

NTT DATA Company Briefing Session

December 14, 2023

NTT DATA Group Corporation (Securities Code: 9613)

Senior Vice President, Head of Corporate Headquarters

Head of Strategy Office, Corporate Headquarters

Tadaoki Nishimura

The English text is a translation of the Japanese original. The Japanese original is authoritative.

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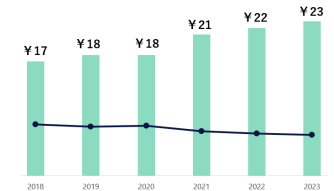
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About NTT DATA

NTT DATA's Profile

Mission Statement

NTT DATA uses information technology to create new paradigms and values, which help contribute to a more affluent and harmonious society.

Group Vision

Trusted Global Innovator

Company Name

NTT DATA Group Corporation

Head Office

Toyosu Center Bldg., 3-3, Toyosu 3-chome, Koto-ku, Tokyo 135-6033, Japan

CEO

Yo Honma President and CEO, Representative Director

Offices

50+ countries and regions

History

- 1967 Established DATA Communications Bureau within Nippon Telegraph and Telephone Public Corporation
- 1988 NTT DATA founded
- 1995 Listed on the Second Section of the Tokyo Stock Exchange
- 1996 Listed on the First Section of the Tokyo Stock Exchange
- 2022 Listed on the Prime Section of the Tokyo Stock Exchange

Number of Employees*

About 195,000
*As of March 2023

NTT DATA's Business (1 / 2)

Combines various IT services and advanced technologies to deliver the optimal services and solutions to clients around the world

Major NTT DATA Services

Consulting

- IT system development strategizing and planning together with clients
- Proposal of issue resolution and process transformation solutions powered by IT

System Integration / Software Development

- Contracting of planning, design, and development of clients' information systems
- Creation of paradigms that resolve client issues with IT

Maintenance / Support

- Technical support, operation, and maintenance services that ensure clients can continue to use IT systems reliably

IT Infrastructure, Communication Terminal Equipment Sales, etc.

- Managed services and data center operation management services
- Communication terminal equipment sales, maintenance services, etc.

Integrated IT Solutions

- One-stop support for everything from IT system concept planning to development, operation, and maintenance
- Full-cycle IT services supplied to clients and society
- Options for clients to use systems built on capital investment and assets held by NTT DATA

NTT DATA's Points of Differentiation

Foresight for Identifying Trends

Consulting and process transformation capabilities based on sophisticated technological prowess and ability to create

Power to Create

Robust expertise pertaining to business processes and sophisticated development capabilities gained through businesses conducted with clients in wide-ranging industries

Project Management Capabilities

Coordination and project management capabilities for working with multiple partners and large-scale projects from a balanced position

System Management and Operation Capabilities

System management and operation capabilities honed through reliable operation of critical IT systems supporting social foundations

Power to Connect

Edge-to-cloud service operation capabilities focused on areas of expertise of NTT Ltd., such as data centers, networks, and managed services

Healthy Financial Base

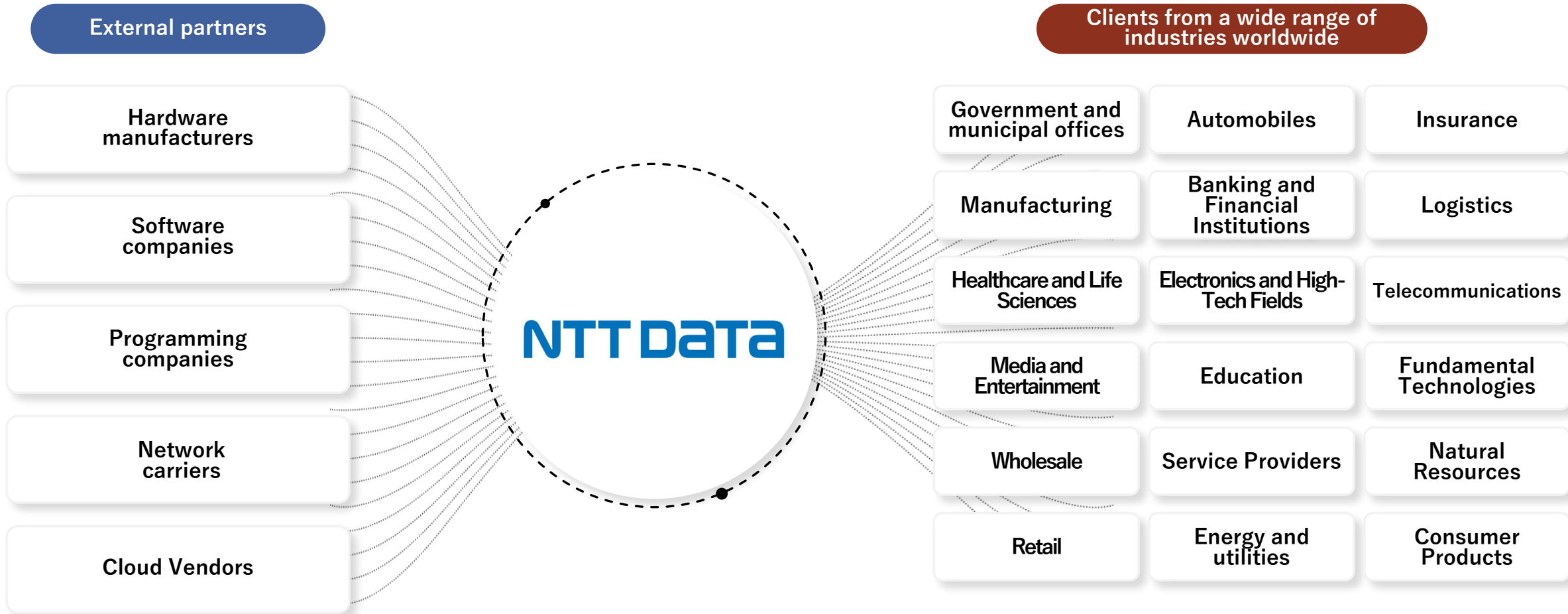
Long history and experience in creating numerous society-wide, cross-industry paradigms and a strong, healthy financial base supporting these efforts

NTT DATA's Strengths

Long-Term Relationships
-Trust and connections with clients-

NTT DATA's Business (2 / 2)

Familiarizing with the businesses of clients to globally provide them with optimal IT services chosen from various options

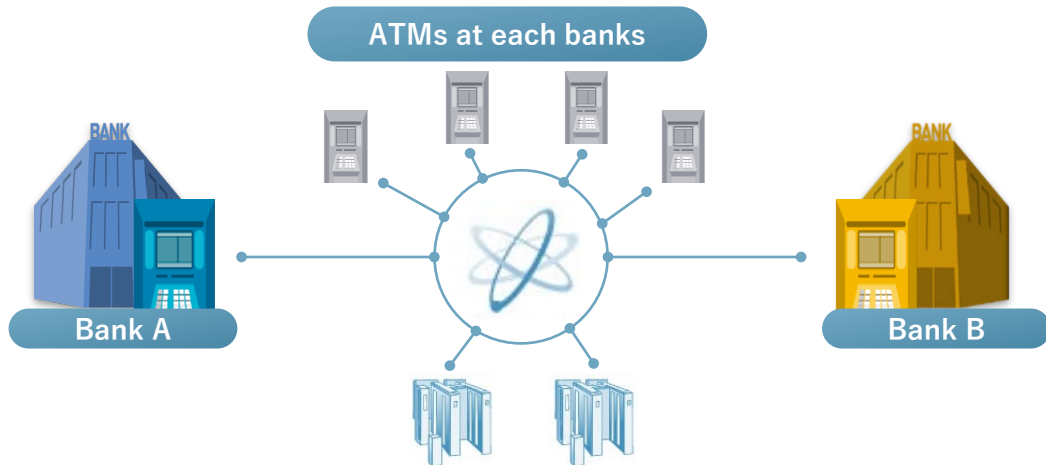


NTT DATA's Services and Solutions

We provide services that support the social infrastructures in our communities through corporate clients in the public, financial, retail/communications, and other sectors

