

Financial Results for the Fiscal Year Ended March 31, 2017 (18th Term)

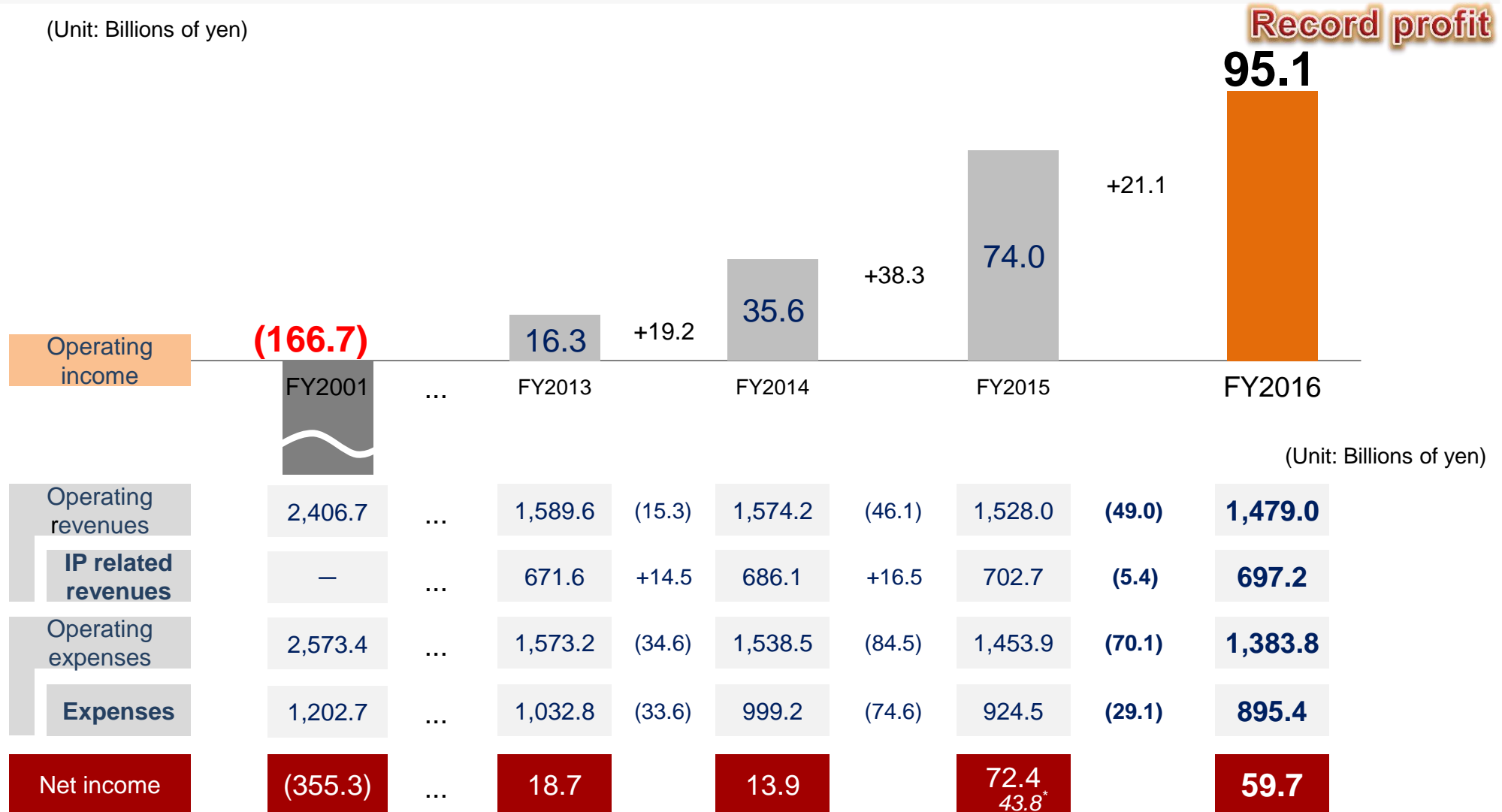
Kazutoshi Murao, President
Nippon Telegraph and Telephone West Corporation
("NTT West")

