

## FINANCIAL RESULTS

### **【First Quarter Financial Statements】** **- Fiscal Year Ending March 31, 2012 -**

#### **1. Balance Sheets**

	(¥ in millions)	
	Prior Year End (As of March 31, 2011)	Current 1st-qtr End (As of June 30, 2011)
<b>(ASSETS)</b>		
<b>I Current assets</b>		
1 Cash and deposits	47,080	38,131
2 Accounts receivable-trade	30,263	27,067
3 Merchandise	2,090	2,556
4 Accounts receivable-other	36,584	34,079
5 Income taxes receivable	2,513	2,279
6 Other current assets	9,426	10,139
7 Allowance for bad debt	(3,520)	(2,993)
Total current assets	124,438	111,258
<b>II Fixed assets</b>		
1 Tangible fixed assets		
(1) Wireless telecommunications equipments	110,769	112,801
(2) Others, net	33,955	32,161
Total tangible fixed assets	144,724	144,962
2 Intangible fixed assets		
3 Investments and other assets		
(1) Investments and others	35,814	36,777
(2) Allowance for bad debt	(190)	(178)
Total investments and other assets	35,623	36,599
Total fixed assets	228,147	227,640
<b>III Deferred assets</b>		
1 Bond issuance cost	366	1,298
Total deferred assets	366	1,298
<b>TOTAL ASSETS</b>	<b>352,952</b>	<b>340,196</b>

## **1. Balance Sheets (Continued)**

	Prior Year End (As of March 31, 2011)	Current 1st-qtr End (As of June 30, 2011)
<b>(LIABILITIES)</b>		
<b>I Current liabilities</b>		
1 Accounts payable-trade	1,791	1,246
2 Current maturities of bonds	14,048	11,078
3 Current portion of long-term debt	20,712	18,274
4 Other accounts payable	19,516	13,911
5 Accrued expenses	7,038	5,402
6 Income tax payable	509	105
7 Allowance for disaster loss	77	48
8 Other current liabilities	15,720	14,781
Total current liabilities	79,409	64,845
<b>II Long-term liabilities</b>		
1 Bonds, less current maturities	12,640	69,381
2 Long-term debt, less current portion	177,665	121,620
3 Other long-term liabilities	10,212	10,019
Total long-term liabilities	200,517	201,020
<b>TOTAL LIABILITIES</b>	<b>279,926</b>	<b>265,865</b>
<b>(NET ASSETS)</b>		
<b>I Shareholders' equity</b>		
1 Capital stock	18,482	18,503
2 Capital surplus		
Legal capital surplus	49,230	49,250
Total capital surplus	49,230	49,250
3 Retained earnings		
Retained earnings brought forward	5,325	7,751
Total retained earnings	5,325	7,751
Total shareholders' equity	73,037	75,504
<b>II Valuation and translation adjustments</b>		
1 Valuation adjustment on securities investments	18	31
2 Deferred hedge gain / (loss)	(29)	(1,205)
Total valuation and translation adjustments	(11)	(1,174)
<b>TOTAL NET ASSETS</b>	<b>73,026</b>	<b>74,330</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>352,952</b>	<b>340,196</b>

## 2. Statement of Operations

(¥ in millions)

	Current 1st-qr (Three months ended June 30, 2011)
<b>I Revenue</b>	47,605
<b>II Cost of revenue</b>	19,187
<b>Gross profit</b>	28,418
<b>III Selling, general and administrative expenses</b>	21,929
<b>Operating profit</b>	6,489
<b>IV Non-operating income</b>	
Interest income	1
Others	19
Total non-operating income	20
<b>V Non-operating expenses</b>	
Interest expense	2,623
Others	670
Total non-operating expenses	3,293
<b>Recurring profit</b>	3,217
<b>VI Non-recurring profit</b>	
Gain on sales of fixed assets	4
Total non-recurring profit	4
<b>VII Non-recurring loss</b>	
Loss on disposition of fixed assets	53
Total non-recurring loss	53
<b>Income before income taxes</b>	3,167
<b>Income tax expense-current</b>	2
<b>Total Income taxes</b>	2
<b>Net income</b>	3,166

### 3. Statement of Cash Flows

(¥ in millions)

	Current 1st-qr (Three months ended June 30, 2011)
<b>I Cash flows from operating activities</b>	
1 Income before income taxes	3,167
2 Depreciation	9,244
3 Loss (gain) on sales of fixed assets	(4)
4 Loss on disposition of fixed assets	53
5 Bond issuance cost	60
6 Other loss (gain)	(5)
7 Increase (decrease) in allowance for bad debt	(539)
8 Increase (decrease) in allowance for disaster loss	(14)
9 Interest and dividend income	(1)
10 Interest expense	2,623
11 Commission expense	593
12 Decrease (increase) in accounts receivable-trade	3,196
13 Decrease (increase) in inventories	(484)
14 Decrease (increase) in accounts receivable-other	1,198
15 Decrease (increase) in other assets	22
16 Increase (decrease) in accounts payable-trade	(545)
17 Increase (decrease) in other accounts payable	(1,177)
18 Increase (decrease) in accrued expenses	(2,635)
19 Increase (decrease) in other liabilities	(556)
Subtotal	14,197
20 Interest and dividend received	0
21 Interest paid	(1,954)
22 Income taxes paid	(24)
23 Income taxes refund	239
Net cash provided by (used in) operating activities	12,458
<b>II Cash flows from investing activities</b>	
1 Proceeds from time deposits at maturity	2,500
2 Decrease (increase) in restricted deposit	(471)
3 Purchase of tangible fixed assets	(10,572)
4 Proceeds from sales of tangible fixed assets	15
5 Purchase of intangible fixed assets	(1,719)
6 Others	(13)
Net cash provided by (used in) investing activities	(10,260)
<b>III Cash flows from financing activities</b>	
1 Repayments of capital lease obligations	(226)
2 Proceeds from sales and redemption by installment payment	3,445
3 Repayments of installment obligations	(4,199)
4 Proceeds from long-term debt	3,404
5 Repayments of long-term debt	(61,886)
6 Payments for arrangement of interest bearing debt	(1,484)
7 Proceeds from issuance of bonds	55,997
8 Redemption of bonds	(3,495)
9 Proceeds from stock issuance, net	41
10 Dividends paid	(716)
Net cash provided by (used in) financing activities	(9,119)
<b>IV Net change in cash and cash equivalents</b>	(6,921)
<b>V Cash and cash equivalents at the beginning of the period</b>	43,397
<b>VI Cash and cash equivalents at the end of the period</b>	36,477