

August 6, 2014

FOR IMMEDIATE RELEASE

Financial Statements for the Three Months Ended June 30, 2014

The financial results of Nippon Telegraph and Telephone East Corporation (NTT East) for the three months ended June 30, 2014 are presented in the following attachments.

(Attachments)

1. Non-Consolidated Comparative Balance Sheets
2. Non-Consolidated Comparative Statements of Income
3. Business Results (Non-Consolidated Operating Revenues)

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1. Non-Consolidated Comparative Balance Sheets

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	March 31, 2014	June 30, 2014	Increase (Decrease)
ASSETS			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	474,554	462,432	(12,122)
Antenna facilities	4,325	4,259	(66)
Terminal equipment	45,756	43,685	(2,071)
Local line facilities	862,315	858,593	(3,721)
Long-distance line facilities	4,107	4,001	(106)
Engineering facilities	612,405	609,100	(3,304)
Submarine line facilities	1,421	1,340	(80)
Buildings	438,137	432,933	(5,203)
Construction in progress	19,885	18,470	(1,414)
Other	259,440	256,677	(2,763)
Total property, plant and equipment	2,722,349	2,691,495	(30,854)
Intangible fixed assets	88,386	85,598	(2,788)
Total fixed assets - telecommunications businesses	2,810,736	2,777,093	(33,643)
Investments and other assets			
Other investments and assets	213,889	212,323	(1,565)
Allowance for doubtful accounts	(1,030)	(1,027)	3
Total investments and other assets	212,859	211,296	(1,562)
Total fixed assets	3,023,595	2,988,389	(35,205)
Current assets:			
Cash and bank deposits	25,765	18,882	(6,882)
Notes receivable	171	349	178
Accounts receivable, trade	238,999	218,715	(20,283)
Supplies	33,852	33,957	104
Other current assets	233,804	171,106	(62,697)
Allowance for doubtful accounts	(622)	(611)	11
Total current assets	531,969	442,401	(89,568)
TOTAL ASSETS	3,555,565	3,430,791	(124,774)

(Millions of yen)

	March 31, 2014	June 30, 2014	Increase (Decrease)
LIABILITIES			
Long-term liabilities:			
Long-term borrowings from parent company	548,775	548,775	-
Liability for employees' retirement benefits	231,328	230,357	(970)
Reserve for point services	7,074	8,480	1,406
Reserve for unused telephone cards	11,082	10,734	(347)
Allowance for environmental measures	4,511	4,511	-
Asset retirement obligations	1,110	1,114	4
Other long-term liabilities	9,601	9,392	(208)
Total long-term liabilities	813,483	813,367	(116)
Current liabilities:			
Current portion of long-term borrowings from parent company	127,420	57,420	(70,000)
Accounts payable, trade	77,246	44,345	(32,900)
Accrued taxes on income	5,746	*	(1,116)
Asset retirement obligations	149	75	(74)
Other current liabilities	362,264	344,502	(17,762)
Total current liabilities	572,826	450,973	(121,853)
TOTAL LIABILITIES	1,386,310	1,264,340	(121,969)
NET ASSETS			
Shareholders' equity:			
Common stock	335,000	335,000	-
Capital surplus	1,499,726	1,499,726	-
Earned surplus	333,740	330,574	(3,166)
Total shareholders' equity	2,168,467	2,165,301	(3,166)
Unrealized gains (losses), translation adjustments, and others:			
Net unrealized gains (losses) on securities	787	1,149	361
Total unrealized gains (losses), translation adjustments, and others	787	1,149	361
TOTAL NET ASSETS	2,169,255	2,166,450	(2,804)
TOTAL LIABILITIES AND NET ASSETS	3,555,565	3,430,791	(124,774)

Note: *NTT East participates in a consolidated tax return system, which has been adopted by NTT (Holding Company) and its wholly-owned subsidiaries in Japan.

