

Financial Results for the Fiscal Year Ended March 31, 2021 (22nd Term)

May 12, 2021

Nippon Telegraph and Telephone East Corporation
("NTT East")

1. Financial Results for the Fiscal Year Ended March 31, 2021

For the first time in 10 years since FY2010, growth in both Operating Revenue and Profit in the same year

(Unit: Billions of yen, except FLET'S Hikari Subscriptions)

IFRS (Consolidated)	FY2019	FY2020	Increase (Decrease)	Change (%)
Operating Revenues	1,677.1	1,726.1	+49.0	+2.9%
Operating Expenses	1,421.1	1,462.1	+41.0	+2.9%
Operating Profit	256.0	264.0	+8.0	+3.1%
Profit Attributable to NTT East ⁽¹⁾	178.4	180.4	+2.0	+1.1%
Net increase (decrease) in FLET'S Hikari Subscriptions ⁽²⁾	36	49	+13	+35.7%
Capital Investment	271.0	268.7	(2.3)	(0.8%)

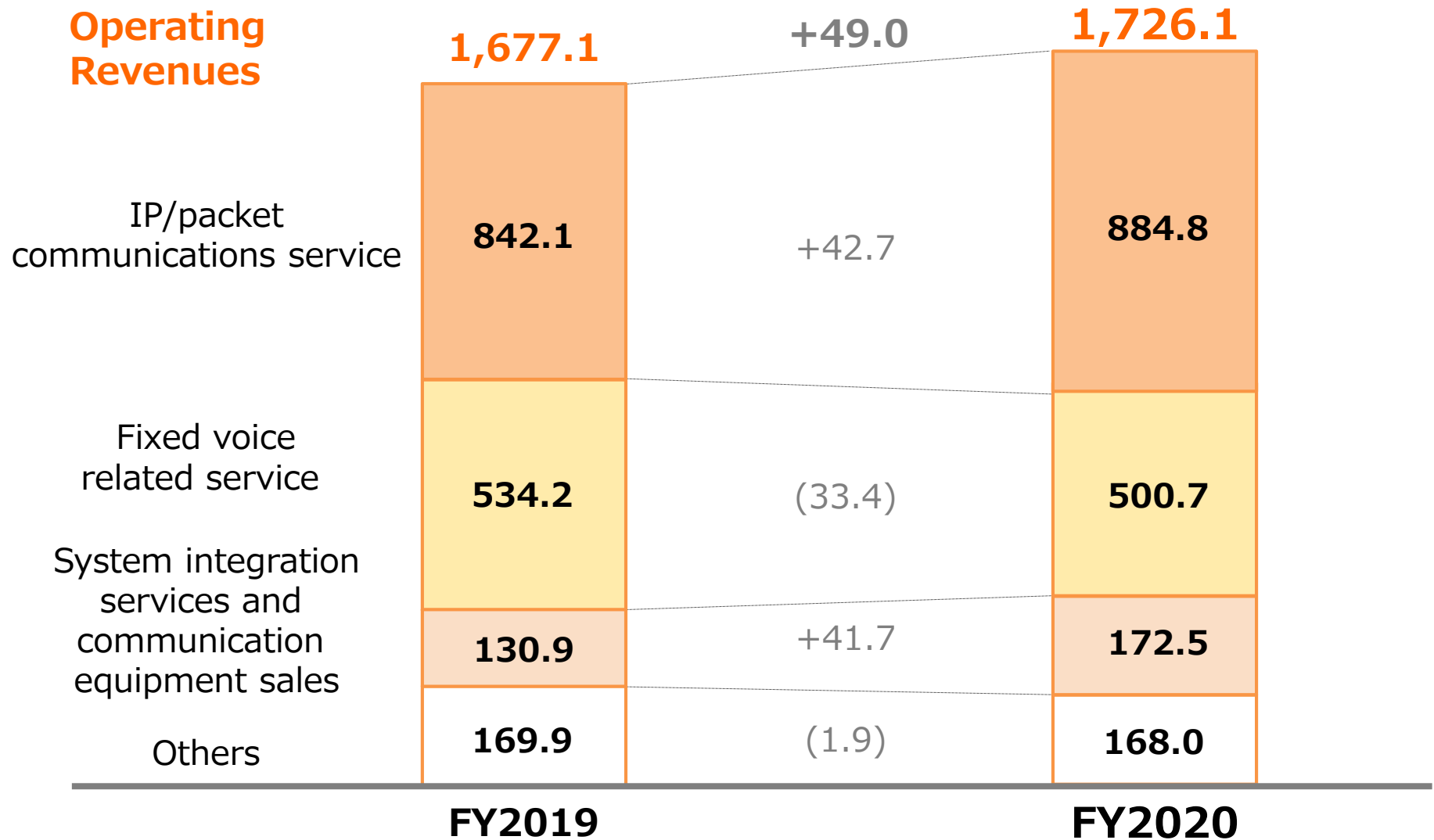
(1) Represents profit attributable to NTT East.

