

**Financial Results Release**

For the Six Months Ended September 30, 2009

November 9, 2009  
[U.S. GAAP]

Name of registrant: Nippon Telegraph and Telephone Corporation

Code No.: 9432 (URL <http://www.ntt.co.jp/ir/>)

Stock exchanges on which the Company's shares are listed: Tokyo, Osaka, Nagoya, Fukuoka and Sapporo

Representative: Satoshi Miura, President and Chief Executive Officer

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Scheduled date of filing quarterly securities report: November 10, 2009

Scheduled date of dividend payments: December 10, 2009

**1. Consolidated Financial Results for the Six Months Ended September 30, 2009 (April 1, 2009 – September 30, 2009)**

Amounts are rounded off to nearest million yen.

**(1) Consolidated Results of Operations**

	(Millions of yen)					
	Operating Revenues		Operating Income		Income (Loss) before Income Taxes	
Six months ended September 30, 2009	4,998,108	(3.2%)	646,770	(13.2%)	643,590	(16.5%)
Six months ended September 30, 2008	5,164,593	—	745,082	—	771,161	—

- Notes: 1. Percentages above represent changes from the corresponding previous period.  
2. Since "Net Income" includes noncontrolling interests from the fiscal year ending March 31, 2010 in accordance with the accounting pronouncement issued in December 2007 relating to noncontrolling interests, "Net Income" is not presented on this page. For further details, see "Noncontrolling Interests in Consolidated Financial Statements" on page 3.

**(2) Consolidated Financial Position**

	(Millions of yen, except per share amounts)			
	Total Assets	Nippon Telegraph and Telephone Corporation Shareholders' Equity	Equity Ratio (Ratio of Nippon Telegraph and Telephone Corporation Shareholders' Equity to Total Assets)	Nippon Telegraph and Telephone Corporation Shareholders' Equity per Share
September 30, 2009	18,546,883	7,541,171	40.7%	5,698.83 (yen)
March 31, 2009	18,796,388	7,298,110	38.8%	5,515.18 (yen)

Note: "Nippon Telegraph and Telephone Corporation Shareholders' Equity" was previously referred to as "Shareholders' Equity" in prior years.

**2. Dividends**

	Dividends per Share				
	End of the first quarter	End of the second quarter	End of the third quarter	Year-end	Total
Year ended March 31, 2009	—	5,500.00 (yen)	—	55.00 (yen)	— (yen)
Year ending March 31, 2010	—	60.00 (yen)	—	—	—
Year ending March 31, 2010 (Forecasts)	—	—	—	60.00 (yen)	120.00 (yen)

Note: Change in forecasts of dividends during the six months ended September: None

**3. Consolidated Financial Results Forecasts for the Year Ending March 31, 2010 (April 1, 2009 – March 31, 2010)**

	(Millions of yen)					
	Operating Revenues		Operating Income		Income before Income Taxes	
Year ending March 31, 2010	10,170,000	(2.4%)	1,110,000	0.0%	1,080,000	(2.3%)

- Notes: 1. Percentages above represent changes from the previous period.  
2. Change in consolidated financial results forecasts for the year ending March 31, 2010 during the six months ended September 30, 2009: Yes  
3. Since "Net Income" includes noncontrolling interests from the fiscal year ending March 31, 2010 in accordance with the accounting pronouncement issued in December 2007 relating to noncontrolling interests, "Net Income" for the Consolidated Financial Results Forecasts for the Fiscal Year Ending March 31, 2010 is not presented on this page. For further details, see "Noncontrolling Interests in Consolidated Financial Statements" on page 3.

#### 4. Others

- (1) Change in significant consolidated subsidiaries (which resulted in changes in scope of consolidation): None
- (2) Adoption of accounting which is simplified or exceptional for quarterly consolidated financial statements: None
- (3) Change in significant accounting principles, procedures and presentation in quarterly consolidated financial statements
  - (i) Change due to revision of accounting standards and other regulations: Yes
  - (ii) Others: None

(For further details, please see "Others" on page 12.)

#### (4) Number of shares outstanding (common stock)

1. Number of shares outstanding (including treasury stock):		
	September 30, 2009:	1,574,120,900 shares
	March 31, 2009:	1,574,120,900 shares
2. Number of treasury stock:		
	September 30, 2009:	250,837,921 shares
	March 31, 2009:	250,844,167 shares
3. Weighted average number of shares outstanding:		
	For the six months ended September 30, 2009:	1,323,282,575 shares
	For the six months ended September 30, 2008:	13,572,763 shares

#### \* Explanation for forecasts of operation and other notes:

With regard to the consolidated financial results forecasts, please refer to page 3.

With regard to the assumptions and other related matters concerning the above estimated results, please refer to pages 11 and 28.

Figures provided for Dividends per Share end of the second quarter for the fiscal year ended March 31, 2009 and weighted average number of shares outstanding for the six months ended September 30, 2008 are calculated based on the number of shares before the stock split that took effect on January 4, 2009.

### (Reference) Noncontrolling Interests in Consolidated Financial Statements

Effective April 1, 2009, NTT adopted the accounting pronouncement issued by the Financial Accounting Standards Board (“FASB”) in December 2007 relating to noncontrolling interests in consolidated financial statements. This pronouncement establishes accounting and reporting standards for the noncontrolling interest (previously referred to as minority interests) in a subsidiary and for the deconsolidation of a subsidiary. This pronouncement requires the presentation that the noncontrolling interest should be reclassified to equity and consolidated net income should be adjusted to include net income attributed to the noncontrolling interest in the consolidated financial statements. This pronouncement also requires single method of accounting as equity transactions for changes in a parent’s ownership interest in a subsidiary that do not result in deconsolidation.

Upon the adoption of this pronouncement, “Net Income”, which includes income attributable to noncontrolling interests, and “Net Income Attributable to Nippon Telegraph and Telephone Corporation (“NTT”)” are presented in the consolidated statements of income. “Net Income Attributable to NTT”, “Earnings per Share Attributable to NTT” and “Diluted Earnings per Share Attributable to NTT” for the Consolidated Results of Operations for the six months ended September 30, 2008 and 2009 as well as “Net Income Attributable to NTT” and “Earnings per Share Attributable to NTT” for the Consolidated Financial Results Forecasts for the year ending March 31, 2010 are as follows:

### Consolidated Financial Results for the Six Months Ended September 30, 2009 (April 1, 2009 – September 30, 2009)

Amounts are rounded off to nearest million yen.

#### Consolidated Results of Operations

	<u>(Millions of yen)</u>		
	<u>Net Income</u>	<u>Basic Earnings per Share</u>	<u>Diluted Earnings</u>
	<u>Attributable to NTT*</u>	<u>Attributable to NTT</u>	<u>per Share</u>
			<u>Attributable to NTT</u>
Six months ended September 30, 2009	282,244 (30.5%)	213.29 (yen)	— (yen)
Six months ended September 30, 2008	406,353 —	29,938.86 (yen)	— (yen)

### Consolidated Financial Results Forecasts for the Year Ending March 31, 2010 (April 1, 2009 – March 31, 2010)

	<u>(Millions of yen, except per share amounts)</u>	
	<u>Net Income</u>	<u>Basic Earnings per Share</u>
	<u>Attributable to NTT*</u>	<u>Attributable to NTT</u>
Year ending March 31, 2010	460,000 (14.6%)	347.62 (yen)

\* “Net Income Attributable to NTT” is calculated in the same manner as “Net Income” previously reported until last fiscal year.  
(Percentages above represent changes from the corresponding previous period.)

## 1. QUALITATIVE INFORMATION RELATING TO CONSOLIDATED BUSINESS RESULTS

### (1) Consolidated results

	(Billions of yen)			
	Three-Month Period Ended September 30, 2008 (July 1, 2008 – September 30, 2008)	Three-Month Period Ended September 30, 2009 (July 1, 2009 – September 30, 2009)	Change	Percent Change
Operating revenues	2,571.0	2,495.2	(75.8)	(2.9%)
Operating expenses	2,198.0	2,174.2	(23.8)	(1.1%)
Operating income	373.0	321.0	(52.0)	(13.9%)
Net income before income taxes	383.3	317.7	(65.6)	(17.1%)
Net income attributable to NTT	230.8	142.7	(88.1)	(38.2%)

	(Billions of yen)			
	Six-Month Period Ended September 30, 2008 (April 1, 2008 – September 30, 2008)	Six-Month Period Ended September 30, 2009 (April 1, 2009 – September 30, 2009)	Change	Percent Change
Operating revenues	5,164.6	4,998.1	(166.5)	(3.2%)
Operating expenses	4,419.5	4,351.3	(68.2)	(1.5%)
Operating income	745.1	646.8	(98.3)	(13.2%)
Net income before income taxes	771.2	643.6	(127.6)	(16.5%)
Net income attributable to NTT	406.4	282.2	(124.1)	(30.5%)

During the three-month period ended September 30, 2009, NTT Group took measures to expand broadband and ubiquitous services pursuant to its new Medium-Term Strategy entitled “Road to Service Creation Business Group” adopted in May 2008.

In the fixed-line communications market, the expansion of optical services and the accompanying shift from existing fixed-line telephones to optical IP telephones continued. Diverse services such as video distribution services were also deployed by various providers. Under these market conditions, in the next-generation network (NGN) segment, NTT Group endeavored to expand its “FLET’S Hikari Next” service area and the sale of services such as “Hikari TV” that take advantage of the capabilities of the NGN. NTT Group also made efforts to form alliances with other companies to expand distribution. As a result of these efforts, the number of “FLET’S Hikari” subscriptions reached 12.28 million at September 30, 2009.

In the mobile communications market, with the market reaching saturation due to the increased penetration rate, the competition among carriers to acquire customers and enhance services is becoming increasingly fierce. Under these market conditions, NTT DOCOMO revised the billing plans for its two-tier flat-rate service “Pake-hodai double” and “Biz-hodai double” and enhanced “docomo-doga” and other video content services thereby continuing to expand the packet communications use of its customers. With respect to mobile terminals, NTT DOCOMO launched seven handset models, including the first handset in Japan operating with “Android”<sup>1</sup> and the first waterproof version of the Raku-Raku PHONE series to cater to the diverse needs of its customers. In addition, NTT DOCOMO launched “docomo Mobile Remittance”, a service that enables an NTT DOCOMO subscriber to send money to a recipient simply by designating the recipient’s mobile telephone number without the recipient needing to open a bank account or register, as a part of the endeavor to increase efficiency. As a result of these measures, the number of mobile phone subscriptions reached 55.19 million, of which 51.26 million were FOMA service subscriptions, accounting for 92.9% of all subscriptions.

With respect to services for corporate customers, NTT Group continued its efforts to provide high value-added solutions tailored to customers' industries and business categories and to enhance its support capabilities adapted to the global business activities of the customers. NTT Group also made an announcement that, as a part of its "SaaS over NGN" efforts to support SaaS<sup>2</sup> businesses using the NGN, it will develop "series of functions SaaS platform<sup>3</sup>" as a service base for SaaS businesses. NTT announced that it will deploy services using the series of functions SaaS platform<sup>3</sup>.

In its global businesses, NTT Group established new overseas business sites and formed capital and business alliances with local businesses to further improve its services from the perspective of coverage area expansion, support service enhancement and quality improvement.

As a result of these efforts, NTT Group's consolidated operating revenues for the three-month period ended September 30, 2009 were ¥2,495.2 billion (a decrease of 2.9% from the same period of the previous fiscal year), consolidated operating expenses were ¥2,174.2 billion (a decrease of 1.1% from the same period of the previous fiscal year), consolidated operating income was ¥321.0 billion (a decrease of 13.9% from the same period of the previous fiscal year), and consolidated net income before income taxes was ¥317.7 billion (a decrease of 17.1% from the same period of the previous fiscal year). Consolidated net income attributable to NTT was ¥142.7 billion (a decrease of 38.2% from the same period of the previous fiscal year) due in part to the fact that consolidated net income attributable to NTT was comparatively higher in the previous fiscal year owing to the effects of a one-time decrease in income tax (decrease in a deferred income tax liability) which resulted from the merger by NTT DOCOMO of its eight regional subsidiaries during the second quarter of the fiscal year ended March 31, 2009.

For the six-month period ended September 30, 2009, NTT Group's consolidated operating revenues were ¥4,998.1 billion (a decrease of 3.2% from the same period of the previous fiscal year). Consolidated operating expenses were ¥4,351.3 billion (a decrease of 1.5% from the same period of the previous fiscal year). As a result, consolidated operating income was ¥646.8 billion (a decrease of 13.2% from the same period of the previous fiscal year) while consolidated net income before income taxes was ¥643.6 billion (a decrease of 16.5% from the same period of the previous fiscal year). Consolidated net income attributable to NTT was ¥282.2 billion (a decrease of 30.5% from the same period of the previous fiscal year) for the six-month period ended September 30, 2009.

Notes: 1. An operating system for mobile phones. It is characterized by an open development environment.

2. Software as a Service - a service for providing software applications to customers via networks.

3. A collective term for the authentication platform function, portal site function, fee charging & collecting function, multi-payment credit settlement function, network gateway function and web-system construction platform function.

\* NTT Group's consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States.

## (2) Segment results

Results by business segment are as follows.

### <1> Regional telecommunications business segment

	(Billions of yen)			
	Three-Month Period Ended September 30, 2008 (July 1, 2008 – September 30, 2008)	Three-Month Period Ended September 30, 2009 (July 1, 2009 – September 30, 2009)	Change	Percent Change
Operating revenues	1,013.2	976.9	(36.3)	(3.6%)
Operating expenses	983.7	942.3	(41.4)	(4.2%)
Operating income	29.5	34.6	5.1	17.3%

	(Billions of yen)			
	Six-Month Period Ended September 30, 2008 (April 1, 2008 – September 30, 2008)	Six-Month Period Ended September 30, 2009 (April 1, 2009 – September 30, 2009)	Change	Percent Change
Operating revenues	2,008.4	1,937.7	(70.7)	(3.5%)
Operating expenses	1,967.7	1,887.0	(80.7)	(4.1%)
Operating income	40.7	50.7	10.0	24.6%

NTT Group's consolidated operating revenues for the three-month period ended September 30, 2009 were ¥976.9 billion (a decrease of 3.6% from the same period of the previous fiscal year). Despite an increase in IP-related revenues attributable to the increase in "FLET'S Hikari" subscriptions, voice-related revenues decreased due to the decline in fixed-line telephone subscriptions. On the other hand, consolidated operating expenses were ¥942.3 billion (a decrease of 4.2% from the same period of the previous fiscal year) due to such factors as a decrease in operating expenses, including depreciation and amortization. As a result, consolidated operating income in the three-month period ended September 30, 2009 was ¥34.6 billion (an increase of 17.3% from the same period of the previous fiscal year).

For the six-month period ended September 30, 2009, consolidated operating revenues were ¥1,937.7 billion (a decrease of 3.5% from the same period of the previous fiscal year) and consolidated operating expenses were ¥1,887.0 billion (a decrease of 4.1% from the same period of the previous fiscal year). As a result, consolidated operating income for the six-month period ended September 30, 2009 was ¥50.7 billion (an increase of 24.6% from the same period of the previous fiscal year).

### Number of subscriptions

	(Thousands of subscriptions)			
	As of March 31, 2009	As of September 30, 2009	Change	Percent Change
FLET'S Hikari	11,134	12,278	1,144	10.3%
NTT East	6,291	6,953	662	10.5%
NTT West	4,843	5,325	481	9.9%
Hikari Phone	8,011	9,078	1,068	13.3%
NTT East	4,248	4,820	572	13.5%
NTT West	3,762	4,258	496	13.2%

Notes: 1. The figures for "FLET'S Hikari" include NTT East's "B FLET'S" and "FLET'S Hikari Next" (launched in March 2008) and NTT West's "B FLET'S", "FLET'S Hikari Premium", "FLET'S Hikari Mytown" and "FLET'S Hikari Next" (launched in March 2008).

2. The figures for "Hikari Denwa" represent number of channels (in thousands).

<2> Long-distance and international communications business segment

(Billions of yen)				
	Three-Month Period Ended September 30, 2008 (July 1, 2008 – September 30, 2008)	Three-Month Period Ended September 30, 2009 (July 1, 2009 – September 30, 2009)	Change	Percent Change
Operating revenues	325.0	308.4	(16.6)	(5.1%)
Operating expenses	297.4	282.0	(15.4)	(5.2%)
Operating income	27.5	26.3	(1.2)	(4.3%)

(Billions of yen)				
	Six-Month Period Ended September 30, 2008 (April 1, 2008 – September 30, 2008)	Six-Month Period Ended September 30, 2009 (April 1, 2009 – September 30, 2009)	Change	Percent Change
Operating revenues	636.4	616.5	(20.0)	(3.1%)
Operating expenses	581.0	565.2	(15.8)	(2.7%)
Operating income	55.4	51.2	(4.2)	(7.6%)

Consolidated operating revenues for the three-month period ended September 30, 2009 were ¥308.4 billion (a decrease of 5.1% from the same period of the previous fiscal year). Despite increases in OCN, VPN-related services and other IP-related revenues, the decline in conventional fixed-voice related revenues and other factors reduced consolidated operating revenues. Consolidated operating expenses for the same period decreased to ¥282.0 billion (a decrease of 5.2% from the same period of the previous fiscal year) due to lower telecommunication facility usage fees in conjunction with the decline in fixed-voice related revenues. As a result, consolidated operating income for the three months ended September 30, 2009 was ¥26.3 billion (a decrease of 4.3% from the same period of the previous fiscal year).

For the six-month period ended September 30, 2009, consolidated operating revenues were ¥616.5 billion (a decrease of 3.1% from the same period of the previous fiscal year) and consolidated operating expenses were ¥565.2 billion (a decrease of 2.7% from the same period of the previous fiscal year). As a result, consolidated operating income for the six-month period ended September 30, 2009 was ¥51.2 billion (a decrease of 7.6% from the same period of the previous fiscal year).

<3> Mobile communications business segment

(Billions of yen)					
	Three-Month Period Ended September 30, 2008 (July 1, 2008 – September 30, 2008)	Three-Month Period Ended September 30, 2009 (July 1, 2009 – September 30, 2009)	Change	Percent Change	
Operating revenues	1,097.5	1,061.1	(36.5)	(3.3%)	
Operating expenses	818.5	829.1	10.6	1.3%	
Operating income	279.1	232.0	(47.1)	(16.9%)	

(Billions of yen)					
	Six-Month Period Ended September 30, 2008 (April 1, 2008 – September 30, 2008)	Six-Month Period Ended September 30, 2009 (April 1, 2009 – September 30, 2009)	Change	Percent Change	
Operating revenues	2,267.8	2,145.8	(122.0)	(5.4%)	
Operating expenses	1,693.6	1,663.5	(30.1)	(1.8%)	
Operating income	574.2	482.3	(91.9)	(16.0%)	

Consolidated operating revenues for the three-month period ended September 30, 2009 decreased to ¥1,061.1 billion (a decrease of 3.3% from the same period of the previous fiscal year) due to a decrease in mobile voice related revenues caused by penetration of new discount services and new handset purchase methods and a decline in handset sales revenues. On the other hand, consolidated operating expenses increased to ¥829.1 billion (an increase of 1.3% from the same period of the previous fiscal year) as a result of an increase in expenditure for mobile phone protection and delivery service. As a result, consolidated operating income for the three-month period ended September 30, 2009 was ¥232.0 billion (a decrease of 16.9% from the same period of the previous fiscal year).

For the six-month period ended September 30, 2009, consolidated operating revenues were ¥2,145.8 billion (a decrease of 5.4% from the same period of the previous fiscal year) and consolidated operating expenses were ¥1,663.5 billion (a decrease of 1.8% from the previous fiscal year). As a result, consolidated operating income for the six-month period ended September 30, 2009 was ¥482.3 billion (a decrease of 16.0% from the same period of the previous fiscal year).

Number of subscriptions

(Thousands of subscriptions)					
	As of March 31, 2009	As of September 30, 2009	Change	Percent Change	
Mobile phone service	54,601	55,186	586	1.1%	
FOMA service	49,040	51,258	2,218	4.5%	
mova service	5,560	3,928	(1,632)	(29.4%)	
i-mode service	48,474	48,670	196	0.4%	

- Notes: 1. The number of mobile phone service subscriptions, “FOMA” service subscriptions and “mova” service subscriptions include communication module subscriptions.
2. Effective March 3, 2008, use of “2-in-1” service, in principle, requires a “FOMA” subscription; the number of mobile phone service subscriptions and the number of “FOMA” service subscriptions include such “FOMA” subscriptions.
3. The figures for the number of “i-mode” service subscriptions represent the total for “FOMA” and “mova” combined.

<4> Data communications business segment

(Billions of yen)				
	Three-Month Period Ended September 30, 2008 (July 1, 2008 – September 30, 2008)	Three-Month Period Ended September 30, 2009 (July 1, 2009 – September 30, 2009)	Change	Percent Change
Operating revenues	265.5	264.2	(1.3)	(0.5%)
Operating expenses	242.3	248.6	6.3	2.6%
Operating income	23.2	15.6	(7.6)	(32.6%)

(Billions of yen)				
	Six-Month Period Ended September 30, 2008 (April 1, 2008 – September 30, 2008)	Six-Month Period Ended September 30, 2009 (April 1, 2009 – September 30, 2009)	Change	Percent Change
Operating revenues	507.3	534.3	27.0	5.3%
Operating expenses	462.4	497.4	35.0	7.6%
Operating income	44.9	36.9	(8.0)	(17.8%)

Consolidated operating revenues for the three-month period ended September 30, 2009 were ¥264.2 billion (a decrease of 0.5% from the same period of the previous fiscal year) as a result of a decrease in revenues from certain facility services in public sector. Consolidated operating expenses for the three-month period ended September 30, 2009 were ¥248.6 billion (an increase of 2.6% from the same period of the previous fiscal year) as a result of an increase in sales management costs. As a result, consolidated operating income for the three-month period ended September 30, 2009 was ¥15.6 billion (a decrease of 32.6% from the same period of the previous fiscal year).

For the six-month period ended September 30, 2009, consolidated operating revenues were ¥534.3 billion (an increase of 5.3% from the same period of the previous fiscal year) and consolidated operating expenses were ¥497.4 billion (an increase of 7.6% from the same period of the previous fiscal year). As a result, consolidated operating income for the six-month period ended September 30, 2009 was ¥36.9 billion (a decrease of 17.8% from the same period of the previous fiscal year).

<5> Other business segments

(Billions of yen)				
	Three-Month Period Ended September 30, 2008 (July 1, 2008 – September 30, 2008)	Three-Month Period Ended September 30, 2009 (July 1, 2009 – September 30, 2009)	Change	Percent Change
Operating revenues	291.6	264.1	(27.5)	(9.4%)
Operating expenses	282.4	268.5	(13.9)	(4.9%)
Operating income (loss)	9.2	(4.3)	(13.5)	—

(Billions of yen)				
	Six-Month Period Ended September 30, 2008 (April 1, 2008 – September 30, 2008)	Six-Month Period Ended September 30, 2009 (April 1, 2009 – September 30, 2009)	Change	Percent Change
Operating revenues	559.2	525.3	(33.8)	(6.1%)
Operating expenses	535.8	518.5	(17.3)	(3.2%)
Operating income (loss)	23.4	6.9	(16.5)	(70.7%)

In other business segments, the substantial impact of the deteriorating economy and a slump in sales in the finance business, real estate business, construction and power business, system development business, advanced technologies development business and other businesses resulted in a decrease in consolidated operating revenues for the three-month period ended September 30, 2009 of ¥264.1 billion (a decrease of 9.4% from the same period of the previous fiscal year) and consolidated operating expenses of ¥268.5 billion (a decrease of 4.9% from the same period of the previous fiscal year). As a result, consolidated operating losses for the three-month period ended September 30, 2009 was ¥4.3 billion.

For the six-month period ended September 30, 2009, consolidated operating revenues were ¥525.3 billion (a decrease of 6.1% from the same period of the previous fiscal year) and consolidated operating expenses were ¥518.5 billion (a decrease of 3.2% from the same period of the previous fiscal year). As a result, consolidated operating income for the six-month period ended September 30, 2009 was ¥6.9 billion (a decrease of 70.7% from the same period of the previous fiscal year).

## 2. QUALITATIVE INFORMATION RELATING TO CONSOLIDATED FINANCIAL STANDING

Consolidated cash flows from operating activities for the six months ended September 30, 2009 were ¥1,242.5 billion (an increase of ¥153.3 billion (14.1%) in cash flows compared to the same period of the previous fiscal year). This was due, despite the decrease in net income for the quarter, to the effect of lower expenditures arising from a review of secondment policies compared to the same period of the previous fiscal year and a decrease in trade accounts receivable resulting from increased collection of installment loans for mobile handsets.

Consolidated cash flows from investing activities showed outlays of ¥1,068.7 billion (a decrease of ¥81.3 billion (7.1%) compared to the same period of the previous fiscal year). This was due in part to the decrease in expenditures for capital investment, while gains from sales of real property, plant and equipment also fell.

Consolidated cash flows from financing activities showed outlays of ¥275.7 billion (an increase of ¥113.6 billion (70.1%) compared to the same period of the previous fiscal year). This resulted from a relative decrease in expenditures associated with the buyback of treasury stocks compared to the same period of the previous fiscal year, although revenues from fund procurement decreased and expenditures for debt redemption increased.

As a result of the above, NTT Group's consolidated cash and cash equivalents as of September 30, 2009 were ¥952.4 billion, a decrease of ¥100.3 billion (9.5%) from the end of the previous fiscal year.

(Billions of yen)				
	Six-Month Period Ended September 30, 2008 (April 1, 2008 – September 30, 2008)	Six-Month Period Ended September 30, 2009 (April 1, 2009 – September 30, 2009)	Change	Percent Change
Cash flows from operating activities	1,089.2	1,242.5	153.3	14.1%
Cash flows from investing activities	(1,150.0)	(1,068.7)	81.3	7.1%
Cash flows from financing activities	(162.0)	(275.7)	(113.6)	(70.1%)

### **3. QUALITATIVE INFORMATION RELATING TO CONSOLIDATED RESULTS FORECASTS**

Although, as a result of governmental initiatives, there are indications of improvements in parts of the Japanese economy, such barometers as the employment situation, capital investment and residential housing are yet to bottom out, and the situation continues to be one where the future remains unpredictable. Because of such factors as the drop in consumer confidence, a delay in restoration of capital investment arising out of a drop in corporate profitability, and the increasingly fierce competition among businesses, NTT Group forecasts that the market environment in which it finds itself will continue to be increasingly difficult.

In light of this market environment, NTT Group has revised its results forecast.

Because of decreased sales of mobile handsets by the mobile communications business and other factors, the forecast for operating revenues was lowered by 130.0 billion yen from the initial forecast of 10,170.0 billion yen.

