

Financial Results Release

May 8, 2026

For the Year Ended March 31, 2026

[IFRS]

Name of registrant : NTT, Inc. /URL <https://group.ntt/en/ir/>
 Code No. : 9432
 Stock exchanges on which the Company's shares are listed : Tokyo
 Representative : Akira Shimada, President and Chief Executive Officer
 Contact : Naoki Akaishi, Head of IR, Finance and Accounting Department
 : URL <https://group.ntt/en/ir/contact/>
 Scheduled date of the ordinary general meeting of shareholders : June 18, 2026
 Scheduled date of dividend payments : June 1, 2026
 Scheduled filing date of securities report : June 16, 2026
 Supplemental material on financial results : Yes
 Presentation on financial results : Yes (for institutional investors and analysts)

1. Consolidated Financial Results for the Year Ended March 31, 2026 (April 1, 2025 - March 31, 2026)

Amounts are rounded to the nearest million yen.

(1) Consolidated Results of Operations

(Millions of yen)

| | Operating Revenues | | Operating Profit | | Profit before Taxes | | Profit Attributable to NTT | |
|---------------------------|--------------------|------|------------------|---------|---------------------|---------|----------------------------|---------|
| Year Ended March 31, 2026 | 14,409,121 | 5.1% | 1,706,221 | 3.4% | 1,581,923 | 1.1% | 1,037,032 | 3.7% |
| Year Ended March 31, 2025 | 13,704,727 | 2.5% | 1,649,571 | (14.2)% | 1,564,696 | (21.0)% | 1,000,016 | (21.8)% |

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

2. Comprehensive income (loss) attributable to NTT: For the year ended March 31, 2026: 1,719,075 million yen 66.1%
 For the year ended March 31, 2025: 1,034,737 million yen (47.3)%

| | Basic Earnings per Share Attributable to NTT | Diluted Earnings per Share Attributable to NTT | ROE (Ratio of Profit Attributable to NTT) | ROA (Ratio of Profit before Taxes to Total Assets) | Operating Profit Margin (Ratio of Operating Profit to Operating Revenues) |
|---------------------------|--|--|---|--|---|
| Year Ended March 31, 2026 | 12.61 (yen) | - (yen) | 10.4% | 4.1% | 11.8% |
| Year Ended March 31, 2025 | 11.96 (yen) | - (yen) | 10.0% | 5.2% | 12.0% |

(Reference) Equity in earnings (losses) of affiliated companies: For the year ended March 31, 2026: 41,265 million yen
 For the year ended March 31, 2025: 25,488 million 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 |
|----------------|--------------|---------------------------|----------------------|--|--------------------------------|
| March 31, 2026 | 46,721,259 | 10,217,533 | 9,727,623 | 20.8% | 119.47 (yen) |
| March 31, 2025 | 30,062,483 | 11,344,639 | 10,221,587 | 34.0% | 123.54 (yen) |

(3) Consolidated Cash Flows

(Millions of yen)

| | Cash Flows from Operating Activities | Cash Flows from Investing Activities | Cash Flows from Financing Activities | Cash and Cash Equivalents at End of Year |
|---------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
| Year Ended March 31, 2026 | 1,485,190 | (1,023,424) | 441,332 | 1,921,882 |
| Year Ended March 31, 2025 | 2,364,031 | (1,999,644) | (343,027) | 1,000,994 |

2. Dividends

| | Annual Dividends | | | | | Total Annual Dividends | Payout Ratio (Consolidated) | Ratio of Dividends to Shareholders' Equity (Consolidated) |
|--|--------------------------|---------------------------|--------------------------|------------|------------|--------------------------------------|-----------------------------|---|
| | End of the first quarter | End of the second quarter | End of the third quarter | Year-end | Total | | | |
| Year Ended March 31, 2025 | - | 2.60 (yen) | - | 2.60 (yen) | 5.20 (yen) | 433,303 ^(millions of yen) | 43.5 % | 4.2 % |
| Year Ended March 31, 2026 | - | 2.65 (yen) | - | 2.65 (yen) | 5.30 (yen) | 434,693 ^(millions of yen) | 42.0 % | 4.4 % |
| Year Ending March 31, 2027 (Forecasts) | - | 2.70 (yen) | - | 2.70 (yen) | 5.40 (yen) | - | 44.6 % | - |

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2027 (April 1, 2026 - March 31, 2027)

(Millions of yen)

| | Operating Revenues | | Operating Profit | | Profit before Taxes | | Profit Attributable to NTT | | Basic Earnings per Share Attributable to NTT |
|----------------------------|--------------------|------|------------------|------|---------------------|--------|----------------------------|--------|--|
| Year Ending March 31, 2027 | 15,060,000 | 4.5% | 1,710,000 | 0.2% | 1,500,000 | (5.2)% | 980,000 | (5.5)% | 12.10 (yen) |

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

***Notes:**

- (1) Significant changes in the scope of consolidation during the period: Yes
Added: 1 company (SBI Sumishin Net Bank, Ltd.)
Excluded: None
- (2) Changes in accounting policies and changes in accounting estimates
 - (i) Changes in accounting policies required by IFRS: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
- (3) Number of shares outstanding (common stock)
 - (i) Number of shares outstanding (including treasury stock):

| | |
|----------------|-------------------------|
| March 31, 2026 | : 90,550,316,400 shares |
| March 31, 2025 | : 90,550,316,400 shares |
 - (ii) Number of shares of treasury stock:

| | |
|----------------|------------------------|
| March 31, 2026 | : 9,126,691,363 shares |
| March 31, 2025 | : 7,811,965,740 shares |
 - (iii) Weighted average number of shares outstanding:

| | |
|-----------------------------------|-------------------------|
| For the Year Ended March 31, 2026 | : 82,258,269,145 shares |
| For the Year Ended March 31, 2025 | : 83,610,854,500 shares |

Notes: The number of shares of treasury stock includes the Company's shares held by the BIP (Board Incentive Plan) Trust (As of March 31, 2026: 31,611,838 shares; As of March 31, 2025: 34,782,500 shares) and the stock-granting ESOP (Employee Stock Ownership Plan) Trust (As of March 31, 2026: 31,733,300 shares; As of March 31, 2025: – shares). In addition, the Company's shares held by the BIP Trust and the stock-granting ESOP Trust are included in the treasury stock that is deducted from the number of shares outstanding when calculating the weighted average number of shares outstanding during the period.

(Reference) Non-Consolidated Financial Results

1. For the Company's non-consolidated financial results for the year ended March 31, 2026, please refer to the Other Matters Subject to Measures for Electronic Provision (Matters Excluded from Paper-based Documents Delivered) disclosed on the Company's website on May 8, 2026.
2. The forecast of the Company's non-consolidated financial results for the year ending March 31, 2027 was disclosed on the Company's website on May 8, 2026.

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

* Explanation of financial results forecasts and other notes:

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

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

As NTT evaluates its business performance on an annual basis, financial forecasts for the six-month period have not been prepared.

On Friday, May 8, 2026, NTT will hold a presentation on its financial results for institutional investors and analysts. Shortly thereafter, NTT plans to post on its website explanatory details, along with the materials used at the presentation.

1. Business Results

(1) Summary of Business Results

Overview of Consolidated Business Results (April 1, 2025 – March 31, 2026)

(Billions of yen)

| | Fiscal Year Ended March 31, 2025 (April 1, 2024 – March 31, 2025) | Fiscal Year Ended March 31, 2026 (April 1, 2025 – March 31, 2026) | Change | Percent Change |
|----------------------------|--|--|--------|-------------------|
| Operating revenues | 13,704.7 | 14,409.1 | 704.4 | 5.1% |
| Operating expenses | 12,055.2 | 12,702.9 | 647.7 | 5.4% |
| Operating profit | 1,649.6 | 1,706.2 | 56.7 | 3.4% |
| Profit before taxes | 1,564.7 | 1,581.9 | 17.2 | 1.1% |
| Profit attributable to NTT | 1,000.0 | 1,037.0 | 37.0 | 3.7% |

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

In the information and telecommunications market and its related markets, the spread of generative AI is driving the advancement of services and solutions, and demand for the networks and data centers that support them is also growing. In addition, the digital shift in social and economic activities is further advancing DX, which improves the convenience of daily life and business productivity. Furthermore, technologies such as digital twin and quantum computing are advancing rapidly, and efforts to move from demonstration phase to social implementation are expanding. Meanwhile, responses to the increase in data distribution and power consumption, as well as preparedness against cyberattacks, special fraud, and disasters are required, making the role of the information and communications business increasingly important.

