



News Release

May 13, 2016

FOR IMMEDIATE RELEASE

Financial Results for Fiscal Year Ended March 31, 2016

The financial results of Nippon Telegraph and Telephone East Corporation (NTT East) for the fiscal year ended March 31, 2016 are presented in the following attachments.

(Attachments)

1. Summary of Results for the Fiscal Year Ended March 31, 2016
2. Non-Consolidated Comparative Balance Sheets
3. Non-Consolidated Comparative Statements of Income
4. Non-Consolidated Statements of Changes in Shareholders' Equity and Other Net Assets
5. Business Results (Non-Consolidated Operating Revenues)
6. Non-Consolidated Comparative Statements of Cash Flows
7. Changes in Board of Directors

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1. Summary of Results for the Fiscal Year Ended March 31, 2016

The information and communications market is undergoing structural changes beyond the existing framework, including a further shift to broadband services and globalization, fixed-mobile convergence, IoT expansion (*1) and cloud computing development (*2), penetration of high-speed wireless and Wi-Fi compatible devices (*3) such as smartphones and tablet devices, and widespread use of applications that enable free phone calls and messaging.

The regional telecommunications market environment is also changing dramatically, with intensifying competition in broadband access facilities and services centered around the shift to fiber-optic access. In addition, new services that leverage a variety of wireless devices are also expanding, which in turn leads to diversification in the way that customers are using these devices, and offloading (*4) needs are increasing due to the expansion of the volume of data communications..

Amid such a difficult and volatile business environment, as a carrier with an important leadership role in the information and communications industry, NTT East has endeavored to be thorough in its compliance regime and to abide by the requirements of fair competition. At the same time, NTT East has aimed to secure a stable and solid foundation for its business, and to ensure its reliability as a social infrastructure, including the provision of high-quality, stable universal services, construction of a communications network that is resilient against disasters, and prompt restoration of services in case of large-scale natural disasters and other calamities.

NTT East has also endeavored to enhance the broadband network environment and further expanding fiber-optic access by offering services and products that leverage the advantages of the next-generation network (“NGN”), as well as offering customer-friendly pricing options with long-term appeal.

1. Efforts to Promote Fiber Optic and IP Services

Amid intensifying competition with respect to broadband services, NTT East launched new services and the "Hikari Collaboration Model" to expand and continue using “FLET’S Hikari” (*5) and to meet customers’ needs.

- i. As opportunities for customers to use more communications increased in response to recent increased availability of video contents and proliferation of cloud services, on March 1, 2016, NTT East began offering a new "FLET'S Hikari" service named "FLET'S Hikari Lightplus" with a two-phase fixed fee rate and substantially more usage allowance compared to the existing "FLET'S Hikari Light".

In addition, in order for customers to use "FLET'S Hikari" with even more peace

of mind, NTT East launched a compensation service on January 20, 2016 named "Naoseru" for equipment connected to "FLET'S Hikari" that covers equipment failures and broken equipment.

Furthermore, in an effort to have more customers utilize "FLET'S Hikari," NTT East implemented discount programs for new subscribers, called "Giga Push! Discount" and "Lighter than FLET'S Hikari Light! Discount".

- ii. NTT East has been working to create new demand and to improve customer retention by supporting and actively developing new business partners for its "Hikari Collaboration Model", in which businesses receiving fiber-optic access services (FLET'S Hikari) from NTT East combine their own services with fiber-optic access services to create and provide their own new service. NTT East has also been working to promote early stable operations and increased efficiency of related operations.

"Hikari Collaboration Model" enables business partners to easily provide fiber-optic access services to their customers under their own brand. Over 300 businesses in a variety of industries are currently utilizing and providing those services. The number of subscribers to fiber-optic access service ("Hikari Collaboration Model ") exceeded 3 million in March 2016.

