

# Financial Results for the Fiscal Year Ended March 31, 2017 and Forecasts for the Fiscal Year Ending March 31, 2018

May 15, 2017



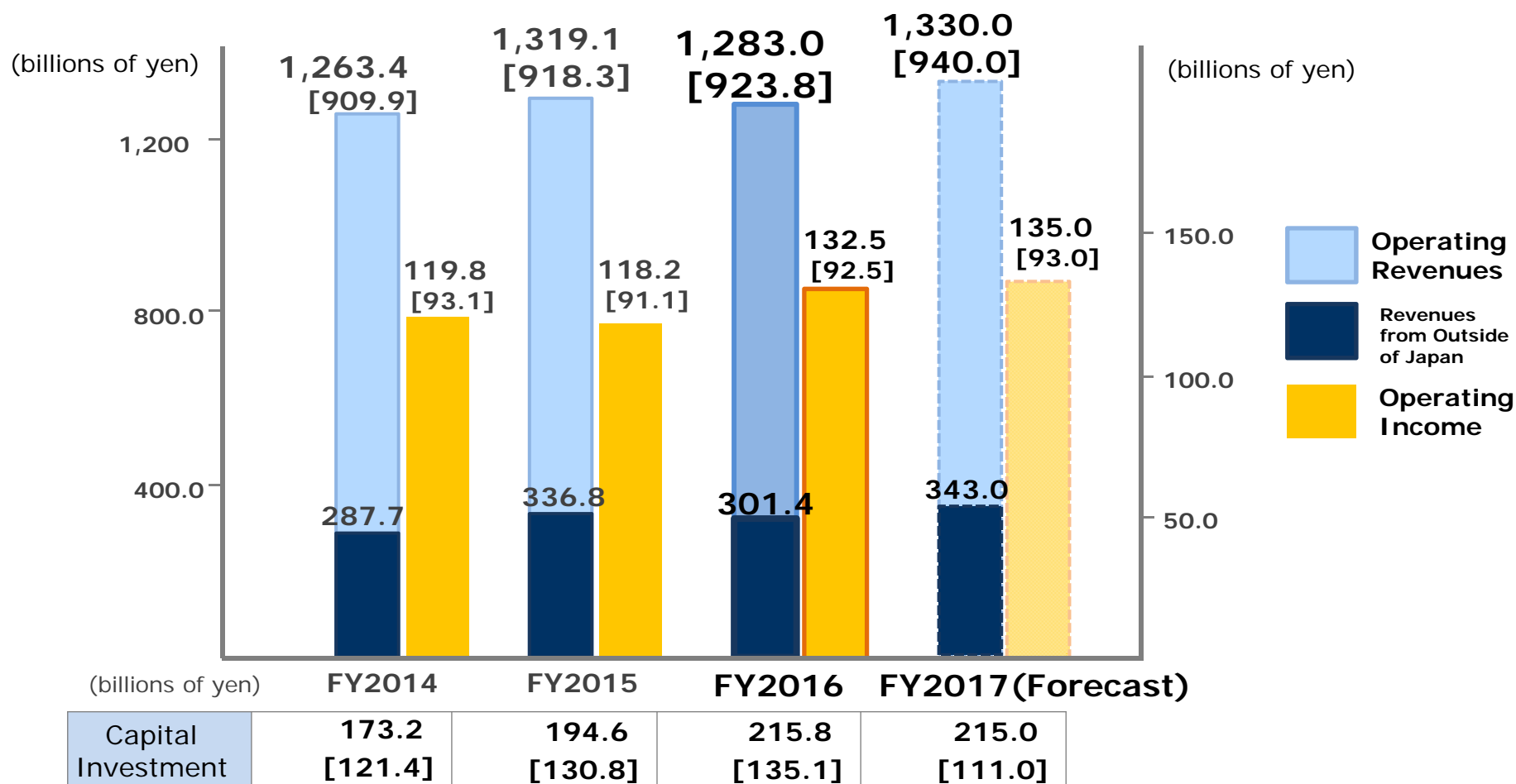
**Forward-looking statements and projected figures concerning the future performance of NTT Com, NTT and their respective subsidiaries and affiliates contained or referred to herein are based on a series of assumptions, projections, estimates, judgments and beliefs of the management of NTT Com in light of information currently available to it regarding NTT Com, 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 Com, NTT and their respective 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 Report on Form 20-F and other filings and submissions with the United States Securities and Exchange Commission.**

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

# Operating Revenues and Income of NTT Communications and NTT Communications Group



Operating Revenues reached 1,283.0 billion yen, surpassing target levels.  
 Operating Income reached a record high of 132.5 billion yen.



