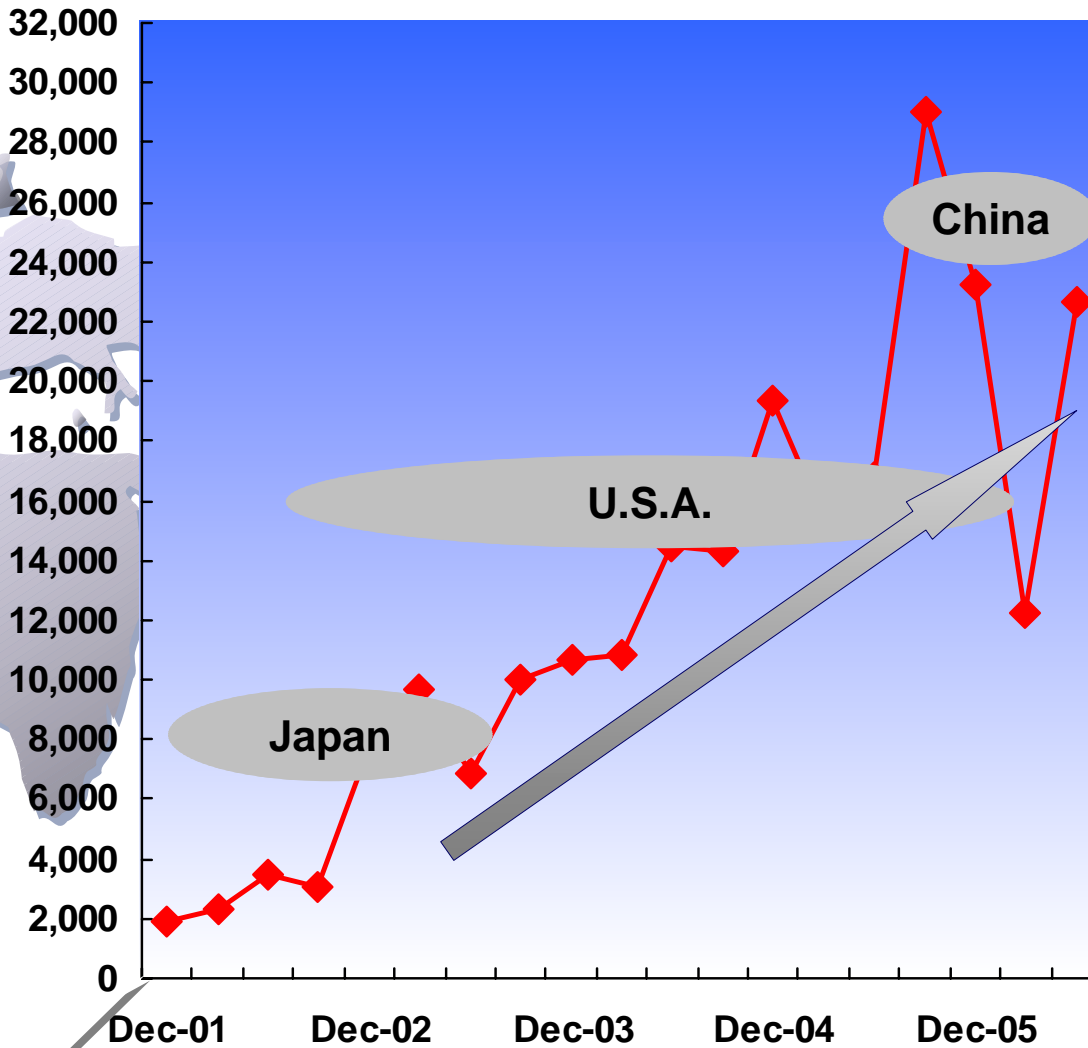


Computer



Technology

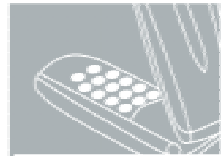
Volume of Shipments of Semiconductors for Mobile Using CMX



Moderati
Launched
Modtones

U.S. Mobile
Content
Market Growth

◆ CMX



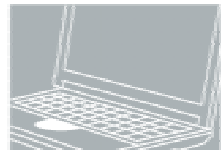
Mobile



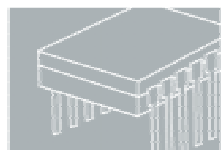
Game



Internet



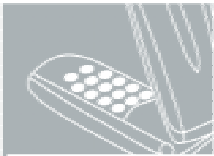
Computer



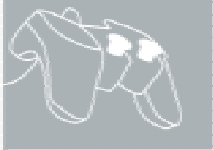
Technology

Electronic Payment Business

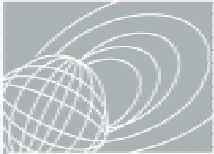
~ Prepaid Electronic Money “WebMoney”
for network ~



