Note;This document is in English translation of "Kessan Tanshin" for the final Quarter of the Fiscal Year Ending March 31, 2015 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 Fiscal Year Ended March 31, 2015

May 8, 2015

Company name	: NTT DATA CORPORATION
Stock exchange on which the Company's shares are listed	: Tokyo Stock Exchange 1st Section
Code number	: 9613
URL	: http://www.nttdata.com/
Contacts Company representative	: Toshio Iwamoto, President and Chief Executive Officer
Person in charge	: Keisuke Kusakabe, Senior Executive Manager, Investor Relations and Finance Office Tel.: (03)5546-9962
Scheduled date of the ordinary general meeting of shareholders	: June 17, 2015
Scheduled date of dividend payment	: June 18, 2015
Scheduled date of filing securities report	: June 18, 2015
Supplemental material on annual results	: Yes
Presentation on annual results	: Yes (for institutional investors and financial analysts)

(Amounts are rounded off to the nearest 1 million yen)

1. Consolidated Financial Results for FY2014 (From April 1, 2014 to March 31, 2015)

(1) Consolidated Results of Operations

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

	Net sales		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
FY2014	1,511,812	12.5	84,013	34.2	77,909	25.4	32,144	38.0
FY2013	1,343,772	3.2	62,583	(27.0)	62,153	(24.1)	23,287	(46.5)

Note: Comprehensive income: FY2014 107,151million yen (96.2%) FY2013 54,612million yen ((14.6)%)

	Net income per share	Net income per share (diluted)	ROE (Ratio of Net income to Shareholders' Equity)	ROA (Ratio of Ordinary income to Total assets)	Operating income margin (Ratio of Operating income to Net sales)
	¥	¥	%	%	%
FY2014	114.60	—	4.4	4.4	5.6
FY2013	83.02	—	3.5	3.9	4.7

Note: Equity in net income (losses) of affiliates: FY2014 86million yen FY2013 227million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ million	¥ million	%	¥
FY2014	1,822,837	806,205	42.4	2,757.55
FY2013	1,689,940	709,818	40.1	2,412.92

Note: Equity: FY2014 773,493million yen FY2013 676,824million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
	¥ million	¥ million	¥ million	¥ million
FY2014	183,880	(157,137)	17,296	250,843
FY2013	234,524	(189,687)	(19,345)	207,213

2. Dividends

	Cash dividends per share					Total amount of cash dividends for the year	Dividends payout ratio (consolidated)	Ratio of total amount of dividends to net assets (consolidated)
	End of the first quarter	End of the second quarter	End of the third quarter	Year-end	Total			
	¥	¥	¥	¥	¥	¥ million	%	%
FY2013	—	3,000	—	30.00	—	16,830	72.3	2.4
FY2014	—	30.00	—	30.00	60.00	16,829	52.4	2.3
FY2015 (Forecasts)	—	30.00	—	40.00	70.00		35.1	

Notes: Dividends for the second quarter of the fiscal year ending March 31, 2014 are figures before the stock split was conducted at a ratio of 1:100 with the effective date of October 1, 2013.

3. Forecasts of Consolidated Results for FY2015 (From April 1, 2015 to March 31, 2016)

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

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
FY2015	1,540,000	1.9	100,000	19.0	95,000	21.9	56,000	74.2	199.64

* Notes:

(1) Changes in significant subsidiaries during the current period: Yes
(Changes in specified subsidiaries resulting in the change in consolidation scope)
Exclusion One company
Name of the company NTT DATA International Services, Inc.

(2) Changes in accounting policies, changes in accounting estimates and restatements
1) Changes in accounting policies due to revisions of accounting standards etc : Yes
2) Changes in accounting policies other than 1) : No
3) Changes in accounting estimates : No
4) Restatements : No

(3) Number of shares outstanding (common stock)

1) Number of shares outstanding (inclusive of treasury stock)	FY2014	280,500,000shares	FY2013	280,500,000shares
2) Number of treasury stock	FY2014	99shares	FY2013	－shares
3) Average number of shares over period	FY2014	280,499,996shares	FY2013	280,500,000shares

(Reference) Summary of non-consolidated financial results

(Amounts are rounded off to the nearest 1 million yen)

1. Non-Consolidated Financial Results for FY2014 (From April 1, 2014 to March 31, 2015)

(1) Non-Consolidated Results of Operations

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

	Net sales		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
FY2014	799,377	2.1	63,478	32.9	66,976	21.0	41,775	24.2
FY2013	782,865	(4.3)	47,749	(33.9)	55,365	(24.6)	33,645	(26.3)

	Net income per share	Net income per share (diluted)
	¥	¥
FY2014	148.93	―
FY2013	119.95	―

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ million	¥ million	%	¥
FY2014	1,557,096	727,935	46.7	2,595.14
FY2013	1,443,598	653,997	45.3	2,331.54

(Reference) Equity : FY2014 727,935million yen FY2013 653,997million yen

* Indication of review procedure implementation status

This earnings report is exempt from review procedure based upon the Financial Instruments and Exchange Act. It is under the review procedure process at the time of disclosure of this 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. For details please refer to "[2] Forecast for the Next Fiscal Year (Ending March 31, 2016)" in " (1) Business Results " of "1. Business Results" section on page 10.
2. As of October 1, 2013, we conducted a stock split at a ratio of 1:100 in common stock. Thus, net income per share, net assets per share and the number of shares were calculated by assuming that the stock split was conducted at the beginning of the previous consolidated fiscal year.
3. Supplemental material on financial results for FY2014 will be uploaded on TDnet today, and will also be uploaded on our homepage. Presentation on financial results for FY2014 will be held today. This report will be uploaded on our homepage soon.
4. The names of NTT DATA's products and services referred to on this report (including the attachment) are trademarks or registered trademarks of NTT DATA in Japan and other countries. The names of other companies, products, services, etc, are the trade names, trademarks, or registered trademarks of the companies concerned.

Attachment

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1. Business Results

(1) Business Results

[1] Conditions during the Period

The economy and business environment for the information services industry in the current consolidated fiscal year are as follows.

The Japanese economy continued to be on track for moderate recovery, and although various effects including the reaction to the binge buying ahead of the consumption tax hike were seen, there was a continuous improvement in corporate profitability as well as an increasing trend in capital investment. Nevertheless, it is important to keep in mind that the downturn in overseas economies represents a major factor that could serve to weaken the Japanese economy, but its economy is expected to maintain this moderate recovery.

In the Japanese information services industry, the market has shown signs of moderate recovery thanks to the promotion of IT investment in response to various system renewal projects that had previously been suspended, as well as to the preparations for international expansion by financial institutions and the manufacturing sector. Nonetheless, the needs to subdue system maintenance and management costs as well to as survive the severe price competition remain.

A gradual improvement in the international economy has been noted, although weaknesses in some regions have been observed. Furthermore, with regard to future economic trends, geopolitical risks such as attempts to normalize US fiscal policy, the debt problems of European governments, and the collapse in oil prices must be kept in mind, but the economy is expected to maintain this moderate recovery in the future.

In the international information services industry, there has been an increase in IT investment in the American corporate sector. Furthermore, in the European market, although IT expenditure in Italy is not expected to recover in the short term, the IT markets in Germany and the UK are growing.

Implementation of management policies

Under such circumstances, the NTT DATA Group formulated the Medium-term Management Plan for the fiscal Years 2012 to 2015, with the aim of "becoming a Global Top 5 player (over 1.5 trillion yen in net sales)" and "achieving an EPS of 200 yen" by evolving into a corporate group that can efficiently provide diverse IT services worldwide. In line with this plan, we are concentrating on the plan's primary strategies, namely "Expansion of New Fields and Reinforcement of Product Competitiveness", "Expansion, Enhancement and Reinforcement of Global Business" and "Pursuit of Overall Optimization". Examples of specific action taken are as follows.

・"Expansion of New Business Fields and Reinforcement of Product Competitiveness"

We increased net sales whose growth rate exceeded the market growth rate by capturing opportunities to enter the market resulting from recent years' changes in the business environment and ICT, and also promoted remarketing by creating an unprecedented market while predicting clients' needs in advance by making the best use of the latest technology. For examples of specific action taken during the current consolidated fiscal year under review, please see "Implementation of business activities" on page 3.

Through the complete automation in development operation, we promoted innovation of product technology to achieve sophistication and speed in product development, as well as strategic R&D by assessing important future technology in light of the direction of the information society. For examples of

specific action taken during the current consolidated fiscal year under review, please see "Progress of technical development" on page 6.

