

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

November 2, 2020

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	: November 9, 2020
Scheduled date of dividend payment	: December 1, 2020
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 Q2 of FY2020 (From April 1, 2020 to September 30, 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 Q2	1,080,117	0.2	63,821	0.1	62,781	(0.3)	41,206	2.6	62,631	265.0
FY2019 Q2	1,077,819	5.4	63,757	6.1	62,941	3.1	40,181	3.9	17,159	(81.6)

	Net income per share	Net income per share (diluted)
	¥	¥
FY2020 Q2	29.38	-
FY2019 Q2	28.65	-

(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 Q2	2,675,669	1,034,826	988,015	36.9
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 Q2 of FY2020 (From April 1, 2020 to September 30, 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 Q2 (September 30, 2020)	1,402,500,000 shares
FY2019 (March 31, 2020)	1,402,500,000 shares
- 2) Number of treasury stock

FY2020 Q2 (September 30, 2020)	1,007 shares
FY2019 (March 31, 2020)	953 shares
- 3) Average number of shares over period (consolidated total for quarter)

FY2020 Q2 (From April 1, 2020 to September 30, 2020)	1,402,499,031 shares
FY2019 Q2 (From April 1, 2019 to September 30, 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.

Contents of Attachment

1. Condensed Quarterly Consolidated Financial Statements and Major Notes	2
(1) Condensed Quarterly Consolidated Statement of Financial Position	2
(2) Condensed Quarterly Consolidated Statement of Income and Condensed Quarterly Consolidated Statement of Comprehensive Income	4
(3) Condensed Quarterly Consolidated Statement of Changes in Equity	6
(4) Notes to Going Concern Assumptions	7

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 September 30, 2020
Assets		
Current assets		
Cash and cash equivalents	205,356	256,070
Trade and other receivables	572,175	454,100
Contract asset	74,828	105,650
Inventories	13,727	19,067
Other financial assets	13,296	14,993
Other current assets	87,509	93,527
Total current assets	966,890	943,408
Non-current assets		
Property, plant and equipment	344,922	342,383
Right-of-use assets	160,005	155,818
Goodwill	391,017	380,100
Intangible assets	477,716	477,427
Investment property	27,113	26,790
Investments accounted for using the equity method	8,366	8,563
Other financial assets	142,211	181,829
Deferred tax assets	110,946	97,799
Other non-current assets	56,823	61,550
Total non-current assets	1,719,118	1,732,261
Total assets	2,686,008	2,675,669

(Unit: ¥ million)

	As of March 31, 2020	As of September 30, 2020
Liabilities		
Current liabilities		
Trade and other payables	359,508	333,130
Contract liabilities	256,740	272,527
Bonds and borrowings	157,094	148,370
Lease liabilities	39,143	40,836
Other financial liabilities	4,604	6,173
Income taxes payable	32,002	24,766
Provisions	4,273	1,982
Other current liabilities	29,674	22,338
Total current liabilities	883,038	850,121
Non-current liabilities		
Bonds and borrowings	440,861	409,492
Lease liabilities	122,219	117,394
Other financial liabilities	12,155	13,717
Retirement benefit liability	207,854	213,501
Provisions	4,131	4,340
Deferred tax liabilities	18,868	18,164
Other non-current liabilities	9,466	14,114
Total non-current liabilities	815,555	790,722
Total liabilities	1,698,593	1,640,843
Equity		
Equity attributable to shareholders of NTT DATA		
Capital stock	142,520	142,520
Capital surplus	111,596	110,966
Retained earnings	659,563	689,295
Treasury shares	(1)	(1)
Other components of equity	26,005	45,235
Total equity attributable to shareholders of NTT DATA	939,683	988,015
Non-controlling interests	47,732	46,811
Total equity	987,415	1,034,826
Total liabilities and equity	2,686,008	2,675,669

