

Financial Results Release

For the Year Ended March 31, 2025

May 9, 2025

[IFRS]

Name of registrant : Nippon Telegraph and Telephone Corporation (“NTT”)
 : URL <https://group.ntt/en/ir/>
 Code No. : 9432
 Stock exchanges on which the Company's shares are listed : Tokyo
 Representative : Akira Shimada, President and Chief Executive Officer
 : Takuro Hanaki, Head of IR, Finance and Accounting Department
 Contact : URL <https://group.ntt/en/ir/contact/>
 Scheduled date of the ordinary general meeting of shareholders : June 19, 2025
 Scheduled date of dividend payments : June 20, 2025
 Scheduled filing date of securities report : June 20, 2025
 Supplemental material on financial results : Yes
 Presentation on financial results : Yes (for institutional investors and analysts)

1. Consolidated Financial Results for the Year Ended March 31, 2025 (April 1, 2024 - March 31, 2025)

Amounts are rounded to the nearest million yen.

(1) Consolidated Results of Operations

(Millions of yen)

	Operating Revenues		Operating Profit		Profit before Taxes		Profit Attributable to NTT	
Year Ended March 31, 2025	13,704,727	2.5%	1,649,571	(14.2)%	1,564,696	(21.0)%	1,000,016	(21.8)%
Year Ended March 31, 2024	13,374,569	1.8%	1,922,910	5.1%	1,980,457	9.0%	1,279,521	5.5%

Notes: 1. Percentages above represent changes from the previous fiscal year.

2. Comprehensive income (loss) attributable to NTT: For the year ended March 31, 2025: 1,034,737 million yen (47.3)%
 For the year ended March 31, 2024: 1,962,087 million yen 54.4%

	Basic Earnings per Share Attributable to NTT	Diluted Earnings per Share Attributable to NTT	ROE (Ratio of Profit Attributable to NTT)	ROA (Ratio of Profit before Taxes to Total Assets)	Operating Profit Margin (Ratio of Operating Profit to Operating Revenues)
Year Ended March 31, 2025	11.96 (yen)	- (yen)	10.0%	5.2%	12.0%
Year Ended March 31, 2024	15.09 (yen)	- (yen)	13.9%	7.2%	14.4%

(Reference) Equity in earnings (losses) of affiliated companies: For the year ended March 31, 2025: 25,488 million yen

For the year ended March 31, 2024: 24,206 million yen

Note: NTT conducted a 25-for-1 stock split of its common stock, with an effective date of July 1, 2023. The figures for Basic Earnings per Share Attributable to NTT have been adjusted to reflect the impact of the stock split as if the stock split had occurred at the beginning of the prior fiscal year.

(2) Consolidated Financial Position

(Millions of yen, except equity ratio and per share amounts)

	Total Assets	Total Equity (Net Assets)	Shareholders' Equity	Equity Ratio (Ratio of Shareholders' Equity to Total Assets)	Shareholders' Equity per Share
March 31, 2025	30,062,483	11,344,639	10,221,587	34.0%	123.54 (yen)
March 31, 2024	29,604,223	10,893,059	9,844,160	33.3%	117.08 (yen)

Note: NTT conducted a 25-for-1 stock split of its common stock, with an effective date of July 1, 2023. The figures for Shareholders' Equity per Share have been adjusted to reflect the impact of the stock split as if the stock split had occurred at the beginning of the prior fiscal year.

(3) Consolidated Cash Flows

(Millions of yen)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Year
Year Ended March 31, 2025	2,364,031	(1,999,644)	(343,027)	1,000,994
Year Ended March 31, 2024	2,374,159	(1,989,235)	(234,454)	982,874

2. Dividends

	Annual Dividends					Total Annual Dividends	Payout Ratio (Consolidated)	Ratio of Dividends to Shareholders' Equity (Consolidated)
	End of the first quarter	End of the second quarter	End of the third quarter	Year-end	Total			
Year Ended March 31, 2024	-	2.50 (yen)	-	2.60 (yen)	5.10 (yen)	431,481 (millions of yen)	33.8 %	4.4 %
Year Ended March 31, 2025	-	2.60 (yen)	-	2.60 (yen)	5.20 (yen)	433,303 (millions of yen)	43.5 %	4.2 %
Year Ending March 31, 2026 (Forecasts)	-	2.65 (yen)	-	2.65 (yen)	5.30 (yen)	-	42.1 %	-

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2026 (April 1, 2025 - March 31, 2026)

(Millions of yen)

	Operating Revenues		Operating Profit		Profit before Taxes		Profit Attributable to NTT		Basic Earnings per Share Attributable to NTT
Year Ending March 31, 2026	14,190,000	3.5%	1,770,000	7.3%	1,660,000	6.1%	1,040,000	4.0%	12.60 (yen)

Note: Percentages above represent changes from the previous fiscal year.

***Notes:**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies and changes in accounting estimates
 - (i) Changes in accounting policies required by IFRS: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
- (3) Number of shares outstanding (common stock)

- (i) Number of shares outstanding (including treasury stock):

March 31, 2025 : 90,550,316,400 shares
 March 31, 2024 : 90,550,316,400 shares

- (ii) Number of shares of treasury stock:

March 31, 2025 : 7,811,965,740 shares
 March 31, 2024 : 6,468,768,847 shares

- (iii) Weighted average number of shares outstanding:

For the Year Ended March 31, 2025 : 83,610,854,500 shares
 For the Year Ended March 31, 2024 : 84,799,194,212 shares

Notes: 1. NTT conducted a 25-for-1 stock split of its common stock, with an effective date of July 1, 2023. The figures for "Number of shares outstanding (common stock)" have been adjusted to reflect the impact of the stock split as if the stock split had occurred at the beginning of the prior fiscal year.

2. The number of shares of treasury stock includes the Company's shares held by BIP (Board Incentive Plan) Trust (As of March 31, 2025: 34,782,500 shares, As of March 31, 2024: 23,303,000 shares). In addition, these Company's shares are included in the treasury stock which is deducted from the number of shares outstanding when calculating the weighted average number of shares outstanding during the period.

(Reference) Non-Consolidated Financial Results

For the Year Ended March 31, 2025

[Japanese GAAP]

1. Non-consolidated Financial Results for the Year Ended March 31, 2025 (April 1, 2024 - March 31, 2025)

Amounts are rounded to the nearest million yen.

(1) Non-consolidated Results of Operations

(Millions of yen, except per share amounts)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
Year Ended March 31, 2025	1,330,710	2.8%	1,164,192	3.4%	1,139,405	3.0%	1,145,080	(1.9)%
Year Ended March 31, 2024	1,294,957	(2.2)%	1,125,598	(2.1)%	1,106,278	(2.2)%	1,166,938	1.2%

Note: Percentages above represent changes from the previous fiscal year.

	Earnings per Share	Diluted Earnings per Share
Year Ended March 31, 2025	13.70 (yen)	- (yen)
Year Ended March 31, 2024	13.76 (yen)	- (yen)

Note: NTT conducted a 25-for-1 stock split of its common stock, with an effective date of July 1, 2023. The figures for Earnings per Share have been adjusted to reflect the impact of the stock split as if the stock split had occurred at the beginning of the prior fiscal year.

(2) Non-consolidated Financial Position

(Millions of yen, except per share amounts)

	Total Assets	Net Assets	Equity Ratio (Ratio of Shareholders' Equity to Total Assets)	Net Assets per Share
March 31, 2025	11,966,934	6,462,982	54.0%	78.11 (yen)
March 31, 2024	12,284,883	6,048,907	49.2%	71.94 (yen)

(Reference) Shareholders' equity: For the year ended March 31, 2025: 6,462,982 million yen

For the year ended March 31, 2024: 6,048,907 million yen

Note: NTT conducted a 25-for-1 stock split of its common stock, with an effective date of July 1, 2023. The figures for Net Assets per Share have been adjusted to reflect the impact of the stock split as if the stock split had occurred at the beginning of the prior fiscal year.

2. Non-consolidated Financial Forecasts for the Year Ending March 31, 2026 (April 1, 2025 - March 31, 2026)

(Millions of yen, except per share amounts)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Earnings per Share
Year Ending March 31, 2026	1,152,000 (13.4)%	973,000 (16.4)%	950,000 (16.6)%	962,000 (16.0)%	11.70 (yen)

Note: Percentages above represent changes from the previous fiscal year.

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Explanation of financial results forecasts and other notes:

This document is a translation of the authoritative Japanese original. The assumptions for the financial forecasts and cautionary matters to consider in using such financial forecasts are as follows.

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, and other changes in circumstances that could cause actual results to differ materially from the forecasts contained or referred to herein.

As NTT evaluates its business performance on an annual basis, financial forecasts for the six months ending September 30, 2025, have not been prepared.

