



News Release

NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION

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FOR IMMEDIATE RELEASE

Settlement for Fiscal Year Ended March 31, 2009

The results of Nippon Telegraph and Telephone East Corporation (NTT East) for the fiscal year ended March 31, 2009 are presented in the following attachments.

(Attachments)

1. Summary of Results for Fiscal Year Ended March 31, 2009
2. Non-Consolidated Comparative Balance Sheets
3. Non-Consolidated Comparative Statements of Income
4. Non-Consolidated Statements of Changes in Shareholders' Equity and Other Net Assets
5. Business Results (Non-Consolidated Operating Revenues)
6. Non-Consolidated Comparative Statements of Cash Flows
7. Changes in Directors

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1. Summary of Results for Fiscal Year Ended March 31, 2009

In the first half of the fiscal year ended March 31, 2009, the Japanese economy began slowing down due to the effects of rising oil and other commodity prices. The subsequent disorder in the international financial markets gave rise to a global economic crisis, causing a further rapid deterioration of the domestic economy, including major declines in exports and production and downturns in corporate income and employment.

In the information and telecommunications sector, Nippon Telegraph and Telephone East Corporation (NTT East) has implemented dynamic structural changes towards the realization of the ubiquitous broadband society envisioned by the “u-Japan Policy” and the “New IT Reform Strategy”. In addition to the expansion of Internet usage due to rapid advances in the use of IP and broadband networks and the rapid growth of mobile phones, these changes include the integration of communications and broadcasting as well as of fixed-line and mobile communications and the expansion of new network services that exploit SaaS*¹.

In the broadband market, fiber-optic access services continued to expand, and the number of fiber-optic access subscriptions overtook the number of DSL service subscriptions in the first quarter of the fiscal year ended March 31, 2009. In addition, the market environment underwent major changes through the full-scale roll-out of a triple play service that provides integrated Internet, IP telephony and video service and the appearance of new services for information devices other than personal computers. In the fixed-line telephone market, the shift from conventional fixed-line telephony to optical IP telephony advanced in conjunction with the expansion of fiber-optic access services, and competition continued to intensify with the direct subscriber telephone services of other companies using dry copper lines and telephone services provided by cable television operators.

In this drastically changing business environment, NTT East endeavors to be an “accessible all-around ICT corporation”^{*2}, which provides and maintains stable universal service, and thereby promotes loyal patronage from its customers. While striving to achieve the NTT Group’s new Medium-Term Management Strategy “Road to Service Creation Business Group” adopted by Nippon Telegraph and Telephone Corporation (NTT) in May 2008, NTT East has been devoting its energy to promoting and expanding safe, secure, reliable, and appealing broadband services that meet customers’ needs, including the provision of services and products like FLET’S Hikari Next, a fiber-optic access service that uses the next-generation network (NGN).

(1) Promotion of Fiber-optic and IP Services

In order to realize the NTT Group Medium-Term Management Strategy, “Road to Service Creation Business Group”, NTT East began service in certain parts of Tokyo, Kanagawa, Chiba and Saitama in March 2008 of Flet’s Hikari Next, a highly-reliable

fiber-optic access service that uses the next-generation network (NGN) and can be used for bandwidth-secured applications. During the fiscal year ended March 31, 2009, NTT East sharply expanded its service territory to cover major urban areas in all 17 prefectures in NTT East's territory. NTT East will continue to expand its service territory, reaching 90% of the B FLET'S service territory by the second quarter of fiscal year ending March 31, 2010 and the entire B FLET'S service territory by the end of fiscal year ending March 31, 2010. In addition to the previously available FLET'S Family Type and Mansion Type, NTT East also expanded its service lineup by providing FLET'S Hikari Next Business Type, a new service for enterprise customers that delivers high-volume data transmissions at speeds of up to roughly 1 Gbps*³. NTT East will continue to develop and offer new, highly convenient services that take full advantage of such NGN characteristics as wide bandwidth, high quality and high security, endeavor to expand the lineup of services that further enhance the appeal of the NGN, and promote efforts aimed at creating a rich communication environment and new business opportunities.

