

Consolidated Financial Results for the Second Quarter of the fiscal year ending March 31, 2010

October 29, 2009

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.co.jp/>
 Contacts Company representative :Toru Yamashita, President and Chief Executive Officer
 Person in charge :Takashi Kanae, Senior Manager, Investor Relations Office
 Tel.: (03)5546-9962

Date of scheduled filing of Quarterly Business Report :November 11, 2009
 Date of scheduled payment of dividends :December 1, 2009

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

1. Consolidated Financial Results in Q2 of FY2009 (From April 1, 2009 to September 30, 2009)

(1) Consolidated Results of Operations

(% of change from the corresponding previous quarterly period)

	Net sales		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
FY2009 Q2	532,827	3.8	33,476	△25.1	30,384	△29.9	15,242	△33.0
FY2008 Q2	513,394	—	44,684	—	43,327	—	22,763	—

	Net income per share	Net income per share (diluted)
FY2009 Q2	¥ 5,433.90	¥ 5,433.73
FY2008 Q2	8,115.17	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
FY2009 Q2	¥ million 1,197,487	¥ million 599,172	48.0%	¥ 204,779.29
FY2008	1,275,091	592,004	44.4%	201,892.62

Note: Equity FY2009 Q2 574,405million yen FY2008 566,308million yen.

2. Dividends

	Cash dividends per share				
	End of the first quarter	End of the second quarter	End of the third quarter	Year-end	Total
	¥	¥	¥	¥	¥
FY2008	—	3,000.00	—	3,000.00	6,000.00
FY2009	—	3,000.00			
FY2009 (Forecast)			—	3,000.00	6,000.00

Note: Revisions to the forecast of dividends in the current quarter: No

3. Forecast of consolidated results for FY2009 (From April 1, 2009 to March 31, 2010)

(% of change from the corresponding previous period)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
FY2009	1,170,000	2.7	90,000	△8.7	86,000	△10.0	47,000	△2.8	16,755.79

Note: Revisions to the forecast of consolidated results in the current quarter: No

4. Others

- (1) Changes in significant subsidiaries during the current period
(Changes in specified subsidiaries that caused a change in the scope of consolidation): No
- (2) Application of simplified accounting and application of special accounting to preparation of quarterly consolidated financial statements: Yes
(Note: For details please refer to “4. Others” in the Qualitative Information and Financial Statements section on page 6.)
- (3) Changes in accounting principles and procedures, presentation, etc., relating to the preparation of consolidated quarterly financial statements (Those included in changes in important matters fundamental to the preparation of consolidated quarterly financial statements)
1) Change caused by revision of accounting standards, etc.: Yes
2) Changes other than in 1) above: No
(Note: For details please refer to “4. Others” in the Qualitative Information and Financial Statements section on page 6.)
- (4) The number of shares outstanding(common stock)
1) The number of shares outstanding FY2009 Q2 2,805,000shares FY2008 2,805,000shares
(inclusive of treasury stock)
2) The number of treasury stock FY2009 Q2 — shares FY2008 — shares
3) Average number of shares over period FY2009 Q2 2,805,000shares FY2008 Q2 2,805,000shares
(consolidated total for quarter)

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

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.

(Note: For details please refer to “3. Qualitative Information on the Consolidated Results Forecast” in the Qualitative Information and Financial Statements section on page 6.)

Consolidated Results of Operations in Q2 of FY2009 (From July 1, 2009 to September 30, 2009)

(% of change from the corresponding previous quarterly period)

	Net sales		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
FY2009 Q2	263,506	△1.9	16,851	△28.4	15,200	△32.4	7,785	△28.0
FY2008 Q2	268,481	—	23,548	—	22,495	—	10,810	—

	Net income per share	Net income per share (diluted)
	¥	¥
FY2009 Q2	2,775.63	2,775.55
FY2008 Q2	3,853.92	—

Qualitative Information and Financial Statements

1. Qualitative Information on the Consolidated Business Results

During the period under review the state of the Japanese economy remained serious, characterized by substantial declines in corporate earnings and by a continued slide in capital investment. Exports and industrial output, on the other hand, are trending upwards in response to the completion of inventory adjustments and improvements in overseas economies, and public investment is also increasing. As regards the economic outlook, factors such as these are giving signs that the economy is picking up.

