



May 12, 2023

To whom it may concern

Company name: NTT DATA Corporation
Representative: Yo Honma, Representative Director, President and
Chief Executive Officer
(Security code: 9613, Tokyo Stock Exchange, Prime
Market)
Contact: Sota Endo, Senior Executive Manager, Investor
Relations Office
Tel.: +81-3-5546-8119

**(Update) Notice Concerning Execution of Master Agreement and Shareholders Agreement with Nippon Telegraph and Telephone Corporation, and Execution of Absorption-Type Company Split Agreement with NTT, Inc., for Integration of NTT Group’s Overseas Business, Change of Largest and Major Shareholder and Change of Subsidiaries, and Transition to Holding Company Structure upon Company Split of Domestic Business and Establishment of Split Preparation Company and
Notice Concerning Partial Amendments of Articles of Incorporation**

NTT DATA Corporation (“NTT DATA” or the “Company”) announced that the Company had resolved (i) to integrate the group overseas business of NTT, Inc. (current trade name: NTT DATA, Inc.; “NTT DATA, Inc.”), which was a wholly-owned subsidiary of Nippon Telegraph and Telephone Corporation, into the NTT DATA group’s overseas business; and (ii) by establishing a split preparation company (current trade name: NTT DATA Japan Preparation Corporation; the “Domestic Business Split Preparation Company”) as a wholly-owned subsidiary of the Company; and (iii) by having the Domestic Business Split Preparation Company take over the domestic business of the Company by or around July 1, 2023 through an absorption-type company split (the “Domestic Business Split”), to shift the Company to a holding company with two subsidiaries, i.e., NTT DATA, Inc. and the Domestic Business Split Preparation Company (the “Transition to Holding Company Structure”) in the “Notice Concerning Execution of Master Agreement and Shareholders Agreement with Nippon Telegraph and Telephone Corporation, and Execution of Absorption-Type Company Split Agreement with NTT, Inc., for Integration of NTT Group’s Overseas Business, Change of Largest and Major Shareholder and Change of Subsidiaries, and Transition to Holding Company Structure upon Company Split of Domestic Business and Establishment of Split Preparation Company” dated May 9, 2022 (the “Timely Disclosure Statement dated May 9, 2022”).

The Company hereby announces that, at the Board of Directors meeting dated today, the Company resolved to (i) execute an absorption-type company split agreement for the Domestic Business Split (the “Domestic Business Split Agreement”) with the Domestic Business Split Preparation Company and (ii) submit a proposal for “Partial Amendments of the Articles of Incorporation” to the 35th Ordinary General Meeting of Shareholders to be held on June 20, 2023, in accordance with the Transition to Holding Company Structure, respectively, as described below. The Company hereby also announces that the Company entered into the Domestic Business Split Agreement as of today, as described below. The Domestic Business Split and the partial amendments of the Articles of Incorporation are scheduled to be implemented on July 1, 2023, subject to the Domestic Business Split Agreement being approved at such Ordinary General Meeting of Shareholders.

I. Update of Disclosure Matters

The Company hereby announces that some of the undecided items concerning the Domestic Business Split and the Transition to Holding Company Structure, which were described in the Timely Disclosure Statement dated May 9, 2022 and the “Notice Concerning Change of Trade Names and (Update) Notice Concerning Execution of Master Agreement and Shareholders

Agreement with Nippon Telegraph and Telephone Corporation, and Execution of Absorption-Type Company Split Agreement with NTT, Inc., for Integration of NTT Group’s Overseas Business, Change of Largest and Major Shareholder and Change of Subsidiaries, and Transition to Holding Company Structure upon Company Split of Domestic Business and Establishment of Split Preparation Company” dated February 22, 2023 (the “Timely Disclosure Statement dated February 22, 2023”), have been determined as described below. The item numbers and defined terms used are in accordance with the Timely Disclosure Statement dated May 9, 2022 and the Timely Disclosure Statement dated February 22, 2023, and newly determined or changed items are underlined.