In this business environment, the NTT Group is transforming from a business structure centered on telecommunications services to a diversified business structure focused on expanding the digital domain, data centers, and AI centered on strengthening global operations, and including the expansion and advancement of the financial business starting with payments and banking. In light of these efforts, in May 2025 we established "NTT Group's Core & Values," and in July 2025 we changed our corporate name from Nippon Telegraph and Telephone Corporation to NTT, Inc. while renewing our corporate identity (CI).

We also reorganized our group formation and completed the conversion of NTT DATA Group into a wholly owned subsidiary in September 2025. This has enabled faster decision-making in the corporate and global domains and established a unified Group-wide structure to promote investment in growth areas such as data centers and AI.

As a result, consolidated operating revenues for the fiscal year ended March 31, 2026 were 14,409.1 billion yen (an increase of 5.1% from the previous fiscal year), consolidated operating profit was 1,706.2 billion yen (an increase of 3.4% from the previous fiscal year), and consolidated profit attributable to NTT was 1,037.0 billion yen (an increase of 3.7% from the previous fiscal year).

<Operating Results by Segment>

(1) Integrated ICT Business segment

The principal services in the Integrated ICT Business are consumer telecommunications services (mobile phone services, optical broadband services, etc.), smart life services (financial services, content and lifestyle services, etc.), enterprise services (telecommunications services for enterprise customers, solutions services, system development services, etc.), and related services

(Consolidated Subsidiaries)

NTT DOCOMO, etc.

(2) Global Solutions Business Segment

The principal services in the Global Solutions Business are consulting services, IT solutions services, system and software development services, maintenance and support services, data center services, and related services.

(Consolidated Subsidiaries)

NTT DATA Group, etc.

(3) Regional Communications Business Segment

The principal services in the Regional Communications Business are optical services, enterprise services, fixed-line services, and related services.

(Consolidated Subsidiaries)

NTT East, NTT West, etc.

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

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

(Consolidated Subsidiaries)

NTT Urban Solutions, NTT Anode Energy, etc.

The business results for each segment for the consolidated fiscal year ended March 31, 2026 are as follows.

■ Integrated ICT Business Segment

Overview of Business Results by Business Segment (April 1, 2025 – March 31, 2026)

(Billions of yen)

| | Fiscal Year Ended March 31, 2025 (April 1, 2024 – March 31, 2025) | Fiscal Year Ended March 31, 2026 (April 1, 2025 – March 31, 2026) | Change | Percent Change |
|--------------------|--|--|--------|-------------------|
| Operating revenues | 6,213.1 | 6,458.1 | 245.0 | 3.9% |
| Operating expenses | 5,192.6 | 5,516.0 | 323.5 | 6.2% |
| Operating profit | 1,020.5 | 942.1 | (78.5) | (7.7)% |

《Overview》

In the consumer telecommunications services, we worked to maintain and expand our customer base and improve network quality, while accelerating initiatives aimed at future growth. In the smart life services, we expanded our operations against the backdrop of the growing use of payment services in the financial sector, as well as the growth in marketing solutions and the entertainment sector. In the enterprise services, we sought to grow our customer base by developing services combining network and security functions and strengthening partnerships.

● Details of Main Initiatives

- In June 2025, NTT DOCOMO launched the selectable billing plans docomo MAX and docomo Poikatsu MAX, according to customers' lifestyles and DOCOMO's unique value, and exceeded 3 million subscriptions in March 2026.
- NTT DOCOMO worked to further improve communication quality of its mobile network by constructing 5G base stations and actively introducing the latest equipment and functions. As a result, download throughput of 100 Mbps or higher has been achieved at 96% of measurement points in major urban centers*, expanding the area where customers can enjoy comfortable service.
*NTT DOCOMO's survey at measurement points set by the company in densely populated urban areas during peak hours using LTE/5G terminals (as of March 2026).
- In October 2025, NTT DOCOMO made SBI Sumishin Net Bank, Ltd. a consolidated subsidiary and launched the new service brand “d NEOBANK”. Furthermore, in March 2026, the company announced the transition to the “NTT DOCOMO Financial Group” structure and the transfer of financial business operated by NTT DOCOMO, such as “d CARD” and “d Pay,” to this group (scheduled to take place in July 2026). Through these efforts, we are promoting further business growth in the financial domain and strengthening the governance structure.
- In April 2025, Japan National Stadium Entertainment, Inc. (JNSE), in which NTT DOCOMO participates, began operation of MUFG Stadium (National Stadium). Furthermore, at IG Arena, which opened in Aichi Prefecture, NTT DOCOMO has implemented the development of communication environments using Wi-Fi 7 and 5G millimeter wave (28 GHz band) as well as IOWN. Through these initiatives, the company will pursue the sophistication of entertainment experiences that fuse virtual and real elements and expand the venue business.
- NTT DOCOMO BUSINESS offers NaaS (Network as a Service) docomo business RINK[®], which integrates diverse security and network functions. In October 2025, the service was selected for the first Japan-based company as Winner in the APAC region of U.S.-based Gartner[®]'s Eye on Innovation Awards, which recognize CSPs (Communication Service Providers) worldwide.
- Toward the social implementation of AI that combines digital domains centered on a Large-scale Language Model (hereinafter “LLM”) with non-LLM physical domains, NTT DOCOMO BUSINESS, together with Mujin, Inc., a company deploying robotic control technologies, is developing cloud services for safely and automatically controlling robots.

■ Global Solutions Business Segment

Overview of Business Results by Business Segment (April 1, 2025 – March 31, 2026)

(Billions of yen)

| | Fiscal Year Ended March 31, 2025 (April 1, 2024 – March 31, 2025) | Fiscal Year Ended March 31, 2026 (April 1, 2025 – March 31, 2026) | Change | Percent Change |
|--------------------|--|--|--------|-------------------|
| Operating revenues | 4,638.7 | 5,004.6 | 365.9 | 7.9% |
| Operating expenses | 4,314.9 | 4,516.4 | 201.5 | 4.7% |
| Operating profit | 323.9 | 488.2 | 164.3 | 50.7% |

《Overview》

In the Japan segment, we capitalized on the demand for digitalization by securing large-scale projects in the public and social infrastructure sector, financial sector, and enterprise sector.

In the overseas segment, we strengthened our ability to provide services by offering full-stack solutions and expanding the data center business, while also improving profitability through the sales deployment of large-scale projects and growth in the cloud and security sectors.

● Details of Main Initiatives

- In the AI domain, we are promoting the provision of solutions while collaborating with various partners to address our customers' diverse needs and system environments. In addition to utilizing "tsuzumi," a lightweight LLM with the characteristic of superior Japanese-language performance developed by the Company, we are broadly expanding collaborations with partners, such as starting the provision of "ChatGPT Enterprise" as OpenAI's first authorized distributor in Japan in May 2025 and advancing the development of industry-specific AI agents through a global partnership with Google Cloud launched in August 2025. Based on these efforts, we provide high value-added AI solutions by combining multiple LLMs based on their use and the characteristics of the business.
- Against the backdrop of securing large-scale projects in the overseas segment of the Global Solutions business, the data center business across the entire NTT Group also grew significantly. At approximately 2,000 MW^{*1}, The Group boasts the largest total power receiving capacity in Japan^{*2} and the third largest in the world^{*3}. We have plans in place to expand to a capacity of over 2,700 MW, which we aim to expand to 3,000 MW by FY2030.

*1 The megawatt (MW) figures indicate the power capacity of data centers owned by the Integrated ICT Segment and the Regional Communications Segment (including joint ventures with third parties).

*2 Calculated from the 2024 domestic market MW figures and rankings published by Structure Research, using the NTT Group's MW data.

*3 Recalculated from the Structure Research August 2025 Report, excluding operators in the People's Republic of China.

