

Subscription Contract Numbers for Broadband Services (as of the end of March 2006)

MIC has compiled the subscription contract numbers as of the end of March 2006 that were reported by telecommunications carriers, pursuant to the provisions of the Rules for Reporting on Telecommunications Business (Ministerial Ordinance of MPT No. 46 of 1988).

Major trends found this time are as follows:

The number of subscription contracts to FTTH exceeds the 5 million mark, showing a net increase for six consecutive quarters.

As of the end of March 2006, the number of FTTH subscription contracts is 5.46 million, surpassing the 5 million

mark. In addition, the net increase in the number of subscription contracts during the fourth quarter (Q-IV; January through March 2006) was the highest ever, at 820,000. The net increases in the numbers of subscription contracts to FTTH have been seen for six consecutive quarters since the Q-II (July through September) 2004.

Broadband subscription contracts stood at 23.30 million

As of the end of March 2006, the number of broadband subscription contracts is 23.30 million. The total number at the end of December 2005 was 22.37 million, showing an increase of 930,000 contracts during the Q-III of FY2005.

Breakdown of all broadband services

	Broadband total	FTTH	DSL	Cable TV	FWA
As of the end of March 2006	23,301,105	5,457,697	14,517,859	3,309,481	16,068
As of the end of December 2005	22,374,934*	4,637,280	14,480,958	3,236,466**	20,230
Net increase (January through March 2006)	926,171	820,417	36,901	73,015	-4,162

* Note 1: Number of subscription contracts: the total of all broadband access service contracts, including FTTH access service, DSL access service, cable TV access service and FWA access service

**Note 2: According to the announcement of figures as of the end of March 2006, the figures for cable TV and the total figure as of the end of December 2005 were adjusted.

