



Financial Results for the Six Months Ended September 30, 2020

November 6, 2020

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.

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Overview of Consolidated Results for the Six Months Ended September 30, 2020

■ Operating Revenues declined, while Operating Income increased

Status of Consolidated Results

● Operating Revenues:	¥5,711.4B	< (¥178.2B) [(3.0%)] year-on-year >
● Operating Income:	¥1,008.6B	< +¥25.8B [+2.6%] year-on-year >
● Profit*:	¥541.5B	< (¥6.2B) [(1.1%)] year-on-year >
● Overseas Sales**:	\$9.1B	< (\$0.72B) [(7.3%)] year-on-year >
● Overseas Operating Income Margin** :	2.9%	< +0.7pt year-on-year >

* Profit presented above represents the profit attributable to NTT, excluding noncontrolling interests.

** 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.

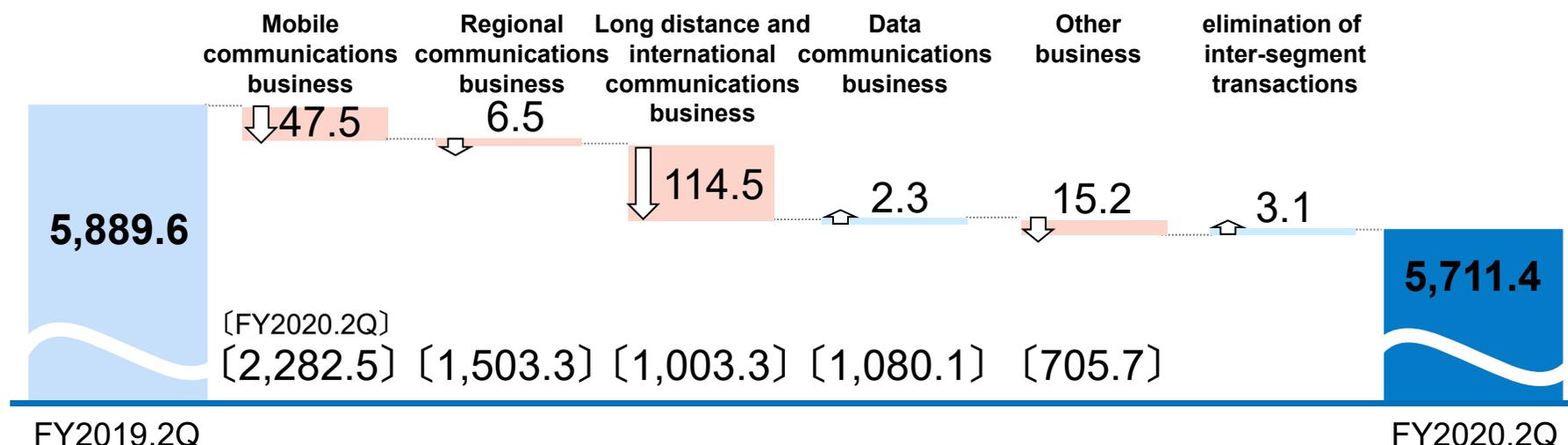
Contributing Factors by Segment for FY2020.2Q



(Billions of yen)