・"Expansion, Enhancement, and Reinforcement of Global Business"
We implemented the expansion, enhancement and reinforcement of businesses in each region by taking advantage of synergy between the NTT DATA Group and the NTT Group to reinforce its sales capability and the capability to provide services. In addition, the NTT DATA Group supported customers' entries into the global market by utilizing its regional bases. For examples of specific action taken during the current consolidated financial year, please see "Global Business" under the "Implementation of business activities."

・"Pursuit of Overall Optimization"
Promotion of reduction of administration costs related the entire group through steady efforts such as the standardization, optimization, and consolidation of business, the reorganization and integration of the company, and the fluidization and optimum arrangement of resources with a focus on the cost required for administrative operation.

Implementation of business activities

Through the above measures, we strove to expand businesses in the global market in order to cope with clients' acceleration of business expansion into the global market and meet their diversified and sophisticated needs. We also made efforts to expand diverse IT services in response to market changes and stably provide such services.
The following sections present descriptions of efforts made in each of its segments.

< Public & Financial IT Services >
・With regard to business related to the My Number system, we have received multiple orders concerning the new core system that will be introduced as well as for the renewal of the existing national system. Moreover, we have been pushing for the investigation of new businesses in the private sector. One example is the conduct of an operation test concerning the use of smartphones for "a number collection agent service" that can perform My Number collection and registration. Based on this operation test, we aim to realize the creation of a My Number service to support companies in My Number collection, storage, and submission through paper or digital means.

・We have been involved in the Digital Archiving Project of the Vatican Apostolic Library, for which we signed an initial agreement with the Vatican Apostolic Library. The Library has made its collection of priceless handwritten manuscripts available for viewing on its website. These manuscripts have been digitally reproduced using the digital archive system developed by us.

・As part of our export of infrastructure solutions, we have received an order from the government of Myanmar for the development of the Myanmarese versions of "NACCS (Note 1)" and "CIS (Note 2)", which utilize the Japanese trade procedure and customs clearance systems of NACCS and CIS. This is the second country to place such an order, the first being the government of Vietnam.

・We have started services to change over hosts to “SCRUM,” a shared user system to support general insurance companies that are attempting to enter the life insurance market, and develop system integration to SCRUM along with the consolidation of client companies.

< Enterprise IT Services >

・As a partner company (integrator), we have partly started providing services and will sequentially start providing the rest of services utilizing the smart meter operation management system of Tokyo Electric Power Company, Incorporated (“TEPCO”), which has been promoting projects. The ability to remotely confirm electricity meter systems and electricity flow has led to improved convenience for users as well as the realization of speedy power outage recovery and optimization of the electricity meter business. Other electric companies have been promoting projects to construct similar systems. We have received an order for the “Switching Support System” to be implemented towards the realization of the electricity system reforms to be conducted by the Organizing Office for the Organization for Cross-regional Coordination of Transmission Operators, JAPAN. We have promoted the project with an eye toward the full liberalization of the retail electricity market in April 2016.

・We have supported the creation of omni-channels through the coordination of sales channels in the retail industry such as physical stores and EC sites (Note 3) that provide sales opportunities targeting customer behavior. We constructed the “Matsumotokiyoshi mobile site,” the official app of Matsumotokiyoshi Holdings Co., Ltd. for smartphones. This has made it possible to deliver various types of information in accordance with the strategy of the company. Furthermore, we have supported major retailers with projects ranging from concept creation to the development of business processes and to system construction for their omni-channel initiative. Through the fusion of Internet and physical stores, we have aimed for the realization of various new services with customers such as unified sales of in-house products.

< Solutions & Technologies >

・By integrating sales channels, including physical stores and in-house/external EC sites, and establishing uniform management, we have started providing services through “the BIZXAAS Omni-Channel”, which makes it possible to provide the same products and services in all channels. Furthermore, with the aim of realizing the goal of SANYO SHOKAI LTD. for next-generation e-commerce, (Note 4) we have started the construction of “SANYO Omnichannel Base System”, which allows the fusion of physical stores with EC sites by using this service as well as the sharing of information with external web sites.

・We constructed the infrastructure for the cloud data storage of mobile terminals such as smartphones for the cloud mail service "docomo mail" provided by NTT DOCOMO, INC. We succeeded in expanding storage volume at any time and realized one of the largest cloud storage systems with petabyte-class (Note 5) capacity in Japan.

< Global Business >

・Through our group company, we concluded a multi-year contract with the German automobile maker Daimler AG for the operation and maintenance and additional system development of global ERP systems, and we are currently providing our services as a strategic partner. Our group is in charge of the operation and maintenance and additional system development of various ERP systems in Daimler AG that were implemented by IT vendors from each country in cooperation with “the Shared Service Centers”, the newly

established IT support centers by Daimler AG in India, Turkey, and the US. We have thus contributed to the optimization of these businesses in Daimler AG and the improvement of service quality. This order shows that the efforts of our group to reach the automobile industry have been highly evaluated, and we will continue to promote future expansion of our business for the automobile industry on a global scale through the group's unified efforts.

・We have entered into a Global Services Partnership with SAP SE (Systems Applications Products Societas Europaea) in Germany, in an effort to promote services that leverage next-generation platforms and a high level of expertise. Through this Partnership, the entire NTT DATA Group will become a SAP Service Partner, which, in turn, will further strengthen the cooperation between the Group companies in the SAP business, as well as enhance the Group's global competitiveness and allow the Group to provide value including state-of-the-art technology. In recognition of these initiatives by NTT DATA in SAP implementations, we were selected as a member of the Winner's Circle, the highest commendation, in the 2014 SAP Services Blueprint Report by the U.S. research firm, HfS Research.

Notes:

1. Nippon Automated Cargo and Port Consolidated System (NACCS)

NACCS is an electronic application system used by public and private organizations which performs administrative procedures such as import and export declarations and port arrival and departure procedures for ships and aircraft, as well as private operations relating to import and export procedures.

2. Customs Intelligence Database System (CIS)

CIS is an information system through which all customs clearance records for imports and exports and information on importers and exporters are compiled centrally and used for customs screening.

3. EC sites

The general term for websites that provide e-commerce services through the Internet; they are often referred to as "online shops" etc.

4. e-commerce

Computerized transactions made through electronic computer networks such as the Internet.

5. Petabyte

A data measurement unit. A petabyte is 1 million times the size of a gigabyte.

Progress of technical development

In pursuit of “Expansion of new fields and reinforcement of product competitiveness,” which is the key objective of the Medium-term Management Plan, NTT DATA implemented technical development focused on “Software Engineering”, “Advanced Technology”, and “IT Base Technology”. The results are set out below.

< Software Engineering >

・In order to promote the policy of applying the automated software development tool TERASOLUNA (Note 1) in all possible cases, we have doubled the number of specialist support organizations for diffusion and development. “TERASOLUNA Reengineering”, which has automated the specification analysis of existing systems, has been applied in approximately 30 projects. “TERASOLUNA ViSC v1.6”, an automated development tool, has been applied in over 80 different projects. Furthermore, “TERASOLUNA Suite”, which links the TERASOLUNA automated tool group, has been applied in over 200 projects, leading to the realization of high-quality, rapid system development.

< Advanced Technology >

・We have practicalized translation services for technical documents utilizing the automatic translation engine “platform for building statistical machine translation systems among multiple languages” developed by NIPPON TELEGRAPH AND TELEPHONE CORPORATION. Furthermore, in cooperation with Tokyo Seishinkai (social welfare service corporation) and Universal Accessibility Evaluation Organization Japan (UAEO) (general incorporated association), We have started demonstrations of utilizing communication robots for use in nursing care services in elderly facilities.

< IT Base Technology >

・In order to accelerate the use of open source software (OSS),(Note 2) We have taken a dominant position in the promotion of activities of the OSS development community. In order to respond to the needs for corporations to handle large quantities of data, We have developed mission critical (Note 3) system functions in-house that reflect OSS source code. Moreover, We have produced the first Japanese committers (main developers) in the Hadoop-related projects. (Note 4)

Furthermore, utilizing the accumulated know-how concerning the applications of OSS, We have expanded its experience in applying OSS databases to large-scale systems. We have presented past examples of the application of PostgreSQL (Note 5) databases in large-scale systems at “the PostgreSQL Conference 2014”.

As part of the effort to forecast and utilize the near-future vision of the information society and IT-related technology trends, we held lectures and exhibitions of “NTT DATA Technology Foresight (Note 6)” in major events of the ICT industry such as the ITpro Expo in Japan and international events such as The Open Championship for golf and the Gartner Symposium. Furthermore, we also held 6 “Co-Creation Workshops” to share information for new trends to create policies for clients that aim to create new businesses, 67 “private seminars for our clients”, and released “NTT DATA Technology Foresight 2015”, the latest version of the trends.

