

Supplementary Data for the Six Months Ended September 30, 2016

Contents

	pages
1. Financial Results Summary (Consolidated)	1
2. Financial Results (Business Segments)	2
3. Financial Results (Holding Company and Subsidiaries)	3-5
4. Operating Data	6-8

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. Financial Results Summary (Consolidated)

(Billions of yen)

A		B		C		[Ref.]
Six Months Ended September 30, 2015		Six Months Ended September 30, 2016		Year Ending March 31, 2017 (Revised Forecast)		Year Ending March 31, 2017 (Previously Announced Forecast)
		<div>Change B-A</div>		<div>Progress B/C</div>		
Consolidated (US GAAP)						
Operating Revenues	5,589.0	5,524.3	(64.6)	48.4%	11,410.0	11,450.0
Fixed Voice Related Services	667.6	619.3	(48.3)	-	-	-
Mobile Voice Related Services	407.7	429.6	21.9	-	-	-
IP/Package Communications Services	1,875.3	1,901.4	26.1	-	-	-
Sales of Telecommunications Equipment	463.8	423.1	(40.7)	-	-	-
System Integration	1,437.3	1,397.1	(40.2)	-	-	-
Other	737.3	753.9	16.6	-	-	-
Operating Expenses	4,855.5	4,597.8	(257.7)	46.3%	9,940.0	10,020.0
Cost of Services (excluding items shown separately below)	1,149.1	1,153.4	4.3	-	-	-
Cost of Equipment Sold (excluding items shown separately below)	431.1	406.4	(24.7)	-	-	-
Cost of System Integration (excluding items shown separately below)	1,034.5	986.2	(48.2)	-	-	-
Depreciation and Amortization	871.6	716.5	(155.2)	-	-	-
Impairment Losses	3.6	14.7	11.0	-	-	-
Goodwill	-	4.5	4.5	-	-	-
Other	3.6	10.2	6.6	-	-	-
Selling, General and Administrative Expenses	1,365.5	1,320.6	(44.9)	-	-	-
Operating Income	733.5	926.5	193.0	63.0%	1,470.0	1,430.0
Income Before Income Taxes	717.4	896.9	179.5	62.3%	1,440.0	1,410.0
Net Income Attributable to NTT	377.3	476.1	98.8	61.8%	770.0	750.0
(Ref.) Details of "Cost of Services," "Cost of Equipment Sold," "Cost of System Integration" and "Selling, General and Administrative Expenses"						
Personnel	1,146.9	1,127.4	(19.5)	-	-	-
Cost of Services and Equipment Sold, and Selling, General and Administrative Expenses	2,659.4	2,563.3	(96.0)	-	-	-
Loss on Disposal of Property, Plant and Equipment	61.2	60.4	(0.8)	-	-	-
Other Expenses	112.7	115.6	2.8	-	-	-
Total	3,980.2	3,866.7	(113.5)	-	-	-
EBITDA and EBITDA Margin with Reconciliation						
EBITDA (a+b)	1,637.7	1,675.7	38.0	53.9%	3,108.0	3,068.0
a Operating Income	733.5	926.5	193.0	63.0%	1,470.0	1,430.0
b Depreciation and Amortization, and Loss on Disposal of Property, Plant and Equipment	904.2	749.2	(155.0)	45.7%	1,638.0	1,638.0
EBITDA Margin [(c/d)X100]	29.3%	30.3%	1.0 points	-	27.2%	26.8%
c EBITDA (a+b)	1,637.7	1,675.7	38.0	53.9%	3,108.0	3,068.0
d Operating Revenues	5,589.0	5,524.3	(64.6)	48.4%	11,410.0	11,450.0
Capital Investment ⁽¹⁾⁽²⁾⁽³⁾						
Capital Investment	645.6	665.8	20.2	38.9%	1,710.0	1,720.0
Regional communications business	234.7	215.0	(19.6)	36.6%	587.0	589.0
Long distance and international communications business	96.4	101.3	4.9	41.5%	244.0	239.0
Mobile communications business	219.5	246.1	26.6	42.1%	585.0	585.0
Data communications business	58.2	67.7	9.4	44.2%	153.0	150.0
Other business	36.8	35.7	(1.1)	25.3%	141.0	157.0
(Ref.) Core Group Companies						
NTT (Holding Company)	3.3	3.7	0.3	20.8%	18.0	18.0
NTT East	102.7	94.6	(8.1)	35.0%	270.0	270.0
NTT West	121.4	103.0	(18.3)	37.5%	275.0	275.0
NTT Communications	55.0	57.4	2.3	44.5%	129.0	129.0
NTT DOCOMO (Consolidated)	219.5	246.1	26.6	42.1%	585.0	585.0
NTT DATA (Consolidated)	58.2	67.6	9.4	44.2%	153.0	150.0
Interest-Bearing Liabilities						
	As of March 31, 2016	As of September 30, 2016	As of March 31, 2017 (Revised Forecast)	As of March 31, 2017 (Previously Announced Forecast)		
Interest-Bearing Liabilities	4,163.3	4,091.8	4,300.0	4,300.0		

