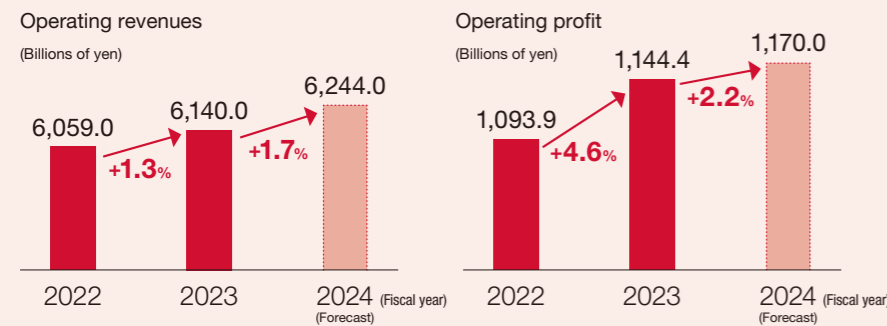


Business Overview by Segment

Integrated ICT Business

In our Integrated ICT Business, we advanced initiatives including discontinuous growth through M&As in the Smart Life Business, strengthening of our customer base by expanding billing plans to support customer needs in the Consumer Communications Business, and further expanding our Enterprise Business.

Business Performance



2023 Results

Revenue and profit increased year-on-year due in part to the expansion of the Smart Life Business, including financial and payment services and marketing solutions, as well as the expansion of integrated solutions in the Enterprise Business.

2024 Forecast

We plan to increase year-on-year revenue and profit mainly through the continued expansion of integrated solutions in the Smart Life Business and Enterprise Business.

Key Initiatives

■ Achieving Sustainable Growth by Having the Smart Life and Enterprise Growth Areas Drive the DOCOMO Group

Consumers (Smart Life and Consumer Communications)	<ul style="list-style-type: none"> Propose the optimal service mix for each customer through seamless communication utilizing multiple channels such as stores, online, and media
Enterprises	<ul style="list-style-type: none"> Develop solutions and services utilizing advanced technologies for large enterprise customers While supporting the resolution of regional and corporate challenges, provide package solutions focused on mobile services, solutions to address industry-specific challenges, and areas with high needs for SME customers
Networks	<ul style="list-style-type: none"> Promote initiatives aimed at building a network resilient to environmental changes and disasters, and strengthen customer experience quality Accelerate the overseas expansion of OREX,*1 starting with OREX SAI, INC., established in April 2024

*1 OREX: <https://ssw.web.docomo.ne.jp/orex/>

TOPICS

Establishment of a Joint Venture to Globally Provide “OREX Packages”

On April 1, 2024, NTT DOCOMO and NEC Corporation (“NEC”) established the joint venture OREX SAI, INC. to offer OREX Packages*2 for the full-scale global deployment of Open RAN services.

OREX SAI will locally source products and services from members of OREX PARTNERS*3 in each market and perform system verifications to deliver mobile networks tailored to the needs of each overseas telecommunications operator. Leveraging NEC’s established business infrastructure and global network in over 50 countries and territories, the joint venture will accelerate the global expansion of Open RAN business. Through OREX SAI, DOCOMO and NEC plan to strengthen cooperation with OREX PARTNERS to promote the commercialization and realization of true Open RAN that enables the interoperability of equipment and systems from diverse vendors.

Launch of the “DOCOMO Poikatsu Plan”

In April 2024, NTT DOCOMO launched ahamo Poikatsu, the first phase of the new DOCOMO Poikatsu Plan, a price plan that allows users to earn additional d POINTS (limited in time and usage) based on their payment method usage. This was followed by the second phase, eximo Poikatsu, in August 2024.

We aim to expand both our revenue and customer base by enhancing our offerings of optimal service mixes that combine telecommunications services such as ahamo and eximo with financial, payment, video, and other services.

