

Financial Results for the Fiscal Year Ended March 31, 2010

May 14, 2010

Nippon Telegraph and Telephone East Corporation
("NTT East")

The forward-looking statements and projected figures concerning the future performance of NTT East, its parent company (NTT) and their respective 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 East in light of information currently available to it regarding NTT East, 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 East, NTT and their respective 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.

Accounting policies used to determine the figures in this presentation are consistent with those used to prepare financial statements in accordance with accounting principles generally accepted in Japan.

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

** "1Q" in this material represents the 3-month period beginning on April 1 and ending on June 30.

*** "2Q" in this material represents the 3-month period beginning on July 1 and ending on September 30.

**** "3Q" in this material represents the 3-month period beginning on October 1 and ending on December 31.

***** "4Q" in this material represents the 3-month period beginning on January 1 and ending on March 31.

1. Financial Results and Capital Investment

- Operating revenues decreased 24.3 billion yen while operating expenses fell 35.2 billion yen, resulting in an increase of 10.9 billion yen over the prior fiscal year to 47.6 billion yen in operating income.
- Net income fell 27.0 billion yen from the previous fiscal year to 50.5 billion yen, in part due to the large gain from real property sales recorded in the prior fiscal year.
- Despite the proactive development of the NGN, a decline in investments in existing regional IP networks and greater overall efficiencies in capital investments resulted in a decline of capital investment to 454.8 billion yen, a decrease of 14.2 billion yen from the prior year.

(billions of yen)

	FY2008	FY2009	Increase (Decrease)
Operating Revenues	1,952.9	1,928.6	(24.3)
Operating Expenses	1,916.2	1,881.0	(35.2)
Operating Income	36.6	47.6	10.9
Recurring Profit	65.3	71.7	6.3
Special Profit/Loss	57.5	9.8	(47.7)
Net Income	77.5	50.5	(27.0)
Capital Investment	469.0	454.8	(14.2)

2. Forecast for FY2010

- Reflecting the effect of differences in actuarial calculations resulting from improved performance of pension asset investments in FY2009 and receipt of the orders for the regional telecommunications infrastructure improvement projects in disadvantaged areas, the FY2010 operating income forecast was revised to 55.0 billion yen, representing a 10.0 billion yen increase over the forecast at the time the FY2010 business plan was submitted for approval (March 1, 2010).
- Continuing the positive trend from the prior year, NTT East will seek to achieve an increase of 7.3 billion yen over FY2009 in operating income.

