

Supplementary Data for the Annual Results for the Fiscal Year Ended March 31, 2014

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The projected figures concerning the future performance of NTT and its subsidiaries and affiliates contained 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 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.

1. Number of Subscribers

(in thousands except for Public Telephones)

	A As of Mar. 31, 2013	B As of Mar. 31, 2014		C As of Mar. 31, 2015 (Forecast)	
			<i>Change</i> <i>B-A</i>		<i>Change</i> <i>C-B</i>
Telephone Subscriber Lines ⁽¹⁾	25,042	23,000	(2,043)	21,120	(1,880)
NTT East	12,289	11,272	(1,017)	10,342	(930)
NTT West	12,753	11,727	(1,026)	10,777	(950)
INS-Net ⁽²⁾	3,724	3,366	(358)	3,046	(320)
NTT East	1,914	1,719	(195)	1,549	(170)
NTT West	1,810	1,647	(163)	1,497	(150)
Telephone Subscriber Lines + INS-Net	28,766	26,366	(2,401)	24,166	(2,200)
NTT East	14,203	12,992	(1,211)	11,892	(1,100)
NTT West	14,563	13,374	(1,189)	12,274	(1,100)
Public Telephones	210,448	195,514	(14,934)	183,914	(11,600)
NTT East	100,564	93,424	(7,140)	87,724	(5,700)
NTT West	109,884	102,090	(7,794)	96,190	(5,900)
FLET'S ISDN	127	109	(18)	96	(13)
NTT East	58	48	(10)	41	(7)
NTT West	69	61	(8)	55	(6)
FLET'S ADSL	1,848	1,483	(365)	1,203	(280)
NTT East	858	667	(191)	517	(150)
NTT West	990	816	(174)	686	(130)
FLET'S Hikari ⁽³⁾	17,300	18,050	750	18,750	700
NTT East	9,750	10,187	437	10,487	300
NTT West	7,550	7,863	313	8,263	400
FLET'S Hikari LIGHT	661	875	214	1,100	225
NTT East	437	542	105	617	75
NTT West	224	333	109	483	150
Hikari Denwa	15,169	16,256	1,087	17,106	850
NTT East	8,085	8,694	610	9,144	450
NTT West	7,084	7,562	477	7,962	400
Conventional Leased Circuit Services	260	250	(10)	239	(11)
NTT East	128	122	(6)	117	(5)
NTT West	132	128	(4)	122	(6)
High Speed Digital Services	152	144	(8)	140	(4)
NTT East	80	74	(5)	71	(3)
NTT West	72	69	(3)	68	(1)
NTT Group Major ISPs ⁽⁴⁾	11,611	11,466	(145)	11,884	418
OCN	8,207	8,155	(53)	8,539	385
Plala	3,071	2,974	(97)	3,000	26
Hikari TV	2,453	2,823	370	3,200	377
FLET'S TV Transmission Services	1,003	1,161	158	1,346	185
NTT East	714	802	87	892	90
NTT West	289	359	70	454	95
Mobile ⁽⁵⁾	61,536	63,105	1,569	66,800	3,695
Xi	11,566	21,965	10,399	29,800	7,835
FOMA ⁽⁶⁾	49,970	41,140	(8,830)	37,000	(4,140)
sp-mode	18,285	23,781	5,497	28,700	4,919
i-mode	32,688	26,415	(6,273)	22,700	(3,715)

Notes: (1) Number of Telephone Subscriber Lines is the total of individual lines and central station lines (Subscriber Telephone Light Plan is included).

(2) "INS-Net" includes "INS-Net 64" and "INS-Net 1500." 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, one "INS-Net 1500" subscription is calculated as ten "INS-Net 64" subscriptions ("INS-Net 64 Lite Plan" is included).

(3) Number of FLET'S Hikari subscribers includes 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.

(4) "NTT Group Major ISPs" includes "WAKWAK" and "InfoSphere," in addition to "OCN" and "Plala."

(5) Number of Mobile (including "FOMA") service subscribers includes communication module service subscribers.

(6) Effective March 3, 2008, FOMA services became mandatory for subscription to "2in1" services. Such FOMA service subscriptions to "2in1" services are included in the number of Mobile service subscribers and also in the number of FOMA service subscribers.