FY2016 Financial Results (Profits & Losses) NTTWEST

Operating Income

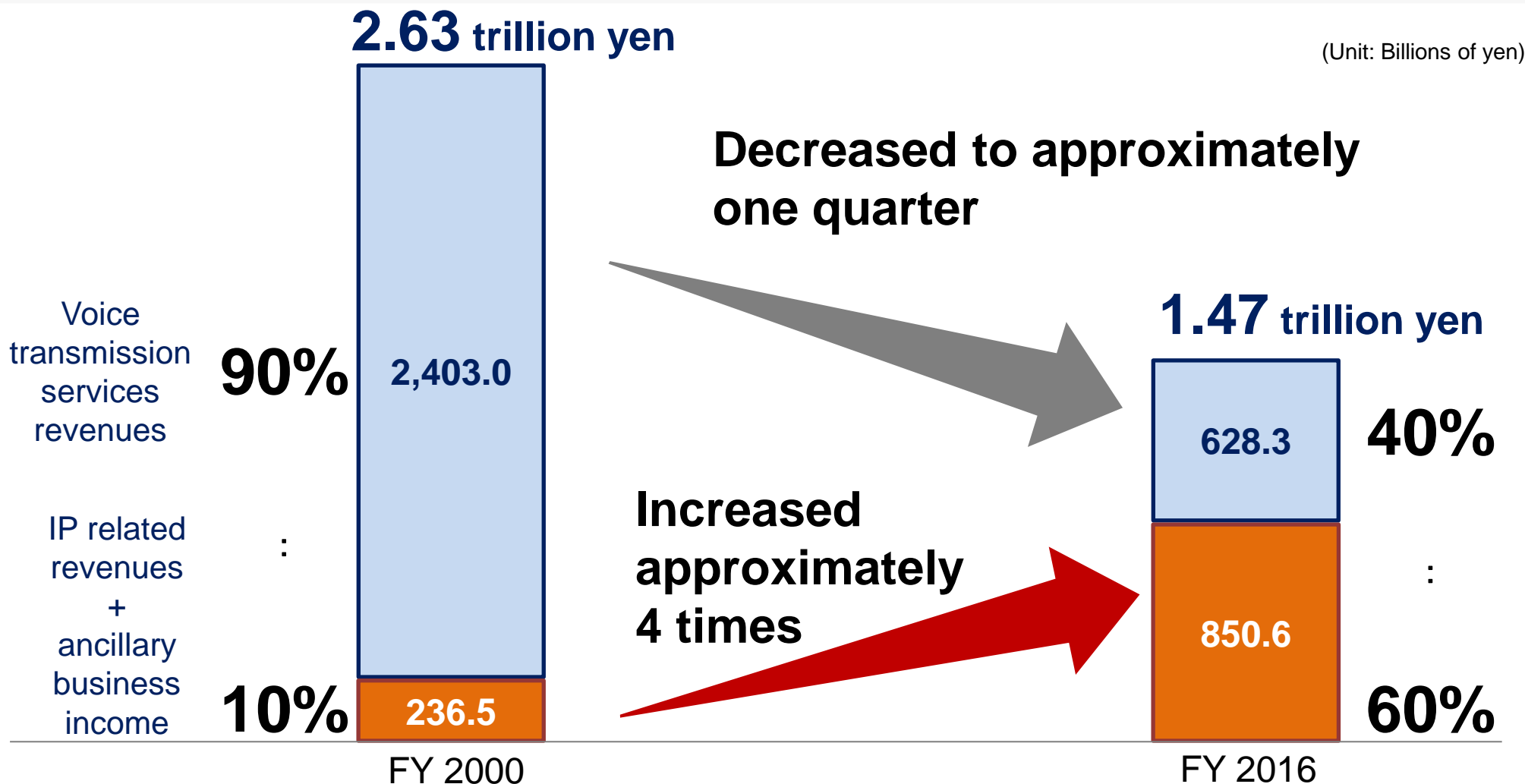
- Due to improved business management operations efficiency, achieved an increase in profits for the third straight year by reaching a record of **95.1 billion yen**.

