

November 14, 2008

State of Numbers of Subscribers to Telecommunications Services

(As of the end of September 2008)

As mandated by the Rules for Reporting on Telecommunications Business (MPT Ordinance No. 46 of 1988), the Ministry of Internal Affairs and Communications has compiled the numbers of fixed-line telecommunications and mobile telecommunications services contracts reported by telecommunications carriers as of the end of September 2008.

The following outlines the results.

1. Subscriber telephones and ISDN

The total number of contracts for subscriber telephones and ISDN as of the end of September 2008 was 49.359 million, a 7.4% 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 September 2008 was 19.047 million. This is an 18.2% 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, with a 60.6% year-on-year increase.

3. Mobile phones and PHS

The number of contracts for mobile phones and PHS as of the end of September 2008 totaled 109.420 million. This figure represents a 4.9% 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 Sep. 2008	49.359	19.047	9.514	9.533	109.420
End of Sep. 2007	53.330	16.119	5.924	10.194	104.290
Change	-3.971	2.928	3.590	-0.661	5.130
(Change rate)	(-7.4%)	(18.2%)	(60.6%)	(-6.5%)	(4.9%)

+++++

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,

Global ICT Strategy Bureau, MIC

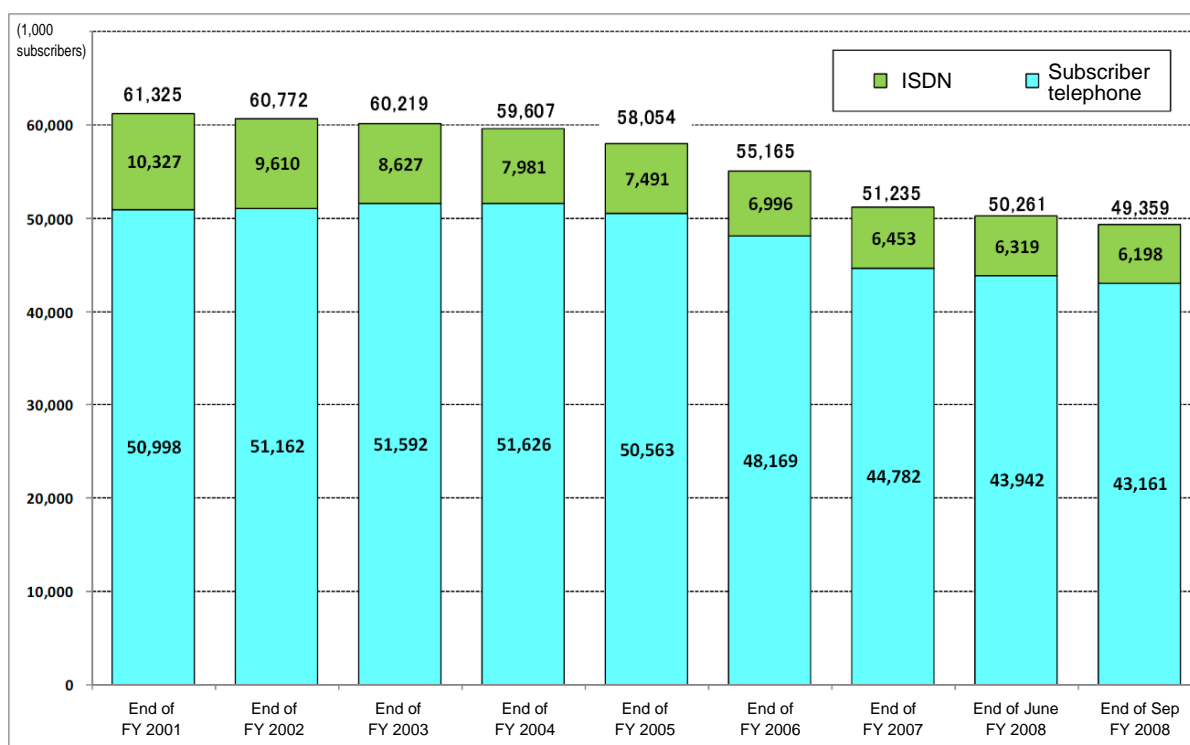
TEL: +81 3 5253 5920 / FAX: +81 3 5253 5924

(Attachment)

1. Subscriber Telephones and ISDN

The total number of contracts for subscriber telephones and ISDN as of the end of September 2008 was 49.359 million, down 1.8% from the previous quarter (the end of June 2008).

This is a 7.4% year-on-year decrease (from the end of September 2007).



(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 FY 2007	End of June FY 2008	End of Sep FY 2008
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%)	44,782 (-7.0%)	43,942 (-7.2%)	43,161 (-7.4%)
(Breakdown)	Dry copper telephony	—	—	1 (-)	383 (38200%)	2,599 (578.6%)	3,638 (40.0%)	4,084 (12.2%)	4,076 (6.9%)	4,077 (2.4%)
	Cable telephony	—	—	574 (-)	853 (48.6%)	989 (15.9%)	1,132 (14.5%)	1,030 (-9.4%)	1,037 (-6.2%)	1,028 (-5.9%)
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%)	6,453 (-7.8%)	6,319 (-7.7%)	6,198 (-7.7%)
(Breakdown)	Dry copper ISDN	—	—	—	23 (-)	149 (547.8%)	351 (135.6%)	518 (47.5%)	546 (38.2%)	504 (-14.3%)
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%)	51,235 (-7.1%)	50,261 (-7.3%)	49,359 (-7.4%)

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 the parentheses are the year-on-year rates of change.