IV. Transition to Holding Company Structure

1. Purpose and Effect of Transition to Holding Company Structure

As detailed in “1. Background” and “2. Objective and Aim” of “I. Execution of Master Agreement and Shareholders Agreement Regarding Overseas Business Integration, and Overseas Business Split” above, the Overseas Business Integration is being carried out against a backdrop of accelerating initiatives toward global digital transformation and complicated and diverse customer needs. In keeping with that, the Company is seeking to reconstruct the group management system, and has deemed it essential to further strengthen governance by making quick decisions that respond to changes in the external environment and regional markets, improving mobility, and designing flexible systems. As a result, the Company will perform the Transition to Holding Company Structure.

After implementing the Transition to Holding Company Structure, the Company will, as a holding company, formulate and execute growth strategies from the perspective of total optimization of the group, and specialize in business management, making efforts to improve the corporate value of the group as a whole.

The shares of the subsidiaries for domestic business of the Company will be succeeded by the Domestic Business Split Preparation Company by way of the Domestic Business Split, and that subsidiaries for domestic business of the Company will be subsidiaries of the Domestic Business Split Preparation Company, and also, continue to be subsidiaries of the Company (i.e., second-tier subsidiary).

2. Summary of Transition to Holding Company Structure

(1) Schedule for Domestic Business Split

| | |
|--|----------------------------------|
| Board of Directors meeting to approve establishment of the Domestic Business Split Preparation Company | May 9, 2022 |
| Establishment of the Domestic Business Split Preparation Company | November 1, 2022 |
| Board of Directors meeting to approve execution of the absorption-type company split agreement | <u>May 12, 2023</u> |
| Execution of the absorption-type company split agreement | <u>May 12, 2023</u> |
| Resolution at shareholders meeting regarding the absorption-type company split agreement | <u>June 20, 2023</u> (scheduled) |
| Effective date of the Domestic Business Split | July 1, 2023 (scheduled) |

(2) Method of Domestic Business Split

The method of the Domestic Business Split is an absorption-type company split where the Company is the splitting company and the Domestic Business Split Preparation Company, which is a wholly-owned subsidiary of the Company established on November 1, 2022, is the succeeding company.

(3) Terms of the Allotment Under Domestic Business Split

The Domestic Business Split Preparation Company will allot 999 shares of its common stock to the Company as

consideration for the Domestic Business Split.

- (5) Capital Change due to Domestic Business Split

There is no capital change due to the Domestic Business Split.

- (6) Rights and Obligations to be Succeeded by the Succeeding Company

The Domestic Business Split Preparation Company will assume from the Company the rights and obligations that the Company has in relation to the domestic business that are prescribed in the Domestic Business Split Agreement.

