

Financial Summary

Nippon Telegraph and Telephone Corporation and its subsidiaries
Fiscal years ended March 31

U.S. GAAP	Billions of yen							
	2011	2012	2013	2014	2015	2016	2017	2018
Profit and loss (For the year)								
Operating revenues	¥10,305.0	¥10,507.4	¥10,700.7	¥10,925.2	¥11,095.3	¥11,541.0	¥11,391.0	¥11,799.6
Operating expenses	9,090.1	9,284.4	9,498.8	9,711.5	10,010.8	10,192.8	9,851.2	10,156.7
Operating income	1,214.9	1,223.0	1,202.0	1,213.7	1,084.6	1,348.1	1,539.8	1,642.8
Other income (expenses)	(39.1)	16.4	(4.3)	80.5	(17.9)	(18.9)	(12.0)	112.8
Income before income taxes and equity in earnings (losses) of affiliated companies	1,175.8	1,239.3	1,197.6	1,294.2	1,066.6	1,329.3	1,527.8	1,755.6
Income tax expense	474.6	583.2	474.0	486.5	397.3	354.8	468.4	541.9
Equity in earnings (losses) of affiliated companies	0.7	(7.6)	(16.1)	(50.8)	5.9	5.8	(0.0)	5.6
Net income	701.9	648.6	707.6	756.9	675.2	980.2	1,059.4	1,219.3
Less—Net income attributable to non-controlling interests	192.2	180.9	185.7	171.4	157.1	242.5	259.2	309.6
Net income attributable to NTT	¥ 509.6	¥ 467.7	¥ 521.9	¥ 585.5	¥ 518.1	¥ 737.7	¥ 800.1	¥ 909.7
Balance sheet (At year-end)								
Net property, plant and equipment	¥ 9,900.6	¥ 9,806.4	¥ 9,776.7	¥ 9,839.7	¥ 9,801.5	¥ 9,551.9	¥ 9,719.0	¥ 9,821.1
Total assets	19,665.6	19,389.7	19,549.1	20,284.9	20,702.4	21,035.9	21,250.3	21,675.8
Total current liabilities	3,689.1	3,494.3	3,499.4	3,676.8	3,721.7	3,741.1	4,131.4	4,239.0
Total long-term liabilities	5,895.6	5,847.7	5,527.7	5,657.4	5,902.7	6,009.6	5,560.4	5,354.3
Capital stock (common stock plus additional paid-in capital)	3,772.0	3,770.1	3,765.6	3,765.0	3,784.7	3,817.5	3,800.0	3,791.6
Total NTT shareholders' equity	8,020.7	7,882.6	8,231.4	8,511.4	8,681.9	8,833.8	9,052.5	9,486.0
Non-controlling interests	2,060.2	2,165.1	2,290.6	2,413.5	2,368.0	2,406.3	2,455.3	2,546.6
Total equity	¥10,080.9	¥10,047.7	¥10,522.0	¥10,924.8	¥11,049.8	¥11,240.1	¥11,507.8	¥12,032.6
Cash flows (For the year)								
Net cash provided by operating activities	¥ 2,830.9	¥ 2,508.3	¥ 2,453.7	¥ 2,727.9	¥ 2,391.8	¥ 2,711.8	¥ 2,917.4	¥ 2,637.5
Net cash used in investing activities	(2,052.2)	(1,971.2)	(1,776.3)	(2,106.8)	(1,868.6)	(1,759.8)	(2,089.3)	(1,841.8)
Net cash used in financing activities	¥ (249.6)	¥ (948.1)	¥ (745.2)	¥ (622.4)	¥ (678.0)	¥ (707.6)	¥ (981.5)	¥ (931.7)
Other financial data, performance indicators, etc.								
Interest-bearing liabilities	¥ 4,553.5	¥ 4,274.0	¥ 4,036.0	¥ 4,200.0	¥ 4,406.7	¥ 4,163.3	¥ 4,088.2	¥ 3,854.8
D/E ratio	56.8%	54.2%	49.0%	49.3%	50.8%	47.1%	45.2%	40.6%
Capital investment (For the year) ⁽¹⁾	1,870.1	1,946.6	1,970.0	1,892.8	1,817.5	1,687.2	1,700.0	1,674.8
Depreciation and amortization (For the year)	1,962.5	1,910.7	1,899.2	1,880.3	1,828.0	1,766.3	1,462.2	1,339.4
Research and development expenses (For the year)	268.2	267.9	269.2	249.3	233.8	213.4	211.6	213.9
EBITDA	3,286.0	3,234.1	3,244.2	3,204.2	3,063.4	3,277.9	3,183.3	3,215.8
EBITDA margin ⁽¹⁾	31.9%	30.8%	30.3%	29.3%	27.6%	28.4%	27.9%	27.3%
Free cash flows	778.7	537.1	677.4	621.1	523.2	952.1	828.0	795.8
Employees (Thousands) (At year-end)	219	224	227	240	242	241	275	283
Weighted average number of shares outstanding ⁽²⁾	5,292,693,556	5,102,077,600	4,847,523,076	4,599,032,856	4,374,720,036	4,211,565,656	4,093,356,288	3,991,825,514
Cash dividends, applicable to earnings for the year ⁽²⁾	30	35	40	42.5	45	55	60	75
Dividend payout ratio (%)	31.2%	38.2%	37.2%	33.4%	38.0%	31.4%	30.7%	32.9%
ROE (%)	6.4%	5.9%	6.5%	7.0%	6.0%	8.4%	8.9%	9.8%
EPS (Yen) ⁽²⁾	96.29	91.67	107.67	127.31	118.43	175.17	195.47	227.89
Capex to sales (%)	18.1%	18.5%	18.4%	17.3%	16.4%	14.6%	14.9%	14.2%

(1) Please refer to Reconciliation of Capital Investment and Reconciliation of EBITDA Margin on page 99.

• Capital investment is on an accrual basis for the acquisition of property, plant and equipment.

• From the fiscal year ended March 31, 2017, the method for calculating EBITDA has been revised.

EBITDA = Operating income + Depreciation and amortization + Loss on sales of property, plant and equipment + Impairment loss

EBITDA margin = (Operating income + Depreciation and amortization + Loss on sales and disposal of property, plant and equipment + Impairment loss) / Operating revenues × 100

(2) Adjusted for the 2-for-1 stock split with effective dates of July 1, 2015 and January 1, 2020.

IFRS	Billions of yen		
	2018	2019	2020
Profit and loss (For the year)			
Operating revenues	¥11,782.1	¥11,879.8	¥11,899.4
Operating expenses	10,141.1	10,186.0	10,337.3
Operating profit	1,641.1	1,693.8	1,562.2
Finance income and costs	(53.2)	(11.9)	(3.3)
Share of profit (loss) of entities accounted for using equity method	5.0	(10.1)	11.3
Profit (loss) before tax	1,740.5	1,671.9	1,570.1
Income taxes	533.8	533.2	458.8
Profit	1,206.7	1,138.7	1,111.3
Less—Profit attributable to non-controlling interests	308.8	284.1	256.0
Profit attributable to NTT	¥ 897.9	¥ 854.6	¥ 855.3
Balance sheet (At year-end)			
Property, plant and equipment	¥ 8,812.2	¥ 9,012.9	¥ 9,087.5
Total assets	21,541.4	22,295.1	23,014.1
Total current liabilities	4,622.4	5,228.1	6,607.6
Total non-current liabilities	5,353.4	5,262.3	4,943.9
Capital stock (common stock plus additional paid-in capital)	3,334.5	3,279.2	3,190.6
Total NTT shareholders' equity	9,050.4	9,264.9	9,061.1
Non-controlling interests	2,515.3	2,539.9	2,401.5
Total equity	¥11,565.7	¥11,804.8	¥11,462.6
Cash flows (For the year)			
Net cash provided by operating activities	¥ 2,541.3	¥ 2,406.2	¥ 2,995.2
Net cash used in investing activities	(1,746.2)	(1,774.1)	(1,852.7)
Net cash used in financing activities	¥ (968.3)	¥ (584.3)	¥ (1,041.3)
Other financial data, performance indicators, etc.			
Interest-bearing liabilities	¥ 3,971.6	¥ 4,262.7	¥ 4,699.9
D/E ratio	43.9%	46.0%	51.9%
Capital investment (For the year)	1,697.9	1,697.0	1,806.6
Depreciation and amortization (For the year)	1,346.9	1,333.6	1,465.3
Research and development expenses (For the year)	208.6	211.3	224.9
EBITDA	3,237.1	3,241.4	2,979.5
EBITDA margin	27.5%	27.3%	25.0%
Free cash flows	795.1	632.0	1,142.5
Employees (Thousands) (At year-end) ⁽³⁾	283	308	319
Weighted average number of shares outstanding ⁽⁴⁾	3,991,825,514	3,882,137,457	3,699,278,775
Cash dividends, applicable to earnings for the year ⁽⁴⁾	75	90	95
Dividend payout ratio (%)	33.3%	40.9%	41.1%
ROE (%)	10.2%	9.3%	9.3%
Medium-term financial targets			
EPS (Yen) ⁽⁴⁾	224.93	220.13	231.21
Overseas sales (Millions of dollars) ⁽⁵⁾	18,354	18,911	19,454
Overseas operating income margin (%) ⁽⁵⁾	3.1%	3.2%	2.4%
Cost reductions (Billions of yen) ⁽⁶⁾	—	(220.0)	(500.0)
ROIC (%)	7.4%	7.4%	6.6%
Capex to sales (%) (Domestic network business) ⁽⁷⁾	13.7%	13.9%	13.8%

(3) Past figures have been retroactively revised as a result of expanding the scope of the personnel counted at certain overseas subsidiaries.

(4) EPS amounts reflect the two-for-one stock split with an effective date of January 1, 2020 as approved by the Board of Directors on November 5, 2019.

(5) Includes results from the global holding company (NTT, Inc.) and its subsidiaries and affiliates.

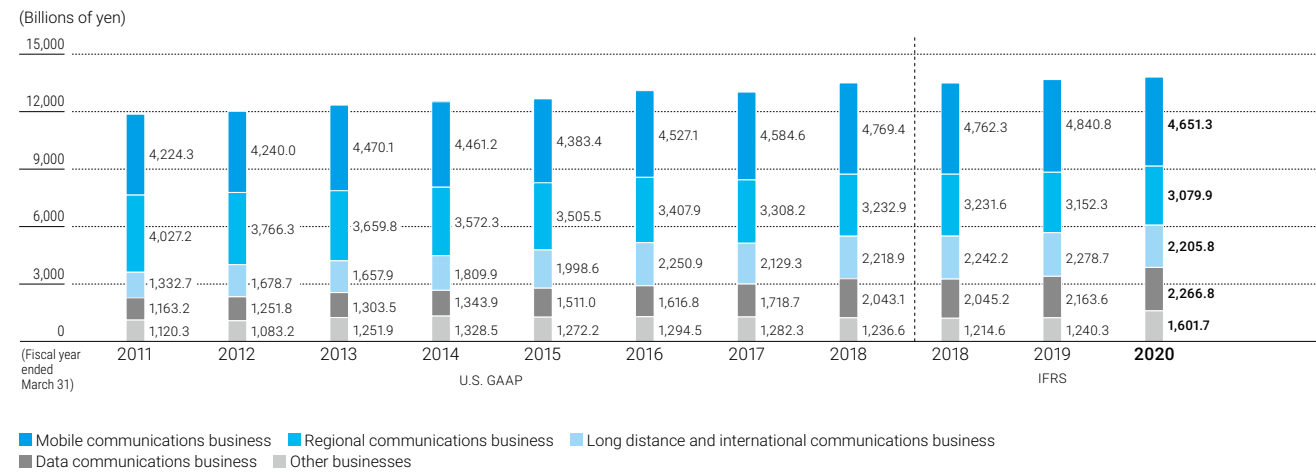
Operating Income excludes temporary expenses, such as M&A-related depreciation costs of intangible fixed assets.

(6) Cumulative reductions from FY2017.

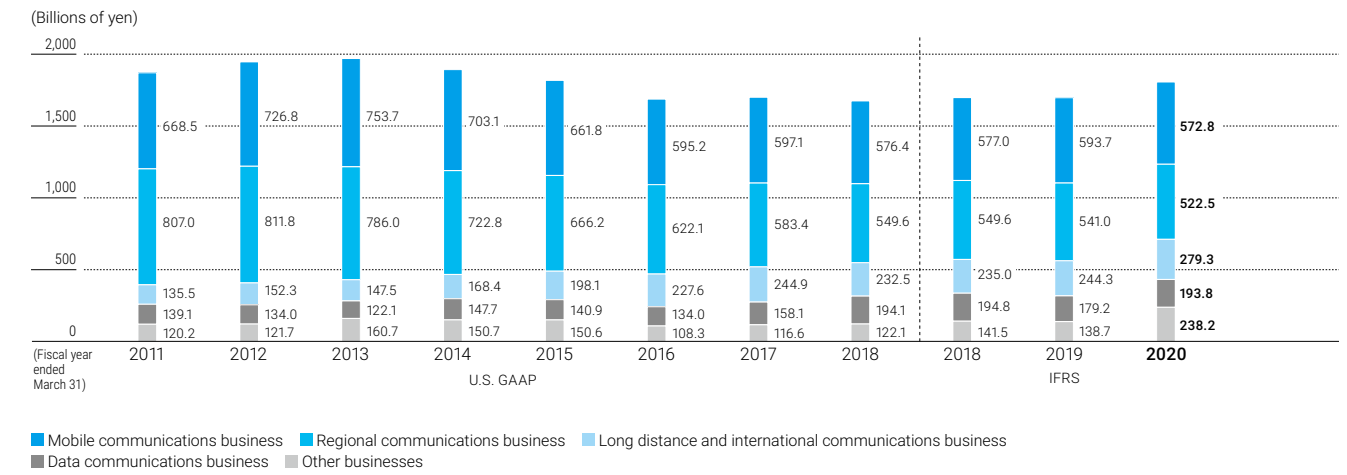
(7) Excludes NTT Communications' data centers and certain other assets.

Business Segment Data

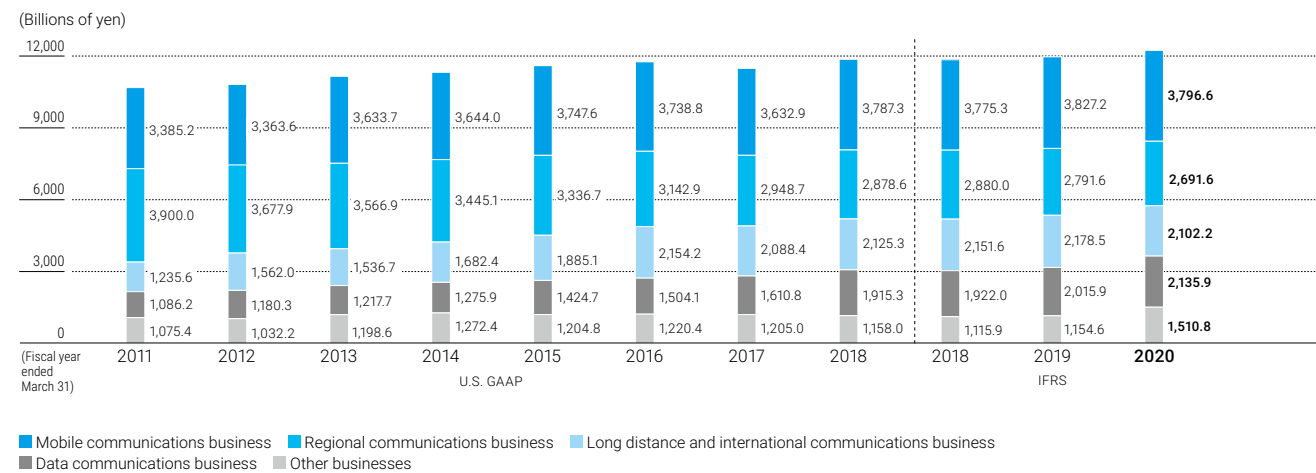
Total Operating Revenues



Capital Investment



Operating Expenses



Group Data

Fiscal year ended March 31	NTT DOCOMO (Consolidated)			NTT East Group*1			NTT West Group*2		
	2018	2019	2020	2018	2019	2020	2018	2019	2020
Operating revenues	4,762.3	4,840.8	4,651.3	1,786.8	1,740.6	1,677.1	1,494.0	1,462.3	1,434.3
Operating expenses	3,775.3	3,827.2	3,796.6	1,554.1	1,498.0	1,421.1	1,374.7	1,344.0	1,302.1
Operating profit	987.0	1,013.6	854.7	232.7	242.7	256.0	119.4	118.3	132.2
Profit before taxes	1,141.7	1,002.6	868.0	230.3	241.0	255.0	113.6	113.7	129.3
Profit attributable to NTT	790.8	663.6	591.5	162.4	166.0	178.4	80.0	80.7	91.8

Fiscal year ended March 31	NTT, Inc. (Global Holding Company) Group*3		NTT Ltd. Group*4		NTT Communications Group*5*6		NTT DATA (Consolidated)		
	2019	2020	2019	2020	2019	2020	2018	2019	2020
Operating revenues	-	4,426.8	-	897.7	-	794.6	2,039.7	2,163.6	2,266.8
Operating expenses / Selling, general and administrative expenses	-	4,193.2	-	919.1	-	698.4	1,916.5	2,015.9	2,135.9
Operating profit	-	233.5	-	(21.4)	-	96.2	123.1	147.7	130.9
Profit before taxes	-	-	-	(31.6)	-	108.9	122.7	146.9	120.2
Profit attributable to NTT	-	-	-	(34.0)	-	110.5	82.4	93.6	75.1

Fiscal year ended March 31	NTT Urban Solutions Group*7		NTT Urban Development (Consolidated)		
	2019	2020	2018	2019	2020
Operating revenues	-	426.0	160.6	168.0	147.9
Operating expenses / Selling, general and administrative expenses	-	384.2	132.7	140.4	122.1
Operating profit	-	48.7	30.4	28.6	32.1
Profit before taxes	-	41.4	27.9	25.6	25.2
Profit attributable to NTT	-	27.3	18.1	16.1	16.0

*1 The scope of aggregation for each of the figures presented for NTT East Group is internal management figures after eliminating internal transactions between NTT East and its subsidiaries. Such figures are not audited and are provided for reference only.

