Company Presentation for the Third Quarter of Fiscal Year Ending March 31, 2020

February 4, 2020
NTT DATA Corporation

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I am Keiichiro Yanagi, Senior Executive Vice President and Representative Director of NTT DATA.

Thank you for your attendance today despite your busy schedule.

I will present an overview of the financial results for the third quarter of the fiscal year ending March 31, 2020.

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Cautionary Statement Regarding Forward-looking Statements

※ Forecast figures in this document are based on current economic and market conditions. As changes in the global economy and information services market are possible, NTT DATA Group cannot guarantee their accuracy.

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(Explanation omitted)

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Results for the Third Quarter of Fiscal Year Ending March 31, 2020 (The whole company basis)

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(Explanation omitted)

Results for the Third Quarter of Fiscal Year Ending March 31, 2020

- The expansion of robust domestic and overseas businesses contributed to a stable increase in new orders received and net sales.
- Operating income remained on par with the previous fiscal year due mainly to an increase of costs for structural transformation and growth investments, despite an increase due to sales growth.

(Billions of Yen, %)

	2019/3 3rd Quarter Results (Apr-Dec)	2020/3 3rd Quarter Results (Apr-Dec)	YoY (Amount)	YoY (Rate)	
New Orders Received	1,404.8	1,579.9	+175.0	+12.5%	
Net Sales	1,550.7	1,642.0	+91.4	+5.9%	
Operating Income (Operating income margin)	94.3 (6.1%)	93.5 (5.7%)	-0.8 (-0.4P)	-0.8%	
Net Income Attributable to Shareholders of NTT DATA	59.5	57.9	-1.7	-2.8%	

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First, I will provide an overview of the financial results of the whole company.

New orders received and net sales continued to grow steadily due to the expansion of robust domestic and overseas businesses.

Structural transformation and growth investment have steadily progressed under the Mid-Term Management Plan. As a result of an increase in the relevant costs, operating income remained on par with the previous fiscal year, despite some contribution from sales growth.

Now, I will move on to the explanation regarding changes in each item in each segment.
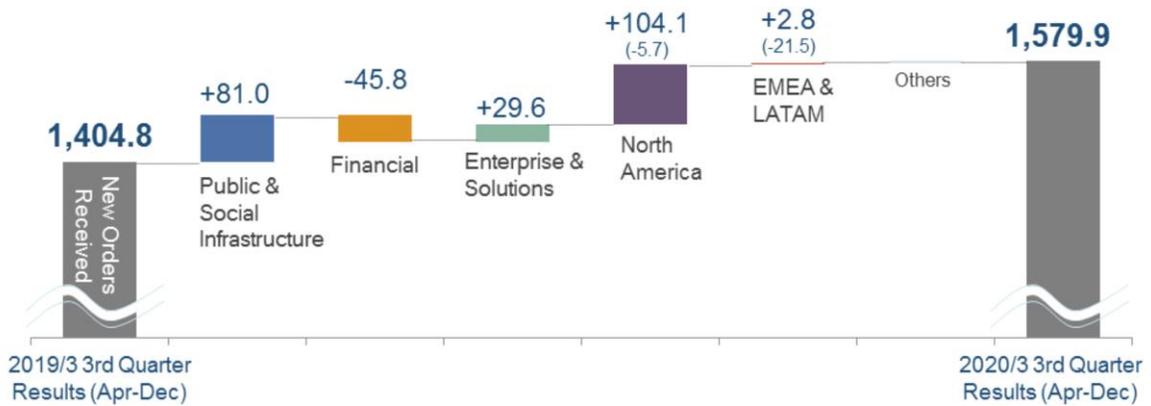
(Explanation omitted)

New Orders Received: YoY Changes by Business Segment (3Q FYE3/2019 and 3Q FYE3/2020)

(Billions of yen)
( ) shows an exchange rate impact included in the figure above.

Public & Social Infrastructure	Increased due mainly to winning projects for central government and related agencies.
Financial	Decreased due mainly to less orders compared to the previous fiscal year such as for projects for banks.
Enterprise & Solutions	Increased due mainly to winning projects for manufacturing industry.
North America	Increased due mainly to winning projects for public and financial sectors.
EMEA & LATAM	Increased due mainly to winning projects in Europe mainly in Spain, despite a decrease due to the negative impact from yen appreciation in foreign exchange.

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First, I will explain the new orders received.
The Public & Social Infrastructure Segment won contracts for multiple projects, including large-scale projects for central government and related agencies, and thereby achieved significant growth.
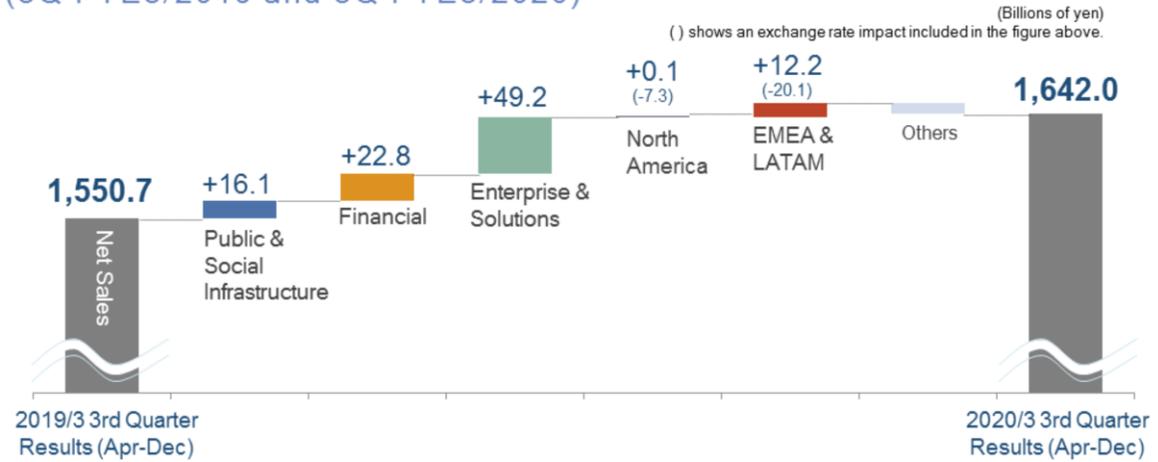
The Financial Segment saw a decline in new orders received mainly because of less orders compared to the previous fiscal year such as for large-scale projects at banks. However, this move is in line with our expectations.