On the other hand, since operating expenses will decrease due to a reduction in the cost of mobile handsets by the mobile communications business and other cost reducing efforts across the whole NTT Group, the forecast for operating income has remained the same as in the initial forecast, at 1,110.0 billion yen.

Furthermore, there is no change in the forecast to income before income taxes and net income attributable to NTT.

For assumptions used in these results forecasts and other related matters, please see page 28.

#### **4. OTHERS**

- (1) Change in significant consolidated subsidiaries (which resulted in changes in scope of consolidation): None
- (2) Adoption of accounting which is simplified or exceptional for quarterly consolidated financial statements: None
- (3) Change in significant accounting principles, procedures and presentation in quarterly consolidated financial statements

##### **Business Combinations**

Effective April 1, 2009, NTT Group adopted the accounting pronouncement issued by FASB in December 2007 relating to business combinations. This pronouncement requires use of the acquisition method of accounting, defines the acquirer, establishes the acquisition date and broadens the scope to all transactions and other events in which one entity obtains control over one or more other businesses. The adoption of this pronouncement did not have a material impact on the results of operations or the financial position of NTT Group for the six months ended September 30, 2009.

##### **Noncontrolling Interests in Consolidated Financial Statements**

Effective April 1, 2009, NTT Group adopted the accounting pronouncement issued by FASB in December 2007 relating to noncontrolling interests in consolidated financial statements. This pronouncement establishes accounting and reporting standards for the noncontrolling interest (previously referred to as minority interests) in a subsidiary and for the deconsolidation of a subsidiary. This pronouncement requires the presentation that the noncontrolling interest should be reclassified to equity and consolidated net income should be adjusted to include net income attributed to the noncontrolling interest in the consolidated financial statements. This pronouncement also requires single method of accounting as equity transactions for changes in a parent's ownership interest in a subsidiary that do not result in deconsolidation.

The adoption of this pronouncement has an impact on the presentation of noncontrolling interests in the consolidated financial statements including retrospective reclassification; however, the adoption of this pronouncement did not have a material impact on the results of operations or financial position of NTT Group.

##### **Accounting for Financial Guarantee Insurance Contracts**

Effective April 1, 2009, NTT Group adopted the accounting pronouncement issued by FASB in May 2008 relating to accounting for financial guarantee insurance contracts. This pronouncement prescribes accounting for insurers of financial obligations, bringing consistency to recognizing and recording premiums and to loss recognition. This pronouncement also requires expanded disclosures about financial guarantee insurance contracts. The adoption of this pronouncement did not have a material impact on the results of operations or the financial position of NTT Group.

#### Subsequent event

Effective April 1, 2009, NTT Group adopted the accounting pronouncement issued by FASB in May 2009 relating to subsequent events. This pronouncement requires that the effect of subsequent events that occurred after the balance-sheet date and before the date the financial statements are either “issued” or “available to be issued” should be evaluated and disclosed. The adoption of this pronouncement did not have an impact on the results of operations or the financial position of NTT Group.

#### The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles

Effective July 1, 2009, NTT Group adopted the accounting pronouncement issued by FASB in June 2009 relating to the FASB Accounting Standards Codification and the hierarchy of generally accepted accounting principles. This pronouncement prescribes the change which divides non-governmental U.S. GAAP into the authoritative Codification and the non-authoritative guidance, doing away with the previous four-level hierarchy. The financial statements that adopted this pronouncement should follow the Codification in place of legacy accounting pronouncements. The adoption of this pronouncement did not have an impact on the results of operations or the financial position of NTT Group.

**5. CONSOLIDATED FINANCIAL STATEMENTS**  
**(1) Consolidated Balance Sheets**

	Millions of yen		
	March 31, 2009	September 30, 2009	Increase (Decrease)
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and cash equivalents	¥ 1,052,777	¥ 952,434	¥(100,343)
Short-term investments	20,264	47,294	27,030
Notes and accounts receivable, trade	1,947,765	1,719,174	(228,591)
Allowance for doubtful accounts	(45,208)	(40,485)	4,723
Inventories	313,494	372,275	58,781
Prepaid expenses and other current assets	512,479	568,516	56,037
Deferred income taxes	266,480	259,351	(7,129)
Total current assets	<u>4,068,051</u>	<u>3,878,559</u>	<u>(189,492)</u>
<b>Property, plant and equipment:</b>			
Telecommunications equipment	14,705,383	14,792,341	86,958
Telecommunications service lines	13,968,838	14,095,223	126,385
Buildings and structures	5,770,337	5,790,863	20,526
Machinery, vessels and tools	1,755,854	1,778,561	22,707
Land	1,111,734	1,116,371	4,637
Construction in progress	305,167	311,278	6,111
	<u>37,617,313</u>	<u>37,884,637</u>	<u>267,324</u>
Accumulated depreciation	(27,415,794)	(27,808,799)	(393,005)
Net property, plant and equipment	<u>10,201,519</u>	<u>10,075,838</u>	<u>(125,681)</u>
<b>Investments and other assets:</b>			
Investments in affiliated companies	622,735	638,266	15,531
Marketable securities and other investments	277,375	294,830	17,455
Goodwill	453,617	490,245	36,628
Other intangibles	1,406,991	1,396,714	(10,277)
Other assets	894,828	893,996	(832)
Deferred income taxes	871,272	878,435	7,163
Total investments and other assets	<u>4,526,818</u>	<u>4,592,486</u>	<u>65,668</u>
Total assets	<u>¥ 18,796,388</u>	<u>¥ 18,546,883</u>	<u>¥(249,505)</u>

	Millions of yen		
	March 31, 2009	September 30, 2009	Increase (Decrease)
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities:</b>			
Short-term borrowings	¥ 388,028	¥ 252,356	¥(135,672)
Current portion of long-term debt	603,041	414,220	(188,821)
Accounts payable, trade	1,302,607	909,402	(393,205)
Accrued payroll	454,575	393,213	(61,362)
Accrued interest	12,481	11,802	(679)
Accrued taxes on income	288,803	257,604	(31,199)
Accrued consumption tax	28,326	34,252	5,926
Advances received	114,934	135,486	20,552
Deposit received	275,089	243,576	(31,513)
Other	226,315	224,128	(2,187)
Total current liabilities	<u>3,694,199</u>	<u>2,876,039</u>	<u>(818,160)</u>
<b>Long-term liabilities:</b>			
Long-term debt	3,691,688	3,881,336	189,648
Obligations under capital leases	47,394	42,802	(4,592)
Liability for employees' retirement benefits	1,639,785	1,658,350	18,565
Other	577,692	615,183	37,491
Total long-term liabilities	<u>5,956,559</u>	<u>6,197,671</u>	<u>241,112</u>
<b>Equity:</b>			
NTT shareholders' equity			
Common stock, no par value	937,950	937,950	—
Additional paid-in capital	2,841,037	2,841,016	(21)
Retained earnings	5,066,637	5,276,101	209,464
Accumulated other comprehensive income (loss)	(341,917)	(308,343)	33,574
Treasury stock, at cost	(1,205,597)	(1,205,553)	44
Total NTT shareholders' equity	<u>7,298,110</u>	<u>7,541,171</u>	<u>243,061</u>
Noncontrolling interests	1,847,520	1,932,002	84,482
Total equity	<u>9,145,630</u>	<u>9,473,173</u>	<u>327,543</u>
Total liabilities and equity	<u>¥18,796,388</u>	<u>¥ 18,546,883</u>	<u>¥(249,505)</u>

\* Certain items for the prior year's financial statements have been reclassified to conform to the presentation as of September 30, 2009.

**(2) Consolidated Statements of Income****SIX-MONTH PERIOD ENDED SEPTEMBER 30**

	Millions of yen		
	2008	2009	Increase (Decrease)
<b>Operating revenues:</b>			
Fixed voice related services	¥ 1,315,716	¥ 1,194,434	¥(121,282)
Mobile voice related services	1,179,627	1,084,606	(95,021)
IP / packet communications services	1,416,757	1,535,954	119,197
Sale of telecommunication equipment	369,321	295,696	(73,625)
System integration	541,444	567,062	25,618
Other	341,728	320,356	(21,372)
	<u>5,164,593</u>	<u>4,998,108</u>	<u>(166,485)</u>
<b>Operating expenses:</b>			
Cost of services (exclusive of items shown separately below)	1,161,911	1,177,744	15,833
Cost of equipment sold (exclusive of items shown separately below)	459,941	387,317	(72,624)
Cost of system integration (exclusive of items shown separately below)	344,082	361,388	17,306
Depreciation and amortization	1,020,780	996,992	(23,788)
Impairment loss	401	500	99
Selling, general and administrative expenses	1,432,396	1,427,397	(4,999)
	<u>4,419,511</u>	<u>4,351,338</u>	<u>(68,173)</u>
<b>Operating income (loss)</b>	<u>745,082</u>	<u>646,770</u>	<u>(98,312)</u>
<b>Other income (expenses):</b>			
Interest and amortization of bond discounts and issue costs	(30,134)	(28,811)	1,323
Interest income	12,602	12,290	(312)
Other, net	43,611	13,341	(30,270)
	<u>26,079</u>	<u>(3,180)</u>	<u>(29,259)</u>
<b>Income (loss) before income taxes and equity in earnings (losses) of affiliated companies</b>	<u>771,161</u>	<u>643,590</u>	<u>(127,571)</u>
<b>Income tax expense (benefit):</b>			
Current	338,954	291,010	(47,944)
Deferred	(102,279)	(31,245)	71,034
	<u>236,675</u>	<u>259,765</u>	<u>23,090</u>
<b>Income (loss) before equity in earnings (losses) of affiliated companies</b>	<u>534,486</u>	<u>383,825</u>	<u>(150,661)</u>
Equity in earnings (losses) of affiliated companies	7,421	4,718	(2,703)
<b>Net income (loss)</b>	<u>541,907</u>	<u>388,543</u>	<u>(153,364)</u>
Less – Net income attributable to noncontrolling interests	(135,554)	(106,299)	29,255
<b>Net income (loss) attributable to NTT</b>	<u>406,353</u>	<u>282,244</u>	<u>(124,109)</u>
<b>Summary of total comprehensive income (loss):</b>			
Net income (loss)	¥ 541,907	¥ 388,543	¥(153,364)
Other comprehensive income (loss)	(38,012)	43,506	81,518
<b>Comprehensive income (loss)</b>	503,895	432,049	(71,846)
Less – Other comprehensive income attributable to noncontrolling interests	(130,561)	(116,231)	14,330
<b>Comprehensive income (loss) attributable to NTT</b>	<u>¥ 373,334</u>	<u>¥ 315,818</u>	<u>¥ (57,516)</u>

\* Certain items for the prior year's financial statements have been reclassified to conform to the presentation for the six months ended September 30, 2009.

	Shares or yen	
	2008*	2009
<b>Per share of common stock:</b>		

Weighted average number of shares outstanding	13,572,763.01	1,323,282,575
Net income (loss) attributable to NTT	<u>¥ 29,938.86</u>	<u>¥ 213.29</u>

\* Per share of common stock for the six months ended September 30, 2008 does not reflect the stock split that took effect on January 4, 2009.

**THREE-MONTH PERIOD ENDED SEPTEMBER 30**

	Millions of yen		
	2008	2009	Increase (Decrease)
<b>Operating revenues:</b>			
Fixed voice related services	¥ 652,186	¥ 595,260	¥ (56,926)
Mobile voice related services	580,695	544,590	(36,105)
IP / packet communications services	721,691	774,685	52,994
Sale of telecommunication equipment	152,947	131,886	(21,061)
System integration	285,208	283,297	(1,911)
Other	178,278	165,501	(12,777)
	<u>2,571,005</u>	<u>2,495,219</u>	<u>(75,786)</u>
<b>Operating expenses:</b>			
Cost of services (exclusive of items shown separately below)	585,879	594,893	9,014
Cost of equipment sold (exclusive of items shown separately below)	193,428	173,765	(19,663)
Cost of system integration (exclusive of items shown separately below)	184,309	179,238	(5,071)
Depreciation and amortization	517,024	500,386	(16,638)
Impairment loss	401	196	(205)
Selling, general and administrative expenses	716,945	725,742	8,797
	<u>2,197,986</u>	<u>2,174,220</u>	<u>(23,766)</u>
<b>Operating income (loss)</b>	<u>373,019</u>	<u>320,999</u>	<u>(52,020)</u>
<b>Other income (expenses):</b>			
Interest and amortization of bond discounts and issue costs	(14,952)	(14,006)	946
Interest income	6,279	5,952	(327)
Other, net	18,914	4,729	(14,185)
	<u>10,241</u>	<u>(3,325)</u>	<u>(13,566)</u>
<b>Income (loss) before income taxes and equity in earnings (losses) of affiliated companies</b>	<u>383,260</u>	<u>317,674</u>	<u>(65,586)</u>
<b>Income tax expense (benefit):</b>			
Current	189,900	166,456	(23,444)
Deferred	(101,485)	(39,005)	62,480
	<u>88,415</u>	<u>127,451</u>	<u>39,036</u>
<b>Income (loss) before equity in earnings (losses) of affiliated companies</b>	<u>294,845</u>	<u>190,223</u>	<u>(104,622)</u>
Equity in earnings (losses) of affiliated companies	3,886	2,014	(1,872)
<b>Net income (loss)</b>	<u>298,731</u>	<u>192,237</u>	<u>(106,494)</u>
Less – Net income attributable to noncontrolling interests	(67,912)	(49,550)	18,362
<b>Net income (loss) attributable to NTT</b>	<u>¥ 230,819</u>	<u>¥ 142,687</u>	<u>¥ (88,132)</u>
<b>Summary of total comprehensive income (loss):</b>			
Net income (loss)	¥ 298,731	¥ 192,237	¥ (106,494)
Other comprehensive income (loss)	(4,383)	11,018	15,401
<b>Comprehensive income (loss)</b>	<u>294,348</u>	<u>203,255</u>	<u>(91,093)</u>
Less – Other comprehensive income attributable to noncontrolling interests	(66,740)	(52,811)	13,929
<b>Comprehensive income (loss) attributable to NTT</b>	<u>¥ 227,608</u>	<u>¥ 150,444</u>	<u>¥ (77,164)</u>

\* Certain items for the prior year's financial statements have been reclassified to conform to the presentation for the three months ended September 30, 2009.

	Shares or yen	
	2008*	2009
<b>Per share of common stock:</b>		
Weighted average number of shares outstanding	13,507,409.88	1,323,283,730
Net income (loss) attributable to NTT	<u>¥ 17,088.32</u>	<u>¥ 107.83</u>

\* Per share of common stock for the three months ended September 30, 2008 does not reflect the stock split that took effect on January 4, 2009.

**(3) Consolidated Statements of Cash Flows****SIX-MONTH PERIOD ENDED SEPTEMBER 30**

	<b>Millions of yen</b>		
	<b>2008</b>	<b>2009</b>	<b>Increase (Decrease)</b>
<b>Cash flows from operating activities:</b>			
Net income (loss)	¥ 541,907	¥ 388,543	¥(153,364)
Adjustments to reconcile net income (loss) to net cash provided by operating activities-			
Depreciation and amortization	1,020,780	996,992	(23,788)
Impairment loss	401	500	99
Deferred taxes	(102,279)	(31,245)	71,034
Loss on disposal of property, plant and equipment	45,473	44,796	(677)
Equity in (earnings) losses of affiliated companies	(7,421)	(4,718)	2,703
(Increase) decrease in notes and accounts receivable, trade	157,971	238,387	80,416
(Increase) decrease in inventories	(101,950)	(59,507)	42,443
(Increase) decrease in other current assets	(85,482)	(57,279)	28,203
Increase (decrease) in accounts payable, trade and accrued payroll	(389,742)	(329,069)	60,673
Increase (decrease) in accrued consumption tax	(1,314)	5,831	7,145
Increase (decrease) in accrued interest	(1,163)	(689)	474
Increase (decrease) in advances received	19,014	20,464	1,450
Increase (decrease) in accrued taxes on income	(6,334)	(32,246)	(25,912)
Increase (decrease) in other current liabilities	(14,057)	(113)	13,944
Increase (decrease) in liability for employees' retirement benefits	(9,061)	40,933	49,994
Increase (decrease) in other long-term liabilities	21,673	35,266	13,593
Other	774	(14,370)	(15,144)
Net cash provided (used in) by operating activities	<u>¥1,089,190</u>	<u>¥1,242,476</u>	<u>¥ 153,286</u>

	Millions of yen		
	2008	2009	Increase (Decrease)
<b>Cash flows from investing activities:</b>			
Payments for property, plant and equipment	¥ (850,669)	¥ (727,184)	¥ 123,485
Proceeds from sale of property, plant and equipment	46,309	16,036	(30,273)
Payments for purchase of non-current investments	(66,044)	(52,245)	13,799
Proceeds from sale and redemption of non-current investments	38,899	16,148	(22,751)
Payments for purchase of short-term investments	(2,541)	(39,486)	(36,945)
Proceeds from redemption of short-term investments	4,494	16,128	11,634
Acquisition of intangibles and other assets	(320,496)	(298,134)	22,362
Net cash provided by (used in) investing activities	<u>(1,150,048)</u>	<u>(1,068,737)</u>	<u>81,311</u>
<b>Cash flows from financing activities:</b>			
Proceeds from issuance of long-term debt	395,173	368,174	(26,999)
Payments for settlement of long-term debt	(292,575)	(344,493)	(51,918)
Proceeds from issuance of short-term debt	2,327,475	2,167,618	(159,857)
Payments for settlement of short-term debt	(2,301,358)	(2,303,342)	(1,984)
Dividends paid	(61,375)	(72,780)	(11,405)
Proceeds from sale of (payments for acquisition of) treasury stock, net	(100,748)	23	100,771
Acquisition of treasury stocks by subsidiary	(51,848)	—	51,848
Other	(76,790)	(90,863)	(14,073)
Net cash provided by (used in) financing activities	<u>(162,046)</u>	<u>(275,663)</u>	<u>(113,617)</u>
Effect of exchange rate changes on cash and cash equivalents	(2,991)	1,581	4,572
Net increase (decrease) in cash and cash equivalents	(225,895)	(100,343)	125,552
Cash and cash equivalents at beginning of period	1,169,566	1,052,777	(116,789)
Cash and cash equivalents at end of period	<u>¥ 943,671</u>	<u>¥ 952,434</u>	<u>¥ 8,763</u>
<b>Cash paid during the period for:</b>			
Interest	¥ 31,306	¥ 29,490	¥ (1,816)
Income taxes, net	<u>¥ 261,362</u>	<u>¥ 288,524</u>	<u>¥ 27,162</u>

\* Certain items for the prior year's financial statements have been reclassified to conform to the presentation for the six months ended September 30, 2009.

**(4) Going Concern Assumption**

None

**(5) Business Segments****THREE-MONTH PERIOD ENDED SEPTEMBER 30**

## 1. Sales and operating revenues

	(Millions of yen)		
	Three months ended September 30, 2008	Three months ended September 30, 2009	Increase (Decrease)
<b>Regional communications business</b>			
Customers	867,435	848,503	(18,932)
Intersegment	145,810	128,425	(17,385)
Total	<u>1,013,245</u>	<u>976,928</u>	<u>(36,317)</u>
<b>Long-distance and international communications business</b>			
Customers	293,147	281,121	(12,026)
Intersegment	31,814	27,259	(4,555)
Total	<u>324,961</u>	<u>308,380</u>	<u>(16,581)</u>
<b>Mobile communications business</b>			
Customers	1,086,853	1,050,220	(36,633)
Intersegment	10,685	10,833	148
Total	<u>1,097,538</u>	<u>1,061,053</u>	<u>(36,485)</u>
<b>Data communications business</b>			
Customers	233,584	236,196	2,612
Intersegment	31,867	27,990	(3,877)
Total	<u>265,451</u>	<u>264,186</u>	<u>(1,265)</u>
<b>Other</b>			
Customers	89,986	79,179	(10,807)
Intersegment	201,609	184,962	(16,647)
Total	<u>291,595</u>	<u>264,141</u>	<u>(27,454)</u>
Elimination of intersegment	(421,785)	(379,469)	42,316
Consolidated total	<u>2,571,005</u>	<u>2,495,219</u>	<u>(75,786)</u>

## 2. Segment profit or loss

	(Millions of yen)		
	Three months ended September 30, 2008	Three months ended September 30, 2009	Increase (Decrease)
<b>Operating income (loss)</b>			
Regional communications business	29,526	34,622	5,096
Long-distance and international communications business	27,518	26,344	(1,174)
Mobile communications business	279,069	231,955	(47,114)
Data communications business	23,198	15,631	(7,567)
Other	9,220	(4,313)	(13,533)
Total	<u>368,531</u>	<u>304,239</u>	<u>(64,292)</u>
Elimination of intersegment	4,488	16,760	12,272
Consolidated total	<u>373,019</u>	<u>320,999</u>	<u>(52,020)</u>

**SIX-MONTH PERIOD ENDED SEPTEMBER 30**

## 1. Sales and operating revenues

	(Millions of yen)		
	Six months ended September 30, 2008	Six months ended September 30, 2009	Increase (Decrease)
Regional communications business			
Customers	1,725,745	1,682,317	(43,428)
Intersegment	282,607	255,346	(27,261)
Total	<u>2,008,352</u>	<u>1,937,663</u>	<u>(70,689)</u>
Long-distance and international communications business			
Customers	581,141	564,052	(17,089)
Intersegment	55,306	52,412	(2,894)
Total	<u>636,447</u>	<u>616,464</u>	<u>(19,983)</u>
Mobile communications business			
Customers	2,243,360	2,123,513	(119,847)
Intersegment	24,424	22,294	(2,130)
Total	<u>2,267,784</u>	<u>2,145,807</u>	<u>(121,977)</u>
Data communications business			
Customers	446,481	476,044	29,563
Intersegment	60,818	58,242	(2,576)
Total	<u>507,299</u>	<u>534,286</u>	<u>26,987</u>
Other			
Customers	167,866	152,182	(15,684)
Intersegment	391,325	373,164	(18,161)
Total	<u>559,191</u>	<u>525,346</u>	<u>(33,845)</u>
Elimination of intersegment	(814,480)	(761,458)	53,022
Consolidated total	<u>5,164,593</u>	<u>4,998,108</u>	<u>(166,485)</u>

## 2. Segment profit or loss

	(Millions of yen)		
	Six months ended September 30, 2008	Six months ended September 30, 2009	Increase (Decrease)
Operating income (loss)			
Regional communications business	40,700	50,698	9,998
Long-distance and international communications business	55,430	51,236	(4,194)
Mobile communications business	574,208	482,325	(91,883)
Data communications business	44,851	36,873	(7,978)
Other	23,407	6,861	(16,546)
Total	<u>738,596</u>	<u>627,993</u>	<u>(110,603)</u>
Elimination of intersegment	6,486	18,777	12,291
Consolidated total	<u>745,082</u>	<u>646,770</u>	<u>(98,312)</u>

## **(6) NTT Shareholders' Equity**

### **Dividends**

#### Cash dividends paid

Resolution	The shareholders' meeting on June 24, 2009
Class of shares	Common stock
Source of dividends	Retained earnings
Total cash dividends paid	¥72,780 million
Cash dividends per share	¥55
Date of record	March 31, 2009
Date of payment	June 25, 2009

#### Cash dividends declared

Resolution	The Board of Directors' meeting on November 9, 2009
Class of shares	Common stock
Source of dividends	Retained earnings
Total cash dividends declared	¥79,397 million
Cash dividends per share	¥60
Date of record	September 30, 2009
Date of payment	December 10, 2009

### **Significant Changes in NTT Shareholders' Equity**

None

(Reference)

## **NON-CONSOLIDATED FINANCIAL STATEMENTS**

### **(1) Non-Consolidated Balance Sheets**

(Based on accounting principles generally accepted in Japan)

	<b>Millions of yen</b>		
	<b>March 31,</b>	<b>September 30,</b>	<b>Increase</b>
	<b>2009</b>	<b>2009</b>	<b>(Decrease)</b>
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and bank deposits	7,695	10,361	2,666
Accounts receivable, trade	1,018	62	(956)
Supplies	317	254	(63)
Subsidiary deposits	57,000	126,000	69,000
Other current assets	496,096	289,636	(206,459)
Total current assets	<u>562,127</u>	<u>426,314</u>	<u>(135,813)</u>
<b>Fixed assets:</b>			
Property, plant and equipment	189,880	183,794	(6,086)
Intangible fixed assets	55,870	48,512	(7,357)
Investments and other assets			
Investments in subsidiaries and affiliated companies	4,794,244	4,794,219	(25)
Long-term loans receivable to subsidiaries	1,815,759	2,063,207	247,448
Other investments and assets	87,140	88,573	1,432
Total investments and other assets	<u>6,697,144</u>	<u>6,946,000</u>	<u>248,855</u>
Total fixed assets	<u>6,942,895</u>	<u>7,178,307</u>	<u>235,412</u>
TOTAL ASSETS	<u><u>7,505,022</u></u>	<u><u>7,604,621</u></u>	<u><u>99,598</u></u>

- Notes:
1. These quarterly financial statements are exempt from auditor's review in legal disclosure.
  2. These quarterly financial statements are prepared based on "Regulation for Terminology, Forms and Preparation of Quarterly Financial Statements."
  3. In the quarterly financial statements for the previous fiscal year, we presented "Investment securities" which includes "Investments in subsidiaries and affiliated companies" and "Long-term loans receivable" which includes "Long-term loans receivable to subsidiaries." However, from the quarterly financial statements for this fiscal year, we categorize these items individually and present the items which are material.

(Reference)

	Millions of yen		
	March 31, 2009	September 30, 2009	Increase (Decrease)
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable, trade	189	184	(5)
Current portion of corporate bonds	200,000	80,000	(120,000)
Current portion of long-term borrowings	186,264	115,684	(70,580)
Accrued taxes on income	146	20,273	20,126
Deposit received from subsidiaries	91,500	77,833	(13,667)
Other current liabilities	61,003	24,122	(36,880)
Total current liabilities	<u>539,104</u>	<u>318,097</u>	<u>(221,007)</u>
<b>Long-term liabilities:</b>			
Corporate bonds	1,340,906	1,570,945	230,038
Long-term borrowings	728,874	746,322	17,448
Liability for employees' retirement benefits	26,333	27,247	914
Other long-term liabilities	1,459	1,414	(45)
Total long-term liabilities	<u>2,097,573</u>	<u>2,345,929</u>	<u>248,356</u>
TOTAL LIABILITIES	<u>2,636,678</u>	<u>2,664,026</u>	<u>27,348</u>
<b>NET ASSETS</b>			
<b>Shareholders' equity:</b>			
Common stock	937,950	937,950	—
Capital surplus	2,673,843	2,673,822	(20)
Earned surplus	2,459,481	2,531,345	71,864
Treasury stock	(1,205,597)	(1,205,553)	43
Total shareholders' equity	<u>4,865,677</u>	<u>4,937,564</u>	<u>71,887</u>
Unrealized gains (losses), translation adjustments, and others:			
Net unrealized gains (losses) on securities	2,667	3,030	362
Total unrealized gains (losses), translation adjustments, and others	<u>2,667</u>	<u>3,030</u>	<u>362</u>
TOTAL NET ASSETS	<u>4,868,344</u>	<u>4,940,594</u>	<u>72,249</u>
TOTAL LIABILITIES AND NET ASSETS	<u>7,505,022</u>	<u>7,604,621</u>	<u>99,598</u>

- Notes:
1. These quarterly financial statements are exempt from auditor's review in legal disclosure.
  2. These quarterly financial statements are prepared based on "Regulation for Terminology, Forms and Preparation of Quarterly Financial Statements."
  3. In the quarterly financial statements for the previous fiscal year, we presented "Current portion of long-term borrowings" which includes "Current portion of long-term loans payable – subsidiary" and "Long-term borrowings" which includes "Long-term loans payable – subsidiary." However, from the quarterly financial statements for this fiscal year, we categorize these items individually and present the items which are material.

