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FOR IMMEDIATE RELEASE

Settlement for Fiscal Year Ended March 31, 2013

The results of Nippon Telegraph and Telephone West Corporation (NTT West) for the fiscal year ended March 31, 2013 are presented in the following attachments.

(Attachments)

1. Summary of Results for the Fiscal Year Ended March 31, 2013
2. Non-Consolidated Comparative Balance Sheets
3. Non-Consolidated Comparative Statements of Income
4. Non-Consolidated Statements of Changes in Shareholders' Equity and Other Net Assets
5. Business Results (Non-Consolidated Operating Revenues)
6. Non-Consolidated Comparative Statements of Cash Flows

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1. Summary of Results for the Fiscal Year Ended March 31, 2013

With respect to the global economy, in the fiscal year ended March 31, 2013, despite the relative stabilization of the U.S. economy, Europe's bond-related economic downturn had a ripple effect on China and other emerging countries, leading to continued economic stagnation. The Japanese economy, despite showing signs of mild recovery mainly from domestic demand stemming from rebuilding after the Great East Japan Earthquake, has shown weakened growth from the effects of the global economic slowdown. However, the outlook for the Japanese economy has started to show signs of improvement from December 2012 through the close of the fiscal year in anticipation of the new monetary easing policy adopted by the Bank of Japan.

In the information and telecommunications market, as Japan moves towards the formation of a ubiquitous network society where information and communications technologies (ICT) will be utilized extensively, ICT is expected to play a leading role in improving the efficiency and vitality of socio-economic activities and bringing greater convenience to the Japanese public. The public and private sectors are collaborating to achieve this vision. In addition, with the growth of broadband, globalization and the increased popularity of smartphones and tablet devices, user needs have diversified and become more sophisticated, and platform-type services and cloud services have expanded, leading to structural changes in the information and telecommunications market. In the regional communications market, competition among broadband service carriers utilizing optical access and cable TV, and competition between services due to the increased speed in mobile networks, has progressed. Furthermore, there have been drastic changes in the industry, including the convergence between fixed and mobile communications and between communications and broadcasting and the convergence among services utilizing a diverse range of wireless devices.

In this challenging and evolving business environment, NTT West endeavors to be a "customer-oriented corporate group" that meets customer expectations, contributes to society and provides high quality, stable universal service. NTT West has devoted its energy to promoting and expanding safe, secure, reliable, and desirable broadband and ubiquitous services that meet customers' needs, through new services and products that utilize the framework of the NGN and its networks.

〈1〉 Efforts to Promote Fiber-optic and IP services

NTT West has been promoting fiber-optic and IP services to expand the use of fiber-optic services by establishing ubiquitous broadband networks and offering customer-friendly price menus and attractive services.

For example, NTT West is expanding opportunities to use FLET'S Hikari in a wide variety of applications while developing and expanding services that can support the day-to-day lives and business activities of a broad range of customers, from individuals to businesses.

NTT West's goal is to further develop "FLET'S Hikari" fiber-optic broadband services and promote their use. To achieve this, NTT West worked to expand services by, among other things, launching "FLET'S Hikari Next Super High-Speed Type Hayabusa," introducing "FLET'S Hikari Wi-Fi Access," an Internet connection service for multi-dwelling units, and lowering monthly charges for "FLET'S Hikari Light

Apartment Type.”

In addition, as part of its initiative to enhance and strengthen its pricing service, NTT West launched “Hikari Motto Motto Wari,” a discount service for long-term customers designed to encourage continued use, as well as “Group Wari,” a monthly charge discount service available to FLET'S Hikari subscribers who can form a group to use the service.

Furthermore, NTT West has a goal of readily offering more customers an enjoyable communication environment necessary for playing online games by entering into alliances with other business operators. In furtherance of this goal, NTT West collaborated with Square Enix Co., Ltd., the provider of Dragon Quest X: Rise of the Five Tribes Online, the series' first online game, and Nintendo Co., Ltd., the company that offers the “Wii” and the “Wii U” home video game consoles, to promote and provide Internet connection support.

NTT West has worked to improve customer convenience of “Hikari Denwa” by introducing “Free Access Next,” a collect call service, and provided a speed dialing service connection (#dial), with the aim of promoting the use of video communication services. NTT West also worked to expand its services and began offering “TV Denwa Choice Teigaku,” a flat rate service for high-quality video phone calls.

To meet the growing needs of public Wi-Fi access due to the rapid increase in smartphone and tablet device users, NTT West also launched a roaming service with DoSPOT, a Wi-Fi service for retailers provided by NTT Media Supply Co., Ltd., and implemented other measures to increase access points of “FLET'S Spot (web authentication),” a public wireless LAN service.

