

Financial Summary

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

U.S. GAAP	Billions of yen						
	2012	2013	2014	2015	2016	2017	2018
Profit and loss (For the year)							
Operating revenues	¥10,507.4	¥10,700.7	¥10,925.2	¥11,095.3	¥11,541.0	¥11,391.0	¥11,799.6
Operating expenses	9,284.4	9,498.8	9,711.5	10,010.8	10,192.8	9,851.2	10,156.7
Operating income	1,223.0	1,202.0	1,213.7	1,084.6	1,348.1	1,539.8	1,642.8
Other income (expenses)	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	1,239.3	1,197.6	1,294.2	1,066.6	1,329.3	1,527.8	1,755.6
Income tax expense	583.2	474.0	486.5	397.3	354.8	468.4	541.9
Equity in earnings (losses) of affiliated companies	(7.6)	(16.1)	(50.8)	5.9	5.8	(0.0)	5.6
Net income	648.6	707.6	756.9	675.2	980.2	1,059.4	1,219.3
Less—Net income attributable to non-controlling interests	180.9	185.7	171.4	157.1	242.5	259.2	309.6
Net income attributable to NTT	¥ 467.7	¥ 521.9	¥ 585.5	¥ 518.1	¥ 737.7	¥ 800.1	¥ 909.7
Balance sheet (At year-end)							
Net property, plant and equipment	¥ 9,806.4	¥ 9,776.7	¥ 9,839.7	¥ 9,801.5	¥ 9,551.9	¥ 9,719.0	¥ 9,821.1
Total assets	19,389.7	19,549.1	20,284.9	20,702.4	21,035.9	21,250.3	21,675.8
Total current liabilities	3,494.3	3,499.4	3,676.8	3,721.7	3,741.1	4,131.4	4,239.0
Total long-term liabilities	5,847.7	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)	3,770.1	3,765.6	3,765.0	3,784.7	3,817.5	3,800.0	3,791.6
Total NTT shareholders' equity	7,882.6	8,231.4	8,511.4	8,681.9	8,833.8	9,052.5	9,486.0
Non-controlling interests	2,165.1	2,290.6	2,413.5	2,368.0	2,406.3	2,455.3	2,546.6
Total equity	¥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	¥ 2,508.3	¥ 2,453.7	¥ 2,727.9	¥ 2,391.8	¥ 2,711.8	¥ 2,917.4	¥ 2,637.5
Net cash used in investing activities	(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	¥ (948.1)	¥ (745.2)	¥ (622.4)	¥ (678.0)	¥ (707.6)	¥ (981.5)	¥ (931.7)
Other financial data, performance indicators, etc.							
Interest-bearing liabilities	¥ 4,274.0	¥ 4,036.0	¥ 4,200.0	¥ 4,406.7	¥ 4,163.3	¥ 4,088.2	¥ 3,854.8
D/E ratio	54.2%	49.0%	49.3%	50.8%	47.1%	45.2%	40.6%
Capital investment (For the year) ⁽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)	1,910.7	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)	267.9	269.2	249.3	233.8	213.4	211.6	213.9
EBITDA	3,234.1	3,244.2	3,204.2	3,063.4	3,277.9	3,183.3	3,215.8
EBITDA margin ⁽¹⁾	30.8%	30.3%	29.3%	27.6%	28.4%	27.9%	27.3%
Free cash flows	537.1	677.4	621.1	523.2	952.1	828.0	795.8
Employees (Thousands) (At year-end)	224	227	240	242	241	275	283
Weighted average number of shares outstanding ⁽²⁾	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⁾	35	40	42.5	45	55	60	75
Dividend payout ratio (%)	38.2%	37.2%	33.4%	38.0%	31.4%	30.7%	32.9%
ROE (%)	5.9%	6.5%	7.0%	6.0%	8.4%	8.9%	9.8%
Medium-term financial targets							
EPS (Yen) ⁽²⁾	91.67	107.67	127.31	118.43	175.17	195.47	227.89
Capex to sales (%)	18.5%	18.4%	17.3%	16.4%	14.6%	14.9%	14.2%

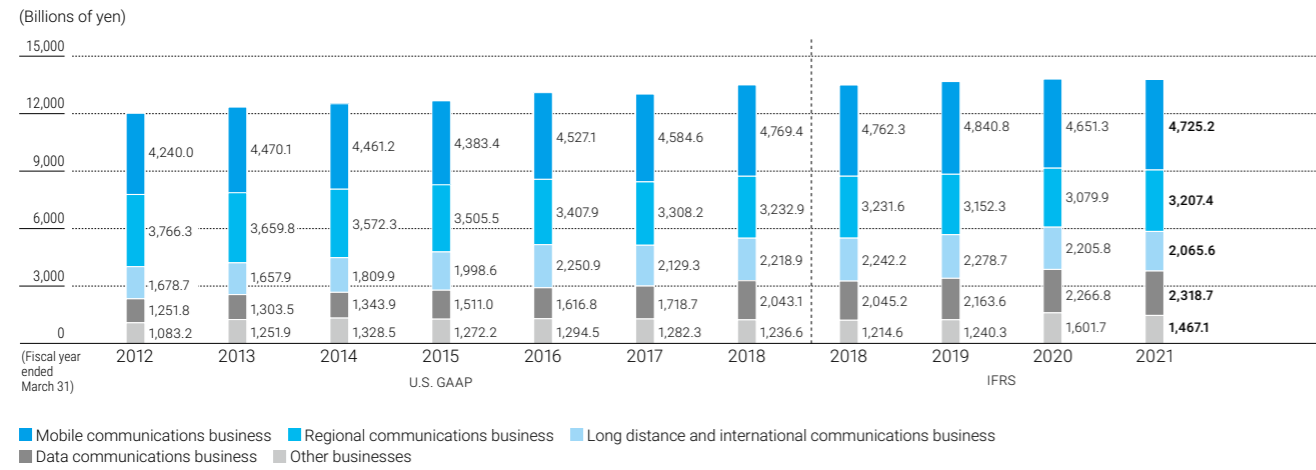
(1) Please refer to Reconciliation of Capital Investment and Reconciliation of EBITDA Margin on page 89.
 • Capital investment is on an accrual basis for the acquisition of property, plant and equipment.
 • From the fiscal year ended March 31, 2017, the method for calculating EBITDA has been revised.
 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
 Beginning on April 1, 2020, NTT Group has excluded all depreciation expenses related to right-of-use assets from EBITDA and depreciation, as a component of EBITDA.
 As a result of the change described above, EBITDA and depreciation, as a component of EBITDA, for FY2019 have been retroactively revised to be reduced by ¥10.9 billion.
 (2) Adjusted for the 2-for-1 stock split with an effective date of July 1, 2015.

IFRS	Billions of yen			
	2018	2019	2020	2021
Profit and loss (For the year)				
Operating revenues	¥11,782.1	¥11,879.8	¥11,899.4	¥11,944.0
Operating expenses	10,141.1	10,186.0	10,337.3	10,272.6
Operating profit	1,641.1	1,693.8	1,562.2	1,671.4
Finance income and costs	(53.2)	(11.9)	(3.3)	(19.0)
Share of profit (loss) of entities accounted for using the equity method	5.0	(10.1)	11.3	2.3
Profit before tax	1,740.5	1,671.9	1,570.1	1,652.6
Income taxes	533.8	533.2	458.8	524.7
Profit	1,206.7	1,138.7	1,111.3	1,127.9
Less—Profit attributable to non-controlling interests	308.8	284.1	256.0	211.7
Profit attributable to NTT	¥ 897.9	¥ 854.6	¥ 855.3	¥ 916.2
Balance sheet (At year-end)				
Property, plant and equipment	¥ 8,812.2	¥ 9,012.9	¥ 9,087.5	¥ 9,282.3
Total assets	21,541.4	22,295.1	23,014.1	22,965.5
Total current liabilities	4,622.4	5,228.1	6,607.6	7,426.2
Total non-current liabilities	5,353.4	5,262.3	4,943.9	7,336.3
Capital stock (common stock plus additional paid-in capital)	3,334.5	3,279.2	3,190.6	938.0
Total NTT shareholders' equity	9,050.4	9,264.9	9,061.1	7,562.7
Non-controlling interests	2,515.3	2,539.9	2,401.5	640.3
Total equity	¥11,565.7	¥11,804.8	¥11,462.6	¥ 8,203.0
Cash flows (For the year)				
Net cash provided by operating activities	¥ 2,541.3	¥ 2,406.2	¥ 2,995.2	¥ 3,009.1
Net cash used in investing activities	(1,746.2)	(1,774.1)	(1,852.7)	(1,424.5)
Net cash used in financing activities	¥ (968.3)	¥ (584.3)	¥ (1,041.3)	¥ (1,689.5)
Other financial data, performance indicators, etc.				
Interest-bearing liabilities	¥ 3,971.6	¥ 4,262.7	¥ 4,699.9	¥ 7,624.3
D/E ratio	43.9%	46.0%	51.9%	100.8%
Capital investment (For the year)	1,697.9	1,697.0	1,806.6	1,728.3
Depreciation and amortization (For the year) ⁽¹⁾	1,346.9	1,333.6	1,465.3	1,507.2
Research and development expenses (For the year)	208.6	211.3	224.9	232.6
EBITDA ⁽¹⁾	3,237.1	3,241.4	29,686	3,111.6
EBITDA margin ⁽¹⁾	27.5%	27.3%	24.9%	26.1%
Free cash flows	795.1	632.0	1,142.5	1,584.5
Employees (Thousands) (At year-end) ⁽³⁾	283	308	319	325.0
Weighted average number of shares outstanding ⁽⁴⁾	3,991,825,514	3,882,137,457	3,699,278,775	3,691,993,269
Cash dividends, applicable to earnings for the year ⁽⁴⁾	75	90	95	105.0
Dividend payout ratio (%)	33.3%	40.9%	41.1%	42.3%
ROE (%)	10.2%	9.3%	9.3%	11.00%
Medium-term financial targets				
EPS (Yen) ⁽⁴⁾	224.93	220.13	231.21	248.15
Overseas sales (Millions of dollars) ⁽⁵⁾	18,354	18,911	19,454	18,648
Overseas operating profit margin (%) ⁽⁵⁾	3.1%	3.2%	2.4%	3.0%
Cost reductions (Billions of yen) ⁽⁶⁾	—	(220.0)	(500.0)	(670.0)
ROIC (%)	7.4%	7.4%	6.6%	7.2%
Capex to sales (%) (Domestic network business) ⁽⁷⁾	13.7%	13.9%	13.8%	13.6%

