

IR Presentation

March 2018



The forward-looking statements and projected figures concerning the future performance of NTT and its subsidiaries and affiliates contained or referred to herein are based on a series of assumptions, projections, estimates, judgments and beliefs of the management of NTT in light of information currently available to it regarding NTT and its subsidiaries and affiliates, the economy and telecommunications industry in Japan and overseas, and other factors. These projections and estimates may be affected by the future business operations of NTT and its subsidiaries and affiliates, the state of the economy in Japan and abroad, possible fluctuations in the securities markets, the pricing of services, the effects of competition, the performance of new products, services and new businesses, changes to laws and regulations affecting the telecommunications industry in Japan and elsewhere, other changes in circumstances that could cause actual results to differ materially from the forecasts contained or referred to herein, as well as other risks included in NTT's most recent Annual Report on Form 20-F and other filings and submissions with the United States Securities and Exchange Commission.

* "E" in this material represents that the figure is a plan or projection for operation.

** "FY" in this material indicates the fiscal year ending March 31 of the succeeding year.

Towards the Next Stage 2.0

(Formulated in May 2015, Revised Financial Targets in May 2016)

- **Accelerate Self-Transformation towards a “Value Partner” and Embark on a Profit Growth Track**
 - Accelerate Profit Generation of “Global Cloud Services”
 - Enhance Profitability of “Network Services”
- **Develop new markets by further promoting B2B2X model**
- **Re-establish EPS Growth Goal (at least 400 yen*) and update other financial targets**

* Revised from at least 350 yen to 400 yen in May 2016

	FY2018/03 3Q Financial Results	FY2018/03 Medium Term Targets
Streamlining Capital Investment (Domestic Network Business*1) [compared to FY2015/03]	¥141.4 billion	At least ¥200 billion
Cost Reductions *2 (in fixed-line/mobile access networks) [compared to FY2015/03]	¥766.0 billion	At least ¥800 billion
Overseas Sales/Operating Income *3	\$14.45 billion/\$0.78 billion [FY2018/03 Forecast] 〔\$19.6 billion/\$1.2 billion〕	\$22 billion/\$1.5 billion
EPS Growth	[FY2018/03 Forecast] ¥440*4 〔 ¥416*5 〕	At least ¥400

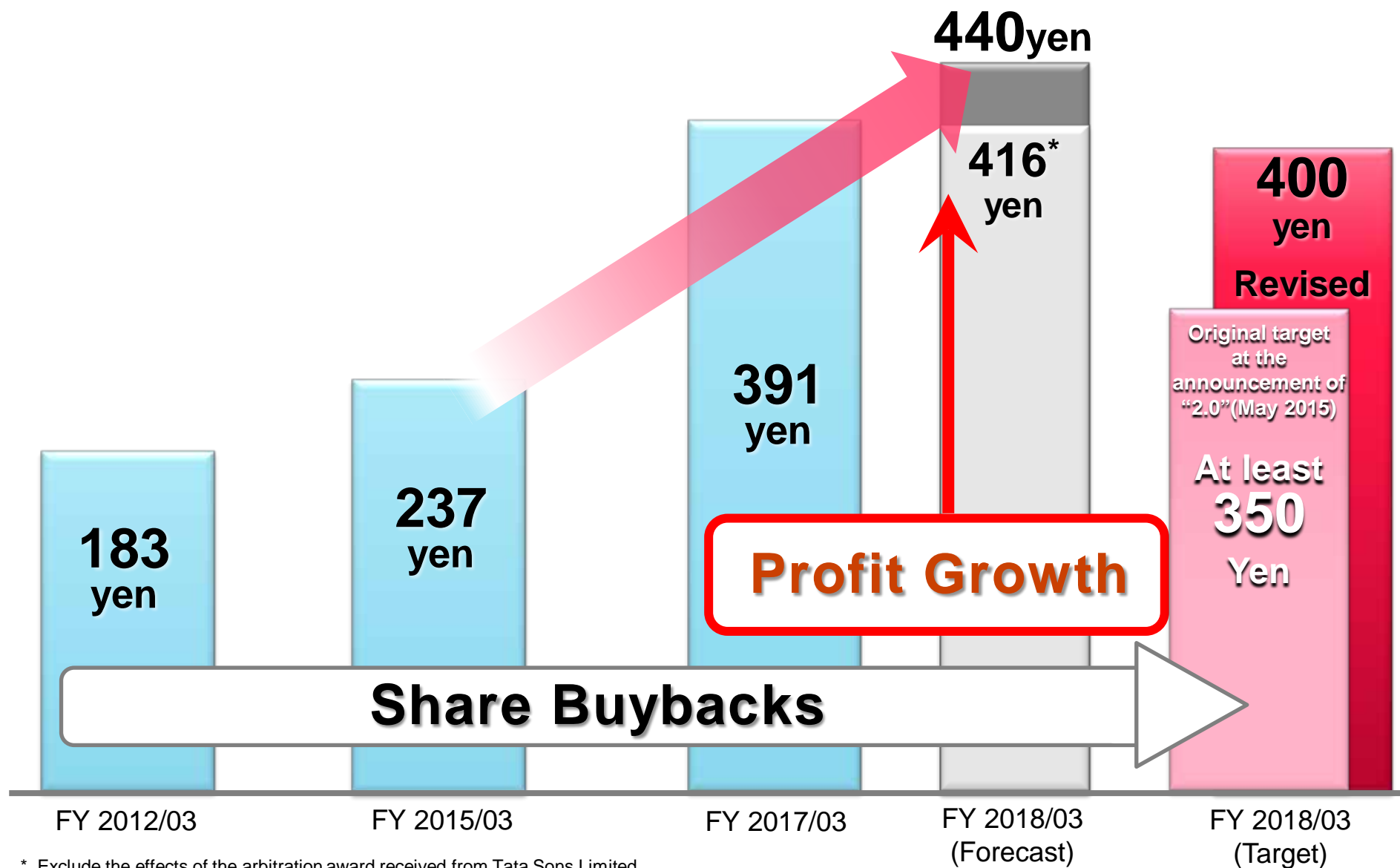
*1 Excludes NTT Com's data centers and certain other assets.

*2 Does not reflect the impact of the change in depreciation method.

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

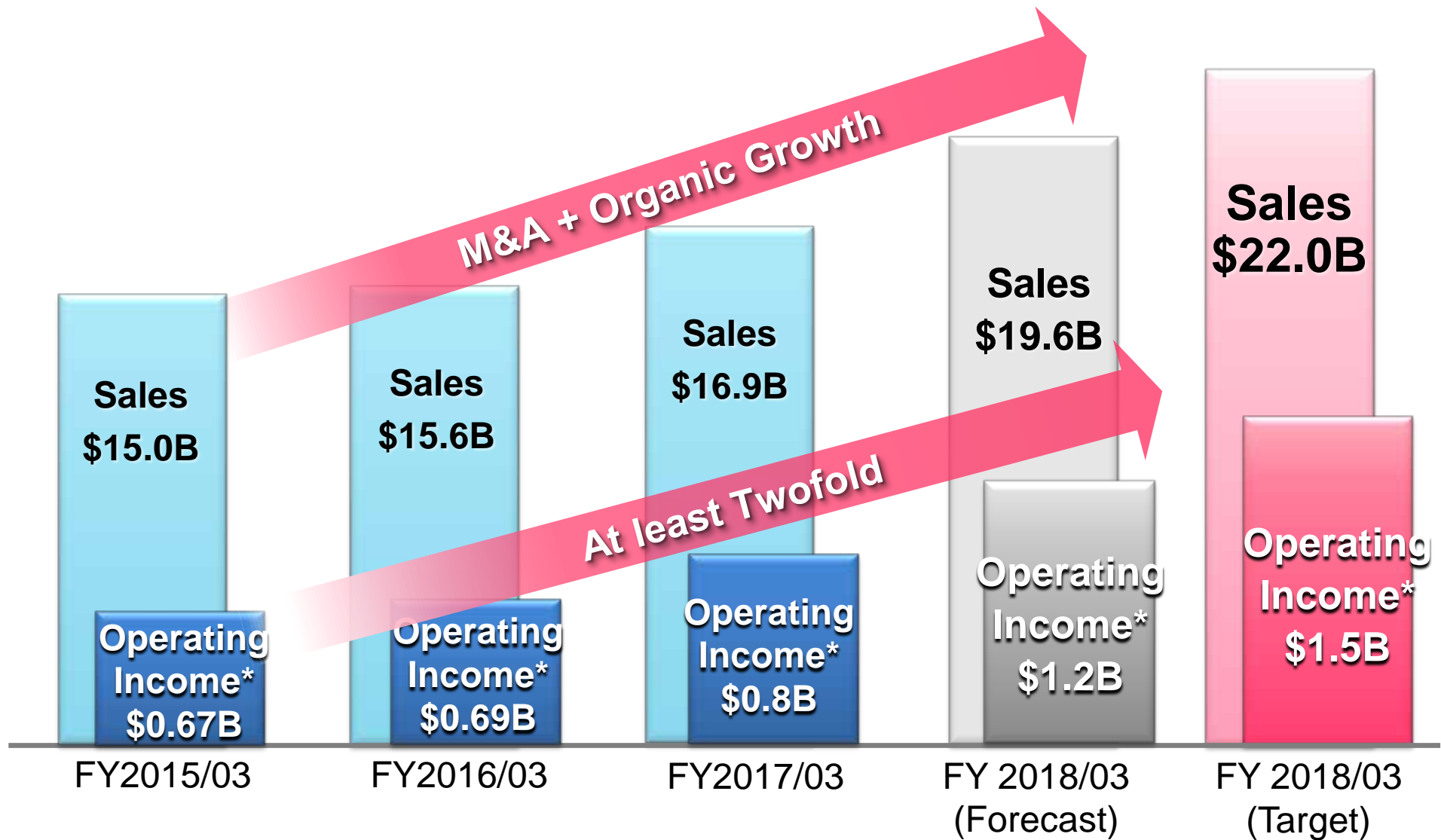
*4 Includes the effects of the arbitration award received from Tata Sons Limited as well as share buybacks announced on September 25, 2017.

*5 Includes the effects of share buybacks announced on September 25, 2017.



* Exclude the effects of the arbitration award received from Tata Sons Limited.

** EPS is adjusted according to the two-for-one stock split effective on July 1, 2015.



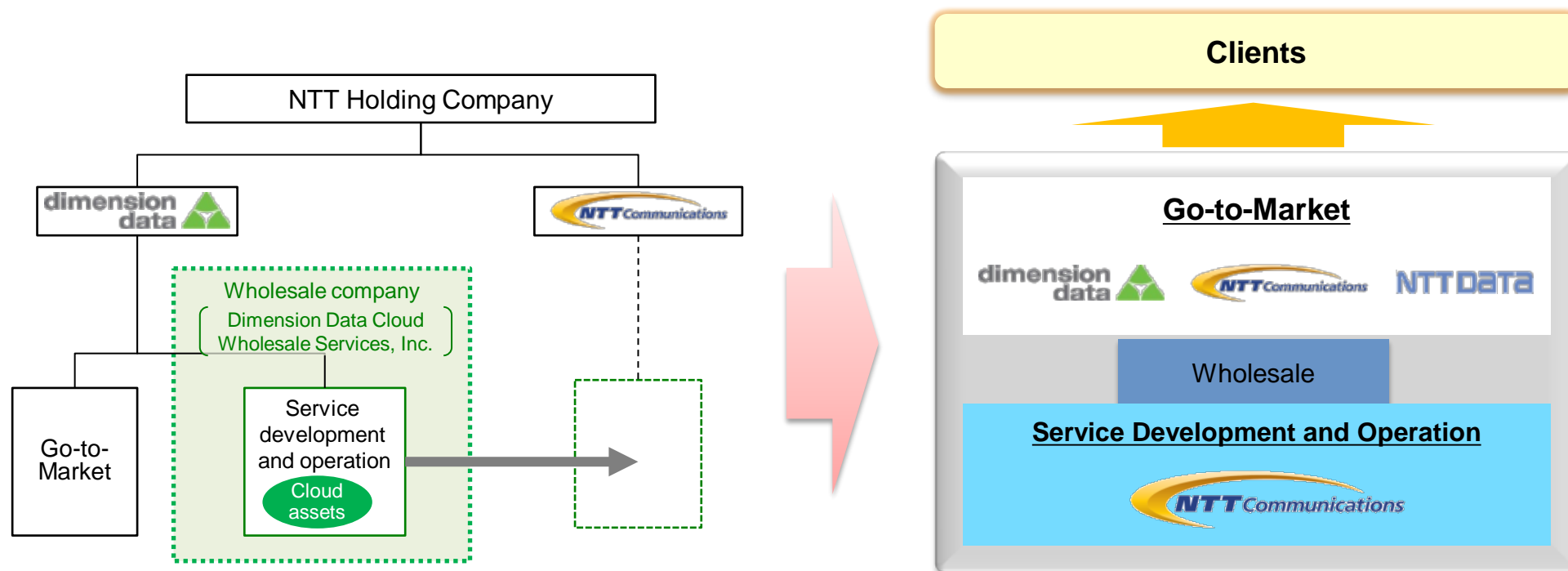
* Operating Income excludes M&A-related temporary expenses, such as depreciation costs of intangible fixed assets.

Strengthen NTT's Global Business

(Bringing together cloud IaaS capabilities)



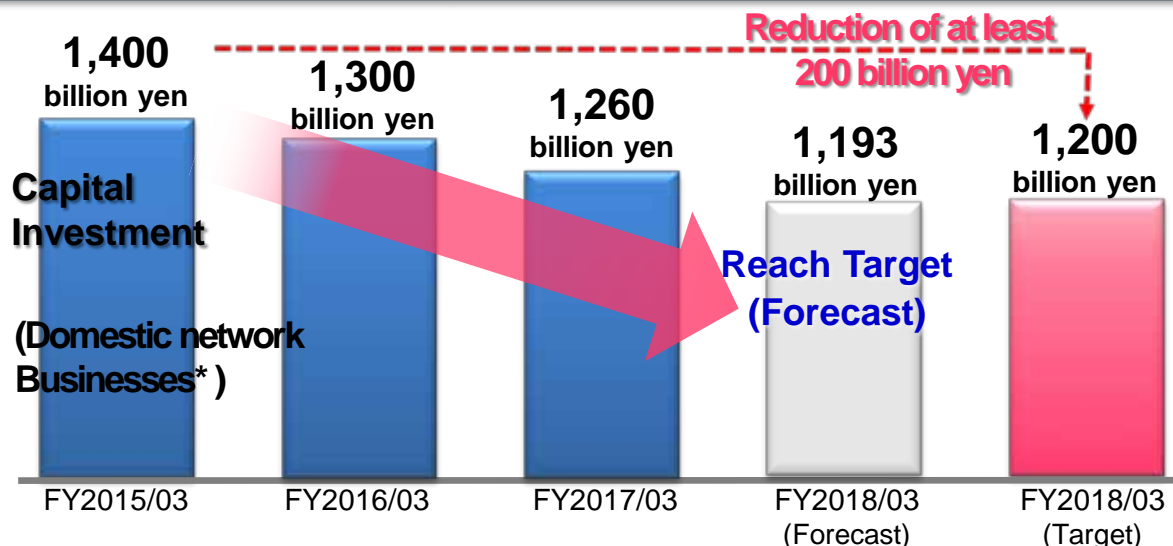
- Strengthen competitiveness by bringing together cloud IaaS capabilities and development capabilities of NTT Communications and Dimension Data.
- Establish a wholesale company of cloud IaaS under Dimension Data to prepare for transfer of assets and personnel, and then transfer the company to NTT Communications around March 2018.
- NTT Communications to handle development and operation of cloud IaaS and leverage Go-to-Market capabilities of NTT Communications, Dimension Data and other NTT Group companies.



Streamlining Capital Investment At least 200 billion yen

(Domestic network business, compared to FY 2015/03)

- Improve efficiency of facility use
- Reduce procurement costs
- Improve and optimize IT systems



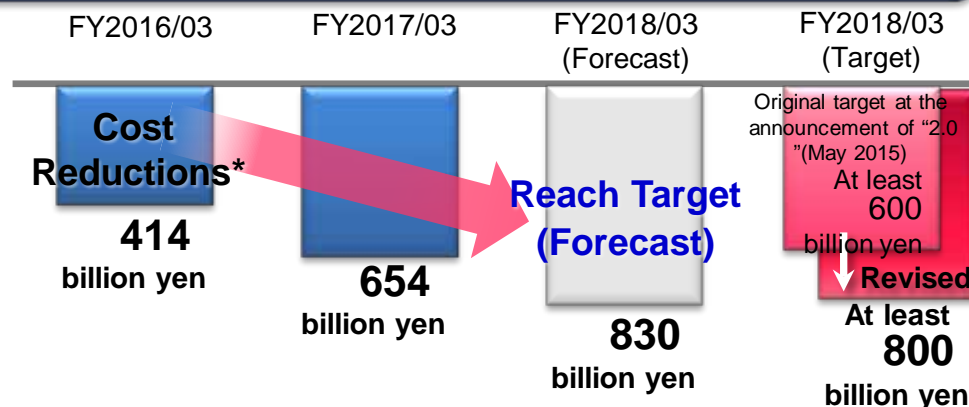
• Excludes NTT Com's data centers and certain other assets

