



Financial Results for the Three Months Ended June 30, 2023

August 9, 2023

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.

Table of Contents



- **Overview of Consolidated Results for FY2023.1Q**
- **Topics**
- **Appendix**

Overview of Consolidated Results for the Three Months Ended June 30, 2023

Status of Consolidated Results for FY2023.1Q



- Operating Revenues increased, Operating Profit decreased, and Profit increased
- Operating Revenues and Profit reached new record high levels

Status of Consolidated Results

- Operating Revenues: **¥3,111.1B** <+¥42.2B [+1.4%] year-on-year>
- Operating Profit: **¥474.7B** < (¥28.7)B [(5.7)%] year-on-year>
- Profit⁽¹⁾: **¥375.8B** < +¥7.2B [+2.0%] year-on-year>
- EBITDA⁽²⁾: **¥838.5B** < (¥18.9)B [(2.2)%] year-on-year>

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

(2) EBITDA, and the depreciation and amortization included in its calculation, excludes all depreciation and amortization related to right-of-use assets.

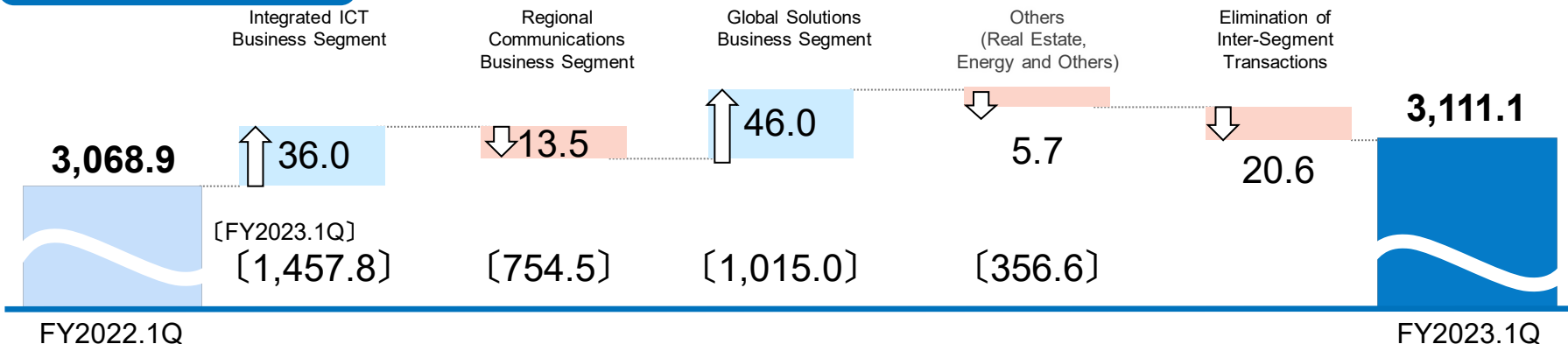
Contributing Factors by Segment for FY2023.1Q



