

Note; This document is in English translation of “Kessan Tanshin” for the First Quarter of the Fiscal Year Ending March 31, 2023 and is provided solely for reference purposes. In the event of any inconsistency between the Japanese version and any English translation of it, the Japanese version will govern.

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2023 [IFRS]

August 5, 2022

Company name	: NTT DATA CORPORATION (“NTT DATA”)
Stock exchange on which the Company’s shares are listed	: Tokyo Stock Exchange Prime Segment
Code number	: 9613
URL	: https://www.nttdata.com/global/en/
Representative	: Yo Honma, President and Chief Executive Officer, Representative Director
Contact	: Sota Endo, Senior Executive Manager, Investor Relations Office Tel.:+81-3-5546-8119
Scheduled date of filing of Quarterly Business Report	: August 9, 2022
Scheduled date of dividend payment	: -
Supplemental material on quarterly results	: Yes
Presentation on quarterly results	: Yes (for institutional investors and financial analysts)

(Amounts are rounded to the nearest 1 million yen)

1. Consolidated Financial Results in Q1 of FY2022 (From April 1, 2022 to June 30, 2022)

(1) Consolidated Results of Operations (accumulated total)

(% of change from the corresponding quarterly period of the previous fiscal year)

	Net sales		Operating income		Income before income taxes		Net income attributable to shareholders of NTT DATA		Comprehensive income attributable to shareholders of NTT DATA	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥ million	%
FY2022 Q1	677,368	14.6	57,522	21.7	58,879	20.2	39,728	27.9	111,311	197.3
FY2021 Q1	590,822	11.3	47,271	77.1	48,978	80.4	31,062	62.3	37,445	2.8

	Net income per share	Net income per share (diluted)
FY2022 Q1	¥ 28.33	¥ -
FY2021 Q1	¥ 22.15	¥ -

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to shareholders of NTT DATA	Equity ratio attributable to shareholders of NTT DATA
	¥ million	¥ million	¥ million	%
FY2022 Q1	3,124,545	1,423,628	1,367,251	43.8
FY2021	3,084,513	1,328,267	1,270,874	41.2

2. Dividends

	Cash dividends per share				
	End of the first quarter	End of the second quarter	End of the third quarter	Year-end	Total
FY2021	¥ -	¥ 9.50	¥ -	¥ 11.50	¥ 21.00
FY2022	-				
FY2022 (Forecast)		10.50	-	10.50	21.00

(Notes) • Revisions to the forecasts of dividends announced most recently: No

• The year-end dividend of 11.50 yen for FY2021 includes a special dividend of 2.0 yen.

3. Forecasts of Consolidated Results for FY2022 (From April 1, 2022 to March 31, 2023)

(% of change from the previous fiscal year)

	Net sales		Operating income		Income before income taxes		Net income attributable to shareholders of NTT DATA		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Full year	3,270,000	28.1	236,000	11.0	230,000	6.6	136,000	(4.9)	96.97

(Notes) • Revisions to the forecasts of consolidated results announced most recently: No

• The above figures are forecasts of consolidated results (including PMI cost) assuming the combination of overseas businesses between NTT DATA Group and NTT, Inc. Group. (Approved at the 34th General Meeting of Shareholders held on June 16, 2022).

• Regarding NTT Inc. Group's overseas business, the forecasts include estimates based on certain premises derived from information available at this time. (The consolidation is scheduled to take place in October 2022)

• The forecasts might be revised due to changes of premises that arise from the business combination with NTT, Inc. Group's overseas business.

