



**Financial Results for the Fiscal Year
Ended March 31, 2014
and
Financial Forecasts for the Fiscal Year
Ending March 31, 2015**

May 13, 2014

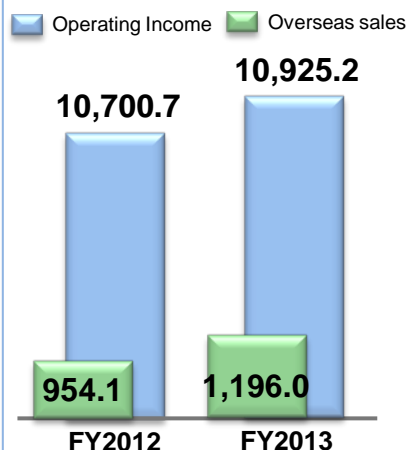
The forward-looking statements and projected figures concerning the future performance of NTT and its subsidiaries and affiliates contained or referred to herein are based on a series of assumptions, projections, estimates, judgments and beliefs of the management of NTT in light of information currently available to it regarding NTT and its subsidiaries and affiliates, the economy and telecommunications industry in Japan and overseas, and other factors. These projections and estimates may be affected by the future business operations of NTT and its subsidiaries and affiliates, the state of the economy in Japan and abroad, possible fluctuations in the securities markets, the pricing of services, the effects of competition, the performance of new products, services and new businesses, changes to laws and regulations affecting the telecommunications industry in Japan and elsewhere, other changes in circumstances that could cause actual results to differ materially from the forecasts contained or referred to herein, as well as other risks included in NTT's most recent Annual Report on Form 20-F and other filings and submissions with the United States Securities and Exchange Commission.

* "E" in this material represents that the figure is a plan or projection for operation.

** "FY" in this material indicates the fiscal year ending March 31 of the succeeding year.

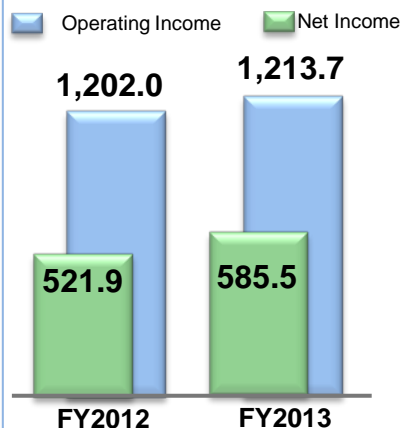
Operating Revenues & Overseas Sales

(Billions of yen)



Operating Income & Net Income

(Billions of yen)



FY2013 saw an increase in Operating Revenues and Operating Income. Operating Revenues increased for the fourth consecutive year, and Net Income reached a six-year peak.

Earnings Per Share (EPS) increased to 509 yen (increase of 18% year-on-year)

Expansion of global cloud services

➤ Overseas sales increased to 1,196.0 billion yen (increase of 241.9 billion yen year-on-year)

Enhanced competitiveness of network services

➤ Expansion of NTT's user base

- 13.78 million smartphone sales and 21.97 million Xi subscribers (net increase of 10.40 million subscribers)
- 18.05 million FLET'S Hikari subscribers (net increase of 0.75 million subscribers)
- Number of subscribers to Hikari TV and FLET'S TV : 3.98 million
- Number of "d video" subscribers: 4.41 million
- The number of Wi-Fi area owners increased to three times the FY2012 amount

➤ Cost reductions

- Cost reductions related to fixed-line and mobile access services: NTT reached approx. 80% of its medium-term target of a 500 billion yen reduction by the end of FY2014

Increased shareholder returns

- Completed 156.5 billion yen of stock repurchases, mainly from the Japanese government in March, for a total of 406.5 billion yen in stock repurchases in FY2013.
- Increased year-end dividend by 10 yen per share compared to FY2012. Distributed dividends of 170 yen per share for the year.

FY2013 Highlights

- NTT as a group made up for the decrease in Operating Income of its mobile communications and data communications businesses and as a result, Operating Revenues and Operating Income both increased. Net Income reached a six-year peak.
- Both Operating Revenues and Operating Income fell short of FY2013 forecasts due to the decrease in Operating Income in the mobile communications business.
- Achieved EPS of 509.21 yen, an increase of 18% year-on-year.

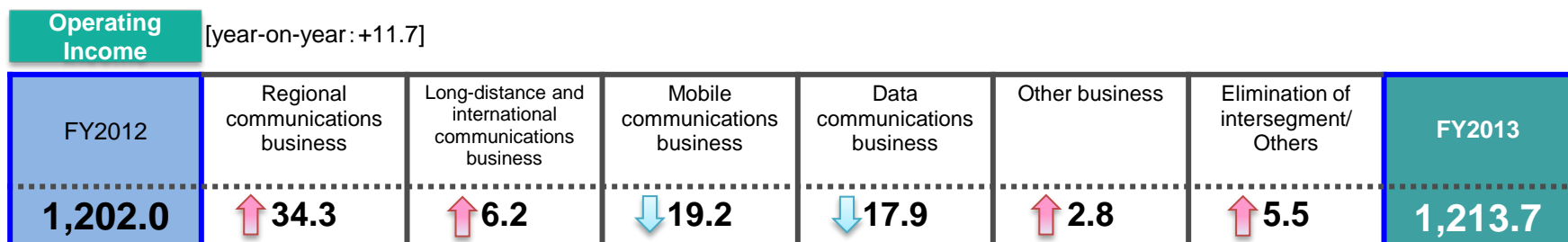
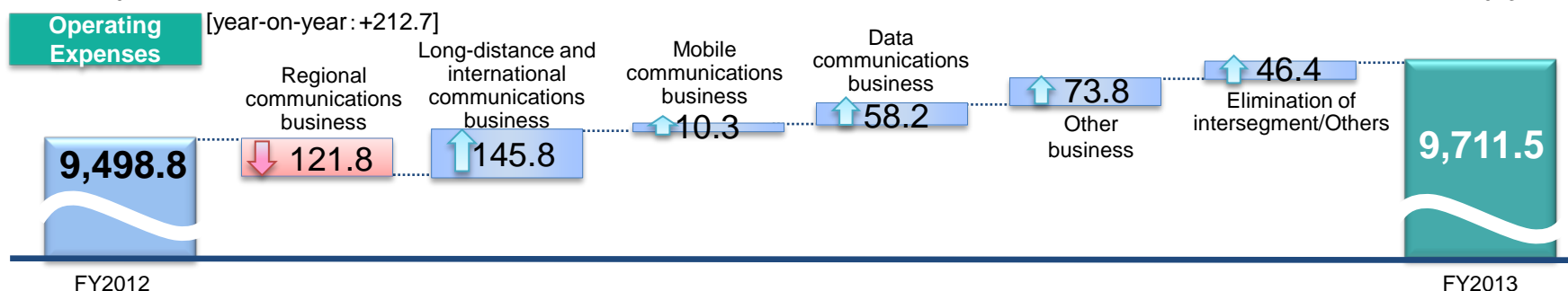
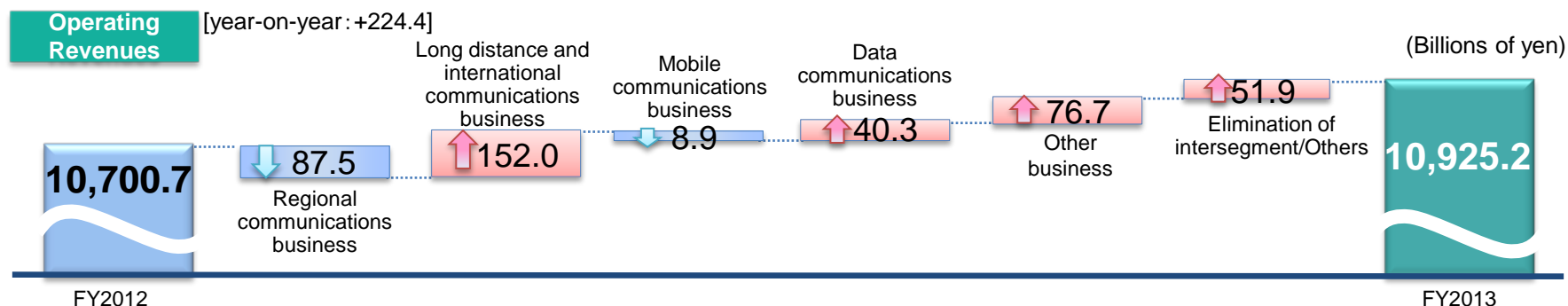
FY2013					(Billions of yen)	
		Change year-on-year	[%]	Change from the Revised Forecasts	FY2012	FY2013 Forecasts
Operating Revenues	10,925.2	+224.4	+2.1%	(74.8)	10,700.7	11,000.0
Operating Expenses	9,711.5	+212.7	+2.2%	(58.5)	9,498.8	9,770.0
Operating Income	1,213.7	+11.7	+1.0%	(16.3)	1,202.0	1,230.0
Net Income ※	585.5	+63.5	+12.2%	+0.5	521.9	585.0
EPS (yen)	509.21	+78.53	+18.2%	+5.99	430.68	503.22

※Net Income represents net income attributable to NTT, excluding noncontrolling interests.

※Net Income for FY2012 has been revised to reflect the retroactive application of the equity method of accounting for Philippine Long Distance Telephone Company.

FY2013 Contributing Factors by Segment

- Regional communications business: Operating Income increased due to, among other things, efforts to limit Hikari subscription cancellations, improvements in business efficiency, and a decrease in pension costs.
- Long-distance and international communications business: Operating Income increased due to growth in NTT's overseas business and improvements in cost efficiency.
- Mobile communications business: Although strong iPhone sales mitigated mobile number portability (MNP) losses to an extent, Operating Income decreased due to, among other things, "Monthly Support" discount programs.
- Data communications business: Despite the effect of unprofitable business deals, the decline in profit margins slowed due to cost reductions in the latter half of the year.



FY2014 Forecast Summary

- Operating Revenues increased for the fifth consecutive year, reaching a record 11,200.0 billion yen.
- Operating Income remained relatively unchanged from the previous fiscal year at 1,215.0 billion yen.
- Achieved EPS of 536 yen, a 5% increase year-on-year.

(Billions of yen)

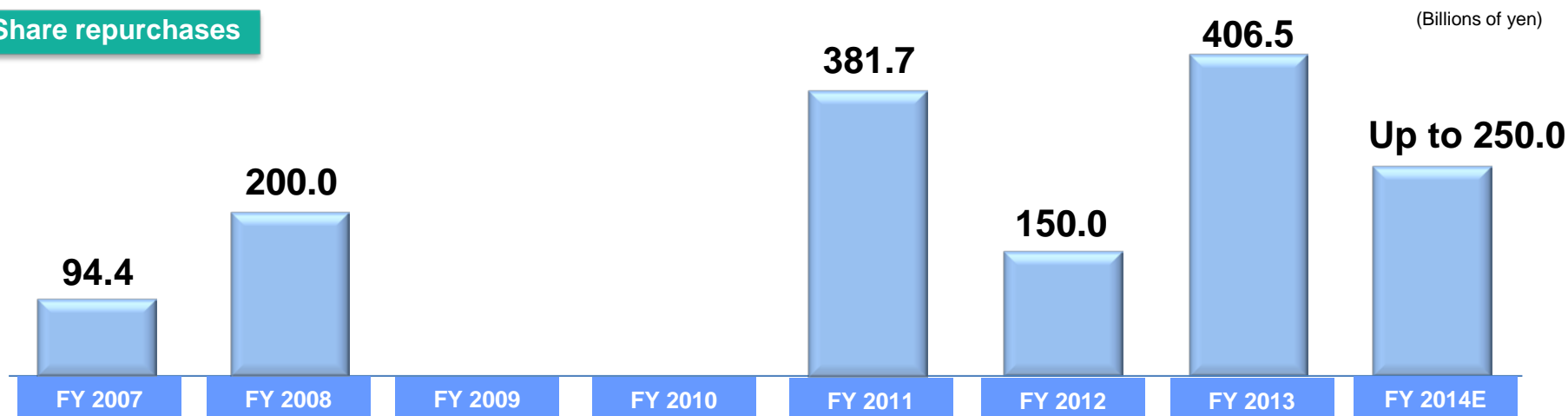
	FY2013	FY2014 Forecasts		
			Change year-on-year	[%]
Operating Revenues	10,925.2	11,200.0	+274.8	+2.5%
Operating Expenses	9,711.5	9,985.0	+273.5	+2.8%
Operating Income	1,213.7	1,215.0	+1.3	+0.1%
Net Income	585.5	586.0	+0.5	+0.1%
EPS (yen)	509.21	536.00	+26.79	+5.3%

※Net income represents net income attributable to NTT, excluding noncontrolling interests.

