

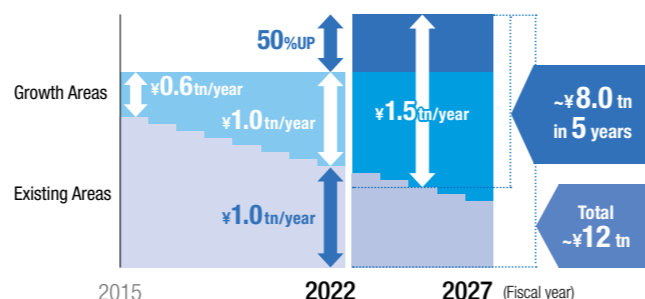
Medium-Term Management Strategy

Innovating a Sustainable Future for People and Planet

A year has passed since we published our Medium-Term Management Strategy, "New Value Creation & Sustainability 2027 Powered by IOWN," in May 2023. We are steadily making progress on its implementation. We will once again explain the concept and progress of our Medium-Term Management Strategy on this page.

Expansion of Investment for Growth

We will expand investment in growth areas in order to realize the basic concept of the Medium-Term Management Strategy. Specifically, during the five-year period from FY2023, we will invest approximately ¥8 trillion, a 50% increase over prior investments, in the growth areas of IOWN, digital/data centers, electricity and energy, Smart Life, real estate, and AI/robotics.



Medium-Term Financial Targets

Regarding our medium-term financial targets, we will use EBITDA as the primary indicator and target approx. ¥4.0 trillion, a 20% increase compared to fiscal 2022, from the perspective of enhancing initiatives focused on our cash-generating ability toward further sustained growth. In growth sectors, which will be the drivers of this increase, we aim for approx. ¥1.9 trillion, which is a 40% increase in EBITDA compared to fiscal 2022. Furthermore, we have set a target overseas operating profit margin of 10% for fiscal 2025 as an area of focus within these growth sectors. We hope to continue generating profits in existing sectors as well, with our goal being a 10% EBITDA increase compared to fiscal 2022, and we have set a ROIC

target of 9% to improve capital efficiency. We also aim to attain both sustainable growth and shareholder return and maintain EPS growth at levels similar to those seen previously.

Furthermore, in addition to New Female Manager Promotion Rate, Greenhouse Gas Emissions, and Employee Engagement Rate, which have been established as sustainability (non-financial) indicators, we have added customer engagement as an indicator from FY2024 from the perspective of further enhancing customer experience (CX). This has also been reflected in the performance-linked compensation of officers alongside the sustainability indicators.

Target Indicators		Target Levels (FY2027)	Sustainability Indicators Established in Addition to Those on the Left
Company-Wide Targets	EBITDA	+20% increase (compared to FY2022)	<ul style="list-style-type: none"> New Female Manager Promotion Rate: at least 30% each year Greenhouse Gas Emissions targeting carbon neutrality in 2040, as well as Net-Zero Employee Engagement Rate: To be improved <p>Customer engagement indicator reflected in performance-linked compensation of officers from FY2024</p>
	Overseas Operating Income Margin ²	10% (FY2025)	
Growth Areas ^{*1}	EBITDA	+40% increase (compared to FY2022)	
	Overseas Operating Income Margin ²	10% (FY2025)	
Existing Areas ^{*3}	EBITDA	+10% increase (compared to FY2022)	
	ROIC	9% (FY2022 results: 8.2%)	

*1 IOWN, digital/data centers, power/energy, Smart Life, real estate, AI/robots, etc.

