

August 5, 2016

FOR IMMEDIATE RELEASE

Financial Statements for the Three Months Ended June 30, 2016

The financial results of Nippon Telegraph and Telephone East Corporation (NTT East) for the three months ended June 30, 2016 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, 2016	June 30, 2016	Increase (Decrease)
ASSETS			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	395,419	379,293	(16,125)
Antenna facilities	3,791	3,775	(15)
Terminal equipment	31,807	29,451	(2,356)
Local line facilities	835,446	838,152	2,705
Long-distance line facilities	3,353	3,179	(173)
Engineering facilities	595,052	590,467	(4,584)
Submarine line facilities	872	837	(35)
Buildings	420,792	415,545	(5,246)
Construction in progress	17,626	15,366	(2,259)
Other	263,272	261,119	(2,153)
Total property, plant and equipment	2,567,433	2,537,189	(30,244)
Intangible fixed assets	84,019	80,466	(3,552)
Total fixed assets - telecommunications businesses	2,651,453	2,617,656	(33,797)
Investments and other assets			
Other investments and assets	187,503	186,682	(821)
Allowance for doubtful accounts	(913)	(887)	26
Total investments and other assets	186,589	185,794	(795)
Total fixed assets	2,838,043	2,803,450	(34,592)
Current assets:			
Cash and bank deposits	8,675	5,811	(2,863)
Notes receivable	-	16	16
Accounts receivable, trade	224,181	204,072	(20,109)
Supplies	26,221	25,720	(500)
Other current assets	341,341	297,795	(43,546)
Allowance for doubtful accounts	(442)	(412)	30
Total current assets	599,977	533,004	(66,973)
TOTAL ASSETS	3,438,021	3,336,454	(101,566)

(Millions of yen)

	March 31, 2016	June 30, 2016	Increase (Decrease)
LIABILITIES			
Long-term liabilities:			
Long-term borrowings from parent company	365,835	365,835	-
Liability for employees' retirement benefits	235,919	239,340	3,420
Reserve for point services	8,574	9,404	830
Reserve for unused telephone cards	8,671	8,341	(329)
Allowance for environmental measures	5,289	5,289	-
Asset retirement obligations	1,092	952	(140)
Other long-term liabilities	23,092	23,074	(17)
Total long-term liabilities	648,475	652,238	3,763
Current liabilities:			
Current portion of long-term borrowings from parent company	65,120	65,120	-
Accounts payable, trade	85,229	33,190	(52,039)
Accrued taxes on income	11,793	7,277	(4,515)
Allowance for environmental measures	2,601	2,600	(0)
Asset retirement obligations	-	190	190
Other current liabilities	428,764	382,458	(46,306)
Total current liabilities	593,508	490,837	(102,670)
TOTAL LIABILITIES	1,241,983	1,143,076	(98,907)
NET ASSETS			
Shareholders' equity:			
Common stock	335,000	335,000	-
Capital surplus	1,499,726	1,499,726	-
Earned surplus	357,191	355,606	(1,584)
Total shareholders' equity	2,191,918	2,190,333	(1,584)
Unrealized gains (losses), translation adjustments, and others:			
Net unrealized gains (losses) on securities	4,119	3,044	(1,074)
Total unrealized gains (losses), translation adjustments, and others	4,119	3,044	(1,074)
TOTAL NET ASSETS	2,196,037	2,193,378	(2,659)
TOTAL LIABILITIES AND NET ASSETS	3,438,021	3,336,454	(101,566)

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, 2015	Three months ended June 30, 2016	Increase (Decrease)	Year ended March 31, 2016
Telecommunications businesses:				
Operating revenues	403,536	385,050	(18,486)	1,585,580
Operating expenses	357,654	324,919	(32,735)	1,444,775
Operating income from telecommunications businesses	45,881	60,130	14,249	140,804
Supplementary businesses:				
Operating revenues	26,201	25,090	(1,110)	136,726
Operating expenses	21,380	21,096	(284)	115,702
Operating income from supplementary businesses	4,820	3,994	(826)	21,024
Operating income	50,701	64,125	13,423	161,828
Non-operating revenues:				
Interest income	22	6	(16)	138
Dividends received	3,072	3,155	82	3,169
Gains on sales of fixed assets	1,821	13,538	11,717	7,789
Miscellaneous income	945	672	(273)	6,415
Total non-operating revenues	5,861	17,371	11,510	17,512
Non-operating expenses:				
Interest expenses	1,244	1,170	(73)	4,987
Miscellaneous expenses	242	122	(120)	914
Total non-operating expenses	1,486	1,292	(193)	5,901
Recurring profit	55,076	80,203	25,127	173,439
Special losses	-	-	-	3,758
Income before income taxes	55,076	80,203	25,127	169,681
Income taxes	*	*	8,294	50,895
Net income	40,978	57,810	16,832	118,786

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.