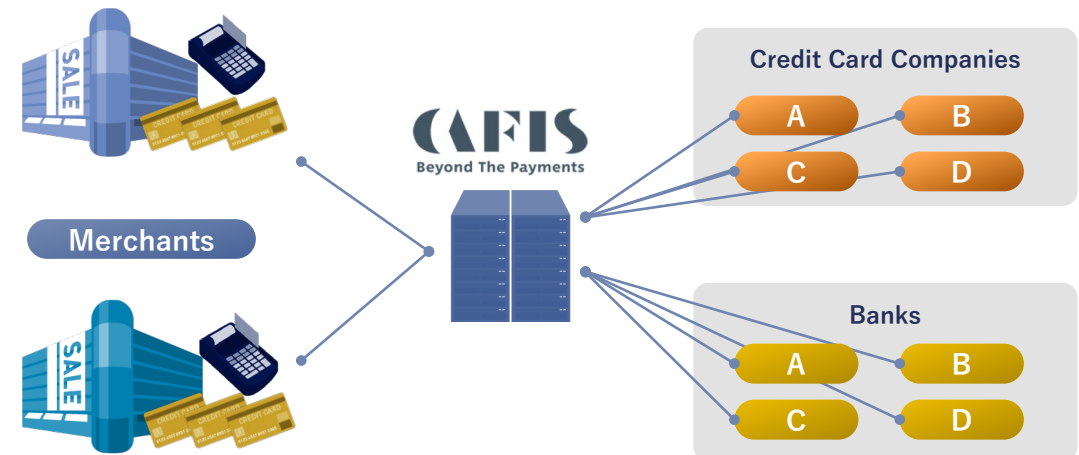
Integrated ATM Switching Service

A system that relays ATM transactions of all financial institutions



CAFIS*

Integrated cashless payment platform



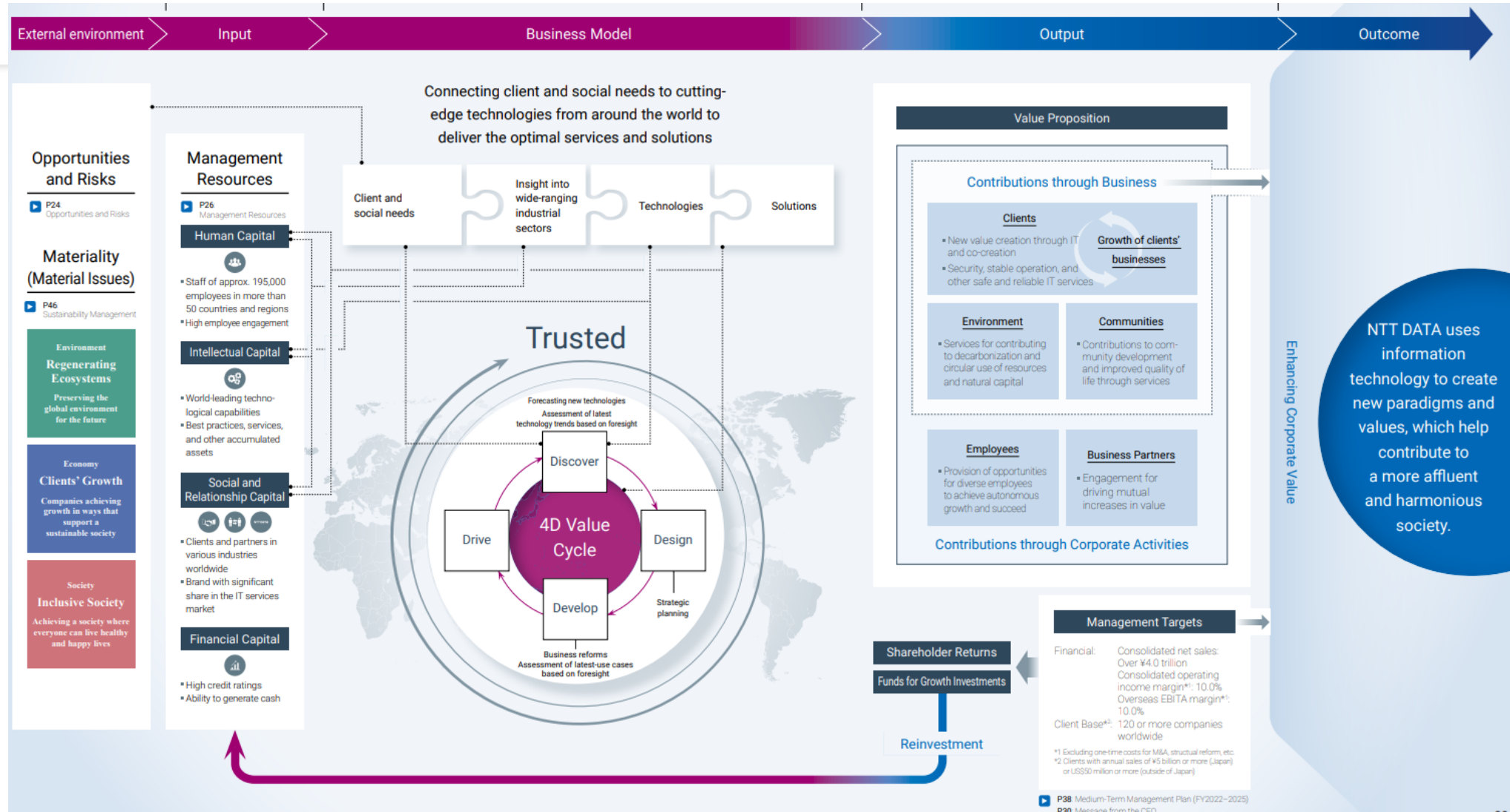
*CAFIS: Credit And Finance Information Switching system

01-01

Promotion of a Sustainable Society

NTT DATA's Mission Statement

By leveraging our strengths in connecting client and social needs with cutting-edge technologies to deliver the optimal services and solutions, we promote a sustainable society



3

Stage

Realizing a Sustainable Future

Connect people with technology to create value and a sustainable future with our clients.

Current MMP (2022-25)

Management Targets

- Net Sales: Over ¥4 trillion
- Consolidated Operating Income Margin: 10.0%*
- Overseas EBITA Margin: 10.0%*
- Client Base: 120 companies

Midpoint to Global 3rd Stage (2019-21)

Pursuing profitable global growth with consistent belief and courage to change.

