

*Note: This document is the English translation of Dai 26kai teiji kabunushisokai shoshu gotsuchi (Notice of Convocation of the 26<sup>th</sup> Ordinary General Meeting of Shareholders) and is provided solely for reference purposes. In the event of any inconsistency between the Japanese version and any English translation of it, the Japanese version will govern.*

Security code: 9613  
May 29, 2014

To Our Shareholders

NTT DATA CORPORATION  
3-3, Toyosu 3-chome, Koto-ku, Tokyo, Japan  
Toshio Iwamoto  
President and Chief Executive Officer

## **NOTICE OF CONVOCATION OF THE 26<sup>TH</sup> ORDINARY GENERAL MEETING OF SHAREHOLDERS**

We are pleased to notify you that the 26<sup>th</sup> Ordinary General Meeting of Shareholders will be held as stated below. Your attendance is respectfully requested.

**In the event that you are unable to attend the 26<sup>th</sup> Ordinary General Meeting of Shareholders, please exercise your voting rights by either of the following methods by June 17, 2014, Tuesday, 6:00 p.m.**

### **[Exercise of Voting Rights by Mail]**

**You are requested to examine the attached reference documents, indicate your approval or disapproval on the enclosed voting right exercise form, and return it to NTT DATA by the above date and time.**

### **[Exercise of Voting Rights by Electronic Method (via the Internet, etc.)]**

**You are requested to access the website (<http://www.web54.net>) designated by NTT DATA for exercising your voting rights as indicated on the voting right exercise form, examine the reference documents on the website, and input your approval or disapproval following the instructions on the screen. Before exercising your voting rights via the Internet, please read pages 41 and 42.**

### Particulars

1. **Date and Time:** June 18, 2014, Wednesday, 10:00 a.m.
2. **Venue:** Large Hall, 5<sup>th</sup> floor  
Tokyo Conference Center Shinagawa  
NTT DATA Shinagawa Building  
(A,RE,A Shinagawa)  
9-36, Konan 1-chome, Minato-ku, Tokyo  
(Please refer to “Access to the Meeting Venue.”)
3. **Purposes of the Meeting:**
  1. Report on business report, consolidated financial statements, and audit results of consolidated financial statements by the independent auditor and the Board of Corporate Auditors for the 26<sup>th</sup> fiscal year (from April 1, 2013 to March 31, 2014)
  2. Report on non-consolidated financial statements for the 26<sup>th</sup> fiscal year (from April 1, 2013 to March 31, 2014)

**Matters to be resolved**

<b>First Item</b>	Appropriation of Retained Earnings
<b>Second Item</b>	Election of 2 Directors
<b>Third Item</b>	Election of 1 Corporate Auditor

END

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- If you attend the meeting in person, please submit the enclosed voting right exercise form to the receptionist at the meeting venue.
  - The documents appended to this Notice of Convocation of the 26<sup>th</sup> Ordinary General Meeting of Shareholders do not include the notes to the consolidated financial statements and the notes to the non-consolidated financial statements, since they are presented on the NTT DATA website (<http://www.nttdata.com/jp/ja>) in accordance with legal requirements and the provisions of the Company's articles of incorporation.
  - Consolidated financial statements and non-consolidated financial statements that were audited by the independent auditor include documents, which are described in the documents appended to this Notice of Convocation of the 26<sup>th</sup> Ordinary General Meeting of Shareholders, and the notes to the consolidated financial statements and the notes to the non-consolidated financial statements, which are presented on the NTT DATA website.
  - If any revisions are made to the reference documents, business report or consolidated and non-consolidated financial statements by the day before the date of the ordinary general meeting of shareholders, we will inform you of the revisions by inserting a notice on the NTT DATA website.

# **BUSINESS REPORT**

(From April 1, 2013 to March 31, 2014)

## **I. MATTERS CONCERNING PRESENT CONDITION OF THE CORPORATE GROUP**

### **1. Business Progress and Results**

#### (1) Overall business conditions

During the current consolidated fiscal year under review, Japan's economy moderately recovered with a continuous improvement in corporate profitability as well as a pick-up in capital investment. Its economy down the track is expected to maintain moderate growth despite consumers' buying binge ahead of a consumption tax hike and a likely subsequent decline in their spending after the hike. Nevertheless, the downturn in overseas economies represents a major factor that could serve to weaken the Japanese economy.

In the information services industry, the market indicated moderate recovery thanks to the promotion of IT investment to respond to various system renewal projects that had previously been suspended, as well as to the preparations for international expansion by financial institutions, manufacturing sector and distribution & services providers. Nonetheless, a need to subdue system maintenance and management costs as well as severe price competition will still remain.

#### Implementation of management policies

Under such circumstances, the NTT DATA Group formulated the Medium-term Management Plan for the fiscal Years 2012 to 2015, with the aim of "becoming a Global Top 5 player (over 1.5 trillion yen in net sales)" and "achieving an EPS of 200 yen" (Note 1) by evolving into a corporate group that can efficiently provide diverse IT services worldwide. In line with this plan, we are concentrating on the plan's primary strategies, namely "Expansion of New Fields and Reinforcement of Product Competitiveness", "Expansion, Enhancement and Reinforcement of Global Business" and "Pursuit of Overall Optimization". Examples of specific action taken are as follows.

#### •"Expansion of New Business Fields and Reinforcement of Product Competitiveness"

We increased net sales whose growth rate exceeded the market growth rate by capturing opportunities to enter the market resulting from recent years' changes in the business environment and ICT, and also promoted remarketing by creating an unprecedented market while predicting clients' needs in advance by making the best use of the latest technology. For examples of specific action taken during the current consolidated fiscal year under review, please see "Implementation of business activities" on page 4.

Through the complete automation in development operation, we promoted innovation of product technology to achieve sophistication and speed in product development, as well as strategic R&D by assessing important future technology in light of the direction of the information society. For examples of specific action taken during the current consolidated fiscal year under review, please see "5. Progress of Technical Development" on page 9.

#### •"Expansion, Enhancement, and Reinforcement of Global Business"

We turned the everis Group of Spain into a wholly-owned subsidiary of our group. The everis Group is an IT service provider, whose business is widely ranging from consulting, system integration, to outsourcing, mainly in Spain and Central and South America. Furthermore, NTT DATA, Inc., our U.S. subsidiary, has concluded a business combination with Optimal Solutions Integration, Inc. (NTT DATA Enterprise Services, Inc. was renamed from its Optimal Solutions Integration, Inc. on March 31, 2014), the major provider in North America focused exclusively on SAP solutions and services, and thereby the leading SAP provider has become a wholly owned subsidiary of our group.

•“Pursuit of Overall Optimization”

With the "Group Management Infrastructure", the internal system that we have developed for effective group management, we realize optimal placement of management resources.

Through effective usage of this system, we aim to speed up our business management, improve information accuracy for decision making, and exercise the group synergy effect.

• Activities to promote “Diversity & Inclusion”(Note 2) that we were working on as our important management issue won the Basic Achievement Award at the 2014J-Win Diversity Awards (Company Award) presented by the Japan Women’s Innovative Network, a nonprofit organization.

Notes:

1. EPS of 200 yen

EPS was changed from 20,000 yen to 200 yen by the stock split (at a ratio of 1:100) effective on October 1, 2013.

2. Diversity & Inclusion (D&I)

D&I means to “accept diverse human resources and make use of their skills”. D&I is an idea to demonstrate abilities and create new things through mutual understanding and respect, which will lead to the enhancement of competitiveness and sustainable growth of companies.

Implementation of business activities

Through the above measures, we strove to expand businesses in the global market in order to cope with clients’ acceleration of business expansion into the global market and meet their diversified and sophisticated needs. We also made efforts to expand diverse IT services in response to market changes and stably provide such services.

The following sections present descriptions of efforts made in each of its segments.

< Public & Financial IT Services >

• We concluded and signed an initial agreement with the Vatican Apostolic Library for the project of digitally archiving and preserving manuscripts for a long time that can be called human historical legacies consisting of approximately 80,000 manuscripts with approximately 40 million pages that were written from the second century to the 20th century and are kept in the Vatican Apostolic Library (an agreement to digitalize approximately 3,000 manuscripts in four years).

• Among exports of Japanese infrastructure solutions, we started offering services of systems (VNACCS/VCIS) in Vietnam that realized the efficiency of administrative procedures relating to trade procedure and customs clearance systems such as import/export declaration and clearance inward/outward, and other matters in Vietnam using expertise on Japan’s NACCS(Note 1) and CIS(Note 2).

• Among infrastructure exports promoted by the Japanese government as part of Official Development Assistance (ODA), we received an order to develop software for an account settlement system of the Central Bank of Myanmar.

• We have become the first Japanese company to join the Asian Payment Network (APN), an organization that aims to develop a common payment settlement system in the Asia-Pacific region. In collaboration with other member companies of the APN in countries of the Asia-Pacific region, we started considering the Asian retail settlement business.

< Enterprise IT Services >

• We have been promoting a project as a partner company (integrator) on the development of the smart meter operation management system for Tokyo Electric Power Company, Incorporated (“TEPCO”). The systems will control and manage smart meters that are scheduled to be installed in 27 million households in the region covered by TEPCO. In addition, the systems will be used as an information management base for the introduction of various new services following the deregulation of the Japanese electric power market, such as the Visualization Service of electricity

consumption, that are currently being studied.

• Since we started offering the “Twitter Data Distribution Service”, we have been promoting activities to utilize and spread social media, such as studies of purchasing behaviors through the utilization of Twitter data in news reports and Twitter data analysis, and collaborative work with Oracle Corporation Japan in the initiative for analyzing Big Data. Furthermore, we developed the “Twitter Sentiment Index” jointly with our subsidiary NTT DATA Mathematical Systems Inc., which analyzes the relationship between Twitter users’ sentiments and a stock index by extracting and quantifying Tweet related to the stock market.

#### < Solutions & Technologies >

• Following the recent rapid penetration of smartphones and tablets, we launched the “BIZXAAS CRM” that enhanced the smart device function based on the previous SFA/CRM solutions. In addition to the improvement in smart device function, it became possible to provide a smart device terminal together with management software, as well as to support operations management.

• In a Cloud Services Brokerage, we launched the “Multiple Clouds Infrastructure Offering Service” and “Multiple Clouds Control Service”. The former service is aimed at selecting and offering optimal cloud architecture, while the latter provides a service for integrated control and administration by combining multiple cloud computing systems. Our open source software (OSS) (Note 3), “Hinemos” (Note 4), has made it possible to create an integrated control infrastructure for elaborate administration of a multiple-cloud system environment.

#### < Global Business >

• In collaboration with the NTT Group, NTT DATA, Inc., our U.S. subsidiary, concluded large multi-year agreements on a wide range of operations, IT support and other services with the Texas Department of Transportation (the transportation bureau of Texas), Yum! Brands, Inc., a dining-out company that runs KFC and Pizza Hut in locations throughout the world, and other companies. NTT DATA, Inc. is currently offering services to them.

• NTT DATA Global Delivery Services Limited, an Indian base of our U.S. subsidiary NTT DATA, Inc., achieved Level 5, the highest level, in both development and services of the CMMI (Capability Maturity Model Integration)(Note 5) version 1.3, a model representing the maturity of organizations that engage in system development.

#### Notes:

##### 1. Nippon Automated Cargo and Port Consolidated System (NACCS)

NACCS is an electronic application system used by public and private organizations which performs administrative procedures such as import and export declarations and port arrival and departure procedures for ships and aircraft, as well as private operations relating to import and export procedures.