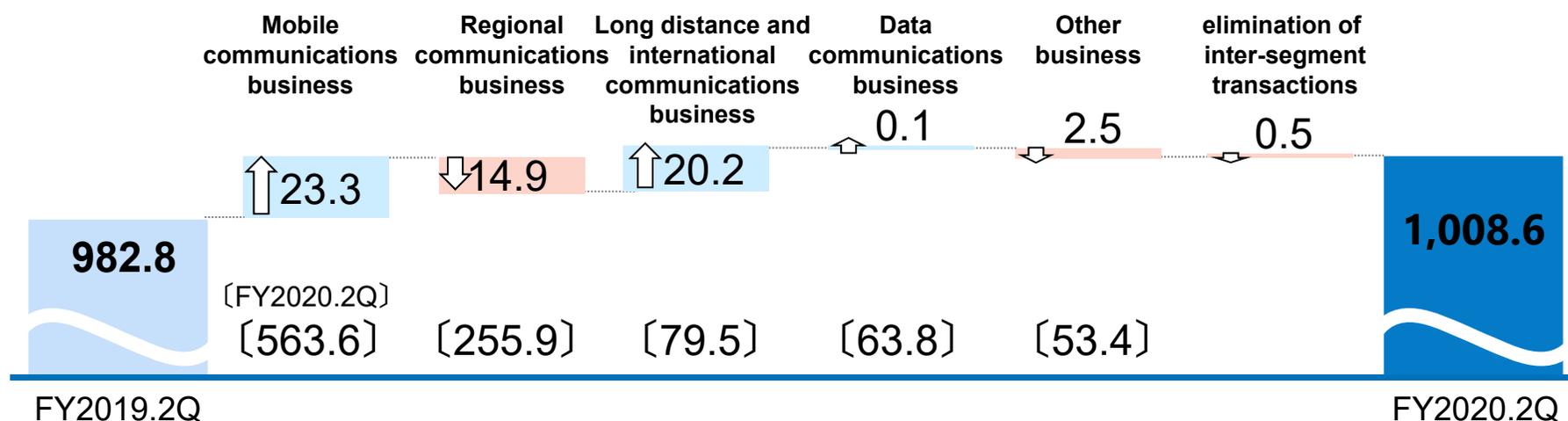
Operating Revenues

<Year-on-year:(178.2)>



Operating Income

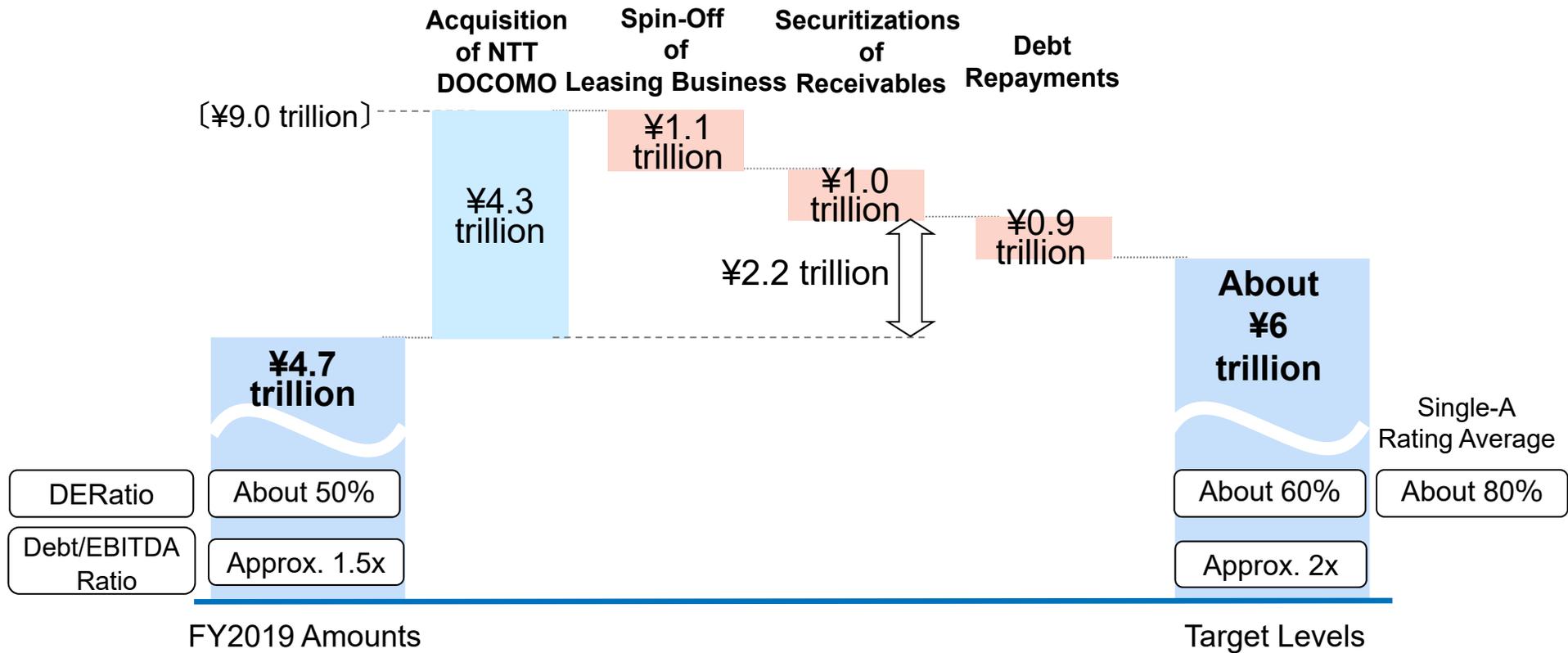
<Year-on-year: +25.8>



Medium-Term Debt Levels



- Targeted debt levels are ¥6 trillion; includes the spin-off of the leasing business, securitizations of receivables and debt repayments of ¥0.9 trillion.
- Debt will be repaid while maintaining the same shareholder returns as before.
- No goodwill will be generated by the transaction to make NTT DOCOMO a wholly owned subsidiary.



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 ¥250.0 billion**
 - **Aggregate Number of Shares: Up to 120,000,000 shares**
 - **Buyback Period: From November 11, 2020 to March 31, 2021**
- **Based on the above, the FY2020 EPS target has been revised from ¥231 to ¥232 (an increase of ¥1)**

Topics

Initiatives to Create a Remote World (1/4)

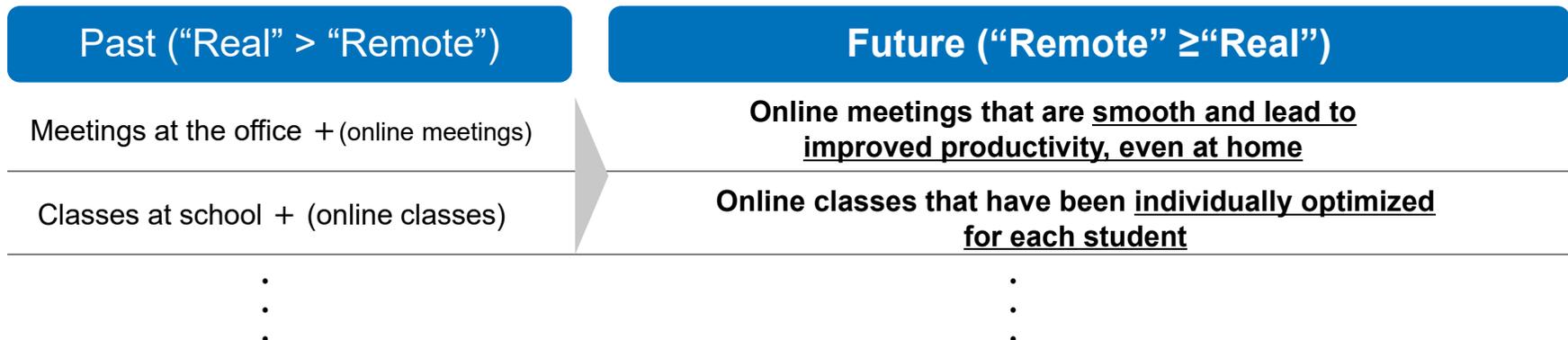


■ Created the new service brand, “Remote World”

In order to provide customers with appropriate services both during and after COVID-19, we have created a lineup of services under a new service brand

 <p>Remote World</p>	<p>Achieving a new space beyond face-to-face</p> <ul style="list-style-type: none">- A world where productivity can improve and innovation can thrive wherever one is, without feeling isolation or other kinds of stress- A world where everyone can safely and securely work smoothly or receive a fulfilling education, even remotely
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✓ **Achieve added value through the new remote setup from users’ perspective**



Initiatives to Create a Remote World (2/4)