An example of "Hikari Collaboration Model" usage includes IIDA CABLE TELEVISION Co., Ltd, being able to provide broadcasting services to the entire coverage area in Iida city and Shimoina county in Nagano prefecture by utilizing the fiber-optic access services provided by Hikari Collaboration business partners or NTT East.

In addition, IIDA CABLE TELEVISION Co., Ltd. has decided to collaborate with NTT East in order to enhance their services to customers and to promote vitalization of the region by utilizing the fiber-optic access services.

NTT East is committed to contributing to the promotion of ICT utilization in various fields and to widely provide added value to customers to whom it could not previously provide full coverage on its own by collaborating with business partners in various industries.

2. Initiatives Relating to the Solutions Business

In order to support its regional customers through the promotion of ICT utilization, NTT East carried out business operations for its corporate customers providing industry-specific solutions that take into account each industry's characteristics and trends.

- i. On December 21, 2015, NTT East launched an Ethernet-based communications service for corporate customers, "Business Ether PREMIER", offering quality equivalent to a conventional dedicated line which offers guaranteed bandwidth, high reliability, and low lag at a reasonable rate.

In addition, NTT East began offering "Giga Raku Signage" on September 1, 2015. "Giga Raku Signage" is a cloud-based signage service aimed at smooth information sharing within the office as well as between different locations by centrally managing and delivering information through cloud utilization. It also began offering a cloud-type PBX service, "Hikari Cloud PBX", on January 21, 2016. This service enables the use of internal telephone lines free of charge on a wide range of devices including smart phones regardless of the location, in addition to internal call functions offered on communication devices such as conventional PBX and business telephones.

In terms of industry-specific services, NTT East started offering "Omakase Kyoshitsu" in the education field on April 27, 2015. This cloud-based service provides learning support applications that are to be utilized in lessons using tablets and electronic blackboards. It also began providing a cloud-based learning platform service "Hikari Cloud Smart Study" on November 13, 2015, providing a one-stop service that offers tools required for online learning at supplementary schools, cram schools, schools and further education centers.

Furthermore, on November 13, 2015, NTT East launched a cloud-based video delivery platform service, "Hikari Cloud Smart Video", for pharmaceutical and financial industry customers in response to information delivery and sharing needs between doctors and its customers.

Furthermore, in response to the increased number of foreign visitors to Japan, local governments and shopping streets hope to be among the first to install public Wi-Fi (City Wi-Fi) at tourist spots. In order to meet those needs, NTT East installed City Wi-Fi and provided maintenance and operational support by utilizing its regionally-based operating structure.

For small- to medium-sized enterprises (SMEs), NTT East started offering "MS Office Online on Azukeru" on April 25, 2015 as an optional service of "FLET'S Azukeru". This service enables frequently used "Word", "Excel[®]", and "PowerPoint[®]" documents to be edited directly on "FLET'S Azukeru". In addition, NTT East began offering its "Smart Device Management" service, which enables cloud-based management of tablets and smartphone device information and control of various functions, as a new part of "Office Marugoto Support" on April 7, 2015, as well as the "αUC" cloud service that helps achieve work efficiency by utilizing smartphones on December 16, 2015.

- ii. NTT East started offering "Omakase My Number Pack" on September 30, 2015 as a product supporting the Social Security and Tax Number System. This pack enables one-stop collection and management of Individual Number-related information in one place by combining and providing a wide range of its services and collaborating with other companies.

As an example of collaboration with other companies in connection with the introduction of the Social Security and Tax Number System, NTT East has decided to support security measures for SMEs' Individual Number(social security and tax number) by offering its security service with and combining it with the information security insurance provided by Tokio Marine & Nichido Fire Insurance Co., Ltd..

In addition, NTT East launched a function that automatically collects access records of data files stored online, "FLET'S Azukeru PRO Plan," on August 6, 2015, allowing users to manage their Individual Number information online. Further, in response to increased security awareness through corporate activities for the Social Security and Tax Number System and customer requests for a lower service rate, "Office Marugoto Support (IT support)" was renewed on March 7, 2016 and is now offered with enhanced security functions and at a lower monthly fee.

