



Company Presentation for the Fiscal Year ended March 31, 2014

May 8, 2014
NTT DATA Corporation

This English text is a translation of
the Japanese original. The Japanese
Original is authoritative.

NTT DATA

1. Results for Fiscal Year Ended March 31, 2014
2. Earnings Forecasts for Fiscal Year Ending March 31, 2015
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**Cautionary Statement
Regarding Forward-looking Statements**













- ※ Forecast figures in this document are based on current economic and market conditions. As changes in the global economy and information services market are possible, NTT DATA Group cannot guarantee their accuracy.
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1. Results for Fiscal Year Ended March 31, 2014

Highlights of Results for FY Ended March 31, 2014

【Billions of yen (except EPS)】

	FY ended 2014/3 Full-year Results	YoY		FY ended 2014/3 4 th Quarter Results (Jan.-Mar.)	YoY	
New Orders Received	1,400.2	+203.0 +17.0%		300.9	+22.5 +8.1%	
Net Sales	1,343.7	+41.8 +3.2%		401.2	+11.1 +2.9%	
Operating Income	62.5	-23.1 -27.0%		36.8	+0.0 +0.1%	
Segment Profit (*1)	54.2	-22.7 -29.6%		27.8	-7.0 -20.3%	
Net Income	23.2	-20.2 -46.5%		13.1	-8.3 -38.7%	
EPS (yen) (*2)	83.02 yen	-72.12 yen -46.5%		46.90 yen	-29.59 yen -38.7%	

(*1) Segment Profit is income before income taxes.

(*2) Effective October 1, 2013, a 100-to-one stock split was implemented. Above figures represent the result of a calculation using a total number of shares outstanding after the stock split.

P&F and E-IT : Increased due to a growth in orders receipt of existing large scale systems, etc. and order receipt by new customers on a non-consolidated basis.
 S&T: Increased due to a growth in order receipt by the existing subsidiaries, etc.
 GB : Increased reflecting the expanded orders receipt mainly in North America and Europe and the impact of foreign exchanges, etc.

	FY ended 2014/3 Full-year Results	YoY		FY ended 2014/3 4 th Quarter Results (Jan.-Mar.)	YoY	
Public & Financial IT Services (P&F)	715.4	+69.7 +10.8%		148.5	+12.3 +9.0%	
Enterprise IT Services (E-IT)	303.6	+24.6 +8.8%		59.8	-8.2 -12.2%	
Solutions & Technologies (S&T)	38.6	+2.7 +7.7%		8.0	+0.3 +4.4%	
Global Business (GB)	341.3	+106.9 +45.6%		84.1	+18.7 +28.7%	
Consolidated values	1,400.2	+203.0 +17.0%		300.9	+22.5 +8.1%	

【Billions of yen】

(*) Consolidated values include "Other/Elimination," which means that the such values does not correspond to the sum total of each segment.

P&F : Decreased due to contractions of existing large scale systems and other factors on a non-consolidated basis, etc.
 E-IT : Decreased due to contractions of system and software development for the existing customers on a non-consolidated basis, etc.
 S&T : Increased reflecting a growth in system and software development on a non-consolidated basis and revenue growth by the existing subsidiaries from the Group.
 GB : Increased due to a revenue growth from existing subsidiaries mainly in North America and the impact of foreign exchange fluctuations.

	FY ended 2014/3 Full-year Results	YoY		FY ended 2014/3 4 th Quarter Results (Jan.-Mar.)	YoY	
Public & Financial IT Services (P&F)	721.6	-7.1 -1.0%		223.8	+1.5 +0.7%	
Enterprise IT Services (E-IT)	279.3	-21.7 -7.2%		85.2	-7.0 -7.6%	
Solutions & Technologies (S&T)	179.1	+12.0 +7.2%		51.9	+5.0 +10.7%	
Global Business (GB)	314.5	+69.6 +28.4%		86.2	+17.4 +25.4%	
Consolidated values	1,343.7	+41.8 +3.2%		401.2	+11.1 +2.9%	

【Billions of yen】

(*) Figures by segment include inter-company transactions.

(*) Consolidated values include "Other/Elimination," which means that the such values does not correspond to the sum total of each segment.

P&F : Declined due to negative impacts of lower sales of the existing large systems and unprofitable projects, despite the uplift factors such as reduced depreciation/amortization and retirement costs and SG&A expense savings, growth in operating income in the existing subsidiaries.

E-IT : Decreased due to negative impacts of unprofitable projects together with contracted sales on a non-consolidated basis.

S&T : Profits increased due to the growth in net sales on a non-consolidated basis and in the existing subsidiaries.

GB : Profits declined reflecting the deteriorated earnings in Europe, and increased costs of offshore developments in China as well as a boost in the amortization of goodwill resulting from the impact of foreign exchange.

	FY ended 2014/3 Full-year Results	YoY		FY ended 2014/3 4 th Quarter Results (Jan.-Mar.)	YoY	【Billions of yen】
Public & Financial IT Services (P&F)	60.1	-4.3 -6.8%	➔	29.6	+4.4 +17.8%	➔
Enterprise IT Services (E-IT)	-3.7	-16.9 -%	➔	4.9	-3.3 -40.3%	➔
Solutions & Technologies (S&T)	8.4	+1.4 +20.7%	➔	4.7	+1.6 +52.1%	➔
Global Business (GB)	-5.1 【5.6】	-4.2 -453.1% 【-2.2】	➔	-3.0 【-0.4】	-2.5 -485.3% 【-2.4】	➔
Consolidated values	62.5	-23.1 -27.0%	➔	36.8	+0.0 +0.1%	➔

(*) Figures by segment include inter-company transactions and allocated expenses of the entire company.

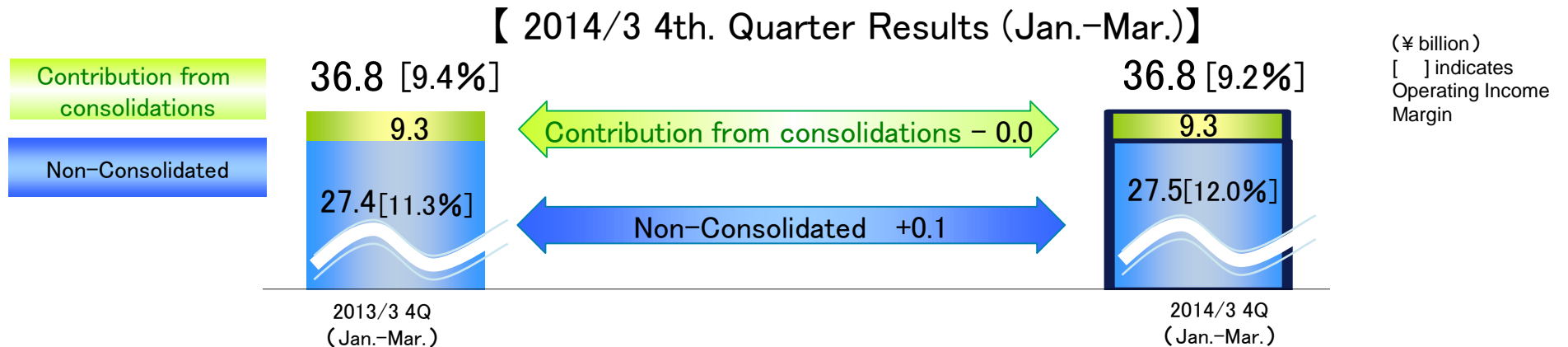
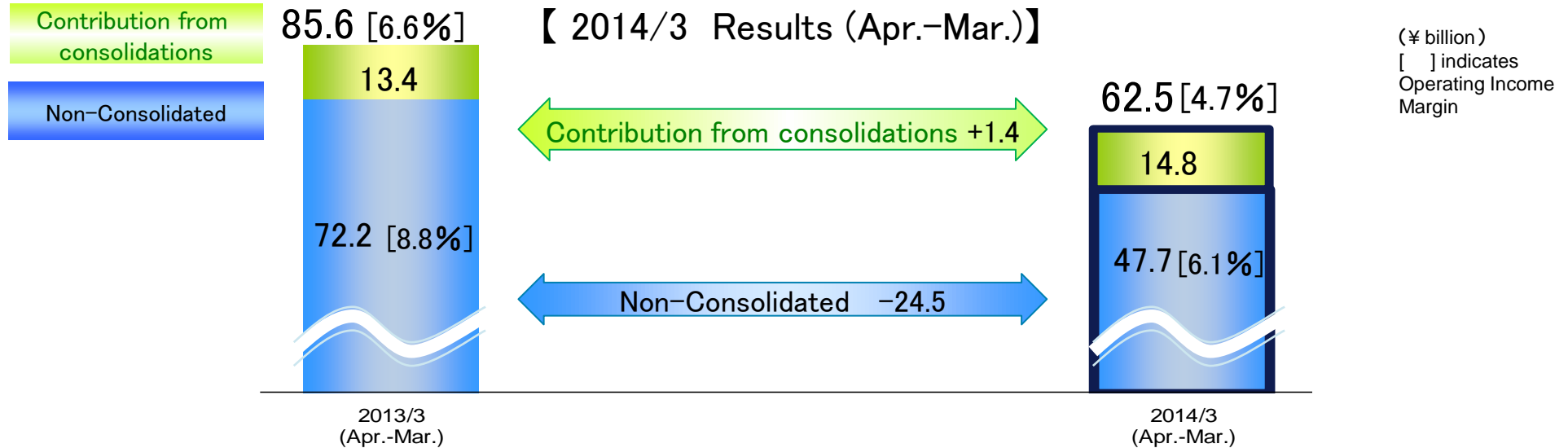
(*) Figures in the bracket under "Global Business Segment" represent operating income after reversal of amortization of goodwill.

(*) Consolidated values include "Other/Elimination," which means that the such values does not correspond to the sum total of each segment.