(2) Unit: 10,000 subscriptions. Figures for FLET'S Hikari include subscriptions under the Hikari Collaboration Model.

2. Changes in Operating Revenues

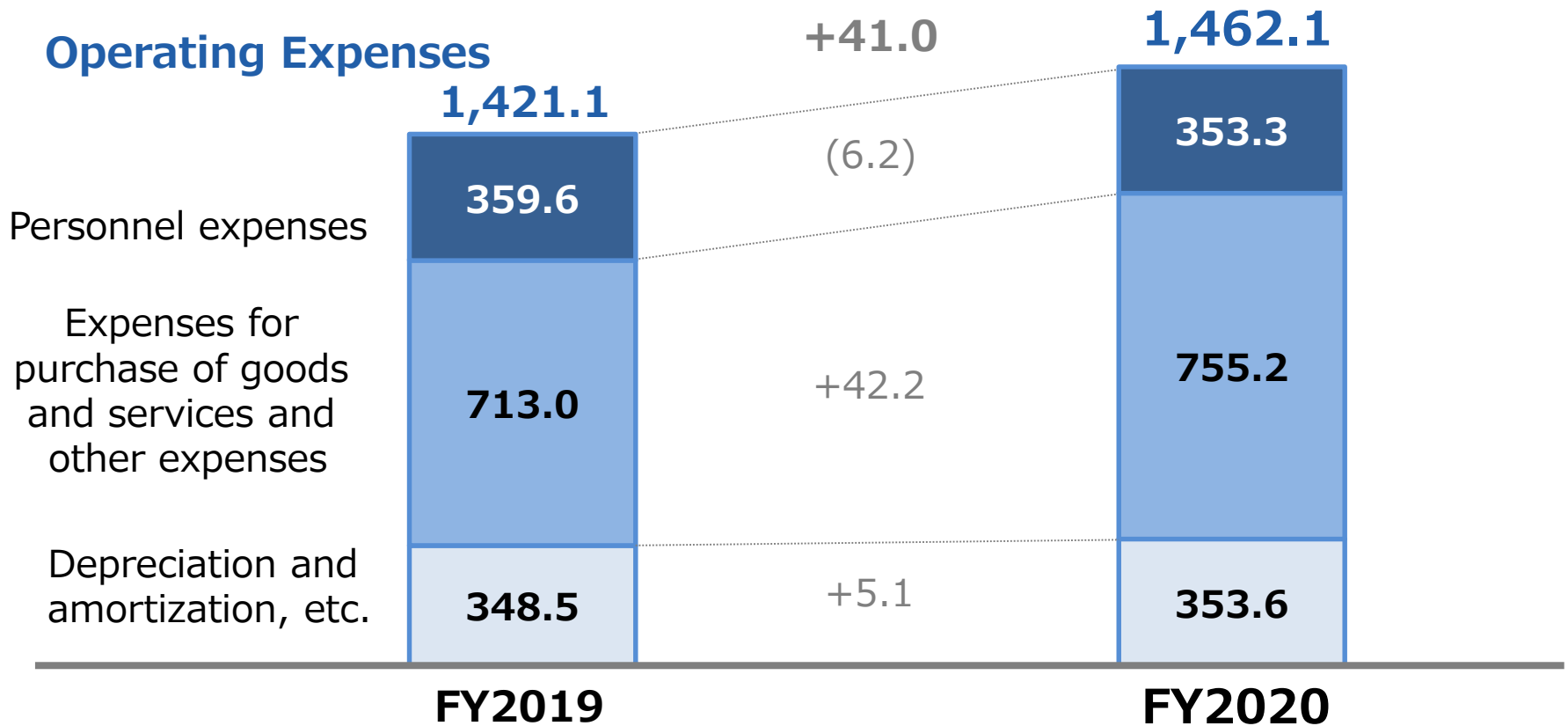
(Unit: Billions of yen)

Operating Revenues



3. Changes in Operating Expenses & Operating Profit

(Unit: Billions of yen)



4. Forecast for FY2021

(Unit: Billions of yen, except FLET'S Hikari Subscriptions)

IFRS (Consolidated)	FY2020	FY2021 Forecast	Increase (Decrease)	Change (%)
Operating Revenues	1,726.1	1,730.0	+3.9	+0.2%
Operating Expenses	1,462.1	1,457.0	(5.1)	(0.3)%
Operating Profit	264.0	273.0	+9.0	+3.4%
Profit Attributable to NTT East ⁽¹⁾	180.4	192.0	+11.6	+6.5%
Net increase (decrease) in FLET'S Hikari Subscriptions ⁽²⁾	49	40	(9)	(18.0)%
Capital Investment	268.7	260.0	(8.7)	(3.2)%

(1) Represents profit attributable to NTT East.