3. Status of Business Operation Structure

NTT East is in the process of transforming its business structure from a consumer-focused business structure to one that focuses on its business and Hikari Collaboration segments. NTT East proactively transferred staff members from the consumer business segment to the target areas, strengthened its measures to approach customers with which it had few opportunities to interact (ICT Concierge), and proactively worked to prepare a system that can develop and support business partners using the Hikari Collaboration Model.

In addition, NTT East worked to improve the efficiency of its access-related facility operations by conducting a review of its facility maintenance area and separating its operation into blocks.

4. Corporate Social Responsibility Activities

NTT East considers Corporate Social Responsibility ("CSR") activities to be one of the most important pillars of the management of the company, and recognizes that it is the social responsibility of a company to contribute to the environmentally friendly, healthy and sustainable development of society.

NTT East has directed its efforts as follows: (i) ensuring a high degree of stability

and reliability of vital infrastructure that is indispensable to the general public; (ii) complying with laws and regulations, including those that ensure fair competition, protect personal information, make accurate representations in advertising, and regulate the dispatch of workers; and (iii) providing information and communications services that contribute to the reduction of the environmental impact of society as a whole, as well as taking measures to reduce its environmental impact by, among other things, reducing its consumption of energy, resources and electricity.

In addition, to meet the communication needs in the case of an emergency or disaster, NTT East installed emergency public telephones (emergency use public telephones) at temporary shelters designated by the prefectural governor in accordance with regulations and in urban areas at bases for those having difficulties going home. A total of 31,000 units have been installed as of the end of the current fiscal year, increasing by 6,000 units from last year.

Having clearly defined the “Shape the NTT East Group is Aiming For,” NTT East has made an effort to realize CSR activities befitting its position as the responsible company in the information and communications industry, such as working to widen the reach of the “NTT Group CSR Charter” (enacted in June 2006) and striving to set up specific practices for the PDCA cycle based on “KPIs” (*6) established for each important theme of CSR activities.

Examples of activities conducted to support restoration of disaster-affected areas include prioritizing the procurement of agricultural produce from disaster-affected areas and serving at employee cafeterias, participating in the "Fukushima Himawari Foster Parent Project" in which participants grow and send sunflower seeds to create jobs and for use as bio-diesel in Fukushima, and carrying out tree planting activities to create new disaster-prevention forests on the coastline of Higashi Matsushima-shi in Miyagi prefecture where the land remains vacant due to the tsunami. In addition, to promote and strengthen sports activities among disabled individuals, NTT East donated some of the proceeds from the telegraphic product "Calligraphy Art telegraph (Dream and Connect)" to the Japan Sports Association for the Disabled.

Furthermore, NTT East proactively endeavored to disclose relevant information to its stakeholders by issuing the “NTT East Group CSR Report 2015”.

5. Financial Standing

As a result of these measures and cost reduction efforts, operating revenues totaled 1,722.3 billion yen (a decrease of 2.4% year on year), operating income totaled 161.8 billion yen (an increase of 47.3% year on year), ordinary income was 173.4 billion yen (an increase of 42.1% year on year), and net income totaled 118.7 billion yen (an increase of 70.7% year on year).

- *1: An abbreviation for Internet of Things. A concept in which things that were not connected to the Internet before can now be connected to the Internet.
- *2: A form of service providing software and hardware via a network that can be utilized as needed without the purchase (ownership) of software and hardware, such as a server.
- *3: An abbreviation for Wireless Fidelity. This is a brand name for certifying that the wireless LAN equipment has the compatibility to connect faultlessly with other equipment. This term is now used to describe the wireless LAN environment itself in which Wi-Fi-compatible equipment interacts with each other.
- *4: Dispersing the load in order to eliminate reduction in transmission speed or connection difficulties that arise due to an increase in the transmission volume.
- *5: A collective name for "FLET'S Hikari Next", "B FLET'S", "FLET'S Hikari Light", "FLET'S Hikari Lightplus" and "FLET'S Hikari Wi-Fi Access"(including"Hikari Collaboration Model").
- *6: An abbreviation for Key Performance Indicator. Key indicators for evaluating performance. This is a quantitative indicator that measures the degree to which goals have been achieved.