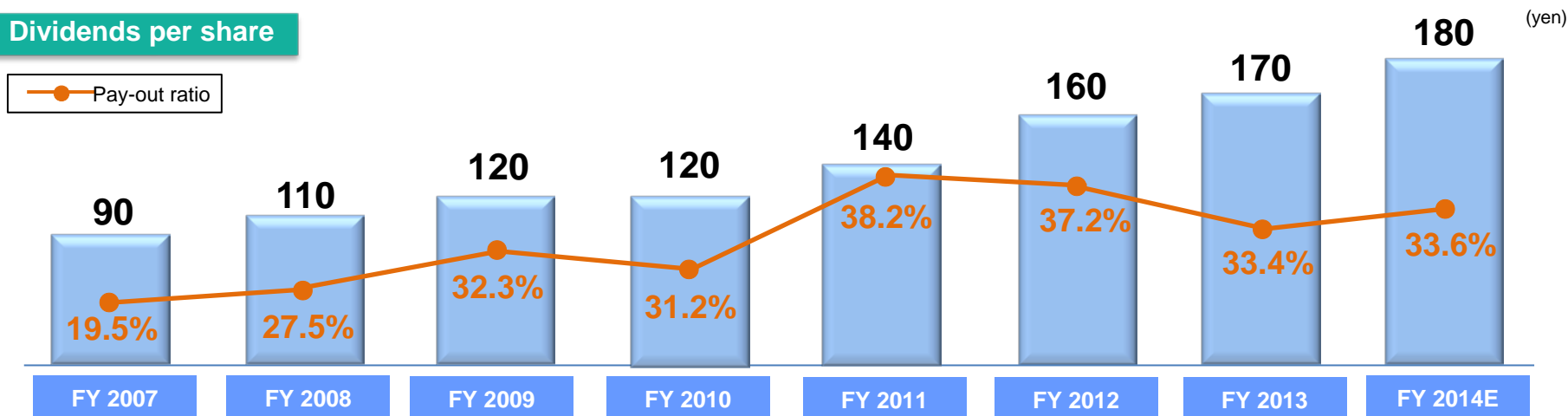
● Share repurchases: 250.0 billion yen repurchase from the Japanese government planned for FY2014

● Dividends: Dividends of 180 yen per share planned for FY2014

Share repurchases

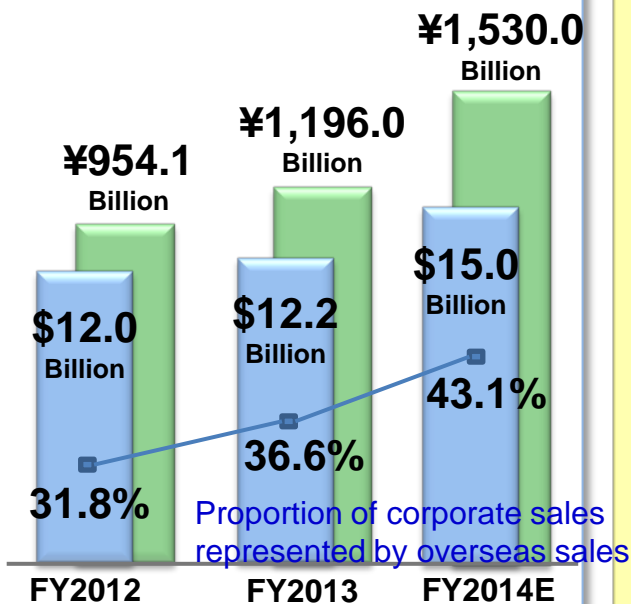


Dividends per share



Progress of the Medium-Term Strategy “Towards the Next Stage”

Overseas Sales



Overseas Sales: \$20.0 billion by FY2016
 Proportion of corporate sales represented by overseas sales: 50% or more by FY2016

“Overseas Sales are leading NTT Group’s top-line (growth)”



FY2013

Overseas Sales: \$12.2 billion (¥1,196.0 billion)

Proportion of corporate sales represented by overseas sales: 37%



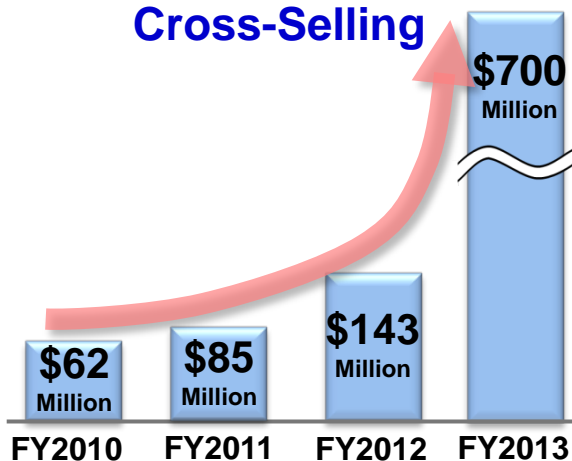
FY2014 Targets

Overseas Sales: \$15.0 billion (¥1,530.0 billion)

Proportion of corporate sales represented by overseas sales: 43%

Note: Exchange rate used for FY2013: \$1 dollar = ¥97.73
 Exchange rate used for FY2014: \$1 dollar = ¥102 (estimate)

Order Volume from Cross-Selling



“Order volume from cross-selling for the latter half of the year: \$200 million”

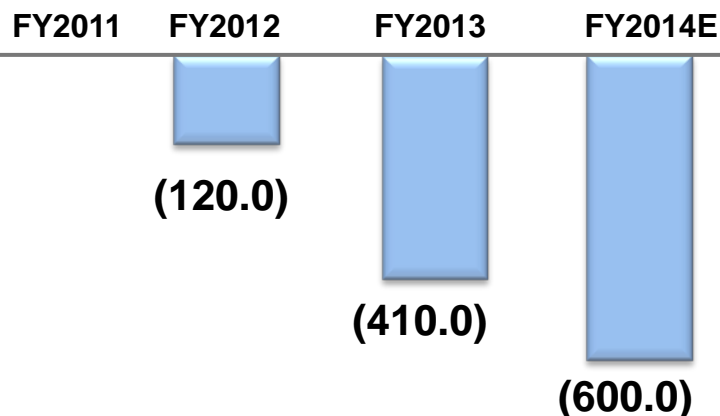


FY2013

\$700 million

Access Network Cost Reductions

(billions of yen)



Access Network Cost Reduction: Targeting decrease of 500.0 billion yen by FY2014

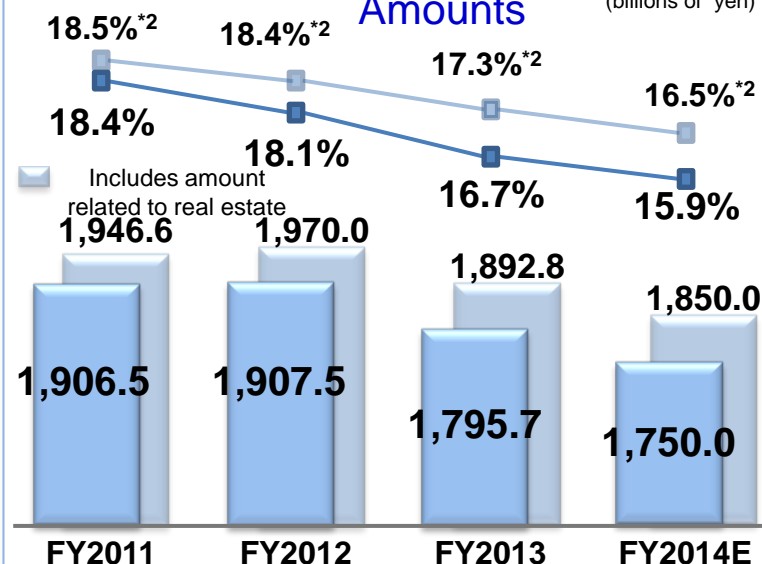
“Revision of cost reduction target to ¥600.0 billion”

- ¥410.0 billion decrease in FY2013^{*1}
- ¥600.0 billion decrease in FY2014^{*1}

^{*1} Compared to FY2011

Capex to Sales Capital Investment Amounts

(billions of yen)



Capex to Sales Ratio: Target of 15% by FY2015

“Enhance efficiency in capital investment, and reach a ratio in the 15% range this year”

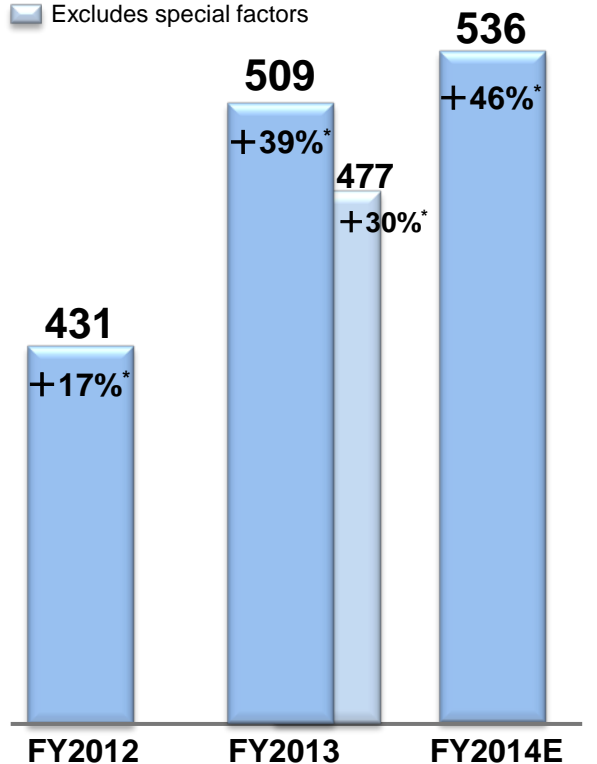
- Target of ¥1,795.7 billion by FY2013 (¥111.8 billion decrease from previous year), resulting in a 16.7% Capex to Sales ratio
- Target of ¥1,750.0 billion by FY2014 (¥45.7 billion decrease from previous year), resulting in a 15.9% Capex to Sales ratio

^{*2} Amounts include sales and investments related to real estate and solar power generation operations

Earnings Per Share (EPS)


(yen/share)


Excludes special factors



EPS: Targeting growth of 60% or more
by FY2015

“Expand steadily toward achieving the target”

 FY2013: 509 yen (39% increase*)

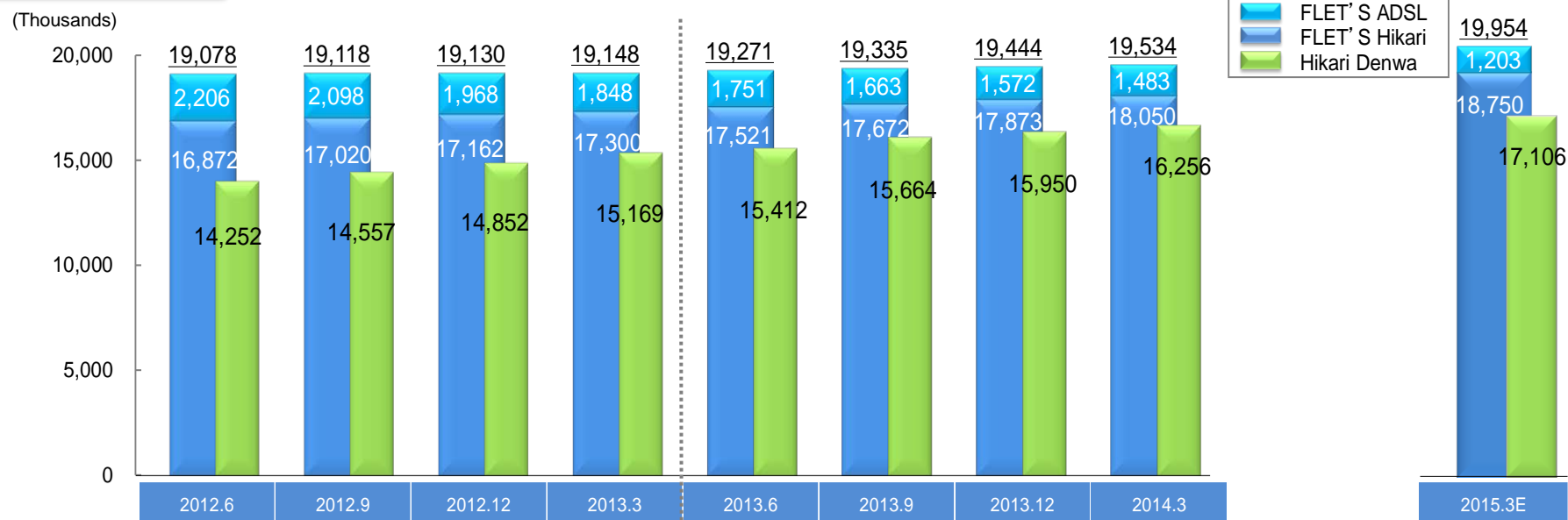
 FY2014: 536 yen (46% increase*)

* Compared to FY2011

Progress of Broadband Services

Number of Subscribers for Fixed Broadband Services

Number of subscribers



Changes from the preceding quarter

		FY2012				FY2013				(Thousands)	
		4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3	FY2013	FY2014E
FLET'S Hikari ※1		307	148	143	138	220	152	200	178	750	700
	Number of opened connections ※2	982	762	750	848	870	707	743	811	3,131	3,000
FLET'S ADSL		(115)	(108)	(131)	(119)	(98)	(88)	(91)	(89)	(365)	(280)
Hikari Denwa ※3		351	305	295	318	242	252	287	305	1,087	850

