



IR Presentation

This document is a translation of the Japanese original. The Japanese original is authoritative.

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 Securities Report and in any other materials publicly disclosed by NTT on its website.

- * "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.
- *** "1Q" in this material represents the three-month period beginning on April 1 and ending on June 30, "2Q" represents the six-month period beginning on April 1 and ending on September 30, "3Q" represents the nine-month period beginning on April 1 and ending on December 31, and "4Q" represents the twelve-month period beginning on April 1 and ending on March 31.

Contents



Overview of Consolidated Results for the Six Months Ended September 30, 2021		Other Businesses	
2021.2Q Financial Results – Key Points	4	Promote B2B2X Model	41
Status of Consolidated Results for FY2021.2Q	5	Real Estate Business	42
Operating Revenue and Operating Income Trends	6	Energy Business	43
Contributing Factors by Segment for FY2021.2Q	7	R&D	
NTT Group Medium-Term Management Strategy		IOWN initiative	45
Directionality of Refinement of the Medium-Term Management Strategy	9	What's IOWN?	46
Directionality of NTT Group's Transformation	10	IOWN Rollout Plan	47
New Strategic Framework	11	Initiatives of a sustainable society	
Growth and Strengthening of the Newly Formed DOCOMO Group	12	Sustainability Charter	49
Refinement of Medium-Term Financial Targets	13	NTT Green Innovation toward 2040	50
Transition of Medium-Term Targets	14	Towards the Achievement of Carbon Neutrality	51
New DOCOMO Group Medium-Term Strategy		NTT's Contributions to Reducing Society's Environmental Impact	52
New DOCOMO Group Medium-Term Strategy	16-19	Reinforcement of Corporate Governance	53
Transformation to a New Management Style		Shareholder Returns	
Transformation to a New Management Style	21-24	Shareholder Returns	55
Mobile Communication Business		Changes in Dividend	56
Lineup of rate plans	26	Record of Share Buybacks	57
Fast Expansion of 5G Area	27	Financial Data, etc.	
Smart Life Business: Principal Services	28	NTT Group Formation	59
Growth and Scope Expansion of Finance/Payment Business	29	Trend in Consolidated Financial Results	60
Digitalization of Sales Channel	30	Changes in Consolidated Operating Revenues	61
Termination of FOMA (3G) Service	31	Changes in Consolidated Operating Income	62
Global Business		Changes in CAPEX	63
Global Business Overview	33	Changes in Interest-bearing Debt	64
Enhance competitiveness in global business	34-35	Medium-Term Debt Levels	65
Global Data Centers Service delivery schedule	36	Changes in Number of Employees	66
Fixed-line Communication Business		Age Distribution of Employees at NTT East, NTT West and "Outsourcing Companies"	67
Fixed Broadband Business FTTH Subscriptions	38	Changes in Personnel expenses	68
Migrate PSTN to IP Networks	39	Broadband Access Services in Japan	69
		Trends in share buyback and cancellation	70
		Changes of EPS and Outstanding Shares	71

Overview of Consolidated Results for the Six Months Ended September 30, 2021

2021.2Q Financial Results – Key Points



- In FY2021 Q2, both revenues and income increased. Operating income shifted from a decrease in FY2021 Q1 to an increase, mainly as a result of the decrease in income at NTT DOCOMO being covered by increases in income at NTT DATA, NTT East and NTT West, among other factors. Revenues and income both progressed more strongly than anticipated, with operating revenues and operating income both reaching the second-highest second-quarter levels ever, and with profit reaching its highest level ever.
- We resolved to cancel approximately 280 million shares of our treasury stock, equivalent to approximately 7% of our total outstanding shares.

Q:For the fiscal year, both revenues and income are planned to reach record highs. What is the likelihood of achieving that?

A:In the first half of the fiscal year, revenues and income both progressed more strongly than anticipated. In the second half of the fiscal year, we also expect further increases in income as a result of NTT East and NTT West's strong sales of optical services and NTT DATA's capture of high demand for digitization, in addition to cost reductions at each company through the promotion of DX, among other factors. As a result, we believe that it will be possible to achieve the annual plan.

Q:Please discuss the mobile competitive environment, including the status of sales of new billing plans, and the future outlook.

A:The number of subscriptions for ahamo has steadily increased, and both net increases of handsets and MNP (mobile number portability) have also greatly improved compared to the prior year. The mobile phone service churn rate remains at the same 0.53% level as in the first quarter. We will continue to work to further strengthen our customer base through services that meet the needs of customers. In addition, although mobile ARPU is expected to decrease as a result of expanding customer returns, we will work to mitigate that decrease through upselling.

Q:Please discuss how you plan to achieve the recently announced FY2023 EPS target of ¥370.

A:The new EPS target reflects an upwards +¥50 revision of the previous EPS target of ¥320, which is a challenging target of a 75% increase over FY2017 EPS (¥212). Nonetheless, we plan to achieve the target by focusing on profit growth through the effect of synergies in the newly formed NTT DOCOMO group (¥100.0 billion profit increase in FY2023) and cost reductions (over ¥200.0 billion in FY2023) from the further promotion of DX, among other factors, as recently set forth in the refinement of our Medium-Term Management Strategy.

Status of Consolidated Results for FY2021.2Q



- Year-on-year, both operating revenues and operating income increased, and profit set a new record high level
- Both revenues and income exceeded expectations

Status of Consolidated Results

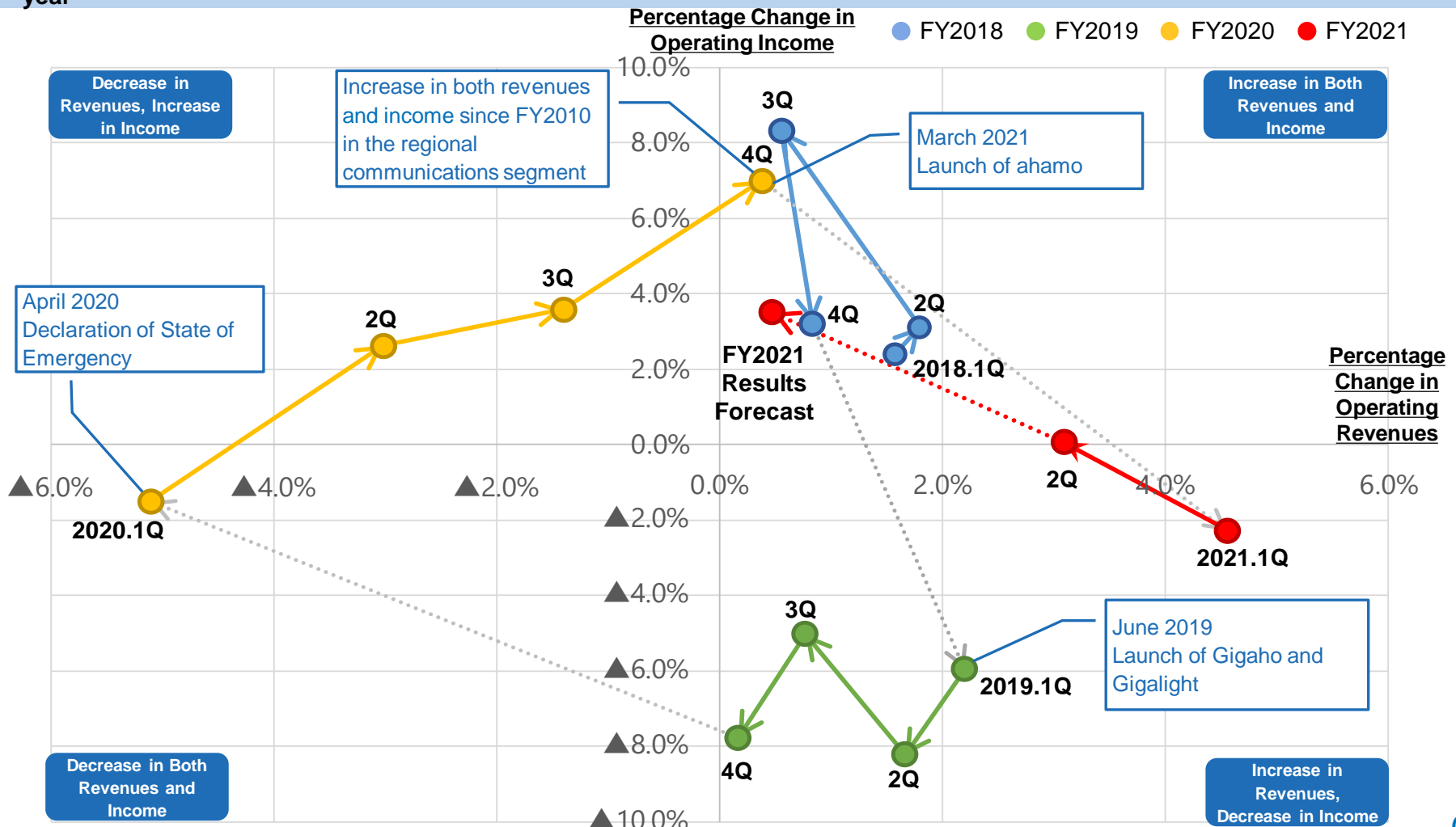
● Operating Revenues:	¥5,887.6B	<+¥176.3B [+3.1%] year-on-year>
● Operating Income:	¥1,009.3B	<+¥0.7B [0.1%] year-on-year>
● Profit ⁽¹⁾ :	¥675.8B	<+¥134.3B [+24.8%] year-on-year>
<hr/>		
● Overseas Sales ⁽²⁾ :	\$9.3B	<+\$0.29B [+3.2%] year-on-year>
● Overseas Operating Income Margin ⁽²⁾ :	4.8%	<+1.9pt year-on-year>

(1) Profit presented above represents the profit attributable to NTT, excluding noncontrolling interests.

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

Operating Revenue and Operating Income Trends NTT

- In FY2018, there continued to be increases in both revenues and income, while FY2019 saw a shift to a downward trend in income as a result of the effect of the introduction of new billing plans by NTT DOCOMO, among other factors
- In FY2020, while continuing to be impacted by COVID-19, there was a return to having increases in both revenues and income, as a result of increases in revenues and decreases in costs at each company, among other factors
- FY2021 2Q saw a shift to an increase in income, and an increase in both revenues and income is also forecasted for the fiscal year



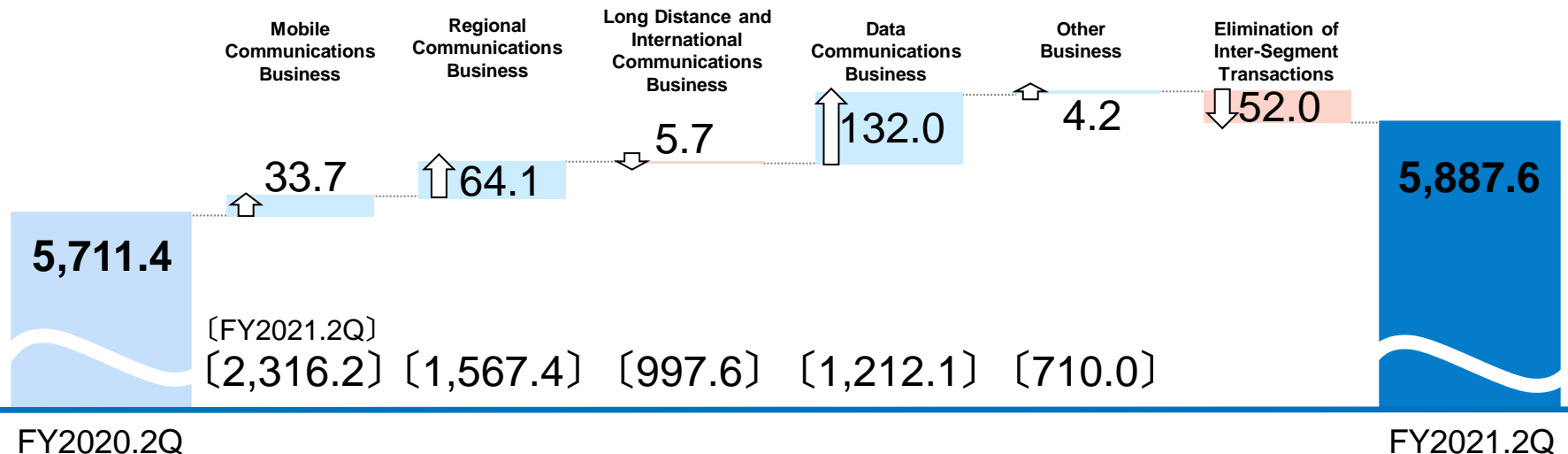
Contributing Factors by Segment for FY2021.2Q



(Billions of yen)

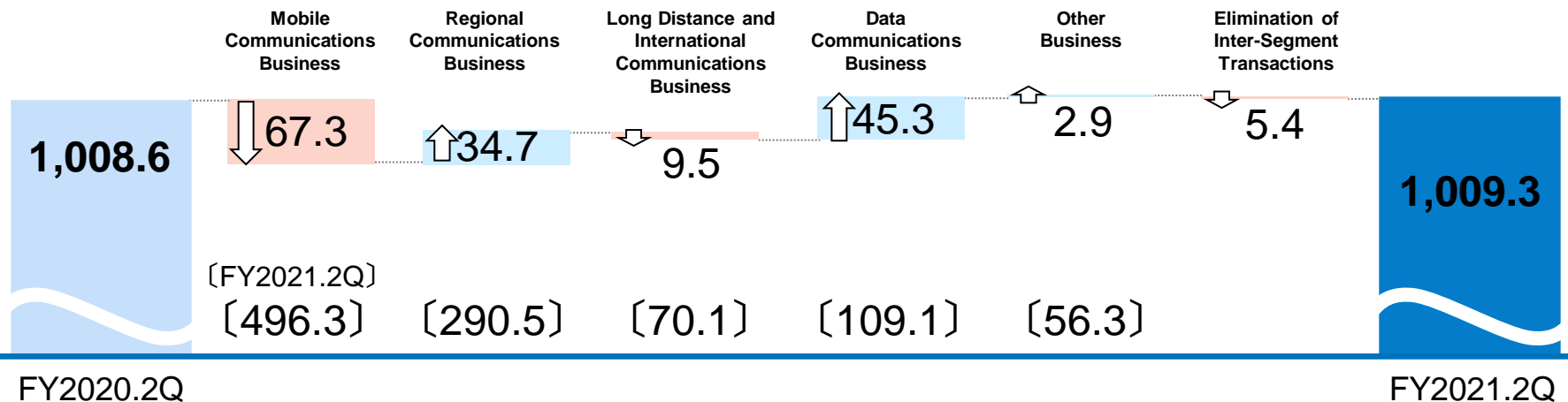
Operating Revenues

<Year-on-year: +176.3>



Operating Income

<Year-on-year: +0.7>



NTT Group Medium-Term Management Strategy

Directionality of Refinement of the Medium-Term Management Strategy



**Transformation to a New Management Style
(Further Promotion of DX)**

**FY2023
Cost Reductions
over ¥200.0
billion**

**Effect of Synergies in
the Newly Formed
DOCOMO Group**

**FY2023
Profit Increase
of
¥100.0 billion**

**New Environment and
Energy Vision**

**FY2023
Minimal Impact
on Costs**

**Achieving
EPS of
¥370 in
FY2023**

Directionality of NTT Group's Transformation



Social/Economic Directionality

NTT Group's Directionality

**Society During
COVID-19 and
Post-COVID-19**



**A New Management Style
Suitable for a Decentralized
Network Society**

**Advancement of
Digitalization/DX**



**Enhance Domestic and
Global Business**

**Realization of a
Well-Being Society**



**Enhancement of
Corporate Value through
ESG Initiatives**

**Contribution to the Achievement
of a Sustainable Society**

New Strategic Framework



① Transformation to a New Management Style

- **New style premised on remote work**

② Enhance Domestic/Global Business

- **Growth and strengthening of the newly formed DOCOMO Group**
- **Promotion of the IOWN development/rollout plan**
- Enhance competitiveness in global business
- Promote B2B2X model
- Strengthening of new businesses

③ Enhancement of Corporate Value

- **New Environmental and Energy Vision**
- Disaster countermeasure initiatives
- Enhancement of returns to shareholders

Growth and Strengthening of the Newly Formed DOCOMO Group



■ Challenge of the New DOCOMO Group

New DOCOMO Group Medium-Term Strategy

Expansion of enterprise business

Expansion of the Smart Life Business

Strengthening the telecommunications business

Strengthening global business

Strengthening IT

Strengthening R&D

Promoting ESG



**As the synergistic effect of integrating NTT DOCOMO, NTT Communications and NTT Comware,
Create profits of ¥100.0 billion in FY2023, and over ¥200.0 billion in FY2025**

Refinement of Medium-Term Financial Targets



Target	Current Target	New Target	(Reference) FY2021 Plan
EPS	Approx. ¥320 (FY2023)	¥370 (FY2023)	¥302
Overseas Sales ^{(1), (2)}	\$ 25B (FY2023)	— (FY2023)	\$ 19B
Overseas Operating Income Margin ⁽¹⁾	7% (FY2023)	7% (FY2023)	6%
Cost Reductions ⁽³⁾ (In Fixed-Line/Mobile Access Networks)	At least ¥(800.0) billion (FY2023)	At least ¥(1,000.0) billion (FY2023)	¥(840.0) billion
ROIC	8% (FY2023)	8% (FY2023)	7.4%
Capex to Sales ⁽⁴⁾ (Domestic Network Business)	13.5% or less (FY2021)	13.5% or less (FY2021)	13.5%

(1) Includes results from the global holding company, its subsidiaries and its affiliates.

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

(2) In addition to the change in accounting for some of the income, the impact of COVID-19 is also significant, so no target is set.

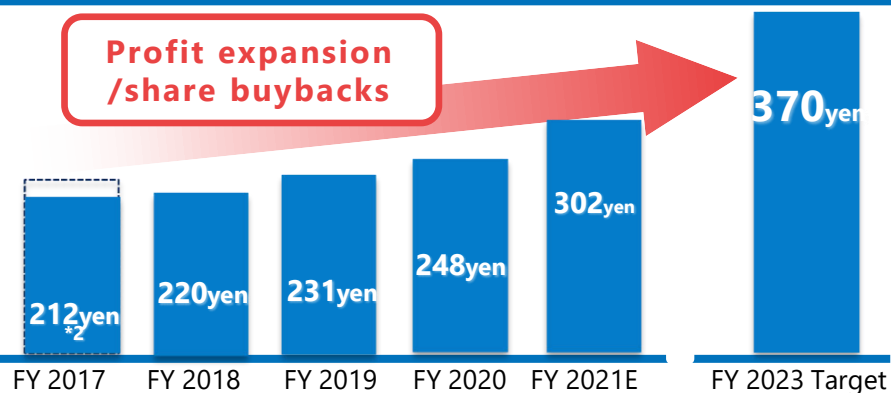
(3) Figures above show cumulative reductions since FY2017. (4) Excludes NTT Communications' data centers and certain other items.

Transition of Medium-Term Targets



EPS Growth^{*1}

Profit expansion
/share buybacks



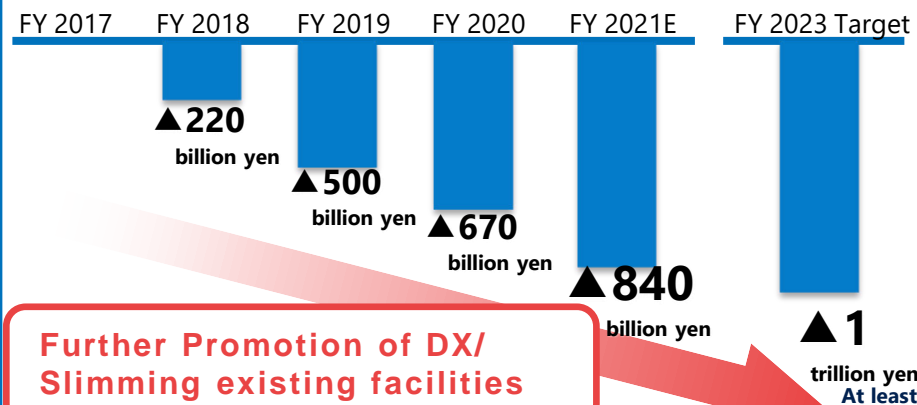
Oct. 2021
Refinement

^{*1} EPS amounts reflect the two-for-one stock split with an effective date of January 1, 2020.
^{*2} Excludes the effects of the arbitration award received from Tata Sons Limited.