(Reference)

**(2) Non-Consolidated Statements of Income**

**SIX-MONTH PERIOD ENDED SEPTEMBER 30**

(Based on accounting principles generally accepted in Japan)

	<u>Millions of yen</u>		
	<u>2008</u>	<u>2009</u>	<u>Increase (Decrease)</u>
<b>Operating revenues</b>	208,102	218,447	10,344
<b>Operating expenses</b>	79,627	73,873	(5,753)
<b>Operating income</b>	128,475	144,573	16,098
<b>Non-operating revenues:</b>			
Interest income	18,455	16,777	(1,677)
Lease and rental income	6,026	5,815	(211)
Miscellaneous income	1,201	2,040	839
Total non-operating revenues	25,682	24,633	(1,048)
<b>Non-operating expenses:</b>			
Interest expenses	6,971	6,066	(905)
Corporate bond interest expenses	12,156	12,312	155
Miscellaneous expenses	3,743	4,093	350
Total non-operating expenses	22,872	22,471	(400)
<b>Recurring profit</b>	131,285	146,735	15,449
<b>Income before income taxes</b>	131,285	146,735	15,449
Income taxes	1,411	2,090	679
<b>Net income</b>	129,874	144,644	14,769

(Reference) Major components of operating revenues

Dividends received	126,674	139,959	13,284
Revenues from group management	9,300	9,175	(125)
Revenues from basic R&D	63,499	63,499	0

- Notes: 1. These quarterly financial statements are exempt from auditor's review in legal disclosure.  
2. These quarterly financial statements are prepared based on "Regulation for Terminology, Forms and Preparation of Quarterly Financial Statements."

(Reference)

**THREE-MONTH PERIOD ENDED SEPTEMBER 30**

(Based on accounting principles generally accepted in Japan)

	Millions of yen		
	2008	2009	Increase (Decrease)
<b>Operating revenues</b>	41,012	39,446	(1,566)
<b>Operating expenses</b>	43,404	37,188	(6,216)
<b>Operating income (losses)</b>	(2,391)	2,258	4,649
<b>Non-operating revenues:</b>			
Interest income	9,096	8,215	(880)
Lease and rental income	3,062	2,907	(154)
Miscellaneous income	877	248	(628)
Total non-operating revenues	13,035	11,371	(1,664)
<b>Non-operating expenses:</b>			
Interest expenses	3,435	2,839	(595)
Corporate bond interest expenses	6,013	6,186	172
Miscellaneous expenses	1,609	1,842	233
Total non-operating expenses	11,058	10,867	(190)
<b>Recurring profit (losses)</b>	(414)	2,762	3,176
<b>Income (losses) before income taxes</b>	(414)	2,762	3,176
Income taxes	(139)	711	850
<b>Net income (losses)</b>	(274)	2,050	2,325

(Reference) Major components of operating revenues

Dividends received	80	480	400
Revenues from group management	4,649	4,587	(62)
Revenues from basic R&D	31,749	31,749	0

- Notes: 1. These quarterly financial statements are exempt from auditor's review in legal disclosure.  
2. These quarterly financial statements are prepared based on "Regulation for Terminology, Forms and Preparation of Quarterly Financial Statements."

(Reference)

**(3) Non-Consolidated Statements of Cash Flows**

**SIX-MONTH PERIOD ENDED SEPTEMBER 30**

(Based on accounting principles generally accepted in Japan)

	Millions of yen		
	2008	2009	Increase (Decrease)
<b>Cash flows from operating activities:</b>			
Income before income taxes	131,285	146,735	15,449
Depreciation and amortization	22,677	23,505	827
Loss on disposal of property, plant and equipment	200	332	132
Dividends received	(126,674)	(139,959)	(13,284)
Increase (decrease) in liability for employees' retirement benefits	914	914	0
(Increase) decrease in accounts receivable	22,673	491	(22,182)
Increase (decrease) in accounts payable and accrued expenses	(41,193)	(31,917)	9,275
Increase (decrease) in accrued consumption tax	16	436	420
(Increase) decrease in other current assets	(1,279)	(820)	458
(Increase) decrease in subsidiary deposits	—	(14,000)	(14,000)
Increase (decrease) in deposit received from subsidiaries	23,972	(13,667)	(37,639)
Other	3,219	(563)	(3,782)
Sub-total	<u>35,811</u>	<u>(28,513)</u>	<u>(64,325)</u>
Interest and dividends received	145,718	157,055	11,336
Interest paid	(19,726)	(18,627)	1,099
Income taxes received (paid)	15,806	30,582	14,775
Net cash provided by (used in) operating activities	<u>177,610</u>	<u>140,496</u>	<u>(37,114)</u>
<b>Cash flows from investing activities:</b>			
Payments for property, plant and equipment	(27,498)	(15,681)	11,816
Proceeds from sale of property, plant and equipment	395	—	(395)
Payments for purchase of investment securities	(2,498)	(1,392)	1,105
Proceeds from sale of investment securities	30	971	940
Payments for long-term loans	(120,000)	(310,000)	(190,000)
Proceeds from long-term loans receivable	253,649	253,132	(517)
Other	(64)	159	223
Net cash provided by (used in) investing activities	<u>104,013</u>	<u>(72,810)</u>	<u>(176,824)</u>
<b>Cash flows from financing activities:</b>			
Proceeds from issuance of long-term debt	120,000	309,966	189,966
Payments for settlement of long-term debt	(253,649)	(253,132)	517
Net increase (decrease) in short-term borrowings	10,000	—	(10,000)
Payments for settlement of lease obligations	(64)	(54)	10
Dividends paid	(61,374)	(72,780)	(11,405)
Proceeds from sale of (payments for acquisition of) treasury stock, net	(100,746)	23	100,769
Net cash provided by (used in) financing activities	<u>(285,835)</u>	<u>(15,977)</u>	<u>269,857</u>
Net increase (decrease) in cash and cash equivalents	<u>(4,210)</u>	<u>51,708</u>	<u>55,918</u>
Cash and cash equivalents at beginning of period	<u>77,341</u>	<u>94,208</u>	<u>16,866</u>
Cash and cash equivalents at end of period	<u>73,131</u>	<u>145,916</u>	<u>72,784</u>

- Notes: 1. These quarterly financial statements are exempt from auditor's review in legal disclosure.  
2. These quarterly financial statements are prepared based on "Regulation for Terminology, Forms and Preparation of Quarterly Financial Statements."

[Note]

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

## NTT's Shares and Shareholders (as of September 30, 2009)

## 1. Classification of Shareholders

Details	NTT's Shares and Shareholders (1 unit = 100 shares)								Shares Representing Less Than One Unit
	Government and Public Bodies	Financial Institutions	Securities Firms	Other Domestic Corporations	Foreign Corporations, etc.		Domestic Individuals, etc.	Total	
Total Holders	4	339	74	8,568	1,162	988	1,005,043	1,016,178	—
Total Shares (Units)	5,305,906	2,303,163	86,196	180,361	2,960,460	6,378	4,878,489	15,720,953	2,025,600
%	33.75	14.65	0.55	1.15	18.83	0.04	31.03	100.00	—

- Notes: 1. "Domestic Individuals, etc." includes 2,508,382 units of treasury stock, and "Shares Representing Less Than One Unit" includes 21 shares of treasury stock. 250,838,221 shares of treasury stock represents the number of shares of treasury stock recorded in the shareholders' register; the actual number of treasury stock shares at the end of September 30, 2009 was 250,837,921.
2. "Other Domestic Corporations" includes 169 units under the name of the Japan Securities Depository Center, and "Shares Representing Less Than One Unit" includes 72 shares under the name of the Japan Securities Depository Center.
3. The number of shareholders who only own shares representing less than one unit is 241,455.

## 2. Classification by Number of Shares

Details	NTT's Shares and Shareholders (1 unit = 100 shares)								Shares Representing Less Than One Unit
	At Least 1,000 Units	At Least 500 Units	At Least 100 Units	At Least 50 Units	At Least 10 Units	At Least 5 Units	At Least 1 Unit	Total	
Number of Holders	410	175	945	1,114	26,654	63,715	923,165	1,016,178	—
%	0.04	0.02	0.09	0.11	2.62	6.27	90.85	100.00	—
Total Shares (Units)	13,114,104	125,051	193,871	72,242	407,745	386,399	1,421,541	15,720,953	2,025,600
%	83.42	0.80	1.23	0.46	2.59	2.46	9.04	100.00	—

- Notes: 1. "At Least 1,000 Units" includes 2,508,382 units of treasury stock, and "Shares Representing Less Than One Unit" includes 21 shares of treasury stock.
2. "At Least 100 Units" includes 169 units under the name of the Japan Securities Depository Center, and "Shares Representing Less Than One Unit" includes 72 shares under the name of the Japan Securities Depository Center.

## 3. Principal Shareholders

Name	Share Holdings (in thousands of shares)	Percent of Total Shares Issued (%)
The Minister of Finance	530,570	33.71
Japan Trustee Services Bank, Ltd. (Trust Account)	59,860	3.80
The Master Trust Bank of Japan, Ltd. (Trust Account)	39,160	2.49
Moxley and Company	33,717	2.14
Japan Trustee Services Bank, Ltd. (Trust Account 9)	16,703	1.06
NTT Employee Share-Holding Association	11,815	0.75
State Street Bank and Trust Company 505225	11,334	0.72
The Chase Manhattan Bank, N.A. London Secs Lending Omnibus Account	10,821	0.68
Mellon Bank, N.A. As Agent For Its Client Mellon Omnibus US Pension	9,725	0.62
SSBT OD05 Omnibus Account China Treaty Clients	9,293	0.59
Total	773,002	46.57

Note: The Company's holdings of treasury stock (250,837,921 shares) are not included in the above table.



**Financial Results for the Six Months  
Ended September 30, 2009**

November 9, 2009

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

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

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

\*\*\* "2Q" in this material represents the 6-month period beginning on April 1 and ending on September 30.

## FY2009/2Q Highlights and Forecasts



- **Operating Income : 646.8 billion yen (decrease of 98.3 billion yen from FY2008/2Q) .**
- **Progress compared to FY2009 Forecasts is 58.3%, therefore Operating Income is maintained in accordance with the Forecast.**
- **FY2009 Revised Forecasts : Operating Income remains about the same as FY2009 Initial Forecasts.**

	FY2009/2Q		FY2008/2Q	
	Change year-on-year	[%]		
Operating Revenues	4,998.1	(166.5)	(3.2)%	5,164.6
Operating Expenses	4,351.3	(68.2)	(1.5)%	4,419.5
Operating Income	646.8	(98.3)	(13.2)%	745.1
Net Income	282.2	(124.1)	(30.5)%	406.4

	FY2009 Revised Forecasts		FY2009 Initial Forecasts	% progress compared to FY2009 Revised Forecasts
	Change from the initial forecasts			
	10,170.0	(130.0)	10,300.0	49.1%
	9,060.0	(130.0)	9,190.0	48.0%
	1,110.0	0.0	1,110.0	58.3%
	460.0	0.0	460.0	61.4%

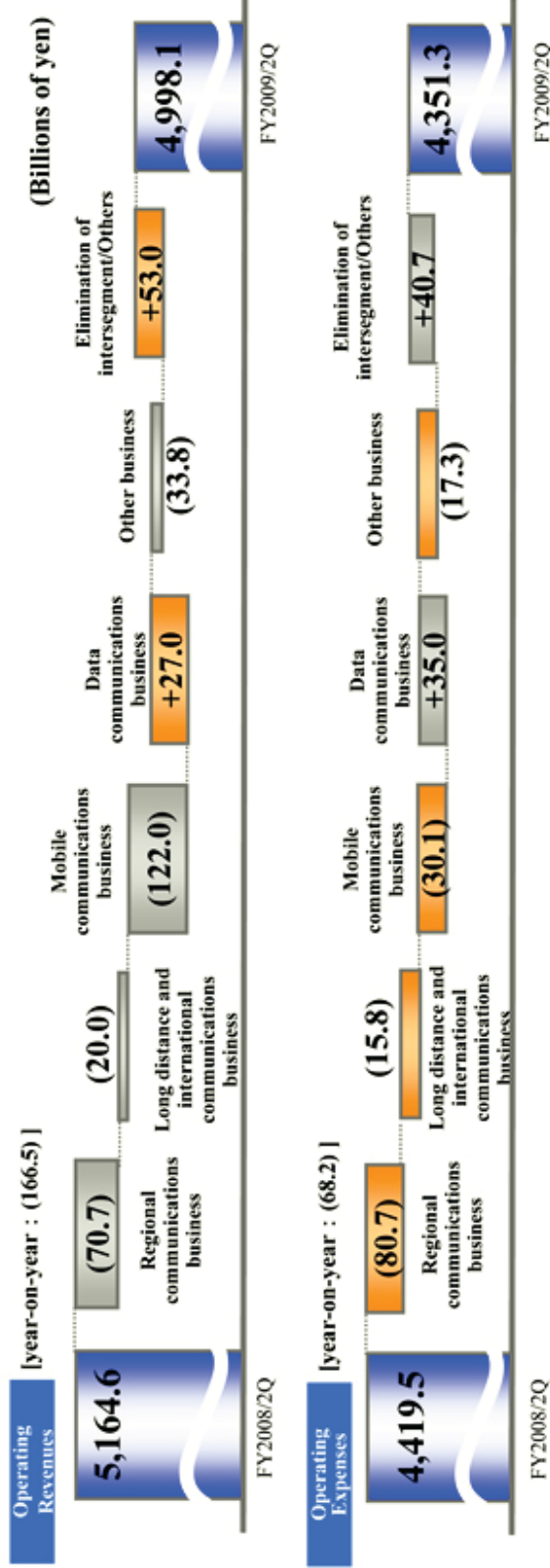
(Billions of yen)

\* Net income for FY2009 and FY2009/2Q represents net income attributable to NTT.

# FY2009/2Q Contributing Factors by Segment

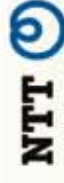


- Decrease in Operating Revenues and Operating Income in the mobile communications business greatly affected the consolidated results.
- Regional communications business: Increased in the Operating Income.



Operating Income	FY2008/2Q	FY2009/2Q
Regional communications business	+10.0	+12.3
Long distance and international communications business	(4.2)	(16.5)
Mobile communications business	(91.9)	(8.0)
Data communications business		
Other business		
Elimination of intersegment/Others		
<b>FY2008/2Q</b>	<b>745.1</b>	<b>646.8</b>
<b>FY2009/2Q</b>		

## Major Subsidiaries' Forecasts for FY2009



- Operating Income of the five major subsidiaries' forecasts for FY2009 remains about the same as FY2009 Initial Forecasts.
- NTT East, NTT West and NTT DOCOMO's revised FY2009 Forecasts retain the same amounts for Operating Revenues and Operating Expenses.

(Billions of yen)

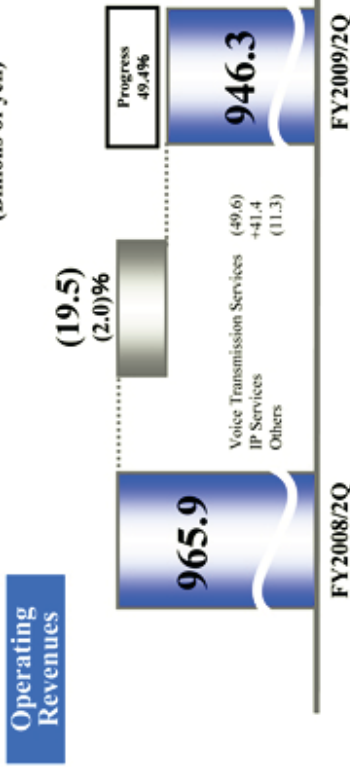
	NTT East <small>Not Consolidated (JPY/GBP)</small>		NTT West <small>Not Consolidated (JPY/GBP)</small>		NTT Com <small>Not Consolidated (JPY/GBP)</small>		NTT DATA <small>Consolidated (JPY/GBP)</small>		NTT DOCOMO <small>Consolidated (JPY/GBP)</small>	
	FY2009 Revised Forecasts	Change from the initial forecasts	FY2009 Revised Forecasts	Change from the initial forecasts	FY2009 Revised Forecasts	Change from the initial forecasts	FY2009 Revised Forecasts	Change from the initial forecasts	FY2009 Revised Forecasts	Change from the initial forecasts
Operating Revenues	1,915.0	(10.0)	1,767.0	(12.0)	1,082.0	0.0	1,170.0	0.0	4,276.0	(106.0)
Operating Expenses	1,875.0	(10.0)	1,762.0	(12.0)	992.0	0.0	1,080.0	0.0	3,446.0	(106.0)
Operating Income	40.0	0.0	5.0	0.0	90.0	0.0	90.0	0.0	830.0	0.0

# NTT East Financial Results



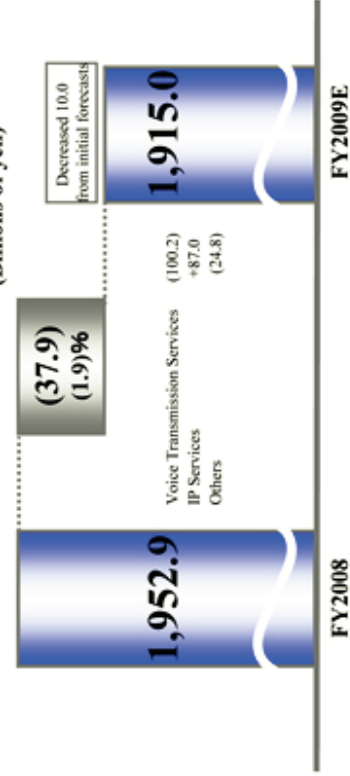
## FY2009/2Q

(Billions of yen)

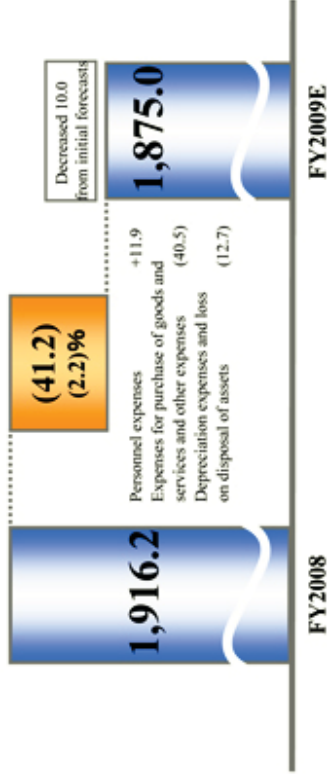


## FY2009E

(Billions of yen)



## Operating Expenses



## Operating Income



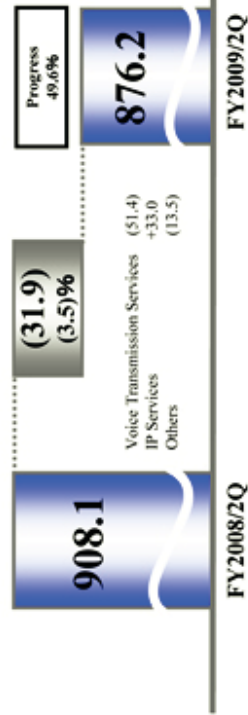
# NTT West Financial Results



## FY2009/2Q

(Billions of yen)

### Operating Revenues



### Operating Expenses



### Operating Income



## FY2009E

(Billions of yen)



