

### 3. CONSOLIDATED FINANCIAL STATEMENTS

#### (1) Consolidated Balance Sheets

	Millions of yen		
	March 31, 2016	June 30, 2016	Increase (Decrease)
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and cash equivalents	¥1,088,275	¥869,812	¥(218,463)
Short-term investments	33,076	33,125	49
Notes and accounts receivable, trade	2,733,116	2,360,594	(372,522)
Allowance for doubtful accounts	(45,236)	(50,313)	(5,077)
Accounts receivable, other	473,192	503,151	29,959
Inventories	414,581	445,055	30,474
Prepaid expenses and other current assets	469,529	591,866	122,337
Deferred income taxes	260,446	259,854	(592)
<b>Total current assets</b>	<b>5,426,979</b>	<b>5,013,144</b>	<b>(413,835)</b>
<b>Property, plant and equipment:</b>			
Telecommunications equipment	11,586,812	11,523,329	(63,483)
Telecommunications service lines	15,870,097	15,903,387	33,290
Buildings and structures	6,069,437	6,073,637	4,200
Machinery, vessels and tools	1,996,898	1,984,417	(12,481)
Land	1,273,209	1,272,546	(663)
Construction in progress	382,196	373,088	(9,108)
	37,178,649	37,130,404	(48,245)
Accumulated depreciation	(27,626,728)	(27,663,667)	(36,939)
<b>Net property, plant and equipment</b>	<b>9,551,921</b>	<b>9,466,737</b>	<b>(85,184)</b>
<b>Investments and other assets:</b>			
Investments in affiliated companies	515,716	496,517	(19,199)
Marketable securities and other investments	474,247	454,003	(20,244)
Goodwill	1,229,208	1,173,145	(56,063)
Software	1,212,482	1,184,496	(27,986)
Other intangible assets	391,977	367,426	(24,551)
Other assets	1,486,840	1,449,692	(37,148)
Deferred income taxes	746,561	753,585	7,024
<b>Total investments and other assets</b>	<b>6,057,031</b>	<b>5,878,864</b>	<b>(178,167)</b>
<b>Total assets</b>	<b>¥21,035,931</b>	<b>¥20,358,745</b>	<b>¥(677,186)</b>

	Millions of yen		
	March 31, 2016	June 30, 2016	Increase (Decrease)
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities:</b>			
Short-term borrowings	¥129,656	¥454,426	¥324,770
Current portion of long-term debt	476,777	430,095	(46,682)
Accounts payable, trade	1,572,797	1,052,904	(519,893)
Current portion of obligations under capital leases	14,711	14,584	(127)
Accrued payroll	430,248	360,133	(70,115)
Accrued taxes on income	249,356	106,150	(143,206)
Accrued consumption tax	83,481	98,435	14,954
Advances received	290,132	322,876	32,744
Deposit received	62,307	175,449	113,142
Other	431,663	445,224	13,561
<b>Total current liabilities</b>	<b>3,741,128</b>	<b>3,460,276</b>	<b>(280,852)</b>
<b>Long-term liabilities:</b>			
Long-term debt (excluding current portion)	3,546,203	3,441,578	(104,625)
Obligations under capital leases (excluding current portion)	27,630	26,837	(793)
Liability for employees' retirement benefits	1,688,611	1,697,403	8,792
Accrued liabilities for point programs	89,003	80,574	(8,429)
Deferred income taxes	166,547	161,849	(4,698)
Other	491,630	498,834	7,204
<b>Total long-term liabilities</b>	<b>6,009,624</b>	<b>5,907,075</b>	<b>(102,549)</b>
<b>Redeemable noncontrolling interests</b>	<b>45,097</b>	<b>42,687</b>	<b>(2,410)</b>
<b>Equity:</b>			
NTT shareholders' equity			
Common stock, no par value	937,950	937,950	—
Additional paid-in capital	2,879,560	2,873,627	(5,933)
Retained earnings	5,074,234	5,191,880	117,646
Accumulated other comprehensive income (loss)	(57,055)	(148,160)	(91,105)
Treasury stock, at cost	(883)	(268,294)	(267,411)
<b>Total NTT shareholders' equity</b>	<b>8,833,806</b>	<b>8,587,003</b>	<b>(246,803)</b>
Noncontrolling interests	2,406,276	2,361,704	(44,572)
<b>Total equity</b>	<b>11,240,082</b>	<b>10,948,707</b>	<b>(291,375)</b>
<b>Total liabilities and equity</b>	<b>¥21,035,931</b>	<b>¥20,358,745</b>	<b>¥(677,186)</b>