

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

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

February 9, 2023

Company name	: NTT DATA CORPORATION (“NTT DATA”)
Stock exchange on which the Company’s shares are listed	: Tokyo Stock Exchange Prime Segment
Code number	: 9613
URL	: <a href="https://www.nttdata.com/global/en/">https://www.nttdata.com/global/en/</a>
Representative	: Yo Honma, President and Chief Executive Officer, Representative Director
Contact	: Sota Endo, Senior Executive Manager, Investor Relations Office Tel.:+81-3-5546-8119
Scheduled date of filing of Quarterly Business Report	: February 10, 2023
Scheduled date of dividend payment	: -
Supplemental material on quarterly results	: Yes
Presentation on quarterly results	: Yes (for institutional investors and financial analysts)

(Amounts are rounded to the nearest 1 million yen)

### 1. Consolidated Financial Results in Q3 of FY2022 (From April 1, 2022 to December 31, 2022)

#### (1) Consolidated Results of Operations (accumulated total)

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

	Net sales		Operating income		Income before income taxes		Net income attributable to shareholders of NTT DATA		Comprehensive income attributable to shareholders of NTT DATA	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥ million	%
<b>FY2022 Q3</b>	2,406,108	30.2	183,467	9.8	173,082	2.3	105,705	(4.1)	160,906	(4.8)
FY2021 Q3	1,848,208	11.4	167,090	56.3	169,213	59.9	110,191	59.2	169,098	93.7

	Net income per share	Net income per share (diluted)
<b>FY2022 Q3</b>	¥ 75.39	¥ -
FY2021 Q3	78.57	-

#### (2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to shareholders of NTT DATA	Equity ratio attributable to shareholders of NTT DATA
<b>FY2022 Q3</b>	¥ million 5,849,001	¥ million 2,316,914	¥ million 1,390,836	% 23.8
FY2021	3,084,513	1,328,267	1,270,874	41.2

## 2. Dividends

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

(Notes) • Revisions to the forecasts of dividends announced most recently: No  
 • The year-end dividend of 11.50 yen per share for FY2021 includes a special dividend of 2.0 yen.

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

(% of change from the previous fiscal year)

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

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

### \* Notes:

(1) Changes in significant subsidiaries in Q3 of FY2022 (From April 1, 2022 to December 31, 2022) : Yes

(Changes in specified subsidiaries resulting in the change in consolidation scope)

New: 15 companies (Name) NTT Limited, etc.

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

1) Changes in accounting policies required by IFRS : No

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

3) Changes in accounting estimates : No

(3) Number of shares outstanding (common stock)

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

FY2022 Q3 (December 31, 2022) 1,402,500,000 shares

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

2) Number of treasury stock

FY2022 Q3 (December 31, 2022) 507,565 shares

FY2021 (March 31, 2022) 116,349 shares

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

FY2022 Q3 (From April 1, 2022 to December 31, 2022) 1,402,201,055 shares

FY2021 Q3 (From April 1, 2021 to December 31, 2021) 1,402,441,957 shares

Note: NTT DATA introduced a performance-based stock remuneration plan from the second quarter of FY2021.

The number of treasury stock at the end of the period and the number of treasury stock deducted when calculating average number of shares over the period include 496,900 treasury shares held by the stock delivery trust under the performance-based stock remuneration plan.

\* “Kessan Tanshin” is an unaudited financial report.

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

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

2. Supplemental material on quarterly results will be uploaded on TDnet today, and will also be uploaded on our homepage. Presentation on quarterly results will be held today. This report will be uploaded on our homepage soon.

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

## 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 Condensed Quarterly Consolidated Financial Statements	7
(5) Notes to Going Concern Assumptions	17

# 1. Condensed Quarterly Consolidated Financial Statements and Major Notes

## (1) Condensed Quarterly Consolidated Statement of Financial Position

(Unit: ¥ million)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and cash equivalents	246,941	326,516
Trade and other receivables	672,665	1,104,454
Contract asset	105,477	148,822
Inventories	25,429	100,744
Assets held for sale	-	113,619
Other financial assets	79,342	49,467
Other current assets	117,187	265,168
Total current assets	1,247,041	2,108,791
Non-current assets		
Property, plant and equipment	332,225	1,205,899
Right-of-use assets	151,794	241,527
Goodwill	493,769	1,122,414
Intangible assets	506,705	647,376
Investment property	29,423	27,006
Investments accounted for using the equity method	5,570	34,418
Other financial assets	123,049	140,337
Deferred tax assets	123,268	226,105
Other non-current assets	71,669	95,127
Total non-current assets	1,837,472	3,740,209
Total assets	3,084,513	5,849,001