- In July 2025, NTT DC REIT, a real estate investment trust managed by NTT DC REIT Manager Pte. Ltd. was listed on the Singapore Exchange. By utilizing this REIT, among other measures, we have shortened the investment recovery cycle for data centers, and generated investment funds and maintained financial soundness while securing continued investment and further growth in the data center business.
- In July 2025, we commenced operation of the submarine communications cable MIST connecting Singapore, Malaysia, and India. Furthermore, in January 2026, NTT Limited Japan Corporation, Sumitomo Corporation, and JA Mitsui Leasing, Ltd. established a new company, Intra-Asia Marine Networks Co., Ltd., and announced the construction plan of the submarine cable I-AM Cable connecting Japan, Malaysia, and Singapore at a total project cost of 150 billion yen.
- In December 2025, NTT DATA Group established NTT DATA AIVista, Inc. in Silicon Valley, U.S., with the aim of accelerating the social implementation of cutting-edge AI technology and creating AI-native businesses.

■ Regional Communications Business Segment

Overview of Business Results by Business Segment (April 1, 2025 – March 31, 2026)

(Billions of yen)

| | Fiscal Year Ended March 31, 2025 (April 1, 2024 – March 31, 2025) | Fiscal Year Ended March 31, 2026 (April 1, 2025 – March 31, 2026) | Change | Percent Change |
|--------------------|--|--|--------|-------------------|
| Operating revenues | 3,112.3 | 3,210.2 | 97.9 | 3.1% |
| Operating expenses | 2,816.8 | 2,902.8 | 86.0 | 3.1% |
| Operating profit | 295.5 | 307.4 | 11.9 | 4.0% |

《Overview》

In the regional communications business, we strengthened initiatives toward business structure reform amid the continued decline of legacy business revenue. Such efforts have included further expanding the service area of the FLET's Hikari Cross high-speed Internet service and enhancing whole-building bulk sales in collaboration with condominium developers, and launching FLET'S Hikari Cross Biz, a highly reliable service for corporate customers, to improve service quality and bolster our lineup, in addition to reforming telecommunications operations that harness DX and AI.

● Details of Main Initiatives

- NTT EAST and NTT WEST launched FLET'S Hikari Cross Biz, a highly reliable service for corporate customers (with a maximum communication speed of approximately 10 Gbps). In addition to securing bandwidth and service quality guarantees, we established a maintenance system that includes on-site troubleshooting within 24 hours, ensuring stable and reliable communications, while also providing a communication environment suited for corporate operations—such as cloud usage and multi-site connectivity—to strengthen our enterprise services and expand our customer base.
- In September 2025, NTT EAST and NTT WEST announced the gradual migration of telephone subscriber services using metal facilities to alternative services using optical fiber lines or mobile lines, as maintaining the current service level is expected to become difficult by around 2035 due to declining usage and aging facilities. To ensure stable provision of telephone subscriber services, the line use rate was revised effective April 1, 2026.

■ Others (Real Estate, Energy and Others)

Overview of Business Results by Others (April 1, 2025 – March 31, 2026)

(Billions of yen)

| | Fiscal Year Ended March 31, 2025 (April 1, 2024 – March 31, 2025) | Fiscal Year Ended March 31, 2026 (April 1, 2025 – March 31, 2026) | Change | Percent Change |
|--------------------|--|--|--------|-------------------|
| Operating revenues | 1,726.5 | 1,752.6 | 26.1 | 1.5% |
| Operating expenses | 1,670.7 | 1,754.2 | 83.4 | 5.0% |
| Operating profit | 55.8 | (1.6) | (57.4) | (102.8)% |

<Strategic Initiatives for Sustained Growth>

《Domestic and International Deployment of IOWN APN》

- In May 2025, using the IOWN APN^{*1}, we showed Cho Kabuki^{*2} titled “CHO-KABUKI Powered by IOWN ‘Hanakurabe Senbonzakura Expo 2025 ver.’” We connected the Osaka-Kansai Expo venue with Taiwan and successfully transmitted in real time and bidirectionally the movements of CHO-KABUKI performed at the Expo venue and the traditional Taiwanese performing art Guan Jiang Shou performed in Taiwan between the two venues.
*1 Abbreviation for All-Photonics Network. By implementing optical-based technologies in everything from terminals to networks, extremely low power consumption, high speed and large capacity, and low-latency transmission can be realized.
*2 A new sensory stage art that fuses traditional kabuki performing art with the Company’s cutting-edge technology to bring together kabuki actors and a virtual singer.
- In September 2025, by connecting the filming site with the remote production center, we realized remote and efficient video production for terrestrial live broadcasts of large-scale sporting events. Overseas, in October 2025, we began providing services for the financial industry in Hong Kong to connect data centers via IOWN APN, and we are also working to expand connectivity going forward.

《Partnerships for Practical Application of Photonic-Electronic Convergence Devices》

- At the NTT Pavilion at the Osaka-Kansai Expo, we utilized IOWN Photonic Computing to analyze the facial expressions of visitors inside the pavilion from outside the venue and reflected them in the movement of the curtain covering the pavilion. This IOWN Photonic Computing utilizes resource allocation technology that allows for only the necessary functions to be efficiently used in the amounts required and the high-capacity and low-power-consumption photonic-electronic convergence device^{*1} (PEC) PEC-2^{*2} to achieve power consumption reduced to one-eighth of the conventional level.
*1 A device that integrates electronic and photonic devices into a single system to improve data transfer speed and energy efficiency.
*2 A photonic-electronic convergence device that optically connects short haul between computer boards.
- Aiming for commercial launch of PEC-2 during FY2026, we have established a collaborative system with supply chain partners including Broadcom Inc. and Accton Technology Corporation. In addition, NTT Innovative Devices Corporation is strengthening its production system through process automation and expanding production lines in response to demand.

《Photonics-Driven Urban Development Powered by IOWN, Starting in Hibiya》

- In December 2025, we announced the start of construction of NTT Hibiya Tower in the Central Zone of the Uchisaiwaicho 1-Chome District Development Project, HIBIYA CROSSPARK. The tower will feature mixed-use facilities including offices, retail, hotels, halls, and industrial support facilities, and will serve as a new Group hub (scheduled for completion in late October 2031). By implementing IOWN, we aim to position this as the starting point for Photonics-Driven Urban Development, which will deliver unprecedented new value and achieve overwhelming ultra-low power consumption, with plans to expand the initiative across Japan and the world.

《Further Evolution of NTT’s LLM “tsuzumi” 》

- In October 2025, we began providing “tsuzumi 2,” the evolved version of NTT’s LLM “tsuzumi,” which offers the world’s top Japanese-language performance among models of comparable size. By focusing on enhancing specialized knowledge in specific industries, we can efficiently develop customized AI tailored to each client. Furthermore, its lightweight design allows it to operate on a single GPU^{*1}, enabling low-cost and highly secure operation in an on-premises^{*2} environment.
*1: Graphics Processing Unit
*2: An environment confined to in-house servers

《Toward Achieving Social Implementation of Autonomous Driving》

- In December 2025, we established NTT Mobility, Inc. with the aim of establishing safer, more secure, and sustainable autonomous driving systems and realizing an autonomous driving society. Furthermore, we will utilize the NTT Group’s communication network services to develop solutions that address Level 4 autonomous driving and related services.
- In pursuit of advancing autonomous driving, we are developing a Mobility AI Platform with Toyota Motor Corporation aimed at realizing a society with zero traffic accidents.

<Sustainability Initiatives>

《Initiatives Toward Achieving Net Zero in FY2040》

- Toward achieving net zero in FY2040, the NTT Group has set interim targets of 950,000 tons^{*1} for Scope 1 & 2 and 17 million tons^{*2} for Scope 1, 2, & 3 for greenhouse gas emissions in FY2030, and will promote decarbonization across the entire supply chain in addition to its own decarbonization. Note that Scope 1 & 2 emissions for FY2025 were 2.041 million tons (preliminary figure).

*1 For Scope 1 & 2, FY2013 has been set as the reference year in line with the Japanese government's global warming countermeasures plan.

