



Financial Results for the Six Months Ended September 30, 2018

November 6, 2018

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.
- *** "2Q" in this material represents the six-month period beginning on April 1 and ending on September 30.

- **Overview of Consolidated Results**
 - **Status of Consolidated Results for FY2018.2Q**
 - **Contributing Factors by Segment for FY2018.2Q**
- **Shareholder Returns**
- **Financial Results Forecast**
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Overview of Consolidated Results

Status of Consolidated Results for FY2018.2Q

- Both Operating Revenues and Operating Income increased to highest-ever 2Q levels
- Steady progress toward annual plan being achieved

Status of Consolidated Financial Results

● Operating Revenues:	¥5,793.2B	(+¥102.0B [+1.8%] year-on-year)
● Operating Income:	¥1,070.8B	(+¥32.4B [+3.1%] year-on-year)
● Profit ^{※1} :	¥559.7B	((¥4.4B) [(0.8%)] year-on-year)
● Overseas Sales ^{※2} :	\$9.3B	(+\$0.4B [+4.1%] year-on-year)
● Overseas Operating Income Margin ^{※2} :	3.1%	(Reference: FY2017 Results: 3.1%)

※1 Profit presented above represents the profit attributable to NTT, excluding non-controlling interests.

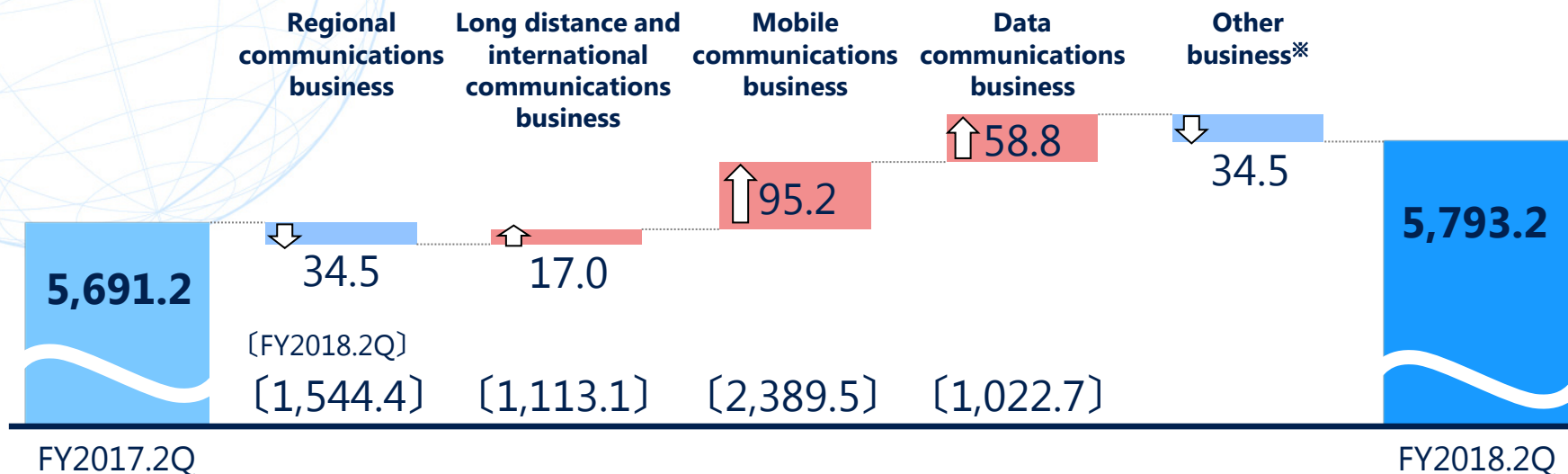
※2 Including results from the global holding company, its subsidiaries and its affiliates. Operating Income excludes temporary expenses, such as M&A-related depreciation costs of intangible fixed assets.

