

Financial Results for the Fiscal Year Ended March 31, 2012 (13th Term)

May 11, 2012

**Nippon Telegraph and Telephone West Corporation
("NTT West")**

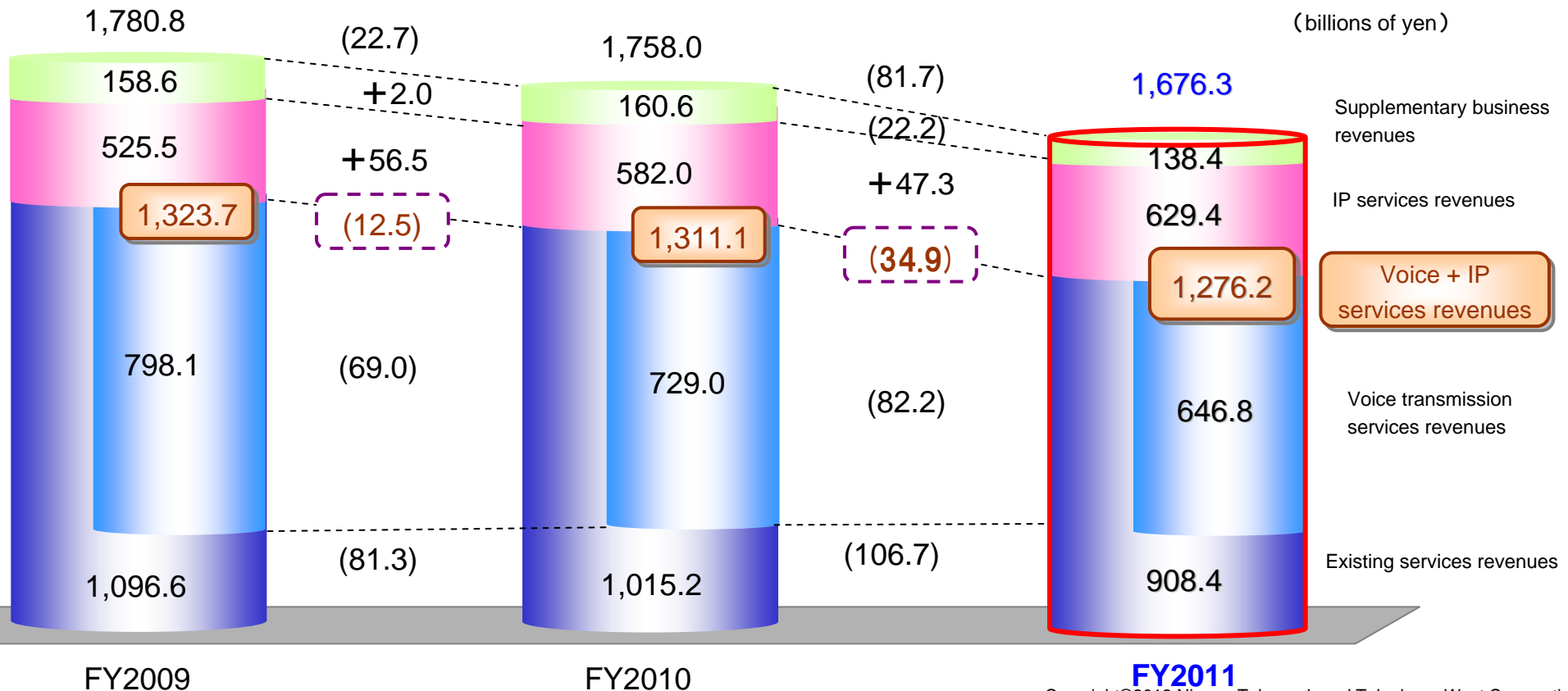
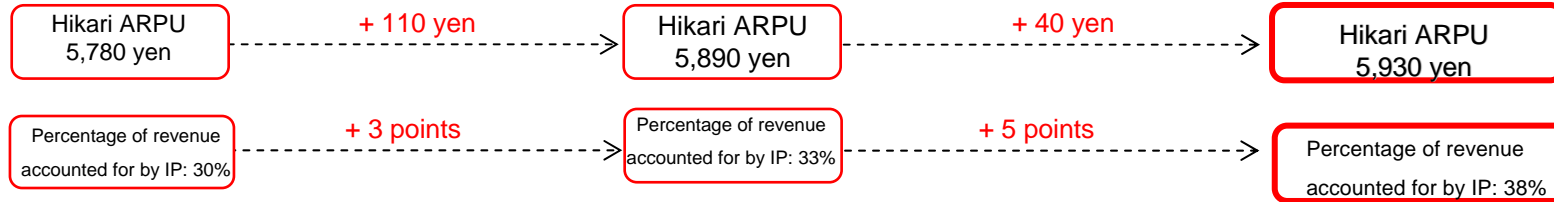
FY2011 4Q Financial Results Summary

