



Financial Results for the Six Months Ended September 30, 2023

November 7, 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.

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Overview of Consolidated Results for the Six Months Ended September 30, 2023

Status of Consolidated Results for FY2023.2Q



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

Status of Consolidated Results

- Operating Revenues: **¥6,364.6B** <+¥78.4B [+1.2%] year-on-year>
- Operating Profit: **¥950.9B** < (¥45.6)B [(4.6)%] year-on-year>
- Profit⁽¹⁾: **¥670.8B** < (¥25.8)B [(3.7)%] year-on-year>

- EBITDA⁽²⁾: **¥1,673.1B** < (¥34.5)B [(2.0)%] 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.

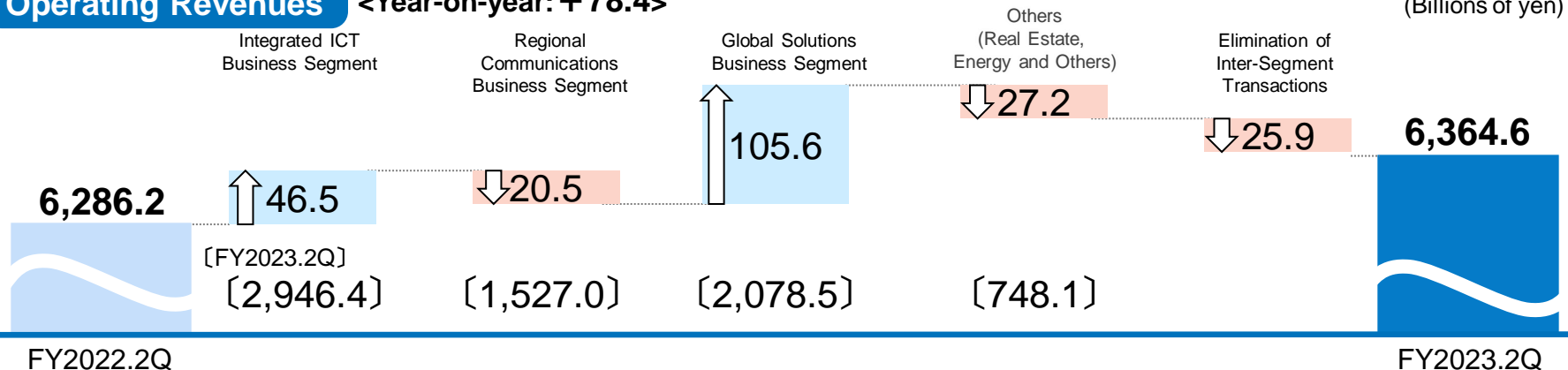
Contributing Factors by Segment for FY2023.2Q



Operating Revenues

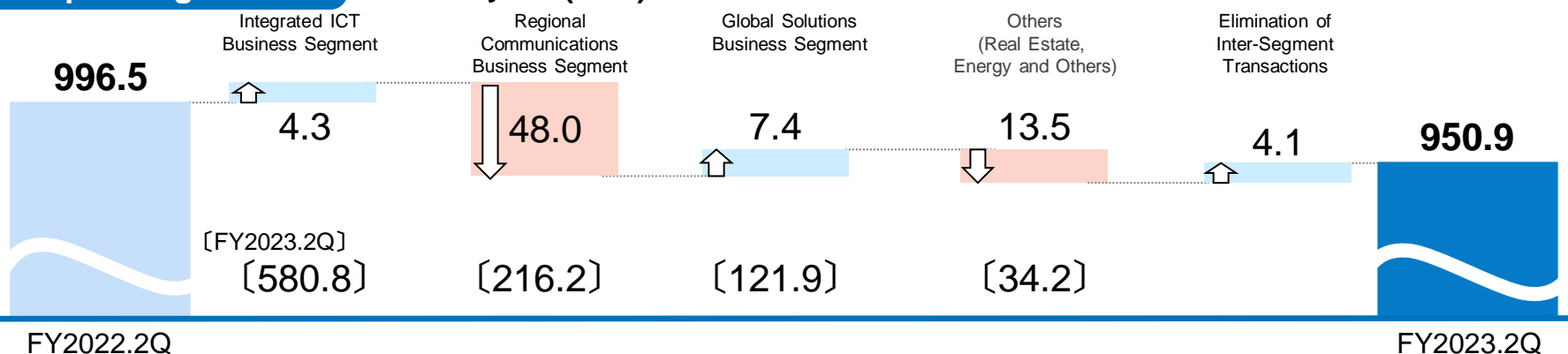
<Year-on-year: +78.4>

(Billions of yen)



Operating Profit

<Year-on-year: (45.6)>



(Reference) FY2023 Forecast



- No amendment to FY2023 forecast
- EPS target continues to be ¥14.8

Consolidated Revenues and Income Plan

	FY2022 Results	FY2023 Forecast	Year-on-Year
Operating Revenues	¥13,136.2B	¥13,060.0B	(¥76.2B)
Operating Profit	¥1,829.0B	¥1,950.0B	+¥121.0B
Profit ⁽¹⁾	¥1,213.1B	¥1,255.0B	+¥41.9B
EPS ⁽²⁾	¥13.9	¥14.8	+¥0.9