Contributing Factors by Segment for FY2018.2Q

(Billions of yen)

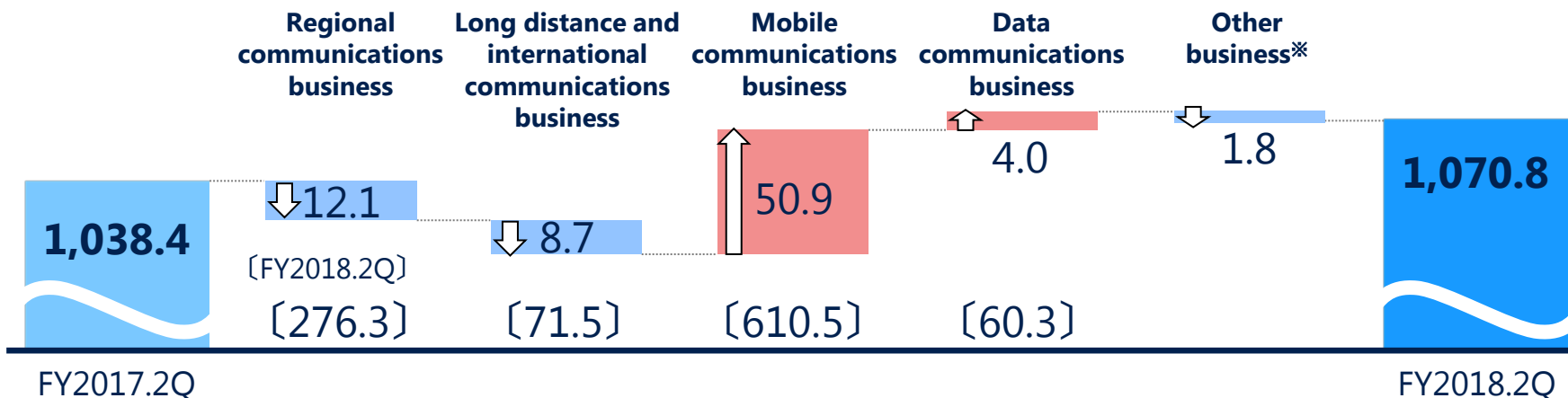
Operating Revenues

(Year-on-year: +102.0)



Operating Income

(Year-on-year: +32.4)



*Includes adjustments such as elimination of inter-segment transactions.



Shareholder Returns

Share Buybacks

- **Resolved to buy back shares in order to improve capital efficiency and enhance shareholder returns**
- **Details of Share Buybacks**
 - **Aggregate Amount: Up to ¥150.0 billion**
 - **Aggregate Number of Shares: Up to 36,000,000 shares**
 - **Buyback Period: from November 7, 2018 to March 29, 2019**



Financial Results Forecast

Financial Results Forecast for FY2018

- Operating Revenues forecast has been revised upward
- Operating Income forecast remains same as initial forecast

Plan for Consolidated Revenues and Income

	Initial Forecast (announced on May 11, 2018)	Financial Results Forecast (announced on November 6, 2018)	Change from Initial Forecast
Operating Revenues	¥11,830.0B	¥11,900.0B	+¥70.0B
Operating Income	¥1,690.0B	¥1,690.0B	±¥0.0B
Profit[※]	¥880.0B	¥880.0B	±¥0.0B

※Profit represents net income attributable to NTT, excluding noncontrolling interests.



