

# Financial Results Release

November 5, 2019

For the Six Months Ended September 30, 2019

[IFRS]

Name of registrant : Nippon Telegraph and Telephone Corporation (“NTT”) / URL <https://www.ntt.co.jp/ir/>  
 Code No. : 9432  
 Stock exchanges on which the Company's shares are listed : Tokyo  
 Representative : Jun Sawada, President and Chief Executive Officer  
 Contact : Natsuko Fujiki, Head of IR, Finance and Accounting Department  
 URL [https://www.ntt.co.jp/ir/form\\_e/ref\\_contact.html](https://www.ntt.co.jp/ir/form_e/ref_contact.html)  
 Scheduled filing date of quarterly securities report : November 6, 2019  
 Scheduled date of dividend payments : December 5, 2019  
 Supplemental material on quarterly results : Yes  
 Presentation on quarterly results : Yes (for institutional investors and analysts)

## 1. Consolidated Financial Results for the Six Months Ended September 30, 2019 (April 1, 2019 - September 30, 2019)

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	
Six months ended September 30, 2019	5,889,551	1.7%	982,805	(8.2)%	1,001,859	(7.1)%	547,670	(2.2)%
Six months ended September 30, 2018	5,793,199	1.8%	1,070,752	3.1%	1,078,318	3.5%	559,726	(0.8)%

Notes: 1. Comprehensive income (loss) attributable to NTT: For the Six months ended September 30, 2019: 485,368 million yen (20.6%)  
 For the Six months ended September 30, 2018: 611,248 million yen 1.4%

2. Percentages above represent changes from the corresponding period of previous fiscal year.

	Basic Earnings per Share Attributable to NTT	Diluted Earnings per Share Attributable to NTT
Six months ended September 30, 2019	291.05 (yen)	- (yen)
Six months ended September 30, 2018	286.50 (yen)	- (yen)

### (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
September 30, 2019	22,233,561	11,555,949	9,036,550	40.6%	4,971.65 (yen)
March 31, 2019	22,295,146	11,804,790	9,264,913	41.6%	4,832.03 (yen)

## 2. Dividends

	Annual Dividends				
	End of the first quarter	End of the second quarter	End of the third quarter	Year-end	Total
Year Ended March 31, 2019	-	85.00 (yen)	-	95.00 (yen)	180.00 (yen)
Year Ending March 31, 2020	-	95.00 (yen)			
Year Ending March 31, 2020 (Forecasts)			-	47.50 (yen)	-

Notes: 1. Revision to the dividend forecasts from the latest announcement: Yes

2. NTT authorized a two-for-one stock split of its common stock, with an effective date of January 1, 2020, at a meeting of its board of directors held on November 5, 2019. The dividend amount presented for the end of the second quarter of the year ending March 31, 2020 reflects actual results. The total annual dividend forecast for the year ending March 31, 2020 has not been presented, as the dividend amounts from the end of the second quarter (on a pre-stock split basis) and from year-end (on a post-stock split basis) cannot be directly aggregated.

## 3. Consolidated Financial Results Forecasts for the Fiscal Year Ending March 31, 2020 (April 1, 2019 - March 31, 2020)

(Millions of yen, except per share amount)

	Operating Revenues		Operating Profit		Profit before Taxes		Profit Attributable to NTT		Basic Earnings per Share Attributable to NTT
Year Ending March 31, 2020	11,890,000	0.1%	1,550,000	(8.5)%	1,569,000	(6.2)%	855,000	0.1%	231.00 (yen)

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

2. Revision to the consolidated financial results forecasts from the latest announcement: Yes

3. The forecast for Basic Earnings per Share Attributable to NTT for the year ending March 31, 2020 is an amount that reflects the effect of the stock split described in the note under “2. Dividends” above.

**\*Notes:**

- (1) Change in significant subsidiaries during the six months ended September 30, 2019 (change in specific subsidiaries involving changes in the scope of consolidation): Yes  
Newly added: One company (NTT Ltd.)  
(For further details, please see “1. Summary Information (notes)” on page 3.)
- (2) Change of accounting policy and accounting estimates
  - i. Changes in accounting policy required by IFRS: Yes
  - ii. Changes other than (i): None
  - iii. Changes in accounting estimates: Yes  
(For further details, please see “1. Summary Information (notes)” on page 3.)
- (3) Number of shares outstanding (common stock)
  - i. Number of shares outstanding (including treasury stock):

September 30, 2019	: 1,950,394,470 shares
March 31, 2019	: 1,950,394,470 shares
  - ii. Number of shares of treasury stock:

September 30, 2019	: 132,778,190 shares
March 31, 2019	: 32,997,746 shares
  - iii. Weighted average number of shares outstanding:

For the six months ended September 30, 2019	: 1,881,672,291 shares
For the six months ended September 30, 2018	: 1,953,686,674 shares

\* This Financial Results Release is not subject to the quarterly review by a certified public accountant or audit firm.

\* Explanation for the appropriate use of earnings forecasts and other notes:

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

On Tuesday, November 5, 2019, 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. Summary Information (notes)**

### **(1) Change in significant consolidated subsidiaries during the six months ended September 30, 2019, that resulted in changes in the scope of consolidation**

In order to clarify the global management structure of NTT's global operating companies and to develop business under the NTT-branded global operating company "NTT Ltd.", NTT Group consolidated the overseas businesses of NTT Communications Corporation ("NTT Communications"), Dimension Data Holdings ("Dimension Data") and NTT Security Corporation ("NTT Security") and established NTT Ltd. in July 2019. In addition, NTT Ltd. received, by contributions-in-kind, (1) from NTT, Inc. (a subsidiary of NTT), all shares of Dimension Data and all shares of NTT Security, and certain other items, and (2) from NTT Communications, shares of overseas business-related subsidiaries and certain other items.

As a result of the above, NTT Ltd. became a specified subsidiary company. In addition, NTT Ltd. has been included in the scope of consolidation of financial results for the six months ended September 30, 2019.

### **(2) Changes in Accounting Methods and Estimates**

#### **① Application of IFRS 16, "Lease"**

NTT Group has applied IFRS 16 "Leases" ("IFRS 16") from the beginning of the current fiscal year.

##### **(i) Accounting treatment as a lessee**

Lease transactions as a lessee were classified as finance leases when the lessor transfers substantially all of the risks and rewards incidental to ownership of the asset to the lessee, while other lease transactions were classified as operating leases under IAS 17 "Leases" for the year ended March 2019.

As a result of the application of IFRS 16, when NTT Group assesses whether a contract is, or contains, a lease, at the inception of the contract, NTT Group initially recognizes a Right-of-use assets and Lease liabilities in the Condensed Interim Consolidated Statements of Financial Position at the commencement date of the contract without classifying finance leases or operating leases except for leases with a lease term of 12 months or less or when the underlying assets are of low value. NTT Group does not apply IFRS 16 to leases of intangible assets.

##### **(a) Lease liabilities**

Lease liabilities are initially measured at the present value of unpaid lease payments at the commencement date of the contract, discounted using NTT Group's incremental borrowing rate\*. Lease payments are accounted as payments for interest calculated applying the effective interest method and payments for principal. Payments for interest are presented as finance cost in the condensed consolidated statement of profit or loss.

\* As interest rate implicit in the lease can not be readily determined, NTT Group uses incremental borrowing rate as discount rate.

##### **(b) Right-of-use assets**

Right-of-use assets are initially measured at cost, which comprises the amount of the initial measurement of the lease liabilities, adjusted for any initial direct costs incurred and prepaid lease payments, etc. After the initial measurements, Right-of-use assets are depreciated over the useful life or the lease term of the underlying asset, whichever is shorter, from the commencement date of the contract. The estimated useful life of Right-of-use assets is determined as same as owned property, plant and equipment. Right-of-use assets are deducted by impairment if identified and adjusted at remeasurement of the specific lease liabilities.

A part of Right-of-use assets which satisfies the definition of investment property is presented as Investment property in the Condensed Interim Consolidated Statements of Financial Position.

##### **(ii) Accounting treatment as a lessor**

For leases in which the NTT Group is the lessor, excluding subleases, NTT Group is not required to make any adjustments at the time of the application of IFRS 16.

Regarding subleases in which NTT Group is intermediate lessor, NTT Group reassessed subleases by referencing the Right-of-use assets recognized from head leases in which NTT Group is the lessee rather than the underlying asset that is the subject of a lease then some sublease contracts classified as operating leases in or prior to the previous fiscal year are classified as

finance leases. As a result, NTT Group derecognizes Right-of-use assets and recognizes Trade and Other Receivables (Lease receivables) in the Condensed Interim Consolidated Statements of Financial Position.

(iii) Transitional Measures

NTT Group applies IFRS 16 using the modified retrospective approach, under which recognizing the cumulative effect of applying the standard as an adjustment to the beginning balance of retained earnings at the date of initial application with no restatement of the comparative period. For the assessment of whether a contract that was concluded in or prior to the previous fiscal year is, or contains a lease, the NTT Group has applied the practical expedient of maintaining its previous assessment.

(iv) The impact of the change

The impact of the application of IFRS 16 is described below.

The amounts newly recognized as the Right-of use assets and lease liabilities regarding the lease transactions classified as operating leases in the previous fiscal year

	(Millions of yen)
	The beginning balance based on IFRS 16 (April 1, 2019)
<hr/>	
(Condensed Consolidated Statement of Financial Position)	
Assets	
Right-of-use assets	434,216
Trade and Other Receivables (Lease receivables)	54,594
Investment property	35,572
Liabilities	
Lease liabilities (Current and Non-current)	517,384

There were no material impacts on retained earnings at the beginning of the current fiscal year.

The amounts of depreciation and amortization newly recognized from Right-of-use assets and Investment property

	(Millions of yen)
	Six Months Ended September 30, 2019 (April 1, 2019 - September 30, 2019)
<hr/>	
(Condensed Consolidated Statement of Profit or Loss)	
Depreciation and amortization	72,591

Despite Depreciation and amortization is newly recognized, lease payments, which used to be recognized as Expenses in and previous fiscal year, is not recognized. As a result, the impact in Condensed Consolidated Statement of Comprehensive Income for the six months ended September 30, 2019 is immaterial.

② Estimate of useful lives of property, plant and equipment

NTT Group revised its estimate of the expected useful lives of optical cables (a part of Cables in Telecommunications service lines) and extended expected useful life based on current actual utilization. This change in estimate has been accounted for prospectively. Regarding to the impact from this change in accounting estimate in Condensed Consolidated Statement of Profit or Loss for the six months ended September 30, 2019, “Depreciation and amortization” was decreased by ¥21,818 million, “Profit attributable to NTT” and “Basic earnings per share” were increased by ¥15,031 million, ¥7.99, respectively.

## **2. Condensed Consolidated Financial Statements**

### **(1) Condensed Consolidated Balance Sheets**

	Millions of yen		
	March 31, 2019	September 30, 2019	Increase (Decrease)
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents(*)	946,134	927,957	(18,177)
Trade and other receivables(*)	4,391,434	4,070,838	(320,596)
Other financial assets	117,753	113,317	(4,436)
Inventories	331,634	267,010	(64,624)
Other current assets	550,487	578,640	28,153
Sub Total	6,337,442	5,957,762	(379,680)
Assets held for sale	242,524	-	(242,524)
Total current assets	6,579,966	5,957,762	(622,204)
<b>Non-current assets</b>			
Property, plant and equipment	9,012,947	8,939,746	(73,201)
Right-of-use assets	-	470,250	470,250
Goodwill	886,531	916,561	30,030
Intangible assets	1,627,762	1,641,165	13,403
Investment property	967,006	1,055,285	88,279
Investments accounted for using equity method	298,261	293,225	(5,036)
Other financial assets	1,138,502	1,166,181	27,679
Deferred tax assets	1,124,467	1,123,542	(925)
Other non-current assets	659,704	669,844	10,140
Total non-current assets	15,715,180	16,275,799	560,619
Total assets	22,295,146	22,233,561	(61,585)

\* The last day of the fiscal year ended March 31, 2019 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 fiscal year ended March 31, 2019. Consequently, for the fiscal year ended March 31, 2019 there were decreases of cash and cash equivalents and an increase of trade and other receivables, ¥223,672 million respectively.

Millions of yen

	March 31, 2019	September 30, 2019	Increase (Decrease)
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Short-term debt	1,397,545	1,670,678	273,133
Trade and other payables	2,092,479	1,671,990	(420,489)
Lease liabilities	–	144,491	144,491
Other financial liabilities	44,305	8,878	(35,427)
Accrued payroll	468,216	422,499	(45,717)
Accrued taxes on income	237,282	254,824	17,542
Other current liabilities	988,244	894,932	(93,312)
Total current liabilities	5,228,071	5,068,292	(159,779)
<b>Non-current liabilities</b>			
Long-term debt	2,865,181	2,792,542	(72,639)
Lease liabilities	–	403,594	403,594
Other financial liabilities	175,087	145,647	(29,440)
Defined benefit liabilities	1,878,013	1,896,656	18,643
Deferred tax liabilities	61,189	64,568	3,379
Other non-current liabilities	282,815	306,313	23,498
Total non-current liabilities	5,262,285	5,609,320	347,035
Total liabilities	10,490,356	10,677,612	187,256
<b>Equity</b>			
Nippon Telegraph and Telephone Corporation (“NTT”) shareholders’ equity			
Common stock	937,950	937,950	–
Additional paid-in capital	2,341,206	2,313,024	(28,182)
Retained earnings	5,954,305	6,351,207	396,902
Treasury stock	(150,635)	(653,268)	(502,633)
Other components of equity	182,087	87,637	(94,450)
Total NTT shareholders’ equity	9,264,913	9,036,550	(228,363)
Non-controlling interests	2,539,877	2,519,399	(20,478)
Total equity	11,804,790	11,555,949	(248,841)
Total liabilities and equity	22,295,146	22,233,561	(61,585)

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

**Condensed Consolidated Statements of Profit or Loss**

	Millions of yen except per share data		
	Six-month ended September 30, 2018	Six-month ended September 30, 2019	Increase (Decrease)
<b>Operating revenues</b>	5,793,199	5,889,551	96,352
<b>Operating expenses</b>			
Personnel expenses	1,182,822	1,201,738	18,916
Expenses for purchase of goods and services and other expenses	2,768,090	2,870,992	102,902
Depreciation and amortization	656,479	722,115	65,636
Loss on disposal of property, plant and equipment and intangible assets	59,136	48,731	(10,405)
Impairment losses	28	4,157	4,129
Taxes and dues	55,892	59,013	3,121
Total operating expenses	4,722,447	4,906,746	184,299
<b>Operating profit</b>	1,070,752	982,805	(87,947)
Finance income	12,988	35,814	22,826
Finance costs	15,476	22,554	7,078
Share of profit (loss) of entities accounted for using equity method	10,054	5,794	(4,260)
<b>Profit before taxes</b>	1,078,318	1,001,859	(76,459)
Income taxes	357,124	295,302	(61,822)
<b>Profit</b>	721,194	706,557	(14,637)
<b>Profit attributable to NTT</b>	559,726	547,670	(12,056)
Profit attributable to Non-controlling interests	161,468	158,887	(2,581)
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Earnings per share attributable to NTT			
Basic earnings per share (yen)	286.50	291.05	

## Consolidated Statements of Comprehensive Income

	Millions of yen		
	Six-month ended September 30, 2018	Six-month ended September 30, 2019	Increase (Decrease)
<b>Profit</b>	721,194	706,557	(14,637)
<b>Other comprehensive income (net of tax)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Change in the fair value of financial assets measured at fair value through other comprehensive income	38,898	(202)	(39,100)
Share of other comprehensive income of entities accounted for using the equity method	(2,646)	(664)	1,982
Remeasurements of defined benefit plans	47	(1,382)	(1,429)
<b>Total of items that will not be reclassified to profit or loss</b>	<b>36,299</b>	<b>(2,248)</b>	<b>(38,547)</b>
<b>Items that may be reclassified to profit or loss</b>			
Cash flow hedges	(893)	(233)	660
Foreign currency translation adjustments	55,035	(74,551)	(129,586)
Share of other comprehensive income of entities accounted for using the equity method	(11,184)	(1,418)	9,766
<b>Total of items that may be reclassified to profit or loss</b>	<b>42,958</b>	<b>(76,202)</b>	<b>(119,160)</b>
<b>Total other comprehensive income (net of tax)</b>	<b>79,257</b>	<b>(78,450)</b>	<b>(157,707)</b>
<b>Total comprehensive income</b>	<b>800,451</b>	<b>628,107</b>	<b>(172,344)</b>
<b>Comprehensive income attributable to NTT</b>	<b>611,248</b>	<b>485,368</b>	<b>(125,880)</b>
Comprehensive income attributable to Non-controlling interests	189,203	142,739	(46,464)