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

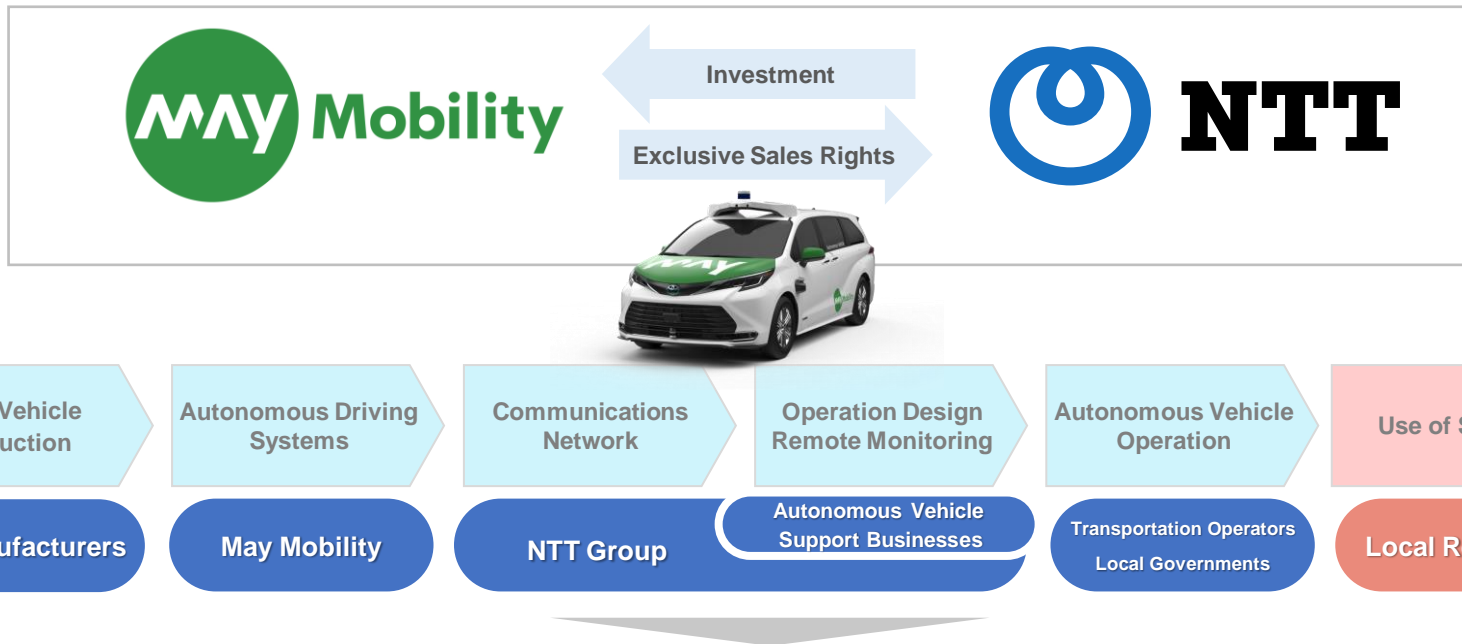
(2) Amounts are presented as adjusted for the impact of the 25-for-one stock split that was carried out on July 1, 2023.

Topics

① Initiatives related to Autonomous Driving



- We have invested in the U.S. Autonomous Driving Systems vendor “May Mobility” and obtained exclusive domestic sales rights in Japan



**Working together with a variety of partners to provide
Autonomous Driving Services that solve social issues**

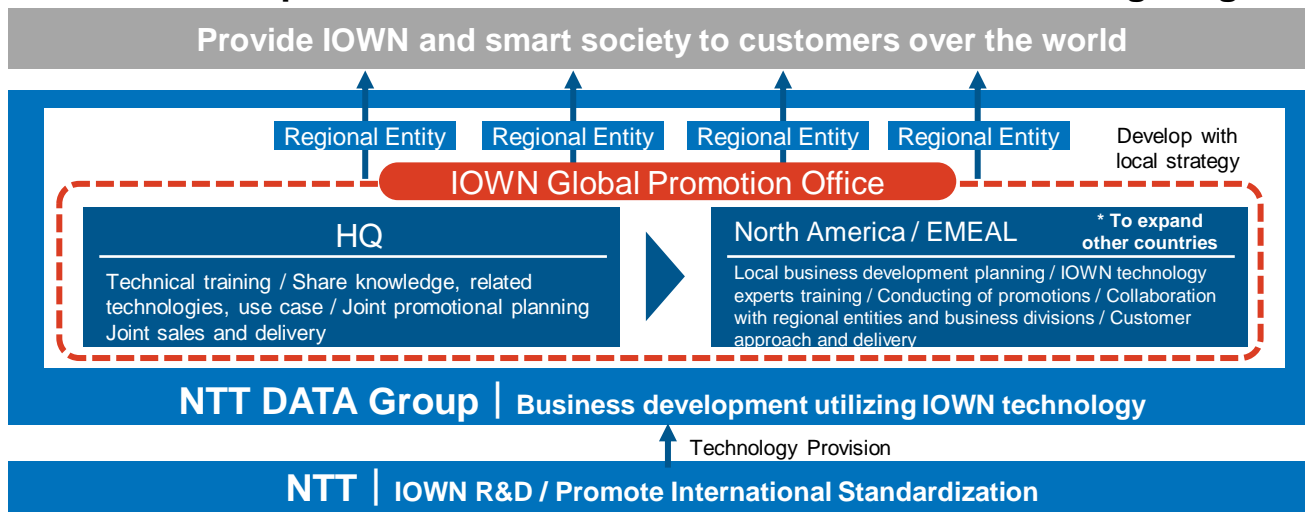
② Initiatives to Expand IOWN's Global Business



