

## 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)
<b>(ASSETS)</b>		
<b>I Current assets</b>		
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
<b>II Fixed assets</b>		
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
<b>III Deferred assets</b>		
1 Bond issuance cost	366	1,238
Total deferred assets	366	1,238
<b>TOTAL ASSETS</b>	<b>352,952</b>	<b>338,759</b>

## 1. Balance Sheets (Continued)

(¥ in millions)

	Prior Year End (As of March 31, 2011)	Current 2nd-qr End (As of September 30, 2011)
<b>(LIABILITIES)</b>		
<b>I Current liabilities</b>		
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
<b>II Long-term liabilities</b>		
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
<b>TOTAL LIABILITIES</b>	<b>279,926</b>	<b>260,609</b>
<b>(NET ASSETS)</b>		
<b>I Shareholders' equity</b>		
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
<b>II Valuation and translation adjustments</b>		
1 Valuation adjustment on securities investments	18	30
2 Deferred hedge gain / (loss)	(29)	(550)
Total valuation and translation adjustments	(11)	(519)
<b>TOTAL NET ASSETS</b>	<b>73,026</b>	<b>78,151</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>352,952</b>	<b>338,759</b>

## 2. Statement of Operations

(¥ in millions)

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

### 3. Statement of Cash Flows

(¥ in millions)

	Current 2nd-qr (Six months ended September 30, 2011)
<b>I Cash flows from operating activities</b>	
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
<b>II 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	(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)
<b>III Cash flows from financing activities</b>	
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)
<b>IV Net change in cash and cash equivalents</b>	(2,761)
<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>	40,637