



Press Release

J.D. Power Asia Pacific Reports: Fixed Broadband Internet Users Also Heavily Rely on Wireless Broadband Access

eo HIKARI and @nifty Each Rank Highest in Customer Satisfaction with Broadband Internet Service Providers in Japan in Their Respective Segments

TOKYO: 29 November 2011 — Subscribers to fixed broadband Internet service also rely heavily on wireless broadband service, which presents an opportunity for service providers, according to the J.D. Power Asia Pacific 2011 Japan Broadband Internet Service Provider Customer Satisfaction StudySM released today.

The study, now in its eighth year, measures customer satisfaction with Internet service providers in two segments: FTTH (which connects through fiber-optic cable) and ADSL (which connects through phone lines). Within both segments, four segments are used to measure overall satisfaction: connection quality, cost, services offered and user support.

The study finds that 20 percent of FTTH and ADSL fixed broadband users also use wireless broadband through devices such as mobile Wi-Fi routers, public wireless LAN, and mobile phone/smart phone tethering. In addition, more than 50 percent of these wireless broadband users (except for those that use public wireless LAN) also use wireless broadband at home. This suggests that instead of only using wireless broadband as a substitute in environments where fixed broadband cannot be used, wireless broadband is being actively used even in homes where fixed connections can be used.

“Approximately one-half of FTTH and ADSL users have a flexible attitude about what type of broadband connection they will want to use in the future,” said Wakana Ueda, manager at J.D. Power Asia Pacific, Tokyo. “They are not firmly attached to the idea of using solely fixed connections. Since there are many wireless broadband service providers in the market, including mobile phone service carriers, and fixed Internet service providers are likely experiencing increased pressure from the intensifying competition.”

The study also finds that only approximately 20 percent of FTTH users and approximately 30 percent of ADSL users are registered to use mobile broadband offered by the ISP to which they subscribe for fixed broadband, suggesting that ISPs are missing opportunities to generate revenue from wireless service usage.

“ISPs need to employ stronger measures to raise awareness that they also offer wireless broadband as a connection service,” said Ueda. “In addition, ISPs should consider providing bundled pricing for multiple connection types, and otherwise demonstrate to customers the benefits of unifying Internet connection services. These actions will become increasingly vital to retaining their customers.”

In the FTTH segment, eo HIKARI ranks highest in overall satisfaction with a score of 588 on a 1,000-point scale. The provider performs particularly well in the connection quality and cost factors. Following eo HIKARI in the segment rankings are BBIQ (581) Commufa (578). BBIQ performs particularly well in the user support factor.

In the ADSL segment, @nifty ranks highest in overall satisfaction with a score of 552 and performs particularly well in connection quality. Plala ranks second (546) and performs particularly well in the in cost and user support factors. OCN (526) ranks third in the segment.

The 2011 Japan Broadband Internet Service Provider Customer Satisfaction Study is based on evaluations from 5,000 FTTH subscribers and 3,000 ADSL subscribers between the ages of 18 and 64 throughout Japan. The study

was fielded in September 2011.

About J.D. Power Asia Pacific

J.D. Power Asia Pacific has offices in Tokyo, Singapore, Beijing, Shanghai and Bangkok that conduct customer satisfaction research and provide consulting services in the automotive, information technology and finance industries. Together, the five offices bring the language of customer satisfaction to consumers and businesses in China, India, Indonesia, Japan, Malaysia, Philippines, Taiwan and Thailand. Information regarding J.D. Power Asia Pacific and its products can be accessed through the Internet at www.jdpower.com. Media e-mail contact: shizue_hidaka@jdpower.co.jp

