

FINANCIAL RESULTS

【Second Quarter Financial Statements】

- Fiscal Year Ending March 31, 2012 -

1. Balance Sheets

(¥ in millions)

| | Prior Year End (As of March 31, 2011) | Current 2nd-qr End (As of September 30, 2011) |
|--|--|--|
| (ASSETS) | | |
| I Current assets | | |
| 1 Cash and deposits | 47,080 | 44,791 |
| 2 Accounts receivable-trade | 30,263 | 28,432 |
| 3 Merchandise | 2,090 | 2,507 |
| 4 Income taxes receivable | 2,513 | 1 |
| 5 Other current assets | 46,011 | 41,518 |
| 6 Allowance for bad debt | (3,520) | (3,264) |
| Total current assets | 124,438 | 113,986 |
| II Fixed assets | | |
| 1 Tangible fixed assets | | |
| (1) Wireless telecommunications equipments | 110,769 | 112,763 |
| (2) Others, net | 33,955 | 31,570 |
| Total tangible fixed assets | 144,724 | 144,332 |
| 2 Intangible fixed assets | 47,800 | 43,878 |
| 3 Investments and other assets | | |
| (1) Investments and others | 35,814 | 35,488 |
| (2) Allowance for bad debt | (190) | (162) |
| Total investments and other assets | 35,623 | 35,326 |
| Total fixed assets | 228,147 | 223,535 |
| III Deferred assets | | |
| 1 Bond issuance cost | 366 | 1,238 |
| Total deferred assets | 366 | 1,238 |
| TOTAL ASSETS | 352,952 | 338,759 |

1. Balance Sheets (Continued)

(¥ in millions)

| | Prior Year End (As of March 31, 2011) | Current 2nd-qr End (As of September 30, 2011) |
|--|--|--|
| (LIABILITIES) | | |
| I Current liabilities | | |
| 1 Accounts payable-trade | 1,791 | 2,334 |
| 2 Current maturities of bonds | 14,048 | 11,078 |
| 3 Current portion of long-term debt | 20,712 | 19,837 |
| 4 Other accounts payable | 19,516 | 13,843 |
| 5 Accrued expenses | 7,038 | 4,938 |
| 6 Income tax payable | 509 | 232 |
| 7 Allowance for disaster loss | 77 | 17 |
| 8 Other current liabilities | 15,720 | 13,872 |
| Total current liabilities | 79,409 | 66,151 |
| II Long-term liabilities | | |
| 1 Bonds, less current maturities | 12,640 | 64,582 |
| 2 Long-term debt, less current portion | 177,665 | 117,951 |
| 3 Other long-term liabilities | 10,212 | 11,924 |
| Total long-term liabilities | 200,517 | 194,458 |
| TOTAL LIABILITIES | 279,926 | 260,609 |
| (NET ASSETS) | | |
| I Shareholders' equity | | |
| 1 Capital stock | 18,482 | 18,503 |
| 2 Capital surplus | 49,230 | 49,251 |
| 3 Retained earnings | 5,325 | 10,917 |
| Total shareholders' equity | 73,037 | 78,670 |
| II Valuation and translation adjustments | | |
| 1 Valuation adjustment on securities investments | 18 | 30 |
| 2 Deferred hedge gain / (loss) | (29) | (550) |
| Total valuation and translation adjustments | (11) | (519) |
| TOTAL NET ASSETS | 73,026 | 78,151 |
| TOTAL LIABILITIES AND NET ASSETS | 352,952 | 338,759 |

2. Statement of Operations

(¥ in millions)

| | Current 2nd-qr (Six months ended September 30, 2011) |
|---|--|
| I Revenue | 96,592 |
| II Cost of revenue | 39,107 |
| Gross profit | 57,485 |
| III Selling, general and administrative expenses | 44,063 |
| Operating profit | 13,421 |
| IV Non-operating income | |
| Interest income | 6 |
| Dividend income | 2 |
| Gain on bad debts recovered | 76 |
| Interest on refund | 63 |
| Others | 51 |
| Total non-operating income | 198 |
| V Non-operating expenses | |
| Interest expense | 5,259 |
| Others | 1,198 |
| Total non-operating expenses | 6,457 |
| Recurring profit | 7,162 |
| VI Non-recurring profit | |
| Gain on sales of fixed assets | 4 |
| Total non-recurring profit | 4 |
| VII Non-recurring loss | |
| Loss on disposition of fixed assets | 87 |
| Total non-recurring loss | 87 |
| Income before income taxes | 7,079 |
| Income tax expense-current | 8 |
| Total Income taxes | 8 |
| Net income | 7,070 |

3. Statement of Cash Flows

(¥ in millions)

| | Current 2nd-qr (Six months ended September 30, 2011) |
|---|--|
| I Cash flows from operating activities | |
| 1 Income before income taxes | 7,079 |
| 2 Depreciation | 18,726 |
| 3 Loss (gain) on sales of fixed assets | (4) |
| 4 Loss on disposition of fixed assets | 87 |
| 5 Bond issuance cost | 119 |
| 6 Other loss (gain) | (71) |
| 7 Increase (decrease) in allowance for bad debt | (285) |
| 8 Increase (decrease) in allowance for disaster loss | (22) |
| 9 Interest and dividend income | (8) |
| 10 Interest expense | 5,259 |
| 11 Commission expense | 1,014 |
| 12 Decrease (increase) in accounts receivable-trade | 1,832 |
| 13 Decrease (increase) in inventories | (436) |
| 14 Decrease (increase) in other assets | 3,867 |
| 15 Increase (decrease) in accounts payable-trade | 543 |
| 16 Increase (decrease) in other accounts payable | (115) |
| 17 Increase (decrease) in accrued expenses | (2,138) |
| 18 Increase (decrease) in other liabilities | (455) |
| Subtotal | 34,992 |
| 19 Interest and dividend received | 7 |
| 20 Interest paid | (5,199) |
| 21 Income taxes paid | (24) |
| 22 Income taxes refund | 2,581 |
| Net cash provided by (used in) operating activities | 32,357 |
| II Cash flows from investing activities | |
| 1 Proceeds from time deposits at maturity | 2,500 |
| 2 Placement into time deposits | (2,500) |
| 3 Decrease (increase) in restricted deposit | (471) |
| 4 Purchase of tangible fixed assets | (17,111) |
| 5 Proceeds from sales of tangible fixed assets | 15 |
| 6 Purchase of intangible fixed assets | (2,983) |
| 7 Others | (18) |
| Net cash provided by (used in) investing activities | (20,569) |
| III Cash flows from financing activities | |
| 1 Repayments of capital lease obligations | (451) |
| 2 Proceeds from sales and redemption by installment payment | 6,188 |
| 3 Repayments of installment obligations | (8,372) |
| 4 Proceeds from long-term debt | 4,756 |
| 5 Repayments of long-term debt | (65,344) |
| 6 Payments for arrangement of interest bearing debt | (1,859) |
| 7 Proceeds from issuance of bonds | 55,997 |
| 8 Redemption of bonds | (4,024) |
| 9 Proceeds from stock issuance, net | 41 |
| 10 Dividends paid | (1,480) |
| Net cash provided by (used in) financing activities | (14,550) |
| IV Net change in cash and cash equivalents | (2,761) |
| V Cash and cash equivalents at the beginning of the period | 43,397 |
| VI Cash and cash equivalents at the end of the period | 40,637 |