2. Non-Consolidated Comparative Balance Sheets

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	March 31, 2015	March 31, 2016	Increase (Decrease)
ASSETS			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	434,518	395,419	(39,098)
Antenna facilities	3,948	3,791	(156)
Terminal equipment	37,569	31,807	(5,762)
Local line facilities	854,162	835,446	(18,715)
Long-distance line facilities	3,683	3,353	(330)
Engineering facilities	602,828	595,052	(7,775)
Submarine line facilities	1,119	872	(247)
Buildings	423,373	420,792	(2,581)
Structures	16,938	16,964	26
Other machinery and equipment	3,400	3,254	(146)
Vehicles and vessels	307	528	220
Tools, furniture and fixtures	42,826	44,458	1,632
Land	193,047	197,315	4,267
Lease assets	608	750	142
Construction in progress	27,975	17,626	(10,349)
Total property, plant and equipment	2,646,308	2,567,433	(78,874)
Intangible fixed assets	84,496	84,019	(477)
Total fixed assets - telecommunications businesses	2,730,805	2,651,453	(79,351)
Investments and other assets			
Investment securities	11,815	13,016	1,200
Investments in subsidiaries and affiliated companies	47,543	46,622	(920)
Other investments in subsidiaries and affiliated companies	3,800	3,712	(88)
Investment in capital	273	473	200
Long-term prepaid expenses	4,042	3,707	(335)
Prepaid pension costs	9,167	3,975	(5,192)
Deferred income taxes	117,889	112,097	(5,792)
Other investments and assets	4,047	3,899	(147)
Allowance for doubtful accounts	(956)	(913)	42
Total investments and other assets	197,623	186,589	(11,033)
Total fixed assets	2,928,428	2,838,043	(90,384)
Current assets:			
Cash and bank deposits	21,980	8,675	(13,305)
Notes receivable	15	-	(15)
Accounts receivable, trade	236,984	224,181	(12,802)
Accounts receivable, other	118,510	117,104	(1,405)
Supplies	33,633	26,221	(7,411)
Advance payments	2,332	1,771	(560)
Prepaid expenses	7,460	7,814	353
Deferred income taxes	6,986	7,178	192
Deposits	114,736	196,532	81,795
Other current assets	10,186	10,939	753
Allowance for doubtful accounts	(544)	(442)	102
Total current assets	552,283	599,977	47,694
TOTAL ASSETS	3,480,711	3,438,021	(42,690)

(Millions of yen)

