



May 9, 2022

To whom it may concern

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

NTT DATA Corporation (“NTT Data” or the “Company”) hereby announces that, in line with its plan to further grow the NTT Data group’s overseas business, it has resolved at today’s Board of Directors meeting to integrate the group overseas business of NTT, Inc. (“NTT, Inc.”), a wholly owned subsidiary of Nippon Telegraph and Telephone Corporation (“NTT”) (the “Overseas Business Integration”) into the NTT Data group’s overseas business.

Specifically, NTT Data resolved (i) to execute a master agreement (the “Master Agreement”) and shareholders agreement (the “Shareholders Agreement”) with NTT; (ii) to execute an absorption-type company split agreement with NTT, Inc. whereby each of NTT, Inc. and its subsidiaries will become a subsidiary of NTT Data after the overseas business operated by NTT Data is succeeded to NTT, Inc. (the “Overseas Business Split Agreement”, and the company split based on this agreement is the “Overseas Business Split”); and (iii) as part of the Overseas Businesses Integration, to acquire a part of NTT, Inc. shares held by NTT subject to the Overseas Business Split coming into effect (the “Additional Share Acquisition”), respectively, at today’s Board of Directors meeting, and NTT Data executed the Master Agreement, the Shareholders Agreement and the Overseas Business Split Agreement effective as of today. The Overseas Business Integration is scheduled to be implemented in October 1, 2022 on the condition that the Distribution in Kind (as defined below) and the Share Split (as defined below) will come into effect, that the Overseas Business Split Agreement is approved at the NTT Data Ordinary General Meeting of Shareholders scheduled to be held in June 2022, and that the approval of the relevant government agencies is obtained as required. Further, since the Overseas Business Split constitutes as a transaction, etc. with a controlling shareholder, in making the resolution therefor, the Company has implemented measures to ensure the fairness of the Overseas Business Split, such as obtaining a report from a special committee with no interest, and measures to avoid conflicts of interest.

Further, prior to the Overseas Business Split and the Additional Share Acquisition, NTT, Inc. is scheduled to perform a 49-for-1 share split of NTT, Inc. shares of common stock (the “Share Split”) and to distribute all of 760,000,000 shares of common stock of the Company held by NTT, Inc. (54.2% of the total number of voting rights as of September 30, 2021) in kind to NTT (the “Distribution in Kind”) effective as of October 1, 2022, pursuant to the Master Agreement. As a result of the Distribution in Kind, NTT, Inc. will no longer be the parent company and the largest and major shareholder of the Company, and NTT will become the new largest and major shareholder of the Company. For details of such change in the parent company, please refer to the “Notice Concerning Change in Parent Company” to be released by the Company as of today. Additionally, as a result of the Overseas Business Split, each of NTT, Inc. and its subsidiaries will newly become a subsidiary of the Company as described above. By the effective date of the Overseas Business Split (October 1, 2022), NTT Data and NTT plan to discuss the trade name of NTT, Inc.

Furthermore, prior to the Overseas Business Split, NTT, Inc. will, in addition to performing the Distribution in Kind, transfer to NTT, all of the shares of common stock of NTT Disruption Europe, S.L.U. (“Disruption”), all of the shares of common shares of NTT Global Sourcing, Inc. (“Global Sourcing”) and all of equity interest of NTT Venture Capital, L.P. (“Venture Capital”), which are NTT, Inc.’ subsidiaries other than NTT Limited (“NTT Ltd.”), pursuant to the Master Agreement.

In addition, at the Board of Directors meeting held today, the Company resolved to establish a split preparation company (the “Domestic Business Split Preparation Company”) as a wholly owned subsidiary of the Company on October 1, 2022 (scheduled), and by having the Domestic Business Split Preparation Company take over the domestic business of the Company by or around July 1, 2023 through an absorption-type split (the “Domestic Business Split”), shift the Company to a holding company with two subsidiaries, i.e., NTT, Inc. and the Domestic Business Split Preparation Company (the “Transition to Holding Company Structure”). As the Domestic Business Split is a company split with a wholly owned subsidiary of the Company as the succeeding company, disclosures will be made with some items and details omitted.

Please refer to the attached materials for the scheme diagrams illustrating the above-mentioned Overseas Business Integration and Transition to Holding Company Structure.

I. Execution of Master Agreement and Shareholders Agreement Regarding Overseas Business Integration, and Overseas Business Split

1. Background

The environment surrounding the society is changing drastically every day, and in corporate management, corporations are required to solve social issues and contribute to the global environment, in addition to enhancing its economic value through creating new value. Furthermore, social trends, from corporate activities to people's consumption and lifestyles, are changing dramatically against a backdrop of technological advancements, and as a result, digital-related investments for business growth are accelerating in all industries. Under these circumstances, the society is beginning to move toward the realization of new value with various goods and people being connected, and as such, technologies related to Connectivity, such as Edge to Cloud (Note), are becoming increasingly important. There are also growing expectations for a data-driven society through securely collecting and analyzing information acquired from goods and human behavior.

On the other hand, the competitive environment surrounding the IT market has also been changing, with various players expanding their service lineups in response to changes in society and technology.

Up until now, NTT Data has expanded the scale of its overseas business through M&A, in addition to solid business expansion within Japan. In particular, we have made certain achievements in our overseas business by undertaking business structure reforms aimed at strengthening our digital responsiveness and improving profitability.

In light of changes in the business environment with a global perspective, we believe that it is necessary to further accelerate collaboration among NTT group companies and to further strengthen our business competitiveness, in order to contribute to the growth of our customers’ businesses and to become a truly Trusted Global Innovator that supports social infrastructure for the long term.

(Note) Architecture that combines edge computing in which data processing and analysis is performed on IoT terminals, smart devices, and servers installed nearby, with cloud computing in which data is centrally managed and processed

2. Objective and Aim

On this occasion, overseas businesses for business users that have been operated by NTT Data, NTT, Inc. and NTT Ltd., respectively, will be integrated and the business will be developed as a unified group thereafter.

Up until now, the Company has supported various corporate systems and industry infrastructures with its “power to ‘create’” based on deep customer understanding and advanced technological capabilities, but this integration will enable the Company to enhance the value provision by combining it with the “power to ‘connect’” of NTT Ltd.

Specifically, the Company will combine NTT Data's system integration capabilities (power to "create") mainly in consulting and application development with NTT Ltd.'s 'Edge to Cloud' service operation capabilities (power to "connect") mainly in the field of data centers, networks and managed services, in order to evolve into a company providing total services that integrate IT and Connectivity. We will respond to increasingly complex and diverse customer needs on a global level by centrally developing a service lineup necessary for digital transformation, including the Connectivity domain.

In addition, by aggregating talents and properties related to the overseas business of the NTT group, we will realize swift decision-making according to the business and customer characteristics in each overseas region, and build a strong global governance system that supports future business growth.

In the medium- to long-term, we will work to create new social platforms and innovate services that transcend corporate and industry boundaries through the provision of comprehensive managed services, including from Edge to Cloud, which integrate IT and Connectivity to connect all things securely, while also developing innovative services globally that utilize NTT's IOWN technology, aiming to become a company that can create sustainable future mechanisms.

We believe that the Overseas Business Integration will promote a unified understanding of our global customers, make our brand more trusted by customers around the world, and achieve further growth and increase our corporate value by strengthening our business competitiveness.

3. Specific Efforts and Group Structure After Overseas Business Integration

Effective October 1, 2022, NTT, Inc. will shift to a joint ownership structure of NTT Data (55%) and NTT (45%) as an overseas business company, through the Overseas Business Integration. By making it a joint venture, we will promote collaboration with NTT in both strategic and practical aspects to realize the growth of our overseas business.

Specifically, under a unified business strategy, we will provide End to End (Note) services from infrastructure to applications. We will also utilize the results of NTT's research and development to promote our business in areas such as Smart World and 5G, and at the same time, in the medium- to long-term, we will work to realize advanced services that can also provide environmental and social value, with the IOWN concept at its core.

In July 2023, we plan to shift to a business operation structure in which domestic and overseas business companies will be placed under NTT Data as a holding company, through the Domestic Business Split.

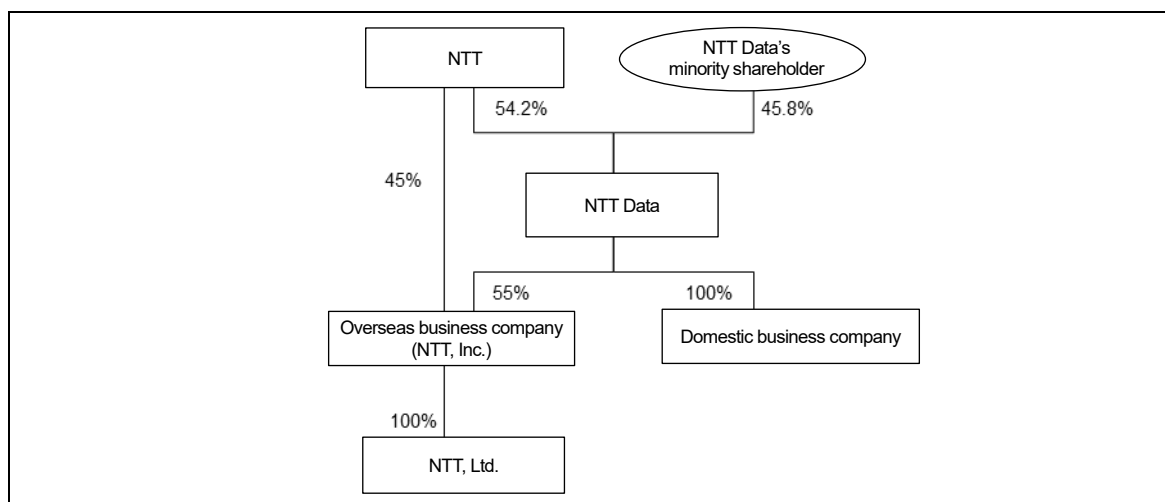
With regard to the domestic business, the scale of the business exceeds 1.5 trillion yen due to steady business growth, and since we have a large number of customers, we will promote autonomous business operations centered on the domestic business companies.