*2 For Scope 1, 2, & 3, FY2018 has been set as the reference year, in line with the start of calculations using the current scope of aggregation, which includes overseas Group companies.

《Introduction of Stock-Granting System for Group Employees》

- In November 2025, the Company introduced a stock-granting system for Group employees for managerial employees who meet certain requirements of the NTT Group. By increasing target employees' awareness of their participation in management and further enhancing their motivation and engagement to contribute to improving business performance, the Company aims to enhance its medium- to long-term corporate value.

《Strengthening Response to Large-Scale Disasters, etc.》

- In October 2025, eight companies consisting of the Company, NTT EAST, NTT WEST, NTT DOCOMO, NTT DOCOMO BUSINESS, KDDI Corporation, SoftBank Corp. and Rakuten Mobile, Inc. began the implementation of area allocation for evacuation shelter support and the standardization of an information dissemination system in the event of a large-scale disaster. In the past, support locations were duplicated, which caused regional disparities, so going forward, we aim to deliver communication services and other support promptly to all areas affected by disasters. At the same time, in order to provide information that is easier to understand, we have standardized evacuation shelter support information from each telecommunications carrier and display it in a common format.
- In March 2026, five companies – NTT DOCOMO, KDDI Corporation, Okinawa Cellular Telephone Company, SoftBank Corp., and Rakuten Mobile, Inc. – announced that they would launch JAPAN Roaming^{TM*} on April 1, 2026, with the aim of providing alternative means of communication in emergencies.

*A service that enables customers to temporarily connect to another carrier's network (4G LTE) as an alternative means and use part of the communication services, even if the contracted carrier's communication service becomes unavailable due to a large-scale disaster or major outage.

<Status of Research & Development, etc.>

We advanced initiatives to realize our AI strategy, achieve the social implementation of IOWN, and to roll out technologies and resolve issues in a range of industries.

《Innovations in Computing with Photonics Technology (Toward IOWN 3.0)》

- Advances in AI have caused an explosive increase in computer computation volume, making it essential to combine multiple GPUs to operate as a single large-scale computing resource. However, when data transmission between GPUs is performed electrically, constraints on transmission capacity and distance create limitations for configurations that span multiple racks. In IOWN 3.0, which we aim to realize in 2028, we have developed the extremely compact photonic-electronic convergence device PEC-3 using our proprietary technology of compound semiconductor thin-film (membrane) for optoelectronics, which optically and directly connects semiconductor packages such as CPUs and GPUs for data transmission. This makes it possible to build a large-scale computing platform that integrates numerous GPUs across multiple racks. We plan to begin providing commercial samples of PEC-3 in 2028.

《Research and Development Toward Practical Application of Optical Quantum Computers》

- Quantum computers are expected to be used for complex tasks that require enormous time to compute with conventional computers. Under the IOWN concept, we have pursued research and development of optical communication technologies such as optical amplification and optical multiplexing technologies, and we aim to apply these technologies to the practical application of an optical quantum computer. In November 2025, we signed a collaboration agreement with OptQC Corp. to pursue the development of scalable and highly reliable optical quantum computers with the goal of achieving a Japan-leading 10,000 qubits by 2027 and a world-leading 1 million qubits by 2030.

《Research and Development Aimed at Expanding the Space Business》

- The space market is currently attracting attention as a global growth industry, and the NTT Group is also engaged in initiatives in the communications and observation domains. In November 2025, we announced the world's first demonstration of a method to detect early signs of road cave-ins by using the reflected components of radio waves from synthetic aperture radar (SAR) satellites. This enables efficient risk assessment of potential road cave-in risks without on-site work, and we are developing wide-area infrastructure monitoring technology. In addition, against the backdrop of increasing data volumes handled in outer space, a shift from radio-wave communication to next-generation optical communication is expected, and we are working on the advancement of inter-satellite optical communication terminals. This will enable the construction of space infrastructure equipped with high-speed and large-capacity computing platforms based on IOWN technology. We will also take on the challenge of research and development with future lunar business in mind, and under the space business brand NTT C89 we aim for early business growth on the scale of 100 billion yen.

《Development of Hydrogen Piping Technology Toward Realizing a Hydrogen Society》

- We are developing proprietary piping technology to safely and efficiently transport hydrogen toward realizing a decarbonized society. While hydrogen is expected as a next-generation energy source, it has the property of degrading metals when transported via pipelines or cylinders, making the establishment of safe transportation technology an important issue. We have developed a special dual-layer structure pipe in an aim to realize a transportation method that achieves both enhanced safety and cost reduction by using technology to install these pipes while effectively utilizing existing underground spaces such as utility tunnels. In July 2025, we began joint research and demonstration of safety measures with the Tokyo Metropolitan Government Bureau of Port and Harbor and related Group companies, with the aim of commercializing these measures in the future.

Note: In section (1), Summary of Business Results, “NTT DOCOMO,” “NTT DOCOMO BUSINESS,” “NTT EAST,” “NTT WEST,” and “NTT DATA Group” refer to NTT DOCOMO, INC., NTT DOCOMO BUSINESS, Inc., NTT EAST, Inc., NTT WEST, Inc., and NTT DATA Group Corporation, respectively.

(2) Summary of the Consolidated Financial Position

Cash Flows

| | (Billions of yen) | | | |
|--|--|--|---------|-------------------|
| | Fiscal Year Ended March 31, 2025 (April 1, 2024 – March 31, 2025) | Fiscal Year Ended March 31, 2026 (April 1, 2025 – March 31, 2026) | Change | Percent Change |
| Cash flows provided by operating activities | 2,364.0 | 1,485.2 | (878.8) | (37.2)% |
| Cash flows provided by operating activities (excluding the impact of non-business days) | 2,171.2 | 1,485.2 | (686.0) | (31.6)% |
| Cash flows used in investing activities | (1,999.6) | (1,023.4) | 976.2 | 48.8% |
| Cash flows provided by financing activities | (343.0) | 441.3 | 784.4 | — |
| Cash and cash equivalents at the end of year | 1,001.0 | 1,921.9 | 920.9 | 92.0% |

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

Cash flows provided by operating activities for the fiscal year ended March 31, 2026 was ¥1,485.2 billion. This was primarily due to profit (loss) as adjusted for non-cash items (profit for the period, plus non-cash items such as depreciation and losses on retirement of fixed assets) reaching ¥2,964.4 billion and loans for banking reaching ¥1,009.9 billion. Excluding the impact of non-business days, this represented a decrease of ¥686.0 billion (31.6%) from the previous fiscal year due to an increase in loans for banking, among other factors. Including the impact of non-business days, this represented a decrease of ¥878.8 billion (37.2%) from the previous fiscal year.

Cash flows used in investing activities for the fiscal year ended March 31, 2026 was ¥1,023.4 billion. This was primarily due to payments for the purchase of property, plant and equipment, intangible assets and investment property reaching ¥2,255.7 billion. This represented a decrease in net payments of 976.2 billion (48.8%) from the previous fiscal year, primarily due to proceeds from acquisition of subsidiaries, among other factors.

Cash flows provided by financing activities for the fiscal year ended March 31, 2026 was ¥441.3 billion, which included payments for acquisition of interests in subsidiaries from non-controlling interests of ¥2,395.7 billion and net increase in borrowings of ¥3,685.0 billion. This represented an increase in net cash provided of ¥784.4 billion from the previous fiscal year.

As a result of the above, NTT Group's consolidated cash and cash equivalents at the end of year as of March 31, 2026 was ¥1,921.9 billion, an increase of ¥920.9 billion (92.0%) from the end of the previous fiscal year.

Financial Position

| | (Billions of yen) | | |
|---------------------------------------|----------------------|----------------------|-----------|
| | As of March 31, 2025 | As of March 31, 2026 | Change |
| Assets | 30,062.5 | 46,721.3 | 16,658.8 |
| Liabilities | 18,717.8 | 36,503.7 | 17,785.9 |
| (incl.)Interest-bearing debt | 10,010.1 | 15,711.6 | 5,701.5 |
| Equity | 11,344.6 | 10,217.5 | (1,127.1) |
| (incl.)Total NTT shareholders' equity | 10,221.6 | 9,727.6 | (494.0) |

Assets as of the end of the fiscal year under review increased by ¥16,658.8 billion from the end of the previous fiscal year to ¥46,721.3 billion, due to, among other factors, the consolidation of SBI Sumishin Net Bank, Ltd. as a subsidiary, as well as an increase in property, plant and equipment and other financial assets.