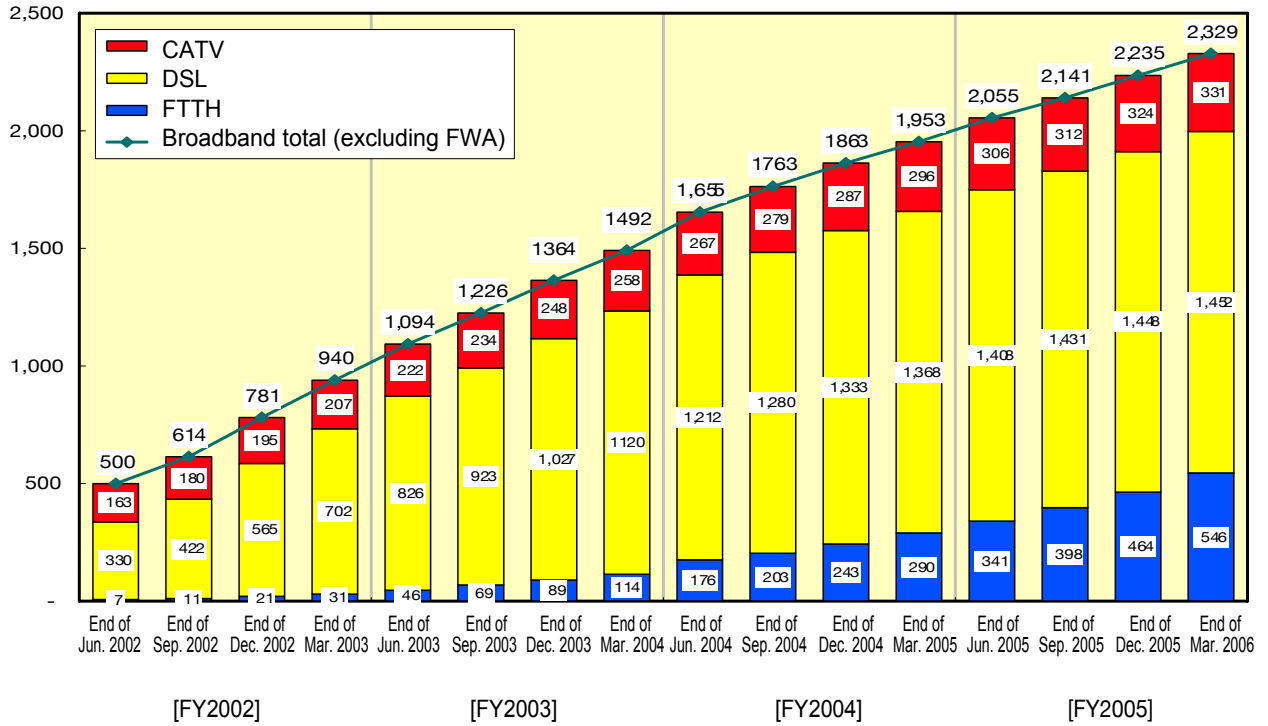
Broadband service contracts

Broadband service contracts

Broadband contracts

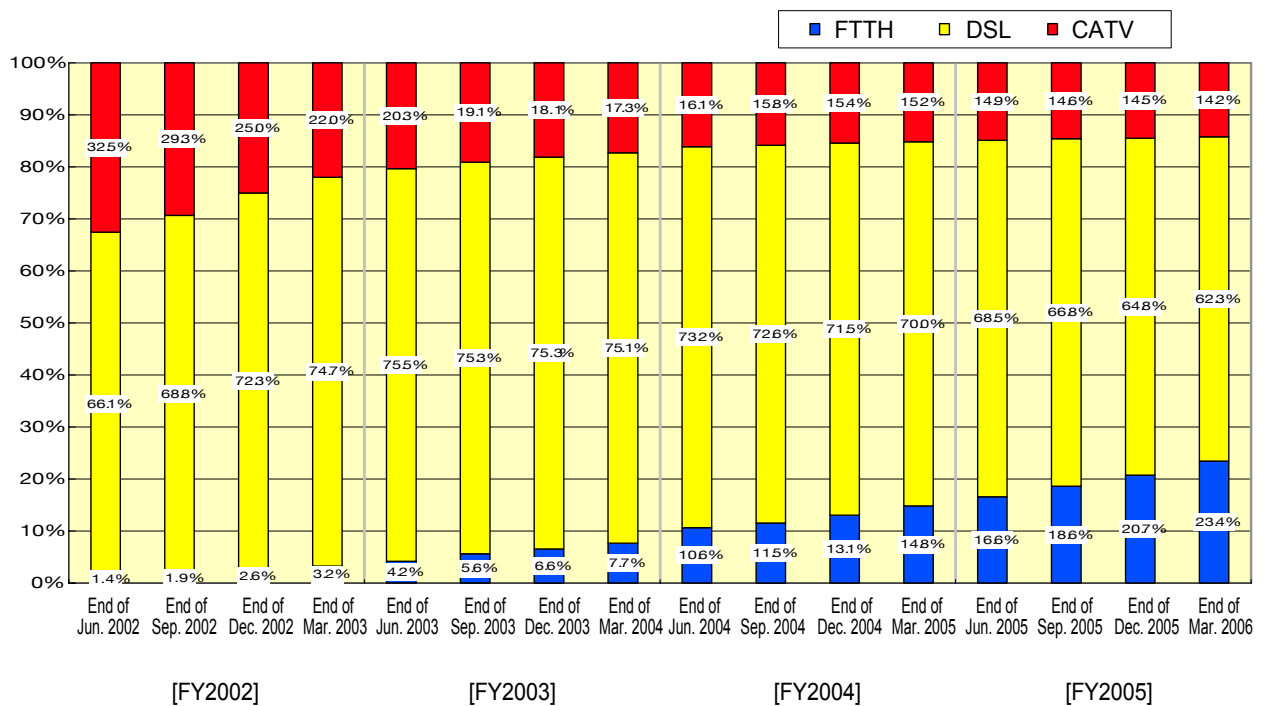
The number of contracts stood at 23.30 million as of the end of March 2006. The total number of contracts as of the end of December 2005 was 22.37 million, indicating an increase of 930,000 over the quarter.