Cost Reductions

At least 800 billion yen*

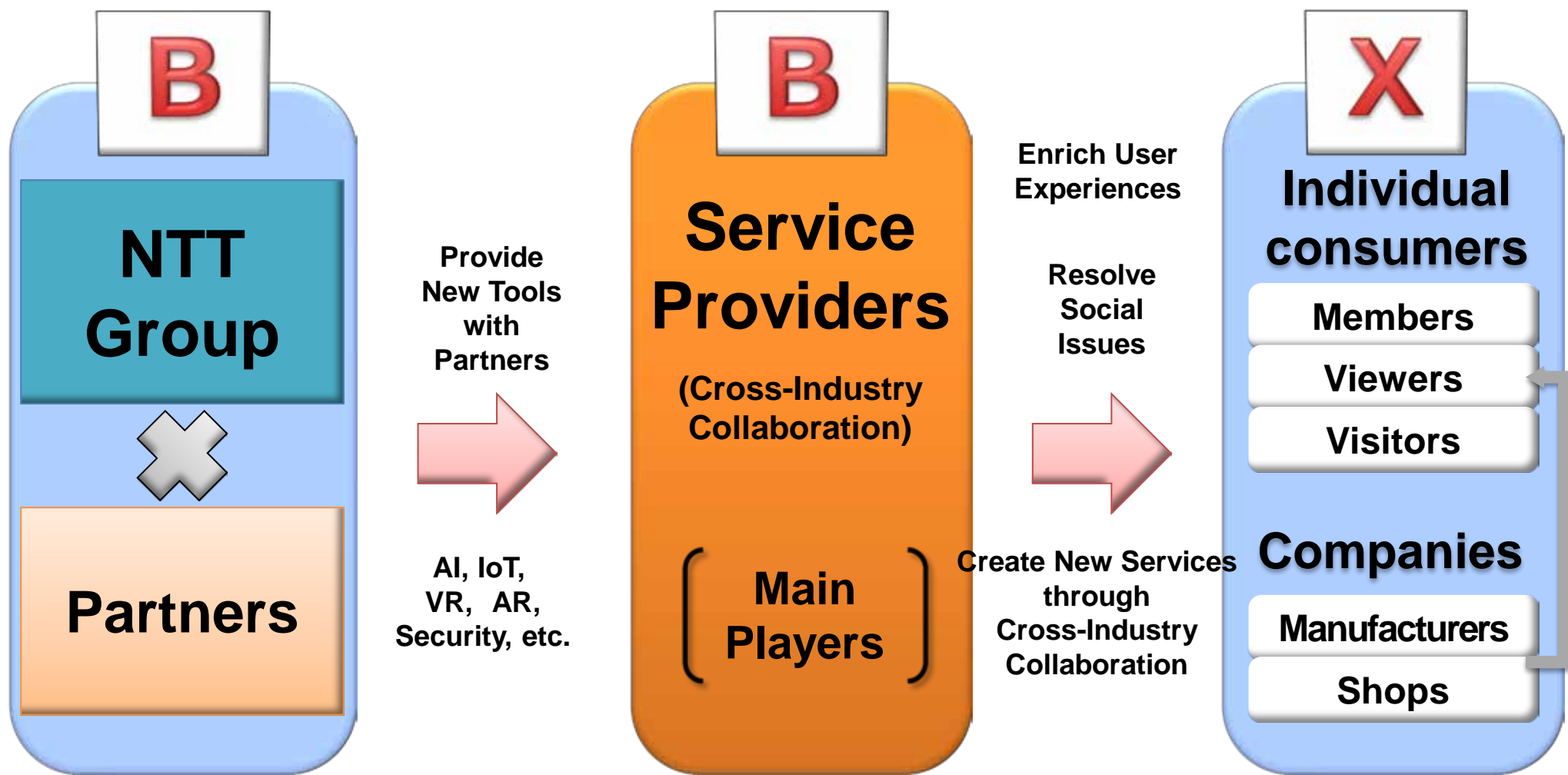
(in fixed-line/mobile networks, compared to FY 2015/03)


























- Review and reduce costs in order to improve user services
- Establish simple, highly efficient business operations in line with changes in our business model and environments

















* Does not reflect the impact of the change in depreciation method

- Support business model transformation for service providers to create new value, which leads to lifestyle transformations of service users



Entertainment 		Apr.	Produced a new Kabuki experience by utilizing NTT's Immersive Telepresence Technology called "Kirari!®"
Sports 		Apr.	Enhanced racing drivers' performance by measuring their biological information during races
Sports 	  	May	Demonstrated an advanced sports-viewing experience by tracking and transmitting location data of athletes in real time
Cities 	 	June	Enhanced attractiveness of cities through the use of AI on Big Data consisting of the flow of people and weather, among others
Sports 	 	July	Provided an advanced sports-viewing experience through Smart Stadium that utilizes high density Wi-Fi
Aviation 		Aug.	Upgraded the information universal design of airports by utilizing the NTT Group AI technology "corevo®"
Auto 	TOYOTA DENSO intel ERICSSON TOYOTA INFOTECHNOLOGY CENTER	Aug.	Initiated consortium formation for the network and computing infrastructure of automotive Big Data
Sports 	GAMBA Suita City Panasonic	Sept.	Enabled highly immersive public viewing by utilizing the live video transferring service
Transport 	 	Sept.	Optimized vessel operations by applying edge computing to IoT in vessel shipping
Robots 	TOYOTA	Sept.	Provided assistance for an exhibition utilizing the Human Support Robot (HSR) with corevo®
Factories 	 	Sept.	Reproduced techniques of a skilled worker through corevo® in order to create a sophisticated next-generation industry complex

		<p>Oct. Demonstrated a pleasant flight experience by monitoring babies' conditions through the utilization of hitoe® (Established "Airplane without crying babies!?" project)</p>
		<p>Oct. Began the commercial provision of the FIELD system through the utilization of edge computing</p>
		<p>Oct. Contributed to the further development of Sapporo by carrying out automated driving on public roads in central city areas</p>
		<p>Oct. Demonstrated power-saving efforts in agriculture and water environments through the utilization of corevo®</p>
		<p>Nov. Produced a new Kabuki experience through the utilization of Kirari! by enabling two actors to perform together through virtual reality (connected Ponto-cho and Miyakawa-cho in the performance of "Miyako Musubi Yume-no Renjishi")</p>
		<p>Nov. Initiated collaborative experiments on athletes' performance and brain information processing</p>
		<p>Nov. Began demonstrations that predict the flow of people through the utilization of AI and control air conditioning using optimal device control technology</p>

Financial Results for the FY 2018/03 3Q

- n Both Operating Revenues and Operating Income increased.
- n Financial results are steadily progressing in line with the annual plan.

Status of Consolidated Financial Results

Ø Operating Revenues	:	¥8,722.0 billion (increase of ¥361.5 billion [4.3%] year-on-year)
Ø Operating Income	:	¥1,319.6 billion (increase of ¥1.0 billion [0.1%] year-on-year)
Ø Net Income ^{*1}	:	¥736.6 billion (increase of ¥67.9 billion [10.1%] year-on-year)
<hr/>		
Ø Overseas Sales	:	\$14.45 billion (increase of \$2.26 billion [18.6%] year-on-year)
' Cross-Selling Order Volume	:	\$0.66 billion
Ø Overseas Operating Income ^{*2}	:	\$0.78 billion (increase of \$0.24 billion [43.5%] year-on-year)

^{*1} Net income represents net income attributable to NTT, excluding noncontrolling interests.

^{*2} Operating Income excludes temporary expenses, such as M&A-related depreciation costs of intangible fixed assets.

Increased Profitability of Network Services

Ø Expansion of NTT's User Base

- **Mobile Subscriptions: 75.68 million mobile subscriptions (net increase of 0.80 million)**
(Included in the above) Kake-hodai & Pake-aeru: 40.60 million subscriptions (net increase of 3.53 million)
- **FTTH Subscriptions: 20.46 million subscribers (net increase of 0.40 million)**
(Included in the above) Hikari Collaboration: 10.66 million (net increase of 1.91 million)

Ø Growing number of Wi-Fi area owners*: 681 (net increase of 124)

* Total number of large-scale corporate or local government customers. Excludes small-scale restaurants, etc.

Promotion of the B2B2X Model

ØContinued to expand collaboration efforts with corporations and local governments by supporting their digital transformation in various fields, such as sports, transportation and manufacturing in an effort towards creating new value and solving social issues and challenges

Expansion of Global Cloud Services

ØAcquisition of Secure-24, a provider of managed services in the U.S.

Shareholder returns

ØCompleted share buybacks on December 8, 2017: ¥150.0 billion

ØAggregate amount of FY2017 share buybacks: ¥193.2 billion

Progress of “Tokyo 2020 Medal Project: Towards an Innovative Future for All”

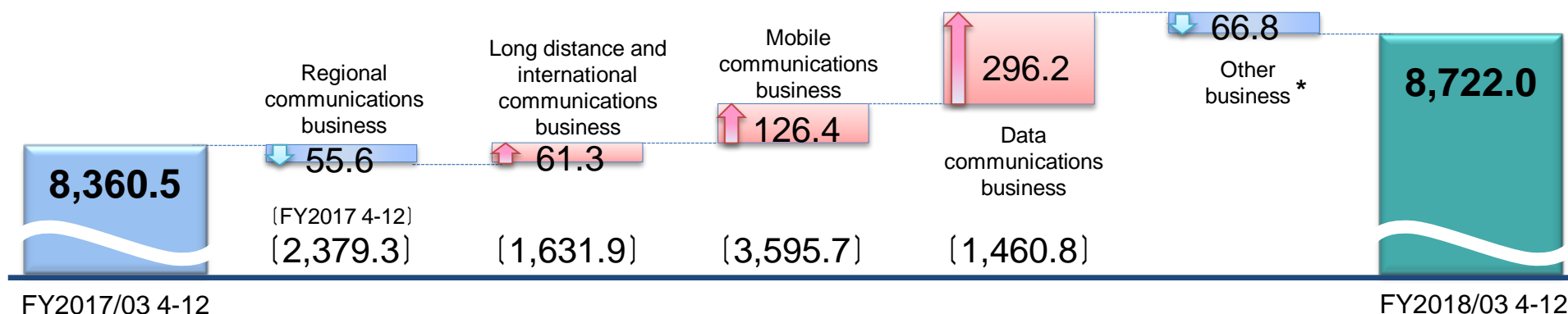
ØNumber of used mobile phones and other devices collected (as of the end of December 2017): approximately 2.40 million devices

- Increase in Operating Revenues and Operating Income in the Long Distance and International Communications business and the Data Communications business segment.**

Operating Revenues

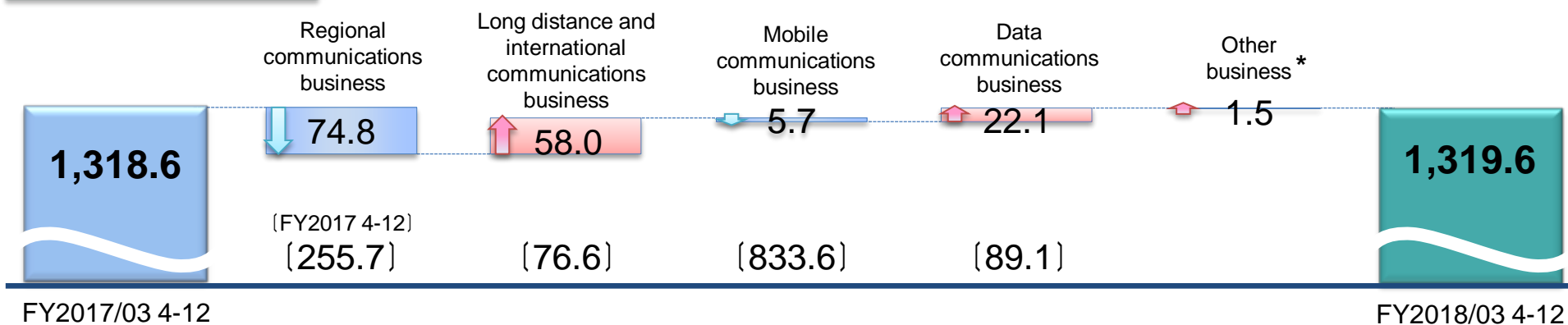
(Year-on-year: +361.5)

(Billions of yen)



Operating Income

(Year-on-year: +1.0)



*Includes adjustments such as elimination

Operating Revenues and Operating Income remain unchanged from the Initial Forecast.

Plan for Consolidated Revenues and Income

	Initial Forecast (announced on May 15, 2017)	Financial Results Forecast (announced on November 10, 2017)
Operating Revenues	¥11,750.0 billion	¥11,750.0 billion
Operating Income	¥1,590.0 billion	¥1,590.0 billion
Net Income ^{*4}	¥830.0 billion	¥880.0 billion ^{*1} (¥830.0 billion)
EPS	¥414	¥440 ^{*2} (¥416 ^{*3})

^{*1} Includes the effects of the arbitration award received from Tata Sons Limited

^{*2} Includes the effects of the arbitration award received from Tata Sons Limited as well as share buybacks announced on September 25, 2017

^{*3} Includes the effects of share buybacks announced on September 25, 2017

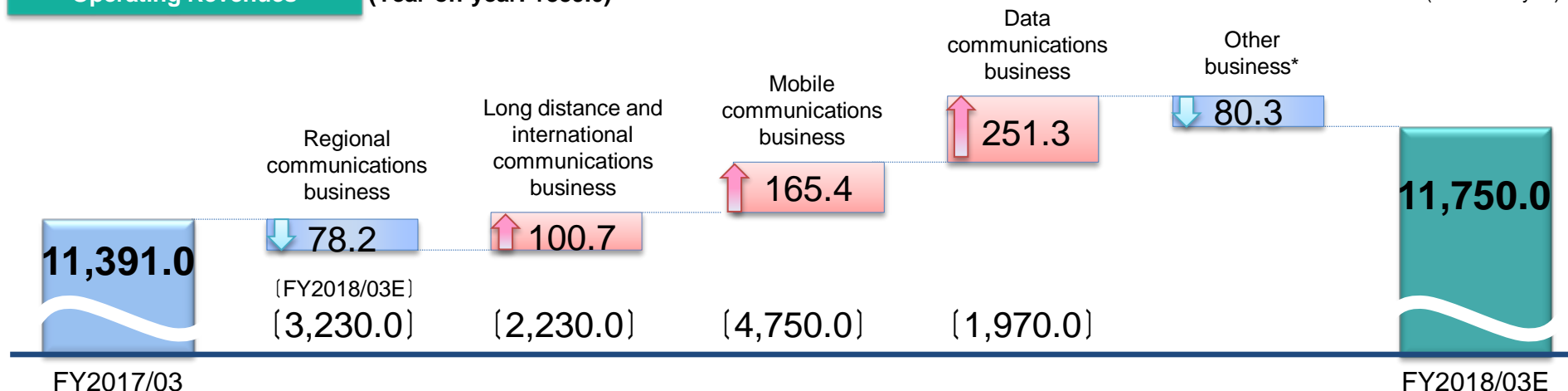
^{*4} Net income represents net income attributable to NTT, excluding noncontrolling interests.

FY2018/03 Forecast Summary by Segment

Operating Revenues

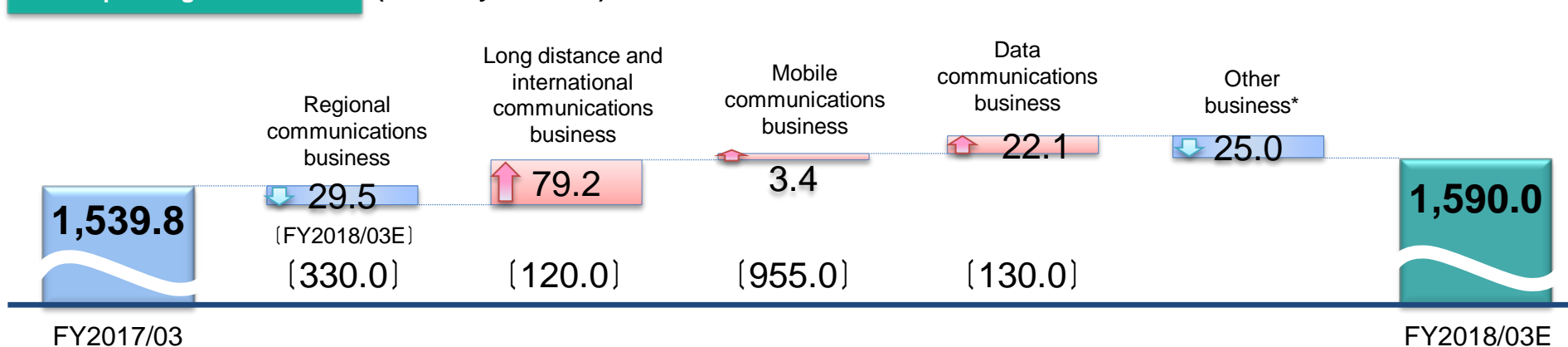
(Year-on-year: +359.0)

(Billions of yen)



Operating Income

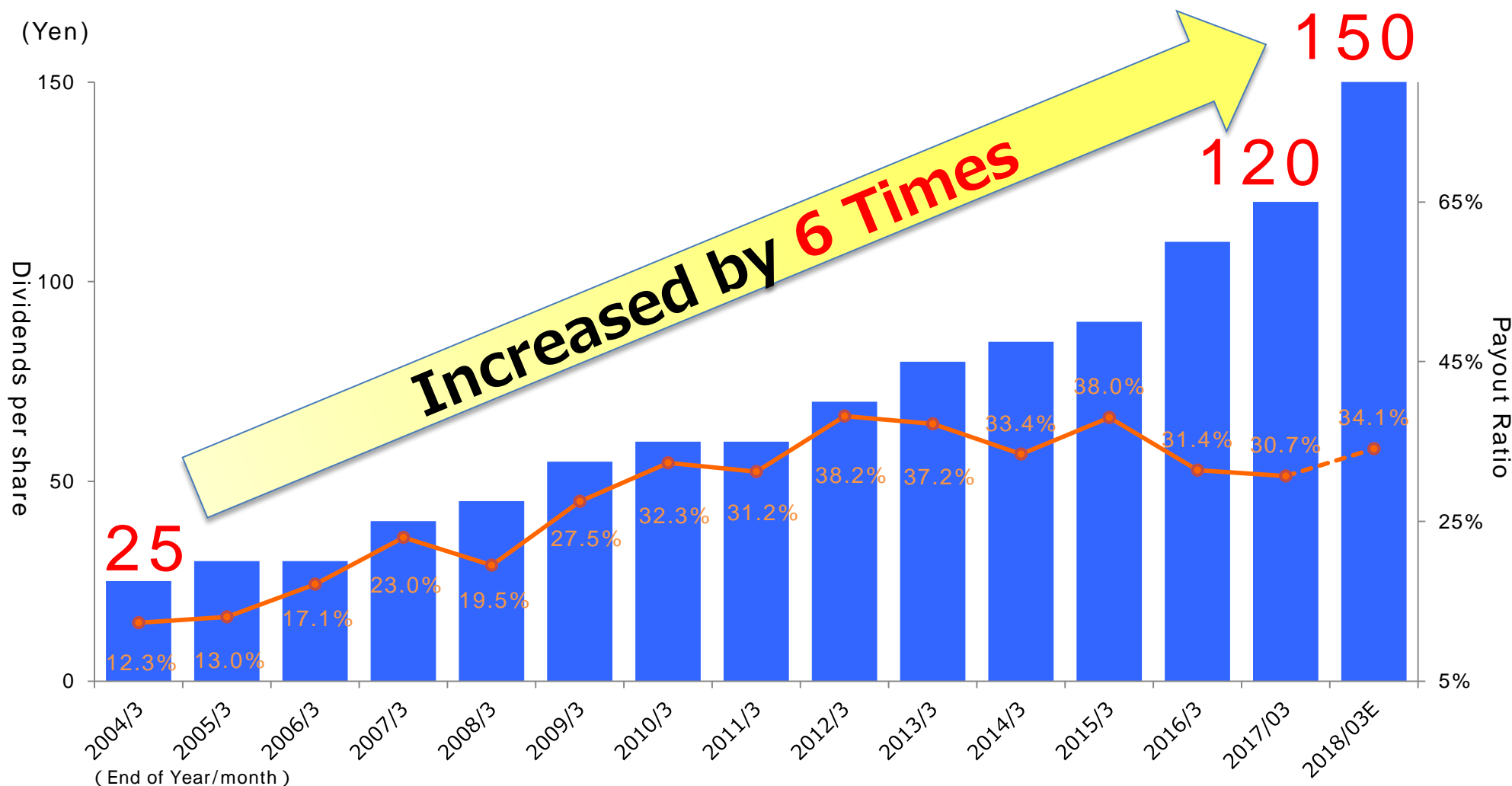
(Year-on-year: +50.2)



