



News Release

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FOR IMMEDIATE RELEASE

Financial Statements for the Nine Months Ended December 31, 2008

The results of Nippon Telegraph and Telephone West Corporation (NTT West) for the nine months ended December 31, 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	December 31, 2008	Increase (Decrease)
ASSETS			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	509,334	510,278	943
Antenna facilities	9,607	10,004	396
Terminal equipment	23,950	21,605	(2,345)
Local line facilities	828,452	810,326	(18,126)
Long-distance line facilities	5,472	4,451	(1,021)
Engineering facilities	605,432	590,109	(15,323)
Submarine line facilities	3,990	3,478	(511)
Buildings	479,146	470,881	(8,265)
Construction in progress	29,308	31,768	2,459
Other	260,871	238,168	(22,703)
Total property, plant and equipment	2,755,568	2,691,072	(64,495)
Intangible fixed assets	107,735	99,302	(8,433)
Total fixed assets - telecommunications businesses	2,863,304	2,790,374	(72,929)
Investments and other assets			
Other investments and assets	220,577	219,363	(1,213)
Allowance for doubtful accounts	(1,466)	(1,515)	(48)
Total investments and other assets	219,110	217,848	(1,262)
Total fixed assets	3,082,415	3,008,223	(74,191)
Current assets:			
Cash and bank deposits	135,901	70,950	(64,951)
Notes receivable	107	40	(67)
Accounts receivable, trade	303,431	310,974	7,543
Supplies	25,762	29,779	4,016
Other current assets	69,567	70,105	537
Allowance for doubtful accounts	(2,264)	(2,307)	(42)
Total current assets	532,504	479,541	(52,962)
TOTAL ASSETS	3,614,919	3,487,765	(127,154)

(Millions of yen)

	March 31, 2008	December 31, 2008	Increase (Decrease)
LIABILITIES			
Long-term liabilities:			
Long-term borrowings from parent company	1,021,032	912,465	(108,566)
Liability for employees' retirement benefits	341,176	332,088	(9,088)
Reserve for unused telephone cards	11,360	9,490	(1,869)
Other long-term liabilities	55,326	27,803	(27,523)
Total long-term liabilities	1,428,895	1,281,847	(147,048)
Current liabilities:			
Current portion of long-term borrowings from parent company	177,724	224,195	46,470
Accounts payable, trade	101,520	63,739	(37,781)
Short-term borrowings	100,000	70,000	(30,000)
Accrued taxes on income	540	* 376	(164)
Allowance for losses on construction contracts	161	-	(161)
Other current liabilities	325,093	350,602	25,509
Total current liabilities	705,041	708,913	3,872
TOTAL LIABILITIES	2,133,937	1,990,761	(143,175)
NET ASSETS			
Shareholders' equity			
Common stock	312,000	312,000	-
Capital surplus	1,170,054	1,170,054	-
Earned surplus	(1,751)	14,702	16,453
Total shareholders' equity	1,480,302	1,496,756	16,453
Unrealized gains (losses), translation adjustments, and others			
Net unrealized gains (losses) on securities	679	247	(432)
Total unrealized gains (losses), translation adjustments, and others	679	247	(432)
TOTAL NET ASSETS	1,480,982	1,497,003	16,021
TOTAL LIABILITIES AND NET ASSETS	3,614,919	3,487,765	(127,154)

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 quarterly financial statements.

2. Non-Consolidated Comparative Statements of Income

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Nine months ended December 31, 2007	Nine months ended December 31, 2008	Increase (Decrease)	Year ended March 31, 2008
Telecommunications businesses				
Operating revenues	1,304,466	1,255,972	(48,493)	1,735,693
Operating expenses	1,279,715	1,240,746	(38,969)	1,719,173
Operating income from telecommunications businesses	24,751	15,226	(9,524)	16,520
Supplementary businesses				
Operating revenues	104,564	102,928	(1,636)	165,539
Operating expenses	106,388	105,873	(515)	168,134
Operating losses from supplementary businesses	(1,823)	(2,945)	(1,121)	(2,595)
Operating income	22,927	12,281	(10,646)	13,924
Non-operating revenues:				
Interest income	32	12	(19)	39
Dividends received	7,070	3,431	(3,638)	7,070
Lease and rental income	34,555	32,847	(1,708)	45,876
Miscellaneous income	2,871	3,585	713	6,501
Total non-operating revenues	44,529	39,876	(4,652)	59,487
Non-operating expenses:				
Interest expenses	15,069	14,982	(86)	24,746
Lease and rental expenses	13,269	12,474	(794)	18,037
Miscellaneous expenses	2,907	2,293	(614)	5,732
Total non-operating expenses	31,246	29,750	(1,495)	48,515
Recurring profit	36,210	22,407	(13,803)	24,896
Special profits	139,468	-	(139,468)	156,779
Special losses	63,736	-	(63,736)	111,719
Income before income taxes	111,942	22,407	(89,535)	69,957
Income taxes	* 106,564	* 5,953	(100,610)	107,699
Net income (losses)	5,377	16,453	11,075	(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 quarterly financial statements.

