

Note; This document is in English translation of “Kessan Tanshin” for the Third Quarter of the Fiscal Year Ending March 31, 2021 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 Third Quarter of the Fiscal Year Ending March 31, 2021 [IFRS]

February 4, 2021

Company name	: NTT DATA CORPORATION (“NTT DATA”)
Stock exchange on which the Company’s shares are listed	: Tokyo Stock Exchange 1st Section
Code number	: 9613
URL	: https://www.nttdata.com/global/en/
Representative	: Yo Honma, President and Chief Executive Officer
Contact	: Sota Endo, Senior Executive Manager, Investor Relations Office Tel.:+81-3-5546-8119
Scheduled date of filing of Quarterly Business Report	: February 9, 2021
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 Q3 of FY2020 (From April 1, 2020 to December 31, 2020)

(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	%
FY2020 Q3	1,658,396	1.0	106,910	14.3	105,818	14.6	69,227	19.6	87,320	35.8
FY2019 Q3	1,642,037	5.9	93,535	(0.8)	92,344	(2.4)	57,863	(2.8)	64,310	(9.2)

	Net income per share	Net income per share (diluted)
	¥	¥
FY2020 Q3	49.36	-
FY2019 Q3	41.26	-

(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	%
FY2020 Q3	2,778,292	1,046,335	995,695	35.8
FY2019	2,686,008	987,415	939,683	35.0

2. Dividends

	Cash dividends per share				
	End of the first quarter	End of the second quarter	End of the third quarter	Year-end	Total
FY2019	¥ —	¥ 9.00	¥ —	¥ 9.00	¥ 18.00
FY2020	—	9.00	—		
FY2020 (Forecast)				9.00	18.00

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

3. Forecasts of Consolidated Results for FY2020 (From April 1, 2020 to March 31, 2021)

(% 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	2,170,000	(4.3)	120,000	(8.4)	114,000	(5.1)	71,000	(5.5)	50.62

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

* Notes:

(1) Changes in significant subsidiaries in Q3 of FY2020 (From April 1, 2020 to December 31, 2020) : 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)

FY2020 Q3 (December 31, 2020)	1,402,500,000 shares
FY2019 (March 31, 2020)	1,402,500,000 shares
- 2) Number of treasury stock

FY2020 Q3 (December 31, 2020)	1,007 shares
FY2019 (March 31, 2020)	953 shares
- 3) Average number of shares over period (consolidated total for quarter)

FY2020 Q3 (From April 1, 2020 to December 31, 2020)	1,402,499,018 shares
FY2019 Q3 (From April 1, 2019 to December 31, 2019)	1,402,499,047 shares

* “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, 2020	As of December 31, 2020
Assets		
Current assets		
Cash and cash equivalents	205,356	296,256
Trade and other receivables	572,175	495,754
Contract asset	74,828	120,988
Inventories	13,727	22,656
Other financial assets	13,296	15,008
Other current assets	87,509	85,963
Total current assets	966,890	1,036,625
Non-current assets		
Property, plant and equipment	344,922	338,971
Right-of-use assets	160,005	150,028
Goodwill	391,017	391,527
Intangible assets	477,716	479,830
Investment property	27,113	26,688
Investments accounted for using the equity method	8,366	10,452
Other financial assets	142,211	186,441
Deferred tax assets	110,946	95,282
Other non-current assets	56,823	62,448
Total non-current assets	1,719,118	1,741,667
Total assets	2,686,008	2,778,292

(Unit: ¥ million)

	As of March 31, 2020	As of December 31, 2020
Liabilities		
Current liabilities		
Trade and other payables	359,508	352,195
Contract liabilities	256,740	274,074
Bonds and borrowings	157,094	131,544
Lease liabilities	39,143	40,612
Other financial liabilities	4,604	12,165
Income taxes payable	32,002	20,886
Provisions	4,273	1,786
Other current liabilities	29,674	26,989
Total current liabilities	883,038	860,251
Non-current liabilities		
Bonds and borrowings	440,861	480,789
Lease liabilities	122,219	113,062
Other financial liabilities	12,155	18,545
Retirement benefit liability	207,854	216,923
Provisions	4,131	4,501
Deferred tax liabilities	18,868	17,611
Other non-current liabilities	9,466	20,276
Total non-current liabilities	815,555	871,706
Total liabilities	1,698,593	1,731,958
Equity		
Equity attributable to shareholders of NTT DATA		
Capital stock	142,520	142,520
Capital surplus	111,596	106,589
Retained earnings	659,563	704,780
Treasury shares	(1)	(1)
Other components of equity	26,005	41,807
Total equity attributable to shareholders of NTT DATA	939,683	995,695
Non-controlling interests	47,732	50,640
Total equity	987,415	1,046,335
Total liabilities and equity	2,686,008	2,778,292