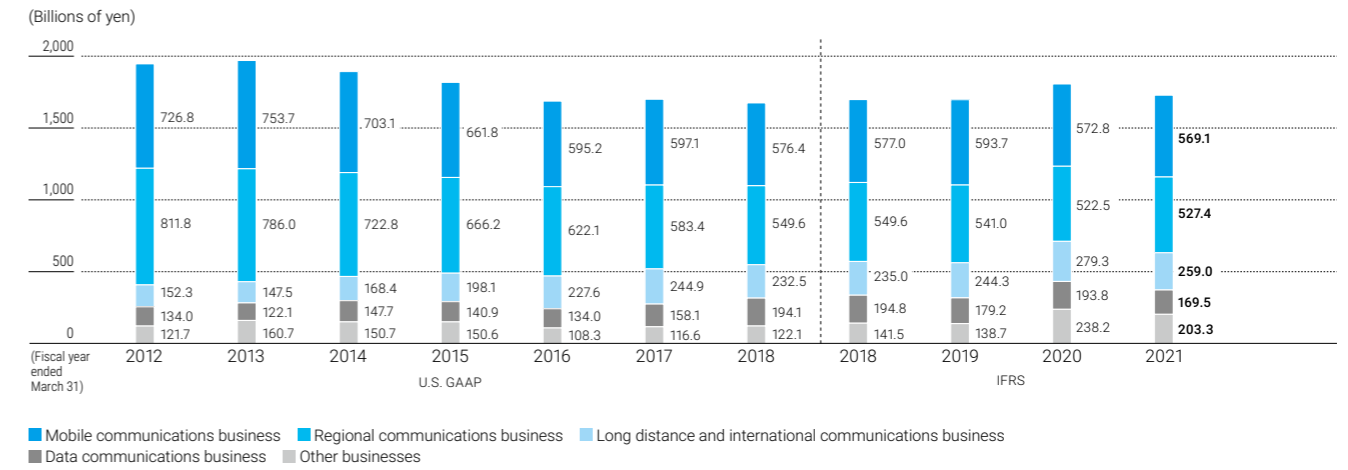
(3) Past figures have been retroactively revised as a result of expanding the scope of the personnel counted at certain overseas subsidiaries.
 (4) EPS amounts reflect the two-for-one stock split with an effective date of January 1, 2020 as approved by the Board of Directors on November 5, 2019.
 (5) Includes results from the global holding company (NTT, Inc.) and its subsidiaries and affiliates.
 Operating Profit 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

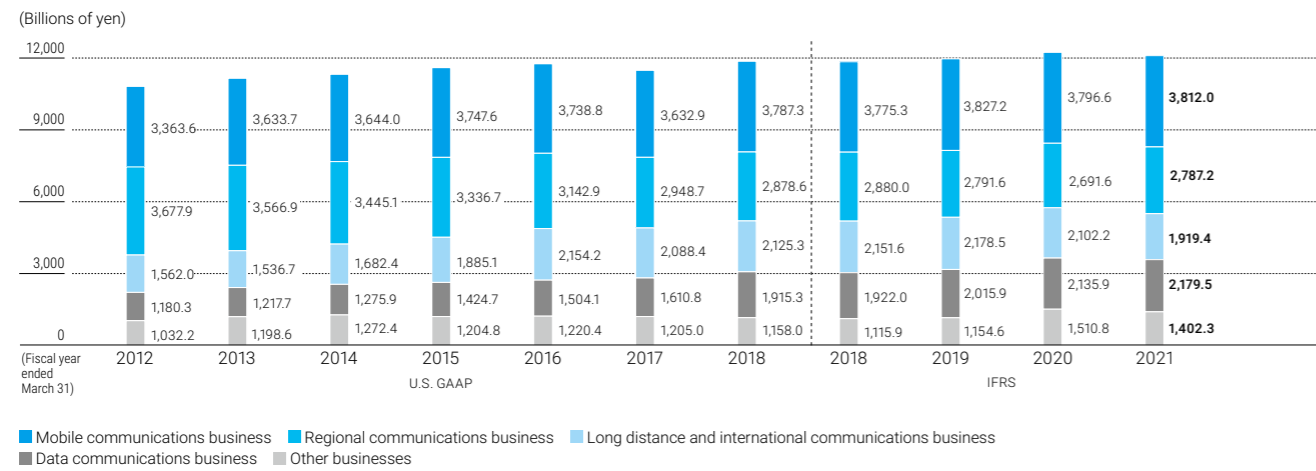
Total Operating Revenues



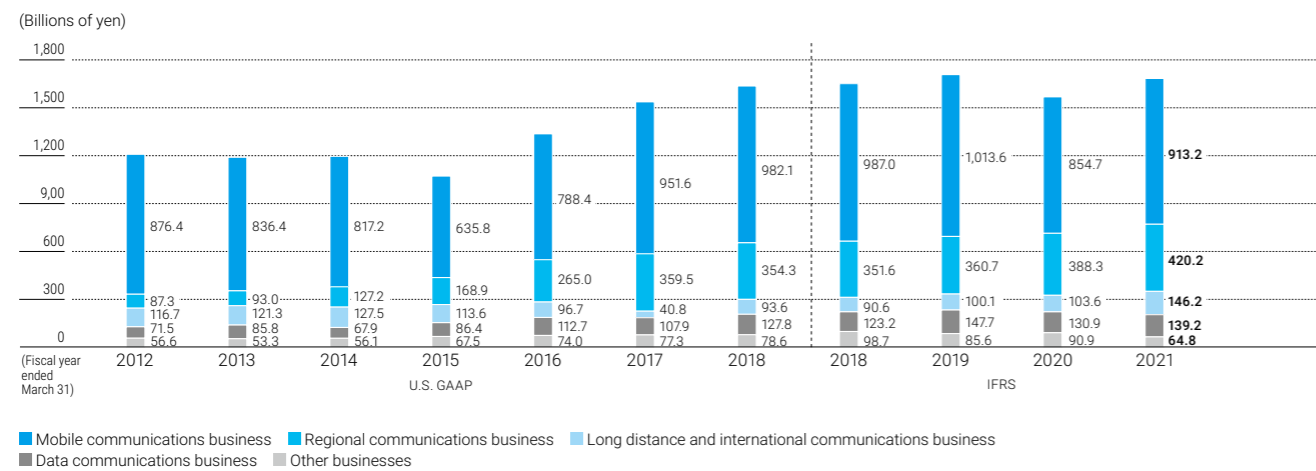
Capital Investment



Operating Expenses



Total Operating Profit



Group Data

Fiscal year ended March 31	NTT DOCOMO (Consolidated)			NTT East Group*1			NTT West Group*2		
	2019	2020	2021	2019	2020	2021	2019	2020	2021
Operating revenues	4,840.8	4,651.3	4,725.2	1,740.6	1,677.1	1,726.1	1,462.3	1,434.3	1,505.9
Operating expenses	3,827.2	3,796.6	3,812.0	1,498.0	1,421.1	1,462.1	1,344.0	1,302.1	1,350.1
Operating profit	1,013.6	854.7	913.2	242.7	256.0	264.0	118.3	132.2	155.8
Profit before taxes	1,002.6	868.0	915.6	241.0	255.0	263.3	113.7	129.3	154.4
Profit attributable to NTT	663.6	591.5	629.0	166.0	178.4	180.4	80.7	91.8	105.2

Fiscal year ended March 31	NTT, Inc. (Global Holding Company) Group*3		NTT Ltd. Group*4		NTT Communications Group*5*6		NTT DATA (Consolidated)		
	2020	2021	2020	2021	2020	2021	2019	2020	2021
Operating revenues	4,426.8	4,337.8	897.7	1,058.8	794.6	1,070.4	2,163.6	2,266.8	2,318.7
Operating expenses / Selling, general and administrative expenses	4,193.2	4,053.7	919.1	1,049.6	698.4	933.1	2,015.9	2,135.9	2,179.5
Operating profit (loss)	233.5	284.1	(21.4)	9.2	96.2	137.3	147.7	130.9	139.2
Profit (loss) before taxes	-	-	(31.6)	(2.4)	108.9	148.7	146.9	120.2	130.5
Profit (loss) attributable to NTT	-	-	(34.0)	(13.6)	110.5	115.7	93.6	75.1	76.8

Fiscal year ended March 31	NTT Urban Solutions Group*7		NTT Urban Development (Consolidated)		
	2020	2021	2019	2020	2021
Operating revenues	426.0	447.7	168.0	147.9	143.9
Operating expenses / Selling, general and administrative expenses	384.2	410.3	140.4	122.1	122.0
Operating profit	48.8	45.1	28.7	32.2	27.4
Profit before taxes	42.5	40.4	25.7	24.3	22.6
Profit attributable to NTT	27.4	26.2	16.2	16.0	14.1

*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 NTT Ltd. Group 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.