3. Outline of Companies that are Parties to Domestic Business Split

| | Splitting Company in Absorption-Type Company Split | Succeeding Company in Absorption-Type Company Split | | | | | | | | | | | | | | | | | | |
|---|---|---|---------------|---|---------------|--|--------------|--|--------------|--|--------------|--|--------------|--|--------------|---|--------------|--|--------------|---------------------------|
| (1) Name | NTT DATA Corporation <u>(The trade name will be changed to “NTT DATA GROUP CORPORATION” as of July 1, 2023.)</u> | NTT DATA Japan Preparation Corporation <u>(The trade name will be changed to “NTT DATA JAPAN CORPORATION” as of July 1, 2023.)</u> | | | | | | | | | | | | | | | | | | |
| (2) Address | 3-3, Toyosu 3-chome, Koto-ku, Tokyo | 3-3, Toyosu 3-chome, Koto-ku, Tokyo | | | | | | | | | | | | | | | | | | |
| (3) Title and Name of Representative | Yo Honma, Representative Director, President and Chief Executive Officer | Yo Honma, Representative Director, President and Chief Executive Officer | | | | | | | | | | | | | | | | | | |
| (4) Business Details | Consulting, integrated IT solutions, system and software development, maintenance and support, etc. | Preparation, etc. for taking over the business operated by the Company through an absorption-type company split | | | | | | | | | | | | | | | | | | |
| (5) Stated Capital Amount | <u>142,520 million yen (as of March 31, 2023)</u> | 100 million yen | | | | | | | | | | | | | | | | | | |
| (6) Date of Incorporation | May 23, 1988 | November 1, 2022 | | | | | | | | | | | | | | | | | | |
| (7) Number of Issued Shares | <u>1,402,500,000 shares (as of March 31, 2023)</u> | 1 share | | | | | | | | | | | | | | | | | | |
| (8) Accounting Period | March 31 | March 31 | | | | | | | | | | | | | | | | | | |
| (9) Major Shareholders and Shareholding Ratios (regarding <u>NTT DATA, the information is as of September 30, 2022</u>) | <table border="1"> <tbody> <tr> <td><u>NTT, Inc.</u></td> <td><u>54.19%</u></td> </tr> <tr> <td><u>The Master Trust Bank of Japan, Ltd. (Trust Account)</u></td> <td><u>13.31%</u></td> </tr> <tr> <td><u>Custody Bank of Japan, Ltd. (Trust Account)</u></td> <td><u>6.61%</u></td> </tr> <tr> <td><u>JP MORGAN CHASE BANK 385635 (Standing proxy: Mizuho Bank, Ltd.)</u></td> <td><u>1.34%</u></td> </tr> <tr> <td><u>NTT DATA Employee Share-Holding Association</u></td> <td><u>1.00%</u></td> </tr> <tr> <td><u>JP MORGAN CHASE BANK 380072 (Standing proxy: Mizuho Bank, Ltd.)</u></td> <td><u>0.85%</u></td> </tr> <tr> <td><u>STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing proxy: Mizuho Bank, Ltd.)</u></td> <td><u>0.82%</u></td> </tr> <tr> <td><u>HSBC HONGKONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES (Standing proxy: The Hongkong and Shanghai Banking Corporation Limited)</u></td> <td><u>0.63%</u></td> </tr> <tr> <td><u>JP MORGAN CHASE BANK 385781 (Standing proxy: Mizuho Bank, Ltd.)</u></td> <td><u>0.60%</u></td> </tr> </tbody> </table> | <u>NTT, Inc.</u> | <u>54.19%</u> | <u>The Master Trust Bank of Japan, Ltd. (Trust Account)</u> | <u>13.31%</u> | <u>Custody Bank of Japan, Ltd. (Trust Account)</u> | <u>6.61%</u> | <u>JP MORGAN CHASE BANK 385635 (Standing proxy: Mizuho Bank, Ltd.)</u> | <u>1.34%</u> | <u>NTT DATA Employee Share-Holding Association</u> | <u>1.00%</u> | <u>JP MORGAN CHASE BANK 380072 (Standing proxy: Mizuho Bank, Ltd.)</u> | <u>0.85%</u> | <u>STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing proxy: Mizuho Bank, Ltd.)</u> | <u>0.82%</u> | <u>HSBC HONGKONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES (Standing proxy: The Hongkong and Shanghai Banking Corporation Limited)</u> | <u>0.63%</u> | <u>JP MORGAN CHASE BANK 385781 (Standing proxy: Mizuho Bank, Ltd.)</u> | <u>0.60%</u> | NTT DATA Corporation 100% |
| <u>NTT, Inc.</u> | <u>54.19%</u> | | | | | | | | | | | | | | | | | | | |
| <u>The Master Trust Bank of Japan, Ltd. (Trust Account)</u> | <u>13.31%</u> | | | | | | | | | | | | | | | | | | | |
| <u>Custody Bank of Japan, Ltd. (Trust Account)</u> | <u>6.61%</u> | | | | | | | | | | | | | | | | | | | |
| <u>JP MORGAN CHASE BANK 385635 (Standing proxy: Mizuho Bank, Ltd.)</u> | <u>1.34%</u> | | | | | | | | | | | | | | | | | | | |
| <u>NTT DATA Employee Share-Holding Association</u> | <u>1.00%</u> | | | | | | | | | | | | | | | | | | | |
| <u>JP MORGAN CHASE BANK 380072 (Standing proxy: Mizuho Bank, Ltd.)</u> | <u>0.85%</u> | | | | | | | | | | | | | | | | | | | |
| <u>STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing proxy: Mizuho Bank, Ltd.)</u> | <u>0.82%</u> | | | | | | | | | | | | | | | | | | | |
| <u>HSBC HONGKONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES (Standing proxy: The Hongkong and Shanghai Banking Corporation Limited)</u> | <u>0.63%</u> | | | | | | | | | | | | | | | | | | | |
| <u>JP MORGAN CHASE BANK 385781 (Standing proxy: Mizuho Bank, Ltd.)</u> | <u>0.60%</u> | | | | | | | | | | | | | | | | | | | |