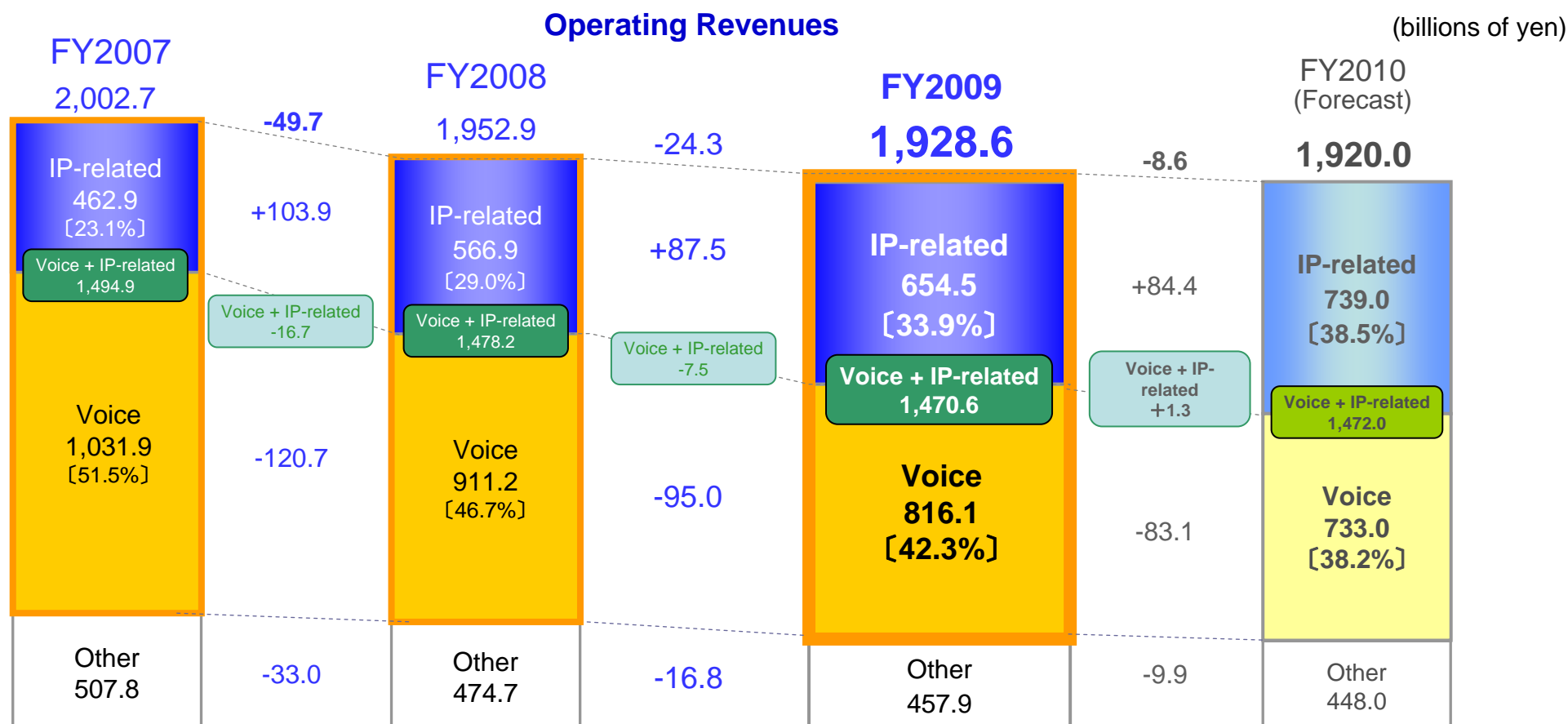
(billions of yen)

	FY2009	Forecast for FY2010* <small>[Changes since the time the FY2010 business plan was submitted for approval]</small>	Increase (Decrease)
Operating Revenues	1,928.6	1,920.0 [+10.0]	(8.6)
Operating Expenses	1,881.0	1,865.0 [± 0.0]	(16.0)
Operating Income	47.6	55.0 [+10.0]	7.3
Recurring Profit	71.7	75.0 [+10.0]	3.2
Capital Investment	454.8	430.0 [± 0.0]	(24.8)

※ The forecast for the other revenue component of operating revenues was revised to +10.0 billion yen since the FY2010 business plan was submitted for approval (March 1, 2010). Operating expenses were revised as follows: personnel expenses -7.0 billion yen, general expenses +8.0 billion yen, and depreciation expenses -1.0 billion yen.

3. Changes in Operating Revenues and Revenue Structure

- Operating revenues for FY2009 were 1,928.6 billion yen, a decrease of 24.3 billion yen from FY2008, due to an increase in IP-related services revenues[※] partly due to an increase in the number of FLET'S Hikari, Hikari Denwa, Remote Support Service and FLET'S Virus Clear subscriptions, partially offset by a decrease in voice transmission services revenue and other revenues. Decrease in revenues continue to contract year-on-year, with revenues from voice + IP-related services falling by 7.5 billion yen. Revenues from IP-related services increased to 654.5 billion yen, reaching one-third (33.9%) of total operating revenues.
- For the FY2010 plan, operating revenues are forecast to continue contracting and result in a decrease of 8.6 billion yen over the prior fiscal year to 1,920.0 billion yen. IP-related services revenues (739.0 billion yen) are expected to exceed voice services revenues (733.0 billion yen) for the first time, and revenues from voice + IP-related services are also expected to increase 1.3 billion yen, resulting in the first year-on-year increase in this revenue category.