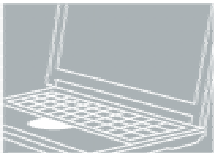
Mobile



Game



Internet



Computer

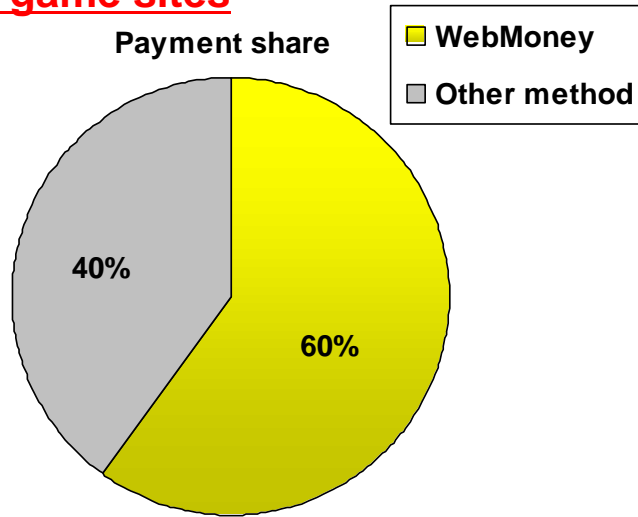


Technology

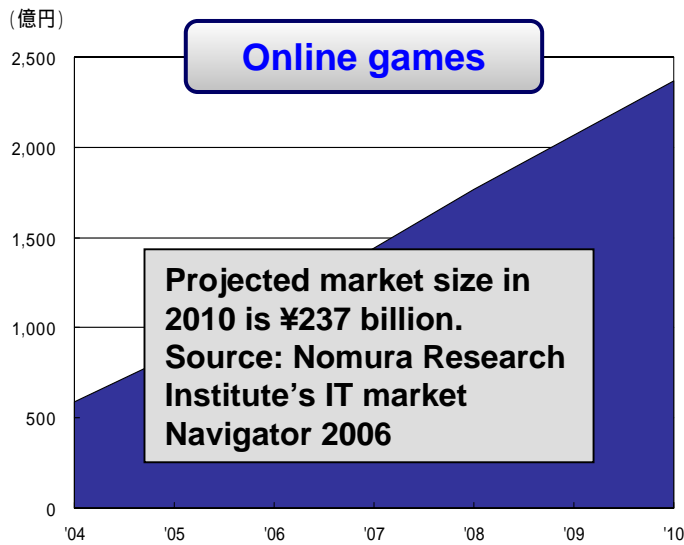
“WebMoney” ’s Target Market

Online Game

90% implementation ratio in domestic paid-for game sites

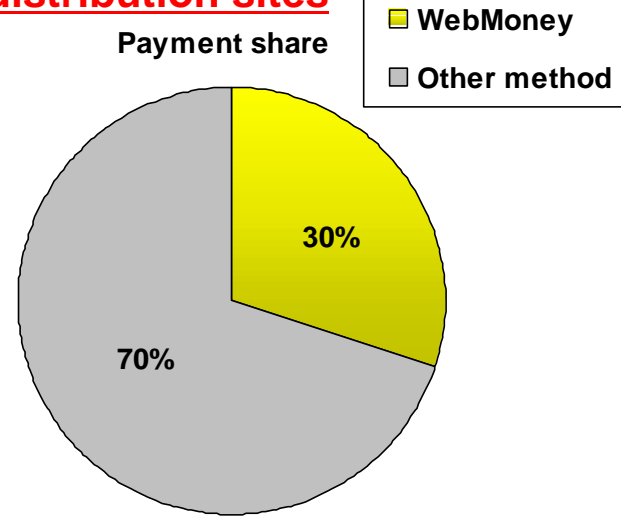


WebMoney: 60%

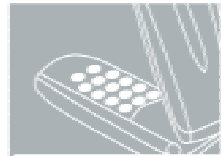
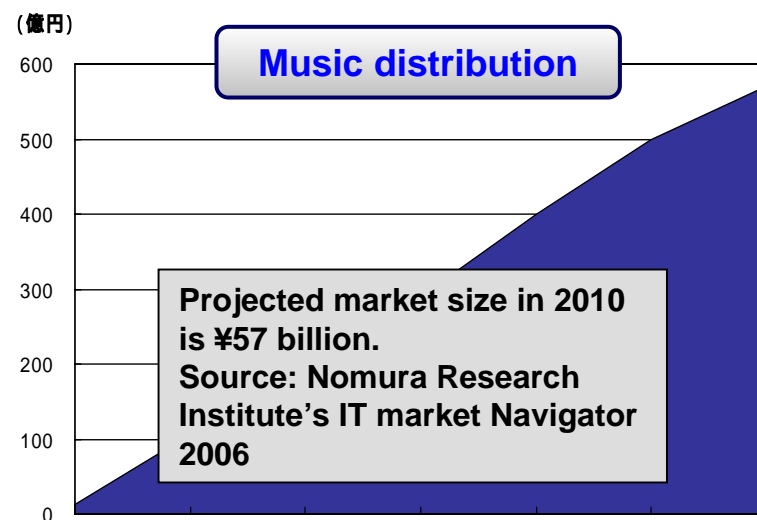


Music Distribution

90% implementation ratio in domestic music distribution sites



WebMoney: 30%



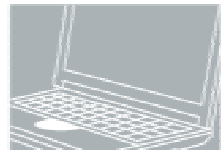
Mobile



Game



Internet



Computer



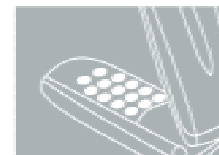
Technology

Trend in the Monthly Settlement Volume of "WebMoney"



Achieved continued high growth due to increase in demand for online games and music distribution

Actively promote cooperation with other companies by making good use of technology and know-how of electronic money



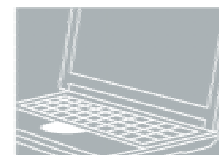
Mobile



Game



Internet

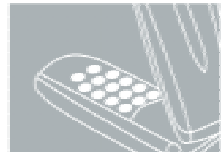


Computer



Technology

(note) March 2002 is 100 for the index



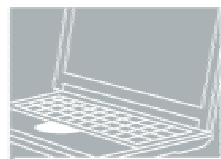
Mobile



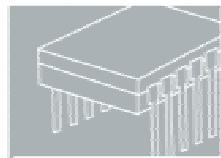
Game



Internet



Computer



Technology

MVNO Business

MVNO Business VOICE

the first mobile phone service only for wealthy classes in the world

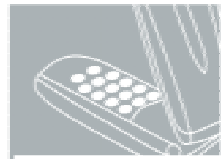
24-hours-a-day call center service

Visits by assistants (emergency response for damage, losses, and thefts)

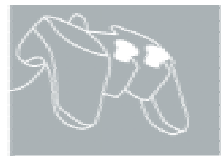
Providing high end terminal such as Motorola/Nokia,
free annual replacement

Unlimited domestic calling and attractive international calling rates

Concierge service such as travel services



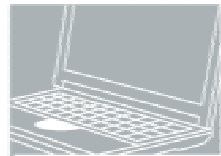
Mobile



Game



Internet



Computer



Technology

Launch of MVNO Business



Efforts toward full and early launch

Reinforce data communications service “Voce Pocket”

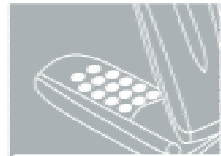
Newly establish Voce’s portal website for Voce users to enjoy communication,

Information, entertainment etc.

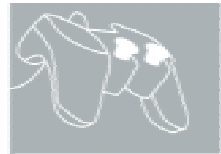
Establishing an efficient and effective marketing system

Neiman Marcus

- Sales agency contract with retail stores targeting the wealthy such as Neiman Marcus and Kitson
- Direct marketing targeting the wealthy class within service region
- New membership campaign until the end of the year
(Admission: \$1000 \$500; Monthly fee: \$400 \$200)



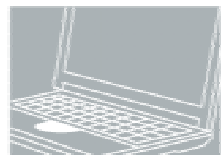
Mobile



Game



Internet



Computer

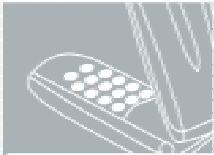


Technology

Business deployment schedule

May 2006	Started trial operation in the Los Angeles area
November 2006	Expand trial operation area to San Francisco and Las Vegas
Around end of 2006	Expand data service and full launch
	Start expansion into major cities throughout the USA
2008	Reach breakeven subscribers
2009	Achieve profit in operations