### Operating Expenses



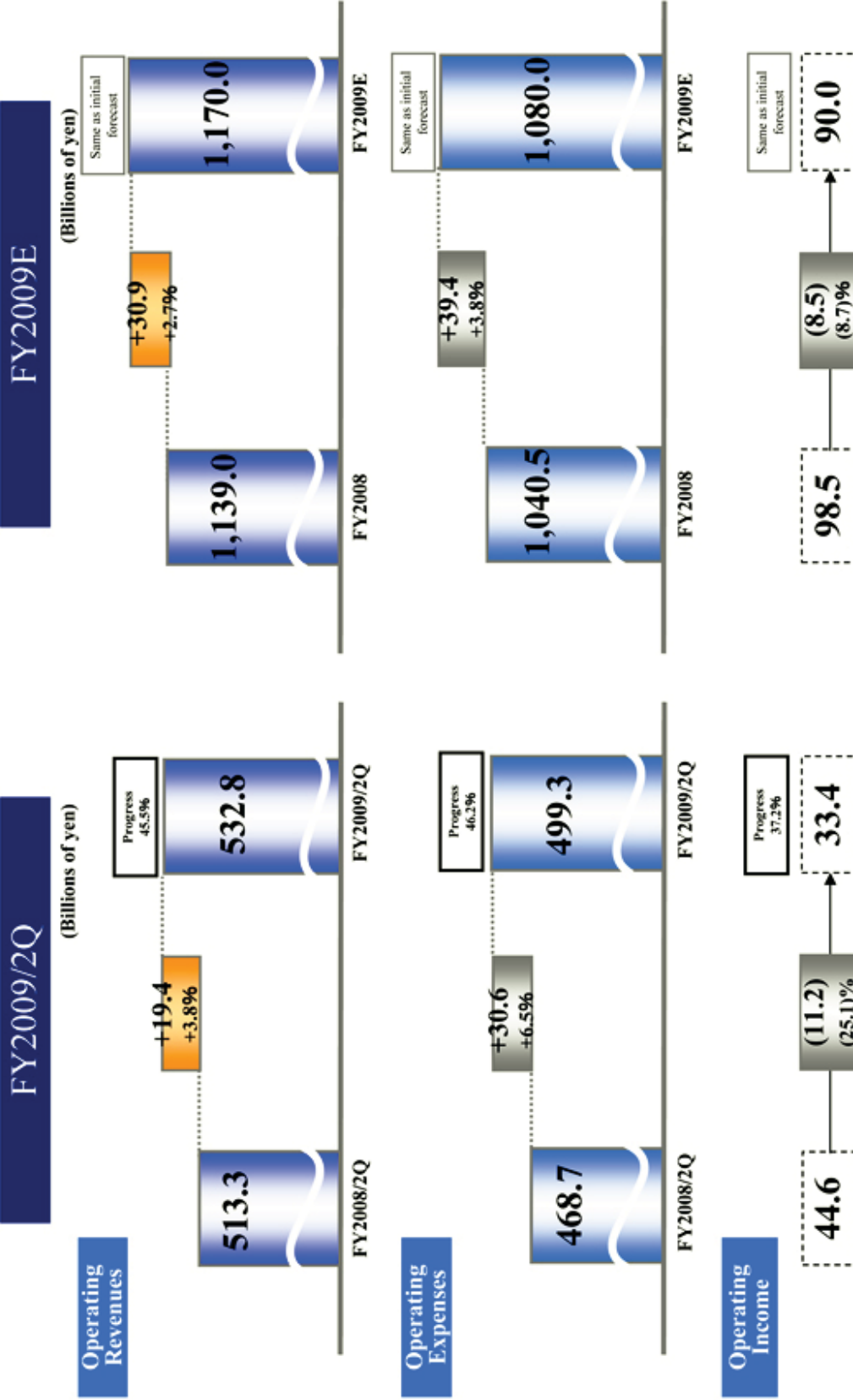
### Operating Income



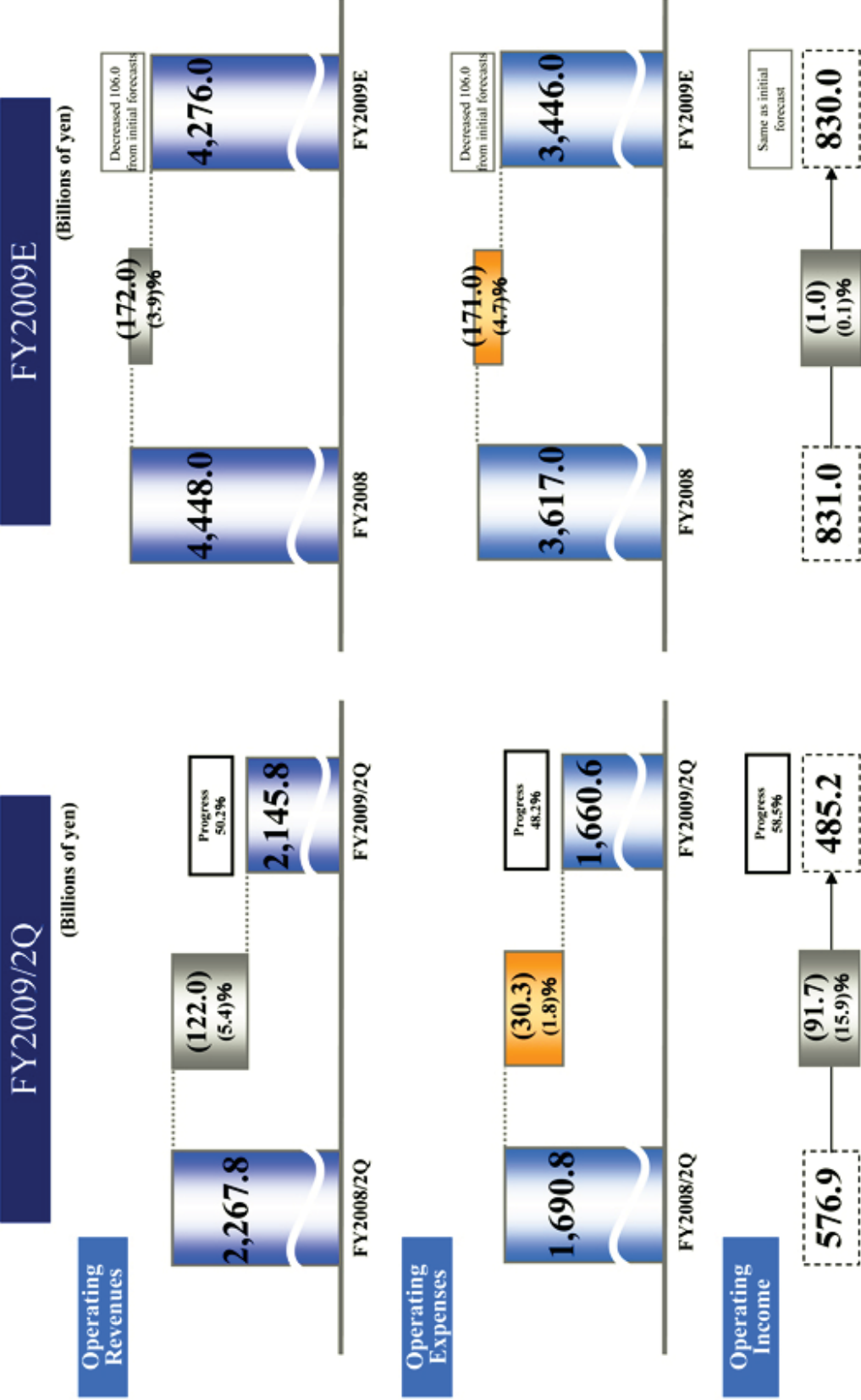
# NTT Com Financial Results



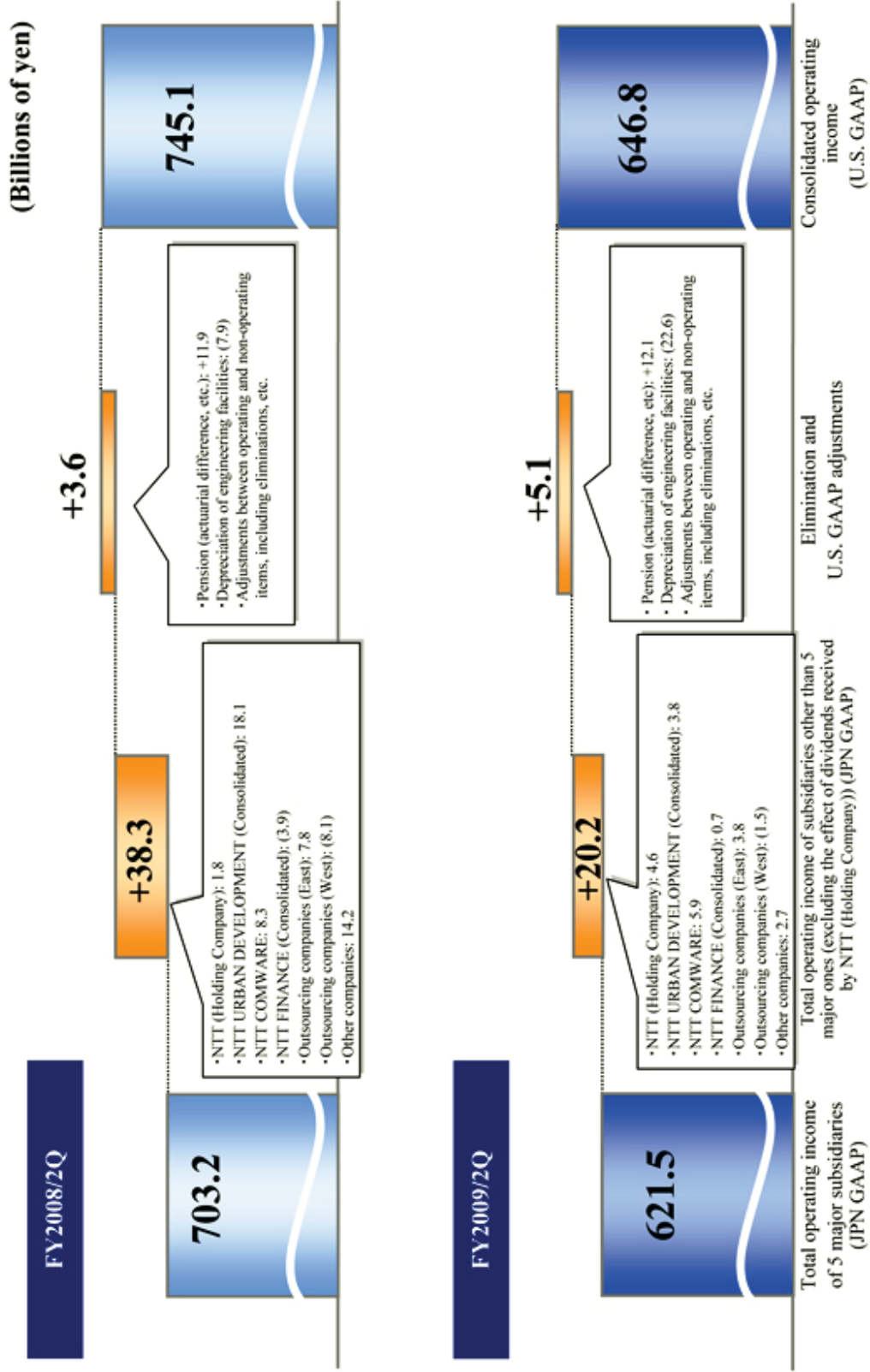
# NTT DATA Financial Results



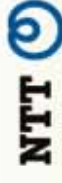
# NTT DOCOMO Financial Results



# Details of Difference Between Consolidated Operating Income and Total Operating Income of 5 Major Subsidiaries

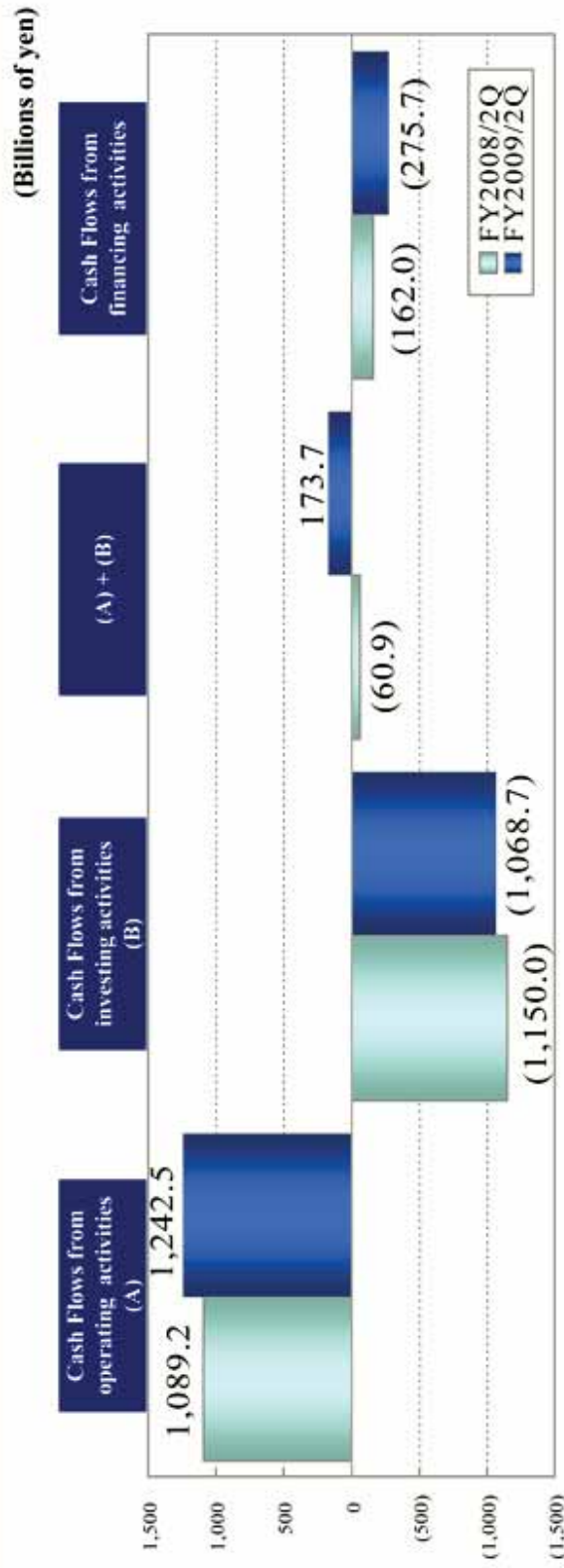


## Details of Consolidated Cash Flows



### <FY2009/2Q>

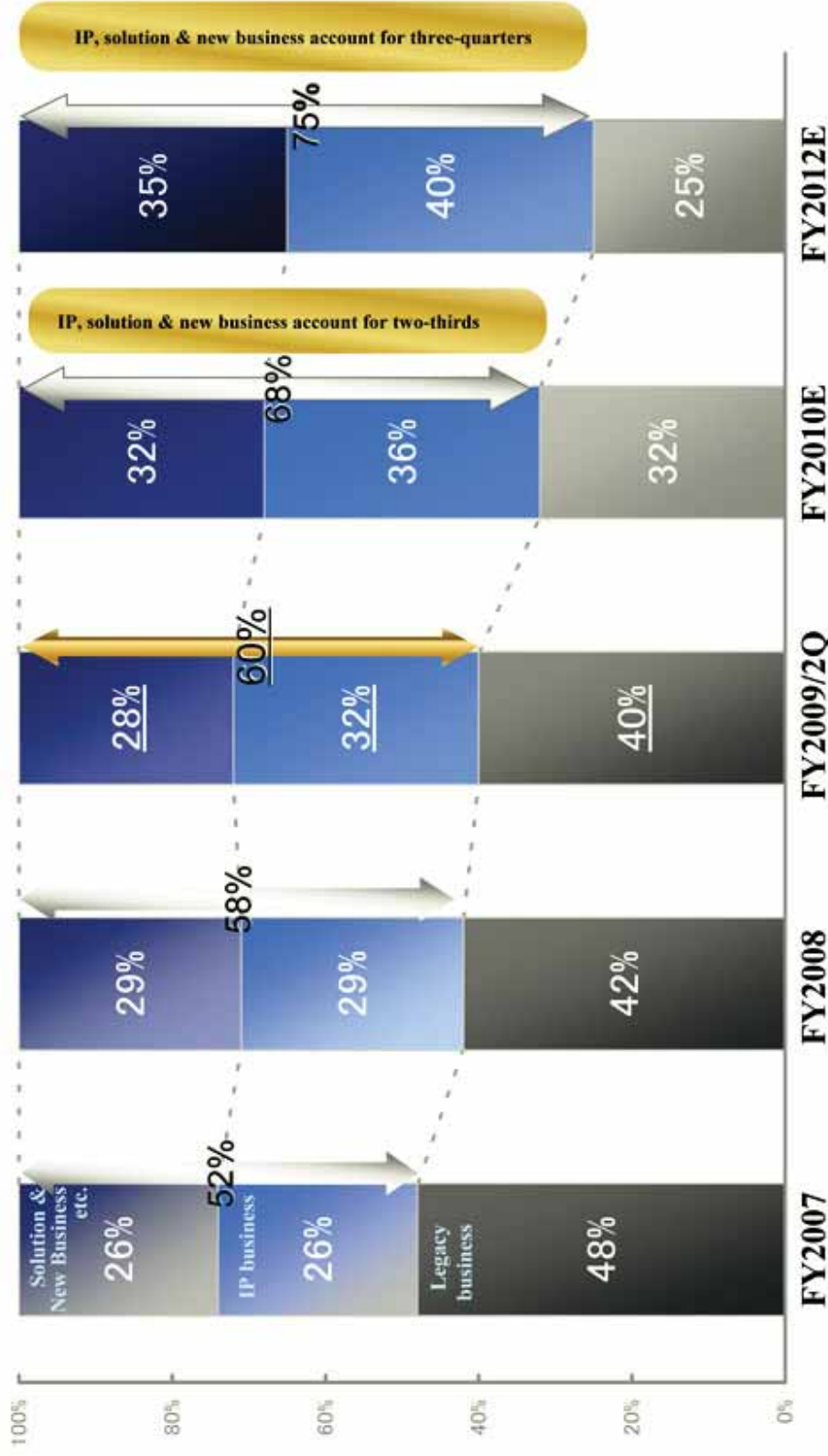
- Cash Flows from operating activities : increase year-on-year by 14.1% (+153.3 billion yen)
  - Decrease in accounts receivable due to the debt collection of mobile handsets (+80.4 billion yen)
  - The effect of temporary payments in FY2008/2Q (review of secondment policies and others)
    - Accounts payable, trade and accrued payroll (+60.7 billion yen) and liability for employees' retirement benefits (+50.0 billion yen)
- Cash Flows from investing activities : outlays decrease year-on-year by 7.1% (+81.3 billion yen)
  - decrease in payments for purchase of property, plant and equipment (123.5 billion yen)
  - decrease in proceeds from sale of property, plant and equipment ((30.3) billion yen)
- Cash Flows from financing activities: outlays increase year-on-year by 70.1% ((113.6) billion yen)
  - decrease in capital procurement, increase in payments for settlement of debt ((240.8) billion yen)
  - decrease in payments for acquisition of treasury stock in FY2008/2Q (+100.8 billion yen)



# Transformation of Business Structure



## Consolidated Revenue Composition Image

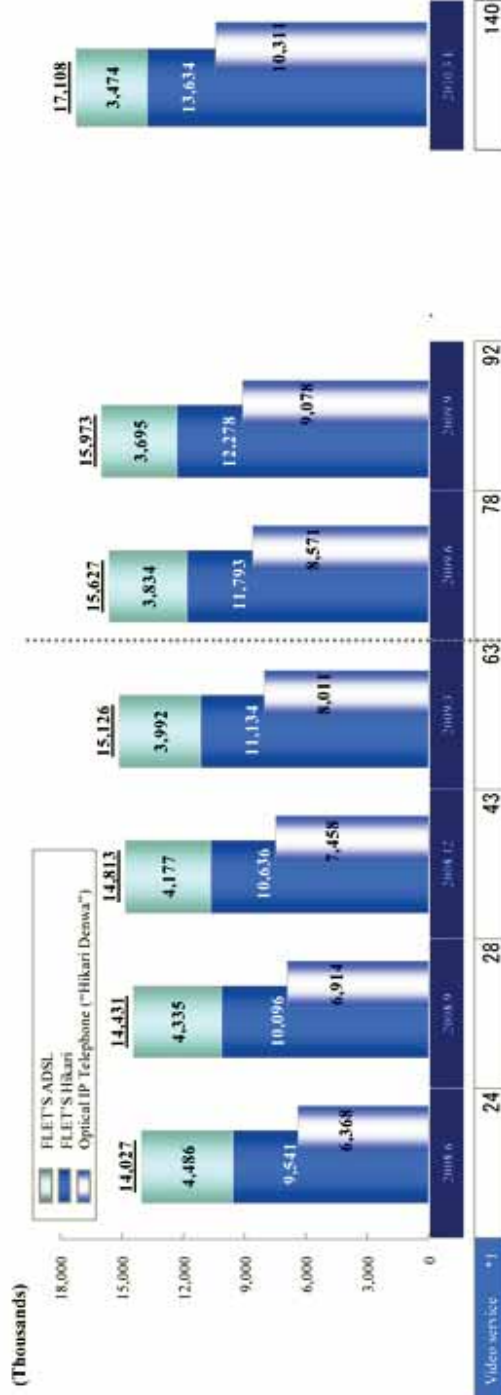


## Operation Data

# Number of Subscribers for Broadband Access Services



## Number of subscribers



## Change from the preceding quarter

	FY2008		FY2009		FY2008	FY2009 E.
	4-6	7-9	10-12	1-3	4-6	7-9
FLET'S Hikari *2	763	556	539	499	2,357	2,500
# of opened connections *3	1,025	806	807	877	3,516	3,880
FLET'S ADSL	(170)	(151)	(157)	(185)	(664)	(518)
Optical IP Telephone ("Hikari Denwa") *4	643	546	544	553	2,285	2,300

\*1. Number of Video service includes HIKARI TV and FLET'S TV.

\*2. Number of FLET'S Hikari includes B FLET'S and FLET'S Hikari Next provided by NTT East and B FLET'S, FLET'S Hikari Premium, FLET'S Hikari Mytown, and FLET'S Hikari Next provided by NTT West.

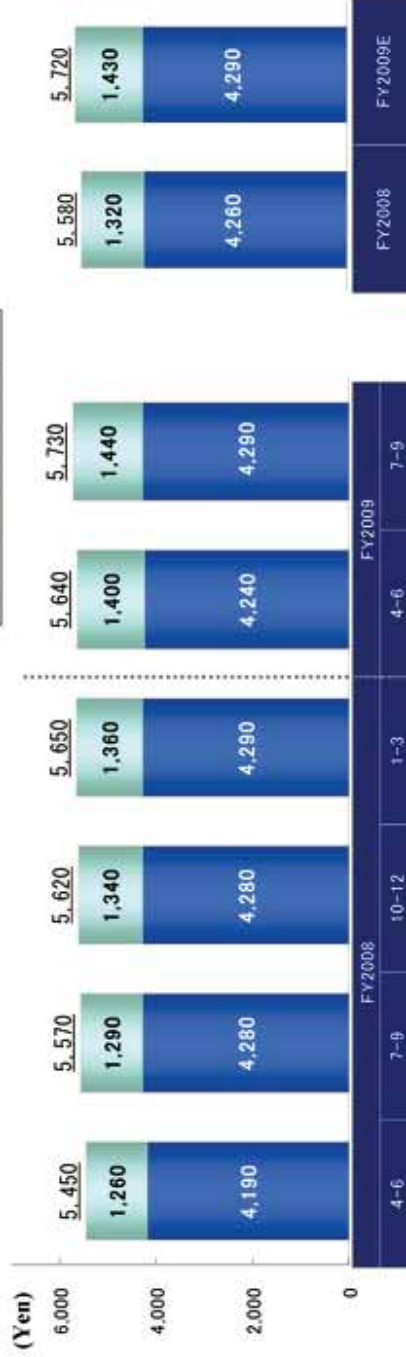
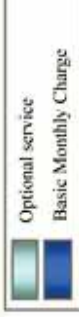
\*3. Number of opened connections excludes openings due to relocations.

\*4. Number of Optical IP Telephone Services is calculated by number of thousand channels.

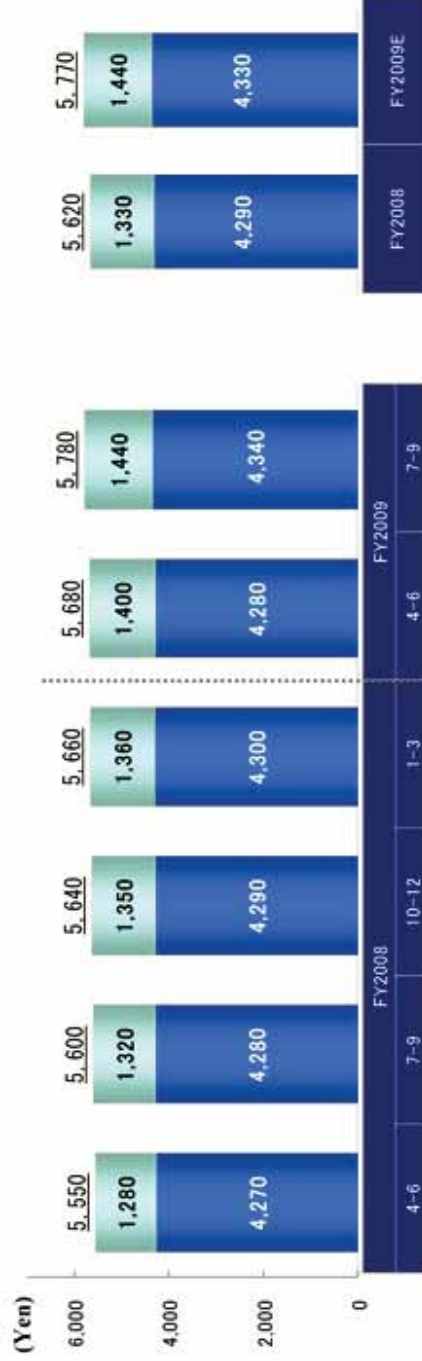
# ARPU of FLET'S Hikari



## NTT East



## NTT West



• Number of FLET'S Hikari includes B FLET'S and FLET'S Hikari Next provided by NTT East and B FLET'S, FLET'S Hikari Premium, FLET'S Hikari Mytown and FLET'S Hikari Next provided by NTT West. Commencing in the fiscal year ending March 31, 2010, NTT East and NTT West have begun including in their FLET'S Hikari ARPU calculation revenues from the "Remote Support Service" option, which are part of their operating revenues from supplementary business. Please see page 24 regarding the calculation of ARPU.

# Number of Subscribers for Fixed-line Telephone Services



**Change from the preceding quarter**

	FY2008				FY2009		
	4-6	7-9	10-12	1-3	4-6	7-9	
Telephone Subscriber Lines	(837)	(764)	(749)	(909)	(812)	(741)	(3,259)
ISDN	(171)	(164)	(165)	(190)	(179)	(159)	(602)
Total	(1,008)	(928)	(914)	(1,099)	(991)	(900)	(3,810)

(Thousands)

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

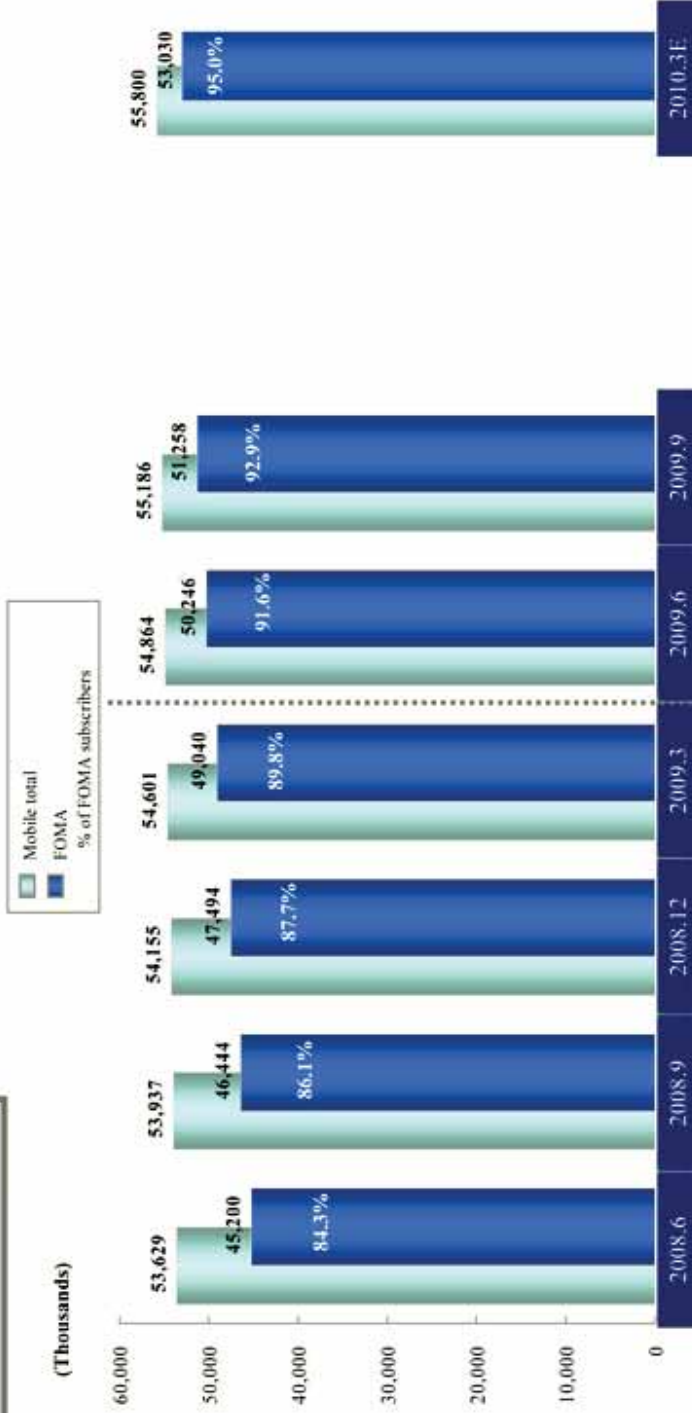
\*2. In terms of number of channels, transmission rate and line use rate (base rate), INS-Net 1500 is in all cases roughly ten times greater than INS-Net 64. For this reason, one INS-Net 1500 subscription is calculated as ten INS-Net 64 subscriptions (INS-Net 64 Lite Plan is included).



# Number of Subscribers for Mobile Phones



Number of subscribers



Change from the preceding quarter

	FY2008			FY2009		
	7-9	10-12	1-3	4-6	7-9	1-3
Mobile total *	241	308	218	446	263	322
FOMA**	1,251	1,244	1,050	1,546	1,206	1,012

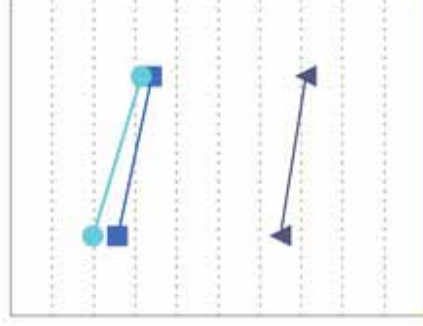
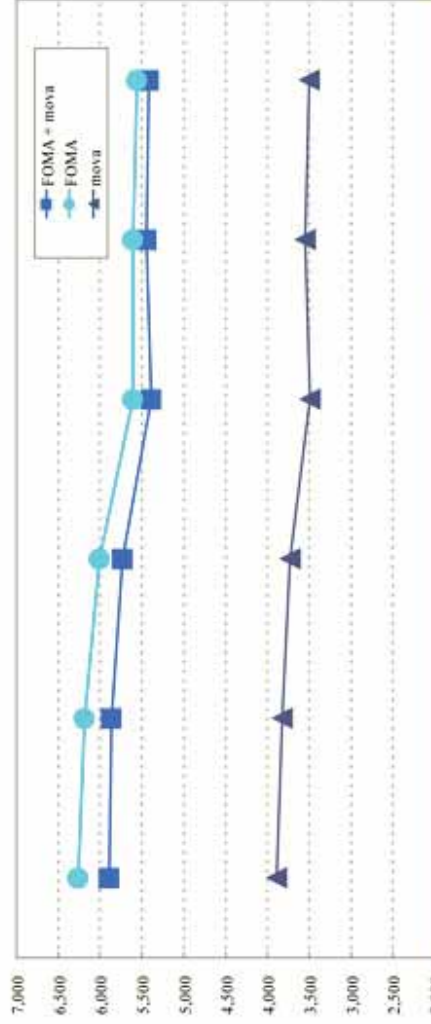
\*The number of communication module service subscribers is included in total mobile phone subscribers.

