



Financial Results
for the Fiscal Year Ended March 31, 2022
and
Financial Forecasts
for the Fiscal Year Ending March 31, 2023

May 12, 2022

This document is a translation of the Japanese original. The Japanese original is authoritative.

The forward-looking statements and projected figures concerning the future performance of NTT and its subsidiaries and affiliates contained or referred to herein are based on a series of assumptions, projections, estimates, judgments and beliefs of the management of NTT in light of information currently available to it regarding NTT and its subsidiaries and affiliates, the economy and telecommunications industry in Japan and overseas, and other factors. These projections and estimates may be affected by the future business operations of NTT and its subsidiaries and affiliates, the state of the economy in Japan and abroad, possible fluctuations in the securities markets, the pricing of services, the effects of competition, the performance of new products, services and new businesses, changes to laws and regulations affecting the telecommunications industry in Japan and elsewhere, other changes in circumstances that could cause actual results to differ materially from the forecasts contained or referred to herein, as well as other risks included in NTT's most recent Annual Securities Report and in any other materials publicly disclosed by NTT on its website.

* "E" in this material represents that the figure is a plan or projection for operation.

** "FY" in this material indicates the fiscal year ending March 31 of the succeeding year.

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Overview of FY2021 Consolidated Results

FY2021 Consolidated Results Highlights



- Operating Revenues, Operating Income and Profit all increased
- Operating Revenues, Operating Income and Profit all reached record-high levels

Status of Consolidated Results

- Operating Revenues: **¥12,156.4B** <+¥212.5B [+1.8%] year-on-year>
- Operating Income: **¥1,768.6B** <+¥97.2B [+5.8%] year-on-year>
- Profit⁽¹⁾: **¥1,181.1B** <+¥264.9B [+28.9%] year-on-year>

- Overseas Operating Income Margin⁽²⁾: **6.3%** <+3.3pt year-on-year>

(1) Profit presented above represents the profit attributable to NTT, excluding noncontrolling interests.

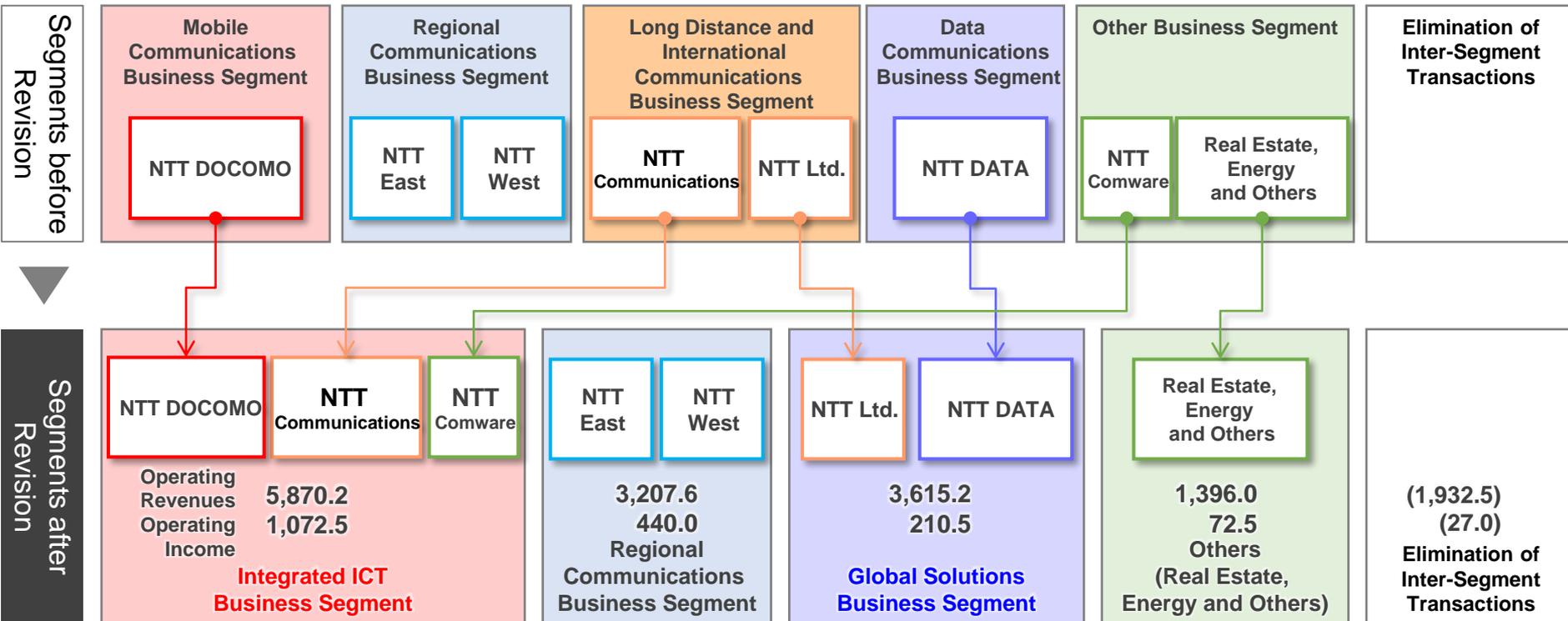
(2) The scope of consolidation consists of the subsidiaries of NTT, Inc. at the time the medium-term strategy was formulated (NTT DATA's overseas businesses, NTT Ltd., NTT Communications' overseas businesses, etc.). Overseas Operating Income Margin excludes temporary expenses, such as M&A-related depreciation costs of intangible fixed assets.

Segments Revision



(Billions of yen)

FY2021 Results NTT Consolidated Operating Revenues 12,156.4 / Operating Income 1,768.6



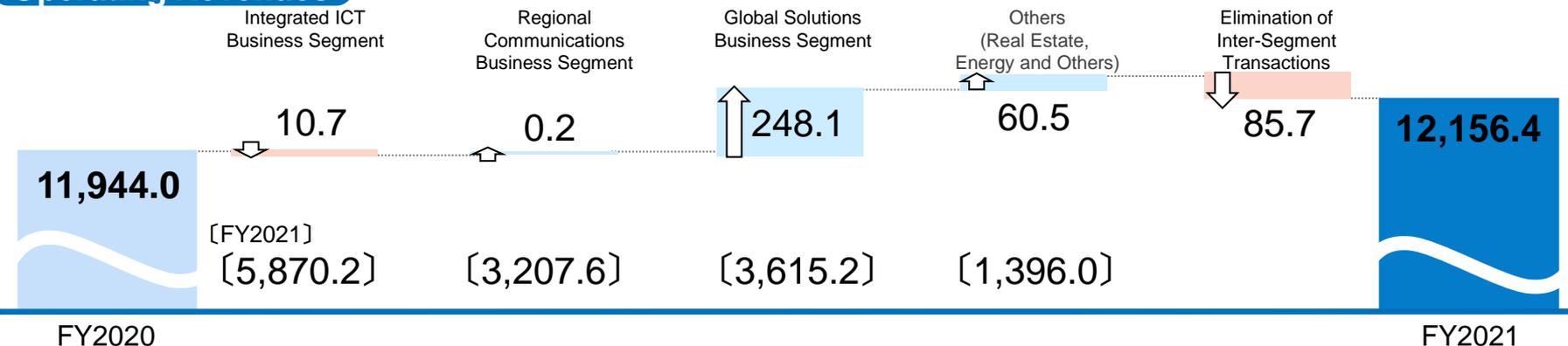
Contributing Factors by Segment for FY2021



