Value Creation Process

-A Cycle of Sustainable Corporate Value Enhancement-

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

Contribute to Realization of Smart World / Society 5.0



Toward a sustainable society / SDGs

Outcome



Management Resources, **Expertise**

Input

R&D Capabilities

Human Resources

Brand Image

ICT Infrastructure

Financial Base

Customer Base

Social Issue Resolution through Business Operation

> **Digital Transformation** x CSR

Directionality of NTT Group's Transformation

Society During COVID-19 and Post-COVID-19

A New Management Style Suitable for a Decentralized Network Society

Advancement of Digitalization / DX

Enhance Domestic and Global Business

Realization of a Well-Being Society

Enhancement of Corporate Value through ESG Initiatives

Collaboration with **Various Partners**

Financial Targets

Initial Targets New Targets (announced October 2021)

EPS Growth Approximately ¥320 per share FY2023

¥370 per share (FY2023)

Overseas Operating Profit Margin *1

7% FY2023

Cost Reductions*2 (in fixed-line / mobile access networks) at least ¥800 billion

at least ¥1 trillion (FY2023)

ROIC

FY2023

Return on invested capital 8%

FY2023

Capex to Sales

(Domestic Network Business)*3 Capital expenditure to sales ratio

13.5% or less FY2021

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

*2 Figures above show cumulative reductions since FY2017.

*3 Excludes NTT Communications' data centers and certain other items

Public **Utility**

Private

Company

Enhancement of Management Resources

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