2. Number of Employees

(Person)

	A As of Mar. 31, 2013	B As of Mar. 31, 2014	Change B-A	C As of Mar. 31, 2015 (Forecast) ⁽¹⁾	Change C-B
NTT Consolidated	227,150	239,750	12,600	241,350	1,600
Core Group Companies					
NTT (Holding Company)	2,900	2,850	(50)	2,850	0
NTT East	5,800	5,650	(150)	5,300	(350)
NTT West	5,100	4,900	(200)	4,700	(200)
NTT Communications	6,850	6,850	0	6,850	0
NTT DATA (Consolidated)	61,350	75,000	13,650	77,550	2,550
NTT DOCOMO (Consolidated)	23,900	24,850	950	26,100	1,250
(Reference) Outsourcing Companies					
East Outsourcing Companies ⁽¹⁾	30,350	27,800	(2,550)	26,650	(1,150)
West Outsourcing Companies ⁽²⁾	30,400	28,550	(2,850)	26,450	(2,100)

- Notes: (1) Figures for East Outsourcing Companies under "A. As of Mar. 31, 2013" and "B. As of Mar. 31, 2014" include employees from the consolidated prefectural outsourcing companies (NTT EAST-TOKYO and others), NTT-ME and NTT EAST SOLUTIONS.
- (2) NTT plans to revise the scope of the term "East Outsourcing Companies" as of July 1 2014, due to a reorganization within NTT East Group. As a result of this anticipated change, the figures for East Outsourcing Companies under "C. As of Mar. 31, 2015 (Forecast)" include employees from the consolidated regional outsourcing companies (NTT EAST-MINAMIKANTO and others), NTT-ME and NTT EAST SERVICE. Further, employees of NTT EAST SERVICE include 750 employees who will be transferred from NTT SOLCO, NTT HOKKAIDO TELEMART and Telwel East Japan, in addition to the employees who will be transferred from the consolidated prefectural outsourcing companies. NTT EAST SOLUTIONS plans to merge into NTT EAST-MINAMIKANTO.
- (3) Figures for West Outsourcing Companies under "A. As of Mar. 31, 2013" include employees from the consolidated regional outsourcing companies (NTT WEST-KANSAI and others), NTT MARKETING ACT, NTT NEOMEIT, NTT HOMETECHNO, NTT IT MATE (NTT IT MATE KANSAI and others) and NTT BUSINESS ASSOCIE WEST.
- (4) NTT revised the scope of the term "West Outsourcing Companies" as of October 1, 2013, due to a reorganization within NTT West Group. As a result of this change, the revised figures for West Outsourcing Companies under "B. As of Mar. 31, 2014" and "C. As of Mar. 31, 2015 (Forecast)" include employees from NTT BUSINESS SOLUTIONS, NTT MARKETING ACT, NTT NEOMEIT, NTT FIELDTECHNO and NTT BUSINESS ASSOCIE WEST.

3. Capital Investment

(Billions of yen)