Operating Revenues

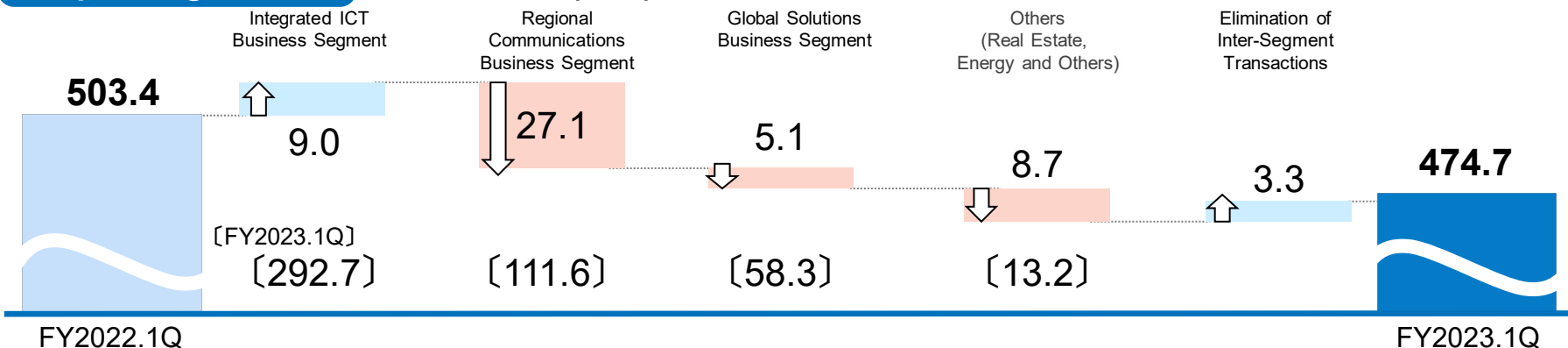
<Year-on-year: +42.2>

(Billions of yen)



Operating Profit

<Year-on-year: (28.7)>



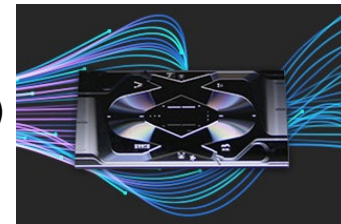
Topics

① Establishment of New Companies for the Creation of New Value



- Established “NTT Innovative Devices Corporation,” a manufacturing company for photonics-electronics convergence devices (Established in June 2023, and merged with NTT Electronics in August 2023)

- Development, manufacture and sales of photonics-electronics convergence devices



- Established “NTT Green & Food, Inc.” a joint company between NTT and Regional Fish Institute, Ltd. (July 2023)

- Production and sales of seafood farmed by land-based aquaculture systems



- Integrated NTT BUSINESS ASSOCIE and NTT LEARNING SYSTEMS to operate jointly as “NTT ExC Partner Corporation” (July 2023)

- Integrated NTT BUSINESS ASSOCIE and NTT LEARNING SYSTEMS to operate as a strategic company in the human capital field

