

## **(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**

SIX-MONTH PERIOD ENDED SEPTEMBER 30

### **Consolidated Statements of Income**

	Millions of yen		
	2015	2016	Increase (Decrease)
<b>Operating revenues:</b>			
Fixed voice related services	¥667,569	¥619,316	¥(48,253)
Mobile voice related services	407,732	429,604	21,872
IP / packet communications services	1,875,303	1,901,368	26,065
Sale of telecommunications equipment	463,798	423,074	(40,724)
System integration	1,437,299	1,397,071	(40,228)
Other	737,257	753,895	16,638
	<u>5,588,958</u>	<u>5,524,328</u>	<u>(64,630)</u>
<b>Operating expenses:</b>			
Cost of services (excluding items shown separately below)	1,149,106	1,153,397	4,291
Cost of equipment sold (excluding items shown separately below)	431,113	406,441	(24,672)
Cost of system integration (excluding items shown separately below)	1,034,476	986,249	(48,227)
Depreciation and amortization	871,639	716,473	(155,166)
Impairment losses			
Goodwill	—	4,471	4,471
Other	3,631	10,197	6,566
Selling, general and administrative expenses	1,365,529	1,320,616	(44,913)
	<u>4,855,494</u>	<u>4,597,844</u>	<u>(257,650)</u>
<b>Operating income</b>	<u>733,464</u>	<u>926,484</u>	<u>193,020</u>
<b>Other income (expenses):</b>			
Interest and amortization of bond discounts and issue costs	(22,064)	(19,780)	2,284
Interest income	8,737	8,621	(116)
Other, net	(2,718)	(18,420)	(15,702)
	<u>(16,045)</u>	<u>(29,579)</u>	<u>(13,534)</u>
<b>Income before income taxes and equity in earnings (losses) of affiliated companies</b>	<u>717,419</u>	<u>896,905</u>	<u>179,486</u>
<b>Income tax expense (benefit):</b>			
Current	239,266	246,678	7,412
Deferred	(11,961)	34,766	46,727
	<u>227,305</u>	<u>281,444</u>	<u>54,139</u>
<b>Income before equity in earnings (losses) of affiliated companies</b>	<u>490,114</u>	<u>615,461</u>	<u>125,347</u>
Equity in earnings (losses) of affiliated companies	7,512	10,065	2,553
<b>Net income</b>	<u>497,626</u>	<u>625,526</u>	<u>127,900</u>
Less – Net income attributable to noncontrolling interests	120,307	149,430	29,123
<b>Net income attributable to NTT</b>	<u>¥377,319</u>	<u>¥476,096</u>	<u>¥98,777</u>
<b>Per share of common stock*:</b>			
Weighted average number of shares outstanding (Shares)	2,115,360,234	2,061,934,989	
Net income attributable to NTT (Yen)	¥178.37	¥230.90	

\* "Per share of common stock" figures for the six months ended September 30, 2015 have been adjusted to reflect the two-for-one stock split carried out on July 1, 2015.

## Consolidated Statements of Comprehensive Income

	Millions of yen		
	2015	2016	Increase (Decrease)
Net income	¥497,626	¥625,526	¥127,900
Other comprehensive income (loss), net of tax:			
Unrealized gain (loss) on securities	(24,156)	(18,302)	5,854
Unrealized gain (loss) on derivative instruments	(849)	(2,009)	(1,160)
Foreign currency translation adjustments	(32,160)	(178,873)	(146,713)
Pension liability adjustments	1,107	5,812	4,705
Total other comprehensive income (loss)	(56,058)	(193,372)	(137,314)
<b>Total comprehensive income (loss)</b>	<b>441,568</b>	<b>432,154</b>	<b>(9,414)</b>
Less – Comprehensive income attributable to noncontrolling interests	112,613	112,965	352
<b>Total comprehensive income (loss) attributable to NTT</b>	<b>¥328,955</b>	<b>¥319,189</b>	<b>¥(9,766)</b>