



# **Financial Results for the Three Months Ended June 30, 2025**

**August 6, 2025**

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

The forward-looking statements and projected figures concerning the future performance of NTT and its subsidiaries and affiliates contained or referred to herein are based on a series of assumptions, projections, estimates, judgments and beliefs of the management of NTT in light of information currently available to it regarding NTT and its subsidiaries and affiliates, the economy and telecommunications industry in Japan and overseas, and other factors. These projections and estimates may be affected by the future business operations of NTT and its subsidiaries and affiliates, the state of the economy in Japan and abroad, possible fluctuations in the securities markets, the pricing of services, the effects of competition, the performance of new products, services and new businesses, changes to laws and regulations affecting the telecommunications industry in Japan and elsewhere, other changes in circumstances that could cause actual results to differ materially from the forecasts contained or referred to herein, as well as other risks included in NTT's most recent Annual Securities Report and in any other materials publicly disclosed by NTT on its website.

\* "E" in this material represents that the figure is a plan or projection for operation.

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

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# **Overview of Consolidated Results for the Three Months Ended June 30, 2025**

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

## Status of Consolidated Results

- Operating Revenues:           **¥3,262.0B** <+¥22.0B [+0.7%] year-on-year>
- EBITDA<sup>(1)</sup>:                       **¥801.4B** < (¥13.9)B [(1.7)%] year-on-year>
- Operating Profit:               **¥405.2B** < (¥30.6)B [(7.0)%] year-on-year>
- Profit<sup>(2)</sup>:                       **¥259.7B** < (¥14.4)B [(5.3)%] year-on-year>

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

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

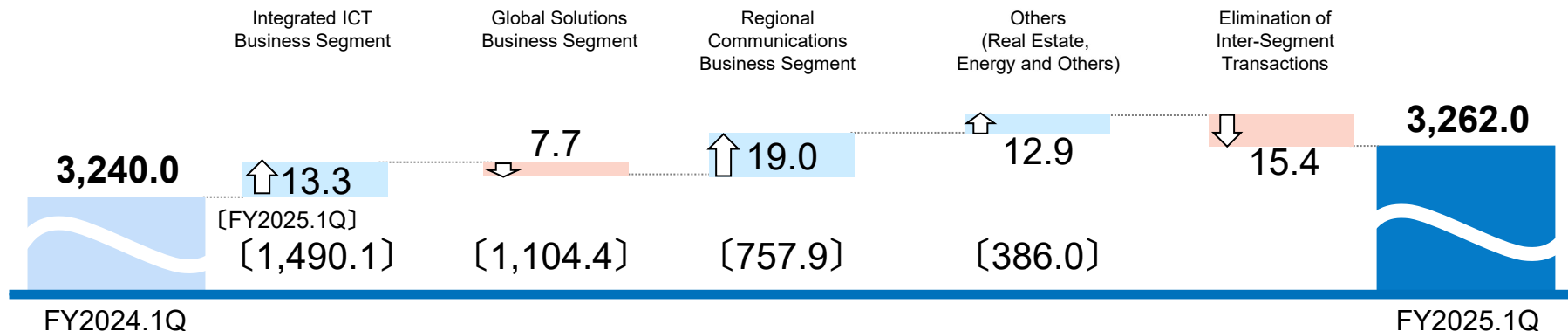
# Contributing Factors by Segment for FY2025.1Q