Liabilities as of the end of the fiscal year under review increased by ¥17,785.9 billion from the end of the previous fiscal year to ¥36,503.7 billion, due to, among other factors, the consolidation of SBI Sumishin Net Bank, Ltd. as a subsidiary, as well as an increase in borrowings. The balance of interest-bearing debt was ¥15,711.6 billion, an increase of ¥5,701.5 billion from ¥10,010.1 billion as of the end of the previous fiscal year.

Shareholders' equity as of the end of the fiscal year under review decreased by ¥(494.0) billion from the end of the previous fiscal year to ¥9,727.6 billion, due to, among other factors, a decrease in retained earnings. The ratio of interest-bearing debt to shareholders' equity was 161.5% (compared to 97.9% at the end of the previous fiscal year). In addition, equity, which consists of the sum of shareholders' equity and non-controlling interests, decreased by ¥(1,127.1) billion from the end of the previous fiscal year to ¥10,217.5 billion.

2. Basic Concepts Concerning the Selection of Accounting Standards

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

3. Consolidated Financial Statements

(1) Consolidated Statement of Financial Position

| | Millions of yen | | |
|---|-------------------|-------------------|------------------------|
| | March 31, 2025 | March 31, 2026 | Increase (Decrease) |
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | ¥1,000,994 | ¥1,921,882 | ¥920,888 |
| Trade and other receivables | 4,880,769 | 5,551,177 | 670,408 |
| Short-term loans for banking | — | 747,054 | 747,054 |
| Other financial assets | 973,465 | 1,446,264 | 472,799 |
| Inventories | 556,576 | 624,827 | 68,251 |
| Other current assets | 863,583 | 1,053,104 | 189,521 |
| Sub Total | 8,275,387 | 11,344,308 | 3,068,921 |
| Assets held for sale | 94,972 | 392 | (94,580) |
| Total current assets | 8,370,359 | 11,344,700 | 2,974,341 |
| Non-current assets | | | |
| Property, plant and equipment | 10,662,316 | 11,276,887 | 614,571 |
| Right-of-use asset | 974,009 | 1,021,044 | 47,035 |
| Goodwill | 1,719,148 | 2,079,718 | 360,570 |
| Intangible assets | 2,483,238 | 2,872,974 | 389,736 |
| Investment property | 1,341,188 | 1,523,792 | 182,604 |
| Investments accounted for using equity method | 452,107 | 542,777 | 90,670 |
| Long-term loans for banking | — | 10,123,333 | 10,123,333 |
| Securities for banking | — | 825,684 | 825,684 |
| Other financial assets | 2,237,517 | 3,305,980 | 1,068,463 |
| Deferred tax assets | 665,474 | 460,837 | (204,637) |
| Other non-current assets | 1,157,127 | 1,343,533 | 186,406 |
| Total non-current assets | 21,692,124 | 35,376,559 | 13,684,435 |
| Total assets | ¥30,062,483 | ¥46,721,259 | ¥16,658,776 |

Millions of yen

| | March 31, 2025 | March 31, 2026 | Increase (Decrease) |
|---|-------------------|-------------------|------------------------|
| LIABILITIES AND EQUITY | | | |
| Current liabilities | | | |
| Short-term borrowings | ¥2,822,577 | ¥4,395,648 | ¥1,573,071 |
| Trade and other payables | 2,849,534 | 3,073,019 | 223,485 |
| Short-term deposits for banking | — | 10,950,069 | 10,950,069 |
| Lease liabilities | 231,665 | 249,991 | 18,326 |
| Other financial liabilities | 866,450 | 1,351,626 | 485,176 |
| Accrued payroll | 593,503 | 660,108 | 66,605 |
| Income taxes payables | 242,376 | 245,392 | 3,016 |
| Other current liabilities | 1,254,747 | 1,407,033 | 152,286 |
| Sub Total | 8,860,852 | 22,332,886 | 13,472,034 |
| Liabilities directly associated with assets held for sale | 4,411 | — | (4,411) |
| Total current liabilities | 8,865,263 | 22,332,886 | 13,467,623 |
| Non-current liabilities | | | |
| Long-term borrowings | 7,187,500 | 11,315,960 | 4,128,460 |
| Long-term deposits for banking | — | 55,911 | 55,911 |
| Lease liabilities | 929,471 | 957,941 | 28,470 |
| Other financial liabilities | 168,216 | 413,094 | 244,878 |
| Defined benefit liabilities | 1,011,026 | 714,718 | (296,308) |
| Deferred tax liabilities | 185,547 | 228,066 | 42,519 |
| Other non-current liabilities | 370,821 | 485,150 | 114,329 |
| Total non-current liabilities | 9,852,581 | 14,170,840 | 4,318,259 |
| Total liabilities | 18,717,844 | 36,503,726 | 17,785,882 |
| Equity | | | |
| NTT, Inc. (“NTT”) shareholders’ equity | | | |
| Common stock | 937,950 | 937,950 | — |
| Retained earnings | 9,726,370 | 8,926,197 | (800,173) |
| Treasury stock | (1,139,170) | (1,343,643) | (204,473) |
| Other components of equity | 696,437 | 1,207,119 | 510,682 |
| Total NTT shareholders’ equity | 10,221,587 | 9,727,623 | (493,964) |
| Non-controlling interests | 1,123,052 | 489,910 | (633,142) |
| Total equity | 11,344,639 | 10,217,533 | (1,127,106) |
| Total liabilities and equity | ¥30,062,483 | ¥46,721,259 | ¥16,658,776 |

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

Consolidated Statements of Profit or Loss

Year Ended March 31

| | Millions of yen except per share data | | |
|---|--|-------------|------------------------|
| | 2025 | 2026 | Increase (Decrease) |
| Operating revenues | ¥13,704,727 | ¥14,409,121 | ¥704,394 |
| Operating expenses | | | |
| Personnel expenses | 3,098,603 | 3,214,887 | 116,284 |
| Expenses for purchase of goods and services and other expenses | 6,817,713 | 7,207,918 | 390,205 |
| Depreciation and amortization | 1,722,035 | 1,790,983 | 68,948 |
| Loss on disposal of property, plant and equipment and intangible assets | 121,680 | 119,782 | (1,898) |
| Impairment losses | | | |
| Goodwill | — | 57,466 | 57,466 |
| Other | 20,068 | 22,723 | 2,655 |
| Taxes and dues | 275,057 | 289,141 | 14,084 |
| Total operating expenses | 12,055,156 | 12,702,900 | 647,744 |
| Operating profit | 1,649,571 | 1,706,221 | 56,650 |
| Finance income | 59,151 | 74,505 | 15,354 |
| Finance costs | 169,514 | 240,068 | 70,554 |
| Share of profit (loss) of entities accounted for using equity method | 25,488 | 41,265 | 15,777 |
| Profit before taxes | 1,564,696 | 1,581,923 | 17,227 |
| Income taxes | 482,261 | 499,285 | 17,024 |
| Profit | ¥1,082,435 | ¥1,082,638 | ¥203 |
| Profit attributable to NTT | 1,000,016 | 1,037,032 | 37,016 |
| Profit attributable to Non-controlling interests | 82,419 | 45,606 | (36,813) |
| Earnings per share attributable to NTT | | | |
| Basic earnings per share (yen) | ¥11.96 | ¥12.61 | |