*2 The scope of aggregation for each of the figures presented for NTT West Group is internal management figures after eliminating internal transactions between NTT West and its subsidiaries. Such figures are not audited and are provided for reference only.

*3 The scope of aggregation for each of the figures presented for NTT, Inc. Group is internal management figures after eliminating internal transactions between NTT, Inc. and its subsidiaries. Such figures are not audited and are provided for reference only.

*4 The scope of aggregation for each of the figures presented for NTT Ltd. Group is internal management figures after eliminating internal transactions between NTT Ltd. and its subsidiaries. Such figures are not audited and are provided for reference only.

*5 The scope of aggregation for each of the figures presented for NTT Communications Group is internal management figures after eliminating internal transactions between NTT Communications and its subsidiaries. Such figures are not audited and are provided for reference only.

*6 Overseas subsidiaries of NTT Communications Group were transferred to the NTT Ltd. Group with as part of the global reorganization of NTT Group in July 2019.

*7 The scope of aggregation for each of the figures presented for NTT Urban Solutions Group is internal management figures after eliminating internal transactions among NTT Urban Development (on a consolidated basis), NTT FACILITIES and its subsidiaries. Such figures are not audited and are provided for reference only.

Quarterly Data (IFRS)

Billions of yen

	1Q			2Q			3Q			4Q			Years Ended March 31		
	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019
NTT Consolidated Financial Results															
Operating revenues	2,808.7	2,852.7	2,915.4	2,882.4	2,940.5	2,974.1	3,055.8	3,002.0	2,973.1	3,035.2	3,084.6	3,036.7	11,782.1	11,879.8	11,899.4
Fixed voice-related services	290.2	272.2	252.3	280.8	266.1	245.5	287.8	271.0	249.9	288.0	268.4	251.7	1,146.9	1,077.7	999.4
Mobile voice-related services	227.2	234.5	231.3	236.9	238.5	235.2	235.7	237.2	240.2	233.5	236.5	259.8	933.3	946.7	966.5
IP/packet communications services	939.5	938.0	923.3	949.6	930.5	918.2	939.1	934.1	899.7	929.3	918.7	878.1	3,757.4	3,721.2	3,619.3
Sales of telecommunications equipment	179.8	198.0	187.6	184.2	234.5	173.0	304.1	280.1	189.3	210.2	216.6	141.9	878.3	929.2	691.8
System integration services	792.2	837.7	876.6	855.2	877.2	930.8	884.0	884.9	928.1	925.9	994.3	995.9	3,457.4	3,594.1	3,731.4
Other	379.9	372.3	444.3	375.7	393.7	471.3	405.0	394.9	465.9	448.3	450.1	509.4	1,608.9	1,611.0	1,891.0
Operating expenses	2,284.1	2,315.5	2,410.2	2,368.7	2,406.9	2,496.5	2,684.5	2,545.6	2,505.5	2,803.8	2,917.9	2,925.0	10,141.1	10,186.0	10,337.3
Personnel expenses	591.6	592.1	606.0	594.9	590.7	595.8	614.2	603.0	612.1	592.6	605.8	614.6	2,393.4	2,391.6	2,428.5
Expenses for purchase of goods and services and other expenses	1,305.9	1,341.8	1,390.3	1,378.6	1,426.3	1,480.7	1,519.7	1,475.5	1,463.9	1,629.6	1,674.1	1,671.4	5,833.9	5,917.7	6,006.4
Depreciation and amortization	331.0	325.5	360.5	333.3	331.0	361.6	339.5	334.2	365.2	343.3	343.0	378.0	1,346.9	1,333.6	1,465.3
Impairment losses	—	—	1.5	0.7	0.0	2.6	150.1	67.3	2.9	27.0	59.0	9.6	177.9	126.4	16.7
Goodwill	—	—	—	—	—	0.3	25.3	—	1.7	8.8	39.4	0.9	34.1	39.4	2.9
Metal cable-related	—	—	—	—	—	—	124.8	66.0	—	—	—	—	124.8	66.0	—
Other	—	—	1.5	0.7	0.0	2.3	0.0	1.3	1.2	18.2	19.6	8.6	19.0	21.0	13.7
Expenses on disposal of fixed assets	27.3	26.8	21.1	35.5	32.4	27.6	34.7	34.1	31.8	56.7	78.9	91.1	154.2	172.2	171.6
Taxes and dues	28.3	29.3	30.7	25.7	26.6	28.3	26.3	31.5	29.6	154.5	157.1	160.2	234.9	244.5	248.8
Operating profit	524.7	537.2	505.2	513.7	533.5	477.6	371.3	456.4	467.6	231.5	166.7	111.7	1,641.1	1,693.8	1,562.2
Profit before taxes	527.8	542.7	526.8	514.1	535.7	475.1	486.8	452.1	465.9	211.7	141.4	102.4	1,740.5	1,671.9	1,570.1
Profit attributable to NTT	289.3	289.7	280.5	274.8	270.0	267.1	217.3	232.4	249.3	116.5	62.4	58.4	897.9	854.6	855.3
NTT Consolidated Financial Position															
Assets	21,233.6	21,467.0	22,568.6	21,454.9	21,719.8	22,233.6	21,443.6	21,899.8	22,941.7	21,541.4	22,295.1	23,014.1			
Current assets	5,574.8	5,702.3	6,355.9	5,733.2	6,082.5	5,957.8	5,849.5	6,385.2	6,434.8	5,869.2	6,580.0	6,703.5			
(incl.) Cash and cash equivalents	1,161.7	797.1	1,021.5	984.4	889.6	928.0	892.2	908.4	875.5	895.0	946.1	1,033.6			
(incl.) Trade and other receivables	3,361.0	3,823.7	4,219.0	3,693.8	3,965.9	4,070.8	3,900.4	4,149.0	4,524.4	4,022.2	4,391.4	3,502.8			
Non-current assets	15,658.8	15,764.6	16,212.7	15,721.7	15,637.3	16,275.8	15,594.1	15,514.7	16,506.9	15,672.3	15,715.2	16,310.6			
(incl.) Property, plant and equipment	8,724.6	8,820.7	8,923.9	8,786.9	8,941.8	8,939.7	8,699.1	8,858.6	9,007.6	8,812.2	9,012.9	9,087.5			
Liabilities and Equity	21,233.6	21,467.0	22,568.6	21,454.9	21,719.8	22,233.6	21,443.6	21,899.8	22,941.7	21,541.4	22,295.1	23,014.1			
Liabilities	10,033.3	9,802.9	10,926.2	9,874.1	9,655.7	10,677.6	9,852.6	10,169.4	11,307.4	9,975.8	10,490.4	11,551.5			
Current liabilities	4,406.5	4,618.2	5,308.5	4,221.1	4,329.1	5,068.3	4,231.8	4,843.8	5,604.4	4,622.4	5,228.1	6,607.6			
(incl.) Trade and other payables	1,469.2	1,510.6	1,685.9	1,425.8	1,484.8	1,672.0	1,570.5	1,615.5	1,704.8	1,811.7	2,092.5	2,142.8			
Non-current liabilities	5,626.8	5,184.7	5,617.7	5,653.0	5,326.6	5,609.3	5,620.8	5,325.6	5,703.1	5,353.4	5,262.3	4,943.9			
(incl.) Long-term debt	3,178.2	2,793.1	2,834.9	3,185.1	2,936.3	2,792.5	3,163.0	2,907.7	2,867.6	2,953.9	2,865.2	2,165.8			
(incl.) Defined benefit liabilities	1,880.9	1,864.4	1,883.2	1,894.2	1,879.1	1,896.7	1,911.9	1,891.9	1,912.5	1,860.5	1,878.0	1,873.5			
Equity	11,200.3	11,664.0	11,642.4	11,580.8	12,064.1	11,555.9	11,591.0	11,730.4	11,634.3	11,565.7	11,804.8	11,462.6			
Interest-Bearing Liabilities (Consolidated)															
Interest-bearing liabilities	4,636.9	4,359.5	4,757.2	4,315.6	4,064.1	4,463.2	4,276.5	4,560.1	5,131.9	3,971.6	4,262.7	4,699.9			
Capital Investment															
Capital investment	369.1	321.4	330.7	401.2	361.1	368.0	383.3	367.6	411.5	544.4	646.8	696.6	1,697.9	1,697.0	1,806.6
Mobile Communications Business	122.3	124.9	97.9	145.2	130.5	120.6	135.9	134.0	119.7	173.6	204.3	234.7	577.0	593.7	572.8
Regional Communications Business	106.4	102.1	88.6	126.2	108.0	110.5	123.6	114.0	114.5	193.4	217.0	208.9	549.6	541.0	522.5
Long Distance and International Communications Business	52.1	38.4	48.5	56.7	50.3	58.7	47.5	45.4	63.4	78.7	110.2	108.7	235.0	244.3	279.3
Data Communications Business	44.6	38.2	42.1	53.7	40.2	41.9	40.9	45.4	54.2	55.6	55.4	55.7	194.8	179.2	193.8
Other Businesses	43.7	17.8	53.6	19.3	32.1	36.2	35.3	28.8	59.7	43.2	60.0	88.6	141.5	138.7	238.2
(Ref.) Capital investment by group															
NTT East Group	60.9	60.6	52.0	60.1	57.7	63.9	59.0	54.6	59.0	88.6	101.2	96.1	268.6	274.1	271.0
NTT West Group	45.5	41.5	36.6	66.1	50.3	46.6	64.7	59.4	55.5	104.8	115.8	112.8	281.0	266.9	251.5
NTT Ltd. Group	—	—	—	—	—	36.7	—	—	25.8	—	—	51.2	—	—	113.6
NTT Communications Group (from July 2019) *	—	—	—	—	—	21.5	—	—	37.4	—	—	54.5	—	—	113.5
NTT Communications Group	46.3	32.3	42.8	51.7	44.6	—	42.5	39.7	—	68.6	102.6	—	209.1	219.3	—
Dimension Data (Consolidated)	5.3	5.5	4.8	4.1	5.1	—	3.8	4.7	—	7.8	5.7	—	21.1	20.9	—
NTT Urban Solutions Group	—	—	35.5	—	—	13.3	—	—	32.1	—	—	48.4	—	—	129.4

* Overseas subsidiaries of NTT Communications Group were transferred to NTT Ltd. Group with as part of the global reorganization of NTT Group in July 2019.

Business Segments (IFRS)

