

February 27, 2008

Status of Numbers of Subscribers to Telecommunications Services

(As of the end of December 2007)

As mandated by the Rules for Reporting on Telecommunications Business (MPT Ordinance No. 46 of 1988), MIC has compiled the numbers of contracts for fixed-line telecommunications and mobile telecommunications that were reported by telecommunications carriers as of the end of December 2007.

An overview of the result is provided in the following. (See the attached PDF file for details.)

1. Subscriber telephones and ISDN

The total number of contracts for subscriber telephones and ISDN as of the end of December 2007 was 52.398 million, a 6.5% year-on-year decrease, and this declining trend continues.

2. Number of IP phone users

The number of IP phone users as of the end of December 2007 was 16.766 million. This is a 21.9% increase from the same period of last year, and this increasing trend continues. The increase in the users of IP phones with the 0AB-J number structure (10 digits, starting with a zero) is especially remarkable, a 102.8% year-on-year increase.

3. Mobile phones and PHS

The number of contracts for mobile phones and PHS as of the end of December 2007 totaled 105.297 million. This number represents a 5.5% year-on-year increase, and this steady increasing trend continues.

(in millions)

	Subscriber telephone + ISDN	Total	IP telephony		Mobile phone + PHS
			0AB-J numbers	Numbers with 050 prefix	

End of December 2007	52.398	16.766	6.803	9.964	105.297
End of December 2006	56.029	13.759	3.355	10.404	99.826
Number changes	-3.631	3.007	3.448	-0.44	5.471
(Change rate)	(-6.5%)	(21.9%)	(102.8%)	(-4.2%)	(5.5%)

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For further information about this press release, please fill in the inquiry form and submit it to MIC on the website

http://www.soumu.go.jp/joho_tsusin/eng/contact.html

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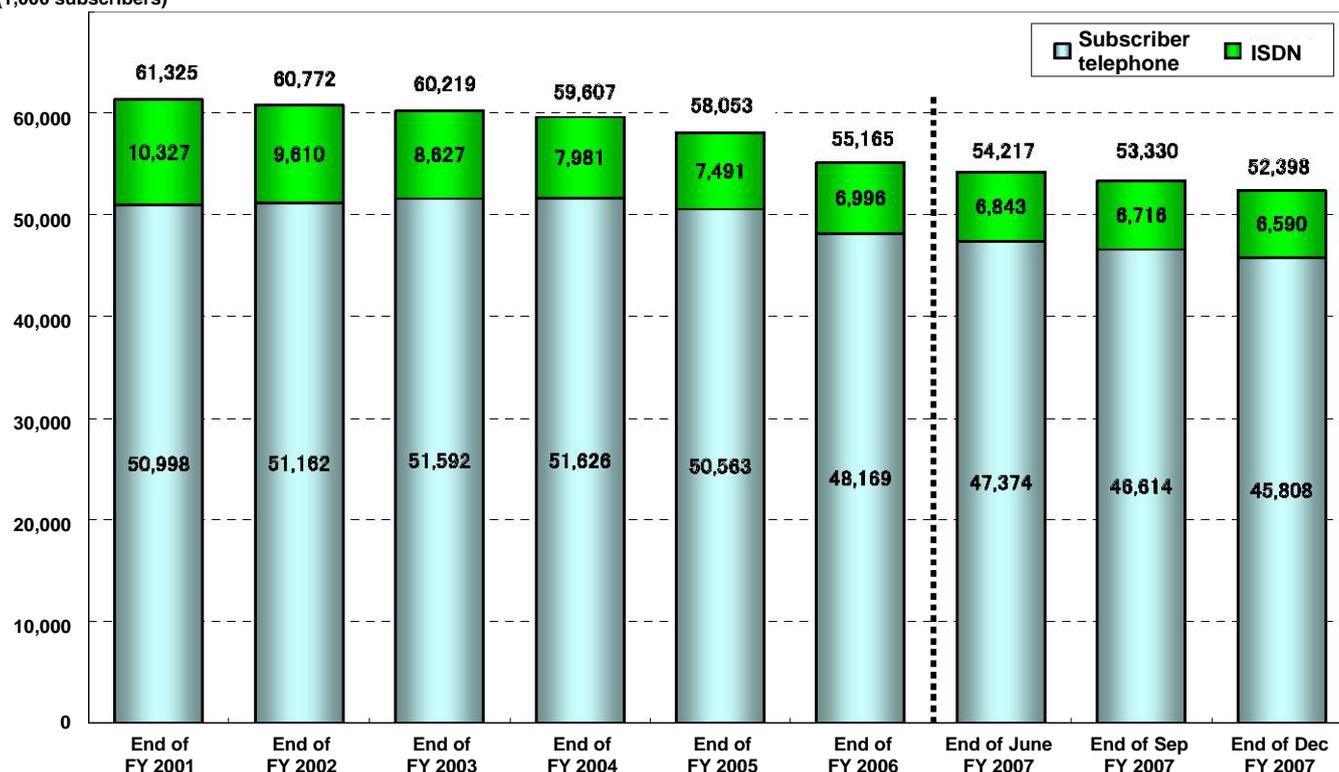
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1. Subscriber Telephones and ISDN

The total number of contracts for subscriber telephones and ISDN as of the end of December 2007 was 52.398 million, down 1.7% from the previous quarter (the end of September 2007).