	A Year Ended Mar. 31, 2013	B Year Ended Mar. 31, 2014	Change B-A	C Year Ending Mar. 31, 2015 (Forecast)	Change C-B
NTT Consolidated	1,970.0	1,892.8	(77.2)	1,850.0	(42.8)
Core Group Companies					
NTT (Holding Company)	32.6	28.3	(4.3)	22.0	(6.3)
NTT East	396.5	351.3	(45.2)	320.0	(31.3)
NTT West	358.4	339.4	(19.0)	320.0	(19.4)
NTT Communications	108.2	141.8	33.5	120.0	(21.8)
NTT DATA (Consolidated)	122.1	147.7	25.6	140.0	(7.7)
NTT DOCOMO (Consolidated)	753.7	703.1	(50.5)	690.0	(13.1)
Details of Capital Investment					
NTT (Holding Company)	32.6	28.3	(4.3)	22.0	(6.3)
R&D Facilities	29.1	24.7	(4.4)	19.0	(5.7)
Joint Facilities	3.4	3.5	0.0	3.0	(0.5)
NTT East	396.5	351.3	(45.2)	320.0	(31.3)
Service Expansion and Improvement	363.6	333.1	(30.4)	300.0	(33.1)
Voice Transmission	166.1	152.2	(13.9)	144.0	(8.2)
Data Transmission	29.4	37.6	8.1	30.0	(7.6)
Leased Circuit	168.0	143.0	(24.9)	125.0	(18.0)
Telegraph	0.0	0.2	0.2	1.0	0.8
R&D Facilities	2.1	1.7	(0.4)	2.0	0.3
Joint Facilities	30.7	16.4	(14.3)	18.0	1.6
NTT West	358.4	339.4	(19.0)	320.0	(19.4)
Service Expansion and Improvement	342.3	322.8	(19.4)	305.0	(17.8)
Voice Transmission	169.3	163.4	(5.8)	159.0	(4.4)
Data Transmission	27.4	22.5	(4.8)	18.0	(4.5)
Leased Circuit	145.5	136.6	(8.8)	127.0	(9.6)
Telegraph	0.0	0.2	0.1	1.0	0.8
R&D Facilities	1.9	1.9	0.0	2.0	0.1
Joint Facilities	14.2	14.5	0.3	13.0	(1.5)
NTT Communications	108.2	141.8	33.5	120.0	(21.8)
Service Expansion and Improvement	77.1	107.0	29.9	82.4	(24.6)
Voice Transmission	63.9	90.7	26.8	66.0	(24.7)
Data Transmission	10.9	13.9	3.0	13.7	(0.2)
Leased Circuit	2.2	2.3	0.0	2.5	0.2
R&D Facilities	0.5	0.3	(0.1)	0.5	0.2
Joint Facilities	30.6	34.3	3.7	36.9	2.6
Optical Access Network Investment					
NTT East	160.0	138.0	(22.0)	Approx. 125.0	(13.0)
coverage rate (%)	94%	95%		95%	
NTT West	131.0	125.0	(6.0)	Approx. 115.0	(10.0)
coverage rate (%)	91%	92%		92%	

- Notes: (1) Figures for NTT East and NTT West include figures for Optical Access Network Investment.
- (2) The coverage rates for NTT East and NTT West represent the percentage of wiring points (feeder points) that were shifted to fiber-optics.
- (3) NTT Consolidated Capital Investment figures, excluding investments related to real estate and solar power generation operations, for "A. Year Ended Mar. 31, 2013," "B. Year Ended Mar. 31, 2014" and "C. Year Ending Mar. 31, 2015 (Forecast)" are 1,907.5 billion yen, 1,795.7 billion yen and 1,750.0 billion yen, respectively.

4. Financial Results and Projections (NTT Consolidated, NTT (Holding Company))

(Billions of yen)

	A	B		C	
	Year Ended Mar. 31, 2013 ⁽²⁾	Year Ended Mar. 31, 2014		Year Ending Mar. 31, 2015 (Forecast)	
			Change B-A		Change C-B
NTT Consolidated (US GAAP)					
Operating Revenues ⁽¹⁾	10,700.7	10,925.2	224.4	11,200.0	274.8
Fixed Voice Related Services	1,712.9	1,578.9	(133.9)	-	-
Mobile Voice Related Services	1,257.5	1,052.6	(204.9)	-	-
IP/Packet Communications Services	3,712.8	3,711.9	(0.9)	-	-
Sales of Telecommunications Equipment	844.9	969.7	124.8	-	-
System Integration	2,010.0	2,275.0	265.1	-	-
Other	1,162.8	1,337.0	174.3	-	-
Operating Expenses ⁽¹⁾	9,498.8	9,711.5	212.7	9,985.0	273.5
Cost of Services (exclusive of items shown separately below)	2,303.7	2,360.9	57.2	-	-
Cost of Equipment Sold (exclusive of items shown separately below)	864.3	885.3	21.0	-	-
Cost of System Integration (exclusive of items shown separately below)	1,402.3	1,644.0	241.7	-	-
Depreciation and Amortization	1,899.2	1,880.3	(19.0)	-	-
Impairment Loss	5.4	5.7	0.3	-	-
Selling, General and Administrative Expenses	2,992.6	2,929.1	(63.5)	-	-
Goodwill and other intangible assets impairment	31.3	6.2	(25.2)	-	-
Operating Income	1,202.0	1,213.7	11.7	1,215.0	1.3
Income Before Income Taxes	1,197.6	1,294.2	96.5	1,195.0	(99.2)
Net Income Attributable to NTT ⁽²⁾	521.9	585.5	63.5	586.0	0.5
(Ref.) Details of "Cost of Services," "Cost of Equipment Sold," "Cost of System Integration" and "Selling, General and Administrative Expenses"					
Personnel	2,130.8	2,158.6	27.8	-	-
Cost of Services and Equipment Sold, and Selling, General and Administrative Expenses	5,026.1	5,259.5	233.4	-	-
Loss on Disposal of Property, Plant and Equipment	182.0	175.0	(6.9)	-	-
Other Expenses	223.9	226.1	2.3	-	-
Total	7,562.8	7,819.3	256.5	-	-
NTT (Holding Company) (JPN GAAP)					
Operating Revenues	432.7	430.8	(1.9)	422.0	(8.8)
Operating Expenses	154.1	147.3	(6.8)	145.0	(2.3)
Operating Income	278.6	283.5	4.9	277.0	(6.5)
Non-Operating Revenues	38.0	33.9	(4.0)	33.0	(0.9)
Non-Operating Expenses	42.1	40.1	(2.0)	38.0	(2.1)
Recurring Profit	274.4	277.3	2.8	272.0	(5.3)
Net Income	271.5	279.2	7.6	274.0	(5.2)

