



# Company Presentation for the Fiscal Year ended March 31, 2017

May 10, 2017  
NTT DATA Corporation

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

1. Results for Fiscal Year Ended March 31,2017
2. Full Year Forecasts of Business Performance for FY Ending March 31, 2018
3. Medium-to-Long Term Future Financial Trends
4. Progress of Mid-term Management Plan
5. Appendices
  - EPS, EBITDA, ROE, etc.
  - Business topics
  - Explanatory details of financial results and forecasts

## **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.
- ⌘ Services, products, and other names contained within this handout are trademarks, registered or otherwise, of NTT DATA Corporation or other companies.

1

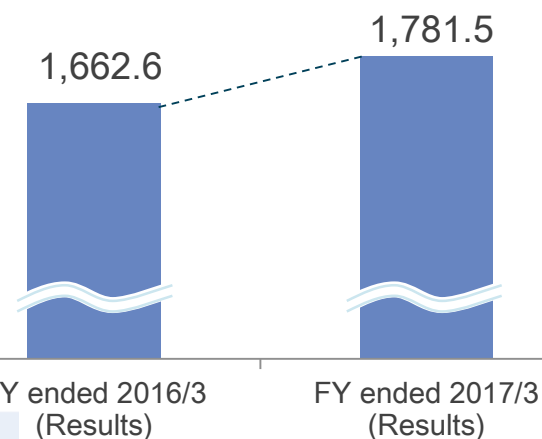
# Results for Fiscal Year Ended March 31, 2017

# Results for Fiscal Year Ended March 31, 2017

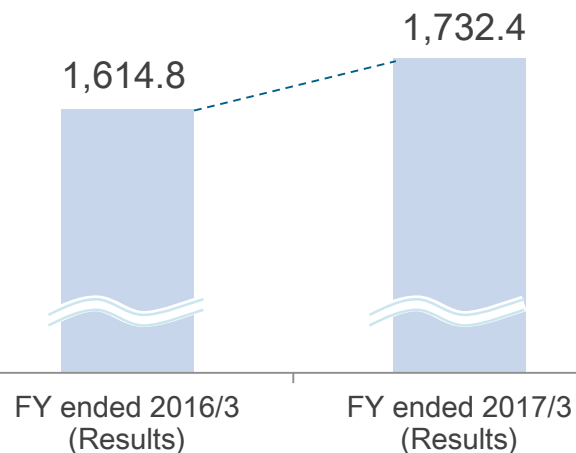
((Billions of Yen,%,  
【Excluding Cash Dividends per share (JPY)】)

	FY ended 2016/3 (Results)	FY ended 2017/3 (Results)	YoY (Amount)	YoY (Rate)	
New Orders Received	1,662.6	1,781.5	+118.9	+7.2%	➔
Net Sales	1,614.8	1,732.4	+117.5	+7.3%	➔
Operating Income w/o goodwill amortization	112.9	134.3	+21.3	+18.9%	➔
Operating Income	100.8	117.1	+16.2	+16.1%	➔
Net income attributable to owners of parent w/o goodwill amortization	75.4	82.9	+7.4	+9.9%	➔
Net income attributable to owners of parent	63.3	65.6	+2.3	+3.7%	➔
Cash Dividends per share (JPY)	70 yen	75 yen	+5 yen	+7.1%	➔

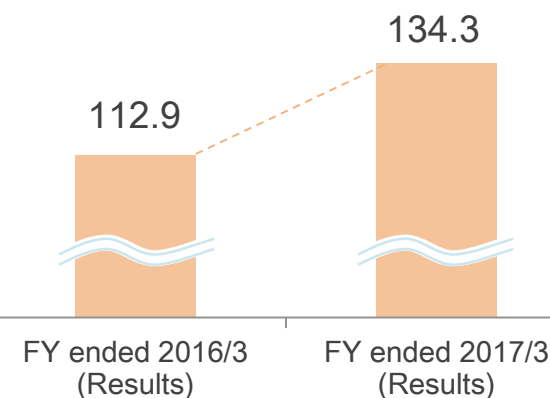
【 New Orders Received 】



【 Net Sales 】

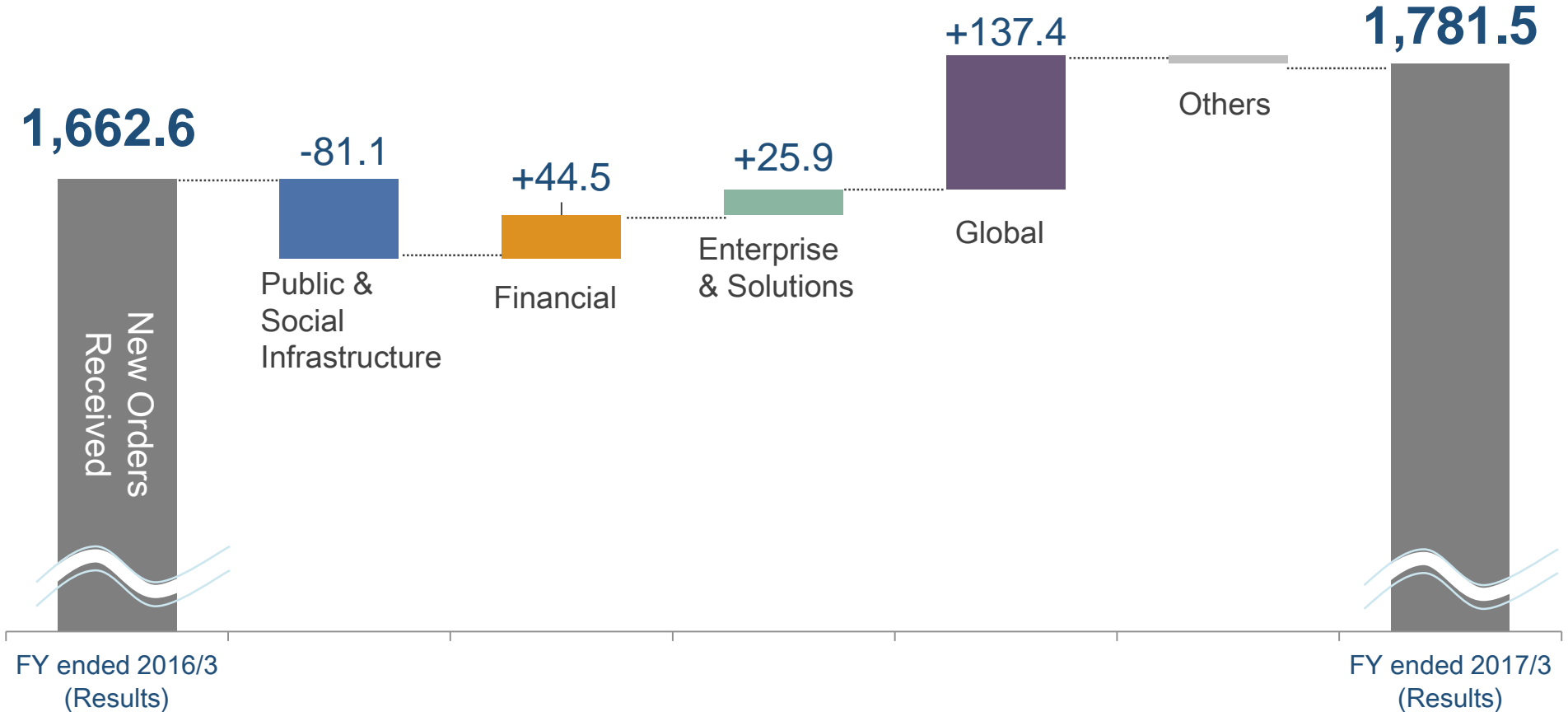


【 Operating Income 】  
(w/o goodwill amortization)



# New Orders Received: YoY Changes by Business Segment (from FYE3/2016 to FYE3/2017)

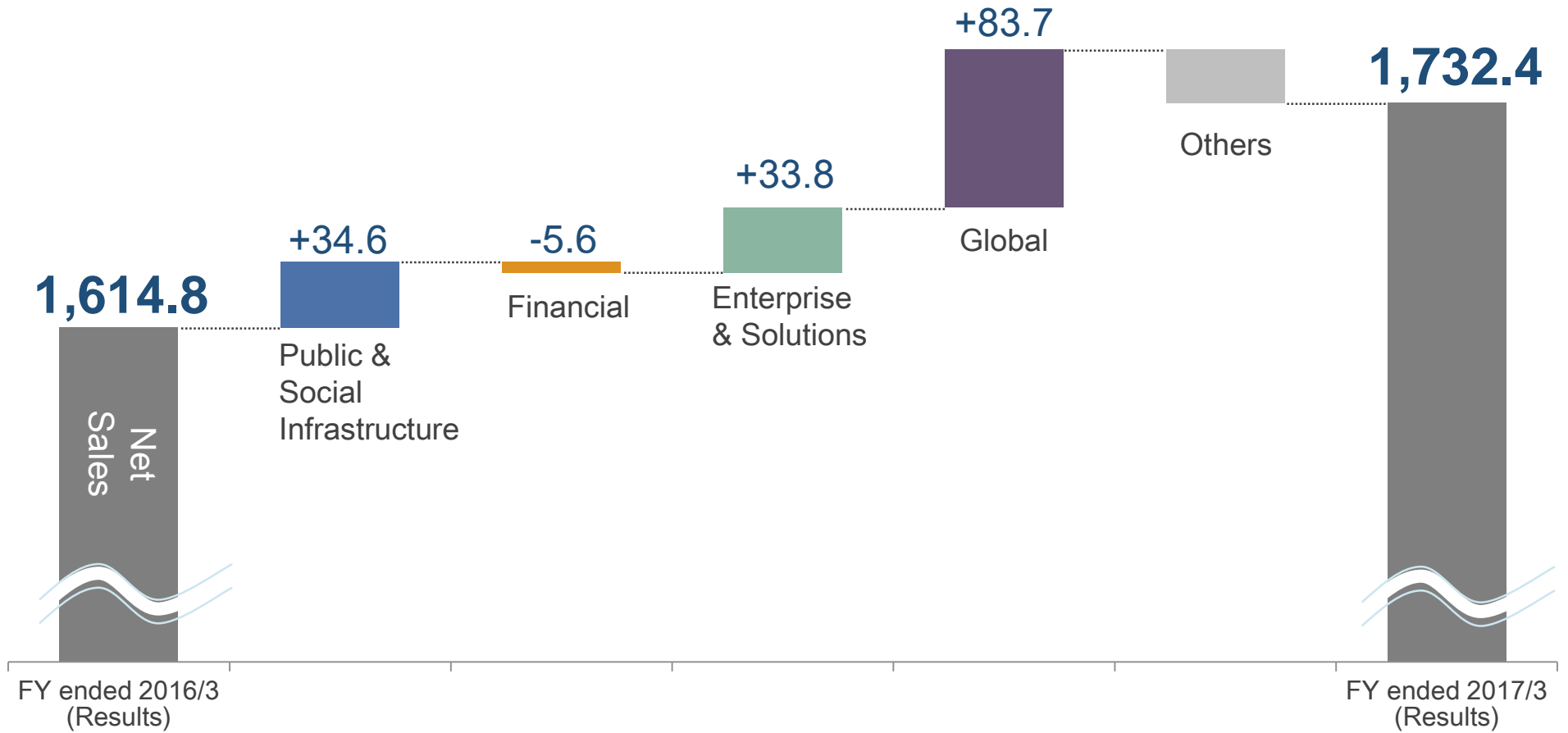
(Billions of yen)



Public & Social Infrastructure	Decreased mainly due to a reactionary decline in large-scale projects for government ministries in the previous fiscal year, and a decrease in businesses for the utilities industry.
Financial	Increased principally as a result of winning large-scale projects for banks.
Enterprise & Solutions	Increased reflecting the expansion of businesses mainly for the manufacturing industry and digital-related businesses.
Global	Increased due to the acquisition of Dell Services in North America, large contract wins in Australia and Spain, and the unification of accounting periods of European subsidiaries, etc., despite a decrease due to foreign exchange.

# Net Sales: YoY Changes by Business Segment (from FYE3/2016 to FYE3/2017)

(Billions of yen)



## Public & Social Infrastructure

Increased mainly reflecting the expansion of businesses for government ministries and so on, despite a decrease in businesses for the utilities industry.

## Financial

Decreased due to a reactionary decline in large-scale projects in the previous fiscal year despite the expansion of businesses for banks.

## Enterprise & Solutions

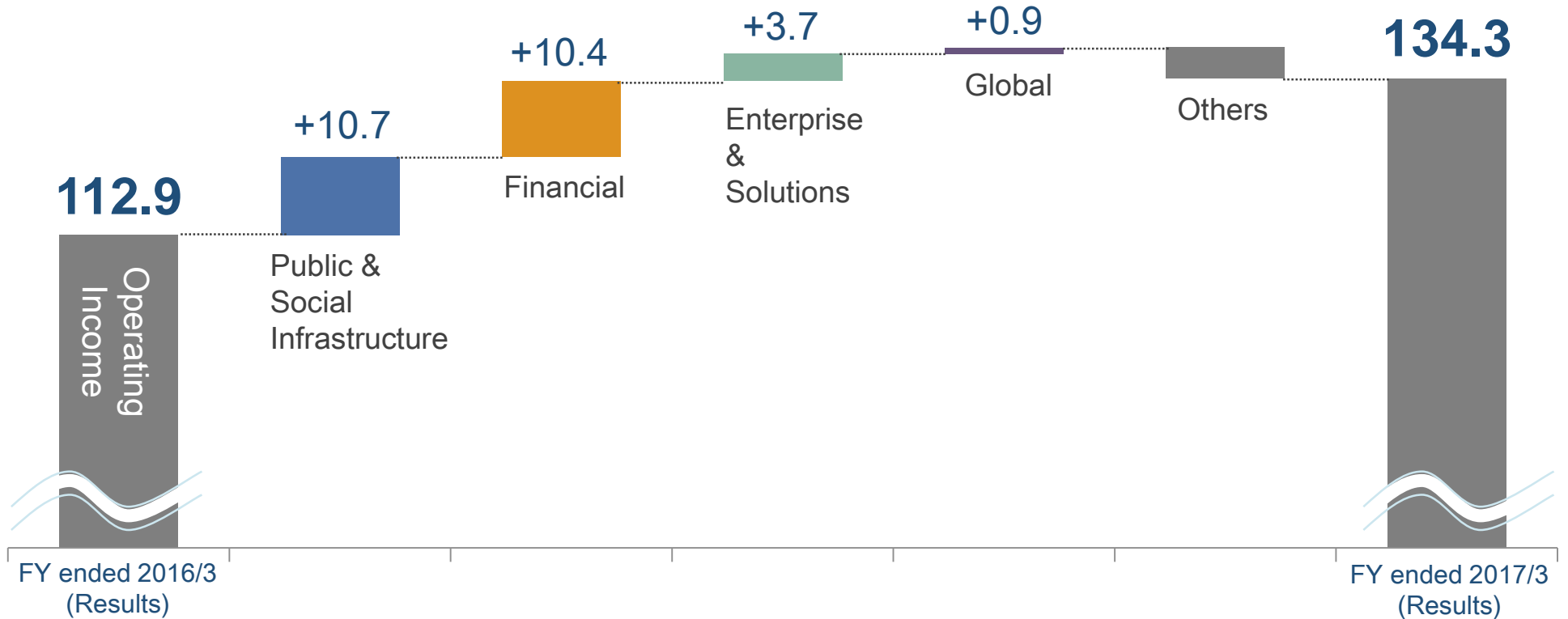
Increased reflecting the expansion of businesses for the logistics and services as well as digital-related business.