Unit: 10,000 lines



Broadband service contracts by type

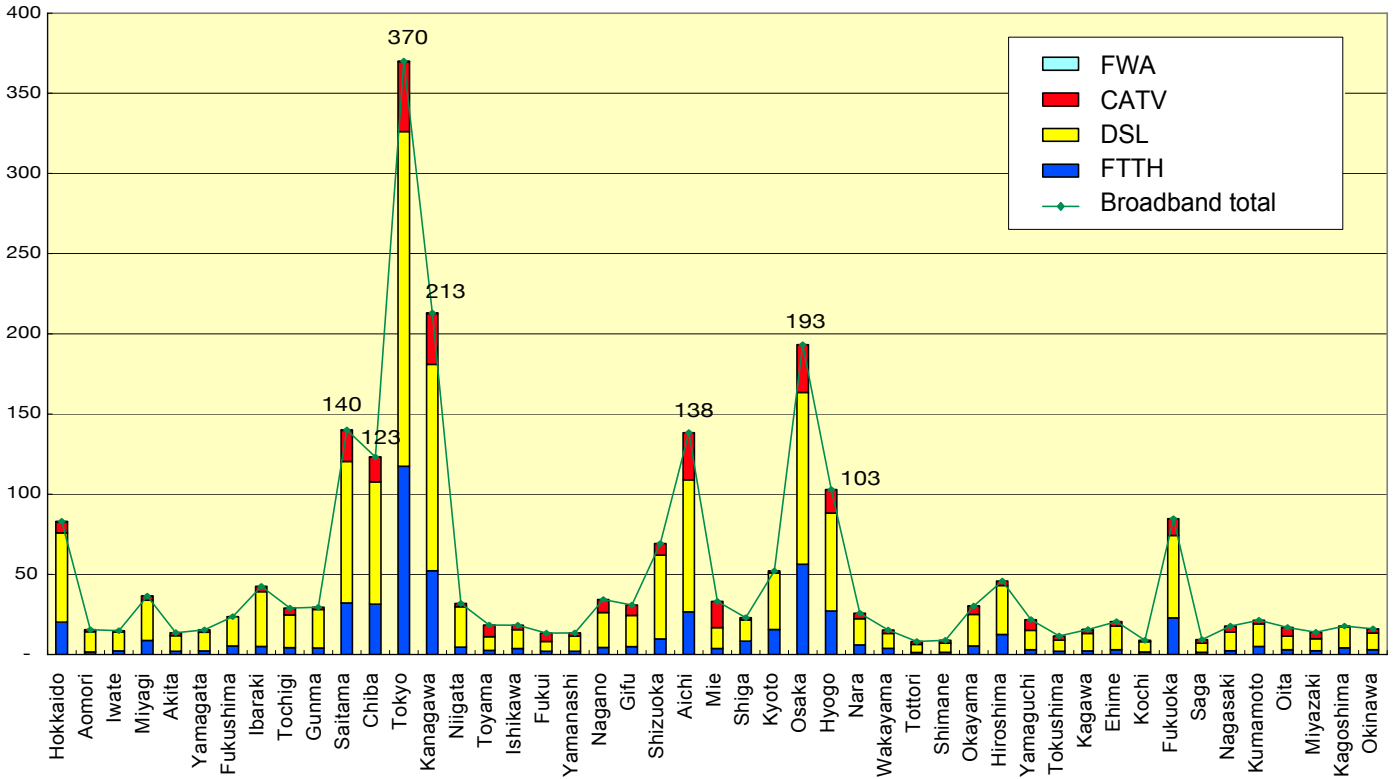
Within broadband service contracts, the share of FTTH topped 20% for the first time as of the end of December 2005, and the share of FTTH has continued to increase since then.