With the new business operation structure, we will further strengthen governance through quick decision-making in response to changes in the external environment and local markets, increased mobility, flexible system design, etc. The holding company will specialize in the formulation and execution of growth strategies from the perspective of overall group optimization, business management, etc., so that it can strive to enhance the corporate value of the entire group.

With respect to the shareholding ratio of NTT, Inc., we have agreed with NTT to acquire an additional 4% equivalent of NTT, Inc. shares for a total amount of 112 billion yen, resulting in NTT Data holding 55% and NTT holding 45% of NTT, Inc., based on the consideration that capturing more profits from overseas businesses, which are expected to grow and develop further, will contribute to increase the shareholder value of the Company.

The reference diagram below shows the group structure after the Transition to Holding Company Structure by means of the Domestic Business Split as well as the Overseas Business Integration. For details of the Transition to Holding Company Structure, please refer to "IV. Transition to Holding Company Structure" below. Please note that although NTT has expressed to the Company its intention to acquire additional shares of NTT Data by means of market trading, this is not considered in the following reference diagram.

<Reference Diagram>



(Note) Total provision of services required for IT systems, from application development to network and IT infrastructure construction and system operation.

4. Summary of Overseas Business Split

(1) Schedule for Overseas Business Integration and Overseas Business Split

Resolutions at the Board of Directors meeting for the approval of execution of the Master Agreement, Shareholders' Agreement and the Overseas Business Split Agreement, and of the Additional Share Acquisition	May 9, 2022
Execution of the Master Agreement	May 9, 2022
Execution of the Shareholders' Agreement	May 9, 2022
Execution of the Overseas Business Split Agreement	May 9, 2022
General meeting of shareholders resolution on the approval of the Overseas Business Split Agreement	June 16, 2022 (scheduled)
Effective date of the Distribution in Kind	October 1, 2022 (scheduled)
Effective date of the Overseas Business Split	October 1, 2022 (scheduled)
Implementation of the Additional Share Acquisition	October 1, 2022 (scheduled)

The above schedule is subject to change in the future due to the relevant permits and approvals necessary to obtain and other reasons.

(2) Method of Overseas Business Split

This is an absorption-type company split regarding the overseas business operated by the Company, with the Company as the splitting company and NTT, Inc. as the succeeding company.

(3) Terms of the Allotment Under Overseas Business Split

NTT, Inc. will issue 3,315 shares of common stock as consideration for the Overseas Business Split and plans to allot and deliver those shares in NTT, Inc. to the Company. As a result, the holding ratios of NTT, Inc. shares after the Overseas Business Split, as of the effective date of the Overseas Business Split, will be 51% (Number of shares held: 3,315 shares) as to the Company and 49% (Number of shares held: 3,185 shares) as to NTT. Please note that we plan to acquire additional 260 shares (equivalent to 4% of the total number of issued shares on the same date) of common stock of NTT, Inc. held by NTT for a total amount of 112 billion yen as of the effective date of the Overseas Business Split on the condition that the Overseas Business Split becomes effective (the "Additional Share Acquisition"). As a result,

the holding ratios of NTT, Inc. shares will be 55% (Number of shares held: 3,575 shares) as to the Company and 45% (Number of shares held: 2,925 shares) as to NTT.

(Note) NTT, Inc. is planning to conduct the Share Split prior to the Overseas Business Split, and the above-mentioned shareholding ratios and number of shares held by NTT, Inc. are calculated based on the figures after the Share Split.

(4) Handling of Stock Acquisition Rights and Bonds with Stock Acquisition Rights in Connection with Overseas Business Split

The Company has not issued any stock acquisition rights or bonds with stock acquisition rights. Therefore, this item is not applicable.

(5) Capital Change due to Overseas Business Split

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

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

Among the rights and obligations held by the Company, those set forth in the Overseas Business Split Agreement are to be succeeded by NTT, Inc. from the Company.

(7) Prospect of Fulfillment of Debts

The parties determine that there are no issues in the payment of debts to be fulfilled by NTT, Inc. on or after the effective date of the Overseas Business Split.

5. Basis of the Terms of the Allotment under the Overseas Business Split

(1) Basis and Reasons for the Terms of the Allotment

The Company and NTT began considering the Overseas Business Integration around April 2021. In our considerations, as described in “(4) Measures to Ensure Fairness” below, in order to ensure the fairness of the allotment in the Overseas Business Split, the Company appointed Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (“MUMSS”) as third party financial advisor, and has retained Nagashima Ohno & Tsunematsu, and Nakamura, Tsunoda & Matsumoto as its legal advisors.

The Company requested MUMSS to calculate the number of shares to be allotted in the Overseas Business Split, and based on the calculation results by MUMSS, the advice from the legal advisors and the results of due diligence, etc., the Company has carefully negotiated and discussed with NTT on the fairness of the allotment in the Overseas Business Split, taking into consideration factors such as the financial situation, status of assets and future outlook of each of the Company and NTT, Inc.

Thereafter, based on the analysis of the share allotment ratio by MUMSS, a third party financial advisor, as set out in “(ii) Summary of the Calculation” of “(2) Matters Relating to Calculation” below, as well as the contents of the report received on May 6, 2022 from the special committee consisting of three (3) members, Eiji Hirano, Mariko Fujii and Fumihiko Ike, who are outside directors and independent officers who are not audit and supervisory committee members of the Company and who have no interest in NTT and NTT, Inc. (the “Special Committee”), as set out in “(i) Obtaining a Report from a Special Committee that has no Interest in the Company” of “(5) Measures to Avoid Conflicts of Interest” below, the Company has finally determined that it is appropriate to conduct the Overseas Business Integration, including the Overseas Business Split, with the consideration of 3,315 NTT, Inc. shares (which is equivalent to a share allotment ratio of 1.04) as set out in “(3) Terms of the Allotment Under the Overseas Business Split” of “4. Summary of Overseas Business Split” above.

As mentioned above, the Company has carefully negotiated and discussed with NTT, referring to the results of calculations by third party financial advisor and the advice from the legal advisors, and taking into account the results of due diligence, etc., as well as comprehensively considering factors such as financial conditions, asset conditions, and future prospects, etc. of each of the Company and NTT, Inc., and also taking into consideration the report obtained from the Special Committee, etc. Thereafter, the Company made a resolution at the Board of Directors meeting held today for, and the Company and NTT reached agreement on, the Overseas Business Integration, including the Overseas Business Split.

(2) Matters Relating to Calculation

(i) Financial Advisor’s Name and Relationship of the Company, NTT, Inc. and NTT

Neither MUMSS, our third party financial advisor, nor YAMADA Consulting Group Co., Ltd. (“Yamada Consulting”), the third party financial advisor independently appointed by the Special Committee, is a related party of the Company, NTT, Inc. or NTT and neither has any significant interests to be noted regarding the Overseas Business Split.

(ii) Summary of the Calculation

(MUMSS)

MUMSS has applied the comparable companies analysis as there are comparable publicly traded companies for both NTT Data’s assets subject to the Overseas Business Split and NTT, Inc., and a discounted cash flow analysis (“DCF analysis”) to incorporate the status of future business activities into its calculation, and comprehensively analyzed the results from these analytical methods to analyze the share allotment ratio.

The analysis of the share allotment ratio was based on the stand-alone financial forecasts of both companies (not taking into account the impacts from the Overseas Business Integration) presented by the management of NTT Data and NTT, Inc. with reasonable adjustments made by NTT Data.

In the comparable companies analysis, listed companies engaged in relatively similar businesses to NTT Data’s assets subject to the Overseas Business Split and NTT, Inc. were selected and the value of NTT Data’s assets subject to the Overseas Business Split and NTT, Inc. were assessed using the ratio of EBITDA to enterprise value.

For the DCF analysis, the value of NTT Data’s assets subject to the Data Overseas Business Split and NTT, Inc. is calculated by discounting the free cash flow that both companies are expected to generate in the future to the present value at a certain discount rate based on the future earnings forecasts of both companies from the fiscal year ending March 2022 onward, which takes into consideration various factors such as the most recent trends in business performance and business environment.

The outline of the calculation results of share allotment ratio by MUMSS is as follows (The following share allotment ratio calculation range describes the calculation range of the NTT, Inc. share allotment ratio to be delivered to NTT Data as consideration for NTT Data’s assets subject to the Overseas Business Split.).

Method	Calculation Range for Share Allotment Ratio
Comparable companies analysis	0.67 – 1.15
DCF analysis	0.79 – 1.35

MUMSS has provided an overview of the analysis to NTT Data’s Board of Directors as of May 2, 2022. Please note, however, that MUMSS has not provided the NTT Data’s Board of Directors with a statement of opinion stating that the share allotment ratio is financially appropriate for shareholders of NTT Data common stock as of the effective date.

(Note) MUMSS in principle used the information provided by NTT Data and NTT, Inc. as well as information in the public domain, etc. as-is when performing the analysis of NTT Data’s assets subject to the Overseas Business Split and the share allotment ratio for NTT, Inc. It did so on the assumption that the materials and information, etc. that it used were all correct and complete, and it did not independently verify the accuracy or completeness thereof. Also, MUMSS has not conducted an independent evaluation or assessment, and has not made any request to a third-party institution for any appraisal or assessment in connection with any assets or liabilities (including off-balance-sheet assets and liabilities and other contingent liabilities) of NTT Data’s assets subject to the Overseas Business Split and NTT, Inc. In addition, MUMSS assumed that information regarding the financial forecasts of NTT, Inc. has been reasonably prepared based on the best forecasts and judgments available to the management of NTT, Inc. at the present.