- Notes: (1) Effective as of the three months ended June 30, 2013, in connection with NTT Group's current state of business and initiatives such as efforts to expand into new business areas in the mobile communications business, NTT has reclassified, among other things, part of its "Mobile Voice Related Services revenues" and "IP/Packet Communications Services revenues" as "Other revenues," and part of its Other revenues as "System Integration revenues." Results for the fiscal year ended March 31, 2013 reflect such reclassification.
- (2) As a result of the application of the equity method for NTT Group's investment in Philippine Long Distance Telephone Company from the beginning of the three months ended June 30, 2013, the equity method of accounting was applied retrospectively to the figures in "A. Year Ended Mar. 31, 2013" in accordance with Accounting Standards Codification Topic 323, Investments-Equity Method and Joint Ventures, issued by the FASB.

4. Financial Results and Projections (NTT East, NTT West)

(Billions of yen)

	A	B		C	
	Year Ended Mar. 31, 2013	Year Ended Mar. 31, 2014		Year Ending Mar. 31, 2015 (Forecast)	
			Change B-A		Change C-B
NTT East (JPN GAAP)					
Operating Revenues	1,831.7	1,773.8	(57.9)	1,771.0	(2.8)
Voice Transmission Services (excluding IP) ⁽¹⁾	579.1	518.3	(60.8)	464.0	(54.3)
IP Services ⁽²⁾	835.8	841.3	5.4	840.0	(1.3)
Leased Circuit (excluding IP)	122.7	117.2	(5.4)	116.0	(1.2)
Telegraph	16.1	14.9	(1.1)	14.0	(0.9)
Other	135.2	138.6	3.3	337.0	55.1
Supplementary Business	142.5	143.2	0.7		
Operating Expenses	1,766.7	1,707.0	(59.6)	1,681.0	(26.0)
Personnel	108.9	106.9	(2.0)	102.0	(4.9)
Cost of Services and Equipment Sold, and Selling, General and Administrative Expenses	1,162.8	1,117.2	(45.5)	1,093.0	(24.2)
Depreciation and Amortization	379.6	364.6	(15.0)	363.0	(1.6)
Loss on Disposal of Property, Plant and Equipment	43.7	45.8	2.0	49.0	3.1
Taxes and Public Dues	71.5	72.4	0.9	74.0	1.5
Operating Income	65.0	66.7	1.6	90.0	23.2
Non-Operating Revenues	60.1	58.0	(2.1)	8.0	(50.0)
Non-Operating Expenses	36.3	32.9	(3.3)	8.0	(24.9)
Recurring Profit	88.8	91.7	2.8	90.0	(1.7)
Net Income	52.8	53.9	1.1	58.0	4.0
NTT West (JPN GAAP)					
Operating Revenues	1,627.9	1,589.6	(38.3)	1,582.0	(7.6)
Voice Transmission Services (excluding IP) ⁽¹⁾	579.8	523.3	(56.5)	473.0	(50.3)
IP Services ⁽²⁾	660.9	671.6	10.7	685.0	13.3
Leased Circuit (excluding IP)	112.1	104.3	(7.8)	107.0	2.6
Telegraph	18.4	17.1	(1.3)	15.0	(2.1)
Other	111.6	109.2	(2.3)	302.0	28.7
Supplementary Business	144.9	163.9	18.9		
Operating Expenses	1,608.7	1,573.2	(35.5)	1,547.0	(26.2)
Personnel	105.4	98.4	(6.9)	99.0	0.5
Cost of Services and Equipment Sold, and Selling, General and Administrative Expenses	1,044.1	1,032.8	(11.3)	1,005.0	(27.8)
Depreciation and Amortization	349.2	330.1	(19.0)	329.0	(1.1)
Loss on Disposal of Property, Plant and Equipment	43.9	46.1	2.1	47.0	0.8
Taxes and Public Dues	65.9	65.6	(0.3)	67.0	1.3
Operating Income	19.2	16.3	(2.8)	35.0	18.6
Non-Operating Revenues	42.7	41.6	(1.1)	7.0	(34.6)
Non-Operating Expenses	33.6	31.9	(1.6)	14.0	(17.9)
Recurring Profit	28.3	26.0	(2.3)	28.0	1.9
Net Income	20.9	18.7	(2.2)	25.0	6.2