3. Business Results (Non-Consolidated Operating Revenues)

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016	Increase (Decrease)	Percent Increase (Decrease)	Year ended March 31, 2016
Voice transmission services revenues (excluding IP services revenues)	110,051	101,448	(8,602)	(7.8)	427,802
Monthly charge revenues*	82,076	76,586	(5,490)	(6.7)	321,137
Call rates revenues*	8,022	6,900	(1,121)	(14.0)	30,319
Interconnection call revenues*	13,241	11,762	(1,478)	(11.2)	51,118
IP services revenues	217,007	213,354	(3,652)	(1.7)	855,444
Leased circuit services revenues (excluding IP services revenues)	28,667	24,066	(4,601)	(16.1)	103,761
Telegram services revenues	3,608	3,163	(445)	(12.3)	12,812
Other telecommunications services revenues	44,201	43,017	(1,184)	(2.7)	185,759
Telecommunications total revenues	403,536	385,050	(18,486)	(4.6)	1,585,580
Supplementary business total revenues	26,201	25,090	(1,110)	(4.2)	136,726
Total operating revenues	429,737	410,140	(19,596)	(4.6)	1,722,307

*Partial listing only

August 5, 2016

FOR IMMEDIATE RELEASE

Financial Results for the Three Months Ended June 30, 2016

The financial results of Nippon Telegraph and Telephone West Corporation (NTT West) for the three months ended June 30, 2016 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, 2016	June 30, 2016	Increase (Decrease)
ASSETS			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	371,004	350,918	(20,085)
Antenna facilities	6,224	6,173	(51)
Terminal equipment	17,166	15,913	(1,252)
Local line facilities	993,040	997,454	4,413
Long-distance line facilities	2,138	2,002	(136)
Engineering facilities	530,501	525,975	(4,525)
Submarine line facilities	3,587	3,473	(114)
Buildings	327,911	322,813	(5,098)
Construction in progress	18,488	18,600	111
Other	220,696	220,548	(147)
Total property, plant and equipment	2,490,761	2,463,874	(26,886)
Intangible fixed assets	65,914	63,926	(1,988)
Total fixed assets - telecommunications businesses	2,556,676	2,527,801	(28,875)
Investments and other assets			
Other investments and assets	170,251	169,436	(815)
Allowance for doubtful accounts	(638)	(620)	17
Total investments and other assets	169,613	168,815	(798)
Total fixed assets	2,726,289	2,696,616	(29,673)
Current assets:			
Cash and bank deposits	21,765	16,436	(5,329)
Accounts receivable, trade	201,155	169,425	(31,730)
Supplies	34,656	34,402	(253)
Other current assets	163,910	133,885	(30,025)
Allowance for doubtful accounts	(514)	(507)	7
Total current assets	420,973	353,642	(67,330)
TOTAL ASSETS	3,147,263	3,050,258	(97,004)

(Millions of yen)

	March 31, 2016	June 30, 2016	Increase (Decrease)
LIABILITIES			
Long-term liabilities:			
Long-term borrowings from parent company	651,707	651,707	-
Liability for employees' retirement benefits	233,574	235,531	1,957
Reserve for point services	4,672	2,993	(1,678)
Reserve for unused telephone cards	8,200	7,888	(311)
Allowance for environmental measures	9,074	9,074	-
Asset retirement obligations	361	358	(2)
Other long-term liabilities	5,544	5,370	(173)
Total long-term liabilities	913,134	912,925	(208)
Current liabilities:			
Current portion of long-term borrowings from parent company	127,120	57,120	(70,000)
Accounts payable, trade	70,067	30,945	(39,122)
Short-term borrowings	142,465	205,760	63,295
Accrued taxes on income	8,102	*	3,451
Allowance for loss on disaster	-	4,670	4,670
Allowance for environmental measures	2,467	2,456	(11)
Asset retirement obligations	-	4	4
Other current liabilities	327,940	290,156	(37,783)
Total current liabilities	678,163	594,564	(83,598)
TOTAL LIABILITIES	1,591,297	1,507,490	(83,807)
NET ASSETS			
Shareholders' equity:			
Common stock	312,000	312,000	-
Capital surplus	1,170,054	1,170,054	-
Earned surplus	73,358	60,443	(12,914)
Total shareholders' equity	1,555,412	1,542,497	(12,914)
Unrealized gains (losses), translation adjustments, and others:			
Net unrealized gains (losses) on securities	553	271	(281)
Total unrealized gains (losses), translation adjustments, and others	553	271	(281)
TOTAL NET ASSETS	1,555,965	1,542,768	(13,196)
TOTAL LIABILITIES AND NET ASSETS	3,147,263	3,050,258	(97,004)