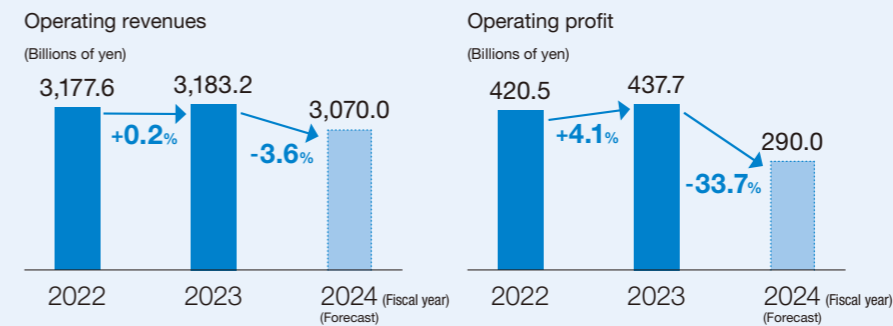
*2 A collective term for OREX’s Open RAN services, including OREX RAN, OREX SMO, and OREX Services, tailored to the needs of overseas telecommunications operators

*3 As of February 26, 2024 OREX PARTNERS has 16 members, while OREX RU PARTNERS and OREX DELIVERY PARTNERS each have 7 members

Regional Communications Business

In the Regional Communications Business, in addition to strengthening our solutions business which supports the digital transformation of companies, local governments, and societies to resolve regional social issues, we offered our “Hikari Collaboration Model,” which provides wholesale fiber-optic access services, among other things, to various service providers.

Business Performance



2023 Results

Despite increased costs related to disaster recovery and security, efforts to improve cost efficiency and streamline non-core assets led to a year-on-year increase in revenue and profit.

2024 Forecast

We are planning for a year-on-year decrease in revenue and profit due to the rebound effect of the previous fiscal year’s streamlining of non-core assets, increased disaster recovery costs, and the continued decline in fixed voice-related revenue. Through business selection and focus, cost reductions, and other means, we will work toward a recovery in year-on-year profit growth in FY2025 and medium-term growth.

Key Initiatives

■ Restoring “Earning Power” Toward Sustainable Business Growth

Legacy Businesses	<ul style="list-style-type: none"> Maintain the revenue base by transitioning customers of legacy services such as fixed-line phones and dedicated lines to alternative services
Hikari Business	<ul style="list-style-type: none"> Uncover demand for Hikari services by capturing customer needs for higher speeds, such as expanding the service area for FLET’S Hikari Cross (10 Gbps)
Enterprise Business	<ul style="list-style-type: none"> Expand social infrastructure business by supporting the digital transformation (DX) of public sectors and enterprise customers in local regions
Growth Businesses	<ul style="list-style-type: none"> Scale growth businesses across the Group, including NTT Solmare Corporation and NTT AgriTechnology Corporation
Business Foundations	<ul style="list-style-type: none"> Improve customer experience (CX) and cost competitiveness by leveraging DX and AI Update assets such as communication networks and human resources for future generations, and respond to increasing traffic driven by advancements in AI and the cloud

TOPICS

Migration of Fixed-Line Phones (Subscriber Lines and INS-Net) to an IP Network

From January 1, 2024, we have been gradually switching fixed-line phone (subscriber lines and INS-Net) equipment to IP networks by region. We are doing this in light of the diversification of communication methods driven by the development of mobile broadband and the resulting decline in the number of fixed-line phone (subscriber lines and INS-Net) contracts, along with the anticipated maintenance limitations (around 2025) of the public switched telephone network (PSTN) equipment (relay exchange and signal switching equipment) used for telephone services.

Discontinuation of Telephone Directories (Town Page, etc.) and Directory Assistance (104 Service)

NTT East and NTT West have provided telephone directories (Town Page, etc.) and directory assistance (104 service) as means for looking up phone numbers. However, due to the diversification of phone number search methods, including with the widespread use of smartphones in recent years, the number of ads placed in Town Page has declined, and the users of directory assistance have greatly declined. Given this situation and from the perspective of reducing paper resource consumption and minimizing environmental impact, we will discontinue the provision of telephone directories and directory assistance by the end of March 2026. However, we will continue to provide services like the Braille Phone Directory, which is issued to help people with sight disabilities in their daily lives, and the Fureai Guide, which provides free phone number information to people with disabilities. After NTT East and NTT West discontinue their telephone directories and directory assistance services, phone number searches will be available through i Town Page,*1 provided by NTT TownPage Corporation online.