In the Enterprise & Solutions Segment, new orders received continued to grow steadily mainly in the manufacturing industry.

The North America Segment won contracts for multiple large-scale projects also in the third quarter and maintains strong performance.

In the EMEA & LATAM Segment, the growth rate looks small due to the negative impact from yen appreciation in foreign exchange, but the overall environment surrounding new orders received remained strong.

Net Sales: YoY Changes by Business Segment
(3Q FYE3/2019 and 3Q FYE3/2020)

(Billions of yen)
( ) shows an exchange rate impact included in the figure above.

Segment	Description
Public & Social Infrastructure	Increased due mainly to the expansion in the scale of services for utility and telecom industries.
Financial	Increased due mainly to the expansion in the scale of services for financial institutions.
Enterprise & Solutions	Increased due mainly to the expansion in the scale of services for manufacturing industry and payment including M&A.
North America	Remained on par with the previous fiscal year due mainly to negative impact from yen appreciation in foreign exchange, despite the expansion of scale from M&A.
EMEA & LATAM	Increased due mainly to the expansion of scale in Europe mainly in businesses in Spain, despite a decrease due to the negative impact of yen appreciation in foreign exchange.

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Let us move on to net sales.
In the Public & Social Infrastructure Segment, sales for the utility and telecom industries steadily expanded.

The Financial Segment saw an increase in sales growth mainly in services for financial institutions.

The Enterprise & Solutions Segment remained robust due to the continued sales growth of payment services owing to the expanded scope of consolidation as a result of M&A in the previous fiscal year and the organic growth of CAFIS, as well as increased sales from services for the manufacturing industry.

The North America Segment remained on par with the previous fiscal year because of the negative impact from yen appreciation in foreign exchange despite recording increased sales on the local currency basis due to the expanded scope of consolidation as a result of M&A in the previous fiscal year.

In the EMEA & LATAM Segment, net sales continued to grow steadily in Europe, mainly in Spain, while the growth rate looks lower than reality, owing to the negative impact from yen appreciation in foreign exchange, as is the case for the new orders received.

Operating Income: YoY Changes by Business Segment (3Q FYE3/2019 and 3Q FYE3/2020)

(Billions of yen)
( ) shows an exchange rate impact included in the figure above.
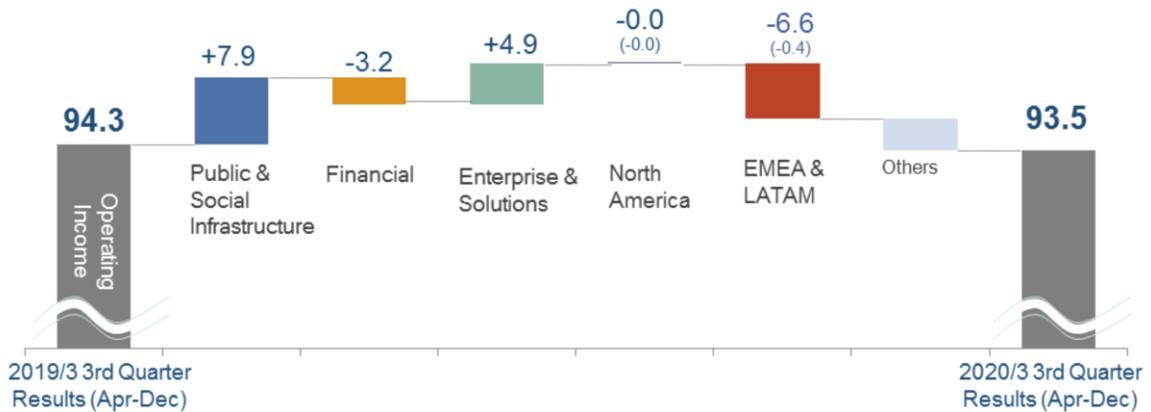
Public & Social Infrastructure	Increased due mainly to sales growth and a decrease in the amount of loss from unprofitable projects.
Financial	Decreased due mainly to the occurrence of unprofitable projects, despite an increase due to sales growth.
Enterprise & Solutions	Increased due mainly to sales growth.
North America	Remained on par with the previous fiscal year due mainly to an increase of costs for business expansion, despite a decrease of PMI cost.
EMEA & LATAM	Decreased due mainly to an increase of costs for structural transformation, despite an increase due to sales growth.

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Next, I will explain the operating income.
In the Public & Social Infrastructure Segment, operating income increased due to sales growth and a decrease in the amount of loss from unprofitable projects compared to the previous fiscal year.
Meanwhile, new unprofitable projects arose in the Financial Segment, which caused a decline in the operating income.
The Enterprise & Solutions Segment steadily increased operating income due to sales growth.
The North America Segment saw reduced PMI costs. However, it also saw increased sales costs associated with strong new orders received and other increased costs for business expansion, including costs related to the new M&A deals introduced in the business topics at the end of this presentation and growth investment. Due to these factors, operating income in this segment remained on par with the previous fiscal year.
In the EMEA & LATAM Segment, structural transformation has steadily progressed, and operating income has decreased because of the related costs.

The total loss from unprofitable projects at the end of the third quarter amounted to 12.1 billion yen across the company, and this figure is larger than expected at the beginning of the fiscal year. However, to achieve the Mid-Term Management Plan, we will not slow down but rather further accelerate the growth investment and structural transformation of 20 billion yen for the current fiscal year. Therefore, the situation is difficult for us to achieve the operating income guideline. However, we intend to get as close to the guideline as possible by accumulating income from stronger-than-expected sales and controlling regular expenses.

I would like to omit the explanations for the following slides that show business topics for each segment, numerical values, and other information.
This concludes my presentation. Thank you for your kind attention.

Public & Social Infrastructure (3Q FYE3/2019 and 3Q FYE3/2020)

(Billions of Yen,%)

	2019/3 3rd Quarter Results (Apr-Dec)	2020/3 3rd Quarter Results (Apr-Dec)	YoY (Amount)	YoY (Rate)	
New Orders Received	262.0	343.0	+81.0	+30.9%	↗
Net Sales	317.4	333.5	+16.1	+5.1%	↗
Operating Income (Operating income margin)	17.5 (+5.5%)	25.4 (7.6%)	+7.9 (+2.1P)	+45.1%	↗

New orders received	Increased due mainly to winning projects for central government and related agencies.
Net sales	Increased due mainly to the expansion in the scale of services for utility and telecom industries.
Operating income	Increased due mainly to sales growth and a decrease in the amount of loss from unprofitable projects.