Consolidated Statements of Comprehensive Income

Year Ended March 31

| | Millions of yen | | |
|--|-------------------|-------------------|------------------------|
| | 2025 | 2026 | Increase (Decrease) |
| Profit | ¥1,082,435 | ¥1,082,638 | ¥203 |
| Other comprehensive income (net of taxes) | | | |
| Items that will not be reclassified to profit or loss | | | |
| Change in the fair value of financial assets measured at fair value through other comprehensive income | (66,384) | 182,018 | 248,402 |
| Share of other comprehensive income of entities accounted for using the equity method | (2,688) | (4) | 2,684 |
| Remeasurements of the defined benefit plans | 75,485 | 202,748 | 127,263 |
| Total of items that will not be reclassified to profit or loss | 6,413 | 384,762 | 378,349 |
| Items that may be reclassified to profit or loss | | | |
| Cash flow hedges | 52,078 | 101,703 | 49,625 |
| Hedges cost | 2,026 | (47,923) | (49,949) |
| Foreign currency translation adjustments | (32,355) | 249,386 | 281,741 |
| Share of other comprehensive income of entities accounted for using the equity method | 8,940 | (2,877) | (11,817) |
| Total of items that may be reclassified to profit or loss | 30,689 | 300,289 | 269,600 |
| Total other comprehensive income (net of taxes) | 37,102 | 685,051 | 647,949 |
| Total comprehensive income | ¥1,119,537 | ¥1,767,689 | ¥648,152 |
| Comprehensive income attributable to NTT | 1,034,737 | 1,719,075 | 684,338 |
| Comprehensive income attributable to Non-controlling interests | 84,800 | 48,614 | (36,186) |

(3) Consolidated Statement of Changes in Equity

Year Ended March 31, 2025

| | Millions of yen | | | | | | | |
|---|--------------------------|----------------------------|-------------------|----------------|----------------------------|-------------|---------------------------|--------------|
| | NTT Shareholders' Equity | | | | | | Non-controlling interests | Total equity |
| | Common stock | Additional paid-in capital | Retained earnings | Treasury stock | Other components of equity | Total | | |
| April 1, 2024 | ¥937,950 | ¥— | ¥9,078,084 | ¥(937,291) | ¥765,417 | ¥9,844,160 | ¥1,048,899 | ¥10,893,059 |
| Comprehensive income | | | | | | | | |
| Profit | — | — | 1,000,016 | — | — | 1,000,016 | 82,419 | 1,082,435 |
| Other comprehensive income | — | — | — | — | 34,721 | 34,721 | 2,381 | 37,102 |
| Total comprehensive income | — | — | 1,000,016 | — | 34,721 | 1,034,737 | 84,800 | 1,119,537 |
| Value of transactions with shareholders etc. | | | | | | | | |
| Dividends of surplus | — | — | (436,766) | — | — | (436,766) | (23,667) | (460,433) |
| Transfer to retained earnings | — | 18,744 | 84,957 | — | (103,701) | — | — | — |
| Purchase and disposal of treasury stock | — | 0 | — | (201,879) | — | (201,879) | — | (201,879) |
| Changes in ownership interest in subsidiaries without loss of control | — | (4,149) | — | — | — | (4,149) | 16,857 | 12,708 |
| Share-based compensation transactions | — | (9,180) | — | — | — | (9,180) | (2,831) | (12,011) |
| Put options granted to non-controlling interests | — | (5,224) | — | — | — | (5,224) | (1,461) | (6,685) |
| Other | — | (191) | 79 | — | — | (112) | 455 | 343 |
| Total value of transactions with shareholders etc. | — | — | (351,730) | (201,879) | (103,701) | (657,310) | (10,647) | (667,957) |
| March 31, 2025 | ¥937,950 | ¥— | ¥9,726,370 | ¥(1,139,170) | ¥696,437 | ¥10,221,587 | ¥1,123,052 | ¥11,344,639 |

Year Ended March 31, 2026

Millions of yen

| | NTT Shareholders' Equity | | | | | Total | Non-controlling interests | Total equity |
|---|--------------------------|----------------------------|-------------------|----------------|----------------------------|-------------|---------------------------|--------------|
| | Common stock | Additional paid-in capital | Retained earnings | Treasury stock | Other components of equity | | | |
| April 1, 2025 | ¥937,950 | ¥— | ¥9,726,370 | ¥(1,139,170) | ¥696,437 | ¥10,221,587 | ¥1,123,052 | ¥11,344,639 |
| Comprehensive income | | | | | | | | |
| Profit | — | — | 1,037,032 | — | — | 1,037,032 | 45,606 | 1,082,638 |
| Other comprehensive income | — | — | — | — | 682,043 | 682,043 | 3,008 | 685,051 |
| Total comprehensive income | — | — | 1,037,032 | — | 682,043 | 1,719,075 | 48,614 | 1,767,689 |
| Value of transactions with shareholders etc. | | | | | | | | |
| Dividends of surplus | — | — | (433,963) | — | — | (433,963) | (22,006) | (455,969) |
| Transfer to retained earnings | — | 1,573,133 | (1,401,772) | — | (171,361) | — | — | — |
| Purchase and disposal of treasury stock | — | 0 | — | (204,473) | — | (204,473) | — | (204,473) |
| Changes in ownership interest in subsidiaries without loss of control | — | (1,549,549) | — | — | — | (1,549,549) | (648,975) | (2,198,524) |
| Share-based compensation transactions | — | (17,231) | — | — | — | (17,231) | (10,939) | (28,170) |
| Put options granted to non-controlling interests | — | (6,060) | — | — | — | (6,060) | 122 | (5,938) |
| Other | — | (293) | (1,470) | — | — | (1,763) | 42 | (1,721) |
| Total value of transactions with shareholders etc. | — | — | (1,837,205) | (204,473) | (171,361) | (2,213,039) | (681,756) | (2,894,795) |
| March 31, 2026 | ¥937,950 | ¥— | ¥8,926,197 | ¥(1,343,643) | ¥1,207,119 | ¥9,727,623 | ¥489,910 | ¥10,217,533 |

(4) Consolidated Statement of Cash Flows

Year Ended March 31

| | Millions of yen | | |
|---|-----------------|-------------|------------------------|
| | 2025 | 2026 | Increase (Decrease) |
| Cash flows from operating activities | | | |
| Profit | ¥1,082,435 | ¥1,082,638 | ¥203 |
| Depreciation and amortization | 1,722,035 | 1,790,983 | 68,948 |
| Impairment losses | 20,068 | 80,189 | 60,121 |
| Share of loss (profit) of entities accounted for using the equity method | (25,488) | (41,265) | (15,777) |
| Losses on retirement of property, plant and equipment and intangible assets | 43,657 | 51,850 | 8,193 |
| Gain on sale of property, plant and equipment and intangible assets | (25,141) | (74,113) | (48,972) |
| Gain on sale of shares of subsidiaries and associates ⁽²⁾ | (24,183) | (133,584) | (109,401) |
| Interest expenses | 149,015 | 226,649 | 77,634 |
| Income taxes | 482,261 | 499,285 | 17,024 |
| Decrease (increase) in trade and other receivables ⁽¹⁾ | (71,250) | (634,672) | (563,422) |
| Decrease (increase) in inventories | (86,181) | (136,675) | (50,494) |
| Decrease (increase) in other current assets | (79,807) | (139,147) | (59,340) |
| Increase (decrease) in trade and other payables / accrued payroll | (66,937) | 64,233 | 131,170 |
| Increase (decrease) in other current liabilities | (16,730) | 126,547 | 143,277 |
| Increase (decrease) in defined benefit liabilities | (64,718) | (73,593) | (8,875) |
| Decrease (increase) in non-current handset installment receivables | (178,734) | (83,735) | 94,999 |
| Increase (decrease) in other non-current liabilities | (1,122) | 82,321 | 83,443 |
| Decrease (increase) in loans for banking | — | (1,009,907) | (1,009,907) |
| Increase (decrease) in deposits for banking | — | 1,347 | 1,347 |
| Increase (decrease) in borrowings for banking | — | 451,109 | 451,109 |
| Other, net ⁽²⁾ | (75,108) | (58,979) | 16,129 |
| Subtotal | 2,784,072 | 2,071,481 | (712,591) |
| Interest and dividends received | 108,253 | 118,575 | 10,322 |
| Interest paid | (140,432) | (209,539) | (69,107) |
| Income taxes paid | (387,862) | (495,327) | (107,465) |
| Net cash provided by (used in) operating activities | 2,364,031 | 1,485,190 | (878,841) |

