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FOR IMMEDIATE RELEASE

NTT Com Announces Financial Results for the Three Months Ended June 30, 2014

TOKYO, JAPAN — NTT Communications Corporation (NTT Com) announced today its financial results for the three months ended June 30, 2014. Please see the following attachments for further details:

- I. Non-Consolidated Comparative Balance Sheets
- II. Non-Consolidated Comparative Statements of Income
- III. Business Results (Non-Consolidated Operating Revenues)
- IV. Financial Results of NTT Communications Group

About NTT Communications Corporation

NTT Communications provides consultancy, architecture, security and cloud services to optimize the information and communications technology (ICT) environments of enterprises. These offerings are backed by the company's worldwide infrastructure, including a leading global tier-1 IP network, the Arcstar Universal One™ VPN network, reaching 196 countries/regions, and over 150 secure data centers. NTT Communications' solutions leverage the global resources of NTT Group companies, including Dimension Data, NTT DOCOMO and NTT DATA.

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I. Non-Consolidated Comparative Balance Sheets
(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	March 31, 2014	June 30, 2014	Increase (Decrease)
ASSETS			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	139,476	141,422	1,945
Antenna facilities	1,682	1,658	(23)
Terminal equipment	736	730	(5)
Local line facilities	748	725	(22)
Long-distance line facilities	6,778	6,539	(238)
Engineering facilities	53,122	52,790	(331)
Submarine line facilities	16,018	15,198	(819)
Buildings	177,326	176,830	(496)
Construction in progress	24,265	21,900	(2,365)
Other	84,762	83,968	(793)
Total property, plant and equipment	504,916	501,764	(3,151)
Intangible fixed assets	87,002	86,264	(737)
Total fixed assets - telecommunications businesses	591,918	588,029	(3,889)
Investments and other assets			
Investment securities	162,857	171,755	8,898
Investments in subsidiaries and affiliated companies	277,600	276,359	(1,241)
Other investments and assets	40,997	42,147	1,150
Allowance for doubtful accounts	(218)	(212)	5
Total investments and other assets	481,237	490,049	8,812
Total fixed assets	1,073,156	1,078,079	4,923
Current assets:			
Cash and bank deposits	17,218	16,718	(500)
Notes receivable	266	174	(91)
Accounts receivable, trade	163,644	138,390	(25,253)
Supplies	10,201	9,922	(278)
Other current assets	102,455	87,859	(14,595)
Allowance for doubtful accounts	(1,582)	(1,390)	191
Total current assets	292,204	251,675	(40,529)
TOTAL ASSETS	1,365,361	1,329,754	(35,606)

(Millions of yen)

	March 31, 2014	June 30, 2014	Increase (Decrease)
LIABILITIES			
Long-term liabilities:			
Long-term borrowings from parent company	146,720	146,720	-
Liability for employees' retirement benefits	86,833	84,857	(1,975)
Reserve for point services	3,063	2,967	(96)
Reserve for unused telephone cards	4,637	4,491	(145)
Asset retirement obligations	1,467	1,482	14
Other long-term liabilities	17,175	20,459	3,284
Total long-term liabilities	259,897	260,979	1,081
Current liabilities:			
Current portion of long-term borrowings from parent company	3,360	3,360	-
Accounts payable, trade	37,246	19,097	(18,148)
Short-term borrowings	8,736	14,038	5,301
Accrued taxes on income	6,190	4,098	(2,092)
Allowance for losses on construction	1,188	1,186	(1)
Other current liabilities	184,394	170,167	(14,227)
Total current liabilities	241,116	211,947	(29,168)
TOTAL LIABILITIES	501,014	472,927	(28,086)
NET ASSETS			
Shareholders' equity:			
Common stock	211,763	211,763	-
Capital surplus	131,615	131,615	-
Earned surplus	446,563	433,312	(13,250)
Total shareholders' equity	789,942	776,691	(13,250)
Unrealized gains (losses), translation adjustments, and others:			
Net unrealized gains (losses) on securities	74,404	80,135	5,731
Total unrealized gains (losses), translation adjustments, and others	74,404	80,135	5,731
TOTAL NET ASSETS	864,347	856,827	(7,519)
TOTAL LIABILITIES AND NET ASSETS	1,365,361	1,329,754	(35,606)

Note: *NTT Com 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.