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(Explanation omitted)

Financial (3Q FYE3/2019 and 3Q FYE3/2020)

(Billions of Yen,%)

	2019/3 3rd Quarter Results (Apr-Dec)	2020/3 3rd Quarter Results (Apr-Dec)	YoY (Amount)	YoY (Rate)	
New Orders Received	320.5	274.7	-45.8	-14.3%	
Net Sales	399.3	422.1	+22.8	+5.7%	
Operating Income (Operating income margin)	37.3 (9.3%)	34.1 (8.1%)	-3.2 (-1.3P)	-8.7%	

New orders received	Decreased due mainly to less orders compared to the previous fiscal year such as for projects for banks.
Net sales	Increased due mainly to the expansion in the scale of services for financial institutions.
Operating income	Decreased due mainly to the occurrence of unprofitable projects, despite an increase due to sales growth.

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(Explanation omitted)

Enterprise & Solutions (3Q FYE3/2019 and 3Q FYE3/2020)

(Billions of Yen,%)

	2019/3 3rd Quarter Results (Apr-Dec)	2020/3 3rd Quarter Results (Apr-Dec)	YoY (Amount)	YoY (Rate)	
New Orders Received	216.9	246.5	+29.6	+13.6%	
Net Sales	380.9	430.1	+49.2	+12.9%	
Operating Income (Operating income margin)	37.8 (9.9%)	42.7 (9.9%)	+4.9 (-0.0P)	+12.9%	

New orders received	Increased due mainly to winning projects for manufacturing industry.
Net sales	Increased due mainly to the expansion in the scale of services for manufacturing industry and payment including M&A.
Operating income	Increased due mainly to sales growth.

(Explanation omitted)

North America (3Q FYE3/2019 and 3Q FYE3/2020)

(Billions of Yen,%)

	2019/3 3rd Quarter Results (Apr-Dec)	2020/3 3rd Quarter Results (Apr-Dec)	YoY (Amount)	YoY (Rate)	
New Orders Received	249.7	353.8	+104.1	+41.7%	↗
Net Sales	313.9	314.0	+0.1	+0.0%	→
EBITA[*1] (EBITA margin)	8.0 (2.5%)	8.9 (2.8%)	+0.9 (+0.3P)	+11.2%	→
Operating Income (Operating income margin)	0.5 (0.2%)	0.5 (0.2%)	-0.0 (-0.0P)	-5.3%	→

(*1) EBITA = Operating income + Amortization of intangible assets subject to purchase price allocation (PPA) arising from acquisition and others.

New orders received	Increased due mainly to winning projects for public and financial sectors.
Net sales	Remained on par with the previous fiscal year due mainly to negative impact from yen appreciation in foreign exchange, despite the expansion of scale from M&A.
EBITA	Remained on par with the previous fiscal year due mainly to an increase of costs for business expansion, despite a decrease of PMI cost.
Operating income	Remained on par with the previous fiscal year due mainly to an increase of costs for business expansion, despite a decrease of PMI cost.

(Explanation omitted)

EMEA & LATAM (3Q FYE3/2019 and 3Q FYE3/2020)

(Billions of Yen,%)

	2019/3 3rd Quarter Results (Apr-Dec)	2020/3 3rd Quarter Results (Apr-Dec)	YoY (Amount)	YoY (Rate)	
New Orders Received	331.8	334.6	+2.8	+0.9%	↗
Net Sales	322.5	334.7	+12.2	+3.8%	↗
EBITA (*1) (EBITA margin)	9.1 (2.8%)	0.6 (0.2%)	-8.4 (-2.6P)	-93.1%	↘
Operating Income (Operating income margin)	3.2 (1.0%)	-3.4 (-1.0%)	-6.6 (-2.0P)	-	↘

(*1) EBITA = Operating income + Amortization of intangible assets subject to purchase price allocation (PPA) arising from acquisition and others.

New orders received	Increased due mainly to winning projects in Europe mainly in Spain, despite a decrease due to the negative impact from yen appreciation in foreign exchange.
Net sales	Increased due mainly to the expansion of scale in Europe mainly in businesses in Spain, despite a decrease due to the negative impact of yen appreciation in foreign exchange.
EBITA	Decreased due mainly to an increase of costs for structural transformation, despite an increase due to sales growth.
Operating income	Decreased due mainly to an increase of costs for structural transformation, despite an increase due to sales growth.

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(Explanation omitted)

(Explanation omitted)

Fully supporting JAPAN POST's cashless payment

In October 2019, NTT DATA announced that it will fully support JAPAN POST Co., Ltd.("JAPAN POST")'s implementation of cashless payment, which will be launched in February 2020 in collaboration with Sumitomo Mitsui Card Company, Limited and Panasonic System Solutions Japan Co., Ltd.

Although JAPAN POST so far handled only cash payments at service windows of the post offices, it has decided to deal with international brands of credit cards such as VISA, contactless payment through NFC [Note 1], and a variety of digital money including prepaid transportation cards. In so doing, the three companies, including NTT DATA, will implement 14,000 payment terminals at the windows of about 8,500 post offices to support JAPAN POST's cashless promotion.

The party has adopted the "CAFIS Arch" [Note 2]—a cloud-based comprehensive payment platform provided by NTT DATA—as its payment infrastructure and will provide a speedier and more convenient payment means for international customers who are expected to greatly increase in the near future.

Going forward, NTT DATA will offer diverse payment means to meet the variously changing cashless payment needs to further contribute to the realization of cashless society in Japan.

(Note 1) NFC (Near-Field Communication)
Wireless communication technology as defined by ISO as international contactless IC cards interface standards.

(Note 2) CAFIS Arch
The most used cloud-based cashless payment platform in Japan that can respond to all payment scenes such as credit cards payment, inbound tourists' payment, and QR code payment.

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(Explanation omitted)

Entrusted with producing anonymized medical data by becoming the first enterprise certified for entrustment with handling medical and related information after the enforcement of the Next Generation Medical Infrastructure Act

In December 2019, NTT DATA acquired the certification as an enterprise certified for entrustment with handling medical and related information based on the Next Generation Medical Infrastructure Act [Note 3] ("the Act"). Because of our greatly appreciated high-security capability and anonymized medical data technology, we have become the first enterprise certified for entrustment with handling medical and related information.