(Yamada Consulting)

Yamada Consulting made calculations of the share allotment ratio by using the comparable companies analysis to calculate the value of NTT Data’s assets subject to the Overseas Business Split and NTT, Inc. shares and the discounted cash flow analysis (“DCF analysis”) to reflect the future business activities in the calculation, after examining various calculation methods to be adopted, based on the assumption that both companies are going concerns, and because there are several comparable listed companies that can be compared with NTT Data’s assets subject to the Overseas Business Split and NTT, Inc. and that the value of both companies can be analogized by comparing them with similar companies.

The calculation of the share allotment ratio was based on the financial forecasts of NTT Data’s assets subject to the Overseas Business Split and NTT, Inc. shares provided by NTT Data and NTT, Inc. on a stand-alone basis (without taking into account the impact of the Overseas Business Integration) and the financial forecasts with NTT Data’s reasonable adjustments.

The results of the calculation of the share allotment ratio by Yamada Consulting are as follows (The following calculation ranges of the share allotment ratio represent the calculation ranges of the allotment ratio of NTT, Inc. shares to be delivered to NTT Data as consideration for NTT Data’s assets subject to the Overseas Business Split.).

Method	Calculation Range for Share Allotment Ratio
Comparable companies analysis	0.80 – 1.51
DCF analysis	0.78 – 1.70

Under the comparable companies analysis, the listed companies engaged in relatively similar businesses to NTT Data’s assets subject to the Overseas Business Split and NTT, Inc. are selected, and comparison was made as to the financial indicators of profitability, and calculation of NTT Data’s assets subject to the Overseas Business Split and NTT, Inc. shares was made by using the multiple of EBITDA to enterprise value.

Under the DCF analysis, the values of NTT Data’s assets subject to the Overseas Business Split and NTT, Inc. shares were calculated by discounting the free cash flows expected to be generated in the second quarter of the Fiscal Year ended March 31, 2022 and thereafter to the present value using a certain discount rate, based on various factors such as earnings forecasts and investment plans based on the financial forecast as to NTT Data’s assets subject to the Overseas Business Split and NTT, Inc. and publicly available information.

In calculating the share allotment ratio, Yamada Consulting assumed that the financial forecasts of NTT Data’s assets subject to the Overseas Business Split and NTT, Inc. were reasonably prepared based on the best forecasts and judgment currently available from the management of each company. Further, with respect to the financial forecast of NTT, Inc. with reasonable adjustments by NTT Data, it is also assumed that they have been reasonably

re-assessed to reflect the currently available best estimates and good faith judgment of NTT Data.

(3) Expectation of Delisting and Reasons Thereof

The Company does not expect to be delisted due to the Overseas Business Split.

(4) Measures to Ensure Fairness

Both of NTT and NTT, Inc. are currently parent companies of the Company, but upon the Distribution in Kind prior to the Overseas Business Split, NTT, Inc. will no longer be a parent company of the Company, and NTT will newly become a direct parent company of the Company. Considering that the Company and NTT, Inc. will have the same direct parent company, the Company has determined that it is necessary to ensure fairness as the Overseas Business Split is a transaction, etc. with the controlling shareholder. In light of this, we are implementing the following measures to ensure fairness in the Overseas Business Split.

(i) Obtaining a Calculation Report from an Independent Third Party Financial Advisor

In order for the Company to ensure the fairness of the allotment in the Overseas Business Split, the Company appointed MUMSS as third party financial advisor, requested a calculation of the number of shares to be allotted in the Overseas Business Split and obtained share allotment ratio calculation report. For an outline of the calculation report, see “(ii) Summary of Calculation” of “(2) Matters Relating to Calculation” above.

(ii) Advice from an Independent Legal Advisors

We have retained Nagashima Ohno & Tsunematsu, and Nakamura, Tsunoda & Matsumoto as legal advisors in the Overseas Business Split, and received legal advice on various procedures related to the Overseas Business Split, decision-making methods and decision-making processes, etc. Nagashima Ohno & Tsunematsu, and Nakamura, Tsunoda & Matsumoto do not have any significant interests in the Company, NTT, Inc. or NTT.

(iii) Obtaining Calculation Report and Fairness Opinion from Independent Third Party Financial Advisor by Special Committee

In order to consider the Consulted Matters (as defined in (5) below) and ensure the fairness of the allotment performed in the course of the Overseas Business Split, the Special Committee appointed Yamada Consulting as the Special Committee’s independent third party financial advisor, and requested Yamada Consulting to make calculations as to the number of shares to be allotted in the course of the Overseas Business Split and obtained a share allotment ratio calculation report. Please refer to “(ii) Summary of the Calculation” of “(2) Matters Relating to Calculation” above for a summary of such calculation report.

The Special Committee also received a fairness opinion dated May 2, 2022 (the “Fairness Opinion”) from Yamada Consulting stating that the consideration for the Overseas Business Split (the “Overseas Business Split Consideration”) and the acquisition price for the Additional Share Acquisition (the “Additional Share Acquisition Price”) are fair to the shareholders of NTT Data (excluding NTT, Inc. and NTT) from a financial point of view (Note). The Fairness Opinion was issued based on the results of the calculation of the values of NTT Data’s assets subject to the Overseas Business Split and NTT, Inc. shares, which was conducted by Yamada Consulting after receiving disclosure regarding the current status and business prospects, etc. of each of NTT Data’s assets subject to the Overseas Business Split and NTT, Inc. and explanations of such information from each of NTT Data and NTT, Inc., as well as question-and-answer sessions with the Special Committee, reviews of the business environment, economic, market and financial conditions of NTT Data’s assets subject to the Overseas Business Split and NTT, Inc., and a verification of the Fairness Opinion conducted by a committee independent of the engagement team at Yamada Consulting to the extent deemed necessary by Yamada Consulting.

(Note) In preparing and submitting the Fairness Opinion and in calculating the share allotment ratio that forms the basis thereof, Yamada Consulting, in principle, used the information provided by NTT Data and NTT, Inc. and publicly available information as they are, assuming that all such materials and information, etc. used by it are accurate and complete and that there are no undisclosed facts that may have a material impact on its analysis, and has not independently verified the accuracy and completeness of such materials and information, etc. In addition, Yamada Consulting has not conducted its own evaluation or assessment of the assets and liabilities of NTT Data and its affiliates, and NTT, Inc. and its affiliates (including off-balance sheet assets, liabilities and other contingent liabilities), including analysis and evaluation of individual assets and liabilities, and has analyzed other information used as the basis for its consideration, subject to certain limitations.

It is assumed that the financial forecasts of NTT Data's assets subject to the Overseas Business Split and NTT, Inc. used by Yamada Consulting as the basis for the Fairness Opinion have been reasonably prepared based on the best forecasts and judgments currently available from the respective management teams. Also, with respect to the financial forecasts of NTT, Inc. with reasonable adjustments by NTT Data, it is assumed that they have been reasonably re-assessed to reflect the best forecasts and good faith judgments currently available to NTT Data. In addition, Yamada Consulting does not guarantee their feasibility and expresses no opinion on the analyses or forecasts on which they were based or the assumptions on which they were based.

The Fairness Opinion is an opinion expressed from a neutral third party perspective, with certain assumptions and qualifications already made, and does not guarantee any legal, tax or other treatment whatsoever.

The Fairness Opinion expresses an opinion as of the date thereof as to whether the consideration for the Overseas Business Split and the price for the Additional Share Acquisition are fair to NTT Data's shareholders (excluding NTT, Inc. and NTT) from a financial point of view, based on the financial and capital markets, economic conditions and other conditions as of the date thereof and on the information available to Yamada Consulting as of the date thereof, and the contents of the Fairness Opinion may be affected by subsequent changes in circumstances. However, Yamada Consulting shall have no obligation to amend, modify or supplement the contents of the Fairness Opinion, even in such cases. Further, the Fairness Opinion does not lead to or suggest any opinion other than those expressly stated in the Fairness Opinion or with respect to any matter after the date of submission of the Fairness Opinion.

The Fairness Opinion is limited to an opinion that the consideration for the Overseas Business Split and the price for the Additional Share Acquisition are fair to, and not disadvantageous to, the shareholders of NTT Data (excluding NTT, Inc. and NTT) from a financial point of view, and is not a recommendation as to whether or not the Overseas Business Integration should be implemented or any action with respect to the Overseas Business Integration, and Yamada Consulting has not been asked by the Special Committee to express any opinion as to the fairness to, or any other consideration of, the holders of any class of securities, creditors or other stakeholders of NTT Data other than the holders of shares of common stock of NTT Data (excluding NTT, Inc. and NTT), or as to any other matters that should be considered with respect to such parties and does not express such opinion through the Fairness Opinion. Further, Yamada Consulting is aware that it is not authorized to solicit, and has not solicited, any third party in connection with the Overseas Business Split and the Additional Share Acquisition or any other alternative transactions. Furthermore, Yamada Consulting expresses no opinion or view as to the relative merits of the Overseas Business Split and the Additional Share Acquisition to any other alternative transactions.

(5) Measures to Avoid Conflicts of Interest

As described in "(4) Measures to Ensure Fairness" above, the Overseas Business Split falls under a transaction, etc. with the controlling shareholder of the Company, and given that there is a structure in which conflicts of interest may arise between the Company and NTT or NTT, Inc., the following measures are being implemented as measures for avoiding conflicts of interest.