(Unit: ¥ million)

	As of March 31, 2022	As of December 31, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	462,231	792,921
Contract liabilities	283,854	439,576
Bonds and borrowings	102,829	288,896
Lease liabilities	42,560	61,445
Other financial liabilities	3,572	7,796
Income taxes payable	47,319	36,867
Provisions	7,650	19,635
Liabilities directly associated with assets held for sale	-	24,422
Other current liabilities	37,781	43,243
<b>Total current liabilities</b>	<b>987,797</b>	<b>1,714,801</b>
<b>Non-current liabilities</b>		
Bonds and borrowings	393,651	1,302,029
Lease liabilities	124,004	214,015
Other financial liabilities	15,098	20,631
Retirement benefit liability	193,170	205,848
Provisions	5,863	9,753
Deferred tax liabilities	22,764	42,776
Other non-current liabilities	13,898	22,233
<b>Total non-current liabilities</b>	<b>768,449</b>	<b>1,817,285</b>
<b>Total liabilities</b>	<b>1,756,246</b>	<b>3,532,086</b>
<b>Equity</b>		
<b>Equity attributable to shareholders of NTT DATA</b>		
Capital stock	142,520	142,520
Capital surplus	102,340	24,940
Retained earnings	915,853	1,035,007
Treasury shares	(205)	(1,034)
Other components of equity	110,365	189,402
<b>Total equity attributable to shareholders of NTT DATA</b>	<b>1,270,874</b>	<b>1,390,836</b>
Non-controlling interests	57,393	926,079
<b>Total equity</b>	<b>1,328,267</b>	<b>2,316,914</b>
<b>Total liabilities and equity</b>	<b>3,084,513</b>	<b>5,849,001</b>

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

Condensed Quarterly Consolidated Statement of Income		(Unit: ¥ million)	
	Nine months ended December 31, 2021	Nine months ended December 31, 2022	
Net sales	1,848,208	2,406,108	
Cost of sales	1,358,047	1,770,874	
Gross profit	490,161	635,234	
Selling, general and administrative expenses	323,071	451,767	
Operating income	167,090	183,467	
Financial income	6,495	10,822	
Financial costs	4,379	21,055	
Share of profit/loss of entities accounted for using equity method	7	(153)	
Income before income taxes	169,213	173,082	
Income taxes	53,715	58,549	
Net income	115,498	114,533	
Net income attributable to:			
Shareholders of NTT DATA	110,191	105,705	
Non-controlling interests	5,307	8,828	
Total	115,498	114,533	
Net income per share attributable to shareholders of NTT DATA			
Net income per share (yen)	78.57	75.39	

Condensed Quarterly Consolidated Statement of Comprehensive Income

(Unit: ¥ million)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net income	115,498	114,533
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	31,900	(5,559)
Remeasurements of defined benefit plans	(29)	(246)
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	744	(261)
Hedge cost	99	503
Exchange differences on translation of foreign operations	26,523	11,070
Share of other comprehensive income of entities accounted for using equity method	41	(519)
Total other comprehensive income (after taxes)	59,279	4,988
Comprehensive income	174,777	119,521
Comprehensive income attributable to:		
Shareholders of NTT DATA	169,098	160,906
Non-controlling interests	5,679	(41,385)
Total	174,777	119,521

### (3) Condensed Quarterly Consolidated Statement of Changes in Equity

(Nine months ended December 31, 2021)

(Unit: ¥ million)