FY March 2007 Financial Projections



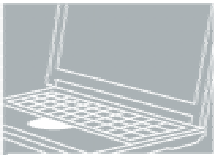
Mobile



Game



Internet



Computer



Technology

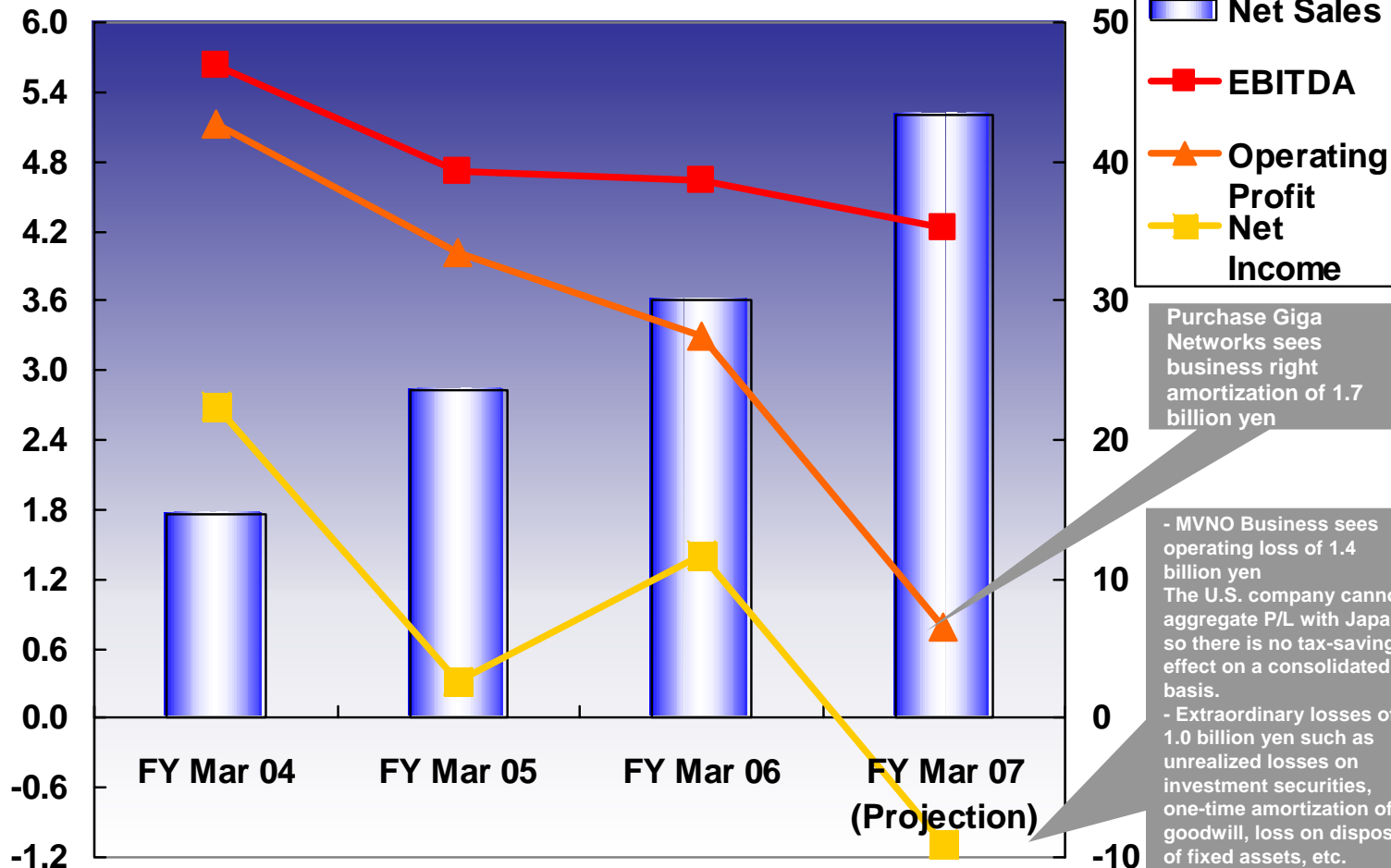
Sales & Earnings Projections



Purchase of Giga Networks, expansion of the electronic payment business, and active promotion of business tie-ups will greatly increase net sales. Operating profit will decrease due to the decline in sales from the Japanese ringtone distribution service of parent company and the failure of MVNO Business in adequately absorbing upfront investments by business expansion.

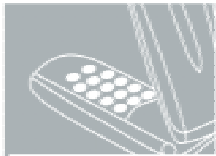
Profit : Billion Yen

Net Sales : Billion Yen



Purchase Giga Networks sees business right amortization of 1.7 billion yen

- MVNO Business sees operating loss of 1.4 billion yen
The U.S. company cannot aggregate P/L with Japan, so there is no tax-saving effect on a consolidated basis.
- Extraordinary losses of 1.0 billion yen such as unrealized losses on investment securities, one-time amortization of goodwill, loss on disposal of fixed assets, etc.



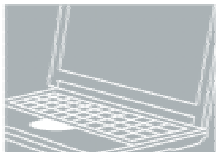
Mobile



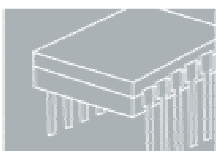
Game



Internet



Computer



Technology

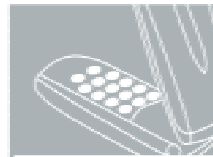
FY March 2007 Financial Projections by Segment



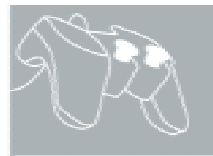
Increase in sales and profit for Contents Distribution Business with the purchase of Giga Networks* and launch of Brave. Electronic Payment Business will also contribute greatly to growth.

*Net Sales 4.63 billion, EBITDA 2.49 billion, Operating profit 0.57 billion (From June to March)
(million yen)

	FY Mar 2004	FY Mar 2005	FY Mar 2006	FY Mar 2007	Year-on-year change (Amount)	Year-on-year change (%)
Net Sales	14,671	23,628	30,040	43,325	13,285	44.2%
Content-distribution Services	10,299	11,550	14,040	18,687	4,647	33.1%
Service Business	8,951	9,166	10,832	16,952	6,120	56.5%
License Business	1,348	2,384	3,207	1,735	1,472	-45.9%
Electronic Payment Business	4,084	11,724	15,106	21,070	5,964	39.5%
MVNO Business	-	-	-	91	-	-
EBITDA	5,728	4,712	4,630	4,182	448	-9.7%
Content-distribution Services	5,628	4,729	5,033	5,499	466	9.3%
Electronic Payment Business	43	19	235	573	338	143.7%
MVNO Business	-	-	622	1,924	1,302	-
Operating Profit	5,115	4,017	3,391	784	2,607	-76.9%
Content-distribution Services	5,133	4,152	4,029	2,468	1,561	-38.7%
Electronic Payment Business	30	136	119	460	341	286.6%
MVNO Business	-	-	706	2,129	1,423	-