* Notes:

(1) Changes in significant subsidiaries in Q1 of FY2022 (From April 1, 2022 to June 30, 2022) : No
(Changes in specified subsidiaries resulting in the change in consolidation scope)

(2) Changes in accounting policies, changes in accounting estimates

1) Changes in accounting policies required by IFRS : No

2) Changes in accounting policies other than 1) : No

3) Changes in accounting estimates : No

(3) Number of shares outstanding (common stock)

1) Number of shares outstanding (inclusive of treasury stock)

FY2022 Q1 (June 30, 2022) 1,402,500,000 shares

FY2021 (March 31, 2022) 1,402,500,000 shares

2) Number of treasury stock

FY2022 Q1 (June 30, 2022) 116,349 shares

FY2021 (March 31, 2022) 116,349 shares

3) Average number of shares over period (consolidated total for quarter)

FY2022 Q1 (From April 1, 2022 to June 30, 2022) 1,402,383,651 shares

FY2021 Q1 (From April 1, 2021 to June 30, 2021) 1,402,498,935 shares

Note: NTT DATA introduced performance-based stock remuneration plan from the second quarter of FY 2021.

The number of treasury stock at the end of the period and the number of treasury stock deducted when calculating average number of shares over the period include 115,200 treasury shares held by the stock delivery trust under the performance-based stock remuneration plan.

* "Kessan Tanshin" is an unaudited financial report.

* Explanations relating to the appropriate use of results forecasts, and other noteworthy items

1. The results forecasts contained in this document are based on certain premises derived from information available to the NTT DATA Group at this time. As a result of various factors that may arise in the future, actual results may differ from the Group's forecasts.

2. Supplemental material on quarterly results will be uploaded on TDnet today, and will also be uploaded on our

homepage. Presentation on quarterly results will be held today. This report will be uploaded on our homepage soon.

3. Products and services referred to on this report (including the attachment) are trademarks or registered trademarks of NTT DATA or other companies.

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1. Condensed Quarterly Consolidated Financial Statements and Major Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Unit: ¥ million)

	As of March 31, 2022	As of June 30 2022
Assets		
Current assets		
Cash and cash equivalents	246,941	273,575
Trade and other receivables	672,665	584,934
Contract asset	105,477	125,455
Inventories	25,429	27,632
Other financial assets	79,342	39,431
Other current assets	117,187	147,866
Total current assets	1,247,041	1,198,894
Non-current assets		
Property, plant and equipment	332,225	328,056
Right-of-use assets	151,794	160,998
Goodwill	493,769	555,838
Intangible assets	506,705	525,445
Investment property	29,423	29,416
Investments accounted for using the equity method	5,570	6,161
Other financial assets	123,049	120,688
Deferred tax assets	123,268	125,644
Other non-current assets	71,669	73,404
Total non-current assets	1,837,472	1,925,652
Total assets	3,084,513	3,124,545

(Unit: ¥ million)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Trade and other payables	462,231	431,622
Contract liabilities	283,854	298,271
Bonds and borrowings	102,829	102,053
Lease liabilities	42,560	45,319
Other financial liabilities	3,572	5,276
Income taxes payable	47,319	19,075
Provisions	7,650	7,625
Other current liabilities	37,781	36,527
Total current liabilities	987,797	945,769
Non-current liabilities		
Bonds and borrowings	393,651	364,618
Lease liabilities	124,004	133,316
Other financial liabilities	15,098	14,114
Retirement benefit liability	193,170	196,316
Provisions	5,863	5,268
Deferred tax liabilities	22,764	25,473
Other non-current liabilities	13,898	16,043
Total non-current liabilities	768,449	755,148
Total liabilities	1,756,246	1,700,917
Equity		
Equity attributable to shareholders of NTT DATA		
Capital stock	142,520	142,520
Capital surplus	102,340	103,535
Retained earnings	915,853	939,256
Treasury shares	(205)	(205)
Other components of equity	110,365	182,144
Total equity attributable to shareholders of NTT DATA	1,270,874	1,367,251
Non-controlling interests	57,393	56,377
Total equity	1,328,267	1,423,628
Total liabilities and equity	3,084,513	3,124,545

(2) Condensed Quarterly Consolidated Statement of Income and
Condensed Quarterly Consolidated Statement of Comprehensive Income