*Includes adjustments such as elimination

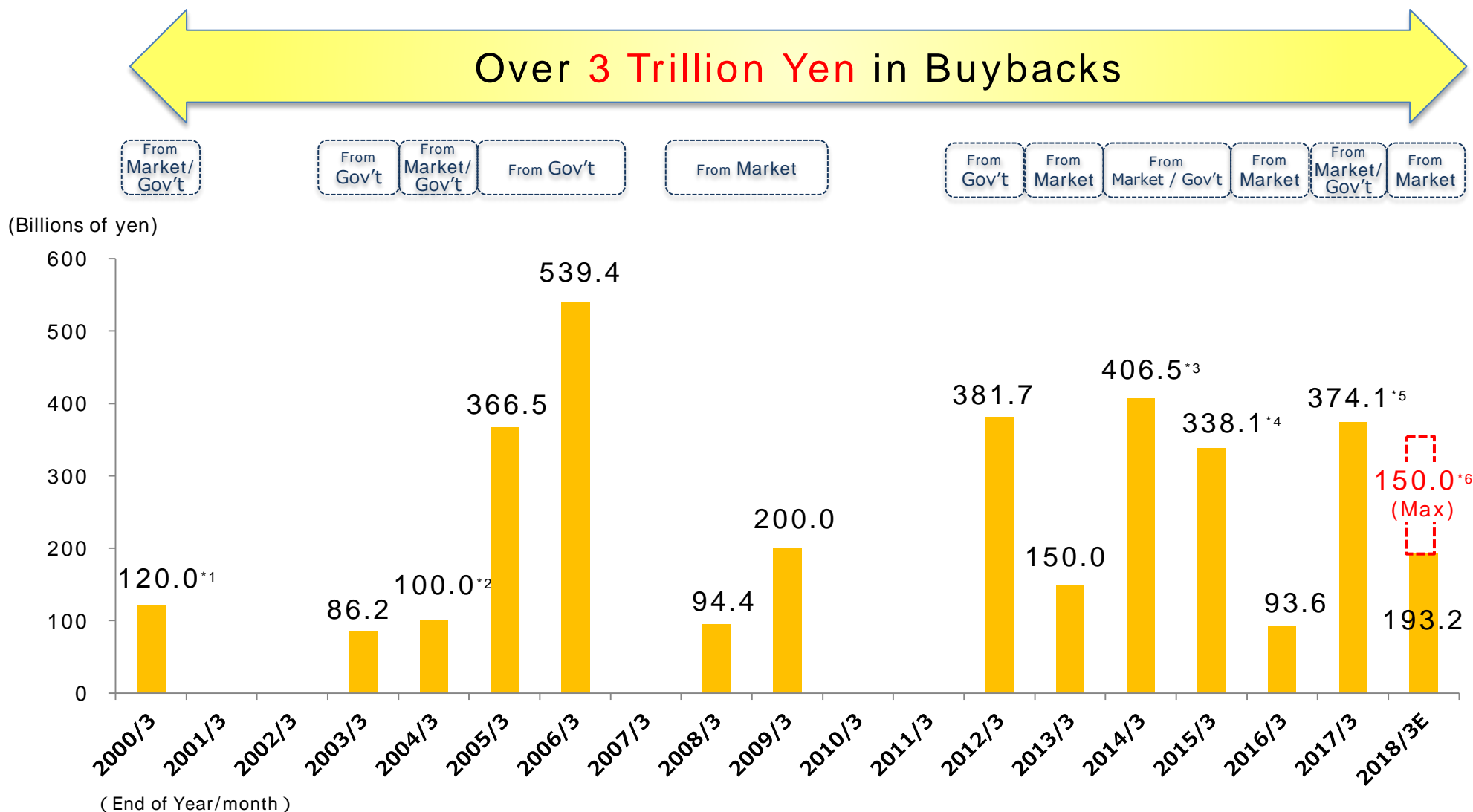
Appendix

Changes in Dividend



* Dividend is adjusted according to the two-for-one stock split effective on July 1, 2015.

Record of Share Buybacks



^{*1}:Market 48.0 billion yen, Gov't 72.0 billion yen ^{*2}:Market 61.0 billion yen, Gov't 39.0 billion yen ^{*3}:Market 250.0 billion yen, Gov't 156.5 billion yen

^{*4}:Market 101.2 billion yen, Gov't 236.9 billion yen ^{*5}:Market 106.7 billion yen, Gov't 267.4 billion yen

^{*6} On February 21, 2018, NTT authorized repurchases of shares up to 150 billion yen from market. Period of repurchases is from February 22, 2018 through June 30, 2018.

NTT East and West's business operation plans for 2019/3

(submitted for approval on March 1, 2018)



NTT East

NTT West

(Billions of yen)

Item	FY2018/3 forecast	FY2019/3 Plan	Change from previous FY
Operating revenues	1,640.0	1,600.0	(40.0)
Operating expenses	1,389.0	1,410.0	+21.0
Operating income	251.0	190.0	(61.0)
Recurring profit	259.0	190.0	(69.0)

Ref.	Special profits (losses)	(61.0)	0	+61.0
	Operating income + Special profits (losses)	190.0	190.0	±0

Item	FY2018/3 forecast	FY2019/3 Plan	Change from previous FY
Operating revenues	1,432.0	1,389.0	(43.0)
Operating expenses	1,268.0	1,289.0	+21.0
Operating income	164.0	100.0	(64.0)
Recurring profit	159.0	96.0	(63.0)

Ref.	Special profits (losses)	(64.0)	0	+64.0
	Operating income + Special profits (losses)	100.0	100.0	±0

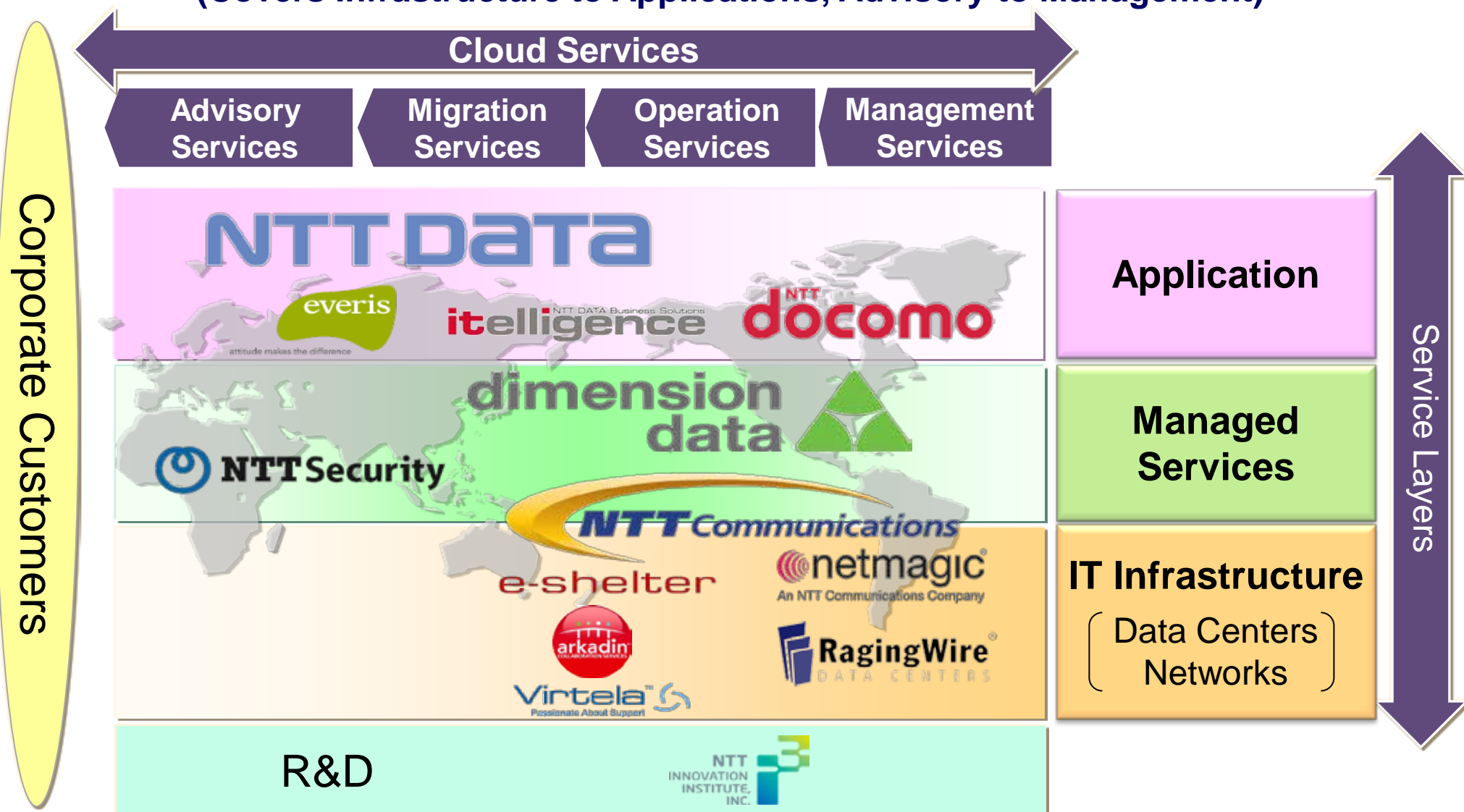
Item	FY2018/3 forecast	FY2019/3 Plan	Change from previous FY
Net Increase of FLET'S Hikari (thousands subs)	300	400	+100
Capital investment (Billions of yen)	250.0	250.0	±0

Item	FY2018/3 forecast	FY2019/3 Plan	Change from previous FY
Net Increase of FLET'S Hikari (thousands subs)	160	200	+40
Capital investment (Billions of yen)	260.0	250.0	(10.0)

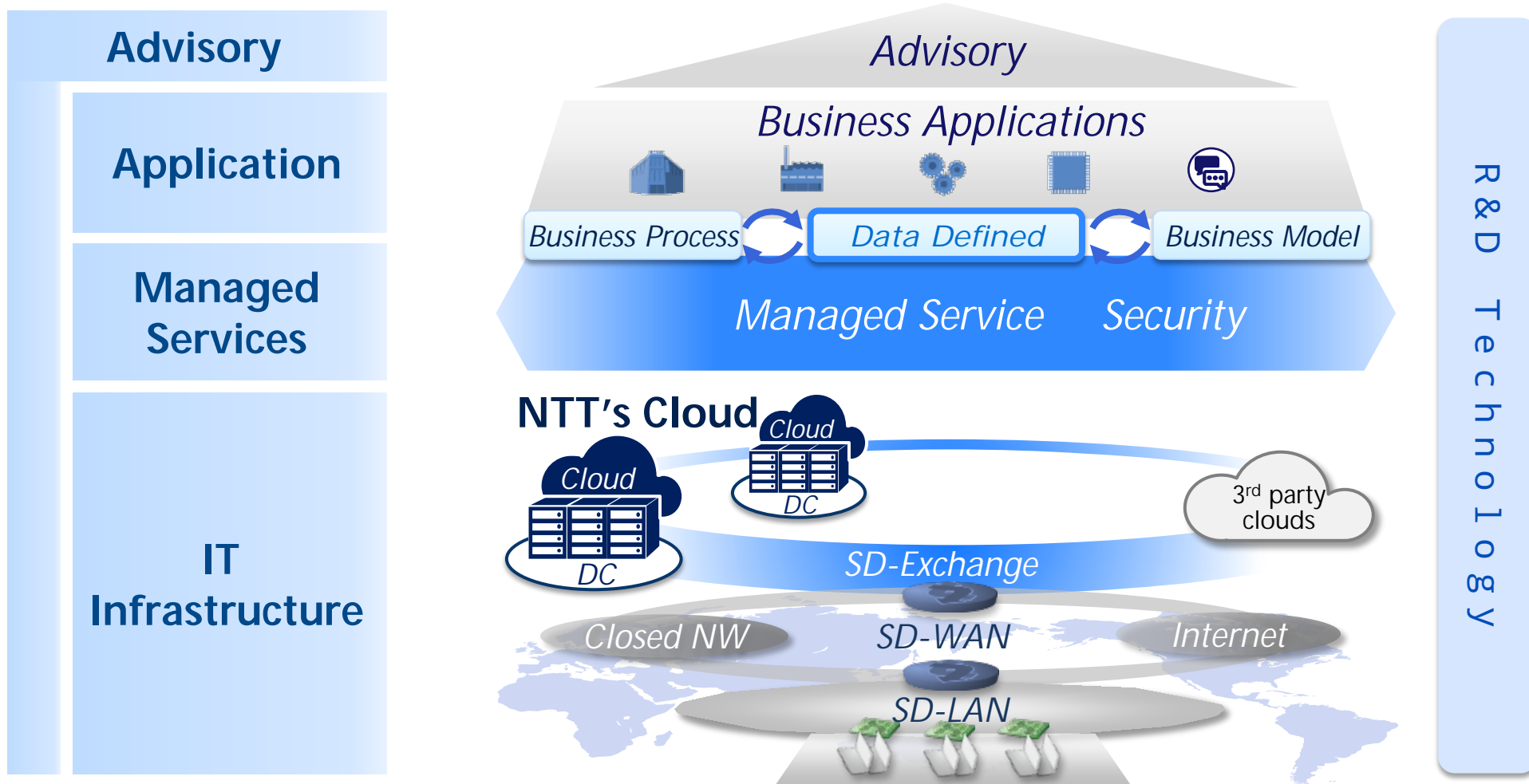
Ref.	Change in Hikari Collaboration Model (thousands subs)	1,300	1,050	(250)
	(incl.) Switchover lines (thousands subs)	900	650	(250)

Ref.	Change in Hikari Collaboration Model (thousands subs)	1,160	950	(210)
	(incl.) Switchover lines (thousands subs)	830	600	(230)

Provides full stack, full life-cycle service
(Covers Infrastructure to Applications, Advisory to Management)



NTT Group to deliver enhanced IT capabilities and contribute to the success of clients' digital transformation



NTT's Capability in Global Business



		NTT	Telecom (A)	Cloud (A)	IT Vendor (A)	Sler (I)
Data Center (incl. colocation)		<div>Leader</div>		-	-	
Network Integration				-		
Network				-	-	-
Apps (ERP)	Imple- mentation	<div>Attacker</div>	-	-		
	AMO		-	-		
Cloud	Public				-	
	Hosted Private			-	-	
Security				-	-	

Legend : Global capability Top Tier 2nd Tier Specific capability Not competitive/Local - Out of scope

Network



Scale :

- Provides service in **190 countries/areas**
- **World-class** in Global IP backbone traffic

(Source: Dyn Research)



Quality :

- **Lowest network latency** between Japan / US / major countries in Asia

Data Center



Scale :

- **World-class** (total floor space: approx. 1.35 million m²)

(Source: TeleGeography)



Quality :

- High-quality lineup(Tier 3 sites)

Expansion of Cross-Selling (Aggregate Contract Value)



Aggregate contract value of Cross-Selling reached approx. 3.2 billion USD

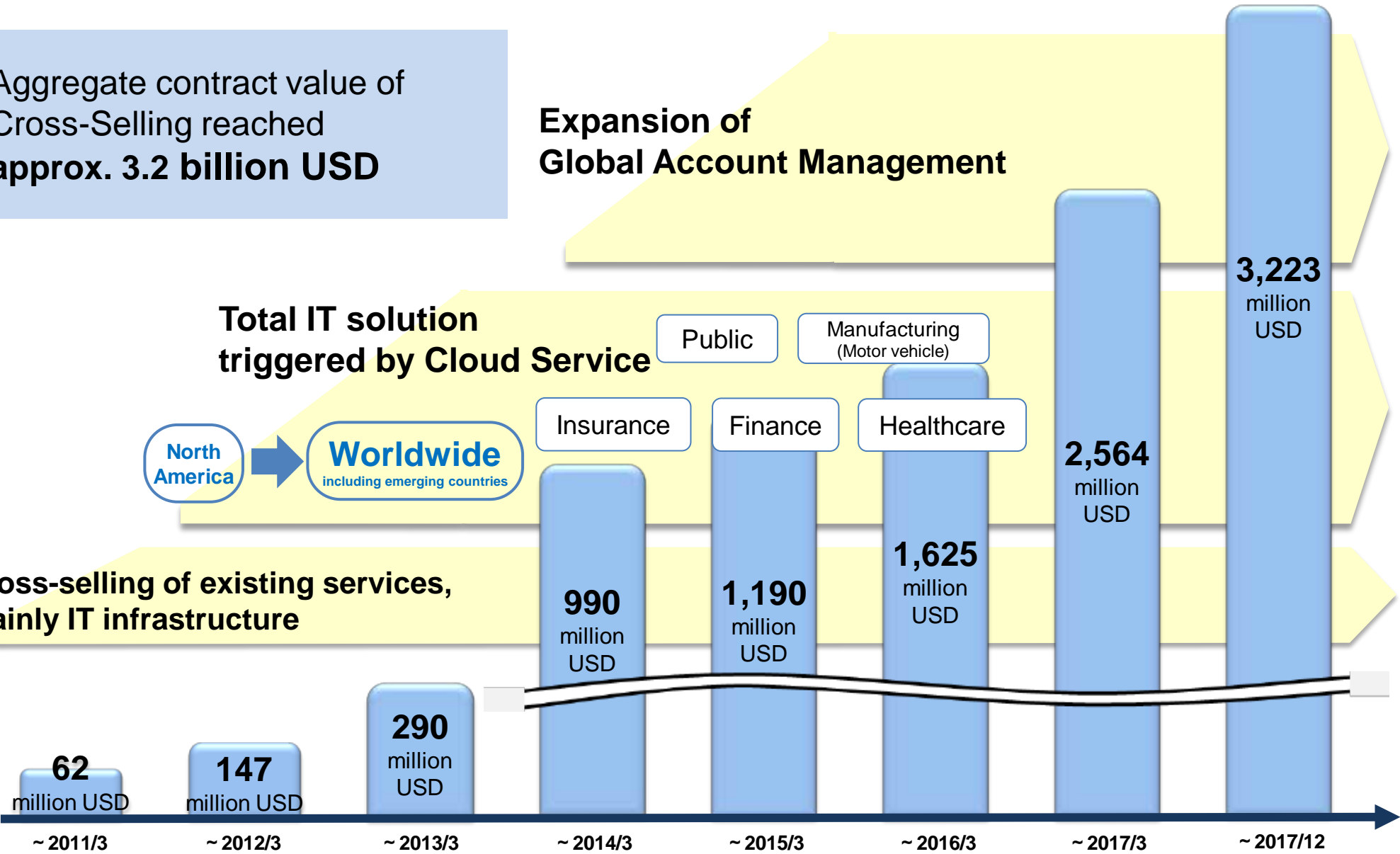
Expansion of Global Account Management

Total IT solution triggered by Cloud Service



- Public
- Manufacturing (Motor vehicle)
- Insurance
- Finance
- Healthcare

Cross-selling of existing services, mainly IT infrastructure



Improved brand awareness leads to more deals with global enterprises

AMERICAS

2014/3.1Q



Texas Department of Transportation

- Ø Cloud solution, Application, Maintenance
- Ø ITO, Total security service

2014/3.4Q



Healthcare Manufacturer

- Ø Transition of ERP to Cloud service
- Ø ITO

2014/3.4Q



Heavy Industry

- Ø Business platform construction
- Ø ITO

2015/3. 4Q



Dairy Industry

- Ø Cloud Solution
- Ø Data Center service

2016/3. 1Q



Medical Devices Manufacturer

- Ø Transition of Application to Cloud service
- Ø Data Center service

EMEA

2015/3.1Q



HM Treasury

- Ø Cloud, Business platform construction
- Ø Network infrastructure construction