### **(3) Condensed Consolidated Statement of Changes in Equity**

Six Months Ended September 30, 2018

	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, 2018	937,950	2,396,555	6,125,957	(610,742)	200,638	9,050,358	2,515,296	11,565,654
Cumulative effect of adoption of IFRS 9 "Financial Instruments"	—	—	14,033	—	(2,432)	11,601	7,565	19,166
April 1, 2018	937,950	2,396,555	6,139,990	(610,742)	198,206	9,061,959	2,522,861	11,584,820
Comprehensive income								
Profit	—	—	559,726	—	—	559,726	161,468	721,194
Other comprehensive income	—	—	—	—	51,522	51,522	27,735	79,257
Total comprehensive income	—	—	559,726	—	51,522	611,248	189,203	800,451
Value of transactions with shareholders etc.								
Dividends of surplus	—	—	(147,831)	—	—	(147,831)	(68,056)	(215,887)
Transfer to retained earnings	—	—	5,374	—	(5,374)	—	—	—
Transfer to non-financial assets	—	—	—	—	3,905	3,905	—	3,905
Purchase and disposal of treasury stock	—	1	—	(108,075)	—	(108,074)	—	(108,074)
Cancellation of treasury stock	—	(2)	(718,258)	718,260	—	—	—	—
Changes in ownership interest in subsidiaries	—	(1,430)	—	—	—	(1,430)	1,781	351
Share-based compensation transactions	—	2,008	—	—	—	2,008	—	2,008
Put options granted to non-controlling interests	—	(3,515)	—	—	—	(3,515)	—	(3,515)
Total value of transactions with shareholders etc.	—	(2,938)	(860,715)	610,185	(1,469)	(254,937)	(66,275)	(321,212)
September 30, 2018	937,950	2,393,617	5,839,001	(557)	248,259	9,418,270	2,645,789	12,064,059

Six Months Ended September 30, 2019

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, 2019	937,950	2,341,206	5,954,305	(150,635)	182,087	9,264,913	2,539,877	11,804,790
Comprehensive income								
Profit	—	—	547,670	—	—	547,670	158,887	706,557
Other comprehensive income	—	—	—	—	(62,302)	(62,302)	(16,148)	(78,450)
Total comprehensive income	—	—	547,670	—	(62,302)	485,368	142,739	628,107
Value of transactions with shareholders etc.								
Dividends of surplus	—	—	(182,153)	—	—	(182,153)	(74,760)	(256,913)
Transfer to retained earnings	—	—	32,148	—	(32,148)	—	—	—
Purchase and disposal of treasury stock	—	0	—	(502,633)	—	(502,633)	—	(502,633)
Changes in ownership interest in subsidiaries	—	(53,650)	—	—	—	(53,650)	(88,329)	(141,979)
Share-based compensation transactions	—	4,512	—	—	—	4,512	—	4,512
Put options granted to non-controlling interests	—	20,956	—	—	—	20,956	(128)	20,828
Other	—	—	(763)	—	—	(763)	—	(763)
Total value of transactions with shareholders etc.	—	(28,182)	(150,768)	(502,633)	(32,148)	(713,731)	(163,217)	(876,948)
September 30, 2019	937,950	2,313,024	6,351,207	(653,268)	87,637	9,036,550	2,519,399	11,555,949

#### **(4) Going Concern Assumption**

None

#### **(5) Subsequent Events**

##### Stock Split

As further described below, NTT authorized a stock split of its common stock at a meeting of its board of directors held on November 5, 2019.

##### 1. Purpose of the Stock Split

The objective of the stock split is to lower the minimum investment price per unit of NTT, thereby facilitating an environment where it is easier to invest in NTT's shares and expanding NTT's investor base.

##### 2. Outline of the Stock Split

###### (1) Stock Split Method

The record date of the stock split will be December 31, 2019. Each share of NTT common stock held by shareholders as of the record date will be split into two shares.

###### (2) Increase in Number of Shares as a Result of the Stock Split

Number of shares outstanding prior to the stock split: 1,950,394,470 shares

Increase in total number of outstanding shares as a result of this stock split: 1,950,394,470 shares

Number of shares outstanding after the stock split: 3,900,788,940 shares

Number of shares authorized to be issued after the stock split: 6,192,920,900 shares

###### (3) Stock Split Schedule

Date of public notice of the record date: December 16, 2019

Record date: December 31, 2019 (effectively, December 30)

Effective date: January 1, 2020

##### 3. Effect per Share of Common Stock

There will be no substantive changes to dividend amounts as a result of the stock split. Assuming the stock split had been conducted at the beginning of the fiscal year ended March 31, 2019, basic earnings per share attributable to NTT would have been as follows.

	Six Months Ended September 30 2018	Six Months Ended September 30 2019
Basic earnings per share attributable to NTT	¥143.25	¥145.53

##### NTT DOCOMO's repurchase of its common stock

On April 26, 2019, the Board of Directors of NTT DOCOMO resolved that NTT DOCOMO may repurchase up to 128.3 million shares of its outstanding common stock for an amount in total not exceeding ¥300,000 million from May 7, 2019 through April 30, 2020. NTT DOCOMO repurchased 47,711,900 shares of its common stock for ¥122,762 million from May to September 2019. As a result, NTT's ownership interest in NTT DOCOMO increased from 64.1% to 65.0% and "Additional paid-in capital" decreased by ¥29,097 million in the Condensed Consolidated Statement of Financial Position as of September 30, 2019.

And NTT DOCOMO repurchased 9,166,900 shares of its common stock for ¥26,058 million during October 2019.

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## Supplementary Data for the Six Months Ended September 30, 2019

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### Disclaimers

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.

1. Financial Results Summary (NTT Consolidated)

NTT Consolidated Financial Results (IFRS)

	FY 2018						FY 2019						FY 2019 (E)	[Ref.] FY 2019 (E)
	Three Months Ended June 30	Three Months Ended September 30	Six Months Ended September 30	Three Months Ended December 31	Three Months Ended March 31	Year Ended March 31	Three Months Ended June 30	Three Months Ended September 30	Six Months Ended September 30	Three Months Ended December 31	Three Months Ended March 31	Year Ended March 31	Year Ending March 31 (Announced as of November 2019)	Year Ending March 31 (Announced as of May 2019)
<b>Consolidated</b>														
Operating revenues	2,852.7	2,940.5	5,793.2	3,002.0	3,084.6	11,879.8	2,915.4	2,974.1	5,889.6	-	-	-	11,890.0	11,830.0
Fixed voice related services	272.2	266.1	538.3	271.0	268.4	1,077.7	252.3	245.5	497.9	-	-	-	-	-
Mobile voice related services	234.5	238.5	473.1	237.2	236.5	946.7	231.3	235.2	466.5	-	-	-	-	-
IP/packet communications services	938.0	930.5	1,868.4	934.1	918.7	3,721.2	923.3	918.2	1,841.5	-	-	-	-	-
Sales of telecommunications equipment	198.0	234.5	432.5	280.1	216.6	929.2	187.6	173.0	360.6	-	-	-	-	-
System integration services	837.7	877.2	1,714.9	884.9	994.3	3,594.1	876.6	930.8	1,807.4	-	-	-	-	-
Other	372.3	393.7	766.0	394.9	450.1	1,611.0	444.3	471.3	915.7	-	-	-	-	-
Operating expenses	2,315.5	2,406.9	4,722.4	2,545.6	2,917.9	10,186.0	2,410.2	2,496.5	4,906.7	-	-	-	10,340.0	10,280.0
Personnel expenses	592.1	590.7	1,182.8	603.0	605.8	2,391.6	606.0	595.8	1,201.7	-	-	-	-	-
Expenses for purchase of goods and services and other expenses	1,341.8	1,426.3	2,768.1	1,475.5	1,674.1	5,917.7	1,390.3	1,480.7	2,871.0	-	-	-	-	-
Depreciation and amortization	325.5	331.0	656.5	334.2	343.0	1,333.6	360.5	361.6	722.1	-	-	-	1,456.0	1,456.0
Impairment losses	-	0.0	0.0	67.3	59.0	126.4	1.5	2.6	4.2	-	-	-	-	-
Goodwill	-	-	-	-	39.4	39.4	-	0.3	0.3	-	-	-	-	-
Metal cable-related	-	-	-	66.0	-	66.0	-	-	-	-	-	-	-	-
Other	-	0.0	0.0	1.3	19.6	21.0	1.5	2.3	3.9	-	-	-	-	-
Expenses on disposal of fixed assets	26.8	32.4	59.1	34.1	78.9	172.2	21.1	27.6	48.7	-	-	-	-	-
Taxes and dues	29.3	26.6	55.9	31.5	157.1	244.5	30.7	28.3	59.0	-	-	-	-	-
Operating profit	537.2	533.5	1,070.8	456.4	166.7	1,693.8	505.2	477.6	982.8	-	-	-	1,550.0	1,550.0
Profit before taxes	542.7	535.7	1,078.3	452.1	141.4	1,671.9	526.8	475.1	1,001.9	-	-	-	1,569.0	1,569.0
Profit attributable to NTT	289.7	270.0	559.7	232.4	62.4	854.6	280.5	267.1	547.7	-	-	-	855.0	855.0
<b>EBITDA and EBITDA margin with reconciliation</b>														
EBITDA [a+b+c+d]	874.4	877.4	1,751.9	874.9	614.6	3,241.4	840.0	816.4	1,656.4	-	-	-	2,914.0	2,914.0
a Operating profit	537.2	533.5	1,070.8	456.4	166.7	1,693.8	505.2	477.6	982.8	-	-	-	1,550.0	1,550.0
b Depreciation and amortization <sup>(1)</sup>	325.5	331.0	656.5	334.2	343.0	1,333.6	324.4	325.2	649.5	-	-	-	1,312.0	1,312.0
c Loss on sales and disposal of property, plant and equipment	11.7	12.9	24.6	17.0	45.9	87.5	8.9	11.0	19.9	-	-	-	52.0	52.0
d Impairment losses	-	0.0	0.0	67.3	59.0	126.4	1.5	2.6	4.2	-	-	-	-	-
EBITDA margin [(e/f)*100]	30.7%	29.8%	30.2%	29.1%	19.9%	27.3%	28.8%	27.5%	28.1%	-	-	-	24.5%	24.6%
e EBITDA [a+b+c+d]	874.4	877.4	1,751.9	874.9	614.6	3,241.4	840.0	816.4	1,656.4	-	-	-	2,914.0	2,914.0
f Operating revenues	2,852.7	2,940.5	5,793.2	3,002.0	3,084.6	11,879.8	2,915.4	2,974.1	5,889.6	-	-	-	11,890.0	11,830.0

NTT Consolidated Financial Position (IFRS)

	FY 2018				FY 2019				FY 2019 (E)	[Ref.] FY 2019 (E)
	As of June 30	As of September 30	As of December 31	As of March 31	As of June 30	As of September 30	As of December 31	As of March 31	As of March 31 (Announced as of November 2019)	As of March 31 (Announced as of May 2019)
<b>Assets</b>	21,467.0	21,719.8	21,899.8	22,295.1	22,568.6	22,233.6	-	-	-	-
Current assets	5,702.3	6,082.5	6,385.2	6,580.0	6,355.9	5,957.8	-	-	-	-
(incl.) Cash and cash equivalents	797.1	889.6	908.4	946.1	1,021.5	928.0	-	-	-	-
(incl.) Trade and other receivables	3,823.7	3,965.9	4,149.0	4,391.4	4,219.0	4,070.8	-	-	-	-
Non-current assets	15,764.6	15,637.3	15,514.7	15,715.2	16,212.7	16,275.8	-	-	-	-
(incl.) Property, plant and equipment	8,820.7	8,941.8	8,858.6	9,012.9	8,923.9	8,939.7	-	-	-	-
<b>Liabilities and Equity</b>	21,467.0	21,719.8	21,899.8	22,295.1	22,568.6	22,233.6	-	-	-	-
Liabilities	9,802.9	9,655.7	10,169.4	10,490.4	10,926.2	10,677.6	-	-	-	-
Current liabilities	4,618.2	4,329.1	4,843.8	5,228.1	5,308.5	5,068.3	-	-	-	-
(incl.) Trade and other payables	1,510.6	1,484.8	1,615.5	2,092.5	1,685.9	1,672.0	-	-	-	-
Non-current liabilities	5,184.7	5,326.6	5,325.6	5,262.3	5,617.7	5,609.3	-	-	-	-
(incl.) Long-term debt	2,793.1	2,936.3	2,907.7	2,865.2	2,834.9	2,792.5	-	-	-	-
(incl.) Defined benefit liabilities	1,864.4	1,879.1	1,891.9	1,878.0	1,883.2	1,896.7	-	-	-	-
Equity	11,664.0	12,064.1	11,730.4	11,804.8	11,642.4	11,555.9	-	-	-	-
<b>Interest-bearing liabilities (consolidated)</b>	4,359.5	4,064.1	4,560.1	4,262.7	4,757.2	4,463.2	-	-	4,300.0	4,300.0

(1) As IFRS 16 (Leases) became effective on April 1, 2019, NTT Group has changed the method of accounting for lease payments under operating leases from expenses to depreciation. In consideration of the comparability of EBITDA with actual results in FY 2018, EBITDA and depreciation of its components in actual results in FY 2019 and the full-year forecast for FY 2019 have not been adjusted to reflect this change.

1. Financial Results Summary (Medium-Term Financial Targets)

Medium-Term Financial Targets (IFRS)

	FY 2018						FY 2019						FY 2019 (E)	[Ref.] FY 2019 (E)
	Three Months Ended June 30	Three Months Ended September 30	Six Months Ended September 30	Three Months Ended December 31	Three Months Ended March 31	Year Ended March 31	Three Months Ended June 30	Three Months Ended September 30	Six Months Ended September 30	Three Months Ended December 31	Three Months Ended March 31	Year Ended March 31	Year Ending March 31 (Announced as of November 2019)	Year Ending March 31 (Announced as of May 2019) <sup>(2)</sup>
EPS (Yen) <sup>(1)</sup>	-	-	-	-	-	220	-	-	-	-	-	-	231	231
Overseas Sales (Millions of Dollars) <sup>(3)</sup>	4,634	4,681	9,315	4,701	4,895	18,911	4,766	5,009	9,775	-	-	-	20,000	20,000
Overseas Operating Income Margin (%) <sup>(3)</sup>	2.6%	3.6%	3.1%	3.1%	3.5%	3.2%	1.6%	2.7%	2.1%	-	-	-	3.5%	3.5%
Cost Reductions (Billions of yen) <sup>(4)</sup>	-	-	-	-	-	(220.0)	(280.0)	-	(320.0)	-	-	-	(470.0)	(470.0)
ROIC (%)	-	-	-	-	-	7.4%	-	-	-	-	-	-	6.7%	6.7%
Capex to Sales (%) (Domestic Network Business) <sup>(5)</sup>	-	-	-	-	-	13.9%	-	-	-	-	-	-	14.0%	14.1%

(1) EPS amounts reflect the two-for-one stock split with an effective date of January 1, 2020 as approved by the Board of Directors on November 5, 2019. There are no substantive differences between the total annual forecast amount of ¥231 and the pre-stock split amount of ¥462.

(2) NTT revised the EPS forecast for FY 2019 from 456 yen to 462 yen, due to authorized repurchases of shares of its common stock at a meeting of its Board of Directors held on August 6, 2019. As described in Note 1, EPS amount reflects the stock split.

(3) Includes results from NTT, Inc. (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 asset. The USD/JPY conversion rate used figures for the six months ended September 30, 2019 is USD1.00 = JPY108.60.

(4) Cumulative reductions from FY 2017.

(5) Excludes NTT communications' data centers and certain other assets.