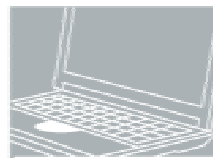
Mobile



Game



Internet

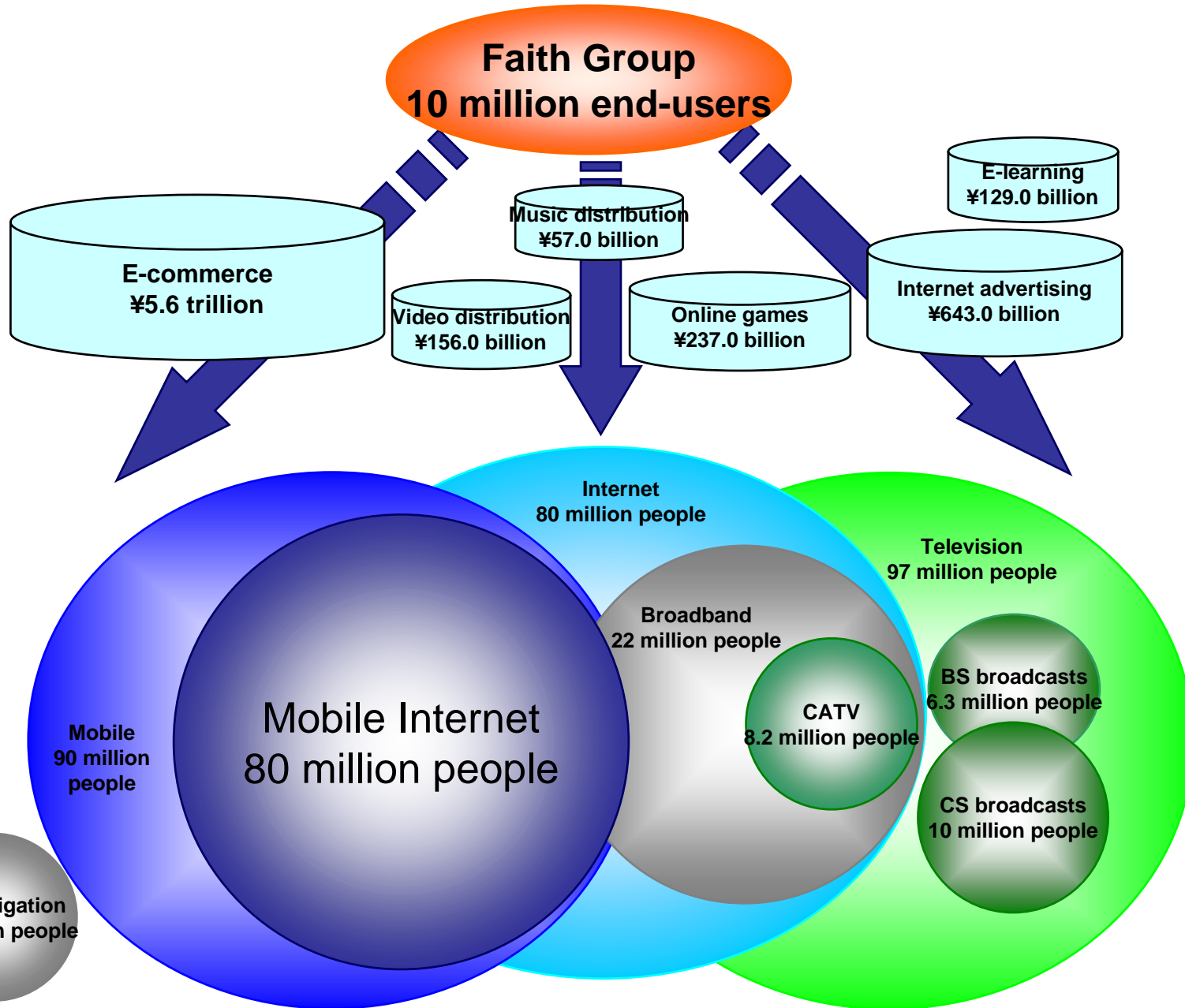


Computer



Technology

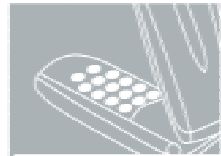
Growth targets for the Faith Group



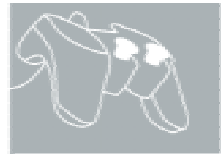
Growth throughout the group by promotion of group management



Appendix



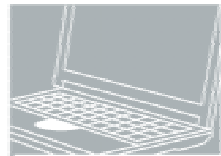
Mobile



Game



Internet



Computer



Technology

FY March 2007 Financial Projections (Comparison with initial projection)



(million yen)

	Initial Projection	Revised Projection	Year-on-year change (Amount)	Year-on-year change (%)
Net Sales	45,443	43,325	2,118	- 4.7%
Content-distribution Services	21,158	18,687	2,471	- 11.7%
Service Business	17,935	16,952	983	- 5.5%
License Business	3,223	1,735	1,488	- 46.2%
Electronic Payment Business	21,017	21,070	53	0.3%
MVNO Business	1,067	92	975	- 91.4%
EBITDA	5,997	4,182	1,815	- 30.3%
Content-distribution Services	7,494	5,499	1,995	- 26.6%
Electronic Payment Business	614	573	41	- 6.7%
MVNO Business	2,252	1,924	328	- 14.6%
Operating Profit	2,556	784	1,772	- 69.3%
Content-distribution Services	4,550	2,468	2,082	- 45.8%
Electronic Payment Business	492	460	32	- 6.5%
MVNO Business	2,482	2,129	353	- 14.2%
Recurring profit	2,227	453	1,774	- 79.7%
Net Income	268	1,083	1,351	—

Main Reason for Revisions

Delay in business launch due to time gaps in the starting of new domestic contents distribution service other than ringtones.

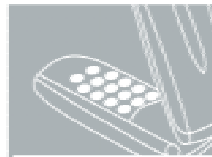
Full launch delayed from autumn this year to the end of the fiscal year.

Downward revision in net sales

Decrease in net fare due to time gaps in full launch

Decrease in EBITDA

Unrealized losses on investment securities, one-time amortization of goodwill, loss on disposal of fixed assets, etc.



