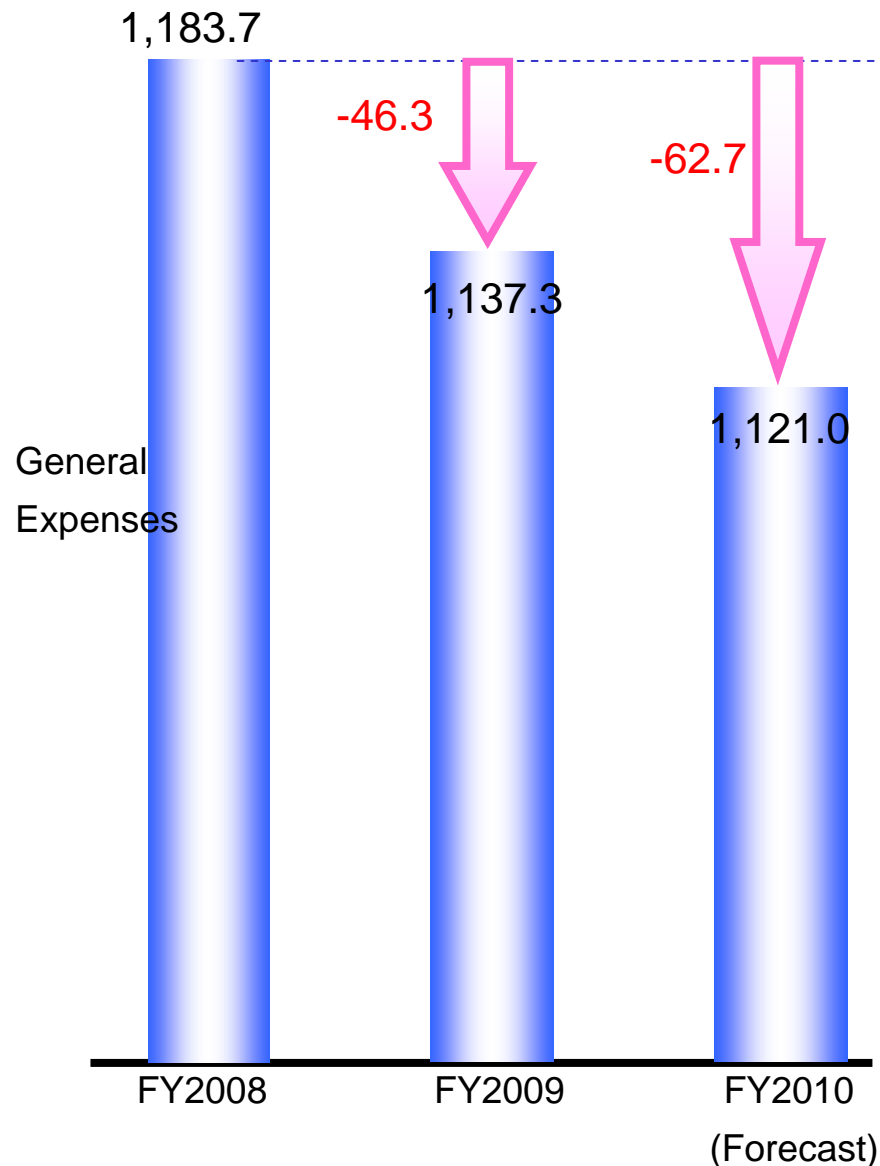


# Cost Control Efforts

(billions of yen)



## Reduction in sales cost

Fundamental review of sales channels

- Staged elimination of field sales for mass users through direct management
- Implementation of community sales in partnership with other companies
- Efficiency in application costs by strengthening web channels

Cost reduction in outsourcing by strengthening company-wide control

## Reduction in facility cost

Promote optical wiring in multi-unit dwellings

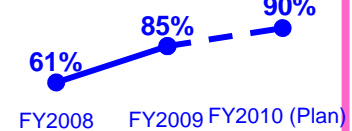
(Installation rate in FY2009: 74%)

Promote remote installation in multi-unit dwellings using FLET'S Hikari

- Expansion of optical wiring through cancellation of VDSL type
- Expansion of installation work

More efficient customer support for breakdowns and repair work through improvement of system functions, etc.

Remote Installation Rate



Ratio of remote installations conducted to applications received from VDSL type cancellation in multi-unit dwellings

## Reduction in operation cost

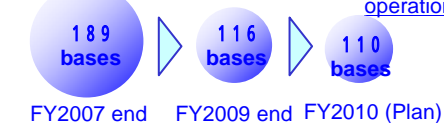
Immediate determination of installation work dates

at the time of application for FLET'S Hikari

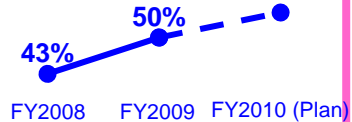
Operation efficiency through BPR

Consolidate bases for area-free operations

Number of bases for area-free operations



Determination Rate for Installation Work Dates



Ratio of applications where installation work dates were determined at points-of-sale to total in-store applications at major electronics retail stores