

Financial Information

Consolidated Balance Sheets

NTT DATA Corporation and Subsidiaries
As of March 31, 2015 and 2016

	(Millions of yen)	
	2015	2016
Assets		
Current assets		
Cash and deposits	¥ 160,108	¥ 148,495
Notes and accounts receivable-trade	366,678	403,146
Lease receivables and investment assets	16,983	14,477
Securities	6,533	26,000
Inventories	32,539	26,676
Deferred tax assets	36,730	39,382
Deposits paid	96,015	121,646
Other	59,364	65,490
Allowance for doubtful accounts	(2,679)	(2,614)
Total current assets	772,275	842,701
Non-current assets		
Property, plant and equipment		
Data communication facilities	300,657	303,414
Accumulated depreciation	(206,875)	(213,911)
Data communication facilities, net	93,782	89,503
Buildings and structures	280,411	284,454
Accumulated depreciation	(188,085)	(194,564)
Buildings and structures, net	92,326	89,890
Machinery, equipment and vehicles	68,063	73,022
Accumulated depreciation	(49,910)	(54,002)
Machinery, equipment and vehicles, net	18,152	19,019
Tools, furniture and fixtures	55,778	55,377
Accumulated depreciation	(38,408)	(38,381)
Tools, furniture and fixtures, net	17,369	16,995
Land	59,193	60,576
Construction in progress	26,500	21,548
Other	16,585	13,544
Accumulated depreciation	(10,995)	(8,502)
Other, net	5,589	5,041
Total property, plant and equipment	312,914	302,575
Intangible assets		
Software	251,673	250,668
Software in progress	52,086	48,295
Goodwill	179,540	168,879
Other	72,297	67,494
Total intangible assets	555,598	535,337
Investments and other assets		
Investment securities	111,623	83,599
Net defined benefit asset	2,282	1,508
Deferred tax assets	26,318	44,735
Other	42,503	50,531
Allowance for doubtful accounts	(677)	(669)
Total investments and other assets	182,049	179,704
Total non-current assets	1,050,561	1,017,618
Total assets	¥1,822,837	¥1,860,319

	(Millions of yen)	
	2015	2016
Liabilities		
Current liabilities		
Accounts payable-trade	¥ 103,970	¥ 121,688
Short-term loans payable	48,887	51,627
Current portion of long-term loans payable	732	29,245
Current portion of bonds	39,999	—
Income taxes payable	14,942	33,158
Advances received	140,634	167,738
Provision for loss on order received	3,093	5,356
Other	127,294	128,442
Total current liabilities	479,554	537,258
Non-current liabilities		
Bonds payable	210,052	210,062
Long-term loans payable	139,459	109,451
Deferred tax liabilities	30,303	23,327
Net defined benefit liability	136,313	185,992
Provision for directors' retirement benefits	901	934
Other	20,047	19,621
Total non-current liabilities	537,077	549,390
Total liabilities	1,016,631	1,086,648
Net assets		
Shareholders' equity		
Capital stock	142,520	142,520
Capital surplus	139,300	139,295
Retained earnings	408,293	452,458
Treasury shares	(0)	(0)
Total shareholders' equity	690,113	734,273
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	46,792	32,522
Deferred gains or losses on hedges	656	(7,527)
Foreign currency translation adjustment	62,615	36,552
Remeasurements of defined benefit plans	(10,095)	(38,805)
Other	(16,587)	(16,107)
Total accumulated other comprehensive income	83,380	6,635
Non-controlling interests	32,711	32,762
Total net assets	806,205	773,670
Total liabilities and net assets	¥1,822,837	¥1,860,319