On Friday, May 9, 2025, NTT will hold a presentation on its financial results for institutional investors and analysts. Shortly thereafter, NTT plans to post on its website explanatory details, along with the materials used at the presentation.

1. Business Results

(1) Summary of Business Results

Overview of Consolidated Business Results (April 1, 2024 – March 31, 2025)

(Billions of yen)

	Fiscal Year Ended March 31, 2024 (April 1, 2023 – March 31, 2024)	Fiscal Year Ended March 31, 2025 (April 1, 2024 – March 31, 2025)	Change	Percent Change
Operating revenues	13,374.6	13,704.7	330.2	2.5%
Operating expenses	11,451.7	12,055.2	603.5	5.3%
Operating profit	1,922.9	1,649.6	(273.3)	(14.2)%
Profit before taxes	1,980.5	1,564.7	(415.8)	(21.0)%
Profit attributable to NTT	1,279.5	1,000.0	(279.5)	(21.8)%

(Note): NTT's consolidated financial statements are prepared in accordance with International Financial Reporting Standards. ("IFRS")

The information and telecommunications market and its related markets saw the expansion of cloud services and 5G services and the rapid advance of technologies such as AI, digital twin, and quantum computing. These changes are driving a global digital transformation (DX) resulting in reforms, such as by work styles and lifestyles in which real and online coexist taking root, improving the convenience of people's daily lives, creating new business models, and enhancing productivity. Meanwhile, society needs to respond to the digital shift in social and economic activities, the increase in data distribution and power consumption associated with the spread and advancement of AI, strengthening information security against increasingly sophisticated and complex cyberattacks, reinforcing anti-disaster measures, and contributing to the protection of the environment.

The role of information and telecommunications is also becoming more important in terms of resolving these wide-ranging societal issues.

In this business environment and based on its new Medium-Term Management Strategy entitled "New Value Creation & Sustainability 2027 Powered by IOWN," NTT Group (NTT and its affiliated companies) has promoted various initiatives in each of its business segments, centered on the three pillars of "NTT as a Creator of New Value and Accelerator of a Global Sustainable Society," "Upgrading the Customer Experience (CX)," and "Improving the Employee Experience (EX)."

• NTT as a Creator of New Value and Accelerator of a Global Sustainable Society

IOWN-Driven Creation of New Value (from concept to commercialization)

- In December 2024, NTT East and NTT West launched a commercial service, All-Photonics Connect powered by IOWN. This service utilizes IOWN APN technology that dedicates optical wavelengths throughout the entire communication network to achieve high-speed, large-capacity communications at speeds of up to 800 Gbps.
- In August 2024, based on a basic agreement with Chunghwa Telecom Co., Ltd. (headquarters: Taiwan), the Company achieved international connectivity between the data center in Taiwan (Taoyuan) and the data center in Japan (Musashino R&D Center) using APNs from both parties. Furthermore, in March 2025, the NTT DATA Leadership Event was held with a view toward the unification of operations through IOWN APN connections among three geographically separate data centers in Mumbai, India, as well as the commencement of connection to the submarine cable MIST, which connects India, Singapore, and Malaysia. We will continue to promote further international expansion by leveraging the ultra-high speed and ultra-low latency that are the characteristics of IOWN APN.

Data-Driven Creation of New Value

- NTT Group aims to provide AI that supports people's lives, work, and ways of life. Since the launch of a commercial service that uses NTT's Large-scale Language Model (LLM) "tsuzumi" in March 2024, we have responded to more than 1,200 consultations on its introduction. Globally, we have fully transitioned to a five-unit operation model consisting of three regional units (North America, EMEA^{*1} & Latin America, and APAC^{*2}) and two global units (Global Technology Services and Business Solution), and we have received orders for more than 1,100 generative AI projects. In November 2024, NTT DATA began offering LITRON[®] Sales, a solution that autonomously performs tasks such as data entry, proposal preparation, contract drafting, and internal document drafting in the sales domain by utilizing SmartAgent[™], which supports entire operational processes with multiple AI agents cooperating autonomously. Furthermore, NTT AI-CIX Inc. was established in August 2024 with the aim of moving from individual AIs that optimize each operation and industry to linked AIs that optimize across operations and industries.

*1 An abbreviation for Europe, the Middle East, and Africa.

*2 An abbreviation for Asia Pacific.

- Data centers, which are key platforms in a data-driven society, are becoming increasingly important with the spread and advancement of AI. NTT Group has also positioned the data center business as a driver of growth and is pursuing the further expansion and enhancement of its data center infrastructure, which is the world's third largest^{*3}. In FY2024, we opened new data centers at 7 sites in 8 buildings, bringing our cumulative total to 163 sites in 216 buildings^{*4}. In addition, by incorporating data center assets into a real estate investment trust (REIT) scheduled for FY2025, we aim to achieve sustainable growth by securing further growth opportunities while maintaining financial soundness.

*3 Recalculated from the Structure Research 2024 Report, excluding operators in the People's Republic of China.

*4 The figures in MW show the power capacity of buildings owned by the NTT Communications Group and the data center business divisions of Global Technology Services within the Global Solutions Business Segment (including joint ventures with third parties).

- We are advancing various initiatives toward the full-scale commercialization of autonomous driving technology in Japan. In November 2023, we acquired exclusive rights to sell the autonomous driving system of May Mobility, Inc. (headquarters: U.S.) in Japan, and in October 2024, the shuttle operation plan proposed by NTT DOCOMO was adopted by Aichi Prefecture in its public solicitation for autonomous driving projects. In August 2024, NTT West decided to invest in Navya Mobility SAS (headquarters: France) to strengthen the system for stable supply of autonomous driving services. Furthermore, in October 2024, we reached an agreement with TOYOTA MOTOR CORPORATION to work together on AI and communications in the mobility field to achieve a society with zero traffic accidents, and we will continue to deepen our collaboration going forward. We will continue to aim for safe and secure autonomous driving services that contribute not only to solving transportation issues but also to revitalizing local economies and addressing the needs of an aging society.
- In August 2024, the three companies, NTT DOCOMO, INTAGE Inc., and DOCOMO InsightMarketing, INC., began offering the docomo data clean room[™], a service that enables partner companies to analyze their own customer data by utilizing various data held by NTT DOCOMO and INTAGE Inc. This service enables analysis using profiling information and behavioral information that utilizes docomo Sense[®], NTT DOCOMO's proprietary customer understanding engine. We will continue contributing to solving marketing challenges faced by partner companies in a wide range of industries.
- In July 2024, NTT Precision Medicine Corporation was established to bring together NTT Group's assets and resources in the medical and healthcare field and to perform the entire process from data generation to utilization. The company aims to provide preventive care and medical services optimized for each individual's constitution using a data-driven approach.

Achievement of a Circular Economy Society

- NTT AgriTechnology Corporation and Nounsouken Corporation, which has a direct-from-farm section in approximately 2,000 supermarkets across Japan, agreed to jointly implement series of initiatives to create new value through agricultural products aimed at the stable supply of food in Japan, the realization of sustainable agriculture, and revitalization of the distribution of safe, reliable domestic vegetables, and entered into a capital and business alliance agreement in September 2024. Going forward, the company will continue to advance initiatives that contribute to solving social issues in the field of food and agriculture, including development of processed foods that contribute to adding value to agricultural products and reducing food loss.
- NTT Green & Food, Inc. (hereinafter “NTT Green & Food”) completed construction of one of the largest land-based aquaculture plants in Japan for whiteleg shrimp (commonly known as vannamei shrimp) in December 2024. In the future, we plan to introduce temperature control, remote monitoring of growth and other conditions, and automated operation and control using NTT Group’s technologies and services. In the same month, NTT AQUA Inc., which aims to expand its land-based aquaculture business through the research, development, and provision of an ICT-based recirculating land-based aquaculture system, began operations and is working with NTT Green & Food to establish a new supply chain. We will continue to help improve the food self-sufficiency rate and revitalize local communities.
- NTT Group is conducting initiatives to achieve net zero emissions in FY2040. We have set interim targets of 950,000 tons^{*5} for Scope 1 & 2 and 17 million tons^{*6} for Scope 1, 2, & 3 for greenhouse gas emissions in FY2030, and will promote decarbonization across the entire supply chain in addition to our own decarbonization.
(NTT Group’s actual greenhouse gas emissions for FY2024 will be disclosed in the Integrated Report in late September 2025.)
^{*5} For Scope 1 & 2, FY2013 has been set as the reference year in line with the Japanese government’s global warming countermeasures plan.
^{*6} For Scope 1, 2, & 3, FY2018 has been set as the reference year, in line with the start of calculations using the current scope of aggregation, which includes overseas Group companies.