Cost Reductions^{*}

(in fixed-line/mobile access networks)

Oct. 2021
Refinement

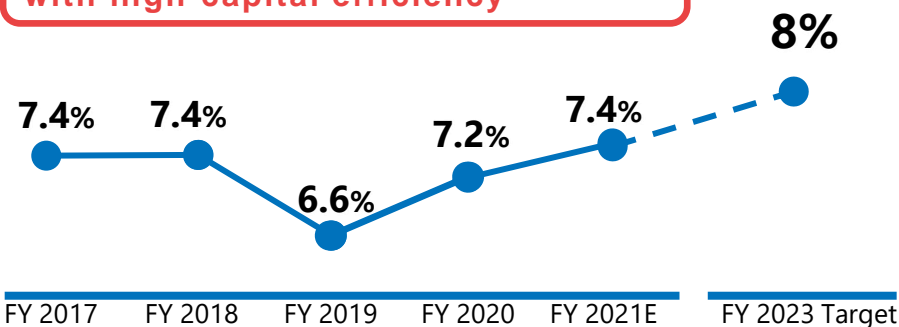


Further Promotion of DX/
Slimming existing facilities

^{*} Figures are the amounts compared to FY 2017

ROIC

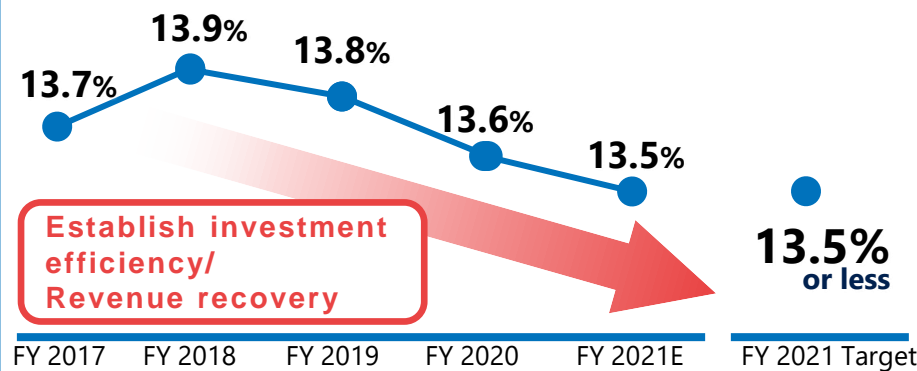
Transforming to a business structure
with high capital efficiency



Publication
in 2018

Capex to Sales

(Domestic Network Business^{§1})



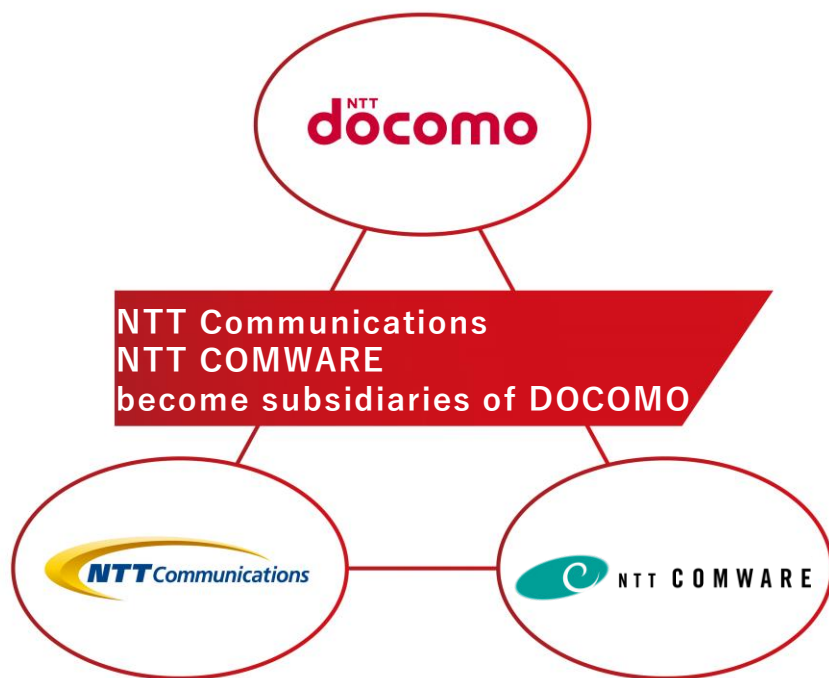
Establish investment
efficiency/
Revenue recovery

^{*1} : Excludes NTT communications' data centers and certain other assets.

New DOCOMO Group Medium-Term Strategy

New DOCOMO Group Medium-Term Strategy①

As the New DOCOMO Group, we are expanding our business domain to encompass mobile, services, and solutions and create a new world



- Integration of the three companies
- Clear business responsibilities
- Structural reform of telecommunications business and expansion of enterprise/smart life businesses

New DOCOMO Group Medium-Term Strategy②



Synergy Through Integration

Expansion of
enterprise business

Integrate all enterprise business under the New DOCOMO Group; support all corporate customers through one stop - contribute toward DX of society and industry

More competitive
network

Fixed and Mobile convergence brings higher quality and economical network; provide inexpensive cost, easy-to-use services and accelerate evolution toward 6G/IOWN

Strengthening the power of
service creation and
development and promoting
DX

Integrate R&D of DOCOMO, services of Communications and software capability of COMWARE, leading to quick response in creating innovative services, and accelerating DX of the New DOCOMO Group

New DOCOMO Group Medium-Term Strategy③



Medium-term Management Goals

FY 2025

Growth

- Ratio of smart life plus enterprise business revenue
- Enterprise business revenue

50% or more

2 trillion yen or more

Efficiency

- Telecom CAPEX to Sales

16.5% or less

Capital productivity

- ROIC

12% or more

New DOCOMO Group Medium-Term Strategy④



2-Step Execution To Move To the New Formation

STEP

January 2022

1

Communications
and COMWARE becomes
subsidiaries

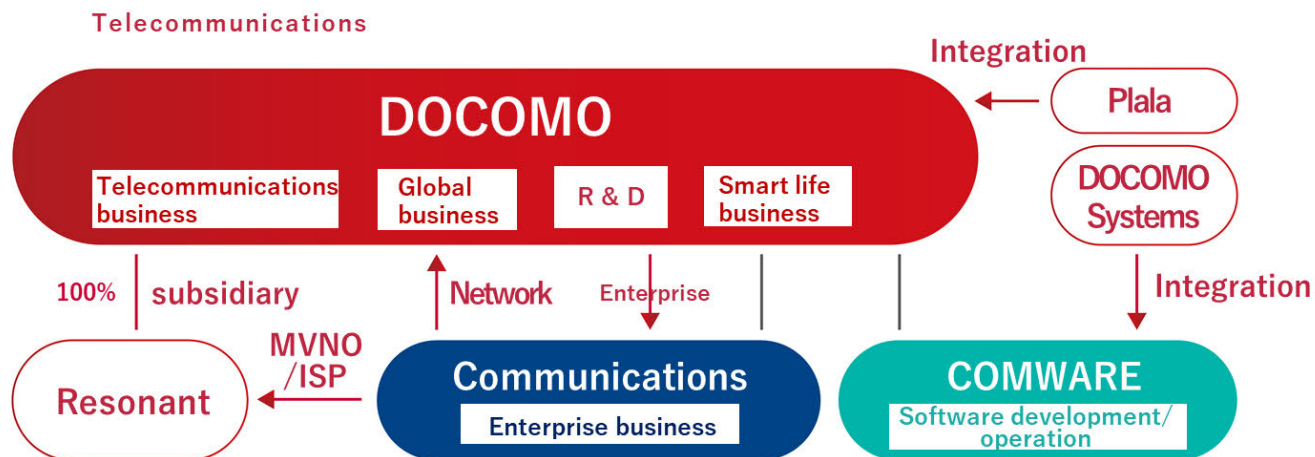


STEP

Around Q2 FY2022
(direction set)

2

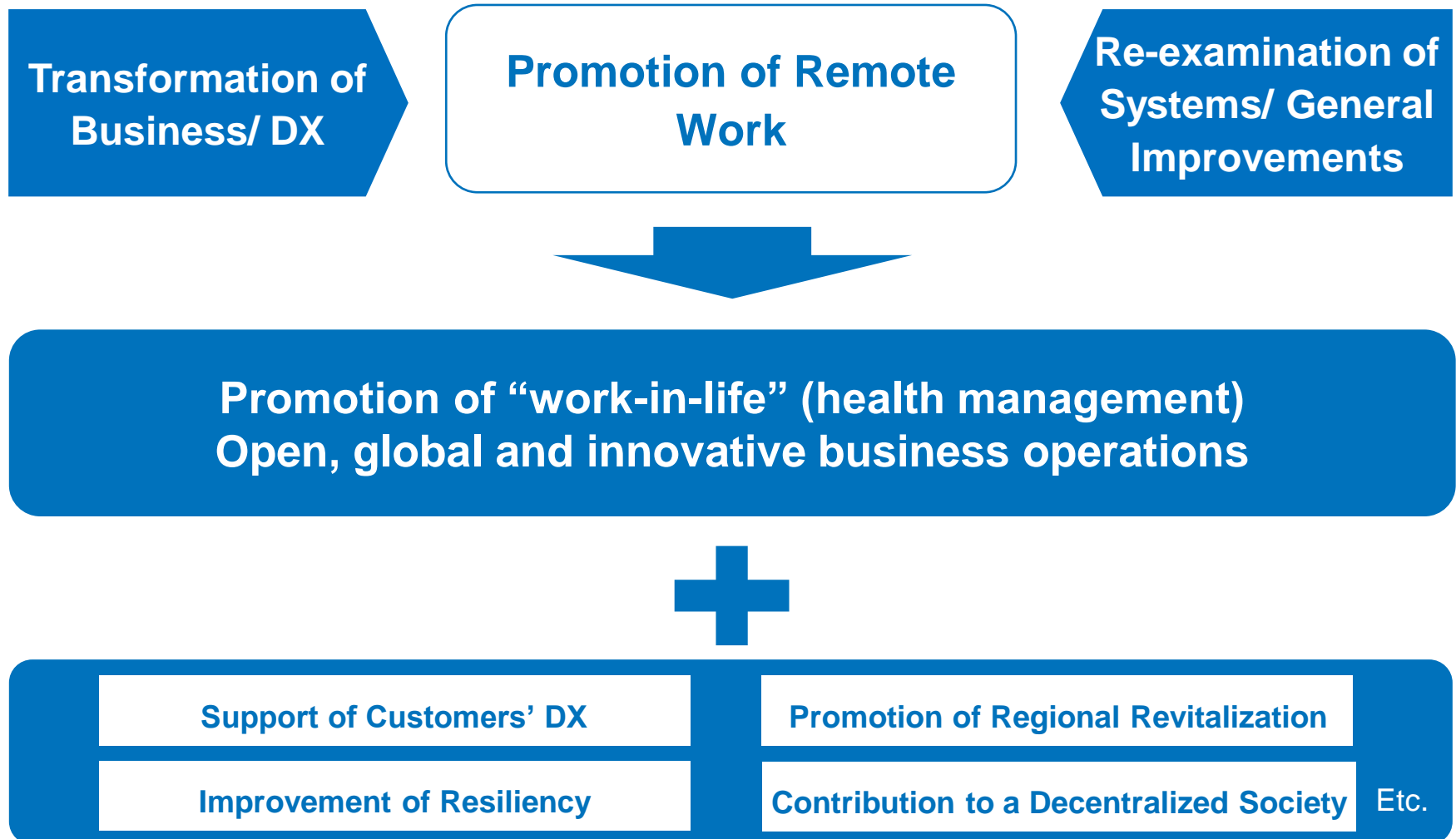
Integration
of functions
and business
responsibilities
clearly defined



Transformation to a New Management Style

Transformation to a New Management Style (1/4) **NTT**

Transformation to a New Style Premised on Remote Work



Transformation to a New Management Style (2/4)



■ Transformation of Business/ DX

① Introduction of Cloud-Based Systems/ Zero-Trust Systems

Development of an IT environment that enables employees to work from anywhere

Completion in FY2022⁽¹⁾
Completion in FY2023⁽²⁾

(1) Staff and sales teams. (2) All.

② Automation/Standardization of Business Processes (Sales, Maintenance, Development, Etc.)

Promote the conversion into a Connected Value Chain that includes partner companies

Automated Processes
20 in FY2021⇒
Over 100 in FY2025

Expand customer reach through digital marketing (SMEs)

FY2025
Revenues: ¥140 billion

Contribute to the DX of society as a whole by offering the PF leveraged in our own DX to customers as well (Smart Infra Platform, etc.)

Completion in All
Ordinance-Designated
Cities in January 2023

③ Enhancement of Governance in Consideration of Conduct Risks

Identifying more than 170 risks and implementing measures such as building appropriate relationships with stakeholders, accurately managing the life cycle of services and other items, and improving crisis management capabilities

From FY2021

④ Promotion of Paperless Operations (Including Invoices/ Purchase Orders)

Paper usage of NTT Group to be reduced to zero in principle* (FY2020: 6,000t)

By 2025

Transformation to a New Management Style (3/4)



■ Re-Examination of Systems/ General Improvements

⑤ Re-Examination of Systems to Promote Business Transformation/DX

Systematizing information security that is appropriate for remote work

Re-examination of the office environment (increase the amount of space per person in the office by 1.5x, and enhance the space for idea creation and co-creation)

From FY2022

Development of core personnel for promoting DX (advanced personnel for data utilization, etc.)

FY2023: 2,400 persons

⑥ Active Promotion of Women, External Personnel and Foreigners

Advancement of the promotion of female managers and directors
Expansion of various kinds of support and training programs

New Manager Appointments: 30% in FY2021

Managers: 15% in FY2025

Directors: 25-30% in FY2025

Active recruitment of foreigners and external personnel, and development of global management personnel (expansion of overseas personnel development program)

Mid-Career Hire Ratio*: 30% in FY2023

FY2025 Total Number: 200 persons

* External personnel

⑦ Introduction of Job-Based Personnel System (Released from Job Year-Based Placement)

Expansion of job-based personnel system for all managers

October 2021

Promotion of autonomous career development (personnel self-selection)

FY2022

Transformation to a New Management Style (4/4)



■ Promotion of Work-in-Life, and Open, Global and Innovative Business Operations

⑧ Promotion of Work-in-Life (Health Management) through the Workplace-Residence Proximity

Employees' work will be premised on remote work, and they can choose their own workplace (no need for relocations and unaccompanied assignments, recruitment of remote-based employees, expansion of satellite offices, etc.)

FY2022
260 or more
locations*

Transformation from a "highly centralized organization" into an autonomous, decentralized "network-like organization"

From FY2022

* Satellite offices

⑨ Decentralization of the Organization (Including Head Officers and Back-Offices)

Decentralization of the organization from major metropolitan areas to regional areas (major urban areas)

From FY2022

Further acceleration of community-based regional revitalization businesses towards local primary industries

From FY2021

⑩ Promotion of the Development of Information Infrastructure

Promote regional urban development and the introduction of new social infrastructure development (IOWN introduction plan, etc.)

Contributing to the development of resilient infrastructure and disaster mitigation against increasingly large natural disasters

Mobile Communication Business

NTT DOCOMO Lineup of rate plans



Enriched lineup of rate plans from
a customer-first perspective

Freely selectable plans from large to small capacity

Large capacity	<div>》5Gギガホプレミア 5G Gigaho Premier</div> <div>ギガホプレミア Gigaho Premier</div>
Middle capacity	<div>ahamo</div> <div>ギガライト Gigalight</div> <div>はじめてスマホプラン Hajimete Sumaho Plan</div>
Small capacity	<div>ドコモの エコミー-MVNO DOCOMO's Economy MVNO</div>

Enriched rate plans for young users



U15 Hajimete Sumaho Plan



U30 Long Wari

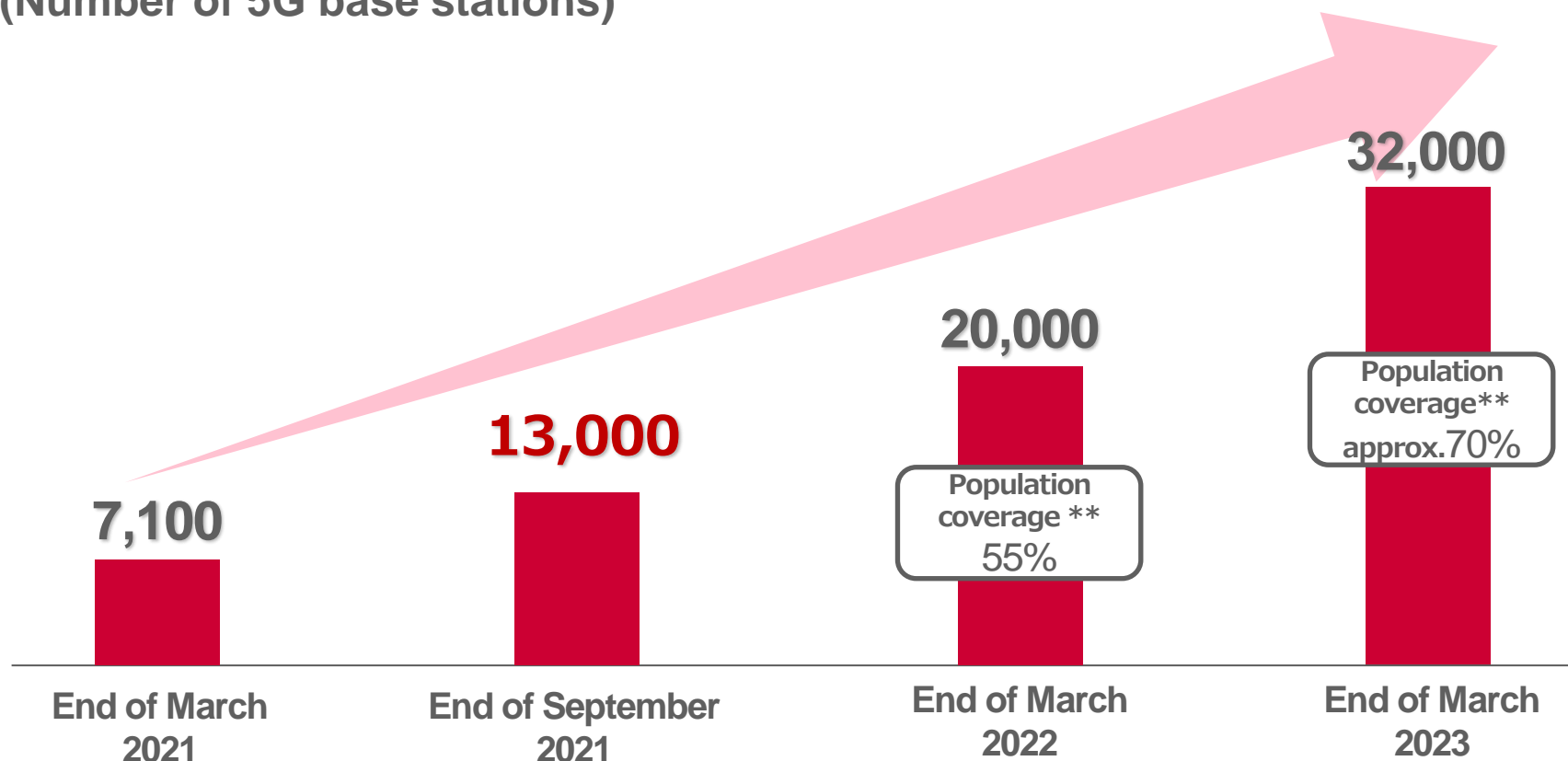
5G-enabled home router service



NTT DOCOMO Fast Expansion of 5G Area

Number of 5G base stations reached 13,000* and is expanding steadily
Introduction of 5G Core Network and launch of standalone 5G services
planned for the third quarter

(Number of 5G base stations)



* as of September 30, 2021 ** Population coverage of "Lightning Speed 5G"(Sub6•mmW)

Smart Life Business: Principal Services

Content/ commerce

Digital content, e-commerce and healthcare businesses. Monthly subscription-based content service has one of the largest scale in Japan.