Whereupon, in January 2020, NTT DATA began producing anonymized medical data entrusted by Life Data Initiative [Note 4] ("LDI"), a general incorporated association which is a certified anonymized medical data producer. In this business, LDI performs administrative work as set forth by the Act in producing anonymized medical data, whereas NTT DATA operates and maintains the systems, extracts/anonymizes data, and so on. This will enable collecting and anonymizing detailed medical information, including electronic medical records, whose usage has not been promoted, as well as providing it to researchers, local governments, and private enterprises. Thus, it will contribute to the medical advances in Japan and the acceleration of research and development activities of pharmaceutical companies and others.

Going forward, NTT DATA will accumulate experience in producing anonymized medical data to gradually expand our services such as in handling imaging information in addition to electronic medical record data.

(Note 3) The Next Generation Medical Infrastructure Act
This is an abbreviation of the Act on Anonymized Medical Data That Are Meant to Contribute to Research and Development in the Medical Field (Act No. 28 of 2017).
(Note 4) Life Data Initiative (a general incorporated association)
A general incorporated association established in April 2018 for the purpose of promoting the usage of anonymized medical data.

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(Explanation omitted)

Enhanced capabilities in AWS and Federal Healthcare, to further accelerate the growth strategy in North America

NTT DATA Services, a subsidiary of NTT DATA Corporation, has successfully completed its acquisition of Flux7 Labs, Inc. ("Flux7"), and NET ESOLUTIONS CORPORATION ("NETE") respectively in December 2019.

· Flux7 is an Amazon Web Services ("AWS") Premier Consulting Partner [Note 5] and provides cloud consulting services such as implementation, migration, and cloud-native application [Note 6] development for enterprises across industries. As a result of the acquisition, NTT DATA Services will add a team of highly specialized experts and enhance our capabilities in AWS, aligning with our focus to drive digital services for our clients.

· NETE is a provider of digital transformation services through digital services, agile application development, and advanced data analytics for U.S. federal health clients. With the acquisition, NTT DATA Services will add more than 300 highly qualified team members and further expand the breadth of services. Clients will benefit from the companies' combination of digital services and expertise in Healthcare and Public Sector.

NTT DATA Services will accelerate our ongoing growth strategy, enhancing the value we can deliver for clients.

(Note 5) Premier Consulting Partner
A partner certified as world's top level among "AWS partner network," a partner program provided by AWS. A certified partner's business performance using AWS is higher than a certain level. They have rich track record of success and numerous certified technical consultants.

(Note 6) Cloud-native application
Applications developed and implemented ensuring flexible scalability in various environments using cloud technology.

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(Explanation omitted)

NTT DATA UK signs partner agreement for global digital transformation with a global body for professional accountants

NTT DATA UK Limited ("NTT DATA UK"), a subsidiary of NTT DATA Corporation, has signed a new, five-year partner agreement for global digital transformation with the Association of Chartered Certified Accountants ("ACCA"), the global body for professional accountants. The agreement is valued at around £50m in total.

NTT DATA UK has been providing ACCA's legacy platform system development and other services for over 12 years. The new agreement further expands NTT DATA UK's responsibilities to jointly promote ACCA's strategic global digital transformation programme as its partner. Specifically, in order to transform ACCA into a digitally-enabled organization, NTT DATA UK will ensure the delivery of new solutions and innovative business processes to support efficient global operations—for approximately 220,000 members and 530,000 students in 179 countries—for accountancy certification and lifetime member career development that can react proactively to market change. The agreement was awarded to NTT DATA UK as a result of ACCA's high recognition of the Long-Term Relationship it has built with the association, its rich experiences in digital transformation and its positive attitude toward the use of advanced technologies.

Going forward, NTT DATA UK will work to optimize and digitalize ACCA's business processes as well as provide innovative services as its strategic partner.

(Explanation omitted)

A proof of concept (PoC) of the commercial use of solution for AI diagnostic imaging support in the medical field

In November 2019, NTT DATA and Med Support Systems Co., Ltd. began a PoC of the commercial use of solution for artificial intelligence (AI) diagnostic imaging support for diagnosis from brain MRI scans.

The PoC is evaluating the efficiency and effectiveness of the solution's AI diagnosis support engine and viewer in analyzing brain MRI scans. The solution combines Med Support Systems' image diagnostic system and NTT DATA's AI technology. The two companies will complete the evaluation by the end of fiscal 2019 and launch the service in fiscal 2020.

Both companies will expand their targets into non-brain MRI scans to provide solutions for AI diagnostic imaging support that can handle MRI scans of multiple body regions and diseases, thereby reducing the workload of healthcare professionals and improving medical quality.

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(Explanation omitted)

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Appendices -Explanatory details of financial results and forecasts-

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(Explanation omitted)

Overview of Consolidated Results

(Billions of Yen,%)

	2019/3 3rd Quarter Results (Apr-Dec)	2020/3 3rd Quarter Results (Apr-Dec)	YoY (%)	FY Ended 2019/3 Results (Full-Year)	FY Ending 2020/3 Forecasts (Full-Year)
New Orders Received	1,404.8	1,579.9	+12.5	2,076.1	2,000.0
Order Backlog	2,358.1	2,528.7	+7.2	2,457.1	2,380.0
Net Sales	1,550.7	1,642.0	+5.9	2,163.6	2,240.0
(Main item) Overseas Net Sales[*1]	651.2	669.5	+2.8	881.1	910.0
Cost of Sales	1,168.0	1,232.7	+5.5	1,618.6	1,658.0
Gross Profit	382.7	409.3	+7.0	545.0	582.0
SG&A Expenses	288.3	315.8	+9.5	397.3	434.0
Selling Expenses	107.0	111.9	+4.6	146.7	160.0
R&D Expenses	9.9	13.9	+40.7	15.1	22.0
Other Administrative Expenses	171.5	190.0	+10.8	235.5	252.0
Operating Income	94.3	93.5	-0.8	147.7	148.0
Operating Income Margin(%)	6.1	5.7	-0.4P	6.8	6.6
Financial Income and Costs/Share of Profit/Loss of Entities for Using Equity Method	0.3	-1.2	-	-0.8	-3.0
Income Before Income Taxes	94.6	92.3	-2.4	146.9	145.0
Income Taxes and Others[*2]	35.1	34.5	-1.7	53.3	53.0
Net Income Attributable to Shareholders of NTT DATA	59.5	57.9	-2.8	93.6	92.0
Capital Expenditures	123.8	138.2	+11.6	179.2	202.0
Depreciation and Amortization/Loss on Disposal of Property and Equipment and Intangibles[*3]	119.0	122.8	+3.2	160.7	162.0

(*1) The total of external net sales of North America and EMEA & LATAM Segments and China & APAC regions.
(*2) "Income Taxes and Others" includes "corporate income taxes" and "net income attributable to non-controlling interests."
(*3) "2020/3 3rd Quarter Results" and "FY Ending 2020/3 Forecasts (Full-Year)" were calculated excluding the effect (3rd quarter estimate of 28.2 billion yen and full-year estimate of 34.5 billion yen) of IFRS 16 (new lease standard) which has been applied since April 2019.