1. Financial Results Summary (Capital Investment)

Capital Investment (IFRS)

	FY 2018						FY 2019						FY 2019 (E)	(Billions of yen)
	Three Months Ended	Three Months Ended	Six Months Ended	Three Months Ended	Three Months Ended	Year Ended	Three Months Ended	Three Months Ended	Six Months Ended	Three Months Ended	Three Months Ended	Year Ended	Year Ending	(Ref.) FY 2019 (E)
	June 30	September 30	September 30	December 31	March 31	March 31	June 30	September 30	September 30	December 31	March 31	March 31	March 31	March 31
Capital investment	321.4	361.7	682.5	367.6	646.8	1,697.0	330.7	368.0	698.6	-	-	-	1,750.0	1,750.0
Mobile communications business	124.9	130.5	255.4	134.0	204.3	593.7	97.9	120.6	218.4	-	-	-	570.0	570.0
Regional communications business	102.1	108.0	210.0	114.0	217.0	541.0	88.6	110.5	199.1	-	-	-	520.0	520.0
Long distance and international communications business	38.4	50.3	88.7	45.4	110.2	244.3	48.5	58.7	107.2	-	-	-	267.0	267.0
Data communications business	38.2	40.2	78.4	45.4	55.4	179.2	42.1	41.9	84.0	-	-	-	202.0	202.0
Other business	17.8	32.1	49.9	28.8	60.0	138.7	53.6	36.2	89.9	-	-	-	191.0	191.0
(Ref.) Capital investment by group														
NTT East Group	60.6	57.7	118.3	54.6	101.2	274.1	52.0	63.9	115.9	-	-	-	265.0	265.0
NTT West Group	41.5	50.3	91.8	59.4	115.8	266.9	36.6	46.6	83.2	-	-	-	255.0	255.0
NTT Ltd. Group	-	-	-	-	-	-	-	36.7	36.7	-	-	-	95.0	-
NTT Communications Group (from July 2019) <sup>(1)</sup>	-	-	-	-	-	-	-	21.5	21.5	-	-	-	123.0	-
NTT Communications Group	32.3	44.6	76.9	39.7	102.6	219.3	42.8	-	-	-	-	-	-	-
Dimension Data Consolidated	5.5	5.1	10.5	4.7	5.7	20.9	4.8	-	-	-	-	-	-	-
NTT Urban Solutions Group	-	-	-	-	-	-	35.5	13.3	48.8	-	-	-	110.0	110.0

(1) Overseas subsidiaries of NTT Communications group were transferred to the NTT Ltd. group with as part of the global reorganization of NTT group in July 2019.

1. Financial Results Summary (Business Segments)

Business Segments (IFRS)	FY 2018						FY 2019						(Billions of yen)	
	Three Months Ended	Three Months Ended	Six Months Ended	Three Months Ended	Three Months Ended	Year Ended	Three Months Ended	Three Months Ended	Six Months Ended	Three Months Ended	Three Months Ended	Year Ended	FY 2019 (E)	[Ref.] FY 2019 (E)
	June 30	September 30	September 30	December 31	March 31	March 31	June 30	September 30	September 30	December 31	March 31	March 31	Year Ending March 31 (Announced as of November 2019)	Year Ending March 31 (Announced as of May 2019)
<b>Business segments (1)</b>														
<b>Mobile communications business</b>														
Operating revenues	1,176.7	1,212.9	2,389.5	1,264.6	1,186.7	4,840.8	1,159.3	1,170.7	2,330.0	-	-	-	4,640.0	4,580.0
Mobile voice related service	236.9	241.0	477.9	239.7	238.7	956.2	233.6	237.6	471.2	-	-	-	-	-
IP/packet communications service	544.6	541.7	1,086.4	542.5	530.4	2,159.3	541.2	538.7	1,079.9	-	-	-	-	-
Sales of telecommunications equipment	178.6	211.8	390.4	259.7	194.3	844.4	167.7	150.1	317.8	-	-	-	-	-
Other	216.5	218.4	434.9	222.7	223.4	880.9	216.8	244.3	461.1	-	-	-	-	-
Operating expenses	866.7	912.3	1,779.0	973.1	1,075.1	3,827.2	880.6	909.2	1,789.7	-	-	-	3,810.0	3,750.0
Personnel expenses	73.0	72.3	145.3	72.6	71.1	288.9	72.3	72.7	145.0	-	-	-	-	-
Expenses for purchase of goods and services and other expenses	666.6	706.1	1,372.6	766.1	785.1	2,923.8	655.0	678.6	1,333.6	-	-	-	-	-
Depreciation and amortization	113.8	117.7	231.5	117.1	122.3	470.9	141.5	143.5	285.0	-	-	-	-	-
Impairment losses	-	-	-	-	32.8	32.8	-	-	-	-	-	-	-	-
Expenses on disposal of fixed assets	10.4	13.3	23.6	14.3	30.8	68.8	8.7	11.2	19.9	-	-	-	-	-
Taxes and dues	3.0	3.0	5.9	3.1	33.0	42.0	3.1	3.2	6.3	-	-	-	-	-
Operating profit	309.9	300.6	610.5	291.5	111.6	1,013.6	278.7	261.5	540.3	-	-	-	830.0	830.0
<b>Regional communications business</b>														
Operating revenues	768.9	775.5	1,544.4	781.1	826.8	3,152.3	746.5	763.3	1,509.8	-	-	-	3,060.0	3,060.0
Fixed voice related service	274.0	267.9	541.9	271.7	271.6	1,085.2	255.3	245.8	501.1	-	-	-	-	-
IP/packet communications service	374.4	374.1	748.5	377.3	374.9	1,500.7	372.5	370.6	743.1	-	-	-	-	-
Sales of telecommunications equipment	18.3	18.7	37.0	18.9	20.7	78.6	17.8	17.9	35.7	-	-	-	-	-
System integration services	27.6	41.1	68.7	37.7	62.5	168.9	29.7	52.9	82.6	-	-	-	-	-
Other	74.6	73.7	148.4	75.5	97.0	320.9	71.2	72.1	143.3	-	-	-	-	-
Operating expenses	626.9	641.2	1,268.1	706.0	817.5	2,791.6	601.9	637.1	1,239.0	-	-	-	2,679.0	2,679.0
Personnel expenses	178.4	178.4	356.8	177.9	172.9	707.6	175.0	169.8	344.8	-	-	-	-	-
Expenses for purchase of goods and services and other expenses	305.1	318.7	623.8	317.0	398.2	1,338.9	293.4	331.2	624.5	-	-	-	-	-
Depreciation and amortization	110.7	110.8	221.5	111.9	114.5	448.0	102.8	103.7	206.5	-	-	-	-	-
Impairment losses	-	-	-	66.0	3.7	69.7	-	-	-	-	-	-	-	-
Expenses on disposal of fixed assets	14.4	17.6	32.0	17.4	40.9	90.3	11.6	16.0	27.7	-	-	-	-	-
Taxes and dues	18.3	15.8	34.1	15.8	87.2	137.1	19.1	16.4	35.5	-	-	-	-	-
Operating profit	142.0	134.3	276.3	75.0	9.4	360.7	144.6	126.1	270.7	-	-	-	381.0	381.0
<b>Long distance and international communications business</b>														
Operating revenues	541.2	572.0	1,113.1	571.3	594.3	2,278.7	555.9	562.0	1,117.9	-	-	-	2,264.0	2,264.0
Fixed voice related service	55.7	56.8	112.5	56.0	51.8	220.3	50.4	53.7	104.1	-	-	-	-	-
IP/packet communications service	106.0	105.8	211.8	107.9	107.8	427.5	106.4	105.8	212.1	-	-	-	-	-
Sales of telecommunications equipment	1.6	4.4	6.0	1.9	3.6	11.5	1.8	2.6	4.4	-	-	-	-	-
System integration services	338.6	363.3	702.0	357.4	379.7	1,439.1	352.2	375.9	728.0	-	-	-	-	-
Other	39.3	41.6	80.9	48.1	51.4	180.3	44.3	24.9	69.2	-	-	-	-	-
Operating expenses	509.1	532.6	1,041.7	537.6	599.2	2,178.5	526.8	531.7	1,058.6	-	-	-	2,151.0	2,151.0
Personnel expenses	102.5	102.7	205.2	103.7	102.4	411.4	107.7	102.2	209.9	-	-	-	-	-
Expenses for purchase of goods and services and other expenses	361.3	384.2	745.5	381.8	414.2	1,541.6	362.1	371.2	733.2	-	-	-	-	-
Depreciation and amortization	42.8	43.3	86.1	43.8	48.6	178.4	52.7	51.5	104.2	-	-	-	-	-
Impairment losses	-	-	-	0.2	19.4	19.7	1.5	2.3	3.9	-	-	-	-	-
Expenses on disposal of fixed assets	0.7	0.7	1.4	2.4	4.1	7.9	0.6	1.3	1.9	-	-	-	-	-
Taxes and dues	1.8	1.6	3.5	5.7	10.5	19.6	2.1	3.3	5.4	-	-	-	-	-
Operating profit	32.0	39.4	71.5	33.6	(4.9)	100.1	29.1	30.2	59.3	-	-	-	113.0	113.0
<b>Data communications business</b>														
Operating revenues	505.2	517.5	1,022.7	528.0	612.9	2,163.6	527.3	550.5	1,077.8	-	-	-	2,240.0	2,240.0
System integration services	505.2	517.5	1,022.7	528.0	612.9	2,163.6	527.3	550.5	1,077.8	-	-	-	-	-
Operating expenses	476.0	486.4	962.4	493.5	560.0	2,015.9	497.4	516.6	1,014.1	-	-	-	2,092.0	2,092.0
Personnel expenses	193.3	193.5	386.8	202.5	214.9	804.2	203.3	201.6	404.9	-	-	-	-	-
Expenses for purchase of goods and services and other expenses	242.6	251.9	494.5	247.6	300.9	1,043.0	243.5	263.5	507.1	-	-	-	-	-
Depreciation and amortization	37.2	38.3	75.5	39.9	38.2	153.6	48.1	48.4	96.4	-	-	-	-	-
Impairment losses	-	-	-	-	0.7	0.7	-	0.3	0.3	-	-	-	-	-
Expenses on disposal of fixed assets	0.2	0.2	0.4	0.6	1.3	2.2	0.1	0.3	0.4	-	-	-	-	-
Taxes and dues	2.7	2.5	5.2	2.9	4.1	12.2	2.5	2.6	5.0	-	-	-	-	-
Operating profit	29.3	31.1	60.3	34.5	52.9	147.7	29.8	33.9	63.8	-	-	-	148.0	148.0
<b>Other business</b>														
Operating revenues	267.2	297.8	565.0	290.3	385.0	1,240.3	338.5	382.3	720.9	-	-	-	1,567.0	1,567.0
IP/packet communications service	5.7	5.9	11.6	6.1	6.9	24.6	6.0	6.7	12.6	-	-	-	-	-
System integration services	35.5	37.1	72.6	34.7	44.8	152.1	35.6	34.3	70.0	-	-	-	-	-
Other	226.0	254.7	480.7	249.5	333.3	1,063.5	296.9	341.3	638.3	-	-	-	-	-
Operating expenses	241.2	266.4	507.6	264.5	382.5	1,154.6	309.7	355.2	664.9	-	-	-	1,474.0	1,474.0
Personnel expenses	61.6	61.3	122.9	61.4	69.6	253.9	60.8	67.7	128.5	-	-	-	-	-
Expenses for purchase of goods and services and other expenses	152.8	178.9	331.8	176.3	255.6	763.7	212.3	252.3	464.5	-	-	-	-	-
Depreciation and amortization	22.3	21.7	44.0	21.4	25.5	90.9	32.3	32.0	64.3	-	-	-	-	-
Impairment losses	-	-	-	-	1.1	3.6	-	-	-	-	-	-	-	-
Expenses on disposal of fixed assets	1.6	1.5	3.0	0.9	5.1	9.0	0.4	0.5	0.9	-	-	-	-	-
Taxes and dues	2.9	3.0	6.0	3.4	24.2	33.6	4.0	2.8	6.8	-	-	-	-	-
Operating profit	26.0	31.4	57.3	25.8	2.5	85.6	28.9	27.1	56.0	-	-	-	93.0	93.0

(1) Figures for each segment include inter-segment transactions.



2. Financial Results Summary (NTT DOCOMO Consolidated, NTT East Group, NTT West Group)

Overview of Financial Results (IFRS)

	FY 2018						FY 2019						(Billions of yen)	
	Three Months Ended June 30	Three Months Ended September 30	Six Months Ended September 30	Three Months Ended December 31	Three Months Ended March 31	Year Ended March 31	Three Months Ended June 30	Three Months Ended September 30	Six Months Ended September 30	Three Months Ended December 31	Three Months Ended March 31	Year Ended March 31	FY 2019 (E) Year Ending March 31 (Announced as of November 2019)	[Ref.] FY 2019 (E) Year Ending March 31 (Announced as of May 2019)
<b>NTT DOCOMO Consolidated</b>														
Operating revenues	1,176.7	1,212.9	2,389.5	1,264.6	1,186.7	4,840.8	1,159.3	1,170.7	2,330.0	-	-	-	4,640.0	4,580.0
Telecommunications services	785.4	786.5	1,571.9	785.9	772.9	3,130.7	778.6	780.0	1,558.7	-	-	-	3,054.0	3,007.0
Mobile communications services	718.3	716.8	1,435.1	712.6	696.6	2,844.4	699.7	697.6	1,397.3	-	-	-	2,723.0	2,684.0
Optical-fiber broadband service and other telecommunications services	67.1	69.7	136.8	73.2	76.3	286.3	78.9	82.5	161.4	-	-	-	331.0	323.0
Equipment sales	178.6	211.8	390.4	259.7	194.3	844.4	167.7	150.1	317.8	-	-	-	652.0	627.0
Other	212.6	214.6	427.2	219.0	219.5	865.8	213.0	240.6	453.6	-	-	-	934.0	946.0
Operating expenses	866.7	912.3	1,779.0	973.1	1,075.1	3,827.2	880.6	909.2	1,789.7	-	-	-	3,810.0	3,750.0
Personnel expenses	73.0	72.3	145.3	72.6	71.1	288.9	72.3	72.7	145.0	-	-	-	291.0	292.0
Expenses for purchase of goods and services and other expenses	566.4	602.1	1,168.5	658.2	707.0	2,533.7	554.1	573.3	1,127.3	-	-	-	2,442.0	2,394.0
Depreciation and amortization	113.8	117.7	231.5	117.1	122.3	470.9	141.5	143.5	285.0	-	-	-	580.0	587.0
Impairment losses	-	-	-	-	32.8	32.8	-	-	-	-	-	-	-	-
Communication network charges	103.2	106.9	210.1	110.9	111.0	432.0	104.0	108.5	212.6	-	-	-	436.0	435.0
Expenses on disposal of fixed assets	10.4	13.3	23.6	14.3	30.8	68.8	8.7	11.2	19.9	-	-	-	61.0	42.0
Operating profit	309.9	300.6	610.5	291.5	111.6	1,013.6	278.7	261.5	540.3	-	-	-	830.0	830.0
Profit before taxes	317.1	304.1	621.1	290.5	91.0	1,002.6	285.4	263.2	548.6	-	-	-	838.0	838.0
Profit attributable to NTT DOCOMO, INC.	218.3	188.7	407.1	200.5	56.1	663.6	192.3	180.0	372.4	-	-	-	575.0	575.0
<b>NTT East Group <sup>(1)</sup></b>														
Operating revenues	424.2	425.6	849.8	431.7	459.1	1,740.6	409.3	414.0	823.4	-	-	-	1,671.0	1,671.0
Fixed voice related service	144.5	142.3	286.8	145.4	141.3	573.6	135.7	131.5	267.2	-	-	-	535.0	535.0
IP/packet communications service	209.7	210.6	420.3	211.5	210.7	842.5	210.5	209.6	420.1	-	-	-	846.0	846.0
Sales of telecommunications equipment	7.2	7.4	14.6	7.4	8.3	30.3	7.3	8.6	15.9	-	-	-	30.0	30.0
System integration services	13.0	18.5	31.5	17.7	26.2	75.4	14.2	24.2	38.3	-	-	-	89.0	89.0
Other	49.8	46.8	96.6	49.7	72.5	218.8	41.7	40.1	81.8	-	-	-	171.0	171.0
Operating expenses	336.6	340.4	677.0	378.2	442.7	1,498.0	321.2	334.6	655.8	-	-	-	1,418.0	1,418.0
Personnel expenses	93.6	93.4	187.0	92.7	92.8	372.6	92.8	88.3	181.1	-	-	-	359.0	359.0
Expenses for purchase of goods and services and other expenses	167.3	172.3	339.6	172.1	221.6	733.3	156.7	172.5	329.1	-	-	-	712.0	712.0
Depreciation and amortization	59.1	58.6	117.8	59.2	60.9	237.9	55.3	56.1	111.4	-	-	-	224.0	224.0
Impairment losses	-	-	-	36.1	2.5	38.7	-	-	-	-	-	-	-	-
Expenses on disposal of fixed assets	6.7	7.5	14.1	9.5	19.8	43.5	5.9	8.7	14.5	-	-	-	50.0	50.0
Taxes and dues	9.9	8.6	18.5	8.5	45.0	72.1	10.5	9.1	19.7	-	-	-	73.0	73.0
Operating profit	87.6	85.1	172.8	53.5	16.3	242.7	88.2	79.4	167.6	-	-	-	253.0	253.0
Profit before taxes	87.5	84.5	172.0	53.0	16.0	241.0	88.1	79.2	167.3	-	-	-	252.0	252.0
Profit attributable to NTT East	61.7	59.2	120.9	37.5	7.6	166.0	61.2	55.9	117.2	-	-	-	175.0	175.0
<b>NTT West Group <sup>(2)</sup></b>														
Operating revenues	354.1	359.9	714.0	361.7	386.6	1,462.3	346.0	355.7	701.6	-	-	-	1,420.0	1,420.0
Fixed voice related service	131.2	127.9	259.1	130.2	132.7	522.0	121.4	116.6	238.0	-	-	-	477.0	477.0
IP/packet communications service	164.8	163.7	328.4	165.9	164.2	658.6	162.1	161.1	323.2	-	-	-	650.0	650.0
Sales of telecommunications equipment	11.1	11.4	22.6	11.5	12.6	46.7	10.5	13.4	23.9	-	-	-	43.0	43.0
System integration services	15.0	23.0	38.0	20.5	36.8	95.4	16.0	29.1	45.0	-	-	-	102.0	102.0
Other	31.9	34.0	65.9	33.5	40.2	139.6	35.9	35.5	71.4	-	-	-	148.0	148.0
Operating expenses	299.8	310.8	610.6	339.8	393.6	1,344.0	289.6	308.8	598.4	-	-	-	1,292.0	1,292.0
Personnel expenses	85.1	85.2	170.3	85.5	81.1	336.8	82.4	81.4	163.8	-	-	-	325.0	325.0
Expenses for purchase of goods and services and other expenses	146.8	156.1	302.9	156.4	193.8	653.1	145.2	165.2	310.4	-	-	-	670.0	670.0
Depreciation and amortization	51.6	52.1	103.8	52.7	53.8	210.3	47.6	47.6	95.2	-	-	-	188.0	188.0
Impairment losses	-	-	-	29.9	1.2	31.0	-	-	-	-	-	-	-	-
Expenses on disposal of fixed assets	7.9	10.2	18.1	8.0	21.5	47.7	5.8	7.3	13.1	-	-	-	45.0	45.0
Taxes and dues	8.3	7.2	15.6	7.2	42.2	65.0	8.6	7.3	15.8	-	-	-	64.0	64.0
Operating profit	54.3	49.1	103.4	21.9	(7.0)	118.3	56.4	46.8	103.2	-	-	-	128.0	128.0
Profit before taxes	53.3	47.9	101.2	20.7	(8.2)	113.7	55.6	46.3	101.8	-	-	-	123.0	123.0
Profit attributable to NTT West	37.7	33.9	71.6	15.5	(6.4)	80.7	39.1	32.7	71.9	-	-	-	87.0	87.0

