

## (9) Employees' Retirement Benefits

### Retirement Benefits and Contract-type Corporate Pension Plan

#### 1. Benefit obligations (Millions of yen)

	March 31, 2015	March 31, 2016
Benefit obligation, end of year	¥(1,879,969)	¥(1,882,026)
Fair value of plan assets, end of year	1,122,736	1,041,561
Under funded status	¥(757,233)	¥(840,465)

The following table provides the amounts recognized in the consolidated balance sheets:

(Millions of yen)

	March 31, 2015	March 31, 2016
Liability for employees' retirement benefits	¥(869,635)	¥(925,239)
Other assets	112,402	84,774
Accumulated other comprehensive loss (income)	162,053	235,895
Net amount recognized	¥(595,180)	¥(604,570)

The following table provides the amounts recognized as accumulated other comprehensive loss (income):

(Millions of yen)

	March 31, 2015	March 31, 2016
Net actuarial loss	¥164,108	¥236,607
Transition obligation	453	404
Prior service cost	(2,508)	(1,116)
Total	¥162,053	¥235,895

#### 2. Cost for employees' retirement benefits

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016
Service cost	¥65,160	¥63,669
Interest cost on projected benefit obligation	25,510	18,569
Expected return on plan assets	(22,027)	(21,624)
Net amortization	2,151	4,073
Total	¥70,794	¥64,687

#### 3. Assumptions in determination of benefit obligations and costs

		Year ended March 31, 2015	Year ended March 31, 2016
Discount rate	Projected benefit obligation	1.0%	0.5%
	Net pension cost	1.4%	1.0%
Rate of compensation increase		2.4-4.0%	2.4-4.0%
Expected long-term return on plan assets		2.0%	2.0%

## Defined Contribution Pension Plan

NTT and certain subsidiaries recorded ¥18,082 million and ¥19,513 million of retirement benefit expenses related to NTT Group's defined contribution benefit plan in the fiscal years ended March 31, 2015 and 2016, respectively.

### The NTT Kigyou-Nenkin-Kikin (NTT Corporate Defined Benefit Pension Plan)

#### 1. Benefit obligations (Millions of yen)

	March 31, 2015	March 31, 2016
Benefit obligation, end of year	¥(1,683,431)	¥(1,910,252)
Fair value of plan assets, end of year	1,165,104	1,146,880
Under funded status	¥(518,327)	¥(763,372)

The following table provides the amounts recognized in the consolidated balance sheets:

(Millions of yen)

	March 31, 2015	March 31, 2016
Liability for employees' retirement benefits	¥(518,327)	¥(763,372)
Accumulated other comprehensive loss (income)	28,015	269,435
Net amount recognized	¥(490,312)	¥(493,937)

The following table provides the amounts recognized as accumulated other comprehensive loss (income):

(Millions of yen)

	March 31, 2015	March 31, 2016
Net actuarial loss	¥93,281	¥327,178
Prior service cost	(65,266)	(57,743)
Total	¥28,015	¥269,435

#### 2. Cost for employees' retirement benefits (Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016
Service cost	¥37,281	¥40,999
Interest cost on projected benefit obligation	21,278	16,602
Expected return on plan assets	(25,825)	(28,708)
Net amortization	(1,704)	(2,516)
Employee contributions	(3,753)	(3,270)
Total	¥27,277	¥23,107

#### 3. Assumptions in determination of benefit obligations and costs

		Year ended March 31, 2015	Year ended March 31, 2016
Discount rate	Projected benefit obligation	1.0%	0.5%
	Net pension cost	1.4%	1.0%
Rate of compensation increase		3.4%	3.4%
Expected long-term return on plan assets		2.5%	2.5%