2016/3.1Q



Medical Institution

- Ø ITO
- Ø NW equipment procurement, implementation
- Ø Data Center service

2016/3.4Q



Manufacturer

- Ø Cloud & DC management service
- Ø Transition of Application to Cloud service

2016/3.4Q



HEIDELBERGER DRUCKMASCHINEN AG (Manufacturer)

- Ø Communication Service
- Ø ITO

2017/3.1Q



ReAssure

- Ø Data Center service
- Ø ITO, Total security service

Japan

2014/3.3Q



ANA

- Ø Implementation and operation of UCaaS (Cloud communication service)

2015/3.2Q



Financial Institution

- Ø Dater Center service
- Ø DC equipment procurement, implementation

APAC

2014/3.2Q



May Bank

- Ø Dater Center service
- Ø DC equipment procurement, implementation

2016/3.4Q



Financial Institution

- Ø Application Management Outsourcing
- Ø Business Process Outsourcing

2017/3.1Q



Public Transport Victoria, Australia

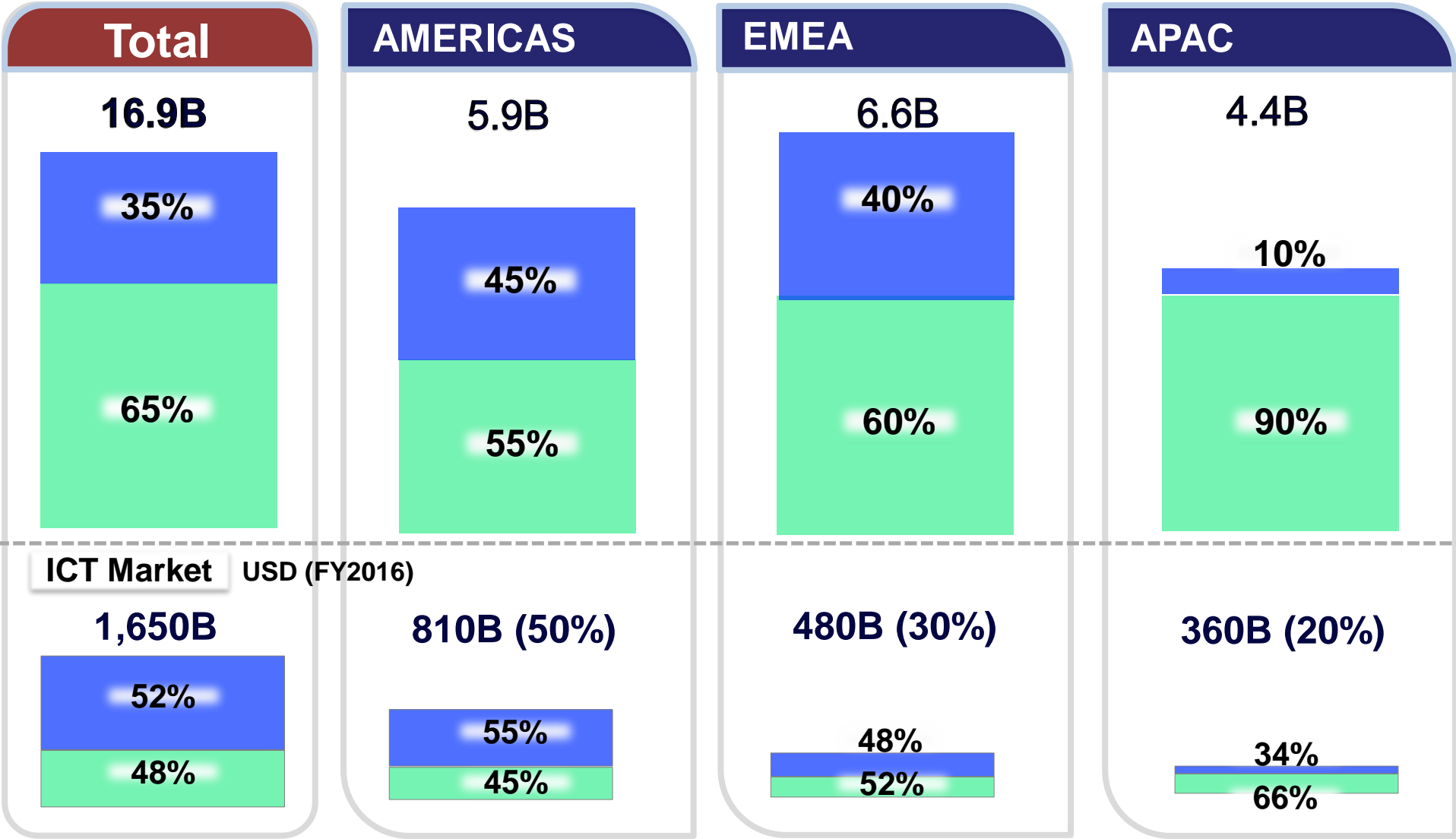
- Ø Development and Operation of Smartcard ticketing system

Revenue by Region



USD (FY2017/3)
Not-including the number of Japan

Application IT Infrastructure



*Source: Created by NTT based on McKinsey's data (excluding Telephone market, including new tech such as IoT,etc)

Fan/
Supporter
Spectators

Sponsors

Local Community
(such as local shopping
districts)

Event
Organizers

Nack5 STADIUM OMIYA
(Omiya Ardiya Home Stadium)



Game Day/Outside of the Game
(Children's Lessons, Local Events, etc.)

Information Services

Fan
Services

Virtual Reality
VR Children's Lessons,
Mileage Points, etc.

Video
Services

3D
3D, multi-angle, player-
following, etc.

e-Commerce

EC Services

Customer referrals with
local shopping districts,
etc.

Information
Infrastructure

Customer Relationship Management

CRM
Infrastructure

Points, coupons,
payments, etc.

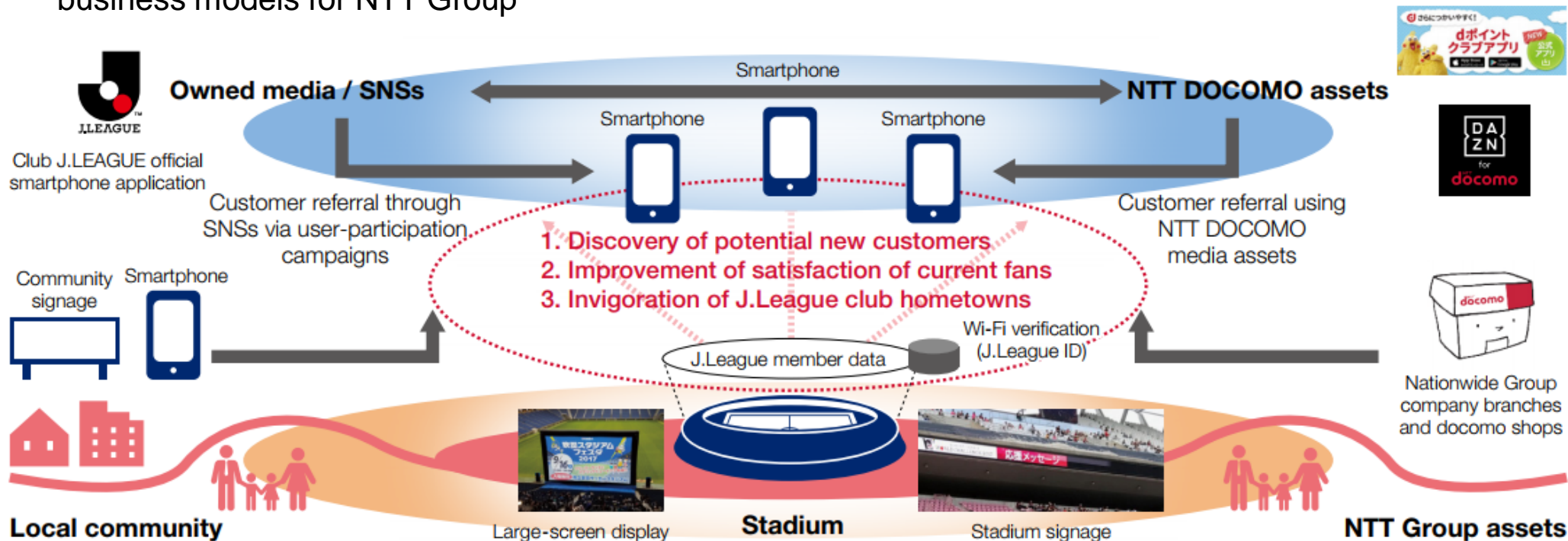
High-density Wi-Fi, Wi-Fi Multicast, etc.

Contribution to the Development of the Sports Field into a Growth Industry with J.League Club Teams

Diagram of Collaboration Initiatives

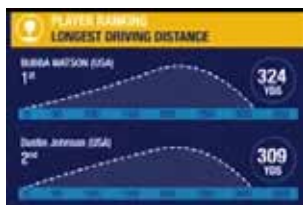
~ Expansion of Customer Base through Digital Marketing ~

- Fully leverage NTT Group's assets to support the marketing activities of the J.League
- Contribute to higher earnings for the J.League and its club teams and create new services and business models for NTT Group



The Open (U.K.)

Ball flight distance and trajectory; Tweet map (worldwide)



Tour de France (France)

Racer position, speed, and time behind; combination of data and video

At Six Day London (a popular European track cycling event), monitoring of wheel speed and heart rate as well



Indy 500 (U.S.)

Driving status and racers' vital signs



Alpine Ski World Cup (Naeba)

Official tournament app (athlete information, results, maps, etc.); video broadcasting



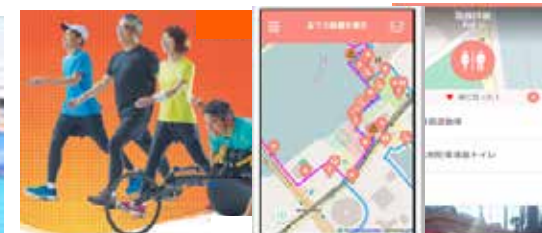
World Triathlon Series (Yokohama)

Official triathlon app; Live video IP delivery (paratriathlon)



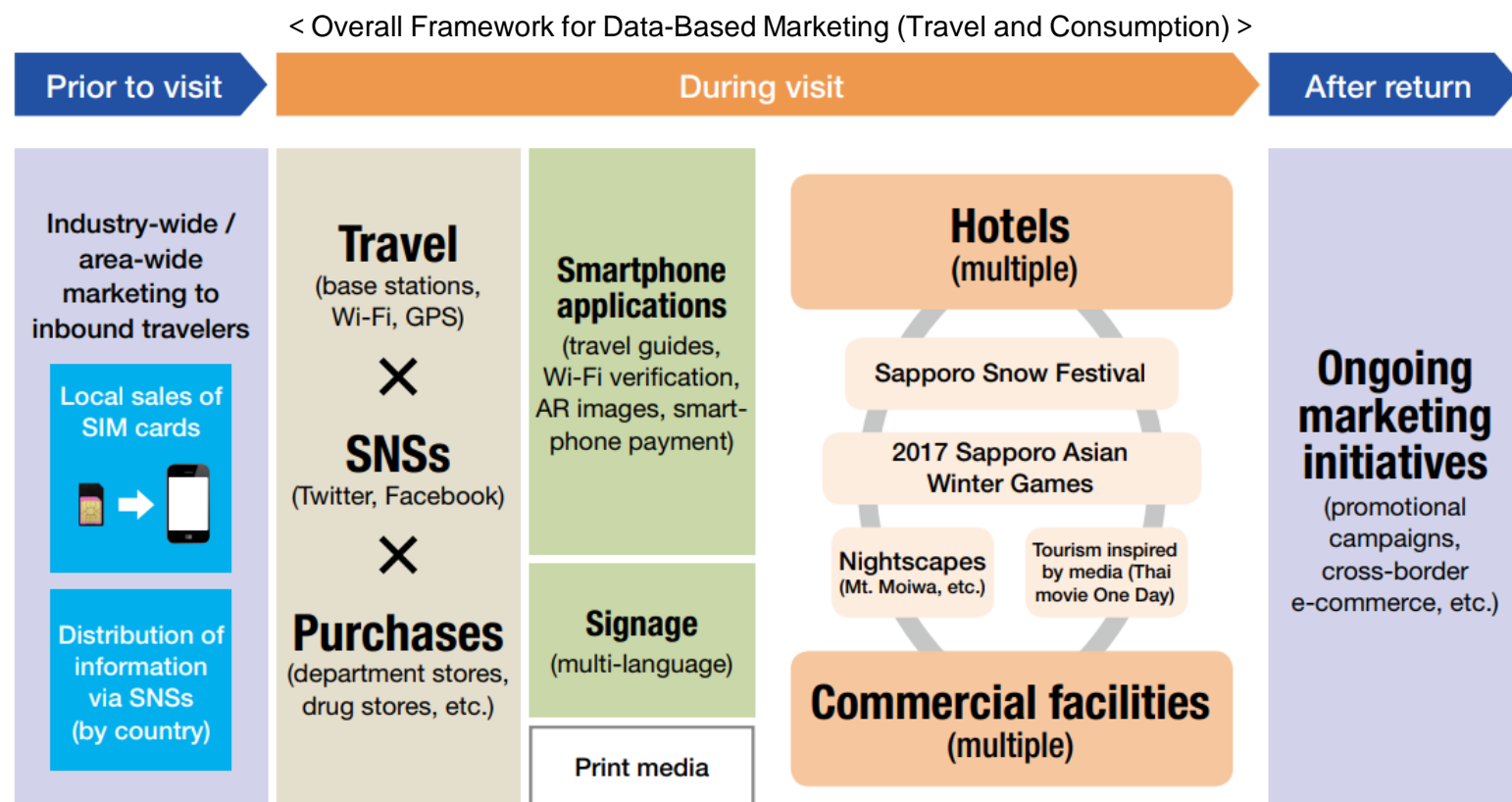
Japan Walk (Tokyo)

Universal design information (Web app) provision



Contribution to ICT Community Development Utilized Publicly Available Data and Real-World Data through Collaboration with Sapporo City and Local Distribution Companies

We have collected and analyzed real-world data related to travel, preference, and purchasing trends among domestic and overseas tourists. This information was used to deploy measures for stimulating consumption, including mutual customer referrals by hotels, tourist spots, and shopping facilities, and to help communicate the appeal of Sapporo City.



Promote coordination of administrative services and social infrastructure with **local governments** as the hubs, and contribute to the **resolution of social and economic issues** of local regions (including local economic regions)

Businesses

Citizens

Organizations

Big Data

Local Governments
"Digital Trust"

Open Data

Promote Secondary and Tertiary Uses

Industrial Development, Disaster Prevention and Mitigation, "Smartification" of Public Infrastructure, and Others

Tourism

Traffic and Transport

Energy and
Environment

Disaster Prevention
and
Mitigation

...

"Smartification"
of
Infrastructure

Education
and
Childcare Support

Culture and Sports

Healthcare

Agriculture,
Forestry and
Fisheries

Dialogue Technology Catching the World's Attention

- Showcased "Natural Conversation among Multiple Persons and Robots" and other technology at SXSW2017 (3/10-19 in Austin, U.S.A.)

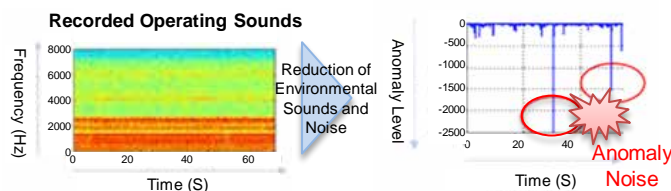


Android (Osaka University) x Discussion Dialogue (NTT)

Front-page news in USA TODAY and local newspapers

The World's Best Sound-Processing Technology

- Provided Hitachi Zosen with "Anomaly Noise Detection Technology" that objectively visualizes and analyzes the characteristics of both normal operating sounds and anomaly noises of manufacturing machines

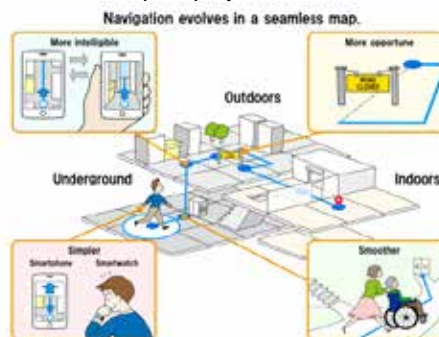


Diversity Navigation

- Developed a coaching system for professional baseball players using "athlete first-person vision synthesis technology," which enables players to experience simulations of pitches with immersive reality, and carried out practice testing with Tohoku Rakuten Golden Eagles (commercial launch in 2017)



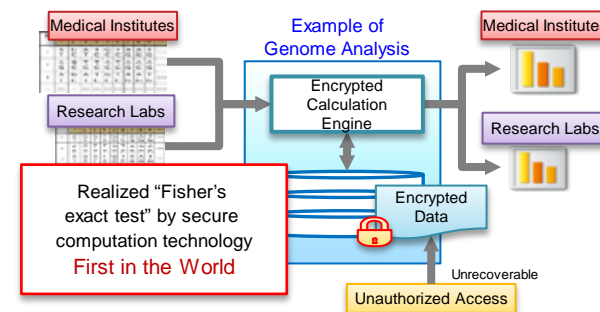
- Developed "MaPiece" technology, which easily collects accessibility information, as well as "2.5D map representation technology," which realizes easy-to-understand 3D map displays



Support convenient and safe mobility of different types of people (seniors, people with baby strollers, foreign visitors, and others)

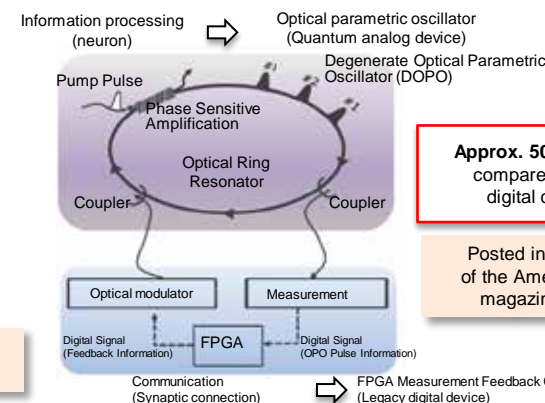
World-Leading Security Technology

- Developed "Secure Computation Technology," which enables the accurate analysis of encrypted genome information, the most sensitive personal information, between multiple institutes together, without decrypting the data



