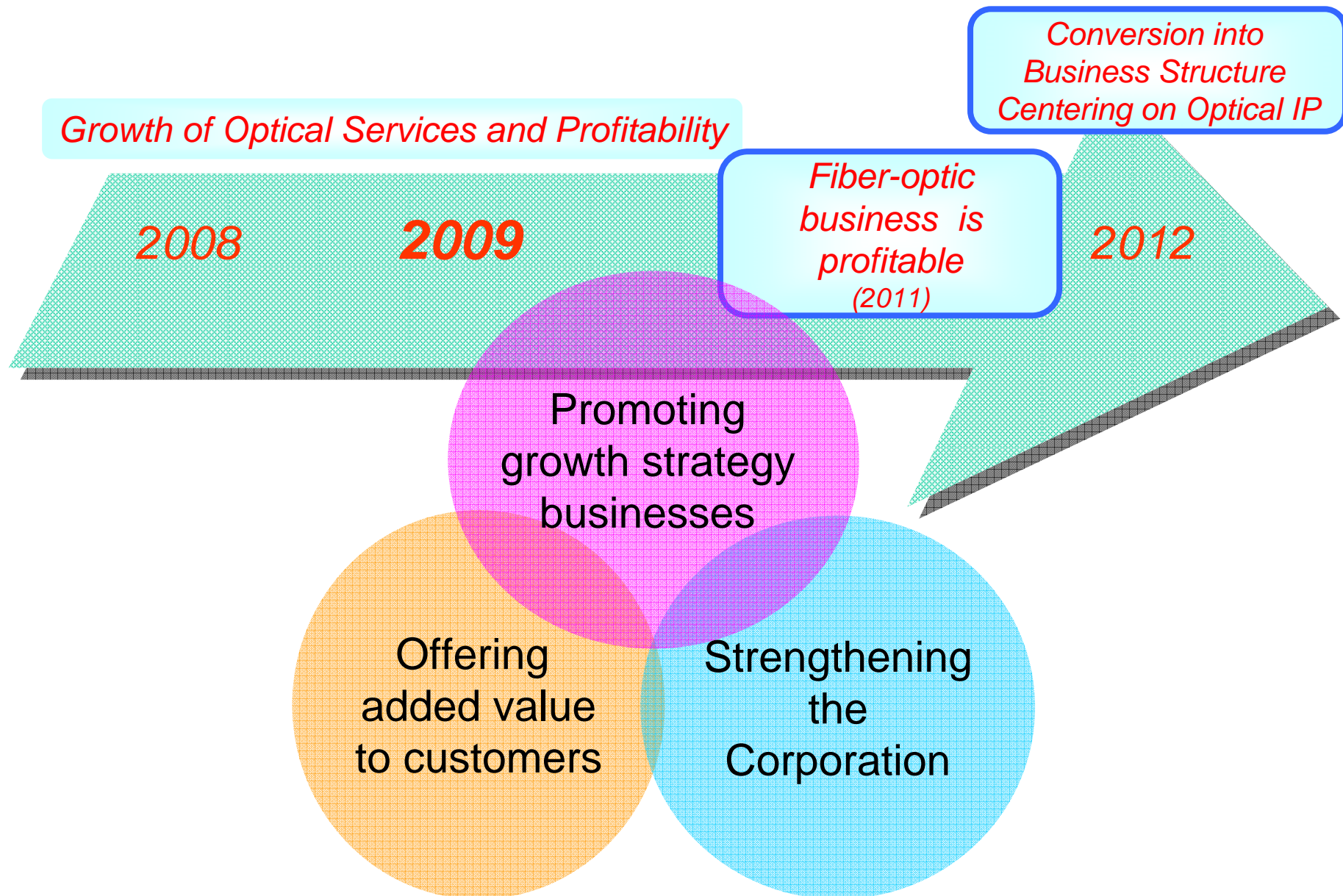


Business Operation Plan for Fiscal Year Ending March 31, 2010

February 27, 2009

Nippon Telegraph and Telephone
West Corporation (“NTT West”)