Billions of yen

	1Q			2Q			3Q			4Q			Years Ended March 31		
	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019
Mobile Communications Business															
Operating revenues	1,133.6	1,176.7	1,159.3	1,160.7	1,212.9	1,170.7	1,295.1	1,264.6	1,186.0	1,172.9	1,186.7	1,135.3	4,762.3	4,840.8	4,651.3
Mobile voice-related service	229.7	236.9	233.6	239.4	241.0	237.6	238.3	239.7	242.6	235.5	238.7	262.5	942.8	956.2	976.3
IP/packet communications service	533.5	544.6	541.2	540.8	541.7	538.7	539.1	542.5	522.0	523.8	530.4	500.6	2,137.2	2,159.3	2,102.5
Sales of telecommunications equipment	157.0	178.6	167.7	162.0	211.8	150.1	284.7	259.7	171.0	186.2	194.3	119.5	789.8	844.4	608.2
Other	213.5	216.5	216.8	218.4	218.4	244.3	233.1	222.7	250.4	227.4	223.4	252.8	892.4	880.9	964.2
Operating expenses	851.5	866.7	880.6	883.2	912.3	909.2	998.9	973.1	938.4	1,041.7	1,075.1	1,068.5	3,775.3	3,827.2	3,796.6
Personnel expenses	72.6	73.0	72.3	71.4	72.3	72.7	72.2	72.6	73.7	71.9	71.1	69.5	288.1	288.9	288.2
Expenses for purchase of goods and services and other expenses	644.8	666.6	655.0	671.7	706.1	678.6	786.2	766.1	700.5	779.1	785.1	774.5	2,881.8	2,923.8	2,808.6
Depreciation and amortization	119.1	113.8	141.5	121.3	117.7	143.5	122.0	117.1	146.0	124.2	122.3	149.9	486.6	470.9	580.8
Impairment losses	—	—	—	—	—	—	—	—	1.7	11.8	32.8	0.5	11.8	32.8	2.2
Expenses on disposal of fixed assets	12.5	10.4	8.7	16.1	13.3	11.2	15.5	14.3	12.5	23.0	30.8	39.1	67.2	68.8	71.5
Taxes and dues	2.5	3.0	3.1	2.7	3.0	3.2	2.9	3.1	4.1	31.7	33.0	35.0	39.8	42.0	45.3
Operating profit	282.1	309.9	278.7	277.5	300.6	261.5	296.3	291.5	247.6	131.1	111.6	66.8	987.0	1,013.6	854.7
Regional Communications Business															
Operating revenues	786.7	768.9	746.5	792.1	775.5	763.3	798.7	781.1	766.5	854.0	826.8	803.7	3,231.6	3,152.3	3,079.9
Fixed voice-related service	288.5	274.0	255.3	280.4	267.9	245.8	286.7	271.7	252.2	287.5	271.6	252.9	1,143.1	1,085.2	1,006.1
IP/packet communications service	379.5	374.4	372.5	381.4	374.1	370.6	380.0	377.3	374.1	382.7	374.9	372.5	1,523.7	1,500.7	1,489.7
Sales of telecommunications equipment	18.5	18.3	17.8	19.2	18.7	21.9	18.5	18.9	17.1	20.6	20.7	19.8	76.7	76.6	76.6
System integration services	28.4	27.6	29.7	38.0	41.1	52.9	37.2	37.7	48.6	63.1	62.5	74.9	166.6	168.9	206.1
Other	71.9	74.6	71.2	73.2	73.7	72.1	76.2	75.5	74.4	100.2	97.0	83.6	321.4	320.9	301.3
Operating expenses	635.4	626.9	601.9	655.1	641.2	637.1	779.4	706.0	639.6	810.1	817.5	813.0	2,880.0	2,791.6	2,691.6
Personnel expenses	190.6	178.4	175.0	184.7	178.4	169.8	182.8	177.9	171.3	178.7	172.9	166.6	736.8	707.6	682.7
Expenses for purchase of goods and services and other expenses	301.3	305.1	293.4	323.2	318.7	331.2	324.8	317.0	330.8	396.1	398.2	402.3	1,345.4	1,338.9	1,357.6
Depreciation and amortization	112.0	110.7	102.8	112.9	110.8	103.7	114.7	111.9	103.1	115.4	114.5	104.8	455.0	448.0	414.5
Impairment losses	—	—	—	0.6	—	—	124.8	66.0	—	2.2	3.7	0.9	127.6	69.7	0.9
Expenses on disposal of fixed assets	13.7	14.4	11.6	18.2	17.6	16.0	16.9	17.4	17.7	29.6	40.9	51.4	78.3	90.3	96.7
Taxes and dues	17.9	18.3	19.1	15.5	15.8	16.4	15.5	15.8	16.7	88.1	87.2	87.1	136.9	137.1	139.3
Operating profit (loss)	151.3	142.0	144.6	137.1	134.3	126.1	19.3	75.0	126.9	43.9	9.4	(9.4)	351.6	360.7	388.3
Long Distance and International Communications Business															
Operating revenues	533.4	541.2	555.9	562.7	572.0	562.0	570.0	571.3	542.2	576.1	594.3	545.7	2,242.2	2,278.7	2,205.8
Fixed voice-related service	60.4	55.7	50.4	59.1	56.8	53.7	60.8	56.0	53.0	59.5	51.8	50.9	239.9	220.3	207.9
IP/packet communications service	99.8	106.0	106.4	101.8	105.8	105.8	103.4	107.9	102.4	105.2	107.8	103.7	410.2	427.5	418.3
Sales of telecommunications equipment	4.7	1.6	2.6	3.9	4.4	1.8	1.6	1.9	1.6	4.5	3.6	5.0	14.7	11.5	11.0
System integration services	325.5	338.6	352.2	357.8	363.3	375.9	362.2	357.4	362.0	358.5	379.7	352.5	1,404.0	1,439.1	1,442.6
Other	43.0	39.3	44.3	40.1	41.6	24.9	42.0	48.1	23.2	48.3	51.4	33.6	173.4	180.3	125.9
Operating expenses	492.3	509.1	526.8	523.7	532.6	531.7	569.7	537.6	505.6	566.0	599.2	538.0	2,151.6	2,178.5	2,102.2
Personnel expenses	96.0	102.5	107.7	97.6	102.7	102.2	111.4	103.7	105.5	99.6	102.4	100.3	404.6	411.4	415.7
Expenses for purchase of goods and services and other expenses	353.3	361.3	362.1	382.2	384.2	371.2	387.5	381.8	345.4	398.8	414.2	364.0	1,521.8	1,541.6	1,442.6
Depreciation and amortization	40.5	42.8	52.7	41.2	43.3	51.5	42.5	43.8	51.3	43.6	48.6	55.2	167.8	178.4	210.7
Impairment losses	—	—	1.5	0.2	—	2.3	25.3	0.2	0.0	11.6	19.4	4.7	37.1	19.7	8.6
Expenses on disposal of fixed assets	0.9	0.7	0.6	0.9	0.7	1.3	1.4	2.4	1.7	2.2	4.1	3.6	5.4	7.9	7.1
Taxes and dues	1.6	1.8	2.1	1.6	1.6	3.3	1.6	5.7	1.8	10.1	10.5	10.3	15.0	19.6	17.5
Operating profit (loss)	41.1	32.0	29.1	39.1	39.4	30.2	0.3	33.6	36.6	10.1	(4.9)	7.7	90.6	100.1	103.6
Data Communications Business															
Operating revenues	472.1	505.2	527.3	491.9	517.5	550.5	521.4	528.0	564.2	559.9	612.9	624.8	2,045.2	2,163.6	2,266.8
System integration services	472.1	505.2	527.3	491.9	517.5	550.5	521.4	528.0	564.2	559.9	612.9	624.8	2,045.2	2,163.6	2,266.8
Operating expenses	445.7	476.0	497.4	461.9	486.4	516.6	490.4	493.5	534.4	524.0	560.0	587.4	1,922.0	2,015.9	2,135.9
Personnel expenses	182.8	193.3	203.3	193.1	193.5	201.6	202.2	202.5	213.5	198.5	214.9	221.7	776.6	804.2	840.1
Expenses for purchase of goods and services and other expenses	221.5	242.6	243.5	227.8	251.9	263.5	245.9	247.6	267.8	280.6	300.9	308.5	975.7	1,043.0	1,083.4
Depreciation and amortization	38.5	37.2	48.1	38.1	38.3	48.4	39.1	39.9	49.9	38.2	38.2	50.0	153.9	153.6	196.3
Impairment losses	—	—	—	—	—	0.3	—	—	0.0	1.7	0.7	2.0	1.7	0.7	2.3
Expenses on disposal of fixed assets	0.3	0.2	0.1	0.5	0.2	0.3	0.3	0.6	0.4	1.3	1.3	1.5	2.4	2.2	2.2
Taxes and dues	2.6	2.7	2.5	2.6	2.5	2.6	2.8	2.9	2.9	3.7	4.1	3.7	11.6	12.2	11.6
Operating profit	26.4	29.3	29.8	30.0	31.1	33.9	31.0	34.5	29.8	35.9	52.9	37.4	123.2	147.7	130.9
Other Businesses															
Operating revenues	274.8	267.2	338.5	281.3	297.8	382.3	293.0	290.3	375.9	365.6	385.0	504.9	1,214.6	1,240.3	1,601.7
IP/packet communications service	5.9	5.7	6.0	6.4	5.9	6.7	5.6	6.1	7.0	6.6	6.9	7.1	24.5	24.6	26.7
System integration services	32.4	35.5	35.6	34.7	37.1	34.3	39.7	34.7	37.8	40.9	44.8	51.6	147.7	152.1	159.4
Other	236.5	226.0	296.9	240.2	254.7	341.3	247.6	249.5	331.1	318.1	333.3	446.2	1,042.3	1,063.5	1,415.6
Operating expenses	246.3	241.2	309.7	251.0	266.4	355.2	265.8	264.5	348.8	352.8	382.5	497.1	1,115.9	1,154.6	1,510.8
Personnel expenses	63.2	61.6	60.8	62.6	61.3	67.7	62.1	61.4	66.0	65.5	69.6	82.5	253.5	253.9	277.0
Expenses for purchase of goods and services and other expenses	158.6	152.8	212.3	164.7	178.9	252.3	177.8	176.3	244.7	242.6	255.6	349.4	743.8	763.7	1,058.7
Depreciation and amortization	20.8	22.3	32.3	20.2	21.7	32.0	21.5	21.4	31.7	22.1	25.5	35.9	84.6	90.9	131.9
Impairment losses	—	—	—	—	0.0	—	—	1.1	1.2	0.0	2.4	1.6	0.0	3.6	2.8
Expenses on disposal of fixed assets	0.5	1.6	0.4	0.6	1.5	0.5	1.4	0.9	1.0	2.3	5.1	3.4	4.8	9.0	5.2
Taxes and dues	3.2	2.9	4.0	2.8	3.0	2.8	2.9	3.4	4.1	20.3	24.2	24.2	29.3	33.6	35.1
Operating profit	28.5	26.0	28.9	30.3	31.4	27.1	27.2	25.8	27.1	12.8	2.5	7.8	98.7	85.6	90.9

Note: Figures for each segment include intersegment transactions.

Group Summary (IFRS)

Billions of yen

	1Q			2Q			3Q			4Q			Years Ended March 31		
	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019
NTT DOCOMO Consolidated															
Operating revenues	1,133.7	1,176.7	1,159.3	1,160.8	1,212.9	1,170.7	1,295.3	1,264.6	1,186.0	1,172.5	1,186.7	1,135.3	4,762.3	4,840.8	4,651.3
Telecommunications services	766.1	785.4	778.6	784.1	786.5	780.0	780.6	785.9	768.5	762.1	772.9	767.1	3,092.7	3,130.7	3,094.3
Mobile communications services	716.5	718.3	699.7	729.2	716.8	697.6	721.8	712.6	681.7	699.8	696.6	678.9	2,867.3	2,844.4	2,757.8
Optical-fiber broadband service and other telecommunications services	49.6	67.1	78.9	54.9	69.7	82.5	58.7	73.2	86.9	62.2	76.3	88.2	225.4	286.3	336.4
Equipment sales	157.0	178.6	167.7	162.0	211.8	150.1	284.7	259.7	171.0	186.2	194.3	119.5	789.8	844.4	608.2
Other	210.7	212.6	213.0	214.7	214.6	240.6	230.0	219.0	246.5	224.3	219.5	248.7	879.7	865.8	948.8
Operating expenses	851.6	866.7	880.6	882.9	912.3	909.2	999.0	973.1	938.4	1,041.7	1,075.1	1,068.5	3,775.3	3,827.2	3,796.6
Personnel expenses	72.6	73.0	72.3	71.4	72.3	72.7	72.2	72.6	73.7	71.9	71.1	69.5	288.1	288.9	288.2
Expenses for purchase of goods and services and other expenses	556.3	566.4	554.1	577.3	602.1	573.3	688.3	658.2	594.1	709.3	707.0	700.8	2,531.3	2,533.7	2,422.2
Depreciation and amortization	119.1	113.8	141.5	121.3	117.7	143.5	122.0	117.1	146.0	124.2	122.3	149.9	486.6	470.9	580.8
Impairment losses	—	—	—	—	—	—	—	—	1.7	11.8	32.8	0.5	11.8	32.8	2.2
Communication network charges	91.0	103.2	104.0	96.9	106.9	108.5	101.0	110.9	110.4	101.5	111.0	108.7	390.4	432.0	431.7
Expenses on disposal of fixed assets	12.5	10.4	8.7	16.1	13.3	11.2	15.5	14.3	12.5	23.0	30.8	39.1	67.2	68.8	71.5
Operating profit	282.1	309.9	278.7	277.8	300.6	261.5	296.2	291.5	247.6	130.8	111.6	66.8	987.0	1,013.6	854.7
Profit before taxes	289.8	317.1	285.4	285.5	304.1	263.2	445.3	290.5	247.9	121.1	91.0	71.5	1,141.7	1,002.6	868.0
Profit attributable to NTT DOCOMO, INC.	199.9	218.3	192.3	192.2	188.7	180.0	305.6	200.5	170.0	93.2	56.1	49.2	790.8	663.6	591.5
NTT East Group*1															
Operating revenues	430.2	424.2	409.3	432.3	425.6	414.0	441.2	431.7	417.5	483.1	459.1	436.2	1,786.8	1,740.6	1,677.1
Fixed voice related service	151.1	144.5	135.7	147.6	142.3	131.5	150.7	145.4	134.9	149.7	141.3	132.1	599.1	573.6	534.2
IP/packet communications service	210.8	209.7	210.5	212.9	210.6	209.6	212.8	211.5	210.9	215.1	210.7	211.1	851.6	842.5	842.1
Sales of telecommunications equipment	7.3	7.2	7.3	7.3	7.4	8.6	7.0	7.4	7.1	8.3	8.3	8.0	29.9	30.3	31.0
System integration services	14.0	13.0	14.2	16.8	18.5	24.2	17.9	17.7	24.3	31.3	26.2	37.2	80.0	75.4	99.9
Other	47.0	49.8	41.7	47.7	46.8	40.1	52.7	49.7	40.4	78.7	72.5	47.7	226.1	218.8	169.9
Operating expenses	341.3	336.6	321.2	352.9	340.4	334.6	413.3	378.2	337.4	446.6	442.7	427.8	1,554.1	1,498.0	1,421.1
Personnel expenses	99.8	93.6	92.8	96.8	93.4	88.3	95.6	92.7	90.5	93.9	92.8	88.0	386.1	372.6	359.6
Expenses for purchase of goods and services and other expenses	164.7	167.3	156.7	176.9	172.3	172.5	179.7	172.1	174.1	230.6	221.6	209.7	751.8	733.3	713.0
Depreciation and amortization	59.9	59.1	55.3	60.3	58.6	56.1	60.9	59.2	54.8	61.9	60.9	55.9	242.9	237.9	222.1
Impairment losses	—	—	—	0.6	—	—	60.9	36.1	—	1.5	2.5	—	63.0	38.7	—
Expenses on disposal of fixed assets	7.2	6.7	5.9	9.8	7.5	8.7	7.8	9.5	8.8	13.4	19.8	28.8	38.2	43.5	52.1
Taxes and dues	9.7	9.9	10.5	8.5	8.6	9.1	8.4	8.5	9.2	45.4	45.0	45.4	72.1	72.1	74.3
Operating profit	88.9	87.6	88.2	79.4	85.1	79.4	27.9	53.5	80.1	36.5	16.3	8.4	232.7	242.7	256.0
Profit before taxes	88.4	87.5	88.1	79.2	84.5	79.2	27.0	53.0	79.5	35.8	16.0	8.2	230.3	241.0	255.0
Profit attributable to NTT East	61.5	61.7	61.2	54.3	59.2	55.9	19.4	37.5	55.7	27.2	7.6	5.5	162.4	166.0	178.4
NTT West Group*2															
Operating revenues	366.6	354.1	346.0	370.7	359.9	355.7	368.1	361.7	356.6	388.6	386.6	376.1	1,494.0	1,462.3	1,434.3
Fixed voice related service	139.5	131.2	121.4	135.6	127.9	116.6	137.9	130.2	119.2	140.7	132.7	123.3	553.7	522.0	480.5
IP/packet communications service	168.9	164.8	162.1	168.7	163.7	161.1	167.3	165.9	163.4	167.7	164.2	161.5	672.5	658.6	648.1
Sales of telecommunications equipment	11.3	11.1	10.5	12.0	11.4	13.4	11.5	11.5	10.1	12.5	12.6	12.0	47.2	46.7	46.0
System integration services	14.8	15.0	16.0	21.6	23.0	29.1	19.8	20.5	25.2	32.8	36.8	38.1	88.9	95.4	108.3
Other	32.2	31.9	35.9	32.9	34.0	35.5	31.7	33.5	38.8	34.9	40.2	41.3	131.6	139.6	151.5
Operating expenses	304.2	299.8	289.6	312.9	310.8	308.8	376.7	339.8	309.8	380.8	393.6	393.9	1,374.7	1,344.0	1,302.1
Personnel expenses	91.0	85.1	82.4	88.1	85.2	81.4	87.5	85.5	81.2	85.5	81.1	78.7	352.1	336.8	323.6
Expenses for purchase of goods and services and other expenses	146.4	146.8	145.2	156.7	156.1	165.2	155.3	156.4	163.9	181.7	193.8	201.0	640.2	653.1	675.4
Depreciation and amortization	52.1	51.6	47.6	52.6	52.1	47.6	53.8	52.7	48.4	53.5	53.8	49.0	212.0	210.3	192.6
Impairment losses	—	—	—	—	—	—	63.9	29.9	—	0.7	1.2	0.9	64.6	31.0	0.9
Expenses on disposal of fixed assets	6.5	7.9	5.8	8.5	10.2	7.3	9.2	8.0	8.8	16.7	21.5	22.6	40.9	47.7	44.6
Taxes and dues	8.2	8.3	8.6	7.0	7.2	7.3	7.0	7.2	7.5	42.7	42.2	41.7	64.9	65.0	65.0
Operating profit (loss)	62.4	54.3	56.4	57.8	49.1	46.8	(8.6)	21.9	46.8	7.8	(7.0)	(17.8)	119.4	118.3	132.2
Profit (loss) before taxes	61.1	53.3	55.6	56.2	47.9	46.3	(10.1)	20.7	46.0	6.4	(8.2)	(18.6)	113.6	113.7	129.3
Profit (loss) attributable to NTT West	42.5	37.7	39.1	39.1	33.9	32.7	(6.2)	15.5	32.6	4.7	(6.4)	(12.7)	80.0	80.7	91.8

*1 The scope of aggregation for each of the figures presented for NTT East Group is internal management figures after eliminating internal transactions between NTT East and its subsidiaries. Such figures are not audited and are provided for reference only.

*2 The scope of aggregation for each of the figures presented for NTT West Group is internal management figures after eliminating internal transactions between NTT West and its subsidiaries. Such figures are not audited and are provided for reference only.