Notes: (1) Capital Investment figures for domestic access network businesses for "A. Six Months Ended September, 2015" and "B. Six Months Ended September 30, 2016" and "C. Year Ending March 31, 2017 (Revised Forecast)" are 494.6 billion yen and 496.3 billion yen and 1,253.0 billion yen respectively.

(2) Capital Investments of NTT East, NTT West, and NTT Communications for "C. Year Ending March 31, 2017 (Revised Forecast)" include: 139.0 billion yen for voice transmission, 18.0 billion yen for data transmission, 93.0 billion yen for leased circuits, 1.0 billion yen for telegraph, 2.0 billion yen for R&D facilities, and 17.0 billion yen for joint facilities and others for NTT East; 150.0 billion yen for voice transmission, 28.0 billion yen for data transmission, 80.0 billion yen for leased circuits, 1.0 billion yen for telegraph, 2.0 billion yen for R&D facilities, and 14.0 billion yen for joint facilities and others for NTT West; and 33.0 billion yen for cloud computing platforms, 22.3 billion yen for data networks, 11.7 billion yen for voice communications, 2.1 billion yen for applications & content, 7.9 billion yen for solution services, and 51.7 billion yen for joint facilities and others for NTT Communications.

(3) Capital Investments of NTT East and NTT West for "C. Year Ending March 31, 2017 (Revised Forecast)" include approximately 90.0 billion yen and 75.0 billion yen in optical fiber-related investments for NTT East and NTT West, respectively. Coverage rates of optical fiber are expected to be 95% for NTT East and 93% for NTT West as of March 31, 2017.

2. Financial Results (Business Segments)

					(Billions of yen)	
	A	B		C	[Ref.]	
	Six Months Ended September 30, 2015	Six Months Ended September 30, 2016		Year Ending March 31, 2017 (Revised Forecast)	Year Ending March 31, 2017 (Previously Announced Forecast)	
		Change		Progress		
		B-A		B/C		
Business segments⁽¹⁾						
Regional communications business						
Operating Revenues	1,680.6	1,620.4	(60.1)	49.4%	3,280.0	3,270.0
Operating Expenses	1,526.0	1,388.2	(137.8)	46.9%	2,960.0	2,980.0
Operating Income	154.6	232.2	77.6	72.6%	320.0	290.0
Long distance and international communications business						
Operating Revenues	1,097.2	1,038.8	(58.4)	48.1%	2,160.0	2,220.0
Operating Expenses	1,049.6	996.7	(53.0)	48.4%	2,060.0	2,110.0
Operating Income	47.6	42.2	(5.4)	42.2%	100.0	110.0
Mobile communications business						
Operating Revenues	2,215.0	2,288.0	73.0	49.6%	4,610.0	4,620.0
Operating Expenses	1,753.9	1,704.3	(49.6)	46.4%	3,675.0	3,715.0
Operating Income	461.2	583.7	122.6	62.4%	935.0	905.0
Data communications business						
Operating Revenues	745.7	762.1	16.3	46.2%	1,650.0	1,630.0
Operating Expenses	707.5	726.2	18.6	46.8%	1,550.0	1,510.0
Operating Income	38.2	35.9	(2.3)	35.9%	100.0	120.0
Other business						
Operating Revenues	567.8	567.6	(0.2)	43.0%	1,320.0	1,320.0
Operating Expenses	540.1	537.9	(2.2)	42.9%	1,255.0	1,255.0
Operating Income	27.6	29.7	2.1	45.7%	65.0	65.0

Note: (1) Figures for each segment include inter-segment transactions.