■ Launch of new services

<Expanding the work that can be done remotely>

① “OriHime” remote-controlled avatar robot

(Entered into a capital alliance with Ory Laboratories on October 15, 2020)

- ✓ Four people who have physical disabilities or who have difficulty going outside remotely operate the robots and communicate with guests who visit NTT reception, and lead them to reception rooms
- ✓ There are plans for future service collaborations with group companies



② “Comme@customer support” remote screen sharing tool

(NTT-AT; launched full-scale sales in July 2020)

- ✓ When providing explanations over the phone is difficult, can provide support through simple operations from a website (without a dedicated application) using video, screen sharing, chat and other functions



Initiatives to Create a Remote World (3/4)



<Evolution of communication>

③ “elgana” business chat

(NTT Neomeit; new plan added in October 2020)

- ✓ Launched a free plan that allows chat talk for an unlimited number of IDs, and without ads displayed



elgana

④ “SwipeVideo” free-viewpoint video solution

(NTT DOCOMO; service scheduled to be launched in November 2020)

- ✓ Offers a new viewing experience in the entertainment, sports and education fields
- ✓ Viewpoints can be switched by swiping on smartphone screens



<Improved productivity through the shift to online>

⑤ “Smart Me™” digital employee ID

(NTT Com; launched in September 2020)

- ✓ Employees can enter and exit rooms just by waving their hands with their smartphones kept in their pockets
- ✓ Physical cards will become unnecessary, which will also reduce the work required for card management



⑥ “SmartGo™ Staple” DX for expense and transportation fare reimbursements

(NTT Com, launched in September 2020)

- ✓ Reimbursements for transportation fares are automatically submitted by Mobile Suica just by passing through the ticket gate
- ✓ By using a prepaid corporate card, management of reimbursements and original receipts will also become unnecessary



⑦ “BConnection Digital Trade” digitalization service for B2B transactions

(NTT Com, launched in October 2020)

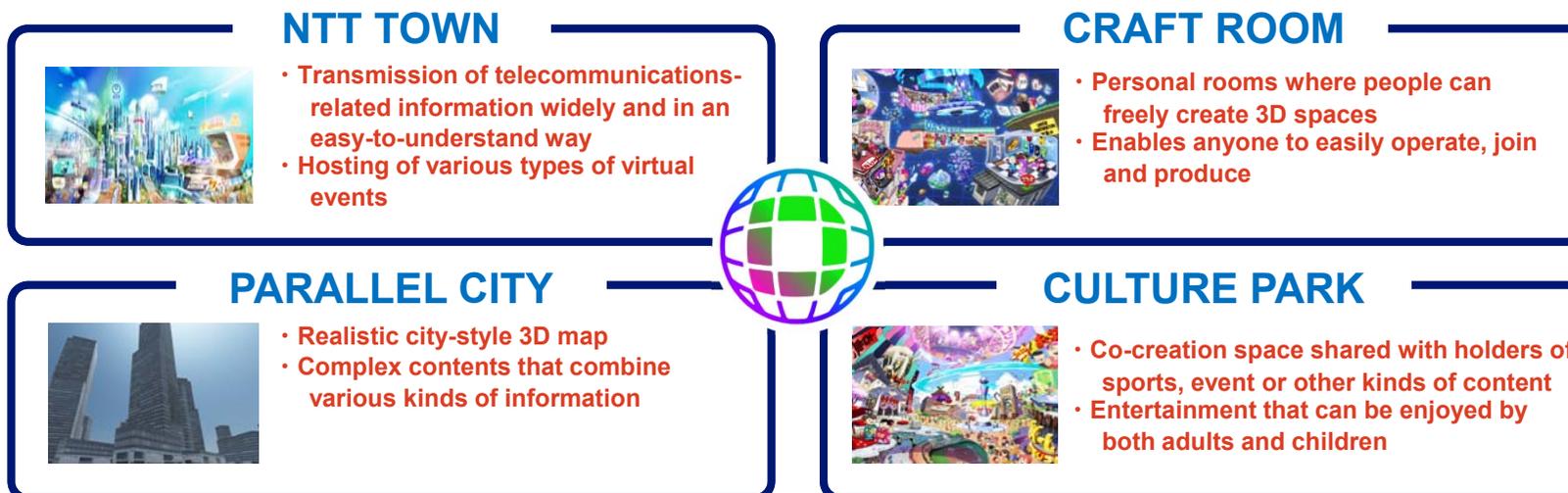
- ✓ Digitalizes estimates, orders and invoices between buyers and suppliers
- ✓ Free to use for suppliers (excluding certain options)

We will continue to expand the lineup of the new service brand going forward by adding a variety of services

Launched “DOOR” 3D Owned Media



- For the worldview and contributions to social issues that NTT strives for, DOOR will disseminate information in a way unique to 3D spaces that will inspire people to feel wonder and excitement together
- Exemplifies a worldview of the Remote World that balances both maintaining social distancing and stimulating economic activity
 - ✓ Will launch on November 17 in connection with hosting the NTT R&D Forum 2020 Connect event
 - ✓ Web-based and easy-to-access, with multi-device compatibility
 - ✓ Four area configurations and contents that support business and personal uses



Overview of Medium-Term Management Strategy Initiatives

Progress of the medium-term management strategy accelerated by the transaction to make NTT DOCOMO a wholly owned subsidiary