This is a 6.5% year-on-year decrease (from the end of December 2006).

(1,000 subscribers)



(Unit: 1,000 subscribers)

Category	End of FY 2001	End of FY 2002	End of FY 2003	End of FY 2004	End of FY 2005	End of FY 2006	End of June FY 2007	End of Sep FY 2007	End of Dec FY 2007
Subscriber telephone	50,998 (-2.4%)	51,162 (0.3%)	51,592 (0.8%)	51,626 (0.1%)	50,563 (-2.1%)	48,169 (-4.7%)	47,374 (-5.4%)	46,614 (-5.9%)	45,808 (-6.5%)
(Breakdown)	Dry copper telephony	-	1 (-)	383 (38200%)	2,599 (578.6%)	3,638 (40.0%)	3,814 (25.3%)	3,980 (21.7%)	4,122 (20.3%)
	Cable telephony	-	574 (-)	853 (48.6%)	989 (15.9%)	1,132 (14.5%)	1,106 (6.3%)	1,092 (2.4%)	1,056 (-4.1%)
ISDN	10,327 (6.5%)	9,610 (-6.9%)	8,627 (-10.2%)	7,981 (-7.5%)	7,491 (-6.1%)	6,996 (-6.6%)	6,843 (-6.9%)	6,716 (-7.2%)	6,590 (-7.4%)
(Breakdown)	Dry copper ISDN	-	-	23 (-)	149 (547.8%)	351 (135.6%)	395 (117.0%)	441 (90.1%)	480 (67.1%)
Total	61,325 (-1.0%)	60,772 (-0.9%)	60,219 (-0.9%)	59,607 (-1.0%)	58,053 (-2.6%)	55,165 (-5.0%)	54,217 (-5.6%)	53,330 (-6.1%)	52,398 (-6.5%)

Notes: 1. Dry copper telephony: telephone services using the metal lines of NTT East and NTT West
 2. The number of subscribers does not include those registered for MYLINE.
 3. The figures in parentheses are the year-on-year rates of change.

