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[Document Filed]	Securities Registration Statement
[Filed to]	Director, Kanto Local Finance Bureau
[Filing Date]	March 24, 2020
[Company Name]	Nippon Denshin Denwa Kabushiki Kaisha
[Company Name in English]	NIPPON TELEGRAPH AND TELEPHONE CORPORATION
[Title and Name of Representative]	Jun Sawada, President and Chief Executive Officer
[Address of Head Office]	5-1, Otemachi 1-chome, Chiyoda-ku, Tokyo
[Phone No.]	+81-3-6838-5481
[Contact Person]	Natsuko Fujiki, Head of IR, Finance and Accounting Department
[Contact Address]	5-1, Otemachi 1-chome, Chiyoda-ku, Tokyo
[Phone No.]	+81-3-6838-5481
[Contact Person]	Natsuko Fujiki, Head of IR, Finance and Accounting Department +81-3-6838-5481
[Type of Securities that are Subject of Registration Statement]	Stock
[Subscription Amount that is Subject of Registration Statement]	Allotment to other persons; ¥199,999,890,400
[Items Regarding Stable Operations]	Not applicable.
[Place Where Available for Public Inspection]	Tokyo Stock Exchange, Inc. (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo)

SECTION 1. STOCK INFORMATION

ITEM 1. OVERVIEW OF SOLICITATION

1. Newly Issued Securities

<u>Type</u>	<u>Number of Shares</u>	<u>Description</u>
Common stock	80,775,400 shares	Full voting stock; common stock of the Company with no restrictions on rights Number of Shares per Unit: 100 shares

- Notes:
1. Based on resolutions of the board of directors dated March 24, 2020.
 2. The share subscription that is the subject of this registration statement (the “Third-Party Allotment”) is being conducted through a disposition of shares of the Company’s treasury stock, in accordance with Article 199, Paragraph 1 of the Companies Act of Japan (Act No. 86 of 2005), and is an offer to sell and solicitation of an offer to buy securities as set forth under Article 9, Paragraph 1 of the Cabinet Office Order on Definitions under Article 2 of the Financial Instruments and Exchange Act.
 3. In connection with the Third-Party Allotment, the Company and Toyota Motor Corporation (the “Subscriber” or “Toyota”), which is the proposed subscriber for the shares, entered into a memorandum of understanding for a business and capital alliance on March 24, 2020 (the “Alliance”).
 4. Name and Address of Transfer Agent:
Japan Securities Depository Center, Inc.
2-1-1 Nihonbashi, Kayaba-cho, Chuo-ku, Tokyo

2. Solicitation Method and Terms

(i) Solicitation Method

<u>Category</u>	<u>Number of Shares to be Issued</u>	<u>Total Value of Shares (yen)</u>	<u>Total Capitalized Amount (yen)</u>
Allotment to shareholders	—	—	—
Allotment to other persons	80,775,400 shares	199,999,890,400	—
General solicitation	—	—	—
Total (total issued shares)	80,775,400 shares	199,999,890,400	—

- Notes:
1. To be conducted as a third-party allotment.
 2. The total value of shares to be issued is the amount to be paid in connection with the Third-Party Allotment under the Companies Act. Furthermore, as the share subscription that is the subject of this registration statement will be conducted through a disposition of the Company’s shares of treasury stock, the total amount paid will not be capitalized.

(ii) **Solicitation Terms**

<u>Issue Price (yen)</u>	<u>Capitalized Amount (yen)</u>	<u>Unit for Number of Shares Subscribed</u>	<u>Application Date</u>	<u>Application Margin (yen)</u>	<u>Payment Date</u>
2,476	—	100 shares	April 9, 2020	—	April 9, 2020

- Notes:
1. As this will be conducted as a third-party allotment, there will be no general solicitation of shares.
 2. The issue price is the amount to be paid in connection with the Third-Party Allotment under the Companies Act. Furthermore, as the share subscription that is the subject of this registration statement will be conducted through a disposition of the Company's shares of treasury stock, the total amount paid will not be capitalized.
 3. Regarding the application method, after the effective date of this registration statement and prior to the payment date, the Company and the Subscriber will enter into a comprehensive underwriting agreement, and the total issue price will be paid at the payment location described below on the payment date.
 4. If the Company does not enter into a comprehensive underwriting agreement with the Subscriber by the payment date, the Third-Party Allotment will not be completed.