3. Financial Results (Holding Company and Subsidiaries)

3. Financial Results (Holding Company and Subsidiaries)						(Billions of yen)
	A	B		C		[Ref.]
	Six Months Ended September 30, 2015	Six Months Ended September 30, 2016		Year Ending March 31, 2017 (Revised Forecast)		Year Ending March 31, 2017 (Previously Announced Forecast)
		<div>ChangeProgress</div> <div>B-AB/C</div>				
NTT (Holding Company) (JPN GAAP)						
Operating Revenues	256.5	301.9	45.3	63.6%	475.0	473.0
Operating Expenses	61.3	60.2	(1.0)	45.0%	134.0	134.0
Operating Income	195.2	241.6	46.4	70.9%	341.0	339.0
Non-Operating Revenues	14.1	12.3	(1.8)	49.5%	25.0	25.0
Non-Operating Expenses	15.6	14.6	(0.9)	50.5%	29.0	29.0
Recurring Profit	193.8	239.3	45.5	71.0%	337.0	335.0
Net Income	193.1	217.7	24.6	68.7%	317.0	336.0
NTT East (JPN GAAP)						
Operating Revenues	859.5	823.5	(36.0)	49.8%	1,653.0	1,650.0
Voice Transmission Services (excluding IP ⁽¹⁾)	218.2	201.4	(16.8)	51.2%	393.0	393.0
IP Services	431.4	425.1	(6.3)	50.7%	839.0	836.0
Leased Circuit (excluding IP)	55.1	47.6	(7.4)	49.2%	97.0	97.0
Other	95.4	92.2	(3.1)			
Supplementary Business	59.1	57.0	(2.1)	46.1%	324.0	324.0
Operating Expenses	757.5	699.7	(57.8)	47.3%	1,478.0	1,485.0
Personnel	48.1	47.2	(0.8)	49.8%	95.0	95.0
Cost of Services and Equipment Sold, and Selling, General and Administrative Expenses	483.8	455.2	(28.5)	47.2%	964.0	971.0
Depreciation and Amortization	173.9	144.8	(29.1)	49.1%	295.0	295.0
Loss on Disposal of Property, Plant and Equipment	15.1	14.5	(0.5)	28.6%	51.0	51.0
Taxes and Public Dues	36.4	37.7	1.2	51.7%	73.0	73.0
Operating Income	101.9	123.7	21.8	70.7%	175.0	165.0
Non-Operating Revenues	12.0	17.9	5.8	99.7%	18.0	5.0
Non-Operating Expenses	2.8	2.5	(0.3)	50.6%	5.0	5.0
Recurring Profit	111.1	139.2	28.0	74.0%	188.0	165.0
Net Income	78.1	99.9	21.8	76.9%	130.0	114.0
NTT West (JPN GAAP)						
Operating Revenues	754.6	730.5	(24.1)	49.3%	1,481.0	1,477.0
Voice Transmission Services (excluding IP ⁽¹⁾)	218.9	201.5	(17.4)	51.2%	394.0	394.0
IP Services	350.7	349.1	(1.5)	50.2%	695.0	695.0
Leased Circuit (excluding IP)	48.4	43.8	(4.6)	52.2%	84.0	84.0
Other	70.4	68.8	(1.6)			
Supplementary Business	66.0	67.0	1.0	44.1%	308.0	304.0
Operating Expenses	717.1	659.3	(57.8)	47.2%	1,396.0	1,402.0
Personnel	44.9	40.4	(4.5)	49.9%	81.0	81.0
Cost of Services and Equipment Sold, and Selling, General and Administrative Expenses	460.2	425.5	(34.7)	47.2%	902.0	904.0
Depreciation and Amortization	159.7	141.3	(18.4)	48.9%	289.0	293.0
Loss on Disposal of Property, Plant and Equipment	18.7	18.1	(0.6)	31.9%	57.0	57.0
Taxes and Public Dues	33.3	33.8	0.5	50.5%	67.0	67.0
Operating Income	37.5	71.2	33.6	83.8%	85.0	75.0
Non-Operating Revenues	3.4	1.6	(1.7)	27.7%	6.0	6.0
Non-Operating Expenses	6.6	3.8	(2.7)	35.1%	11.0	11.0
Recurring Profit	34.3	69.0	34.6	86.3%	80.0	70.0
Net Income	26.3	45.5	19.2	87.6%	52.0	50.0