Condensed Quarterly Consolidated Statement of Income

(Unit: ¥ million)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	590,822	677,368
Cost of sales	437,906	499,453
Gross profit	152,916	177,915
Selling, general and administrative expenses	105,645	120,393
Operating income	47,271	57,522
Financial income	3,019	3,986
Financial costs	1,276	2,684
Share of profit/loss of entities accounted for using equity method	(36)	55
Income before income taxes	48,978	58,879
Income taxes	16,394	17,201
Net income	32,584	41,678
Net income attributable to		
Shareholders of NTT DATA	31,062	39,728
Non-controlling interests	1,522	1,950
Total	32,584	41,678
Net income per share attributable to shareholders of NTT DATA		
Net income per share (yen)	22.15	28.33

Condensed Quarterly Consolidated Statement of Comprehensive Income

(Unit: ¥ million)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net income	32,584	41,678
Other comprehensive income (after taxes)		
Items that will not be reclassified to profit/loss		
Net change in fair value of financial assets measured at fair value through other comprehensive income	2,751	(8,264)
Remeasurements of defined benefit plans	(46)	(154)
Share of other comprehensive income of entities accounted for using equity method	(0)	(0)
Items that may be reclassified subsequently to profit/loss		
Effective portion of cash flow hedges	600	71
Hedge cost	(197)	(383)
Foreign currency translation adjustment	3,655	81,178
Share of other comprehensive income of entities accounted for using equity method	43	171
Total other comprehensive income (after taxes)	6,806	72,619
Comprehensive income	39,390	114,297
Comprehensive income attributable to:		
Shareholders of NTT DATA	37,445	111,311
Non-controlling interests	1,945	2,986
Total	39,390	114,297

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

(Three months ended June 30, 2021)

(Unit: ¥ million)

	Equity attributable to shareholders of NTT DATA						Non-controlling interests	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total		
As of April 1, 2021	142,520	105,988	721,565	(1)	102,827	1,072,899	53,648	1,126,548
Comprehensive income								
Net income	—	—	31,062	—	—	31,062	1,522	32,584
Other comprehensive income	—	—	—	—	6,383	6,383	423	6,806
Comprehensive income	—	—	31,062	—	6,383	37,445	1,945	39,390
Transactions with shareholders								
Dividends of surplus	—	—	(12,622)	—	—	(12,622)	(1,393)	(14,015)
Transfer to retained earnings	—	—	(46)	—	46	—	—	—
Net changes in controlled subsidiaries' stocks	—	(918)	—	—	—	(918)	(768)	(1,686)
Put options written on non-controlling interests	—	(2,188)	—	—	—	(2,188)	—	(2,188)
Other	—	(284)	—	—	—	(284)	(411)	(695)
Total transactions with shareholders	—	(3,390)	(12,668)	—	46	(16,013)	(2,571)	(18,584)
As of June 30, 2021	142,520	102,598	739,959	(1)	109,255	1,094,331	53,023	1,147,354

(Three months ended June 30, 2022)

(Unit: ¥ million)

	Equity attributable to shareholders of NTT DATA						Non-controlling interests	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total		
As of April 1, 2022	142,520	102,340	915,853	(205)	110,365	1,270,874	57,393	1,328,267
Comprehensive income								
Net income	—	—	39,728	—	—	39,728	1,950	41,678
Other comprehensive income	—	—	—	—	71,583	71,583	1,036	72,619
Comprehensive income	—	—	39,728	—	71,583	111,311	2,986	114,297
Transactions with shareholders								
Dividends of surplus	—	—	(16,129)	—	—	(16,129)	(1,786)	(17,915)
Transfer to retained earnings	—	—	(196)	—	196	—	—	—
Net changes in controlled subsidiaries' stocks	—	(346)	—	—	—	(346)	(2,123)	(2,469)
Stock-based remuneration transaction	—	27	—	—	—	27	—	27
Put options written on non-controlling interests	—	2,393	—	—	—	2,393	—	2,393
Other	—	(879)	—	—	—	(879)	(94)	(973)
Total transactions with shareholders	—	1,195	(16,325)	—	196	(14,933)	(4,003)	(18,936)
As of June 30, 2022	142,520	103,535	939,256	(205)	182,144	1,367,251	56,377	1,423,628

(4) Notes to Going Concern Assumptions

N/A