■ Establishing IOWN Global Promotion Offices

- NTT DATA Group established IOWN Global Promotion Office in North America and EMEAL regions to generate business cases using IOWN
- NTT DATA Group plans to develop 600 IOWN technology experts globally by the end of FY2025, for social implementation of IOWN

NTT and NTT DATA Group collaborate to create overseas business through regional entities



② Initiatives to Expand IOWN's Global Business



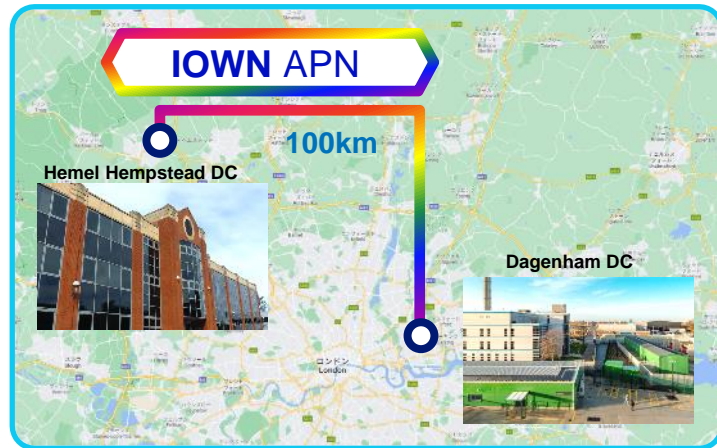
■ Creating IOWN Data Centers through APN

- In order to make decentralized data centers a reality, we plan to conduct APN connection tests in the United States and the UK, as well as Japan (at the end of FY2023)
- Decentralized data centers allow for low-latency, high-capacity and high-quality data transmission through multiple facilities as if only one data center was being used for data processing
- In the future, we will also begin testing in countries beyond the United States and the UK

■ Ashburn (United States)



■ Hemel Hempstead/Dagenham (UK)



