



Refinement of the NTT Group Medium-Term Management Strategy

October 25, 2021

Directionality of Refinement of the Medium-Term Management Strategy



Effect of Synergies in the Newly Formed DOCOMO Group

**FY2023
Profit Increase
of
¥100.0 billion**

Transformation to a New Management Style (Further Promotion of DX)

**FY2023
Cost Reductions
over ¥200.0
billion**

New Environment and Energy Vision

**FY2023
Minimal Impact
on Costs**

**Achieving
EPS of
¥370 in
FY2023**

Directionality of NTT Group's Transformation



Social/Economic Directionality

Advancement of Digitalization/DX

Society During COVID-19 and Post-COVID-19

Realization of a Well-Being Society

NTT Group's Directionality

Enhance Domestic and Global Business

A New Management Style Suitable for a Decentralized Network Society

Enhancement of Corporate Value through ESG Initiatives

Contribution to the Achievement of a Sustainable Society

New Strategic Framework



① Enhance Domestic/Global Business

- **Growth and strengthening of the newly formed DOCOMO Group**
- Promotion of the IOWN development/rollout plan
- Enhance competitiveness in global business
- Promote B2B2X model
- Strengthening of new businesses

② Transformation to a New Management Style

- **New style premised on remote work**

③ Enhancement of Corporate Value

- **New Environmental and Energy Vision**
- Disaster countermeasure initiatives
- Enhancement of returns to shareholders

Growth and Strengthening of the Newly Formed DOCOMO Group



■ Challenge of the New DOCOMO Group

New DOCOMO Group Medium-Term Strategy

Expansion of enterprise business

Expansion of the Smart Life Business

Strengthening the telecommunications business

Strengthening global business

Strengthening IT

Strengthening R&D

Promoting ESG



As the synergistic effect of integrating NTT DOCOMO, NTT Communications and NTT Comware,
Create profits of ¥100.0 billion in FY2023, and over ¥200.0 billion in FY2025

Refinement of Medium-Term Financial Targets



Target	Current Target	New Target	(Reference) FY2021 Plan
EPS	Approx. ¥320 (FY2023)	¥370 (FY2023)	¥302
Overseas Sales ^{(1), (2)}	\$ 25B (FY2023)	— (FY2023)	\$ 19B
Overseas Operating Income Margin ⁽¹⁾	7% (FY2023)	7% (FY2023)	6%
Cost Reductions ⁽³⁾ (In Fixed-Line/Mobile Access Networks)	At least ¥(800.0) billion (FY2023)	At least ¥(1,000.0) billion (FY2023)	¥(840.0) billion
ROIC	8% (FY2023)	8% (FY2023)	7.4%
Capex to Sales ⁽⁴⁾ (Domestic Network Business)	13.5% or less (FY2021)	13.5% or less (FY2021)	13.5%

(1) Includes results from the global holding company, its subsidiaries and its affiliates.

Overseas Operating Income excludes temporary expenses, such as M&A-related depreciation costs of intangible fixed assets.

(2) In addition to the change in accounting for some of the income, the impact of COVID-19 is also significant, so no target is set.

(3) Figures above show cumulative reductions since FY2017. (4) Excludes NTT Communications' data centers and certain other items.

This document is a translation of the Japanese original. The Japanese original is authoritative.

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* "FY" in this material indicates the fiscal year ending March 31 of the succeeding year.

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