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(Explanation omitted)

Consolidated New Orders Received and Order Backlog

Detail of Consolidated New Orders Received (to Clients Outside the NTT DATA Group)

(Billions of Yen)

		2019/3 3rd Quarter Results (Apr-Dec)	2020/3 3rd Quarter Results (Apr-Dec)	FY Ended 2019/3 Results (Full-Year)	FY Ending 2020/3 Forecasts (Full-Year)
Public & Social Infrastructure		262.0	343.0	391.1	402.0
(Main item)	Central Government and Related Agencies, Local Government, and Healthcare	127.4	202.3	194.5	226.0
	Telecom and Utility	74.2	82.5	114.0	93.0
Financial[*1]		320.5	274.7	458.2	389.0
(Main item)	Banks, Insurance, Securities, Credit Corporations, Financial Infrastructure/Network Services	255.9	189.6	361.8	278.0
	Cooperative Financial Institutions	46.0	69.8	69.9	93.0
Enterprise & Solutions[*2, 3]		216.9	246.5	307.7	297.0
(Main item)	Retail, Logistics, Payment and Other Service	51.4	56.6	73.0	73.0
	Manufacturing	133.6	153.3	188.8	184.0
	Data Center, Network, and Other Solutions	26.4	30.3	38.0	33.0
North America		249.7	353.8	427.6	414.0
EMEA & LATAM		331.8	334.6	457.4	466.0

Detail of Consolidated Order Backlog

(Billions of Yen)

	2019/3 3rd Quarter Results (Apr-Dec)	2020/3 3rd Quarter Results (Apr-Dec)	FY Ended 2019/3 Results (Full-Year)	FY Ending 2020/3 Forecasts (Full-Year)
Order Backlog	2,358.1	2,528.7	2,457.1	2,380.0
Public & Social Infrastructure	407.0	485.3	416.8	416.0
Financial	829.9	775.4	828.8	757.0
Enterprise & Solutions	127.5	133.2	131.0	112.0
North America	703.7	838.4	784.7	767.0
EMEA & LATAM	278.1	281.3	282.4	303.0

(*1) The figures for Financial are the results and "FY Ending 2020/3 Forecasts (Full-Year)" based on the change of category in which Financial Network Services is recorded, made in the 2nd quarter of the fiscal year ending March 31, 2020.
(*2) New Orders Received of Enterprise & Solutions does not include orders taken via other segments.
(*3) The figures for Enterprise & Solutions for "2019/3 3rd Quarter Results" show results based on revision of the details recorded as of March 31, 2019.

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(Explanation omitted)

Consolidated Net Sales

Detail of Consolidated Net Sales (to Clients Outside the NTT DATA Group)

(Billions of Yen)

		2019/3 3rd Quarter Results (Apr-Dec)	2020/3 3rd Quarter Results (Apr-Dec)	FY Ended 2019/3 Results (Full-Year)	FY Ending 2020/3 Forecasts (Full-Year)
Public & Social Infrastructure		264.1	276.7	399.6	407.0
(Main item)	Central Government and Related Agencies, Local Government, and Healthcare	143.4	144.2	224.6	230.0
	Telecom and Utility	62.8	69.4	91.1	90.0
Financial[*1]		352.7	370.7	491.6	507.0
(Main item)	Banks, Insurance, Security, Credit Corporations and Financial Infrastructure/Network Services	264.0	277.3	369.2	381.0
	Cooperative Financial Institutions	78.6	74.4	105.4	101.0
Enterprise & Solutions[*2,3]		274.1	315.1	379.2	406.0
(Main item)	Retail, Logistics, Payment and Other Service	88.8	107.0	121.7	147.0
	Manufacturing	137.3	157.5	191.7	190.0
	Data Center, Network, and Other Solutions	41.4	42.8	57.0	62.0
North America		310.5	310.2	416.5	435.0
EMEA & LATAM		319.3	331.6	433.9	439.0

Net Sales by Products and Services (to Clients Outside the NTT DATA Group) [*4]

(Billions of Yen)

	2019/3 3rd Quarter Results (Apr-Dec)	2020/3 3rd Quarter Results (Apr-Dec)	FY Ended 2019/3 Results (Full-Year)	FY Ending 2020/3 Forecasts (Full-Year)
Consulting	165.0	192.8	233.9	345.0
Integrated IT Solution	429.2	448.1	584.9	582.0
System & Software Development	419.5	421.3	602.1	573.0
Maintenance & Support	483.6	517.5	666.7	650.0
Others	53.5	62.4	76.0	90.0
Net Sales by Products and Services Total	1,550.7	1,642.0	2,163.6	2,240.0

