Financial Results for the Fiscal Year Ended March 31, 2011 (12th Term)

May 13, 2011

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

1. Financial Results and Capital Investment

- Voice + IP-related revenues increased year-on-year for the first time and commissioned revenues from optical broadband development promoted by the central and local governments showed large gains. As a result, operating revenues increased 28.4 billion yen over the prior fiscal year. This marks the first revenue increase for NTT East since its formation. Operating expenses decreased 1.0 billion yen from the prior fiscal year, and operating income increased 29.5 billion yen to 77.1 billion yen.
- Due to expenses related to the Great East Japan Earthquake, including emergency restoration and the disposal of damaged equipment, a special loss of 19.1 billion yen was recorded. Net income increased 1.7 billion yen over the prior fiscal year to 52.3 billion yen.
- Capital investment decreased 48.2 billion yen from the prior fiscal year to 406.5 billion yen, due to factors such as the convergence of NGN area expansions, promotion of greater investment efficiency, and a reduction in the optical build-out due to the earthquake.

(billions of yen)

	FY2009	**FY2010**	Increase (Decrease)
Operating Revenues	1,928.6	**1,957.1**	28.4
Operating Expenses	1,881.0	**1,879.9**	(1.0)
Operating Income	47.6	**77.1**	29.5
Recurring Profit	71.7	**96.0**	24.3
Special Profit/Loss	9.8	**(19.1)**	(29.0)
Net Income	50.5	**52.3**	1.7

Capital Investment	454.8	**406.5**	(48.2)

2. Financial Impact of the Great East Japan Earthquake in FY2010

■ 19.1 billion yen in expenses for the disposal and removal of affected equipment, emergency restoration, provision of human resources and material support, and other efforts was recorded as a special loss. Including the 2.2 billion yen in waived base charges for customers affected by the disaster, the total financial impact from the Great East Japan Earthquake in FY2010 was 21.3 billion yen.

■Loss from disposal of damaged equipment	Disposal losses and removal expenses for mechanical facilities (office devices, power devices, etc.), circuit equipment (cables, telephone poles, etc.), infrastructure facilities (pipes, manholes, etc.), and buildings damaged by tsunamis, or otherwise.	**8.2 billion yen**
■Expenses for removal of damaged equipment		**0.8 billion yen**
■ Emergency and original condition restoration	Expenses for replacement of telephone poles, replacement or tightening of cables, and other emergency restoration; expenses for restoration of buildings to their original condition.	**5.2 billion yen**
■ Expenses for human resources and material support	Expenses for goods supplied, transportation, dispatch of support personnel, building inspection and restoration planning services, disaster relief contributions, loss for destruction of goods, etc.	**4.7 billion yen**
	FY2010 Special Losses	**19.1 billion yen**

