



# 1. Non-Consolidated Comparative Balance Sheets

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	March 31, 2010	June 30, 2010	Increase (Decrease)
<b>ASSETS</b>			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	521,075	518,934	(2,140)
Antenna facilities	8,466	8,290	(175)
Terminal equipment	20,813	21,076	262
Local line facilities	838,843	836,634	(2,208)
Long-distance line facilities	3,551	3,384	(166)
Engineering facilities	586,802	583,947	(2,855)
Submarine line facilities	2,396	2,261	(134)
Buildings	432,441	431,152	(1,288)
Construction in progress	32,574	28,508	(4,065)
Other	236,439	233,118	(3,321)
Total property, plant and equipment	2,683,403	2,667,309	(16,093)
Intangible fixed assets	96,688	91,903	(4,784)
Total fixed assets - telecommunications businesses	2,780,091	2,759,213	(20,878)
Investments and other assets			
Other investments and assets	205,022	204,739	(282)
Allowance for doubtful accounts	(516)	(415)	100
Total investments and other assets	204,505	204,324	(181)
Total fixed assets	2,984,597	2,963,537	(21,060)
Current assets:			
Cash and bank deposits	124,065	75,360	(48,705)
Notes receivable	17	2,783	2,765
Accounts receivable, trade	280,946	241,773	(39,172)
Supplies	24,102	24,985	883
Other current assets	46,149	67,936	21,787
Allowance for doubtful accounts	(2,399)	(2,207)	191
Total current assets	472,882	410,631	(62,251)
<b>TOTAL ASSETS</b>	<b>3,457,479</b>	<b>3,374,168</b>	<b>(83,311)</b>

(Millions of yen)

	March 31, 2010	June 30, 2010	Increase (Decrease)
<b>LIABILITIES</b>			
Long-term liabilities:			
Long-term borrowings from parent company	966,527	936,208	(30,318)
Liability for employees' retirement benefits	296,001	292,442	(3,558)
Reserve for unused telephone cards	14,560	14,036	(523)
Asset retirement obligations	-	308	308
Other long-term liabilities	18,060	17,418	(642)
Total long-term liabilities	1,295,149	1,260,415	(34,734)
Current liabilities:			
Current portion of long-term borrowings from parent company	151,170	181,170	30,000
Accounts payable, trade	84,546	51,902	(32,643)
Accrued taxes on income	1,093	594	(499)
Other current liabilities	417,879	379,606	(38,273)
Total current liabilities	654,690	613,274	(41,415)
<b>TOTAL LIABILITIES</b>	<b>1,949,839</b>	<b>1,873,689</b>	<b>(76,150)</b>
<b>NET ASSETS</b>			
Shareholders' equity:			
Common stock	312,000	312,000	-
Capital surplus	1,170,054	1,170,054	-
Earned surplus	25,529	18,496	(7,033)
Total shareholders' equity	1,507,583	1,500,550	(7,033)
Unrealized gains (losses), translation adjustments, and others:			
Net unrealized gains (losses) on securities	56	(70)	(127)
Total unrealized gains (losses), translation adjustments, and others	56	(70)	(127)
<b>TOTAL NET ASSETS</b>	<b>1,507,640</b>	<b>1,500,479</b>	<b>(7,160)</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>3,457,479</b>	<b>3,374,168</b>	<b>(83,311)</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, 2009	Three months ended June 30, 2010	Increase (Decrease)	Year ended March 31, 2010
Telecommunications businesses:				
Operating revenues	406,151	399,658	(6,493)	1,622,163
Operating expenses	400,016	383,651	(16,364)	1,597,993
Operating income from telecommunications businesses	6,135	16,007	9,871	24,169
Supplementary businesses:				
Operating revenues	29,600	28,981	(619)	158,658
Operating expenses	29,818	27,804	(2,014)	164,352
Operating income (losses) from supplementary businesses	(218)	1,176	1,394	(5,693)
Operating income	5,917	17,184	11,266	18,475
Non-operating revenues:				
Interest income	2	1	(0)	9
Dividends received	1,420	2,135	715	1,434
Lease and rental income	10,483	11,221	737	40,730
Miscellaneous income	1,485	992	(492)	8,988
Total non-operating revenues	13,392	14,351	959	51,163
Non-operating expenses:				
Interest expenses	4,330	4,081	(249)	17,225
Lease and rental expenses	3,611	3,297	(313)	15,695
Miscellaneous expenses	823	648	(175)	6,379
Total non-operating expenses	8,766	8,027	(738)	39,300
Recurring profit	10,543	23,508	12,964	30,338
Income before income taxes	10,543	23,508	12,964	30,338
Income taxes	*	*	4,144	5,494
Net income	9,150	17,970	8,820	24,844