(iii) **Subscription Location**

<u>Name</u>	<u>Address</u>
Nippon Telegraph and Telephone Corporation, Finance and Accounting Department	5-1, Otemachi 1-chome, Chiyoda-ku, Tokyo

(iv) **Payment Location**

<u>Name</u>	<u>Address</u>
Mizuho Bank, Ltd., Tokyo Main Office	1-5, Uchisaiwaicho 1-chome, Chiyoda-ku, Tokyo

3. Subscriptions for Shares

Not applicable.

4. Use of Proceeds from Newly Issued Shares

(i) **Amount of Proceeds from Newly Issued Shares**

<u>Total Amount of Payment (yen)</u>	<u>Estimated Issuance Expenses (yen)</u>	<u>Estimated Net Proceeds (yen)</u>
199,999,890,400	15,000,000	199,984,890,400

- Notes:
1. The total amount of payment, estimated issuance expenses and estimated net proceeds all relate to the Third-Party Allotment.
 2. The estimated issuance expenses do not include consumption taxes and certain other amounts.
 3. The estimated issuance expenses include costs related to the preparation of this registration statement and other expenses.

(ii) **Use of Proceeds**

As described under "Item 3. Special Disclosure Regarding Third-Party Allotment – Information Regarding Subscriber for Allotment – Reasons for Selecting the Subscriber" below, the Company will use the estimated net proceeds amount to research and develop, plan, design, construct and implement the "Smart City Platform" that is the basis of the Alliance, to lead operations together with Toyota, and to jointly promote the operation of smart city, which continues to evolve in accordance with the needs of residents.

Specifically, as a precedent model, ¥50.0 billion of the proceeds will be applied to the construction of the Higashi-Fuji area of Susono City, Shizuoka Prefecture (Woven City) and redevelopment of the Shinagawa area in Minato-ku, Tokyo (a part of the NTT block in front of Shinagawa Station), with the remainder of the proceeds anticipated to be used for redevelopment businesses in other cities in succession, and for research and development for the Smart City Platform in general to support those businesses, by the mid-2030s.

Pending the application of the funds for procurement, the funds will be managed in bank deposits and other accounts.

ITEM 2. TERMS AND CONDITIONS OF THE OFFER

Not applicable.

ITEM 3. SPECIAL DISCLOSURE REGARDING THIRD-PARTY ALLOTMENT

1. Information Regarding Subscriber for Allotment

a. Overview of Subscriber

Name	Toyota Motor Corporation
Address of Headquarters	1, Toyota-cho, Toyota City, Aichi Prefecture, Japan
Recently Filed Securities Reports and Other Filings	Annual Securities Report: 115 th Business Term (from April 1, 2018 to March 31, 2019), filed with the Kanto Local Finance Bureau on June 21, 2019
	Quarterly Securities Reports: First Quarter of 116 th Business Term (from April 1, 2019 to June 30, 2019), filed with the Kanto Local Finance Bureau on August 9, 2019
	Second Quarter of 116 th Business Term (from July 1, 2019 to September 30, 2019), filed with the Kanto Local Finance Bureau on November 13, 2019
	Third Quarter of 116 th Business Term (from October 1, 2019 to December 31, 2019), filed with the Kanto Local Finance Bureau on February 10, 2020

b. Relationships between the Registrant and the Subscriber

Investment Relationships	Shares of the Subscriber Held by the Company	Not applicable.
	Shares of the Company Held by the Subscriber	Not applicable.
Personnel Relationships	Not applicable.	
Funding Relationships	Not applicable.	
Technology or Business Relationships	The Company and the Subscriber are parties to a collaborative relationship in the field of connected cars for the purposes of developing, testing and standardizing technology.	

c. Reasons for Selecting the Subscriber

In the automotive market, the automotive industry itself is undergoing a major transformation due to the complex combination of diversifying market needs, tightening environmental and safety regulations, the sophistication of advanced technologies, entrance by other industries, and the diversification of the mobility business, etc.