(Billions of yen)

	FY2011	FY2010	Increase (Decrease)	% Change	FY2011 Forecast	Increase (Decrease)
Operating Revenues	1,676.3	1,758.0	(81.7)	(4.6)%	1,682.0	(5.6)
Operating Expenses	1,639.3	1,708.4	(69.1)	(4.0)%	1,632.0	7.3
Operating Income	37.0	49.6	(12.6)	(25.4)%	50.0	(12.9)
Recurring Profit	42.3	63.0	(20.7)	(32.8)%	60.0	(17.6)
Net Profit	20.4	49.0	(28.5)	(58.2)%	33.0	(12.5)
Capital Investment	363.8	373.1	(9.2)	(2.5)%	365.0	(1.1)

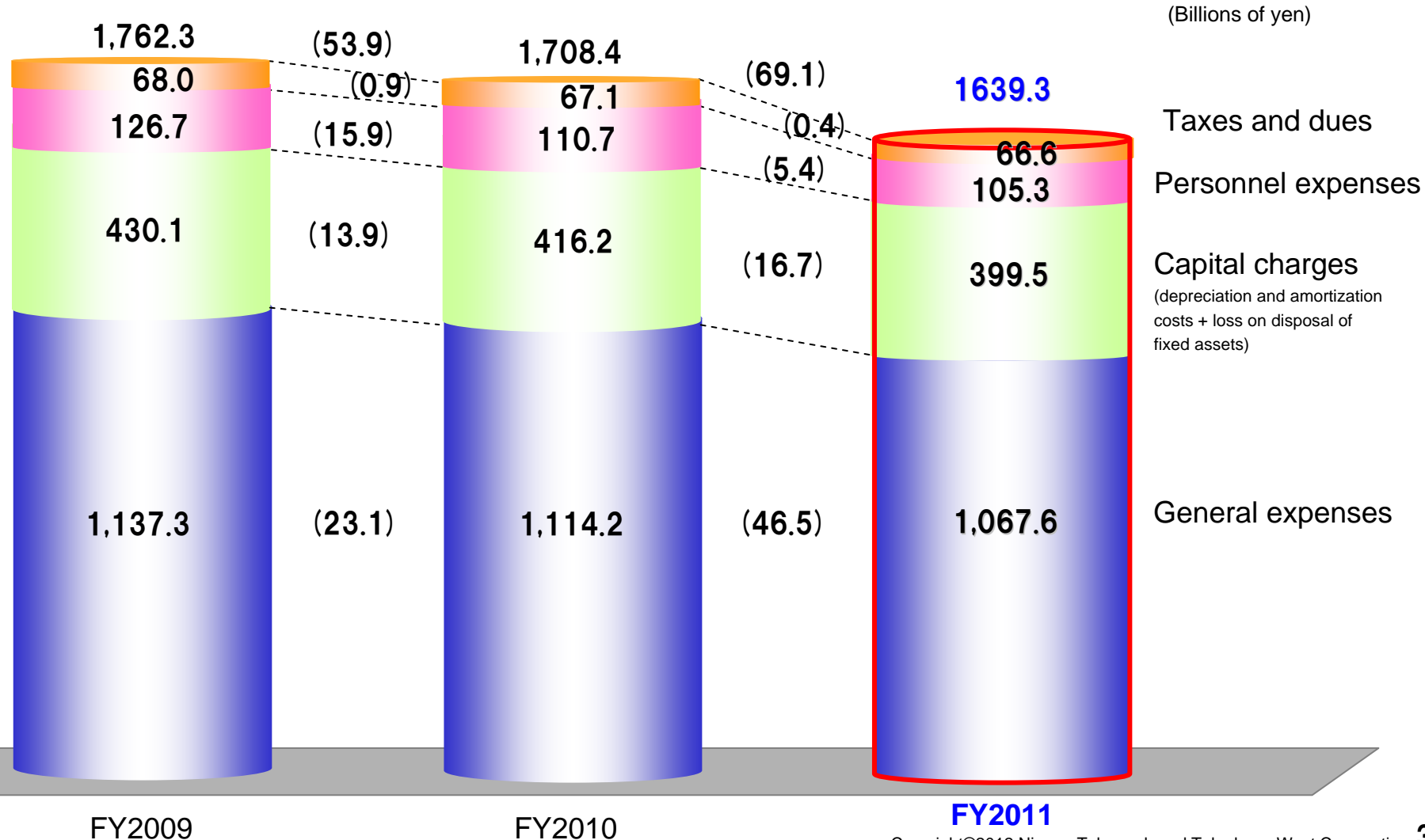
Changes in Operating Revenues

➤ The decrease in Operating Revenues from FY2010 to FY2011 was bigger than from FY2009 to FY2010 due to, among other things, the decrease in the net increase of Hikari users, the larger decrease in “Voice + IP services revenues” from FY2010 to FY2011 than from FY2009 to FY2010 due to a negative trend in traffic, and the decrease in Supplementary business revenues.