- Notes: (1) Operating Revenues from Voice Transmission Services (excluding IP) of NTT East and NTT West for the fiscal year ended March 31, 2014 include monthly charges, call charges and interconnection charges of 378.0 billion yen, 42.0 billion yen and 63.2 billion yen for NTT East, and 379.6 billion yen, 38.8 billion yen and 70.4 billion yen for NTT West, respectively.
- (2) Operating Revenues from IP Services of NTT East and NTT West for the fiscal year ended March 31, 2014 include "FLET'S Hikari" and "Hikari Denwa" charges (including monthly charges, call charges and connection device charges) of 472.5 billion yen and 179.1 billion yen for NTT East, and 377.9 billion yen and 148.1 billion yen for NTT West, respectively. "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.
- (3) Beginning on April 1, 2013, NTT Group revised its estimate of the expected useful life of metal cables based on actual utilization to reflect an extended expected life. Figures for the fiscal year ended March 31, 2014 and for the fiscal year ending March 31, 2015 (Forecast) reflect these revisions.
- (4) NTT East and NTT West will revise their respective allocations of revenues and expenses from real estate leases from Non-Operating Revenues and Non-Operating Expenses to Operating Revenues and Operating Expenses, respectively, as of the fiscal year ending March 31, 2015. Operating Revenues from real estate leases of 44 billion yen and 32 billion yen are included in NTT East's and NTT West's forecast figures, respectively, for the fiscal year ending March 31, 2015, and Operating Expenses from real estate leases of 24 billion yen and 17 billion yen are included in NTT East's and NTT West's forecast figures, respectively, for the fiscal year ending March 31, 2015.

