

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)
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