Changes in Operating Expenses

- Operating expenses decreased 69.1 billion yen from the previous fiscal year due to, among other things, thorough cost controls focusing on internal production, a more efficient business, and use of existing equipment.



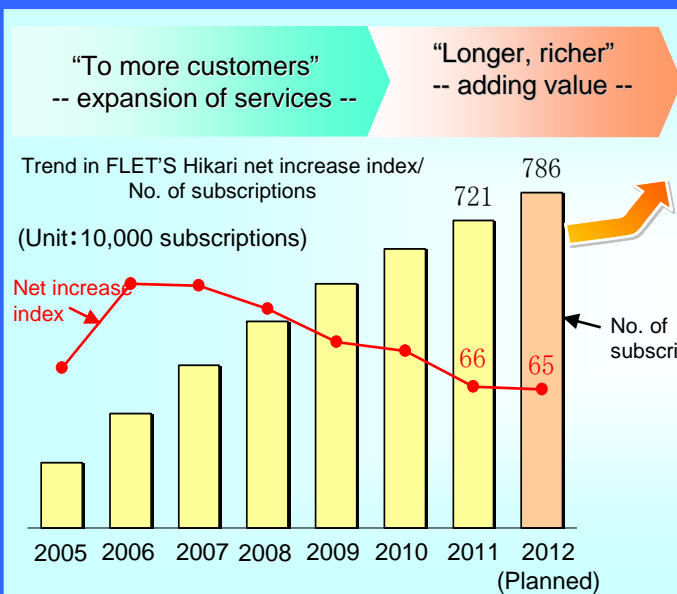
FY2012 Forecast

Item	(Billions of yen)		
	FY2012 Forecast	Increase (Decrease) from prior fiscal year	Change from forecast announced on March 1, 2012
Operating Revenues	1,645.0	(31.3)	(10.0)
IP Services Revenues	670.0	40.5	(5.0)
Existing Services Revenues	823.0	(85.4)	(5.0)
Voice Transmission Services Revenues*	581.0	(65.8)	(1.0)
Supplementary Businesses Revenues	152.0	13.5	0
Operating Expenses	1,605.0	(34.3)	0
Personnel Expenses	109.0	3.6	0
General Expenses	1,045.0	(22.6)	0
Capital Charges	384.0	(15.5)	0
Taxes and Dues	67.0	0.3	0
Operating Income	40.0	2.9	(10.0)
Recurring Profit	50.0	7.6	(10.0)
Net Profit	40.0	19.5	—

- NTT West will offer attractive discount plans for long-term users, promote new use scenarios through FLET'S Hikari Wi-Fi, take measures to "promote the use" of optical services, and work to increase Operating Revenues for IP-related services by achieving a net increase in optical users.
NTT West will move from "offering a broadband environment to more customers" to "offering an enriched broadband experience."
- In addition, NTT West will make an effort to "strengthen its financial foundation" through continuous cost reductions, and strive to reach its profit target.
- Further, in the field of growth strategy, NTT West will work to create a new revenue source to follow "cloud" and "le-deji" (home digital) services and develop it as an important pillar of its revenues.

Achieving Net Increase in Optical Users

Expansion of IP related revenues



Enhancing rate plans and services for long-term use

- Actively promote *Hikari Motto Discounts*
- Expansion of FLET'S Hikari Light services
- Improve appeal of "Club NTT-West"

Providing new use scenarios

① Promotion of FLET'S Hikari Wi-Fi

- Provide Hikari Mobile Pack
- Expand FLET'S Spot areas
- Enhance support systems

② Providing new services through alliances

- *Kurashi Full Services*, Hikari Device Warranty, Hikari BOX+, etc.

Expansion of growth strategy businesses

- Cloud businesses
- le-deji, etc.

