

(Reference)

Progress on Plan to Provide Next-Generation Network (“NGN”) Commercial Services

February 27, 2008

Nippon Telegraph and Telephone East Corporation
 (“NTT East”)

1. Charges for Proposed NGN Commercial Services (1)

- Combining the cutting edge nature of NGN and our comprehensive brand name for optical services, “FLET’S Hikari”, the proposed optical broadband service will be called “FLET’S Hikari Next.”
- Charge structures for NGN services will be similar to those of existing products. NTT East plans to offer charges for content-distribution businesses at the same level as existing charges but the services provided will be enhanced by the addition of Quality of Service (“QoS”) functions. NTT East plans to provide charge structures which will be convenient for customers and will enable collaboration with different businesses and industries to create a variety of services.
- NTT East also plans to provide more reliable networks to the customers by using highly-dependable carrier grade equipment, providing redundant telecommunications lines and equipment, and securing larger capacity.

Category	Service Name	Main Charge Structure (Tentative)		Existing Service
Optical Broadband Service	FLET’S Hikari Next	For single-dwelling unit <Family Type> (up to 100 Mbps)	The same as existing services e.g. Single-dwelling unit : JPY 4,100 /month (incl. tax: JPY 4,305 /month) Multi-dwelling unit (Plan 1) : JPY 2,900 /month (incl. tax: JPY 3,045 /month)	B FLET’S
		For multi-dwelling unit <Mansion Type> (up to 100 Mbps)		
		For office <Business Type> (up to approx. 1GB)	The same as existing services	Business Type
OAB-J IP Telephone/ Video Telephone	Hikari Denwa / Hikari Denwa Office Type	For private customers/small to medium enterprise	Basic charge The same as existing services Hikari Denwa: JPY 500 /month (incl. tax: JPY 525 /month) Hikari Denwa Office Type: JPY 1,300 /month (incl. tax: JPY 1,365 /month)	Hikari Denwa / Hikari Denwa Office Type
		Voice communications	Communication Charge The same as existing services JPY 8 /3 min (incl. tax: JPY 8.4 /3 min)	
		Video telephony	Communication Charge The same as existing services JPY 15 /3 min (incl. tax: JPY 15.75 /3 min)	
			Communication Charge JPY 100 /3 min (incl. tax: JPY 105 /3 min)	
	Under Consideration	For large commercial entity	Under consideration	Hikari Denwa Business Type

Increase reliability by:
 -Traffic control per area
 -Ensuring material telecommunication, etc.

[Legends] Underlined in red: New function : Planned for March 2008 : Planned for future < >: Type name

•Hikari Denwa: Hikari (Fiber-based) IP phone services provided by NTT East and NTT West

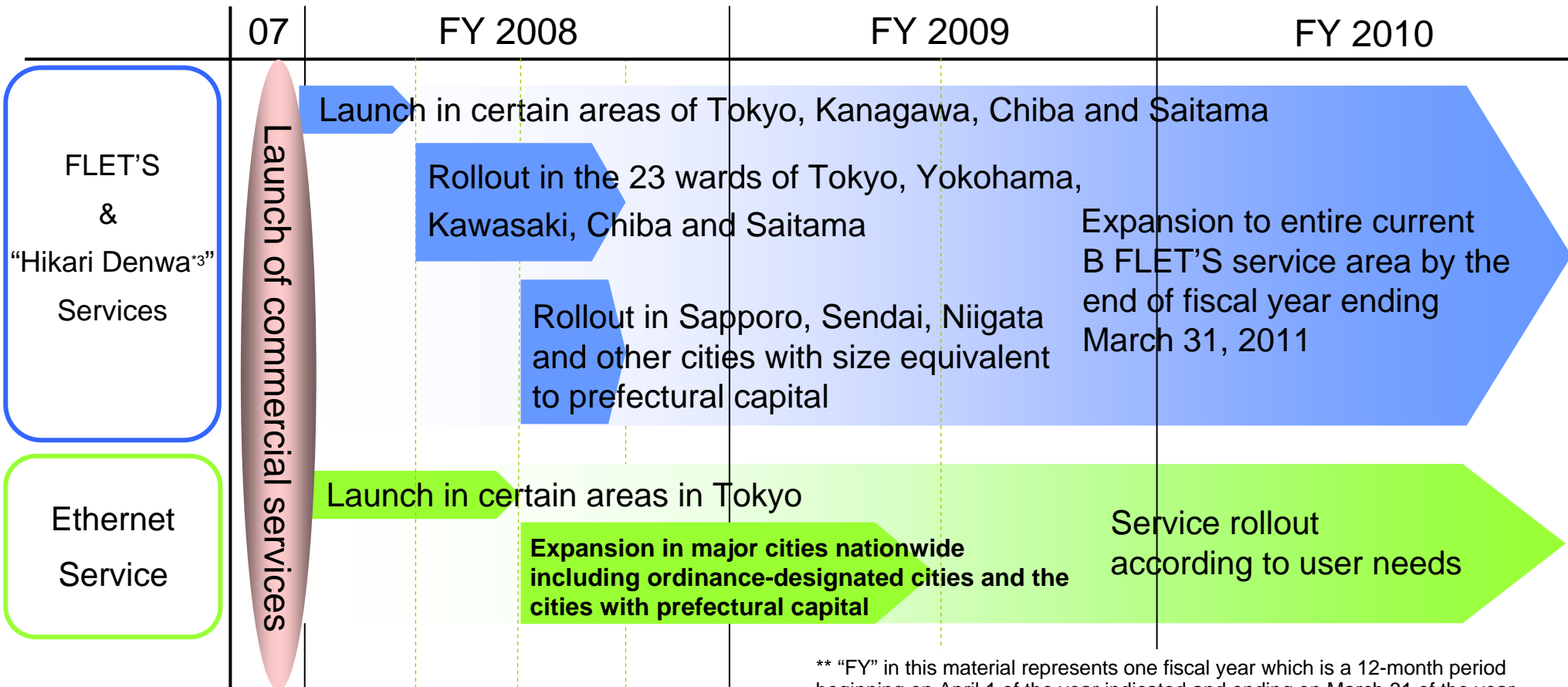
1. Charges for Proposed NGN Commercial Services (2)