Promote B2B2X Model	<ul style="list-style-type: none"> • Number of B2B2X Projects: 88 (+75)*
Roll Out 5th-Generation Wireless System	<ul style="list-style-type: none"> • Launched 5G services using millimeter wave (NTT DOCOMO, September 23, 2020)
Provide Personal Services	<ul style="list-style-type: none"> • Established a new company with ITOCHU, FamilyMart and CyberAgent for an advertising business that utilizes purchase data (NTT DOCOMO, expected to launch operations in December 2020)
Create New Lines of Business	<ul style="list-style-type: none"> • Entered into wind power generation business (NTT Anode Energy, September 7, 2020)
Effective Use of Assets	<ul style="list-style-type: none"> • Further progressed the conversion of station facilities into satellite offices; starting with Noborito in October 2020, our goal is to open 10 offices during FY2020 and 50 offices during FY2021
Contribute to Vitalization of Regional Societies and Economies	<ul style="list-style-type: none"> • Entered into a tripartite partnership agreement with the City of Yokosuka for regional revitalization utilizing ICT and new sports (NTT East and NTTe-Sports, October 21, 2020) • Entered into an industry/academia/government/finance collaboration agreement relating to the regional revitalization of and the resolution of regional issues in the City of Nagasaki (NTT West and NTT Urban Solutions, October 28, 2020)
Promote ESG Management	<ul style="list-style-type: none"> • Entered into a “social contribution cooperation agreement to resolve social issues” with KDDI (September 11, 2020) • Entered into a capital and business alliance with Ory Laboratories (October 15, 2020) • Received SBT** initiative approval of NTT's reduction targets (October 30, 2020) • Entered into a cooperation agreement in research to prove the scientific and technical feasibility of the fusion energy with National Institutes for Quantum and Radiological Science and Technology (November 6, 2020)

* Information as of September 30, 2020. Information in parentheses indicates changes from the time of announcement of the medium-term management strategy (October 2018)

** Science Based Targets

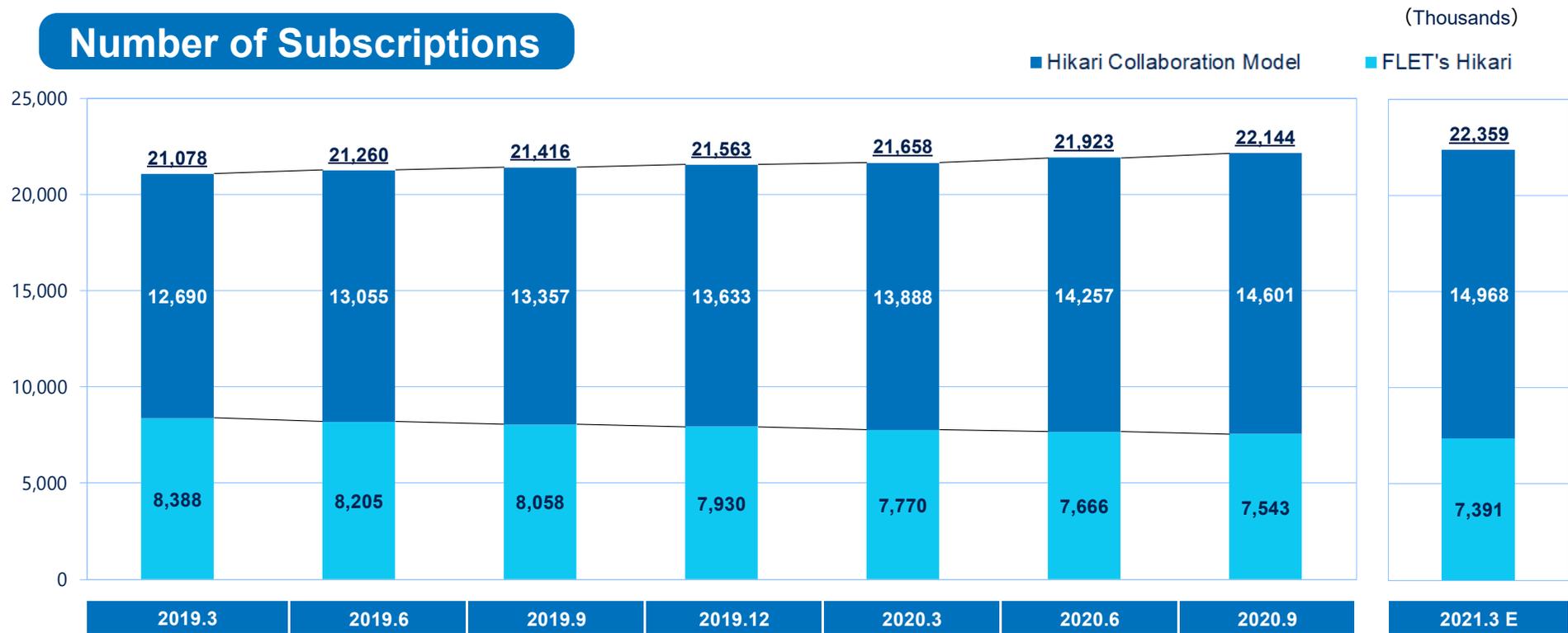
Appendix

Broadband Services

Fixed-Line Broadband Services Subscriptions



Number of Subscriptions



Net Increase

	2019 4-6	2019 7-9	2019 10-12	2020 1-3	2020 4-6	2020 7-9	2020 4 - 2021 3 E
Total	+182	+156	+148	+95	+266	+221	+700
		+580			+486		
Hikari Collaboration Model	+365	+302	+276	+255	+369	+344	+1,080
FLET'S Hikari	▲183	▲146	▲128	▲161	▲104	▲123	▲380
		▲618			▲227		