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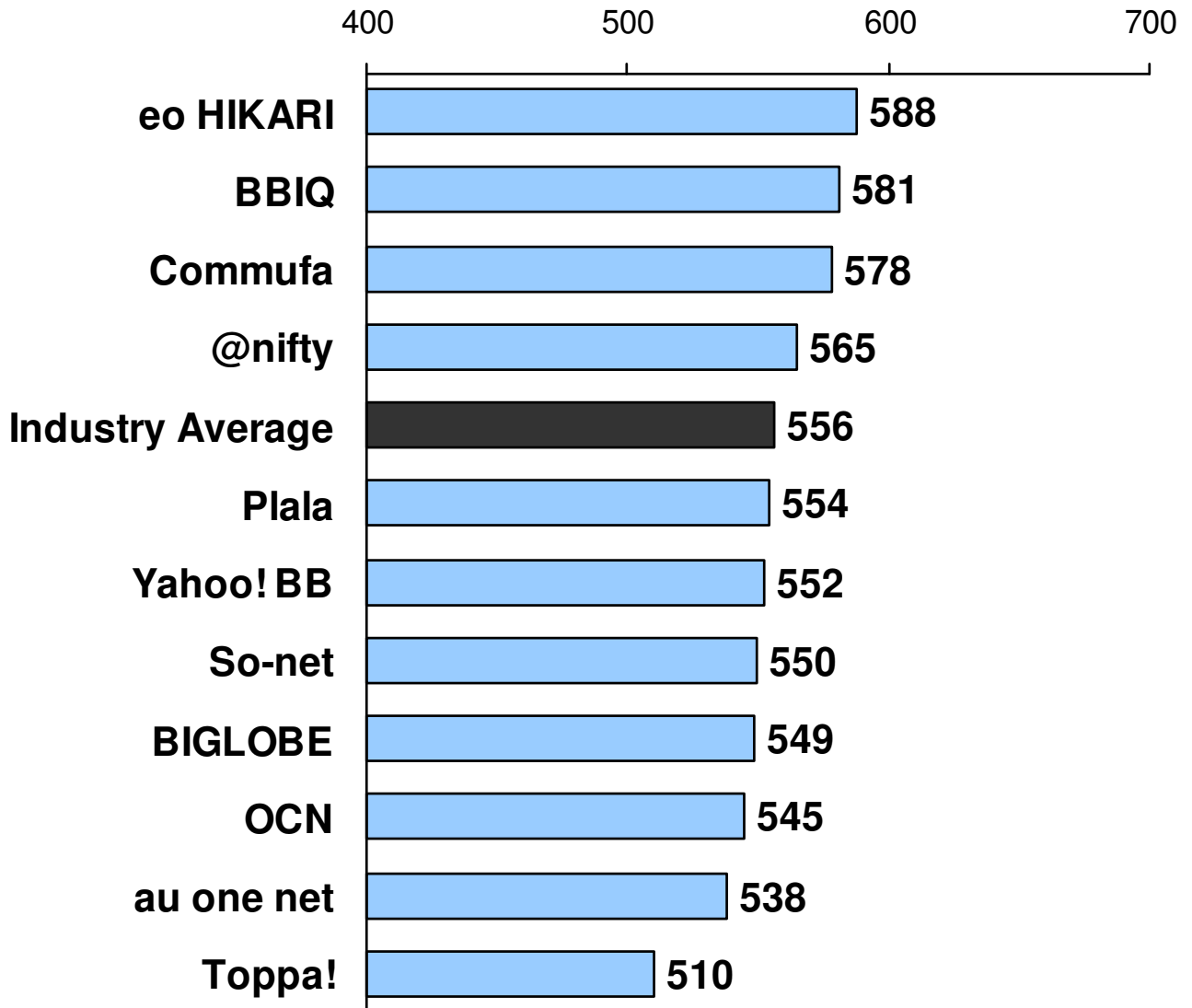
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NOTE: Four charts follow.

J.D. Power Asia Pacific 2011 Japan Broadband Internet Provider Customer Satisfaction StudySM

Overall Customer Satisfaction Ranking *FTTH Segment*

(Based on a 1,000-point scale)



Included in the study but not ranked due to small sample size are: @T COM, ASAHI Net, BB.Excite, DTI, MEGAEGG, ODN, Pikara, Rakuten BB, and Tiki Tiki Internet.

Source: J.D. Power Asia Pacific 2011 Japan Broadband Internet Provider Customer Satisfaction StudySM