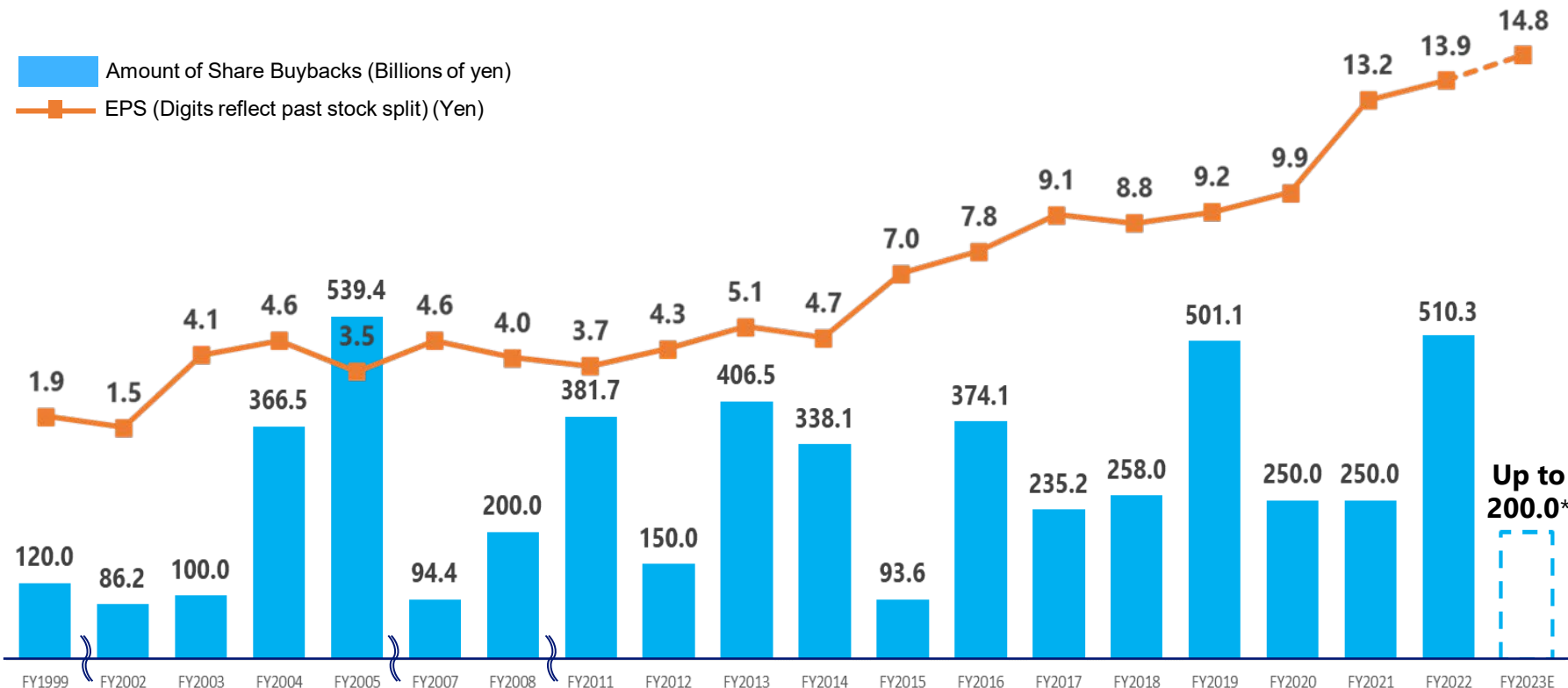


② Shareholder Returns

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 ¥200.0 billion
 - Aggregate Number of Shares: Up to 1,400,000,000 shares
 - Buyback Period: From August 10, 2023 to March 29, 2024

(Reference) Record of Share Buybacks

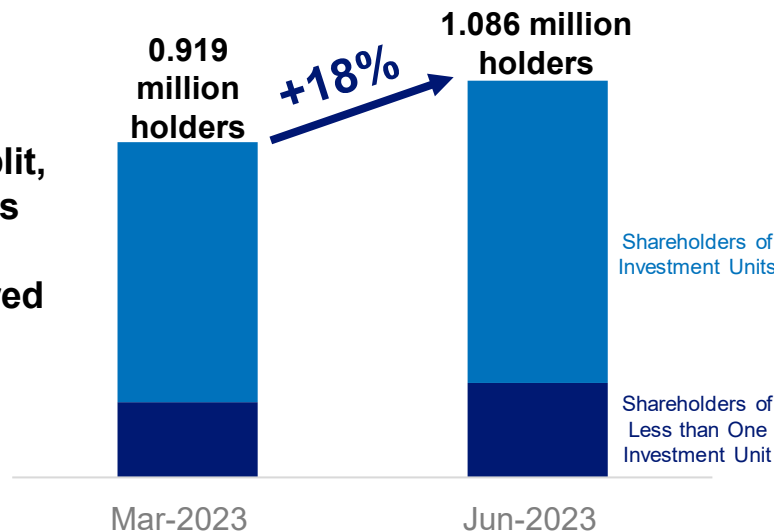


* On August 9, 2023, the Board of Directors of NTT resolved to buy back shares in an amount up to ¥200.0 billion. Buyback Period: August 10, 2023 to March 29, 2024.

Stock Split as an Opportunity to Increase the Number of Shareholders

- Conducted a stock split
(stock split of each share into 25 shares, announced May 12, effective July 1)

- After the announcement of the stock split, there were 1.086 million shareholders as of the end of June (a substantial increase of +18% compared to the end of March)