\*\*Partial listing only

# ARPU of Mobile Services (FOMA + mova)



(Yen)



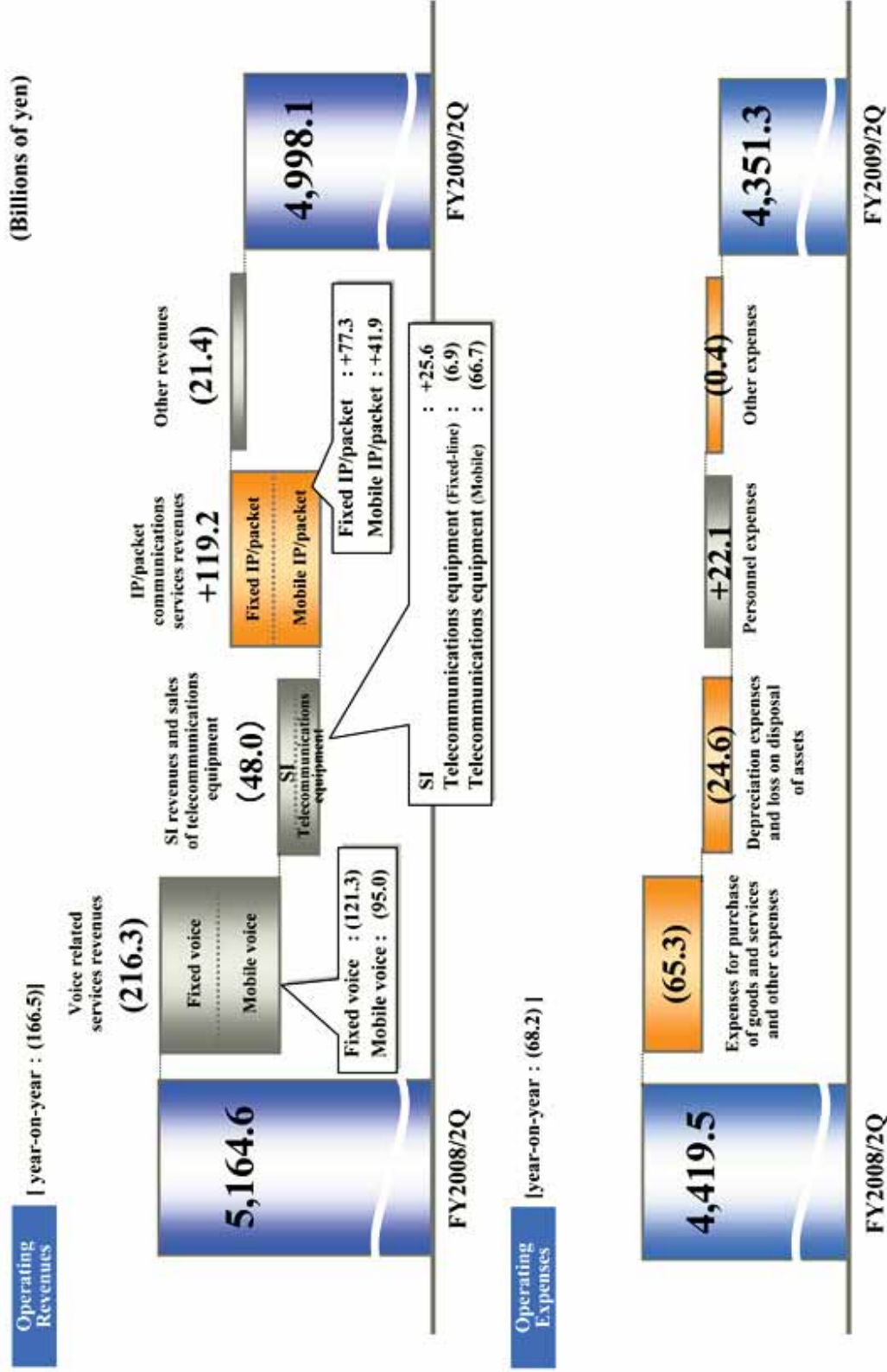
	FY2008			FY2009		
	4-6	7-9	10-12	1-3	4-6	7-9
FOMA + mova	5,890	5,860	5,730	5,390	5,440	5,420
FOMA	6,260	6,180	6,000	5,610	5,610	5,560
mova	3,890	3,820	3,730	3,490	3,550	3,500

	FY2008	FY2009 E
FOMA + mova	5,710	5,300
FOMA	6,010	5,420
mova	3,750	3,440

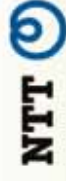
\* Communication module service subscribers and the revenues thereof are not included in the calculation of mobile phone ARPU. Please see page 24 regarding the calculation of ARPU

## Appendices

# FY2009/2Q Details of Financial Results (Per Item)



# Details of Consolidated Balance Sheet



March 31, 2009

(Billions of yen)

September 30, 2009

18,796.4

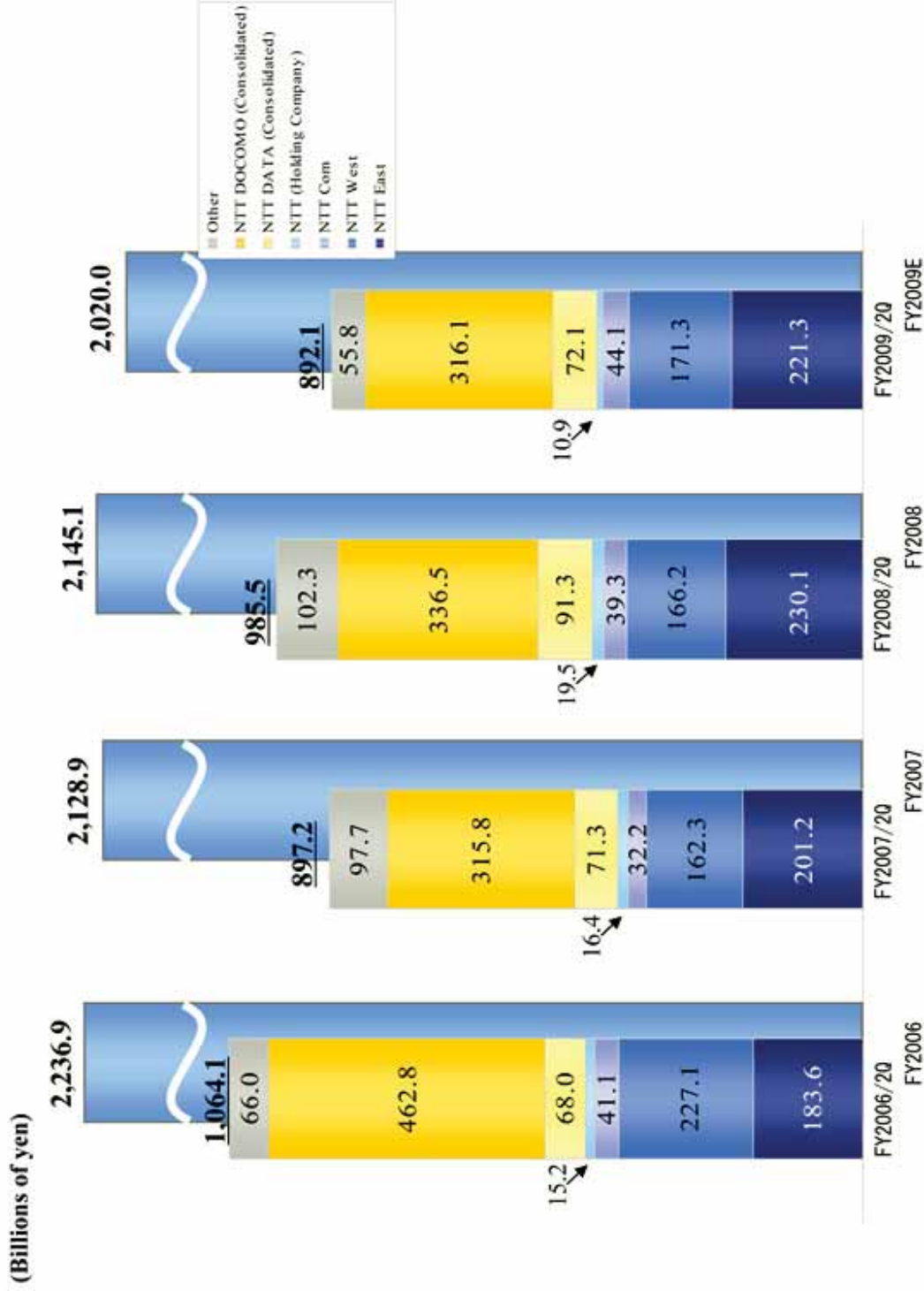
18,546.9

<b>Assets</b> 18,796.4  Depreciable Assets (property, plant and equipment)  8,784.6  Deferred Tax Assets (non-current) 871.3	<b>Liabilities</b> 9,650.8  Interest-Bearing Debt 4,899.3  Liability for Employees' Retirement Benefits 1,639.8	<b>Equity</b> 9,145.6  Treasury Stock (1,205.6)
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<b>Assets</b> 18,546.9 [(249.5)]  Depreciable Assets (property, plant and equipment)  8,648.1 [(136.4)]  Deferred Tax Assets (non-current) 878.4 [+7.2]	<b>Liabilities</b> 9,073.7 [(577.0)]  Interest-Bearing Debt 4,731.4 [(167.9)]  Liability for Employees' Retirement Benefits 1,658.4 [+18.6]	<b>Equity</b> 9,473.2 [+327.5]  Treasury Stock (1,205.6) [+0.0]
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\*Equity includes the noncontrolling interest (minority interest).

# Capital Investment



# Consolidated and Main Subsidiaries' Financial Results



(Billions of yen)

FY 2009/2Q	NTT Consolidated <sup>*1</sup> (U.S. GAAP)	NTT (Holding Company) Non-Consolidated (JPN. GAAP)	NTT East Non-Consolidated (JPN. GAAP)	NTT West Non-Consolidated (JPN. GAAP)	NTT Com Non-Consolidated (JPN. GAAP)	NTT DATA Consolidated (JPN. GAAP)	NTT DOCOMO Consolidated (U.S. GAAP)
Operating Revenues	4,998.1	218.4	946.3	876.2	532.5	532.8	2,145.8
Change year-on-year (% change)	(166.5) (3.2)%	10.3 5.0%	(19.5) (2.0)%	(31.9) (3.5)%	(24.1) (4.3)%	19.4 3.8%	(122.0) (5.4)%
Operating Expenses	4,351.3	73.8	914.1	858.5	479.7	499.3	1,660.6
Change year-on-year (% change)	(68.2) (1.5)%	(5.7) (7.2)%	(31.2) (3.3)%	(43.0) (4.8)%	(22.5) (4.5)%	30.6 6.5%	(30.3) (1.8)%
Operating Income	646.8	144.5	32.2	17.6	52.8	33.4	485.2
Change year-on-year (% change)	(98.3) (13.2)%	16.0 12.5%	11.6 56.6%	11.1 168.7%	(1.5) (2.9)%	(11.2) (25.1)%	(91.7) (15.9)%
Income Before Income Taxes <sup>**2</sup>	643.6	146.7	44.2	24.7	61.9	30.3	479.9
Change year-on-year (% change)	(127.6) (16.5)%	15.4 11.8%	(0.0) (0.1)%	10.5 74.1%	(3.8) (5.8)%	(12.9) (29.9)%	(80.3) (14.3)%
Net Income	282.2 <sup>**3</sup>	144.6	33.9	20.0	36.5	15.2	284.7 <sup>**4</sup>
Change year-on-year (% change)	(124.1) (30.5)%	14.7 11.4%	(10.1) (23.0)%	9.2 85.8%	(19.5) (34.9)%	(7.5) (33.0)%	(61.9) (17.9)%

\*1. The number of consolidated subsidiaries is 496 and the number of companies accounted for under the equity method is 84.

\*2. "Income Before Income Taxes" for NTT (Holding Company), NTT East, NTT West, NTT Com and NTT DATA represents their recurring profits.

\*3. "Net Income" for NTT Consolidated represents "Net income attributable to NTT".

\*4. "Net Income" for NTT DOCOMO represents "Net income attributable to NTT DOCOMO".

# Consolidated and Main Subsidiaries' FY2009 Financial Results Forecasts



(Billions of yen)

FY 2009E	NTT Consolidated (U.S. GAAP)	NTT (Holding Company) Non-Consolidated (JPS GAAP)	NTT East Non-Consolidated (JPS GAAP)	NTT West Non-Consolidated (JPS GAAP)	NTT Com Non-Consolidated (JPS GAAP)	NTT DATA Consolidated (JPS GAAP)	NTT DOCOMO Consolidated (U.S. GAAP)
<b>Operating Revenues</b>	<b>10,170.0</b>	<b>379.0</b>	<b>1,915.0</b>	<b>1,767.0</b>	<b>1,082.0</b>	<b>1,170.0</b>	<b>4,276.0</b>
Change year-on-year (% change)	(246.3) (2.4)%	15.2 4.2%	(37.9) (1.9)%	(57.3) (3.1)%	(45.1) (4.0)%	30.9 2.7%	(172.0) (3.9)%
Change from the initial financial forecasts	(130.0)	(4.0)	(10.0)	(12.0)	0.0	0.0	(106.0)
<b>Operating Expenses</b>	<b>9,060.0</b>	<b>166.0</b>	<b>1,875.0</b>	<b>1,762.0</b>	<b>992.0</b>	<b>1,080.0</b>	<b>3,446.0</b>
Change year-on-year (% change)	(246.6) (2.6)%	(4.4) (2.6)%	(41.2) (2.2)%	(54.5) (3.0)%	(34.3) (3.3)%	39.4 3.8%	(171.0) (4.7)%
Change from the initial financial forecasts	(130.0)	(4.0)	(10.0)	(12.0)	0.0	0.0	(106.0)
<b>Operating Income</b>	<b>1,110.0</b>	<b>213.0</b>	<b>40.0</b>	<b>5.0</b>	<b>90.0</b>	<b>90.0</b>	<b>830.0</b>
Change year-on-year (% change)	0.2 0.0%	19.6 10.2%	3.3 9.0%	(2.7) (35.6)%	(10.8) (10.8)%	(8.5) (8.7)%	(1.0) (0.1)%
Change from the initial financial forecasts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Income Before Income Taxes</b>	<b>1,080.0</b>	<b>216.0</b>	<b>60.0</b>	<b>10.0</b>	<b>95.0</b>	<b>86.0</b>	<b>825.0</b>
Change year-on-year (% change)	(25.2) (2.3)%	19.5 10.0%	(5.3) (8.2)%	(9.5) (48.8)%	(18.5) (16.4)%	(9.5) (10.0)%	44.5 5.7%
Change from the initial financial forecasts	0.0	0.0	0.0	0.0	0.0	0.0	(7.0)
<b>Net Income</b>	<b>-460.0</b>	<b>216.0</b>	<b>-42.0</b>	<b>7.0</b>	<b>56.0</b>	<b>-47.0</b>	<b>-493.0</b>
Change year-on-year (% change)	(78.7) (14.6)%	20.0 10.2%	(35.5) (45.8)%	(8.4) (54.7)%	(33.0) (37.1)%	(1.3) (2.8)%	21.1 4.5%
Change from the initial financial forecasts	0.0	0.0	3.0	0.0	0.0	0.0	0.0

\*1. "Income Before Income Taxes" for NTT (Holding Company), NTT East, NTT West, NTT Com and NTT DATA represents their recurring profits.

\*2. "Net Income" for NTT Consolidated represents "Net income attributable to NTT".

\*3. "Net Income" for NTT DOCOMO represents "Net income attributable to NTT DOCOMO".



November 9, 2009

FOR IMMEDIATE RELEASE

**Financial Statements for the Six Months Ended September 30, 2009**

The results of Nippon Telegraph and Telephone East Corporation (NTT East) for the six months ended September 30, 2009 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)
4. Non-Consolidated Comparative Statements of Cash Flows

For inquiries, please contact:

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Nippon Telegraph and Telephone East Corporation  
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**1. Non-Consolidated Comparative Balance Sheets**  
(Based on accounting principles generally accepted in Japan)

	(Millions of yen)		
	March 31, 2009	September 30, 2009	Increase (Decrease)
<b>ASSETS</b>			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	525,363	540,276	14,913
Antenna facilities	6,507	6,294	(212)
Terminal equipment	90,041	87,970	(2,071)
Local line facilities	774,171	783,521	9,350
Long-distance line facilities	5,863	5,230	(633)
Engineering facilities	645,278	639,042	(6,235)
Submarine line facilities	2,117	1,860	(257)
Buildings	513,715	497,440	(16,274)
Construction in progress	27,243	34,236	6,993
Other	256,207	251,147	(5,059)
Total property, plant and equipment	2,846,508	2,847,020	512
Intangible fixed assets	99,629	101,426	1,797
Total fixed assets - telecommunications businesses	2,946,137	2,948,447	2,309
Investments and other assets			
Other investments and assets	285,401	287,390	1,989
Allowance for doubtful accounts	(1,619)	(1,525)	93
Total investments and other assets	283,782	285,865	2,082
Total fixed assets	3,229,920	3,234,312	4,392
Current assets:			
Cash and bank deposits	130,023	87,287	(42,735)
Notes receivable	5	12	7
Accounts receivable, trade	296,624	271,583	(25,041)
Supplies	37,414	41,743	4,329
Other current assets	38,836	71,563	32,727
Allowance for doubtful accounts	(2,360)	(2,211)	148
Total current assets	500,543	469,978	(30,564)
<b>TOTAL ASSETS</b>	<b>3,730,463</b>	<b>3,704,291</b>	<b>(26,171)</b>

	(Millions of yen)		
	March 31, 2009	September 30, 2009	Increase (Decrease)
<b>LIABILITIES</b>			
Long-term liabilities:			
Long-term borrowings from parent company	649,338	<b>814,041</b>	164,702
Liability for employees' retirement benefits	285,469	<b>289,135</b>	3,665
Reserve for unused telephone cards	13,028	<b>11,603</b>	(1,424)
Other long-term liabilities	11,909	<b>13,197</b>	1,288
Total long-term liabilities	959,745	<b>1,127,977</b>	168,231
Current liabilities:			
Current portion of long-term borrowings from parent company	105,809	<b>40,861</b>	(64,947)
Accounts payable, trade	82,509	<b>63,462</b>	(19,047)
Short-term borrowings	65,000	<b>40,000</b>	(25,000)
Accrued taxes on income*	2,253	<b>8,099*</b>	5,846
Other current liabilities	421,010	<b>329,174</b>	(91,835)
Total current liabilities	676,582	<b>481,598</b>	(194,984)
<b>TOTAL LIABILITIES</b>	<b>1,636,327</b>	<b>1,609,575</b>	(26,752)
<b>NET ASSETS</b>			
Shareholders' equity:			
Common stock	335,000	<b>335,000</b>	—
Capital surplus	1,499,726	<b>1,499,726</b>	—
Earned surplus	259,456	<b>259,933</b>	477
Total shareholders' equity	2,094,182	<b>2,094,660</b>	477
Unrealized gains (losses), translation adjustments, and others:			
Net unrealized gains (losses) on securities	(47)	<b>55</b>	102
Total unrealized gains (losses), translation adjustments, and others	(47)	<b>55</b>	102
<b>TOTAL NET ASSETS</b>	<b>2,094,135</b>	<b>2,094,715</b>	580
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>3,730,463</b>	<b>3,704,291</b>	(26,171)

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)			
	Six months ended September 30, 2008	Six months ended September 30, 2009	Increase (Decrease)	Year ended March 31, 2009
<b>Telecommunications businesses:</b>				
Operating revenues	911,583	<b>892,099</b>	(19,484)	1,825,790
Operating expenses	891,549	<b>860,268</b>	(31,280)	1,789,250
Operating income from telecommunications businesses	20,034	<b>31,830</b>	11,796	36,540
<b>Supplementary businesses:</b>				
Operating revenues	54,379	<b>54,271</b>	(107)	127,201
Operating expenses	53,816	<b>53,849</b>	33	127,043
Operating income from supplementary businesses	562	<b>421</b>	(140)	157
Operating income	20,597	<b>32,252</b>	11,655	36,697
<b>Non-operating revenues:</b>				
Interest income	15	<b>16</b>	0	26
Dividends received	12,212	<b>3,795</b>	(8,416)	12,229
Lease and rental income	27,652	<b>25,461</b>	(2,190)	52,774
Miscellaneous income	2,089	<b>1,468</b>	(620)	4,227
Total non-operating revenues	41,969	<b>30,742</b>	(11,227)	69,257
<b>Non-operating expenses:</b>				
Interest expenses	6,292	<b>5,724</b>	(567)	12,375
Lease and rental expenses	10,999	<b>10,677</b>	(321)	23,580
Miscellaneous expenses	947	<b>2,325</b>	1,378	4,615
Total non-operating expenses	18,239	<b>18,728</b>	489	40,571
Recurring profit	44,326	<b>44,265</b>	(61)	65,383
Special profits	24,234	<b>9,250</b>	(14,984)	57,595
Income before income taxes	68,561	<b>53,516</b>	(15,045)	122,978
Income taxes*	24,460*	<b>19,539*</b>	(4,921)	45,425
Net income	44,100	<b>33,977</b>	(10,123)	77,552

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, income taxes have not been calculated on a consolidated basis in the quarterly financial statements for the six months ended September 30, 2008. Except for a portion of the calculation of taxes, income taxes have not been calculated on a consolidated basis in the quarterly financial statements for the six months ended September 30, 2009.

	(Millions of yen)		
	Three months ended September 30, 2008	Three months ended September 30, 2009	Increase (Decrease)
<b>Telecommunications businesses:</b>			
Operating revenues	459,503	<b>449,959</b>	(9,543)
Operating expenses	446,869	<b>429,860</b>	(17,009)
Operating income from telecommunications businesses	12,633	<b>20,099</b>	7,465
<b>Supplementary businesses:</b>			
Operating revenues	29,660	<b>28,879</b>	(781)
Operating expenses	28,437	<b>28,587</b>	149
Operating income from supplementary businesses	1,222	<b>291</b>	(930)
Operating income	13,856	<b>20,391</b>	6,535
<b>Non-operating revenues:</b>			
Interest income	9	<b>8</b>	(1)
Dividends received	11,706	<b>3,383</b>	(8,322)
Lease and rental income	14,164	<b>12,642</b>	(1,521)
Miscellaneous income	1,382	<b>625</b>	(757)
Total non-operating revenues	27,263	<b>16,659</b>	(10,603)
<b>Non-operating expenses:</b>			
Interest expenses	3,216	<b>2,879</b>	(336)
Lease and rental expenses	5,716	<b>5,445</b>	(271)
Miscellaneous expenses	532	<b>1,365</b>	833
Total non-operating expenses	9,465	<b>9,690</b>	225
Recurring profit	31,653	<b>27,360</b>	(4,293)
Special profits	19,111	<b>4,646</b>	(14,465)
Income before income taxes	50,765	<b>32,007</b>	(18,758)
Income taxes*	16,351*	<b>11,828*</b>	(4,522)
Net income	34,414	<b>20,178</b>	(14,235)

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, income taxes have not been calculated on a consolidated basis in the quarterly financial statements for the three months ended September 30, 2008. Except for a portion of the calculation of taxes, income taxes have not been calculated on a consolidated basis in the quarterly financial statements for the three months ended September 30, 2009.

### 3. Business Results (Non-Consolidated Operating Revenues)

(Based on accounting principles generally accepted in Japan)

	(Millions of yen)				
	Six months ended September 30, 2008	Six months ended September 30, 2009	Increase (Decrease)	Percent Increase (Decrease)	Year ended March 31, 2009
Voice transmission services revenues (excluding IP services revenues)	468,728	<b>419,035</b>	(49,692)	(10.6)	911,264
Monthly charge revenues*	316,054	<b>287,692</b>	(28,361)	(9.0)	619,821
Call rates revenues*	53,075	<b>43,842</b>	(9,232)	(17.4)	100,801
Interconnection call revenues*	61,997	<b>52,035</b>	(9,962)	(16.1)	118,078
IP services revenues	271,117	<b>312,551</b>	41,433	15.3	563,908
Leased circuit services revenues (excluding IP services revenues)	86,770	<b>78,697</b>	(8,072)	(9.3)	169,392
Telegram services revenues	11,016	<b>10,089</b>	(927)	(8.4)	22,216
Other telecommunications services revenues	73,950	<b>71,725</b>	(2,225)	(3.0)	159,008
Telecommunications total revenues	<u>911,583</u>	<u><b>892,099</b></u>	<u>(19,484)</u>	<u>(2.1)</u>	<u>1,825,790</u>
Supplementary business total revenues	<u>54,379</u>	<u><b>54,271</b></u>	<u>(107)</u>	<u>(0.2)</u>	<u>127,201</u>
Total operating revenues	<u><u>965,962</u></u>	<u><u><b>946,370</b></u></u>	<u><u>(19,592)</u></u>	<u><u>(2.0)</u></u>	<u><u>1,952,991</u></u>

\* Partial listing only

	(Millions of yen)			
	Three months ended <u>September 30, 2008</u>	Three months ended <u>September 30, 2009</u>	Increase (Decrease)	Percent Increase (Decrease)
Voice transmission services revenues (excluding IP services revenues)	231,046	<b>207,723</b>	(23,323)	(10.1)
Monthly charge revenues*	156,654	<b>142,447</b>	(14,206)	(9.1)
Call rates revenues*	25,763	<b>21,468</b>	(4,294)	(16.7)
Interconnection call revenues*	30,418	<b>25,692</b>	(4,725)	(15.5)
IP services revenues	138,932	<b>159,075</b>	20,142	14.5
Leased circuit services revenues (excluding IP services revenues)	43,432	<b>38,984</b>	(4,448)	(10.2)
Telegram services revenues	4,698	<b>4,373</b>	(324)	(6.9)
Other telecommunications services revenues	41,393	<b>39,802</b>	(1,591)	(3.8)
Telecommunications total revenues	<u>459,503</u>	<u><b>449,959</b></u>	<u>(9,543)</u>	<u>(2.1)</u>
Supplementary business total revenues	<u>29,660</u>	<u><b>28,879</b></u>	<u>(781)</u>	<u>(2.6)</u>
Total operating revenues	<u><u>489,163</u></u>	<u><u><b>478,839</b></u></u>	<u><u>(10,324)</u></u>	<u><u>(2.1)</u></u>

\* Partial listing only

#### 4. Non-Consolidated Comparative Statements of Cash Flows

(Based on accounting principles generally accepted in Japan)