Further Strengthening of Business Foundations

- In March 2025, NTT DOCOMO and NTT Communications launched the Noto HAPS Partner Program (hereinafter, the “Program”) and began recruiting partner companies. Under the Program, NTT DOCOMO and NTT Communications, in collaboration with participating companies, local governments, academic institutions, and others, promote exploration and verification experiments of business models and solutions that leverage the features of High Altitude Platform Station (HAPS), such as direct communication with smartphones and IoT devices, high-speed, large capacity, and low latency. The companies will continue to invite many companies, local governments, academic institutions, etc. to participate, as they aim to achieve robust telecommunications and industrial development by leveraging the features of HAPS and the capabilities of non-terrestrial networks.
- Eight companies consisting of NTT Group (the Company, NTT East, NTT West, NTT DOCOMO, NTT Communications), KDDI CORPORATION, SoftBank Corp. and Rakuten Mobile, Inc. have established a new cooperative framework among telecommunications companies aimed at ensuring the rapid restoration of networks in the event of large-scale disasters, and began joint operations in December 2024. Moving forward, the eight companies will continue to strengthen cooperation in various areas, including disaster response, to ensure the swift restoration of networks and contribute to the realization of a sustainable society.

- **Upgrading the Customer Experience (CX)**

- NTT DOCOMO began offering the docomo poikatsu plan in April 2024. Under the docomo poikatsu plan, users have further advantages receiving d POINTs (period- or application-limited) when using NTT DOCOMO's financial services. The company will continue to strive to provide billing plans and services that satisfy the customers.
- NTT DATA began offering CAFIS Tap to Pay[®] (hereinafter "Payment Service"), a contactless payment service^{*3} that does not require a dedicated terminal, in September 2024, and announced its introduction at Yamato Transport Co., Ltd. in January 2025. In the past, drivers had to carry a dedicated payment terminal for cash on delivery and freight payments. However, the Payment Service installed on delivery management terminals (general-purpose smartphones) eliminates the need for dedicated payment terminals and reduces the number of terminals carried by drivers, thereby reducing their workload and improving operational efficiency.
^{*3} Payment method in which a card, smartphone, or other device equipped with a contactless IC chip is held over a payment terminal
- To improve the quality of mobile telecommunication services, we have pursued network-related measures, such as upgrading the performance of 5G network equipment and increasing the number of base stations. In addition, we strengthened efforts to improve customer-perceived quality, particularly in event venues and major cities where localized telecommunications demand is concentrated. We will continue to strive to provide communication services that customers can use with a peace of mind going forward.

- **Improving the Employee Experience (EX)**

- The positive response rate in the employee engagement survey reached 61% (up 7% YoY) as a result of strengthening various measures to create an environment in which each employee can develop their career autonomously, such as promoting understanding of the system and expanding opportunities to think about their career. As one of the initiatives, we established a month to strengthen the use of the NTT Group Job Board (open recruitment), a personnel system that enables employees to take on voluntary challenges, and further strengthened the support system for taking on new challenges, through means such as intensively distributing user interviews and other contents. We will continue to pursue the creation of an environment in which employees can take on more challenging and rewarding work.

- **Enhancement of Returns to Shareholders**

- We increased capital efficiency through continuous dividend increases and flexible share buybacks.
- A 25-for-1 stock split of common stock (July 2023) was implemented to lower the amount per unit of investment and, among other efforts, create a more investment-friendly environment, resulting in a record number of shareholders.

- **Status of Research & Development, etc.**

We advanced initiatives to flesh out the IOWN concept and to roll out the technology and resolve issues in a range of industries.

[Research and Development in Preparation for Making the IOWN Concept a Reality]

- Photonic-electronic convergence devices under development for the realization of IOWN are being developed for short-haul optical connections (inter-board connections, inter-package connections, and inter-die connections) in addition to conventional long-haul optical communication applications. IOWN Photonic Disaggregated Computing with a maximum of 8 times greater power efficiency is achieved by incorporating photonic-electronic convergence devices that optically connect boards and technologies that efficiently utilize hardware resources.
- We are conducting research on a multi-core optical fiber, which is one of the elemental technologies for realizing high-capacity optical transmission infrastructure. We have succeeded for the first time in the world in combining optical signals of different optical types (modes) by utilizing optical coupling between three adjacent cores in a multi-core structure. This technology makes it possible to achieve both spatial multiplexing and coupling of more than ten cores with a smaller number of cores while maintaining the outer diameter of the optical fiber, and provides a new option for multi-core optical fiber designs that can achieve ten times higher capacity than existing optical fibers.

[Developing Technologies and Resolving Issues in Various Industries]

- Aiming for the early realization of an optical quantum computer, etc., in January 2025, we succeeded in generating and observing optical quantum entanglement more than 1,000 times higher than the conventional rate in collaboration with the University of Tokyo. Quantum entanglement is a fundamental element that forms the basis of quantum technology, and by improving its generation speed, we can overcome the computational speed limitations of conventional quantum computers, thereby accelerating not only the scaling up of physical size but also a dramatic increase in computing capacity through increased speed. This is expected to advance applications in a wide range of fields, such as drug discovery, financial risk assessment, and logistics optimization, and contribute to technological innovation in society overall.
- A public participation workshop was held to discuss local community issues together with AI using AI Constellation, which aims to derive solutions from diverse perspectives through discussions between AIs. Diverse opinions exist in the real world due to the complexity of issues and differences in positions, and multifaceted discussions are required. In this workshop, we tested whether AI Constellation can deepen discussions among humans. In the future, we will work on various applications such as support in local communities and decision-making within companies.
- In June 2024, against the backdrop of developments in space technology and the government's promotion of its space strategy, we launched a new brand, NTT C89, with the aim of expanding our space business. NTT Group's space-related businesses have been integrated under this brand to promote business expansion and market development. To realize the "Space Integrated Computing Network" planned with SKY Perfect JSAT Corporation, NTT Group will strategically divide its business into two areas: one in which it will leverage its technological strengths to develop its own services, and the other in which it will accelerate the development of services through collaboration with partners while developing new technologies. In each of these areas, we will carry out both business and technology development to drive the creation and expansion of markets. Going forward, we will contribute to the development of the space industry as a whole by developing communication services using HAPS, new services utilizing observation satellite data, and broadband business in collaboration with overseas partners.

As a result of the above efforts, NTT Group's consolidated operating revenues for the fiscal year ended March 31, 2025 were 13,704.7 billion yen (an increase of 2.5% from the previous fiscal year), consolidated operating profit was 1,649.6 billion yen (a decrease of 14.2% from the previous fiscal year), and consolidated profit attributable to NTT was 1,000.0 billion yen (a decrease of 21.8% from the previous fiscal year).

The consolidated financial forecast for the fiscal year ending March 31, 2026 is as follows: operating revenues of 14,190.0 billion yen, operating profit of 1,770.0 billion yen, and profit attributable to NTT of 1,040.0 billion yen.

(1) Integrated ICT Business segment

The principal services in the Integrated ICT Business are mobile phone services, domestic inter-prefectural communications services, international communications services, solutions services, and system development services and related services.

(Consolidated Subsidiaries)

NTT DOCOMO, NTT Communications, NTT Comware, etc.

(2) Regional Communications Business Segment

The principal services in the Regional Communications Business are domestic intra-prefectural communications services and related ancillary services.

(Consolidated Subsidiaries)

NTT East, NTT West, etc.

(3) Global Solutions Business Segment

The principal services in the Global Solutions Business are system integration services, network system services, cloud services, global data center services, and related services.

(Consolidated Subsidiaries)

NTT DATA Group, etc.

(4) Others (Real Estate, Energy and Others)

Others include the real estate business, energy business and others.

(Consolidated Subsidiaries)

NTT Urban Solutions, NTT Anode Energy, etc.

The business results for each segment for the consolidated fiscal year ended March 31, 2025 are as follows.

■ Integrated ICT Business Segment

Overview of Business Results by Business Segment (April 1, 2024 – March 31, 2025)

(Billions of yen)

	Fiscal Year Ended March 31, 2024 (April 1, 2023 – March 31, 2024)	Fiscal Year Ended March 31, 2025 (April 1, 2024 – March 31, 2025)	Change	Percent Change
Operating revenues	6,140.0	6,213.1	73.1	1.2%
Operating expenses	4,995.6	5,192.6	197.0	3.9%
Operating profit	1,144.4	1,020.5	(123.9)	(10.8)%

Number of Subscriptions

(Thousands of subscriptions)

	As of March 31, 2024	As of March 31, 2025	Change	Percent Change
Mobile Telecommunications Services	89,940	91,407	1,468	1.6%
Telecommunications Services (5G)	29,740	37,315	7,575	25.5%
Telecommunications Services (LTE (Xi))	53,041	49,087	(3,954)	(7.5)%
Telecommunications Services (FOMA (3G))	7,159	5,005	(2,153)	(30.1)%

Note: Number of Mobile Telecommunications Services includes MVNOs and Communication Module Services.