■Waived base charges for affected customers	**2.2 billion yen**

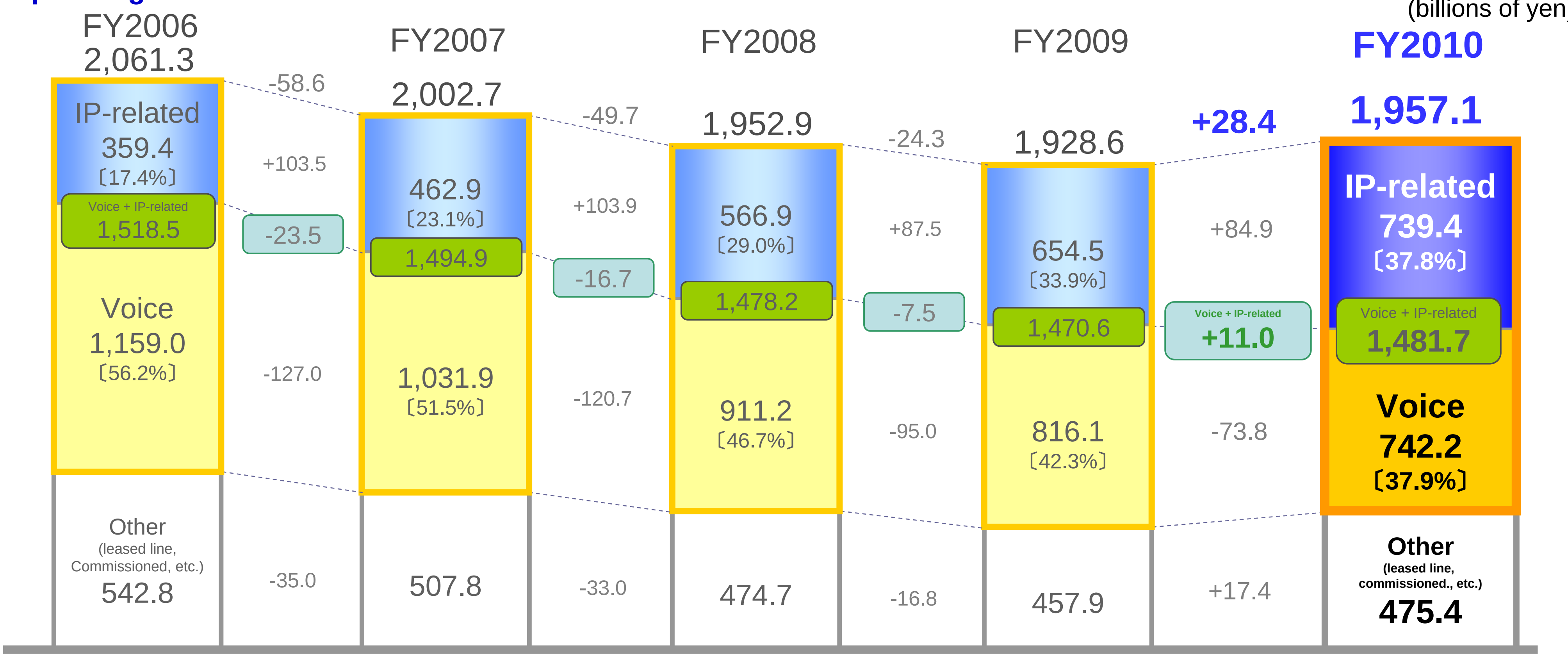
Total Financial Impact	**21.3 billion yen**

3. Trends in Operating Revenues and Operating Income

- NTT East has promoted a shift to IP-based businesses in order to have the increase in IP-related revenues offset the decrease in voice revenues. As a result, NTT East achieved its first year-on-year increase in Voice + IP-related revenues in FY2010.
- Other revenues have continued to decline in conjunction with a decrease in revenues from legacy businesses, such as leased lines, telegrams and address books. However, other revenues increased in FY2010 due to, among other things, increases in commissioned revenues from optical broadband development promoted by the central and local governments.

Operating Revenues

(billions of yen)