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

Condensed Quarterly Consolidated Statement of Income

(Unit: ¥ million)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Net sales	1,077,819	1,080,117
Cost of sales	809,574	809,163
Gross profit	268,245	270,954
Selling, general and administrative expenses	204,488	207,133
Operating income	63,757	63,821
Financial income	3,493	3,690
Financial costs	4,276	4,521
Share of profit/loss of entities accounted for using equity method	(33)	(209)
Income before income taxes	62,941	62,781
Income taxes	20,803	20,446
Net income	42,137	42,335
Net income attributable to		
Shareholders of NTT DATA	40,181	41,206
Non-controlling interests	1,956	1,128
Total	42,137	42,335
Net income per share attributable to shareholders of NTT DATA		
Net income per share (yen)	28.65	29.38

Condensed Quarterly Consolidated Statement of Comprehensive Income

(Unit: ¥ million)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Net income	42,137	42,335
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	2,002	30,062
Remeasurements of defined benefit plans	(1,145)	(155)
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	(95)	462
Hedge cost	(261)	(28)
Foreign currency translation adjustment	(23,624)	(9,365)
Share of other comprehensive income of entities accounted for using equity method	(138)	32
Total other comprehensive income (after taxes)	(23,261)	21,008
Comprehensive income	18,876	63,343
Comprehensive income attributable to:		
Shareholders of NTT DATA	17,159	62,631
Non-controlling interests	1,717	712
Total	18,876	63,343

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

(Six months ended September 30, 2019)

(Unit: ¥ million)

Equity attributable to shareholders of NTT DATA								
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total	Non-controlling interests	Total equity
As of April 1, 2019	142,520	115,740	603,171	(1)	64,236	925,667	41,143	966,809
Comprehensive income								
Net income	—	—	40,181	—	—	40,181	1,956	42,137
Other comprehensive income	—	—	—	—	(23,022)	(23,022)	(239)	(23,261)
Comprehensive income	—	—	40,181	—	(23,022)	17,159	1,717	18,876
Transactions with shareholders								
Dividends of surplus	—	—	(11,921)	—	—	(11,921)	(1,114)	(13,036)
Transfer to retained earnings	—	—	4,838	—	(4,838)	—	—	—
Increase/decrease by business combination	—	—	—	—	—	—	2,751	2,751
Net changes in controlled subsidiaries' stocks	—	(79)	—	—	—	(79)	(118)	(197)
Put options written on non-controlling interests	—	(280)	—	—	—	(280)	—	(280)
Other	—	(0)	(879)	—	—	(879)	(106)	(985)
Total transactions with shareholders	—	(359)	(7,962)	—	(4,838)	(13,159)	1,413	(11,746)
As of September 30, 2019	142,520	115,382	635,391	(1)	36,375	929,666	44,273	973,939

(Six months ended September 30, 2020)

(Unit: ¥ million)

Equity attributable to shareholders of NTT DATA								
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total	Non-controlling interests	Total equity
As of April 1, 2020	142,520	111,596	659,563	(1)	26,005	939,683	47,732	987,415
Comprehensive income								
Net income	—	—	41,206	—	—	41,206	1,128	42,335
Other comprehensive income	—	—	—	—	21,424	21,424	(417)	21,008
Comprehensive income	—	—	41,206	—	21,424	62,631	712	63,343
Transactions with shareholders								
Dividends of surplus	—	—	(12,622)	—	—	(12,622)	(1,834)	(14,456)
Transfer to retained earnings	—	—	2,195	—	(2,195)	—	—	—
Purchase and disposal of treasury shares	—	—	—	(0)	—	(0)	—	(0)
Increase/decrease by business combination	—	—	—	—	—	—	309	309
Net changes in controlled subsidiaries' stocks	—	(29)	—	—	—	(29)	(99)	(128)
Put options written on non-controlling interests	—	(366)	—	—	—	(366)	—	(366)
Other	—	(235)	(1,047)	—	—	(1,282)	(8)	(1,290)
Total transactions with shareholders	—	(630)	(11,474)	(0)	(2,195)	(14,299)	(1,632)	(15,931)
As of September 30, 2020	142,520	110,966	689,295	(1)	45,235	988,015	46,811	1,034,826

(4) Notes to Going Concern Assumptions

N/A