

March 18, 2008

Number of Broadband Service Contracts, Etc. (as of the end of December 2007)

The Ministry of Internal Affairs and Communications (MIC) compiled the number of contracts for broadband service and other items of information reported by telecommunications carriers as of the end of December 2007, as mandated by the Rules for Reporting on Telecommunications Business (Ministerial Ordinance of MPT No. 46 of 1988), and herein reports the result to the public.

Major trends observed in the current compilation result are as follows:

Major Trends

Number of contracts for broadband service: 28.3 million

Contracts for broadband service numbered 28.3 million as of the end of December 2007.

Since the corresponding number as of the end of September 2007 was 27.75 million, the increase from the previous quarter was 0.55 million.

Number of contracts for FTTH: 11.33 million

Contracts for FTTH access service numbered 11.33 million as of the end of December 2007, marking a net increase of 0.82 million from the previous quarter.

Breakdown into individual services

	Total of broadband services	FTTH	DSL	CATV	FWA
End of Dec. 2007	28,302,152	11,328,952 (40%)	13,133,113 (46%)	3,827,502 (14%)	12,585 (0.04%)
End of Sept. 2007	27,746,559	10,506,751 (38%)	13,483,359 (49%)	3,743,998 (13%)	12,451 (0.04%)
Net change	555,593	822,201	-350,246	83,504	134

(Oct. to Dec. 2007)					
------------------------	--	--	--	--	--

Notes:

The numbers in parentheses indicate percentages of the individual services within broadband service.

The number of contracts for broadband service is the total of those for FTTH access service, DSL access service, CATV access service, and FWA access service.

The total number of contracts for broadband service and the numbers of contracts for FTTH and CATV as of the end of September 2007 were corrected and underlined.

+++++

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

International Policy Division,

International Affairs Department

Telecommunications Bureau, MIC

TEL: +81 3 5253 5920 / FAX: +81 3 5253 5924

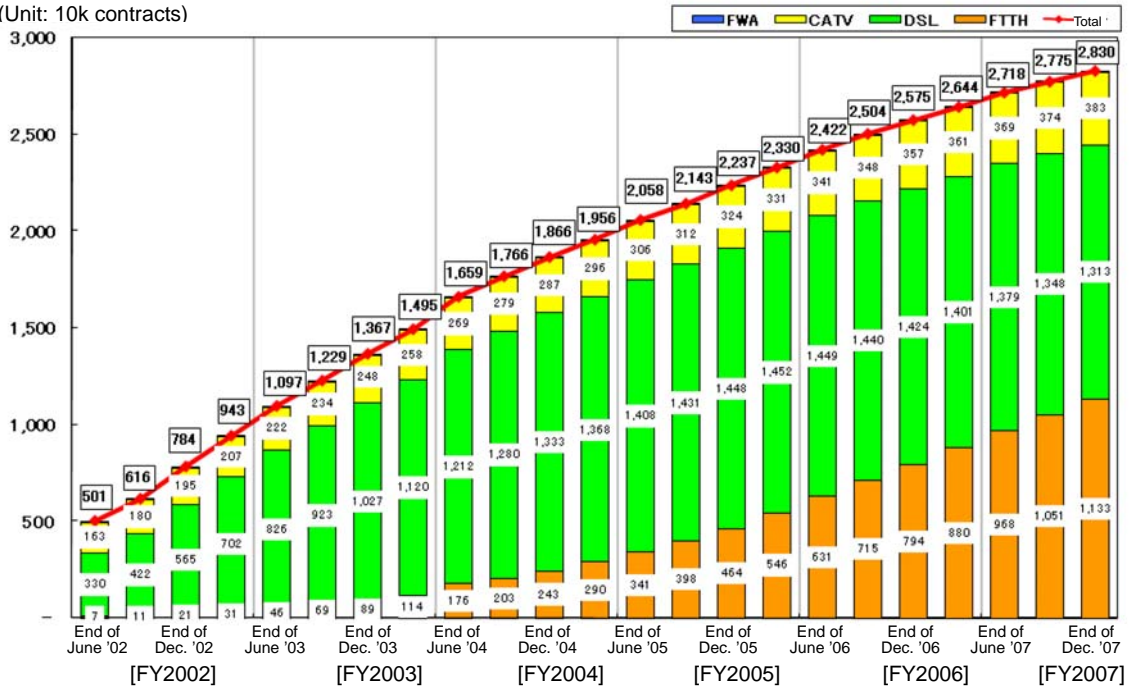
Number of Broadband Service Contracts, Etc. (Charts)

1. Number of Broadband Service Contracts

- Number of Broadband Service Contracts

Contracts for broadband service numbered 28.3 million as of the end of December 2007. Since the corresponding number as of the end of September 2007 was 27.75 million, the increase from the previous quarter was 0.55 million.