Change in Operating Income

On a non-consolidated basis, profits shrank due to a decrease in sales of existing large-scaled systems and the impact of unprofitable projects, etc.

Contribution from consolidation in terms of profits increased due mainly to the impact of the growth in sales in North America and subsidiaries in Japan despite the deteriorated earnings in Europe and increased costs of offshore developments in China as well as a boost in the amortization of goodwill resulting from the impact of foreign exchange.



Other than the impact of operating income,

P&F: Profits decreased due to impairment loss of noncurrent assets.

E-IT: Decreased due to increases in expenses arising from integration and reorganization of the Group companies, etc.

S&T: Profits increased due to reduced expenses arising from the revision of the office building capacity which had been accounted for in the previous fiscal year.

GB: Decreased due to increases in expenses arising from integration and reorganization of the Group companies, etc.

	FY ended 2014/3 Full-year Results	YoY	FY ended 2014/3 4 th Quarter Results (Jan.-Mar.)	YoY
Public & Financial IT Services (P&F)	55.6	-8.1 -12.7%	26.6	+2.4 +10.1%
Enterprise IT Services (E-IT)	-5.4	-17.9 -%	3.5	-4.4 -55.8%
Solutions & Technologies (S&T)	8.5	+3.4 +67.3%	4.6	+2.3 +101.1%
Global Business (GB)	-9.8	-4.9 -100.4%	-5.8	-4.5 -367.8%
Consolidated values	54.2	-22.7 -29.6% 	27.8	-7.0 -20.3%

(*)Segment Profit is income before income taxes.

(*) Figures by segment include inter-company transactions and allocated expenses of the entire company.









(*)Consolidated values include "Other/Elimination," which means that the such values does not correspond to the sum total of each segment.



2. Earnings Forecasts for Fiscal Year Ending March 31, 2015

Highlights of Earnings Forecasts for Fiscal Year Ending March 31, 2015

(Billions of yen [except EPS,
Cash dividends per share and %])

	FY ended 2014/3 Full-year Results	FY ending 2015 / 3 Full-year Forecasts	YoY	
New Orders Received	1,400.2	1,320.0	- 80.2 - 5.7%	
Net Sales	1,343.7	1,460.0	+ 116.2 +8.6%	
Operating Income	62.5	85.0	+ 22.4 + 35.8%	
Operating Income Margin	4.7%	5.8%	+ 1.1P	
Segment Profit _(*)	54.2	75.0	+ 20.7 + 38.2%	
Net Income	23.2	37.0	+ 13.7 + 58.9%	
EPS(yen)	83.02	131.90	+ 48.88 + 58.9%	
Cash dividends per share (yen)	60	60	±0	

(*1) Segment Profit is income before income taxes.

P&F : Decrease due to a reactionary fall of the existing large-scaled projects in the public sector against the previous term, etc.

E-IT : Decrease due to a reactionary fall of the existing large-scaled systems against the previous term.

S&T : Increase due to an expansion of scale on a non-consolidated basis as well as in the existing subsidiaries, etc.

GB : Increase due to consolidation period expansion as well as growth at existing operation, etc. despite a fall of the large-scaled projects in North America vs the previous term.

	FY ended 2014 / 3 Full-year Results	FY ending 2015 / 3 Full-year Forecasts	YoY	
Public & Financial IT Services (P&F)	715.4	583.0	-132.4 -18.5%	
Enterprise IT Services (E-IT)	303.6	266.0	-37.6 -12.4%	
Solutions & Technologies (S&T)	38.6	43.0	+4.3 +11.3%	
Global Business (GB)	341.3	427.0	+85.6 +25.1%	
Consolidated values	1,400.2	1,320.0	-80.2 -5.7%	

【Billions of yen】

(*) Consolidated values include "Other/Elimination," which means that the such values does not correspond to the sum total of each segment.

P&F : Net sales increase due to an expansion of the existing projects as well as order receipt of new projects on a non-consolidated basis.

E-IT : Net sales increase due to order receipt of new projects, etc. despite a decrease in sales of the existing large-scaled systems on a non-consolidated basis.

S&T : Net sales increase due to an expansion of scale of the Company and the existing subsidiaries, etc.

GB : Net sales increase due to consolidation period expansion as well as growth at the existing operation, etc.

	FY ended 2014 / 3 Full-year Results	FY ending 2015 / 3 Full-year Forecasts	YoY	【Billions of yen】
Public & Financial IT Services (P&F)	721.6	728.0	+6.3 +0.9%	
Enterprise IT Services (E-IT)	279.3	282.0	+2.6 +1.0%	
Solutions & Technologies (S&T)	179.1	185.0	+5.8 +3.3%	
Global Business (GB)	314.5	422.0	+107.4 +34.2%	
Consolidated values	1,343.7	1,460.0	+116.2 +8.6%	

(*)Figures by segment include inter-company transactions.

(*)Consolidated values include "Other/Elimination," which means that the such values does not correspond to the sum total of each segment.

P&F and E-IT: Profits increase due to the prevention of unprofitable projects as well as an expanded gross profits resulting from a boost in sales.

S&T : Profits increase due to the impact of sales growth.

GB : Profits increase due to the impact of sales growth at existing operation despite an increase in amortization of goodwill, etc.

	FY ended 2014 / 3 Full-year Results	FY ending 2015 / 3 Full-year Forecasts	YoY	
Public & Financial IT Services (P&F)	60.1	69.0	+8.8 +14.7%	
Enterprise IT Services (E-IT)	-3.7	10.0	+13.7 -	
Solutions & Technologies (S&T)	8.4	9.0	+0.5 +6.5%	
Global Business (GB)	-5.1 【5.6】	-3.0 【10.5】	+2.1 +42.0%	
Consolidated values	62.5	85.0	+22.4 +35.8%	

【Billions of yen】

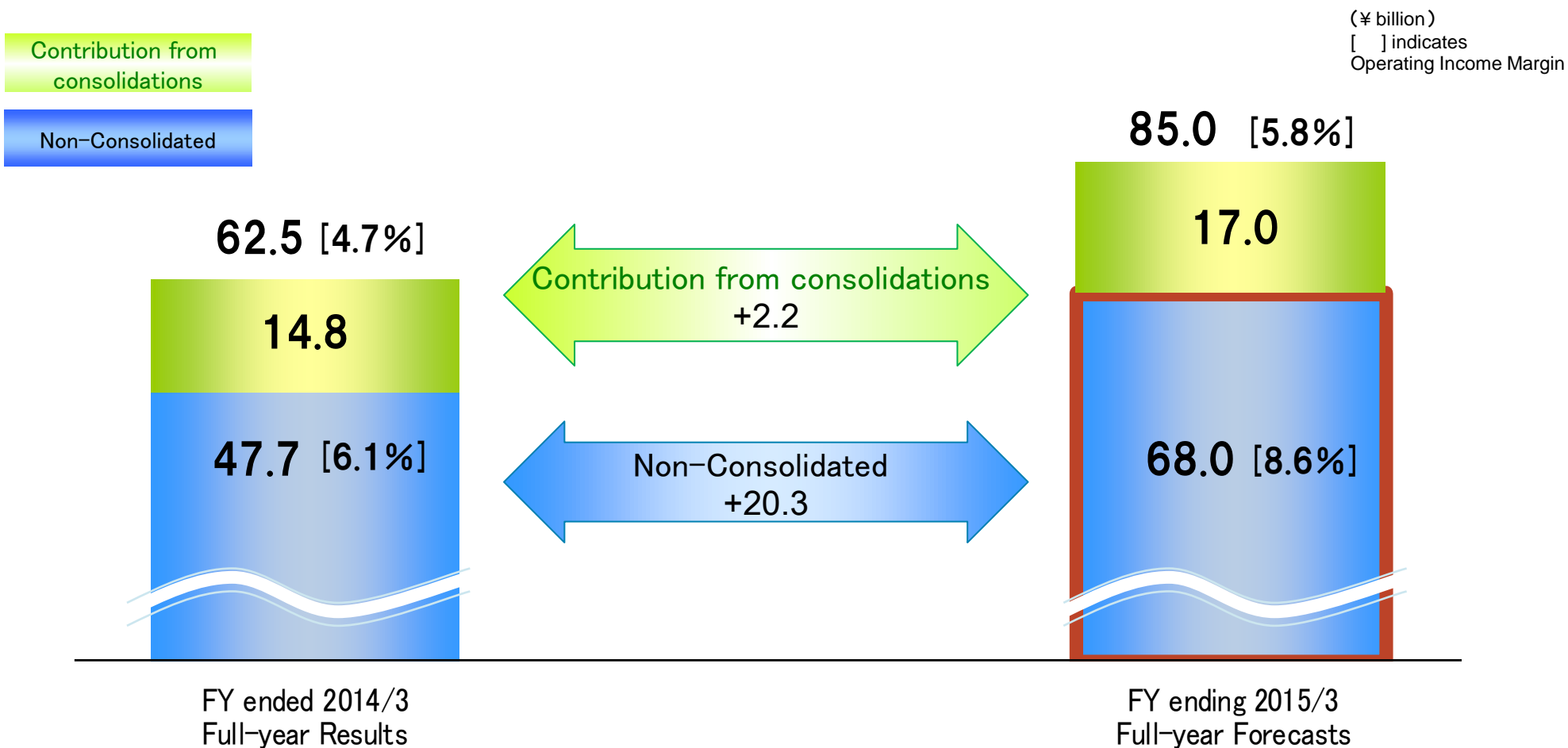
(*) Figures by segment include inter-company transactions and allocated expenses of the entire company.

(*) Figures in the bracket under "Global Business Segment" represent operating income after reversal of amortization of goodwill.

(*) Consolidated values include "Other/Elimination," which means that the such values does not correspond to the sum total of each segment.

On a non-consolidated basis, profit increase due to the prevention of unprofitable projects in the previous term, etc.