- Net Sales: ¥2.55 trillion
- Consolidated Operating Income Margin: 8.3%*
- Overseas EBITA Margin: 6.5%*
- Client Base: 82 companies

2

Recognized Global Brand (2016-18)

NTT DATA: Ascend; Rise & grow our global Brand

- Net Sales: ¥2.16 trillion

1

Increased Global Coverage (2005-2015)

A global corporate group that provides diverse IT services

- Net Sales: ¥1.61 trillion

*Excluding one-time costs for M&A, structural reform, etc.

New value propositions for the realization of a sustainable society

NTT DATA seeks to grow together with clients by helping preserve the environment and addressing social issues to contribute to the realization of a sustainable society through its corporate and business activities

Realizing a Sustainable Future

Regenerating Ecosystems



Circular Economy



Carbon Neutrality



Nature Conservation

Clients' Growth



Future of Work



Smart X Co-Innovation



Trusted Value chain

Inclusive Society



Digital Accessibility



Human rights & DEI



Community Engagement

NTT DATA

Creating value for sustainability



Blockchain technology improves the digitalization and efficiency of trade operations



Expansion of drone utilization drives an aerial industrial revolution



A new cashierless shopping style realized through digital technology



Digital disaster prevention platform enhances the efficiency of disaster responses and facilitates information collaboration



The state-of-the-art data centers featuring less environmental impact and secure, reliable operations



AI diagnostic imaging technology assists tuberculosis diagnosis

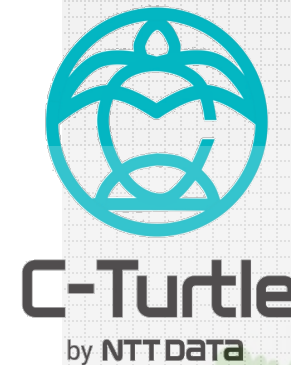
Successfully installed “C-Turtle,” a GHG emission visualization system, for a cumulative total of 500 companies (Number of inquiries: doubled from last year)

Support activities for Scope 3 reduction*1 through consulting for accurate emission visualization

Adopting a total emissions allocation method that links emissions of supplier companies to transactions

Make it possible to incorporate reduction efforts implemented and realized by supplier companies into the client companies' emissions

Propose solutions to reduce emissions through consulting in addition to visualization



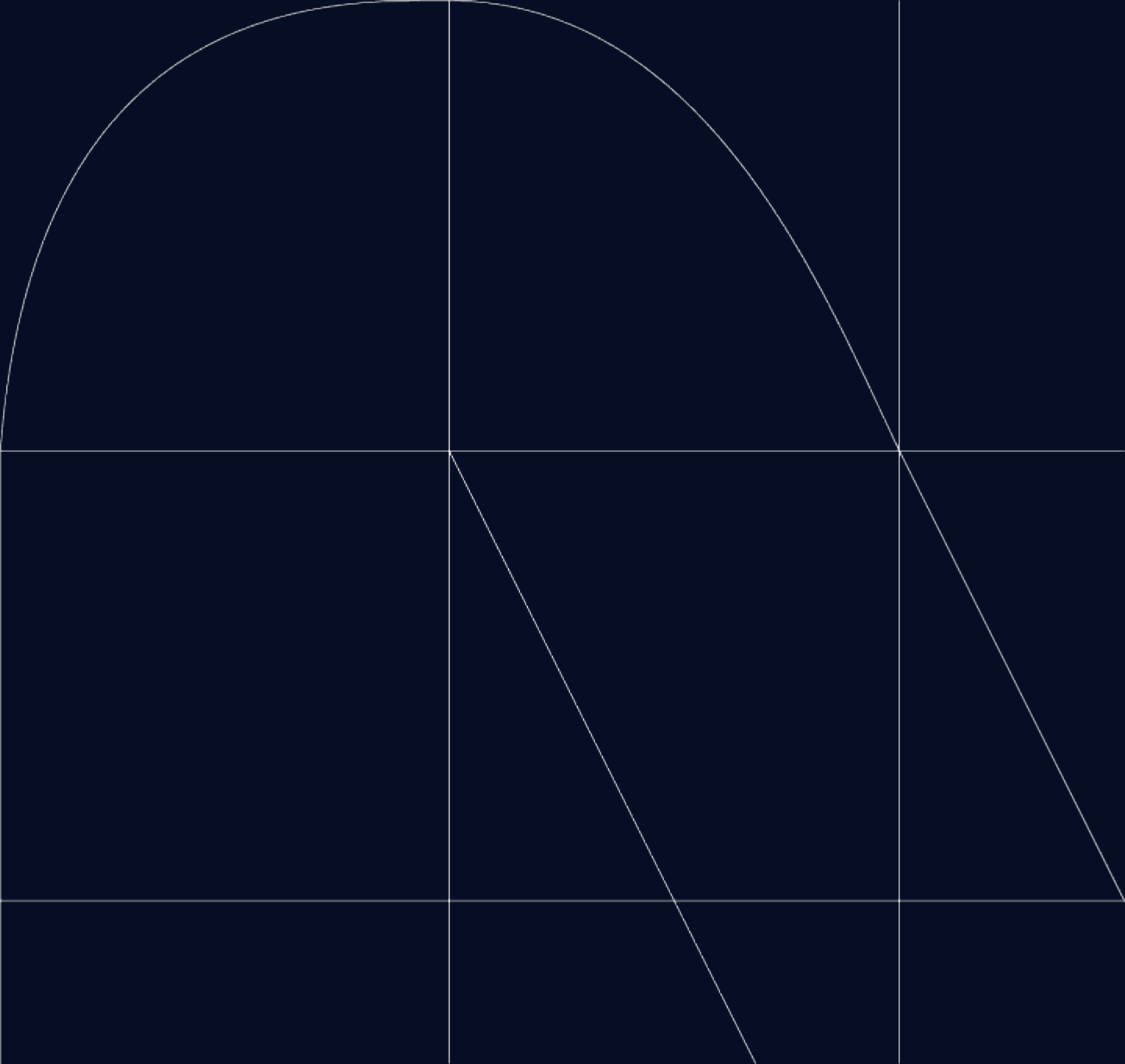
Visualization Assets

Green Consulting

*1 Scope1: Direct emission of greenhouse gases by the operator (Fuel combustion, industrial processes) Scope2: Indirect emission of electricity, heat and steam supplied by other companies Scope3: Indirect emission in the supply chain of companies other than Scope1 and 2