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, 2015	Three months ended June 30, 2016	Increase (Decrease)	Year ended March 31, 2016
Telecommunications businesses:				
Operating revenues	344,962	333,039	(11,922)	1,372,571
Operating expenses	333,754	297,705	(36,049)	1,312,941
Operating income from telecommunications businesses	11,208	35,334	24,126	59,630
Supplementary businesses:				
Operating revenues	29,147	29,016	(131)	155,452
Operating expenses	25,473	25,641	167	141,010
Operating income from supplementary businesses	3,673	3,375	(298)	14,442
Operating income	14,881	38,709	23,828	74,072
Non-operating revenues:				
Interest income	1	3	1	3
Dividends received	1,547	593	(953)	1,568
Miscellaneous income	1,234	626	(608)	4,203
Total non-operating revenues	2,783	1,222	(1,560)	5,775
Non-operating expenses:				
Interest expenses	2,545	2,037	(508)	9,410
Miscellaneous expenses	340	57	(282)	3,290
Total non-operating expenses	2,886	2,095	(791)	12,701
Recurring profit	14,778	37,837	23,059	67,146
Special losses	-	5,705	5,705	-
Income before income taxes	14,778	32,132	17,353	67,146
Income taxes	*	8,830	6,337	(5,278)
Net income	12,286	23,302	11,015	72,425

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.

3. Business Results (Non-Consolidated Operating Revenues)

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016	Increase (Decrease)	Percent Increase (Decrease)	Year ended March 31, 2016
Voice transmission services revenues (excluding IP services revenues)	110,527	101,607	(8,919)	(8.1)	428,645
Monthly charge revenues*	81,889	76,153	(5,735)	(7.0)	319,687
Call rates revenues*	7,520	6,484	(1,036)	(13.8)	28,259
Interconnection call revenues*	14,535	12,909	(1,626)	(11.2)	55,840
IP services revenues	174,527	175,536	1,009	0.6	702,712
Leased circuit services revenues (excluding IP services revenues)	24,751	22,078	(2,673)	(10.8)	93,383
Telegram services revenues	3,880	3,408	(471)	(12.1)	14,088
Other telecommunications services revenues	31,276	30,408	(867)	(2.8)	133,741
Telecommunications total revenues	344,962	333,039	(11,922)	(3.5)	1,372,571
Supplementary business total revenues	29,147	29,016	(131)	(0.4)	155,452
Total operating revenues	374,109	362,056	(12,053)	(3.2)	1,528,023

*Partial listing only

August 5, 2016

FOR IMMEDIATE RELEASE

NTT Com Announces Financial Results for the Three Months Ended June 30, 2016

TOKYO, JAPAN — NTT Communications Corporation (NTT Com) announced today its financial results for the three months ended June 30, 2016. Please see the following attachments for further details:

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

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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 140 secure data centers worldwide. NTT Communications' solutions leverage the global resources of NTT Group companies, including Dimension Data, NTT DOCOMO and NTT DATA.

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I. Financial Results of NTT Communications Group

(Millions of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016	Increase (Decrease)	Percent Increase (Decrease)
Operating revenues	312,933	306,052	(6,881)	(2.2)
Operating expenses	287,216	272,440	(14,776)	(5.1)
Operating income	25,717	33,612	7,895	30.7

II. Non-Consolidated Comparative Balance Sheets
(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	March 31, 2016	June 30, 2016	Increase (Decrease)
ASSETS			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	134,315	134,659	344
Antenna facilities	1,707	1,688	(19)
Terminal equipment	1,397	1,521	123
Local line facilities	730	732	1
Long-distance line facilities	5,759	5,597	(162)
Engineering facilities	51,789	51,273	(516)
Submarine line facilities	13,408	13,001	(406)
Buildings	199,178	198,203	(974)
Construction in progress	28,085	30,616	2,530
Other	91,332	93,538	2,205
Total property, plant and equipment	527,706	530,833	3,126
Intangible fixed assets	101,766	100,519	(1,246)
Total fixed assets - telecommunications businesses	629,472	631,352	1,880
Investments and other assets			
Investment securities	135,291	129,355	(5,935)
Investments in subsidiaries and affiliated companies	381,949	382,179	230
Other investments and assets	53,283	55,674	2,391
Allowance for doubtful accounts	(207)	(219)	(11)
Total investments and other assets	570,316	566,990	(3,325)
Total fixed assets	1,199,789	1,198,343	(1,445)
Current assets:			
Cash and bank deposits	12,607	4,730	(7,877)
Notes receivable	-	1	1
Accounts receivable, trade	179,839	149,023	(30,816)
Supplies	9,806	10,979	1,173
Other current assets	94,874	89,331	(5,543)
Allowance for doubtful accounts	(1,017)	(819)	197
Total current assets	296,110	253,246	(42,863)
TOTAL ASSETS	1,495,899	1,451,590	(44,309)

