



News Release

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FOR IMMEDIATE RELEASE

Financial Statements for the Three Months Ended June 30, 2013

The results of Nippon Telegraph and Telephone East Corporation (NTT East) for the three months ended June 30, 2013 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)

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1. Non-Consolidated Comparative Balance Sheets

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	March 31, 2013	June 30, 2013	Increase (Decrease)
ASSETS			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	484,112	479,302	(4,809)
Antenna facilities	4,643	4,578	(65)
Terminal equipment	55,006	52,690	(2,315)
Local line facilities	846,814	844,822	(1,992)
Long-distance line facilities	4,608	4,518	(89)
Engineering facilities	621,339	617,326	(4,013)
Submarine line facilities	1,520	1,436	(83)
Buildings	455,586	454,305	(1,281)
Construction in progress	36,097	33,769	(2,327)
Other	268,012	265,444	(2,567)
Total property, plant and equipment	2,777,740	2,758,195	(19,544)
Intangible fixed assets	92,108	92,824	715
Total fixed assets - telecommunications businesses	2,869,848	2,851,020	(18,828)
Investments and other assets			
Other investments and assets	210,652	213,205	2,553
Allowance for doubtful accounts	(898)	(849)	49
Total investments and other assets	209,754	212,356	2,602
Total fixed assets	3,079,602	3,063,376	(16,226)
Current assets:			
Cash and bank deposits	59,223	15,986	(43,236)
Notes receivable	7	110	103
Accounts receivable, trade	261,400	241,325	(20,074)
Supplies	36,206	34,295	(1,910)
Other current assets	215,233	171,634	(43,598)
Allowance for doubtful accounts	(1,826)	(1,729)	97
Total current assets	570,243	461,623	(108,620)
TOTAL ASSETS	3,649,846	3,525,000	(124,846)

(Millions of yen)

	March 31, 2013	June 30, 2013	Increase (Decrease)
LIABILITIES			
Long-term liabilities:			
Long-term borrowings from parent company	576,195	606,195	30,000
Liability for employees' retirement benefits	222,469	226,259	3,789
Reserve for point services	6,658	7,800	1,142
Reserve for unused telephone cards	12,647	12,284	(363)
Asset retirement obligations	602	550	(52)
Other long-term liabilities	11,856	11,545	(311)
Total long-term liabilities	830,430	864,635	34,204
Current liabilities:			
Current portion of long-term borrowings from parent company	168,155	127,787	(40,367)
Accounts payable, trade	93,597	49,168	(44,429)
Accrued taxes on income	7,681	*	4,330
Other current liabilities	401,697	339,235	(62,461)
Total current liabilities	671,132	520,522	(150,610)
TOTAL LIABILITIES	1,501,563	1,385,157	(116,405)
NET ASSETS			
Shareholders' equity:			
Common stock	335,000	335,000	-
Capital surplus	1,499,726	1,499,726	-
Earned surplus	313,284	304,477	(8,807)
Total shareholders' equity	2,148,011	2,139,204	(8,807)
Unrealized gains (losses), translation adjustments, and others:			
Net unrealized gains (losses) on securities	271	638	366
Total unrealized gains (losses), translation adjustments, and others	271	638	366
TOTAL NET ASSETS	2,148,283	2,139,842	(8,440)
TOTAL LIABILITIES AND NET ASSETS	3,649,846	3,525,000	(124,846)

Note: *NTT East participates in a consolidated tax return system, which has been adopted by NTT (Holding Company) and its wholly-owned subsidiaries in Japan.

However, except for a portion of the calculation of taxes, income taxes have not been calculated on a consolidated basis in the quarterly financial statements.

2. Non-Consolidated Comparative Statements of Income

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Three months ended June 30, 2012	Three months ended June 30, 2013	Increase (Decrease)	Year ended March 31, 2013
Telecommunications businesses:				
Operating revenues	420,110	410,349	(9,761)	1,689,238
Operating expenses	407,220	385,444	(21,776)	1,636,091
Operating income from telecommunications businesses	12,889	24,905	12,015	53,146
Supplementary businesses:				
Operating revenues	29,390	28,068	(1,322)	142,559
Operating expenses	26,480	24,662	(1,818)	130,634
Operating income from supplementary businesses	2,910	3,406	496	11,924
Operating income	15,800	28,311	12,511	65,071
Non-operating revenues:				
Interest income	14	19	5	62
Dividends received	1,312	3,517	2,204	2,494
Lease and rental income	10,916	11,172	255	43,166
Miscellaneous income	1,748	672	(1,075)	14,467
Total non-operating revenues	13,991	15,382	1,390	60,190
Non-operating expenses:				
Interest expenses	2,273	1,854	(419)	8,792
Lease and rental expenses	4,568	5,305	736	24,063
Miscellaneous expenses	567	479	(88)	3,512
Total non-operating expenses	7,410	7,638	228	36,368
Recurring profit	22,381	36,054	13,673	88,893
Special losses	2,177	-	(2,177)	7,980
Income before income taxes	20,204	36,054	15,850	80,912
Income taxes	* 6,103	* 11,362	5,258	28,090
Net income	14,100	24,692	10,592	52,822

Note: *NTT East participates in a consolidated tax return system, which has been adopted by NTT (Holding Company) and its wholly-owned subsidiaries in Japan.

However, except for a portion of the calculation of taxes, income taxes have not been calculated on a consolidated basis in the quarterly financial statements.

3. Business Results (Non-Consolidated Operating Revenues)

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Three months ended June 30, 2012	Three months ended June 30, 2013	Increase (Decrease)	Percent Increase (Decrease)	Year ended March 31, 2013
Voice transmission services revenues (excluding IP services revenues)	150,805	133,852	(16,952)	(11.2)	579,196
Monthly charge revenues*	107,996	97,375	(10,620)	(9.8)	417,852
Call rates revenues*	12,632	11,047	(1,585)	(12.5)	47,939
Interconnection call revenues*	19,011	16,422	(2,589)	(13.6)	72,378
IP services revenues	202,485	211,697	9,212	4.5	835,886
Leased circuit services revenues (excluding IP services revenues)	31,938	29,888	(2,050)	(6.4)	122,777
Telegram services revenues	4,381	4,154	(226)	(5.2)	16,107
Other telecommunications services revenues	30,500	30,756	255	0.8	135,270
Telecommunications total revenues	420,110	410,349	(9,761)	(2.3)	1,689,238
Supplementary business total revenues	29,390	28,068	(1,322)	(4.5)	142,559
Total operating revenues	449,501	438,418	(11,083)	(2.5)	1,831,797

*Partial listing only