In the Integrated ICT Business, we worked to strengthen our customer base through enhanced customer-driven marketing and creation of services that meet customer needs in the consumer business, further expand the enterprise business, and improve the quality of our telecommunication services.

● Details of Main Initiatives

- In addition to offering docomo poikatsu plan, we launched new additions to the d CARD lineup, specifically d CARD PLATINUM in November 2024 and d CARD GOLD U in February 2025, as part of efforts to strengthen both communication and financial services.
- In July 2024, we entered into a strategic business alliance with transcosmos inc. in the Digital BPO^{®*} domain. By combining technologies such as AI and infrastructure with DX human resources with advanced know-how, we accelerate customers' DX and contribute to the realization of a prosperous society.

*A registered trademark of transcosmos inc., and a general name of services that assist customers' business transformation blending BPO operations with various technologies

As a result of the above, consolidated operating revenues in the Integrated ICT Business Segment for the fiscal year ended March 31, 2025 were 6,213.1 billion yen (an increase of 1.2% from the previous fiscal year). On the other hand, consolidated operating expenses were 5,192.6 billion yen (an increase of 3.9% from the previous fiscal year). As a result, consolidated operating profit was 1,020.5 billion yen (a decrease of 10.8% from the previous fiscal year).

■ Regional Communications Business Segment

Overview of Business Results by Business Segment (April 1, 2024 – March 31, 2025)

(Billions of yen)

	Fiscal Year Ended March 31, 2024 (April 1, 2023 – March 31, 2024)	Fiscal Year Ended March 31, 2025 (April 1, 2024 – March 31, 2025)	Change	Percent Change
Operating revenues	3,183.2	3,112.3	(70.9)	(2.2)%
Operating expenses	2,745.5	2,816.8	71.3	2.6%
Operating profit	437.7	295.5	(142.2)	(32.5)%

Number of Subscriptions

(Thousands of subscriptions)

	As of March 31, 2024	As of March 31, 2025	Change	Percent Change
FLET'S Hikari (including Hikari Collaboration Model) ⁽¹⁾	23,653	23,787	133	0.6%
NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION (NTT East)	13,368	13,442	75	0.6%
NIPPON TELEGRAPH AND TELEPHONE WEST CORPORATION (NTT West)	10,286	10,344	59	0.6%
Hikari Collaboration Model	17,116	17,485	369	2.2%
NTT East	10,069	10,290	222	2.2%
NTT West	7,048	7,195	147	2.1%
Hikari Denwa	18,304	17,879	(425)	(2.3)%
NTT East	9,786	9,565	(221)	(2.3)%
NTT West	8,518	8,314	(204)	(2.4)%

Notes:

1. Number of "FLET'S Hikari (including Hikari Collaboration Model)" subscribers includes subscribers to "FLET'S Hikari Cross," "FLET'S Hikari Next," "FLET'S Hikari Light," "FLET'S Hikari Lightplus," "FLET'S Hikari WiFi Access" and "Hikari Denwa Next (Hikari IP Phone)" provided by NTT East, subscribers to "FLET'S Hikari Cross," "FLET'S Hikari Next," "FLET'S Hikari Mytown Next," "FLET'S Hikari Light" and "Hikari Denwa Next (IP Phone Services)" provided by NTT West and subscribers to the "Hikari Collaboration Model," the wholesale provision of services to service providers by NTT East and NTT West.
2. The figures for Hikari Denwa indicate the number of channels (in thousands). Number of "Hikari Denwa" subscribers includes wholesale services provided to service providers by NTT East and NTT West.

In the Regional Communications Business, in addition to strengthening our solutions business which supports the digital transformation (DX) of companies, local governments, and societies to resolve regional social issues, we offered our "Hikari Collaboration Model," which provides wholesale fiber-optic access services, among other things, to various service providers.

● Details of Main Initiatives

- We worked to expand our share of the fiber-optic access service market and improve profits by enhancing competitiveness through the expansion of the service area for the high-speed fiber-optic access service FLET'S Hikari Cross and by strengthening sales of the FLET'S Hikari Next Mansion All-Unit Subscription Services, a bundled plan for multi-dwelling units.
- We reviewed our business portfolio and terminated our weather forecasting service 177 on March 31, 2025. In light of the diversification of telephone number search methods and the realization of reduced paper consumption and environmental impact, we announced that we will discontinue providing telephone directories (TownPage, etc.) and directory assistance (number 104) on March 31, 2026.

As a result of the above, consolidated operating revenues in the Regional Communications Business Segment for the fiscal year ended March 31, 2025 were 3,112.3 billion yen (a decrease of 2.2% from the previous fiscal year). On the other hand, consolidated operating expenses were 2,816.8 billion yen (an increase of 2.6% from the previous fiscal year). As a result, consolidated operating profit was 295.5 billion yen (a decrease of 32.5% from the previous fiscal year).

■ Global Solutions Business Segment

Overview of Business Results by Business Segment (April 1, 2024 – March 31, 2025)

(Billions of yen)

	Fiscal Year Ended March 31, 2024 (April 1, 2023 – March 31, 2024)	Fiscal Year Ended March 31, 2025 (April 1, 2024 – March 31, 2025)	Change	Percent Change
Operating revenues	4,367.4	4,638.7	271.3	6.2%
Operating expenses	4,057.8	4,314.9	257.0	6.3%
Operating profit	309.6	323.9	14.3	4.6%

In the Global Solutions Business, the Group worked to extend and consistently provide a range of IT services, such as offerings of digitalization and system integration, that are responsive to the changes in the market, as well as to strengthen its ability to provide services in growth areas such as the data center business and managed services.

● Details of Main Initiatives

- In January 2025, Hakuhodo Incorporated and NTT DATA concluded an agreement to establish a joint venture that will provide a single-stop service for strategy development, consumer experience design, data and technology utilization, and system implementation in order to achieve transformation of the corporate demand chain. Through the establishment of this joint venture, we will further promote transformation of the corporate demand chain while at the same time aiming to implement new value that transcends industry/sector boundaries and leads to a more prosperous society and lives.
- Thanks to initiatives to migrate customer IT environments in North America to multi-cloud platforms to achieve agile business operations and reduce administrative costs, we received a new order for a large-scale project from a major U.S. healthcare solutions provider. Going forward, we will also roll out strategic initiatives beyond the North American region aimed at winning large-scale orders from major customers.
- Throughout the fiscal year under review, we worked to create synergies through efforts to integrate overseas businesses, including the optimization of corporate functions, office integration, and IT system optimization.

As a result of the above, consolidated operating revenues in the Global Solutions Business Segment for the fiscal year ended March 31, 2025 were 4,638.7 billion yen (an increase of 6.2% from the previous fiscal year). On the other hand, consolidated operating expenses were 4,314.9 billion yen (an increase of 6.3% from the previous fiscal year). As a result, consolidated operating profit was 323.9 billion yen (an increase of 4.6% from the previous fiscal year).

■ Others (Real Estate, Energy and Others)

Overview of Business Results by Others (April 1, 2024 – March 31, 2025)

(Billions of yen)

	Fiscal Year Ended March 31, 2024 (April 1, 2023 – March 31, 2024)	Fiscal Year Ended March 31, 2025 (April 1, 2024 – March 31, 2025)	Change	Percent Change
Operating revenues	1,632.9	1,726.5	93.6	5.7%
Operating expenses	1,573.1	1,670.7	97.6	6.2%
Operating profit	59.8	55.8	(4.0)	(6.7)%

We provided services related to real estate business and energy business, etc.

●Details of Main Initiatives

○ Real Estate Business

Primarily through NTT Urban Solutions Group, a group that handles the NTT Group's real estate and construction businesses, we conducted urban development projects that take advantage of regional characteristics throughout Japan. In the Kansai area, where the Osaka-Kansai Expo 2025 is held, we have developed a multi-purpose arena for 10,000 people to create excitement in sports and entertainment, as well as a hotel operated by a luxury brand making its first appearance in Japan, located in a site overlooking Osaka Castle. We also engaged in Osaka City's first publicly-offered park facility installation and management project, which preserves and passes down historic sites and shares their history within the park, while creating vibrancy through the establishment of commercial facilities. We will continue to make effective use of regional characteristics and resources and contribute to urban development with a view to revitalizing the surrounding areas.

○ Energy Business

NTT Anode Energy, a company that handles the NTT Group's energy business, has worked with NTT Group companies and various other partners to promote achievement of a decarbonized society through the use of renewable energy and local production for local consumption of energy. In January 2025, NTT Anode Energy developed a proprietary data analysis platform equipped with functions for predicting solar power generation and electricity demand and optimizing storage battery operation by utilizing AI technology from sources including our laboratories, and it has begun actual operations. The company will work to create new energy distribution infrastructure through the expansion of such initiatives.