③ Progress under the Medium-Term Management Strategy



Progress since May 2023

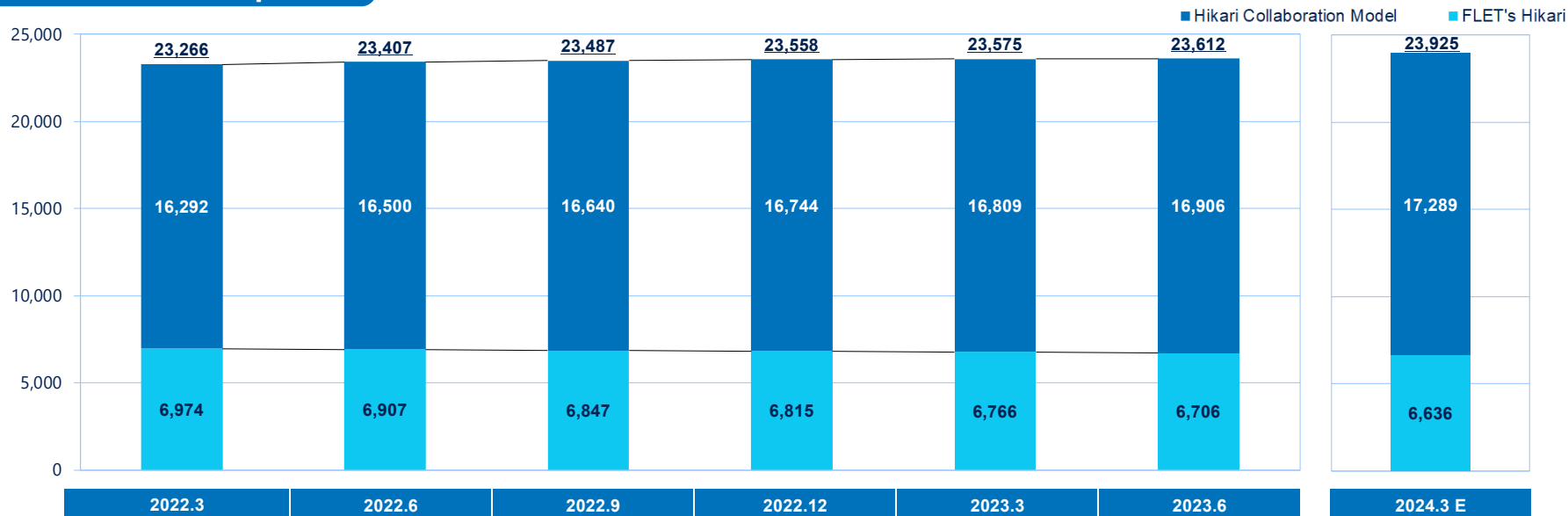
IOWN-Driven Creation of New Value	<ul style="list-style-type: none">• NTT and Mitsubishi Electric demonstrated remote robot operation enhanced by network-server cooperative control technology (NTT, May)• Long-distance Lumped OPA Repeater Transmission at World Record Bandwidth of 14.1 THz (NTT, June)• Decided to provide the All-Photonics Network to Yumeshima site of Expo 2025 Osaka, Kansai, Japan (NTT, July)
Data-Driven Creation of New Value	<ul style="list-style-type: none">• TOKYU LAND CORPORATION and NTT Group agreed to implement the world's first adoption of IOWN in urban development, in the greater Shibuya area (NTT, NTT DOCOMO, NTT East, June)• Launched initiatives to enrich communication for people living with ALS (NTT, June)• Started collaboration with TAKENAKA CORPORATION and SHIMIZU CORPORATION to bring DX to construction sites (NTT Com, July)
Achievement of a Circular Economy Society	<ul style="list-style-type: none">• Began demonstration experiments of the world's first technology that enables wind power turbines to be inspected without being deactivated (NTT, May)• Acquired renewable energy power companies including Green Power Investment Corporation (NTT Anode Energy, May)• NTT DATA formulated new vision for Net-Zero GHG Emissions by 2040 (NTT DATA, June)• NTT, KDDI and SoftBank jointly promoted supply chain sustainability activities (NTT, July)
Strengthening of Services that Emphasize Customer Experience (CX)	<ul style="list-style-type: none">• Launched the new services “eximo,” “irumo” and “ahamo Hikari” (NTT DOCOMO, July)• Implemented measures to suspend fixed-line phone numbers used in special fraud (NTT East, NTT West, July)