③ Progress under the Medium-Term Management Strategy

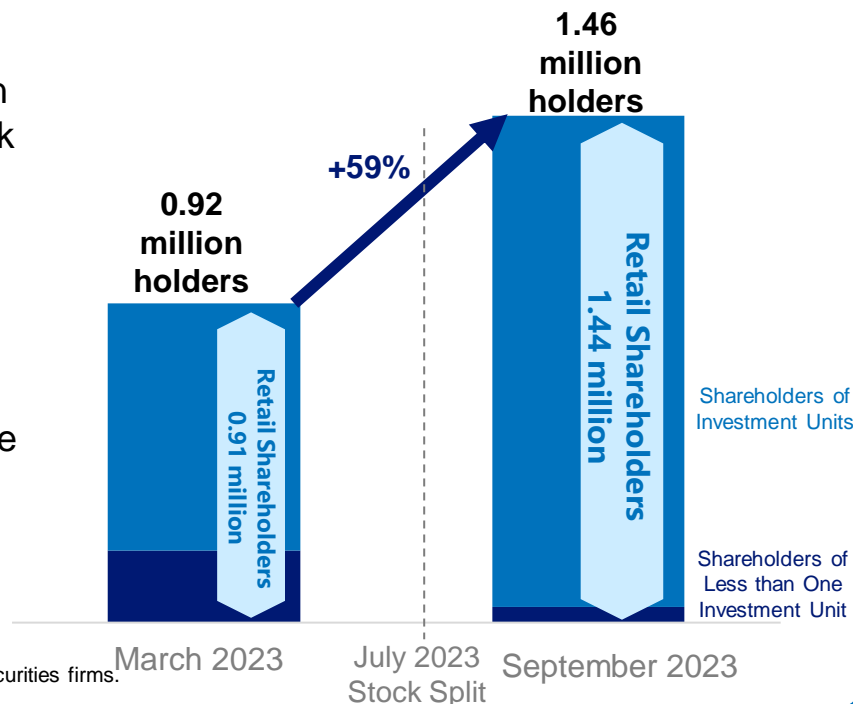


IOWN-Driven Creation of New Value	<ul style="list-style-type: none"> Released an overview of the NTT Pavilion at Expo 2025 Osaka, Kansai, Japan (NTT, October)
Data-Driven Creation of New Value	<ul style="list-style-type: none"> Together with NEC and KAJIMA, succeeded in the world's first detection of construction vibrations using communications optical fiber (NTT East, August) Launched the social infrastructure equipment register maintenance and deterioration diagnosis service "Audin AI" (NTT FIELDTECHNO, from August) Launched a public tender offer for common stock of INTAGE HOLDINGS, aiming to conclude capital and business alliance (NTT DOCOMO, September), and completed public tender offer for INTAGE HOLDINGS common stock (NTT DOCOMO, October) NTT DATA partners with Ferrovial to accelerate the technology transformation of the industry through its Center of Excellence in Spain (NTT DATA, Inc., September) Announced "OREX" Open RAN service lineup (NTT DOCOMO, September) Entered into a capital and business alliance agreement with Monex Group, Inc. and Monex, Inc. (NTT DOCOMO, October) Launched a new co-creation project to accelerate domestic and global implementation of local 5G (NTT East, November) Launched commercial services using NTT's own Large Language Model, tsuzumi, in March 2024 (NTT, from March 2024)
Achievement of a Circular Economy Society	<ul style="list-style-type: none"> Succeeded in farming of sockeye salmon on a commercial basis through fully enclosed recirculating land-based aquaculture (NTT East, July) Concluded a "Cooperative Agreement on Land Aquaculture" with Iwata City. Will build Japan's largest land-based aquaculture plant in Iwata City, Shizuoka Prefecture (NTT Green & Food, NTT West, October)
Further Strengthening of Business Foundations	<ul style="list-style-type: none"> Launched Widesstar III Mobile Satellite Communications Service (NTT DOCOMO, from October) Launch of Starlink Business satellite broadband Internet service (NTT DOCOMO, scheduled for 2023)
Strengthening of Services that Emphasize Customer Experience (CX)	<ul style="list-style-type: none"> Initiatives to improve DOCOMO's communication quality (NTT DOCOMO, October)

④ Number of Shareholders

Stock Split as an Opportunity to Increase the Number of Shareholders

- The number of shareholders has increased 1.46 million (+ 0.54million), an over 1.5x increase from prior to the stock split (March 2023).
- The proportion of shareholders under forties has increased approximately 4x (from approx. 10% to 40%)*, as the age composition of shareholders has become more diverse.



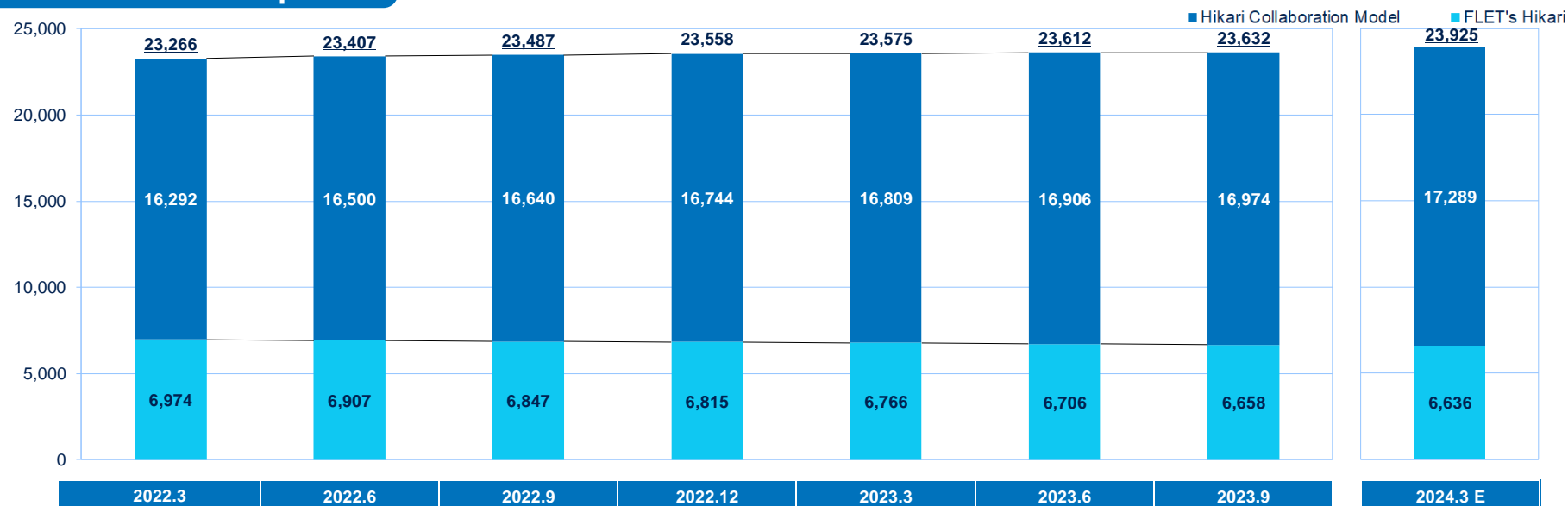
* Comparison of December 2020 to September 2023, based on interviews with securities firms.