Appendix

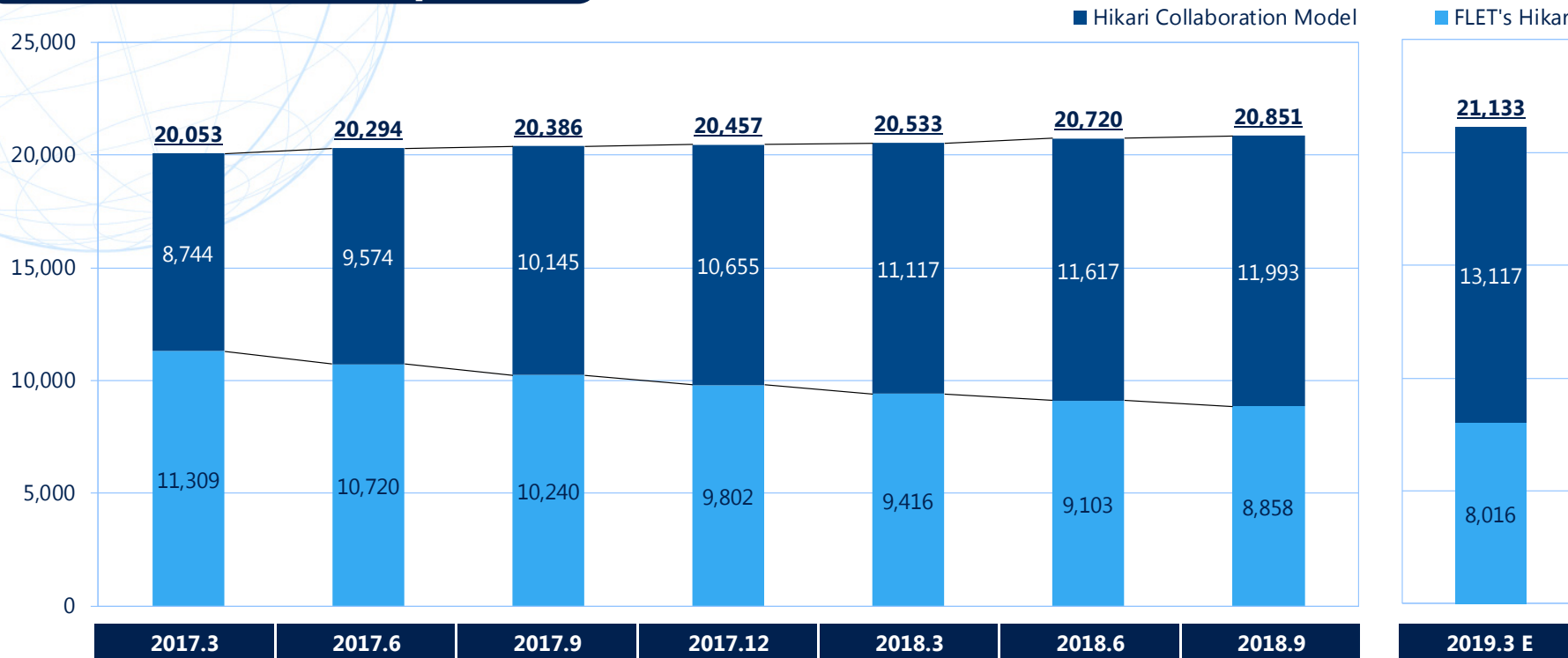


Broadband Services

Fixed-Line Broadband Services Subscriptions



Number of Subscriptions



Net Increase

	2017 4-6	2017 7-9	2017 10-12	2018 1-3	2018 4-6	2018 7-9	2018 4 - 2019 3 E
Total	+241	+92	+72	+75	+187	+131	+600
		+480			+319		
Hikari Collaboration	+830	+571	+510	+462	+500	+376	+2,000
		+2,373			+876		
FLET'S Hikari	(589)	(480)	(438)	(387)	(313)	(245)	(1,400)
		(1,894)			(557)		

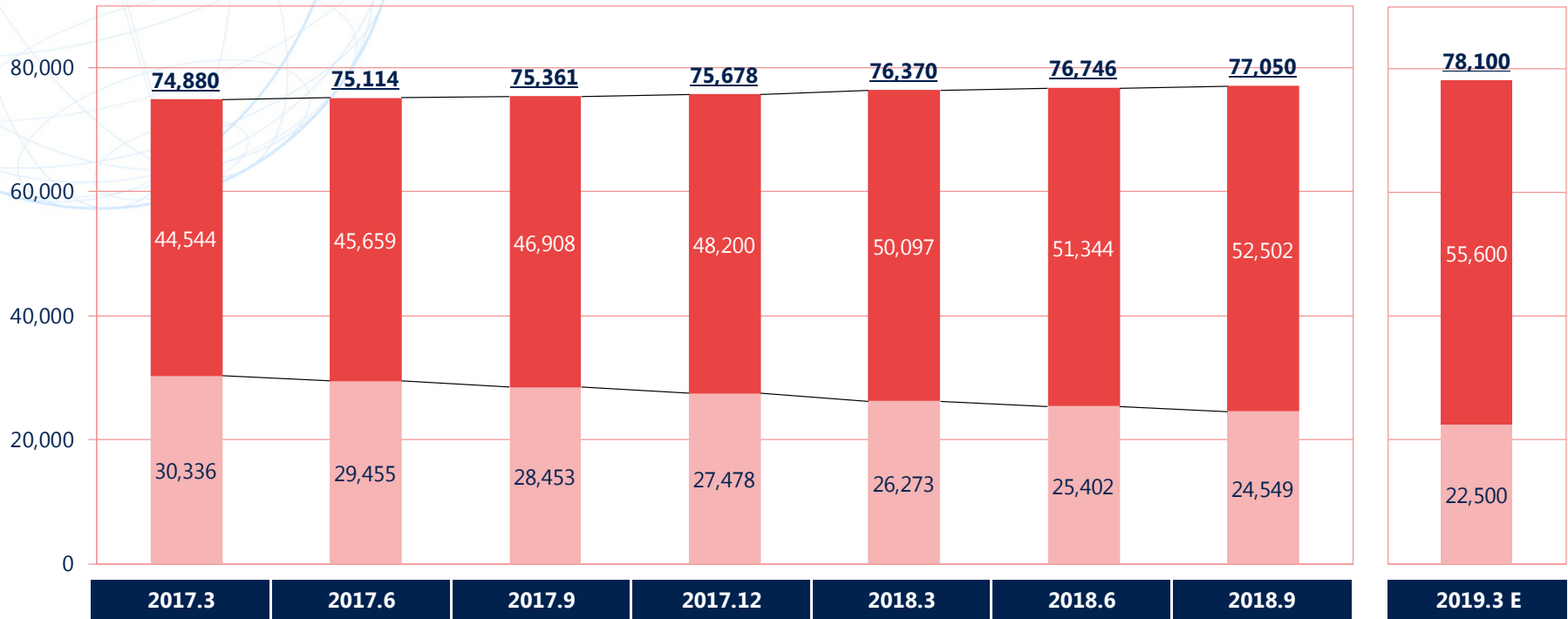
Mobile Communications Services Subscriptions