In the information service industry the curbs on IT investment are continuing overall against the backdrop of deteriorating corporate earnings, reflected in the suspension of new projects and declines in unit prices for services. Nevertheless, signs of brightness are evident in some areas, principally indispensable projects such as the rebuilding of obsolescent systems and development of systems to address compliance requirements. On the downside, customer demands for lower prices, shorter delivery periods, and higher quality are becoming increasingly loud.

Implementation of management policies

Amid these circumstances the NTT DATA Group is continuing its efforts to be ranked “No.1 in customer satisfaction” as a “Leading-edge innovator.” Accordingly, we have sought to “achieve quantitative expansion through quality”, endeavoring to continuously develop business and increase corporate value. We have done so by pursuing the primary strategies of our Medium-term Management Policy, namely “Strengthening of service provision capability”, “Group businesses enhancement and expansion”, and “Environment-oriented management.” Examples of specific action taken are as follows.

< Strengthening of service provision capability >

- We assumed management control of BNI Systems Corporation, and strengthened our offshore development structure with its Chinese subsidiary Wuxi Huaxia Computer Technology Co., Ltd. As a result, there was an increase to more than 1,000 in the number of directly managed subsidiaries’ offshore-development personnel in China.
- NTT DATA Hangzhou Co., Ltd. was established in a joint venture with eBaoTech Corporation of China and Totyu Software Co., Ltd. to serve as a development and service base for package systems for insurance companies.
- NTT DATA has been lauded for various steps taken to enhance sales and marketing capabilities and SI competitiveness, and in *Nikkei Computer* magazine’s 14th Customer Satisfaction Survey, featured in its August 19, 2009, issue, NTT DATA was ranked first in two categories: system development and related services (information service companies) and system operation and related services (information service companies).

< Group businesses enhancement and expansion >

- To strengthen our presence in the Asia-Pacific region, where significant growth is expected, NTT DATA Asia Pacific Pte. Ltd. has been established to serve as NTT DATA’s headquarters for the region.
- A capital alliance with Extend Technologies Group Holdings Pty Ltd of Australia has been formed for the purpose of further strengthening and expanding the global SAP support system from Europe and the

United States to the Asia-Pacific region.

- NTT DATA has decided to merge NTT DATA Net's Inc. and NTT DATA FIT Corporation, two subsidiaries specializing in systems development for financial institutions, and establish NTT DATA Financial Core Corporation. The merger will integrate the systems-development resources and know-how of the two companies in the field of mission-critical systems and settlement systems development for the financial sector, thereby strengthening our ability to address complex needs.

<Environment-oriented management >

- NTT DATA is participating in a 2009 trial project organized by the Ministry of Economy, Trade and Industry's Agency for Natural Resources and Energy to create an environment conducive to electric vehicles. The Company has started examination of the effectiveness of certification, charging, and payment schemes for the joint use of vehicle recharging facilities.
- Under the auspices of our Environmental Management Promotion Office we have begun studying the laying-down of targets for reducing both the Group's environmental impact and the environmental impact of society as a whole through the provision of the Group's business.
- The Green Data Center service aims to reduce environmental impact and realize energy-saving. In recognition of the merits of this service, NTT DATA and NTT Facilities, Inc. won the Minister of Economy, Trade and Industry Award , part of the Green IT Award 2009 program sponsored by the Green IT Promotion Council.

Implementation of business activities

Through these efforts the Company conducted vigorous marketing activities to win orders for new systems and inaugurate services, and also undertook efficient system development. At the same time the Company continued to strive to provide stable services for systems already supplied to customers.

The following sections present descriptions of specific efforts made in each of its business fields.