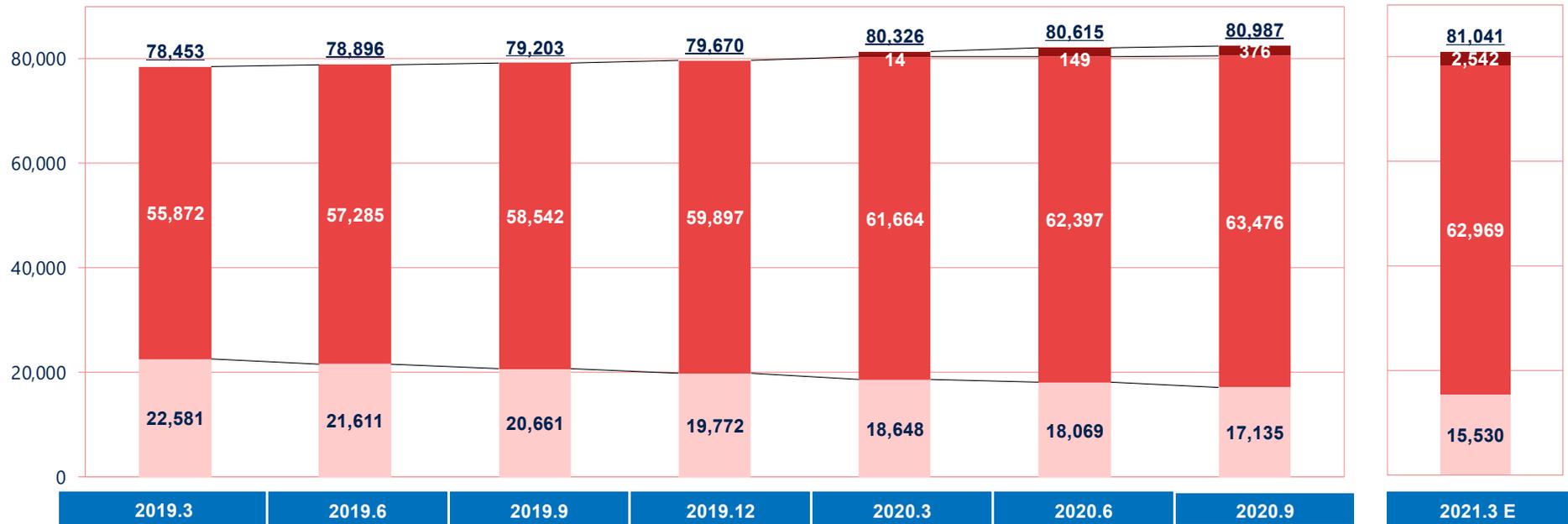
Mobile Communications Services Subscriptions



Number of Subscriptions

(Thousands)

■ 5G ■ LTE (Xi) ■ FOMA



Net Increase

	2019 4-6	2019 7-9	2019 10-12	2020 1-3	2020 4-6	2020 7-9	2020 4 - 2021 3 E
5G+LTE(Xi)+ FOMA	+443	+307	+467	+656	+289	+372	+715
	+1,873			+661			

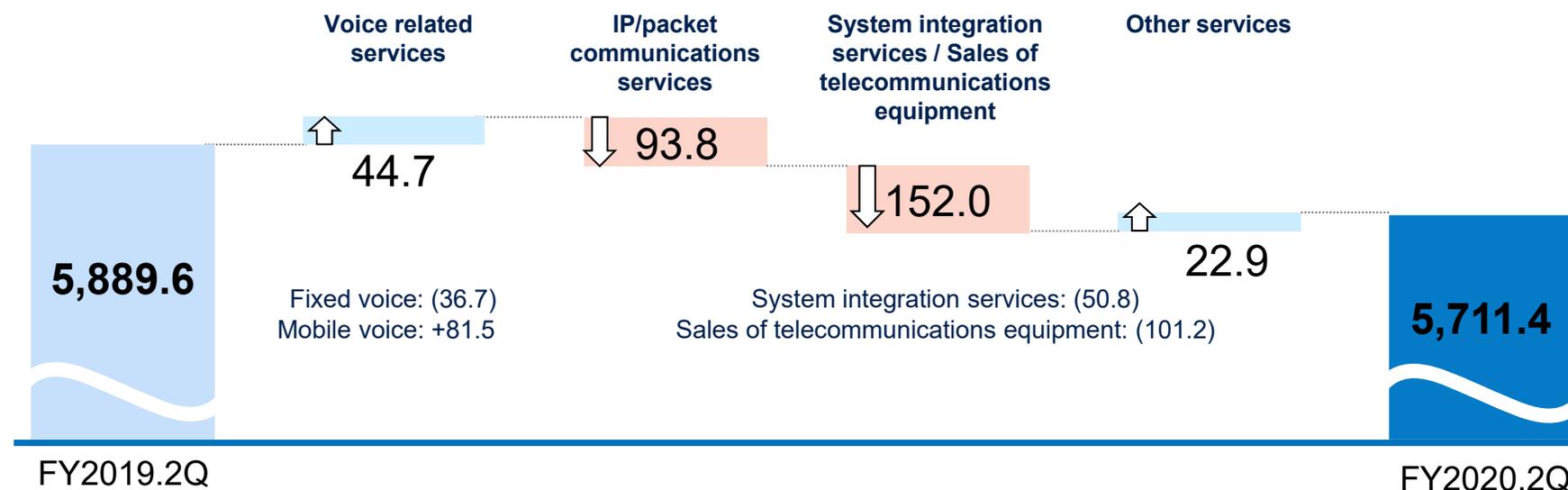
Financial Information

Details of Consolidated Statement of Income

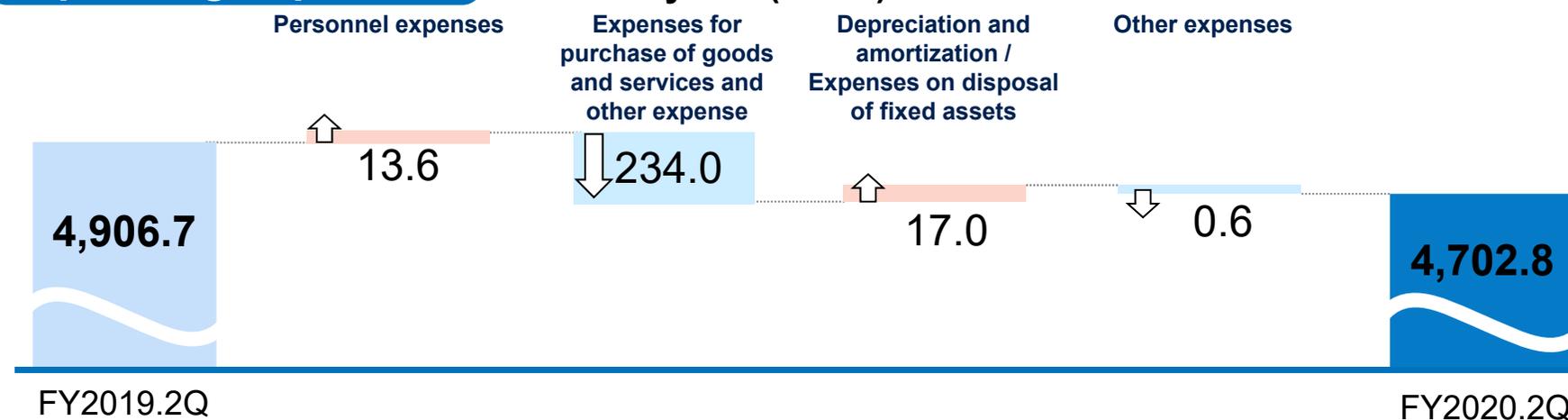


(Billions of yen)