##### 2. Customs Intelligence Database System (CIS)

CIS is an information system through which all customs clearance records for imports and exports and information on importers and exporters are compiled centrally and used for customs screening.

##### 3. OSS (Open Source Software)

Computer software with its source code made available to the public for free, so that anyone can change and redistribute the software.

##### 4. Hinemos

Open source software (OSS), which manages and monitors operating conditions and the status of computing systems in an integrated manner to ensure stable operations.

##### 5. Capability Maturity Model Integration (CMMI)

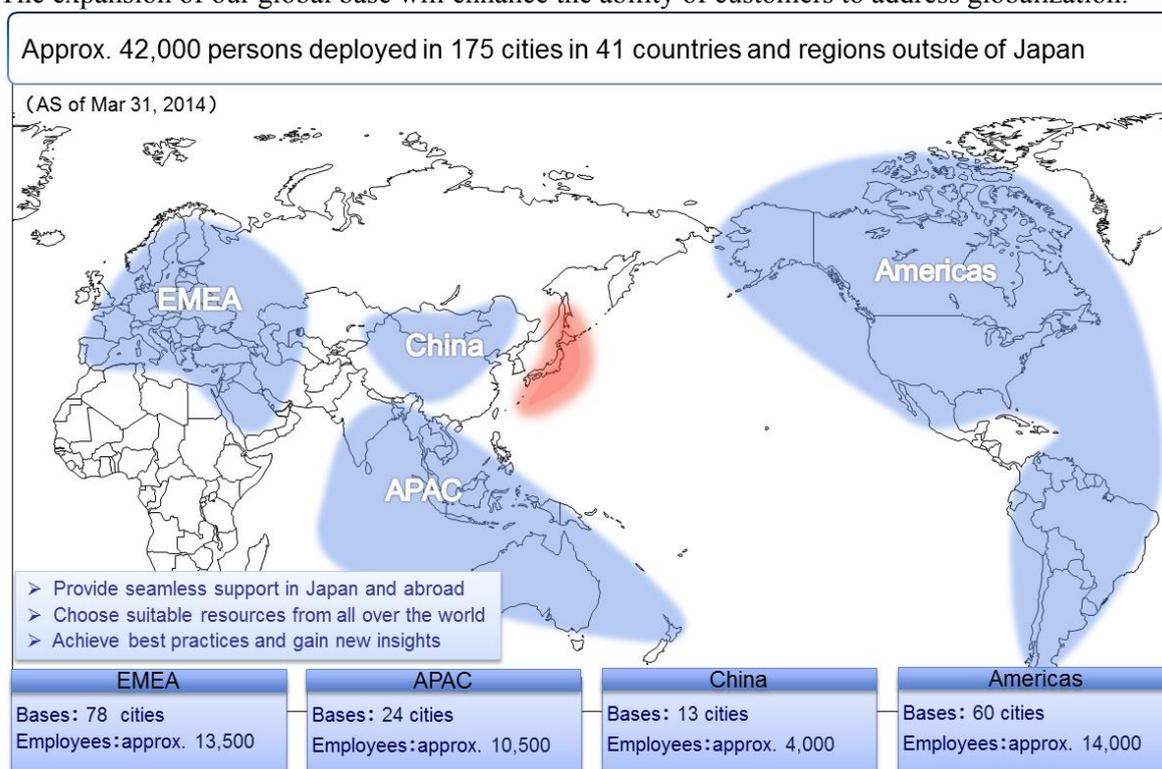
Model developed in 1999 at the CMMI Institute, Carnegie Mellon University, under the auspices of the U.S. Department of Defense, to represent the maturity of organizations that engage in system development. CMMI represents maturity in stages while defining the features of the process that is effective to meet each degree of maturity. CMMI is used by many companies in the world as the de facto standard of reference models for process improvement.

In addition to the above-mentioned efforts, we opened the Second Center following the business expansion of the Ishinomaki BPO Center that was established as part of continued measures for reconstruction assistance in areas affected by the Great East Japan Earthquake. We strive to create jobs for 100 people in total together with the existing First Center.

As stated in the above, we have been executing various initiatives toward business expansion, while there have been a number of unprofitable projects, where we have incurred losses of about 31.5 billion yen. We consider the major cause for those occurrences to be a lack of carrying out thorough assessments on the validity of project implementation plans at the time of receiving an order; these orders are those that our target customers brought us as new business deals or deals applying new technology.

To prevent the recurrence of such problems, in addition to the measures taken up to the present for managing unprofitable projects, we newly established the Project Examination Committee, a body under the direct control of the President, in October 2013 and the Committee has been administering projects. The Committee shall screen the validity of a plan when an order is received for new deals over a certain scale, while conducting a field inspection to verify the actual process development. We will endeavor to prevent unprofitable projects through having adequate management of this Committee and fully assure the validity of project implementation plans in critical deals.

The following shows the status of overseas bases during the period under review. The expansion of our global base will enhance the ability of customers to address globalization.



As a result of these activities, business performance during the period was as follows.

• New Orders Received	1,400,221 million yen	(up	17.0 % year-on-year)
• Net Sales	1,343,772 million yen	(up	3.2% year-on-year)
• Operating Income	62,583 million yen	(down	27.0% year-on-year)
• Ordinary Income	62,153 million yen	(down	24.1% year-on-year)
• Net Income	23,287 million yen	(down	46.5% year-on-year)

## (2) Progress by business segment

Progress by business segment is as follows. Each business of NTT DATA is described in the “I. Matters concerning Present Condition of the Corporate Group, 8. Principal Business” of the Business Report.

In the Public & Financial IT Services segment, net sales totaled 721,698 million yen (down 1.0% year-on-year) as a result of a scale-down of the existing large-scale system of the Company itself, and other effects.

In the Enterprise IT Services segment, net sales totaled 279,340 million yen (down 7.2% year-on-year) as a result of a scale-down of the system and software development for existing customers of the Company itself, and other effects.

In the Solutions & Technologies segment, net sales totaled 179,131 million yen (up 7.2% year-on-year) as a result of an increase in the system and software development of the Company itself, an increase in net sales of its existing subsidiaries within the Group, and other effects.

In the Global Business segment, net sales totaled 314,535 million yen (up 28.4% year-on-year) as a result of an increase in the net sales of the existing subsidiaries mainly in North America, the effect of foreign exchange fluctuations, and other effects.

Items	Net Sales (¥ million)				
	25 <sup>th</sup> Fiscal Year (2012)		26 <sup>th</sup> Fiscal Year (2013)		
		Component ratio (%)		Component ratio (%)	Percent change (%)
Public & Financial IT Services	728,885	50.0	721,698	47.8	(1.0)
Enterprise IT Services	301,107	20.6	279,340	18.5	(7.2)
Solution & Technologies	167,082	11.5	179,131	11.9	7.2
Global Business	244,917	16.8	314,535	20.8	28.4
Others	16,495	1.1	14,712	1.0	(10.8)
Subtotal	1,458,487	100.0	1,509,418	100.0	3.5
Adjustments	(156,546)	—	(165,645)	—	5.8
Total	1,301,941	—	1,343,772	—	3.2

## 2. Changes in Assets and Profit and Loss

### Changes in Assets and Profit and Loss of the Corporate Group

(¥ million, except net income per share [yen])

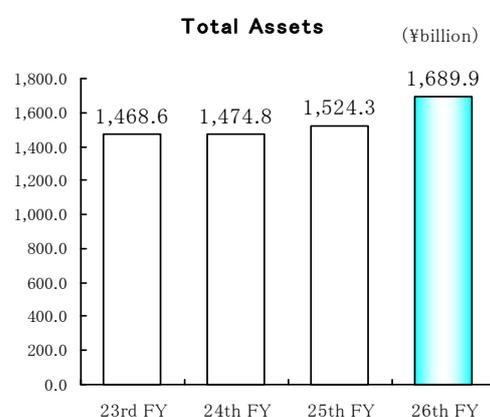
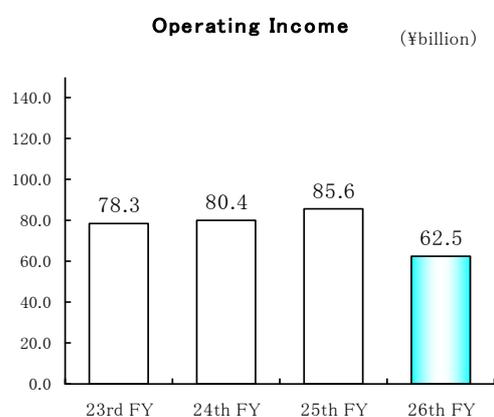
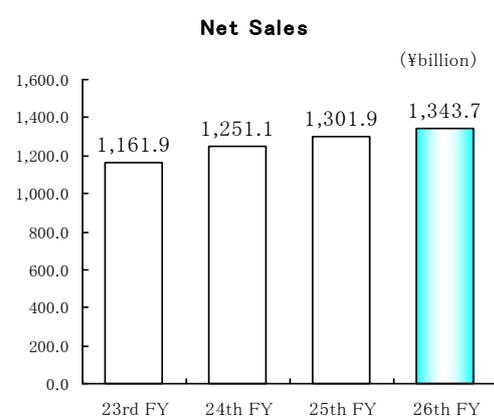
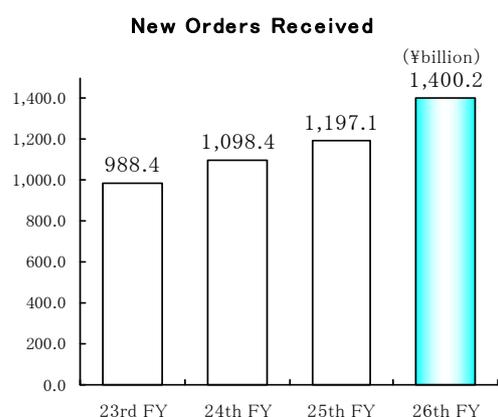
Items \ Year	23 <sup>rd</sup> Fiscal Year (2010)	24 <sup>th</sup> Fiscal Year (2011)	25 <sup>th</sup> Fiscal Year (2012)	26 <sup>th</sup> Fiscal Year (2013)
Net Sales	1,161,962	1,251,177	1,301,941	1,343,772
Operating Income	78,306	80,416	85,696	62,583
Ordinary Income	75,779	75,588	81,870	62,153
Net Income	37,313	30,446	43,517	23,287
Net Income per Share	133	109	155	83
Total Assets	1,468,617	1,474,894	1,524,309	1,689,940
Net Assets	630,317	639,750	684,207	709,818

New Orders Received	988,484	1,098,400	1,197,168	1,400,221
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Notes:

1. Net income per share is calculated based on the average number of shares outstanding during the fiscal year.

2. Net income per share is a figure derived by assuming that the share split of October 1, 2013 was conducted at the beginning of the 23rd fiscal year.



### **3. Capital Investments**

Capital investments this fiscal year totaled 147,725 million yen (up 21.0 % year-on-year) and comprised principally capital investment in Public & Financial IT Services segment.

### **4. External Financing**

In this consolidated fiscal year, NTT DATA issued 25.0 billion yen's worth of corporate bonds and borrowed 25.0 billion yen as long-term borrowings for the redemption of debts, etc.