01-02

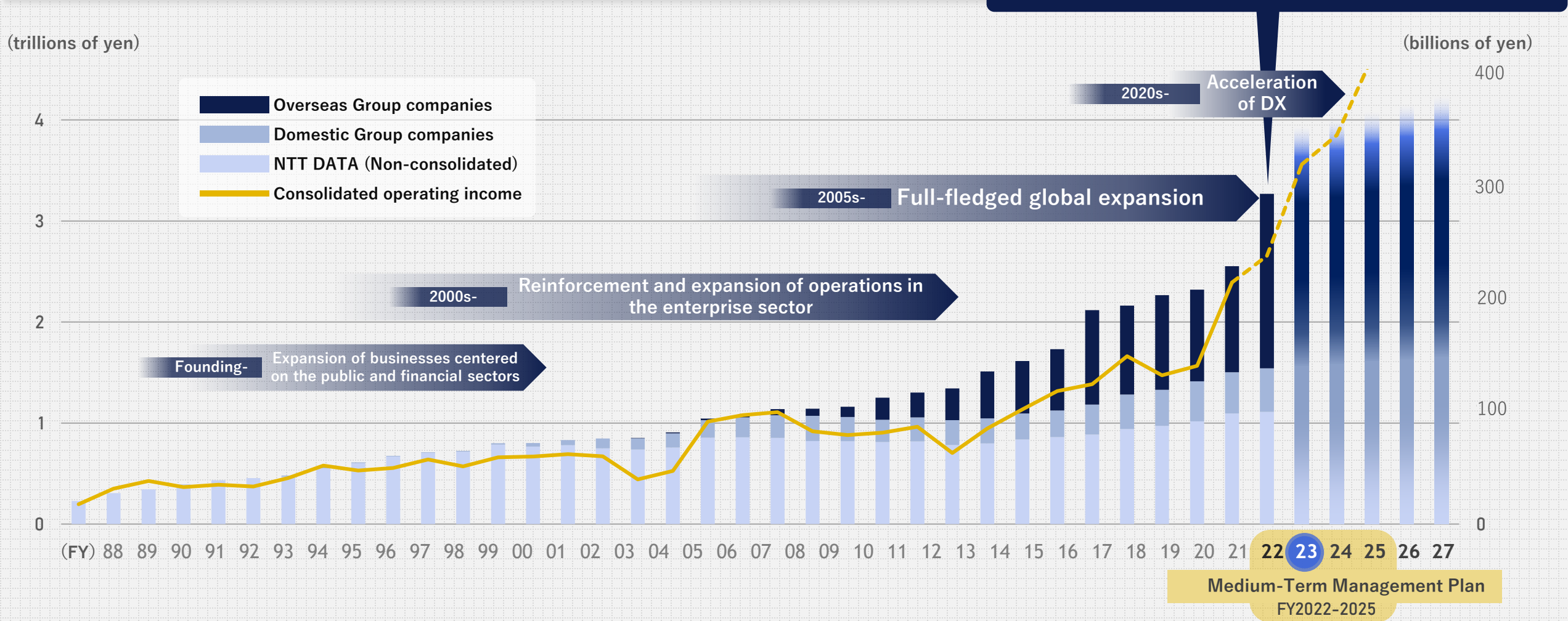
Global Company



Changes in Net Sales

Net sales has been increasing for 34 consecutive years since the company was founded, growing in four phases, and currently the overseas sales ratio exceeds 60%

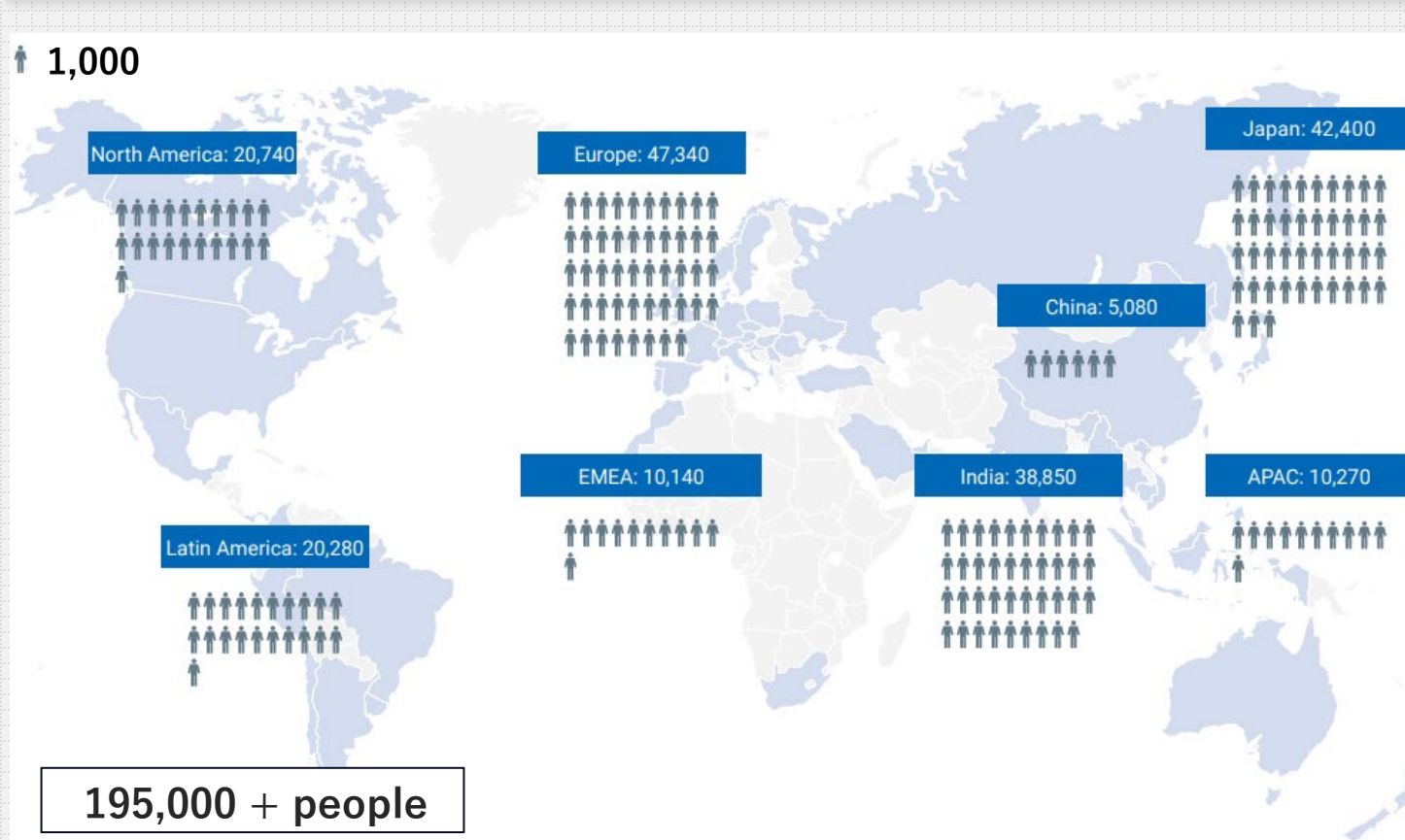
	FY2022 Results	FY2023 Forecasts
Net sales	¥3.49 trillion	¥4.10 trillion
Operating income	¥259.1 billion	¥292.0 billion