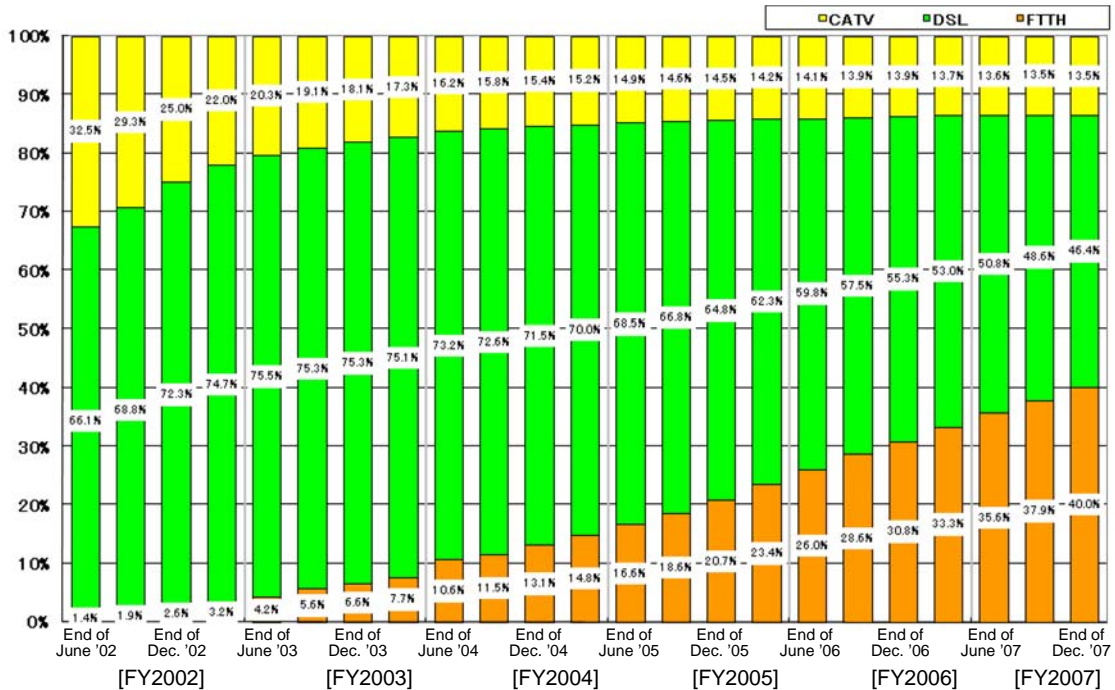
(Unit: 10k contracts)



Note: The figures as of the end of June 2004 and onward represent the total of the numbers of contracts reported to MIC pursuant to the Rules for Reporting on Telecommunications Business. The figures for the preceding periods are the total of the numbers reported by the service providers on a voluntary basis.

- Proportions of Broadband Services to Total Contracts

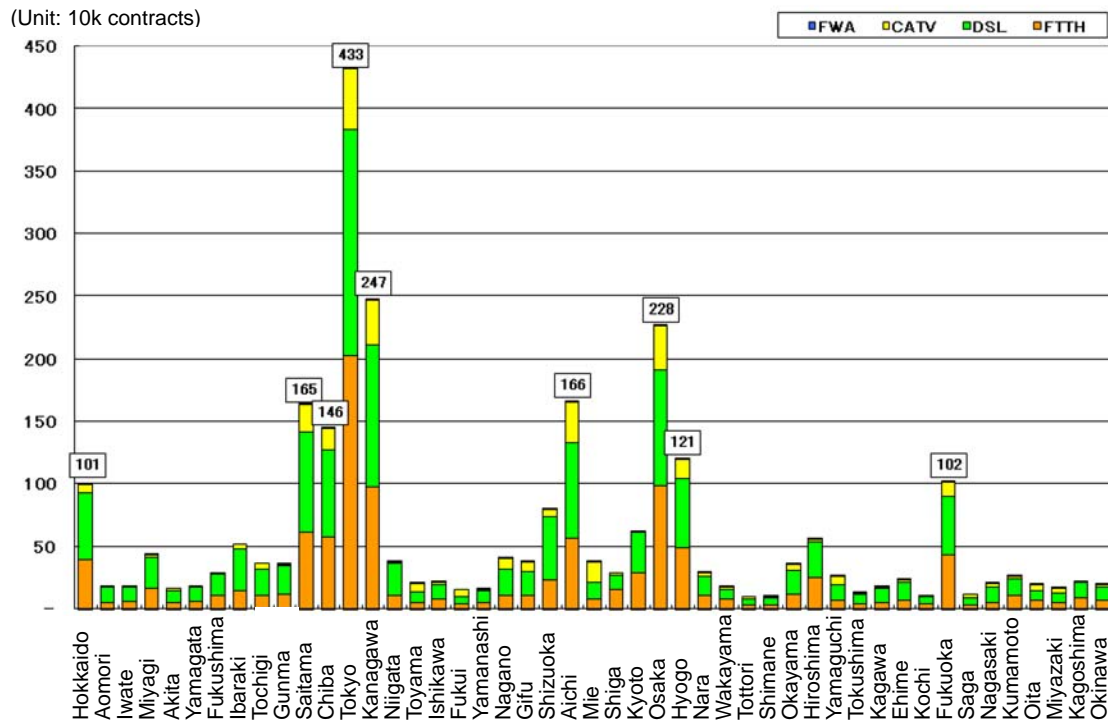
The percentage of FTTH contracts continues to increase.



