

CONSOLIDATED FINANCIAL SUMMARY

Years ended March 31

Financial Results Highlights for FY2011.3

- ▶ Consolidated operating income recorded increase for 10 consecutive years.
- ▶ Fixed-line Business recorded a turnaround in operating income for the first time in 7 years.
- ▶ Net profit surged 19.9% year-on-year.
- ▶ Increased year-end cash dividend by ¥1,000, annual dividend totaled ¥14,000.

Operating revenues in the year ended March 31, 2011 amounted to ¥3,434.5 billion, down 0.2% year on year. Contributing factors included the decrease in voice ARPU (Average Revenue per Unit) in the Mobile Business, which offset an increase in the Fixed-line Business.

Operating income rose 6.3% year on year, to ¥471.9 billion. Net income was up 19.9% year on year, to ¥255.1 billion. This was due to the recording of extraordinary loss including loss on the Great East Japan Earthquake and impairment loss on fac-

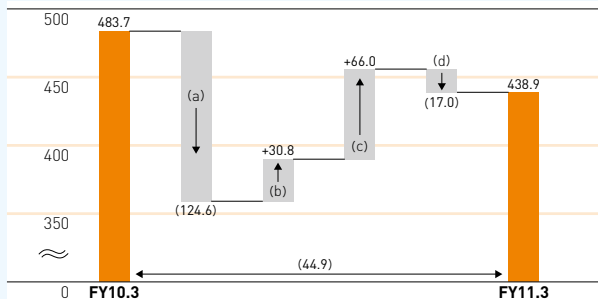
ility used for current 800MHz band resulting from the reorganization of frequencies. In addition, income taxes dropped due to loss on liquidation of four intermediary holding companies that possessed shares of Jupiter Telecommunications Co., Ltd.

For profit distribution, we paid an interim cash dividend of ¥6,500 per share and an increased year-end cash dividend of ¥7,500 per share, up ¥1,000 year on year. The annual dividend totaled ¥14,000.

● Factors Affecting Operating Income

Mobile Business

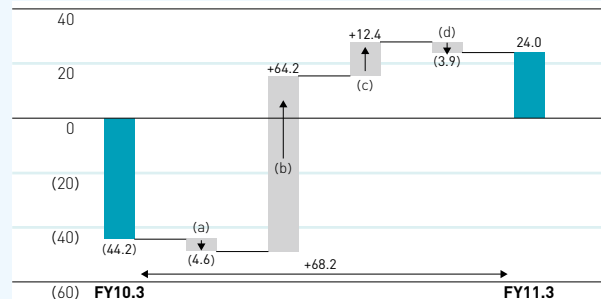
(Billions of yen)



- Operating Income
- (a) Revenues from Telecommunications Business
- (b) Network-related Expenses* (c) Sales Commissions (d) Other
- * Depreciation + Noncurrent Assets Retirement Cost + Communication Facility Fee (including Access Charges for Services)

Fixed-line Business

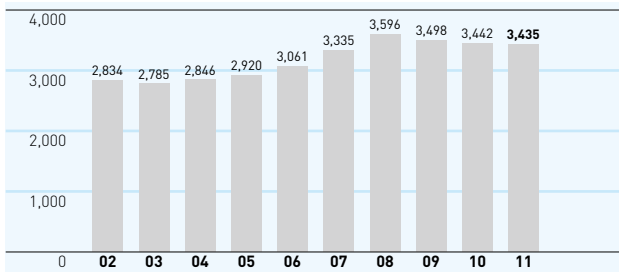
(Billions of yen)



- Operating Income
- (a) Non-consolidated Operating Revenues
- (b) Non-consolidated Operating Expenses
- (c) Group Company Earnings* (d) Other
- * CTC, JCN, and Overseas Subsidiaries

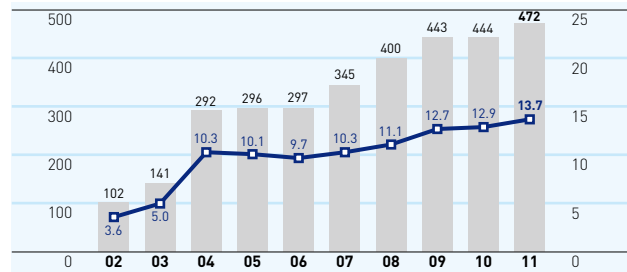
● Operating Revenues

(Billions of yen)