3. Business Results (Non-Consolidated Operating Revenues)

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Nine months ended December 31, 2007	Nine months ended December 31, 2008	Increase (Decrease)	Percent Increase (Decrease)	Year ended March 31, 2008
Voice transmission services revenues (excluding IP services revenues)	774,022	683,133	(90,889)	(11.7%)	1,016,667
Monthly charge revenues*	504,200	459,424	(44,775)	(8.9%)	664,800
Call rates revenues*	90,043	71,637	(18,405)	(20.4%)	116,315
Interconnection call revenues*	118,799	100,942	(17,856)	(15.0%)	154,798
IP services revenues	282,542	339,443	56,901	20.1%	385,876
Leased circuit services revenues (excluding IP services revenues)	118,584	112,756	(5,828)	(4.9%)	158,294
Telegram services revenues	19,964	19,237	(727)	(3.6%)	27,235
Other telecommunications services revenues	109,352	101,402	(7,949)	(7.3%)	147,620
Telecommunications total revenues	1,304,466	1,255,972	(48,493)	(3.7%)	1,735,693
Supplementary business total revenues	104,564	102,928	(1,636)	(1.6%)	165,539
Total operating revenues	1,409,030	1,358,900	(50,130)	(3.6%)	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)

	Nine months ended December 31, 2007	Nine months ended December 31, 2008	Increase (Decrease)	Year ended March 31, 2008
Cash flows from operating activities:				
Income before income taxes	111,942	22,407	(89,535)	69,957
Depreciation and amortization	325,345	314,571	(10,774)	432,071
Loss on disposal of property, plant and equipment	12,781	12,494	(286)	20,304
Increase (decrease) in liability for employees' retirement benefits	(29,824)	(9,088)	20,735	(69,706)
(Increase) decrease in accounts receivable	38,222	(18,412)	(56,634)	68,945
(Increase) decrease in inventories	1,904	(4,016)	(5,921)	6,815
Increase (decrease) in accounts payable and accrued expenses	(103,820)	(92,763)	11,057	(27,922)
Increase (decrease) in accrued consumption tax	2,839	990	(1,848)	(937)
Other	(71,468)	13,458	84,927	(40,166)
Sub-total	287,921	239,641	(48,280)	459,361
Interest and dividends received	7,102	3,443	(3,658)	7,109
Interest paid	(14,746)	(14,987)	(240)	(25,003)
Income taxes received (paid)	29,860	16,805	(13,054)	29,859
Net cash provided by (used in) operating activities	310,137	244,903	(65,234)	471,328
Cash flows from investing activities:				
Payments for property, plant and equipment	(262,758)	(283,146)	(20,387)	(363,826)
Proceeds from sale of property, plant and equipment	19,253	15,526	(3,726)	24,631
Payments for purchase of investment securities	(149)	(53)	96	(6,665)
Proceeds from sale of investment securities	100	97	(2)	101
Other	384	529	144	1,018
Net cash provided by (used in) investing activities	(243,169)	(267,045)	(23,876)	(344,740)
Cash flows from financing activities:				
Proceeds from issuance of long-term debt	64,000	45,000	(19,000)	124,000
Payments for settlement of long-term debt	(86,511)	(107,096)	(20,585)	(212,625)
Net increase (decrease) in short-term borrowings	(5,000)	44,979	49,979	70,000
Payments for settlement of lease obligations	-	(27,374)	(27,374)	(1,115)
Dividends paid	(31,200)	-	31,200	(31,200)
Net cash provided by (used in) financing activities	(58,711)	(44,490)	14,220	(50,941)
Net increase (decrease) in cash and cash equivalents	8,256	(66,633)	(74,889)	75,646
Cash and cash equivalents at beginning of period	64,244	139,891	75,646	64,244
Cash and cash equivalents at end of period	72,501	73,257	756	139,891