



# *News Release*

August 5, 2015

FOR IMMEDIATE RELEASE

## **Financial Statements for the Three Months Ended June 30, 2015**

The financial results of Nippon Telegraph and Telephone West Corporation (NTT West) for the three months ended June 30, 2015 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)

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# 1. Non-Consolidated Comparative Balance Sheets

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	March 31, 2015	June 30, 2015	Increase (Decrease)
<b>ASSETS</b>			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	407,805	397,518	(10,286)
Antenna facilities	6,061	5,939	(122)
Terminal equipment	17,786	17,700	(86)
Local line facilities	981,834	976,567	(5,266)
Long-distance line facilities	2,201	2,188	(13)
Engineering facilities	541,617	537,720	(3,897)
Submarine line facilities	4,094	3,890	(204)
Buildings	344,165	338,399	(5,765)
Construction in progress	25,780	27,004	1,224
Other	219,817	218,811	(1,006)
Total property, plant and equipment	2,551,165	2,525,740	(25,424)
Intangible fixed assets	68,950	66,414	(2,536)
Total fixed assets - telecommunications businesses	2,620,116	2,592,155	(27,961)
Investments and other assets			
Other investments and assets	149,863	147,969	(1,894)
Allowance for doubtful accounts	(652)	(633)	19
Total investments and other assets	149,211	147,335	(1,875)
Total fixed assets	2,769,327	2,739,490	(29,836)
Current assets:			
Cash and bank deposits	26,533	28,865	2,332
Notes receivable	6	123	117
Accounts receivable, trade	198,729	165,284	(33,444)
Supplies	33,580	33,120	(460)
Other current assets	185,077	147,595	(37,481)
Allowance for doubtful accounts	(597)	(513)	84
Total current assets	443,329	374,477	(68,851)
<b>TOTAL ASSETS</b>	<b>3,212,656</b>	<b>3,113,967</b>	<b>(98,688)</b>

(Millions of yen)

	March 31, 2015	June 30, 2015	Increase (Decrease)
<b>LIABILITIES</b>			
Long-term liabilities:			
Long-term borrowings from parent company	778,827	708,827	(70,000)
Liability for employees' retirement benefits	229,952	232,333	2,380
Reserve for point services	7,571	6,358	(1,213)
Reserve for unused telephone cards	9,160	8,842	(317)
Allowance for environmental measures	10,794	10,794	-
Asset retirement obligations	345	347	1
Other long-term liabilities	6,392	6,304	(87)
Total long-term liabilities	1,043,045	973,807	(69,237)
Current liabilities:			
Current portion of long-term borrowings from parent company	175,600	245,600	70,000
Accounts payable, trade	74,063	38,816	(35,247)
Short-term borrowings	75,000	72,000	(3,000)
Accrued taxes on income	1,082	851	(230)
Allowance for environmental measures	3,356	2,708	(648)
Other current liabilities	341,782	284,293	(57,489)
Total current liabilities	670,885	644,269	(26,616)
<b>TOTAL LIABILITIES</b>	<b>1,713,930</b>	<b>1,618,077</b>	<b>(95,853)</b>
<b>NET ASSETS</b>			
Shareholders' equity:			
Common stock	312,000	312,000	-
Capital surplus	1,170,054	1,170,054	-
Earned surplus	15,934	13,219	(2,714)
Total shareholders' equity	1,497,988	1,495,273	(2,714)
Unrealized gains (losses), translation adjustments, and others:			
Net unrealized gains (losses) on securities	738	617	(120)
Total unrealized gains (losses), translation adjustments, and others	738	617	(120)
<b>TOTAL NET ASSETS</b>	<b>1,498,726</b>	<b>1,495,890</b>	<b>(2,835)</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>3,212,656</b>	<b>3,113,967</b>	<b>(98,688)</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, 2014	Three months ended June 30, 2015	Increase (Decrease)	Year ended March 31, 2015
Telecommunications businesses:				
Operating revenues	355,614	344,962	(10,651)	1,415,321
Operating expenses	349,847	333,754	(16,092)	1,392,847
Operating income from telecommunications businesses	5,767	11,208	5,440	22,473
Supplementary businesses:				
Operating revenues	29,576	29,147	(428)	158,892
Operating expenses	27,242	25,473	(1,768)	145,692
Operating income from supplementary businesses	2,333	3,673	1,339	13,200
Operating income	8,100	14,881	6,780	35,674
Non-operating revenues:				
Interest income	1	1	0	5
Dividends received	1,332	1,547	214	1,355
Gains on sales of fixed assets	23	681	658	2,531
Miscellaneous income	487	552	64	2,123
Total non-operating revenues	1,845	2,783	937	6,015
Non-operating expenses:				
Interest expenses	3,012	2,545	(467)	11,461
Miscellaneous expenses	78	340	262	1,390
Total non-operating expenses	3,091	2,886	(204)	12,851
Recurring profit	6,854	14,778	7,923	28,838
Special losses	-	-	-	7,972
Income before income taxes	6,854	14,778	7,923	20,865
Income taxes	*	*	1,837	6,943
Net income	6,200	12,286	6,085	13,921

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, 2014	Three months ended June 30, 2015	Increase (Decrease)	Percent Increase (Decrease)	Year ended March 31, 2015
Voice transmission services revenues (excluding IP services revenues)	122,083	110,527	(11,555)	(9.5)	472,572
Monthly charge revenues*	89,417	81,889	(7,528)	(8.4)	347,759
Call rates revenues*	8,780	7,520	(1,260)	(14.4)	33,194
Interconnection call revenues*	15,882	14,535	(1,346)	(8.5)	61,333
IP services revenues	169,699	174,527	4,827	2.8	686,194
Leased circuit services revenues (excluding IP services revenues)	26,260	24,751	(1,508)	(5.7)	103,035
Telegram services revenues	4,137	3,880	(257)	(6.2)	15,455
Other telecommunications services revenues	33,434	31,276	(2,158)	(6.5)	138,062
Telecommunications total revenues	355,614	344,962	(10,651)	(3.0)	1,415,321
Supplementary business total revenues	29,576	29,147	(428)	(1.5)	158,892
Total operating revenues	385,190	374,109	(11,080)	(2.9)	1,574,213

\*Partial listing only