

# **Financial Results for Fiscal Year** **Ended March 31, 2010**

The forward-looking statements and projected figures concerning the future performance of NTT Communications (NTT Com), 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 Com in light of information currently available to it regarding NTT Com, 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 Com, NTT and their respective subsidiaries and affiliates, the state of the economy in Japan and abroad, possible fluctuations in 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 material 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.

# Non-Consolidated Income



(billions of yen, % change year on year)

Item	FY2009	FY2008	Change (FY09/FY08)	% Change (FY09/FY08)
Operating Revenues	1,079.2	1,127.1	- 47.9	- 4.3
Operating Expenses	981.7	1,026.3	- 44.5	- 4.3
Operating Income	97.5	100.8	- 3.3	- 3.3
Recurring Profits	108.5	113.5	- 5.0	- 4.4
Special Profits	-	36.0	- 36.0	-
Special Losses	-	7.4	- 7.4	-
Income Before Income Taxes	108.5	142.0	- 33.5	- 23.6
Net Income	60.6	89.0	- 28.3	- 31.9

# Assets, Liabilities and Net Assets



(billions of yen,  
% change year on year)

March 31, 2009

March 31, 2010

March 31, 2009

<b>Fixed Assets</b> 873.8	+11.8 (+1.4%)	<b>Fixed Assets</b> 885.7	<b>Long-Term Liabilities</b> 256.1	-39.5 (-13.4%)	<b>Long-Term Liabilities</b> 295.7
			<b>Current Liabilities</b> 278.2	-55.6 (-16.7%)	<b>Current Liabilities</b> 333.8
<b>Current Assets</b> 338.9	- 52.8 (-15.6%)	<b>Current Assets</b> 286.0	<b>Net Assets</b> 637.3	+54.0 (+9.3%)	<b>Net Assets</b> 583.2
<b>Total Assets</b> 1,212.8 billion yen			<b>Total Liabilities and Net Assets</b> 1,212.8 billion yen		
<b>Total: 1,171.7 billion yen</b> (- 41.0 billion yen)					

## < Interest-Bearing Debt / Capital Investment >

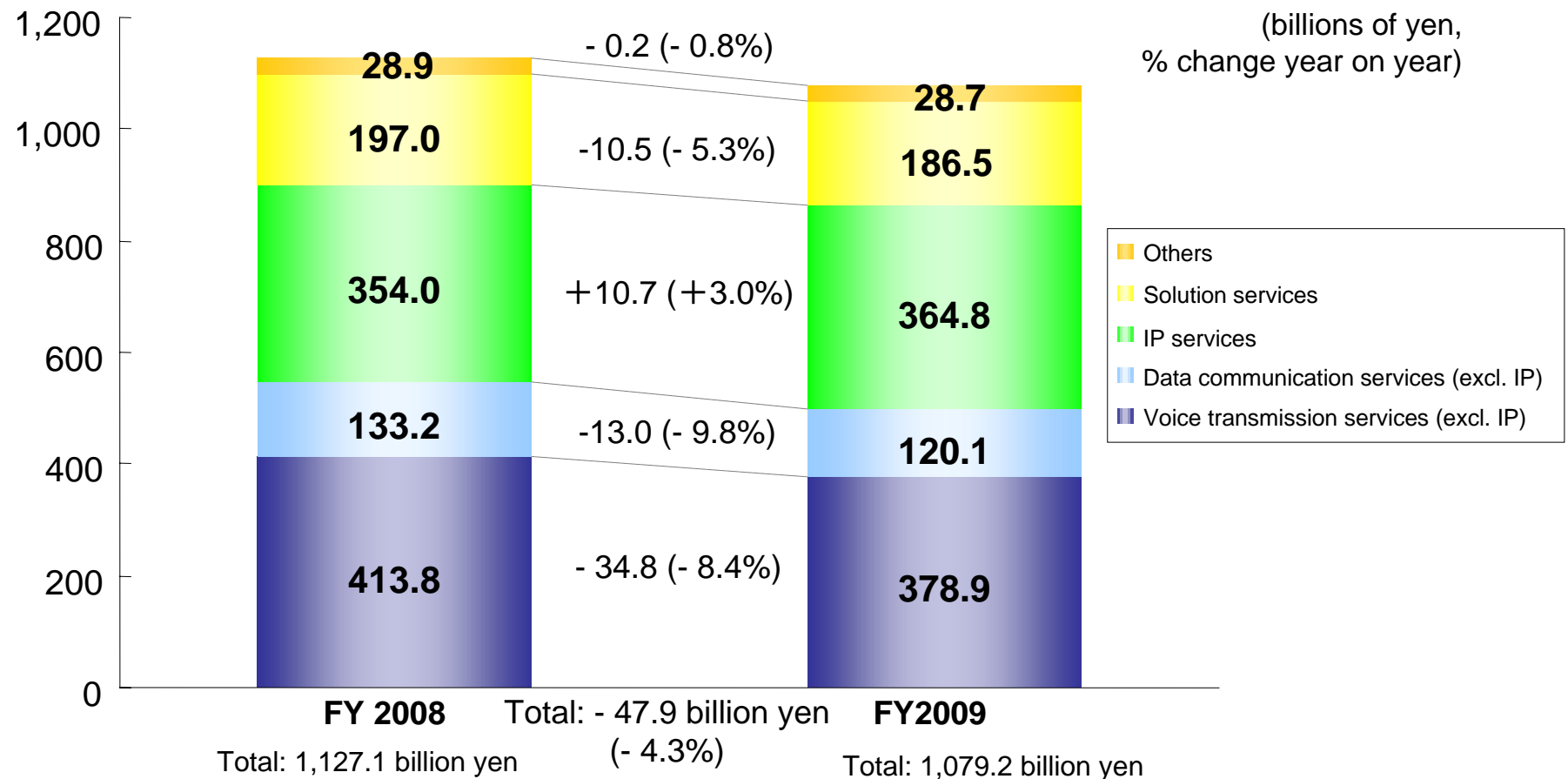
(billions of yen, %)