### **5. Progress of Technical Development**

In pursuit of "Expansion of new fields and reinforcement of product competitiveness," which is the key objective of the Medium-term Management Plan, NTT DATA implemented technical development focused on "Software Engineering", "Advanced Technology", and "IT Base Technology". The results are set out below.

#### Software Engineering

We adopted "TERASOLUNA(Note 1) Reengineering", which automates a specification analysis of existing systems, to 20 or more projects. The adoption of "TERASOLUNA ViSC v1.6", a development automation tool, was expanded to 40 or more projects. In addition, we adopted "TERASOLUNA Suite v1.0", which enables a group of automation tools of TERASOLUNA to operate simultaneously, to 10 or more projects. With this, we realized high-quality and high-speed system development.

#### Advanced Technology

For the Upper House election in July 2013 where the ban on the use of the Internet for election campaigns was lifted, Japan Broadcasting Corporation (NHK) broadcasted in its news reports on the Upper House election the results of analyzing and visualizing how candidates' Twitter information spreads on the Internet, and how the net users' interest level in each political party changes by expressing in a tree diagram.

We developed a demonstration version of traffic congestion prediction and signal control systems using a large-scale multi-agent simulation technology(Note 2), and exhibited it at the ITS WORLD CONGRESS TOKYO 2013 and other places. With the systems, we realized real-time simulations for one million cars.

#### IT Base Technology

In the situation where the fully-fledged use of smartphones and tablets within companies is required, we developed a next-generation mobile utilization base that can seamlessly integrate smart devices and corporate systems while ensuring security. At ITpro EXPO 2013, an exhibition sponsored by Nikkei Business Publications, Inc., the next-generation mobile utilization base was granted the ITpro EXPO AWARD 2013 ITmedia Enterprise Award.

As part of the effort to forecast and utilize the near-future vision of the information society and IT-related technology trends, we held a lecture of "NTT DATA Technology Foresight (Note 3)" in major events of the ICT industry such as the Global ICT Conference, ITpro EXPO and Gartner ITxpo. Furthermore, we also held 46 private seminars for our clients, and released "NTT DATA Technology Foresight 2014", the latest version of the trend.

In addition, as part of the effort toward global R&D enforcement, we established a base in Singapore with the aim of promoting research and development activities in the APAC region. In Indonesia, we commenced joint research with Institute of Technology Bandung on Smart Community. In China, we initiated joint research with the Institute of Software, Chinese Academy of Sciences in the fields of SNS and healthcare.

Notes:

1. TERASOLUNA

A solution that incorporates the company's technologies for project management, development processes, frameworks, etc., accumulated from its numerous system development projects, and offers comprehensive support for system development.

2. Multi-agent simulation

Method to analyze whole actions and behaviors that might actually take place by expressing characteristics of the movements made by cars, people, signals and other matters in a mathematical formula for complex transportation systems where matters such as cars, people and signals interact

- with each other, and by simulating the movements on a computer.
3. NTT DATA Technology Foresight  
The near-future vision of the information society (information society trend) and IT-related technology trends. It is derived through comprehensive surveys of the trend relating to IT that are implemented from the perspectives of politics, economy, society and technology, as well as through hearings and discussions with domestic and foreign intellectuals.  
Trend information has been released since 2012, and is updated every year.

## **6. Issues Requiring Attention**

In domestic IT investments, while we see some movements toward business expansion such as in the IT infra-integration, we consider that cost reduction needs in maintenance and operation still remain and by and large we maintain a cautious stance on investments.

Meanwhile, global IT investments, mainly in emerging markets, are expected to continue on a strong trend. Given that our customers are accelerating their movement into the global market, the NTT DATA Group needs to expand its businesses in the global market.

In the IT service market in Japan, due to the diversification and sophistication of the needs of society and our customers, there is an increasing demand for services which can be used as necessary without owning a system, as well as services that match the expectations for price reduction and shorter delivery periods. Therefore, the issue that the NTT DATA Group needs to work on is the expansion of diverse IT services that can respond to changes in the market rather than a business structure that depends on system integration.

The NTT DATA Group has rapidly expanded its size through measures such as capital alliances. In order to take advantage of its larger size, the Group must enhance corporate governance, after which it must promote more efficient utilization of resources and the creation of synergy from the perspective of group-wide optimization.

For the abovementioned issues, the NTT DATA Group has formulated and will implement the Medium-Term Management Plan for 2012 through 2015 as follows.

- Expansion of new fields and reinforcement of product competitiveness  
In response to our customers' expectations of price reduction, the NTT DATA Group will work on broadening solutions to reduce IT costs, such as cloud computing and AMO, while seeking to sophisticate and diversify the services provided in response to the need of customers to apply IT to more advanced and complicated business operations, such as business analytics and core business BPO. In addition, the Group will aim to upgrade and expand businesses that bring sustainable growth to our revenue by developing new businesses, such as M2M clouds and robotics, and by using its resources in areas with the potential for growth in existing businesses and for increase in the market share.  
The Group will also invest aggressively in expanding new businesses and strengthening product competitiveness, through such measures as improvement of software production technology (software development automation) and the R&D of advanced technologies in cooperation with universities and other organizations.
- Expansion, enhancement and reinforcement of global business  
The NTT DATA Group will aim to cover uncharted areas in order to support customers' entries into the global market and provide services to overseas markets with growth potential. In areas where we already have bases, we will implement the expansion, enhancement and reinforcement of businesses by taking advantage of synergy between the NTT DATA Group and the NTT Group.
- Pursuit of overall optimization  
The NTT DATA Group will work on improving operational efficiency by leveraging the size of our businesses, which was achieved through the global-level standardization, streamlining, and intensification of business operations, as well as reorganization and consolidation of group companies and organizations. The Group will promote further growth through resource allocation based on business portfolios which can respond to the rapidly changing environment.

In this consolidated fiscal year, we have incurred heavy losses due to the occurrence of a number of unprofitable projects.

To prevent the recurrence of such problems, in addition to the measures taken up to the present for managing unprofitable projects, we newly established the Project Examination Committee, a body under the direct control of the President, in October 2013 and the Committee has been administering projects. The Committee shall screen the validity of a plan when an order is received for new deals over a certain scale, while conducting a field inspection to verify the actual process development. We will endeavor to prevent unprofitable projects through having adequate management of this Committee and fully assure the validity of project implementation plans in critical deals.

NTT DATA looks forward to the continued understanding and support of all its shareholders in these undertakings.

## 7. Parent Company and Principal Subsidiaries

### (1) Relationship with parent company

The parent company of NTT DATA is Nippon Telegraph and Telephone Corporation, which holds 152,001,000 shares (voting right ratio 54.2%) of NTT DATA. Commercial transactions between NTT DATA and Nippon Telegraph and Telephone Corporation include research and development of basic systems conducted by and services and convenience for the group management provided by Nippon Telegraph and Telephone Corporation.

### (2) Principal subsidiaries

Name of Company	Capital	NTT DATA's Voting Right Ratio	Location	Main Line of Business
NTT DATA SYSTEM TECHNOLOGIES INC.	¥ million 200	97.1%	Chuo-ku, Tokyo	System design/ development
NTT DATA i CORPORATION	¥ million 100	100.0%	Shinjuku-ku, Tokyo	System design/ development
NTT DATA KANSAI CORPORATION	¥ million 400	100.0%	Kita-ku, Osaka city	System design/ development/sales
NTT DATA MANAGEMENT SERVICE CORPORATION	¥ million 100	70.0%	Koto-ku, Tokyo	Administrative agent business
NTT DATA SMS CORPORATION	¥ million 100	100.0%	Koto-ku, Tokyo	Systems operation
NTT DATA CUSTOMER SERVICE CORPORATION	¥ million 2,000	100.0%	Koto-ku, Tokyo	Systems operation/ maintenance
NTT DATA INTELLILINK CORPORATION	¥ million 100	100.0%	Chuo-ku, Tokyo	System design/ development
NTT DATA INTRAMART CORPORATION	¥ million 738	46.8%	Minato-ku, Tokyo	Package software sales
NTT DATA INTERNATIONAL L.L.C.	\$ thousand 1,529,670	100.0%	New York, U.S.A.	Supervision of North American operating subsidiaries
NTT DATA FINANCIAL CORE CORPORATION	¥ million 100	100.0%	Minato-ku, Tokyo	System design/ development
NTT DATA WAVE CORPORATION	¥ million 100	80.1%	Shibuya-ku, Tokyo	System design/ development
NTT DATA SOFIA CORPORATION	¥ million 80	95.0%	Meguro-ku, Tokyo	System design/ development
NTT DATA BUSINESS SYSTEMS CORPORATION	¥ million 100	100.0%	Shinagawa-ku, Tokyo	System design/ development/sales
NTT DATA Getronics Corporation	¥ million 831	70.0%	Chiyoda-ku, Tokyo	System design/ development
NTT DATA EUROPE GmbH & Co. KG	€ thousand 308,044	100.0% (5.0%)	Düsseldorf, Germany	Supervision of overseas SAP operating subsidiaries

Name of Company	Capital	NTT DATA's Voting Right Ratio	Location	Main Line of Business
intelligence AG	€ thousand 82,782	100.0% (100.0%)	Bielefeld, Germany	Consulting System design/ development
NTT DATA CCS CORPORATION	¥ million 330	60.0%	Koto-ku, Tokyo	System design/ development
NTT DATA Deutschland GmbH	€ thousand 98,883	100.0% (100.0%)	Munich, Germany	Consulting System design/ development
NTT DATA MSE CORPORATION	¥ million 200	60.0%	Tsuzuki-ku, Yokohama City	System design/ development
JSOL CORPORATION	¥ million 5,000	50.0%	Chuo-ku, Tokyo	System design/ development
XNET Corporation	¥ million 783	51.0%	Shinjuku-ku, Tokyo	System sales
NJK Corporation	¥ million 4,222	51.2%	Meguro-ku, Tokyo	System design/ development
NTT DATA International Services, Inc.	\$ thousand 1,236,446	100.0% (100.0%)	California, U.S.A.	Consulting System design/ development
NTT DATA, Inc.	\$ thousand 1,683,963	100.0% (100.0%)	Massachusetts, U.S.A.	Consulting System design/ development
NTT DATA Italia S.p.A.	€ thousand 34,237	100.0% (100.0%)	Milano, Italy	Consulting System design/ development
NTT DATA EMEA Ltd.	€ thousand 404,115	100.0%	London, England	Supervision of European operating subsidiaries
Japan Information Processing Service Co.,Ltd.	¥ million 2,460	80.0%	Koto-ku, Tokyo	System design/ development
NTT DATA Enterprise Services Holding, Inc. *	\$ thousand 143,567	100.0% (100.0%)	Texas, U.S.A.	Consulting System design/ development
Everis Participaciones, S.L. *	€ thousand 72,999	100.0%	Madrid, Spain	Consulting System design/ development

Notes:

1. In addition to the above, there were 234 subsidiaries at March 31, 2014.
2. Figures in parentheses in the column of NTT DATA's voting right ratio show the ratio of indirectly owned voting rights included therein.
3. \* NTT DATA or its subsidiaries acquired their shares during the fiscal year.
4. NTT DATA Enterprise Services Holding, Inc. is a holding company of Optimal Solutions Integration, Inc. indicated in "1. Business Progress and Results" (renamed as NTT DATA Enterprise Services, Inc. on March 31, 2014). NTT DATA Enterprise Services Holding, Inc. was renamed from its former name Optimal Solutions Integration Holdings, Inc. on March 28, 2014.
5. Everis Participaciones, S.L. is a holding company of the everis Group indicated in "1. Business Progress and Results".

