

December 18, 2007

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

FTTH contracts reached 10 million for the first time

MIC compiled the number of contracts for broadband service and other items of information reported by telecommunications carriers as of the end of September 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: 27.76 million

Contracts for broadband service numbered 27.76 million as of the end of September 2007.

Since the corresponding number as of the end of June 2007 was 27.20 million, the increase from the previous quarter was 0.56 million.

- Number of contracts for FTTH: 10.52 million

Contracts for FTTH access service reached 10 million for the first time, at 10.52 million as of the end of September 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 Sept. 2007	27,763,087	10,518,659 (38%)	13,483,359 (49%)	3,748,618 (14%)	12,451 (0.04%)
End of Jun	<u>27,198,567</u>	<u>9,700,438</u>	<u>13,794,314</u>	<u>3,691,314</u>	12,501

2007		(36%)	(51%)	(14%)	(0.05%)
Net change (July to Sept. 2007)	564,520	818,221	-310,955	57,304	-50

* 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, DSL and CATV as of the end of June 2007 were corrected and underlined.

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

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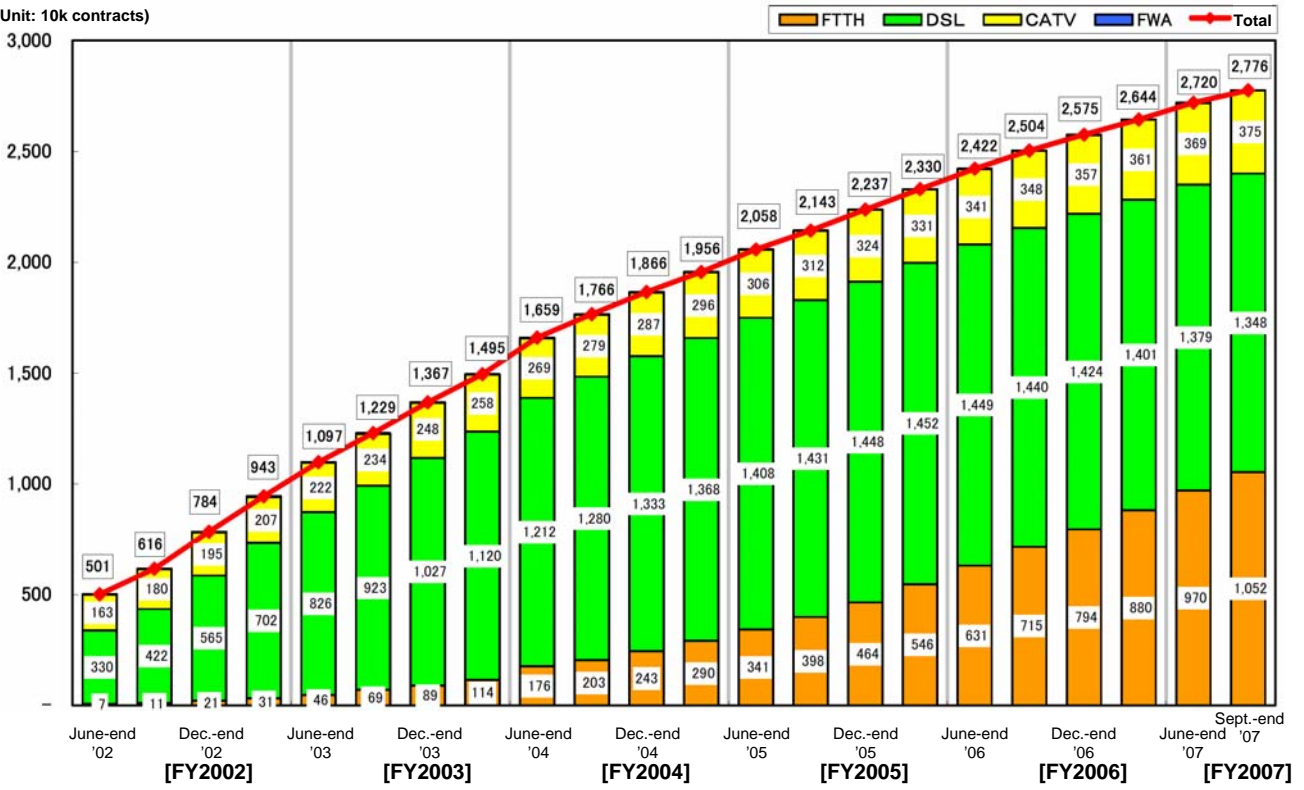
Number of Broadband Service Contracts, Etc. (Charts)

1. Number of Broadband Service Contracts

• Number of Broadband Service Contracts

Contracts for broadband service numbered 27.76 million as of the end of September 2007. Since the corresponding number as of the end of June 2007 was 27.20 million, the increase from the previous quarter was 0.56 million.