Create a new service, mainly through alliances, that will be developed as an important pillar of revenues

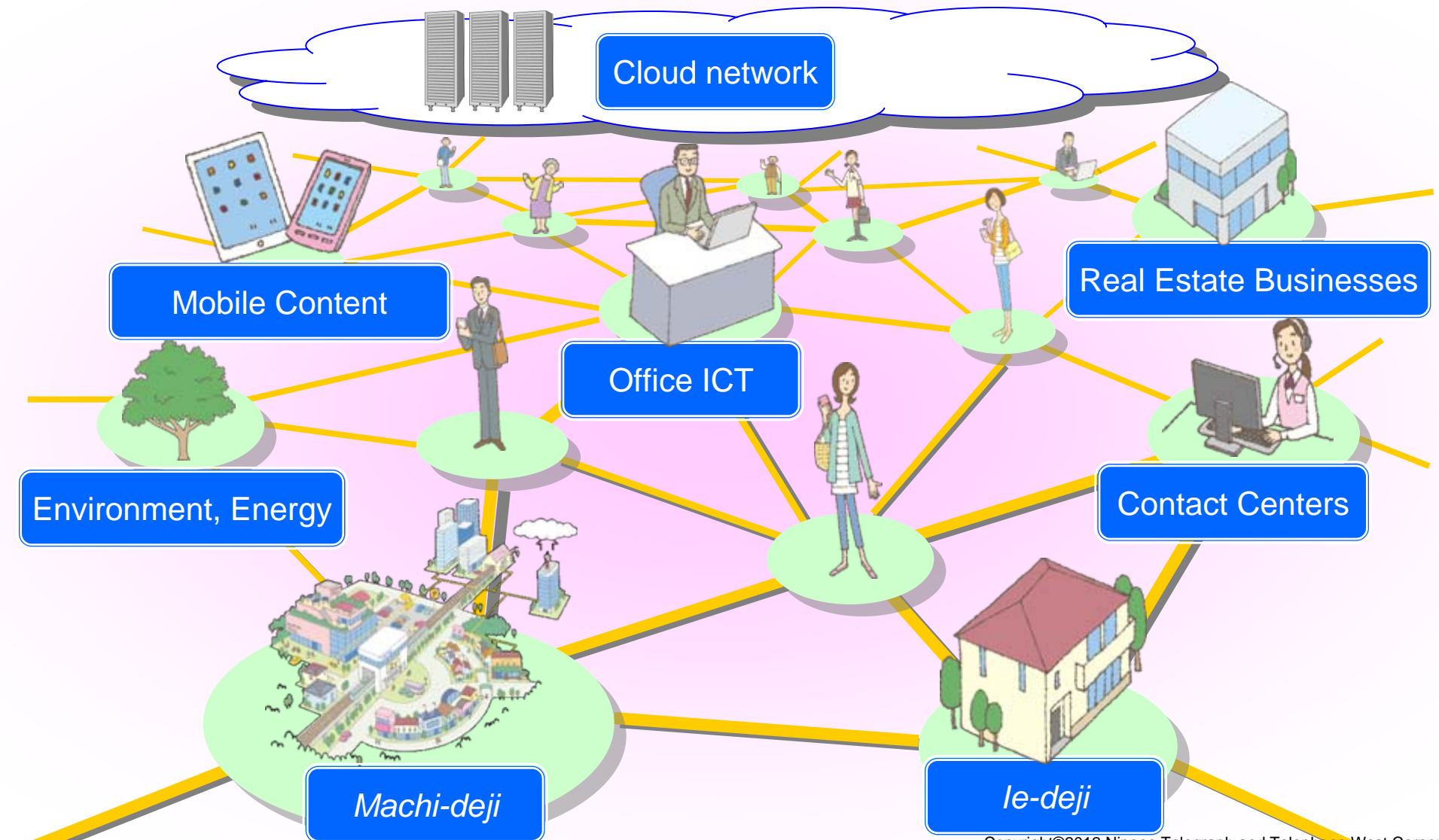
Cost Reductions

Strengthening the financial foundation

- Committing to increased self-manufacturing and improving productivity
- Streamlining capital investments
- Further consolidating of bases

Development of Growth Strategy Business

- NTT West will leverage the strengths it has built up from its core business, "optical services," to expand its business to new areas.



- NTT West made a full-scale entry into the cloud business in March 2011. Cloud business sales in the first fiscal year were 20 billion yen.
- Going forward, NTT West plans to further expand its service menu and enhance and strengthen its framework for promoting cloud business.

FY2011 Initiatives

Cloud business sales: **20 billion yen**

- ✓ Strong data center sales due to BCP needs
- ✓ Expanded private cloud networks for corporations and local governments

◆ Biz Hikari Cloud Menu

○ Provided BCP menu and community-targeted menus leveraging NTT West's strengths in networks and data centers

 スマートストレージ (Smart Storage November 8, 2011)	 ひかり健康相談 (Hikari Health Consultation September 1, 2011)	 ひかり校務支援 (Hikari School Administration Support October 13, 2011)
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- Launched "Smart Hikari Town Kumamoto" Project February 14, 2012
- Enhanced alliances with corporate partners