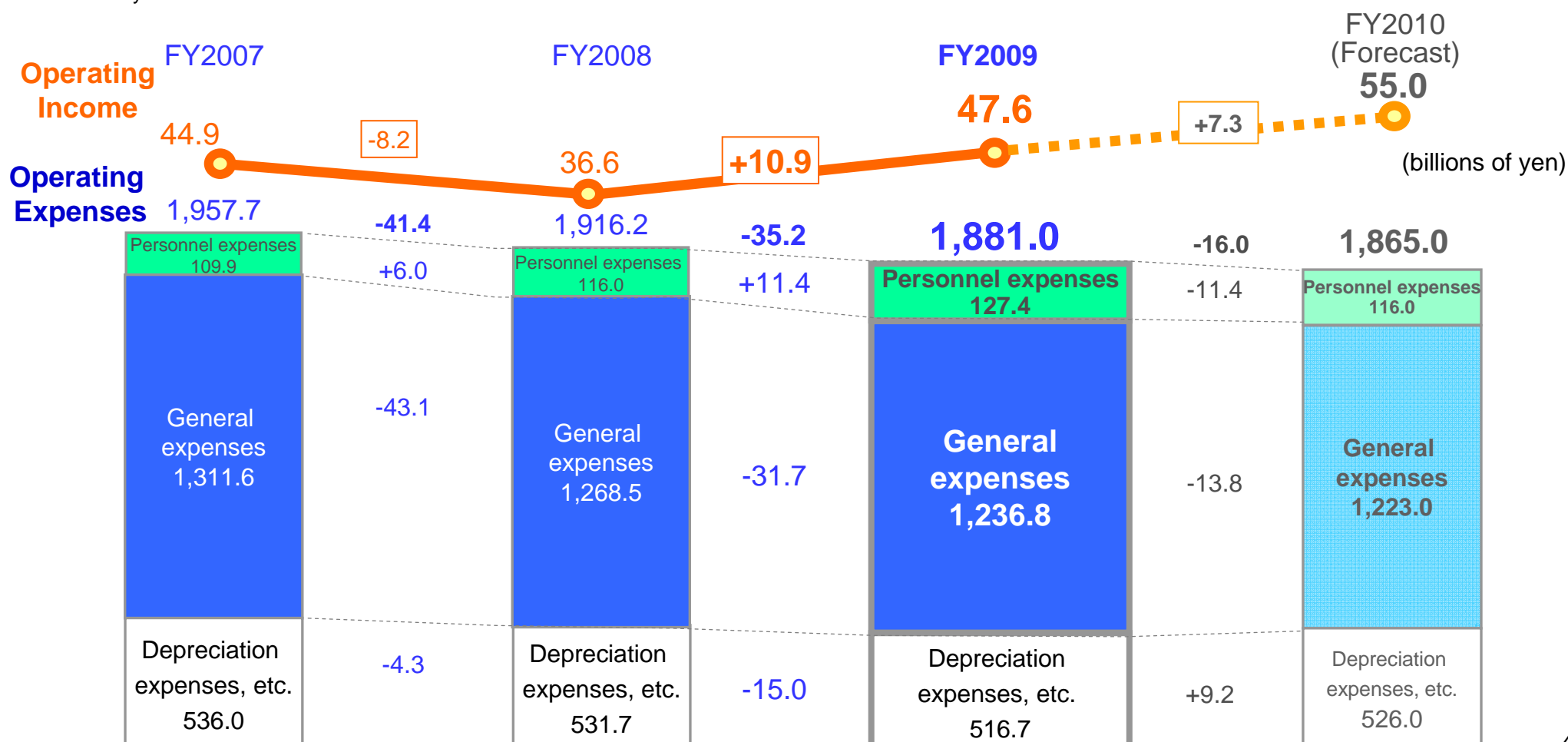


※ IP-related services revenues: This includes the IP related revenues presented in prior years plus supplemental business revenues from Remote Support Service and FLET'S Virus Clear.
 * Figures in [parentheses] indicate proportion of operating income.