Contribution from consolidation witness a growth in profits due to an increase in sales by the existing subsidiaries despite an increase in amortization of goodwill, etc.



P&F: Increase due to a growth in operating income and a decrease in impairment loss in noncurrent assets, etc.

E-IT: Profits increase due to a growth in operating income and reduced costs resulting from integration and reorganization of the group companies, etc.

S&T : Profits decrease due to building-related costs, etc.

GB : Profits increase due to a growth in operating income and reduced costs resulting from integration and reorganization, etc.

	FY ended 2014 / 3 Full-year Results	FY ending 2015 / 3 Full-year Forecasts	YoY	
Public & Financial IT Services (P&F)	55.6	68.0	+12.3 +22.1%	
Enterprise IT Services (E-IT)	-5.4	10.0	+15.4 -	
Solutions & Technologies (S&T)	8.5	8.0	-0.5 -6.8%	
Global Business (GB)	-9.8	-6.0	+3.8 +38.9%	
Consolidated values	54.2	75.0	+20.7 +38.2%	

【Billions of yen】

(*) Segment Profit is income before income taxes.

(*) Figures by segment include inter-company transactions and allocated expenses of the entire company.

(*) Consolidated values include "Other/Elimination," which means that the such values does not correspond to the sum total of each segment.



3. Progress in Medium-term Management Plan

Target figures for the Medium-term Management Plan (FY Ending March 2016)

Global Top 5

Net Sales: 1.5 trillion yen or more

**(An increase of 250 billion yen
from FY ended 2012/3)**

EPS: 200 yen

**(An 85% increase
from FY ended 2012/3)**

■ Toward the achievement of the targets stated in the Medium-term Management Plan, net sales have grown steadily particularly contributed by growth outside Japan.
Profits target requires further efforts due to occurrence of unprofitable projects, etc.

In the past 2 years

Domestic net sales suffered an impact of a decline in sales of existing large-scale systems despite increased number of new customers.

Net sales grew steadily led by international sales.

Large evaluation losses were recorded by simultaneous occurrence of unprofitable projects.



In 2 years from now

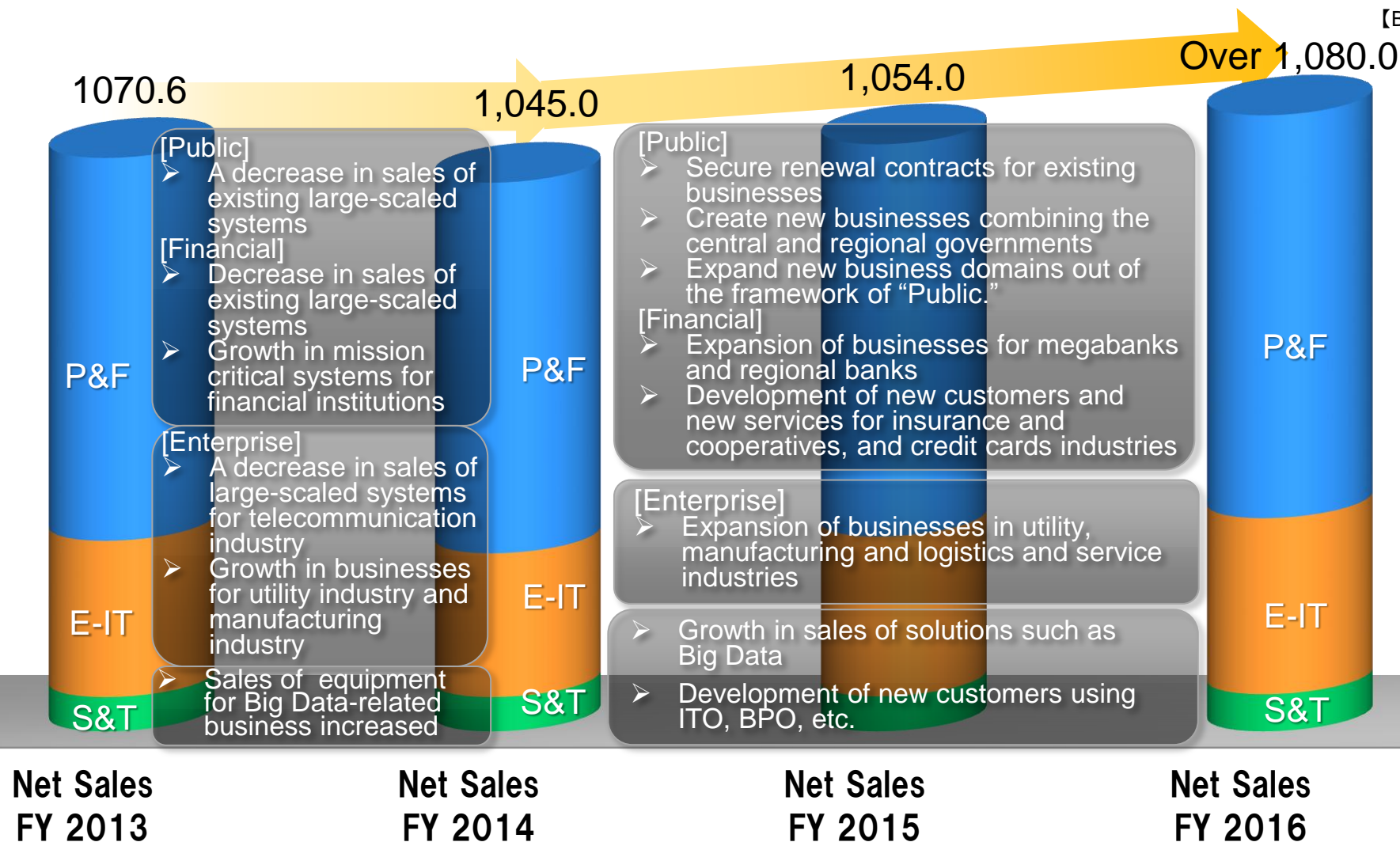
In the domestic market, net sales shall be maximized in order to create profits.

In the international market, we pursue further growth in net sales, and businesses shall achieve profitability.

Secure profits by preventing unprofitable projects and promoting measures to improve profitability.

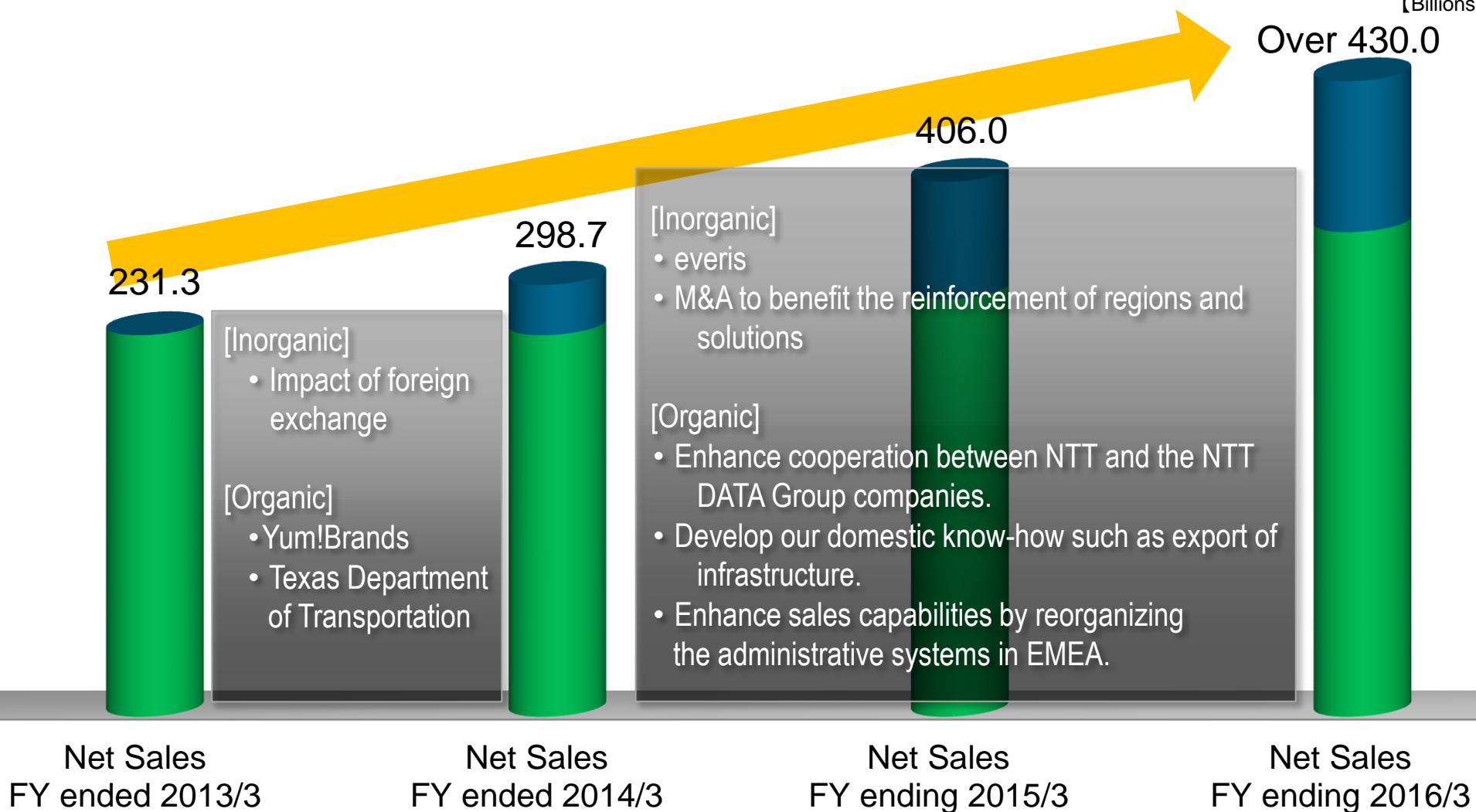
■ For domestic businesses, we will continue to expand our businesses by promoting specific strategies for each segment under the Medium-term Management Plan focusing on “Remarketing” and “Strategic R&D.”