4. Financial Results and Projections (NTT Communications, Dimension Data) (Billions of yen)

	A	B		C	
	Year Ended Mar. 31, 2013	Year Ended Mar. 31, 2014		Year Ending Mar. 31, 2015 (Forecast)	
			Change B-A		Change C-B
NTT Communications (JPN GAAP)					
Operating Revenues ⁽¹⁾	944.8	944.0	(0.7)	910.0	(34.0)
Cloud Computing Platforms	41.9	52.9	10.9	66.0	13.0
Data Networks	403.6	391.5	(12.1)	383.0	(8.5)
Voice Communications	318.0	296.4	(21.6)	276.0	(20.4)
Applications & Content	36.8	36.9	0.0	40.0	3.0
Solution Services	127.5	150.6	23.1	130.0	(20.6)
Others	16.7	15.6	(1.1)	15.0	(0.6)
Operating Expenses	826.6	830.5	3.8	807.0	(23.5)
Personnel	87.4	81.3	(6.1)	82.0	0.6
Cost of Services, Cost of Equipment Sold, and Selling, General and Administrative Expenses	400.6	426.0	25.4	600.0	(30.2)
Communication Network Charges	213.5	204.1	(9.3)		
Depreciation and Amortization	102.4	102.1	(0.3)	107.0	4.8
Loss on Disposal of Property, Plant and Equipment	10.2	4.8	(5.3)	6.0	1.1
Taxes and Public Dues	12.3	11.9	(0.4)	12.0	0.0
Operating Income	118.1	113.4	(4.6)	103.0	(10.4)
Non-Operating Revenues	24.7	27.4	2.7	23.0	(4.4)
Non-Operating Expenses	13.1	8.3	(4.7)	13.0	4.6
Recurring Profit	129.7	132.5	2.8	113.0	(19.5)
Net Income	65.3	88.9	23.6	72.0	(16.9)
Reference (Operating Revenues) ⁽¹⁾	944.8	944.0	(0.7)	910.0	(34.0)
Voice Transmission Services (excluding IP)	293.9	272.1	(21.7)	-	-
IP Services	371.8	367.0	(4.8)	-	-
Data Transmission Services (excluding IP)	67.6	61.2	(6.4)	-	-
Leased Circuit	50.3	44.6	(5.6)	-	-
Solutions Business	183.9	217.7	33.7	-	-
Others	27.3	25.8	(1.5)	-	-
Dimension Data (IFRS)⁽²⁾⁽³⁾					
Operating Revenues	467.2	581.0	113.8	735.0	154.0
Operating Expenses ⁽⁴⁾	452.5	567.6	115.1	721.5	153.9
Operating Income ⁽⁵⁾	14.8	13.5	(1.3)	13.5	0.0
Net Income Attributable to NTT	10.0	9.0	(1.0)	-	-

Notes: (1) NTT Com has revised certain of its line items from the three months ended March 31, 2014. Operating revenues figures for "A. Year Ended Mar. 31, 2013" and "B. Year Ended Mar. 31, 2014" using line items used prior to the three months ended March 31, 2014 are also provided for reference.

The following are the main services included in each of the new line items.

- Cloud Computing Platforms: "Data center service" and "Private Cloud (Enterprise Cloud, etc.)"
- Data Networks: "Closed network service (Arcstar Universal One, etc.)" and "Open network service (OCN, etc.)"
- Voice Communications: "Telephone service" and "VoIP service (050plus, etc.)"
- Applications & Content: "Application service (Mail service, etc.)"
- Solution Services: "System integration service"

With respect to the line items used prior to the three months ended March 31, 2014, beginning with the three months ended June 30, 2013, NTT consolidated IP-VPN and Wide-area Ethernet operating revenues into VPN operating revenues. Operating Revenues from Voice Transmission Services (excluding IP) of NTT Communications for the fiscal year ended Mar. 31, 2014 include revenues from telephone subscriber lines (138.0 billion yen). Operating Revenues from IP Services include revenues from OCN (153.5 billion yen) and VPN (159.0 billion yen). Operating Revenues from Leased Circuit include revenues from conventional leased circuits (2.6 billion yen) and high-speed digital (16.5 billion yen). IP-VPN and Wide-area Ethernet operating revenues for the fiscal year ended Mar. 31, 2014 were 62.3 billion yen and 41.0 billion yen, respectively.

(2) Since Dimension Data's statements of income from January 1 to December 31, 2013 are consolidated into NTT's consolidated statements of income from April 1, 2013 to March 31, 2014, Dimension Data's financial results for the twelve months ended December 31, 2013 are included under "B. Year Ended Mar. 31, 2014" and Dimension Data's forecast for the twelve months ending December 31, 2014 is included under "C. Year Ending Mar. 31 2015 (Forecast)."

(3) Conversion rate for Dimension Data figures for the fiscal year ended March 31, 2014 : USD1.00 = JPY97.73

(4) Operating Expenses include costs associated with the acquisition of Dimension Data by NTT.

(5) Operating Income for the fiscal year ended March 31, 2014 under US GAAP is 1.8 billion yen.