	March 31, 2010	March 31, 2009	Change	% Change
Interest-Bearing Debt	189.0	310.8	- 121.7	- 39.2
Interest-Bearing Debt Ratio	22.9%	34.8%	- 11.9 points	-
Capital Investment	107.6	112.8	- 5.2	- 4.6

# Operating Revenues



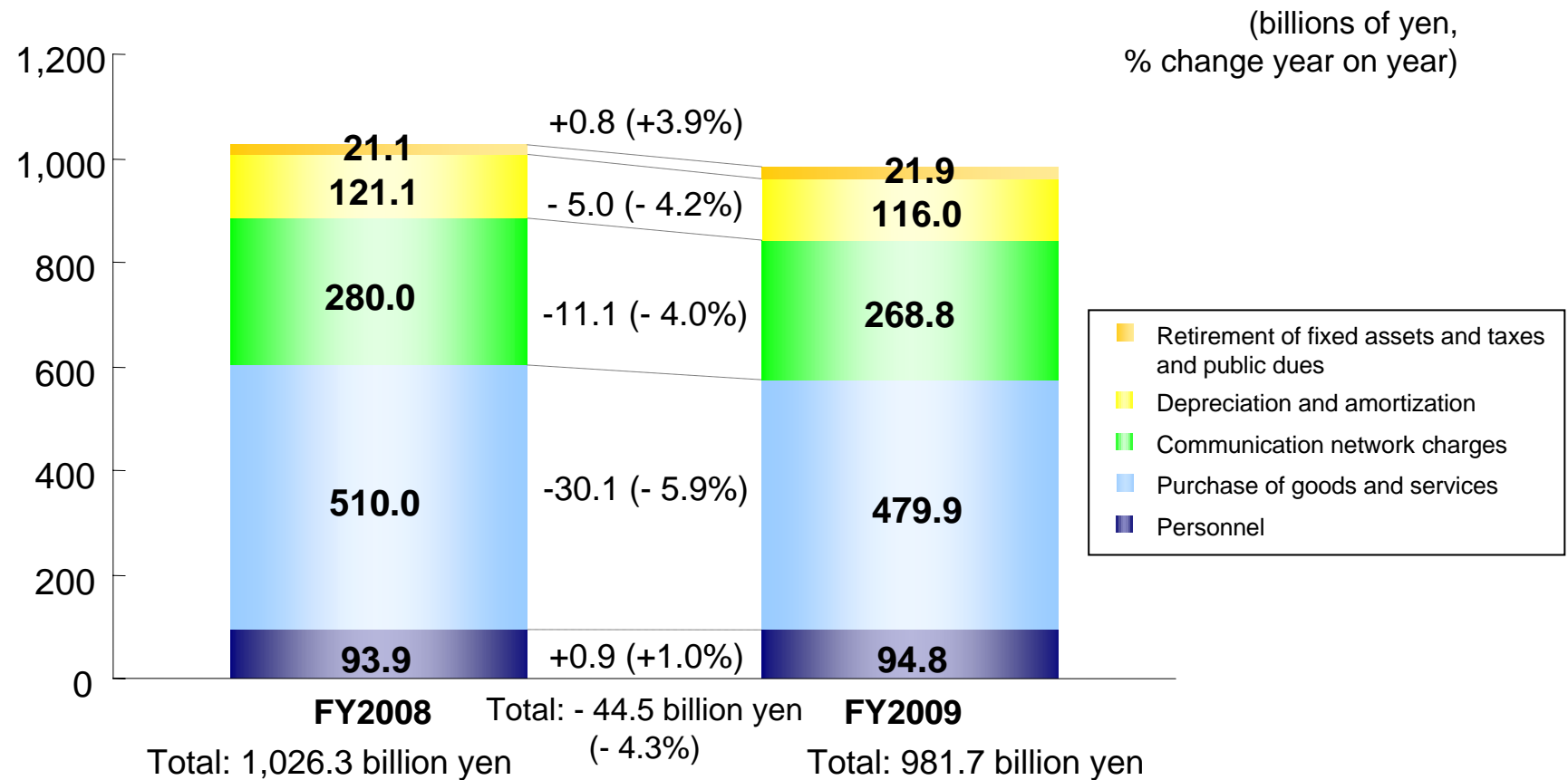
- IP services rose 10.7 billion yen due to growth in OCN-brand ISP and VPN service revenues.
- Voice transmission services (excl. IP) fell 34.8 billion yen due to market contraction.
- Solution services fell 10.5 billion yen as a result of the economic downturn.