	(Millions of yen)			
	Six months ended September 30, 2008	Six months ended September 30, 2009	Increase (Decrease)	Year ended March 31, 2009
<b>Cash flows from operating activities:</b>				
Income before income taxes	68,561	<b>53,516</b>	(15,045)	122,978
Depreciation and amortization	213,040	<b>205,677</b>	(7,363)	425,634
Loss on disposal of property, plant and equipment	7,774	<b>9,147</b>	1,373	20,989
Gains on sales of fixed assets	(24,234)	<b>(9,250)</b>	14,984	(57,595)
Increase (decrease) in liability for employees' retirement benefits	(3,608)	<b>3,665</b>	7,273	(33,468)
(Increase) decrease in accounts receivable	23,911	<b>25,010</b>	1,098	11,531
(Increase) decrease in inventories	(6,113)	<b>(4,329)</b>	1,784	(1,916)
Increase (decrease) in accounts payable and accrued expenses	(70,190)	<b>(61,925)</b>	8,265	(44,855)
Increase (decrease) in accrued consumption tax	480	<b>966</b>	485	174
Other	(12,991)	<b>1,228</b>	14,220	17,948
Sub-total	196,630	<b>223,707</b>	27,076	461,421
Interest and dividends received	12,227	<b>3,811</b>	(8,416)	12,255
Interest paid	(6,305)	<b>(5,736)</b>	568	(12,523)
Income taxes received (paid)	(15,314)	<b>(24,252)</b>	(8,937)	(15,401)
Net cash provided by (used in) operating activities	187,238	<b>197,530</b>	10,291	445,752
<b>Cash flows from investing activities:</b>				
Payments for property, plant and equipment	(254,642)	<b>(237,663)</b>	16,978	(478,356)
Proceeds from sale of property, plant and equipment	34,293	<b>11,179</b>	(23,113)	74,701
Payments for purchase of investment securities	(10,832)	<b>(2,051)</b>	8,781	(11,954)
Proceeds from sale of investment securities	308	<b>311</b>	3	526
Other	(688)	<b>(244)</b>	444	1,816
Net cash provided by (used in) investing activities	(231,562)	<b>(228,468)</b>	3,094	(413,266)
<b>Cash flows from financing activities:</b>				
Proceeds from issuance of long-term debt	100,000	<b>200,000</b>	100,000	150,000
Payments for settlement of long-term debt	(115,188)	<b>(100,245)</b>	14,943	(162,419)
Net increase (decrease) in short-term borrowings	48,992	<b>(74,992)</b>	(123,984)	11,992
Payments for settlement of lease obligations	(260)	<b>(295)</b>	(35)	(790)
Dividends paid	(33,500)	<b>(33,500)</b>	—	(33,500)
Net cash provided by (used in) financing activities	43	<b>(9,032)</b>	(9,076)	(34,717)
Net increase (decrease) in cash and cash equivalents	(44,279)	<b>(39,970)</b>	4,309	(2,232)
Cash and cash equivalents at beginning of period	134,903	<b>132,671</b>	(2,232)	134,903
Cash and cash equivalents at end of period	90,624	<b>92,700</b>	2,076	132,671

November 9, 2009

FOR IMMEDIATE RELEASE

**Financial Statements for the Six Months Ended September 30, 2009**

The results of Nippon Telegraph and Telephone West Corporation (NTT West) for the six months ended September 30, 2009 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)
4. Non-Consolidated Comparative Statements of Cash Flows

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

	(Millions of yen)		
	March 31, 2009	September 30, 2009	Increase (Decrease)
<b>ASSETS</b>			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	517,663	510,307	(7,356)
Antenna facilities	9,694	9,206	(488)
Terminal equipment	21,058	20,582	(476)
Local line facilities	825,484	816,539	(8,944)
Long-distance line facilities	4,219	3,767	(451)
Engineering facilities	590,253	585,026	(5,226)
Submarine line facilities	3,306	2,782	(524)
Buildings	464,127	449,856	(14,270)
Construction in progress	28,254	36,731	8,476
Other	243,174	235,534	(7,640)
Total property, plant and equipment	2,707,237	2,670,333	(36,903)
Intangible fixed assets	95,976	96,300	323
Total fixed assets - telecommunications businesses	2,803,213	2,766,633	(36,580)
Investments and other assets			
Other investments and assets	211,003	210,145	(858)
Allowance for doubtful accounts	(566)	(588)	(22)
Total investments and other assets	210,436	209,556	(880)
Total fixed assets	3,013,650	2,976,190	(37,460)
Current assets:			
Cash and bank deposits	105,019	81,515	(23,504)
Notes receivable	39	23	(15)
Accounts receivable, trade	282,192	251,006	(31,185)
Supplies	27,912	27,314	(598)
Other current assets	47,718	68,541	20,822
Allowance for doubtful accounts	(2,130)	(2,018)	112
Total current assets	460,751	426,382	(34,368)
<b>TOTAL ASSETS</b>	<b>3,474,401</b>	<b>3,402,572</b>	<b>(71,828)</b>

	(Millions of yen)		
	March 31, 2009	September 30, 2009	Increase (Decrease)
<b>LIABILITIES</b>			
Long-term liabilities:			
Long-term borrowings from parent company	977,698	<b>1,062,613</b>	84,914
Liability for employees' retirement benefits	304,696	<b>306,366</b>	1,670
Reserve for unused telephone cards	12,320	<b>10,972</b>	(1,347)
Other long-term liabilities	26,586	<b>20,009</b>	(6,577)
Total long-term liabilities	1,321,302	<b>1,399,962</b>	78,659
Current liabilities:			
Current portion of long-term borrowings from parent company	158,333	<b>100,402</b>	(57,931)
Accounts payable, trade	78,940	<b>53,258</b>	(25,681)
Short-term borrowings	25,000	—	(25,000)
Accrued taxes on income	899	<b>721*</b>	(177)
Allowance for losses on construction contracts	171	—	(171)
Other current liabilities	393,599	<b>345,379</b>	(48,220)
Total current liabilities	656,944	<b>499,761</b>	(157,182)
<b>TOTAL LIABILITIES</b>	<b>1,978,246</b>	<b>1,899,723</b>	<b>(78,522)</b>
<b>NET ASSETS</b>			
Shareholders' equity:			
Common stock	312,000	<b>312,000</b>	—
Capital surplus	1,170,054	<b>1,170,054</b>	—
Earned surplus	13,689	<b>20,732</b>	7,043
Total shareholders' equity	1,495,743	<b>1,502,786</b>	7,043
Unrealized gains (losses), translation adjustments, and others:			
Net unrealized gains (losses) on securities	411	<b>62</b>	(349)
Total unrealized gains (losses), translation adjustments, and others	411	<b>62</b>	(349)
<b>TOTAL NET ASSETS</b>	<b>1,496,155</b>	<b>1,502,849</b>	<b>6,693</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>3,474,401</b>	<b>3,402,572</b>	<b>(71,828)</b>

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)			
	Six months ended September 30, 2008	Six months ended September 30, 2009	Increase (Decrease)	Year ended March 31, 2009
<b>Telecommunications businesses:</b>				
Operating revenues	837,596	<b>812,094</b>	(25,502)	1,670,002
Operating expenses	829,423	<b>792,768</b>	(36,654)	1,658,299
Operating income from telecommunications businesses	8,173	<b>19,325</b>	11,152	11,703
<b>Supplementary businesses:</b>				
Operating revenues	70,524	<b>64,122</b>	(6,401)	154,318
Operating expenses	72,113	<b>65,759</b>	(6,354)	158,254
Operating losses from supplementary businesses	(1,589)	<b>(1,636)</b>	(46)	(3,935)
Operating income	6,584	<b>17,689</b>	11,105	7,767
<b>Non-operating revenues:</b>				
Interest income	9	<b>4</b>	(4)	14
Dividends received	3,399	<b>1,423</b>	(1,975)	3,431
Lease and rental income	21,889	<b>20,776</b>	(1,112)	43,268
Miscellaneous income	2,429	<b>2,318</b>	(111)	5,429
Total non-operating revenues	27,727	<b>24,523</b>	(3,204)	52,143
<b>Non-operating expenses:</b>				
Interest expenses	10,286	<b>8,713</b>	(1,572)	19,540
Lease and rental expenses	8,294	<b>7,335</b>	(958)	16,378
Miscellaneous expenses	1,514	<b>1,416</b>	(98)	4,474
Total non-operating expenses	20,095	<b>17,466</b>	(2,629)	40,393
Recurring profit	14,216	<b>24,746</b>	10,530	19,518
Income before income taxes	14,216	<b>24,746</b>	10,530	19,518
Income taxes	3,426*	<b>4,699*</b>	1,272	4,077
Net income	10,789	<b>20,047</b>	9,257	15,440

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, income taxes have not been calculated on a consolidated basis in the quarterly financial statements for the six months ended September 30, 2008. Except for a portion of the calculation of taxes, income taxes have not been calculated on a consolidated basis in the quarterly financial statements for the six months ended September 30, 2009.

	(Millions of yen)		
	Three months ended September 30, 2008	Three months ended September 30, 2009	Increase (Decrease)
<b>Telecommunications businesses:</b>			
Operating revenues	418,437	<b>405,942</b>	(12,495)
Operating expenses	412,086	<b>392,752</b>	(19,334)
Operating income from telecommunications businesses	6,350	<b>13,189</b>	6,839
<b>Supplementary businesses:</b>			
Operating revenues	36,848	<b>34,522</b>	(2,326)
Operating expenses	36,891	<b>35,940</b>	(951)
Operating losses from supplementary businesses	(42)	<b>(1,418)</b>	(1,375)
Operating income	6,308	<b>11,771</b>	5,463
<b>Non-operating revenues:</b>			
Interest income	4	<b>1</b>	(2)
Dividends received	4	<b>3</b>	(0)
Lease and rental income	11,003	<b>10,292</b>	(710)
Miscellaneous income	1,602	<b>832</b>	(769)
Total non-operating revenues	12,614	<b>11,131</b>	(1,483)
<b>Non-operating expenses:</b>			
Interest expenses	5,143	<b>4,382</b>	(761)
Lease and rental expenses	3,768	<b>3,724</b>	(44)
Miscellaneous expenses	582	<b>593</b>	10
Total non-operating expenses	9,495	<b>8,700</b>	(795)
Recurring profit	9,427	<b>14,202</b>	4,775
Income before income taxes	9,427	<b>14,202</b>	4,775
Income taxes	2,921*	<b>3,306*</b>	384
Net income	6,506	<b>10,896</b>	4,390

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, income taxes have not been calculated on a consolidated basis in the quarterly financial statements for the three months ended September 30, 2008. Except for a portion of the calculation of taxes, income taxes have not been calculated on a consolidated basis in the quarterly financial statements for the three months ended September 30, 2009.

### 3. Business Results (Non-Consolidated Operating Revenues)

(Based on accounting principles generally accepted in Japan)

	(Millions of yen)				
	Six months ended September 30, 2008	Six months ended September 30, 2009	Increase (Decrease)	Percent Increase (Decrease)	Year ended March 31, 2009
Voice transmission services revenues (excluding IP services revenues)	460,939	<b>409,533</b>	(51,405)	(11.2)	896,413
Monthly charge revenues*	309,031	<b>281,113</b>	(27,918)	(9.0)	605,622
Call rates revenues*	48,948	<b>39,326</b>	(9,622)	(19.7)	92,294
Interconnection call revenues*	68,342	<b>56,911</b>	(11,431)	(16.7)	130,658
IP services revenues	221,964	<b>255,022</b>	33,057	14.9	460,441
Leased circuit services revenues (excluding IP services revenues)	75,310	<b>70,596</b>	(4,714)	(6.3)	149,122
Telegram services revenues	12,421	<b>11,710</b>	(711)	(5.7)	25,797
Other telecommunications services revenues	66,960	<b>65,232</b>	(1,728)	(2.6)	138,227
Telecommunications total revenues	<u>837,596</u>	<u><b>812,094</b></u>	<u>(25,502)</u>	<u>(3.0)</u>	<u>1,670,002</u>
Supplementary business total revenues	<u>70,524</u>	<u><b>64,122</b></u>	<u>(6,401)</u>	<u>(9.1)</u>	<u>154,318</u>
Total operating revenues	<u><u>908,121</u></u>	<u><u><b>876,217</b></u></u>	<u><u>(31,904)</u></u>	<u><u>(3.5)</u></u>	<u><u>1,824,321</u></u>

\* Partial listing only

	(Millions of yen)			
	Three months ended <u>September 30, 2008</u>	Three months ended <u>September 30, 2009</u>	Increase (Decrease)	Percent Increase (Decrease)
Voice transmission services revenues (excluding IP services revenues)	227,504	<b>202,844</b>	(24,660)	(10.8)
Monthly charge revenues*	153,094	<b>139,220</b>	(13,873)	(9.1)
Call rates revenues*	23,778	<b>19,307</b>	(4,470)	(18.8)
Interconnection call revenues*	33,703	<b>28,172</b>	(5,530)	(16.4)
IP services revenues	113,260	<b>130,043</b>	16,782	14.8
Leased circuit services revenues (excluding IP services revenues)	37,289	<b>35,073</b>	(2,215)	(5.9)
Telegram services revenues	5,539	<b>5,239</b>	(300)	(5.4)
Other telecommunications services revenues	34,843	<b>32,741</b>	(2,101)	(6.0)
Telecommunications total revenues	<u>418,437</u>	<u><b>405,942</b></u>	<u>(12,495)</u>	<u>(3.0)</u>
Supplementary business total revenues	<u>36,848</u>	<u><b>34,522</b></u>	<u>(2,326)</u>	<u>(6.3)</u>
Total operating revenues	<u><u>455,286</u></u>	<u><u><b>440,464</b></u></u>	<u><u>(14,821)</u></u>	<u><u>(3.3)</u></u>

\* Partial listing only

#### 4. Non-Consolidated Comparative Statements of Cash Flows

(Based on accounting principles generally accepted in Japan)

	(Millions of yen)			
	Six months ended September 30, 2008	Six months ended September 30, 2009	Increase (Decrease)	Year ended March 31, 2009
<b>Cash flows from operating activities:</b>				
Income before income taxes	14,216	<b>24,746</b>	10,530	19,518
Depreciation and amortization	208,948	<b>198,092</b>	(10,856)	412,834
Loss on disposal of property, plant and equipment	8,035	<b>7,173</b>	(862)	18,971
Increase (decrease) in liability for employees' retirement benefits	(6,682)	<b>1,670</b>	8,353	(36,480)
(Increase) decrease in accounts receivable	23,970	<b>34,324</b>	10,354	11,296
(Increase) decrease in inventories	(2,420)	<b>598</b>	3,018	(2,150)
Increase (decrease) in accounts payable and accrued expenses	(53,472)	<b>(66,048)</b>	(12,575)	(22,796)
Increase (decrease) in accrued consumption tax	1,282	<b>2,169</b>	887	(1,193)
Other	(6,723)	<b>996</b>	7,720	32,261
Sub-total	187,153	<b>203,722</b>	16,569	432,260
Interest and dividends received	3,408	<b>1,429</b>	(1,979)	3,446
Interest paid	(10,636)	<b>(8,736)</b>	1,900	(19,969)
Income taxes received (paid)	16,807	<b>4,590</b>	(12,217)	16,805
Net cash provided by (used in) operating activities	196,732	<b>201,005</b>	4,273	432,543
<b>Cash flows from investing activities:</b>				
Payments for property, plant and equipment	(192,951)	<b>(197,940)</b>	(4,989)	(380,697)
Proceeds from sale of property, plant and equipment	15,110	<b>867</b>	(14,243)	17,151
Payments for purchase of investment securities	(53)	<b>(429)</b>	(376)	(53)
Proceeds from sale of investment securities	85	<b>425</b>	340	177
Other	1,262	<b>463</b>	(798)	2,745
Net cash provided by (used in) investing activities	(176,545)	<b>(196,613)</b>	(20,067)	(360,675)
<b>Cash flows from financing activities:</b>				
Proceeds from issuance of long-term debt	20,000	<b>110,000</b>	90,000	115,000
Payments for settlement of long-term debt	(86,307)	<b>(83,016)</b>	3,290	(177,724)
Net increase (decrease) in short-term borrowings	—	<b>(33,994)</b>	(33,994)	(15,005)
Payments for settlement of lease obligations	(511)	<b>(7,575)</b>	(7,063)	(27,558)
Dividends paid	—	<b>(13,004)</b>	(13,004)	—
Net cash provided by (used in) financing activities	(66,819)	<b>(27,591)</b>	39,227	(105,288)
Net increase (decrease) in cash and cash equivalents	(46,632)	<b>(23,198)</b>	23,433	(33,420)
Cash and cash equivalents at beginning of period	139,891	<b>106,470</b>	(33,420)	139,891
Cash and cash equivalents at end of period	93,258	<b>83,271</b>	(9,987)	106,470

November 9, 2009

FOR IMMEDIATE RELEASE

**NTT Com Announces Financial Results for the Six Months Ended September 30, 2009**

TOKYO, JAPAN — NTT Communications Corporation (NTT Com) announced today its financial results for the six months ended September 30, 2009. 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. Non-Consolidated Comparative Statements of Cash Flows

# # #

**About NTT Communications Corporation**

NTT Communications provides a broad range of global networks, management solutions and IT services to customers worldwide. The company is renowned for reliable, high-quality security, hosting, voice, data and IP services, as well as expertise in managed networks and leadership in IPv6 transit technology. NTT Communications' extensive infrastructure includes Arcstar™ Global IP-VPN and Global e-VLAN, as well as a Tier-1 IP backbone reaching more than 150 countries in partnership with major Internet service providers, and secure data centers in Asia, North America and Europe. NTT Communications is the wholly-owned subsidiary of Nippon Telegraph and Telephone Corporation, one of the world's largest telecoms with listings on the Tokyo, London and New York stock exchanges. Please visit [www.ntt.com/index-e.html](http://www.ntt.com/index-e.html).

**For more information**

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

	(Millions of yen)		
	March 31, 2009	September 30, 2009	Increase (Decrease)
<b>ASSETS</b>			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	145,125	<b>146,238</b>	1,113
Antenna facilities	1,862	<b>1,826</b>	(35)
Terminal equipment	1,348	<b>1,219</b>	(129)
Local line facilities	777	<b>811</b>	33
Long-distance line facilities	9,558	<b>9,310</b>	(247)
Engineering facilities	59,045	<b>58,383</b>	(661)
Submarine line facilities	4,728	<b>8,178</b>	3,449
Buildings	125,604	<b>127,469</b>	1,865
Construction in progress	25,323	<b>19,149</b>	(6,174)
Other	87,777	<b>83,157</b>	(4,619)
Total property, plant and equipment	461,150	<b>455,745</b>	(5,405)
Intangible fixed assets	93,692	<b>82,309</b>	(11,383)
Total fixed assets - telecommunications businesses	554,843	<b>538,054</b>	(16,789)
Investments and other assets			
Investments in subsidiaries and affiliated companies	134,544	<b>135,173</b>	629
Other investments and assets	184,825	<b>180,422</b>	(4,402)
Allowance for doubtful accounts	(316)	<b>(307)</b>	8
Total investments and other assets	319,053	<b>315,289</b>	(3,764)
Total fixed assets	873,897	<b>853,343</b>	(20,553)
Current assets:			
Cash and bank deposits	56,292	<b>43,479</b>	(12,812)
Notes receivable	82	<b>1,315</b>	1,232
Accounts receivable, trade	186,265	<b>170,963</b>	(15,302)
Supplies	7,338	<b>7,914</b>	575
Other current assets	90,241	<b>68,848</b>	(21,393)
Allowance for doubtful accounts	(1,295)	<b>(1,165)</b>	130
Total current assets	338,926	<b>291,356</b>	(47,569)
<b>TOTAL ASSETS</b>	<u>1,212,823</u>	<u><b>1,144,699</b></u>	<u>(68,123)</u>

	(Millions of yen)		
	March 31, 2009	September 30, 2009	Increase (Decrease)
<b>LIABILITIES</b>			
Long-term liabilities:			
Long-term borrowings from parent company	188,721	<b>186,552</b>	(2,168)
Liability for employees' retirement benefits	72,924	<b>75,389</b>	2,464
Reserve for point services	2,987	<b>2,661</b>	(325)
Reserve for unused telephone cards	5,451	<b>4,855</b>	(596)
Other long-term liabilities	25,615	<b>26,158</b>	542
Total long-term liabilities	295,700	<b>295,617</b>	(83)
Current liabilities:			
Current portion of long-term borrowings from parent company	122,121	<b>54,420</b>	(67,701)
Accounts payable, trade	31,533	<b>18,952</b>	(12,580)
Accounts payable, other	151,587	<b>138,148</b>	(13,438)
Accrued taxes on income	925	<b>776*</b>	(149)
Allowance for losses on construction contracts	283	<b>38</b>	(244)
Other current liabilities	27,387	<b>28,285</b>	898
Total current liabilities	333,837	<b>240,621</b>	(93,215)
<b>TOTAL LIABILITIES</b>	<b>629,538</b>	<b>536,239</b>	<b>(93,299)</b>
<b>NET ASSETS</b>			
Shareholders' equity:			
Common stock	211,763	<b>211,763</b>	—
Capital surplus	131,615	<b>131,615</b>	—
Earned surplus	213,363	<b>234,871</b>	21,508
Total shareholders' equity	556,742	<b>578,250</b>	21,508
Unrealized gains (losses), translation adjustments, and others:			
Net unrealized gains (losses) on securities	26,542	<b>30,209</b>	3,667
Total unrealized gains (losses), translation adjustments, and others	26,542	<b>30,209</b>	3,667
<b>TOTAL NET ASSETS</b>	<b>583,284</b>	<b>608,460</b>	<b>25,175</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>1,212,823</b>	<b>1,144,699</b>	<b>(68,123)</b>

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)			
	Six months ended September 30, 2008	Six months ended September 30, 2009	Increase (Decrease)	Year ended March 31, 2009
<b>Telecommunications businesses:</b>				
Operating revenues	473,780	<b>456,351</b>	(17,429)	945,565
Operating expenses	418,927	<b>402,815</b>	(16,112)	845,232
Operating income from telecommunications businesses	54,852	<b>53,536</b>	(1,316)	100,332
<b>Supplementary businesses:</b>				
Operating revenues	82,938	<b>76,224</b>	(6,714)	181,624
Operating expenses	83,385	<b>76,917</b>	(6,468)	181,083
Operating income (losses) from supplementary businesses	(446)	<b>(692)</b>	(246)	541
Operating income	54,406	<b>52,843</b>	(1,562)	100,874
<b>Non-operating revenues:</b>				
Interest income	532	<b>49</b>	(483)	785
Dividends received	8,604	<b>7,108</b>	(1,496)	9,330
Lease and rental income	7,854	<b>7,319</b>	(535)	15,380
Miscellaneous income	5,634	<b>1,173</b>	(4,461)	6,892
Total non-operating revenues	22,626	<b>15,649</b>	(6,976)	32,389
<b>Non-operating expenses:</b>				
Interest expenses	3,349	<b>2,393</b>	(955)	6,339
Lease and rental expenses	4,826	<b>3,970</b>	(855)	9,575
Miscellaneous expenses	3,054	<b>161</b>	(2,892)	3,773
Total non-operating expenses	11,229	<b>6,525</b>	(4,704)	19,688
Recurring profit	65,802	<b>61,967</b>	(3,835)	113,575
Special profits	29,660	—	(29,660)	36,000
Special losses	—	—	—	7,495
Income before income taxes	95,463	<b>61,967</b>	(33,496)	142,080
Income taxes	39,402*	<b>25,458*</b>	(13,944)	53,009
Net income	56,060	<b>36,509</b>	(19,551)	89,070

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, income taxes have not been calculated on a consolidated basis in the quarterly financial statements for the six months ended September 30, 2008. Except for a portion of the calculation of taxes, income taxes have not been calculated on a consolidated basis in the quarterly financial statements for the six months ended September 30, 2009.

	(Millions of yen)		
	Three months ended September 30, 2008	Three months ended September 30, 2009	Increase (Decrease)
<b>Telecommunications businesses:</b>			
Operating revenues	238,086	<b>227,418</b>	(10,667)
Operating expenses	212,282	<b>200,314</b>	(11,967)
Operating income from telecommunications businesses	25,804	<b>27,104</b>	1,300
<b>Supplementary businesses:</b>			
Operating revenues	44,782	<b>37,586</b>	(7,195)
Operating expenses	43,617	<b>37,562</b>	(6,055)
Operating income from supplementary businesses	1,164	<b>24</b>	(1,140)
Operating income	26,968	<b>27,128</b>	159
<b>Non-operating revenues:</b>			
Interest income	248	<b>14</b>	(233)
Dividends received	2,686	<b>2,409</b>	(277)
Lease and rental income	3,817	<b>3,616</b>	(201)
Miscellaneous income	492	<b>466</b>	(25)
Total non-operating revenues	7,244	<b>6,506</b>	(737)
<b>Non-operating expenses:</b>			
Interest expenses	1,636	<b>1,027</b>	(608)
Lease and rental expenses	2,485	<b>2,034</b>	(450)
Miscellaneous expenses	682	<b>(90)</b>	(773)
Total non-operating expenses	4,804	<b>2,971</b>	(1,832)
Recurring profit	29,408	<b>30,663</b>	1,254
Special profits	18,033	—	(18,033)
Income before income taxes	47,442	<b>30,663</b>	(16,778)
Income taxes	19,474*	<b>12,525*</b>	(6,948)
Net income	27,968	<b>18,137</b>	(9,830)

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, income taxes have not been calculated on a consolidated basis in the quarterly financial statements for the three months ended September 30, 2008. Except for a portion of the calculation of taxes, income taxes have not been calculated on a consolidated basis in the quarterly financial statements for the three months ended September 30, 2009.