(1) The scope of aggregation for each of the figures presented for NTT East group is internal management figures after eliminating internal transactions between NTT East and its subsidiaries. Such figures are not audited and are provided for reference only.

(2) The scope of aggregation for each of the figures presented for NTT West group is internal management figures after eliminating internal transactions between NTT West and its subsidiaries. Such figures are not audited and are provided for reference only.

2. Financial Results Summary (NTT, Inc. Group, NTT Ltd. Group, NTT Communications Group, NTT Data Consolidated)

Overview of Financial Results (IFRS)

	FY 2018						FY 2019						FY 2019 (E)	(Billions of yen)
	Three Months Ended June 30	Three Months Ended September 30	Six Months Ended September 30	Three Months Ended December 31	Three Months Ended March 31	Year Ended March 31	Three Months Ended June 30	Three Months Ended September 30	Six Months Ended September 30	Three Months Ended December 31	Three Months Ended March 31	Year Ended March 31	Year Ending March 31 (Announced as of November 2019)	Year Ending March 31 (Announced as of May 2019)
<b>NTT, Inc. (Global Holding Company) Group <sup>(1)</sup></b>														
Operating revenues	-	-	-	-	-	-	1073.1	1102.3	2175.4	-	-	-	4,460.0	-
Operating expenses	-	-	-	-	-	-	1013.8	1037.8	2051.6	-	-	-	4,199.0	-
Operating profit	-	-	-	-	-	-	59.3	64.5	123.8	-	-	-	261.0	-
<b>(incl.) NTT Ltd. Group <sup>(2)</sup></b>														
Operating revenues	-	-	-	-	-	-	-	316.4	316.4	-	-	-	1,010.0	-
Operating expenses	-	-	-	-	-	-	-	320.9	320.9	-	-	-	1,003.0	-
Personnel expenses	-	-	-	-	-	-	-	71.5	71.5	-	-	-	-	-
Expenses for purchase of goods and services and other expenses	-	-	-	-	-	-	-	224.7	224.7	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	21.8	21.8	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	2.3	2.3	-	-	-	-	-
Expenses on disposal of fixed assets	-	-	-	-	-	-	-	0.0	0.0	-	-	-	-	-
Taxes and dues	-	-	-	-	-	-	-	0.7	0.7	-	-	-	-	-
Operating profit	-	-	-	-	-	-	-	(4.6)	(4.6)	-	-	-	7.0	-
Profit before taxes	-	-	-	-	-	-	-	(7.8)	(7.8)	-	-	-	4.0	-
Profit attributable to NTT Ltd.	-	-	-	-	-	-	-	(12.2)	(12.2)	-	-	-	3.0	-
<b>(incl.) NTT Communications Group (from July 2019) <sup>(3) (4)</sup></b>														
Operating revenues <sup>(5)</sup>	-	-	-	-	-	-	-	258.6	258.6	-	-	-	785.0	-
Cloud computing platforms	-	-	-	-	-	-	-	24.6	24.6	-	-	-	76.0	-
Data networks	-	-	-	-	-	-	-	98.7	98.7	-	-	-	292.0	-
Voice communications	-	-	-	-	-	-	-	57.2	57.2	-	-	-	171.0	-
Applications & content	-	-	-	-	-	-	-	20.0	20.0	-	-	-	58.0	-
Solution services	-	-	-	-	-	-	-	51.2	51.2	-	-	-	168.0	-
Other	-	-	-	-	-	-	-	6.9	6.9	-	-	-	20.0	-
Operating expenses	-	-	-	-	-	-	-	218.2	218.2	-	-	-	697.0	-
Personnel expenses	-	-	-	-	-	-	-	30.2	30.2	-	-	-	93.0	-
Expenses for purchase of goods and services and other expenses	-	-	-	-	-	-	-	157.1	157.1	-	-	-	502.0	-
Depreciation and amortization	-	-	-	-	-	-	-	28.4	28.4	-	-	-	86.0	-
Impairment losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenses on disposal of fixed assets	-	-	-	-	-	-	-	1.2	1.2	-	-	-	5.0	-
Taxes and dues	-	-	-	-	-	-	-	1.2	1.2	-	-	-	11.0	-
Operating profit	-	-	-	-	-	-	-	40.4	40.4	-	-	-	88.0	-
Profit before taxes	-	-	-	-	-	-	-	38.3	38.3	-	-	-	85.0	-
Profit attributable to NTT Communications	-	-	-	-	-	-	-	37.3	37.3	-	-	-	65.0	-
<b>(incl.) NTT DATA Consolidated</b>														
Net sales	505.2	517.5	1022.7	528.0	612.9	2163.6	527.3	550.5	1077.8	-	-	-	2,240.0	2,240.0
Public and social infrastructure	106.7	101.7	208.4	109.0	162.5	479.9	100.1	112.8	213.0	-	-	-	483.0	483.0
Financial	130.9	135.1	266.1	133.3	159.8	559.1	139.0	141.8	280.9	-	-	-	571.0	571.0
Enterprise and Solutions	120.7	129.9	250.5	130.3	149.0	529.8	135.1	146.9	282.1	-	-	-	552.0	552.0
North America	101.5	107.4	208.9	105.0	108.0	421.9	103.0	105.4	208.5	-	-	-	440.0	440.0
EMEA and LATAM	103.7	102.9	206.6	115.9	117.7	440.1	110.8	106.6	217.5	-	-	-	445.0	445.0
Eliminations or Corporate	(58.3)	(59.6)	(117.8)	(65.5)	(84.0)	(267.3)	(60.9)	(63.1)	(124.0)	-	-	-	(251.0)	(251.0)
Cost of sales	378.4	394.6	773.0	395.0	450.6	1618.6	395.1	414.5	809.6	-	-	-	1,658.0	1,658.0
Gross profit	126.8	122.9	249.7	132.9	162.3	545.0	132.2	136.1	268.2	-	-	-	582.0	582.0
Selling, general and administrative expenses	97.7	92.0	189.7	96.7	108.9	397.3	102.3	102.2	204.5	-	-	-	434.0	434.0
Operating profit	29.1	30.9	60.1	34.2	53.4	147.7	29.8	33.9	63.8	-	-	-	148.0	148.0
Profit before taxes	30.2	30.8	61.0	33.6	52.3	146.9	30.8	32.1	62.9	-	-	-	145.0	145.0
Profit attributable to NTT DATA	20.8	17.9	38.7	20.9	34.1	93.6	21.0	19.2	40.2	-	-	-	92.0	92.0

(1) The scope of aggregation for each of the figures presented for NTT, Inc. group is internal management figures after eliminating internal transactions between NTT, Inc. and its subsidiaries. Such figures are not audited and are provided for reference only.

(2) The scope of aggregation for each of the figures presented for NTT Ltd. group is internal management figures after eliminating internal transactions between NTT Ltd. and its subsidiaries. Such figures are not audited and are provided for reference only.

(3) The scope of aggregation for each of the figures presented for NTT Communications group is internal management figures after eliminating internal transactions between NTT Communications and its subsidiaries. Such figures are not audited and are provided for reference only.

(4) Overseas subsidiaries of NTT Communications group were transferred to the NTT Ltd. group with as part of the global reorganization of NTT group in July 2019.

(5) The following are the main services included in each line item:  
 - Cloud computing platforms: "Data center services" and "Private cloud services (Enterprise cloud, etc.)"  
 - Data networks: "Closed network services (Arctstar Universal One, etc.)" and "Open network services (OCN, etc.)"  
 - Voice communications: "Telephone services" and "VoIP services (050 plus, etc.)"  
 - Applications & content: "Application services (Mail services, etc.)"  
 - Solution services: "System integration services"

Overview of Financial Results (IFRS)

(Billions of yen)

	FY 2018						FY 2019				
	Three Months Ended June 30	Three Months Ended September 30	Six Months Ended September 30	Three Months Ended December 31	Three Months Ended March 31	Year Ended March 31	Three Months Ended June 30	Three Months Ended September 30	Three Months Ended December 31	Three Months Ended March 31	Year Ended March 31
<b>NTT Communications Group <sup>(1)</sup></b>											
Operating revenues <sup>(2)</sup>	326.3	345.2	671.6	348.9	371.5	1,392.0	337.3	-	-	-	-
Cloud computing platforms	49.0	52.0	101.0	51.8	54.7	207.5	54.7	-	-	-	-
Data networks	122.4	121.2	243.7	122.2	122.0	487.9	122.5	-	-	-	-
Voice communications	66.8	66.8	133.7	69.1	63.9	266.6	62.7	-	-	-	-
Applications & content	30.6	31.5	62.1	33.9	38.5	134.5	33.5	-	-	-	-
Solution services	51.3	67.3	118.7	61.0	86.5	266.2	56.6	-	-	-	-
Other	6.1	6.4	12.4	10.8	5.9	29.2	7.3	-	-	-	-
Operating expenses	289.3	304.5	593.8	308.8	357.3	1,259.8	299.8	-	-	-	-
Personnel expenses	50.6	50.5	101.1	51.6	50.0	202.8	53.3	-	-	-	-
Expenses for purchase of goods and services and other expenses	200.6	215.2	415.8	215.9	247.9	879.6	198.0	-	-	-	-
Depreciation and amortization	35.7	36.5	72.2	37.2	42.1	151.5	44.4	-	-	-	-
Impairment losses	-	-	-	-	2.7	2.7	1.5	-	-	-	-
Expenses on disposal of fixed assets	0.6	0.7	1.4	2.4	4.1	7.9	0.6	-	-	-	-
Taxes and dues	1.8	1.6	3.3	1.7	10.3	15.4	2.0	-	-	-	-
Operating profit	37.1	40.7	77.8	40.1	14.3	132.1	37.5	-	-	-	-
Profit before taxes	37.9	41.1	79.0	39.4	13.6	132.1	37.6	-	-	-	-
Profit attributable to NTT Communications	27.1	28.2	55.4	28.2	15.0	98.5	24.4	-	-	-	-
<b>Dimension Data Consolidated <sup>(3)(4)</sup></b>											
Operating revenues	215.2	228.6	443.8	224.5	225.0	893.3	220.7	-	-	-	-
System integration services	215.2	228.6	443.8	224.5	225.0	893.3	220.7	-	-	-	-
Cost of sales	172.4	184.0	356.5	182.2	180.1	718.7	178.4	-	-	-	-
Gross profit	42.8	44.6	87.4	42.3	44.9	174.6	42.4	-	-	-	-
Selling, general and administrative expenses	39.3	38.4	77.8	38.3	39.0	155.2	44.9	-	-	-	-
Operating profit	3.4	6.1	9.6	4.0	5.9	19.4	(2.5)	-	-	-	-
Profit before taxes	1.4	3.3	4.8	2.7	4.4	11.8	(4.0)	-	-	-	-
Profit attributable to Dimension Data	0.3	0.5	0.8	0.6	3.7	5.2	(3.8)	-	-	-	-

(1) The scope of aggregation for each of the figures presented for NTT Communications group is internal management figures after eliminating internal transactions between NTT Communications and its subsidiaries. Such figures are not audited and are provided for reference only.

(2) The following are the main services included in each line item:  
 - Cloud computing platforms: "Data center services" and "Private cloud services (Enterprise cloud, etc.)"  
 - Data networks: "Closed network services (Arcstar Universal One, etc.)" and "Open network services (OCN, etc.)"  
 - Voice communications: "Telephone services" and "VoIP services (050 plus, etc.)"  
 - Applications & content: "Application services (Mail services, etc.)"  
 - Solution services: "System integration services"

(3) These are figures from the United Kingdom statutory financial reports of Dimension Data. The quarterly financial results above are not audited and are provided for reference only.

(4) The USD/JPY conversion rate used for Dimension Data figures for the three months ended June 30, 2019 is USD1.00 = JPY109.90

2. Financial Results Summary (NTT Urban Solutions Group, NTT Urban Development Consolidated)

Overview of Financial Results (IFRS)

	FY 2018						FY 2019						(Billions of yen)	
	Three Months Ended June 30	Three Months Ended September 30	Six Months Ended September 30	Three Months Ended December 31	Three Months Ended March 31	Year Ended March 31	Three Months Ended June 30	Three Months Ended September 30	Six Months Ended September 30	Three Months Ended December 31	Three Months Ended March 31	Year Ended March 31	FY 2019 (E)	(Ref.) FY 2019 (E)
													Year Ending March 31 (Announced as of November 2019)	Year Ending March 31 (Announced as of May 2019)
<b>NTT Urban Solutions Group <sup>(1)</sup></b>														
Operating revenues	-	-	-	-	-	-	77.6	98.1	175.8	-	-	-	427.0	427.0
Operating expenses	-	-	-	-	-	-	68.0	84.6	152.6	-	-	-	387.0	387.0
Personnel expenses	-	-	-	-	-	-	15.0	15.1	30.1	-	-	-	66.0	66.0
Expenses for purchase of goods and services and other expenses	-	-	-	-	-	-	43.1	60.6	103.7	-	-	-	275.0	275.0
Depreciation and amortization	-	-	-	-	-	-	8.5	8.6	17.2	-	-	-	32.0	32.0
Impairment losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenses on disposal of fixed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxes and dues	-	-	-	-	-	-	1.2	0.1	1.4	-	-	-	14.0	14.0
Operating profit	-	-	-	-	-	-	13.5	13.4	27.0	-	-	-	47.0	47.0
Profit before taxes	-	-	-	-	-	-	12.5	12.2	24.8	-	-	-	39.0	39.0
Profit attributable to NTT Urban Solutions	-	-	-	-	-	-	8.4	7.9	16.4	-	-	-	26.0	26.0
<b>(incl.) NTT Urban Development Consolidated</b>														
Operating revenues	29.9	42.0	71.9	37.5	58.6	168.0	34.1	40.1	74.3	-	-	-	161.0	161.0
Operating expenses	21.5	31.0	52.5	29.1	58.6	140.4	25.3	28.4	53.8	-	-	-	136.0	136.0
Personnel expenses	2.5	2.6	5.2	2.6	2.9	10.8	2.5	2.5	5.0	-	-	-	11.0	11.0
Expenses for purchase of goods and services and other expenses	14.3	23.6	37.9	20.8	38.9	97.8	16.3	20.5	36.9	-	-	-	92.0	92.0
Depreciation and amortization	4.2	4.4	8.6	4.4	4.6	17.7	5.5	5.7	11.3	-	-	-	22.0	22.0
Impairment losses	-	0.0	0.0	0.8	0.9	1.8	-	-	-	-	-	-	-	-
Expenses on disposal of fixed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxes and dues	0.3	0.3	0.6	0.2	11.3	12.2	0.8	(0.3)	0.4	-	-	-	12.0	12.0
Operating profit	9.9	9.9	19.8	8.0	0.7	28.6	12.6	11.3	24.0	-	-	-	30.0	30.0
Profit before taxes	9.3	9.0	18.4	7.2	(0.0)	25.6	11.7	10.2	21.9	-	-	-	22.0	22.0
Profit attributable to NTT Urban Development	6.0	5.7	11.8	4.5	(0.1)	16.1	7.8	6.5	14.4	-	-	-	14.0	14.0

(1) The scope of aggregation for each of the figures presented for NTT Urban Solutions group is internal management figures after eliminating internal transactions among NTT Urban Development (on a consolidated basis), NTT FACILITIES and its subsidiaries. Such figures are not audited and are provided for reference only.