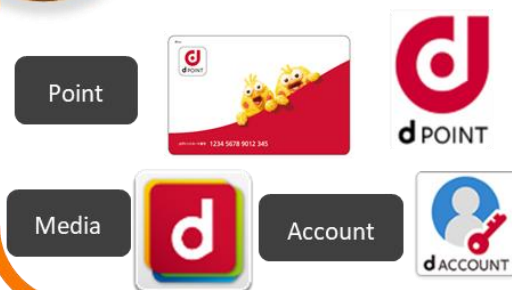
Finance Payment

Credit card and payment businesses. Point investment service, one of our FinTech offerings, has been showing strong performance



Platform

"d POINT" is one of the largest common point programs in Japan. Aim to further expand transactions leveraging media.



Support services for customers' peace of mind

Provision of device protection, online security, insurance services.



Enterprise solutions

Solution for clients' pain points and business co-creation leveraging DOCOMO assets (e.g., 5G, AI, IOT)



NTT DOCOMO Growth and Scope

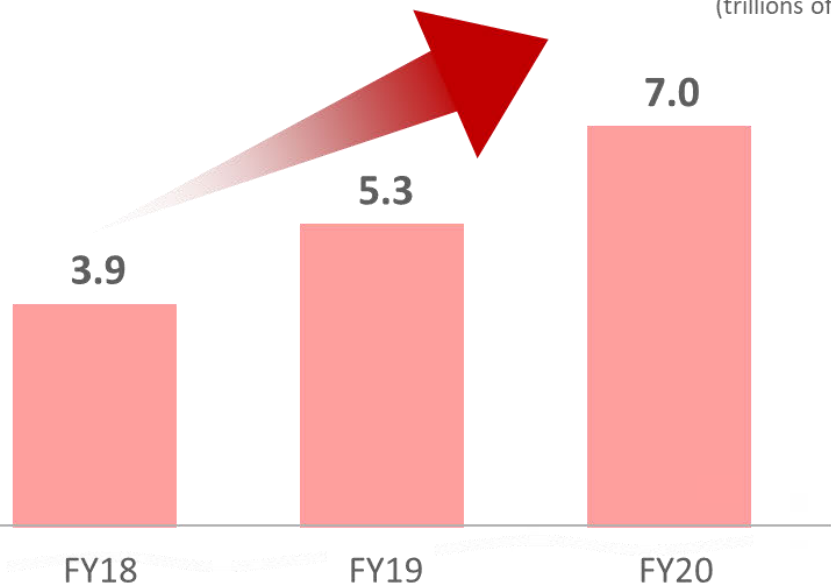


Expansion of Finance/Payment Business

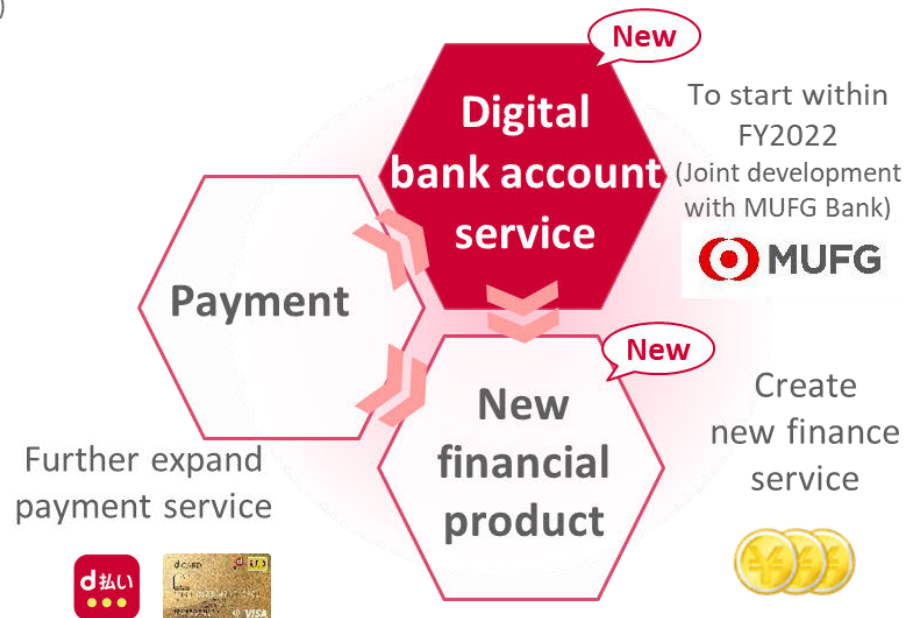
Further grow finance/payment business by stimulating everyday use, and broaden scope of business by strengthening customer touchpoints and data utilization

Growth of “d CARD”
and “d Payment” transactions

(trillions of yen)



Strengthen customer touchpoints
and expand business domains
using payment service as a pivot

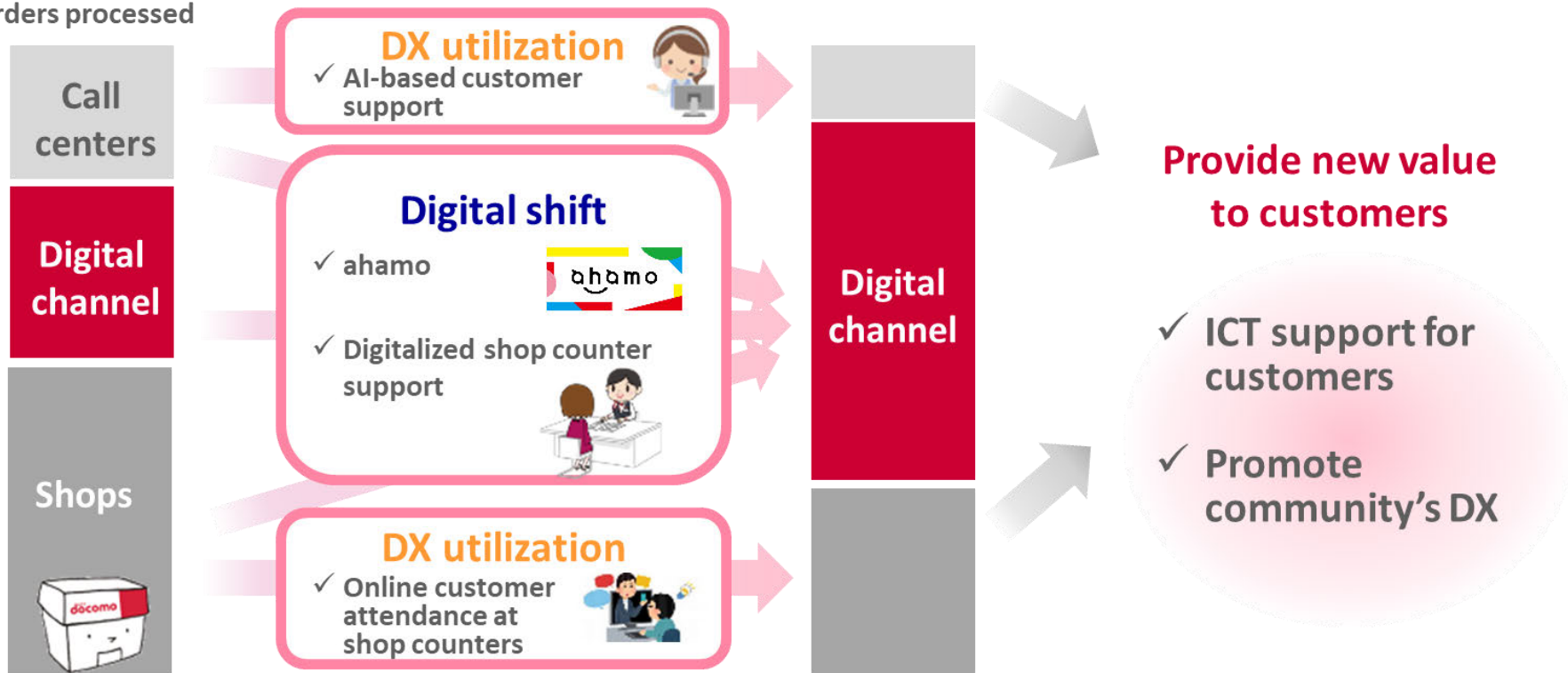


Digitalization of Sales Channel

Accelerate digital shift of sales channel and DX utilization
responding to the needs of society

(Support digitalization and DX of customers)

Orders processed



Termination of FOMA (3G) Service

Terminate 3G service on Mar.31, 2026



- ◆ Stop accepting new applications for 3G after Mar.31 2020.



- ◆ Terminate service on Mar. 31, 2026

PREMIUM
4G

- ◆ Max.download speed of 1.7Gbps to be offered from Mar. 2020



»5G

- ◆ Commercial launch in Mar. 2020

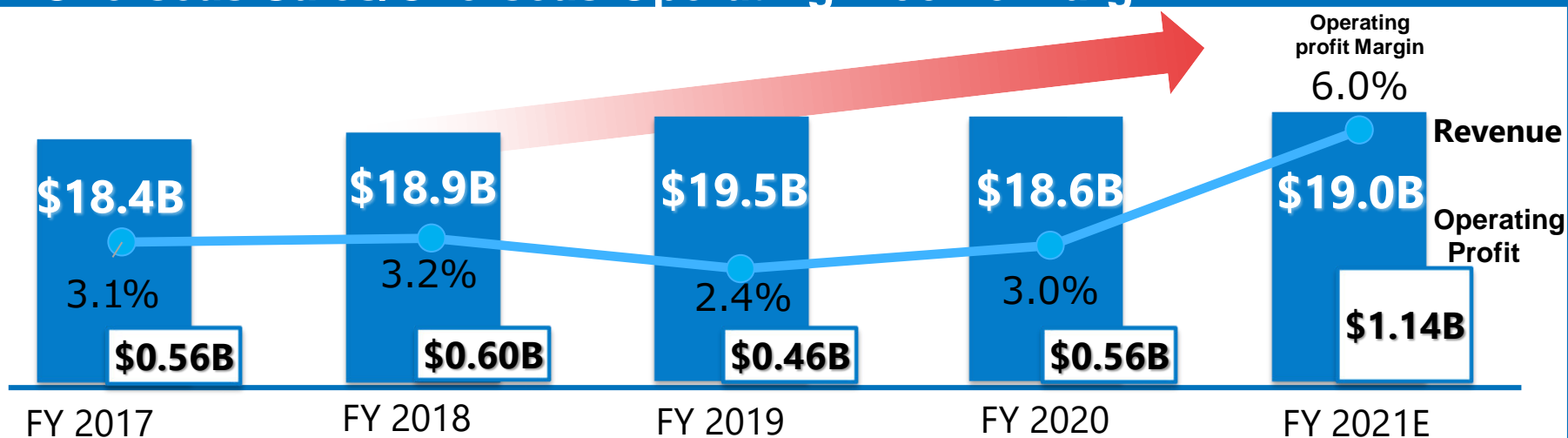


Global Business

Global Business Overview



Overseas Sales/Overseas Operating Income Margin*



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

Revenue* (USD, FY2020) and Employee by Region (excl. Japan)

	TOTAL	AMERICAS	EMEA	APAC**
Revenue	\$ 18.6B	\$ 6.6B	\$ 7.6B	\$ 4.4B
No. of employee	138,000	40,000	51,000	47,000

* Including results from the global holding company, its subsidiaries and its affiliates.

** Exclude Japan

Enhance competitiveness in global business (1/2)

■ Strengthening Digital Business Consulting as One NTT

From FY2021 to FY2023

NTT DATA

• Strengthen industry-specific consulting capabilities

- Form a Global One Team across six industries* to gain and develop the capabilities of industry-specific solutions

* Healthcare, banking, insurance, automotive, retail, telecom

• Further expansion of digital offering capabilities

- Strengthen app modernization, data analysis, automation and other areas utilizing cloud technology, through acquisitions, etc.

• Governance reform based on EMEAL integration

- In addition to Simplification of the organization, strengthen monitoring and communication, and appropriate risk management

Primary KPIs (for FY2023)

Cost of Sales Ratio **76%**

SG&A Ratio **16%**

Consulting Business Sales Ratio **25%**

Market Share in Key Countries/Industries **Over 2%**

Promote Joint Sales and Marketing Based on the One NTT Value Proposition
(Begin Smart City solutions, starting in North America)

NTT Ltd.

• Sales structure that accelerates sales of high value services

- Formulation of account plans for target clients, increase in specialist sales staff members and introduction of new sales incentives that focus on high value services

• Further cost reductions

- Further optimization of G&A and other areas by leveraging DX and outsourcing
- Prioritization of services and resource concentration based on future portfolio

• Continued investment in existing services

- Continued investment in market-leading IT infrastructure platform (data centers, IP backbone)

• Development of new solutions

- Expansion of cloud-related services and edge/IoT-related services

High Value Services Sales Ratio **Over 50%**

G&A Costs **(12)%***

* Compared to FY2020

Global HRM

Branding

Partnering

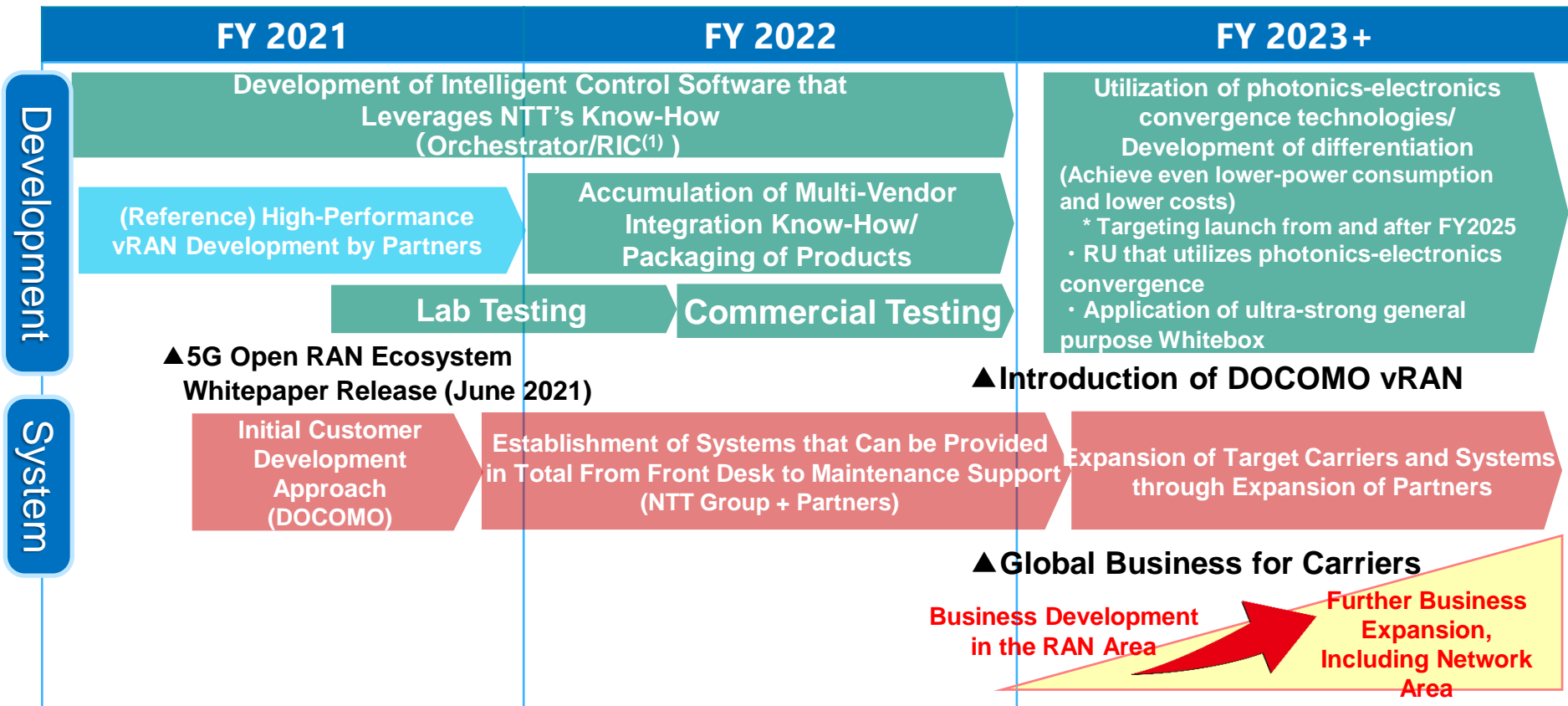
Overseas Operating Income Margin: FY2020: 3%

FY2023: 7%

Enhance competitiveness in global business (2/2)

■ Target Global Business with O-RAN/vRAN

- In collaboration with partners (NEC, Fujitsu and others), from the end of FY2022, will expand global business in the RAN area, and will provide services for multi-vendor integration, management/intelligent control software, construction, maintenance and operation, etc.
- From FY2023, will expand from the RAN area to the network area, to further promote openness and expand business areas as the foundations of future IOWN business



Global Data Centers

Service delivery schedule



FY2020

FY2021

20 +
Countries
/Regions
600,000 +
sqm
Server space
Planned inclusive

UK



London 1
Data Center

Malaysia



Cyberjaya 5
Data Center

US



Hillsboro HI1
Data Center

US



Chicago CH1
Data Center

US



Silicon Valley SV1
Data Center

US



Ashburn VA5
Data Center

South Africa



Johannesburg 1
Data Center

Germany



Berlin 2
Data Center

FY2021

FY2022

FY2023

Spain



Madrid 1
Data Center

UK



Hemel
Hempstead 4
Data Center

India



Navi Mumbai 1
Data Center

US



Phoenix PH1
Data Center

India



Mumbai 8
Data Center

Indonesia



Jakarta 3
Data Center

India



Chennai 2
Data Center

India



Delhi (Noida) 2
Data Center

India



Mumbai 9
Data Center

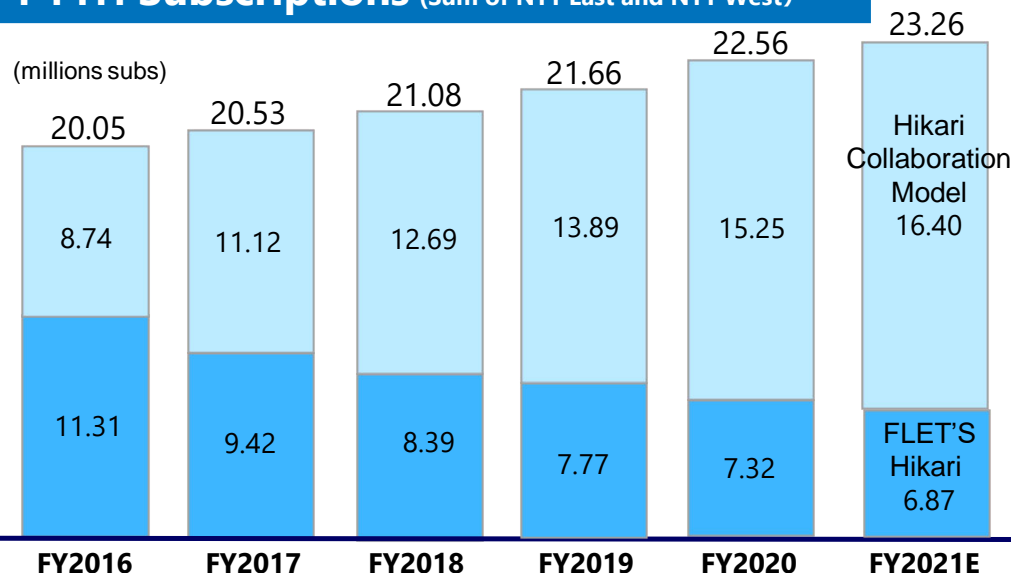
As of October 2021
The above plans are subject to change.