Our Presence in Overseas Market

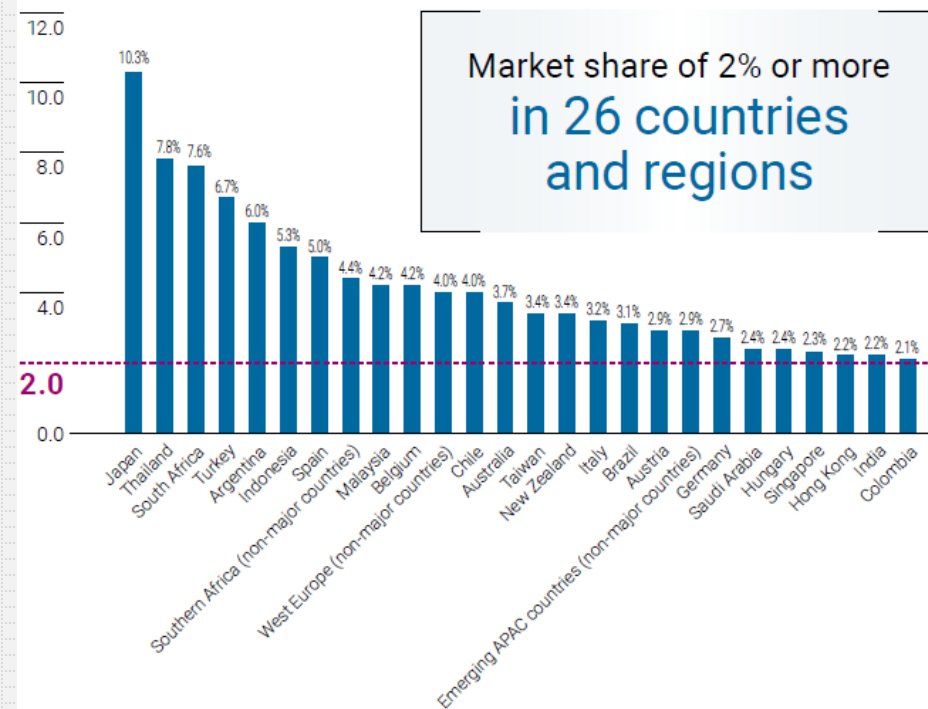
In the IT services market vendor ranking by revenue*1, we ranked 6th in the global market and 2nd in the Japan market

The number of countries and regions where we hold a market share of 2% or more has expanded to 26



Market Share After the Establishment of NTT DATA, Inc. (FY2022)

Source: Market Share : IT Services, Worldwide, 2022, Gartner Research (Figures are calculated by NTT DATA based on Gartner Research)*2 (Graphs/charts are created by NTT DATA based on Gartner Research)



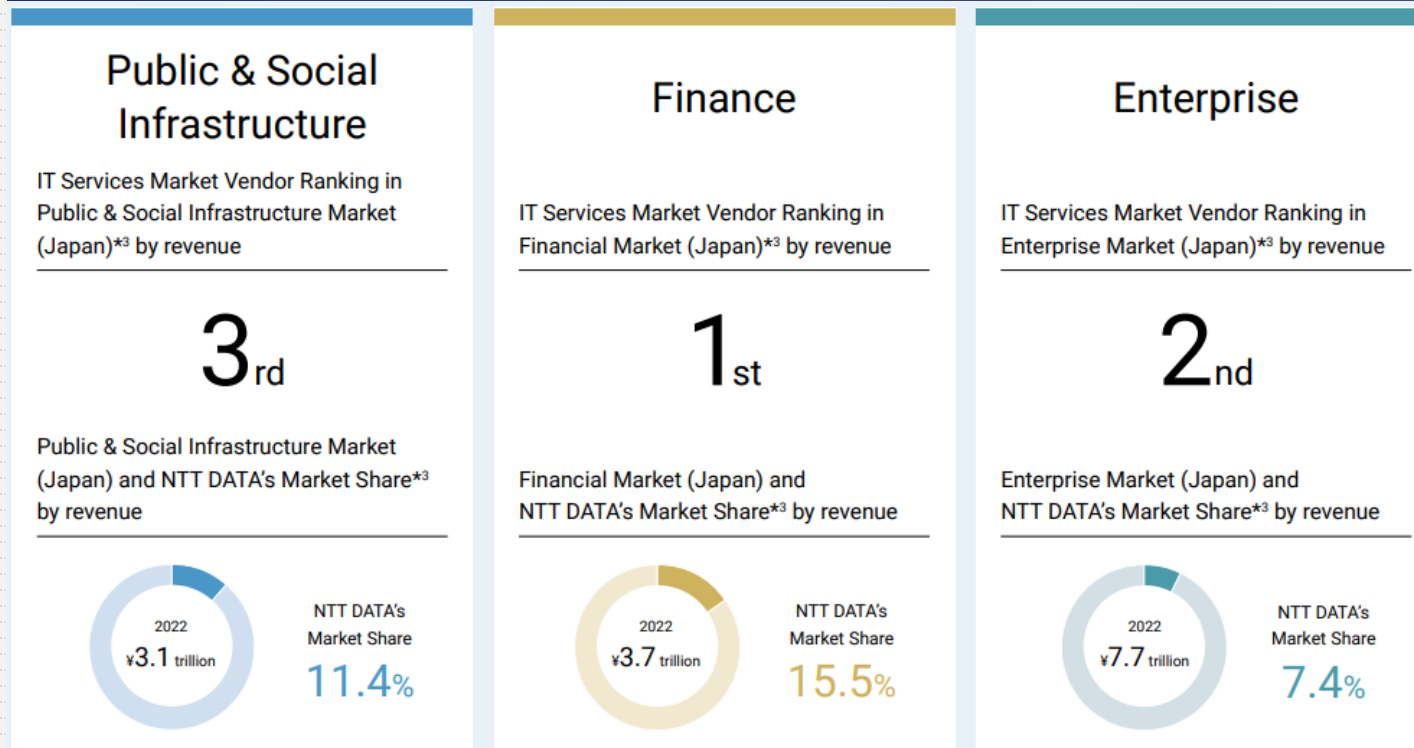
*1.2 Source: Gartner®, "Market Share : IT Services, Worldwide 2022", Neha Sethi et al., 14 April 2023 Vendor Revenue in 2022 Basis

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*For the purpose of this report, the sales and shares of NTT Ltd., with which NTT DATA undertook a business combination on October 1, 2022, are listed separately in regard to the first half of FY2022, prior to the business combination (April 1 to September 30, 2022). However, these share figures are based on a preliminary calculation for the Group's full-year net sales arrived at by adding the net sales of NTT Ltd. to those of NTT DATA.

While we have gained a large market share in each market, there is still room for growth in enterprise market

NTT DATA's Domestic Rankings, Market Share, and The Size of Domestic Market in 2022*



*³ Graphs and charts are created by NTT DATA based on Gartner Research.

Source: Gartner®,"Market Share : IT Services, Worldwide 2022", Neha Sethi et al., 14 April 2023 Vendor Revenue in 2022 Basis Amounts are translated at a rate of ¥131.38 to US\$1 for 2022.

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Five Strategies for Global Growth in the Medium-Term Management Plan

We promote five strategies for further global growth

Strategy 1 | Capitalize on the Convergence IT & Connectivity

Strategy 2 | Strengthen Consulting with Foresight

Strategy 3 | Evolve to an Asset-Based Business Model

Strategy 4 | Enhance advanced & Development Technology

Strategy 5 | Be the Best Place to Work

Optimize Strategic Investments for Growth

What to be realized

Solve social issues through collaboration across industries and improve value provided through the utilization of Connectivity

Pillars of strategy

Enhance competitiveness and shift business portfolio by strengthening consulting and technological capabilities, which are thoroughly used as assets

Base of strategy

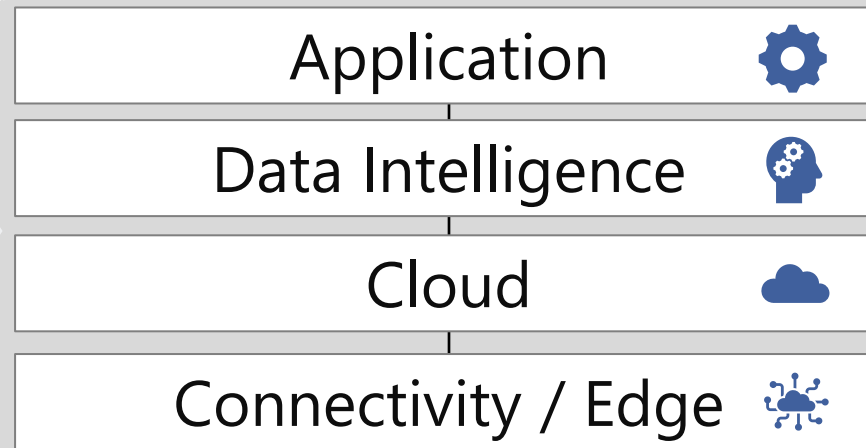
Recruit and develop talents to maintain mid- to long-term competitiveness and create proactive workplaces