However, except for a portion of the calculation of taxes, income taxes have not been calculated on a consolidated basis in the quarterly financial statements.

2. Non-Consolidated Comparative Statements of Income

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Three months ended June 30, 2013		Three months ended June 30, 2014	Increase (Decrease)	Year ended March 31, 2014
Telecommunications businesses:					
Operating revenues	410,349	*1	406,181	(4,167)	1,630,523
Operating expenses	385,444	*1	381,563	(3,881)	1,577,823
Operating income from telecommunications businesses	24,905		24,618	(286)	52,699
Supplementary businesses:					
Operating revenues	28,068		26,758	(1,310)	143,286
Operating expenses	24,662		23,578	(1,083)	129,271
Operating income from supplementary businesses	3,406		3,179	(227)	14,014
Operating income	28,311		27,797	(513)	66,714
Non-operating revenues:					
Interest income	19		21	2	77
Dividends received	3,517		5,610	2,093	3,690
Lease and rental income	11,172		-	(11,172)	44,296
Gains on sales of fixed assets	4		8,008	8,004	5,973
Miscellaneous income	667		748	80	3,991
Total non-operating revenues	15,382		14,389	(992)	58,027
Non-operating expenses:					
Interest expenses	1,854		1,641	(212)	7,203
Lease and rental expenses	5,305		-	(5,305)	23,253
Miscellaneous expenses	479		816	337	2,536
Total non-operating expenses	7,638		2,458	(5,180)	32,993
Recurring profit	36,054		39,729	3,674	91,749
Special losses	-		-	-	8,292
Income before income taxes	36,054		39,729	3,674	83,457
Income taxes	*2	11,362	*2	11,488	126
Net income		24,692		28,240	3,548
					53,956

Notes: *1 "Lease and rental income" and "lease and rental expenses," which were previously included under non-operating revenues and non-operating expenses, respectively, in the fiscal year ended March 31, 2014, have been reclassified as telecommunications businesses operating revenues and operating expenses as of the three months ended June 30, 2014.

Telecommunications operating revenues attributable to lease and rental income and operating expenses attributable to lease and rental expenses were 10,945 million yen and 4,421 million yen, respectively, for the three months ended June 30, 2014.

*2 NTT East participates in a consolidated tax return system, which has been adopted by NTT (Holding Company) and its wholly-owned subsidiaries in Japan. However, except for a portion of the calculation of taxes, income taxes have not been calculated on a consolidated basis in the quarterly financial statements.

3. Business Results (Non-Consolidated Operating Revenues)

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Three months ended June 30, 2013	Three months ended June 30, 2014	Increase (Decrease)	Percent Increase (Decrease)	Year ended March 31, 2014
Voice transmission services revenues (excluding IP services revenues)	133,852	121,081	(12,771)	(9.5)	518,346
Monthly charge revenues*	97,375	88,899	(8,476)	(8.7)	378,089
Call rates revenues*	11,047	9,499	(1,547)	(14.0)	42,044
Interconnection call revenues*	16,422	14,299	(2,123)	(12.9)	63,210
IP services revenues	211,697	209,152	(2,545)	(1.2)	841,334
Leased circuit services revenues (excluding IP services revenues)	29,888	28,855	(1,033)	(3.5)	117,286
Telegram services revenues	4,154	3,831	(323)	(7.8)	14,951
Other telecommunications services revenues	30,756	43,261	12,505	40.7	138,604
Telecommunications total revenues	410,349	406,181	(4,167)	(1.0)	1,630,523
Supplementary business total revenues	28,068	26,758	(1,310)	(4.7)	143,286
Total operating revenues	438,418	432,939	(5,478)	(1.2)	1,773,809

*Partial listing only

August 6, 2014

FOR IMMEDIATE RELEASE

Financial Statements for the Three Months Ended June 30, 2014

The financial results of Nippon Telegraph and Telephone West Corporation (NTT West) for the three months ended June 30, 2014 are presented in the following attachments.