Category	Service Name	Main Charge Structure (Tentative)			Existing Service	
Content Distribution Service	FLET'S Cast	Best Effort	Unicast transmission	Additional fee to be paid by customers receiving the services JPY 0 /month	Charges to be paid by the service providers At or below existing services Basic charge (fixed charge at different bandwidth) e.g. 1G single: JPY 2.8 million /month (incl. tax: JPY 2.94 million /month)	FLET'S .Net EX
			Multicast transmission * Provided as an additional function to Unicast transmission	JPY 0 /month	The same level as existing services Basic charge (fixed charge at different bandwidth) + Additional charge (pro rata) e.g. 1G single: In addition to the basic charge of Unicast above, JPY 2.5 million/month + JPY 200 /delivery per month (incl. tax: JPY 2.625 million/month + JPY 210 /delivery per month)	FLET'S .Net EX
		QoS	<u>Unicast transmission</u>	JPY 200 /month ^(note) (incl. tax: JPY 210 /month)	The same level as existing Unicast transmission Basic Charge (fixed charge at different band) + Additional charge (pro rata) e.g. 1G single: JPY 3 million /month (incl. tax: JPY 3.15 million /month) + transmission charge pro rata per minute in excess of a certain hours	N/A
	Digital Terrestrial Television IP Retransmission Business	QoS	<u>Digital Terrestrial Television IP retransmission business</u>	Introduction of a new charge for retransmission business		N/A
VPN	FLET'S VPN Gate	Best Effort	Center-end type * One time contract at the center	At or below existing services Basic charge (fixed charge at different bandwidth) e.g. 1G center line (intra-prefectural): JPY 1.164 million /month (incl. tax: JPY 1.2222 million /month)		FLET'S Office
	FLET'S VPN Wide		CUG type/Center-end type * Individual contract per line	Under consideration		FLET'S Group Access
	Under consideration	QoS	<u>CUG type/ Center-end type</u> * <u>Individual contract per line</u>	Under consideration		N/A
Ethernet Service	Business Ethernet Wide	Wide-area Ethernet communication (intra-prefectural & <u>inter-prefectural</u>)		Below existing services within prefecture Fixed charge for within Message Area, within prefecture and inter-prefecture depending on the bandwidth e.g. 100M (intra-prefectural communication): Approx. JPY 200,000 /month (incl. tax: Approx. JPY 210,000 /month) 100M (inter-prefectural communication): Approx. JPY780,000 /month (incl. tax: Approx. JPY 820,000 /month) * The charges are examples of model subscription per one access line		Business Ethernet (intra-prefectural)

2. NGN Commercialization and Deployment

FLET'S series *1 and Hikari Denwa series*2

- Begin commercialization in certain areas of Tokyo, Kanagawa, Chiba and Saitama (NGN field trial areas*3) at the end of March 2008
- Begin full-scale deployment from the second quarter of the fiscal year ending March 31, 2009 and start the rollout in ordinance-designated cities and other cities with size equivalent to prefectural capital by the third quarter
- By the end of the fiscal year ending March 31, 2011, expand the services to cover the entire current B FLET'S service area



*1 Services for optical broadband, content delivery business and VPN

*2 OAB-J IP Telephone / Video telephone

*3 Areas include NTT's buildings, Otemachi FS, TTC Ariake, Shinjuku, Shin-yodoyabashi, Ushigome, Tsurumaki, Shinagawa, and Shirokane in Tokyo, Totsuka and Yokosuka Annex in Kanagawa, Makuhari in Chiba, and Urawa-joban in Saitama

** "FY" in this material represents one fiscal year which is a 12-month period beginning on April 1 of the year indicated and ending on March 31 of the year subsequent to the year indicated.