Number of Subscriptions

(Thousands)

■ LTE(Xi) ■ FOMA



Net Increase

	2017 4-6	2017 7-9	2017 10-12	2018 1-3	2018 4-6	2018 7-9	2018 4 - 2019 3 E
LTE(Xi)+ FOMA	+234	+247	+317	+692	+376	+304	+1,700
	+1,491			+680			



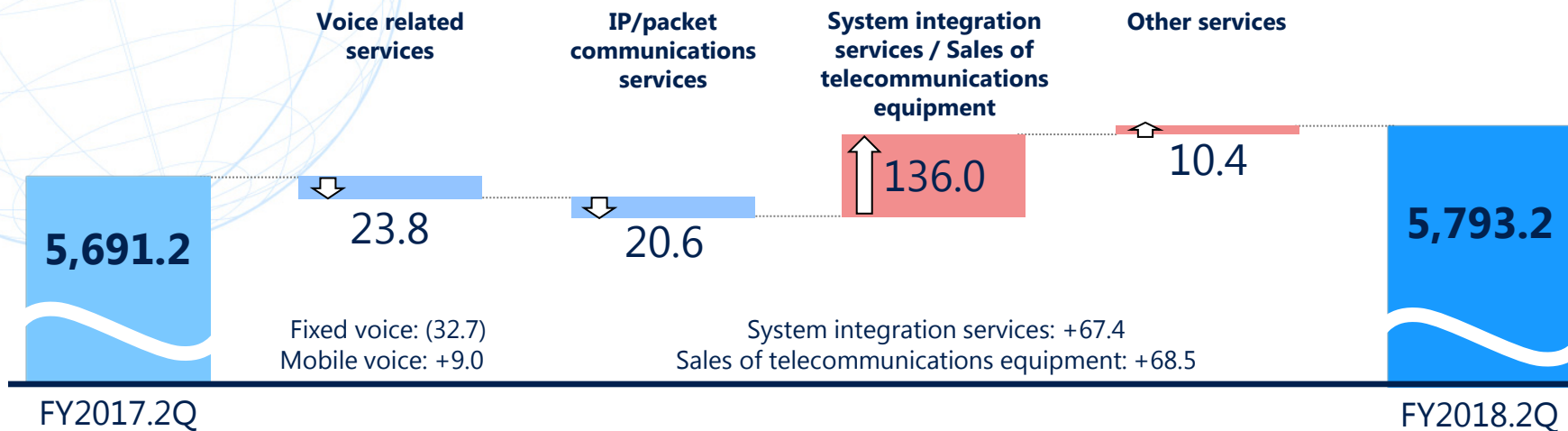
Financial Information

Details of Consolidated Statement of Income

(Billions of yen)