(*1) The figures for Financial are the results and "FY Ending 2020/3 Forecasts (Full-Year)" based on the change of category in which Financial Network Services is recorded, made in the 2nd quarter of the fiscal year ending March 31, 2020.
(*2) Net Sales of Enterprise & Solutions does not include sales of projects undertaken through other segments.
(*3) The figures for Enterprise & Solutions for "2019/3 3rd Quarter Results" show results based on revision of the details recorded as of March 31, 2019.
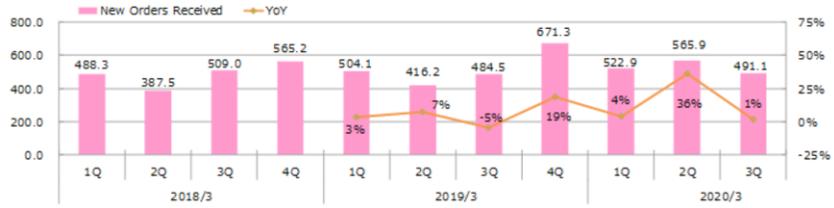(*4) The figures for Net Sales by Products and Services (to Clients Outside the NTT DATA Group) show results based on revision of the details recorded.
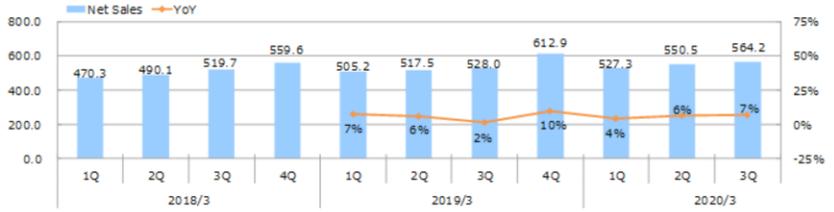
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(Explanation omitted)
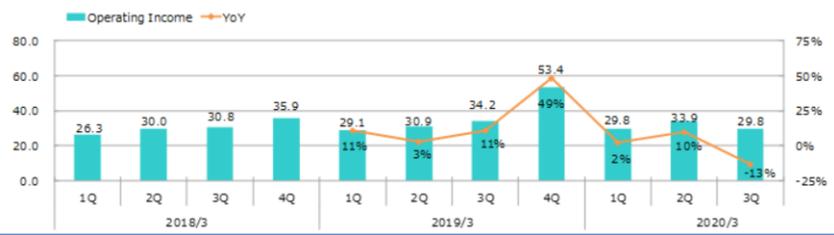
Trends in Quarter (Consolidated)

(Billions of Yen,%)

■ New Orders Received

■ Net Sales

■ Operating Income

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(Explanation omitted)

Foreign exchange rates
(used for the conversion of the amount of new orders received and incomes and expenditures)

(Yen, %)

	2019/3 3rd Quarter Results (Apr-Dec) ①	2020/3 3rd Quarter Results (Apr-Dec) ②	YoY (%) (②-①)/①	FY Ended 2019/3 Results (Full-Year) ③	FY Ending 2020/3 Forecasts (Full-Year) ④	YoY (%) (④-③)/③
USD	111.11	108.55	-2.3%	110.88	109.00	-1.7%
EUR	129.46	121.06	-6.5%	128.37	124.00	-3.4%

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(Explanation omitted)

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Appendices
- Mid- to long-term financial trends -

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(Explanation omitted)
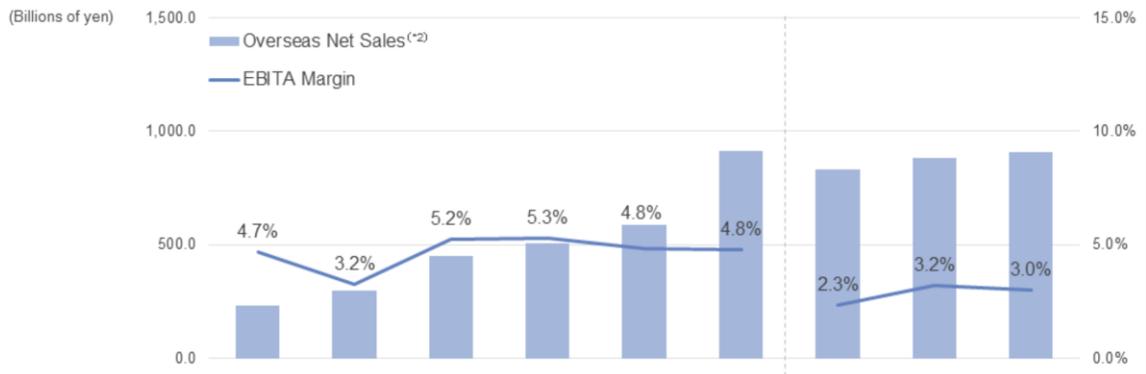
Trend of Order Backlog and Net Sales

(Explanation omitted)

Overseas Net Sales and Profitability Trends [*1]

(Billions of yen)

- Overseas Net Sales [*2]
- EBITA Margin

(Billions of yen)	JGAAP						IFRS		
	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3	2018/3	2019/3	2020/3 Forecasts
Overseas [*2] net sales	231.3	298.7	449.0	504.4	586.3	911.1	831.3	881.1	910.0
EBITA [*3]	10.8	9.6	23.5	26.6	28.2	43.4	19.4	28.3	27.0

EBITA Margin: 4.7%, 3.2%, 5.2%, 5.3%, 4.8%, 4.8%, 2.3%, 3.2%, 3.0%

(*1) The figures for the periods until FYE 3/2017 are those for the former Global Segment, and from FYE 3/2018 and later, are the total of North America/EMEA & LATAM Segments and China and APAC.
(*2) Net sales to Clients Outside the NTT DATA Group.
(*3) EBITA (JGAAP) = operating income (JGAAP) + amortization of goodwill and intangible assets subject to purchase price allocation (PPA) arising from acquisition and others
(*3) EBITA (IFRS) = operating income (IFRS) + amortization of intangible assets subject to purchase price allocation (PPA) arising from acquisition and others

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(Explanation omitted)

EBITDA Trend
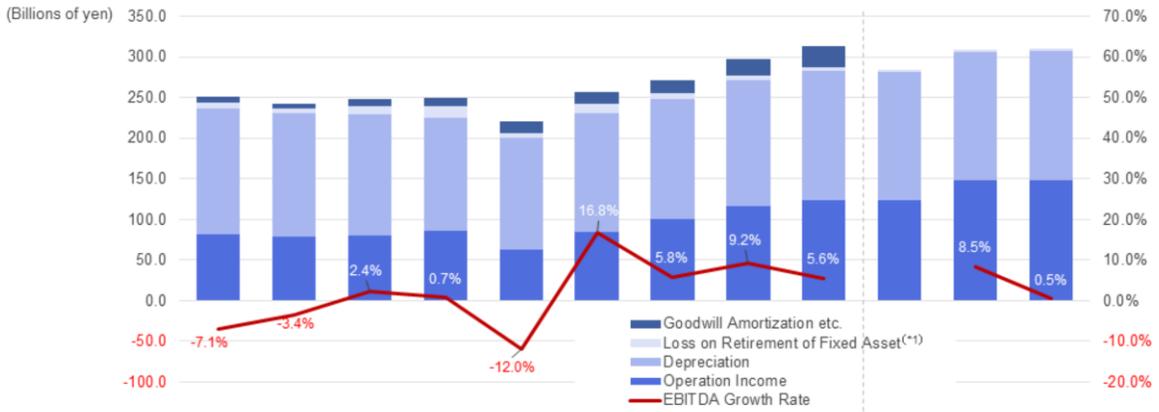
(Billions of yen)