Financial Summary

Billions of yen

	1Q			2Q			3Q			4Q			Years Ended March 31		
	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019
NTT, Inc. (Global Holding Company) Group*1															
Operating revenues	—	—	1,073.1	—	—	1,102.3	—	—	1,096.3	—	—	1,155.0	—	—	4,426.8
Operating expenses	—	—	1,013.8	—	—	1,037.8	—	—	1,030.5	—	—	1,111.2	—	—	4,193.2
Operating profit	—	—	59.3	—	—	64.5	—	—	65.8	—	—	43.9	—	—	233.5
NTT Ltd. Group*2															
Operating revenues	—	—	—	—	—	316.4	—	—	303.4	—	—	277.9	—	—	897.7
Operating expenses	—	—	—	—	—	322.7	—	—	301.5	—	—	295.0	—	—	919.1
Personnel expenses	—	—	—	—	—	71.5	—	—	73.2	—	—	70.0	—	—	214.6
Expenses for purchase of goods and services and other expenses	—	—	—	—	—	225.1	—	—	205.0	—	—	193.9	—	—	624.1
Depreciation and amortization	—	—	—	—	—	23.1	—	—	22.6	—	—	25.5	—	—	71.3
Impairment losses	—	—	—	—	—	2.3	—	—	0.0	—	—	4.4	—	—	6.7
Expenses on disposal of fixed assets	—	—	—	—	—	0.0	—	—	0.1	—	—	0.1	—	—	0.2
Taxes and dues	—	—	—	—	—	0.7	—	—	0.6	—	—	1.0	—	—	2.3
Operating profit (loss)	—	—	—	—	—	(6.3)	—	—	2.0	—	—	(17.1)	—	—	(21.4)
Profit (loss) before taxes	—	—	—	—	—	(9.9)	—	—	(0.0)	—	—	(21.3)	—	—	(31.6)
Profit (loss) attributable to NTT Ltd.	—	—	—	—	—	(14.1)	—	—	(3.2)	—	—	(16.7)	—	—	(34.0)
NTT Communications Group (from July 2019)*3															
Operating revenues*4	—	—	—	—	—	258.6	—	—	254.1	—	—	281.9	—	—	794.6
Cloud computing platforms	—	—	—	—	—	24.6	—	—	24.5	—	—	26.1	—	—	75.2
Data networks	—	—	—	—	—	98.7	—	—	95.7	—	—	98.5	—	—	292.9
Voice communications	—	—	—	—	—	57.2	—	—	57.2	—	—	56.1	—	—	170.4
Applications & content	—	—	—	—	—	20.0	—	—	18.3	—	—	22.1	—	—	60.3
Solution services	—	—	—	—	—	51.2	—	—	52.0	—	—	71.7	—	—	174.9
Other	—	—	—	—	—	6.9	—	—	6.4	—	—	7.5	—	—	20.8
Operating expenses	—	—	—	—	—	218.2	—	—	220.4	—	—	259.8	—	—	698.4
Personnel expenses	—	—	—	—	—	30.2	—	—	31.9	—	—	29.5	—	—	91.6
Expenses for purchase of goods and services and other expenses	—	—	—	—	—	157.1	—	—	156.9	—	—	187.5	—	—	501.5
Depreciation and amortization	—	—	—	—	—	28.4	—	—	28.9	—	—	29.7	—	—	87.0
Impairment losses	—	—	—	—	—	—	—	—	—	—	—	0.1	—	—	0.1
Expenses on disposal of fixed assets	—	—	—	—	—	1.2	—	—	1.6	—	—	3.5	—	—	6.3
Taxes and dues	—	—	—	—	—	1.2	—	—	1.2	—	—	9.5	—	—	11.9
Operating profit	—	—	—	—	—	40.4	—	—	33.7	—	—	22.1	—	—	96.2
Profit before taxes	—	—	—	—	—	38.3	—	—	34.7	—	—	35.9	—	—	108.9
Profit attributable to NTT Communications	—	—	—	—	—	37.3	—	—	25.2	—	—	48.1	—	—	110.5
NTT DATA Consolidated															
Net sales	470.3	505.2	527.3	490.1	517.5	550.5	519.7	528.0	564.2	559.6	612.9	624.8	2039.7	2,163.6	2,266.8
Public and social infrastructure	90.5	106.7	100.1	101.2	101.7	112.8	107.2	109.0	120.6	146.0	162.5	166.6	444.9	479.9	500.2
Financial	130.6	130.9	139.0	136.7	135.1	141.8	140.4	133.3	141.3	152.2	159.8	158.2	559.9	559.1	580.4
Enterprise and Solutions	107.2	120.7	135.1	114.0	129.9	146.9	122.1	130.3	148.0	134.9	149.0	158.5	478.1	529.8	588.6
North America	110.9	101.5	103.0	108.3	107.4	105.4	107.2	105.0	105.5	101.5	108.0	112.0	427.9	421.9	426.0
EMEA and LATAM	86.5	103.7	110.8	90.6	102.9	106.6	104.5	115.9	117.2	105.9	117.7	120.8	387.5	440.1	455.4
Eliminations or Corporate	(55.4)	(58.3)	(60.9)	(60.7)	(59.6)	(63.1)	(61.7)	(65.5)	(68.4)	(80.9)	(84.0)	(91.3)	(258.7)	(267.3)	(283.7)
Cost of sales	355.3	378.4	395.1	367.7	394.6	414.5	392.2	395.0	423.2	420.3	450.6	461.8	1535.5	1,618.6	1,694.6
Gross profit	115.1	126.8	132.2	122.4	122.9	136.1	127.4	132.9	141.1	139.3	162.3	162.9	504.2	545.0	572.2
Selling, general and administrative expenses	88.8	97.7	102.3	92.4	92.0	102.2	96.6	98.7	111.3	103.3	108.9	125.5	381.0	397.3	441.3
Operating profit	26.3	29.1	29.8	30.0	30.9	33.9	30.8	34.2	29.8	35.9	53.4	37.4	123.1	147.7	130.9
Profit before taxes	26.9	30.2	30.8	28.2	30.8	32.1	30.7	33.6	29.4	36.9	52.3	27.8	122.7	146.9	120.2
Profit attributable to NTT DATA	16.9	20.8	21.0	18.4	17.9	19.2	20.9	20.9	17.7	26.2	34.1	17.3	82.4	93.6	75.1

*1 The scope of aggregation for each of the figures presented for NTT, Inc. Group is internal management figures after eliminating internal transactions between NTT, Inc. and its subsidiaries. Such figures are not audited and are provided for reference only.

*2 The scope of aggregation for each of the figures presented for NTT Ltd. Group is internal management figures after eliminating internal transactions between NTT Ltd. and its subsidiaries. Such figures are not audited and are provided for reference only.

In addition, beginning with the fourth quarter of the fiscal year ended March 31, 2020, expenses related to the acquisition of shares of the former Dimension Data Holdings (including PPA depreciation) have been presented under operating expenses, and accordingly, past figures have been retrospectively adjusted.

*3 The scope of aggregation for each of the figures presented for NTT Communications Group is internal management figures after eliminating internal transactions between NTT Communications and its subsidiaries. Such figures are not audited and are provided for reference only.

Overseas subsidiaries of NTT Communications Group were transferred to NTT Ltd. Group with as part of the global reorganization of NTT Group in July 2019.

*4 The following are the main services included in each line item:

- Cloud computing platforms: "Data center services" and "Private cloud services (Enterprise cloud, etc.)"
- Data networks: "Closed network services (Arcstar Universal One, etc.)" and "Open network services (OCN, etc.)"
- Voice communications: "Telephone services" and "VoIP services (050 plus, etc.)"
- Applications & content: "Application services (Mail services, etc.)"
- Solution services: "System integration services"

Financial Summary

Billions of yen

	1Q			2Q			3Q			4Q			Years Ended March 31		
	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019
NTT Communications Group*1															
Operating revenues*2	319.9	326.3	337.3	324.3	345.2	—	334.2	348.9	—	355.1	371.5	—	1,333.5	1,392.0	—
Cloud computing platforms	43.1	49.0	54.7	45.4	52.0	—	47.7	51.8	—	49.1	54.7	—	185.3	207.5	—
Data networks	118.7	122.4	122.5	120.0	121.2	—	122.0	122.2	—	120.2	122.0	—	480.8	487.9	—
Voice communications	68.7	66.8	62.7	69.1	66.8	—	71.1	69.1	—	67.4	63.9	—	276.3	266.6	—
Applications & content	29.8	30.6	33.5	30.6	31.5	—	31.2	33.9	—	34.3	38.5	—	125.8	134.5	—
Solution services	50.7	51.3	56.6	54.5	67.3	—	56.3	61.0	—	76.5	86.5	—	238.0	266.2	—
Other	9.0	6.1	7.3	4.9	6.4	—	5.8	10.8	—	7.7	5.9	—	27.3	29.2	—
Operating expenses	276.4	289.3	299.8	283.3	304.5	—	329.4	308.8	—	325.9	357.3	—	1,215.0	1,259.8	—
Personnel expenses	48.3	50.6	53.3	47.3	50.5	—	58.5	51.6	—	47.9	50.0	—	202.0	202.8	—
Expenses for purchase of goods and services and other expenses	193.2	200.6	198.0	200.2	215.2	—	208.4	215.9	—	231.0	247.9	—	832.7	879.6	—
Depreciation and amortization	32.5	35.7	44.4	33.5	36.5	—	34.4	37.2	—	34.8	42.1	—	135.2	151.5	—
Impairment losses	—	—	1.5	—	—	—	25.3	—	—	0.1	2.7	—	25.4	2.7	—
Expenses on disposal of fixed assets	0.9	0.6	0.6	0.8	0.7	—	1.4	2.4	—	2.2	4.1	—	5.3	7.9	—
Taxes and dues	1.5	1.8	2.0	1.5	1.6	—	1.5	1.7	—	9.9	10.3	—	14.4	15.4	—
Operating profit	43.5	37.1	37.5	41.0	40.7	—	4.8	40.1	—	29.2	14.3	—	118.5	132.1	—
Profit before taxes	44.6	37.9	37.6	43.3	41.1	—	4.4	39.4	—	23.5	13.6	—	115.8	132.1	—
Profit (loss) attributable to NTT Communications	31.6	27.1	24.4	31.4	28.2	—	(7.0)	28.2	—	22.9	15.0	—	78.8	98.5	—
Dimension Data Consolidated*3															
Operating revenues	208.4	215.2	220.7	232.8	228.6	—	231.6	224.5	—	214.5	225.0	—	887.5	893.3	—
System integration services	208.4	215.2	220.7	232.8	228.6	—	231.6	224.5	—	214.5	225.0	—	887.5	893.3	—
Cost of sales	168.3	172.4	178.4	188.2	184.0	—	188.1	182.2	—	180.2	180.1	—	724.8	718.7	—
Gross profit	40.2	42.8	42.4	44.6	44.6	—	43.5	42.3	—	34.4	44.9	—	162.7	174.6	—
Selling, general and administrative expenses	36.9	39.3	44.9	41.3	38.4	—	42.7	38.3	—	40.0	39.0	—	160.9	155.2	—
Operating profit (loss)	3.3	3.4	(2.5)	3.3	6.1	—	0.8	4.0	—	(5.6)	5.9	—	1.8	19.4	—
Profit (loss) before taxes	1.9	1.4	(4.0)	1.9	3.3	—	0.1	2.7	—	12.0	4.4	—	15.9	11.8	—
Profit (loss) attributable to Dimension Data	0.1	0.3	(3.8)	2.3	0.5	—	(0.8)	0.6	—	8.1	3.7	—	9.7	5.2	—
NTT Urban Solutions Group*4															
Operating revenues	—	—	77.6	—	—	98.1	—	—	100.4	—	—	149.7	—	—	426.0
Operating expenses	—	—	68.0	—	—	84.6	—	—	89.7	—	—	141.8	—	—	384.2
Personnel expenses	—	—	15.0	—	—	15.1	—	—	16.2	—	—	23.6	—	—	70.0
Expenses for purchase of goods and services and other expenses	—	—	43.1	—	—	60.6	—	—	63.5	—	—	95.9	—	—	263.2
Depreciation and amortization	—	—	8.5	—	—	8.6	—	—	8.9	—	—	9.6	—	—	35.7
Impairment losses	—	—	—	—	—	—	—	—	—	—	—	0.4	—	—	0.4
Expenses on disposal of fixed assets	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Taxes and dues	—	—	1.2	—	—	0.1	—	—	1.0	—	—	12.0	—	—	14.5
Operating profit	—	—	13.5	—	—	13.4	—	—	11.0	—	—	10.6	—	—	48.7
Profit before taxes	—	—	12.5	—	—	12.2	—	—	9.9	—	—	6.7	—	—	41.4
Profit attributable to NTT Urban Solutions	—	—	8.4	—	—	7.9	—	—	6.3	—	—	4.6	—	—	27.3
NTT Urban Development Consolidated															
Operating revenues	40.1	29.9	34.1	31.1	42.0	40.1	39.4	37.5	35.3	49.9	58.6	38.2	160.6	168.0	147.9
Operating expenses	23.1	21.5	25.3	18.0	31.0	28.4	24.8	29.1	26.6	46.2	58.6	41.6	112.2	140.4	122.1
Personnel expenses	—	2.5	2.5	—	2.6	2.5	—	2.6	2.4	—	2.9	2.6	—	10.8	10.1
Expenses for purchase of goods and services and other expenses	—	14.3	16.3	—	23.6	20.5	—	20.8	17.7	—	38.9	20.7	—	97.8	75.4
Depreciation and amortization	—	4.2	5.5	—	4.4	5.7	—	4.4	5.9	—	4.6	6.2	—	17.7	23.5
Impairment losses	—	—	—	—	0.0	—	—	0.8	—	—	0.9	0.4	—	1.8	0.4
Expenses on disposal of fixed assets	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Taxes and dues	—	0.3	0.8	—	0.3	(0.3)	—	0.2	0.5	—	11.3	11.4	—	12.2	12.4
Operating profit (loss)	12.4	9.9	12.6	9.0	9.9	11.3	9.7	8.0	8.4	(0.8)	0.7	(0.3)	30.4	28.6	32.1
Profit (loss) before taxes	11.7	9.3	11.7	8.2	9.0	10.2	9.8	7.2	7.3	(1.9)	(0.0)	(4.0)	27.9	25.6	25.2
Profit (loss) attributable to NTT Urban Development	7.7	6.0	7.8	5.3	5.7	6.5	6.5	4.5	4.4	(1.4)	(0.1)	(2.8)	18.1	16.1	16.0

*1 The scope of aggregation for each of the figures presented for NTT Communications Group is internal management figures after eliminating internal transactions between NTT Communications and its subsidiaries. Such figures are not audited and are provided for reference only.

*2 The following are the main services included in each line item:

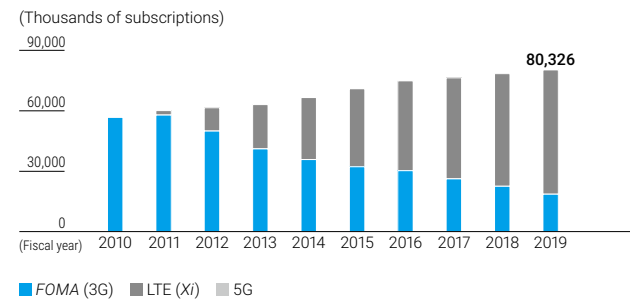
- Cloud computing platforms: "Data center services" and "Private cloud services (Enterprise cloud, etc.)"
- Data networks: "Closed network services (Arcstar Universal One, etc.)" and "Open network services (OCN, etc.)"
- Voice communications: "Telephone services" and "VoIP services (050 plus, etc.)"
- Applications & content: "Application services (Mail services, etc.)"
- Solution services: "System integration services"

*3 These are figures from the United Kingdom statutory financial reports of Dimension Data Holdings. The quarterly financial results above are not audited and are provided for reference only.

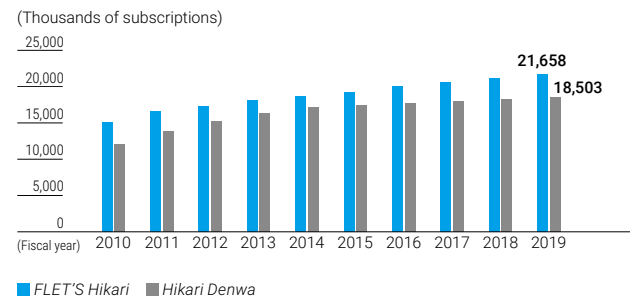
*4 The scope of aggregation for each of the figures presented for NTT Urban Solutions Group is internal management figures after eliminating internal transactions among NTT Urban Development (on a consolidated basis), NTT FACILITIES and its subsidiaries. Such figures are not audited and are provided for reference only.