Note: (1) Operating Revenues from Voice Transmission Services (excluding IP) of NTT East and NTT West for the six months ended September 30, 2016 include monthly charges, call charges and interconnection charges of 152.1 billion yen, 13.6 billion yen and 23.3 billion yen for NTT East, and 151.3 billion yen, 12.7 billion yen and 25.5 billion yen for NTT West, respectively.

3. Financial Results (Holding Company and Subsidiaries)

(Billions of yen)

Consolidated Financial Results (Including Company and Subsidiaries)						(Millions of yen)
	A	B		C		[Ref.]
	Six Months Ended September 30, 2015	Six Months Ended September 30, 2016		Year Ending March 31, 2017 (Revised Forecast)		Year Ending March 31, 2017 (Previously Announced Forecast)
		<div>ChangeProgress</div>				
		<div>B-AB/C</div>				
NTT Communications (JPN GAAP)						
Operating Revenues ⁽¹⁾	441.9	447.1	5.1	48.6%	920.0	910.0
Cloud Computing Platforms	33.8	34.7	0.9	41.4%	84.0	88.0
Data Networks	182.7	190.0	7.2	49.7%	382.0	375.0
Voice Communications	128.9	126.3	(2.5)	51.4%	246.0	243.0
Applications & Content	19.4	18.6	(0.7)	49.1%	38.0	38.0
Solution Services	69.2	69.7	0.4	45.3%	154.0	151.0
Others	7.7	7.5	(0.1)	47.0%	16.0	15.0
Operating Expenses	401.9	396.9	(4.9)	47.7%	832.0	822.0
Personnel	38.3	38.2	(0.0)	49.0%	78.0	79.0
Cost of Services, Cost of Equipment Sold, and Selling, General and Administrative Expenses	203.8	189.6	(14.2)	47.6%	628.0	618.0
Communication Network Charges	100.5	109.4	8.9			
Depreciation and Amortization	51.8	51.1	(0.7)	48.7%	105.0	105.0
Loss on Disposal of Property, Plant and Equipment	1.0	1.6	0.6	23.6%	7.0	8.0
Taxes and Public Dues	6.3	6.8	0.5	48.9%	14.0	12.0
Operating Income	40.0	50.1	10.1	57.0%	88.0	88.0
Non-Operating Revenues	15.9	13.1	(2.7)	59.7%	22.0	22.0
Non-Operating Expenses	4.1	3.9	(0.1)	49.5%	8.0	8.0
Recurring Profit	51.8	59.3	7.5	58.2%	102.0	102.0
Net Income	36.5	42.7	6.2	59.4%	72.0	72.0
Dimension Data (IFRS) ⁽²⁾⁽³⁾						
Operating Revenues	454.0	405.2	(48.7)	48.5%	835.0	890.0
Operating Expenses	454.3	413.6	(40.7)	49.8%	831.0	886.0
Operating Income ⁽⁴⁾	(0.3)	(8.3)	(8.0)	-	4.0	4.0
Net Income Attributable to Dimension Data	(4.1)	(11.9)	(7.8)	-	-	-

Notes: (1) The following are the main services included in each line item:

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

(2) Because Dimension Data's statements of income from January 1 to December 31 are consolidated into NTT's consolidated statements of income from April 1 to March 31, Dimension Data's financial results for the six months ended June 30, 2015 are stated under "A. Six Months Ended September 30, 2015," its financial results for the six months ended June 30, 2016 are stated under "B. Six Months Ended September 30, 2016" and its forecasts for the twelve months ending December 31, 2016 are stated under "C. Year Ending March 31, 2017 (Forecast)."

(3) The conversion rate used for Dimension Data figures for the six months ended September 30, 2016 is USD1.00 = JPY111.70

(4) Operating Income for the six months ended September 30, 2016 under US GAAP was (13.1) billion yen.