Implementation of NTT West Group's Medium-Term Management Strategy



FLET'S Hikari: Efforts Toward Expanded Use

Expanded service areas for FLET'S Hikari Next

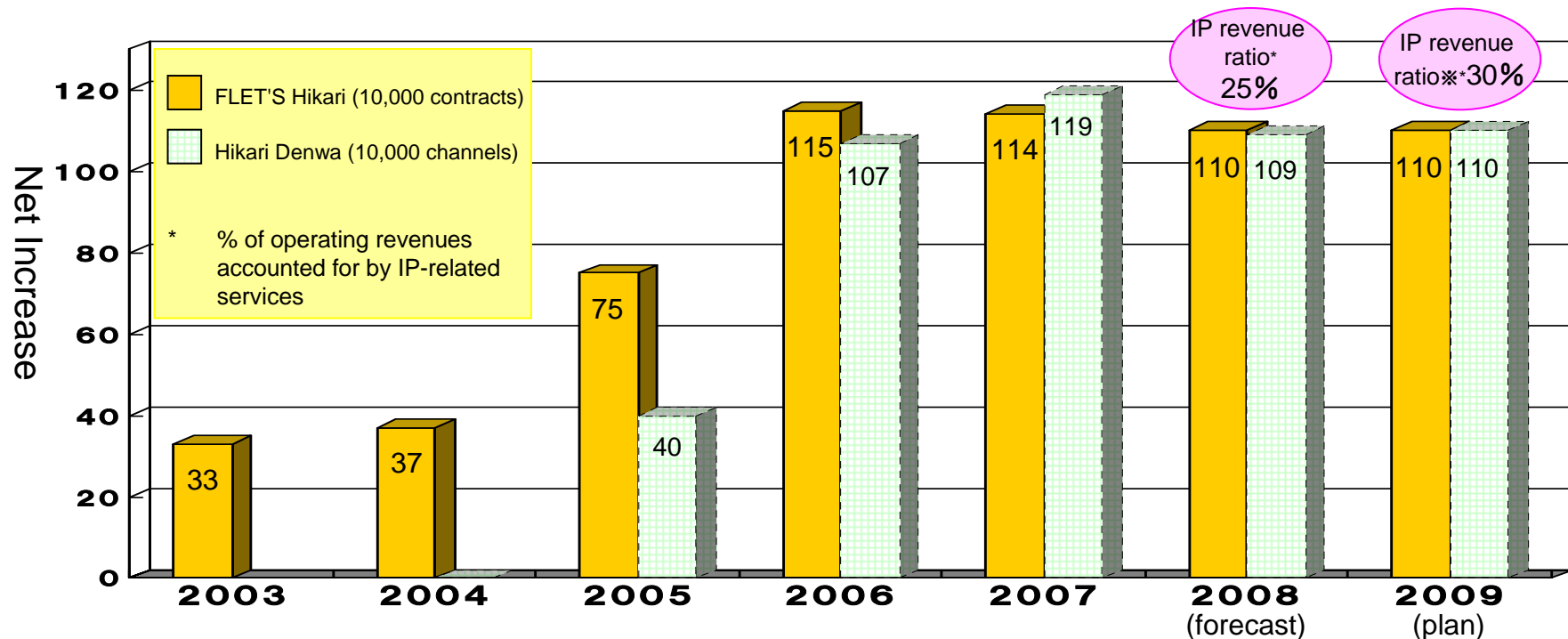
- By end of FY2009, some 80% of customers in current FLET'S Hikari service areas will be covered