4. Changes in Operating Expenses and Operating Income

- Operating expenses for FY2009 decreased by 35.2 billion yen from the prior fiscal year to 1,881.0 billion yen. This was the result of an increase in personnel expenses attributable to differences in actuarial calculations linked to the deterioration in the performance of pension asset investments and continuing initiatives to reduce costs. Operating income was 47.6 billion yen, an increase of 10.9 billion yen, marking the end of decreases in operating income in recent years and resulting in gain.
- For FY2010, depreciation expenses are expected to increase; although personnel expenses will decrease due to differences in actuarial calculations and supplemental business revenues are expected to increase, efforts will be made to reduce general expenses. As a result, operating expenses are forecasted to decrease to 1,865.0 billion yen, a decline of 16.0 billion yen from the prior fiscal year.

For FY2010, continued earnings growth is planned, with operating income forecasted to be 55.0 billion yen, an increase of 7.3 billion yen compared to the prior fiscal year.



5. Trends in Subscriptions for Major Services and ARPU

- The net increase in FLET'S Hikari subscriptions in FY2009 was 1.24 million, with the total number of subscriptions reaching 7.53 million by the end of the year. FLET'S Hikari Next subscriptions grew to 1.64 million. The number of subscriptions to supplemental services increased steadily, with subscriptions for Remote Support Service passing 1.5 million and subscriptions for FLET'S Virus Clear passing 1 million. As a result, FLET'S Hikari ARPU increased 160 yen from the prior year to 5,740 yen.
- In FY2010, NTT East will undertake further expansion and promotion initiatives for FLET'S Hikari use. FLET'S Hikari subscriptions are forecasted to record a net increase of 1.25 million and the net increase in subscriptions for supplemental services is expected to exceed that achieved in FY2009. FLET'S Hikari ARPU is forecast to increase to 5,890 yen.