Appendix

Broadband Services

Fixed-Line Broadband Services Subscriptions

Number of Subscriptions

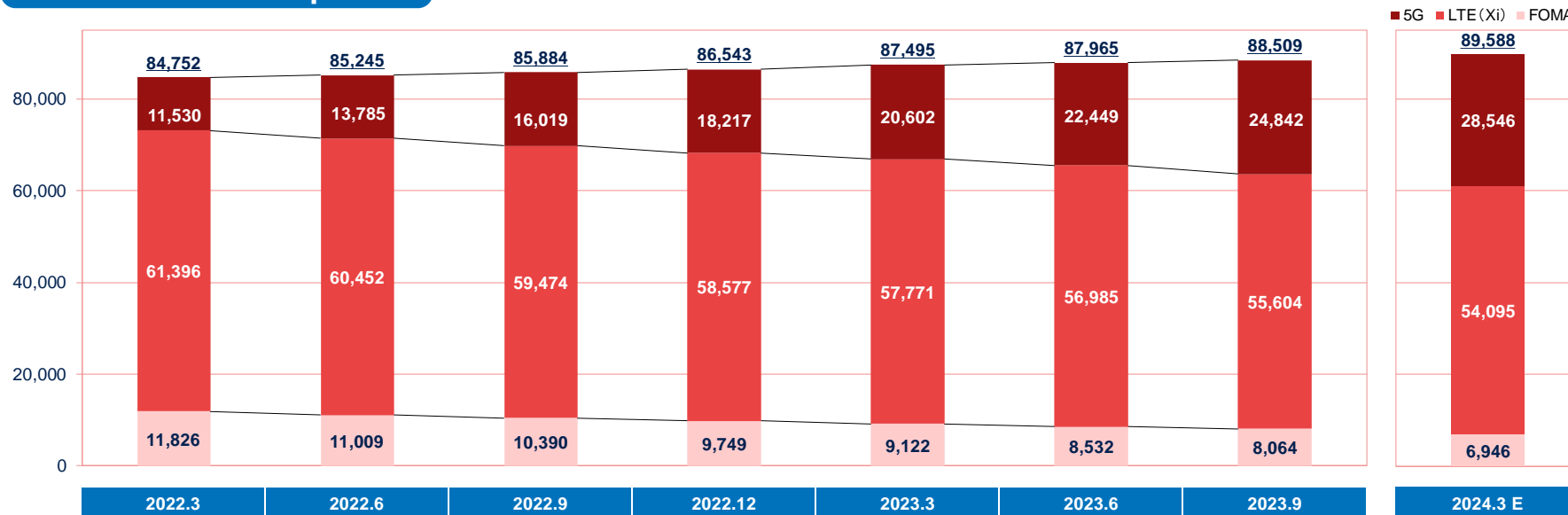


Net Increase

	2022 4-6	2022 7-9	2022 10-12	2023 1-3	2023 4-6	2023 7-9	2023 4 - 2024 3 E
Total	+140	+80	+72	+17	+37	+19	+350
	+309				+56		
Hikari Collaboration Model	+208	+140	+104	+65	+97	+68	+480
	+517				+165		
FLET'S Hikari	(67)	(59)	(32)	(48)	(60)	(48)	(130)
	(208)				(108)		

Mobile Communications Services Subscriptions

Number of Subscriptions



Net Increase

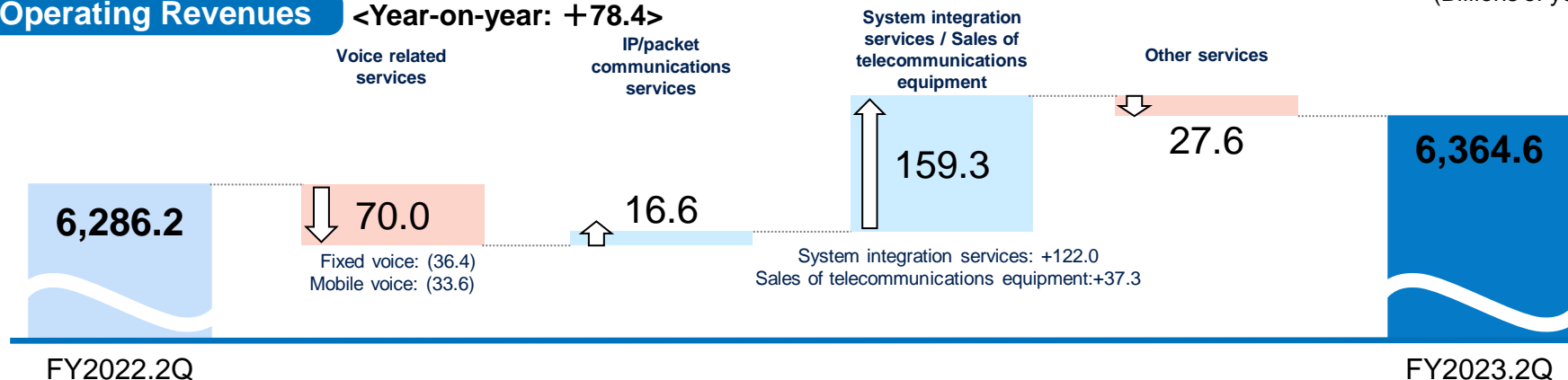
	2022 4-6	2022 7-9	2022 10-12	2023 1-3	2023 4-6	2023 7-9	2023 4 - 2024 3 E
5G + LTE(Xi) + FOMA	+493	+639	+659	+952	+471	+544	+2,093
	+2,742			+1,015			