(Attachments)

1. Non-Consolidated Comparative Balance Sheets
2. Non-Consolidated Comparative Statements of Income
3. Business Results (Non-Consolidated Operating Revenues)

For inquiries, please contact:

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1. Non-Consolidated Comparative Balance Sheets

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	March 31, 2014	June 30, 2014	Increase (Decrease)
ASSETS			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	446,003	432,924	(13,078)
Antenna facilities	6,212	6,395	182
Terminal equipment	18,194	18,071	(123)
Local line facilities	956,384	957,702	1,318
Long-distance line facilities	2,432	2,357	(74)
Engineering facilities	551,357	548,149	(3,207)
Submarine line facilities	3,067	2,913	(154)
Buildings	363,292	356,898	(6,393)
Construction in progress	17,498	21,247	3,749
Other	224,347	221,893	(2,453)
Total property, plant and equipment	2,588,791	2,568,556	(20,235)
Intangible fixed assets	74,244	72,178	(2,066)
Total fixed assets - telecommunications businesses	2,663,036	2,640,734	(22,301)
Investments and other assets			
Other investments and assets	161,563	158,002	(3,561)
Allowance for doubtful accounts	(551)	(583)	(32)
Total investments and other assets	161,012	157,418	(3,593)
Total fixed assets	2,824,048	2,798,153	(25,895)
Current assets:			
Cash and bank deposits	33,273	22,724	(10,549)
Notes receivable	443	862	418
Accounts receivable, trade	201,606	164,905	(36,700)
Supplies	35,234	34,032	(1,202)
Other current assets	170,958	154,981	(15,976)
Allowance for doubtful accounts	(518)	(507)	10
Total current assets	440,998	376,998	(64,000)
TOTAL ASSETS	3,265,047	3,175,151	(89,895)

(Millions of yen)

	March 31, 2014	June 30, 2014	Increase (Decrease)
LIABILITIES			
Long-term liabilities:			
Long-term borrowings from parent company	884,427	884,427	-
Liability for employees' retirement benefits	228,337	228,240	(97)
Reserve for point services	7,178	6,195	(982)
Reserve for unused telephone cards	10,480	10,151	(328)
Allowance for environmental measures	5,721	5,721	-
Asset retirement obligations	342	345	2
Other long-term liabilities	7,425	7,209	(216)
Total long-term liabilities	1,143,913	1,142,290	(1,622)
Current liabilities:			
Current portion of long-term borrowings from parent company	157,370	157,370	-
Accounts payable, trade	61,883	43,615	(18,268)
Short-term borrowings	72,000	21,000	(51,000)
Accrued taxes on income	1,133	436	(696)
Allowance for environmental measures	2,370	1,136	(1,233)
Asset retirement obligations	4	-	(4)
Other current liabilities	324,630	318,542	(6,087)
Total current liabilities	619,391	542,101	(77,290)
TOTAL LIABILITIES	1,763,305	1,684,391	(78,913)
NET ASSETS			
Shareholders' equity:			
Common stock	312,000	312,000	-
Capital surplus	1,170,054	1,170,054	-
Earned surplus	19,272	8,212	(11,059)
Total shareholders' equity	1,501,326	1,490,266	(11,059)
Unrealized gains (losses), translation adjustments, and others:			
Net unrealized gains (losses) on securities	415	492	77
Total unrealized gains (losses), translation adjustments, and others	415	492	77
TOTAL NET ASSETS	1,501,742	1,490,759	(10,982)
TOTAL LIABILITIES AND NET ASSETS	3,265,047	3,175,151	(89,895)

Note: *NTT West participates in a consolidated tax return system, which has been adopted by NTT (Holding Company) and its wholly-owned subsidiaries in Japan.

However, except for a portion of the calculation of taxes, income taxes have not been calculated on a consolidated basis in the quarterly financial statements.