Fixed-line Communication Business

Fixed Broadband Business FTTH Subscriptions



FTTH Subscriptions (Sum of NTT East and NTT West)

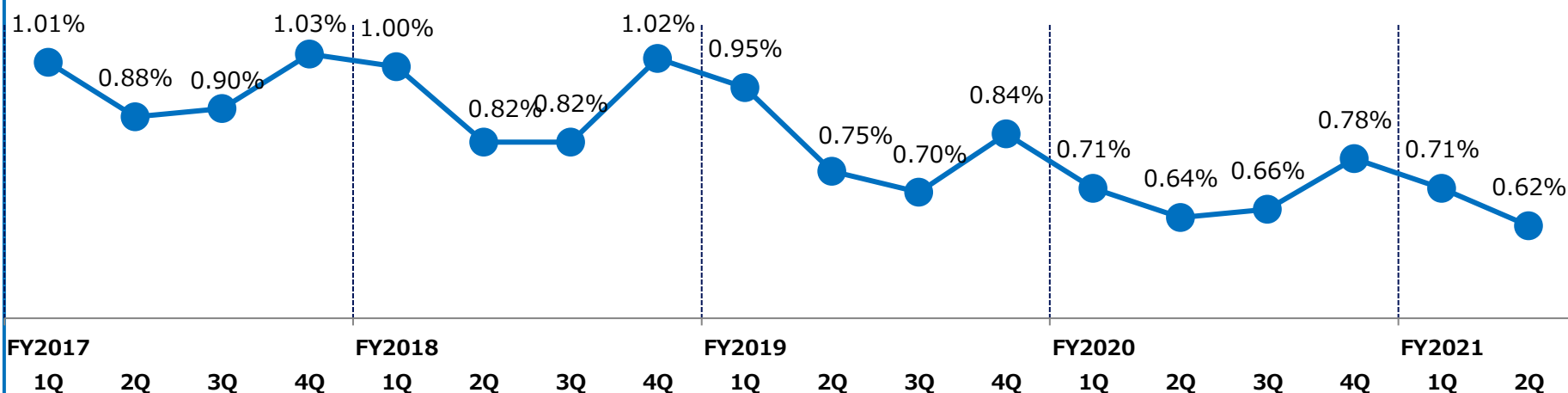


Reference:

FY2021E Breakdown of FTTH Subscriptions (millions subs)

		FY2021E
Total FTTH Service: Change from preceding Fiscal Year		+0.70
Hikari Collaboration Model	(1) Number of opened connections	+2.55
	Number of switchover lines	+0.55
	(2) Number of cancellations	(1.40)
	Net Increase (1)+(2)	+1.15
FLET'S Hikari	(1) Number of opened connections	+0.65
	(2) Number of cancellations	(1.10)
	Number of switchover lines	(0.55)
	Net Increase (1)+(2)	(0.45)

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"

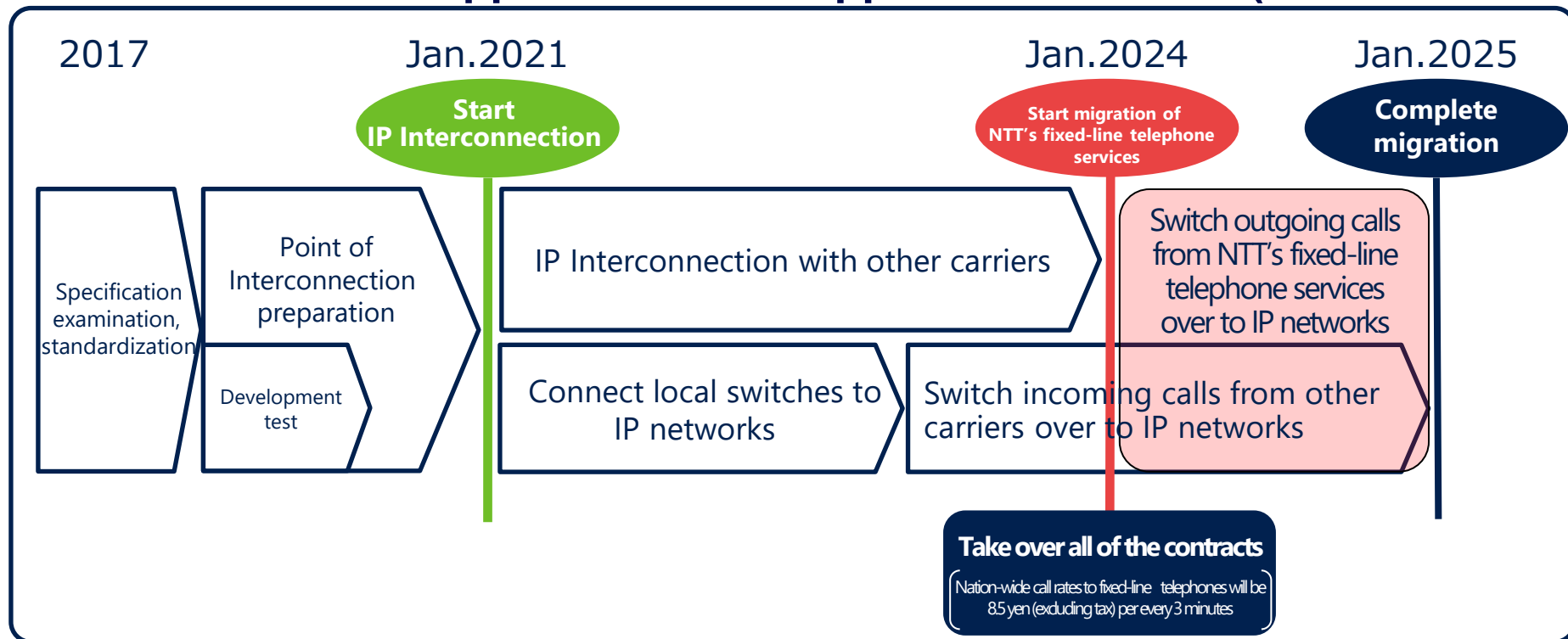
** Active subscribers = (number of subscribers at end of previous month + number of subscribers at the end of the current month) / 2

Migrate PSTN to IP Networks



Simplify services and networks with IP networks

- Nation-wide call rates to fixed-line telephones will be 8.5 yen per every 3 minutes (from January 2024)
- Migrate tandem/signal transfer switches to IP, and connect to other carriers through IP (scheduled completion by January 2025)
- Continue use of copper lines and copper line terminals (local switches)



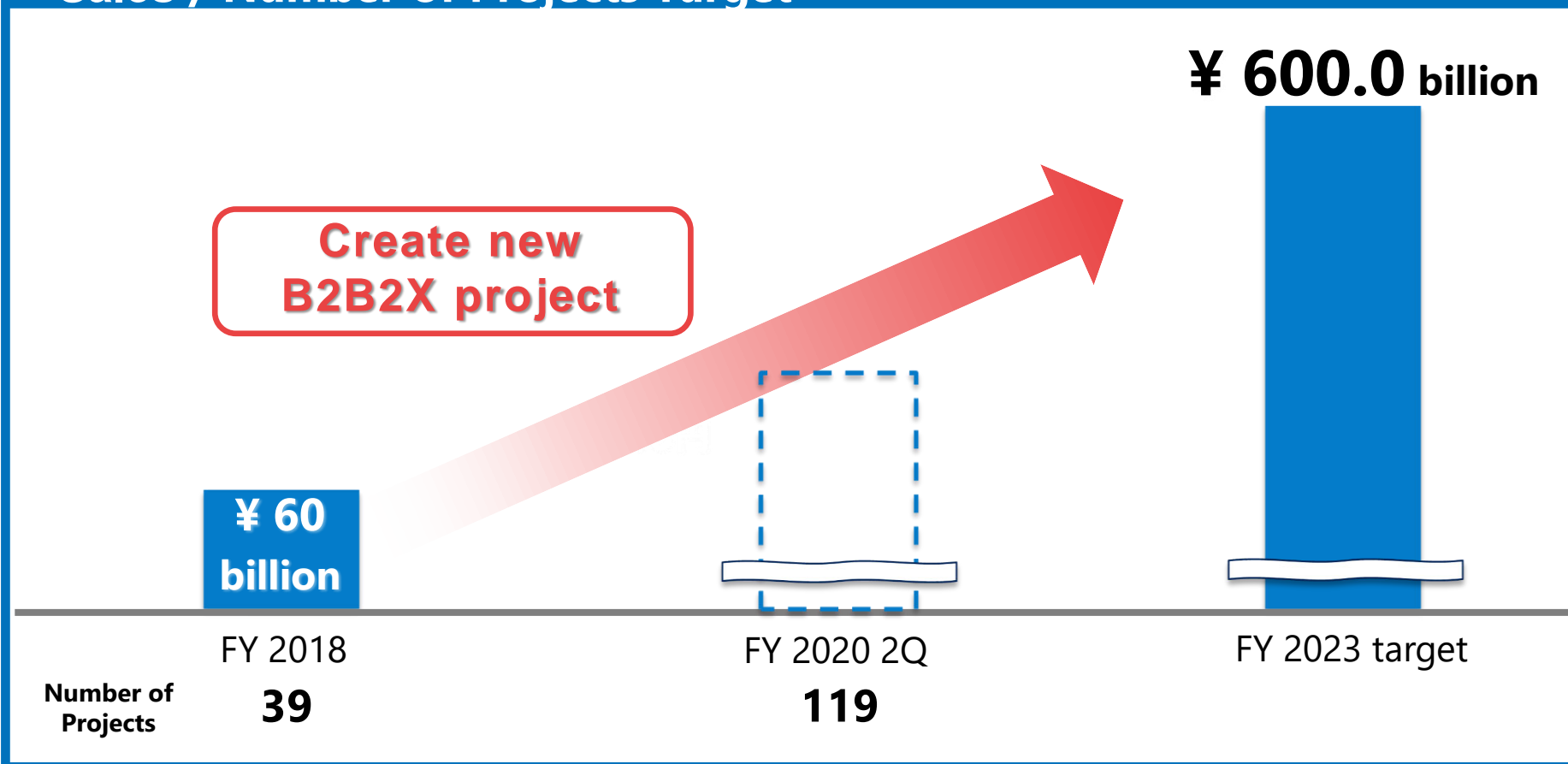
Other Businesses

Promote B2B2X Model



- Number of B2B2X Projects: 119 (as of the end of September 2021)
- Set B2B2X Sales Target: ¥600.0 billion (for FY2023)

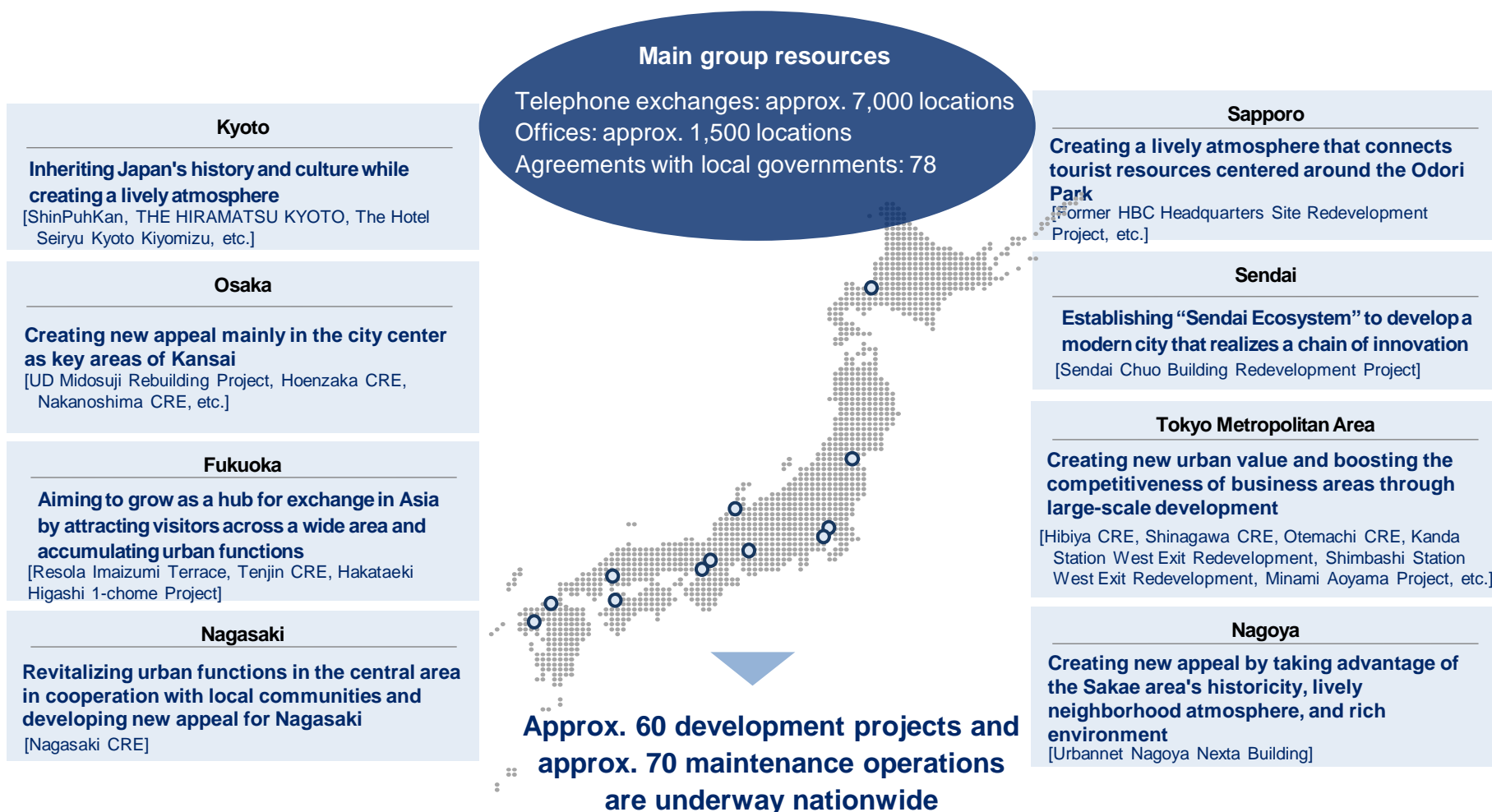
Sales / Number of Projects Target



Real Estate Business



We are rolling out urban development plans with maximum use of resources such as nationwide exchange station buildings by collaborating with NTT Group's regional bases and building partnerships with other companies and organizations.



Energy Business



Expansion of renewable energy

- **Provision of decarbonization solutions and development of renewable power plants**
 - Providing customers with renewable energies, including off-site PPA, and an option of EnneGreen® for reducing CO2 emissions
 - Developing renewable energy power plants capable of supplying 3.8 billion kWh/year (target for 2030)
- **Promotion of local generation for local consumption of renewable energy**
 - Contributing to the spread and expansion of renewable energy power plants by leveraging NTT facilities as “Battery Farms”
 - Reducing social costs by promoting local generation for local consumption (e.g., reducing power transmission losses)

Expansion of retail electricity business

- Announced (September 28, 2021) a plan to launch docomo Denki™ in March 2022.



**Target for
FY2025**

**Sales: approx.
600 billion
yen***

* Sales of energy-related businesses in NTT Group

R&D

- In order to utilize all types of information beyond the limits of conventional infrastructures, photonics technologies such as **photonics-electronics convergence devices** will be utilized everywhere **from networks to terminals** to realize a network and information processing infrastructure characterized by low power consumption, large capacity, high quality, and low latency (**transition from electronics to photonics**).

Limitations of transmission and processing capacity

Increasing energy consumption

Low power consumption

100 times greater power efficiency*1

Provides various information and communication services at power consumption reduced by a factor of 100.

*1 Target power efficiency for portion where photonics technology is applied

Large capacity, high quality

125 times greater transmission capacity*2

Capable of downloading 10,000 two-hour movies instantaneously (in 0.3 sec).
(Compared with one movie in 3 sec with 5G technology)

*2 Target communication capacity per optical fiber cable

Low latency

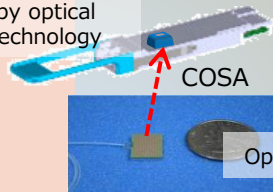
End-to-end latency reduced by a factor of 200*3

Transmits real-time video without the latency experienced with digital TV or satellite broadcasting.

*3 Target latency in video traffic not requiring compression within the same prefecture

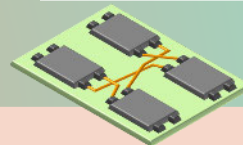
Photonics-electronics convergence devices

Transmission by optical technology



Connections around a chip

Chip-to-chip optical transmission



Core-to-core optical transmission in a chip
Optical signal processing in a chip

Optical layer

Tight coupling of optical and electronic circuits
[Photonics-electronics convergence processing]

Electrical layer

The world realized by IOWN

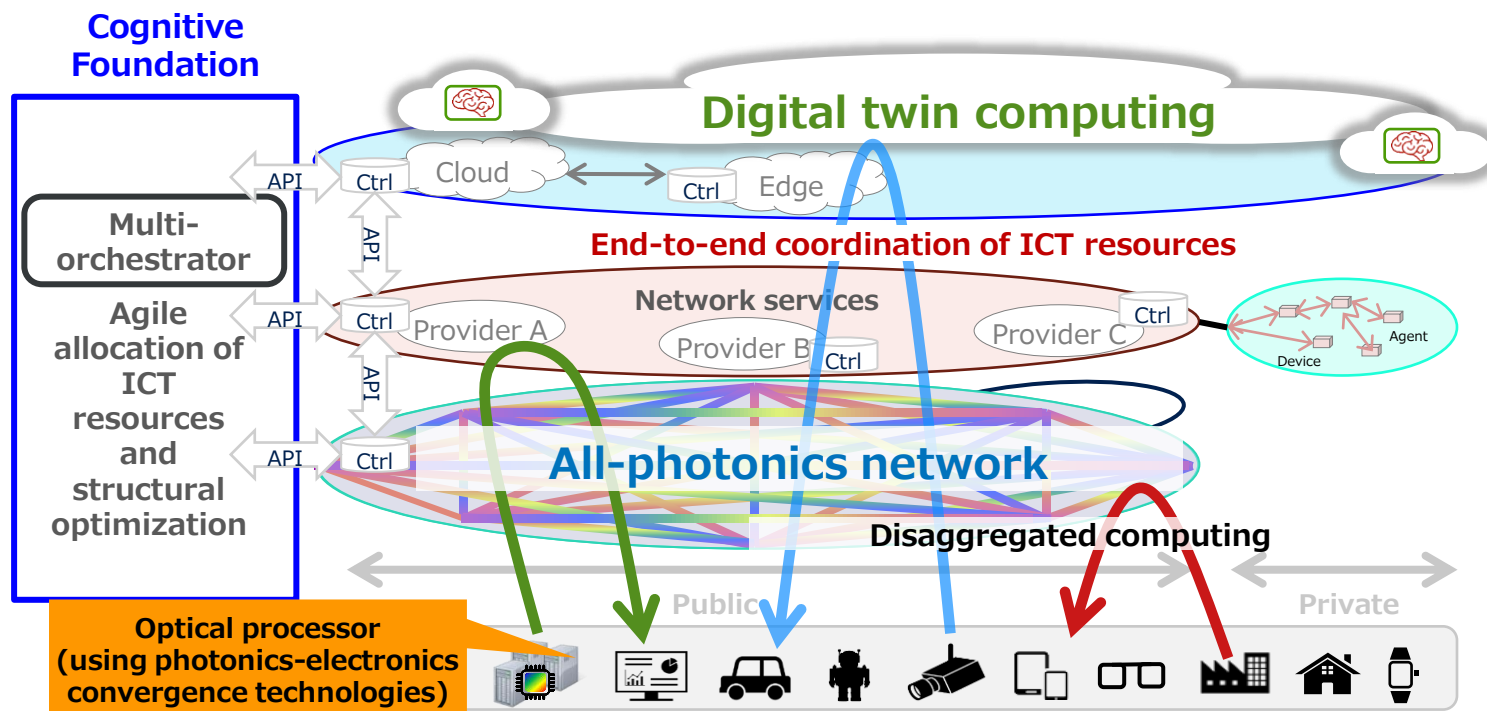
1. Total optimization of city and mobility
2. Creation of co-creative space that transcends all constraints
3. Fulfillment of body and soul by integration from the past to the future
4. Regeneration of the global environment and achievement of a sustainable society
5. Safe and secure communication

What's IOWN?