<Public Administration Sector >

- We won an order for the rental and maintenance of an electronic bid system for the Ministry of Education, Culture, Sports, Science and Technology.
- We won an order from the Ministry of Health, Labour and Welfare for contract services relating to validation activity for studies toward the design of the Social Security Card (tentative name) system.
- We commenced the supply of STC Manager, a security trade control support solution for corporate customers engaged in international trade.

<Financial Sector >

- The Tottori Bank, Ltd. committed to participate in the NTT DATA Regional Bank Integrated Services Center, a center for shared utilization by financial institutions. This will increase the number of bank participants to 14.
- We are newly developing the FINALUNA rock-solid framework, a Java solution for financial institutions' mission-critical systems.
- We commenced the building of an interconnection solution for SAP ERP, SAP's integrated enterprise resource planning software, and our ANSER banking network service system.

<Industrial Sector>

- We won an order for the development and operation of the next-generation derivative-trading system at the Osaka Securities Exchange Co., Ltd., adopting package software produced by NASDAQ OMX Group, Inc. (Sweden).
- We formed a capital alliance with Information Technology System Co., Ltd. (ITECS), in order to promote collaboration in the field of human resource management packages in the next-generation solution Biz J (Biz Integral).
- For use of the RESPORT/Investment Instruction Service for Trustees, an SaaS service for the real estate securitization market, agreements have been concluded with four trust banks: Mitsubishi UFJ Trust and Banking Corporation, the Sumitomo Trust and Banking Company, Limited, Mizuho Trust & Banking Co., Ltd., and the Chuo Mitsui Trust and Banking Company, Limited.

In addition to the above, the following activities were also undertaken.

- As part of our efforts in “SaaS over NGN” for supporting SaaS business using next-generation network (NGN) and other means, we have developed the SaaS Platform Common Function Group jointly with Nippon Telegraph and Telephone Corporation and NTT Communications Corporation, and have begun providing support for construction of service platforms for SaaS businesses.
- We have implemented a major upgrade to the MaDoRE map content delivery platform. It has been launched anew as a SaaS-type service, making it possible for users to select from a diverse array of applications, centering on sales and marketing functions, and a wealth of map data and other content.
- In the field of i-lligra SaaS-type CRM solutions we began offering the i-lligra On Demand, Interactive Voice Response service, a SaaS-type contact center solution. We also launched i-lligra Suggest for intra-mart, which integrates suggest search and other improved usability functions with intra-mart, NTT DATA Intramart Corporation’s web system building platform product.

As a result of these activities, net sales declined during the reporting period owing to factors such as fiercer competition as economic conditions deteriorated, and a decrease in some equipment services. There was also an increase in the number of consolidated subsidiaries, and there was a temporary shift to sales and marketing activity as business conditions worsened, leading to an increase in SG&A expenses. Owing to factors such as these, business performance was as follows.

• Net Sales	263.5 billion yen (down 1.9% year-on-year)
• Operating Income	16.8 billion yen (down 28.4% year-on-year)
• Ordinary Income	15.2 billion yen (down 32.4% year-on-year)
• Net Income	7.7 billion yen (down 28.0% year-on-year)

With regard to cumulative results for the reporting period, as a result of the harsh business environment the sales of the Company and its existing subsidiaries underwent a decrease, but owing to the increase in the number of consolidated subsidiaries, net sales rose by 3.8% year-on-year, to 532.8 billion yen. Net income for the period totaled 15.2 billion yen, down by 33.0% year-on-year. The main factors behind this were the increase in the number of consolidated subsidiaries, the increase in SG&A expenses resulting from the temporary shift to sales and marketing activity as business conditions worsened, and a decrease in non-operating income resulting from losses on sales of non-current assets.

• Net Sales	532.8 billion yen (up 3.8% year-on-year)
• Operating Income	33.4 billion yen (down 25.1% year-on-year)
• Ordinary Income	30.3 billion yen (down 29.9% year-on-year)
• Net Income	15.2 billion yen (down 33.0% year-on-year)

Please refer to the Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2010 (released on July 31, 2009), for qualitative information on the consolidated business results for the first quarter of the fiscal year ending March 31, 2010.