## Operating Revenues

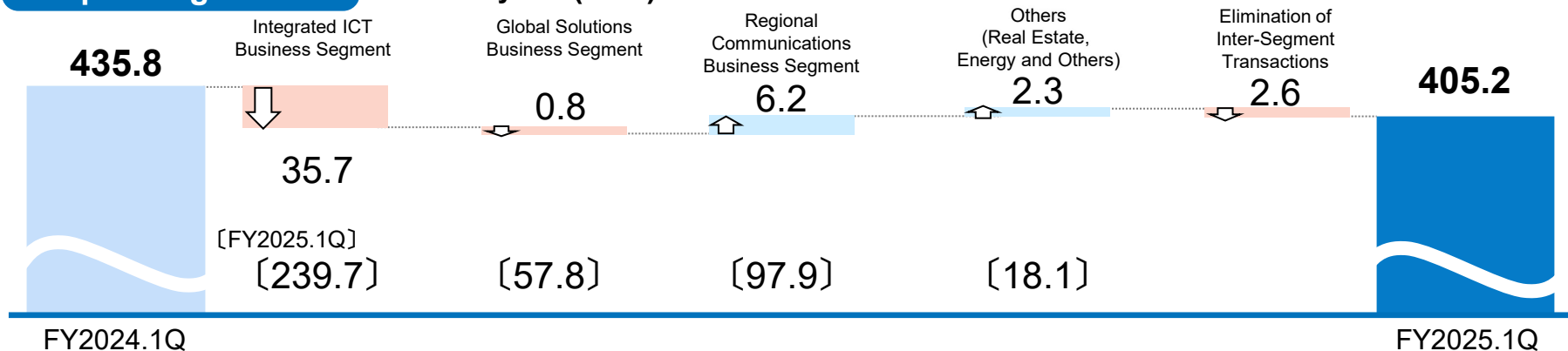
<Year-on-year: +22.0>

(Billions of yen)



## Operating Profit

<Year-on-year: (30.6)>



# Topics

# ① Upgraded purely Japanese-made LLM [tsuzumi 2]

- An upgraded version of tsuzumi, NTT's LLM, to be launched in October 2025
- The best in the world among LLMs with the same parameter size in terms of Japanese language performance

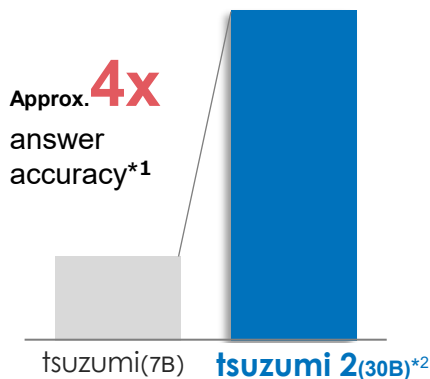
## Comparison of enhanced context processing and sentence understanding

**Evolved understanding of complex context and meaning**  
meeting the needs of enterprise customers

**Well-balanced single-GPU model**  
with significant performance improvements and cost efficiency

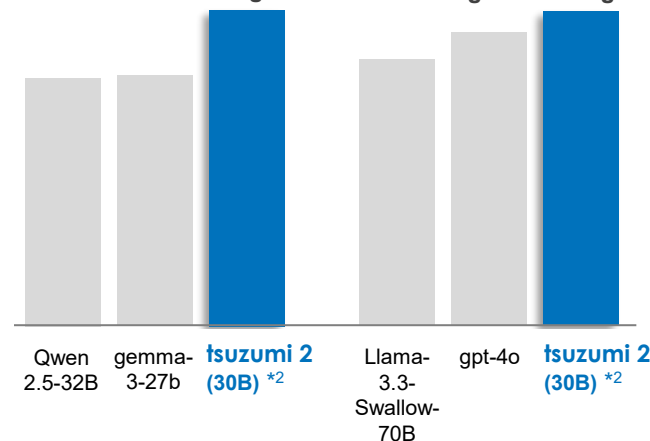
**Purely Japanese-made model developed from scratch by NTT**  
supporting highly confidential data

Comparison of business processing using RAG with the previous model



Comparison to other models in general benchmarks\*3

**Top performance** in the same size range  
**Equal or better** in the larger size range



\*1 : Accuracy of inquiry responses in RAG for trial projects in NTT's internal operations