Appendix

Broadband Services

Fixed-Line Broadband Services Subscriptions

Number of Subscriptions

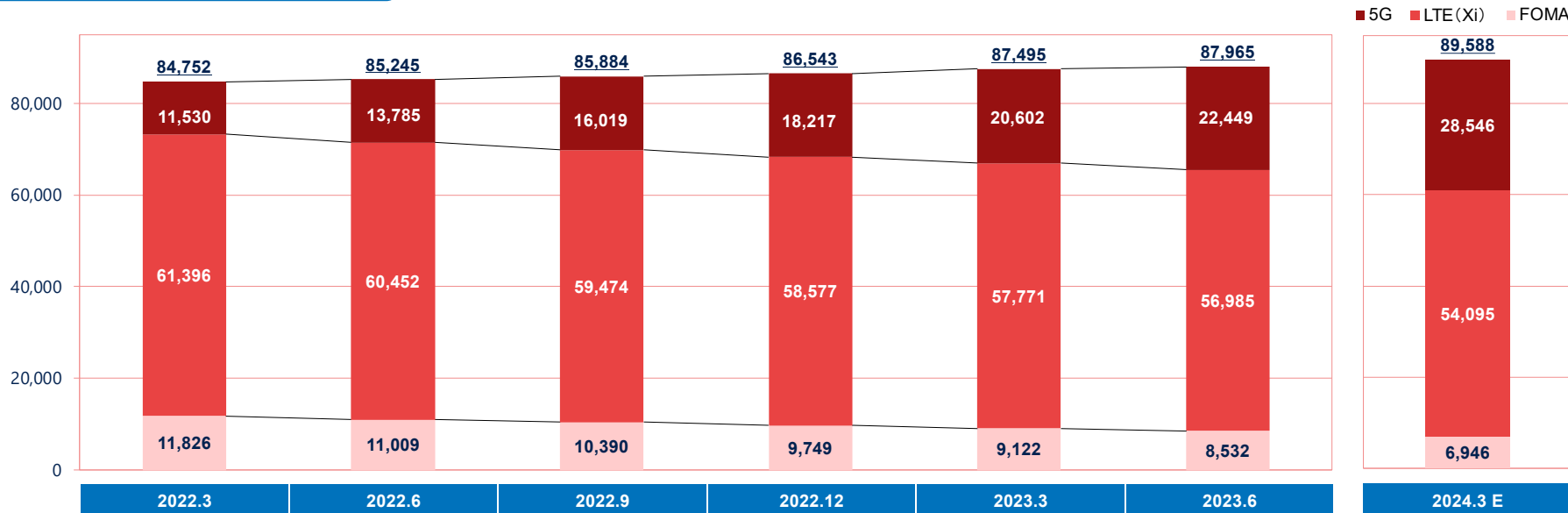


Net Increase

	2022 4-6	2022 7-9	2022 10-12	2023 1-3	2023 4-6	2023 4 - 2024 3 E
Total	+140	+80	+72	+17	+37	+350
		+309			+37	
Hikari Collaboration Model	+208	+140	+104	+65	+97	+480
		+517			+97	
FLET'S Hikari	(67)	(59)	(32)	(48)	(60)	(130)
		(208)			(60)	