Non-Conventional Computer

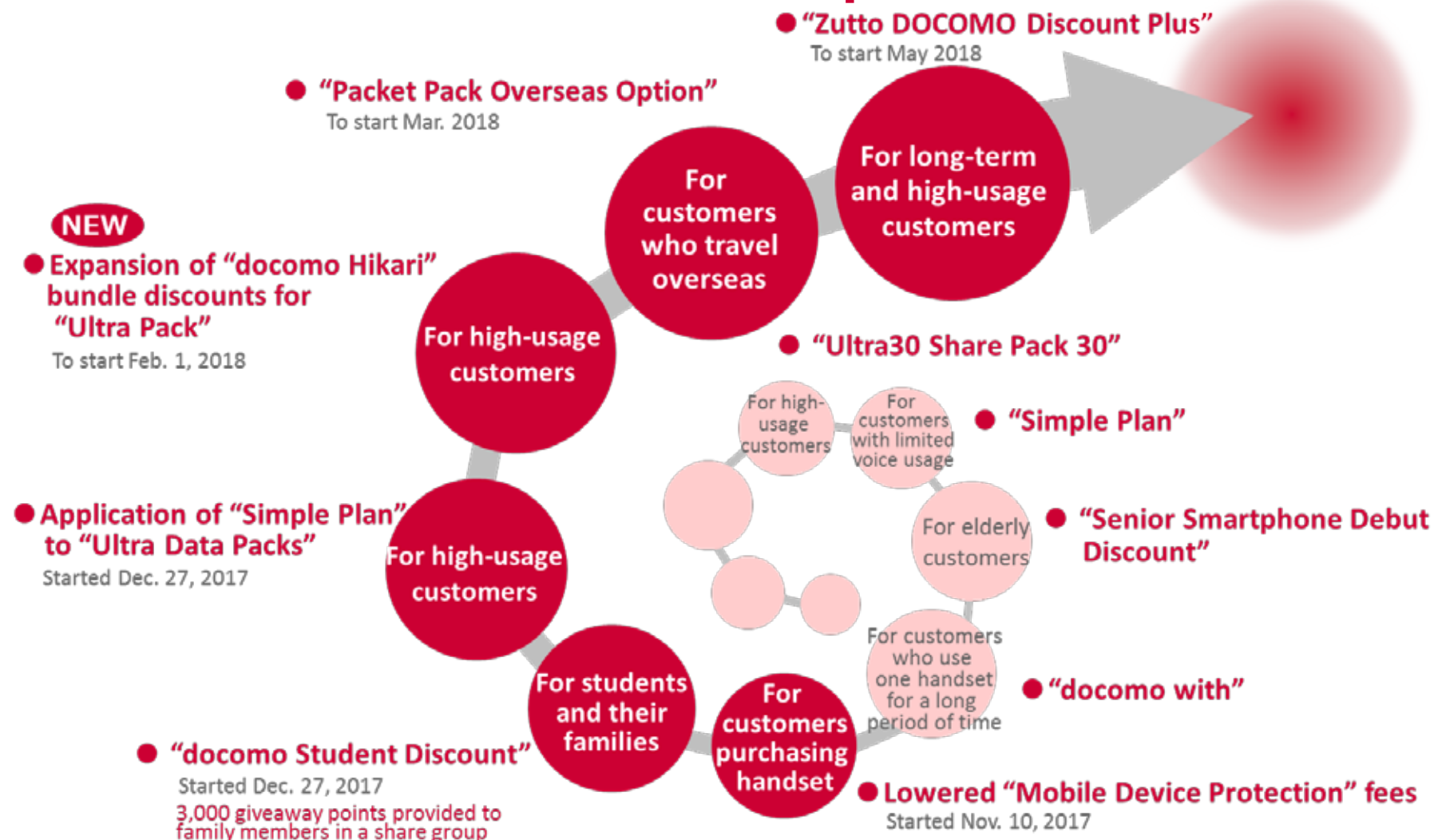
- Developed "Quantum Neural Network," a new computer based on quantum optical technology. The use of quantum properties of optical signals enables us to find solutions to combinatorial optimization problems, which are extremely difficult for conventional computers to solve



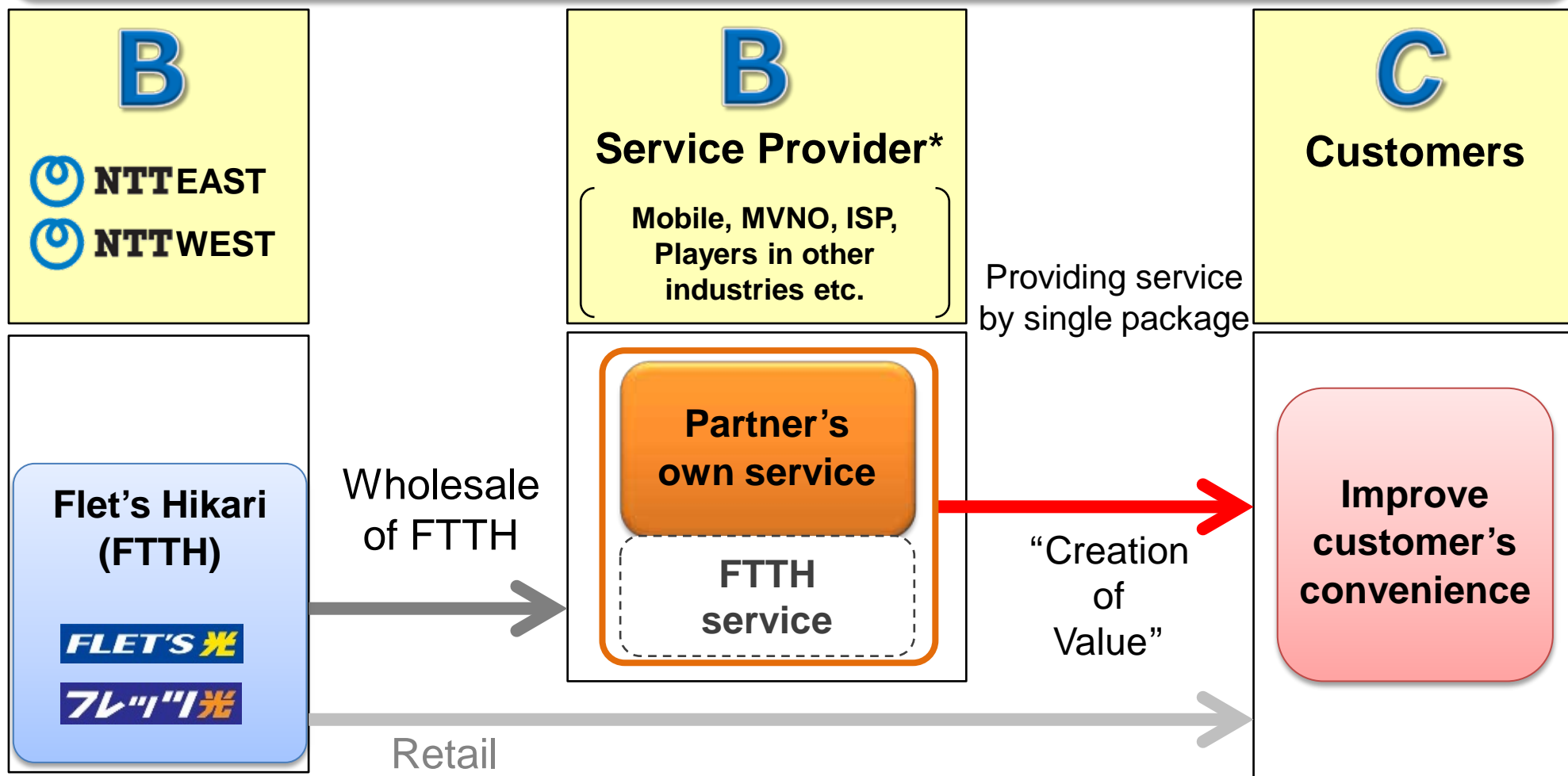
Approx. 50 times faster compared to current digital computers

Posted in online version of the American scientific magazine, "Science"

Further enriched offerings responding to customer requests



Supporting a variety of market players to create new value



* 688 service providers are providing service (As of December 31, 2017)

Subscriptions and Billing Table of “docomo Hikari”



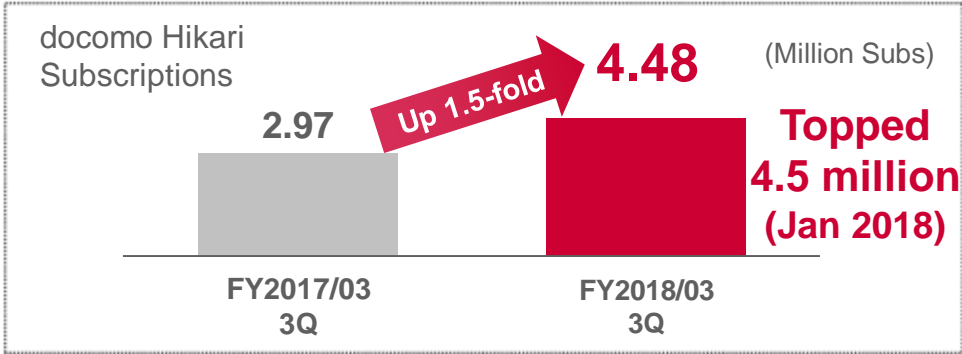
		Plan	Monthly Fee ^{*1 *2}
Basic Monthly Charges	Kake-hodai /Simple Plan (Voice)	Kake-hodai Plan (Smartphone/Tablet)	¥2,700
		Kake-hodai Plan (Feature Phone)	¥2,200
		Kake-hodai Light Plan (Smartphone/Tablet) ^{*3}	¥1,700
		Kake-hodai Light Plan (Feature Phone) ^{*3}	¥1,200
		Simple Plan (Smartphone/Keitai) ^{*4}	¥980
	Data Plan	Data Plan (Smartphone/Tablet)	¥1,700
		Data Plan (Router)	¥1,200
	Billing plan for kids	Kids Keitai Plus	^{*5} ¥500

+

		Plan	Data Quota	Monthly Fee
Packet Pack Monthly Charges	For single Subscriptions	Keitai Pack ^{*3 *6}	2GB	¥300-4,200
		Data S Pack	2GB	¥3,500
		Data M Pack	5GB	¥5,000
		Ultra Data L Pack	20GB	¥6,000
		Ultra Data LL Pack	30GB	¥8,000
	For Families	Share Pack 5	5GB	¥6,500
		Share Pack 10	10GB	¥9,500
		Share Pack 15	15GB	¥12,500
		Ultra Share Pack 30	30GB	¥13,500
		Ultra Share Pack 50	50GB	¥16,000
		Ultra Share Pack 100	100GB	¥25,000

+

Others	Share Option ^{*Per subscription}	¥500
	Zutto Docomo Discount ^{*7} (Discount rate determined by usage period)	(¥100-2,500)
	docomo with ^{*8} (Discount for designated smartphone purchaser)	(¥1,500)
	DOCOMO's Student Discount ^{*9} (Discount for subscribers to age 25)	(¥1,500)



docomo Hikari (FTTH)

docomo Hikari Pack Monthly Charges	Monthly Fee	Mobile	FTTH	Discounts
	¥5,500-9,400	¥300-4,200	¥5,200	¥0
	¥8,700	¥3,500	¥5,200	¥0
	¥9,400	¥5,000	¥5,200	(¥800)
	¥10,300	¥6,000	¥5,200	(¥1,400)
	¥12,100	¥8,000	¥5,200	(¥1,600)
	¥10,900	¥6,500	¥5,200	(¥800)
	¥13,500	¥9,500	¥5,200	(¥1,200)
	¥15,900	¥12,500	¥5,200	(¥1,800)
	¥16,700	¥13,500	¥5,200	(¥2,500)
	¥18,700	¥16,000	¥5,200	(¥2,900)
	¥27,000	¥25,000	¥5,200	(¥3,500)

Limited-time Discount
(¥500)
(¥500)

Discount period: up to 1 year after commencement of "docomo Hikari"

• Monthly Fee (¥5,200) for FTTH apply to detached house subscribers

• Listed prices for FTTH use ISP of Type A. ¥+200 additional charge is needed to use ISP of Type B. (¥200) for Standalone Package (An additional contract with an ISP is required for access to the Internet)

^{*1} Basic Monthly Charges are provided under the condition of fixed period subscription for two years.

^{*2} DOCOMO also provides "Free Course" with no discount and no cancellation fee.

^{*3} Apply only for Xi (LTE) subscription.

^{*4} Apply only for Packet Pack (Ultra Data Pack, Share Pack) Subscribers.

^{*5} Kake-hodai / Simple Plan or Data Plan subscription is needed

^{*6} Apply only for Kake-hodai (Feature Phone) or Kake-hodai Light Plan (Feature Phone) .

^{*7} The subscription can be cancelled without a cancellation charge after the first two-year subscription expires.

^{*8} Can not be used with "Monthly Support" etc.

^{*9} Apply only for Kake-hodai / Kake-hodai Light Plan or Simple Plan (Smartphone). (Discount period: Contract month + 12 months)

**High speed/
large capacity**

- Peak rate: **Over 10Gbps**
- System capacity: **1,000 times***



AR/VR



4K/8K
video streaming



Stadium solution



Autonomous driving

5G



Smart city, smart home

Low latency

Transmission latency in
Radio Access Network (RAN):
1ms or less



Remote medical
services

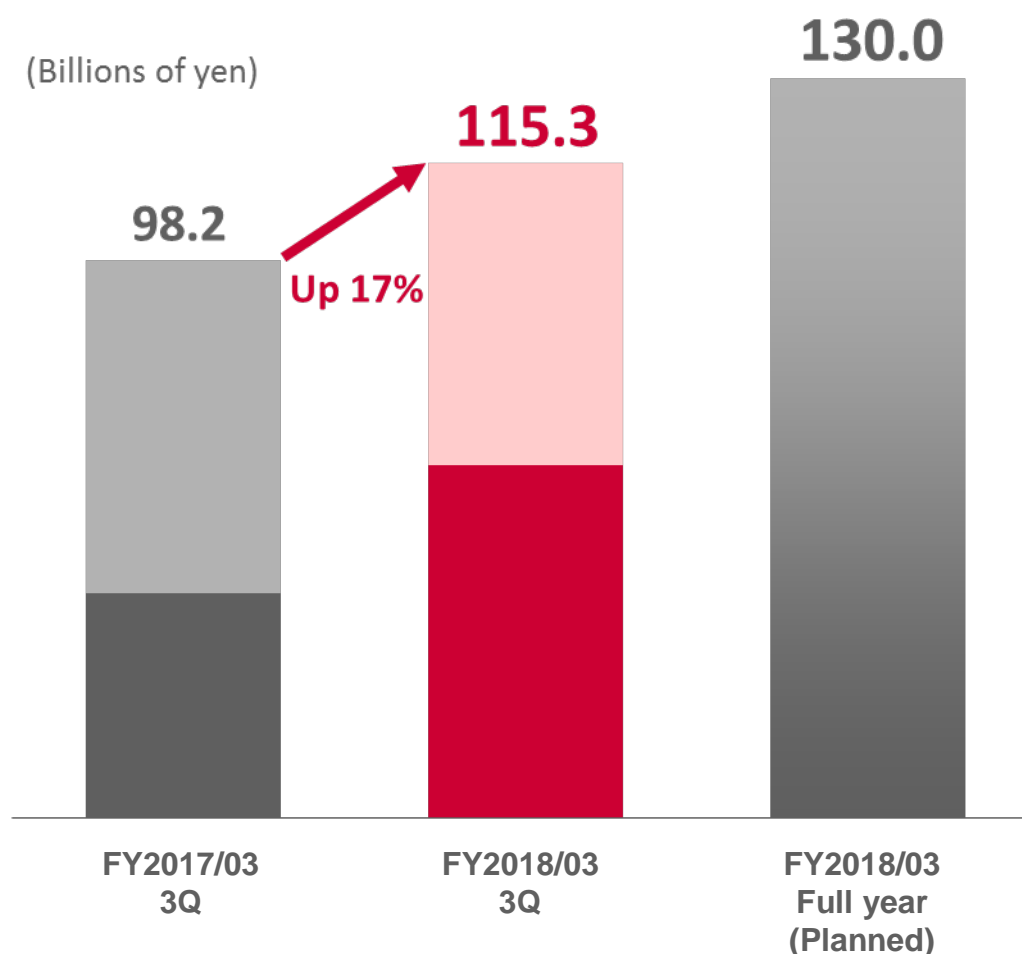


Agricultural ICT

**Connection with
numerous devices**

No. of simultaneously connected
devices: **100 times***

*: Targets compared to the 2010 level. (When compared to 2015, target system capacity is 100 times, and target no. of simultaneously connected devices is 10 times.)