## 8. Principal Business

Principal business of NTT DATA is as follows:

Business	Description
Public & Financial IT services	Provides high-value-added IT services for social infrastructure, including public administration, healthcare, finance, and settlement systems
Enterprise IT Services	Provides high-value-added IT services that support the business activities of the manufacturing, distribution, service, media, communications, and other industries
Solutions & Technologies	Offers platforms and solutions that support cutting-edge IT services
Global Business	Provides high-value-added IT services mainly in overseas markets

## 9. Principal Centers of the Corporate Group

### (1) Principal Offices of NTT DATA

Head Office:	3-3, Toyosu 3-chome, Koto-ku, Tokyo, Japan	
Divisions:	Public Administration Systems Sector	(Tokyo)
	First Financial Sector	(Tokyo)
	Second Financial Sector	(Tokyo)
	Third Financial Sector	(Tokyo)
	First Enterprise Sector	(Tokyo)
	Second Enterprise Sector	(Tokyo)
	Third Enterprise Sector	(Tokyo)
	Fourth Enterprise Sector	(Tokyo)
	Enterprise Business Consulting and Marketing Sector	(Tokyo)
	Business Solutions Sector	(Tokyo)
	System Platforms Sector	(Tokyo)
	Global Business Sector	(Tokyo)

### (2) Principal offices of principal subsidiaries

As listed in the “Location” column in (2) “Principal Subsidiaries” of Section 7 “Parent Company and Principal Subsidiaries” above.

## 10. Employees

Number of Employees (persons)	Increase/Decrease Compared with the End of the Previous Fiscal Year (persons)
75,020	13,651

Note:

The number of employees above does not include the persons who transferred to other companies, but includes the persons who are transferred from other companies.

(For reference) Employees of NTT DATA

Number of Employees (persons)	Increase/Decrease Compared with the End of the Previous Fiscal Year (persons)	Average Age (years old)	Average Working Years (years)
11,000	196	36.7	12.9

Notes:

1. The number of employees above does not include the persons who transferred to other companies, but includes the persons who are transferred from other companies.
2. In calculating the average working years of employees, the number of working years in Nippon Telegraph and Telephone Corporation, Nippon Telegraph and Telephone East Corporation, Nippon Telegraph and Telephone West Corporation, NTT Communications Corporation, and other companies are included in the above average working years in case of the employees transferred from such companies.

## 11. Principal Lenders

Name of Lender	Borrowings Outstanding (¥ million)
Mizuho Bank, Ltd.	22,949
Sumitomo Mitsui Banking Corporation	20,616
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	18,462
Development Bank of Japan Inc.	10,000
Shinkin Central Bank	8,000

## II. MATTERS CONCERNING SHARES

Upon resolution at the meeting of the Board of Directors on May 8, 2013, the Company conducted a share split at the rate of one common share to 100 shares as of October 1, 2013. In addition, as of the said date, the Company adopted the share unit system and set the number of shares constituting one unit to be 100 shares.

**1. Total number of shares authorized to be issued by the company** 1,122,000,000 shares

Note:

As a result of the share split conducted on October 1, 2013 (one share was divided into 100 shares), the total number of shares authorized to be issued by the Company increased by 1,110,780,000 shares.

**2. Total number of shares issued** 280,500,000 shares

Note:

As a result of the share split conducted on October 1, 2013 (one share was divided into 100 shares), the total number of shares issued increased by 277,695,000 shares.

**3. Number of shareholders** 92,177 persons

### 4. Principal shareholders

Name	Number of Shares Held	Ratio of Shareholding (%)
Nippon Telegraph And Telephone Corporation	152,001,000	54.19
The Master Trust Bank of Japan, Ltd. (Trust Account)	14,799,000	5.28
Japan Trustee Services Bank, Ltd. (Trust Account)	10,676,300	3.81
BNP PARIBAS SECURITIES (JAPAN) LIMITED	3,512,038	1.25
NTT DATA Employee Share-Holding Association	3,026,700	1.08
THE BANK OF NEW YORK MELLON SA/NV 10 (Standing agent: The Bank of Tokyo-Mitsubishi UFJ, Ltd.)	2,425,531	0.86
NORTHERN TRUST CO. (AVFC) SUB A/C NON TREATY (Standing agent: The Hong Kong and Shanghai Banking Corporation Limited Tokyo Branch)	2,384,100	0.85
Trust & Custody Services Bank, Ltd. (Investment Trust Account)	2,346,700	0.84
HSBC ASIA EQUITY FINANCE – JAPAN EQUITIES (TRADING) (Standing agent: The Hong Kong and Shanghai Banking Corporation Limited Tokyo Branch)	2,190,411	0.78
STATE STREET BANK WEST CLIENT - TREATY (Standing agent: Mizuho Bank, Ltd.)	1,457,291	0.52

### III. MATTERS CONCERNING DIRECTORS AND CORPORATE AUDITORS

#### 1. Name of Directors and Corporate Auditors

Position	Name	Areas of responsibility and Principal Concurrent Positions
President and Chief Executive Officer	Toshio Iwamoto	Chairman, Private Finance Initiative / Public Private Partnership(PFI/PPP)
Representative Director and Senior Executive Vice President	Eiji Yamada	Company President, Global Business Company In charge of corporate group CRO in charge of risk management In charge of corporate governance In charge of CSR
Representative Director and Senior Executive Vice President	Yoshinori Hagino	Company President, Enterprise IT Services Company President and Chief Executive Officer, NTT DATA FRONTIER CORPORATION
Representative Director and Executive Vice President	Satoshi Kurishima	Company President, Solutions & Technologies Company CIO, in charge of information strategy CISO, in charge of security strategies In charge of intellectual property strategies
Director and Executive Vice President	Masanori Shiina	Company President, Public & Financial IT Services Company Director, The Center for Financial Industry Information Systems
Director and Senior Vice President	Hironobu Sagae	Head of Finance Department CFO, in charge of financial management Director, NTT DATA MANAGEMENT SERVICE CORPORATION
Director and Senior Vice President	Eiji Ueki	Head of Group Strategy Headquarters Director, NTT DATA MANAGEMENT SERVICE CORPORATION Director, NTT DATA CUSTOMER SERVICE CORPORATION Functional Manager, NTT Education Limited Liability Partnership
Director and Senior Corporate Adviser	Toru Yamashita	Director, Mitsui Fudosan Co., Ltd Chairperson, Public Interest Corporation Commission, Cabinet Office, Government of Japan Director, Non-Profit Organization Broadband Association
Director	Yoichiro Takaya	Director, Strategic Business Development Division of Nippon Telegraph and Telephone Corporation Director of NTT Resonant Inc.
Standing Corporate Auditor	Hiroo Inoue	
Standing Corporate Auditor	Yasuomi Hino	
Corporate Auditor	Yasuhiro Kadowaki	
Corporate Auditor	Rieko Sato	Lawyer Corporate Auditor of Ajinomoto Co., Inc.

Notes:

1. Of the directors, Yoichiro Takaya is an outside director assigned in accordance with Article 2 (xv) of the Companies Act.
2. Of the corporate auditors, three auditors, i.e., Yasuhiro Kadowaki, Yasuomi Hino and Rieko Sato are outside corporate auditors assigned in accordance with Article 2 (xvi) of the Companies Act. NTT DATA has designated both of Yasuomi Hino and Rieko Sato independent directors in accordance with the listing regulations of the Tokyo Stock Exchange on which its stocks are listed, and has notified this to the Tokyo Stock Exchange.
3. Hiroo Inoue, Corporate Auditor, has considerable insight in and knowledge of the finance and accounting field given his business experience in the finance and accounting division of the Company.

## **2. Policies concerning, and Total Remuneration of, Directors and Corporate Auditors**

### **(1) Policies**

Matters regarding remuneration for the directors are determined by the Board of Directors.

The remuneration of directors shall consist of monthly compensation and bonuses. Monthly compensation shall be paid based upon the scope of the function or responsibilities. Bonuses shall be paid considering the performance of the business results during the fiscal year.

In addition, for the purpose of reflecting medium- and long-term business results on remuneration, the directors shall purchase NTT DATA's shares in an amount equal to or more than a certain percentage of their remuneration and hold all of such shares through the terms of their offices.

The remuneration of corporate auditors shall be determined by the corporate auditors after consultation. For the purpose of securing the independence of the corporate auditors, their remuneration is not linked to the business results and the corporate auditors receive monthly compensation only.

### **(2) Total amount of remuneration for directors and corporate auditors during the fiscal year**

Position	Number of Persons	Amount of Remuneration
Director	8 persons	328 million yen
Corporate Auditor	4 persons	84 million yen
Total	12 persons	413 million yen

Notes:

1. Concerning the limit of remuneration for the directors and corporate auditors, the 18<sup>th</sup> General Meeting of Shareholders held on June 22, 2006 passed the resolution to set the limit of remuneration for the directors at 580 million yen in a year and that for the corporate auditors at 150 million yen in a year.
2. The amount of remuneration includes the director bonus of 54 million yen.
3. In addition to the above, an employee bonus of 4 million yen was paid to employee-directors.

### 3. Outside Directors and Corporate Auditors

#### (1) Additional posts in other companies of outside directors and corporate auditors

Position	Name	Concurrent Employers	Concurrent Posts	Relationship with NTT DATA
Outside Director	Yoichiro Takaya	Nippon Telegraph And Telephone Corporation	Director, Strategic Business Development Division	Parent company
		NTT Resonant Inc.	Outside Director	Subsidiary of parent company
Outside Corporate Auditor	Rieko Sato	ISHII LAW OFFICE	Partner	-
		Ajinomoto Co., Inc.	Outside Corporate Auditor	-

#### (2) Main activities during the fiscal year

Position	Name	Main Activities
Outside Director	Yoichiro Takaya	He attended 22 out of the 23 Board of Directors' meetings held during the fiscal year under review, and made statements necessary for deliberating proposals from a point of view that was independent of the members executing the business.
Outside Corporate Auditor	Yasuomi Hino	He attended all 23 meetings of the Board of Directors and all 20 meetings of the Board of Corporate Auditors that were held during the fiscal year under review, and made statements from the viewpoint of compliance with laws and regulations and the Articles of Incorporation, and other viewpoints, when necessary, independent of the members executing the business.
Outside Corporate Auditor	Yasuhiro Kadowaki	He attended 22 out of the 23 Board of Directors' meetings and all 20 meetings of the Board of Corporate Auditors held during the fiscal year under review, and he made statements from the viewpoint of compliance with laws and regulations and the Articles of Incorporation, and other viewpoints, when necessary, independent of the members executing the business.
Outside Corporate Auditor	Rieko Sato	She attended 21 out of the 23 Board of Directors' meetings and 19 out of the 20 Board of Corporate Auditors' meetings that were held during the fiscal year under review, and made statements from the viewpoint of compliance with laws and regulations and the Articles of Incorporation, and other viewpoints, when necessary, independent of the members executing the business and from the professional standpoint as a lawyer.

#### (3) Outline of agreement for limiting obligation

NTT DATA and each of its outside directors and outside corporate auditors entered into an agreement for limiting the obligation to compensate for damage set forth in Article 423 (1) of the Companies Act pursuant to the provision of Article 427 (1) of the same Act. The maximum amount of compensation shall be the minimum liability amount prescribed in Article 425 (1) of the Companies Act.