Note: The figures as of the end of June 2004 and onward represent the total of the numbers of contracts reported to MIC pursuant to the Rules for Reporting on Telecommunications Business. The figures for the preceding periods are the total of the numbers reported by the service providers on a voluntary basis.

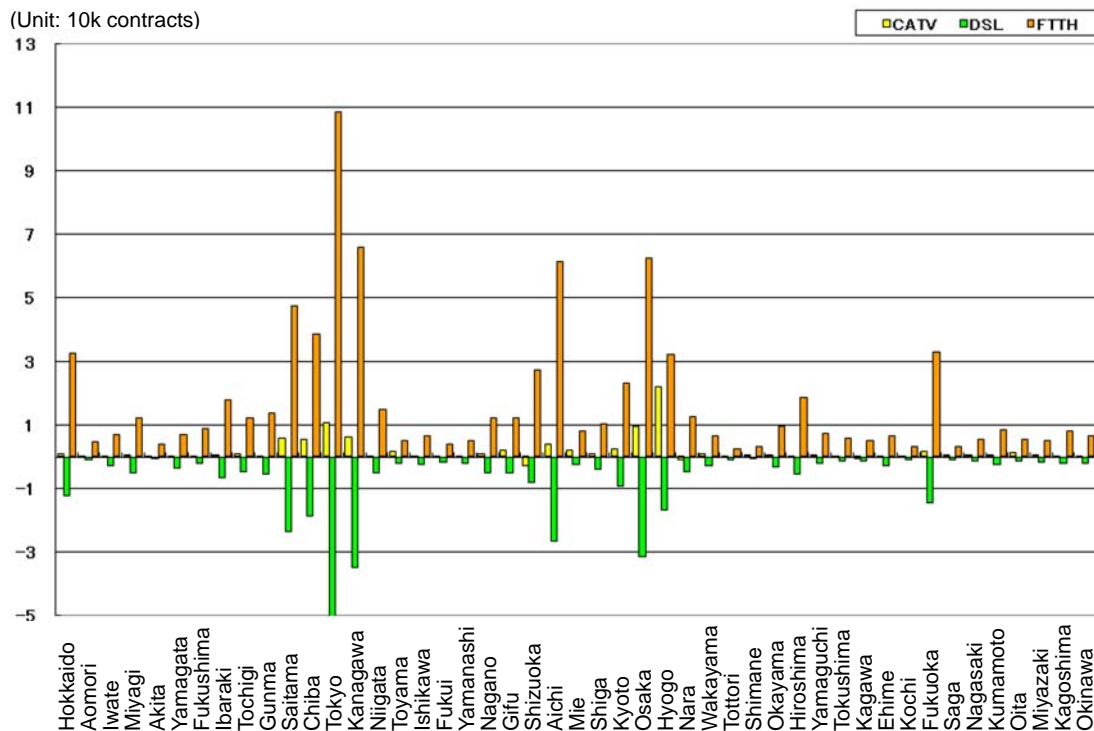
• Number of Broadband Service Contracts by Prefecture

The number of contracts exceeded 1 million in nine prefectures (Hokkaido, Saitama, Chiba, Tokyo, Kanagawa, Aichi, Osaka, Hyogo and Fukuoka).