Broadband service contracts by prefecture

The seven prefectures of Tokyo, Kanagawa, Saitama, Chiba, Aichi, Osaka and Hyogo all had over one million contracts each.

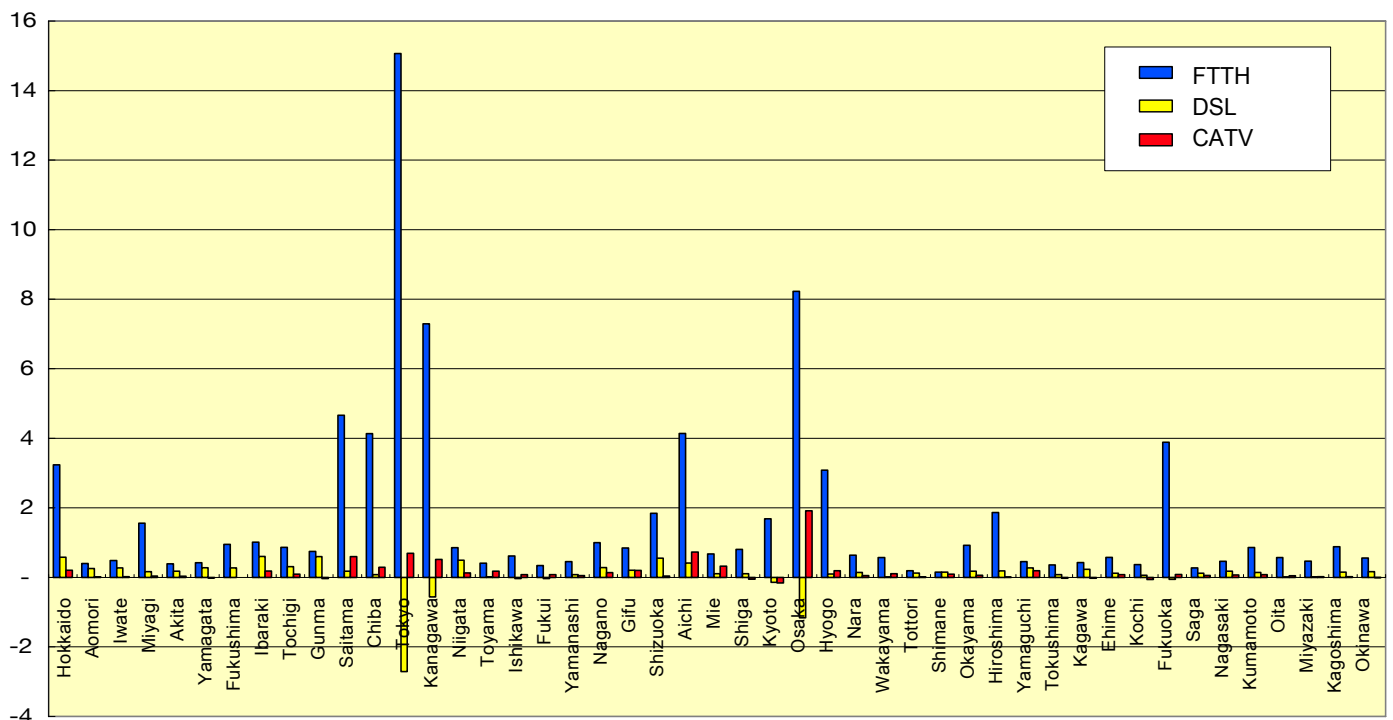
Unit: 10,000 lines



Changes for various types of broadband service by prefecture

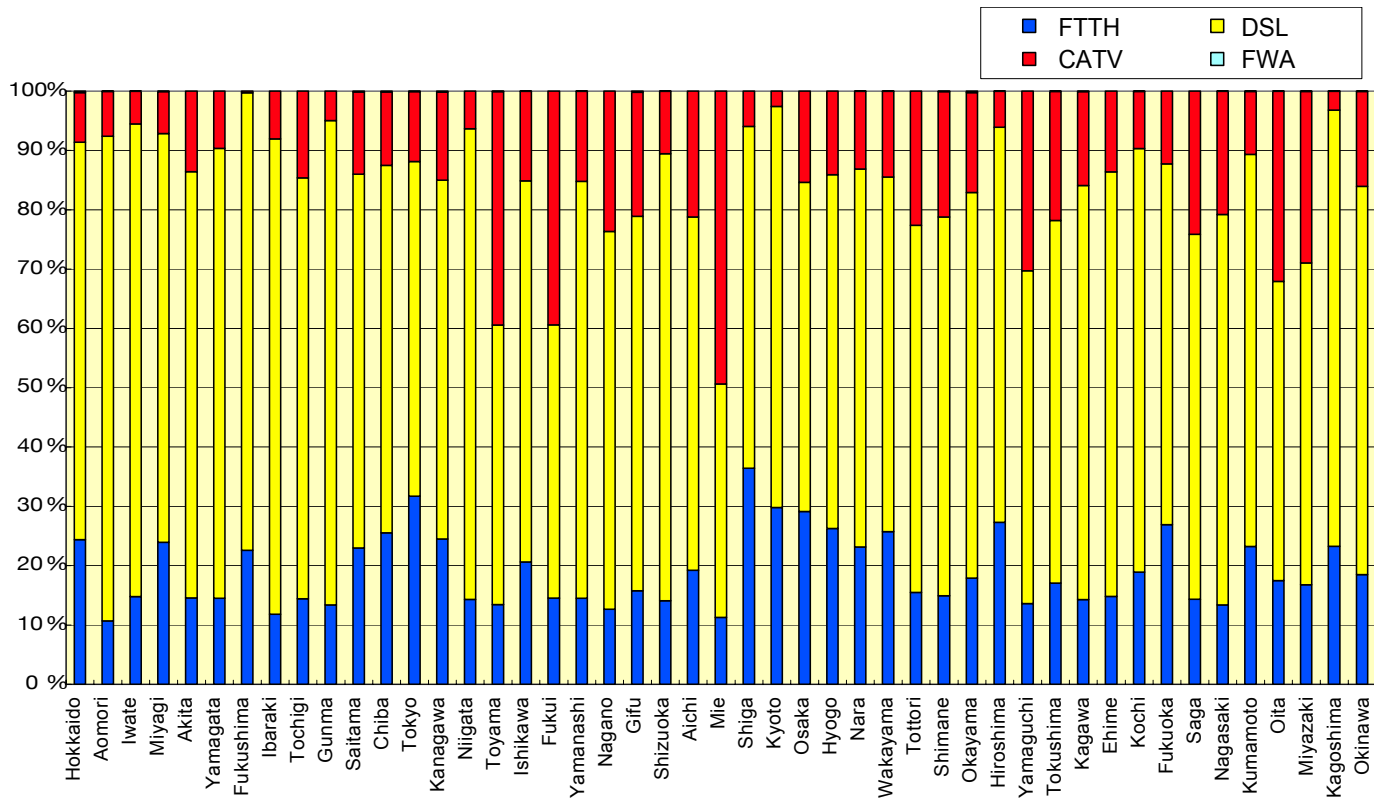
The increase of FTTH in urban prefectures is noticeable, with some prefectures also showing a marked drop in DSL. Many other prefectures continue to show increases in both DSL and CATV.