### 3. Operating Data (Number of Subscriptions)

#### Number of Subscriptions

		FY 2018				FY 2019				FY 2019 (E)	[Ref.] FY 2019 (E)
		As of June 30	As of September 30	As of December 31	As of March 31	As of June 30	As of September 30	As of December 31	As of March 31	As of March 31 (Announced as of November 2019)	As of March 31 (Announced as of May 2019)
Mobile Telecommunications Services <sup>(1)</sup>	(in thousands)	76,746	77,050	77,517	78,453	78,896	79,203	-	-	80,000	79,500
Telecommunications Services (LTE (Xi))	(in thousands)	51,344	52,502	53,834	55,872	57,285	58,542	-	-	61,100	60,200
Telecommunications Services (FOMA (3G))	(in thousands)	25,402	24,549	23,684	22,581	21,611	20,661	-	-	18,900	19,300
Telephone subscriber lines <sup>(2)</sup>	(in thousands)	17,207	16,927	16,641	16,363	16,048	15,734	-	-	15,193	15,193
NTT East	(in thousands)	8,542	8,403	8,260	8,119	7,970	7,815	-	-	7,519	7,519
NTT West	(in thousands)	8,664	8,524	8,382	8,244	8,078	7,919	-	-	7,674	7,674
INS-Net <sup>(3)</sup>	(in thousands)	2,277	2,230	2,185	2,138	2,089	2,039	-	-	1,959	1,959
NTT East	(in thousands)	1,160	1,135	1,111	1,086	1,060	1,033	-	-	986	986
NTT West	(in thousands)	1,117	1,095	1,074	1,052	1,029	1,006	-	-	973	973
Telephone subscriber lines + INS-Net	(in thousands)	19,484	19,157	18,826	18,500	18,137	17,774	-	-	17,152	17,152
NTT East	(in thousands)	9,703	9,538	9,370	9,204	9,030	8,848	-	-	8,504	8,504
NTT West	(in thousands)	9,781	9,619	9,456	9,296	9,107	8,926	-	-	8,647	8,647
Public telephones	(number)	157,023	156,338	155,875	155,214	154,298	153,252	-	-	152,214	152,214
NTT East	(number)	70,170	70,077	70,171	69,951	69,705	69,551	-	-	68,951	68,951
NTT West	(number)	86,853	86,261	85,704	85,263	84,593	83,701	-	-	83,263	83,263
FLET'S ISDN	(in thousands)	67	66	63	62	60	58	-	-	52	52
NTT East	(in thousands)	29	28	27	26	25	24	-	-	21	21
NTT West	(in thousands)	38	37	36	36	35	34	-	-	31	31
FLET'S ADSL	(in thousands)	735	690	641	602	570	542	-	-	462	462
NTT East	(in thousands)	315	294	276	258	242	228	-	-	188	188
NTT West	(in thousands)	420	396	364	344	327	314	-	-	274	274
FLET'S Hikari (including Hikari Collaboration Model) <sup>(4) (5) (6)</sup>	(in thousands)	20,720	20,851	20,995	21,078	21,260	21,416	-	-	21,678	21,678
NTT East	(in thousands)	11,613	11,707	11,809	11,880	11,993	12,094	-	-	12,280	12,280
NTT West	(in thousands)	9,107	9,144	9,186	9,197	9,267	9,322	-	-	9,397	9,397
(incl.) Hikari Collaboration Model	(in thousands)	11,617	11,993	12,363	12,690	13,055	13,357	-	-	13,890	13,890
NTT East	(in thousands)	6,877	7,089	7,294	7,470	7,675	7,847	-	-	8,170	8,170
NTT West	(in thousands)	4,740	4,903	5,070	5,220	5,381	5,510	-	-	5,720	5,720
Hikari Denwa <sup>(7)</sup>	(in thousands)	18,092	18,154	18,214	18,244	18,286	18,369	-	-	18,454	18,454
NTT East	(in thousands)	9,610	9,666	9,720	9,759	9,796	9,857	-	-	9,959	9,959
NTT West	(in thousands)	8,482	8,488	8,494	8,485	8,490	8,512	-	-	8,495	8,495
NTT Group Major ISPs <sup>(8)</sup>	(in thousands)	11,002	10,977	10,969	10,945	10,916	11,537	-	-	11,472	10,708
(incl.) OCN	(in thousands)	7,458	7,414	7,375	7,305	7,249	7,211	-	-	7,113	7,078
(incl.) Plala	(in thousands)	3,155	3,169	3,194	3,234	3,258	3,914	-	-	3,900	3,213
Hikari TV	(in thousands)	3,010	3,015	2,998	3,001	2,992	2,978	-	-	3,000	3,320
FLET'S TV Transmission Services <sup>(7)</sup>	(in thousands)	1,638	1,660	1,690	1,716	1,743	1,769	-	-	1,787	1,787
NTT East	(in thousands)	1,001	1,009	1,022	1,033	1,044	1,056	-	-	1,062	1,062
NTT West	(in thousands)	637	650	668	684	699	712	-	-	725	725
"d POINT CLUB" members	(in thousands)	66,523	67,634	68,829	70,145	71,313	72,344	-	-	-	-
Locations where payment / point services are available	(in thousands)	-	-	-	1,050	1,110	1,220	-	-	-	-

(1) The number of Mobile Telecommunications Services (including "Telecommunications Services (LTE (Xi))" and "Telecommunications Services (FOMA (3G))") includes MVNOs and Communication Module Services.

(2) The number of Telephone Subscriber Lines is the total of individual lines and central station lines (including the Subscriber Telephone Lite Plan).

(3) "INS-Net" includes "INS-Net 64" and "INS-Net 1500". In terms of the number of channels, transmission rate, and line use rate (base rate), "INS-Net 1500" is in all cases approximately ten times greater than "INS-Net 64." For this reason, one "INS-Net 1500" subscription is calculated as ten "INS-Net 64" subscriptions (including subscriptions to the "INS-Net 64 Lite Plan").

(4) The number of "FLET'S Hikari (including Hikari Collaboration Model)" subscriptions includes subscriptions to "B FLET'S," "FLET'S Hikari Next," "FLET'S Hikari Light," "FLET'S Hikari Lightplus" and "FLET'S Hikari WiFi Access" provided by NTT East, subscriptions to "FLET'S Hikari Premium," "FLET'S Hikari Mytown," "FLET'S Hikari Next," "FLET'S Hikari Mytown Next," "FLET'S Hikari Light" and "FLET'S Hikari WiFi Access" provided by NTT West and subscriptions to the "Hikari Collaboration Model," the wholesale provision of services to service providers by NTT East and NTT West.

(5) The comparative results for the six months ended September 30, 2019 compared to the fiscal year ended March 31, 2019 for "FLET'S Hikari (including Hikari Collaboration Model)" are as follows: the numbers of new subscribers for NTT East and NTT West were 822 thousand lines and 600 thousand lines, respectively, for a total of 1,422 thousand lines; the numbers of new subscribers (excluding switchover lines) for the "Hikari Collaboration Model" for NTT East and NTT West were 592 thousand lines and 453 thousand lines, respectively, for a total of 1,045 thousand lines; and the numbers of switchover lines for NTT East and NTT West were 200 thousand lines and 163 thousand lines, respectively, for a total of 363 thousand lines.

(6) The comparative forecast for the year ending March 31, 2020 (Forecast announced as of November 2019) compared to the results for the year ended March 31, 2019 for "FLET'S Hikari (including Hikari Collaboration Model)" are as follows: the numbers of new subscribers for NTT East and NTT West are expected to be 1,500 thousand lines and 1,150 thousand lines, respectively, for a total of 2,650 thousand lines; the numbers of new subscribers (excluding switchover lines) for the "Hikari Collaboration Model" for NTT East and NTT West are expected to be 1,050 thousand lines and 850 thousand lines, respectively, for a total of 1,900 thousand lines; and the numbers of switchover lines for NTT East and NTT West are expected to be 400 thousand lines and 300 thousand lines, respectively, for a total of 700 thousand lines.

(7) The number of subscriptions for "Hikari Denwa" and "FLET'S TV Transmission Services" include wholesale services provided to service providers by NTT East and NTT West.

(8) "NTT Group Major ISPs" includes "WAKWAK" and "InfoSphere," in addition to "OCN" and "Plala."

### 3. Operating Data (ARPU)

#### Average Monthly Revenue per Unit (ARPU)

Average monthly revenue per unit, or ARPU, is used to measure average monthly operating revenues attributable to each designated service on a per user basis. In the case of NTT Group's mobile communications business, ARPU is calculated by dividing revenue items included in operating revenues from its mobile communications business segment, such as revenues from LTE ("Xi") mobile phone services, FOMA (3G) mobile phone services and "docomo Hikari" services, that are incurred consistently each month, by the number of active users to the relevant services. In the case of NTT Group's fixed-line business, ARPU is calculated by dividing revenue items included in the operating revenues of NTT Group's regional communications business segment, that is, fixed-line (telephone subscriber lines and INS-NET) and FLET'S Hikari, by the number of active subscribers to the relevant services. The calculation of these figures excludes revenues that are not representative of monthly average usage, such as telecommunications equipment sales, activation fees and universal service charges. NTT believes that its ARPU figures calculated in this way provide useful information regarding the monthly average usage of its subscribers. The revenue items included in the numerators of NTT Group's ARPU figures are based on its financial results comprising its IFRS results of operations.

	FY 2018						FY 2019						FY 2019 (E)	[Ref.] FY 2019 (E)
	Three Months Ended June 30	Three Months Ended September 30	Six Months Ended September 30	Three Months Ended December 31	Three Months Ended March 31	Year Ended March 31	Three Months Ended June 30	Three Months Ended September 30	Six Months Ended September 30	Three Months Ended December 31	Three Months Ended March 31	Year Ended March 31	Year Ending March 31 (Announced as of November 2019)	Year Ending March 31 (Announced as of May 2019)
NTT DOCOMO <sup>(1) (2) (3)</sup>														
Aggregate ARPU	4,800	4,820	4,810	4,830	4,770	4,800	4,770	4,740	4,750	-	-	-	4,680	4,630
Mobile ARPU (LTE (Xi) + FOMA (3G))	4,390	4,390	4,390	4,380	4,300	4,360	4,280	4,240	4,260	-	-	-	4,170	4,120
docomo Hikari ARPU	410	430	420	450	470	440	490	500	490	-	-	-	510	510
NTT East <sup>(4) (5) (6) (7) (8)</sup>														
Aggregate Fixed Line ARPU (Telephone Subscriber Lines + INS-NET Subscriber Lines)	2,550	2,550	2,550	2,550	2,530	2,540	2,510	2,520	2,510	-	-	-	2,510	2,510
FLET'S Hikari ARPU <sup>(9)</sup>	4,950	4,920	4,940	4,920	4,860	4,910	4,840	4,800	4,820	-	-	-	4,800	4,800
Basic Monthly Charge	3,540	3,530	3,540	3,520	3,510	3,520	3,500	3,470	3,480	-	-	-	3,470	3,470
Optional Services	1,410	1,390	1,400	1,400	1,350	1,390	1,340	1,330	1,340	-	-	-	1,330	1,330
NTT West <sup>(4) (5) (6) (7) (8)</sup>														
Aggregate Fixed Line ARPU (Telephone Subscriber Lines + INS-NET Subscriber Lines)	2,520	2,520	2,520	2,530	2,510	2,520	2,500	2,500	2,500	-	-	-	2,480	2,480
FLET'S Hikari ARPU <sup>(9)</sup>	4,960	4,920	4,940	4,930	4,880	4,930	4,870	4,820	4,840	-	-	-	4,810	4,810
Basic Monthly Charge	3,390	3,360	3,370	3,370	3,360	3,360	3,360	3,310	3,330	-	-	-	3,300	3,300
Optional Services	1,570	1,560	1,570	1,560	1,520	1,550	1,510	1,510	1,510	-	-	-	1,510	1,510

(1) The following is the formula we use to compute ARPU for NTT DOCOMO.

Aggregate ARPU = Mobile ARPU + "docomo Hikari" ARPU

- Mobile ARPU: Mobile ARPU related revenues (voice-related revenues (basic monthly charges, voice communication charges) + packet-related revenues (basic monthly charges, packet communication charges)) / No. of active users
- "docomo Hikari" ARPU: "docomo Hikari" ARPU Related Revenues (basic monthly charges, voice communication charges) / No. of active users

(2) Numbers of active users used in the ARPU calculation of NTT DOCOMO are as described below.

- Sum of No. of active users for each month ((No. of users at the end of previous month + No. of users at the end of current month) / 2) during the relevant period

(3) The number of "users" used to calculate ARPU is the total number of subscriptions, excluding the subscriptions listed below.

- Subscriptions of communication module services, "Phone Number Storage," "Mail Address Storage," "docomo Business Transceiver" and wholesale telecommunications services and interconnecting telecommunications facilities that are provided to MVNOs, and Data Plan subscriptions in the case where the customer contracting for such subscription in his/her name also has a subscription for "Xi" or "FOMA" services in his/her name.

Note that revenues from communication module services, "Phone Number Storage," "Mail Address Storage," "docomo Business Transceiver" and wholesale telecommunications services and interconnecting telecommunications facilities that are provided to MVNOs and the impact on revenues from "dPOINT" program, etc. are not included in ARPU calculations.

(4) We compute the following two categories of ARPU for business conducted by each of NTT East and NTT West.

- Aggregate Fixed Line ARPU (Telephone Subscriber Lines + INS-NET Subscriber Lines): Calculated based on revenues from monthly charges and call charges for Telephone Subscriber Lines and INS-NET Subscriber Lines, which are included in operating revenues from Voice Transmission Services (excluding IP Services), and revenues from "FLET'S ADSL" and "FLET'S ISDN," which are included in operating revenues from IP Services.
- FLET'S Hikari ARPU: Calculated based on revenues from "FLET'S Hikari" (including "FLET'S Hikari" optional services), which are included in operating revenues from IP Services, revenues from monthly charges, call charges and connection device charges for "Hikari Denwa," and revenues from "FLET'S Hikari" optional services, which are included in Supplementary Business revenues.
  - "FLET'S Hikari" includes "B FLET'S," "FLET'S Hikari Next," "FLET'S Hikari Light," "FLET'S Hikari Lightplus" and "FLET'S Hikari WiFi Access" provided by NTT East, and "FLET'S Hikari Next," "FLET'S Hikari Mytown Next," "FLET'S Hikari Light" and "FLET'S Hikari WiFi Access" provided by NTT West. In addition, "FLET'S Hikari" also includes the "Hikari Collaboration Model," the wholesale provision of services to service providers by NTT East and NTT West.
  - "FLET'S Hikari" Optional Services includes wholesale services provided to service providers by NTT East and NTT West.

(5) Aggregate Fixed Line ARPU (Telephone Subscriber Lines + INS-NET Subscriber Lines) and FLET'S Hikari ARPU do not include interconnection charges.

(6) Numbers of active subscribers used in the ARPU calculation of NTT East and NTT West are as below.