To encourage more customers to subscribe to the FLET'S Hikari fiber-optic access service*⁴, NTT East worked to increase sales by adopting a variety of discount plans for monthly fees and installation fees, launching a fiber-optic cabling system*⁵ for small multi-dwelling residences in addition to the previously available Fiber-Optic Wiring Systems for multi-dwelling residences, launching FLET'S VPN Wide, a service that uses FLET'S Hikari to create simple, low-cost networks for highly-secure communications, and taking active measures in collaboration with local governments to expand service areas. In the multi-dwelling residence market, NTT East is working with management and real estate companies to improve Fiber-Optic Wiring Systems for multi-dwelling residences where FLET'S Hikari is not installed.

NTT East collaborated with companies in a wide range of fields, including Cable Television Yamagata Co., Ltd. in providing triple-play services in that company's service territory; Benesse Corporation in providing a safe and comfortable learning environment through a combination of the Shinkenzei Junior High School Course + i*⁶ online correspondence education program and FLET'S Hikari; TANITA Corporation in the field of healthcare; TOHO Cinemas Ltd. and Kadokawa Cineplex Inc. in digital cinema distribution*⁷; and Hewlett-Packard Japan Ltd. in providing online photo printing services. NTT East also started offering FLET'S TV Transmission Service, which enables users to receive terrestrial digital broadcasts and BS digital broadcasts through a combination of FLET'S Hikari with broadcasting services provided by their Opticast Inc., and Hikari Soft Phone, which enables customers to use Hikari Denwa from personal computers. NTT East also launched a new series of information devices called Hikari Link, which promises a convenient, secure and comfortable lifestyle with the help of FLET'S Hikari. Through these measures, NTT East worked on increasing sales of fiber-optic access services and strove to expand and achieve the widespread use of high-value-added services.

To improve customer service, NTT East continued its measures to reduce lead times before the start of fiber-optic access services by determining installation dates on the spot and accepting applications and performing installations on weekends and holidays. NTT East took additional measures to expand the use of fiber-optic access services by

providing services that support customers' peace of mind. Such measures included the launch of a "set-up service" for internet connection and set-up of home computers and game consoles during FLET'S Hikari installation and of the FLET'S Virus Clear Remote Installation service to provide support for installation of the specialized software necessary to use the FLET'S Virus Clear network security service, as well as enabling direct connections from Hikari Denwa and Hikari Denwa Office Types to the Navi-Dial service, provided by NTT Communications Corporation, which has numbers beginning with the prefix 0570.

(2) Measures Relating to the Solutions Business

In the corporate business sector, NTT East conducted efficient and effective marketing activities in the local government, disaster prevention, police, firefighting, education, agriculture, finance, and healthcare fields with a focus on industry-specific solutions tailored to industry characteristics and developments.

In the data center business sector, NTT East worked to cultivate new demand and bolstered its service lineup by adding the Ephelio Data Center^{*8} Standard Type service, which offers low rates, to its current menu of high-spec services suitable for large-scale projects.

For the Business Ether Wide corporate network services using the NGN, NTT East started offering, in addition to the existing line-surveillance function, the "LAN/WAN monitor" that monitors terminals within a LAN.

Moreover, with the aim of eliminating the digital divide and providing a broadband service environment that meets regional needs, NTT East joined forces with individual localities to actively work on improving the broadband environment.

(3) Status of Business Structures

With regard to business structures, NTT East established NTT East Properties^{*9} to sell idle real estate and lease empty space, with a focus on office buildings, to NTT East group companies, and to increase the use of land that NTT East owns. NTT East Properties began marketing activities during the fiscal year under review. NTT East also established the Core Network Center to perform centralized construction and service quality management of network facilities. NTT East consolidated its 116 Centers, increased outsourcing and aggressively reduced costs by improving systems and taking other measures. These efforts were directed towards stabilizing and reinforcing NTT East's managerial base by improving managerial efficiency with the goal of developing flexible business operations that promptly respond to changes in the business environment. .

(4) Corporate Social Responsibility Activities

NTT East considers Corporate Social Responsibility (CSR) activities to be one of the most important pillars in the management of the company, and in providing information and communication services, believes that it is the social responsibility of a company to contribute to the environmentally-friendly, healthy and sustainable development of society. To this end, pursuant to the NTT Group CSR Charter (adopted in June 2006), NTT East sought not only to rigorously comply with the law in its thorough protection of personal information, but also to maintain and gain the trust of its customers by providing a safe and secure communication infrastructure. Moreover, NTT East endeavored to promote environmentalism by contributing to the reduction of the environmental burden on society through its information communication services and by decreasing energy consumed in its business activities. Furthermore, NTT East actively promoted diversity in the workplace and various ways of working through diversity management^{*10}.