3. Financial Results (Holding Company and Subsidiaries)

(Billions of yen)

	A	B	C		[Ref.]
	Six Months Ended September 30, 2015	Six Months Ended September 30, 2016	Year Ending March 31, 2017 (Revised Forecast)		Year Ending March 31, 2017 (Previously Announced Forecast)
			Change B-A	Progress B/C	
NTT DOCOMO Consolidated (US GAAP)					
Operating Revenues	2,215.0	2,288.3	73.4	49.6%	4,610.0
Telecommunications Services	1,382.3	1,474.5	92.2	49.3%	2,989.0
Mobile Communications Services	1,366.5	1,417.0	50.5	49.7%	2,850.0
Voice Revenues	413.6	435.4	21.8	49.6%	878.0
Packet Communications Revenues	952.9	981.6	28.6	49.8%	1,972.0
Optical-fiber broadband services and other telecommunications services	15.8	57.5	41.7	41.4%	139.0
Equipment Sales	416.8	380.1	(36.7)	52.6%	722.0
Other Operating Revenues	415.8	433.7	17.9	48.2%	899.0
Operating Expenses	1,752.4	1,702.7	(49.7)	46.4%	3,670.0
Personnel	144.3	145.1	0.8	49.9%	291.0
Cost of Services, Cost of Equipment Sold, and Selling, General and Administrative Expenses	1,135.3	1,132.1	(3.3)	46.0%	2,463.0
Depreciation and Amortization	297.1	220.5	(76.6)	49.1%	449.0
Loss on Disposal of Property, Plant and Equipment	22.5	24.8	2.2	29.5%	84.0
Communication Network Charges	132.9	158.7	25.8	46.4%	342.0
Taxes and Public Dues	20.2	21.5	1.3	52.5%	41.0
Operating Income	462.6	585.6	123.0	62.3%	940.0
Non-Operating Income (Loss)	(10.0)	(4.4)	5.6	110.8%	(4.0)
Income Before Income Taxes	452.6	581.2	128.6	62.1%	936.0
Net Income Attributable to NTT DOCOMO	317.1	405.4	88.3	61.9%	655.0
NTT DATA Consolidated (JPN GAAP)					
Operating Revenues	743.2	779.6	36.4	46.7%	1,670.0
Public & Social Infrastructure	176.7	186.7	10.0	43.8%	426.0
Financial	236.6	246.3	9.7	47.4%	520.0
Enterprise & Solutions	186.5	200.9	14.3	49.5%	406.0
Global	252.6	268.0	15.3	47.1%	569.0
Elimination or Corporate	(109.3)	(122.4)	(13.1)	48.8%	(251.0)
Cost of Sales	566.6	581.2	14.6	46.4%	1,253.0
Gross Profit	176.6	198.3	21.7	47.6%	417.0
Selling, General and Administrative Expenses	145.5	153.0	7.5	49.1%	312.0
Operating Income	31.1	45.3	14.2	43.2%	105.0
Non-Operating Income (Loss)	0.1	(0.2)	(0.3)	3.6%	(7.0)
Recurring Profit	31.2	45.0	13.8	46.0%	98.0
Net Income Attributable to Owners of Parent	15.7	29.0	13.3	59.3%	49.0

4. Operating Data

Number of Subscribers

(in thousands except for Public Telephones)