(Billions of yen)

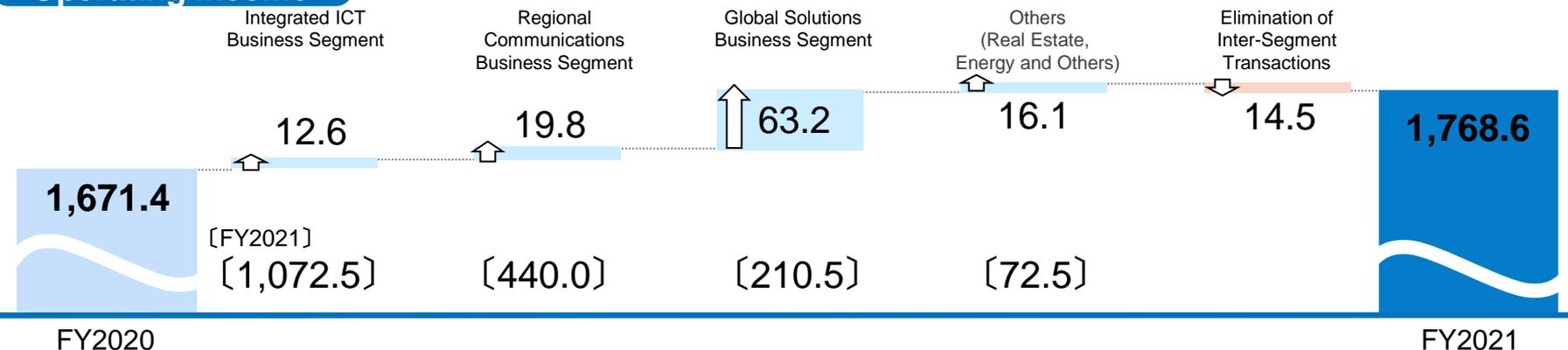
Operating Revenues

<Year-on-year: +212.5>



Operating Income

<Year-on-year: +97.2>



FY2022 Results Forecast

FY2022 Forecast Summary



- Operating Revenues, Operating Income and Profit will all increase
- Operating Revenues, Operating Income and Profit will all reach record-high levels

Consolidated Revenues and Income Plan

	FY2021 Results	FY2022 Forecast	Year-on-Year
Operating Revenues	¥12,156.4B	¥12,600.0B	+¥443.6B
Operating Income	¥1,768.6B	¥1,820.0B	+¥51.4B
Profit ⁽¹⁾	¥1,181.1B	¥1,190.0B	+¥8.9B
EPS	¥329	¥340	+¥11

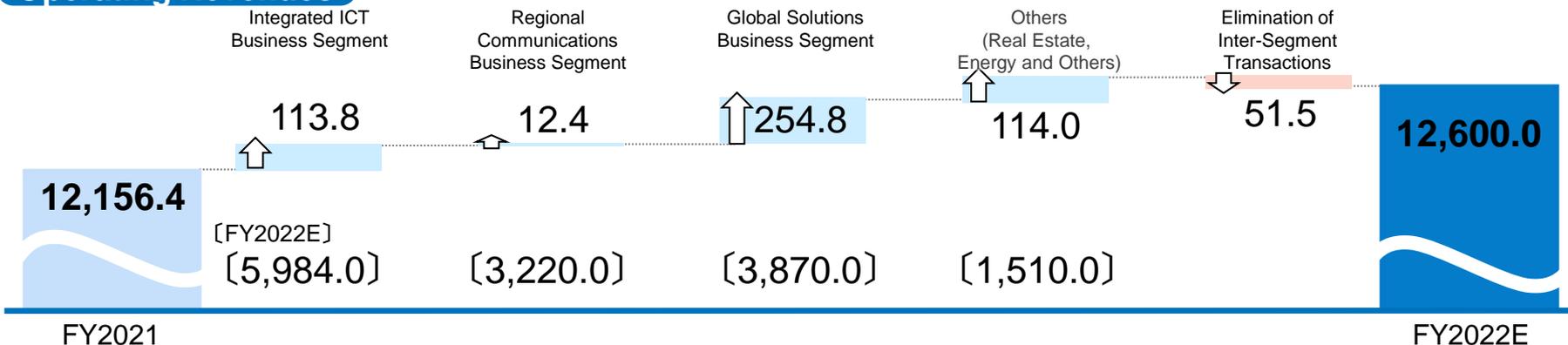
(1) Profit represents profit attributable to NTT, excluding noncontrolling interests.

FY2022 Forecast Summary by Segment

Operating Revenues

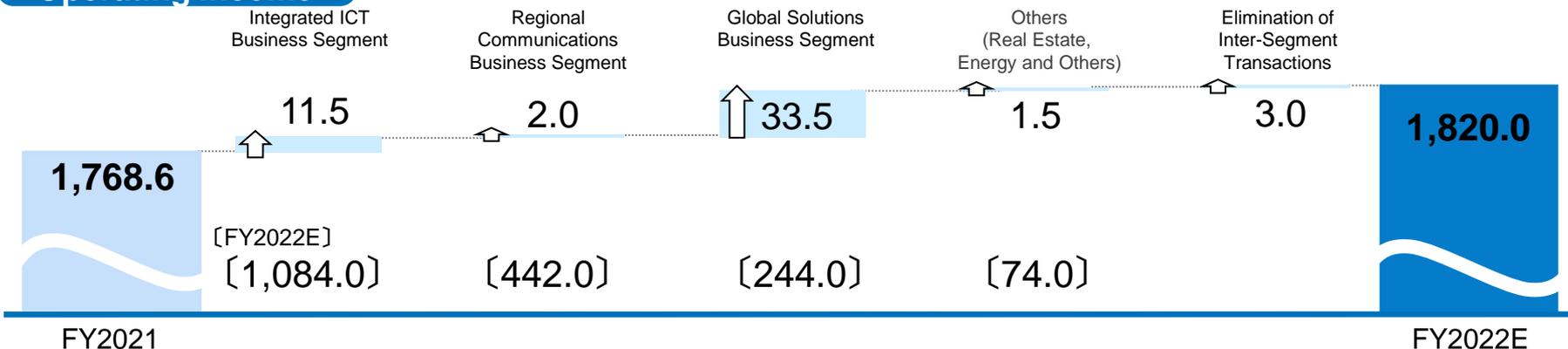
<Year-on-year: +443.6>

(Billions of yen)



