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***¹

\$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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