Innovative Optical and Wireless Network (IOWN) Initiative

Three main technology components of IOWN

- ✓ **All-photronics network**, which incorporates photonics-based technology at every level from networks to terminals
- ✓ **Cognitive Foundation**, which connects and controls everything
- ✓ **Digital twin computing**, which realizes future prediction and optimization by crossing the real world and the digital world



IOWN Rollout Plan

■ Contribution to the realization of a sustainable society by IOWN as a game-changing technology

[Legend]	
■ Actions	Black: related to Communications
◆ PoC	Green: related to Smart City
▲ Commercialization (planned)	Blue: related to Maps/Cars
• Exhibit	Red: Photonics-electronics Convergence Technology

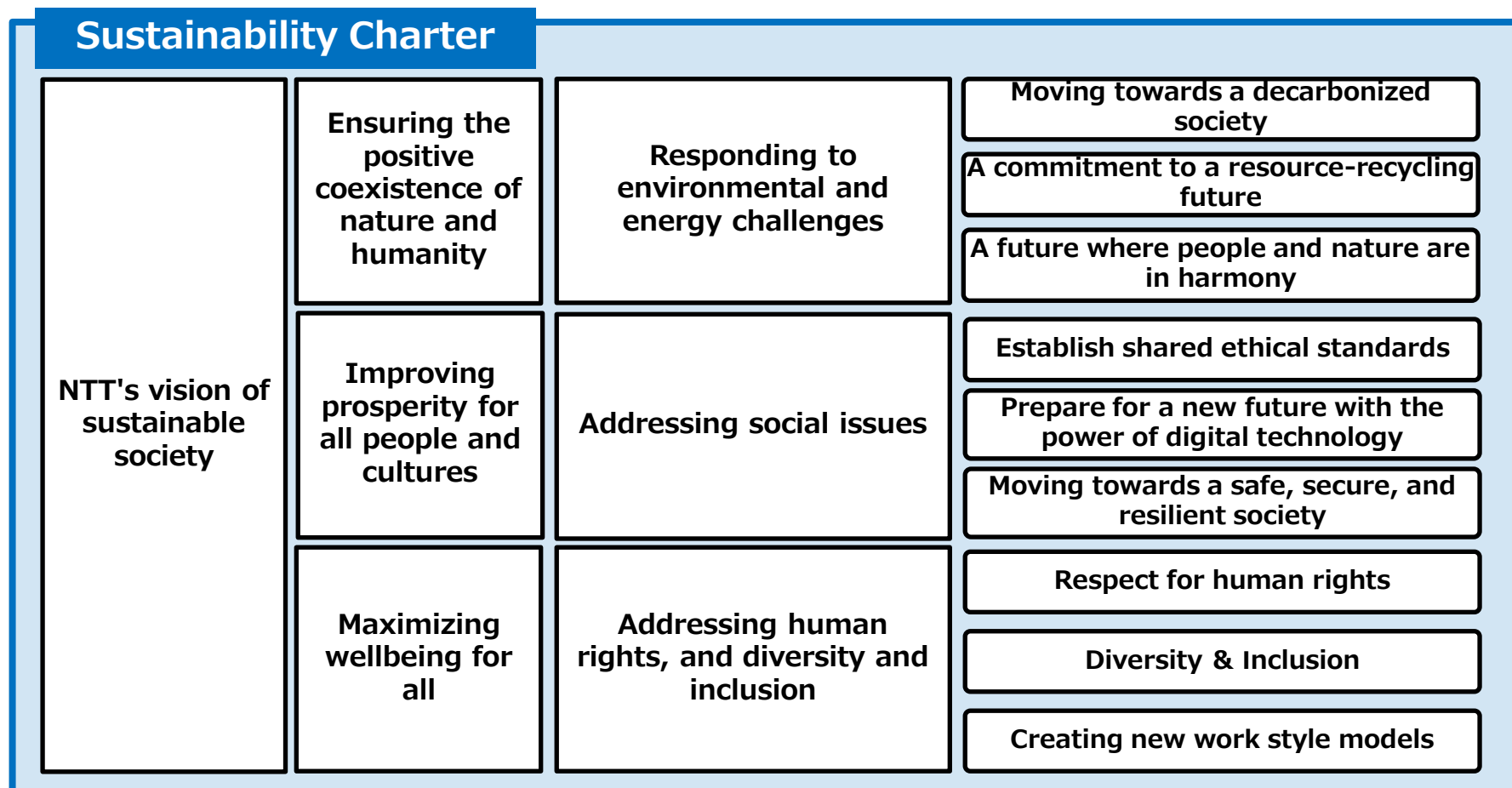
FY		2021-22	2023-25	2026-30
Rollout Plan		Field Testing of Technologies	Advanced services for early adopters	Deploying to specific applications/areas Expanding the target
		<ul style="list-style-type: none"> ■ Establishment of the IOWN Integrated Innovation Center ■ Strengthening manufacturing technologies of photonics-electronics convergence devices (Establishment of NTT Electronics Cross Technologies Corp.) ◆ Cloud gaming for eSports (Low-latency connection) ◆ Real-world sports viewing remotely (Ultra-realistic video transmission/ Low-latency connection) ◆ Next-generation advanced office, "Urbannet Nagoya Nexta Building" (PoC of DTC for urban development) ▲ Underground installation management with high-precision visualization (joint management with other utility companies) 	<ul style="list-style-type: none"> ■ ITER ■ Osaka/Kansai Expo (6G/IOWN exhibition, demonstration) ◆ Traffic flow management ◆ Quantum cryptographic communication ◆ Super White BOX (Next-generation computing platform) • Space data center, etc. ▲ Smart city projects (Phase 1) ▲ Level 3 autonomous driving of agricultural machinery ▲ Connected car safe driving support 	<ul style="list-style-type: none"> Seamless communication services ▲ ▲ Photonics-electronics convergence devices for mobile equipment ▲ Concatenated loop topology (Reliability/Flexibility/Extendability) ▲ (Phase 2) ▲ Other smart city projects ▲ Autonomous driving/ Precise group control of robots
		Collection and analysis of massive sensor data	High-speed spatiotemporal searching for tens of millions of cars	Event-driven, real-time AI analytical processing technology
		Prediction of wireless communication quality affected by hand-over/masking	Integrated resource control for immediate responses to demand changes (including wireless communications)	Centimeter-level understanding of vehicle position and precise prediction of traffic volume in cities and mountain areas
		Direct optical path (Hundreds of Gbps/ Non-dynamic routing) Post-quantum cryptographic communication	Direct optical connection (Hundreds of Gbps/ Semi-dynamic routing) High-precision clock distribution Optical transceivers for APN On-board co-packaged optical transceiver	Remote optical path switching Core network for seamless communication Direct optical connection (1Tbps/ On demand) Photonics-electronics convergence processor
Technological Components		Disaggregated Computing	Super White BOX: Step 0 (Optical direct path)	Super White BOX: Step 1 (Optical backplane)
			Super White BOX: Step 2 (Full optical)	

Initiatives of a sustainable society

Sustainability Charter



- Establishment of Sustainability Charter in November 2021
- Three themes and nine challenges are set. Key indicators (carbon neutrality, B2B2X revenue, percentage of new female managers) are planned to be reflected in executive compensation.



2030

**80% Reduction in Greenhouse Gas Emissions
(compared to FY2013)**

**Mobile
(NTT DOCOMO)**

Data Centers

Carbon-Neutral

2040

Carbon-Neutral

- Targets of the Above Reduction Objectives
GHG Protocol: Scope 1 (our own direct greenhouse gas emissions) and Scope 2 (indirect emissions associated with the purchase of electricity, heat and steam that are provided by other companies)
Mobile :15 companies in the NTT DOCOMO Group (as of September 28, 2021)
- NTT Group's Reduction Target (Scope 1+2): Upgraded to SBT's 1.5 °C level

Towards the Achievement of Carbon Neutrality

- **Increased use of renewable energy:** Reduce greenhouse gas emissions **by 45%**⁽¹⁾
- **Lower energy consumption with IOWN technologies:** Reduce greenhouse gas emissions **by 45%**⁽²⁾

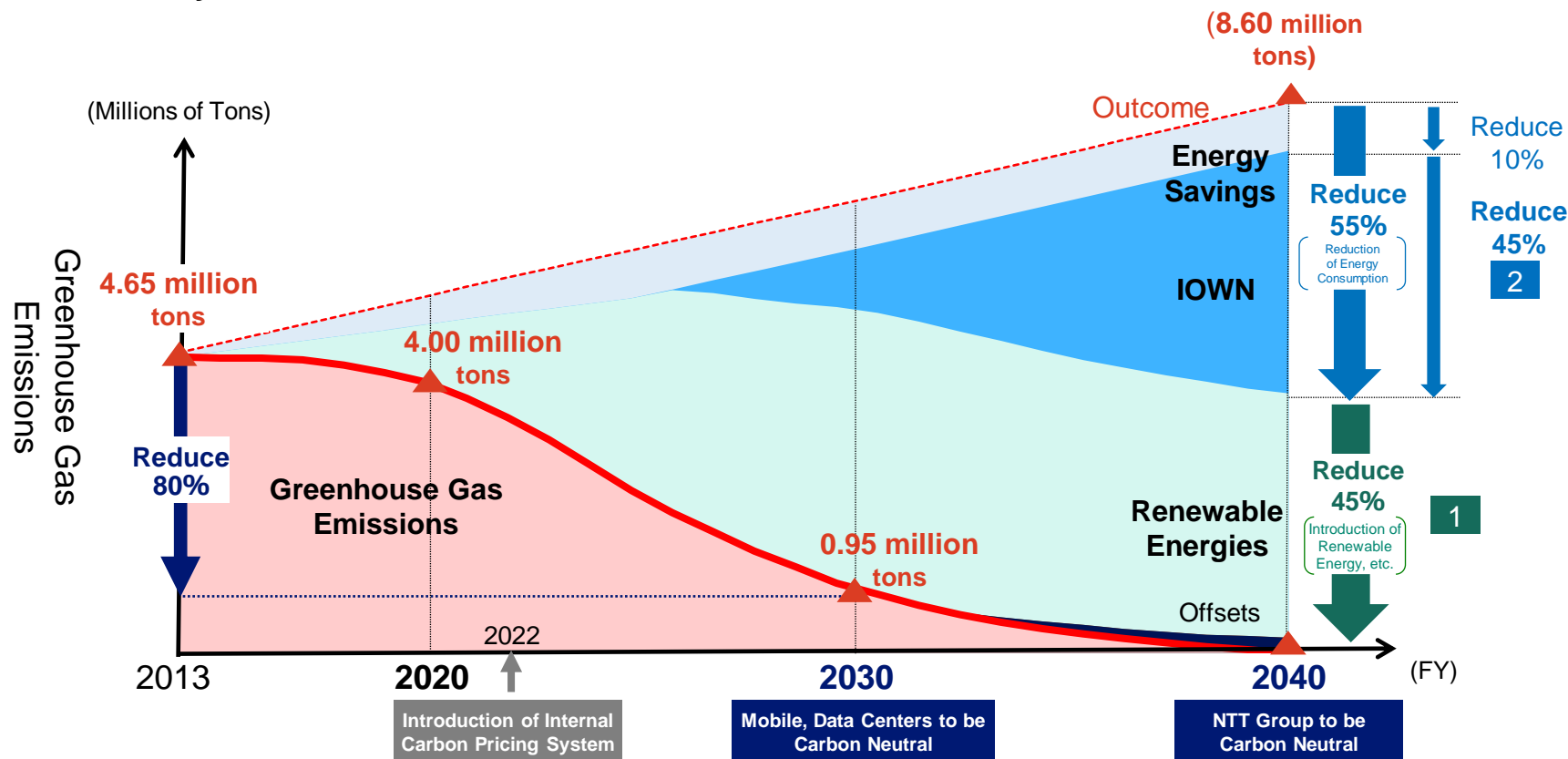


Illustration of NTT Group Greenhouse Gas Emission⁽³⁾ Reductions (Domestic + Overseas)

- (1) Estimated Introduction of Renewable Energy (including actual renewable energy through Non-Fossil Fuel Certificates) → FY2020: 1.0 billion kWh; FY2030 to FY2040: around 7.0 billion kWh
The introduction of renewable energy will have the optimal types of energy determined on the basis of each country's energy composition, etc. Approximately half of the domestic renewable energy usage is anticipated to be from energy sources owned by NTT (FY2030).
- (2) Estimated Reduction of Energy Consumption through the Introduction of IOWN (Comparison to Outcome) → FY2030: (2.0) billion kWh ((15)%); FY2040: (7.0) billion kWh ((45)%)
Percentage of Introduction of IOWN (Photonics-electronics Convergence Technologies, etc.) out of Total Energy Volume → FY2030: 15%; FY2040: 45%
- (3) GHG Protocol: for Scope 1 and 2

NTT's Contributions to Reducing Society's Environmental Impact



■ Expanding adoption of IOWN technologies from the telecommunications field into other industries

- Contribute to the **reduction of greenhouse gases**⁽¹⁾ in Japan and the world
 - > Japan ⇒ Reductions: over 0.02 billion tons; Reduction Rate: over 4%
 - > World ⇒ Reductions: over 0.3 billion tons; Reduction Rate: over 2%
- Further **accelerate DX**⁽²⁾ (e.g. of digital twin computing)
- Promote greenhouse gas reduction across the entire supply chain

■ Providing new services that contribute to carbon neutrality

■ Strengthening development and expanding introduction of NTT Group's Renewable Energy Plan

- Promotion of local energy production for local consumption

(1) Conditions for Reduction Estimates

- Target: beginning in FY2040
- Adoption Rate of IOWN for Electric Semiconductors, etc. (Photonics-electronics Convergence Technologies, etc.): approximately 50%
- CO₂ Emission Factor: Japan ・ ・ ・ 0.185kg-CO₂/kWh; World ・ ・ ・ 0.130kg-CO₂/kWh

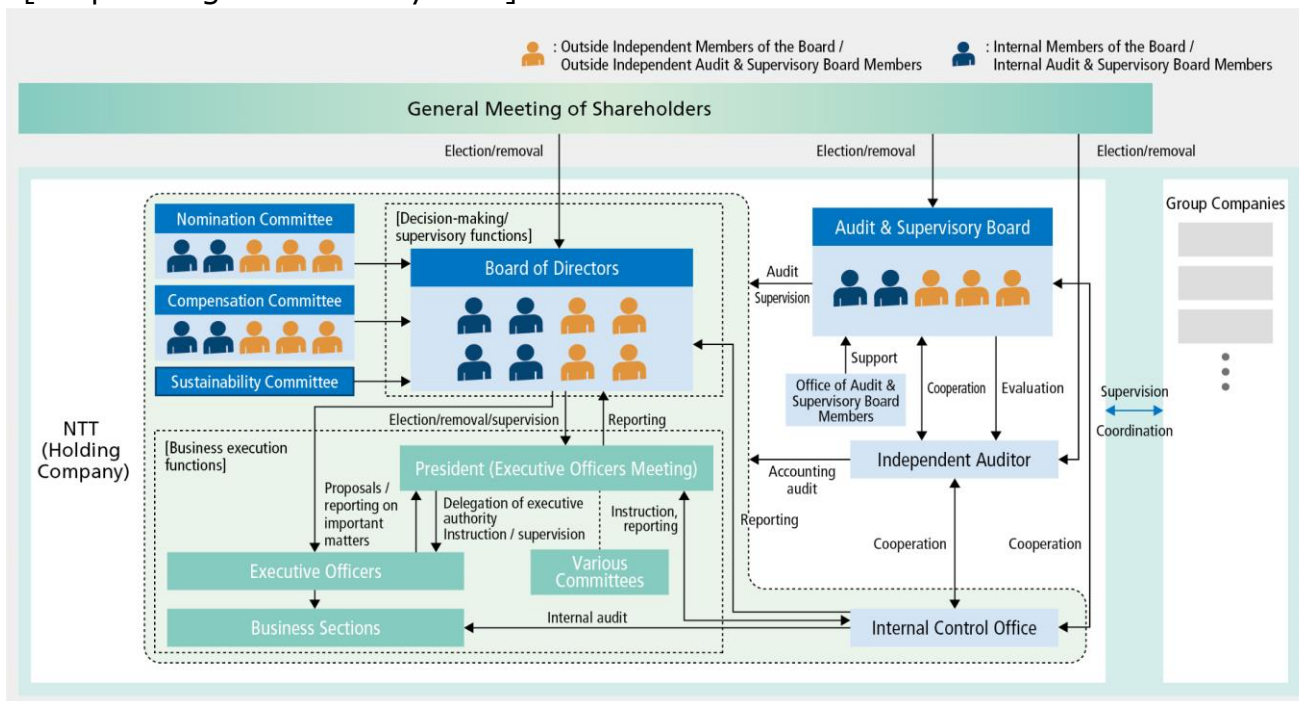
(2) CO₂ Reduction Potential: approximately 50% (2030; Target: World, calculated based on GeSI and IEA estimates)

Reinforcement of Corporate Governance

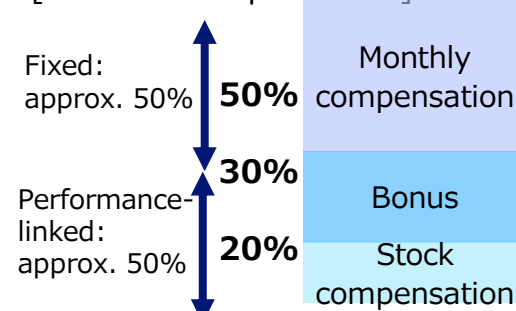


June 2020	<ul style="list-style-type: none"> Introduced an executive officers system* (separation of the functions of managerial decision-making/supervision and business execution) Increased the ratio of outside directors from 27% to 50% *Introduced an executive officers system into key group companies in June 2021
August 2021	<ul style="list-style-type: none"> Increased the percentage of officers' performance-linked compensation from approx. 30% to 50%. (Introduction of a performance-linked stock compensation system) Increased the number of outside independent Members of the Board in the Appointment and Compensation Committee from two to three, causing the outside independent Members of the Board to become the majority.
November 2021	<ul style="list-style-type: none"> The Appointment and Compensation Committee was divided into the Nomination Committee and the Compensation Committee, with their respective functions transferred accordingly. The Sustainability Committee was moved from the Executive Officers Meeting to directly under the Board of Directors

[Corporate governance system]



[Officers' compensation]



FY2021

Performance indicator	Weight	Evaluation method
EPS	35%	Improvement over previous year
Operating profit	35%	Degree of plan accomplishment
ROIC	9%	
Capex to sales	6%	
Overseas sales	6%	
Overseas operating income margin	6%	

In addition to the above, the degree of accomplishing the planned number of B2B2X projects is evaluated.

Key indicators of sustainability are planned to be reflected in the following year.