## Global

Increased as a result of the acquisition of Dell Services in North America, and the unification of accounting periods of European subsidiaries and the expansion of businesses, etc., despite the impact of a decrease due to foreign exchange.

# Operating Income w/o Goodwill Amortization: YoY Changes by Business Segment (from FYE3/2016 to FYE3/2017)





(Billions of yen)



- Public & Social Infrastructure Increased due mainly to sales growth and a decrease in unprofitable projects.
- Financial Increased due to a decrease in unprofitable projects, and the improvement in cost rate mainly attributable to a decrease in depreciation and amortization.
- Enterprise & Solutions Increased due mainly to growth in sales.
- Global Despite the advisory expenses associated with the acquisition of Dell Services in North America, operating income increased due to contribution by Dell Services to the increase in profit as well as the improvement of profitability of European subsidiaries.

# Public & Social Infrastructure (from FYE3/2016 to FYE3/2017)

(Billions of Yen,%)

	FY ended 2016/3 (Results)	FY ended 2017/3 (Results)	YoY (Amount)	YoY (Rate)	
New Orders Received	401.1	319.9	-81.1	-20.2%	
Net Sales	420.8	455.4	+34.6	+8.2%	
Operating Income	33.4	44.1	+10.7	+32.1%	
Segment Profit(*)	32.2	43.9	+11.7	+36.4%	





(\*)Segment Profit is income before income taxes

New orders received	Decreased mainly due to a reactionary decline in large-scale projects for government ministries in the previous fiscal year, and a decrease in businesses for the utilities industry.
Net sales	Increased mainly reflecting the expansion of businesses for government ministries and so on, despite a decrease in businesses for the utilities industry.
Operating income	Increased due mainly to sales growth and a decrease in unprofitable projects.



# Financial (from FYE3/2016 to FYE3/2017)

(Billions of Yen,%)

	FY ended 2016/3 (Results)	FY ended 2017/3 (Results)	YoY (Amount)	YoY (Rate)	
New Orders Received	520.9	565.5	+44.5	+8.6%	
Net Sales	523.6	518.0	-5.6	-1.1%	
Operating Income	31.9	42.3	+10.4	+32.5%	
Segment Profit(*)	34.0	41.5	+7.5	+22.1%	

(\*)Segment Profit is income before income taxes





**New orders received** Increased principally as a result of winning large-scale projects for banks.

**Net sales** Decreased due to a reactionary decline in large-scale projects in the previous fiscal year despite the expansion of businesses for banks.

**Operating income** Increased due to a decrease in unprofitable projects, and the improvement in cost rate mainly attributable to a decrease in depreciation and amortization.

# Enterprise & Solutions (from FYE3/2016 to FYE3/2017)

(Billions of Yen,%)







	FY ended 2016/3 (Results)	FY ended 2017/3 (Results)	YoY (Amount)	YoY (Rate)	
New Orders Received	220.9	246.9	+25.9	+11.7%	
Net Sales	391.8	425.6	+33.8	+8.6%	
Operating Income	32.6	36.3	+3.7	+11.4%	
Segment Profit(*)	48.0	51.8	+3.7	+7.9%	

(\*)Segment Profit is income before income taxes

New orders received	Increased reflecting the expansion of businesses mainly for the manufacturing industry and digital-related businesses.
Net sales	Increased reflecting the expansion of businesses for the logistics and services as well as digital-related business.
Operating income	Increased due mainly to growth in sales.
Segment Profit	As in the previous fiscal year, gains on sale of investment securities were recorded.

# Global (from FYE3/2016 to FYE3/2017)

(Billions of Yen,%)

	FY ended 2016/3 (Results)	FY ended 2017/3 (Results)	YoY (Amount)	YoY (Rate)	
New Orders Received	502.7	640.1	+137.4	+27.3%	
Net Sales	519.6	603.3	+83.7	+16.1%	
EBITA <sup>(*1)</sup>	(5.1% *3) 26.6	(4.7% *3) 28.1	+1.4	+5.3%	
Operating Income w/o goodwill amortization	12.7	13.6	+0.9	+7.5%	
Operating Income	0.8	-3.3	-4.1	-	
Segment Profit <sup>(*2)</sup>	-4.8	-26.0	-21.1	-437.3%	

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

(\*2) Segment profit indicates Earnings b/f income taxes








(\*3) EBITA margin (EBITA to net sales ratio)

New orders received	Increased due to the acquisition of Dell Services in North America, large contract wins in Australia and Spain, and the unification of accounting periods of European subsidiaries, etc., despite a decrease due to foreign exchange.
Net sales	Increased as a result of the acquisition of Dell Services in North America, and the unification of accounting periods of European subsidiaries and the expansion of businesses, etc., despite the impact of a decrease due to foreign exchange.
EBITA	Despite the advisory expenses associated with the acquisition of Dell Services in North America, EBITA increased due to contribution by the relevant acquisition to the increase in profit as well as the improvement of profitability of European subsidiaries.
Segment Profit	Decreased due to acquisition expenses and loss on restructuring of subsidiaries and affiliates.

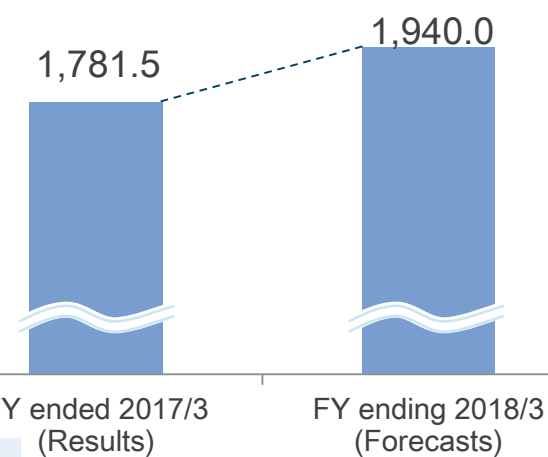
2

# Full Year Forecasts of Business Performance for FY Ending March 31, 2018

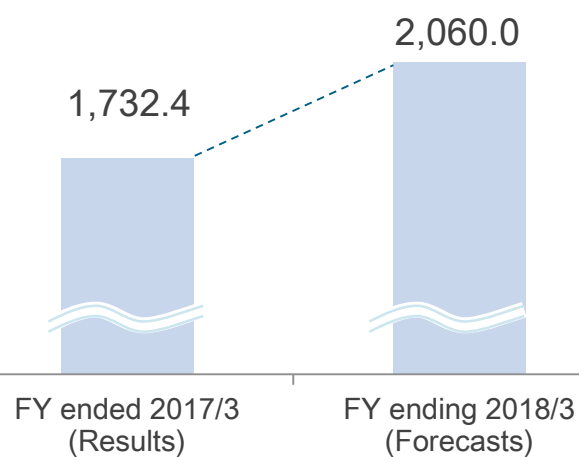
# Full Year Forecasts of Business Performance for FY Ending March 31, 2018

	FY ended 2017/3 (Results)	FY ending 2018/3 (Forecasts)	YoY (Amount)	YoY (Rate)	(Billions of Yen,%, 【Excluding Cash Dividends per share (JPY)】)
New Orders Received	1,781.5	1,940.0	+158.4	+8.9%	
Net Sales	1,732.4	2,060.0	+327.5	+18.9%	
Operating Income w/o goodwill amortization	134.3	144.0	+9.6	+7.2%	
Operating Income	117.1	120.0	+2.8	+2.5%	
Net income attributable to owners of parent w/o goodwill amortization	82.9	83.0	+0	+0.1%	
Net income attributable to owners of parent	65.6	59.0	-6.6	-10.2%	
Cash Dividends per share (JPY)	75 yen	75 yen	-	-	

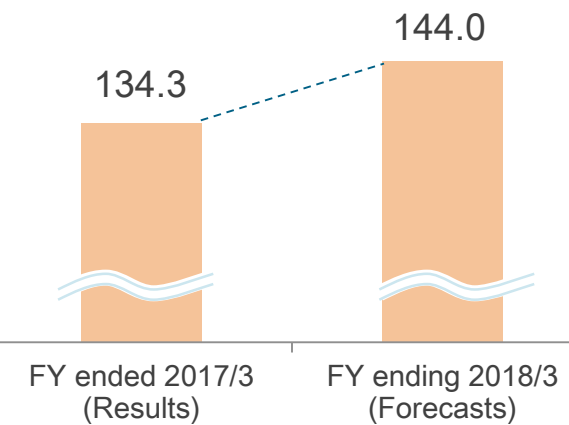
【 New Orders Received 】



【 Net Sales 】



【 Operating Income 】  
(w/o goodwill amortization)



# New Orders Received: YoY Changes by Business Segment (from FYE3/2017 to FYE3/2018)

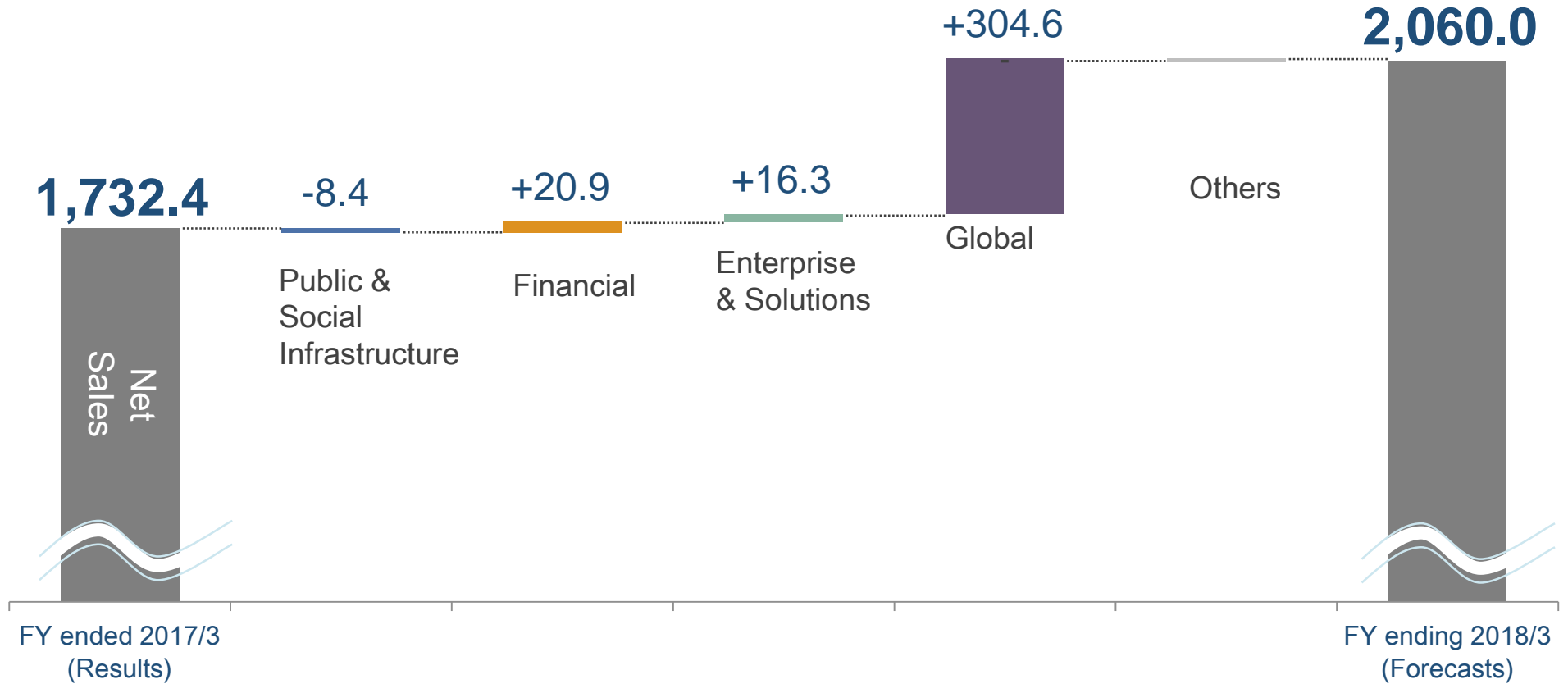
(Billions of yen)



- Public & Social Infrastructure** Expected to increase due to the impact of expansion of projects for government ministries, etc.
- Financial** Expected to decrease due to a reactionary decline in large-scale projects for banks and cooperative financial institutions in the previous fiscal year.
- Enterprise & Solutions** Expected to increase due to the expansion of digital-related businesses including M&A in the previous fiscal year.
- Global** Expected to increase mainly reflecting the acquisition of Dell Services in North America, and temporary increase in the number of months of consolidated accounting associated with the unification of accounting periods of the Group companies.

# Net Sales: YoY Changes by Business Segment (from FYE3/2017 to FYE3/2018)

(Billions of yen)



Public & Social Infrastructure

Expected to decrease due mainly to the impact of a reactionary decline of the services for government ministries in the previous fiscal year.

Financial

Expected to increase reflecting the expansion of businesses for banks and cooperative financial institutions.

Enterprise & Solutions

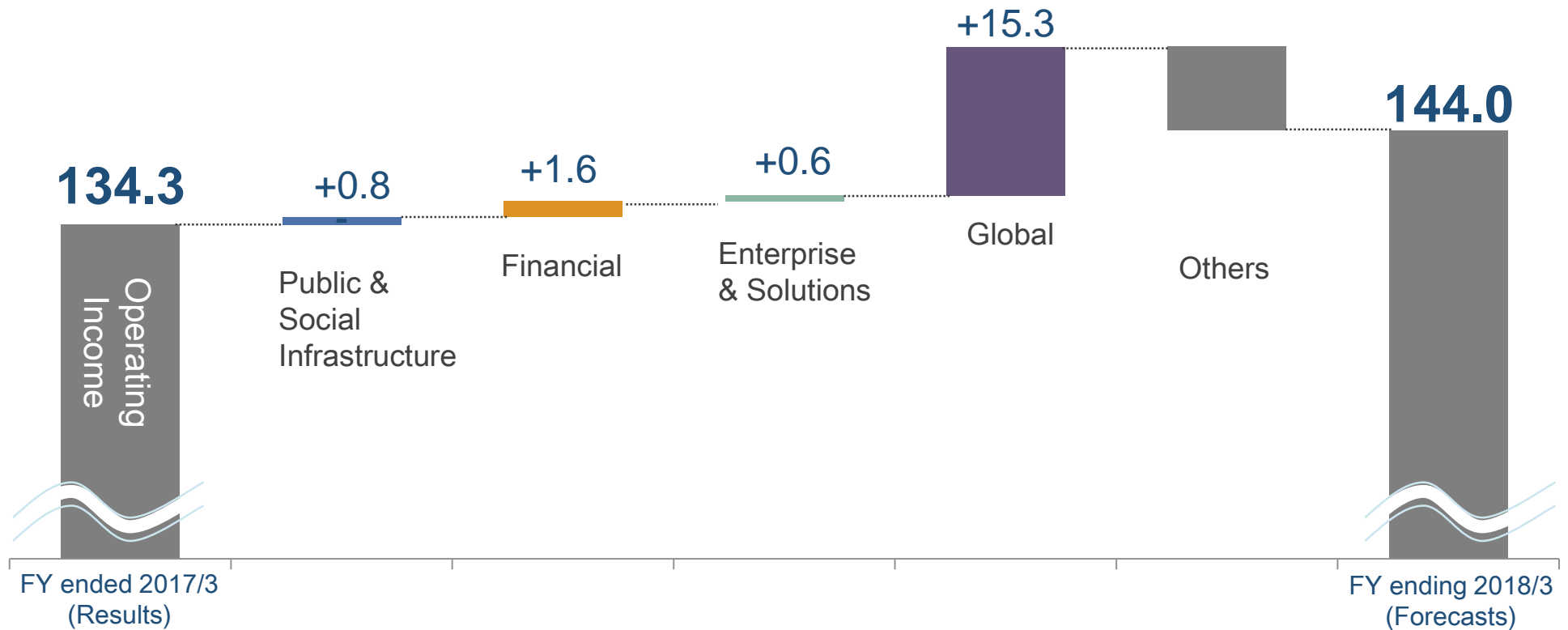
Expected to increase due to the expansion of digital-related businesses including M&A in the previous fiscal year in addition to the increase in the businesses for manufacturing, logistics, services and payments.