\*2 : Performance evaluation during development

\*3 : Evaluation results of indicators related to Japanese language performance evaluation, context and sentence comprehension in llm-jp-eval



## ② “NTT DC REIT” listed on the Singapore Exchange



- NTT DC REIT, a real estate investment trust managed by NTT DC REIT Manager, a consolidated subsidiary of the NTT DATA Group, has been listed on the Singapore Exchange on July 14, 2025.
- Through the transfer of six data center (DC) assets to the REIT (total amount of 229.5 billion yen\*), NTT Group aims to accelerate the recovery cycle of DC investments, generate investment funds and maintain financial soundness while further growing the DC business and maximizing corporate value.

\*1,500 million US dollars (calculated at 1 dollar = 153 yen)

**Six data centers that have been transferred to NTT DC REIT  
(Total IT Load capacity: approx. 90MW)**

**VIE1 (Austria)**



**SG1 (Singapore)**



**NTT DC REIT Listing Ceremony  
(July 14, 2025)**

**VA2 (United States)**



**CA1~CA3 (United States)**



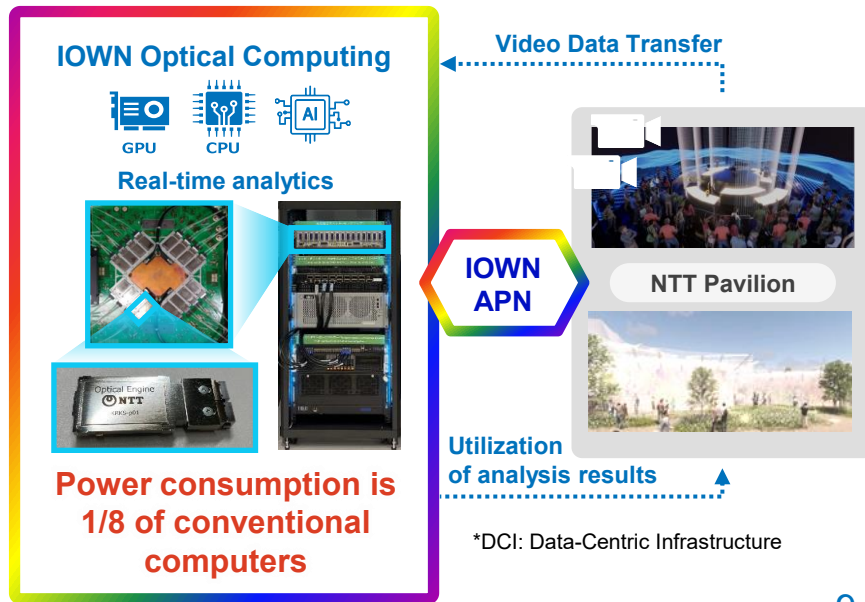
### ③ IOWN use cases at EXPO 2025 Osaka, Kansai, Japan

- On NTT Pavilion Day, NTT held CHO-KABUKI Powered by IOWN “Hanakurabe Senbonzakura Expo2025 ver.”, a real-time joint performance using IOWN APN and two-way transmission between Japan and Taiwan.
- At the NTT Pavilion, computers utilizing IOWN 2.0 consumed 1/8 of the power of conventional computers. In FY2026, the company aims to offer a commercial version with twice the communication capacity of the EXPO version.

#### CHO-KABUKI Powered by IOWN “Hanakurabe Senbonzakura Expo2025 ver.”



#### Utilization of IOWN Optical Computing at the NTT Pavilion



## ④ Announcement of Policy for Future Fixed-line Telephone Service (Transition from Copper to Fiber and Wireless-based Fixed-line Telephone)



- Given the deterioration of NTT East and West's Copper-based telecommunication facilities and the decline in cost efficiency in the future, NTT East and West plan to gradually transition to fiber-optic and wireless-based fixed-line services by 2035, ensuring the continuity of fixed-line telephone services.
- To avoid causing inconvenience to existing customers, we will provide sufficient notice and transition periods before switching to alternative services, and NTT East and West plan to announce basic policies and related information around late September.