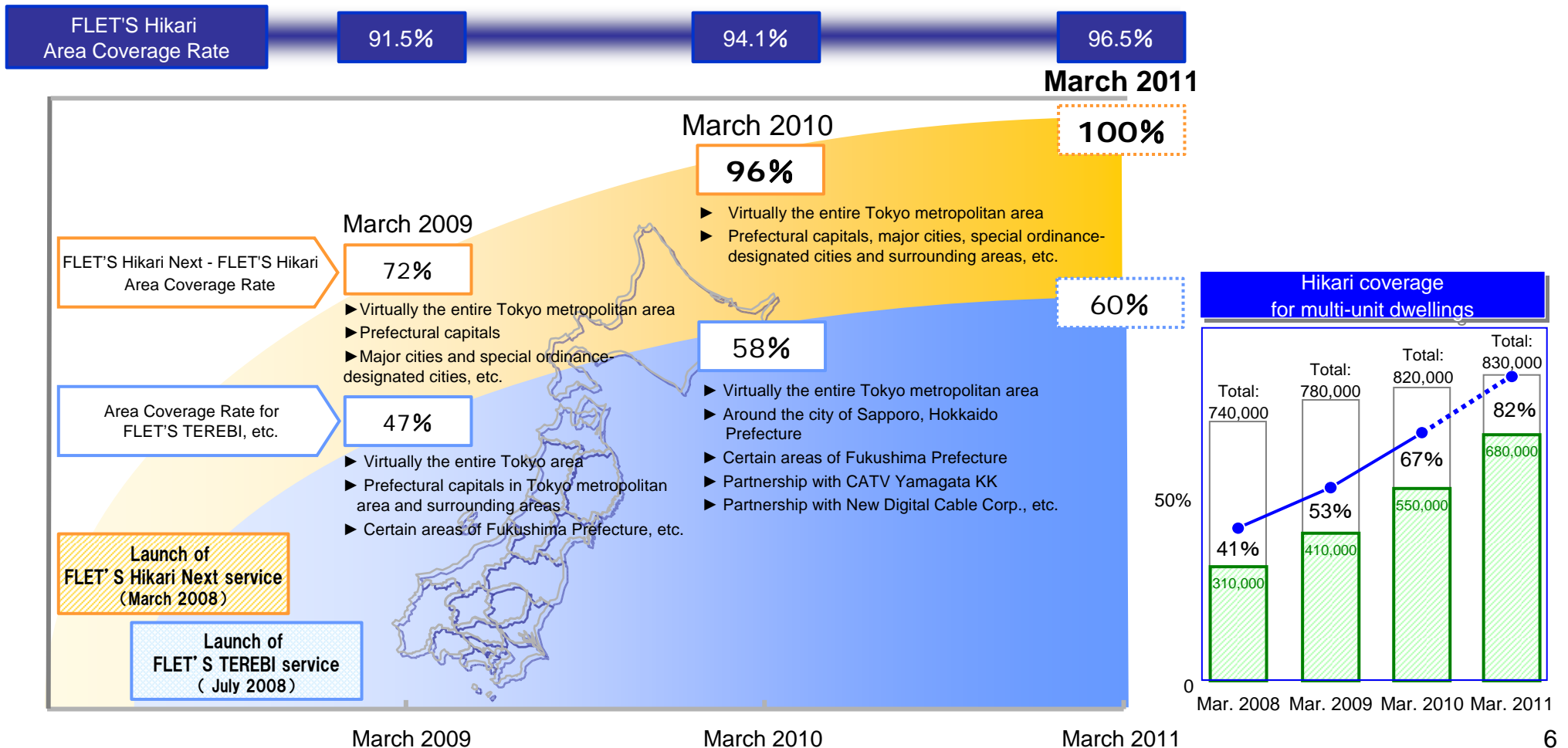
Major Services		Unit	FY2008		FY2009 Results		FY2010 Forecasts	
			Subscriptions	Net increase	Subscriptions	Net increase	Subscriptions	Net increase
	FLET'S Hikari	10,000 subscriptions	629	+133	753	+124	878	+125
	FLET'S Hikari Next*		35	+35	164	+129	354	+190
Supplemental services	Hikari Denwa	10,000 channels	425	+118	542	+117	662	+120
	Remote Support Service	10,000 subscriptions	77	+66	156	+79	236	+80
	FLET'S Virus Clear	10,000 subscriptions	68	+33	102	+33	142	+40
	FLET'S TEREBI※	10,000 subscriptions	7	+7	24	+17	72	+48
Business Ether Wide		100 subscriptions	21	+21	80	+60	230	+150
FLET'S Hikari ARPU		yen	5,580		5,740		5,890	
Supplemental services*			1,320		1,450		1,590	
Aggregate Fixed Line ARPU			3,050		2,980		2,930	

* Partial listing only.

※ FY2009 Results and FY2010 Forecast figures for FLET'S TEREBI include "FLET'S TEREBI Building-wide Subscription Plan" (launched in December 2009).

6. Measures for Area Expansion

- Area coverage rate for FLET'S Hikari was 94.1% as of March 31, 2010, and is planned to expand to 96.5% in FY2010 in collaboration with regional and local governments.
- FLET'S Hikari Next, which is one of the NGN services, was commercialized in March 2008 and NTT East has proactively expanded its service area since. As of March 31, 2010, FLET'S Hikari Next service area had grown to 96% of the FLET'S Hikari service area, and NTT East aims to cover 100% by the end of FY2010.
- In collaboration with the CATV companies, the service area for FLET'S TEREBI reached 58% as of March 31, 2010 and NTT East will aim to expand this area to 60% by the end of FY2010.
- As for deployment among multi-unit dwellings, the Hikari coverage area reached 67% as of March 31, 2010 and is expected to expand to 82% by the end of FY2010 utilizing optical wiring.