Moreover, as part of the efforts to strengthen R&D in overseas locations, We have participated in AIME, a project aimed at the realization of the Industrie 4.0 (Note 7) concept, an academic-industrial collaboration promoted by the German government, and started the research and development of advanced technology aimed at the optimization of manufacturing lines.

Notes:

1. TERASOLUNA

A solution that incorporates the company's technologies for project management, development processes, frameworks, etc., accumulated from its numerous system development projects, and offers comprehensive support for system development.

2. OSS (Open Source Software)

Computer software with its source code made available to the public for free, so that anyone can change and redistribute the software.

3. Mission critical

This refers to things that are essential to the completion of tasks or services in which obstacles or malfunctions are unacceptable.

4. Hadoop

OSS platform software that is used for the efficient distributed processing and management of large-scale data.

5. PostgreSQL

High-performance, multifunction OSS database management system.

6. NTT DATA Technology Foresight

The near-future vision of the information society (information society trend) and IT-related technology trends. It is derived through comprehensive surveys of the trend relating to IT that are implemented from the perspectives of politics, economy, society and technology, as well as through hearings and discussions with domestic and foreign intellectuals.

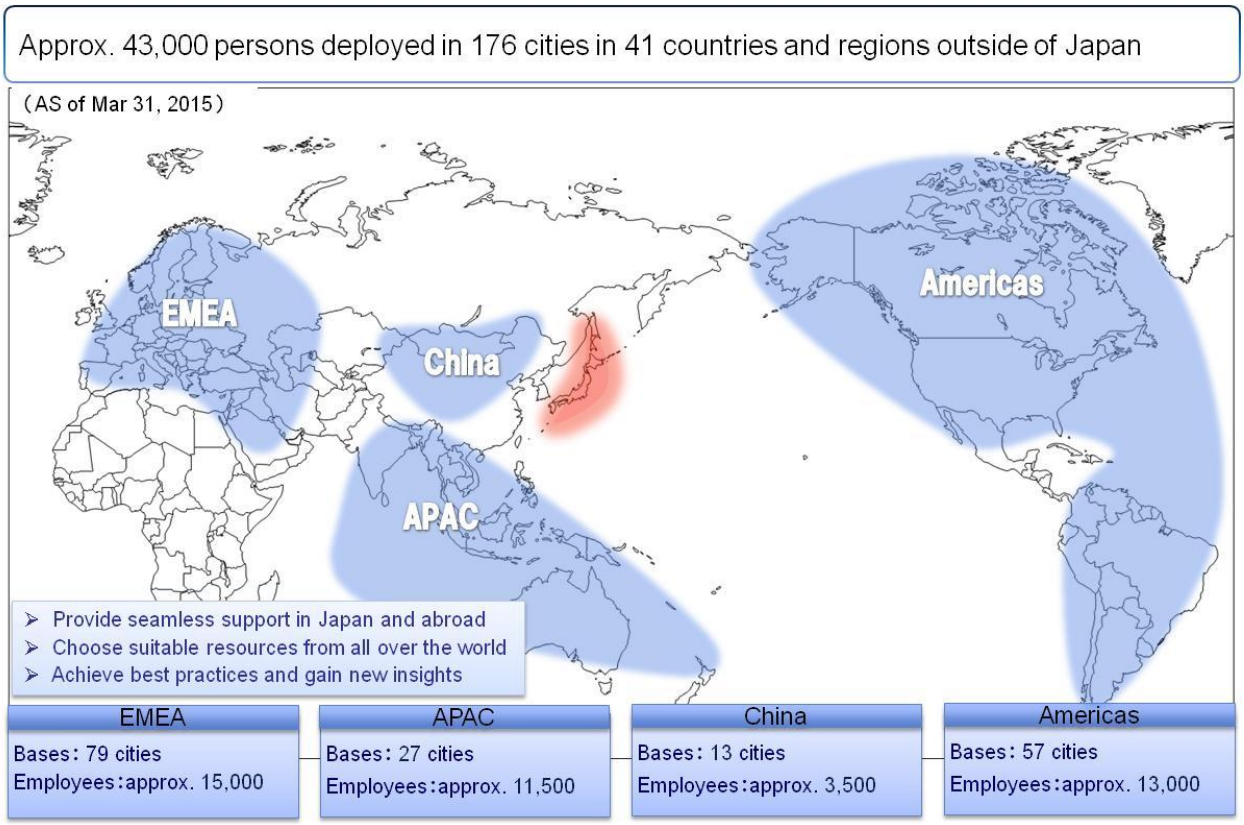
Trend information has been released since 2012, and is updated every year.

7. Industrie 4.0

Concept advocated in a joint project between the German government and the manufacturing industry with the aim of developing novel technological innovations in the manufacturing sector.

In addition to the businesses above, we proudly disclose that we could create 100 jobs, the target from the beginning at "The Ishinomaki BPO Center", which we established as our continuous supporting effort for reconstruction at the disaster stricken area by the Great East Japan Earthquake, which made the number of employees at the Center 125. We will continuously try to create new jobs, maintain and expand employment for many years to come.

The following shows the status of overseas bases during the period under review.
The expansion of our global base will enhance the ability of customers to address globalization.



As a result of these activities, business performance during the period under review was as follows.

・New Orders Received	1,429.1 billion yen	(up	2.1% year-on-year)
・Net Sales	1,511.8 billion yen	(up	12.5% year-on-year)
・Operating Income	84.0 billion yen	(up	34.2% year-on-year)
・Ordinary Income	77.9 billion yen	(up	25.4% year-on-year)
・Income before Income Taxes	73.9 billion yen	(up	36.4% year-on-year)
・Net Income	32.1 billion yen	(up	38.0% year-on-year)

The following is a breakdown of business results for the period by business segment. The references to segment profit are based on income before income taxes.

< Public & Financial IT Services >

Because of the increase in revenue due to non-consolidated new customer acquisition of the company and enlargement of existing large-scale systems etc. and the decrease in unprofitable projects, net sales and segment profit both increased.

As a result, net sales were 739.1 billion yen (2.4% increase from the previous period) and segment profit was 64.1 billion yen (15.1% increase from the previous period).

< Enterprise IT Services >

Although there was a decrease by the non-consolidated company in the field of telecommunications, due to an increase in revenue from utilities, distribution, etc. and a decrease in unprofitable projects, net sales and segment profit both increased.

As a result, net sales were 281.8 billion yen (0.9% increase from the previous period) and the segment profit was 11.4 billion yen.

< Solutions & Technologies >

Due to a downturn in non-consolidated existing projects, net sales and segment profit both decreased.

As a result, net sales were 176.5 billion yen (1.4% decrease from the previous period) and the segment profit was 6.8 billion yen (20.3% decrease from the previous period).

< Global Business >

Due to the impact of consolidation expansion, the increase in sales of existing subsidiaries, the impact of fluctuations in foreign exchange rates, etc., net sales increased and segment loss decreased.

As a result, net sales were 464.5 billion yen (47.7% increase from the previous period) and the segment loss was 7.7 yen (21.5% decrease from the previous period).

< Year-on-Year Changes by Business Segment >

(Unit: billion yen)

Description		FY2013	Share (%)	FY2014	Share (%)	Change (%)
Net Sales	Public & Financial IT Services	721.6	47.8	739.1	44.1	2.4
	Enterprise IT Services	279.3	18.5	281.8	16.8	0.9
	Solutions & Technologies	179.1	11.9	176.5	10.5	(1.4)
	Global Business	314.5	20.8	464.5	27.7	47.7
	Others	14.7	1.0	15.5	0.9	5.7
	Adjustments	(165.6)	—	(165.8)	—	(0.1)
Total		1,343.7	—	1,511.8	—	12.5
Segment Profit	Public & Financial IT Services	55.6	112.9	64.1	84.9	15.1
	Enterprise IT Services	(5.4)	(11.1)	11.4	15.1	—
	Solutions & Technologies	8.5	17.4	6.8	9.1	(20.3)
	Global Business	(9.8)	(19.9)	(7.7)	(10.2)	(21.5)
	Others	0.3	0.7	0.8	1.1	144.8
	Adjustments	4.9	—	(1.5)	—	—
Total		54.2	—	73.9	—	36.4

[2] Forecast for the Next Fiscal Year (Ending March 31, 2016)

Corporate IT investment is weak in some international markets, but an increasing trend has been seen in domestic and international markets, and with regard to the financial results of the group for the next term, net sales are expected to reach 1,540.0 billion yen, representing an increase in comparison with the current term due to increases in individual and existing international subsidiary revenue.