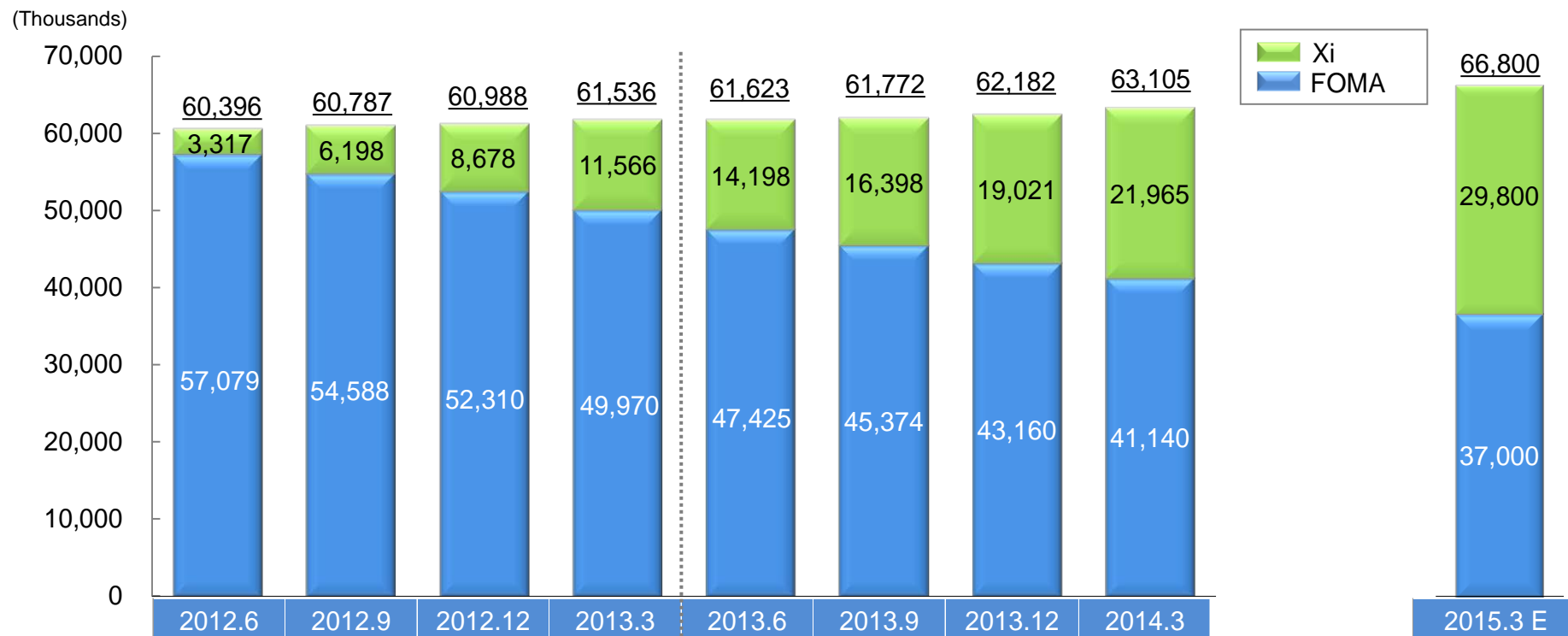
※1 Number of FLET'S Hikari subscribers includes B FLET'S, FLET'S Hikari Next, FLET'S Hikari Light and FLET'S Hikari WiFi Access provided by NTT East and B FLET'S, FLET'S Hikari Premium, FLET'S Hikari Mytown, FLET'S Hikari Next, FLET'S Hikari Light and FLET'S Hikari WiFi Access provided by NTT West.

※2 Number of opened connections excludes openings due to relocations.

※3 Number of Hikari Denwa subscribers is presented in thousands of channels.

Number of Subscribers for Mobile Broadband Services

Number of subscribers※



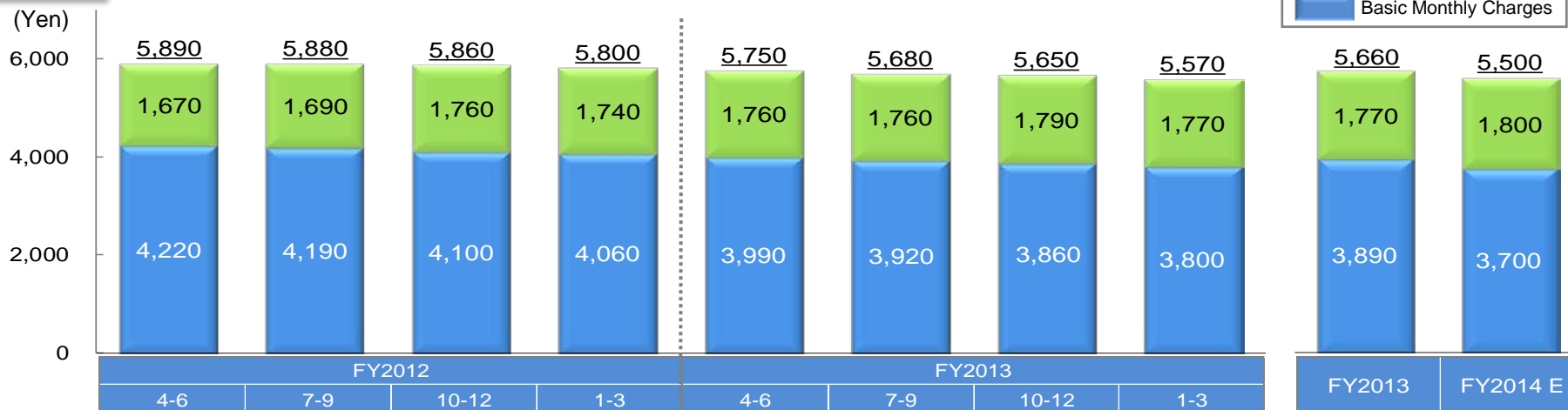
Changes from the preceding quarter

	FY2012				FY2013				FY2013	FY2014E
	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3		
FOMA+Xi	266	391	201	548	87	149	410	924	1,569	3,700

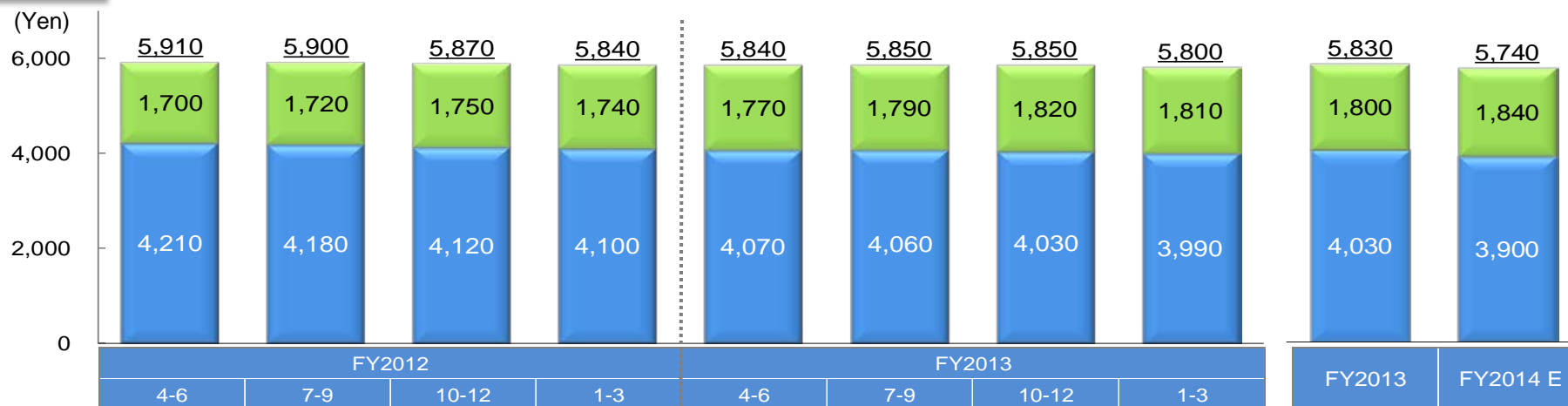
※ The number of FOMA subscribers includes communications module service subscribers

ARPU of Fixed Broadband Services (FLET'S Hikari) ※

NTT East

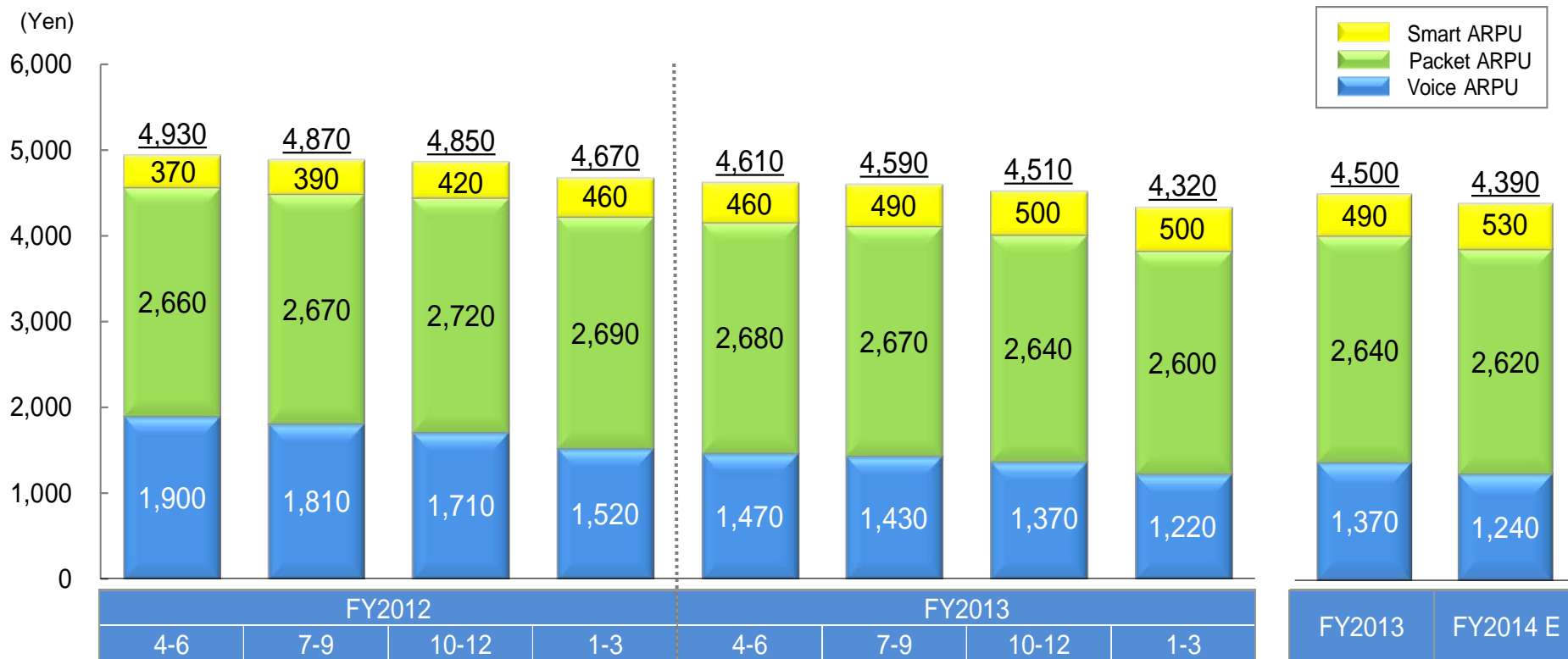


NTT West



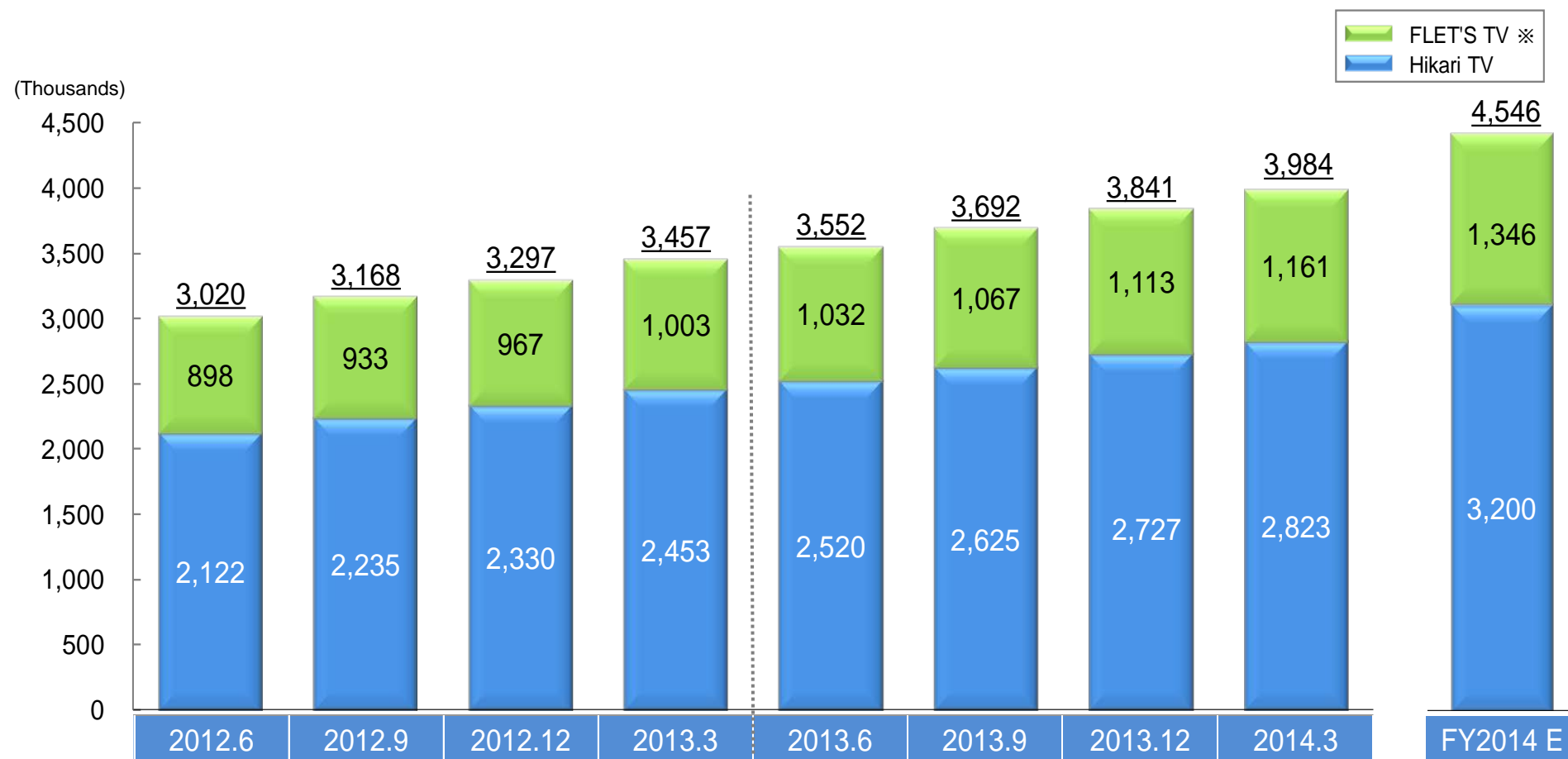
※ FLET'S Hikari includes B FLET'S, FLET'S Hikari Next, FLET'S Hikari Light and FLET'S Hikari WiFi Access provided by NTT East and B FLET'S, FLET'S Hikari Premium, FLET'S Hikari Mytown, FLET'S Hikari Next, FLET'S Hikari Light and FLET'S Hikari WiFi Access provided by NTT West. Commencing in the fiscal year ended March 31, 2014, NTT East and NTT West began including in their respective FLET'S Hikari ARPU calculations revenues from NTT East's and NTT West's "FLET'S VPN WIDE" virtual private network option. NTT East's and NTT West's FLET'S Hikari ARPU for the three months ended June 30, 2012, September 30, 2012, December 31, 2012 and March 31, 2013 have been revised to include revenues from "FLET'S VPN WIDE." Please see page 29 regarding the calculation of ARPU.