Consolidated Data (IFRS)			
	Billions of yen		
	Years Ended March 31		
	2019	2020	2021
NTT Consolidated Financial Results			
Operating revenues	11,879.8	11,899.4	11,944.0
Fixed voice-related services	1,077.7	999.4	935.3
Mobile voice-related services	946.7	966.5	1,115.8
IP/packet communications services	3,721.2	3,619.3	3,488.0
Sales of telecommunications equipment	929.2	691.8	674.1
System integration services	3,594.1	3,731.4	3,801.6
Other	1,611.0	1,891.0	1,929.3
Operating expenses	10,186.0	10,337.3	10,272.6
Personnel expenses	2,391.6	2,428.5	2,461.4
Expenses for purchase of goods and services and other expenses	5,917.7	6,006.4	5,875.3
Depreciation and amortization	1,333.6	1,465.3	1,507.2
Impairment losses	126.4	16.7	25.7
Goodwill	39.4	2.9	2.7
Metal cable-related	66.0	—	—
Other	21.0	13.7	23.0
Expenses on disposal of fixed assets	172.2	171.6	156.9
Taxes and dues	244.5	248.8	246.1
Operating profit	1,693.8	1,562.2	1,671.4
Profit before taxes	1,671.9	1,570.1	1,652.6
Profit attributable to NTT	854.6	855.3	916.2
NTT Consolidated Financial Position			
Assets	22,295.1	23,014.1	22,965.5
Current assets	6,580.0	6,703.5	5,326.4
(incl.) Cash and cash equivalents	946.1	1,033.6	935.7
(incl.) Trade and other receivables	4,391.4	3,502.8	3,534.6
Non-current assets	15,715.2	16,310.6	17,639.1
(incl.) Property, plant and equipment	9,012.9	9,087.5	9,282.3
Liabilities and Equity	22,295.1	23,014.1	22,965.5
Liabilities	10,490.4	11,551.5	14,762.4
Current liabilities	5,228.1	6,607.6	7,426.2
(incl.) Trade and other payables	2,092.5	2,142.8	2,356.7
Non-current liabilities	5,262.3	4,943.9	7,336.3
(incl.) Long-term liabilities	2,865.2	2,165.8	4,455.7
(incl.) Defined benefit liabilities	1,878.0	1,873.5	1,731.6
Equity	11,804.8	11,462.6	8,203.0
Interest-Bearing Liabilities (Consolidated)			
Interest-bearing liabilities	4,262.7	4,699.9	7,624.3
Capital Investment			
Capital investment	1,697.0	1,806.6	1,728.3
Mobile Communications Business	593.7	572.8	569.1
Regional Communications Business	541.0	522.5	527.4
Long Distance and International Communications Business	244.3	279.3	259.0
Data Communications Business	179.2	193.8	169.5
Other Businesses	138.7	238.2	203.3
(Ref.) Capital investment by group			
NTT East Group	274.1	271.0	268.7
NTT West Group	266.9	251.5	258.6
NTT Ltd. Group	—	113.6	155.5
NTT Communications Group (from July 2019)*	—	113.5	97.8
NTT Communications Group	219.3	—	—
Dimension Data (Consolidated)	20.9	—	—
NTT Urban Solutions Group	—	129.4	92.1

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

Business Segments (IFRS)			
	Billions of yen		
	Years Ended March 31		
	2019	2020	2021
Mobile Communications Business			
Operating revenues	4,840.8	4,651.3	4,725.2
Mobile voice-related service	956.2	976.3	1,127.6
IP/packet communications service	2,159.3	2,102.5	1,985.1
Sales of telecommunications equipment	844.4	608.2	575.7
Other	880.9	964.2	1,036.7
Operating expenses	3,827.2	3,796.6	3,812.0
Personnel expenses	288.9	288.2	290.9
Expenses for purchase of goods and services and other expenses	2,923.8	2,808.6	2,808.2
Depreciation and amortization	470.9	580.8	606.1
Impairment losses	32.8	2.2	0.2
Expenses on disposal of fixed assets	68.8	71.5	58.2
Taxes and dues	42.0	45.3	48.4
Operating profit	1,013.6	854.7	913.2
Regional Communications Business			
Operating revenues	3,152.3	3,079.9	3,207.4
Fixed voice-related service	1,085.2	1,006.1	950.3
IP/packet communications service	1,500.7	1,489.7	1,544.1
Sales of telecommunications equipment	76.6	76.6	69.5
System integration services	168.9	206.1	292.7
Other	320.9	301.3	350.8
Operating expenses	2,791.6	2,691.6	2,787.2
Personnel expenses	707.6	682.7	675.4
Expenses for purchase of goods and services and other expenses	1,338.9	1,357.6	1,447.4
Depreciation and amortization	448.0	414.5	422.9
Impairment losses	69.7	0.9	14.1
Expenses on disposal of fixed assets	90.3	96.7	88.3
Taxes and dues	137.1	139.3	139.3
Operating profit	360.7	388.3	420.2
Long Distance and International Communications Business			
Operating revenues	2,278.7	2,205.8	2,065.6
Fixed voice-related service	220.3	207.9	196.1
IP/packet communications service	427.5	418.3	419.7
Sales of telecommunications equipment	11.5	11.0	29.8
System integration services	1,439.1	1,442.6	1,320.9
Other	180.3	125.9	99.2
Operating expenses	2,178.5	2,102.2	1,919.4
Personnel expenses	411.4	415.7	393.3
Expenses for purchase of goods and services and other expenses	1,541.6	1,442.6	1,300.4
Depreciation and amortization	178.4	210.7	204.0
Impairment losses	19.7	8.6	0.8
Expenses on disposal of fixed assets	7.9	7.1	9.5
Taxes and dues	19.6	17.5	11.5
Operating profit	100.1	103.6	146.2
Data Communications Business			
Operating revenues	2,163.6	2,266.8	2,318.7
System integration services	2,163.6	2,266.8	2,318.7
Operating expenses	2,015.9	2,135.9	2,179.5
Personnel expenses	804.2	840.1	884.0
Expenses for purchase of goods and services and other expenses	1,043.0	1,083.4	1,059.2
Depreciation and amortization	153.6	196.3	209.0
Impairment losses	0.7	2.3	8.9
Expenses on disposal of fixed assets	2.2	2.2	6.0
Taxes and dues	12.2	11.6	12.4
Operating profit	147.7	130.9	139.2
Other Businesses			
Operating revenues	1,240.3	1,601.7	1,467.1
IP/packet communications service	24.6	26.7	—
System integration services	152.1	159.4	186.7
Other	1,063.5	1,415.6	1,280.4
Operating expenses	1,154.6	1,510.8	1,402.3
Personnel expenses	253.9	277.0	293.4
Expenses for purchase of goods and services and other expenses	763.7	1,058.7	933.0
Depreciation and amortization	90.9	131.9	134.3
Impairment losses	3.6	2.8	2.6
Expenses on disposal of fixed assets	9.0	5.2	4.4
Taxes and dues	33.6	35.1	34.6
Operating profit	85.6	90.9	64.8

Note: Figures for each segment include intersegment transactions.