(2) Unit: 10,000 subscriptions. Figures for FLET'S Hikari include subscriptions under the Hikari Collaboration Model.

Primary Initiatives for FY2021 (1)

Offering Services that Support Regional Smartification and DX

■ Regional Revitalization Initiatives

- Support the development, maintenance and operation of private networks for a variety of purposes, including medicine, academia, logistics, disaster prevention and others
In addition to providing fiber optic access, we will develop and provide the best mix for each purpose, including local 5G (Sub6 license application pending), LPWA and Wi-Fi
- Aim to develop Smart Cities by connecting and expanding each private network through a high-volume transmission infrastructure
- Establish a regional edge in each region that is multi-access-compatible and allows for easy utilization of a variety of functions
We plan to launch a “Video AI Analysis Service,” which conducts detection and analysis of suspicious activity and traffic flows based on video data, as the first step
- Offering of high-speed, high-volume and high-quality enterprise NW services
We will launch “Interconnected WAN,” which provides fixed rates regardless of distance and area and provides for stable operation by business users
- Provide easy-to-use proactive operation monitoring and other support menus for carriers and content distributors

■ Support Regional Customers' DX

- Response to increase in telework demands
We will offer the “Hikari Cloud Phone,” which enables people to make and receive calls through their office phone numbers when they are teleworking, and “Co-Work Storage,” which facilitates easy co-working through secure file sharing
- Enhancement of support menu for business users
Plan to offer a support menu that acts as a dedicated helpdesk for IT departments of SMB users who want to advance DX
- Will expand services with strengthened endpoint security functions to support cloud shifts



Primary Initiatives for FY2021 (2)

Development of Solutions for Regional Vitalization

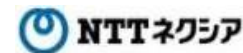
[Regional Smartification/Promotion of IoT Usage]

- Co-creation of local 5G use cases through industry/academia/government collaborations
[Entry into industry/academia/government collaboration agreement with the City of Tokyo and University of Tokyo, February 2020]
- Demonstration project for regional vitalization through electronic regional currency
[Nagai City, Yamagata Prefecture, February 2021]

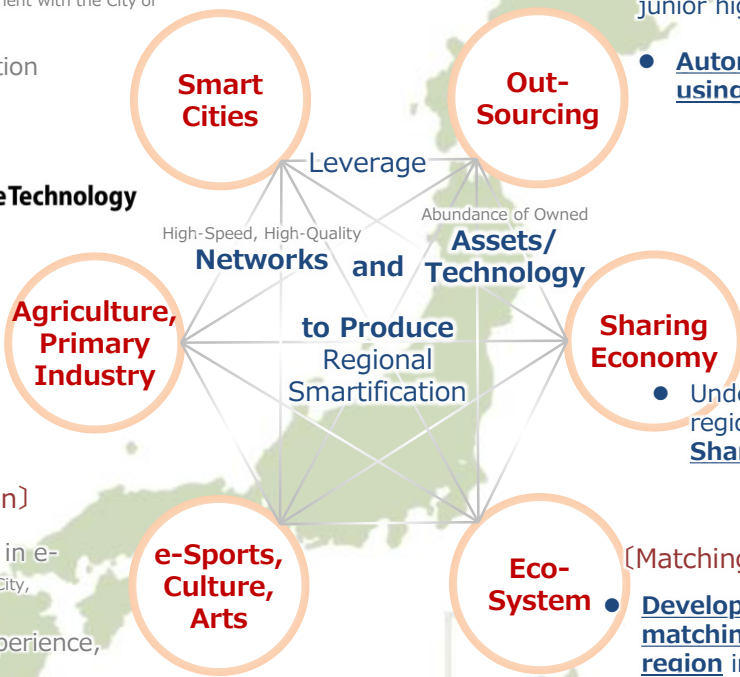


[ITO/BPO Support to Compensate for Insufficient Human Resources]

- **ICT support desk management that supports online classes and utilizes digital tools** for elementary and junior high schools
- **Automated reception for collection of bulky waste using AI**



- Development of domestic drones for agriculture
Providing drone-based pesticide application service (scheduled for May 2021)
- Transmission of IoT-utilizing aquaculture
Challenge to the on-land aquaculture business



[Asset Sharing/Utilization]

- **Smart store solutions** that leverage unused spaces
- Undertake inspection and maintenance work for local regions and other companies
Sharing of our on-site operations



[New Value Creation through Digitalization]

- Support club activities to promote interest in e-Sports, forming new communities (Yokosuka City, Kanagawa Prefecture, October 2020)
- Proposal for a new digital x art viewing experience, including virtual trips (March 2021)



[Matching Supply and Demand across Regions]

- **Development of local DX human resources and matching with businesses inside and outside of the region** in collaboration with educational institutions, AWS and others

Develop solutions that leverage the comprehensive strengths of the NTT East group to resolve social issues in various fields in the region

ICT3?