ARPU of Mobile Broadband Services (FOMA, Xi) ※



※ The calculation of mobile broadband services ARPU does not include communications module service subscribers and the revenues therefrom.
Please see page 29 regarding the calculation of ARPU.

Number of Subscribers for Video Services

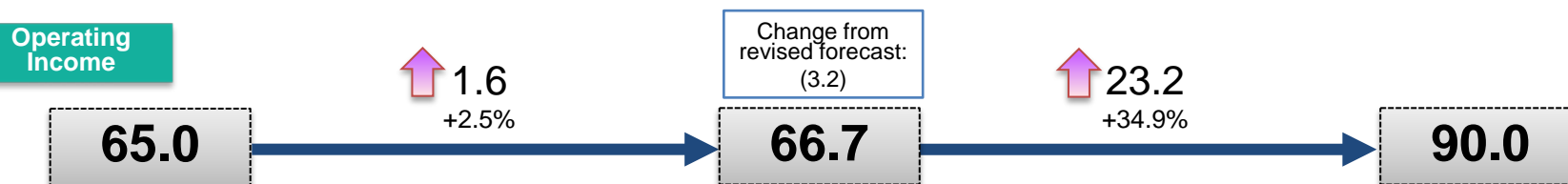
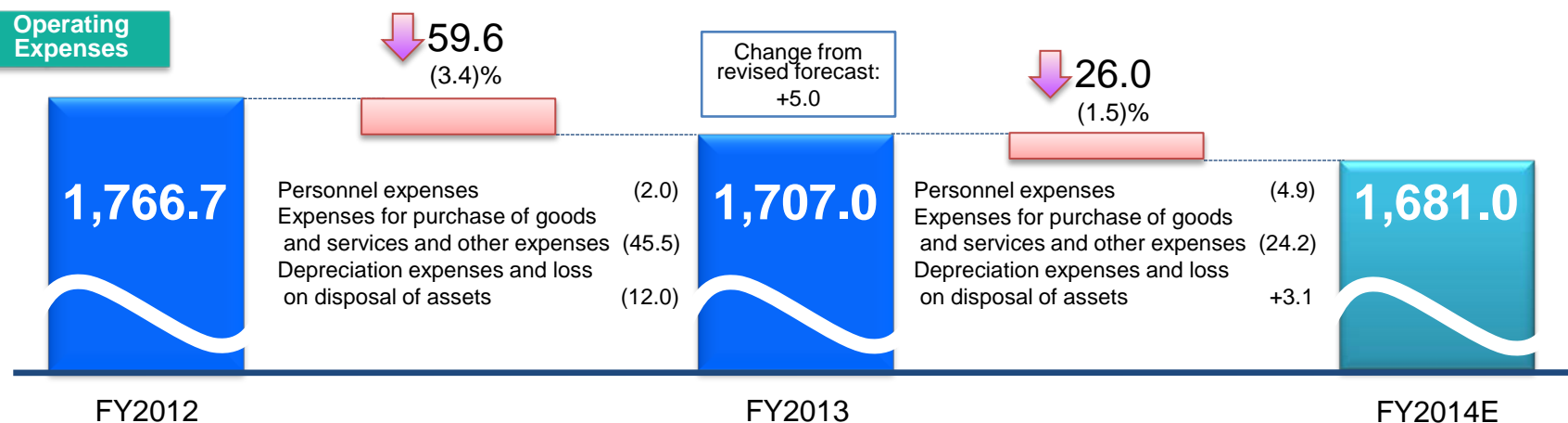
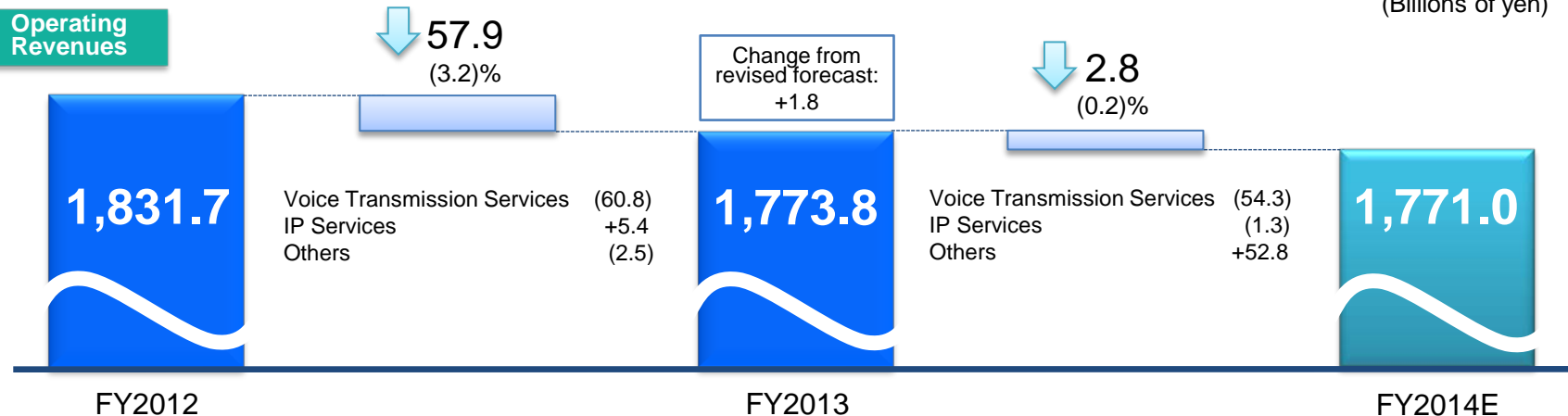


※“FLET'S TV” requires a subscription to “FLET'S TV Transmission Service,” provided by NTT East and NTT West, and a subscription to Opticast Inc.'s “Opticast Facility Use Services” broadcast service.

Financial Information

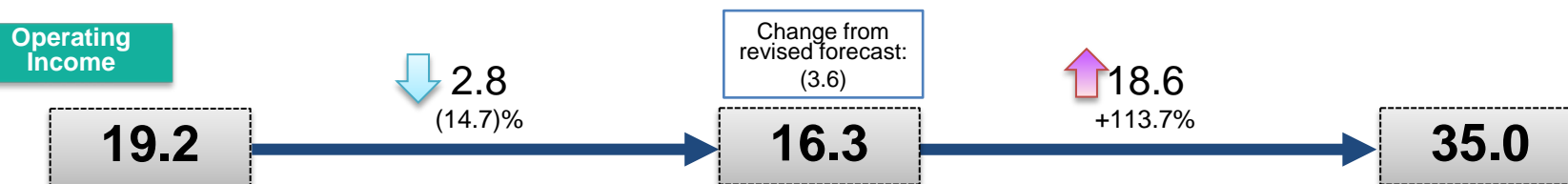
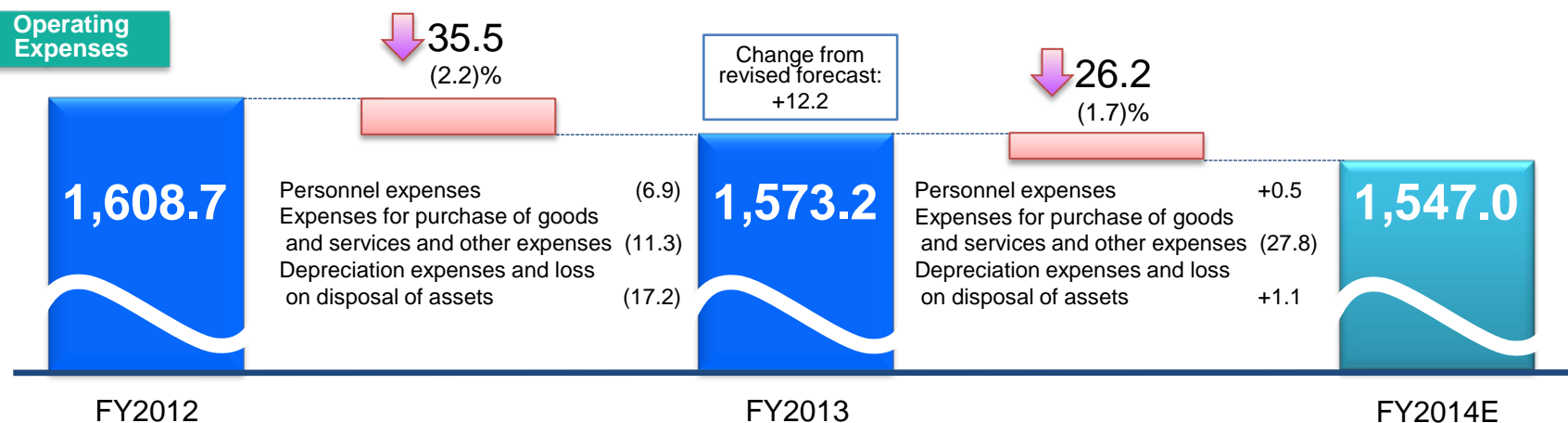
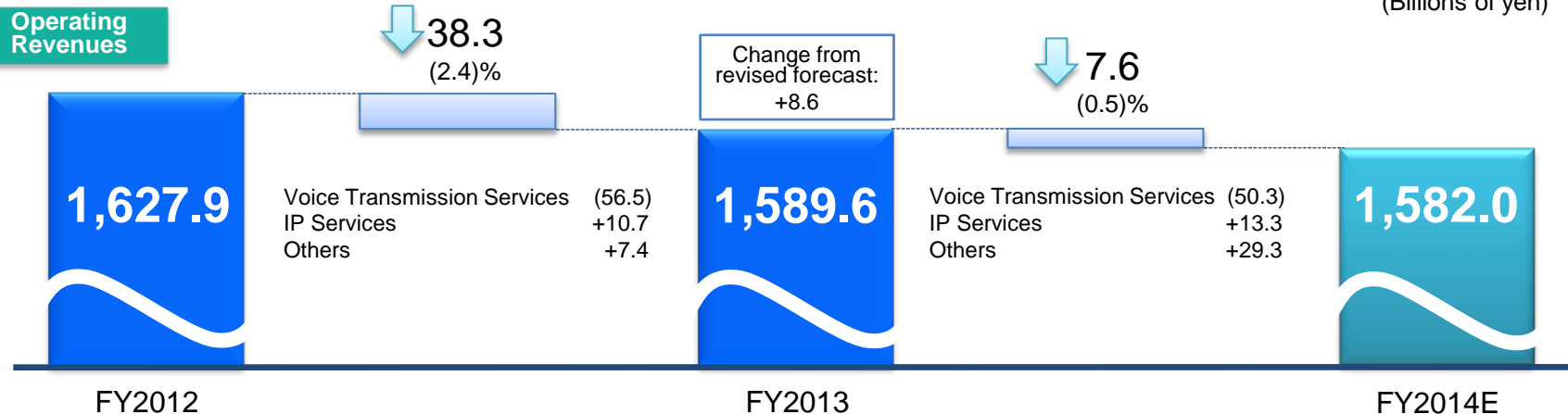
NTT East Financial Results

(Billions of yen)