Global

Expected to increase due to the acquisition of Dell Services in North America and temporary increase in the number of months of consolidated accounting associated with the unification of accounting periods of the Group companies in adding to organic growth.

# Operating Income w/o Goodwill Amortization: YoY Changes by Business Segment (from FYE3/2017 to FYE3/2018)

(Billions of yen)







Public & Social Infrastructure	Expected to increase due mainly to the decrease in unprofitable projects despite the impact of decrease in sales.
Financial	Expected to increase due mainly to growth in sales.
Enterprise & Solutions	Expected to increase due mainly to growth in sales.
Global	Expected to increase mainly reflecting the decrease in advisory expenses associated with the acquisition of Dell Services in North America in the previous fiscal year, and temporary increase in the number of months of consolidated accounting relating to the unification of accounting periods of the Group companies in addition to the impact of growth in sales.
Others	“Investments in new fields” are taken into consideration.



# Public & Social Infrastructure (from FYE3/2017 to FYE3/2018)

(Billions of Yen,%)





	FY ended 2017/3 (Results)	FY ending 2018/3 (Forecasts)	YoY (Amount)	YoY (Rate)	
New Orders Received	319.9	357.0	+37.0	+11.6%	
Net Sales	455.4	447.0	-8.4	-1.8%	
Operating Income	44.1	45.0	+0.8	+1.9%	
Segment Profit(*)	43.9	45.0	+1.0	+2.3%	

(\*)Segment Profit is income before income taxes

New orders received	Expected to increase due to the impact of expansion of projects for government ministries, etc.
Net sales	Expected to decrease due mainly to the impact of a reactionary decline of the services for government ministries in the previous fiscal year.
Operating income	Expected to increase due mainly to the decrease in unprofitable projects despite the impact of decrease in sales.

# Financial (from FYE3/2017 to FYE3/2018)

(Billions of Yen,%)





	FY ended 2017/3 (Results)	FY ending 2018/3 (Forecasts)	YoY (Amount)	YoY (Rate)	
New Orders Received	565.5	380.0	-185.5	-32.8%	
Net Sales	518.0	539.0	+20.9	+4.0%	
Operating Income	42.3	44.0	+1.6	+3.8%	
Segment Profit(*)	41.5	45.0	+3.4	+8.2%	

(\*)Segment Profit is income before income taxes

New orders received	Expected to decrease due to a reactionary decline in large-scale projects for banks and cooperative financial institutions in the previous fiscal year.
Net sales	Expected to increase reflecting the expansion of businesses for banks and cooperative financial institutions.
Operating income	Expected to increase due mainly to growth in sales.

# Enterprise & Solutions (from FYE3/2017 to FYE3/2018)

(Billions of Yen,%)

	FY ended 2017/3 (Results)	FY ending 2018/3 (Forecasts)	YoY (Amount)	YoY (Rate)	
New Orders Received	246.9	254.0	+7.0	+2.9%	
Net Sales	425.6	442.0	+16.3	+3.8%	
Operating Income	36.3	37.0	+0.6	+1.7%	
Segment Profit(*)	51.8	37.0	-14.8	-28.7%	

(\*)Segment Profit is income before income taxes

New orders received	Expected to increase due to the expansion of digital-related businesses including M&A in the previous fiscal year.
Net sales	Expected to increase due to the expansion of digital-related businesses including M&A in the previous fiscal year in addition to the increase in the businesses for manufacturing, logistics, services and payments.
Operating income	Expected to increase due mainly to growth in sales.
Segment Profit	Expected to decrease due mainly to the decline in gains on sale of investment securities in the previous fiscal year.

# Global (from FYE3/2017 to FYE3/2018)

(Billions of Yen,%)

	FY ended 2017/3 (Results)	FY ending 2018/3 (Forecasts)	YoY (Amount)	YoY (Rate)	
New Orders Received	640.1	943.0	+302.8	+47.3%	
Net Sales	603.3	908.0	+304.6	+50.5%	
EBITA <sup>(*1)</sup>	(4.7% *3) 28.1	(6.1% *3) 55.0	+26.8	+95.6%	
Operating Income w/o goodwill amortization	13.6	29.0	+15.3	+112.2%	
Operating Income	-3.3	5.0	+8.3	-	
Segment Profit <sup>(*2)</sup>	-26.0	-13.0	+13.0	+50.1%	

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




(\*2) Segment profit indicates Earnings b/f income taxes

(\*3) EBITA margin (EBITA to net sales ratio)

New orders received	Expected to increase mainly reflecting the acquisition of Dell Services in North America, and temporary increase in the number of months of consolidated accounting associated with the unification of accounting periods of the Group companies.
Net sales	Expected to increase due to the acquisition of Dell Services in North America and temporary increase in the number of months of consolidated accounting associated with the unification of accounting periods of the Group companies in addition to organic growth.
EBITA	Expected to increase reflecting the decrease in advisory expenses associated with the acquisition of Dell Services in North America in the previous fiscal year, and temporary increase in the number of months of consolidated accounting relating to the unification of accounting periods of the Group companies in addition to the impact of growth in sales.
Segment Profit	Expected to increase due mainly to the decrease in the expenses associated with the acquisition in the previous fiscal year.

# Additional for Global (Business performance in North America) (from FYE3/2017 to FYE3/2018)

(Billions of Yen,%)

	FY ended 2017/3 (Results)	FY ending 2018/3 (Forecasts)	YoY (Amount)	YoY (Rate)	
New Orders Received	287.0	556.0	+269.0	+93.8%	
Net Sales	251.1	513.0	+261.8	+104.3%	
EBITA <sup>(*1)</sup>	16.7 <sup>(6.7% *2)</sup>	36.0 <sup>(7.0% *2)</sup>	+19.2	+114.4%	

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

(\*2) EBITA margin (EBITA to net sales ratio)

# Stock split of NTT DATA Corporation

**Before  
stock split**

**1**

Share

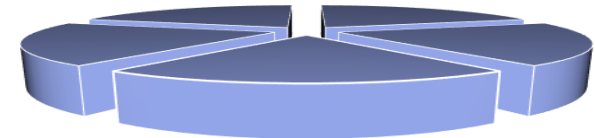


**=**

**After  
stock split**

**5**

Shares



**Record date : June 30, 2017**

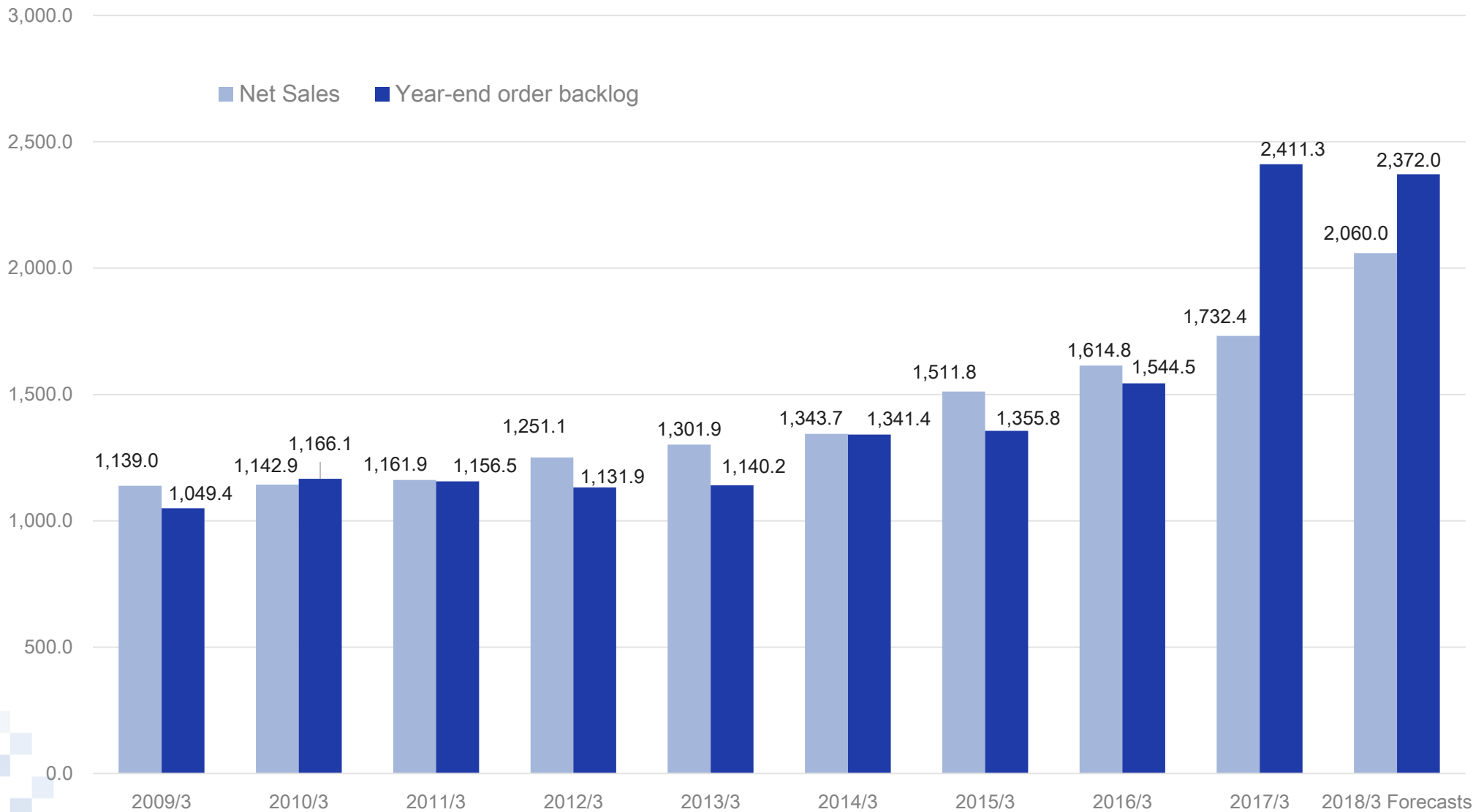
**Effective date : July 1, 2017**

3

# Medium-to-Long Term Future Financial Trends

# Trend of Order Backlog and Net Sales

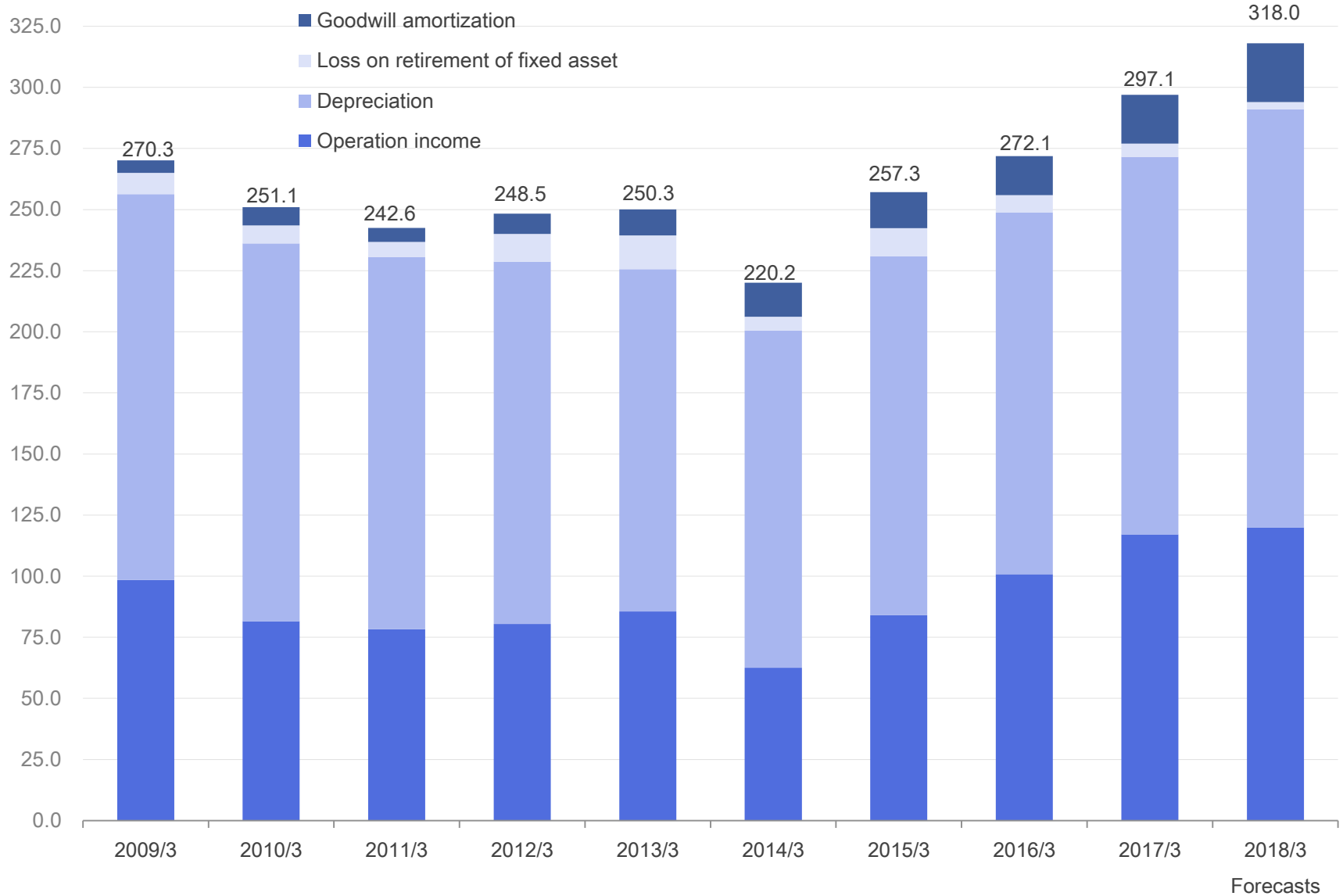
(Billions of yen)