Principal services

- Smart life business
 - Content/Commerce
 - Finance/Payment
 - Lifestyle
- Other businesses
 - Enterprise solutions
 - Support services for customers' peace of mind

Schedule for service changeovers and migration to IP networks

- Aim to complete migration to IP networks before tandem/signal transfer switches in the PSTN* networks approach their limits of useful life

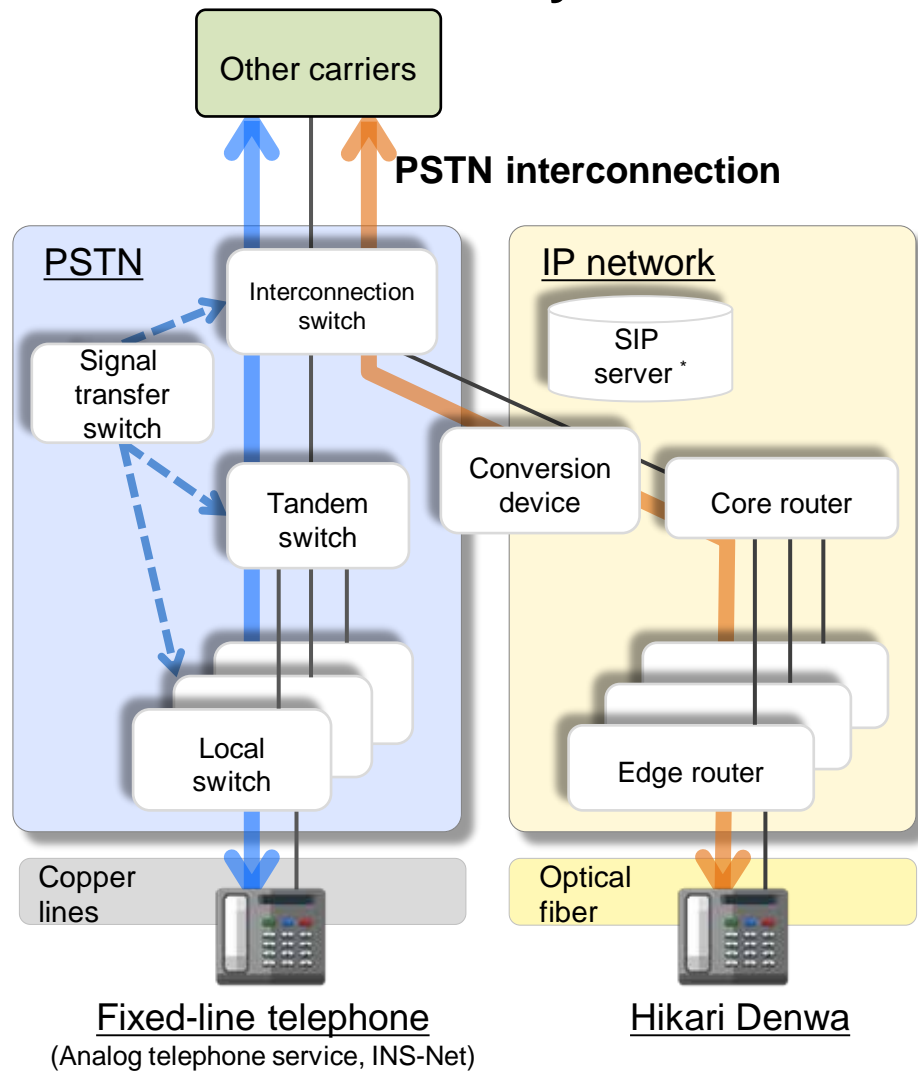
*PSTN (Public Switched Telephone Network): A network that provides analog telephone services and INS-Net (ISDN Information Network System)

- Outgoing calls from NTT's fixed-line telephone services will be switched over to IP networks from January 2024 (scheduled completion by January 2025)
- At the beginning of the migration of fixed-line telephone services, take over all of the contracts for analog telephone services and INS-Net services to the new fixed-line voice services with new rates

Charges and conditions for the fixed-line telephone services after the migration to IP networks

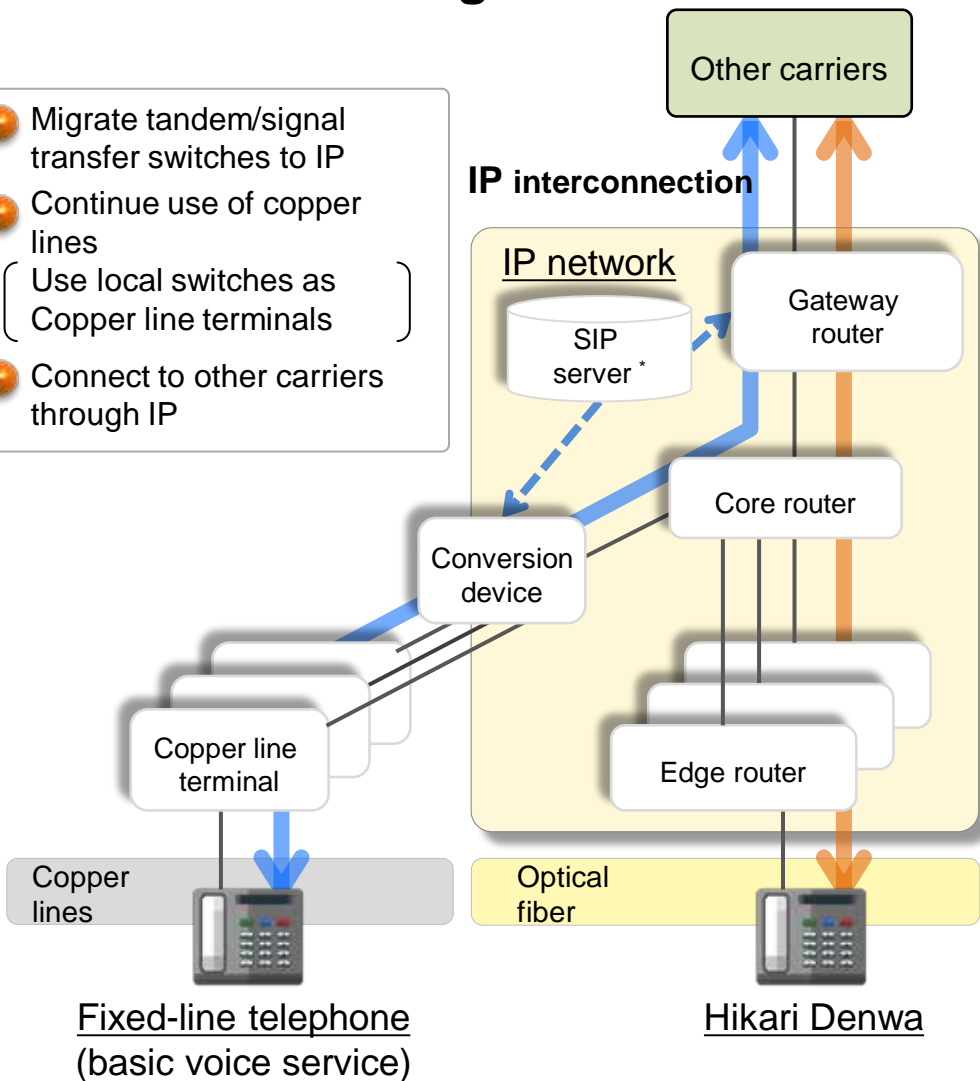
- Continue offering basic voice services and enable customers to continue using their existing phones and other devices without need for additional on-premises installation
- Currently planned charges and conditions for the fixed-line telephone services after the migration to IP networks are as follows:
 - Basic monthly charges:** Unless the market environment changes significantly, current basic monthly charges for analog telephone services and INS-Net will remain the same
 - Call rates:** By taking advantage of non-distance sensitive flat rates of the IP network, nation-wide call rates to fixed-line telephones will be **JPY 8.5 (excluding tax) per every 3 minutes**
NTT will provide international calls as well as Hikari Denwa services (with the option of selecting other service providers)
 - Contracts:** Provide all customers that use analog telephone services and INS-Net services with sufficient transition time through multiple notices before the migration, and take over their contracts to new fixed-line voice services after the migration
 - MyLINE services:** Guidance for handling MyLINE services (Dialing Parity / Pre-Selection Service) will be provided separately

Current system

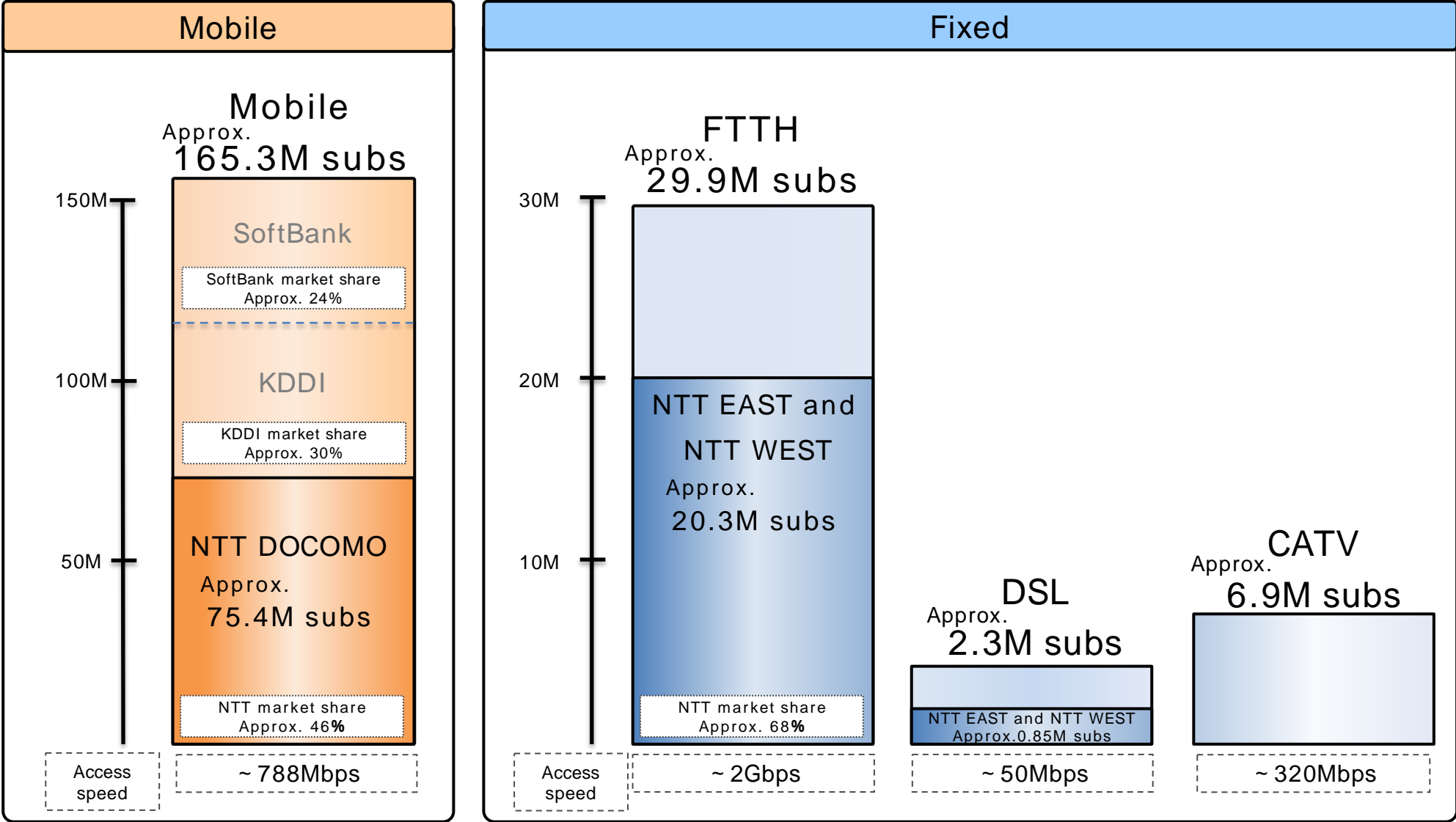


Post-migration

- Migrate tandem/signal transfer switches to IP
- Continue use of copper lines
(Use local switches as Copper line terminals)
- Connect to other carriers through IP

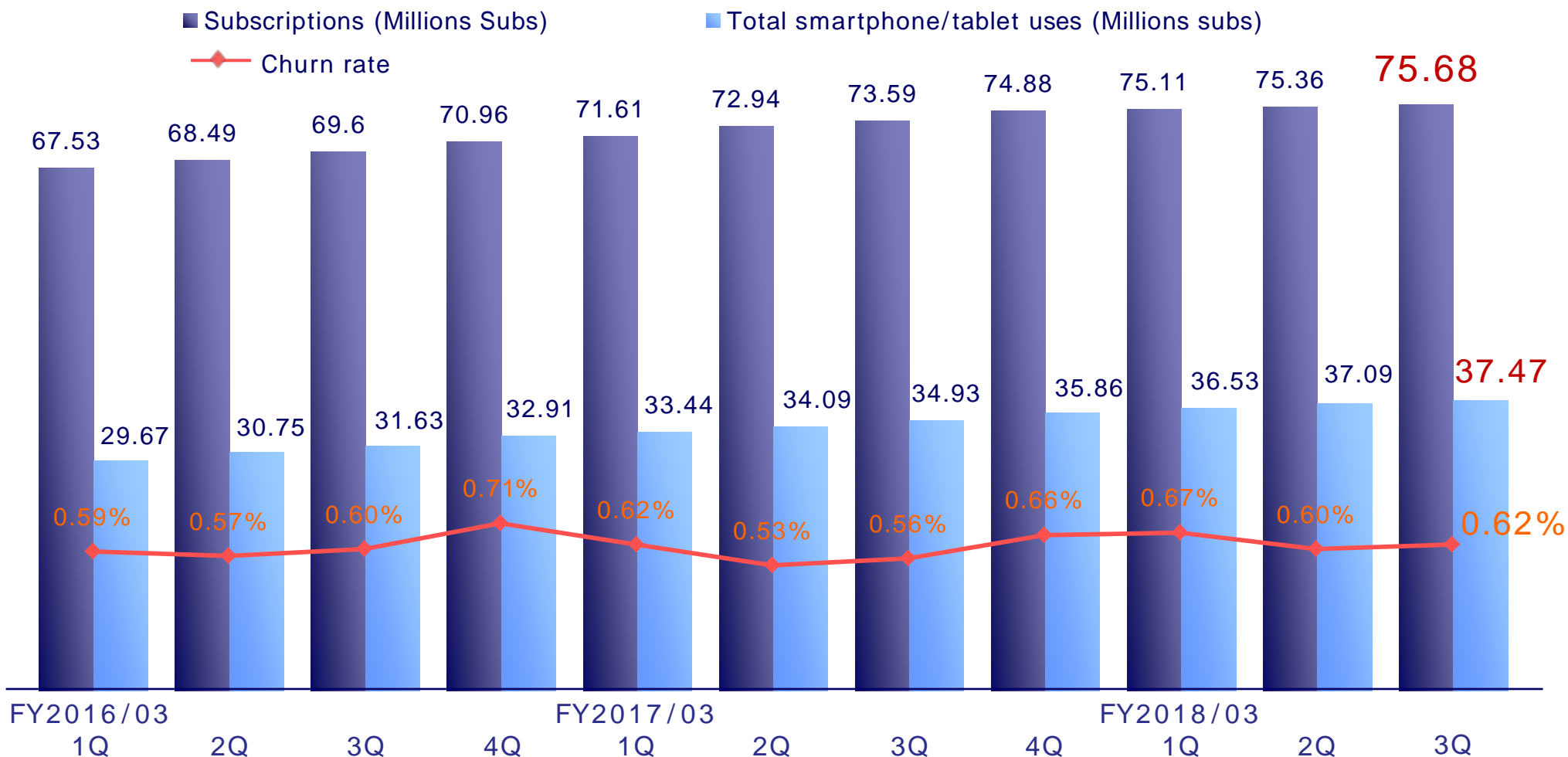


* A server that manages and controls telephone services using an IP network (SIP: Session Initiation Protocol)



*Figures for access speed are the speeds of typical commercial services, and are the maximum values of the best-effort traffic.
(Source) MIC data (As of the end of September 2017)

DOCOMO Mobile telecommunications services



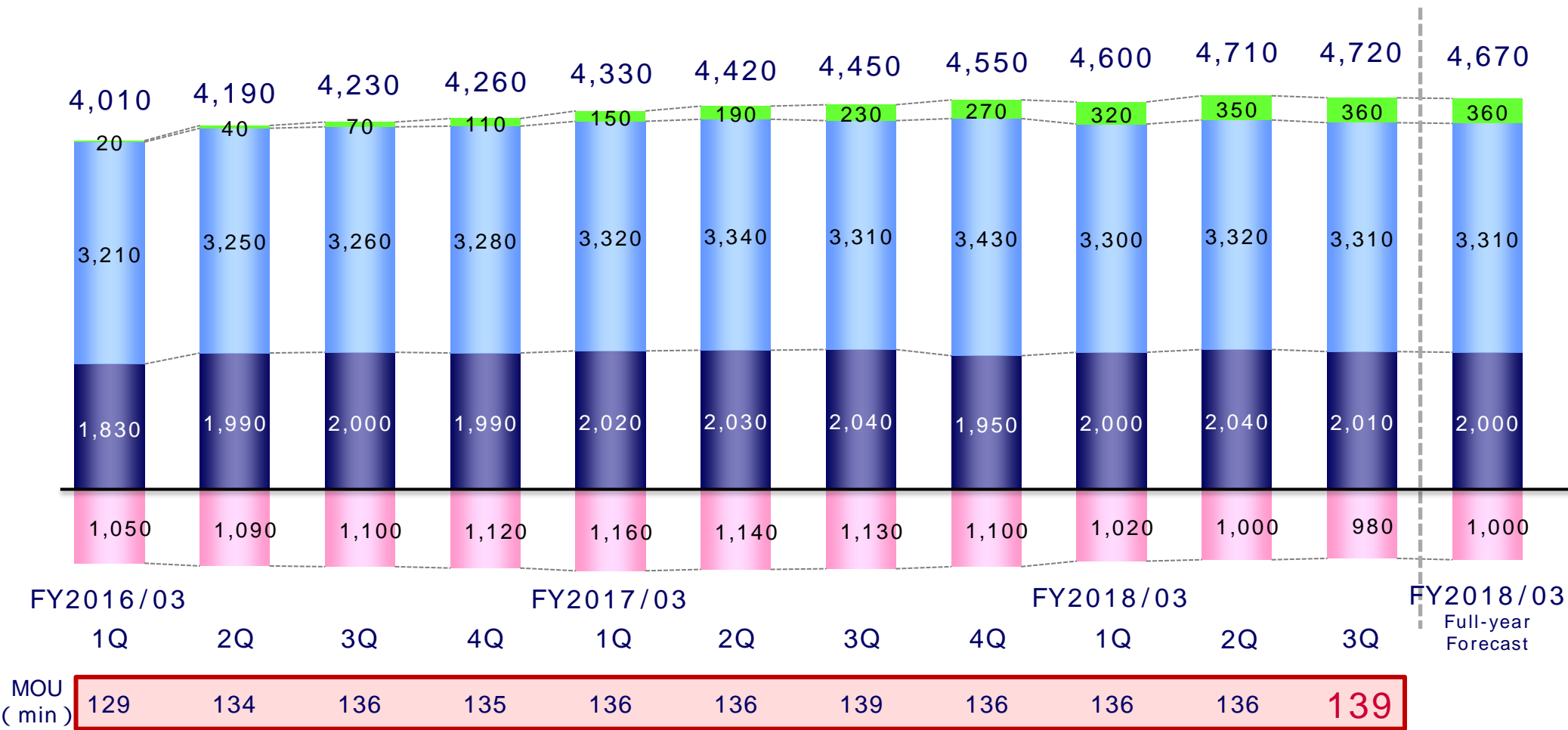
* Churn rate is calculated excluding the subscriptions and cancellation of subscriptions of Mobile Virtual Network Operators (MVNOs).

Aggregate ARPU of Mobile Broadband Business



■ : Voice ARPU ■ : Packet ARPU ■ : "docomo Hikari" ARPU ■ : Impact of discount programs*

(Yen)



*2016/3 Full-year Aggregate ARPU 4,170 Yen (Voice ARPU 1,950 Yen, Packet ARPU 3,250 Yen, docomo Hikari ARPU 60 Yen, Impact of discount programs 1,090 Yen)

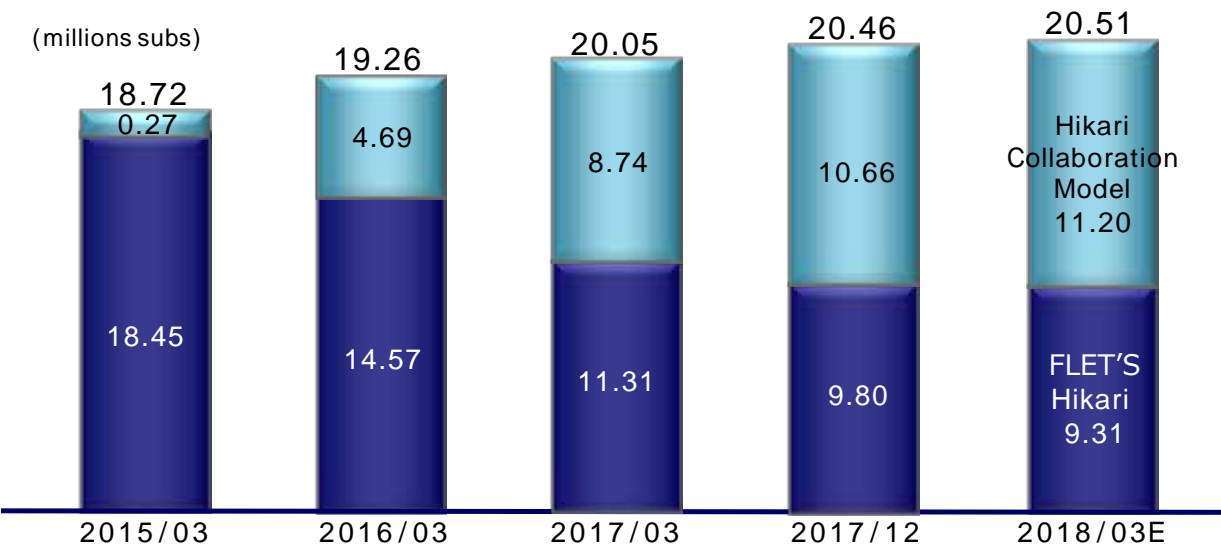
*2017/3 Full-year Aggregate ARPU 4,430 Yen (Voice ARPU 2,010 Yen, Packet ARPU 3,340 Yen, docomo Hikari ARPU 210 Yen, Impact of discount programs 1,130 Yen)

* Impact of discount programs: Impact of "Monthly Support" discount program and "docomo Hikari Pack" bundle discounts, etc.