As a result of the above, consolidated operating revenues by others (real estate, energy and others) for the fiscal year ended March 31, 2025 were 1,726.5 billion yen (an increase of 5.7% from the previous fiscal year). On the other hand, consolidated operating expenses were 1,670.7 billion yen (an increase of 6.2% from the previous fiscal year). As a result, consolidated operating profit was 55.8 billion yen (a decrease of 6.7% from the previous fiscal year).

(2) Summary of the Consolidated Financial Position

Cash Flows

	(Billions of yen)			
	Fiscal Year Ended March 31, 2024 (April 1, 2023 – March 31, 2024)	Fiscal Year Ended March 31, 2025 (April 1, 2024 – March 31, 2025)	Change	Percent Change
Cash flows provided by operating activities	2,374.2	2,364.0	(10.1)	(0.4)%
Cash flows provided by operating activities (excluding the impact of non-business days)	2,567.0	2,171.2	(395.8)	(15.4)%
Cash flows used in investing activities	(1,989.2)	(1,999.6)	(10.4)	(0.5)%
Cash flows used in financing activities	(234.5)	(343.0)	(108.6)	(46.3)%
Cash and cash equivalents at the end of year	982.9	1,001.0	18.1	1.8%
Cash and cash equivalents at the end of year (excluding the impact of non-business days)	1,175.7	1,001.0	(174.7)	(14.9)%

Note: The impact in the amount of ¥192.8 billion, caused by the last day of the fiscal year ended March 31, 2024 falling on a non-business day, resulting in the due date for certain bills, including telecommunication services bills, being set to the first business day of the following month.

Cash flows provided by operating activities (excluding the impact of non-business days) for the fiscal year ended March 31, 2025 was ¥2,171.2 billion. This was primarily due to profit (loss) as adjusted for non-cash items (profit for the period, plus non-cash items such as depreciation and losses on retirement of fixed assets) reaching ¥2,842.7 billion. This represented a decrease of ¥395.8 billion (15.4%) from the previous fiscal year due to an increase in working capital, among other factors. Cash flows provided by operating activities for the fiscal year ended March 31, 2025 was ¥2,364.0 billion.

Cash flows used in investing activities for the fiscal year ended March 31, 2025 was ¥1,999.6 billion. This was primarily due to payments for the purchase of property, plant and equipment, intangible assets and investment property reaching ¥2,132.3 billion. This represented an increase of net payments by ¥10.4 billion (0.5%) from the previous fiscal year, primarily due to an increase in payments for the purchase of property, plant and equipment, intangible assets and investment property among other factors.

Cash flows used in financing activities for the fiscal year ended March 31, 2025 was ¥343.0 billion, which included dividend payments of ¥460.4 billion and net income from borrowings of ¥572.1 billion. This represented an increase of net payments by ¥108.6 billion (46.3%) from the previous fiscal year.

As a result of the above, NTT Group's consolidated cash and cash equivalents at the end of year as of March 31, 2025 was ¥1,001.0 billion, a decrease of ¥174.7 billion (14.9%) from the end of the previous fiscal year excluding the impact of non-business days.

Financial Position

	(Billions of yen)		
	As of March 31, 2024	As of March 31, 2025	Change
Assets	29,604.2	30,062.5	458.3
Liabilities	18,711.2	18,717.8	6.7
(incl.)Interest-bearing debt	9,591.0	10,010.1	419.1
Equity	10,893.1	11,344.6	451.6
(incl.)Total NTT shareholders' equity	9,844.2	10,221.6	377.4

Assets as of the end of the fiscal year under review increased by ¥458.3 billion from the end of the previous fiscal year to ¥30,062.5 billion, due to, among other factors, an increase in other financial assets resulting from the integration of financial businesses and an increase in property, plant and equipment.

Liabilities as of the end of the fiscal year under review increased by ¥6.7 billion from the end of the previous fiscal year to ¥18,717.8 billion, due to, among other factors, an increase in other financial liabilities resulting from the integration of financial businesses, and an increase in borrowings due to the payment of taxes and the procurement of capital contributions. The balance of interest-bearing debt was ¥10,010.1 billion, an increase of ¥419.1 billion from ¥9,591.0 billion as of the end of the previous fiscal year.

Shareholders' equity as of the end of the fiscal year under review increased by ¥377.4 billion from the end of the previous fiscal year to ¥10,221.6 billion, due to an increase in profit. The ratio of interest-bearing debt to shareholders' equity was 97.9% (compared to 97.4% at the end of the previous fiscal year). In addition, equity, which consists of the sum of shareholders' equity and non-controlling interests, increased by ¥451.6 billion from the end of the previous fiscal year to ¥11,344.6 billion.

2. Basic Concepts Concerning the Selection of Accounting Standards

NTT Group has adapted International Financial Reporting Standards ("IFRS") to improve the international comparability of its financial information in the capital markets, among other reasons, beginning with the first quarter of the fiscal year ended March 31, 2019.

3. Consolidated Financial Statements

(1) Consolidated Statement of Financial Position

	Millions of yen		
	March 31, 2024	March 31, 2025	Increase (Decrease)
ASSETS			
Current assets			
Cash and cash equivalents	¥982,874	¥1,000,994	¥18,120
Trade and other receivables	4,816,951	4,880,769	63,818
Other financial assets	972,278	973,465	1,187
Inventories	524,166	556,576	32,410
Other current assets	985,960	863,583	(122,377)
Sub Total	8,282,229	8,275,387	(6,842)
Assets held for sale	41,858	94,972	53,114
Total current assets	8,324,087	8,370,359	46,272
Non-current assets			
Property, plant and equipment	10,421,986	10,662,316	240,330
Right-of-use asset	914,911	974,009	59,098
Goodwill	1,698,851	1,719,148	20,297
Intangible assets	2,510,723	2,483,238	(27,485)
Investment property	1,305,219	1,341,188	35,969
Investments accounted for using equity method	410,782	452,107	41,325
Other financial assets	2,251,793	2,237,517	(14,276)
Deferred tax assets	714,276	665,474	(48,802)
Other non-current assets	1,051,595	1,157,127	105,532
Total non-current assets	21,280,136	21,692,124	411,988
Total assets	¥29,604,223	¥30,062,483	¥458,260

	Millions of yen		
	March 31, 2024	March 31, 2025	Increase (Decrease)
LIABILITIES AND EQUITY			
Current liabilities			
Short-term borrowings	¥2,542,999	¥2,822,577	¥279,578
Trade and other payables	2,940,928	2,849,534	(91,394)
Lease liabilities	223,473	231,665	8,192
Other financial liabilities	895,063	866,450	(28,613)
Accrued payroll	614,976	593,503	(21,473)
Income taxes payables	354,859	242,376	(112,483)
Other current liabilities	1,272,371	1,254,747	(17,624)
Sub Total	8,844,669	8,860,852	16,183
Liabilities directly associated with assets held for sale	976	4,411	3,435
Total current liabilities	8,845,645	8,865,263	19,618
Non-current liabilities			
Long-term borrowings	7,048,015	7,187,500	139,485
Lease liabilities	899,524	929,471	29,947
Other financial liabilities	162,765	168,216	5,451
Defined benefit liabilities	1,156,394	1,011,026	(145,368)
Deferred tax liabilities	222,331	185,547	(36,784)
Other non-current liabilities	376,490	370,821	(5,669)
Total non-current liabilities	9,865,519	9,852,581	(12,938)
Total liabilities	18,711,164	18,717,844	6,680
Equity			
Nippon Telegraph and Telephone Corporation (“NTT”) shareholders’ equity			
Common stock	937,950	937,950	—
Retained earnings	9,078,084	9,726,370	648,286
Treasury stock	(937,291)	(1,139,170)	(201,879)
Other components of equity	765,417	696,437	(68,980)
Total NTT shareholders’ equity	9,844,160	10,221,587	377,427
Non-controlling interests	1,048,899	1,123,052	74,153
Total equity	10,893,059	11,344,639	451,580
Total liabilities and equity	¥29,604,223	¥30,062,483	¥458,260

(2) Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income

Consolidated Statements of Profit or Loss

Year Ended March 31

	Millions of yen except per share data		
	2024	2025	Increase (Decrease)
Operating revenues	¥13,374,569	¥13,704,727	¥330,158
Operating expenses			
Personnel expenses	2,935,465	3,098,603	163,138
Expenses for purchase of goods and services and other expenses	6,489,394	6,817,713	328,319
Depreciation and amortization	1,628,586	1,722,035	93,449
Loss on disposal of property, plant and equipment and intangible assets	118,980	121,680	2,700
Impairment losses			
Goodwill	487	—	(487)
Other	13,985	20,068	6,083
Taxes and dues	264,762	275,057	10,295
Total operating expenses	11,451,659	12,055,156	603,497
Operating profit	1,922,910	1,649,571	(273,339)
Finance income	163,826	59,151	(104,675)
Finance costs	130,485	169,514	39,029
Share of profit (loss) of entities accounted for using equity method	24,206	25,488	1,282
Profit before taxes	1,980,457	1,564,696	(415,761)
Income taxes	635,338	482,261	(153,077)
Profit	¥1,345,119	¥1,082,435	¥(262,684)
Profit attributable to NTT	1,279,521	1,000,016	(279,505)
Profit attributable to Non-controlling interests	65,598	82,419	16,821
Earnings per share attributable to NTT			
Basic earnings per share (yen)*	¥15.09	¥11.96	

* NTT conducted a 25-for-1 stock split of its common stock, with an effective date of July 1, 2023. The figures for Basic Earnings per Share Attributable to NTT have been adjusted to reflect the impact of the stock split as if the stock split had occurred at the beginning of the prior fiscal year.