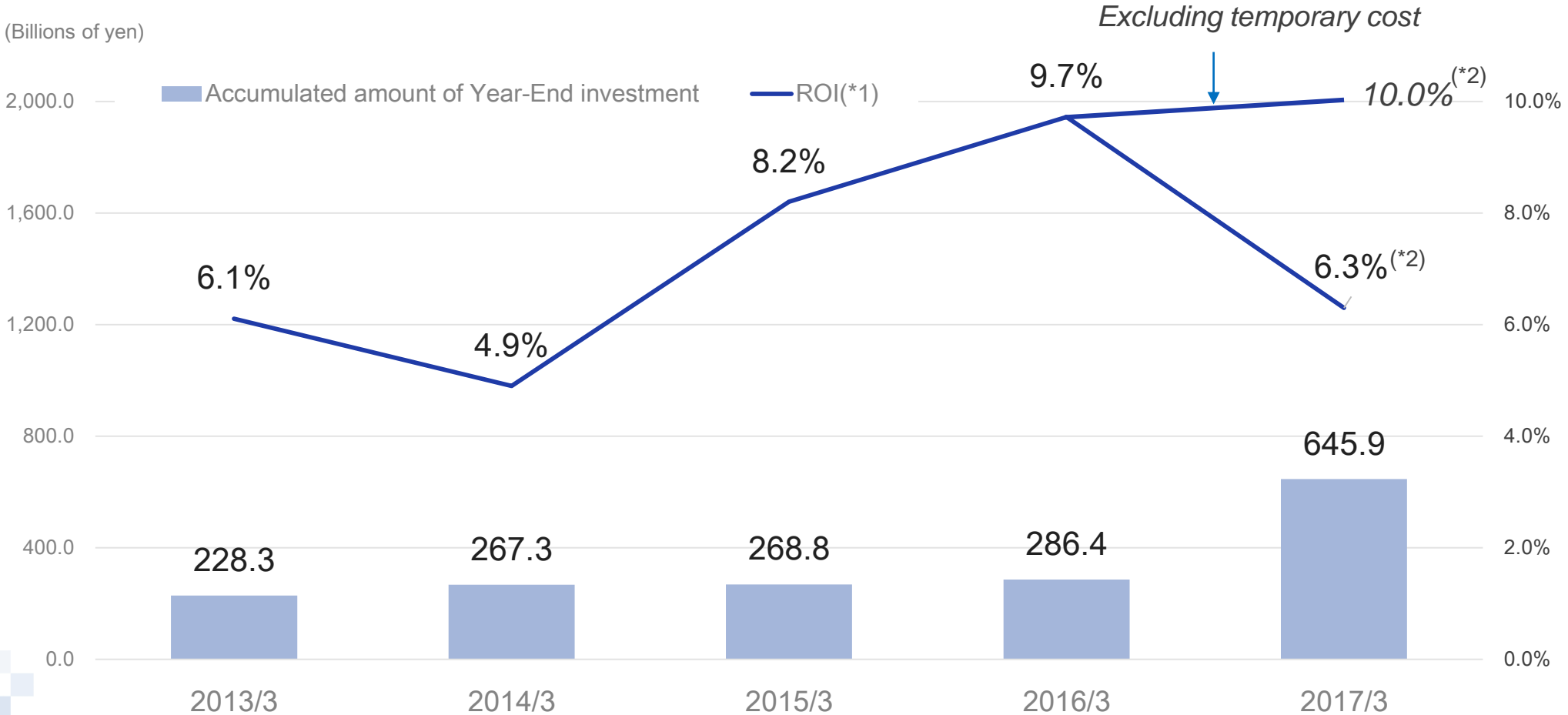
# EBITDA Trend

(Billions of yen)



# M&A spend and ROI Trends (outside Japan)

**ROI of the fiscal year ended March 2017 declined due to the occurrence of temporary cost (associated with the acquisition)**



(\*1) ROI = (Profit before income taxes + Depreciation + Loss on retirement of non-current assets) x (1 - Effective tax rate) of the overseas Group companies ÷ Amount of capital contribution (Accumulated amount at end of the previous accounting period)

(\*2) The impact of gains on the acquisition of Dell Services in North America is excluded from ROI for the fiscal year ended March 2017.

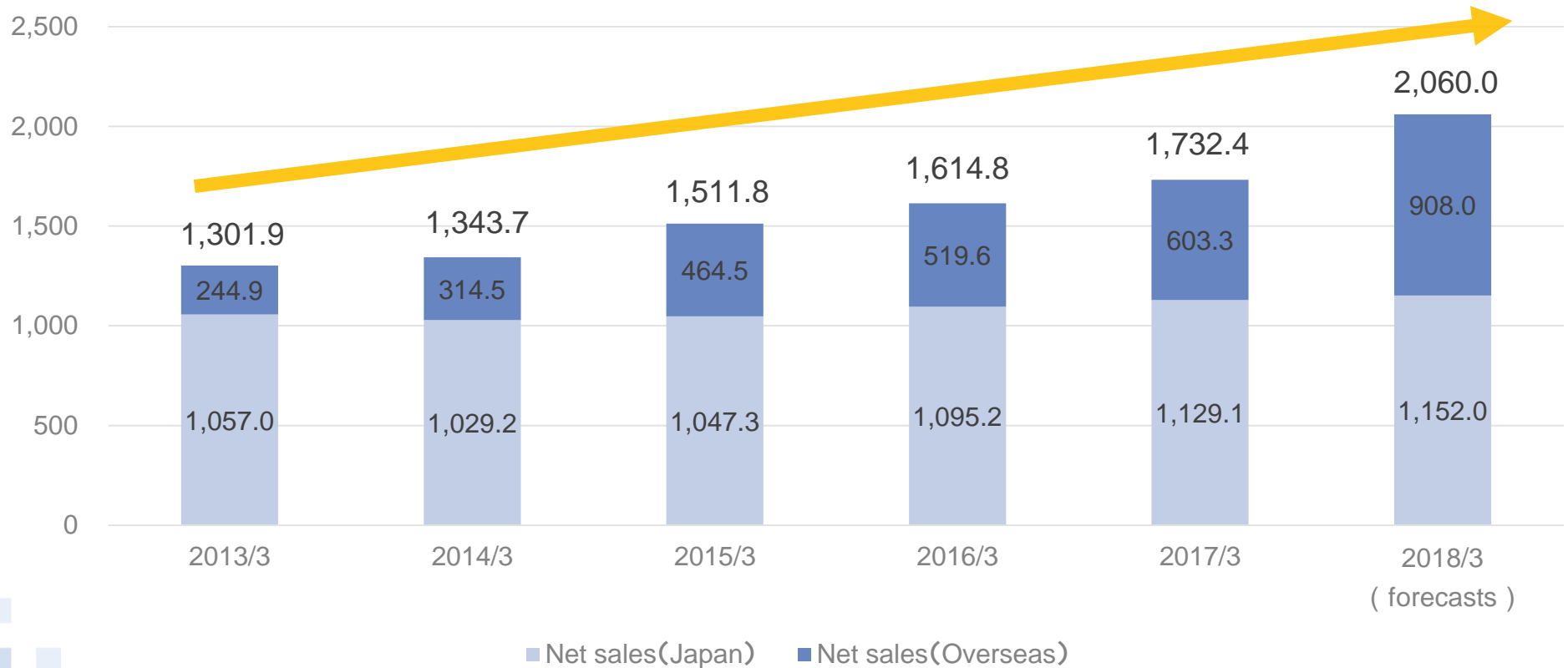
# 4

## Progress of Mid-term Management Plan

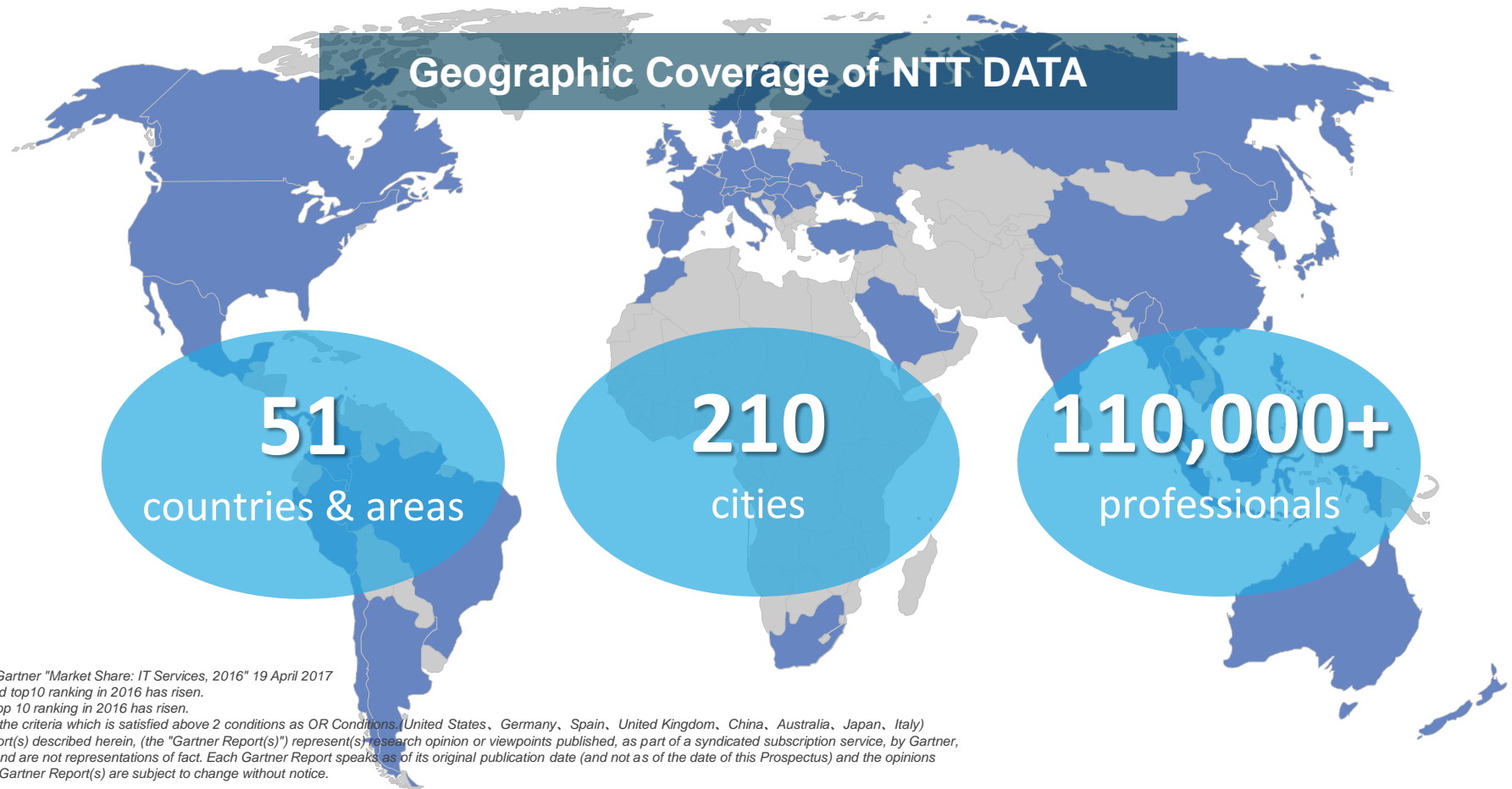
## Continue sustainable growth

**Net sales is expected to exceed 2 trillion yen in FY2018/3 due to consolidations effects of large M&As. NTT DATA continuously aims to grow business both in Japan and overseas markets.**

Japan and Overseas Sales Trends  
(Billions of yen)



**We have expanded global geographic coverage and enhanced our local presence (\*) in eight countries.  
We continue to win more market share in each country.**



## We have accelerated our growth both with existing clients and new markets such as “Digital business”

### Increase market share with existing clients



### Win in new markets

Broaden and deepen existing businesses by taking advantage of changes in clients needs and our strengths

Anticipate IT technological trends and create new business with growth strategy according to characteristics in each country



#### **Banking**

Banks increased using our mission critical systems for financial institutions



#### **Outsourcing**

Won long and large outsourcing contracts



#### **IoT related**

Entered the new business that provides high added value with use of IoT related technologies