| | Millions of yen | | |
|--|-----------------|-------------|------------------------|
| | 2025 | 2026 | Increase (Decrease) |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment, intangible assets and investment property | (2,132,292) | (2,255,732) | (123,440) |
| Proceeds from sale of property, plant and equipment, intangible assets and investment property | 87,608 | 151,060 | 63,452 |
| Proceeds from government grants | 2,772 | 2,671 | (101) |
| Purchase of investments | (111,644) | (326,083) | (214,439) |
| Proceeds from sale or redemption of investments | 187,980 | 115,175 | (72,805) |
| Proceeds from loss of control of subsidiaries | 65,129 | 183,148 | 118,019 |
| Payments for acquisition of subsidiaries | (84,833) | (28,702) | 56,131 |
| Proceeds from acquisition of subsidiaries | — | 1,438,878 | 1,438,878 |
| Net decrease (increase) loan receivable | 11,444 | (1,103) | (12,547) |
| Purchases of securities for banking | — | (376,162) | (376,162) |
| Proceeds from sale and redemption of securities for banking | — | 124,653 | 124,653 |
| Other, net | (25,808) | (51,227) | (25,419) |
| Net cash provided by (used in) investing activities | (1,999,644) | (1,023,424) | 976,220 |
| Cash flows from financing activities | | | |
| Net increase (decrease) in short-term borrowings | (1,955) | 538,484 | 540,439 |
| Proceeds from increases in long-term borrowings | 1,540,780 | 5,797,443 | 4,256,663 |
| Repayments of long-term borrowings | (966,690) | (2,650,974) | (1,684,284) |
| Repayments of lease liabilities | (261,687) | (278,074) | (16,387) |
| Payments for acquisition of interests in subsidiaries from non-controlling interests | (14,390) | (2,395,732) | (2,381,342) |
| Proceeds from sale of interests in subsidiaries to non-controlling interests ⁽³⁾ | 918 | 50,060 | 49,142 |
| Proceeds from stock issuance to non-controlling interests ⁽³⁾ | 22,608 | 43,456 | 20,848 |
| Dividends paid | (436,766) | (433,963) | 2,803 |
| Dividends paid to non-controlling interests | (23,643) | (24,316) | (673) |
| Purchase of treasury stock | (202,381) | (204,910) | (2,529) |
| Other, net ⁽³⁾ | 179 | (142) | (321) |
| Net cash provided by (used in) financing activities | (343,027) | 441,332 | 784,359 |
| Effect of exchange rate change on cash and cash equivalents | (3,240) | 17,790 | 21,030 |
| Net increase (decrease) in cash and cash equivalents | 18,120 | 920,888 | 902,768 |
| Cash and cash equivalents as of April 1 ⁽¹⁾ | 982,874 | 1,000,994 | 18,120 |
| Cash and cash equivalents as of March 31 | ¥1,000,994 | ¥1,921,882 | ¥920,888 |

Notes:

- (1) The last day of the fiscal year ended March 31, 2024 fell on a non-business day, resulting in the due date for certain bills, including telecommunication service bills, being set to the first business day of the following month. Consequently, at the beginning of the fiscal year ended March 31, 2025, cash and cash equivalents decreased by ¥192,820 million and trade and other receivables decreased by the same amount during the period. Please see “1. BUSINESS RESULTS — (2) Summary of Financial Position” for details.
- (2) “Gain on sale of shares of subsidiaries and associates,” which had previously been presented within “Other, net” in cash flows from operating activities for the fiscal year ended March 31, 2025, is now presented separately for the fiscal year ended March 31, 2026, due to an increase in the materiality of the amount of this items. As a result of this change, the ¥(99,291) million amount that had previously been presented as “Other, net” in the consolidated statement of cash flows for the fiscal year ended March 31, 2025 has been reclassified and presented as ¥(24,183) million of “Gain on sale of shares of subsidiaries and associates,” and ¥ (75,108) million of “Other, net.”
- (3) “Proceeds from sale of interests in subsidiaries to non-controlling interests,” and “Proceeds from stock issuance to non-controlling interests,” which had previously been presented within “Other, net” in cash flows from financing activities for the fiscal year ended March 31, 2025, are now presented separately for the fiscal year ended March 31, 2026, due to an increase in the materiality of these items. As a result of this change, the amount of ¥23,705 million that had previously been presented as “Other, net” in the consolidated statement of cash flows for the fiscal year ended March 31, 2025, has been reclassified and presented as ¥918 million of “Proceeds from sale of interests in subsidiaries to non-controlling interests,” ¥22,608 million of “Proceeds from stock issuance to non-controlling interests,” and ¥179 million of “Other, net.”

(5) Going Concern Assumption

None

(6) Basis for the Preparation of Consolidated Financial Statements

1. Accounting standard for preparation of Consolidated Financial Statements

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

2. Principal Accounting Policies

The accounting policies applied on the consolidated financial statements are consistent with those applied on the consolidated financial statements for the year ended March 31, 2025.

(7) Segment Information

1. Operating revenues

(Millions of yen)

| | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2026 |
|---|-------------------------------------|-------------------------------------|
| Integrated ICT Business | | |
| External customers | ¥5,907,800 | ¥6,146,232 |
| Intersegment | 305,272 | 311,841 |
| Sub-total | 6,213,072 | 6,458,073 |
| Global Solutions Business | | |
| External customers | 4,425,973 | 4,754,653 |
| Intersegment | 212,748 | 249,961 |
| Sub-total | 4,638,721 | 5,004,614 |
| Regional Communications Business | | |
| External customers | 2,453,419 | 2,555,241 |
| Intersegment | 658,868 | 654,966 |
| Sub-total | 3,112,287 | 3,210,207 |
| Others (Real Estate, Energy and Others) | | |
| External customers | 917,535 | 952,995 |
| Intersegment | 808,996 | 799,604 |
| Sub-total | 1,726,531 | 1,752,599 |
| Elimination | (1,985,884) | (2,016,372) |
| Consolidated total | ¥13,704,727 | ¥14,409,121 |

2. Segment profit or loss

(Millions of yen)

| | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2026 |
|---|-------------------------------------|-------------------------------------|
| Segment profit | | |
| Integrated ICT Business | ¥1,020,520 | ¥942,062 |
| Global Solutions Business | 323,863 | 488,211 |
| Regional Communications Business | 295,460 | 307,402 |
| Others (Real Estate, Energy and Others) | 55,786 | (1,572) |
| Total Segment profit | 1,695,629 | 1,736,103 |
| Elimination | (46,058) | (29,882) |
| Consolidated total | ¥1,649,571 | ¥1,706,221 |

Segment profit represents operating revenues less operating expenses.

3. Segment assets

(Millions of yen)

| | As of March 31, 2025 | As of March 31, 2026 |
|--|-------------------------|-------------------------|
| Segment assets | | |
| Integrated ICT Business | ¥11,391,032 | ¥26,107,756 |
| Global Solutions Business | 7,868,877 | 8,719,754 |
| Regional Communications Business | 7,123,356 | 7,252,758 |
| Others (Real Estate, Energy and Others) | 18,877,665 | 22,516,727 |
| Total segment assets | 45,260,930 | 64,596,995 |
| Elimination | (15,198,447) | (17,875,736) |
| Consolidated total | ¥30,062,483 | ¥46,721,259 |

4. Other significant items

(Millions of yen)

| | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2026 |
|---|-------------------------------------|-------------------------------------|
| Depreciation and amortization | | |
| Integrated ICT Business | ¥842,446 | ¥888,469 |
| Global Solutions Business | 362,995 | 380,279 |
| Regional Communications Business | 432,924 | 444,569 |
| Others (Real Estate, Energy and Others) | 149,771 | 146,423 |
| Total segment | 1,788,136 | 1,859,740 |
| Elimination | (66,101) | (68,757) |
| Consolidated total | ¥1,722,035 | ¥1,790,983 |

(Millions of yen)

| | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2026 |
|--|-------------------------------------|-------------------------------------|
| Capital investments for segment assets (*) | | |
| Integrated ICT Business | ¥714,336 | ¥857,503 |
| Global Solutions Business | 675,683 | 635,791 |
| Regional Communications Business | 491,398 | 526,584 |
| Others (Real Estate, Energy and Others) | 205,939 | 306,126 |
| Consolidated total | ¥2,087,356 | ¥2,326,004 |

* The figures for capital investments are the accrual-based amounts required for acquisition of property, plant and equipment, intangibles assets and investment property. The amount related to non-current assets classified as assets held for sale, government grants related to assets and other during the fiscal year ended March 31, 2025 and March 31, 2026 are deducted from the figures for capital investments. The differences from the figures for “Purchase of property, plant and equipment, intangible assets, and investment property” in the Consolidated Statements of Cash Flows are as follows. In addition, the increase in right-of-use assets, including those that meet the definition of investment property, is not included in the figures for capital investments.