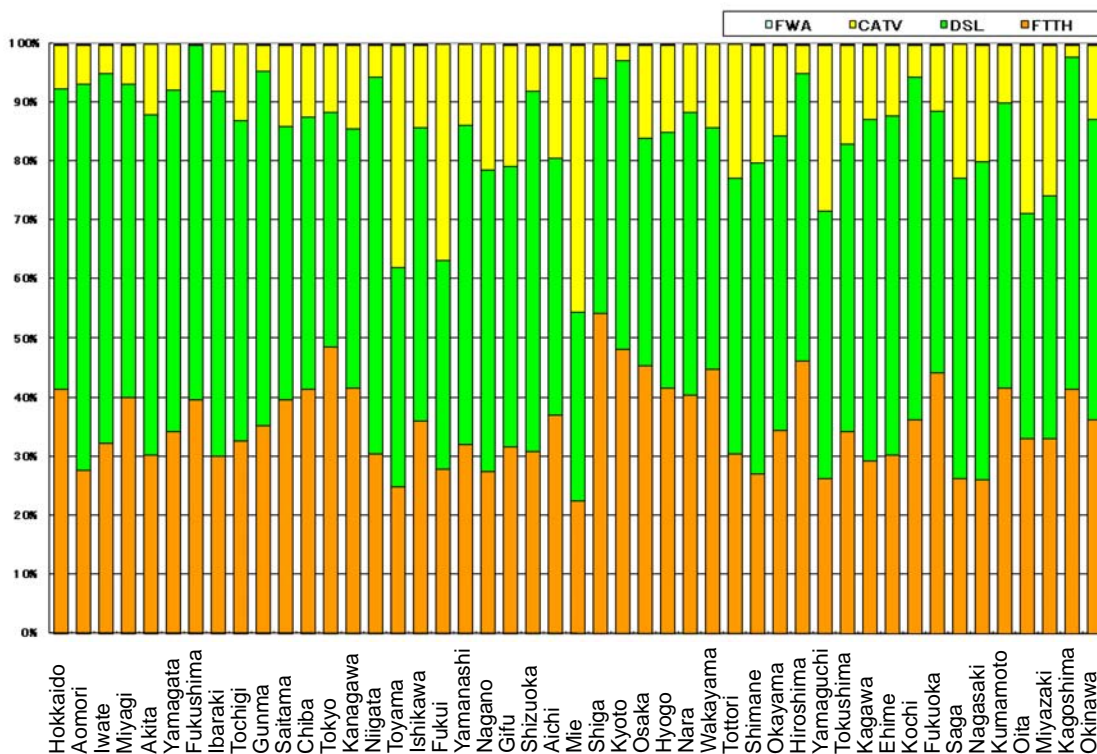
• Increase/Decrease in Broadband Services by Prefecture (from the previous quarter)

Contracts for FTTH increased in all prefectures.



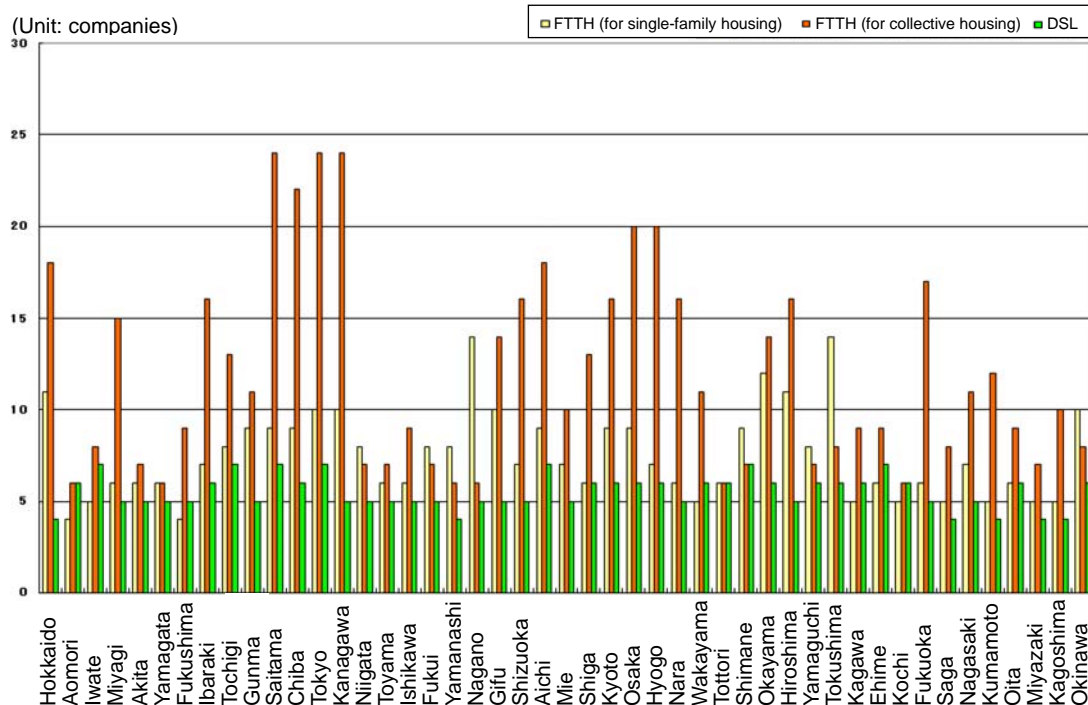
• Proportions of Broadband Services by Prefecture

While the percentage of DSL is predominant in most prefectures, the percentage of CATV is the highest in Toyama, Fukui and Mie, and the percentage of FTTH is the highest in Tokyo, Shiga, Osaka and Wakayama.