	March 31, 2015	March 31, 2016	Increase (Decrease)
LIABILITIES			
Long-term liabilities:			
Long-term borrowings from parent company	430,955	365,835	(65,120)
Lease obligations	1,185	1,410	224
Liability for employees' retirement benefits	232,618	235,919	3,300
Reserve for point services	9,724	8,574	(1,149)
Reserve for unused telephone cards	9,686	8,671	(1,015)
Allowance for environmental measures	7,748	5,289	(2,459)
Asset retirement obligations	1,119	1,092	(26)
Other long-term liabilities	8,292	21,682	13,390
Total long-term liabilities	701,330	648,475	(52,855)
Current liabilities:			
Current portion of long-term borrowings from parent company	66,220	65,120	(1,100)
Accounts payable, trade	85,478	85,229	(249)
Lease obligations	400	417	16
Accounts payable, other	175,324	198,765	23,441
Accrued expenses	14,688	14,953	264
Accrued taxes on income	10,713	11,793	1,079
Advances received	5,348	7,657	2,308
Deposits received	205,477	203,983	(1,493)
Unearned revenues	181	106	(75)
Allowance for environmental measures	3,147	2,601	(545)
Other current liabilities	2,462	2,880	418
Total current liabilities	569,443	593,508	24,064
TOTAL LIABILITIES	1,270,773	1,241,983	(28,790)
NET ASSETS			
Shareholders' equity:			
Common stock	335,000	335,000	-
Capital surplus			
Additional paid-in capital	1,499,726	1,499,726	-
Total capital surplus	1,499,726	1,499,726	-
Earned surplus			
Other earned surplus			
Reserve for special depreciation	2,241	1,657	(583)
Reserve for reduction entry	12,890	13,197	307
Accumulated earned surplus	356,773	342,336	(14,437)
Total earned surplus	371,905	357,191	(14,713)
Total shareholders' equity	2,206,632	2,191,918	(14,713)
Unrealized gains (losses), translation adjustments, and others:			
Net unrealized gains (losses) on securities	3,305	4,119	813
Total unrealized gains (losses), translation adjustments, and others	3,305	4,119	813
TOTAL NET ASSETS	2,209,938	2,196,037	(13,900)
TOTAL LIABILITIES AND NET ASSETS	3,480,711	3,438,021	(42,690)

3. Non-Consolidated Comparative Statements of Income

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016	Increase (Decrease)
Telecommunications businesses:			
Operating revenues	1,625,057	1,585,580	(39,476)
Operating expenses			
Business expenses	393,958	335,475	(58,483)
Operations	8,917	8,189	(727)
Maintenance expenses	400,322	391,871	(8,450)
Overhead expenses	94,826	92,269	(2,556)
Administration	87,240	84,482	(2,757)
Experiment and research	41,542	39,696	(1,845)
Depreciation and amortization	357,159	337,474	(19,685)
Retirement of fixed assets	46,910	54,569	7,659
Access charges	29,402	28,289	(1,113)
Miscellaneous taxes	72,886	72,455	(430)
Total operating expenses	1,533,165	1,444,775	(88,389)
Operating income from telecommunications businesses	91,891	140,804	48,913
Supplementary businesses:			
Operating revenues	140,365	136,726	(3,638)
Operating expenses	122,414	115,702	(6,712)
Operating income from supplementary businesses	17,950	21,024	3,073
Operating income	109,841	161,828	51,986
Non-operating revenues:			
Interest income	76	138	61
Interest on securities	0	-	(0)
Dividends received	6,400	3,169	(3,230)
Gains on sales of fixed assets	9,565	7,789	(1,776)
Miscellaneous income	7,660	6,415	(1,245)
Total non-operating revenues	23,704	17,512	(6,191)
Non-operating expenses:			
Interest expenses	5,852	4,987	(865)
Miscellaneous expenses	5,651	914	(4,737)
Total non-operating expenses	11,504	5,901	(5,603)
Recurring profit	122,041	173,439	51,398
Special losses:			
Loss on transfer of business	-	3,758	3,758
Provision for allowance for environmental measures	7,930	-	(7,930)
Total special losses	7,930	3,758	(4,171)
Income before income taxes	114,111	169,681	55,569
Corporation, inhabitant, and enterprise taxes	35,511	45,582	10,071
Deferred tax expenses (benefits)	9,027	5,312	(3,715)
Net income	69,571	118,786	49,214

4. Non-Consolidated Statements of Changes in Shareholders' Equity and Other Net Assets

(Based on accounting principles generally accepted in Japan)

Year ended March 31, 2015

(Millions of yen)