### III. Business Results (Non-Consolidated Operating Revenues)

(Based on accounting principles generally accepted in Japan)

	(Millions of yen)				
	Six months ended September 30, 2008	Six months ended September 30, 2009	Increase (Decrease)	Percent Increase (Decrease)	Year ended March 31, 2009
Voice transmission services revenues (excluding IP services revenues)	212,518	<b>192,410</b>	(20,108)	(9.5)	413,825
IP services revenues	172,337	<b>182,371</b>	10,034	5.8	354,080
Open computer network services revenues*	76,952	<b>81,357</b>	4,405	5.7	157,074
IP-Virtual private network services revenues*	36,936	<b>39,675</b>	2,738	7.4	77,957
Wide-Area Ethernet services revenues*	26,973	<b>28,992</b>	2,019	7.5	55,693
Data communications revenues (excluding IP services revenues)	68,073	<b>61,174</b>	(6,899)	(10.1)	133,215
Leased circuit services revenues*	48,743	<b>44,675</b>	(4,067)	(8.3)	95,972
Solution services revenues	89,971	<b>83,400</b>	(6,571)	(7.3)	197,079
Others	13,818	<b>13,219</b>	(598)	(4.3)	28,989
Total operating revenues	<u>556,719</u>	<u><b>532,575</b></u>	<u>(24,144)</u>	<u>(4.3)</u>	<u>1,127,190</u>

\* Partial listing only

	(Millions of yen)			
	Three months ended <u>September 30, 2008</u>	Three months ended <u>September 30, 2009</u>	Increase (Decrease)	Percent Increase (Decrease)
Voice transmission services revenues (excluding IP services revenues)	106,100	<b>95,640</b>	(10,460)	(9.9)
IP services revenues	87,093	<b>91,413</b>	4,319	5.0
Open computer network services revenues*	38,834	<b>41,113</b>	2,278	5.9
IP-Virtual private network services revenues*	19,034	<b>19,671</b>	637	3.3
Wide-Area Ethernet services revenues*	13,290	<b>14,424</b>	1,133	8.5
Data communications revenues (excluding IP services revenues)	34,132	<b>30,304</b>	(3,828)	(11.2)
Leased circuit services revenues*	24,605	<b>22,193</b>	(2,412)	(9.8)
Solution services revenues	48,484	<b>41,179</b>	(7,305)	(15.1)
Others	7,057	<b>6,468</b>	(589)	(8.4)
Total operating revenues	<u>282,868</u>	<u><b>265,005</b></u>	<u>(17,863)</u>	<u>(6.3)</u>

\* Partial listing only

**IV. Non-Consolidated Comparative Statements of Cash Flows**  
(Based on accounting principles generally accepted in Japan)

	(Millions of yen)			
	Six months ended September 30, 2008	Six months ended September 30, 2009	Increase (Decrease)	Year ended March 31, 2009
Cash flows from operating activities:				
Income before income taxes	95,463	<b>61,967</b>	(33,496)	142,080
Depreciation and amortization	58,927	<b>58,946</b>	19	121,131
Loss on disposal of property, plant and equipment	959	<b>1,323</b>	363	4,939
Gains on sales of fixed assets	(26,429)	<b>(59)</b>	26,369	(26,857)
Increase (decrease) in allowance for doubtful accounts	1,675	<b>(138)</b>	(1,814)	(1,058)
Increase (decrease) in liability for employees' retirement benefits	1,833	<b>2,464</b>	630	2,262
Write-off of investments in affiliated companies	—	—	—	7,495
Gains on sales of investments in affiliated companies	(3,343)	—	3,343	(3,343)
(Increase) decrease in accounts receivable	22,475	<b>19,050</b>	(3,425)	14,963
(Increase) decrease in inventories	(1,252)	<b>(575)</b>	676	(212)
Increase (decrease) in accounts payable and accrued expenses	(19,057)	<b>(13,808)</b>	5,248	(33,992)
Increase (decrease) in accrued consumption tax	(285)	<b>2,061</b>	2,347	(1,781)
Other	(17,589)	<b>(8,779)</b>	8,810	2,889
Sub-total	113,376	<b>122,451</b>	9,075	228,515
Interest and dividends received	9,167	<b>7,157</b>	(2,009)	10,400
Interest paid	(3,610)	<b>(2,774)</b>	836	(6,812)
Income taxes received (paid)	7,315	<b>14,939</b>	7,624	4,843
Net cash provided by (used in) operating activities	126,248	<b>141,774</b>	15,525	236,947
Cash flows from investing activities:				
Payments for property, plant and equipment	(71,078)	<b>(71,767)</b>	(689)	(105,321)
Proceeds from sale of property, plant and equipment	26,997	<b>724</b>	(26,272)	27,918
Payments for purchase of investment securities	(4,574)	<b>(1,033)</b>	3,540	(82,592)
Proceeds from sale of investment securities	29,867	<b>2</b>	(29,864)	31,653
Payments for long-term loans	(13,271)	—	13,271	(13,271)
Proceeds from long-term loans receivable	15,190	—	(15,190)	89,365
Net increase (decrease) in short-term loans	(2,440)	—	2,440	—
Other	(2,190)	<b>(2,617)</b>	(426)	(6,175)
Net cash provided by (used in) investing activities	(21,499)	<b>(74,691)</b>	(53,191)	(58,422)
Cash flows from financing activities:				
Payments for settlement of long-term debt	(52,153)	<b>(69,870)</b>	(17,716)	(103,923)
Net increase (decrease) in short-term borrowings	(13,538)	—	13,538	(13,538)
Payments for settlement of lease obligations	(610)	<b>(3,293)</b>	(2,682)	(1,778)
Dividends paid	(15,000)	<b>(15,000)</b>	—	(15,000)
Net cash provided by (used in) financing activities	(81,303)	<b>(88,164)</b>	(6,860)	(134,241)
Effect of exchange rate changes on cash and cash equivalents				
	13	<b>(189)</b>	(202)	(25)
Net increase (decrease) in cash and cash equivalents	23,458	<b>(21,270)</b>	(44,729)	44,258
Cash and cash equivalents at beginning of period	48,819	<b>93,077</b>	44,258	48,819
Cash and cash equivalents at end of period	<u>72,278</u>	<u><b>71,807</b></u>	<u>(470)</u>	<u>93,077</u>



## NTT Communications Major Services

### “Myline” carrier-selection services

	<u>As of March 31, 2009</u>	<u>As of September 30, 2009</u>
Myline registrations for inter-prefectural long-distance calls	24,477,000 (subscriber market share: 77.5%)	23,995,000 (subscriber market share: 78.6%)
Myline registrations for international calls	22,170,000 (subscriber market share: 75.9%)	21,814,000 (subscriber market share: 77.1%)

### Traffic

	<u>As of March 31, 2009</u>	<u>As of September 30, 2009</u>
Traffic* Number of calls	7.27 billion	**
Duration of calls	260 million hours	**

\* Calls for NTT Com’s specific numbers and inter-prefectural calls. Does not include Freedial (Toll-free Number) and interconnected calls.

\*\* Not yet available.

### “OCN” Internet access services

	<u>As of March 31, 2009</u>	<u>As of September 30, 2009</u>
OCN service subscribers	7,367,000	7,697,000

### Main network services for business customers

	<u>As of March 31, 2009</u>	<u>As of September 30, 2009</u>
Business customers of main network services	456,000	458,000
Leased circuits*	26,000	25,000
Frame relay/Cell relay*	8,000	7,000
IP-VPN*	116,000	113,000
Group-VPN*	70,000	75,000
OCN Internet access*	204,000	206,000
e-VLAN (wide-area Ethernet services)*	32,000	32,000

\* Partial listing only

### Data centers

	<u>As of March 31, 2009</u>	<u>As of September 30, 2009</u>
Co-location service users	530	530
Data centers*	69 in Japan 27 overseas	69 in Japan 29 overseas
Total size of domestic data centers	Approx. 67,000m <sup>2</sup>	Approx. 67,000m <sup>2</sup>

\* Domestic centers are those that have applied for Information Security Management System approval.

**Supplementary Data for  
the Six Months Ended September 30, 2009**

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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, 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

	(Thousands)							
	A	B	C		D		[Ref.]	
	As of	As of	As of		As of		As of	
	Mar. 31, 2009	Jun. 30, 2009	Sept. 30, 2009		Mar. 31, 2010 (Revised Forecast)		Mar. 31, 2010 (Forecast when previous annual results were announced)	
			<i>E</i>	<i>Progress</i>		<i>F</i>		
			<i>Change</i>	<i>E/F</i>		<i>Change</i>		
			<i>C-A</i>			<i>D-A</i>		
Telephone Subscriber Line	36,361	35,549	34,807	(1,553)	48.4%	33,153	(3,208)	33,153
NTT East	17,983	17,583	17,204	(778)	52.6%	16,503	(1,480)	16,503
NTT West	18,378	17,966	17,603	(775)	44.8%	16,650	(1,728)	16,650
INS-Net	5,724	5,545	5,386	(338)	56.1%	5,122	(602)	5,122
NTT East	2,984	2,891	2,805	(179)	55.8%	2,664	(320)	2,664
NTT West	2,740	2,654	2,581	(159)	56.5%	2,458	(282)	2,458
INS-Net 64	5,234	5,067	4,919	(314)	56.2%	4,675	(559)	4,675
NTT East	2,669	2,583	2,505	(164)	55.0%	2,371	(298)	2,371
NTT West	2,565	2,484	2,414	(151)	57.6%	2,303	(261)	2,303
INS-Net 1500	49	48	47	(2)	55.0%	45	(4)	45
NTT East	31	31	30	(1)	67.2%	29	(2)	29
NTT West	18	17	17	(1)	42.1%	15	(2)	15
Telephone Subscriber Line + INS-Net	42,085	41,094	40,194	(1,891)	49.6%	38,275	(3,810)	38,275
NTT East	20,966	20,474	20,009	(957)	53.2%	19,166	(1,800)	19,166
NTT West	21,118	20,620	20,184	(934)	46.5%	19,108	(2,010)	19,108
FLET'S ISDN	304	286	272	(32)	63.4%	253	(51)	253
NTT East	154	145	137	(17)	58.3%	125	(30)	125
NTT West	150	141	135	(15)	70.5%	128	(21)	128
FLET'S ADSL	3,992	3,834	3,695	(297)	57.3%	3,474	(518)	3,474
NTT East	2,058	1,970	1,889	(169)	62.5%	1,788	(270)	1,788
NTT West	1,934	1,865	1,806	(128)	51.6%	1,686	(248)	1,686
FLET'S Hikari	11,134	11,793	12,278	1,144	45.7%	13,634	2,500	13,634
NTT East	6,291	6,678	6,953	662	47.3%	7,691	1,400	7,691
NTT West	4,843	5,115	5,325	481	43.7%	5,943	1,100	5,943
Optical IP Phone Services ("Hikari Phone")	8,011	8,571	9,078	1,068	46.4%	10,311	2,300	10,311
NTT East	4,248	4,545	4,820	572	47.7%	5,448	1,200	5,448
NTT West	3,762	4,026	4,258	496	45.1%	4,862	1,100	4,862
Conventional Leased Circuit	320	314	308	(12)	52.1%	297	(23)	297
NTT East	161	157	154	(7)	64.7%	150	(11)	150
NTT West	160	157	155	(5)	40.7%	148	(12)	148
High Speed Digital	212	205	201	(11)	59.4%	193	(19)	193
NTT East	114	110	107	(7)	82.1%	106	(8)	106
NTT West	98	96	94	(4)	41.7%	88	(10)	88
NTT Group Major ISPs	10,607	10,890	11,042	435	67.6%	11,250	643	11,200
OCN*	7,367	7,576	7,697	330	76.2%	7,800	433	7,800
Plala*	2,896	2,974	3,007	111	72.3%	3,050	154	3,000
Mobile	54,601	54,864	55,186	586	48.8%	55,800	1,200	55,760
FOMA*	49,040	50,246	51,258	2,218	55.6%	53,030	3,990	52,980
i-mode	48,474	48,597	48,670	196	45.6%	48,900	430	48,850
FOMA*	44,853	45,682	46,261	1,408	57.2%	47,310	2,460	47,350

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

2 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 and FLET'S Hikari Next (launched on Mar. 31, 2008) provided by NTT East, and subscribers to B FLET'S, FLET'S Hikari Premium, FLET'S Hikari Mytown and FLET'S Hikari Next (launched on Mar. 31, 2008) provided by NTT West.

4 Number of Optical IP Phone Services is calculated by number of thousand channels.

5 NTT Group Major ISPs includes WAKWAK and InfoSphere, in addition to OCN and Plala.

6 Number of communication module service subscribers is included in the number of mobile subscribers. Communication module service subscribers were 1,536,000 as of Sept. 30, 2009, and are forecasted to be 1,590,000 as of Mar. 31, 2010.

7 Changes in number of mobile (FOMA\* is included) and i-mode subscribers as of Mar. 31, 2010 (Revised Forecast) are forecasted net-increases.

8 Effective Mar. 3, 2008, FOMA services subscriptions became mandatory for subscription to "2in1" services. Such FOMA services subscriptions to "2in1" services are included in the above numbers of Mobile phone service subscriptions and FOMA service subscriptions.

\* Partial listing only

## 2. Number of Employees

	(Person)				
	A	B		C	[Ref.]
	As of Sept. 30, 2008	As of Sept. 30, 2009		As of Mar. 31, 2010 (Revised Forecast)	As of Mar. 31, 2010 (Forecast when previous annual results were announced)
		<u>Change</u>			
		<u>B-A</u>			
NTT Consolidated	205,250	205,950	700	195,600	194,200
Core Group Companies					
NTT (Holding)	2,900	2,950	50	2,900	2,900
NTT East	6,050	6,300	250	5,700	5,700
NTT West	5,900	5,800	(100)	5,650	5,650
NTT Communications	8,550	8,450	(100)	8,350	8,300
NTT DATA (Consolidated)	28,000	34,050	6,050	34,200	33,400
NTT DOCOMO (Consolidated)	22,550	22,850	300	22,400	22,200
(Reference) Outsourcing Companies					
East Outsourcing Companies	43,500	40,200	(3,300)	37,600	37,600
West Outsourcing Companies	47,800	43,650	(4,150)	40,050	40,050

Notes : 1 Figures for NTT Consolidated do not include the number of employees who retired or will retire at the end of a fiscal year and who were rehired or will be rehired at the beginning of the next fiscal year.

2 Figures for East Outsourcing Companies include the consolidated prefectural outsourcing companies (incl. NTT EAST-TOKYOMINAMI), NTT-ME and NTT EAST SOLUTIONS, while figures for West Outsourcing Companies include the consolidated regional outsourcing companies (incl. NTT WEST-KANSAI), NTT MARKETING ACT, NTT NEOMEIT and NTT WEST-HOMETECHNO. Figures for those companies include the number of employees who retired or will retire at the end of a fiscal year and who were rehired or will be rehired at the beginning of the next fiscal year, as described below:

- As of Mar. 31, 2010 (Revised Forecast) (East Outsourcing Companies: 850 employees; West Outsourcing Companies: 1,150 employees)
- As of Mar. 31, 2010 (Forecast when previous annual results were announced) (East Outsourcing Companies: 850 employees; West Outsourcing Companies: 1,150 employees)

## 3. Capital Investment

	(Billions of yen)					
	A	B		C	[Ref.]	
	Six Months Ended Sept. 30, 2008	Six Months Ended Sept. 30, 2009		Year Ending Mar. 31, 2010 (Revised Forecast)	Year Ending Mar. 31, 2010 (Forecast when previous annual results were announced)	
			<u>Change</u>	<u>Progress</u>		
		<u>B-A</u>	<u>B/C</u>			
NTT Consolidated	985.5	892.1	(93.4)	44.2%	2,020.0	2,020.0
Core Group Companies						
NTT (Holding)	19.5	10.9	(8.5)	26.6%	41.0	41.0
NTT East	230.1	221.3	(8.8)	48.1%	460.0	460.0
NTT West	166.2	171.3	5.1	42.3%	405.0	405.0
NTT Communications	39.3	44.1	4.8	40.9%	108.0	108.0
NTT DATA (Consolidated)	91.3	72.1	(19.1)	50.1%	144.0	144.0
NTT DOCOMO (Consolidated)	336.5	316.1	(20.3)	45.8%	690.0	690.0

Notes : 1 Capital Investments of NTT East, NTT West, and NTT Communications for fiscal year ending Mar. 31, 2010 (Revised Forecast) include: 160.0 billion yen for voice transmission, 70.0 billion yen for data transmission, 200.0 billion yen for leased circuit, 1.0 billion yen for telegraph, 3.0 billion yen for R&D facilities, and 26.0 billion yen for joint facilities and others for NTT East; 189.0 billion yen for voice transmission, 50.0 billion yen for data transmission, 151.0 billion yen for leased circuit, 1.0 billion yen for telegraph, 2.0 billion yen for R&D facilities, and 12.0 billion yen for joint facilities and others for NTT West; and 51.0 billion yen for voice transmission, 19.0 billion yen for data transmission, 4.0 billion yen for leased circuit, 1.0 billion yen for R&D facilities, and 33.0 billion yen for joint facilities and others for NTT

Communications.

- 2 Capital Investments of NTT East and NTT West for fiscal year ending Mar. 31, 2010 (Revised Forecast) include approximately 180.0 billion yen and 120.0 billion yen for optical fiber related investment in NTT East and in NTT West respectively. Coverage rates of optical fiber are expected to be 93% for NTT East and 89% for NTT West as of Mar. 31, 2010.

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

	(Billions of yen)					
	A	B			C	[Ref.]
	Six Months Ended Sept. 30, 2008	Six Months Ended Sept. 30, 2009			Year Ending Mar. 31, 2010 (Revised Forecast)	Year Ending Mar. 31, 2010 (Forecast when previous annual results were announced)
			<u>Change</u> B-A	<u>Progress</u> B/C		
<b>NTT Consolidated (US GAAP)</b>						
Operating Revenues	5,164.6	4,998.1	(166.5)	49.1%	10,170.0	10,300.0
Fixed Voice Related Services	1,315.7	1,194.4	(121.3)	—	—	—
Mobile Voice Related Services	1,179.6	1,084.6	(95.0)	—	—	—
IP/Packet Communications Services	1,416.8	1,536.0	119.2	—	—	—
Sales of Telecommunications						
Equipment	369.3	295.7	(73.6)	—	—	—
System Integration	541.4	567.1	25.6	—	—	—
Other	341.7	320.4	(21.4)	—	—	—
Operating Expenses	4,419.5	4,351.3	(68.2)	48.0%	9,060.0	9,190.0
Cost of Services (exclusive of items shown separately below)	1,161.9	1,177.7	15.8	—	—	—
Cost of Equipment Sold (exclusive of items shown separately below)	459.9	387.3	(72.6)	—	—	—
Cost of Systems Integration (exclusive of items shown separately below)	344.1	361.4	17.3	—	—	—
Depreciation and Amortization	1,020.8	997.0	(23.8)	—	—	—
Impairment Loss	0.4	0.5	0.1	—	—	—
Selling, General and Administrative Expenses	1,432.4	1,427.4	(5.0)	—	—	—
Write-Down of Goodwill and Other Intangible Assets	—	—	—	—	—	—
Operating Income	745.1	646.8	(98.3)	58.3%	1,110.0	1,110.0
Income Before Income Taxes	771.2	643.6	(127.6)	59.6%	1,080.0	1,080.0
Net Income Attributable to NTT	406.4	282.2	(124.1)	61.4%	460.0	460.0
(Ref.) Details of "Cost of Services," "Cost of Equipment Sold," "Cost of Systems Integration" and "Selling, General and Administrative Expenses"						
Personnel	968.5	990.6	22.1	—	—	—
Cost of Services and Equipment Sold, and Selling, General and Administrative Expenses	2,251.0	2,185.7	(65.3)	—	—	—
Loss on Disposal of Property, Plant and Equipment	65.4	64.6	(0.8)	—	—	—
Other Expenses	113.5	113.0	(0.5)	—	—	—
Total	3,398.3	3,353.8	(44.5)	—	—	—
<b>NTT (Holding) (JPN GAAP)</b>						
Operating Revenues	208.1	218.4	10.3	57.6%	379.0	383.0
Operating Expenses	79.6	73.8	(5.7)	44.5%	166.0	170.0
Operating Income	128.4	144.5	16.0	67.9%	213.0	213.0
Non-Operating Revenues	25.6	24.6	(1.0)	51.3%	48.0	48.0
Non-Operating Expenses	22.8	22.4	(0.4)	49.9%	45.0	45.0
Recurring Profit	131.2	146.7	15.4	67.9%	216.0	216.0
Net Income	129.8	144.6	14.7	67.0%	216.0	216.0

Note : With the application of the accounting pronouncement issued by the Financial Accounting Standards Board ("FASB") in December 2007, relating to noncontrolling interests in consolidated financial statements from the fiscal year ending Mar. 31, 2010, the presentation of the consolidated "Net Income Attributable to NTT" for the six months ended Sept. 30, 2008 has been conformed to the presentation for the six months ended Sept. 30, 2009.

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

	(Billions of yen)					
	A	B		C	[Ref.]	
	Six Months Ended Sept. 30, 2008	Six Months Ended Sept. 30, 2009		Year Ending Mar. 31, 2010 (Revised Forecast)	Year Ending Mar. 31, 2010 (Forecast when previous annual results were announced)	
			<u>Change</u> B-A	<u>Progress</u> B/C		
<b>NTT East (JPN GAAP)</b>						
Operating Revenues	965.9	946.3	(19.5)	49.4%	1,915.0	1,925.0
Voice Transmission Services (excluding IP)	468.7	419.0	(49.6)	51.7%	811.0	818.0
IP Services	271.1	312.5	41.4	48.0%	651.0	654.0
Leased Circuit (excluding IP)	86.7	78.6	(8.0)	50.1%	157.0	157.0
Telegraph	11.0	10.0	(0.9)	50.4%	20.0	20.0
Other	73.9	71.7	(2.2)	45.7%	276.0	276.0
Supplementary Business	54.3	54.2	(0.1)			
Operating Expenses	945.3	914.1	(31.2)	48.8%	1,875.0	1,885.0
Personnel	57.6	63.3	5.7	49.5%	128.0	128.0
Cost of Services and Equipment Sold, and Selling, General and Administrative Expenses	626.6	595.3	(31.2)	48.5%	1,228.0	1,238.0
Depreciation and Amortization	208.8	201.6	(7.1)	50.4%	400.0	400.0
Loss on Disposal of Property, Plant and Equipment	14.5	16.5	1.9	36.8%	45.0	45.0
Taxes and Public Dues	37.6	37.1	(0.5)	50.2%	74.0	74.0
Operating Income	20.5	32.2	11.6	80.6%	40.0	40.0
Non-Operating Revenues	41.9	30.7	(11.2)	54.9%	56.0	56.0
Non-Operating Expenses	18.2	18.7	0.4	52.0%	36.0	36.0
Recurring Profit	44.3	44.2	(0.0)	73.8%	60.0	60.0
Net Income	44.1	33.9	(10.1)	80.9%	42.0	39.0
<b>NTT West (JPN GAAP)</b>						
Operating Revenues	908.1	876.2	(31.9)	49.6%	1,767.0	1,779.0
Voice Transmission Services (excluding IP)	460.9	409.5	(51.4)	51.6%	794.0	795.0
IP Services	221.9	255.0	33.0	48.3%	528.0	532.0
Leased Circuit (excluding IP)	75.3	70.5	(4.7)	50.4%	140.0	141.0
Telegraph	12.4	11.7	(0.7)	48.8%	24.0	24.0
Other	66.9	65.2	(1.7)	46.0%	281.0	287.0
Supplementary Business	70.5	64.1	(6.4)			
Operating Expenses	901.5	858.5	(43.0)	48.7%	1,762.0	1,774.0
Personnel	57.2	62.8	5.5	49.5%	127.0	127.0
Cost of Services and Equipment Sold, and Selling, General and Administrative Expenses	587.3	550.8	(36.4)	48.1%	1,146.0	1,158.0
Depreciation and Amortization	204.9	194.5	(10.4)	51.1%	381.0	381.0
Loss on Disposal of Property, Plant and Equipment	16.8	15.5	(1.2)	38.9%	40.0	40.0
Taxes and Public Dues	35.0	34.7	(0.3)	51.1%	68.0	68.0
Operating Income	6.5	17.6	11.1	353.8%	5.0	5.0
Non-Operating Revenues	27.7	24.5	(3.2)	54.5%	45.0	45.0
Non-Operating Expenses	20.0	17.4	(2.6)	43.7%	40.0	40.0
Recurring Profit	14.2	24.7	10.5	247.5%	10.0	10.0
Net Income	10.7	20.0	9.2	286.4%	7.0	7.0

Notes : 1 Operating Revenues from Voice Transmission Services (excluding IP) of NTT East and NTT West for the six months ended Sept. 30, 2009 include monthly charges, call charges and interconnection charges of 287.6 billion yen, 43.8 billion yen and 52.0 billion yen for NTT East, and 281.1 billion yen, 39.3 billion yen and 56.9 billion yen for NTT West, respectively.

2 Operating Revenues from IP Services of NTT East and NTT West for the six months ended Sept. 30, 2009 include

FLET'S Hikari and Optical IP telephone (Hikari Phone) (including monthly charges, call charges and connection device charges) of 172.9 billion yen and 50.6 billion yen for NTT East, and 133.9 billion yen and 41.2 billion yen for NTT West, respectively.

- FLET'S Hikari includes B FLET'S and FLET'S Hikari Next (launched on Mar. 31, 2008) provided by NTT East, and B FLET'S, FLET'S Hikari Premium, FLET'S Hikari Mytown and FLET'S Hikari Next (launched on Mar. 31, 2008) provided by NTT West.

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

	(Billions of yen)					
	A	B		C	[Ref.]	
	Six Months Ended Sept. 30, 2008	Six Months Ended Sept. 30, 2009		Year Ending Mar. 31, 2010 (Revised Forecast)	Year Ending Mar. 31, 2010 (Forecast when previous annual results were announced)	
			<u>Change</u> B-A	<u>Progress</u> B/C		
<b>NTT Communications (JPN GAAP)</b>						
Operating Revenues	556.7	532.5	(24.1)	49.2%	1,082.0	1,082.0
Voice Transmission Services (excluding IP)	212.5	192.4	(20.1)	51.4%	374.0	374.0
IP Services	172.3	182.3	10.0	48.9%	373.0	373.0
Data Transmission Services (excluding IP)	68.0	61.1	(6.8)	52.3%	117.0	117.0
Leased Circuit*	48.7	44.6	(4.0)	52.6%	85.0	85.0
Solutions Business	89.9	83.4	(6.5)	43.9%	190.0	190.0
Other	13.8	13.2	(0.5)	47.2%	28.0	28.0
Operating Expenses	502.3	479.7	(22.5)	48.4%	992.0	992.0
Personnel	46.9	47.0	0.1	49.6%	95.0	95.0
Cost of Services and Equipment Sold, and Selling, General and Administrative Expenses	243.0	229.9	(13.1)	48.3%	756.0	756.0
Communication Network Charges	142.9	135.2	(7.7)			
Depreciation and Amortization	60.9	58.9	(1.9)	50.4%	117.0	117.0
Loss on Disposal of Property, Plant and Equipment	2.4	2.5	0.1	21.5%	12.0	12.0
Taxes and Public Dues	6.0	5.9	(0.0)	49.7%	12.0	12.0
Operating Income	54.4	52.8	(1.5)	58.7%	90.0	90.0
Non-Operating Revenues	22.6	15.6	(6.9)	74.5%	21.0	21.0
Non-Operating Expenses	11.2	6.5	(4.7)	40.8%	16.0	16.0
Recurring Profit	65.8	61.9	(3.8)	65.2%	95.0	95.0
Net Income	56.0	36.5	(19.5)	65.2%	56.0	56.0
<b>NTT DATA Consolidated (JPN GAAP)</b>						
Operating Revenues	513.3	532.8	19.4	45.5%	1,170.0	1,170.0
Systems Integration	388.7	407.3	18.5	44.5%	916.0	916.0
Network System Services	38.0	40.9	2.8	51.1%	80.0	80.0
Others	128.9	128.7	(0.2)	48.0%	268.0	268.0
Elimination or Corporate	(42.3)	(44.1)	(1.7)	46.9%	(94.0)	(94.0)
Cost of Sales	387.2	405.3	18.0	45.9%	884.0	884.0
Gross Profit	126.1	127.4	1.3	44.6%	286.0	286.0
Selling and General Expense	81.4	94.0	12.5	48.0%	196.0	196.0
Operating Income	44.6	33.4	(11.2)	37.2%	90.0	90.0
Non-Operating Income (loss)	(1.3)	(3.0)	(1.7)	77.3%	(4.0)	(4.0)
Recurring Profit	43.3	30.3	(12.9)	35.3%	86.0	86.0
Net Income	22.7	15.2	(7.5)	32.4%	47.0	47.0
<b>NTT DOCOMO Consolidated (US GAAP)</b>						
Operating Revenues	2,267.8	2,145.8	(122.0)	50.2%	4,276.0	4,382.0
Wireless Services	1,948.5	1,893.3	(55.3)	50.7%	3,735.0	3,718.0
Mobile Services	1,871.9	1,766.2	(105.7)	51.0%	3,461.0	3,449.0
Voice	1,125.4	978.3	(147.1)	52.3%	1,872.0	1,885.0
Packet Communications	746.5	787.9	41.4	49.6%	1,589.0	1,564.0
Other revenues	76.7	127.1	50.4	46.4%	274.0	269.0
Equipment sales	319.2	252.5	(66.7)	46.7%	541.0	664.0
Operating Expenses	1,690.8	1,660.6	(30.3)	48.2%	3,446.0	3,552.0
Personnel	126.7	126.8	0.2	48.8%	260.0	263.0
Cost of Services and Equipment Sold, and Selling, General and Administrative Expenses	1,011.3	1,001.9	(9.4)	47.6%	2,103.0	2,193.0

Depreciation and Amortization	348.4	337.8	(10.6)	48.1%	703.0	710.0
Loss on Disposal of Property, Plant and Equipment	18.7	18.6	(0.1)	40.5%	46.0	45.0
Communication Network Charges	165.8	155.8	(10.0)	52.8%	295.0	302.0
Taxes and Public Dues	20.0	19.6	(0.4)	50.2%	39.0	39.0
Operating Income	576.9	485.2	(91.7)	58.5%	830.0	830.0
Non-Operating Income (loss)	(16.8)	(5.3)	11.4	106.8%	(5.0)	2.0
Income Before Tax	560.2	479.9	(80.3)	58.2%	825.0	832.0
Net Income Attributable to NTT DOCOMO	346.7	284.7	(61.9)	57.8%	493.0	493.0

Notes: 1 Operating Revenues from Voice Transmission Services (excluding IP) of NTT Communications for the six months ended Sept. 30, 2009 include revenues from telephone subscriber lines (103.3 billion yen). Operating Revenues from IP Services include revenues from OCN (81.3 billion yen), IP-VPN (39.6 billion yen) and Wide-area Ethernet (28.9 billion yen). Operating Revenues from Data Transmission Services (excluding IP) include Frame Relay / Cell Relay (3.1 billion yen), and Operating Revenues from Leased Circuit include conventional leased circuits (2.3 billion yen) and high-speed digital (20.0 billion yen).

