

(2) CONSOLIDATED STATEMENTS OF INCOME AND CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

YEAR ENDED MARCH 31

Consolidated Statements of Income

	Millions of yen		
	2015	2016	Increase (Decrease)
Operating revenues:			
Fixed voice related services	¥1,441,383	¥1,329,963	¥(111,420)
Mobile voice related services	872,062	837,818	(34,244)
IP / packet communications services	3,672,157	3,757,846	85,689
Sale of telecommunications equipment	996,996	953,022	(43,974)
System integration	2,691,766	3,063,501	371,735
Other	1,420,953	1,598,847	177,894
	11,095,317	11,540,997	445,680
Operating expenses:			
Cost of services (excluding items shown separately below)	2,434,870	2,458,057	23,187
Cost of equipment sold (excluding items shown separately below)	948,903	970,478	21,575
Cost of system integration (excluding items shown separately below)	1,900,319	2,197,506	297,187
Depreciation and amortization	1,827,998	1,766,325	(61,673)
Impairment losses	38,739	19,821	(18,918)
Selling, general and administrative expenses	2,856,458	2,767,761	(88,697)
Goodwill and other intangible asset impairments	3,464	12,900	9,436
	10,010,751	10,192,848	182,097
Operating income	1,084,566	1,348,149	263,583
Other income (expenses):			
Interest and amortization of bond discounts and issue costs	(44,016)	(41,670)	2,346
Interest income	18,398	17,708	(690)
Other, net	7,681	5,072	(2,609)
	(17,937)	(18,890)	(953)
Income before income taxes and equity in earnings (losses) of affiliated companies	1,066,629	1,329,259	262,630
Income tax expense (benefit):			
Current	364,845	457,674	92,829
Deferred	32,504	(102,849)	(135,353)
	397,349	354,825	(42,524)
Income before equity in earnings (losses) of affiliated companies	669,280	974,434	305,154
Equity in earnings (losses) of affiliated companies	5,889	5,772	(117)
Net income	675,169	980,206	305,037
Less – Net income attributable to noncontrolling interests	157,103	242,468	85,365
Net income attributable to NTT	¥518,066	¥737,738	¥219,672
Per share of common stock*:			
Weighted average number of shares outstanding (Shares)	2,187,360,018	2,105,782,828	
Net income attributable to NTT (Yen)	¥236.85	¥350.34	

* "Per share of common stock" figures for the fiscal years ended March 31, 2015 and 2016 have been adjusted to reflect the two-for-one stock split.

Consolidated Statements of Comprehensive Income

	Millions of yen		
	2015	2016	Increase (Decrease)
Net income	¥675,169	¥980,206	¥305,037
Other comprehensive income (loss), net of tax:			
Unrealized gain (loss) on securities	76,308	(32,960)	(109,268)
Unrealized gain (loss) on derivative instruments	2,903	(4,079)	(6,982)
Foreign currency translation adjustments	129,863	(115,599)	(245,462)
Pension liability adjustments	16,370	(208,644)	(225,014)
Total other comprehensive income (loss)	225,444	(361,282)	(586,726)
Total comprehensive income (loss)	900,613	618,924	(281,689)
Less – Comprehensive income attributable to noncontrolling interests	209,281	196,771	(12,510)
Total comprehensive income (loss) attributable to NTT	¥691,332	¥422,153	¥(269,179)