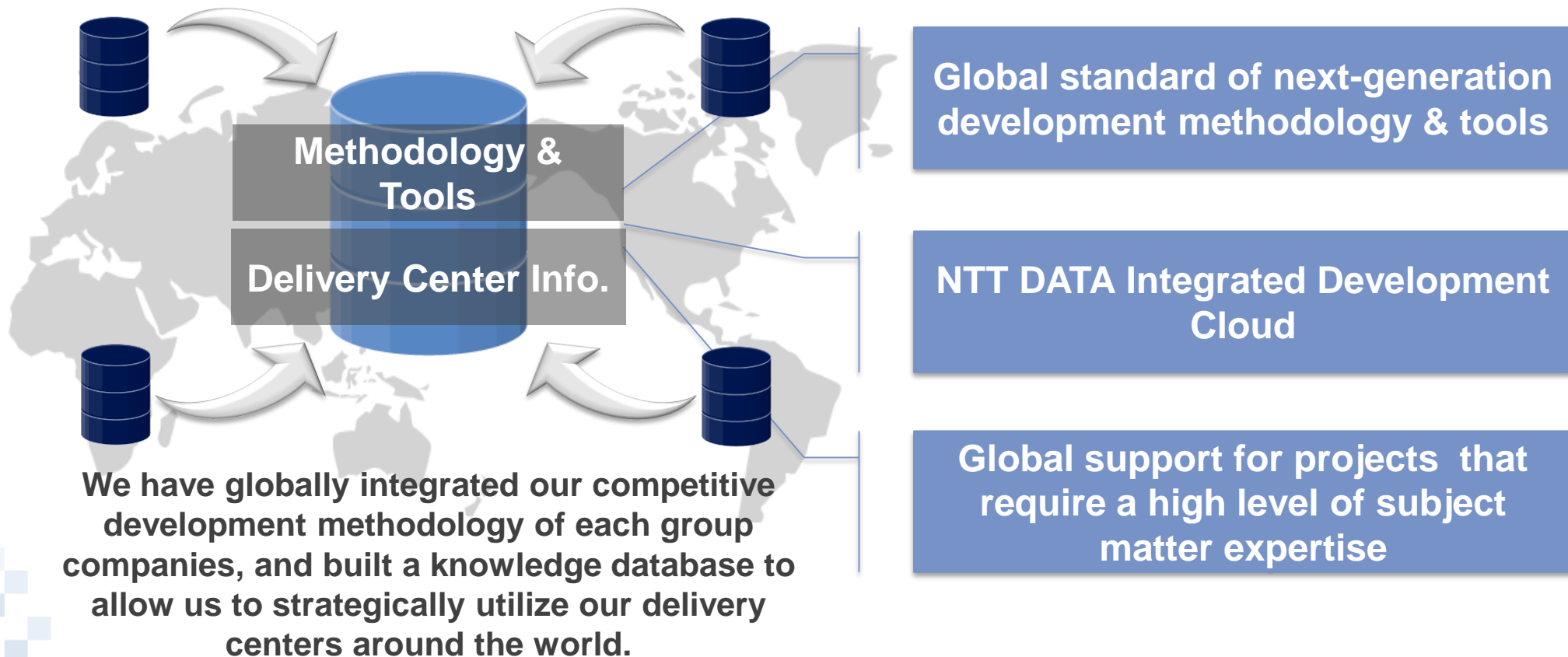
#### **Healthcare**

Increased our market share of health insurance / healthcare providers

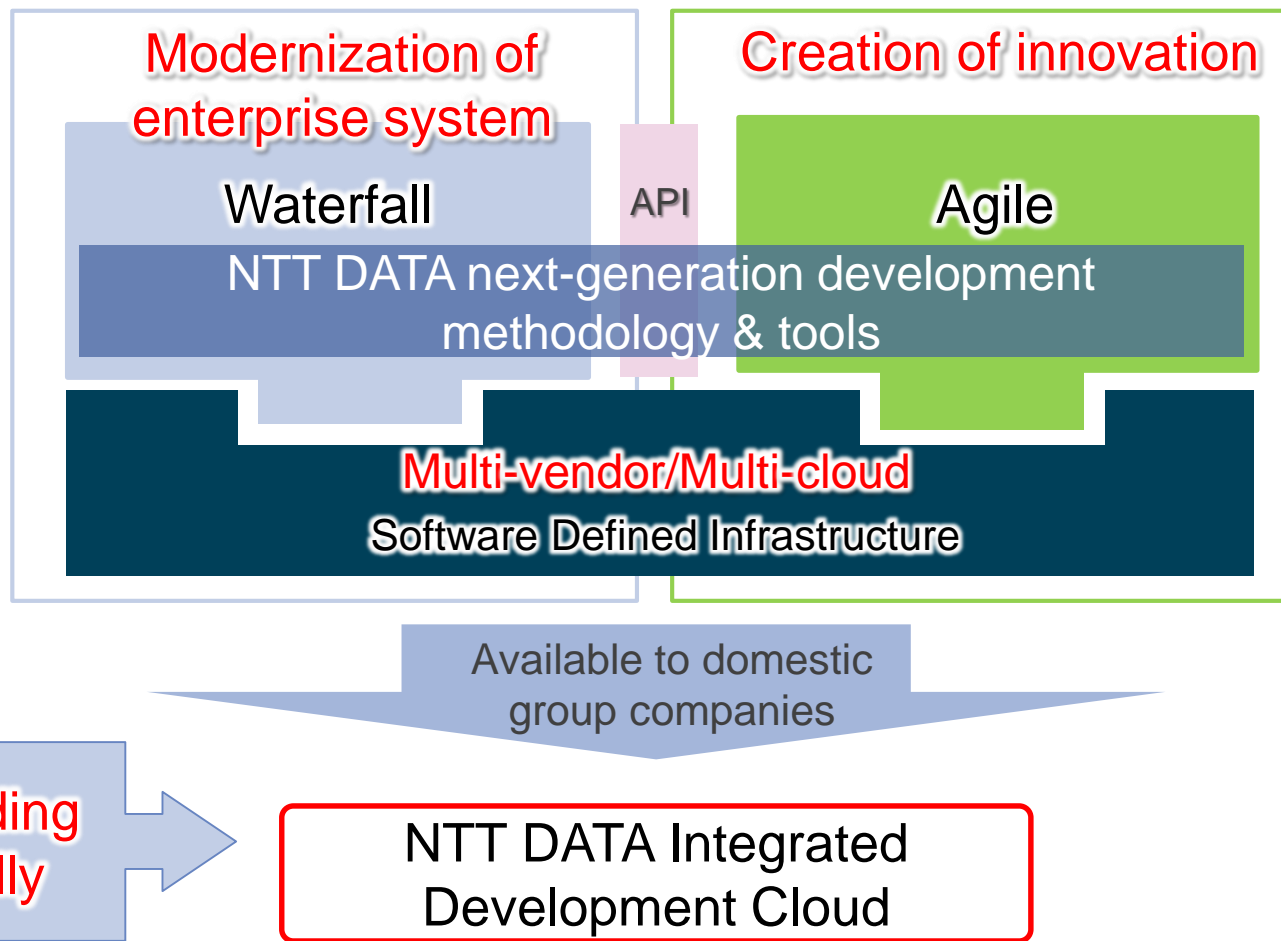


## Breakthrough Technology

**We have integrated our next-generation development methodology & tools across the globe, and strengthened our production technology innovations that can provide high-quality services in each market.**

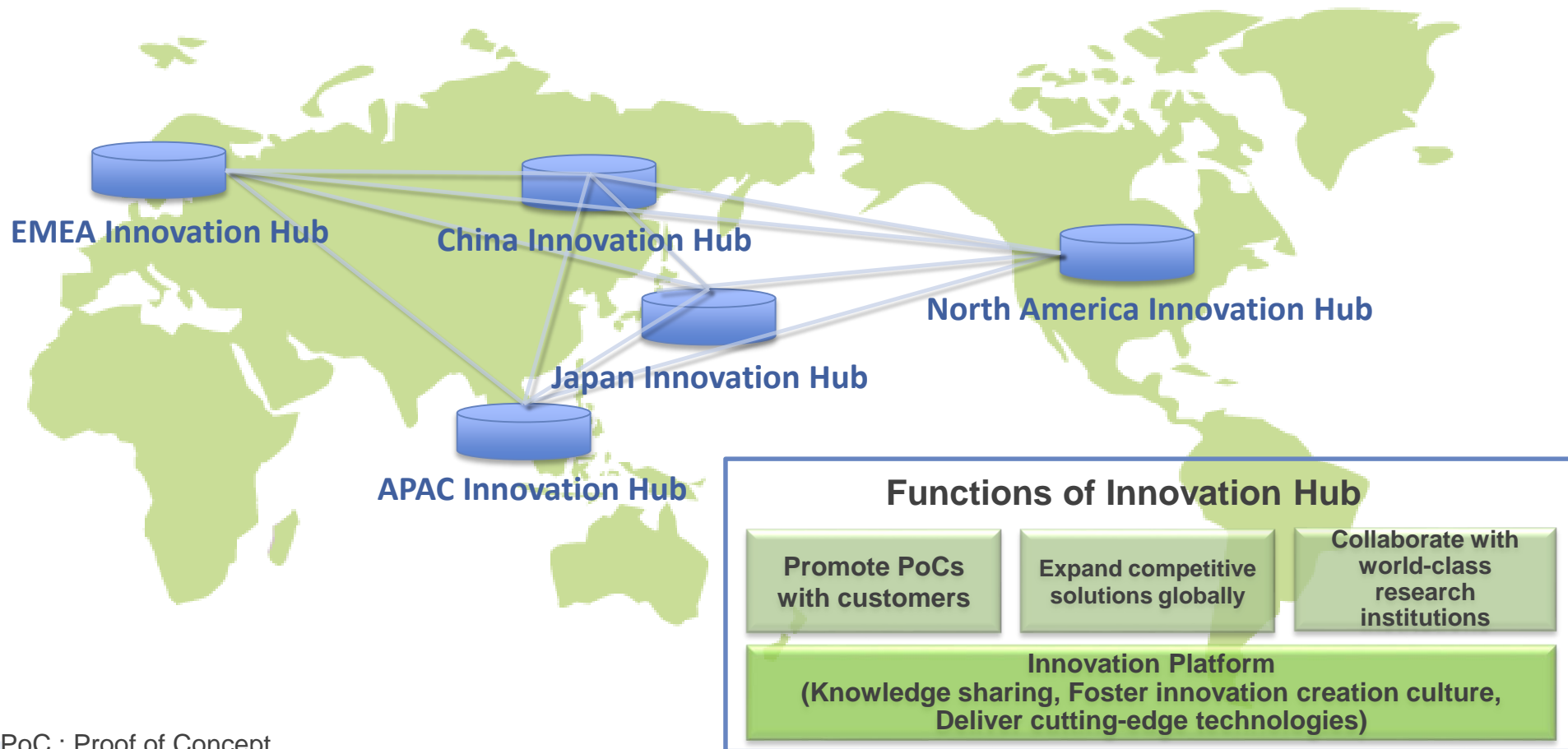


We integrated the next-generation development methodology & tools with the IT infrastructure and built a system development environment that can also support agile development.





**We have developed a scheme to create global innovation by promoting PoCs (\*) with our clients, expanding solutions horizontally, and collaborating with research institutions**



(\*) PoC : Proof of Concept

# Breakthrough Technology Open Innovation Business Contest

**We held the business contest globally to help create innovation business by forming triple-win business alliance among startups, NTT DATA Group and our clients.**

## 【Overview】

Applications : 204 from 21 countries  
Pitch contests : 10 cities

## 【Major themes】

FinTech, IoT, Digital Archives, big data, blockchain, AI, cyber security, virtual/augmented reality, or robotics etc

## ***The Grand Finale on Mar 15, 2017***



*São Paulo*  
Brazil



*Tel Aviv*  
Israel



*London*  
United Kingdom



*Madrid*  
Spain



*Barcelona*  
Spain



*Tronto*  
Canada



*Beijing*  
China



*Singapore*  
Singapore



*San Francisco*  
United States

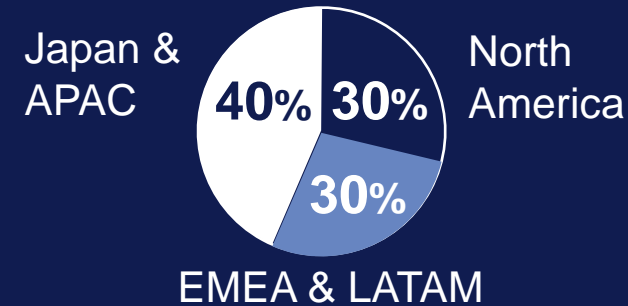


*Tokyo*  
Japan

**\* Selected a start-up as a winner that provides Civic Engagement Platform based on Deep Learning helping to solve citizen's issues through a Blockchain rewards system**

## 3 Global 3<sup>rd</sup> Stage Trusted Global Innovator Aspire to global Top 5 status

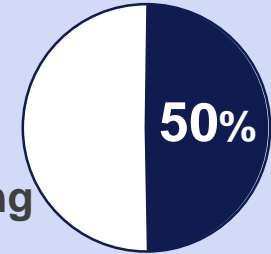
Global Net Sales



## 2 Global 2<sup>nd</sup> Stage Recognized global brand

**NTT DATA: ASCEND**  
*Rise and grow our global brand*  
FY2016 → FY2018

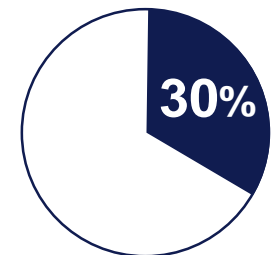
Sales Outside Japan



Net sales exceeding  
**2 trillion yen**

## 1 Global 1<sup>st</sup> Stage Increased global coverage

Sales Outside Japan



## Global Top 5

### Long-Term Relationships

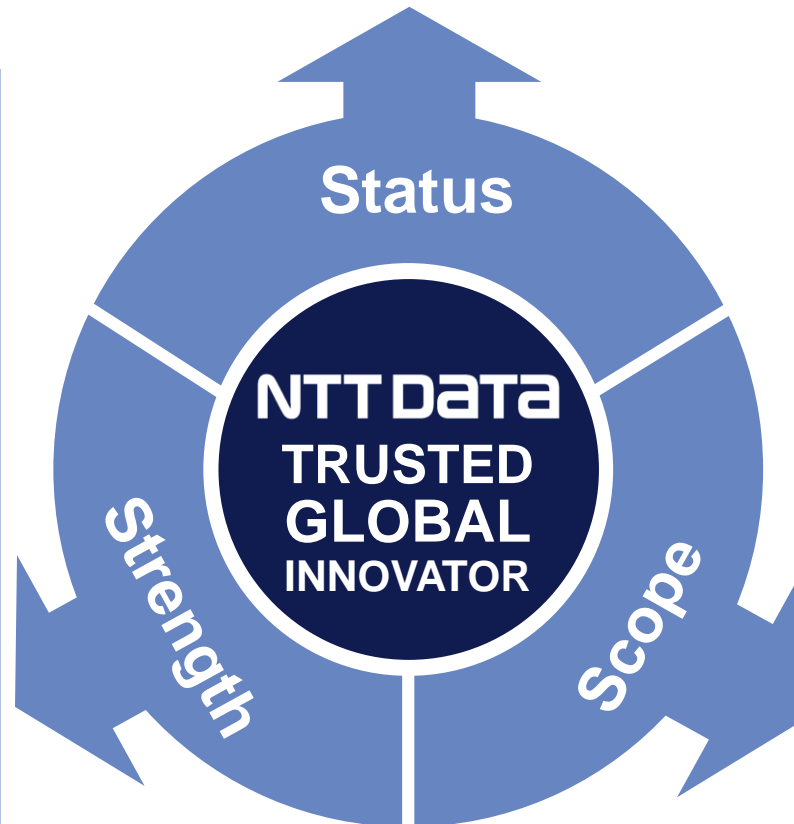
- ▶ Build trust over time

### Applied Innovation

- ▶ Apply Innovation to transform business

### R&D Excellence

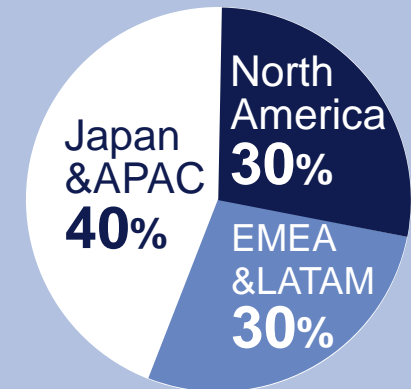
- ▶ Leverage innovative technologies and NTT Group R&D assets & foresight



Apply technologies to help clients achieve their business outcomes as their partner

### Optimize Portfolio

- ▶ Exceed 100 clients with IT spend > US\$50M / ¥5B
- ▶ Achieve top 10 ranking in priority markets
- ▶ Drive global collaboration

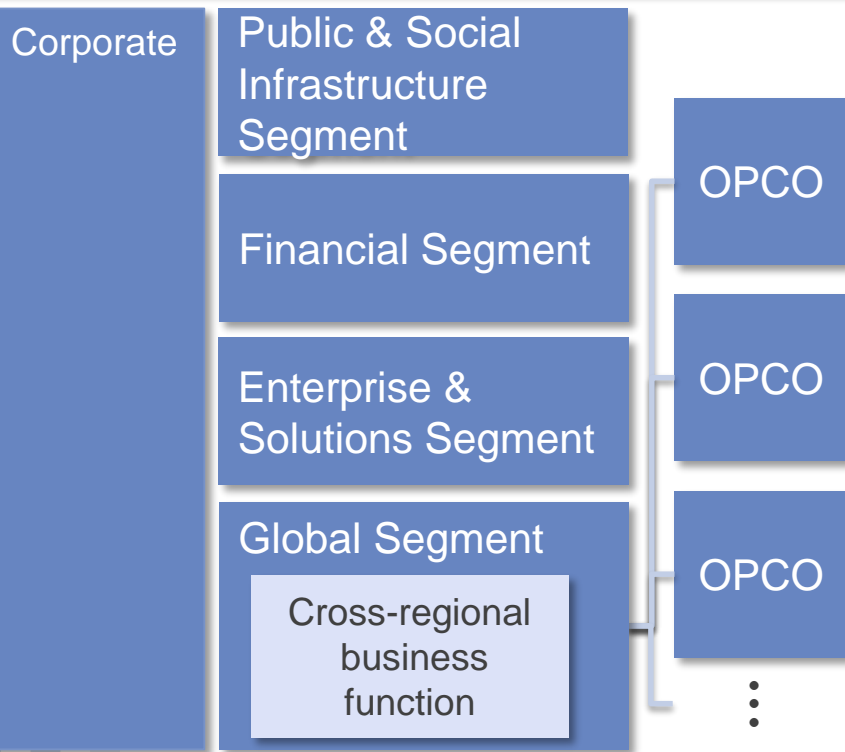


# Outline of organizational structure to achieve Global 3<sup>rd</sup> Stage

- We will redesign organizational structure to promote and manage our expanding global business optimally.

## Current

Organization of 1 Global Segment and 3 Segments in Japan.