	Shareholders' equity								Unrealized gains (losses), translation adjustments, and others		Total net assets
	Common stock	Capital surplus		Earned surplus				Total shareholders' equity	Net unrealized gains (losses) on securities	Total unrealized gains (losses), translation adjustments, and others	
		Additional paid-in capital	Total capital surplus	Other earned surplus			Total earned surplus				
				Reserve for special depreciation	Reserve for reduction entry	Accumulated earned surplus					
April 1, 2014	335,000	1,499,726	1,499,726	2,648	11,405	319,686	333,740	2,168,467	787	787	2,169,255
Cumulative effect of changes in accounting policies						2,092	2,092	2,092			2,092
Current balance reflecting changes in accounting policies	335,000	1,499,726	1,499,726	2,648	11,405	321,778	335,833	2,170,560	787	787	2,171,347
Net change during the annual period											
Cash dividends						(33,500)	(33,500)	(33,500)			(33,500)
Net income						69,571	69,571	69,571			69,571
Provision of reserve for special depreciation				206		(206)	-	-			-
Return of reserve for special depreciation				(613)		613	-	-			-
Provision of reserve for reduction entry					1,487	(1,487)	-	-			-
Return of reserve for reduction entry					(3)	3	-	-			-
Others, net									2,518	2,518	2,518
Total net change during the annual period	-	-	-	(407)	1,484	34,994	36,071	36,071	2,518	2,518	38,590
March 31, 2015	335,000	1,499,726	1,499,726	2,241	12,890	356,773	371,905	2,206,632	3,305	3,305	2,209,938

Year ended March 31, 2016

(Millions of yen)

	Shareholders' equity								Unrealized gains (losses), translation adjustments, and others		Total net assets
	Common stock	Capital surplus		Earned surplus				Total shareholders' equity	Net unrealized gains (losses) on securities	Total unrealized gains (losses), translation adjustments, and others	
		Additional paid-in capital	Total capital surplus	Other earned surplus			Total earned surplus				
				Reserve for special depreciation	Reserve for reduction entry	Accumulated earned surplus					
April 1, 2015	335,000	1,499,726	1,499,726	2,241	12,890	356,773	371,905	2,206,632	3,305	3,305	2,209,938
Net change during the annual period											
Cash dividends						(133,500)	(133,500)	(133,500)			(133,500)
Net income						118,786	118,786	118,786			118,786
Provision of reserve for special depreciation				67		(67)	-	-			-
Return of reserve for special depreciation				(651)		651	-	-			-
Provision of reserve for reduction entry					307	(307)	-	-			-
Others, net									813	813	813
Total net change during the annual period	-	-	-	(583)	307	(14,437)	(14,713)	(14,713)	813	813	(13,900)
March 31, 2016	335,000	1,499,726	1,499,726	1,657	13,197	342,336	357,191	2,191,918	4,119	4,119	2,196,037

5. Business Results (Non-Consolidated Operating Revenues)

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016	Increase (Decrease)	Percent Increase (Decrease)
Voice transmission services revenues (excluding IP services revenues)	468,529	427,802	(40,727)	(8.7)
Monthly charge revenues*	346,421	321,137	(25,283)	(7.3)
Call rates revenues*	35,542	30,319	(5,223)	(14.7)
Interconnection call revenues*	55,061	51,118	(3,942)	(7.2)
IP services revenues	844,470	855,444	10,974	1.3
Leased circuit services revenues (excluding IP services revenues)	111,986	103,761	(8,224)	(7.3)
Telegram services revenues	14,063	12,812	(1,251)	(8.9)
Other telecommunications services revenues	186,007	185,759	(248)	(0.1)
Telecommunications total revenues	1,625,057	1,585,580	(39,476)	(2.4)
Supplementary business total revenues	140,365	136,726	(3,638)	(2.6)
Total operating revenues	1,765,422	1,722,307	(43,115)	(2.4)