2. Non-Consolidated Comparative Statements of Income

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Three months ended June 30, 2013		Three months ended June 30, 2014	Increase (Decrease)	Year ended March 31, 2014
Telecommunications businesses:					
Operating revenues	358,622	*1	355,614	(3,008)	1,425,666
Operating expenses	350,479	*1	349,847	(632)	1,423,424
Operating income from telecommunications businesses	8,142		5,767	(2,375)	2,241
Supplementary businesses:					
Operating revenues	30,227		29,576	(651)	163,934
Operating expenses	26,821		27,242	421	149,795
Operating income from supplementary businesses	3,406		2,333	(1,072)	14,138
Operating income	11,549		8,100	(3,448)	16,379
Non-operating revenues:					
Interest income	8		1	(7)	17
Dividends received	1,875		1,332	(543)	1,902
Lease and rental income	9,107		-	(9,107)	35,907
Miscellaneous income	543		511	(32)	3,853
Total non-operating revenues	11,535		1,845	(9,690)	41,680
Non-operating expenses:					
Interest expenses	3,389		3,012	(376)	13,212
Lease and rental expenses	3,837		-	(3,837)	16,755
Miscellaneous expenses	73		78	4	2,030
Total non-operating expenses	7,300		3,091	(4,209)	31,998
Recurring profit	15,783		6,854	(8,928)	26,061
Special losses	-		-	-	6,087
Income before income taxes	15,783		6,854	(8,928)	19,973
Income taxes	*2 3,221	*2	654	(2,566)	1,266
Net income	12,562		6,200	(6,361)	18,707

Notes: *1 "Lease and rental income" and "lease and rental expenses," which were previously included under non-operating revenues and non-operating expenses, respectively, in the fiscal year ended March 31, 2014, have been reclassified as telecommunications businesses operating revenues and operating expenses as of the three months ended June 30, 2014.

Telecommunications operating revenues attributable to lease and rental income and operating expenses attributable to lease and rental expenses were 9,038 million yen and 3,873 million yen, respectively, for the three months ended June 30, 2014.

*2 NTT West participates in a consolidated tax return system, which has been adopted by NTT (Holding Company) and its wholly-owned subsidiaries in Japan. However, except for a portion of the calculation of taxes, income taxes have not been calculated on a consolidated basis in the quarterly financial statements.

3. Business Results (Non-Consolidated Operating Revenues)

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Three months ended June 30, 2013	Three months ended June 30, 2014	Increase (Decrease)	Percent Increase (Decrease)	Year ended March 31, 2014
Voice transmission services revenues (excluding IP services revenues)	134,767	122,083	(12,683)	(9.4)	523,300
Monthly charge revenues*	97,539	89,417	(8,121)	(8.3)	379,607
Call rates revenues*	10,176	8,780	(1,395)	(13.7)	38,890
Interconnection call revenues*	18,254	15,882	(2,372)	(13.0)	70,441
IP services revenues	166,991	169,699	2,707	1.6	671,614
Leased circuit services revenues (excluding IP services revenues)	26,311	26,260	(51)	(0.2)	104,361
Telegram services revenues	4,574	4,137	(437)	(9.6)	17,121
Other telecommunications services revenues	25,977	33,434	7,456	28.7	109,269
Telecommunications total revenues	358,622	355,614	(3,008)	(0.8)	1,425,666
Supplementary business total revenues	30,227	29,576	(651)	(2.2)	163,934
Total operating revenues	388,850	385,190	(3,659)	(0.9)	1,589,600

*Partial listing only

August 6, 2014

FOR IMMEDIATE RELEASE

NTT Com Announces Financial Results for the Three Months Ended June 30, 2014

TOKYO, JAPAN — NTT Communications Corporation (NTT Com) announced today its financial results for the three months ended June 30, 2014. Please see the following attachments for further details:

- I. Non-Consolidated Comparative Balance Sheets
- II. Non-Consolidated Comparative Statements of Income
- III. Business Results (Non-Consolidated Operating Revenues)
- IV. Financial Results of NTT Communications Group

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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 a leading global tier-1 IP network, the Arcstar Universal One™ VPN network, reaching 196 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.