	A	B	C	D		[Ref.]
	As of March 31, 2016	As of June 30, 2016	As of September 30, 2016	As of March 31, 2017 (Revised Forecast)	As of March 31, 2017 (Previously Announced Forecast)	
			<i>E</i> Change C-A	<i>F</i> Change D-A		
			Progress E/F			
Telephone Subscriber Lines ⁽¹⁾	19,943	19,671	19,413	(529)	47.7%	18,833
NTT East	9,875	9,740	9,617	(258)	59.9%	9,445
NTT West	10,068	9,931	9,796	(272)	40.0%	9,388
INS-Net ⁽²⁾	2,776	2,719	2,661	(115)	46.9%	2,531
NTT East	1,414	1,384	1,356	(59)	49.0%	1,294
NTT West	1,361	1,334	1,305	(56)	44.8%	1,236
Telephone Subscriber Lines + INS-Net	22,718	22,390	22,074	(644)	47.5%	21,363
NTT East	11,289	11,125	10,973	(316)	57.5%	10,739
NTT West	11,429	11,265	11,102	(328)	40.7%	10,624
Public Telephones	171,179	168,673	166,120	(5,059)	58.9%	162,589
NTT East	78,199	76,511	74,846	(3,353)	47.9%	71,199
NTT West	92,980	92,162	91,274	(1,706)	107.3%	91,390
FLET'S ISDN	85	83	81	(4)	72.1%	79
NTT East	37	36	35	(2)	197.1%	36
NTT West	48	47	46	(2)	47.0%	43
FLET'S ADSL	1,053	1,019	987	(66)	41.9%	896
NTT East	475	459	444	(31)	52.4%	415
NTT West	577	560	543	(34)	35.5%	480
FLET'S Hikari (including Hikari Collaboration Model) ⁽³⁾⁽⁴⁾⁽⁵⁾	19,259	19,520	19,704	445	63.5%	19,959
NTT East	10,666	10,839	10,958	291	72.8%	11,066
NTT West	8,593	8,681	8,746	153	51.2%	8,893
(incl.) Hikari Collaboration Model	4,691	5,912	6,917	2,226	57.8%	8,541
NTT East	3,077	3,781	4,337	1,260	58.6%	5,227
NTT West	1,615	2,131	2,580	966	56.8%	3,315
Hikari Denwa ⁽⁶⁾	17,374	17,451	17,545	170	85.2%	17,574
NTT East	9,123	9,180	9,242	120	59.8%	9,323
NTT West	8,252	8,271	8,302	51	-	8,252
Conventional Leased Circuit Services	232	231	229	(4)	48.0%	224
NTT East	113	112	111	(2)	50.1%	109
NTT West	120	118	118	(2)	46.0%	116
High Speed Digital Services	115	114	112	(3)	21.2%	99
NTT East	59	58	57	(2)	38.5%	54
NTT West	56	56	55	(1)	13.4%	45
NTT Group Major ISPs ⁽⁷⁾	11,411	11,360	11,328	(82)	57.0%	11,266
(incl.) OCN	8,046	7,969	7,905	(141)	61.5%	7,817
(incl.) Plala	3,005	3,024	3,047	42	76.2%	3,060
Hikari TV	3,052	3,047	3,041	(11)	-	3,060
FLET'S TV Transmission Services ⁽⁸⁾	1,432	1,445	1,464	32	132.8%	1,456
NTT East	910	917	926	16	163.5%	920
NTT West	522	528	538	16	110.8%	536
Mobile ⁽⁸⁾	70,964	71,614	72,943	1,980	51.6%	74,800
(incl.) "Kake-hodai & Pake-aeru" billing plan	29,704	31,586	33,416	3,712	-	-
LTE ("Xi")	38,679	39,893	41,281	2,603	40.5%	45,100
FOMA	32,285	31,721	31,662	(623)	24.1%	29,700
sp-mode	32,463	33,082	33,809	1,346	39.2%	35,900
i-mode	18,770	18,136	17,416	(1,354)	40.2%	15,400

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 (including subscriptions to the "INS-Net 64 Lite Plan").

(3) Number of "FLET'S Hikari (including Hikari Collaboration Model)" subscribers includes subscribers to "B FLET'S," "FLET'S Hikari Next," "FLET'S Hikari Light," "FLET'S Hikari Lightplus" and "FLET'S Hikari WiFi Access" provided by NTT East, 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 and subscribers to the "Hikari Collaboration Model," the wholesale provision of services to service providers by NTT East and NTT West.

(4) The comparative results for the six months ended September 30, 2016 compared to the year ended March 31, 2016 for "FLET'S Hikari (including Hikari Collaboration Model)" are as follows: the numbers of new subscribers for NTT East and NTT West were 836 thousand lines and 599 thousand lines, respectively, for a total of 1,435 thousand lines; the numbers of new subscribers (excluding switchover lines) for the "Hikari Collaboration Model" for NTT East and NTT West were 565 thousand lines and 390 thousand lines, respectively, for a total of 954 thousand lines; and the numbers of switchover lines for NTT East and NTT West were 872 thousand lines and 669 thousand lines, respectively, for a total of 1,541 thousand lines.