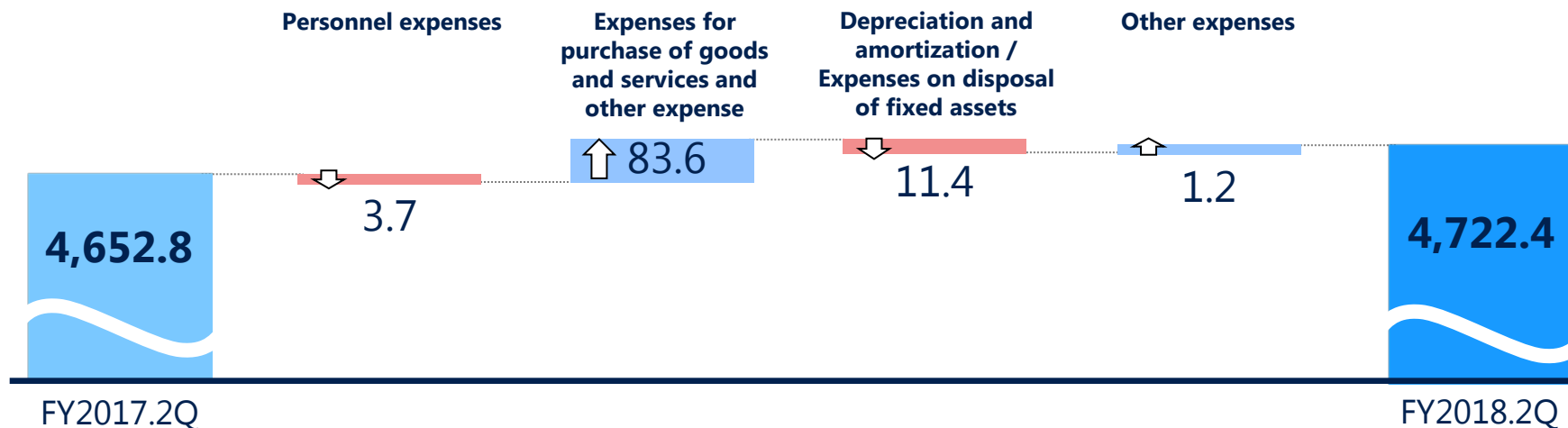
Operating Revenues

(Year-on-year: +102.0)