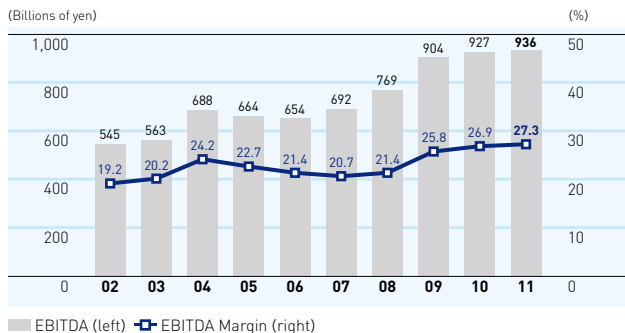
● Operating Income/Operating Income Margin

(Billions of yen)

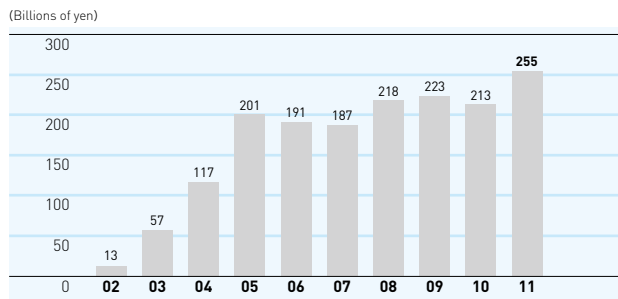


- Operating Income (left)
- Operating Income Margin (right)

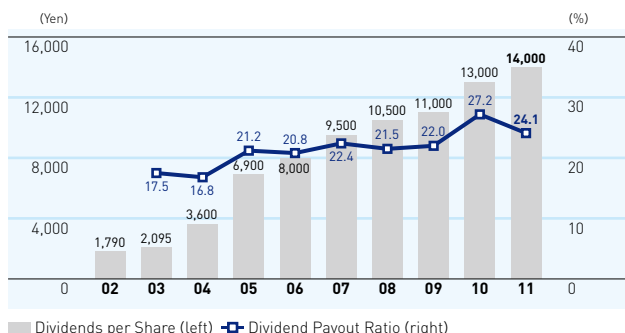
EBITDA/EBITDA Margin



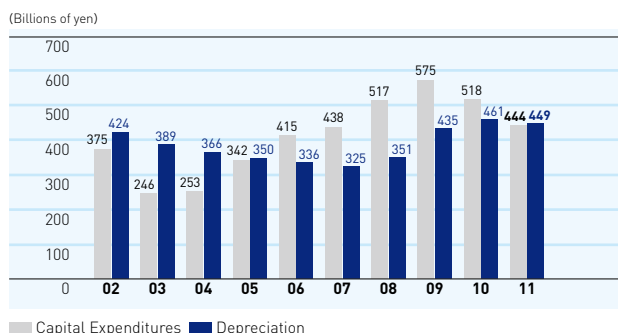
Net Income



Dividends per Share/Dividend Payout Ratio

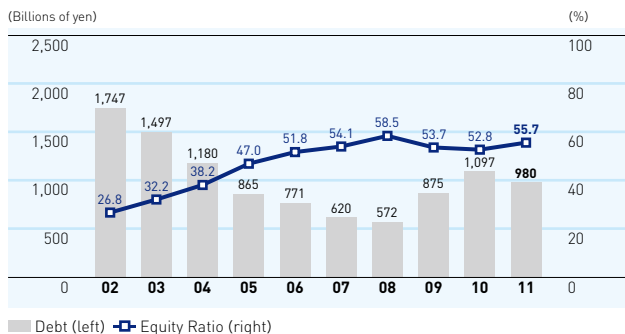


Capital Expenditures/Depreciation

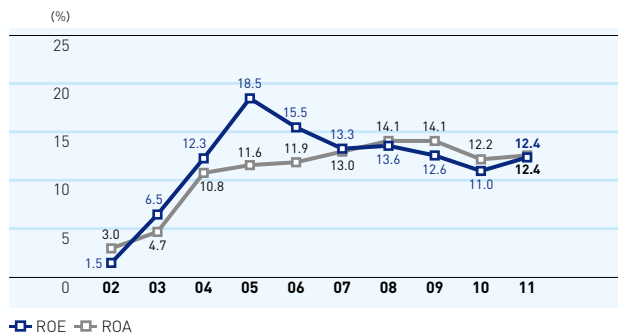


In the year ended March 31, 2002, there was a net loss, therefore presentation is omitted.