Because of the control of unprofitable projects and the increase in profits due to increased revenue, the improved profitability of international subsidiaries, etc., operating income is expected to reach 100.0 billion yen, representing an increase in comparison with the current term.

The situation by segment is as follows.

< Public & Financial IT Services >

・Although there is a decrease in revenue etc. from existing large-scale systems in the field of public works, due to an increase in business from banks, net sales (Note 1) are predicted to reach 752.0 billion yen (net sales from external customers, 735.0 billon yen), representing an increase of 12.8 billion yen in comparison with the current term.

・Because of the control of unprofitable projects and the increase in profits due to increased revenue, segment profit (Note 2) is expected to reach 74.0 billion yen, representing an increase of 9.8 billion yen in comparison with the current term.

< Enterprise IT Services>

・Although there is a decrease in revenue etc. from business aimed at the fields of telecommunications, due to an increase in business aimed at the field of manufacturing, net sales are expected to reach 285.0 billion yen (sales from external customers, 280.0 billion yen), representing an increase of 3.1 billion yen in comparison with the current term.

・Because of the increase in profits due to increased revenue, the cost improvement of some projects etc., segment profit is expected to reach 17.0 billion yen, representing an increase of 5.5 billion yen in comparison with the current term.

< Solutions & Technologies >

・It is predicted that there will be a greater need for data centers etc., and net sales are expected to reach 185.0 billion yen (sales from external customers, 63.0 billion yen), representing an increase of 8.4 billion yen in comparison with the current term.

・Because of the increase in profits due to increased revenue etc., segment profit is expected to reach 9.0 billion yen, representing an increase of 2.1 billion yen in comparison with the current term.

< Global Business >

・Due to the increase in sales from existing international subsidiaries, net sales are expected to reach 472.0 billion yen (sales from external customers, 461.0 billion yen), representing an increase of 7.4 billion yen in comparison with the current term.

・Because of the increase in profits due to increased revenue, improved profitability, the decrease in the loss on restructuring of affiliates, etc., segment profit is expected to reach a loss of 2.0 billion yen, representing a decrease in loss of 5.7 billion yen in comparison with the current term.

Moreover, capital investment in the next term is expected to reach 130.0 billion yen, representing a decrease of 10.9 billion yen in comparison with the current term.
NTT DATA manages its business performance on an annual basis only, and therefore no results forecast for the period to the end of the second quarter have been included in this report.

Results Forecast for the Next Fiscal Year

(Unit: billion yen)

Description	Net Sales	Operating Income	Ordinary Income	Net Income
FY2015	1,540.0	100.0	95.0	56.0
FY2014	1,511.8	84.0	77.9	32.1
Change (%)	1.9%	19.0%	21.9%	74.2%

Notes: 1. Net sales include intersegment sales.

2. In the calculation of segment profits (income before income taxes), apportionments of company-wide expenses such as financial expenses are not included.

3. This material contains descriptions of future plans and strategies and of forecasts and projections relating to business performance. These descriptions reflect certain assumptions derived from judgments based on information currently available to the NTT DATA Group.
The material also incorporates an unquantifiable degree of risk and uncertainty relating to factors such as economic trends, the fierce competition within the information service industry, market demand, and the tax and other systems. In view of this, excessive reliance should not be placed on these results or forecasts, and it should be noted that actual results may differ from the NTT DATA Group's forecasts.

(2) Financial Condition

In comparison with the previous term, cash flow from sales decreased by 50.6 billion yen, resulting in positive cash flow of 183.8 billion yen in the current term. The major factors responsible include the decrease in advances received.

With regard to cash flow from investments, the decrease in expenditure to acquire consolidated subsidiaries etc. saw expenditure decrease by 32.5 billion yen in comparison with the previous term, resulting in negative cash flow of 157.1 billion yen.

Accordingly, in comparison with the previous term, free cash flow in the current term decreased by 18.0 billion yen, resulting in positive cash flow of 26.7 billion yen.

Moreover, with regard to cash flow from financial activities, long-term loans, etc. saw overall revenue increase by 36.6 billion yen in comparison with the previous term, resulting in positive cash flow of 17.2 billion yen.

Based on these results, the end-of-term balance in cash and cash equivalents increased by 43.6 billion yen in comparison with the end of the previous term for a total of 250.8 billion yen.

The NTT DATA Group's cash flow indicators are summarized as follows.

Indicator	FY2011	FY2012	FY2013	FY2014
Equity ratio (%)	41.1	42.7	40.1	42.4
Fair value equity ratio (%)	55.3	57.7	66.6	80.5
No. of years for debt redemption (Years)	2.0	2.3	1.7	2.4
Interest coverage ratio (Times)	33.2	29.4	43.6	32.9

Notes: Equity ratio: Shareholders' equity/Total assets
Fair value equity ratio: Gross market capitalization/Total assets
No. of years for debt redemption: Interest-bearing debt/Cash flow from operating activities
Interest coverage ratio: Cash flow from operating activities/Interest payments

1. All indicators are calculated on the basis of consolidated financial values.
2. Gross market capitalization is calculated by multiplying the closing price of the Company's shares at the period end by the number of shares issued and outstanding at the period end.
3. Cash flow from operating activities is the "cash flow from operating activities" in the consolidated statement of cash flows. Interest-bearing debt refers to corporate bonds, long-term and short-term borrowings, and commercial paper stated in the consolidated balance sheets. Interest payments equate with "interest paid" in the consolidated statement of cash flows.

(3) Basic Policy on Distribution of Profits

NTT DATA's fundamental policy on the distribution of profit is to distribute profits appropriately while working to increase corporate value over the medium to long term by achieving sustained growth, doing so by such means as investing in new and other business activities and ensuring efficient management of business operations.

With regards to dividends, we intend to pay a stable dividend based on a comprehensive assessment of a balance with business investments and technology development toward a sustainable growth in the future, and with expenditures for maintenance and reinforcement of financial strength, in light of consolidated operating results and financial position.

The distribution of profit for the period is as follows. We paid an interim dividend of 30 yen per share and

will pay a year-end dividend of 30 yen per share; thus the total annual dividends to be paid are 60 yen.
Moreover, with regard to the payment of dividends for the next term, upon comprehensive consideration of all factors including the company's consolidated performance, its financial condition, and the stability of dividends, the annual dividend per share is expected to total 70 yen (an increase of 10 yen in comparison with the current term). Of this, the interim dividend per share is planned to total 30 yen, and year-end dividend per share is planned to total 40 yen.

(4) Business Risks

The risk set out below may impact the NTT DATA Group’s business results and financial condition (including share prices).

[1] Risk of downward price pressure

There is a tendency for IT investment to be restrained by customers as a result of factors such as the deterioration in business sentiment and in corporate earnings. This is giving rise to more severe demands with regard to cost and to stricter evaluation of the effect of IT investment, which are leading to the pressure for price reduction of the systems and services offered by the NTT DATA Group. This may impact the NTT DATA Group’s business results and financial condition.

[2] Risk relating to increasing intensity of competition

The NTT DATA Group's principal business domain is regarded as being a very potent growth field within the information service industry, and in consequence enterprises such as hardware vendors are shifting their business focus towards it. In addition, we are facing global competition from IT service companies in emerging economies that are achieving rapid economic growth, such as India and China. Since there is some uncertainty with respect to the outlook for market growth, the increasing intensity of competition caused by vigorous entry into the market by competitors may impact the NTT DATA Group’s business results and financial condition.

[3] Risk related to systemic changes in society

The NTT DATA Group’s business may have been affected by wide range of factors, including social infrastructure, such as electric power and telecommunications, and by aspects of the legal system, such as taxes and various regulations. It is possible that these factors will be significantly changed by circumstances beyond our control and if such change occurs, it may impact the NTT DATA Group’s business results and financial condition.

[4] Risk relating to overseas business

As part of its business strategy, the NTT DATA Group is undertaking business expansion in overseas markets, and overseas business is growing presence within the Group. The Group’s overseas business is impacted by a diversity of factors, including trends such as those in the global economy and exchange rates, laws and regulations in such spheres as investment and competition, differences in commercial customs and practices, labor-management relations, and international politics. Should any risks relating to these factors materialize, they may impact the NTT DATA Group’s business results and financial condition.

[5] System failure risk

Many of the systems and services provided by the NTT DATA Group constitute key parts of the social infrastructure, and thus any failures therein may, through such consequences as causing a deterioration of public confidence in the Group or of its brand image or the payment of compensation for damage caused, may affect the NTT DATA Group's business results and financial condition.