| | | | |
|------|--|---|---|
| | <u>STATE STREET BANK AND TRUST COMPANY 505025</u> (Standing proxy: Mizuho Bank, Ltd.) | <u>0.60%</u> | |
| (10) | Relationship of the Companies | | |
| | Capital Relationship | The Domestic Business Split Preparation Company is a wholly-owned subsidiary of the Company. | |
| | Personnel Relationship | The Company has dispatched 6 directors and 1 statutory auditor. | |
| | Business Relationship | The Company is entrusted with the service related to providing support for the operations of the Domestic Business Split Preparation Company. | |
| (11) | <u>Business Performance and Financial Position for the most recent fiscal year</u> (Unit: million yen, unless otherwise specifically indicated) | | |
| | <u>Accounting Period</u> | <u>NTT DATA (consolidated) (IFRS)</u> <u>Fiscal Year Ended March 2023</u> | <u>Domestic Business Split Preparation Company (non-consolidated) (Japan Standard)</u> <u>Fiscal Year Ended March 2023</u> |
| | <u>Equity Attributable to Shareholders of the Company or Net Asset Amount</u> | <u>1,452,367</u> | <u>197</u> |
| | <u>Total Assets or Total Assets Amount</u> | <u>6,158,194</u> | <u>199</u> |
| | <u>Equity Attributable to Shareholders of the Company per Share or Net Assets per Share(In yen for NTT DATA)</u> | <u>1,035.93</u> | <u>197</u> |
| | <u>Net Sales</u> | <u>3,490,182</u> | <u>0</u> |
| | <u>Operating Income</u> | <u>259,110</u> | <u>(3)</u> |
| | <u>Profit Before Tax or Ordinary Income</u> | <u>242,800</u> | <u>(3)</u> |
| | <u>Net Profit Attributable to Shareholders of the Company for the Current Fiscal Year or Net Profit Attributable to the Parent Company for the Current Fiscal Year</u> | <u>149,962</u> | <u>(3)</u> |
| | <u>Basic Net Income per Share or Net Income per Share(In yen for NTT DATA)</u> | <u>106.95</u> | <u>(3)</u> |

(Note) The shareholding ratio is calculated based on the total number of issued shares excluding treasury shares.

4. Outline of Business Subject to the Split

(1) Business Divisions Subject to Split

Domestic business operated by NTT DATA group and formulation of strategy, business management, governance management, etc. regarding the domestic business.