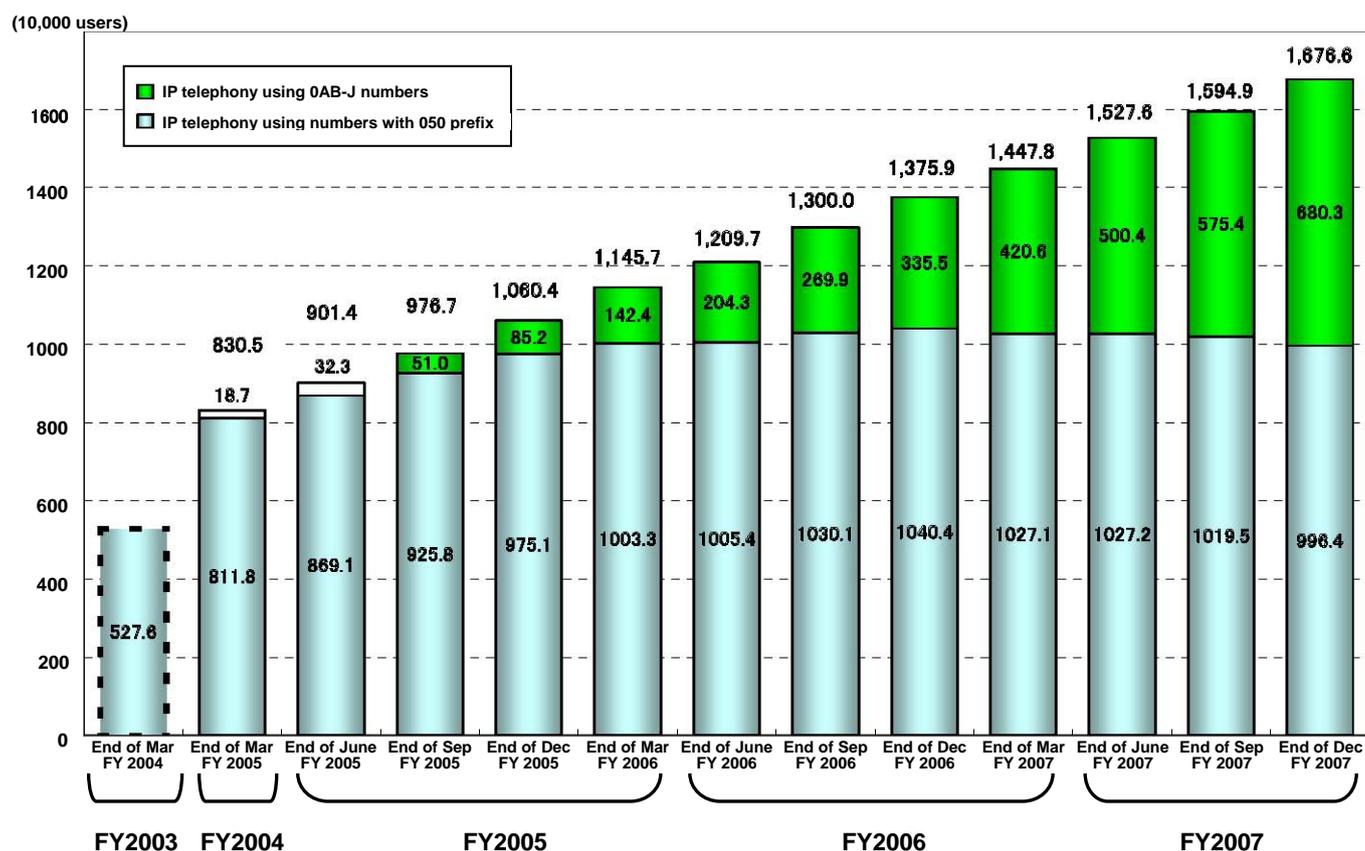
2. Number of IP Phone Users

The number of IP phone users as of the end of December 2007 was 16.766 million, up 5.1% from the previous quarter (the end of September 2007) and up 21.9% year on year. This increasing trend continues.

Particularly notable in the data is an increase in the number of users of IP telephony using 0AB-J numbers, up 18.2% from the previous quarter and up 102.8% year on year.

Meanwhile, the number of users of IP telephony using numbers with 050 prefix fell to below 10 million.

- Notes: 1. "Numbers of users" is the total number of telephone numbers with the 050 prefix and the total number of telephone numbers with the 0AB-J number structure. These are not identical to the numbers of subscribers.
2. The figures for fiscal 2003 were calculated based on the results of the questionnaire survey conducted in accordance with the Detailed Items for Implementation of Competition Review in the Telecommunications Business Field 2004.



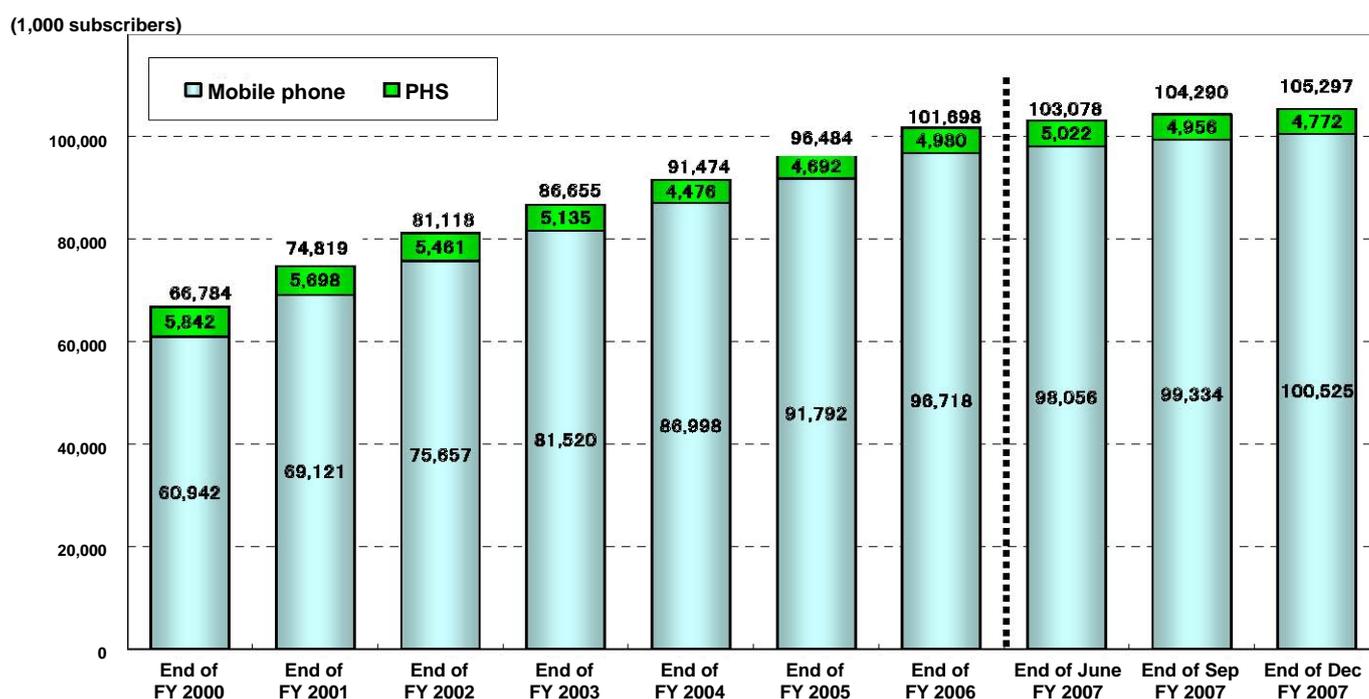
(Unit: 10,000 users)