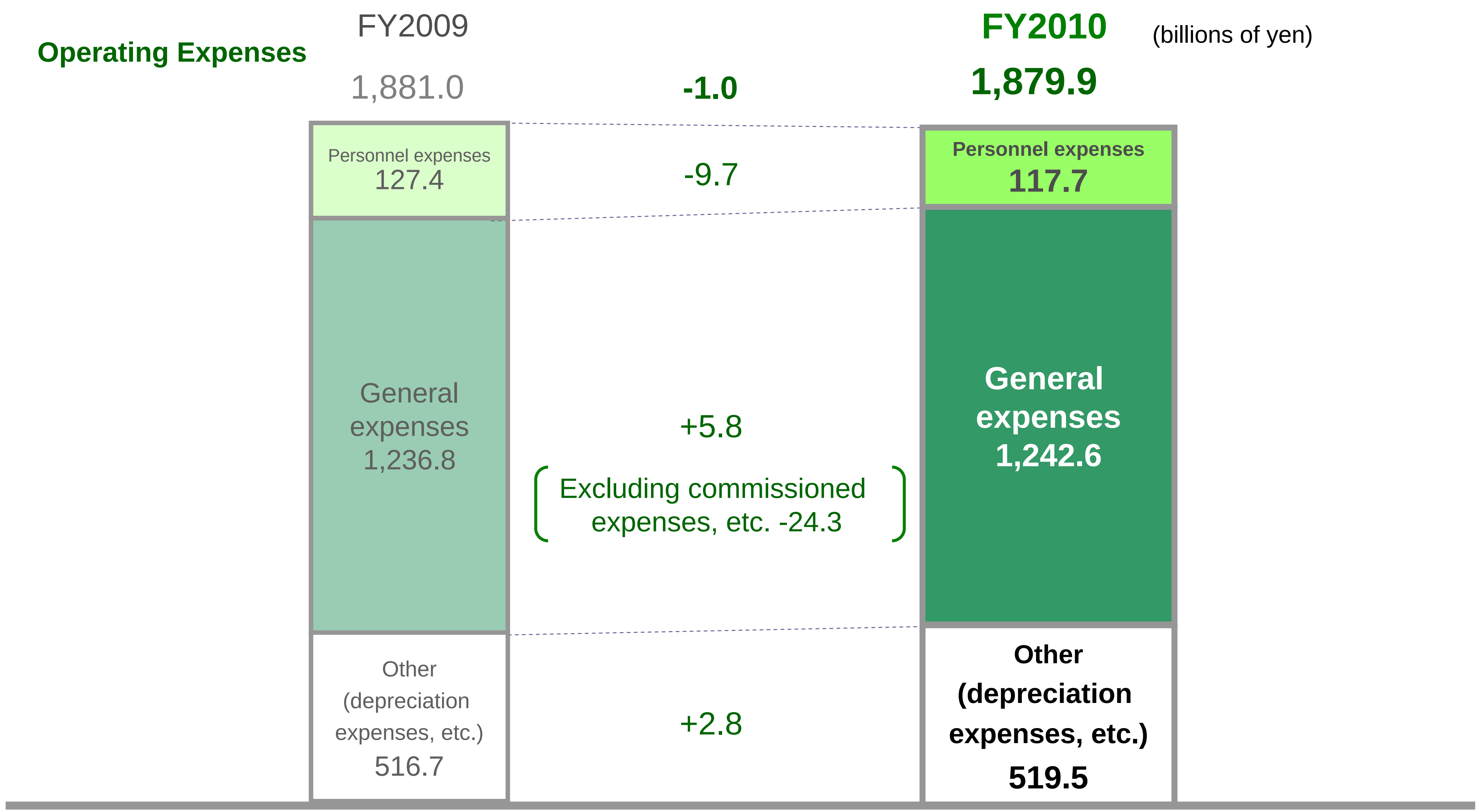
Operating Income

FY2006		FY2007		FY2008		FY2009		FY2010
59.9	-14.9	44.9	-8.2	36.6	+10.9	47.6	+29.5	77.1

(*)IP-related revenues include revenues from Remote Support Service and Virus Clear.

4. Operating Expenses

■ Operating expenses increased in conjunction with increases in commissioned revenues, but were offset by a decrease in personnel expenses, due to the differences in actuarial calculation of pension assets, and increase in the efficiency of operations. As a result, operating expenses decreased 1.0 billion yen over the prior fiscal year to 1,879.9 billion yen in FY2010.



5-1. Forecast for FY2011 (Revenues and Expenditures)

- Operating revenues are expected to decrease 57.1 billion yen to 1,900.0 billion yen, reflecting, among other things, the decrease in commissioned revenues and the impact of the Great East Japan Earthquake. Operating expenses are expected to decrease 49.9 billion yen to 1,830.0 billion yen due to, among other things, a decrease in expenses in conjunction with a decrease in commissioned revenues.
- The forecast for operating income for FY2011 has been adjusted 10.0 billion yen downward, from the 80.0 billion yen forecast made before the earthquake, to 70.0 billion yen (a decrease of 7.1 billion yen from the prior fiscal year).