NTT West Financial Results

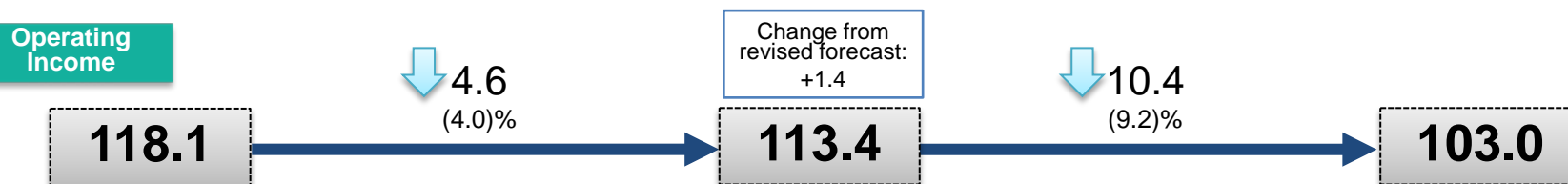
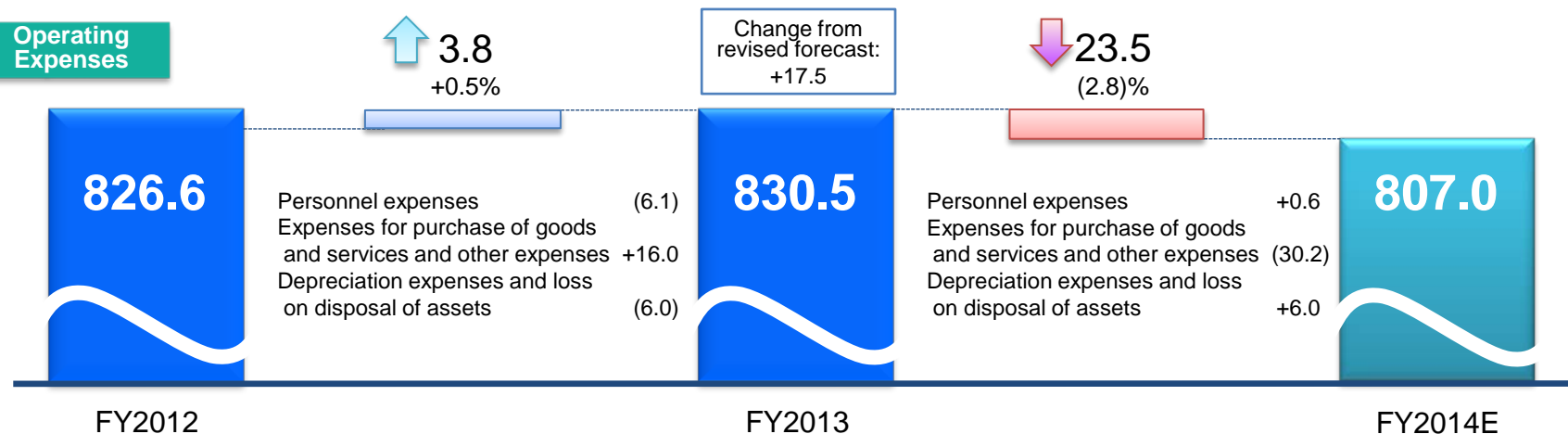
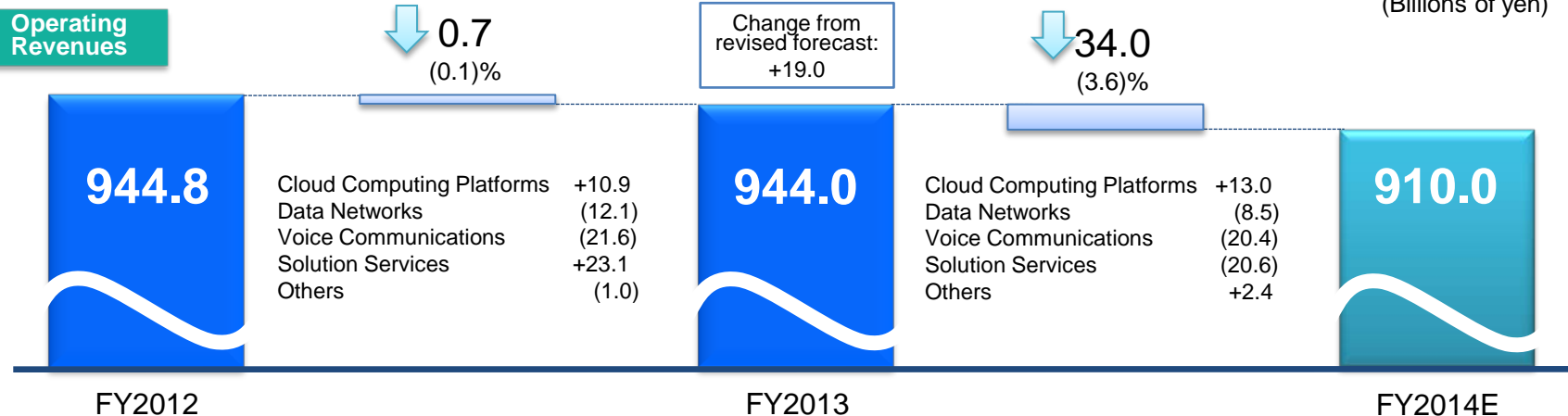
(Billions of yen)



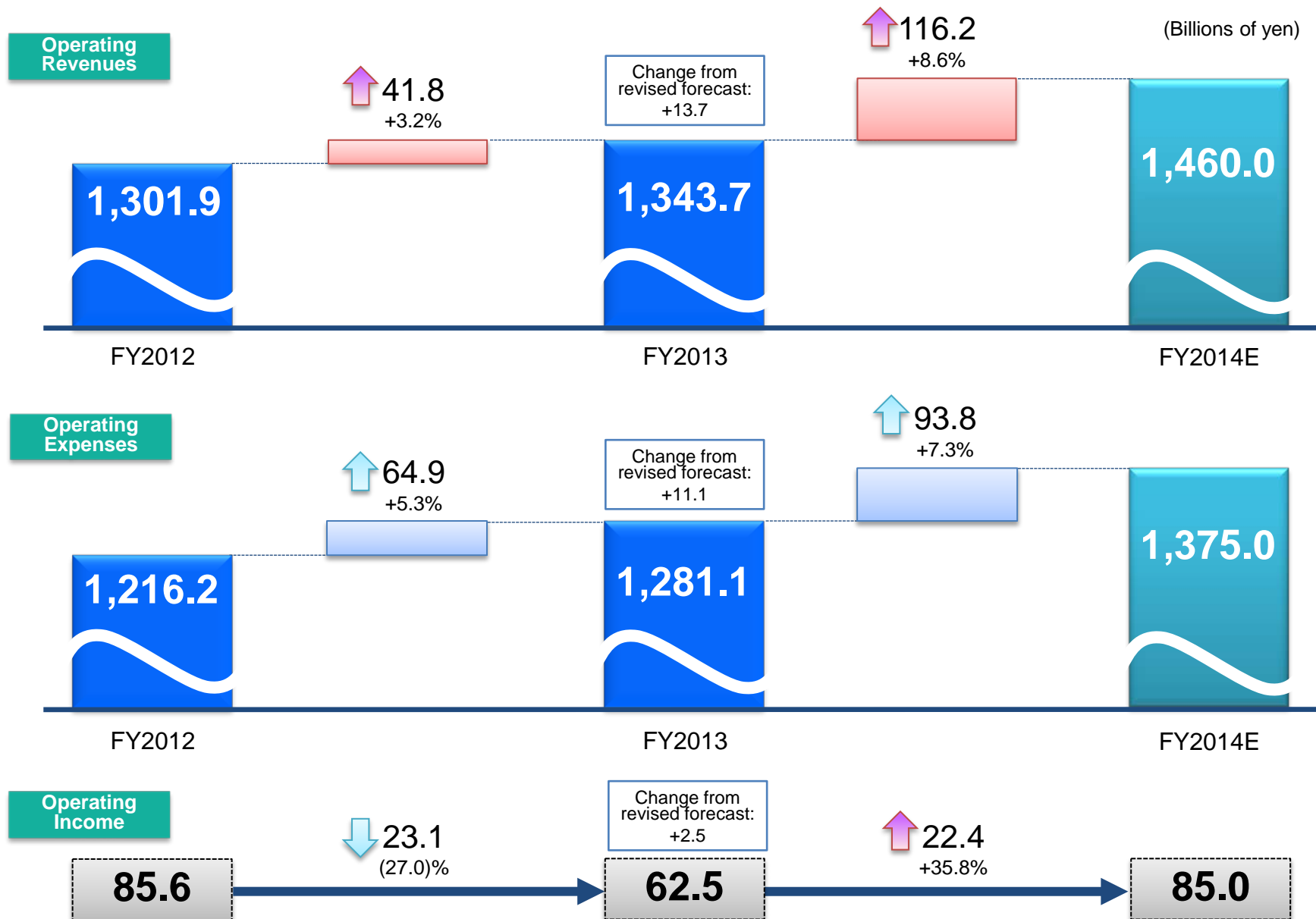
NTT Communications Financial Results



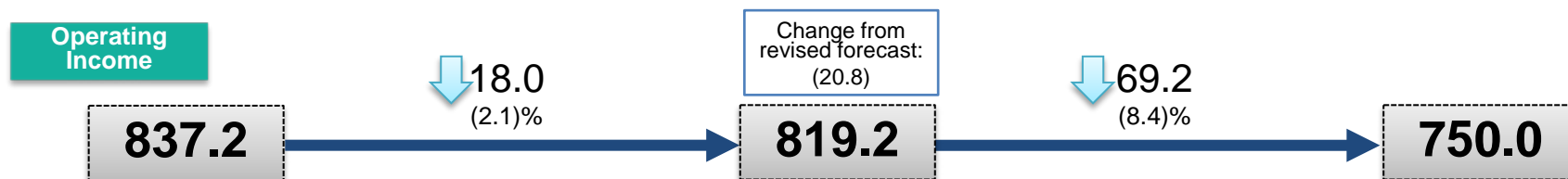
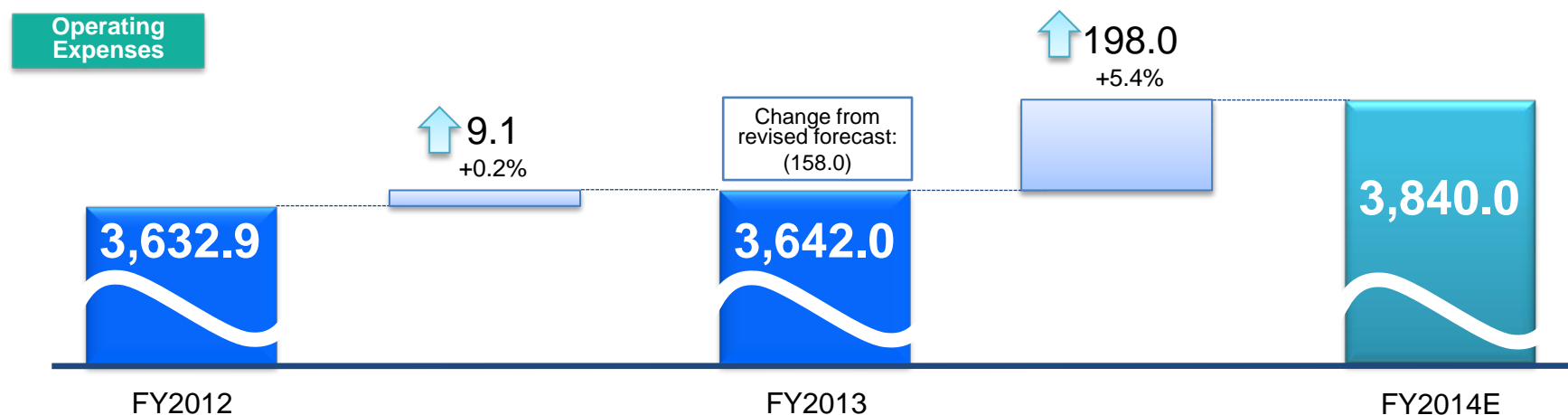
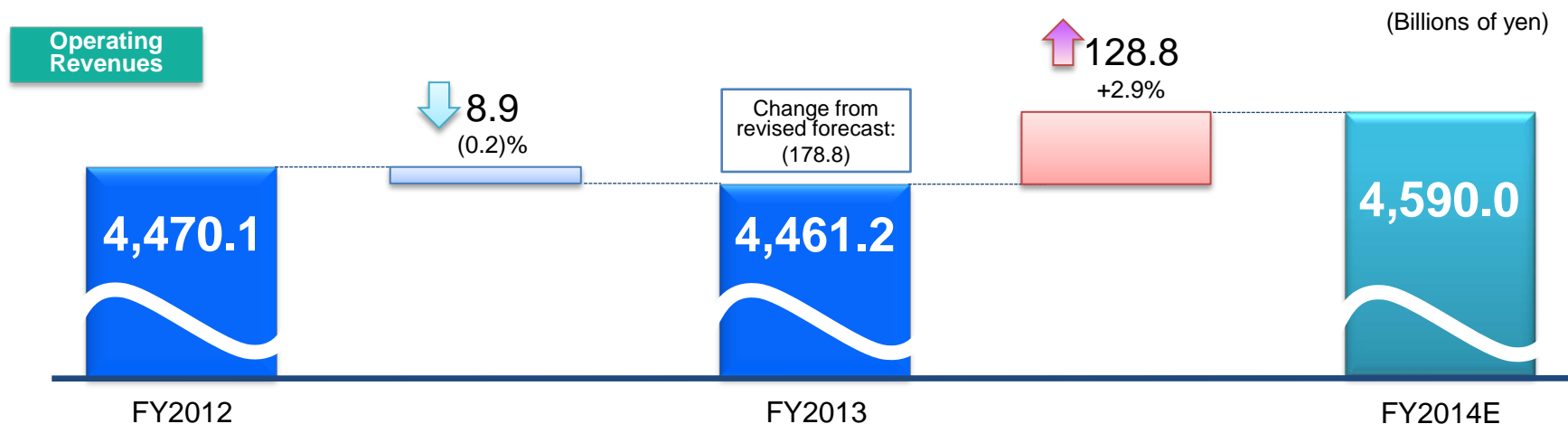
(Billions of yen)



