

## **(2) Qualitative Information Relating to Consolidated Financial Position**

Net cash provided by operating activities for the three-month period ended June 30, 2016 increased ¥38.3 billion (7.6%) from the same period of the previous fiscal year to ¥539.1 billion. This increase was due to, among other factors, an increase in operating income.

Net cash used in investing activities decreased ¥108.4 billion (18.4%) from the same period of the previous fiscal year to ¥481.7 billion. This decrease was due to, among other factors, a decrease in capital investments.

Net cash used in financing activities increased ¥467.8 billion (223.6%) from the same period of the previous fiscal year to ¥258.6 billion. This increase was due to, among other factors, an increase in stock repurchases by NTT and an increase in stock repurchases by NTT's subsidiaries.

As a result of the above, NTT Group's consolidated cash and cash equivalents as of June 30, 2016 totaled ¥869.8 billion, a decrease of ¥218.5 billion (20.1%) from the end of the previous fiscal year.

	(Billions of yen)			
	<b>Three Months Ended June 30, 2015</b>	<b>Three Months Ended June 30, 2016</b>	<b>Change</b>	<b>Percent Change</b>
Cash flows provided by operating activities	500.9	539.1	38.3	7.6%
Cash flows used in investing activities	(590.1)	(481.7)	108.4	18.4%
Cash flows provided by (used in) financing activities	209.2	(258.6)	(467.8)	(223.6)%

## **(3) Qualitative Information Relating to Consolidated Results Forecasts**

There are no changes to the consolidated results forecasts for the fiscal year ending March 31, 2017 announced on May 13, 2016. NTT manages its business results on an annual basis, and does not prepare consolidated results forecasts for the six months ending September 30, 2016. For the assumptions used in the consolidated results forecasts and other related matters, please see page 20.