Meanwhile, in the telecommunications market, the use of various digital services is advancing due to the rapid development of cloud services, IoT, big data, AI, etc. Digital transformation (Note 1), which can make better-directed innovation a reality by analyzing and utilizing the data accumulated through the use of these services, is advancing worldwide.

As stated in the “Toyota and NTT Agree to Collaborate on ICT (Note 2) Platform R&D for Connected Cars (Note 3)—Collaboration seeks to establish technologies for the creation of a Smart Mobility Society” announced on March 27, 2017, the two companies have been collaborating in the connected car field. However, in response to these changes in the business environment, the two companies believe that it is necessary not only to seek to further strengthen the business foundations that they have been cultivating to date, but also, by further building the cooperative relations between them, to engage in the creation of new value that enables sustainable growth.

In particular, the two companies have initiated activities related to smart cities, which can solve various issues by improving the efficiency and sophistication of functions and services in cities and regions through the utilization of advanced technologies and create new value, including comfort and convenience, and which they view as being an important area of focus in the future.

On January 7, 2020 (local time: January 6, 2020), Toyota announced the outline of a project to build a prototype city connecting all kinds of goods and services that support people’s lives, at CES 2020 held in Las Vegas, Nevada, U.S.A. The project will use the soon-to-be former site of the Higashi Fuji Plant of Toyota Motor East Japan, Inc. (in Susono City, Shizuoka Prefecture), which is scheduled to close at the end of 2020, to move verification initiatives forward in coordination with various partner companies and researchers toward the creation of a new city. Toyota named this city “Woven City” and is promoting efforts to make smart cities a reality.

Meanwhile, the NTT Group (referring herein to the Company and its affiliates) is collaborating with Fukuoka, Sapporo, Yokohama, Chiba and other local governments as well as companies to solve various city and community issues. Under the smart city initiative in Las Vegas, announced in December 2018, various collected data becomes the property of Las Vegas City, and by utilizing the most advanced AI, IoT, and ICT resource management technologies, the city is able to quickly detect, analyze, and predict incidents and accidents, and to optimally manage ICT resources, and the NTT Group is promoting initiatives for deployment of such practices in other cities. In addition, in July 2019, the NTT Group established NTT Urban Solutions, Inc., which promotes smart urban development by utilizing ICT technologies in the utilization of the NTT-owned real estate. Furthermore, in June 2019, the NTT Group established NTT Anode Energy Corporation, which promotes business in the smart energy (Note 4) field, which is an important component of smart cities. Through these projects, the NTT Group is promoting initiatives to realize smart cities by making the most of the assets of the NTT Group.

Amid these efforts, in order to maximize the impact of issue-solving and the addition of value enabled by transforming cities into smart cities and to improve regional and national strength, Toyota and the Company came to the conclusion that it is necessary not only for each company to engage in its own projects but also for both companies to work closely in jointly building and operating the “Smart City Platform” (details of which can be found below) as a core foundation for realizing smart cities and introducing it in various cities in Japan and worldwide. Therefore, the two companies have decided to enter into a business and capital alliance.

The two companies will jointly build for smart cities the “Smart City Platform” that will offer value to all domains, from people, cars and houses to everyday life, business, infrastructure and public services related to residents, businesses, local governments, etc. As a precedent model, it will first be implemented in the Higashi-Fuji area of Susono City, Shizuoka Prefecture (Woven City) and in the Shinagawa area in Minato-ku, Tokyo (a part of the NTT block in front of Shinagawa Station), and will then be introduced to other cities in succession.

In the future, Toyota and the Company will aim for further growth through the enhancement of the competitiveness of smart cities and the development of a sustainable society.

Note 1: Realizing accumulation of various data and utilization of data in management, and creating new business models and transforming existing businesses, by using ICT tools.

Note 2: Information and Communication Technology.

Note 3: Cars connected online that can exchange information. They can receive various services and can also function as social sensors.

Note 4: Improving energy efficiency, taking measures against global warming and utilizing renewable energy technologies, improving disaster resistance (resilience), and optimally managing local energies supply and demand, by utilizing ICT.

Smart City Platform Overview

- As a secure base for providing value to residents, businesses, local governments, etc., the Smart City Platform is to consist of smart-city data management and information distribution (Note 5), a digital twin based on such data (urban development simulation) (Note 6), and peripheral functions (Note 7).