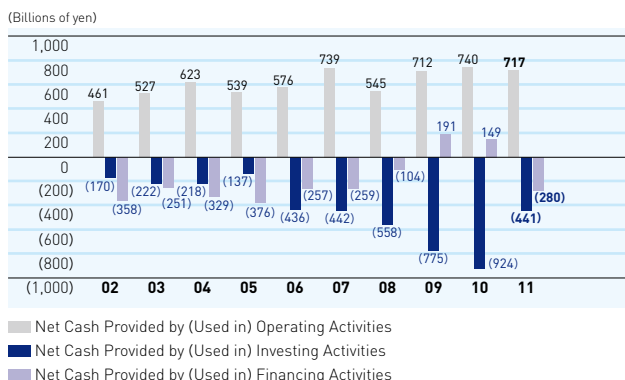
Debt/Equity Ratio



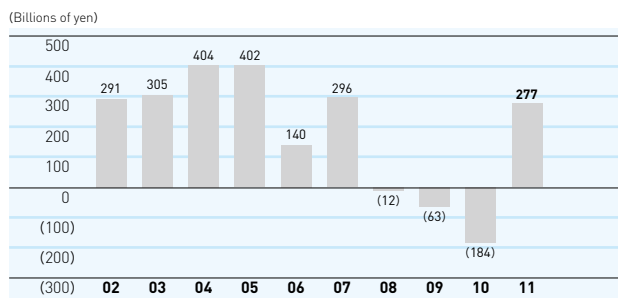
Return on Equity (ROE)/Return on Assets (ROA)



Cash Flows



Free Cash Flows



Five-year Summary (Years ended March 31)

Consolidated	Millions of yen					Millions of U.S. dollars*
	2007	2008	2009	2010	2011	2011
Operating Revenues	¥3,335,260	¥3,596,284	¥3,497,509	¥3,442,147	¥3,434,546	\$41,305
Telecommunications business	2,592,882	2,749,897	2,720,675	2,606,165	2,489,403	29,939
Other business	742,378	846,387	776,834	835,982	945,143	11,367
Operating Income	344,701	400,452	443,207	443,862	471,912	5,675
Net Income	186,747	217,786	222,736	212,764	255,122	3,068
EBITDA	691,699	769,209	904,030	927,253	936,315	11,261
Operating Income Margin	10.3%	11.1%	12.7%	12.9%	13.7%	13.7%
EBITDA Margin	20.7%	21.4%	25.8%	26.9%	27.3%	27.3%
Total Assets	2,803,240	2,879,275	3,429,133	3,819,537	3,778,918	45,447
Interest-bearing Debt	620,471	571,945	874,951	1,096,778	979,630	11,781
Total Net Assets (formerly shareholders' equity)	1,537,114	1,715,731	1,881,329	2,078,451	2,171,839	26,120
Net Cash Provided by (Used in) Operating Activities	738,703	545,234	712,231	739,992	717,354	8,627
Net Cash Provided by (Used in) Investing Activities	(442,218)	(557,688)	(775,470)	(924,442)	(440,546)	(5,298)
Free Cash Flows	296,485	(12,454)	(63,240)	(184,450)	276,808	3,329
Net Cash Provided by (Used in) Financing Activities	(258,919)	(104,410)	191,490	149,239	(279,998)	(3,367)
Per Share Data (yen and U.S. dollars):						
Net Income	42,505	48,810	49,973	47,768	58,150	699
Net Income after Adjusted the Potential Stocks	42,495	48,807	—	—	—	—
Cash Dividends	9,500	10,500	11,000	13,000	14,000	168
Total Net Assets	339,806	377,278	413,339	453,003	495,386	5,958

* U.S. dollar amounts are translated into yen, for convenience only, at the rate of ¥83.15 = U.S. \$1 on March 31, 2011.

Selected Financial Indicators	2007	2008	2009	2010	2011
Equity Ratio (%)	54.1	58.5	53.7	52.8	55.7
D/E Ratio (times)	0.41	0.34	0.48	0.54	0.47
ROE (%)	13.3	13.6	12.6	11.0	12.4
ROA (%)	13.0	14.1	14.1	12.2	12.4
Total Assets Turnover Ratio (times)	1.3	1.3	1.1	0.9	0.9
Shareholders' Equity Turnover Ratio (times)	2.4	2.2	2.0	1.8	1.7
Current Ratio (%)	88.0	107.4	122.5	118.0	153.5
Fixed Assets to Equity (%)	136.4	132.3	139.0	146.2	135.3
Fixed Assets to Long-term Capital (%)	106.2	99.4	95.5	97.6	91.7
Liquidity In-hand (times)	0.7	0.3	0.7	0.6	0.6
Interest Coverage Ratio (times)	59.4	52.7	60.6	59.7	51.1
Dividend Payout Ratio (%)	22.4	21.5	22.0	27.2	24.1