- Quarterly Results: Sum of number of active subscribers ((number of subscribers at end of previous month + number of subscribers at end of the current month)/2) for each month in the relevant period
- Six-month Results (from April to September): Sum of number of active subscribers ((number of subscribers at end of previous month + number of subscribers at end of the current month)/2) for each month from April to September
- FY Results: Sum of number of active subscribers((number of subscribers at end of previous month + number of subscribers at end of the current month)/2) for each month from April to March
- FY Forecast (Announced as of May 2019): Sum of the average expected active number of subscribers during the fiscal year ((number of subscribers at March 31, 2019 + number of expected subscribers at March 31, 2020)/2)x12
- FY Forecast (Announced as of November 2019): Sum of number of active subscribers from April to September ((number of subscribers at end of previous month + number of subscribers at end of the current month)/2) for each month from April to September + sum of the average forecasted number of active subscribers from October to March ((number of subscribers at September 30, 2019 + expected number of subscribers at March 31, 2020)/2) x6

(7) For purposes of calculating Aggregate Fixed Line ARPU (Telephone Subscriber Lines + INS-NET Subscriber Lines), the number of subscribers is determined based on the number of subscriptions for fixed-line services (Telephone Subscriber Lines + INS-NET Subscriber Lines).

(8) In terms of number of channels, transmission rate, and line use rate (base rate), INS-Net 1500 is in all cases roughly ten times greater than INS-Net 64. For this reason, for the purpose of calculating Aggregate Fixed Line ARPU (Telephone Subscriber Lines + INS-NET Subscriber Lines), one INS-Net 1500 subscription is calculated as ten INS-Net 64 subscriptions.

(9) For purposes of calculating FLET'S Hikari ARPU, the number of subscribers is determined based on the number of FLET'S Hikari subscribers, which includes subscribers to "B FLET'S," "FLET'S Hikari Next," "FLET'S Hikari Light," "FLET'S Hikari Lightplus" and "FLET'S Hikari WiFi Access" provided by NTT East, subscribers to "FLET'S Hikari Premium," "FLET'S Hikari Mytown," "FLET'S Hikari Next," "FLET'S Hikari Mytown Next," "FLET'S Hikari Light" and "FLET'S Hikari WiFi Access" provided by NTT West, and the "Hikari Collaboration Model," the wholesale provision of services to service providers by NTT East and NTT West.

3. Operating Data (Number of Employees)

Number of Employees	FY 2018				FY 2019				(Persons)	
									FY 2019 (E)	[Ref.] FY 2019 (E)
	As of June 30	As of September 30	As of December 31	As of March 31	As of June 30	As of September 30	As of December 31	As of March 31	As of March 31 (Announced as of November 2019)	As of March 31 (Announced as of May 2019)
NTT Consolidated Number of Employees	304,450	306,750	309,400	303,350	314,550	321,450	-	-	317,850	311,900
Mobile communications business	28,550	28,450	28,350	26,650	27,700	28,050	-	-	27,550	27,750
Regional communications business	82,400	82,900	83,350	79,550	82,450	81,250	-	-	79,400	76,500
Long distance and international communications business	47,100	47,400	48,000	48,000	48,850	52,300	-	-	52,450	49,300
Data communications business	120,550	122,000	123,650	123,900	127,350	130,350	-	-	128,950	128,950
Other business	25,850	26,000	26,050	25,250	28,200	29,500	-	-	29,500	29,400
<b>Number of Employees, by Core Group Companies</b>										
NTT East Group	40,700	41,200	41,600	39,900	41,000	40,050	-	-	39,500	40,000
NTT West Group	41,750	41,700	41,750	39,650	41,450	41,200	-	-	39,900	36,550
NTT Ltd. Group	-	-	-	-	-	40,550	-	-	40,550	-
NTT Communications Group (from July 2019) <sup>(1)</sup>	-	-	-	-	-	11,650	-	-	11,700	-
NTT Communications Group	23,150	23,300	23,350	23,350	23,800	-	-	-	-	-
Dimension Data Consolidated	22,600	22,750	23,250	23,250	23,450	-	-	-	-	-

(1) Overseas subsidiaries of NTT Communications group were transferred to the NTT Ltd. group with as part of the global reorganization of NTT group in July 2019.



# **Financial Results for the Six Months Ended September 30, 2019**

**November 5, 2019**



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.
- \*\*\* "2Q" in this material represents the six-month period beginning on April 1 and ending on September 30.

- **Overview of Consolidated Results**
  - **Status of Consolidated Results for FY2019.2Q**
  - **Contributing Factors by Segment for FY2019.2Q**
- **Financial Results Forecast**
- **Topics**
- **Appendix**



# Overview of Consolidated Results

# Status of Consolidated Results for FY2019.2Q

- Operating Revenues increased and Operating Income decreased
- Operating Revenues reached record second-quarter levels

## Status of Consolidated Results

● Operating Revenues:	¥5,889.6B	< +¥96.4B [ +1.7%] year-on-year >
● Operating Income:	¥982.8B	< (¥87.9B) [ (8.2%)] year-on-year >
● Profit*:	¥547.7B	< (¥12.1B) [ (2.2%)] year-on-year >
● Overseas Sales**:	\$9.8B	< +\$0.5B [ +4.9%] year-on-year >
● Overseas Operating Income Margin** :	2.1%	< (0.9 pt) year-on-year >

\* Profit presented above represents the profit attributable to NTT, excluding noncontrolling interests.

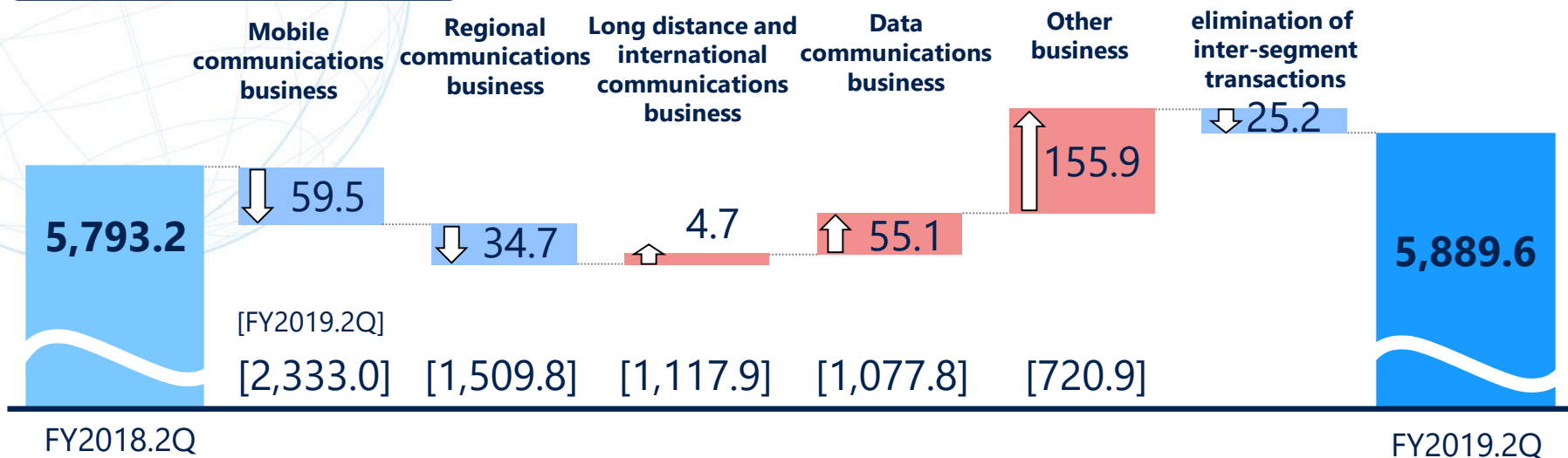
\*\* Including results from the global holding company, its subsidiaries and its affiliates. Operating Income excludes temporary expenses, such as M&A-related depreciation costs of intangible fixed assets.

# Contributing Factors by Segment for FY2019.2Q

## Operating Revenues

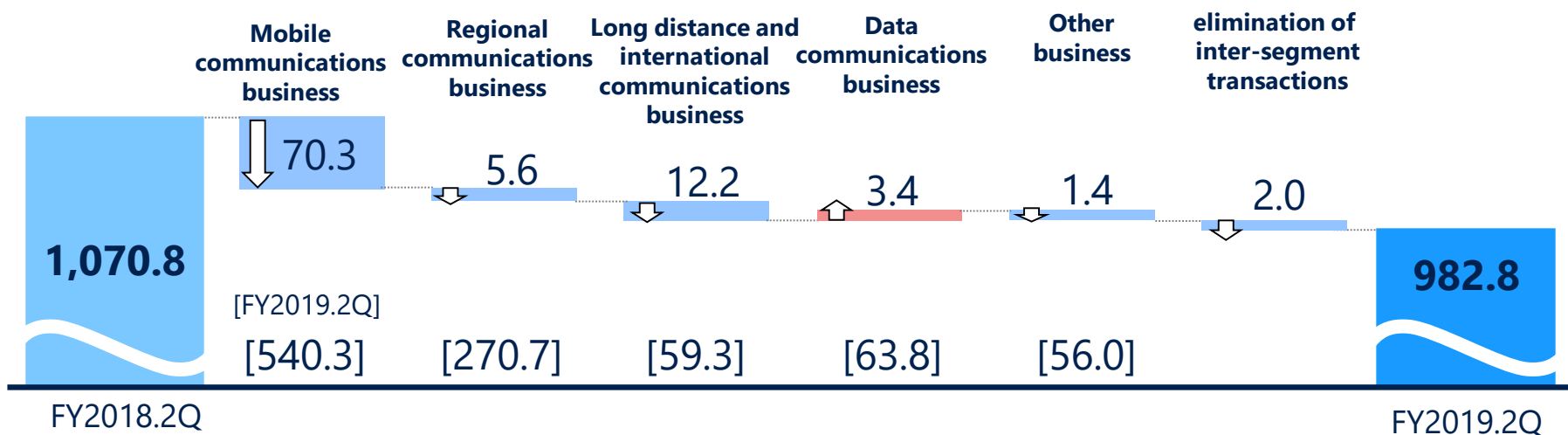
<Year-on-year: +96.4>

(Billions of yen)



## Operating Income

<Year-on-year: (87.9)>





# Financial Results Forecast

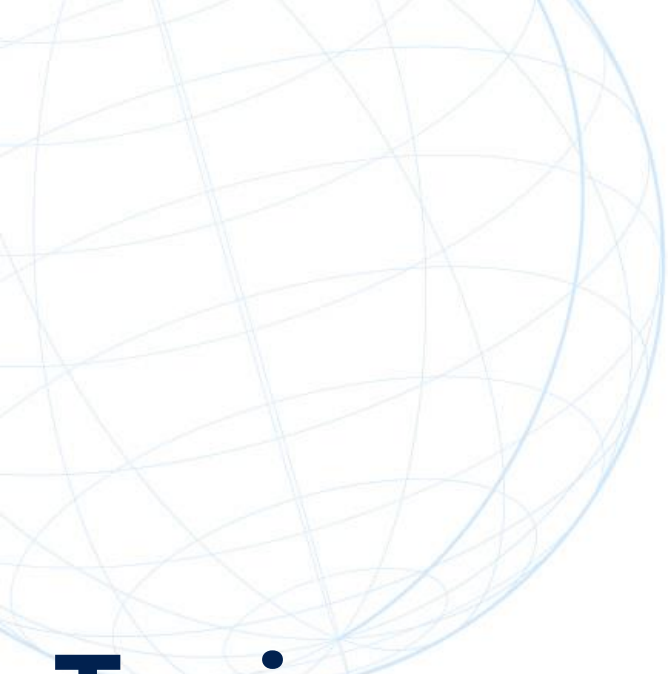
# Financial Results Forecast for FY2019

- Operating Revenues forecast has been revised upward
- Operating Income forecast remains same as initial forecast

## Plan for Consolidated Revenues and Income

	<b>Initial Forecast</b> <small>(announced on May 10, 2019)</small>	<b>Financial Results Forecast</b> <small>(announced on November 5, 2019)</small>	<b>Change from Initial Forecast</b>
<b>Operating Revenues</b>	<b>¥11,830.0B</b>	<b>¥11,890.0B</b>	<b>+¥60.0B</b>
<b>Operating Income</b>	<b>¥1,550.0B</b>	<b>¥1,550.0B</b>	<b>±¥0.0B</b>
<b>Profit*</b>	<b>¥855.0B</b>	<b>¥855.0B</b>	<b>±¥0.0B</b>

\* Profit represents net income attributable to NTT, excluding noncontrolling interests.



# Topics





## Roll Out 5th-Generation Wireless System

- **Launched 5G pre-commercial services in anticipation of launching 5G commercial services in the spring of 2020 (NTT DOCOMO, September 20, 2019)** 
- **At the Rugby World Cup 2019™ Japan, provided multi-angle viewing at eight venues nationwide and high-presence live viewing from separate venues**
- **Early area expansion in anticipation of full commercialization**
  - **Accelerated expansion in order to reach 47 prefectures by the end of June 2020 and 10,000 stations deployed by the end of June 2021**

## Enhance Competitiveness in Global Business (1 of 2)

- **Promoted rebranding at NTT Ltd. to further expand the NTT brand globally**
  - **Changed the logo of overseas subsidiaries to an NTT logo (October 1, 2019)**
  - **Started changing company names in each region to names that include “NTT” (anticipated to be completed in December 2019)**
- **Accelerate transformation to high-value-added managed services at NTT Ltd.**
- **Promoted the implementation of unified ERP to further enhance group management (integration anticipated to be completed in FY2021)**
- **Extended partnerships with worldwide sports organizations (see the following slide for reference)**

## Enhance Competitiveness in Global Business (2 of 2)

- Entered into a technology partnership with Major League Baseball (MLB) (September 4, 2019)
  - Successfully delivered ultra-realistic live viewing with NTT's most advanced "Ultra Reality Viewing" technology (October 7, 2019)



Live Viewing Arena at MLB Network Headquarters  
(Postseason Game: Astros vs. Rays, October 7, 2019)

- Strengthened NTT's branding and provided new fan experiences through worldwide sporting events including the IndyCar Series and the Tour de France



Official MLB Logo



Official IndyCar Series Logo



Official Tour de France Logo

## Drive Self-Digital Transformation in Domestic Business

- Started the implementation of cloud-based IT system to automate operations for subscription, provisioning and billing of services (anticipated to be completed in FY2024\*)

\* Excludes certain services, including services expected to be terminated

- Promoted the implementation of integrated ERP to further enhance group management (anticipated to be completed in FY2023)

- Steadily promoted the adoption of RPA

	As of the end of FY2019.2Q (October 2019)	As of the time of announcement of “Your Value Partner 2025” (October 31, 2018)
• No. of Robot Adoptions:	17,000 (+42%)	12,000
• No. of Business Process Uses:	1,500 (3x)	500

## Enhance and Globalize R&D

- **NTT, Intel and Sony acted as pioneers to establish the IOWN Global Forum and began recruiting partners (October 31, 2019)**
- **Promoted joint research with JAXA to provide for ultra-high-speed, large-capacity, secure optical and wireless communications infrastructure based on seamless ground-to-space links (November 5, 2019)**
- **Launched practical testing of DC power transmission in properties owned by NTT (NTT Anode Energy, scheduled for March 2020)**

## Create New Lines of Business

- Will reorganize “NTT GEOSPACE CORPORATION,” which is developing a mapping business, under NTT InfraNet to help build a smart infrastructure platform (scheduled for December 2019)
- Appointed as an Executive Sponsor of the “Real Madrid Foundation Football School Japan” (NTT Urban Solutions, October 28, 2019)
  - Will promote a new style of urban solutions with the Real Madrid Foundation



Football  
School



## Contribute to Vitalization of Regional Societies and Economies

- **Launched the “IoT Temperature Management Service,” which automates measurement and management of temperatures, for factories and stores involved in food manufacturing (NTT East, September 30, 2019)**
- **Launched the “Regional Vitalization Cloud”\* service for government agencies and universities, starting with the Kyoto area (NTT West, October 1, 2019)** \*Shared cloud services for universities and government agencies
- **Expanded the use cases of digital archiving to preserve and pass on local cultural and artistic assets**
  - **Hosted the “Digital x Hokusai [Introduction]” experiential art exhibition as a concept demonstration venue (NTT East, November 1, 2019)**
- **Launched practical testing of special fraud countermeasures that utilize AI (August 30, 2019)**

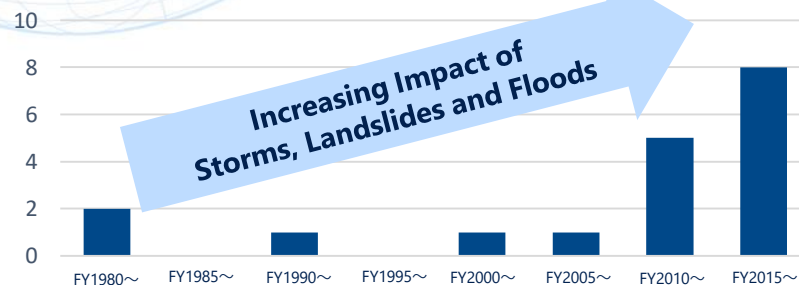


# Disaster Countermeasure Initiatives (1 of 2)

- There has been an increased impact from large-scale disasters due to the increased intensity of disaster energy in recent years

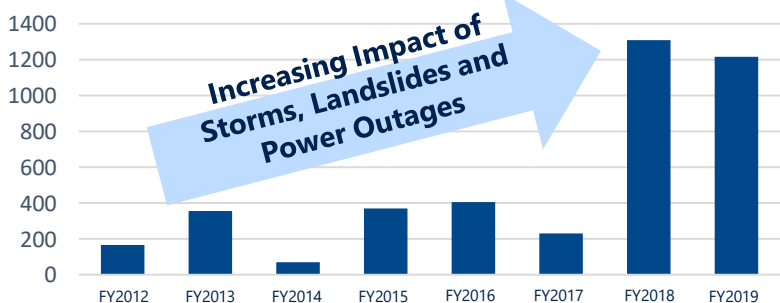
## Increasing Impact on Communications Facilities and Services

### Fixed Services



Number of disasters where at least 10,000 lines were damaged due to typhoons or heavy rains

### Mobile Services



Number of base stations damaged by typhoons or heavy rains (peak in each year)

## FY2019 Disaster Impact and Long-Term Recovery

- Individual customer line failures
  - Large number of failures due to damage to telephone poles and cables caused by storms, landslides and other disasters

Disaster	Number of Failures	Recovery Period	(Repair of damaged pole)
Typhoon No. 15	Chiba	Approx. 35k	
Typhoon No. 19 & Storms	Kanto, Koshin, Tohoku and others	Approx. 45k~	

\* Generally recovered, other than in certain areas. Currently continuing to support local recovery efforts.