*Partial listing only

6. Non-Consolidated Comparative Statements of Cash Flows

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016	Increase (Decrease)
Cash flows from operating activities:			
Income before income taxes	114,111	169,681	55,569
Depreciation and amortization	362,499	342,744	(19,754)
Loss on disposal of property, plant and equipment	19,276	20,330	1,054
Increase (decrease) in liability for employees' retirement benefits	1,290	3,300	2,010
(Increase) decrease in accounts receivable	(2,387)	14,232	16,619
(Increase) decrease in inventories	(2,715)	4,671	7,387
Increase (decrease) in accounts payable and accrued expenses	(58,409)	19,826	78,235
Increase (decrease) in accrued consumption tax	12,053	(5,860)	(17,914)
Other	87,582	15,479	(72,102)
Sub-total	533,301	584,406	51,105
Interest and dividends received	6,477	3,276	(3,201)
Interest paid	(6,154)	(4,997)	1,157
Income taxes received (paid)	(24,302)	(36,236)	(11,934)
Net cash provided by (used in) operating activities	509,321	546,449	37,127
Cash flows from investing activities:			
Payments for property, plant and equipment	(293,760)	(288,142)	5,617
Proceeds from sale of property, plant and equipment	11,861	8,886	(2,974)
Payments for purchase of investment securities	(248)	(385)	(137)
Proceeds from sale of investment securities	389	1,429	1,040
Other	398	633	234
Net cash provided by (used in) investing activities	(281,359)	(277,578)	3,780
Cash flows from financing activities:			
Payments for settlement of long-term debt	(179,020)	(66,220)	112,800
Payments for settlement of lease obligations	(555)	(541)	13
Dividends paid	(33,500)	(133,500)	(100,000)
Net cash provided by (used in) financing activities	(213,075)	(200,261)	12,813
Net increase (decrease) in cash and cash equivalents	14,887	68,609	53,722
Cash and cash equivalents at beginning of year	123,785	138,672	14,887
Cash and cash equivalents at end of year	138,672	207,281	68,609

7. CHANGES IN BOARD OF DIRECTORS

Scheduled Appointment or Resignation Date: June 17, 2016

(1) Candidates for Senior Vice President

Hiroshi Nakamura	(Senior Manager, New Business Development Headquarters)
Akira Sakakibara	(Executive Manager, General Affairs and Personnel Department; General Manager, Medical and Health Administration Center)
Hideyuki Noike	(General Manager, Hokkaido Division; General Manager, Hokkaido Branch, Hokkaido Division)
Kanae Takahashi	(Head of Internal Control Office, NIPPON TELEGRAPH AND TELEPHONE CORPORATION)
Eiichi Sakamoto	(Senior Vice President, Managing Director of Corporate Marketing Strategy Department, NTT DOCOMO, INC.)

(2) Senior Vice Presidents Scheduled to Resign from Office

Hiroshi Nakagawa	(Representative Director and Senior Executive Vice President; scheduled to take office at NTT URBAN DEVELOPMENT CORPORATION)
Yasuhiro Yamamoto	(Senior Vice President; scheduled to take office at MIRAIT Holdings Corporation)
Sumito Kasai	(Senior Vice President; scheduled to take office at Nippon COMSYS Corporation)
Yuichi Kouyama	(Senior Vice President; scheduled to take office at KYOWA EXEO CORPORATION)
Hiroshi Tsujigami	(Senior Vice President; scheduled to take office at NTT DOCOMO, INC.)

(3) Candidates for Executive Officers

1 Candidate scheduled to be re-elected as President

Masayuki Yamamura (President)

2 Candidates scheduled to take office as Senior Executive Vice Presidents, Representative Directors

Fukuzo Inoue (Executive Vice President, Representative Director)

Motoyuki Ii (Executive Vice President, Representative Director)

3 Candidate scheduled to take office as Executive Vice President

Hideo Fujimoto (Senior Vice President)

(4) New Executive Positions and Organizational Responsibilities

Scheduled appointment date: June 17, 2016

New Position(s) and Organizational Responsibilities	Name	Current Position(s) and Organizational Responsibilities
Senior Executive Vice President, Representative Director; Senior Executive Manager, New Business Development Headquarters	Fukuzo Inoue	Executive Vice President, Representative Director; Senior Executive Manager, New Business Development Headquarters

in charge of risk management; in charge of corporate strategy planning; in charge of general affairs and personnel; in charge of finance