Strategy 1 - Capitalize on the Convergence IT & Connectivity

By combining “Power to Connect of NTT Ltd.” to “Power to Create of NTT DATA,” we create systems and value that only NTT DATA can provide



NTT DATA
 Ability to build a system with deep customer understanding and advanced technology



NTT Ltd.
 Strength in Edge-to Cloud Operation Services



Various client contact points and devices

【Case Study】 Strategy 1 | Capitalize on the Convergence IT & Connectivity

Accelerate the creation of value beyond the boundaries of each business field by collecting data through a private 5G network and analyzing the collected data using AI ,etc.

BMW (EMEAL) Factory DX (Innovation Hub)

Build a private 5G environment in the factory
Develop use cases for autonomous driving based on camera images and sensor information



NTT DATA EMEAL



NTT Ltd.

Insights and use-case planning capability in Automotive industry

Infrastructure building capabilities and Managed Services

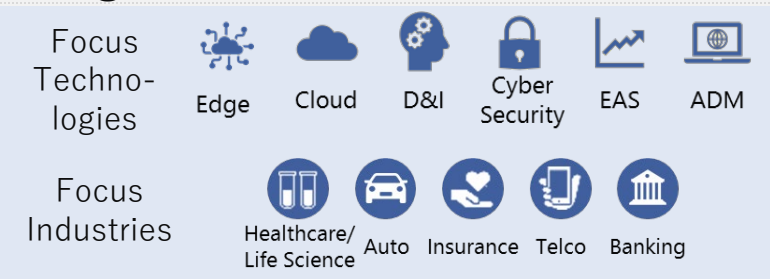


Optimize Strategic Investments for Growth

Three strategic investments are implemented to achieve the Medium-Term Management Plan and drive medium- to long-term growth

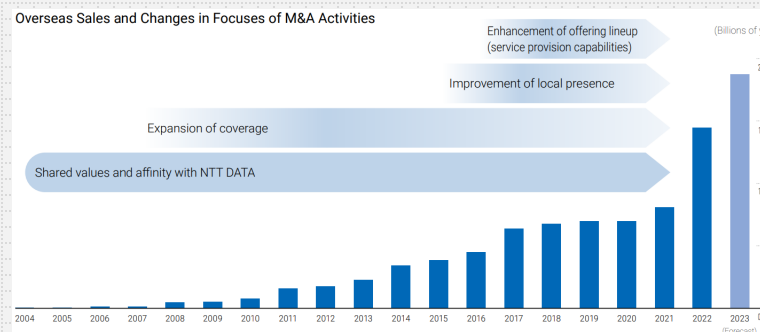
① Strategic Investments

- Enhancement of focus technologies and operations in focus industries
- Development and expansion of next-generation businesses to drive medium- to long-term growth



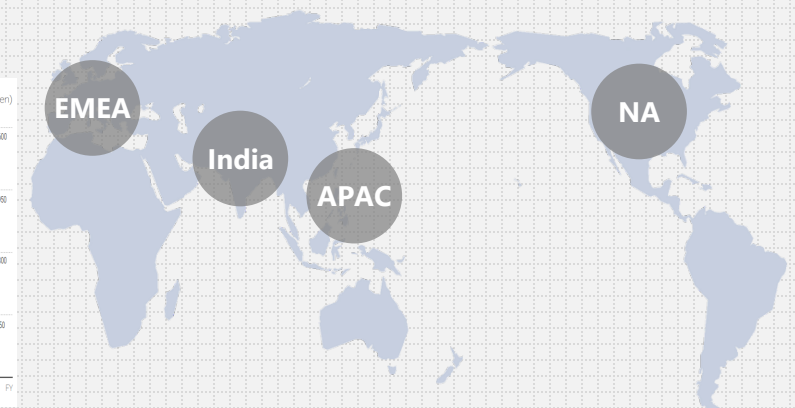
② M&As

- Acquisition of digital technology-related capabilities
- Improvement of presence through growth in overseas sales and market shares



③ Data Center Investments

- Establishment of market position in light of high market growth rates and robust demand
- Development of high-value-added businesses

