

Business Operation Plan for the Fiscal Year Ending March 31, 2014

March 1, 2013

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.

- NTT East will contribute towards the further enrichment and sustained development of society by enhancing the broadband and ubiquitous environment and expanding fiber-optic access through the provision of services and products that leverage the advantages of the next-generation network (“NGN”), as well as the provision of price menus that are customer-friendly and for a longer term.
- NTT East will continue to expand fiber optic access, and will expand and achieve an even more advanced broadband network environment. NTT East will also offer an even wider range of services for IP telephony and video services, including maintenance and support services, and will develop and provide customers with high value-added and user-friendly services.
- NTT East will further improve customer services, while taking steps to ensure steady business growth into the future, by further increasing operating efficiency and building a stable and enhanced management base. NTT East will return the results of these measures to customers, the local community and, through the holding company, to the shareholders.

Service Plan, FLET'S Hikari ARPU and Capital Investment Plan

■ Service Plan (net increase)

(10,000 subscriptions)

Item	FY2012 revised forecast	Change	FY2013 plan	
			FY2013 plan	Change from previous fiscal year
FLET'S Hikari	40	(25)	50	+10
Fixed-line telephone (Telephone subscription + ISDN)	(150)	0	(140)	+10

Note: One INS-Net 1500 subscription is calculated as ten INS-Net 64 subscriptions.

■ FLET'S Hikari ARPU

(yen)

Item	FY2012 revised forecast	Change	FY2013 plan	
			FY2013 plan	Change from previous fiscal year
FLET'S Hikari ARPU	5,840	+40	5,700	(140)
Basic charges	4,150	+40	3,910	(240)
Additional services	1,690	0	1,790	+100

■ Capital Investment Plan

(Billions of yen)

Item	FY2012 revised forecast	Change	FY2013 plan	
			FY2013 plan	Change from previous fiscal year
Capital investment	390.0	0.0	350.0	(40.0)

Revenues and Expenses Plan

(Billions of yen)

	FY2012 revised forecast	Change	FY2013 plan	Change from previous fiscal year
Operating revenues	1,833.0	(25.0)	1,783.0	(50.0)
Voice + IP-related revenues	1,440.0	(17.0)	1,390.0	(50.0)
Voice transmission services revenues	579.0	0.0	512.0	(67.0)
IP-related revenues	861.0	(17.0)	878.0	+ 17.0
Other (leased circuit, commissioned, etc.)	393.0	(8.0)	393.0	0.0
Operating expenses	1,768.0	(25.0)	1,718.0	(50.0)
Personnel expenses	110.0	(1.0)	108.0	(2.0)
General expenses	1,163.0	(24.0)	1,135.0	(28.0)
Depreciation expenses, etc.	495.0	0.0	475.0	(20.0)
Operating income	65.0	0.0	65.0	0.0
Other income (expenses)	23.0	+3.0	15.0	(8.0)
Recurring profit	88.0	+3.0	80.0	(8.0)