Operating Income

<Year-on-year: +51.4>



FY2022 Forecast Summary (by Company)



	Operating Revenues		Operating Income	
		Year-on-Year		Year-on-Year
DOCOMO Group	¥5,984.0B	+¥113.8B	¥1,084.0B	+¥11.5B
(Included Above) NTT DOCOMO ⁽¹⁾	¥4,802.0B	+¥88.2B	¥936.0B	+¥8.1B
(Included Above) NTT Communications ⁽¹⁾	¥1,080.0B	+¥32.4B	¥141.0B	+¥5.9B
NTT East	¥1,730.0B	+¥12.0B	¥280.0B	+¥1.0B
NTT West	¥1,520.0B	+¥6.5B	¥162.0B	+¥1.1B
NTT DATA Group ⁽²⁾	¥3,270.0B	+¥718.1B	¥236.0B	+¥23.4B
NTT Ltd. [First Half of Fiscal Year]	¥600.0B ⁽³⁾	+¥84.5B	¥10.0B ⁽³⁾	+¥11.1B
NTT Urban Solutions	¥380.0B	(¥66.5B)	¥44.0B	(¥2.6B)

Reference:

NTT DATA [Prior to integration of overseas businesses]	¥2,660.0B	+¥108.1B	¥222.0B	+¥9.4B
NTT Ltd. [Full Fiscal Year]	¥1,220.0B	+¥165.3B	¥35.0B	+¥28.7B

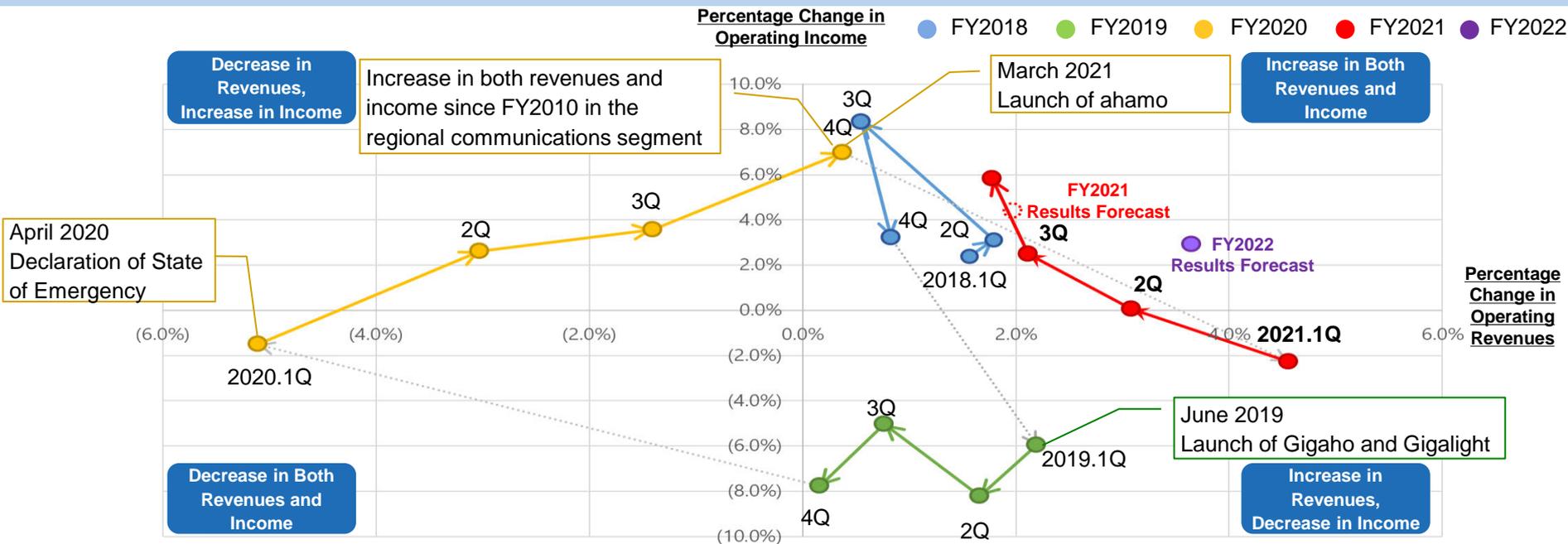
(1) Based on results prior to integration of NTT Communications and NTT Comware.

(2) Based on results after integration of overseas businesses (including NTT Ltd.'s second half earnings forecast).

(3) Compared to period from April 2021 to September 2021.

Operating Revenue and Operating Income Trends

- In FY2018, there continued to be increases in both revenues and income, while FY2019 saw a shift to a downward trend in income as a result of the effect of the introduction of new billing plans by NTT DOCOMO, among other factors
- In FY2020, while continuing to be impacted by COVID-19, there was a return to having increases in both revenues and income, as a result of increases in revenues and decreases in costs at each company, among other factors
- FY2021 saw an increase in both revenues and income from 2Q, and an increase in both revenues and income is also forecasted for FY2022



Overview of Medium-Term Financial Targets



	Initial Target [announced November 8, 2018]	Current Target [announced October 25, 2021]	FY2021 Results	FY2022 Forecasts	Status of Progress
EPS	Approx. ¥320 (FY2023)	 ¥370 (FY2023)	¥329	¥340	Reached initial target two years ahead of schedule
Overseas Operating Income Margin⁽¹⁾	7% (FY2023)	7% (FY2023)	6.3%	7.0%	Expected to reach target one year ahead of schedule
Cost Reductions⁽²⁾	at least ¥(800.0)B (FY2023)	 at least ¥(1,000.0)B (FY2023)	¥(840.0)B	¥(930.0)B	Reached initial target two years ahead of schedule
ROIC	8% (FY2023)	8% (FY2023)	7.5%	7.6%	Progressing on track
Capex to Sales⁽³⁾	13.5% or less (FY2021)	13.5% or less (FY2021)	13.1%	-	Reached target in FY2021

(1) The scope of consolidation consists of the subsidiaries of NTT, Inc. at the time the medium-term strategy was formulated (NTT DATA's overseas businesses, NTT Ltd., NTT Communications' overseas businesses, etc.). Overseas Operating Income Margin excludes temporary expenses, such as M&A-related depreciation costs of intangible fixed assets.

(2) In fixed-line/mobile access networks. Figures above show cumulative reductions since FY2017.

(3) Domestic network business (excludes NTT Communications' data centers and certain other items).