(Millions of yen)

| | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2026 |
|--|-------------------------------------|-------------------------------------|
| Purchase of property, plant and equipment, intangible assets and investment property | ¥2,132,292 | ¥2,255,732 |
| Difference from the total of capital investments | ¥44,936 | ¥(70,272) |

(8) Earnings Per Share

Basic earnings per share

| | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2026 |
|--|-------------------------------------|-------------------------------------|
| Profit attributable to NTT (millions of yen) | ¥ 1,000,016 | ¥ 1,037,032 |
| Weighted average number of the outstanding common shares (share) | 83,610,854,500 | 82,258,269,145 |
| Basic earnings per share (yen) | ¥ 11.96 | ¥ 12.61 |

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

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

(9) Business Combinations

Acquisition of Shares of SBI Sumishin Net Bank, Ltd.

Overview

At the Board of Directors meeting held on May 29, 2025 of NTT DOCOMO, the NTT Group determined to acquire SBI Sumishin Net Bank, Ltd.'s (the "Target Company") common stock (the "Target Company Stock") through a tender offer (the "Tender Offer"), pursuant to the Financial Instruments and Exchange Act, and to execute business alliance agreements between NTT DOCOMO and the Target Company.

The Tender Offer was completed on July 10, 2025, and NTT DOCOMO purchased the Target Company Stock for a total purchase price of ¥182.6 billion. Additionally, as a result of a series of transactions in order to take the Target Company private, NTT DOCOMO's voting rights in the Target Company increased to 50.00%.

The Target Company became a consolidated subsidiary of NTT DOCOMO on October 1, 2025, as a result of the entering into the Shareholders' Agreement and a series of transactions, in order to take the Target Company private.

The purpose of the acquisition is to acquire general banking business capabilities, including know-how and technology, and to expand the NTT Group's financial business in the smart life area.

The purchase price, including the Tender Offer, totaled ¥420.0 billion, and the form of consideration was cash.

Acquired assets, assumed liabilities, non-controlling interests and goodwill

The amounts of acquired assets, assumed liabilities, non-controlling interests and goodwill, each as of the acquisition date, are as set forth below. Goodwill arises from the ability to earn excess profits, synergies with existing businesses and other factors.

| | (Millions of yen) |
|--|----------------------------|
| | As of the Acquisition Date |
| Current assets | |
| Short-term loans for banking ^(*1) | 580,936 |
| Other | 2,019,135 |
| Non-current assets | |
| Long-term loans for banking ^(*1) | 9,275,791 |
| Securities for banking | 613,079 |
| Other | 383,774 |
| Acquired assets Total | 12,872,716 |
| Current liabilities | |
| Short-term deposits for banking | 10,495,302 |
| Other | 516,599 |
| Non-current liabilities | |
| Long-term deposits for banking | 509,331 |
| Other | 1,113,097 |
| Assumed liabilities Total | 12,634,329 |
| Net assets acquired Total | 238,386 |
| Non-controlling interests ^(*2) | △81,506 |
| Goodwill | 263,079 |
| Total | 419,959 |

*1 Regarding the fair value of ¥9,856,727 million in the acquired "Short-term loans for banking" and "Long-term loans for banking," the total contract amount is ¥9,992,728 million, and the estimated unrecoverable amount is ¥3,753 million.

2 Non-controlling interests are measured as a proportion of the identifiable net assets in the acquired company.

Operating revenues and profit or loss after the acquisition date

Operating revenues and profit that arose after the acquisition date are ¥92,378 million and ¥12,010 million, respectively.

Operating revenues and profit or loss assuming the business combination had taken place at the beginning of the fiscal year (unaudited information)

The impact assuming the business combination had taken place at the beginning of the fiscal year is not disclosed as it is immaterial.

(10) Assets Held for Sale

Sale of shares of data center holding companies

Overview

NTT DATA Group has listed the real estate investment trust “NTT DC REIT”, which is managed by NTT DC REIT Manager Pte, Ltd, on the Singapore Exchange, and has sold some of the shares of the companies owned by a consolidated subsidiary that own data center assets to the REIT and acquired a portion of the Units of the REIT.

Impact on accounting treatment and on the consolidated financial statements

The assets related to the sale of the shares of the companies that hold data centers and the liabilities directly associated with these assets, which are included in the Global Solutions Business Segment, have been classified as assets held for sale and liabilities directly associated with assets held for sale. This is based on the decision made in the previous third quarter of the fiscal year under review to proceed with the sale procedures within one year. Accordingly, the sale of assets has been completed in the second quarter of the fiscal year ended March 31, 2026. The ¥129,451 million gain on sale from such transaction in the Global Solutions Business Segment has been recorded under operating profit in the Consolidated Statements of Profit or Loss for the current consolidated accounting period, and the total consideration received from the transaction was ¥222,159 million. The portion of the consideration received that consisted of cash and cash equivalents was ¥184,291 million.

The major classes of assets and liabilities at the time of such sale were as set forth below.

(Millions of yen)

| Accounting item | | Accounting item | |
|-------------------------------|---------|--------------------------|--------|
| (Assets) | | (Liabilities) | |
| Cash and cash equivalents | ¥4,307 | Trade and other payables | ¥3,819 |
| Trade and other receivables | 5,568 | Other | 2,760 |
| Property, plant and equipment | 83,635 | | |
| Other | 1,056 | | |
| Total | ¥94,566 | Total | ¥6,579 |

(11) Equity Transactions with Non-controlling Interests

Transaction making NTT DATA Group Corporation a wholly owned subsidiary of NTT

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

Tender Offer

On May 8, 2025, NTT resolved to acquire all of the NTT DATA Group Shares through the tender offer, and purchased the NTT DATA Group Shares for a total purchase price of ¥1,347.2 billion from May 9, 2025 to June 19, 2025. As a result of the tender offer, NTT Group’s ownership interests in the NTT DATA Group increased from 57.73% to 81.75%

Share Consolidation

At the Board of Directors meeting held on July 24, 2025, NTT DATA Group resolved to submit a proposal to an extraordinary general meeting of shareholders to conduct a share consolidation whereby 256,029,428 shares would be consolidated into 1 share, in order to make the Company the sole shareholder of NTT. The proposal was approved as originally proposed at the extraordinary general meeting of shareholders held on August 29, 2025. As a result, NTT’s ownership interests in the NTT DATA Group is accounted for as 100% since the day of the resolution and the approval.

Details of the transaction with non-controlling interest (NCI) in the acquisition of the NTT DATA Group Shares

| | (Millions of yen) |
|---|----------------------------------|
| | Fiscal year Ended March 31, 2026 |
| Carrying amount of NCI acquired | 797,321 |
| Consideration paid to NCI ^(*1) | 2,368,349 |
| Decrease in Equity attributable to NTT shareholders ^(*2) | (1,571,028) |

*1 Consideration paid to NCI does not include transaction costs.

2 As for a portion that additional paid-in capital becomes negative figure due to Consideration paid to NCI exceeding Carrying amount of NCI acquired, we deducted the portion from Retained earnings.

Funds for the acquisition

In order to secure the funds for the acquisition, based on the resolution by the Board of Directors of NTT on May 8, 2025, NTT Group made borrowings from financial institutions as necessary within a threshold of ¥2,380 billion.

(12) Subsequent Events

NTT's repurchase of treasury stock

NTT resolved at the Board of Directors meeting held on May 8, 2026 to repurchase up to 1.4 billion shares of its outstanding common stock for an amount in total not exceeding ¥200,000 million from May 11, 2026 through March 31, 2027.