NTT DATA Financial Results

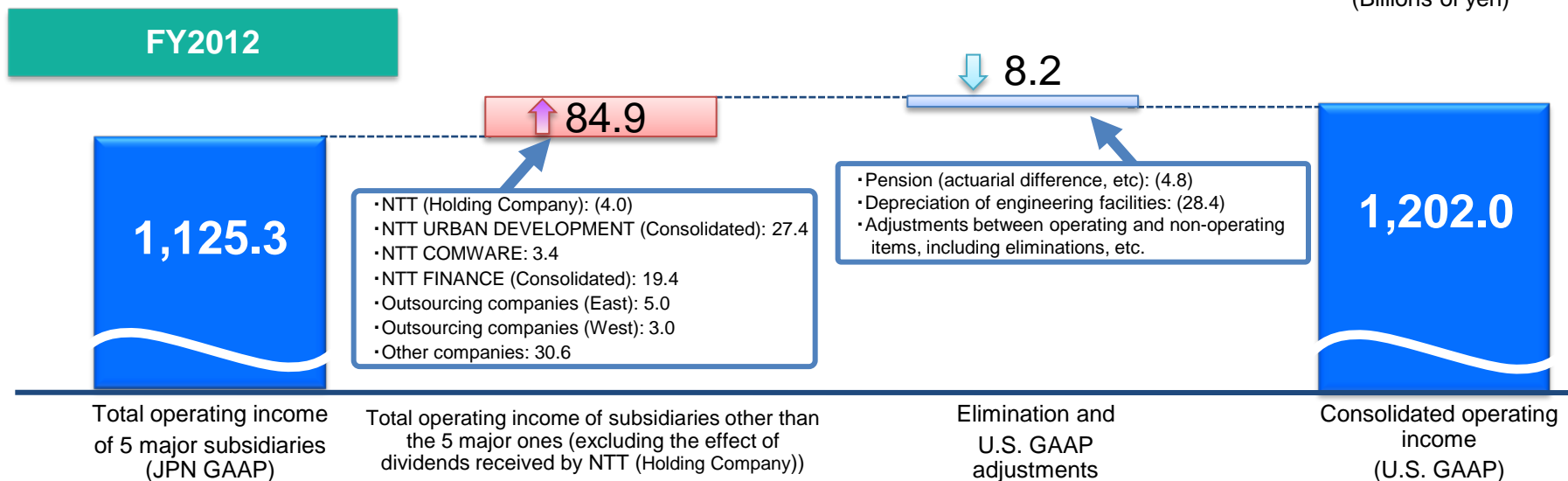


NTT DOCOMO Financial Results

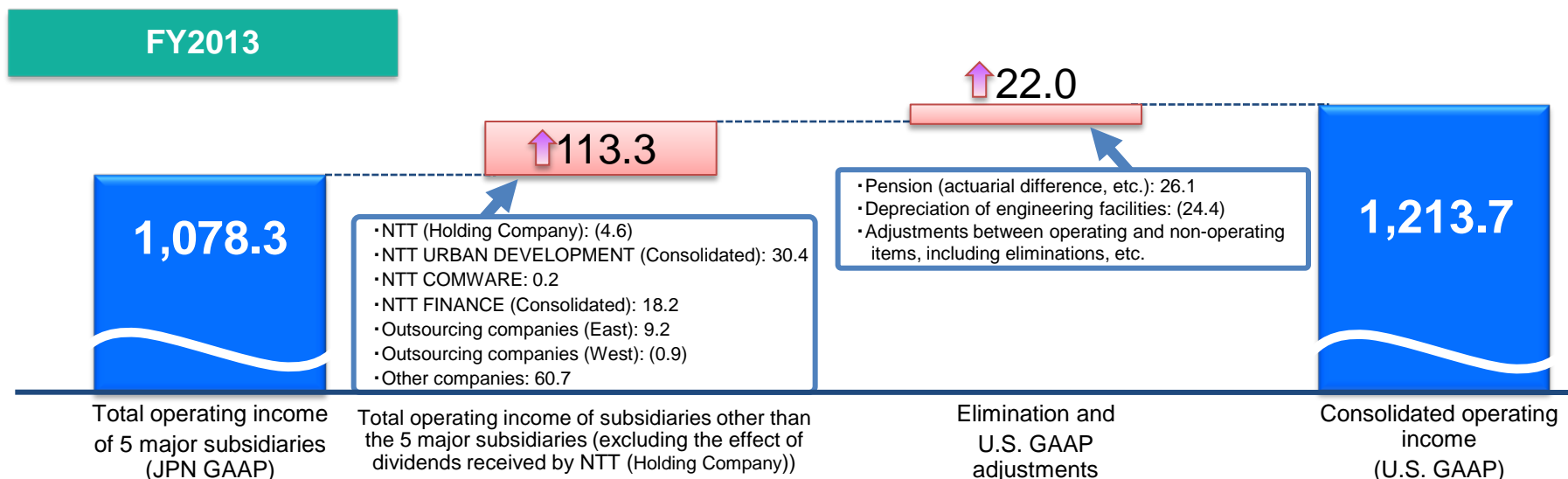


(Billions of yen)

FY2012



FY2013



Details of Consolidated Cash Flows

Cash flows from
operating
activities
(A)

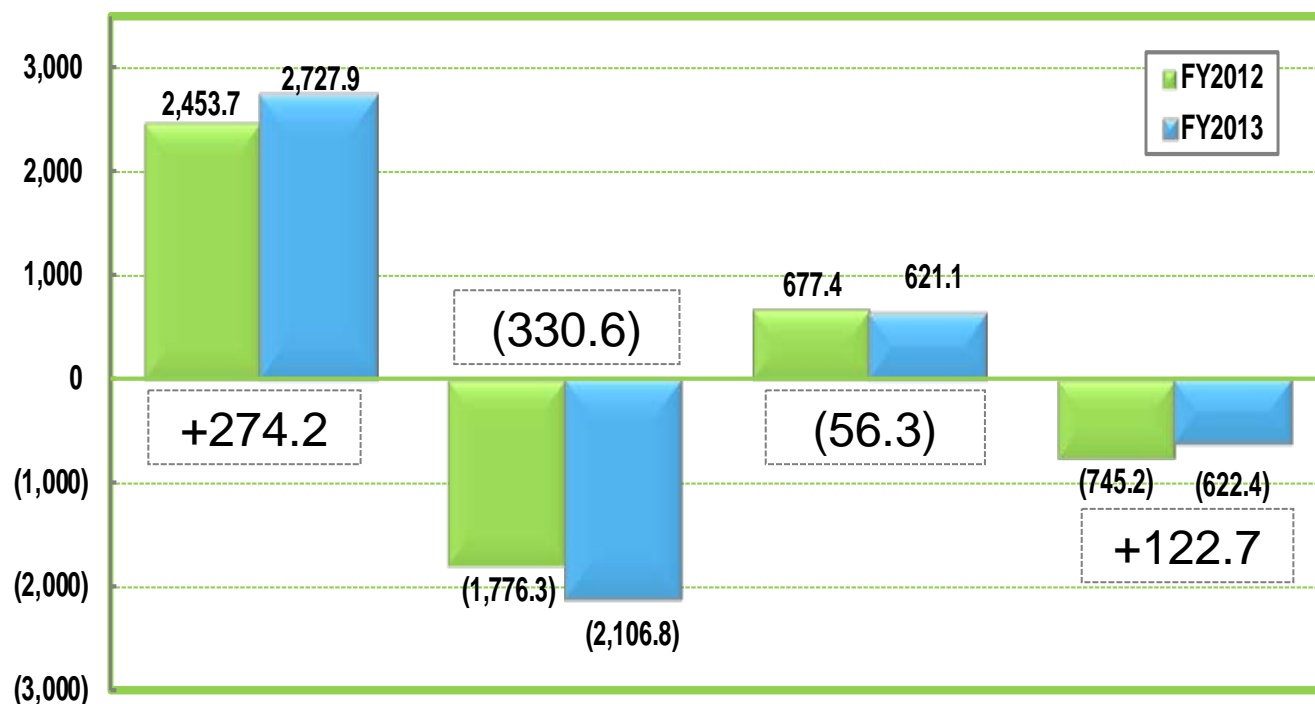
Cash flows from
investing
activities
(B)


FCF
(A) + (B)

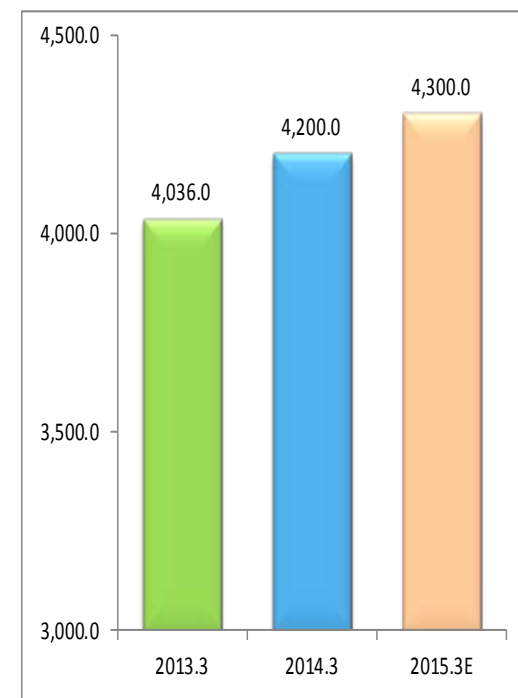
Cash flows from
financing
activities

Interest-bearing debt

(Billions of yen)

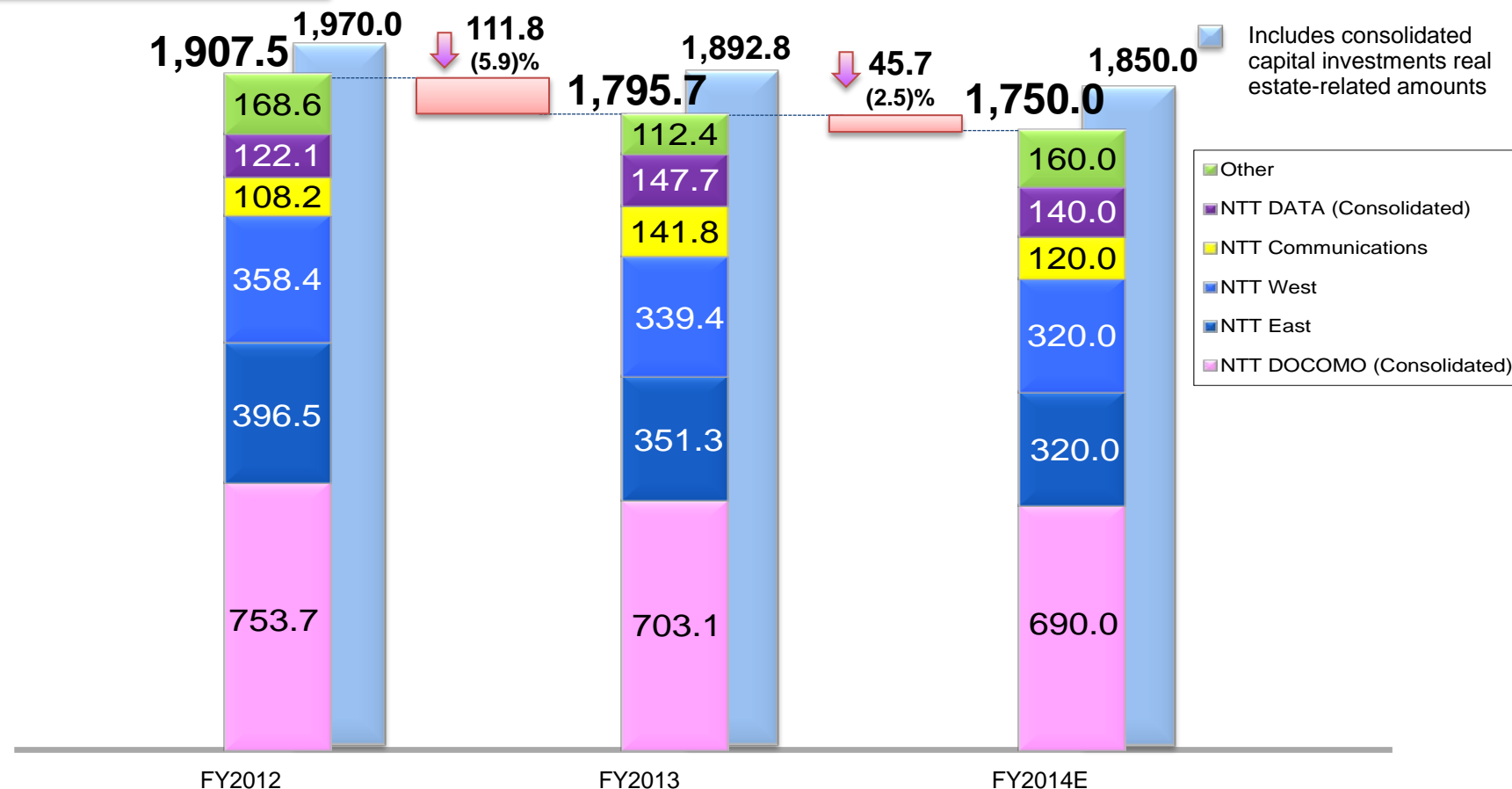


 Increase/Decrease from the same period of the previous fiscal year



Capital Investment

(Billions of yen)