(billions of yen)

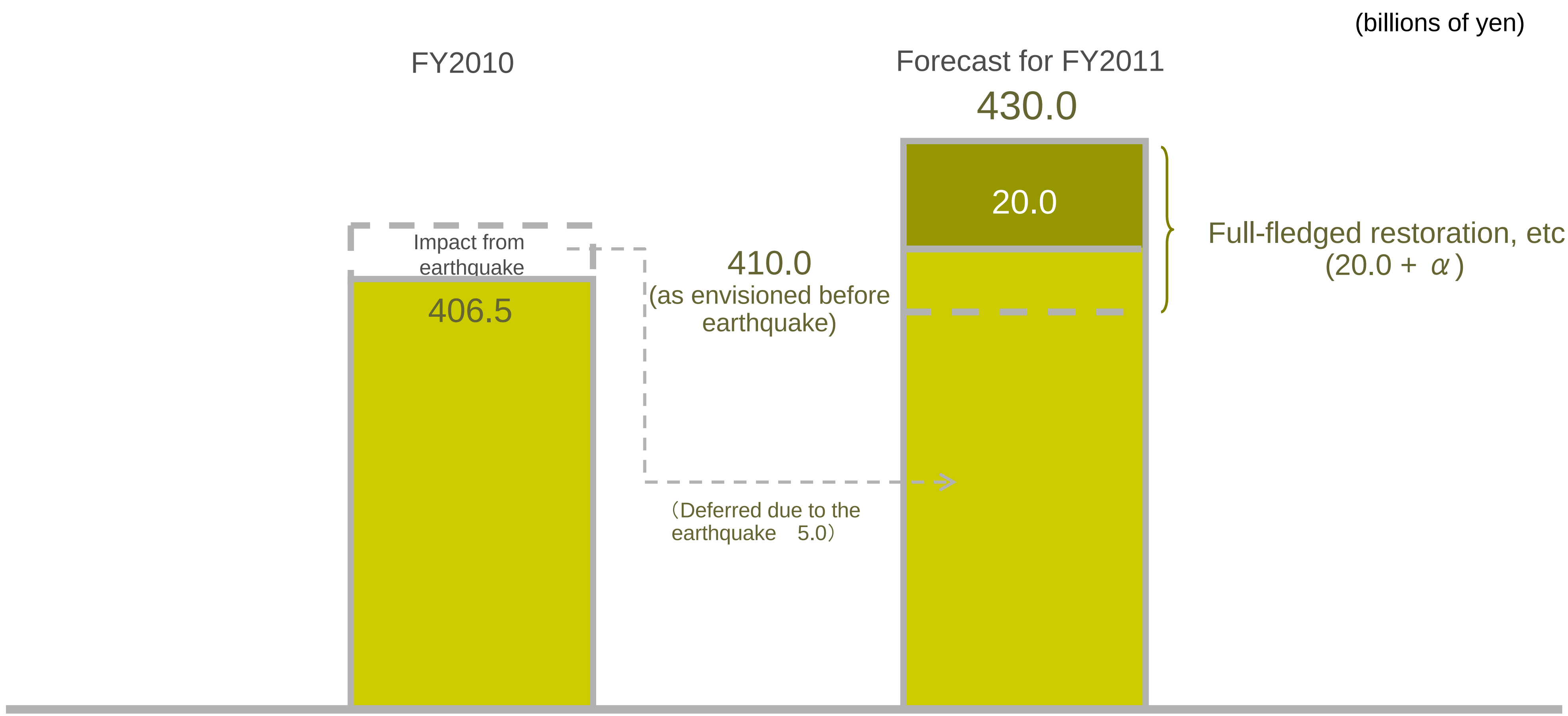
	Forecast for FY2011	Increase (decrease) over previous year	Change from previous forecast announced on March 1 (*1)
Operating Revenues	1,900.0	(57.1)	(10.0)
Voice + IP-related revenues	1,475.0	(6.7)	(7.0)
Voice revenues	650.0	(92.2)	± 0.0
IP-related revenues	825.0	85.5	(7.0)
Other (leased line, commissioned, etc.)	425.0	(50.4)	(3.0)
Operating Expenses	1,830.0	(49.9)	± 0.0
Personnel expenses	114.0	(3.7)	2.0
General expenses	1,205.0	(37.6)	(2.0)
Depreciation expenses, etc.	511.0	(8.5)	± 0.0
Operating Income	70.0	(7.1)	(10.0)
Recurring profit	85.0 (*2)	(11.0)	(10.0)
Net income	44.0	(8.3)	-

(*1)Direct impact from the disaster (e.g., waiver of base charges for affected subscribers) and differences in actuarial calculations newly arising in FY2010.