Operational Data

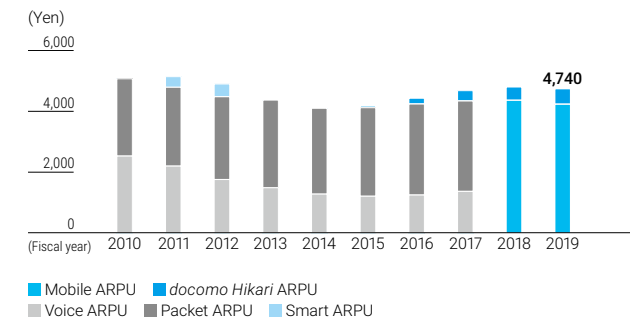
Mobile Communications Services Subscriptions



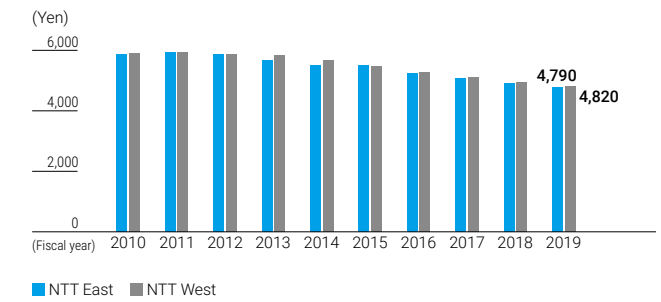
Fixed-Line Broadband Services Subscriptions



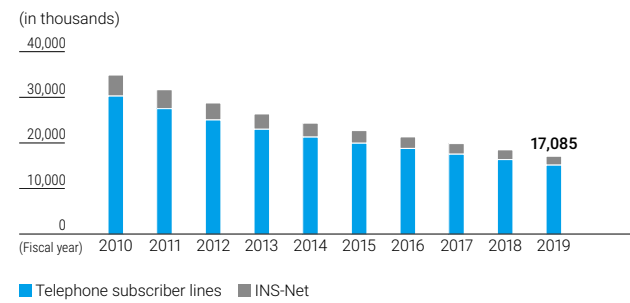
Mobile Aggregate ARPU



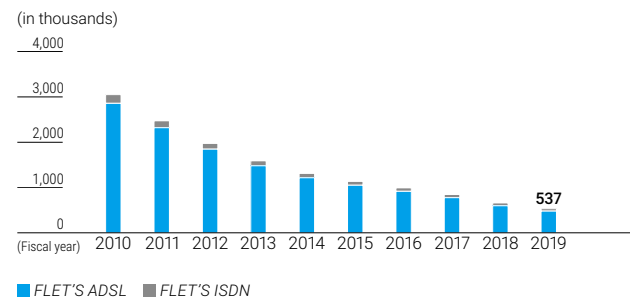
ARPU of FLET'S Hikari



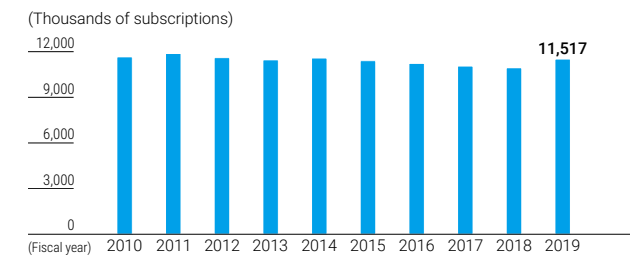
Telephone Subscriber Lines + INS-Net



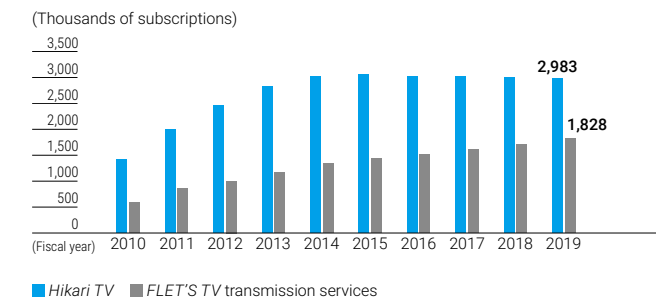
FLET'S ADSL / FLET'S ISDN



NTT Group Major ISPs



Hikari TV / FLET'S TV Transmission Services



Fiscal years ended March 31	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Mobile Communications Services Subscriptions (Thousands of subscriptions)										
5G	—	—	—	—	—	—	—	—	—	14
LTE (Xi)	26	2,225	11,566	21,965	30,744	38,679	44,544	50,097	55,872	61,664
FOMA (3G)	56,746	57,905	49,970	41,140	35,851	32,285	30,336	26,273	22,581	18,648
Fixed-Line Broadband Services Subscriptions (Thousands of subscriptions)*1										
FLET'S Hikari	15,059	16,564	17,300	18,050	18,716	19,259	20,053	20,533	21,078	21,658
Hikari Denwa	12,113	13,900	15,169	16,256	17,108	17,374	17,759	18,032	18,244	18,503
Telephone Subscriber Lines + INS-Net (in thousands)*2										
Telephone subscriber lines	30,271	27,521	25,042	23,000	21,286	19,943	18,797	17,538	16,363	15,144
INS-Net	4,613	4,150	3,724	3,366	3,058	2,776	2,539	2,331	2,138	1,942
FLET'S ADSL / FLET'S ISDN (in thousands)										
FLET'S ADSL	2,858	2,322	1,848	1,483	1,219	1,053	919	780	602	483
FLET'S ISDN	193	152	127	109	95	85	77	70	62	54
NTT Group Major ISPs (Thousands of subscriptions)*3	11,662	11,882	11,611	11,466	11,586	11,411	11,231	11,057	10,945	11,517
Hikari TV / FLET'S TV Transmission Services (Thousands of subscriptions)										
Hikari TV	1,413	2,004	2,453	2,823	3,014	3,052	3,023	3,016	3,001	2,983
FLET'S TV Transmission Services*1	592	861	1,003	1,161	1,345	1,432	1,521	1,615	1,716	1,828

Fiscal years ended March 31	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Mobile Aggregate ARPU (Yen)**5										
New										
Mobile ARPU (5G + LTE (Xi) + FOMA)	—	—	—	—	—	—	—	—	4,360	4,230
docomo Hikari ARPU	—	—	—	—	—	50	190	340	440	510
Voice ARPU	2,530	2,200	1,760	1,490	1,280	1,210	1,250	1,370	—	—
Old										
Packet ARPU	2,540	2,590	2,720	2,880	2,820	2,910	2,990	2,970	—	—
Smart ARPU	—	350	420	—	—	—	—	—	—	—
ARPU of FLET'S Hikari (Yen)**4										
NTT East	5,880	5,920	5,860	5,660	5,490	5,510	5,250	5,080	4,910	4,790
NTT West	5,890	5,940	5,880	5,830	5,680	5,470	5,280	5,100	4,930	4,820

*1 The number of subscriptions for FLET'S Hikari, Hikari Denwa, and FLET'S TV transmission services includes wholesale services provided to service providers by NTT East and NTT West.
 *2 The number of telephone subscriber lines is the total of individual lines and central station lines (including the Subscriber Telephone Lite Plan). "INS-Net" includes INS-Net 64 and INS-Net 1500. In terms of the number of channels, transmission rate, and line use rate (base rate), INS-Net 1500 is in all cases approximately 10 times greater than INS-Net 64. For this reason, one INS-Net 1500 subscription is calculated as ten INS-Net 64 subscriptions (including subscriptions to the INS-Net 64 Lite Plan).
 *3 "NTT Group Major ISPs" includes WAKWAK and InfoSphere, in addition to OCN and P!ala.
 *4 Please see page 98 for the ARPU calculation method and other details.
 *5 The ARPU calculation method was changed from the fiscal year ended March 31, 2016. Accompanying this change, the new method has been applied retroactively to the ARPU figures for the fiscal year ended March 31, 2014, and the fiscal year ended March 31, 2015. Packet ARPU from the fiscal year ended March 31, 2009, to the fiscal year ended March 31, 2011, includes an amount corresponding to Smart ARPU.

Reference Information

Average Monthly Revenue per Unit (ARPU)

Average monthly revenue per unit, or ARPU, is used to measure average monthly operating revenues on a per subscriber (user) basis. In the case of the mobile communications business, ARPU is calculated by dividing communications services revenue items included in operating revenues from NTT Group's mobile communications business segment, such as revenues from LTE (Xi) mobile phone services, FOMA mobile phone services and docomo Hikari services (with certain exceptions), by the number of Active Users of the relevant services. In the case of NTT Group's fixed-line business, ARPU is calculated by dividing revenue items included in the operating revenues of NTT Group's regional communications business segment (i.e., fixed-line (telephone subscriber lines plus INS-Net subscriber lines) and FLET'S Hikari) by the number of Active Subscribers to the relevant services. The calculation of these figures excludes revenues that are not representative of monthly average usage, such as telecommunications equipment sales, activation fees and universal service charges. The revenue items included in the numerators of NTT Group's ARPU figures are based on its financial results comprising its IFRS results of operations.

Method of Calculating ARPU

(a) NTT DOCOMO

NTT computes ARPU for NTT DOCOMO as follows:

Aggregate ARPU = Mobile ARPU + docomo Hikari ARPU.

(1) Mobile ARPU: Mobile ARPU related revenues {voice-related revenues (basic monthly charges, voice communication charges) + packet-related revenues (basic monthly charges, packet communication charges)} / Number of active users docomo Hikari ARPU: docomo Hikari ARPU-related revenues (basic monthly charges and voice communication charges) / Number of Active Users

(2) Number of Active Users used in the ARPU calculation of NTT DOCOMO is as below.

Sum of number of Active Users for each month during the applicable period

Active Users = (number of users at end of previous month + number of users at end of current month)/2.

(3) The number of "users" used to calculate ARPU is basically the total number of subscriptions, excluding the subscriptions listed below:

Number of Active Users = subscriptions

Subscriptions of communication module services, "Phone Number Storage," "Mail Address Storage," "docomo Business Transceiver" and wholesale telecommunications services and interconnecting telecommunications facilities that are provided to MVNOs; and Data Plan subscriptions in the case where the customer contracting for such subscription in his/her name also has a subscription for Xi or FOMA services in his/her name.

Revenues from communication module services, "Phone Number Storage," "Mail Address Storage," "docomo Business Transceiver," and wholesale telecommunications services and interconnecting telecommunications facilities that are provided to MVNOs, and the impact of d POINTs-related revenues, among others, are not included in NTT DOCOMO's ARPU calculation.

(b) NTT East and NTT West

NTT separately computes the following two categories of ARPU for the fixed-line business conducted by each of NTT East and NTT West, using the following measures:

• Aggregate Fixed-line ARPU (Telephone Subscriber Lines + INS-Net Subscriber Lines): Calculated based on revenues from monthly charges and call charges for Telephone Subscriber Lines and INS-Net Subscriber Lines, which are included in operating revenues from Voice Transmission Services (excluding IP Services), and revenues from FLET'S ADSL and FLET'S ISDN, which are included in operating revenues from IP Services.

• FLET'S Hikari ARPU: Calculated based on revenues from FLET'S Hikari (including FLET'S Hikari optional services), which are included in operating revenues from IP Services and Supplementary Business, revenues from monthly charges, call charges and device connection charges for Hikari Denwa, which are included in operating revenues from IP Services, and revenues from FLET'S Hikari optional services, which are included in Supplementary Business revenues.

(1) FLET'S Hikari includes B FLET'S, FLET'S Hikari Next, FLET'S Hikari Light, FLET'S Hikari Lightplus and FLET'S Hikari WiFi Access provided by NTT East, FLET'S Hikari Premium, FLET'S Hikari Mytown, FLET'S Hikari Next, FLET'S Hikari Mytown Next, FLET'S Hikari Light and FLET'S Hikari WiFi Access provided by NTT West, and the Hikari Collaboration Model wholesale provision of services provided by NTT East and NTT West to service providers.

FLET'S Hikari optional services include wholesale services provided to service providers by NTT East and NTT West.

(2) Revenues from interconnection charges are excluded from the calculation of Aggregate Fixed-line ARPU (Telephone Subscriber Lines + INS-Net Subscriber Lines) and FLET'S Hikari ARPU.

(3) For purposes of calculating Aggregate Fixed-line ARPU (Telephone Subscriber Lines + INS-Net Subscriber Lines), the number of subscribers is that for fixed-line services (Telephone Subscriber Lines or INS Net Subscriber Lines).

(4) In terms of number of channels, transmission rate, and line use rate (base rate), INS-Net 1500 is in all cases roughly ten times greater than INS-Net 64. For this reason, one INS-Net 1500 subscription is calculated as ten INS-Net 64 subscriptions.

(5) For purposes of calculating FLET'S Hikari ARPU, the number of subscribers is determined based on the number of FLET'S Hikari subscribers (including B FLET'S, FLET'S Hikari Next, FLET'S Hikari Light, FLET'S Hikari Lightplus and FLET'S Hikari WiFi Access provided by NTT East, FLET'S Hikari Premium, FLET'S Hikari Mytown, FLET'S Hikari Next, FLET'S Hikari Mytown Next, FLET'S Hikari Light and FLET'S Hikari WiFi Access provided by NTT West), and Hikari Collaboration Model wholesale services provided by NTT East and NTT West to service providers.

(6) Number of Active Subscribers used in the ARPU calculation of NTT East and NTT West is as below:

FY Results: Sum of number of Active Subscribers for each month from April to March

Active Subscribers = (number of subscribers at end of previous month + number of subscribers at end of current month)/2

Reconciliation of Capital Investment

Fiscal years ended March 31	Billions of yen				
	2016 (U.S. GAAP)	2017 (U.S. GAAP)	2018 (U.S. GAAP)	2019 (IFRS)	2020 (IFRS)
Payments for property, plant and equipment	¥1,265.6	¥1,301.7	¥1,308.7	—	—
Payments for acquisition of intangible fixed assets	371.9	400.1	402.0	—	—
Purchase of property, plant and equipment, intangible assets, and investment property	—	—	—	¥1,672.4	¥1,856.4
Total	¥1,637.5	¥1,701.8	¥1,710.7	¥1,672.4	¥1,856.4
Differences between capital investment	(49.7)	1.8	36.0	(24.6)	49.7

Reconciliation of EBITDA Margin

Fiscal years ended March 31	Billions of yen					
	2016 (U.S. GAAP)	2017 (U.S. GAAP)	2018 (U.S. GAAP)	2018 (IFRS)	2019 (IFRS)	2020 (IFRS)
Operating income / Operating profit	¥ 1,348.1	¥ 1,539.8	¥ 1,642.8	¥ 1,641.1	¥ 1,693.8	¥ 1,562.2
Depreciation and amortization	1,766.3	1,462.2	1,339.4	1,346.9	1,333.6	1,316.8
Loss on sales and disposal of property, plant and equipment	130.7	107.4	71.4	71.2	87.5	83.9
Impairment losses	32.7	73.9	162.2	177.9	126.4	16.7
EBITDA	3,277.9	3,183.3	3,215.8	3,237.1	3,241.4	2,979.5
Operating revenues	¥11,541.0	¥11,391.0	¥11,799.6	¥11,782.1	¥11,879.8	¥11,899.4
EBITDA margin	28.4%	27.9%	27.3%	27.5%	27.3%	25.0%

Note: As IFRS 16 (Leases) became effective on April 1, 2019, NTT Group has changed the method of accounting for lease payments under operating leases from expenses to depreciation. In consideration of the comparability of EBITDA with actual results in FY 2018, EBITDA and depreciation of its components in actual results in FY 2019 have not been adjusted to reflect this change.