Note: The figures in brackets above are for NTT Communications only. Other figures are for NTT Communications Group (NTT Communications and its subsidiaries) after adjustments and elimination of intra-group transactions.

# NTT Communication Group's Revenues by Business Line



(billions of yen)

	FY2015	FY2016	Amount Change (FY16-FY15)	% Change (FY16/FY15)	FY2017 Forecast	Amount Change (FY17-FY16)	% Change (FY17/FY16)
NTT Com Group Operating Revenues	<b>1319.1</b> <b>(918.3)</b>	<b>1283.0</b> <b>(923.8)</b>	<b>-36.1</b> <b>(+5.5)</b>	<b>-2.7%</b> <b>(+0.6%)</b>	<b>1330.0</b> <b>(940.0)</b>	<b>+47.0</b> <b>(-16.1)</b>	<b>+3.7%</b> <b>(+1.7%)</b>
Cloud Computing Platforms	<b>159.9</b> <b>(70.0)</b>	<b>160.5</b> <b>(72.0)</b>	<b>+0.6</b> <b>(+2.0)</b>	<b>+0.4%</b> <b>(+2.9%)</b>	<b>191.0</b> <b>(87.0)</b>	<b>+30.5</b> <b>(+14.9)</b>	<b>+19.0%</b> <b>(+20.8%)</b>
Data Networks	<b>475.2</b> <b>(369.8)</b>	<b>479.7</b> <b>(384.8)</b>	<b>+4.4</b> <b>(+14.9)</b>	<b>+0.9%</b> <b>(+4.0%)</b>	<b>490.0</b> <b>(393.0)</b>	<b>+10.3</b> <b>(+8.1)</b>	<b>+2.2%</b> <b>(+2.1%)</b>
Voice Communications	<b>295.8</b> <b>(260.3)</b>	<b>284.4</b> <b>(250.7)</b>	<b>-11.3</b> <b>(-9.5)</b>	<b>-3.8%</b> <b>(-3.7%)</b>	<b>278.0</b> <b>(244.0)</b>	<b>-6.4</b> <b>(-6.7)</b>	<b>-2.3%</b> <b>(-2.7%)</b>
Applications & Content	<b>121.1</b> <b>(38.7)</b>	<b>122.6</b> <b>(37.7)</b>	<b>+1.4</b> <b>(-0.9)</b>	<b>+1.2%</b> <b>(-2.6%)</b>	<b>122.0</b> <b>(37.0)</b>	<b>-0.6</b> <b>(-0.7)</b>	<b>-0.5%</b> <b>(-1.9%)</b>
Solution Services	<b>252.0</b> <b>(162.3)</b>	<b>223.8</b> <b>(163.4)</b>	<b>-28.2</b> <b>(+1.1)</b>	<b>-11.2%</b> <b>(+0.7%)</b>	<b>228.0</b> <b>(159.0)</b>	<b>+4.2</b> <b>(-4.4)</b>	<b>+1.9%</b> <b>(-2.8%)</b>
NTT Com Group Global Businesses	<b>336.8</b>	<b>301.4</b>	<b>-35.4</b>	<b>-10.5%</b>	<b>343.0</b>	<b>+41.6</b>	<b>+13.8%</b>

Note: The top line figures in each cell are for NTT Communications Group (NTT Communications and its subsidiaries) after adjustments and elimination of intra-group transactions. The figures in parentheses are for NTT Communications only.  
Certain details of operating revenues are not included in this table.