# Operating Expenses



- Purchase of goods and services decreased 30.1 billion yen due to tighter cost controls.
- Communication network charges decreased 11.1 billion yen due to the decline in voice transmission revenues and other factors.



# Projections for FY2010



## NTT Communications Group Non-consolidated Results

(billions of yen)

Item	Forecast FY2010	Current FY2009	Change
Operating Revenues	1,035.0	1,079.2	- 44.2
Operating Expenses	955.0	981.7	- 26.7
Operating Income	80.0	97.5	- 17.5
Recurring Profits	90.0	108.5	- 18.5
Net Income	52.0	60.6	- 8.6

## Reference: NTT Communications Group

Operating Revenues	1,269.0	1,259.6	+9.4
Operating Expenses	1,179.0	1,161.4	+17.6
Operating Income	90.0	98.2	- 8.2

(Note) The figures in the table above represent figures for NTT Communications Group (NTT Communications and its subsidiaries) after adjustments and eliminations for intragroup transactions.

# Activities in FY 2010



## Business Customer Service

- Expand cloud-based & ubiquitous services by strengthening BizCITY lineup.
- Strengthen consulting-type sales solving customers' management issues seamlessly.
- Expand worldwide delivery of ICT solutions for seamless communications.

## Global Business

- Further expand operations in Asia, including through the acquisition of Emerio, an IT outsourcing company.
- Grow international footprint from current 65 cities in 24 countries/regions.
- Expand and improve premium data centers.