• Number of FTTH and DSL Providers by Prefecture

FTTH providers are noticeable in urban areas.

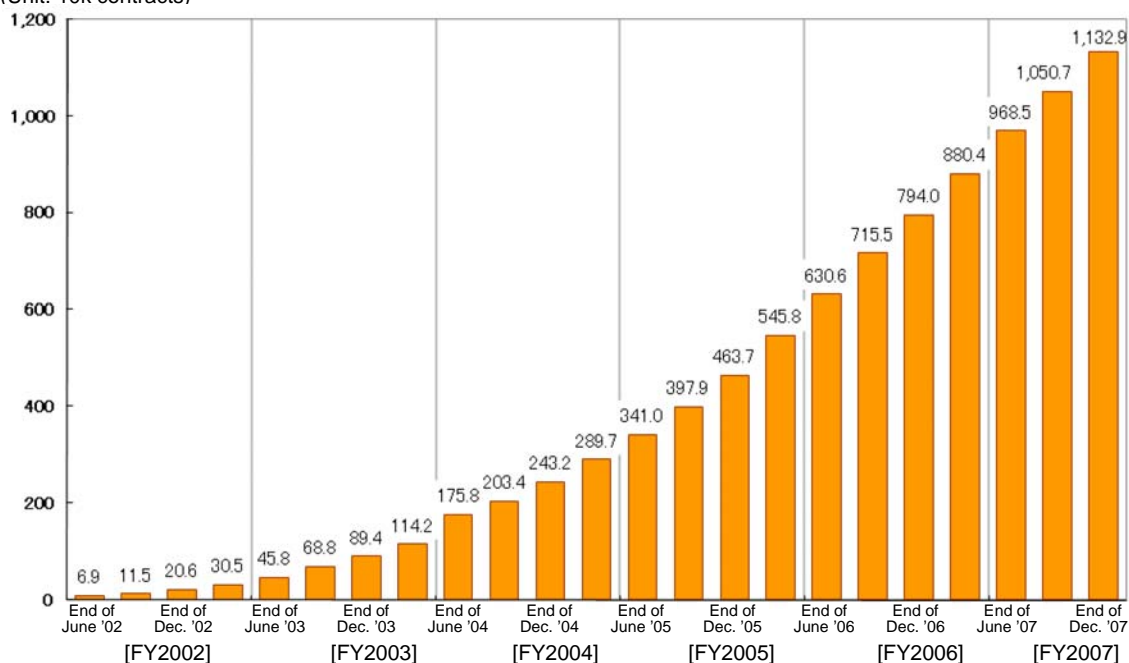


2. Number of FTTH Access Service Contracts

- Number of FTTH Access Service Contracts

Contracts numbered 11.33 million as of the end of December 2007.

(Unit: 10k contracts)