Stronger approach to non-PC user stratum

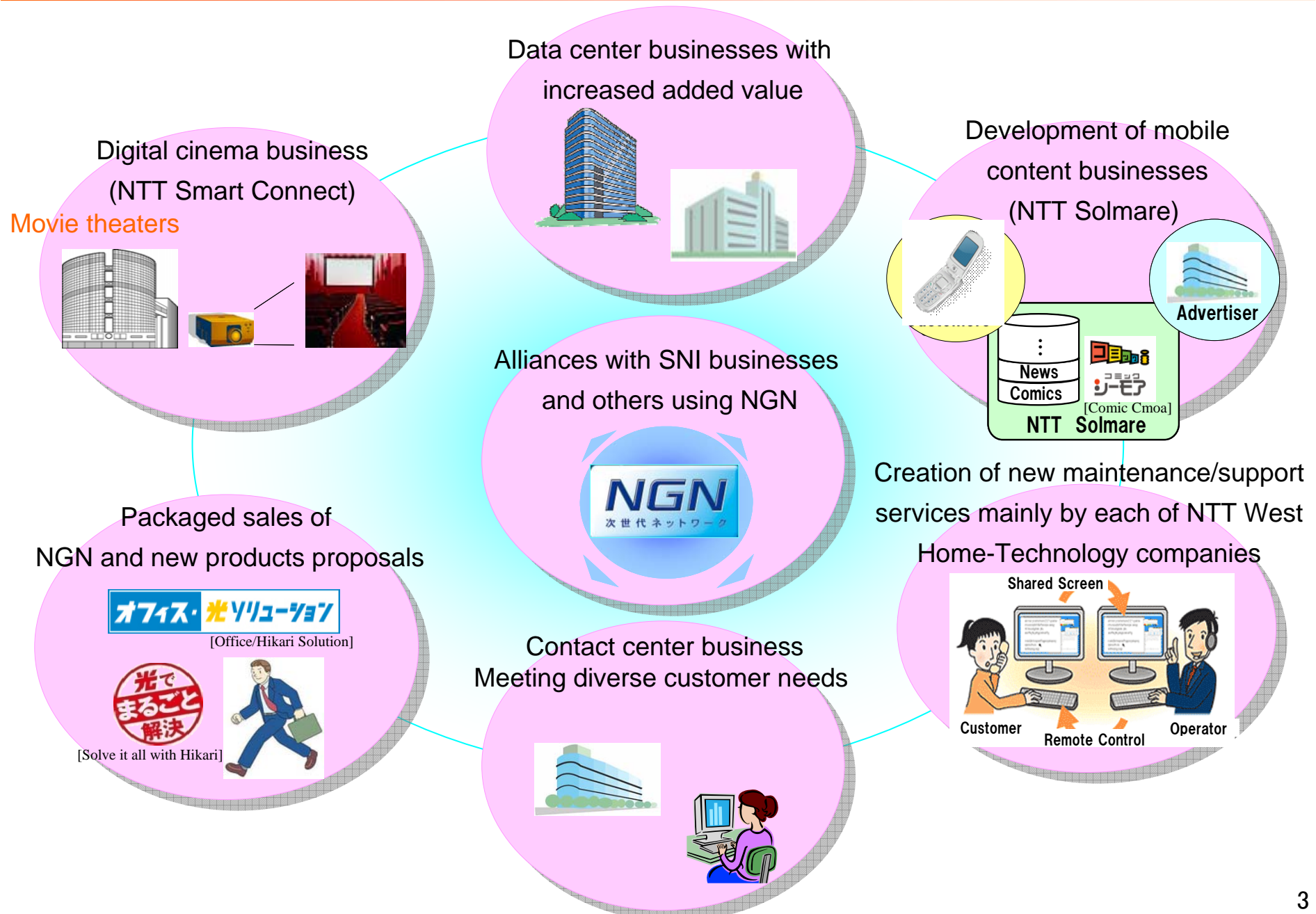
- A greater emphasis on proposing ideas for new uses through alliances with business partners

Deployment of CRM aimed at checking the number of cancellations

- User support through continuous communication
- Reform points program to promote Internet usage