Group Summary (IFRS)

	Billions of yen		
	Years Ended March 31		
	2019	2020	2021
NTT DOCOMO Consolidated			
Operating revenues	4,840.8	4,651.3	4,725.2
Telecommunications services	3,130.7	3,094.3	3,127.9
Mobile communications services	2,844.4	2,757.8	2,741.2
Optical-fiber broadband service and other telecommunications services	286.3	336.4	386.7
Equipment sales	844.4	608.2	575.7
Other	865.8	948.8	1,021.6
Operating expenses	3,827.2	3,796.6	3,812.0
Personnel expenses	288.9	288.2	290.9
Expenses for purchase of goods and services and other expenses	2,533.7	2,422.2	2,397.9
Depreciation and amortization	470.9	580.8	606.1
Impairment losses	32.8	2.2	0.2
Communication network charges	432.0	431.7	458.6
Expenses on disposal of fixed assets	68.8	71.5	58.2
Operating profit	1,013.6	854.7	913.2
Profit before taxes	1,002.6	868.0	915.6
Profit attributable to NTT DOCOMO, INC.	663.6	591.5	629.0
NTT East Group*1			
Operating revenues	1,740.6	1,677.1	1,726.1
Fixed voice-related service	573.6	534.2	500.7
IP/packet communications service	842.5	842.1	884.8
Sales of telecommunications equipment	30.3	31.0	27.9
System integration services	75.4	99.9	144.6
Other	218.8	169.9	168.0
Operating expenses	1,498.0	1,421.1	1,462.1
Personnel expenses	372.6	359.6	353.3
Expenses for purchase of goods and services and other expenses	733.3	713.0	755.2
Depreciation and amortization	237.9	222.1	225.0
Impairment losses	38.7	—	13.6
Expenses on disposal of fixed assets	43.5	52.1	39.9
Taxes and dues	72.1	74.3	75.0
Operating profit	242.7	256.0	264.0
Profit before taxes	241.0	255.0	263.3
Profit attributable to NTT East	166.0	178.4	180.4
NTT West Group*2			
Operating revenues	1,462.3	1,434.3	1,505.9
Fixed voice-related service	522.0	480.5	456.4
IP/packet communications service	658.6	648.1	660.3
Sales of telecommunications equipment	46.7	46.0	42.0
System integration services	95.4	108.3	149.7
Other	139.6	151.5	197.5
Operating expenses	1,344.0	1,302.1	1,350.1
Personnel expenses	336.8	323.6	322.1
Expenses for purchase of goods and services and other expenses	653.1	675.4	716.8
Depreciation and amortization	210.3	192.6	198.2
Impairment losses	31.0	0.9	0.5
Expenses on disposal of fixed assets	47.7	44.6	48.3
Taxes and dues	65.0	65.0	64.2
Operating profit	118.3	132.2	155.8
Profit before taxes	113.7	129.3	154.4
Profit attributable to NTT West	80.7	91.8	105.2

*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.

	Billions of yen		
	Years Ended March 31		
	2019	2020	2021
NTT, Inc. (Global Holding Company) Group*1			
Operating revenues	—	4,426.8	4,337.8
Operating expenses	—	4,193.2	4,053.7
Operating profit	—	233.5	284.1
NTT Ltd. Group*2			
Operating revenues	—	897.7	1,058.8
Operating expenses	—	919.1	1,049.6
Personnel expenses	—	214.6	265.1
Expenses for purchase of goods and services and other expenses	—	624.1	694.8
Depreciation and amortization	—	71.3	87.4
Impairment losses	—	6.7	0.7
Expenses on disposal of fixed assets	—	0.2	0.5
Taxes and dues	—	2.3	1.1
Operating profit (loss)	—	(21.4)	9.2
Profit (loss) before taxes	—	(31.6)	(2.4)
Profit (loss) attributable to NTT Ltd.	—	(34.0)	(13.6)
NTT Communications Group (from July 2019)*3			
Operating revenues*4	—	794.6	1,070.4
Cloud computing platforms	—	75.2	102.8
Data networks	—	292.9	391.1
Voice communications	—	170.4	221.8
Applications & content	—	60.3	74.1
Solution services	—	174.9	255.1
Other	—	20.8	25.4
Operating expenses	—	698.4	933.1
Personnel expenses	—	91.6	126.6
Expenses for purchase of goods and services and other expenses	—	501.5	671.5
Depreciation and amortization	—	87.0	115.7
Impairment losses	—	0.1	—
Expenses on disposal of fixed assets	—	6.3	9.0
Taxes and dues	—	11.9	10.3
Operating profit	—	96.2	137.3
Profit before taxes	—	108.9	148.7
Profit attributable to NTT Communications	—	110.5	115.7
NTT DATA Consolidated			
Net sales	2,163.6	2,266.8	2,318.7
Public and Social Infrastructure	479.9	500.2	540.5
Financial	559.1	580.4	607.6
Enterprise and Solutions	529.8	588.6	590.9
North America	421.9	426.0	429.4
EMEA and LATAM	440.1	455.4	454.2
Eliminations or Corporate	(267.3)	(283.7)	(303.9)
Cost of sales	1,618.6	1,694.6	1,734.1
Gross profit	545.0	572.2	584.6
Selling, general and administrative expenses	397.3	441.3	445.4
Operating profit	147.7	130.9	139.2
Profit before taxes	146.9	120.2	130.5
Profit attributable to NTT DATA	93.6	75.1	76.8

*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 (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 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		
	Years Ended March 31		
	2019	2020	2021
NTT Communications Group*1			
Operating revenues*2	1,392.0	—	—
Cloud computing platforms	207.5	—	—
Data networks	487.9	—	—
Voice communications	266.6	—	—
Applications & content	134.5	—	—
Solution services	266.2	—	—
Other	29.2	—	—
Operating expenses	1,259.8	—	—
Personnel expenses	202.8	—	—
Expenses for purchase of goods and services and other expenses	879.6	—	—
Depreciation and amortization	151.5	—	—
Impairment losses	2.7	—	—
Expenses on disposal of fixed assets	7.9	—	—
Taxes and dues	15.4	—	—
Operating profit	132.1	—	—
Profit before taxes	132.1	—	—
Profit attributable to NTT Communications	98.5	—	—
Dimension Data Consolidated*3			
Operating revenues	893.3	—	—
System integration services	893.3	—	—
Cost of sales	718.7	—	—
Gross profit	174.6	—	—
Selling, general and administrative expenses	155.2	—	—
Operating profit	19.4	—	—
Profit before taxes	11.8	—	—
Profit attributable to Dimension Data	5.2	—	—
NTT Urban Solutions Group*4			
Operating revenues	—	426.0	447.7
Operating expenses	—	384.2	410.3
Personnel expenses	—	70.1	88.5
Expenses for purchase of goods and services and other expenses	—	263.3	266.8
Depreciation and amortization	—	35.8	39.7
Impairment losses	—	0.5	—
Expenses on disposal of fixed assets	—	—	—
Taxes and dues	—	14.6	15.3
Operating profit	—	48.8	45.1
Profit before taxes	—	41.5	40.4
Profit attributable to NTT Urban Solutions	—	27.4	26.2
NTT Urban Development Consolidated			
Operating revenues	168.0	147.9	143.9
Operating expenses	140.4	122.1	122.0
Personnel expenses	10.8	10.2	12.0
Expenses for purchase of goods and services and other expenses	97.8	75.4	70.4
Depreciation and amortization	17.7	23.5	26.5
Impairment losses	1.8	0.5	—
Expenses on disposal of fixed assets	—	—	—
Taxes and dues	12.2	12.5	13.1
Operating profit	28.7	32.2	27.4
Profit before taxes	25.7	25.3	22.6
Profit attributable to NTT Urban Development	16.2	16.0	14.1

*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:

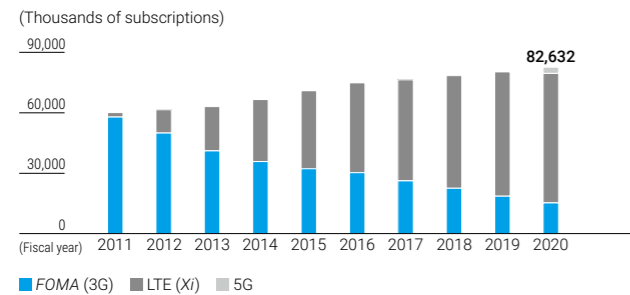
- Cloud computing platforms: "Data center services" and "Private cloud services (Enterprise cloud, etc.)"
- Data networks: "Closed network services (Arcstar Universal One, etc.)" and "Open network services (OCN, etc.)"
- Voice communications: "Telephone services" and "VoIP services (050 plus, etc.)"
- 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. The quarterly financial results above are not audited and are provided for reference only.