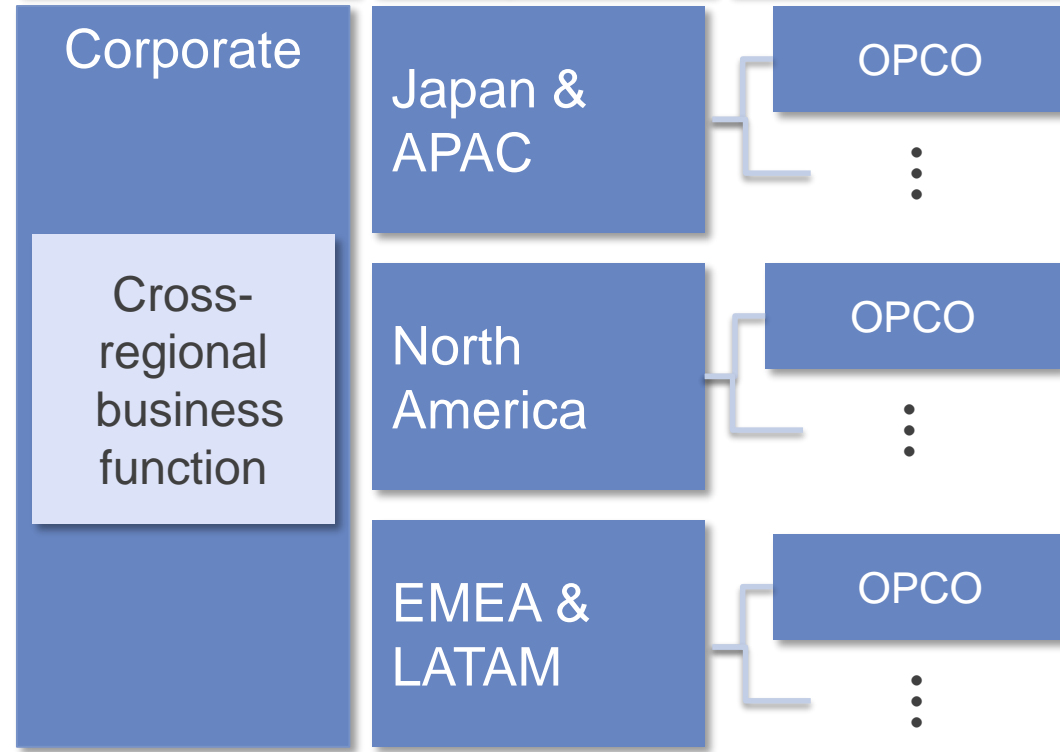


## To Be

1.Focus on promoting and managing group business.

2.Manage regional business in a timely manner.

3.Promote business to best serve in local markets.

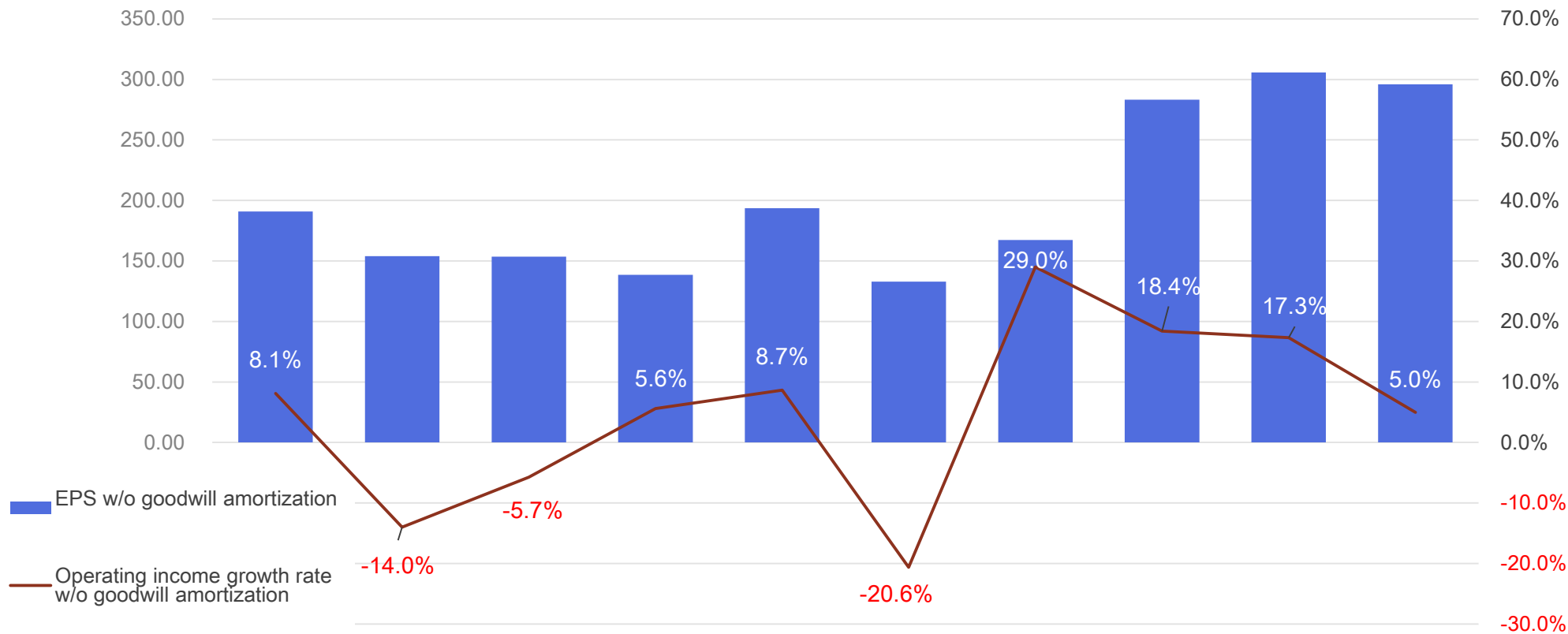


5

# Appendices -EPS, EBITDA, ROE, etc.-

# EPS and Operating Income Growth Rate w/o Goodwill Amortization

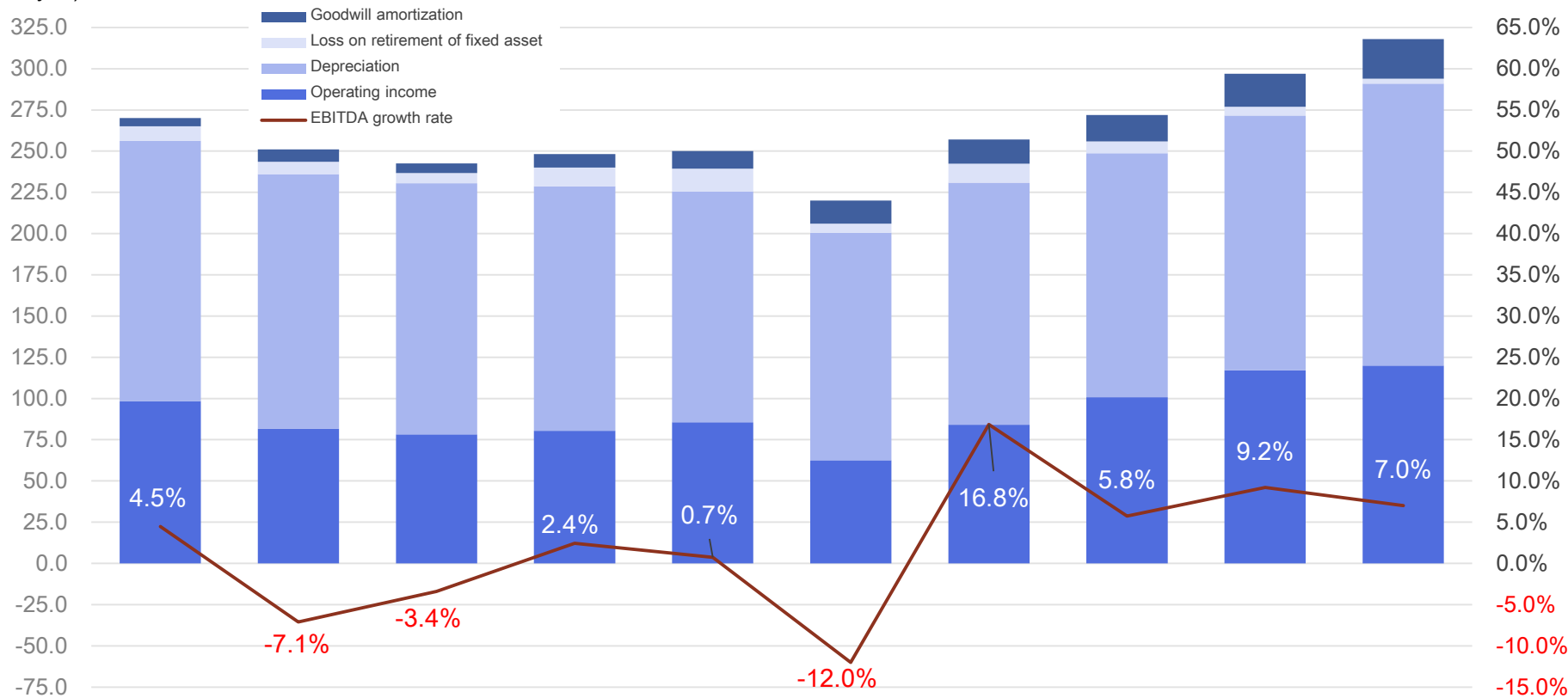
(Yen)



	2009/3	2010/3	2011/3	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3 Forecasts
Net income attributable to owners of parent (JPY billions)	48.3	35.6	37.3	30.4	43.5	23.2	32.1	63.3	65.6	59.0
Amortization of goodwill (JPY billions)	5.1	7.5	5.7	8.3	10.7	14.0	14.7	16.0	20.0	24.0
Net income attributable to owners of parent w/o goodwill amortization (JPY billions)	53.5	43.1	43.0	38.8	54.3	37.2	46.9	79.4	85.7	83.0
EPS w/o goodwill amortization	190.76	153.90	153.63	138.45	193.63	132.97	167.27	283.20	305.76	295.90

# EBITDA Trend

(Billions of yen)

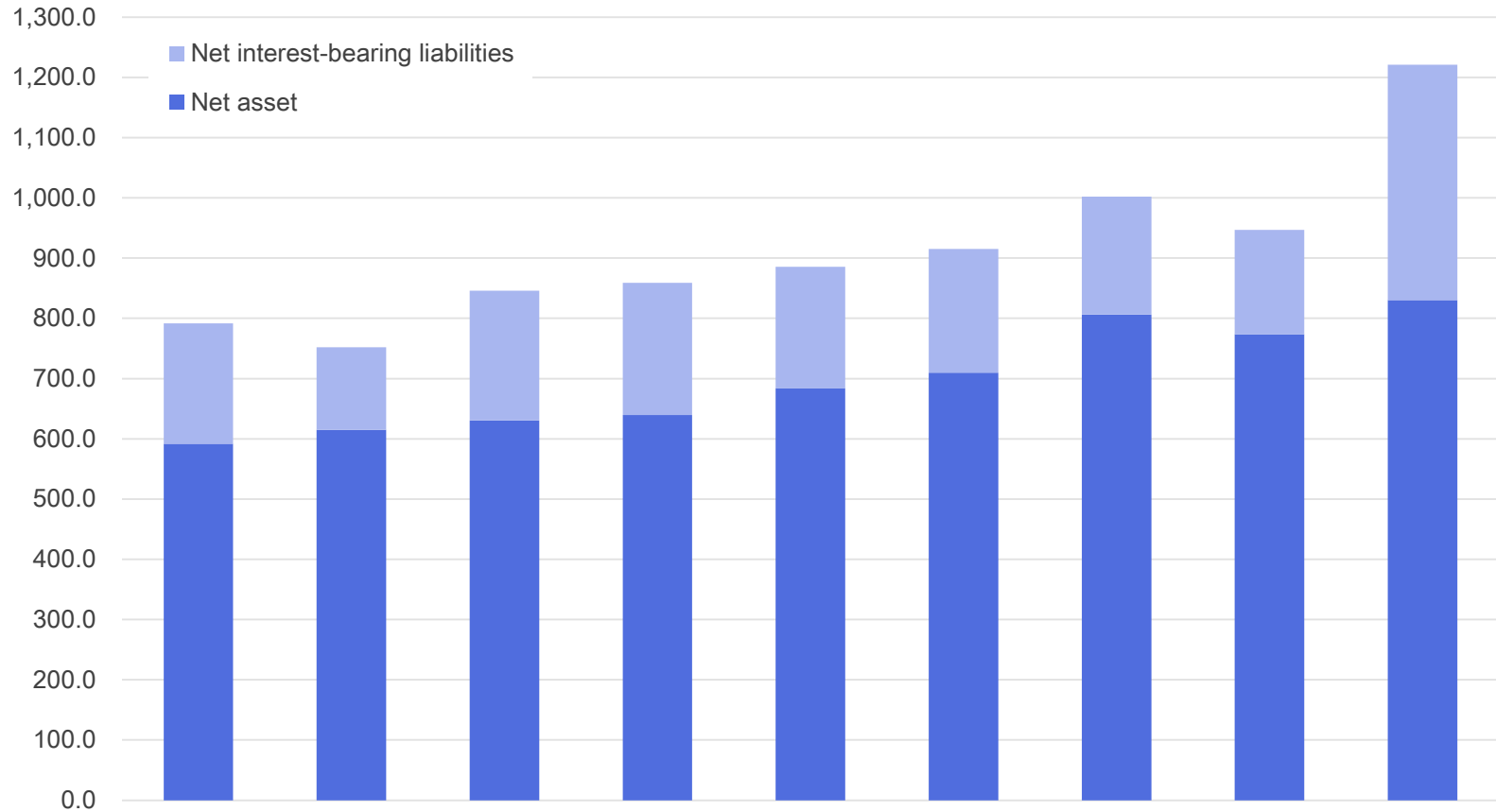


	2009/3	2010/3	2011/3	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3 Forecasts
Operation income	98.5	81.6	78.3	80.4	85.6	62.5	84.0	100.8	117.1	120.0
Depreciation	157.8	154.5	152.2	148.3	140.0	138.0	146.8	147.9	154.5	171.0
Loss on retirement of fixed asset	8.7	7.4	6.3	11.3	13.8	5.6	11.6	7.2	5.4	3.0
Goodwill amortization	5.1	7.5	5.7	8.3	10.7	14.0	14.7	16.0	20.0	24.0
EBITDA	270.3	251.1	242.6	248.5	250.3	220.2	257.3	272.1	297.1	318.0



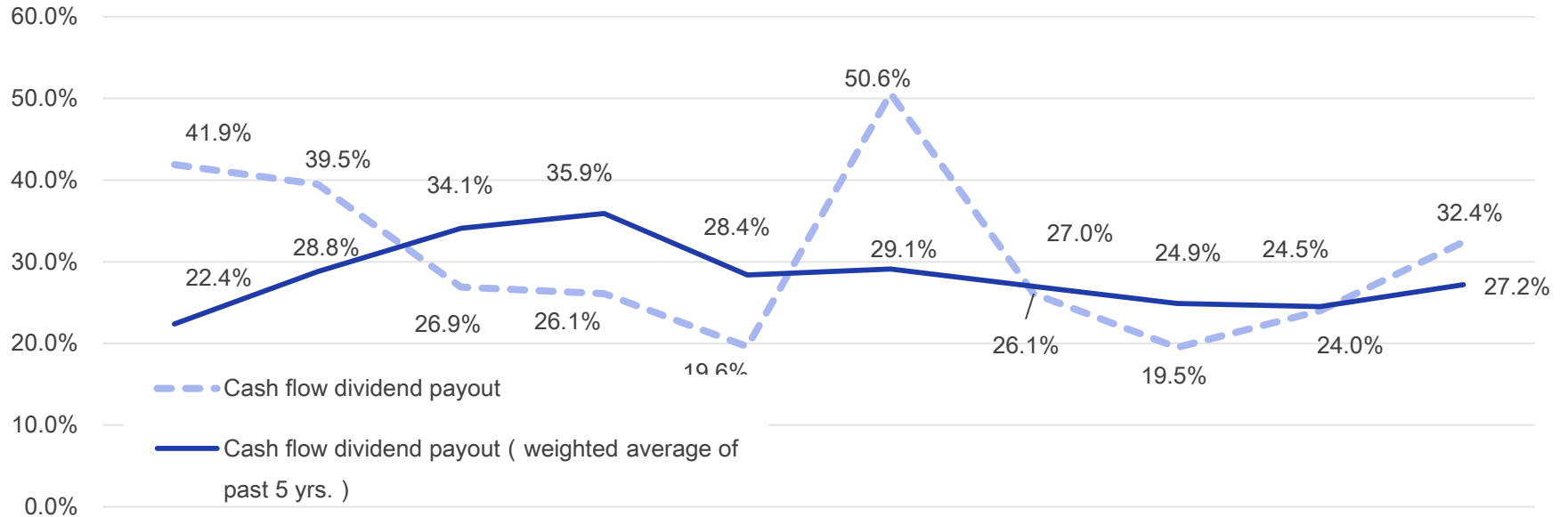
# Invested Capital Trend

(Billions of yen)