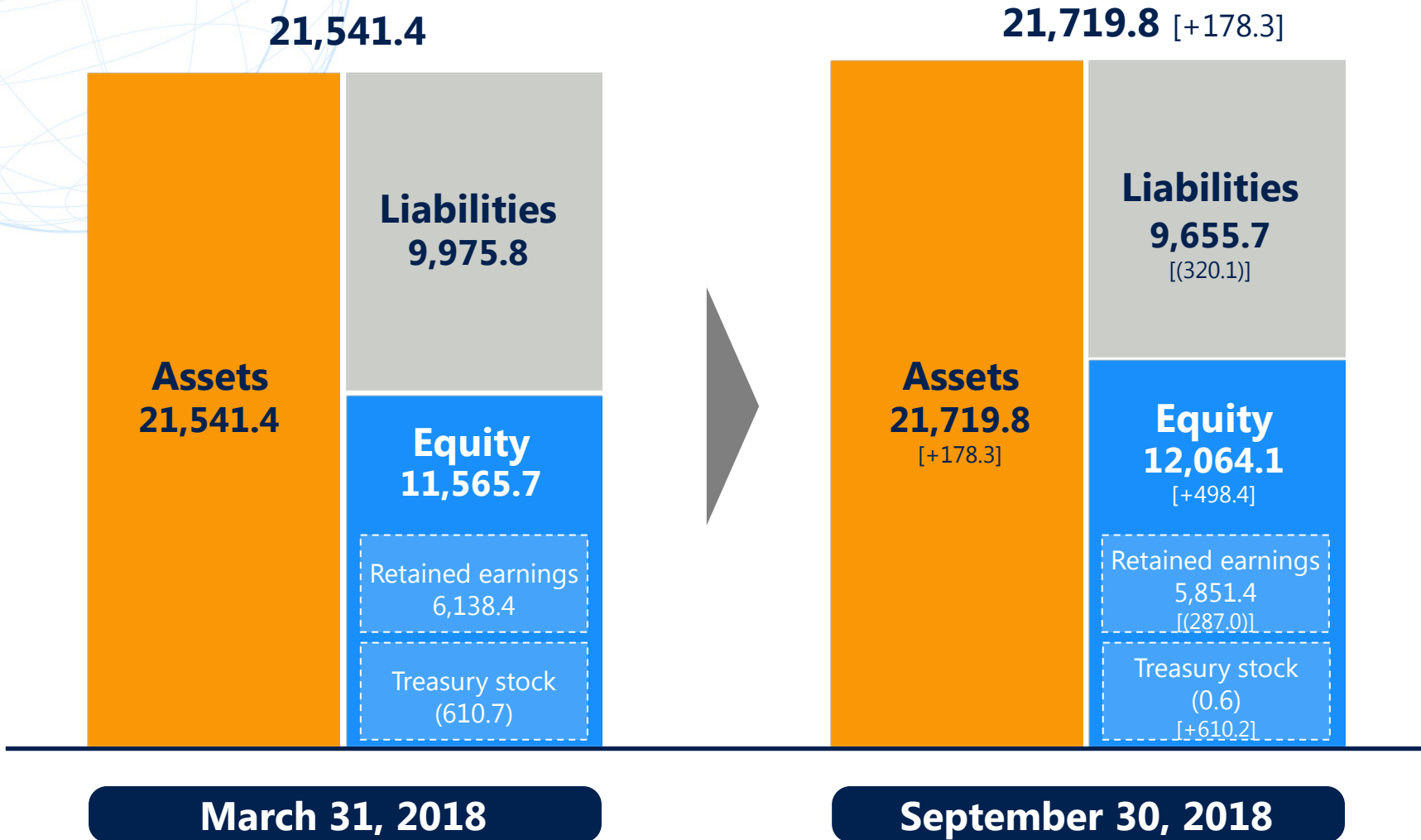
Operating Expenses

(Year-on-year: +69.6)



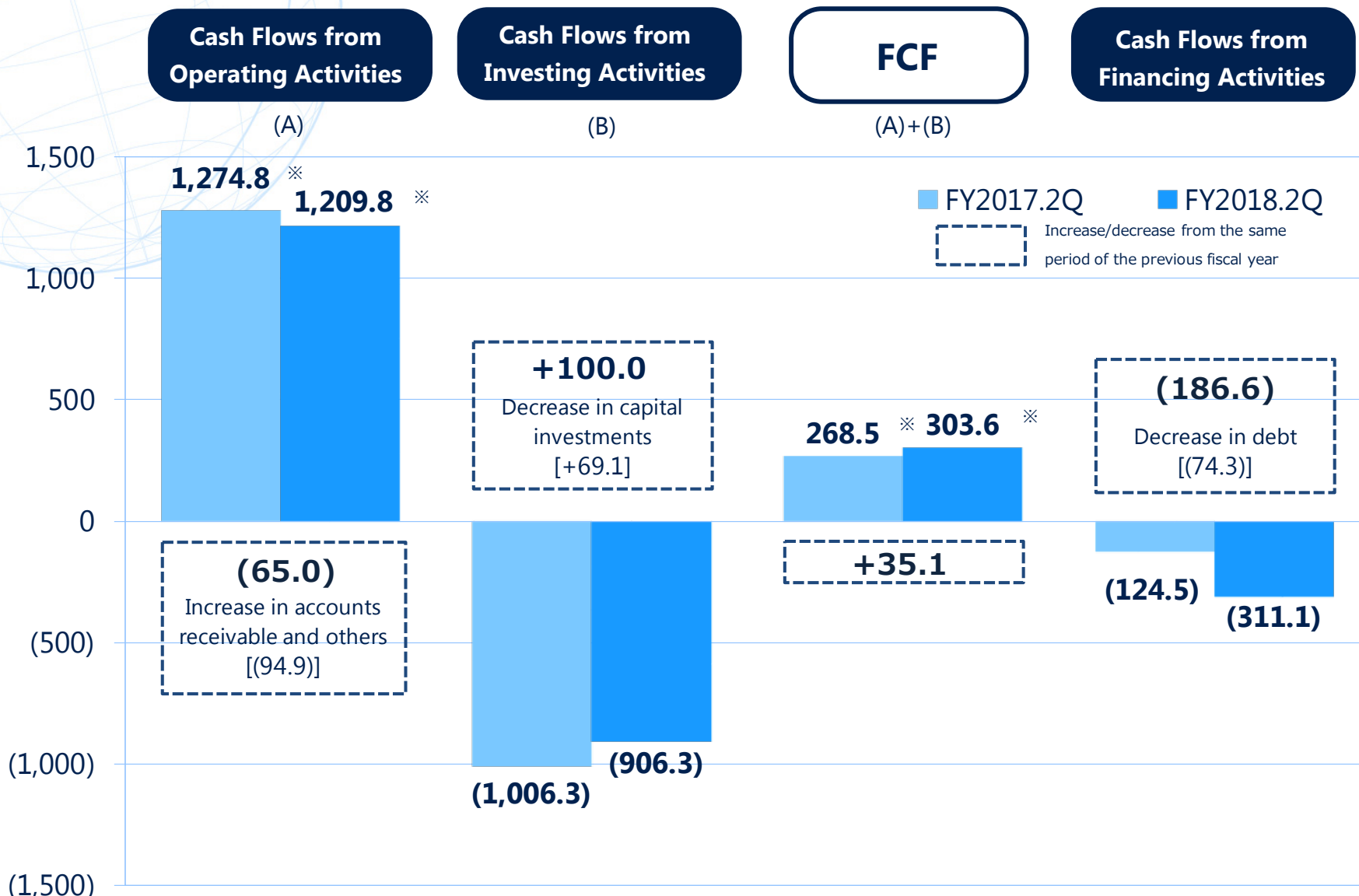
Details of Consolidated Balance Sheet

(Billions of yen)