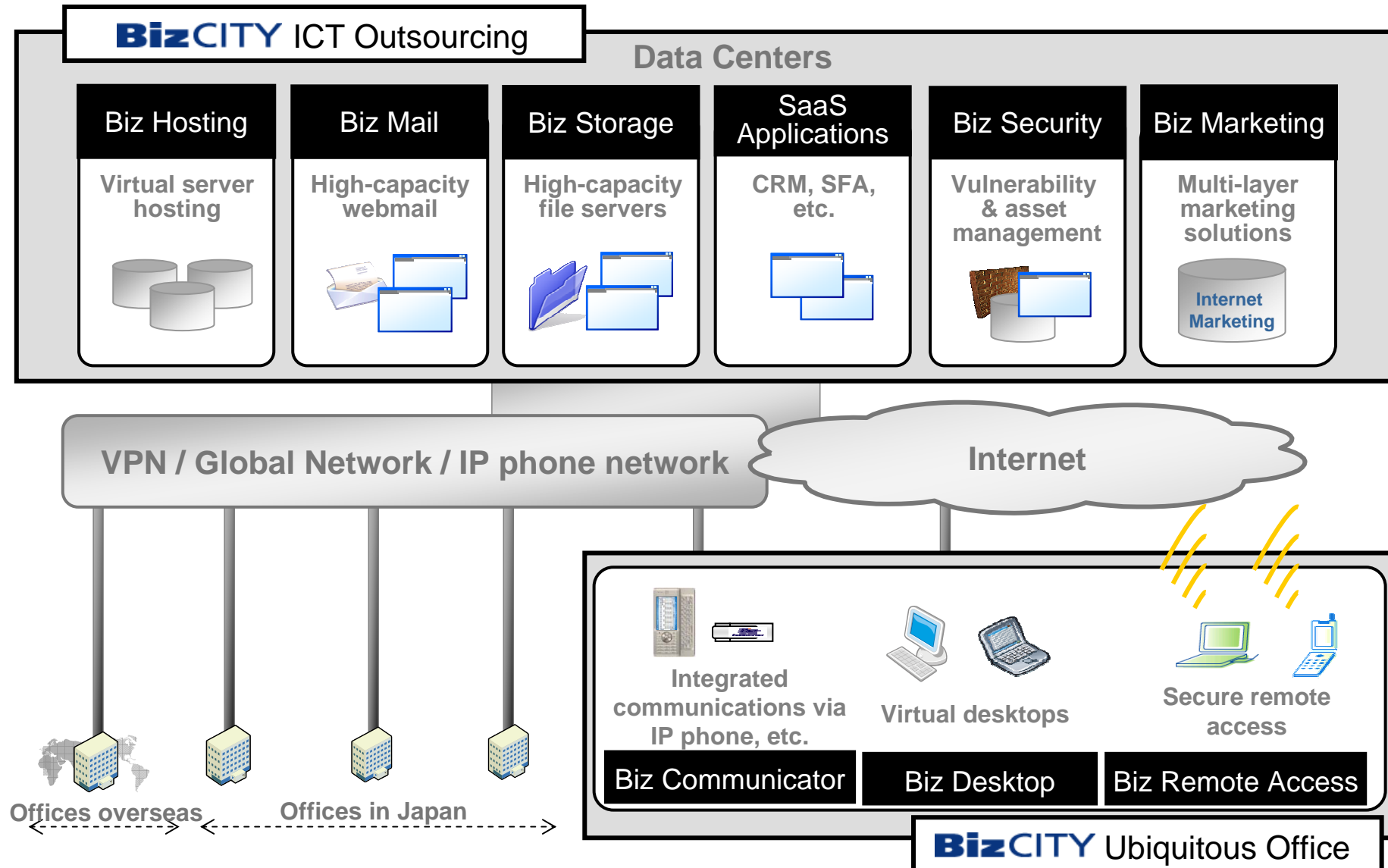
## Internet-based Business

- Develop Hikari TV services and its features, and increase subscribers.
- Strengthen NTT Group collaboration by adopting the NTT ID log-in services, NTT online payment systems, DOCOMO Webmail and improved search functions (NTT Resonant).