Financial Information

Details of Consolidated Statement of Income

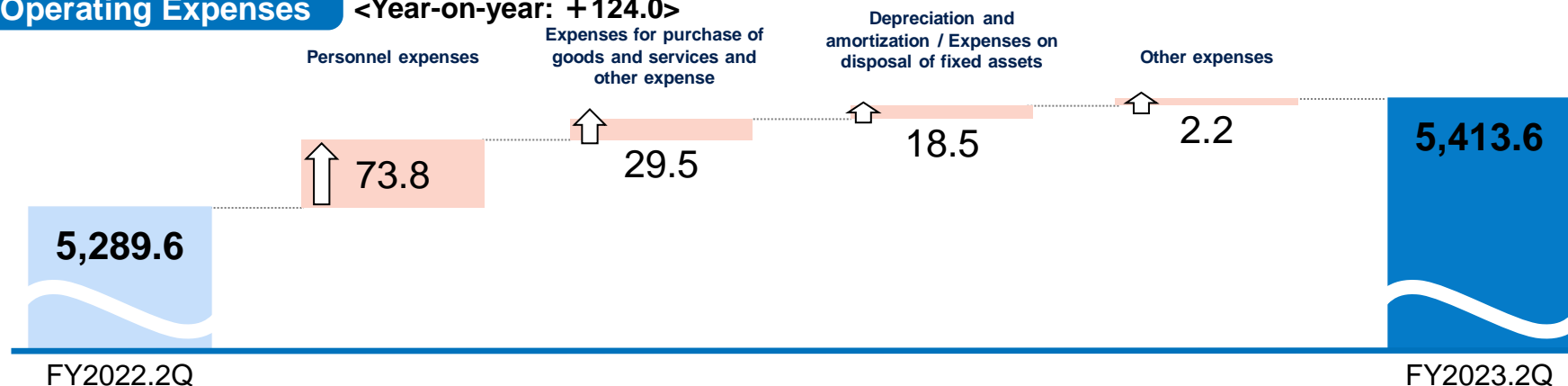
Operating Revenues

<Year-on-year: +78.4>



Operating Expenses

<Year-on-year: +124.0>



Details of Consolidated Balance Sheet



26,813.6[+ 1,504.7] (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
26,813.6
[+ 1,504.7]

Liabilities
16,593.4
[+ 635.2]

Interest-bearing
debt
9,117.9
[+ 887.4]

Equity
10,220.2
[+ 869.5]

Retained earnings
8,611.0
[+ 460.9]

Treasury stock
(761.3)
[(24.0)]

September 30, 2023

Details of Consolidated Cash Flows



Cash Flows from Operating Activities⁽¹⁾

(A)

1,025.8

806.6

EBITDA⁽²⁾
[1,707.7]

EBITDA⁽²⁾
[1,673.1]

Cash Flows from Investing Activities

(B)

(255.7)

Increase in investment
(222.2)

Payments for
acquisitions
of assets⁽³⁾
[(884.2)]

(821.0)

Payments for
acquisitions
of assets⁽³⁾
[(942.2)]

(1,076.7)

FCF

(A)+(B)

(36.5)

(14.4)

(50.9)

Cash Flows from Financing Activities

(Billions of yen)

FY2022.4-9
FY2023.4-9

Increase/decrease from the same
period of the previous fiscal year

Borrowings [783.9]
Dividends [(224.2)]
Acquisitions of
treasury stock
[(360.4)]

85.0

Borrowings [441.4]
Dividends [(216.1)]
Acquisitions of
treasury stock
[(24.4)]