Dividends

- **Aggregate annual dividends for FY2022 are expected to be ¥120 per share, an increase of ¥5 from FY2021**
- **Dividends are expected to increase for the 12th consecutive year since FY2011**

Share Buybacks

- **At a meeting of the Board of Directors held today, the board resolved to conduct share buybacks**
- **Details of Share Buybacks:**
 - **Aggregate Amount: Up to ¥400.0 billion**
 - **Aggregate Number of Shares: Up to 110,000,000 shares**
 - **Buyback Period: From May 13, 2022 to March 31, 2023**
 - **Buyback Method: Anticipated to be conducted through off-auction own-share repurchase trading system (ToSTNeT-3)**

Topics

① Holding Company Reorganization



■ Establishment of “Internal Audit Department” (scheduled for June 2022)

- The Internal Control Office, which is an external body of the General Affairs Division, will be changed to an organization under the direct report to the president, in consideration of changes in the risk environment surrounding NTT Group and with the goal of increasing the independence and objectivity of internal audits
- Will promote initiatives to enhance and strengthen audits of the overseas subsidiaries and CAAT audits⁽¹⁾

■ Enhancing of Global Branding (May 2022)

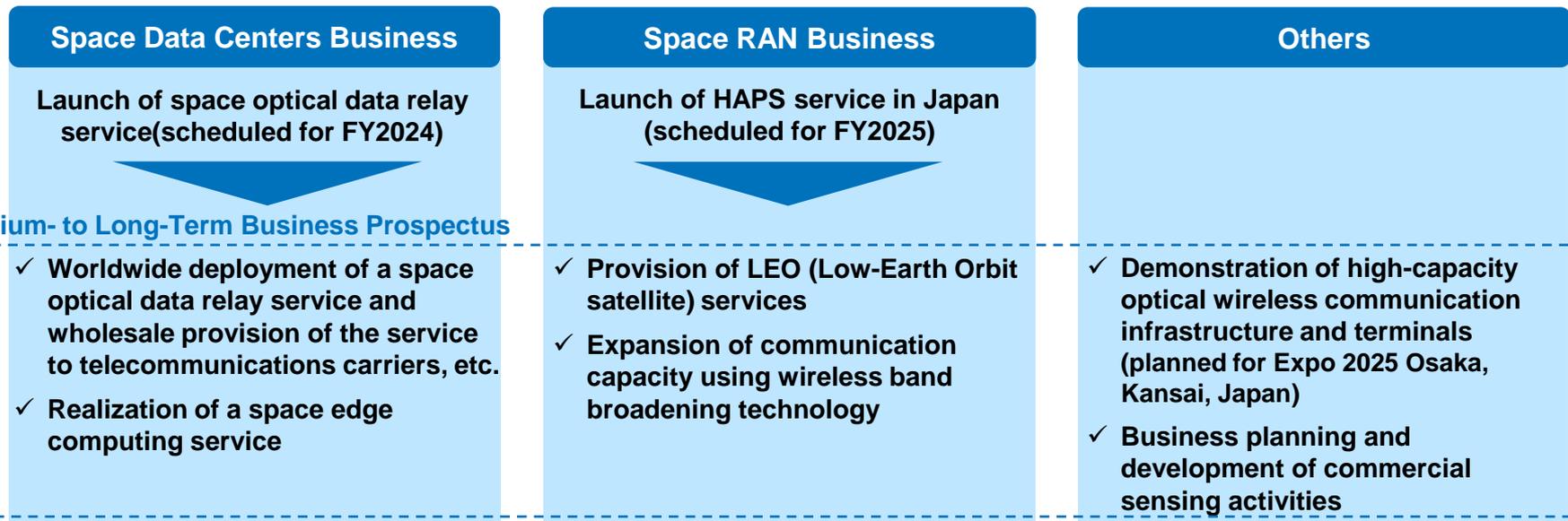
- New team will be established within the holding company public relations office with the mission of improving the recognition and value of the NTT Group brand overseas
- PR functions will be added to existing brand management and content marketing functions, with necessary formation first being established in Japan and the United States

■ Establishment of New IOWN Product Design Center (May 2022)

- In order to further accelerate the IOWN commercialization, the “IOWN Product Design Center” has been established under the “IOWN Integrated Innovation Center”
- Will promote the IOWN commercial development based on IOWN technologies and services, by formulating back-casted development and introduction strategy according to market needs and social demands, and by strengthening execution systems from technology development to commercial introduction dependent on the strategy

② New Space Business

- Establishing “Space Compass Corporation” with SKY Perfect JSAT in July 2022 (scheduled)
- Taking on the challenge of starting a business originating in Japan using a new space infrastructure: space integrated computing network



Building a space integrated computing network to realize a sustainable society

③ Promotion of Sustainability



- In order to realize the three themes of the “NTT Group Sustainability Charter,” key indicators have been established and will also be reflected in executive compensation

Key Indicator	Target	FY2021 Results	FY2022 Target	Progress
Greenhouse Gas Emissions Volume	Carbon Neutrality (FY2040)	3.090 million tons (estimated amount)	Less than 3.075 million tons	Have achieved 34% reductions compared to FY2013, progressing on track
B2B2X Revenues	¥600.0B (FY2023)	¥549.0B (Number of Projects: 134)	¥600.0B	Aiming to reach target one year ahead of schedule
New Female Manager Appointment Rate	Continue to reach 30% each year	29%	30%	Aiming to reach 30% by expanding support and training programs