With regard to these CSR efforts, to inculcate the principles of the NTT Group CSR Charter and promote group-wide CSR activities, NTT East enhanced its CSR management setting NTT East Group CSR Goals while issuing NTT East Group CSR Report 2008 to proactively disclose relevant information to its stakeholders.

In addition, the entire company worked together to construct the communications infrastructure for the Toyako Summit held in Hokkaido in July 2008, implemented defensive and special maintenance measures for the stable provision of telecommunications services and secure communications, and provided smooth service.

Further, NTT East's undertakings included company-wide efforts to quickly restore communications facilities and services following the Iwate-Miyagi Nairiku earthquake in June 2008. For example, temporary public phones for communication were installed, "171" and "web171" telephone and broadband disaster message center services were provided and monthly fees for customers who were unable to use their telephones due to damaged equipment were waived for the unusable period. Through such activities, NTT East played a role as a telecommunications carrier in supporting the victims of this disaster.

Lastly, pursuant to Article 6, Paragraph 1 of the Act against Unjustifiable Premiums and Misleading Representation concerning products and services, the Fair Trade Commission ordered NTT East in July 2008 to retract certain flyers, newspaper advertisements, leaflets and direct mail NTT East issued from March 2007 to November 2007 to advertise Hikari Denwa services, because they caused customers to mistakenly believe that the terms of use were significantly more favorable than they were in reality. NTT East would like to apologize sincerely for the inconvenience caused to its customers. To provide proper advertisement materials that are easy to understand, in June 2008, NTT East formed an organization to screen all advertisement materials prior to their use and to take into consideration the opinions of consumer advisors and others. In addition, a special-purpose internal committee led by a representative director was formed, charged with reviewing fundamental, company-wide policies regarding advertisements and with inspecting the proper handling of advertisements. Through these efforts, NTT East will continue to ensure that its advertisements are easy for customers to understand.

(5) Sales Conditions

As a result of these activities during the fiscal year ended March 31, 2009, operating revenues totaled 1,952.9 billion yen (a decrease of 2.5% from the fiscal year ended March 31, 2008), recurring profit was 65.3 billion yen (a decrease of 3.1% from the fiscal year ended March 31, 2008), and net profit totaled 77.5 billion yen (a decrease of 19.9% from the fiscal year ended March 31, 2008).

Notes

1. SaaS: Software as a Service. A system for providing software application functions to customers as needed via a network.
2. ICT: Information and Communication Technology.
3. 1 Gbps is the maximum speed under technical specifications. The actual usage speed may decrease as a result of customers' usage environment and congestion in communication lines. Also, control traffic that controls communications also uses communication lines in addition to customer-generated traffic, so the actual maximum speed will be slightly lower than 1 Gbps.
4. The collective term for FLET'S Hikari Next and B FLET'S.
5. An All-Optical method for installing optical fiber directly to individual units in buildings served by NTT East by running lines through common areas in the building.
6. A correspondence course offered by Benesse Corporation to first-year middle school students in the fiscal year ended March 31, 2009. Taking advantage of the Internet, the program uses voice and video commentaries and interactive guidance to raise students' academic skills and help them pass high school entrance examinations.
7. Distribution of movies in digital data format instead of the conventional format of film.
8. Ephelio Data Center is a data center service offered by NTT East and refers to the total outsourcing services for the complete provision of business system design, construction, maintenance, and operation services to customers.
9. NTT East Properties Corporation (based in Shinjuku-ku, Tokyo; established June 2, 2008).
10. A management strategy for employing diverse human resources.