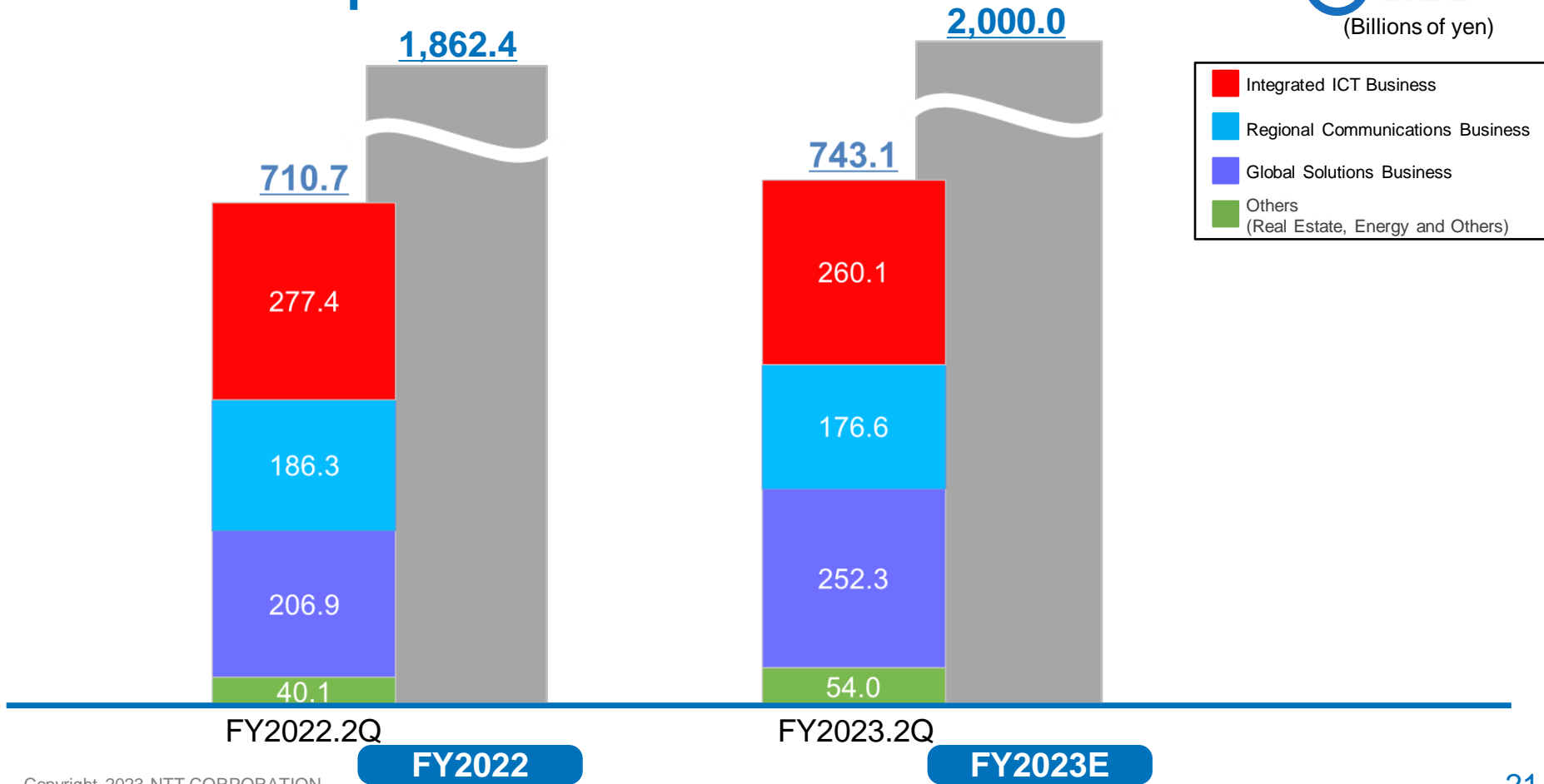
137.9

+52.8

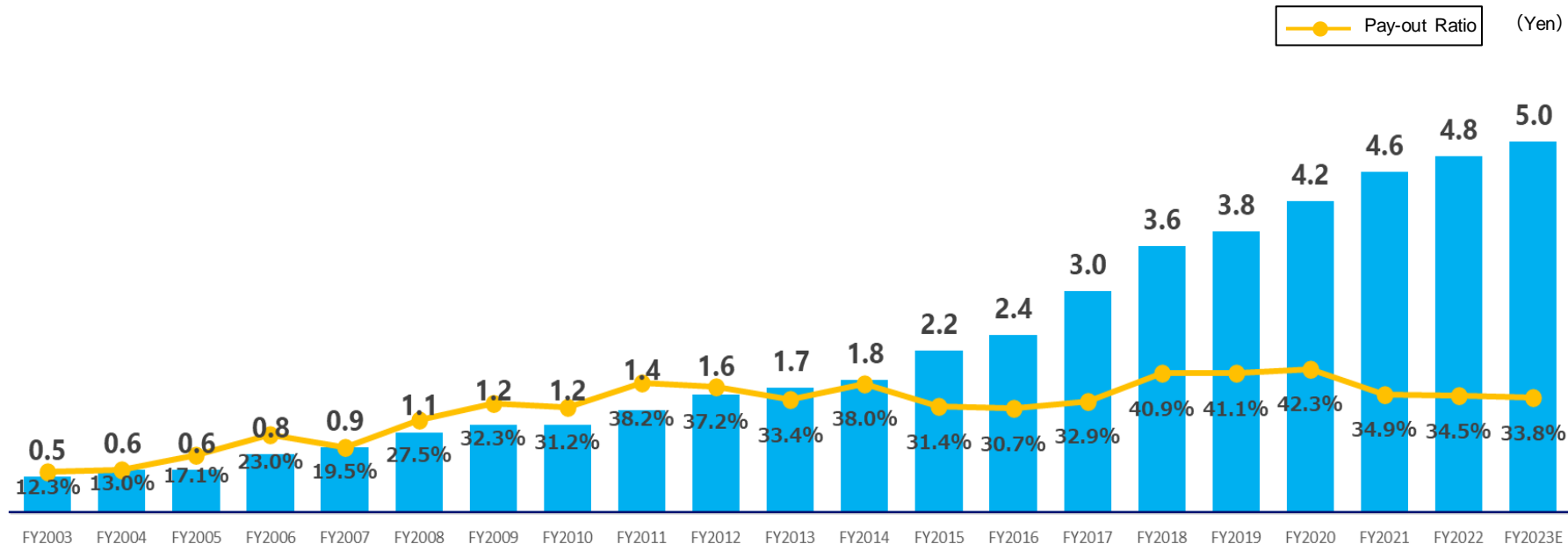
+219.3
Decrease in payment
of income taxes
+240.0