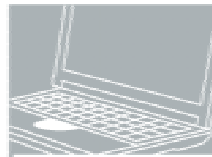
Mobile



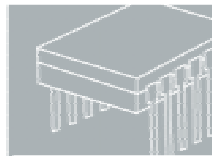
Game



Internet

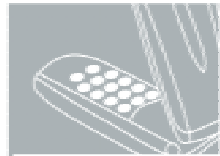
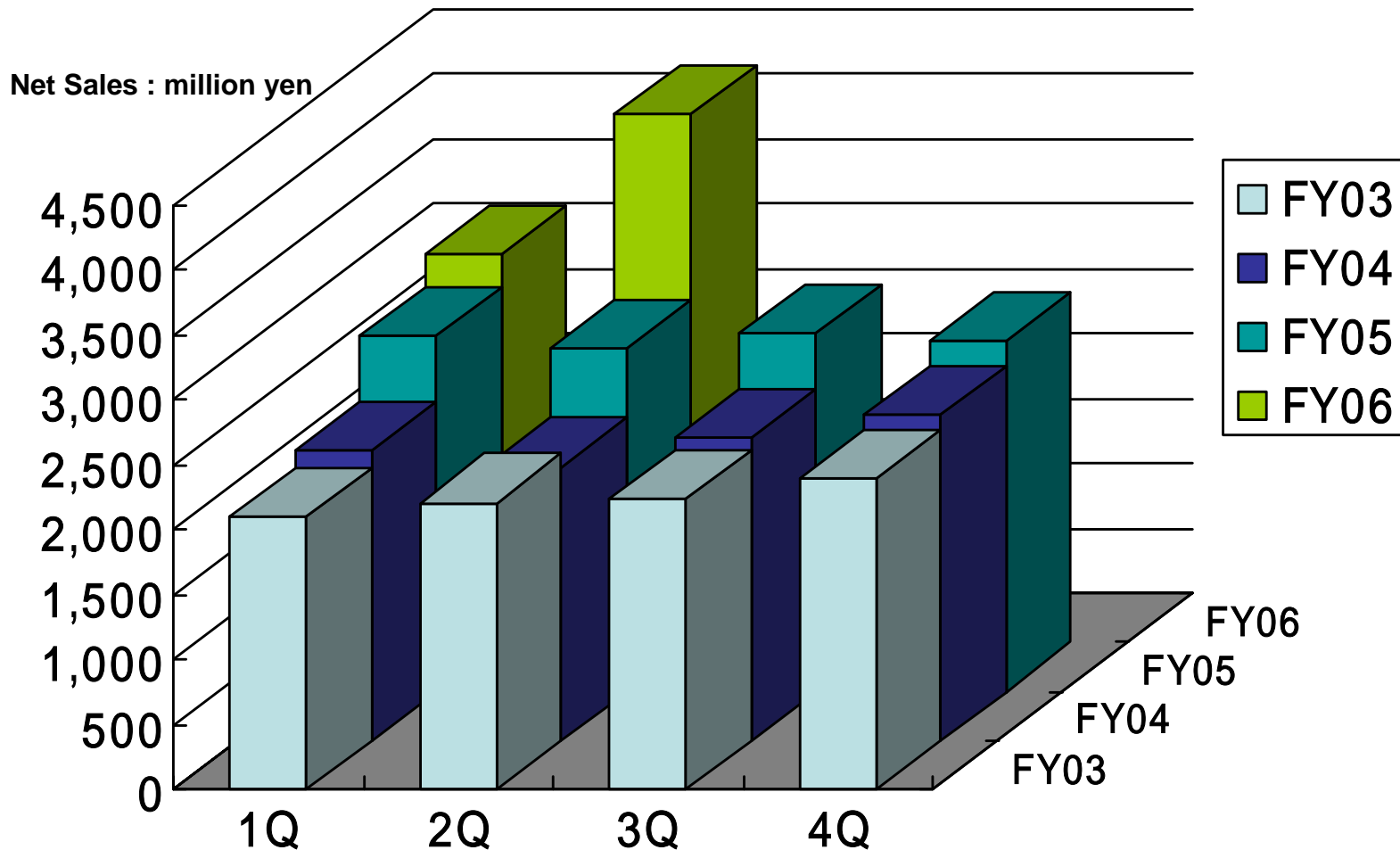


Computer

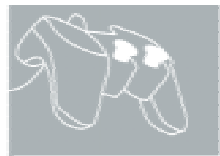


Technology

Quarterly Net Sales for the Service Business



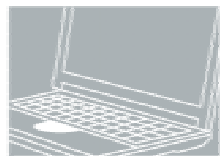
Mobile



Game



Internet



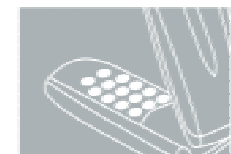
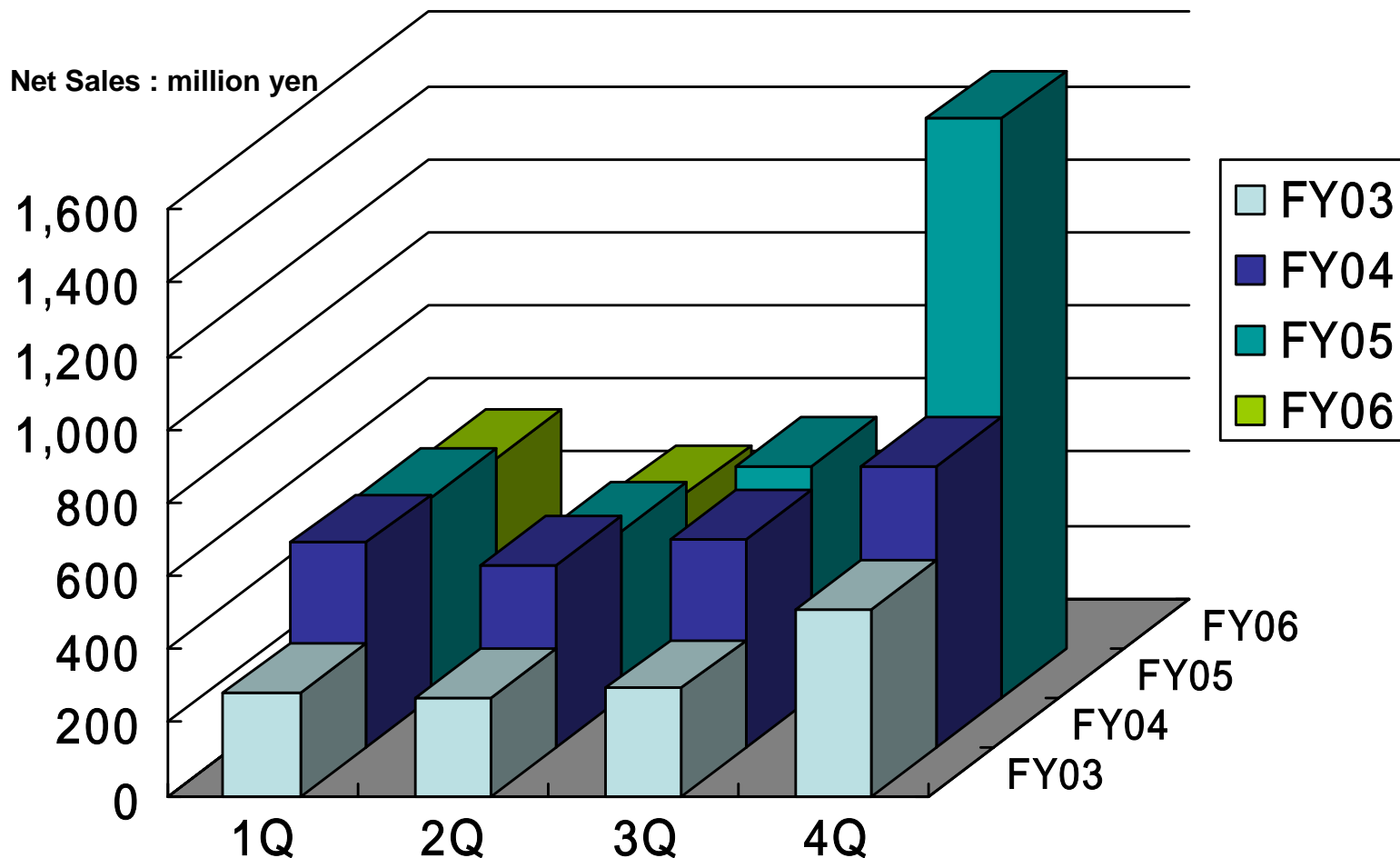
Computer