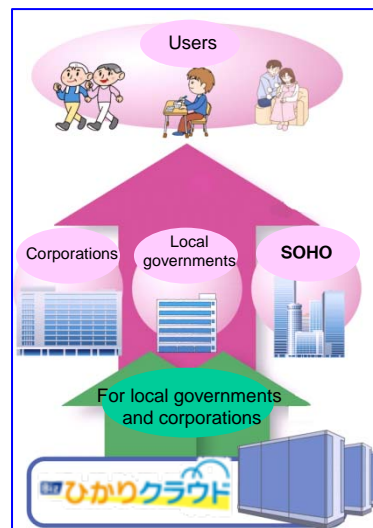
宗教法人 在日本南フレシビテリアンミッション
淀川キリスト教病院
 Yodogawa Christian Hospital
 (February 21, 2012)



YOKOGAWA
 横河医療ソリューションズ株式会社
 (March 15, 2012)

Future Initiatives

◆ Expansion of Biz Hikari Cloud Menu



• Develop and provide new B to G(B) to C menus and conduct trials in "Smart Hikari Town Kumamoto" through collaboration between public and private sectors.

• Expand B to G(B) menus for specific industries, such as local governments, universities, medical facilities, etc.

• Create usage models through promotion of partner alliances

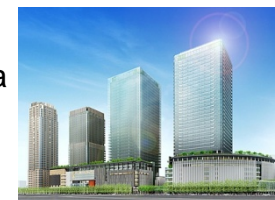
• Further advance stable and safe network and data center foundations that support cloud services

◆ Strengthening framework for promoting cloud business

○ Consolidating NTT West Group's cloud service development and strategy departments in Umekita in 2013 (planned)

- ✓ Total of 500 staff members in the Cloud Business Unit and NTT Smart Connect Corporation

Umekita Grandfront Osaka

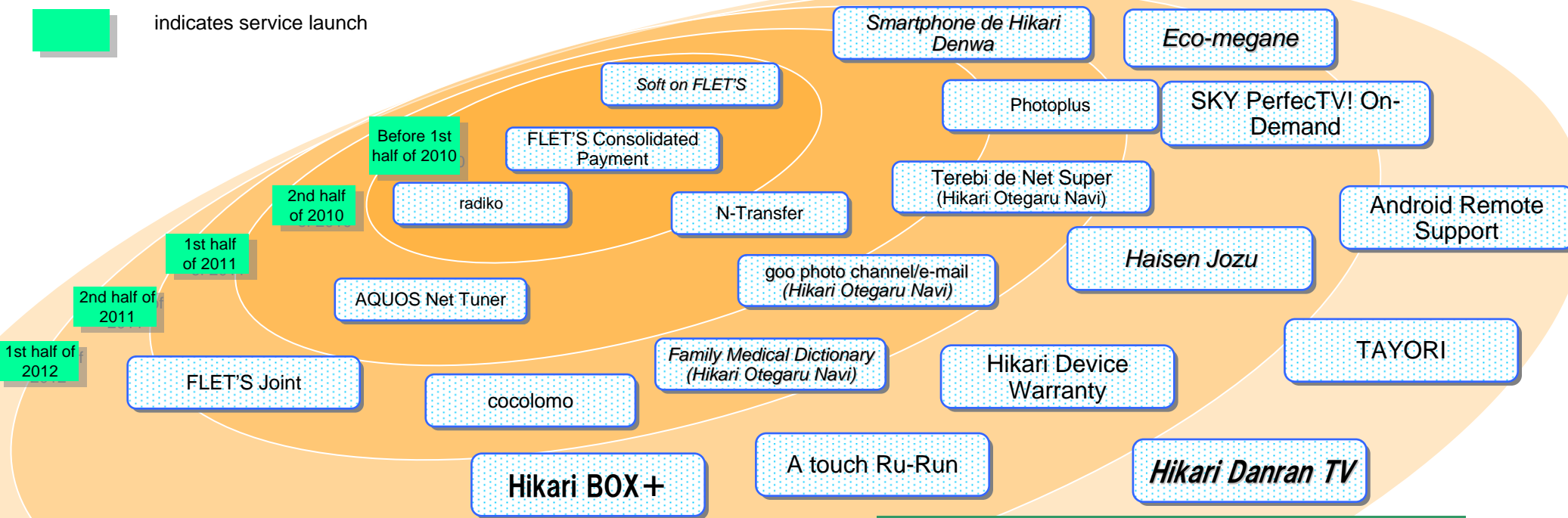


(Move-in scheduled for FY2013)

Further Development of *le-deji*

- NTT West has been offering a variety of “le-deji” services, and will continue to expand service offerings going forward.
- NTT West will continue to provide communications services and assistance services.

 indicates service launch



Enhancing Communications Services

A touch Ru*Run

Launched March 12

TAYORI*

Launched April 19

光だんらんTV*

Launched end of June [Confirm w NTT]

*Registered trademark pending

Enhancing and Strengthening Assistance Services

Hikari Device Warranty

Launched March 5

Android Remote Support

Launched April 19

Integration of NTT West Home Techno companies

Integration planned for July 1

Hikari Danran TV

Users can share spaces (*Danran*) on their existing large-screen TVs

Feature ①

Space sharing on your existing TV

Once upon a time...