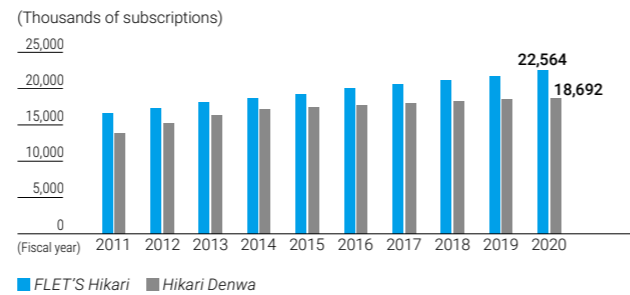
*4 The scope of aggregation for each of the figures presented for NTT Urban Solutions Group is internal management figures after eliminating internal transactions among NTT Urban Development (on a consolidated basis), NTT FACILITIES and its subsidiaries. Such figures are not audited and are provided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

Operational Data

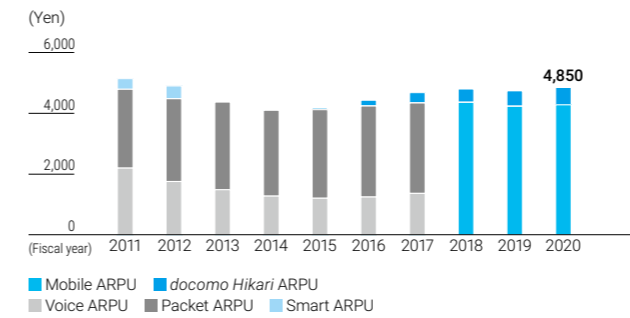
Mobile Communications Services Subscriptions



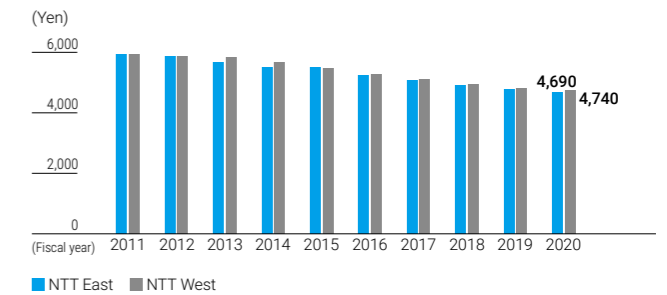
Fixed-Line Broadband Services Subscriptions



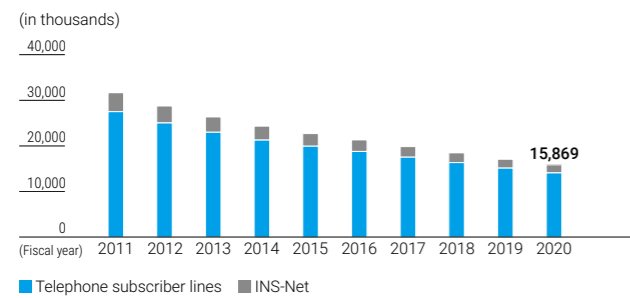
Mobile Aggregate ARPU



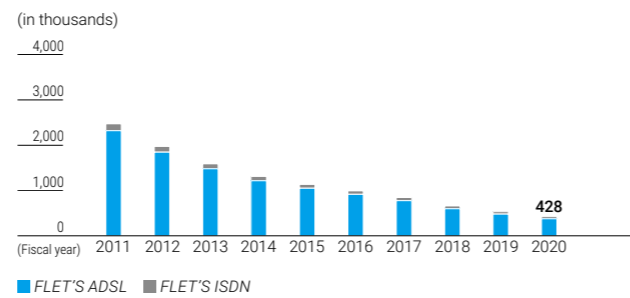
ARPU of FLET'S Hikari



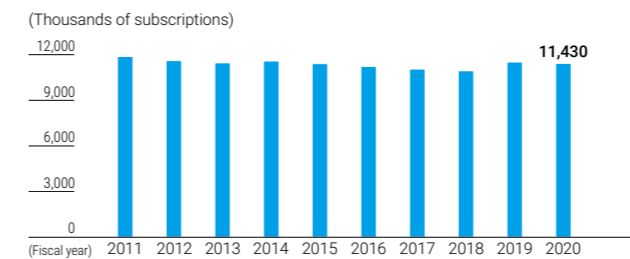
Telephone Subscriber Lines + INS-Net



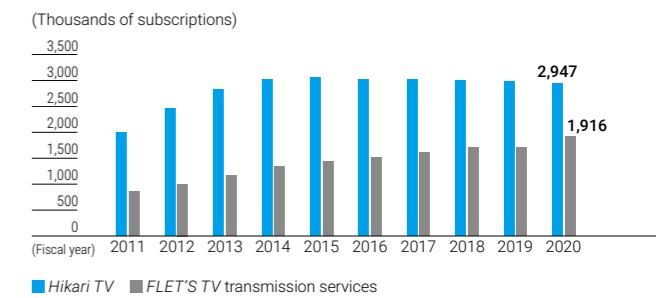
FLET'S ADSL / FLET'S ISDN



NTT Group Major ISPs



Hikari TV / FLET'S TV Transmission Services



Fiscal years ended March 31	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Mobile Communications Services Subscriptions (Thousands of subscriptions)										
5G	—	—	—	—	—	—	—	—	14	3,091
LTE (Xi)	2,225	11,566	21,965	30,744	38,679	44,544	50,097	55,872	61,664	64,210
FOMA (3G)	57,905	49,970	41,140	35,851	32,285	30,336	26,273	22,581	18,648	15,331
Fixed-Line Broadband Services Subscriptions (Thousands of subscriptions)*1										
FLET'S Hikari	16,564	17,300	18,050	18,716	19,259	20,053	20,533	21,078	21,658	22,564
Hikari Denwa	13,900	15,169	16,256	17,108	17,374	17,759	18,032	18,244	18,503	18,692
Telephone Subscriber Lines + INS-Net (in thousands)*2										
Telephone subscriber lines	27,521	25,042	23,000	21,286	19,943	18,797	17,538	16,363	15,144	14,102
INS-Net	4,150	3,724	3,366	3,058	2,776	2,539	2,331	2,138	1,942	1,767
FLET'S ADSL / FLET'S ISDN (in thousands)										
FLET'S ADSL	2,322	1,848	1,483	1,219	1,053	919	780	602	483	381
FLET'S ISDN	152	127	109	95	85	77	70	62	54	47
NTT Group Major ISPs (Thousands of subscriptions)*3	11,882	11,611	11,466	11,586	11,411	11,231	11,057	10,945	11,517	11,430
Hikari TV / FLET'S TV Transmission Services (Thousands of subscriptions)										
Hikari TV	2,004	2,453	2,823	3,014	3,052	3,023	3,016	3,001	2,983	2,947
FLET'S TV Transmission Services*1	861	1,003	1,161	1,345	1,432	1,521	1,615	1,716	1,828	1,916

Fiscal years ended March 31	2012	2013	2014	2015	2016	2017	2018	2019	2019	2021
Mobile Aggregate ARPU (Yen)**5										
New										
Mobile ARPU (5G + LTE (Xi) + FOMA)	—	—	—	—	—	—	—	4,360	4,230	4,280
docomo Hikari ARPU	—	—	—	—	50	190	340	440	510	570
Voice ARPU	2,200	1,760	1,490	1,280	1,210	1,250	1,370	—	—	—
Old										
Packet ARPU	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	5,920	5,860	5,660	5,490	5,510	5,250	5,080	4,910	4,790	4,690
NTT West	5,940	5,880	5,830	5,680	5,470	5,280	5,100	4,930	4,820	4,740

*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 Pala.
 *4 Please see page 88 for the ARPU calculation method and other details.
 *5 The ARPU calculation method was changed in 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. A subsequent change to the ARPU calculation method was instituted in the fiscal year ended March 31, 2019, that entailed the integration of Voice ARPU and Packet 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 5G mobile phone services, LTE (Xi) mobile phone services, FOMA mobile phone services and docomo Hikari services (with certain exceptions), by the number of Active Users to 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. NTT believes that its ARPU figures calculated in this way provide useful information regarding the monthly average usage of its subscribers. 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 (basic monthly charges, voice communication charges and 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 total number of subscriptions, excluding the subscriptions listed below:

Number of active users = subscriptions

a. 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

b. Data Plan subscriptions in the case where the customer contracting for such subscription in his/her name also has a subscription for 5G, 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 FLET'S Hikari Cross, 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 Cross, 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 FLET'S Hikari Cross, 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 Cross, 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

	Billions of yen				
Fiscal years ended March 31	2017 (U.S. GAAP)	2018 (U.S. GAAP)	2019 (IFRS)	2020 (IFRS)	2021 (IFRS)
Payments for property, plant and equipment	¥1,301.7	¥1,308.7	—	—	—
Payments for acquisition of intangible fixed assets	400.1	402.0	—	—	—
Purchase of property, plant and equipment, intangible assets, and investment property	—	—	¥1,672.4	¥1,856.4	¥1,795.2
Total	¥1,701.8	¥1,710.7	¥1,672.4	¥1,856.4	¥1,728.3
Differences between capital investment	1.8	36.0	(24.6)	49.7	66.8

Reconciliation of EBITDA Margin

	Billions of yen					
Fiscal years ended March 31	2017 (U.S. GAAP)	2018 (U.S. GAAP)	2018 (IFRS)	2019 (IFRS)	2020 (IFRS)	2021 (IFRS)
Operating income / Operating profit	¥ 1,539.8	¥ 1,642.8	¥ 1,641.1	¥ 1,693.8	¥ 1,562.2	¥1,671.4
Depreciation and amortization	1,462.2	1,339.4	1,346.9	1,333.6	1,305.9	1,332.5
Loss on sales and disposal of property, plant and equipment	107.4	71.4	71.2	87.5	83.9	81.9
Impairment losses	73.9	162.2	177.9	126.4	16.7	25.7
EBITDA	3,183.3	3,215.8	3,237.1	3,241.4	2,968.6	3,111.6
Operating revenues	¥11,391.0	¥11,799.6	¥11,782.1	¥11,879.8	¥11,899.4	¥11,944.0
EBITDA margin	27.9%	27.3%	27.5%	27.3%	24.9%	26.1%

Note: From April 1, 2020, depreciation and amortization associated with right-of-use assets is excluded from the calculation of EBITDA and depreciation and amortization. In conjunction with this change, the amounts of EBITDA and depreciation and amortization for the fiscal year ended March 31, 2020 were retroactively reduced by ¥10.9 billion.