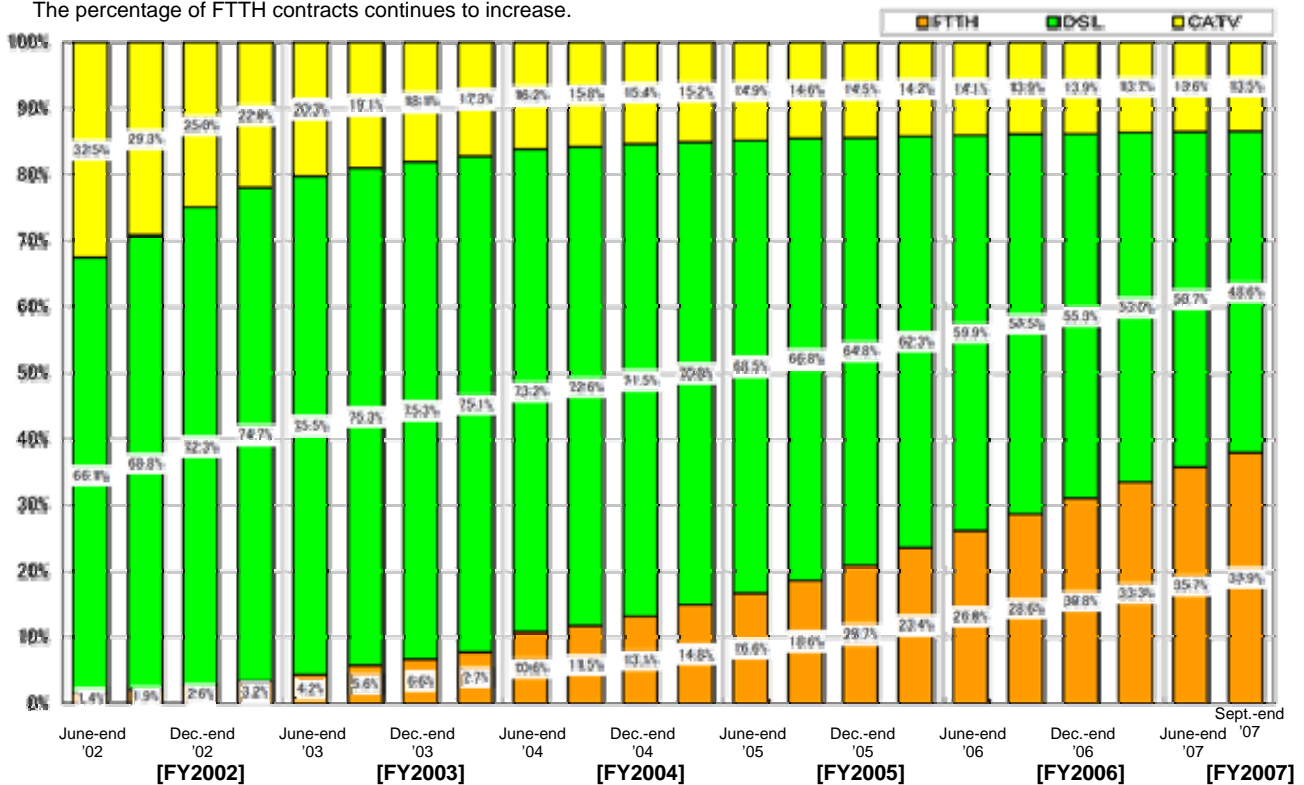
(Unit: 10k contracts)



Note: The figures as of the end of June 2004 and onward represent the numbers of contracts reported to MIC pursuant to the Rules for Reporting on Telecommunications Business, while those of preceding periods are 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.