Clear images even on a large screen allows users to feel like they are in the same room.

A grandmother living away from the family can read picture books to her grandchildren

Feature ②

Make your existing TV smarter

Enables users not only to share photos and videos while talking to the other person over TV but also to enjoy the Internet on TV

A grandfather living away from the family can enjoy viewing photos with his grandchildren



Feature ③

Easy and safe basic monthly charges



Convenient and easy device rental plan
Just connect to the TV

+

New videophone fixed rate discount
Safe and affordable
Unlimited calling plan
Enjoy the Internet without worrying about rates

*Registered trademark pending

The service content and use conditions are as of the date of this presentation. We plan to provide further details in a separate official release.

Hikari BOX+

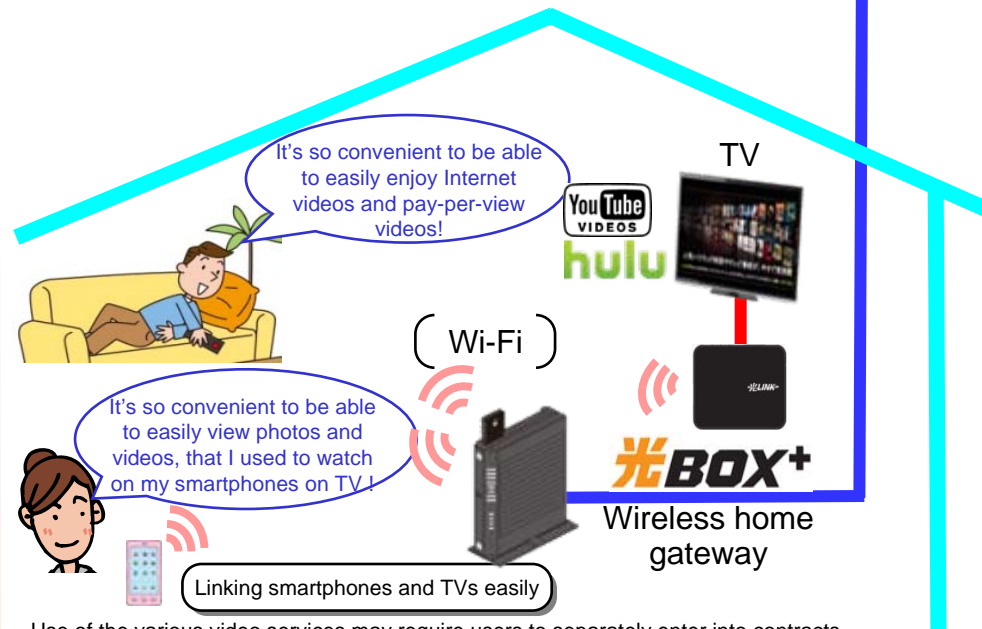
Users can casually enjoy a variety of Internet content (including videos and services) as if watching TV.

To be offered in the future



Easy access to the Internet via "Hikari Otegaru Navi"*

*Application that makes Internet functions even easier



Use of the various video services may require users to separately enter into contracts with the providers. For details on services and use conditions, please visit: <http://www.ntt-west.co.jp/kiki/hikaribox/>

Environment and Energy Initiatives

- From July, NTT West will conduct trials of a service, **demand response**, that contributes to keeping demand for electricity low by asking each household to cooperate in energy-saving measures during times of peak demand in the summer.
- NTT West will measure the effectiveness of energy initiatives using “Eco-megane” of NTT Smile Energy.

Period (planned)

July – September 2012 (3 months)

Area

Approx 300 households

Verification items

- ① Measure the effectiveness of energy-saving based on energy-saving requests
- ② Survey customer receptivity of services
- ③ Technical verification (including praxeology)