II. Non-Consolidated Comparative Statements of Income
(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Three months ended June 30, 2013	Three months ended June 30, 2014	Increase (Decrease)	Year ended March 31, 2014
Telecommunications businesses:				
Operating revenues	188,031	176,492	(11,539)	742,669
Operating expenses	157,061	154,905	(2,156)	636,374
Operating income from telecommunications businesses	30,969	21,587	(9,382)	106,295
Supplementary businesses:				
Operating revenues	37,443	40,755	3,312	201,359
Operating expenses	35,935	37,684	1,749	194,188
Operating income from supplementary businesses	1,507	3,070	1,562	7,171
Operating income	32,477	24,657	(7,820)	113,466
Non-operating revenues:				
Interest income	83	61	(21)	280
Dividends received	5,872	7,814	1,941	10,244
Lease and rental income	3,263	3,002	(260)	12,987
Miscellaneous income	135	114	(20)	3,987
Total non-operating revenues	9,354	10,993	1,639	27,499
Non-operating expenses:				
Interest expenses	389	408	18	1,569
Lease and rental expenses	1,355	1,486	130	5,731
Miscellaneous expenses	149	34	(114)	1,081
Total non-operating expenses	1,894	1,928	33	8,382
Recurring profit	39,937	33,722	(6,214)	132,583
Special profits	-	-	-	16,169
Special losses	-	-	-	6,019
Income before income taxes	39,937	33,722	(6,214)	142,733
Income taxes	* 15,208	* 11,301	(3,907)	53,774
Net income	24,728	22,421	(2,307)	88,959

Note: *NTT Com 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.

III. Business Results (Non-Consolidated Operating Revenues)

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Three months ended June 30, 2013	Three months ended June 30, 2014	Increase (Decrease)	Percent Increase (Decrease)	Year ended March 31, 2014
Cloud Computing Platforms	11,125	14,568	3,443	31.0	52,922
Data Networks	99,675	93,275	(6,400)	(6.4)	391,505
Voice Communications	75,026	69,233	(5,792)	(7.7)	296,438
Applications & Content	8,862	9,423	561	6.3	36,906
Solution Services	26,901	26,991	89	0.3	150,651
Others	3,884	3,754	(129)	(3.3)	15,604
Total operating revenues	225,474	217,247	(8,227)	(3.6)	944,028

*Details of business results are represented by business line from the fiscal year ended March 31, 2014.
Business results per item are shown below.

(Reference) Business Results (Per item)

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Three months ended June 30, 2013	Three months ended June 30, 2014	Increase (Decrease)	Percent Increase (Decrease)	Year ended March 31, 2014
Voice transmission services revenues (excluding IP services revenues)	69,107	63,074	(6,033)	(8.7)	272,179
IP services revenues	92,431	89,487	(2,943)	(3.2)	367,015
Open computer network services revenues*	38,561	38,146	(414)	(1.1)	153,580
VPN services revenues*	39,740	38,316	(1,424)	(3.6)	159,024
Data communications revenues (excluding IP services revenues)	16,300	13,451	(2,849)	(17.5)	61,232
Leased circuit services revenues*	12,128	9,414	(2,714)	(22.4)	44,628
Solution services revenues	41,226	45,247	4,020	9.8	217,746
Others	6,408	5,987	(421)	(6.6)	25,854
Total operating revenues	225,474	217,247	(8,227)	(3.6)	944,028

*Partial listing only

IV. Financial Results of NTT Communications Group

(Millions of yen)

	Three months ended June 30, 2013	Three months ended June 30, 2014	Increase (Decrease)	Percent Increase (Decrease)
Operating revenues	288,955	296,246	7,291	2.5
Operating expenses	253,713	267,460	13,747	5.4
Operating income	35,242	28,786	(6,456)	(18.3)