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, 2009	Three months ended June 30, 2010	Increase (Decrease)	Percent Increase (Decrease)	Year ended March 31, 2010
Voice transmission services revenues (excluding IP services revenues)	206,688	188,477	(18,211)	(8.8)	798,161
Monthly charge revenues*	141,892	129,434	(12,458)	(8.8)	550,982
Call rates revenues*	20,018	16,510	(3,507)	(17.5)	74,949
Interconnection call revenues*	28,738	28,121	(616)	(2.1)	110,527
IP services revenues	124,978	140,362	15,383	12.3	525,558
Leased circuit services revenues (excluding IP services revenues)	35,522	33,726	(1,796)	(5.1)	140,428
Telegram services revenues	6,470	5,940	(530)	(8.2)	24,195
Other telecommunications services revenues	32,490	31,152	(1,337)	(4.1)	133,818
Telecommunications total revenues	406,151	399,658	(6,493)	(1.6)	1,622,163
Supplementary business total revenues	29,600	28,981	(619)	(2.1)	158,658
Total operating revenues	435,752	428,639	(7,112)	(1.6)	1,780,821

\*Partial listing only

#### 4. Non-Consolidated Comparative Statements of Cash Flows

(Based on accounting principles generally accepted in Japan )

(Millions of yen)

	Three months ended June 30, 2009	Three months ended June 30, 2010	Increase (Decrease)	Year ended March 31, 2010
Cash flows from operating activities:				
Income before income taxes	10,543	23,508	12,964	30,338
Depreciation and amortization	99,747	94,964	(4,782)	394,191
Loss on disposal of property, plant and equipment	3,636	4,235	598	20,997
Increase (decrease) in liability for employees' retirement benefits	269	(3,558)	(3,828)	(8,695)
(Increase) decrease in accounts receivable	36,230	36,810	579	3,677
(Increase) decrease in inventories	234	(3,245)	(3,480)	3,810
Increase (decrease) in accounts payable and accrued expenses	(78,689)	(94,037)	(15,347)	(1,339)
Increase (decrease) in accrued consumption tax	2,664	1,463	(1,200)	1,498
Other	8,756	3,082	(5,674)	45,202
Sub-total	83,393	63,223	(20,170)	489,681
Interest and dividends received	1,422	2,137	715	1,445
Interest paid	(5,023)	(4,451)	571	(17,766)
Income taxes received (paid)	627	(203)	(830)	2,578
Net cash provided by (used in) operating activities	80,419	60,705	(19,714)	475,938
Cash flows from investing activities:				
Payments for property, plant and equipment	(111,209)	(110,893)	315	(385,574)
Proceeds from sale of property, plant and equipment	253	810	556	2,456
Payments for purchase of investment securities	(349)	-	349	(429)
Proceeds from sale of investment securities	424	6	(417)	450
Other	520	150	(369)	494
Net cash provided by (used in) investing activities	(110,360)	(109,926)	434	(382,603)
Cash flows from financing activities:				
Proceeds from issuance of long-term debt	80,000	20,000	(60,000)	140,000
Payments for settlement of long-term debt	(78,250)	(20,318)	57,931	(158,333)
Net increase (decrease) in short-term borrowings	29,996	22,997	(6,998)	(25,994)
Payments for settlement of lease obligations	(7,181)	(446)	6,735	(8,951)
Dividends paid	(13,004)	(25,003)	(11,999)	(13,004)
Net cash provided by (used in) financing activities	11,560	(2,770)	(14,331)	(66,283)
Net increase (decrease) in cash and cash equivalents	(18,379)	(51,991)	(33,611)	27,051
Cash and cash equivalents at beginning of period	106,470	133,522	27,051	106,470
Cash and cash equivalents at end of period	88,091	81,530	(6,560)	133,522