(i) Obtaining a Report from a Special Committee that has no Interest in the Company

In order to take care in making decisions regarding the Overseas Business Split and the Additional Share Acquisition prior to deliberating and resolving whether or not to approve the Overseas Business Split and the Additional Share Acquisition and for the purpose of taking care in its decision making for the Overseas Business Split and the Additional Share Acquisition to eliminate any possibility of arbitrariness and conflicts of interest in the decision-making process of its Board of Directors and to ensure the fairness of the decision-making process, as well as to confirm there was no disadvantage to its minority shareholders from the decision of its Board of Directors to carry out the Overseas Business Split and the Additional Share Acquisition, the Board of Directors established the Special Committee on September 22, 2021 and consulted with the Special Committee on (a) the consideration and determination of whether the Overseas Business Split and the Additional Share Acquisition are justifiable as contributing to the enhancement of the Company's corporate value, (b) the examination and determination, from the perspective of protecting the interests of the Company's minority shareholders, of whether the appropriateness of the transaction terms and the fairness of the negotiation process and other procedures are ensured with respect to the Overseas Business Split and the Additional Share Acquisition, (c) provision of its opinion to the Board of Directors of the Company after consideration of whether the decisions of the Board of Directors on the Overseas Business Split and the Additional Share Acquisition would cause any disadvantage to the minority shareholders of the Company, (d) consideration of whether or not the Board of Directors of the Company should decide to execute the Overseas Business Split and the Additional Share Acquisition based on (a) through (c) above and making a recommendation to the Company's Board of Directors (the "Consulted Matters"). The Company has elected Mr. Eiji Hirano, Ms. Mariko Fujii and Mr. Fumihiko Ike as members of the Special Committee from the beginning, and there is no fact that the Company has changed any of the members of the Special Committee. Mr. Eiji Hirano was elected as the chairman of the Special Committee by mutual vote among its members. Each member is to be paid a fixed amount of compensation for his/her services, regardless of the contents of the report.

The Company has also resolved that the decision-making by the Board of Directors regarding the Overseas Business Split and the Additional Share Acquisition shall be made with maximum respect for the opinions of the Special Committee, and that if the Special Committee determines that the terms of the Overseas Business Split and the Additional Share Acquisition are not appropriate, the Board of Directors of the Company shall not decide to implement the Overseas Business Split and the Additional Share Acquisition. Further, the Board of Directors of the Company has decided (a) to grant authority to the Special Committee to appoint its own advisors, in which case the reasonable costs of such advisors shall be borne by the Company, and (b) to ensure that the Special Committee is in a position to substantially influence the negotiation process regarding the terms and conditions of the transactions by, for example, reporting to the Special Committee in a timely manner on the status of negotiations, hearing the opinions of the Special Committee at important junctures and negotiating with the Special Committee in consideration of requests from the Special Committee, although the Board of Directors will conduct the negotiations regarding the Overseas Business Split and the Additional Share Acquisition.

The Special Committee, in addition to holding 20 meetings in total during the period from September 22, 2021 to May 2, 2022, carefully considered the Consulted Matters by collecting information and holding discussions from time to time as required. Specifically, the Special Committee first approved the appointment of MUMSS as the Company's financial advisor, and Nagashima Ohno & Tsunematsu, and Nakamura, Tsunoda & Matsumoto as the Company's legal advisors, after confirming that there were no problems with their independence and expertise. Also, the Special Committee has approved the review system at the Company as set out in "(ii) Approval of all Directors (Including Audit and Supervisory Committee Members) who have no Interest in the Company" below, after confirming that there are no problems in terms of independence and fairness. In addition, after considering the independence and expertise and past performance of the candidates for multiple legal advisors and third party financial advisors, the Special Committee appointed TMI Associates as its independent legal advisor and Yamada

Consulting as its independent financial advisor, both of which are independent of the Company, NTT, Inc. and NTT.

Then, the Special Committee conducted hearings with the Company and NTT, Inc. regarding the purpose and reasons for the Overseas Business Split and the Additional Share Acquisition, as well as the management policies, etc. after the implementation of the Overseas Business Split and the Additional Share Acquisition. Also, the Special Committee held hearings with the Company's officers regarding changes in the global business environment surrounding the Company, the management issues the Company faces in strengthening its global business competitiveness, the contents of the Company's overseas business and NTT, Inc.'s business plan with reasonable adjustments made by the Company on which MUMSS and Yamada Consulting based their calculations of the share allotment ratio, and the contents of the Company's proposals to NTT, etc. In addition, the Special Committee held hearings on the results of the financial, tax, legal and business due diligence of NTT, Inc. conducted by the Company. It should be noted that the Special Committee received explanations from the Company on the process of preparation and the contents of the business plan for the Company's overseas business, and based on question-and-answer sessions, carefully deliberated the relevant matters, and unanimously confirmed by its members that the business plan is deemed to be reasonable.

While, as described in "(ii) Summary of the Calculation" of "(2) Matters Relating to Calculation" and "(iii) Obtaining Calculation Report and Fairness Opinion from Independent Third Party Financial Advisor by Special Committee" of "(4) Measures to Ensure Fairness" above, MUMSS and Yamada Consulting made calculation of the value of the share allotment ratio, the Special Committee received explanations from MUMSS and Yamada Consulting on the calculation methods of the share allotment ratio used by each of them, the reasons for adopting such calculation methods, the details of the calculation based on each calculation method, and important assumptions, and after question-and-answer sessions, as well as deliberations and considerations, and the Special Committee has confirmed the rationality of these matters. Further, as described in "(iii) Obtaining Calculation Report and Fairness Opinion from Independent Third Party Financial Advisor by Special Committee" of "(4) Measures to Ensure Fairness" above, the Special Committee received the Fairness Opinion from Yamada Consulting on May 2, 2022, and at that time, the Special Committee received explanations from Yamada Consulting regarding the contents of the Fairness Opinion and its material assumptions, and has confirmed the same.

In addition to the foregoing, the Special Committee has been involved in the negotiation process between the Company and NTT with respect to the Overseas Business Split and the Additional Share Acquisition by confirming the policies in advance, receiving reports from the Company on the background and details of such discussions and negotiations, etc., and providing its opinions, instructions and requests at important stages.

Under such circumstances, the Special Committee, on the premise of each of the above explanations, advices from its advisors, calculation results (including the Fairness Opinion) and other materials for consideration, carefully deliberated and examined the Consulted Matters, and submitted to the Company's Board of Directors a report dated May 6, 2022 to the effect that the Overseas Business Split and the Additional Share Acquisition would not cause any disadvantages for the Company's minority shareholders. For a summary of the report, please see "11. Matters Regarding Transactions, etc. with the Controlling Shareholder" below.

- (ii) Approval of all Directors (Including Audit and Supervisory Committee Members) who have no Interest in the Company

All directors of the Company (including audit and supervisory committee members) excluding Takeshi Arimoto attended the Company's Board of Directors meeting held today and all members in attendance deliberated on and resolved on the Overseas Business Integration, including the Overseas Business Split. Of the Company's directors, Mr. Arimoto, who is also an employee of NTT, has, or is likely to have, a conflict of interest in relation to the Overseas Business Integration. Therefore, he did not participate in discussions and negotiations in relation to the Overseas Business Integration, and did not participate in deliberations in relation to the Overseas Business

Integration at the Company's Board of Directors meeting detailed above.

6. Outline of Companies that are Parties to Overseas Business Split

	Splitting Company in Absorption-Type Company Split	Succeeding Company in Absorption-Type Split
(1) Name	NTT DATA Corporation	NTT, Inc.
(2) Address	3-3, Toyosu 3-Chome, Koto-ku, Tokyo	5-1, Otemachi 1-chome, Chiyoda-ku, Tokyo
(3) Title and Name of Representative	Yo Honma, Representative Director, President and Chief Executive Officer	Jun Sawada, President and Chief Executive Officer
(4) Business Description	Consulting, integrated IT solutions, system and software development, maintenance and support, etc.	NTT group global business governance, strategy formulation, policy promotion, etc.
(5) Stated Capital Amount	142,520 million yen (as of December 31, 2021)	340,050 million yen (as of March 31, 2022)
(6) Date of Incorporation	May 23, 1988	July 5, 2006
(7) Number of Issued Shares (as of December 31, 2021)	1,402,500,000 shares	65 shares
(8) Accounting Period	March 31	March 31
(9) Number of Employees	(On a non-consolidated basis) 12,477 (On a consolidated basis) 149,124 (as of December 31, 2021)	(NTT, Inc. on a non-consolidated basis) 37 (NTT Ltd. on a consolidated basis) 36,300 (as of December 31, 2021)
(10) Major Trading Partner(s)	Domestic and foreign private companies and government agencies	NTT group companies
(11) Main bank(s)	Mizuho Bank, Ltd.	Mizuho Bank, Ltd.
(12) Major Shareholders and Shareholding Ratios (as of September 30, 2021)	NTT, Inc. 54.19%	Nippon Telegraph and Telephone Corporation 100%
	The Master Trust Bank of Japan (Trust Account) 11.97%	
	Custody Bank of Japan, Ltd. (Trust Account) 5.15%	
	JP MORGAN CHASE BANK 385635 (Standing proxy: Mizuho Bank, Ltd.) 1.30%	
	Custody Bank of Japan, Ltd. (Securities Investments Trust Account) 1.10%	
	NTT Data Employee Shareholding Association 1.02%	
	STATE STREET BANK WEST CLIENT- TREATY 505234 (Standing proxy: Mizuho Bank, Ltd.) 0.81%	
	JP MORGAN CHASE BANK 380072 (Standing proxy: Mizuho Bank, Ltd.) 0.68%	
	STATE STREET BANK AND TRUST COMPANY 505103 (Standing proxy: Mizuho Bank, Ltd.) 0.60%	
	JP MORGAN CHASE BANK 385781 (Standing proxy: Mizuho Bank, Ltd.) 0.58%	