【Billions of yen】

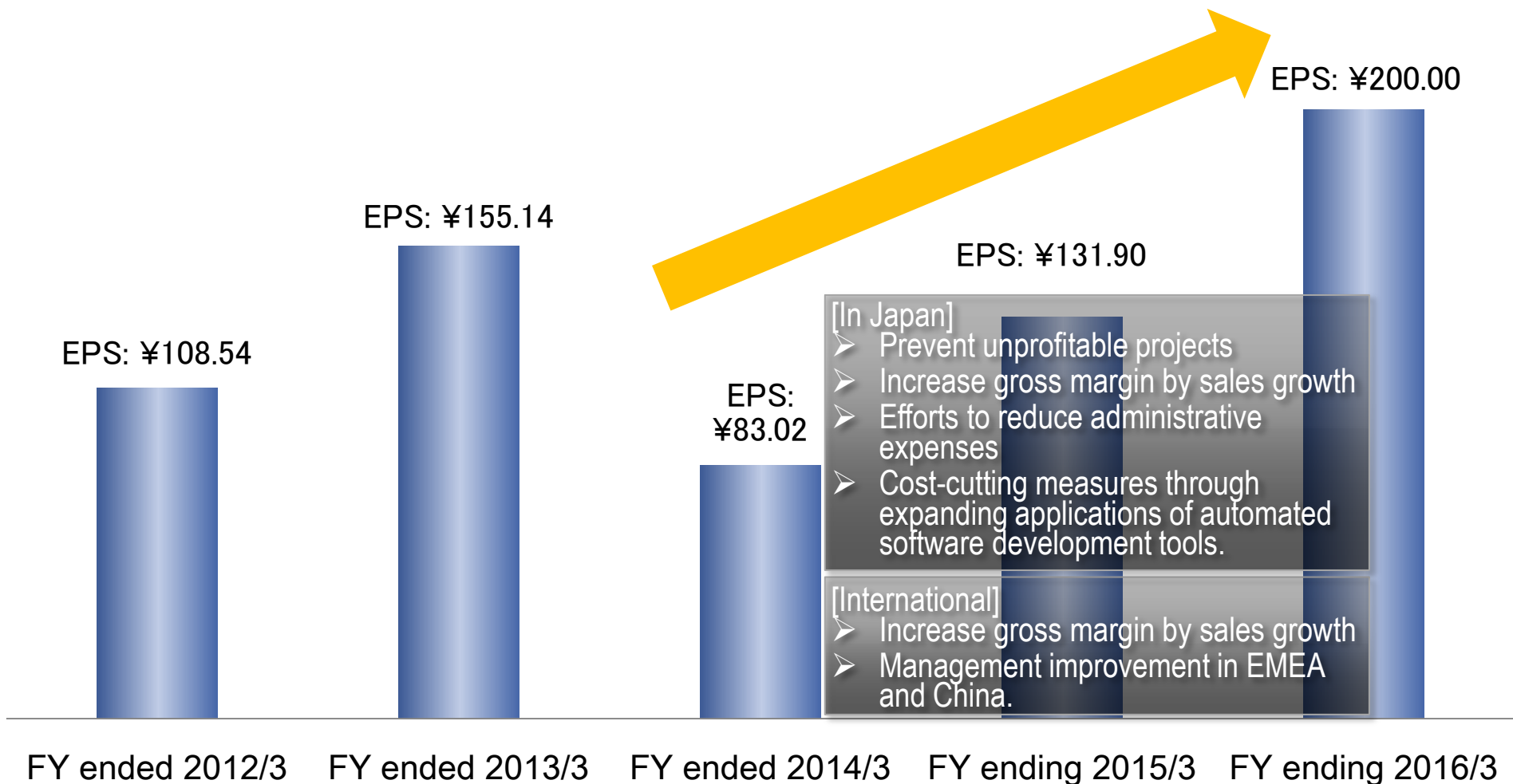


■ Targets for the Medium-term Management Plan will be achieved one year earlier than scheduled helped by a large-scaled M&A. Net sales of ¥430.0 billion are projected for the fiscal year ending March 2016. We will move into our Global 2nd Stage to consider the acceleration of organic growth by promoting the collaboration among the group companies as well as inorganic growth through M&A which will benefit the reinforcement of regions and solution.

【Billions of yen】

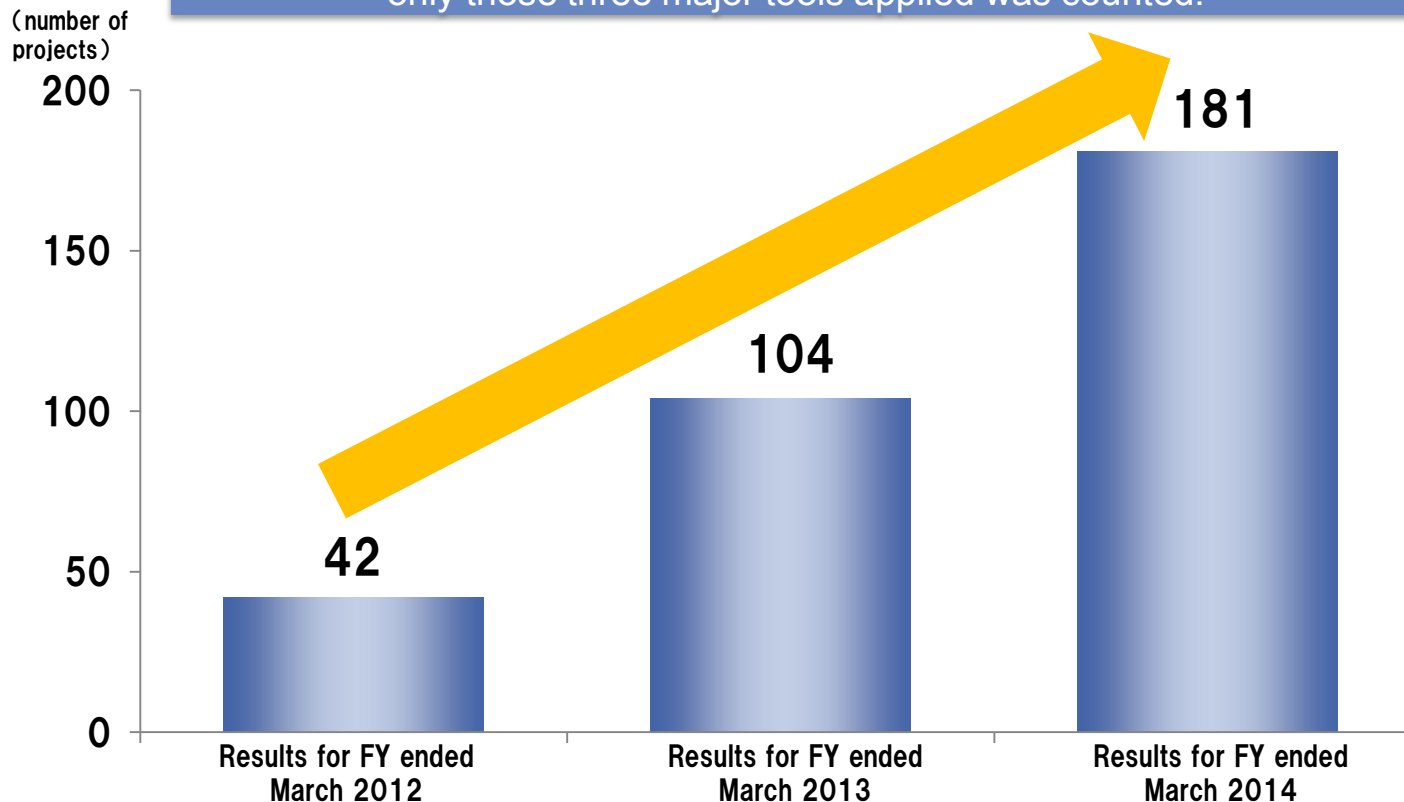


■ Achievement of “EPS: 200 yen” as set for the target for FY ending March 2016 shall be pursued by thoroughly preventing unprofitable projects, and implementing more strictly the measures stated in the Medium-term Management Plan.



- In the fiscal year ended March 31, 2014, NTT DATA released TERASOLUNA suite, which integrated the respective development tools, and achieved further improvement in productivity than the conventional one.
- We will also pursue further growth in numbers of application in the fiscal year ending March 31, 2015.

Trend of Growth in the Numbers of projects where Major Automated Development Tools are applied
※ Among various automated development tools, only those three major tools applied was counted.