(*2)Special losses are forecast to be 12.0 billion yen in FY2011.

5-2. Forecast for FY2011 (Capital Investment)

- Capital investment for FY2011 will equal the 410.0 billion yen envisioned prior to the earthquake, plus 20.0 billion yen for installing new air-conditioning equipment in exchange offices, full addressing power facilities equipment issues, and newly constructing alternative routes for severed relay transmission lines, for a total of 430.0 billion yen.
- In addition, demand-based full-fledged restoration investment, such as the laying of cables in parallel with the restoration pace of the affected areas will be addressed by reviewing the current process.



6. Trends in Subscriptions for Major Services and ARPU

- The net increase in FLET'S Hikari subscriptions in FY2010 had been forecasted at 1.05 million prior to the earthquake (March 1, 2011), but net increase in subscriptions during the month of March 2011 decreased 80% (92,000 to 17,000) compared to March 2010. As a result, subscriptions in FY2010 only increased by 980,000. The number of subscriptions as of the end of the fiscal year was 8.51 million. Through expansion of supplemental services, such as the Remote Support Service, FLET'S Hikari ARPU increased 140 yen to 5,880 yen.
- In FY2011, through the launch of "FLET'S Hikari Light", NTT East will encourage Internet use for low-use customers and non-users, in order to achieve a net increase of 1.25 million new FLET'S Hikari subscriptions, the same forecast as before the disaster.

FLET'S 光 LIGHT

Service Launch Date

- Wednesday, June 1, 2011
  (Kanto, Koushinetsu, Hokkaido)

Fukushima, Aomori, Yamagata, Akita: Friday, July 1, 2011
Miyagi, Iwate: Monday, August 1, 2011