(13)	Relationship of the Companies					
	Capital Relationship	As of today, NTT, Inc. holds 760,000,000 shares of the Company's common stock (54.2% of the total number of voting rights as of September 30, 2021). Through the Distribution in Kind, NTT, Inc. will deliver all of its shares of common stock of the Company to NTT, and the Company will acquire 3,575 shares of common stock of NTT, Inc. as consideration for the Overseas Business Split and as a result of the Additional Share Acquisition.				
	Personnel Relationship	One director of NTT, Inc. also serves as a director of the Company.				
	Business Relationship	The Company engages in transactions with NTT, Inc. such as outsourced consulting, system and software development, and maintenance and support services.				
	Status as Related Parties	As of today, NTT, Inc. is the Company's parent company, and therefore the Company and NTT, Inc. are mutually related parties. Further, as NTT, Inc. will no longer be a parent company of the Company upon the Distribution in Kind, and as a result of the Overseas Business Split, NTT, Inc. will be a subsidiary of the Company, the Company and NTT, Inc. will be mutually related parties even after the Overseas Business Split.				
(14)	Business Performance and Financial Position for the last 3 years (Unit: million yen, unless otherwise specifically indicated)					
Accounting Period	NTT Data (consolidated) (IFRS)			NTT, Inc. (non-consolidated) (Japan Standard) / NTT Ltd. (consolidated) (IFRS)		
	Fiscal Year Ending March 31, 2019	Fiscal Year Ending March 31, 2020	Fiscal Year Ending March 31, 2021	Fiscal Year Ending March 31, 2019	Fiscal Year Ending March 31, 2020	Fiscal Year Ending March 31, 2021
Equity Attributable to Shareholders of the Company or Net Asset Amount	925,667	939,683	1,072,899	1,116,603 (-)	1,482,629 (-)	1,540,730 (786,300)
Total Assets or Total Assets Amount	2,476,062	2,686,008	2,897,015	1,117,302 (-)	1,483,427 (-)	1,541,830 (2,029,483)
Equity Attributable to Shareholders of the Company per Share or Net Assets per Share (In yen for NTT Data)	660.01	670.01	764.99	17,723 (-)	23,166 (-)	23,703 (88)
Net Sales	2,163,625	2,266,808	2,318,658	175 (-)	99,465 (897,687)	154,217 (1,058,832)
Operating Income	147,716	130,937	139,173	-171 (-)	94,857 (-21,446)	151,586 (9,226)
Profit Before Tax or Ordinary Income	146,914	120,155	130,452	-418 (-)	93,782 (-31,563)	150,884 (-2,352)
Net Profit Attributable to Shareholders of the Company for the Current Fiscal Year or Net Profit Attributable to the Parent Company for the Current Fiscal Year	93,616	75,148	76,843	-32,864 (-)	104,144 (-33,971)	150,171 (-13,589)
Basic Net Income per Share or Net Income per Share (In yen for NTT Data)	66.75	53.58	54.79	-534 (-)	1,640 (-4)	2,328 (-2)
Dividend per Share (in yen for NTT Data)	17.00	18.00	18.00	0 *Ordinary dividend: 0 Special dividend: 0	2,322 *Ordinary dividend: 1,627 Special dividend: 695	2,310 *Ordinary dividend: 2,310 Special dividend: 0

(Note) 1. The above-mentioned figure for the stated capital amount of NTT, Inc. is as of March 31, 2022, reflecting reclassification of stated capital and capital surplus to other capital surplus in January 2022.

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

3. Since NTT, Inc. does not prepare consolidated management indices, the table above shows non-consolidated management indices, and in parentheses, consolidated management indices of NTT Ltd., which will be the sole direct subsidiary of NTT, Inc. immediately prior to the implementation of the Overseas Business Split on the effective date

of the Overseas Business Split (October 1, 2022). Such consolidated management indices are internally managed figures after elimination of internal transactions of NTT Ltd. and its subsidiaries, etc., and are unaudited reference figures (These are reference figures that include some financial figures of the companies that will not become under control of NTT Data as a result of the contemplated transactions.). Further, as NTT Ltd. was established in July 2019, no figures exist for the fiscal year ended March 31, 2019. Also, as the group began managing figures on a consolidated basis during the fiscal year 2020, there are no figures for the balance sheet for the fiscal year ended March 31, 2020. The amount of dividends per share of NTT, Inc. is based on the dividends resolved at the Ordinary and Extraordinary General Meetings of Shareholders of NTT, Inc. for each fiscal year.

7. Outline of Business Subject to Split

(1) Business Divisions Subject to Split

Formulation of strategy, business management, governance management, etc. regarding overseas business operated by the NTT Data group

(2) Operating Results of Divisions Subject to Split

	Fiscal Year Ending March 31, 2019	Fiscal Year Ending March 31, 2020	Fiscal Year Ending March 31, 2021
Consolidated Revenue	909,388 million yen	936,048 million yen	939,041 million yen
Consolidated Operating Profit	13,389 million yen	-11,571 million yen	-22,902 million yen

(3) Book Value of Assets and Liabilities Subject to Split (as of March 31, 2021)

Assets		Liabilities	
Item	Book Value	Item	Book Value
Current Assets	448,749 million yen	Current Liabilities	288,911 million yen
Fixed Assets	790,022 million yen	Fixed Liabilities	204,900 million yen
Total	1,238,771 million yen	Total	493,811 million yen

(Note) The “Operating Results of Divisions Subject to Split” and the amounts of each of “Assets and Liabilities Subject to Split” are internally controlled figures calculated based on certain assumptions and are unaudited reference values. The asset and liability items subject to the split and amounts thereof are based on the balance sheet as of March 31, 2021. Therefore, the actual amounts subject to the split (i.e., the amounts obtained by adding or subtracting any increase or decrease occurring before the effective date of the Overseas Business Split to or from the amount above) may vary.

8. Status After Overseas Business Split

(1) Status of Split Company After Overseas Business Split

There will be change in the trade name, address, title and name of representative, amount of stated capital, and accounting period of the Company after the Overseas Business Split.

(2) Status of Succeeding Company After Overseas Business Split

(1) Name	NTT, Inc. NTT Data and NTT will discuss the trade name of NTT, Inc. by the effective date of the Overseas Business Split (October 1, 2022).
(2) Address	Not yet fixed
(3) Title and Name of Representative	NTT Data and NTT will determine the President and Representative Director upon consultation.
(4) Business Description	NTT Data group global business governance, strategy formulation, policy promotion, etc.
(5) Stated Capital Amount	Not yet fixed

(6)	Accounting Period	March 31
(7)	Net Assets	Not yet fixed
(8)	Total Assets	Not yet fixed

9. Outline of Accounting Process

Since the Overseas Business Split constitutes a transaction, etc. under common control under the Company group's accounting policy and NTT, Inc. will meet the control criteria under the accounting standards related to consolidated financial statements, NTT, Inc. will become a subsidiary of the Company and will be included in the consolidated financial statements of the Company after the implementation of such transaction.

10. Future Outlook

We are currently investigating the impact this transaction will have on the financial results from fiscal year ending March 31, 2023, and we will promptly give notice if it is necessary to make a new disclosure regarding the transaction.

11. Matters Regarding Transactions, etc. with the Controlling Shareholder

(1) Applicability as a Transaction, etc. with the Controlling Shareholder and Compliance with the Policy on Measures to Protect Minority Shareholders

The Overseas Business Split falls under a transaction, etc. with the controlling shareholder of the Company as detailed in "(4) Measures to Ensure Fairness" of "5. Basis of the Terms of the Allotment Under the Overseas Business Split" above. Compliance of the Transaction in relation to the Policy on Measures to Protect Minority Shareholders in Conducting Transactions with the Controlling Shareholder revealed in the Corporate Governance Report disclosed by the Company on December 24, 2021 is as follows.

All directors of the Company (including audit and supervisory committee members) excluding Takeshi Arimoto attended the Company's Board of Directors meeting held today and all members in attendance deliberated on and resolved to approve the execution of the Overseas Business Split Agreement in relation to the Overseas Business Integration, including the Overseas Business Split. Of the Company's directors, Mr. Arimoto, who is also an employee of NTT, has, or is likely to have, a conflict of interest in relation to the Overseas Business Integration. Therefore, he did not participate in discussions and negotiations in relation to the Overseas Business Integration, and did not participate in deliberations in relation to the Overseas Business Integration at the Company's Board of Directors meeting detailed above.

The Policy on Measures to Protect Minority Shareholders in Conducting Transactions, etc. with the Controlling Shareholder indicated in the Corporate Governance Report disclosed on December 24, 2021 is as follows.

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with the Controlling Shareholder

As the Company's basic policy for the relationship with its parent company, the Company strives to cooperate with the parent company while fully respecting each other's mutual independence and autonomy, and carries out any transactions, etc. with the companies properly in accordance with laws and regulations. In the case of any business transactions with the parent company, the Company handles such trading under the same conditions as other business partners with regard to the transaction terms and the method of determining such transaction terms. The Company makes decisions on important contracts executed with the parent company after legal examination by the Legal Department. For particularly important contracts, the Company makes it mandatory that they are approved by the board of directors and strives to ensure decision making independent of the parent company. In addition, the Board of Directors consists of 15 directors, including 5 independent outside directors. At present, independent outside directors account for at least one-third of all directors.

(2) Matters Regarding Measures to Ensure Fairness and Measures to Avoid Conflict of Interests

As stated in “(1) Applicability as a Transaction, etc. with the Controlling Shareholder and Compliance with the Policy on Measures to Protect Minority Shareholders” above, the Overseas Business Split constitutes a transaction, etc. with the controlling shareholder for the Company. Therefore, the Company has determined that it is necessary to implement measures to ensure fairness and to avoid conflicts of interest. The Company’s Board of Directors has sincerely discussed and considered the conditions of the Overseas Business Split, and has made a decision ensuring fairness and avoiding conflicts of interest by implementing the measures described in “(4) Measures to Ensure Fairness” and “(5) Measures to Avoid Conflicts of Interest” of “5. Basis of the Terms of the Allotment Under the Overseas Business Split” above.

(3) Outline of the Opinion Obtained from Parties with no Interests in the Controlling Shareholder Regarding the Determination that the Relevant Transaction, etc. is not Disadvantageous for Minority Shareholders

As set out in “(5) Measures to Avoid Conflicts of Interest” of “5. Basis of the Terms of the Allotment Under the Overseas Business Split” above, for the purpose of taking care in its decision making for the Overseas Business Split and the Additional Share Acquisition to eliminate any possibility of arbitrariness and conflicts of interest in the decision-making process of its Board of Directors and to ensure the fairness of the decision-making process, as well as to confirm there was no disadvantage to its minority shareholders from the decision of its Board of Directors to carry out the Overseas Business Split and the Additional Share Acquisition, the Company established the Special Committee and requested its advice on the Advisory Matters.