④ Overview of Medium-Term Management Strategy Initiatives

Progress from February 2022



<p>Growth and Strengthening of the Newly Formed DOCOMO Group</p>	<ul style="list-style-type: none"> • Acceleration of 5G service area expansion (expand to all municipalities by March 2024, with a population coverage rate of 90%) (NTT DOCOMO, March) • Announced launch of “ahamo Oomori,” which allows for data usage of up to 100GB (NTT DOCOMO, March (launch scheduled for June)) • JTOWER and DOCOMO agreed to the master transaction agreement for Infra-Sharing of up to 6,002 existing DOCOMO telecommunications towers (NTT DOCOMO, March) • Launched the multi-device metaverse “XR World” as an initiative of the new NTT Group brand “NTT XR” (NTT DOCOMO, March) • Announced changes to “d POINT Club” such that the more points are earned, the higher the point award rate becomes (NTT DOCOMO, February (changes scheduled for June)) • Launched an energy menu where domestic data centers are able to choose renewable energy (NTT Com, NTT Anode Energy, April) • Announced formation of a rugby business company and the reorganization of the rugby team (NTT DOCOMO, NTT Com, scheduled for July)
<p>Promotion of the IOWN Development/Rollout Plan</p>	<ul style="list-style-type: none"> • Worked with Mitsubishi Heavy Industries to utilize the LASOLV Ising machine to develop man-hour reducing technologies for large-scale projects’ resource planning (April) • The world’s first demonstration of aluminum nitride transistor (next-generation power devices contributing to carbon neutrality) (April)
<p>Enhance Competitiveness in Global Business</p>	<ul style="list-style-type: none"> • NTT and Macquarie Asset Management to enter into strategic partnership for data centers across Europe and North America (NTT Ltd., March) • Announced collaboration on data center business and construction of a new data center in Ho Chi Minh City, Vietnam (NTT GDC, March) • Acquired US company Vectorform to expand its digital strategy, innovation and solution design capabilities (NTT DATA Services, March)
<p>Strengthening of New Businesses</p>	<ul style="list-style-type: none"> • Acquired Japan’s first international ISO37106 smart city certification, for the Higashisakura Bloc (NTT Urban Solutions, NTT Data Institute of Management Consulting, February) • Announced the “TOKYO CROSS PARK Concept” by 10 businesses that are promoting the development of the Uchisaiwaicho 1-chome District (NTT Urban Solutions and others, March) • Established “Next Field Co.,Ltd.” a new company in the construction field, with Tobishima Corporation (NTT East, April) • Established the “QUINTBRIDGE” co-creation space, contributing to the promotion of open innovation and the revitalization of the market as a whole (NTT West, March)
<p>Transformation to a New Management Style</p>	<ul style="list-style-type: none"> • Rate of remote work: 74% (FY2021 annual average) • Maintenance of Satellite Offices: 496 locations (as of March 31, 2022)
<p>Enhancement of Corporate Value</p>	<ul style="list-style-type: none"> • Tentatively selected as a participating exhibitor of “Pavilion Hosting” by enterprises, organizations and other parties in Expo 2025 Osaka, Kansai, Japan (February), and Sponsor of Thematic Project Signature Pavilion “Quest of Life” (April) • Revised “NTT Group Procurement Policies”, “NTT Group Guidelines for Sustainability in Supply Chain”, etc. (February) • Launched internal carbon pricing system (May) • Donated US \$2.5 million for humanitarian aid in Ukraine and neighboring countries, and made international calls to Ukraine free of charge (March) • Entered into a “Collaboration Agreement to Eliminate Damage from Fraud” with the Tokyo Metropolitan Police Department (NTT East, March)

- **Reorganized personnel structure to establish a new management style and to further strengthen governance**
 - ① **Number of Members of the Board will be increased from the current 8 members to 10 members (with 5 outside members of the board)**
 - ② **In order to strengthen the corporate auditor system, one full-time outside corporate auditor will be added, increasing the total number of Audit & Supervisory Board Members from the current 5 to 6**
 - ③ **Ratio of female Members of the Board, Audit & Supervisory Board Members and Senior Vice Presidents to be increased to over 30%**
 - ④ **Internal Control Office will be reorganized into an Internal Audit Department under the direct control of the president**
 - ⑤ **Established a new office in charge of economic security**

- **Taking the opportunity to renew personnel given that the direction of measures for NTT Group's transformation has been made clear and that business results have also been strong (over half of the Members of the Board and Senior Vice Presidents will be newly appointed)**

Appendix

Broadband Services

Fixed-Line Broadband Services Subscriptions

Number of Subscriptions



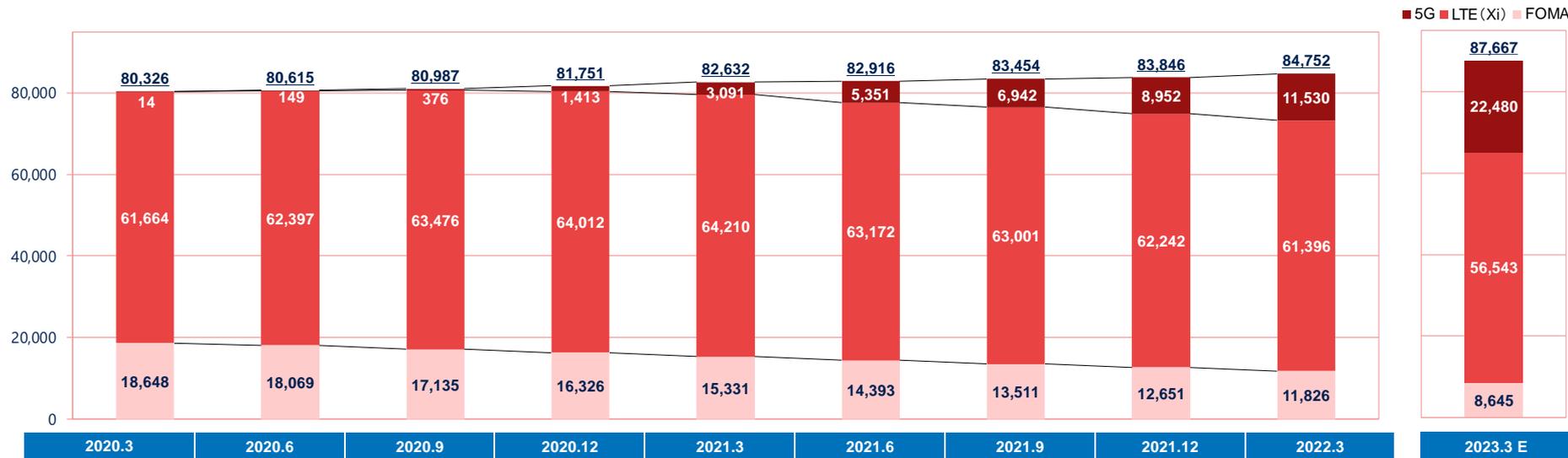
Net Increase

	2020 4-6	2020 7-9	2020 10-12	2021 1-3	2021 4-6	2021 7-9	2021 10-12	2022 1-3	2022 4 - 2023 3 E
Total	+266	+221	+194	+226	+253	+217	+160	+72	+650
		+906				+702			
Hikari Collaboration Model	+369	+344	+305	+339	+366	+294	+227	+160	+900
FLET'S Hikari	(104)	(123)	(111)	(113)	(113)	(78)	(67)	(88)	(250)
		(451)				(345)			