Consolidated Statements of Financial Position

Nippon Telegraph and Telephone Corporation and its subsidiaries
March 31

	Millions of yen	
	2019	2020
ASSETS		
Current assets		
Cash and cash equivalents	¥ 946,134	¥ 1,033,574
Trade and other receivables	4,391,434	3,502,834
Other financial assets	117,753	32,384
Inventories	331,634	257,329
Other current assets	550,487	530,073
Subtotal	6,337,442	5,356,194
Assets held for sale	242,524	1,347,307
Total current assets	6,579,966	6,703,501
Non-current assets		
Property, plant and equipment	9,012,947	9,087,463
Right-of-use assets	—	446,828
Goodwill	886,531	980,841
Intangible assets	1,627,762	1,694,060
Investment property	967,006	1,106,145
Investments accounted for using the equity method	298,261	283,291
Other financial assets	1,138,502	846,285
Deferred tax assets	1,124,467	1,153,042
Other non-current assets	659,704	712,677
Total non-current assets	15,715,180	16,310,632
Total assets	¥22,295,146	¥23,014,133
LIABILITIES AND EQUITY		
Current liabilities		
Short-term borrowings	¥ 1,397,545	¥ 2,054,506
Trade and other payables	2,092,479	2,142,752
Lease liabilities	—	154,126
Other financial liabilities	44,305	16,943
Accrued payroll	468,216	469,395
Income taxes payable	237,282	214,098
Other current liabilities	988,244	996,360
Subtotal	5,228,071	6,048,180
Liabilities directly associated with assets held for sale	—	559,432
Total current liabilities	5,228,071	6,607,612
Non-current liabilities		
Long-term borrowings	2,865,181	2,165,778
Lease liabilities	—	378,346
Other financial liabilities	175,087	129,229
Defined benefit liabilities	1,878,013	1,873,501
Deferred tax liabilities	61,189	70,249
Other non-current liabilities	282,815	326,791
Total non-current liabilities	5,262,285	4,943,894
Total liabilities	10,490,356	11,551,506
Equity		
Nippon Telegraph and Telephone Corporation ("NTT") shareholders' equity		
Common stock	937,950	937,950
Additional paid-in capital	2,341,206	2,252,672
Retained earnings	5,954,305	6,499,942
Treasury stock	(150,635)	(653,369)
Other components of equity	182,087	23,908
Total NTT shareholders' equity	9,264,913	9,061,103
Non-controlling interests	2,539,877	2,401,524
Total equity	11,804,790	11,462,627
Total liabilities and equity	¥22,295,146	¥23,014,133

Consolidated Statements of Profit or Loss and Consolidated Statements of Comprehensive Income

Nippon Telegraph and Telephone Corporation and its subsidiaries
Year ended March 31

	Millions of yen	
	2019	2020
Operating revenues	¥11,879,842	¥11,899,415
Operating expenses		
Personnel expenses	2,391,617	2,428,484
Expenses for purchase of goods and services and other expenses	5,917,693	6,006,379
Depreciation and amortization	1,333,647	1,465,310
Loss on disposal of property, plant and equipment and intangible assets	172,167	171,597
Impairment losses	126,398	16,655
Goodwill	39,443	2,933
Metal cables	66,003	—
Other	20,952	13,722
Taxes and dues	244,487	248,839
Total operating expenses	10,186,009	10,337,264
Operating profit	1,693,833	1,562,151
Finance income	24,465	46,986
Finance costs	36,362	50,253
Share of profit (loss) of entities accounted for using the equity method	(10,075)	11,257
Profit before taxes	1,671,861	1,570,141
Income taxes	533,174	458,795
Profit	1,138,687	1,111,346
Profit attributable to NTT	854,561	855,306
Profit attributable to Non-controlling interests	284,126	256,040
Earnings per share attributable to NTT		
Basic earnings per share (yen)	¥ 220.13	¥ 231.21

Note: NTT conducted a 2-for-1 stock split of its common stock, with an effective date of January 1, 2020. Basic earnings per share has been adjusted to reflect the impact of these stock splits.

Consolidated Statements of Comprehensive Income

	Millions of yen	
	2019	2020
Profit	¥1,138,687	¥1,111,346
Other comprehensive income (net of taxes)		
Items that will not be reclassified to profit or loss		
Change in the fair value of financial assets measured at fair value through other comprehensive income	5,967	(68,503)
Share of other comprehensive income of entities accounted for using the equity method	(4,637)	(2,266)
Remeasurements of the defined benefit plans	(13,250)	11,365
Total of items that will not be reclassified to profit or loss	(11,920)	(59,404)
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges	(2,784)	(18)
Foreign currency translation adjustments	2,791	(84,107)
Share of other comprehensive income of entities accounted for using the equity method	(12,025)	1,774
Total of items that may be reclassified to profit or loss	(12,018)	(82,351)
Total other comprehensive income (net of taxes)	(23,938)	(141,755)
Total comprehensive income	1,114,749	969,591
Comprehensive income attributable to NTT	826,154	743,451
Comprehensive income attributable to Non-controlling interests	¥ 288,595	¥ 226,140

Consolidated Statements of Changes in Equity

Nippon Telegraph and Telephone Corporation and its subsidiaries

Fiscal year ended March 31, 2019

	NTT shareholders' equity							Total equity
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Other components of equity	Total	Non-controlling interests	
As of March 31, 2018	¥937,950	¥2,396,555	¥6,125,957	¥(610,742)	¥200,638	¥9,050,358	¥2,515,296	¥11,565,654
Cumulative effect of adoption of IFRS 9 "Financial Instruments"	—	—	14,033	—	(2,432)	11,601	7,565	19,166
As of April 1, 2018	937,950	2,396,555	6,139,990	(610,742)	198,206	9,061,959	2,522,861	11,584,820
Comprehensive income								
Profit	—	—	854,561	—	—	854,561	284,126	1,138,687
Other comprehensive income	—	—	—	—	(28,407)	(28,407)	4,469	(23,938)
Total comprehensive income	—	—	854,561	—	(28,407)	826,154	288,595	1,114,749
Transactions with owners and other transactions								
Dividends of surplus	—	—	(313,605)	—	—	(313,605)	(142,171)	(455,776)
Transfer to retained earnings	—	—	(8,383)	—	8,383	—	—	—
Transfer to non-financial assets	—	—	—	—	3,905	3,905	—	3,905
Purchase and disposal of treasury stock	—	0	—	(258,153)	—	(258,153)	—	(258,153)
Cancellation of treasury stock	—	(2)	(718,258)	718,260	—	—	—	—
Changes in ownership interest in subsidiaries without loss of control	—	(61,233)	—	—	—	(61,233)	(135,038)	(196,271)
Share-based compensation transactions	—	(6,589)	—	—	—	(6,589)	—	(6,589)
Put options granted to non-controlling interests	—	12,475	—	—	—	12,475	5,630	18,105
Total transactions with owners and other transactions	—	(55,349)	(1,040,246)	460,107	12,288	(623,200)	(271,579)	(894,779)
As of March 31, 2019	¥937,950	¥2,341,206	¥5,954,305	¥(150,635)	¥182,087	¥9,264,913	¥2,539,877	¥11,804,790

Fiscal year ended March 31, 2020

	NTT shareholders' equity							Total equity
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Other components of equity	Total	Non-controlling interests	
As of March 31, 2019	¥937,950	¥2,341,206	¥5,954,305	¥(150,635)	¥182,087	¥9,264,913	¥2,539,877	¥11,804,790
Comprehensive income								
Profit	—	—	855,306	—	—	855,306	256,040	1,111,346
Other comprehensive income	—	—	—	—	(111,855)	(111,855)	(29,900)	(141,755)
Total comprehensive income	—	—	855,306	—	(111,855)	743,451	226,140	969,591
Transactions with owners and other transactions								
Dividends of surplus	—	—	(354,827)	—	—	(354,827)	(151,414)	(506,241)
Transfer to retained earnings	—	—	46,324	—	(46,324)	—	—	—
Purchase and disposal of treasury stock	—	1	—	(502,734)	—	(502,733)	—	(502,733)
Changes in ownership interest in subsidiaries without loss of control	—	(104,613)	—	—	—	(104,613)	(210,163)	(314,776)
Share-based compensation transactions	—	(1,386)	—	—	—	(1,386)	7	(1,379)
Put options granted to non-controlling interests	—	19,392	—	—	—	19,392	(1,916)	17,476
Other	—	(1,928)	(1,166)	—	—	(3,094)	(1,007)	(4,101)
Total Transactions with owners and other transactions	—	(88,534)	(309,669)	(502,734)	(46,324)	(947,261)	(364,493)	(1,311,754)
As of March 31, 2020	¥937,950	¥2,252,672	¥6,499,942	¥(653,369)	¥23,908	¥9,061,103	¥2,401,524	¥11,462,627

Consolidated Statements of Cash Flows

Nippon Telegraph and Telephone Corporation and its subsidiaries

Year ended March 31

Millions of yen

	2019	2020
Cash flows from operating activities		
Profit	¥ 1,138,687	¥ 1,111,346
Depreciation and amortization	1,333,647	1,465,310
Impairment losses	126,398	16,655
Share of loss (profit) of entities accounted for using the equity method	10,075	(11,257)
Losses on retirement of property, plant and equipment and intangible assets	85,703	80,971
Gain on sales of property, plant and equipment and intangible assets	(10,142)	(12,885)
Income taxes	533,174	458,795
Decrease (increase) in trade and other receivables	(338,018)	210,566
Decrease (increase) in inventories	1,572	59,880
Decrease (increase) in other current assets	(11,538)	17,266
Increase (decrease) in trade and other payables / accrued payroll	99,452	22,736
Increase (decrease) in other current liabilities	12,511	18,922
Increase (decrease) in defined benefit liabilities	834	2,470
Increase (decrease) in other non-current liabilities	4,359	11,370
Other	(7,082)	(7,427)
Subtotal	2,979,632	3,444,718
Interest and dividends received	79,330	88,632
Interest paid	(39,416)	(49,829)
Income taxes paid	(613,389)	(488,310)
Net cash provided by (used in) operating activities	2,406,157	2,995,211
Cash flows from investing activities		
Purchase of property, plant and equipment, intangible assets, and investment property	(1,672,350)	(1,856,351)
Purchase of investments	(65,623)	(202,410)
Proceeds from sale or redemption of investments	55,178	294,153
Expenses due to acquisition of control of subsidiaries	(107,264)	(126,915)
Other	15,923	38,796
Net cash provided by (used in) investing activities	(1,774,136)	(1,852,727)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	486,124	707,276
Proceeds from increases in long-term borrowings	434,922	315,549
Repayments of long-term borrowings	(627,680)	(512,882)
Repayment of lease liabilities	—	(184,384)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(164,415)	(364,643)
Dividends paid	(313,605)	(354,827)
Dividends paid to non-controlling interests	(142,020)	(151,058)
Payments for purchase of treasury stock	(258,215)	(501,431)
Other	623	5,139
Net cash provided by (used in) financing activities	(584,266)	(1,041,261)
Effect of exchange rate changes on cash and cash equivalents	3,376	(13,783)
Net increase (decrease) in cash and cash equivalents	51,131	87,440
Cash and cash equivalents at the beginning of the year	895,003	946,134
Cash and cash equivalents at the end of the year	¥ 946,134	¥ 1,033,574

Operating and Financial Review

Operating Revenues and Expenses

Operating Revenues

NTT Group's operating revenues are divided into six service categories, comprising fixed voice related services, mobile voice related services, IP/packet communications services, sales of telecommunications equipment, system integration and other.

Operating revenues in the fiscal year ended March 31, 2020 increased 0.2% from the previous fiscal year to ¥11,899.4 billion. This increase was due to such factors as an increase in revenues in the data communications business segment, both domestically and overseas, and an increase in revenues from the effect of expanding the scope of consolidation of Ennet Corporation in the other business segment.

Operating revenues for each service category for the fiscal year ended March 31, 2020 are summarized as follows:

■ Fixed Voice Related Services

NTT Group's fixed voice related services include a portion of the services it provides in the regional communications business segment and long distance and international communications business segment, such as telephone subscriber lines, INS-Net, conventional leased circuits and high speed digital.

Fixed voice related revenues for the fiscal year ended March 31, 2020 decreased 7.3% from the previous fiscal year to ¥999.4 billion, accounting for 8.4% of total operating revenues. This decrease was due to a continued decline in the number of subscriptions for telephone subscriber lines and INS-Net caused by the increased popularization of mobile phones and optical IP telephones, and an increase in free or low-priced communications services offered by OTT operators.

■ Mobile Voice Related Services

Mobile voice related services include a portion of the services NTT Group provides in the mobile communications business segment, such as LTE (Xi).

Mobile voice related revenues for the fiscal year ended March 31, 2020 increased 2.1% from the previous fiscal year to ¥966.5 billion, accounting for 8.1% of total operating revenues. This increase was due to, mainly to the revenue boosting effect associated with the reduction of *Monthly Support* discounts.

■ IP/Package Communications Services

NTT Group's IP/packet communications services include a portion of the services it provides in the regional communications business segment, such as *FLET'S Hikari*, a portion of the services it provides in the long distance and international communications business segment, such as Arcstar Universal One, IP-VPN, and OCN, as well as a portion of the services it provides in the mobile communications business segment, such as LTE (Xi) packet communications services.

In the fiscal year ended March 31, 2020, revenues from IP/packet communications services decreased 2.7% from the previous fiscal year to ¥3,619.3 billion, accounting for 30.4% of total operating revenues. This decrease was due to, among other things, the increased number of transfers to the *Hikari Collaboration Model* in the regional communications business segment and a decrease in revenues in the mobile communications business segment due to the introduction of new billing plans, despite the continued increase in the number of *docomo Hikari* subscriptions in the mobile communications business segment.

■ Sales of Telecommunications Equipment

This category includes a portion of the services NTT Group provides in the mobile communications business segment and the regional communications business segment.

In the fiscal year ended March 31, 2020, revenues from telecommunications equipment sales decreased 25.5% from the previous fiscal year to ¥691.8 billion, accounting for 5.8% of total operating revenues. This decrease was mainly due to a decrease in the number of equipment units sold as a result of the introduction of service/device separation plans in the mobile communications business segment.

■ System Integration

NTT Group's system integration services include its data communications business segment and a portion of the services it provides in the long distance and international communications business segment and the regional communications business segment.

In the fiscal year ended March 31, 2020, revenues from system integration increased 3.8% from the previous fiscal year to ¥3,731.4 billion, accounting for 31.4% of total operating revenues. This increase was mainly due to factors such as the NTT's expansion of its scope of business both domestically and overseas in the data communications business segment.

■ Other

Other services principally comprise building maintenance, real estate rentals, systems development, leasing activities and the Smart Life area in the mobile communications business segment.

In the fiscal year ended March 31, 2020, revenues from other services increased 17.4% from the previous fiscal year to ¥1,891.0 billion, accounting for 15.9% of total operating revenues, mainly due to the effect of expanding the scope of consolidation of Ennet Corporation.

Operating Expenses

Operating expenses in the fiscal year ended March 31, 2020 increased 1.5% from the previous fiscal year to ¥10,337.3 billion. The reasons for the increase are discussed below.

■ Personnel Expenses

Personnel expenses in the fiscal year ended March 31, 2020 increased 1.5% from the previous fiscal year to ¥2,428.5 billion. This increase was mainly due to the increase in personnel expenses as a result of the expansion of overseas businesses in the data communications business segment, despite a decrease in personnel expenses due to employee retirements in the regional communications business segment.

■ Expenses for Purchase of Goods and Services and Other Expenses

In the fiscal year ended March 31, 2020, expenses for purchase of goods and services and other expenses increased 1.5% from the previous fiscal year to ¥6,006.4 billion. This increase was mainly due to an increase as a result of expanding the scope of consolidation of Ennet Corporation in the other business segment, partially offset by a decrease in revenue-linked device costs and a decrease as a result of adopting IFRS 16 (Leases) in the mobile communications business segment.

