Q1. Why did you change directions to start expanding business overseas when you were developing business mainly in Japan?
A1. The environment surrounding IT industry is changing very rapidly and if we were to only conduct business in Japan, we would be behind our competitors. Therefore, we need to operate our business with speed so that we could apply technologies developed in the U.S. and Spain, for example, in our domestic business as soon as possible.
   Also, when we compare the markets between Japan and overseas, we can say that the overseas IT service market is growing slightly faster than the Japanese IT service market. By focusing on the overseas business which is larger also in terms of the size of IT service market, we can further accelerate our business growth. That is why we are aggressively expanding our overseas business.

Q2. Is there a need for NTT DATA to be a part of the NTT Group? What is the advantage?
A2. We believe that it is advantageous for us to be a part of the NTT Group from three main perspectives.
   First is because we can collaborate with the NTT Group companies in sales activities. When we want to offer our IT service to an overseas client, we would be given a chance to provide the service if NTT has a high profile in the region while our brand is not well known. We can also collaborate by leveraging the strength of the NTT Group in the service.
   Second is that we can make an effective use of NTT’s R&D. NTT laboratories possess a number of world’s leading technologies. It is a great advantage that we are able to differentiate our service using NTT’s leading technologies, as NTT DATA’s business deals with cutting-edge technologies such as AI and IoT.
   Last, but not the least, we can gain advantage from the joint procurement to reduce costs. We can leverage the economy of scale of the NTT Group in procuring PCs, communication devices, software, etc. and control the costs.

Q3. Are you considering on introducing shareholder benefits?
A3. NTT DATA’s shareholding structure is diverse, consisting of individual investors accounting for about 7%, domestic institutional investors for about 20%, overseas investors for about 17%, our parent companies, and so on. We want to ensure fair return
to various shareholders.

Therefore, our return to the shareholders will be mainly dividends, although we intend to consider a wide range of measures for our shareholders in the future. We ask for your understanding.

Q4. Interest for workstyle reform is increasing these days. What kind of efforts is NTT DATA making for the work style reform?

A4. NTT DATA is working on both sides: one is providing services to support clients in their work style reform and the other is an internal work style reform.

To give you an example of our efforts toward our clients, we provide several services to promote clients’ work style reform and are receiving inquiries from various industries. For example, we provide a solution that enables teleworking using cloud technology. This solution allows employees to work on PCs at home or outside with security, as if they’re working at their office. They can work flexibly without being restricted to time and place, so it is rapidly becoming popular in the recent years.

Meanwhile, we are also working on internal initiatives. Specifically, we have developed a teleworking environment, infrastructure for video conferences, conference calls among others and expanded various structures to use those systems.

We are also reducing work hours and increasing productivity by improving development efficiency, and so on. We succeeded in reducing the annual work hours per employee by 76 hours and increased productivity by 22% compared to FY2013. We achieved these results through automation/optimization to enable delivery of NTT DATA’s standard system development processes using a general purpose environment.

Q5. You said you are aiming to become one of the global top five companies. Please tell us NTT DATA’s current ranking. Is there any company that you are paying special attention to?

A5. As of 2018, we are No. 8 in the global ranking of net sales. No. 1 is IBM, and then Accenture, Deloitte, DXC, PwC, Tata Consultancy Services, Fujitsu, NTT DATA, EY, and Amazon in the descending order.

Among these 10 companies, the difference between those ranking from No. 3 to No. 10 are so narrow that their ranks could change according to foreign exchange rates. We believe that Global Top 5 is a realistic goal. We aim to grow steadily so that we will not fall behind the global competitors that I have listed above. We also aim to become a Global Top 5 company trusted by clients worldwide around 2025.