(4) Total amount of remuneration for outside directors and corporate auditors for this fiscal year

	Number of Persons	Amount of Remuneration
Total Amount of Remuneration for Outside Directors and Corporate Auditors	3 persons	54 million yen

Notes:

1. The above is included in the section “2. (2) Total amount of remuneration for directors and corporate auditors during the fiscal year.”

## IV. INDEPENDENT AUDITOR

### 1. Name of Independent Auditor of NTT DATA

KPMG AZSA LLC

### 2. Remuneration for Independent Auditor Payable by NTT DATA for This Fiscal Year

Amount payable for the services set forth in Article 2 (1) of the Certified Public Accountants Act (1948 Act No. 103)

¥ 366 million

Note: The auditing agreement between NTT DATA and its independent auditor does not segregate the amount of the remuneration to Auditors pursuant to the Companies Act and those pursuant to the Financial Instruments and Exchange Act. As these amounts cannot, as a practical matter, be calculated separately, the amount above is the total for both categories of remuneration as stated above.

### 3. Total Amount Payable by NTT DATA and Its Subsidiaries to Independent Auditor in Cash and Other Interest in Property

Total amount payable by NTT DATA and its subsidiaries to independent auditor

¥ 550 million

Note: Among NTT DATA’s principal subsidiaries, NTT DATA INTERNATIONAL L.L.C., NTT DATA EUROPE GmbH & Co. KG, itelligence AG, NTT DATA Deutschland GmbH, NTT DATA Italia S.p.A., NTT DATA EMEA Ltd., NTT DATA Enterprise Services Holding, Inc. and Everis Participaciones, S.L. are audited by audit corporations other than the Company’s independent auditor.

### 4. Non-Auditing Business

With regard to services other than those prescribed in Article 2, (1) of the Certified Public Accountants Act (non-auditing business), NTT DATA consigns to the independent auditor such duties as guidance and advice concerning the International Financial Reporting Standards and the verification of the status of internal control systems pursuant to the JICPA Auditing and Assurance Practice Committee Practical Guideline No. 86, “Assurance Reports on Controls at a Service Organization”

### 5. Policy of Decision of Dismissal or Non-reelection of Independent Auditor

In NTT DATA, if it is recognized that the independent auditor falls under any of the items of Article 340 (1) of the Companies Act, the Board of Corporate Auditors dismisses the independent auditor by unanimous consent.

In addition to the above, if it is recognized that the independent auditor is unable to properly conduct an audit, the Board of Directors submits a proposal to dismiss, or not to reelect, the independent auditor to the general meeting of shareholders after obtaining, or upon request of, the consent of the Board of Corporate Auditors.

## **V. OVERVIEW OF RESOLUTION FOR IMPROVEMENT OF SYSTEMS FOR ENSURING APPROPRIATE OPERATIONS**

NTT DATA is moving forward with efforts to ensure appropriate operations of internal control systems and its Board of Directors' meeting has adopted a resolution on the basic policy for establishing internal control systems for the NTT DATA Group in compliance with Article 362 of the Companies Act. Details of the said resolution are as follows:

### **1. Basic Policy for Establishing Internal Control Systems**

- (1) In building its internal control systems, NTT DATA will further the basic policy that it will take various measures to efficiently conduct fair and transparent business activities in compliance with applicable laws and its Articles of Incorporation, as a matter of course, and at all times being aware of risks increasing as its business expands.
- (2) The president, as the chief executive officer, takes responsibility and improves and operates the internal control systems.
- (3) In order to make its internal control systems function smoothly and efficiently, NTT DATA will establish an internal control promotion committee that will hold meetings on a regular basis.
- (4) NTT DATA sets up the Internal Audit Department, which verifies whether or not the activities of each Sector are performed in compliance with applicable laws, its Articles of Incorporation, internal rules, and management policies and plans and gives practical advice and recommendations from a position independent of operations of businesses for the purpose of sound performance of businesses.
- (5) NTT DATA appoints a chief risk officer (CRO) who supervises the risk management structure from the point of view covering the entire group and the compliance division conducts inspections for the purpose of ensuring the legality of business activities.
- (6) NTT DATA is taking appropriate measures to realize high reliability of its internal control systems over financial reporting under the Financial Instruments and Exchange Act and other related laws.

### **2. Individual Systems for Establishing Internal Control Systems**

- (1) Systems to ensure that the directors and employees are performing their duties in compliance with applicable laws and the Articles of Incorporation

Setting our sights on becoming a reliable company and having the basic policy to conduct sound business activities by establishing its corporate ethics, NTT DATA proceeds with the following activities:

- It will establish the "Global Compliance Policy", which is the guideline for behaviors including compliance with applicable laws, for the directors and employees.
  - It will raise employees' consciousness of compliance through educational and training programs concerning the corporate ethics.
  - It will check activities through the compliance division and give advice, guidance, and other assistance to Sectors in order to perform lawful and appropriate business activities.
  - It will have no relation, including any transaction, with antisocial forces and reject illegal demands in a resolute attitude.
  - It will establish an internal report system to receive information from employees in order to secure a channel of information independent of ordinary business execution channels, to ensure sound management.
  - It will have the Internal Audit Department submit an annual plan to the Board of Directors, according to which the department will perform an internal audit and regularly report the results to the Board of Directors.
- (2) Systems for storage and management of information concerning execution of duties by directors

While NTT DATA appropriately stores, manages, and willingly shares information for effective uses according to the policy that it will protect personal and confidential information from leakage or unauthorized use, it proceeds with the following activities:

- It will record and store information concerning the performance of duties by directors in writing or electromagnetic media and appropriately manage them in compliance with applicable laws, the Articles of Incorporation and internal rules.
- It will improve the internal information system in order to timely and properly use information arising out of business activities.

- It will establish internal rules for the purpose of formulating rules required for the appropriate handling of information and efficient clerical work.
- It will establish an information security committee to expedite measures for the entire group concerning the handling of information and hold a meeting regularly.

(3) Rules and other systems concerning risk management

Assuming various business risks, NTT DATA has a policy that each division shall improve its own voluntary risk management system by risk so that it may take the best measure upon occurrence of any of such risks and proceeds with the following activities:

- It will improve a system to continuously monitor and supervise the situation of risk management by each Sector and establish an organization to promote risk management under the control of the CRO from the point of view covering the entire group so that the risk management system functions smoothly and effectively.
- It will give priority on certain business risks over the other risks taking the frequency of occurrence into account and deal with them.
- It will establish a system in accordance with the internal rules provided for from the point of view of quality management, etc. concerning risks related to development, operation and maintenance of systems, which are assumed as risks pertaining to the main line of NTT DATA's businesses.

(4) Systems to ensure efficient performance of duties by directors

Having the basic policy that it shall enhance each of the functions of making important decisions, supervision of performance of duties, and performance of operations, and that it shall work for vitalization of operations, NTT DATA proceeds with the following activities:

- In order for the Board of Directors to make important decisions and appropriately supervise the performance of duties, it will appoint executive officers as responsible persons who specialize in the performance of duties and, by transferring substantial part of authority from directors to the executive officers, expedite decision making to pursue speedy operations.
- It will establish a management meeting for the president to make appropriate decisions pertaining to the basic policy of a business or other important matters.
- For the purpose of appropriate and efficient performance of affairs, it will improve the systems to clarify the official authority and exercise appropriate restraints by setting internal rules pertaining to the decision making for, and performance of, business affairs.

(5) Systems to ensure appropriate operations of NTT DATA Group, etc.

Having the basic policy that it shall ensure appropriate operations of the entire NTT DATA Group through consultations, reports, instructions and requests concerning important matters, NTT DATA and its Group proceed with the following activities:

- It will appoint a division responsible for coordination with each group company and improve the coordination system including the related divisions.
- The Internal Audit Department of it will monitor activities for the purpose of ensuring the soundness of businesses of the group companies.
- Each group company will appoint an officer in charge of risk management for the purpose of improvement of its risk management system.
- It will have dealings with a group company in compliance with the laws, as a matter of course, and establish a system for the group companies to submit appropriate financial status reports.

Furthermore, in between it and NTT, its parent company, there is the basic policy that either party will coordinate with the other, respecting the other party's independency and autonomy and the parties appropriately have dealings with the other in compliance with the laws.

(6) Matters concerning employees who assist corporate auditors' duties and independence of such employees from directors

- NTT DATA sets up the Corporate Auditors' Office to appropriately assist the duties of its auditors as an important organization under the Companies Act.
- It posts the number of employees required for conducting audits according to the auditing standards determined by the auditors.

- The Corporate Auditors' Office shall be an organization independent from the directors and the employees assisting the auditors' duties shall perform their duties under instructions and directions from the auditors.
  - It handles the matters concerning personnel changes and evaluation of the employees assisting the auditors' duties respecting the auditors' opinions.
- (7) Systems for directors and employees to report to auditors and for ensuring effective auditing by auditors
- The directors and auditors shall determine after consultation the meetings which the auditors shall attend, materials which the auditors shall review, and the matters which the auditors shall report to the directors regularly or when necessary and the auditors shall report to the directors from time to time as determined between the directors and auditors.
  - Upon request of each auditor for a report on the performance of duties, the directors and employees shall promptly report to the auditor about their performance of duties.
  - In addition to the above, the directors, independent auditor, and Internal Audit Department shall respectively have an exchange of opinions with each auditor regularly and when necessary upon request of the auditor.

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In this Business Report, amounts are rounded off to the indicated unit.

The names of NTT DATA's products and services referred to on this report are trademarks or registered trademarks of NTT DATA in Japan and other countries. The names of other companies etc., products, services, etc, are the trade names, trademarks, or registered trademarks of the companies etc. concerned.

## Consolidated Balance Sheet

(¥ million)

	26 <sup>th</sup> FY (As of March 31, 2014)	[Reference] 25 <sup>th</sup> FY (As of March 31, 2013)
<b>ASSETS</b>		
<b>Current Assets</b>	<b>669,206</b>	<b>601,261</b>
Cash and deposits	180,430	152,504
Notes and accounts receivable - trade	344,221	313,600
Lease receivables and investment assets	19,166	17,617
Securities	2,000	2,000
Inventories	22,645	24,104
Deferred tax assets	27,518	16,016
Other	76,344	77,682
Allowance for doubtful accounts	(3,120)	(2,263)
<b>Non-Current Assets</b>	<b>1,020,733</b>	<b>923,047</b>
Property, plant and equipment	312,697	297,169
Data communication facilities, net	92,656	88,703
Buildings and structures, net	94,475	95,039
Machinery, equipment and vehicles, net	19,474	17,060
Tools, furniture and fixtures, net	15,129	15,087
Land	50,209	50,047
Construction in progress	36,142	26,715
Other, net	4,609	4,514
Intangible assets	562,177	496,852
Software	260,458	233,320
Software in progress	48,638	67,248
Goodwill	177,536	142,749
Other	75,543	53,533
Investments and other assets	145,858	129,025
Investment securities	46,085	34,997
Deferred tax assets	61,239	56,317
Other	39,263	38,506
Allowance for doubtful accounts	(730)	(795)
<b>TOTAL ASSETS</b>	<b>1,689,940</b>	<b>1,524,309</b>

Note: Amounts less than one million yen are rounded down.