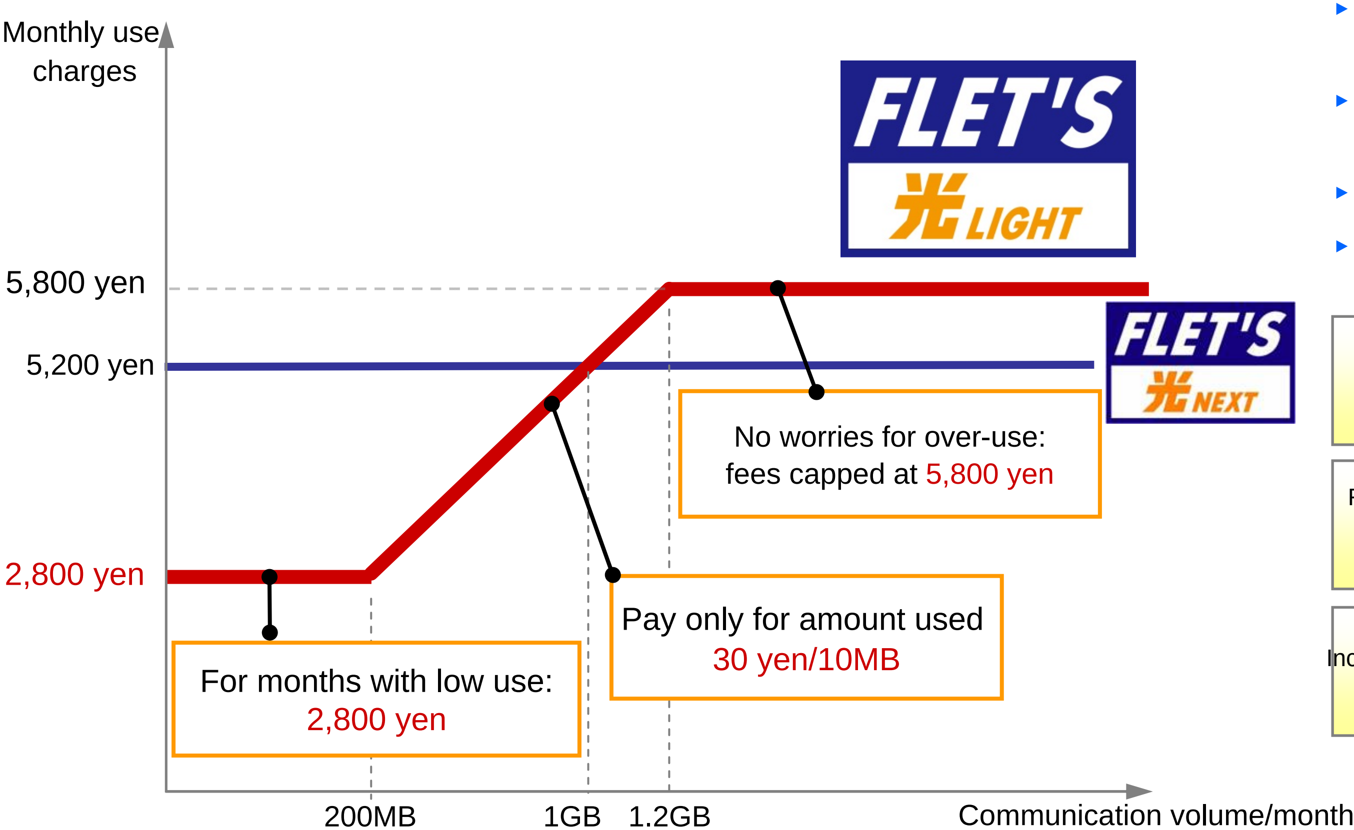
Major Services		Unit	FY2009 Results		FY2010 Results		FY2011 Forecast	
			Net Increase	Subscriptions	**Net Increase**	Subscriptions	**Net Increase**	Subscriptions
FLET'S Hikari		10,000 subscriptions	**+124**	753	**+98**	851	**+125**	976
Supplemental Services	Hikari Denwa	10,000 channels	**+117**	542	**+103**	645	**+125**	770
	Remote Support Service	10,000 subscriptions	**+79**	156	**+65**	221	**+80**	301
	FLET'S TEREBI	10,000 subscriptions	**+17**	24	**+24**	48	**+22**	70
Business Ether Wide		1,000 subscriptions	**+6**	8	**+11**	19	**+11**	30

	Unit	FY2009 Results	FY2010 Results	FY2011 Forecast
FLET'S Hikari ARPU	yen	**5,740**	**5,880**	**5,960**
Supplemental services (partial listing only)	yen	1,450	1,570	1,680

(*) The figures for the FY2011 Forecast have been revised from the following figures, which were previously announced: FLET'S Hikari ARPU: 5,980 yen Supplemental services ARPU: 1,690 yen

(Reference) FLET'S Hikari Light

Rate Structure



Service Specs

- Optical access service with two-tier fixed rate structure
- High speed, with maximum transmission rates of 100 Mbps
- Low monthly base charges
- Various supplemental services available

Services useful for daily life

Robust support for safety and peace of mind

Increase convenience and richness

※Rates are shown without taxes, and ISP and other fees are not included
※FLET'S Hikari Next offers family-type rates

