

October 28, 2013

Company Name: Nippon Telegraph and Telephone Corporation  
Representative: Hiroo Unoura, President and Chief Executive Officer  
(Code No.: 9432, First section of Tokyo Stock Exchange)

**Notice Regarding NTT Communications' Planned Stock Acquisition of Virtela Technology  
Services Incorporated**

NTT Communications Corporation ("NTT Com"), a subsidiary of Nippon Telegraph and Telephone Corporation ("NTT"), has announced today that it has entered into a stock transfer agreement with the shareholders of Virtela Technology Services Incorporated ("Virtela", headquartered in Denver, Colorado, USA), a major provider of cloud-based managed network services in 196 countries and regions, with strengths in the areas of managed services and virtualized IT services, to acquire 100% of the outstanding shares of Virtela. For more details, please see the attached press release by NTT Com.

This acquisition will not have a material impact on NTT's consolidated results of operations.

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2013-R116

**Joint Announcement**

NTT Communications Corporation  
Virtela Technology Services Incorporated

**NTT Com Agrees to Wholly Acquire Virtela, A Leading Cloud Networking Provider**

TOKYO, JAPAN and DENVER, CO – October 28, 2013 - NTT Communications Corporation (NTT Com), ICT solutions and international communications business within NTT (NYSE: NTT), and Virtela Technology Services Incorporated (Virtela), a leading global managed and cloud network services company, announced today that NTT Com and Virtela's shareholders have entered into a definitive agreement under pursuant to which NTT Com has agreed to wholly acquire Virtela for a total transaction price of approximately \$525 million (USD) in cash.

Combining Virtela's advanced service/operational platforms and expertise with NTT Com's global ICT infrastructure and resources creates an unparalleled company able to deliver cloud networking services, asset-light branch office networking, a Tier-1 IP backbone and end-to-end cloud compute, storage and network services on a global scale. Together, NTT Com and Virtela offer customers a single partner for the full lifecycle of enterprise network services with an extensive portfolio to transform enterprise IT architectures via the cloud.

Virtela, a 400-employee company headquartered in Denver, Colorado with global operations and delivery centers in the U.S., India and the Philippines, serves more than 500 customers worldwide, including many of the world's largest multinational companies.

NTT Com offers global total ICT outsourcing for the safe and reliable transition of customer ICT environments to the cloud. Its existing offerings include Arcstar Universal One™ virtualized network services and customer-premise-to-data center and cloud-to-cloud services, utilizing SDN (software defined networking) technologies.

The respective strengths of Virtela and NTT Com will be unified through the integration of their respective operations, services and networks to be introduced on a combined basis to serve customers from 2014. Using Virtela's flexible service activation and advanced management infrastructure will further enhance NTT Com's high-quality broadband network services in nearly every country of the world. The acquisition expands NTT Com's global network services coverage from 160 to more than 190 countries/regions.

NTT Com will also upgrade its cloud-based network services with Virtela's network function virtualization (NFV) technology to virtualize the functions of customers' network equipment, such as firewalls and WAN accelerators, enabling enterprises to benefit from instant service activation and significant cost reduction.

"Virtela is well known for its strong technology, networking expertise, global reach and highly regarded services," said Akira Arima, CEO of NTT Com. "As we advance our Global Cloud Vision, we expect to continue offering enterprise customers the highest possible value in services ranging from branch office networking to large-scale cloud migration."

"Virtela's virtualized network services model combined with NTT Com's brand and strength will create the industry's most advanced services portfolio that enables enterprises to break free from the constraints of traditional network architectures and services," said Vab Goel, Virtela founder and general partner at Norwest Venture Partners.

"NTT Com and Virtela share a vision for passionate customer support and enhanced customer experience and we look forward to continuing to work closely with our customers and partners to deliver even higher value," said Virtela President Ron Haigh.

Going forward, NTT Com plans to expand its leadership in global network services and global cloud business, through the integration and expansion of its global network services.

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**About NTT Communications Corporation**

NTT Communications provides consultancy, architecture, security and cloud services to optimize the information and communications technology (ICT) environments of enterprises. These offerings are backed by the company's worldwide infrastructure, including IPv4/IPv6 Global Tier-1 IP Network, Arcstar Universal One™ VPN network reaching more than 190 countries/regions, and over 150 secure data centers. NTT Communications' solutions leverage the global resources of NTT Group companies including Dimension Data, NTT DOCOMO and NTT DATA.

Further information: [www.ntt.com](http://www.ntt.com) | [www.twitter.com/nttcom](https://www.twitter.com/nttcom)  
| [www.facebook.com/nttcomtv](https://www.facebook.com/nttcomtv)

**About Virtela**

Virtela Technology Services Incorporated is the smart alternative to traditional global carriers and equipment vendors for enterprise networking and virtualized IT services. The company delivers award-winning services via its Virtualized Overlay Network and Virtela Enterprise Services Cloud (ESC) platform, which enables the transition of branch office networking and security services to the cloud. Virtela gives enterprises the benefit of "asset-light" software-defined networking that delivers up to 80% cost savings in upfront capital and 30% savings in ongoing operating expenses.

Recognized by more than 100 awards for outstanding service innovation and customer support, Virtela's services suite includes global managed network, security, mobility, application acceleration and IT infrastructure services.

Virtela is headquartered in Denver, Colorado, with global support centers. For more information, please call +1 (720) 475-4000 or visit [www.virtela.net](http://www.virtela.net)

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