As a result, the Company received a written response as outlined below from the Special Committee on May 6, 2022.

(i) Contents of Written Response

- (a) The Overseas Business Split and the Additional Share Acquisition are justified as contributing to the enhancement of the Company’s corporate value.
- (b) From the viewpoint of protecting the interests of the Company’s minority shareholders, the appropriateness of the transaction terms and the fairness of the negotiation process and other procedures are ensured with respect to the Overseas Business Split and the Additional Share Acquisition.
- (c) It is not considered that the decisions of the Company’s Board of Directors regarding the Overseas Business Split and the Additional Share Acquisition would cause any disadvantage to the Company’s minority shareholders.
- (d) In light of the preceding paragraphs, it is reasonable for the Company’s Board of Directors to decide to perform the Overseas Business Split and the Additional Share Acquisition.

(ii) Reason for Written Response

(a) Adequacy of the Overseas Business Split and the Additional Share Acquisition

The following is a summary of the significance and purpose of the Overseas Business Split and the Additional Share Acquisition and the specific details of the Company’s corporate value expected to be enhanced by the Overseas Business Split and the Additional Share Acquisition, as explained to the Special Committee by the Company and NTT, Inc.

A. Background of transactions

- The environment surrounding the society is changing drastically every day, and in corporate management, corporations are required to solve social issues and contribute to the global environment, in addition to enhancing its economic value through creating new value. Furthermore, social trends, from corporate activities to people’s consumption and lifestyles, are changing dramatically against a backdrop of technological advancements, and as a result, digital-related

investments for business growth are accelerating in all industries. Under these circumstances, the society is beginning to move toward the realization of new value with various goods and people being connected, and as such, technologies related to Connectivity, such as Edge to Cloud (Note), are becoming increasingly important. There are also growing expectations for a data-driven society through securely collecting and analyzing information acquired from goods and human behavior.

- On the other hand, the competitive environment surrounding the IT market has also been changing, with various players expanding their service lineups in response to changes in society and technology.
- Up until now, the Company has expanded the scale of its overseas business through M&A, in addition to solid business expansion within Japan. In particular, we have made certain achievements in our overseas business by undertaking business structure reforms aimed at strengthening our digital responsiveness and improving profitability.
- In light of changes in the business environment with a global perspective, we believe that it is necessary to further accelerate collaboration among NTT group companies and to further strengthen our business competitiveness, in order to contribute to the growth of our customers' businesses and to become a truly Trusted Global Innovator that supports social infrastructure for the long term.

(Note) Architecture that combines edge computing in which data processing and analysis is performed on IoT terminals, smart devices, and servers installed nearby, with cloud computing in which data is centrally managed and processed

B. Objective and Aim

- On this occasion, overseas businesses for business users that have been operated by the Company, NTT, Inc. and NTT Ltd., respectively, will be integrated and the business will be developed as a unified group thereafter.
- Up until now, the Company has supported various corporate systems and industry infrastructures with its “power to ‘create’” based on deep customer understanding and advanced technological capabilities, but this integration will enable the Company to enhance the value provision by the Company by combining it with the “power to ‘connect’” of NTT Ltd.
- Specifically, the Company will combine its system integration capabilities (power to “create”) mainly in consulting and application development with NTT Ltd.’s ‘Edge to Cloud’ service operation capabilities (power to “connect”) mainly in the field of data centers, networks and managed services, in order to evolve into a company providing total services that integrate IT and Connectivity.
- We will respond to increasingly complex and diverse customer needs on a global level by centrally developing a service lineup necessary for digital transformation, including the Connectivity domain.
- In addition, by aggregating talents and properties related to the overseas business of the NTT group, we will realize swift decision-making according to the business and customer characteristics in each overseas region, and build a strong global governance system that supports future business growth.
- In the medium- to long-term, we will work to create new social platforms and innovate services that transcend corporate and industry boundaries through the provision of comprehensive managed

services, including from Edge to Cloud, which integrate IT and Connectivity to connect all things securely, while also developing innovative services globally that utilize NTT's IOWN technology, aiming to become a company that can create sustainable future mechanisms.

- We believe that the Overseas Business Integration will promote a unified understanding of our global customers, make our brand more trusted among our global customers, and achieve further growth and increase our corporate value by strengthening our business competitiveness.

C. Specific Efforts

- Effective October 1, 2022, NTT, Inc. will shift to a joint ownership structure of NTT Data (55%) and NTT (45%) as an overseas business company, through the Overseas Business Integration. By making it a joint venture, we will promote collaboration with NTT in both strategic and practical aspects to realize the growth of our overseas business.
- Specifically, under a unified business strategy, we will provide End to End (Note) services from infrastructure to applications. We will also utilize the results of NTT's research and development to promote our business in areas such as Smart World and 5G, and at the same time, in the medium- to long-term, we will work to realize advanced services that can also provide environmental and social value, with the IOWN concept at its core.
- In July 2023, we plan to shift to a business operation structure in which domestic and overseas business companies will be placed under NTT Data as a holding company, through the Domestic Business Split.
- With regard to the domestic business, the scale of the business exceeds 1.5 trillion yen due to steady business growth, and since we have a large number of customers, we will promote autonomous business operations centered on the domestic business companies.
- With the new business operation structure, we will further strengthen governance through quick decision-making in response to changes in the external environment and local markets, increased mobility, flexible system design, etc. The holding company will specialize in the formulation and execution of growth strategies from the perspective of overall group optimization, business management, etc., so that it can strive to enhance the corporate value of the entire group.

(Note) Total provision of services required for IT systems, from application development to network and IT infrastructure construction and system operation.

D. Brief summary

In addition to confirming the specific contents of the above-mentioned matters, the Special Committee conducted detailed examinations after confirming, through interviews with the Company and NTT, Inc., the degree of risk and feasibility of implementing the Overseas Business Split and the Additional Share Acquisition, the expected value the Company could enjoy as a shareholder of the overseas business companies, and the possibility of strengthening existing businesses and increasing corporate value by utilizing existing management resources through the Overseas Business Split and the Additional Share Acquisition.

As a result, the Company has concluded that there is nothing unreasonable in the Company's judgment that the Overseas Business Split and the Additional Share Acquisition will enable the Company to strengthen its business competitiveness, and that the significance and purpose of the Overseas Business Split and the Additional Share Acquisition are justified.

- (b) Appropriateness of the transaction terms of, and the fairness of the negotiation process and other procedures for, the Overseas Business Split and the Additional Share Acquisition

A. Calculation by Third Party Financial Advisor

- The allotment ratio of NTT, Inc. shares which are the consideration for the Overseas Business Split (the “Share Allotment Ratio”) is a ratio within the calculation range of the results of the comparable companies analysis and the results of the DCF analysis stated in the calculation report for share allotment ratio obtained from MUMSS. This ratio is also within the calculation range of the results of the calculation based on the comparable companies analysis and the DCF analysis stated in the calculation report for share allotment ratio obtained from Yamada Consulting.
- Further, the Special Committee has received a fairness opinion from Yamada Consulting that the consideration for the Overseas Business Split and the price for the Additional Share Acquisition are fair from a financial point of view.
- The Special Committee received detailed explanations from MUMSS and Yamada Consulting regarding the calculation methods used by each of them, and examined the results after question-and-answer sessions with MUMSS and Yamada Consulting regarding the selection of the calculation method, the method for selecting comparable companies, the basis for calculating the discount rate, and the reasons for the differences between their calculation results and the rationality thereof, and found that none of their calculations were unreasonable in light of general calculation practices. Further, the Special Committee examined the Company’s business plan for its overseas business and NTT, Inc.’s business plan with reasonable adjustments by the Company, which are the basis for the above calculations, after question-and-answer sessions, and found no unreasonable points.

B. Fairness of Negotiation Process and Other Procedure

- In considering the Overseas Business Split and the Additional Share Acquisition, the Company appointed MUMSS as its third party financial advisor independent of the related parties to the transactions, and Nagashima Ohno & Tsunematsu, and Nakamura, Tsunoda & Matsumoto as its legal advisors independent of the related parties to the transactions. The Company also established the Special Committee consisting of three (3) independent outside directors of the Company. Based on this, the Company has carefully examined the appropriateness of the transaction terms and the fairness of the series of procedures from the perspective of improving our corporate value and ultimately the common interests of our shareholders, while obtaining advice, opinions, etc. from MUMSS, Nagashima Ohno & Tsunematsu, Nakamura, Tsunoda & Matsumoto, and the Special Committee.
- The Special Committee confirmed that there were no problems with the independence and expertise of MUMSS, Nagashima Ohno & Tsunematsu, and Nakamura, Tsunoda & Matsumoto, and approved them as third party financial advisor and legal advisors of the Company, and the Special Committee also received professional advices as necessary. Further, the Special Committee appointed Yamada Consulting as its own financial advisor independent of the related parties to the transactions and TMI Associates as its own legal advisor independent of the related parties to the transactions and received professional advices.
- With respect to discussions and negotiations concerning transaction terms, the Company confirms its policy with the Special Committee in advance, reports to the Special Committee on a case-by-

case basis on the background and details of such discussions and negotiations, and respects the opinions, instructions and requests of the Special Committee at critical junctures, and thus can be evaluated as having conducted substantial discussions and negotiations to ensure the fairness from the perspective of protecting minority shareholders' interests.

- None of the officer and employees of the Company who are considering and/or negotiating the Overseas Business Split and the Additional Share Acquisition has any special interest in Overseas Business Split and the Additional Share Acquisition, and there are no other facts that would lead one to infer that NTT or any other party with a special interest in the Overseas Business Split and the Additional Share Acquisition had any undue influence on the Company in the course of discussions, deliberations and negotiations concerning the Overseas Business Split and the Additional Share Acquisition. It should be noted that of the directors of the Company, Mr. Takeshi Arimoto did not participate in any of the Company's deliberations and discussions and negotiations with NTT in his capacity as a director of the Company in order to avoid any suspicion of a conflict of interest.