Furthermore, as part of the initiative to create new lifestyles, NTT West launched services such as “FLET'S Eco-megane,” a cloud-based energy use visualization service, and “Hikari Danran TV,” which enables space sharing communication by sharing high-quality real-time videos on home televisions and various applications through an alliance with “Hikari Box+,” a set-top box that allows customers to use the Internet and to enjoy videos on home televisions.

In addition, with respect to support services, in order to address new security threats against Android handsets as a result of the recent rapid increase in the number of smartphones and tablet devices running the Android operating system, NTT West worked to increase the number of devices with remote support service by implementing support for Android smartphones and “Hikari Box +” through the “remote support service,” and making its security tools compatible with Android devices.

〈2〉 Efforts Concerning Solutions Business

As part of NTT West's initiatives for expanding its service coverage of large as well as small-and-medium-sized businesses, NTT West developed efficient and effective marketing activities in both the public and private sectors with a focus on industry-specific solutions based on each industry's unique characteristics and trends, and made further use of ICT tools such as cloud services to enhance the satisfaction of its regional customers.

As part of NTT West's efforts to expand its cloud services, NTT West began offering a cloud-based remote access service and a web conferencing service to local governments and corporations in order to support BCP (business continuity planning) in a secure telework environment. For universities, NTT West launched a cloud-based education support service that provides study-support and encourages interactive communication between teaching staff and students. NTT West also began offering a service to agricultural cooperatives that digitizes and stores important documents handled by their credit business on a cloud storage system.

As part of its collaborative efforts with local governments, NTT West worked to further promote the "Smart Hikari Town Kumamoto" project, launched in February 2012 in conjunction with Kumamoto prefecture and Kumamoto city, to realize "Smart Hikari Town." As part of the project, NTT West introduced "Smart Airport," which utilizes digital signage, began distributing "Kumamoto Smart Station," which enables travelers to check train and bus schedules and other information, and developed a model business for "visualizing home energy consumption and controlling home appliances." In addition, in the town of Shodoshima, Shozu-gun, Kagawa Prefecture, NTT West introduced "Hikari Kenko Sodan," a cloud-based health consultation service as part of the town's "Olive Healthcare System Project," a health maintenance project carried out by community members.

Moreover, NTT West has worked to expand services for corporate customers. NTT West added Android smartphones to the devices eligible for remote support on "Office Net Omakase Support Service," and improved the customer IT support screen in its service's menu to further enhance support services.

〈3〉 **Business Operation Structures**

NTT West's aim with respect to business operational structure is to enhance cooperation among the facility businesses such as those responsible for the building, maintenance and management of communication facilities. To achieve this goal, NTT West established a "Facilities Headquarters," with three departments under it: "Network," "Service Management" and "Interconnection Promotion." NTT West also set up the "Alliance Promotion Office" to promote alliances with other companies. Moreover, based on the view that the fundamental goal of service development is to use fiber-optic services to "design a lifestyle that connects everything and enriches everyday life," the Service Creation Department was renamed the Business Design Department.

In the area of facility maintenance, NTT West held a bloc forum aimed at learning from the major Hikari Denwa failure, strengthening execution capabilities and improving service quality, and carried out information distribution and assessment drills. NTT West also worked to enhance its disaster preparedness framework, carrying out a preparedness exercise designed to mimic events in the event of a large earthquake along the Nankai Trough. NTT West also executed planned facility inspections with "Hikikomisen Team Zero" with the goal of eliminating third-party accidents caused by fallen lines.

As part of its comprehensive cost control efforts to maintain profitable management, NTT West worked to further enhance the efficiency of fiber-optic service installation work, shorten and improve delivery dates through concurrent development of KAIZEN measures, increased installation jobs that do not require the dispatch of NTT employees by setting up fiber-optic outlets at properties with high tenant turnover, and

decreased back orders and order cancellations with a back order hotline. NTT West also improved the efficiency of maintenance work by accepting voice messages on weekends and holidays at the 113 center.

〈4〉 Corporate Social Responsibility (“CSR”) Activities

The NTT Group CSR Charter (adopted in June 2006) stipulates that, as responsible members of the information and communication industry, NTT Group companies will provide services of the highest quality and trust and contribute to the development of a safe, secure and prosperous society where people, society and the earth are connected through communications. Based on the CSR Charter, NTT West set up three new core CSR principles – thorough compliance, development of a safe and secure society, and creation of value through business activities – and set a “visualization” benchmark. Each NTT West employee takes part in CSR activities, including working to maintain legal compliance, providing safe and reliable communication services and reducing the burden on the environment.