(5) The comparative forecast "As of March 31, 2017 (Revised Forecast)" for the year ending March 31, 2017 compared to the results for the year ended March 31, 2016 for "FLET'S Hikari (including Hikari Collaboration Model)" are as follows: the numbers of new subscribers for NTT East and NTT West are expected to be 1,550 thousand lines and 1,150 thousand lines, respectively, for a total of 2,700 thousand lines; the numbers of new subscribers (excluding switchover lines) for the "Hikari Collaboration Model" for NTT East and NTT West are expected to be 1,000 thousand lines and 700 thousand lines, respectively, for a total of 1,700 thousand lines; and the numbers of switchover lines for NTT East and NTT West are expected to be 1,500 thousand lines and 1,200 thousand lines, respectively, for a total of 2,700 thousand lines.

(6) Numbers of subscribers for "Hikari Denwa" and "FLET'S TV Transmission Services" include wholesale services provided to service providers by NTT East and NTT West.

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

(8) Number of Mobile (including "LTE (Xi)" and "FOMA") telecommunications service subscribers includes communication module service subscribers.

4. Operating Data

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, fixed-line (telephone subscriber lines and 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 LTE("Xi") mobile phone services, FOMA mobile phone services and "docomo Hikari" services, that are incurred consistently each month, by the number of active users 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.

	(Yen)					
	Three Months	Three Months	Six Months	Six Months	Year Ended	Year Ending
	Ended June 30, 2016 (From April to June 2016)	Ended September 30, 2016 (From July to September 2016)	Ended September 30, 2015 (From April to September 2015)	Ended September 30, 2016 (From April to September 2016)	March 31, 2016	March 31, 2017 (Revised Forecast)
						[Ref.] Year Ending March 31, 2017 (Previously Announced Forecast)
NTT East ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾						
Aggregate Fixed Line ARPU (Telephone Subscriber Lines + INS-NET Subscriber Lines)	2,620	2,620	2,660	2,620	2,650	2,600
FLET'S Hikari ARPU ⁽⁶⁾	5,340	5,280	5,570	5,310	5,510	5,270
Basic Monthly Charge	3,750	3,720	3,860	3,730	3,830	3,700
Optional Services	1,590	1,560	1,710	1,580	1,680	1,570
NTT West ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾						
Aggregate Fixed Line ARPU (Telephone Subscriber Lines + INS-NET Subscriber Lines)	2,580	2,580	2,610	2,580	2,610	2,570
FLET'S Hikari ARPU ⁽⁶⁾	5,350	5,300	5,520	5,330	5,470	5,250
Basic Monthly Charge	3,640	3,620	3,750	3,640	3,720	3,580
Optional Services	1,710	1,680	1,770	1,690	1,750	1,670
NTT DOCOMO ⁽⁷⁾⁽⁸⁾⁽⁹⁾						
Aggregate ARPU	4,330	4,420	4,100	4,380	4,170	4,430
Voice ARPU (LTE("Xi")+FOMA)	1,240	1,250	1,180	1,240	1,210	1,250
Data ARPU	3,090	3,170	2,920	3,140	2,960	3,180
Packet ARPU (LTE("Xi")+FOMA)	2,960	2,990	2,890	2,980	2,910	2,980
"docomo Hikari" ARPU	130	180	30	160	50	200