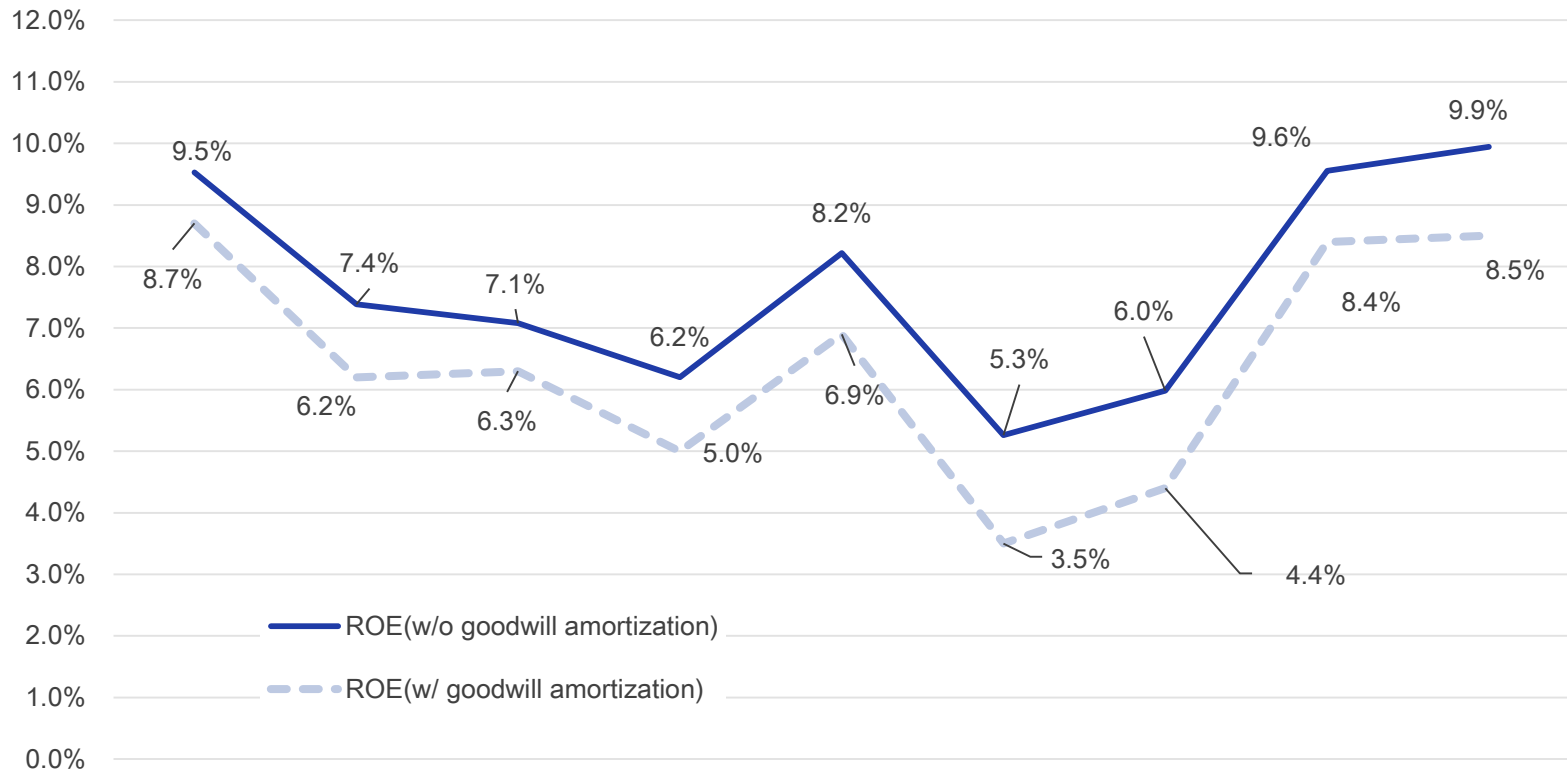
	2009/3	2010/3	2011/3	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3
Net asset	592.0	615.1	630.3	639.7	684.2	709.8	806.2	773.6	830.2
Interest-bearing liabilities	331.5	289.1	414.4	380.2	378.3	412.9	446.9	407.0	650.8
Cash and cash equivalents	131.8	152.1	198.6	161.1	176.9	207.2	250.8	233.5	260
Invested capital	791.7	752.1	846.1	858.8	885.6	915.5	1,002.3	947.1	1,221.0

# Cash Flow Dividend Payout



(Billions of yen)	2009/3	2010/3	2011/3	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3 Forecasts
Net income attributable to owners of parent w/o goodwill amortization	53.5	43.1	43.0	38.8	54.3	37.2	46.9	79.4	85.7	83.0
Depreciation	157.8	154.5	152.2	148.3	140.0	138.0	146.8	147.9	154.5	171.0
Loss on retirement of fixed asset	8.7	7.4	6.3	11.3	13.8	5.6	11.6	7.2	5.4	3.0
Capital investment	-180.0	-162.5	-139.0	-133.9	-122.1	-147.7	-140.9	-134.0	-158.1	-192.0
Ordinary cash flow	40.1	42.5	62.5	64.5	86.0	33.2	64.5	100.6	87.6	65.0
Dividends per share(JPY)	60	60	60	60	60	60	60	70	75	75
Total dividends	168	168	168	168	168	168	168	196	210	210

# ROE Trend



(Billions of yen)	2009/3	2010/3	2011/3	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3
Net income attributable to owners of parent w/o goodwill amortization	53.5	43.1	43.0	38.8	54.3	37.2	46.9	79.4	85.7
Net asset EOY	566.3	584.5	601.6	605.7	651.3	676.8	773.4	740.9	798.7
Accumulated amortization of goodwill (After 2009/3)	5.1	12.6	18.4	26.8	37.6	51.6	66.4	82.4	102.5
Net asset EOY w/o goodwill amortization	571.4	597.1	620.0	632.5	688.9	728.4	839.8	823.3	901.2

5

# Appendices -Business topics-

# Principal Measures Taken in Fiscal Year Ended March 31, 2017(1/5)

- 1 Full promotion for the renewal of governmental core systems**

We started the system renewal for accounting systems in government agencies and Electronic Payment System for governments' mission-critical tasks. This system reduced the governmental system operation costs by adopting the open source, and enhanced the security and functional expansion corresponding to the penetration of the common systems in government ministries connected to those. We are to support the enhancement of system linkage which is corresponding to the government IT strategies.
- 2 Sales promotion of the "AW3D Global Digital 3D Map" to expand its route to global market**

The AW3D Global Digital 3D Map\*<sup>1</sup> with the world highest accuracy provided by NTT DATA and the Remote Sensing Technology Center of Japan (RESTEC) which is utilizing satellite images, is contributing in particular use for the infrastructure and disaster prevention and so on in 300 or more projects in over 70 countries centering on the Asian emerging countries. This service won the "Nikkei Business Daily Awards for Superiority" at the "2016 Nikkei Superior Products and Services Awards," sponsored by Nikkei, Inc. Additionally, by concluding the sales distribution contract with DigitalGlobe, a U.S. leading company of commercial high-resolution satellite imagery, NTT DATA is able to aim the further expansion of the sales channels in the global market. We would contribute to the promotion of the use of geospatial information and the creation of markets through the application of this service to a wide variety of areas such as disaster prevention, resource development, urban planning, electric and communication services.
- 3 Introduction of an air traffic control simulator "airpalette 3D Simulator" to Tajikistan**

NTT DATA received an order from the Japan International Cooperation Agency (JICA) for an air traffic controller training simulator "airpalette 3D Simulator" for use in the "Project for Enhancement of Air Navigation Services in Tajikistan" of JICA. Since this product reduces the labor required for training and enables efficient air traffic control training with high-precision graphics and an AI technology that can automatically reproduce the behavior of multiple aircrafts, it will contribute to the development and enhancement of the skills of Tajikistan's air traffic controllers. We would provide the variety of support related to the implementation of this product to Tajikistan and promote the development in air traffic control institutions in other countries.

\* 1. The AW3D(R) Global Digital 3D Map Distribution Service : In corporation with the Japan Aerospace Exploration Agency (JAXA), we began providing the service for the world's first five-meter-resolution 3D map with the Digital Elevation Model (DEM) that uses 3 million satellite images taken by "DAICHI (ALOS)," JAXA's land-area observation technology satellite and can show the ups and downs of the land surface of the Earth.

# Principal Measures Taken in Fiscal Year Ended March 31, 2017(2/5)

1

## Increase of banks using “BeSTA”- based core systems for financial institutions

The number of banks that use our core systems for financial institutions including the first and second association of regional banks based on the NTT DATA’s standard banking application “BeSTA” increased. Specifically, THE SAN-IN GODO BANK, LTD. to join “NTT DATA Regional Bank Integrated Services Center”, THE FUKUHO BANK, LTD to “STELLA CUBE”, and 4 banks of Higashi-Nippon Bank, Ltd. decided to take part in a joint system that had been in use by the following four banks: The Bank of Yokohama, Ltd.; THE HOKURIKU BANK, LTD.; The Hokkaido Bank, Ltd.; and The 77 bank, Ltd. Similarly, Aozora Bank, Ltd., started to use the “BeSTAcloud” service. In addition, System Banking Kyushu (SBK)\*1 decided to use the “BeSTAcloud,” and at the same time, THE OKINAWA KAIHO BANK, LTD. joined SBK. Also, The Yachiyo Bank, Limited and ShinGinko Tokyo, Limited decided to merge with The Tokyo Tomin Bank, Limited which uses the “STELLA CUBE” system, and their respective systems were integrated into the “STELLA CUBE” system. For all of these systems, participating banks appreciate that they can satisfy requirements to carry into practice their business strategies, thanks to their potential, progressiveness, expandability and flexibility, and our achievements in core system operation. NTT DATA will continue to work on these advanced BeSTA-based systems for more extensive and improved functions. We will also strive to increase the number of banks participating in these systems by offering optimum solutions to a wide range of financial institutions.

2

## Launch of BeSTA FinTech Lab

Connecting our client companies, venture companies, and NTT DATA, we have been working on various activities including holding business contests such as “Toyosu-no-minato- kara (From the Toyosu Port)”aiming at the swifter creation of new business through open innovation. For enhancing such efforts, NTT DATA has launched the “BeSTA FinTech Lab,” a structure in which venture companies, FinTech companies and regional banks work together to create a new financial related services. As the part of the measures of this Lab, unerry, inc. iRidge, Inc. and NTT DATA INSTITUTE OF MANAGEMENT CONSULTING, Inc., our subsidiary, worked together to carry out a demonstration experiment of a message and campaign information delivery service\*3 utilizing location data obtained through beacon\*2. For the future, this Lab intends to create plenty of ideas and improve services by verifying those ideas through the trial and error, and is also planning to provide more attractive opportunities based on the participating banks’ request to boost the cooperation with regional banks. Furthermore, as part of FinTech initiatives, we have provided support for the “New Business Creation Project” of The Bank of Kyoto, Ltd. by utilizing our open innovation assistance program (DCAP)\*4 .

\* 1. System Banking Kyushu (SBK) : Refers to a business association organization that plans, develops and operates core systems for THE FUKUOKA CHUO BANK, Ltd., THE SAGA KYOEI BANK, LTD., THE BANK OF NAGASAKI, LTD., THE HOWA BANK, LTD., The Miyazaki Taiyo Bank, Ltd. and MINAMI NIPPON BANK, LTD.

\* 2. Beacon : Refers to a Bluetooth LE (short-range wireless network technology) device which works in conjunction with apps on smartphones and others.

\* 3. Demonstration experiment (Proof of Concept) of a message and campaign information delivery service : Refers to a demonstration experiment (PoC) of a service to deliver information on campaigns or coupons and others assumed to have a great affinity to the app user’s (the subject of the demonstration experiment) history of location information detected by beacon antennas installed by push notification.

\* 4. Digital Corporate Accelerate Program (DCAP) : Digital Corporate Accelerate Program (DCAP) Refers to the system to support general corporations’ efforts to create new business in collaboration with venture companies.

# Principal Measures Taken in Fiscal Year Ended March 31, 2017(3/5)

## Our efforts for digital business

As a business partner of our clients who are actively working on the new initiatives applying digital technology, we are providing a variety of services and technological support.

1

- By utilizing the results of demonstration experiments conducted at Ariake Works of Hitachi Zosen Corporation, we have started to provide “Monone”, a solution to detect abnormal sounds. This solution visualizes and analyzes the changes of the factory equipment’s operation sounds (i.e., abnormal sounds) at the production site which were used to be detected by the ears of experts, by utilizing the acoustic signal analysis technology and AI technology which NTT Group has cultivated and advances the maintenance operations of equipment devices and bring them high level and efficient.
- Toyota Motor Corporation and NTT group agreed to tie-up on technology development, technology validation, and standardization of those technologies in the field of connected car. With this tie-up, NTT DATA will take the role in creating the technologies related to the data collection, accumulation and analysis utilizing our experience of infrastructure construction. For the future, we seek for the business development including IoT infrastructure construction based our technology and know-how obtained through this tie-up.
- NTT DATA established the “AI & IoT Business Section” as an expert organization with know-how in analytics, AI and edge computing technology \*1 essential for the IoT society. With those approximate 200 data scientists and consultants, and 1,500 embedded technology engineers and others, we provide high value-added services to our clients and end-users.

2

## Basic agreement on specific consideration about capital alliance with Mitsubishi Heavy Industries

NTT DATA and Mitsubishi Heavy Industries, Ltd. (MHI) concluded a basic agreement on a tie-up in the field of information system including a capital alliance. Both companies are targeting the establishment of their new company effective October 1, 2017, which will be based on the existing MHI Information Systems Co., Ltd., a wholly owned MHI subsidiary. With the acceleration of digitization and globalization in the manufacturing industry, MHI Group will strive to achieve more advanced IT services and stronger global response capability more swiftly and efficiently through a tie-up with NTT DATA who is possessing rich experience and know-how in network services and system integration operations. Establishing a long-term partnership with MHI, NTT DATA will contribute to the highly developed IT services including digitalization and globalization as well.

\* 1. Edge computing technology : Refers to a technology to process a large quantity of data at high speed by dispersedly deploying edge servers near users.

# Principal Measures Taken in Fiscal Year Ended March 31, 2017(4/5)

## Complete the acquisition of Dell Services, and launch a new system under NTT DATA Services

1

Completed over 99.9% of the acquisition of Dell Services – based on the transferred asset value- by the U.S time of March 6, 2017, through our U.S. subsidiary NTT DATA International L.L.C. and others, and commenced an integrated new system (i.e., NTT DATA Services) of Dell Services and our existing North American organizations from April 2017. NTT DATA Services has a strong business base with their major clients including health insurance and medical institutions, manufacturing industries, service industries, financial institutions and the Federal Government and the company has gained a reputation particularly for its industry-specific digital solutions for health insurance and medical institutions and the provision of BPO services. Through the acquisition of this Division, we will expand our businesses in the relevant industries of North America. At the same time, we will also strengthen our services that utilize our cutting-edge technology in cloud and BPO services.