[6] System building risk

In the Group's mainstay SI business it usually assumes full contractual responsibility at all stages from the receipt of orders through delivery to the completion of systems and their delivery to clients. Therefore, the NTT DATA Group's business results and financial condition may be adversely affected by factors such as the occurrence of cost overruns or compensation paid to our clients for losses caused by delivery delays that may arise as a result of differences from initial cost estimates or problems such as project management issues at the development stage.

[7] Information security risk

When conducting its business, the NTT DATA Group handles personal information and confidential information. In the event of the loss, leakage, etc., of that information, resultant factors such as a deterioration of public confidence in the NTT DATA Group or in its brand image or the payment of compensation for damage caused may affect the NTT DATA Group's business results and financial condition.

[8] Compliance-related risk

The NTT DATA Group has laid down the "Global Compliance Policy" to act as fundamental policy for sound business activities based on the Group's corporate ethics. It has also built a compliance promotion structure and implemented periodic educational activities to raise the awareness of officers and employees for the purpose of enhancing corporate ethics and ensuring legal compliance. However, there may be cases where a compliance-related risk cannot be prevented completely, and in the event of a legal violation, resultant factors, such as a deterioration of public confidence in the NTT DATA Group or in its brand image or the payment of compensation for damage, may adversely affect the NTT DATA Group's business results and financial condition.

[9] Risk relating to the securing of personnel

The NTT DATA Group's growth and profits are substantially impacted by its ability to secure and train high-quality personnel with the professional expertise to provide value to customers. In the event that high-quality personnel of this kind cannot be secured and trained as planned, this may impact the NTT DATA Group's business results and financial condition.

[10] Risk relating to technical innovation

In the information service industry to which the NTT DATA Group belongs, the technological environment could undergo disruptive change. The NTT DATA Group studies a multiplicity of technological trends in state-of-the-art, basic, and other technologies and engages in research and development, but in the event that it delays addressing faster-than-expected progress in innovative technologies, this may impact its business results and financial condition.

[11] Risk relating to intellectual property rights

With regard to intellectual property rights and other rights essential to the conduct of business by the NTT DATA Group, it is possible that the Group will not be granted licenses or authorization of other kinds by the owners of such rights, and in consequence will become unable to provide specific technologies, products, or services. It is also possible that claims for damages will be made on the ground that business activities undertaken by the NTT DATA Group have infringed the intellectual property rights of other parties. In any such event, the NTT DATA Group's business results and financial condition may be impacted.

[12] Influence of parent company

Nippon Telegraph and Telephone Corporation (NTT), NTT DATA's parent company, is a principal shareholder with ownership of 54.2% of NTT DATA's voting stock as of March 31, 2013. NTT DATA carries out its operations independently of NTT and its other subsidiaries, but discusses important issues with NTT or reports to it. Against this backdrop of influence, NTT may act in ways that are in its own best interests but may not necessarily be in the interests of other shareholders of NTT DATA.

[13] Risk relating to major disasters, vital infectious disease and the like

The systems and services provided by the NTT DATA Group may constitute social infrastructure. In view of this the Group develops structures for ensuring business continuity in conformity with government guidelines and implements disaster-prevention training. Nevertheless, in the event of the occurrence of a major disaster or of a serious outbreak of a contagious disease or else it is possible that places of business or their systems or large numbers of employees will suffer damage or harm, and resultant factors such as a deterioration of public confidence in the NTT DATA Group or in its brand image or unavoidable reduction of income or major expenditure for repair costs may affect the NTT DATA Group's business results and financial condition.

2. Status of the Corporate Group

NTT DATA is a member of the NTT Group, its parent company being NTT.

The NTT DATA Group (comprising NTT DATA CORPORATION and its 253 subsidiaries and 36 affiliates [at March 31, 2015]) is active in the following four main business segments: (1) Public & Financial IT Services, (2) Enterprise IT Services, (3) Solutions & Technologies,and (4) Global Business.

Each business segment is described below, and the main subsidiaries and affiliates related to each segment are listed.

Public & Financial IT Services

This business segment provides high-value-added IT services that support the foundations of society in such fields as public administration, healthcare, finance, and economic activity. Some activities in this business segment are assigned to subsidiaries and affiliates.

Main Subsidiaries and Affiliates

NTT DATA SYSTEM TECHNOLOGIES INC.
NTT DATA i CORPORATION
NTT DATA KANSAI CORPORATION
NTT DATA CUSTOMER SERVICE CORPORATION
NTT DATA FINANCIAL CORE CORPORATION
NTT DATA SOFIA CORPORATION
NTT DATA Getronics Corporation
XNET Corporation
Japan Information Processing Service Co.,Ltd.
33 other companies

Enterprise IT Services

This business segment offers high-value-added IT services to support business activities in such spheres as manufacturing, distribution, services, media, and communications. Some activities in this business segment are assigned to subsidiaries and affiliates.

Main Subsidiaries and Affiliates

NTT DATA INTRAMART CORPORATION
NTT DATA WAVE CORPORATION
NTT DATA BUSINESS SYSTEMS CORPORATION
NTT DATA CCS CORPORATION
NTT DATA MSE Corporation
JSOL Corporation
18 other companies

Solutions & Technologies

This business segment provides platforms and solutions that support cutting-edge IT services. Some activities in this business segment are assigned to subsidiaries and affiliates.

Main Subsidiaries and Affiliates

NTT DATA SMS CORPORATION
NTT DATA INTELLILINK CORPORATION
NJK CORPORATION

6 other companies

Global Business

This Business segment provides high-value-added IT services mainly in overseas markets. Some activities in this business segment are assigned to subsidiaries and affiliates.

Main Subsidiaries and Affiliates

NTT Data Internationl L.L.C.
NTT DATA, Inc.
NTT DATA Enterprise Services Holding, Inc.
NTT DATA Deutschland GmbH
NTT DATA ITALIA S.P.A.
NTT DATA EMEA LTD.
NTT DATA EUROPE GmbH & CO. KG
itelligence AG
GISA GmbH
EVERIS PARTICIPACIONES, S.L.U.
NTT DATA CHINA OUTSOURCING Co.,Ltd.

163 other companies

Others

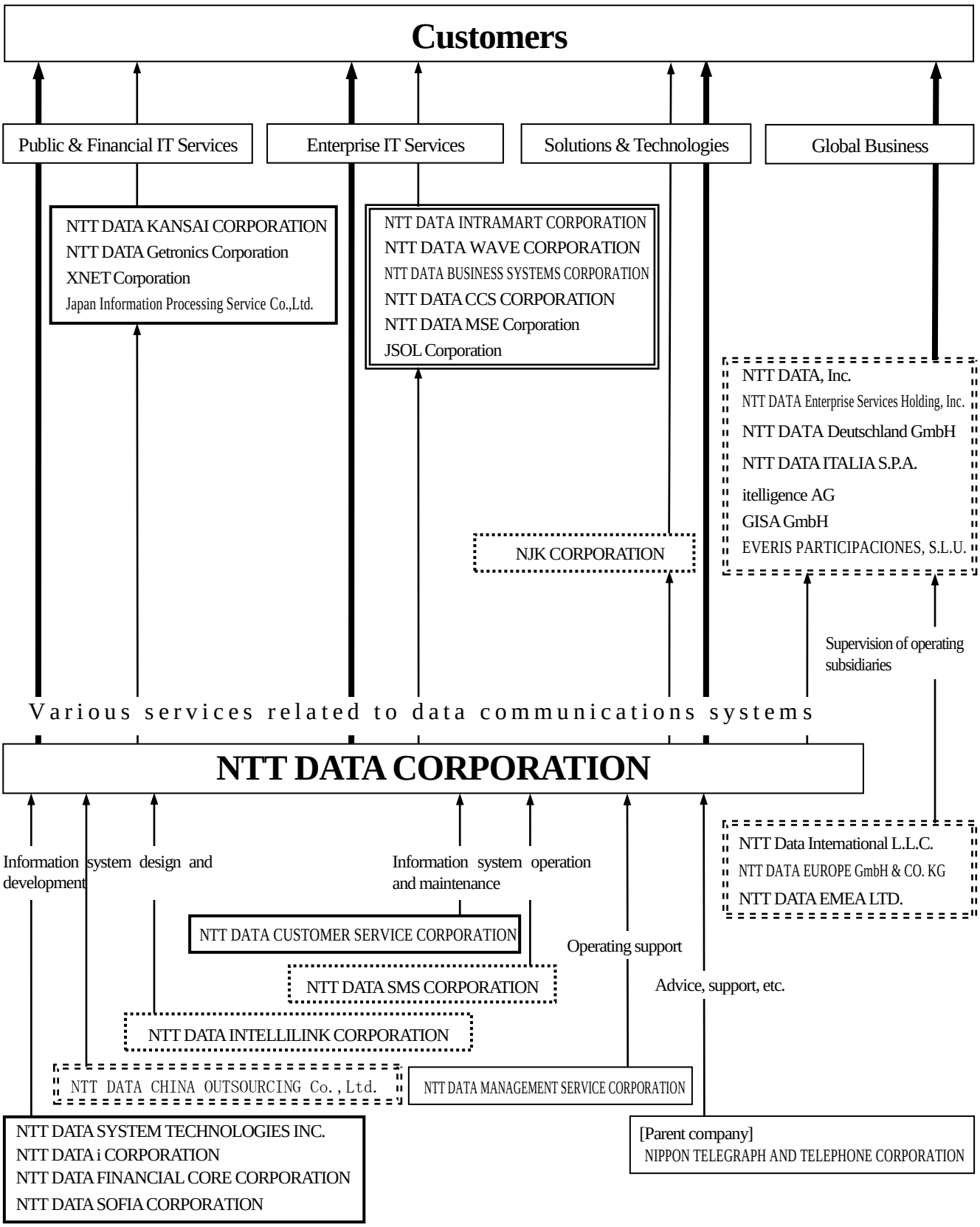
Other business segments support the overhead functions. Some activities in this business segment are assigned to subsidiaries and affiliates.