Consolidated Statements of Comprehensive Income

Year Ended March 31

	Millions of yen		
	2024	2025	Increase (Decrease)
Profit	¥1,345,119	¥1,082,435	¥(262,684)
Other comprehensive income (net of taxes)			
Items that will not be reclassified to profit or loss			
Change in the fair value of financial assets measured at fair value through other comprehensive income	324,056	(66,384)	(390,440)
Share of other comprehensive income of entities accounted for using the equity method	(5,583)	(2,688)	2,895
Remeasurements of the defined benefit plans	134,080	75,485	(58,595)
Total of items that will not be reclassified to profit or loss	452,553	6,413	(446,140)
Items that may be reclassified to profit or loss			
Cash flow hedges	16,242	52,078	35,836
Hedges cost	3,773	2,026	(1,747)
Foreign currency translation adjustments	273,426	(32,355)	(305,781)
Share of other comprehensive income of entities accounted for using the equity method	12,225	8,940	(3,285)
Total of items that may be reclassified to profit or loss	305,666	30,689	(274,977)
Total other comprehensive income (net of taxes)	758,219	37,102	(721,117)
Total comprehensive income	¥2,103,338	¥1,119,537	¥(983,801)
Comprehensive income attributable to NTT	1,962,087	1,034,737	(927,350)
Comprehensive income attributable to Non-controlling interests	141,251	84,800	(56,451)

(3) Consolidated Statement of Changes in Equity

Year Ended March 31, 2024

	Millions of yen							
	NTT Shareholders' Equity						Non-controlling interests	Total equity
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Other components of equity	Total		
March 31, 2023	¥937,950	¥—	¥8,150,117	¥(737,290)	¥210,576	¥8,561,353	¥789,274	¥9,350,627
Comprehensive income								
Profit	—	—	1,279,521	—	—	1,279,521	65,598	1,345,119
Other comprehensive income	—	—	—	—	682,566	682,566	75,653	758,219
Total comprehensive income	—	—	1,279,521	—	682,566	1,962,087	141,251	2,103,338
Transactions with owners and other transactions								
Dividends of surplus	—	—	(417,438)	—	—	(417,438)	(20,256)	(437,694)
Transfer to retained earnings	—	60,316	67,409	—	(127,725)	—	—	—
Purchase and disposal of treasury stock	—	8	—	(200,001)	—	(199,993)	—	(199,993)
Changes in ownership interest in subsidiaries without loss of control	—	(13,673)	—	—	—	(13,673)	138,545	124,872
Share-based compensation transactions	—	1,268	—	—	—	1,268	214	1,482
Put options granted to non-controlling interests	—	(46,893)	—	—	—	(46,893)	315	(46,578)
Other	—	(1,026)	(1,525)	—	—	(2,551)	(444)	(2,995)
Total transactions with owners and other transactions	—	—	(351,554)	(200,001)	(127,725)	(679,280)	118,374	(560,906)
March 31, 2024	¥937,950	¥—	¥9,078,084	¥(937,291)	¥765,417	¥9,844,160	¥1,048,899	¥10,893,059

Year Ended March 31, 2025

	Millions of yen							
	NTT Shareholders' Equity						Non-controlling interests	Total equity
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Other components of equity	Total		
March 31, 2024	¥937,950	¥—	¥9,078,084	¥(937,291)	¥765,417	¥9,844,160	¥1,048,899	¥10,893,059
Comprehensive income								
Profit	—	—	1,000,016	—	—	1,000,016	82,419	1,082,435
Other comprehensive income	—	—	—	—	34,721	34,721	2,381	37,102
Total comprehensive income	—	—	1,000,016	—	34,721	1,034,737	84,800	1,119,537
Transactions with owners and other transactions								
Dividends of surplus	—	—	(436,766)	—	—	(436,766)	(23,667)	(460,433)
Transfer to retained earnings	—	18,744	84,957	—	(103,701)	—	—	—
Purchase and disposal of treasury stock	—	—	—	(201,879)	—	(201,879)	—	(201,879)
Changes in ownership interest in subsidiaries without loss of control	—	(4,149)	—	—	—	(4,149)	16,857	12,708
Share-based compensation transactions	—	(9,180)	—	—	—	(9,180)	(2,831)	(12,011)
Put options granted to non-controlling interests	—	(5,224)	—	—	—	(5,224)	(1,461)	(6,685)
Other	—	(191)	79	—	—	(112)	455	343
Total transactions with owners and other transactions	—	—	(351,730)	(201,879)	(103,701)	(657,310)	(10,647)	(667,957)
March 31, 2025	¥937,950	¥—	¥9,726,370	¥(1,139,170)	¥696,437	¥10,221,587	¥1,123,052	¥11,344,639

(4) Consolidated Statement of Cash Flows

Year Ended March 31

	Millions of yen		
	2024	2025	Increase (Decrease)
Cash flows from operating activities			
Profit	¥1,345,119	¥1,082,435	¥(262,684)
Depreciation and amortization	1,628,586	1,722,035	93,449
Impairment losses	14,472	20,068	5,596
Share of loss (profit) of entities accounted for using the equity method	(24,206)	(25,488)	(1,282)
Losses on retirement of property, plant and equipment and intangible assets	46,362	43,657	(2,705)
Gain on sales of property, plant and equipment and intangible assets	(126,674)	(25,141)	101,533
Interest expenses ⁽²⁾	109,162	149,015	39,853
Income taxes	635,338	482,261	(153,077)
Decrease (increase) in trade and other receivables ⁽¹⁾	(318,431)	(71,250)	247,181
Decrease (increase) in inventories	(51,819)	(86,181)	(34,362)
Decrease (increase) in other current assets	(62,211)	(79,807)	(17,596)
Increase (decrease) in trade and other payables / accrued payroll	27,848	(66,937)	(94,785)
Increase (decrease) in other current liabilities	73,113	(16,730)	(89,843)
Increase (decrease) in defined benefit liabilities	(68,404)	(64,718)	3,686
Decrease (increase) in non-current handset installment receivables	(268,085)	(178,734)	89,351
Increase (decrease) in other non-current liabilities	(9,262)	(1,122)	8,140
Other, net ⁽²⁾	(107,684)	(99,291)	8,393
Sub-total	2,843,224	2,784,072	(59,152)
Interest and dividends received	105,206	108,253	3,047
Interest paid	(88,666)	(140,432)	(51,766)
Income taxes paid	(485,605)	(387,862)	97,743
Net cash provided by (used in) operating activities	2,374,159	2,364,031	(10,128)

	Millions of yen		
	2024	2025	Increase (Decrease)
Cash flows from investing activities			
Purchase of property, plant and equipment, intangible assets and investment property	(2,084,004)	(2,132,292)	(48,288)
Proceeds from sale of property, plant and equipment, intangible assets and investment property	260,211	87,608	(172,603)
Proceeds from government grants	2,593	2,772	179
Purchase of investments	(90,608)	(111,644)	(21,036)
Proceeds from sale or redemption of investments	148,558	187,980	39,422
Proceeds from loss of control of subsidiaries	72,660	65,129	(7,531)
Payments for acquisition of subsidiaries	(380,513)	(84,833)	295,680
Proceeds from acquisition of subsidiaries	95,197	—	(95,197)
Net decrease (increase) loan receivable	13,940	11,444	(2,496)
Other, net	(27,269)	(25,808)	1,461
Net cash provided by (used in) investing activities	(1,989,235)	(1,999,644)	(10,409)
Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	134,528	(1,955)	(136,483)
Proceeds from increases in long-term borrowings	1,085,358	1,540,780	455,422
Repayments of long-term borrowings	(626,451)	(966,690)	(340,239)
Repayments of lease liabilities	(241,473)	(261,687)	(20,214)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(7,129)	(14,390)	(7,261)
Dividends paid	(417,438)	(436,766)	(19,328)
Dividends paid to non-controlling interests	(20,255)	(23,643)	(3,388)
Purchase of treasury stock	(200,388)	(202,381)	(1,993)
Other, net	58,794	23,705	(35,089)
Net cash provided by (used in) financing activities	(234,454)	(343,027)	(108,573)
Effect of exchange rate change on cash and cash equivalents	38,484	(3,240)	(41,724)
Net increase (decrease) in cash and cash equivalents	188,954	18,120	(170,834)
Cash and cash equivalents as of April 1	793,920	982,874	188,954
Cash and cash equivalents as of March 31 ⁽¹⁾	¥982,874	¥1,000,994	¥18,120