## Order received for the operation of “myki” smartcard ticketing system and commence the services provision

2

Our U.S. subsidiary NTT DATA, Inc. concluded a contract with the Government of Victoria in Our U.S. subsidiary NTT DATA, Inc. concluded a contract with the Government of Victoria in Australia and the Public Transport Victoria, under which the company will operate the “myki” smartcard ticketing system for seven years and commenced the services provision in January 2017. The contract was concluded thanks to the high evaluation of our past records of taking charge of establishing and operating the myki system since 2008, and supporting the system which has now become one of the world’s largest systems of this kind. We will contribute to improving customer experience through the introduction of next-generation systems, etc., in the future.



# Principal Measures Taken in Fiscal Year Ended March 31, 2017(5/5)

- ## Integration of the development methodologies of the whole NTT Data Group

For further continued growth through global synergy, NTT DATA integrated development methodologies of our group companies all over the world. From April 2017, strived to prevent contradictions resulted by the technical terms inconsistency and enable to achieve the projects to realize high productivity and quality by having this development methodology shared among our development bases in both domestic and overseas possessing this intellectual concept with all our group companies. For the future, based on this development methodology, enhance the development capabilities globally and provide consistent high quality services regardless of the regions by utilizing the human resource and knowledge possessed by our domestic and overseas group companies effectively.
- ## Consolidation of the development environment of the whole NTT Data Group by the Integration Development Cloud

In April 2017, NTT DATA started the operation of the “integrated development cloud” to integrate the system development environments of all group companies into the cloud and improve the productivity of system development. Recently, required to respond to “offensive IT (SoE<sup>\*2</sup>)” to create new business, not only responding to “defensive IT (SoR<sup>\*1</sup>)” for the efficiency of the existing businesses and operation processes, and to link both in a seamless manner. For satisfying those needs, we will promote the integration into cloud at our overseas subsidiaries and apply it to commercial environments (i.e., client services) sequentially.
- ## Commencement of Demonstrative Experiments of Smart Alert Solution for the prevention at a medical institution in Spain

NTT DATA and our Spanish subsidiary, everis Group, have developed the Smart Alert Solution for the intensive care unit (ICU) at Virgen del Rocio University Hospital in Seville, which is the largest hospital in Spain. The solution predicts the risks for serious complications, and immediately sends an alert to enable doctors and others for early medical intervention. We will conduct validation in multiple countries other than Spain, commercialize the solution by the end of 2017 and deploy it in hospitals all over the world starting from Spain, South America and North America.

\* 1. SoR (Systems of Record) : Refers to all conventional operational systems, such as core systems.

\* 2. SoE (Systems of Engagement) : Refers to a system that enables digital innovation, such as the innovation in corporate business processes and the creation of new business.

5

**Appendices** -Explanatory details of financial results and forecasts-

# Overview of Consolidated Earnings and New Orders Received

(Billions of Yen,%)

	FY ended 2016/3 (Results)	FY ended 2017/3 (Results)	YoY ( % )	FY ending 2018/3 (Forecasts)
New Orders Received	1,662.6	1,781.5	+7.2	1,940.0
Orders on Hand	1,544.5	2,411.3	+56.1	2,372.0

Net Sales	1,614.8	1,732.4	+7.3	2,060.0
Cost of Sales	1,216.7	1,293.6	+6.3	1,550.0
Gross Profit	398.1	438.8	+10.2	510.0
SG&A Expenses	297.2	321.7	+8.3	390.0
Selling Expenses	134.3	148.9	+10.9	194.0
R&D Expenses	12.4	12.3	-0.4	17.0
Other Administrative Expenses	150.4	160.4	+6.6	179.0
Operating Income	100.8	117.1	+16.1	120.0
Operating Income Margin(%)	6.2	6.8	+0.6P	5.8
Ordinary Income	98.1	112.9	+15.1	116.0
Extraordinary Income and Loss	9.6	-7.6	-	-15.0
Income before Income Taxes	107.7	105.3	-2.3	101.0
Income Taxes and Others	44.4	39.6	-10.7	42.0
Net income attributable to owners of parent	63.3	65.6	+3.7	59.0

Capital Expenditures	134.0	158.1	+18.0	192.0
Depreciation and Amortization/Loss on Disposal of Property and Equipment and Intangibles	155.2	160.0	+3.1	174.0

Note : Income Taxes and Others include Income, Residential and Enterprise Taxes, Adjustment to Income Taxes and Net income attributable to non-controlling interests.

## Consolidated Net Sales by Customer Sector and Service (to Clients Outside the NTT DATA Group)

(Billions of Yen)

	FY ended 2016/3 (Results)	FY ended 2017/3 (Results)	FY ending 2018/3 (Forecasts)
Public & Social Infrastructure	346.7	376.3	370.0
Financial	470.2	459.6	479.0
Enterprise & Solutions	277.3	302.0	313.0
Global	504.4	586.3	891.0

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

(Billions of Yen)

		FY ended 2016/3 (Results)	FY ended 2017/3 (Results)	FY ending 2018/3 (Forecasts)
<b>Public &amp; Social Infrastructure</b>				
(Main item)	Central government and related agencies, Local Government, and Healthcare	225.9	159.9	187.0
	Telecom and Utility	102.6	86.6	95.0
<b>Financial</b>				
(Main item)	Banks, Insurance, Security, Credit Corporations and Financial Infrastructure	270.3	372.3	280.0
	Cooperative financial institutions and Financial Network Services	222.0	174.5	82.0
<b>Enterprise &amp; Solutions</b>				
(Main item)	Retail, Logistics, Payment and Other Service	71.1	69.9	70.0
	Manufacturing	112.3	118.8	121.0
	Network Services, Data Center Services, Cloud Services and Digital Services	32.5	50.9	56.0
<b>Orders on Hand</b>				
	Public & Social Infrastructure	422.7	346.1	334.0
	Financial	783.0	791.0	732.0
	Enterprise & Solutions	87.4	84.7	85.0
	Global	248.0	1,186.8	1,219.0

Note : New Orders Received of Enterprise & Solutions does not include orders taken via other segments.

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

(Billions of Yen)

		FY ended 2016/3 (Results)	FY ended 2017/3 (Results)	FY ending 2018/3 (Forecasts)
<b>Public &amp; Social Infrastructure</b>				
(Main item)	Central government and related agencies, Local Government, and Healthcare	187.1	216.5	206.0
	Telecom and Utility	90.4	86.1	86.0
<b>Financial</b>				
(Main item)	Banks, Insurance, Security, Credit Corporations and Financial Infrastructure	321.2	327.8	341.0
	Cooperative financial institutions and Financial Network Services	120.5	117.8	121.0
<b>Enterprise &amp; Solutions</b>				
(Main item)	Retail, Logistics, Payment and Other Service	104.8	108.7	109.0
	Manufacturing	118.1	114.7	119.0
	Network Services, Data Center Services, Cloud Services and Digital Services	47.3	69.1	75.0
<b>Net Sales by Products and Services Total (to Clients Outside the NTT DATA Group)</b>				
	Integrated IT Solution	468.9	512.6	659.0
	System & Software Development	443.8	465.7	485.0
	Consulting & Support	648.0	695.3	857.0
	Others	54.0	58.7	59.0
	<b>Net Sales by Products and Services Total (to Clients Outside the NTT DATA Group)</b>	<b>1,614.8</b>	<b>1,732.4</b>	<b>2,060.0</b>

Note : Net Sales of Enterprise & Solutions does not include orders taken via other segments.

# Global Profit Adjustment

(Billions of Yen,%)

		FY ended 2016/3 (Results)	FY ended 2017/3 (Results)	FY ending 2018/3 (Forecasts)	FY ended 2017/3— FY ended 2016/3		FY ending 2018/3— FY ended 2017/3	
					Amount	Rate	Amount	Rate
EBITA	①	26.6	28.1	55.0	+1.4	+5.3%	+26.8	+95.6%
PPA intangible fixed asset amortization expenses(*)	②	13.9	14.4	26.0	+0.4	+3.4%	+11.5	+80.0%
Operating income w/o goodwill amortization	③=①-②	12.7	13.6	29.0	+0.9	+7.5%	+15.3	+112.2%
Goodwill amortization	④	11.8	17.0	24.0	+5.1	+43.2%	+6.9	+40.8%
Operating income	⑤=③-④	0.8	-3.3	5.0	-4.1	-	+8.3	-

(\*)PPA amortization related to corporate acquisition and other temporary cost

# Non-Consolidated Earnings and New Orders Received

(Billions of Yen,%)

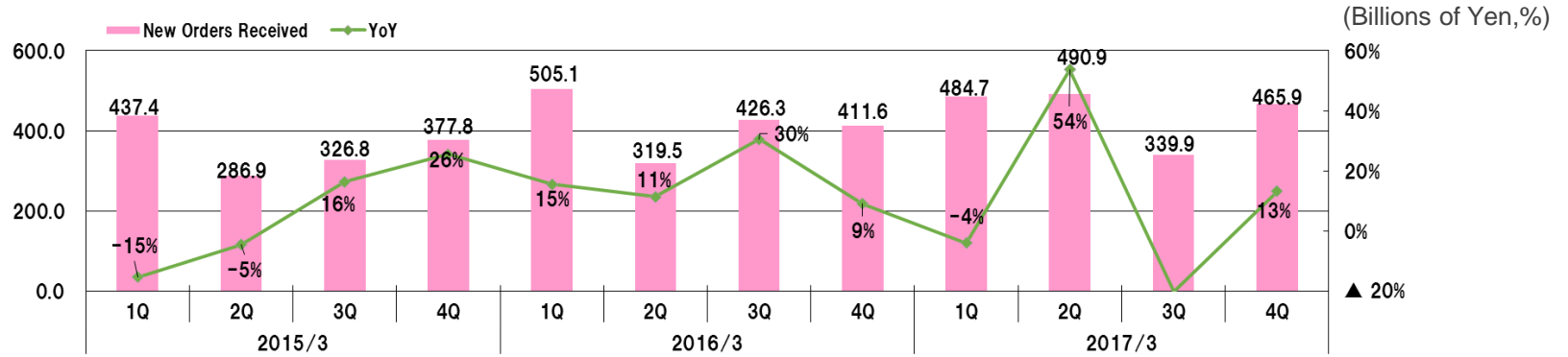
	FY ended 2016/3 (Results)	FY ended 2017/3 (Results)	FY ending 2018/3 (Forecasts)
New Orders Received	876.0	845.3	700.0
Orders on Hand	1,147.7	1,277.3	1,075.0
Net Sales	838.3	860.9	865.0
Cost of Sales	646.8	648.9	650.0
Gross Profit	191.4	211.9	215.0
SG&A Expenses	114.7	125.1	133.0
Selling Expenses	56.0	58.7	61.0
R&D Expenses	10.1	10.0	13.0
Other Administrative Expenses	48.5	56.3	59.0
Operating Income	76.7	86.8	82.0
Operating Income Margin(%)	9.1	10.1	9.5
Ordinary Income	78.8	94.4	84.0
Extraordinary Income and Loss	14.3	10.0	0.0
Income before Income Taxes	93.1	104.5	84.0
Income Taxes and Others	28.9	30.0	24.0
Net Income	64.2	74.5	60.0
Capital Expenditures	107.6	127.1	146.0
Depreciation and Amortization /Loss on Disposal of Property and Equipment and Intangibles	122.5	123.1	119.0

Note : Income Taxes and Others include Income, Residential and Enterprise Taxes, Adjustment to Income Taxes.

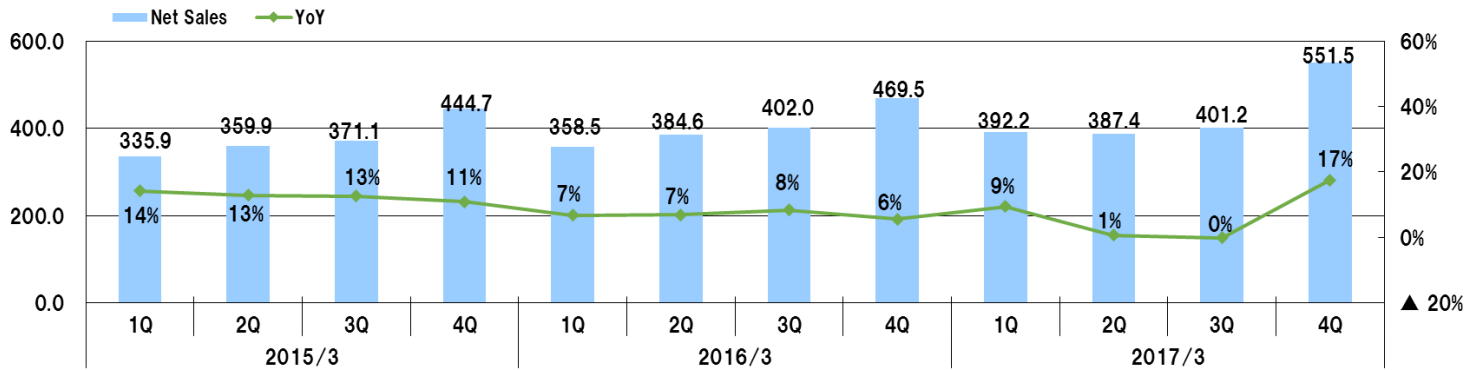


# Trends in Quarter (Consolidated)

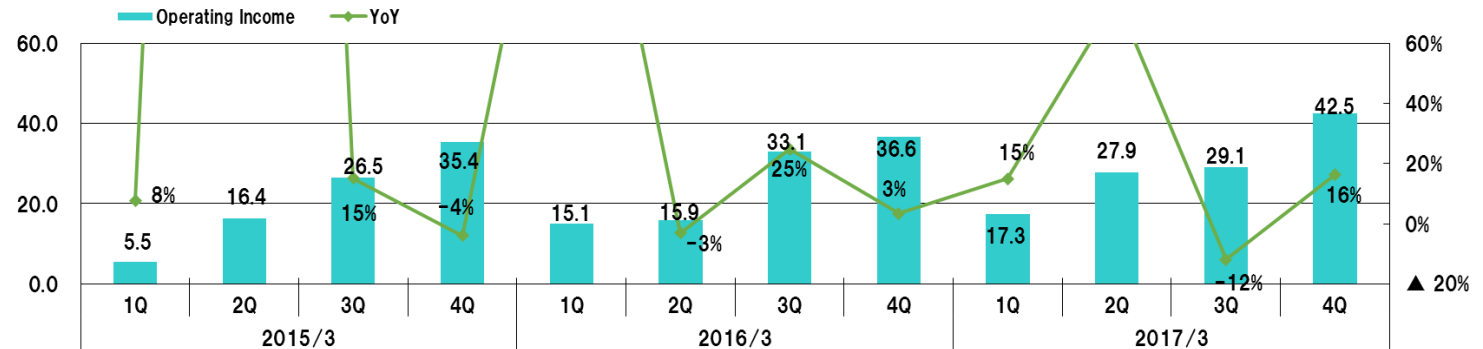
## ■ New Orders Received



## ■ Net Sales



## ■ Operating Income



# Foreign exchange rates

(used for the conversion of the amount of orders received and incomes)

(Yen,%)

	FY ended 2016/3 (Results)	FY ended 2017/3 (Results)	YoY ( % )	FY ending 2018/3 (Assumed Rates)	YoY ( % )
	①	②	( ②-① ) / ①	③	( ③-② ) / ②
USD	120.01	108.14	- 9.9%	110.00	+ 1.7%
USD (NTT DATA Services)	—	113.36	-	110.00	- 3.0%
EUR (For December-end companies)	134.28	120.28	-11.6%	120.00	- 0.2%
EUR (For March-end companies)	132.57	118.76	-11.6%	120.00	+ 1.0%
RMB (Chinese Yuan Renminbi)	19.26	16.34	-17.9%	16.40	+0.4%



# NTT DATA

Global IT Innovator