# Main Initiatives Towards Customers' Digital Transformation in FY2017



## ■ Pursue highly reliable and high quality infrastructure

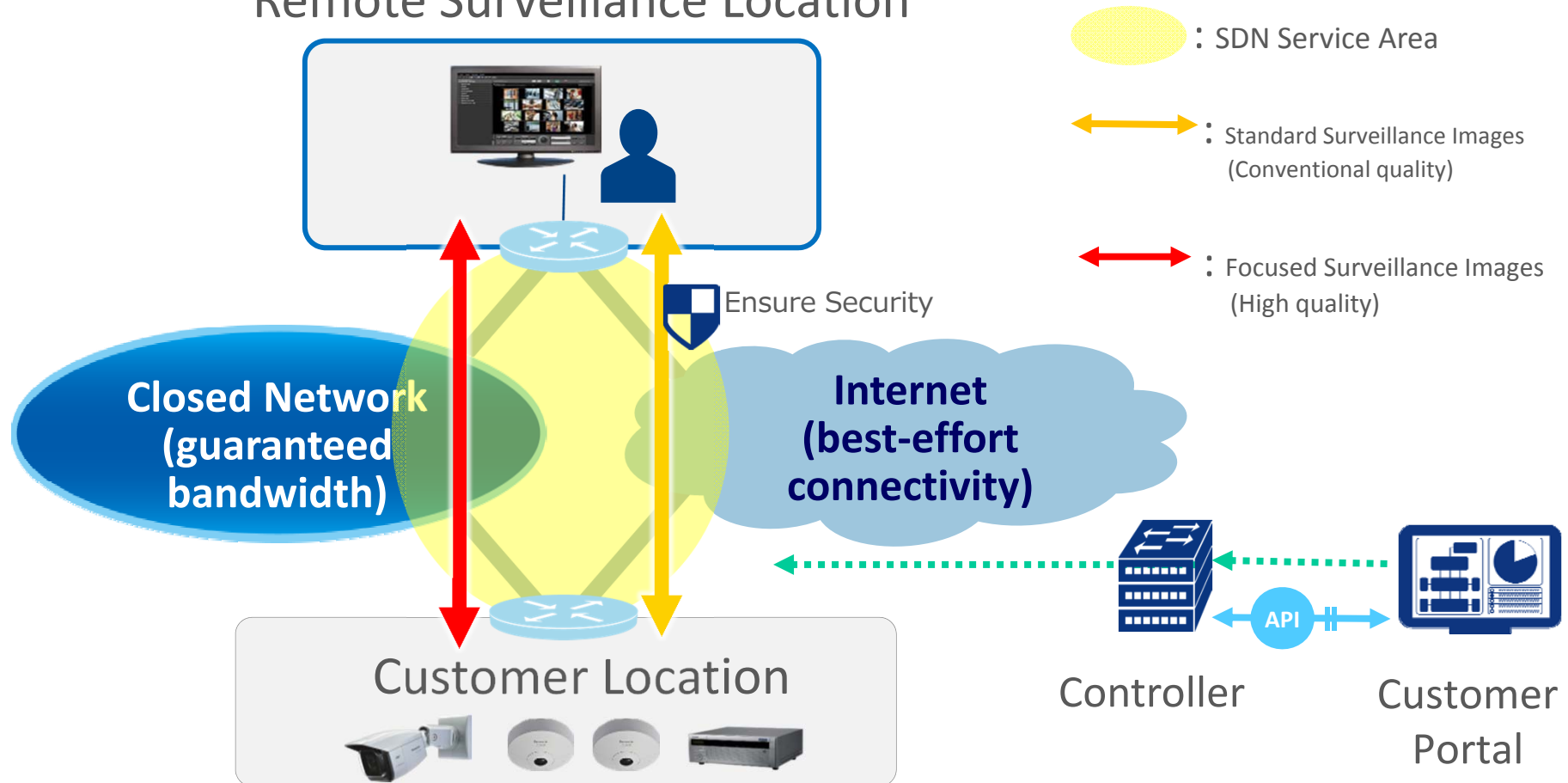
- Exhaustively pursue high reliability and performance by designing and launching undersea cables and data centers in an integrated manner
- Begin operating the undersea cable-laying vessel "Kizuna"
- Launch new data centers in Europe, the United States and Asia

## ■ Strengthen SDx+M Solution services

- Create centralized management that enables the efficient management of secure and dependable ICT, flexible and agile ICT, and sophisticated ICT, through the utilization of cutting-edge Software Defined technologies
- Strengthen compatibility with Hybrid ICT through collaborations with business partners

# (Reference) Example of Collaboration with Panasonic

## Remote Surveillance Location



(Reference)

## Data for NTT Communications Group Major Services



		As of March 31, 2016 (A)	As of March 31, 2017 (B)	Amount Change (B)-(A)	As of March 31, 2018 (Forecast) (C)	Amount Change (C)-(B)
Cloud Computing Platforms	Number of Cloud Service Customers	8,300	9,000	+700	11,900	+2,900
	Number of Data Centers (Unit: Number of locations)	137	136	-1	143	+7
Data Networks	VPN Lines (Unit: Thousands of lines)	339	353	+14	384	+31
Voice Communications	Arcstar UCaaS (Unit: Thousands of IDs)	67	99	+32	182	+83
Applications and Content	Enterprise Mail (Unit: Thousands of IDs)	272	288	+16	340	+52
	Hikari TV (Unit: Thousands of contracts)	3,052	3,023	-29	3,030	+7
Solution Services	Global Management One (Unit: Thousands of Contracts)	4	32	+28	74	+42

Notes: (1) Cloud service includes services such as Enterprise Cloud and Cloud<sup>®</sup>.  
(2) VPN primarily includes Arcstar Universal One, Arcstar Global IP-VPN, Global e-VLAN and a part of GIGASTREAM.