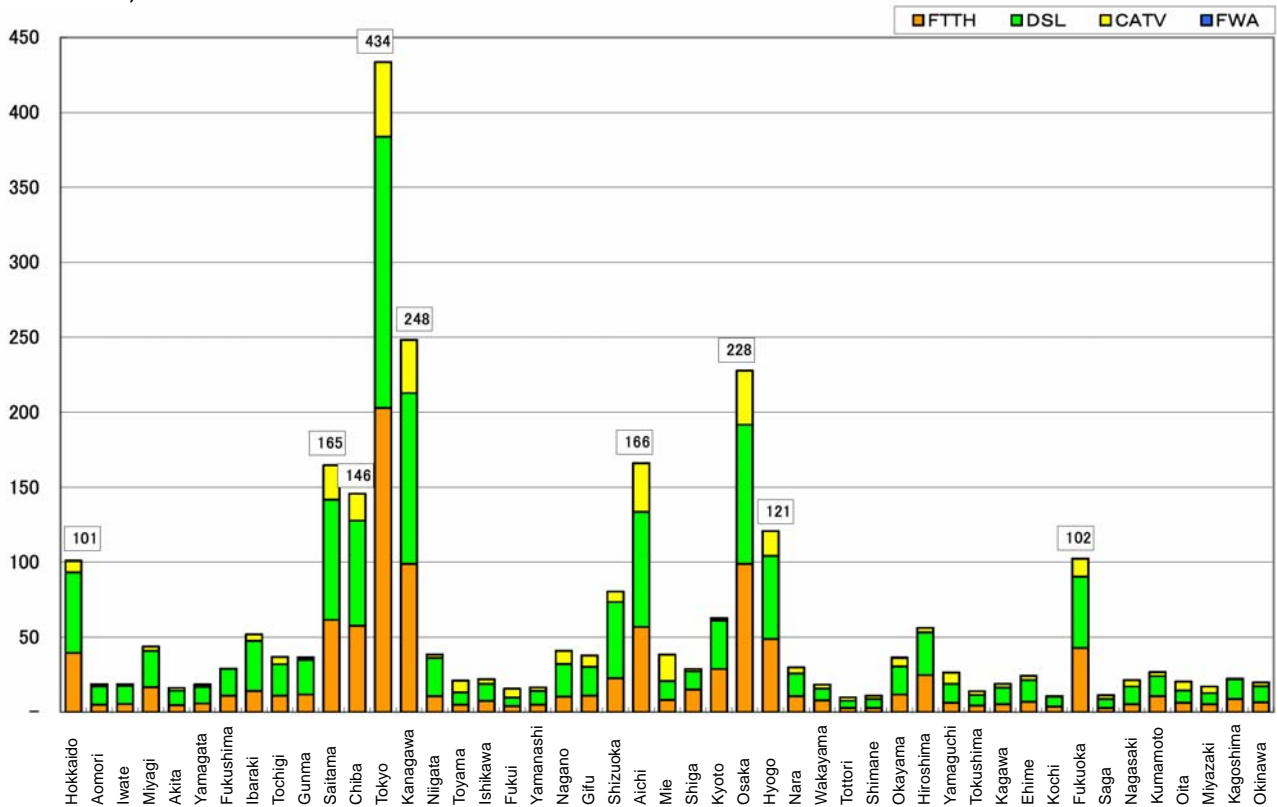


Note: The figures as of the end of June 2004 and onward represent the numbers of contracts reported to MIC pursuant to the Rules for Reporting on Telecommunications Business, while those of preceding periods are the numbers reported by the service providers on a voluntary basis.

• Number of Broadband Service Contracts by Prefecture

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

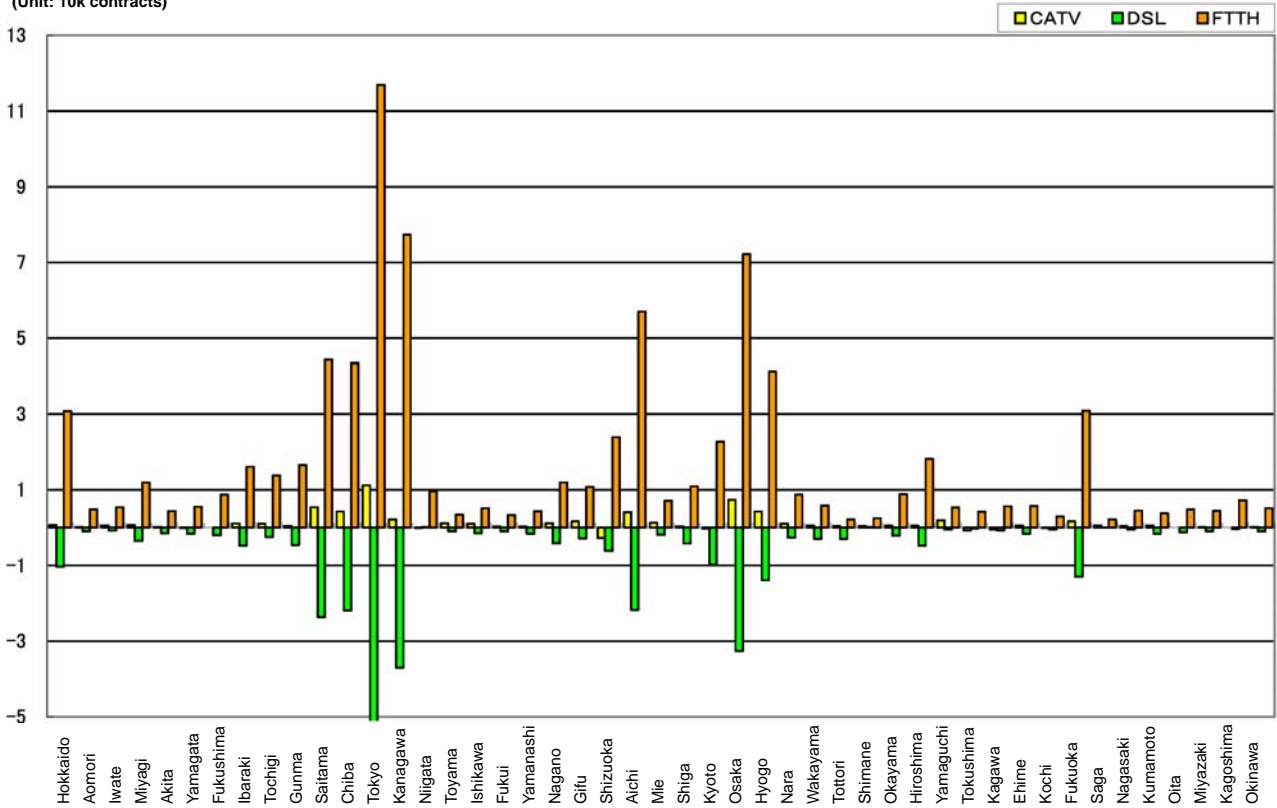
(Unit: 10k contracts)