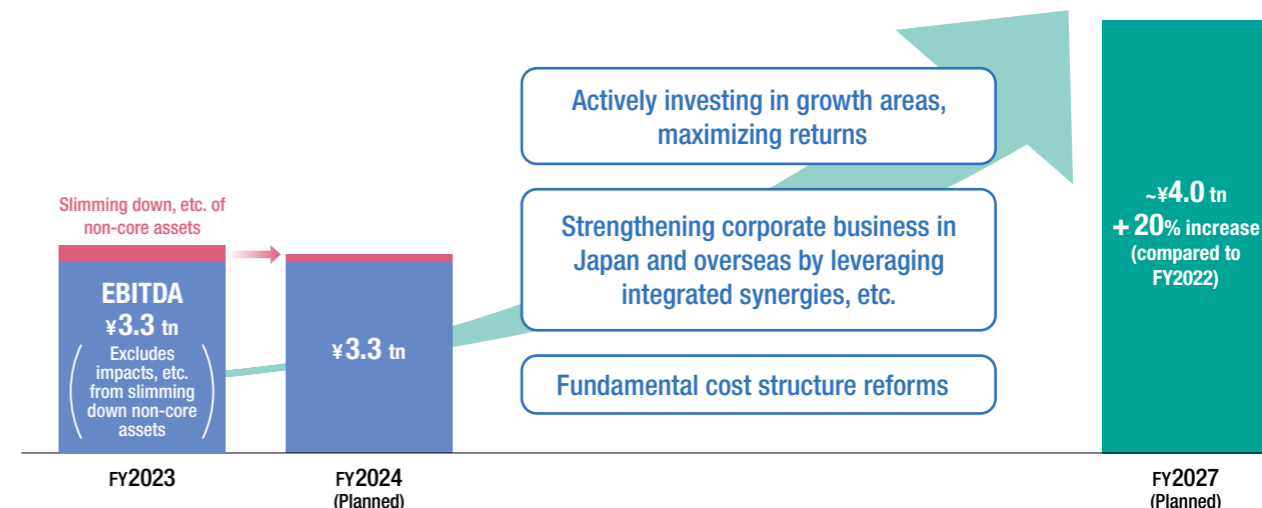
*2 NTT DATA Group consolidated. Excludes temporary expenses, such as M&A-related depreciation costs of intangible fixed assets.

*3 NTT DOCOMO's consumer telecommunications businesses, NTT East and NTT West

Efforts to Achieve Medium-Term Financial Targets

To achieve the medium-term financial targets by FY2027, we will

- maximize returns by actively investing in growth areas
- strengthen corporate business in Japan and overseas by leveraging the integrated synergies of NTT DOCOMO and NTT DATA Group, etc., and
- expand our cash-generating ability for growth through measures such as fundamental cost structure reforms.



Fundamental Policy on Shareholder Returns

Regarding our fundamental policy on shareholder returns, we will continue to principally aim for a steady increase in dividends, while flexibly conducting share buybacks to improve capital efficiency.

Dividend Policy
Our basic policy is to implement steady increases in dividends
Share Buybacks
We will flexibly conduct share buybacks to improve capital efficiency

Column

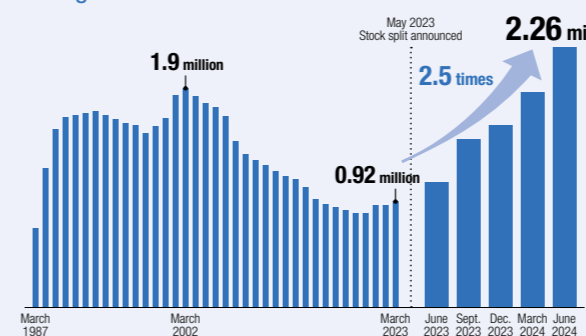
Increase in Number of Shareholders and Diversifying of Age Groups Following Stock Split

Since the announcement of the stock split in May 2023, the number of shareholders has continuously risen, reaching a record high of 2.26 million at the end of June 2024, a figure 2.5 times higher than before the stock split was announced.

