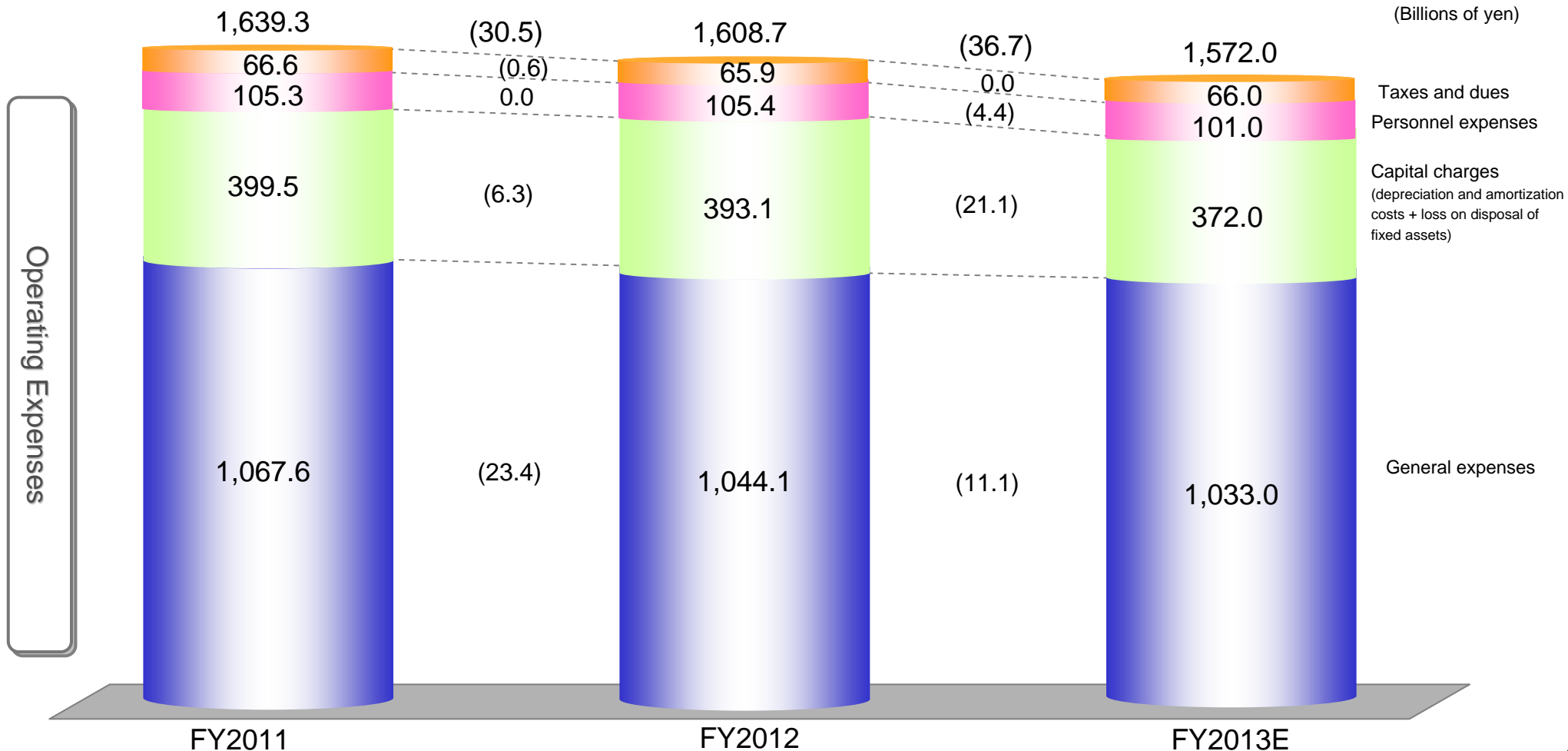


Changes in Operating Expenses

- FY2012: Operating Expenses decreased from the previous fiscal year by 30.5 billion yen as a result of comprehensive cost reductions, mainly in general expenses.
- FY2013: NTT West plans to further reduce Operating Expenses by 36.7 billion yen (compared to FY2012) through continued comprehensive cost reductions and by improving operational efficiency.



Figures are rounded down to the nearest billion.