### **< Details to be announced in late September >**

- Approach and Schedule for Transition from Copper to Fiber and Wireless-based Fixed-line Telephones
- Efforts to Protect Consumers and Ensure Smooth Transition, and related measures

## ⑤ Progress under the Medium-Term Management Strategy

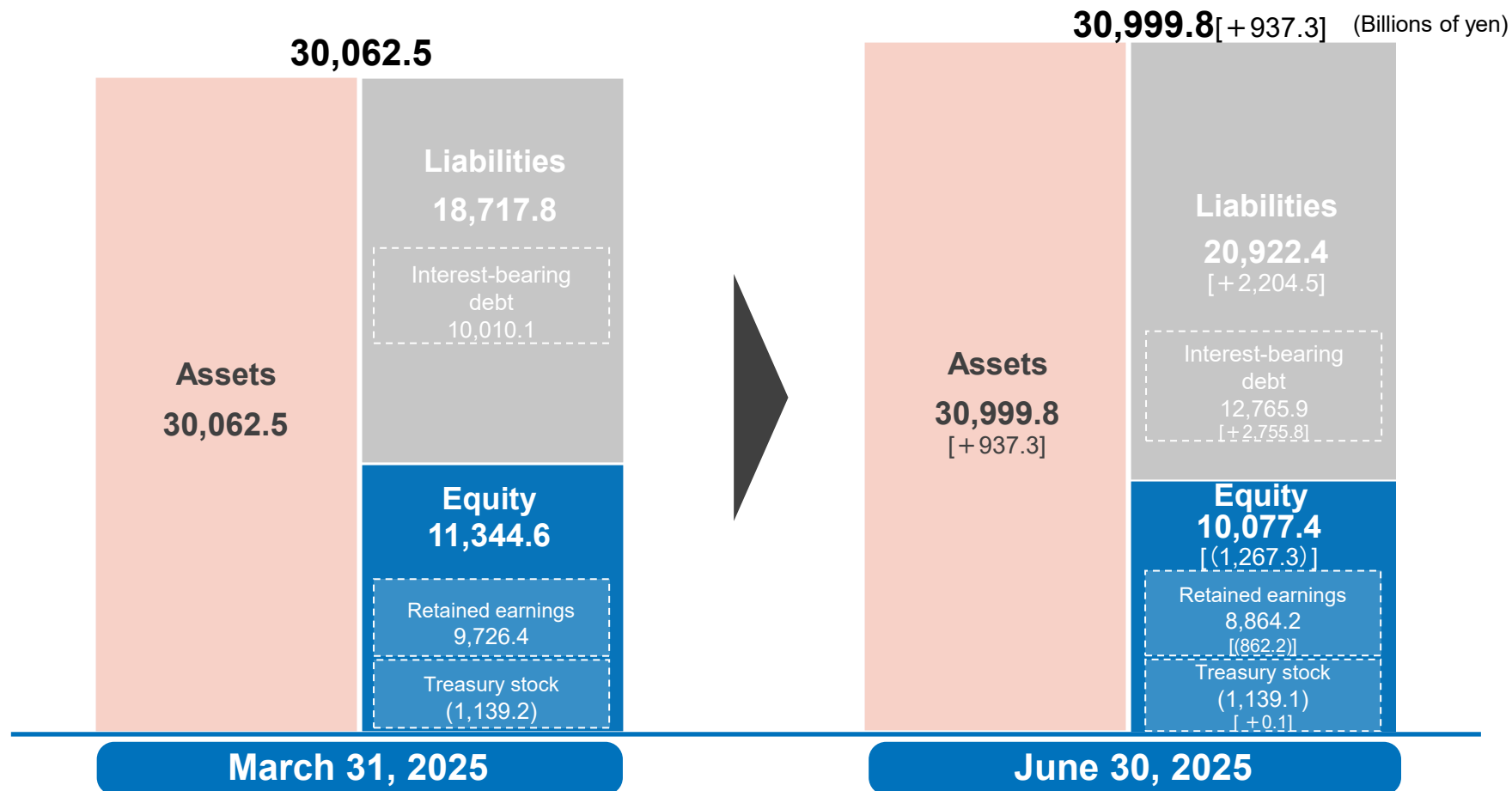


~ Progress since May 2025 ~

<b>IOWN-Driven Creation of New Value</b>	<ul style="list-style-type: none"> <li>• Demonstrated remote agricultural technology utilizing IOWN APN at the EXPO 2025 Osaka, Kansai Japan (NTT, May)</li> <li>• Demonstrated the effective use of renewable energy through distributed processing among remote data centers using IOWN APN (NTT, NTT WEST, June)</li> <li>• “IG Arena”, offering a new spectator experience using IOWN APN, opens in Aichi Prefecture (NTT DOCOMO, July)</li> </ul>
<b>Data-Driven Creation of New Value</b>	<ul style="list-style-type: none"> <li>• Established a damage prediction technology to visualize road disruption risk during heavy rainfall (NTT, May)</li> <li>• Launched of a new AI agent service that reduces marketing work by up to 60% (NTT DATA, May)</li> <li>• Executed a capital and business alliance agreement with SBI Holdings, and completed the tender offer and execution of a capital and business alliance agreement in relation to SBI Sumishin Net Bank (NTT, NTT DOCOMO, May)</li> <li>• Established a group collaboration system to promote digitalization of clinical trials to eliminate drug lag and loss (NTT, May)</li> <li>• Signed a strategic business partnership agreement with Getworks to realize an