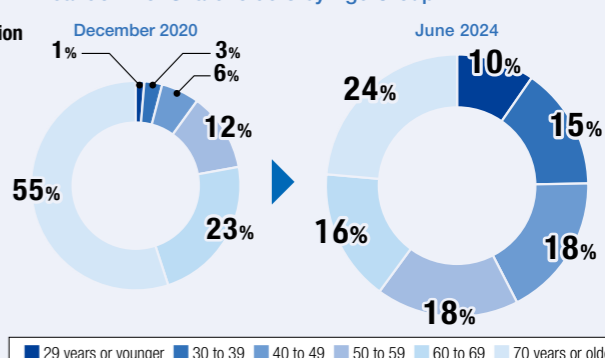
groups have also become more diversified, with the number of shareholders in their 40s or younger approximately four times higher than in December 2020, according to estimates based on interviews with a securities firm. Accordingly, we believe that the stock split was well received.

The additional shareholders are almost entirely comprised of individual shareholders. Shareholder age

Change in Number of Shareholders



Breakdown of Shareholders by Age Group*



*Comparison of December 31, 2020 and June 30, 2024, based on interviews with a securities firm

Pillars for Initiatives

The three pillars for realizing our strategies and the nine initiatives under each pillar are as follows.

Three Pillars	Nine Initiatives	Overview	Results (FY2023)
1. NTT as a Creator of New Value and Accelerator of a Global Sustainable Society	(1) IOWN-Driven Creation of New Value (From Concept to Commercialization)		<ul style="list-style-type: none"> IOWN services launched Promoted IOWN-driven remote production Piloted IOWN in urban development Built IOWN APN-driven distributed data centers Worked on global rollout of IOWN (Held Upgrade 2024 (April 2024)) P77 IOWN
	i. Establishment of manufacturing company for photonic-electronic convergence devices	<ul style="list-style-type: none"> Establishing NTT Innovative Devices Corporation for the early commercialization of photonics-electronics convergence devices 	
	ii. Acceleration of IOWN research and development/commercialization	<ul style="list-style-type: none"> IOWN R&D as a whole: approximately ¥100 billion in FY2023, with continued investment in subsequent years 	
	(2) Data-Driven Creation of New Value		<ul style="list-style-type: none"> Enhanced financial services → TOPIC 1 Commercialization of NTT's Large Language Model "tsuzumi" P80 NTT's generative AI Expanded marketing solutions business (Capital and business partnership with INTAGE HOLDINGS Inc.) Invested in May Mobility, Inc. and acquired exclusive rights to distribute May Mobility's self-driving system in Japan P63 Strengthening the use of DX/data in society and industry Expanded capacity of data centers → TOPIC 2
	i. Strengthening the personal business	<ul style="list-style-type: none"> Investment of ¥1.0 tn or more/5 years in growth areas such as personal business 	
	ii. Strengthening the use of DX/data in society and industry	<ul style="list-style-type: none"> Investment of ¥3.0 tn or more/5 years in digital business, etc. 	
	iii. Expansion and upgrade of data center infrastructure	<ul style="list-style-type: none"> Investment of ¥1.5 tn or more/5 years, increase in data center capacity from 1,100 MW as of March 2023 Achievement of carbon neutrality by FY2040 	
	(3) Achievement of a Circular Economy Society		<ul style="list-style-type: none"> Acquired Green Power Investment Corporation shares Promoted cooperation with partner companies Launched GX solution brand NTTG × Inno Greenhouse gas emissions (Scope 1 & 2) totaled 2.32 million tons in FY2023, showing steady progress at a faster pace than planned P33 Develop Sustainability Solutions for Customers, Progression Towards Net-Zero Promoted sustainable onshore aquaculture systems P66 Creating Circular Economy Businesses