Unit: 10,000 lines



Breakdown of broadband service types by prefecture

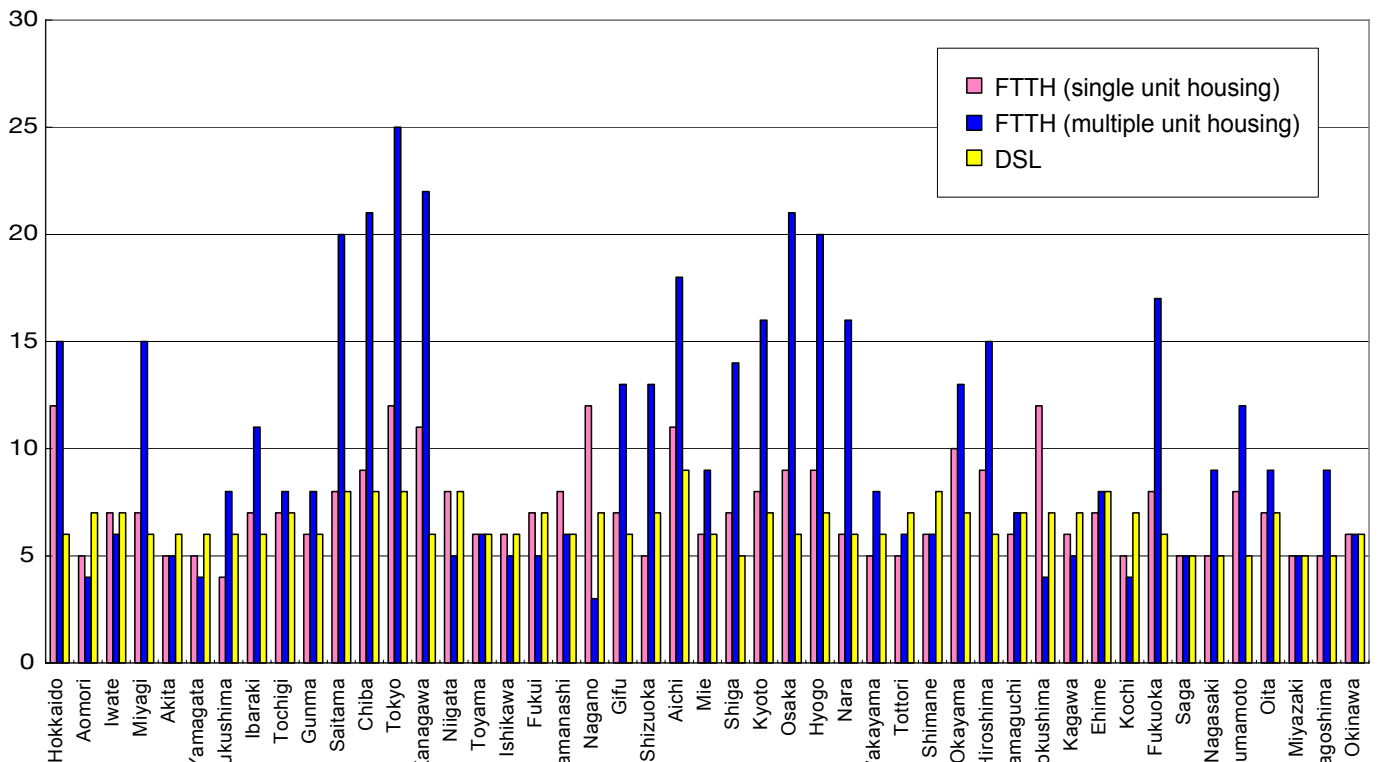
Most prefectures continue to see a majority for DSL services, but prefectures such as Toyama, Fukui and Mie have a high share of CATV, whereas FTTH accounts for 30% of the share in Tokyo and Shiga.



Number of providers of FTTH and DSL by prefecture

DSL providers are distributed across the country whereas providers of FTTH tend to be concentrated in urban areas.