(¥ million)

	26 <sup>th</sup> FY (As of March 31, 2014)	[Reference] 25 <sup>th</sup> FY (As of March 31, 2013)
<b>LIABILITIES</b>		
<b>Current liabilities</b>	<b>454,714</b>	<b>397,289</b>
Accounts payable - trade	97,837	92,206
Short-term loans payable	66,387	11,441
Current portion of long-term loans payable	1,950	21,463
Current portion of bonds	—	50,059
Income taxes payable	22,490	21,438
Advances received	151,781	109,890
Provision for loss on order received	4,609	2,034
Other	109,657	88,755
<b>Non-current liabilities</b>	<b>525,407</b>	<b>442,812</b>
Bonds payable	250,040	225,039
Long-term loans payable	87,298	61,903
Deferred tax liabilities	20,952	17,530
Provision for retirement benefits	—	118,271
Net defined benefit liability	145,653	—
Provision for directors' retirement benefits	919	1,189
Other	20,543	18,878
<b>TOTAL LIABILITIES</b>	<b>980,121</b>	<b>840,102</b>
<b>NET ASSETS</b>		
<b>Shareholders' equity</b>	<b>666,742</b>	<b>660,771</b>
Capital stock	142,520	142,520
Capital surplus	139,300	139,300
Retained earnings	384,922	378,951
<b>Accumulated other comprehensive income</b>	<b>10,081</b>	<b>(9,459)</b>
Valuation difference on available-for-sale securities	2,872	1,910
Deferred gains or losses on hedges	38	51
Foreign currency translation adjustment	35,056	3,058
Pension liability adjustments	—	(115)
Remeasurements of defined benefit plans	(10,224)	—
Other	(17,661)	(14,363)
<b>Minority interests</b>	<b>32,993</b>	<b>32,894</b>
<b>TOTAL NET ASSETS</b>	<b>709,818</b>	<b>684,207</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>1,689,940</b>	<b>1,524,309</b>

Note: Amounts less than one million yen are rounded down.

## Consolidated Statement of Income

(¥ million)

	26 <sup>th</sup> FY (2013/4/1–2014/3/31)	[Reference] 25 <sup>th</sup> FY (2012/4/1–2013/3/31)
<b>Net sales</b>	<b>1,343,772</b>	<b>1,301,941</b>
<b>Cost of sales</b>	<b>1,031,213</b>	<b>980,524</b>
<b>Gross profit</b>	<b>312,559</b>	<b>321,416</b>
<b>Selling, general and administrative expenses</b>	<b>249,975</b>	<b>235,720</b>
<b>Operating income</b>	<b>62,583</b>	<b>85,696</b>
<b>Non-operating income</b>	<b>10,822</b>	<b>7,637</b>
Interest income	527	504
Dividend income	1,043	988
Foreign exchange gains	4,679	2,416
Other	4,571	3,728
<b>Non-operating expenses</b>	<b>11,253</b>	<b>11,463</b>
Interest expenses	5,245	5,546
Loss on retirement of non-current assets	691	1,914
Compensation for damage	3,509	261
Other	1,806	3,740
<b>Ordinary income</b>	<b>62,153</b>	<b>81,870</b>
<b>Extraordinary losses</b>	<b>7,893</b>	<b>4,851</b>
Loss on restructuring of subsidiaries and affiliates	4,367	3,132
Impairment loss of noncurrent assets	3,525	1,718
<b>Income before income taxes and minority interests</b>	<b>54,259</b>	<b>77,019</b>
Income taxes – current	39,746	37,905
Income taxes – deferred	(10,591)	(5,881)
<b>Total income taxes</b>	<b>29,155</b>	<b>32,024</b>
<b>Income before minority interests</b>	<b>25,103</b>	<b>44,994</b>
<b>Minority interests in income (loss)</b>	<b>1,816</b>	<b>1,477</b>
<b>Net income</b>	<b>23,287</b>	<b>43,517</b>

Note: Amounts less than one million yen are rounded down.

## Consolidated Statements of Shareholders' Equity

26<sup>th</sup> FY (From April 1, 2013 to March 31, 2014)

(¥ million)

	Shareholders' equity			
	Capital stock	Capital surplus	Retained earnings	Total shareholders' equity
Balance at beginning of current period	142,520	139,300	378,951	660,771
Changes of items during period				
Dividends of surplus (Note 1)			(8,415)	(8,415)
Dividends of surplus (Note 2)			(8,415)	(8,415)
Net income			23,287	23,287
Other			(485)	(485)
Net changes of items other than shareholders' equity			—	—
Total changes of items during period	—	—	5,971	5,971
Balance at end of current period	142,520	139,300	384,922	666,742

	Accumulated other comprehensive income							Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Pension liability adjustments	Remeasurements of defined benefit plans	Other	Total accumulated other comprehensive income		
Balance at beginning of current period	1,910	51	3,058	(115)	—	(14,363)	(9,459)	32,894	684,207
Changes of items during period									
Dividends of surplus (Note 1)									(8,415)
Dividends of surplus (Note 2)									(8,415)
Net income									23,287
Other									(485)
Net changes of items other than shareholders' equity	961	(13)	31,998	115	(10,224)	(3,298)	19,540	99	19,639
Total changes of items during period	961	(13)	31,998	115	(10,224)	(3,298)	19,540	99	25,611
Balance at end of current period	2,872	38	35,056	—	(10,224)	(17,661)	10,081	32,993	709,818

- Notes:
1. This is the item of appropriation of retained earnings resolved at the ordinary general meeting of shareholders held in June 2013.
  2. This is the item resolved at the meeting of the Board of Directors held in October 2013.
  3. Amounts less than one million yen are rounded down.

## Non-Consolidated Balance Sheet

(¥ million)

	26 <sup>th</sup> FY (As of March 31, 2014)	[Reference] 25 <sup>th</sup> FY (As of March 31, 2013)
<b>ASSETS</b>		
<b>Current assets</b>	<b>393,566</b>	<b>388,083</b>
Cash and deposits	83,244	73,812
Notes receivable - trade	182	234
Accounts receivable - trade	162,056	176,185
Lease receivables	1,351	1,637
Lease investment assets	14,899	12,468
Inventories	12,120	14,377
Prepaid expenses	11,511	11,270
Deferred tax assets	16,261	6,710
Other	91,996	91,538
Allowance for doubtful accounts	(59)	(89)
<b>Non-current assets</b>	<b>1,050,031</b>	<b>964,279</b>
Property, plant and equipment	277,075	267,138
Data communication facilities, net	90,320	86,362
Buildings, net	81,358	83,309
Structures, net	2,095	2,205
Machinery, equipment and vehicles, net	12,057	11,539
Tools, furniture and fixtures, net	7,496	7,920
Land	48,229	48,229
Leased assets, net	707	868
Construction in progress	34,809	26,701
Intangible assets	289,331	287,271
Software	247,801	221,184
Software in progress	39,393	63,904
Leased assets	30	42
Other	2,106	2,140
Investments and other assets	483,625	409,869
Investment securities	30,513	24,445
Shares of subsidiaries and associates	133,822	126,133
Investments in other securities of subsidiaries and associates	220,596	186,616
Long-term loans receivable	540	540
Lease and guarantee deposits	10,623	12,043
Deferred tax assets	25,964	30,398
Other	62,065	30,220
Allowance for doubtful accounts	(500)	(532)
<b>TOTAL ASSETS</b>	<b>1,443,598</b>	<b>1,352,363</b>

Note: Amounts less than one million yen are rounded down.

	(¥ million)	
	26 <sup>th</sup> FY (As of March 31, 2014)	[Reference] 25 <sup>th</sup> FY (As of March 31, 2013)
<b>LIABILITIES</b>		
<b>Current liabilities</b>	<b>374,442</b>	<b>354,849</b>
Accounts payable - trade	72,041	78,406
Short-term loans payable	61,241	7,000
Current portion of long-term loans payable	1,675	22,336
Current portion of bonds	—	49,999
Lease obligations	485	500
Accounts payable - other	13,524	12,163
Accrued expenses	8,762	9,031
Income taxes payable	11,546	16,356
Advances received	135,460	95,812
Deposits received	65,944	59,363
Provision for loss on order received	3,547	1,485
Asset retirement obligations	134	200
Other	79	2,193
<b>Non-Current Liabilities</b>	<b>415,157</b>	<b>361,470</b>
Bonds payable	249,940	224,939
Long-term loans payable	84,000	59,000
Lease obligations	933	1,184
Provision for retirement benefits	64,550	59,037
Asset retirement obligations	663	595
Other	15,069	16,712
<b>TOTAL LIABILITIES</b>	<b>789,600</b>	<b>716,319</b>
<b>NET ASSETS</b>		
<b>Shareholders' equity</b>	<b>651,651</b>	<b>634,836</b>
Capital stock	142,520	142,520
Capital surplus	139,300	139,300
Legal capital surplus	139,300	139,300
Retained earnings	369,831	353,016
Legal retained earnings	2,287	2,287
Other retained earnings	367,543	350,728
Reserve for special depreciation	152	—
Reserve for reduction entry	402	1,284
General reserve	288,000	288,000
Retained earnings brought forward	78,988	61,444
<b>Valuation and translation adjustments</b>	<b>2,346</b>	<b>1,207</b>
Valuation difference on available-for-sale securities	2,346	1,207
<b>TOTAL NET ASSETS</b>	<b>653,997</b>	<b>636,043</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>1,443,598</b>	<b>1,352,363</b>

Note: Amounts less than one million yen are rounded down.

## Non-Consolidated Statement of Income

(¥ million)

	26 <sup>th</sup> FY (2013/4/1–2014/3/31)	[Reference] 25 <sup>th</sup> FY (2012/4/1–2013/3/31)
<b>Net sales</b>	<b>782,865</b>	<b>818,036</b>
<b>Cost of sales</b>	<b>621,011</b>	<b>627,031</b>
<b>Gross profit</b>	<b>161,853</b>	<b>191,004</b>
<b>Selling, general and administrative expenses</b>	<b>114,104</b>	<b>118,746</b>
<b>Operating income</b>	<b>47,749</b>	<b>72,258</b>
<b>Non-operating income</b>	17,268	9,362
Interest income	1,397	1,079
Dividend income	8,323	2,713
Foreign exchange gains	5,230	3,004
Other	2,316	2,565
<b>Non-operating expenses</b>	9,651	8,187
Interest expenses	1,490	1,515
Interest on bonds	3,360	3,559
Compensation for damage	3,408	151
Loss on retirement of non-current assets	492	1,404
Other	899	1,556
<b>Ordinary income</b>	<b>55,365</b>	<b>73,433</b>
<b>Extraordinary losses</b>	4,097	1,286
Impairment loss of noncurrent assets	2,980	1,148
Loss on restructuring of subsidiaries and affiliates	1,117	138
<b>Income before income taxes</b>	<b>51,267</b>	<b>72,146</b>
<b>Income taxes - current</b>	<b>23,360</b>	<b>26,154</b>
<b>Income taxes - deferred</b>	<b>(5,737)</b>	<b>331</b>
<b>Net income</b>	<b>33,645</b>	<b>45,661</b>

Note: Amounts less than one million yen are rounded down.