Promotion of Growth Strategy Businesses



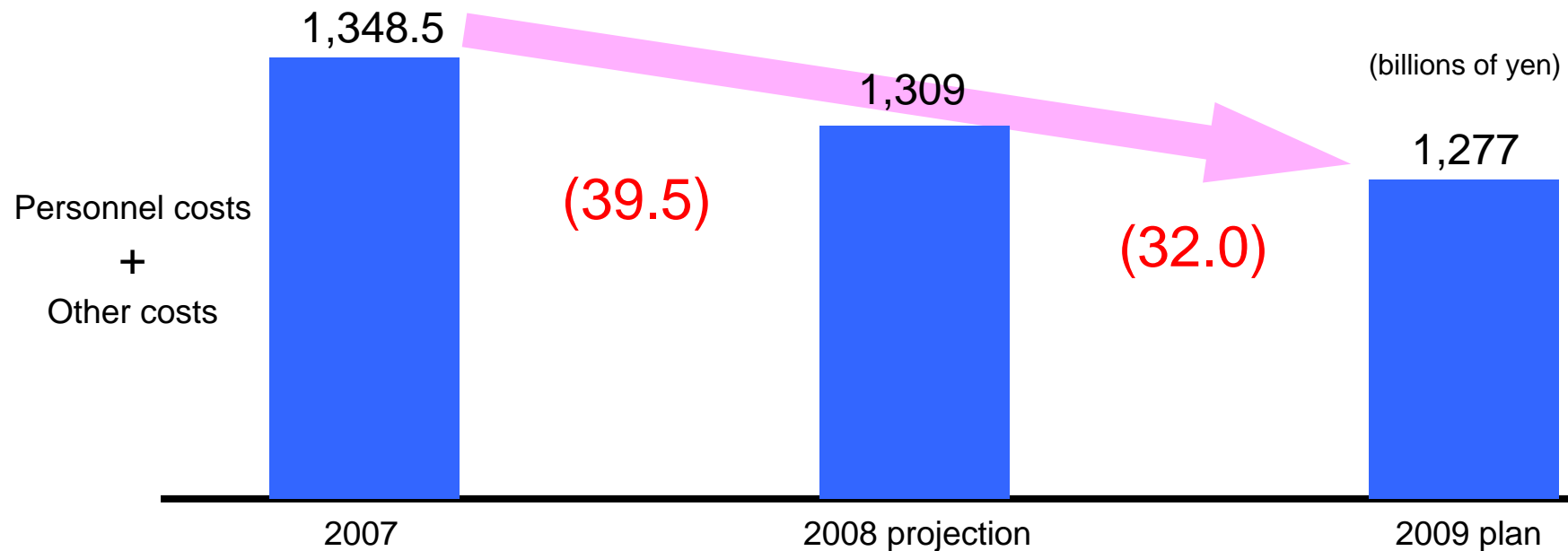
Cost Control Efforts

Fiscal Year 2008

- Consolidate non-location-specific operations
- Reassess the reception hours for 116 (free dial)
- Handle outsourced work in-house
- Promote immediate online determination of installation dates
- Improved NGN-related cost efficiency

Fiscal Year 2009 (additional measures)

- Improve efficiency of sales costs through optimized channel mix
- Leverage BPR for reduced labor needs and automation of sales support
- Greater efficiency in repair request handling and repair work through improved system functions



Facility Cost Efficiency for Fiber-Optic Profitability

Goods	<ul style="list-style-type: none">➤ Reduce cost of purchases through negotiations with suppliers and other measures
Design	<ul style="list-style-type: none">➤ Promote management of supply chain between NTT West and cooperating companies
Construction	<ul style="list-style-type: none">➤ Promote do-it-yourself installation➤ Promote optical cabling at apartment buildings
Maintenance and operations	<ul style="list-style-type: none">➤ Integrated management of construction, maintenance, repair work according to area attributes➤ Greater efficiency in repair request handling and repair work through improved system functions