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

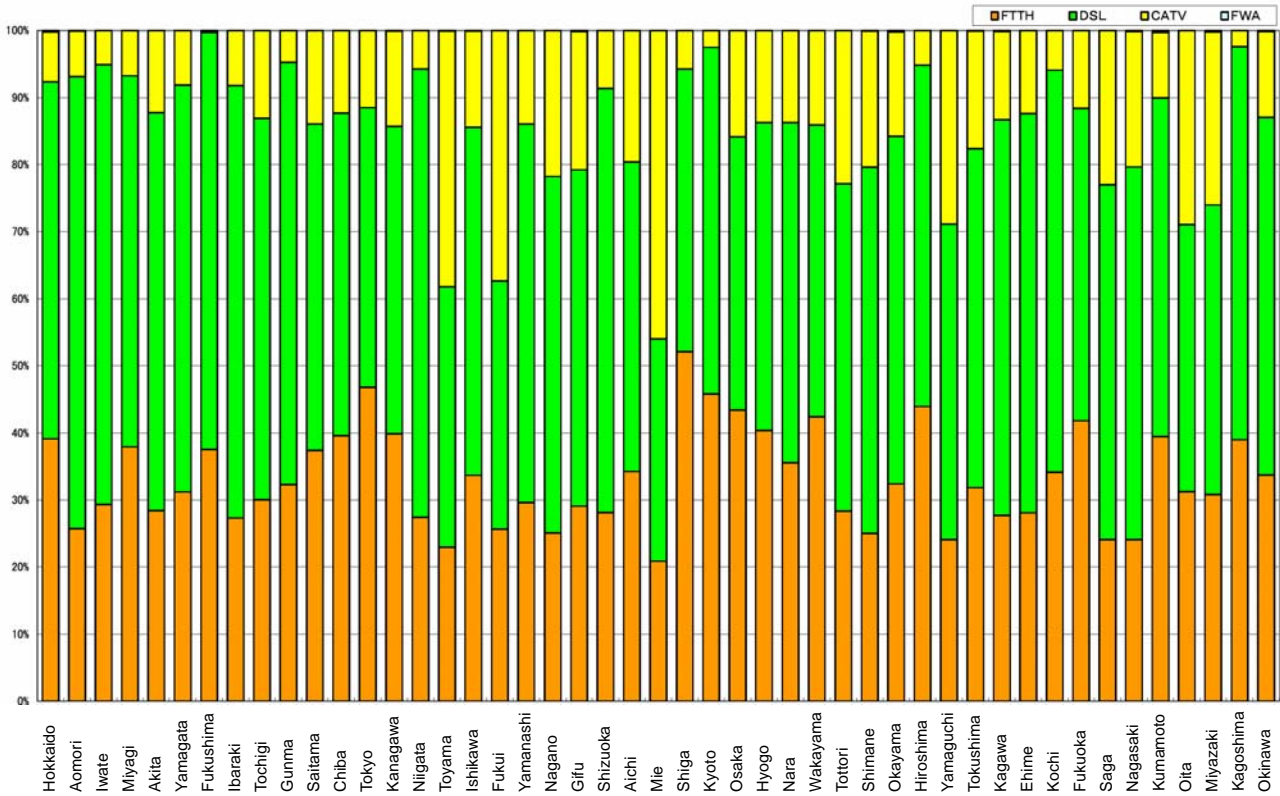
Contracts for FTTH increased in all prefectures.

(Unit: 10k contracts)



• Proportions of Broadband Services by Prefecture

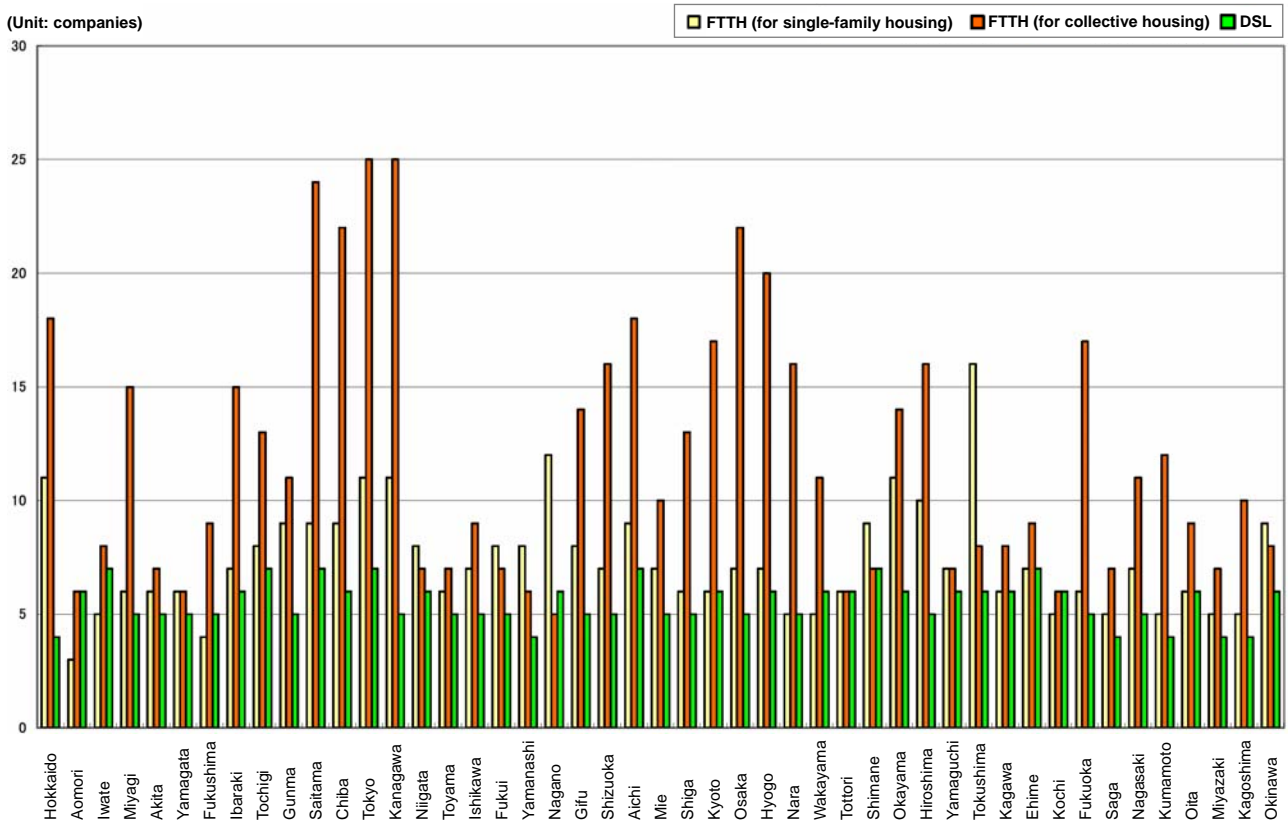
While the percentage of DSL is predominant in most prefectures, the percentage of CATV is the highest in Mie and Fukui, and the percentage of FTTH is the highest in Tokyo, Shiga and Osaka.