Unit: number of providers

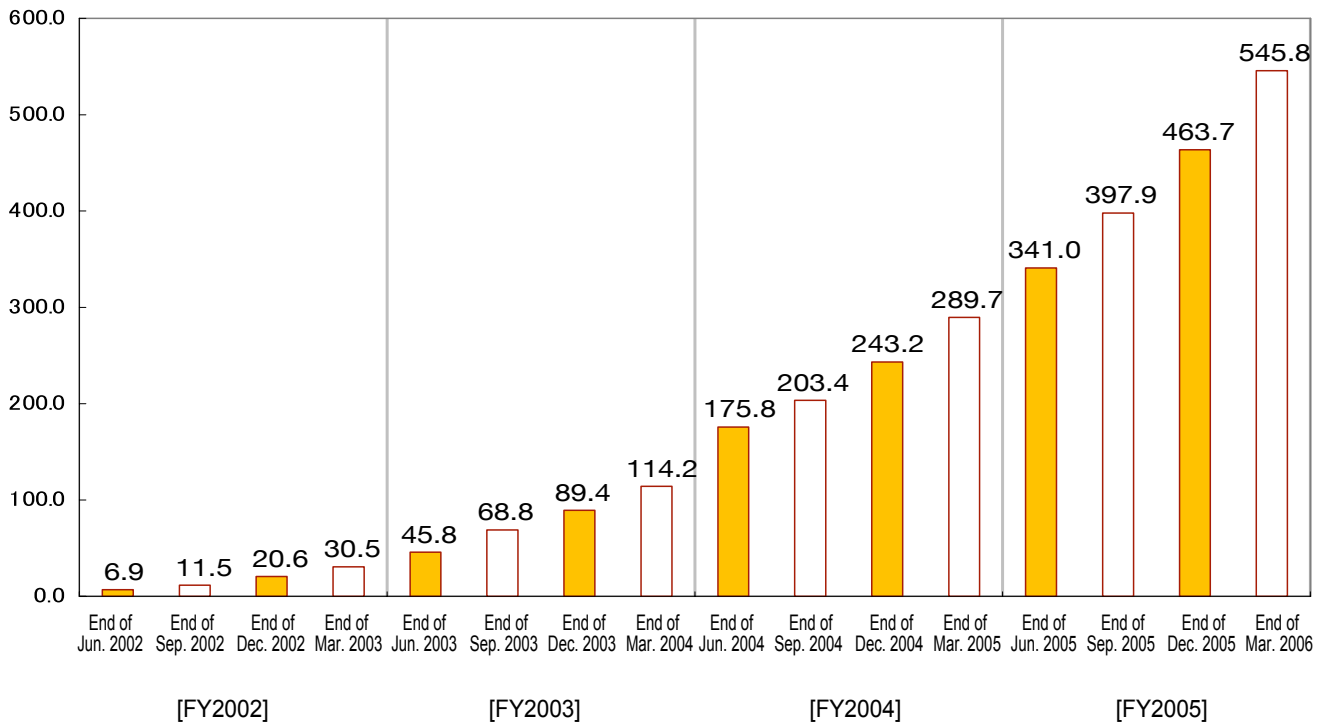


FTTH service contracts

Growth in FTTH service contracts

Contract numbers stood at 5.46 million as of the end of March 2006, with growth concentrated in urban areas.

Unit: 10,000 lines

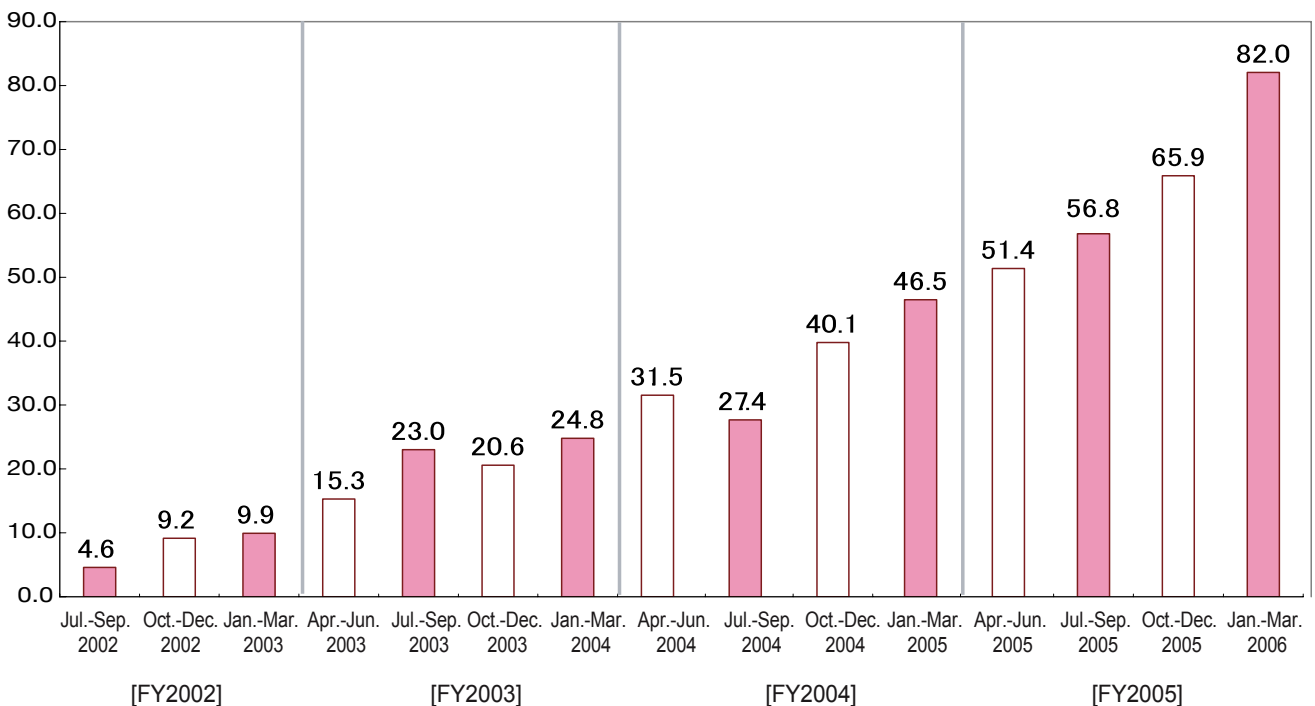


Net quarterly growth in FTTH service contracts by

Net quarterly growth numbers for FTTH has remained positive for six consecutive quarters since the July-September quarter of 2004. Net growth in FTTH numbers has become the pulling force for net growth in numbers for all broadband services.

NB: The net quarterly growth figure for the April-June quarter of 2004 is a dummy value based on the general statistical trend rather than the official figure. This is necessary due to a change in the statistical method in April 2004.