Global 1st Stage Grow internationally	Global 2nd Stage Be a unique global IT service company
Develop foundation of international business	Establish global brand
Expand geo coverage International revenue 25%	International revenue 50%



Local Presence

Business expansion through local competitiveness

Global Synergy

Increasing profitability by synergy between strengths in Japan and global resource





Clients First
with Innovation & Japan Quality



5. Appendices

Overview of Consolidated Earnings and New Orders Received for the FY Ended March 31, 2014

(Billions of yen [except Cash Dividends per Share and %])

	FY ended 2014/3 4th. Quarter Results (Jan.-Mar.)	YoY (%)
New Orders Received	300.9	+8.1
Orders on Hand		

	FY ended 2013/3 Full-Year Results(1)	FY ended 2014/3 Full-Year Results(2)	FY ending 2015/3 Full-Year Forecasts(3)	YoY	
				(2)-(1)/(1)	(3)-(2)/(2)
	1,197.1	1,400.2	1,320.0	+17.0	-5.7
	1,140.2	1,341.4	1,303.0	+17.6	-2.9

Net Sales	401.2	+2.9
Cost of Sales	297.4	+2.4
Gross Profit	103.8	+4.1
SG&A Expenses	66.9	+6.5
Selling Expenses	28.8	-1.5
R&D Expenses	3.7	+22.7
Other Administrative	34.4	+12.6
Operating Income	36.8	+0.1
Operating Income Margin	9.2	-0.2
Ordinary Income	33.7	-9.0
Special Gains and Losses	-5.8	+176.1
Income before Income Taxes	27.8	-20.3
Income Taxes and Others	14.7	+9.0
Net Income	13.1	-38.7

	1,301.9	1,343.7	1,460.0	+3.2	+8.6
	980.5	1,031.2	1,100.0	+5.2	+6.7
	321.4	312.5	360.0	-2.8	+15.2
	235.7	249.9	275.0	+6.0	+10.0
	108.0	113.8	127.0	+5.3	+11.5
	12.1	12.8	13.0	+6.0	+1.3
	115.5	123.2	135.0	+6.7	+9.5
	85.6	62.5	85.0	-27.0	+35.8
	6.6	4.7	5.8	-1.9	+1.1
	81.8	62.1	75.0	-24.1	+20.7
	-4.8	-7.8	0.0	-62.7	-
	77.0	54.2	75.0	-29.6	+38.2
	33.5	30.9	38.0	-7.6	+22.7
	43.5	23.2	37.0	-46.5	+58.9

Capital Expenditures	38.4	-1.7
Depreciation and Amortisation/Loss on Disposal of Property and Equipment and Intangibles	38.9	-10.4

	122.1	147.7	140.0	+2.1	-5.2
	153.8	143.6	160.0	-6.6	+11.4

Cash Dividends per Share (¥)		
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	60	60	60
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Note1: Income Taxes and Others include Income, Residential and Enterprise Taxes, Adjustment to Income Taxes and Minority Interests.

Note2: Forecasted dividend per share for FY ending March 2014 is 6,000 in a real term. With the proposed stock split and the adoption of the unit share system as of October 1, 2013, interim dividend and year-end dividend are forecasted to be 3,000 yen per share and 30 yen per share (3,000 yen per 100 shares), respectively.

Consolidated Net Sales by Customer Sector and Service (to Customers Outside the NTT DATA Group)

(Billions of yen)

	FY ended 2014/3 4th. Quarter Results (Jan.-Mar.)
Public & Financial IT Services	218.5
Enterprise IT Services	82.8
Solutions & Technologies	18.7
Global Business	80.7

FY ended 2013/3 Full-Year Results	FY ended 2014/3 Full-Year Results	FY ending 2015/3 Full-Year Forecasts
712.7	704.5	714.0
293.3	272.3	271.0
62.5	66.9	68.0
231.3	298.7	406.0

Consolidated New Orders Received by Customer Sector (to Japanese Customers Outside the NTT DATA Group) and Order on Hand

(Billions of yen)

		FY ended 2013/3 Full-Year Results	FY ended 2014/3 Full-Year Results	FY ending 2015/3 Full-Year Forecasts
Public & Financial IT Services				
(Main item)	Central Government and Related Agencies, Overseas Public Institutions, etc.	114.5	200.5	120.0
	Local Government and Community-based Business	107.6	110.0	105.0
	Healthcare	16.7	15.8	15.0
	Banks	196.3	170.3	150.0
	Cooperative Financial Institutions	86.4	95.0	78.0
	Insurance, Security and Credit Corporations	101.8	101.8	98.0
	Settlement Services	19.3	18.5	13.0
Enterprise IT Services				
(Main item)	Communication, Broadcasting and Utility Industry	131.7	117.7	107.0
	Manufacturing Industry	89.6	106.9	92.0
	Retail, Logistics and Other Service Industry	40.0	49.9	48.0
Solutions & Technologies				
(Main item)	Network Services	2.0	2.5	2.0
	Data Center Services	17.2	16.4	21.5
Orders on Hand				
(Main item)	Public & Financial IT Services	971.0	1,033.1	970.0
	Enterprise IT Services	26.3	85.3	87.0
	Solutions & Technologies	4.4	4.9	6.0
	Global Business	138.1	217.9	239.0

Note: New Orders Received of Solutions & Technologies does not include orders taken via other segments.

Consolidated Net Sales by Customer Sector (to Japanese Customers Outside the NTT DATA Group) and Service

NTT DATA

(Billions of yen)

		FY ended 2013/3 Full-Year Results	FY ended 2014/3 Full-Year Results	FY ending 2015/3 Full-Year Forecasts
Public & Financial IT Services				
(Main item)	Central Government and Related Agencies, Overseas Public Institutions, etc.	139.7	136.9	145.0
	Local Government and Community-based Business	89.5	98.2	100.0
	Healthcare	19.6	17.5	17.0
	Banks	183.7	165.2	168.0
	Cooperative Financial Institutions	91.7	96.9	97.0
	Insurance, Security and Credit Corporations	106.4	104.9	98.0
	Settlement Services	78.4	80.6	82.0
Enterprise IT Services				
(Main item)	Communication, Broadcasting and Utility Industry	138.1	110.4	105.0
	Manufacturing Industry	94.8	96.8	98.0
	Retail, Logistics and Other Service Industry	44.2	46.7	50.0
Solutions & Technologies				
(Main item)	Network Services	21.6	22.6	21.0
	Data Center Services	29.0	31.0	33.0
Integrated IT Solution		436.1	429.7	432.0
System & Software Development		351.0	367.4	436.0
Consulting & Support		463.1	491.9	539.0
Others		51.6	54.5	53.0
Net Sales by Products and Services Total		1,301.9	1,343.7	1,460.0

Note: Net Sales and New Orders Received of Solutions & Technologies does not include orders taken via other segments.

Non-Consolidated Earnings and New Orders Received

(Billions of yen)

	FY ended 2013/3 Full-Year Results	FY ended 2014/3 Full-Year Results	FY ending 2015/3 Full-Year Forecasts
New Orders Received	700.8	789.4	623.0
Orders on Hand	915.3	1,028.2	958.0
Net Sales	818.0	782.8	795.0
Cost of Sales	627.0	621.0	610.0
Gross Profit	191.0	161.8	185.0
SG&A Expenses	118.7	114.1	117.0
Selling Expenses	54.0	52.8	56.0
R&D Expenses	10.9	10.4	11.0
Other Administrative Expenses	53.7	50.7	50.0
Operating Income	72.2	47.7	68.0
Operating Income Margin	8.8	6.1	8.6
Ordinary Income	73.4	55.3	65.0
Special Gains and Losses	-1.2	-4.0	0.0
Income before Income Taxes	72.1	51.2	65.0
Income Taxes and Others	26.4	17.6	21.0
Net Income	45.6	33.6	44.0
Capital Expenditures	107.2	129.7	115.0
Depreciation and Amortisation/Loss on Disposal of Property and Equipment and Intangibles	132.1	117.1	132.0

Note: Income Taxes and Others include Income, Residential and Enterprise Taxes, Adjustment to Income Taxes.

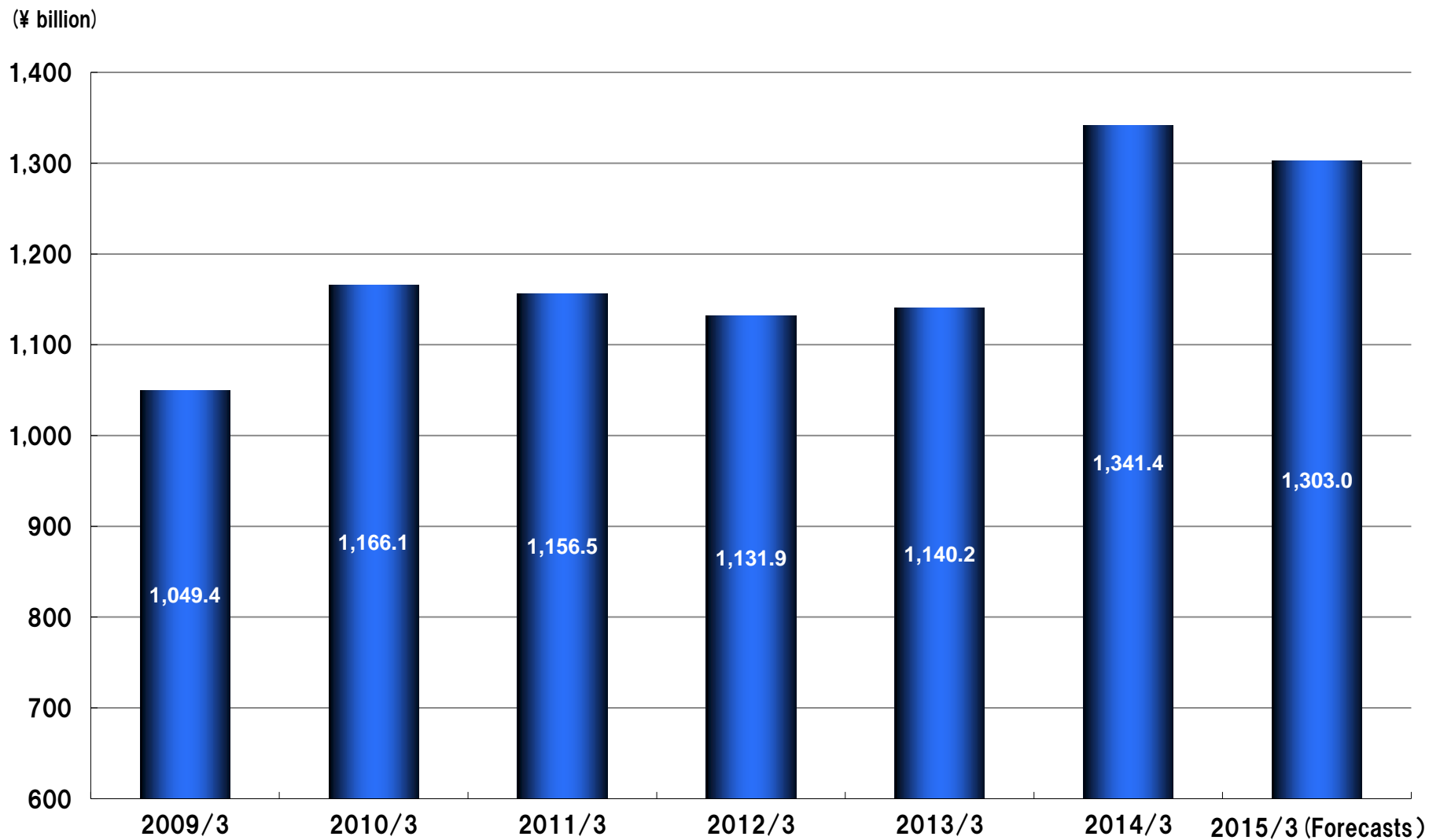
Non-Consolidated Earnings, New Orders Received by Segment and Others