Environmentally Friendly Management

Promote efficient use of customer equipment resources

1. Reuse and recycle information devices



Step up efforts against global warming

2. Improve efficiency of network facilities

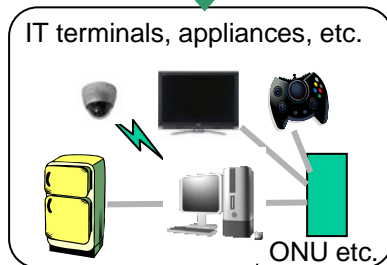
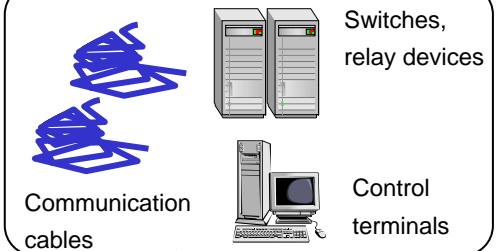
- Reduced energy consumption by network and telecommunications equipment
- “**Green NTT**” (deploy solar power)



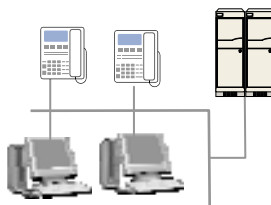
3. Promote environmentally friendly offices through IT utilization