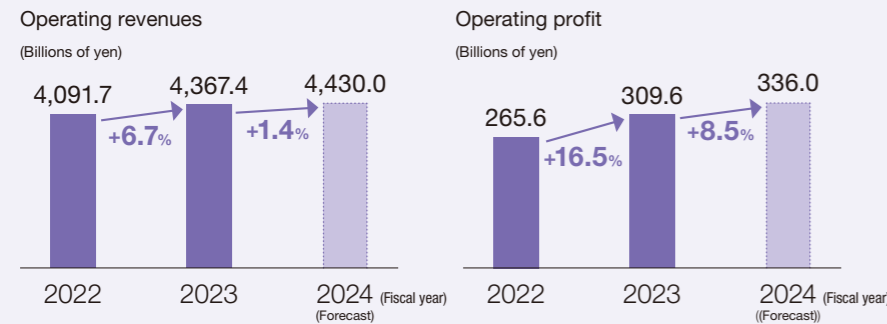
*1 i Town Page: <https://itp.ne.jp/>

Business Overview by Segment

Global Solutions Business

In the Global Solutions Business, NTT DATA Group worked to extend and consistently provide a range of IT services, such as offerings of digitalization and system integration, that are responsive to the changes in the market, as well as to strengthen its ability to provide services in growth areas such as the data center business and managed services.

Business Performance



2023 Results

Revenue and profit increased year-on-year due in part to increased revenue in the public, financial, and enterprise areas within Japan, as well as the effects of exchange rate fluctuations.

2024 Forecast

We plan to achieve year-on-year increases in both profit and revenue mainly through the increase in revenue via continued efforts to capture demand for digitalization.

Key Initiatives

[Realizing a Sustainable Future]

— Creating value for the future and achieving a sustainable society along with our customers by forging connections between various people and technology

Work to capitalize on the convergence of IT & connectivity	· Create new services through inter-industry collaboration within Japan and inter-region collaboration outside Japan
Strengthening of consulting capabilities with foresight	· Establish and internally develop NTT DATA's unique consulting methods, and enhance foresight-driven consulting capabilities to envision the future for customers and industries
Evolve to an asset-based business model	· Leverage generative AI-related assets for business use to yield many achievements on a global level, including co-creation with customers
Enhance advanced & development technology	· We achieved the highest market position ranking in the generative AI field in FY2023*1
Be the best place to work	· We secured human capital and were recognized as a Global Top Employer*2 for the first time

*1 According to "HFS Research Generative AI Services" by HFS Research

*2 17 countries around the world were recognized, with two Japanese companies, including NTT DATA, receiving recognition

TOPICS

NTT DATA's acquisition of shares of the Malaysian payment services provider GHL Systems Berhad for expansion of payment business

In May 2024, NTT DATA agreed to acquire 58.7% of the issued shares of GHL Systems Berhad, one of Malaysia's leading payment service providers with strengths in various services offered through payment devices, from the company's major shareholders. Following a public tender offer to other existing shareholders through the Bursa Malaysia stock exchange, NTT DATA made GHL Systems Berhad a wholly owned subsidiary in July.

With this acquisition, NTT DATA aims to combine its own payment services and expertise with GHL System Berhad's operations, which include the installation of over 480,000 payment terminals and the provision of various payment services in ASEAN countries such as Malaysia, the Philippines, and Thailand. This combination will help realize a more convenient and secure cashless society for consumers in these countries.

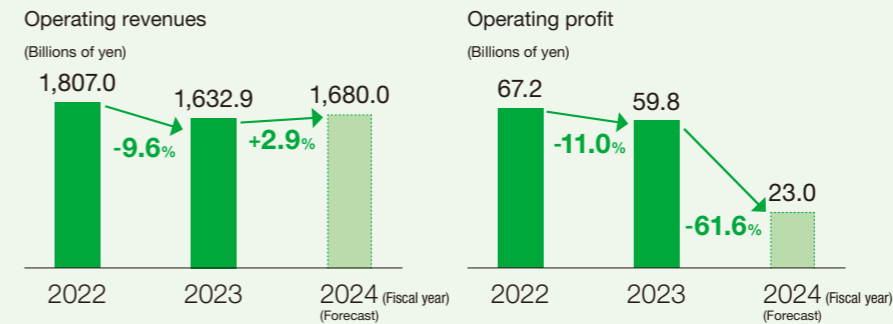
Launch of NTT's Generative AI "tsuzumi" on Microsoft Azure

NTT DATA will begin offering tsuzumi, a large language model (LLM), through Microsoft Azure AI Models-as-a-Service (MaaS). It will be available for use on the cloud starting in November 2024 in Japan. Users will be able to quickly access tsuzumi as part of the Azure service, allowing for tuning and business application development through Azure AI Studio. As of June 2024, only 10 companies around the world are authorized to provide LLMs on this platform, with NTT DATA being the only company in Asia. Going forward, NTT DATA aims to provide this service not only in Japan but also widely on a global scale.