Technology

Note: Quarterly estimates manage and disclose only accumulative figures. To understand trends differences in accumulative figures are made into graphs as shown in the figures of 2Q, 3Q, and 4Q.

Quarterly Net Sales for the License Service



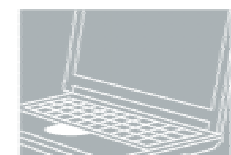
Mobile



Game



Internet



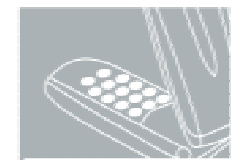
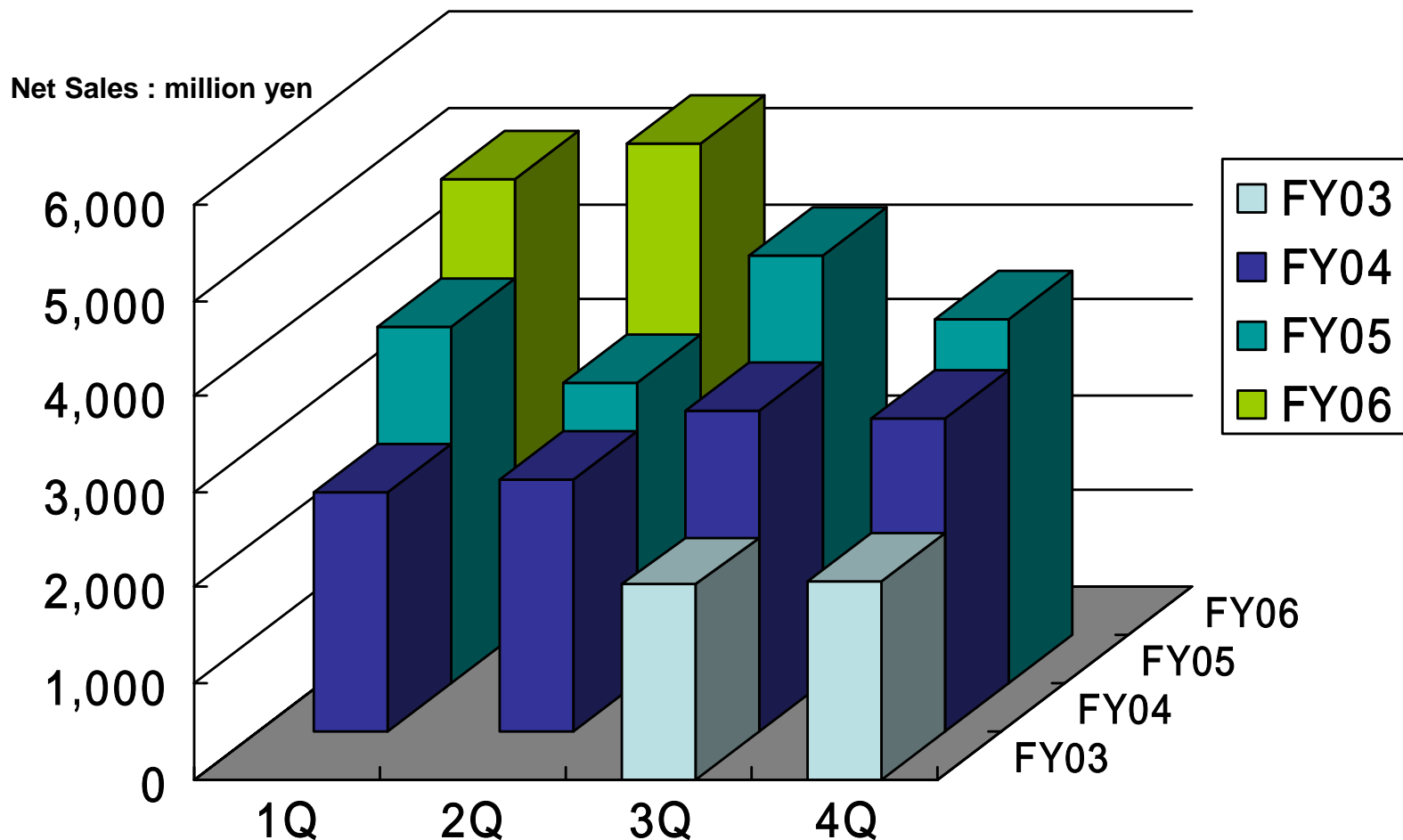
Computer



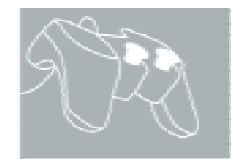
Technology

Note: Quarterly estimates manage and disclose only accumulative figures. To understand trends differences in accumulative figures are made into graphs as shown in the figures of 2Q, 3Q, and 4Q.

Quarterly Net Sales for the Electronic Payment



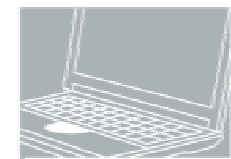
Mobile



Game



Internet



Computer



Technology

Note: Quarterly estimates manage and disclose only accumulative figures. To understand trends differences in accumulative figures are made into graphs as shown in the figures of 2Q, 3Q, and 4Q.