4. Financial Results and Projections (NTT DATA, NTT DOCOMO)

(Billions of yen)

	A	B		C	
	Year Ended Mar. 31, 2013	Year Ended Mar. 31, 2014		Year Ending Mar. 31, 2015 (Forecast)	
			Change B-A		Change C-B
NTT DATA Consolidated (JPN GAAP)					
Operating Revenues	1,301.9	1,343.7	41.8	1,460.0	116.2
Public & Financial IT Services	728.8	721.6	(7.1)	728.0	6.3
Enterprise IT Services	301.1	279.3	(21.7)	282.0	2.6
Solutions & Technologies	167.0	179.1	12.0	185.0	5.8
Global Business	244.9	314.5	69.6	422.0	107.4
Elimination or Corporate	(140.0)	(150.9)	(10.8)	(157.0)	(6.0)
Cost of Sales	980.5	1,031.2	50.6	1,100.0	68.7
Gross Profit	321.4	312.5	(8.8)	360.0	47.4
Selling, General and Administrative Expenses	235.7	249.9	14.2	275.0	25.0
Operating Income	85.6	62.5	(23.1)	85.0	22.4
Non-Operating Income (Loss)	(3.8)	(0.4)	3.3	(10.0)	(9.5)
Recurring Profit	81.8	62.1	(19.7)	75.0	12.8
Net Income	43.5	23.2	(20.2)	37.0	13.7
NTT DOCOMO Consolidated (US GAAP)^(*)					
Operating Revenues	4,470.1	4,461.2	(8.9)	4,590.0	128.8
Mobile Communications Services	3,168.5	2,955.8	(212.7)	2,881.0	(74.8)
Voice Revenues	1,274.6	1,065.2	(209.4)	950.0	(115.2)
Packet Communications Revenues	1,893.9	1,890.6	(3.3)	1,931.0	40.4
Equipment Sales	758.1	872.0	113.9	935.0	63.0
Other Operating Revenues	543.6	633.4	89.9	774.0	140.6
Operating Expenses	3,632.9	3,642.0	9.1	3,840.0	198.0
Personnel	280.1	275.9	(4.2)	288.0	12.1
Cost of Services, Cost of Equipment Sold, and Selling, General and Administrative Expenses	2,342.4	2,338.2	(4.2)	2,504.0	165.8
Depreciation and Amortization	700.2	718.7	18.5	715.0	(3.7)
Loss on Disposal of Property, Plant and Equipment	64.2	65.4	1.2	71.0	5.6
Communication Network Charges	207.5	204.7	(2.7)	223.0	18.3
Taxes and Public Dues	38.6	39.1	0.5	39.0	(0.1)
Operating Income	837.2	819.2	(18.0)	750.0	(69.2)
Non-Operating Income (Loss)	(3.8)	13.9	17.7	8.0	(5.9)
Income Before Income Taxes	833.3	833.0	(0.3)	758.0	(75.0)
Net Income Attributable to NTT DOCOMO	491.0	464.7	(26.3)	480.0	15.3

* As a result of the application of the equity method for NTT Group's investment in Philippine Long Distance Telephone Company from the beginning of the three months ended June 30, 2013, the equity method of accounting was applied retrospectively to NTT DOCOMO's figures in "A. Year Ended Mar. 31, 2013" in accordance with Accounting Standards Codification Topic 323, Investments-Equity Method and Joint Ventures, issued by the FASB.

5. Average Monthly Revenue per Unit (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.

	Three Months Ended Jun. 30, 2013 (From Apr. to Jun., 2013)	Three Months Ended Sept. 30, 2013 (From Jul. to Sept., 2013)	Three Months Ended Dec. 31, 2013 (From Oct. to Dec., 2013)	Three Months Ended Mar. 31, 2014 (From Jan. to Mar., 2014)	Year Ended Mar. 31, 2013	Year Ended Mar. 31, 2014	Year Ending Mar. 31, 2015 (Forecast)
NTT East							
Aggregate Fixed Line ARPU (Telephone Subscriber Line + INS-NET Subscriber Line)	2,760	2,760	2,760	2,730	2,810	2,760	2,700
Telephone Subscriber Lines ARPU	2,410	2,410	2,410	2,390	2,450	2,400	2,360
INS-NET Subscriber Lines ARPU	5,030	5,030	5,040	5,000	5,060	5,030	5,010
FLET'S Hikari ARPU	5,750	5,680	5,650	5,570	5,860	5,660	5,500
NTT West							
Aggregate Fixed Line ARPU (Telephone Subscriber Line + INS-NET Subscriber Line)	2,690	2,700	2,700	2,670	2,720	2,690	2,660
Telephone Subscriber Lines ARPU	2,380	2,390	2,390	2,370	2,410	2,380	2,350
INS-NET Subscriber Lines ARPU	4,880	4,890	4,900	4,870	4,890	4,890	4,860
FLET'S Hikari ARPU	5,840	5,850	5,850	5,800	5,880	5,830	5,740
NTT DOCOMO							
Mobile Aggregate ARPU (FOMA+Xi)	4,610	4,590	4,510	4,320	4,840	4,500	4,390
Voice ARPU (FOMA+Xi)	1,470	1,430	1,370	1,220	1,730	1,370	1,240
Packet ARPU (FOMA+Xi)	2,680	2,670	2,640	2,600	2,690	2,640	2,620
Smart ARPU (FOMA+Xi)	460	490	500	500	420	490	530