Mobile Communications Services Subscriptions



Number of Subscriptions



Net Increase

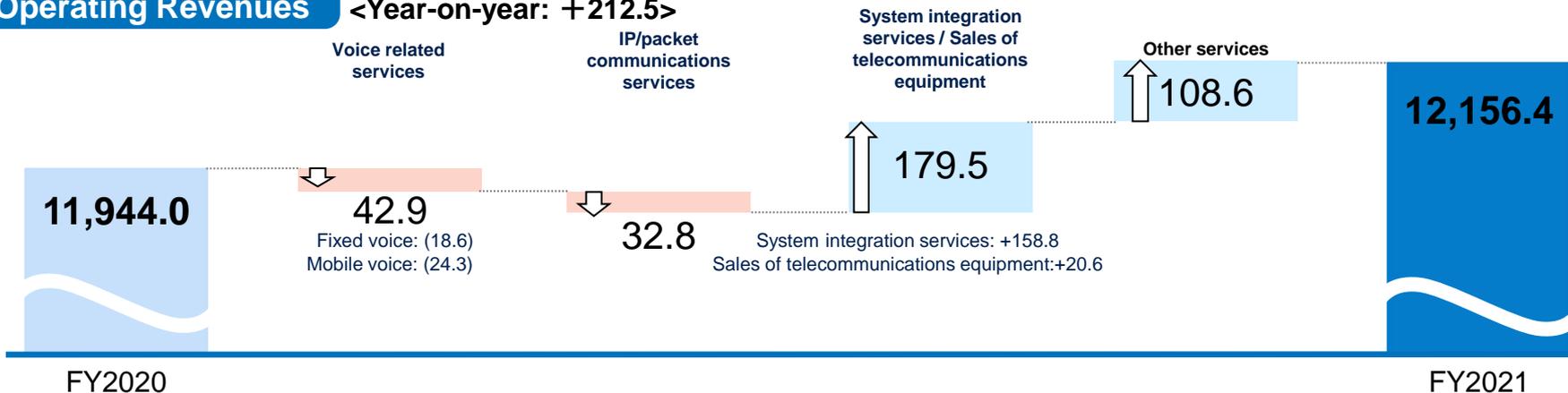
	2020 4-6	2020 7-9	2020 10-12	2021 1-3	2021 4-6	2021 7-9	2021 10-12	2022 1-3	2022 4 - 2023 3 E
5G+LTE(Xi)+ FOMA	+289	+372	+764	+881	+284	+537	+392	+907	+2,915
	+2,306			+2,120					