## Non-Consolidated Statements of Shareholders' Equity

26<sup>th</sup> FY (From April 1, 2013 to March 31, 2014)

(¥ million)

	Net assets									
	Shareholders' equity						Valuation and translation adjustments		Total	
	Capital stock	Capital surplus		Retained earnings			Total	Valuation difference on available-for-sale securities		Total
		Legal capital surplus	Legal retained earnings	Other retained earnings	Total	Total				
Balance at beginning of current period	142,520	139,300	2,287	350,728	353,016	353,016	1,207	1,207		636,043
Changes of items during period										
Dividends of surplus (Note 1)				(8,415)	(8,415)	(8,415)			(8,415)	
Dividends of surplus (Note 2)				(8,415)	(8,415)	(8,415)			(8,415)	
Net income				33,645	33,645	33,645			33,645	
Net changes of items other than shareholders' equity							1,138	1,138	1,138	
Total changes of items during period	—	—	—	16,815	16,815	16,815	1,138	1,138	17,953	
Balance at end of current period	142,520	139,300	2,287	367,543	369,831	651,651	2,346	2,346	653,997	

## Breakdown of Other Retained Earnings

(¥ million)

	Other retained earnings				
	Reserve for special depreciation	Reserve for reduction entry	General reserve	Retained earnings brought forward	Total
Balance at beginning of current period	—	1,284	288,000	61,444	350,728
Changes of items during period					
Dividends of surplus (Note 1)				(8,415)	(8,415)
Dividends of surplus (Note 2)				(8,415)	(8,415)
Provision of reserve for special depreciation	152			(152)	—
Reversal of reserve for reduction entry		(881)		881	—
Net income				33,645	33,645
Total changes of items during period	152	(881)	—	17,543	16,815
Balance at end of current period	152	402	288,000	78,988	367,543

- Notes: 1. This is the item of appropriation of retained earnings resolved at the ordinary general meeting of shareholders held in June 2013.  
2. This is the item resolved at the meeting of the Board of Directors held in October 2013.  
3. Amounts less than one million yen are rounded down.

**Independent Auditor's Report on Consolidated Financial Statements**  
(English translation of the certified copy)

**INDEPENDENT AUDITOR'S REPORT**

May 7, 2014

To: The Board of Directors  
NTT DATA CORPORATION

KPMG AZSA LLC  
Atsuji Maeno, C.P.A. (seal)  
Engagement Partner  
Yasuyuki Morimoto, C.P.A. (seal)  
Engagement Partner  
Hirotaka Nakata, C.P.A. (seal)  
Engagement Partner

We have audited, pursuant to Article 444 (4) of the Companies Act, the consolidated financial statements of NTT DATA CORPORATION, namely, the consolidated balance sheet, consolidated statement of income, consolidated statement of shareholders' equity, and notes to consolidated financial statements for the consolidated fiscal year from April 1, 2013 to March 31, 2014.

**Management's responsibility with regards to the consolidated financial statements**

The management is responsible for preparing and appropriately presenting consolidated financial statements in accordance with the corporate accounting standards that are generally accepted in Japan as being fair and reasonable. This responsibility includes establishing and operating internal control that the management deems necessary to ensure the consolidated financial statements are prepared and appropriately represented without any material misstatement caused by fraud or error.

**Auditor's responsibility**

Our responsibility is to express our opinion on these consolidated financial statements based on our audits in an independent manner. We performed the audit according to the auditing standards that are generally accepted in Japan as being fair and reasonable. Those standards require that we formulate an auditing plan and perform the audit under the plan to obtain reasonable assurance that the consolidated financial statements are free of material misstatement.

In an audit, the audit procedures are performed to obtain audit evidence with respect to the amounts and disclosures in the consolidated financial statements. The procedures are selected and applied, according to our judgment, based on assessment of the risks of material misstatement in the consolidated financial statements caused by fraud or error. In assessing these risks, the auditor reviews the internal control measures related to the preparation and appropriate presentation of the consolidated financial statements to develop proper audit procedures which meet the circumstances, but not to express an opinion on the effectiveness of the internal control. An audit also includes evaluating the accounting policies adopted and their application method used by the management, and the accounting estimates made by the management, as well as evaluating the overall presentation of consolidated financial statements.

We believe that we have obtained sufficient and acceptable audit evidence to express our opinion.

**Audit opinion**

In our opinion, the above consolidated financial statements present fairly, in all material respects, the assets, profit and loss during the period related to the said consolidated financial statements of the corporate group consisting of NTT DATA CORPORATION and its consolidated subsidiaries in conformity with corporate accounting standards that are generally accepted in Japan as being fair and reasonable

**Conflicts of interest**

There are no particular conflicts of interest between NTT DATA CORPORATION and KPMG AZSA LLC or its engagement partners that should be described in accordance with the provisions of the Certified Public Accountants Law.

END

**Independent Auditor's Report**  
**on Non-Consolidated Financial statements and Supplementary Schedules**  
(English translation of the certified copy)

**INDEPENDENT AUDITOR'S REPORT**

May 7, 2014

To: The Board of Directors  
NTT DATA CORPORATION

KPMG AZSA LLC

Atsuji Maeno, C.P.A. (seal)  
Engagement Partner

Yasuyuki Morimoto, C.P.A. (seal)  
Engagement Partner

Hirotaka Nakata, C.P.A. (seal)  
Engagement Partner

We have audited, pursuant to Article 436 (2) (i) of the Companies Act, the financial statements of NTT DATA CORPORATION, namely, the non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of shareholders' equity and notes to non-consolidated financial statements, and supplementary schedules attached thereto for the 25<sup>th</sup> fiscal year from April 1, 2013 to March 31, 2014.

Management's responsibility with regards to the financial statements

The management is responsible for preparing and appropriately presenting financial statements and supplementary schedules in accordance with the corporate accounting standards that are generally accepted in Japan as being fair and reasonable. This responsibility includes establishing and operating internal control that the management deems necessary to ensure the consolidated financial statements are prepared and appropriately represented without any material misstatement caused by fraud or error.

Auditor's responsibility

Our responsibility is to express our opinion on these financial statements and supplementary schedules based on our audits in an independent manner. We performed the audit according to the auditing standards that are generally accepted in Japan as being fair and reasonable. Those standards require that we formulate an auditing plan and perform the audit under the plan to obtain reasonable assurance that the financial statements and supplementary schedules are free of material misstatement.

In an audit, the audit procedures are performed to obtain audit evidence with respect to the amounts and disclosures in the financial statements and supplementary schedules. The procedures are selected and applied, according to our judgment, based on assessment of the risks of material misstatement in the financial statements and supplementary schedules caused by fraud or error. In assessing these risks, the auditor reviews the internal control measures related to the preparation and appropriate presentation of the financial statements and supplementary schedules to develop proper audit procedures which meet the circumstances, but not to express an opinion on the effectiveness of the internal control. An audit also includes evaluating the accounting policies adopted and their application method used by the management, and the accounting estimates made by the management, as well as evaluating the overall presentation of financial statements and supplementary schedules.

We believe that we have obtained sufficient and acceptable audit evidence to express our opinion.

Audit opinion

In our opinion, the above financial statements and supplementary schedules present fairly, in all material respects, the assets, profit and loss during the period related to the said financial statements and supplementary schedules in conformity with corporate accounting standards that are generally accepted in Japan as being fair and reasonable

Conflicts of interest

There are no particular conflicts of interest between NTT DATA CORPORATION and KPMG AZSA LLC or its engagement partners that should be described in accordance with the provisions of the Certified Public Accountants Law.

END

# BOARD OF CORPORATE AUDITORS' REPORT

(English translation of the certified copy)

## AUDIT REPORT

With respect to the performance of duties by directors during the 26<sup>th</sup> fiscal year from April 1, 2013 to March 31, 2014, the Board of Corporate Auditors has examined the reports from each corporate auditor and prepared this Audit Report as follows:

### 1. Auditors, audit methodology adopted by the Board of Corporate Auditors and procedure

The Board of Corporate Auditors determined auditing policies, received reports from each corporate auditor on the progress and results of the audit, received reports from directors and the independent auditor, and requested explanations when necessary.

In accordance with the auditing policies determined by the Board of Corporate Auditors, each corporate auditor talked with directors and employees of the Internal Audit Department and other divisions, exerted his effort to collect information and to improve the audit environment, attended the meetings of the Board of Directors and other important meetings, received reports from directors and employees on the performance of their duties, requested explanations when necessary, reviewed documents of important decisions, and investigated the business and financial conditions at the head office and principal branch offices.

In addition, the Board of Corporate Auditors monitored and inspected the details of the Board of Directors' resolution concerning the system to ensure that directors perform their duties in conformity with laws and regulations and the Articles of Incorporation and the system necessary to ensure that the Kabushiki Kaisha is operated appropriately ("Internal Control System"), and the situation of the Internal Control System established in accordance with such resolution.

As to the subsidiaries, the Board of Corporate Auditors talked and exchanged information with directors and auditors of the subsidiaries, and received business reports from the subsidiaries when necessary.

In accordance with the above procedure, the Board of Corporate Auditors examined the business reports and supplementary schedules attached thereto.

Furthermore, the Board of Corporate Auditors monitored and verified whether or not the independent auditor maintained its independence and appropriately performed audits, received reports from the independent auditor on the progress of its duties, and requested explanations when necessary.

The Board of Corporate Auditors also received a notice from the independent auditor that the system to ensure that the independent auditor's duties are appropriately performed has been established and requested explanations when necessary.

Based on the procedure described above, the Board of Corporate Auditors examined the financial statements for the fiscal year (the non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of shareholders' equity, and non-consolidated notes to financial statements) and supplementary schedules attached thereto, and the consolidated financial statements (the consolidated balance sheet, consolidated statement of income, statement of changes in consolidated shareholders' equity, and notes to consolidated financial statements).

### 2. Audit results

#### (1) Audit results of the Business Report, etc.

- (i) The Board of Corporate Auditors finds that the Business Report and supplementary schedules attached thereto fairly present the situation of NTT DATA in accordance with the laws and the Articles of Incorporation.

- (ii) The Board of Corporate Auditors ascertains that there is no fraudulent act or fact of a materials breach of applicable laws or regulations or the Articles of Incorporation with respect to the performance of duties by directors.
  - (iii) The Board of Corporate Auditors finds that the details of the resolution of the meeting of the Board of Directors concerning the Internal Control System are adequate. In addition, the Board of Corporate Auditors ascertains that there is no matter that needs to be indicated with respect to the performance of duties by directors.
- (2) Audit results of the performance of duties by the independent auditor  
The Board of Corporate Auditors ascertains that there is no matter that needs to be indicated with respect to the system to ensure that audits are appropriately performed by the independent auditor, KPMG AZSA LLC.
- (3) Audit results of financial statements, supplementary schedules and consolidated financial statements  
The Board of Corporate Auditors finds that the audit methodology adopted by the independent auditor, KPMG AZSA LLC and the audit results are adequate.