- 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 each of 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

6. Interest-Bearing Liabilities (Consolidated)

(Billions of yen)

	As of Mar. 31, 2013	As of Mar. 31, 2014	As of Mar. 31, 2015 (Forecast)
Interest-Bearing Liabilities	4,036.0	4,200.0	4,300.0

7. Indices (Consolidated)

	Year Ended Mar. 31, 2013	Year Ended Mar. 31, 2014	Year Ending Mar. 31, 2015 (Forecast)
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 FCF	1,237.5 billion yen	1,299.5 billion yen	1,357.0 billion yen
ROCE	6.1 %	6.0 %	6.1 %

Note: Reconciliation of Indices are as follows.

8. Reconciliation of Financial Indices (Consolidated)

	Year Ended Mar. 31, 2013	Year Ended Mar. 31, 2014	Year Ending Mar. 31, 2015 (Forecast)
EBITDA (a+b)	3,207.4 billion yen	3,192.3 billion yen	3,207.0 billion yen
a Operating Income	1,202.0 billion yen	1,213.7 billion yen	1,215.0 billion yen
b Depreciation and Amortization, and Loss on Disposal of Property, Plant and Equipment	2,005.5 billion yen	1,978.6 billion yen	1,992.0 billion yen
EBITDA Margin [(c/d)X100]	30.0 %	29.2 %	28.6 %
a Operating Income	1,202.0 billion yen	1,213.7 billion yen	1,215.0 billion yen
b Depreciation and Amortization, and Loss on Disposal of Property, Plant and Equipment	2,005.5 billion yen	1,978.6 billion yen	1,992.0 billion yen
c EBITDA (a+b)	3,207.4 billion yen	3,192.3 billion yen	3,207.0 billion yen
d Operating Revenues	10,700.7 billion yen	10,925.2 billion yen	11,200.0 billion yen
Operating FCF [(c-d)]	1,237.5 billion yen	1,299.5 billion yen	1,357.0 billion yen
a Operating Income	1,202.0 billion yen	1,213.7 billion yen	1,215.0 billion yen
b Depreciation and Amortization, and Loss on Disposal of Property, Plant and Equipment	2,005.5 billion yen	1,978.6 billion yen	1,992.0 billion yen
c EBITDA (a+b)	3,207.4 billion yen	3,192.3 billion yen	3,207.0 billion yen
d Capital Investment ⁽¹⁾	1,970.0 billion yen	1,892.8 billion yen	1,850.0 billion yen
ROCE [(b/c)X100]	6.1 %	6.0 %	6.1 %
a Operating Income	1,202.0 billion yen	1,213.7 billion yen	1,215.0 billion yen
(Normal Statutory Tax Rate)	38 %	38 %	36 %
b Operating Income X (1 - Normal Statutory Tax Rate)	742.1 billion yen	749.3 billion yen	778.8 billion yen
c Operating Capital Employed ⁽²⁾	12,212.0 billion yen	12,489.4 billion yen	12,831.5 billion yen

Notes: (1) Figures for capital investment are the accrual-based amounts required for acquisition of Property, Plant and Equipment and Intangible Assets. The differences from the figures for "Payments for Property, Plant and Equipment" and "Payments for Acquisition of Intangible Assets" in the consolidated statements of cash flows are as described in the reconciliation below.

(2) Figures for operating capital employed for the "Year Ended Mar. 31, 2013" have been revised from those announced in the financial results on May 10, 2013 to reflect the retroactive application of the equity method of accounting.

(Billions of yen)

	Year Ended Mar. 31, 2013	Year Ended Mar. 31, 2014
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