Consolidated Statements of Financial Position

Nippon Telegraph and Telephone Corporation and its subsidiaries
March 31

	Millions of yen	
	2020	2021
ASSETS		
Current assets		
Cash and cash equivalents	¥ 1,033,574	¥ 935,727
Trade and other receivables	3,502,834	3,534,555
Other financial assets	32,384	41,732
Inventories	257,329	315,437
Other current assets	530,073	498,106
Subtotal	5,356,194	5,325,557
Assets held for sale	1,347,307	816
Total current assets	6,703,501	5,326,373
Non-current assets		
Property, plant and equipment	9,087,463	9,282,286
Right-of-use assets	446,828	639,627
Goodwill	980,841	1,056,187
Intangible assets	1,694,060	1,765,858
Investment property	1,106,145	1,182,713
Investments accounted for using the equity method	283,291	411,033
Other financial assets	846,285	1,515,922
Deferred tax assets	1,153,042	993,858
Other non-current assets	712,677	791,635
Total non-current assets	16,310,632	17,639,119
Total assets	¥23,014,133	¥22,965,492
LIABILITIES AND EQUITY		
Current liabilities		
Short-term borrowings	¥ 2,054,506	¥ 3,168,613
Trade and other payables	2,142,752	2,356,705
Lease liabilities	154,126	193,915
Other financial liabilities	16,943	28,334
Accrued payroll	469,395	509,416
Income taxes payable	214,098	115,965
Other current liabilities	996,360	1,053,196
Subtotal	6,048,180	7,426,144
Liabilities directly associated with assets held for sale	559,432	18
Total current liabilities	6,607,612	7,426,162
Non-current liabilities		
Long-term liabilities	2,165,778	4,455,724
Lease liabilities	378,346	553,836
Other financial liabilities	129,229	137,620
Defined benefit liabilities	1,873,501	1,731,645
Deferred tax liabilities	70,249	81,420
Other non-current liabilities	326,791	376,042
Total non-current liabilities	4,943,894	7,336,287
Total liabilities	11,551,506	14,762,449
Equity		
Nippon Telegraph and Telephone Corporation ("NTT") shareholders' equity		
Common stock	937,950	937,950
Additional paid-in capital	2,252,672	-
Retained earnings	6,499,942	7,068,008
Treasury stock	(653,369)	(704,793)
Other components of equity	23,908	261,542
Total NTT shareholders' equity	9,061,103	7,562,707
Non-controlling interests	2,401,524	640,336
Total equity	11,462,627	8,203,043
Total liabilities and equity	¥23,014,133	¥22,965,492

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	
	2020	2021
Consolidated Statements of Profit or Loss		
Operating revenues	¥11,899,415	¥11,943,966
Operating expenses		
Personnel expenses	2,428,484	2,461,410
Expenses for purchase of goods and services and other expenses	6,006,379	5,875,302
Depreciation and amortization	1,465,310	1,507,153
Loss on disposal of property, plant and equipment and intangible assets	171,597	156,869
Impairment losses	16,655	25,699
Goodwill	2,933	2,702
Other	13,722	22,997
Taxes and dues	248,839	246,142
Total operating expenses	10,337,264	10,272,575
Operating profit	1,562,151	1,671,391
Finance income	46,986	31,785
Finance costs	50,253	50,830
Share of profit (loss) of entities accounted for using the equity method	11,257	229
Profit before taxes	1,570,141	1,652,575
Income taxes	458,795	524,719
Profit	1,111,346	1,127,856
Profit attributable to NTT	855,306	916,181
Profit attributable to non-controlling interests	256,040	211,675
Earnings per share attributable to NTT		
Basic earnings per share (yen)	¥ 231.21	¥ 248.15

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	
	2020	2021
Profit	¥1,111,346	¥1,127,856
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	(68,503)	241,404
Share of other comprehensive income of entities accounted for using the equity method	(2,266)	(922)
Remeasurements of the defined benefit plans	11,365	121,455
Total of items that will not be reclassified to profit or loss	(59,404)	361,937
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges	1,689	(2,012)
Hedges cost	(1,707)	(16,555)
Foreign currency translation adjustments	(84,107)	81,356
Share of other comprehensive income of entities accounted for using the equity method	1,774	7,029
Total of items that may be reclassified subsequently to profit or loss	(82,351)	69,818
Total other comprehensive income (net of taxes)	(141,755)	431,755
Total comprehensive income	969,591	1,559,611
Comprehensive income attributable to NTT	743,451	1,275,214
Comprehensive income attributable to non-controlling interests	¥ 226,140	¥ 284,397

Consolidated Statements of Changes in Equity

Nippon Telegraph and Telephone Corporation and its subsidiaries

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	Total equity	
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	

Fiscal year ended March 31, 2021

	NTT shareholders' equity								Total equity
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Other components of equity	Total	Non-controlling interests	Total equity	
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	
Comprehensive income									
Profit	—	—	916,181	—	—	916,181	211,675	1,127,856	
Other comprehensive income	—	—	—	—	359,033	359,033	72,722	431,755	
Total comprehensive income	—	—	916,181	—	359,033	1,275,214	284,397	1,559,611	
Transactions with owners and other transactions									
Dividends of surplus	—	—	(358,470)	—	—	(358,470)	(152,543)	(511,013)	
Transfer to retained earnings	—	109,983	11,416	—	(121,399)	—	—	—	
Purchase and disposal of treasury stock	—	1,290	—	(51,424)	—	(50,134)	—	(50,134)	
Changes in ownership interest in subsidiaries without loss of control	—	(2,366,079)	—	—	—	(2,366,079)	(1,891,495)	(4,257,574)	
Share-based compensation transactions	—	3,043	—	—	—	3,043	—	3,043	
Put options granted to non-controlling interests	—	(2,364)	—	—	—	(2,364)	(2,124)	(4,488)	
Other	—	1,455	(1,061)	—	—	394	577	971	
Total transactions with owners and other transactions	—	(2,252,672)	(348,115)	(51,424)	(121,399)	(2,773,610)	(2,045,585)	(4,819,195)	
As of March 31, 2021	¥937,950	¥ —	¥7,068,008	¥(704,793)	¥ 261,542	¥ 7,562,707	¥ 640,336	¥ 8,203,043	

Consolidated Statements of Cash Flows

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

Millions of yen

	2020	2021
Cash flows from operating activities		
Profit	¥ 1,111,346	¥ 1,127,856
Depreciation and amortization	1,465,310	1,507,153
Impairment losses	16,655	25,699
Share of loss (profit) of entities accounted for using the equity method	(11,257)	(229)
Loss on retirement of property, plant and equipment and intangible assets	80,971	79,873
Gain on sale of property, plant and equipment and intangible assets	(12,885)	(12,308)
Income taxes	458,795	524,719
Decrease (increase) in trade and other receivables	210,566	24,097
Decrease (increase) in inventories	59,880	(64,263)
Decrease (increase) in other current assets	17,266	(48,086)
Increase (decrease) in trade and other payables / accrued payroll	22,736	270,146
Increase (decrease) in other current liabilities	18,922	50,690
Increase (decrease) in defined benefit liabilities	2,470	(17,727)
Increase (decrease) in other non-current liabilities	11,370	39,408
Other	(7,427)	(2,413)
Subtotal	3,444,718	3,504,615
Interest and dividends received	88,632	70,636
Interest paid	(49,829)	(41,856)
Income taxes paid	(488,310)	(524,331)
Net cash provided by (used in) operating activities	2,995,211	3,009,064
Cash flows from investing activities		
Purchase of property, plant and equipment, intangible assets, and investment property	(1,856,351)	(1,795,164)
Purchase of investments	(202,410)	(375,161)
Proceeds from sale or redemption of investments	294,153	41,974
Proceeds from loss of control of subsidiaries	—	57,127
Expenses due to acquisition of control of subsidiaries	(126,915)	(30,755)
Net decrease (increase) in loan receivables	—	672,683
Other	38,796	4,764
Net cash provided by (used in) investing activities	(1,852,727)	(1,424,532)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	707,276	1,165,623
Proceeds from increases in long-term borrowings	315,549	2,674,593
Repayments of long-term borrowings	(512,882)	(524,880)
Repayment of lease liabilities	(184,384)	(195,783)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(364,643)	(4,249,407)
Dividends paid	(354,827)	(358,470)
Dividends paid to non-controlling interests	(151,058)	(152,275)
Payments for purchase of treasury stock	(501,446)	(250,244)
Proceeds from sale of treasury stock	15	200,026
Other	5,139	1,269
Net cash provided by (used in) financing activities	(1,041,261)	(1,689,548)
Effect of exchange rate changes on cash and cash equivalents	(13,783)	7,169
Net increase (decrease) in cash and cash equivalents	87,440	(97,847)
Cash and cash equivalents at the beginning of the year	946,134	1,033,574
Cash and cash equivalents at the end of the year	¥ 1,033,574	¥ 935,727

Operating and Financial Review

Operating and Financial Review

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, 2021 increased 0.4% from the previous fiscal year to ¥11,944.0 billion. This increase was due to such factors as an increase in revenues in the smart life area in the mobile communications business segment and an increase in revenues in system integration services in Japan, despite a decrease in revenues from sales of telecommunications equipment in the mobile communication business segment and a decrease in revenues from system integration services overseas due to the spread of COVID-19 and other factors, and the change in the accounting treatment of certain revenues for the global operating company, NTT Ltd.