Details of Consolidated Cash Flows

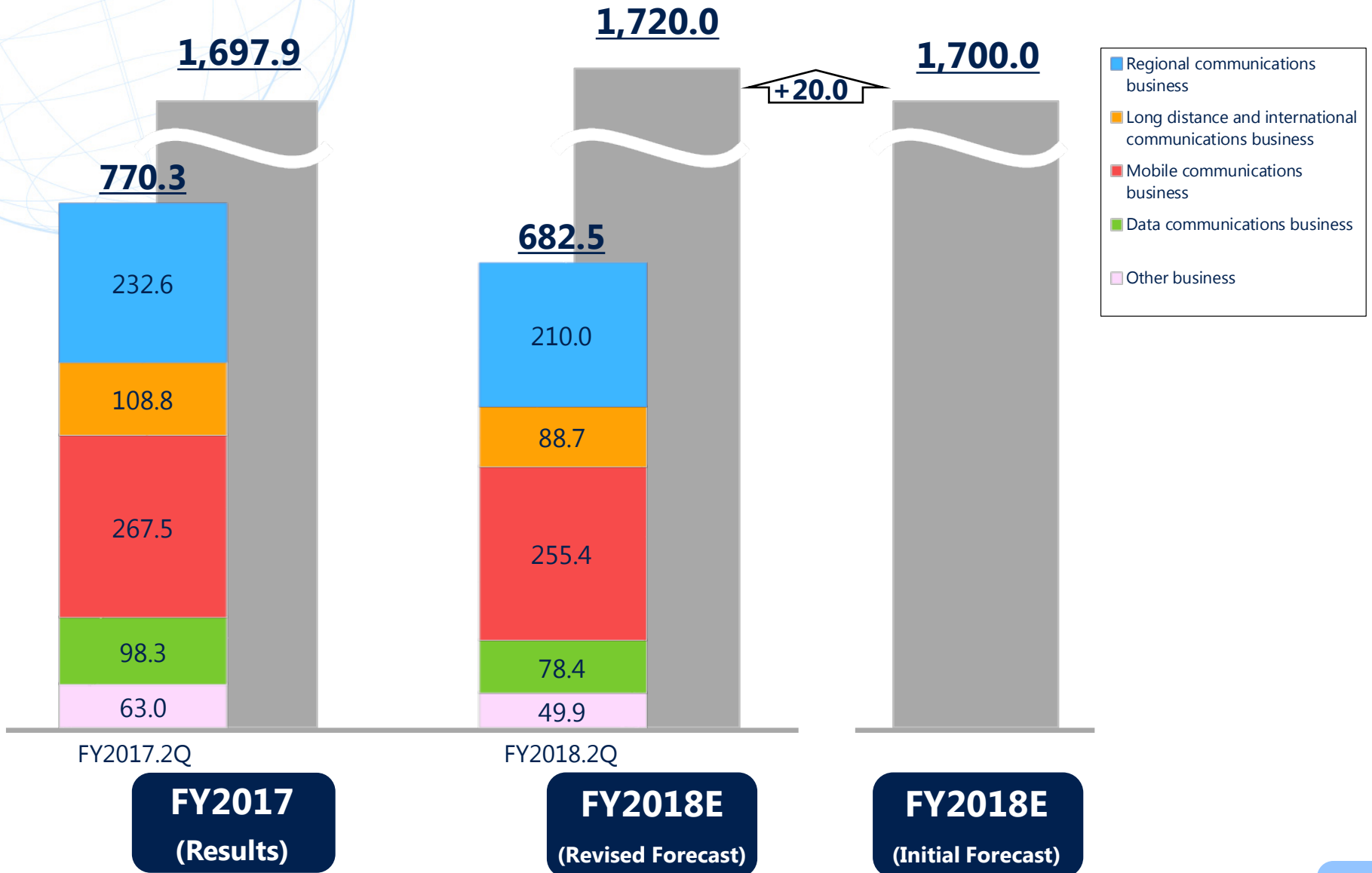
(Billions of yen)



※Amount excluding the impact of the last days of FY2017.2Q, FY2017 and FY2018.2Q having been non-business days.