Operating Revenues <Year-on-year:(178.2)>



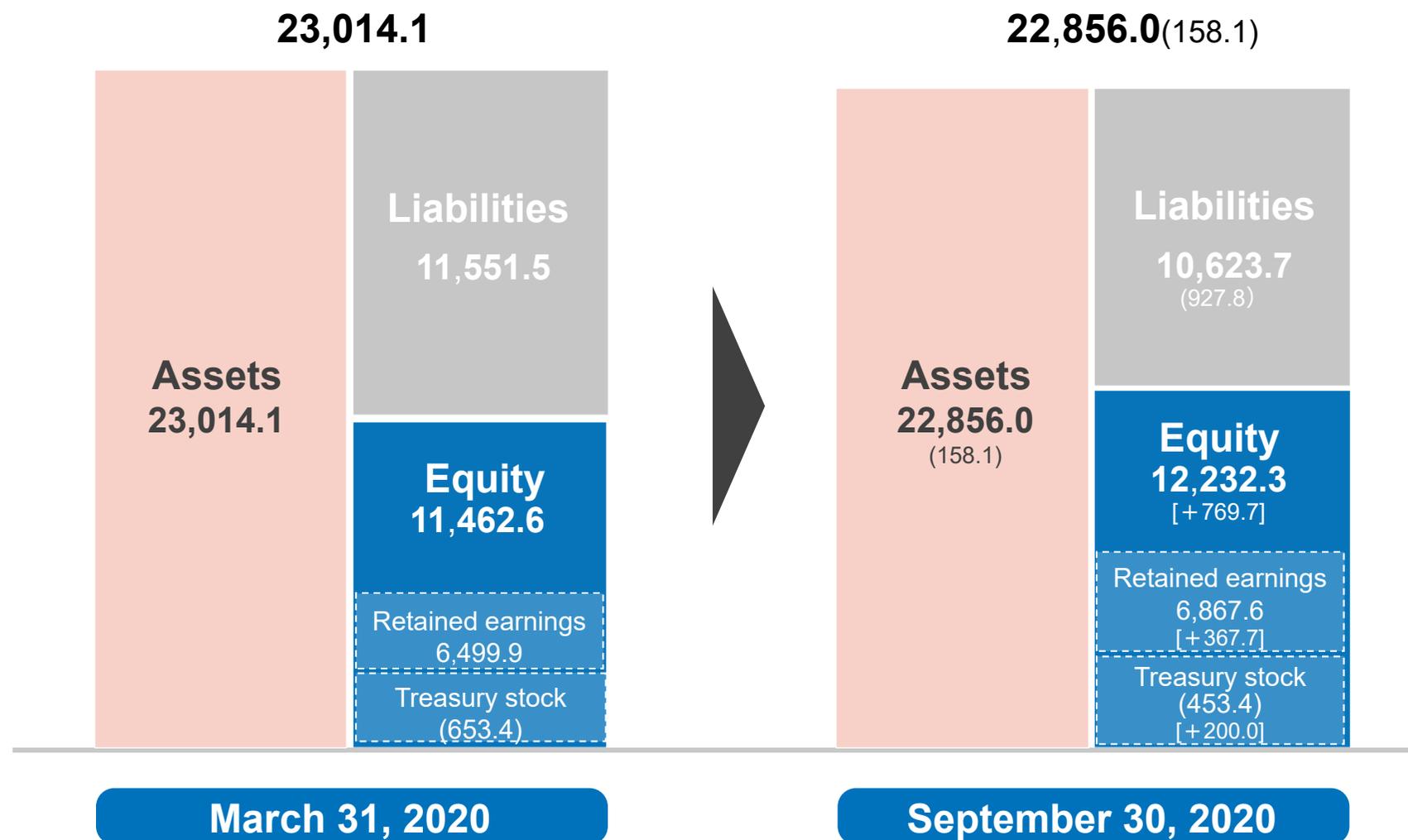
Operating Expenses <Year-on-year: (204.0)>