Mobile Communications Services Subscriptions

Number of Subscriptions



Net Increase

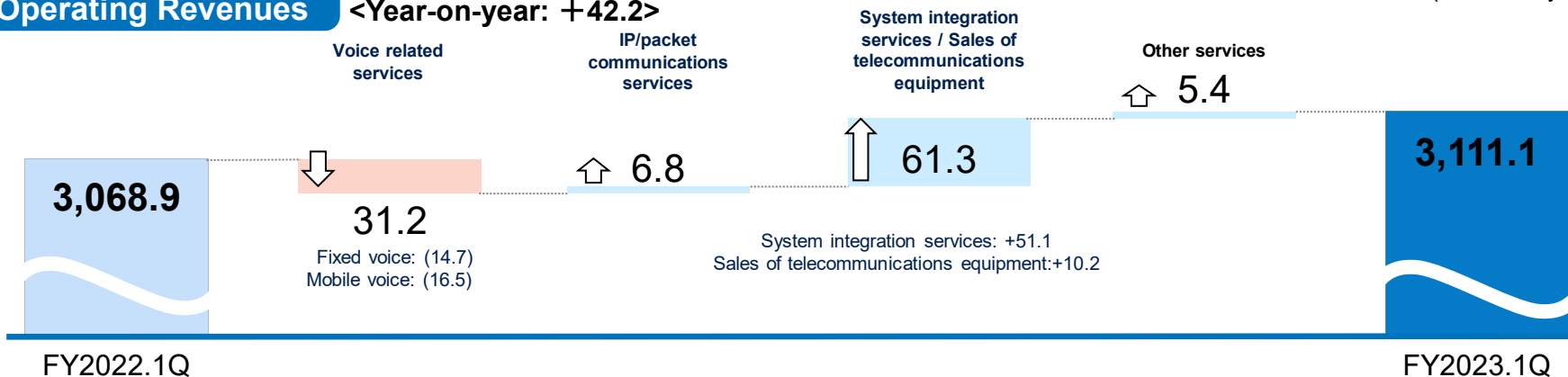
	2022 4-6	2022 7-9	2022 10-12	2023 1-3	2023 4-6	2023 4 - 2024 3 E
5G+LTE(Xi)+ FOMA	+493	+639	+659	+952	+471	+2,093
	+2,742				+471	

Financial Information

Details of Consolidated Statement of Income

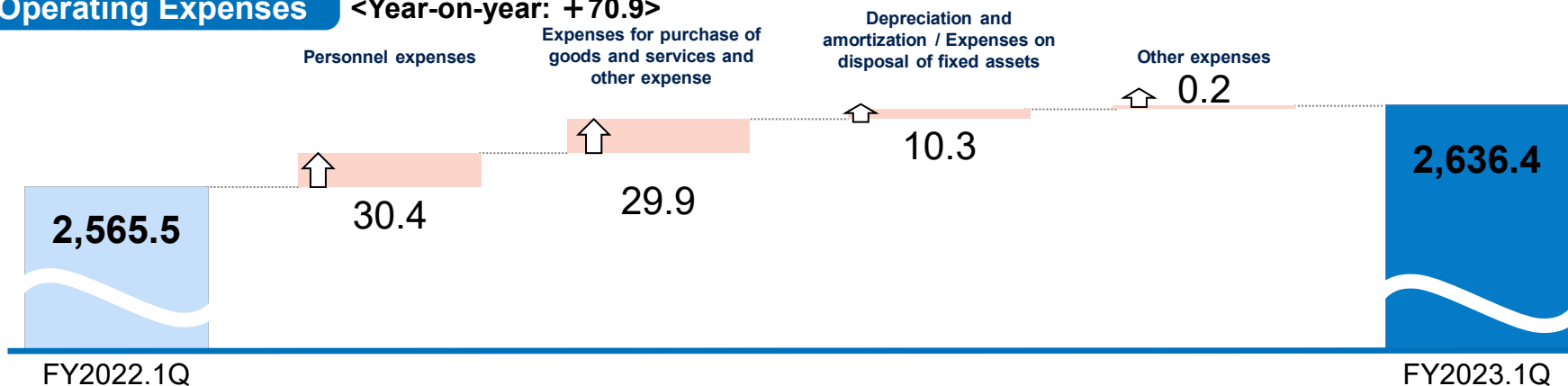
Operating Revenues

<Year-on-year: +42.2>



Operating Expenses

<Year-on-year: +70.9>



Details of Consolidated Balance Sheet

26,131.1 [+ 822.2] (Billions of yen)

25,308.9

Assets
25,308.9

Liabilities
15,958.2

Interest-bearing
debt
8,230.5

Equity
9,350.6

Retained earnings
8,150.1

Treasury stock
(737.3)

March 31, 2023

Assets
26,131.1
[+ 822.2]

Liabilities
16,343.7
[+ 385.5]

Interest-bearing
debt
9,067.3
[+ 836.8]

Equity
9,787.4
[+ 436.7]

Retained earnings
8,316.3
[+ 166.2]

Treasury stock
(737.5)
[(0.2)]