Capex to Sales Ratio

Capex to Sales

* (includes real estate-related amounts)

18.1%
18.4%

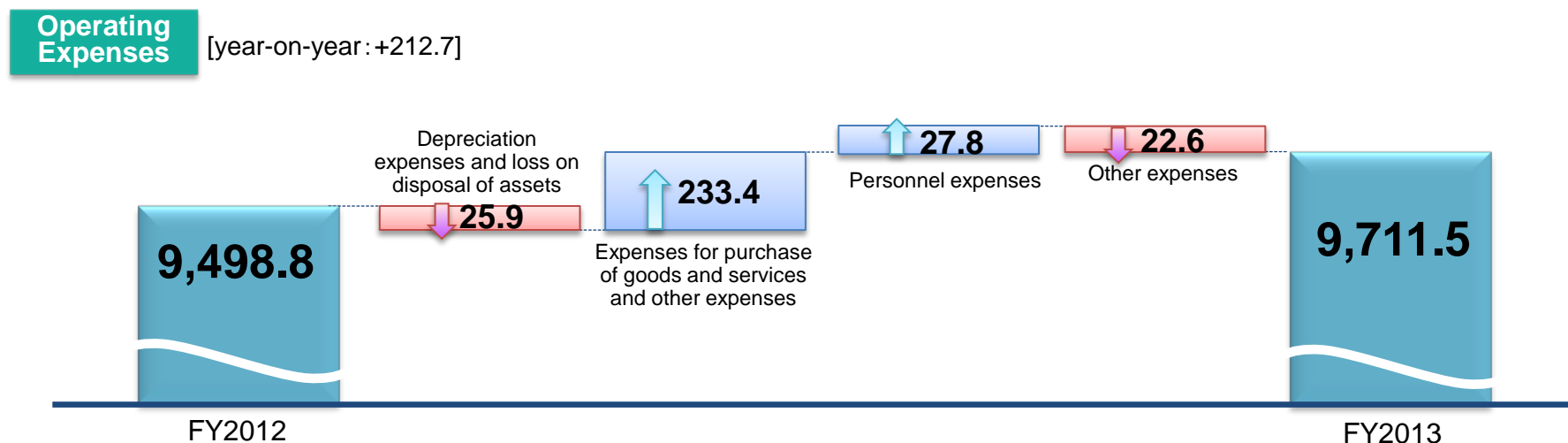
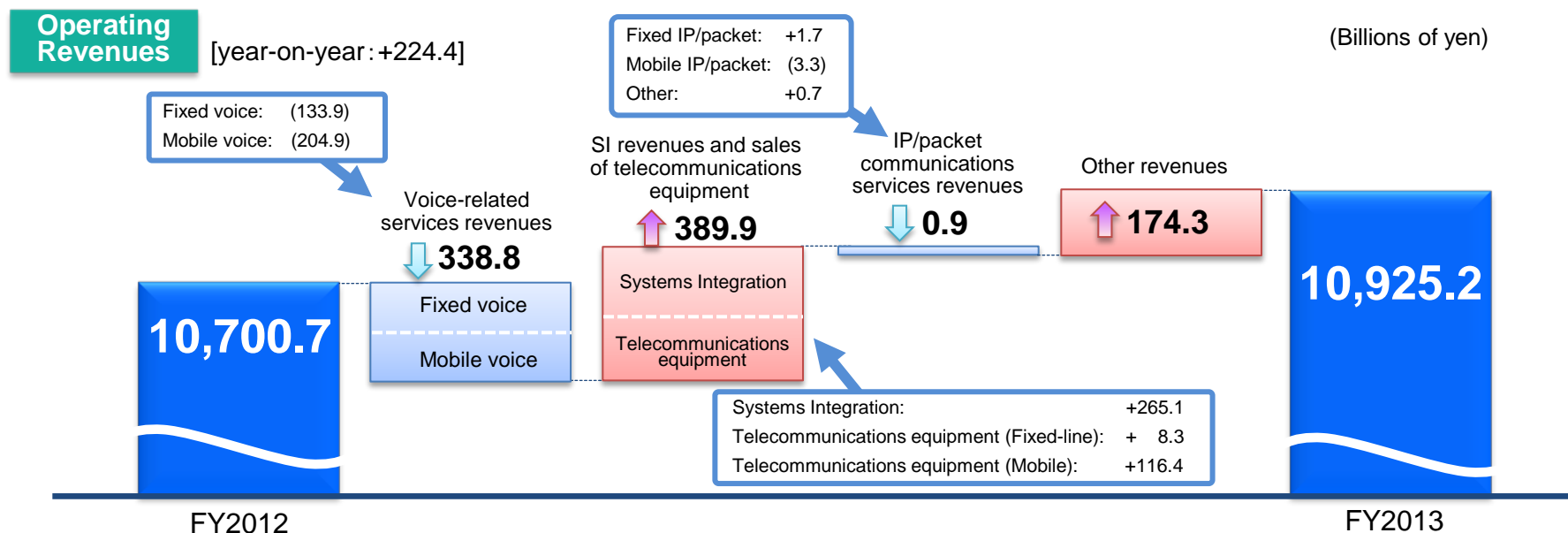
16.7%
17.3%

15.9%
16.5%

* Amounts include sales and investments related to real estate and solar power generation operations

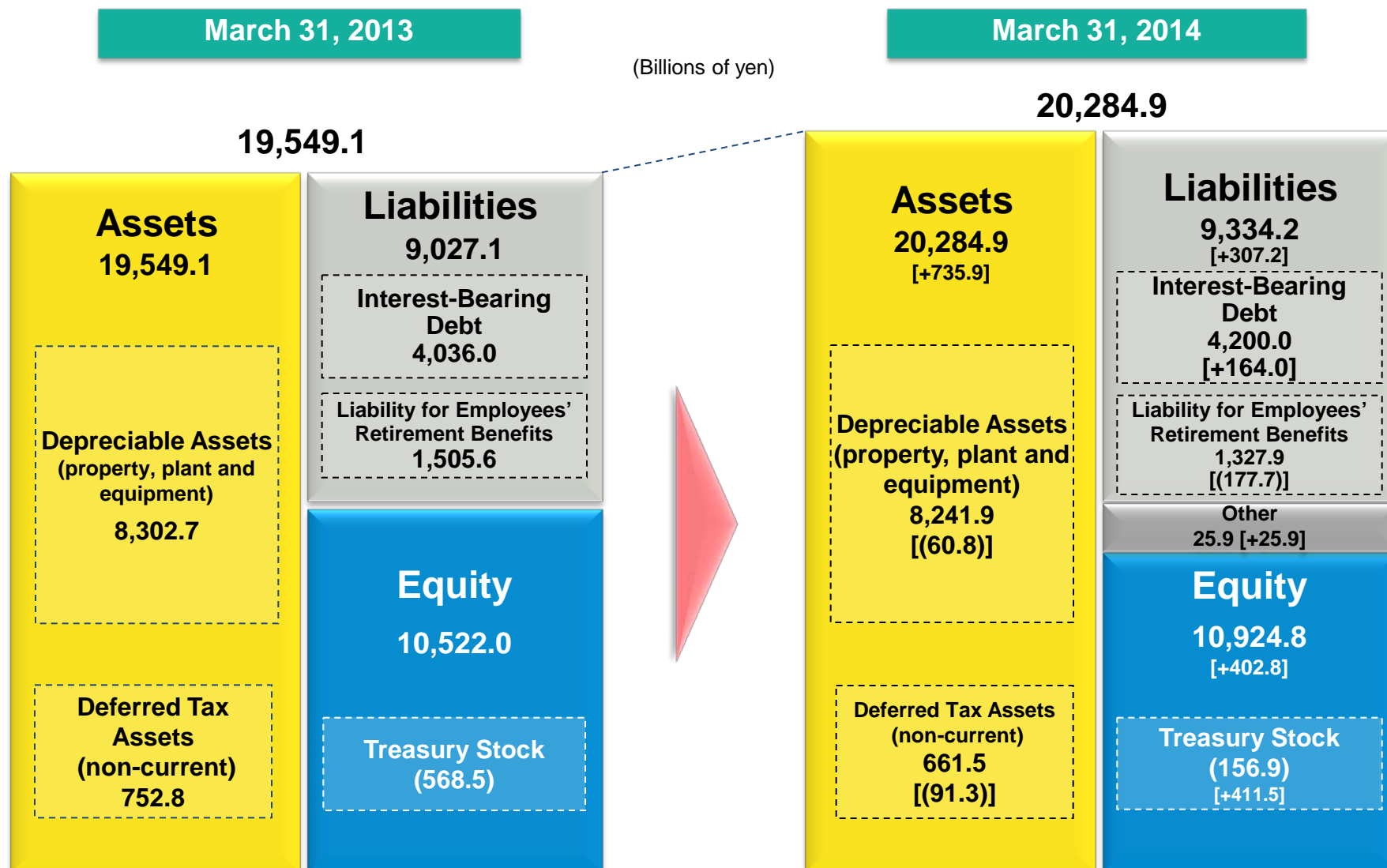
Appendices

FY2013 Details of Financial Results (Per Item)



* Beginning with FY2013, NTT Group revised a portion of its breakdown of Operating Revenue components. As a result, each of the components of Operating Revenues for FY2012 has been adjusted to reflect this change.

Details of Consolidated Balance Sheet



* Figures for March 31, 2013 have been revised to reflect the retroactive application of the equity method of accounting for Philippine Long Distance Telephone Company.

Consolidated and Main Subsidiaries' Financial Results for FY2013



(Billions of yen)

	NTT ⁽¹⁾ Consolidated (U.S. GAAP)	NTT (Holding Company) Non-Consolidated (JPN GAAP)	NTT East Non-Consolidated (JPN GAAP)	NTT West Non-Consolidated (JPN GAAP)	NTT Com Non-Consolidated (JPN GAAP)	NTT DATA Consolidated (JPN GAAP)	NTT DOCOMO Consolidated (U.S. GAAP)
Operating Revenues	10,925.2	430.8	1,773.8	1,589.6	944.0	1,343.7	4,461.2
Change year-on-year (% change)	224.4 2.1%	(1.9) (0.4)%	(57.9) (3.2)%	(38.3) (2.4)%	(0.7) (0.1)%	41.8 3.2%	(8.9) (0.2)%
Forecasts for FY2013 (% progress)	11,000.0 99.3%	431.0 100.0%	1,772.0 100.1%	1,581.0 100.5%	925.0 102.1%	1,330.0 101.0%	4,640.0 96.1%
Operating Expenses	9,711.5	147.3	1,707.0	1,573.2	830.5	1,281.1	3,642.0
Change year-on-year (% change)	212.7 2.2%	(6.8) (4.5)%	(59.6) (3.4)%	(35.5) (2.2)%	3.8 0.5%	64.9 5.3%	9.1 0.2%
Forecasts for FY2013 (% progress)	9,770.0 99.4%	147.0 100.2%	1,702.0 100.3%	1,561.0 100.8%	813.0 102.2%	1,270.0 100.9%	3,800.0 95.8%
Operating Income	1,213.7	283.5	66.7	16.3	113.4	62.5	819.2
Change year-on-year (% change)	11.7 1.0%	4.9 1.8%	1.6 2.5%	(2.8) (14.7)%	(4.6) (4.0)%	(23.1) (27.0)%	(18.0) (2.1)%
Forecasts for FY2013 (% progress)	1,230.0 98.7%	284.0 99.8%	70.0 95.3%	20.0 81.9%	112.0 101.3%	60.0 104.3%	840.0 97.5%
Income Before Income Taxes⁽²⁾	1,294.2	277.3	91.7	26.0	132.5	62.1	833.0
Change year-on-year (% change)	96.5 ⁽⁵⁾ 8.1%	2.8 1.1%	2.8 3.2%	(2.3) (8.2)%	2.8 2.2%	(19.7) (24.1)%	(0.3) ⁽⁵⁾ (0.0)%
Forecasts for FY2013 (% progress)	1,280.0 101.1%	278.0 99.8%	90.0 101.9%	28.0 93.1%	122.0 108.7%	49.0 126.8%	842.0 98.9%
Net Income	585.5⁽³⁾	279.2	53.9	18.7	88.9	23.2	464.7⁽⁴⁾
Change year-on-year (% change)	63.5 ⁽⁵⁾ 12.2%	7.6 2.8%	1.1 2.1%	(2.2) (10.7)%	23.6 36.2%	(20.2) (46.5)%	(26.3) ⁽⁵⁾ (5.4)%
Forecasts for FY2013 (% progress)	585.0 100.1%	280.0 99.7%	52.0 103.8%	19.0 98.5%	84.0 105.9%	23.0 101.2%	510.0 91.1%

(1) NTT has 946 consolidated subsidiaries and accounts for 123 companies under the equity method.