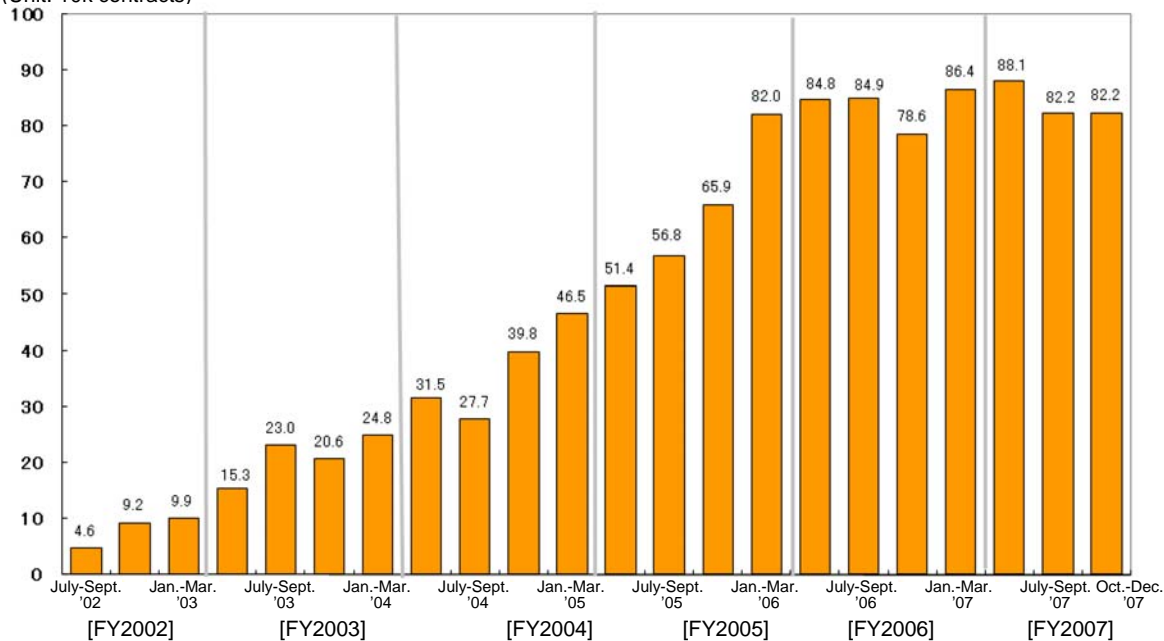


Note: The figures as of the end of June 2004 and onward represent the total of the numbers of contracts reported to MIC pursuant to the Rules for Reporting on Telecommunications Business. The figures for the preceding periods are the total of the numbers reported by the service providers on a voluntary basis.

- Net Quarterly Increase of FTTH Access Service Contracts

Net increase of FTTH contracts in this quarter was 0.82 million.

(Unit: 10k contracts)

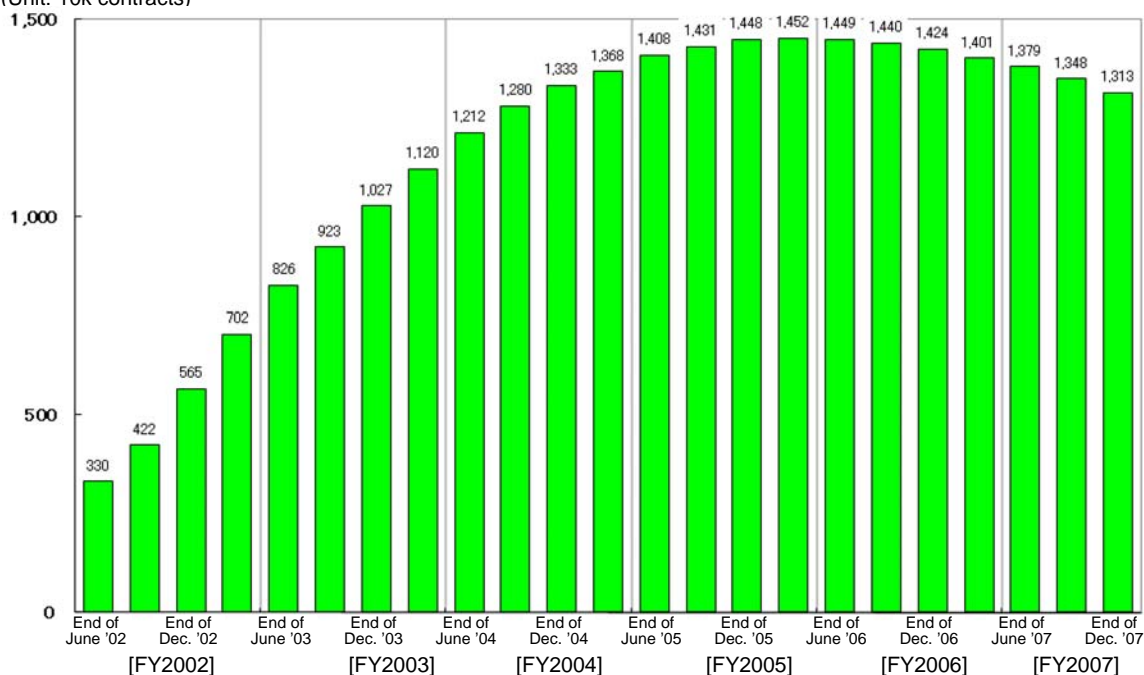


Note 1: Due to the change in aggregation method in April 2004, a dummy value based on statistics is used for the net increase for the April-June 2004 period instead of a value calculated with the disclosed figure.

Note 2: The figures as of the end of June 2004 and onward represent the total of the numbers of contracts reported to MIC pursuant to the Rules for Reporting on Telecommunications Business. The figures for the preceding periods are the total of the numbers reported by the service providers on a voluntary basis.