AI-Centric ICT platform (NTT DOCOMO BUSINESS, June)</li> <li>• Planned a tender offer for CARTA HOLDINGS and concluded a business and capital alliance agreement with CARTA HOLDINGS and Dentsu Group to expand business in the marketing solutions field (NTT DOCOMO, June)</li> <li>• Established “Retail-CIX” with Retail AI to optimize Distribution SCM using Linked AI agents (NTT AI-CIX, July)</li> </ul>
<b>Achievement of a Circular Economy Society</b>	<ul style="list-style-type: none"> <li>• Launched the “Power Storage Plant Construction and Operation Outsourcing Service” to provide comprehensive support for power storage plant businesses (NTT Anode Energy, May)</li> </ul>
<b>Further Strengthening of Business Foundations</b>	<ul style="list-style-type: none"> <li>• Concluded a disaster prevention cooperation agreement with four cities and one town on the Miura Peninsula to promote disaster-resistant community development (NTT EAST, May)</li> <li>• Strengthened cooperation among telecommunications carriers to provide rapid support to affected areas in the event of large-scale disasters (NTT, NTT EAST, NTT WEST, NTT DOCOMO, NTT DOCOMO BUSINESS, July)</li> </ul>
<b>Strengthening of Services that Emphasize Customer Experience (CX)</b>	<ul style="list-style-type: none"> <li>• Launched “FLET’S Hikari Cross Biz,” a high-speed, high-quality optical fiber line for business use (NTT EAST, NTT WEST, June)</li> <li>• Launched an initiative to centralize the reception of requests to suspend international calling services in order to prevent special fraud crimes (NTT EAST, NTT WEST, June)</li> </ul>