The Fiscal Year Ended March 31, 2020, Compared with the Fiscal Year Ended March 31, 2019

Fiscal years ended March 31	Billions of yen			
	2019	2020	Change	Percent Change
Operating revenues	¥11,879.8	¥11,899.4	19.6	0.2%
Fixed voice related services	1,077.7	999.4	(78.2)	(7.3)%
Mobile voice related services	946.7	966.5	19.8	2.1%
IP/Package communications services	3,721.2	3,619.3	(101.9)	(2.7)%
Sales of telecommunications equipment	929.2	691.8	(237.3)	(25.5)%
System integration	3,594.1	3,731.4	137.3	3.8%
Other	1,611.0	1,891.0	280.0	17.4%
Operating expenses	10,186.0	10,337.3	151.3	1.5%
Operating profit	1,693.8	1,562.2	(131.7)	(7.8)%
Finance income and costs	(11.9)	(3.3)	8.6	72.5%
Share of profit (loss) of entities accounted for using equity method	(10.1)	11.3	21.3	—
Profit before taxes	1,671.9	1,570.1	(101.7)	(6.1)%
Income taxes	533.2	458.8	(74.4)	(14.0)%
Profit	1,138.7	1,111.3	(27.3)	(2.4)%
Less—profit attributable to non-controlling interests	284.1	256.0	(28.1)	(9.9)%
Profit attributable to NTT	854.6	855.3	0.7	0.1%

■ Depreciation and Amortization Expenses

Depreciation and amortization expenses in the fiscal year ended March 31, 2020 increased 9.9% from the previous fiscal year to ¥1,465.3 billion. This increase was mainly due to the effect of adopting IFRS 16 (Leases).

Operating Profit

As a result of the foregoing, operating profit for the fiscal year ended March 31, 2020 decreased 7.8% from the previous fiscal year to ¥1,562.2 billion.

Finance Income and Costs

Finance income and costs for the fiscal year ended March 31, 2020 was ¥(3.3) billion compared to ¥(11.9) billion for the previous fiscal year.

Share of Profit (Loss) of Entities Accounted for Using Equity Method

Share of profit (loss) of entities accounted for using equity method for the fiscal year ended March 31, 2020 was ¥11.3 billion compared to ¥(10.1) billion for the previous fiscal year.

Profit before Taxes

As a result of the foregoing, profit before taxes for the fiscal year ended March 31, 2020 decreased 6.1% from the previous fiscal year to ¥1,570.1 billion.

Income Taxes

In the fiscal year ended March 31, 2020, income taxes decreased 14.0% from the previous fiscal year to ¥458.8 billion. Effective tax rates for the fiscal year ended March 31, 2019 and for the fiscal year ended March 31, 2020 were 31.89% and 29.22%, respectively.

Profit Attributable to NTT

As a result, profit for the fiscal year ended March 31, 2020 decreased 2.4% from the previous fiscal year to ¥1,111.3 billion. Profit attributable to NTT (excluding the profit attributable to non-controlling

interests) for the fiscal year ended March 31, 2020 increased 0.1% from the previous fiscal year to ¥855.3 billion.

Liquidity and Capital Resources

Financing, Capital Resources and Use of Funds

Cash flows provided by operating activities during the fiscal year ended March 31, 2020, excluding the impact of non-business days and the adoption of IFRS 16 (Leases), amounted to ¥2,602.5 billion, an increase of ¥204.6 billion from ¥2,397.9 billion in the fiscal year ended March 31, 2019. This increase was due to, among other factors, an increase in collections of trade receivables. Cash flows provided by operating activities for the fiscal year ended March 31, 2020 was ¥2,995.2 billion.

NTT Group used the cash flows provided by operating activities mainly to acquire property, plant and equipment, pay dividends and complete stock repurchases.

Cash flows used in investing activities during the fiscal year ended March 31, 2020 amounted to ¥1,852.7 billion, an increase in payments of ¥78.6 billion from ¥1,774.1 billion in the fiscal year ended March 31, 2019. This increase was due to, among other factors, an increase of ¥184.0 billion in investments for property, plant and equipment and intangibles on a cash basis, and an increase of ¥136.8 billion in purchase of investments, despite an increase of ¥239.0 billion in proceeds from sale or redemption of investments.

The increase in payments for investments in property, plant and equipment and intangibles for the fiscal year ended March 31, 2020 resulted from, among other factors, an increase in capital expenditures due to the promotion of urban solutions business in the other business. For the fiscal year ended March 31, 2020, capital investments amounted to ¥1,806.6 billion on an accrual basis, of which ¥572.8 billion was invested in the mobile communications business and ¥522.5 billion was invested in the regional communications business.

Cash flows used in financing activities during the fiscal year ended March 31, 2020, excluding the impact of the adoption of IFRS

16 (Leases), amounted to ¥872.3 billion, an increase in payments of ¥288.0 billion from ¥584.3 billion in the fiscal year ended March 31, 2019. This increase in payments was due to, among other factors, an increase in share repurchases. Cash flows used in financing activities for the fiscal year ended March 31, 2020 was ¥1,041.3 billion.

As of March 31, 2020, the total balance of the interest-bearing debt of NTT Group was ¥4,699.9 billion, an increase of ¥437.2 billion from the balance of ¥4,262.7 billion as of March 31, 2019. The ratio of interest-bearing debt to shareholders' equity stood at 51.9% as of March 31, 2020 (from 46.0% as of March 31, 2019).

NTT Group believes that the net cash it expects to generate from operating activities, financing from banks and other financial institutions and/or offerings of equity or debt securities in the capital markets will provide the requisite financial resources to meet NTT Group's currently anticipated capital investment and other expenditure needs and payment of debt.

Liquidity

As of March 31, 2020, NTT Group had cash and cash equivalents balance at the end of the fiscal year of ¥1,033.6 billion, a decrease of ¥136.2 billion compared to the balance of ¥1,169.8 billion as of March 31, 2019, which excludes the impact of non-business days. Cash equivalents represent a temporary cash surplus used to repay debts and make capital investments, among other factors, and are used as working capital. Accordingly, the balance of cash equivalents fluctuates each fiscal year depending on particular financing and working capital requirements.

Risk Factors

In addition to the information contained in this Annual Securities Report relating to NTT Group's business, accounting and other matters, prospective investors should also carefully consider the risks described below related to NTT Group's business environment, business strategy and operations, regulations to which NTT is subject and NTT's relationship with the Government, which may be material to such investors' judgment, as summarized below.

Forward-looking statements included herein are made as of the date of the filing of this Annual Securities Report. Additional risks not currently known to NTT or that NTT now deems immaterial may also impair NTT Group's business operations. The forward-looking statements included in this Annual Securities Report also involve risks and uncertainties. NTT Group's actual results could differ materially from those anticipated in these forward-looking statements as a result of a number of factors, including the risks NTT Group faces as described below and elsewhere in this Annual Securities Report.

1. The spread of the COVID-19 pandemic may have an effect on the business of NTT Group as a whole.
2. NTT Group's business may be affected by both the global and Japanese economic situation.
3. NTT Group's operating revenues may suffer from changes in market structure and increased competition.
4. NTT Group's growth in its global business may be lower than anticipated.
5. NTT Group may not achieve anticipated cost savings.
6. NTT Group's international and domestic investments, acquisitions, alliances and corporate collaborations may not be successful, or NTT Group may be unable to exert the necessary control over its investments.
7. NTT Group may be unable to obtain the licenses for third-party intellectual property necessary for the operation of its business, may be subject to claims related to the infringement of the intellectual property from other companies, or may be unable to protect its own intellectual property rights, all of which could adversely affect its business operations and financial position.
8. NTT Group may be unable to hire or retain necessary personnel, which could have an adverse effect on NTT Group's results of operations and financial condition.
9. Cyberattacks could cause service interruptions or cause the quality of NTT Group's service to decline, which may affect NTT Group's results of operations and financial condition.
10. System disruptions, network disruptions, disruptions to business operations or issues with system architecture that occur as a result of natural disasters may affect NTT Group's results of operations and financial condition.
11. NTT's reputation and credibility may be affected by fraud or misconduct in Japan or abroad, or by inappropriate use or leaks of confidential business information and personal information.
12. Misuse of products and services offered by NTT Group may have an adverse impact on NTT Group's credibility and corporate image and could expose NTT Group to liability.
13. NTT Group may be subject to unfavorable decisions in litigation or other proceedings, which could have an adverse effect on its operations.
14. Changes or decisions regarding telecommunications regulations may affect NTT Group's business.
15. The frequencies that NTT Group can use are limited, and it is possible that it will not be able to secure adequate frequency spectrum for its operations.
16. NTT Group may be impacted by laws, regulations and systems relating to the environment, such as those relating to reduction of greenhouse gas emissions.
17. The Government owns enough NTT Shares to give it considerable influence over whether resolutions at NTT shareholder meetings are adopted.

For more information on risk factors, please refer to NTT's corporate website. https://www.ntt.co.jp/ir/mgt_e/risks_factors.html



Consolidated Subsidiaries (As of March 31, 2020)

Company	Capital	Voting rights ratio	Main line (s) of business
Consolidated subsidiaries		Millions of yen	%
MOBILE COMMUNICATIONS BUSINESS SEGMENT			
NTT DOCOMO, INC.	949,680	66.23	Provision of mobile communications services and smart life area services
NTT Plala Inc.	12,321	100.00	Provision of internet connection and video distribution services
REGIONAL COMMUNICATIONS BUSINESS SEGMENT			
NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION	335,000	100.00	Provision of intra-prefectural communications services in the eastern part of Japan
NIPPON TELEGRAPH AND TELEPHONE WEST CORPORATION	312,000	100.00	Provision of intra-prefectural communications services in the western part of Japan
LONG DISTANCE AND INTERNATIONAL COMMUNICATIONS BUSINESS/DATA COMMUNICATIONS BUSINESS SEGMENT			
NTT, Inc.	748,723	100.00	Governance and strategy formulation, and promotion of measures in the global business of NTT Group
LONG DISTANCE AND INTERNATIONAL COMMUNICATIONS BUSINESS SEGMENT			
NTT Communications Corporation	230,979	100.00	Provision of inter-prefectural communications services, international communications services, and Internet-related services
NTT Ltd.	USD8,287.19 million	100.00	Provision of IT services and communications and internet-related services for corporations
Dimension Data Holdings plc	USD888.52 million	100.00	Provision of IT system building and maintenance support for corporations
NTT Security Corporation	39,468	100.00	Provision of professional security services
NTT America	USD2,968.75 million	100.00	Provision of ICT services in North America
NTT EUROPE	GBP178.58 million	100.00	Provision of ICT services in Europe
Lux e-shelter 1	EUR403.21 million	100.00	Provision of data center-related services in Europe
Arkadin International	EUR177.24 million	100.00	Provision of teleconference, web conference, and video conference services
NTT Global Data Centers Americas	USD424.29 million	100.00	Provision of data center-related services in North America
NTT Global Networks	USD513.53 million	100.00	Provision of network services
NETMAGIC SOLUTIONS	INR16,611.93 million	100.00	Provision of data center-related services in India
GYRON INTERNET	GBP93.00 million	100.00	Provision of data center-related services in the U.K.
NTT Managed Services Americas Intermediate Holdings	USD925.24 million	100.00	Provision of managed services in North America
Transatel	EUR5.86 million	80.70	Provision of mobile connectivity services for IoT
WhiteHat Security	USD0.1 million	100.00	Provision of security services
Symmetry Holding	USD216.45 million	100.00	Provision of managed services in North America
Spectrum Holdings	USD4,101.93 million	100.00	Management of subsidiaries of Dimension Data Holdings plc in Europe and North America
DATA COMMUNICATIONS BUSINESS SEGMENT			
NTT DATA CORPORATION	142,520	54.21	Provision of data communications system services and network system services
NTT DATA	USD5,056.13 million	100.00	Consulting, system design, and development in North America
NTT DATA Services	USD2,114.29 million	100.00	Consulting, system design, and development in North America
EVERIS PARTICIPACIONES	EUR123.02 million	100.00	Consulting, system design, and development
NTT Data International	USD5,078.07 million	100.00	Management of subsidiaries of NTT DATA CORPORATION in North America
OTHER BUSINESS			
NTT Urban Solutions, Inc.	108,372	100.00	Contact point for urban solutions business, and integrated management of urban solutions-related information
NTT Urban Development Corporation	48,760	100.00	Real estate acquisition, development, construction, leasing, and management
NTT FACILITIES, INC.	12,400	100.00	Design, management, and maintenance of buildings, equipment, and electric power facilities
NTT Anode Energy Corporation	7,924	100.00	Development of smart energy solutions and energy management system
NTT FINANCE CORPORATION	16,771	100.00	Lease and installment sales of telecommunications-related devices, and billing and collection of charges for communications and other services
NTT COMWARE CORPORATION	20,000	100.00	Development, production, operation, and maintenance of information communications systems and software
NTT ADVANCED TECHNOLOGY CORPORATION	5,000	100.00	Technology transfer, technical consulting, and design and development of systems

Other 945 companies

Career Summaries of Members of the Board and Audit & Supervisory Board Members

Hiomichi Shinohara

Chairman of the Board
Years Served as Member of the Board: 11
Shares Owned: 44,300
Background and Experience
 Apr. 1978: Joined Nippon Telegraph and Telephone Public Corporation
 Jun. 2009: Senior Vice President
 Head of Research and Development Planning
 Member of the Board of the Company
 Jun. 2011: Senior Vice President
 Head of Research and Development Planning
 Head of the Information Sharing Laboratory Group
 Member of the Board of the Company
 Oct. 2011: Senior Vice President
 Head of Research and Development Planning
 Member of the Board of the Company
 Jun. 2012: Executive Vice President
 Head of Research and Development Planning
 Member of the Board of the Company
 Jun. 2014: Senior Executive Vice President
 Head of Research and Development Planning
 Member of the Board of the Company
 Jun. 2018: Chairman of the Board of the Company (present post)

Naoki Shibutani

Senior Executive Vice President
 Senior Executive Manager of the New Business Development Headquarters and the Digital Transformation Headquarters
 Member of the Board of Nippon Telegraph and Telephone East Corporation
Years Served as Member of the Board: –
Shares Owned: 9,200
Background and Experience
 Apr. 1985: Joined the Company
 Jul. 2013: Executive Manager of the Medium-term Management Strategies Promotion Office of the Corporate Strategy Planning Department of Nippon Telegraph and Telephone East Corporation
 Jun. 2014: Senior Vice President
 Executive Manager of the Plant Planning Department of the Network Business Headquarters
 Member of the Board of Nippon Telegraph and Telephone East Corporation
 Jul. 2017: Senior Vice President
 Executive Manager of the Plant Planning Department of the Network Business Headquarters and Tokyo Olympic & Paralympic Promotion Office
 Member of the Board of Nippon Telegraph and Telephone East Corporation
 Jun. 2018: Senior Executive Vice President
 Senior Executive Manager of the New Business Development Headquarters
 Member of the Board of Nippon Telegraph and Telephone East Corporation
 Jul. 2019: Senior Executive Vice President
 Senior Executive Manager of the New Business Development Headquarters and the Digital Transformation Headquarters
 Member of the Board of Nippon Telegraph and Telephone East Corporation
 Jun. 2020: Senior Executive Vice President
 Member of the Board of the Company (present post)

Ken Sakamura

Outside Independent Member of the Board
Years Served as Member of the Board: 1
Shares Owned: 900
Background and Experience
 Apr. 2000: Professor of the Interfaculty Initiative in Information Studies and the Graduate School of Interdisciplinary Information Studies of the University of Tokyo
 Jan. 2002: Director of VRP Ubiquitous Networking Laboratory (present post)
 Apr. 2009: Director of the Institute of Infrastructure Application of Ubiquitous Computing of the Interfaculty Initiative in Information Studies of the University of Tokyo
 Oct. 2014: President of Vitalizing Local Economy Organization by Open Data & Big Data (present post)
 Apr. 2017: Professor and Dean of Faculty of Information Networking for Innovation and Design of Toyo University (present post)
 Head of Collaboration Hub for University and Business of Toyo University
 Jun. 2017: Emeritus Professor of the University of Tokyo (present post)
 Jun. 2019: Member of the Board of the Company (present post)
 Aug. 2019: President of Association for IoT Services Coordination (present post)

Jun Sawada

President and Chief Executive Officer
 Member of the Board
Years Served as Member of the Board: 6
Shares Owned: 34,400
Background and Experience
 Apr. 1978: Joined Nippon Telegraph and Telephone Public Corporation
 Jun. 2008: Senior Vice President
 Executive Manager of the Corporate Strategy Planning Department
 Member of the Board of NTT Communications Corporation
 Jun. 2011: Executive Vice President
 Executive Manager of the Corporate Strategy Planning Department
 Member of the Board of NTT Communications Corporation
 Jun. 2012: Senior Executive Vice President
 Executive Manager of the Corporate Strategy Planning Department
 Member of the Board of NTT Communications Corporation
 Jun. 2013: Senior Executive Vice President
 Member of the Board of NTT Communications Corporation
 Jun. 2014: Senior Executive Vice President
 Member of the Board of the Company
 Jun. 2016: Director and President, Chief Executive Officer of NTT Security Corporation
 Jun. 2018: President and Chief Executive Officer
 Member of the Board of the Company (present post)
 Aug. 2018: President and Chief Executive Officer
 Member of the Board of NTT, Inc. (present post)