(2) "Income Before Income Taxes" for NTT (Holding Company), NTT East, NTT West, NTT Communications and NTT DATA represent their recurring profits.

(3) "Net Income" for NTT Consolidated represents "Net income attributable to NTT, excluding noncontrolling interests."

(4) "Net Income" for NTT DOCOMO represents "Net income attributable to NTT DOCOMO, excluding noncontrolling interests."

(5) "Change year-on-year (% change)" of "Net Income" and "Income Before Income Taxes" for NTT Consolidated and NTT DOCOMO reflect the retroactive application of the equity method of accounting for Philippine Long Distance Telephone Company.

Consolidated and Main Subsidiaries' Financial Forecasts for FY2014



(Billions of yen)

	NTT Consolidated (U.S. GAAP)	NTT (Holding Company) Non-Consolidated (JPN GAAP)	NTT East Non-Consolidated (JPN GAAP)	NTT West Non-Consolidated (JPN GAAP)	NTT Com Non-Consolidated (JPN GAAP)	NTT DATA Consolidated (JPN GAAP)	NTT DOCOMO Consolidated (U.S. GAAP)
Operating Revenues	11,200.0	422.0	1,771.0	1,582.0	910.0	1,460.0	4,590.0
Change year-on-year (% change)	274.8 2.5%	(8.8) (2.1)%	(2.8) (0.2)%	(7.6) (0.5)%	(34.0) (3.6)%	116.2 8.6%	128.8 2.9%
Operating Expenses	9,985.0	145.0	1,681.0	1,547.0	807.0	1,375.0	3,840.0
Change year-on-year (% change)	273.5 2.8%	(2.3) (1.6)%	(26.0) (1.5)%	(26.2) (1.7)%	(23.5) (2.8)%	93.8 7.3%	198.0 5.4%
Operating Income	1,215.0	277.0	90.0	35.0	103.0	85.0	750.0
Change year-on-year (% change)	1.3 0.1%	(6.5) (2.3)%	23.2 34.9%	18.6 113.7%	(10.4) (9.2)%	22.4 35.8%	(69.2) (8.4)%
Income Before Income Taxes ⁽¹⁾	1,195.0	272.0	90.0	28.0	113.0	75.0	758.0
Change year-on-year (% change)	(99.2) (7.7)%	(5.3) (1.9)%	(1.7) (1.9)%	1.9 7.4%	(19.5) (14.8)%	12.8 20.7%	(75.0) (9.0)%
Net Income	586.0 ⁽²⁾	274.0	58.0	25.0	72.0	37.0	480.0 ⁽³⁾
Change year-on-year (% change)	0.5 0.1%	(5.2) (1.9)%	4.0 7.5%	6.2 33.6%	(16.9) (19.1)%	13.7 58.9%	15.3 3.3%

(1) "Income Before Income Taxes" for NTT (Holding Company), NTT East, NTT West, NTT Communications and NTT DATA represent their recurring profits.

(2) "Net Income" for NTT Consolidated represents "Net income attributable to NTT, excluding noncontrolling interests."

(3) "Net Income" for NTT DOCOMO represents "Net income attributable to NTT DOCOMO, excluding noncontrolling interests."

	FY2012	FY2013	FY2014E
EBITDA	3,207.4 billion yen	3,192.3 billion yen	3,207.0 billion yen
EBITDA Margin	30.0%	29.2%	28.6%
Operating Free Cash Flow	1,237.5 billion yen	1,299.5 billion yen	1,357.0 billion yen
ROCE	6.1%	6.0%	6.1%
EPS	431 yen	509 yen	536 yen

1. EBITDA = Operating Income + Depreciation, Amortization and Loss on Disposal of Property, Plant and Equipment

2. EBITDA Margin = (Operating Income + Depreciation, Amortization and Loss on Disposal of Property, Plant and Equipment)/Operating Revenues

3. Operating Free Cash Flow = Operating Income + Depreciation, Amortization and Loss on Disposal of Property, Plant and Equipment – Capital Investments

4. ROCE = Operating Income × (1 – Normal Statutory Tax Rate)/Operating Capital Employed

[Note] Please see next page for reconciliation of financial indices.

Reconciliation of Financial Indices

(Billions of yen)

	Items	FY2012	FY2013	FY2014E
EBITDA	(1) Operating Income	1,202.0	1,213.7	1,215.0
	(2) Depreciation, Amortization, and Loss on Disposal of Property, Plant and Equipment	2,005.5	1,978.6	1,992.0
	EBITDA [(1)+(2)]	3,207.4	3,192.3	3,207.0
EBITDA Margin	(1) Operating Income	1,202.0	1,213.7	1,215.0
	(2) Depreciation, Amortization, and Loss on Disposal of Property, Plant and Equipment	2,005.5	1,978.6	1,992.0
	(3) EBITDA [(1)+(2)]	3,207.4	3,192.3	3,207.0
	(4) Operating Revenues	10,700.7	10,925.2	11,200.0
	EBITDA Margin [(3)/(4)×100]	30.0%	29.2%	28.6%
Operating Free Cash Flow	(1) Operating Income	1,202.0	1,213.7	1,215.0
	(2) Depreciation, Amortization, and Loss on Disposal of Property, Plant and Equipment	2,005.5	1,978.6	1,992.0
	(3) EBITDA [(1)+(2)]	3,207.4	3,192.3	3,207.0
	(4) Capital Investment *	1,970.0	1,892.8	1,850.0
	Operating Free Cash Flow [(3)-(4)]	1,237.5	1,299.5	1,357.0
ROCE	(1) Operating Income	1,202.0	1,213.7	1,215.0
	Normal Statutory Tax Rate	38%	38%	36%
	(2) Operating Income×(1-Normal Statutory Tax Rate)	742.1	749.3	778.8
	(3) Operating Capital Employed	12,212.0	12,489.4	12,831.5
	ROCE [(2)/(3)×100]	6.1%	6.0%	6.1%

* “Capital investment” is the accrual-based amount required for any acquisition of property, plant and equipment or intangibles. The differences from the amounts of “Payments for property, plant and equipment” and “Payments for intangibles” in the consolidated statements of cash flows are as follows:

	FY2012	FY2013
Payments for Property, Plant and Equipment	1,538.1	1,486.7
Payments for Intangibles	446.6	416.6
Total	1,984.7	1,903.2
Difference from Capital Investment	14.7	10.5

Calculation of ARPU

Average monthly revenue per unit, or ARPU, is used to measure average monthly operating revenues attributable to each designated service on a per user basis. In the case of NTT Group's fixed-line business, ARPU is calculated by dividing revenue items included in the operating revenues of NTT Group's regional communications business segment, that is, telephone subscriber lines, "INS-NET" and "FLET'S Hikari," by the number of Active Subscribers to the relevant services.

In the case of NTT Group's mobile communications business, ARPU is calculated by dividing revenue items included in operating revenues from its mobile communications business segment, such as revenues from FOMA mobile phone services and Xi mobile phone services, that are incurred consistently each month (i.e., basic monthly charges and voice/packet transmission charges), by the number of Active Subscribers to the relevant services. The calculation of these figures excludes revenues that are not representative of monthly average usage, such as telecommunications equipment sales, activation fees and universal service charges.

NTT believes that its ARPU figures calculated in this way provide useful information regarding the monthly average usage of its subscribers. The revenue items included in the numerators of NTT Group's ARPU figures are based on its financial results comprising its U.S. GAAP results of operations.

Notes

(1) We compute the following four categories of ARPU for business conducted by each of NTT East and NTT West.

- Aggregate Fixed Line ARPU (Telephone Subscriber Lines + INS-NET Subscriber Lines): Calculated based on revenues from monthly charges and call charges for Telephone Subscriber Lines and INS-NET Subscriber Lines, which are included in operating revenues from Voice Transmission Services (excluding IP Services), and revenues from "FLET'S ADSL" and "FLET'S ISDN," which are included in operating revenues from IP Services.
- Telephone Subscriber Lines ARPU: Calculated based on revenues from monthly charges and call charges for Telephone Subscriber Lines and revenues from "FLET'S ADSL."
- INS-NET Subscriber Lines ARPU: Calculated based on revenues from monthly charges and call charges for "INS-NET" Subscriber Lines and revenues from "FLET'S ISDN."
- FLET'S Hikari ARPU: Calculated based on revenues from "FLET'S Hikari" (including "FLET'S Hikari" optional services), which are included in operating revenues from IP Services, revenues from monthly charges, call charges and connection device charges for "Hikari Denwa," and revenues from "FLET'S Hikari" optional services, which are included in Supplementary Business revenues.

— "FLET'S Hikari" includes "B FLET'S," "FLET'S Hikari Next," "FLET'S Hikari Light" and "FLET'S Hikari WiFi Access" provided by NTT East, and "B FLET'S," "FLET'S Hikari Premium," "FLET'S Hikari Mytown," "FLET'S Hikari Next," "FLET'S Hikari Light" and "FLET'S Hikari WiFi Access" provided by NTT West.

— Commencing in the fiscal year ended March 31, 2014, NTT East and NTT West began including in their respective FLET'S Hikari ARPU calculations revenues from NTT East's and NTT West's "FLET'S VPN WIDE" virtual private network option. These revenues are part of NTT East's and NTT West's operating revenues from IP services. As a result of this new calculation methodology, NTT East's and NTT West's FLET'S Hikari ARPU for the fiscal year ended March 31, 2013 include revenues of 20 yen for NTT East and NTT West from "FLET'S VPN WIDE."

(2) Revenues from interconnection charges are excluded from the calculation of Aggregate Fixed Line ARPU (Telephone Subscriber Lines + INS-NET Subscriber Lines), Telephone Subscriber Lines ARPU, INS-NET Subscriber Lines ARPU, and FLET'S Hikari ARPU.

(3) For purposes of calculating Aggregate Fixed Line ARPU (Telephone Subscriber Lines + INS-NET Subscriber Lines), Telephone Subscriber Lines ARPU and INS-NET Subscriber Lines ARPU, the number of subscribers is determined based on the number of subscriptions for each service.

(4) In terms of number of channels, transmission rate, and line use rate (base rate), INS-Net 1500 is in all cases roughly ten times greater than INS-Net 64. For this reason, for the purpose of calculating Aggregate Fixed Line ARPU (Telephone Subscriber Lines + INS-NET Subscriber Lines) and INS-NET Subscriber Lines ARPU, one INS-Net 1500 subscription is calculated as ten INS-Net 64 subscriptions.

(5) For purposes of calculating FLET'S Hikari ARPU, number of subscribers is determined based on the number of "FLET'S Hikari" subscribers, including subscribers to "B FLET'S," "FLET'S Hikari Next," "FLET'S Hikari Light" and "FLET'S Hikari WiFi Access" provided by NTT East, and subscribers to "B FLET'S," "FLET'S Hikari Premium," "FLET'S Hikari Mytown," "FLET'S Hikari Next," "FLET'S Hikari Light" and "FLET'S Hikari WiFi Access" provided by NTT West.

(6) The following is the formula we use to compute ARPU for mobile business conducted by NTT DOCOMO.

Mobile Aggregate ARPU ("FOMA"+"Xi") = Voice ARPU ("FOMA"+"Xi") + Packet ARPU ("FOMA"+"Xi") + Smart ARPU ("FOMA"+"Xi").

— NTT DOCOMO's Voice ARPU ("FOMA"+"Xi") is based on operating revenues related to voice services, such as basic monthly charges and voice communication charges attributable to our "FOMA" and "Xi" services, and our Packet ARPU ("FOMA"+"Xi") is based on operating revenues related to packet services, such as flat monthly fees and packet communication charges attributable to our "FOMA" and "Xi" services and our Smart ARPU ("FOMA"+"Xi") is based on operating revenues from a part of Other Operating Revenues attributable to "FOMA" and "Xi" wireless communications services (revenues from content, collection of charges, mobile phone insurance service, advertising and others).

(7) Communications module service, phone number storage service, mail address storage service and docomo Business Transceiver subscribers and the revenues therefrom are not included in the calculations of Mobile Aggregate ARPU.

(8) Number of active subscribers used in the ARPU calculation of NTT East and NTT West are as below.

1Q Results: Sum of number of active subscribers** for each month from April to June.

2Q Results: Sum of number of active subscribers** for each month from July to September.

3Q Results: Sum of number of active subscribers** for each month from October to December.

4Q Results: Sum of number of active subscribers** for each month from January to March.

FY Results: Sum of number of active subscribers** for each month from April to March.

FY Forecast: Sum of the average expected active number of subscribers during the fiscal year ((number of subscribers at March 31, 2014 + number of expected subscribers at March 31, 2015)/2)x12

(9) Number of active subscribers used in the ARPU calculation of NTT DOCOMO are as below.

1Q Results: Sum of number of active subscribers** for each month from April to June.

2Q Results: Sum of number of active subscribers** for each month from July to September.

3Q Results: Sum of number of active subscribers** for each month from October to December.

4Q Results: Sum of number of active subscribers** for each month from January to March.

FY Results/FY Forecast: Sum of number of active subscribers** / expected number of active subscribers** for each month from April to March.

**active subscribers = (number of subscribers at end of previous month + number of subscribers at end of the current month)/2