### **Value Creation Process**

-A Cycle of Sustainable Corporate Value Enhancement -

The Company's attributes include a solid customer base in Japan and overseas, global brand power, human resource capabilities, and world-class research and development capabilities. We will leverage these to sustainably increase our corporate value in a manner unique to NTT through digital transformation together with our partners.

Input

Management Resources, Expertise

**R&D** Capabilities

# Social Issue Resolution

through Busin ess Operation

Human Resources

Brand Image

**ICT Infrastructure** 

**Financial Base** 

**Customer Base** 





Collabora tion with Various Partners

Enhancement of Management Resources Accelerate Our Own **Digital Transformations** 

Promote ESG Management, and Enhance the Returns of Shareholders to Improve **Corporate Value** 

Contribute to

**Realization of** Smart World / Society 5.0

Outcome



#### **Financial Targets**

**EPS Growth** +50% (Approximately ¥320 per share)

> **Overseas Sales / Overseas Operating Profit Margin\***<sup>1</sup>

\$25 billion / 7%

**Cost Reductions** (in fixed-line / mobile access networks)

## at least ¥800 billion

ROIC Return on invested capital

8%

#### **Capex to Sales**

(Domestic Network Business)\*2 Capital expenditure to sales ratio

# 13.5% or less

 The target year for EPS growth, overseas sales / overseas operating profit margin, cost reductions, and ROIC is the fiscal year ending March 31, 2024 (regarding EPS growth\* and cost reductions; the targets are compared with the fiscal year ended March 31, 2018).

The target year for capex to sales is the fiscal year ending March 31, 2022.

\*1 Including results from the global holding company, its subsidiaries and its affiliates. Operating profit excludes temporary expenses, such as M&A-related depreciation costs of intangible fixed assets.

\*2 Excludes NTT Communications' data centers and certain other assets.

\*3 Excludes the effects of the arbitration award received from Tata Sons Limited.

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