(Unit: Billions of yen)



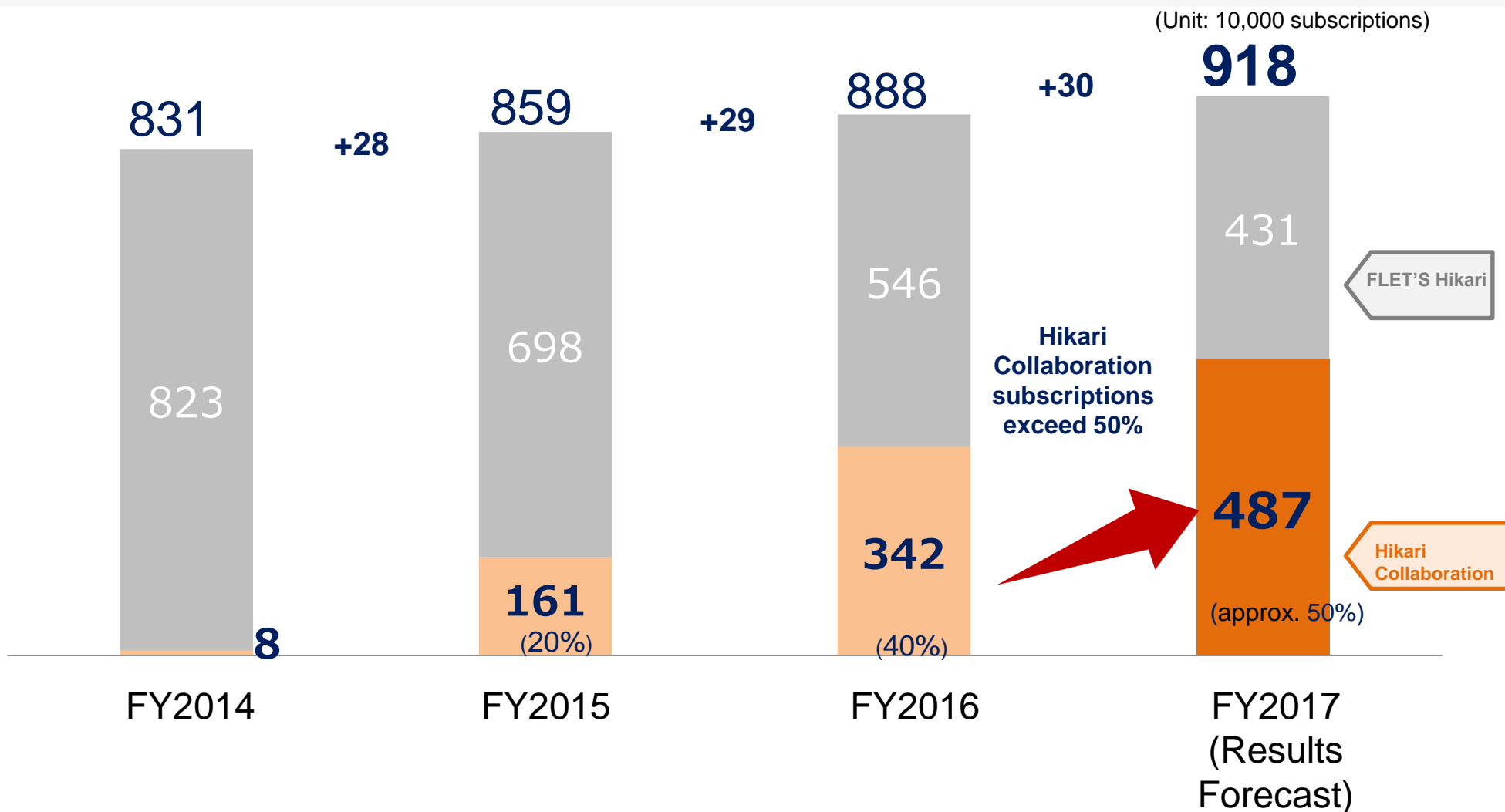
Changing Revenue Structure

- “IP related revenues + ancillary business income” increased approximately four times and now represents approximately 60% of total revenues, as the core business has undergone a major shift from telephone services to ICT solutions.



Number of Hikari service subscriptions

