



News Release

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FOR IMMEDIATE RELEASE

Interim Settlement for Fiscal Year Ending March 31, 2009

The results of Nippon Telegraph and Telephone West Corporation (NTT West) for the interim period for Fiscal Year 2008 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)
4. Non-Consolidated Comparative Statements of Cash Flows

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1. Non-Consolidated Comparative Balance Sheets

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	March 31, 2008	September 30, 2008	Increase (Decrease)
ASSETS			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	509,334	501,705	(7,629)
Antenna facilities	9,607	10,099	491
Terminal equipment	23,950	22,370	(1,580)
Local line facilities	828,452	816,808	(11,644)
Long-distance line facilities	5,472	4,738	(734)
Engineering facilities	605,432	594,770	(10,662)
Submarine line facilities	3,990	3,632	(358)
Buildings	479,146	462,998	(16,147)
Construction in progress	29,308	32,681	3,372
Other	260,871	257,745	(3,125)
Total property, plant and equipment	2,755,568	2,707,550	(48,018)
Intangible fixed assets	107,735	101,679	(6,055)
Total fixed assets - telecommunications businesses	2,863,304	2,809,230	(54,073)
Investments and other assets			
Other investments and assets	220,577	218,959	(1,617)
Allowance for doubtful accounts	(1,466)	(1,500)	(34)
Total investments and other assets	219,110	217,459	(1,651)
Total fixed assets	3,082,415	3,026,689	(55,725)
Current assets:			
Cash and bank deposits	135,901	91,569	(44,331)
Notes receivable	107	42	(64)
Accounts receivable, trade	303,431	264,706	(38,724)
Supplies	25,762	28,182	2,420
Other current assets	69,567	78,589	9,022
Allowance for doubtful accounts	(2,264)	(2,090)	173
Total current assets	532,504	461,000	(71,503)
TOTAL ASSETS	3,614,919	3,487,689	(127,229)

(Millions of yen)

	March 31, 2008	September 30, 2008	Increase (Decrease)
LIABILITIES			
Long-term liabilities:			
Long-term borrowings from parent company	1,021,032	958,015	(63,016)
Liability for employees' retirement benefits	341,176	334,494	(6,682)
Reserve for unused telephone cards	11,360	10,081	(1,278)
Other long-term liabilities	55,326	54,688	(638)
Total long-term liabilities	1,428,895	1,357,279	(71,616)
Current liabilities:			
Current portion of long-term borrowings from parent company	177,724	174,434	(3,290)
Accounts payable, trade	101,520	68,368	(33,152)
Short-term borrowings	100,000	100,000*	-
Accrued taxes on income	540	674	133
Allowance for losses on construction contracts	161	-	(161)
Other current liabilities	325,093	295,341	(29,751)
Total current liabilities	705,041	638,819	(66,221)
TOTAL LIABILITIES	2,133,937	1,996,098	(137,838)
NET ASSETS			
Shareholders' equity			
Common stock	312,000	312,000	-
Capital surplus	1,170,054	1,170,054	-
Earned surplus	(1,751)	9,038	10,789
Total shareholders' equity	1,480,302	1,491,092	10,789
Unrealized gains (losses), translation adjustments, and others			
Net unrealized gains (losses) on securities	679	498	(181)
Total unrealized gains (losses), translation adjustments, and others	679	498	(181)
TOTAL NET ASSETS	1,480,982	1,491,591	10,608
TOTAL LIABILITIES AND NET ASSETS	3,614,919	3,487,689	(127,229)

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, income taxes have not been calculated on a consolidated basis in the current quarterly financial statements.

2. Non-Consolidated Comparative Statements of Income

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Six months ended September 30, 2007	Six months ended September 30, 2008	Increase (Decrease)	Year ended March 31, 2008
Telecommunications businesses				
Operating revenues	870,683	837,596	(33,086)	1,735,693
Operating expenses	853,893	829,423	(24,469)	1,719,173
Operating income from telecommunications businesses	16,790	8,173	(8,617)	16,520
Supplementary businesses				
Operating revenues	69,028	70,524	1,495	165,539
Operating expenses	69,658	72,113	2,455	168,134
Operating income (losses) from supplementary businesses	(629)	(1,589)	(959)	(2,595)
Operating income	16,161	6,584	(9,576)	13,924
Non-operating revenues:				
Interest income	13	9	(4)	39
Dividends received	1,806	3,399	1,592	7,070
Lease and rental income	23,174	21,889	(1,285)	45,876
Miscellaneous income	1,764	2,429	665	6,501
Total non-operating revenues	26,758	27,727	968	59,487
Non-operating expenses:				
Interest expenses	10,094	10,286	191	24,746
Lease and rental expenses	8,874	8,294	(580)	18,037
Miscellaneous expenses	1,259	1,514	255	5,732
Total non-operating expenses	20,228	20,095	(132)	48,515
Recurring profit	22,691	14,216	(8,475)	24,896
Special profits	138,814	-	(138,814)	156,779
Special losses	63,174	-	(63,174)	111,719
Income before income taxes	98,332	14,216	(84,116)	69,957
Income taxes	103,875	3,426 [*]	(100,448)	107,699
Net income (losses)	(5,543)	10,789	16,332	(37,742)