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I. Non-Consolidated Comparative Balance Sheets

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	March 31, 2014	June 30, 2014	Increase (Decrease)
ASSETS			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	139,476	141,422	1,945
Antenna facilities	1,682	1,658	(23)
Terminal equipment	736	730	(5)
Local line facilities	748	725	(22)
Long-distance line facilities	6,778	6,539	(238)
Engineering facilities	53,122	52,790	(331)
Submarine line facilities	16,018	15,198	(819)
Buildings	177,326	176,830	(496)
Construction in progress	24,265	21,900	(2,365)
Other	84,762	83,968	(793)
Total property, plant and equipment	504,916	501,764	(3,151)
Intangible fixed assets	87,002	86,264	(737)
Total fixed assets - telecommunications businesses	591,918	588,029	(3,889)
Investments and other assets			
Investment securities	162,857	171,755	8,898
Investments in subsidiaries and affiliated companies	277,600	276,359	(1,241)
Other investments and assets	40,997	42,147	1,150
Allowance for doubtful accounts	(218)	(212)	5
Total investments and other assets	481,237	490,049	8,812
Total fixed assets	1,073,156	1,078,079	4,923
Current assets:			
Cash and bank deposits	17,218	16,718	(500)
Notes receivable	266	174	(91)
Accounts receivable, trade	163,644	138,390	(25,253)
Supplies	10,201	9,922	(278)
Other current assets	102,455	87,859	(14,595)
Allowance for doubtful accounts	(1,582)	(1,390)	191
Total current assets	292,204	251,675	(40,529)
TOTAL ASSETS	1,365,361	1,329,754	(35,606)

(Millions of yen)

	March 31, 2014	June 30, 2014	Increase (Decrease)
LIABILITIES			
Long-term liabilities:			
Long-term borrowings from parent company	146,720	146,720	-
Liability for employees' retirement benefits	86,833	84,857	(1,975)
Reserve for point services	3,063	2,967	(96)
Reserve for unused telephone cards	4,637	4,491	(145)
Asset retirement obligations	1,467	1,482	14
Other long-term liabilities	17,175	20,459	3,284
Total long-term liabilities	259,897	260,979	1,081
Current liabilities:			
Current portion of long-term borrowings from parent company	3,360	3,360	-
Accounts payable, trade	37,246	19,097	(18,148)
Short-term borrowings	8,736	14,038	5,301
Accrued taxes on income	6,190	*	(2,092)
Allowance for losses on construction	1,188	1,186	(1)
Other current liabilities	184,394	170,167	(14,227)
Total current liabilities	241,116	211,947	(29,168)
TOTAL LIABILITIES	501,014	472,927	(28,086)
NET ASSETS			
Shareholders' equity:			
Common stock	211,763	211,763	-
Capital surplus	131,615	131,615	-
Earned surplus	446,563	433,312	(13,250)
Total shareholders' equity	789,942	776,691	(13,250)
Unrealized gains (losses), translation adjustments, and others:			
Net unrealized gains (losses) on securities	74,404	80,135	5,731
Total unrealized gains (losses), translation adjustments, and others	74,404	80,135	5,731
TOTAL NET ASSETS	864,347	856,827	(7,519)
TOTAL LIABILITIES AND NET ASSETS	1,365,361	1,329,754	(35,606)

Note: *NTT Com participates in a consolidated tax return system, which has been adopted by NTT (Holding Company) and its wholly-owned subsidiaries in Japan.

However, except for a portion of the calculation of taxes, income taxes have not been calculated on a consolidated basis in the quarterly financial statements.