• Number of FTTH and DSL Providers by Prefecture

FTTH providers are noticeable in urban areas.

(Unit: companies)

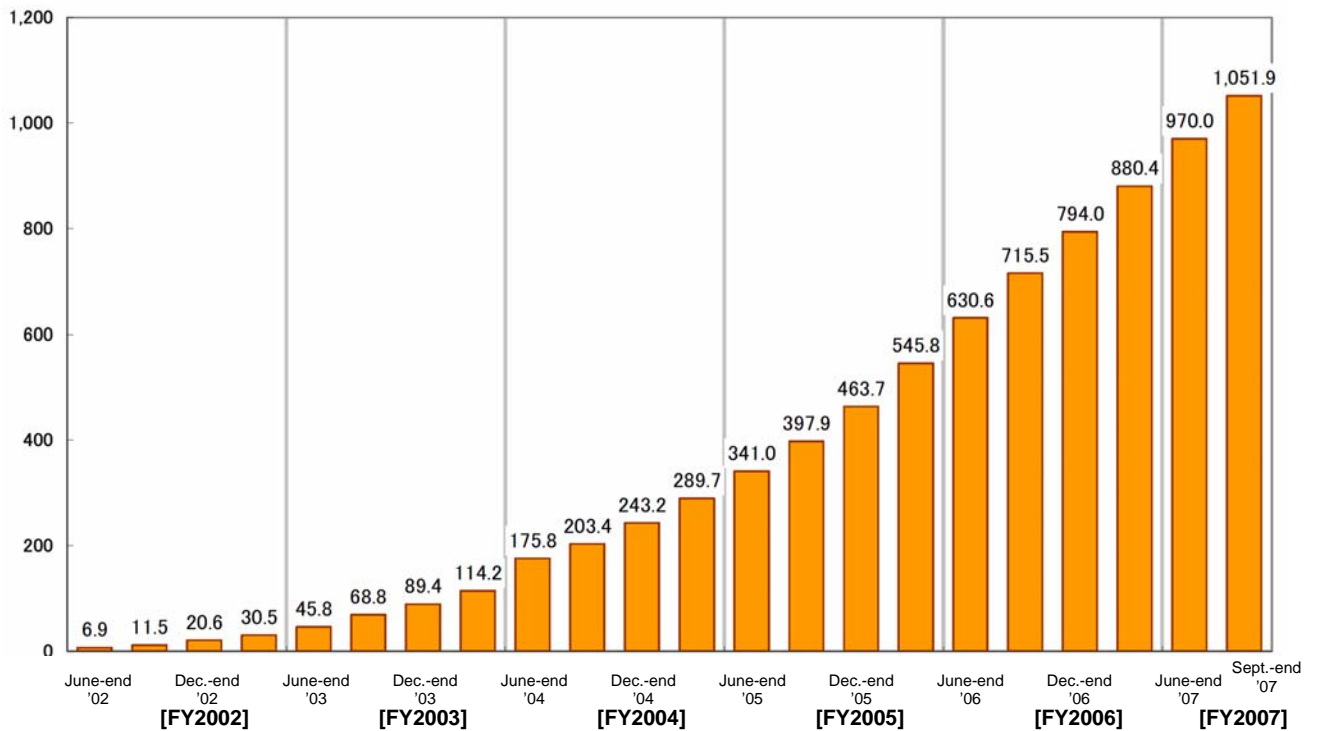


2. Number of FTTH Access Service Contracts

• Number of FTTH Access Service Contracts

Contracts exceeded 10 million for the first time, at 10.52 million, as of the end of September 2007.

(Unit: 10k contracts)