- (1) Excludes the impact of the last days of FY2023.2Q having been non-business days, resulting in the due date for certain accounts receivable being set to the first business day of the following month (for FY2023.2Q, Operating CF including the impact of non-business days was ¥825.9 billion, and FCF including the impact of non-business days was ¥(250.8) billion).
- (2) 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
- (3) Payments for acquisitions of property, plant and equipment, intangible assets and investment properties

Details of Capital Investment



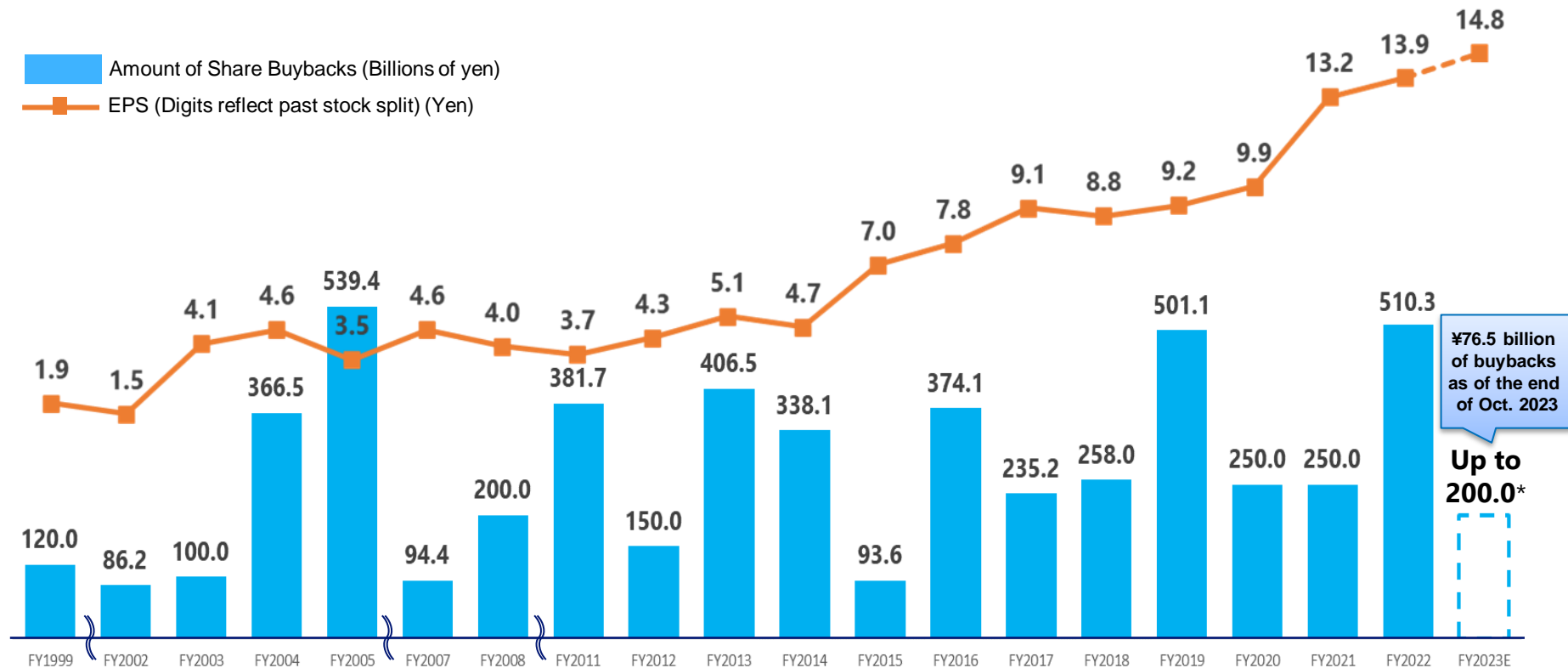
Changes in Dividend



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.

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.

Innovating a Sustainable Future for People and Planet