

## FINANCIAL RESULTS

### **【Third Quarter Financial Statements】**

**- Fiscal Year Ending March 31, 2012 -**

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

(¥ in millions)

	Prior Year End (As of March 31, 2011)	Current 3rd-qr End (As of December 31, 2011)
<b>(ASSETS)</b>		
<b>Current assets</b>		
1 Cash and deposits	47,080	45,924
2 Accounts receivable-trade	30,263	32,293
3 Merchandise	2,090	3,801
4 Income taxes receivable	2,513	12
5 Other current assets	46,011	43,933
6 Allowance for bad debt	(3,520)	(3,420)
Total current assets	124,438	122,544
<b>Fixed assets</b>		
1 Tangible fixed assets		
(1) Wireless telecommunications equipments	110,769	114,129
(2) Others, net	33,955	33,192
Total tangible fixed assets	144,724	147,321
2 Intangible fixed assets		
3 Investments and other assets	47,800	41,738
(1) Investments and others	35,814	31,062
(2) Allowance for bad debt	(190)	(165)
Total investments and other assets	35,623	30,897
Total fixed assets	228,147	219,957
<b>Deferred assets</b>		
1 Bond issuance cost	366	1,179
Total deferred assets	366	1,179
<b>TOTAL ASSETS</b>	<b>352,952</b>	<b>343,679</b>

## 1. Balance Sheets (Continued)

(¥ in millions)

	Prior Year End (As of March 31, 2011)	Current 3rd-qr End (As of December 31, 2011)
<b>(LIABILITIES)</b>		
<b>Current liabilities</b>		
1 Accounts payable-trade	1,791	4,015
2 Current maturities of bonds	14,048	10,583
3 Current portion of long-term debt	20,712	21,399
4 Other accounts payable	19,516	22,232
5 Accrued expenses	7,038	6,846
6 Income tax payable	509	12
7 Allowance for disaster loss	77	8
8 Other current liabilities	15,720	14,242
Total current liabilities	79,409	79,337
<b>Long-term liabilities</b>		
1 Bonds, less current maturities	12,640	64,351
2 Long-term debt, less current portion	177,665	112,533
3 Other long-term liabilities	10,212	11,950
Total long-term liabilities	200,517	188,834
<b>TOTAL LIABILITIES</b>	<b>279,926</b>	<b>268,170</b>
<b>(NET ASSETS)</b>		
<b>Shareholders' equity</b>		
1 Capital stock	18,482	18,503
2 Capital surplus	49,230	49,251
3 Retained earnings	5,325	8,609
Total shareholders' equity	73,037	76,362
<b>Valuation and translation adjustments</b>		
1 Valuation adjustment on securities investments	18	34
2 Deferred hedge gain / (loss)	(29)	(888)
Total valuation and translation adjustments	(11)	(854)
<b>TOTAL NET ASSETS</b>	<b>73,026</b>	<b>75,509</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>352,952</b>	<b>343,679</b>

## 2. Statement of Operations

(¥ in millions)

	Current 3rd-qr (Nine months ended December 31, 2011)
<b>Revenue</b>	149,124
<b>Cost of revenue</b>	59,446
<b>Gross profit</b>	89,678
<b>Selling, general and administrative expenses</b>	70,652
<b>Operating profit</b>	19,026
<b>Non-operating income</b>	
Interest income	8
Dividend income	2
Gain on bad debts recovered	116
Interest on refund	63
Others	54
Total non-operating income	243
<b>Non-operating expenses</b>	
Interest expense	7,833
Others	1,705
Total non-operating expenses	9,537
<b>Recurring profit</b>	9,731
<b>Non-recurring profit</b>	
Gain on sales of fixed assets	4
Total non-recurring profit	4
<b>Non-recurring loss</b>	
Loss on disposition of fixed assets	152
Total non-recurring loss	152
<b>Income before income taxes</b>	9,582
<b>Income tax expense-current</b>	15
<b>Income tax expense-deferred</b>	4,067
<b>Total Income taxes</b>	4,081
<b>Net income</b>	5,501

### 3. Statement of Cash Flows

(¥ in millions)

	Current 3rd-qr (Nine months ended December 31, 2011)
<b>Cash flows from operating activities</b>	
1 Income before income taxes	9,582
2 Depreciation	28,283
3 Loss (gain) on sales of fixed assets	(4)
4 Loss on disposition of fixed assets	152
5 Bond issuance cost	179
6 Other loss (gain)	(65)
7 Increase (decrease) in allowance for bad debt	(125)
8 Increase (decrease) in allowance for disaster loss	(29)
9 Interest and dividend income	(10)
10 Interest expense	7,833
11 Commission expense	1,451
12 Decrease (increase) in accounts receivable-trade	(2,030)
13 Decrease (increase) in inventories	(1,716)
14 Decrease (increase) in other assets	1,490
15 Increase (decrease) in accounts payable-trade	2,225
16 Increase (decrease) in other accounts payable	4,833
17 Increase (decrease) in accrued expenses	(1,150)
18 Increase (decrease) in other liabilities	(486)
Subtotal	50,414
19 Interest and dividend received	9
20 Interest paid	(7,079)
21 Income taxes paid	(30)
22 Income taxes refund	2,581
Net cash provided by (used in) operating activities	45,895
<b>Cash flows from investing activities</b>	
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	(23,670)
5 Proceeds from sales of tangible fixed assets	15
6 Purchase of intangible fixed assets	(3,453)
7 Others	(26)
Net cash provided by (used in) investing activities	(27,605)
<b>Cash flows from financing activities</b>	
1 Repayments of capital lease obligations	(626)
2 Proceeds from sales and redemption by installment payment	10,285
3 Repayments of installment obligations	(12,538)
4 Proceeds from long-term debt	5,797
5 Repayments of long-term debt	(70,241)
6 Payments for arrangement of interest bearing debt	(1,889)
7 Proceeds from issuance of bonds	55,997
8 Redemption of bonds	(4,519)
9 Proceeds from stock issuance, net	41
10 Dividends paid	(2,223)
Net cash provided by (used in) financing activities	(19,917)
<b>Effect of exchange rate change on cash and cash equivalents</b>	(1)
<b>Net change in cash and cash equivalents</b>	(1,627)
<b>Cash and cash equivalents at the beginning of the period</b>	43,397
<b>Cash and cash equivalents at the end of the period</b>	41,770