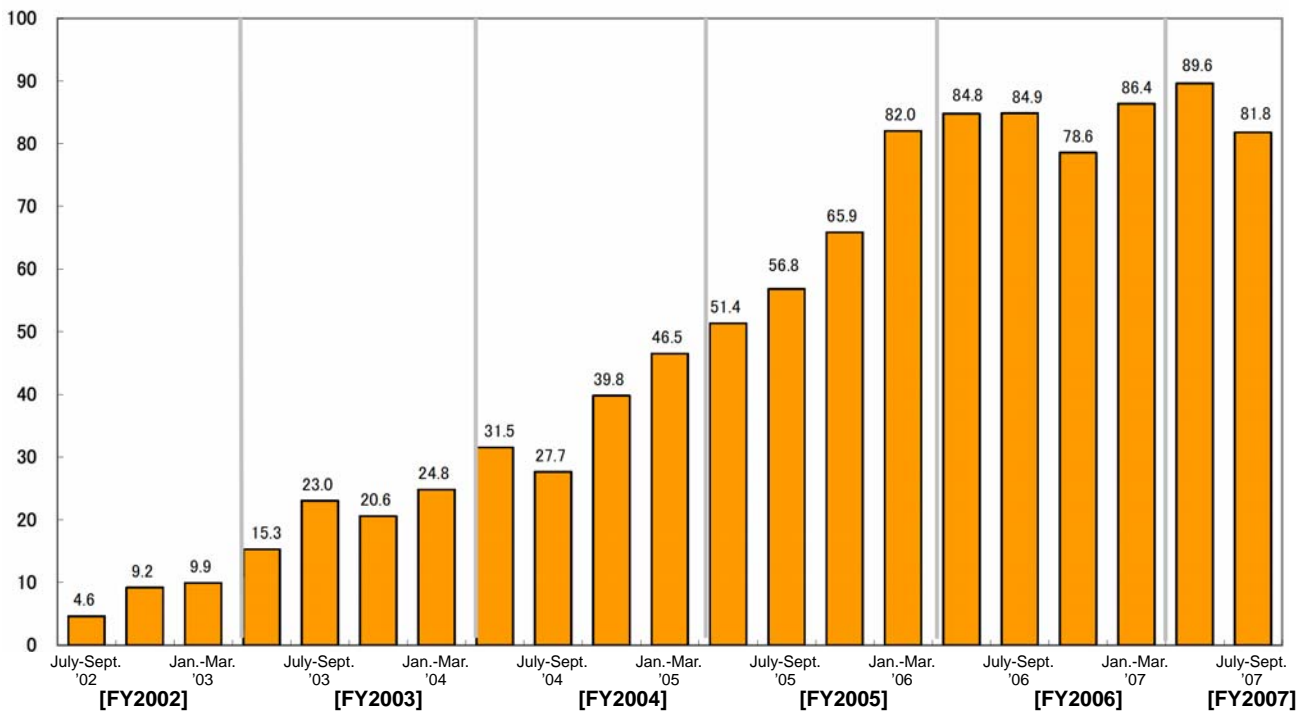


Note: The figures as of the end of June 2004 and onward represent the numbers of contracts reported to MIC pursuant to the Rules for Reporting on Telecommunications Business, while those of preceding periods are the numbers reported by the service providers on a voluntary basis.

• Net Quarterly Increase of FTTH Access Service Contracts

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

(Unit: 10k contracts)

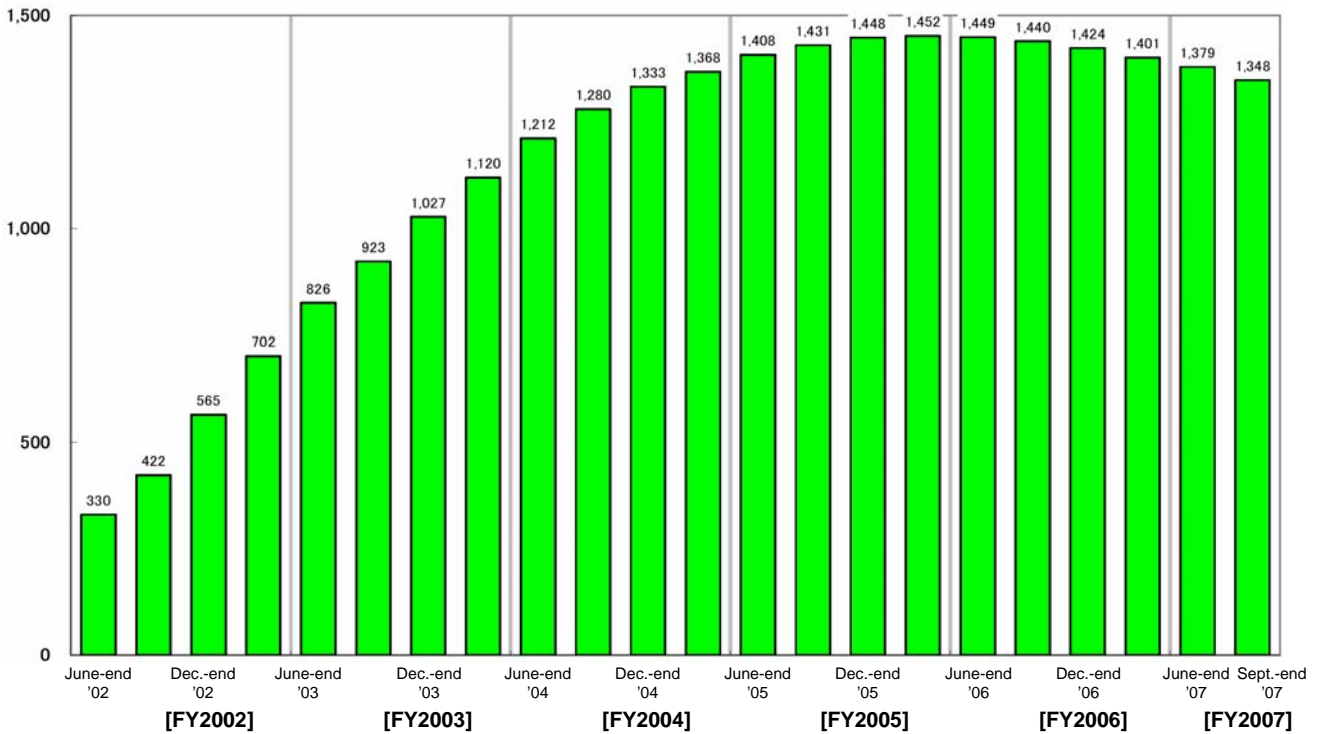


Note 1: Due to the change in aggregation method after April 2004, not a value calculated with the disclosed figure but a dummy value based on the statistics is used for the net increase for the April-June 2004 period.