Main Subsidiaries and Affiliates

NTT DATA MANAGEMENT SERVICE CORPORATION

3 other companies

The following chart summarizes the description above:



Notes:
1. NTT DATA Inc. is 100.0%-owned subsidiary of NTT Data International L.L.C..
2. NTT DATA Enterprise Services Holding, Inc. is 100.0%-owned subsidiary of NTT DATA Inc..
3. NTT DATA Deutschland GmbH is 100.0%-owned subsidiary of NTT DATA EMEA LTD..
4. NTT DATA ITALIA S.P.A. is 100.0%-owned subsidiary of NTT DATA EMEA LTD..
5.itelligence AG is 100.0%-owned subsidiary of NTT DATA EUROPE GmbH & CO. KG..
6. For subsidiaries and affiliates that are engaged in businesses in multiple segments, the segment which accounts for the greatest portion of sales is listed.

Legend:
The following box types indicate the business segment specified below;

Public & Financial IT Services Enterprise IT Services Solutions & Technologies Global Business

3. Business Policies

(1) Basic Management Policy

The NTT DATA Group regards its mission as being the creation of a more affluent society, a goal it seeks to fulfill by enhancing customer value through the provision of a wide range of information services. This requires the NTT DATA Group to constantly project the future course of society and to address, swiftly and accurately, changes in the market environment, evolving customer needs, and the latest technological developments. Based on this concept, we are conducting management aimed at creating a corporate fabric that is capable of generating a stable profit flow by means of sustainable growth.

(2) Issues Requiring Attention and Medium- to Long-Term Corporate Strategies

In domestic IT investments, while we see some movements toward business expansion such as in the IT infra-integration, we consider that cost reduction needs in maintenance and operation still remain and by and large we maintain a cautious stance on investments.

Meanwhile, global IT investments, mainly in emerging markets, are expected to continue on a strong trend. Given that our customers are accelerating their movement into the global market, the NTT DATA Group needs to expand its businesses in the global market.

In the IT service market in Japan, due to the diversification and sophistication of the needs of society and our customers, there is an increasing demand for services which can be used as necessary without owning a system, as well as services that match the expectations for price reduction and shorter delivery periods. Therefore, the issue that the NTT DATA Group needs to work on is the expansion of diverse IT services that can respond to changes in the market rather than a business structure that depends on system integration.

The NTT DATA Group has rapidly expanded its size through measures such as capital alliances. In order to take advantage of its larger size, the Group must enhance corporate governance, after which it must promote more efficient utilization of resources and the creation of synergy from the perspective of group-wide optimization.

For the abovementioned issues, the NTT DATA Group has formulated and will implement the Medium-Term Management Plan for FY2012 through FY2015 as follows.

- Expansion of new fields and reinforcement of product competitiveness

  In response to our customers' expectations of price reduction, the NTT DATA Group will work on broadening solutions to reduce IT costs, such as cloud computing and AMO, while seeking to sophisticate and diversify the services provided in response to the need of customers to apply IT to more advanced and complicated business operations, such as business analytics and core business BPO. In addition, the Group will aim to upgrade and expand businesses that bring sustainable growth to our revenue by developing new businesses, such as M2M clouds and robotics, and by using its resources in areas with the potential for growth in existing businesses and for increase in the market share.

  The Group will also invest aggressively in expanding new businesses and strengthening product competitiveness, through such measures as improvement of software production technology (software development automation) and the R&D of advanced technologies in cooperation with universities and other organizations.

・Expansion, enhancement and reinforcement of global business

The NTT DATA Group will aim to cover uncharted areas in order to support customers' entries into the global market and provide services to overseas markets with growth potential. In areas where we already have bases, we will implement the expansion, enhancement and reinforcement of businesses by taking advantage of synergy between the NTT DATA Group and the NTT Group.

・Pursuit of overall optimization

The NTT DATA Group will work on improving operational efficiency by leveraging the size of our businesses, which was achieved through the global-level standardization, streamlining, and intensification of business operations, as well as reorganization and consolidation of group companies and organizations. The Group will promote further growth through resource allocation based on business portfolios which can respond to the rapidly changing environment.

(3) Management Indicators Used in Defining Goals

The NTT DATA Group has worked to achieve further growth and increase profit through two specific goals for the period ending in March 2016. With regard to the goal to achieve a level equivalent to the Global Top 5 (over 1.5 trillion yen in net sales), the Group has achieved a total of 1,511.8 billion yen in sales during the current term, achieving this target. Moreover, the Group will continue striving to achieve the goal of record earnings per share (EPS) of 200 yen for the period ending March 31, 2016.

4. The Basic Stance Concerning the Selection of Accounting Standards

With the purpose of improving the international comparability of financial information in capital markets and unifying an accounting system within the group, the group is examining the introduction of the International Financial Reporting Standards (IFRS) from the first quarter of the fiscal year ending March 31, 2019.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

（Unit: ¥ million）

	As of March 31, 2014	As of March 31, 2015
Assets		
Current assets		
Cash and deposits	180,430	160,108
Notes and accounts receivable - trade	344,221	366,678
Lease receivables and investment assets	19,166	16,983
Securities	2,000	6,533
Inventories	22,645	32,539
Deferred tax assets	27,518	36,730
Other	76,344	155,379
Allowance for doubtful accounts	(3,120)	(2,679)
Total current assets	**669,206**	**772,275**
Non-current assets		
Property, plant and equipment		
Data communication facilities, net	92,656	93,782
Buildings and structures, net	94,475	92,326
Machinery, equipment and vehicles, net	19,474	18,152
Tools, furniture and fixtures, net	15,129	17,369
Land	50,209	59,193
Construction in progress	36,142	26,500
Other, net	4,609	5,589
Total property, plant and equipment	**312,697**	**312,914**
Intangible assets		
Software	260,458	251,673
Software in progress	48,638	52,086
Goodwill	177,536	179,540
Other	75,543	72,297
Total intangible assets	**562,177**	**555,598**
Investments and other assets		
Investment securities	46,085	111,623
Net defined benefit asset	1,331	2,282
Deferred tax assets	61,239	26,318
Other	37,932	42,503
Allowance for doubtful accounts	(730)	(677)
Total investments and other assets	145,858	182,049
Total non-current assets	1,020,733	1,050,561
Total assets	**1,689,940**	**1,822,837**

Consolidated Balance Sheets-continued

（Unit: ¥ million）

	As of March 31, 2014	As of March 31, 2015
Liabilities		
Current liabilities		
Accounts payable - trade	97,837	103,970
Short-term loans payable	66,387	48,887
Current portion of long-term loans payable	1,950	732
Current portion of bonds	―	39,999
Income taxes payable	22,490	14,942
Advances received	151,781	140,634
Provision for loss on order received	4,609	3,093
Other	109,657	127,294
Total current liabilities	**454,714**	**479,554**
Non-current liabilities		
Bonds payable	250,040	210,052
Long-term loans payable	87,298	139,459
Deferred tax liabilities	20,952	30,303
Net defined benefit liability	145,653	136,313
Provision for directors' retirement benefits	919	901
Other	20,543	20,047
Total non-current liabilities	**525,407**	**537,077**
Total liabilities	**980,121**	**1,016,631**
Net assets		
Shareholders' equity		
Capital stock	142,520	142,520
Capital surplus	139,300	139,300
Retained earnings	384,922	408,293
Treasury shares	―	(0)
Total shareholders' equity	**666,742**	**690,113**
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,872	46,792
Deferred gains or losses on hedges	38	656
Foreign currency translation adjustment	35,056	62,615
Remeasurements of defined benefit plans	(10,224)	(10,095)
Other	(17,661)	(16,587)
Total accumulated other comprehensive income	**10,081**	**83,380**
Minority interests	**32,993**	**32,711**
Total net assets	**709,818**	**806,205**
Total liabilities and net assets	**1,689,940**	**1,822,837**