June 30, 2023

Details of Consolidated Cash Flows

Cash Flows
from Operating
Activities

(A)

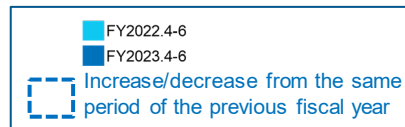
Cash Flows
from Investing
Activities

(B)

FCF

(A)+(B)

Cash Flows
from Financing
Activities



413.2

340.9

EBITDA⁽¹⁾
[857.3]

EBITDA⁽¹⁾
[838.5]

+4.2

(68.1)

103.5

Borrowings [390.5]
Dividends [(223.1)]

311.1

Borrowings [590.4]
Dividends [(215.0)]

(72.3)

Payments for
acquisitions
of assets⁽²⁾
[(526.7)]

(455.0)

Payments for
acquisitions
of assets⁽²⁾
[(537.2)]

(450.8)

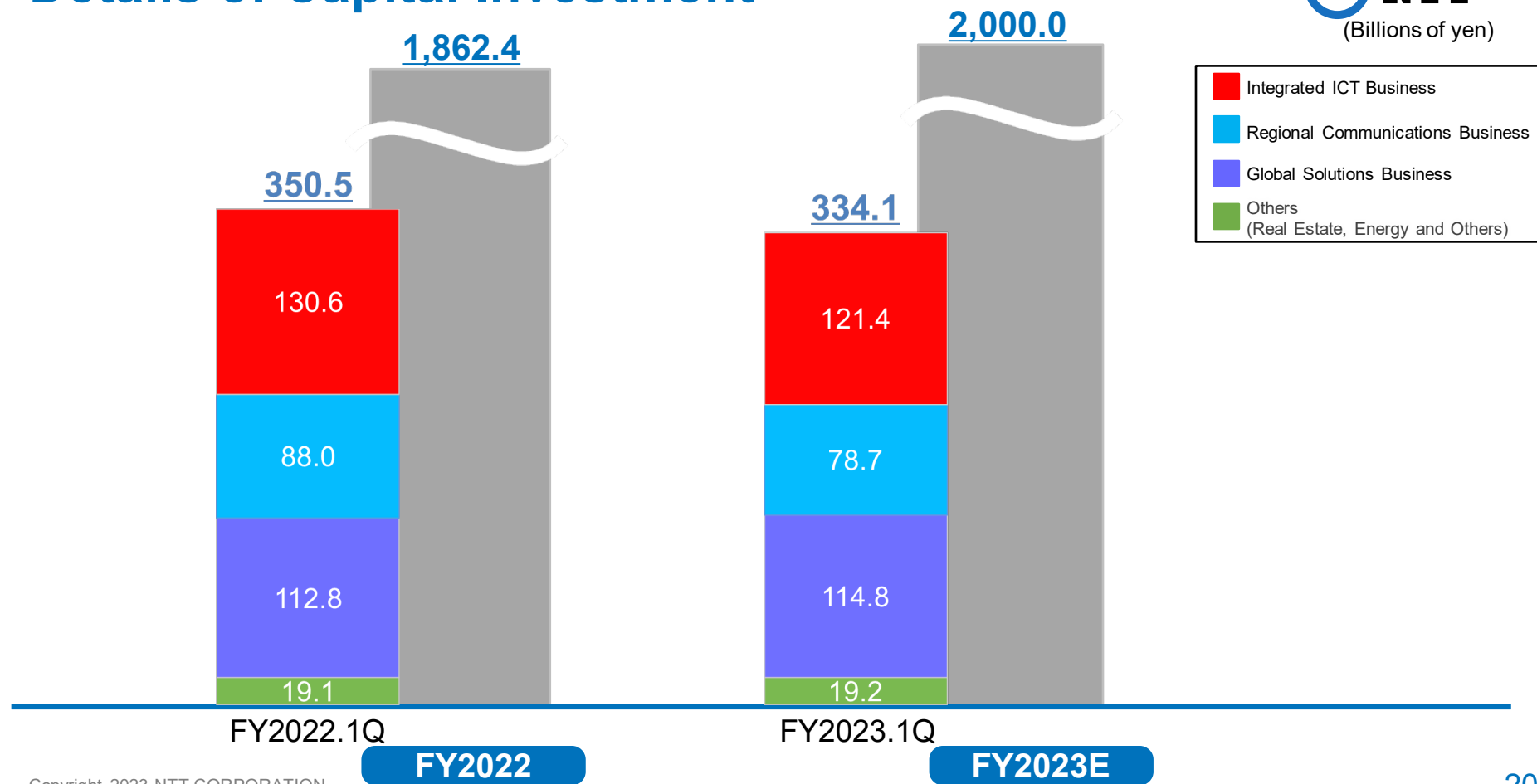
(41.8)