2 With the application of the accounting pronouncement issued by FASB in December 2007, relating to noncontrolling interests in consolidated financial statements from the fiscal year ending Mar. 31, 2010, the presentation of the consolidated "Net Income Attributable to NTT DOCOMO" in "NTT DOCOMO Consolidated (US GAAP)" for the six months ended Sept. 30, 2008 has been conformed to the presentation for the six months ended Sept. 30, 2009.

\* Partial listing only

5. Average Monthly Revenue per Unit (ARPU)

Average monthly revenue per unit, or ARPU, is used to measure average monthly operating revenues attributable to designated services on a per user basis. In the case of our fixed line business, ARPU is calculated by dividing revenue items included in the operating revenues of our Regional Communications Business, 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 our mobile business, ARPU is calculated by dividing revenue items included in the operating revenues from our Mobile Communications Business, such as revenues from Mobile (FOMA) services and revenues from Mobile (mova) services, which 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 equipment sales, activation fees and universal service charges.

We believe that our ARPU figures calculated in this way provide useful information regarding the monthly average usage of our subscribers. The revenue items included in the numerators of our ARPU figures are based on our financial results comprising our U.S. GAAP results of operations.

	Three Months Ended Jun. 30, 2009 (From Apr. to Jun., 2009)	Three Months Ended Sept. 30, 2009 (From Jul. to Sept., 2009)	Six Months Ended Sept. 30, 2008 (From Apr. to Sept., 2008)	Six Months Ended Sept. 30, 2009 (From Apr. to Sept., 2009)	Year Ended Mar. 31, 2009	Year Ending Mar. 31, 2010 (Revised forecast)	Year Ending Mar. 31, 2010 (Forecast when previous annual results were announced)
(Yen)							
<b>NTT East</b>							
Aggregate Fixed Line ARPU (Telephone Subscriber Line + INS-NET Subscriber Line)	3,000	2,990	3,060	2,990	3,050	2,990	3,020
Telephone Subscriber Lines ARPU	2,630	2,620	2,670	2,620	2,670	2,620	2,640
INS-NET Subscriber Lines ARPU	5,240	5,240	5,330	5,240	5,310	5,240	5,290
FLET'S Hikari ARPU	5,640	5,730	5,510	5,690	5,580	5,720	5,720
<b>NTT West</b>							
Aggregate Fixed Line ARPU (Telephone Subscriber Line + INS-NET Subscriber Line)	2,850	2,860	2,920	2,850	2,900	2,840	2,850
Telephone Subscriber Lines ARPU	2,530	2,530	2,580	2,530	2,570	2,520	2,520
INS-NET Subscriber Lines ARPU	5,040	5,050	5,140	5,040	5,120	5,010	5,030
FLET'S Hikari ARPU	5,680	5,780	5,580	5,730	5,620	5,770	5,770
<b>NTT DOCOMO</b>							
Mobile Aggregate ARPU (FOMA+mova)	5,440	5,420	5,870	5,430	5,710	5,300	5,280
Voice ARPU (FOMA+mova)	3,010	2,970	3,510	2,990	3,330	2,840	2,860
Packet ARPU (FOMA+mova)	2,430	2,450	2,360	2,440	2,380	2,460	2,420
i-mode ARPU (FOMA+mova)*	2,380	2,390	2,330	2,390	2,340	2,390	2,360
ARPU generated purely from i-mode (FOMA+mova)	2,610	2,630	2,530	2,620	2,550	2,630	2,600
Mobile Aggregate ARPU (FOMA)	5,610	5,560	6,220	5,590	6,010	5,420	5,420
Voice ARPU (FOMA)	3,010	2,970	3,560	2,990	3,360	2,840	2,860
Packet ARPU (FOMA)	2,600	2,590	2,660	2,600	2,650	2,580	2,560
i-mode ARPU (FOMA)*	2,540	2,520	2,610	2,530	2,590	2,510	2,490
ARPU generated purely from i-mode (FOMA)	2,740	2,730	2,760	2,740	2,760	2,730	2,700
Mobile Aggregate ARPU (mova)	3,550	3,500	3,860	3,530	3,750	3,440	3,340
Voice ARPU (mova)	2,940	2,890	3,170	2,920	3,090	2,850	2,800

i-mode ARPU (mova)	610	610	690	610	660	590	540
ARPU generated purely from i-mode (mova)	840	830	890	830	870	810	770

\* Partial listing only

Notes : 1 We separately compute the following four categories of ARPU for the fixed line business conducted by each of NTT East and NTT West, using the following measures:

- 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 and Supplementary Business, and revenues from monthly charges, call charges and device connection charges for Hikari Phone, which are included in operating revenues from IP Services.

— FLET'S Hikari includes B FLET'S and FLET'S Hikari Next (launched on Mar. 31, 2008) provided by NTT East, and B FLET'S, FLET'S Hikari Premium, FLET'S Hikari Mytown and FLET'S Hikari Next (launched on Mar. 31, 2008) provided by NTT West.

— Commencing in the fiscal year ending Mar. 31, 2010, NTT East and NTT West have begun including in their FLET'S Hikari ARPU calculation revenues from the "Remote Support Service", a FLET'S Hikari optional service, which are part of their operating revenues from Supplementary Business. Accordingly, calculations for NTT East and NTT West's FLET'S Hikari ARPU for the three months ended Jun. 30, 2008, Sep. 30, 2008, Dec. 31, 2008 and Mar. 31, 2009, and the fiscal year ended Mar. 31, 2009 have been revised to include revenues from Remote Support Service.

Revenues from NTT East's Remote Support Service contributed, respectively, 10 yen, 20 yen, 20 yen, 40 yen, 10 yen and 30 yen to NTT East's FLET'S Hikari ARPU for the three months ended Jun. 30, 2008, Sep. 30, 2008, Dec. 31, 2008, Mar. 31, 2009, the six months ended Sep. 30, 2008 and the fiscal year ended Mar. 31, 2009 (representing, respectively, 0.2%, 0.4%, 0.4%, 0.7%, 0.2% and 0.5% of NTT East's total FLET'S Hikari ARPU for the same periods). Revenues from NTT East's Remote Support Service contributed, respectively, 50 yen, 60 yen, 60 yen and 70 yen, to NTT East's FLET'S Hikari ARPU for the three months ended Jun. 30, 2009, Sep. 30, 2009, the six months ended Sep. 30, 2009 and the revised forecast for the fiscal year ending Mar. 31, 2010 (representing, respectively, 0.9%, 1.0%, 1.1% and 1.2% of NTT East's total FLET'S Hikari ARPU for the same period).

Revenues from NTT West's Remote Support Service contributed, respectively, 0 yen, 0 yen, 0 yen, 0 yen, 0 yen and 0 yen to NTT West's FLET'S Hikari ARPU for the three months ended Jun. 30, 2008, Sep. 30, 2008, Dec. 31, 2008, Mar. 31, 2009, for the six months ended Sep. 30, 2008 and the fiscal year ended Mar. 31, 2009 (representing, respectively, 0.0%, 0.0%, 0.0%, 0.0%, 0.0% and 0.0% of NTT West's total FLET'S Hikari ARPU for the same periods). Revenues from NTT West's Remote Support Service contributed, respectively, 0 yen, 10 yen, 10 yen and 30 yen, to NTT West's FLET'S Hikari ARPU for the three months ended Jun. 30, 2009, Sep. 30, 2009, the six months ended Sep. 30, 2009 and the revised forecast for the fiscal year ending Mar. 31, 2010 (representing, respectively, 0.0%, 0.2%, 0.2% and 0.5% of NTT West's total FLET'S Hikari ARPU for the same period).

- 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 using the number of lines 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, 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 number of FLET'S Hikari subscribers including B FLET'S and FLET'S Hikari Next (launched on Mar. 31, 2008) provided by NTT East and B FLET'S, FLET'S Hikari Premium, FLET'S Hikari Mytown and FLET'S Hikari Next (launched on Mar. 31, 2008) provided by NTT West.
- 6 We compute ARPU for our mobile business using three aggregate measures.
  - Mobile Aggregate ARPU (FOMA+mova) = Voice ARPU (FOMA+mova) + Packet ARPU (FOMA+mova).
    - Our Voice ARPU (FOMA+mova) is based on operating revenues related to voice services, such as basic monthly charges and voice transmission charges, attributable to our third generation FOMA and conventional mova services, and our Packet ARPU (FOMA+mova) is based on operating revenues related to packet communication services, such as basic monthly charges and packet transmission charges, attributable to our third generation FOMA services and based on operating revenues related to i-mode services, such as basic monthly charges and packet transmission charges, attributable to our conventional mova services. We also separately compute i-mode ARPU (FOMA+mova), as a subcomponent of Packet ARPU (FOMA+mova). i-mode ARPU (FOMA+mova) is based on operating revenues from basic monthly charges and packet transmission charges attributable to our i-mode-related FOMA and mova services.
  - Mobile Aggregate ARPU (FOMA) = Voice ARPU (FOMA) + Packet ARPU (FOMA).
    - Our Voice ARPU (FOMA) is based on operating revenues related to voice services, such as basic monthly charges and voice transmission charges, and our Packet ARPU (FOMA) is based on operating revenues related to packet communication services, such as basic monthly charges and packet transmission charges, in each case attributable to our third generation FOMA services. We also separately compute i-mode ARPU (FOMA), as a subcomponent of Packet ARPU (FOMA). i-mode ARPU (FOMA) is based on operating revenues from basic monthly charges and packet transmission charges attributable to our i-mode-related FOMA services.
  - Mobile Aggregate ARPU (mova) = Mobile Voice ARPU (mova) + i-mode ARPU (mova).
    - Our Voice ARPU (mova) is based on operating revenues related to voice services, such as basic monthly charges and voice transmission charges, and our i-mode ARPU (mova) is based on operating revenues related to i-mode services, such as basic monthly charges and packet transmission charges, in each case attributable to our conventional mova services.
- 7 We show ARPU for our i-mode using two aggregate measures.
  - i-mode ARPU (FOMA+mova, FOMA and mova) is based on the number of all subscribers who have active mobile phones, regardless of whether the i-mode service is activated.
  - ARPU generated purely from i-mode (FOMA+mova, FOMA and mova) is based on the number of active subscribers to the i-mode service only.
- 8 Communications module service subscribers and the revenues therefrom are not included in the calculations of Mobile Aggregate ARPU.
- 9 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\*\* (as defined below) for each month from Apr. to Jun.
  - 2Q Results: Sum of number of active subscribers\*\* for each month from Jul. to Sept.
  - 3Q Results: Sum of number of active subscribers\*\* for each month from Oct. to Dec.
  - 4Q Results: Sum of number of active subscribers\*\* for each month from Jan. to Mar.
  - Six Months Results: Sum of Number of active subscribers\*\* for each month from Apr. to Sept.
  - FY Results : Sum of number of active subscribers\*\* for each month from Apr. to Mar.
  - FY (Forecast when previous annual results were announced): Average expected active Number of subscribers ((Number of subscribers at end of previous Mar. + Number of expected subscribers at end of following Mar.)/2) x12
  - FY (Revised forecast): Sum of the sum of actual Number of active subscribers at the end of each month from Apr. to Sept. and the average expected active Number of subscribers during the second half of the fiscal year ((Number of subscribers at end of Sept. + Number of expected subscribers at end of the following Mar.)/2)x6
- 10 Number of active subscribers used in the ARPU calculation of NTT DOCOMO are as below.

- 1Q Results: Sum of number of active subscribers\*\* (as defined below) for each month from Apr. to Jun.
- 2Q Results: Sum of number of active subscribers\*\* for each month from Jul. to Sept.
- 3Q Results: Sum of number of active subscribers\*\* for each month from Oct. to Dec.
- 4Q Results: Sum of number of active subscribers\*\* for each month from Jan. to Mar.
- Six Months Results: Sum of Number of active subscribers\*\* for each month from Apr. to Sept.
- FY Results: Sum of number of active subscribers\*\* for each month from Apr. to Mar.
- FY (Forecast when previous annual results were announced) and FY (Revised forecast): Sum of expected number of active subscribers\*\* for each month from Apr. to Mar.

\*\* 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, 2009	As of Sept. 30, 2009	As of Mar. 31, 2010 (Revised Forecast)	As of Mar. 31, 2010 (Forecast when previous annual results were announced)
Interest-Bearing Liabilities	4,899.3	4,731.4	4,900.0	4,900.0

7. Indices (Consolidated)

	Year Ended Mar. 31, 2009	Six months Ended Sept. 30, 2009	Year Ending Mar. 31, 2010 (Revised Forecast)	Year Ending Mar. 31, 2010 (Forecast when previous annual results were announced)
	Operating Income	1,109.8 billion yen	646.8 billion yen	1,110.0 billion yen
EBITDA Margin	32.4%	33.8%	31.8%	31.4%
Operating FCF	1,224.8 billion yen	796.5 billion yen	1,210.0 billion yen	1,210.0 billion yen
ROCE	5.4%	—	5.3%	5.3%

Note : The reconciliation of Indices are as follows.

	Year Ended Mar. 31, 2009	Six Months Ended Sept. 30, 2009	Year Ending Mar. 31, 2010 (Revised Forecast)	Year Ending Mar. 31, 2010 (Forecast when previous annual results were announced)
	EBITDA Margin [(c/d)X100]	32.4%	33.8%	31.8%
a Operating Income	1,109.8 billion yen	646.8 billion yen	1,110.0 billion yen	1,110.0 billion yen
b Depreciation, Amortization, and Loss on Disposal of Property, Plant and Equipment	2,260.1 billion yen	1,041.8 billion yen	2,120.0 billion yen	2,120.0 billion yen
c EBITDA (a+b)	3,369.8 billion yen	1,688.6 billion yen	3,230.0 billion yen	3,230.0 billion yen
d Operating Revenues	10,416.3 billion yen	4,998.1 billion yen	10,170.0 billion yen	10,300.0 billion yen
Operating FCF [(c-d)]	1,224.8 billion yen	796.5 billion yen	1,210.0 billion yen	1,210.0 billion yen
a Operating Income	1,109.8 billion yen	646.8 billion yen	1,110.0 billion yen	1,110.0 billion yen
b Depreciation, Amortization, and Loss on Disposal of Property, Plant and Equipment	2,260.1 billion yen	1,041.8 billion yen	2,120.0 billion yen	2,120.0 billion yen
c EBITDA (a+b)	3,369.8 billion yen	1,688.6 billion yen	3,230.0 billion yen	3,230.0 billion yen
d Capital Investment	2,145.1 billion yen	892.1 billion yen	2,020.0 billion yen	2,020.0 billion yen
ROCE [(b/c)X100]	5.4%	—	5.3%	5.3%
a Operating Income (Normal Statutory Tax Rate)	1,109.8 billion yen 41%	—	1,110.0 billion yen 41%	1,110.0 billion yen 41%
b Operating Income X (1 - Normal Statutory Tax Rate)	655.8 billion yen	—	654.9 billion yen	654.9 billion yen
c Operating Capital Employed	12,142.7 billion yen	—	12,351.7 billion yen	12,351.7 billion yen

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

	(Billions of yen)	
	Year Ended Mar. 31, 2009	Six Months Ended Sept. 30, 2009
NTT Consolidated Capital Investment	2,145.1	892.1
Payments for Property, Plant and Equipment	1,412.0	727.2
Acquisition of Intangible and Other Assets	617.0	298.1
Other Differences	116.1	(133.2)

Financial Results for the Six Months Ended September 30, 2009

	(Billions of yen)		
	Six Months Ended Sept. 30, 2009	Three Months Ended Jun. 30, 2009	Three Months Ended Sept. 30, 2009
<b>NTT Consolidated (US GAAP)</b>			
Operating Revenues	4,998.1	2,502.9	2,495.2
Fixed Voice Related Services	1,194.4	599.2	595.3
Mobile Voice Related Services	1,084.6	540.0	544.6
IP/Packet Communications Services	1,536.0	761.3	774.7
Sales of Telecommunications Equipment	295.7	163.8	131.9
System Integration	567.1	283.8	283.3
Other	320.4	154.9	165.5
Operating Expenses	4,351.3	2,177.1	2,174.2
Cost of Services (exclusive of items shown separately below)	1,177.7	582.9	594.9
Cost of Equipment Sold (exclusive of items shown separately below)	387.3	213.6	173.8
Cost of Systems Integration (exclusive of items shown separately below)	361.4	182.2	179.2
Depreciation and Amortization	997.0	496.6	500.4
Impairment Loss	0.5	0.3	0.2
Selling, General and Administrative Expenses	1,427.4	701.7	725.7
Write-down of goodwill and other intangible assets	—	—	—
Operating Income	646.8	325.8	321.0
Income Before Income Taxes	643.6	325.9	317.7
Net Income	282.2	139.6	142.7
(Ref.) Details of “Cost of Services,” “Cost of Equipment Sold,” “Cost of Systems Integration” and “Selling, General and Administrative Expenses”			
Personnel	990.6	489.2	501.3
Cost of Services and Equipment Sold, and Selling, General and Administrative Expenses	2,185.7	1,097.8	1,087.9
Loss on Disposal of Property, Plant and Equipment	64.6	35.2	29.4
Other Expenses	113.0	58.0	55.0
Total	3,353.8	1,680.2	1,673.6
<b>NTT (Holding) (JPN GAAP)</b>			
Operating Revenues	218.4	179.0	39.4
Operating Expenses	73.8	36.6	37.1
Operating Income	144.5	142.3	2.2
Non-Operating Revenues	24.6	13.2	11.3
Non-Operating Expenses	22.4	11.6	10.8
Recurring Profit	146.7	143.9	2.7
Net Income	144.6	142.5	2.0

Financial Results for the Six Months Ended September 30, 2009

	(Billions of yen)		
	Six Months Ended Sept. 30, 2009	Three Months Ended Jun. 30, 2009	Three Months Ended Sept. 30, 2009
<b>NTT East (JPN GAAP)</b>			
Operating Revenues	946.3	467.5	478.8
Voice Transmission Services (excluding IP)	419.0	211.3	207.7
IP Services	312.5	153.4	159.0
Leased Circuit (excluding IP)	78.6	39.7	38.9
Telegraph	10.0	5.7	4.3
Other	71.7	31.9	39.8
Supplementary Business	54.2	25.3	28.8
Operating Expenses	914.1	455.6	458.4
Personnel	63.3	31.8	31.5
Cost of Services and Equipment Sold, and Selling, General and Administrative Expenses	595.3	295.4	299.9
Depreciation and Amortization	201.6	100.7	100.9
Loss on Disposal of Property, Plant and Equipment	16.5	8.6	7.8
Taxes and Public Dues	37.1	18.9	18.1
Operating Income	32.2	11.8	20.3
Non-Operating Revenues	30.7	14.0	16.6
Non-Operating Expenses	18.7	9.0	9.6
Recurring Profit	44.2	16.9	27.3
Net Income	33.9	13.7	20.1
<b>NTT West (JPN GAAP)</b>			
Operating Revenues	876.2	435.7	440.4
Voice Transmission Services (excluding IP)	409.5	206.6	202.8
IP Services	255.0	124.9	130.0
Leased Circuit (excluding IP)	70.5	35.5	35.0
Telegraph	11.7	6.4	5.2
Other	65.2	32.4	32.7
Supplementary Business	64.1	29.6	34.5
Operating Expenses	858.5	429.8	428.6
Personnel	62.8	31.4	31.3
Cost of Services and Equipment Sold, and Selling, General and Administrative Expenses	550.8	274.8	276.0
Depreciation and Amortization	194.5	97.9	96.5
Loss on Disposal of Property, Plant and Equipment	15.5	7.4	8.0
Taxes and Public Dues	34.7	18.0	16.6
Operating Income	17.6	5.9	11.7
Non-Operating Revenues	24.5	13.3	11.1
Non-Operating Expenses	17.4	8.7	8.7
Recurring Profit	24.7	10.5	14.2
Net Income	20.0	9.1	10.8

Notes : 1 Operating Revenues from Voice Transmission Services (excluding IP) of NTT East and NTT West for the three months ended Sept. 30, 2009 include monthly charges, call charges and interconnection charges of 142.4 billion yen, 21.4 billion yen and 25.6 billion yen for NTT East, and 139.2 billion yen, 19.3 billion yen and 28.1 billion yen for NTT West, respectively.

2 Operating Revenues from IP Services of NTT East and NTT West for the three months ended Sept. 30, 2009 include FLET'S Hikari and Optical IP telephone (Hikari Phone) (including monthly charges, call charges and connection device charges) of 89.0 billion yen and 26.1 billion yen for NTT East, and 69.0 billion yen and 21.3 billion yen for NTT West, respectively.

— FLET'S Hikari includes B FLET'S and FLET'S Hikari Next (launched on Mar. 31, 2008) provided by NTT East, and B FLET'S, FLET'S Hikari Premium, FLET'S Hikari Mytown and FLET'S Hikari Next (launched on Mar. 31,

2008) provided by NTT West.

Financial Results for the Six Months Ended September 30, 2009

	(Billions of yen)		
	Six Months Ended Sept. 30, 2009	Three Months Ended Jun. 30, 2009	Three Months Ended Sept. 30, 2009
<b>NTT Communications (JPN GAAP)</b>			
Operating Revenues	532.5	267.5	265.0
Voice Transmission Services (excluding IP)	192.4	96.7	95.6
IP Services	182.3	90.9	91.4
Data Transmission Services (excluding IP)	61.1	30.8	30.3
Leased Circuit*	44.6	22.4	22.1
Solutions Business	83.4	42.2	41.1
Other	13.2	6.7	6.4
Operating Expenses	479.7	241.8	237.8
Personnel	47.0	23.8	23.2
Cost of Services and Equipment Sold, and Selling, General and Administrative Expenses	229.9	116.1	113.7
Communication Network Charges	135.2	68.0	67.2
Depreciation and Amortization	58.9	29.5	29.4
Loss on Disposal of Property, Plant and Equipment	2.5	1.2	1.3
Taxes and Public Dues	5.9	3.0	2.9
Operating Income	52.8	25.7	27.1
Non-Operating Revenues	15.6	9.1	6.5
Non-Operating Expenses	6.5	3.5	2.9
Recurring Profit	61.9	31.3	30.6
Net Income	36.5	18.3	18.1
<b>NTT DATA Consolidated (JPN GAAP)</b>			
Operating Revenues	532.8	269.3	263.5
Systems Integration	407.3	205.7	201.5
Network System Services	40.9	19.9	20.9
Others	128.7	64.6	64.1
Elimination or Corporate	(44.1)	(21.0)	(23.0)
Cost of Sales	405.3	205.3	199.9
Gross Profit	127.4	63.9	63.5
Selling and General Expense	94.0	47.3	46.6
Operating Income	33.4	16.6	16.8
Non-Operating Income (loss)	(3.0)	(1.4)	(1.6)
Recurring Profit	30.3	15.1	15.2
Net Income	15.2	7.4	7.7
<b>NTT DOCOMO Consolidated (US GAAP)</b>			
Operating Revenues	2,145.8	1,084.8	1,061.1
Wireless Services	1,893.3	941.8	951.5
Mobile Services	1,766.2	881.9	884.3
Voice	978.3	490.6	487.6
Packet Communications	787.9	391.3	396.6
Other Revenues	127.1	59.9	67.2
Equipment Sales	252.5	143.0	109.6
Operating Expenses	1,660.6	832.9	827.6
Personnel	126.8	64.4	62.5
Cost of Services and Equipment Sold, and Selling, General and Administrative Expenses	1,001.9	503.7	498.2
Depreciation and Amortization	337.8	169.0	168.8
Loss on Disposal of Property, Plant and Equipment	18.6	8.3	10.4
Communication Network Charges	155.8	77.7	78.1
Taxes and Public Dues	19.6	9.9	9.7
Operating Income	485.2	251.8	233.4

Non-Operating Income (loss)	(5.3)	(4.4)	(1.0)
Income Before Tax	479.9	247.5	232.4
Net Income	284.7	147.4	137.3

Note: Operating Revenues from Voice Transmission Services (excluding IP) of NTT Communications for the three months ended Sept. 30, 2009 include revenues from telephone subscriber lines (51.7 billion yen). Operating Revenues from IP Services include revenues from OCN (41.1 billion yen), IP-VPN (19.6 billion yen) and Wide-area Ethernet (14.4 billion yen). Operating Revenues from Data Transmission Services (excluding IP) include Frame Relay / Cell Relay (1.5 billion yen), and Operating Revenues from Leased Circuit include conventional leased circuits (1.1 billion yen) and high-speed digital (9.8 billion yen).

\* Partial listing only.