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

3. Number of DSL Access Service Contracts
 Contracts for DSL numbered 13.48 million as of the end of September 2007.

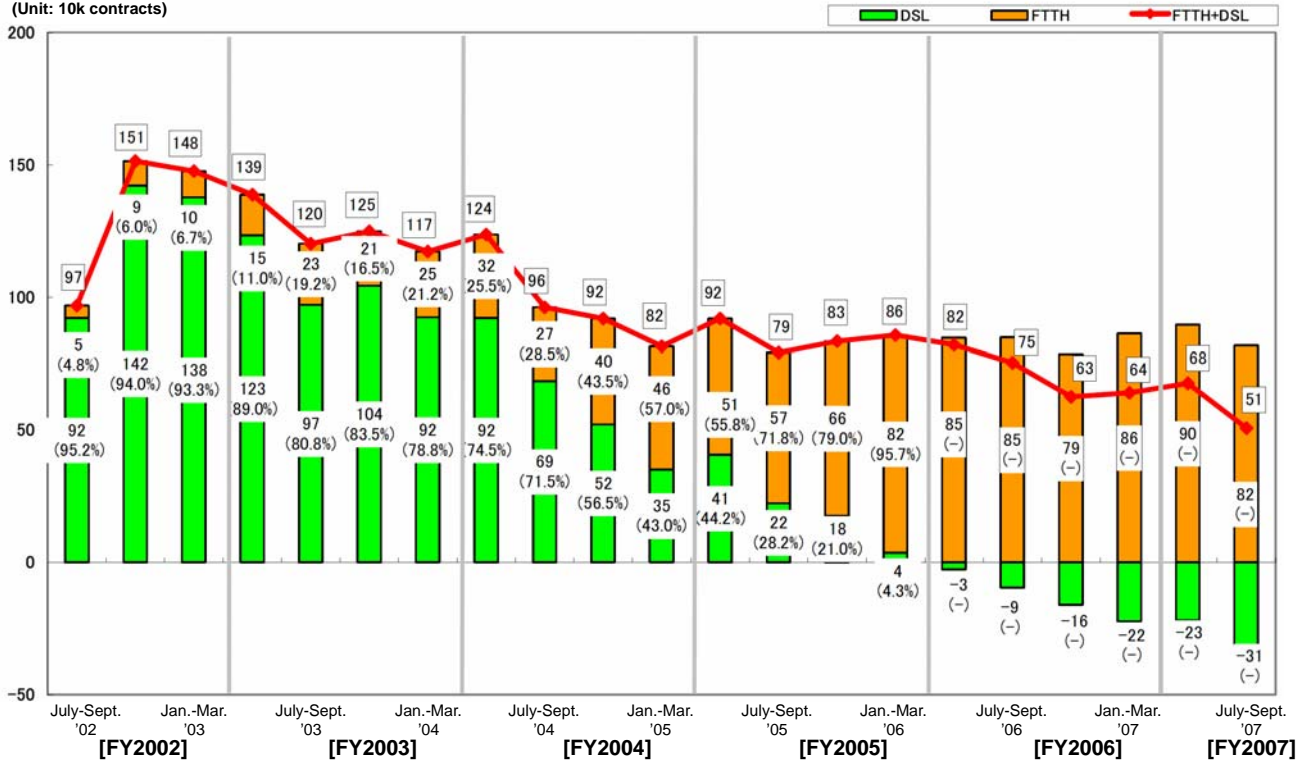
(Unit: 10k contracts)



Note: The figures as of the end of June 2004 and onward represent the numbers of contracts reported to MIC pursuant to the Rules for Reporting on Telecommunications Business, while those of preceding periods are 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.

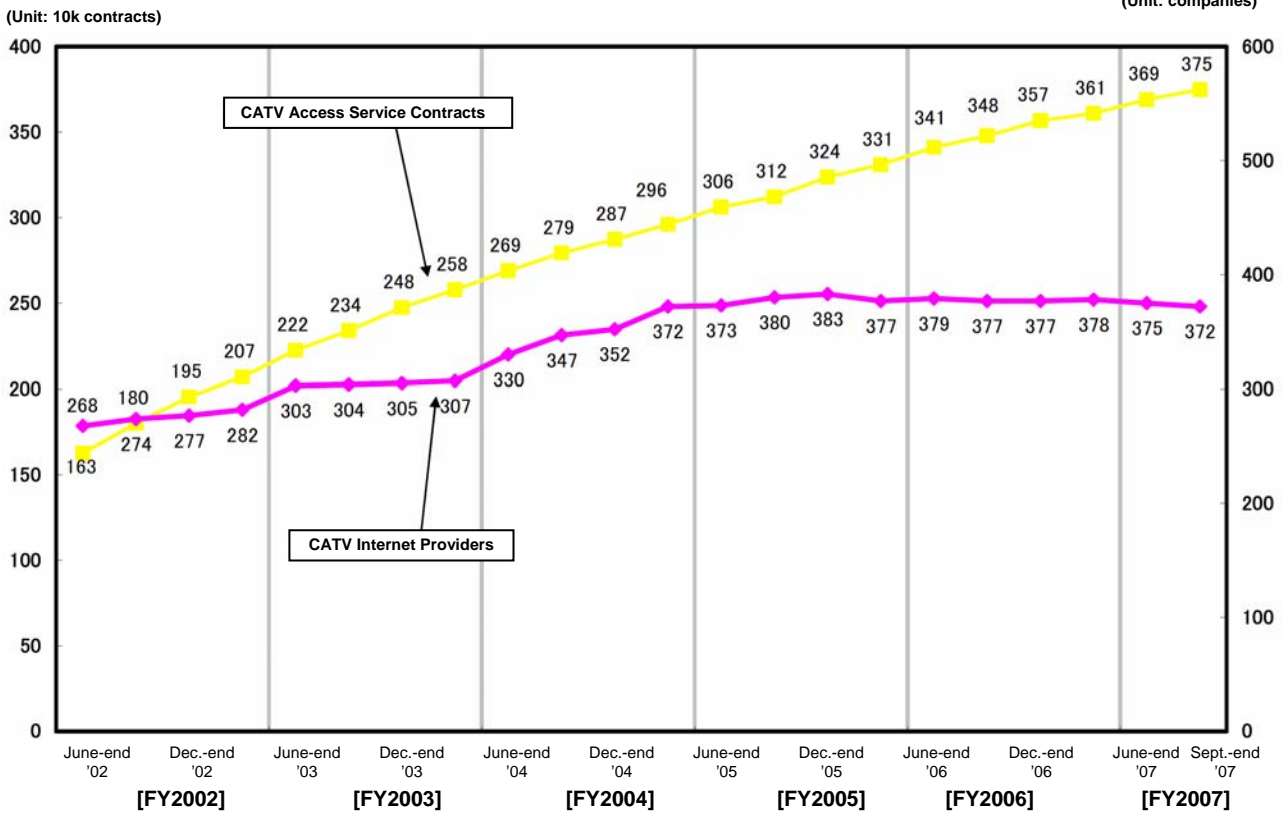
(Unit: 10k contracts)