(109.9)

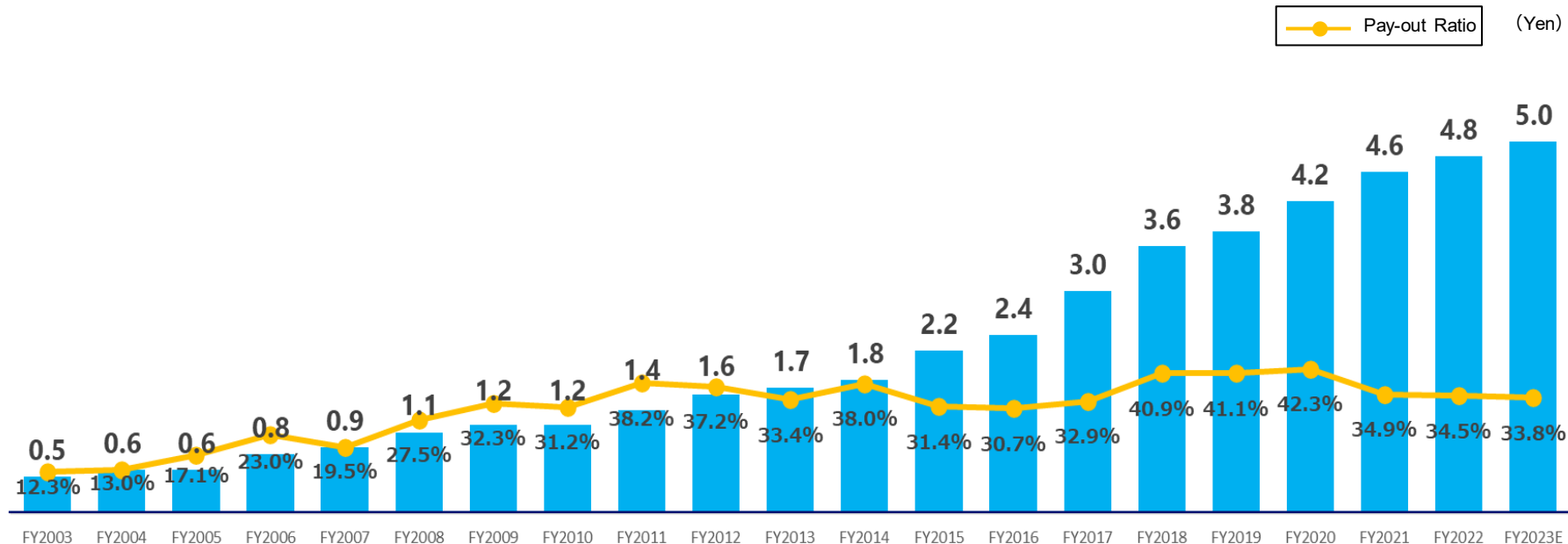
+207.5

- (1) Operating profit adjusted to add depreciation (excluding depreciation related to right-of-use assets), losses on sales of fixed assets, losses on disposals of fixed assets and impairment losses
- (2) Payments for acquisitions of property, plant and equipment, intangible assets and investment properties

Details of Capital Investment



Changes in Dividend



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, the two-for-one stock split carried out on January 1, 2020, and the 25-for-one stock split carried out on July 1, 2023.

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.

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