# Appendix

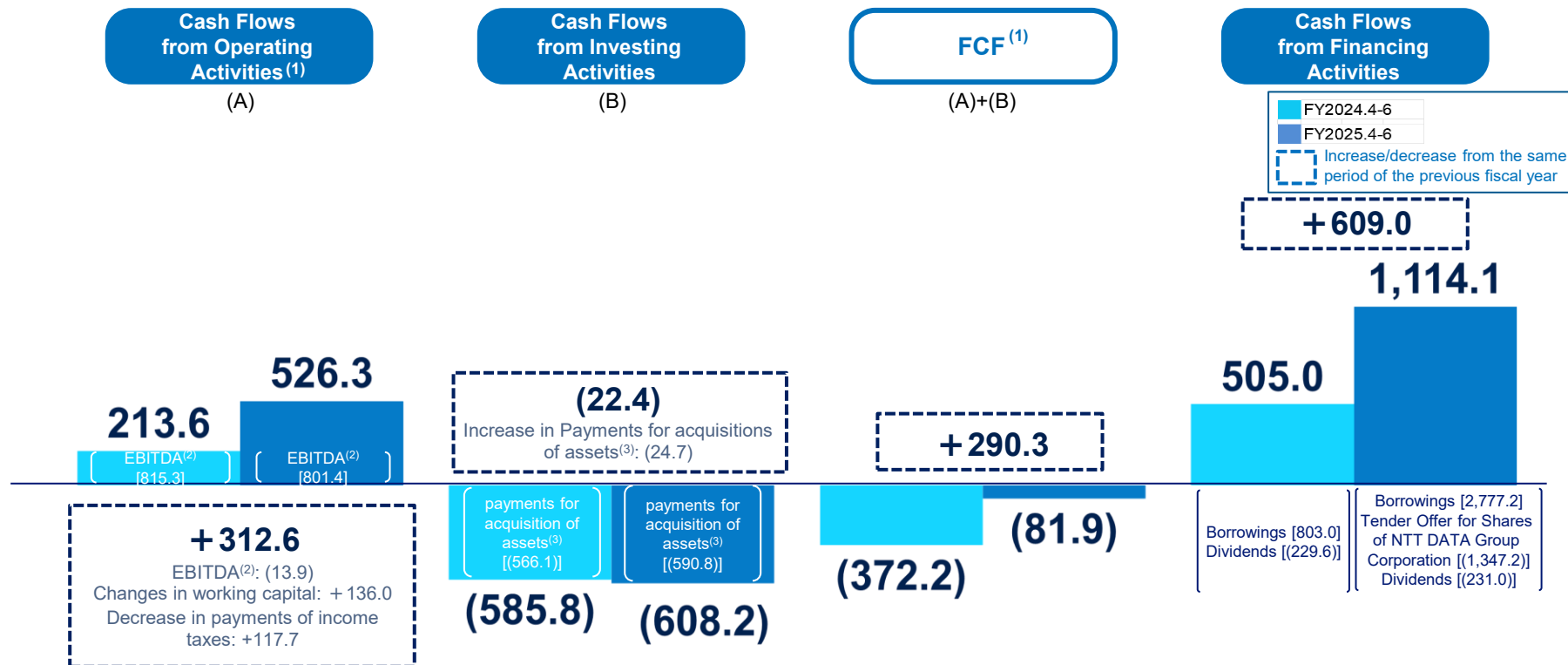
# Details of Consolidated Balance Sheet



# Details of Consolidated Cash Flows



(Billions of yen)



(1) Excludes the impact of the last day FY2023 and the last day of the first quarter of FY2024 having been non-business days, resulting in certain accounts receivable being set to the first day of the following month (Operating CF including the impact of non-business days in FY2024.4-6 was ¥195.1 billion, and FCF including the impact of non-business days in FY2024.4-6 was ¥(390.7) billion).