(2) Operating Results of Divisions Subject to Split

| | <u>Fiscal Year Ended March 31, 2021</u> | <u>Fiscal Year Ended March 31, 2022</u> | <u>Fiscal Year Ended March 31, 2023</u> |
|----------------|---|---|---|
| <u>Revenue</u> | <u>1,015,738 million yen</u> | <u>1,094,240 million yen</u> | <u>1,151,826 million yen</u> |

(3) Amounts of Assets and Liabilities Subject to Split (as of March 31, 2023)

| <u>Assets</u> | <u>Liabilities</u> |
|------------------------------|----------------------------|
| <u>1,203,275 million yen</u> | <u>948,939 million yen</u> |

(Note) The amounts of each of the “Operating Results of Divisions Subject to Split” and “Amounts of Assets and Liabilities Subject to Split” are internally controlled figures calculated based on certain assumptions and are unaudited reference values. The asset and liability items subject to the split and amounts thereof are based on the balance sheet of the Company as of March 31, 2023. Therefore, the actual amounts subject to the split (i.e., the amounts obtained by adding or subtracting any increase or decrease occurring before the effective date of the Domestic Business Split to or from the amount above) may vary.

5. Status After Domestic Business Split

(1) Status of Splitting Company after Domestic Business Split

| | |
|---|--|
| <u>(1) Name</u> | <u>NTT DATA GROUP CORPORATION (The trade name will be changed from “NTT DATA Corporation” as of July 1, 2023.)</u> |
| <u>(2) Address</u> | <u>3-3, Toyosu 3-chome, Koto-ku, Tokyo</u> |
| <u>(3) Title and Name of Representative</u> | <u>Yo Honma, Representative Director, President and Chief Executive Officer (scheduled) After the election of directors at the general meeting of shareholders of NTT DATA to be held in June 2023, the Representative Director, President and Chief Executive Officer will be officially determined at a meeting of the Board of Directors to be held after such general meeting of shareholders.</u> |
| <u>(4) Business Details</u> | <u>Strategy formulation and promotion (including innovation, marketing and strategic investments), business management, technology research and development, and ensuring governance, etc. for the entire NTT DATA group</u> |
| <u>(5) Stated Capital Amount</u> | <u>142,520 million yen (as of March 31, 2023)</u> |
| <u>(6) Accounting Period</u> | <u>March 31</u> |

(2) Status of Succeeding Company after Domestic Business Split

| | |
|---|--|
| <u>(1) Name</u> | <u>NTT DATA JAPAN CORPORATION (The trade name will be changed from “NTT DATA Japan Preparation Corporation” as of July 1, 2023.)</u> |
| <u>(2) Address</u> | <u>3-3, Toyosu 3-chome, Koto-ku, Tokyo</u> |
| <u>(3) Title and Name of Representative</u> | <u>Yutaka Sasaki, Representative Director, President and Chief Executive Officer (scheduled) After the election of directors at the general meeting of shareholders of the Domestic Business Split Preparation Company to be held in June 2023, the Representative Director, President and Chief Executive Officer will be officially determined at a meeting of the Board of Directors to be held after such general meeting of shareholders.</u> |

| | |
|----------------------------------|--|
| (4) <u>Business Details</u> | <u>Consulting, integrated IT solutions, system and software development, maintenance and support, etc.</u> |
| (5) <u>Stated Capital Amount</u> | <u>500 million yen (scheduled)</u> |
| (6) <u>Accounting Period</u> | <u>March 31</u> |

6. Outline of Accounting Treatment

The Domestic Business Split will constitute a transaction, etc. under common control under the Company group’s accounting policy.

7. Future Outlook

We are currently investigating the impact this transaction will have on the financial results from fiscal year ending March 31, 2024, and we will promptly give notice if it is necessary to make a new disclosure regarding the transaction.

II. Partial Amendments of Articles of Incorporation

1. Purpose of Amendments

In connection with the Transition to Holding Company Structure, the Company proposes that the trade name of the Company be changed to “NTT DATA GROUP CORPORATION” and the business purpose be changed to “business management, etc. as a holding company.” For details of the Transition to Holding Company Structure, please refer to the Timely Disclosure Statement dated May 9, 2022.