Financial Information

Details of Consolidated Statement of Income

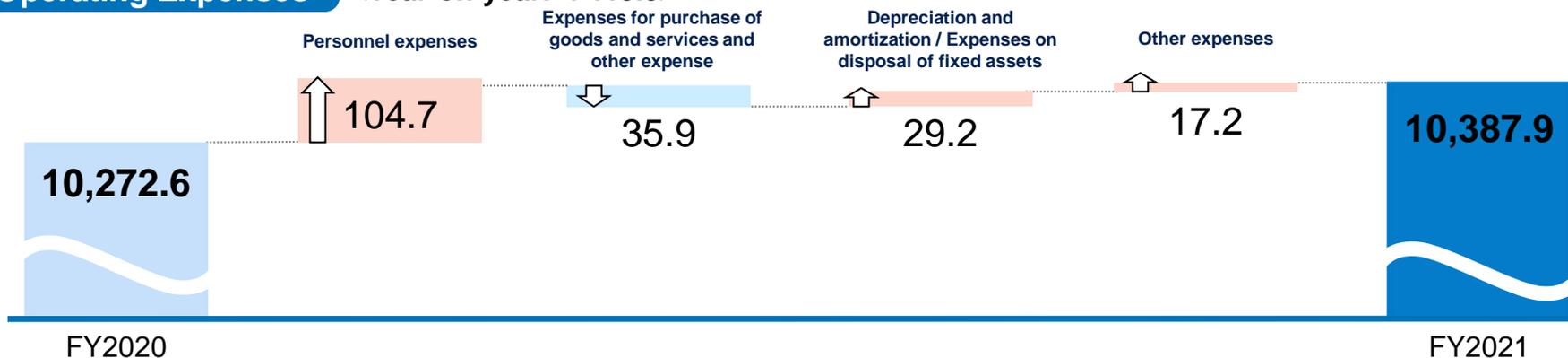
Operating Revenues

<Year-on-year: +212.5>



Operating Expenses

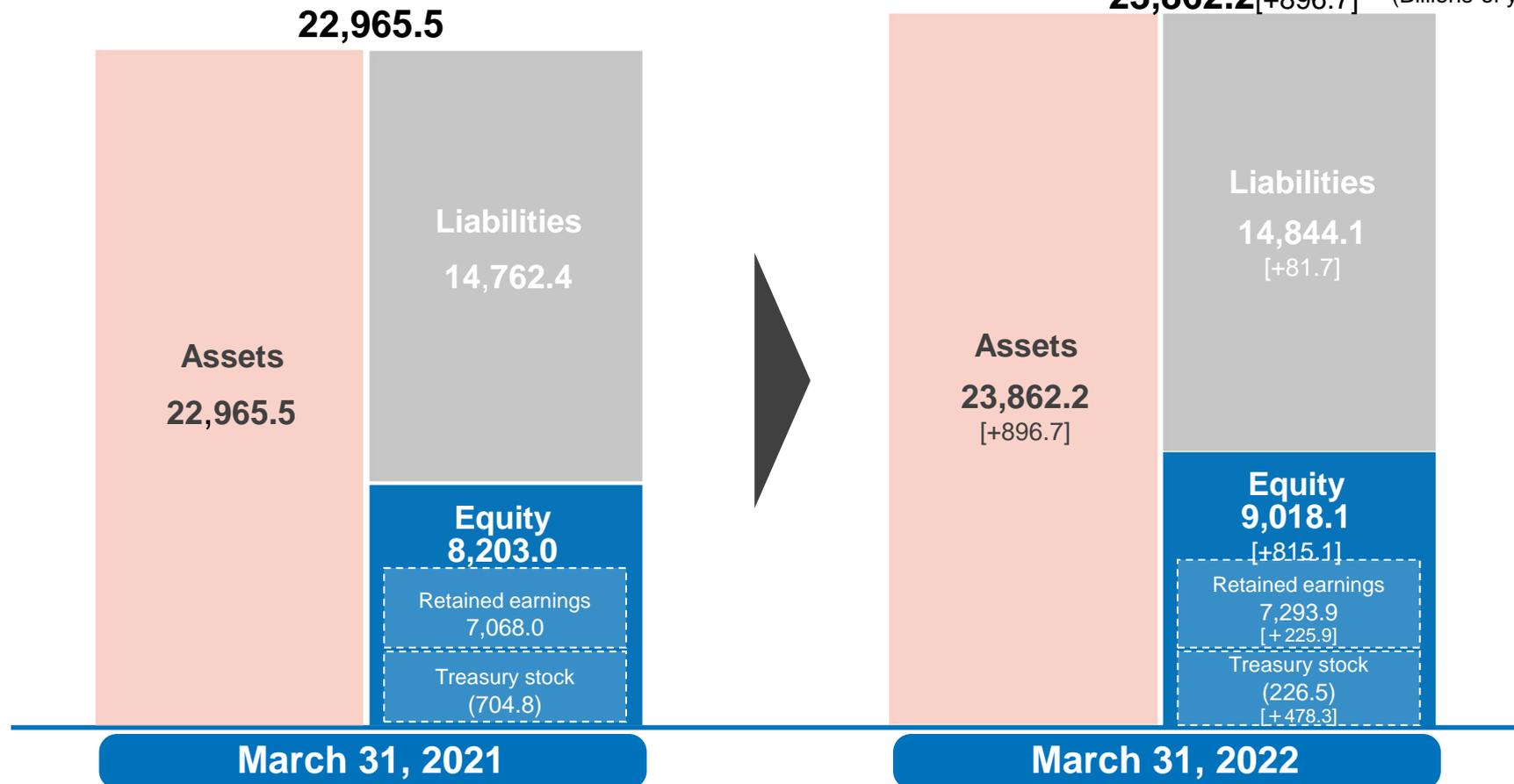
<Year-on-year: +115.3>



Details of Consolidated Balance Sheet



23,862.2^[+896.7] (Billions of yen)



Details of Consolidated Cash Flows

Cash Flows
from Operating
Activities⁽⁴⁾

(A)

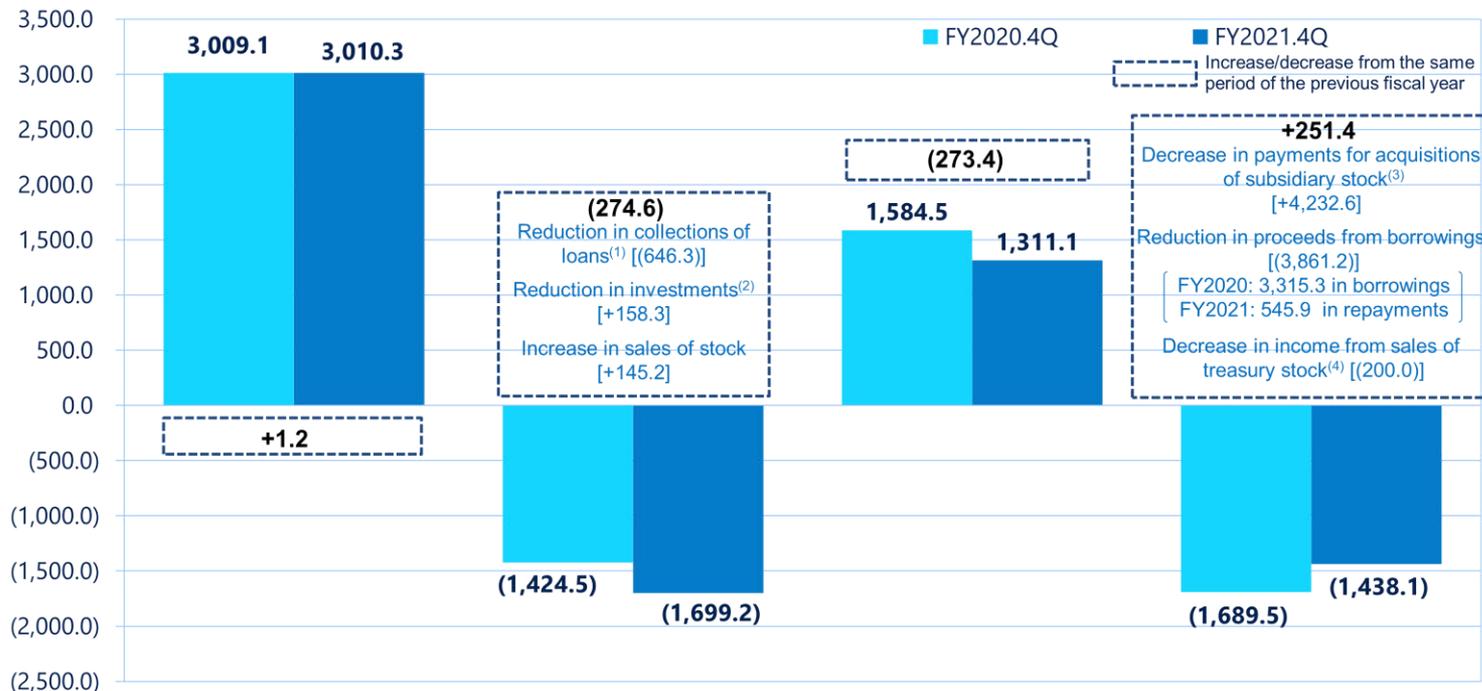
Cash Flows
from Investing
Activities

(B)

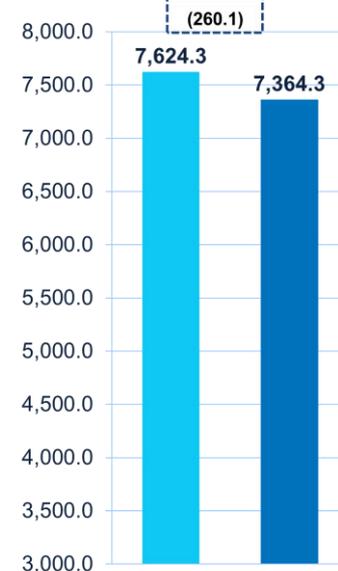
FCF

(A)+(B)