2. Qualitative Information on the Consolidated Financial Position

Total assets at the end of the second quarter totaled 1,197.4 billion yen, down by 77.6 billion yen, or 6.1%, from the end of the previous fiscal year. The principal changes in assets and liabilities were as follows.

• Assets

Owing to factors such as a decline in accounts receivable, current assets totaled 375.8 billion yen, down by 72.5 billion yen, or 16.2%, from the end of the previous fiscal year.

Non-current assets totaled 821.6 billion yen, down by 5.0 billion yen, or 0.6%, from the end of the previous fiscal year.

• Liabilities

Owing to factors such as decreases in accounts payable and income taxes payable and to the redemption of commercial paper, liabilities totaled 598.3 billion yen, representing a decrease of 84.7 billion yen, or 12.4%, from the previous fiscal year-end.

3. Qualitative Information on the Consolidated Results Forecast

The business environment remains harsh for subsidiaries sensitive to economic slowdowns, but cumulative orders received during the reporting period registered a rise year-on-year. In addition, medium-term management measures were implemented vigorously, such as with the establishment of three in-house companies on July 1 to enhance Group collaboration and generate Group synergies while facilitating greater flexibility in Group operations. In view of this, for the present our results forecast for the full term (released on May 12, 2009) remains unchanged.

4. Others

(1) Changes in significant consolidated subsidiaries (which resulted in changes in scope of consolidation)

There were no changes in significant consolidated subsidiaries during the period.

(2) Application of simplified accounting and application of special accounting to preparation of quarterly consolidated financial statements

1) Simplified accounting

Only material adjustments and tax deductions are taken into consideration in the computation of

corporation tax, deferred tax assets, and deferred tax liabilities.

2) Special accounting to preparation of quarterly consolidated financial statements

N/A

(3) Changes in accounting principles and procedures, presentation, etc., relating to the preparation of consolidated quarterly financial statements

1) Changes in standard for stating earnings from and cost of completed works

With regard to the recording basis for earnings related to contract works, NTT DATA had been applying the completed-contract method to contract works, but from the first quarter of the year ending March 31, 2010, the Company is applying the Accounting Standard for Construction Contracts (ASBJ Statement No. 15; December 27, 2007) and the Guidance on Accounting Standard for Construction Contracts (ASBJ Guidance No. 18; December 27, 2007). Accordingly, with regard to works contracts for commissioned software development that commenced in the first quarter, those works for which the outcome of the progress made by the end of the reporting period is deemed certain are subject to the percentage-of-completion method (with the percentage of completion estimated on a cost-to-cost basis), and other works are subject to the completed-contract method. In consequence, net sales increased by 10,193 million yen, and operating income, ordinary income and income before income taxes increased by 1,273 million yen.

2) Change in method of presentation

(Consolidated Statements of Operations)

During the period under review there was increase in the significance of the amount of the loss on sales of non-current assets, which was included in "Other non-operating expenses" in the previous first half, and accordingly it has been stated as a separate item. The amount of the loss on sales of non-current assets included in "Other non-operating expenses" in the previous first half totaled 17 million yen.

(Consolidated Statements of Cash Flows)

- Taking the need for consistency with year-end statements into consideration, the item "Payments for investments in subsidiaries resulting in change in scope of consolidation," which has been included in the "Payments for investments in subsidiaries" component of cash flows from investing activities in the previous first half, will be stated as a separate item as of this reporting period. The item "Payments for investments in subsidiaries resulting in change in scope of consolidation" included in the "Payments for investments in subsidiaries" component of cash flows from investing activities in the previous first half was a decrease of 1,798 million yen.
- During the reporting period there was increase in the significance of the amount of the item "Increase/(decrease) in short-term borrowings, net," which was included in "Others" under cash flows from financing activities in the previous first half. Accordingly, it has been stated as a separate item. In the previous first half, the amount of "Increase/(decrease) in short-term borrowings, net" included in the "Others" item of cash flows from financing activities was a decrease of 384 million yen.
- During the reporting period there was increase in the significance of the amount of the item