Operating revenues for each service category for the fiscal year ended March 31, 2021 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, 2021 decreased 6.4% from the previous fiscal year to ¥935.3 billion, accounting for 7.8% 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, 2021 increased 15.4% from the previous fiscal year to ¥1,115.8 billion, accounting for 9.3% of total operating revenues. This increase was due to, mainly to the revenue boosting effect associated with the termination 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, 2021, revenues from IP/packet communications services decreased 3.6% from the previous fiscal year to ¥3,488.0 billion, accounting for 29.2% of total operating revenues. This decrease was due to 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 and the revenue increasing effect associated with the termination of "Monthly Support" discounts 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, 2021, revenues from telecommunications equipment sales decreased 2.6% from the previous fiscal year to ¥674.1 billion, accounting for 5.6% of total operating revenues. This decrease was mainly due to a decrease in the number of equipment units sold in the mobile communications business segment as a result of the spread of the COVID-19 and other factors.

■ 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, 2021, revenues from system integration increased 1.9% from the previous fiscal year to ¥3,801.6 billion, accounting for 31.8% of total operating revenues. This increase was mainly due to factors such as the NTT's expansion of its scope of business in Japan in the data communications business segment and the regional communications business segment.

■ Other

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

In the fiscal year ended March 31, 2021, revenues from other services increased 2.0% from the previous fiscal year to ¥1,929.3 billion, accounting for 16.2% of total operating revenues. This increase was mainly due to an increase in revenues in the smart life area as a result of the expansion of financial and settlement services and accounting system factors in the mobile communications business segment.

Operating Expenses

Operating expenses in the fiscal year ended March 31, 2021 decreased 0.6% from the previous fiscal year to ¥10,272.6 billion. The reasons for the decrease are discussed below.

■ Personnel Expenses

Personnel expenses in the fiscal year ended March 31, 2021 increased 1.4% from the previous fiscal year to ¥2,461.4 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 restructurings in the long-distance and international communications business segment.

■ Expenses for Purchase of Goods and Services and Other Expenses

In the fiscal year ended March 31, 2021, expenses for purchase of goods and services and other expenses decreased 2.2% from the

The Fiscal Year Ended March 31, 2021, Compared with the Fiscal Year Ended March 31, 2020

Fiscal years ended March 31	Billions of yen			
	2020	2021	Change	Percent Change
Operating revenues	¥11,899.4	¥11,944.0	44.6	0.4%
Fixed voice-related services	999.4	935.3	(64.1)	(6.4)%
Mobile voice-related services	966.5	1,115.8	149.3	15.4%
IP/Package communications services	3,619.3	3,488.0	(131.3)	(3.6)%
Sales of telecommunications equipment	691.8	674.1	(17.8)	(2.6)%
System integration	3,731.4	3,801.6	70.2	1.9%
Other	1,891.0	1,929.3	38.3	2.0%
Operating expenses	10,337.3	10,272.6	(64.7)	(0.6)%
Operating profit	1,562.2	1,671.4	109.2	7.0%
Finance income and costs	(3.3)	(19.0)	(15.8)	(483.0)%
Share of profit (loss) of entities accounted for using the equity method	11.3	0.2	(11.0)	(98.0)%
Profit before taxes	1,570.1	1,652.6	82.4	5.3%
Income taxes	458.8	524.7	65.9	14.4%
Profit	1,111.3	1,127.9	16.5	1.5%
Less—Profit attributable to non-controlling interests	256.0	211.7	(44.4)	(17.3)%
Profit attributable to NTT	855.3	916.2	60.9	7.1%

previous fiscal year to ¥5,875.3 billion. This decrease was mainly due to a decrease in revenue-linked device costs in the mobile communications business segment and the revision of revenue recognition method in the long-distance and international communications business segment, partially offset by an increase in revenue-linked costs in the regional communications business segment.

■ Depreciation and Amortization Expenses

Depreciation and amortization expenses in the fiscal year ended March 31, 2021 increased 2.9% from the previous fiscal year to ¥1,507.2 billion. This increase was mainly due to an increase in 5G-related equipment in the mobile communications business segment.

Operating Profit

As a result of the foregoing, operating profit for the fiscal year ended March 31, 2021 increased 7.0% from the previous fiscal year to ¥1,671.4 billion.

Finance Income and Costs

Finance income and costs for the fiscal year ended March 31, 2021 was ¥(19.0) billion compared to ¥(3.3) 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, 2021 was ¥0.2 billion compared to ¥11.3 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, 2021 increased 5.3% from the previous fiscal year to ¥1,652.6 billion.

Income Taxes

In the fiscal year ended March 31, 2021, income taxes increased 14.4% from the previous fiscal year to ¥524.7 billion. Effective tax

rates for the fiscal year ended March 31, 2020 and for the fiscal year ended March 31, 2021 were 29.22% and 31.75%, respectively.

Profit Attributable to NTT

As a result, profit for the fiscal year ended March 31, 2021 increased 1.5% from the previous fiscal year to ¥1,127.9 billion. Profit attributable to NTT (excluding the profit attributable to non-controlling interests) for the fiscal year ended March 31, 2021 increased 7.1% from the previous fiscal year to ¥916.2 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, 2021 amounted to ¥3,009.1 billion, an increase of ¥237.5 billion from ¥2,771.5 billion in the fiscal year ended March 31, 2020. This increase was due to, among other factors, an increase in profit and improvement of working capital.

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, 2021 amounted to ¥1,424.5 billion, a decrease in payments of ¥428.2 billion from ¥1,852.7 billion in the fiscal year ended March 31, 2020. This decrease was due to, among other factors, a decrease of ¥61.2 billion in investments for property, plant and equipment, intangibles and investment property on a cash basis, and an increase of ¥672.7 billion in proceeds from collections of loan receivables, despite a decrease of ¥252.2 billion in proceeds from sale of investments.

The decrease in investments for property, plant and equipment, intangibles and investment property for the fiscal year ended March 31, 2021 resulted from, among other factors, a decrease in capital expenditures due to improved efficiency in investing in LTE in the mobile communications business and a decrease in capital expenditures due to urban solutions business in the other business. For

the fiscal year ended March 31, 2021, capital investments amounted to ¥1,728.3 billion on an accrual basis, of which ¥569.1 billion was invested in the mobile communications business and ¥527.4 billion was invested in the regional communications business.

Cash flows used in financing activities during the fiscal year ended March 31, 2021, amounted to ¥1,689.5 billion, an increase in payments of ¥648.3 billion from ¥1,041.3 billion in the fiscal year ended March 31, 2020. This increase was due to, among other factors, an increase of ¥3,884.8 billion in payments for acquisition of interests in subsidiaries from non-controlling interests, despite an increase of ¥2,805.4 billion in proceeds in debt. The capital raised from the issuance of long-term debt in the fiscal year ended March 31, 2021 includes ¥2,146.9 billion in net proceeds from corporate bond offerings and an aggregate of ¥511.6 billion in loans from financial institutions.

As of March 31, 2021, the total balance of the interest-bearing debt of NTT Group was ¥7,624.3 billion, an increase of ¥2,924.4 billion from the balance of ¥4,699.9 billion as of March 31, 2020. The ratio of interest-bearing debt to shareholders' equity stood at 100.8% as of March 31, 2021 (from 51.9% as of March 31, 2020).

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.

For the fiscal year ending March 31, 2022, NTT Group expects to make capital investments totaling ¥1,750.0 billion on an accrual basis, due to, among other factors, an increase in capital investments due to the promotion of new businesses for the urban solutions business and energy business in the other business, despite a decrease in capital investments related to improved efficiency in existing network investments in the mobile communications business and the regional communications business. The total amount of expected capital investments includes ¥550.0 billion in the mobile communications business and ¥510.0 billion in the regional communications business.

The actual amount of capital investments may be different from expected one, since capital investments may be influenced by trends in demand, the competitive environment and other factors. In addition, the actual amount of NTT Group's financing will depend on its future performance, market conditions and other factors, and is therefore difficult to predict.

Liquidity

As of March 31, 2021, NTT Group had cash and cash equivalents balance at the end of the fiscal year of ¥935.7 billion, a decrease of ¥97.8 billion compared to the balance of ¥1,033.6 billion as of March 31, 2020. 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.