II. Non-Consolidated Comparative Statements of Income

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Three months ended June 30, 2013	Three months ended June 30, 2014	Increase (Decrease)	Year ended March 31, 2014
Telecommunications businesses:				
Operating revenues	188,031	176,492	(11,539)	742,669
Operating expenses	157,061	154,905	(2,156)	636,374
Operating income from telecommunications businesses	30,969	21,587	(9,382)	106,295
Supplementary businesses:				
Operating revenues	37,443	40,755	3,312	201,359
Operating expenses	35,935	37,684	1,749	194,188
Operating income from supplementary businesses	1,507	3,070	1,562	7,171
Operating income	32,477	24,657	(7,820)	113,466
Non-operating revenues:				
Interest income	83	61	(21)	280
Dividends received	5,872	7,814	1,941	10,244
Lease and rental income	3,263	3,002	(260)	12,987
Miscellaneous income	135	114	(20)	3,987
Total non-operating revenues	9,354	10,993	1,639	27,499
Non-operating expenses:				
Interest expenses	389	408	18	1,569
Lease and rental expenses	1,355	1,486	130	5,731
Miscellaneous expenses	149	34	(114)	1,081
Total non-operating expenses	1,894	1,928	33	8,382
Recurring profit	39,937	33,722	(6,214)	132,583
Special profits	-	-	-	16,169
Special losses	-	-	-	6,019
Income before income taxes	39,937	33,722	(6,214)	142,733
Income taxes	*	*	(3,907)	53,774
Net income	24,728	22,421	(2,307)	88,959

Note: *NTT Com participates in a consolidated tax return system, which has been adopted by NTT (Holding Company) and its wholly-owned subsidiaries in Japan.

However, except for a portion of the calculation of taxes, income taxes have not been calculated on a consolidated basis in the quarterly financial statements.

III. Business Results (Non-Consolidated Operating Revenues)

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Three months ended June 30, 2013	Three months ended June 30, 2014	Increase (Decrease)	Percent Increase (Decrease)	Year ended March 31, 2014
Cloud Computing Platforms	11,125	14,568	3,443	31.0	52,922
Data Networks	99,675	93,275	(6,400)	(6.4)	391,505
Voice Communications	75,026	69,233	(5,792)	(7.7)	296,438
Applications & Content	8,862	9,423	561	6.3	36,906
Solution Services	26,901	26,991	89	0.3	150,651
Others	3,884	3,754	(129)	(3.3)	15,604
Total operating revenues	225,474	217,247	(8,227)	(3.6)	944,028

*Details of business results are represented by business line from the fiscal year ended March 31, 2014.
Business results per item are shown below.

(Reference) Business Results (Per item)

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Three months ended June 30, 2013	Three months ended June 30, 2014	Increase (Decrease)	Percent Increase (Decrease)	Year ended March 31, 2014
Voice transmission services revenues (excluding IP services revenues)	69,107	63,074	(6,033)	(8.7)	272,179
IP services revenues	92,431	89,487	(2,943)	(3.2)	367,015
Open computer network services revenues*	38,561	38,146	(414)	(1.1)	153,580
VPN services revenues*	39,740	38,316	(1,424)	(3.6)	159,024
Data communications revenues (excluding IP services revenues)	16,300	13,451	(2,849)	(17.5)	61,232
Leased circuit services revenues*	12,128	9,414	(2,714)	(22.4)	44,628
Solution services revenues	41,226	45,247	4,020	9.8	217,746
Others	6,408	5,987	(421)	(6.6)	25,854
Total operating revenues	225,474	217,247	(8,227)	(3.6)	944,028

*Partial listing only

IV. Financial Results of NTT Communications Group

(Millions of yen)

	Three months ended June 30, 2013	Three months ended June 30, 2014	Increase (Decrease)	Percent Increase (Decrease)
Operating revenues	288,955	296,246	7,291	2.5
Operating expenses	253,713	267,460	13,747	5.4
Operating income	35,242	28,786	(6,456)	(18.3)