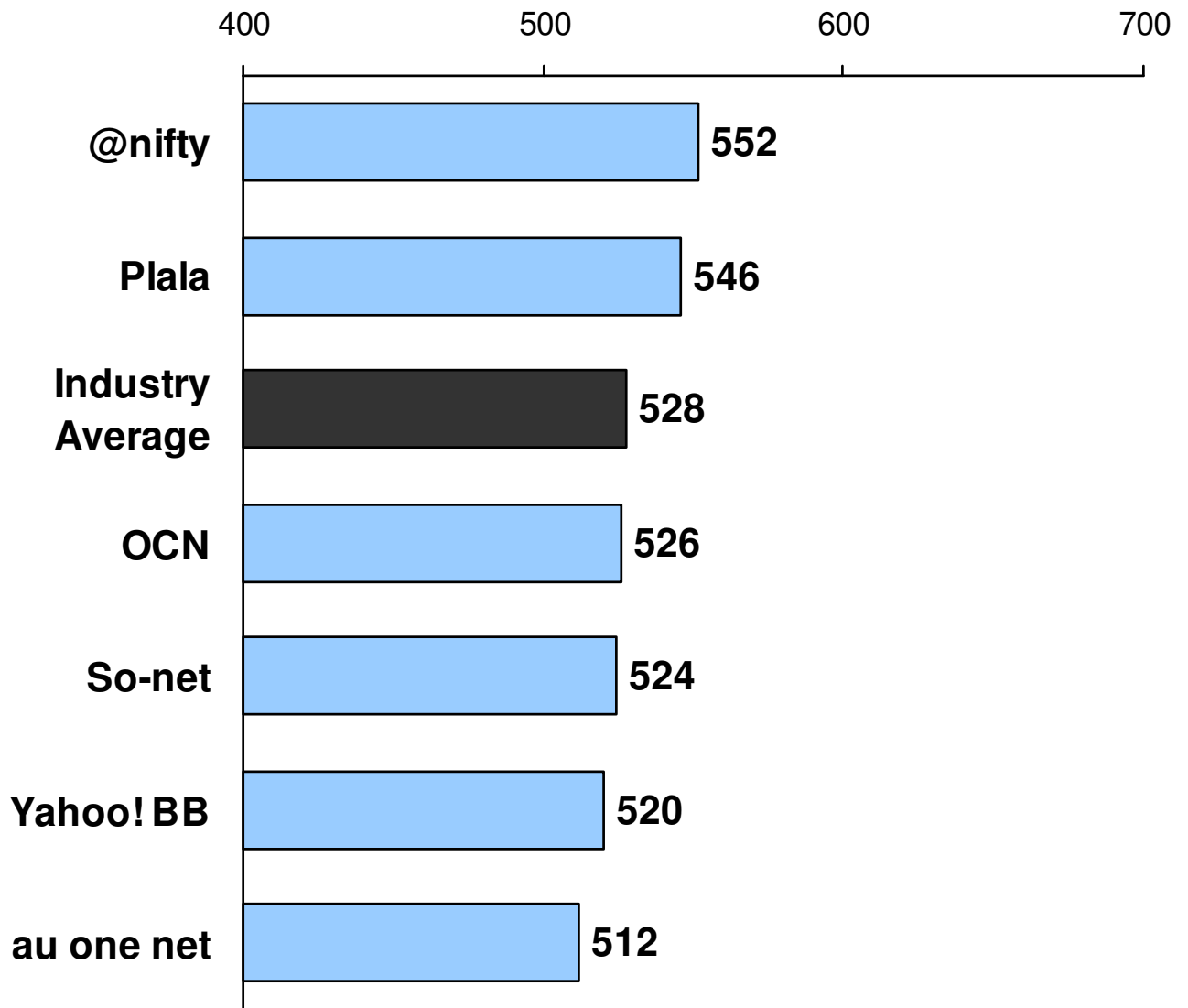
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Overall Customer Satisfaction Ranking

ADSL Segment

(Based on a 1,000-point scale)



Included in the study but not ranked due to small sample size are: AOL, ASAHI Net, BIGLOBE, DTI, Nexyz.BB, ODN and Tiki Tiki Internet.

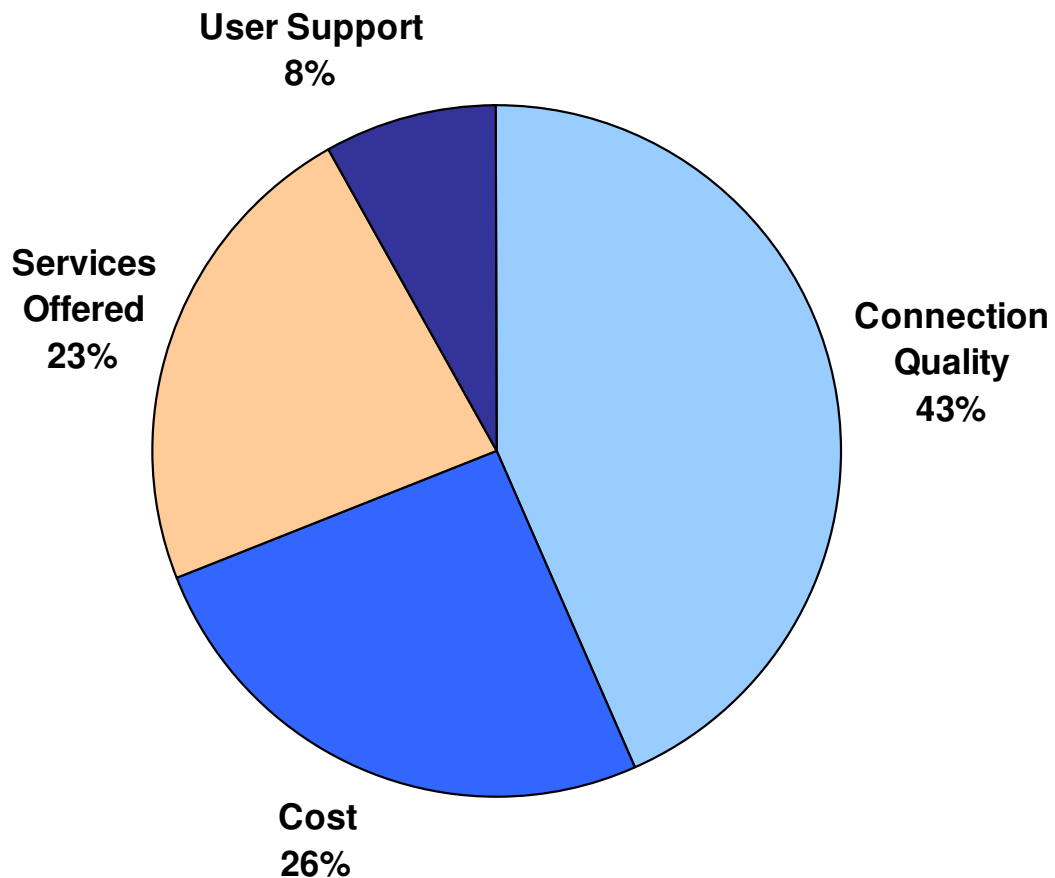
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Factors Contributing to Overall Satisfaction