2. Non-Consolidated Comparative Balance Sheets

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	March 31, 2008	March 31, 2009	Increase (Decrease)
ASSETS			
Fixed assets:			
Fixed assets - telecommunications businesses			
Property, plant and equipment			
Machinery and equipment	481,966	525,363	43,397
Antenna facilities	6,869	6,507	(362)
Terminal equipment	83,169	90,041	6,872
Local line facilities	752,066	774,171	22,104
Long-distance line facilities	7,210	5,863	(1,346)
Engineering facilities	673,734	645,278	(28,456)
Submarine line facilities	1,032	2,117	1,084
Buildings	540,286	513,715	(26,571)
Structures	15,132	14,385	(747)
Other machinery and equipment	2,674	2,890	215
Vehicles and vessels	210	172	(38)
Tools, furniture and fixtures	41,204	39,814	(1,389)
Land	198,549	195,049	(3,499)
Lease assets	460	3,894	3,434
Construction in progress	35,759	27,243	(8,516)
Total property, plant and equipment	2,840,327	2,846,508	6,180
Intangible fixed assets	103,945	99,629	(4,315)
Total fixed assets - telecommunications businesses	2,944,272	2,946,137	1,864
Investments and other assets			
Investment securities	8,733	7,584	(1,149)
Investments in subsidiaries and affiliated companies	43,769	48,486	4,717
Other investments in subsidiaries and affiliated companies	2,729	5,594	2,865
Investment in capital	-	2	2
Long-term loans receivable to subsidiaries	800	700	(100)
Long-term prepaid expenses	3,974	3,910	(64)
Deferred income taxes	225,086	207,377	(17,709)
Other investments and assets	13,496	11,744	(1,751)
Allowance for doubtful accounts	(2,428)	(1,619)	809
Total investments and other assets	296,162	283,782	(12,379)
Total fixed assets	3,240,435	3,229,920	(10,515)
Current assets:			
Cash and bank deposits	132,947	130,023	(2,924)
Notes receivable	26	5	(21)
Accounts receivable, trade	305,476	296,624	(8,851)
Accounts receivable, other	10,147	7,489	(2,657)
Supplies	35,497	37,414	1,916
Advance payment	3,837	2,366	(1,471)
Prepaid expenses	6,198	7,085	886
Deferred income taxes	6,952	7,330	378
Other current assets	13,495	14,564	1,068
Allowance for doubtful accounts	(2,315)	(2,360)	(44)
Total current assets	512,264	500,543	(11,721)
TOTAL ASSETS	3,752,700	3,730,463	(22,237)

(Millions of yen)

	March 31, 2008	March 31, 2009	Increase (Decrease)
LIABILITIES			
Long-term liabilities:			
Long-term borrowings from parent company	605,148	649,338	44,190
Lease obligations	1,116	3,547	2,431
Liability for employees' retirement benefits	318,937	285,469	(33,468)
Reserve for unused telephone cards	12,013	13,028	1,015
Other long-term liabilities	7,979	8,361	381
Total long-term liabilities	945,194	959,745	14,551
Current liabilities:			
Current portion of long-term borrowings from parent company	162,419	105,809	(56,610)
Accounts payable, trade	113,796	82,509	(31,287)
Commercial paper	20,000	59,992	39,992
Short-term borrowings	93,000	65,000	(28,000)
Lease obligations	483	1,676	1,193
Accounts payable, other	254,945	242,626	(12,318)
Accrued expenses	18,090	18,116	25
Accrued taxes on income	846	2,253	1,406
Advance received	7,270	7,146	(124)
Deposit received	73,609	77,849	4,240
Unearned revenue	46	768	722
Allowance for losses on construction contracts	341	-	(341)
Other current liabilities	12,005	12,833	828
Total current liabilities	756,855	676,582	(80,272)
TOTAL LIABILITIES	1,702,049	1,636,327	(65,721)
NET ASSETS			
Shareholders' equity			
Common stock	335,000	335,000	-
Capital surplus			
Additional paid-in capital	1,499,726	1,499,726	-
Total capital surplus	1,499,726	1,499,726	-
Earned surplus			
Other earned surplus	215,403	259,456	44,052
Accumulated earned surplus	215,403	259,456	44,052
Total earned surplus	215,403	259,456	44,052
Total shareholders' equity	2,050,130	2,094,182	44,052
Unrealized gains (losses), translation adjustments, and others			
Net unrealized gains (losses) on securities	520	(47)	(567)
Total unrealized gains (losses), translation adjustments, and others	520	(47)	(567)
TOTAL NET ASSETS	2,050,650	2,094,135	43,484
TOTAL LIABILITIES AND NET ASSETS	3,752,700	3,730,463	(22,237)