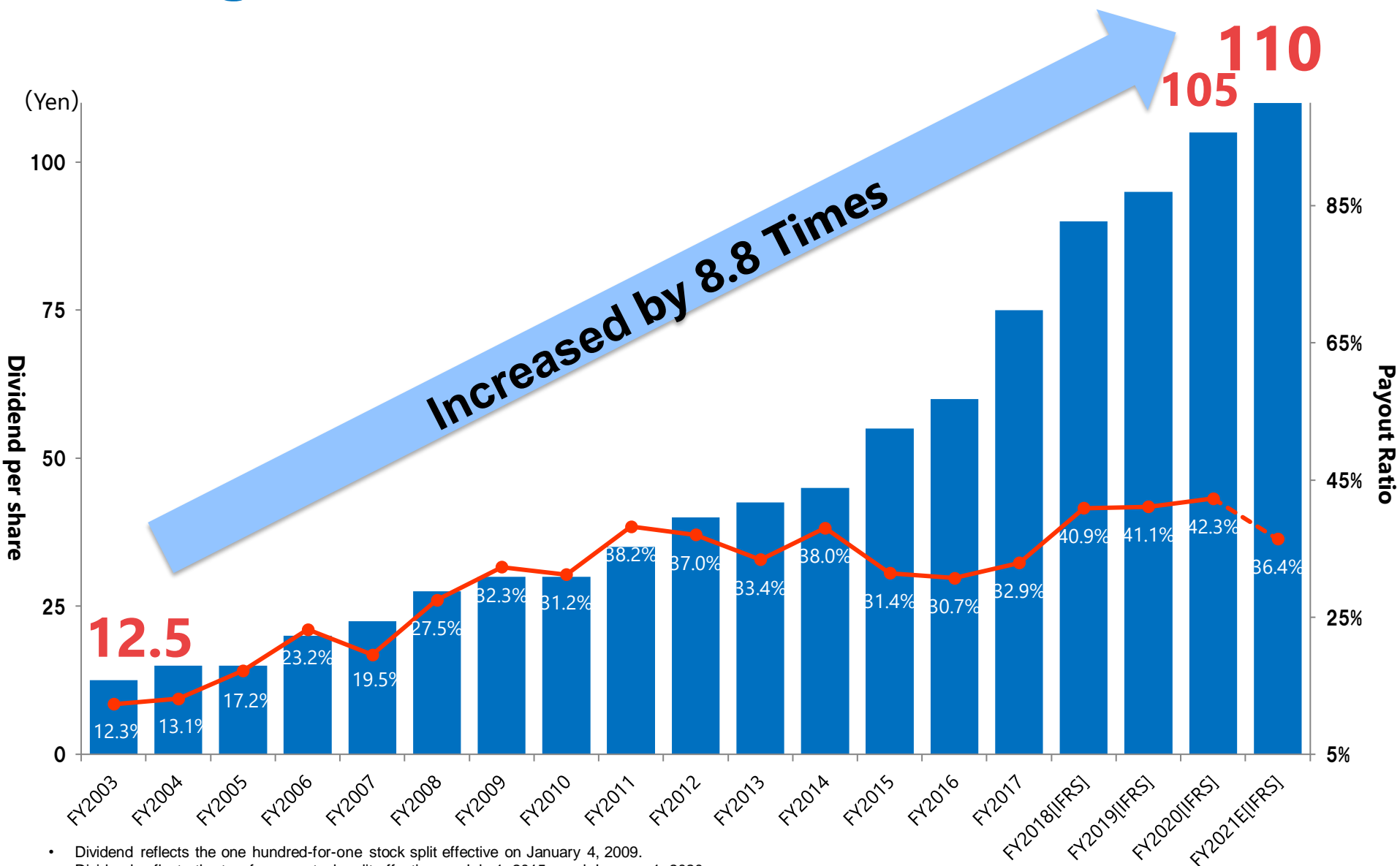
Shareholder Returns

- ◆ **Dividend Policy** : Basic policy is steady dividend increases
- ◆ **Share Buybacks** : Carry out buybacks flexibly to improve capital efficiency

Cancellation of Treasury Stock

- **Resolved to cancel treasury stock at a meeting of the Board of Directors**
- **Details of Cancellations**
 - **Number of Shares to be Cancelled: 278,776,284 shares**
 - * **Percentage of Outstanding Shares prior to Cancellation: 7.15%**
 - **Scheduled Cancellation Date: November 17, 2021**

Changes in Dividend



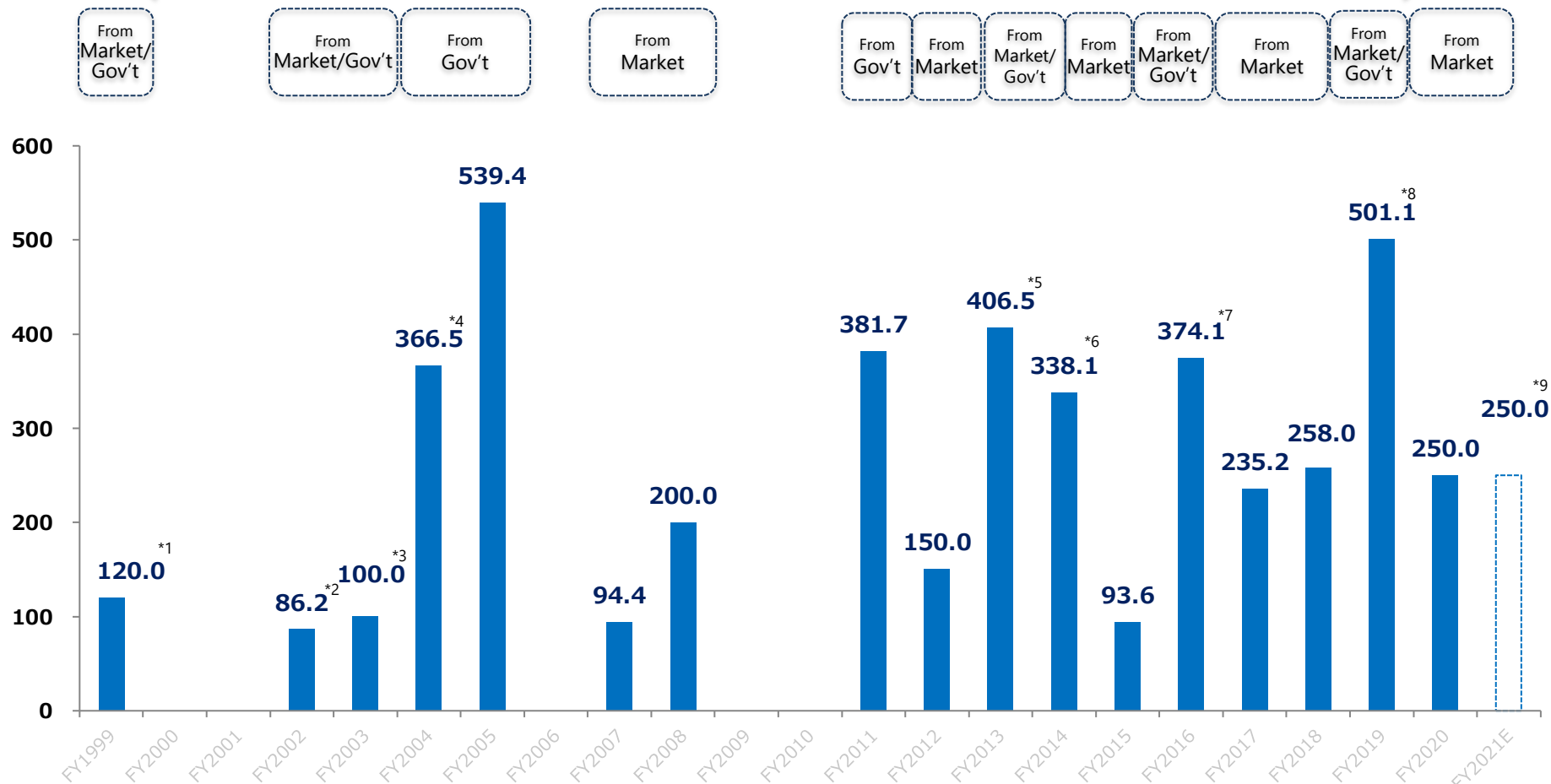
- Dividend reflects the one hundred-for-one stock split effective on January 4, 2009.
- Dividend reflects the two-for-one stock split effective on July 1, 2015, and January 1, 2020.
- FY2003-FY2017, financial statements are prepared in accordance with U.S.GAAP.

Record of Share Buybacks



Approx. 4.5 Trillion Yen in Buybacks

(Billions of yen)



*1:Market 48.0 billion yen, Gov't 72.0 billion yen *2:Market 46.6 billion yen, Gov't 39.6 billion yen *3:Market 61.0 billion yen, Gov't 39.0 billion yen *4:Market 0.1 billion yen, Gov't 366.4 billion yen
 *5:Market 253.2 billion yen, Gov't 153.3 billion yen *6:Market 101.2 billion yen, Gov't 236.9 billion yen *7:Market 106.9 billion yen, Gov't 267.2 billion yen
 *8:Market 251.6 billion yen, Gov't 249.5 billion yen

*9:Aggregate Amount: Up to ¥250.0 billion Buyback Period: From August 10, 2021 to March 31, 2022

Financial Data, etc.

NTT Group Formation



Voting rights to major subsidiaries
(As of March 31, 2021)



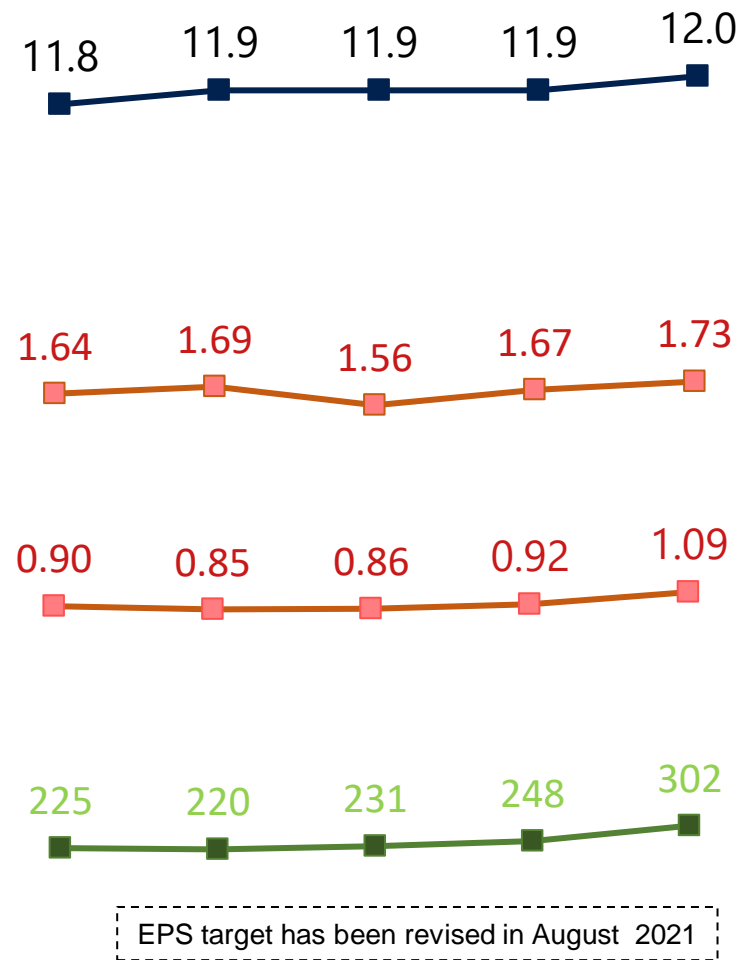
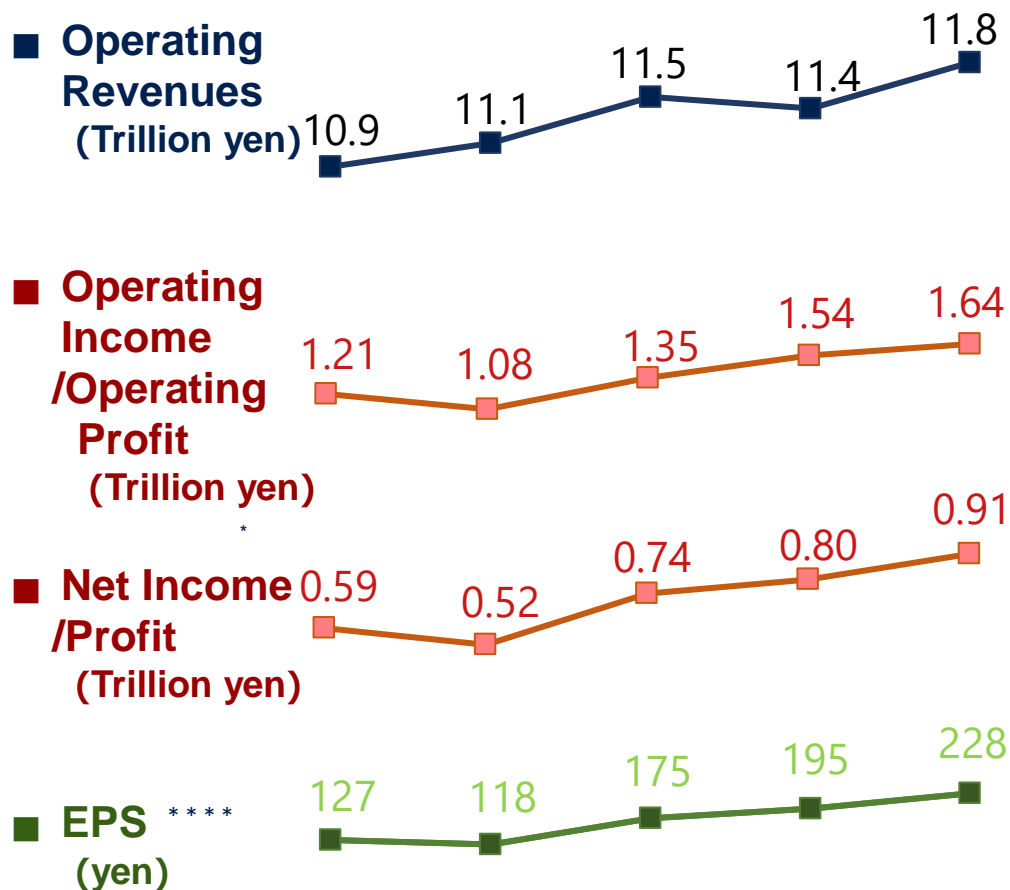
Nippon Telegraph and
telephone Corporation
(Holding Company)

Operating revenue :
(Consolidated) ¥11,944.0billion
Operating income :
(Consolidated) ¥1,671.4billion
No. of employees : 324,650
No. of subsidiaries : 964

100%	 Mobile communications business		Operating revenue : ¥4,725.2 billion Operating income : ¥ 913.2 billion No. of employees : 28,100 No. of subsidiaries : 82
100%	 Regional communications business	 	Operating revenue : ¥3,207.4 billion Operating income : ¥ 420.2 billion No. of employees : 75,400 No. of subsidiaries : 51
100%	 Long distance and international communications business	 	Operating revenue : ¥2,065.6 billion Operating income : ¥ 146.2 billion No. of employees : 49,950 No. of subsidiaries : 387
54.2%	 Data communications business	 	Operating revenue : ¥2,318.7 billion Operating income : ¥ 139.2 billion No. of employees : 139,700 No. of subsidiaries : 314
	 Other businesses	Other group companies 	Operating revenue : ¥1,467.1 billion Operating income : ¥ 64.8 billion No. of employees : 31,500 No. of subsidiaries : 130

- Fiscal year ended March 2021. Operating revenue and operating income of each segment include inter-segment transactions.
- No. of employees and subsidiaries are as of the end of March 2021.

Trend in Consolidated Financial Results



FY2013 FY2014 FY2015 FY2016 FY2017

FY2017 [IFRS] FY2018 [IFRS] FY2019 [IFRS] FY2020 [IFRS] FY2021E [IFRS]

* U.S. GAAP term / IFRS term.

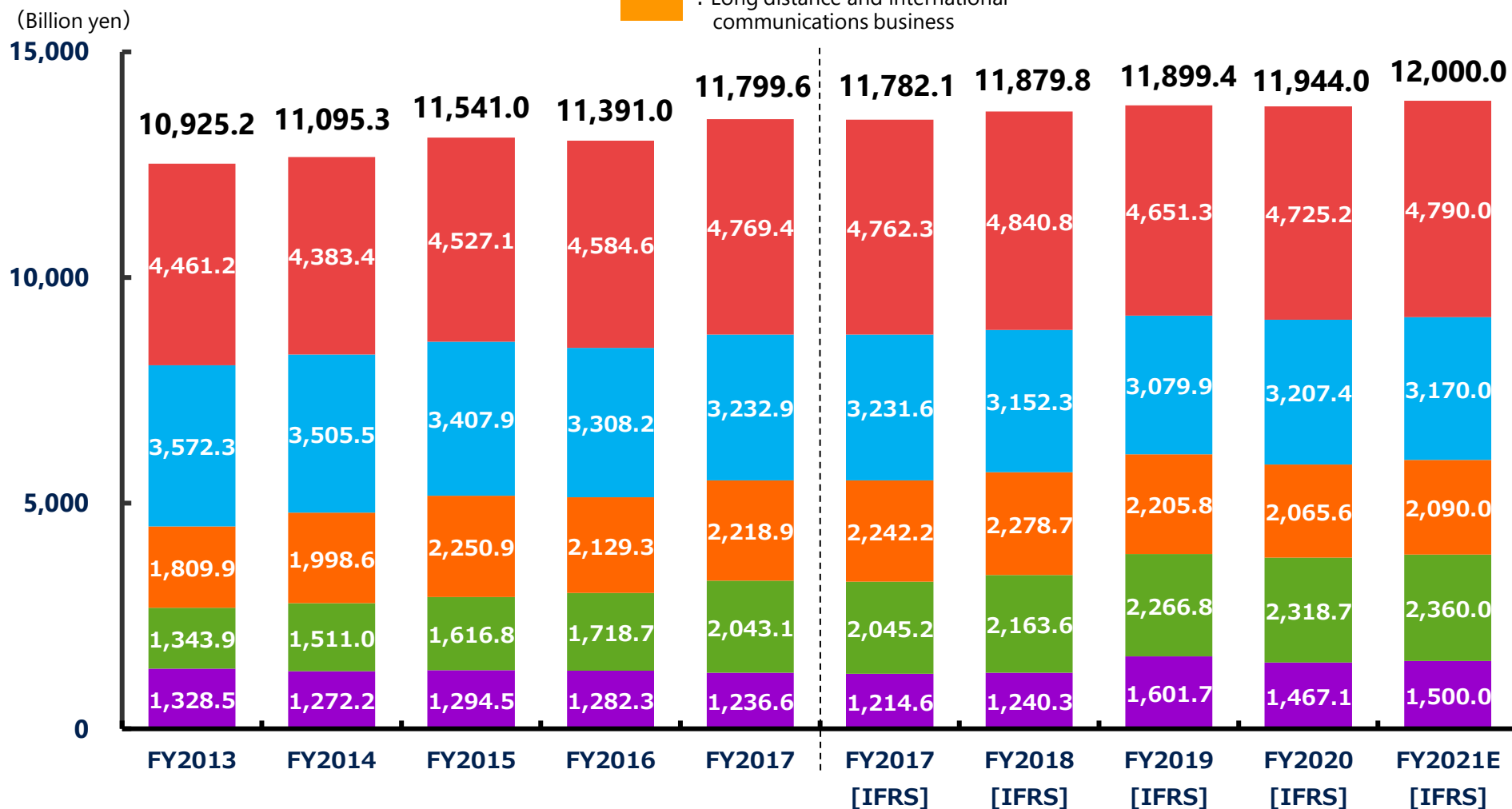
** Excluding the effects of the arbitration award received from Tata Sons Limited, net income is expected to be 860 billion yen, EPS is 215 yen.

*** Excluding the effects of the arbitration award received from Tata Sons Limited, profit is expected to be 848 billion yen, EPS is 212 yen.