- Base station service interruptions
  - Stoppages of base stations due to power outages caused by disasters (Approx. 70% power depletion)

Disaster	Number of Damaged Stations (Peak)	Recovery Period	(Power supplied by mobile power generation vehicle)
Typhoon No. 15	Chiba	1,093	10 days
Typhoon No. 19	Kanto, Koshin, Tohoku and others	679	6 days

## Disaster Countermeasure Initiatives (2 of 2)

- **Promoted the strengthening of base stations and other equipment and the acceleration of recovery support, in light of the increasing impact on communications equipment and services and increasingly long recovery periods**

### Future Disaster Countermeasures

- **Strengthening of Equipment**
  - **Expanding medium-zone base stations\*** (plan to open over 2,000 stations nationwide by the end of FY2019)
    - \* Base stations that are prepared as countermeasures to respond to disasters including power outages (lasting 24 hours or longer)
  - **Power outage countermeasures for base stations, using EVs**
  - **Centralized management and operation of mobile power generation vehicles owned by NTT Group (approximately 400 vehicles)**
  - **Discussions regarding moving cables underground due to the impact of natural disasters, wireless fixed telephone services, and other initiatives**
- **Acceleration of Recovery Support**
  - **Prepare recovery plans in advance, based on AI-generated damage forecasts** (including nationwide wide-area support systems)
  - **Enhance recovery systems and secure personnel** (implement reserve system with former employees)
  - **Strengthen support to customers affected by disasters** (installation of Wi-Fi and batteries in public telephone boxes, opened at 113 branches)

## Completion of Share Buybacks

- **Share Buybacks: Completed share buybacks of ¥251.1 billion as authorized at the meeting of the board of directors held on August 6, 2019 (September 11, 2019)**
- **Total amount of share buybacks in FY2019: ¥501.1 billion**

# Enhancement of Plans to Encourage Investments by Individual Investors

## Description of Initiatives

- **Stock Split**
  - **Objective:** Lower the minimum investment price per unit of NTT, thereby facilitating an environment where it is easier to invest in NTT's shares and expanding NTT's investor base
  - **Stock Split Ratio:** Each share will be divided into two shares
  - **Record Date:** December 31, 2019
  - **Effective Date:** January 1, 2020
- **Distribution of "d POINT"**
  - **Objective:** Provide additional benefits to long-term holding of NTT's stock
  - **Qualifying Shareholders:** Shareholders of at least one unit (100 shares) of NTT's common stock, who have held NTT shares for periods of two years or five years (Initial distribution will be for shareholders of two or more years)
  - **Number of Points:** 1,500 points in the second year and 3,000 points in the fifth year (Initial distribution: 1,500 points to holders of two or more years but less than five years, and 4,500 points to holders of five or more years)
  - **Record Date:** March 31 (Initial record date of March 31, 2020)



# Appendix

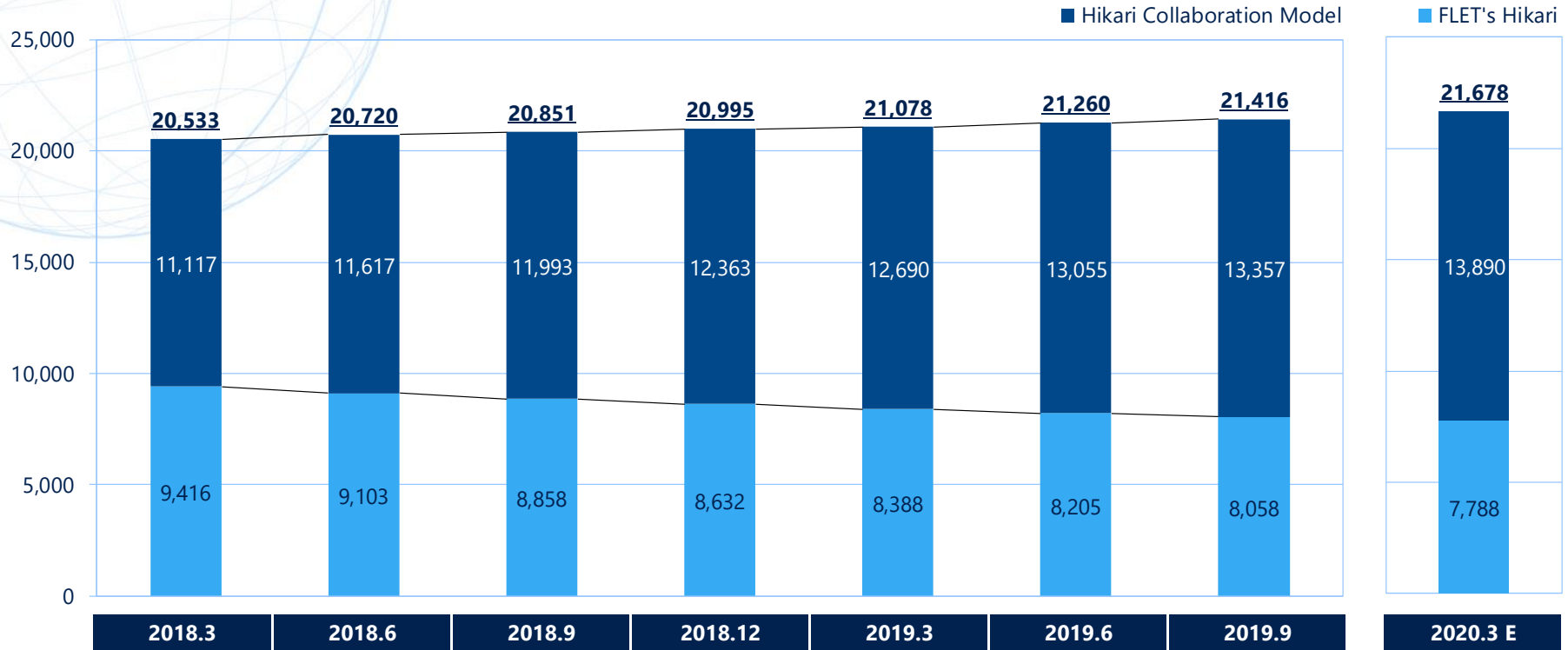


# Broadband Services

# Fixed-Line Broadband Services Subscriptions



## Number of Subscriptions



## Net Increase

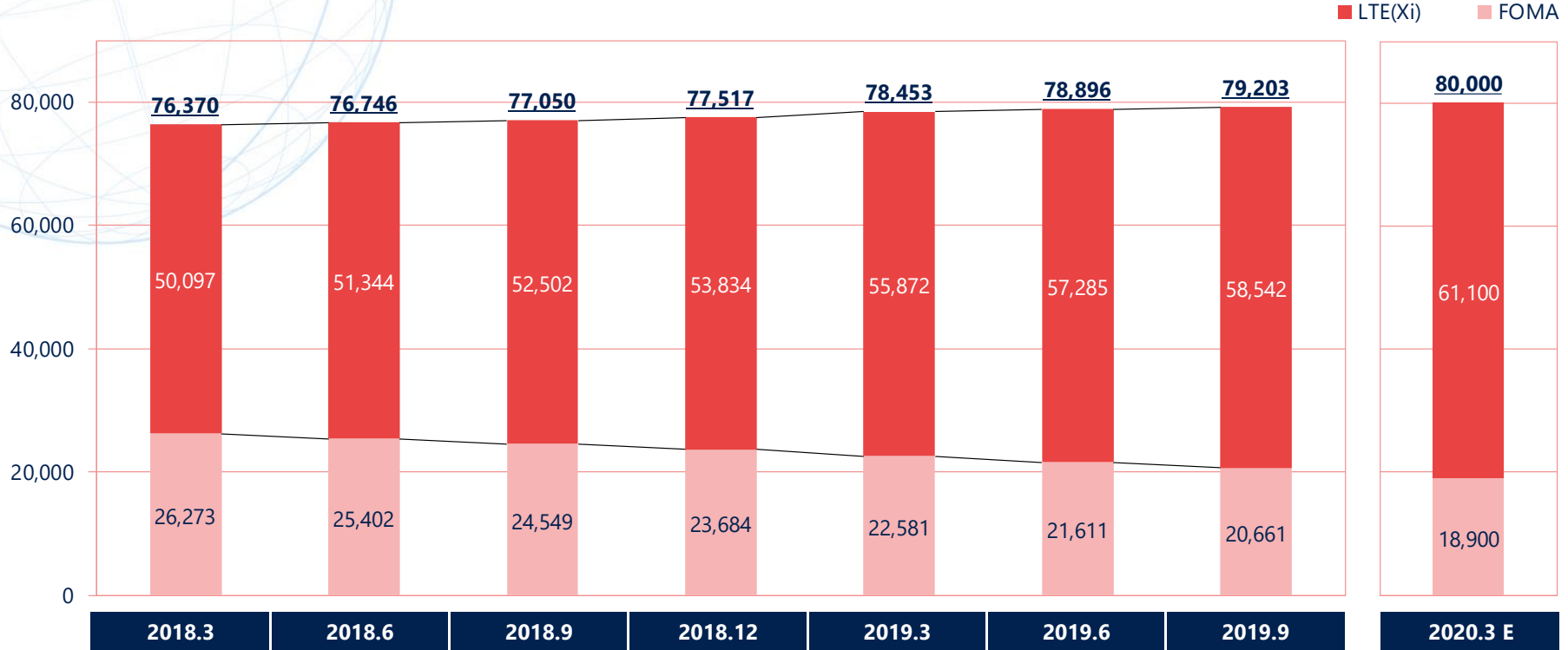
	2018 4-6	2018 7-9	2018 10-12	2019 1-3	2019 4-6	2019 7-9	2019 4 - 2020 3 E
Total	+187	+131	+144	+83	+182	+156	+600
Hikari Collaboration	+500	+376	+370	+327	+365	+302	+1,200
FLET'S Hikari	(313)	(245)	(226)	(244)	(183)	(146)	(600)
		(1,028)			(329)		

# Mobile Communications Services Subscriptions



## Number of Subscriptions

(Thousands)



## Net Increase

	2018 4-6	2018 7-9	2018 10-12	2019 1-3	2019 4-6	2019 7-9	2019 4 - 2020 3 E
LTE(Xi)+ FOMA	+376	+304	+467	+935	+443	+307	+1,500
	+2,083			+750			





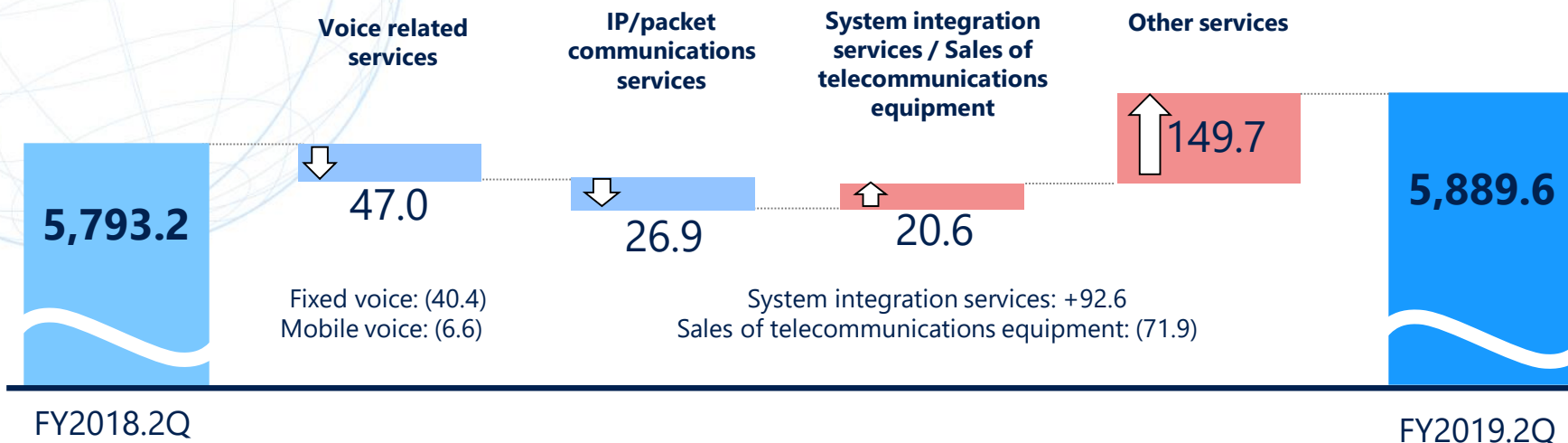
# Financial Information

# Details of Consolidated Statement of Income

(Billions of yen)