Details of Consolidated Balance Sheet



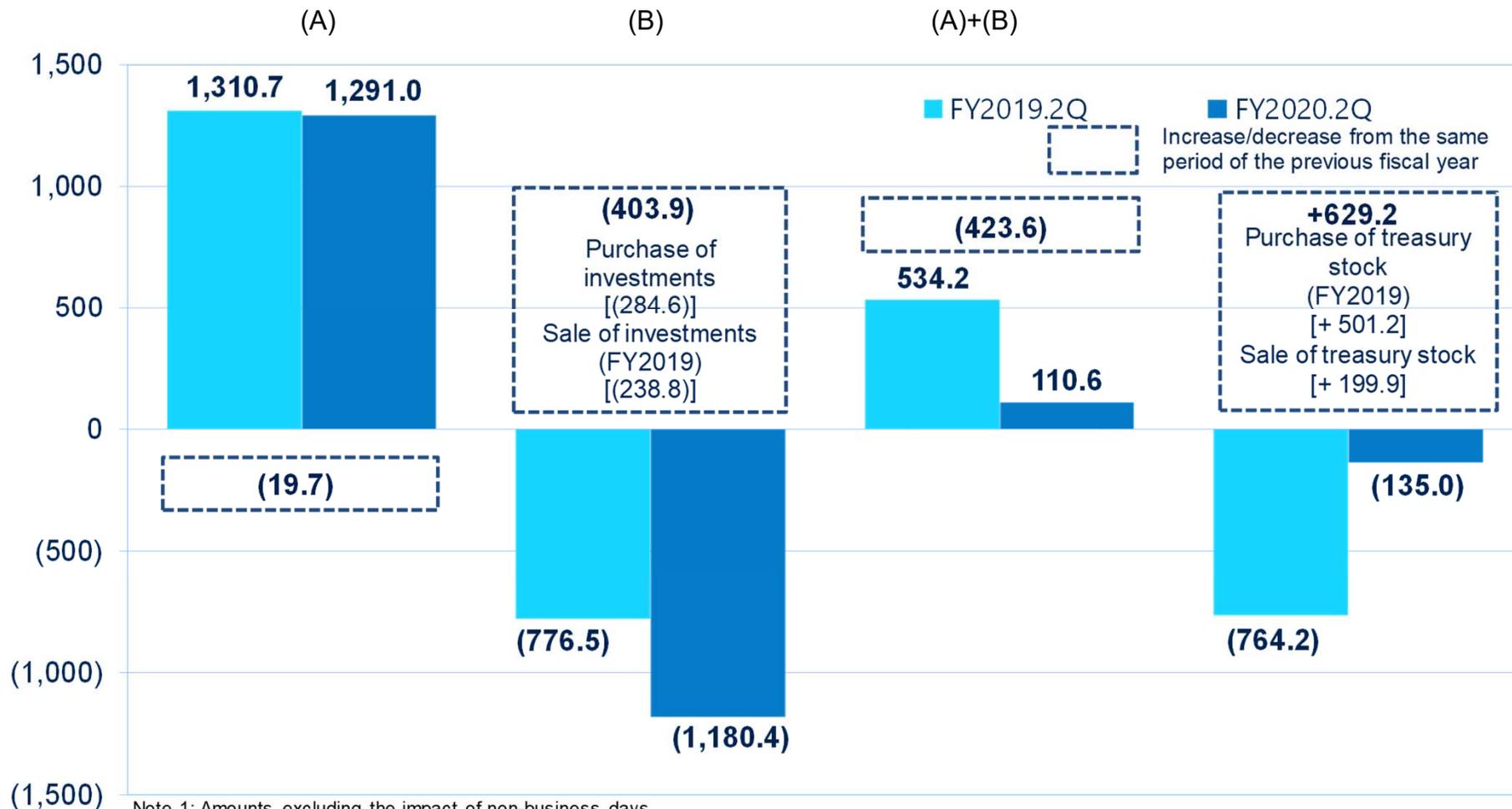
(Billions of yen)



Details of Consolidated Cash Flows



(Billions of yen)

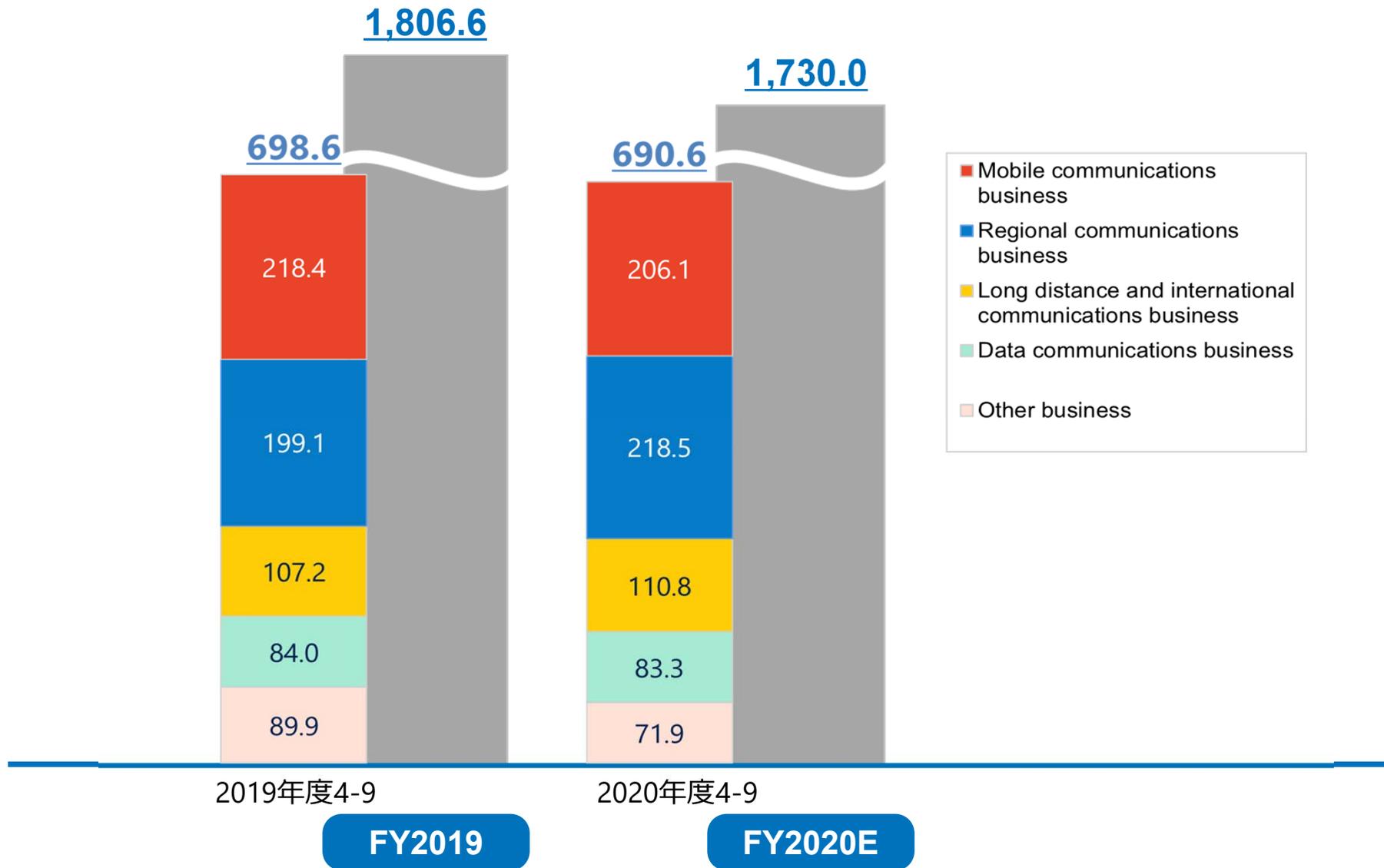


Note 1: Amounts excluding the impact of non-business days.
 Note 2: Amounts including the impact of the adoption of IFRS 16.