7. Provision of a Seamless Broadband Environment through Expansion of Wi-Fi Service

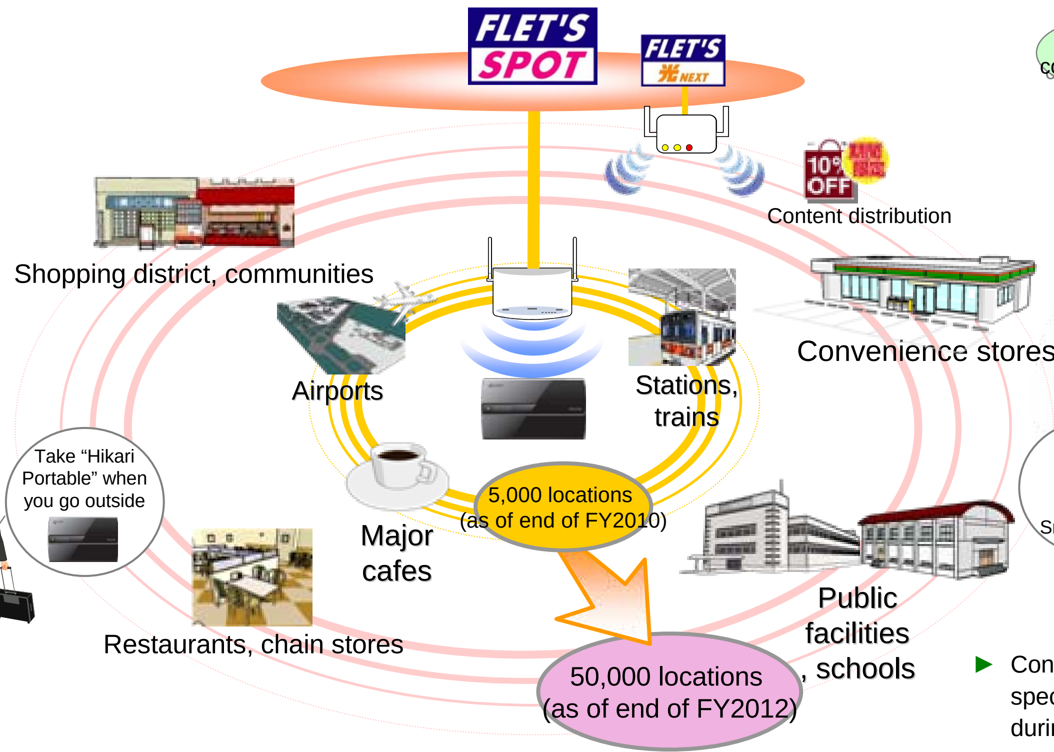
- A new “Hikari Portable”, which has a Wi-Fi function on the cradle, in addition to the Wi-Fi function on the device itself, is scheduled for launch in the second quarter of FY2011. Even if the device is taken out of the home, wireless LAN will still be available inside the home.
- With the goal of constructing a Wi-Fi environment that covers the basic routes of daily life, NTT East will collaborate with convenience stores with installed optical circuits and other businesses, and by utilizing a new scheme, will aim to expand to 50,000 access points (end of FY2012).
- Can be used as an information station during disasters.

At Home — Enriched Home Environment

- The new Hikari Portable version comes standard with a Wi-Fi function on the cradle, allowing for a wireless environment at home, even when the device itself is removed.
- High-speed wireless, compatible with IEEE 802.11n

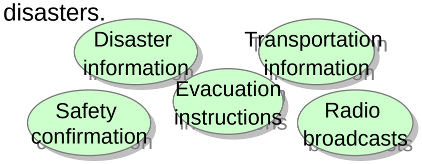
Outside of the Home — Expansion of FLET’S SPOT Areas

- Promote the building of a high-quality wireless environment that utilizes FLET’S Hikari lines for convenience stores and businesses looking to attract more customers and for public facilities.
- Businesses will provide content, in addition to FLET’S SPOT (e.g., coupons).



During Disasters — Use as an Information Station

- Provides a Wi-Fi environment making it possible to connect to the Internet, as an information station during disasters.