Financial Information

Consolidated Statements of Income and Comprehensive Income

NTT DATA Corporation and Subsidiaries

For the fiscal years ended March 31, 2015 and 2016

	(Millions of yen)	
	2015	2016
Net sales	¥1,511,812	¥1,614,897
Cost of sales	1,147,302	1,216,795
Gross profit	364,509	398,101
Selling, general and administrative expenses	280,495	297,216
Operating income	84,013	100,885
Non-operating income		
Interest income	951	1,256
Dividend income	1,190	1,785
Insurance income	912	2,125
Foreign exchange gains	129	—
Other	3,661	2,677
Total non-operating income	6,845	7,844
Non-operating expenses		
Interest expenses	5,782	5,492
Foreign exchange losses	—	1,576
Loss on retirement of non-current assets	1,761	523
Compensation for damage	1,062	299
Other	4,343	2,679
Total non-operating expenses	12,950	10,571
Ordinary income	77,909	98,158
Extraordinary income		
Gain on sales of investment securities	—	15,237
Total extraordinary income	—	15,237
Extraordinary losses		
Impairment loss of goodwill	—	3,986
Impairment loss of non-current assets	2,244	1,620
Loss on restructuring of subsidiaries and affiliates	1,668	—
Total extraordinary losses	3,913	5,607
Income before income taxes	73,995	107,789
Income taxes - current	34,992	46,925
Income taxes - deferred	5,423	(4,570)
Total income taxes	40,416	42,354
Net income	33,579	65,434
Net income attributable to		
Net income attributable to owners of parent	32,144	63,373
Net income (loss) attributable to non-controlling interests	1,434	2,061
Other comprehensive income		
Valuation difference on available-for-sale securities	43,989	(14,349)
Deferred gains or losses on hedges	617	(8,186)
Foreign currency translation adjustment	27,243	(25,975)
Remeasurements of defined benefit plans, net of tax	334	(29,872)
Share of other comprehensive income (loss) of entities accounted for using equity method	311	(208)
Other	1,074	480
Total other comprehensive income (loss)	73,571	(78,110)
Comprehensive income (loss)	107,151	(12,676)
Comprehensive income (loss) attributable to		
Comprehensive income (loss) attributable to owners of parent	105,443	(13,371)
Comprehensive income attributable to non-controlling interests	¥ 1,707	¥ 695

Financial Information

Consolidated Statements of Cash Flows

NTT DATA Corporation and Subsidiaries

For the fiscal years ended March 31, 2015 and 2016

	(Millions of yen)	
	2015	2016
Cash flows from operating activities		
Income before income taxes	¥ 73,995	¥ 107,789
Depreciation	146,896	147,961
Loss on retirement of non-current assets	11,670	7,250
Increase (decrease) in net defined benefit liability	8,706	8,292
Interest expenses	5,782	5,492
Impairment loss of non-current assets	2,244	1,620
Decrease (increase) in notes and accounts receivable-trade	(15,467)	(43,052)
Decrease (increase) in inventories	(9,889)	5,373
Increase (decrease) in notes and accounts payable-trade	6,359	9,574
Increase (decrease) in advances received	(11,113)	27,954
Increase (decrease) in accrued consumption taxes	17,143	(11,123)
Other, net	(8,270)	(205)
Subtotal	228,057	266,928
Interest and dividend income received	2,141	3,175
Interest expenses paid	(5,592)	(5,544)
Income taxes (paid) refunded	(40,726)	(31,808)
Net cash provided by (used in) operating activities	183,880	232,751
Cash flows from investing activities		
Purchase of property, plant and equipment	(62,922)	(47,440)
Purchase of intangible assets	(82,155)	(77,922)
Proceeds from sales of investment securities	787	23,014
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(3,663)	(28,351)
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	139	308
Net decrease (increase) in time deposits	(1,921)	(294)
Payment into short-term deposit paid	—	(50,000)
Other, net	(7,400)	(8,043)
Net cash provided by (used in) investing activities	(157,137)	(188,730)
Cash flows from financing activities		
Redemption of bonds	—	(40,000)
Proceeds from long-term loans payable	58,595	523
Repayments of long-term loans payable	(2,965)	(595)
Net increase (decrease) in short-term loans payable	(17,226)	1,198
Repayments of lease obligations	(1,760)	(1,625)
Cash dividends paid	(16,837)	(16,834)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(1,385)	(461)
Other, net	(1,122)	(385)
Net cash provided by (used in) financing activities	17,296	(58,179)
Effect of exchange rate change on cash and cash equivalents	(409)	(3,131)
Net increase (decrease) in cash and cash equivalents	43,630	(17,290)
Cash and cash equivalents at beginning of period	207,213	250,843
Cash and cash equivalents at end of period	¥ 250,843	¥ 233,553