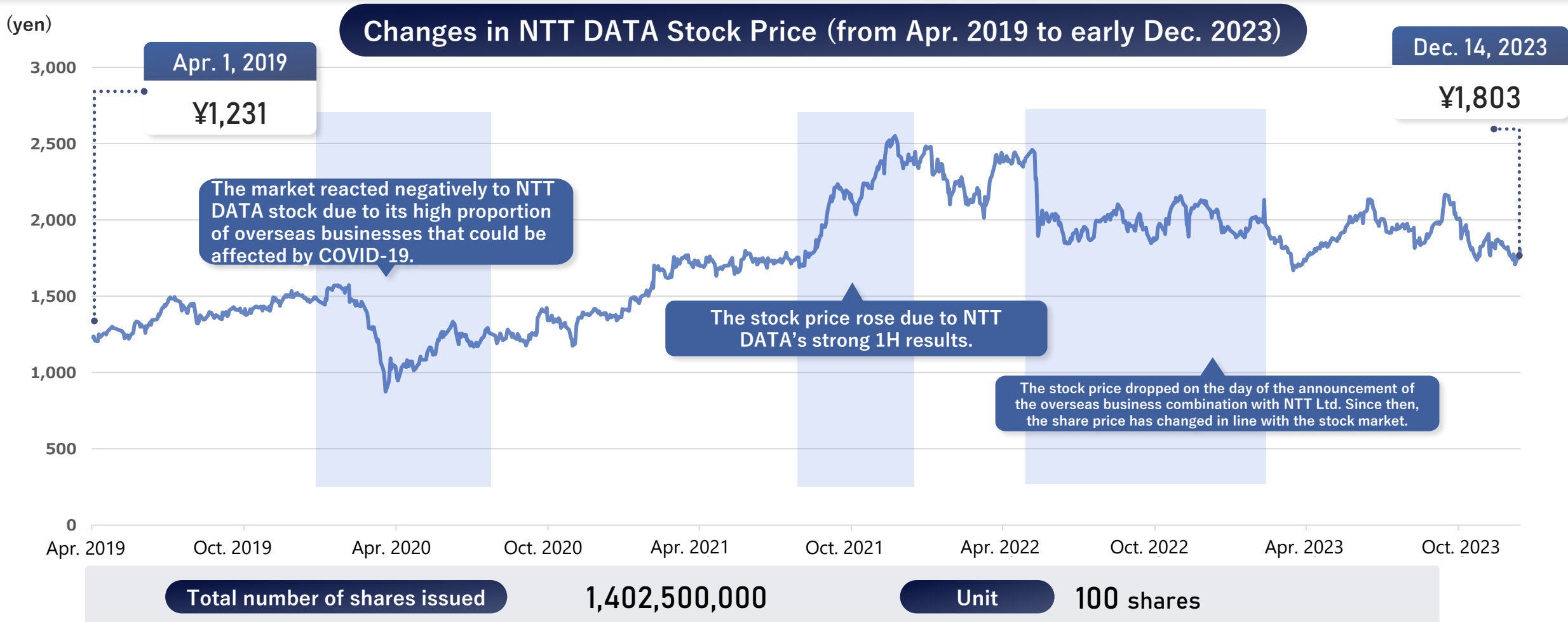


01-03

Consistent Shareholder Returns

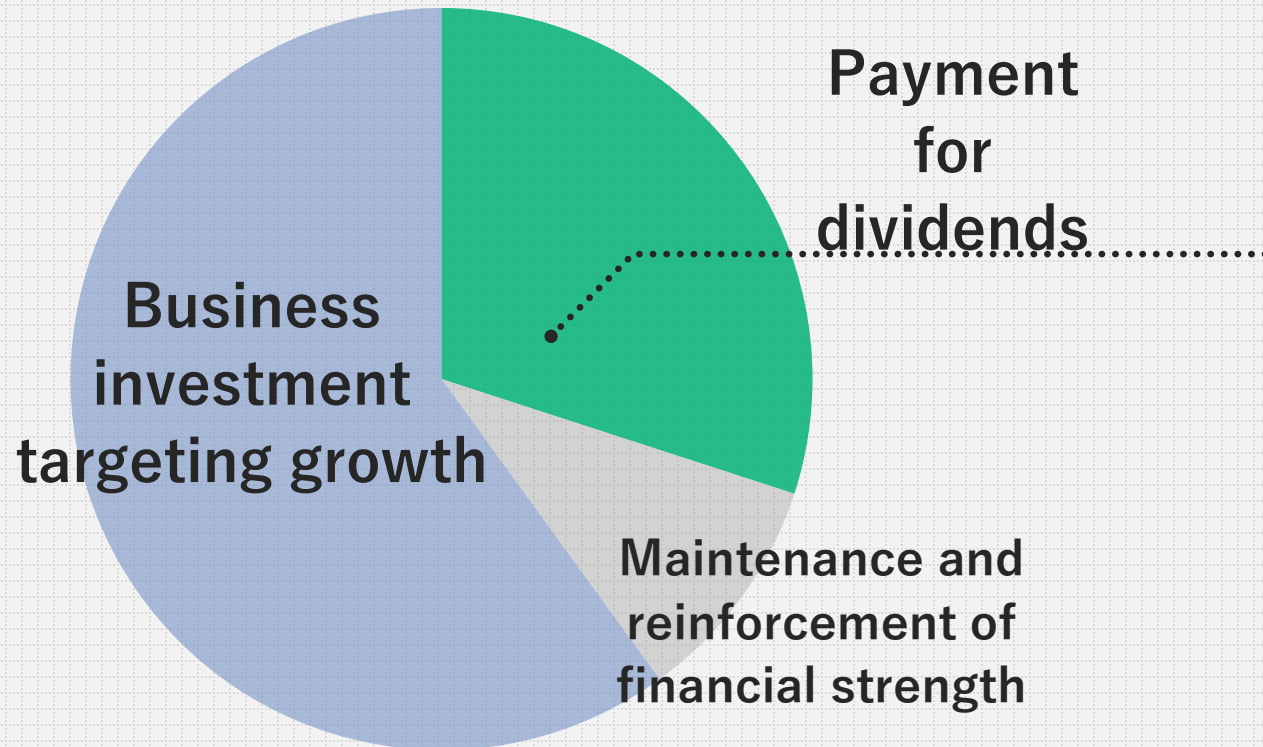
NTT DATA Stock Historical Prices

Despite changes in the operational environment, our stock price has increased by 1.5 times, driven by growth investments and sustained efforts to enhance corporate value



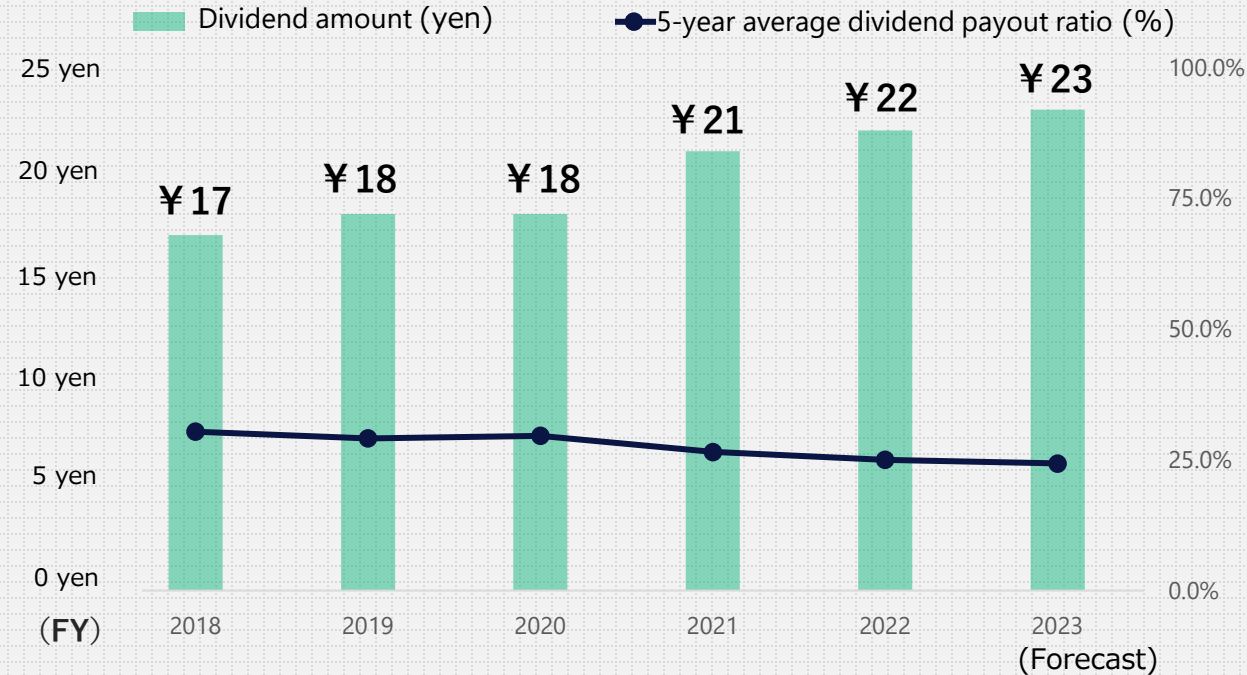
Cash is allocated in consideration of the balance between growth investment, shareholder returns, and maintaining and strengthening financial position of the Company

Allocation of Funds



Emphasizing the maintenance of the dividend payout ratio, we provide stable dividends

Dividend amount and dividend payout ratio



(*1) For “weighted average of past 5 yrs” in IFRS, figures based on JGAAP are used in FY2016 and earlier.

(*2) On July 1, 2017, a 5-for-1 stock split was conducted. Dividend per share is recorded with an amount considering this stock split.