(Billions of yen)	JGAAP									IFRS		
	2010/3	2011/3	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3	2018/3	2019/3	2020/3 Forecasts
Operation Income	81.6	78.3	80.4	85.6	62.5	84.0	100.8	117.1	123.5	123.1	147.7	148.0
Depreciation(*1)	154.5	152.2	148.3	140.0	138.0	146.8	147.9	154.5	160.0	158.1	158.0	159.0
Loss on Retirement of Fixed Asset	7.4	6.3	11.3	13.8	5.6	11.6	7.2	5.4	3.2	3.1	2.7	3.0
Goodwill Amortization etc.	7.5	5.7	8.3	10.7	14.0	14.7	16.0	20.0	26.9	–	–	–
EBITDA(*2)	251.1	242.6	248.5	250.3	220.2	257.3	272.1	297.1	313.7	284.2	308.4	310.0

(*1) The figures for the forecasts for FYE 3/2020 were calculated excluding the impact amount of 34.5 billion yen (estimate) of IFRS 16 (new lease standard) which has been applied since April 2019.
(*2) Figures based on JGAAP include adjustments for goodwill amortization and others (including impairment loss).

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(Explanation omitted)

EPS Trend
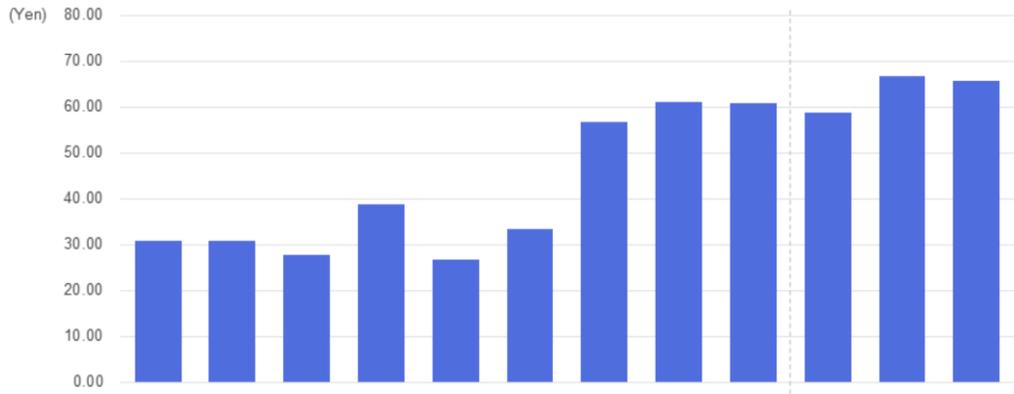
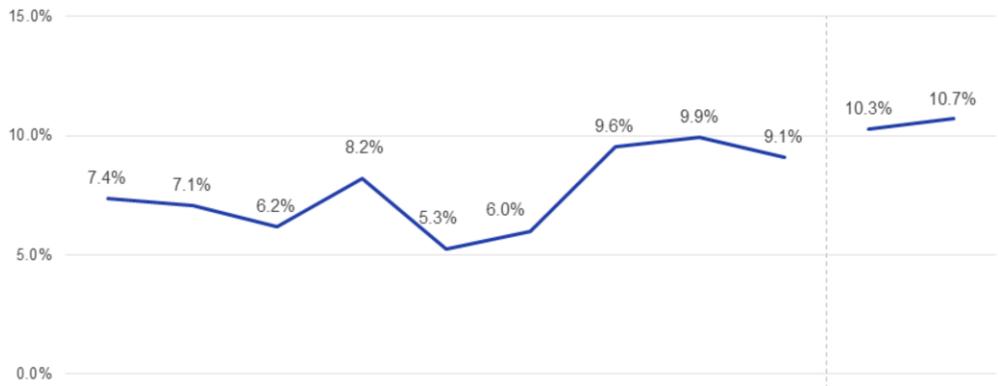|	2010/3	2011/3	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3	2018/3	2019/3	2020/3 Forecasts
				JGAAP						IFRS		
Net Income Attributable to (*1,2) Shareholders of NTT DATA (Billions of yen)	43.1	43.0	38.8	54.3	37.2	46.9	79.4	85.7	85.1	82.4	93.6	92.0
EPS (yen)(*3)	30.78	30.73	27.69	38.73	26.59	33.45	56.64	61.15	60.68	58.75	66.75	65.60

(*1) "Net Income Attributable to Owners of Parent" based on JGAAP.
(*2) Figures based on JGAAP include adjustments for goodwill amortization and others (including impairment loss).
(*3) Conducted stock split which shall split of common stock at a ratio of 1:5 as of the effective date of July 1, 2017. EPS is referring to the amount after stock split.

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(Explanation omitted)

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ROE[*1] Trend

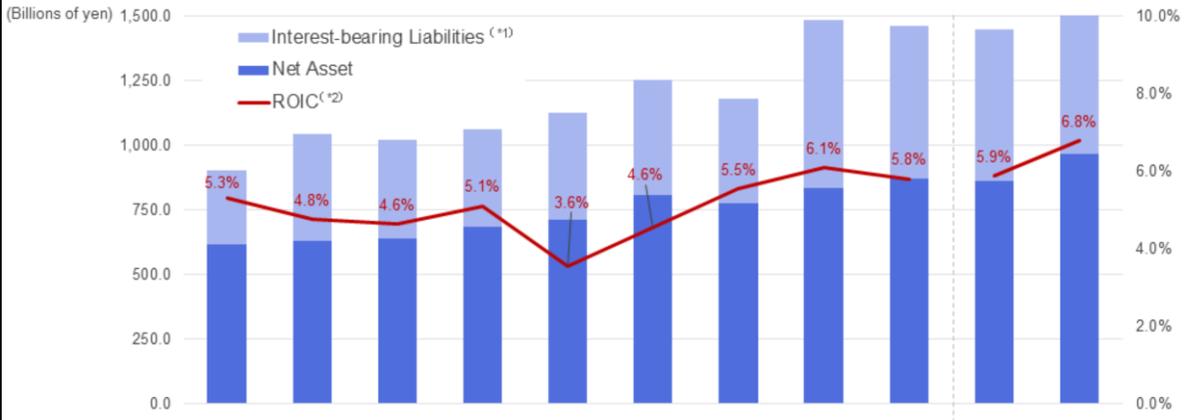| (Billions of yen)	JGAAP									IFRS	
	2010/3	2011/3	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3	2018/3	2019/3
Net Income Attributable to [*2,3] Shareholders of NTT DATA	43.1	43.0	38.8	54.3	37.2	46.9	79.4	85.7	85.1	82.4	93.6
Equity EOY[*3]	597.1	620.0	632.5	688.9	728.4	839.8	823.3	904.6	963.3	826.2	925.7

(*1) ROE = Net Income attributable to shareholders of NTT DATA / average equity during the period.
(*2) "Net Income Attributable to Owners of Parent" based on JGAAP.
(*3) Figures based on JGAAP include adjustments for goodwill amortization and others (including impairment loss).