	Equity attributable to shareholders of NTT DATA						Non-controlling interests	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total		
As of April 1, 2021	142,520	105,988	721,565	(1)	102,827	1,072,899	53,648	1,126,548
<b>Comprehensive income</b>								
Net income	—	—	110,191	—	—	110,191	5,307	115,498
Other comprehensive income	—	—	—	—	58,907	58,907	372	59,279
Comprehensive income	—	—	110,191	—	58,907	169,098	5,679	174,777
<b>Transactions with shareholders</b>								
Dividends of surplus	—	—	(25,946)	—	—	(25,946)	(1,639)	(27,585)
Transfer to retained earnings	—	—	(49)	—	49	—	—	—
Acquisition and disposal of treasury stocks	—	—	—	(204)	—	(204)	—	(204)
Net changes in controlled subsidiaries' stocks	—	(1,308)	—	—	—	(1,308)	(2,297)	(3,605)
Stock-based remuneration transaction	—	63	—	—	—	63	—	63
Put options written on non-controlling interests	—	(595)	—	—	—	(595)	—	(595)
Other	—	(288)	—	—	—	(288)	(409)	(698)
Total transactions with shareholders	—	(2,128)	(25,995)	(204)	49	(28,278)	(4,345)	(32,623)
As of December 31, 2021	142,520	103,860	805,761	(205)	161,783	1,213,719	54,983	1,268,702

(Nine months ended December 31, 2022)

(Unit: ¥ million)

	Equity attributable to shareholders of NTT DATA						Non-controlling interests	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total		
As of April 1, 2022	142,520	102,340	915,853	(205)	110,365	1,270,874	57,393	1,328,267
<b>Comprehensive income</b>								
Net income	—	—	105,705	—	—	105,705	8,828	114,533
Other comprehensive income	—	—	—	—	55,201	55,201	(50,212)	4,988
Comprehensive income	—	—	105,705	—	55,201	160,906	(41,385)	119,521
<b>Transactions with shareholders</b>								
Dividends of surplus	—	—	(30,855)	—	—	(30,855)	(19,131)	(49,986)
Transfer to retained earnings	—	—	(179)	—	179	—	—	—
Acquisition and disposal of treasury stocks	—	—	—	(829)	—	(829)	—	(829)
Changes due to business combinations	—	(72,439)	44,483	—	23,657	(4,299)	926,823	922,524
Net changes in controlled subsidiaries' stocks	—	(584)	—	—	—	(584)	2,129	1,545
Stock-based remuneration transaction	—	828	—	—	—	828	610	1,437
Put options written on non-controlling interests	—	(4,372)	—	—	—	(4,372)	(267)	(4,639)
Other	—	(832)	—	—	—	(832)	(94)	(926)
Total transactions with shareholders	—	(77,400)	13,449	(829)	23,836	(40,944)	910,070	869,126
As of December 31, 2022	142,520	24,940	1,035,007	(1,034)	189,402	1,390,836	926,079	2,316,914



#### (4) Notes to Condensed Quarterly Consolidated Financial Statements

(Business combinations)

Nine months ended December 31, 2022 (From April 1, 2022, to December 31, 2022)

##### (1) Consolidation of Apisero Holdings Corporation as a subsidiary of NTT DATA Group

###### 1) Outline of the Business Combination

On October 27, 2022, NTT DATA CORPORATION, the company submitting consolidated financial statements, acquired equity interest of Apisero Holdings Corporation (headquartered in Arizona, USA; hereinafter “Apisero”), to obtain 100% of voting rights and control of the company through NTT DATA Inc., the subsidiary of the group. The details of the transaction are as follows.

Name of acquired company	Apisero Holdings Corporation
Details of business	Provision of full lifecycle support for MuleSoft products
Main reason for the business combination	<p>Apisero is a leading global MuleSoft consulting firm and one of the largest partners of MuleSoft with over 1,500 certified MuleSoft consultants. MuleSoft is part of the Salesforce family and is a cloud-based integration platform that connects multiple systems under different environments via API. As a leader in the iPaaS market, which offers solutions to support the digital transformation, MuleSoft has been introduced by many leading global companies. Apisero provides full lifecycle support for MuleSoft products to help customers promote digital strategies and differentiate themselves from competitors.</p> <p>The acquisition adds approximately 2,100 personnel of Apisero, including certified MuleSoft and Salesforce consultants, to the Company. By combining them with digital response capabilities that we have acquired through past acquisitions, we will be able to further strengthen our competitiveness. For these reasons, NTT DATA conducted the business combination.</p>
Date of acquisition	October 27, 2022
Method adopted by the acquirer company to take control of the acquired company	Acquisition of equity interest in exchange for cash payment
Percentage of the voting rights acquired	100%

###### 2) Consideration for the transfer

The following table presents the fair-value consideration for the transfer as of the date of acquisition.