(2) Consolidated Statements of Income and Comprehensive Income

（Unit: ¥ million）

	FY ended 31, March 2014	FY ended 31, March 2015
Net sales	**1,343,772**	**1,511,812**
Cost of sales	**1,031,213**	**1,147,302**
Gross profit	**312,559**	**364,509**
Selling, general and administrative expenses	**249,975**	**280,495**
Operating income	**62,583**	**84,013**
Non-operating income		
Interest income	527	951
Dividend income	1,043	1,190
Foreign exchange gains	4,679	129
Other	4,571	4,573
Total non-operating income	**10,822**	**6,845**
Non-operating expenses		
Interest expenses	5,245	5,782
Loss on retirement of non-current assets	691	1,761
Compensation for damage	3,509	1,062
Other	1,806	4,343
Total non-operating expenses	**11,253**	**12,950**
Ordinary income	**62,153**	**77,909**
Extraordinary losses		
Impairment loss of noncurrent assets	3,525	2,244
Loss on restructuring of subsidiaries and affiliates	4,367	1,668
Total extraordinary losses	**7,893**	**3,913**
Income before income taxes and minority interests	**54,259**	**73,995**
Income taxes - current	39,746	34,992
Income taxes - deferred	(10,591)	5,423
Total income taxes	**29,155**	**40,416**
Income before minority interests	**25,103**	**33,579**
Minority interests in income (loss)	**1,816**	**1,434**
Net income	**23,287**	**32,144**
Minority interests in income (loss)	**1,816**	**1,434**
Income before minority interests	**25,103**	**33,579**

Consolidated Statements of Income and Comprehensive Income-continued

（Unit: ¥ million）

	FY ended 31, March 2014	FY ended 31, March 2015
Other comprehensive income		
Valuation difference on available-for-sale securities	867	43,989
Deferred gains or losses on hedges	(13)	617
Foreign currency translation adjustment	32,173	27,243
Remeasurements of defined benefit plans, net of tax	(453)	334
Share of other comprehensive income of entities accounted for using equity method	232	311
Other	(3,298)	1,074
Total other comprehensive income	**29,508**	**73,571**
Comprehensive income	**54,612**	**107,151**
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	52,482	105,443
Comprehensive income attributable to minority interests	2,130	1,707

(3) Consolidated Statements of Shareholders' Equity
(FY ended 31, March 2014)

（Unit: ¥ million）

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	142,520	139,300	378,951	－	660,771
Cumulative effects of changes in accounting policies					－
Restated balance	142,520	139,300	378,951	－	660,771
Changes of items during period					
Dividends of surplus			(16,830)		(16,830)
Net income			23,287		23,287
Purchase of treasury shares					－
Change of scope of consolidation					－
Other changes			(485)		(485)
Net changes of items other than shareholders' equity					
Total changes of items during period	－	－	5,971	－	5,971
Balance at end of current period	142,520	139,300	384,922	－	666,742

	Accumulated other comprehensive income						Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Other	Total accumulated other comprehensive income		
Balance at beginning of current period	1,910	51	3,058	(115)	(14,363)	(9,459)	32,894	684,207
Cumulative effects of changes in accounting policies								－
Restated balance	1,910	51	3,058	(115)	(14,363)	(9,459)	32,894	684,207
Changes of items during period								
Dividends of surplus								(16,830)
Net income								23,287
Purchase of treasury shares								－
Change of scope of consolidation								－
Other changes								(485)
Net changes of items other than shareholders' equity	961	(13)	31,998	(10,108)	(3,298)	19,540	99	19,639
Total changes of items during period	961	(13)	31,998	(10,108)	(3,298)	19,540	99	25,611
Balance at end of current period	2,872	38	35,056	(10,224)	(17,661)	10,081	32,993	709,818

Consolidated Statements of Shareholders' Equity-continued
(FY ended 31, March 2015)

（Unit: ¥ million）

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	142,520	139,300	384,922	－	666,742
Cumulative effects of changes in accounting policies			8,272		8,272
Restated balance	142,520	139,300	393,195	－	675,015
Changes of items during period					
Dividends of surplus			(16,830)		(16,830)
Net income			32,144		32,144
Purchase of treasury shares				(0)	(0)
Change of scope of consolidation			(211)		(211)
Other changes			(5)		(5)
Net changes of items other than shareholders' equity					
Total changes of items during period	－	－	15,097	(0)	15,097
Balance at end of current period	142,520	139,300	408,293	(0)	690,113

	Accumulated other comprehensive income						Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Other	Total accumulated other comprehensive income		
Balance at beginning of current period	2,872	38	35,056	(10,224)	(17,661)	10,081	32,993	709,818
Cumulative effects of changes in accounting policies								8,272
Restated balance	2,872	38	35,056	(10,224)	(17,661)	10,081	32,993	718,091
Changes of items during period								
Dividends of surplus								(16,830)
Net income								32,144
Purchase of treasury shares								(0)
Change of scope of consolidation								(211)
Other changes								(5)
Net changes of items other than shareholders' equity	43,920	617	27,558	128	1,074	73,298	(282)	73,016
Total changes of items during period	43,920	617	27,558	128	1,074	73,298	(282)	88,114
Balance at end of current period	46,792	656	62,615	(10,095)	(16,587)	83,380	32,711	806,205

(4) Consolidated Statements of Cash Flows

（Unit: ¥ million）

	FY ended 31, March 2014	FY ended 31, March 2015
Cash flows from operating activities		
Income before income taxes and minority interests	54,259	73,995
Depreciation	138,002	146,896
Loss on retirement of non-current assets	5,678	11,670
Increase (decrease) in net defined benefit liability	10,962	8,706
Interest expenses	5,245	5,782
Impairment loss of noncurrent assets	3,525	2,244
Decrease (increase) in notes and accounts receivable - trade	18,840	(15,467)
Decrease (increase) in inventories	1,690	(9,889)
Increase (decrease) in notes and accounts payable - trade	2,269	6,359
Increase (decrease) in advances received	39,942	(11,113)
Increase (decrease) in accrued consumption taxes	(2,904)	17,143
Other, net	(1,521)	(8,270)
Subtotal	**275,992**	**228,057**
Interest and dividend income received	1,571	2,141
Interest expenses paid	(5,382)	(5,592)
Income taxes (paid) refund	(37,656)	(40,726)
Net cash provided by (used in) operating activities	**234,524**	**183,880**
Cash flows from investing activities		
Purchase of property, plant and equipment	(70,818)	(62,922)
Purchase of intangible assets	(79,851)	(82,155)
Purchase of investment securities	(9,181)	(3,782)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(36,974)	(3,663)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	–	191
Payments for sales of shares of subsidiaries resulting in change in scope of consolidation	–	(18)
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	–	139
Net decrease (increase) in time deposits	2,087	(1,921)
Other, net	5,051	(3,003)
Net cash provided by (used in) investing activities	**(189,687)**	**(157,137)**

Consolidated Statements of Cash Flows-continued

（Unit: ¥ million）

	FY ended 31, March 2014	FY ended 31, March 2015
Cash flows from financing activities		
Proceeds from issuance of bonds	24,905	－
Redemption of bonds	(50,060)	－
Proceeds from long-term loans payable	25,303	58,595
Repayments of long-term loans payable	(42,000)	(2,965)
Net increase (decrease) in short-term loans payable	43,769	(17,226)
Repayments of lease obligations	(2,507)	(1,760)
Cash dividends paid	(16,833)	(16,837)
Purchase of stock issuance from minority shareholders	(1,477)	(1,385)
Other, net	(443)	(1,122)
Net cash provided by (used in) financing activities	**(19,345)**	**17,296**
Effect of exchange rate change on cash and cash equivalents	**4,757**	**(409)**
Net increase (decrease) in cash and cash equivalents	**30,250**	**43,630**
Cash and cash equivalents at beginning of period	**176,963**	**207,213**
Cash and cash equivalents at end of period	**207,213**	**250,843**