- It is also to consist of a “platform of platforms” as a platform for individual smart cities and as a platform for linking with other smart city platforms.

Note 5: Functions for conducting data collection, accumulation, processing, analysis and visualization, and for serving as interfaces for use of services, etc.

Note 6: Functions for reproducing actual cities in a virtual space in real time and providing feedback of the trial results, etc.

Note 7: Functions of networks, linking with various devices and hardware, and linking with various services, other systems, and other platforms, etc.

Toyota and the Company, as partners that share the same values and aim to develop society, will enter into the Alliance through the Third-Party Allotment in order to establish a long-term and continuous cooperative relationship that enables the commercialization of smart city businesses, and in order to raise funds to research and develop, plan, design, construct, and implement the “Smart City Platform,” to lead the operation of the “Smart City Platform”, and to raise funds in order to jointly promote the operation of smart city, which continues to evolve in accordance with the needs of residents.

As described above, the Third-Party Allotment is one component of the Alliance, and the Company will implement a disposition of treasury stock as a third-party allotment, with Toyota acquiring 80,775,400 shares of the Company’s common stock (approximately 2.07% of the Company’s total issued and outstanding shares, with an aggregate value of approximately ¥200.0 billion). Concurrently, Toyota will also implement a disposition of its treasury stock as a third-party allotment, with the Company acquiring 29,730,900 shares of Toyota’s common stock (approximately 0.90% of Toyota’s total issued and outstanding shares, with an aggregate value of approximately ¥200.0 billion).

d. Number of Shares to be Allotted

80,775,400 shares of the Company’s common stock

e. Policy for Holding Stock Certificates

The Company has confirmed from the Subscriber that it intends to hold the shares of the Company’s common stock acquired in the Third-Party Allotment for the long term.

In addition, prior to the date of the allotment, the Company expects to receive a written confirmation from the Subscriber stating that, in the event that the Subscriber transfers all or a portion of the shares of the Company’s common stock acquired in the Third-Party Allotment during the period of two years after the allotment, the Subscriber agrees to promptly notify the Company in writing of the name and address of the transferee, the amount of shares to be transferred, the date of the transfer, the value of the transfer, the reasons for the transfer, the method of the transfer and other information, and the Company will file a written report of the contents of that notification to Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”) and the contents of that filing will be distributed for public inspection.

f. Status of Funds Required for Payment

Based on the quarterly financial statements and balance sheet included in the Subscriber’s Quarterly Report for the Third Quarter of the 116th Business Term, the Company has confirmed that the Subscriber has sufficient cash or other current assets required for the Third-Party Allotment, and the Company has therefore determined that there will be no problems with respect to funds required for such payment.

g. Status of the Subscriber

Toyota, which is the Subscriber, is publicly listed on the First Section of the Tokyo Stock Exchange and the First Section of the Nagoya Stock Exchange, Inc. Based on the Subscriber’s disclosure with respect to internal control and other matters included in the Subscriber’s Corporate Governance Report filed with the Tokyo Stock Exchange on June 21, 2019, including the Subscriber’s declaration for the elimination of antisocial forces included therein, confirming the basic policy and maintenance status on the elimination of antisocial forces on the Tokyo Stock Exchange homepage, the Company has determined that neither the Subscriber nor its directors and officers are individuals, corporations or other organizations pursuing economic profits through the use of violence or threats, fraud or other criminal activities (such individuals, corporations or other organizations, the “Specified Group”) and that the Subscriber and its directors and officers have no relationships with the Specified

Group.

2. Transfer Restrictions on Stock Certificates

Not applicable.

3. Disclosure Regarding Terms of the Issuance

(i) Basis of Calculation of the Disposition Price and Rationale for Disposition Terms

The disposition price for the Third-Party Allotment of ¥2,476 per share (rounded to the nearest yen) was determined based on the basic average price of the Company's common stock on the Tokyo Stock Exchange for the one-month period ending on March 23, 2020, the business day immediately prior to the date that the Company's board of directors authorized the Third-Party Allotment (such date, the "Board Authorization Date") (which was the period from February 25, 2020 to March 23, 2020). The Company consulted with the Subscriber, who confirmed their agreement with the amount.