Cash Flows
from Financing
Activities



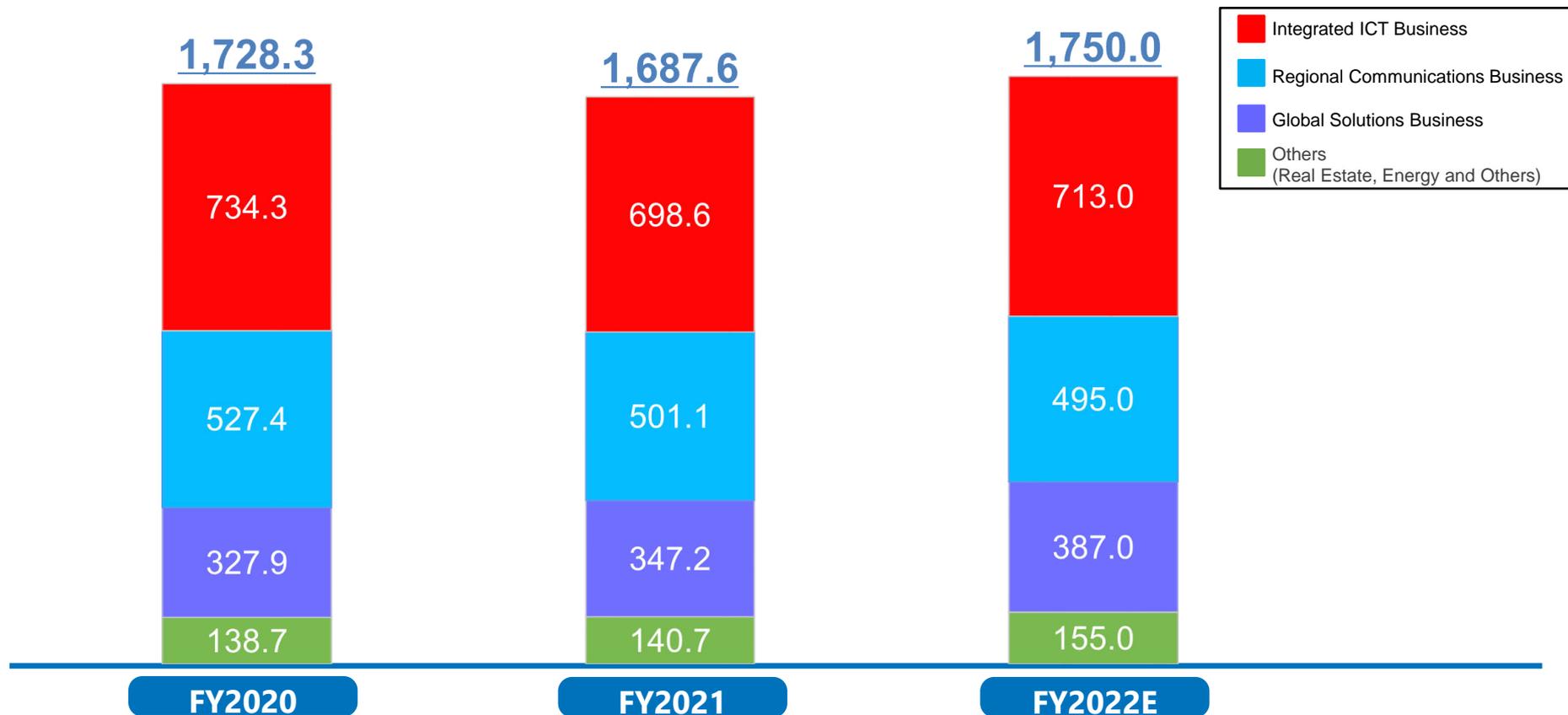
Interest-Bearing
Debt



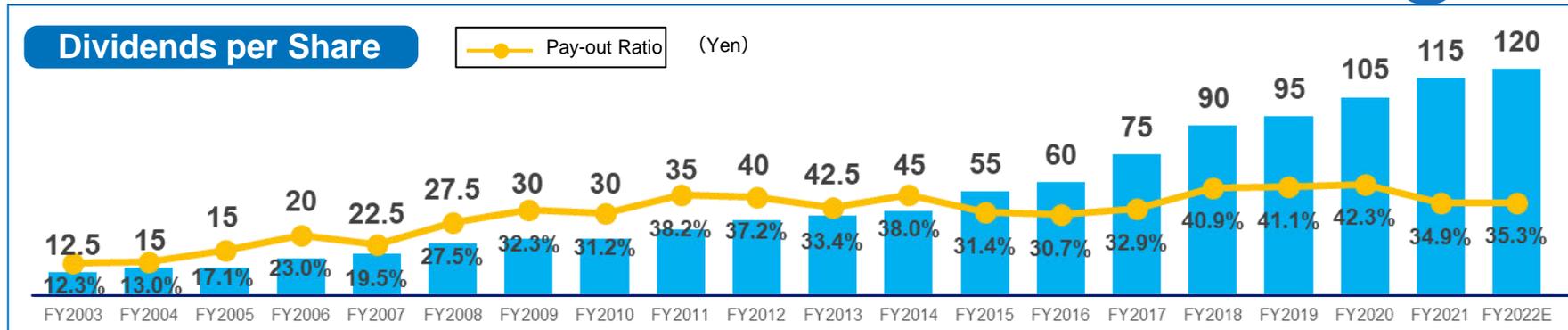
Note :

- (1) In FY2020, there were ¥672.7 billion of collections of loans (collections of short-term loans from NTT·TC Lease Co.).
- (2) In FY2020, ¥200.0 billion of shares of Toyota Motor Corporation were acquired.
- (3) In FY2020, shares of NTT DOCOMO, Inc. were acquired in a takeover bid.
- (4) In FY2020, ¥200.0 billion of NTT shares were sold to Toyota Motor Corporation.

Details of Capital Investment

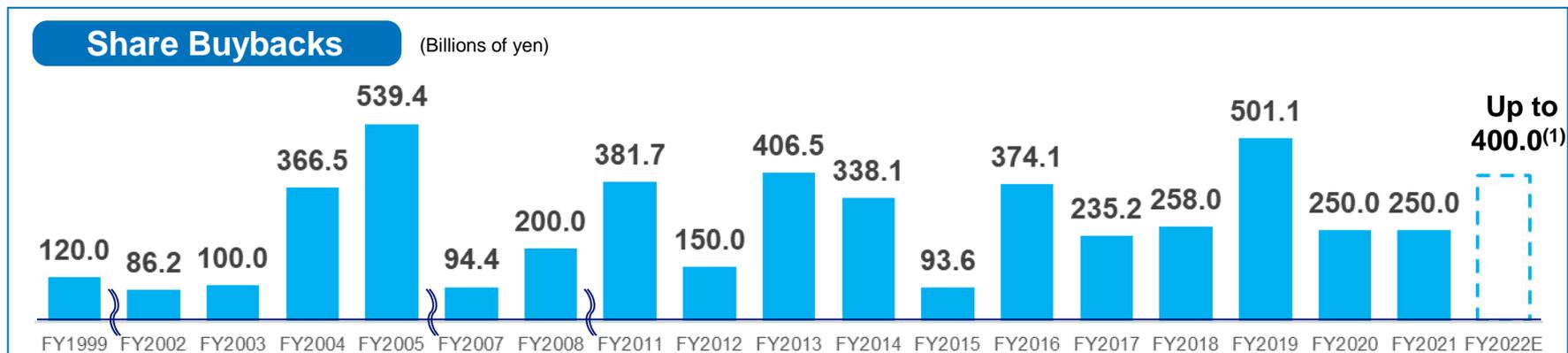


Shareholder Returns



Note 1: Dividend-per-share amounts have been adjusted to reflect the 100-for-one stock split carried out on January 4, 2009, the two-for-one stock split carried out on July 1, 2015 and the two-for-one stock split carried out on January 1, 2020.

Note 2: U.S. GAAP was applied for periods up to and including FY2017, and IFRS has been applied for periods from and including FY2018.



(1) On May 12, 2022, the Board of Directors of NTT resolved to buy back shares in an amount up to ¥400.0 billion. Buyback Period: May 13, 2022 to March 31, 2023.

Your Value Partner