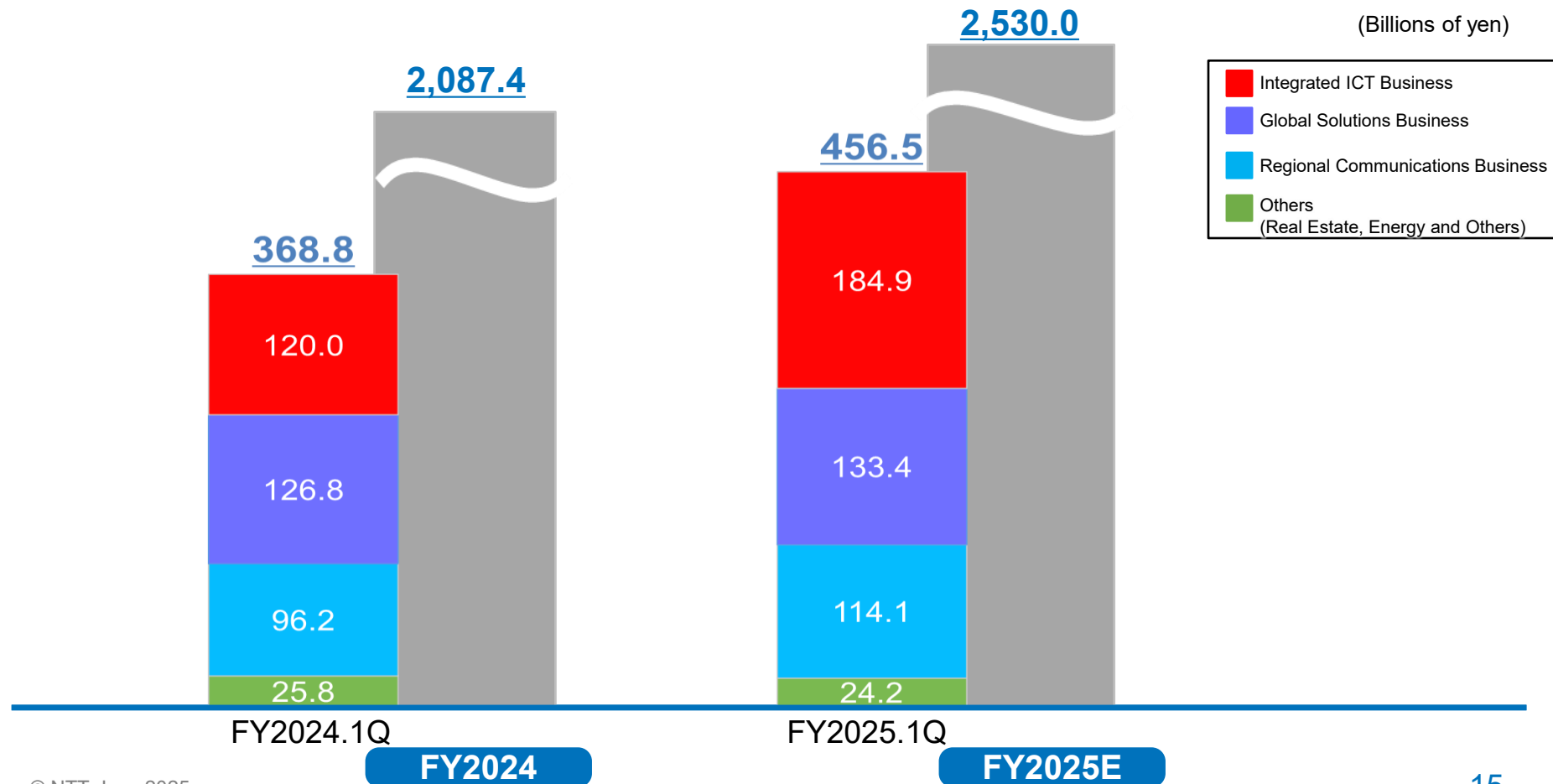
(2) Operating profit adjusted to add depreciation (excluding depreciation related to right-of-use assets), losses on sales of fixed assets, losses on disposals of fixed assets and impairment losses

(3) Payments for acquisitions of property, plant and equipment, intangible assets and investment properties

# Details of Capital Investment



(Billions of yen)





# **Innovating a Sustainable Future for People and Planet**