	(Unit: ¥ million)
	Date of acquisition (October 27, 2022)
Cash	25,748
Contingent consideration	3,654
Total acquisition price	29,402

(Note) The share transfer agreement includes a clause that requires the price to be adjusted when the transfer is completed. Under this agreement, NTT DATA Group will revise the acquisition price and the goodwill amount by deeming that such payment was made upon the acquisition.

3) Amount and Item of Acquisition-Related Costs

The following table shows the items and amounts of acquisition-related costs.

(Unit: ¥ million)	
Item	Amount
Advisory expenses	71
Legal expenses	191
Others	81
Total acquisition-related costs	343

(Note) The expenses are included and processed in “selling, general and administrative expenses” in the Condensed Quarterly Consolidated Statement of Income.

4) Fair value of acquired assets and assumed liabilities and goodwill as of the date of acquisition

The following table shows the details and fair value of acquired assets and assumed liabilities and goodwill as of the date of acquisition.

		(Unit: ¥ million)
		Date of acquisition (October 27, 2022)
Assets		
Trade and other receivables (Note 1)		2,634
Tangible fixed assets		200
Intangible assets (Note 2)		5,880
Other		284
Liabilities		
Trade and other payables		1,067
Other		206
Net amount of acquired assets and assumed liabilities		7,725
Consideration for the transfer		29,402
Difference	Goodwill (Note3)	21,677

The value of goodwill and assets recorded at the end of this third quarter is provisionally based on the estimation with currently accessible information given that identifiable assets and liabilities are now under evaluation and acquisition cost allocation is not completed.

(Notes)

1. These items are all trade receivables. Of these, no important items are deemed unrecoverable.
2. This amount is identifiable assets of 5,880 million yen.
3. Goodwill mainly comprises synergies and excess earning power expected to be obtained from integration with the NTT DATA Group.

5) Impact on the NTT DATA Group's performance

The period of performance recognized in the third quarter of FY2022 is from October 27 to December 31, 2022. Net sales are 2,297 million yen and net income is 248 million yen.

In the pro forma information based on the assumption that the business combination took place at the beginning of the current consolidated fiscal year, net sales are 9,076 million yen and net income is 897 million yen.

The pro forma information indicates the estimated amount that has not been audited.

(2) Consolidation of Aspirent Consulting, LLC as a subsidiary of NTT DATA Group

1) Outline of the Business Combination

On November 16, 2022, NTT DATA CORPORATION, the company submitting consolidated financial statements, acquired equity interest of Aspirent Consulting, LLC (headquartered in Georgia, USA; hereinafter “Aspirent”), to obtain 100% of voting rights and control of the company through NTT DATA Inc., the subsidiary of the Group. The details of the transaction are as follows.

Name of acquired company	Aspirent Consulting, LLC
Details of business	Data analytics services (advisory services, introduction of solutions, integration, etc.)
Main reason for the business combination	Aspirent supports customers in data utilization and digital transformation by taking advantage of their strength in advisory services in the field of data analytics. This acquisition will add approximately 230 staff of Aspirent to the Company, which will enable us to significantly expand the delivery capability in this field and further strengthen the ability to offer cloud-based data solutions such as Microsoft Azure, AWS, Databricks, and Snowflake. For these reasons, NTT DATA conducted the business combination.
Date of acquisition	November 16, 2022
Method adopted by the acquirer company to take control of the acquired company	Acquisition of equity interest in exchange for cash payment
Percentage of the voting rights acquired	100%

2) Consideration for the Transfer

The following table presents the fair-value consideration for the transfer as of the date of acquisition.

	(Unit: ¥ million)
	Date of acquisition (November 16, 2022)
Cash	29,413
Total acquisition price	29,413

(Note) The share transfer agreement includes a clause that requires the price to be adjusted when the transfer is completed. Under this agreement, NTT DATA Group will revise the acquisition price and the goodwill amount by deeming that such payment was made upon the acquisition.

3) Amount and Item of Acquisition-Related Costs

The following table shows the items and amounts of acquisition-related costs.

(Unit: ¥ million)	
Item	Amount
Advisory expenses	68
Legal expenses	123
Others	88
Total acquisition-related cost	279

(Note) The expenses are included and processed in “selling, general and administrative expenses” in the Condensed Quarterly Consolidated Statement of Income.