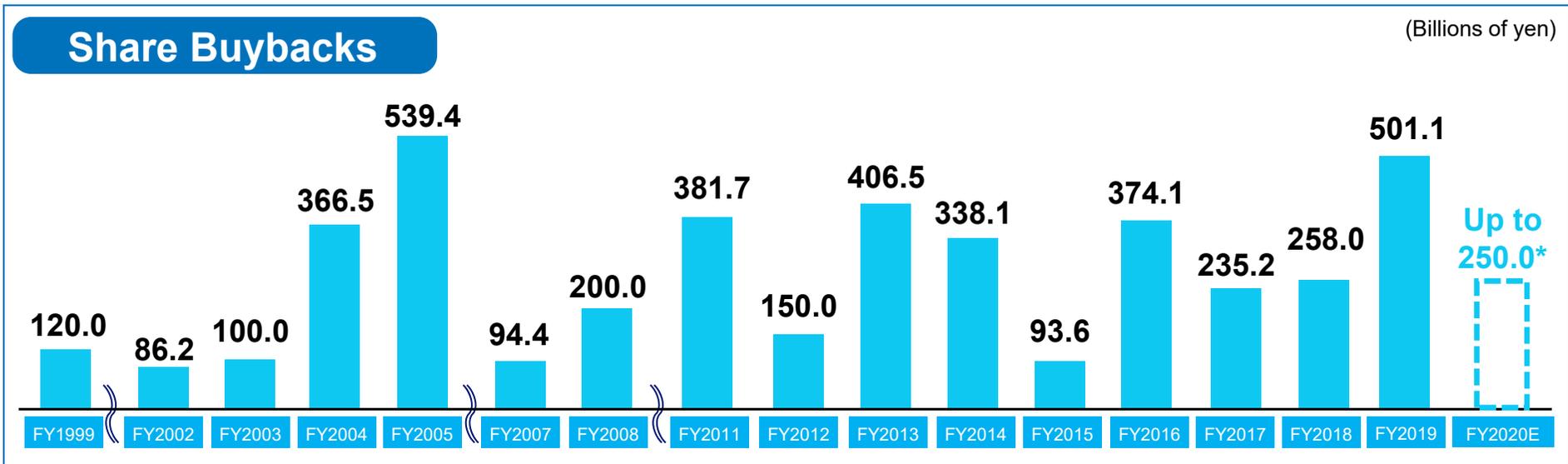
Details of Capital Investment



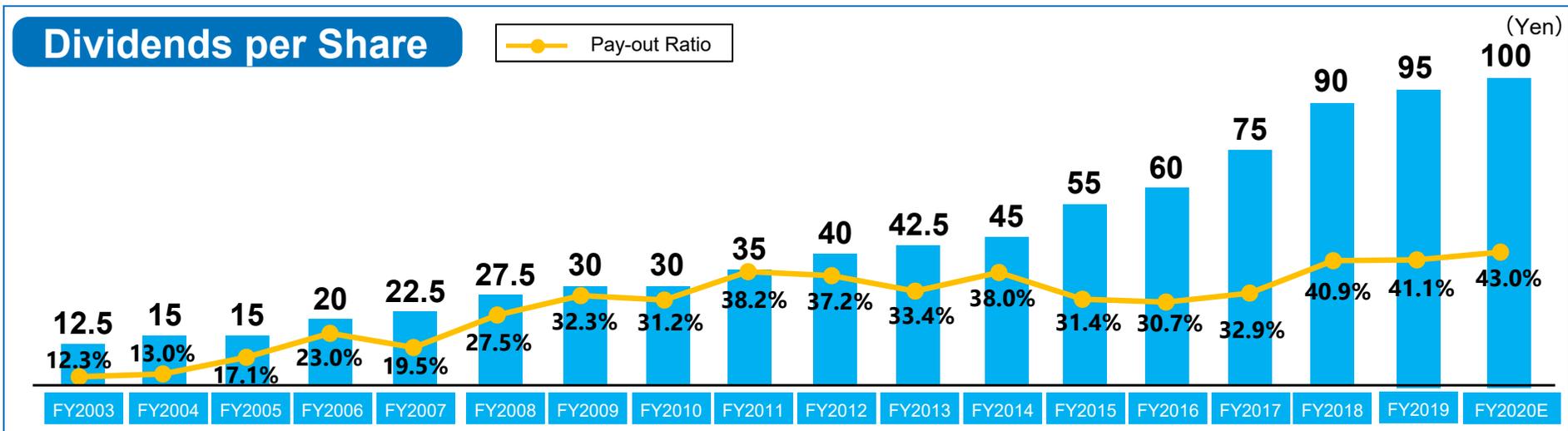
(Billions of yen)



Shareholder Returns



* On November 6, 2020, the Board of NTT resolved to buy back shares in an amount up to ¥250.0 billion. Buyback Period: From November 11, 2020 to March 31, 2021.



Note 1: Dividend-per-share amounts have been adjusted to reflect the 100-for-one stock split carried out on January 4, 2009, the two-for-one stock split carried out on July 1, 2015 and the two-for-one stock split carried out on January 1, 2020.

Note 2: U.S. GAAP was applied for periods up to and including FY2017, and IFRS has been applied for periods from and including FY2018.



Your Value Partner