Equity ratio = Shareholders' equity (end of fiscal year) ÷ total assets (end of fiscal year)
D/E ratio = Interest-bearing debt (end of fiscal year) ÷ shareholders' equity (end of fiscal year)
ROE = Net income ÷ average shareholders' equity over fiscal year
ROA = Operating income ÷ average total assets over fiscal year
Total assets turnover ratio = Operating revenues ÷ average total assets over fiscal year
Shareholders' equity turnover ratio = Operating revenues ÷ average shareholders' equity over fiscal year
Current ratio = Current assets (end of fiscal year) ÷ current liabilities (end of fiscal year)
Fixed assets to equity = Fixed assets (end of fiscal year) ÷ total shareholders' equity (end of fiscal year)

Fixed assets to long-term capital = Total fixed assets ÷ (total shareholders' equity (end of fiscal year) + non-current liabilities (end of fiscal year))
Liquidity in-hand = Liquidity in-hand (cash + marketable securities among the current assets) ÷ (operating revenues ÷ 12)
Interest coverage ratio = Operating cash flows ÷ interest payments
Dividend payout ratio = Annual dividend amounts ÷ net income
Note: Sum of Shareholders' equity, Share warrant, and Minority interests

Segment Data (Years ended March 31)

Mobile Business	Millions of yen					Millions of U.S. dollars*
	2007	2008	2009	2010	2011	2011
Operating Revenues	¥2,677,445	¥2,862,599	¥2,719,211	¥2,650,135	¥2,590,725	\$31,157
Sales outside the group	2,662,550	2,851,679	2,708,005	2,637,806	2,582,366	31,057
Telecommunications business	2,017,516	2,149,208	2,100,289	2,004,921	1,880,301	22,613
Other business	645,034	702,471	607,716	632,886	702,066	8,443
Sales within the group	14,895	10,920	11,206	12,329	8,358	101
Operating Income	385,689	455,044	501,461	483,742	438,886	5,278
Net Income	209,458	266,472	273,120	293,175	214,038	2,574
Free Cash Flows	294,838	82,414	179,968	276,493	244,833	2,944
EBITDA	598,134	692,239	821,881	826,834	774,390	9,313
Operating Income Margin	14.4%	15.9%	18.4%	18.3%	16.9%	16.9%
EBITDA Margin	22.3%	24.2%	30.2%	31.2%	29.9%	29.9%

Explained on P.50 "OVERVIEW OF OPERATIONS"

Fixed-line Business	Millions of yen					Millions of U.S. dollars*
	2007	2008	2009	2010	2011	2011
Operating Revenues	¥714,350	¥718,646	¥848,712	¥839,178	¥897,251	\$10,791
Sales outside the group	610,364	629,647	759,313	751,196	803,590	9,664
Telecommunications business	548,675	565,331	618,972	600,135	608,590	7,319
Other business	61,690	64,316	140,341	151,060	195,000	2,345
Sales within the group	103,986	88,999	89,399	87,982	93,662	1,126
Operating Income (Loss)	(49,036)	(64,668)	(56,560)	(44,217)	23,989	289
Net Income (Loss)	(23,448)	(51,731)	(43,072)	(68,383)	39,721	478
Free Cash Flows	6,303	(53,897)	(40,744)	(75,673)	35,136	423
EBITDA	80,890	58,129	82,301	94,669	151,586	1,823
Operating Income Margin	(6.9%)	(9.0%)	(6.7%)	(5.3%)	2.7%	2.7%
EBITDA Margin	11.3%	8.1%	9.7%	11.3%	16.9%	16.9%

Explained on P.58 "OVERVIEW OF OPERATIONS"

Other Business	Millions of yen					Millions of U.S. dollars*
	2007	2008	2009	2010	2011	2011
Operating Revenues	¥108,704	¥167,159	¥72,777	¥112,247	¥114,327	\$1,375
Sales outside the group	62,345	114,958	30,191	53,145	48,590	584
Sales within the group	46,359	52,201	42,586	59,102	65,737	791
Operating Income (Loss)	6,858	9,015	(2,476)	3,506	8,530	103
Net Income (Loss)	3,571	1,247	(3,543)	1,234	2,304	28
Operating Income Margin	6.3%	5.4%	(3.4%)	3.1%	7.5%	7.5%

Explained on P.62 "OVERVIEW OF OPERATIONS"