"Proceeds from long-term debt," which was included in "Others" under cash flows from financing activities in the previous first half. Accordingly, it has been stated as a separate item. In the previous first half, the amount of "Proceeds from long-term debt" included in the "Others" item of cash flows from financing activities was an increase of 53 million yen.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: ¥ million)

	As of September 30, 2009	As of March 31, 2009
ASSETS		
Current Assets		
Cash on hand and at banks	86,319	125,421
Notes receivable and accounts receivable	169,745	219,984
Securities	17,000	2,000
Inventories	51,472	47,017
Deferred income taxes	16,590	18,810
Other current assets	35,951	36,111
Allowance for doubtful accounts	(1,206)	(886)
Total Current Assets	375,872	448,458
Non-Current Assets		
Property and Equipment		
Data communication facilities, net	145,177	131,096
Buildings and structures, net	104,029	106,038
Machinery, equipment and vehicles, net	16,723	17,512
Furniture, fixtures and tools, net	14,669	14,988
Land	49,062	49,053
Lease assets, net	9,084	11,708
Construction in progress	40,688	54,438
Total Property and Equipment	379,436	384,837
Intangible Assets		
Software	225,237	208,871
Development costs of software in progress	59,273	76,899
Goodwill	37,352	38,066
Other intangible assets	8,968	8,173
Total Intangible Assets	330,832	332,011
Investments and Other Assets		
Investments in securities	21,731	21,338
Deferred income taxes	55,121	54,895
Other assets	35,010	34,055
Allowance for doubtful accounts	(518)	(503)
Total Investments and Other Assets	111,345	109,785
Total Non-Current Assets	821,614	826,633
TOTAL ASSETS	1,197,487	1,275,091

Consolidated Balance Sheets-continued

(Unit: ¥ million)

	As of September 30, 2009	As of March 31, 2009
LIABILITIES		
Current Liabilities		
Accounts payable	62,852	94,293
Short-term borrowings	12,858	16,551
Commercial Paper	—	25,000
Current portion of long-term debt	8,292	8,045
Current portion of bonds payable	33,060	3,000
Obligation under capital leases	11,010	12,082
Accounts payable-other	12,263	22,500
Income taxes payable	14,515	37,409
Allowance for contract losses	4,780	5,178
Other current liabilities	107,564	95,880
Total Current Liabilities	267,198	319,942
Non-Current Liabilities		
Bonds payable	180,055	210,046
Long-term debt	40,339	42,092
Obligation under capital leases	10,570	14,741
Provision for retirement benefits	86,284	81,683
Provision for retirement allowances to directors and statutory auditors	927	1,195
Other non-current liabilities	12,939	13,386
Total Non-Current Liabilities	331,116	363,145
TOTAL LIABILITIES	598,315	683,087
NET ASSETS		
Shareholders' equity		
Common Stock	142,520	142,520
Capital Surplus	139,300	139,300
Retained Earnings	305,589	298,752
Total Shareholders' equity	587,409	580,572
Valuation and translation adjustments		
Unrealized Gains on Investment Securities, Net of Taxes	(139)	(208)
Deferred gains and losses on hedge	—	6
Translation adjustments	(7,495)	(9,216)
Other valuation and translation adjustments	(5,368)	(4,845)
Total Valuation and translation adjustments	(13,003)	(14,264)
Minority Interests in Consolidated Subsidiaries	24,766	25,695
TOTAL NET ASSETS	599,172	592,004
TOTAL LIABILITIES AND NET ASSETS	1,197,487	1,275,091

(2) Consolidated Statements of Operations

(Unit: ¥ million)