(Millions of yen)

	March 31, 2016	June 30, 2016	Increase (Decrease)
LIABILITIES			
Long-term liabilities:			
Long-term borrowings from parent company and subsidiary	199,504	199,012	(492)
Liability for employees' retirement benefits	86,722	87,873	1,151
Reserve for point services	547	493	(53)
Reserve for unused telephone cards	3,628	3,490	(137)
Asset retirement obligations	3,296	3,295	(0)
Other long-term liabilities	10,354	19,436	9,082
Total long-term liabilities	304,053	313,602	9,549
Current liabilities:			
Current portion of long-term borrowings from parent company	43,360	43,360	-
Accounts payable, trade	31,894	21,245	(10,649)
Short-term borrowings	7,766	-	(7,766)
Accrued taxes on income	6,968	3,068	(3,900)
Allowance for losses on construction	13	4	(9)
Other current liabilities	179,304	162,610	(16,693)
Total current liabilities	269,307	230,288	(39,018)
TOTAL LIABILITIES	573,360	543,891	(29,469)
NET ASSETS			
Shareholders' equity:			
Common stock	211,763	211,763	-
Capital surplus	131,615	131,615	-
Earned surplus	517,436	506,740	(10,695)
Total shareholders' equity	860,815	850,119	(10,695)
Unrealized gains (losses), translation adjustments, and others:			
Net unrealized gains (losses) on securities	61,723	57,848	(3,874)
Deferred gains or losses on hedges	-	(269)	(269)
Total unrealized gains (losses), translation adjustments, and others	61,723	57,579	(4,144)
TOTAL NET ASSETS	922,538	907,699	(14,839)
TOTAL LIABILITIES AND NET ASSETS	1,495,899	1,451,590	(44,309)

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. Non-Consolidated Comparative Statements of Income

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016	Increase (Decrease)	Year ended March 31, 2016
Telecommunications businesses:				
Operating revenues	170,120	172,579	2,458	691,290
Operating expenses	156,431	154,581	(1,850)	613,093
Operating income from telecommunications businesses	13,689	17,998	4,308	78,196
Supplementary businesses:				
Operating revenues	46,507	47,628	1,120	227,018
Operating expenses	42,921	39,804	(3,116)	214,072
Operating income from supplementary businesses	3,585	7,823	4,237	12,946
Operating income	17,275	25,821	8,546	91,143
Non-operating revenues:				
Interest income	60	27	(32)	272
Dividends received	5,666	4,599	(1,066)	12,486
Lease and rental income	2,910	2,835	(74)	11,581
Miscellaneous income	175	32	(142)	2,822
Total non-operating revenues	8,812	7,495	(1,316)	27,163
Non-operating expenses:				
Interest expenses	435	277	(157)	1,514
Lease and rental expenses	1,671	1,361	(310)	5,551
Miscellaneous expenses	229	704	475	1,034
Total non-operating expenses	2,336	2,344	7	8,100
Recurring profit	23,750	30,973	7,222	110,206
Special losses	-	-	-	5,847
Income before income taxes	23,750	30,973	7,222	104,359
Income taxes	- 7,087	- 8,668	1,580	32,046
Net income	16,662	22,304	5,642	72,312

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.

IV. Business Results (Non-Consolidated Operating Revenues)

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016	Increase (Decrease)	Percent Increase (Decrease)	Year ended March 31, 2016
Cloud Computing Platforms	16,767	17,147	379	2.3	70,029
Data Networks	91,060	94,815	3,755	4.1	369,871
Voice Communications	64,372	63,069	(1,303)	(2.0)	260,329
Applications & Content	9,594	9,446	(147)	(1.5)	38,729
Solution Services	31,021	31,974	953	3.1	162,352
Others	3,812	3,754	(58)	(1.5)	16,997
Total operating revenues	216,628	220,207	3,579	1.7	918,309