Details of Capital Investment

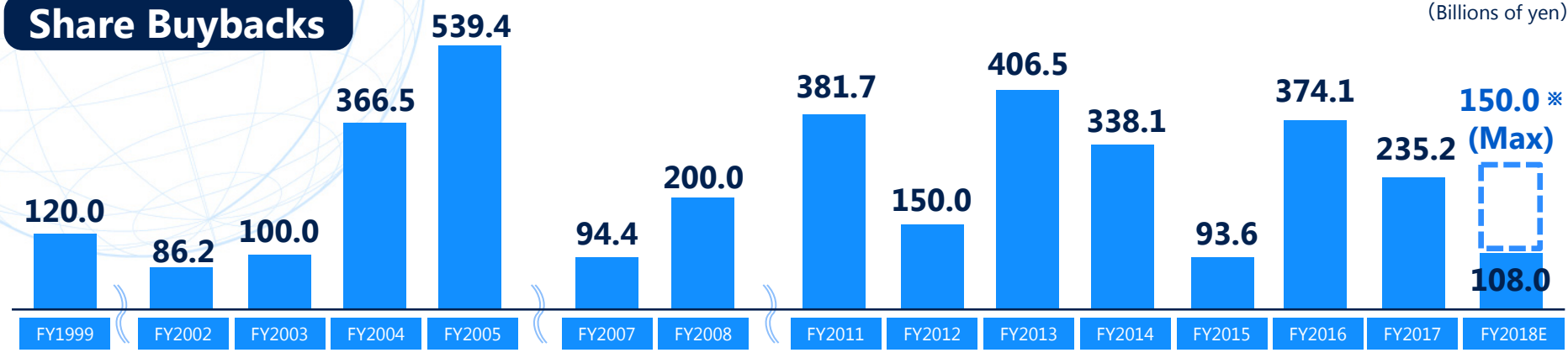
(Billions of yen)



Shareholder Returns

Share Buybacks

(Billions of yen)



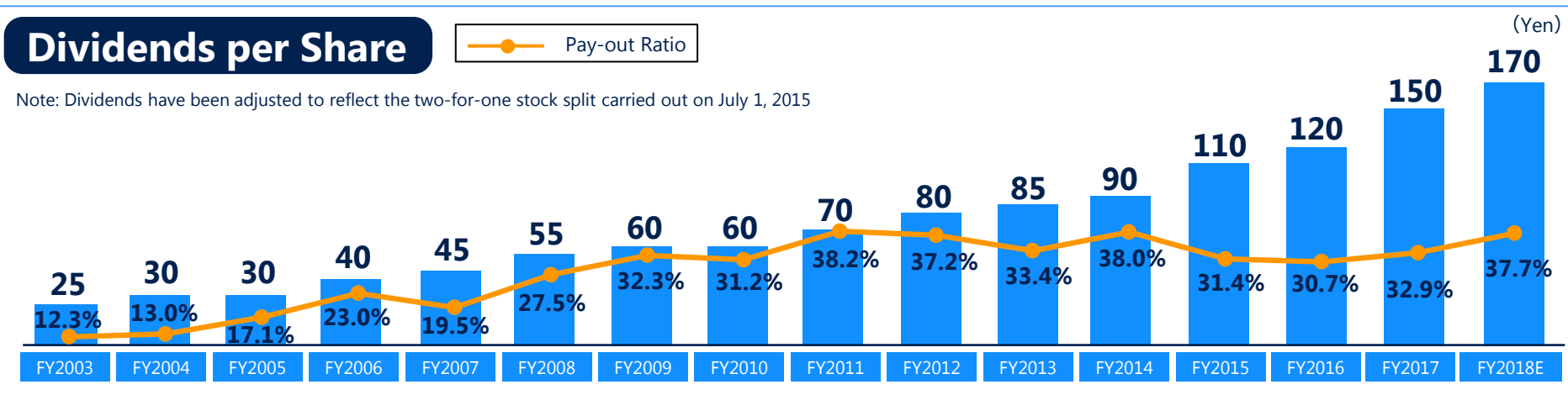
※ On November 6, 2018, the Board of NTT resolved to buy back shares in an amount up to ¥150.0 billion during the period from November 7, 2018 to March 29, 2019.

Dividends per Share

Pay-out Ratio

(Yen)

Note: Dividends have been adjusted to reflect the two-for-one stock split carried out on July 1, 2015





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