Date	End of Mar FY 2004	End of Mar FY 2005	End of June FY 2005	End of Sep FY 2005	End of Dec FY 2005	End of Mar FY 2006	End of June FY 2006	End of Sep FY 2006	End of Dec FY 2006	End of Mar FY 2007	End of June FY 2007	End of Sep FY 2007	End of Dec FY 2007
Users	527.6	830.5	901.4	976.7	1060.4	1145.7	1209.7	1300.0	1375.9	1447.8	1527.6	1594.9	1676.6
Rate of change (quarter on quarter)	21.8%	6.1%	8.5%	8.4%	8.6%	8.0%	5.6%	7.5%	5.8%	5.2%	5.5%	4.4%	5.1%
Rate of change (year on year)	—	57.4%	49.3%	39.0%	35.4%	37.9%	34.2%	33.1%	29.8%	26.4%	26.3%	22.7%	21.9%

3. Mobile Phones and PHS

The number of contracts for mobile phones and PHS as of the end of December 2007 totaled 105.297 million, up 5.5 % year on year. The combined penetration rate of the two services is 82.4%¹. Subscribers to mobile phone services, at 100.525 million, passed the 0.1 billion mark, while subscribers for PHS services totaled 4.772 million.

The number of contracts for third-generation mobile phone services totaled 83.305 million, accounting for 82.9% of the total subscribers for mobile phone services.



	(Number of contracts)									
	End of FY 2000	End of FY 2001	End of FY 2002	End of FY 2003	End of FY 2004	End of FY 2005	End of FY 2006	End of June FY 2007	End of Sep FY 2007	End of Dec FY 2007
Total	66,784,374	74,819,158	81,118,324	86,654,962	91,473,940	96,483,732	101,698,165	103,078,277	104,289,932	105,297,265
(year on year)	(17.5%)	(12.0%)	(8.4%)	(6.8%)	(5.6%)	(5.5%)	(5.4%)	(5.6%)	(5.7%)	(5.5%)
(Penetration rate)	52.6%	58.8%	63.7%	67.9%	71.6%	75.5%	79.6%	80.7%	81.6%	82.4%
[Breakdown]										
Mobile phone	60,942,407	69,121,131	75,656,952	81,519,543	86,997,644	91,791,942	96,717,920	98,056,477	99,334,070	100,525,078
(year on year)	(19.2%)	(13.4%)	(9.5%)	(7.7%)	(6.7%)	(5.5%)	(5.4%)	(5.6%)	(5.9%)	(5.9%)
(Penetration rate)	48.0%	54.3%	59.4%	63.9%	68.1%	71.8%	75.7%	76.7%	77.7%	78.7%
PHS	5,841,967	5,698,027	5,461,372	5,135,419	4,476,296	4,691,790	4,980,245	5,021,800	4,955,862	4,772,187
(year on year)	(2.4%)	(-2.5%)	(-4.1%)	(-6.0%)	(-12.8%)	(4.8%)	(6.1%)	(5.3%)	(1.6%)	(-2.4%)

Note 1: Penetration was calculated based on the total population of Japan (finalized value of 127,767,994), as disclosed by MIC's Statistics Bureau following the fiscal 2005 census (October 2005).

(Reference)

Number of subscribers to IP access services using mobile phones (as of the end of December 2007): 87,290,935
 (Percentage of total subscribers to mobile phone services: 86.8%)
 (*Total of i-mode, EZweb, and Yahoo! Keitai)

For past figures of numbers of contracts for mobile telecommunications, see the Information & Communications Statistics Database of MIC:
<http://www.johotsushintokei.soumu.go.jp/field/tsuushin02.html>