Notes:

- (1) The last day of the fiscal year ended March 31, 2024 fell on a non-business day, resulting in the due date for certain bills, including telecommunication service bills, being set to the first business day of the following month. Consequently, on the last day of the fiscal year ended March 31, 2024, cash and cash equivalents decreased by ¥192,820 million and trade and other receivables increased by the same amount. Please see “1. BUSINESS RESULTS — (2) Summary of Financial Position” for details.
- (2) “Interest expenses,” which had previously been presented within “Other, net” in cash flows from operating activities for the fiscal year ended March 31, 2024, is now presented separately for the fiscal year ended March 31, 2025 due to an increase in the materiality of the amount of this item. As a result of this change, the ¥1,478 million amount that had previously been presented as “Other, net” in the consolidated statement of cash flows for the fiscal year ended March 31, 2024 has been reclassified and presented as ¥109,162 million of “Interest expenses” and ¥(107,684) million of “Other, net.”

(5) Going Concern Assumption

None

(6) Basis for the Preparation of Consolidated Financial Statements

1. Accounting standard for preparation of Consolidated Financial Statements

NTT Group has prepared the Consolidated Financial Statements pursuant to International Financial Reporting Standards (“IFRS”).

2. Principal Accounting Policies

The accounting policies applied on the consolidated financial statements are consistent with those applied on the consolidated financial statements for the year ended March 31, 2024.

(7) Segment Information

1. Operating revenues

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Integrated ICT Business		
External customers	¥5,864,465	¥5,907,800
Intersegment	275,497	305,272
Sub-total	6,139,962	6,213,072
Regional Communications Business		
External customers	2,489,496	2,453,419
Intersegment	693,686	658,868
Sub-total	3,183,182	3,112,287
Global Solutions Business		
External customers	4,176,337	4,425,973
Intersegment	191,050	212,748
Sub-total	4,367,387	4,638,721
Others (Real Estate, Energy and Others)		
External customers	844,271	917,535
Intersegment	788,671	808,996
Sub-total	1,632,942	1,726,531
Elimination	(1,948,904)	(1,985,884)
Consolidated total	¥13,374,569	¥13,704,727

2. Segment profit or loss

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Segment profit		
Integrated ICT Business	¥1,144,405	¥1,020,520
Regional Communications Business	437,691	295,460
Global Solutions Business	309,550	323,863
Others (Real Estate, Energy and Others)	59,819	55,786
Total Segment profit	1,951,465	1,695,629
Elimination	(28,555)	(46,058)
Consolidated total	¥1,922,910	¥1,649,571

Segment profit represents operating revenues less operating expenses.

3. Segment assets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Segment assets		
Integrated ICT Business	¥11,842,652	¥11,391,032
Regional Communications Business	7,030,771	7,123,356
Global Solutions Business	7,312,174	7,868,877
Others (Real Estate, Energy and Others)	18,636,513	18,877,665
Total segment assets	44,822,110	45,260,930
Elimination	(15,217,887)	(15,198,447)
Consolidated total	¥29,604,223	¥30,062,483

4. Other significant items

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Depreciation and amortization		
Integrated ICT Business	¥812,326	¥842,446
Regional Communications Business	409,364	432,924
Global Solutions Business	339,134	362,995
Others (Real Estate, Energy and Others)	133,295	149,771
Total segment	1,694,119	1,788,136
Elimination	(65,533)	(66,101)
Consolidated total	¥1,628,586	¥1,722,035

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Capital investments for segment assets (*)		
Integrated ICT Business	¥705,391	¥714,336
Regional Communications Business	480,990	491,398
Global Solutions Business	657,444	675,683
Others (Real Estate, Energy and Others)	219,288	205,939
Consolidated total	¥2,063,113	¥2,087,356

* The figures for capital investments are the accrual-based amounts required for acquisition of property, plant and equipment, intangibles assets and investment property. The amount related to non-current assets classified as assets held for sale, government grants related to assets and other during the fiscal year ended March 31, 2024 and March 31, 2025 are deducted from the figures for capital investments. The differences from the figures for “Purchase of property, plant and equipment, intangible assets, and investment property” in the Consolidated Statements of Cash Flows are as follows.
In addition, the increase in right-of-use assets, including those that meet the definition of investment property, is not included in the figures for capital investments.

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Purchase of property, plant and equipment, intangible assets and investment property	¥2,084,004	¥2,132,292
Difference from the total of capital investments	¥20,891	¥44,936

(8) Earnings Per Share

Basic earnings per share

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit attributable to NTT (millions of yen)	¥ 1,279,521	¥ 1,000,016
Weighted average number of the outstanding common shares (share)	84,799,194,212	83,610,854,500
Basic earnings per share (yen)	¥ 15.09	¥ 11.96

The weighted average number of the outstanding common shares is calculated excluding treasury stock, including the Company's shares held by the Board Incentive Plan (BIP) Trust.

Diluted earnings per share attributable to NTT is not stated, because NTT did not have potentially dilutive common shares during the periods.

NTT conducted a 25-for-1 stock split of its common stock, with an effective date of July 1, 2023. The figures for Basic Earnings per Share Attributable to NTT have been adjusted to reflect the impact of the stock split as if the stock split had occurred at the beginning of the prior fiscal year.

(9) Assets Held for Sale

Sale of shares of data center holding company

Overview

NTT DATA Group plans to sell some of the shares of the company it owned that holds data centers. These shares have been classified as the assets held for sale.

Impact on accounting treatment and on the condensed consolidated financial statements

The assets related to the sale of the shares of the company that holds data centers and the liabilities directly associated with these assets, which are included in the Overseas Segment, have been classified as assets held for sale and liabilities directly associated with assets held for sale. This is based on the decision made in the third quarter of the fiscal year under review to proceed with the sale procedures within one year. These assets and liabilities have been measured at their book value, as the fair value less costs of disposal exceeds the book value.

		(Millions of yen)	
Accounting item		Accounting item	
(Assets)		(Liabilities)	
Cash and cash equivalents	3,513	Trade and other payables	2,796
Trade and other receivables	4,658	Other	1,614
Property, plant and equipment	82,811		
Other	1,585		
Total	92,567	Total	4,411

Sale of shares of onshore wind power generation SPCs

Overview

Green Power Investment Co., Ltd. ("GPI") and its subsidiary Green Power Investment Fund Management No. 2 LLC jointly formed the "Green Power Renewable No. 2 Investment Limited Liability Partnership" with Sumitomo Mitsui Trust Investment Co., Ltd., JA Mitsui Energy Solutions, Ltd., and other investors, and have sold a portion of the shares of the onshore wind power generation SPCs held by the Company to Green Power Renewable No. 2 Investment Limited Liability Partnership. This transaction was carried out as part of capital recycling for the development of a new renewable energy business.

Impact on accounting treatment and on the condensed consolidated financial statements

The assets related to the sale of the shares of the onshore wind power generation SPCs and liabilities directly associated with these assets, which were included in the Others (Real Estate, Energy and Others) under Segment Information, were classified as assets held for sale and as liabilities directly related to assets held for sale, as GPI made a decision in the third quarter of the current consolidated fiscal year to carry out procedures for the sale of the shares within one year. Accordingly, the sale was completed in the fourth quarter of the current consolidated fiscal year. The breakdown of assets and liabilities at the time of sale is as follows. Additionally, the impact of these treatments on NTT's consolidated statement of profit or loss is immaterial.

		(Millions of yen)	
Accounting item		Accounting item	
(Assets)		(Liabilities)	
Property, plant and equipment	73,982	Long-term borrowings	59,603
Intangible assets	40,333	Other liabilities	31,312
Other assets	19,433		
Total	133,748	Total	90,915

(10) Subsequent Events

Tender Offer for Shares of NTT DATA Group Corporation.

NTT decided by a resolution of its board of directors on May 8, 2025 to conduct a series of transactions by implementing a tender offer (the “Tender Offer”) for the common stock of NTT DATA Group Corporation (“NTT DATA Group”, and its common stock, excluding the shares owned by NTT and the treasury shares owned by NTT DATA Group, the “NTT DATA Group Shares”), in accordance with the Financial Instruments and Exchange Act, with the aim of acquiring all NTT DATA Group Shares and making NTT DATA Group a wholly-owned subsidiary of NTT (the “Transaction”).