2. Number of IP Phone Users

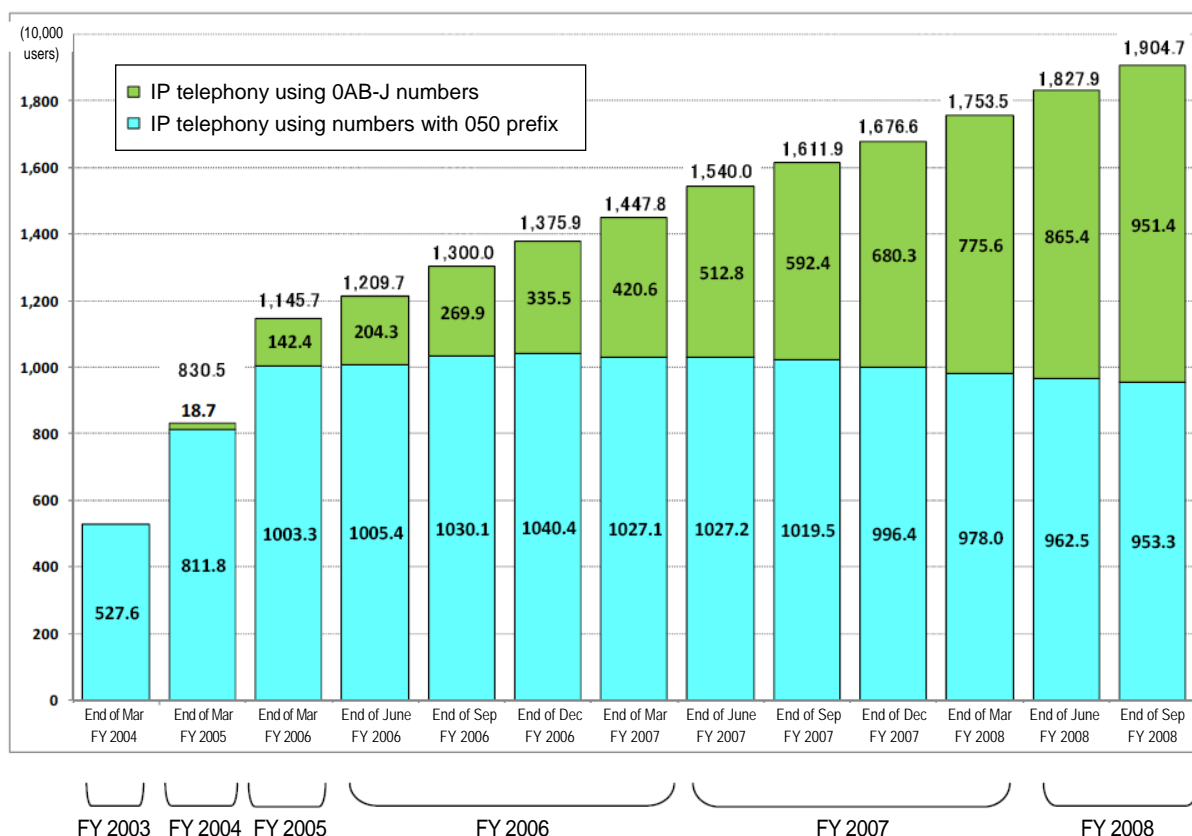
The number of IP phone users as of the end of September 2008 was 19.047 million, up 4.2% from the previous quarter (the end of June 2008) and up 18.2% year on year. This increasing trend continues.

The number of users of IP telephony using 0AB-J numbers was up 9.9% from the previous quarter and up 60.6% year on year.

Meanwhile, the number of users of IP telephony using numbers with 050 prefix was down 1.0% from the previous quarter and down 6.5% year on year.

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.