Contribute to society's eco-friendliness

4. Sell eco-friendly solutions



Telecommunication facilities, systems

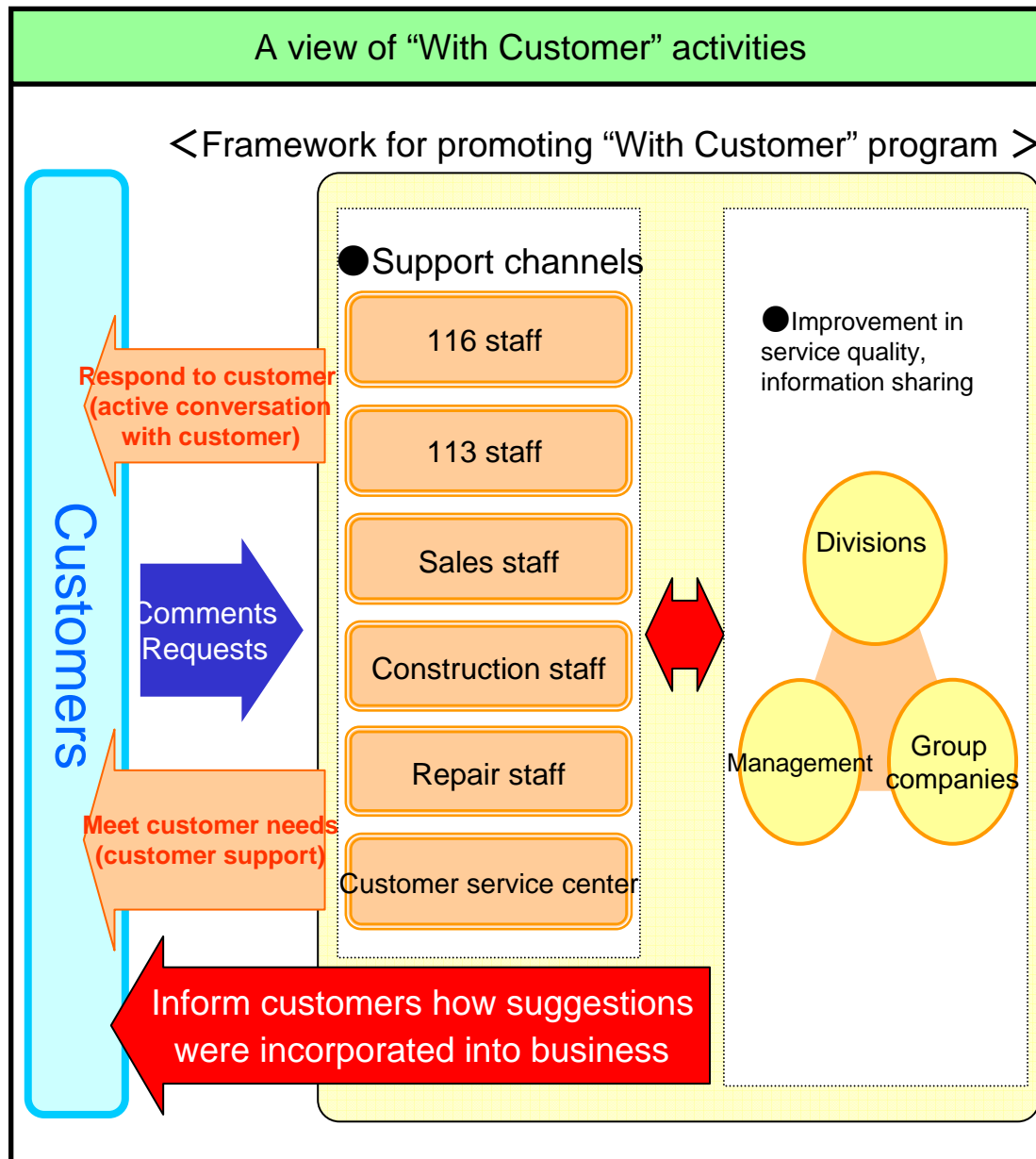


Customers
(general public)

Customers
(corporate)

NTT West

Development of “With Customer” Program



Examples of service improvement and development based on customer feedback	
I want to make Navidial calls with Hikari Denwa.	In response to customer requests, we enabled connections between “Hikari Denwa” and “Hikari Denwa Office Type services” and “Navidial” calls, an NTT Communications service with the prefix 0570. (Sept. 2008)
I want to change online the credit card used for paying my phone bills.	Previously, requests to change credit card information required a written form; now this information can be changed online. (Oct. 2008)
I received a “Usage suspension notice” after switching from fixed-line service to Hikari Denwa, but it’s difficult to understand.	The “Usage suspension notice” sent when fixed-line service is suspended has been renamed “Usage suspension notice (custody of phone subscription rights).” To make it easier to read, the letters in the proviso of the usage suspension explanation have been enlarged. (Feb. 2009)

Services and Capital Investment Plans

■ Services Plan (net increases)

Item	Unit	FY2009 plan	FY2008 forecast	Change
FLET'S Hikari	10,000 contracts	110 [601]	110 [491]	0
Hikari Denwa	10,000 channels	110 [485]	109 [375]	1
FLET'S ADSL	10,000 contracts	(25) [168]	(31) [193]	7
Telephone subscriptions + ISDN	10,000 subscriptions	(194) [1,926]	(193) [2,120]	(1)

- (note) • The figures in brackets represent the number of contracts at the end of the fiscal year
 • Figures for ISDN subscriber lines consist of INS-Net 64 and INS-Net 1500 (one INS-Net 1500 subscription is calculated as ten INS-Net 64 subscriptions)

■ Capital Investment Plan

Item	Unit	FY2009 plan	FY2008 forecast	Change
Capital investment	Billions of yen	405	405	0
Investment in conversion to optical access network (partial listings only)	Billions of yen	Approx. 120	Approx. 120	0

(note) The FY2008 forecasts in the service and capital investment plans have been revised from the figures released on Nov. 7, 2008 8

Balance Plan

(billions of yen)

Item	FY2009 plan	FY2008 forecast	Change
Operating revenues	1,789	1,829	(40)
IP-related revenues	534	461	73
Revenue from existing services	1,098	1,210	(112)
Voice transmission revenues (partial listings only)	803	901	(98)
Revenue from auxiliary businesses	157	158	(1)
Operating expenses	1,784	1,824	(40)
Labor costs	111	115	(4)
General costs	1,166	1,194	(28)
Capital costs	439	445	(6)
Tax and dues	68	70	(2)
Operating income	5	5	0
Recurring profit	10	10	0

(note) Forecasts for FY2008 have been revised from the numbers released on Nov. 7, 2008

The forward-looking statements and projected figures concerning the future performance of NTT West contained or referred to herein are based on a series of assumptions, projections, estimates, judgments and beliefs of the management of NTT West in light of information currently available to it regarding NTT West, 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 West, 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.