

Table 1 : Coverage of the CSPI, WPI and CPI

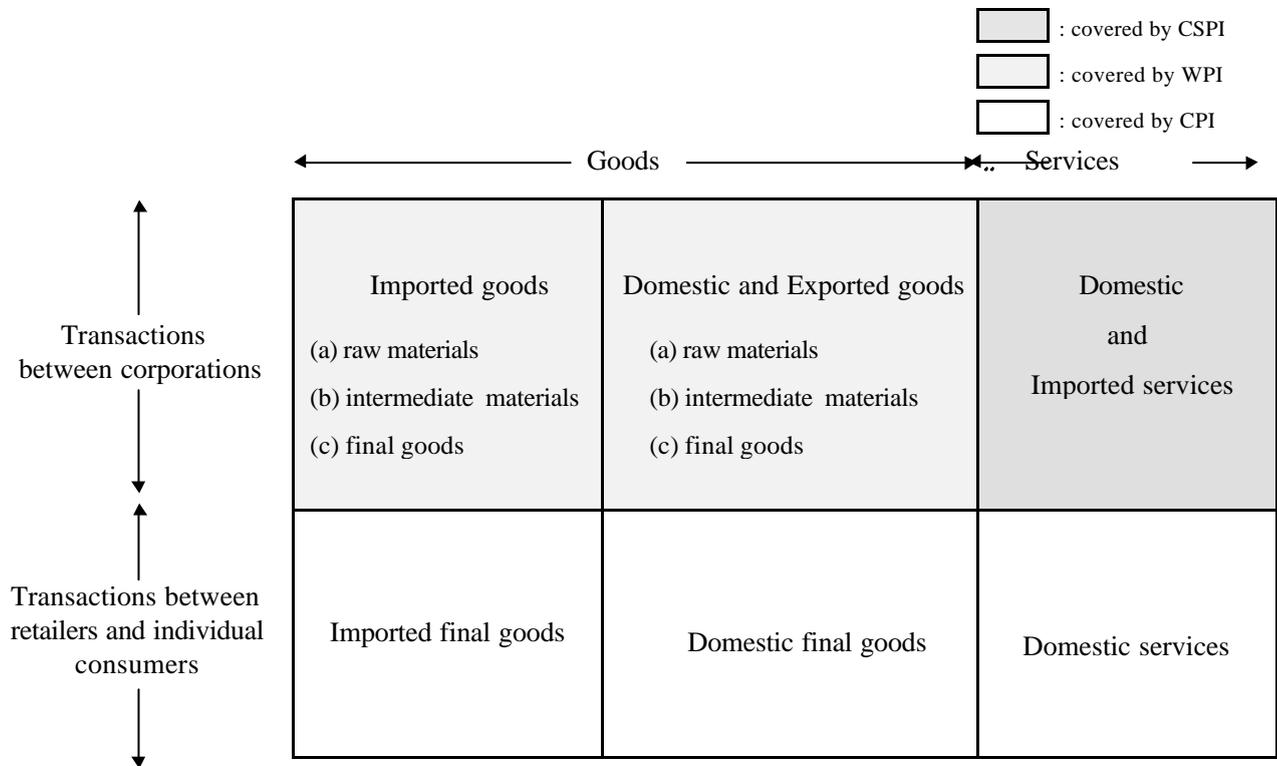


Table 2 : Number of categories for the CSPI classifications

	Major groups	Groups	Sub-groups	Items	Price data
1985 base	7	15	29	74	about 2,400
1990 base	8	17	32	89	about 2,800
1995 base (planned)	8	17	39	102	about 3,000

Table 4 : Deregulation of the entry restrictions in Japan

1. Enabling companies to operate in multiple telecommunications fields

Apr. 1985	The NTT Law and the Telecommunication Business Law were enforced. (a)Nippon Telegraph and Telephone Public Corporation, a 100% government owned organization, was privatized and renamed NTT. (b)The telecommunication market was opened up to new entrants. (c)But the participants' cross-market entrance was still regulated.
Jan. 1996	"Manual for Market Entry into Japanese Telecommunications Business" was announced by MPT. (a)Telecommunications companies except for NTT and KDD were allowed to operate in multiple telecommunications fields.
June 1997	The NTT Law was revised. (a)NTT was allowed to start international telecommunications services through a subsidiary company.
	The KDD Law was revised. (a)KDD was allowed to start domestic telecommunications services.

2. Deregulation allowing domestic non-telecommunications companies to enter the telecommunications field

May 1997	The Telecommunication Business Law was revised. (a)Companies in domestic non-telecommunications industries were allowed to enter the telecommunications field.
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3. Deregulation allowing foreign companies to enter Japan's telecommunications field

Feb. 1998	The Telecommunication Business Law and the Radio Law were revised. (a)The regulation setting the maximum ratio of foreign capital in Japanese telecommunications companies (one-third at most) was removed except for NTT and KDD.
Nov. 1998	The KDD Law was abolished. (a)The regulation on KDD was removed. The maximum foreign ownership ratio had been one-fifth.
July 1999	NTT was divided according to the revision of the NTT Law in June 1997. (a)The regulation on NTT Communication Corporation, one of the descendants of NTT, was removed. The maximum ratio under regulation for NTT had been one-fifth.

Figure 1 : A scheme for reflecting discounts “on a real time basis”

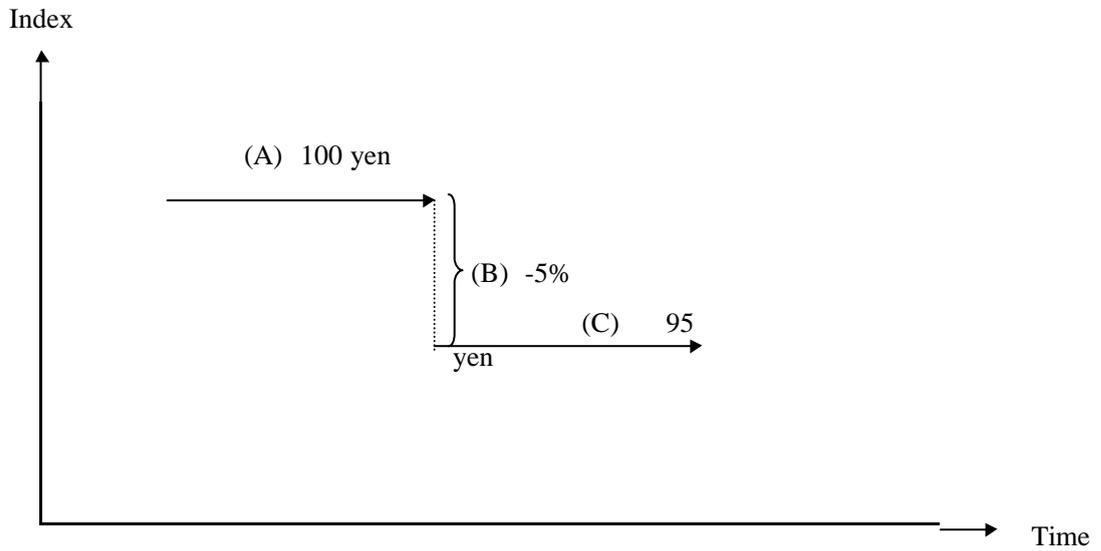


Figure 2 : A scheme for reflecting discounts “on a retroactive basis”