**** EPS amounts reflect the two-for-one stock split effective on July 1, 2015, and January 1, 2020.

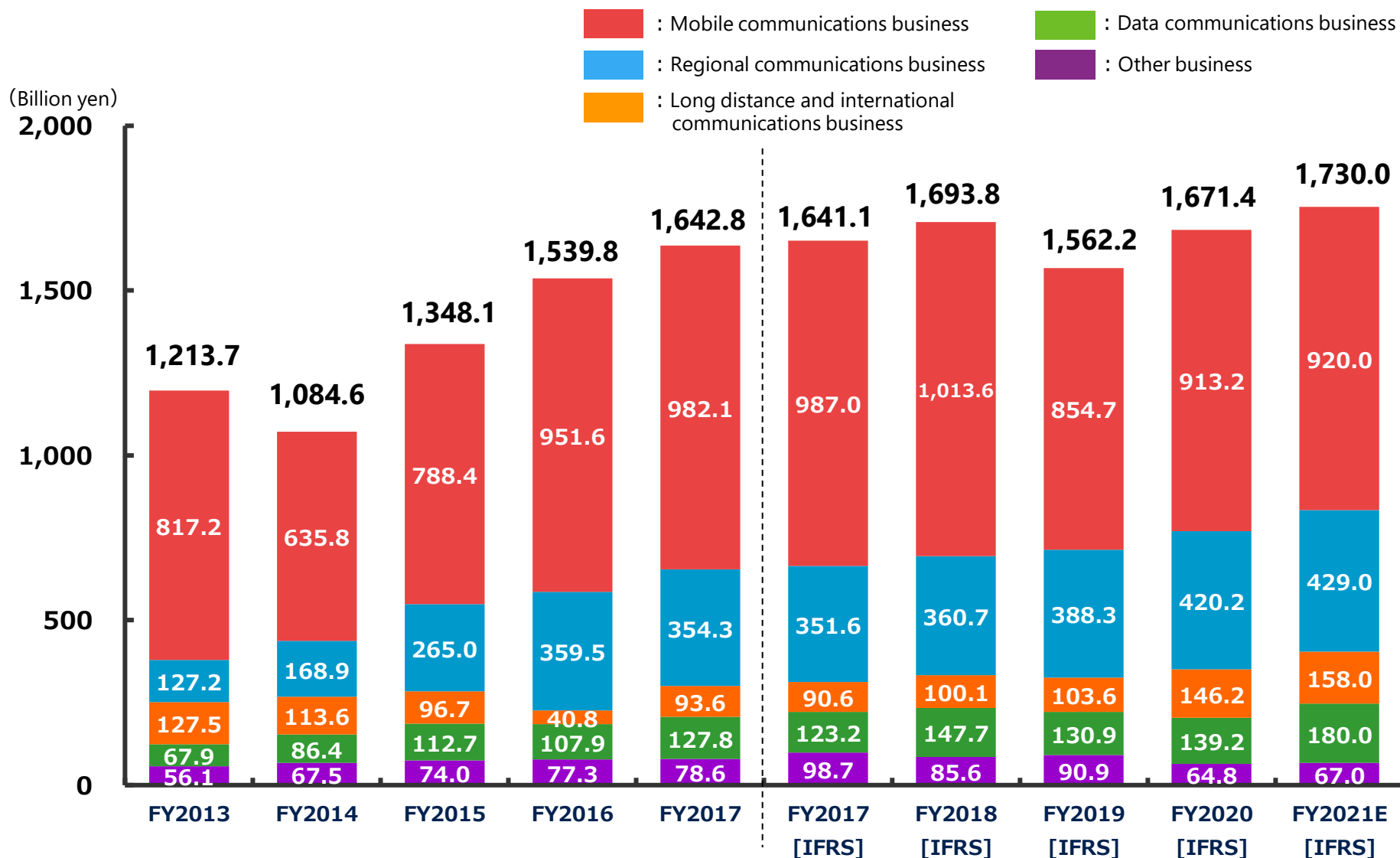
Changes in Consolidated Operating Revenues

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



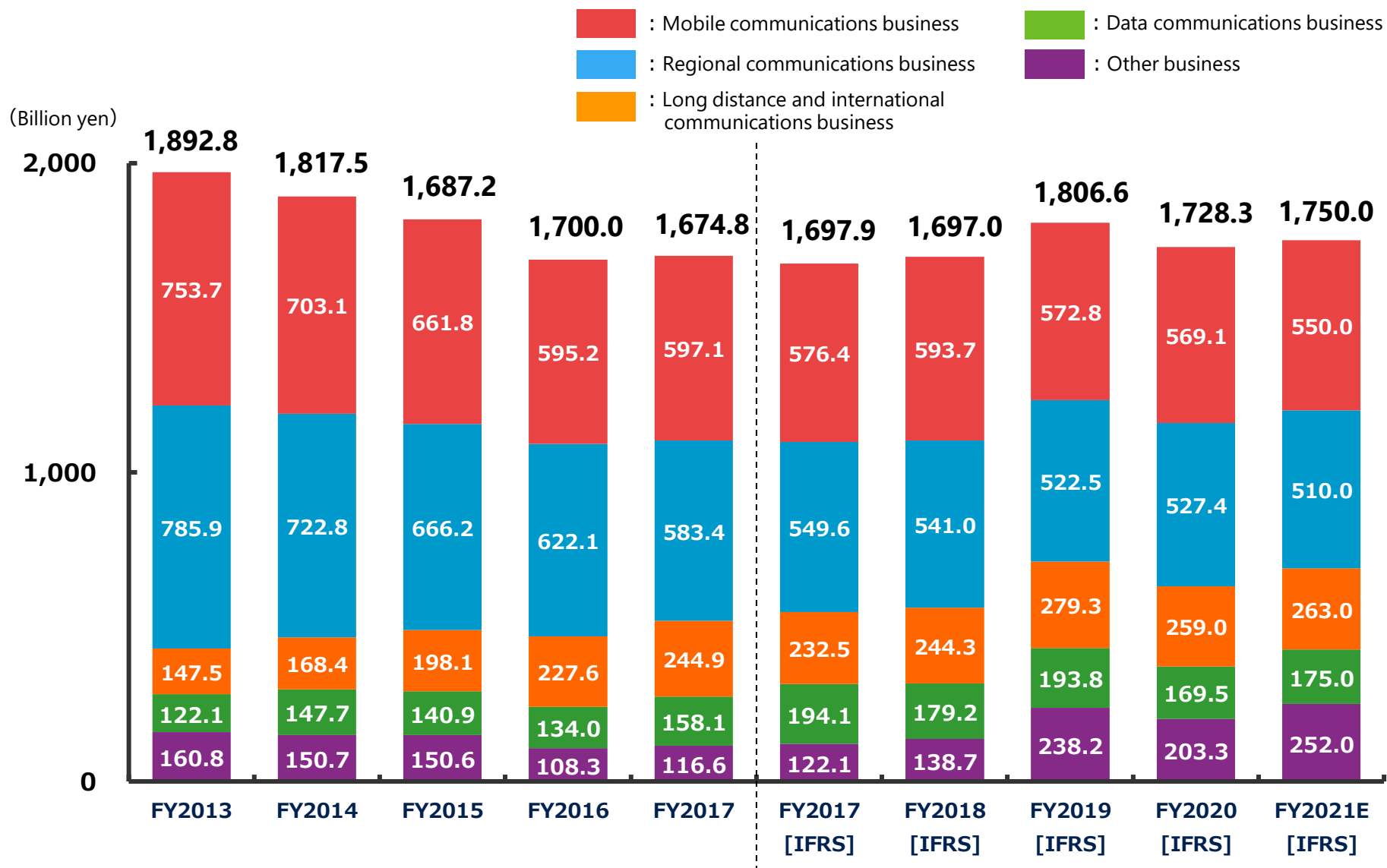
* Business segment operating revenues include inter-segment transactions

Changes in Consolidated Operating Income NTT



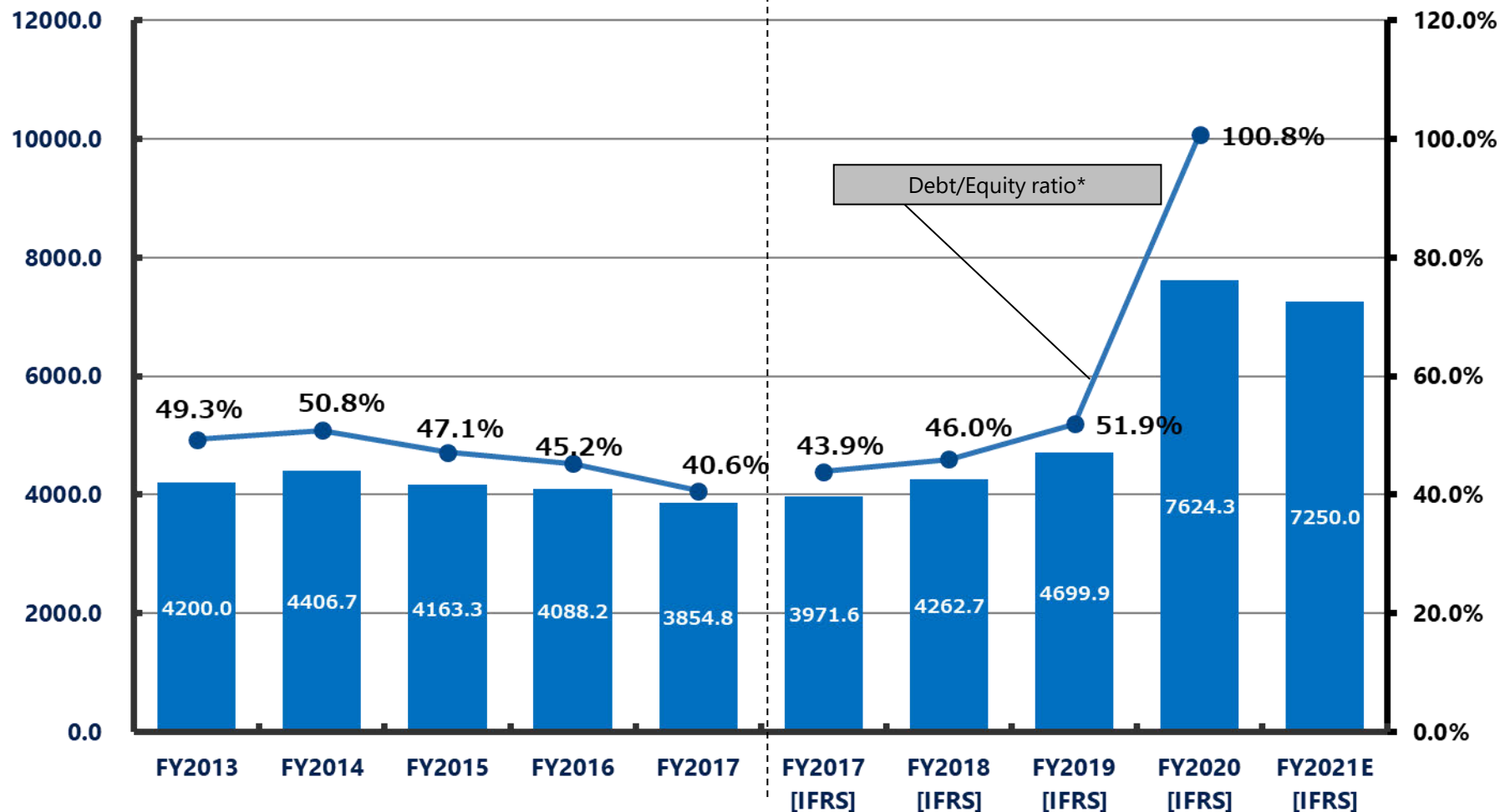
* Business segment operating income include inter-segment transactions

Changes in CAPEX



Changes in Interest-bearing Debt

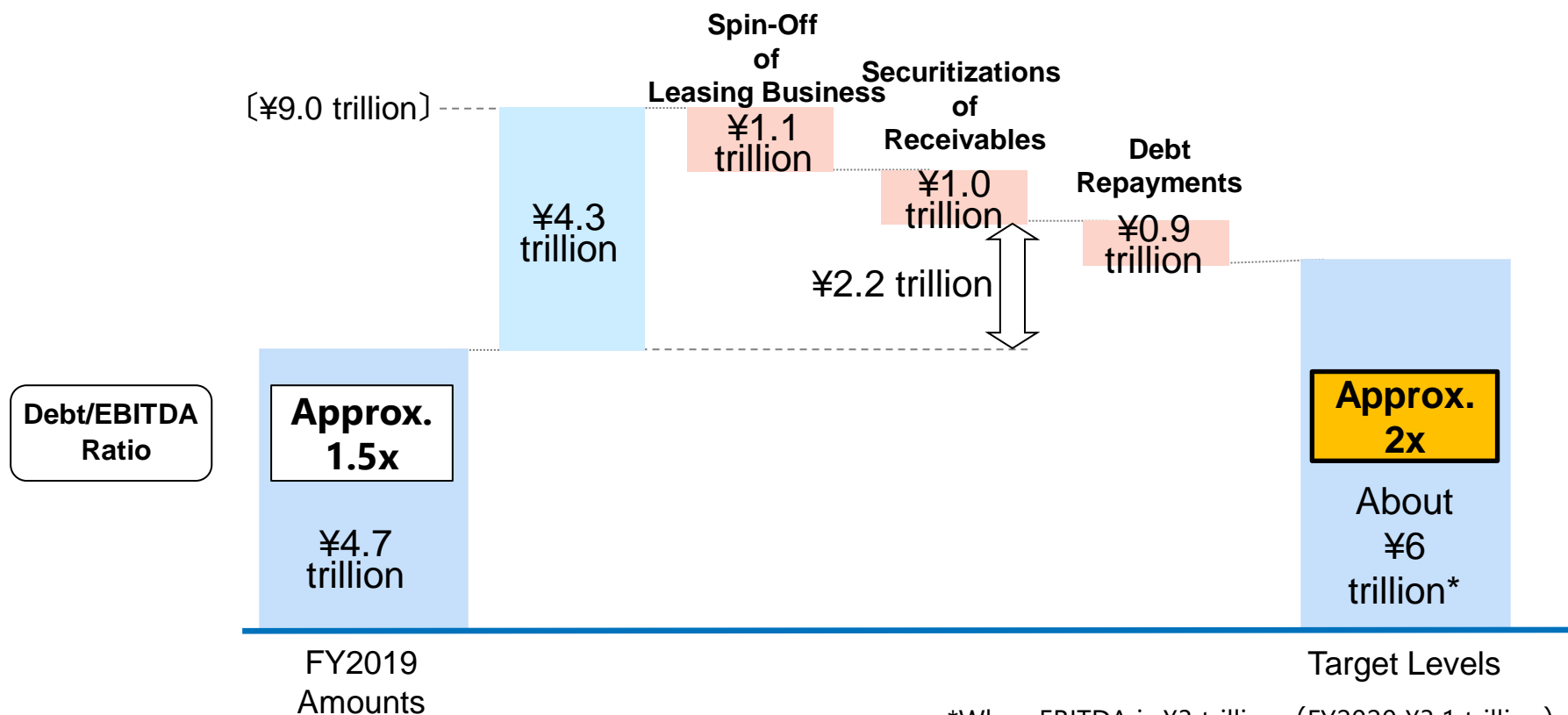
(Billion yen)



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

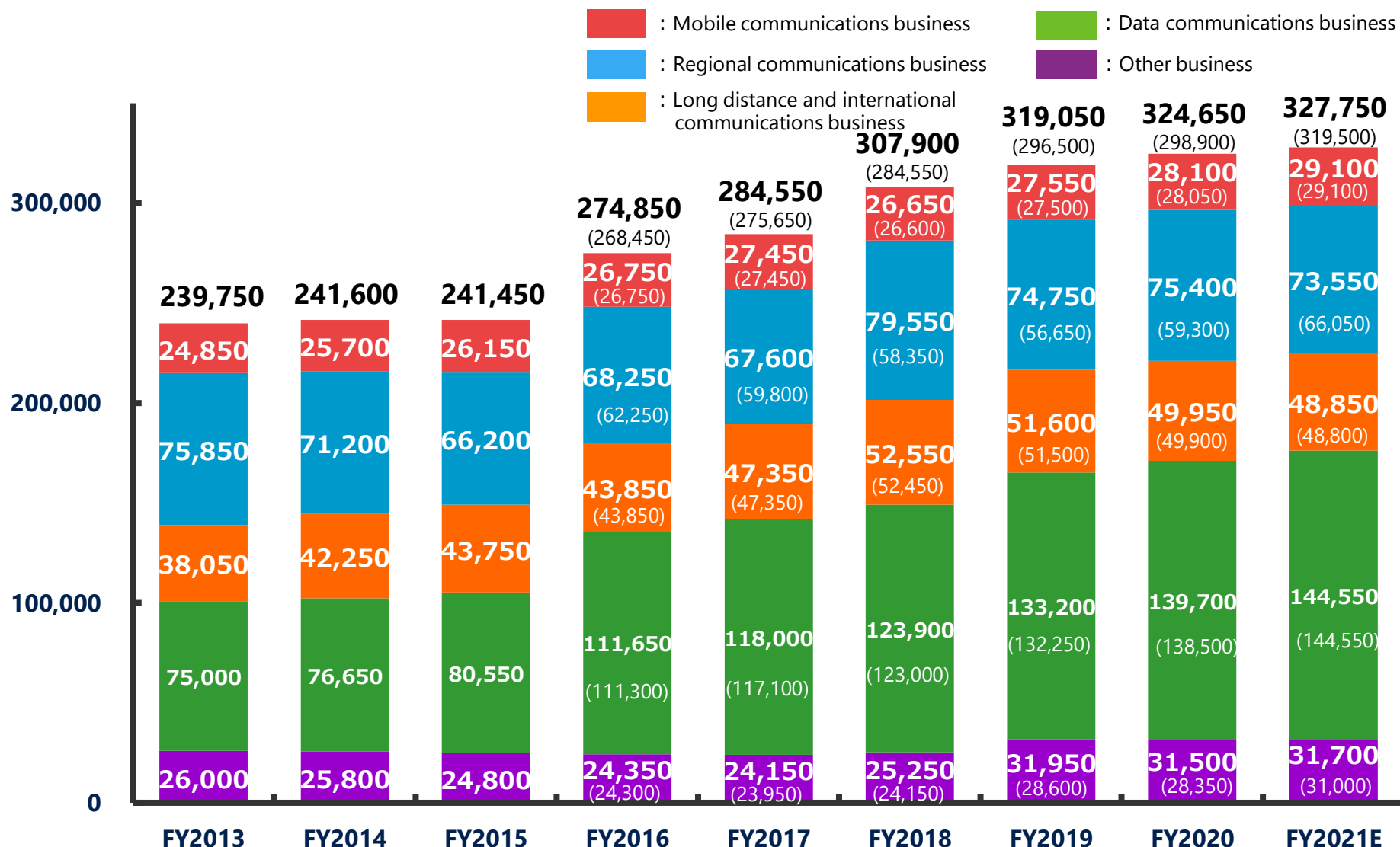
Medium-Term Debt Levels

- Medium-Term Debt Levels are Debt/EBITDA Ratio of Approx. 2x (About ¥6 trillion)
- Debt will be repaid while maintaining the same shareholder returns as before.