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(Explanation omitted)

ROIC Trend

(Billions of yen)

- Interest-bearing Liabilities (*1)
- Net Asset
- ROIC (*2)

ROIC values on line: 5.3%, 4.8%, 4.6%, 5.1%, 3.6%, 4.6%, 5.5%, 6.1%, 5.8%, 5.9%, 6.8%

(Billions of yen)	JGAAP									IFRS	
	2010/3	2011/3	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3	2018/3	2019/3
Operating Income	81.6	78.3	80.4	85.6	62.5	84.0	100.8	117.1	123.5	123.1	147.7
Effective Tax Rate	40.69%	40.69%	40.69%	38.01%	38.01%	35.64%	33.06%	30.86%	30.86%	30.86%	30.62%
Net Asset	615.1	630.3	639.7	684.2	709.8	806.2	773.6	833.7	868.8	860.5	966.8
Interest-bearing (*1) Liabilities	289.1	414.4	380.2	378.3	412.9	446.9	407.0	650.8	592.0	586.3	605.0

(*1) The figures based on JGAAP are the total of borrowings, bonds, and lease payables. The figures based on IFRS are the total of borrowings and bonds.
(*2) ROIC = (operating income × (1- effective tax rate)) / (average net assets during the period + average interest-bearing liabilities during the period)

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(Explanation omitted)

D/E Ratio[*1] Trend
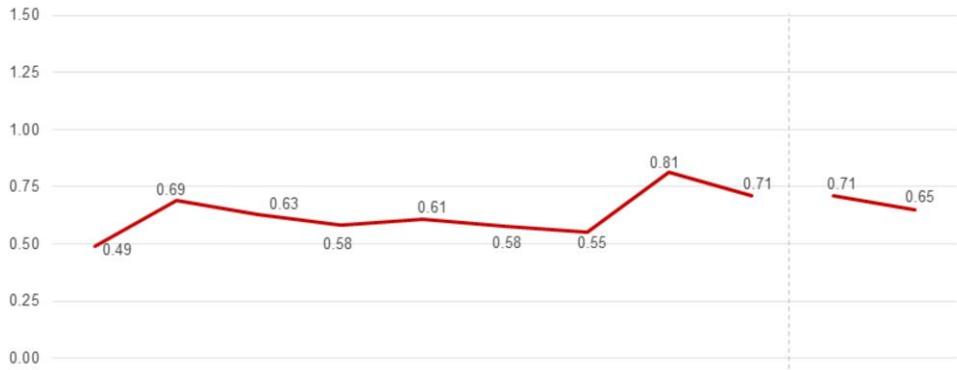
(Billions of yen)	JGAAP									IFRS	
	2010/3	2011/3	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3	2018/3	2019/3
Net Asset	615.1	630.3	639.7	684.2	709.8	806.2	773.6	833.7	868.8	860.5	966.8
(Main Item)Net Asset Non-controlling Interests	30.6	28.7	34.0	32.8	32.9	32.7	32.7	31.5	35.0	34.3	41.1
Interest-bearing [*2] Liabilities	289.1	414.4	380.2	378.3	412.9	446.9	407.0	650.8	592.0	586.3	605.0

D/E ratio values (red line): 0.49, 0.69, 0.63, 0.58, 0.61, 0.58, 0.55, 0.81, 0.71 (JGAAP) | 0.71, 0.65 (IFRS)

(*1) D/E ratio = interest-bearing liabilities / (net asset – non-controlling interests)
(*2) The figures based on JGAAP are the total of borrowings, bonds, and lease payables. The figures based on IFRS are the total of borrowings and bonds.

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(Explanation omitted)

Consolidated Cash Flow (*1) Dividend Payout Trend

(Billions of yen)	JGAAP									IFRS		
	2010/3	2011/3	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3	2018/3	2019/3	2020/3 Forecasts
Net Income Attributable to (*3,4) Shareholders of NTT DATA	43.1	43.0	38.8	54.3	37.2	46.9	79.4	85.7	85.1	82.4	93.6	92.0
Depreciation(*5)	154.5	152.2	148.3	140.0	138.0	146.8	147.9	154.5	160.0	158.1	158.0	159.0
Loss on Retirement of Fixed Asset	7.4	6.3	11.3	13.8	5.6	11.6	7.2	5.4	3.2	3.1	2.7	3.0
Capital Investment	-162.5	-139.0	-133.9	-122.1	-147.7	-140.9	-134.0	-158.1	-198.6	-194.8	-179.2	-202.0
Consolidated Cash Flow	42.5	62.5	64.5	86.0	33.2	64.5	100.6	87.6	49.6	48.7	75.1	52.0
Dividends per Share(JPY) (*6)	12	12	12	12	12	12	14	15	15	15	17	18
Total Dividends	16.8	16.8	16.8	16.8	16.8	16.8	19.6	21.0	21.0	21.0	23.8	25.2

(*1) Consolidated Cash Flow = net income attributable to shareholders of NTT DATA + depreciation cost + loss on retirement of fixed assets – capital investment
(*2) For "weighted average of past 5 yrs." in IFRS, figures based on JGAAP are used in FYE 3/2017 and earlier.
(*3) "Net Income Attributable to Owners of Parent" based on JGAAP.
(*4) Figures based on JGAAP include adjustments for goodwill amortization and others (including impairment loss).
(*5) The figures for the forecasts for FYE 3/2020 were calculated excluding the impact amount of 34.5 billion yen (estimate) of IFRS 16 (new lease standard) which has been applied since April 2019.
(*6) Conducted stock split which shall split of common stock at a ratio of 1:5 as of the effective date of July 1, 2017. EPS is referring to the amount after stock split.

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(Explanation omitted)

(Explanation omitted)