

Details of Amendment Application for Optical Subscriber Lines Interconnection Charges

1. Demand

As a part of the demand estimation for dark fiber, the interconnection demand growth rate observed during the ADSL market's demand expansion period (3Q FY2001 – 3Q FY2004; yearly average growth of 132.5%) is employed for the estimates for an optical main subscriber line and an optical branch subscriber line by interconnection service providers.

Comparison of the number of Operating Core-cables in FY2010

(core-cables)

Category		Jan. 9 Application	Apr. 23 Application	Change
B FLET'S		2,160,000		--
Leased Circuit		180,000		--
Dark Fiber		440,000	650,000	+210,000
	Single Star	390,000		--
	Shared Access	50,000	260,000	+210,000
Total		2,770,000	2,980,000	+210,000

2. Investment & Expenses

In response to the above-referenced demands, investment amounts and expenses are calculated under the same concept as that of the January 9th application.

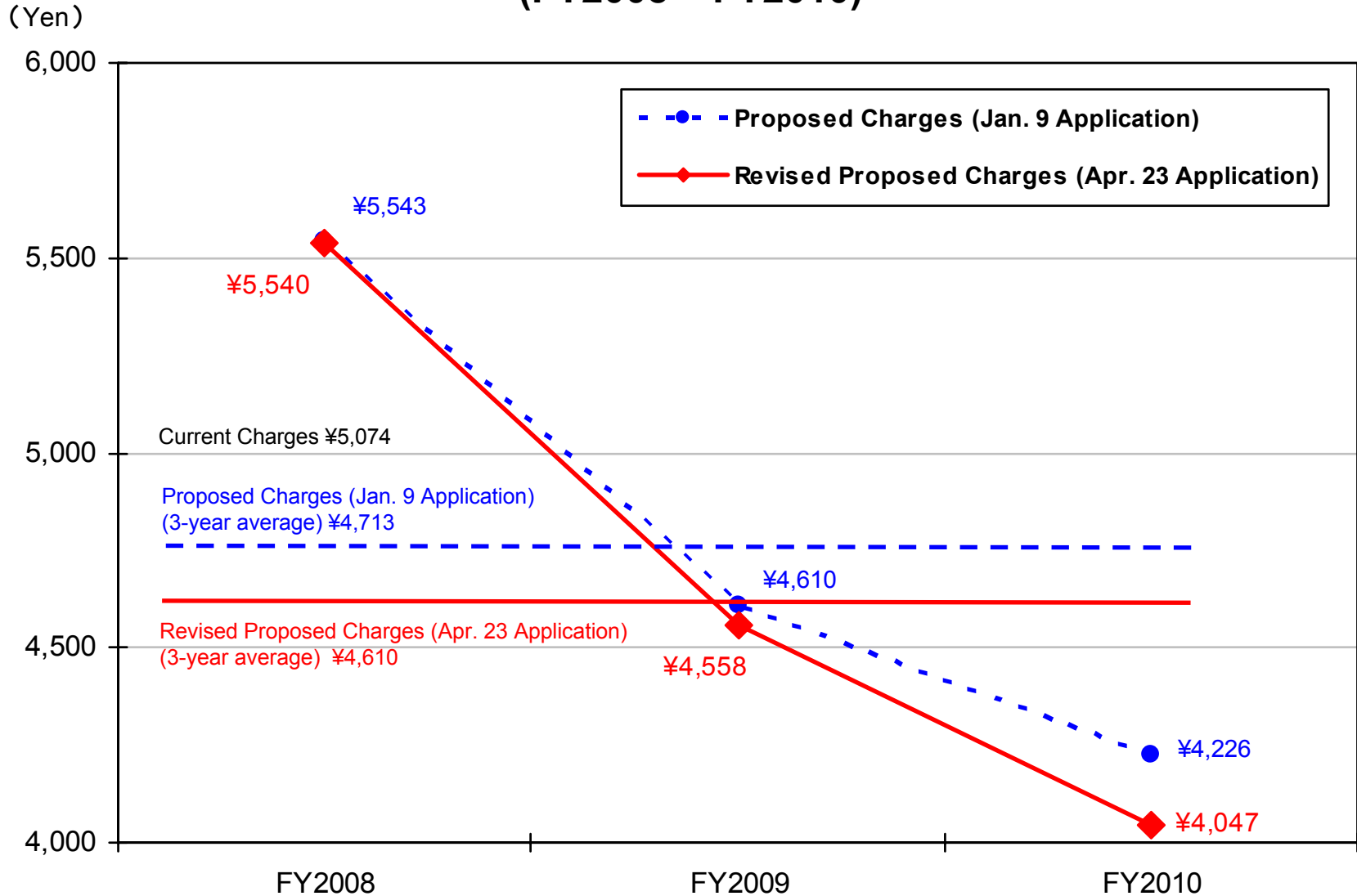
3. Adjustment of Disparities Between Results and Forecasts

• The concept of disparities is changed from “difference between actual interconnection charge revenues and actual costs” to “difference between actual interconnection charge revenues and estimated costs (estimated interconnection charge revenues)”, and the disparities are to be adjusted by adding to the interconnection charge costs in the subsequent calculation periods. *1

*1: For the final year of the calculation period (FY2010), actual interconnection charge revenues are estimated and the difference between the estimate and the actual results are to be added to the interconnection charge costs in the subsequent calculation periods.

• Mitigation measures such as dispersing interconnection charge costs over multiple calculation periods are to be taken in case of potential drastic changes in the interconnection charge levels due to disparity adjustments.

Cost Forecast per One-core Cable of Optical Subscriber Lines (NTT East) (FY2008 – FY2010)



*Note: "FY" in this material indicates the fiscal year ending March of the succeeding year.