Three Features of NTT DATA

- Promotion of a Sustainable Society
- Global Company
- Consistent Shareholder Returns



Integrated Report 2023

<https://www.nttdata.com/global/en/investors/library/ar/>

Sustainability Report 2023 Data Book

<https://www.nttdata.com/global/en/sustainability/report>



Thank you for your attention

NTT DATA Group Corporation IR Office

Toyosu Center Bldg., 3-3, Toyosu 3-chome,
Koto-ku, Tokyo 135-6033, Japan

TEL: 03-5546-8119 E-mail: stfsir@am.nttdata.co.jp

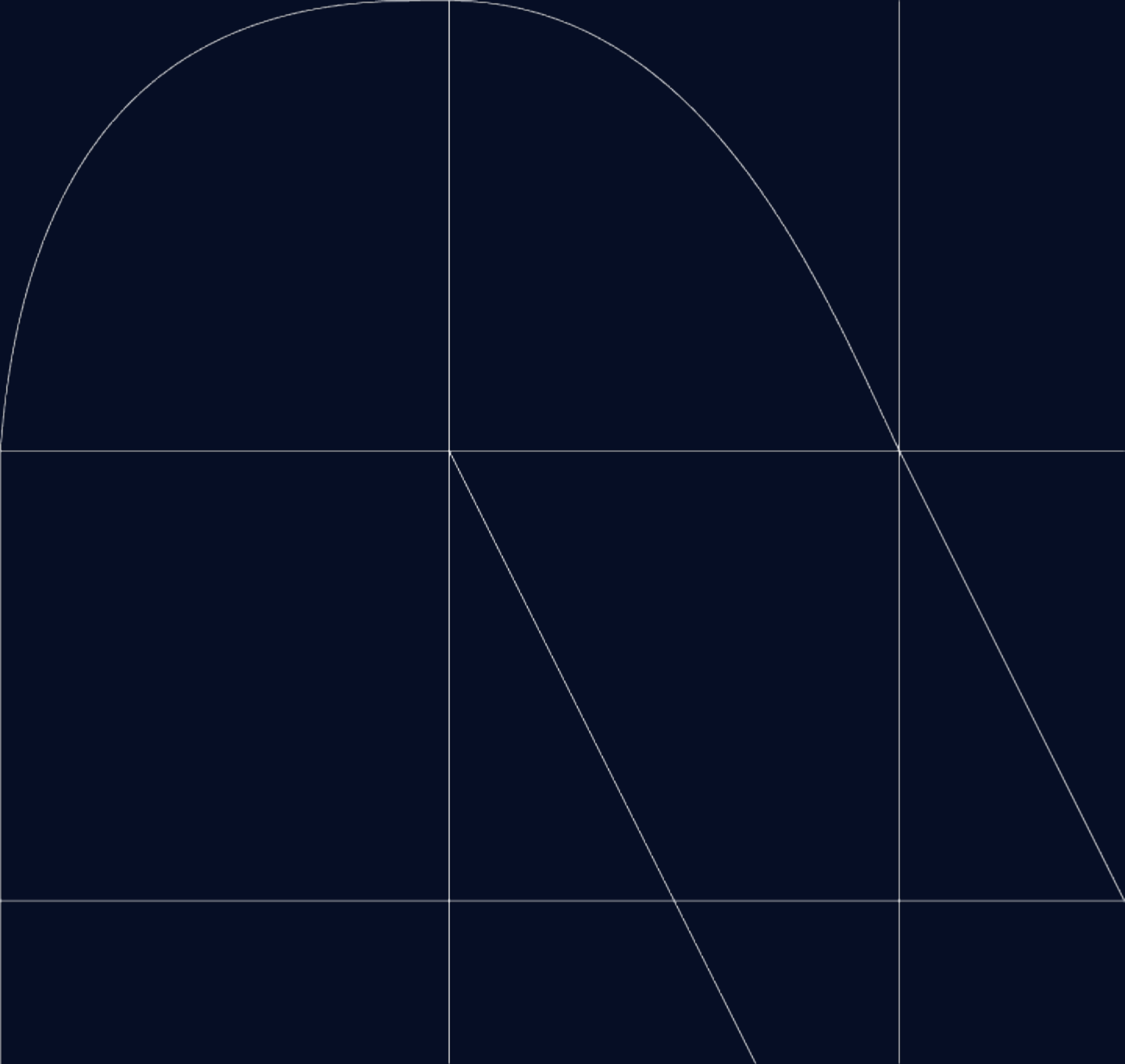
Note

* Descriptions and predictions in this document are based on current information and may change due to domestic and international economies, trend in the information service industry, and development of new services and technologies. Therefore, the Group will not guarantee its certainty.

* Services and products described in this document are registered trademarks or trademarks of NTT DATA CORPORATION or its group companies.

02

Appendix







Results for the Second Quarter of Fiscal Year Ending March 31, 2024

Despite increased costs associated with overseas business combination and structural transformation, performance has remained strong. Aiming to achieve full-year forecasts, including net income.

- Net sales increased due to the effect of expanded consolidation of NTT Ltd. as well as the business growth in Japan and Europe and the impact of foreign exchange rates.
- Operating income increased due to the effect of expanded consolidation of NTT Ltd. and sales growth despite an increase in overseas business combination and structural transformation costs
- Net income decreased due to an increase in financial expenses accompanied with the effect of expanded consolidation of NTT Ltd.
- New orders received increased due to the effect of expanded consolidation of NTT Ltd. and winning of large projects in Japan.

(Billions of Yen, %)

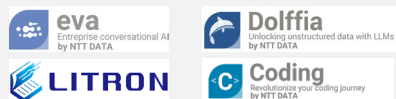
	Q2 FYE3/2023 (Apr-Sep)	Q2 FYE3/2024 (Apr-Sep)	YoY (Amount)	YoY (Rate)		FYE3/2024 Forecasts	Progress toward Forecasts
Net Sales	1,371.4	2,078.5	+707.1	+51.6%		4,100.0	50.7%
Operating Income (Operating income margin)	107.9 (7.9%)	121.9 (5.9%)	+13.9 (-2.0P)	+12.9%		292.0 (7.1%)	41.7%
Net Income Attributable to Shareholders of NTT DATA	72.8	53.0	-19.7	-27.1%		144.0	36.8%
(Reference) New Orders Received(*1)	1,194.7	2,166.6	+971.9	+81.4%		Excl. NTT Ltd. 2,850.0	—

(*1) Including NTT Ltd. from FYE3/2024

Featured Technology: Co-creation with clients using generative AI

While appropriately combining the promotion and control of generative AI, we are accelerating the provision of generative AI consulting and Generative AI assets, launching **co-creation with clients** projects, and promoting the creation of advanced use cases.

Extensive Generated AI Assets



10+

Utilize generative AI-related assets globally

30+

Global advanced cases

Co-creation projects with Toyota Motor Corporation and others are being promoted globally

40~70%

Improve development productivity *

*Development productivity = Productivity in manufacturing and testing processes

The Large-Scale Language Models developed by NTT Research Labs

tsuzumi

Co-creation with clients

Clients

195,000+

Human resources utilizing generative AI

Dedicated environment with high reliability and full stack for Generative AI

New value offers driven by Generative AI

Promotion of using generative AI

Generative AI Consulting (Strategy 2)

Generative AI Asset Provision (Strategy 3)

Control of using generative AI

Overseas Business Growth Accompanied by Quality

Achieved solid profit growth as a result of structural transformation that had been implemented since before the overseas business combination.

Promote full-fledged transformation in the future to achieve the MMP target EBITA margin of 10%*1.