3. Number of DSL Access Service Contracts
 Contracts for DSL numbered 13.13 million as of the end of December 2007.

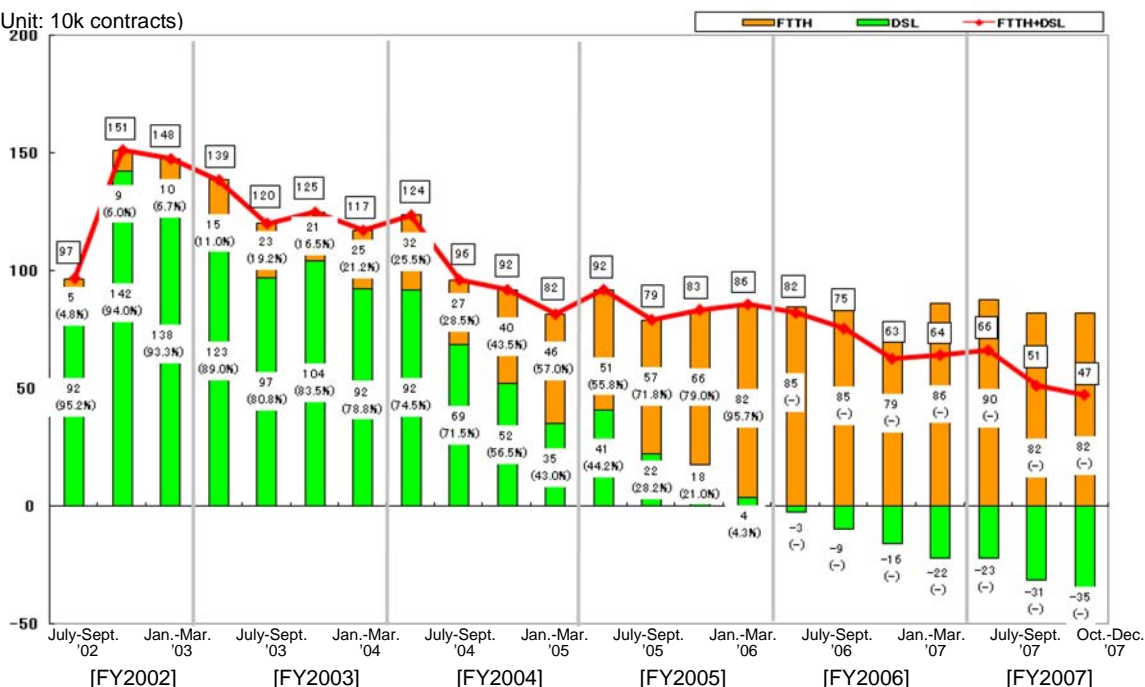
(Unit: 10k contracts)



Note: The figures as of the end of June 2004 and onward represent the total of the numbers of contracts reported to MIC pursuant to the Rules for Reporting on Telecommunications Business. The figures for the preceding periods are the total of the numbers reported by the service providers on a voluntary basis.

4. Net Increase: FTTH vs. DSL
 FTTH is driving the growth of overall broadband contracts.

(Unit: 10k contracts)