General Overview

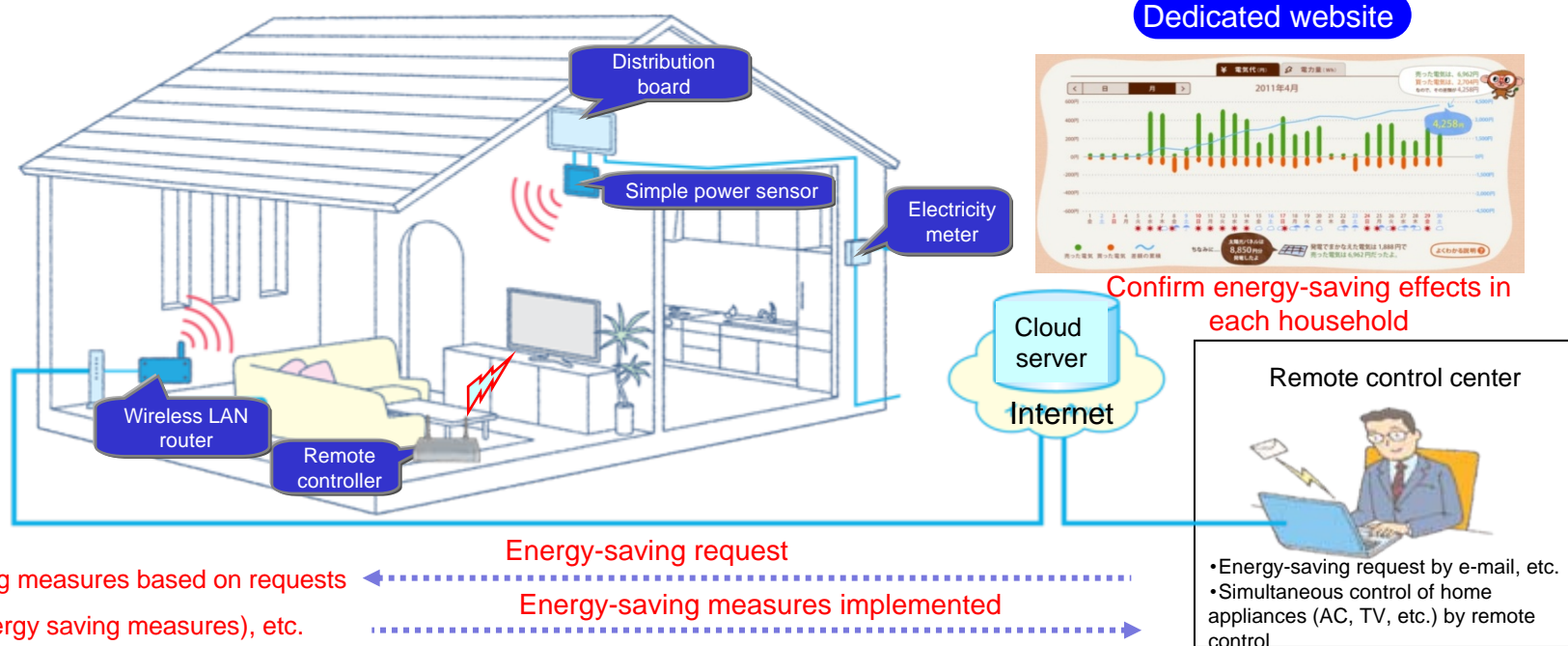
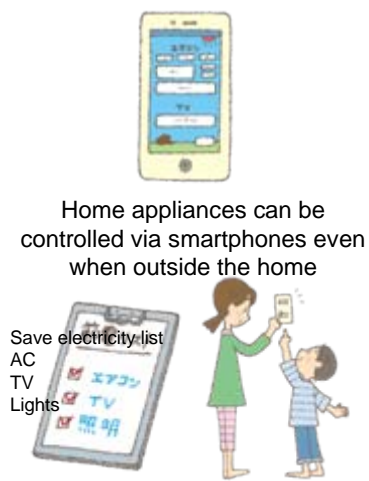
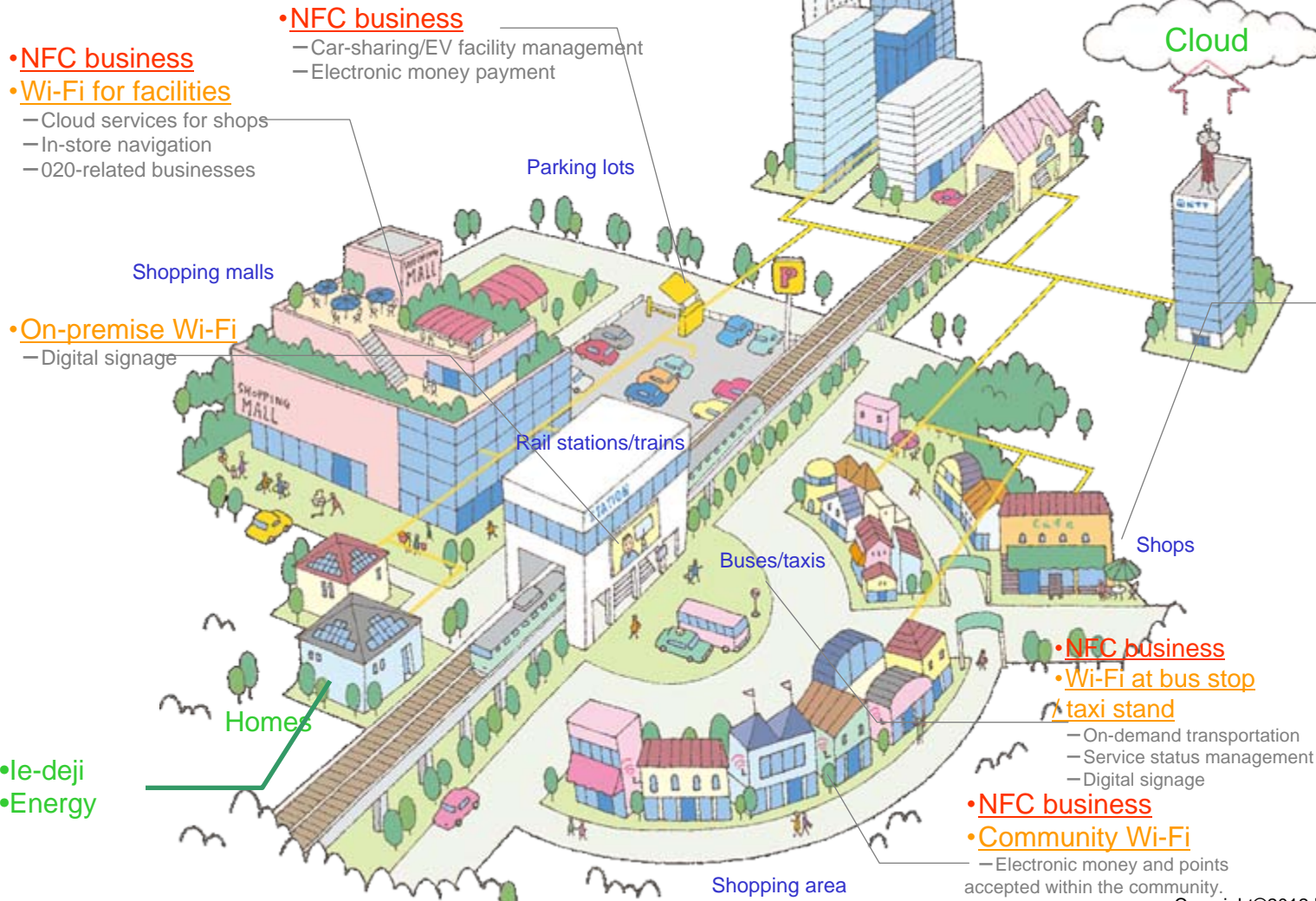