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, income taxes have not been calculated on a consolidated basis in the current quarterly financial statements.

3. Business Results (Non-Consolidated Operating Revenues)

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Six months ended September 30, 2007	Six months ended September 30, 2008	Increase (Decrease)	Percent Increase (Decrease)	Year ended March 31, 2008
Voice transmission services revenues (excluding IP services revenues)	522,127	460,939	(61,188)	(11.7%)	1,016,667
Monthly charge revenues*	339,226	309,031	(30,195)	(8.9%)	664,800
Call rates revenues*	61,518	48,948	(12,569)	(20.4%)	116,315
Interconnection call revenues*	80,140	68,342	(11,797)	(14.7%)	154,798
IP services revenues	184,106	221,964	37,858	20.6%	385,876
Leased circuit services revenues (excluding IP services revenues)	78,794	75,310	(3,483)	(4.4%)	158,294
Telegram services revenues	12,950	12,421	(528)	(4.1%)	27,235
Other telecommunications services revenues	72,705	66,960	(5,745)	(7.9%)	147,620
Telecommunications total revenues	870,683	837,596	(33,086)	(3.8%)	1,735,693
Supplementary business total revenues	69,028	70,524	1,495	2.2%	165,539
Total operating revenues	939,712	908,121	(31,591)	(3.4%)	1,901,232

*Partial listing only

4. Non-Consolidated Comparative Statements of Cash Flows

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Six months ended September 30, 2007	Six months ended September 30, 2008	Increase (Decrease)	Year ended March 31, 2008
Cash flows from operating activities:				
Income before income taxes	98,332	14,216	(84,116)	69,957
Depreciation and amortization	217,520	208,948	(8,572)	432,071
Loss on disposal of property, plant and equipment	7,708	8,035	326	20,304
Increase (decrease) in liability for employees' retirement benefits	(21,359)	(6,682)	14,676	(69,706)
(Increase) decrease in accounts receivable	36,768	23,970	(12,798)	68,945
(Increase) decrease in inventories	611	(2,420)	(3,031)	6,815
Increase (decrease) in accounts payable and accrued expenses	(86,269)	(53,472)	32,797	(27,922)
Increase (decrease) in accrued consumption tax	2,424	1,282	(1,142)	(937)
Other	(75,789)	(6,723)	69,065	(40,166)
Sub-total	179,948	187,153	7,204	459,361
Interest and dividends received	1,819	3,408	1,588	7,109
Interest paid	(10,242)	(10,636)	(394)	(25,003)
Income taxes received (paid)	30,913	16,807	(14,105)	29,859
Net cash provided by (used in) operating activities	202,438	196,732	(5,706)	471,328
Cash flows from investing activities:				
Payments for property, plant and equipment	(178,256)	(192,951)	(14,694)	(363,826)
Proceeds from sale of property, plant and equipment	18,067	15,110	(2,956)	24,631
Payments for purchase of investment securities	(146)	(53)	93	(6,665)
Proceeds from sale of investment securities	92	85	(7)	101
Other	426	1,262	835	1,018
Net cash provided by (used in) investing activities	(159,816)	(176,545)	(16,729)	(344,740)
Cash flows from financing activities:				
Proceeds from issuance of long-term debt	40,000	20,000	(20,000)	124,000
Payments for settlement of long-term debt	(35,722)	(86,307)	(50,585)	(212,625)
Net increase (decrease) in short-term borrowings	(25,000)	-	25,000	70,000
Payments for settlement of lease obligations	-	(511)	(511)	(1,115)
Dividends paid	(31,200)	-	31,200	(31,200)
Net cash provided by (used in) financing activities	(51,922)	(66,819)	(14,896)	(50,941)
Net increase (decrease) in cash and cash equivalents	(9,300)	(46,632)	(37,332)	75,646
Cash and cash equivalents at beginning of year	64,244	139,891	75,646	64,244
Cash and cash equivalents at end of period (year)	54,944	93,258	38,314	139,891