- Aiming to increase the share of Hikari Collaboration subscriptions to more than 50% of total subscriptions by the end of FY2017

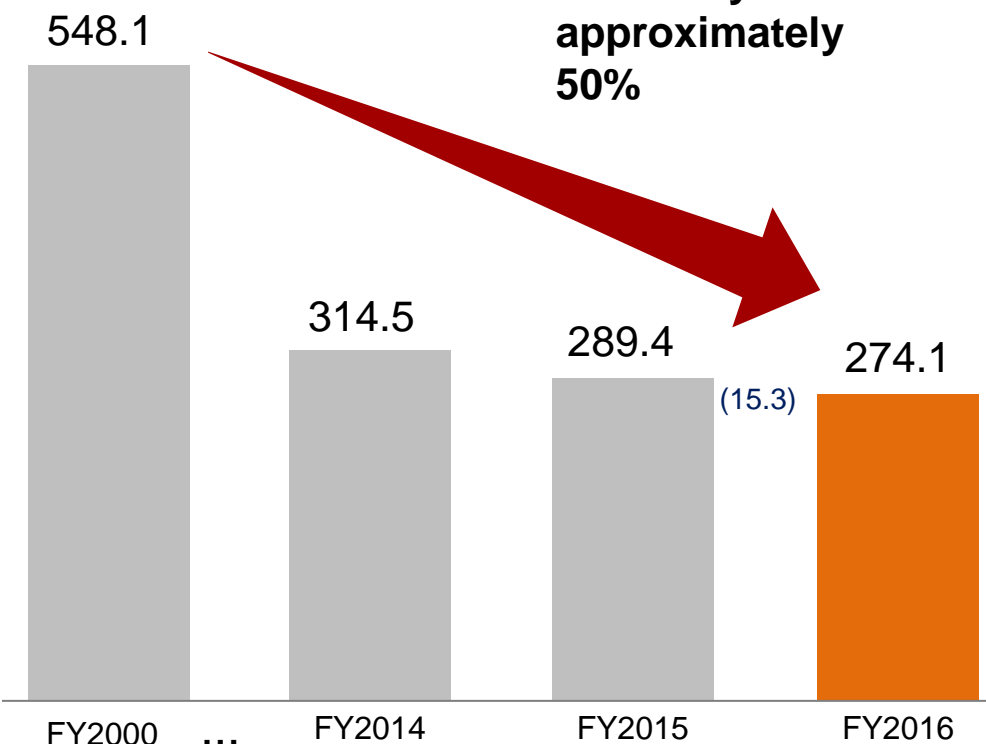


Capital Investment

- Drastically decreased due to continued effective use of existing equipment and a shift to high-speed and high-capacity equipment

(Unit: Billions of yen)