3. Non-Consolidated Comparative Statements of Income (Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009	Increase (Decrease)
Telecommunications businesses			
Operating revenues	1,868,925	1,825,790	(43,134)
Operating expenses			
Business expenses	511,430	493,199	(18,231)
Operations	15,624	14,426	(1,198)
Maintenance expenses	470,589	455,647	(14,941)
Overhead expenses	95,845	95,863	18
Administration	109,778	112,595	2,816
Experiment and research	54,959	53,849	(1,110)
Depreciation and amortization	418,168	411,933	(6,234)
Retirement of fixed assets	37,120	39,622	2,502
Access charges	38,363	37,534	(829)
Miscellaneous taxes	75,399	74,580	(819)
Total operating expenses	1,827,280	1,789,250	(38,029)
Operating income from telecommunications businesses	41,644	36,540	(5,104)
Supplementary businesses			
Operating revenues	133,834	127,201	(6,633)
Operating expenses	130,487	127,043	(3,443)
Operating income from supplementary businesses	3,347	157	(3,190)
Operating income	44,992	36,697	(8,295)
Non-operating revenues:			
Interest income	55	26	(29)
Dividends received	3,938	12,229	8,290
Lease and rental income	56,131	52,774	(3,356)
Miscellaneous income	6,071	4,227	(1,843)
Total non-operating revenues	66,196	69,257	3,060
Non-operating expenses:			
Interest expenses	13,575	12,375	(1,200)
Lease and rental expenses	23,329	23,580	250
Miscellaneous expenses	6,824	4,615	(2,208)
Total non-operating expenses	43,730	40,571	(3,158)
Recurring profit	67,459	65,383	(2,076)
Special profits			
Gains on sales of fixed assets	53,722	57,595	3,873
Gain on the transfer of substitutional portion of NTT Kosei-Nenkin-Kikin	124,825	-	(124,825)
Total special profits	178,548	57,595	(120,952)
Special losses			
Non-recurring depreciation of fixed assets	63,341	-	(63,341)
Provision for reserve for unused telephone cards	13,874	-	(13,874)
Impact of applying lease accounting standards	1,090	-	(1,090)
Total special losses	78,307	-	(78,307)
Income before income taxes	167,699	122,978	(44,721)
Corporation, inhabitant, and enterprise taxes	13,781	27,707	13,926
Deferred tax expenses (benefits)	57,039	17,718	(39,321)
Net income	96,879	77,552	(19,326)

4. Non-Consolidated Statements of Changes in Shareholders' Equity and Other Net Assets
(Based on accounting principles generally accepted in Japan)

Year ended March 31, 2008

(Millions of yen)

	Shareholders' equity						Unrealized gains (losses), translation adjustments, and others		Total net assets
	Common stock	Capital surplus		Earned surplus		Total shareholders' equity	Net unrealized gains (losses) on securities	Total unrealized gains (losses), translation adjustments, and others	
		Additional paid-in capital	Total capital surplus	Other earned surplus Accumulated earned surplus	Total earned surplus				
March 31, 2007	335,000	1,499,726	1,499,726	152,024	152,024	1,986,751	1,812	1,812	1,988,563
Net change during the annual period									
Cash dividends				(33,500)	(33,500)	(33,500)			(33,500)
Net income				96,879	96,879	96,879			96,879
Others, net							(1,292)	(1,292)	(1,292)
Total net change during the annual period	—	—	—	63,379	63,379	63,379	(1,292)	(1,292)	62,086
March 31, 2008	335,000	1,499,726	1,499,726	215,403	215,403	2,050,130	520	520	2,050,650

Year ended March 31, 2009

(Millions of yen)

	Shareholders' equity						Unrealized gains (losses), translation adjustments, and others		Total net assets
	Common stock	Capital surplus		Earned surplus		Total shareholders' equity	Net unrealized gains (losses) on securities	Total unrealized gains (losses), translation adjustments, and others	
		Additional paid-in capital	Total capital surplus	Other earned surplus Accumulated earned surplus	Total earned surplus				
March 31, 2008	335,000	1,499,726	1,499,726	215,403	215,403	2,050,130	520	520	2,050,650
Net change during the annual period									
Cash dividends				(33,500)	(33,500)	(33,500)			(33,500)
Net income				77,552	77,552	77,552			77,552
Others, net							(567)	(567)	(567)
Total net change during the annual period	—	—	—	44,052	44,052	44,052	(567)	(567)	43,484
March 31, 2009	335,000	1,499,726	1,499,726	259,456	259,456	2,094,182	(47)	(47)	2,094,135