Katsuhiko Shirai

Outside Independent Member of the Board
Years Served as Member of the Board: 8
Shares Owned: 9,600
Background and Experience
 Apr. 1965: Assistant of the First Faculty of Science and Engineering of Waseda University
 Apr. 1968: Full-Time Lecturer of the Faculty of Science and Engineering of Waseda University
 Apr. 1970: Assistant Professor of the Faculty of Science and Engineering of Waseda University
 Apr. 1975: Professor of the Faculty of Science and Engineering of Waseda University
 Nov. 1994: Director of Academic Affairs and Director of the International Exchange Center of Waseda University
 Nov. 1998: Executive Director of Waseda University
 Nov. 2002: President of Waseda University
 Nov. 2010: Educational Advisor of Waseda University
 Apr. 2011: Chairperson of the Foundation for the Open University of Japan (resigned on March 31, 2017)
 Jun. 2012: Member of the Board of the Company (present post)
 Jun. 2012: Director of Japan Display, Inc. (resigned on June 18, 2019)
 Nov. 2016: Honorary Advisor of Waseda University (present post)

Keiko Takegawa

Outside Independent Member of the Board
Years Served as Member of the Board: 1
Shares Owned: 600
Background and Experience
 Jul. 2008: Director-General for Policies on Cohesive Society and Minister's Secretariat of the Cabinet Office
 Jul. 2009: Director-General for the Gender Equality Bureau of the Cabinet Office
 Dec. 2012: Director-General of the Public Relations Office of the Cabinet Office
 Jul. 2014: Director of the Gender Equality Bureau of the Cabinet Office
 Apr. 2019: Professor of Showa Women's University
 Jun. 2019: Member of the Board of the Company (present post)
 Jun. 2019: Corporate Auditor of MITSUI MINING & SMELTING CO., LTD. (present post)
 Apr. 2020: Professor and Dean of Faculty of Global Business of Showa Women's University (present post)

Akira Shimada

Senior Executive Vice President
 In charge of business strategy and risk management
 Member of the Board
Years Served as Member of the Board: 8
Shares Owned: 21,908
Background and Experience
 Apr. 1981: Joined Nippon Telegraph and Telephone Public Corporation
 Jun. 2007: Vice President of Corporate Strategy Planning of the Company
 Jul. 2007: General Manager of the Accounts and Finance Department of Nippon Telegraph and Telephone West Corporation
 Jul. 2009: General Manager of the General Affairs and Personnel Department of Nippon Telegraph and Telephone East Corporation
 Jun. 2011: Senior Vice President
 General Manager of the General Affairs and Personnel Department
 Member of the Board of Nippon Telegraph and Telephone East Corporation
 Jun. 2012: Senior Vice President
 Head of General Affairs
 Member of the Board of the Company
 Jun. 2012: Member of the Board of Nippon Telegraph and Telephone West Corporation
 Jun. 2015: Executive Vice President
 Head of General Affairs
 Member of the Board of the Company
 Jun. 2018: Senior Executive Vice President
 Member of the Board of the Company (present post)
 Aug. 2018: Member of the Board of NTT, Inc. (present post)
 Oct. 2018: Senior Executive Vice President of NTT, Inc. (present post)

Sadayuki Sakakibara

Outside Independent Member of the Board
Years Served as Member of the Board: 8
Shares Owned: 20,500
Background and Experience
 Apr. 1967: Joined Toyo Rayon Co., Ltd. (currently registered as Toray Industries, Inc.)
 Jun. 2002: President of Toray Industries, Inc.
 Jun. 2010: Chairman and Representative Member of the Board of Toray Industries, Inc.
 Jun. 2010: Director of Mitsui O.S.K. Lines, Ltd. (resigned on June 24, 2014)
 Jun. 2012: Member of the Board of the Company (present post)
 Jun. 2013: Director of Hitachi, Ltd. (resigned on June 20, 2018)
 Jun. 2014: Chairman of the Japan Business Federation (Keidanren) (resigned on May 31, 2018)
 Jun. 2014: Chairman of the Board of Directors of Toray Industries, Inc.
 Jun. 2015: Chief Senior Adviser and Chief Senior Counselor of Toray Industries, Inc.
 Jun. 2017: Senior Adviser of Toray Industries, Inc.
 Jun. 2018: Special Adviser of Toray Industries, Inc. (resigned on June 25, 2019)
 Jun. 2018: Honorary Chairman of the Japan Business Federation (present post)
 Mar. 2019: Director of SHIMANO INC. (present post)
 May 2019: Director of Nitori Holdings Co., Ltd. (present post)
 Dec. 2019: Director and Chairperson of the Board of Japan Investment Corporation (present post)
 Jun. 2020: Chairman of the Board of the Kansai Electric Power Co., Inc.

Takao Maezawa

Full-time Audit & Supervisory Board Member
Years Served as Audit & Supervisory Board Member: 4
Shares Owned: 20,008
Background and Experience
 Apr. 1978: Joined Nippon Telegraph and Telephone Public Corporation
 Jun. 2006: Executive Manager of the Human Resources Management Department, General Manager of the Training Institute
 Executive Manager of General Affairs of NTT Communications Corporation
 Jun. 2008: Senior Vice President
 Deputy General Manager of the Enterprise Business Division
 Member of the Board of NTT Communications Corporation
 Jun. 2011: Executive Vice President
 Deputy General Manager of the Enterprise Business Division
 Member of the Board of NTT Communications Corporation
 Aug. 2011: Executive Vice President
 Head of the Second Sales Division
 Member of the Board of NTT Communications Corporation
 Jun. 2012: President and CEO of NTT PC Communications Incorporated
 Jun. 2016: Full-Time Audit & Supervisory Board Member of the Company (present post)
 Aug. 2018: Audit & Supervisory Board Member of NTT, Inc. (present post)

Hideki Kanda

Outside Independent Audit & Supervisory Board Member
Years Served as Audit & Supervisory Board Member: 1
Shares Owned: 0
Background and Experience
 Apr. 1977: Research Assistant of the Faculty of Law of the University of Tokyo
 Apr. 1980: Lecturer of the Faculty of Law of Gakushuin University
 Apr. 1982: Associate Professor of the Faculty of Law of Gakushuin University
 Apr. 1988: Associate Professor of the Faculty of Law of the University of Tokyo
 Apr. 1991: Associate Professor of the Graduate Schools for Law and Politics of the University of Tokyo
 May 1993: Professor of the Graduate Schools for Law and Politics of the University of Tokyo
 Apr. 2016: Professor of the Professional School of Law (Law School) of Gakushuin University (present post)
 Jun. 2016: Emeritus Professor of the University of Tokyo (present post)
 Jun. 2017: Director of Sumitomo Mitsui Trust Bank, Limited (present post)
 Jun. 2019: Outside Audit & Supervisory Board Member of the Company (present post)

Kanae Takahashi

Full-time Audit & Supervisory Board Member
Years Served as Audit & Supervisory Board Member: –
Shares Owned: 4,200
Background and Experience
 Apr. 1987: Joined the Company
 Jul. 2013: Deputy Head of the Internal Control Office of the General Affairs Department of the Company
 Jun. 2014: Head of the Internal Control Office of the General Affairs Department of the Company
 Jun. 2016: Executive Manager of the Kanagawa Division and Manager of the Kanagawa Branch of the Kanagawa Division
 Member of the Board of Nippon Telegraph and Telephone East Corporation
 Jun. 2016: Executive Manager of the Kanagawa Division and Manager of the Kanagawa Branch of the Kanagawa Division
 Member of the Board of NTT EAST-MINAMI KANTO CORPORATION
 Jun. 2019: Executive Vice President
 Executive Manager of the Corporate Strategy Planning Department and the NW Facilities Business Department
 Member of the Board of NTT InfraNet Co., Ltd.
 Jun. 2020: Full-Time Audit & Supervisory Board Member of the Company (present post)

Kaoru Kashima

Outside Independent Audit & Supervisory Board Member
Years Served as Audit & Supervisory Board Member: 1
Shares Owned: 0
Background and Experience
 Nov. 1981: Joined Showa Audit Corporation (currently Ernst & Young ShinNihon LLC)
 Apr. 1985: Registered as a Certified Public Accountant (registration up-to-date)
 Jun. 1996: Partner of Showa Ota & Co. (currently Ernst & Young ShinNihon LLC)
 Jun. 2002: Senior Partner of ShinNihon & Co. (currently Ernst & Young ShinNihon LLC)
 Jul. 2006: In charge of personnel of HR Development Headquarters of ShinNihon & Co.
 Sep. 2010: Managing Director of Ernst & Young ShinNihon LLC
 In charge of the Corporate Culture Promotion Office
 In charge of the Public Relations Office
 Jul. 2012: General Manager of Knowledge Headquarters
 Managing Director of Ernst & Young ShinNihon LLC
 Jul. 2013: Representative Director of Ernst & Young Institute Co., Ltd.
 Jun. 2019: Outside Audit & Supervisory Board Member of the Company (present post)
 Jun. 2019: Director of Sumitomo Mitsui Trust Bank, Limited (present post)
 Jun. 2020: Audit & Supervisory Board Member of Kirin Holdings Company, Limited (present post)

Takashi Iida

Outside Independent Audit & Supervisory Board Member
Years Served as Audit & Supervisory Board Member: 6
Shares Owned: 6,900
Background and Experience
 Apr. 1974: Registered as Attorney-at-Law (Daini Tokyo Bar Association) (registration up-to-date)
 Joined Mori Sogo Law Offices (currently Mori Hamada & Matsumoto)
 Apr. 1991: Deputy Chairman of the Daini Tokyo Bar Association
 Apr. 1997: Executive Governor of the Japan Federation of Bar Associations
 Apr. 2006: Chairman of the Daini Tokyo Bar Association
 Apr. 2006: Vice President of the Japan Federation of Bar Associations
 Jan. 2012: Established Kowa Law Office (present post)
 Jun. 2012: Corporate Auditor (Part-Time) for Shimadzu Corporation
 Jun. 2013: Corporate Auditor of JAFCO Co., Ltd.
 Jun. 2013: Outside Director of Alps Electric Co., Ltd. (currently registered as Alps Alpine Co., Ltd.) (present post)
 Jun. 2014: Outside Audit & Supervisory Board Member of the Company (present post)

Note: As of June 30, 2020

Stock Information (As of March 31, 2020)

Corporate Information

Company name	NIPPON TELEGRAPH AND TELEPHONE CORPORATION	
Date of establishment	April 1, 1985	
Head office	Otemachi First Square, East Tower, 5-1, Otemachi 1-Chome, Chiyoda-ku, Tokyo 100-8116, Japan	
Telephone	+81 (3) 6838-5111	
Common stock	¥937,950,000,000	
Total number of shares authorized to be issued by NTT	6,192,920,900 shares	
Total number of shares issued	3,900,788,940 shares	
Aggregate voting rights	36,306,767	
Number of shareholders (including holders of fractional shares)	812,089	

Stock Exchange on Which the Company Is Listed

Tokyo (Stock Code: 9432)

Investor Relations

https://www.ntt.co.jp/ir/contact_e/
Telephone: +81 (3) 6838-5481

Depository for NTT American Depositary Receipts (ADRs)

JPMorgan Chase Bank, N.A.
383 Madison Avenue, Floor 11
New York, NY 10179, U.S.A.

Inquiries

JPMorgan Service Center
P.O. Box 64504
St. Paul, MN 55164-0504, U.S.A.
Telephone: 1-800-990-1135 (General)
1-651-453-2128 (From outside the U.S.A.)

Principal Shareholders

Name	Number of shares held (Thousands)	Ratio of the number of shares held to the total number of shares issued (%)
The Minister of Finance	1,260,906	34.69
The Master Trust Bank of Japan, Ltd. (Trust Account)	200,508	5.52
Japan Trustee Services Bank, Ltd. (Trust Account)	165,856	4.56
Japan Trustee Services Bank, Ltd. (Trust Account 9)	59,576	1.64
Japan Trustee Services Bank, Ltd. (Trust Account 5)	53,432	1.47
JPMorgan Chase Bank 385632	48,451	1.33
Japan Trustee Services Bank, Ltd. (Trust Account 7)	41,995	1.16
Moxley & Co. LLC	37,588	1.03
Japan Trustee Services Bank, Ltd. (Trust Account 1)	27,405	0.75
THE BANK OF NEW YORK MELLON 140044	27,206	0.75

Notes: 1. Number of Shares Held is rounded down to the nearest thousand.
2. NTT's holdings of treasury stock (265,592,712 shares) are not included in the above table. In addition, as part of a business and capital alliance, NTT allocated 80,775,400 shares of its treasury stock to Toyota Motor Corporation by means of a third-party allotment through the disposal of shares, with a disposal date of April 9, 2020.
3. Equity ownership percentages do not include treasury stock.

Breakdown of Shares by Shareholder

The number of shares is rounded down to the nearest thousand. The figures in parentheses represent the percentage of total shares owned for each category of shareholder.



Notes: 1. The percentages represent the ratio of shareholders' shares to the total number of issued shares excluding treasury stock.
2. "Other Corporations" above includes 57 thousand shares in the name of Japan Securities Depository Center.

Restrictions under the NTT Act

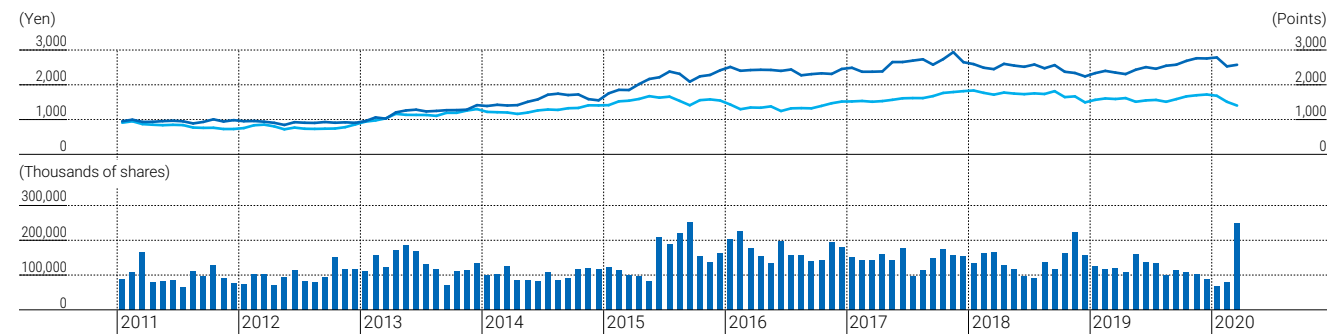
The NTT Act requires the government to own at least one-third of the total number of issued shares.* Pursuant to the NTT Act, the proportion of voting rights of foreign nationals and foreign corporations is limited to less than one-third of the total voting rights.

If the proportion of voting rights of foreign nationals and foreign corporations should exceed one-third, pursuant to the NTT Act, NTT is prohibited from registering ownership of shareholders in excess of such limit.

As of the end of March 2020, 9,424,018 of the voting rights were owned by foreign nationals and foreign corporations.

* For the time being, pursuant to Article 13 of the NTT Act, any increase in the number of shares attributable to the issuance of new shares is not included in calculating the total number of issued shares for the purposes of the NTT Act.

NTT's Share Price on the Tokyo Stock Exchange



— NTT's share price (upper left scale) — TOPIX index (right scale) ■ NTT's trading volume (lower left scale)

Notes: 1. NTT's share price and TOPIX index are the simple average closing prices on the last trading day every month.
2. NTT's trading volume refers to the number of NTT shares traded every month.
3. NTT conducted a 100-for-1 stock split of its common stock, with an effective date of July 1, 2015, and a 2-for-1 stock split of its common stock, with an effective date of January 1, 2020. NTT share prices have been adjusted to reflect the impact of these stock splits.