In particular, with respect to thorough compliance, NTT Group has promoted groupwide initiatives in five high risk areas that have the potential to erode consumer trust in NTT West group companies, namely “misconduct in performing services,” “driving under the influence,” “information security breaches,” “power harassment” and “respect for human rights.”

In order to achieve its environmental grand design (new self-determined action plan targets) based on the NTT Group Environmental Vision (The Green Vision 2020) established in November 2010, NTT West has been working to decrease its power usage, amount of paper used, and the waste it produces. In addition, NTT West, under its biodiversity conservation activity entitled “Midori Ippai Project,” carried out foresting activities and engaged in other activities that contribute to the environment of local communities.

To promote the principles of the NTT Group CSR Charter and group-wide CSR activities, NTT West enhanced its CSR management and issued the “NTT West Group CSR Report 2012” and the “NTT West Group Environmental Report 2012” to proactively disclose relevant information to its stakeholders.

In addition, with respect to major damage caused by Typhoons 4 and 17 and torrential rainfall in the Kyushu region to NTT West’s communications facilities, NTT responded by quickly restoring communications services through around the clock restoration efforts by employees from companies throughout NTT Group.

With respect to power shortages and energy-saving efforts since the Great East Japan Earthquake, NTT West implemented the maximum power saving measures possible at both its exchange offices and office buildings.

〈5〉 Financial Standing

As a result of these efforts during the fiscal year ended March 31, 2013, operating revenues totaled 1,627.9 billion yen (a decrease of 2.9% from the fiscal year ended March 31, 2012), operating income was 19.2 billion yen (a decrease of 48.2% from the fiscal year ended March 31, 2012), recurring profit was 28.3 billion yen (a decrease of 33.0% from the fiscal year ended March 31, 2012), and net profit totaled 20.9 billion yen (an increase of 2.2% from the fiscal year ended March 31, 2012).

2. Non-Consolidated Comparative Balance Sheets

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	March 31, 2012	March 31, 2013	Increase (Decrease)
ASSETS			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	485,967	468,937	(17,030)
Antenna facilities	7,158	6,816	(341)
Terminal equipment	21,188	18,408	(2,779)
Local line facilities	892,312	923,767	31,455
Long-distance line facilities	2,858	2,597	(261)
Engineering facilities	571,763	562,018	(9,745)
Submarine line facilities	2,427	2,096	(331)
Buildings	397,185	376,023	(21,161)
Structures	14,507	14,064	(443)
Other machinery and equipment	1,237	1,335	98
Vehicles and vessels	204	220	15
Tools, furniture and fixtures	35,065	35,418	352
Land	176,435	174,819	(1,616)
Lease assets	1,581	735	(845)
Construction in progress	31,147	30,453	(694)
Total property, plant and equipment	2,641,042	2,617,712	(23,329)
Intangible fixed assets	77,024	71,968	(5,055)
Total fixed assets - telecommunications businesses	2,718,066	2,689,681	(28,385)
Investments and other assets			
Investment securities	3,870	4,067	197
Investments in subsidiaries and affiliated companies	39,852	39,348	(504)
Investment in capital	396	667	271
Long-term prepaid expenses	3,133	3,033	(99)
Deferred income taxes	99,121	91,761	(7,359)
Other investments and assets	8,119	12,036	3,916
Allowance for doubtful accounts	(352)	(249)	102
Total investments and other assets	154,140	150,665	(3,474)
Total fixed assets	2,872,207	2,840,347	(31,860)
Current assets:			
Cash and bank deposits	103,362	29,799	(73,562)
Notes receivable	19	8	(10)
Accounts receivable, trade	291,480	219,908	(71,571)
Accounts receivable, other	24,601	102,512	77,911
Securities	6	6	-
Supplies	35,212	38,222	3,009
Advance payment	1,273	1,334	60
Prepaid expenses	6,291	6,096	(194)
Deferred income taxes	3,519	2,871	(648)
Deposits	0	55,000	54,999
Other current assets	9,272	9,023	(249)
Allowance for doubtful accounts	(2,840)	(1,362)	1,477
Total current assets	472,199	463,421	(8,778)
TOTAL ASSETS	3,344,407	3,303,768	(40,638)

(Millions of yen)