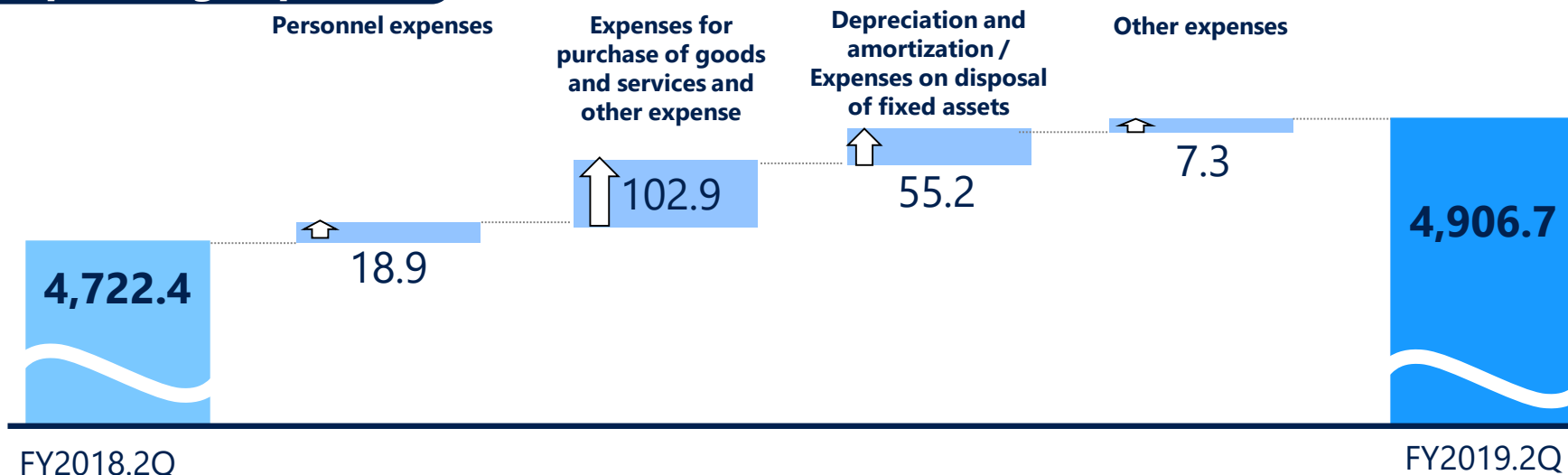
## Operating Revenues

<Year-on-year: +96.4>



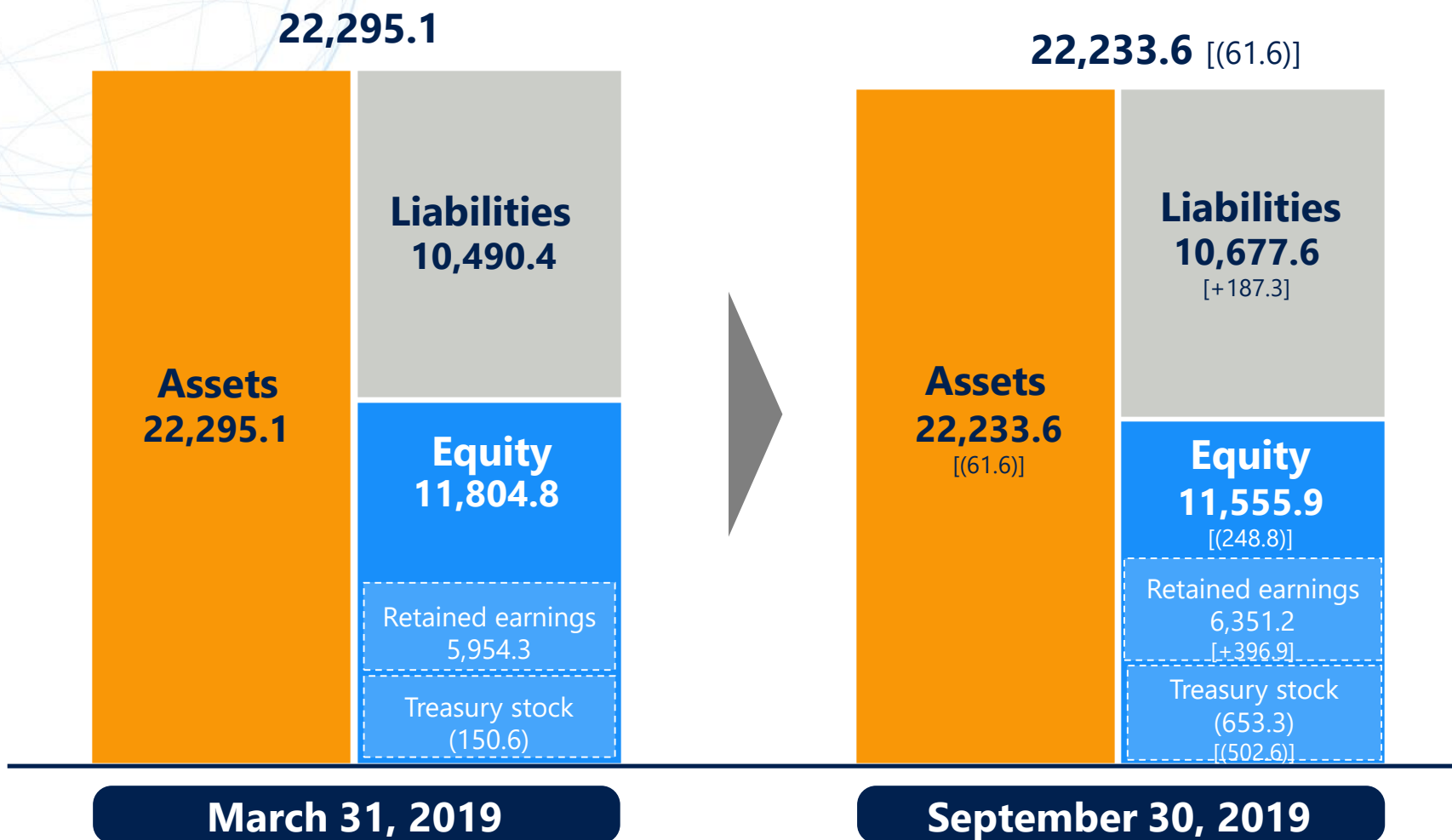
## Operating Expenses

<Year-on-year: +184.3>



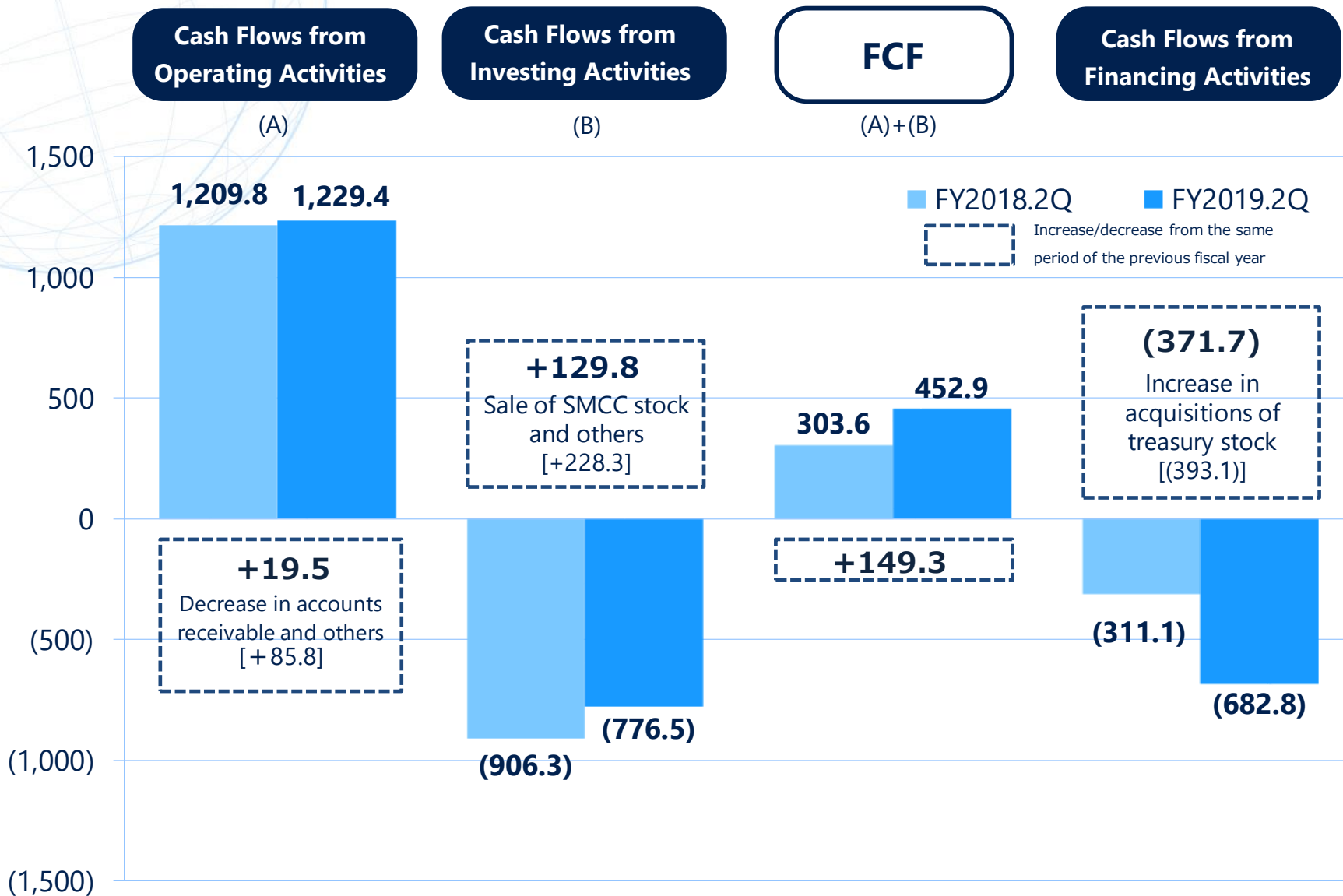
# Details of Consolidated Balance Sheet

(Billions of yen)



# Details of Consolidated Cash Flows

(Billions of yen)

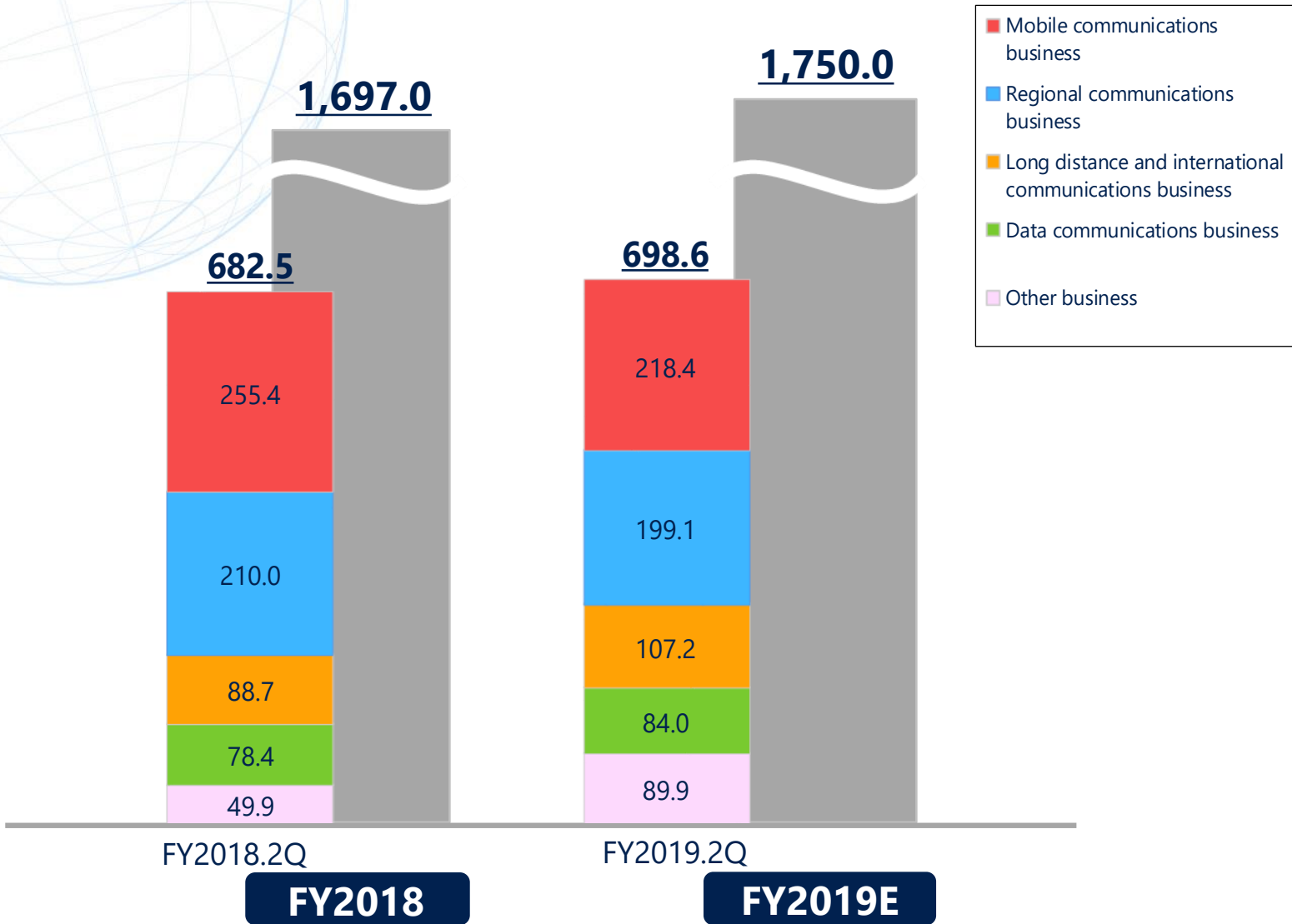


Note1: Amount excluding the impact of the last day of FY2018.2Q having been non-business day.

Note2: Amount excluding the impact on cash flows from operating and financing activities caused by the adoption of IFRS 16 (Leases) beginning in FY2019.

# Details of Capital Investment

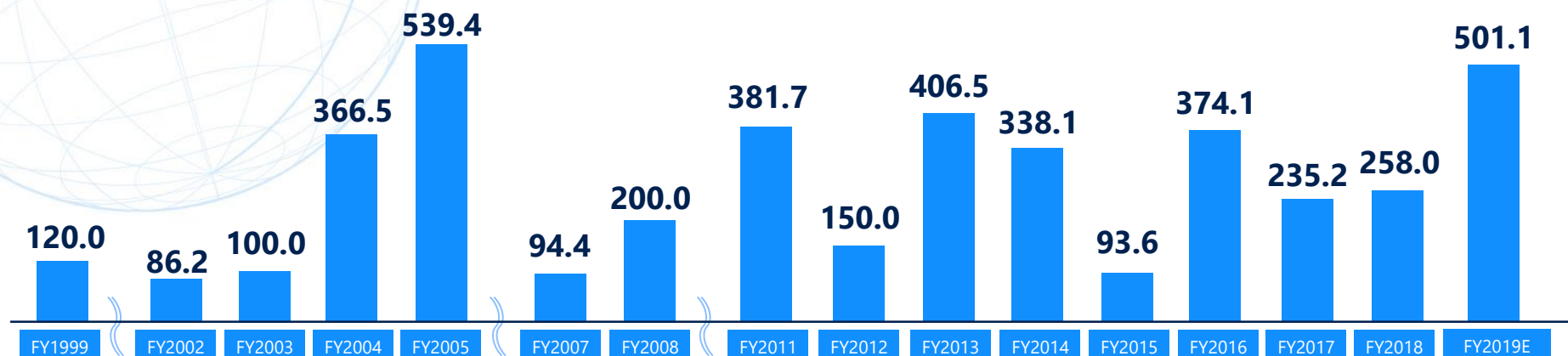
(Billions of yen)



# Shareholder Returns

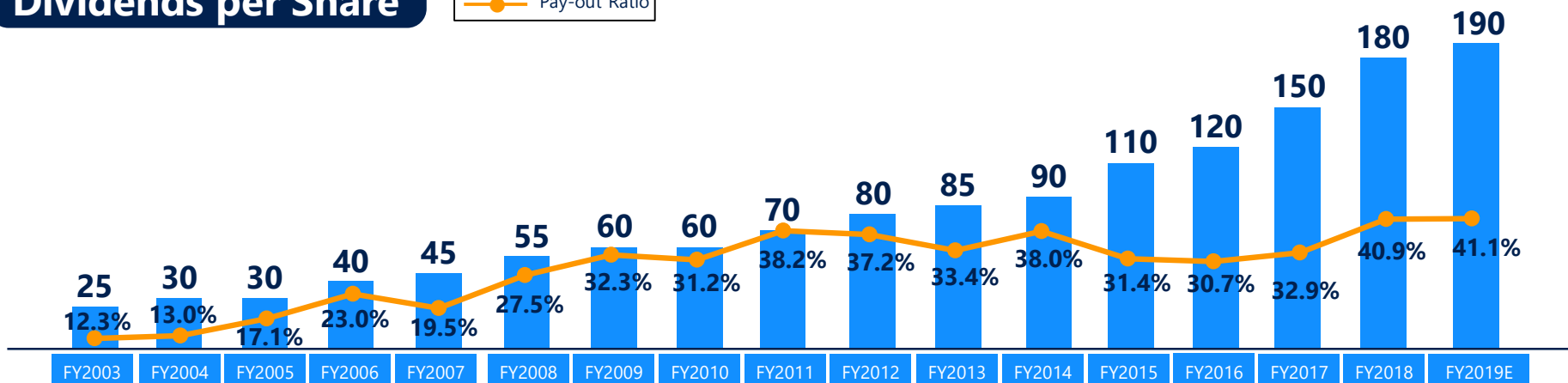
## Share Buybacks

(Billions of yen)



## Dividends per Share

(Yen)



Note1: Dividends have been adjusted to reflect the two-for-one stock split carried out on July 1, 2015 (Dividends have not been adjusted to reflect the two-for-one stock split with an effective date of January 1, 2020 authorized by the board of directors at its meeting held on November 5, 2019.)

Note2: U.S. GAAP was applied for periods up to and including FY2017, and IFRS has been applied for periods from and including FY2018.



***Your Value Partner***