	i. Develop sustainability solutions for customers	<ul style="list-style-type: none"> Promotion of sustainability solutions to be realized by Green Energy × ICT, investment of ~¥1.0 tn/5 years Expansion of the renewable energy generation business and realization of a stable power supply optimized at the local level 	
ii. Creating Circular Economy businesses	<ul style="list-style-type: none"> Accelerating resource recycling/regional development across industries 		
iii. Progression towards Net-Zero	<ul style="list-style-type: none"> Regarding "NTT Green Innovation toward 2040," aiming to include Scope 3 emissions in addition to Scope 1 and 2 initiatives 		
(4) Further Strengthening of Business Foundations		<ul style="list-style-type: none"> Investment of around ¥160 billion by FY2025 to realize resilient Network/Systems based on the occurrence of large-scale failures, etc. and strengthening measures for responding to increasingly severe natural disasters, etc. 	<ul style="list-style-type: none"> Actively used non-terrestrial networks (NTNs) such as WideStar and Starlink P69 Further Strengthening of Business Foundations
2. Upgrading the Customer Experience (CX)	(5) Fusion of Research and Development with a Market-Focused Strategy	<ul style="list-style-type: none"> Establishment of a new Research and Development Market Strategy Division by integrating and strengthening research, marketing, and alliance functions as an R&D organization with marketing capabilities 	<ul style="list-style-type: none"> Carried out everything from R&D to product provision in collaboration with customers and partners globally
	(6) Strengthening of Services that Emphasize Customer Experience (CX)	<ul style="list-style-type: none"> Constant improvement and updating of services in an agile manner in step with our customers' journeys with an aim to provide new experiences and excitement that exceed customer expectations 	<ul style="list-style-type: none"> Worked to improve customer experience of mobile communications quality Updated point program to make it easier for customers to use P67 Strengthening of Services that Emphasize CX
3. Improving the Employee Experience (EX)	(7) Open and Innovative Corporate Culture	<ul style="list-style-type: none"> Continually focusing on customers while promoting a culture that values openness, collaboration, and trial and error. At the same time, continually enhancing diversity and inclusion efforts 	<ul style="list-style-type: none"> Held Learning from Failure Conference P51 Open and Innovative Corporate Culture
	(8) Support Career Growth	<ul style="list-style-type: none"> Expanding human capital investments to assist employees in autonomously shaping their careers, thereby supporting business growth Offering comprehensive career development support that includes life events 	<ul style="list-style-type: none"> Applied job-based personnel system for all managers (Oct. 2021) Introduced personnel and salary system focusing on specialization (regular employees) Decreased number of employees given solo transfer assignments by about 1,500 since introducing remote standard system P48 Support Career Growth
	(9) Global Benefits for Employees and their Families	<ul style="list-style-type: none"> Enhancement of program to partially support educational expenses of employees' children up to college graduation in the event of an employee's death 	<ul style="list-style-type: none"> Steadily expanded systems covering employees in Japan to also include overseas employees