	Six months ended September 30, 2008	Six months ended September 30, 2009
Net Sales	513,394	532,827
Cost of Sales	387,265	405,333
Gross Profit	126,129	127,494
Selling, General and Administrative Expenses	81,444	94,018
Operating Income	44,684	33,476
Non-Operating Income		
Interest income	465	222
Dividend income	524	480
Other non-operating income	2,580	1,489
Total Non-Operating Income	3,569	2,192
Non-Operating Expenses		
Interest expenses	2,330	2,343
Loss on sales of non-current assets	—	663
Other non-operating expenses	2,596	2,278
Total Non-Operating Expenses	4,926	5,284
Ordinary Income	43,327	30,384
Income before Income Taxes	43,327	30,384
Income Taxes	19,710	14,783
Minority interests in income (loss)	853	358
Net Income	22,763	15,242

(Unit: ¥ million)

	Three months ended September 30, 2008	Three months ended September 30, 2009
Net Sales	268,481	263,506
Cost of Sales	204,468	199,955
Gross Profit	64,012	63,551
Selling, General and Administrative Expenses	40,463	46,699
Operating Income	23,548	16,851
Non-Operating Income		
Interest income	216	72
Dividend income	45	10
Other non-operating income	1,241	681
Total Non-Operating Income	1,503	764
Non-Operating Expenses		
Interest expenses	1,214	1,154
Other non-operating expenses	1,342	1,261
Total Non-Operating Expenses	2,556	2,415
Ordinary Income	22,495	15,200
Income before Income Taxes	22,495	15,200
Income Taxes	10,925	7,049
Minority interests in income (loss)	760	365
Net Income	10,810	7,785

(3) Consolidated Statements of Cash Flows

(Unit: ¥ million)

	Six months ended September 30, 2008	Six months ended September 30, 2009
Cash Flows from Operating Activities		
Income before income taxes	43,327	30,384
Depreciation and amortization	78,901	76,897
Loss on retirement of non-current assets	3,655	1,566
Increase/(decrease) in provision for retirement benefits	(32,851)	4,566
Interest expenses	2,330	2,343
Costs related to revision of secondment program, etc.	(40,773)	—
(Increase)/decrease in accounts receivable	68,034	51,047
(Increase)/decrease in inventories	(34,225)	(4,315)
Increase/(decrease) in accounts payable	(23,681)	(29,208)
Others, net	19,677	12,766
Sub Total	84,395	146,048
Interest and dividends received	989	701
Interest paid	(1,987)	(2,249)
Income taxes (paid)/reimbursed	6,775	(35,712)
Net cash provided by operating activities	90,172	108,788
Cash Flows from Investing Activities		
Payments for acquisition of non-current assets	(89,005)	(84,650)
Payments for investments in subsidiaries resulting in change in scope of consolidation	—	(862)
Payments for investments in subsidiaries	(2,742)	—
Others, net	397	(88)
Net cash used in investing activities	(91,350)	(85,601)
Cash Flows from Financing Activities		
Proceeds from issuance of bonds	99,577	—
Payment to bond redemption funds	(30,000)	—
Proceeds from long-term debt	—	2,360
Repayments of long-term borrowings	(3,897)	(4,213)
Increase/(decrease) in commercial paper, net	(45,000)	(25,000)
Increase/(decrease) in short-term borrowings, net	—	(3,725)
Repayment of obligation under capital leases	(7,575)	(5,999)
Cash dividends	(7,009)	(8,408)
Cash dividends to minority shareholders	(2,205)	(627)
Others, net	(320)	60
Net cash used in financing activities	3,567	(45,554)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	671	594
Net Increase/(Decrease) in Cash and Cash Equivalents	3,060	(21,772)
Cash and Cash Equivalents at Beginning of Year	112,910	131,822
Cash and Cash Equivalents at End of period	115,971	110,049

(4) Notes concerning going-concern assumptions

N/A

(5) Notes in the event of material changes in amount of shareholders' equity

Resolution	Class of stock	Total dividend amount (¥ million)	Dividend per share (¥)	Reference date	Effective date	Source of dividends
Ordinary general meeting of shareholders on June 23, 2009	Common stock	8,415	3,000	March 31, 2009	June 24, 2009	Retained earnings