(Reference) Optical Broadband Expansion Measures in FY2009

Consumer	Expansion of fiber-optic service area and enhancement of fiber-optic services	<ul style="list-style-type: none"> ■ Expansion of FLET'S Hikari coverage area and enhancement of Hikari access services <ul style="list-style-type: none"> •Expansion of FLET'S Hikari service area utilizing IRU (FY2009: 24 IRU communities) •In FY2009, utilizing optical wiring, FLET'S Hikari was deployed in 140,000 multi-unit dwellings •Launch of "FLET'S Hikari Next High Speed Type" with a maximum downlink speed of 200 Mbps (October 2009) ■ Expansion of Hikari LINK series <ul style="list-style-type: none"> •Launch of the living room PC "Hikari BOX" as part of the Hikari LINK series (July 2009) ■ Launch of FLET'S Hikari Members Club (December 2009) ■ Enhancement of FLET'S TEREBI services; service area expansion through an alliance with CATV companies <ul style="list-style-type: none"> •Launch of "FLET'S TEREBI Building-wide Subscription Plan" for multi-unit dwellings (December 2009)
	Alliances with partner companies	<ul style="list-style-type: none"> •Partnership with CATV Yamagata KK (September 2009) •Partnership with New Digital Cable Corp. (Osaki City, Miyagi Prefecture: December 2009) ■ Collaboration with businesses in a broad range of fields <ul style="list-style-type: none"> •"ALSOK Home Security + FLET'S Hikari" (Sohgo Security Services Co., Ltd.) (April 2009) •Remote videophone consulting service "Lifenet + FLET'S Hikari" (Lifenet Insurance Company) (May 2009) •"Bugyo on FLET'S" (Obic Business Consultants Co., Ltd.) (July 2009) •Provision of "FLET'S SPOT" at Starbucks Coffee Japan, Ltd. locations (November 2009) •" FLET'S SPOT Community Model" (Tokyo Kasei Gakuin University and Shobi University)
Businesses	Enhancement of services for corporate customers	<ul style="list-style-type: none"> ■ Provision of service menus for service providers <ul style="list-style-type: none"> •Launch of "FLET'S line ID of subscriber notification service" (September 2009) for high security distribution of information, including for the prevention of spoofing and other scams •Launch of "FLET'S Software Delivery Service", which supports SaaS distribution of software packages for small to mid-sized businesses, and "FLET'S MATOMETE SHIHARAI (combined payments)", a service that performs billing and collection of fee-based information service charges for corporate subscribers (December 2009) ■ Enhancement of Hikari Denwa Service for Offices <ul style="list-style-type: none"> •Introduced "Flat-rate Intragroup Calling" for Hikari Denwa Office Type (May 2009) •Launched "Hikari Denwa Office A (Ace)," an IP telephony service for large corporations and medium-sized businesses (March 2010)

7-1. New Measures (1)

- NTT East plans to offer "Hikari Portable" (provisional name), a mobile wireless service capable of achieving a seamless broadband environment that links the home with remote locations, which keeps pace with the diversification of wireless devices, such as game consoles, electronic books, netbooks and others.
- With the goal of expanding the base of broadband users, NTT East plans to launch the easy-to-operate platform terminal "Hikari i-Frame" (provisional name) which offers a synthesis of diverse information.

Keeping pace with diversification of wireless devices

"Hikari Portable"
(provisional name)

Scheduled for late June 2010

- Optical connection with game consoles, electronic books, netbooks and a diverse range of other wireless devices
- At home, connection is made through wireless LAN; outside the home, connection is made with a pocket-sized cognitive router that automatically connects with FLET'S SPOT and 3G
- A seamless broadband environment becomes available with "Hikari Portable" (provisional name) + FLET'S SPOT, for a single payment of 500 yen per month (planned)

Mobile data communications
(3G carrier)

