



# *News Release*

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FOR IMMEDIATE RELEASE

## **Financial Statements for the Three Months Ended June 30, 2012**

The results of Nippon Telegraph and Telephone West Corporation (NTT West) for the three months ended June 30, 2012 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)

For inquiries, please contact:  
Takashi Sasaki or Yusuke Umeda  
Accounting Section, Finance Division  
Nippon Telegraph and Telephone West Corporation  
Tel: +81-6-4793-3141  
E-mail: [kessan-info@west.ntt.co.jp](mailto:kessan-info@west.ntt.co.jp)

# 1. Non-Consolidated Comparative Balance Sheets

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	March 31, 2012	June 30, 2012	Increase (Decrease)
<b>ASSETS</b>			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	485,967	477,930	(8,036)
Antenna facilities	7,158	7,055	(102)
Terminal equipment	21,188	21,139	(48)
Local line facilities	892,312	892,908	595
Long-distance line facilities	2,858	2,798	(60)
Engineering facilities	571,763	567,928	(3,835)
Submarine line facilities	2,427	2,303	(124)
Buildings	397,185	391,131	(6,053)
Construction in progress	31,147	31,999	851
Other	229,033	227,942	(1,090)
Total property, plant and equipment	2,641,042	2,623,137	(17,904)
Intangible fixed assets	77,024	74,061	(2,963)
Total fixed assets - telecommunications businesses	2,718,066	2,697,199	(20,867)
Investments and other assets			
Other investments and assets	154,493	153,591	(901)
Allowance for doubtful accounts	(352)	(322)	30
Total investments and other assets	154,140	153,269	(870)
Total fixed assets	2,872,207	2,850,469	(21,738)
Current assets:			
Cash and bank deposits	103,362	50,452	(52,910)
Notes receivable	19	25	5
Accounts receivable, trade	291,480	263,342	(28,137)
Supplies	35,212	35,600	387
Other current assets	44,965	68,404	23,439
Allowance for doubtful accounts	(2,840)	(2,622)	217
Total current assets	472,199	415,202	(56,997)
<b>TOTAL ASSETS</b>	<b>3,344,407</b>	<b>3,265,671</b>	<b>(78,736)</b>

(Millions of yen)

	March 31, 2012	June 30, 2012	Increase (Decrease)
<b>LIABILITIES</b>			
Long-term liabilities:			
Long-term borrowings from parent company	960,947	930,628	(30,318)
Liability for employees' retirement benefits	224,695	223,805	(889)
Reserve for point services	5,093	5,130	37
Reserve for unused telephone cards	13,480	13,053	(426)
Asset retirement obligations	305	306	1
Other long-term liabilities	13,636	12,108	(1,528)
Total long-term liabilities	1,218,158	1,185,033	(33,125)
Current liabilities:			
Current portion of long-term borrowings from parent company	133,151	141,444	8,292
Accounts payable, trade	74,124	47,145	(26,978)
Short-term borrowings	30,000	-	(30,000)
Accrued taxes on income	838	* 460	(377)
Asset retirement obligations	39	-	(39)
Other current liabilities	367,111	394,959	27,847
Total current liabilities	605,265	584,010	(21,254)
<b>TOTAL LIABILITIES</b>	<b>1,823,423</b>	<b>1,769,044</b>	<b>(54,379)</b>
<b>NET ASSETS</b>			
Shareholders' equity:			
Common stock	312,000	312,000	-
Capital surplus	1,170,054	1,170,054	-
Earned surplus	38,905	14,563	(24,342)
Total shareholders' equity	1,520,959	1,496,617	(24,342)
Unrealized gains (losses), translation adjustments, and others:			
Net unrealized gains (losses) on securities	24	10	(13)
Total unrealized gains (losses), translation adjustments, and others	24	10	(13)
<b>TOTAL NET ASSETS</b>	<b>1,520,983</b>	<b>1,496,627</b>	<b>(24,356)</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>3,344,407</b>	<b>3,265,671</b>	<b>(78,736)</b>

Note: \*NTT West 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, 2011	Three months ended June 30, 2012	Increase (Decrease)	Year ended March 31, 2012
Telecommunications businesses:				
Operating revenues	386,850	374,609	(12,240)	1,537,887
Operating expenses	374,836	372,416	(2,420)	1,508,068
Operating income from telecommunications businesses	12,013	2,193	(9,820)	29,819
Supplementary businesses:				
Operating revenues	27,077	28,385	1,308	138,460
Operating expenses	25,999	25,599	(399)	131,236
Operating income from supplementary businesses	1,078	2,786	1,708	7,223
Operating income	13,091	4,979	(8,112)	37,043
Non-operating revenues:				
Interest income	1	4	2	8
Dividends received	1,144	836	(307)	1,160
Lease and rental income	9,840	9,378	(462)	38,660
Miscellaneous income	965	774	(191)	4,826
Total non-operating revenues	11,951	10,994	(957)	44,656
Non-operating expenses:				
Interest expenses	3,952	3,787	(165)	15,732
Lease and rental expenses	3,233	4,174	941	17,032
Miscellaneous expenses	669	155	(513)	6,572
Total non-operating expenses	7,855	8,117	262	39,337
Recurring profit	17,188	7,856	(9,332)	42,361
Income before income taxes	17,188	7,856	(9,332)	42,361
Income taxes	* 3,861	* 998	(2,862)	21,867
Net income	13,327	6,857	(6,469)	20,493

Note: \*NTT West 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, 2011	Three months ended June 30, 2012	Increase (Decrease)	Percent Increase (Decrease)	Year ended March 31, 2012
Voice transmission services revenues (excluding IP services revenues)	167,833	150,451	(17,382)	(10.4)	646,816
Monthly charge revenues*	117,976	107,302	(10,674)	(9.0)	457,610
Call rates revenues*	13,729	11,470	(2,259)	(16.5)	51,162
Interconnection call revenues*	23,578	21,049	(2,529)	(10.7)	90,242
IP services revenues	153,456	163,077	9,621	6.3	629,402
Leased circuit services revenues (excluding IP services revenues)	31,414	29,126	(2,288)	(7.3)	125,491
Telegram services revenues	5,552	4,931	(621)	(11.2)	20,282
Other telecommunications services revenues	28,592	27,022	(1,569)	(5.5)	115,894
Telecommunications total revenues	386,850	374,609	(12,240)	(3.2)	1,537,887
Supplementary business total revenues	27,077	28,385	1,308	4.8	138,460
Total operating revenues	413,927	402,995	(10,931)	(2.6)	1,676,348

\*Partial listing only.