Consolidated Subsidiaries (As of March 31, 2021)

Company	Capital	Voting rights ratio	Main line(s) of business
Consolidated subsidiaries	Millions of yen	%	
MOBILE COMMUNICATIONS BUSINESS SEGMENT			
NTT DOCOMO, INC.	949,680	100.00	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.	754,712	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.	USD8,401.57 million	100.00	Provision of IT services and communications and internet-related services for corporations
Dimension Data Holdings	USD1,076.85 million	100.00	Provision of IT system building and maintenance support for corporations
NTT Security Corporation	25,250	100.00	Provision of professional security services
NTT America	USD3,328.57 million	100.00	Provision of ICT services in North America
NTT EUROPE	GBP100	100.00	Provision of ICT services in Europe
NTT Global Data Centers EMEA	EUR403.21 million	100.00	Provision of data center-related services in Europe
NTT Cloud Communications International Holdings	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	INR16,610.93 million	100.00	Provision of data center-related services in India
NTT Global Data Centers EMEA UK	GBP93.00 million	100.00	Provision of data center-related services in the U.K.
NTT Managed Services Americas Intermediate Holdings	USD714.27 million	100.00	Provision of managed services in North America
Transatel	EUR5.86 million	80.70	Provision of mobile connectivity services for IoT
NTT Security AppSec Solutions	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	54.22	Provision of data communications system services and network system services
NTT DATA	USD5,183.49 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	EUR304.82 million	100.00	Consulting, system design, and development
NTT Data International	USD5,205.42 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 FINANCE CORPORATION	16,771	100.00	Provision of billing and collection of charges for communications and other services, and credit card transaction settlement services
NTT Anode Energy Corporation	7,924	100.00	Development of smart energy solutions and energy management system
NTT COMWARE CORPORATION	20,000	100.00	Development, production, operation, and maintenance of information communications systems and software
NTT Advance Technology Corporation	5,000	100.00	Technology transfer, technical consulting, and design and development of systems

Other 930 companies

Career Summaries of Members of the Board and Audit & Supervisory Board Members (As of June 30, 2021)

Hiromichi Shinohara

Chairman of the Board
Years Served as Member of the Board: 12
Shares Owned: 49,300
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)
 Jun. 2021: Member of the Board of Yamaha Corporation (present post)

Jun Sawada

President and Chief Executive Officer (CEO)
 Member of the Board
Years Served as Member of the Board: 7
Shares Owned: 38,300
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)

Akira Shimada

Senior Executive Vice President
 In charge of business strategy
 Chief Financial Officer (CFO)
 Chief Compliance Officer (CCO)
 Chief Human Resource Officer (CHRO)
 Member of the Board
Years Served as Member of the Board: 9
Shares Owned: 24,508
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.
 Oct. 2018: Senior Executive Vice President of NTT, Inc. (present post)

Takao Maezawa

Full-time Audit & Supervisory Board Member
Years Served as Audit & Supervisory Board Member: 5
Shares Owned: 20,508
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)

Kanae Takahashi

Full-time Audit & Supervisory Board Member
Years Served as Audit & Supervisory Board Member: 1
Shares Owned: 5,600
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)

Takashi Iida

Outside Independent Audit & Supervisory Board Member
Years Served as Audit & Supervisory Board Member: 7
Shares Owned: 7,300
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 (present post)
 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)

Naoki Shibutani

Senior Executive Vice President
 In charge of technical strategy
 Chief Technology Officer (CTO)
 Chief Information Officer (CIO)
 Chief Digital Officer (CDO)
 Member of the Board
Years Served as Member of the Board: 1
Shares Owned: 11,600
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)

Katsuhiko Shirai

Outside Independent Member of the Board
Years Served as Member of the Board: 9
Shares Owned: 10,800
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)

Sadayuki Sakakibara

Outside Independent Member of the Board
Years Served as Member of the Board: 9
Shares Owned: 21,900
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. (present post)

Hideki Kanda

Outside Independent Audit & Supervisory Board Member
Years Served as Audit & Supervisory Board Member: 2
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)

Kaoru Kashima

Outside Independent Audit & Supervisory Board Member
Years Served as Audit & Supervisory Board Member: 2
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
 Jun. 2020: Audit & Supervisory Board Member of Kirin Holdings Company, Limited (present post)
 Jun. 2021: Director of Sumitomo Mitsui Trust Holdings, Inc. (present post)

Ken Sakamura

Outside Independent Member of the Board
Years Served as Member of the Board: 2
Shares Owned: 1,300
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 YRP 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)

Keiko Takegawa

Outside Independent Member of the Board
Years Served as Member of the Board: 2
Shares Owned: 1,500
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 (present post)
 Jun. 2019: Member of the Board of the Company (present post)
 Jun. 2019: Audit & Supervisory Board Member of MITSUI MINING & SMELTING CO., LTD.
 Apr. 2020: Professor and Dean of Faculty of Global Business of Showa Women's University
 Apr. 2021: Specially Appointed Professor and Dean of Faculty of Global Business and Director of the Institute of Women's Culture of Showa Women's University (present post)
 Apr. 2021: Director of Sekisui House, Ltd. (present post)
 Jun. 2021: Director of MITSUI MINING & SMELTING CO., LTD. (present post)

Executive Officers

Jun Sawada

Representative Member of the Board
 President
 CEO (Chief Executive Officer)

Akira Shimada

Representative Member of the Board
 Senior Executive Vice President
 CFO (Chief Financial Officer)
 CCO (Chief Compliance Officer)
 CHRO (Chief Human Resource Officer)

Naoki Shibutani

Representative Member of the Board
 Senior Executive Vice President
 CTO (Chief Technology Officer)
 CIO (Chief Information Officer)
 CDO (Chief Digital Officer)

Katsuhiko Kawazoe

Executive Vice President
 Head of Research and Development Planning

Ryota Kitamura

Senior Vice President
 Head of General Affairs

Atsuko Oka

Senior Vice President
 Head of Technology Planning

Tadao Yanase

Senior Vice President
 Head of Business Strategy

Shinichi Yokohama

Senior Vice President
 Head of Security and Trust
 CISO (Chief Information Security Officer)

Hideaki Ozaki

Senior Vice President
 Head of Global Business

Kazuhiko Nakayama

Senior Vice President
 Head of Finance and Accounting

Katsuichi Sonoda

Senior Vice President
 Head of Strategic Business Development

Akiko Kudo

Senior Vice President
 Head of Public Relations
 Deputy Head of Business Strategy

Takashi Taniyama

Senior Vice President
 Head of Corporate Strategy Planning

Hiroki Kuriyama

Senior Vice President (part time)
 In charge of Business Collaboration

Stock Information (As of March 31, 2021)

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	
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	36,174,027	
Number of shareholders (including holders of fractional shares)	890,450	

* In November 2021 the Company canceled 278,776,284 shares of treasury stock. Total number of shares issued after cancellation is 3,622,012,656 shares.

Stock Exchange on Which the Company Is Listed

Tokyo (Stock Code: 9432)

Investor Relations

<https://group.ntt/en/ir/contact/>

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	1,260,902	34.81
The Master Trust Bank of Japan, Ltd. (Trust Account)	211,111	5.83
Custody Bank of Japan, Ltd. (Trust Account)	158,769	4.38
Toyota Motor Corporation	80,775	2.23
Custody Bank of Japan, Ltd. (Trust Account 7)	38,008	1.05
Custody Bank of Japan, Ltd. (Trust Account 5)	35,186	0.97
Moxley & Co. LLC	34,032	0.94
Custody Bank of Japan, Ltd. (Trust Account 6)	31,197	0.86
Custody Bank of Japan, Ltd. (Trust Account 1)	28,001	0.77
JPMorgan Chase Bank 385632	27,525	0.76

Notes: 1. Number of Shares Held is rounded down to the nearest thousand.
2. NTT's holdings of treasury stock (278,776,284 shares) are not included in the above table.
3. Equity ownership percentages do not include treasury stock.
4. Japan Trustee Services Bank, Ltd. merged with JTC Holdings, Ltd. and Trust & Custody Services Bank, Ltd. on July 27, 2020, to form Custody Bank of Japan, Ltd.

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

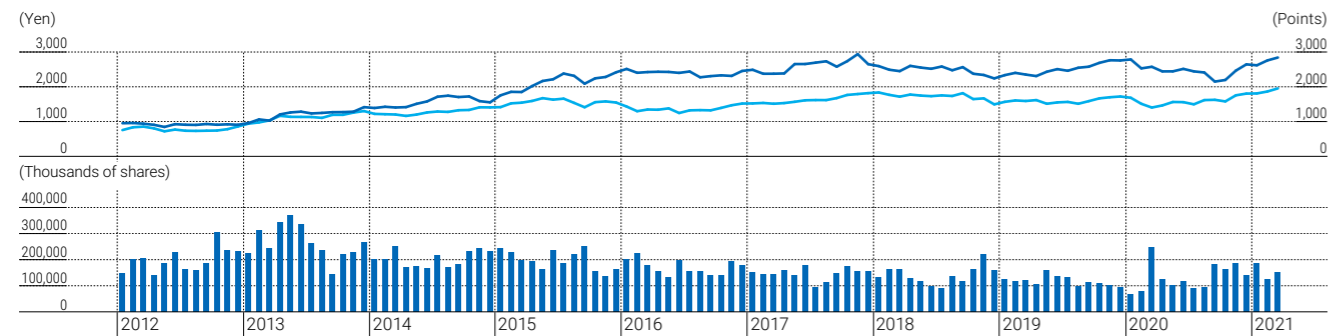
The NTT Act requires the government to own at least one-third of the total number of issued shares.* Pursuant to the NTT Act, the proportion of voting rights of foreign nationals and foreign corporations is limited to less than one-third of the total voting rights.

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 2021, 8,227,424 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.