Senior Executive Vice President, Representative Director; Senior Executive Manager, Corporate Sales Promotion Headquarters

Motoyuki Ii

Executive Vice President, Representative Director; Senior Executive Manager, Corporate Sales Promotion Headquarters

Executive Vice President; Senior Executive Manager, Network Business Headquarters; in charge of IT innovation; in charge of interconnection promotion; in charge of procurement and supply; in charge of Tohoku future network design and reconstruction; Head of Plant Department established pursuant to the Regulations for Enforcement of the Telecommunications Business Law; in charge of information management pursuant to the Regulations for Enforcement of the Telecommunications Business Law

Hideo Fujimoto

Senior Vice President; Senior Executive Manager, Network Business Headquarters; in charge of interconnection promotion; in charge of procurement and supply; in charge of Tohoku future network design and reconstruction; Head of Plant Department established pursuant to the Regulations for Enforcement of the Telecommunications Business Law; in charge of information management pursuant to the Regulations for Enforcement of the Telecommunications Business Law

Senior Vice President; General Manager, Miyagi Division; General Manager, Miyagi Branch, Miyagi Division; Executive Manager, Tohoku Future Network Design and Reconstruction Office

Motoyasu Shibata

Senior Vice President; General Manager, Miyagi Division; General Manager, Miyagi Branch, Miyagi Division; Executive Manager, Tohoku Future Network Design and Reconstruction Office

Senior Vice President; Senior Executive Manager, Sales Promotion Headquarters; Executive Manager, Sales Department, Sales Promotion Headquarters

Masao Seki

Senior Vice President; Senior Executive Manager, Sales Promotion Headquarters; Executive Manager, Sales Department, Sales Promotion Headquarters

Senior Vice President; Executive Manager, Corporate Strategy Planning Department; in charge of information security

Shinji Yano

Senior Vice President; Executive Manager, Corporate Strategy Planning Department; in charge of information security

Senior Vice President; Executive Manager, Plant Planning Department, Network Business Headquarters; in charge of 2020 project

Naoki Shibutani

Senior Vice President; Executive Manager, Plant Planning Department, Network Business Headquarters; in charge of 2020 project

Senior Vice President; General Manager, Tokyo Division

Kenji Asano

Senior Vice President; General Manager, Tokyo Division

Senior Vice President; Executive Manager, Service Operation Department, Network Business Headquarters; Executive Manager, Engineering Department, Network Business Headquarters

Hiroshi Tanabe

Senior Vice President; Executive Manager, Service Operation Department, Network Business Headquarters; Executive Manager, Engineering Department, Network Business Headquarters

Senior Vice President;
Deputy Senior Executive Manager, Corporate
Sales Promotion Headquarters; Executive
Manager, Office Users Business Department,
Corporate Sales Promotion Headquarters

Kiyoshi Harada Senior Vice President;
General Manager, Kanagawa Division;
General Manager, Kanagawa Branch,
Kanagawa Division

Senior Vice President;
Deputy Senior Executive Manager, New
Business Development Headquarters;
Executive Manager, First Group, New
Business Development Headquarters;

Hiroshi Nakamura

Senior Vice President;
General Manager, Saitama Division; General
Manager, Saitama Branch, Saitama Division

Akira Sakakibara

Senior Vice President;
General Manager, Hokkaido Division; General
Manager, Hokkaido Branch, Hokkaido
Division

Hideyuki Noike

Senior Vice President;
General Manager, Kanagawa Division;
General Manager, Kanagawa Branch,
Kanagawa Division

Kanae Takahashi

Senior Vice President

Eiichi Sakamoto

Note: Eiichi Sakamoto who is a candidate for the Company will take office as a Member of the Board of NIPPON TELEGRAPH AND TELEPHONE CORPORATION on June 24, 2016 , and also will take office as a Senior Vice President of the Company.