***“Bridge”***

Reform Process

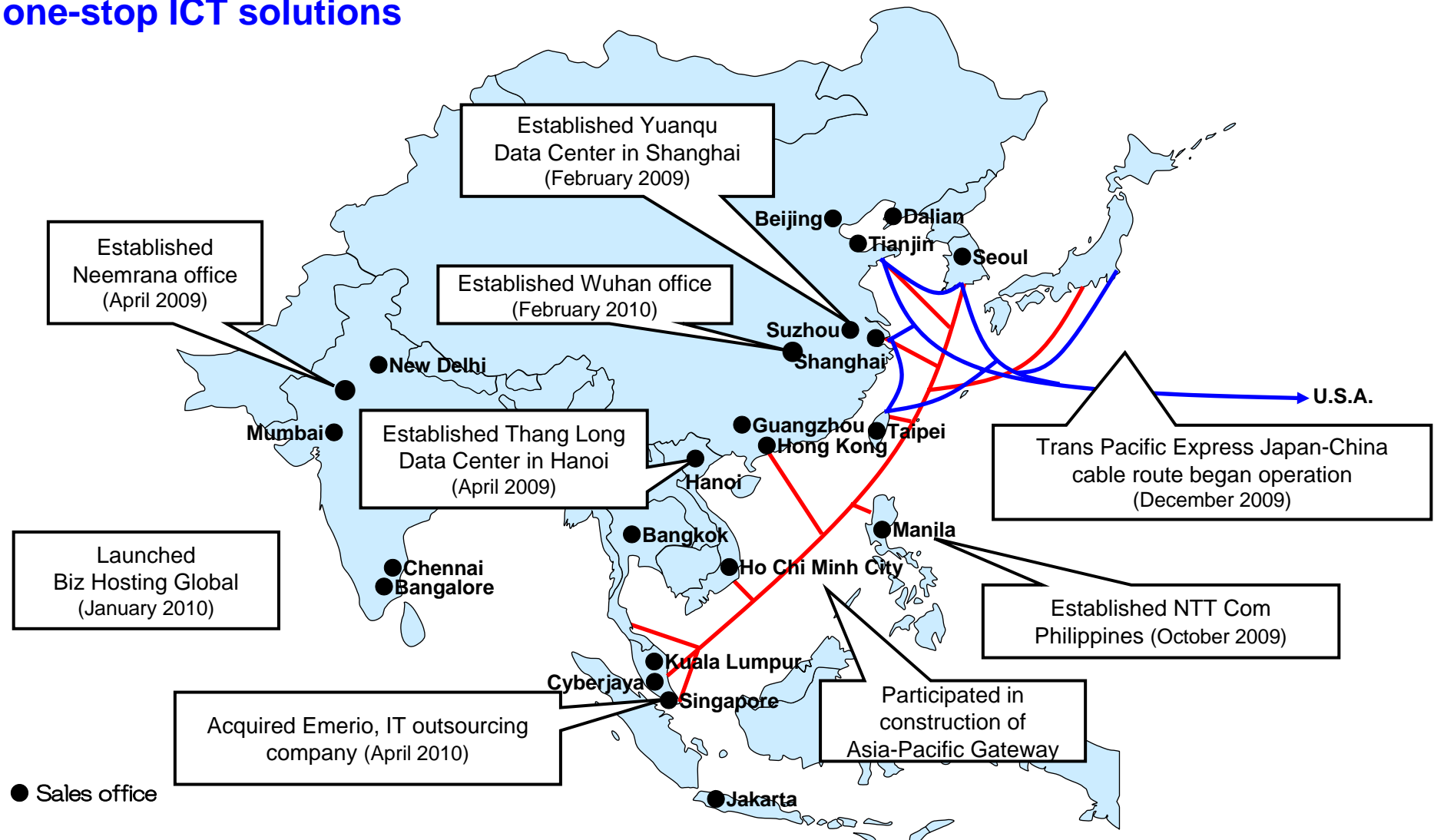
Establish Foundation of  
Human Resources



# Business Expansion in Asia



Expanded network and data center services in Asia to deliver high-quality and one-stop ICT solutions



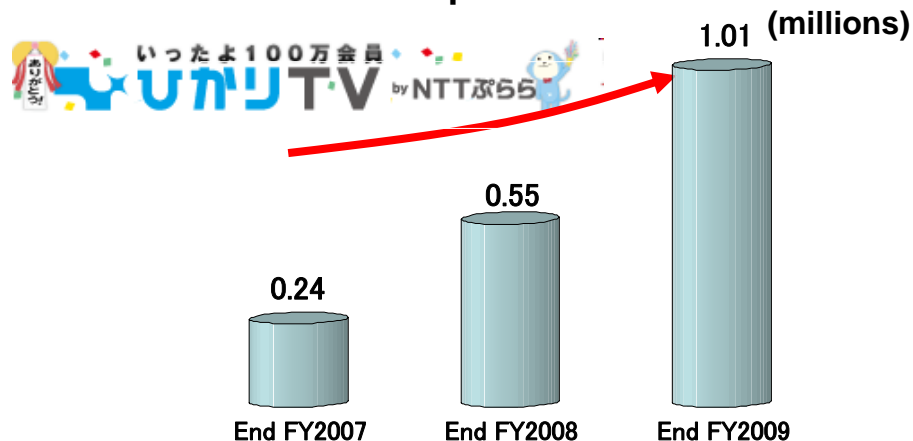
# Internet-based Business



Leveraged comprehensive strengths of NTT Group to develop businesses supported by the customer base and rich services and content of OCN, Plala and goo brands

## Hikari TV

Trends in number of subscriptions



### Future Plans

- Provide 3D contents and promote shift to high-definition programs
- Launch set-top box with built-in HDD
- Collaboration with mobile devices
- Launch “t-commerce” services (such as easy shopping by remote controller) and add a recommendation function
- Begin IP rebroadcasts of satellite television\*

\* Rebroadcasts are provided with the consent of the original broadcaster.

## NTT Group Collaborations

### NTT Resonant & NTT DOCOMO

- NTT DOCOMO Webmail
- Improve mobile website search function



### NTT Com, NTT Resonant & NTT DOCOMO

- NTT ID log-in service
- NTT online payment system

