

October 26, 2004

eAccess revises mid-year and full-year forecasts for the fiscal year ending March 2005

eAccess today announces the revision of its mid-year and full-year forecasts for the fiscal year ending March 2005 (April 1, 2004 through March 31, 2005) from the previous announcement on August 10, 2004.

1 . Revision of the Mid-year Forecasts for the Fiscal Year Ending March 31, 2005 (April 1, 2004 through September 30, 2004)

(in million yen, %)

	Revenue	Recurring Profit	Net Income
Previous Forecasts - August 10, 2004 (Six month ending September 30, 2004)	27,000	2,400	2,400
Revised Forecasts (Six month ending September 30, 2004)	27,000	3,900	3,600
Change in Amount	0	1,500	1,200
Change in Percentage	0.0	62.5	50.0
(Reference) Six month ended September 30, 2003	17,396	557	553

2. Revision of the Full-year Forecasts for the Fiscal Year Ending March 31, 2005 (April 1, 2004 through March 31, 2005)

(in million yen, %)

	Revenue	Recurring Profit	Net Income
Previous Forecasts - August 10, 2004 (Fiscal year ending March 31, 2005)	57,000	5,500	5,500
Revised Forecasts (Fiscal year ending March 31, 2005)	58,000	7,000	6,700
Change in Amount	1,000	1,500	1,200
Change in Percentage	1.8	27.3	21.8
(Reference) Prior Year Results (Fiscal year ended March 31, 2004)	38,143	2,724	2,356

(Note) Earnings per share forecast for the fiscal year ending March 31, 2005 is 5,171.85 yen

3 . Reasons for the Revisions

I) Revision of the Mid-year Forecasts for the Fiscal Year Ending March 31, 2005

Mid-year revenue was in-line with the previous forecasts. Mid-year recurring profit was revised up by 1,500 million yen to 3,900 million yen from the previous forecasts of 2,400 million yen. Mid-year net income was revised up by 1,200 million yen to 3,600 million yen from the previous forecasts of 2,400 million yen. The upward revision was mainly due to (i) the contribution from the AOL Internet service business which was acquired on July 1, 2004, (ii) a reduction of the capital expenditures and (iii) an improvement in the network capacity utilization.

II) Revision of the Full-year Forecasts for the Fiscal Year Ending March 31, 2005

Full-year revenue for the year ending March 31, 2005 was revised up by 1,000 million yen to 58,000 million yen from the previous forecasts of 57,000 million yen. The upward revision was mainly due to the revenue contribution from the stronger subscriber growth in the first half of the fiscal year. Full-year recurring profit for the year ending March 31, 2005 was revised up by 1,500 million yen to 7,000 million yen from the previous forecasts of 5,500 million yen. Full-year net income for the year ending March 31, 2005 was revised up by 1,200 million yen to 6,700 million yen from the previous forecasts of 5,500 million yen. We expect the revenue increase in the second half of the fiscal year; however, some of the benefits from the revenue increase are expected to be offset by the costs for the service area expansion and AOL service promotion.

(Note) The above forecasts are made based on the management's assumptions and beliefs in light of the information currently available to it. The Company cautions prospective investors that a number of important risks and uncertainties could cause actual results to differ materially from those discussed in the forecasts, and therefore prospective investors should not place undue reliance on them.