- Notes:
- (1) We compute the following two 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.
 - 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," "FLET'S Hikari Lightplus" 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. In addition, "FLET'S Hikari" also includes the "Hikari Collaboration Model," the wholesale provision of services to service providers by NTT East and NTT West.
 - "FLET'S Hikari" Optional Services includes wholesale services provided to service providers by NTT East and NTT West.
 - (2) Revenues from interconnection charges are excluded from the calculation of Aggregate Fixed Line ARPU (Telephone Subscriber Lines + INS-NET Subscriber Lines) and FLET'S Hikari ARPU.
 - (3) Numbers of active subscribers used in the ARPU calculation of NTT East and NTT West are as below.
 - Quarterly Results: Sum of number of active subscribers* for each month in the relevant quarter
 - Six-month Results (from April to September): Sum of number of active subscribers* for each month from April to September
 - FY Results: Sum of number of active subscribers* for each month from April to March
 - FY Results/Forecast (Previously Announced Forecast): Sum of the average expected active number of subscribers during the fiscal year ((number of subscribers at March 31, 2016 + number of expected subscribers at March 31, 2017)/2)
 - FY Forecast (Revised Forecast): Sum of number of active subscribers* for each month from April to September and sum of the average expected active number of subscribers* for each month from October to March
 - *active subscribers = (number of subscribers at end of previous month + number of subscribers at end of the current month)/2
 - (4) For purposes of calculating Aggregate Fixed Line ARPU (Telephone Subscriber Lines + INS-NET Subscriber Lines), the number of subscribers is determined based on the number of subscriptions for fixed-line services (Telephone Subscriber Lines + INS-NET Subscriber Lines).
 - (5) 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), one INS-Net 1500 subscription is calculated as ten INS-Net 64 subscriptions.
 - (6) For purposes of calculating FLET'S Hikari ARPU, the number of subscribers is determined based on the number of FLET'S Hikari subscribers, which includes subscribers to "B FLET'S," "FLET'S Hikari Next," "FLET'S Hikari Light," "FLET'S Hikari Lightplus" and "FLET'S Hikari WiFi Access" provided by NTT East, 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, and the "Hikari Collaboration Model," the wholesale provision of services to service providers by NTT East and NTT West.
 - (7) The following is the formula we use to compute ARPU for NTT DOCOMO.
 - Aggregate ARPU = Voice ARPU + Packet ARPU + "docomo Hikari" ARPU
 - Voice ARPU: Voice ARPU Related Revenues (basic monthly charges, voice communication charges) / No. of active users
 - Packet ARPU: Packet ARPU Related Revenues (basic monthly charges, packet communication charges) / No. of active users
 - "docomo Hikari" ARPU: "docomo Hikari" ARPU Related Revenues (basic monthly charges, voice communication charges) / No. of active users
 - (8) Numbers of active users used in the ARPU calculation of NTT DOCOMO are as below.
 - Quarterly Results: Sum of number of active users* for each month in the relevant quarter
 - Six-month Results (from April to September): Sum of number of active users* for each month from April to September
 - FY Results/FY Forecast (Previously Announced Forecast/Revised Forecast): Sum of number of active users*/expected number of active users* for each month from April to March
 - *active users = (number of users at end of previous month + number of users at end of current month)/2
 - (9) The number of "users" used to calculate ARPU is the total number of subscriptions, excluding the subscriptions listed below:
 - Subscriptions to communication module services, "Phone Number Storage," "Mail Address Storage," "docomo Business Transceiver" and wholesale telecommunications services and interconnecting telecommunications facilities that are provided to Mobile Virtual Network Operators (MVNOs); and
 - Data Plan subscriptions which the customer contracting for such subscription in his/her name also has a subscription for services in his/her name.
- Note that revenues from communication module services, "Phone Number Storage," "Mail Address Storage," "docomo Business Transceiver" and wholesale telecommunications services and interconnecting telecommunications facilities that are provided to Mobile Virtual Network Operators (MVNOs) are not included in ARPU calculations.

4. Operating Data

Number of Employees

					(Persons)
	A	B	C		[Ref.]
	As of	As of	As of		As of
	September 30, 2015	September 30, 2016	March 31, 2017	(Revised Forecast)	March 31, 2017
					(Previously Announced Forecast)
				Change B-A	
NTT Consolidated	249,450	248,650	271,600	(800)	245,950
Regional communications business	72,500	67,300	62,250	(5,200)	62,300
Long distance and international communications business	44,450	44,450	44,600	0	47,000
Mobile communications business	26,500	27,450	26,900	950	27,050
Data communications business	80,150	84,000	113,050	3,850	84,950
Other business	25,850	25,450	24,800	(400)	24,650
Core Group Companies					
NTT (Holding Company)	2,850	2,800	2,750	(50)	2,750
NTT East	5,150	4,950	4,750	(200)	4,700
NTT West	4,600	4,450	4,400	(150)	4,400
NTT Communications	6,550	6,450	6,350	(100)	6,450
NTT DOCOMO (Consolidated)	26,500	27,450	26,900	950	27,050
NTT DATA (Consolidated)	80,150	84,000	113,050	3,850	84,950