TOPIC 1 Enhancing Financial Services

As part of our efforts to enhance financial services, in the area of investments, MONEX, Inc. ("Monex") was made a subsidiary in January 2024, and we will strengthen linkages between Monex and NTT DOCOMO services, including d Point, d Card, and d Account, in an aim to provide easy and simple asset building services for first-time investors.

In the area of financial assets, ORIX Credit Corporation

became a subsidiary in March 2024. Utilizing the expertise of ORIX Credit, we will strengthen the unsecured loan service for individuals, d Smart Loan, which was launched in July 2022.

In addition, in the area of insurance, we offer life and automobile insurance, and will further expand our financial business by combining d Payments, d Card, and d Smart Bank.

Enhancing appeal of user contact points



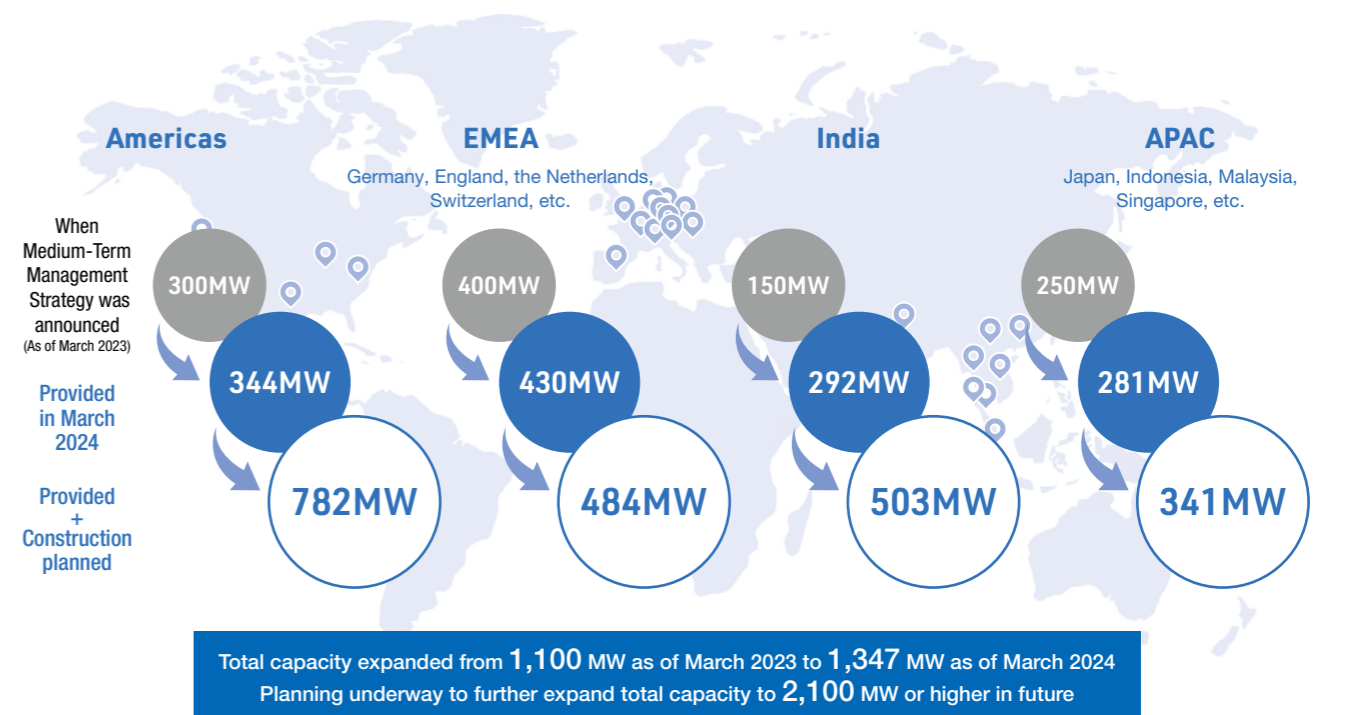
Expanded use through cross usage

Investment	Capital and business partnership with MONEX Provision of investment trusts using d Card savings and d Points, asset building services for first-time investors.
Financial assets	Capital and business partnership with オリックス・クレジット Joint development and sales of new loan products Proposing individualized products optimized for each individual leveraging data from both companies, etc.
Insurance	Began offering insurance products in collaboration with Hanasaku Life Insurance Co., Ltd. Began offering automobile insurance in collaboration with E.design Insurance Co., Ltd.

TOPIC 2 Expansion and Upgrade of Data Center Infrastructure

In the data center business, we are promoting the further expansion of our data center infrastructure, which is the third largest in the world*1, and upgrading it through the introduction of IOWN technology, expanding its capacity from a total of 1,100

MW as of March 2023 to a total of 1,347 MW as of March 2024. Planning is underway to further expand total capacity to 2,100 MW or higher in future*2.



*1 Recalculated from the Structure Research 2023 Report while excluding Chinese operators

*2 The figures in MW show the power capacity of data center buildings owned by the NTT Communications Group and the Global Solutions Business segment of Global Technology Services (including JVs with third parties)