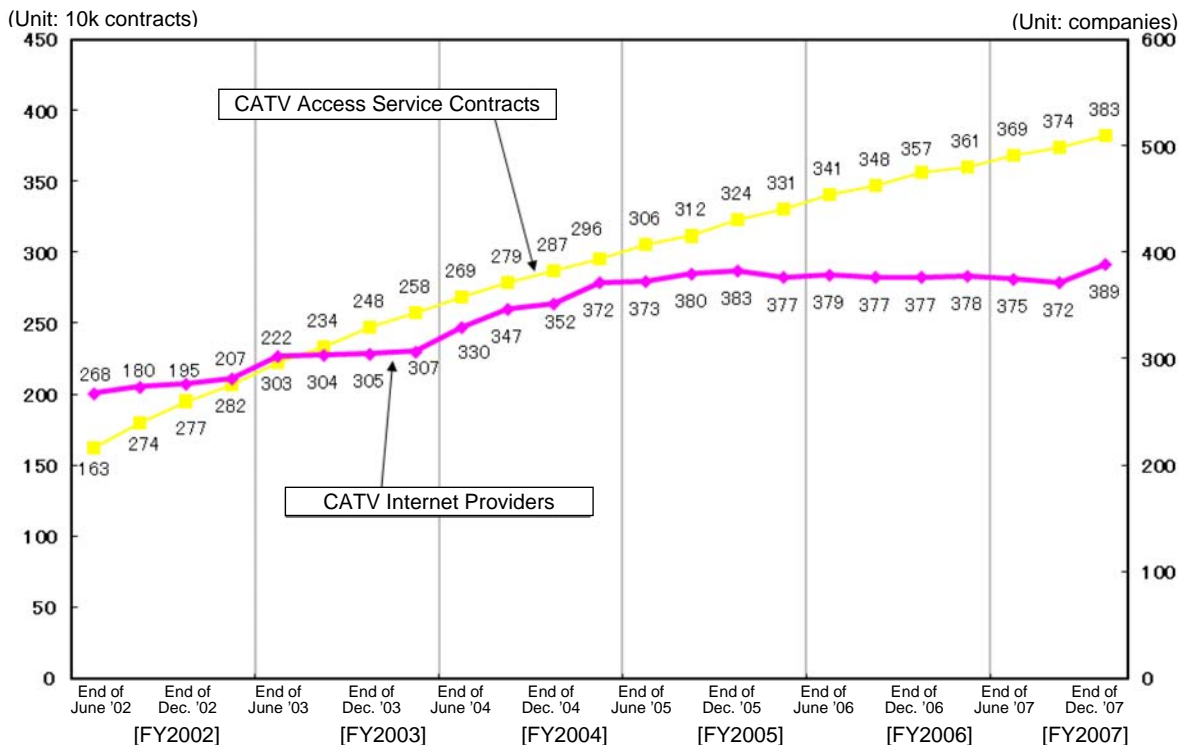


Note 1: Due to the change in aggregation method in April 2004, a dummy value based on the statistics is used for the net increase for the April-June 2004 period instead of a value calculated with the disclosed figure.

Note 2: The figures as of the end of June 2004 and onward represent the total of the numbers of contracts reported to MIC pursuant to the Rules for Reporting on Telecommunications Business. The figures for the preceding periods are the total of the numbers reported by the service providers on a voluntary basis.

5. Number of CATV Access Service Contracts

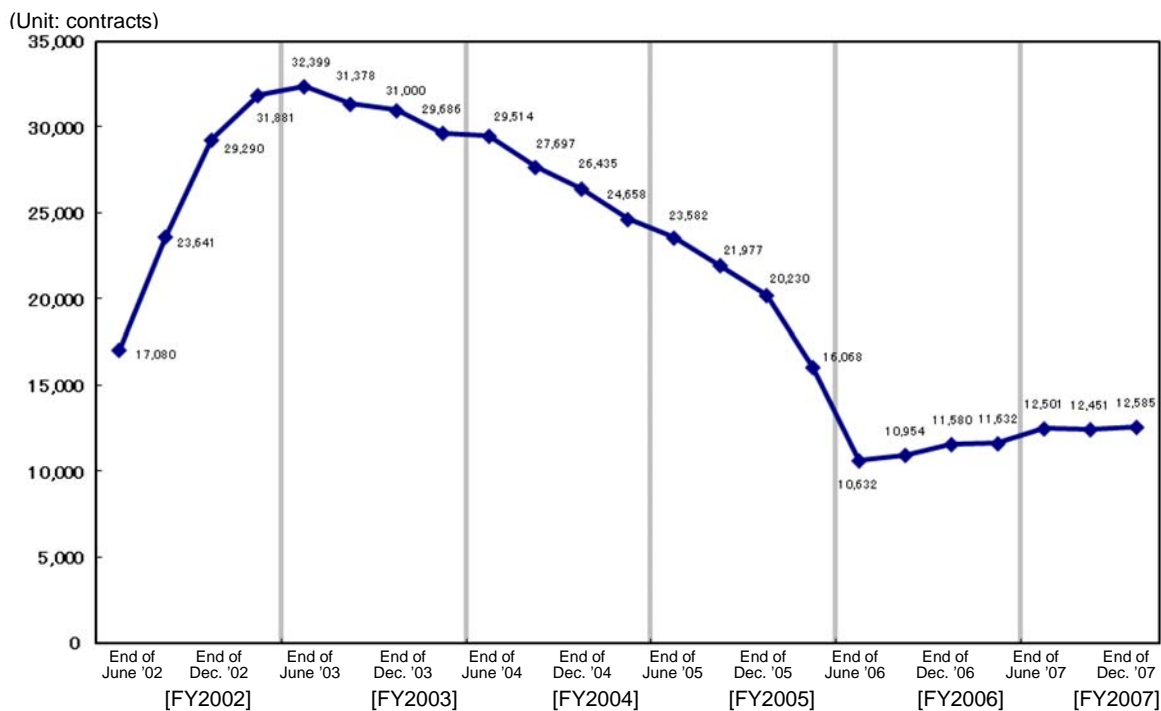
Contracts for CATV numbered 3.83 million as of the end of December 2007.



Note: The figures as of the end of June 2004 and onward represent the total of the numbers of contracts reported to MIC pursuant to the Rules for Reporting on Telecommunications Business. The figures for the preceding periods are the total of the numbers reported by the service providers on a voluntary basis.

6. Number of FWA Access Service Contracts

Contracts for FWA numbered 12,585 as of the end of December 2007.



Note: The figures as of the end of June 2004 and onward represent the total of the numbers of contracts reported to MIC pursuant to the Rules for Reporting on Telecommunications Business. The figures for the preceding periods are the total of the numbers reported by the service providers on a voluntary basis.