

Financial Results for the Fiscal Year Ended March 31, 2019 (20th Term)

Mitsuyoshi Kobayashi, President Nippon Telegraph and Telephone West Corporation ("NTT West")

FY2018 Financial Results and **FY2019** Forecast



- > FY2018 operating income was 118.3 billion yen (an increase of 10.0 billion yen year-on-year)
- > FY2019 operating income is expected to increase 9.7 billion yen to 128.0 billion Operating revenues will steadily expand in growth areas such as SI and new areas

(Unit: Billions of yen, Ten thousand contracts) FY2017 FY2018 FY2019 Year-on-year Year-on-year Results Results Forecast Change Change **Operating** 1,494.0 1,462.3 1,420.0 (31.7)(42.3)Revenues SI · New Areas, 220.5 235.0 250.0 +15.0 +14.4etc.*1 **Operating** 119.4 118.3 128.0 +9.7 (1.0)**Profit Profit Attributable** 80.0 80.7 87.0 +6.3 +0.6to NTT West *2 Capital 281.0 (11.9)266.9 (14.1)255.0 **Investments Fiber Optic Services** 904 940 920 +16+20**Contracts**

^{*1} Total figure of "System Integration Revenues" and "Other Operating Revenues".

^{*2} Represents profit attributable to NTT West (after deducting income attributable to non-controlling interests).

NTT West's Vision of Being



NTT West Group contributes to the development of society as a <u>pioneer</u> (like vitamins for regional societies) that <u>uses ICT to solve various issues</u> brought about by changes in the environment surrounding society. We will continue to transform ourselves into a company that is <u>loved and trusted by local communities</u>, and contribute to the achievement of SDGs.





Provide services ("vitamins") to resolve various social issues with







Infrastructure Management

✓ Maintenance and management of aging social infrastructure



Revitalization of Local Companies

√ Creation of new industries, workstyle reform, and strengthening of their financial base

Issues faced by regional societies



Tourism

√ Exploring local tourism resources and attraction of tourists



Agriculture

✓ Eliminating the shortage of labor and manpower due to the aging of farmers



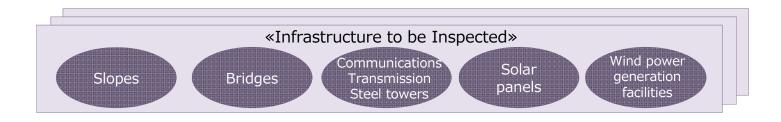
Safe and Secure Society

√ Reducing fiscal burden of social security accompanying the aging population

Contributing to Maintenance of Social Infrastructure **NTT**WEST (9)



- Establish drone-based infrastructure inspection service company
- We will work together with partners and others on issues in order to maintain an efficient social infrastructure







- Entry into cooperative agreements with regional financial institutions that take advantage of the characteristics of their business fields
- Contribute to the development of local economies by solving various management issues, including operational efficiency at local companies

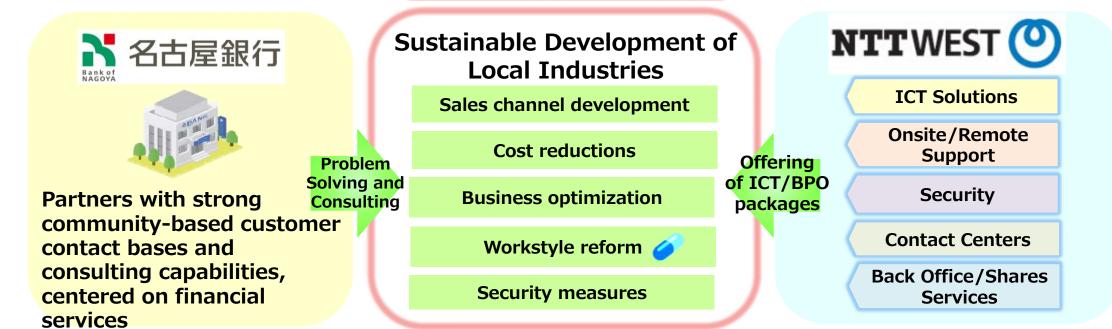
Initiatives with Bank of Nagoya (Entry into Cooperation Agreement in Mar. 2019)