Public wireless LAN area

At home



Automatically selects and connects with the optimal network



Can take outside the home

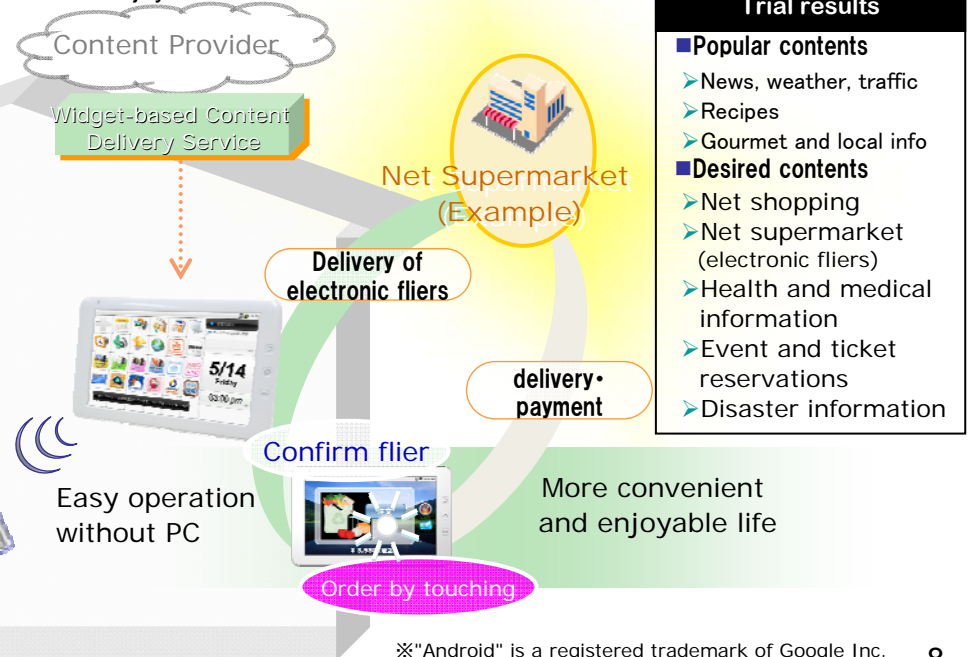


Expanding the broadband user base

"Hikari i-Frame"
(provisional name)

Scheduled for Fall 2010

- Platform terminal providing a variety of information
- Employs Android™ and easy to operate by touch panel
- Currently proposing a solution model to content providers that will enable subscribers using this terminal and Hikari to derive more enjoyment and convenience in their lives



Trial results

- Popular contents
 - News, weather, traffic
 - Recipes
 - Gourmet and local info
- Desired contents
 - Net shopping
 - Net supermarket (electronic fliers)
 - Health and medical information
 - Event and ticket reservations
 - Disaster information

※"Android" is a registered trademark of Google Inc.

7-2. New Measures (2)

- NTT East offers services that promote new uses of ICT in offices and stores, enable cost-effective communication and that enable the use of a safe and convenient use of communications environment.