(Billions of yen)

	2013/3 Full-Year Results	2014/3 Full-Year Results	2015/3 Full-Year Forecasts
New Orders Received	700.8	789.4	623.0
Public & Financial IT Services	493.8	563.5	431.0
Enterprise IT Services	180.5	201.6	164.0
Solutions & Technologies	26.2	23.9	28.0
Global Business	0.0	0.0	0.0
Orders on Hand	915.3	1,028.2	958.0
Public & Financial IT Services	897.2	966.5	894.0
Enterprise IT Services	12.5	54.9	53.0
Solutions & Technologies	5.2	6.7	11.0
Global Business	0.0	0.0	0.0

Net Sales (to Customers Outside the NTT DATA Group)	818.0	782.8	795.0
Public & Financial IT Services	577.5	559.3	572.0
Enterprise IT Services	192.4	172.1	173.0
Solutions & Technologies	47.7	51.0	50.0
Global Business	0.0	0.0	0.0

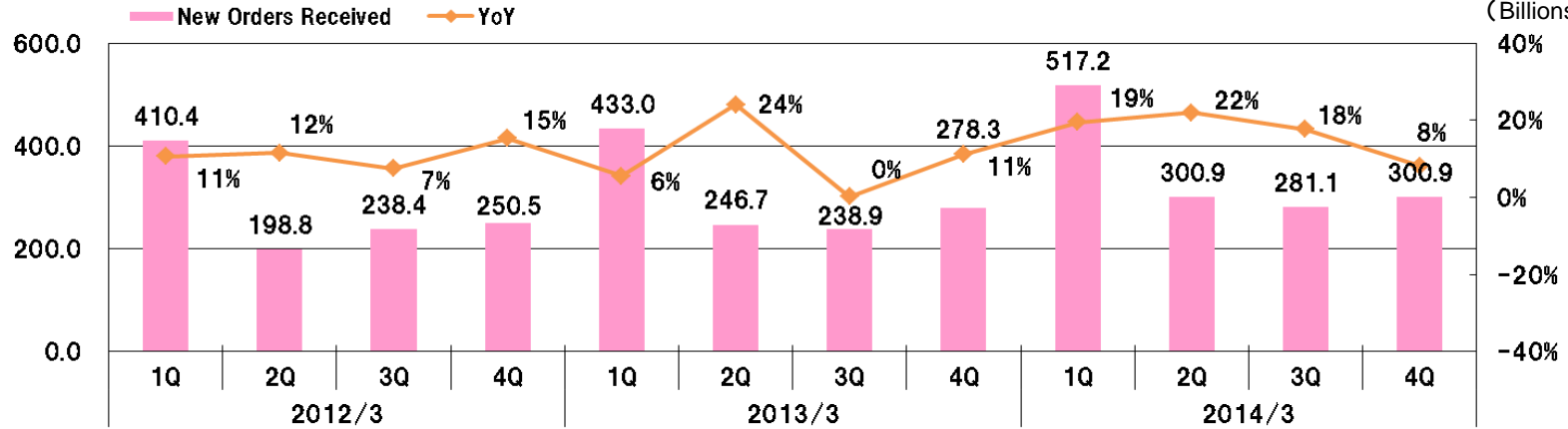
Note : New Orders Received and Net Sales of Solutions & Technologies does not include orders taken via other segments.



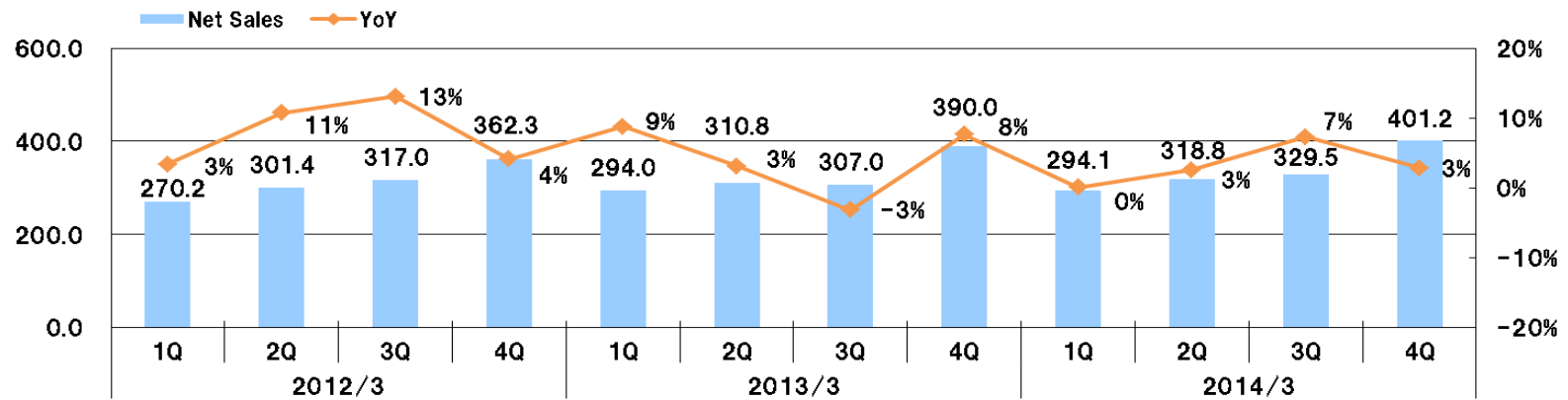
Trends in Quarter (Consolidated)

(Billions of yen / %)

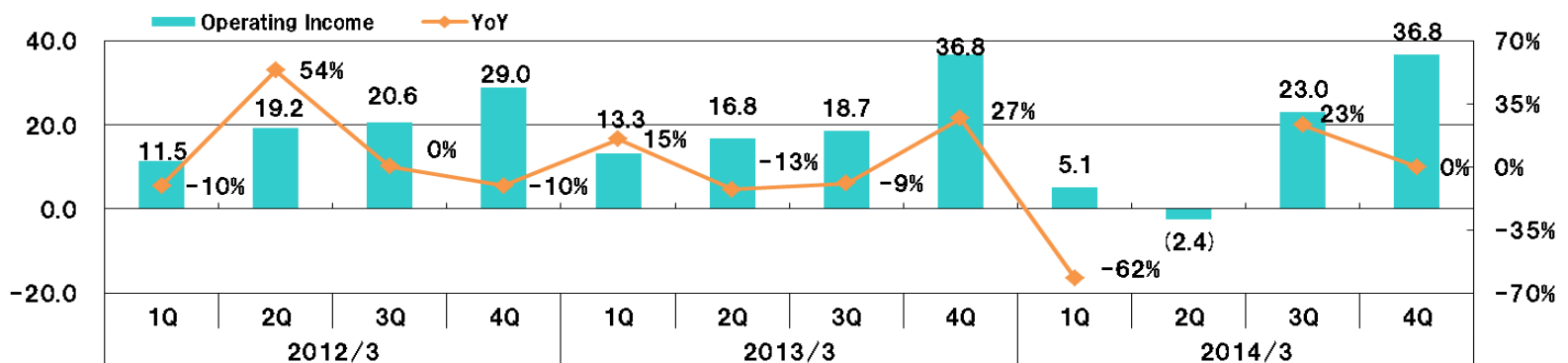
New Orders Received



Net Sales



Operating Income



Foreign exchange rates (used for the conversion of the amount of orders received and incomes of the overseas group companies)

(Unit: yen, %)

	2013/3 Results	2014/3 Full-year Assumed Rates	2014/3 Results	YoY (%)	2015/3 Full-year Assumed Rates	YoY (%)
	①		②	$(②-①)/①$	③	$(③-②)/②$
USD	83.08	95.00	100.11	+20.5	102.00	+1.9
EUR (For December-end companies)	102.47	125.00	129.58	+26.5	137.00	+5.7
EUR (For March-end companies)	106.97	125.00	134.26	+25.5	137.00	+2.0
RMB (Chinese Yuan Renminbi)	12.65	15.70	15.87	+25.5	17.10	+7.8

- The social security and tax number system was set forth under the so-called “Number Act,” which was enforced in May 2013, and the introduction of the system toward the commencement of utilization in January 2016 is in the works by the government, local governments, financial institutions and private-sector corporations. However, they are facing severe environment of cost-cutting requirements in bidding, etc.
- On the back of the major banks’ global business development for supporting the overseas expansion of the Japanese companies mainly in Asia, a growth in IT spending is expected.