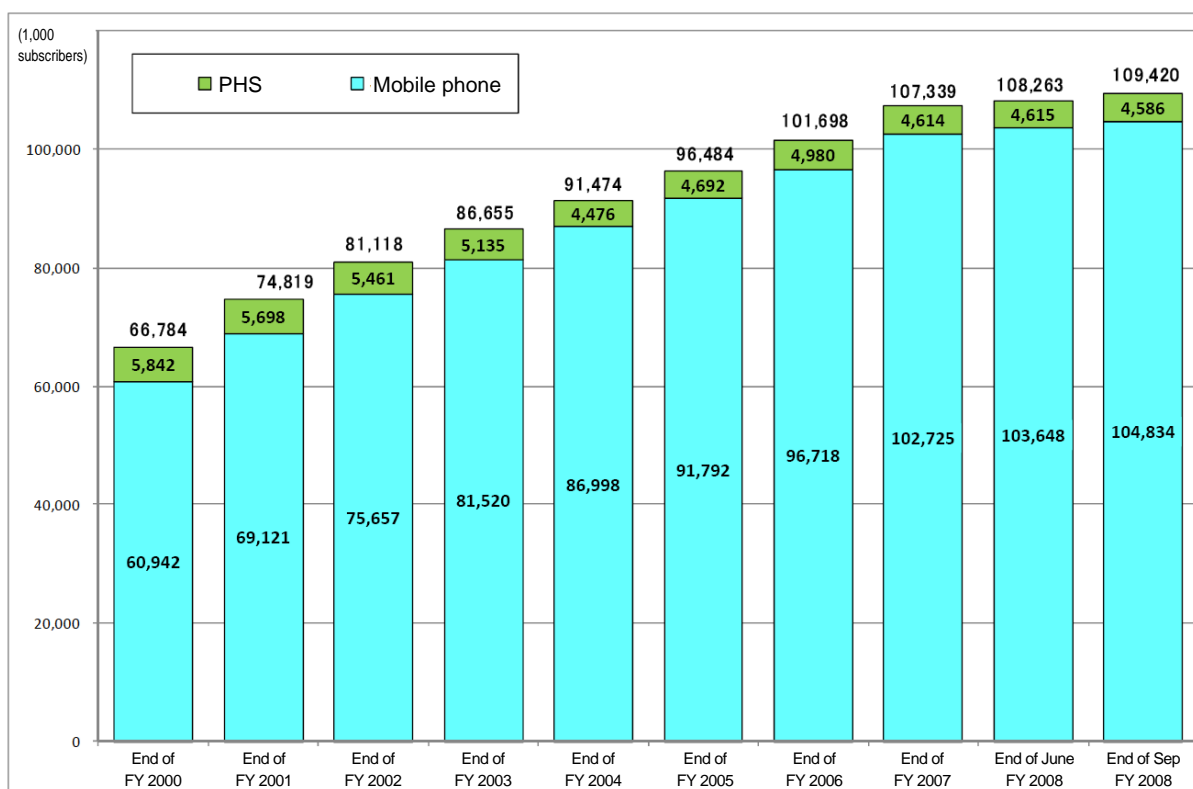
(Unit: 10,000 users)

Date	End of Mar FY 2004	End of Mar FY 2005	End of 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	End of Mar FY 2008	End of June FY 2008	End of Sep FY 2008
Users	527.6	830.5	1145.7	1209.7	1300.0	1375.9	1447.8	1540.0	1611.9	1676.6	1753.5	1827.9	1904.7
Rate of change (quarter-on-quarter)	21.8%	6.1%	8.0%	5.6%	7.5%	5.8%	5.2%	6.4%	4.7%	4.0%	4.6%	4.2%	4.2%
Rate of change (year-on-year)	-	57.4%	37.9%	34.2%	33.1%	29.8%	26.4%	27.3%	24.0%	21.9%	21.1%	18.7%	18.2%

3. Mobile Phones and PHS

The number of contracts for mobile phones and PHS as of the end of September 2008 totaled 109.420 million, up 4.9% year on year. The combined penetration rate of the two services is 85.6%¹.

Subscribers to mobile phone services totaled 104.834 million while subscribers for PHS services totaled 4.586 million. The number of contracts for third-generation mobile phone services totaled 93.653 million, accounting for 89.3% 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 FY 2007	End of June FY 2008	End of Sep FY 2008
Total (year on year)	66,784,374 (17.5%)	74,819,158 (12.0%)	81,118,324 (8.4%)	86,654,962 (6.8%)	91,473,940 (5.6%)	96,483,732 (5.5%)	101,698,165 (5.4%)	107,338,974 (5.5%)	108,263,269 (5.0%)	109,420,036 (4.9%)
(Penetration rate)	52.6%	58.8%	63.7%	67.9%	71.6%	75.5%	79.6%	84.0%	84.7%	85.6%
(Breakdown)										
Mobile phone (year on year)	60,942,407 (19.2%)	69,121,131 (13.4%)	75,656,952 (9.5%)	81,519,543 (7.7%)	86,997,644 (6.7%)	91,791,942 (5.5%)	96,717,920 (5.4%)	102,724,567 (6.2%)	103,648,472 (5.7%)	104,833,573 (5.5%)
(Penetration rate)	48.0%	54.3%	59.4%	63.9%	68.1%	71.8%	75.7%	80.4%	81.1%	82.0%
PHS (year on year)	5,841,967 (2.4%)	5,698,027 (-2.5%)	5,461,372 (-4.1%)	5,135,419 (-6.0%)	4,476,296 (-12.8%)	4,691,790 (4.8%)	4,980,245 (6.1%)	4,614,407 (-7.3%)	4,614,797 (-8.1%)	4,586,463 (-7.5%)

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 September 2008): 89.727 million

(Percentage of total subscribers to mobile phone services: 85.6%)

(*Total of i-mode, EZweb, Yahoo! Keitai and EMnet)

* For past figures of numbers of contracts for mobile communications, see the Information and Communications Statistics Database of MIC:

<http://www.johotsushintokei.soumu.go.jp/field/tsuushin02.html>