	March 31, 2012	March 31, 2013	Increase (Decrease)
LIABILITIES			
Long-term liabilities:			
Long-term borrowings from parent company	960,947	951,797	(9,150)
Lease obligations	2,370	917	(1,452)
Liability for employees' retirement benefits	224,695	221,270	(3,424)
Reserve for point services	5,093	4,882	(210)
Reserve for unused telephone cards	13,480	11,960	(1,520)
Asset retirement obligations	305	309	4
Other long-term liabilities	11,266	9,531	(1,735)
Total long-term liabilities	1,218,158	1,200,669	(17,489)
Current liabilities:			
Current portion of long-term borrowings from parent company	133,151	182,057	48,905
Accounts payable, trade	74,124	72,315	(1,808)
Short-term borrowings	30,000	-	(30,000)
Lease obligations	1,836	1,681	(154)
Accounts payable, other	218,531	201,642	(16,889)
Accrued expenses	15,783	14,391	(1,391)
Accrued taxes on income	838	1,005	166
Advance received	3,134	3,076	(58)
Deposit received	122,084	113,953	(8,131)
Unearned revenue	105	100	(4)
Asset retirement obligations	39	-	(39)
Other current liabilities	5,636	2,006	(3,630)
Total current liabilities	605,265	592,231	(13,034)
TOTAL LIABILITIES	1,823,423	1,792,900	(30,523)
NET ASSETS			
Shareholders' equity:			
Common stock	312,000	312,000	-
Capital surplus			
Additional paid-in capital	1,170,054	1,170,054	-
Total capital surplus	1,170,054	1,170,054	-
Earned surplus			
Other earned surplus			
Accumulated earned surplus	38,905	28,645	(10,260)
Total earned surplus	38,905	28,645	(10,260)
Total shareholders' equity	1,520,959	1,510,699	(10,260)
Unrealized gains (losses), translation adjustments, and others:			
Net unrealized gains (losses) on securities	24	169	145
Total unrealized gains (losses), translation adjustments, and others	24	169	145
TOTAL NET ASSETS	1,520,983	1,510,868	(10,115)
TOTAL LIABILITIES AND NET ASSETS	3,344,407	3,303,768	(40,638)

3. Non-Consolidated Comparative Statements of Income

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Year ended March 31, 2012	Year ended March 31, 2013	Increase (Decrease)
Telecommunications businesses:			
Operating revenues	1,537,887	1,482,982	(54,904)
Operating expenses			
Business expenses	408,299	401,378	(6,920)
Operations	14,014	12,745	(1,268)
Maintenance expenses	390,886	380,522	(10,364)
Overhead expenses	64,719	60,961	(3,757)
Administration	89,085	86,007	(3,077)
Experiment and research	48,412	47,790	(622)
Depreciation and amortization	354,326	345,711	(8,615)
Retirement of fixed assets	41,811	43,835	2,023
Access charges	30,613	30,282	(331)
Miscellaneous taxes	65,899	65,224	(675)
Total operating expenses	1,508,068	1,474,459	(33,608)
Operating income from telecommunications businesses	29,819	8,523	(21,295)
Supplementary businesses:			
Operating revenues	138,460	144,998	6,538
Operating expenses	131,236	134,317	3,080
Operating income from supplementary businesses	7,223	10,681	3,457
Operating income	37,043	19,205	(17,838)
Non-operating revenues:			
Interest income	6	4	(1)
Interest on securities	2	5	2
Dividends received	1,160	858	(302)
Lease and rental income	38,660	37,029	(1,631)
Miscellaneous income	4,826	4,887	60
Total non-operating revenues	44,656	42,785	(1,871)
Non-operating expenses:			
Interest expenses	15,732	14,942	(790)
Lease and rental expenses	17,032	16,727	(305)
Miscellaneous expenses	6,572	1,938	(4,634)
Total non-operating expenses	39,337	33,607	(5,730)
Recurring profit	42,361	28,382	(13,978)
Income before income taxes	42,361	28,382	(13,978)
Corporation, inhabitant, and enterprise taxes	(4,595)	(494)	4,100
Deferred tax expenses (benefits)	26,463	7,938	(18,525)
Net income	20,493	20,939	445

4. Non-Consolidated Statements of Changes in Shareholders' Equity and Other Net Assets

(Based on accounting principles generally accepted in Japan)

Year ended March 31, 2012

(Millions of yen)

	Shareholders' equity						Unrealized gains (losses), translation adjustments, and others		Total net assets
	Common stock	Capital surplus		Earned surplus		Total shareholders' equity	Net unrealized gains (losses) on securities	Total unrealized gains (losses), translation adjustments, and others	
		Additional paid-in capital	Total capital surplus	Other earned surplus	Total earned surplus				
				Accumulated earned surplus					
April 1, 2011	312,000	1,170,054	1,170,054	49,611	49,611	1,531,665	(72)	(72)	1,531,593
Net change during the annual period									
Cash dividends				(31,200)	(31,200)	(31,200)			(31,200)
Net income				20,493	20,493	20,493			20,493
Others, net							96	96	96
Total net change during the annual period	-	-	-	(10,706)	(10,706)	(10,706)	96	96	(10,609)
March 31, 2012	312,000	1,170,054	1,170,054	38,905	38,905	1,520,959	24	24	1,520,983