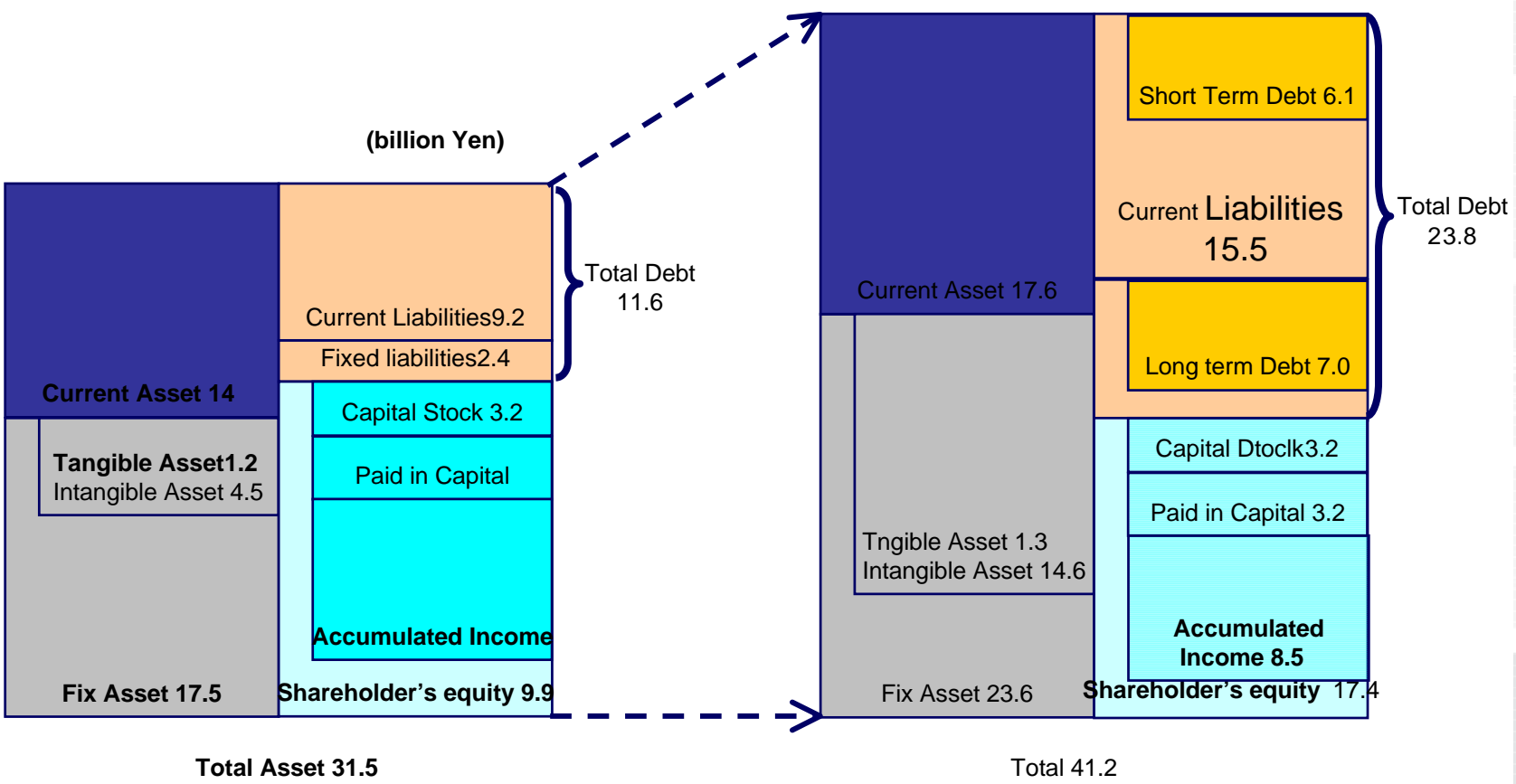
Consolidated Balance Sheet



Intangible assets, liabilities with interest, and total assets will greatly increase with the purchase of Giga Networks at 12.0 billion yen where acquisition funds were procured by external loans.

End of March 2006

End of September 2006
(billion Yen)

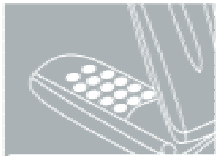
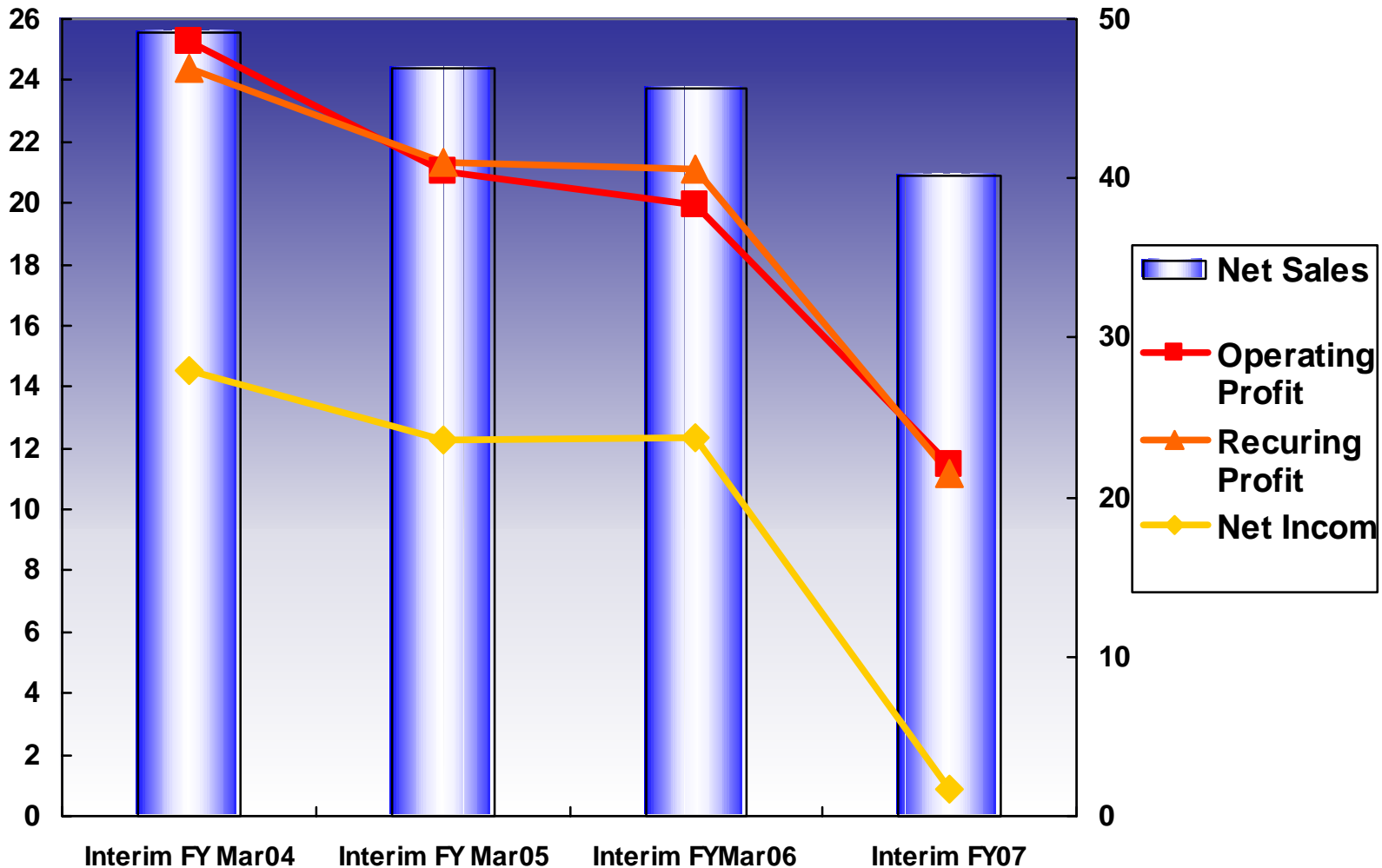