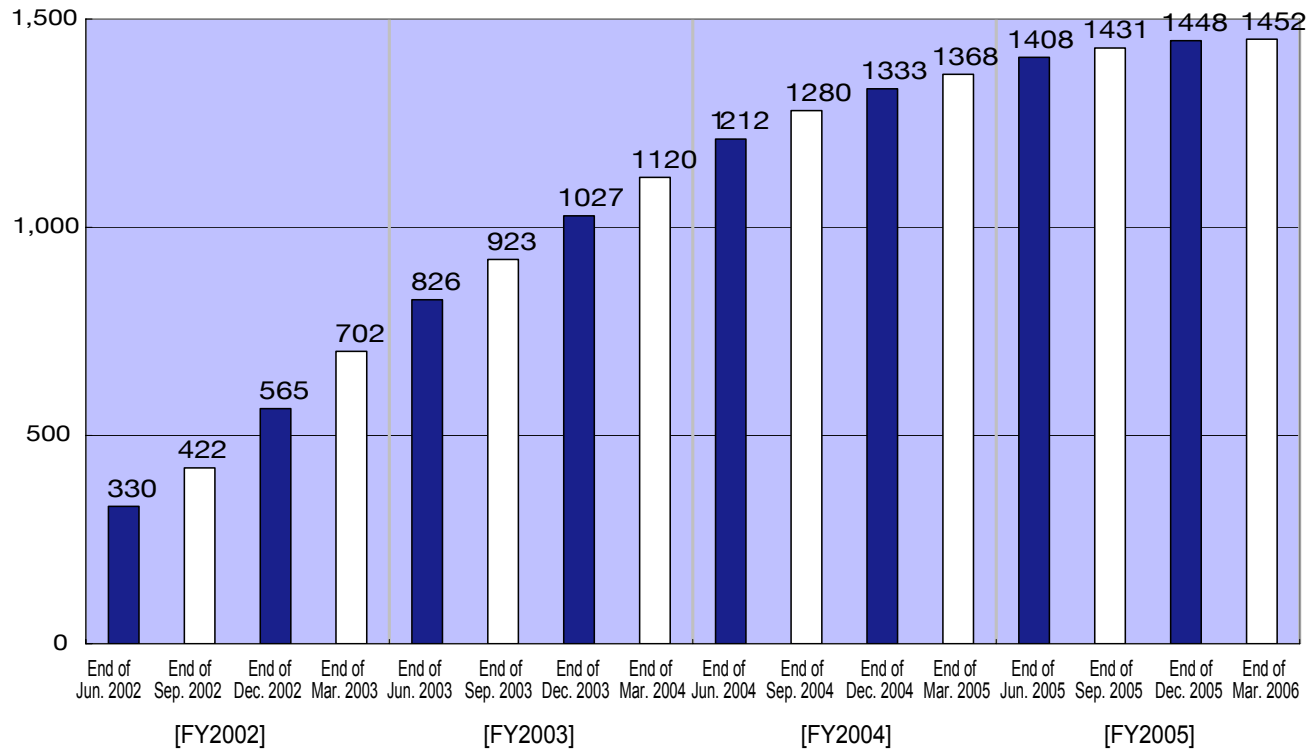
Unit: 10,000 lines



DSL service contracts

The number of DSL service contracts as of the end of March 2006 stood at 14,52 million, showing a gradual increase in contract numbers.