5. Business Results (Non-Consolidated Operating Revenues)

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009	Increase (Decrease)	Percent Increase (Decrease)
Voice transmission services revenues (excluding IP services revenues)	1,031,970	911,264	(120,705)	(11.7)
Monthly charge revenues*	678,431	619,821	(58,610)	(8.6)
Call rates revenues*	123,553	100,801	(22,752)	(18.4)
Interconnection call revenues*	144,970	118,078	(26,892)	(18.6)
IP services revenues	462,693	563,908	101,215	21.9
Leased circuit services revenues (excluding IP services revenues)	180,809	169,392	(11,417)	(6.3)
Telegram services revenues	24,210	22,216	(1,994)	(8.2)
Other telecommunications services revenues	169,240	159,008	(10,232)	(6.0)
Telecommunications total revenues	1,868,925	1,825,790	(43,134)	(2.3)
Supplementary business total revenues	133,834	127,201	(6,633)	(5.0)
Total operating revenues	2,002,760	1,952,991	(49,768)	(2.5)

*Partial listing only

6. Non-Consolidated Comparative Statements of Cash Flows

(Based on accounting principles generally accepted in Japan)

(Millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009	Increase (Decrease)
Cash flows from operating activities:			
Income before income taxes	167,699	122,978	(44,721)
Depreciation and amortization	432,087	425,634	(6,452)
Loss on disposal of property, plant and equipment	19,950	20,989	1,039
Gains on sales of fixed assets	(53,722)	(57,595)	(3,873)
Gain on the transfer of substitutional portion of NTT Kosei-Nenkin-Kikin	(124,825)	-	124,825
Non-recurring depreciation of fixed assets	63,341	-	(63,341)
Impact of applying lease accounting standards	1,090	-	(1,090)
Increase (decrease) in liability for employees' retirement benefits	(55,469)	(33,468)	22,001
(Increase) decrease in accounts receivable	63,455	11,531	(51,924)
(Increase) decrease in inventories	(280)	(1,916)	(1,636)
Increase (decrease) in accounts payable and accrued expenses	(49,343)	(44,855)	4,487
Increase (decrease) in accrued consumption tax	(1,655)	174	1,829
Other	40,313	17,948	(22,365)
Sub-total	502,643	461,421	(41,221)
Interest and dividends received	3,995	12,255	8,259
Interest paid	(14,701)	(12,523)	2,177
Income taxes received (paid)	10,664	(15,401)	(26,065)
Net cash provided by (used in) operating activities	502,601	445,752	(56,849)
Cash flows from investing activities:			
Payments for property, plant and equipment	(451,701)	(478,356)	(26,654)
Proceeds from sale of property, plant and equipment	59,853	74,701	14,848
Payments for purchase of investment securities	(5,011)	(11,954)	(6,942)
Proceeds from sale of investment securities	3,154	526	(2,628)
Other	2,546	1,816	(730)
Net cash provided by (used in) investing activities	(391,159)	(413,266)	(22,107)
Cash flows from financing activities:			
Proceeds from issuance of long-term debt	190,000	150,000	(40,000)
Payments for settlement of long-term debt	(200,217)	(162,419)	37,798
Net increase (decrease) in short-term borrowings	(50,000)	11,992	61,992
Payments for settlement of lease obligations	(380)	(790)	(410)
Dividends paid	(33,500)	(33,500)	-
Net cash provided by (used in) financing activities	(94,097)	(34,717)	59,380
Net increase (decrease) in cash and cash equivalents	17,343	(2,232)	(19,576)
Cash and cash equivalents at beginning of period	117,559	134,903	17,343
Cash and cash equivalents at end of period	134,903	132,671	(2,232)

7. Changes in Directors

(1) Candidate for Director

Koichi Maeda

Current position:
Executive Vice President;
Deputy General Manager, Net Business Division,
NTT Communications Corporation

(2) Director scheduled to resign from office

Tetsuo Koga

Current position:
Senior Executive Vice President
(Scheduled to join NTT Learning Systems Corporation)

(3) Candidate for Representative Director

Candidate scheduled to take office as Senior Executive Vice President

Koichi Maeda

(Notes)

1. Koichi Maeda is scheduled to be appointed as Director of NTT East as of June 24, 2009 and will become a Senior Executive Vice President as of the same date.
2. The current Senior Executive Vice President, Tetsuo Koga, is scheduled to resign on June 24, 2009.
3. The changes in directors noted above are only those that have been decided. Other changes will be announced once determined.