4) Fair value of acquired assets and assumed liabilities and goodwill as of the date of acquisition

The following table shows the details and fair value of acquired assets and assumed liabilities and goodwill as of the date of acquisition.

(Unit: ¥ million)	
Date of acquisition (November 16, 2022)	
Assets	
Trade and other receivables (Note 1)	2,024
Intangible assets (Note 2)	5,883
Other	33
Liabilities	
Trade and other payables	505
Other	86
Net amount of acquired assets and assumed liabilities	7,348
Consideration for the transfer	29,413
Difference Goodwill (Note 3)	22,065

The value of goodwill and assets recorded at the end of this third quarter is provisionally based on the estimation with currently accessible information given that identifiable assets and liabilities are now under evaluation and acquisition cost allocation is not completed.

(Notes)

1. These items are all trade receivables. Of these, no important items are deemed unrecoverable.
2. This amount is identifiable assets of 5,883 million yen.
3. Goodwill mainly comprises synergies and excess earning power expected to be obtained from integration with the NTT DATA Group.

5) Impact on the NTT DATA Group's performance

The period of performance recognized in the third quarter of FY2022 is from November 16 to December 31, 2022. Net sales are 806 million yen and net loss is 105 million yen.

In the pro forma information based on the assumption that the business combination took place at the beginning of the current consolidated fiscal year, net sales are 5,965 million yen and net loss is 310 million yen.

The pro forma information indicates the estimated amount that has not been audited.

(3) Consolidation of NTT, Inc. as a subsidiary of NTT DATA Group

1) Overview of business combination

With October 1, 2022 as the effective date, and based on an absorption-and-split agreement concluded on May 9, 2022, NTT DATA Corporation, the company submitting consolidated financial statements, conducted an absorption-and-split (hereinafter referred to as “the Overseas Business Split”), transferring rights and duties in overseas operations held by the Company to NTT, Inc. (hereinafter “NTT, Inc.”). The name of the transferred company after the split of overseas operations is NTT DATA, Inc. (hereinafter “NTT DATA, Inc.”). The split of overseas operations corresponds to a “transaction under joint control, etc.” based on the accounting policy of the NTT DATA Group, such that, once the transaction was implemented, the conditions for control that are required in the accounting standards related to the consolidated financial statements were satisfied, making NTT, Inc. a subsidiary of the NTT DATA Group.

Name of acquired company	NTT, Inc. (currently, NTT DATA, Inc.)
Main business	Data centers, networks and managed services
Main reason for the business combination	<p>This business combination combines within the NTT Group the overseas operations for business users previously operated individually by NTT DATA, NTT, Inc. and NTT, Ltd., to be operated by the Group on a unified basis.</p> <p>The Company has long supported a wide variety of corporate systems and industry infrastructure through its deep understanding of customers and its advanced technological capabilities. With this business combination, the Company combines its strengths with the linking capabilities of NTT Ltd. to deliver enhanced value.</p> <p>Specifically, the business combination combines the system integration capabilities of NTT DATA, primarily consisting of consulting and application development (Power to Create), with the strengths in edge-to-cloud service operations in which NTT Ltd. excels, with focus on data centers, networks and managed services (Power to Connect), thereby advancing NTT DATA into a Company able to provide total service integrating IT with connectivity. The business combination centralizes the service lineup necessary to implement DX, including the connectivity domain, enabling response on a global level to customers’ increasingly complex and diverse needs.</p> <p>In addition, by mobilizing NTT Group personnel active in overseas operations, this business combination enables rapid decision-making according to the unique characteristics of each business and customer in each overseas region. The Company will build a robust global governance framework to support business growth going forward.</p> <p>Over the medium-to-long term, the Company will deliver comprehensive management services from edge to cloud, integrating IT and connectivity to provide secure links between resources. This enhancement will enable the Company can direct its attention to creating new social platforms and innovative services that transcend the boundaries among companies and industries. Moreover, the Company will be able to deploy globally innovative services using NTT’s IOWN, aiming to become a Company that can create frameworks for a sustainable future.</p> <p>This integration of overseas operations will promote a unified understanding of customers worldwide. In so doing, NTT DATA will build a brand that enjoys even greater trust among customers, while strengthening its competitiveness to achieve further growth and improvement of corporate value.</p>
Date of acquisition	October 1, 2022
Method adopted by the acquirer company to take control of the acquired company	Absorption-split of the Company’s overseas operations and acquisition of equity interest in exchange for cash payment
Percentage of the voting rights acquired	55%

2) Consideration for the Transfer

The following table presents the fair-value consideration for the transfer as of the date of acquisition.