In determining the disposition price based on the average price over the one-month period prior to the Board Authorization Date, adopting the normalized average price over a specified period of time, rather than basing the price on a specific point in time, allows for the elimination of certain factors, such as the effects of temporary fluctuations in the stock price. In addition, beginning in the second half of February 2020, the stock market has progressed significantly downwards due to concerns regarding the spread of novel Coronavirus infections, and the Company's stock price has followed a similar trend. In consideration of this, the Company determined that using the most recent one-month period, which reflects these stock price trends, as the basis for the disposition price would be more appropriate than using the most recent three-month period or the most recent six-month period. Accordingly, as a result of comprehensive consideration of these and other circumstances, it was decided that this stock price would more appropriately reflect the corporate value of the Company.

The disposition price represents a discount of 1.0% over the closing stock price of ¥2,500 on the business day immediately prior to the Board Authorization Date, a discount of 8.0% over the average closing stock price of ¥2,691 (rounded to the nearest yen) for the three-month period ending prior to the Board Authorization Date (from December 24, 2019 to March 23, 2020), and a discount of 8.6% over the average closing stock price of ¥2,709 (rounded to the nearest yen) for the six-month period ending prior to the Board Authorization Date (from September 24, 2019 to March 23, 2020). In accordance with the Japan Securities Dealers Association's "Rules Concerning Handling of Allotment of New Shares to Third Parties, etc." the Company has determined that the disposition price is not a price that particularly favors the Subscriber.

(ii) Basis of Determining the Reasonableness of the Volume of Shares and the Scope of Dilution

The number of shares of treasury stock to be subject to the share disposition is 80,775,400 shares (and 807,754 voting rights), which represents 2.07% of the Company's 3,900,788,940 issued and outstanding shares of common stock as of February 7, 2020 (and 2.22% of the 36,303,884 total voting rights (based on 18,151,942 total voting rights as of December 31, 2019, as adjusted to give effect to the two-for-one stock split that occurred with an effective date of January 1, 2020)), resulting in a certain level of dilution.

However, the Company believes that the Third-Party Allotment and the collaborative business based on the Alliance that will be made through the Third-Party Allotment will contribute to increasing the corporate value of the Company and will ultimately increase the profits of existing shareholders, and accordingly, the Company has determined that the volume of shares and the scope of dilution in the Third-Party Allotment are reasonable.

4. Large-Scale Third-Party Allotments

Not applicable.

5. Status of Major Shareholders after Third-Party Allotment

<u>Name</u>	<u>Address</u>	<u>Number of Shares Held (thousands of shares)</u>	<u>Ownership Percentage of Total Voting Rights Held (%)</u>	<u>Number of Shares Held Following the Allotment (thousands of shares)</u>	<u>Ownership Percentage of Total Voting Rights Held Following the Allotment (%)</u>
The Minister of	1-1, Kasumigaseki 3-chome, Chiyoda-	1,260,908	34.73	1,260,908	33.98

Finance	ku, Tokyo				
The Master Trust Bank of Japan, Ltd. (Trust Account)	11-3, Hamamatsucho 2-chome, Minato-ku, Tokyo	175,323	4.83	175,323	4.72
Japan Trustee Services Bank, Ltd. (Trust Account)	8-11, Harumi 1-chome, Chuo-ku, Tokyo	151,474	4.17	151,474	4.08
Toyota Motor Corporation	1, Toyota-cho, Toyota City, Aichi Prefecture	—	—	80,775	2.18
Japan Trustee Services Bank, Ltd. (Trust Account 9)	8-11, Harumi 1-chome, Chuo-ku, Tokyo	56,983	1.57	56,983	1.54
Japan Trustee Services Bank, Ltd. (Trust Account 5)	8-11, Harumi 1-chome, Chuo-ku, Tokyo	53,212	1.47	53,212	1.43
JPMorgan Chase Bank 385632 (Standing Proxy: Mizuho Bank, Ltd.)	25 Bank Street, Canary Wharf, London, E14 5JP, United Kingdom (15-1, Konan 2-chome, Minato-ku, Tokyo)	40,204	1.11	40,204	1.08
Japan Trustee Services Bank, Ltd. (Trust Account 7)	8-11, Harumi 1-chome, Chuo-ku, Tokyo	37,133	1.02	37,133	1.00
Moxley & Co. LLC (Standing Proxy: MUFG Bank, Ltd.)	4 New York Plaza, 13th Floor, New York, NY 10004 U.S.A. (7-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo)	35,947	0.99	35,947	0.97
Japan Trustee Services Bank, Ltd. (Trust Account 1)	8-11, Harumi 1-chome, Chuo-ku, Tokyo	34,757	0.96	34,757	0.94
Total	—	1,845,944	50.85	1,926,719	51.92