Others (Real Estate, Energy, and Others)

In the Real Estate Business, NTT Urban Solutions has taken the lead in utilizing a wide range of resources— including ICT, real estate, energy, and environmental technology—to spearhead the development of vibrant and unique communities. In the Energy Business, our focus has been on NTT Anode Energy. We have pushed forward with the development of renewable energy power plants, local production and local consumption of energy using energy management systems, and rolled out solutions aimed at decarbonization.

Business Performance



2023 Results

Revenue and profit declined year-on-year due in part to a decrease in electricity revenue in the energy business.

2024 Forecast

In the NTT Urban Solutions Group, despite increased revenue due in part to the expansion of residential property sales, a decline in profit from property sales in the previous fiscal year is expected to result in higher revenue but lower profit compared to the previous year.

Key Initiatives

NTT Urban Solutions Group

— Promoting urban development by fully leveraging the NTT Group's resources

Consulting	· Provide consulting, research and analysis, and database operation and building services related to urban development
Real estate development	· Promote development that enhances the value of local areas by leveraging the assets of the NTT Group and collaborating with local governments and businesses, while utilizing the latest ICT and environmental technologies
Facility solutions	· Achieve the creation of buildings that balance reduced environmental impact with comfort through advanced ICT and design/maintenance expertise
Management	· Enhance convenience for office and residential tenants and increase the value of real estate properties and areas by leveraging ICT

NTT Anode Energy Group

— Expanding the smart energy business to promote the realization of a decarbonized society and the local production and consumption of energy

Green power generation	· Steadily advance the development and operation of renewable energy power plants, including solar, wind, geothermal, and biomass, in harmony with local communities
Aggregation	· Address challenges arising from the spread and expansion of renewable energy by leveraging storage batteries and EMS that coordinate balance between supply and demand
Electricity retail	· Develop an electricity retail business, centered on ENNET Corporation, and provide sustainable renewable energy to meet the demand from companies and local governments
Engineering solutions	· Actively develop engineering solutions centered on electricity facilities for telecommunications, renewable energy, storage batteries, and data centers

TOPICS

Opening of the Urbannet Sendai-Chuo Building, the First Property of the "Sendai City Center Redevelopment Project"

In March 2024, we opened the "Urbannet Sendai-Chuo Building," the largest office space on the west side of Sendai Station, offering highly functional office floors and workplaces designed to accommodate diverse work styles. This is our first property that is part of Sendai City's "Sendai City Center Redevelopment Project," which aims to bring new vibrancy to the city center and promote circulation with open spaces and terraces. The lower floors have spaces that encourage exchanges, such as coworking spaces, conference rooms, and innovation spaces, helping to support startups and the creation of diverse communities through collaboration between industry, government, and academia. Additionally, by promoting industrial utilization in collaboration with the "NanoTerasu"*1 3GeV high-brilliance synchrotron radiation facility located at Tohoku University's Aobayama New Campus, we aim to contribute to further revitalization of Sendai City and Miyagi Prefecture and help address regional challenges.

*1 A "giant microscope" facility that uses light (synchrotron radiation) more than a billion times brighter than sunlight to observe the microscopic world at nanoscale resolution

Start of Energy Distribution Platform Construction to Promote Aggregation Business

NTT Anode Energy is advancing an "aggregation" initiative, which involves integrating and controlling storage batteries and consumer-side energy resources, which are expected to expand going forward, to enhance adjustment capacity, and aggregate renewable energy to optimize the supply-demand balance of electricity. Specifically, the initiative aims to aggregate three types of distributed energy resources: renewable energy power plants, grid storage batteries, and consumer-side facilities/equipment like EVs. To support this, NTT Anode Energy is working on building an "energy distribution platform" that will serve as advanced control infrastructure. This platform will consist of data analysis infrastructure using the latest NTT Group technologies, along with aggregation coordinator infrastructure to manage adjustment-related transactions. In the future, the platform is expected to provide solutions that optimally manage and control the supply-demand balance for renewable energy electricity producers and electricity retailers.