6. Non-Consolidated Financial Statements

(1) Non-Consolidated Balance Sheets

（Unit: ¥ million）

	As of March 31, 2014	As of March 31, 2015
Assets		
Current assets		
Cash and deposits	83,244	69,743
Notes receivable - trade	182	―
Accounts receivable - trade	162,056	173,412
Lease receivables	1,351	1,240
Lease investment assets	14,899	13,389
Inventories	12,120	20,759
Prepaid expenses	11,511	13,897
Deferred tax assets	16,261	25,792
Other	91,996	132,443
Allowance for doubtful accounts	(59)	(11)
Total current assets	**393,566**	**450,667**
Non-current assets		
Property, plant and equipment		
Data communication facilities, net	90,320	92,511
Buildings, net	81,358	77,919
Structures, net	2,095	1,997
Machinery, equipment and vehicles, net	12,057	10,927
Tools, furniture and fixtures, net	7,496	7,279
Land	48,229	54,676
Leased assets, net	707	934
Construction in progress	34,809	25,153
Total property, plant and equipment	**277,075**	**271,399**
Intangible assets		
Software	247,801	233,791
Software in progress	39,393	44,048
Leased assets	30	33
Other	2,106	2,091
Total intangible assets	**289,331**	**279,965**
Investments and other assets		
Investment securities	30,513	94,437
Shares of subsidiaries and associates	133,822	132,868
Investments in other securities of subsidiaries and associates	220,596	221,092
Long-term loans receivable	540	540
Lease and guarantee deposits	10,623	9,427
Deferred tax assets	25,964	―
Other	62,065	97,155
Allowance for doubtful accounts	(500)	(457)
Total investments and other assets	**483,625**	**555,063**
Total non-current assets	**1,050,031**	**1,106,428**
Total assets	**1,443,598**	**1,557,096**

Non-Consolidated Balance Sheets-continued

（Unit: ¥ million）

	As of March 31, 2014	As of March 31, 2015
Liabilities		
Current liabilities		
Accounts payable - trade	72,041	75,762
Short-term loans payable	61,241	41,885
Current portion of long-term loans payable	1,675	1,692
Current portion of bonds	―	39,999
Lease obligations	485	564
Accounts payable - other	13,524	12,685
Accrued expenses	8,762	9,276
Income taxes payable	11,546	6,011
Advances received	135,460	122,018
Deposits received	65,944	72,855
Provision for loss on order received	3,547	2,216
Asset retirement obligations	134	18
Other	79	10,965
Total current liabilities	**374,442**	**395,951**
Non-current liabilities		
Bonds payable	249,940	209,952
Long-term loans payable	84,000	136,822
Lease obligations	933	1,074
Deferred tax liabilities	―	12,561
Provision for retirement benefits	64,550	59,744
Asset retirement obligations	663	608
Other	15,069	12,445
Total non-current liabilities	**415,157**	**433,209**
Total liabilities	**789,600**	**829,160**
Net assets		
Shareholders' equity		
Capital stock	142,520	142,520
Capital surplus		
Legal capital surplus	139,300	139,300
Total capital surpluses	**139,300**	**139,300**
Retained earnings		
Legal retained earnings	2,287	2,287
Other retained earnings		
Reserve for special depreciation	152	127
Reserve for reduction entry	402	280
General reserve	288,000	288,000
Retained earnings brought forward	78,988	109,511
Total retained earnings	**369,831**	**400,207**
Treasury shares	―	(0)
Total shareholders' equity	**651,651**	**682,027**
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,346	46,005
Deferred gains or losses on hedges	―	(97)
Total valuation and translation adjustments	**2,346**	**45,908**
Total net assets	**653,997**	**727,935**
Total liabilities and net assets	**1,443,598**	**1,557,096**

(2) Non-Consolidated Statements of Income

（Unit: ¥ million）

	FY ended 31, March 2014	FY ended 31, March 2015
Net sales	**782,865**	**799,377**
Cost of sales	**621,011**	**622,741**
Gross profit	**161,853**	**176,636**
Selling, general and administrative expenses	**114,104**	**113,158**
Operating income	**47,749**	**63,478**
Non-operating income		
Interest income	1,397	1,795
Dividend income	8,323	7,522
Foreign exchange gains	5,230	―
Other	2,316	3,715
Total non-operating income	**17,268**	**13,032**
Non-operating expenses		
Interest expenses	1,490	1,809
Interest on bonds	3,360	3,287
Compensation for damage	3,408	1,044
Loss on retirement of non-current assets	492	1,299
Other	899	2,092
Total non-operating expenses	**9,651**	**9,534**
Ordinary income	**55,365**	**66,976**
Extraordinary losses		
Impairment loss of noncurrent assets	2,980	1,914
Loss on restructuring of subsidiaries and affiliates	1,117	26
Total extraordinary losses	**4,097**	**1,940**
Income before income taxes	**51,267**	**65,035**
Income taxes - current	23,360	17,904
Income taxes - deferred	(5,737)	5,356
Total income taxes	**17,622**	**23,260**
Net income	**33,645**	**41,775**

(3) Non-Consolidated Statements of Shareholders' Equity
(FY ended 31, March 2014)

（Unit: ¥ million）

	Shareholders' equity										
	Capital stock	Capital surplus		Retained earnings					Total retained earnings	Treasury shares	Total shareholders' equity
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings						
					Reserve for special depreciation	Reserve for reduction entry	General reserve	Retained earnings brought forward			
Balance at beginning of current period	142,520	139,300	139,300	2,287	—	1,284	288,000	61,444	353,016	—	634,836
Cumulative effects of changes in accounting policies									—		—
Restated balance	142,520	139,300	139,300	2,287	—	1,284	288,000	61,444	353,016	—	634,836
Changes of items during period											
Dividends of surplus								(16,830)	(16,830)		(16,830)
Provision of reserve for special depreciation					152			(152)	—		—
Reversal of reserve for special depreciation									—		—
Reversal of reserve for reduction entry						(881)		881	—		—
Net income								33,645	33,645		33,645
Purchase of treasury shares											—
Net changes of items other than shareholders' equity											
Total changes of items during period	—	—	—	—	152	(881)	—	17,543	16,815	—	16,815
Balance at end of current period	142,520	139,300	139,300	2,287	152	402	288,000	78,988	369,831	—	651,651

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of current period	1,207	—	1,207	636,043
Cumulative effects of changes in accounting policies				—
Restated balance	1,207	—	1,207	636,043
Changes of items during period				
Dividends of surplus				(16,830)
Provision of reserve for special depreciation				—
Reversal of reserve for special depreciation				—
Reversal of reserve for reduction entry				—
Net income				33,645
Purchase of treasury shares				—
Net changes of items other than shareholders' equity	1,138	—	1,138	1,138
Total changes of items during period	1,138	—	1,138	17,953
Balance at end of current period	2,346	—	2,346	653,997

Non-Consolidated Statements of Shareholders' Equity-continued
(FY ended 31, March 2015)

（Unit: ¥ million）

	Shareholders' equity										
	Capital stock	Capital surplus		Retained earnings						Treasury shares	Total shareholders' equity
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings				Total retained earnings		
					Reserve for special depreciation	Reserve for reduction entry	General reserve	Retained earnings brought forward			
Balance at beginning of current period	142,520	139,300	139,300	2,287	152	402	288,000	78,988	369,831	－	651,651
Cumulative effects of changes in accounting policies								5,429	5,429		5,429
Restated balance	142,520	139,300	139,300	2,287	152	402	288,000	84,418	375,261	－	657,081
Changes of items during period											
Dividends of surplus								(16,830)	(16,830)		(16,830)
Provision of reserve for special depreciation									－		－
Reversal of reserve for special depreciation					(24)			24	－		－
Reversal of reserve for reduction entry						(122)		122	－		－
Net income								41,775	41,775		41,775
Purchase of treasury shares										(0)	(0)
Net changes of items other than shareholders' equity											
Total changes of items during period	－	－	－	－	(24)	(122)	－	25,092	24,945	(0)	24,945
Balance at end of current period	142,520	139,300	139,300	2,287	127	280	288,000	109,511	400,207	(0)	682,027

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of current period	2,346	－	2,346	653,997
Cumulative effects of changes in accounting policies				5,429
Restated balance	2,346	－	2,346	659,427
Changes of items during period				
Dividends of surplus				(16,830)
Provision of reserve for special depreciation				－
Reversal of reserve for special depreciation				－
Reversal of reserve for reduction entry				－
Net income				41,775
Purchase of treasury shares				(0)
Net changes of items other than shareholders' equity	43,659	(97)	43,562	43,562
Total changes of items during period	43,659	(97)	43,562	68,507
Balance at end of current period	46,005	(97)	45,908	727,935