Increase in efficiency of approximately 50%

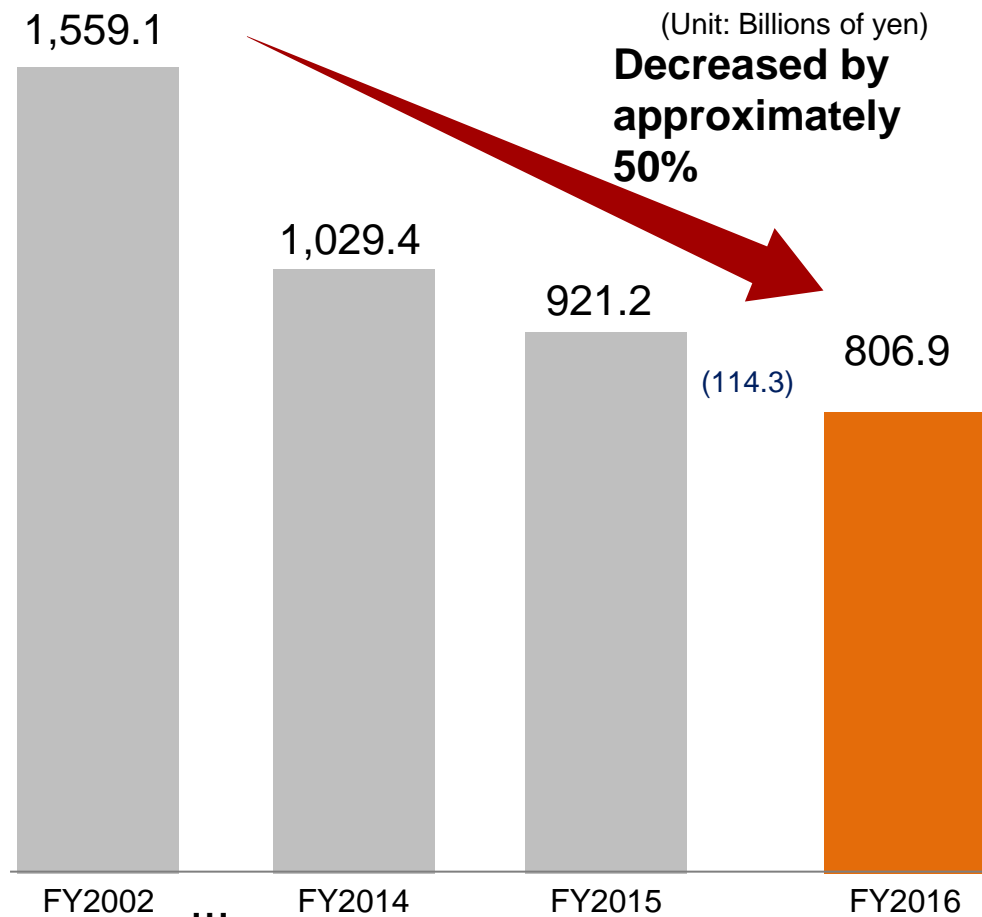


Interest-Bearing Debt

- Continued efforts to reduce debt in FY2016, leading to approximately half the level of debt compared to peak levels

(Unit: Billions of yen)

Decreased by approximately 50%



I. Strengthen earning power in the business market

- Promote ICT solutions that aim to solve social challenges
- Concentrate resources in high-potential markets, increase efficiency of behind-the-scene operations

II. Expand the Group's growing businesses

- Expand the comprehensive OS business centered on contact center businesses
- Expand real estate and contents businesses

III. Expand Hikari services and generate profits

- Expand the number of Hikari Collaboration Model providers in business areas (promote the B2B2X model)
- Enhance support for Hikari Collaboration Model providers

FY2017 Forecast

(Unit: Billions of yen)

	FY2016	FY2017	Year-on-year change
Operating revenues	1,479.0	1,436.0	(43.0)
Operating expenses	1,383.8	1,336.0	(47.8)
Operating income	95.1	100.0	+4.8
Recurring profit	88.1	95.0	+6.8
Special loss	6.9	—	(6.9)
Net income	59.7	70.0	+10.2
Capital investment	274.1	260.0	(14.1)
Hikari services net increase* (Unit: 10,000 lines)	28.7	30.0	+1.3

*Including Hikari collaboration model

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.