Revitalizing Local Communities

Realization of the Nagoya Megalopolis Industrial
Innovation and
Creation

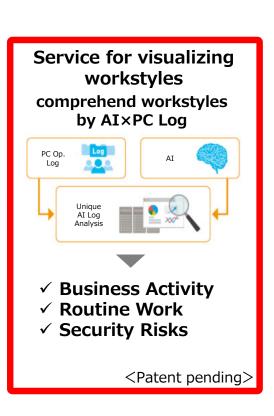
Preparations for Disaster Prevention and Environment

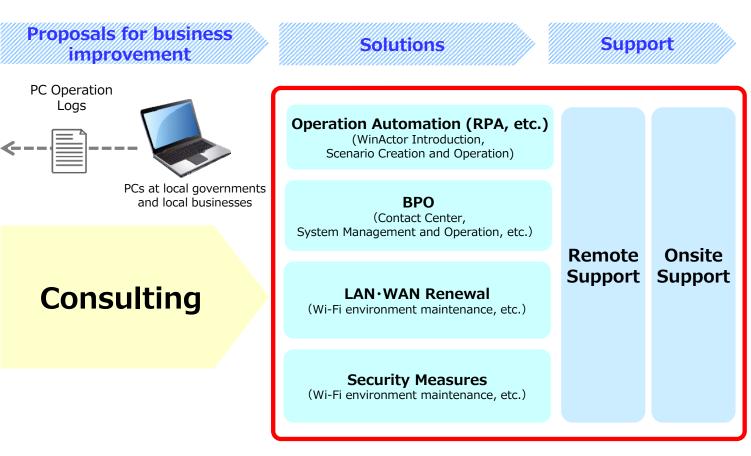
Global Development





Provide services for workstyle reforms, from consulting to postimplementation support, utilizing a propriety AI analysis and work visualization service

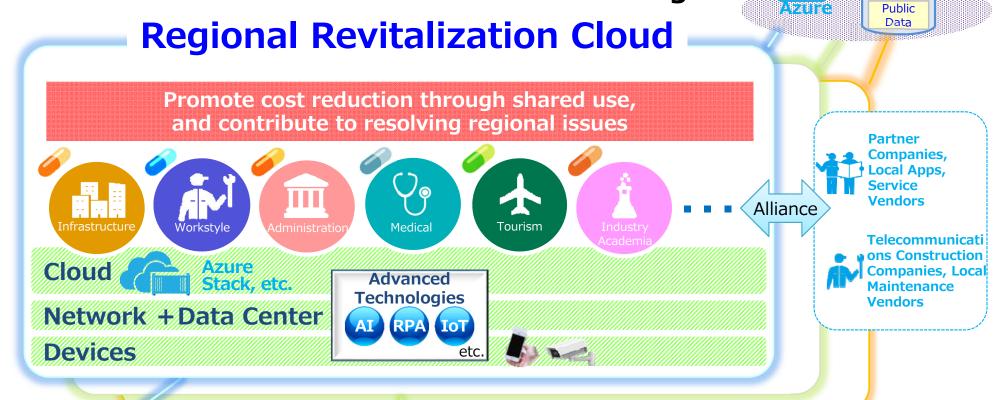






Establish services (regional vitamins) in each region together with regional partners, and offer the services safely, securely and at reasonable value through shared-use regional **Public Cloud**

revitalization clouds that use advanced technologies







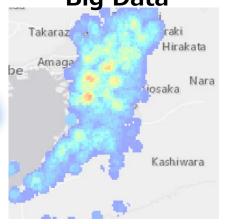


Disaster Countermeasures



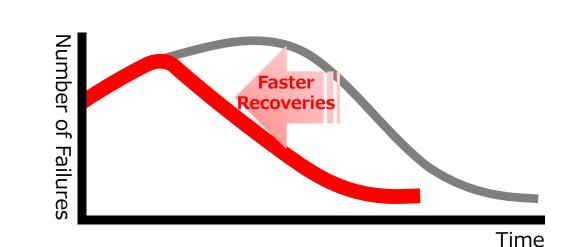








Proactive prediction of failures





Collaboration

- Make recovery faster through collaborations with local governments
 - Work support for restoration of communications facilities
 - Rapid elimination of road obstacles

Entered into a cooperation agreement with Wakayama Prefecture, the first specific agreement in western Japan







The forward-looking statements and projected figures concerning the future performance of NTT West, its parent company (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 West in light of information currently available to it regarding NTT West, 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 West, 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 Securities Report and in any other materials publicly disclosed by NTT on its website.