Fixed Broadband Business FTTH Subscriptions



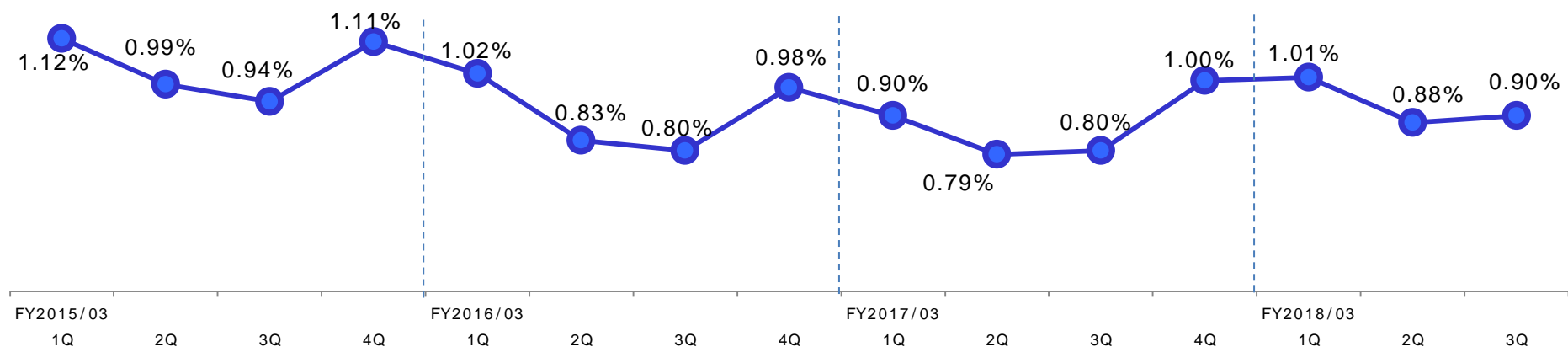
FTTH Subscriptions (Sum of NTT East and NTT West)



<Reference: Breakdown of FTTH Subscriptions>

			(millions subs)
			2018/03E
Total FTTH Service:			
Change from preceding Fiscal Year			+0.46
Hikari Collaboration Model	(1) Number of opened connections		+3.71
	Number of switchover lines		+1.73
	(2) Number of cancellations		(1.25)
	Net Increase (1)+(2)		+2.46
FLET'S Hikari	(1) Number of opened connections		+0.85
	(2) Number of cancellations		(2.85)
	Number of switchover lines		(1.73)
	Net Increase (1)+(2)		(2.00)

FTTH Churn Rate* (Sum of NTT EAST and NTT WEST)



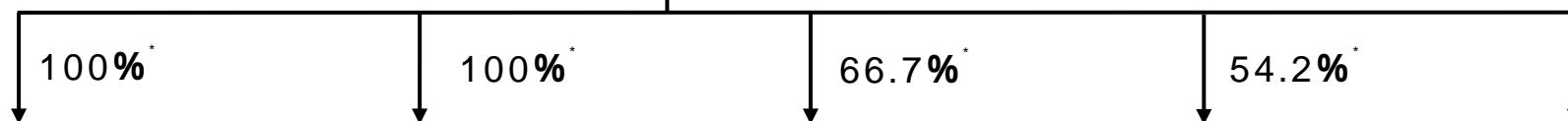
* "Sum of number of churn for each month of each quarter"/"Sum of number of active subscribers** for each month of each quarter"
** Active subscribers = (number of subscribers at end of previous month + number of subscribers at the end of the current month) / 2

NTT Group Overview



- Operating revenues (consolidated) : ¥11,391.0 billion
- Operating income (consolidated) : ¥1,539.8 billion
- No. of employees : 274,850
- No. of subsidiaries : 944

* Percentage figures show the percentage of voting rights (March 31, 2017)



Regional communications business

Long distance and international communications business

Mobile communications business

Data communications business

Other group companies

Other businesses
(real estate, finance, construction and power business)

Operating Revenue:

¥3,308.2 billion

¥2,129.3 billion

¥4,584.6 billion

¥1,718.7 billion

¥1,282.3 billion

Operating Income:

¥359.5 billion

¥40.8 billion

¥951.6 billion

¥107.9 billion

¥77.3 billion

No. of Employees: 68,250

43,850

26,750

111,650

24,350

No. of Subsidiaries: 51

381

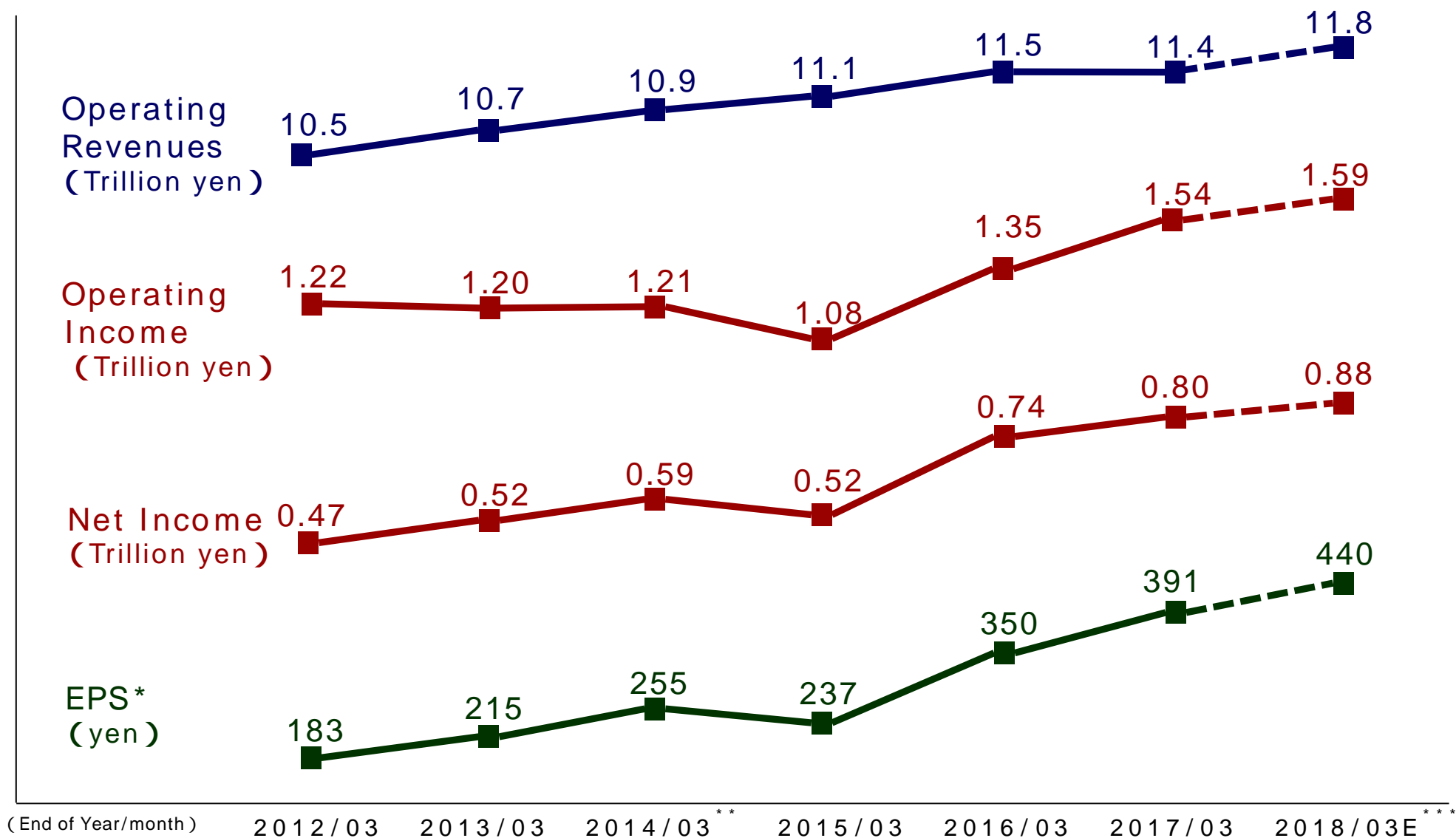
118

301

93

* Fiscal year ended March 2017. Operating revenue and operating income of each segment include inter-segment transactions.

Trend in Consolidated Financial Results



* EPS is adjusted according to the two-for-one stock split effective on July 1, 2015.

** Includes influence of 60 billion yen of non-operating revenues by The Otemachi 2-Chome Area Redevelopment Project

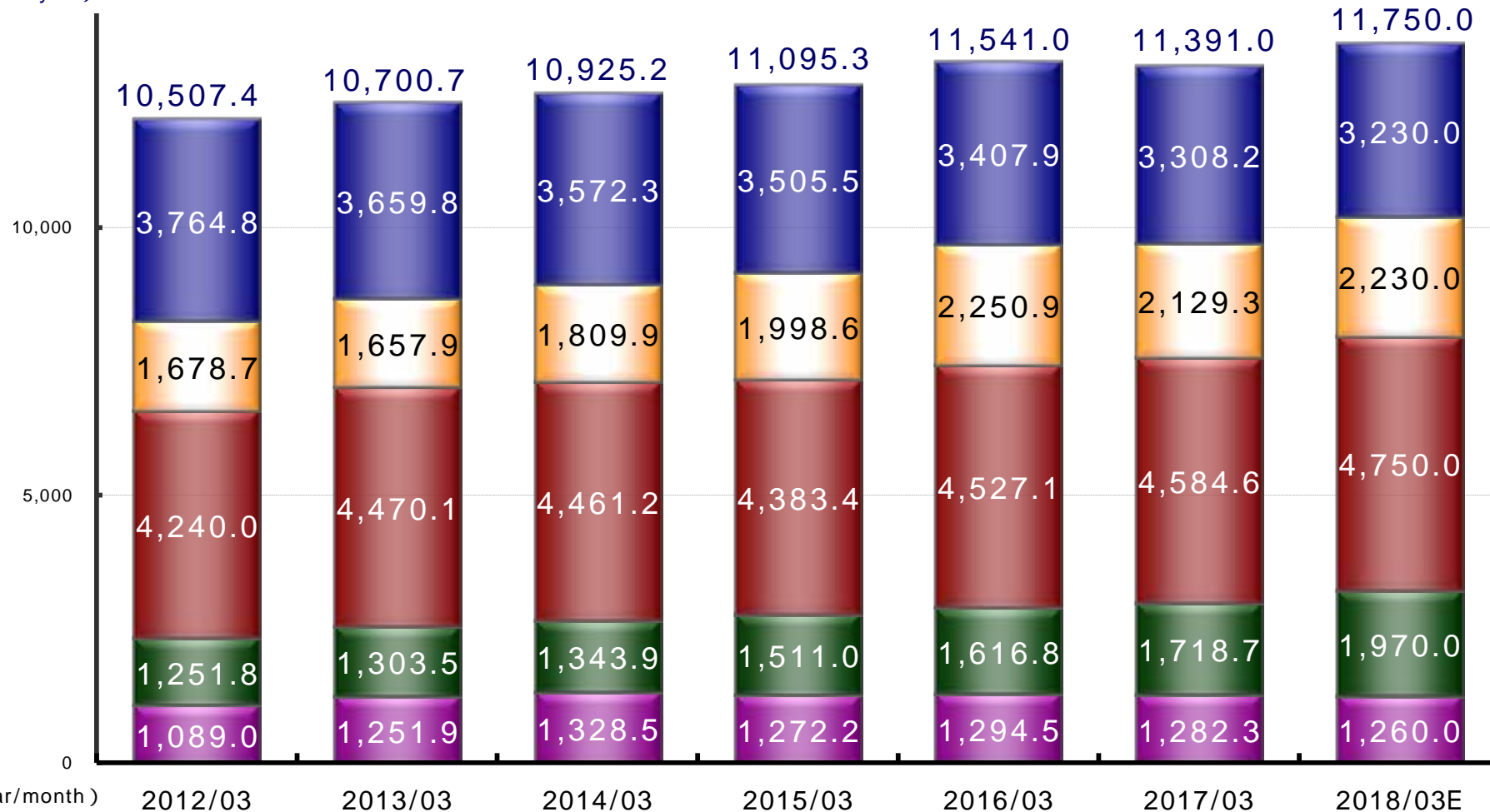
*** Excluding the effects of the arbitration award received from Tata Sons Limited, net income is expected to be 830 billion yen, and EPS to be 416 yen.

Changes in Consolidated Operating Revenues



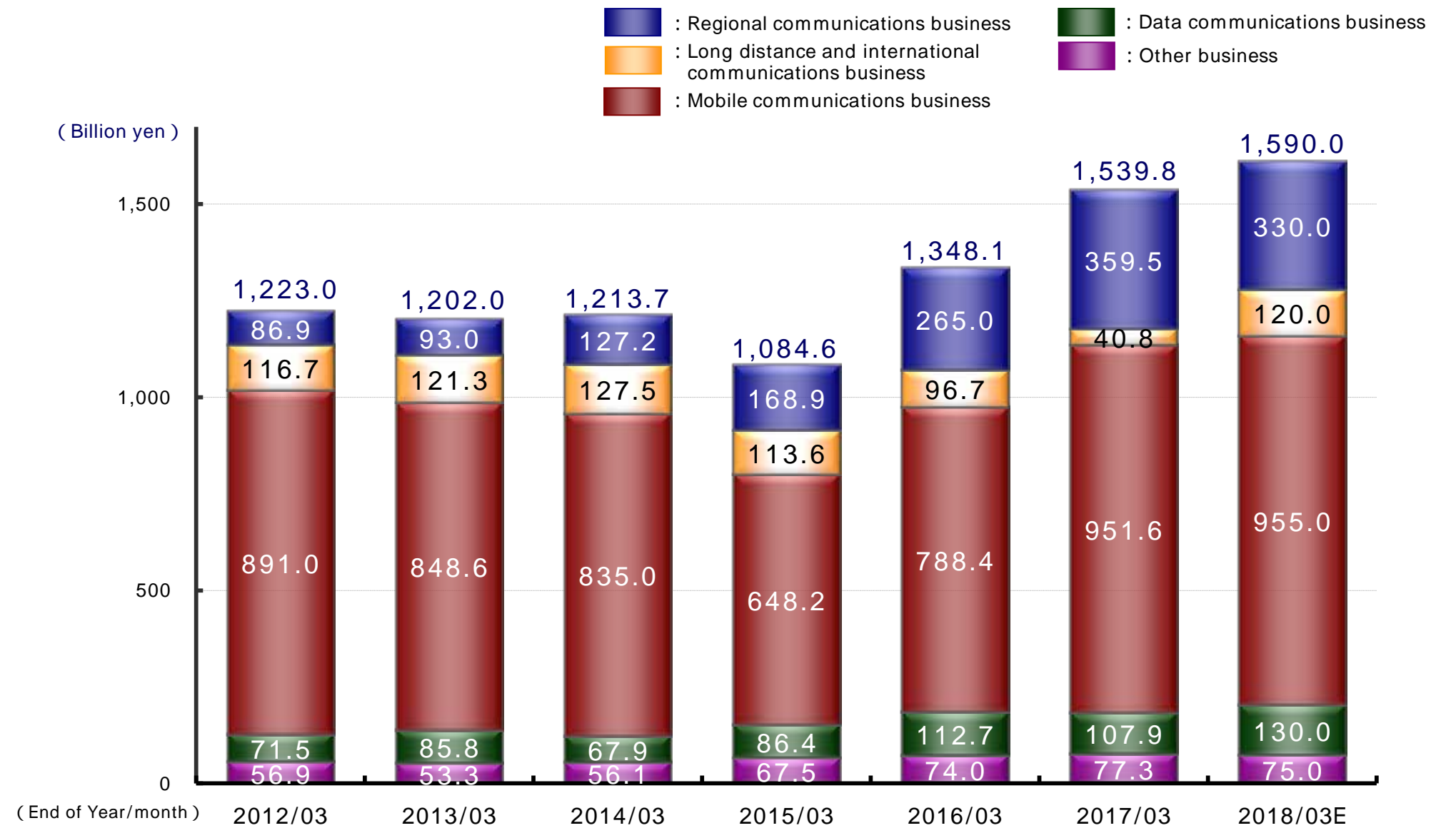
- : Regional communications business
- : Long distance and international communications business
- : Mobile communications business
- : Data communications business
- : Other business

(Billion yen)