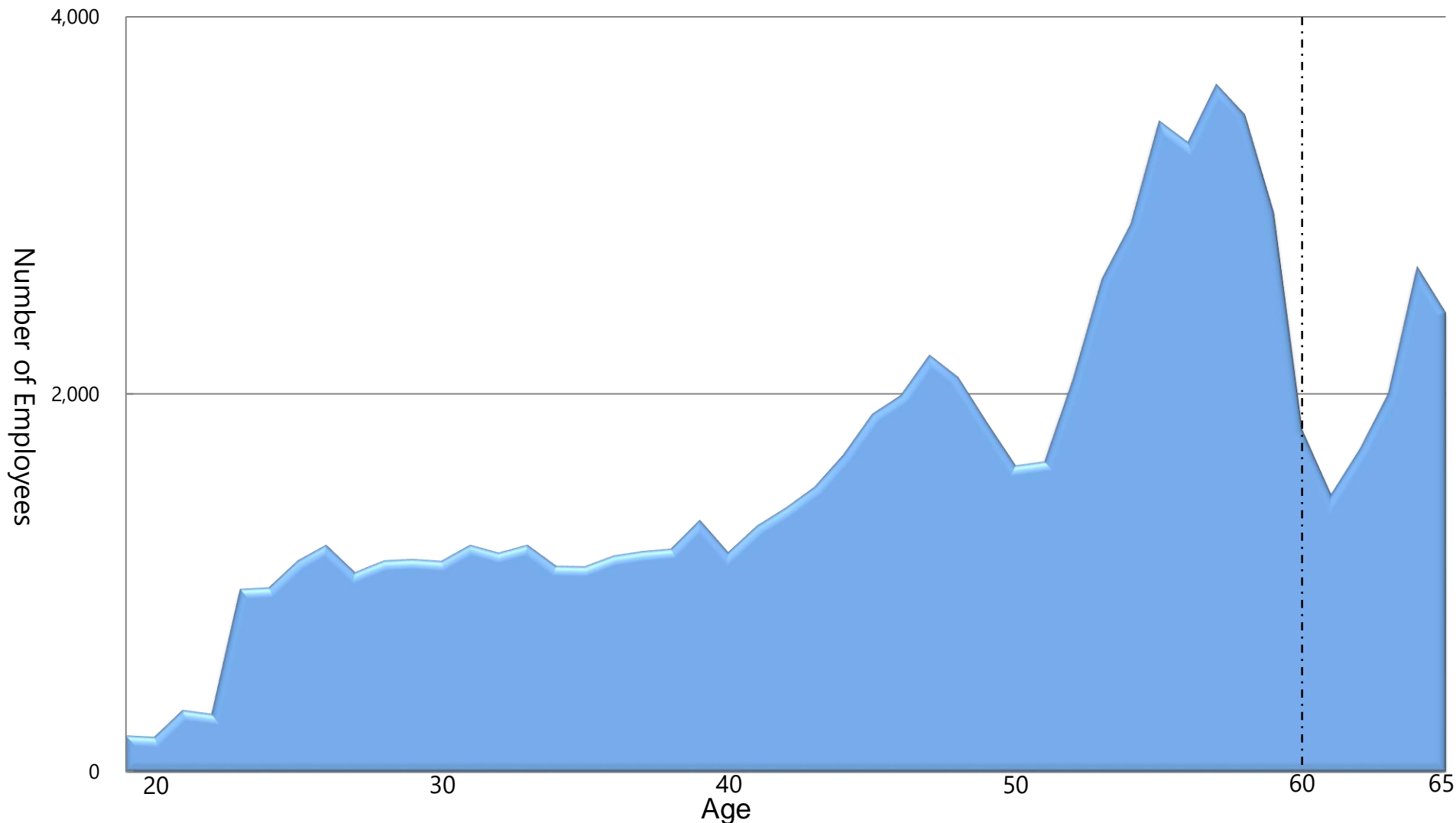


*When EBITDA is ¥3 trillion (FY2020 ¥3.1 trillion)

Changes in Number of Employees



Age Distribution of Employees at NTT East, NTT West and “Outsourcing Companies” (As of March 31, 2021)

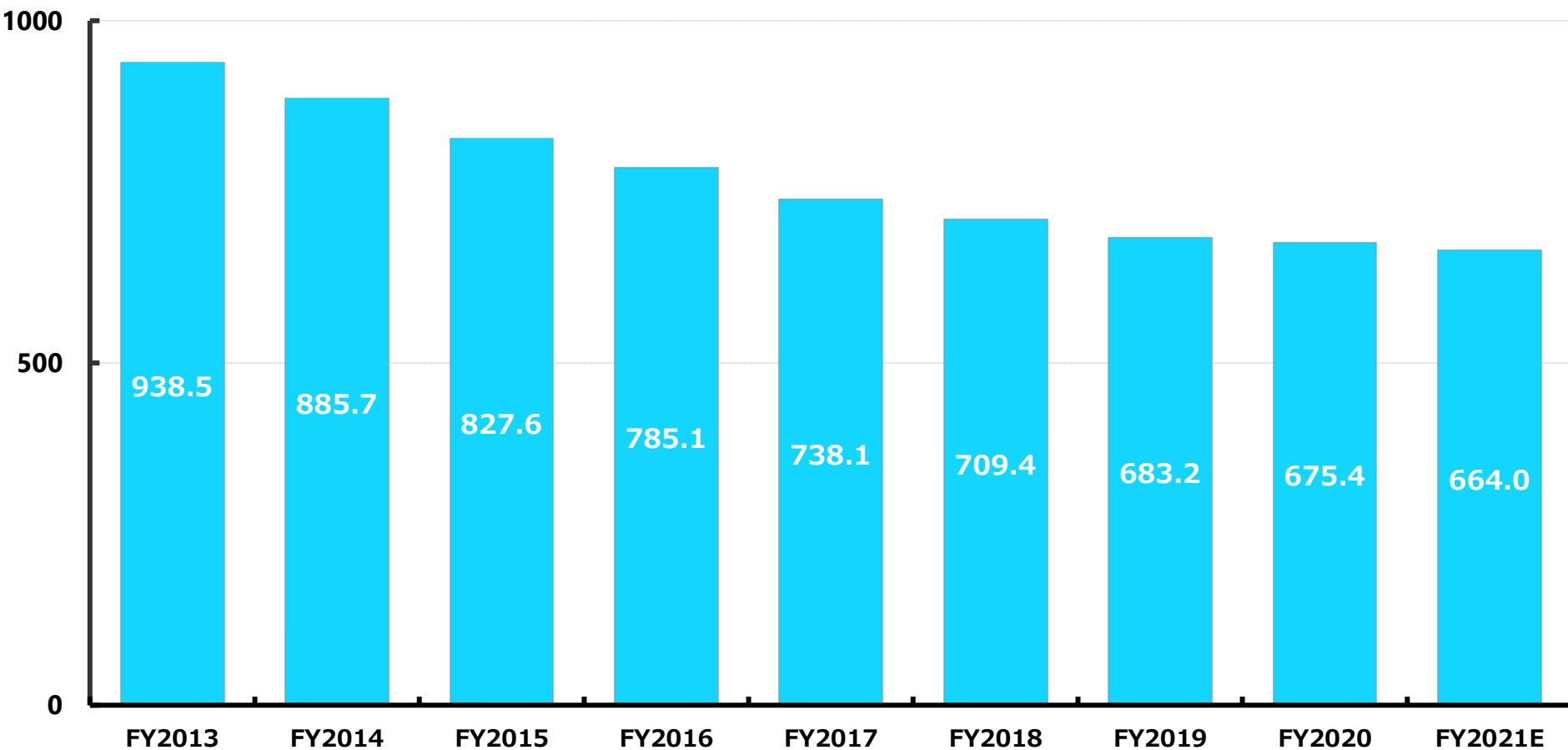


* Figures for East Outsourcing Companies include employees from the consolidated regional outsourcing companies (NTT EAST-MINAMIKANTO and others), NTT-ME and NTT EAST SERVICE, while figures for West Outsourcing Companies include NTT BUSINESS SOLUTIONS, NTT MARKETING ACT, NTT NEOMEIT, NTT FIELDTECHNO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

Changes in Personnel expenses (NTT East Group, NTT West Group)



(Billion yen)

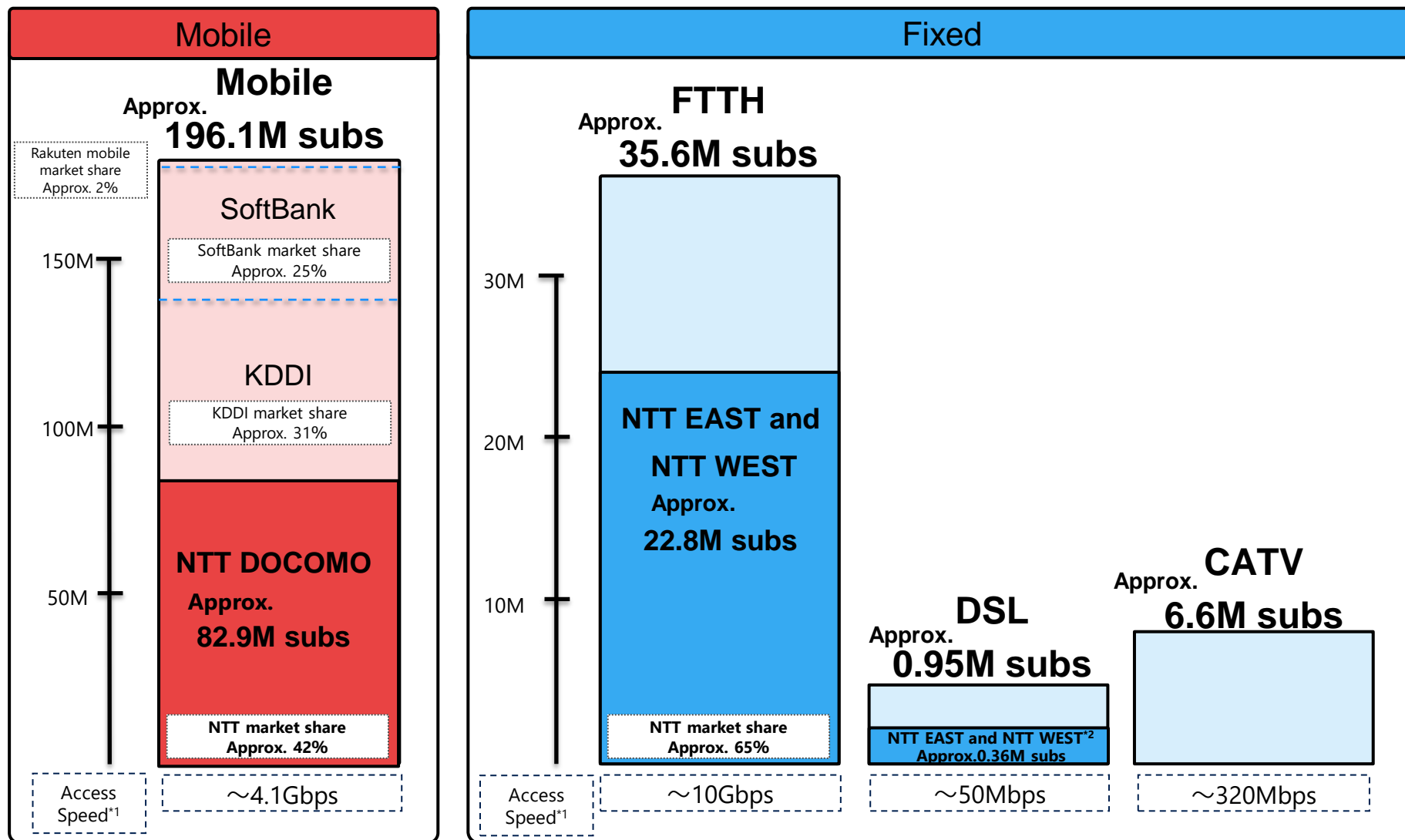


* The scope of aggregation for each of the figures are not audited and are provided for reference only.
(FY2011~FY2016 : U.S. GAAP-based figure, FY2017~FY2021E : International Financial Reporting Standards (IFRS) –based figure)

NTT East Group : The figures presented for NTT East group is internal management figures after eliminating internal transactions between NTT East and its subsidiaries.

NTT West Group : The figures presented for NTT West group is internal management figures after eliminating internal transactions between NTT West and its subsidiaries.

Broadband Access Services in Japan ©NTT

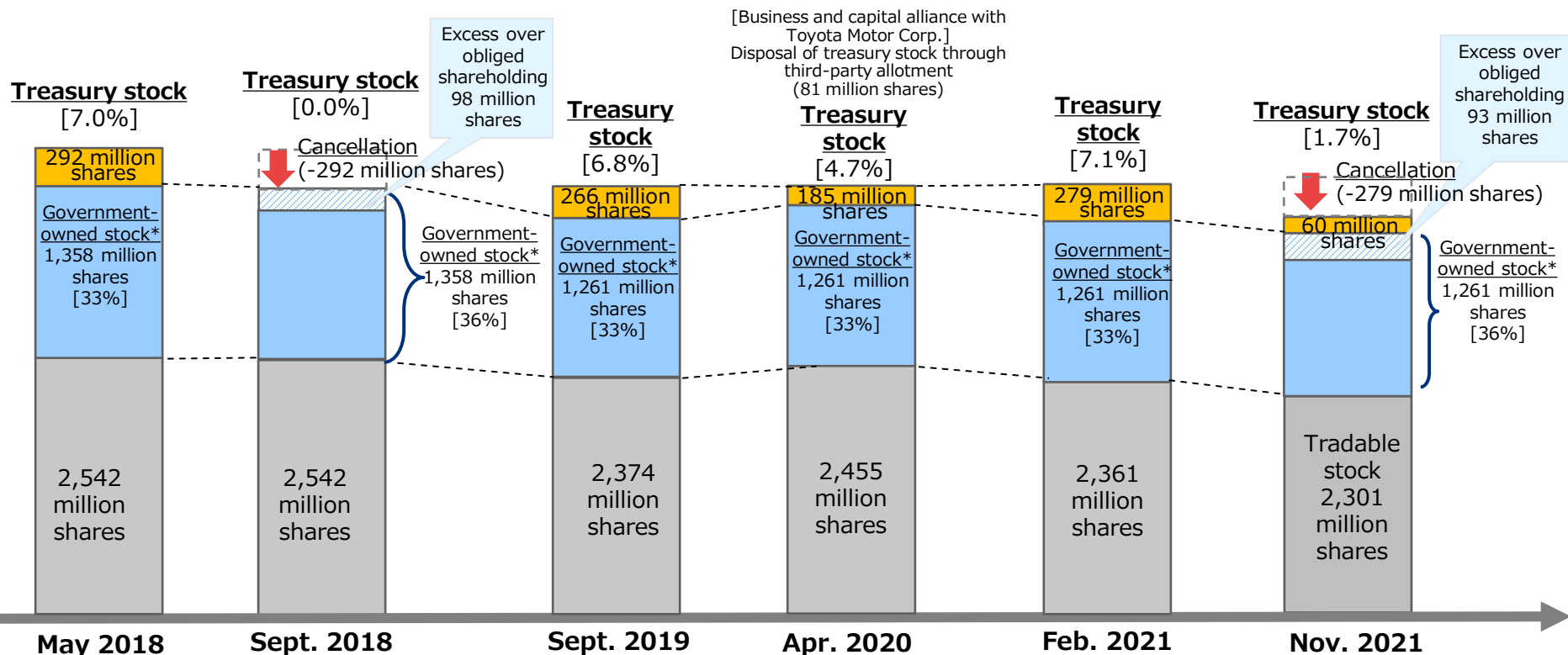
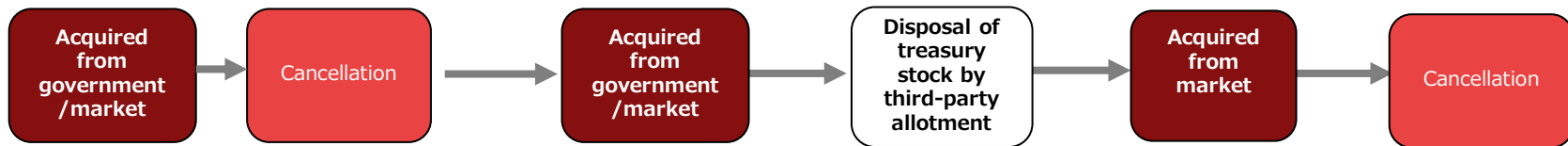


*1 Figures for access speed are the speeds of typical commercial services, and are the maximum values of the best-effort traffic.

*2 Stopped accepting applications from July 1, 2016.

(Source) MIC data (As of the end of June 2021)

Trends in share buyback and cancellation



The number of shares takes into account the stock split effective January 1, 2020 (one share of common stock into two shares).

The number of treasury stock is based on settlement.

* Minimum number of shares held by the government under the NTT Act = (Total number of shares issued - 120 million shares issued by public offering in 2000) x 1/3

[For the purpose of calculation, any increase in shares due to capital increase, etc. after listing shall not be included (Article 13 of the Supplementary Provisions of the NTT Act).]

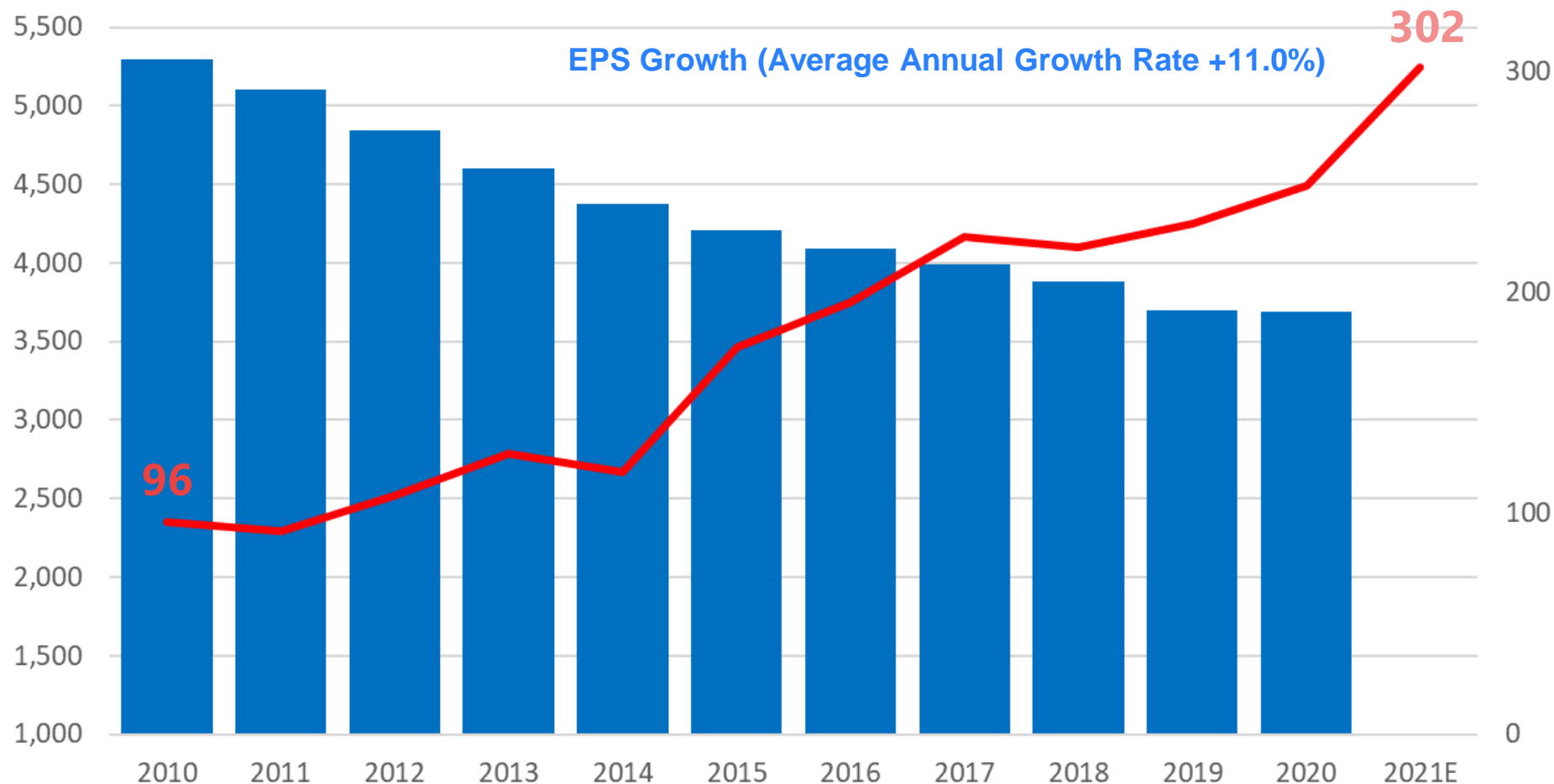
Changes of EPS and Outstanding Shares



(mil shares)

EPS(right axis)

(Yen)



(Note1) Outstanding Shares : Average number of shares outstanding, excluding own shares

(Note2) This chart reflects the two-for-one stock split effective on July 1, 2015 , and January 1, 2020.

Your Value Partner