C. Brief summary

In addition to A. and B. above, taking into consideration the fact that no unreasonable points were found after the Special Committee's examination of the main terms and conditions of the agreement to be concluded by that the Company with NTT for the Overseas Business Split and the Additional Share Acquisition after explanations made by the Company regarding the same and question-and-answer sessions with the Company with respect to the reasonableness of such terms and conditions, and based on the results of such examination and after careful discussion and examination, the Special Committee has concluded that the terms and conditions of the transaction terms for the Overseas Business Split and the Additional Share Acquisition are reasonable. Furthermore, as described in B. above, appropriate measures to ensure fairness were taken in the Overseas Business Split and the Additional Share Acquisition, leading to the conclusion that the procedures were fair.

- (c) Whether the decision of the Board of Directors of the Company on the Overseas Business Split and the Additional Share Acquisition would cause any disadvantage to the minority shareholders of the Company, and whether the decision of the Board of Directors of the Company to carry out the Overseas Business Split and the Additional Share Acquisition is reasonable

Based on the matters set out in (a) and (b) above, and after careful consideration by the Special Committee, the Special Committee has come to the conclusion to report the opinions stated in (i)(c) and (d) above.

II. Change in Largest and Major Shareholder Following Overseas Business Integration

1. Background of Change

Please refer to "1. Background" and "2. Objective and Aim" of "I. Execution of Master Agreement and Shareholders Agreement Regarding Overseas Business Integration, and Overseas Business Split" above for the background to the change in the largest and major shareholder. NTT, Inc. will not be the Company's largest and major shareholder as a result of the Distribution in Kind, and it is expected that NTT will be the Company's new largest, major shareholder. Further, as a result of the Distribution in Kind, NTT, Inc. will no longer be the parent company of the Company either, and for details, please refer to the "Notice Concerning Change in Parent Company" to be released by the Company as of today.

2. Outline of Changing Shareholder

(1) Shareholder that will no Longer be the Largest and Major Shareholder

Please refer to “6. Outline of Companies that are Parties to Overseas Business Split” of “I. Execution of Master Agreement and Shareholders Agreement Regarding Overseas Business Integration, and Overseas Business Split” above for an outline of NTT, Inc.

(2) Shareholder that will be the new Largest and Major Shareholder

(1) Name	Nippon Telegraph and Telephone Corporation
(2) Address	5-1, Otemachi 1-chome, Chiyoda-ku, Tokyo
(3) Title and Name of Representative	Jun Sawada, President and Chief Executive Officer
(4) Business Details	Business such as mobile communications business, regional communications business, long distance and international communications business, and data communications business
(5) Stated Capital Amount	937,950 million yen

3. Number of Voting Rights (Number of Shares) held by those Shareholders and the Percentage of Voting Rights Held to Voting Rights of all Shareholders Before and After the Change

(1) Shareholder that will no Longer be the Largest and Major Shareholder (NTT, Inc.)

	Number of Voting Rights (Number of Shares Held)	Percentage of Voting Rights held to Voting Rights of all Shareholders	Major Shareholder Rank
Before Change (as of May 9, 2022)	7,600,000 (760,000,000 shares)	54.2%	1st
After Change	-	-	-

(2) Shareholder that will be the new largest, major shareholder (NTT)

	Number of Voting Rights (Number of Shares Held)	Percentage of Voting Rights held to Voting Rights of all Shareholders	Major Shareholder Rank
Before Change (as of May 9, 2022)	-	-	-
After Change	7,600,000 (760,000,000 shares)	54.2%	1st

(Note) The percentage of voting rights held is calculated based on the total number of voting rights as of September 30, 2021 (i.e., 14,023,886 voting rights), rounded to one decimal place. The total number of issued shares as of December 31, 2021 is 1,402,500,000 shares.

4. Planned Date of Change

October 1, 2022 (scheduled)

5. Future Outlook

Please refer to “10. Future Outlook” of “I. Execution of Master Agreement and Shareholders Agreement Regarding Overseas Business Integration, and Overseas Business Split” above.

III. Change in Subsidiaries

1. Background of the Change

Please refer to “1. Background” and “2. Objective and Aim” of “I. Execution of Master Agreement and Shareholders Agreement Regarding Overseas Business Integration, and Overseas Business Split” above. NTT, Inc. and its subsidiaries are scheduled to newly become the Company’s subsidiaries as a result of the acquisition of 3,315 NTT, Inc. shares by the Company as consideration for the Overseas Business Split. On the effective date of the Overseas Business Split, the Company is scheduled to acquire 260 NTT, Inc. shares held by NTT through the Additional Share Acquisition, subject to the Overseas Business Split coming into effect. The shares of the subsidiary for overseas business of the Company group will be succeeded by NTT, Inc. by way of the Overseas Business Split, but as detailed above, the Company will acquire NTT, Inc.’ shares, and that subsidiary for overseas business of the Company group will become the Company’s subsidiary.

2. Outline of Changing Subsidiaries

Please refer to “6. Outline of Companies that are Parties to Overseas Business Split” of “I. Execution of Master Agreement and Shareholders Agreement Regarding Overseas Business Integration, and Overseas Business Split” above for an outline of NTT, Inc., which will become a new subsidiary of the Company. The outline of each subsidiary of NTT, Inc. that will newly become a subsidiary of the Company is omitted (Please refer to “6. Outline of Companies that are Parties to Overseas Business Split” of “I. Execution of Master Agreement and Shareholders Agreement Regarding Overseas Business Integration, and Overseas Business Split” above for NTT Ltd.’s consolidated management indices.).

3. Number of Acquired Shares, Acquisition Price, and Status of Shareholding Ratios Before and After Acquisition

(NTT, Inc.)

(1)	Number of shares held before change	0 shares (Number of voting rights: 0) (Percentage of voting rights held: 0%)
(2)	Number of acquired shares	3,315 shares (Number of voting rights: 3,315)
(3)	Acquisition price	Please refer to “(6) Rights and Obligations to be Succeeded by the Succeeding Company” of “4. Summary of Overseas Business Split” of “I. Execution of Master Agreement and Shareholders Agreement Regarding Overseas Business Integration, and Overseas Business Split” above for details of the rights and obligations to be succeeded by NTT, Inc. as a result of the Overseas Business Split and “5. Basis of the Terms of the Allotment Under the Overseas Business Split” of “I. Execution of Master Agreement and Shareholders Agreement Regarding Overseas Business Integration, and Overseas Business Split” above regarding the basis of the calculation for the terms of the allotment under the Overseas Business Split. The advisory and other related fees for acquiring the subsidiary (Overseas Business Split) come to (approximately) 2,800 million yen.
(4)	Number of shares held after change	3,315 shares (Number of voting rights: 3,315) (Percentage of voting rights held: 51%)

(Note) NTT, Inc. plans to perform the Share Split prior to the Overseas Business Split, and the number of acquired shares and the number of shares held after change are calculated based on the figures after the Share Split. As a result of the Additional Share Acquisition after the Overseas Business Split coming into effect, the number of NTT, Inc. shares held by the Company as of the effective date of the Overseas Business Split is scheduled to be 3,575 shares (Number of voting rights: 3,575; Voting rights holding ratio: 55%). Please note that it was agreed that the total acquisition price for the Additional Share Acquisition should be 112 billion yen, based on the details set out in “5. Basis of the Terms of the Allotment under the Overseas Business Split” of “I. Execution of Master Agreement and Shareholders Agreement Regarding Overseas Business Integration, and Overseas Business Split” above.

4. Schedule

Please refer to “(1) Schedule for Overseas Business Integration and Overseas Business Split” of “4. Summary of Overseas Business Split” of “I. Execution of Master Agreement and Shareholders Agreement Regarding Overseas Business Integration, and Overseas Business Split” above.

5. Future Outlook

Please refer to “10. Future Outlook” of “I. Execution of Master Agreement and Shareholders Agreement Regarding Overseas Business Integration, and Overseas Business Split” above.

6. Matters Regarding Transactions, etc. with the Controlling Shareholder

(1) Applicability as a Transaction, etc. with the Controlling Shareholder and Compliance with the Policy on Measures to Protect Minority Shareholders

Please refer to “(1) Applicability as a Transaction, etc. with the Controlling Shareholder and Compliance with the Policy on Measures to Protect Minority Shareholders” of “11. Matters Regarding Transactions, etc. with the Controlling Shareholder” of “I. Execution of Master Agreement and Shareholders Agreement Regarding Overseas Business Integration, and Overseas Business Split” above.

(2) Matters Regarding Measures to Ensure Fairness and Measures to Avoid Conflict of Interests

Please refer to “(2) Matters Regarding Measures to Ensure Fairness and Measures to Avoid Conflict of Interests” of “11. Matters Regarding Transactions, etc. with the Controlling Shareholder” of “I. Execution of Master Agreement and Shareholders Agreement Regarding Overseas Business Integration, and Overseas Business Split” above.

(3) Outline of the Opinion Obtained from Parties with no Interests in the Controlling Shareholder Regarding the Determination that the Relevant Transaction, etc. is not Disadvantageous for Minority Shareholders

Please refer to “(3) Outline of the Opinion Obtained from Parties with no Interests in the Controlling Shareholder Regarding the Determination that the Relevant Transaction, etc. is not Disadvantageous for Minority Shareholders” of “11. Matters Regarding Transactions, etc. with the Controlling Shareholder” of “I. Execution of Master Agreement and Shareholders Agreement Regarding Overseas Business Integration, and Overseas Business Split” above.