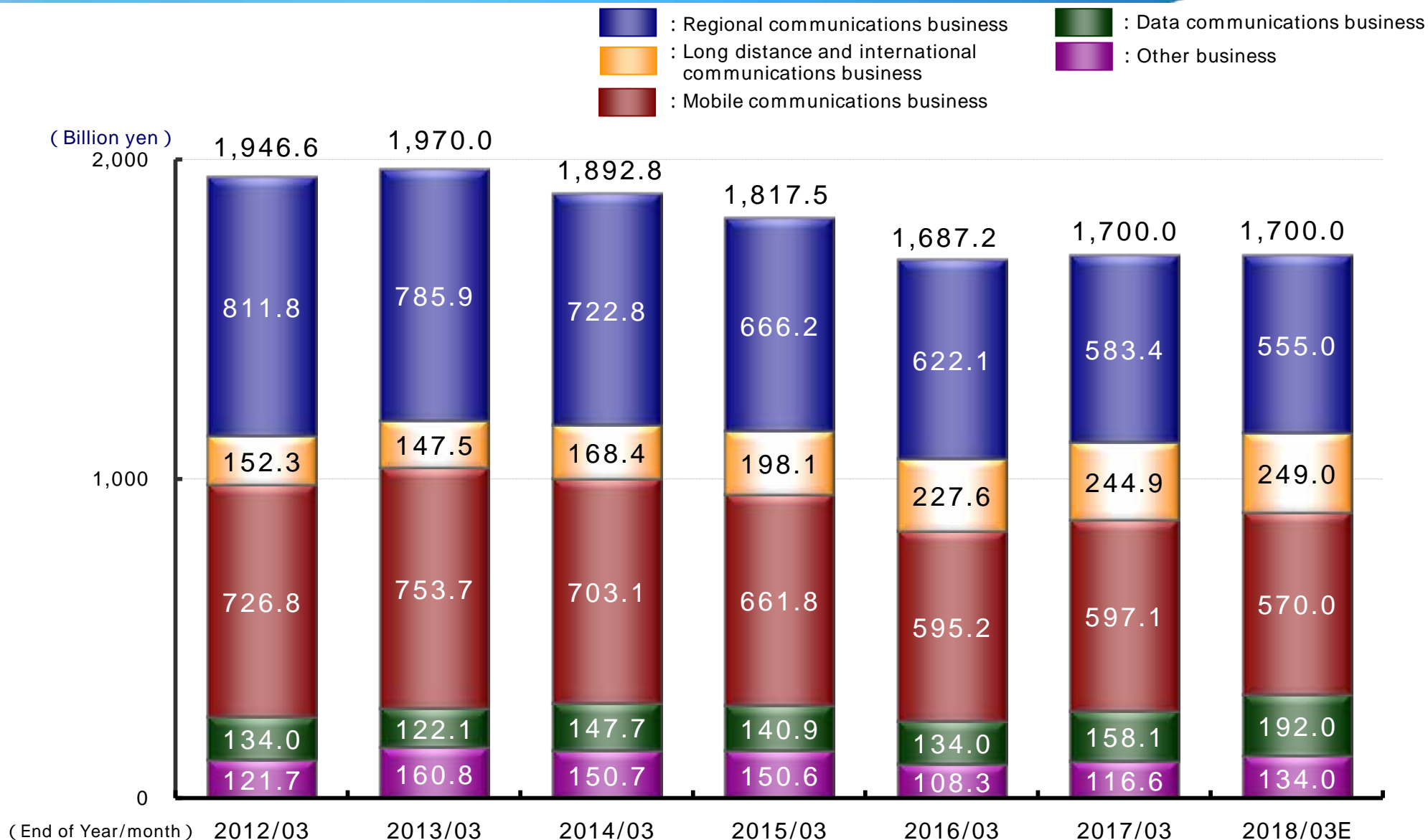
* Business segment operating revenues include inter-segment transactions

Changes in Consolidated Operating Income



* Business segment operating income include inter-segment transactions

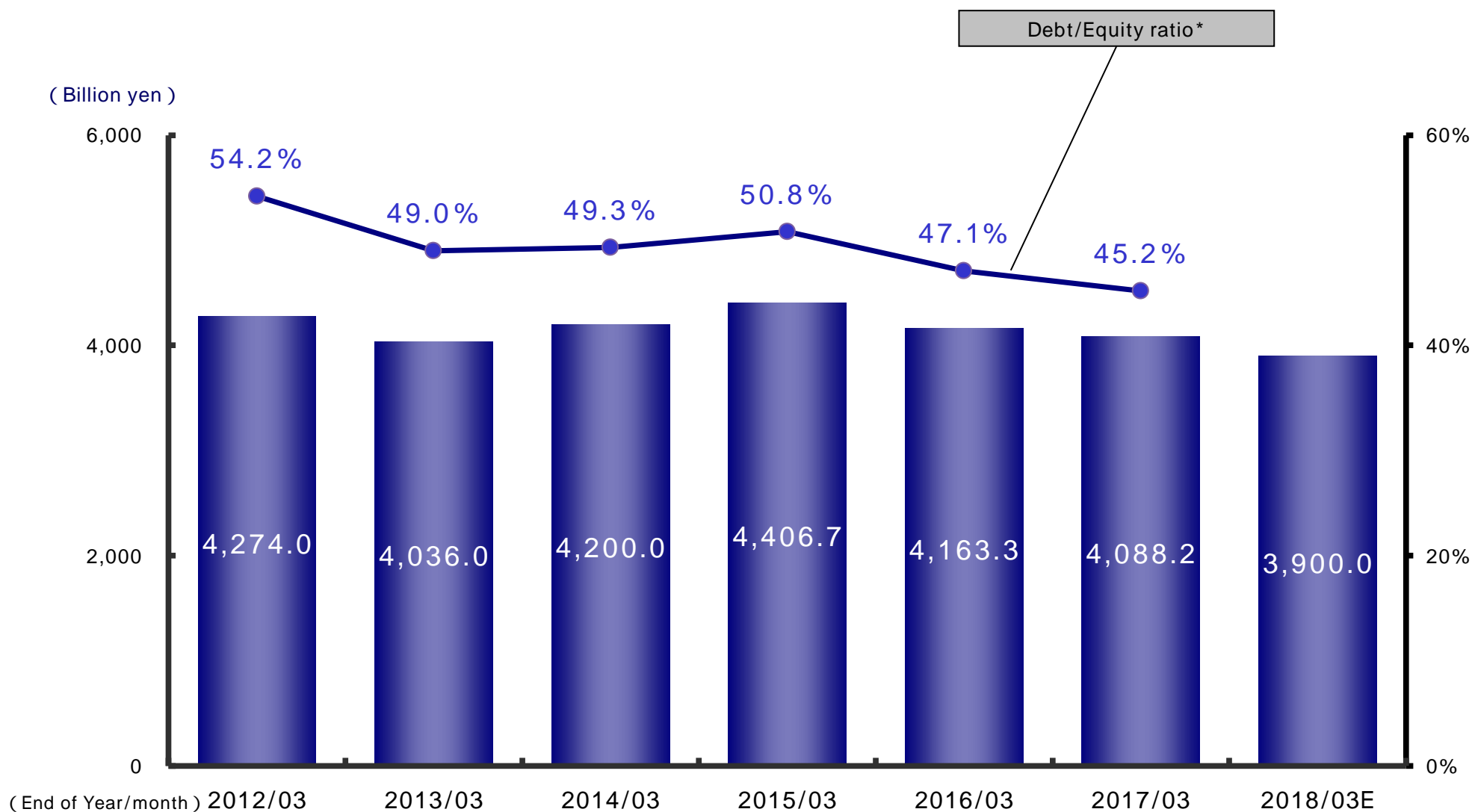
Changes in CAPEX



* CAPEX excluding sales and investments related to real estate and solar power generation operations are as follows;

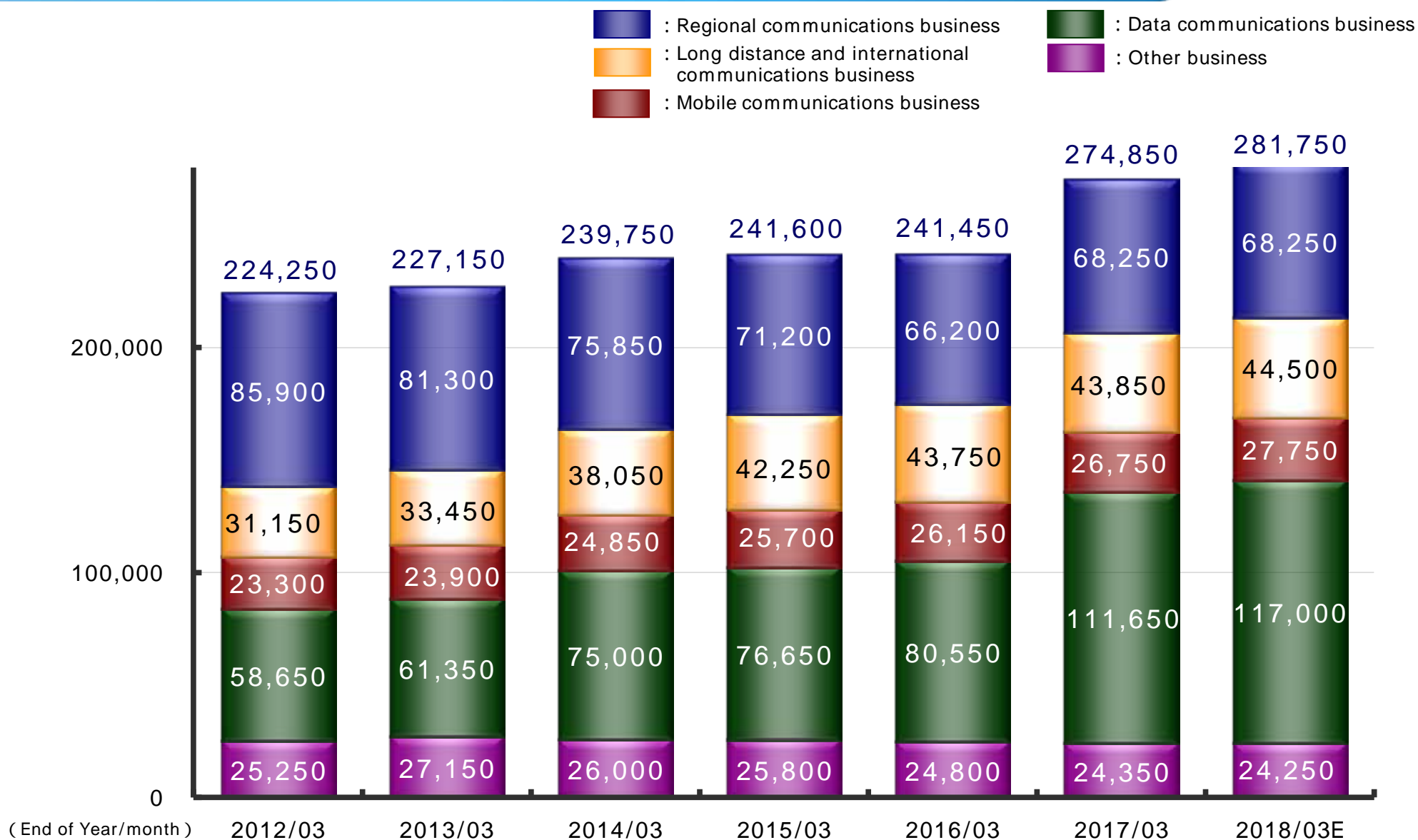
2012/3: 1,906.5 billion yen, 2013/3: 1,907.5 billion yen, 2014/3: 1,795.7 billion yen, 2015/3: 1,702.9 billion yen, 2016/3: 1,605.2 billion yen

Changes in Interest-bearing Debt



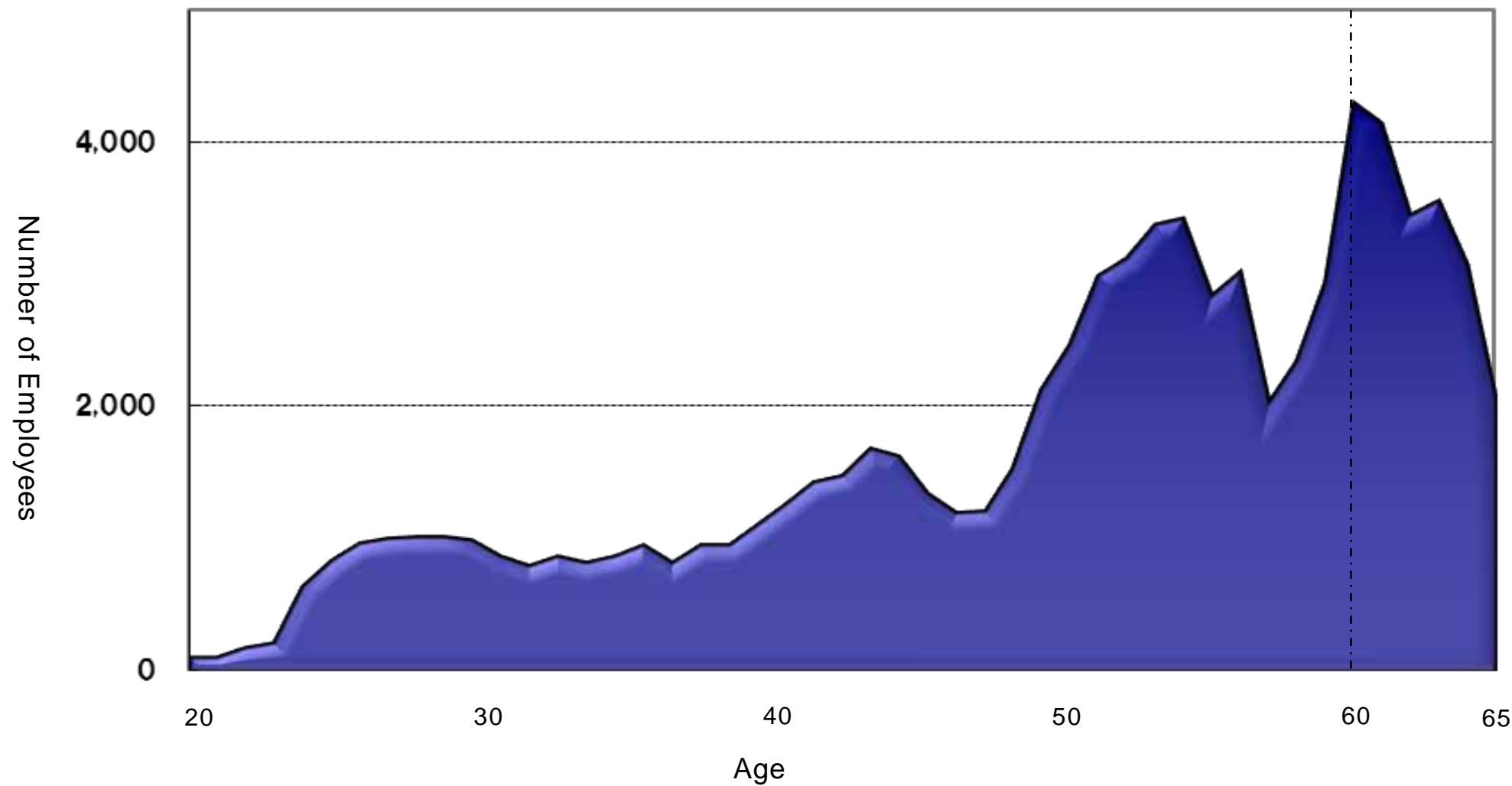
* Debt Equity ratio = Interest-bearing debt / Shareholders' equity x 100

Changes in Number of Employees



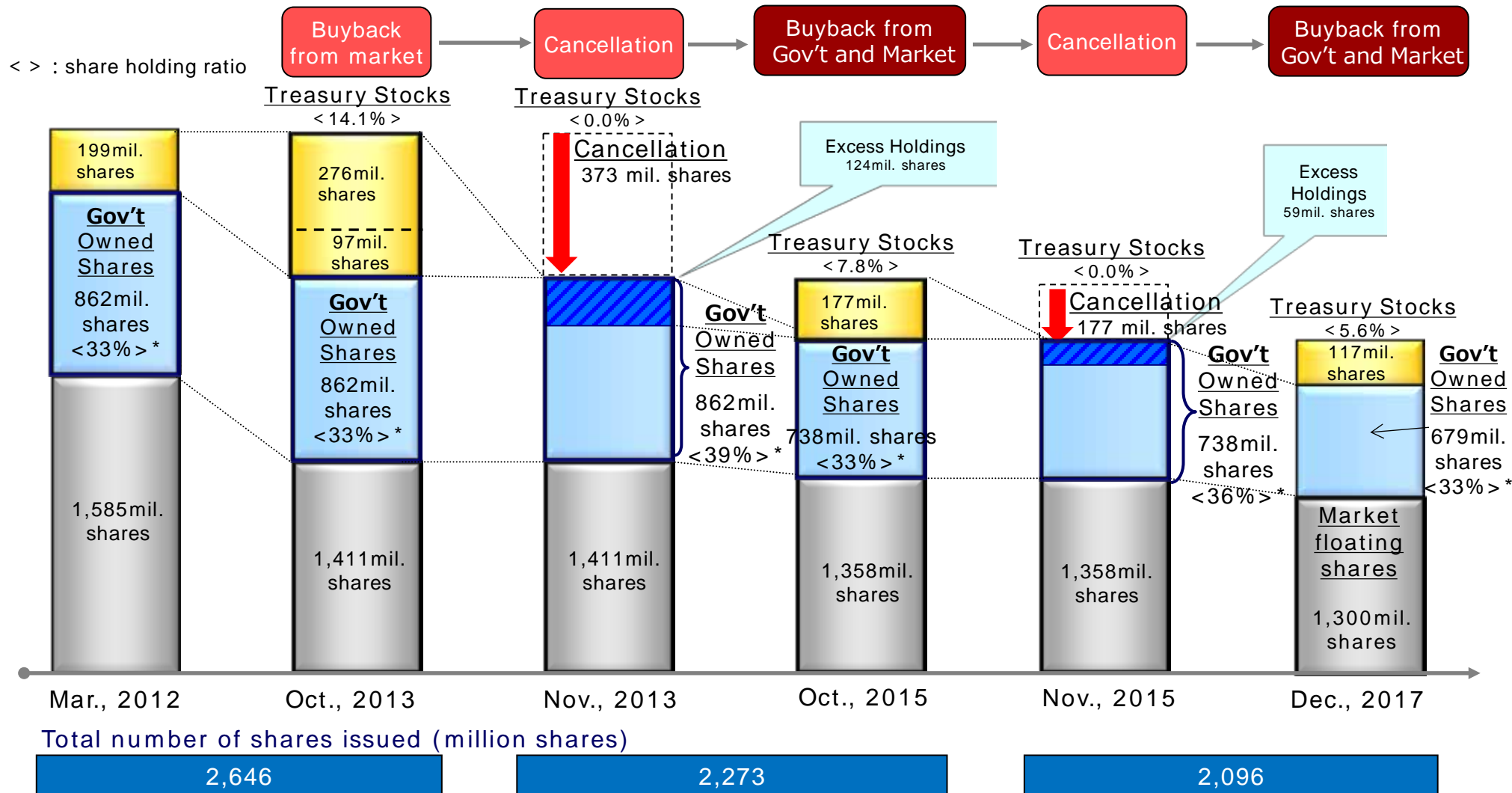
* Starting from FY2017/03, "No. of Employees" includes employees whose contracts were changed from fixed-term contracts to open-ended contracts.

Age Distribution of Employees at NTT East, NTT West and “Outsourcing Companies” (As of March 31, 2017)



* Figures for East Outsourcing Companies include employees from the consolidated regional outsourcing companies (NTT EAST-MINAMIKANTO and others), NTT-ME and NTT EAST SERVICE, while figures for West Outsourcing Companies include NTT BUSINESS SOLUTIONS, NTT MARKETING ACT, NTT NEOMEIT, NTT FIELDTECHNO and NTT BUSINESS ASSOCIE WEST. Figures for those companies include the number of more than 60-year-old contracted employees.

Share Buybacks and Cancellation



* Number of shares is adjusted according to the two-for-one stock split effective on July 1, 2015.

* Mandatory (minimum) number of shares to be held by the Government under the NTT Act

= (total number of shares issued - 60 million shares issued at the IPO in 2000) × 1/3

(The number of shares issued after the initial listing are not to be included in the calculations. (NTT Act, supplementary provision 13))



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