Bandwidth-assured data communications

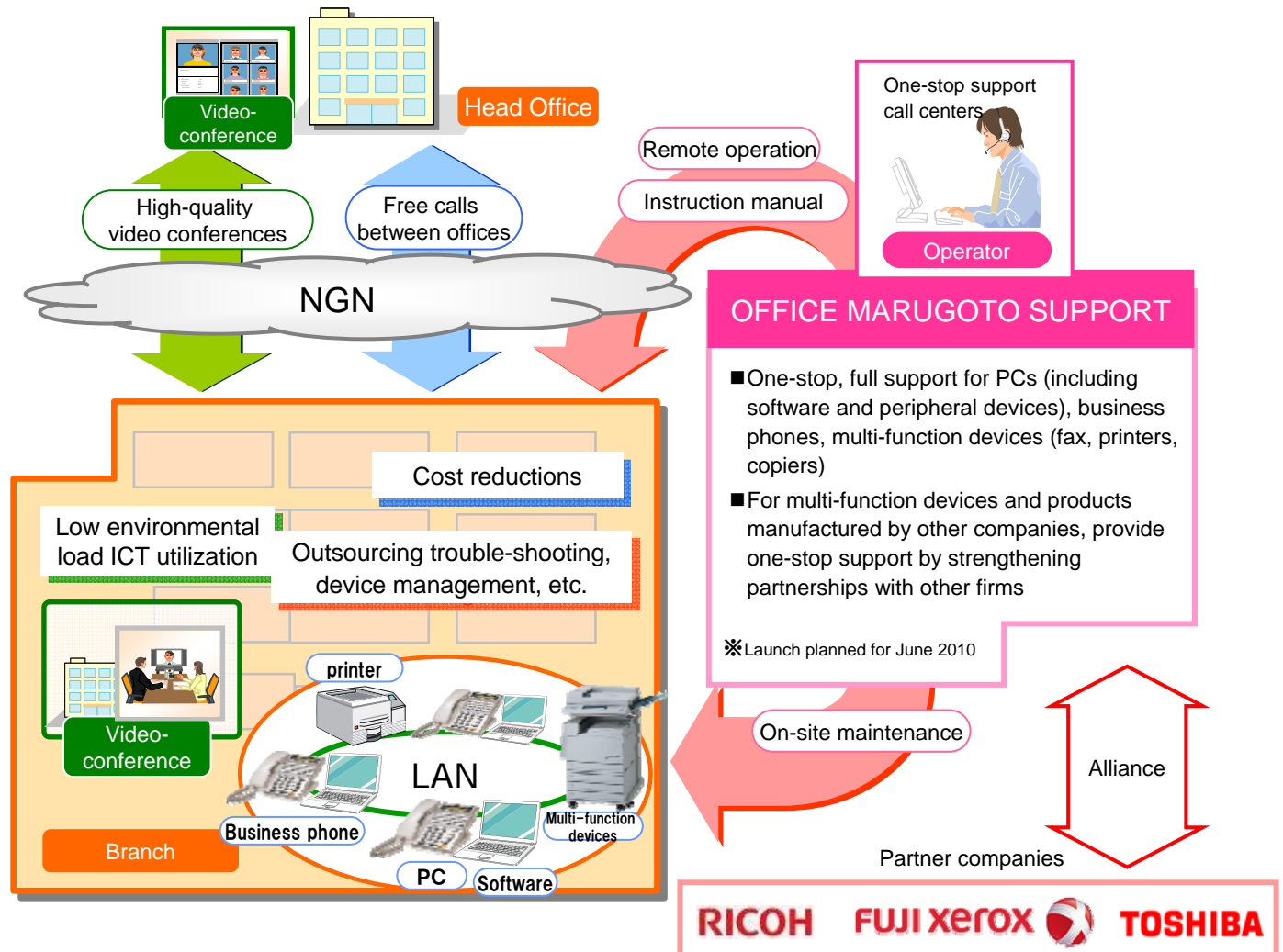
- A bandwidth-assured data communication service, with usage-based charges, that uses a telephone number, to have the advantage of the characteristics of the NGN (safe, secure, stable)
Current data communication can be done at a low charge using optical broadband
- Promote alliances with service providers in diverse fields such as high-quality video conferencing, IP fax, POS and credit card payments that require robust data security and other services

※Launch planned for June 2010

Hikari Denwa Office A (Ace)

- An IP telephony service that enables use of up to 100 channels and 300 phone numbers with a single contract
- Achieves communication cost reductions, including no charges for calls between offices under the same contract
- Supplemental services such as "Voice Warp" and "Caller ID" are offered as standard features

※Launched March 2010



7-3. New Measures (3)

- With respect to disadvantaged areas, NTT East provides optical broadband service by leasing community fiber optic facilities from regional and local governments under an IRU contract. Furthermore, NTT East will proactively develop diverse solutions utilizing optical broadband.