These amendments shall become effective as of the effective date of the Domestic Business Split, subject to the effectiveness of the Domestic Business Split.

2. Details of Amendments

The details of amendments are as follows.

(Underlined parts indicate amendment)

| Current Articles of Incorporation | Proposed Amendments of Articles of Incorporation |
|---|--|
| <p>Article 1 (Trade Name)</p> <p>The trade name of the company is <u>Kabushiki Kaisha NTT DATA</u>.</p> <p>2. The trade name <u>of</u> the company in English translation shall be <u>NTT DATA CORPORATION</u>.</p> <p>Article 2 (Purpose)</p> <p>The purpose of the company shall engage in the following activities:</p> <p>1. <u>Telecommunication businesses;</u></p> <p>2. <u>Contracted work for development and maintenance, sale and lease of data communication systems;</u></p> | <p>Article 1 (Trade Name)</p> <p>The trade name of the company is <u>Kabushiki Kaisha NTT DATA GROUP</u>.</p> <p>2. The trade <u>name</u> of the company in English translation shall be <u>NTT DATA GROUP CORPORATION</u>.</p> <p>Article 2 (Purpose)</p> <p>The purpose of the company shall engage in the following activities:</p> <p>1. <u>Controlling and managing business activities of companies (including foreign companies), partnerships (including those equivalent thereto in foreign countries), or any other entities similar thereto within the group by acquiring or holding their shares or equity;</u></p> <p>2. <u>Activities regarding the provision of management guidance and support to the companies, etc. set forth in the preceding item;</u></p> |

| | |
|---|--|
| <p>3. <u>Contracted work for development and maintenance, sale and lease of software and equipment relating to data communication systems;</u></p> <p>4. <u>Contracted construction work relating to data communication systems, and other types of contracted construction and installment work;</u></p> <p>5. <u>Information processing, mediation and service provisions, as well as commodity trading and settlement operation services using networks such as the Internet, cable television, communication satellites etc;</u></p> <p>6. <u>Production and sale of contents such as multi-media-related voices, images, data etc;</u></p> <p>7. <u>Acting for administrative processes for enterprises, such as accounting administrations, salary calculations, various insurance processing implementations etc;</u></p> <p>8. <u>Acquisition, development of usage methods, usage permission, management, and transfer of intellectual properties such as copyrights, industrial properties, know-how and others, and mediation for such activities;</u></p> <p>9. <u>Development and sale of and advertising agency business for advertising medium;</u></p> <p>10. <u>Lease, mediation, possession and management of real estate properties;</u></p> <p>11. <u>Worker dispatching service;</u></p> <p>12. <u>Agency business for casualty insurance and services relating to solicitation for life insurance;</u></p> <p>13. <u>Contracted work for planning, study, research, training and consulting relating to each of the above;</u></p> <p>14. <u>Other general commercial activities apart from the above; and</u></p> <p>15. <u>All other businesses related to each of the above.</u></p> | <p>3. <u>Planning, conducting surveys, research, development, providing technical support, training and consulting, and other activities regarding systems for management, business, information processing and telecommunications, etc;</u></p> <p>4. <u>Acquisition, development of usage methods, usage permission, management, and transfer of intellectual properties such as copyrights and associated rights, industrial properties, know-how and others, and mediation for such activities;</u></p> <p>5. <u>Lease, mediation, possession and management of real estate properties; and</u></p> <p>6. <u>Other general commercial activities apart from the above.</u></p> <p>7. - 15. (Deleted)</p> |
|---|--|

3. Schedules for Amendments

- | | |
|---|-------------------------------------|
| (1) Date of the shareholders meeting for amendments of the Articles of Incorporation: | June 20, 2023 (Tuesday) (scheduled) |
| (2) Effective date of amendments of the Articles of Incorporation: | July 1, 2023 (Saturday) (scheduled) |

End