FTTH Segment



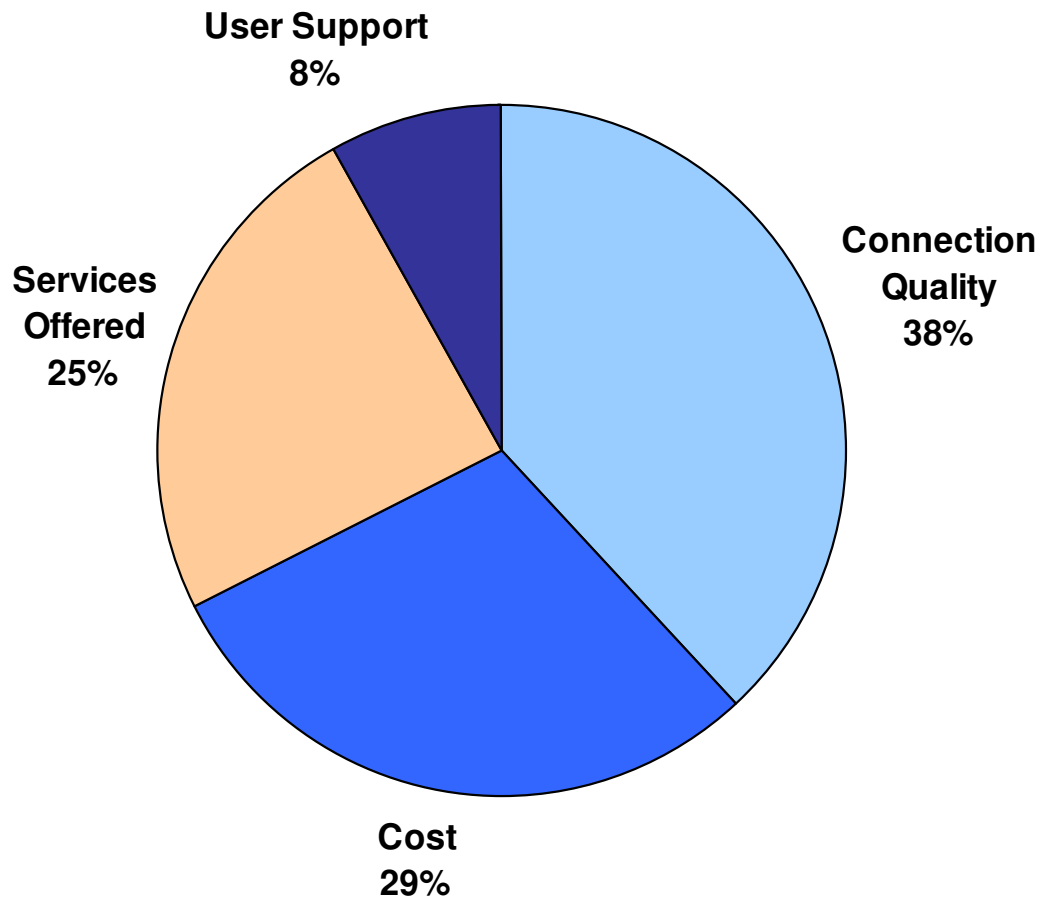
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Factors Contributing to Overall Satisfaction

ADSL Segment



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