NTT has positioned the businesses undertaken by its listed subsidiary, NTT DATA Group—such as the promotion of digital transformation and data utilization across society and industry, including the system integration business, and the expansion and enhancement of data centers in response to the rapid growth in demand for cloud services, AI and related areas—as a key driver for the growth of the NTT Group. To further reinforce its global solutions portfolio, NTT intends to pursue more flexible and agile growth investments, and made the decision to achieve this.

In addition, in order to secure the funds required for the Transaction, NTT has decided to borrow a total of up to 2,380 billion yen from financial institutions.

The outline of the Tender Offer is as follows.

1. Period for the Purchase, etc.

From May 9, 2025 (Friday) through June 19, 2025 (Thursday) (30 business days)

2. Price for the Purchase, etc.

4,000 yen per share of common stock

3. Number of Shares to be Purchased

Number of Shares to be Purchased 592,810,968 shares

Minimum Number of Shares to be Purchased 125,314,700 shares

Maximum Number of Shares to be Purchased - shares

Note: If the total number of the tendered shares is less than the minimum number of shares to be purchased (125,314,700 shares), NTT will not purchase any of the tendered shares. Because NTT has not set a maximum number of shares to be purchased, if the total number of the tendered shares is equal to or exceeds the minimum number of shares to be purchased, NTT will purchase all of the tendered shares

4. Purchase Price 2,371,243,872,000 yen

Note: The purchase price is the amount obtained by multiplying the number of shares to be purchased in the Tender Offer (592,810,968 shares) by the price for the purchase, etc. (4,000 yen per share).

5. Commencement Date of the Settlement

June 26, 2025 (Thursday)

6. Policy of Restructuring, etc. after the Tender Offer (Matters Concerning So-Called Two-Step Acquisition)

NTT intends to make NTT DATA Group a wholly-owned subsidiary of NTT, and if NTT is not able to acquire all of the NTT DATA Group Shares through the Tender Offer, NTT plans on conducting procedures for the purpose of owning all of the NTT DATA Group Shares by either demand for share transfers or share consolidation.

Sale of shares of data center holding company

At the Board of Directors meeting held on May 8, 2025 of NTT DATA Group, NTT Group determined to transfer shares of asset holding companies under NTT Limited owning six data center assets (hereinafter referred to as the "Target Assets"), to a proposed Singapore real estate investment trust NTT DC REIT (hereinafter referred to as the "REIT") scheduled to be newly listed on the Singapore Exchange in the future.

NTT group views the expanding global demand for data centers as a business opportunity and has been actively investing in this area. Through the formation and operation of this REIT, we aim to introduce a capital recycling model for data center assets, thereby promoting further growth in our data center business and maximizing corporate value. Our group plans to utilize this REIT as a scheme to accelerate the investment recovery cycle for data centers, generate additional investment funds, and maintain financial soundness. As part of this initiative, we will transfer the Target Assets. Additionally, our group holds other data center assets that can be sold to this REIT in the future, providing us with the option to secure growth capital flexibly while maintaining our balance sheet.

However, for the Units of the REIT to be listed on the Singapore Exchange, various authorizations and approvals will have to be sought from the Singapore Exchange and relevant authorities. At this point in time, there is no guarantee regarding whether the listing will proceed or the timing of the listing. The transfer of the Target Assets will not take place should the REIT not obtain the relevant authorizations or approvals or fail to list on the Singapore Exchange for any reason. Upon the completion of the share transfer and the listing, our group is expected to lose control over those asset holding companies.

The planned transfer price of the Target Assets is expected to be approximately 240.7 billion yen (1,573 million USD). An estimated transfer gain of approximately 155.4 billion yen (1,016 million USD) will be recorded under operating profit in the consolidated statements of income for the fiscal year ended March 31, 2026. (The Japanese yen amounts above have been converted at an exchange rate of 1 USD = 153 JPY.)

Target Assets were classified as assets held for sale. Relevant information is provided in "(9) Assets Held for Sale".

NTT's repurchase of treasury stock

NTT resolved at the Board of Directors meeting held on May 9, 2025 to repurchase up to 1.5 billion shares of its outstanding common stock for an amount in total not exceeding ¥200,000 million from May 12, 2025 through March 31, 2026.

4. Other

Changes to the Board of Directors

Scheduled appointment date: June 19, 2025

(1) Candidates for Member of the Board (excluding Audit and Supervisory Committee Members)

Riaki Hoshino (Representative Member of the Board and Senior Executive Vice President, NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION)

Patrizio Mapelli (Member of the Board, NTT DATA Group Corporation; Member of the Board, NTT DATA, Inc.)

(2) Candidates for Member of the Board who are Audit and Supervisory Committee Members

Keiichiro Yanagi (Full-time Audit & Supervisory Board Member)

Kanae Takahashi (Full-time Audit & Supervisory Board Member)

Kensuke Koshiyama (Full-Time Audit & Supervisory Board Member)

Hideki Kanda (Audit & Supervisory Board Member)

Kaoru Kashima (Audit & Supervisory Board Member)

(3) Member of the Board scheduled to resign from office

Katsuhiko Kawazoe (Representative Member of the Board, Senior Executive Vice President; scheduled to take office as Chief Executive Fellow)

(4) Candidates for Chairman of the Board and Representative Member of the Board

1. Candidate scheduled to be elected as Chairman and Member of the Board

Jun Sawada

2. Candidate scheduled to be elected as, Representative Member of the Board, President and CEO

Akira Shimada

3. Candidates scheduled to be elected as, Representative Members of the Board, Senior Executive Vice President

Takashi Hiroi

Riaki Hoshino

(5) New Positions and Organizational Responsibilities for Members of the Board

Scheduled appointment date: June 19, 2025

New Position(s) and Organizational Responsibilities	Name	Current Position(s) and Organizational Responsibilities
Member of the Board Chairman of the Board	Jun Sawada	Member of the Board Chairman of the Board
Representative Member of the Board President CEO ^{※1}	Akira Shimada	Representative Member of the Board President CEO ^{※1}
Representative Member of the Board Senior Executive Vice President Responsible for business strategy CFO ^{※2}	Takashi Hiroi	Representative Member of the Board Senior Executive Vice President Responsible for business strategy CFO ^{※2}
Representative Member of the Board Senior Executive Vice President Responsible for technical strategy CTO ^{※3}	Riaki Hoshino	
Executive Member of the Board Executive Vice President CCXO ^{※4} 、Co-CAIO ^{※5}	Sachiko Oonishi	Executive Member of the Board Executive Vice President CCXO ^{※4} 、Co-CAIO ^{※5}
Member of the Board	Patrizio Mapelli	
Member of the Board	Ken Sakamura ^{※6}	Member of the Board
Member of the Board	Yukako Uchinaga ^{※6}	Member of the Board
Member of the Board	Koichiro Watanabe ^{※6}	Member of the Board
Member of the Board	Noriko Endo ^{※6}	Member of the Board
Member of the Board	Natsuko Takei ^{※6, ※7}	Member of the Board
Member of the Board, Full-time Audit and Supervisory Committee Member	Keiichiro Yanagi	Full-time Audit & Supervisory Board Member
Member of the Board, Full-time Audit and Supervisory Committee Member	Kanae Takahashi	Full-time Audit & Supervisory Board Member
Member of the Board, Full-time Audit and Supervisory Committee Member	Kensuke Koshiyama ^{※8}	Full-time Audit & Supervisory Board Member
Member of the Board, Audit and Supervisory Committee Member	Hideki Kanda ^{※8}	Audit & Supervisory Board Member
Member of the Board, Audit and Supervisory Committee Member	Kaoru Kashima ^{※8}	Audit & Supervisory Board Member

(Notes)

- ※1 Chief Executive Officer
- ※2 Chief Financial Officer
- ※3 Chief Technology Officer
- ※4 Chief Customer Experience Officer
- ※5 Co-Chief Artificial Intelligence Officer
- ※6 Ken Sakamura, Yukako Uchinaga, Koichiro Watanabe, Noriko Endo, and Natsuko Takei are candidates for Outside / Independent Members of the Board (excluding Audit and Supervisory Committee Members).
- ※7 Natsuko Takei is a candidate for Outside / Independent Member of the Board, who will serve as a substitute Audit and Supervisory Committee Member in the event that the number of Members of the Board who are Audit and Supervisory Committee Members falls below the legally required minimum.
- ※8 Kensuke Koshiyama, Hideki Kanda, and Kaoru Kashima are candidates for Outside / Independent Members of the Board who are Audit and Supervisory Committee Members.