Note 1: Due to the change in aggregation method after April 2004, not a value calculated with the disclosed figure but a dummy value based on the statistics is used for the net increase of FTTH for the April-June 2004 period.

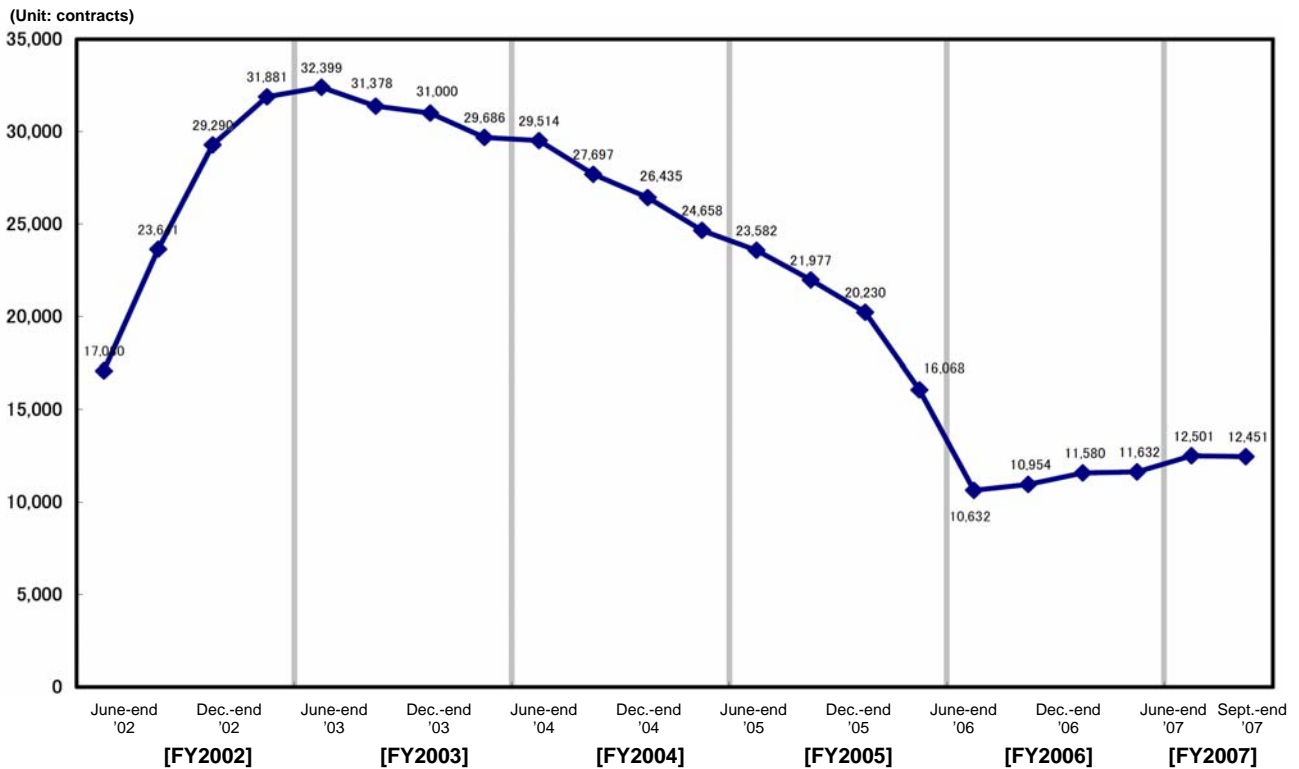
Note 2: The figures as of the end of June 2004 and onward represent the numbers of contracts reported to MIC pursuant to the Rules for Reporting on Telecommunications Business, while those of preceding periods are the numbers reported by the service providers on a voluntary basis.

5. Number of CATV Access Service Contracts
 Contracts for CATV numbered 3.75 million as of the end of September 2007.



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

6. Number of FWA Access Service Contracts
 Contracts for FWA numbered 124.51 as of the end of September 2007.



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