May 8, 2014

NTT DATA CORPORATION

Board of Corporate Auditors

Standing Corporate Auditor

Standing Corporate Auditor (Outside Auditor)

Corporate Auditor (Outside Auditor)

Corporate Auditor (Outside Auditor)

Hiroo Inoue(Seal)

Yasuomi Hino(Seal)

Yasuhiro Kadowaki (Seal)

Rieko Sato(Seal)

END

## Reference Documents for the Ordinary General Meeting of Shareholders

### Matters for Resolution and Reference

#### First Item: Appropriation of Retained Earnings

NTT DATA proposes to appropriate the retained earnings for this fiscal year as follows:

##### Matters concerning year-end dividends

NTT DATA's basic policy on profit sharing is to seek an increase of corporate value in mid- and long-terms and to fairly distribute profits through the continuous growth of its business resulting from investment in new businesses, etc., efficient business management and other improvements. With regards to year-end dividends, based on a comprehensive assessment of a balance with business investments and technology development toward a sustainable growth in the future, and with expenditures for maintenance and reinforcement of financial strength, in light of consolidated operating results and financial position, NTT DATA proposes payment of a year-end dividend as follows:

- (i) Matters concerning appropriation of dividend assets to shareholders and total amount
  - 30 yen per NTT DATA common share
  - 8,415,000,000 yen in total
  - The interim dividend that was already paid (3,000 yen per share) is equivalent to 30 yen per share when taking into account the effect of the split of one common stock into 100 shares that was conducted with October 1, 2013 being the effective date. Thus, the annual dividend will be 60 yen per share.
- (ii) Effective date of dividend of retained earnings
  - June 19, 2014

## Second Item: Election of 2 Directors

Directors Yoshinori Hagino and Toru Yamashita will resign upon the termination of office at the conclusion of this Ordinary General Meeting of Shareholders. NTT DATA is seeking approval to elect two Directors in total in order to fill the vacancies.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Resume, position, Areas of responsibility and Principal Concurrent Positions		Number of shares of NTT DATA held
1	Yo Honma (May 8, 1956)	April 1980	Joined Nippon Telegraph and Telephone Public Corporation	3,900
		June 2009	Senior Vice President and Senior Executive Manager, Public Relations Department and Senior Executive Manager, President's Office of NTT DATA	
		April 2010	Senior Vice President and Senior Executive Manager, Retail and Service Business Sector and Senior Executive Manager, Relations Department of NTT DATA	
		June 2010	Senior Vice President and Senior Executive Manager, Retail and Service Business Sector of NTT DATA	
		April 2012	Senior Vice President and Senior Executive Manager, Third Enterprise Sector of NTT DATA	
		June 2013	Senior Vice President, Head of Third Enterprise Sector of NTT DATA (present post)	
2	Yukio Okamoto (November 23, 1945)	April 1968	Joined the Ministry of Foreign Affairs	0
		January 1991	Resigned from the Ministry of Foreign Affairs	
		March 1991	Representative Director, Okamoto Associates, Inc. (present post)	
		June 2000	Director, Mitsubishi Materials Corporation (present post)	
		June 2006	Corporate Auditor, Mitsubishi Motors Corporation (present post)	
		June 2008	Director, Nippon Yusen Kabushiki Kaisha (NYK LINE) (present post)	
		(Principal Concurrent Positions) Representative Director, Okamoto Associates, Inc. Director, Mitsubishi Materials Corporation Director, Nippon Yusen Kabushiki Kaisha (NYK LINE) Representative Director, 'Signal of Hope' Fund to Support the Resumption of Tohoku Fisheries (Not-for-profit General Incorporated Foundation)		

Note 1: Yukio Okamoto, a candidate for Director, is Representative Director of Okamoto Associates, Inc., and NTT DATA has business transactions with the company.

There are no special interests between NTT DATA and other candidates for Directors.

Note 2: Yukio Okamoto is a candidate for Outside Director. He is a candidate for independent officer under the listing system of the Tokyo Stock Exchange on which NTT DATA is listed.

Note 3: The reason why Yukio Okamoto is appointed as a candidate for Outside Director is that he is expected to use his broad knowledge and views for the management of NTT DATA as a specialist experienced in international affairs.

Note 4: Mitsubishi Materials Corporation where Yukio Okamoto concurrently serves as Outside

Director received an instruction from Mie Prefecture in April 2010 to suspend the use of partial facilities because it was determined that the company was producing high-pressure gas in Yokkaichi Plant where the company produces polycrystalline silicon and other materials, without receiving permission under the High Pressure Gas Safety Act.

Moreover, it was determined in March 2011 that Mitsubishi Motors Corporation where Yukio Okamoto concurrently serves as Outside Corporate Auditor was using partial facilities at its factory without making a registration required under the environment-related laws and regulations, ordinances and other rules.

It was determined from September to December 2012 that Mitsubishi Motors Corporation incorrectly disposed of equipment that used insulating oil that contains or might contain polychlorinated biphenyls (PCBs).

Okamoto had nothing to do with these facts, however, he has regularly expressed his opinions as appropriate from the viewpoint of compliance with laws and regulations, and has been working for the further reinforcement of the system of compliance with laws and regulations by confirming the contents of efforts made by the company toward the prevention of recurrence since the facts were determined.

In addition, Nippon Yusen Kabushiki Kaisha (NYK LINE) where Yukio Okamoto concurrently serves as Outside Director received a cease and desist order and a surcharge payment order from the Japan Fair Trade Commission under the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade in March 2014 for specific automobile transportation services of the past fiscal years. He was not aware of the act subject to those orders until he was subject to investigation pertaining to the act subject to those orders. In addition to his past statements on compliance with laws and regulations, he has expressed his opinions at meetings of the Board of Directors, the committee to oversee thorough antitrust law compliance activities and other places for the eradication of violations of the Antitrust Law including overseas competition laws, as well as for the prevention of recurrence of such act.

Note 5: Upon election of Yukio Okamoto, a candidate for Outside Director, NTT DATA will enter into an agreement with him for limiting his liability for damages set forth in Article 423.1 of the Companies Act to an amount set forth in Article 427.1 of the same law so that he can exert his full powers in performing the duties expected of an Outside Director.

Note 6: Yukio Okamoto, a candidate for Outside Director, is scheduled to resign as Corporate Auditor of Mitsubishi Motors Corporation as of June 25, 2014.

### Third Item: Election of 1 Corporate Auditor

Corporate Auditor Yasuhiro Kadowaki will resign upon the termination of office at the conclusion of this Ordinary General Meeting of Shareholders. NTT DATA is seeking approval to elect one Corporate Auditor in order to fill the vacancy.

Approval of the Board of Corporate Auditors is already obtained.

Candidates for Corporate Auditors are as follows:

Name (Date of birth)	Resume, position, Areas of responsibility and Principal Concurrent Positions		Number of shares of NTT DATA held
Yukio Ishijima (July 17, 1952)	April 1976	Joined Nippon Telegraph and Telephone Public Corporation	0
	June 2004	Head of General Affairs and Head of Legal Affairs and Internal Auditing, NTT Communications Corporation	
	June 2005	Head of General Affairs, NTT Communications Corporation	
	June 2006	Senior Vice President and Head of Planning and General Affairs, NTT Business Associe Co., Ltd.	
	June 2009	Representative Director and Executive Vice President, NIPPON CAR SOLUTIONS CO., LTD. (present post)	

Note 1: Nippon Telegraph and Telephone Corporation is the parent company of NTT DATA, and NTT Communications Corporation and NTT Business Associe Co., Ltd. are subsidiaries of Nippon Telegraph and Telephone Corporation. NIPPON CAR SOLUTIONS CO., LTD. is an affiliate of Nippon Telegraph and Telephone Corporation.

Note 2: There are no business relations and special interests between Yukio Ishijima, a candidate for Corporate Auditor, and NTT DATA.

Note 3: Yukio Ishijima is a candidate for Outside Corporate Auditor.

Note 4: The reason why Yukio Ishijima is appointed as a candidate for Outside Corporate Auditor is that he is expected to secure the soundness of our company and establish a fair management surveillance system with high transparency by using his broad viewpoints and experiences.

Note 5: Yukio Ishijima has experience of serving in the past five years, and is presently serving as an executive person for NIPPON CAR SOLUTIONS CO., LTD., our specified affiliate and the matters concerning his position and responsible area are as described in the column of "Resume, position, Areas of responsibility and Principal Concurrent Positions."

Note 6: Yukio Ishijima, a candidate for Outside Corporate Auditor, is scheduled to receive Director's compensation from NIPPON CAR SOLUTIONS CO., LTD., our specified affiliate, and did so in the last two years as well.

Note 7: Upon the election of Yukio Ishijima, a candidate for Outside Corporate Auditor, NTT DATA will enter into an agreement with him for limiting his liability for damages set forth in Article 423.1 of the Companies Act to an amount set forth in Article 427.1 of the same law so that he can exert his full powers in performing the duties expected of an Outside Corporate Auditor.

END

## **Exercising Your Voting Rights via the Internet**

Before exercising your voting rights via the Internet, please be aware of the following:

1. The exercise of your voting rights via the Internet is available only by accessing the following designated website:  
<http://www.web54.net> (in Japanese)  
It is also possible to access the website for exercising your voting rights through a cellular phone.
2. If you are exercising your voting rights via the Internet, please use the code and password indicated on the Form for Exercise of Shareholder Voting Rights enclosed herewith (or Convocation Mail) and follow the instructions on the screen.
3. Although your exercise of voting rights via the Internet is acceptable until 6:00 p.m. of the day before the ordinary general meeting of shareholders (Tuesday, June 18, 2013), please exercise your voting rights as soon as possible to help us in totalizing the results of exercise of voting rights.
4. If you exercise your voting rights via the Internet, it is not necessary to send the Form for Exercise of Shareholder Voting Rights by mail.  
If you exercise your voting rights twice via the Internet and by mail, your vote via the Internet will be treated as valid.
5. If you exercise your voting rights more than once via the Internet, or twice through a personal computer and a cellular phone, the last exercise your voting rights will be treated as valid.
6. The costs of using the Internet website to exercise your voting rights, such as the connection fees of Internet service providers and applicable communications fees (i.e., call charges), will be borne by the shareholder.

### **System Requirements for Exercising Voting Rights via the Internet**

To use the voting website, the following system environment is required:

- (1) A system for Internet access
- (2) If you are exercising your voting rights through a personal computer, Microsoft® Internet Explorer 5.01 SP2 or later versions, Adobe®, Acrobat® Reader® 4.0 or later versions, or Adobe® Reader® 6.0 or later versions, and hardware environment for the use of the above Internet browsing software.
- (3) If you use a cellular phone to exercise your voting rights, a model having a function of 128-bit SSL communication (cryptic communication).  
(Certain cellular phone models without the function of 128-bit SSL communication cannot be used since the website accepts the cellular phones that have security encryption for ensuring security. Exercising voting rights is possible through the use of smartphones and other mobile phones with full browser capability, but we regret that this may not be possible with some models.)

(“Microsoft®” is the registered trademark of Microsoft Corporation in the United States and other countries. “Adobe®” is the registered trademark of Adobe System Incorporated in the United States and other countries.)

### **Inquiries on Exercising Voting Rights via the Internet**

If you have any questions about the procedure for exercising voting rights via the Internet, please contact:

Administrator of Shareholder Registry: Stock Transfer Agency Web support, Sumitomo Mitsui Trust Bank, Limited

[Direct line] 0120-652-031 (09:00 to 21:00)

<Other inquiries> 0120-782-031 (09:00 to 17:00 of weekdays)

### **Electronic Voting Platform**

Nominal shareholders such as trust banks acting as administrator (including standing proxies) can use the electronic voting platform as an electromagnetic means to exercise their voting rights at the ordinary general meeting of shareholders of NTT DATA, in addition to the exercising of voting rights via the Internet above, if they apply in advance for the use of the electronic voting platform operated by ICJ Inc., a joint venture company established by Tokyo Stock Exchange, Inc.

### **Access to the Meeting Venue**

Venue: Large Hall, 5<sup>th</sup> floor  
Tokyo Conference Center Shinagawa  
NTT DATA Shinagawa Building  
(A,RE,A Shinagawa)  
9-36, Konan 1-chome, Minato-ku, Tokyo

\* One-minute walk from the Konan Exit of JR Shinagawa Station

\* Please refrain from coming by car.

\* The reception desk is located on the third floor.