Unit: 10,000 lines

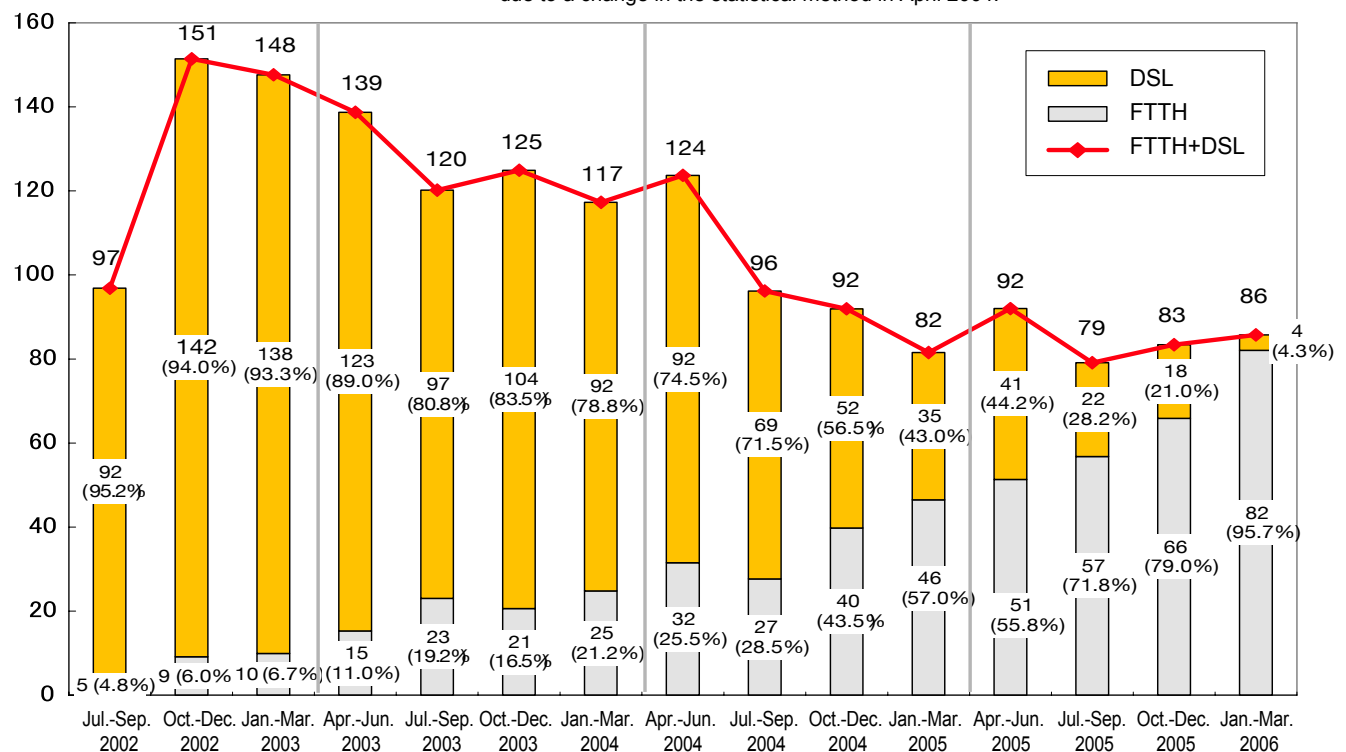


Net growth in FTTH and DSL

In the fourth quarter of FY2005, the net increase over the previous quarter for FTTH services stood at 820,000 contracts, whereas the net increase in DSL services was 40,000 contracts. The net increase in FTTH services overtook the net increase in DSL numbers in the fourth quarter of fiscal 2004, and this has now become a marked trend.

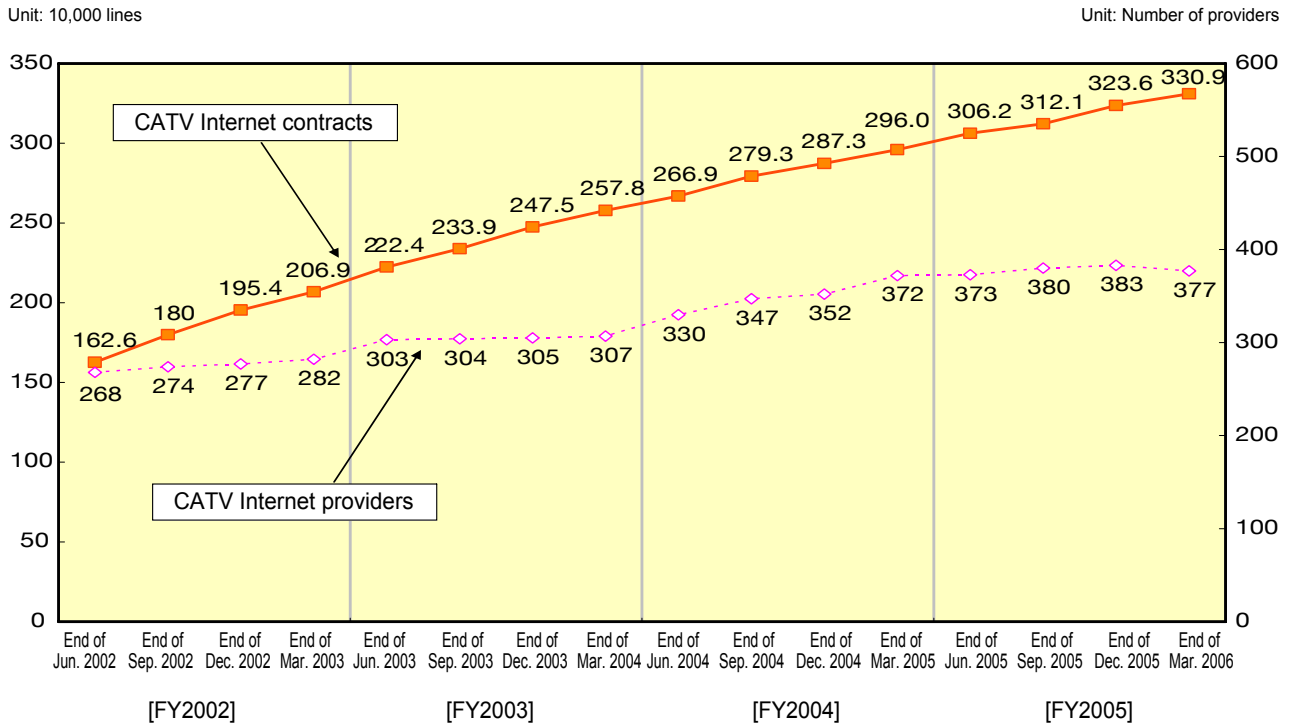
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Unit: 10,000 lines



CATV service contracts

Contract numbers of CATV services as of the end of March 2006 stood at 3.23 million. Contract numbers continue to show steady growth.



FWA service contracts

Contract numbers of FWA service as of the end of March 2006 stood at 16,068.