	(Unit: ¥ million)
	Date of acquisition (October 1, 2022)
Cash	112,000
Shares related to the overseas business split, etc. (Note)	442,113
<b>Total acquisition price</b>	<b>554,113</b>

(Note) This constitutes a non-cash transaction.

3) Amount and Item of Acquisition-Related Costs

The following table shows the items and amounts of acquisition-related costs.

	(Unit: ¥ million)
Item	Amount
Advisory expenses	706
Legal expenses	341
Others	37
<b>Total acquisition-related cost</b>	<b>1,084</b>

(Note) The expenses are included and processed in “selling, general and administrative expenses” in the Condensed Quarterly Consolidated Statement of Income.



4) Fair value of acquired assets and assumed liabilities and goodwill as of the date of acquisition

The following table shows the details and fair value of acquired assets and assumed liabilities and goodwill as of the date of acquisition.

	(Unit: ¥ million)
	Date of acquisition (October 1, 2022)
Assets	
Trade and other receivables	975,363
Tangible fixed assets	971,376
Goodwill	560,493
Intangible assets	119,879
Other	180,585
Liabilities	
Trade and other payables	621,976
Bonds and borrowings (Note 1)	1,041,612
Other	115,272
Net amount of acquired assets and assumed liabilities	1,028,835
Equity interests assumed in a business combination under common control	135
Total	1,028,970
Non-controlling interests	426,015
Consideration for the transfer in a business combination (Refer 2))	554,113
Difference (subtracted from capital surplus)	48,842

(Note 1) The amount includes 979,075 million yen in transaction balances with NTT FINANCE CORPORATION, a related party.

5) Impact on the NTT DATA Group's performance

The period of performance recognized in the third quarter of FY2022 is from October 1 to December 31, 2022. Net sales are 302,375 million yen and net loss is 2,904 million yen.

In the pro forma information based on the assumption that the business combination took place at the beginning of the current consolidated fiscal year, net sales are 908,275 million yen and net income is 5,710 million yen.

The pro forma information indicates the estimated amount that has not been audited.

(Additional Information)

(Transition to Holding Company structure)

NTT DATA has resolved at the Board of Directors meeting on May 9, 2022, to establish a Domestic Business Split Preparation Company as a wholly-owned subsidiary of the Company and by having the Domestic Business Split Preparation Company take over the domestic business of the Company by or around July 1, 2023, through an absorption-type company split (the “Domestic Business Split”), shift to a holding company with two subsidiaries, i.e., NTT DATA Inc. and the Domestic Business Split Preparation Company (the “Transition to Holding Company Structure”).

#### 1. Purpose and Effects of the Transition to Holding Company Structure

Given the overseas business combination against the backdrop of accelerating efforts towards digital transformation on a global scale and more complex and diverse customer needs, we consider it necessary to reconstruct the group management structure and further strengthen governance through speedy decision-making in responding to changes in the external environment and local markets, improved mobility, flexible system designs, etc., and have decided to execute the Transition to Holding Company Structure.

After transitioning to a holding company structure, NTT DATA, as a holding company, will specialize in the formulation and implementation of growth strategies from the perspective of optimizing the entire Group, business management, etc., in order to increase the corporate value of the entire Group.

#### 2. Outline of the Transition to Holding Company Structure

##### (1) Schedule for the Domestic Business Split

Board of directors meeting to approve the establishment of the Domestic Business Split Preparation Company	May 9, 2022
Establishment of the Domestic Business Split Preparation Company	November 1, 2022
Board of directors meeting to approve execution of the absorption-type company split agreement	May 2023 (scheduled)
Execution of the absorption-type company split agreement	May 2023 (scheduled)
Resolution at general shareholders meeting regarding the absorption-type company split agreement	June 2023 (scheduled)
Effective date of the Domestic Business Split	July 1, 2023 (scheduled)

##### (2) Method of the Domestic Business Split

The method of the Domestic Business Split is expected to be an absorption-type company split where the Company is the splitting company and the Domestic Business Split Preparation Company, a wholly-owned subsidiary of the Company, is the succeeding company.

(5) Notes to Going Concern Assumptions

N/A