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

Condensed Quarterly Consolidated Statement of Income		(Unit: ¥ million)	
	Nine months ended December 31, 2019	Nine months ended December 31, 2020	
Net sales	1,642,037	1,658,396	
Cost of sales	1,232,731	1,239,486	
Gross profit	409,306	418,911	
Selling, general and administrative expenses	315,770	312,001	
Operating income	93,535	106,910	
Financial income	4,898	5,382	
Financial costs	6,396	6,789	
Share of profit/loss of entities accounted for using equity method	307	314	
Income before income taxes	92,344	105,818	
Income taxes	31,154	34,251	
Net income	61,190	71,567	
Net income attributable to			
Shareholders of NTT DATA	57,863	69,227	
Non-controlling interests	3,327	2,340	
Total	61,190	71,567	
Net income per share attributable to shareholders of NTT DATA			
Net income per share (yen)	41.26	49.36	

Condensed Quarterly Consolidated Statement of Comprehensive Income

(Unit: ¥ million)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Net income	61,190	71,567
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	18,831	33,014
Remeasurements of defined benefit plans	(2,184)	20
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	(162)	860
Hedge cost	317	(204)
Foreign currency translation adjustment	(10,332)	(16,177)
Share of other comprehensive income of entities accounted for using equity method	(125)	127
Total other comprehensive income (after taxes)	6,345	17,641
Comprehensive income	67,535	89,208
Comprehensive income attributable to:		
Shareholders of NTT DATA	64,310	87,320
Non-controlling interests	3,225	1,888
Total	67,535	89,208

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

(Nine months ended December 31, 2019)

(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, 2019	142,520	115,740	603,171	(1)	64,236	925,667	41,143	966,809
Comprehensive income								
Net income	—	—	57,863	—	—	57,863	3,327	61,190
Other comprehensive income	—	—	—	—	6,447	6,447	(102)	6,345
Comprehensive income	—	—	57,863	—	6,447	64,310	3,225	67,535
Transactions with shareholders								
Dividends of surplus	—	—	(24,544)	—	—	(24,544)	(1,170)	(25,714)
Transfer to retained earnings	—	—	3,705	—	(3,705)	—	—	—
Increase/decrease by business combination	—	—	—	—	—	—	5,768	5,768
Net changes in controlled subsidiaries' stocks	—	(447)	—	—	—	(447)	259	(188)
Put options written on non-controlling interests	—	(4,163)	—	—	—	(4,163)	—	(4,163)
Other	—	(0)	(839)	—	—	(839)	(276)	(1,115)
Total transactions with shareholders	—	(4,610)	(21,678)	—	(3,705)	(29,994)	4,581	(25,412)
As of December 31, 2019	142,520	111,130	639,356	(1)	66,978	959,983	48,949	1,008,932

(Nine months ended December 31, 2020)

(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, 2020	142,520	111,596	659,563	(1)	26,005	939,683	47,732	987,415
Comprehensive income								
Net income	—	—	69,227	—	—	69,227	2,340	71,567
Other comprehensive income	—	—	—	—	18,093	18,093	(452)	17,641
Comprehensive income	—	—	69,227	—	18,093	87,320	1,888	89,208
Transactions with shareholders								
Dividends of surplus	—	—	(25,245)	—	—	(25,245)	(1,908)	(27,153)
Transfer to retained earnings	—	—	2,291	—	(2,291)	—	—	—
Purchase and disposal of treasury shares	—	—	—	(0)	—	(0)	—	(0)
Increase/decrease by business combination	—	—	—	—	—	—	3,256	3,256
Net changes in controlled subsidiaries' stocks	—	(30)	—	—	—	(30)	(223)	(253)
Put options written on non-controlling interests	—	(4,531)	—	—	—	(4,531)	—	(4,531)
Other	—	(446)	(1,056)	—	—	(1,502)	(105)	(1,607)
Total transactions with shareholders	—	(5,007)	(24,010)	(0)	(2,291)	(31,308)	(1,021)	(30,288)
As of December 31, 2020	142,520	106,589	704,780	(1)	41,807	995,695	50,640	1,046,335

(4) Notes to Going Concern Assumptions

N/A