Financial Information

Consolidated Statements of Shareholders' Equity

NTT DATA Corporation and Subsidiaries

For the fiscal years ended March 31, 2015 and 2016

	(Millions of yen)	
	2015	2016
Shareholders' equity		
Capital stock		
Balance at a beginning of current period	¥142,520	¥142,520
Changes of items during period		
Total changes of items during the period	—	—
Balance at end of current period	142,520	142,520
Capital surplus		
Balance at beginning of current period	139,300	139,300
Restated balance		
Other	—	(4)
Total changes of items during period	—	(4)
Balance at end of current period	139,300	139,295
Retained earnings		
Balance at beginning of current period	384,922	408,293
Cumulative effects of changes in accounting policies	8,272	—
Restated balance	393,195	408,293
Changes of items during period		
Dividends of surplus	(16,830)	(16,829)
Net income attributable to owners of parent	32,144	63,373
Change in scope of consolidation	(211)	(2,115)
Other	(5)	(263)
Total changes of items during period	15,097	44,164
Balance at end of current period	408,293	452,458
Treasury shares		
Balance at beginning of current period	—	(0)
Changes of items during period		
Purchase of treasury shares	(0)	—
Total changes of items during period	(0)	—
Balance at end of current period	(0)	(0)
Total shareholders' equity		
Balance at beginning of current period	666,742	690,113
Cumulative effects of changes in accounting policies	8,272	—
Restated balance	675,015	690,113
Changes of items during period		
Dividends of surplus	(16,830)	(16,829)
Net income attributable to owners of parent	32,144	63,373
Purchase of treasury shares	(0)	—
Change in scope of consolidation	(211)	(2,115)
Other	(5)	(267)
Total changes of items during period	15,097	44,160
Balance at end of current period	690,113	734,273
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at beginning of current period	2,872	46,792
Changes of items during period		
Net changes of items other than shareholders' equity	43,920	(14,269)
Total changes of items during the period	43,920	(14,269)
Balance at end of current period	46,792	32,522
Deferred gains or losses on hedges		
Balance at beginning of current period	38	656
Changes of items during period		
Net changes of items other than shareholders' equity	617	(8,183)
Total changes of items during period	617	(8,183)
Balance at end of current period	¥ 656	¥ (7,527)

	(Millions of yen)	
	2015	2016
Foreign currency translation adjustment		
Balance at beginning of current period	¥ 35,056	¥ 62,615
Changes of items during period		
Net changes of items other than shareholders' equity	27,558	(26,062)
Total changes of items during period	27,558	(26,062)
Balance at end of current period	62,615	36,552
Remeasurements of defined benefit plans		
Balance at beginning of current period	(10,224)	(10,095)
Changes of items during period		
Net changes of items other than shareholders' equity	128	(28,709)
Total changes of items during period	128	(28,709)
Balance at end of current period	(10,095)	(38,805)
Other		
Balance at beginning of current period	(17,661)	(16,587)
Changes of items during period		
Net changes of items other than shareholders' equity	1,074	480
Total changes of items during period	1,074	480
Balance at end of current period	(16,587)	(16,107)
Total accumulated other comprehensive income		
Balance at beginning of current period	10,081	83,380
Changes of items during period		
Net changes of items other than shareholders' equity	73,298	(76,745)
Total changes of items during period	73,298	(76,745)
Balance at end of current period	83,380	6,635
Non-controlling interests		
Balance at beginning of current period	32,993	32,711
Changes of items during period		
Net changes of items other than shareholders' equity	(282)	50
Total changes of items during period	(282)	50
Balance at end of current period	32,711	32,762
Total net assets		
Balance at beginning of current period	709,818	806,205
Cumulative effects of changes in accounting policies	8,272	—
Restated balance	718,091	806,205
Changes of items during period		
Dividends of surplus	(16,830)	(16,829)
Net income attributable to owners of parent	32,144	63,373
Purchase of treasury shares	(0)	—
Change in scope of consolidation	(211)	(2,115)
Other	(5)	(267)
Net changes of items other than shareholders' equity	73,016	(76,694)
Total changes of items during period	88,114	(32,534)
Balance at end of current period	¥806,205	¥773,670