National Government	<ul style="list-style-type: none"> • “Declaration to be the World’s Most Advanced IT Nation” was formulated in June 2013, which is expected to bring an impact on IT investments. Nevertheless, the environment has turned severer as competitive bidding has been more widespread, etc. In addition, the social security and tax number system was set forth under the so-called “Number Act,” which was enforced in May 2013, and the introduction of the system toward the commencement of utilization in January 2016 is in the works by the government, local governments, financial institutions and private-sector corporations, etc.
Local Government and Community-based Business	<ul style="list-style-type: none"> • Amid overall belt-tightening, cost-cutting demand is increasingly for bidding, etc. • Interest has been growing in safety and security area, especially disaster prevention systems, and smart community area. • In relation to the social security and tax number system, it is anticipated that relevant demands will arise from the assignment and notification of the numbers in October 2015 toward the cooperation between the government and local public bodies in 2017.
Healthcare	<ul style="list-style-type: none"> • The growth strategies and regulatory reform implementation plan formulated by the government designate the health and medical fields as key areas, and the relevant ministries and agencies are preparing the budgets. • It is anticipated that new services and new industries will be created in response to the realization of future healthy longevity society, and the impact on IT spending by the relevant organizations will be reinforced.
Major Banks	<ul style="list-style-type: none"> • With changes in the appetite for IT spending, an expansion of investments is expected. • A certain level of needs are anticipated for the fields in which streamlining of the existing operations and the effects of cost reduction can be expected. • It is expected that the trend of major banks’ global development for supporting the overseas expansion of the Japanese companies centering in Asia will bring an increased IT spending.
Regional Banks	<ul style="list-style-type: none"> • Despite signs of a recovery from a stagnant state in the overall category, cost-cutting intention remain strong, along with ongoing trend toward shared system use and outsourcing. • Demand is likely to increase for shared systems for strategic purposes (customer information management, etc.) to differentiate themselves from competitors.
Cooperative Financial Institutions	<ul style="list-style-type: none"> • While domestic economy including regional economy has been picking up as observed in a sign of recovery in small-business loans, a significant increase in IT spending is unlikely under the prolonged severe management environment resulting from a consumption tax hike weighing on the management of small businesses as well as fierce interest rate competitions with financial institutions in neighboring regions. • Minimum necessary spending is seen to meet legal requirement and for projects contributing to the improvement of cost efficiency.
Insurance, Security and Credit Corporations, etc.	<ul style="list-style-type: none"> • [Insurance]: Although the current IT spending is sluggish across the industry, we expect that IT spending related to new channels, new products, streamlining of administrative works, etc. will increase. • [Securities]: While the outlook of the global financial market is uncertain, the domestic market has been booming. Further IT spending is expected as there have been changes in investment stance as a result of system reforms among other measures. • [Credit]: Search for new businesses after the Money Lending Business Act continues. Focuses are placed on multi-functional electronic terminals, reinforcement of franchised outlets, points, etc.

In the wake of the recovery of the domestic consumption, business confidence shows a recovery trend together with an increase in IT spending coming into view. However, the strength of the growth in IT spending needs to be watched carefully for a while on the back of the risks concerned over the deceleration of growth in emerging markets and rising prices of raw materials, etc.

Enterprise IT Services

Communication, Broadcasting and Utility Industry

- In the telecom industry, while IT spending cycle in response to the increased traffic due to the rapid dissemination of smartphones seems to be ending, investment in infrastructure and networking facilities continue to pose a priority issue. Further IT spending relating to new services under intensifying competitions can be expected while further cost reduction is required in the IT spending for the existing domains.
- In the utilities industry, movements towards efficient energy usage (introduction of smart meters) and system changes (separation of electrical power generation from power distribution and transmission), etc. are expected to prompt an increase in IT spending.

Manufacturing Industry

- Business sentiment seems to be improving on the back of a recovery of domestic consumption and an increase in public investments. As system improvement toward the enhancement of global competitiveness as well as measures for reinforcement of production facilities are consistently implemented, it is expected that the demand for visibility of supply chains and the reconstruction of logistics infrastructure will become apparent.
- However, there remain downside risks such as deceleration of economic growth in emerging markets as well as rising raw material prices. Therefore, it is assumed that the IT spending decisions will continue to be made carefully in some business domains.

Retail, Logistics and Other Service Industry

- As the domestic consumption recovers, a move toward the reinforcement of competitiveness is notable in the major retail business by means of aggressive opening of new stores and large-scaled capital expenditure, etc. Under these circumstances, it is expected that IT spending toward continuous system renewals will increase in such areas as investments in store-related systems and large-scaled integration of infrastructure, etc.
- Demands for IT spending have become obvious toward advancement of customer analyses such as business intelligence and demand forecasting by using company-owned POS data and information obtained from social media.
- Demands for IT spending aiming at increasing sales by using the O2O (Online to Offline) system including sales promotion activities connecting e-commerce to real stores have been growing steadily.

Solutions & Technologies

From a perspective of BCP, demand for reliable network and data centers remains strong.

Network

- Demands from financial institutions continue to grow constantly on the back of circuit redundancy as measures for BCP.
- As smart devices have become widespread recently, the introduction of wireless LAN is on the increase with respect to networks for corporate customers. Furthermore, demands for networks are expected to grow as Japanese companies expand businesses globally.

Data Center Services

- From a BCP perspective, we have continued to receive inquiries from customers about setting up data centers and BCP offices with quake-resistant or seismically isolated structure, in-house power generators, and a fault recovery environment. In addition, demand remains strong for energy-saving services resulting from the power shortage issue as well as global data centers and related support services in line with the globalization of business operations by our customers.

North America

In both the United States and Canada, the GDP recovered to the level prior to the economic recessions, which leads also to bright prospects for the level of employment. Underpinned by low interest rates, cash positions have improved and M&A activities are becoming more active. Under these circumstances, demands for IT services are also robust. An individual company is aggressively seeking the realization of technological innovation and further cost reductions as well as new outsourcing models toward a renewal of existing outsourcing contracts. Proactive measures toward further growth are observed in the healthcare and the manufacturing industries.

EMEA

In the three-month period from October to December 2013, the macro economy recovered in the entire Eurozone with the GDP growth rate of approximately 0.3%. In contrast, the GDP contracted about 0.5% on a full-year basis of 2013. Market conditions varied significantly depending on the country as seen in the steady economic growths in Germany and the United Kingdom being 0.4% and 1.7%, respectively, whereas the growth rate of Italy shrank 1.9%. It is likely that the same status will continue for several years after 2014. Even in the economic recovery trend, a downward pressure on price from customers is continuing.

China

While the political relationship between Japan and China is yet to be improved, the business aspects of Chinese companies and business persons have shown upturns gradually along with the performance of Japanese companies being on a recovery trend. IT spending by European and the U.S. companies for their Chinese business arms continues to be very active, and Chinese companies also focus on expanding their domestic market.

APAC

Market trend in the entire APAC region shows a robust trend. While the growth is stable in the markets in a maturing stage, IT spending in the public sector was suspended in Thailand for political reasons. In the developing markets, demands for IT asset services in financial institutions have been rising.

Solutions

In the SAP services for SME, the growth in SAP solutions and outsourcing businesses is steady, although customers' attitudes toward IT spending vary depending on the region and the business category. It is expected that new markets will be expanded in the fields of HANA (High-Performance Analytic Appliance), analytics, mobile technology and cloud computing.

- Participation in the Library's "Long-term Preservation" project for its valuable treasures and manuscripts preserved for humankind.
- The Library will establish a new fund for this project, seeking public support and donations.
- We will digitalize the manuscripts, building and operating DA systems based on our track records of digital archiving business.



The Vatican Apostolic Library



Provision of Services



Promotion
Image browsing of the Archive



Supports



NTT DATA "Global IT Innovator"

I. Digitalization & Storage: Contribution to "Preservation of Human Treasures"

- Digitalization of 82,000 documents in 15 years
(Contract of 3,000 documents in 4 years as the 1st phase)

II. Release and Promotional Portal: PR for business

- Release of archive data for supports
- Online donations will be sought.