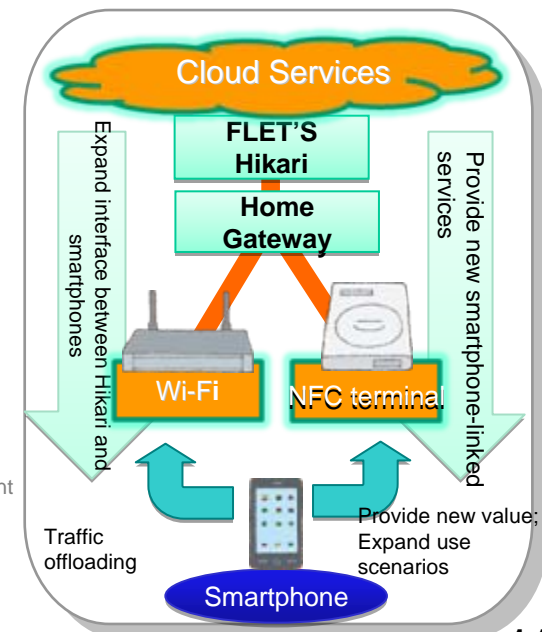
Image of *Machi-deji* (Town Digitalization)

➤ The concept to build **Hikari + Wi Fi and NFC*** terminal infrastructure in various locations around town and to offer more reasonable and more convenient services in collaboration with service operators through the creation of smartphone-linked services. In particular, NTT West is directing its efforts into NFC businesses, which are expected to grow going forward.



*NFC: Near Field Communication (near-field wireless communications technology)

- NFC business**
- Wi-Fi for shops**
 - Cloud services for shops
 - Electronic money payment



The forward-looking statements and projected figures concerning the future performance of NTT West, its parent company (NTT) and their respective subsidiaries and affiliates 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, NTT and their respective subsidiaries and affiliates, 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.

Accounting policies used to determine the figures in this presentation are consistent with those used to prepare financial statements in accordance with accounting principles generally accepted in Japan.

*"FY" in this material indicates the fiscal year ending March 31 of the succeeding year.