Highlights of Financial Result (Parent Company)



Profit: billion yen

Net Sales: billion yen



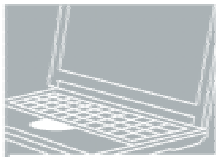
Mobile



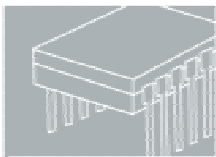
Game



Internet



Computer



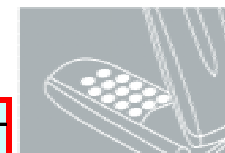
Technology

Interim FY March 2007 Financial Result (Parent Company)



(百万円)

	Interim FY Mar 2004	Interim FY Mar 2005	Year-on- year change		Interim FY Mar 2006	Year-on- year change		Interim FY Mar 2007	Year-on- year change (Amount)	
			Year-on- year change	Year-on- year change		Year-on- year change	Year-on- year change			
Net Sales	4,917	4,687	-230	-4.6%	4,558	-129	-2.7%	4,014	-544	-11.9%
EBITDA	—	2,224	—	—	2,143	-81	-3.6%	1,307	-836	-39.0%
Operating Profit	2,529	2,100	-429	-16.9%	1,993	-107	-5.0%	1,147	-846	-42.4%
Recurring Profit	2,441	2,134	-307	-12.5%	2,109	-25	-1.1%	1,119	-990	-46.9%
Net income	1,454	1,224	-230	-15.8%	1,233	9	0.7%	114	-1,119	-90.7%



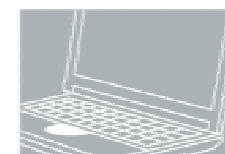
Mobile



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Amortization of Goodwill



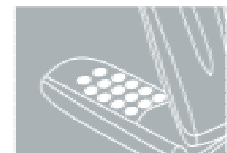
(million yen)

	FY Mar 04	FY Mar 05	FY Mar 06	Interim FY Mar 07	FY Mar 06 (Plan)
WebMoney	51	82	82	41	82
Digiplug	221	239	-	-	-
TakeNet	-	-	531	266	531
Faith Communications	-	-	63	63	126
Goody Point	-	-	39	39	39
GIGA Networks	-	-	-	708	1,771
Cyber Plus	-	-	-	109	217
Total	272	322	715	1,226	2,766

For Digiplug, the ¥1,936 million balance was amortized in FY Mar05 (recorded as extraordinary loss)

For GoodyPoint, the ¥308 million balance was amortized in Interim FY Mar07

(recorded as extraordinary loss)



Mobile



Game



Internet



Computer



Technology

Business Model of Prepaid Electronic Money "WebMoney"

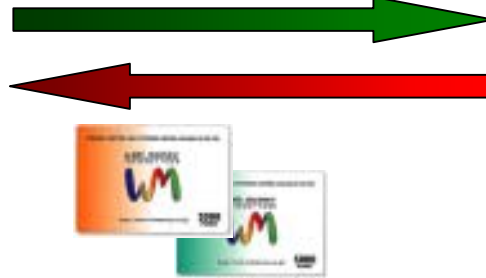


WebMoney

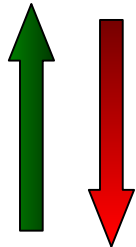
Outlet Store



Selling WebMoney

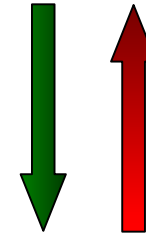


Affiliate Store Contract



Credit amount of settlement

Purchase WebMoney



Shopping using WebMoney

Providing service, product / Download



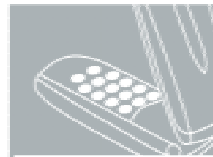
Paid by WebMoney



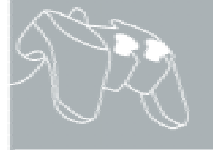
User



Affiliated Store's Web Site



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MVNO Business – Present MVNO Market Conditions



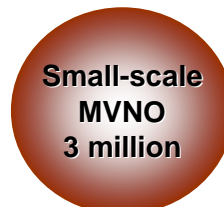
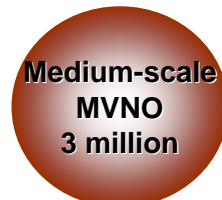
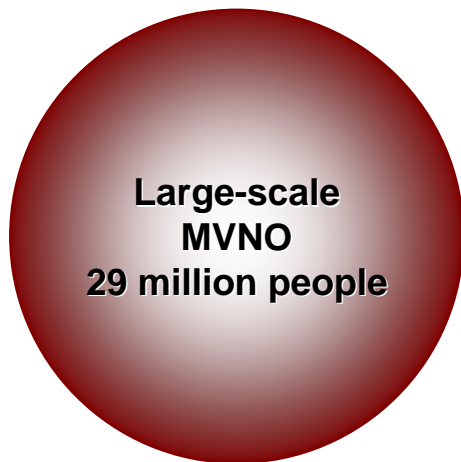
	Number of mobile phone subscribers in 2005		
		Of which were MVNO subscribers	MVNO market size
Global	1.9 billion people	63 million people (+25% year-on-year)	–
U.S.	0.19 billion people (diffusion rate of 60%)	14 million people	US\$ 1.9 billion

MVNO subscribers are expected to reach 100 million globally in 2010

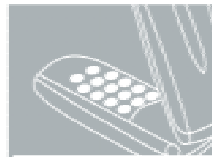
(Source: Pyramid Research, Diamondcluster)

Projections for US MVNO market in 2010

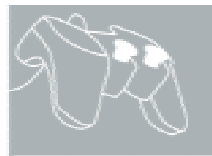
- Subscribers to reach between 30 and 35 million, and a market size of 11 billion US dollars.
- Of which between 25 and 29 million will be large-scale MVNO, and both medium and small MVNOs are expected to capture 2.5 to 3.0 million.



(Source: Diamondcluster)



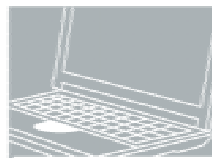
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