Digitization



NTT DATA "DA" Solution



System Integration

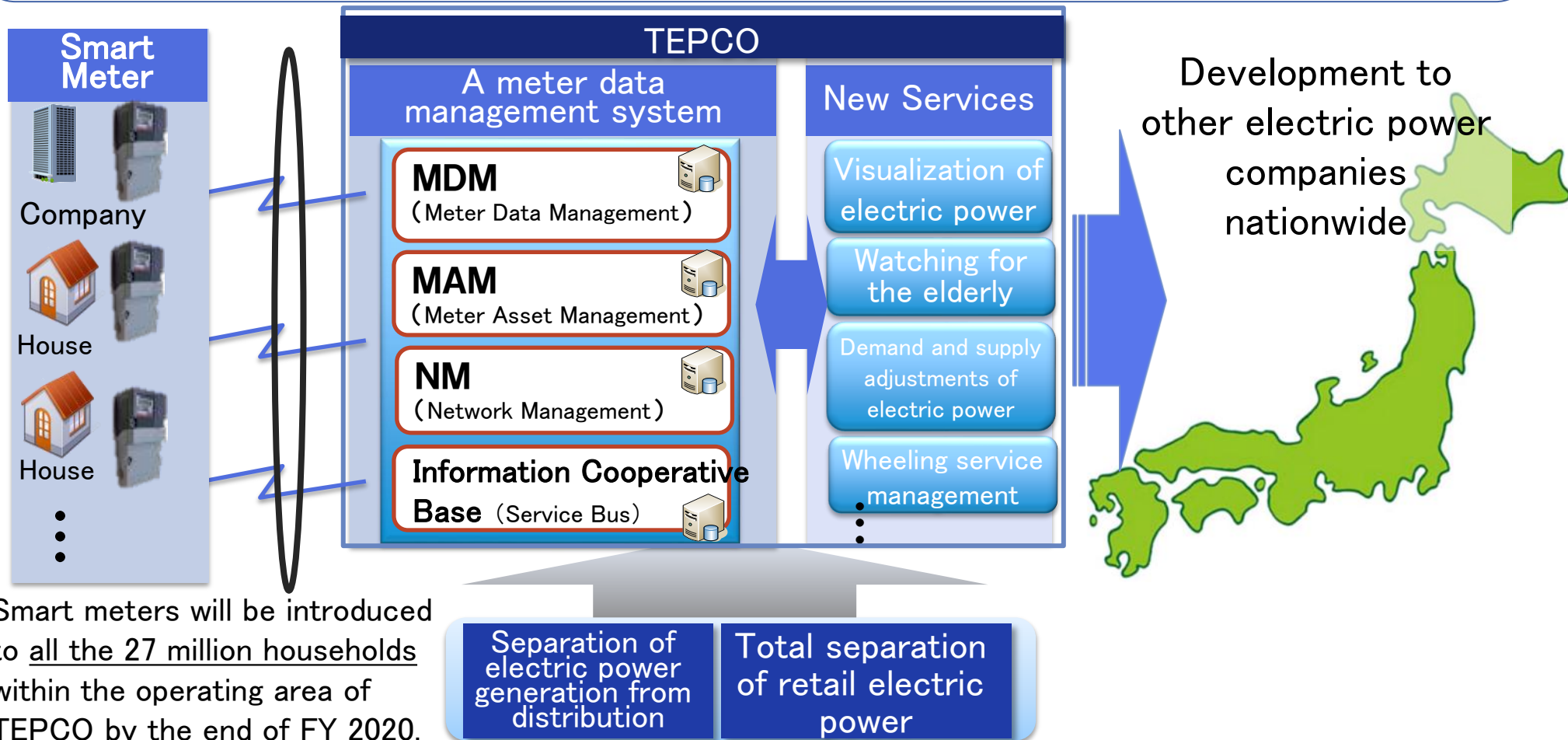


Portal

We, as the first Japanese company, have been approved as a member of the Asian Payment Network (APN), an organization in pursuit of creating a common payment settlement platform within the Asia-Pacific region. This will allow us to connect the domestic financial institutions with foreign member institutions through APN, which will enable Japanese tourists to withdraw a foreign currency in the destination country by using their domestic bank cards.



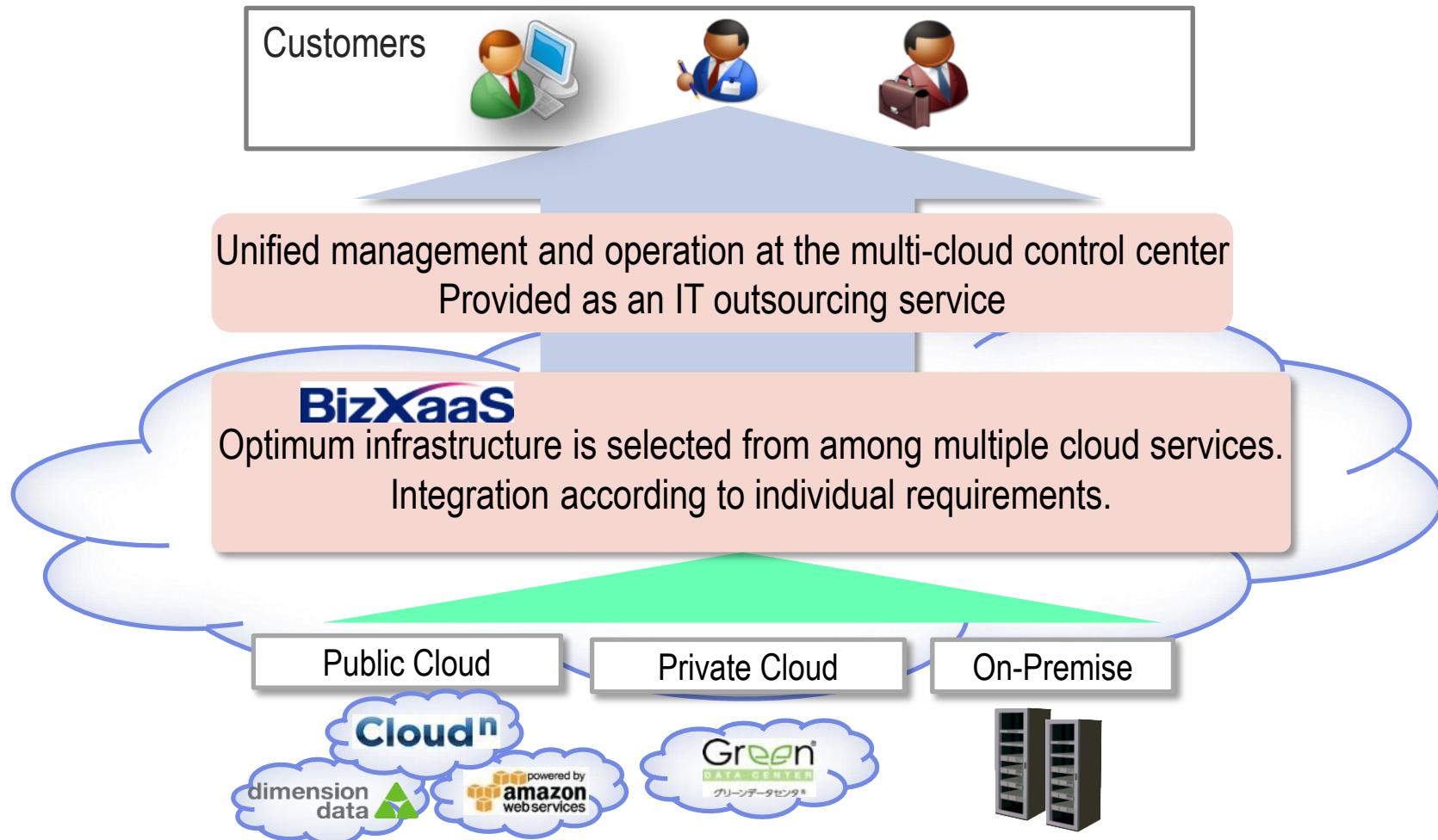
- In building a meter data management system (“MDMS”), we promote a project as a partner of The Tokyo Electric Power Company.
- By making the most of the know-how gained in the MDMS business, we promote services for the respective systems associated with electric power transmission business (wheeling service management, etc.) as well as electric power retail business. The services are also under development for other electric power companies.



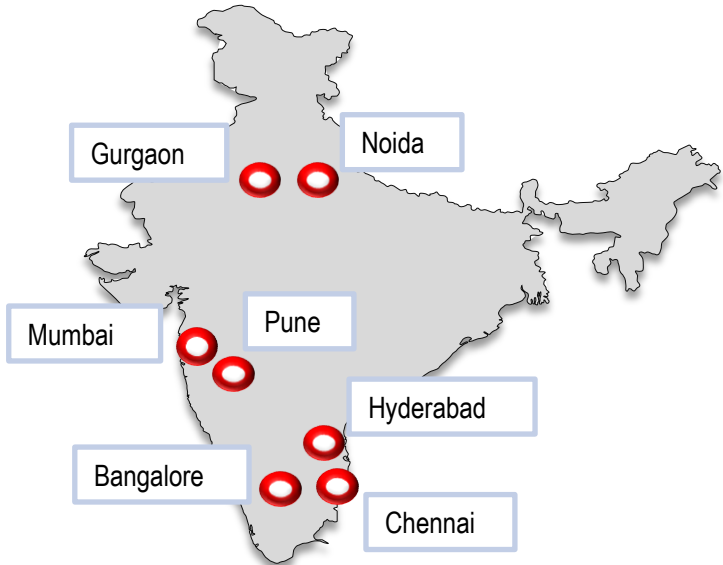
Smart meters will be introduced to all the 27 million households within the operating area of TEPCO by the end of FY 2020.

Supports for the selection of the optimal cloud bases for customer needs, and for integrated management and operation of multi-cloud bases.

“Multi-cloud Infrastructure Provision Service” adds Amazon Web Service to its lineup including the proper data center and “Biz-Hosting Cloudⁿ” which is a public cloud computing system of NTT Communications.



NTT DATA Global Delivery Services (hereinafter, “GDS”), an India-based unit of NTT DATA, Inc., achieved the highest Maturity Level 5 for CMMI[®] (Capability Maturity Model[®] Integration) DEV version 1.3 and CMMI SVC version 1.3.



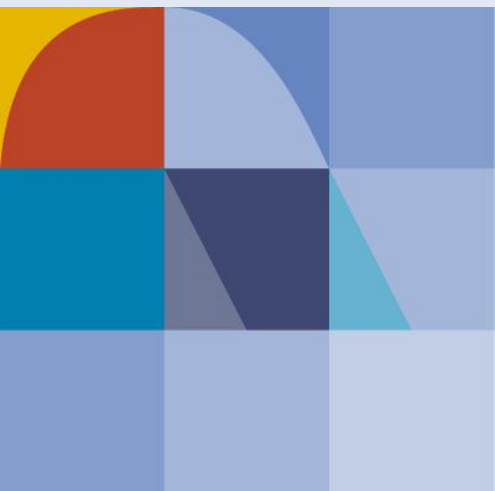
GDS, based in Chennai, Hyderabad, Pune, etc., provides services including BPO, application development, maintenance and extension, etc.

Achievements of CMMI Level 5 by the NTT DATA Group companies

NTT DATA (3 domestic organizations)	CMMI DEV version 1.3
NTT DATA GDS (India)	CMMI DEV version 1.3 CMMI SVC version 1.3
Wuxi NTT Data (China)	CMMI DEV version 1.2
everis (Spain & South America)	CMMI DEV version 1.3

- Key Points:**
- There are only eight companies in the world that have earned Maturity Level 5 both in development and service.
 - GDS is presently one of the largest in size among the eight companies with CMMI Level 5, with seven bases in India and over 7,000 employees.

Developed in 1999 by the CMMI Institute, a subsidiary of Carnegie Mellon University, with a support from the U.S. Department of Defense, CMMI (Capability Maturity Model Integration) is a model for assessing maturity of a system development organization. Maturity is expressed in staged levels, and characteristics of effective processes to satisfy the respective maturity levels are defined. CMMI is used by many companies in the world as a de facto standard for the process improvement.



NTT DATA

Global IT Innovator