Year ended March 31, 2013

(Millions of yen)

Year ended March 31, 2013

	Shareholders' equity						Unrealized gains (losses), translation adjustments, and others		Total net assets
	Common stock	Capital surplus		Earned surplus		Total shareholders' equity	Net unrealized gains (losses) on securities	Total unrealized gains (losses), translation adjustments, and others	
		Additional paid-in capital	Total capital surplus	Other earned surplus	Total earned surplus				
				Accumulated earned surplus					
April 1, 2012	312,000	1,170,054	1,170,054	38,905	38,905	1,520,959	24	24	1,520,983
Net change during the annual period									
Cash dividends				(31,200)	(31,200)	(31,200)			(31,200)
Net income				20,939	20,939	20,939			20,939
Others, net							145	145	145
Total net change during the annual period	-	-	-	(10,260)	(10,260)	(10,260)	145	145	(10,115)
March 31, 2013	312,000	1,170,054	1,170,054	28,645	28,645	1,510,699	169	169	1,510,868

5. Business Results (Non-Consolidated Operating Revenues)

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Year ended March 31, 2012	Year ended March 31, 2013	Increase (Decrease)	Percent Increase (Decrease)
Voice transmission services revenues (excluding IP services revenues)	646,816	579,801	(67,015)	(10.4)
Monthly charge revenues*	457,610	416,088	(41,521)	(9.1)
Call rates revenues*	51,162	43,864	(7,298)	(14.3)
Interconnection call revenues*	90,242	80,143	(10,098)	(11.2)
IP services revenues	629,402	660,902	31,500	5.0
Leased circuit services revenues (excluding IP services revenues)	125,491	112,172	(13,318)	(10.6)
Telegram services revenues	20,282	18,484	(1,798)	(8.9)
Other telecommunications services revenues	115,894	111,621	(4,272)	(3.7)
Telecommunications total revenues	1,537,887	1,482,982	(54,904)	(3.6)
Supplementary business total revenues	138,460	144,998	6,538	4.7
Total operating revenues	1,676,348	1,627,981	(48,366)	(2.9)

*Partial listing only.

6. Non-Consolidated Comparative Statements of Cash Flows

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Year ended March 31, 2012	Year ended March 31, 2013	Increase (Decrease)
Cash flows from operating activities:			
Income before income taxes	42,361	28,382	(13,978)
Depreciation and amortization	363,579	354,981	(8,598)
Loss on disposal of property, plant and equipment	17,637	18,365	728
Increase (decrease) in liability for employees' retirement benefits	(33,354)	(3,424)	29,930
(Increase) decrease in accounts receivable	(21,705)	(10,489)	11,216
(Increase) decrease in inventories	(4,546)	(3,041)	1,505
Increase (decrease) in accounts payable and accrued expenses	(18,947)	(17,279)	1,667
Increase (decrease) in accrued consumption tax	(72)	1,384	1,457
Other	46,428	653	(45,774)
Sub-total	391,379	369,533	(21,846)
Interest and dividends received	1,169	868	(301)
Interest paid	(16,346)	(15,241)	1,104
Income taxes received (paid)	6,418	4,902	(1,515)
Net cash provided by (used in) operating activities	382,619	360,061	(22,557)
Cash flows from investing activities:			
Payments for property, plant and equipment	(349,576)	(353,694)	(4,117)
Proceeds from sale of property, plant and equipment	1,660	2,650	989
Payments for purchase of investment securities	(1,454)	(411)	1,043
Proceeds from sale of investment securities	48	135	87
Other	201	(3,888)	(4,090)
Net cash provided by (used in) investing activities	(349,120)	(355,207)	(6,087)
Cash flows from financing activities:			
Proceeds from issuance of long-term debt	140,000	172,907	32,907
Payments for settlement of long-term debt	(142,428)	(133,151)	9,276
Net increase (decrease) in short-term borrowings	(25,000)	(30,000)	(5,000)
Payments for settlement of lease obligations	(1,836)	(1,846)	(10)
Dividends paid	(31,200)	(31,200)	-
Net cash provided by (used in) financing activities	(60,464)	(23,290)	37,173
Net increase (decrease) in cash and cash equivalents	(26,964)	(18,436)	8,528
Cash and cash equivalents at beginning of year	131,113	104,148	(26,964)
Cash and cash equivalents at end of year	104,148	85,711	(18,436)