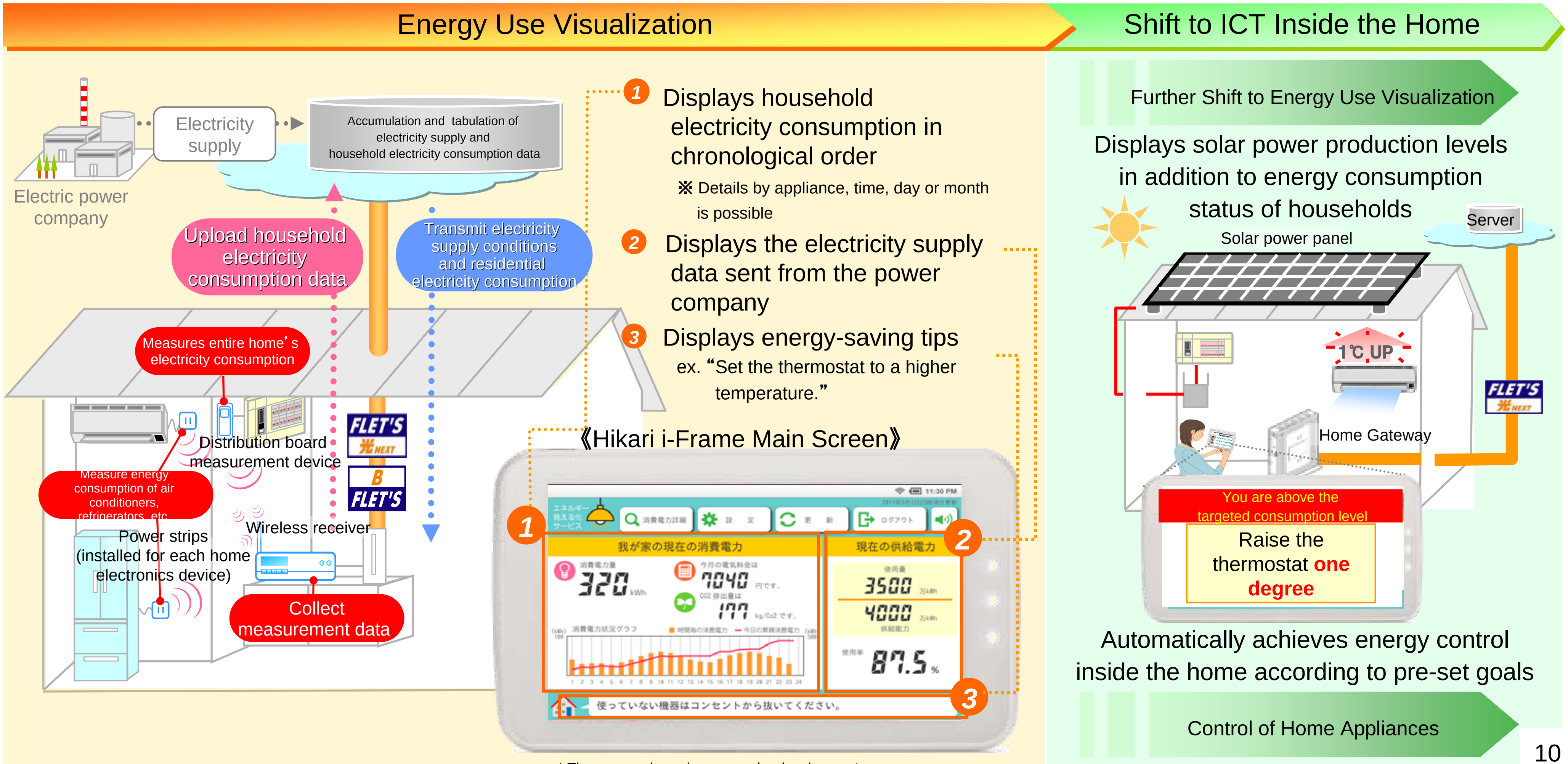


- Consider providing services that would allow uses to register and access safety confirmation information.

- Consider preparing handsets for special public telephones for use during disasters.

8. Promoting Solutions for Energy Use Visualization and Bringing ICT Inside the Home

- With energy-saving awareness increasing ahead of this summer’s anticipated electricity shortage, the electricity supply of electric power companies, as well as the energy consumption of a residence, using “wireless receivers”, “distribution board measurement devices” and “power strips”, will be collected onto a server made visible using Hikari iFrame and others.
- The service will first be provided for approximately 2,000 households starting in July 2011.
- Promotion of ICT inside the home: energy use visualization, including solar-powered energy, control of home electronics, etc. using Home Gateway.



* The screen shows images under development.

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.