FINANCIAL RESULTS

[First Quarter Financial Statements]

- Fiscal Year Ending March 31, 2013 -

1. Balance Sheets

(<math>in millions)

		(± III IIIIIIOIIS)
	Prior Year End	Current 1st-qtr End
	(As of March 31, 2012)	(As of June 30, 2012)
(ASSETS)		
I Current assets		
1 Cash and deposits	40,066	37,524
2 Accounts receivable-trade	36,595	34,311
3 Merchandise	4,415	4,192
4 Accounts receivable-other	32,163	35,136
5 Income taxes receivable	3	3
6 Other current assets	12,389	11,669
7 Allowance for bad debt	(3,457)	(3,637)
Total current assets	122,173	119,197
II Fixed assets		
1 Tangible fixed assets		
(1) Wireless telecommunications equipments	115,533	116,580
(2) Others, net	32,687	31,351
Total tangible fixed assets	148,220	147,931
2 Intangible fixed assets	40,504	37,555
3 Investments and other assets		
(1) Investments and others	40,470	40,547
(2) Allowance for bad debt	(174)	(193)
Total investments and other assets	40,296	40,354
Total fixed assets	229,020	225,839
Ⅲ Deferred assets		
1 Bond issuance cost	1,119	1,059
Total deferred assets	1,119	1,059
TOTAL ASSETS	352,312	346,096
TOTAL ASSETS	332,312	340,090

1. Balance Sheets (Continued)

(¥ in millions)

(\display in million			
	Prior Year End (As of March 31, 2012)	Current 1st-qtr End (As of June 30, 2012)	
(LIABILITIES)	(As of March 51, 2012)	(As 01 Julie 30, 2012)	
I Current liabilities			
1 Accounts payable-trade	5,593	4,519	
2 Current maturities of bonds	1,580	1,055	
3 Current portion of long-term debt	29,099	30,443	
4 Other accounts payable	26,880	24,960	
5 Accrued expenses	5.947	7.031	
6 Income tax payable	121	104	
7 Other current liabilities	15,889	17,129	
Total current liabilities	85,109	85,240	
II Long-term liabilities	05,107	05,210	
1 Bonds, less current maturities	67,502	64,071	
2 Long-term debt, less current portion	105,676	99,585	
3 Other long-term liabilities	7,654	10,557	
Total long-term liabilities	180,832	174,213	
TOTAL LIABILITIES	265,941	259,453	
- 0	,		
(NET ASSETS)			
I Shareholders' equity			
1 Capital stock	18,503	18,503	
2 Capital surplus	49,251	49,251	
3 Retained earnings	17,524	18,258	
Total shareholders' equity	85,277	86,011	
II Valuation and translation adjustments			
1 Valuation adjustment on securities investments	35	29	
2 Deferred hedge gain / (loss)	1,059	603	
Total valuation and translation adjustments	1,094	632	
TOTAL NET ASSETS	86,371	86,643	
TOTAL LIABILITIES AND NET ASSETS	352,312	346,096	

2. Statement of Operations

(¥ in millions)

	(¥ in millior		
		Prior 1st-qtr	Current 1st-qtr
		(Three months ended	(Three months ended
		June 30, 2011)	June 30, 2012)
I	Revenue	47,605	54,421
П	Cost of revenue	19,187	21,449
	Gross profit	28,418	32,971
ш	Selling, general and administrative expenses	21,929	28,819
	Operating profit	6,489	4,153
IV	Non-operating income		
1	Interest income	1	62
2	Dividend income	-	1
3	Gain on bad debts recovered	0	26
4	Others	19	14
	Total non-operating income	20	103
v	Non-operating expenses		
1	Interest expense	2,623	2,354
2	Others	670	514
	Total non-operating expenses	3,293	2,868
	Recurring profit	3,217	1,388
VI	Non-recurring profit		
1	Gain on sales of fixed assets	4	-
2	Reserve fund against loss on retirement of fixed assets	-	368
3	Others	-	91
	Total non-recurring profit	4	459
VII	Non-recurring loss		
1	Loss on disposition of fixed assets	53	433
	Total non-recurring loss	53	433
	Income before income taxes	3,167	1,414
	Income / (Loss) tax expense-current	2	1
	Income / (Loss) tax expense-deferred	-	(60)
	Total income taxes	2	(59)
	Net income	3,166	1,473

3. Statement of Cash Flows

(¥ in millions)

Transmisser Current Ist-qur (Three months ended June 30, 2011)				(¥ in millions)
Table June 30, 2011 June 30, 2012				
I Cash flows from operating activities 3,167 1,414 2 Depreciation 9,244 9,506 3 Loss (gain) on sales of fixed assets 53 343 5 Amortization of bond issuance cost 50 60 60 66 66 66 66 66			`	`
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