IV. Transition to Holding Company Structure

1. Purpose and Effect of Transition to Holding Company Structure

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

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

2. Summary of Transition to Holding Company Structure

(1) Schedule for Domestic Business Split

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

(2) Method of Domestic Business Split

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

(3) Terms of the Allotment Under the Domestic Business Split

Not yet finalized

(4) Handling of Stock Acquisition Rights and Bonds with Stock Acquisition Rights in Connection with the Domestic Business Split

The Company has not issued any stock acquisition rights or bonds with stock acquisition rights. Therefore, this item is not applicable.

(5) Capital Change due to the Domestic Business Split

Not yet finalized

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

The Domestic Business Split Preparation Company plans to succeed to the rights and obligations that the Company has in relation to the domestic business that are prescribed in the absorption-type company split agreement to be executed at a later date in relation to the Domestic Business Split.

(7) Prospect of Fulfillment of Debts

The parties determine that there are no issues in the payment of debts to be fulfilled by the Domestic Business Split Preparation Company on or after the effective date of the Domestic Business Split.

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

Please refer to “6. Outline of Companies that are Parties to Overseas Business Split” of “I. Execution of Master Agreement and Shareholders Agreement Regarding Overseas Business Integration, and Overseas Business Split” above for an outline of the Company, which is the splitting company in the Domestic Business Split.

Following is an outline of the company formed after the Domestic Business Split, which is the succeeding company in the Domestic Business Split. Details of such company formed after the Domestic Business Split will be announced as soon as they

are determined.

(1)	Name	To be determined
(2)	Address	To be determined
(3)	Title and Name of Representative	To be determined
(4)	Business Details	To be determined
(5)	Stated Capital Amount	To be determined
(6)	Date of Incorporation	October 1, 2022 (scheduled)
(7)	Number of Issued Shares	To be determined
(8)	Accounting Period	To be determined
(9)	Major Shareholders and Shareholding Ratios	NTT DATA Corporation, 100% (scheduled)
(10)	Relationship with the Company	
	Capital Relationship	To be established as a wholly-owned subsidiary of the Company.
	Personnel Relationship	The Company plans to dispatch directors.
	Business Relationship	Operations have not commenced, so there is no business relationship with the Company.

(Note) The Domestic Business Split Preparation Company is expected to be established on October 1, 2022. Therefore, there is no most recent fiscal year.

4. Outline of the Business Subject to the Split

The rights and obligations that belong to the Company's domestic business are expected to be succeeded, but no details have been established at this point in time. The details will be decided by the time of executing the absorption-type company split agreement for the Domestic Business Split and will be announced as soon as they are determined.

5. Status After Domestic Business Split

Not yet finalized

6. Outline of Accounting Treatment

Not yet finalized

7. Future Outlook

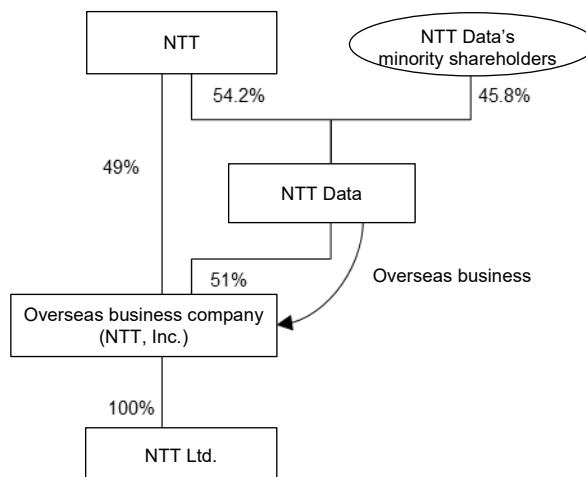
Please refer to "10. Future Outlook" of "I. Execution of Master Agreement and Shareholders Agreement Regarding Overseas Business Integration, and Overseas Business Split" above.

End

<Attached Materials: Transaction Scheme Diagrams>

<p>Current status (as of the date of this Press Release)</p>	<p>The diagram shows the current ownership structure. At the top is 'NTT'. A vertical line connects 'NTT' to 'NTT, Inc.' with '100%' written next to the line. From 'NTT, Inc.', a horizontal line branches down to five boxes: 'Disruption', 'Global Sourcing', 'Venture Capital', 'NTT Ltd.', and 'NTT Data'. The percentages are: 100% to Disruption, 100% to Global Sourcing, 99.4% to Venture Capital, 100% to NTT Ltd., and 54.2% to NTT Data. To the right of 'NTT Data', a vertical line connects it to an oval labeled 'NTT Data's minority shareholders' with '45.8%' written next to the line.</p>
<p>(1) Transfer of NTT Data shares, etc. from NTT, Inc. to NTT</p>	<p>The diagram shows the ownership structure after the transfer. At the top is 'NTT'. A vertical line connects 'NTT' to 'NTT, Inc.' with '100%' written next to the line. From 'NTT, Inc.', a horizontal line branches down to three boxes: 'Disruption', 'Global Sourcing', and 'Venture Capital'. The percentages are: 100% to Disruption, 100% to Global Sourcing, and 99.4% to Venture Capital. To the right of 'NTT, Inc.', a vertical line connects it to 'NTT Data' with '54.2%' written next to the line. To the right of 'NTT Data', a vertical line connects it to an oval labeled 'NTT Data's minority shareholders' with '45.8%' written next to the line. Below 'NTT, Inc.', a vertical line connects it to 'NTT Ltd.' with '100%' written next to the line.</p>
	<p>Prior to the Overseas Business Split for the integration of NTT Data's and NTT's overseas businesses, NTT, Inc. will make a distribution in kind to NTT of all shares of common stock of NTT Data (i.e., 760,000,000 shares (54.2% of the total number of voting rights as of September 30, 2021)), with an effective date of October 1, 2022 (scheduled) in accordance with the Master Agreement (the Distribution in Kind). In addition, prior to the Overseas Business Split, NTT, Inc. will transfer all of its shares of common stock of Disruption, all of its shares of common stock of Global Sourcing, and all of its equity interest in Venture Capital (which are NTT, Inc.' subsidiaries other than NTT Ltd.) to NTT, in accordance with the Master Agreement.</p> <p>Following the Distribution in Kind, NTT, Inc. will not be NTT Data's parent company and largest and major shareholder, and NTT will be NTT Data's new parent company and largest and major shareholder.</p>

(2)
Absorption-type company split of NTT Data's overseas business to NTT, Inc.

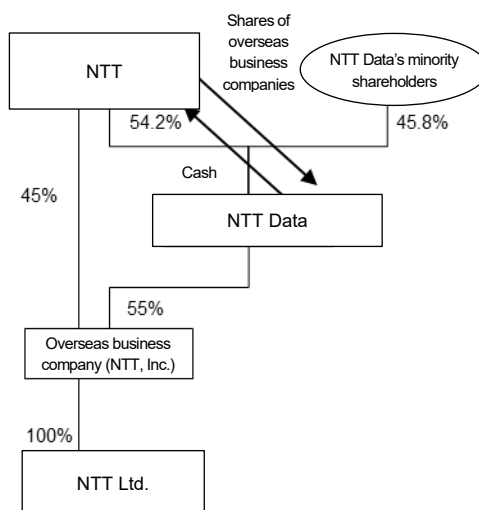


An absorption-type company split will be carried out where NTT Data is the splitting company and NTT, Inc. is the succeeding company. As consideration for the Overseas Business Split, NTT, Inc. will issue 3,315 shares of common stock and allot and deliver those shares in NTT, Inc. to NTT Data. As a result, the holding ratio of NTT, Inc. shares after of the Overseas Business Split will be 51% (Number of shares held: 3,315 shares) as to NTT Data and 49% (Number of shares held: 3,185 shares) as to NTT.

NTT, Inc. and its subsidiaries will newly become NTT Data's subsidiaries as a result of NTT Data acquiring 51% of NTT, Inc. shares as consideration for the Overseas Business Split.

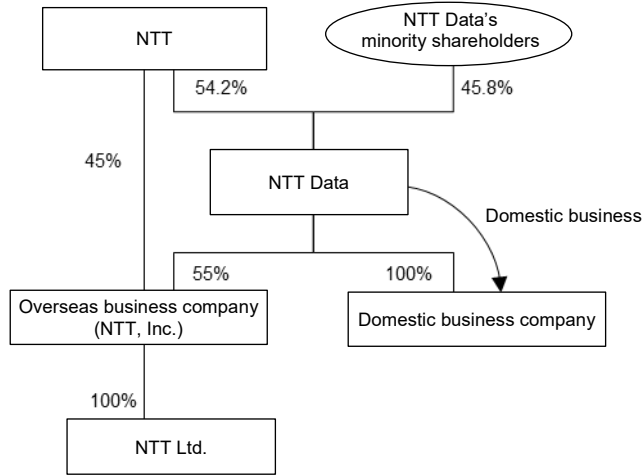
Prior to the Overseas Business Split and the Additional Share Acquisition set out in (3) below, NTT, Inc. will carry out the Share Split in which each 1 share of its common stock will be divided into 49 shares.

(3)
Additional Share Acquisition by NTT Data of NTT, Inc. shares held by NTT



NTT Data will additionally acquire 260 NTT, Inc. shares held by NTT for 112 billion yen in total. As a result, the holding ratio of NTT, Inc. shares as of the effective date of the Overseas Business Split (October 1, 2022 (scheduled)) will be 55% (Number of shares held: 3,575 shares) as to NTT Data and 45% (Number of shares held: 2,925 shares) as to NTT.

(4)
Absorption-type company split of NTT Data's domestic business (transition to holding company structure)



The Domestic Business Split Preparation Company will be established on October 1, 2022 (scheduled) as NTT Data's wholly-owned subsidiary for the purpose of transitioning to a holding company structure by means of a company split involving NTT Data's domestic business. NTT Data's domestic business will be succeeded by the Domestic Business Split Preparation Company by means of an absorption-type company split (scheduled for July 1, 2023) and NTT Data will transition to a holding company structure.

After Overseas Business Integration and Transition to Holding Company Structure