- Notes:
1. Figures for “Number of Shares Held” and “Ownership Percentage of Total Voting Rights Held” are based on the list of shareholders as of December 31, 2019, as adjusted to give effect to the two-for-one stock split that occurred with an effective date of January 1, 2020 (the “Stock Split”).
 2. Figures for “Ownership Percentage of Total Voting Rights Held” are rounded to two decimal places.
 3. Figures for “Ownership Percentage of Total Voting Rights Held Following the Allotment” are percentages based on 37,111,638 total voting rights, which represents 36,303,884 total voting rights, based on 18,151,942 total voting rights as of December 31, 2019 as adjusted to give effect to the Stock Split, plus 807,754 voting rights from the Third-Party Allotment (the number of shares of treasury stock at the time, as described in Note 4 below, is 265,577,200 shares).
 4. The number of the Company’s shares of treasury stock of 265,577,200 shares (based on 132,788,600 shares as of December 31, 2019, as adjusted to give effect to the Stock Split), would be 184,801,800 shares after giving effect to the disposition of 80,775,400 shares of treasury stock through the Third-Party Allotment. However, this number does not include any transactions on or after December 31, 2019 of shares of less than one unit.

6. Necessity of Large-Scale Third-Party Allotment

Not applicable.

7. Description of Planned Consolidation of Shares

Not applicable.

8. Other Applicable Information

Not applicable.

ITEM 4. OTHER DISCLOSURE

Not applicable.

SECTION 2. INFORMATION RELATED TO TENDER OFFER

Not applicable.

SECTION 3. REFERENCE INFORMATION

ITEM 1. REFERENCE DOCUMENTS

For an overview of the Company and of its business as required under Article 5, Paragraph 1, Section 2 of the Act, please refer to the documents described below.

1. Annual Securities Report and Attachments Thereto

34th Business Term (from April 1, 2018 to March 31, 2019), filed with the Kanto Local Finance Bureau on June 26, 2019.

2. Quarterly or Semi-Annual Securities Reports

First Quarter of the 35th Business Term (from April 1, 2019 to June 30, 2019), filed with the Kanto Local Finance Bureau on August 7, 2019

Second Quarter of the 35th Business Term (from July 1, 2019 to September 30, 2019), filed with the Kanto Local Finance Bureau on November 6, 2019

Third Quarter of the 35th Business Term (from October 1, 2019 to December 31, 2019), filed with the Kanto Local Finance Bureau on February 7, 2020

3. Extraordinary Reports

Not applicable.

4. Correction Reports

Not applicable.

ITEM 2. SUPPLEMENTAL INFORMATION FOR REFERENCE DOCUMENTS

With respect to the “Risk Factors” described in the annual securities report and quarterly securities reports referred to above (the “Securities Reports”), there were no changes or other events that occurred in the period between the filing dates of the Securities Reports and the date of this registration statement (March 24, 2020).

In addition, the Securities Reports include forward-looking statements, and as of the date of this registration statement (March 24, 2020), the Company’s determination with respect to such matters has not changed, nor are there any new forward-looking statements to disclose.

ITEM 3. LOCATION OF DOCUMENTS AVAILABLE FOR INSPECTION

Nippon Telegraph and Telephone Corporation

(5-1, Otemachi 1-chome, Chiyoda-ku, Tokyo)

Tokyo Stock Exchange, Inc.

(2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo)

SECTION 4. INFORMATION OF GUARANTORS OF REGISTRANT

Not applicable.

SECTION 5. SPECIAL INFORMATION

Not applicable.